



STATE OF UTAH
NATURAL RESOURCES
Water Rights

file

1/24/86

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Robert L. Morgan, State Engineer

1636 West North Temple • Suite 220 • Salt Lake City, UT 84116-3156 • 801-533-6071

January 24, 1986

COPY

U.O. & G. Inc.
300 Union Blvd. Suite 600
Lakewood, CO 80228

Dear Applicant:

RE: TEMPORARY APPLICATION
NUMBER 09-1453 (T61453)

Enclosed is a copy of approved Temporary Application Number 09-1453 (T61453). This is your authority to construct your works and to divert the water for the uses described.

While this approved application does give you our permission to divert and use water, it does not grant easements through public or private lands in order to gain access to the source nor to convey the water to the place of use, nor does this approval eliminate the need for such other permits as may be required by this Division or any other agency in implementing your diversion.

This application will expire July 31, 1986, and it is expected that no diversion or use of the water will be done after that date unless another proposal has been made and approved.

Your contact with this office, should you need it, is with the Area Engineer, Mark Page. The telephone number is (801)637-1303.

Sincerely,

Robert L. Morgan, P.E.
State Engineer

RLM:laz

Encl.: Copy of Approved Temporary Application

STATE ENGINEER'S ENDORSEMENT

WATER USER'S CLAIM NO. 09 - 1453

APPLICATION NO. T61453

1. December 31, 1985 Application received by MP.
2. January 2, 1986 Application designated for APPROVAL by MP and SG.

Conditions:

This application is hereby APPROVED, date January 24, 1986, subject to prior rights and this application will expire on July 31, 1986.


Robert L. Morgan, P.E.
State Engineer

The applicant hereby acknowledges he/they are a citizen(s) of the United States or intends to become such a citizen.

The quantity of water sought to be appropriated is limited to that which can be beneficially used for the purpose herein described.

The undersigned hereby acknowledges that even though he/they may have been assisted in the preparation of the above-numbered application through the courtesy of the employees of the Division of Water Rights, all responsibility for the accuracy of the information contained therein, at the time of filing, rests with the applicant(s).


Signature of Applicant



Universal Oil & Gas, Inc.
4050 Youngfield Street Wheat Ridge, Colorado 80033

February 6, 1986

RECEIVED
FEB 10 1986

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

DIVISION OF
OIL, GAS & MINING

Attention: Mr. John R. Baza
Petroleum Engineer

Re: Application for Permit to Drill
S. Ketchum 32-1 Well
T35S-R21E Sec 32: NE/4SW/4
1707' FSL 2107' FWL
San Juan County, Utah
Lease: MOO-C-14203676

Dear Mr. Baza:

Enclosed is U.O.&G., Inc's APD to the state of Utah, on the referenced location. Attached to the state applications, are two copies of the complete federal application for permit to drill as approved by the Bureau of Land Management on November 27, 1985.

Also included, are two copies of the State of Utah, approved application for temporary water rights.

We anticipate moving on location as soon as approval is received from your office. If you see a need for additional information, please contact our office at (303) 986-6976.

Very truly yours,

U.O.&G, INC.

Robert Cohan

Robert Cohan
Reservoir Engineer

encls.

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

5. Lease Designation and Serial No.
M00-C-14203676

6. If Indian, Allottee or Tribe Name
Sam Ketchum

7. Unit Agreement Name

8. Farm or Lease Name
Allen Canyon

9. Well No.
S. Ketchum #32-1

10. Field and Pool, or Wildcat
Wildcat

11. Sec., T., R., M., or Blk. and Survey or Area
Sec. 32, T35S, R21E
S.L.B.M.

12. County or Parrish 13. State
San Juan Utah

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work
DRILL DEEPEN PLUG BACK

b. Type of Well
Oil Well Gas Well Other
Single Zone Multiple Zone

2. Name of Operator
U.O. &G., INC.

3. Address of Operator
300 Union Blvd., Suite 600, Lakewood, Colorado 80228

4. Location of Well (Report location clearly and in accordance with any State requirements.)*
At surface: 2107' FWL, 1707' FSL
At proposed prod. zone: NE/SW

14. Distance in miles and direction from nearest town or post office*
16 air miles northwest of Blanding, Utah

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg. line, if any)
1707

16. No. of acres in lease
160

17. No. of acres assigned to this well
40

18. Distance from proposed location* to nearest well, drilling, completed, or applied for, on this lease, ft.
None

19. Proposed depth
5085' *Paradox*

20. Rotary or cable tools
Rotary

21. Elevations (Show whether DF, RT, GR, etc.)
5919' G.R.

22. Approx. date work will start*
November 1, 1985

23. PROPOSED CASING AND CEMENTING PROGRAM

| Size of Hole | Size of Casing | Weight per Foot | Setting Depth | Quantity of Cement |
|--------------|----------------|-----------------|---------------|--|
| 17-1/2 | 13-3/8 | 48# K | 60' | 45 sx Regular |
| 12-1/4 | 8-5/8 | 24# K | 1050' | 400 sx 65/35 Poxmix |
| 7-7/8 | 5-1/2 | 15.5# K | 5085' | 200 sx Regular circ to surf. 250 sx Regular |

We propose to drill a Paradox Salt Test to 5085'.
Operations will commence by November 1, 1985, and continue for approximately 120 days.
See attachments.

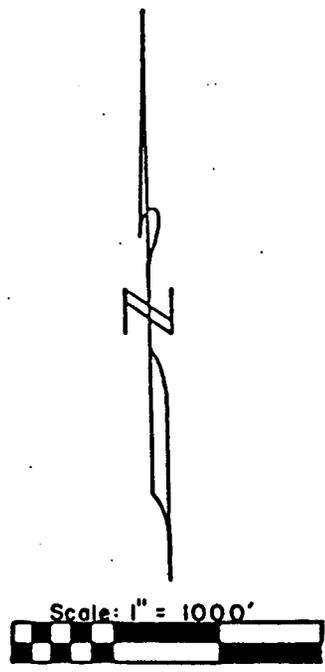
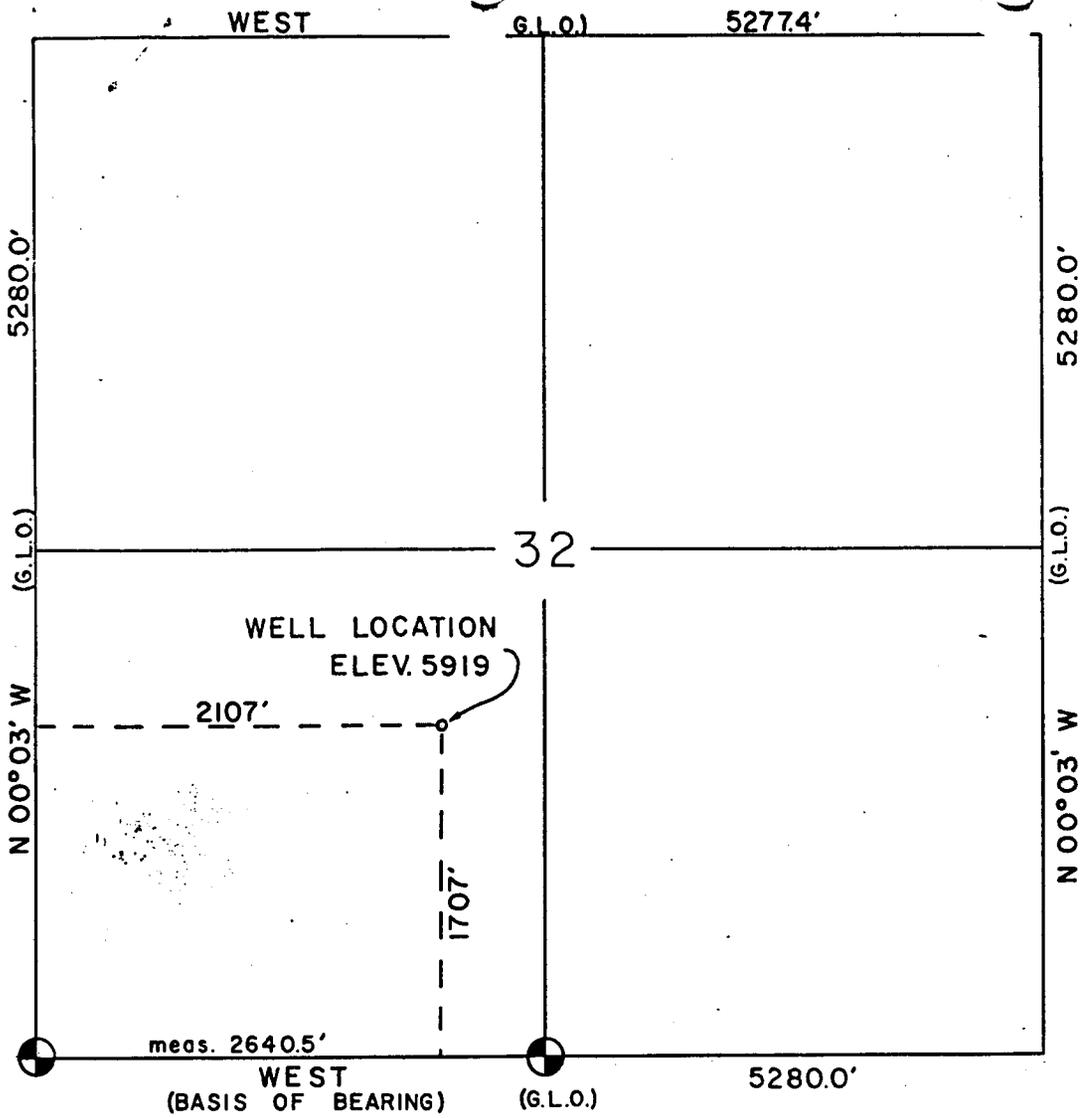
APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING
DATE: 7/2/18/86
BY: *John R. Bane*
WELL SPACING: 302
RECEIVED FEB 10 1986
DIVISION OF

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. U.O. &G., INC.
Signed: *James J. Gons* Title: President Date: 10/21/85

(This space for Federal or State office use)
Permit No. 43-037-31244 Approval Date

Approved by: Conditions of approval, if any: Title: Date:



FOUND U.S.G.L.O. BRASS CAP 1927

WELL LOCATION
 1707 FT. F.S.L., 2107 FT. F.W.L.
 SECTION 32, T. 35 S., R. 21 E., S.L.B.M.
 SAN JUAN CO., UTAH

NOTE: According to Colorado law you must commence any legal action based on any defect in this survey within six years after you first discover such defect. In no event may any action based on any defect in this survey be commenced more than ten years from the date of the certification.

SURVEYOR'S CERTIFICATE

I, Michael W. Drissel, a registered land surveyor in the State of Colorado, do hereby certify that this survey was made under my direct supervision and that this plat represents said survey.

Michael W. Drissel 9-30-85
 Michael W. Drissel L.S. 20677

signed as per Utah Code
 Title 58, Chapter 22-21(b) Exemption

| | | |
|---|--|-------------------|
|  | GORDON ENGINEERING, INC. ENGINEERING - SURVEYING | |
| | Date 9-30-85 | U.O. &G., INC. |
| | Drawn by <i>A.L.H.</i> | ALLEN CREEK 32-1B |
| | Checked by <i>md</i> | Sheet 1 of 3 |



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NATURAL RESOURCES
Water Rights

1/31/86
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State Engineer

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Encl.: Copy of Approved Temporary Application

FILING FOR WATER IN THE STATE OF UTAH

APPLICATION TO APPROPRIATE WATER

Rec. by SA
 Fee Paid \$ 15.00 1983
 030700
 Platted _____
 Microfilmed _____
 Roll # _____

For the purpose of acquiring the right to use a portion of the unappropriated water of the State of Utah, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements of the Laws of Utah.

