

UTAH OIL AND GAS CONSERVATION COMMISSION

M

REMARKS: WELL LOG _____ ELECTRIC LOGS _____ FILE WATER SANDS _____ LOCATION INSPECTED _____ SUB. REPORT/abd. _____

** LA. well never drilled*

DATE FILED **6-6-83**

LAND: FEE & PATENTED _____ STATE LEASE NO. _____ PUBLIC LEASE NO. **U-40053** INDIAN _____

DRILLING APPROVED: **6-8-83 - OIL**

SUDDEN IN: _____

COMPLETED: _____ PUT TO PRODUCING: _____

INITIAL PRODUCTION: _____

GRAVITY A.P.I. _____

GOR: _____

PRODUCING ZONES: _____

TOTAL DEPTH: _____

WELL ELEVATION: _____

DATE ABANDONED: *7-27-84* *PA'd*

FIELD: ~~Undesignated~~ *3/86 Little Nancy*

UNIT: **Little Nancy**

COUNTY: **San Juan**

WELL NO. **Nancy Federal 3-34** API #**43-037-30905**

LOCATION **1370 FSL** FT. FROM (N) (S) LINE. **2635 FEL** FT. FROM (E) (W) LINE. **NWSE** 1/4 - 1/4 SEC. **3**

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
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38S	25E	3	TRICENTROL RESOURCES INC.				
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Permitco

A Petroleum Permitting Company

June 2, 1983

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

Re: Tricentrol Resources Inc.
Nancy Federal #3-34
1370' FSL & 2635' FEL
Section 3, T38S-R25E
San Juan County, UT

Gentlemen:

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

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

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

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

Sincerely,

PERMITCO



Lisa L. Green
Consultant for
Tricentrol Resources Inc.

/llg

Enclosures

June 2, 1983

Minerals Management Service

RE: NTL-6 Program
Nancy Federal #3-34
1370' FSL & 2635' FEL
Section 3, 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

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

10

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 1370' FSL & 2635' FEL
 At proposed prod. zone NW/SE

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) 5'
 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 750'

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 5353' Gr.

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.
 #3-34

10. FIELD AND POOL, OR WILDCAT
 Unnamed UNDESIGNATED

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

12. COUNTY OR PARISH 13. STATE
 San Juan Utah

16. NO. OF ACRES IN LEASE 1921.56
 17. NO. OF ACRES ASSIGNED TO THIS WELL 40
 19. PROPOSED DEPTH 6000'
 20. ROTARY OR CABLE TOOLS Rotary
 22. APPROX. DATE WORK WILL START* Upon approval of APD

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 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.

RECEIVED
 JUN 06 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. SIGNED David Howell TITLE Petroleum Engineer DATE 6-1-83

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____

CONDITIONS OF APPROVAL, IF ANY:

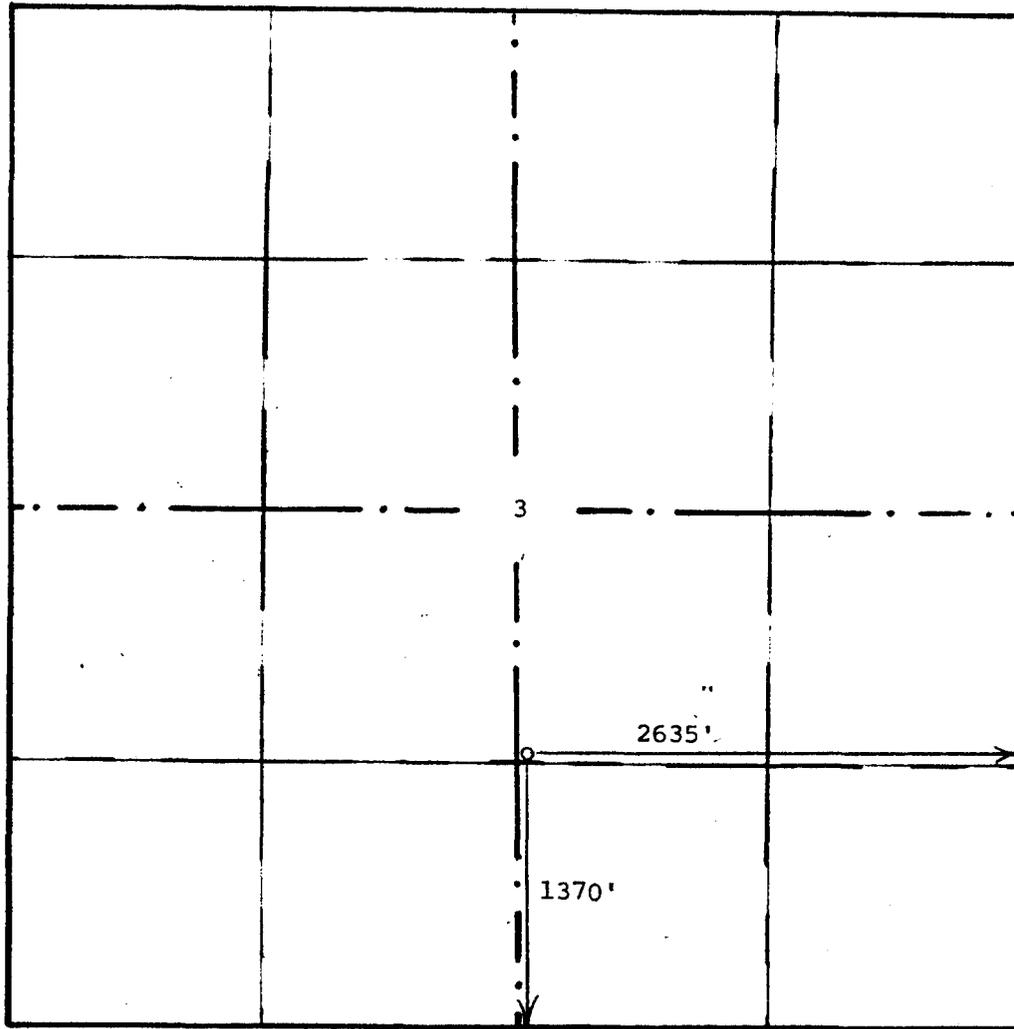
APPROVED BY THE STATE
 OF UTAH DIVISION OF
 OIL, GAS, AND MINING
 DATE: 6-8-83
 BY: [Signature]



POWERS ELEVATION

PLAT #1

Well Location Plat



80.16 chains



1"=1000'

Operator Tricentrol U.S.A.		Well name Nancy Federal 3-34	
Section 3	Township 38 South	Range 25 East	Meridian SLPM
Footages 1370' FSL & 2635' FEL			County/State San Juan, Utah
Elevation 5353'	Requested by Lisa Green		
The above plat is true and correct to the best of my knowledge and belief.			
2 May 1983		<i>Gerald G. Huddleston</i> Gerald G. Huddleston, L.S.	
Utah exception			

MAP #1

Tricentral Resources Inc.

