YATES PETROLEUM CORPORATION

105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
TELEPHONE (505) 748-1471

S. P. YATES
PRESIDENT
JOHN A. YATES
VICE PRESIDENT
B. W. HARPER
SEC. - TREAS.

March 17, 1987

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

ATTENTION: Ms. Arlene Sollis

RE: Exception to the locations for:
Yates Petroleum Corporation
Cazador Unit #2-1
1420' FNL & 2120' FEL of
Section 13-T38S-R24E
and
Cazador Unit #3-1
2050' FSL & 1390' FWL of
Section 1-T38S-R24E
San Juan County, Utah

Dear Ms. Sollis:

Yates Petroleum Corporation hereby requests an exception to Rule 302 of the Oil and Gas Conservation's general rules and regulations orders. Yates Petroleum Corporation hereby is requesting that the unorthodox locations for the Cazador Unit #2-1 and Cazador Unit #3-1 be favorably approved by the State of Utah, Division of Oil, Gas and Mining.

The reason for moving the location unorthodox is due to geological reasons. Our interpretation of material and information determined that this location was best for wildcat drilling activities.

We control the surrounding acreage within a 460 foot radius. A copy of a lease map is enclosed showing the outline of the lease.

If you have any questions regarding this matter, please contact Yates' geologist, Mr. Steve Speer at 505-748-1471.

Thank you for your cooperation in this matter.

Sincerely yours,

Cy Cowan

Cy Cowan
Regulatory Agent

Plz Send approval to Sands Motel Cortez. ATTN Jim Krogman

CC:rj

Form 3160-3
(November 1983)
(formerly 9-331C)

SUBMIT IN TRIPLICATE* (Other instructions on reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONFIDENTIAL

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO.: U-14237

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT AGREEMENT NAME:

1a. TYPE OF WORK: DRILL [X] DEEPEN [ ] PLUG BACK [ ]

b. TYPE OF WELL: OIL WELL [X] GAS WELL [ ] OTHER TIGHT HOLE SINGLE ZONE [ ] MULTIPLE ZONE [ ]

8. FARM OR LEASE NAME: Cazador ~~Unit~~

2. NAME OF OPERATOR: Yates Petroleum Corporation

9. WELL NO.: 3-1

3. ADDRESS OF OPERATOR: 105 South Fourth Street - Artesia, NM 88210

10. FIELD AND POOL, OR WILDCAT: Wildcat

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: 2050' FSL & 1390' FWL (unorthodox location)
At proposed prod. zone: Same

STATE OF UTAH HAS BEEN NOTIFIED

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Section 1-T38S-R24E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: Approximately 9 miles north of Hatch Trading Post

12. COUNTY OR PARISH: San Juan

13. STATE: Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)	16. NO. OF ACRES IN LEASE	17. NO. OF ACRES ASSIGNED TO THIS WELL
	640	80
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	19. PROPOSED DEPTH	20. ROTARY OR CABLE TOOLS
	5650' Akah	Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 4903' GR

22. APPROX. DATE WORK WILL START*: ASAP

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# H-40	Approx. 100'	50 sacks
12-1/4"	8-5/8"	24# J-55	" * 1800'	~~800 sacks~~
7-7/8"	5-1/2"	15.5# J-55	TD	400 sacks

*approximately 100' into Chinle

We propose to drill and test the Akah and intermediate formations. Approximately 1800' of intermediate casing will be set and cement circulated to shut off gravel and cavings. If commercial, production casing will be run and cemented with adequate cover, perforated and stimulated as needed for production.

MUD PROGRAM: Fresh water to 5500', fresh water gel to TD.

BOP PROGRAM: BOP's will be nippled up when intermediate casing is set.

