

CP

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS WELL LOG ELECTRIC LOGS FILE **X** WATER SANDS LOCATION INSPECTED SUB. REPT. /abd

DATE FILED **4-16-84**

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

DRILLING APPROVED: **4-25-84 OIL**

SPUDDED IN:
COMPLETED: PUT TO PRODUCING

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR

PRODUCING ZONES

TOTAL DEPTH:

WELL ELEVATION:

DATE ABANDONED: ~~6-20-85~~ *LA'd 7-2-85*

FIELD: *3/96* **LITTLE NANCY**

UNIT: **LITTLE NANCY**

COUNTY: **SAN JUAN**

WELL NO **NANCY FEDERAL 11-22B** API NO **43-037-31007**

LOCATION **2020' FNL** FT. FROM (N) (S) LINE. **2350' FWL** FT. FROM (E) (W) LINE. **SENW** 1/4 - 1/4 SEC. **11**

TWP	RGE.	SEC	OPERATOR	TWP	RGE	SEC	OPERATOR
				38S	25E	11	TRICENTROL RESOURCES

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO. **U-40053**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME **N/A**

7. UNIT AGREEMENT NAME **Little Nancy Unit**

8. FARM OR LEASE NAME **Nancy Federal**

9. WELL NO. **#11-22B** ✓

10. FIELD AND POOL, OR WILDCAT **Unnamed**

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

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

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 303/595-4051**

3. ADDRESS OF OPERATOR **1020-15th Street, Suite 22E, Denver, Colorado 80202**

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface **2020' FNL & 2350' FWL**
At proposed prod. zone **SE NW**

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* **29 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) **290'**

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. **2500'**

19. PROPOSED DEPTH **6000'**

20. ROTARY OR CABLE TOOLS **Rotary**

21. ELEVATIONS (Show whether DF, RT, GR, etc.) **5369' GR**

22. APPROX. DATE WORK WILL START* **May 15, 1984**

23. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8"	36#	1650'	925 sx - Circ. to Surface
7-7/8"	5-1/2"	15.5#	6000'	150 sx or sufficient to cover zones of interest.

Tricentrol Resources Inc. proposes to drill a well to 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 BLM 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. **David P. Howell**
SIGNED *David P. Howell* TITLE **Petroleum Engineer** DATE **April 13, 1984**

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY **/s/ GENE NODINE** TITLE **DISTRICT MANAGER** DATE **30 MAY 1984**
CONDITIONS OF APPROVAL, IF ANY:

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

NOTICE OF APPROVAL

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

(Other instructions on reverse side)

6

5. Lease Designation and Serial No.
U-40053

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

7. Unit Agreement Name
Little Nancy Unit

8. Farm or Lease Name
Nancy Federal

9. Well No.
#11-22B

10. Field and Pool, or Wildcat
Unnamed Little Nancy

11. Sec., T., R., M., or Blk. and Survey or Area
Sec. 11-T38S-R25E

12. County or Parrish
San Juan
13. State
Utah

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work
DRILL [X] DEEPEN [] PLUG BACK []

b. Type of Well
Oil Well [X] Gas Well [] Other []
Single Zone [X] Multiple Zone []

2. Name of Operator
Tricentrol Resources Inc. c/o Permitco 303/595-4051

3. Address of Operator
1020-15th Street, Suite 22E, Denver, Colorado 80202

4. Location of Well (Report location clearly and in accordance with any State requirements.*)
At surface: 2020' FNL & 2350' FWL
At proposed prod. zone: SENW [X]

14. Distance in miles and direction from nearest town or post office*
29 miles southwest of Dove Creek, Colorado

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg. line, if any)
290'

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.
2500'

19. Proposed depth
6000' AKAH

20. Rotary or cable tools
Rotary

21. Elevations (Show whether DF, RT, GR, etc.)
5369' GR

22. Approx. date work will start*
May 15, 1984

28. PROPOSED CASING AND CEMENTING PROGRAM

Table with 5 columns: Size of Hole, Size of Casing, Weight per Foot, Setting Depth, Quantity of Cement. Rows include 12-1/4" hole with 9-5/8" casing and 7-7/8" hole with 5-1/2" casing.

Tricentrol Resources Inc. proposes to drill a well to 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 BLM and State of Utah requirements.

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

RECEIVED
APR 16 1984
DIVISION OF OIL GAS & MINING

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

24. David P. Howell
Signed: [Signature] Title: Petroleum Engineer Date: 4/13/84

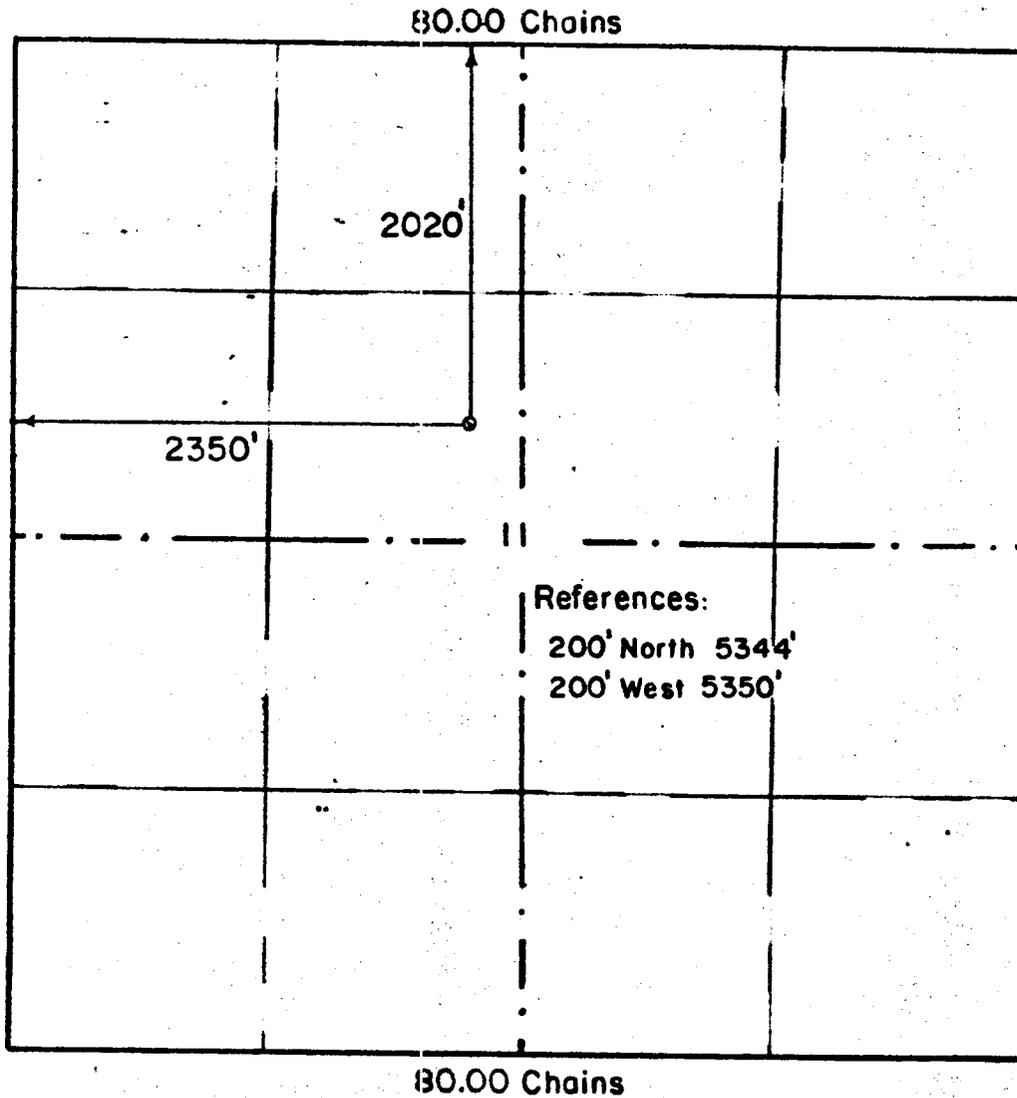
(This space for Federal or State office use)
Permit No. Approval Date
Approved by Title Date
Conditions of approval, if any:

