

SKYLINE 
Oil Company

A TEXAS EASTERN COMPANY

RECEIVED

JUL 2 1984

DIVISION OF OIL
GAS & MINING

June 29, 1984

State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
4241 State Office Building
Salt Lake City, Utah 84114

Re Application for Permit to Drill
Skyline Oil Company's Mustang #27-21 Well,
NE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 27, T. 36 S., R. 23 E., SLB&M
San Juan County, Utah
Federal Lease No. U-23521

Gentlemen:

Enclosed herewith are duplicate copies of our Application for Permit to Drill with attached exhibits for the proposed well. We have included copies of the surveyors plat, topo maps, archaeological report and other exhibits. This well is in the Federal Mustang Unit.

We have filed and will be drilling this well under the Designation of Operator from Skyline Oil Company, Lessee of Record under Lease U-23521. Any other information that is required will be furnished gladly.

Very truly yours,



Clifford E. Selin,
Senior Engineer

Enclosures

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

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

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

2. NAME OF OPERATOR
 SKYLINE OIL COMPANY

3. ADDRESS OF OPERATOR
 2000 University Club Building, S.L.C., Utah 84111

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface 1989' FWL, 554' FNL, NE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 27, T. 36 S., R. 23 E., SLB&M
 At proposed prod. zone Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 6 miles east of Blanding, Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
 651'

16. NO. OF ACRES IN LEASE
 1520

17. NO. OF ACRES ASSIGNED TO THIS WELL

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 1900'

19. PROPOSED DEPTH
 6340' *dash*

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 GL 5921'

22. APPROX. DATE WORK WILL START*
 7-30-84

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------------|----------------|-----------------|---------------|---------------------------|
| 16" | 13-3/8" | 48# | 30' | Redi Mix |
| 12 $\frac{1}{2}$ " | 9-5/8" | 36# | 2100' | 900 sx (Circ. to Surface) |
| 8-3/4" | 7" | 20.26# | 6340' | 700 sx |

Expected Formation Tops:

| | | | |
|----------|-------|--------------|-------|
| Entrada | 1030' | Hermosa | 4580' |
| Navajo | 1230' | Ismay | 5955' |
| Chinle | 1980' | Desert Creek | 6205' |
| Moenkopi | 2725' | Akah | 6300' |
| Cutler | 2895' | | |

RECEIVED

JUL 2 1984

DIVISION OF OIL
GAS & MINING

Mud Program - See Attachment "A"

Blowout Prevention Program - See Attachment "A"

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 Clifford E. Selin TITLE Senior Engineer DATE 6-15-84

(This space for Federal or State office use)

PERMIT NO. _____

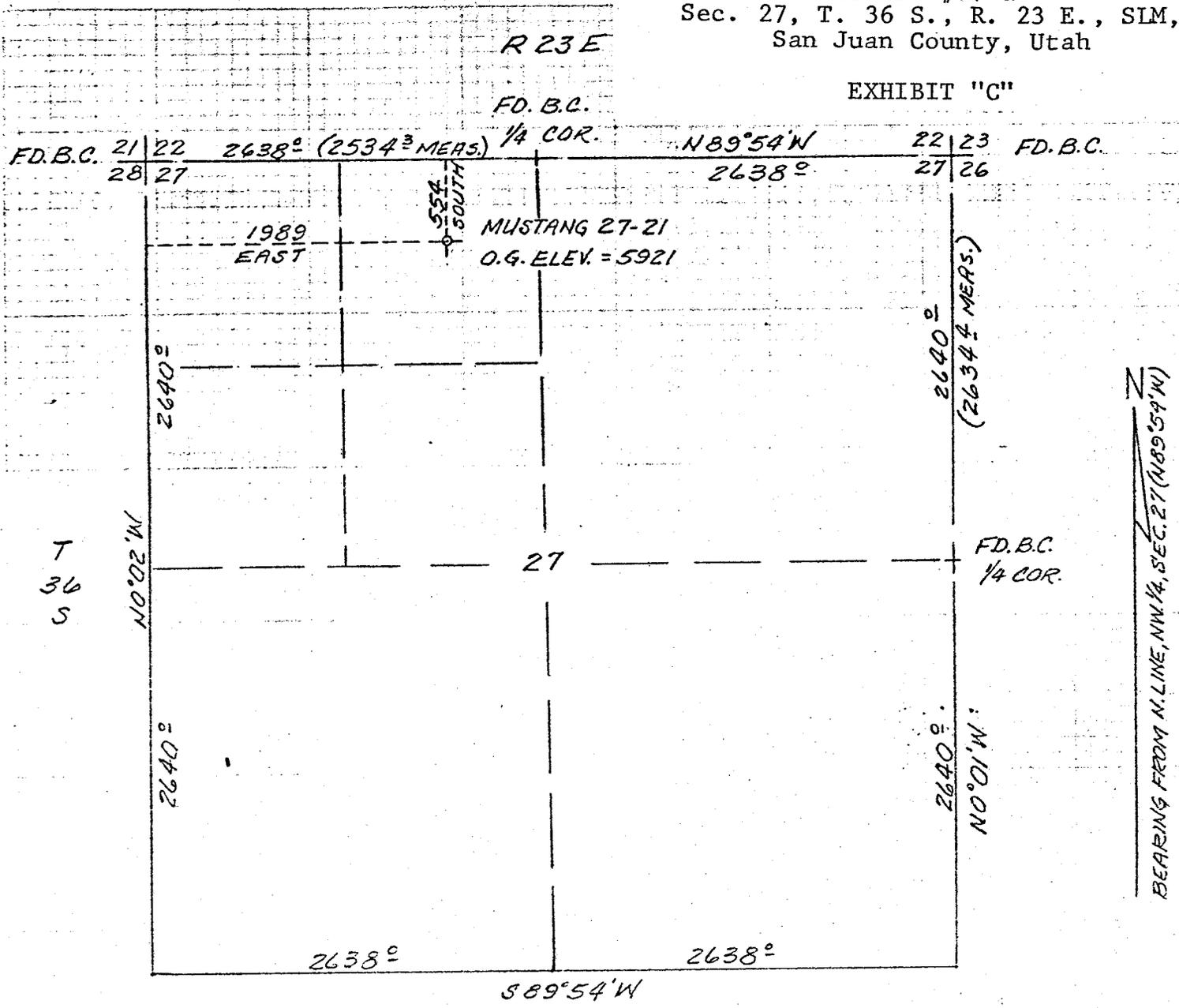
APPROVAL DATE
APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING
 DATE: 7/5/84
 BY: John R. Baya

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

*See Instructions On Reverse Side

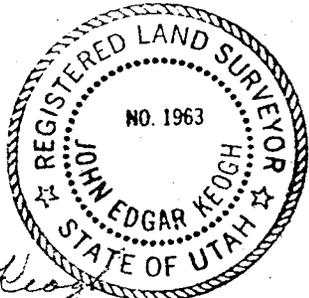
SKYLINE OIL COMPANY
 MUSTANG #27-21
 Sec. 27, T. 36 S., R. 23 E., SIM,
 San Juan County, Utah

EXHIBIT "C"



NOTE: BOUNDARY CALLS
 ARE RECORD G.L.O. TWP. MAP

WELL LOCATION PLAT OF
 MUSTANG 27-21 IN
 NE 1/4 NW 1/4, SEC. 27, T 36 S, R 23 E, S. L. B. & M.
 SAN JUAN COUNTY, UTAH
 TRANSIT & E. D. M. SURVEY
 FOR: SKYLINE OIL COMPANY
 SCALE: 1" = 1000' MAY 24, 1984



John E. Keogh
 UTAH R.L.S. No. 1963

ELEV. BY VER. ANGLES FROM
 U.S.G.S. TOPO. QUAD. "BLANDING, UTAH"
 1957 (NW COR., SEC. 27-6080)

ATTACHMENT A

SKYLINE OIL COMPANY
WILDCAT OIL WELL

Mustang Unit #27-21
Section 27, T36S - R23E., S1M
San Juan County, Utah

1. The Geologic Name of the Surface Formation:

Morrison Formation (Jurassic)

2. Estimated Tops of Important Geologic Markers:

| | |
|--------------|--------|
| Entrada | 1,030' |
| Navajo | 1,230' |
| Chinle | 1,980' |
| Ismay | 5,955' |
| Desert Creek | 6,205' |
| Akah Shale | 6,300' |

3. Water sands will be protected behind the surface pipe set at 2200'. Prospective oil producing formations are the Ismay and Desert Creek.

4. Proposed Casing Program:

| <u>Hole Size</u> (in.) | <u>Csg. Size & Weight</u> (in.) (lbs/ft.) | <u>Cond.</u> | <u>Setting Depth</u> (ft.) | <u>Cement</u> |
|---------------------------|--------------------------------------------------|--------------|-------------------------------|---------------|
| 16" | 13-3/8" 48 | New | 30' | Redi- |
| 12 1/2" | 9-5/8" 36 | New | 2200' | 900 sx |
| 8-3/4" | 5 1/2" 15.5# | New | 6340' | 700 sx |

Actual cement volumes will be determined by caliper log plus adequate excess.

5. Pressure Control Equipment:

Pressure control equipment will consist of a 10" 3000 psi W.P. double gate hydraulic BOP and a 10" 2000 psi W.P. Hydril above 10" 3000 psi W.P. casing head with screwed outlets. See schematic drawings of BOP assembly and choke manifold. We will wait on cement 12 hours, nipple up BOP assembly, and test to 2000 psi (Hydril to 1000 psi) and drill surface casing after 24 hours WOC. Pipe ram operation will be checked daily and blind rams operated when pipe is removed from hole on trips.

6. Drilling Mud Program:

| <u>Interval</u> | <u>Program</u> |
|-----------------|---------------------------------------------------------------------------------|
| 0 - 2200' | Fresh water with gel required to maintain viscosity at 28-32 sec. |
| 2200 - 4000' | Fresh water, low solids & lightly dispersed MW: 8.8-9.0 Vis: 32-38 WL: 10-15 |
| 4000 - 6340' | Fresh water, low solids & lightly dispersed MW: 8.8-9.0 Vis: 36-40 WL: 10 |

7. Auxiliary Equipment:

Auxiliary equipment to be used will consist of a Kelly cock and a full-opening drillpipe valve sub in open position on the floor at all times. A bit float will not be utilized unless conditions dictate.

8. Testing, Coring and Logging Program:

Two drillstem tests are possible - one each in the Ismay and Desert Creek Formations.

30' to 90' of core in Ismay if warranted
30' to 60' of core in Desert Creek if warranted

The following logs will be run:

| | |
|--------------------|------------------------------|
| Dual Induction Log | TD to bottom of surface pipe |
| GR-FDC-CNL-Cal* | TD to bottom of surface pipe |
| GR-Sonic | TD to surface |

*GR will be run to surface.

9. Anticipated Abnormal Pressures, Temperatures & Potential Hazards:

No abnormal pressures, temperatures or hazards are anticipated.

10. It is anticipated that drilling operations will commence on or about July 20, 1984 with approximately 20 days of drilling to reach T.D. Completion operations will require an additional 30 - 45 days.

MULTIPOINT SURFACE USE AND OPERATIONS PLAN
TO ACCOMPANY APPLICATION FOR PERMIT TO DRILL
PROPOSED EXPLORATORY WELL
SKYLINE OIL COMPANY
MUSTANG #27-21, NE NW Sec. 27, T. 36 S., R. 23 E.,
EMERY COUNTY, UTAH

1. Existing Roads - Exhibits "A" and "B"

Topo Maps "A" and "B" show the well site as staked and its position relative to existing towns, roads and topography. To reach the drill site, take the road from Recapture Creek or the county road just south of Devils Canyon to the county road on Alkali Ridge. From the junction of these roads, continue south approximately $2\frac{1}{2}$ miles to access road to the right or west towards Skyline's well, Mustang #22-34, approximately $1\frac{3}{4}$ miles; the access road for this well crosses over the ridge and down into the valley and then south approximately .6 miles to the well site.

All existing roads are shown on Exhibit "A".

All county roads are maintained and are all-weather roads.

The San Juan County Road Department (801-587-2231, Ext. 43) will be contacted before county roads are used and an encroachment permit will be obtained.

Maintenance or improvements to existing county roads may be done if necessary.

2. Planned Access Road:

The operator or his contractor will contact the San Juan Resource Area Office in Monticello, Utah, (801) 587-2201), 48 hours before beginning any work on public land.

The attached Exhibit "A" shows the planned access road in red. The existing service road and the access road are within the Mustang Unit Area of which Skyline Oil Company is Operator. If a permanent road is required, surface will be elevated, crowned, ditched and drainage installed as needed. Surfacing material will be gravel obtained through commercial sources.

The operator will give the dirt contractor a copy of the Surface Use Plan and any additional BLM stipulations before any work is permitted.

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 archaeological sites or picking up artifacts. Salvage or excavation of identified archaeological sites will only be done if damage occurs.

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. In the event of production, the access road will be water barred or brought to Class III Road Standards within 60 days of dismantling of the drilling rig.

3. Location of Existing Wells - Exhibit "B"

There are existing wells within a two-mile radius of proposed location as shown on Exhibit "B".

4. Location of Existing and/or Proposed Facilities

The proposed production facilities layout is shown on attached Exhibit "D" at a 1" - 50' scale. All production equipment, production pit and burn pit will be fenced. Two 500 barrel production tanks will be inside a 50' x 30' x 4.5' earthen retaining wall to prevent contamination in the unlikely event of a tank rupture. All flowlines will be buried and have working pressures exceeding the highest pressure anticipated for their use.

Location of Tank Batteries and Production Facilities

All permanent (onsite for six (6) months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, nonreflective, earth tone color to match the standard environmental colors, as determined by the Rocky Mountain Five-State Inter-Agency Committee. All facilities will be painted within six (6) months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded.

If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain $1\frac{1}{2}$ times the storage capacity of the battery.

All loading lines and valves will be placed inside the berm surrounding the tank battery.

All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager.

All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed.

Gas meter runs for each well will be located within five hundred (500) feet of the wellhead. The gas flowline will be buried from the wellhead to the meter along with any other sections occurring on the pad. Meter runs will be housed and/or fenced.

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 (3) months on new meter installations and at least quarterly thereafter. The 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 Resource Area Office. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

5. Location and Type of Water Supply:

Water used for drilling and completion operations will be obtained from Recapture Lake 4 miles north of Blanding, Utah.

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 surface managing agency to use the land containing the water source.

6. Source of Construction Materials

Some outside construction materials will be required for drilling preparations. If gravel is needed, it will be purchased or obtained from an approved or private source for making the well site and access road serviceable.

Materials will not be obtained from Federal or Indian lands.

7. Methods of Waste Disposal

The reserve pit will be lined with plastic liner (5 mm) unless determined otherwise during construction. Three sides

of the reserve pit will be fenced with four strands of barb 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.

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.

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.

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.

8. Ancillary Facilities

Camp facilities will not be required at well site.

9. Well Site Layout - Exhibit "E"

The top 12" of soil material will be removed from the well site and stockpiled separately on the west and northeast sides of the pad. Topsoil along the access road will be reserved in place. The access road will enter the pad on the east side as shown in Exhibit "E" of the well site plan.

Exhibit "D" shows the well site cross-sections showing amount of cut and fill required. Mud pits will be placed in at least 4' of cut material. Embankments will be placed in lifts and compacted.

10. Plans for Restoration of Surface

- 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 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. The stockpiled topsoil will be spread evenly over the disturbed area. All disturbed areas will be ripped 12" deep with the contour.
- 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)
 4 lbs/acre crested wheatgrass (Agropyron desertorum)
 2 lbs/acre Fourwing saltbush (Atriplex canenscens)
 1 lb/acre Alfalfa
 2 lb/acre Wild sunflower (Helianthus annus)

- 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. Surface and Mineral Ownership

The present Lessee of Record of Federal Lease U-23521 in Sec. 27, T. 36 S., R. 23 E. is Skyline Oil Company. The leasehold acreage is Federal with surface administered by the Bureau of Land Management.

12. Other Information

- A. The location and road will be along areas consisting of rock and wash material. An archeologist hired by Skyline Oil Company and approved by BLM will monitor all construction work on the lower road and well site.
- B. Vegetation includes Pinion Pine, Juniper, sagebrush, locoweed and a few native grasses. Fauna consists of deer, rabbits, ground squirrels, lizards of various types not exceeding 12 inches in length, and assorted flying and crawling insects.
- C. Grazing is the only surface use activity in the immediate area of the location.
- D. No dwellings of any kind exist in the area and archaeological, historical or cultural sites are apparently present. An archaeological inspection report is included as Exhibit "I". If subsurface cultural or paleontological material is exposed during construction, work will stop immediately and the San Juan Resource Area office contacted.
- E. The BLM representative (Mr. Brian Wood, 801 587-2201) will be notified 48 hours prior to initiation of any surface disturbance associated with a new access road or drilling pad location.
- F. There will be no deviation from the proposed drilling and/or workover program without prior approval from the District Manager. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.2.
- G. "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 3164.
- H. The dirt contractor will be provided with an approved copy of the surface use plan.
- I. Upon completion of drilling operations, the BLM's representative will be notified of production and/or restoration plans.

This permit will be valid for a period of one (1) year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

J. Any production facilities will be painted a single, low gloss, pastel color that blends in with the surrounding soil, rock, and/or vegetation. Juniper green color has been approved by the BLM prior to application.

13. Lessee's or Operator's Representative

Skyline Oil Company's representatives are Mr. Michael D. Anderson or Clifford E. Selin, 2000 University Club Building, Salt Lake City, Utah 84111, telephone (801) 521-3500.

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 Skyline Oil Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

