

UTAH OIL AND GAS CONSERVATION COMMISSION

11

REMARKS: WELL LOG ELECTRIC LOGS FILE **X** WATER SANDS LOCATION INSPECTED SUB REPORT/abd

Application resubmitted 4.24.85

DATE FILED **6-27-83**

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

DRILLING APPROVED: **6-29-83 OIL**

SPUDED IN:

COMPLETED: PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR:

PRODUCING ZONES:

TOTAL DEPTH:

WELL ELEVATION:

DATE ABANDONED: *LA 4.29.85*

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

UNIT: **LITTLE NANCY**

COUNTY: **SAN JUAN**

WELL NO. **NANCY FEDERAL # 3-12** API # **43-037-30911**

LOCATION **1930' FNL** FT. FROM (N) (S) LINE. **610' FWL** FT. FROM (E) (W) LINE. **SW NW** 1/4 - 1/4 SEC. **3**

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
------	------	------	----------	------	------	------	----------

38S	25E	3	TRICENTROL RESOURCES, INC				
------------	------------	----------	----------------------------------	--	--	--	--

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

(Other instructions on reverse side)

5

5. Lease Designation and Serial No.

U-40053

6. If Indian, Allottee or Tribe Name

7. Unit Agreement Name

Little Nancy ✓

8. Farm or Lease Name

Nancy Federal

9. Well No.

#3-12

10. Field and Pool, or Wildcat

Unnamed UNDECO

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

Sec. 3, 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

610' FWL & 1930' FNL

At proposed prod. zone

SW/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. (Also to nearest drig. line, if any)

610'

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.

1300'

19. Proposed depth

6000'

20. Rotary or cable tools

Rotary

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

5274' Gr.

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' 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.

JUN 27 1983

DIVISION OF
OIL, GAS, AND 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: 6-23-83

(This space for Federal or State office use)

Permit No. _____ Approved Date _____

Approved by _____ Title _____

Conditions of approval, if any:

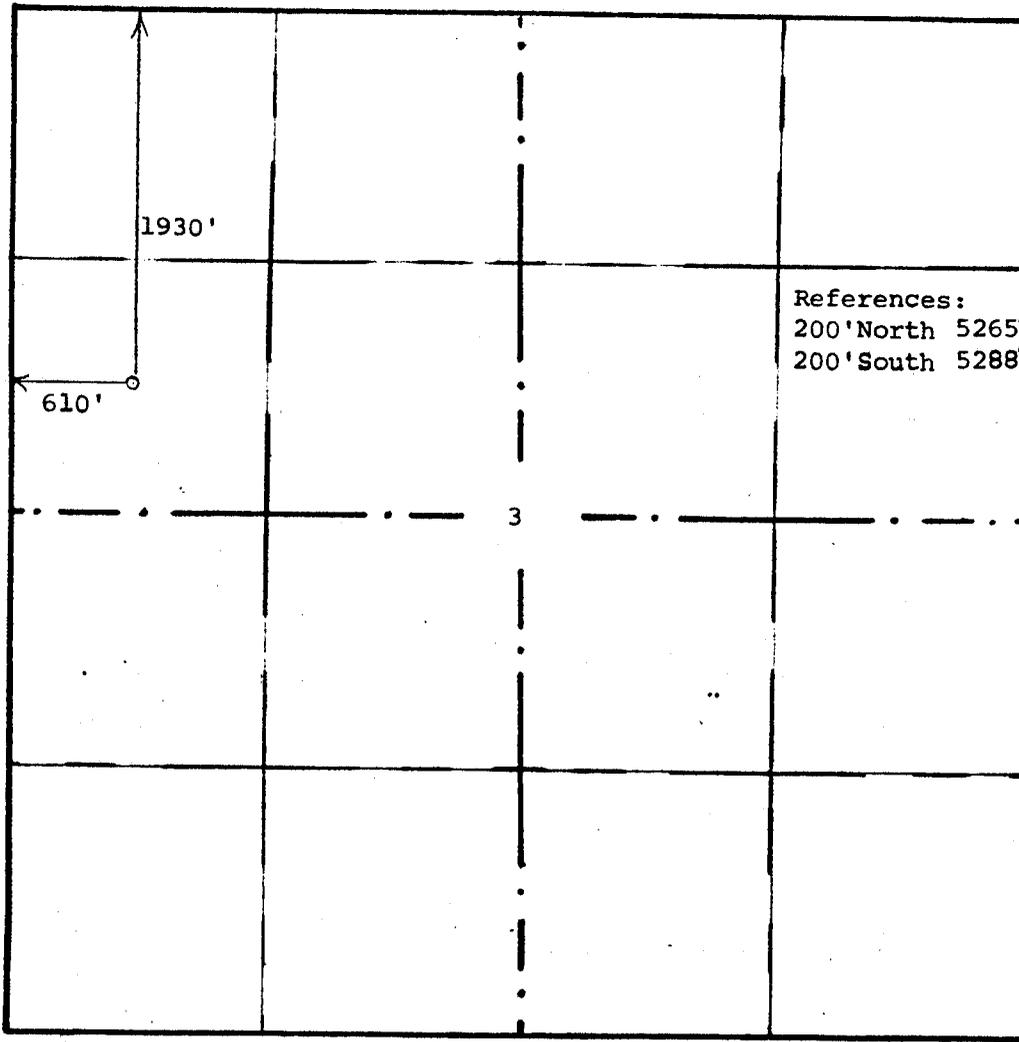
APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

DATE: 6-29-83
BY: [Signature]