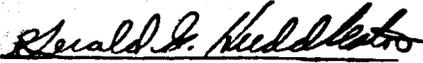
*See Instructions On Reverse Side

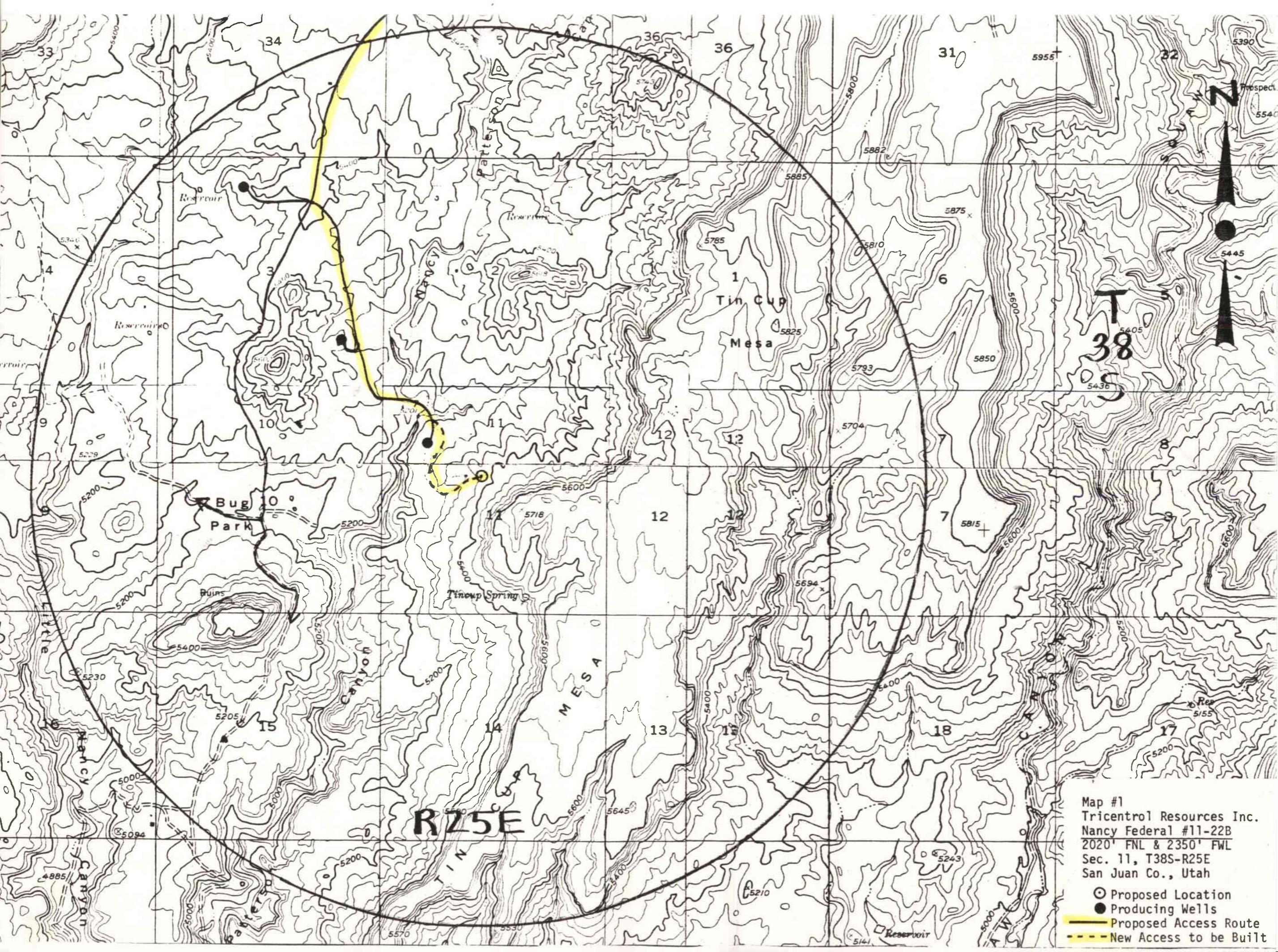


POWERS ELEVATION

Well Location Plat



Operator Tricentrol Resources		Well name 11-22B Nancy Federal	
Section 11	Township 38 S	Range 25E	Meridian S.L.M.
Footages 2020' FNL & 2350' FWL			County/State San Juan, Utah
Elevation 5369'	Requested by		
The above plat is true and correct to the best of my knowledge and belief.			
8 Feb. '84		 Gerald G. Huddleston, L.S.	



Map #1
Tricentrol Resources Inc.
Nancy Federal #11-22B
2020' FNL & 2350' FWL
Sec. 11, T38S-R25E
San Juan Co., Utah

- Proposed Location
- Producing Wells
- Proposed Access Route
- - - New Access to be Built



T
38
S

R25E

1
Tin Cup
Mesa

Bug
Park

Tineup Spring

Reservoir

Reservoir

Nancy

Patterson

Prospect

Rep

Reservoir

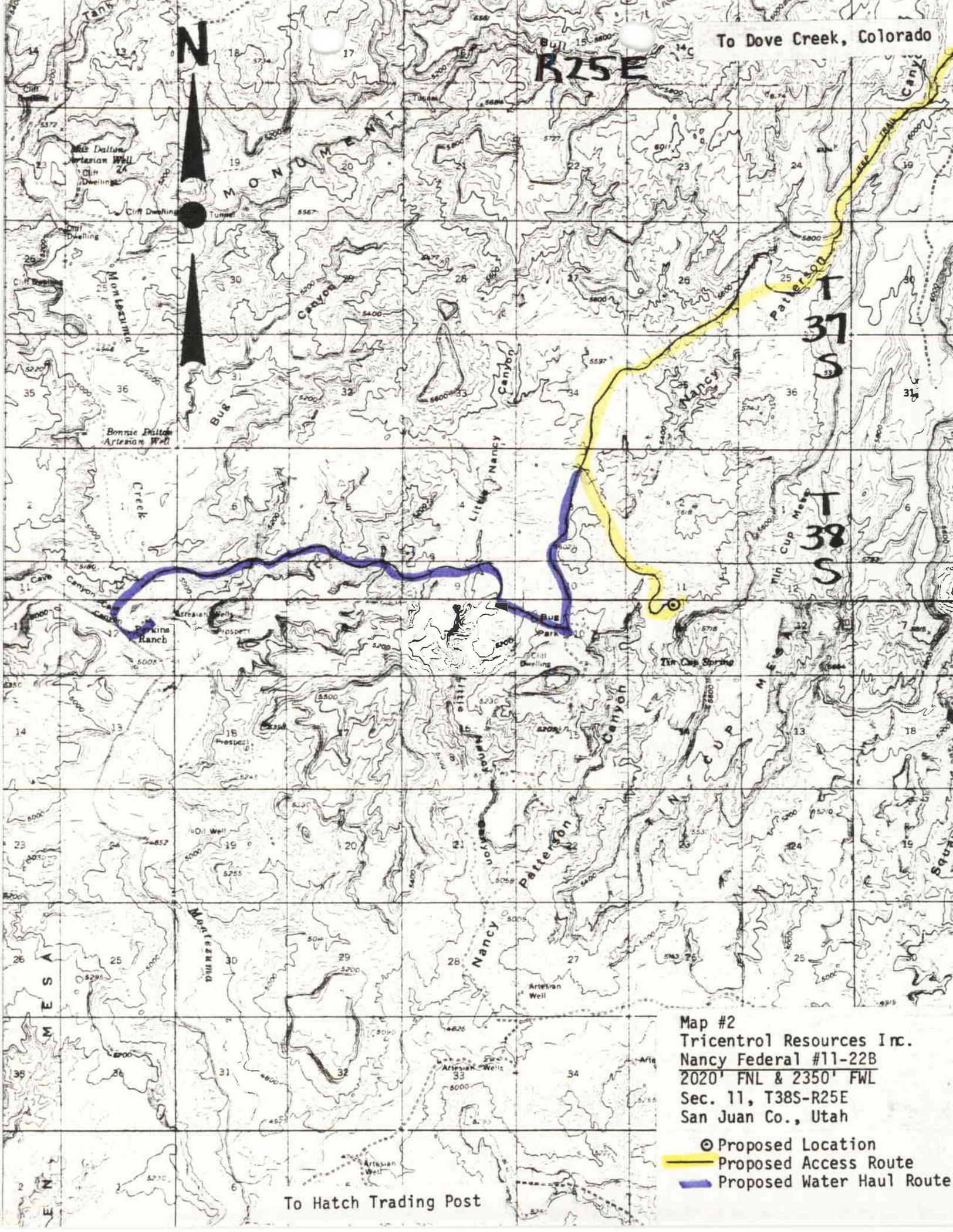
Little
Nancy
Canyon

MESA

TIN
CUP

A W

To Dove Creek, Colorado



R25E

T37S

T38S

M2E

M3E

Map #2
 Tricentrol Resources Inc.
 Nancy Federal #11-22B
 2020' FNL & 2350' FWL
 Sec. 11, T38S-R25E
 San Juan Co., Utah

- ⊙ Proposed Location
- Proposed Access Route
- Proposed Water Haul Route

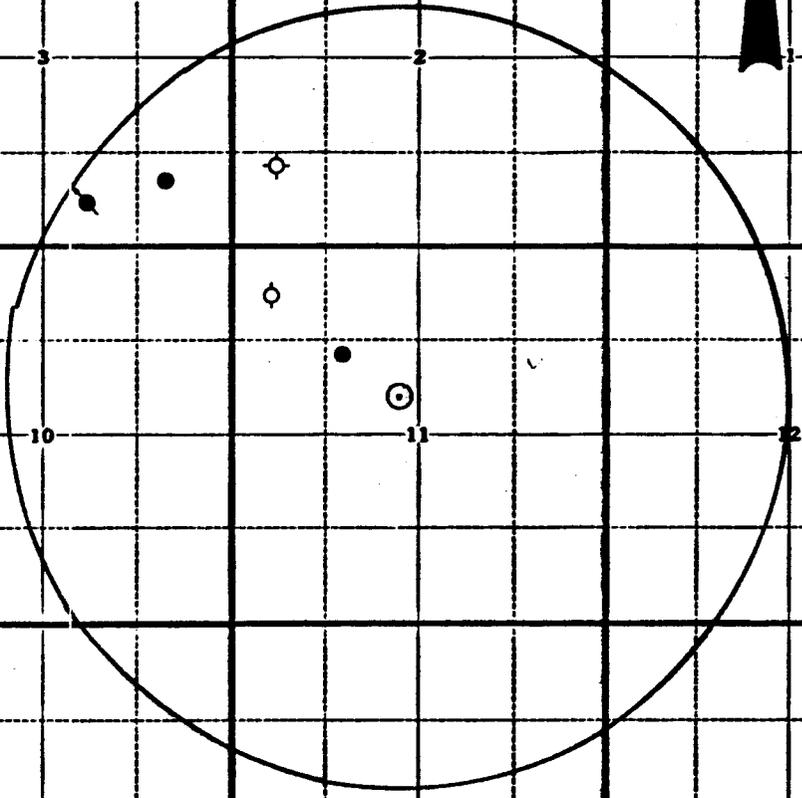
To Hatch Trading Post

R25E

N



T
38
S



Map #3
Tricentrol Resources Inc.
Nancy Federal #11-22B
2020' FNL & 2350' FWL
Sec. 11, T38S-R25E
San Juan Co., Utah