WATER USER'S CLAIM NO. 09 - 1453

APPLICATION NO. T61453

1. PRIORITY OF RIGHT: December 31, 1985

FILING DATE: December 31, 1985

2. OWNER INFORMATION

Name: U.O. & G. Inc.
 Address: 300 Union Blvd. Suite 600, Lakewood, CO 80228

3. QUANTITY OF WATER 0.5 acre feet (Ac. Ft.)

4. SOURCE: Cottonwood Wash

DRAINAGE: San Juan River

POINT(S) OF DIVERSION:

COUNTY: San Juan

(1) S. 200 feet, E. 2300 feet, from the NW Corner of Section 06,
 Township 36 S, Range 21 E, SLB&M

Description of Diverting Works: Tank trucks

COMMON DESCRIPTION: 10 mi. NW of Blanding

5. NATURE AND PERIOD OF USE

Oil Exploration From November 1 to May 1.

6. PURPOSE AND EXTENT OF USE

Oil Exploration : Exploration drilling.

7. PLACE OF USE

The water is used in all or parts of each of the following legal subdivisions.

| TOWN RANGE SEC | North East Quarter | | | | North West Quarter | | | | South West Quarter | | | | South East Quarter | | | |
|----------------|--------------------|------------------|------------------|------------------|--------------------|------------------|------------------|------------------|--------------------|------------------|------------------|------------------|--------------------|------------------|------------------|------------------|
| | NE $\frac{1}{4}$ | NW $\frac{1}{4}$ | SW $\frac{1}{4}$ | SE $\frac{1}{4}$ | NE $\frac{1}{4}$ | NW $\frac{1}{4}$ | SW $\frac{1}{4}$ | SE $\frac{1}{4}$ | NE $\frac{1}{4}$ | NW $\frac{1}{4}$ | SW $\frac{1}{4}$ | SE $\frac{1}{4}$ | NE $\frac{1}{4}$ | NW $\frac{1}{4}$ | SW $\frac{1}{4}$ | SE $\frac{1}{4}$ |
| 35 S 21 E 32 | | | | | | | | | | X | | | | | | |

All locations in Salt Lake Base and Meridian

43-037-31244 PA

EXPLANATORY

This application is being filed to drill the S. Ketchum #32-1 Well located N. 1707 ft. & E. 2107 ft. from the SW Cor. Sec. 32, T35S, R21E, SLB&M. The water will be hauled from a small catchment basin or pond where water trucks can load.

Appropriate

FILING FOR WATER IN THE STATE OF UTAH

APPLICATION TO APPROPRIATE WATER

Rec. by SA
 Fee Paid \$ 15.00 1963
 Platted _____
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| | NE $\frac{1}{4}$ | NW $\frac{1}{4}$ | SW $\frac{1}{4}$ | SE $\frac{1}{4}$ | NE $\frac{1}{4}$ | NW $\frac{1}{4}$ | SW $\frac{1}{4}$ | SE $\frac{1}{4}$ | NE $\frac{1}{4}$ | NW $\frac{1}{4}$ | SW $\frac{1}{4}$ | SE $\frac{1}{4}$ | NE $\frac{1}{4}$ | NW $\frac{1}{4}$ | SW $\frac{1}{4}$ | SE $\frac{1}{4}$ |
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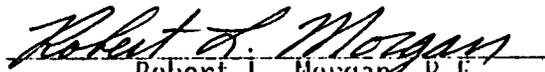
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Robert L. Morgan, P.E.
State Engineer

U.O. &G., INC.

S. KETCHUM # 32-1

SAN JUAN COUNTY, UTAH

DRILLING PROGRAM

1. SURFACE FORMATION AND ESTIMATED FORMATION TOPS:

| | |
|--------------------|---------|
| Navajo | Surface |
| Wingate | 662' |
| Chinle | 977' |
| Shinarump | 1373' |
| Moenkopi | 1647' |
| De Chelly | 1676' |
| Cutler | 2090' |
| Rico | 3576' |
| Hermosa | 3767' |
| Upper Ismay | 4693' |
| A-3 Shale | 4817' |
| Lower Ismay | 4837' |
| B Shale | 4915' |
| Desert Creek | 4950' |
| B-3 Shale | 4980' |
| Lower Desert Creek | 4997' |
| Desert Creek Shale | 5028' |
| Akah | 5044' |
| Paradox Salt | 5081' |
| TD | 5085' |

2. ESTIMATED DEPTH AT WHICH OIL, GAS, WATER, OR OTHER MINERAL BEARING ZONES ARE EXPECTED.

Expected Oil Zones:

| | |
|--------------------|-------|
| Moenkopi | 1647' |
| Hermosa | 3767' |
| Upper Ismay | 4693' |
| Desert Creek | 4950' |
| Lower Desert Creek | 4997' |

Expected Gas Zones;

| | |
|--------------------|-------|
| Hermosa | 3767' |
| Upper Ismay | 4693' |
| Desert Creek | 4950' |
| Lower Desert Creek | 4997' |

Expected Water Zones:

| | |
|---------------------|---------|
| Navajo | surface |
| Wingate | 662' |
| Cutler | 2090' |
| Paradox(salt water) | 5081' |

Expected Mineral Zones:

| | |
|---------------------|-------|
| Shinarump (Uranium) | 1373' |
|---------------------|-------|

3. PRESSURE CONTROL EQUIPMENT:

A diagram illustrating the pressure control equipment is attached. BOP equipment will consist of a flanged 10" series 900 hydraulically actuated double gate system complete with blind rams and 3½", 4", or 4½" pipe rams. Remote controls for the system will be operational and hand wheels installed. BOP and the choke manifold will be installed after running and cementing surface casing. This equipment will be used continuously until the well is abandoned or production casing run and cemented for completion. Surface casing, the blind rams, and pipe rams will be pressure tested to 1000 psig prior to drilling the plug.

During drilling the operation of this equipment will be inspected daily and the pipe rams checked for operation. The blind rams will be closed every trip when the drill string has been removed. All inspections, operations, and tests of this equipment will be recorded on the daily drilling report.

The Durango BLM office will be notified twenty-four (24) hours in advance of any pressure tests.

Other auxiliary equipment will include a float at the bit, kelly cock and full opening pipe valve on the floor.

4. CASING PROGRAM AND AUXILIARY EQUIPMENT:

A 13-3/8" od 48#/ft. K-55 conductor pipe will be set to a depth of 60 feet and cemented with 45 sacks of regular cement.

Surface casing will be new 8-5/8" od 24#/ft. K-55 grade set from surface to 1050 feet and cemented with 400 sacks of 65/35 Pozmix cement followed by 200 sacks of regular cement. Cement will be circulated to surface.

Production casing will be new 5-1/2" od 15.5#/ft. K-55 grade set from surface to 5085 feet and cemented with 250 sacks regular cement.

Well head equipment will be a 3000 psig working pressure flanged bradenhead for the 8-5/8" surface casing. A flanged 3000 psig working pressure tubing spool will be used for a tubing head.

5. MUD PROGRAM AND CIRCULATING MEDIUM:

Water will be used to drill the 12-1/4" surface hole and the 7-7/8" hole to approximately 3500 feet. Gel mud will be used from 3500 feet to total depth, weight 8.7 - 8.9, viscosity 33-38 and water loss 8 - 12.

6. CORING, TESTING, AND LOGGING PROGRAMS:

No cores will be taken. One D.S.T. is planned in the Desert Creek. Open hole logs will be run from TD to the bottom of the surface pipe at 1050 feet. Proposed logs are:

| | |
|------------------------------|------------|
| Dual Induction Laterlog | 1050-5085' |
| B.H.C. Acoustic | 1050-5085' |
| B.H.C. Density-Comp. Neutrom | 1050-5085' |

7. ABNORMAL CONDITIONS, BOTTOM HOLE PRESSURES AND POTENTIAL HAZARDS:

Maximum pressure anticipated is 2,000 psig in the Desert Creek formation and should not require more than normal mud weight for control. No abnormal temperatures or hydrogen sulphide are anticipated.

8. ANTICIPATED STARTING DATES AND NOTIFICATIONS OF OPERATIONS:

Anticipated starting date is November 1, 1985, and it is expected that the duration of operations will be up to 120 days for drilling and completion.

The Operator will contact the Durango BLM Office at 303-247-4082, forty-eight hours prior to beginning any dirt work on this location.

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the District Manager. If operations are to be suspended, prior approval of the District Manager will be obtained and notification given before resumption of operations.

The spud date will be reported orally to the BLM manager within a minimum of twenty-four (24) hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the District Office within twenty-four (24) hours after spudding. If the spudding occurs on a weekend or holiday, the written report will be submitted on the following regular work day.

In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 9-329, "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed directly with the Bureau of Land Management, Federal Building, 701 Camino Del Rio, Durango, Colorado 81301.

IMMEDIATE REPORT: Spills, blowouts, fires, leaks, accidents or any other unusual occurrences shall be promptly reported to the Durango BLM in accordance with requirements of NTL-3A.

If a replacement rig is contemplated for completion operations, a Sundry Notice (Form 3160-5) to that effect will be filed for prior approval of the District Manager, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig. In emergency situations, verbal approval to bring on a replacement rig will be approved by the District Petroleum Engineer.

Should the well be successfully completed for production, the District Manager will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) business days following the date on which the well is placed on production.

A first production conference will be scheduled with fifteen (15) days after receipt of the first production report. The Durango BLM Office will coordinate the field conference.