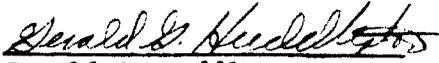


POWERS ELEVATION

Well Location Plat

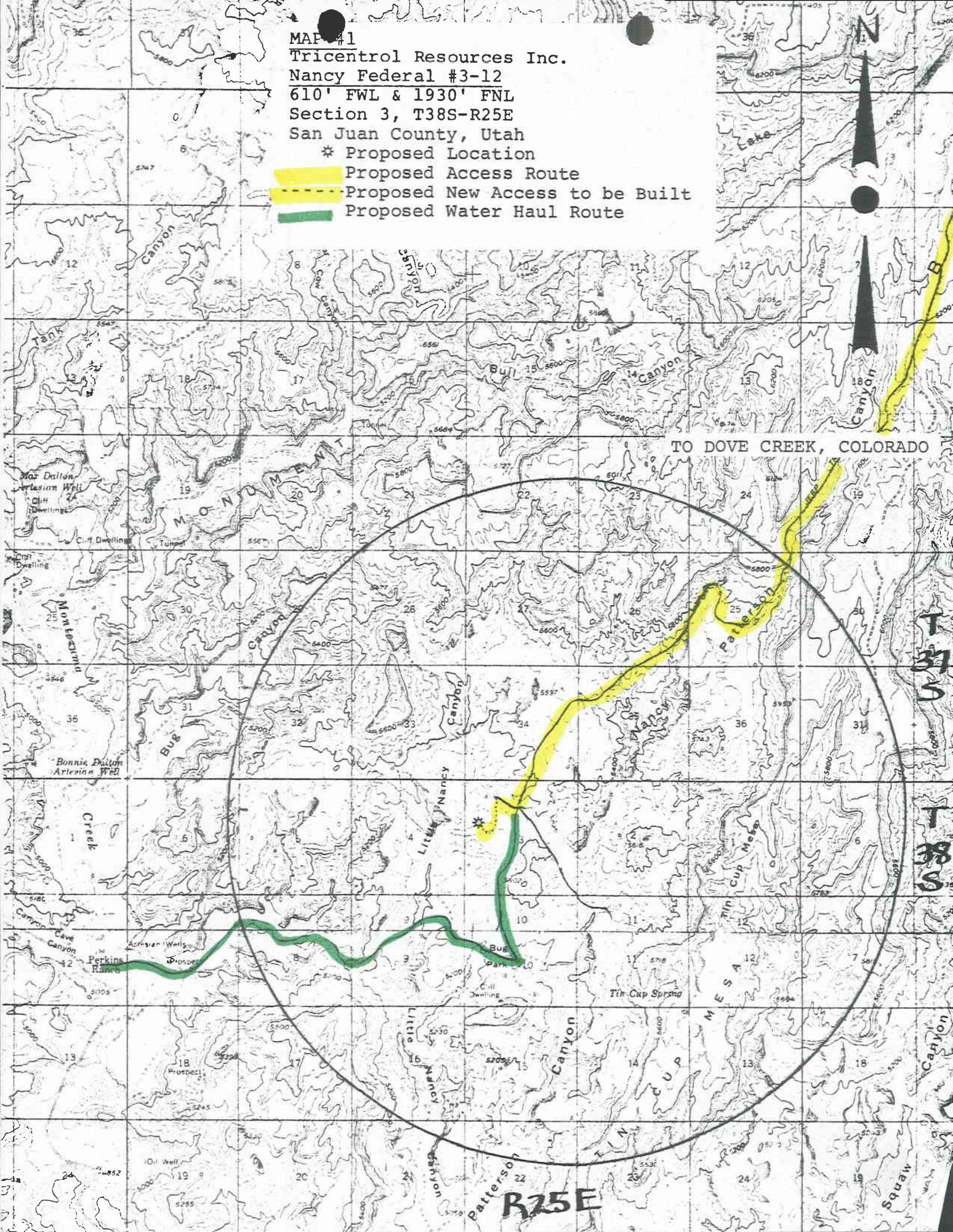


80.16 Chains

Operator Tricentrol U.S.A.		Well name Nancy Federal 3-12	
Section 3	Township 38 South	Range 25 East	Meridian SLPM
Footages 1930' FNL & 610' FWL		County/State San Juan, Utah	
Elevation 5274'	Requested by Lisa Green		
The above plat is true and correct to the best of my knowledge and belief.			
11 April 1983		 Gerald G. Huddleston, L.S. Utah exception	

MAP #1
Tricentrol Resources Inc.
Nancy Federal #3-12
610' FWL & 1930' FNL
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 #3-12

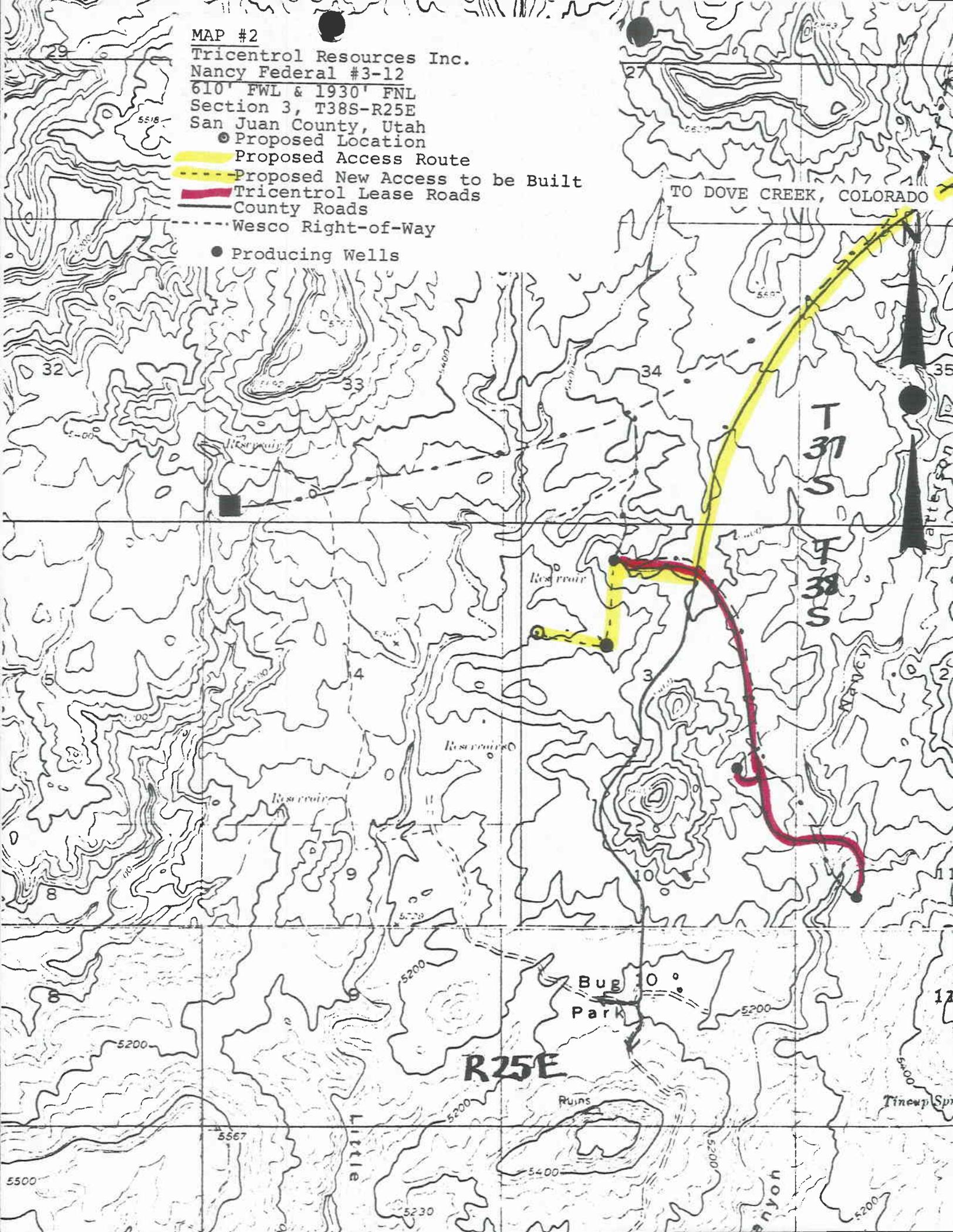
610' FWL & 1930' FNL

Section 3, T38S-R25E

San Juan County, Utah

- Proposed Location
- Proposed Access Route
- - - Proposed New Access to be Built
- Tricentrol Lease Roads
- County Roads
- - - Wesco Right-of-Way

● Producing Wells



MAP #3

Tricentrol Resources Inc.