- ⊙ Proposed Location
- Producing Wells
- ◊ Abandoned Wells
- ◊ Completing Wells
- Proposed Location

Scale: 1" = 50'

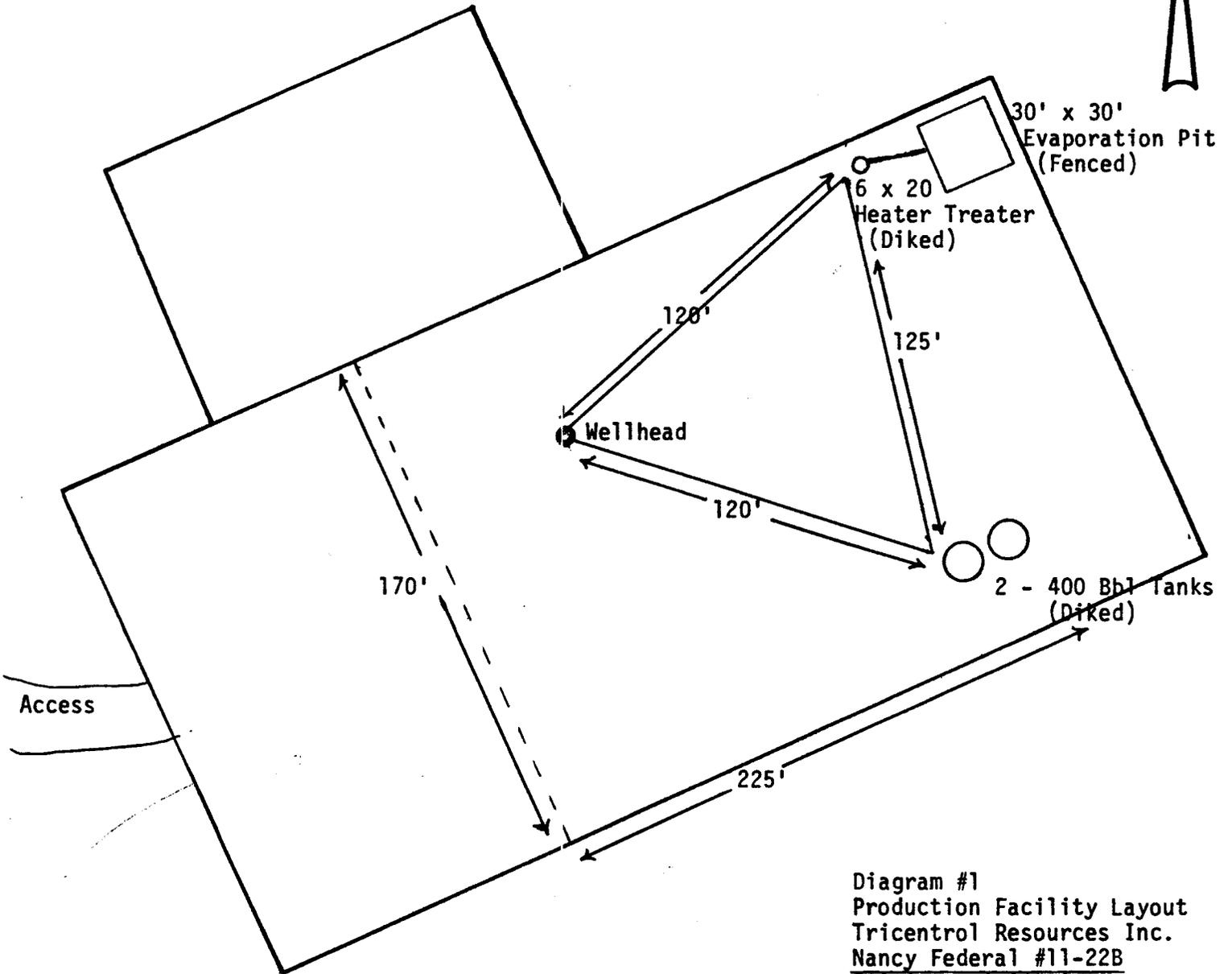


Diagram #1
Production Facility Layout
Tricentral Resources Inc.
Nancy Federal #11-22B
2020' FNL & 2350' FWL
Sec. 11, T38S-R25E
San Juan County, Utah

Scale: 1" = 50'

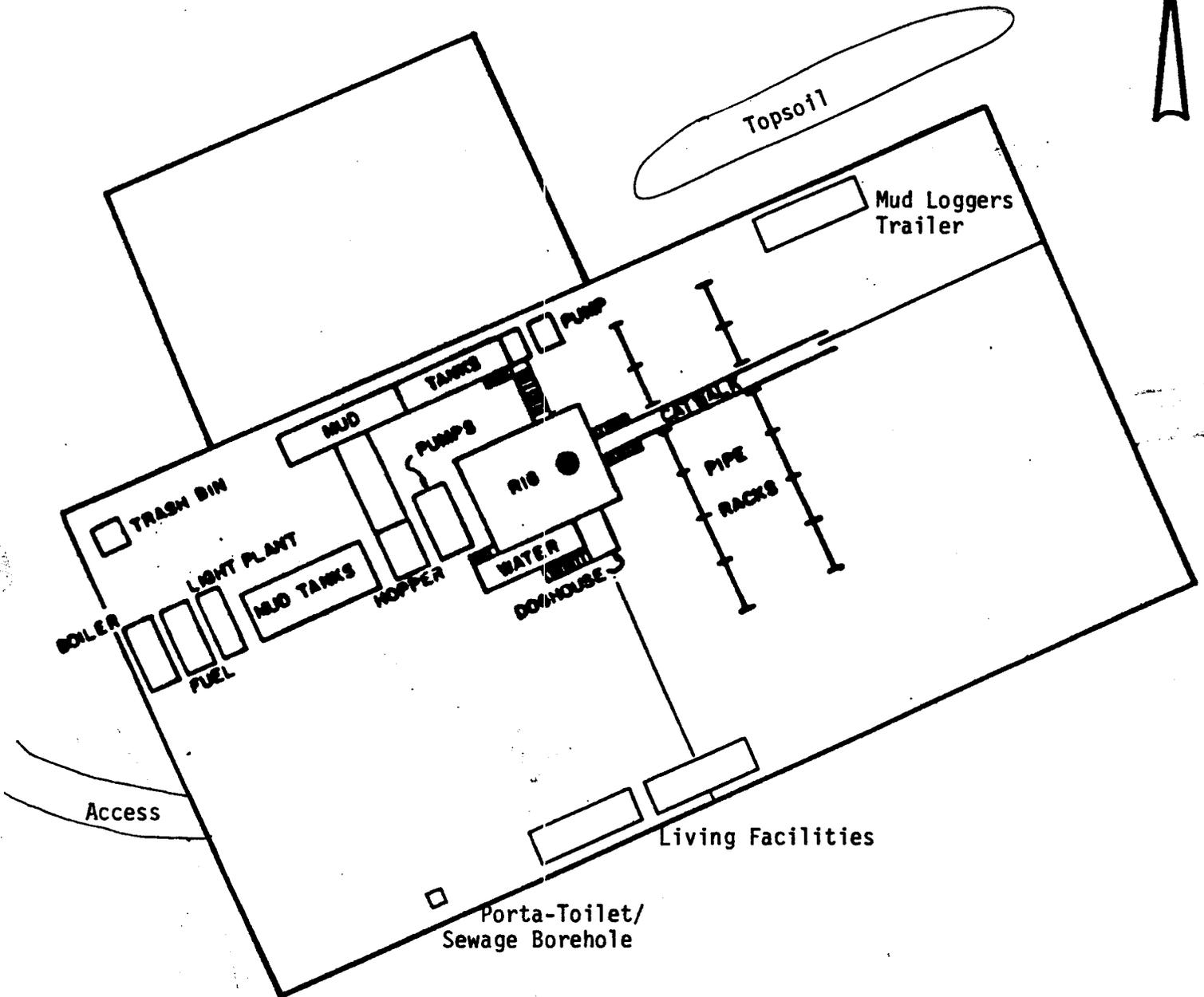


Diagram #2
Rig Layout
Tricentrol Resources Inc.
Nancy Federal #11-22B
2020' FNL & 2350' FWL
Sec. 11, T38S-R25E
San Juan County, Utah



POWERS ELEVATION

Well T-22B

Oil Well Elevations - Locations
Environmental - Archaeological Services
880 South Cherry Street, Suite 1201
Denver, Colorado 80222
Phone No. 393-2217