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 Cy Cowan TITLE Regulatory Agent DATE March 17, 1987

(This space for Federal or State office use)

PERMIT NO. 43-037-31313 APPROVAL DATE

APPROVED BY TITLE DATE

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
DATE: 4-1-87
BY: John R. Baza
WELL SPACING: 302.1

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

COMPANY YATES PETROLEUM CORPORATION

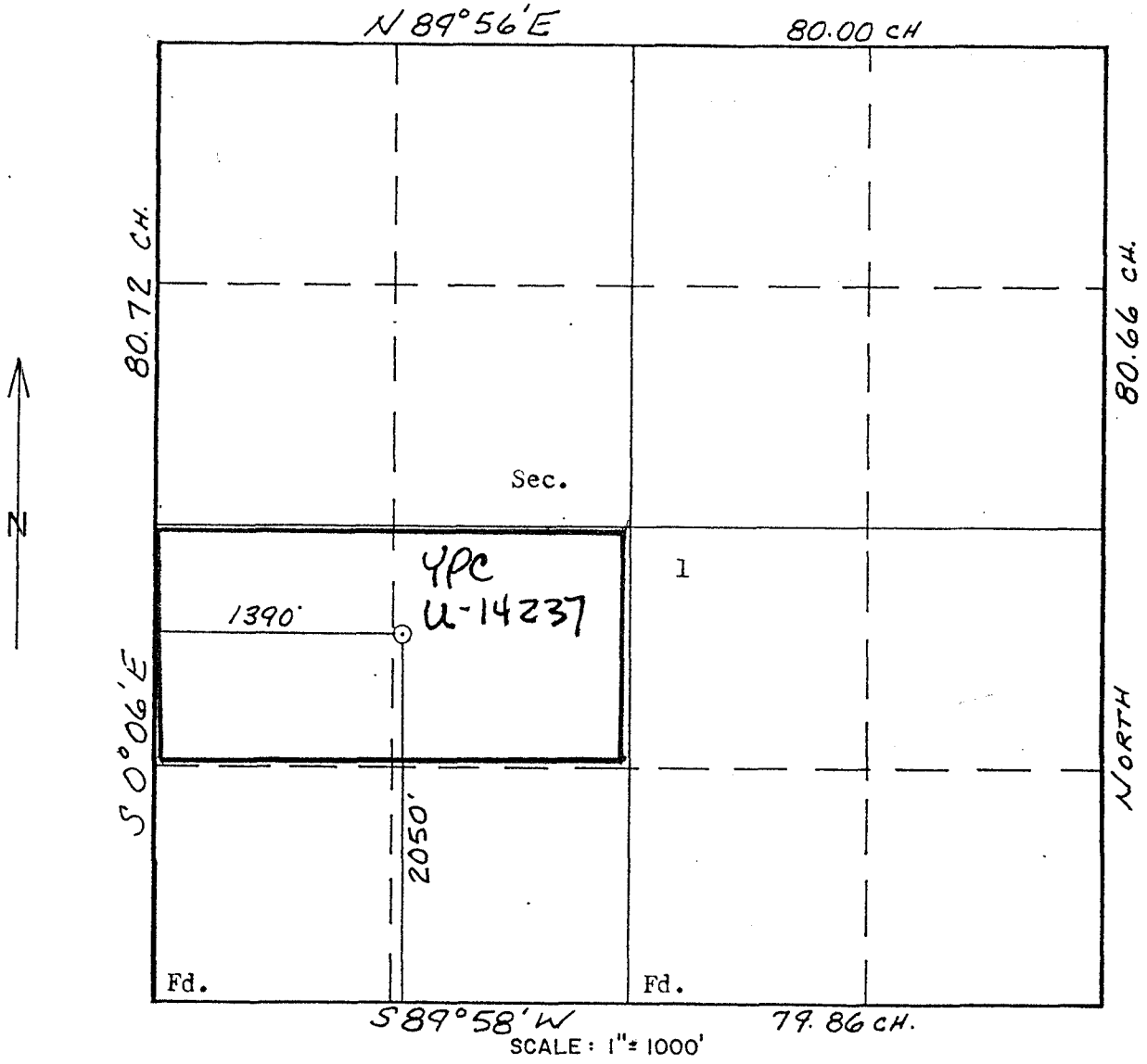
LEASE CAZADOR UNIT WELL NO. 3-1

SEC. 1 , T. 38 S , R. 24 E

COUNTY San Juan STATE Utah

LOCATION 2050'FSL & 1390'FWL

ELEVATION 4903



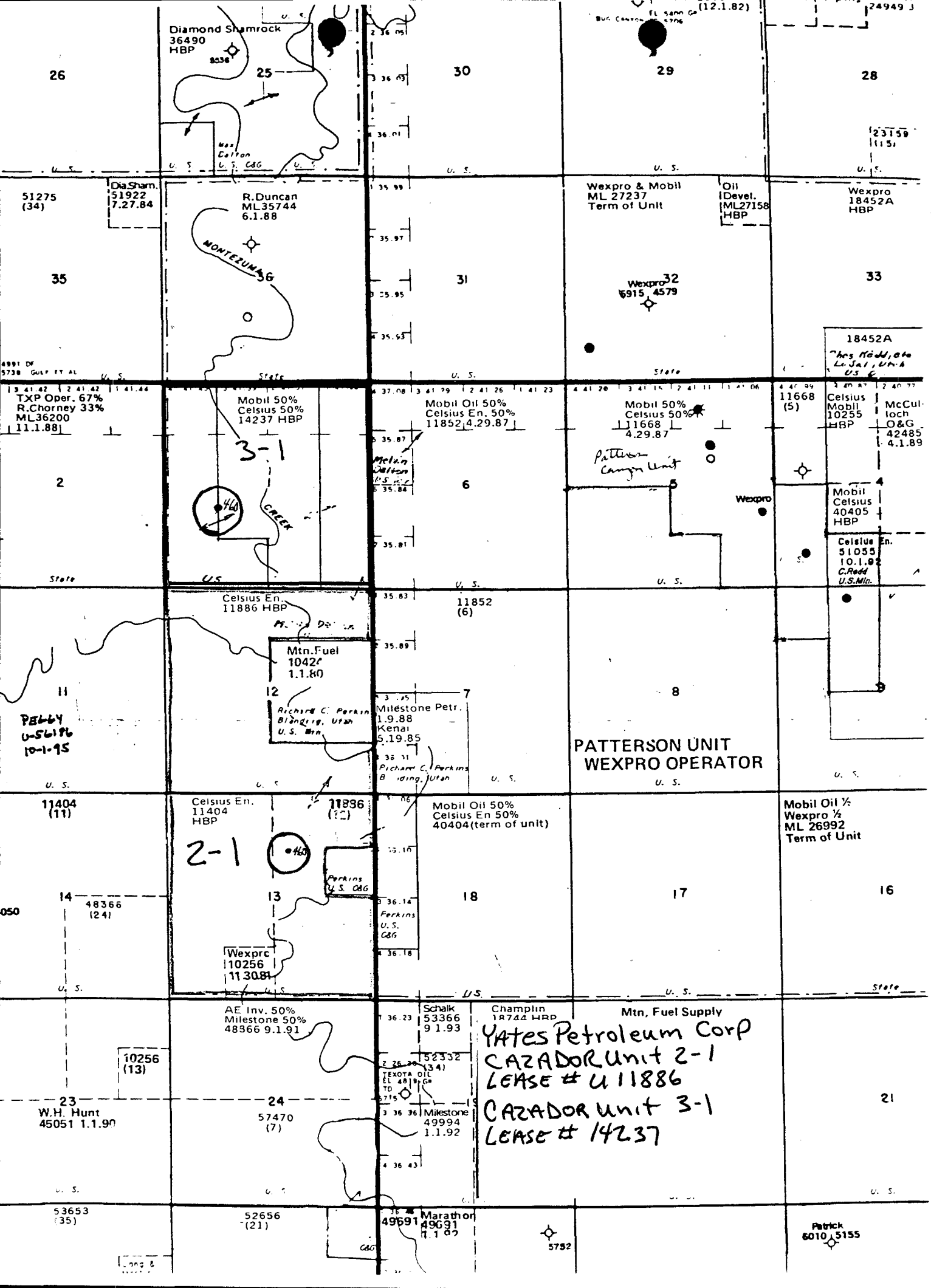
SCALE: 1" = 1000'