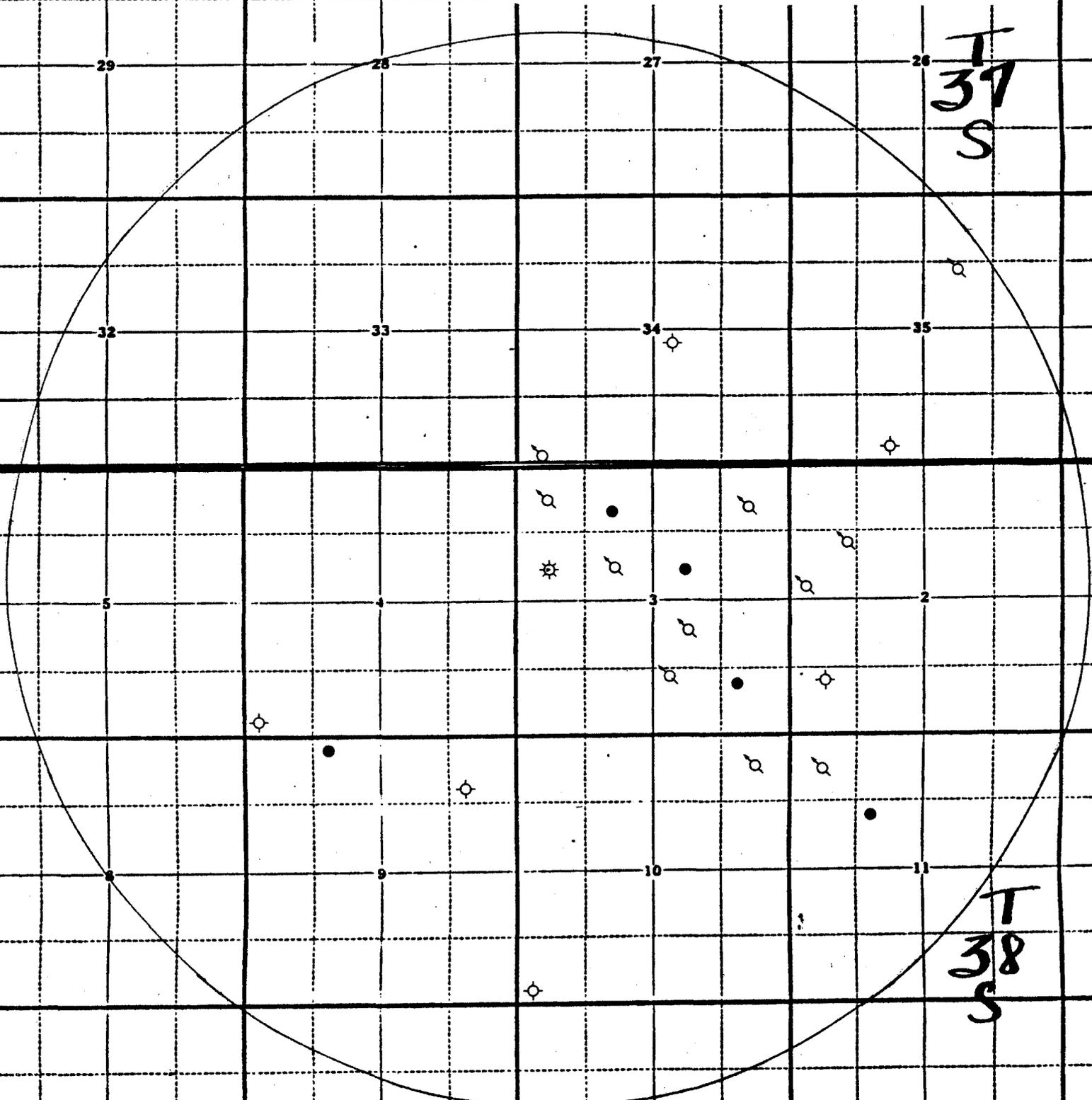
Nancy Federal #3-12

610' FWL & 1930' FNL

Section 3, T38S-R25E

San Juan County, Utah

- ☼ Nancy Federal #3-12 Wellsite
- Producing Wells
- ◇ Abandoned Wells
- ⊕ Proposed Wells



T
37
S

T
38
S

R25E

TEN POINT COMPLIANCE PROGRAM
OF NTL-6 APPROVAL OF OPERATIONS

Tricentrol Resources Inc.
Nancy Federal #3-12
610' FWL & 1930' FNL
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'	+ 4846'
Chinle	1275'	+ 4011'
Cutter	2540'	+ 2746'
Hermosa	4490'	+ 796'
Ismay	5465'	- 179'
Desert Creek	5720'	- 434'
T.D.	6000'	- 714'

3. The following depth 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"	14.0#	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 operations checks will be made daily thereafter.

Permitco

A Petroleum Permitting Company

TEN POINT COMPLIANCE PROGRAM
OF NTL-6 APPROVAL OF OPERATIONS

Tricentrol Resources Inc.
Nancy Federal #3-12
610' FWL & 1930' FNL
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	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 are anticipated.
- 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 a 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 #3-12 upon approval of this permit and intends to complete the well within approximately one month after the well has reached T.D.

Permitco

A Petroleum Permitting Company

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

Tricentrol Resources Inc.
Nancy Federal #3-12
610' FWL & 1930' FNL
Section 3, T38S-R25E
San Juan County, Utah

Gentlemen:

We submit the following application and plats for permission to drill the Nancy Federal #3-12.

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 10.4 miles on the Nancy Patterson Road. Turn right (west) and go through the Nancy #1-3 producing location. Follow seismic trail off the back side of the location, go through the proposed location for the Nancy Federal #3-22 and turn northwest and go approximately 1300' 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 Map #1.
- f. All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.
- g. 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 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 #3-12
610' FWL & 1930' FNL
Section 3, T38S-R25E
San Juan County, Utah

2. Planned Access Roads

- a. The new access road will be approximately 20 feet wide.
- b. The grade will be 4% 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. No culverts will be necessary. The maximum cut is 13 feet. The maximum fill is 3 feet.
- f. Any additional drainage will be installed as deemed necessary by the dirt contractor.
- 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 - five
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
 - (4) Nancy Federal #3-32
1960' FNL & 1780' FEL
Sec. 3, T38S-R25E

Permitco

A Petroleum Permitting Company

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

Tricentrol Resources Inc.
Nancy Federal #3-12
610' FWL & 1930' FNL
Section 3, T38S-R25E
San Juan County, Utah

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

- g. Shut-in wells - none
- h. Injection wells - none
- i. Monitoring observations wells - none
- j. Proposed locations - as follows:

- (1) Nancy Federal #35-32
1350' FNL & 1850' FEL
Sec. 35, T37S-R25E
- (2) Nancy Federal #2-21
1480' FNL & 1010' FWL
Sec. 2, T38S-R25E
- (3) Nancy Federal #11-11
430' FNL & 420' FWL
Sec. 11, T38S-R25E
- (4) Nancy Federal #3-33
1940' FSL & 1760' FEL
Sec. 3, T38S-R25E
- (5) Nancy Federal #10-41
550' FNL & 330' FEL
Sec. 10, T38S-R25E
- (6) Nancy Federal #3-22
2100' FNL & 1860' FWL
Sec. 3, T38S-R25E
- (7) Nancy Federal #3-11
610' FNL & 610' FWL
Sec. 3, T38S-R25E
- (8) Nancy Federal #34-14
10' FSL & 840' FWL
Sec. 34, T37S-R25E
- (9) Nancy Federal #3-34
1370' FSL & 2635' FEL
Sec. 3, T38S-R25E
- (10) Nancy Federal #3-41
1000' FNL & 610' FWL
Sec. 3, T38S-R25E
- (11) Nancy State #2-12
2450' FNL & 110' FWL
Sec. 2, T38S-R25E

Permitco

A Petroleum Permitting Company

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

Tricentrol Resources Inc.
Nancy Federal #3-12
610' FWL & 1930' FNL
Section 3, T38S-R25E
San Juan County, Utah

4. Location of Existing and/or Proposed Facilities

- a. There are three (3) 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 198 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. 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.
 6. Only native materials will be utilized.
 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.

Permitco

A Petroleum Permitting Company

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

Tricentrol Resources Inc.
Nancy Federal #3-12
610' FWL & 1930' FNL
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 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 northeast corner 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 not be lined. At least half of the capacity will be in cut.

Permitco

A Petroleum Permitting Company

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

Tricentrol Resources Inc.
Nancy Federal #3-12
610' FWL & 1930' FNL
Section 3, T38S-R25E
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.

Permitco

A Petroleum Permitting Company

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

Tricentrol Resources Inc.
Nancy Federal #3-12
610' FWL & 1930' FNL
Section 3, T38S-R25E
San Juan County, Utah

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 earth-moving equipment and upon completion of restoration measures.
- c. Before any dirt work to restore the location takes place, the reserve pit will be completely dry.
- d. All disturbed areas will be recontoured to blend as nearly as possible with the natural topography. This includes removing all berms and refilling all cuts.
- 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 Wild Sunflower
1 lb./acre Shadscale

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

Permitco

A Petroleum Permitting Company

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

Tricentrol Resources Inc.
Nancy Federal #3-12
610' FWL & 1930' FNL
Section 3, T38S-R25E
San Juan County, Utah

10. Plans for Restoration of Surface (cont.)

- 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 on the north facing slope of a relatively large ridge. A well entrenched arroyo is located approximately 50 feet north of the well pad.
- 2. Soils: Consist of sand to cobble-sized colluvium on most of the well pad. Numerous small boulders are found on the well pad.
- 3. Vegetation: Dominated by greasewood, sagebrush, and bunchgrass. A few scattered juniper and patches of saltbush were also seen in the area.
- 4. Fauna: rabbits, small rodents and an occasional deer.
- b. Surface in the area is owned by the Bureau of Land Management and is used for cattlegrazing 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.

Permitco

A Petroleum Permitting Company

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

Tricentrol Resources Inc.
Nancy Federal #3-12
610' FWL & 1930' FNL
Section 3, T38S-R25E
San Juan County, Utah

11. Other Information (cont.)

- 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.