Cut 
Fill 

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

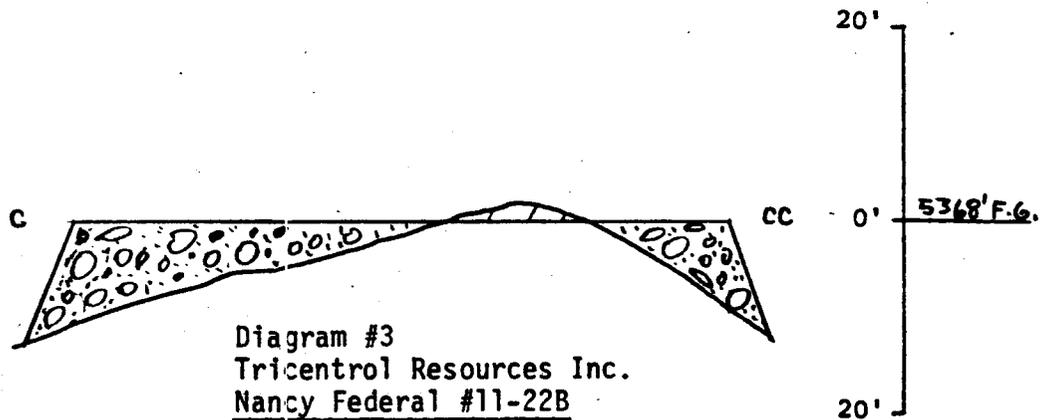
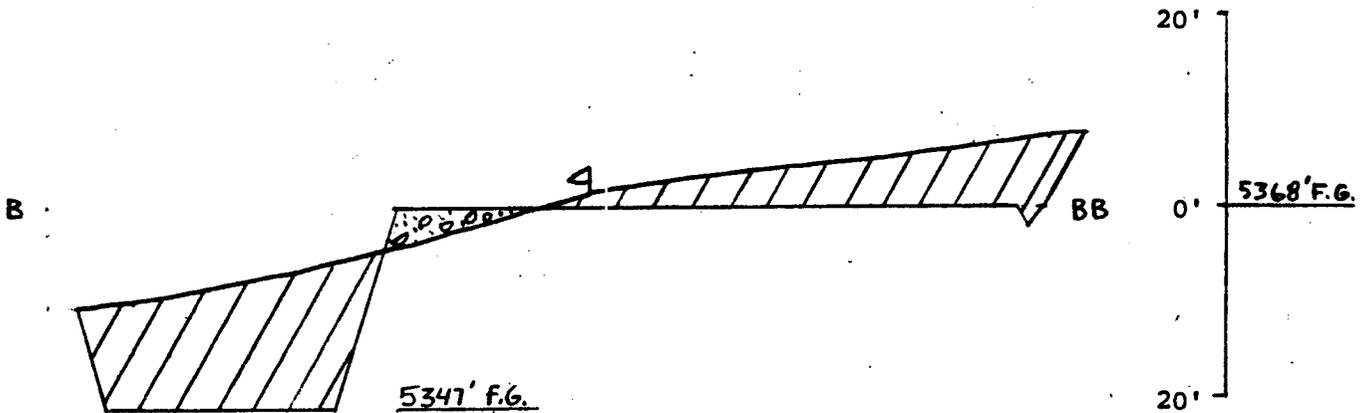
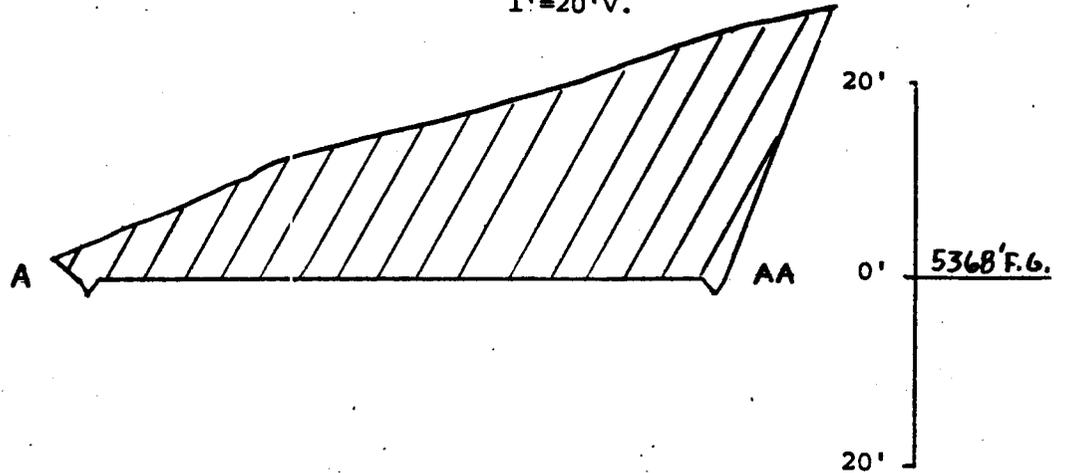


Diagram #3
Tricentrol Resources Inc.
Nancy Federal #11-22B
2020' FNL & 2350' FWL
Sec. 11, T38S-R25E
San Juan Co., Utah



POWERS ELEVATION

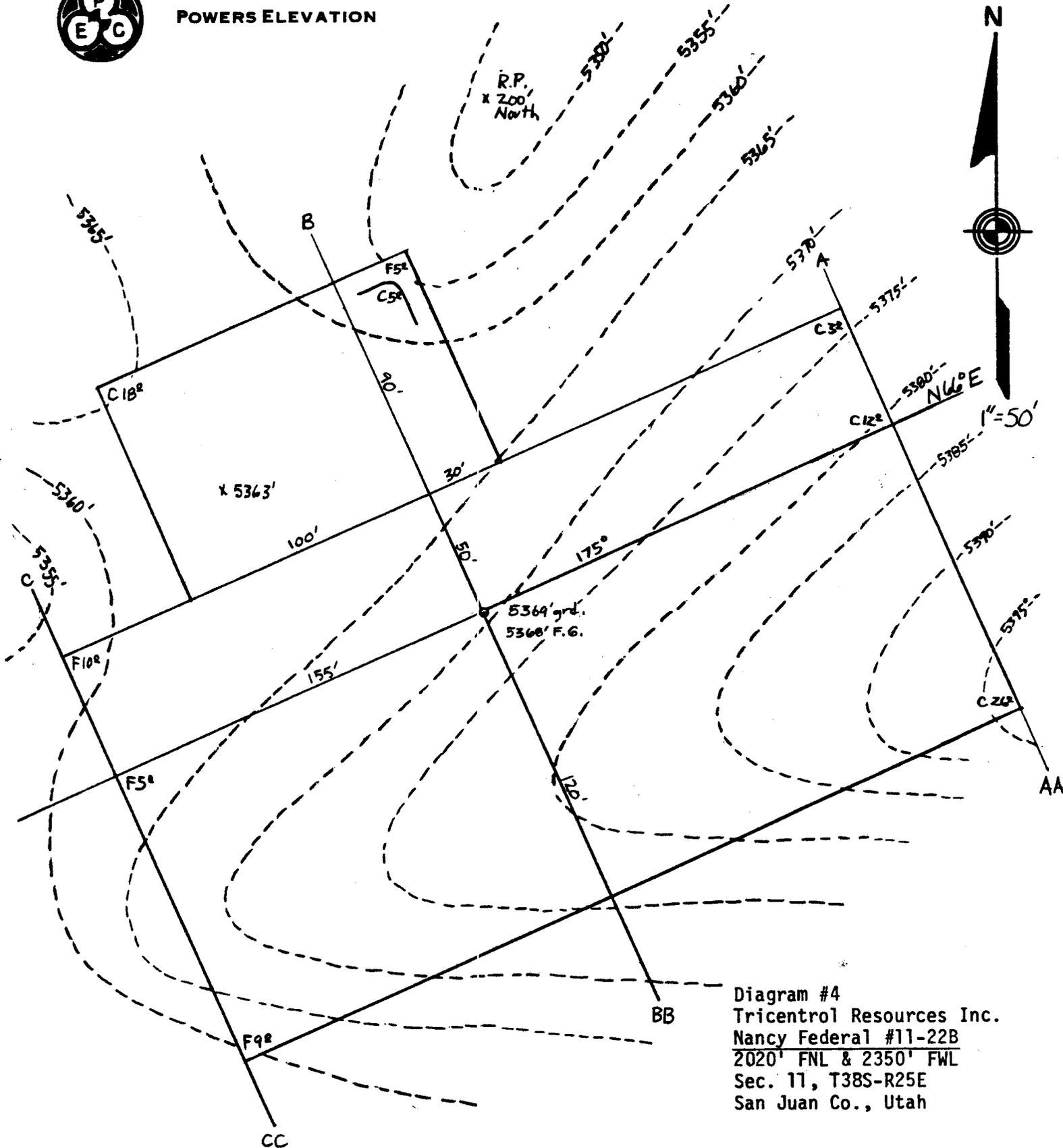
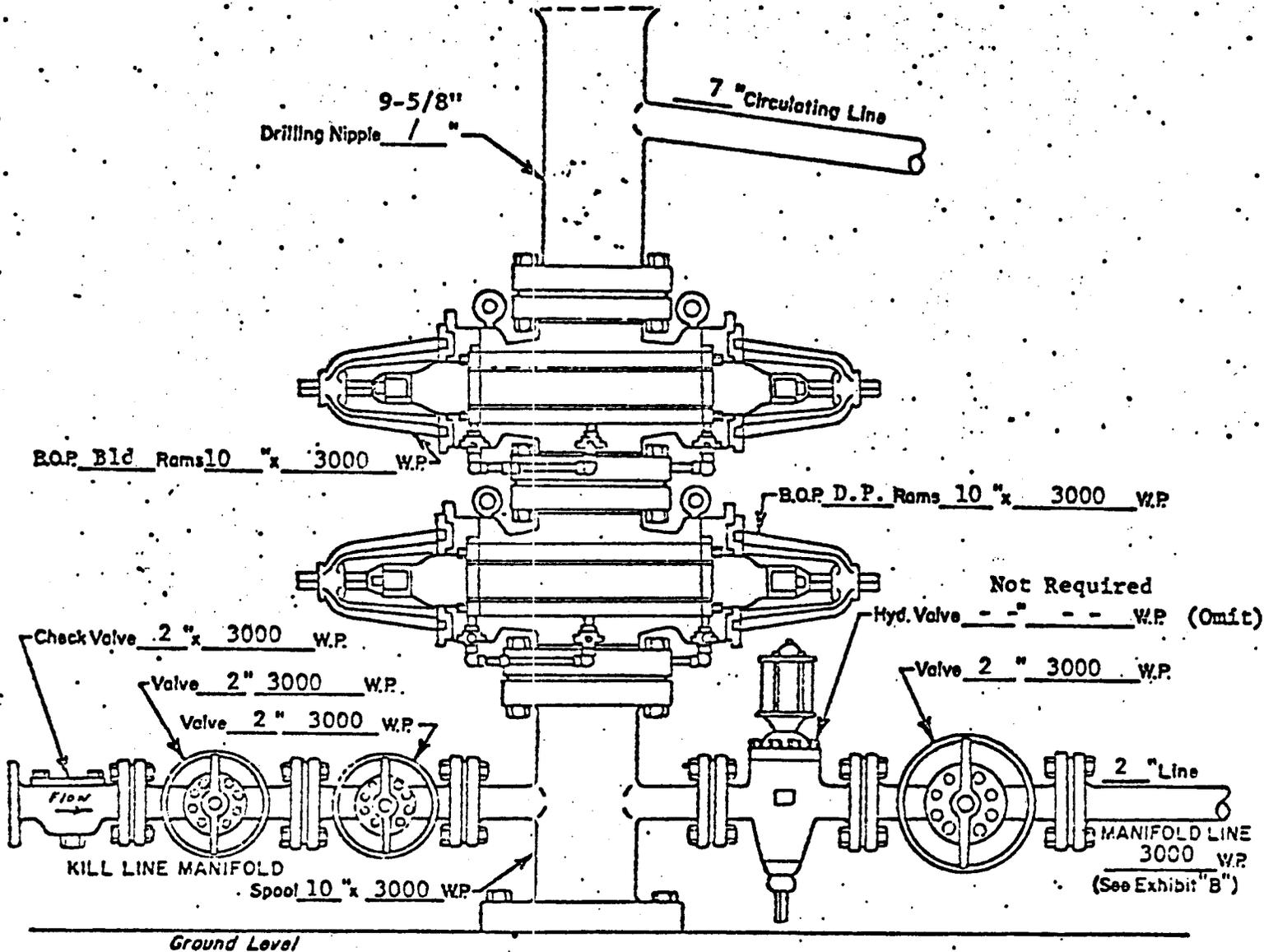