June 15, 1984

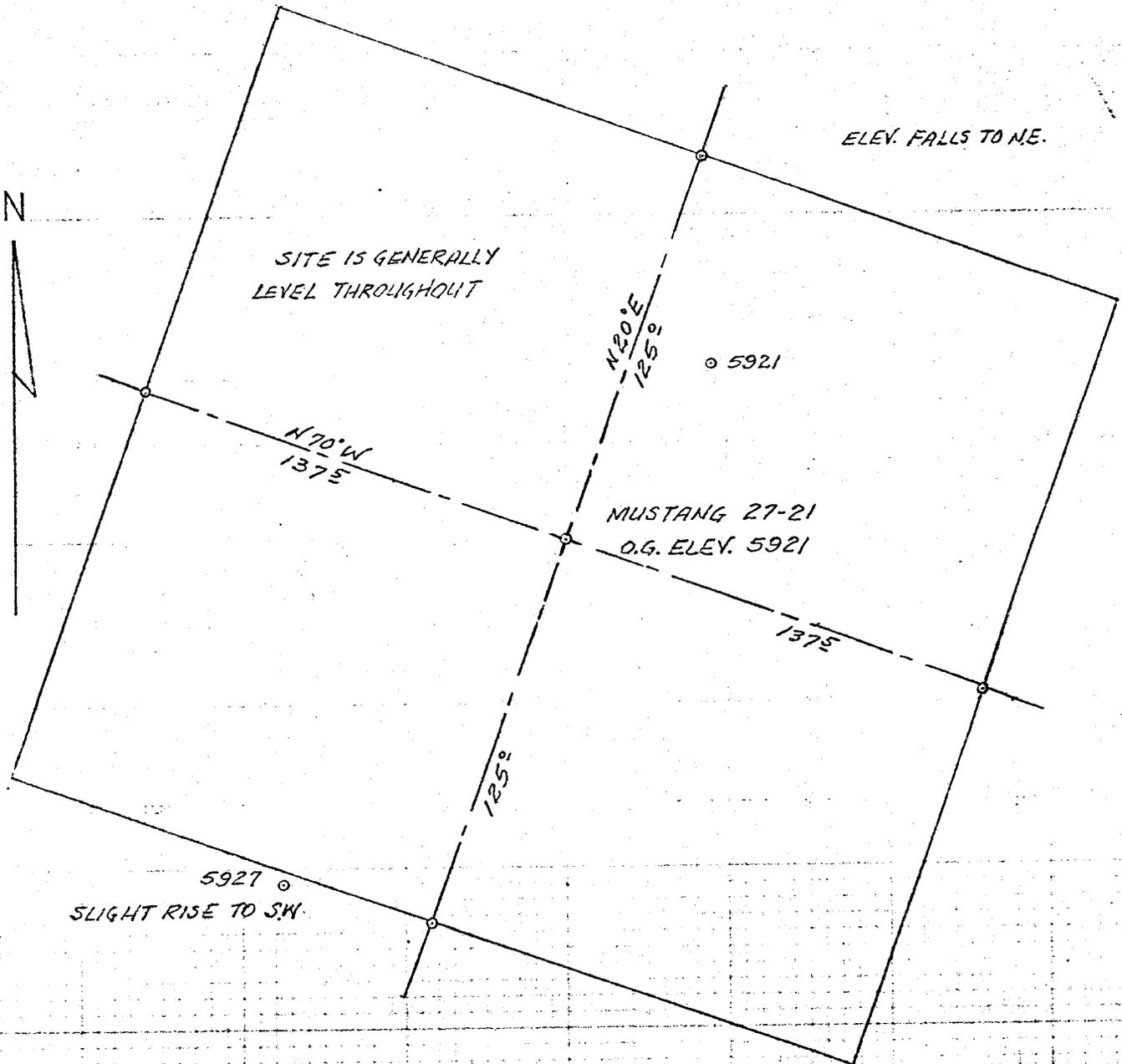
Date



Clifford E. Selin,
Senior Engineer

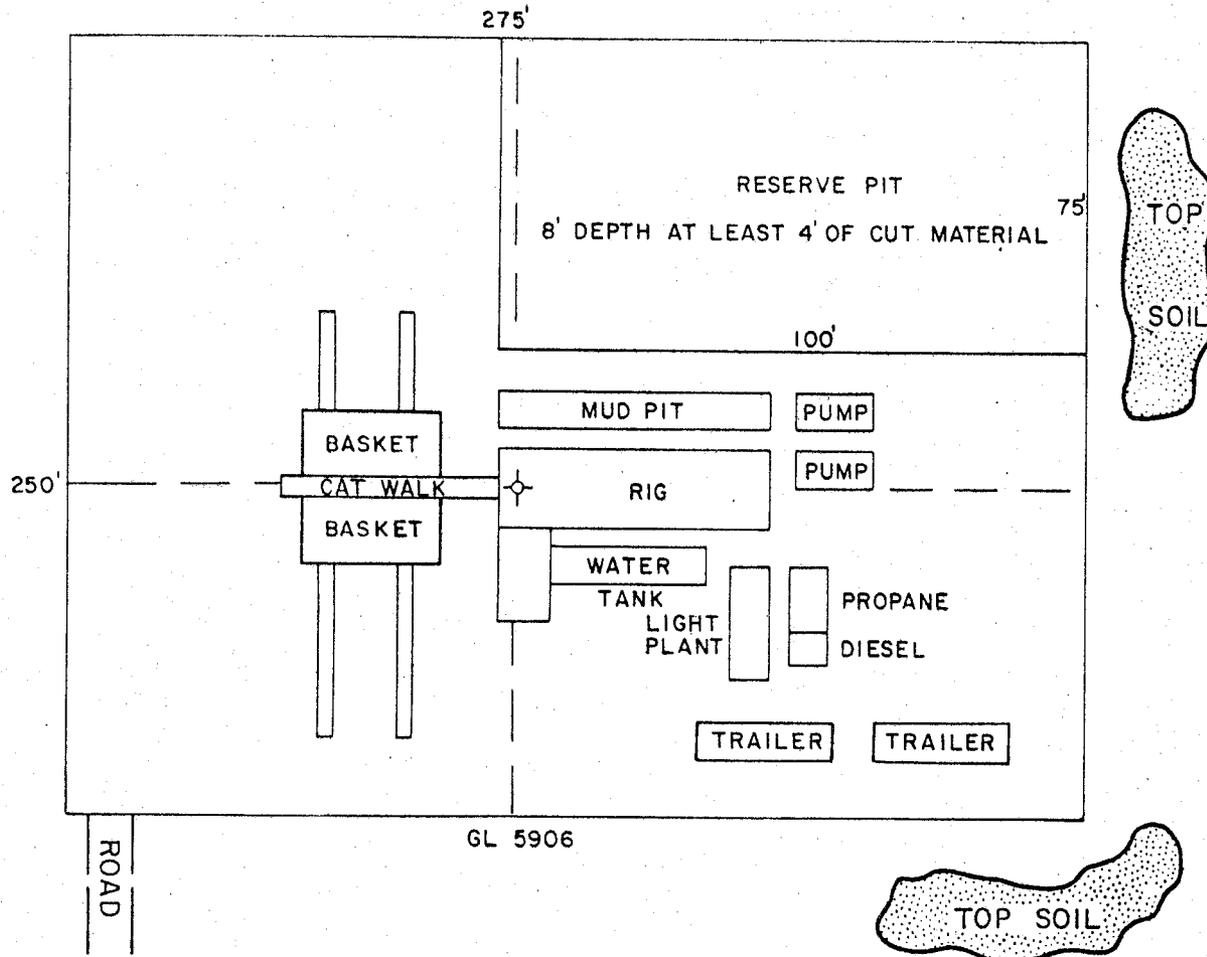
SKYLINE OIL COMPANY
MUSTANG #27-21
Sec. 27, T. 36 S., R. 23 E., SLM,
San Juan County, Utah

EXHIBIT "D"



WELL SITE SKETCH
MUSTANG 27-21 IN
NE 1/4 NW 1/4, SEC. 27, T. 36 S., R. 23 E.
SAN JUAN COUNTY, UTAH
FOR: SKYLINE OIL COMPANY
ELEVATIONS BY VERTICAL ANGLES
SCALE: 1" = 50' MAY 24, 1984

SKYLINE OIL COMPANY
MUSTANG #27-21
Sec. 27, T. 36 S., R. 23 E., SLM,
San Juan County, Utah

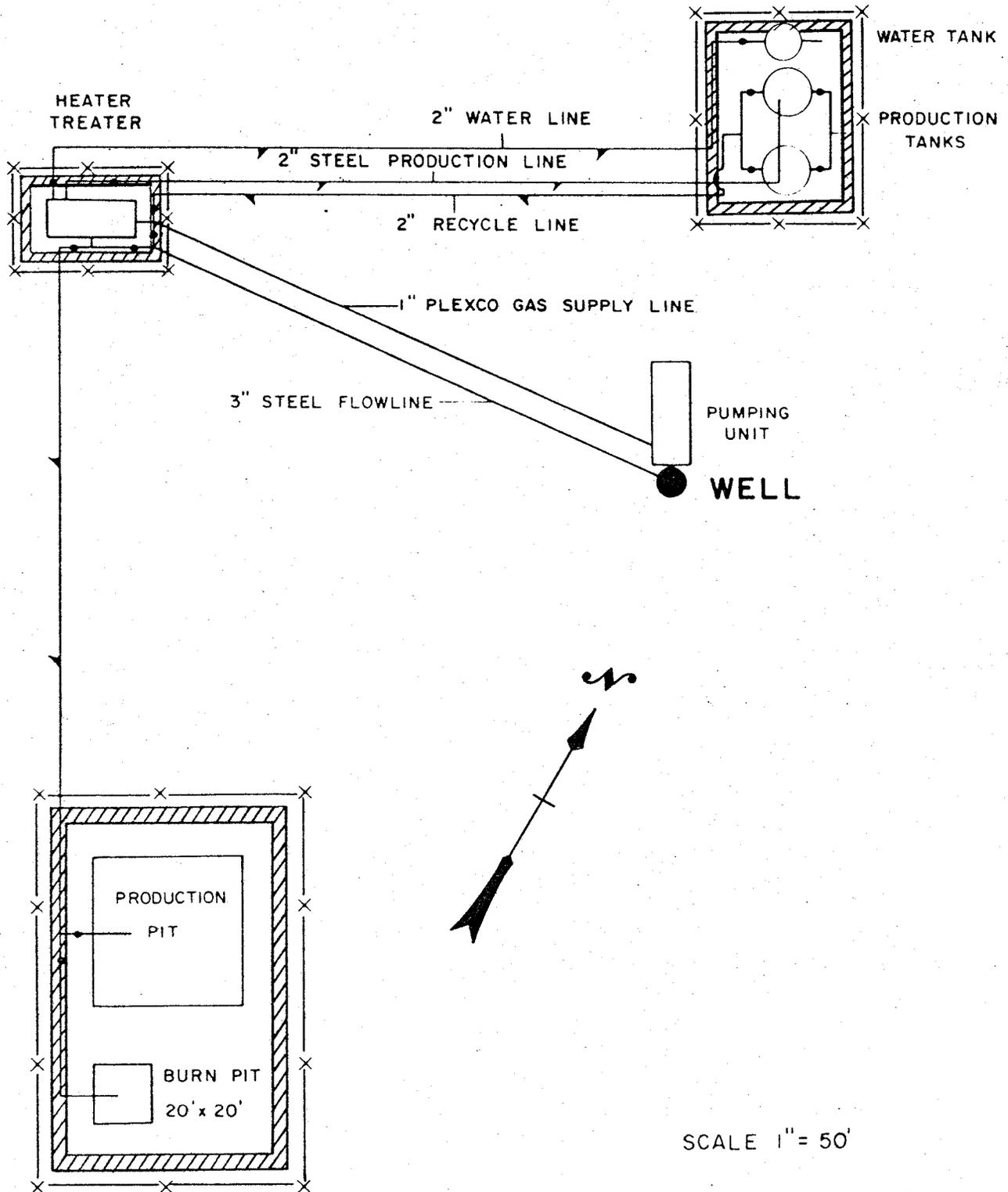


SCALE 1" = 50'

EXHIBIT "E"

EXHIBIT "F"

SKYLINE OIL COMPANY
MUSTANG UNIT #27-21 WELL
SEC. 27, T36S-R22E., SLB&M
SAN JUAN COUNTY, UTAH



SKYLINE OIL COMPANY

MUSTANG #27-21
Sec. 27, T. 36 S., R. 23 E., SLM,
San Juan County, Utah

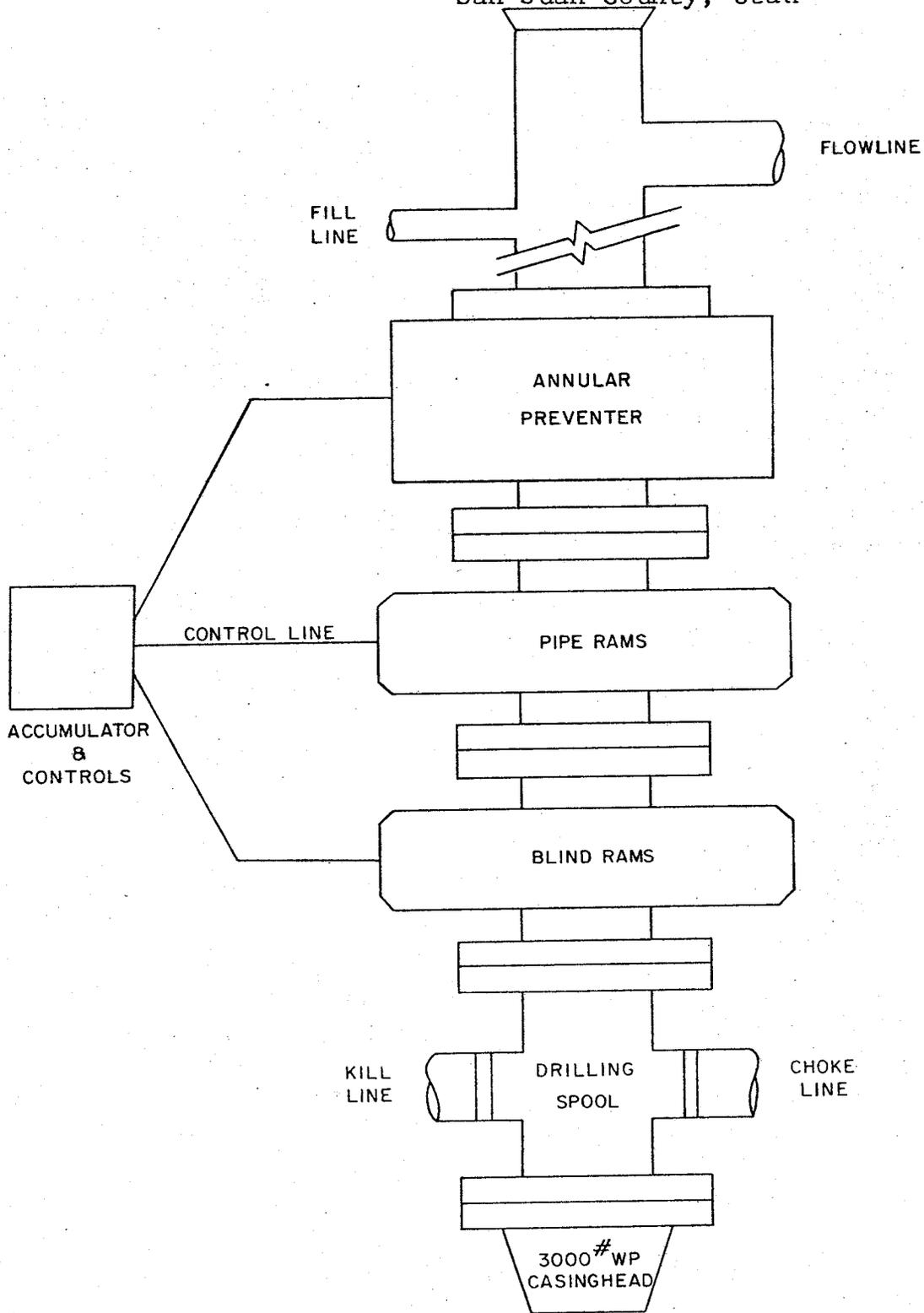


EXHIBIT "G"

BLOWOUT PREVENTER SCHEMATIC

3000 psi WORKING PRESSURE

SKYLINE OIL COMPANY
MUSTANG #27-21
Sec. 27, T. 36 S., R. 23 E., SLM,
San Juan County, Utah

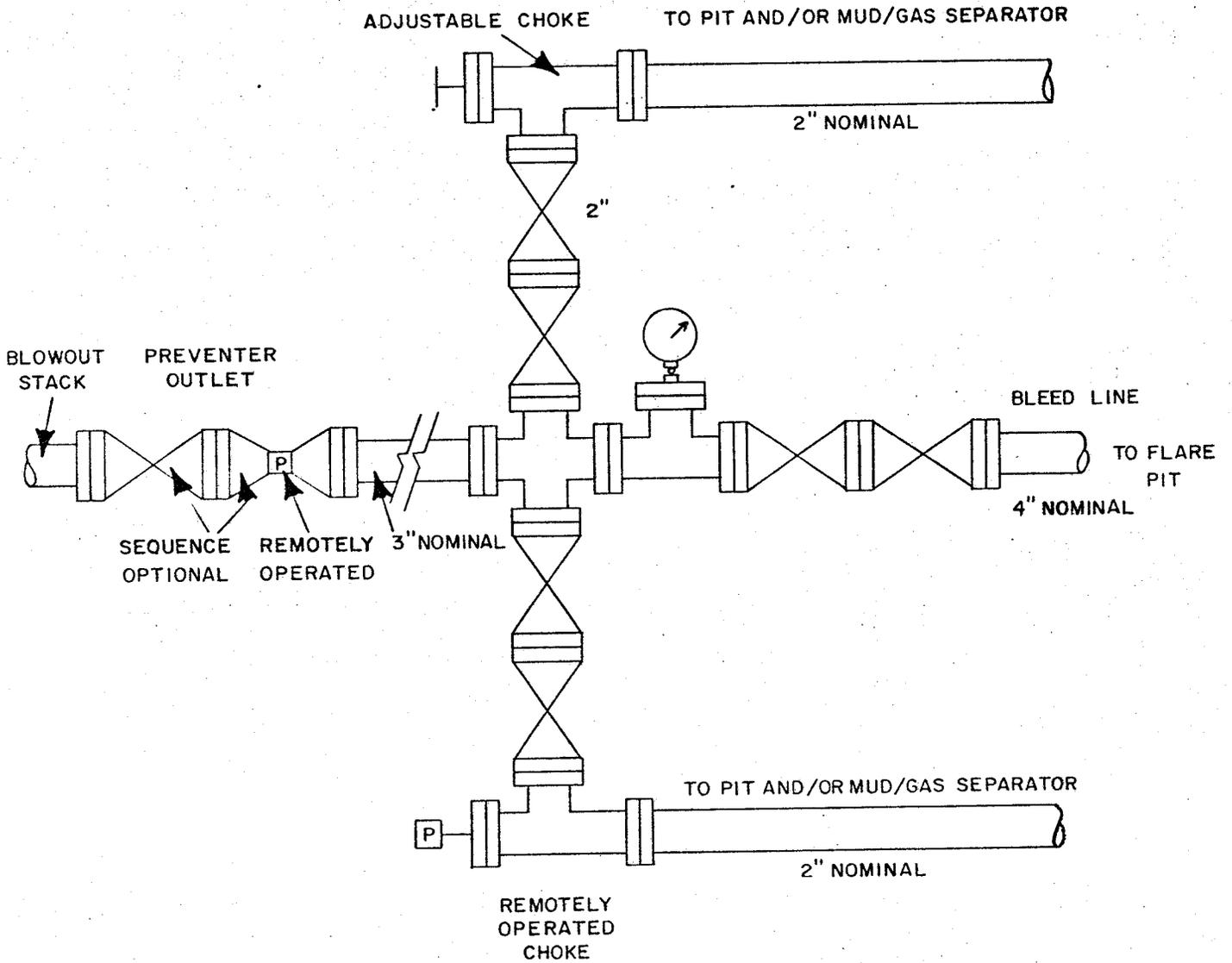
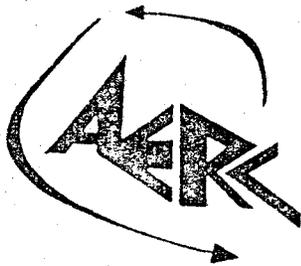


EXHIBIT "H"



ARCHEOLOGICAL - ENVIRONMENTAL RESEARCH CORPORATION

P.O. Box 853 - Bountiful, Utah 84010

June 4, 1984

Subject: Cultural Resource Evaluation of Proposed Well
Locations Nos. 27-21 and 27-32 in the Alkali
Ridge Locality of San Juan County, Utah

Project: Skyline Oil Company - 1984 Drilling Program

Project No.: SKOC-84-2B

Permit: Dept. of Interior 81-Ut-179

To: ✓ Mr. Clifford Selin, Skyline Oil Company,
2000 University Club Building, 136 East South
Temple, Salt Lake City, Utah 84111

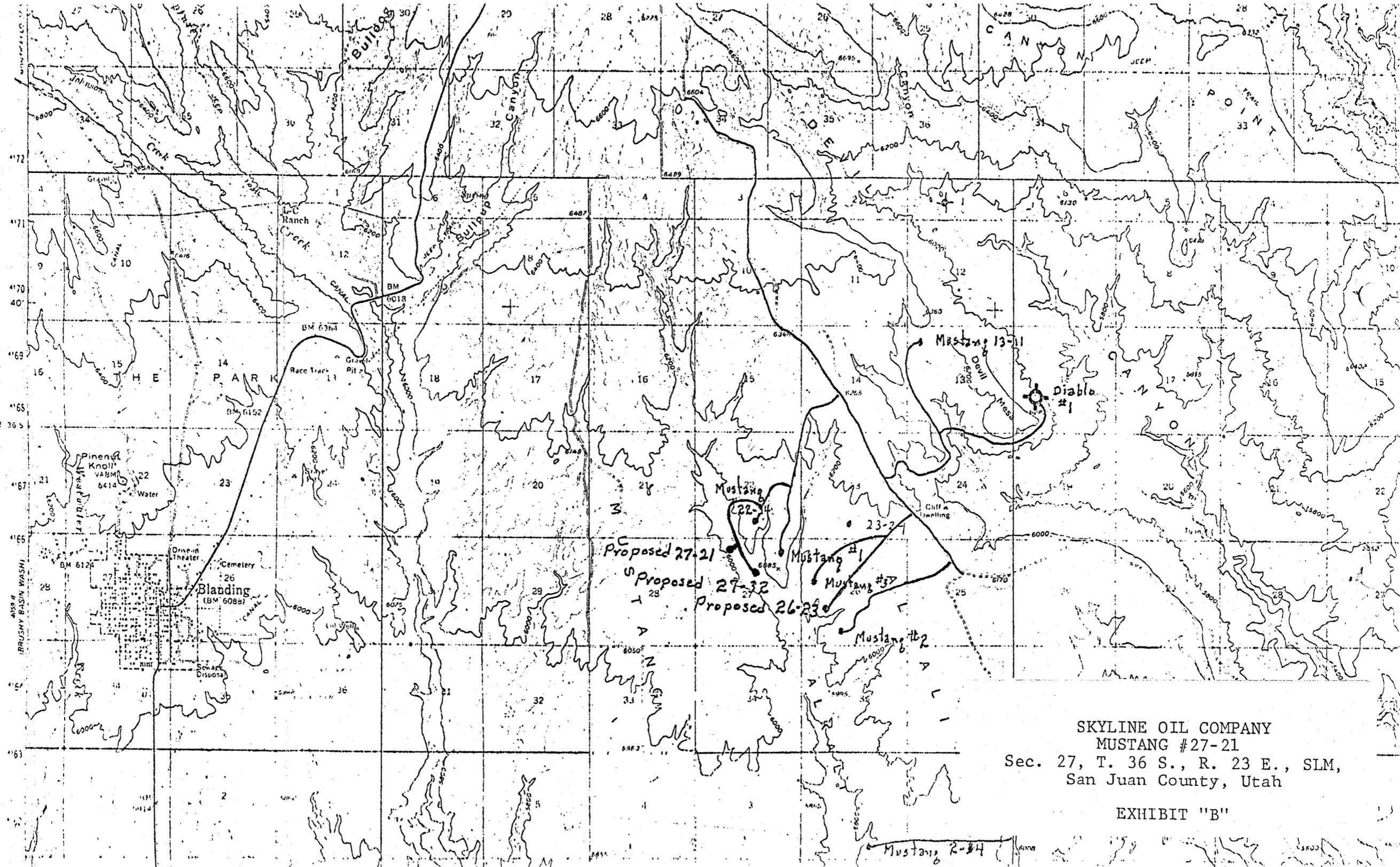
Mr. Edward Scherick, Area Manager, Bureau of
Land Management, P.O. Box 1327, Monticello,
Utah 84535

Info: Mr. Rich Fike, BLM State Archeologist, Bureau
of Land Management, University Club Building,
136 East South Temple, Salt Lake City, Utah
84111

Antiquities Section, Division of State History,
300 Rio Grande, Suite 210, Salt Lake City,
Utah 84101

SKYLINE OIL COMPANY
MUSTANG #27-21
Sec. 27, T. 36 S., R. 23 E., SLM,
San Juan County, Utah

EXHIBIT "I"



SKYLINE OIL COMPANY
MUSTANG #27-21
Sec. 27, T. 36 S., R. 23 E., SLM,
San Juan County, Utah

EXHIBIT "B"

Mustang 2-24

OPERATOR Skyline Oil Co. DATE 7/3/84

WELL NAME Mustang #27-21

SEC NE NW 27 T. 36S R. 23E COUNTY San Juan

43-037-31030
API NUMBER

Fed.
TYPE OF LEASE

POSTING CHECK OFF:

| | | | | |
|--------------------------|-------|--------------------------|----|--------------------------|
| <input type="checkbox"/> | INDEX | <input type="checkbox"/> | HL | <input type="checkbox"/> |
| <input type="checkbox"/> | NID | <input type="checkbox"/> | PI | <input type="checkbox"/> |
| <input type="checkbox"/> | MAP | <input type="checkbox"/> | | <input type="checkbox"/> |

PROCESSING COMMENTS:

Unit Well

Need water permit

APPROVAL LETTER:

SPACING: A-3 Mustang c-3-a _____ CAUSE NO. & DATE

UNIT
(POD OK)

c-3-b c-3-c

SPECIAL LANGUAGE:

1- Water

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 *Mustang*

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.