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

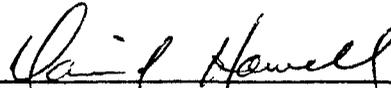
Tricentrol Resources Inc.
David Howell
5675 So. Tamarac Parkway
Suite 200
Englewood, CO 80111
303/694-0988 (W)
303/423-1025 (H)

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.

6-23-83

Date



David Howell - Petroleum Engineer
TRICENTROL RESOURCES INC.

Permitco

A Petroleum Permitting Company

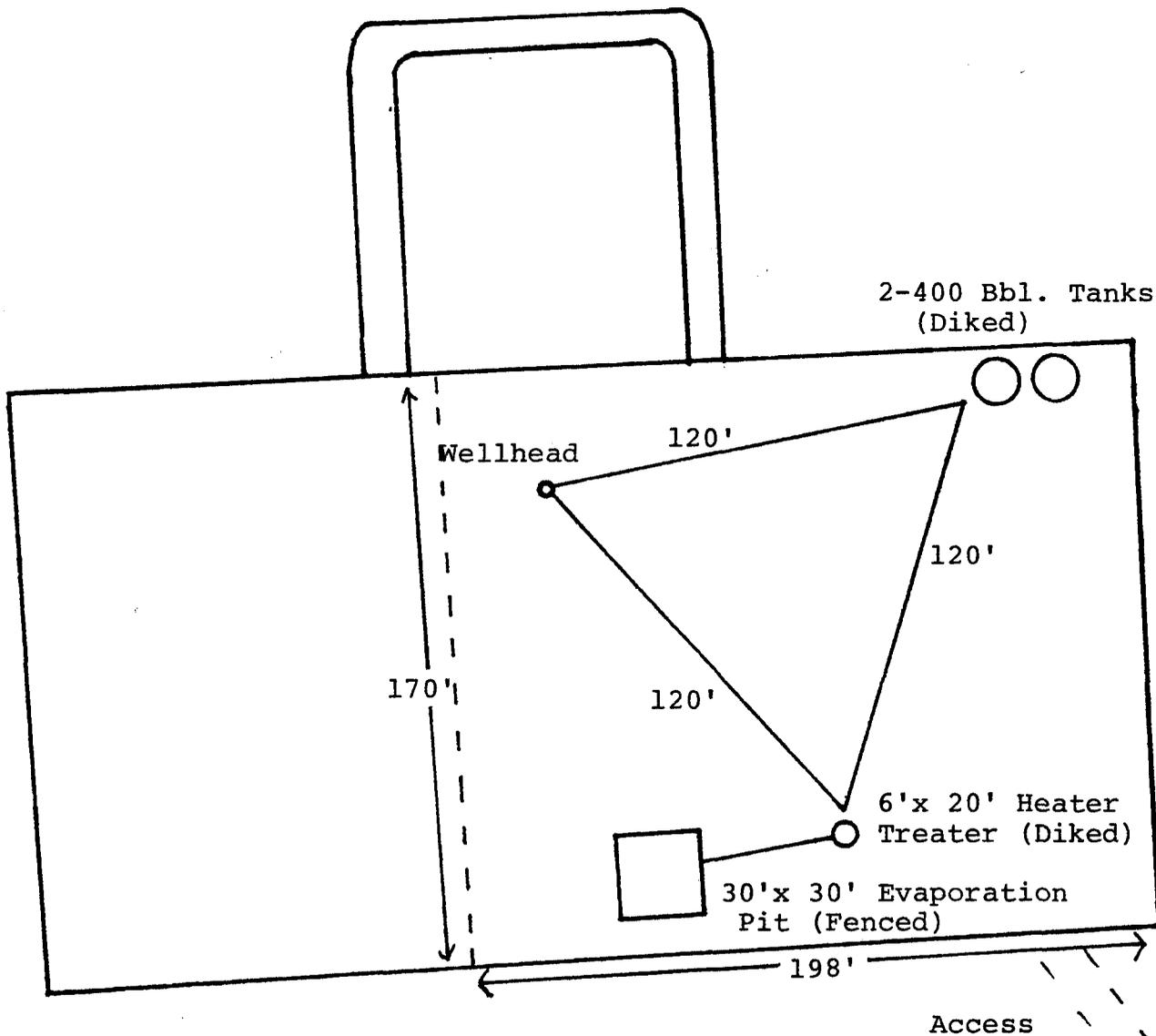


DIAGRAM #1
Production Facilities Layout
Tricentrol Resources Inc.
Nancy Federal #3-12
610' FWL & 1930' FNL
Section 3, T38S-R25E
San Juan County, Utah

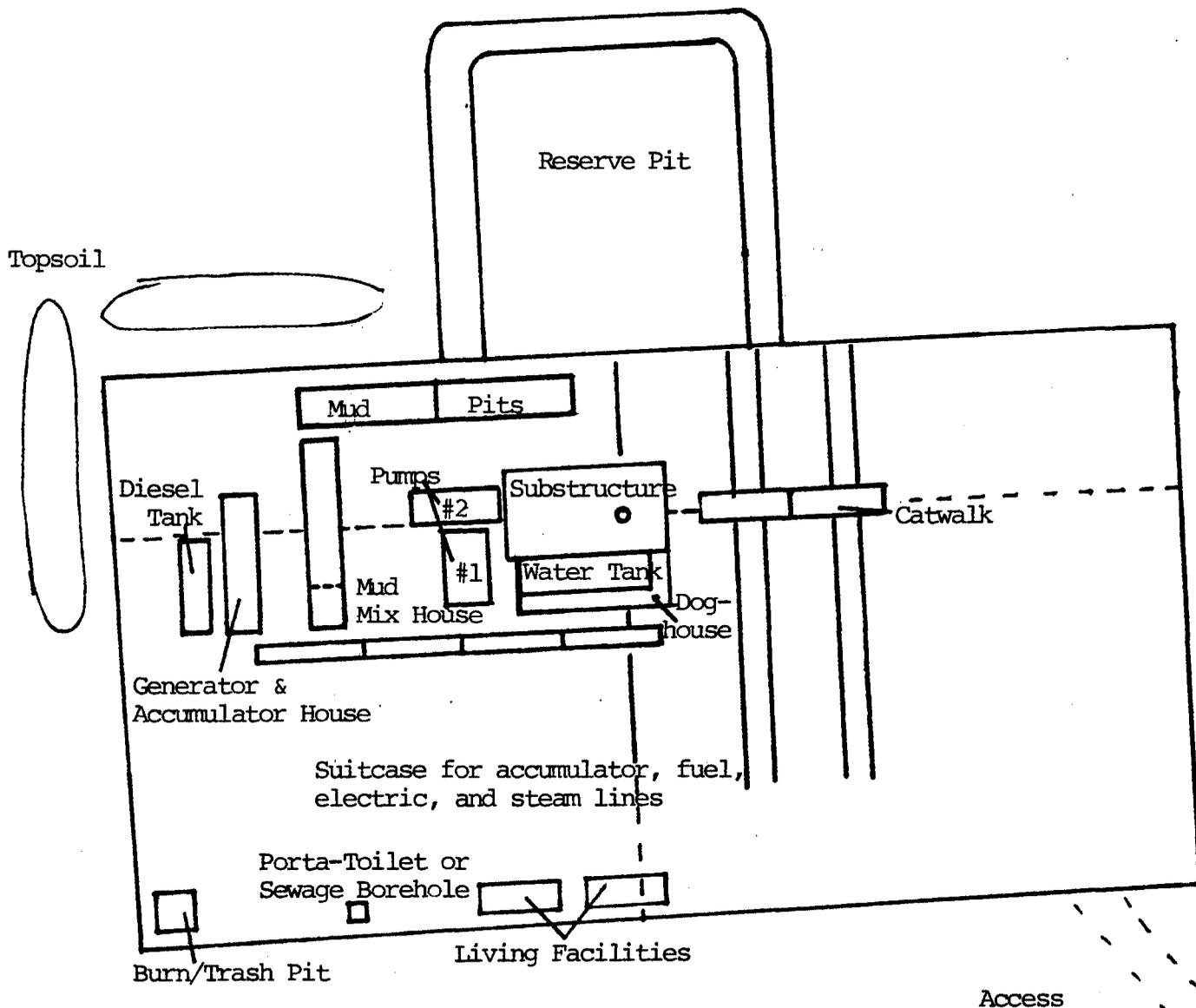


DIAGRAM #2
Rig Layout
Tricentral Resources Inc.
Nancy Federal #3-12
610' FWL & 1930' FNL
Section 3, T38S-R25E
San Juan County, Utah