Diagram #4
 Tricentrol Resources Inc.
 Nancy Federal #11-22B
 2020' FNL & 2350' FWL
 Sec. 11, T38S-R25E
 San Juan Co., Utah

COLEMAN DRILLING CO.

WELL NAME: _____
LOCATION : _____

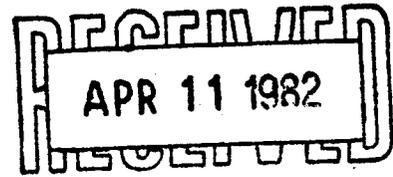


WELL HEAD B.O.P.
3000 # W.P.

Hydraulic



La Plata Archeological Consultants, Inc.
P.O. Box 783
Dolores, Colorado 81323
303-882-4933



April 9, 1984

Mr. Charles Cartwright
Area Archeologist
San Juan Resource Area
Bureau of Land Management
P.O. Box 7
Monticello, Utah 84535

Mr. Cartwright:

Please find enclosed the archeological survey report for Tricentrol Resources, Inc.'s Nancy Federal #11-22b well pad and access road, located in eastern San Juan County, Utah. Final archeological clearance has been recommended.

Sincerely,

Patrick L. Harden
President

Distribution:
BLM - Salt Lake City
Tricentrol Resources, Inc.
Permitco

PLH/cs

AN ARCHEOLOGICAL SURVEY OF
TRICENTROL RESOURCES, INC.'S
NANCY FEDERAL #11-22b
WELL SITE AND ACCESS ROAD IN
EASTERN SAN JUAN COUNTY, UTAH

REPORT 8416

by
Barry N. Hibbets

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

APRIL 6, 1984

Federal Antiquities Permit
84-UT-011

Prepared For:
Tricentrol Resources, Inc.
Suite 200
5675 DTC Boulevard
Englewood, Colorado 80111

ABSTRACT

In March, 1984 an archeological survey of Tricentrol Resources, Inc.'s Nancy Federal #11-22b well site and access road was performed by personnel of La Plata Archeological Consultants, Inc. The project area is located in Bug Park in extreme eastern San Juan County, Utah. The Bureau of Land Management - San Juan Resource Area administers the land involved. An area 600 x 600 feet square surrounding the well center stake, and a 100' wide corridor following the ca. 1150' of proposed access route were inventoried for cultural resources. No cultural resources were encountered during the investigation, and archeological clearance is recommended for this project.

INTRODUCTION

On March 26, 1984 an archeological survey of Tricentrol Resources' proposed #11-22b well site and access road was conducted by personnel of La Plata Archeological Consultants, Inc. (LAC). The survey was requested by Ms. Lisa Green, acting permit agent for Tricentrol. Both the proposed well site and ca. 1150' of access road are located in the SE $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 11, Township 38 South, Range 25 East, S.L.M., in extreme eastern San Juan County, Utah. The Bureau of Land Management - San Juan Resource Area administers all land involved.

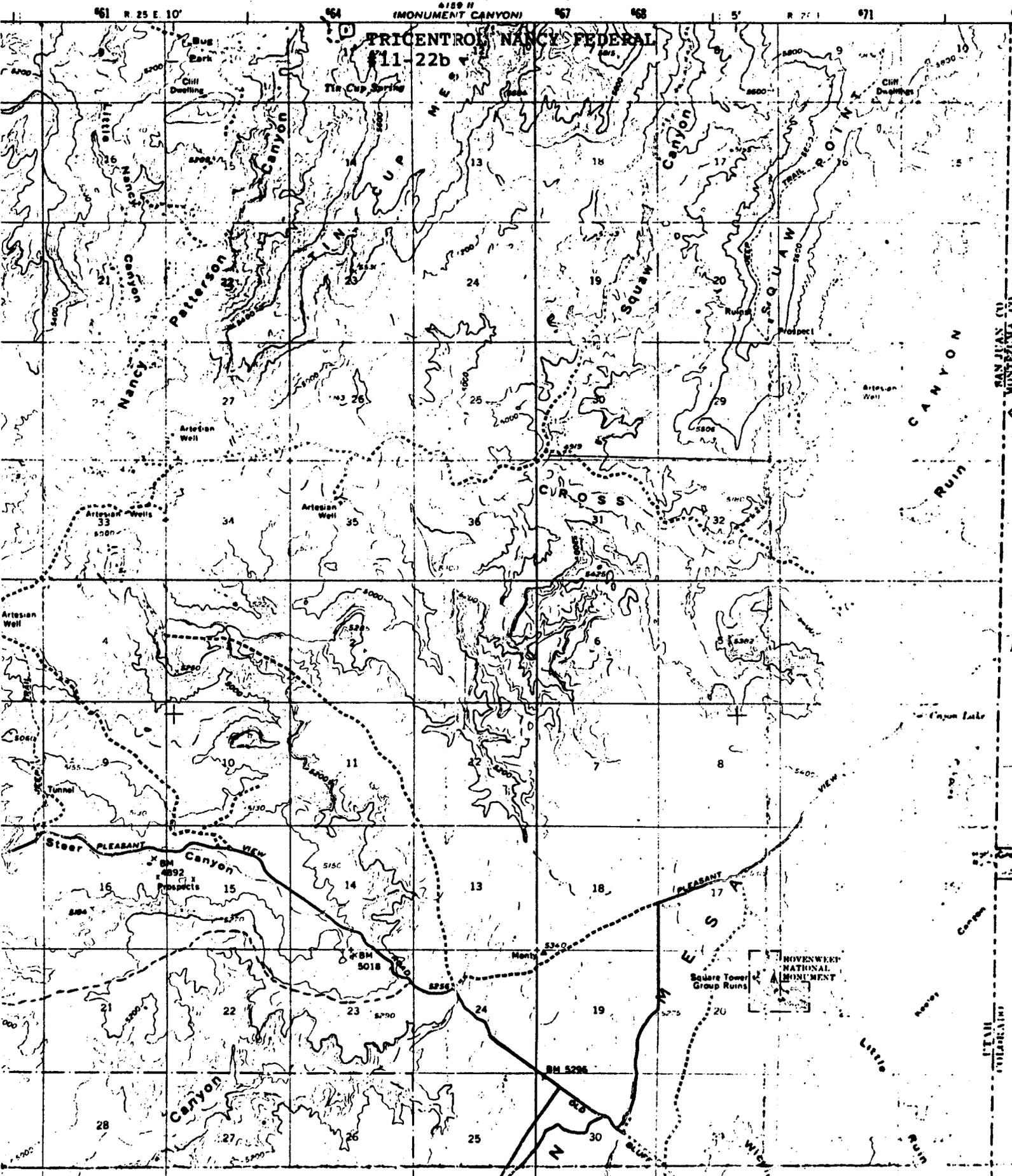
The survey was conducted during the pre-drill inspection by Mr. Barry N. Hibbets of LAC. Others present during the in-

CAJON MESA, UTAH-COLO.

1958

UNITED STATES
ATOMIC ENERGY COMMISSION

MONUMENT CANYON



SAN JUAN CO
UTAH

UTAH
COLORADO

spection were Mr. Brian Wood (BLM), Ms. Lisa Green (Permitco), Mr. Lowell Larson (Atchison Construction), and representatives of Urado Construction.

PROJECT DESCRIPTION

The proposed project consists of the construction of a single well pad ca. 275 x 300 feet in size, and approximately 1150' of new access road. The proposed access route will connect with a previously constructed road which accesses Tricentrol Resources' Nancy Federal #11-22 well, located NW of the proposed project.

PHYSIOGRAPHY AND ENVIRONMENT

The proposed well site and access route are located in eastern Bug Park near the base of Tin Cup Mesa. Bug Park is a valley-like feature bounded by Bug Point, Montezuma Canyon, Tin Cup Mesa, and Cliff House Rock. Terrain is typically undulating, dotted with buttes, mesitas, and other erosional remnants. The well pad and the access route favor western aspects with slope angles ranging from 3-25°. Elevation ranges from 5280 to 5400'.