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

SEAL: WILLIAM E. MAHNKE II NEW MEXICO #8466 REGISTERED PROFESSIONAL LAND SURVEYOR

WILLIAM E. MAHNKE II
NEW MEXICO P.L.S. Nº 8466

SURVEYED March 13 ,19 87


Diamond Shamrock
36490
HBP
R.Duncan
ML35744
6.1.88
MONTEZUMA
Wexpro & Mobil
ML 27237
Term of Unit
Oil
Devel.
ML27158
HBP
Wexpro
18452A
HBP
18452A
Thos Kidd, etc
La Sal, Utah
TXP Oper. 67%
R.Chorney 33%
ML36200
11.1.88
Mobil 50%
Celsius 50%
14237 HBP
3-1
Mobil Oil 50%
Celsius En. 50%
11852 4.29.87
Mobil 50%
Celsius 50%
11668
4.29.87
Patterson Canyon Unit
Wexpro
11668
(5)
Celsius
Mobil
10255
HBP
McCul-
loch
O&G
42485
4.1.89
Mobil
Celsius
40405
HBP
Celsius En.
51055
10.1.92
C.Kidd
U.S.Min.
Celsius En.
11886 HBP
11852
(6)
Mtn.Fuel
10420
1.1.80
Milestone Petr.
1.9.88
Kenai
5.19.85
PATTERSON UNIT
WEXPRO OPERATOR
PEBBY
U-56196
10-1-95
11404
(11)
Celsius En.
11404
HBP
2-1
Mobil Oil 50%
Celsius En 50%
40404(term of unit)
Mobil Oil ½
Wexpro ½
ML 26992
Term of Unit
48366
(24)
Wexpro
10256
11.30.81
AE Inv. 50%
Milestone 50%
48366 9.1.91
Schalk
53366
9.1.93
Champlin
18744 HBP
Mtn. Fuel Supply
Yates Petroleum Corp
Cazador Unit 2-1
Lease # U11886
Cazador Unit 3-1
Lease # 14237
10256
(13)
52332
(34)
W.H. Hunt
45051 1.1.90
57470
(7)
Milestone
49994
1.1.92
53653
(35)
52656
(21)
Marathon
49691 49691
11.1.92
5752
Patrick
6010 5155

YATES PETROLEUM CORPORATION
Cazador Unit #3-1
2050' FSL and 1390' FWL of
Section 1-T38S-R24E
San Juan County, Utah

In conjunction with Form 9-331C, Application for Permit to Drill subject well, Yates Petroleum Corporation submits the following ten items of pertinent information with BLM requirements.

1. The geologic surface formation is the Morrison formation.

2. The estimated tops of geologic markers are as follows:

Morrison	Surface	Upper Ismay	5265'
Entrada	410'	Lower Ismay	5445'
Navajo	610'	Upper Desert Creek	5525'
Chinle	1530'	Lower Desert Creek	5575'
Cutler	2310'	Akah	5620'
Honaker Trail	4135'	TD	5650'
Paradox	5125'		

3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered are:

   Water: Approximately 930'
   Oil or Gas: Upper Ismay 5265'; Lower Ismay 5445'; Desert Creek 5575'

4. Proposed Cementing Program:

   Surface Casing: There will be one stage of cement. Cemented with 800 sacks of Class "C" 2% CaCl2 (600 cubic feet of cement) circulated. Casing shoe will be set at 1800' with float equipment set at approximately 1760'.

   Intermediate Casing: There will be one stage or as warranted of cement. Cemented with enough Class "C" to equal 220 cubic feet or approximately 300 sacks to reach estimated top at 5000'. Float collar will be set at approximately 40' above TD with casing shoe set at TD.

   NOTE: SAN JUAN RESOURCE AREA WILL BE NOTIFIED ONE (1) DAY PRIOR TO RUNNING CASING STRINGS AND CEMENT.

5. Pressure Control Equipment: BOP's will be installed. NOTE: San Juan Resource Area will be notified one (1) day prior to pressure testing.

6. Mud Program: Fresh water to 5500'; fresh water gel & starch from 5500-TD with a MW 8.5-9.8, Vis 35-45 & FL 10-15 cc's.

7. Auxiliary Equipment: Kelly cock, pit level indicators and flow sensor equipment; sub with full-opening valve on floor, drill pipe connectors.

8. Testing, Logging & Coring Program:

Samples:	10' samples out from under surface casing to TD
DST's:	Two (2) possible
Coring:	None
Logging:	CIL & CNL/LDT from TD to casing. Possible dipmeter and sonic.

9. No abnormal pressures or temperatures are anticipated.

10. Anticipated starting date: As soon as possible after approval.

MOAB DISTRICT

CONDITIONS OF APPROVAL FOR PERMIT TO DRILL

Company YATES PETROLEUM CORPORATION Well Name CAZADOR UNIT #3-1

Location Sec. 1 , T. 38S S., R. 24E E. Lease No. U- 14237

2050' F S L, 1390' F W L

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. A copy of these conditions will be furnished to the field representative to ensure compliance.