POWERS ELEVATION

Well No. Federal 3-12

OIL WELL ELEVATIONS — LOCATIONS
ENVIRONMENTAL — ARCHAEOLOGICAL SERVICES
600 SOUTH CHERRY STREET, SUITE 1201
DENVER, COLORADO 80222
PHONE NO. 303321-2217

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

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

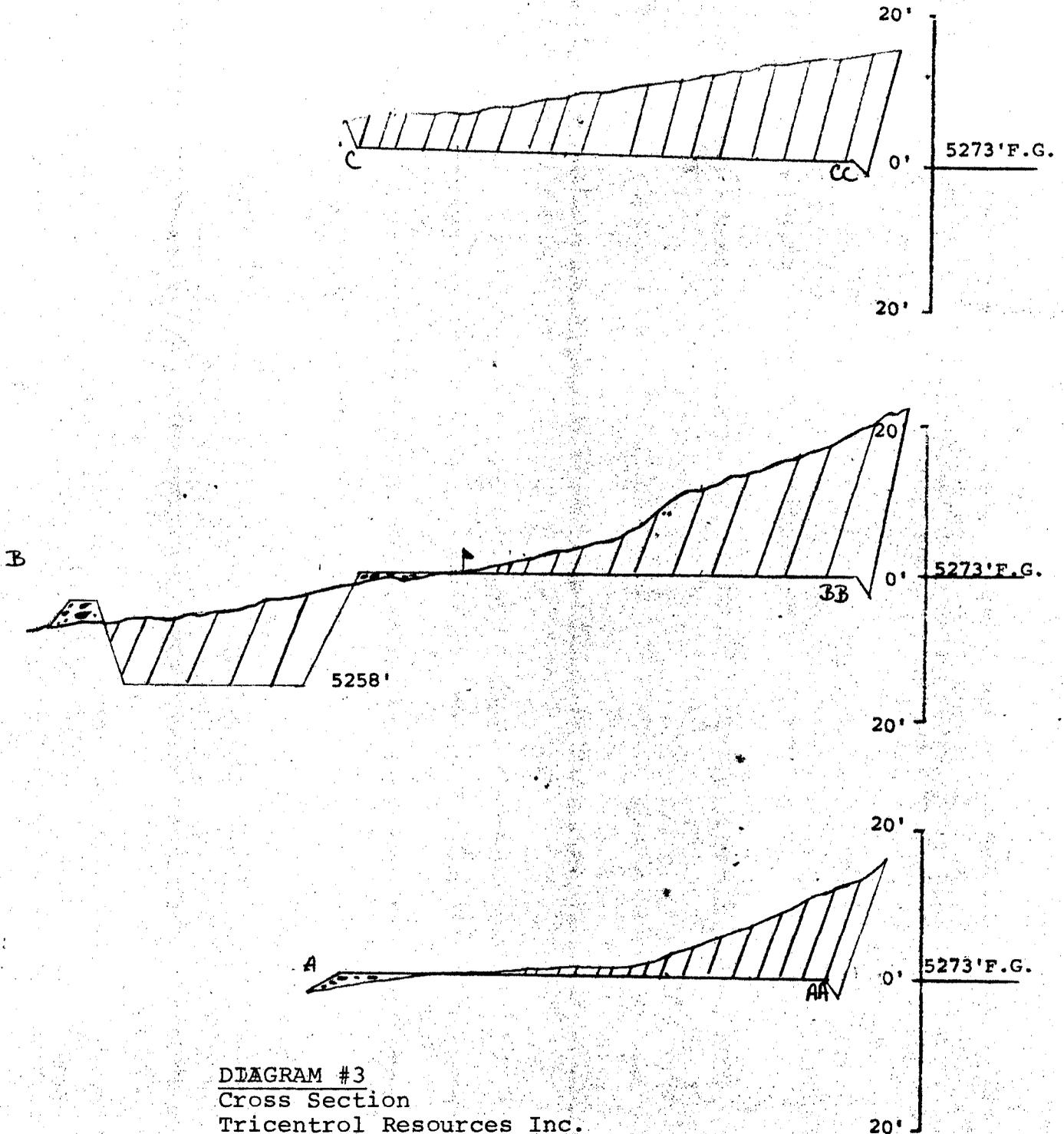


DIAGRAM #3
 Cross Section
 Tricentral Resources Inc.
 Nancy Federal #3-12
 610' FWL & 1930' FNL
 Section 3, T38S-R25E
 San Juan County, Utah