The vegetative structure of the area consists of an open grassland association with scattered stands of one-seed juniper. Principal grasses present include galleta, Indian ricegrass, cheat grass, and needle and thread. Big sagebrush, shadscale, prickley pear, narrow-leaf yuuca, and Indian paintbrush are found in lesser frequencies.

Surface sediments consist of residual clays of decomposed

Cretaceous shales and sand to gravel size colluvium, resultant from mass wasting of sandstone strata on the slopes of Tin Cup Mesa.

There is no perennial source of water in or near the project area. Nancy Patterson Wash, which lies about .8km. west of the well site, carries water during spring and early summer months, and after late summer thunderstorms.

Avian, reptilian, and mammalian associations are consistent with those of the Upper Sonoran Life Zone throughout the Colorado Plateau.

SURVEY PROCEDURE

Prior to the initiation of the field work a site file and literature review was conducted at the BLM - San Juan Resource Area Office in Monticello, Utah. The results of this review concluded that although numerous sites dating to the Archaic, Anasazi, and Historic Navajo periods are known to exist in the general vicinity, no previously recorded sites are present in the project area.

On-the-ground survey was performed by the single archeologist systematically walking across the proposed well site via a series of transects spaced at 15m intervals. A 600 x 600' area surrounding the well center stake was inventoried for cultural resources. A 100' wide corridor following the 1150' of the proposed access route was archeologically surveyed via two

parallel transects spaced at 15m intervals.

SURVEY RESULTS

No prehistoric or historic cultural resources were discovered during the investigation.

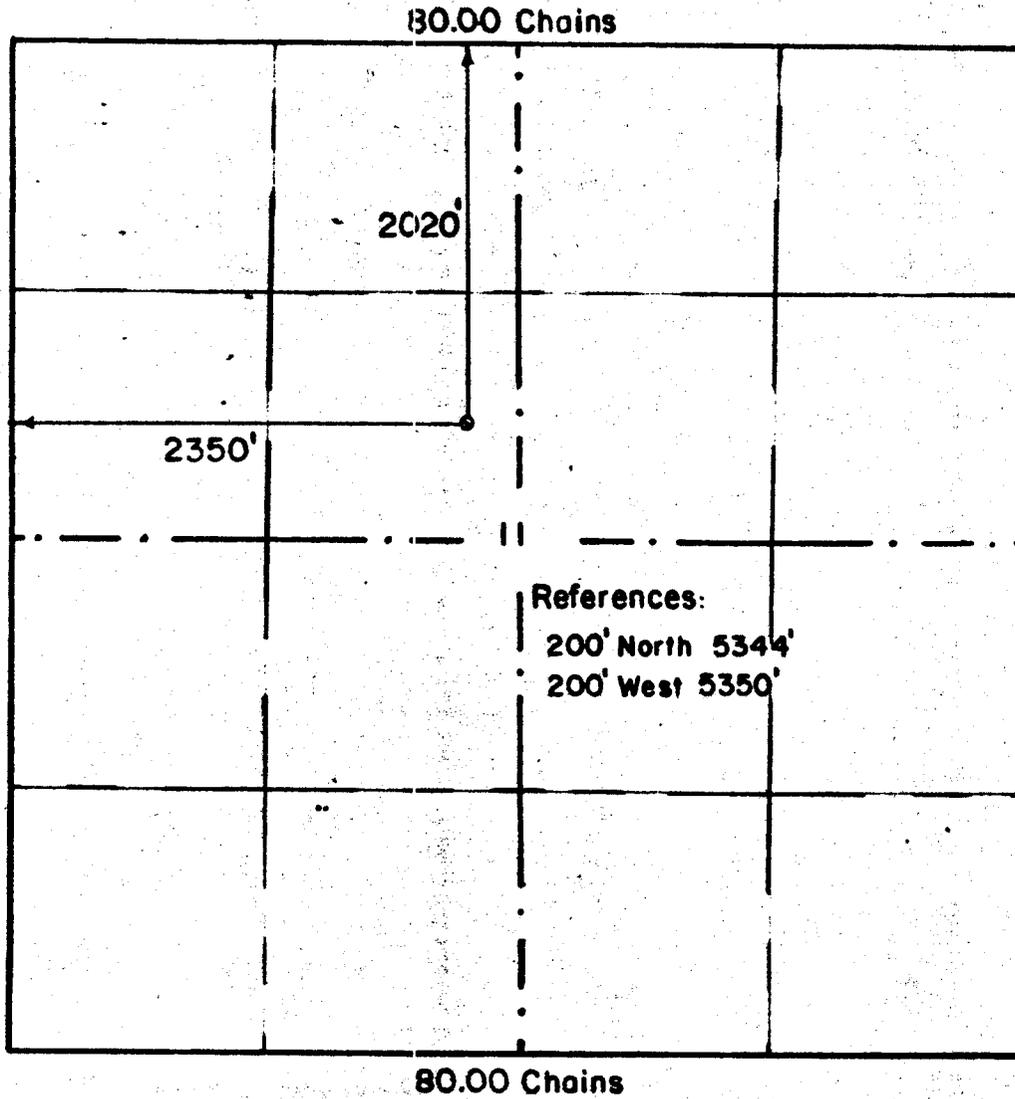
SUMMARY AND RECOMMENDATIONS

An archeological survey of Tricentrol Resources' #11-22b well site and ca. 1150' of proposed access road were performed on March 26, 1984 by Mr. Barry N. Hibbets of La Plata Archeological Consultants, Inc. The project area is located on land administered by the BLM - San Juan Resource Area in eastern San Juan County, Utah. No cultural resources were discovered during the investigation. Archeological clearance is recommended for the project.



POWERS ELEVATION

Well Location Plat



Operator Tricentrol Resources		Well name 11-22B Nancy Federal	
Section 11	Township 38 S	Range 25 E	Meridian S.L.M.
Footages 2020' FNL & 2350' FWL			County/State San Juan, Utah
Elevation 5369'	Requested by		
<p>The above plat is true and correct to the best of my knowledge and belief.</p> <p>8 Feb. '84</p> <p style="text-align: right;"><i>Gerald G. Huddleston</i> Gerald G. Huddleston, L.S.</p>			

RECEIVED

APR 16 1984

DIVISION OF OIL
GAS & MINING

Permitco

A Petroleum Permitting Company

April 13, 1984

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

RE: Tricentrol Resources Inc.
Nancy Federal #11-22B
2020' FNL & 2350' FWL
Section 11, T38S-R25E
San Juan County, Utah

Gentlemen:

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

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

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

T 38 S - R 25 E: Section 3 - A11
 Section 10 - N/2
 Section 11 - A11
 Section 14 - N/2

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

Sincerely,

PERMITCO



Lisa L. Green
Consultant for Tricentrol
Resources Inc.

LLG:jan

Enclosures

ONSHORE OIL & GAS ORDER NO. 1;

Approval of Operations on Onshore
Federal and Indian Oil and Gas Leases

NANCY FEDERAL #11-22B
2020' FNL & 2350' FWL
Sec. 11, T38S-R25E
San Juan County, Utah

Prepared For:

Tricentrol Resources Inc.

By:

PERMITCO
1020-15th Street, Suite 22-E
Denver, Colorado 80202

Copies Sent To:

- 4 - BLM - Moab, Utah
- 1 - BLM - Monticello, Utah
- 1 - Div. of Oil, Gas & Mining - SLC, Utah
- 6 - Tricentrol Resources Inc. - Denver, CO

Permitco

A Petroleum Permitting Company

Tricentrol

RESOURCES INC.

Suite 200, Gateway Place
5675 South Tamarac Parkway
Englewood, Colorado 80111 U.S.A.
Telephone (303) 694-0888

April 13, 1984

Bureau of Land Management
P.O. Box 7
Monticello, Utah 84535

RE: Nancy Federal #11-22B
Sec. 11, T38S - R25E
San Juan County, Utah

Gentlemen:

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

If anything further is needed, please advise.

Sincerely,

TRICENTROL RESOURCES INC.

Richard P Crist
Richard P. Crist
Area Exploration Manager

RPC:ram

ONSHORE OIL & GAS ORDER NO. 1;
Approval of Operations on Onshore
Federal and Indian Oil and Gas Leases

Tricentrol Resources Inc.
Nancy Federal #11-22B
2020' FNL & 2350' FWL
Sec. 11, T38S-R25E
San Juan Co., Utah

DRILLING PROGRAM

1. The surface formation and estimated formation tops to be encountered are as follows:

<u>Formation</u>	<u>Depth</u>	<u>Subsea</u>
Morrison	Surface	-----
Navajo	785'	4596'
Chinle	1600'	3781'
Cutler	2639'	2742'
Honaker Trail	4435'	946'
Upper Ismay	5535'	-154'
Lower Ismay	5725'	-344'
Gothic	5770'	-389'
Desert Creek	5795'	-414'
Akah	5900'	-519'
T.D.	6000'	-619'

2. The estimated depths at which oil, gas, water and other mineral bearing zones are expected to be encountered are as follows:

<u>Substance</u>	<u>Formation</u>	<u>Anticipated Depth</u>
Oil & Gas	Ismay	5535'
Oil & Gas	Desert Creek	5795'

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth cased and cemented. All oil and gas shows will be tested to determine commercial potential.

3. Pressure control equipment will consist of a 10" 300# W.P. BOP (See Diagram Attached).

Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to insure good mechanical working order, and this inspection recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

Permitco

A Petroleum Permitting Company

Tricentrol Resources Inc.
 Nancy Federal #11-22B
 2020' FNL & 2350' FWL
 Sec. 11, T38S-R25E
 San Juan County, Utah

DRILLING PROGRAM (Cont.)