Nancy Federal #3-34

1370' FSL & 2635' FEL

Section 3, T38S-R25E

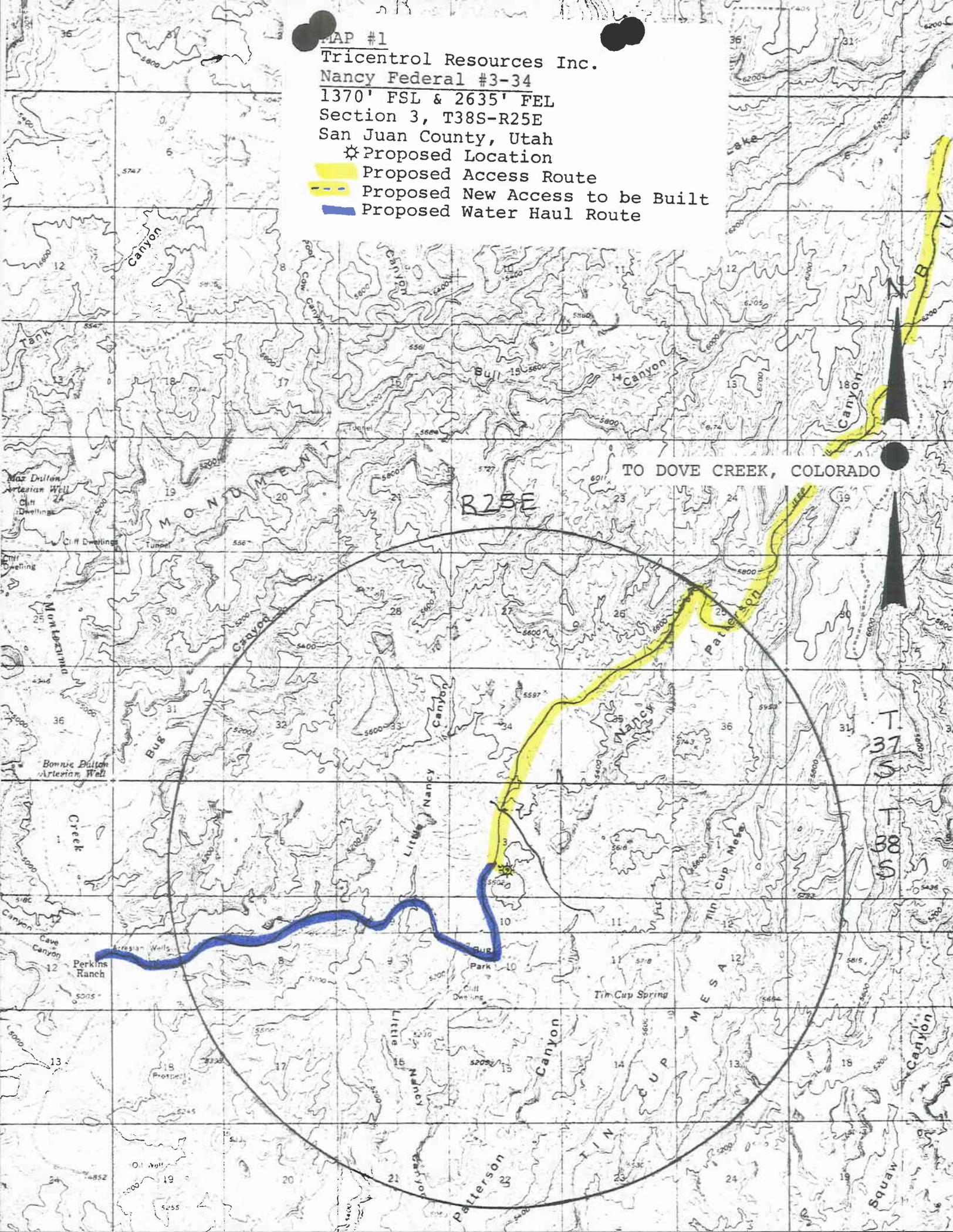
San Juan County, Utah

⊙ Proposed Location

— Proposed Access Route

- - - Proposed New Access to be Built

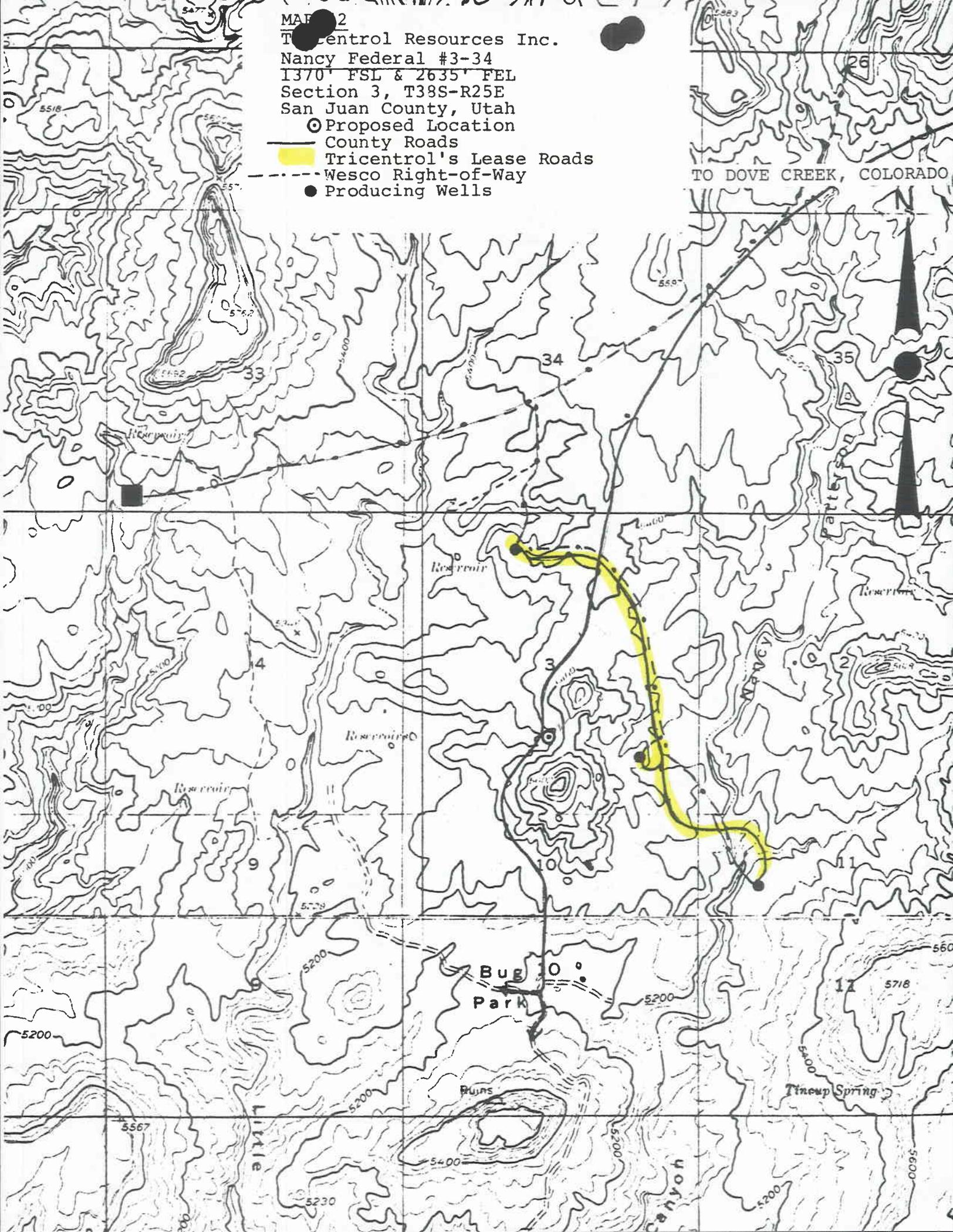
— Proposed Water Haul Route



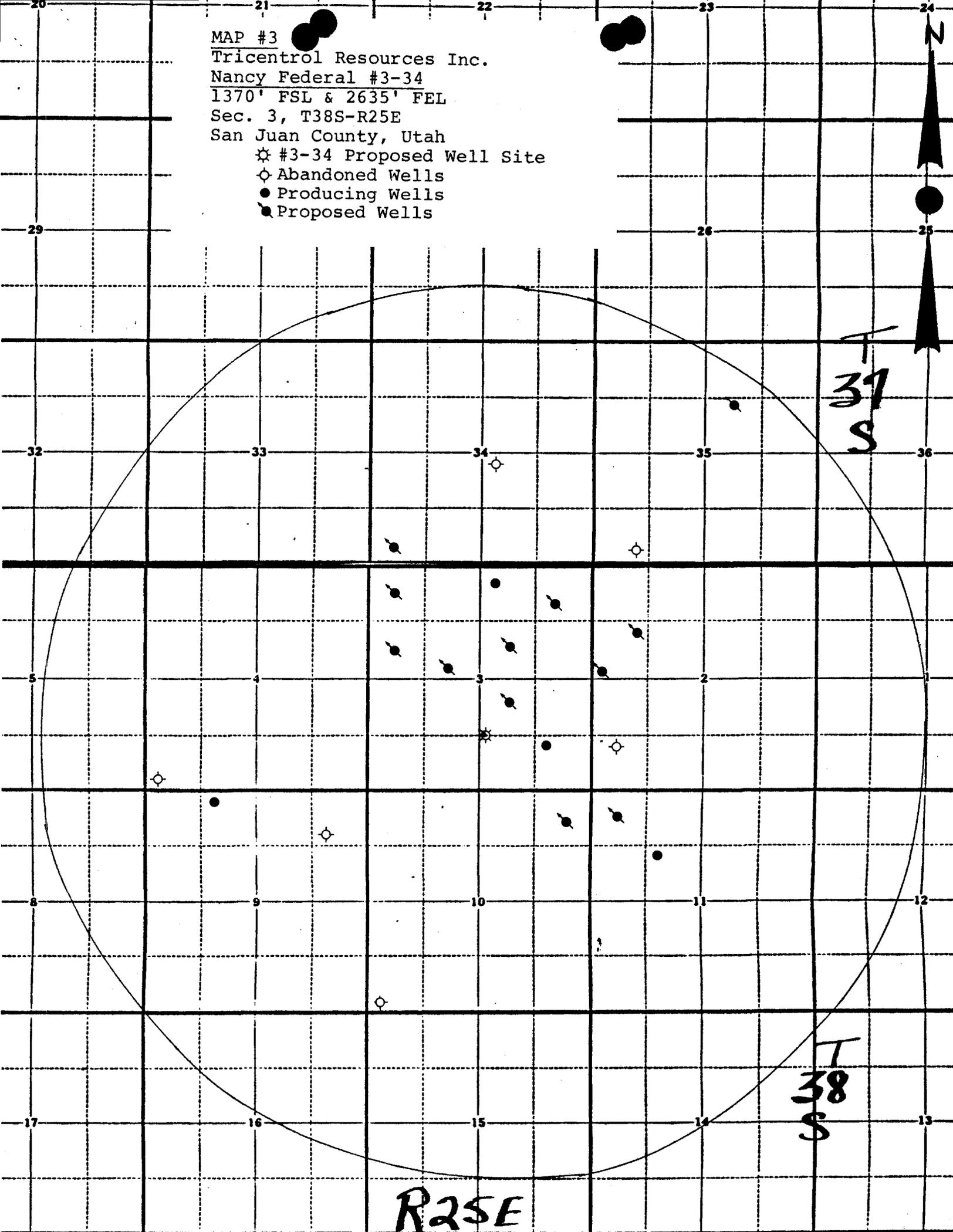
MAP 2
Tricentrol Resources Inc.
Nancy Federal #3-34
1370' FSL & 2635' FEL
Section 3, T38S-R25E
San Juan County, Utah

- Proposed Location
- County Roads
- ▬ Tricentrol's Lease Roads
- - - - - Wesco Right-of-Way
- Producing Wells

TO DOVE CREEK, COLORADO



MAP #3
Tricentral Resources Inc.
Nancy Federal #3-34
1370' FSL & 2635' FEL
Sec. 3, T38S-R25E
San Juan County, Utah
⊗ #3-34 Proposed Well Site
◊ Abandoned Wells
● Producing Wells
◐ Proposed Wells



T
37
S

T
38
S

R25E

NTL-6 PROGRAM

APPROVAL OF OPERATIONS

RECEIVED
JUN 06 1983

DIVISION OF
OIL, GAS & MINING

NANCY FEDERAL #3-34
1370' FSL and 2635' FEL
Section 3, T38S-R25E
San Juan County, Utah

Prepared for:

TRICENTROL RESOURCES INC.

By:

PERMITCO
1020 Fifteenth Street, Suite 22E
Denver, CO 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

TEN POINT COMPLIANCE PROGRAM
OF NTL-6 APPROVAL OF OPERATIONS

Tricentral Resources Inc.
Nancy Federal #3-34
1370' FSL & 2635' FEL
Section 3, T38S-R25E
San Juan County, Utah

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

<u>Formation</u>	<u>Depth</u>	<u>Subsea</u>
Entrada	440'	+ 4925'
Chinle	1275'	+ 4090'
Cutter	2540'	+ 2825'
Hermosa	4490'	+ 875'
Ismay	5465'	- 100'
Desert Creek	5720'	- 355'
T.D.	6000'	- 635'

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

5. A 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 #3-34
1370' FSL & 2635' FEL
Section 3, 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>Viscosity</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	608

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 are anticipated.
- b. Drill stem tests will be run at all drilling breaks and shows in both 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 of 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 #3-34 upon approval of this permit 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 #3-34
1370' FSL & 2635' FEL
Section 3, T38S-R25E
San Juan County, Utah

Gentlemen:

We submit the following application and plats for permission to drill the Nancy Federal #3-34.

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 11.2 miles on Nancy Patterson Road. Turn east and go approximately 500 feet to the location.
- 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. New construction will be limited to a total disturbed width of 20 feet. Surfacing material will not be placed on the access road or location without prior BLM approval.