POWERS ELEVATION

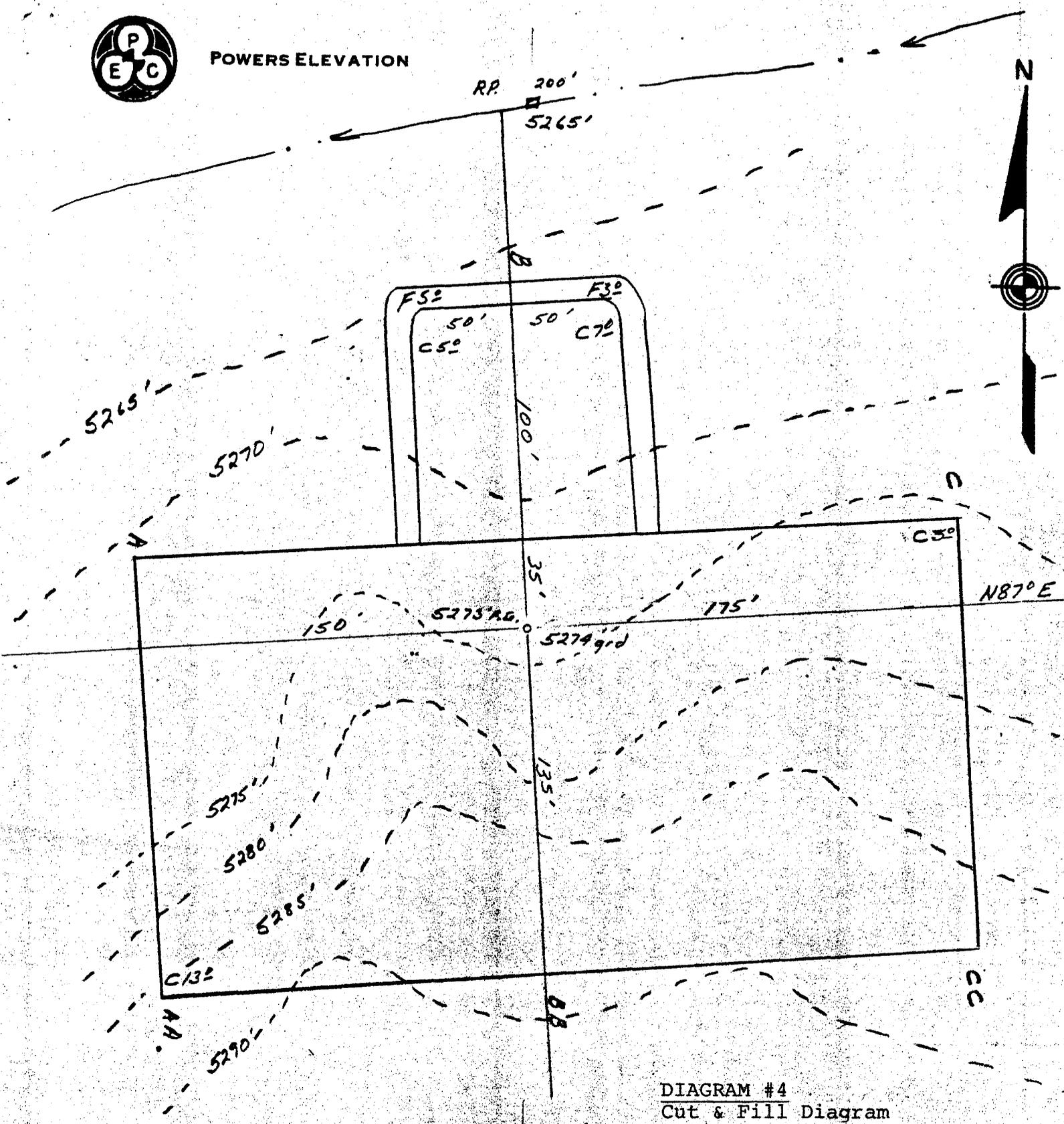
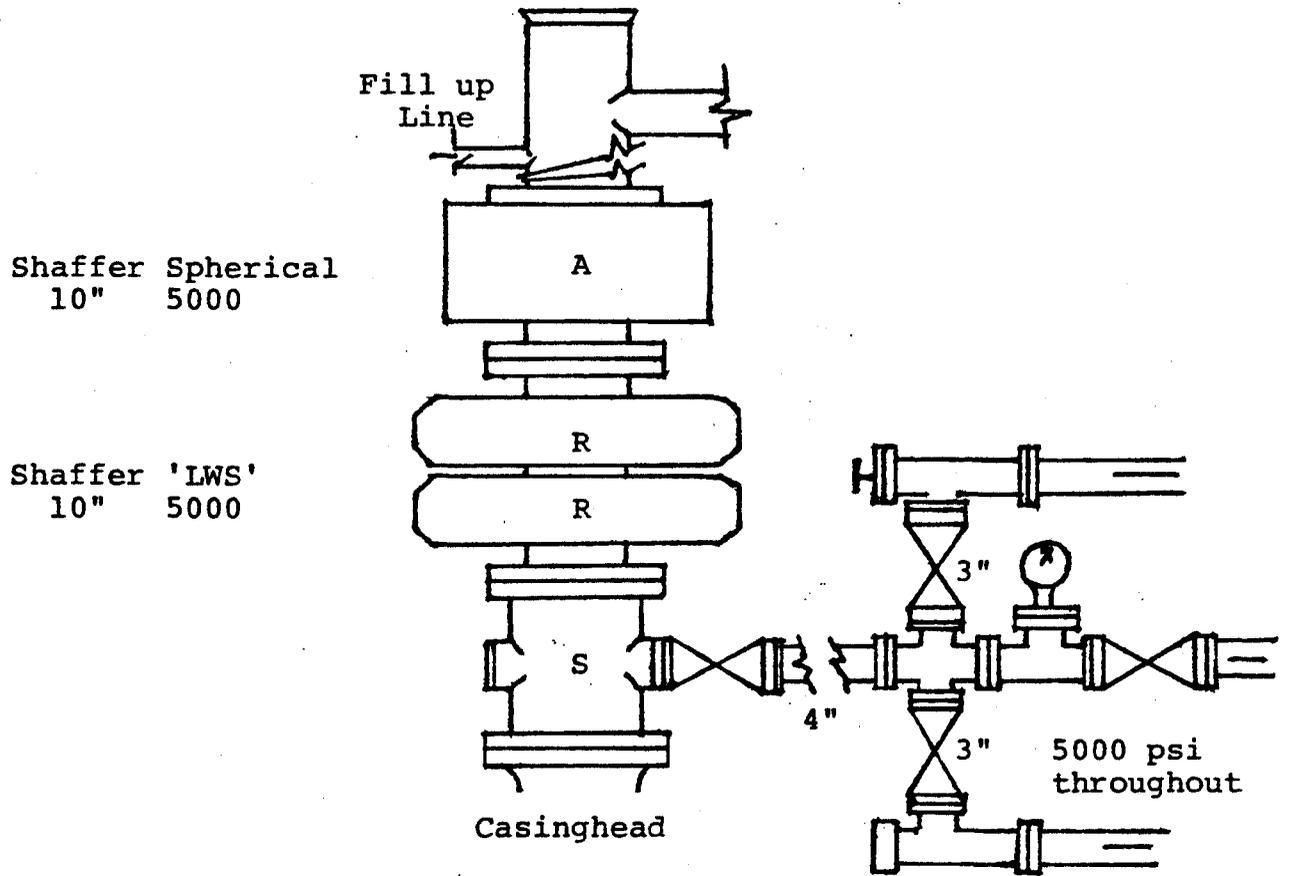


DIAGRAM #4
 Cut & Fill Diagram
 Tricentral Resources Inc.
 Nancy Federal #3-12
 610' FWL & 1930' FNL
 Section 3, T38S-R25E
 San Juan County, Utah

BOP DIAGRAM



AN ARCHEOLOGICAL SURVEY OF
TRICENTROL RESOURCES, INC.'S
NANCY FEDERAL #3-12 WELL PAD
AND ACCESS ROAD
SAN JUAN COUNTY, UTAH