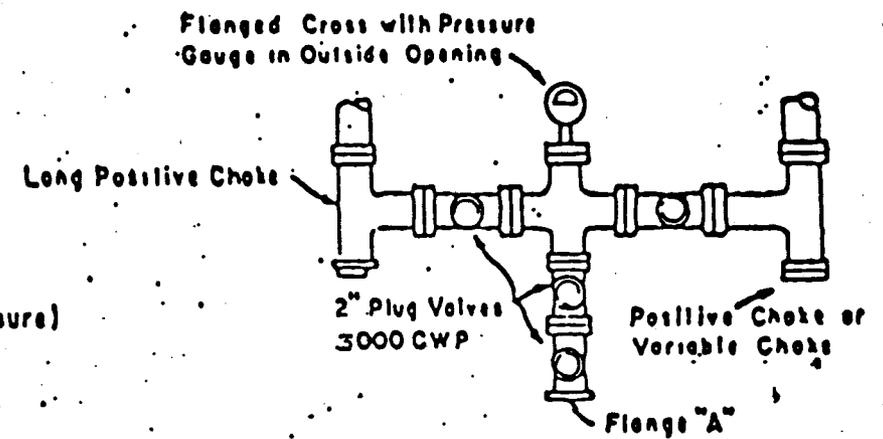
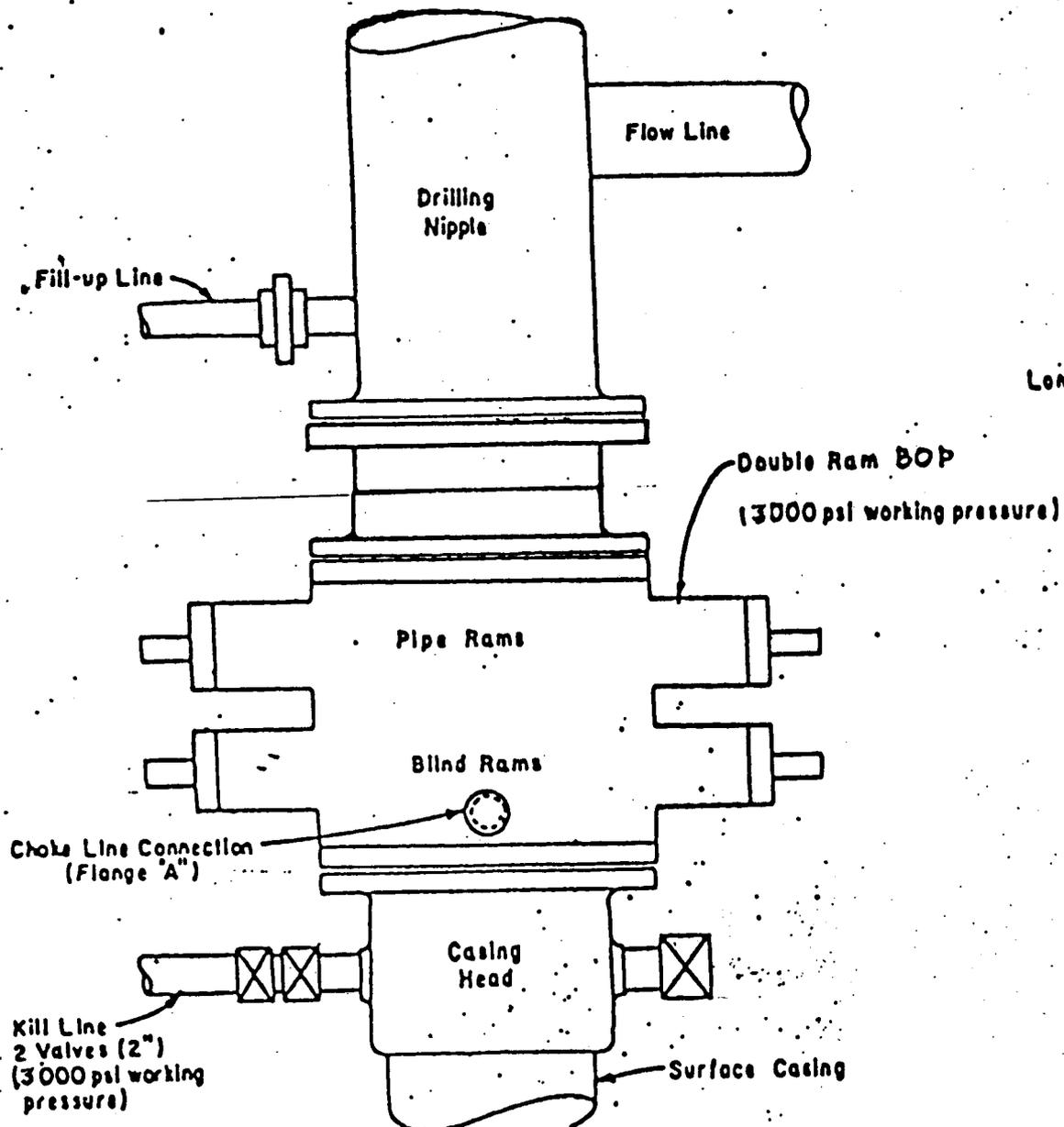
No well abandonment operations will be commenced without the prior approval of the District Manager. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the District Petroleum Engineer. A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the District Manager within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the

surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the BLM Manager or his representative, or the appropriate surface managing agency.

Approval to vent/flare gas during initial well evaluation will be obtained from the District Office. This preliminary approval will not exceed thirty (30) days or 50 MMCF gas. Approval to vent/flare beyond this initial test period will require District Office approval pursuant to guideline in NTL-4A.

Upon completion of approved plugging, a marker 4" x 4' long will be erected in accordance with 43 CFR 3162.6. The marker will be constructed after contouring. The top of the marker will be closed or capped and the following minimum information will be permanently placed on the marker with a plate, cap or beaded-on with a welding torch.

"Fed" of "Ind", as applicable. "Well number, location by $\frac{1}{4}$ section, township, and range". "Lease Number".



PLAN VIEW-CHOKE MANIFOLD

TESTING REQUIRMENTS

- Pipe rams: operated daily
- Blind rams: operated and closed every opportunity.
- Accumulation: Checked daily

U.O. &G., INC.

S. KETCHUM # 32-1

SAN JUAN COUNTY, UTAH

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

1. EXISTING ROADS:

- A. The location is approximately 16 air miles northwest of Blanding, Utah.
- B. The proposed route to the location is by traveling south of Blanding, Utah on U. S. Highway 191 for four (4) miles to an intersection of Utah Highway 95. Turn right (west) for a distance of 6.5 miles. At this point, turn right (north) on San Juan County Road 268 (Cottonwood) and proceed for 5.3 miles to a junction of the road. Turn left onto San Juan County Road 228 (Elk Mountain) for 2.9 miles, then right on San Juan County Road 227 (North Cottonwood) for 2.85 miles. At this point turn right and proceed 0.2 miles to an intersection; turn right again, and go 0.6 miles to a point where approximately 150 feet of new road will be constructed to the well pad.
- C. Plans for improvement and maintenance of existing roads: The County Roads from Utah Highway 95 north to Allen Canyon are in good condition and will require no upgrading. In the event that maintenance becomes necessary a blade will be used to bring the road into as good or better condition than it was found.

The existing 0.8 miles of road from the County Road in Cottonwood Wash to the new road to the location will be upgraded. The work will consist of flat blading, and filling ruts and dips. If any additional fill material is required it will be obtained from any currently disturbed areas along the road or an outside source.

The road will be approximately 18 feet in width for the surface to be used for travel.

No culverts or low water crossings will be required. No surfacing material will be required.

Grades on the road are from 5 - 8 percent. In the event that the well should be a producer the road will be crowned, ditched, water bars installed with spreader ditches and upgraded to Class III BLM standards.

2. PLANNED ACCESS ROADS:

- A. A new road approximately 150 feet long will be built from the existing road to the location.
- B. No grades over 6 percent will be required.
- C. Turnouts: none.
- D. The centerline has been flagged.

- E. No stream crossings are necessary.
- F. No surfacing material will be required.
- G. Right-of-way permit is being applied for access through Lot 2, Section 6, T36S, R21E, S.L.M., a distance of approximately 750 feet. About 600 feet of existing road crosses the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 6, T36S, R21E, which is owned by eleven allottees. Permission to use the existing road and repair it will be obtained.

Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional areas needed will be approved by the appropriate BIA Manager in advance.

The access road will be rehabilitated or brought to Resource (Class III) Road standards within sixty (60) days of dismantling of the drilling rig. If this time frame cannot be met, the BIA Manager will be notified so that temporary drainage control can be installed along the access road.

3. LOCATION OF EXISTING WELLS:

There are no known oil or gas wells within a two mile radius of this location.

4. 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, non-reflective, earth tone color to match the standard environment colors, as determined by the Rocky Mountain Five-State Interagency Committee. All facilities will be painted within six (6) months of installation. Facilities required to comply with Occupational Safety and Health Act (OSHA) may be excluded. Colors will be determined by the BLM at the time of construction.

If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain 1-1/2 times the storage capacity of the battery.

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 comingling 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 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 BIA

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 BLM Durango 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:

All water needed for drilling and road construction and maintenance purposes will be hauled from the junction of Allen Canyon and Cottonwood Wash. A road permit will be secured from the San Juan County Road Department.

A. Temporary water permit has been applied for from the Utah State Engineer at Price, Utah, to haul water from Allen Canyon or Cottonwood Wash, Section 6, T36S, R21E.

6. SOURCE OF CONSTRUCTION MATERIALS:

Any construction materials required will be obtained along the County Road in Lots 2 and 3 of Section 6, T36S, R21E at approximately the location of the water supply.

7. METHOD OF HANDLING WASTE DISPOSAL:

The reserve pit will be lined with Bentonite. After the reserve pit is dug, one to two inches of Bentonite will be spread over the bottom and sides and mixed with the soil to seal the pit. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed. The fence will consist of 30 inches of net wire and one strand of barbed wire on top. The fence will be kept in good repair while the pit is drying.

Produced waste water will be confined to the 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 BLM Manager's approval pursuant to Onshore Oil and Gas Order #3 (NTL-2B).

Plat #4 illustrates the rig layout and the position of the trash cage and reserve pit.

- A. Cuttings: These will be contained on location in the reserve pit.
- B. Drilling Fluids, Chemicals, and Salts: These will be contained in the reserve pit.
- C. Sewage: Chemical toilets will be used.
- D. Garbage and Other Waste Materials: A portable trash cage will be kept on location to contain these. Periodically the location will be cleaned and all trash placed in the container. No trash will be thrown in the reserve pit. The trash cage will be hauled to a sanitary landfill and emptied when it fills up. Barrels, cable, wood pallets, and all other trash will be hauled to a local sanitary landfill to be disposed of. Open burning of trash or refuse is illegal under Section 2.4 of the Utah Air Conservation Regulations. The Operator will be responsible for all trash and roadside litter generated by their operations along their access route - from the County Road to the Location.

8. ANCILLARY FACILITIES:

None.

9. WELLSITE LAYOUT:

Plat #4 shows the rig layout. Plat #5 shows the pad layout. Plat #6 illustrates the cuts and fills.

The reserve pit will be located on the southwest side of the location and will be lined with Betonite.

Trees removed from the location will be piled on the northwest side of the location by the access road. The top 6" of top soil will be removed from the location and stockpiled on the west side of the location by the reserve pit.

The access road will enter the northwest side of the location and the trash cage will be on the southeast side of the location as shown in Plat #4. A ditch to divert water around the location will be cut from the drainage on the north side around the east side and join the drainage on the southeast corner of the location. This is shown in Plat #5.

10. PLANS FOR RESTORATION OF SURFACE:

The Operator or his Contractor will contact the BLM in Durango, Colorado, telephone 303-247-4802, forty-eight (48) hours prior to starting rehabilitation work that involves earth moving equipment, and upon completion of restoration measures.

Before any earthwork to restore the location takes place, the reserve pit will be dry and all trash (barrels, metal, etc.) it contains must be removed and disposed of in a sanitary landfill.

All disturbed areas of the location will be recontoured to blend as nearly as possible with the surrounding area.

The stockpiled topsoil will be evenly distributed over the disturbed area. All disturbed areas will be scarified with the contour to a depth of 8-12 inches. A roughened surface will be left on the pad.

Seed will be drilled during the period specified by the BLM authorized officer with the stipulated seed mixture. Seeding will be repeated until vegetation is successfully established. Seeding will be done in presence of the authorized officer.

The disturbed areas will be reseeded using a seed mixture as stipulated by the BIA office in Towaoc, Colorado. Seeding will be accomplished by using a range drill or by doubling the prescribed mixture and broadcasting.

After seeding is complete, the 150 feet of new access road will be blocked to prevent vehicle use. The existing access road will be left for allottee use.