- 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).

Permitco

A Petroleum Permitting Company

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

Tricentrol Resources Inc.
Nancy Federal #3-34
1370' FSL & 2635' FEL
Section 3, T38S-R25E
San Juan County, Utah

2. Planned Access Roads

- a. The new access road will be approximately 20 feet wide and 500 feet long.
- b. The grade will be 6% or less.
- c. No turnouts are planned.
- d. There will be no ditching. Water bars will be constructed as directed by the Bureau of Land Management to control erosion. (To be done at a later date if production is established.)
- e. Any additional drainage will be installed as deemed necessary by the dirt contractor.
- f. No culverts will be necessary. The maximum cut is 26'. The maximum fill is 5'.
- 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 - six
- c. Temporarily abandoned wells - none
- d. Disposal wells - none
- e. Drilling wells - none
- f. Producing wells - four
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

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A Petroleum Permitting Company

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

Tricentrol Resources Inc.
Nancy Federal #3-34
1370' FSL & 2635' FEL
Section 3, T38S-R25E
San Juan County, Utah

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

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
- (3) Nancy Federal #3-32
1960' FNL & 1780' FEL
Sec. 3, T38S-R25E
- (4) Nancy Federal #11-11
430' FNL & 420' FWL
Sec. 11, T38S-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 #34-14
10' FSL & 840' FWL
Sec. 34, T37S-R25E
- (10) Nancy Federal #3-12
1930' FNL & 610' FWL
Sec. 3, T38S-R25E
- (11) Nancy Federal #3-41
1000' FNL & 610' FWL
Sec. 3, T38S-R25E
- (12) Nancy State #2-12
2450' FNL & 110' FWL
Sec. 2, T38S-R25E

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

Tricentrol Resources Inc.
Nancy Federal #3-34
1370' FSL & 2635' FEL
Section 3, T38S-R25E
San Juan County, Utah

4. Location of Existing and/or Proposed Facilities

- a. There are three sets of production facilities and gas gathering lines owned or controlled by Tricentrol Resources Inc. within a one-mile radius of the proposed well. Pipelines in the immediate area are shown on Map #2.
- b. New facilities contemplated in the event of production are shown on Diagram #1.
 1. Proposed tank battery will be located as shown on Diagram #1.
 2. All flow lines from well site to battery site will be buried below frost line depth
 3. Dimensions of the facilities will be 190 feet long and 175 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 at the Perkins Ranch located in Section 7, T38S-R24E. Directions to the water source are shown on Map #1.