A. DRILLING PROGRAM

1. Surface Formation and Estimated Formation Tops: _____

_____

2. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones Are Expected to be Encountered:

	Formation	Zone
Expected oil zones:		
Expected gas zones:		
Expected water zones:		
Expected mineral zones:		

All fresh water and prospectively valuable minerals (as described by BLM 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.

3. Pressure Control Equipment: _____

_____

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 preventor 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 San Juan Resource Area (will/~~will not~~) be notified 1 day before pressure testing.

4. Casing Program and Auxiliary Equipment:

Anticipated cements tops will be reported as to depth, not the expected number of sacks. The San Juan Resource Area (will/~~will not~~) be notified 1 day before running casing strings and cement.

5. Mud Program and Circulating Medium:

6. Coring, Logging and Testing Program:

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 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 analysis, 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. If requested, samples (cuttings, fluids, and/or gases) will be submitted to the District Manager.

7. Abnormal Conditions, Bottom Hole Pressures and Potential Hazards:

8. Anticipated Starting Dates and Notifications of Operations

The operator will contact the San Juan Resource Area at 801-587-2141, 48 hours before beginning any dirt work.

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 San Juan Area Manager, a minimum of 24 hours before spudding. A Sundry Notice (Form 3160-5) will be sent w/in 24 hours after spudding, reporting the spud date and time. The Sundry will be sent to the District Manager. If the spudding is on a weekend or holiday, the Sundry 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 begin and continue each month until the well is physically plugged and abandoned. This report will be sent to the BLM District Office, P.O. Box 970, Moab, Utah 84532.

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 NTL-3A.

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

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

No well abandonment operations will begin without the prior approval of the District Manager. In the case of newly drilled dry holes or failures, and in emergencies, 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 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 San Juan Area Manager, or the appropriate surface manager.

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

Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. The following information will be permanently beaded-on with a welding torch: Fed, Well number, location by 1/4 1/4 section, township and range, Lease number.

A first production conference will be scheduled within 15 days after receipt of the first production notice. The San Juan Area Manager will schedule the conference.

Other: _____

The following may be inspected and/or witnessed:

1. The cementing and testing of surface casing, testing BOP's.
2. (Dry Hole) Setting and testing of surface casing shoe plug.
3. (Depleted Producer) The setting and testing of plugs across producing horizon and if applicable the surface casing shoe plug and/or annulus (casing to formation) squeeze jobs.

Notify the San Juan Resource area (Mike Wade) one day or on dry hole as soon as possible prior to the above at (801) 587-2141 (Home) (801) 587-2026 or if unable to reach Mike, call Moab District office Greg Noble at (801) 259-6111 (Home) (801) 259-8811.

B. THIRTEEN POINT SURFACE USE PLAN

1. Existing Roads:

a. Location of proposed well in relation to town or other reference point: Approximately 9 miles north of Hatch Trading Post

b. Proposed route to location: Refer to Exhibit A

c. Plans for improvement and/or maintenance of existing roads: County maintained road. Existing and new access will be maintained in good or better condition.

The maximum total disturbed width will be 25 feet.

d. An encroachment permit will be obtained from the San Juan County Road Dept., (801) 587-2231, ext. 43.

e. Other: _____

2. Planned Access Roads: Private Surface

a. The maximum total disturbed width will be 25 (width) feet for _____ feet/miles.

b. Maximum grade: 10% or less

c. Turnouts: As needed

d. Location (centerline): Flagged

e. Drainage: As needed

f. Surface Materials: If access is utilized during wet winter weather, road surfacing may be required to prevent road maintenance problems.

g. Other: If well is drilled during wet weather conditions, surfacing material may be required.

Each fence which is crossed by the road will be braced as shown in Enclosure number 1, and tied off before cutting to prevent slackening of the wire. A gate or cattleguard which must be approved by BLM, will be installed.

If road construction cuts through natural topography which serves as a livestock barrier, a fence shall be constructed as shown in Enclosure 1.

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 by the San Juan Area Manager.

The access road will be water barred or brought to Class III Road Standards within 60 days of dismantling of the drill rig. If this time frame cannot be met, the San Juan Area Manager will be notified so that temporary drainage control can be installed along the access road.