BIA/Allottee reserves the right to convert a non-producing well to a water well.

11. PRODUCTION:

If well goes to production, the holder shall submit a proposed operation and maintenance plan for the permanent road after consultation with the BLM authorized officer for applicable road standards.

The reserve pit and that portion of the location and access road not needed for production or production facilities will be reclaimed in the methods described in the Restoration of Surface section. Adequate topsoil will be retained for final reclamation of the location. Any remaining stockpile of topsoil will be seeded in place using the prescribed seed mixture.

All above ground production facilities will be painted with a flat non-contrasting color harmonious with the adjacent landscape, subject to the approval of the authorized officer.

Plat #3 shows the layout of the typical production facilities.

The surface and minerals are owned by the heirs of the Sam Ketchum Allotment.

12. OTHER INFORMATION:

There will be no deviation from the proposed drilling and/or workover program without prior approval from the BLM in Durango. 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.

"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.

A cultural resource clearance has been prepared. If cultural material is exposed during construction, work in that spot will stop immediately and the BLM Durango office will be contacted. All employees working in that area will be informed by the Operator that they will be 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.

The dirt contractor will be furnished with an approved copy of the surface use plan and any additional BLM stipulations prior to any work.

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.

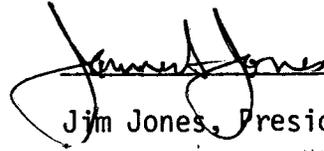
13. LESSEE'S OR OPERATORS REPRESENTATIVE AND CERTIFICATION:

Representative: Gordon Engineering, Inc.
P. O. Box 3525
Grand Junction, CO 81502
303-245-1958

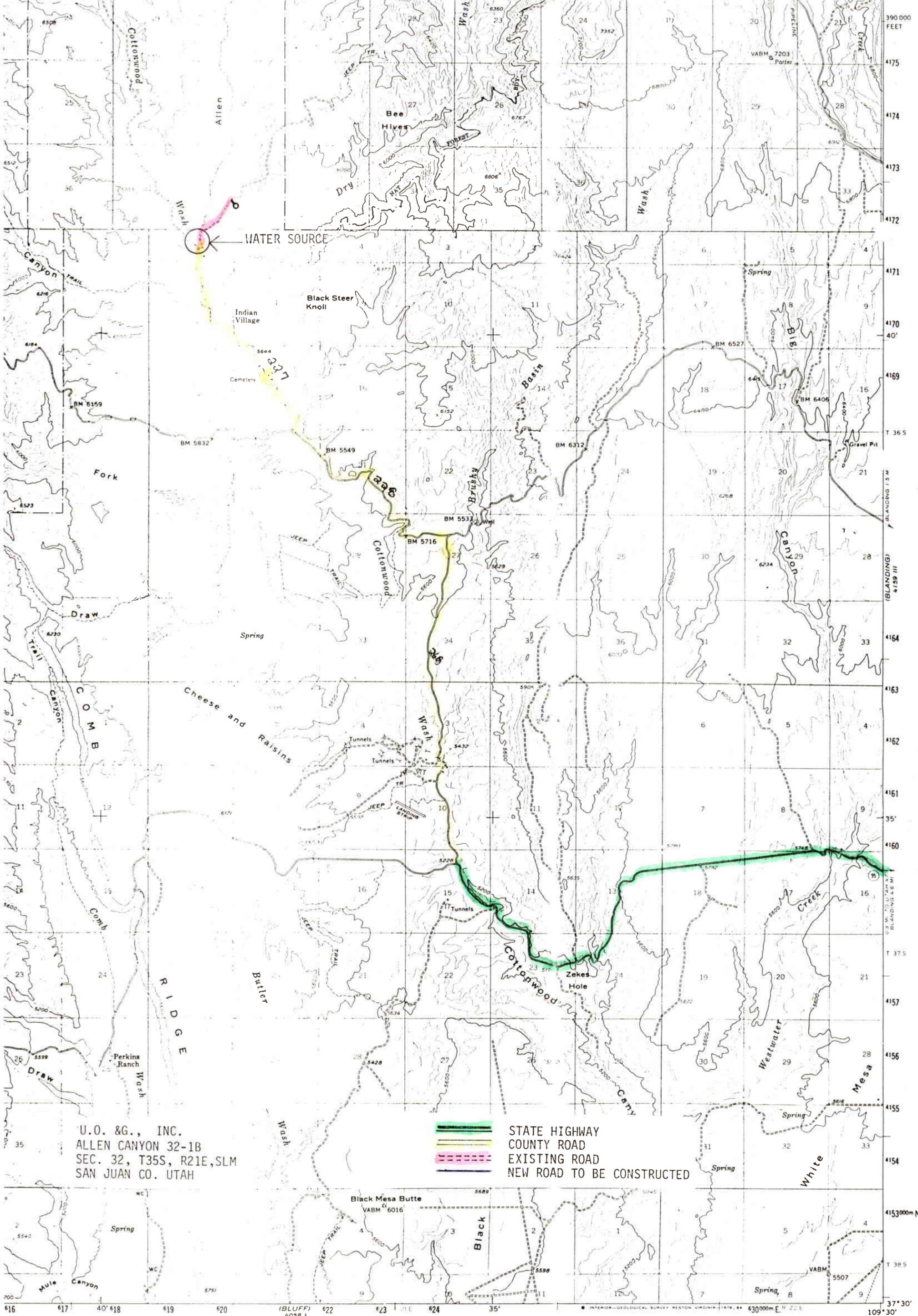
Operator: U.O. &G., INC.
Mr. Jim Jones
300 Union Boulevard, Suite 600
Lakewood, Colorado 80228
303-986-6976

Certification: I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in the 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 Universal Oil and Gas, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

Date October 21, 1985

A handwritten signature in black ink, appearing to read "Jim Jones", is written over a horizontal line. The signature is stylized and somewhat cursive.

Jim Jones, President
U.O. &G., INC. UNIVERSAL OIL AND GAS, Inc.



U.O. &G., INC.
 ALLEN CANYON 32-1B
 SEC. 32, T35S, R21E, SLM
 SAN JUAN CO. UTAH

STATE HIGHWAY
 COUNTY ROAD
 EXISTING ROAD
 NEW ROAD TO BE CONSTRUCTED

SCALE 1:62,500
 0 1 2 3 4 MILES
 0 3000 6000 9000 12000 15000 18000 21000 FEET
 0 1 2 3 4 5 KILOMETERS
 CONTOUR INTERVAL 80 FEET
 NATIONAL GEODETIC VERTICAL DATUM OF 1929
 ROAD CLASSIFICATION
 Light-duty Unimproved dirt
 State Route
 UTAH

R21E

Mancos J Butte

PLAT NO. 2
U.O. &G., INC.
ALLEN CANYON PROSPECT
S. KETCHUM # 32-1
SAN JUAN COUNTY, UTAH

Cottonwood

Allen

Bee Hives

S. KETCHUM # 32-1
2107'FWL, 1707'FSL
Sec. 32, T35S, R21E
San Juan County, Utah
Elev. 5919'
Tribal Allotment To
Sam Ketchum Lease
M00-C14203676