July 5, 1984

Skyline Oil Company
2000 University Club Building
Salt Lake City, Utah 84111

RE: Well No. Mustang #27-21
NE1/4 Sec. 27, T. 36S, R. 23E
554' FNL, 1989' FNL
San Juan County, Utah

Gentlemen:

Approval to drill the above referenced oil well is hereby granted in accordance with Section 40-6-18, Utah Code Annotated, as amended 1983; and predicated on Rule A-3, General Rules and Regulations and Rules of Practice and Procedure, subject to the following stipulations:

1. Prior to commencement of drilling, receipt by the Division of evidence providing assurance of an adequate and approved supply of water.

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

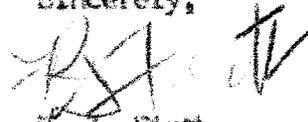
1. Spading notification to the Division within 24 hours after drilling operations commence.
2. Submittal to the Division of completed Form OGC-8-X, Report of Water Encountered During Drilling.
3. Prompt notification to the Division should you determine that it is necessary to plug and abandon this well. Notify John R. Baza, Petroleum Engineer, (Office) (801) 533-5771, (Home) 298-7695 or R. J. Firth, Associate Director, (Home) 571-6068.
4. Compliance with the requirements and regulations of Rule C-27, Associated Gas Flaring, General Rules and Regulations, Oil and Gas Conservation.

Page 2
Skyline Oil Company
Well No. Mustang #27-21
July 5, 1984

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 43-037-31030.

Sincerely,



R. J. Firth
Associate Director, Oil & Gas

RJF/as

cc: Branch of Fluid Minerals

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK
 b. TYPE OF WELL
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 SKYLINE OIL COMPANY

3. ADDRESS OF OPERATOR
 2000 University Club Building, S.L.C., Utah 84111

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 At proposed prod. zone Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 6 miles east of Blanding, Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 651'
 16. NO. OF ACRES IN LEASE 1520

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1900'
 19. PROPOSED DEPTH 6340'
 17. NO. OF ACRES ASSIGNED TO THIS WELL
 20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) GL 5921'
 22. APPROX. DATE WORK WILL START* 7-30-84

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------|-----------------|---------------|---------------------------|
| 16" | 13-3/8" | 48# | 30' | Redi Mix |
| 12 1/4" | 9-5/8" | 36# | 2100' | 900 sx (Circ. to Surface) |
| 8-3/4" | 7" | 20.26# | 6340' | 700 sx |

Expected Formation Tops:

| | | | |
|----------|-------|--------------|-------|
| Entrada | 1030' | Hermosa | 4580' |
| Navajo | 1230' | Ismay | 5955' |
| Chinle | 1980' | Desert Creek | 6205' |
| Moenkopi | 2725' | Akah | 6300' |
| Cutler | 2895' | | |

RECEIVED

JUL 16 1984

DIVISION OF OIL
GAS & MINING

Mud Program - See Attachment "A"

Blowout Prevention Program - See Attachment "A"

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 Clifford E. Selin TITLE Senior Engineer DATE 6-15-84

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY [Signature] TITLE District Manager DATE 7/12/84

CONDITIONS OF APPROVAL, IF ANY:

NOTICE OF APPROVAL

*See Instructions On Reverse Side

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

Skyline Oil Company
Well No. Mustang 27-21
NENW Sec. 27, T. 36 S., R. 23 E.
San Juan County, Utah
Lease U-23521

Supplemental Stipulation:

1. The maximum disturbed width of the planned access road will be 20', except at the dugway where it will be 100'. The maximum grade will be 10%.

ONSITE

DATE: May 24, 1984

PARTICIPANTS:

TITLES:

| | |
|-------|-------|
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |

Your contact with the District Office is: Robert "Bob" Graff

Office Phone: 801-259-6111

City: Moab State: Utah

Resource Area Manager's address and contacts are: San Juan Resource Area

Address: 480 South First West, P. O. Box 7, Monticello, UT 84535

Your contact is: Bob Turri

Office Phone: 801-587-2201

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

5. LEASE DESIGNATION AND SERIAL NO.

U-23521

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
SKYLINE OIL COMPANY

3. ADDRESS OF OPERATOR
2000 University Club Building, S.L.C., Utah 84111

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*
See also space 17 below.)
At surface
1989' FWL & 554' FNL (NE NW) Sec.27, T.36 S., R.23 E.

7. UNIT AGREEMENT NAME
MUSTANG

8. FARM OR LEASE NAME
MUSTANG UNIT

9. WELL NO. 27-21

10. FIELD AND POOL, OR WILDCAT
MUSTANG FLAT

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 26, T. 36 S.,
R. 23 E., SLM

14. PERMIT NO.
API #43-037-31030

15. ELEVATIONS (Show whether DF, RT, GR, etc.)
OGL-5921'

12. COUNTY OR PARISH 13. STATE
San Juan Utah

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

NOTICE OF INTENTION TO:

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

SUBSEQUENT REPORT OF:

| | |
|------------------------------------------------|------------------------------------------|
| WATER SHUT-OFF <input type="checkbox"/> | REPAIRING WELL <input type="checkbox"/> |
| FRACTURE TREATMENT <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| SHOOTING OR ACIDIZING <input type="checkbox"/> | ABANDONMENT* <input type="checkbox"/> |
| (Other) <input type="checkbox"/> | |

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

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

Skyline Oil Company respectfully requests the following changes be made to the approved Application for Permit to Drill:

- A. Change Exhibit "G" to exclude the Annular Preventer.
- B. Change Exhibit "H" to replace the remotely controlled choke with a manual choke.
- C. Change Item 5 of Attachment 'A' to exclude reference to the Annual Preventer.

RECEIVED

JUL 26 1984

DIVISION OF OIL
GAS & MINING

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING
DATE: 7/31/84
BY: John R. Bays

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

SIGNED Michael D. Anderson

TITLE Staff Engineer

DATE 7-25-84

(This space for Federal or State office use)

APPROVED BY _____
CONDITIONS OF APPROVAL, IF ANY:

TITLE _____

DATE _____

*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Form 3160-6
(November 1983)
(Formerly 9-329)

MONTHLY REPORT
OF
OPERATIONS

Lease No. U-23521
Communitization Agreement No. _____
Field Name Mustang Flat
Unit Name Mustang
Participating Area _____
County San Juan State Utah
Operator TEXAS EASTERN SKYLINE OIL COMPANY
 Amended Report

The following is a correct report of operations and production (including status of all unplugged wells) for the month of October, 1984

(See Reverse of Form for Instructions)

This report is required by law (30 U.S.C. 189, 30 U.S.C. 359, 25 U.S.C. 396d), regulation (43 CFR 3162.4-3), and the terms of the lease. Failure to report can result in the assessment of liquidated damages, (43 CFR 3160), penalties, shutting down operations, or basis for recommendation to cancel the lease and forfeit the bond (43 CFR 3160).

| Well No. | Sec. & 1/4 of 1/4 | TWP | RNG | Well Status | Days Prod. | *Barrels of Oil | *MCF of Gas | *Barrels of Water | Remarks |
|----------|-------------------|-----|-----|-------------|------------|-----------------|-------------|-------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| 27-21 | NE NW Sec. 27 | 36S | 23E | DRG | | | | | Spudded 10-12-84 Drilled 12 1/2" hole to 2080'. Set 9 5/8" casing Drilled 8 3/4" hole to 6380' Set 5 1/2" casing Released rig 10-27 WOCT. |

*If none, so state.

DISPOSITION OF PRODUCTION (Lease, Participating Area, or Communitized Area basis)

| | Oil & Condensate (BBLs) | Gas (MCF) | Water (BBLs) |
|--------------------------|-------------------------|----------------------|----------------------|
| *On hand, Start of Month | _____ | XXXXXXXXXXXXXXXXXXXX | XXXXXXXXXXXXXXXXXXXX |
| *Produced | _____ | _____ | _____ |
| *Sold | _____ | _____ | XXXXXXXXXXXXXXXXXXXX |
| *Spilled or Lost | _____ | XXXXXXXXXXXXXXXXXXXX | XXXXXXXXXXXXXXXXXXXX |
| *Flared or Vented | XXXXXXXXXXXXXXXXXXXX | _____ | XXXXXXXXXXXXXXXXXXXX |
| *Used on Lease | _____ | _____ | XXXXXXXXXXXXXXXXXXXX |
| *Injected | _____ | _____ | _____ |
| *Surface Pits | XXXXXXXXXXXXXXXXXXXX | XXXXXXXXXXXXXXXXXXXX | _____ |
| *Other (Identify) | _____ | _____ | _____ |
| *On hand, End of Month | _____ | XXXXXXXXXXXXXXXXXXXX | XXXXXXXXXXXXXXXXXXXX |
| *API Gravity/BTU Content | _____ | _____ | XXXXXXXXXXXXXXXXXXXX |

Authorized Signature: Michael D. [Signature] Address: 1775 Sherman, Suite 1200, Denver, CO 802
Title: Staff Engineer Page 1 of 1

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

SUBMIT IN TRIPPLICATE*
(Other instructions reverse side)

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
Texas Eastern Skyline Oil Company

3. ADDRESS OF OPERATOR
1775 Sherman, Suite 1200, Denver, Colo. 80203

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*
See also space 17 below.)
At surface
1989' FWL & 554' FNL (NE NW) Sec. 27, T36S, R23E

5. LEASE DESIGNATION AND SERIAL NO.
U-23521

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
Mustang

8. FARM OR LEASE NAME
Mustang Unit

9. WELL NO.
27-21

10. FIELD AND POOL, OR WILDCAT
Mustang Flat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 27, T36S, R23E, SLB&M

12. COUNTY OR PARISH
San Juan

13. STATE
Utah

14. PERMIT NO.
API #43-037-31030

15. ELEVATIONS (Show whether DF, RT, GR, etc.)
OGL-5921

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

| | | | |
|----------------------------------------------|-----------------------------------------------|---------------------------------------------------------|------------------------------------------|
| NOTICE OF INTENTION TO: | | SUBSEQUENT REPORT OF: | |
| TEST WATER SHUT-OFF <input type="checkbox"/> | PULL OR ALTER CASING <input type="checkbox"/> | WATER SHUT-OFF <input type="checkbox"/> | REPAIRING WELL <input type="checkbox"/> |
| FRACTURE TREAT <input type="checkbox"/> | MULTIPLE COMPLETE <input type="checkbox"/> | FRACTURE TREATMENT <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| SHOOT OR ACIDIZE <input type="checkbox"/> | ABANDON* <input type="checkbox"/> | SHOOTING OR ACIDIZING <input type="checkbox"/> | ABANDONMENT* <input type="checkbox"/> |
| REPAIR WELL <input type="checkbox"/> | CHANGE PLANS <input type="checkbox"/> | (Other) <u>Spud</u> <input checked="" type="checkbox"/> | |

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

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

Move in Young Drilling Co. Rig #5.
Spudded well at 8:00 p.m. 10-12-84.
Drilled 12 1/4" hole to 2080'.
Ran 48 Jts. 9-5/8" 36# K-55 STC to 2080'.
Cemented w/ 640 sx Lite followed by 200 sx Class 'B'. Circulated cement to surface. W.O.C.
Installed wellhead and BOP's. Pressure test to 1500#.
Drill out 9-5/8" casing w/ 8-3/4" bit.
Drilling ahead.

RECEIVED

OCT 29 1984

DIVISION OF OIL
GAS & MINING

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

SIGNED Michael D. Anderson TITLE Staff Engineer DATE 10-24-84

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Form 3160-6
(November 1983)
(Formerly 9-329)

MONTHLY REPORT
OF
OPERATIONS

Lease No. _____
Communitization Agreement No. _____
Field Name Mustang Flat
Unit Name Mustang
Participating Area _____
County San Juan State Utah
Operator TEXAS EASTERN SKYLINE OIL COMPANY
 Amended Report

The following is a correct report of operations and production (including status of all unplugged wells) for the month of November, 1984

(See Reverse of Form for Instructions)

This report is required by law (30 U.S.C. 189, 30 U.S.C. 359, 25 U.S.C. 396d), regulation (43 CFR 3162.4-3), and the terms of the lease. Failure to report can result in the assessment of liquidated damages, (43 CFR 3160), penalties, shutting down operations, or basis for recommendation to cancel the lease and forfeit the bond (43 CFR 3160).

| Well No. | Sec. & 1/4 of 1/4 | TWP | RNG | Well Status | Days Prod. | *Barrels of Oil | *MCF of Gas | *Barrels of Water | Remarks |
|----------|-------------------|-----|-----|-------------|------------|-----------------|-------------|-------------------|-------------------------------|
| 27-21 | NE NW Sec. 27 | 36S | 23E | DRG | | | | | TD 6380' Waiting on Cement |

*If none, so state.

DISPOSITION OF PRODUCTION (Lease, Participating Area, or Communitized Area basis)

| | Oil & Condensate (BBLs) | Gas (MCF) | Water (BBLs) |
|--------------------------|-------------------------|----------------------|----------------------|
| *On hand, Start of Month | _____ | XXXXXXXXXXXXXXXXXXXX | XXXXXXXXXXXXXXXXXXXX |
| *Produced | _____ | _____ | _____ |
| *Sold | _____ | _____ | XXXXXXXXXXXXXXXXXXXX |
| *Spilled or Lost | _____ | XXXXXXXXXXXXXXXXXXXX | XXXXXXXXXXXXXXXXXXXX |
| *Flared or Vented | XXXXXXXXXXXXXXXXXXXX | _____ | XXXXXXXXXXXXXXXXXXXX |
| *Used on Lease | _____ | _____ | XXXXXXXXXXXXXXXXXXXX |
| *Injected | _____ | _____ | _____ |
| *Surface Pits | XXXXXXXXXXXXXXXXXXXX | XXXXXXXXXXXXXXXXXXXX | _____ |
| *Other (Identify) | _____ | _____ | _____ |
| *On hand, End of Month | _____ | XXXXXXXXXXXXXXXXXXXX | XXXXXXXXXXXXXXXXXXXX |
| *API Gravity/BTU Content | _____ | _____ | XXXXXXXXXXXXXXXXXXXX |

Authorized Signature: Michael C. Jensen Address: 1775 Sherman, Suite 1200, Denver, CO 80202
Title: Staff Engineer Page 1 of 1

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

SUBMIT IN TRIPPLICATE
(Other instructions
verse side)

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

| | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/></p> <p>2. NAME OF OPERATOR Texas Eastern Skyline Oil Company</p> <p>3. ADDRESS OF OPERATOR 1775 Sherman, Suite 1200, Denver, Colorado 80203</p> <p>4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 1989' FWL & 554' FNL (NE NW) Sec 27, T36S, R23E</p> | <p>5. LEASE DESIGNATION AND SERIAL NO. U-23521</p> <p>6. IF INDIAN, ALLOTTEE OR TRIBE NAME</p> <p>7. UNIT AGREEMENT NAME Mustang Unit</p> <p>8. FARM OR LEASE NAME Mustang Unit</p> <p>9. WELL NO. 27-21</p> <p>10. FIELD AND POOL, OR WILDCAT Mustang Flat</p> <p>11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec 27, T36S R23E, SLB&M</p> <p>12. COUNTY OR PARISH 13. STATE San Juan Utah</p> |
| <p>14. PERMIT NO. API #43-037-31030</p> | <p>15. ELEVATIONS (Show whether DF, RT, OR, etc.) OGL-5921'</p> |

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

| | | | | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|
| <p align="center">NOTICE OF INTENTION TO:</p> <table border="0" style="width:100%;"> <tr> <td style="width:50%;"> <p>TEST WATER SHUT-OFF <input type="checkbox"/></p> <p>FRACTURE TREAT <input type="checkbox"/></p> <p>SHOOT OR ACIDIZE <input type="checkbox"/></p> <p>REPAIR WELL <input type="checkbox"/></p> <p>(Other) Complete</p> </td> <td style="width:50%;"> <p>PULL OR ALTER CASING <input type="checkbox"/></p> <p>MULTIPLE COMPLETE <input type="checkbox"/></p> <p>ABANDON* <input type="checkbox"/></p> <p>CHANGE PLANS <input checked="" type="checkbox"/></p> </td> </tr> </table> | <p>TEST WATER SHUT-OFF <input type="checkbox"/></p> <p>FRACTURE TREAT <input type="checkbox"/></p> <p>SHOOT OR ACIDIZE <input type="checkbox"/></p> <p>REPAIR WELL <input type="checkbox"/></p> <p>(Other) Complete</p> | <p>PULL OR ALTER CASING <input type="checkbox"/></p> <p>MULTIPLE COMPLETE <input type="checkbox"/></p> <p>ABANDON* <input type="checkbox"/></p> <p>CHANGE PLANS <input checked="" type="checkbox"/></p> | <p align="center">SUBSEQUENT REPORT OF:</p> <table border="0" style="width:100%;"> <tr> <td style="width:50%;"> <p>WATER SHUT-OFF <input type="checkbox"/></p> <p>FRACTURE TREATMENT <input type="checkbox"/></p> <p>SHOOTING OR ACIDIZING <input type="checkbox"/></p> <p>(Other) _____</p> </td> <td style="width:50%;"> <p>REPAIRING WELL <input type="checkbox"/></p> <p>ALTERING CASING <input type="checkbox"/></p> <p>ABANDONMENT* <input type="checkbox"/></p> </td> </tr> </table> <p align="center"><small>(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)</small></p> | <p>WATER SHUT-OFF <input type="checkbox"/></p> <p>FRACTURE TREATMENT <input type="checkbox"/></p> <p>SHOOTING OR ACIDIZING <input type="checkbox"/></p> <p>(Other) _____</p> | <p>REPAIRING WELL <input type="checkbox"/></p> <p>ALTERING CASING <input type="checkbox"/></p> <p>ABANDONMENT* <input type="checkbox"/></p> |
| <p>TEST WATER SHUT-OFF <input type="checkbox"/></p> <p>FRACTURE TREAT <input type="checkbox"/></p> <p>SHOOT OR ACIDIZE <input type="checkbox"/></p> <p>REPAIR WELL <input type="checkbox"/></p> <p>(Other) Complete</p> | <p>PULL OR ALTER CASING <input type="checkbox"/></p> <p>MULTIPLE COMPLETE <input type="checkbox"/></p> <p>ABANDON* <input type="checkbox"/></p> <p>CHANGE PLANS <input checked="" type="checkbox"/></p> | | | | |
| <p>WATER SHUT-OFF <input type="checkbox"/></p> <p>FRACTURE TREATMENT <input type="checkbox"/></p> <p>SHOOTING OR ACIDIZING <input type="checkbox"/></p> <p>(Other) _____</p> | <p>REPAIRING WELL <input type="checkbox"/></p> <p>ALTERING CASING <input type="checkbox"/></p> <p>ABANDONMENT* <input type="checkbox"/></p> | | | | |

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

Texas Eastern Skyline Oil Company plans to complete this well as follows:

1. Clean out wellbore to + 6340'
2. Run GR-CBL-CCL log from 6340' to 200' above indicated cement top.
3. Perforate Upper Ismay at 6074'-6084', 6086'-6090' and 6092'-6098'.
4. Acidize with 6000 gals 20% HCL.
5. Swab and flow test well.
6. Place well on production.