The Class III Road Standards which ensure drainage control over the entire road through the use of natural, rolling topography; ditch turnouts; drainage dips; outsloping; crowning; low water crossings; and culverts will be determined at the appropriate field inspection.

3. Location of Existing Wells: See One-Mile Radius map. Exhibit E is enclosed.

4. Location of Tank Batteries and Production Facilities:

All permanent (on site for 6 months or longer) above ground facilities (including pump jacks) will be painted a flat,

nonreflective, earthtone color to match the standard environmental colors, as determined by the Rocky Mountain 5-State Interagency Committee. All facilities will be painted within 6 months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The color will be _____ .

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

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

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

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place before any deliveries. Tests for meter accuracy will be conducted monthly for the first 3 months on new meter installations and at least quarterly thereafter. The San Juan Area Manager will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the San Juan Area Manager. 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 purposes will be obtained from:

Private source

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

6. Source of Construction Material:

Pad Construction material will be obtained from: If needed, from federal pit located NE/4 of Section 13-T38S-R24E.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3. Construction material (~~will~~/will not) be located on lease.

7. Methods of Handling Waste Disposal:

The reserve pit (will/will not) be lined with commercial bentonite sufficient to prevent seepage. At least half of the capacity will be in cut.

Three sides of the reserve pit will be fenced with four strands of barbed wire before drilling starts. The fourth side will be fenced as soon as the drilling is completed. The fence will be kept in good repair while the pit is drying.

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 notifying the San Juan County Sheriff at (801) 587-2237.

Produced waste water will be confined to a (lined/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 pursuant to Onshore Oil and Gas Order No. 3 (NTL-2B).

8. Ancillary Facilities:

Camp facilities (~~will~~/will not) be required. They will be located: N/A

9. Well Site Layout: Private Surface

The reserve pit will be located: See Exhibit C. Northwest

The top ____ inches of soil material will be removed from the location and stockpiled separate from the trees on the _____ side. Topsoil along the access will be reserved in place.

Access to the well pad will be from: Southwest

10. Reclamation: Private 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/holder or his contractor will contact the San Juan Resource Area office in Monticello, Utah, (801) 587-2141, 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 inches deep with the contour.

f. Water bars will be built as follows to control erosion.

Grade	Spacing
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.

____ lbs/acre Indian ricegrass (Oryzopsis hymenoides)
____ lbs/acre Galleta (Hilaria jamesii)
____ lbs/acre crested wheatgrass (Agropyron desertorum)
____ lbs/acre Western wheatgrass (Agropyron smithii)
____ lbs/acre Alkali sacaton (Sporobolus airodies)
____ lbs/acre Sand dropseed (Sporobolus cryptandrus)
____ lbs/acre Fourwing saltbush (Atriplex canenscens)
____ lbs/acre Shadscale (Atriplex confertifolia)
____ lbs/acre Green ephedra (Ephedra viridis)
____ lbs/acre Cliffrose (Cowania mexicana)
____ lbs/acre Desert bitterbrush (Purshia glandulosa)
____ lbs/acre Winterfat (Eurotia lanata)
____ lbs/acre Globemallow (Sphaeralcea ambigua)
____ lbs/acre Wild sunflower (Helianthus annuus)
____ lbs/acre

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 Ownership: Private surface

Mineral Ownership: Federal

12. Other Information: Richard Gore

56850 Fern Road

Olathe, CO 81425

NOTE: OPERATOR-LANDOWNER AGREEMENT WILL BE SIGNED & FORWARDED TO YOU BEFORE CONSTRUCTION BEGINS. ARC Site Monitored + fenced

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

"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.

The dirt contractor will be provided with an approved copy of the surface use plan.

If subsurface cultural materials are exposed during construction, work in that spot will stop immediately and the San Juan Resource Area Office will be contacted. All people who are in the area will be informed by the operator/holder that they are subject to prosecution for disturbing archaeological sites or picking up artifacts. Salvage or excavation of identified archaeological sites will be done by a BLM approved archaeologist only if damage occurs.