WATER SOURCE

BLM

TRIBAL ALLOTTED

Black Steer Knoll

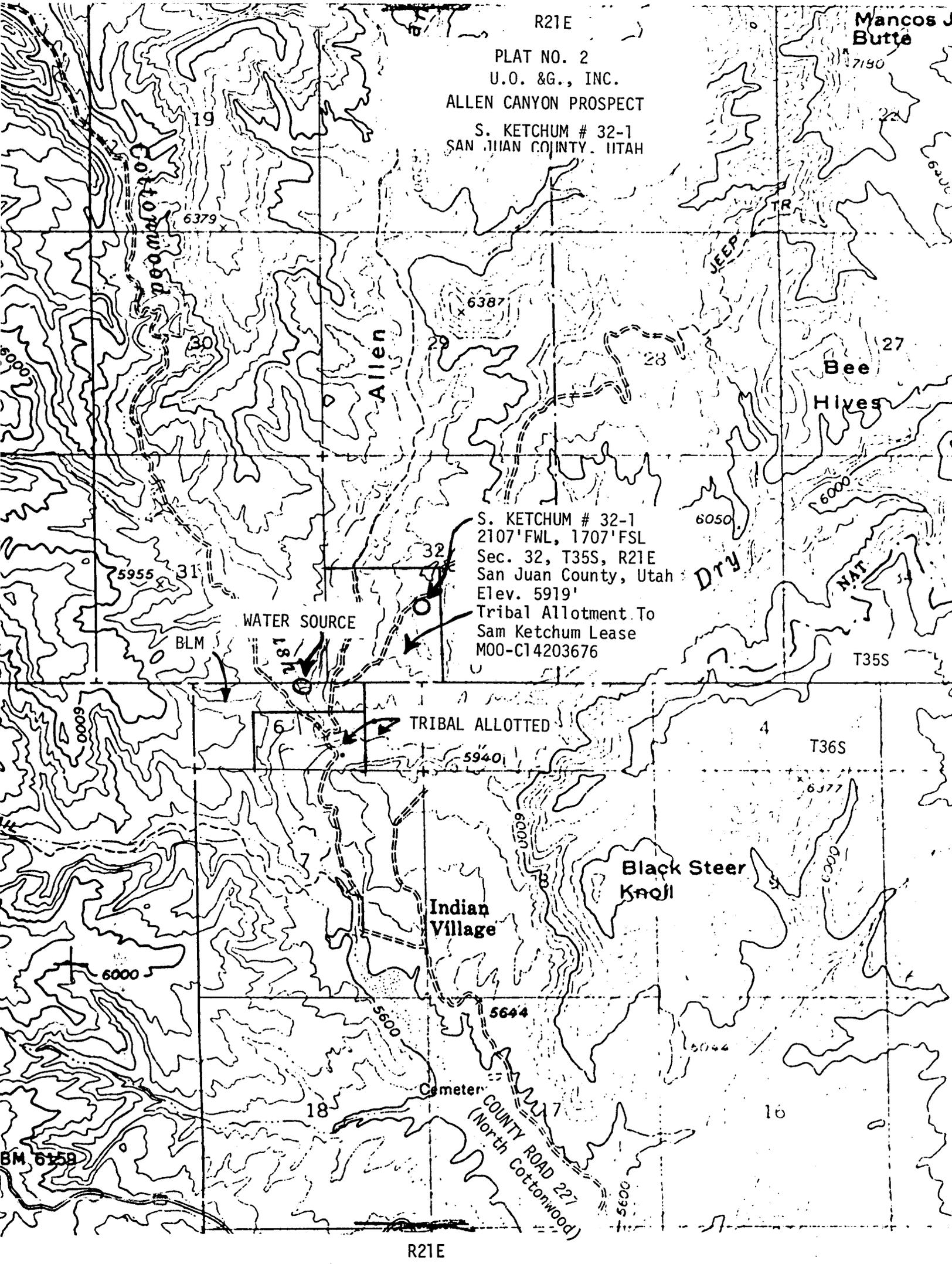
Indian Village

Cemetery

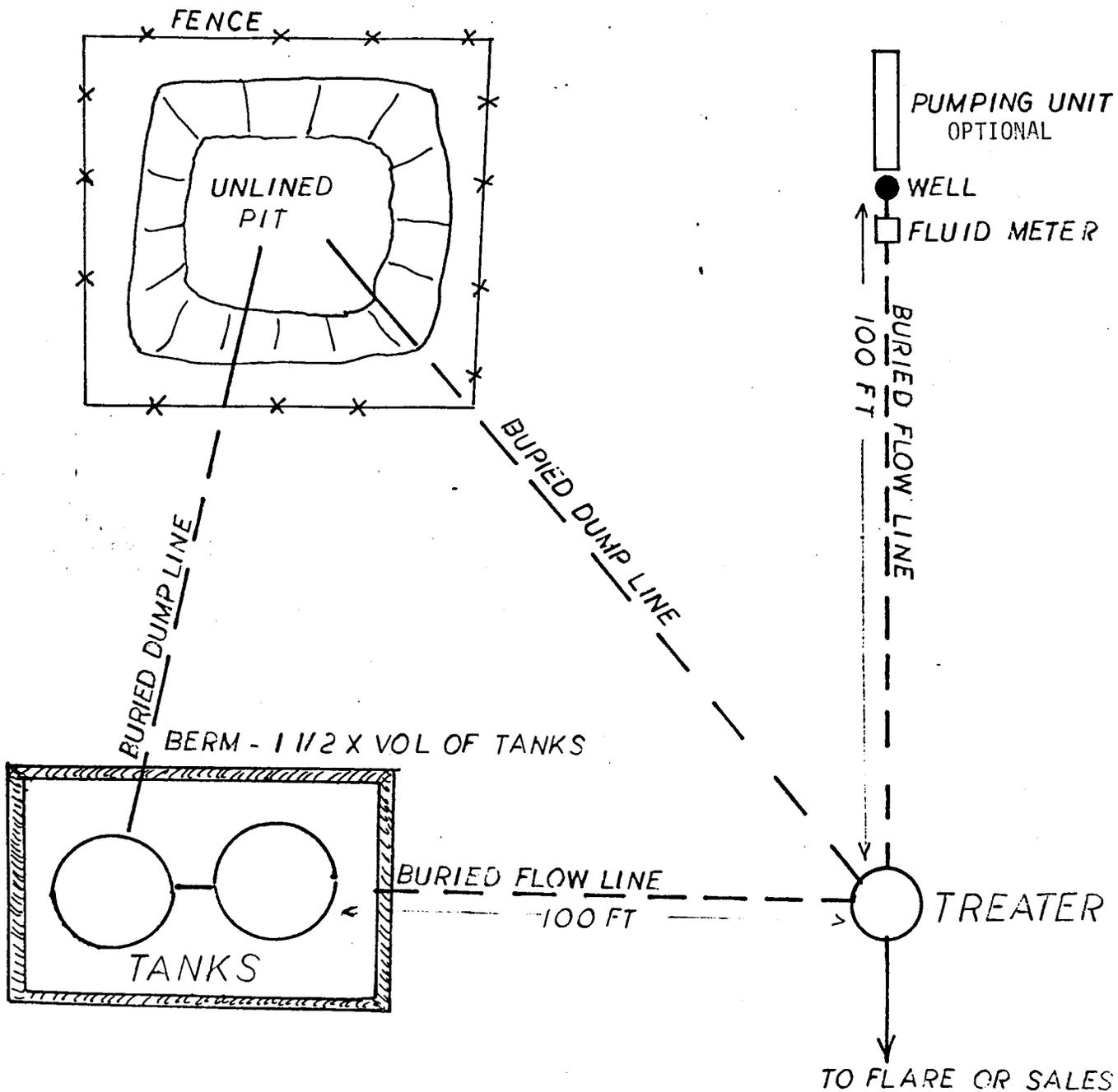
COUNTY ROAD 227
(North Cottonwood)

BM 6159

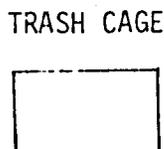
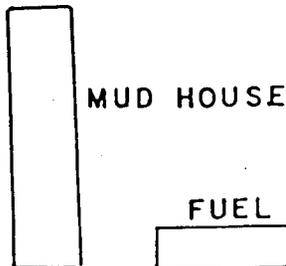
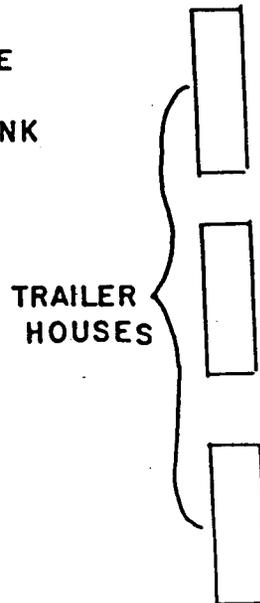
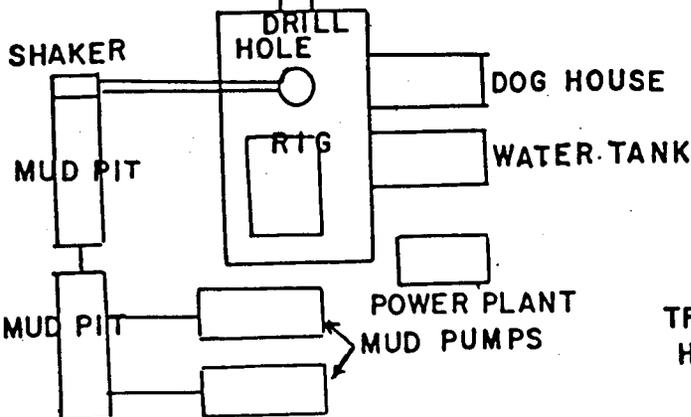
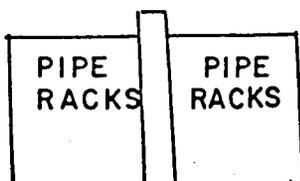
R21E



PROPOSED PRODUCTION LAYOUT



ACCESS ROAD



BRUSH PILE

TOPSOIL STOCKPILE

RESERVE PIT
LINED WITH BENTONITE

275'

175'

30'

70'

175'

300'

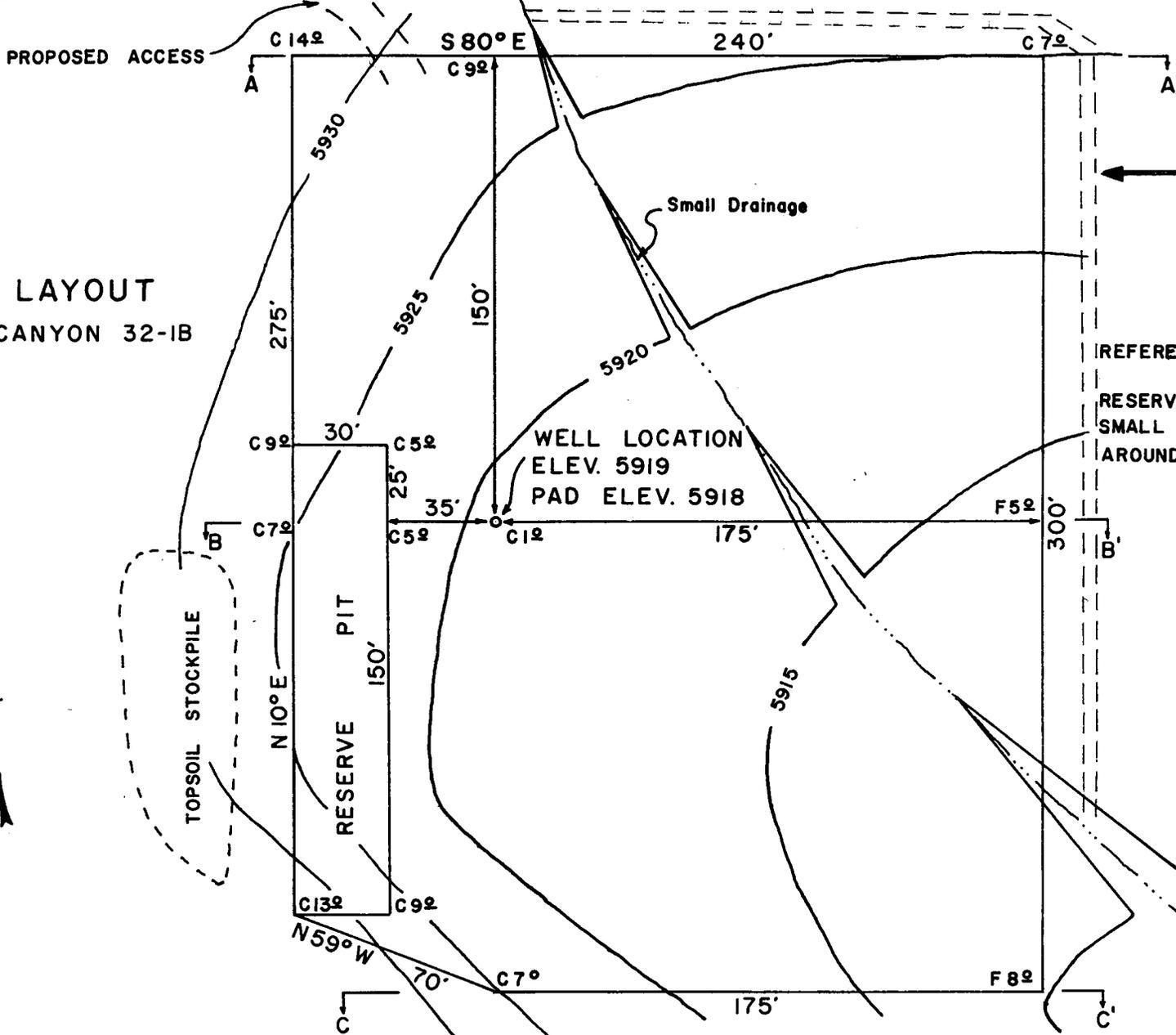
PAD LAYOUT
ALLEN CANYON 32-1B

PLAT # 5

DRAINAGE DITCH

REFERENCE POINTS SET 200 FEET
NORTH & EAST
RESERVE PIT IS TO BE 10+FT DEEP
SMALL DRAINAGE TO BE DIVERTED
AROUND EASTERLY SIDE PAD