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

SIGNED Michael Anderson TITLE Staff Engineer DATE Nov. 1, 1984

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

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

SUBMIT IN TRIPPLICATE
(Other instructions
verse side)

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

| | | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| <p>1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/></p> <p>2. NAME OF OPERATOR Texas Eastern Skyline Oil Company</p> <p>3. ADDRESS OF OPERATOR 1775 Sherman, Suite 1200, Denver, Colorado 80203</p> <p>4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* Set also space 17 below.) At surface 1989' FWL & 554' FNL (NE NW) Sec. 27, T36S, R23E</p> | | <p>6. LEASE DESIGNATION AND SERIAL NO. U-23521</p> <p>7. IF INDIAN, ALLOTTEE OR TRIBE NAME</p> <p>7. UNIT AGREEMENT NAME Mustang</p> <p>8. FARM OR LEASE NAME Mustang Unit</p> <p>9. WELL NO. 27-21</p> <p>10. FIELD AND POOL, OR WILDCAT Mustang Flat</p> <p>11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec 27, T36S R23E, SLB&M</p> <p>12. COUNTY OR PARISH 13. STATE San Juan Utah</p> | |
| <p>14. PERMIT NO. API #43-037-31030</p> | <p>15. ELEVATIONS (Show whether DF, RT, GR, etc.) OGL-5921</p> | | |

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

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

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

Drilled 8-3/4" hole to 6380'.
Ran GR-DIL-SFL, GR-FDC-CNL and GR-BHC Sonic logs.
Ran 161 joints 15.5 & 17# J-55 LTC casing to 6380'.
Cemented with 340 sk Class "H" cement with additives. Displaced with 152BW.
Bumped plug to 500 psi over displacement pressure. Float held.
Plug down 8:00 p.m. 10-26-84
Set slips, cleaned pits and released rig at 12:00 a.m. 10-27-84.

RECEIVED
NOV 09 '84
DIVISION OF OIL
GAS & MINING

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

SIGNED Michael D. Anderson TITLE Staff Engineer DATE Nov. 1, 1984

(This space for Federal or State office use)

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

*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE
(Other instructions on reverse side)

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NO.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
Mustang

8. FARM OR LEASE NAME
Mustang Unit

9. WELL NO. 22-34, 26-23,
27-21, 27-32, 27-43 & 3

10. FIELD AND POOL, OR WILDCAT
Mustang Flat

11. SEC., T., R., M., OR BLK. AND
SUBVY OR AREA
Sec. 22, 26 & 27, T36S,
R23E, SLB&M

12. COUNTY OR PARISH
San Juan

13. STATE
Utah

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
Texas Eastern Skyline Oil Company

3. ADDRESS OF OPERATOR
1775 Sherman, Suite 1200, Denver, Colorado 80203

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

14. PERMIT NO.

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

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

| NOTICE OF INTENTION TO: | | SUBSEQUENT REPORT OF: | |
|----------------------------------------------|-----------------------------------------------|------------------------------------------------|------------------------------------------|
| TEST WATER SHUT-OFF <input type="checkbox"/> | PULL OR ALTER CASING <input type="checkbox"/> | WATER SHUT-OFF <input type="checkbox"/> | REPAIRING WELL <input type="checkbox"/> |
| FRACTURE TREAT <input type="checkbox"/> | MULTIPLE COMPLETE <input type="checkbox"/> | FRACTURE TREATMENT <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| SHOOT OR ACIDIZE <input type="checkbox"/> | ABANDON* <input type="checkbox"/> | SHOOTING OR ACIDIZING <input type="checkbox"/> | ABANDONMENT* <input type="checkbox"/> |
| REPAIR WELL <input type="checkbox"/> | CHANGE PLANS <input type="checkbox"/> | (Other) _____ | |

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

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

Texas Eastern Skyline Oil Company proposes to install and operate a produced gas gathering and reinjection system in the Mustang Flat Field. The system will consist of wellhead compression and dehydration at wells 22-34, 27-21, 27-32 and 27-43 and wellhead dehydration at well 26-23. A 4" nominal gas pipeline will be laid as shown on the attached map. Each well will be tied into the main gas pipeline by a 2" or 3" lateral. Those sections of the pipeline shown in blue will be buried. Those sections shown in red will be laid on the surface. A central, main injection compressor will be installed at the Mustang Unit #3. Two slug catchers at Mustang Unit #3 and one inline slug catcher at #27-43 will be installed. A 2" liquids pipeline will run from #3 to #27-43 to return liquids caught by the slug catcher and by the interstage liquid knockout on the compressor to treating and storage facilities at the #27-43 location.

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

SIGNED Mehar D. Dharma TITLE Staff Engineer DATE Nov. 13, 1984

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

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

| | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|----------------------------------------------------------------------------------|
| 1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> | | 7. UNIT AGREEMENT NAME Mustang |
| 2. NAME OF OPERATOR TEXAS EASTERN SKYLINE OIL COMPANY | | 8. FARM OR LEASE NAME Mustang Unit |
| 3. ADDRESS OF OPERATOR 1775 Sherman St., Suite 1200, Denver, Colorado 80203 | | 9. WELL NO. 27-21 |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 1,989' FWL & 554' FNL (NENW) Sec. 27, T36S, R23E | | 10. FIELD AND POOL, OR WILDCAT Mustang Flat |
| 14. PERMIT NO. API # 43-037-31030 | | 11. SEC., T., S., M., OR BLE. AND SURVEY OR ARRA Sec. 27, T36S R23E, SLB&M |
| 15. ELEVATIONS (Show whether DF, NT, OR, etc.) OGL - 5921 | | 12. COUNTY OR PARISH San Juan |
| | | 13. STATE Utah |

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

| NOTICE OF INTENTION TO: | | SUBSEQUENT REPORT OF: | |
|----------------------------------------------|-----------------------------------------------|---------------------------------------------------------------------------------|------------------------------------------|
| TEST WATER SHUT-OFF <input type="checkbox"/> | PULL OR ALTER CASING <input type="checkbox"/> | WATER SHUT-OFF <input type="checkbox"/> | REPAIRING WELL <input type="checkbox"/> |
| FRACTURE TREAT <input type="checkbox"/> | MULTIPLE COMPLETE <input type="checkbox"/> | FRACTURE TREATMENT <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| SHOOT OR ACIDIZE <input type="checkbox"/> | ABANDON* <input type="checkbox"/> | SHOOTING OR ACIDIZING <input type="checkbox"/> | ABANDONMENT* <input type="checkbox"/> |
| REPAIR WELL <input type="checkbox"/> | CHANGE PLANE <input type="checkbox"/> | (Other) <u>First Royalty Oil Production</u> <input checked="" type="checkbox"/> | |

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

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

The first royalty oil was produced from this well
on December 10, 1984.

RECEIVED
DEC 13 1984

DIVISION OF
OIL, GAS & MINING

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

SIGNED Michael D. Anderson TITLE Staff Engineer DATE December 11, 1984
Mike Anderson

(This space for Federal or State office use)

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

*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPPLICATE
(Other instructions on re-
verse side)

Expires August 31, 1985

6. LEASE DESIGNATION AND SERIAL NO. 2

U-23521

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

SUNDRY NOTICES AND REPORTS ON WELLS

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

7. UNIT AGREEMENT NAME

Mustang

8. FARM OR LEASE NAME

Mustang Unit

9. WELL NO.

27-21

10. FIELD AND POOL, OR WILDCAT

Mustang Flat

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

Sec. 27, T36S, R23E
SLB&M

12. COUNTY OR PARISH

San Juan

13. STATE

Utah

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR

Texas Eastern Skyline Oil Company

3. ADDRESS OF OPERATOR

1775 Sherman, Suite 1200, Denver, Colorado 80203

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

1989' FWL & 554' FNL (NE NW) Sec. 27, T36S, R23E

14. PERMIT NO.

API #43-037-31030

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

OGL-5921'

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

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

PCLL OR ALTER CASING

FRACTURE TREAT

MULTIPLE COMPLETE

SHOOT OR ACIDIZE

ABANDON*

REPAIR WELL

CHANGE PLANS

(Other)

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

REPAIRING WELL

FRACTURE TREATMENT

ALTERING CASING

SHOOTING OR ACIDIZING

ABANDONMENT*

(Other)

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

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

Clean out well to 6200'. Run GR-CBL-CCL log. Perforate 5 1/2" casing at 6150'. Set cement retainer at 6121'. PU stinger and TIH. Sting into retainer and pressure test annulus to 1000 psi. Pressure up tubing to 4000# with no leakoff. Pull out of retainer and TOOH. Perforate 5 1/2" casing at 6074'-84', 6086'-90', and 6092'-98'. Acidize interval 6074'-6098' with 1500 gals 28% HCL. Flowback treatment fluids and flow test well.

RECEIVED
DEC 24 1984

DIVISION OF
OIL, GAS & MINING

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

SIGNED

Michael D. [Signature]

TITLE

Staff Engineer

DATE

12-20-84

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions
verse side)

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

| | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| 1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> | | 5. LEASE DESIGNATION AND SERIAL NO. U-23521 |
| 2. NAME OF OPERATOR TEXAS EASTERN SKYLINE OIL COMPANY | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME |
| 3. ADDRESS OF OPERATOR 1775 Sherman St. Suite 1200, Denver, Colorado 80203 | | 7. UNIT AGREEMENT NAME Mustang |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 1989' FWL & 554' FNL (NE NW) Sec. 27, T36S, R23E | | 8. FARM OR LEASE NAME Mustang Unit |
| 14. PERMIT NO. API #43-037-31030 | 15. ELEVATIONS (Show whether DP, RT, OR, etc.) OGL - 5921' | 9. WELL NO. 27-21 |
| | | 10. FIELD AND POOL, OR WILDCAT Mustang Flat |
| | | 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 27, T36S R23E, SLB&M |
| | | 12. COUNTY OR PARISH 18. STATE San Juan Utah |

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

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

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

On Friday, December 21, 1984, a small oil spill of approximately 6-7 bbls. occurred from the production storage tank on this well when the heater treater malfunctioned and caused both water and oil to be placed in the oil storage tank resulting in overflowing approx. 6-7 bbls. of oil. The spill has been cleaned up.

RECEIVED
DEC 31 1984
DIVISION OF
OIL, GAS & MINING

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

SIGNED Michael D. Anderson TITLE Staff Engineer DATE December 26, 1984

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Budget Bureau No. 1004-0115
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

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

| | | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-------------------------------------------------------------|----------------------------------------------------------------------------------|
| OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> | | 6. LEASE DESIGNATION AND SERIAL NO. U-23521 | |
| 2. NAME OF OPERATOR TEXAS EASTERN SKYLINE OIL COMPANY | | 7. UNIT ASSIGNMENT NAME Mustang | |
| 3. ADDRESS OF OPERATOR 1775 Sherman, Suite 1200, Denver, Colorado 80203 | | 8. FARM OR LEASE NAME Mustang Unit | |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 1989' FWL & 554' FNL (NE NW) Sec. 27, T36S, R23E | | 9. WELL NO. 27-21 | |
| 14. PERMIT NO. API #43-037-31030 | | 15. ELEVATIONS (Show whether DF, RT, OR, etc.) OGL-5921' | |
| | | 10. FIELD AND POOL, OR WILDCAT Mustang Flat | 11. SEC., T., R., M., OR BLK. AND SUBST. OR AREA Sec. 27, T36S, R23E, SLB & M |
| | | 12. COUNTY OR PARISH San Juan | 13. STATE Utah |

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

| NOTICE OF INTENTION TO: | | SUBSEQUENT REPORT OF: | |
|----------------------------------------------|--------------------------------------------------|------------------------------------------------|------------------------------------------|
| TEST WATER SHUT-OFF <input type="checkbox"/> | PULL OR ALTER CASING <input type="checkbox"/> | WATER SHUT-OFF <input type="checkbox"/> | REPAIRING WELL <input type="checkbox"/> |
| FRACTURE TREAT <input type="checkbox"/> | MULTIPLE COMPLETE <input type="checkbox"/> | FRACTURE TREATMENT <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| SHOOT OR ACIDIZE <input type="checkbox"/> | ABANDON* <input type="checkbox"/> | SHOOTING OR ACIDIZING <input type="checkbox"/> | ABANDONMENT* <input type="checkbox"/> |
| REPAIR WELL <input type="checkbox"/> | CHANGE PLANS <input checked="" type="checkbox"/> | (Other) <input type="checkbox"/> | |

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

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

Texas Eastern Skyline Oil Company respectfully requests the following changes to the approved APD:

1. Change Exhibit "F" as shown on the attached diagram.
2. Change Item 4 of the Multipoint Surface Use and Operations Plan to read "two - 500 bbl. production tanks and one 300 - bbl. water tank inside a 60'x30'x4.5' earthen retaining wall."

RECEIVED

JAN 08 1985

DIVISION OF
OIL, GAS & MINING

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

SIGNED Michael P. Anderson TITLE Staff Engineer DATE 12-30-84

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____

CONDITIONS OF APPROVAL, IF ANY:

Federal approval of this action is required before commencing operations.

ACCEPTED

APPROVED BY THE STATE

OF UTAH DIVISION OF

OIL, GAS, AND MINING

*See Instructions on Reverse Side

DATE: 1/9/85
BY: Sam R. Bay

TEXAS EASTERN SKYLINE OIL COMPANY

MUSTANG UNIT #27-21 PRODUCTION FACILITIES

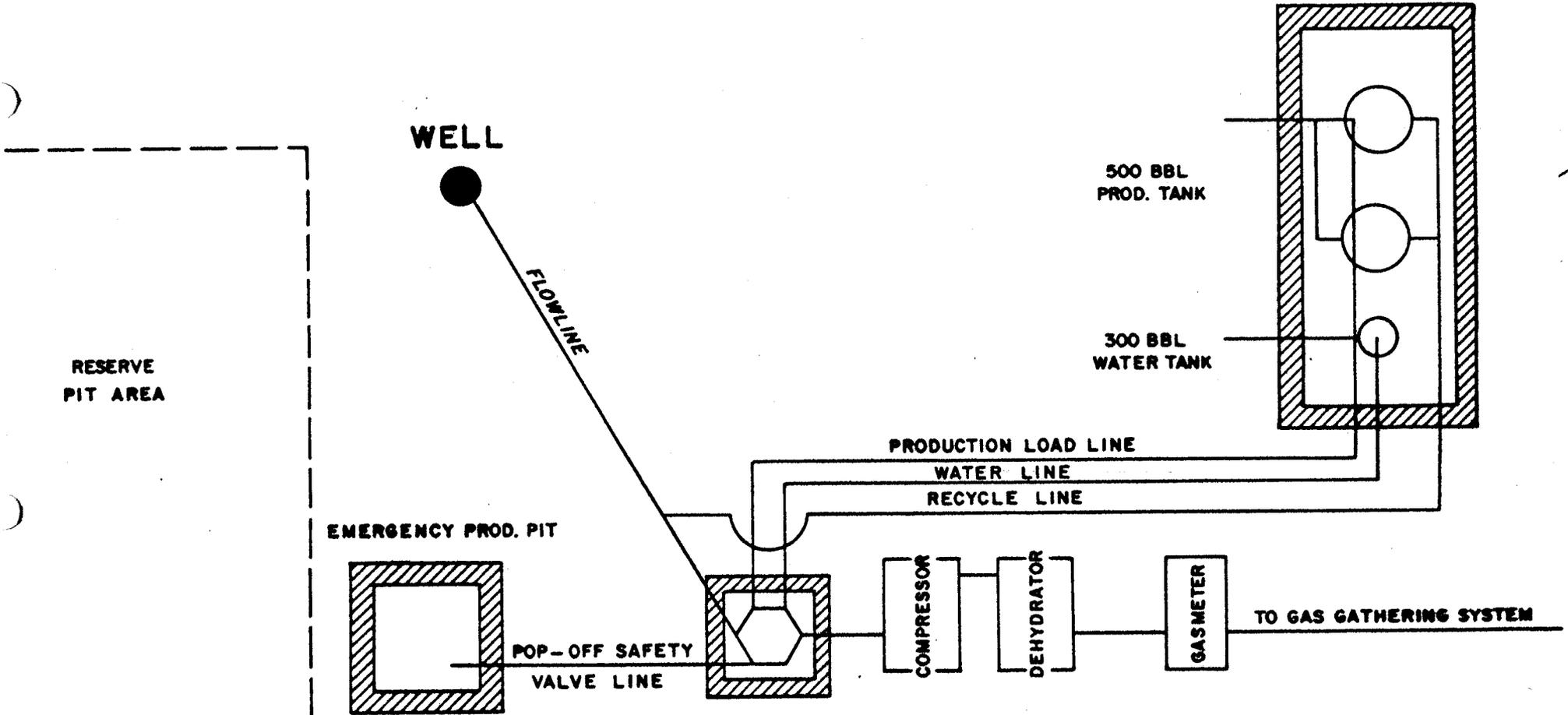
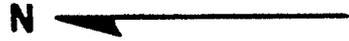


EXHIBIT "F"

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE*

(See instructions on reverse side)

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

3

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

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

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

2. NAME OF OPERATOR
TEXAS EASTERN SKYLINE OIL COMPANY

3. ADDRESS OF OPERATOR
1775 Sherman, Suite 1200, Denver, Colorado 80203

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
At surface 1989' FWL & 554' FNL (NE NW) Sec. 27, T36S, R23E
At top prod. interval reported below Same
At total depth Same

RECEIVED

MAR 18 1985

DIVISION OF OIL GAS & MINING

5. LEASE DESIGNATION AND SERIAL NO.

U-23521

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

Mustang

8. FARM OR LEASE NAME

Mustang Unit

9. WELL NO.

27-21

10. FIELD AND POOL, OR WILDCAT

Mustang Flat

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

Sec. 27, T36S
R23E, SLB & M

12. COUNTY OR PARISH

San Juan

13. STATE

Utah

15. DATE SPUNDED 10-12-84 16. DATE T.D. REACHED 10-26-84 17. DATE COMPL. (Ready to prod.) 12-10-84 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* OGL -5921' 19. ELEV. CASINGHEAD 5920'

20. TOTAL DEPTH, MD & TVD 6380' 21. PLUG, BACK T.D., MD & TVD 6121' 22. IF MULTIPLE COMPL., HOW MANY* 23. INTERVALS DRILLED BY → 24. ROTARY TOOLS X 25. CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*
Ismay 6074' - 6098'

26. TYPE ELECTRIC AND OTHER LOGS RUN
GR-FDC-CNL GR-DIL-SEL GR-BHC Sonic BLS

28. CASING RECORD (Report all strings set in well)

| CASING SIZE | WEIGHT, LB./FT. | DEPTH SET (MD) | HOLE SIZE | CEMENTING RECORD | AMOUNT PULLED |
|-------------|-----------------|----------------|-----------|--------------------------|---------------|
| 16" | Tinhorn | 40' | 22" | 210 sx Class 'H' | None |
| 9 5/8" | 36# | 2080' | 12 1/4" | 640 sx Lite & 200 sx 'B' | None |
| 5 1/2" | 15# | 6380' | 8 3/4" | 340 sx Class 'H' | None |

29. LINER RECORD

| SIZE | TOP (MD) | BOTTOM (MD) | SACKS CEMENT* | SCREEN (MD) |
|------|----------|-------------|---------------|-------------|
| | | | | |

30. TUBING RECORD

| SIZE | DEPTH SET (MD) | PACKER SET (MD) |
|------|----------------|-----------------|
| | | |

31. PERFORATION RECORD (Interval, size and number)

| | | |
|---------------|----|------------|
| 6074' - 6084' | 21 | .44" holes |
| 6086' - 6090' | 11 | .44" holes |
| 6092' - 6098' | 13 | .44" holes |

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

| DEPTH INTERVAL (MD) | AMOUNT AND KIND OF MATERIAL USED |
|---------------------|----------------------------------|
| 6074' 6098' | 1500 gals. 28% HCl |
| 6074' 6098' | 10,000 gals. 28% HCl and |
| | 15,000 gals. gelled water |

33. PRODUCTION

DATE FIRST PRODUCTION 12-10-84 PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) Pumping 2" x 1 1/2" rod pump WELL STATUS (Producing or shut-in) Producing

| DATE OF TEST | HOURS TESTED | CHOKE SIZE | PROD'N. FOR TEST PERIOD | OIL—BBL. | GAS—MCF. | WATER—BBL. | GAS-OIL RATIO |
|--------------|--------------|------------|-------------------------|----------|----------|------------|---------------|
| 3-3-84 | 24 | -- | → | 16.9 | 52 | -- | 3077 |

| FLOW. TUBING PRESS. | CASING PRESSURE | CALCULATED 24-HOUR RATE | OIL—BBL. | GAS—MCF. | WATER—BBL. | OIL GRAVITY-API (CORR.) |
|---------------------|-----------------|-------------------------|----------|----------|------------|-------------------------|
| -- | 50 | → | 16.9 | 52 | -- | 46.4 |

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Flared TEST WITNESSED BY Terry Crowson

35. LIST OF ATTACHMENTS
Geologic Report Electric Logs sent to State Office CBL-CCL log.

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

SIGNED Michael D. Anderson TITLE Staff Engineer DATE March 13, 1985

SKYLINE OIL COMPANY

Mustang Unit #27-21

Sec. 27, T36S - R23E

San Juan County, Utah

Skyline Oil Company
Mustang Unit #27-21
Sec. 27, T36S - R23E
San Juan County, Utah

OBJECTIVES:

The #27-21 Mustang Unit was drilled to investigate petroliferous reservoirs present along a northwesterly trending porosity buildup, probably reefal bank, in the Mustang Mesa area of the Paradox Basin, about six miles east of Blanding, Utah. Five previous Skyline wells had proven the Upper Ismay limestone-dolomite section (Pennsylvanian) to be commercially productive in the Mustang field; the #27-21 was sited to further extend the productive area to the westward. The Upper Ismay was the primary drilling objective of the #27-21, although the Lower Ismay and Desert Creek limestones and dolomites were of some minor interest.