LAC REPORT 8322

by
Patrick L. Harden

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

MAY 9, 1983

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

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

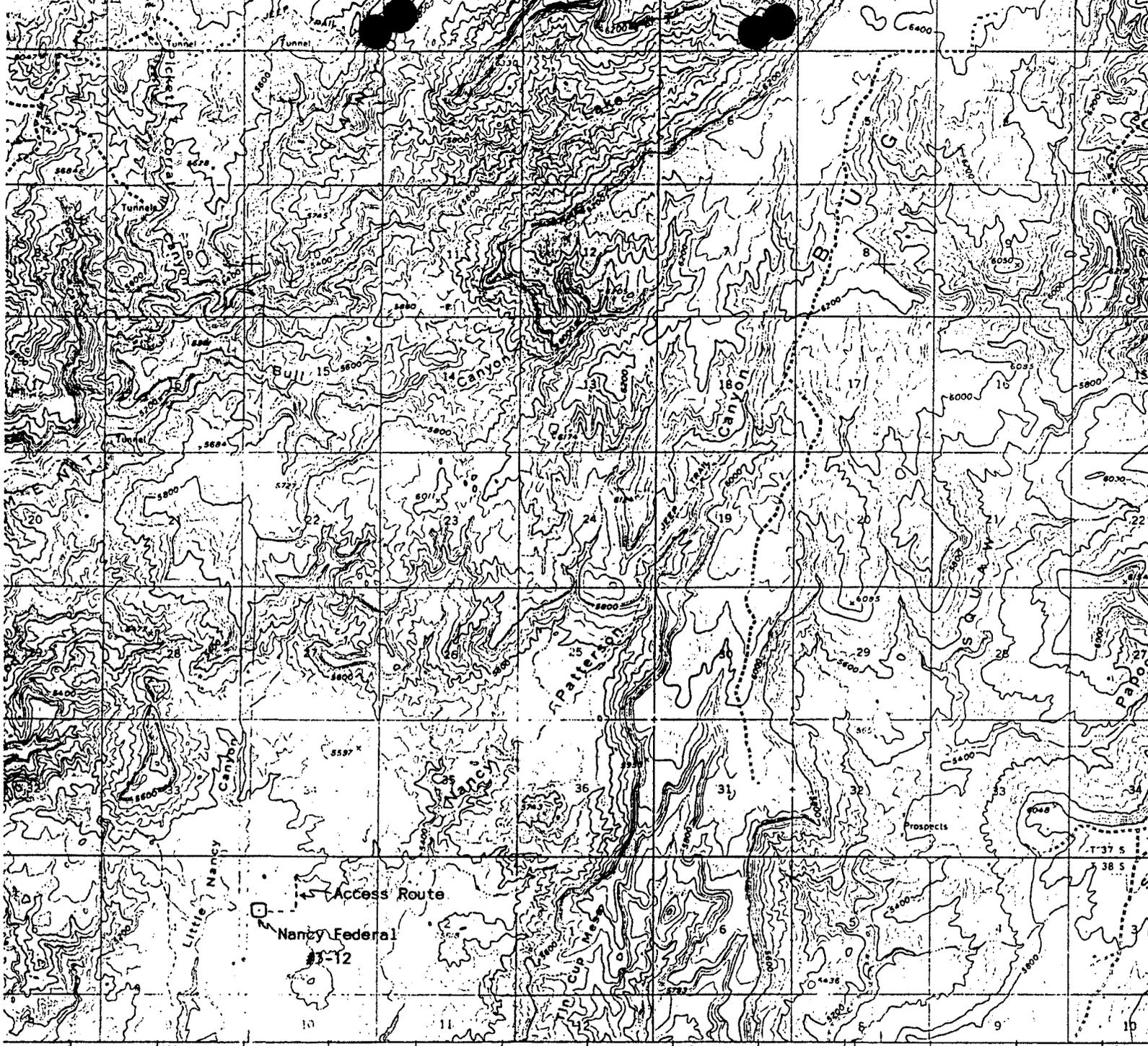
ABSTRACT

An archeological survey of Tricentrol Resources, Inc.'s Nancy Federal #3-12 well pad and access road was conducted by personnel of La Plata Archeological consultants, Inc. of Dolores, Colorado on April 11, 1983. The project is located on lands administered by the Bureau of Land Management - San Juan Resource Area, Utah. An area 600 X 600 feet surrounding the well pad center stake and a 66 foot wide corridor along approximately 1400' of new access road required was archeologically surveyed. No cultural resources were found in the project area. Archeological clearance is recommended for this project.

INTRODUCTION

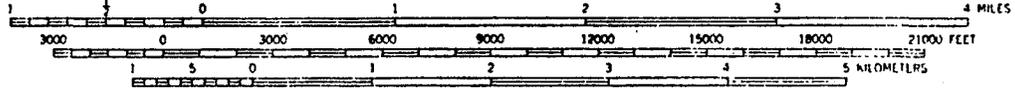
The archeological survey for Tricentrol Resources, Inc.'s Nancy Federal #3-12 well pad project was requested by Ms. Lisa Green, acting permit agent for Tricentrol. The survey was conducted on April 11, 1983 in conjunction with the staking of the well pad. An additional inspection was performed on April 27th during the on-site pre-drill inspection of the project. The archeological survey was conducted by Patrick Harden of La Plata Archeological Consultants. Persons attending the pre-drill inspection 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 $\frac{1}{4}$, NW $\frac{1}{4}$, of section 3,



1: 161 R 25 E 10' 164 (CAJON MESA) 4158 1 167 168 5' R 21 671 10' INTERIOR 970 00

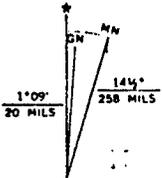
SCALE 1:62500



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



UTM GRID AND 1957 MAGNETIC NORTH
DECLINATION AT CENTER OF SHEET



QUADRANGLE LOCATION

T38S, R25E, San Juan County, Utah. The area is included on the Monument Canyon, Utah-Colo. 15' series topographic map (1957).

PROJECT DESCRIPTION

The proposed project consists of the construction of a single well pad ca. 275 X 300 feet in size, and approximately 1400' of new access road. Access to the #3-12 well will partially use the access road to the #3-22 well, which is scheduled to be drilled first. The access to these two wells will also provide additional access to the proposed #3-11 and #34-14 Tricentrol wells if production is attained on all wells. The access road to the #3-12 well will form a portion of a loop connecting all of the above wells.

PHYSIOGRAPHY AND ENVIRONMENT

The project area is located in Bug Park, a large open valley situated 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 #3-12 well pad is located along the north facing lower slopes of a relatively large ridge. A well entrenched arroyo is located north of the well pad ca. 50'. The access route runs eastward to connect with the #3-22 well and then north to the #3-10 well.

The north extension of the access route was included in the archeological report (LAC Report 8319) for the #3-22 well. The access route is located in relatively flat terrain along the lower slopes of the ridge bordering the well pad on the south.

Sediments are sand to cobble sized colluvium on most of the well pad and access road areas. Numerous small boulders are found on the well pad. Very fine sandy loam is found along portions of the access route.

Vegetation is dominated by greasewood, sagebrush, and bunch grass. A few scattered juniper and patches of saltbush are also found in the project area. A juniper dominated plant community is found on ridges and in sheltered areas in the general project vicinity. 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, and no sites are reported for the project area. No National Register listed properties are in or near the project area.

An area 600 X 600 feet surrounding the well pad center stake and a 20 meter wide (66') corridor along the access road were archeologically surveyed. The well pad was staked during the investigations on April 11th. The access route follows an existing faint trail: the route was indicated to the construction personnel present during the pre-drill inspection. On-the-ground survey consisted of walking a series of transects spaced at 15m intervals across the well pad area, and a single sinuous transect along the access route.

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 #3-12 well pad and access road was conducted by Patrick Harden of La Plata Archeological Consultants on April 11 and 27, 1983. No cultural resources were located in the project area. An area 600 X 600' surrounding the well pad center stake and a 20m wide corridor along the approximately 1400' of access road required were archeologically inventoried. Archeological clearance is recommended for this project.

Tricentrol
RESOURCES INC.

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

Minerals Management Service

RE: NTL-6 Program
Nancy Federal #3-12
SW/NW 610' FWL & 1930' FNL
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

MINERALS MANAGEMENT

5. LEASE DESIGNATION AND SERIAL NO.:
U-40053 OIL & GAS OPERATIONS RECEIVED

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: ---

7. UNIT AGREEMENT NAME: JUN 27 1983
Little Nancy T LAKE CITY, UTAH

8. FARM OR LEASE NAME: Nancy Federal

9. WELL NO.: #3-12

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: San Juan | 13. STATE: Utah

17. NO. OF ACRES ASSIGNED TO THIS WELL: 40

20. ROTARY OR CABLE TOOLS: Rotary

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

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: 610' FWL & 1930' FNL
At proposed prod. zone: SW/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. (Also to nearest drlg. unit line, if any): 610'

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.: 1300'

19. PROPOSED DEPTH: 6000'

20. ROTARY OR CABLE TOOLS: Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 5274' Gr.

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.

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
David Howell TITLE: Petroleum Engineer DATE: 6-23-83

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE: _____
APPROVED BY: E.W. GUYNN FOR E.W. GUYNN DATE: JUL 21 1983
CONDITIONS OF APPROVAL, IF ANY: _____