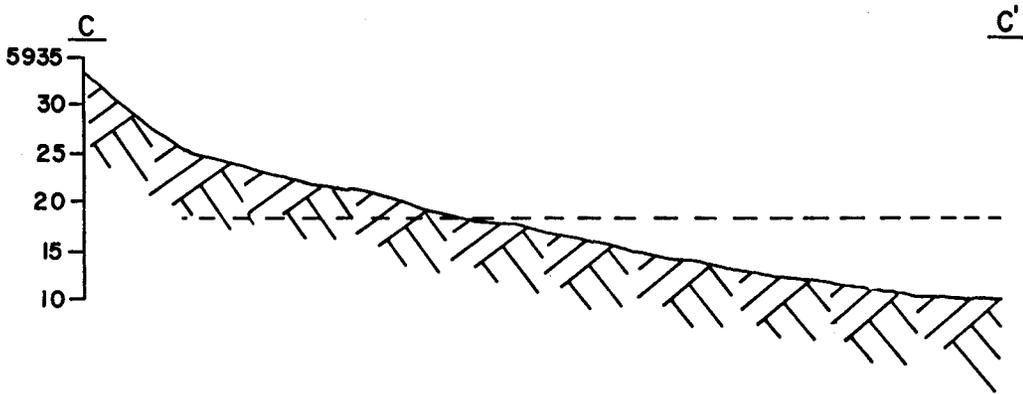
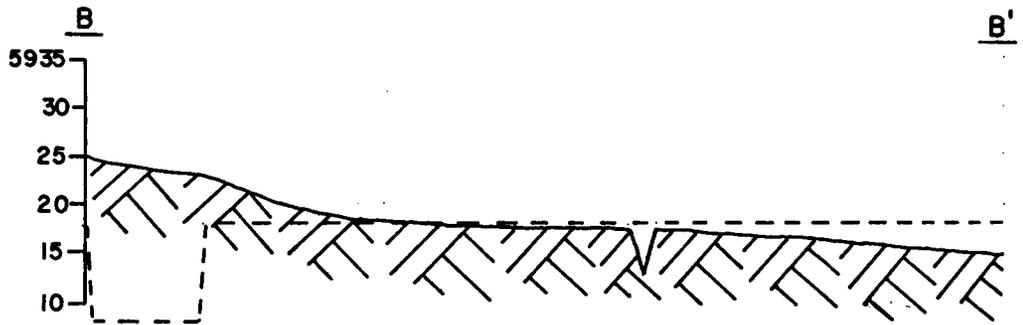
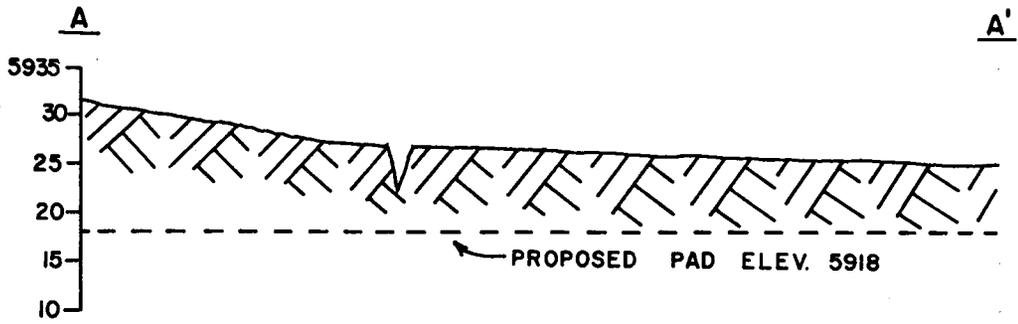
WELL LOCATION
ELEV. 5919
PAD ELEV. 5918



SCALE: 1" = 50'

| | | |
|---------------------|--|--------------------|
| | GORDON ENGINEERING, INC. ENGINEERING - SURVEYING | |
| | Date 10-10-85 | U.O. &G., INC. |
| | Drawn by <i>A.I.Z.</i> | ALLEN CANYON 32-1B |
| | Checked by <i>W.D.</i> | Sheet 2 of 3 |
| Survey date 9-27-85 | Job # 85904 | |

PAD CROSS-SECTIONS



SCALE: HORIZ. 1" = 50'
VERT. 1" = 20'

| | | |
|---|---|--------------------|
|  | GORDON ENGINEERING, INC. ENGINEERING - SURVEYING | |
| | Date 10-10-85 | U.O. &G., INC. |
| | Drawn by <i>A. J. A.</i> | ALLEN CANYON 32-1B |
| | Checked by <i>WMB</i> | Sheet 3 of 3 |
| Survey date 9-27-85 | Job # 85904 | |

Archaeological Stipulations

1. The access road needs to be rerouted about 70'-100'south to avoid site number 42SA17447.
2. An Archaeological monitor must be present during construction of the above portion of the access road.
3. If any archaeological site is unearthed during construction all activity in that vicinity will cease and the BIA Archaeologist will be notified immediately.
4. All activity must be contained in the area surveyed for cultural resources.

SPECIFIC STIPULATIONS

1. Contact T. E. Taylor, Bureau of Indian Affairs, telephone 565-8471 prior to starting dirt work to ensure that requirements for road repair, culvert, and new construction are understood.

2. Be alert to any water flows from surface to the top of the Chinle and report these water flows and depths to this office at 247-5144 and to T. E. Taylor at 565-8471. See No. 2, Conditions of Approval. The BIA may request that this well be released for a water well upon abandonment. This may entail the cleaning of the wellbore above the Chinle and securing the top of the casing with a cap or swedge and a 2 inch valve.

PRODUCTION NOTIFICATION STIPULATION

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such Production has begun or resumed."

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

INFORMATIONAL NOTICE ON POLICY AND REGULATIONS
A COPY OF THIS NOTICE SHOULD BE FURNISHED YOUR
F. REPRESENTATIVE TO ENSURE COMPLIANCE

All lease and(or) unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors.

1. There shall be no deviation from the approved drilling and(or) work-over plan. Any changes in the approved plan must have prior approval of this office. Emergency approval may be obtained orally, but such approval does not waive the requirements for filing Sundry Notices (Form 3160-5) in accordance with 43 CFR 3162 and Onshore Order No. 1.

2. All wells, whether drilling, producing, suspended, or abandoned must be identified as required by 43 CFR 3162.6.

3. BOP systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. Preventers will be pressure-tested before drilling casing cement plugs. The Resource Area will be notified 2 days in advance when pressure tests are to be conducted.

4. If air or gas drilling, the operator shall control the blowout line discharge dust by use of water injection or any other acceptable method. The blowout line discharge shall be a minimum of 125 feet from the BOP and be directed into the blowout pit so that the cuttings and waste are contained in the pit.

5. Approval to flare granted while drilling and testing pursuant to NTL-4A.

6. All fresh water and prospectively valuable minerals (as described by ELM at onsite) encountered during drilling will be recorded by depth, cased, and cemented. All oil and gas shows will be tested to determine commercial potential.

7. No location will be constructed or moved, no well will be plugged, and no well will be placed in a suspended status without prior approval of this office. If operations are to be suspended for more than 30 days, prior approval of this office must be obtained and notification given before resumption of operations.

8. If the well is to be abandoned, oral approval may be granted by this office but must be timely followed within 30 days with a Sundry Notice, "Request for Approval to Abandon" (Form 3160-5). Unless the plugging is to take place immediately upon receipt of oral approval, this office must be notified at least 48 hours in advance of the plugging, so that a technician may witness plugging operations. Sundry Notice, "Subsequent Report of Abandonment" (Form 3160-5) must be filed within 30 days after the actual plugging of the well, reporting actual plugging operations. If a well is suspended or abandoned, all pits must be fenced until they are backfilled.

9. The spud date will be reported orally to this office within 48 hours after spudding. If the spudding occurs on a weekend or holiday, make this report on the following regular work day.

10. Periodic drilling progress reports must be filed directly with this office on a monthly basis.

11. In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 9-329, "Monthly Report of Operations," starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed directly with the San Juan Resource Area Office, 701 Camino del Rio, Durango, Colorado 81301.

12. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted to this office not later than thirty (30) days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and(or) completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and(or) gases) will be submitted when requested by this office.

13. Unless otherwise specified, construction and maintenance surface facilities approved under this plan shall be in accordance with regulations attached and with the guidelines set forth in the BLM/FS/GS oil and gas brochure entitled, "Surface Operating Standards for Oil and Gas Exploration and Development."

14. The reserve pit will be fenced on three sides prior to spudding. The fourth side will be fenced when the rig is moved.

15. If a completion rig is used for completion operations, all conditions of this approved plan are applicable during all operations conducted with the completion rig.

16. This application is valid for a period of one year from the date of approval and may be extended by a Sundry Notice request filed prior to expiration. If the application expires, any surface disturbance created under the application must be rehabilitated in accordance with the approved plan and future operations will require that a new application be filed for approval.

17. Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported to the Resource Area in accordance with requirements of WTL-3A.

18. Pursuant to Title 43 CFR 3162.4-2 and 3162.5-2, please notify the Bureau of Land Management Office, Durango, at least 24 hours prior to cementing the production casing. Address and telephone numbers are:

Bureau of Land Management
Room 102
Federal Building
701 Camino del Rio
Durango, Colorado 81301

Telephone: (303) 247-4082

Terry Galloway, Petroleum Engineering Technician
home telephone (303) 247-3646

Dennis Carpenter, Petroleum Engineer
home telephone (303) 259-2604

Production facilities included in Item 4 of the Surface Use Plan are approved for the lessee and his designated operator under Section 1 of the Oil and Gas Lease with the following conditions:

1. The oil and gas measurement facilities 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.

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

3. Produced waste water will be confined to a (lined/unlined) pit for a period not to exceed ninety (90) days after initial production. During the ninety (90) day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted to this office for approval pursuant to Onshore Oil and Gas Order No. 3 (WTL-2B).

4. All off-lease storage, off-lease measurement, or commingling on lease or off-lease must have written approval.

5. All product lines entering and leaving hydrocarbons storage tanks must be locked/sealed.

6. 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.

7. All materials, trash, junk, debris, etc. not required for production must be removed from the well site and facility site at the completion of these operations. All disturbed areas not required for producing operations will be rehabilitated.

8. "Sundry Notice and Report on Wells" (Form 3160-5) will be filed for all changes of plans and other operations in accordance with 43 CFR 3162.4-1. Emergency approval may be obtained verbally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, roads, gathering lines, batteries, measurement facilities, etc., will require the filing of a suitable plan and prior approval by the BLM.

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

10. Pursuant to 43 CFR 3162.4-1(c), this office must be notified when it is placed in a producing status. Such notification will be by telegram or other written communication and must be received in this office by not later than the 5th business day next following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:

- a. Operator name, address, and telephone number.
- b. Well name and number.
- c. Well location (4, 4, sec., T., R., and P.M.)
- d. Date well was placed in a producing status or first delivered to pipeline.
- e. The nature of the well's production, i.e., crude oil, crude oil and casinghead gas, natural gas, or natural gas and natural gas liquids.
- f. The Federal or Indian lease prefix and number on which the well is located, or the land category, i.e., State or fee.
- g. If appropriate, the unit agreement name and participating area name; or the communitization agreement number.

11. If subsurface cultural resources are unearthed during construction, activity in the area of the resource will cease and the surface managing agency will be notified immediately.

12. All land altering activity will be confined to the areas surveyed for cultural resources.

POOR COPY

OPERATOR U. O. & S. Inc DATE 2-14-86

WELL NAME S. Ketchum #32-1

SEC NE SW 32 T 35 S R 21 E COUNTY San Juan

43-037-31244
API NUMBER

Indian
TYPE OF LEASE

CHECK OFF:

PLAT

BOND

NEAREST WELL

LEASE

FIELD

POTASH OR OIL SHALE

PROCESSING COMMENTS:

No other well in Sec 32 -
Water & - #09-1453 (T61453)

APPROVAL LETTER:

SPACING: 203 _____ UNIT

302

_____ CAUSE NO. & DATE

302.1

STIPULATIONS:



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

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

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

February 18, 1986

U. O. & G. Inc.
300 Union Boulevard, Suite 600
Lakewood, Colorado 80228

Gentlemen:

Re: Well No. S. Ketchum 32-1 - NE SW Sec. 32, T. 35S, R. 21E
1707' FSL, 2107' FWL - San Juan County, Utah

Approval to drill the above-referenced well is hereby granted in accordance with Rule 302, Oil and Gas Conservation General Rules.