4. a. Casing

The proposed casing program is as follows:

<u>Purpose</u>	<u>Depth</u>	<u>Hole Size</u>	<u>O.D.</u>	<u>Wt.</u>	<u>Grade</u>	<u>Type</u>	<u>New or Used</u>
Surface	0-1650'	12-1/4"	9-5/8"	36#	K-55	ST&C	New
Prod.	0-6000'	7-7/8"	5-1/2"	15.5#	K-55	ST&C	New

b. Cement

The cementing program will be as follows:

<u>Surface</u>	<u>Type and Amount</u>
0-1650'	925 sx Class B, 2% CaCl ₂ or sufficient to circulate.
<u>Production</u>	<u>Type and Amount</u>
0-6000'	150 sx Class B, low fluid loss or sufficient to cover zones of interest.

c. Auxiliary Equipment will be as follows:

1. Kelly cock
2. Float above the bit.
3. A sub with a full opening valve will be on the floor when the kelly is not in use.
4. Monitoring of the system will be done visually.

5. Drilling fluid will be as follows:

<u>Interval</u>	<u>Mud Type</u>	<u>Mud Weight</u>	<u>Visc.</u>	<u>F/L</u>
0-4100'	Clear Water	8.5-9.0	35	N/C
4100-6000'	Gel Chem	9.5-10.1	35	6-8

6. Coring, logging and testing programs will be as follows:

- a. No cores will be run.

Permitco

A Petroleum Permitting Company

Tricentrol Resources Inc.
Nancy Federal #11-22B
2020' FNL & 2350' FWL
Sec. 11, T38S-R25E
San Juan County, Utah

DRILLING PROGRAM (Cont.)

6. Coring, logging and testing programs (Cont.).

- b. A DIL-SFL-GR, a BHC-Sonic-GR/Caliper and a Neutron Density will be run from the base of the surface casing to T.D.
- c. 1 Drill Stem Test will be run in the Upper Ismay at 5535'.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 15 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analysis, well-test data, geologic summaries, sample descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the District Manager.

7. Abnormal conditions, bottom hole pressures and potential hazards.

- a. The maximum bottom hole pressure to be expected is 3500 psi.
- b. No abnormal pressures or potential hazards are anticipated.

8. Anticipated starting dates and notification of operations.

- a. Construction of roads and well pad will commence on approximately May 15, 1984.
- b. Tricentrol Resources Inc. plans to spud the Nancy Federal #11-22B on June 1, 1984 and intends to complete the well within approximately one month after the well has reached T.D.
- c. The operator will contact the San Juan Resource Area at 801/587-2201, 48 hours prior to beginning any dirt work on this location.
- d. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the District Manager. If operations are to be suspended, prior approval of the District Manager will be obtained and notification given before resumption of operations.

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A Petroleum Permitting Company

Tricentrol Resources Inc.
Nancy Federal #11-22B
2020' FNL & 2350' FWL
Sec. 11, T38S-R25E
San Juan County, Utah

DRILLING PROGRAM (Cont.)

8. Anticipated starting dates and notifications of operations (Cont.).
- e. The spud date will be reported orally to the San Juan Area Manager, a minimum of 24 hours before spudding. A Sundry Notice (Form 3160-5) will be sent within 24 hours of spudding, reporting the spud date and time. The Sundry will be sent to the District Manager.
 - f. In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 9-329 "Monthly Report of Operations", starting with the month in which operations begin and continue each month until the well is physically plugged and abandoned. This report will be sent to the Moab BLM District Office, P. O. Box 970, Moab, Utah 84532.
 - g. If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the District Manager. All conditions of this approved plan are applicable during all operations conducted with the replacement rig.
 - h. If the well is successfully completed for production, then the District Manager will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, no later than the first business day following the date on which the well is placed on production.
 - i. No well abandonment operations will begin without the prior approval of the District Manager. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the District Manager. A "Subsequent Report of Abandonment" (Form 3160-5), will be filed with the District Manager, within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration.
 - j. Final abandonment will not be approved until surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the San Juan Area Manager or his representative, or the appropriate Surface Managing Agency.
 - k. A first production conference will be scheduled within 15 days after receipt of the first production notice. The operator will schedule the conference with the San Juan Area Manager.

Permitco

A Petroleum Permitting Company

ONSHORE OIL & GAS ORDER NO. 1;

Approval of Operations on Onshore
Federal and Indian Oil and Gas Leases

Thirteen Point Surface Use Plan

Tricentrol Resources Inc.
Nancy Federal #11-22B
2020' FNL & 2350' FWL
Sec. 11, T38S-R25E
San Juan County, Utah

1. Existing Roads

- a. The proposed well site is located 29 miles from Dove Creek, Colorado.
- b. Directions to the location from Dove Creek are as follows:

Go southwest on Bug Point Road for 17 miles until it intersects with the Nancy Patterson Road. Go 10.5 miles on Nancy Patterson Road. Turn southeast onto new pipeline road and go 1.5 miles to the #11-22 producing well. Proceed south and east up the hill for approximately 1000' to the location.
- c. For access roads, See Maps #1 & 2.
- d. Improvement to the existing access will not be necessary and will be limited to the total existing disturbed width. The maximum total disturbed width will be 20 feet.
- e. All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.
- f. An encroachment permit will be obtained from the San Juan County Road Department, 801/587-2231, ext. 43.

2. Planned Access Roads

- a. The maximum total disturbed width will be 20 feet.
- b. Maximum grade is 10%.
- c. No turnarounds are planned.
- d. The access road was centerline flagged at the time of the onsite inspection.
- e. Drainage will be installed as deemed necessary by the dirt contractor.
- f. No gates, cattleguards or fence cuts will be necessary.
- g. 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.

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A Petroleum Permitting Company

Tricentrol Resources Inc.
Nancy Federal #11-22B
2020' FNL & 2350' FWL
Sec. 11, T38S-R25E
San Juan County, Utah

SURFACE USE PLAN (Cont.)

2. Planned Access Roads (Cont.)

- h. The access road will be water barred or brought to Class III Road Standards within 60 days of dismantling of the drilling rig. If this time frame cannot be met, the San Juan Area Manager will be notified so that temporary drainage control can be installed along the access road.
- i. Culverts will be installed as deemed necessary by the dirt contractor.
- j. Surface material will not be placed on the access road or location without prior BLM approval.
- k. The Class III Road Standards which ensure drainage control over the entire road through the use of natural, rolling topography; ditch turnouts; drainage dips; outsloping; crowning; low water crossings; and culverts will be determined at the appropriate field inspection.

3. Location of Existing Wells Within a One-Mile Radius of the Proposed Location.
See Map #3.

- a. Water Wells - 0
- b. Injection of Disposal Wells - 0
- c. Producing Wells - 2
- d. Drilling Wells - 0

4. Location of Tank Batteries and Production Facilities

- a. All permanent structures (onsite for six months or longer) constructed or installed (including oil well pump jacks) will be painted a flat, nonreflective, earthtone color to match the standard environmental colors, as determined by the Rocky Mountain Five-State Interagency Committee. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The color to be used is the same as the existing Nancy facilities.
- b. If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain 1-1/2 times the storage capacity of the battery.

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A Petroleum Permitting Company

Tricentrol Resources Inc.
Nancy Federal #11-22B
2020' FNL & 2350' FWL
Sec. 11, T38S-R25E
San Juan County, Utah

SURFACE USE PLAN (Cont.)

4. Location of Tank Batteries and Production Facilities (Cont.)

- c. Tank batteries will be placed as shown on Diagram #1.
- d. All loading lines will be placed inside the berm surrounding the tank battery.
- e. Any necessary pits will be properly fenced to prevent any wildlife entry. The production pit will be flagged overhead.
- f. All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.
- g. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager.
- h. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed.
- i. 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 will be housed and/or fenced.
- j. The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The San Juan Area Manager will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Moab District Office. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA for natural gas measurement.

5. Location and Type of Water Supply

- a. All water needed for drilling purposes will be obtained from the Perkins Ranch in Sec. 7, T38S-R24E and the BLM Bug Point Road Pond. Directions to the water source are shown on Maps #1 & 2.
- b. Water will be trucked to location over the roads marked on Maps #1 & 2.
- c. No water well is to be drilled on this lease.

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A Petroleum Permitting Company

Tricentrol Resources Inc.
Nancy Federal #11-22B
2020' FNL & 2350' FWL
Sec. 11, T38S-R25E
San Juan County, Utah

SURFACE USE PLAN (Cont.)

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

- d. Use of water for this operation will be approved by obtaining a temporary use permit from the Utah State Engineer, 801/637-1303, and by receiving permission from the land owner or surface management agency to use the land containing the water source.

6. Source of Construction Material

- a. Road surfacing and pad construction material will be obtained from a commercial source.
- b. The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3. Construction material will and will not be located on lease.

7. Methods of Handling Waste Disposal

- a. The reserve pit will not be lined with commercial bentonite sufficient to prevent seepage. At least half of the capacity will be in cut.
- b. Three sides of the reserve pit will be fenced with four strands of barbed wire before drilling starts. 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.
- c. A trash pit will be constructed near the mud tanks and dug at least six feet into solid, undisturbed material. It will be totally enclosed with a fine wire mesh before the rig moves in. The road and pad will be kept litter free.
- d. A burning permit is required for burning trash between May 1 and October 31. This can be acquired by contacting the State Fire Warden, John Baker, at 801/587-2705.
- e. Produced waste water will be confined to an unlined pit for a period not to exceed 90 days after initial production. During the 90-day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the District Manager's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance, and will be grounds for issuing a shut-in order.