OPERATIONS:

The #27-21 Mustang Unit was spudded on 12 October 1984 and was drilled with Young Drilling Company Rig #5, using conventional drilling practices and a gel mud. In order to protect fresh water aquifers and to insure against drilling problems, a protective string of 9 5/8" casing was set at 2079', with the casing shoe in the upper Chinle formation (Triassic). The drilling objectives were penetrated with a minimal amount of operational problems and hole deviation was kept within acceptable limits. There was no coring or drillstem testing. A total depth of 6395', in the uppermost part of the Paradox salt

section (Pennsylvanian), was reached on 25 October 1984, and the well was then logged by Schlumberger. On 26 October 1984, at the time of release of the B. F. Latch, Inc. wellsite geologist, preparations were being made to run production casing. Logs and drill returns indicated the well to be oil productive.

RESERVOIR EVALUATION:

The well was under geological supervision from a depth of 4880' until total depth was reached and wireline logging completed. A one-man mudlogging unit, equipped with both a hot wire system and a gas chromatograph for hydrocarbon analysis, and operated by a Rocky Mountain Geo-Engineering technician was also utilized over the above interval. Ten foot cuttings samples were caught, examined under the microscope and ultraviolet light by both the geologist and mudlogger, described and bagged for reference. Sample quality was fair to good. No cores were cut, and no drillstem tests were made.

No hydrocarbon shows of significance were logged above 6058', near the top of the Ismay; fair to good shows were noted while drilling the Ismay and uppermost Desert Creek formations, the best shows being between 6090' and 6124', in the central portion of the Upper Ismay.

A study of the Schlumberger logs, cutting samples, gas readings, and drilling rate plot indicated that the only section of commercial interest penetrated by the #27-21 Mustang Unit was

the Upper Ismay dolomite and limestone from 6074' to 6098'. The preliminary log analysis showed approximately 20 feet of cumulative porosity in excess of 7 percent in that interval, with good levels of oil saturation.

CONCLUSIONS AND RECOMMENDATIONS:

The evaluation data suggest that, when properly completed, the #27-21 Mustang Unit should be an oil producer, possibly of better than average productivity for the field. The well lends additional confirmation to the concept of a northwest - southeast orientation of the field, and further suggests that consideration should be given to drilling additional step-out wells to the northwestward of #27-21 and #22-34. The well was in about the same structural position as #27-32 to the southeastward, indicating a parallelism of the depositional and structural trend. The well, in a negative sense, suggested the Lower Ismay and Desert Creek reservoirs to be tight in this area, although hydrocarbon shows logged in nearby wells indicate these units to be of some minor interest.

SIGNIFICANT FORMATION TOPS

| <u>Age</u> | <u>Formation</u> | <u>Depth</u> | <u>Datum</u> |
|---------------|------------------|--------------|--------------|
| Triassic | Shinarump | 2637' | +3297' |
| " | Moenkopi | 2769' | +3165' |
| Permian | Cutler | 2934' | +3000' |
| Pennsylvanian | Hermosa | 4885' | +1049' |
| " | Upper Ismay | 5998' | - 64' |
| " | Lower Ismay | 6161' | - 227' |
| " | Desert Creek | 6234' | - 300' |
| " | Akah | 6308' | - 374' |
| " | Paradox Salt | 6365' | - 431' |

SCHLUMBERGER OPENHOLE WIRELINE LOGS

| | |
|---------------------------------------|---------------|
| Dual Induction - SFL (GR to surf.) | 2078' - 6371' |
| Borehole Compensated Sonic | 5090' - 6368' |
| Formation Density-Compensated Neutron | 5090' - 6362' |
| Cyberlook | 5050' - 6362' |

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

SUBMIT IN TRIPlicate
(Other instructions on reverse side)

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

| | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-------------------------------------------------------------------------------------------------------|
| 1. <input type="checkbox"/> OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER | | 5. LEASE DESIGNATION AND SERIAL NO. |
| 2. NAME OF OPERATOR <u>Texas Eastern Skyline Oil Company</u> | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME |
| 3. ADDRESS OF OPERATOR <u>1775 Sherman Street, Suite 1200, Denver, Colorado 80203</u> | | 7. UNIT AGREEMENT NAME <u>Mustang</u> |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) <u>At surface</u> | | 8. FARM OR LEASE NAME <u>Mustang Unit</u> |
| 14. PERMIT NO. | | 9. WELL NO. <u>1,3,22-34,26-23,26-33,27-32,27-43</u> |
| 15. ELEVATIONS (Show whether DF, RT, GR, etc.) | | 10. FIELD AND POOL, OR WILDCAT <u>Mustang Flat</u> |
| 16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data | | 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA <u>Sec. 22, 26 & 27, T36S R23E, SLB&M</u> |
| 17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)* | | 12. COUNTY OR PARISH 13. STATE <u>San Juan</u> <u>Utah</u> |

NOTICE OF INTENTION TO:

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

SUBSEQUENT REPORT OF:

| | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> WATER SHUT-OFF <input type="checkbox"/> FRACTURE TREATMENT <input type="checkbox"/> SHOOTING OR ACIDIZING (Other) | <input type="checkbox"/> REPAIRING WELL <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> ABANDONMENT* |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|

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

Texas Eastern Skyline Oil Company proposes to modify the approved produced gas gathering and injection system as follows:

1. Install approximately 2000' of 2" liquids line between Nos. 1 & 27-32 to be buried in same trench as 4" pipeline.
2. Install 9' x 40' (approx.) horizontal storage tank at Well 27-32 instead of well No. 1.
3. Delete flare stack at Well #1.

RECEIVED

APR 02 1985

DIVISION OF OIL
GAS & MINING

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

SIGNED Michael D. Anderson TITLE Staff Engineer DATE 3-28-85

(This space for Federal or State office use)

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

*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE
(Other instructions on re-
verse side)

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

SUNDRY NOTICES AND REPORTS ON WELLS RECEIVED

(Do not use this form for proposals to drill or to deepen or plug back to a well (see Form 3160-1).
Use "APPLICATION FOR PERMIT—" for such proposals.)

| | | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|---------------------------------------------------------------|--|
| 1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> | | NOV 04 1985 | |
| 2. NAME OF OPERATOR TEXAS EASTERN SKYLINE OIL COMPANY | | | |
| 3. ADDRESS OF OPERATOR 1775 Sherman Street, Suite 1200, Denver, Colorado 80203 | | | |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 1989' FWL & 554' FNL (NE NW) Sec. 27, T36S, R23E | | | |
| 14. PERMIT NO. API #43-037-31030 | | 15. ELEVATIONS (Show whether DF, ST, OR, etc.) OGL - 5921' | |
| 12. COUNTY OR PARISH San Juan | | 13. STATE Utah | |

| |
|------------------------------------------------------------------------------------|
| 5. LEASE DESIGNATION AND SERIAL NO. U-23521 |
| 6. IF INDIAN, ALLOTTEE OR TRIBE NAME |
| 7. UNIT AGREEMENT NAME Mustang |
| 8. FARM OR LEASE NAME Mustang Unit |
| 9. WELL NO. 27-21 |
| 10. FIELD AND POOL, OR WILDCAT Mustang Flat |
| 11. SEC., T., R., M., OR BLK. AND SUBST OR AREA Sec. 27, T36S. R23E, SLB & M |
| 12. COUNTY OR PARISH San Juan |
| 13. STATE Utah |

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

NOTICE OF INTENTION TO:

| | |
|------------------------------------------------------------------------|-----------------------------------------------|
| TEST WATER SHUT-OFF <input type="checkbox"/> | FULL OR ALTER CASING <input type="checkbox"/> |
| FRACTURE TREAT <input type="checkbox"/> | MULTIPLE COMPLETE <input type="checkbox"/> |
| SHOOT OR ACIDIZE <input type="checkbox"/> | ABANDON* <input type="checkbox"/> |
| REPAIR WELL <input type="checkbox"/> | CHANGE PLANS <input type="checkbox"/> |
| (Other) <u>Paint Pumping Units</u> <input checked="" type="checkbox"/> | |

SUBSEQUENT REPORT OF:

| | |
|------------------------------------------------|------------------------------------------|
| WATER SHUT-OFF <input type="checkbox"/> | REPAIRING WELL <input type="checkbox"/> |
| FRACTURE TREATMENT <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| SHOOTING OR ACIDIZING <input type="checkbox"/> | ABANDONMENT* <input type="checkbox"/> |
| (Other) _____ | |

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

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

Texas Eastern Skyline Oil Company requests permission to delay painting the pumping unit on the subject well until weather conditions improve in the Spring, 1986.

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

SIGNED Michael D. Anderson TITLE Engineering Manager DATE 10-30-85

(This space for Federal or State office use)

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

*See Instructions on Reverse Side

orig: M. Yared
XC: M. Anderson

Bureau of Land Management
Branch of Fluid Minerals (U-922)
324 South State Street
Salt Lake City, Utah 84111-2303

022404

February 6, 1987

Samedan Oil Corporation
1616 Glenarm Place
Suite 2550
Denver, Colorado 80202

L. M. TURNER
FEB 9 1987

Land & Property Admin.

Re: Successor of Operator
Mustang Unit
San Juan County, Utah

Gentlemen:

We received an indenture dated February 1, 1987, whereby Texas Eastern Skyline Oil Company resigned as Operator and Samedan Oil Corporation was designated as Operator for the Mustang Unit Agreement, San Juan County, Utah.

This indenture was executed by all required parties. The signatory parties have complied with Section 6 of the unit agreement. The instrument is hereby accepted effective as of February 6, 1987. Please advise all interested parties of the change in unit operator.

Sincerely,

(Orig. Sgd.) H.A. Lemm

Howard A. Lemm
Chief, Branch of Fluid Minerals

Enclosure

cc: Texas Eastern Skyline Oil Company

FEB 08 1987
BUREAU OF LAND MANAGEMENT
SALT LAKE CITY, UTAH

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

SUBMIT IN TRIPLICATE*
(Other instructions reverse side)

Budget Bureau No. 1004-0135
Expires August 31, 1985 *POW*

SUNDRY NOTICES AND REPORTS ON WELLS

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

| | | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|---------------------------------------------------------------------------------------|--------------------------|
| 1. OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> | | 5. LEASE DESIGNATION AND SERIAL NO. U-23521 | |
| 2. NAME OF OPERATOR Texas Eastern Skyline Oil Company | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME 022411 | |
| 3. ADDRESS OF OPERATOR 1775 Sherman Street, Suite 1200, Denver CO 80203 | | 7. UNIT AGREEMENT NAME Mustang | |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 1989' FWL & 554' FNL (NE NW) Sec. 27, T36S, R23E | | 8. FARM OR LEASE NAME Mustang Unit | |
| 14. PERMIT NO. API #43-037-31030 | | 9. WELL NO. 27-21 | |
| 15. ELEVATIONS (Show whether DT, RT, OR, etc.) GL-5921' | | 10. FIELD AND POOL, OR WILDCAT Mustang Flat (Ismay) | |
| | | 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 27, T36S, R23E, SLB&M | |
| | | 12. COUNTY OR PARISH San Juan | 13. STATE Utah |

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

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

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

Texas Eastern Skyline Oil Company on January 30, 1987, completed the sale of this property to Samedan Oil Corporation. Effective upon receipt by the BLM of the necessary paperwork, Samedan will assume all rights and obligations as Operator. Samedan's address is:

Samedan Oil Corporation
1616 Glenarm Place, Suite 2550
Denver, Colorado 80202

Attn: Gary Brune

RECEIVED
FEB 23 1987
DIVISION OF
OIL, GAS & MINING

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

SIGNED Michael D. Anderson TITLE Manager DATE 2-2-87

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

Delaware

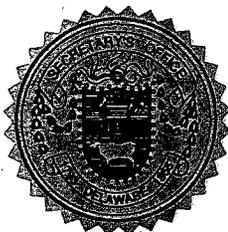
PAGE 1

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF OWNERSHIP, WHICH MERGES:

"SAMEDAN OIL CORPORATION", A DELAWARE CORPORATION,
WITH AND INTO "NOBLE ENERGY, INC." UNDER THE NAME OF "NOBLE ENERGY, INC.", A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF DELAWARE, AS RECEIVED AND FILED IN THIS OFFICE THE TWENTIETH DAY OF DECEMBER, A.D. 2002, AT 4 O'CLOCK P.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE EFFECTIVE DATE OF THE AFORESAID CERTIFICATE OF OWNERSHIP IS THE THIRTY-FIRST DAY OF DECEMBER, A.D. 2002, AT 11:59 O'CLOCK P.M.



Harriet Smith Windsor
Harriet Smith Windsor, Secretary of State

0738126 8100M

AUTHENTICATION: 2171416

020798841

DATE: 12-26-02

CERTIFICATE OF OWNERSHIP AND MERGER

of

SAMEDAN OIL CORPORATION
(a Delaware corporation)

with and into

NOBLE ENERGY, INC.
(a Delaware corporation)

(UNDER SECTION 253 OF THE GENERAL
CORPORATION LAW OF THE STATE OF DELAWARE)

NOBLE ENERGY, INC., a Delaware corporation, hereby certifies that:

(1) The name and state of incorporation or formation of each of the constituent corporations are:

- and
- (a) Samedan Oil Corporation, a Delaware corporation ("Samedan");
 - (b) Noble Energy, Inc., a Delaware corporation ("Noble").

(2) Noble owns 100% of the issued and outstanding shares of the capital stock of Samedan.

(3) Noble shall be the surviving entity in the merger.

(4) Pursuant to Section 253 of the General Corporation Law of the State of Delaware, the Board of Directors of Noble adopted resolutions, by unanimous written consent, authorizing the merger of Samedan with and into Noble. A copy of such resolutions, adopted by the Board of Directors of Noble as of December 10, 2002, is attached hereto as Exhibit A.

(5) The Certificate of Incorporation of Noble shall be the Certificate of Incorporation of the surviving corporation.

(6) The effective date of the merger shall be as of 11:59 p.m. EST, on December 31, 2002.

(7) Anything herein or elsewhere to the contrary notwithstanding, this merger may be abandoned by the Board of Directors of Noble at any time prior to the date of filing the merger with the Secretary of State.

IN WITNESS WHEREOF, Noble has caused this certificate to be signed by the undersigned on the 17th day of December, 2002.

NOBLE ENERGY, INC., the surviving corporation

By: Charles D. Davidson
Charles D. Davidson
President

060132 001224 HOUSTON 236763.2

THOMPSON & KNIGHT

REC. 20. 2002 11:59AM

TOTAL P.03

EXHIBIT A

Relating to the Merger of Samedan Oil Corporation with and into Noble Energy, Inc.

WHEREAS, Samedan Oil Corporation, a Delaware corporation ("Samedan"), is a wholly-owned, direct subsidiary of Noble Energy, Inc., a Delaware corporation ("Noble"); and

WHEREAS, the Board of Directors of Noble (the "Board") has determined, in its best business judgment, that it would be in the best interest of Noble to merge Samedan with and into Noble (the "Merger"); and

WHEREAS, Noble would be the surviving entity in the Merger; and

WHEREAS, for federal income tax purposes, the parties intend that the Merger qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "Code"), and/or as a tax-free liquidation under Section 332 of the Code;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Noble hereby approves the Merger; and further

RESOLVED, that Samedan shall be merged with and into Noble pursuant to the provisions of Section 253 of the Delaware General Corporation Law (the "DGCL"), and Noble shall be the surviving entity of the Merger; and further

RESOLVED, that in accordance with the DGCL, at midnight on December 31, 2002 (the "Effective Time"):

- (a) the separate existence of Samedan shall cease;
- (b) Noble and Samedan shall then and thereafter together comprise a single entity, which shall be Noble;
- (c) title to all real estate and other property and rights owned by Samedan shall be deemed to be owned by, and vested in, Noble without reversion or impairment; and
- (d) Noble shall assume all liabilities and obligations of Samedan; and further

RESOLVED, that at the Effective Time, each issued and outstanding share of the common stock, par value \$10.00 per share, of Samedan shall, by virtue of the Merger, be immediately cancelled and retired with no consideration to be paid therefor and all certificates representing such interests shall be cancelled; and further

RESOLVED, that after the Effective Time, each outstanding share of the common stock, par value \$3.333 per share, of Noble shall remain issued and outstanding; and further

RESOLVED, that the Board of Directors of Noble will serve as the Board of Directors of the surviving entity, and the Bylaws and Certificate of Incorporation of Noble shall serve as the Bylaws and Certificate of Incorporation of the surviving entity; and further

RESOLVED, that the proper officers of Noble are hereby authorized and empowered to take or cause to be taken all such further lawful action and to sign, execute, acknowledge, certify, deliver, accept, record and file all such further instruments in the name and on behalf of Noble as in their judgment shall be necessary, desirable or advisable in order to carry out the intent, and to accomplish the purposes, of the foregoing resolutions pursuant to the applicable provisions of the DGCL; and further

RESOLVED, that all lawful actions heretofore taken by the officers, counsel or representatives of Noble in connection with the subject of the foregoing resolutions be, and each hereby is, approved, ratified and confirmed in all respects as the act and deed of Noble.

060132 003224 HOUSTON 236763.2

NOV 27 9 5

THOMPSON & KNIGHT

DEC 20 2002 12:00PM
TOTAL P.04



United States Department of the Interior

Bureau of Land Management

New Mexico State Office

1474 Rodeo Road

P.O. Box 27115

Santa Fe, New Mexico 87502-0115

www.nm.blm.gov

January 14, 2003

IN REPLY REFER TO:
3104 (NM930MSena)
NM 0484

DECISION

| | | |
|---------------------------|---|---------------------------------|
| Principal: | : | |
| Noble Energy, Inc. | : | BLM Bond No.: NM 0484 |
| 350 Glenborough Dr., #100 | : | |
| Houston, TX 77067-3299 | : | Surety Bond No.: 4149383 |
| | : | |
| | : | Bond Type: Oil and Gas |
| Surety: | : | |
| Safeco Insurance Company | : | Amount of Bond: \$150,000.00 |
| of America | : | |
| Safeco Plaza | : | Execution Date: October 7, 1980 |
| Seattle, WA 98185 | : | |

Merger Recognized Rider Accepted

On January 10, 2003, this office received evidence concerning the merger of Samedan Oil Corporation, a Delaware corporation, into **Noble Energy, Inc.**, a Delaware corporation, effective December 20, 2002,, the date the Secretary of State of the State of Delaware certified the merger.