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

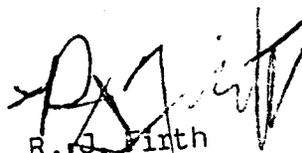
1. Spudding notification to the Division within 24 hours after drilling operations commence.
2. Submittal to the Division of completed Form OGC-8-X, Report of Water Encountered During Drilling.
3. Prompt notification to the Division should you determine that it is necessary to plug and abandon this well. Notify John R. Baza, Petroleum Engineer, (Office) (801) 538-5340, (Home) 298-7695, or R. J. Firth, Associate Director, (Home) 571-6068.
4. Compliance with the requirements and regulations of Rule 311.3, Associated Gas Flaring, Oil and Gas Conservation General Rules.
5. Prior to commencement of the proposed drilling operations, plans for toilet facilities and the disposal of sanitary waste at each drill site shall be submitted to the local health department having jurisdiction. Any such drilling operations and any subsequent well operations must be conducted in accordance with applicable State and local health department regulations. A list of all local health departments and copies of applicable regulations are available from the Division of Environmental Health, Bureau of General Sanitation, telephone (801) 533-6163.

Page 2
U. O. & G. Inc.
Well No. S. Ketchum 32-1
February 18, 1986

6. 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 43-037-31244.

Sincerely,



R. J. Firth
Associate Director, Oil & Gas

as
Enclosures
cc: Branch of Fluid Minerals
Bureau of Indian Affairs
Dianne R. Nielson

STATE OF ~~UTAH~~ Colorado)
) SS.
COUNTY OF ~~SAN JUAN~~ Meusa

AFFIDAVIT OF OPERATIONS

The undersigned, being first duly sworn upon oath, and being of legal age, does hereby depose and sayeth:

1. That he is familiar with the following described oil or gas well location in San Juan County, UTAH.

Operator: U. O. & G. Inc.

Federal Lease No. MOO-C-14203676

Well Name: S. Ketchum #32-1

Coordinates: Sec. 32, T35S, R21E SLBM, San Juan County, Utah
2107' FWL, 1707' FSL

2. That the operator, U. O. & G., Inc., was actively engaged in the exploration of oil and gas by drilling a well at the location described herein.

3. That continuous drilling operations were being carried on across the lease expiration date of Midnight (12:00 at night) April 30, 1986.

4. This well was spudded at 6 pm on April 30, 1986.

Affiant [Signature]

Title Landman

Subscribed and sworn to before me this 1st day of May 1986.

My commission expires:

March 14, 1989

[Signature]
Notary Public

STATE OF ~~UTAH~~ Colorado
COUNTY OF ~~SAN JUAN~~ Miss) SS.

AFFIDAVIT OF OPERATIONS

The undersigned, being first duly sworn upon oath, and being of legal age, does hereby depose and sayeth:

1. That he is familiar with the following described oil or gas well location in San Juan County, UTAH.

Operator: U. O. & G. Inc.

Federal Lease No. M00-C-14203676

Well Name: S. Ketchum #32-1

Coordinates: Sec. 32, T35S, R21E SLBM, San Juan County, Utah
2107' FWL, 1707' FSL

2. That the operator, U. O. & G., Inc., was actively engaged in the exploration of oil and gas by drilling a well at the location described herein.

3. That continuous drilling operations were being carried on across the lease expiration date of Midnight (12:00 at night) April 30, 1986.

4. This well was spudded at 6 pm on April 30, 1986.

Affiant Dwight Fowler
Title Driller

Subscribed and sworn to before me this 14th day of May 1986 .

My commission expires: March 14, 1989

Sandra K. Rowland
Notary Public

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

API #43-037-31244

NAME OF COMPANY: U. O. & G. INC.

WELL NAME: S. KETCHUM 32-1

SECTION NE SW 32 TOWNSHIP 35S RANGE 21E COUNTY San Juan

DRILLING CONTRACTOR Shelby

RIG # _____

SPUDDED: DATE 4-30-86

TIME 6:00 PM

HOW Rotary

DRILLING WILL COMMENCE _____

REPORTED BY Mark Bailey

TELEPHONE # 303-986-6976

DATE 5-2-86 SIGNED RJF/AS

6-13-86

Universal O & G - John Gordon
S. Ketchum 32-1
Sec. 32, T35S, R21E
San Juan Co.

- Rec'd BLM approval to PxA. Notifying State
- TD = 7519'

Plugs:

- ① 7350' - TD
- ② 6635' - 6735'
- ③ 6100' +
- ④ 5000' +
- ⑤ 4700' - 4800'
- ⑥ 3800' - 3900'
- ⑦ 1800' - 1900' i tag
- ⑧ 1000' - 1100' (btm. of surf. pipe)
- ⑨ Surf. Plug.

del.

STATE OF UTAH
OIL & GAS CONSERVATION COMMISSION

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

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. MOO-C-14203676 | |
| 2. NAME OF OPERATOR UNIVERSAL OIL & GAS, INC. (U.O.&G., INC.) | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME Same Ketchum | |
| 3. ADDRESS OF OPERATOR 300 Union Blvd., Suite 600, Lakewood, Colorado 80228 | | 7. UNIT AGREEMENT NAME Allen Canyon Unit | |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 2107'FWL , 1707'FSL | | 8. FARM OR LEASE NAME S Ketchum | |
| 14. PERMIT NO. API No. 43-037-31244 | | 9. WELL NO. #32-1 | |
| 15. ELEVATIONS (Show whether SP, ST, OR, etc.) 5916.R. | | 10. FIELD AND POOL, OR WILDCAT Wildcat | |
| | | 11. SEC., T., R., M., OR BLM. AND SURVEY OR AREA Sec 32: T35S-R21E | |
| | | 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"/> | FULL 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) _____ <input type="checkbox"/> | |
| (Other) Spud Well/Commence Drilling <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.)*

Spudded well on Wednesday, April 30, 1986 @ 6:00 P.M. using Shelby Drilling Company, Rig #11. Have drilled 12 1/4" hole to approx 1075 feet and will run 1030 feet of 24lb; J-55, 8 5/8" surface casing. Cementing procedures as per original casing and cementing program will be employed.

RECEIVED
MAY 05 1986

DIVISION OF
OIL, GAS & MINING

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

SIGNED Jeffrey P. King TITLE V. President DATE 5/2/89

(This space for Federal or State office use)

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

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

5. LEASE DESIGNATION AND SERIAL NO.
M00-C-14203676

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
Sam Ketchum

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Allen Canyon

9. WELL NO.
S. Ketchum #32-1

10. FIELD AND POOL, OR WILDCAT
Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec 32, T35S, R21E S.L.B.M.

12. COUNTY OR PARISH
San Juan

18. STATE
Utah

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
U. O. & G., Inc.

3. ADDRESS OF OPERATOR
300 Union Boulevard, Suite 600 Lakewood, Colorado 80228

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.)
At surface 2107' FWL and 1707' FSL

14. PERMIT NO.

15. ELEVATIONS (Show whether DF, RT, GR, etc.)
5919' G.L. 5935' K.B.

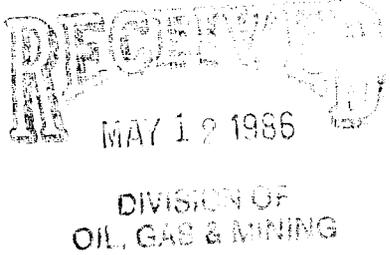
16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

| 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) <input type="checkbox"/> | (Other) <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.)*

This well was spudded at 6:00 pm on April 30, 1986. Drilled 12½" hole 1060', set ~~8-5/8" 24#~~, J-55 St&C new casing to 1059' K.B., cemented to surface with 375 sacks 65/35 PosMix containing 2% Calcium Chloride, 1/4# per sack celloflake and 200 sacks Class B cement containing 2% Calcium Chloride, 1/4# per sack celloflake. Plug down at 3:30 am on May 6, 1986.



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

SIGNED [Signature] TITLE Consulting Engineer DATE May 7, 1986

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

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

SUBMIT TRIPLICATE*
(Other instructions on reverse side)

2

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
Universal Oil & Gas, Inc.

3. ADDRESS OF OPERATOR
300 Union Boulevard, Suite 600 Lakewood, CO 80228

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.)
At surface
2107' FWL and 1707' FSL

14. PERMIT NO.
API 43-037031244

15. ELEVATIONS (Show whether DF, RT, OR, etc.)
5919' G.R.

5. LEASE DESIGNATION AND SERIAL NO.
MOO-C-14203676

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
S. Ketchum

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Allen Canyon

9. WELL NO.
S. Ketchum 32-1

10. FIELD AND POOL, OR WILDCAT
Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec 32 R35S R21E S.L.B.M.

12. COUNTY OR PARISH
San Juan

13. STATE
Utah

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 type="checkbox"/> |
| (Other) <input type="checkbox"/> | Drill Deeper <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) <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.)*

This well is presently at 5132' in the Paradox Salt formation (top at 5130'). We respectfully request approval to drill deeper to the Mississippian Leadville formation, which will be 1200-1500 feet deeper. This request already authorized by the Bureau of Land Management in Durango, Colorado per Dennis Carpenter. We will be monitoring for H₂S with safety equipment.

RECEIVED
JUN 09 1986

DIVISION OF
OIL, GAS & MINING

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

SIGNED John J. Gordon TITLE Consulting Engineer DATE 5/22/86

(This space for Federal or State office use)

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

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

DATE: 6-9-86
BY: John R. Duff

Federal approval of this action is required before commencing operations.

*See Instructions on Reverse Side

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

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill 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
U. O. & G., Inc.

3. ADDRESS OF OPERATOR
300 Union Boulevard, Suite 600 Lakewood, Colorado 80228

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)
At surface 2107' FWL, and 1707' FSL

14. PERMIT NO.
A.P.I. 43-037-31244

15. ELEVATIONS (Show whether DF, RT, OR, etc.)
5919' G. R.

5. LEASE DESIGNATION AND SERIAL NO.
M00-C-14203676

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
Sam Ketchum

7. UNIT AGREEMENT NAME
Allen Canyon

8. FARM OR LEASE NAME
Allen Canyon

9. WELL NO.
S. Ketchum #32-1

10. FIELD AND POOL, OR WILDCAT
Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec 32, T35S, R21E, S.L.B.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"/> | FULL 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 checked="" type="checkbox"/> |
| REPAIR WELL <input type="checkbox"/> | CHANGE PLANS <input type="checkbox"/> | (Other) <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.)

The following is a list of the plugs used in the Plug and Abandonment Procedure on this well. The work was done on June 16, 1986.

- Plug #1 7350-7515' 75 sx Plug #2 6635-6735' 50 sx Plug #3 6100-6300' 100 sx
- Plug #4 5000-5200' 100 sx Plug #5 4700-4800' 50 sx Plug #6 3800-3900' 50 sx
- Plug #7 1800-1900' 75 sx, plug down at 1:15 am, tag cement at 1792'.
- Plug #8 1000-1100' 50 sx Surface plugged with 10 sx.

The following is a list of formation tops encountered during the drilling of this well.