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MULTI-POINT REQUIREMENTS
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Tricentrol Resources Inc.
Nancy Federal #3-34
1370' FSL & 2635' FEL
Section 3, T38S-R25E
San Juan County, Utah

5. Location and Type of Water Supply (cont.)

- 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.

6. Source of Construction Materials

- a. Only native materials are to be utilized.
- b. No construction materials will be taken off Federal land.
- c. Surface and subsoil materials in the immediate area will be utilized. Any gravel will be purchased from a commercial source.
- d. All major access roads are shown on Map #1.
- e. The top 12 inches of soil material will be removed from the location and stockpiled separate from the trees on the south end 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 at the discretion of the dirt contractor with commercial bentonite. At least half of the capacity will be in cut.

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San Juan County, Utah

7. Methods for Handling Waste Disposal (cont.)

- 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.
- 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 pre-drill conference.

10. Plans for Restoration of Surface

- a. Immediately upon completion of drilling, all trash and debris will be collected from the location and surrounding area. All trash and debris will be disposed of in the trash pit and will then be compacted and buried under a minimum of 2 feet of compacted soil.

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

Tricentrol Resources Inc.
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1370' FSL & 2635' FEL
Section 3, T38S-R25E
San Juan County, Utah

10. Plans for Restoration of Surface (cont.)

- 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.
- 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.

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1370' FSL & 2635' FEL
Section 3, T38S-R25E
San Juan County, Utah

11. Other Information

- a. 1. Topography - the well pad is located along the lower west facing slopes of a prominent ridge. A short entrenched arroyo is along the north side.
2. Soils - consist of sand to cobble-sized colluvium. A few large boulders are located along the west edge of the pad.
3. Vegetation - is dominated by bunchgrass with greasewood, saltbush, snakeweed, and a few juniper also present.
4. Fauna - rabbits, small rodents and an occasional deer.
- b. Surface in the area is owned by BLM and is used for cattle grazing and oil and gas exploration.
- c. The nearest water is located in the Little Nancy and Nancy Patterson Canyons.
- 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. See Archeological Report attached.
- f. Drilling will begin upon approval of this application.
- 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.

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

Tricentrol Resources Inc.
Nancy Federal #3-34
1370' FSL & 2635' FEL
Section 3, 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)

DRILLING & COMPLETION MATTERS

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

13. Cerfitication

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.

6-2-83

Date

David Howell

David Howell - Petroleum Engineer
TRICENTROL RESOURCES INC.

Permitco

A Petroleum Permitting Company

Scale: 1" = 50'

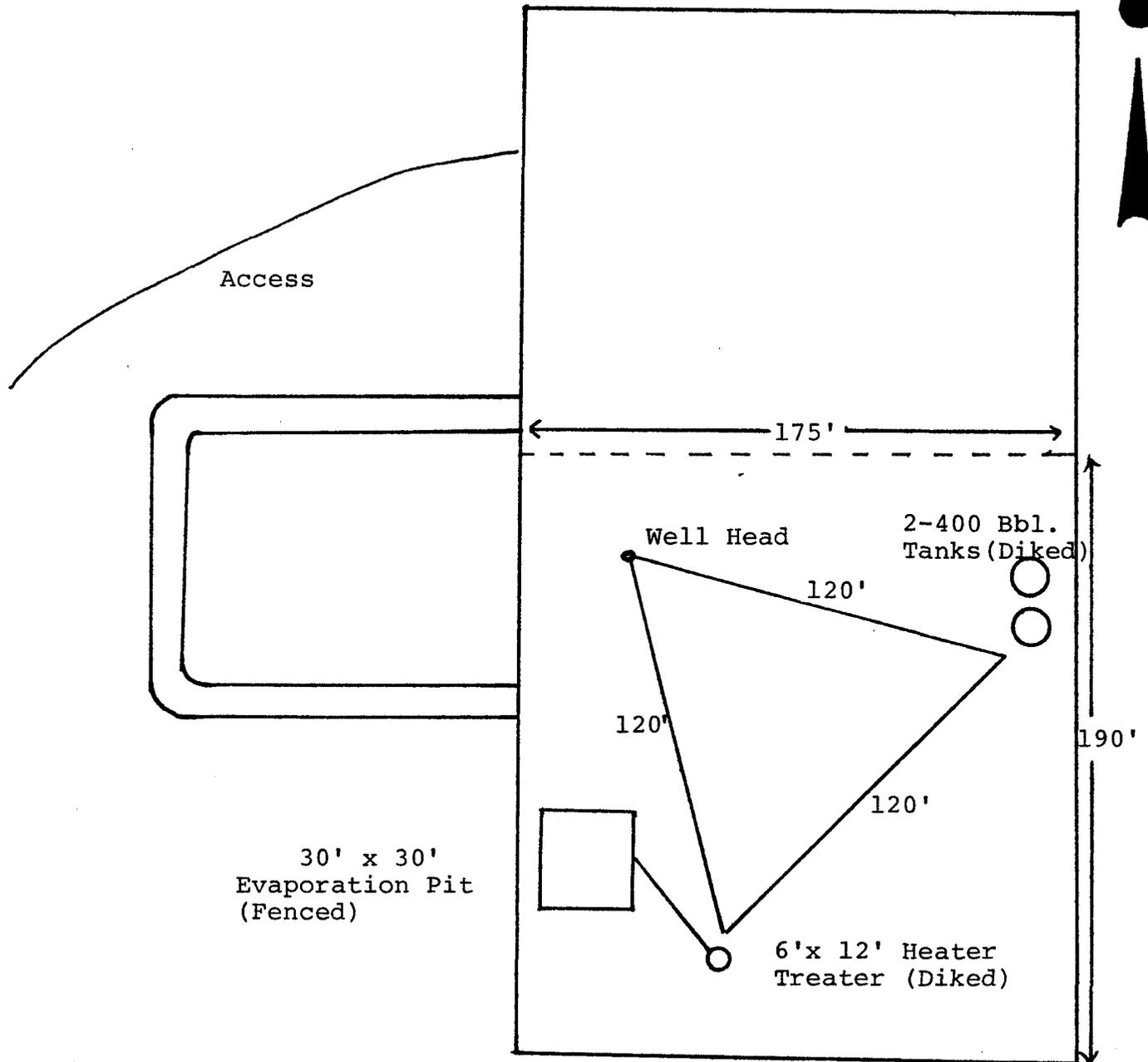


DIAGRAM #1
Production Facilities Layout
Tricentrol Resources Inc.
Nancy Federal #3-34
1370' FSL & 2635' FEL
Section 3, T38S-R25E
San Juan County, Utah

Scale: 1" = 50'