A bond rider consents to change the principal from Samedan Oil Corporation to Noble Energy, Inc. It is accepted effective January 10, 2003, the date received.

Attached is a listing of leases obtained from our automated system. We have not abstracted the files to determine if the entity affected by the merger holds an interest in the leases identified nor have we attempted to identify leases where the entity is the operator on the ground maintaining neither record title nor operating rights interests. If our field offices require documentation for a change of operator, they will contact you.

BM bond number NM2585, issued by Safeco Insurance Company of America, number 5779477, is released.

BLM bond number NM2697 issued by Safeco Insurance Company of America, number 5895053, is released.

BLM bond number NM1483 issued by American Employers Insurance Company, unnumbered, is released.

The Bureau of Land Management has no record of bond number 5895055, 5779460 or 2063849. Therefore, we are unable to release these bonds.

Margo C. Sena
Land Law Examiner

Cc: American Employers Insurance Co.
All BLM State Offices
MMS – Data Management Div. MS 3113
P. O. Box 5860
Denver, Co 80217

CT CORPORATION

January 8, 2003

Colleen McFadden
Thompson & Knight
333 Clay Street, Suite 3300
Houston TX 77002-4499

Re: Order #: 5762125 SO
Customer Reference 1: 060132.003224
Customer Reference 2:

Dear Colleen McFadden:

In response to your request regarding the above referenced order, your filing(s) has been completed as indicated below:

Noble Energy, Inc. (DE)
Qualification
Utah
Filing Date:

Fax #832-397-8109

If you have any questions concerning this order, please contact:

Jayna C Nickell
Houston Corporate Team 2
Phone: (713) 759-0729
Email: Jayna_Nickell@cch-lis.com

Thank you for this opportunity to be of service.

50 West Broadway, 8th Floor
Salt Lake City, UT 84101
Tel. 801 364 5101
Fax 801 359 0388

CT CORPORATION

Sincerely, **Ms. Deanette Widmer**
Special Assistant
Secretary

Utah CT Representative 2
C T Corporation System (Utah)

50 West Broadway, 8th Floor
Salt Lake City, UT 84101
Tel. 801 364 5101
Fax 801 359 0388

A CCH LEGAL INFORMATION SERVICES COMPANY



State of Utah
DEPARTMENT OF COMMERCE
Division of Corporations & Commercial Code

File Number:

Check Here If Non-Refundable Fee:
 Profit \$50.00
 Nonprofit \$20.00

\$125.00
EXPEDITE

Application for Authority to Conduct Affairs for a Foreign Corporation

Noble Energy, Inc.
Exact Corporate Name

RECEIVED

JAN 07 2003

Utah Div. of Corp. & Comm. Code

- A corporation of the state of Delaware, incorporated 29 day of December 1969 (year)
- The corporations period of duration is perpetual (usually perpetual).
- The address of the corporation's principal office is:
350 Glenborough Drive, Suite 100 Houston Texas 77067
Street Address City State Zip
- The Registered Agent in Utah is: C T Corporation System Bank One Tower, 8th Floor
The street address of the registered office in Utah is: 50 West Broadway Salt Lake City, Utah 84101
Street Address City State Zip
- I, Howard I. Volk, agree to serve as a registered agent for the above-mentioned foreign corporation.
Signature of Registered Agent (Required) see above Howard I. Volk, Asst. Secretary
- The business purposes to be pursued in Utah are: Oil and Gas Company
- The corporation commenced or intends to commence business in Utah on: December 31, 2002
- The names and addresses of the corporation's officers and directors are:
Name Address City State Zip
President See Attached
Vice-President _____
Secretary _____
Treasurer _____
Director _____
Director _____
Director _____
- A certification of Good Standing/Existence from the State of Incorporation dated no earlier than ninety (90) days prior to filing with this office is attached to this application.
- If the name is not available in Utah the corporation shall use _____
(Please refer to (U.C.A. 16-10a-1506).)

Under penalties of perjury, I declare that this application for Certificate of Authority has been examined by me and is, to the best of my knowledge and belief, true, correct and complete.

BY: Robert D. Hays TITLE: Senior VP and Secretary DATE: 12/23/02
Corporate Officer

FREE! You may visit our Web Site to access this document and other information.

Mail In: S.M. Box 146705
Salt Lake City, UT 84114-6705
Walk In: 160 East 300 South, Main Floor
Corporation's Information Center: (801) 530-4849
Toll Free Number: (877) 526-3994 (Utah Residents)
Fax: (801) 530-6438
Web Site: <http://www.commerce.utah.gov>

Date: 01/07/2003
Receipt Number: 782634
Amount Paid: \$450.00

common form for Corp/Consult
Revised: 02-21-01 mo

01-07-03P02:32 RCVD

**ATTACHMENT TO APPLICATION FOR AUTHORITY TO CONDUCT
AFFAIRS FOR A FOREIGN CORPORATION IN UTAH FOR
NOBLE ENERGY, INC.**

7. The names and addresses of the corporation's officers and directors are:

| Name | Office/Title | Mailing Address |
|--------------------------|---------------------------------------------|-------------------------------------------------------|
| Michael A. Cawley | Director | 350 Glenborough Drive, Suite 100 Houston, TX 77067 |
| Edward F. Cox | Director | 350 Glenborough Drive, Suite 100 Houston, TX 77067 |
| James C. Day | Director | 350 Glenborough Drive, Suite 100 Houston, TX 77067 |
| Charles D. Davidson | Director | 350 Glenborough Drive, Suite 100 Houston, TX 77067 |
| Dale P. Jones | Director | 350 Glenborough Drive, Suite 100 Houston, TX 77067 |
| Bruce A. Smith | Director | 350 Glenborough Drive, Suite 100 Houston, TX 77067 |
| Kirby L. Hedrick | Director | 350 Glenborough Drive, Suite 100 Houston, TX 77067 |
| Charles D. Davidson | Chairman of the Board, President and CEO | 350 Glenborough Drive, Suite 100 Houston, TX 77067 |
| Susan M. Cunningham | Senior VP | 350 Glenborough Drive, Suite 100 Houston, TX 77067 |
| Albert D. Hoppe | Senior VP and Secretary | 350 Glenborough Drive, Suite 100 Houston, TX 77067 |
| James L. McElvany | Senior VP, CFO and Treasurer | 350 Glenborough Drive, Suite 100 Houston, TX 77067 |
| William A. Poillion, Jr. | Senior VP | 350 Glenborough Drive, Suite 100 Houston, TX 77067 |
| Robert K. Burleson | VP | 350 Glenborough Drive, Suite 100 Houston, TX 77067 |

060132 003224 HOUSTON 219703.1

14 P. 453 NO.

THOMPSON & KNIGHT

JAN. 7. 2003 11:10AM

| Name | Office/Title | Mailing Address |
|-------------------------|---------------------|-------------------------------------------------------|
| Alan R. Bullington | VP | 350 Glenborough Drive, Suite 100 Houston, TX 77067 |
| Richard A. Peneguy, Jr. | VP | 350 Glenborough Drive, Suite 100 Houston, TX 77067 |
| Ted A. Price | VP | 350 Glenborough Drive, Suite 100 Houston, TX 77067 |
| David L. Stover | VP | 350 Glenborough Drive, Suite 100 Houston, TX 77067 |
| Kenneth P. Wiley | VP | 350 Glenborough Drive, Suite 100 Houston, TX 77067 |
| Arnold J. Johnson | Assistant Secretary | 350 Glenborough Drive, Suite 100 Houston, TX 77067 |
| Kirk A. Moore | Assistant Secretary | 350 Glenborough Drive, Suite 100 Houston, TX 77067 |
| William R. McKown | Assistant Treasurer | 350 Glenborough Drive, Suite 100 Houston, TX 77067 |

060192 003224 HOUSTON 239703.1

NO. 453 P. 15

THOMPSON & KNIGHT

JAN. 7. 2003 11:10AM

Delaware

PAGE 1

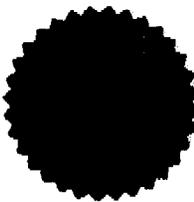
The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "NOBLE ENERGY, INC." IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE SIXTH DAY OF JANUARY, A.D. 2003.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "NOBLE ENERGY, INC." WAS INCORPORATED ON THE TWENTY-NINTH DAY OF DECEMBER, A.D. 1969.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL REPORTS HAVE BEEN FILED TO DATE.

AND I DO HEREBY FURTHER CERTIFY THAT THE FRANCHISE TAXES HAVE BEEN PAID TO DATE.



Harriet Smith Windsor
Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 2186055

DATE: 01-06-03

0738126 8300

030006092

| | |
|---------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|
| STATE OF UTAH DEPARTMENT OF COMMERCE REGISTRATION NOBLE ENERGY, INC. | REFERENCE NUMBER(S), CLASSIFICATION(S) & DETAIL(S) Corporation - Foreign - Profit 5250317-0143 |
| EFFECTIVE 01/07/2003 | EXPIRATION *RENEWAL |

CT CORPORATION SYSTEM
 NOBLE ENERGY, INC.
 50 W BROADWAY 8TH FL
 SLC UT 84101-2006

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF CORPORATIONS & COMMERCIAL CODE
REGISTRATION

EFFECTIVE DATE: 01/07/2003
EXPIRATION DATE: *RENEWAL
ISSUED TO: NOBLE ENERGY, INC.



REFERENCE NUMBER(S), CLASSIFICATION(S) & DETAIL(S)

5250317-0143 Corporation - Foreign - Profit
 *RENEWAL

You will need to renew your registration each anniversary date of the effective date.
 Exceptions: DBAs and Business Trusts renew every three (3) years from the effective date.

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

FORM 9

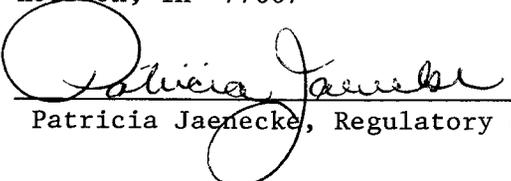
| | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--------------------------------------------------------|
| SUNDRY NOTICES AND REPORTS ON WELLS | | 5. LEASE DESIGNATION AND SERIAL NUMBER: |
| Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| 1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____ | | 7. UNIT or CA AGREEMENT NAME: SEE ATTACHED |
| 2. NAME OF OPERATOR: NOBLE ENERGY, INC. | | 8. WELL NAME and NUMBER: SEE ATTACHED |
| 3. ADDRESS OF OPERATOR: 12600 Northborough CITY Houston STATE TX ZIP 77067 | | 9. API NUMBER: SEE ATTACHED |
| PHONE NUMBER: 281-876-6150 | | 10. FIELD AND POOL, OR WILDCAT: SEE ATTACHED |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: SEE ATTACHED LIST | | COUNTY: San Juan |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: | | STATE: UTAH |

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

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

OPERATOR CHANGE EFFECTIVE JANUARY 1, 2003

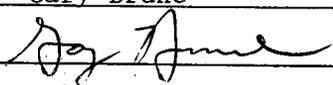
FROM: SAMEDAN OIL CORPORATION
12600 Northborough, #250
Houston, TX 77067


Patricia Jaenecke, Regulatory Clerk II

RECEIVED

FEB 14 2003

DIV. OF OIL, GAS & MINING

| | |
|-----------------------------------------------------------------------------------------------|--------------------------------|
| NAME (PLEASE PRINT) <u>Gary Brune</u> | TITLE <u>Asset Team Leader</u> |
| SIGNATURE  | DATE <u>12/16/02</u> |

(This space for State use only)



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

In Reply Refer To:
3106
(UT-924)

March 20, 2003

Memorandum

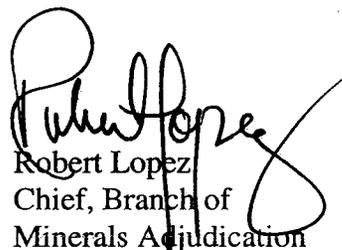
To: Moab Field Office

From: Chief, Branch of Minerals Adjudication

Subject: Merger Change Approval

Attached is an approved copy of the merger change, which is recognized by the Utah State Office. We have updated our records to reflect:

The merger change from Samedan Oil Corporation into Noble Energy Inc. is effective January 10, 2003. The BLM Bond Number is NM0484.


Robert Lopez
Chief, Branch of
Minerals Adjudication

Enclosure

1. New Mexico State Office Letter (3 pp)
2. List of leases (1 p)

cc: MMS, Reference Data Branch, MS3130, PO Box 5860, Denver CO 80217
State of Utah, DOGM, Attn: Jim Thompson (Ste. 1210), Box 145801, SLC UT 84114
Teresa Thompson (UT-922)
Joe Incardine (UT-921)

RECEIVED

MAR 24 2003

DIV. OF OIL, GAS & MINING



United States Department of the Interior

Bureau of Land Management
New Mexico State Office
1474 Rodeo Road
P.O. Box 27115
Santa Fe, New Mexico 87502-0115
www.nm.blm.gov
January 14, 2003

RECEIVED

MAR 24 2003

DIV. OF OIL, GAS & MINING

IN REPLY REFER TO:
3104 (NM930MSena)
NM 0484
NMLC 0 45701

DECISION

Principal:
Noble Energy, Inc.
350 Glenborough Dr., #100
Houston, TX 77067-3299

Surety:
Safeco Insurance Company
of America
Safeco Plaza
Seattle, WA 98185

:
: BLM Bond No.: NM 0484
:
: Surety Bond No.: 4149383
:
: Bond Type: Oil and Gas
:
: Amount of Bond: \$150,000.00
:
: Execution Date: October 7, 1980
:

Merger Recognized Rider Accepted

On January 10, 2003, this office received evidence concerning the merger of Samedan Oil Corporation, a Delaware corporation, into Noble Energy, Inc., a Delaware corporation, effective December 20, 2002,, the date the Secretary of State of the State of Delaware certified the merger.

A bond rider consents to change the principal from Samedan Oil Corporation to Noble Energy, Inc. It is accepted effective January 10, 2003, the date received.

Attached is a listing of leases obtained from our automated system. We have not abstracted the files to determine if the entity affected by the merger holds an interest in the leases identified nor have we attempted to identify leases where the entity is the operator on the ground maintaining neither record title nor operating rights interests. If our field offices require documentation for a change of operator, they will contact you.

Delaware

PAGE 1

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF OWNERSHIP, WHICH MERGES:

"SAMEDAN OIL CORPORATION", A DELAWARE CORPORATION,

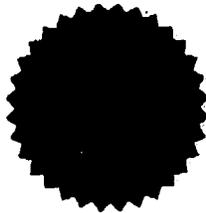
WITH AND INTO "NOBLE ENERGY, INC." UNDER THE NAME OF "NOBLE ENERGY, INC.", A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF DELAWARE, AS RECEIVED AND FILED IN THIS OFFICE THE TWENTIETH DAY OF DECEMBER, A.D. 2002, AT 4 O'CLOCK P.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE EFFECTIVE DATE OF THE AFORESAID CERTIFICATE OF OWNERSHIP IS THE THIRTY-FIRST DAY OF DECEMBER, A.D. 2002, AT 11:59 O'CLOCK P.M.

RECEIVED

MAR 24 2003

DIV. OF OIL, GAS & MINING



Harriet Smith Windsor
Harriet Smith Windsor, Secretary of State

0738126 8100M

AUTHENTICATION: 2171147

020798832

DATE: 12-26-02

5. If **NO**, the operator was contacted contacted on: _____

6. (R649-9-2)Waste Management Plan has been received on: IN PLACE

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: 03/20/2003

8. Federal and Indian Units:

The BLM or BIA has approved the successor of unit operator for wells listed on: N/A

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

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

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

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 03/28/2003

2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 03/28/2003

3. Bond information entered in RBDMS on: N/A

4. Fee wells attached to bond in RBDMS on: N/A

STATE WELL(S) BOND VERIFICATION:

1. State well(s) covered by Bond Number: N/A

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: NM 0484

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: N/A

FEE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number N/A

2. The **FORMER** operator has requested a release of liability from their bond on: N/A

The Division sent response by letter on: N/A

LEASE INTEREST OWNER NOTIFICATION:

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

COMMENTS:

State

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:
SEE ATTACHED

8. WELL NAME and NUMBER:
SEE ATTACHED

9. API NUMBER:
ATTACHED

10. FIELD AND POOL, OR WILDCAT:
SEE ATTACHED

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

1. TYPE OF WELL OIL WELL GAS WELL OTHER _____

2. NAME OF OPERATOR:
D. J. Simmons, Inc. *N2520*

3. ADDRESS OF OPERATOR: 1009 Ridgeway Pl. Ste. 200 Farmington, NM 87401 PHONE NUMBER: 505-326-3753

4. LOCATION OF WELL FOOTAGES AT SURFACE: SEE ATTACHED LIST *2012* COUNTY: SAN JUAN

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: STATE: UTAH

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

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

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

CHANGE OF OPERATOR

EFFECTIVE DATE OF TRANSFER: *8/1/03*

FROM: *N2345* NOBLE ENERGY, INC.
12600 Northborough, Suite 250
Houston, TX 77067
(281) 872-3100

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

NAME (PLEASE PRINT) Gary C. Goldsmith

TITLE *Attorney In Fact*

SIGNATURE *Gary Goldsmith*

DATE *7/14/03*

(This space for State use only)

RECEIVED

Aug 1 2003 1850-59

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

| | | |
|----------------------------------------------------------------------------------------------------|--|-------------------------------------------------|
| 1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____ | | 5. LEASE DESIGNATION AND SERIAL NUMBER: |
| 2. NAME OF OPERATOR: NOBLE ENERGY, INC. (Former Operator) N2345 | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| 3. ADDRESS OF OPERATOR: 12600 Northborough CITY Houston STATE TX ZIP 77067 | | 7. UNIT or CA AGREEMENT NAME: SEE ATTACHED |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: SEE ATTACHED LIST | | 8. WELL NAME and NUMBER: SEE ATTACHED |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: | | 9. API NUMBER: ATTACHED |
| COUNTY: SAN JUAN | | 10. FIELD AND POOL, OR WILDCAT: SEE ATTACHED |
| STATE: UTAH | | |

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

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

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

CHANGE OF OPERATOR

EFFECTIVE DATE OF TRANSFER: 8/1/03

FROM: NOBLE ENERGY, INC.
12600 Northborough, Suite 250
Houston, TX 77067
(281) 872-3100

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

RECEIVED

AUG 14 2003

DIV. OF OIL, GAS & MINING

| | |
|--------------------------------|-------------------------|
| NAME (PLEASE PRINT) Gary Brune | TITLE Asset Team Leader |
| SIGNATURE | DATE 6/13/03 |

(This space for State use only)

1850-59

| <u>WELL NAME</u> | <u>API NUMBER</u> | <u>LOCATION</u> | <u>WELL TYPE</u> | <u>STATUS</u> | <u>LEASE TYPE</u> |
|------------------------|-----------------------|-----------------------|------------------|---------------|-------------------|
| MUSTANG UNIT 26-33 | 4303731086 | 36S 23E 26 | OW | S | F |
| MUSTANG U 1 | 4303730776 | 36S 23E 27 | GW | P | F |
| MUSTANG UNIT 3 | 4303730894 | 36S 23E 26 | GW | P | F |
| MUSTANG UNIT 22-34 | 4303730943 | 36S 23E 22 | OW | P | F |
| MUSTANG UNIT 26-23 | 4303731024 | 36S 23E 26 | OW | P | F |
| MUSTANG UNIT 27-32 | 4303731025 | 36S 23E 27 | OW | P | F |
| MUSTANG UNIT 27-21 | 4303731030 | 36S 23E 27 | OW | P | F |
| MUSTANG UNIT 27-42 | 4303731325 | 36S 23E 27 | OW | P | F |
| WILD STALLION UNIT 1 | 4303731426 | 36S 23E 33 | GW | P | F |
| MUSTANG U 1 | 4303730776 | 36S 23E 27 | GW | S | F |
| BONITO 41-6-85 | 4303731824 | 38S 25E 06 | OW | P | F |

OPERATOR CHANGE WORKSHEET

ROUTING

| |
|---------|
| 1. GLH |
| 2. CDW |
| 3. FILE |

X Change of Operator (Well Sold)

Designation of Agent/Operator

Operator Name Change

Merger

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

8/1/2003

| | |
|----------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| FROM: (Old Operator): N2345 - Noble Energy, Inc. 12600 Northborough Houston, TX 77067 Phone: 1-(281) 876-6150 | TO: (New Operator): N2520-D. J. Simmons, Inc. 1009 Ridgeway Pl. Ste. 200 Farmington, NM 87401 Phone: 1-(505) 326-3752 |
|----------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|

CA No.