Chief, Branch of Fluid Minerals

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

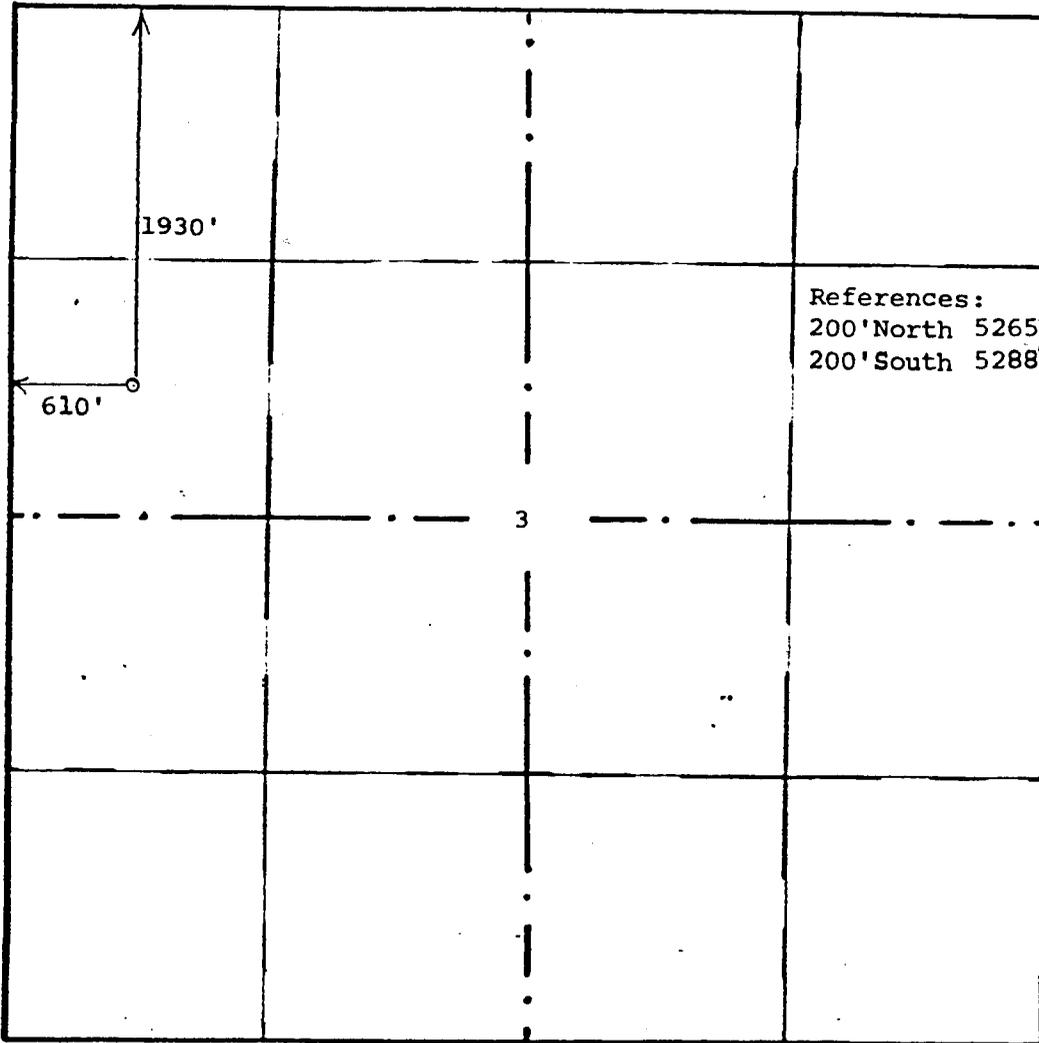
State of G



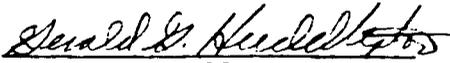
POWERS ELEVATION

PLAT #1

Well Location Plat



80.16 Chains

Operator Tricentrol U.S.A.		Well name Nancy Federal 3-12	
Section 3	Township 38 South	Range 25 East	Meridian SLPM
Footages 1930' FNL & 610' FWL			County/State San Juan, Utah
Elevation 5274'	Requested by Lisa Green		
The above plat is true and correct to the best of my knowledge and belief.			
11 April 1983		 Gerald G. Huddleston, L.S. Utah exception	

Tricentrol Resources, Inc.
Well No. 3-12
Section 3, T. 38S., R. 25E.
Little Nancy Unit
San Juan County, Utah
Lease U-40053

Supplemental Stipulations:

1. Adequate and sufficient electric/radioactive logs will be run to locate and identify the prime sodium chloride horizons 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 sodium chloride resource. Surface casing program may require adjustment for protection of fresh water aquifers.

OPERATOR TRICENTRAL RESOURCES DATE 6-29-83

WELL NAME NANCY FED 3-12

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

43-037-30911
API NUMBER

FED
TYPE OF LEASE

POSTING CHECK OFF:

INDEX

MAP

HL

NID

PI

PROCESSING COMMENTS:

UNIT WELL

✓ CHIEF PETROLEUM ENGINEER REVIEW:

7/1/83

APPROVAL LETTER:

SPACING:

A-3

LITTLE NANCY
UNIT

c-3-a

CAUSE NO. & DATE

c-3-b

c-3-c

SPECIAL LANGUAGE:

PRIOR TO SPURRING, A COPY OF THE UTAH DIVISION
OF WATER RIGHTS (801-533-6071) APPROVAL FOR
WATER TO BE USED AT THE DRILLING SITE MUST
BE SUBMITTED TO THIS OFFICE, OTHERWISE
APPROVAL TO DRILL THE NANCY FED 3-12 WELL
IS VOID.

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

AUTHENTICATE LEASE AND OPERATOR INFORMATION

VERIFY ADEQUATE AND PROPER BONDING *FCZ*

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 29, 1983

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

RE: Well No. Nancy Federal # 3-12
SWNW, Sec. 3, T. 38S, R. 25E.
1930' FNL, 610' 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. Prior to spudding, a copy of the Utah Division of Water Rights (801-533-6071) approval for water to be used at the drilling site must be submitted to this office, otherwise approval to drill the Nancy Federal # 3-12 well is void.

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 43-037-30911.

Sincerely,


Norman C. Stout
Administrative Assistant

NCS/cf
cc: Oil & Gas Operations



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. #3-12
API #43-037-30911
1930' FNL, 610' FWL SW/NW
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,

A handwritten signature in cursive script that reads "Claudia Jones".

Claudia Jones
Well Records Specialist

CJ/cj



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

May 2, 1985

Bureau of Land Management
Branch of Fluid Minerals
P O Box 970
Moab, Utah 84532

Attention: Ms. Carol Fruediger

Dear Carol:

Re: Well No. Nancy Federal 3-12 - Sec. 3, T. 38S., R. 25E.,
San Juan County, Utah - Lease No. U-40053
Operator of Record: Tricentrol Resources

The above referenced well in your district was given state approval to drill June 29, 1983. This office has not received notification of any activity on this location.

Please let me know what action, if any, the Bureau of Land Management is taking on this well.

Thank you for your help in keeping our records up to date.

Sincerely,

A handwritten signature in cursive script that reads "Pam Kenna".

Pam Kenna
Well Records Specialist

Enclosure
cc: Dianne R. Nielson
Ronald J. Firth
John R. Baza
File

0170S/48



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

3162 (U-065)
(U-40053)
(U-037442-A)

RECEIVED

MAY 21 1985

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

MAY 23 1985

DIVISION OF OIL
GAS & MINING

Attention: Ms. Pam Kenna

Re: Request for Status of Wells

Gentlemen:

We are replying to your requests for status on the following wells:

- 1) Tricentrol Resources
Well No. Nancy Federal 3-12
Sec. 3, T. 38 S., R. 25 E.
Lease U-40053

We are in the process of rescinding this APD.

- 2) Smith Whyte
Well No. Whyte Agate Federal 1
Sec. 17, T. 20 S., R. 24 E.
Lease U-037442-A

We are enclosing two Sundry Notices in reference to this well.

- 3) Chuska Energy Company
Well No. 44-6
Sec. 6, T. 41 S., R. 24 E.
Lease NOG-8308-1033

We are returning your request. This well is handled by the Bureau of Land Management, Farmington Resource Area, Caller Service 4104, Farmington, NM 87499.

3162 (U-065)
(U-40053)

RECEIVED

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

JUN 24 1985

DIVISION OF OIL GAS & MINING JUN 20 1985

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

Re: Rescinding Application for
Permit to Drill
Well No. Nancy Federal 3-12
Sec. 3, T. 28 S., R. 25 E.
San Juan County, Utah
Lease U-40053

Gentlemen:

The Application for Permit to Drill the referenced well was approved on July 21, 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 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 at (801) 259-6111.

Sincerely,

/S/ GENE NODINE

District Manager

cc:
State of Utah, Division of Oil, Gas and Mining ✓
San Juan Resource Area

bcc:
U-942, Utah State Office

CFreudiger/cf 6/19/85



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

June 28, 1985

Tricentrol Resources, Inc.
c/o Permitco
1020 Fifteenth Street #22-E
Denver, Colorado 80202

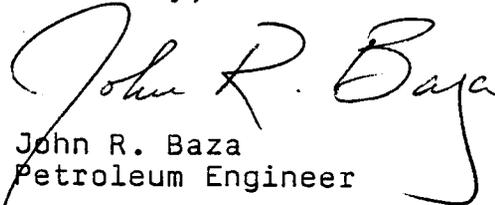
Gentlemen:

Re: Well No. Nancy Federal 3-12 - Sec. 3, T. 38S., R. 25E.,
San Juan County, Utah - API #43-037-30911

In concert with action taken by the Bureau of Land Management, June 24, 1985, approval to drill the above referenced well is hereby rescinded.

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

pk
cc: Dianne R. Nielson
Ronald J. Firth
File

0170S/95