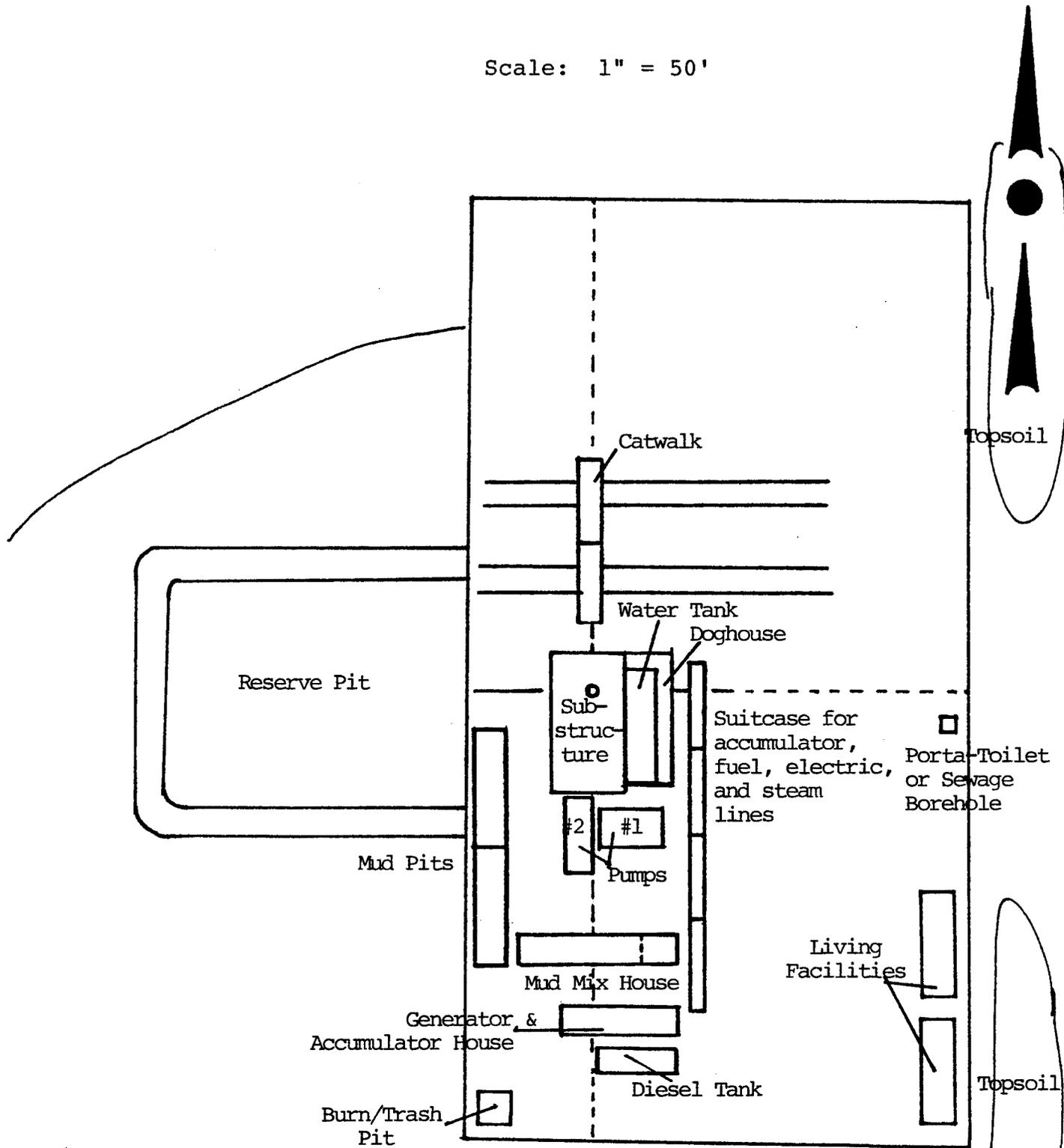


DIAGRAM #2
Rig Layout
Tricentrol Resources Inc.
Nancy Federal #3-34
1370' FSL & 2635' FEL
Section 3, T38S-R25E
San Juan County, Utah



POWERS ELEVATION

Well Nancy Federal 3-34

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

Cut ///////////////
Fill: [diagonal lines]

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

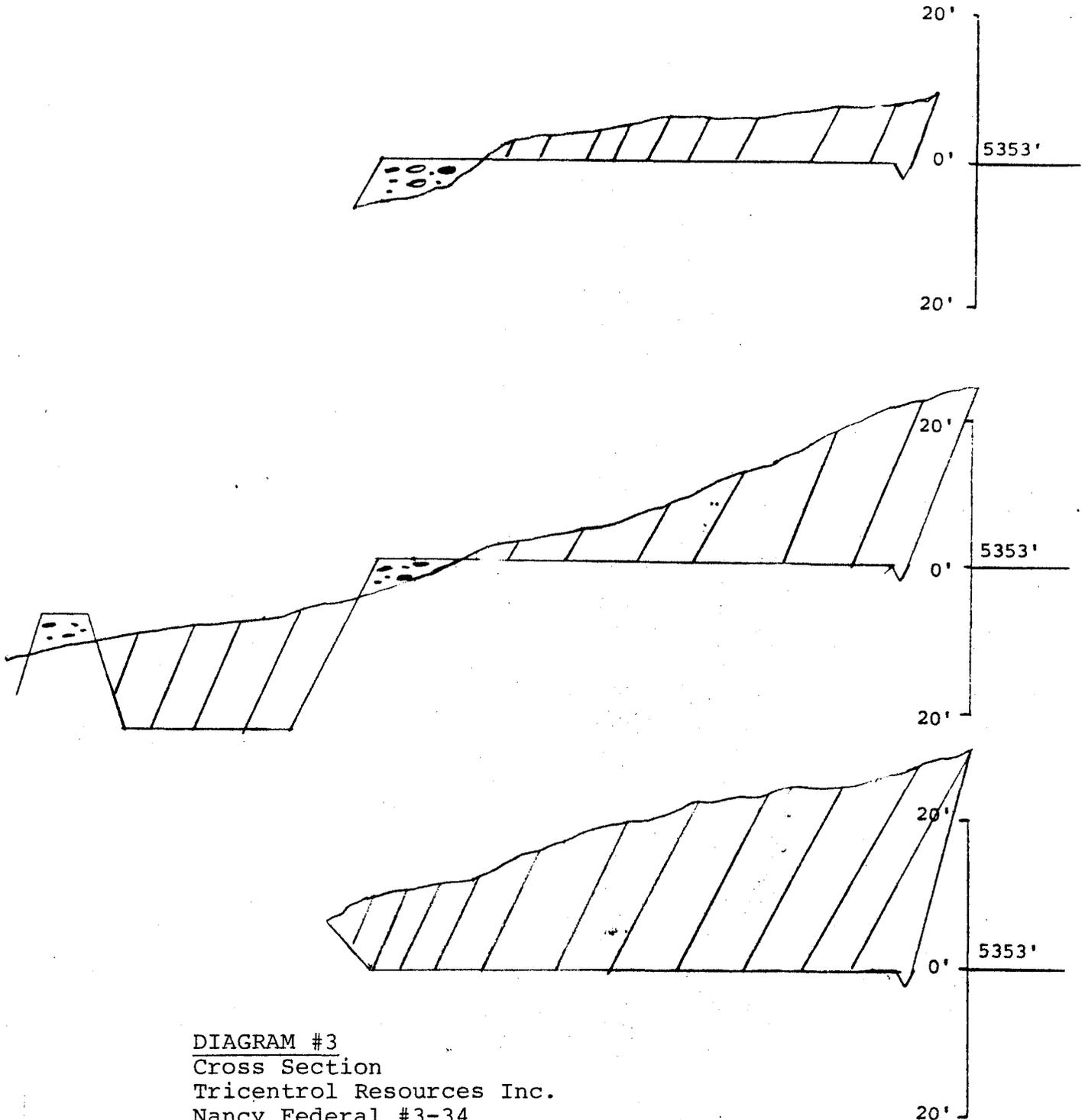


DIAGRAM #3
 Cross Section
 Tricentrol Resources Inc.
 Nancy Federal #3-34
 1370' FSL & 2635' FEL
 Section 3, T38S-R25E
 San Juan County, Utah



POWERS ELEVATION

Scale: 1" = 50'