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A Petroleum Permitting Company

Tricentrol Resources Inc.
Nancy Federal #11-22B
2020' FNL & 2350' FWL
Sec. 11, T38S-R25E
San Juan County, Utah

SURFACE USE PLAN (Cont.)

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 Diagrams #2 & 4. The location will be laid out and constructed as discussed during the predrill conference.
- c. The top 6 inches of soil material will be removed from the location and stockpiled separate from the trees on the north side. Topsoil along the access will be reserved in place.
- d. Access to the well pad will be from the west side of the well pad. See Diagram #2.

10. Reclamation

- a. Immediately on completion of drilling, all trash and debris will be collected from the location and surrounding area. All trash and debris will be disposed of in the trash pit and will then be compacted and buried under a minimum of two feet of compacted soil.
- b. The operator/holder or his contractor will contact the San Juan Resource Area 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 must 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. Stockpiled topsoil will be spread evenly over the disturbed area. All disturbed areas will be ripped 12 inches deep with the contour.

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A Petroleum Permitting Company

Tricentrol Resources Inc.
Nancy Federal #11-22B
2020' FNL & 2350' FWL
Sec. 11, T38S-R25E
San Juan County, Utah

SURFACE USE PLAN (Cont.)

10. Reclamation (Cont.)

- 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. A harrow or similar implement will be dragged over the area to assure seed cover.

2 lbs/acre Indian Ricegrass (*Oryzopsis Hymenoides*)
1 lbs/acre Curlygrass (*Hilaria Jamesii*)
1 lbs/acre Alkali Sacaton (*Sporobolus Airoides*)
2 lbs/acre Fourwing Saltbush (*Atriplex Canenscens*)
1 lbs/acre Shadscale (*Atriplex Confertifolia*)
1 lbs/acre Wild Sunflower (*Helianthus Annuus*)

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

- i. 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.

11. a. Surface Ownership - Federal

- b. Mineral Ownership - Federal

12. Other Information

- a. There will be no change from the proposed drilling and/or workover program without prior approval from the District Manager. Safe drilling and operating practices must be used. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.2.

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A Petroleum Permitting Company

Tricentrol Resources Inc.
Nancy Federal #11-22B
2020' FNL & 2350' FWL
Sec. 11, T38S-R25E
San Juan County, Utah

SURFACE USE PLAN (Cont.)

12. Other Information (Cont.)

- b. "Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.2.
- c. The contractor will be provided with an approved copy of the surface use plan.
- d. If subsurface cultural materials are exposed during construction, work in that spot will stop immediately and the San Juan Resource Area Office will be contacted. All people who are in the area will be informed by the operator/holder that they are subject to prosecution for disturbing archaeological sites or picking up artifacts. Salvage or excavation of identified archaeological sites will be done by a BLM approved archaeologist only if damage occurs.
- e. This permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.
- f. An archaeological study was performed by LaPlata Archaeological Consultants. No significant cultural resources were found and clearance is recommended. See archaeological report attached.
- g. Your contact with the District Office is: Bob Graff
Office Phone: 801/259-6111
Address: P. O. Box 970, Moab, Utah 84532

Resource Area Manager's Address and Contacts:

Address: P. O. Box 7, Monticello, Utah 84535

Your Contact is: Brian Wood
Office Phone: 801/587-2201
Home Phone: 801/587-2087

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A Petroleum Permitting Company

Tricentrol Resources Inc.
Nancy Federal #11-22B
2020' FNL & 2350' FWL
Sec. 11, T38S-R25E
San Juan County, Utah

SURFACE USE PLAN (Cont.)

13. Lessee's or Operator's Representative and Certification

Permit Matters

PERMITCO
Lisa L. Green
1020-15th Street
Suite 22-E
Denver, Colorado 80202
303/595-4051

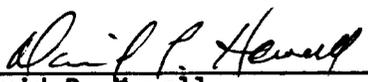
Drilling & Completion Matters

Tricentrol Resources Inc.
5675 S. Tamarac Parkway
Suite 200
Englewood, Colorado 80112
David Howell
303/694-0988 - W
303/423-1025 - H

14. 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 sub-contractors in conformity with the plan and the terms and conditions under which it is approved.

April 13, 1984
Date: _____



David P. Howell
Petroleum Engineer
Tricentrol Resources Inc.

Permitco

A Petroleum Permitting Company

RECONCILE WELL NAME AND LOCATION ON APD AGAINST SAME DATA ON PLAT 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 _____

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.



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

April 9, 1985

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

Attention: Ms. Carol Fruediger

Ms. Fruediger:

Re: Well No. Nancy Federal #11-22B - Sec. 11, T. 38S., R. 25E.,
San Juan County, Utah - Lease No. U-40053
Operator of Record: Tricentrol Resources, Inc.

The above referenced well in your district was given federal approval to drill January 16, 1984. 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

0161S/75



United States Department of the Interior

3162 (U-065)

BUREAU OF LAND MANAGEMENT

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

RECEIVED

APR 16 1985

APR 18 1985

DIVISION OF OIL
GAS & MINING

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

Attention: Ms. Pam Kenna

Re: Requests on Status of Wells

Gentlemen:

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

- 1) TXO Production Corporation
Well No. Book Cliffs 6
Sec. 33, T. 18 S., R. 22 E.
Lease U-036905

Their APD was approved April 24, 1984. We have no record of any drilling activity at this time. We will begin procedures for rescinding their APD after April 24, 1985.

- 2) Wesgra Corporation
Well No. Gebauer-Skeen 13
Sec. 7, T. 42 S., R. 19 E.
Lease U-7303

We are in the process of rescinding their APD.

- 3) Wesgra Corporation
Well No. Gebauer-Skeen 14
Sec. 7, T. 42 S., R. 19 E.
Lease U-7303

We are in the process of rescinding their APD.

- 4) Wesgra Corporation
Well No. Gebauer-Skeen 15
Sec. 7, T. 42 S., R. 19 E.
Lease U-7303

We are in the process of rescinding their APD.

- 5) TXO Production Corporation
Well No. Arco Federal "B" 2
Sec. 6, T. 16 S., R. 25 E.
Lease U-9831

This APD was reapproved on April 23, 1984. We have no record of any drilling activity at this time. We will begin procedures for rescinding their APD after April 23, 1985.

- 6) Transco Exploration Company
Well No. Bug Point 3-10
Sec. 10, T. 37 S., R. 26 E.
Lease U-31480

Transco Exploration Company does not plan to drill the SE Bug Point Well #3-10. Their APD was not approved but returned to the company per their request.

- 7) Wright's Drilling
Well No. Wright-Rogers 4
Sec. 28, T. 41 S., R. 18 E.
Lease U-39638

This APD was rescinded on March 22, 1985.

- 8) Tricentrol Resources, Inc.
Well No. Little Nancy Federal 3-41
Sec. 3, T. 38 S., R. 25 E.
Lease U-40053

We are in the process of rescinding their APD.

- 9) Tricentrol Resources, Inc.
Well No. Nancy Federal 11-22B
Sec. 11, T. 38 S., R. 25 E.
Lease U-40053

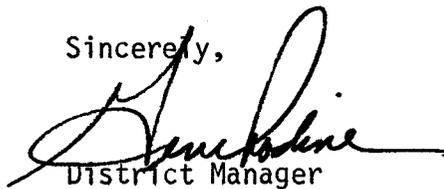
Their APD was approved May 30, 1984. We have no record of any drilling activity at this time. We will begin procedures for rescinding their APD after May 30, 1985.

- 10) Wright's Drilling
Well No. Wright-Rogers 2
Sec. 34, T. 41 S., R. 18 E.
Lease U-53336

Their APD was approved April 23, 1984. We have no record of any drilling activity at this time. We will begin procedures for rescinding their APD after April 23, 1985.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Gene Poline", written in a cursive style. The signature is positioned above the printed title "District Manager".

District Manager

April 25, 1984

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

RE: Well No. Nancy Federal 11-22B
SENW Sec. 11, T. 38S, R. 25E
2020' FNL, 2350' FWL
San Juan County, Utah

Gentlemen:

Approval to drill the above referenced oil well is hereby granted in accordance with Section 40-6-11, Utah Code Annotated 1953; and predicted on Rule A-3, General Rules and Regulations and Rules of Practice and Procedure.

In addition, the following actions are necessary to fully comply with this approval:

1. Spudding notification to the Division within 24 hours after drilling operations commence.
2. Submittal to the Division of completed Form OGC-8-X, Report of Water Encountered During Drilling.
3. Prompt notification to the Division should you determine that it is necessary to plug and abandon this well. Notify R. J. Firth, Associate Director, Telephone (801) 533-5771 (Office), 571-5068 (Home).
4. Compliance with the requirements and regulations of Rule C-27, Associated Gas Flaring, General Rules and Regulations, Oil and Gas Conservation.

Tricentrol Resources Inc.
Well No. Nancy Federal 11-22E
April 25, 1984
Page 2

5. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-037-31007.

Sincerely,



R. J. Firth
Associate Director, Oil & Gas

RJF/gl

cc: Branch of Fluid Minerals

Enclosures

RECEIVED

3162 (U-065)
(U-40053)

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

JUN 25 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 11-22B
Sec. 11, T. 38 S., R. 25 E.
San Juan County, Utah
Lease U-40053

Gentlemen:

The Application for Permit to Drill the referenced well was approved on May 30, 1984. 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

July 2, 1985

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

Gentlemen:

Re: Well No. Nancy Federal 11-22B - Sec. 11, T. 38S., R. 25E.,
San Juan County, Utah - API #43-037-31007

In concert with action taken by the Bureau of Land Management, June 20, 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,

A handwritten signature in cursive script that reads "John R. Baza".

John R. Baza
Petroleum Engineer

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

0161S/21