Unit:

***** See BELOW*****

WELL(S)

| NAME | SEC | TWN | RNG | API NO | ENTITY NO | LEASE TYPE | WELL TYPE | WELL STATUS |
|---------------------|-----|------|------|------------|-----------|------------|-----------|-------------|
| MUSTANG UNIT | | | | | | | | |
| MUSTANG U 1 | 27 | 360S | 230E | 4303730776 | 12112 | Federal | GW | P |
| MUSTANG UNIT 27-21 | 27 | 360S | 230E | 4303731030 | 10774 | Federal | OW | P |
| MUSTANG UNIT 26-23 | 26 | 360S | 230E | 4303731024 | 10774 | Federal | OW | P |
| MUSTANG UNIT 26-33 | 26 | 360S | 230E | 4303731086 | 6505 | Federal | OW | S |
| MUSTANG UNIT 27-42 | 27 | 360S | 230E | 4303731325 | 10774 | Federal | OW | P |
| MUSTANG UNIT 27-32 | 27 | 360S | 230E | 4303731025 | 10774 | Federal | OW | S |
| MUSTANG UNIT 3 | 26 | 360S | 230E | 4303730894 | 10774 | Federal | GW | P |
| MUSTANG UNIT 22-34 | 22 | 360S | 230E | 4303730943 | 10774 | Federal | OW | P |

WILD STALLION UNIT

| | | | | | | | | |
|----------------------|----|------|------|------------|-------|---------|----|---|
| WILD STALLION UNIT 1 | 33 | 360S | 230E | 4303731426 | 10888 | Federal | GW | P |
|----------------------|----|------|------|------------|-------|---------|----|---|

| | | | | | | | | |
|----------------|----|------|------|------------|-------|---------|----|---|
| BONITO 41-6-85 | 06 | 380S | 250E | 4303731824 | 13517 | Federal | OW | P |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 8/14/2003
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 8/14/2003
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 9/30/2003
- Is the new operator registered in the State of Utah: YES Business Number: 1231074-0143

5. If **NO**, the operator was contacted on: _____

6. (R649-9-2)Waste Management Plan has been received on: ****

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM applied for BIA

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: applied for

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

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

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

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 12/31/2003

2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 12/31/2003

3. Bond information entered in RBDMS on: N/A

4. Fee wells attached to bond in RBDMS on: N/A

STATE WELL(S) BOND VERIFICATION:

1. State well(s) covered by Bond Number: N/A

FEDERAL WELL(S) BOND VERIFICATION:

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

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: N/A

FEE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number N/A

2. The **FORMER** operator has requested a release of liability from their bond on: N/A

The Division sent response by letter on: N/A

LEASE INTEREST OWNER NOTIFICATION:

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

COMMENTS:



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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



IN REPLY REFER TO
3180
UT-922

August 19, 2004

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

*43-037-31030 Mustang 27-21
T36S R23E Sec 27*

Re: Mustang Unit
San Juan County, Utah

Gentlemen:

On August 18, 2004, we received an indenture dated December 19, 2003, whereby Noble Energy, Inc. resigned as Unit Operator and DJ Simmons, Inc. was designated as Successor Unit Operator for the Mustang Unit, San Juan County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective August 19, 2004. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Mustang Unit Agreement.

Your Utah statewide oil and gas bond No. UTB000048 will be used to cover all operations within the Mustang Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Terry Catlin

Terry Catlin
Acting Chief, Branch of Fluid Minerals

Enclosure

bcc: Field Manager - Moab (w/enclosure)
SITLA
Division of Oil, Gas & Mining
Dockets
File - Mustang Unit (w/enclosure)
Agr. Sec. Chron
Fluid Chron
Central Files

UT922:TAThompson:tt:8/19/04

RECEIVED

AUG 20 2004

DIV. OF OIL, GAS & MINING

| | |
|---------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-23521 |
|---------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|

| | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: MUSTANG |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|

| | |
|------------------------------------|-------------------------------------------------------|
| 1. TYPE OF WELL Oil Well | 8. WELL NAME and NUMBER: MUSTANG UNIT 27-21 |
|------------------------------------|-------------------------------------------------------|

| | |
|-------------------------------------------------|-----------------------------------------|
| 2. NAME OF OPERATOR: D J SIMMONS, INC | 9. API NUMBER: 43037310300000 |
|-------------------------------------------------|-----------------------------------------|

| | | |
|------------------------------------------------------------------------------------|------------------------------------------|------------------------------------------------------|
| 3. ADDRESS OF OPERATOR: 1009 RIDGEWAY PL, STE 200, FARMINGTON, NM, 87401 | PHONE NUMBER: 505 326-3753 Ext | 9. FIELD and POOL or WILDCAT: MUSTANG FLAT |
|------------------------------------------------------------------------------------|------------------------------------------|------------------------------------------------------|

| | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 0554 FNL 1989 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENW Section: 27 Township: 36.0S Range: 23.0E Meridian: S | COUNTY: SAN JUAN STATE: UTAH |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 12/31/2015 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date: | <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION | <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input checked="" type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER | <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/> |

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

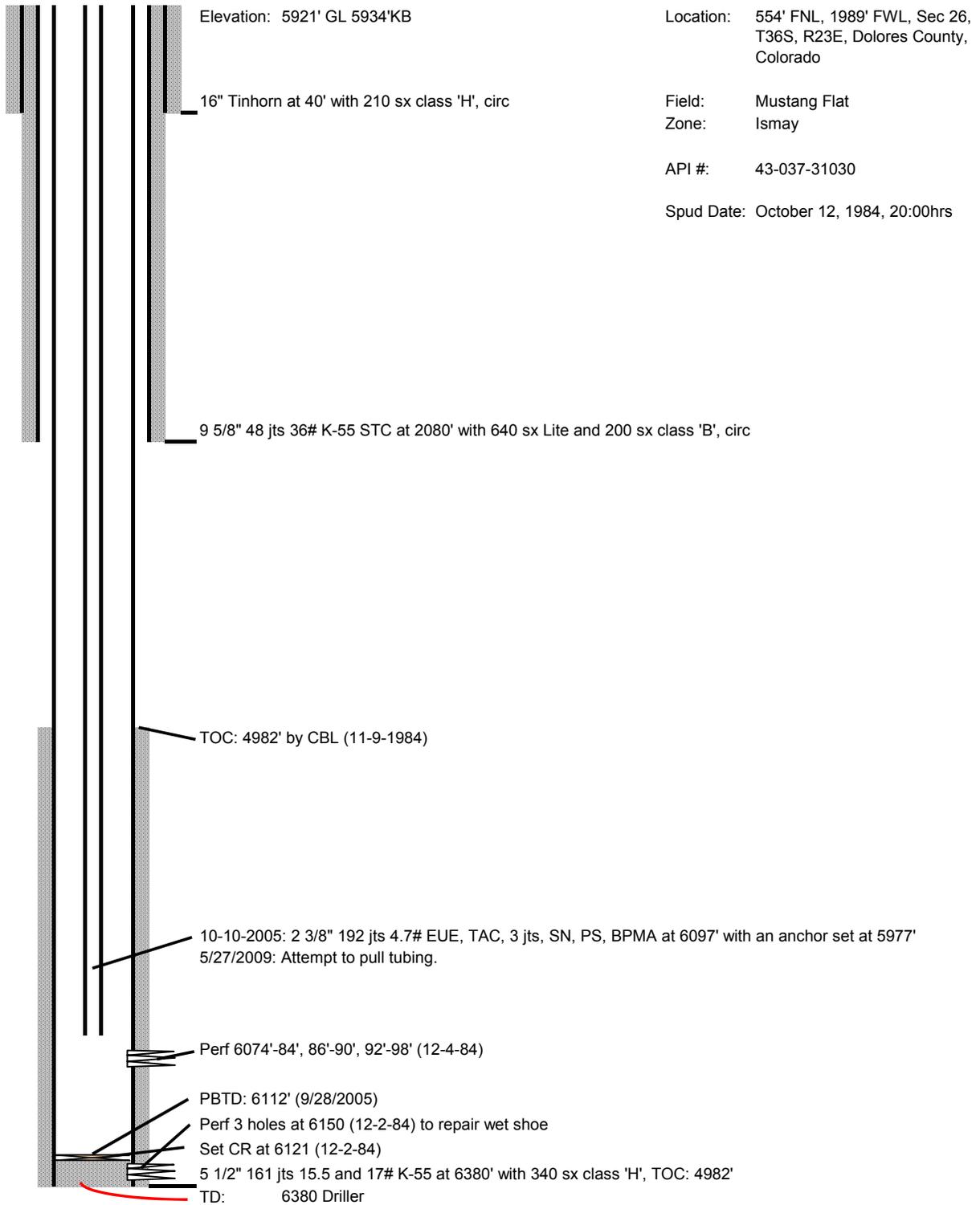
This is a federal well. The Sundry of Intent to plug and abandon the Mustang Unit No. 27-21 has been filed with the BLM using the same attached procedure.

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

Date: October 05, 2015
 By: Derek Duff

| | | |
|-----------------------------------------|-------------------------------------|--------------------------|
| NAME (PLEASE PRINT) Rod Seale | PHONE NUMBER 505 486-9710 | TITLE Engineer |
| SIGNATURE N/A | | DATE 9/25/2015 |

Mustang No. 27-21

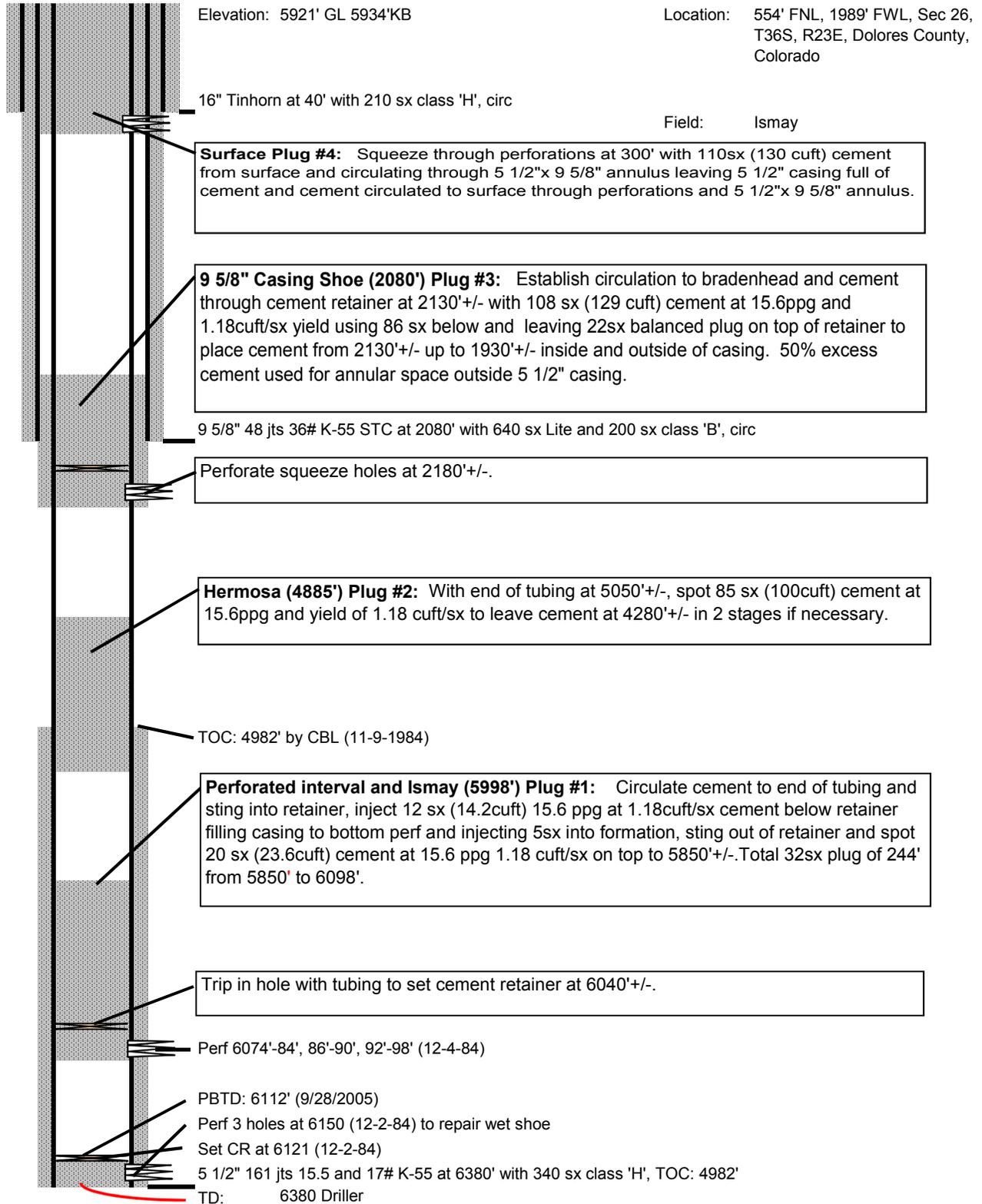


Not to Scale

Rodney L. Seale
9/25/2015

RECEIVED: Sep. 25, 2015

Mustang No. 27-21



Not to Scale

Rodney L. Seale
9/25/2015

RECEIVED: Sep. 25, 2015

Mustang No. 27-21

Directions: From Blanding Utah follow CR 206 generally southeast for 16 miles to the intersection of CR 204. Turn north on CR 204 travelling for 11 miles to a lease road forking off to the left. Follow lease road 2 3/4 miles to location in bottom of canyon.

Location: 554' FNL, 1989' FWL, Sec 26, T36S, R23E, Dolores County, Colorado

Field: Ismay

API #: 43-037-31030

Spud Date: October 12, 1984, 20:00hrs

Elevation: 5921' GL 5934'KB

TD: 6380 Driller

Wellhead:

Tubulars:

Surface: 16" Tinhorn at 40' with 210 sx class 'H', circ

Intermediate: 9 5/8" 48 jts 36# K-55 STC at 2080' with 640 sx Lite and 200 sx class 'B', circ

Production: 5 1/2" 161 jts 15.5 and 17# K-55 at 6380' with 340 sx class 'H', TOC: 4982'

Liner:

Procedure:

- 1) Back drag and clean location for crew & rig safety. Find anchors and have them tested and certified.
- 2) Move in well service unit and rig up with associated plugging equipment.
- 3) Bleed pressure off well. Nipple down wellhead and nipple up BOP.
- 4) Trip out of hole with 2 3/8" tubing landed at 6097' on 10/10/2005. BPMA, PS, SN, 3 jts, TAC, 192jts. 2009 report indicates attempt to pull tubing, found it stuck.
- 5) Trip in with 4 3/4" bit and casing scraper for 5 1/2" 15.5# casing through perforations to bottom shot at 6098' circulating well clean in the process.
- 6) Trip out of hole.
- 7) Trip in hole with tubing to set cement retainer at 6040'+/-.
- 8) Test tubing to check integrity.
- 9) Test casing to 500psi to establish integrity.

Mustang No. 27-21

- 10) **Perforated interval and Ismay (5998') Plug #1:** Circulate cement to end of tubing and sting into retainer, inject 12 sx (14.2cuft) 15.6 ppg at 1.18cuft/sx cement below retainer filling casing to bottom perf and injecting 5sx into formation, sting out of retainer and spot 20 sx (23.6cuft) cement at 15.6 ppg 1.18 cuft/sx on top to 5850'+/-. Total 32sx plug of 244' from 5850' to 6098'.
- 11) Trip out laying down tubing to land at 5850'+/-.
- 12) With end of tubing at 5850'+/-, circulate hole and spot inhibited fluid to 5050'+/-.
- 13) Trip out of hole laying down pipe to land end of tubing at 5050'+/-.
- 14) **Hermosa (4885') Plug #2:** With end of tubing at 5050'+/-, spot 85 sx (100cuft) cement at 15.6ppg and yield of 1.18 cuft/sx to leave cement at 4280'+/- in 2 stages if necessary.
- 15) Trip out of hole laying down excess tubing beyond 4280'+/-.
- 16) With end of tubing at 4280'+/-, circulate hole and spot inhibited fluid to 2180'+/-.
- 17) Trip out of hole laying down excess tubing beyond 2180'+/-.
- 18) Perforate squeeze holes at 2180'+/-.
- 19) Trip in hole with cement retainer and tubing to set cement retainer at 2130'+/-.
- 20) **9 5/8" Casing Shoe (2080') Plug #3:** Establish circulation to bradenhead and cement through cement retainer at 2130'+/- with 108 sx (129 cuft) cement at 15.6ppg and 1.18cuft/sx yield using 86 sx below and leaving 22sx balanced plug on top of retainer to place cement from 2130'+/- up to 1930'+/- inside and outside of casing. 50% excess cement used for annular space outside 5 1/2" casing.
- 21) Trip out of hole laying down tubing to land at 1930'+/-.
- 22) With end of tubing at 1930'+/-, circulate hole and spot inhibited fluid to surface.
- 23) Trip out of hole laying down tubing saving 300'.
- 24) Perforate squeeze holes at 300'.
- 25) **Surface Plug #4:** Squeeze through perforations at 300' with 110sx (130 cuft) cement from surface and circulating through 5 1/2"x 9 5/8" annulus leaving 5 1/2" casing full of cement and cement circulated to surface through perforations and 5 1/2"x 9 5/8" annulus.
- 26) Cut off casing, top off all annuli and bell hole with cement and install marker as indicated in stipulations.
- 27) Remove equipment and remediate location as indicated in lease agreements, conditions of approval and stipulations.

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|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-23521 |
| SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: MUSTANG |
| 1. TYPE OF WELL Oil Well | 8. WELL NAME and NUMBER: MUSTANG UNIT 27-21 |
| 2. NAME OF OPERATOR: D J SIMMONS, INC | 9. API NUMBER: 43037310300000 |
| 3. ADDRESS OF OPERATOR: 1009 RIDGEWAY PL, STE 200, FARMINGTON, NM, 87401 | PHONE NUMBER: 505 326-3753 Ext |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 0554 FNL 1989 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENW Section: 27 Township: 36.0S Range: 23.0E Meridian: S | 9. FIELD and POOL or WILDCAT: MUSTANG FLAT COUNTY: SAN JUAN STATE: UTAH |

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
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| <input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 3/15/2016 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date: | <input type="checkbox"/> ACIDIZE <input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION | <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER | <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/> |

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

This is a federal well that was proposed to be plugged and abandoned. Upon further review, operator is now requesting to modify this well for configuration as a pressure monitoring well after casing pressure test is completed and verified. This procedure will also preserve the wellbore for a future potential recompletion into the Honker Trail formation identified sand zone at 5530' to 5539'. Moreover, weather conditions at the Mustang field are difficult with significant snow cover. Now plan to commence operations in mid-March. The attached file is the same data submitted to the BLM for approval. Please approve the procedure and stipulate any additional requirements you deem necessary.

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

Date: February 11, 2016
By: Derek Quist

| | | |
|------------------------------------------|-------------------------------------|---------------------------|
| NAME (PLEASE PRINT) John Byrom | PHONE NUMBER 505 326-3753 | TITLE President |
| SIGNATURE N/A | DATE 2/5/2016 | |

Mustang No. 27-21

Directions: From Blanding Utah follow CR 206 generally southeast for 16 miles to the intersection of CR 204. Turn north on CR 204 travelling for 11 miles to a lease road forking off to the left. Follow lease road 2 3/4 miles to location in bottom of canyon.