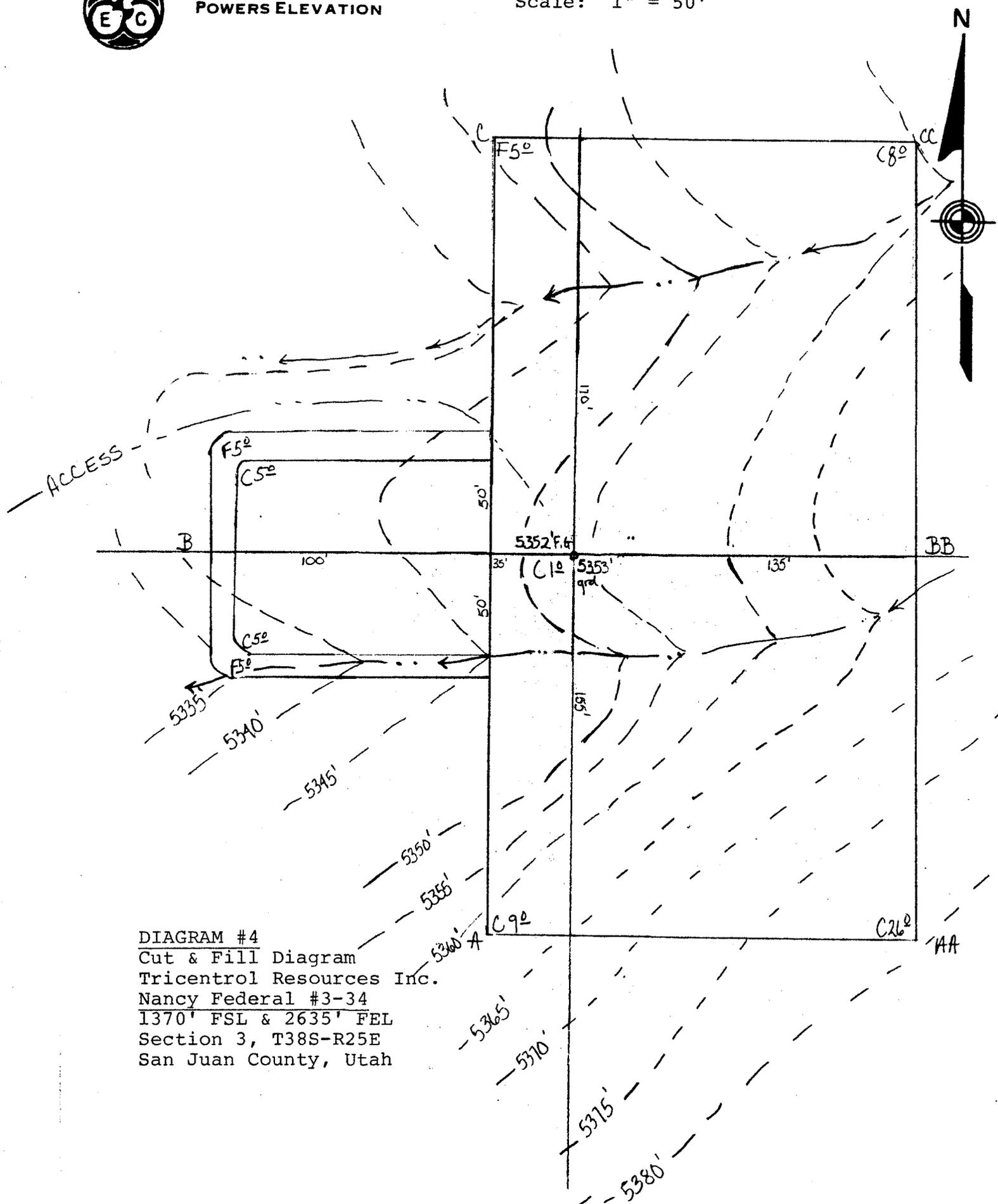
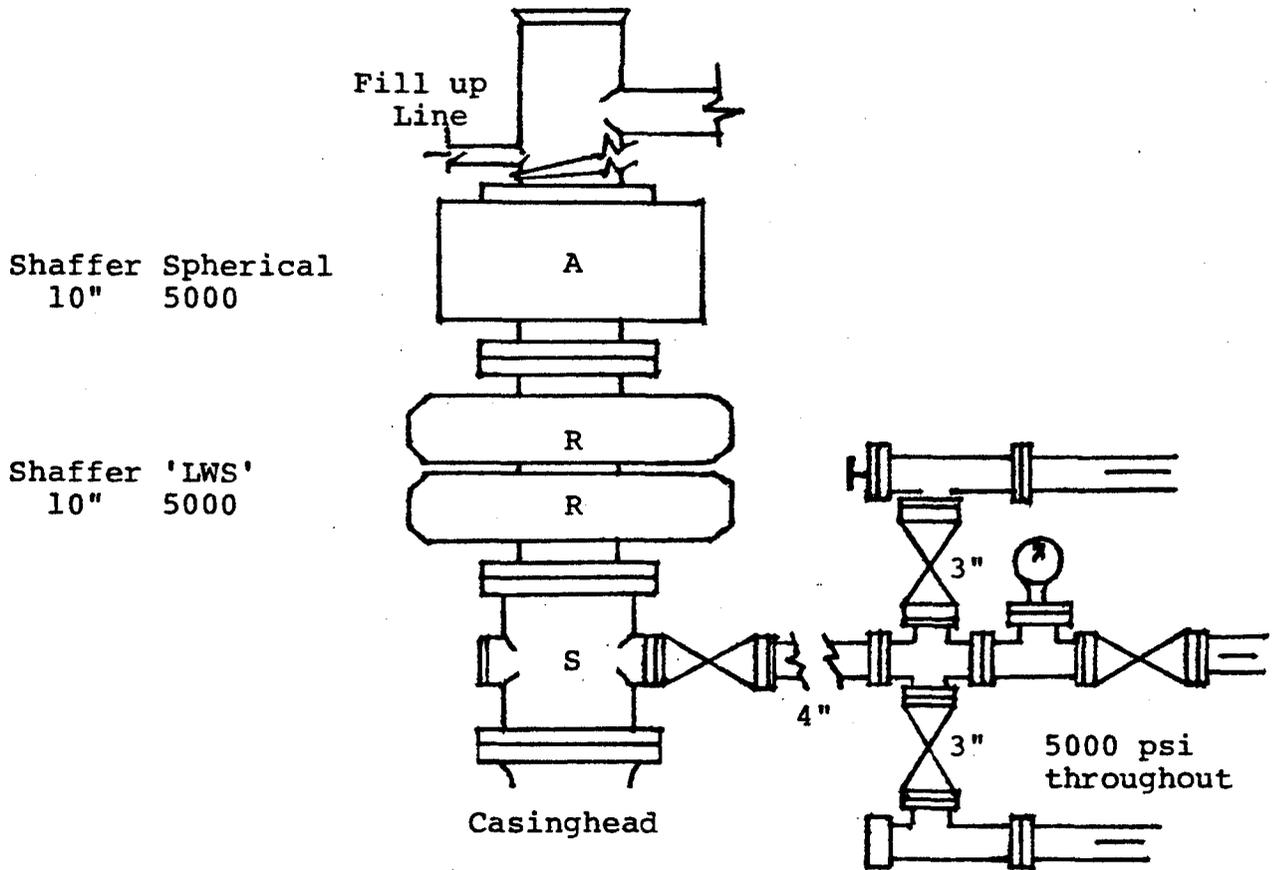


DIAGRAM #4
 Cut & Fill Diagram
 Tricentrol Resources Inc.
 Nancy Federal #3-34
 1370' FSL & 2635' FEL
 Section 3, T38S-R25E
 San Juan County, Utah

BOP DIAGRAM



AN ARCHEOLOGICAL SURVEY OF
TRICENTROL RESOURCES, INC.'S
NANCY FEDERAL #3-34 WELL PAD
SAN JUAN COUNTY, UTAH

LAC REPORT 8321

by
Patrick L. Harden

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

MAY 8, 1983

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

Prepared For:
Tricentrol Resources, Inc.
Suite 200
5675 S. Tamarac Parkway
Englewood, Colorado 90111