- | | | |
|-------------------------|----------------------------|----------------------------|
| 1747' - De Chelly | 2126' - Cutler | 3670' - Rico |
| 3850' - Hermosa | 4750' - Upper Ismay | 4868' - A3 Shale |
| 4890' - Lower Ismay | 4946' - B Shale | 4972' - Upper Desert Creek |
| 5010' - B3 Shale | 5040' - Lower Desert Creek | 5062' - C Shale |
| 5085' - Akah | 5130' - Paradox Salt | 5259' - Shale |
| 6129' - Pinkerton Trail | 6490' - Mississippian | 6561' - Molas Shale |
| 6684' - Miss. Leadville | 7110' - Ouray | 7200' Elbert |
| 7434' - McCracken | 7490' - Aneth | |

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

DATE: 6-30-86
BY: *John R. B...*

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

SIGNED: *[Signature]* TITLE: Consulting Engineer DATE: June 23, 1986

(This space for Federal or State office use)

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

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

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 DXA

2. NAME OF OPERATOR
Universal Oil & Gas, Inc.

3. ADDRESS OF OPERATOR
5161 Ward Road, Unit #4, Wheatridge, CO

4. LOCATION OF WELL (Report location clearly and in accordance with all applicable requirements)
At surface 2107' FWL, 1707' FSL
At top prod. interval reported below
At total depth

RECEIVED
JUL 14 1986

DIVISION OF

14. PERMIT NO. 43-037-31244
OIL, GAS & MINING

5. LEASE DESIGNATION AND SERIAL NO.
M00-C-14203676

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
Sam Ketchum

7. UNIT AGREEMENT NAME
Allen Canyon

8. FARM OR LEASE NAME
Allen Canyon

9. WELL NO.
S. Ketchum #32-1

10. FIELD AND POOL, OR WILDCAT
Wildcat

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
Sec. 32, T35S, R21E S.L.B.M.

12. COUNTY OR PARISH
San Juan

13. STATE
Utah

15. DATE SPUDDED 4/30/86 16. DATE T.D. REACHED 6/12/86 17. DATE COMPL. (Ready to prod.) DXA 18. ELEVATIONS (DF, REB, RT, GR, ETC.)* 5919' G.R. 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 7519' 21. PLUG, BACK T.D., MD & TVD 7515' 22. IF MULTIPLE COMPL., HOW DXA 23. INTERVALS DRILLED BY ROTARY TOOLS 24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* DNA 25. WAS DIRECTIONAL SURVEY MADE No

26. TYPE ELECTRIC AND OTHER LOGS RUN Dual Lateral, Litho density compensated neutron, natural gamma ray. 27. WAS WELL CORED No

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

| CASING SIZE | WEIGHT, LB./FT. | DEPTH SET (MD) | HOLE SIZE | CEMENTING RECORD | AMOUNT PULLED |
|-------------|-----------------|----------------|-----------|--|---------------|
| 8-5/8" | 24# J-55 | 1059' KB | 12-1/2" | 375 sx 65/35 Posmix w/ 2% CaCl and 200 sx Class B w/ 2% CaCl | |

29. LINER RECORD

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

30. TUBING RECORD

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

31. PERFORATION RECORD (Interval, size and number)

| | |
|-----------------------------------|----------------------|
| 1. 1.7350-7515 75 sx. | 2. 6635-6735 50 sx. |
| 3. 6100-6300 100 sx. | 4. 5000-5200 100 sx. |
| 5. 4700-4800 50 sx. | 6. 3800-3900 50 sx. |
| 7. 1800-1900 75 sx (tag at 1792') | |
| 8. 1000-1100 50 sx. | Surface 10 sx. |

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

| DEPTH INTERVAL (MD) | AMOUNT AND KIND OF MATERIAL USED |
|---------------------|----------------------------------|
| DNA | |

33.* PRODUCTION

DATE FIRST PRODUCTION DXA PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) WELL STATUS (Producing or shut-in) DNA

| DATE OF TEST | HOURS TESTED | CHOKE SIZE | PROD'N. FOR TEST PERIOD | OIL—BBL. | GAS—MCF. | WATER—BBL. | GAS-OIL RATIO |
|--------------|--------------|------------|-------------------------|----------|----------|------------|---------------|
| | | | | | | | |

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

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

35. LIST OF ATTACHMENTS

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

SIGNED [Signature] TITLE Consulting Engineer DATE July 10, 1986

860721 cp

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

INSTRUCTIONS

rel: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal or State office. See instructions on items 22 and 24, and 33, below regarding separate reports for separate completions.

and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments shall be listed on this form, see item 35.

4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State mineral office for specific instructions.

18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments. **22 and 24:** If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, each additional interval to be separately produced, showing the additional data pertinent to such interval.

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

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

| SUMMARY OF FORMER'S ZONES: SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF: CORED INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES | | GEOLOGIC MARKERS | |
|---|--|--|--|
| FORMATION | TOP | BOTTOM | DESCRIPTION, CONTENTS, ETC. |
| RESULTS | | | |
| #1 5-19-86 | Interval tested 5086-5128'. Tool open 1/2 hour, shut-in one and one half hours, open one hour, shut in three hours. Initial hydrostatic pressure 2394 psig, initial flow pressure 40 psig, initial shut-in pressure 106 psig. Final flow pressure 80 psig, final shut-in pressure 19 psig, final hydrostatic pressure 2367 psig. Tool open with weak flow, remains steady throughout initial flow period. Final flow open with weak flow, gradually died 35 minutes. Recovered 1500 cc drilling mud and sampler at 10 psig. Drill pipe recovery 70' drilling mud. Bottom hole temperature 107°F. | tested 5086-5128'. Tool open 1/2 hour, shut-in one and one half hours, open one hour, shut in three hours. Initial hydrostatic pressure 2394 psig, initial flow pressure 40 psig, initial shut-in pressure 106 psig. Final flow pressure 80 psig, final shut-in pressure 19 psig, final hydrostatic pressure 2367 psig. Tool open with weak flow, remains steady throughout initial flow period. Final flow open with weak flow, gradually died 35 minutes. Recovered 1500 cc drilling mud and sampler at 10 psig. Drill pipe recovery 70' drilling mud. Bottom hole temperature 107°F. | Tool open 1/2 hour, shut-in one and one half hours, open one hour, shut in three hours. Initial hydrostatic pressure 2394 psig, initial flow pressure 40 psig, initial shut-in pressure 106 psig. Final flow pressure 80 psig, final shut-in pressure 19 psig, final hydrostatic pressure 2367 psig. Tool open with weak flow, remains steady throughout initial flow period. Final flow open with weak flow, gradually died 35 minutes. Recovered 1500 cc drilling mud and sampler at 10 psig. Drill pipe recovery 70' drilling mud. Bottom hole temperature 107°F. |
| #2 5-31-86 | Top packer at 6478', bottom packer at 6484'. Tested 6484'-5510'. Initial flow open 30 minutes, shut-in 1 hour, final flow open 1 hour, shut-in 3 hours. Initial hydrostatic pressure 3553 psig, final hydrostatic pressure 3527 psig. Initial flow pressure 93 psig, initial shut-in pressure 1243 psig, final flow pressure 119 increasing to 133. Final shut-in pressure 1864. Bottom hole temperature 120°. Sampler pressure 112 psig, containing .476 cf gas, 850 cc muddy water. Resistivity of water .092 at 30°F. Tool opened with weak flow, pressure increasing to 5.5 oz in 30 min. Final flow opened at 4 oz increased to 11.5 oz in 45 minutes and decreased to 9.5 oz at end. Recovered 330 feet of highly gas cut mud (sour gas) and slightly oil cut mud. Extremely bright fluorescence in mud. Sample water seems mud filtrate, resistivity from flow line prior to test .086 at 80°F. See attached sheet. | Top packer at 6478', bottom packer at 6484'. Tested 6484'-5510'. Initial flow open 30 minutes, shut-in 1 hour, final flow open 1 hour, shut-in 3 hours. Initial hydrostatic pressure 3553 psig, final hydrostatic pressure 3527 psig. Initial flow pressure 93 psig, initial shut-in pressure 1243 psig, final flow pressure 119 increasing to 133. Final shut-in pressure 1864. Bottom hole temperature 120°. Sampler pressure 112 psig, containing .476 cf gas, 850 cc muddy water. Resistivity of water .092 at 30°F. Tool opened with weak flow, pressure increasing to 5.5 oz in 30 min. Final flow opened at 4 oz increased to 11.5 oz in 45 minutes and decreased to 9.5 oz at end. Recovered 330 feet of highly gas cut mud (sour gas) and slightly oil cut mud. Extremely bright fluorescence in mud. Sample water seems mud filtrate, resistivity from flow line prior to test .086 at 80°F. See attached sheet. | Top packer at 6478', bottom packer at 6484'. Tested 6484'-5510'. Initial flow open 30 minutes, shut-in 1 hour, final flow open 1 hour, shut-in 3 hours. Initial hydrostatic pressure 3553 psig, final hydrostatic pressure 3527 psig. Initial flow pressure 93 psig, initial shut-in pressure 1243 psig, final flow pressure 119 increasing to 133. Final shut-in pressure 1864. Bottom hole temperature 120°. Sampler pressure 112 psig, containing .476 cf gas, 850 cc muddy water. Resistivity of water .092 at 30°F. Tool opened with weak flow, pressure increasing to 5.5 oz in 30 min. Final flow opened at 4 oz increased to 11.5 oz in 45 minutes and decreased to 9.5 oz at end. Recovered 330 feet of highly gas cut mud (sour gas) and slightly oil cut mud. Extremely bright fluorescence in mud. Sample water seems mud filtrate, resistivity from flow line prior to test .086 at 80°F. See attached sheet. |
| | TOP | BOTTOM | DESCRIPTION, CONTENTS, ETC. |
| | NAME | MEAS. DEPTH | TRUE VERT. DEPTH |
| | DeChelly - 1747' | Mississippi | Mississippi |
| | Catler - 2126' | Leadville - 6684' | Leadville - 6684' |
| | Rico - 3670' | Ouray - 7110' | Ouray - 7110' |
| | Hermosa - 3850' | Elbert - 7200' | Elbert - 7200' |
| | Up. Ismay - 4750' | McCracken - 7434' | McCracken - 7434' |
| | A3 Shale - 4868' | Aneth - 7490' | Aneth - 7490' |
| | Lw. Ismay - 4890' | | |
| | B Shale - 4946' | | |
| | Up. DesCrk - 4972' | | |
| | B3 Shale - 5010' | | |
| | Lw. DesCrk - 5040' | | |
| | C Shale - 5062' | | |
| | Akah - 5085' | | |
| | Paradox | | |
| | Salt - 5130' | | |
| | Shale - 5259' | | |
| | Pinkerton | | |
| | Trail - 6129' | | |
| | Mississippi | | |
| | Molas Shl - 6561' | | |

Well Completion Report
M00-C-14203676
S. Ketchum #32-1
San Juan County, Utah

DST RESULTS CONTINUED

DST #3 6-03-86 Top packer at 6751', bottom packer at 6757;. Interval tested 6751 - 6816'. Initial flow 30 minutes, initial shut-in 60 minutes, final flow 60 minutes, final shut-in 120 minutes. Initial hydrostatic pressure 3713, final hydrostatic pressure 3642. Initial flow pressure 411 increasing to 821 psig. Initial shut-in pressure 1957 psig, final flow pressure 873 increasing to 1270 psig, final shut-in pressure 1943 psig. Bottom hole temperature 129°F. Sample pressure 200 psig, containing .04 cu ft gas, 2175 cc water. Recovered 150' gas cut mud and 2200' gas cut water. Tool opened to 2 oz on 1/8" choke increased to 4 psig, final flow tool open ended to 2 oz on 1/8" choke, increased to 31 oz. - no gas to surface.