Location: 554' FNL, 1989' FWL, Sec 26, T36S, R23E, San Juan County, Utah

Field: Ismay

API #: 43-037-31030

Spud Date: October 12, 1984, 20:00hrs

Elevation: 5921' GL 5934'KB

TD: 6380 Driller

Wellhead:

Tubulars:

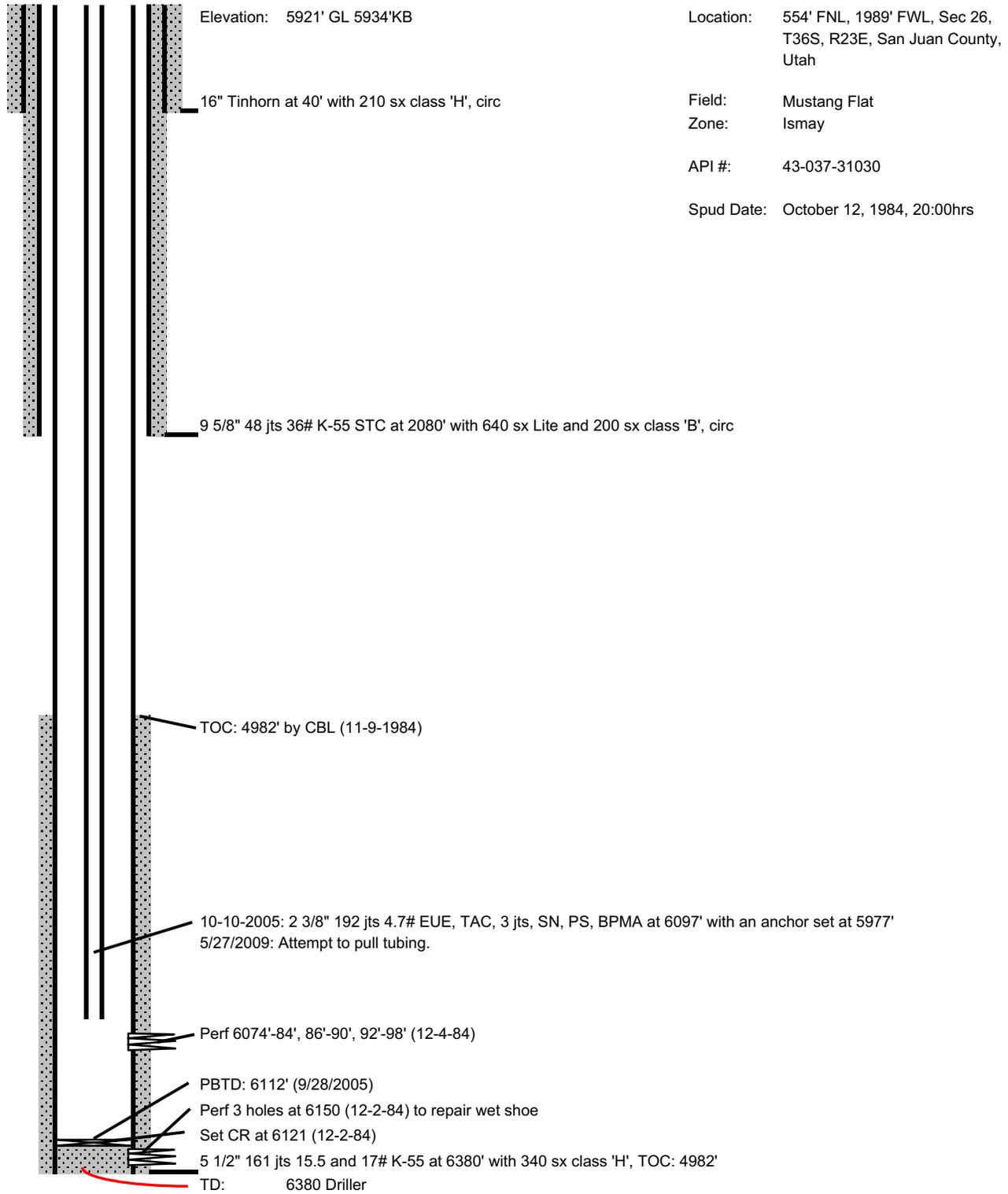
Surface: 16" Tinhorn at 40' with 210 sx class 'H', circ
Intermediate: 9 5/8" 48 jts 36# K-55 STC at 2080' with 640 sx Lite and 200 sx class 'B', circ
Production: 5 1/2" 161 jts 15.5 and 17# K-55 at 6380' with 340 sx class 'H', TOC: 4982'
Liner:

Procedure:

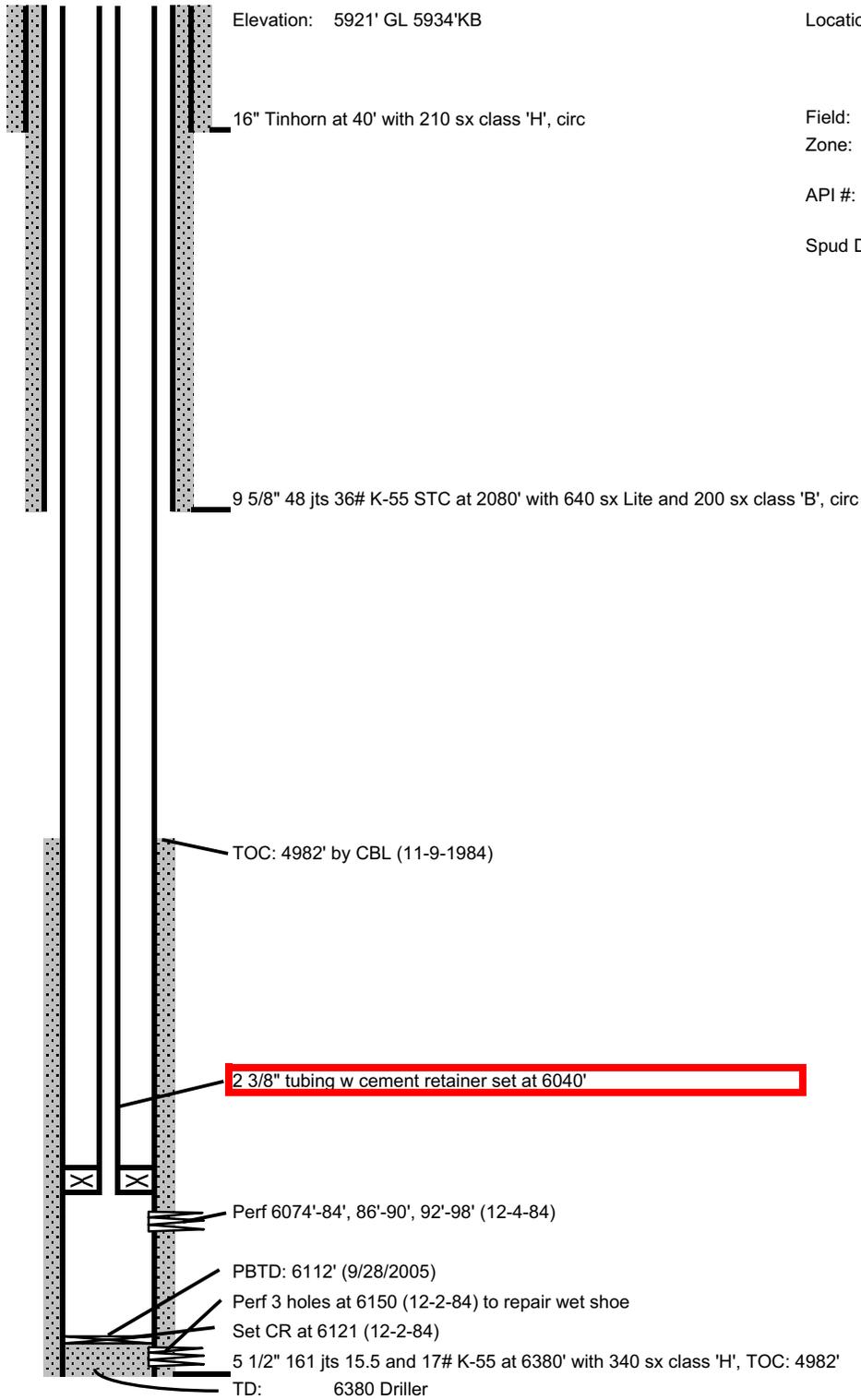
- 1) Back drag and clean location for crew & rig safety. Find anchors and have them tested and certified.
- 2) Double-block and bleed to isolate well from pipeline.
- 3) Move in well service unit and rig up.
- 4) Bleed pressure off well. Nipple down wellhead and nipple up BOP.
- 5) Trip out of hole with 2 3/8" tubing landed at 6097' on 10/10/2005. BPMA, PS, SN, 3 jts, TAC, 192jts. 2009 report indicates attempt to pull tubing, found it stuck.
- 6) Trip in with 4 3/4" bit and casing scraper for 5 1/2" 15.5# casing through perforations to bottom shot at 6098' circulating well clean in the process.
- 7) Trip out of hole.
- 8) Pick up 5-1/2" 17# Cement Retainer with Setting Tool. Trip in and set retainer at 6040'+/-, above top perforation at 6074'.
- 9) Load hole from bottom and test tubing and casing to 500 psig. Verify Casing integrity.
- 10) Trip out with setting tool.
- 11) Trip in w/ 2-3/8" stinger assembly for retainer on tubing. Engage Cement Retainer at 6040'. Establish Rate Below Retainer.
- 12) Space Out and Land 2-3/8" Tubing in compression inside retainer.
- 13) Nipple down BOP. Nipple up Wellhead.
- 14) Pressure Test 5-1/2" Casing and monitor on pressure recorder to 500 psig.
- 15) Rig down and release rig.
- 16) Well Conditioned as Pressure Observation Well.

NOTE: IF CASING FAILS TO TEST ON STEP 9 ABOVE, WILL RELEASE W.O. RIG AND BRING IN PLUGGING RIG AND EQUIPMENT TO PXA WELL PER PREVIOUSLY APPROVED PROCEDURE.

Mustang No. 27-21



Mustang No. 27-21



Location: 554' FNL, 1989' FWL, Sec 26,
T36S, R23E, San Juan County,
Utah

Field: Mustang Flat
Zone: Ismay

API #: 43-037-31030

Spud Date: October 12, 1984, 20:00hrs

| | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | FORM 9 |
| SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-23521 |
| 1. TYPE OF WELL Oil Well | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| 2. NAME OF OPERATOR: D J SIMMONS, INC | 7. UNIT or CA AGREEMENT NAME: MUSTANG |
| 3. ADDRESS OF OPERATOR: 1009 RIDGEWAY PL, STE 200, FARMINGTON, NM, 87401 | 8. WELL NAME and NUMBER: MUSTANG UNIT 27-21 |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 0554 FNL 1989 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENW Section: 27 Township: 36.0S Range: 23.0E Meridian: S | 9. API NUMBER: 43037310300000 |
| PHONE NUMBER: 505 326-3753 Ext | 9. FIELD and POOL or WILDCAT: MUSTANG FLAT |
| COUNTY: SAN JUAN | STATE: UTAH |

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|------------------------------------------------------------------------------------------------------|--------------------------------------------------------|---------------------------------------------------------|---------------------------------------------------------|
| <input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> CASING REPAIR |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 6/7/2016 | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> CHANGE WELL NAME |
| <input type="checkbox"/> SPUD REPORT Date of Spud: | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> CONVERT WELL TYPE |
| <input type="checkbox"/> DRILLING REPORT Report Date: | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> NEW CONSTRUCTION |
| | <input type="checkbox"/> OPERATOR CHANGE | <input checked="" type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> PLUG BACK |
| | <input type="checkbox"/> PRODUCTION START OR RESUME | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION |
| | <input type="checkbox"/> REPERFORATE CURRENT FORMATION | <input type="checkbox"/> SIDETRACK TO REPAIR WELL | <input type="checkbox"/> TEMPORARY ABANDON |
| | <input type="checkbox"/> TUBING REPAIR | <input type="checkbox"/> VENT OR FLARE | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> WATER SHUTOFF | <input type="checkbox"/> SI TA STATUS EXTENSION | <input type="checkbox"/> APD EXTENSION |
| | <input type="checkbox"/> WILDCAT WELL DETERMINATION | <input type="checkbox"/> OTHER | OTHER: <input style="width: 100px;" type="text"/> |

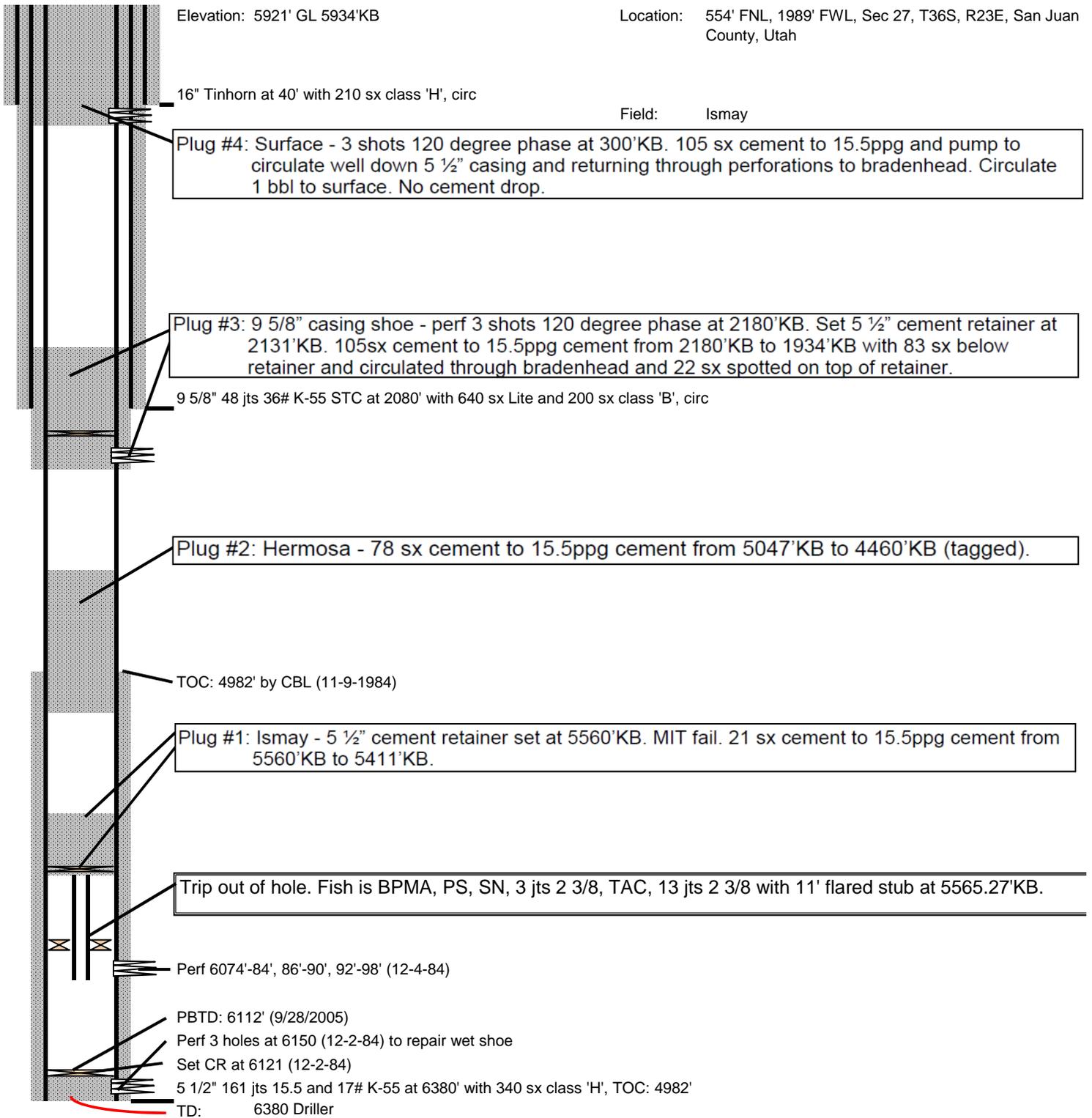
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

DJ Simmons, Inc. plugged the well as described in the attached document.

**Accepted by the
 Utah Division of
 Oil, Gas and Mining
 FOR RECORD ONLY
 June 29, 2016**

| | | |
|-----------------------------------------|-------------------------------------|--------------------------|
| NAME (PLEASE PRINT) Rod Seale | PHONE NUMBER 505 486-9710 | TITLE Engineer |
| SIGNATURE N/A | DATE 6/28/2016 | |

Mustang No. 27-21



Not to Scale

Rodney L. Seale
6/27/2016

RECEIVED: Jun. 28, 2016

Mustang No. 27 21

554' FNL, 1989' FWL,
Sec 27, T36S, R23E,
San Juan County, Utah

Plug #1: Ismay - 5 ½" cement retainer set at 5560'KB. MIT fail. 21 sx cement to 15.5ppg cement from 5560'KB to 5411'KB.

Plug #2: Hermosa - 78 sx cement to 15.5ppg cement from 5047'KB to 4460'KB (tagged).

Plug #3: 9 5/8" casing shoe - perf 3 shots 120 degree phase at 2180'KB. Set 5 ½" cement retainer at 2131'KB. 105sx cement to 15.5ppg cement from 2180'KB to 1934'KB with 83 sx below retainer and circulated through bradenhead and 22 sx spotted on top of retainer.

Plug #4: Surface - 3 shots 120 degree phase at 300'KB. 105 sx cement to 15.5ppg and pump to circulate well down 5 ½" casing and returning through perforations to bradenhead. Circulate 1 bbl to surface. No cement drop.

May 27, 2016:

Move in and rig up well service unit. Check pressures. Opsi on tubing and casing. Nipple down wellhead. Nipple up BOP. Find tubing stuck. Attempt to free over 2 hours. Secure well with 30 pts on tubing. Shut down for weekend.

May 31, 2016:

Continue work to free tubing. Rig up wireline. Free point at 5979' to 84%. Cut tubing indicated at 5979', but depthometer was errant. Cut was made 400' shallow. Discuss with Eric Jones – BLM, received approval to bury equipment. Top of fish at 5565'KB consisting of 11' flared stub, 13 jts 2 3/8" tubing, TAC, 3 jts 2 3/8" tubing, SN, PS, BPMA. Trip in hole with 4 3/4" bit, casing scraper and tubing to tag fish. Casing slick. Trip out of hole. Secure well for night.

June 1, 2016:

Trip in hole with 5 ½" cement retainer on 2 3/8" tubing to set retainer at 5560'KB. Pressure test tubing to 1000psi. Held OK. Circulate well with 190 bbl clear water. Pressure test casing to 500psi and 1000psi. Leak off rate is 100psi in 2 min from either pressure. Isolate wellhead, open bradenhead, retest. No circulation to bradenhead. Unable to establish pump in rate. Leak exceeds permissible leak off of 10% in 30 minutes. MIT fail. Trip out of hole with setting tool. Trip in hole with tubing open ended to 5547'KB. Secure well for night.

June 2, 2016:

Add tubing subs to land tubing at 5558'KB. Rig up cementing equipment. **Plug #1:** Batch mix 3 1/2bbl cement with 3 bbl water and 21 sx cement to 15.5ppg cement and pump down tubing displacing with 20 1/2bbl water from 5560'KB to 5411'KB. Jeff Brown of BLM witness. Lay down subs and 6 jts 2 3/8" tubing. Reverse circulate to clean up tubing. Spacer mud not available. Secure well for night.

June 3, 2016:

9 ppg 40 vis mud delivered. Spot 7 ½ bbl mud from 5355' to 5047' with 19 ½ bbl displacement. Lay down 10 jts tubing to land EOT at 5047'KB. Plug #2: Batch mix 16 ½ bbl cement with 10 ½ bbl water and 78 sx cement to 15.5ppg cement and pump with 18 ½ bbl displacement from 5047'KB to 4460'KB (tagged). Jeff Brown of BLM witness. Lay down 24 jts tubing. Pulling wet. Cement has set in tubing. Have pump trouble. Unable to reverse circulate. Tubing plugged. Lay down 22 jts cemented tubing losing 2 ¾bbl cement. Trip in hole to tag cement at 4460'KB. 597' of cement plug. Eric Jones and Jeff brown of BLM approve Plug #2. Spot 52 bbl 9ppg 40vis mud from 4460'KB to 2180'KB with 8 ½ bbl displacement. Lay down 75 jts 2 3/8" tubing to land EOT at 2125'KB and stand back the rest. Rig up wireline and perf 3 shots 120 degree phase at 2180'KB. Establish circulation through bradenhead with 250psi. Rig up wireline and perf 3 shots 120 degree phase at 300'KB. Secure well and shut down for weekend.

June 6, 2016:

Trip in hole with 5 ½" cement retainer to 2131'KB and set retainer. **Plug #3:** Batch mix 24 bbl cement with 13 bbl water and 105sx cement to 15.5ppg and pump 18bbl through retainer, sting out and spot 4.7bbl cement on top with 8 bbl displacement from 2180'KB to 1934'KB. Jeff Brown – BLM witness. Lay down 6 jts tubing. Circulate hole with 45 bbls 9ppg 40vis mud. Lay down tubing. Batch mix 24bbl cement with 13 bbl water and 105sx cement to 15.6ppg cement and start pumping. Cement flash set in tub with 4 bbls in hole. Attempt to circulate cement out but squeeze off at perfs. Trip in hole with 4 ¾" bit and tubing to tag cement at 160'. Drill and wash cement out. Fell clear at 300'KB. Clean up hole. Rig up to reverse circulate down bradenhead. Clear perforations and clean up well. Secure well and shut down for night.

June 7, 2016:

Plug #4: Batch mix 24 bbl cement with 13 bbl water and 105 sx cement to 15.5ppg and pump to circulate well down 5 ½" casing and returning through perforations to bradenhead. Circulate 1 bbl 15.5ppg cement from bradenhead. Jeff Brown – BLM witness. Cut off wellhead 4' below grade. Install below grade well marker. Back fill bell hole Well PXA.