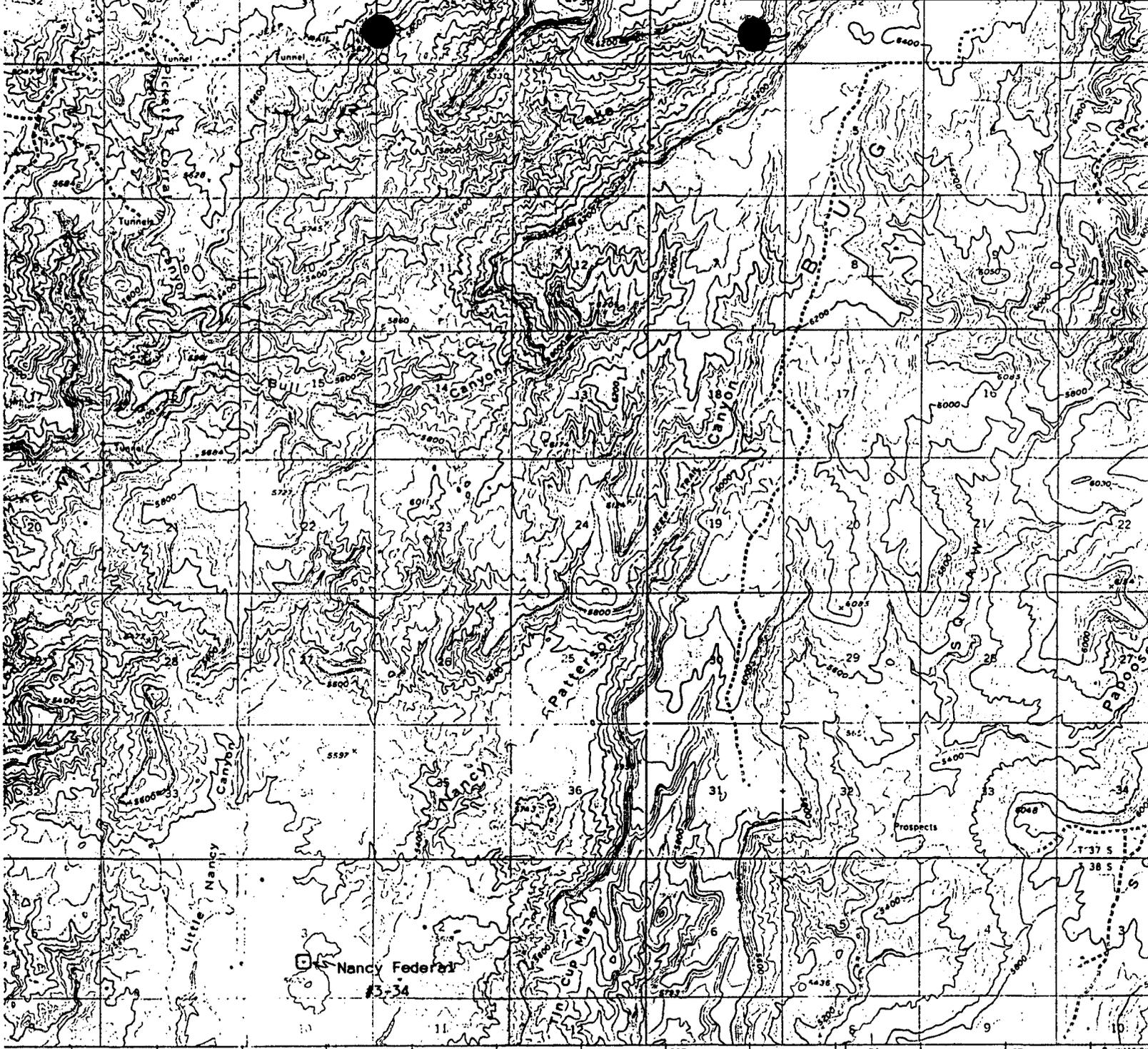
ABSTRACT

An archeological survey of Tricentrol Resources, Inc.'s Nancy Federal #3-34 well pad was conducted by personnel of La Plata Archeological Consultants, Inc. of Dolores, Colorado on April 26, 1983. The project is located on lands administered by the Bureau of Land Management - San Juan Resource Area, Utah. An area 600 X 800 feet surrounding the well pad center stake was archeologically surveyed. This area includes any area needed for access to an existing improved road adjacent to the well pad (Bug Point county road). No cultural resources were found in the project area. Archeological clearance is recommended for this project.

INTRODUCTION

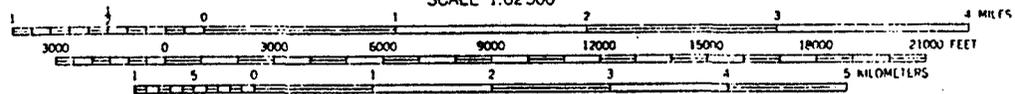
The archeological survey for Tricentrol Resources, Inc.'s Nancy Federal #3-34 well pad project was requested by Ms. Lisa Green, acting permit agent for Tricentrol. The survey was conducted on April 26th, and again inspected on April 27, 1983 during the on-site pre-drill inspection. Archeological survey was performed by Patrick Harden of La Plata Archeological Consultants. Persons attending the pre-drill were Ms. Green (Permitco), Dave Howell (Tricentrol), Brian Wood (BLM), Gerald Huddleston (Powers Elevation), Al Heaton (Urado Construction), and Harden (LAC).

The well pad is located in the SW $\frac{1}{4}$, SE $\frac{1}{4}$, of section 3, T38S, R25E, San Juan County, Utah. The area is included on



1661 R 20 E 10' 1664 (CAJON MESA) 4158 1 1667 1668 5' R 21 671 INTERIOR 970 00

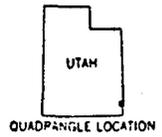
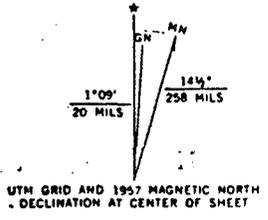
SCALE 1:62500



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



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. Access to the well is already present via the Bug Point San Juan County road. The well pad center stake is located 1370 FSL and 2635 FEL, a change of 90' north and 75' west of the originally requested location. The change was necessary due to considerations of terrain.

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 #3-34 well pad is located along the lower west facing slopes of one such prominent ridge. Steep slopes border the pad area along the north, east, and south sides. A short but relatively well entrenched arroyo is also along the north side.

Sediments consist of sand to cobble sized colluvium. A few large boulders are located along the west edge of the pad. Slopes in the project vary between 20 and 10%.

Vegetation is dominated by bunch grass, with greasewood, saltbush, snakeweed, and a few juniper also represented. A pinyon-juniper plant community (primarily juniper) is found on ridge slopes to the north and south, and in flater terrain to the west. The nearest source of permanent water is Tin Cup Spring, located ca. 2 miles southeast. Fauna present is consistent with that of the Upper Sonoran Life Zone found throughout much of the Colorado Plateau. 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 Bureau of Land Management in Monticello, Utah on April 4th, prior to the field investigations. None of the well pad area had been previously surveyed according to the BLM files, and no sites were reported for the project area. No National Register listed properties are in or near the project area.

An area 600 X 800 feet surrounding the well pad center stake was archeologically surveyed. The well pad is located adjacent to an existing improved dirt road, thus no new access roads will be required. The well pad was staked and flagged prior to the survey. On-the-ground survey consisted of walking a series of transects spaced at 15 meter intervals across the well pad area.

RESULTS

No cultural resources were found during the archeological survey. The nature of the sediments in the project area make the possibility of buried cultural deposits being present highly unlikely.

CONCLUSION

The archeological survey of Tricentrol Resources, Inc.'s Nancy Federal #3-34 well pad was conducted by Patrick Harden of La Plata Archeological Consultants on April 26 and 27, 1983. No cultural resources were located in the project area. An area 600 X 800' surrounding the well pad center stake was inventoried by walking a series of transects spaced at 15m intervals. Archeological clearance is recommended for this project.

OPERATOR TRICENTRAL RESOURCES INC DATE 6-8-83

WELL NAME NANCY FED 3-34

SEC NWSE 3 T 38S R 25E COUNTY SAN JUAN

43-037-30905
API NUMBER

FED
TYPE OF LEASE

POSTING CHECK OFF:

INDEX

MAP

HL

NID

PI

PROCESSING COMMENTS:

✓ CHIEF PETROLEUM ENGINEER REVIEW:
6/9/83

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 pre-spudding
submittal of the Division of Water Rights (807) 533-6071
approval for use of 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 HANCOCK

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.

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 1370' FSL & 2635' FEL
 At proposed prod. zone NW/SE

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

10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any) 5'
 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 750'

16. NO. OF ACRES IN LEASE 1921.56
 19. PROPOSED DEPTH 6000'

17. NO. OF ACRES ASSIGNED TO THIS WELL 40
 20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5353' Gr.
 22. APPROX. DATE WORK WILL START* Upon approval of APD

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.
 #3-34

10. FIELD AND POOL, OR WILDCAT
 Unnamed

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

12. COUNTY OR PARISH 13. STATE
 San Juan Utah

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 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.

RECEIVED
 OIL & GAS OPERATIONS
 SALT LAKE CITY, UTAH
 JUN 6 1983

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 6-1-83

(This space for Federal or State office use)

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

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

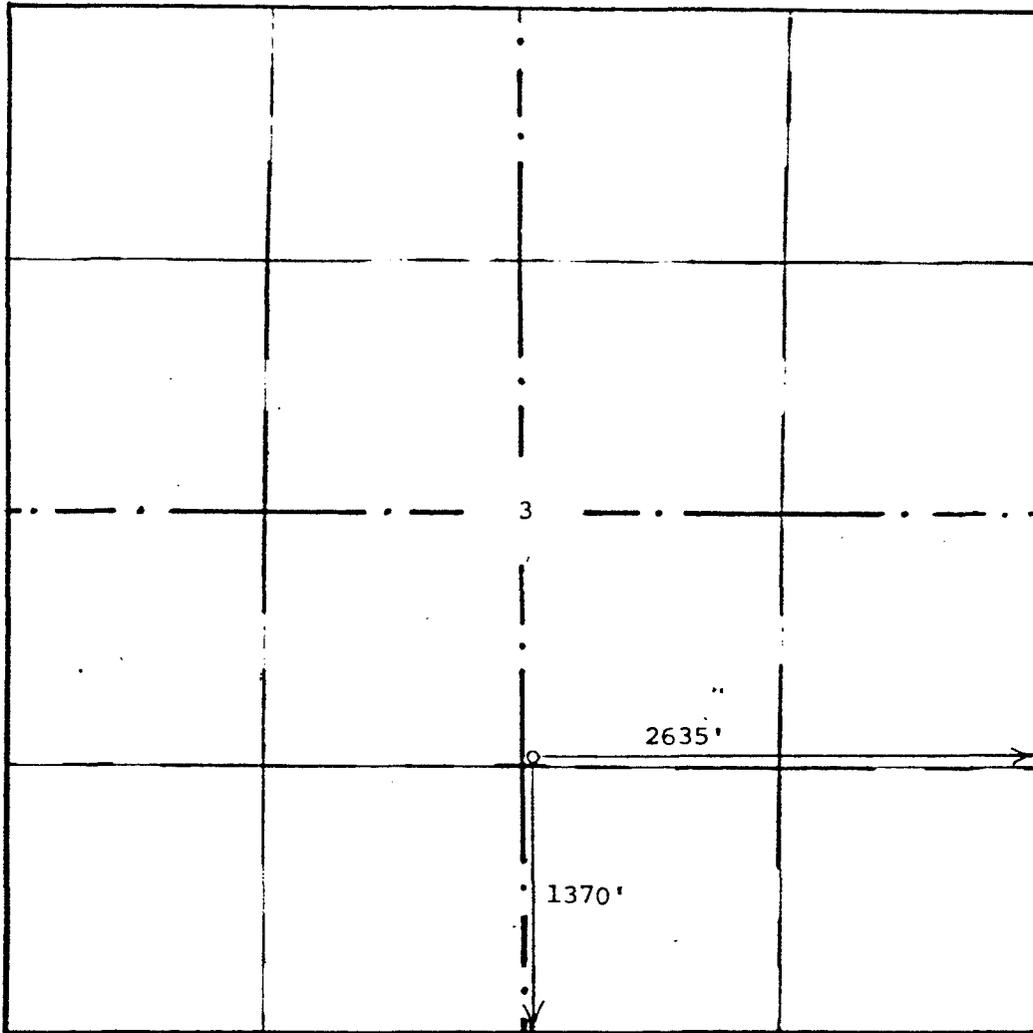
STATE O & G



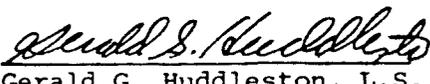
POWERS ELEVATION

PLAT #1

Well Location Plat



1"=1000'

Operator Tricentrol U.S.A.		Well name Nancy Federal 3-34	
Section 3	Township 38 South	Range 25 East	Meridian SLPM
Footages 1370' FSL & 2635' FEL		County/State San Juan, Utah	
Elevation 5353'	Requested by Lisa Green		
The above plat is true and correct to the best of my knowledge and belief.			
2 May 1983		 Gerald G. Huddleston, L.S.	
Utah exception			

Tricentrol Resources, Inc.
Well No. 3-34
Section 3, 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.

June 8, 1983

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

RE: Well No. Nancy Federal 3-34
NWSE Sec. 3, T.38S, R.25E
1370 FSL, 2635 FEL
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 pre-spudding submittal of the Division of Water Rights (801-533-6071) approval for use of 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 43-037-30905.

Sincerely,

Norman C. Stout
Administrative Assistant

NCS/as
cc: Oil & Gas Operations
Enclosure



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. #3-34
API #43-037-30905
1370' FSL, 2635' FEL NW/SE
SEc. 3, 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

RECEIVED

JUL 23 1984

DIVISION OF OIL
GAS & MINING

3162
(U-40053)
(U-065)

Moab District
P. O. Box 970
Moab, UT 84532

18 JUL 1984

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

RE: Rescind Application for Permit
to Drill
Well No.: Nancy Federal 3-34
Sec. 3, T. 38 S., R. 25 E.
San Juan County, Utah
Lease No.: U-40053

Gentlemen:

The Application for Permit to Drill the referenced well was approved on June 20, 1983. Since that date no known activity has transpired at the approved location. Applications for permit to drill are effective for a period of one year. In view of the foregoing this office is rescinding the approval of the referenced application. Should you intend to drill at this location at a future date, a new application for permit to drill must be submitted.

If you have any questions, please contact the Branch of Fluid Minerals (801) 259-6111.

Sincerely,

~~For SERGE MCDONNE~~

District Manager

Enclosure:
Application for Permit to Drill

cc: San Juan Resource Area

bcc: U-922, USO
U-942, USO
State of Utah, DOGM

CFreudiger:wjm:7/18/84



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

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

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

July 27, 1984

Tricentrol Resources, Incorporated
c/o Wintershall Oil & Gas Corporation
5675 DTC Boulevard, Suite 200
Englewood, Colorado 80111

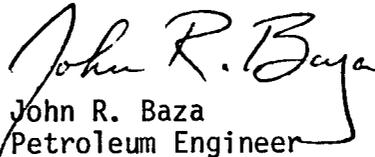
Gentlemen:

SUBJECT: Well No. Nancy Federal 3-34, Sec. 3, T. 38S., R. 25E.,
San Juan County, Utah, API #43-037-30905

In concert with action taken by the Bureau of Land Management,
July 17, 1984, approval to drill the subject well is hereby rescinded
without prejudice.

A new "Application for Permit to Drill" must be filed with this
office, for approval, prior to future drilling of the subject location.

Sincerely,


John R. Baza
Petroleum Engineer

JRB/clj

cc: Dianne R. Nielson
Ronald J. Firth
File