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

Your contact with the District Office is: Greg Noble
Office Phone: 801-259-6111 Address: P.O. Box 970, Moab, UT 84532

Resource Area Manager's address and contacts:
Address: P.O. Box 7, Monticello, UT 84532

Your contact is: Richard McClure
Office Phone: 801-587-2141
~~2142~~

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

Representative

Name: Yates Petroleum Corporation
Address: 105 South Fourth Street - Artesia, NM 88210
Phone No.: 505-748-1471

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 currently 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

YATES PETROLEUM CORPORATION
Operator's Name

and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is submect to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

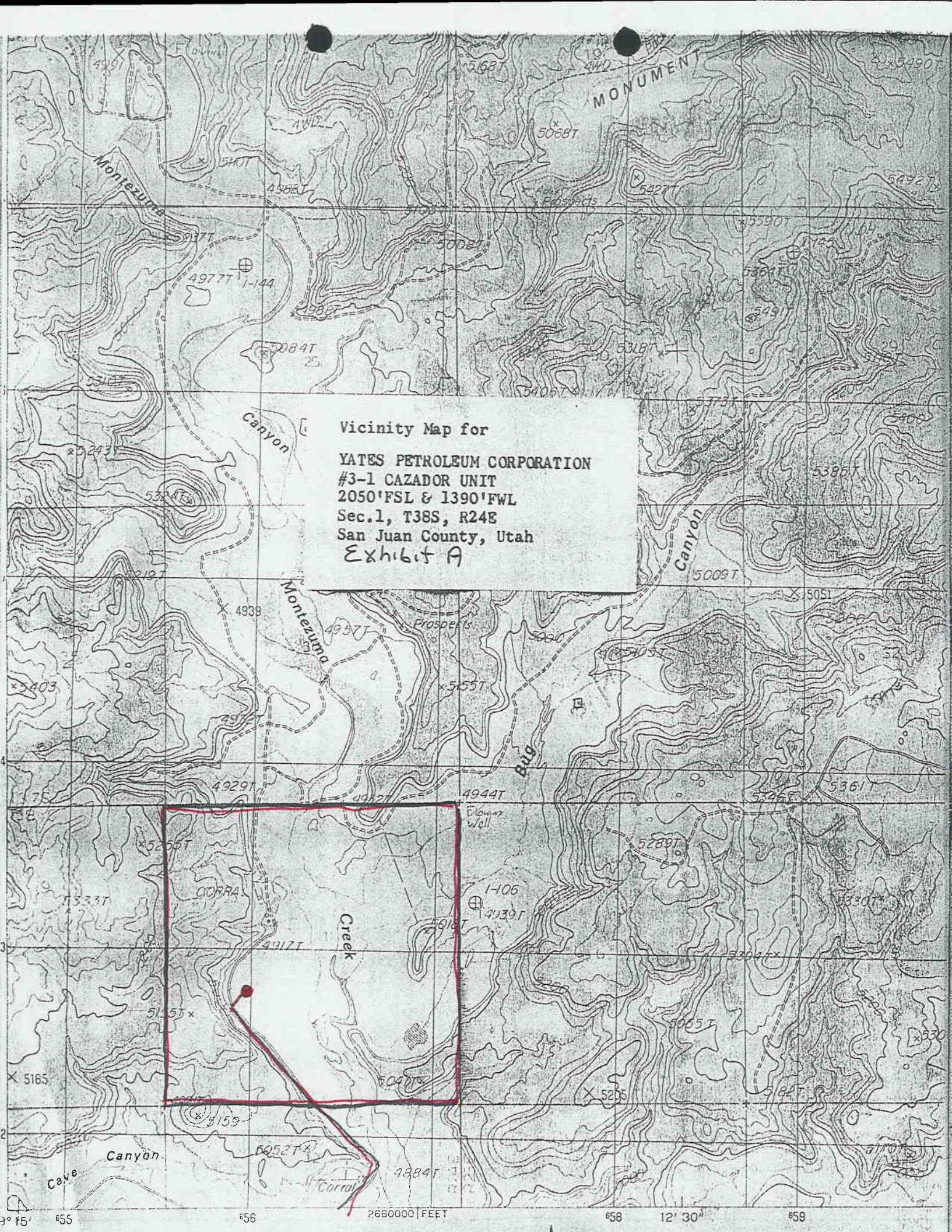
3-17-87
Date

Cy Cowan
Name and Title
Cy Cowan
Regulatory Agent

ON-SITE

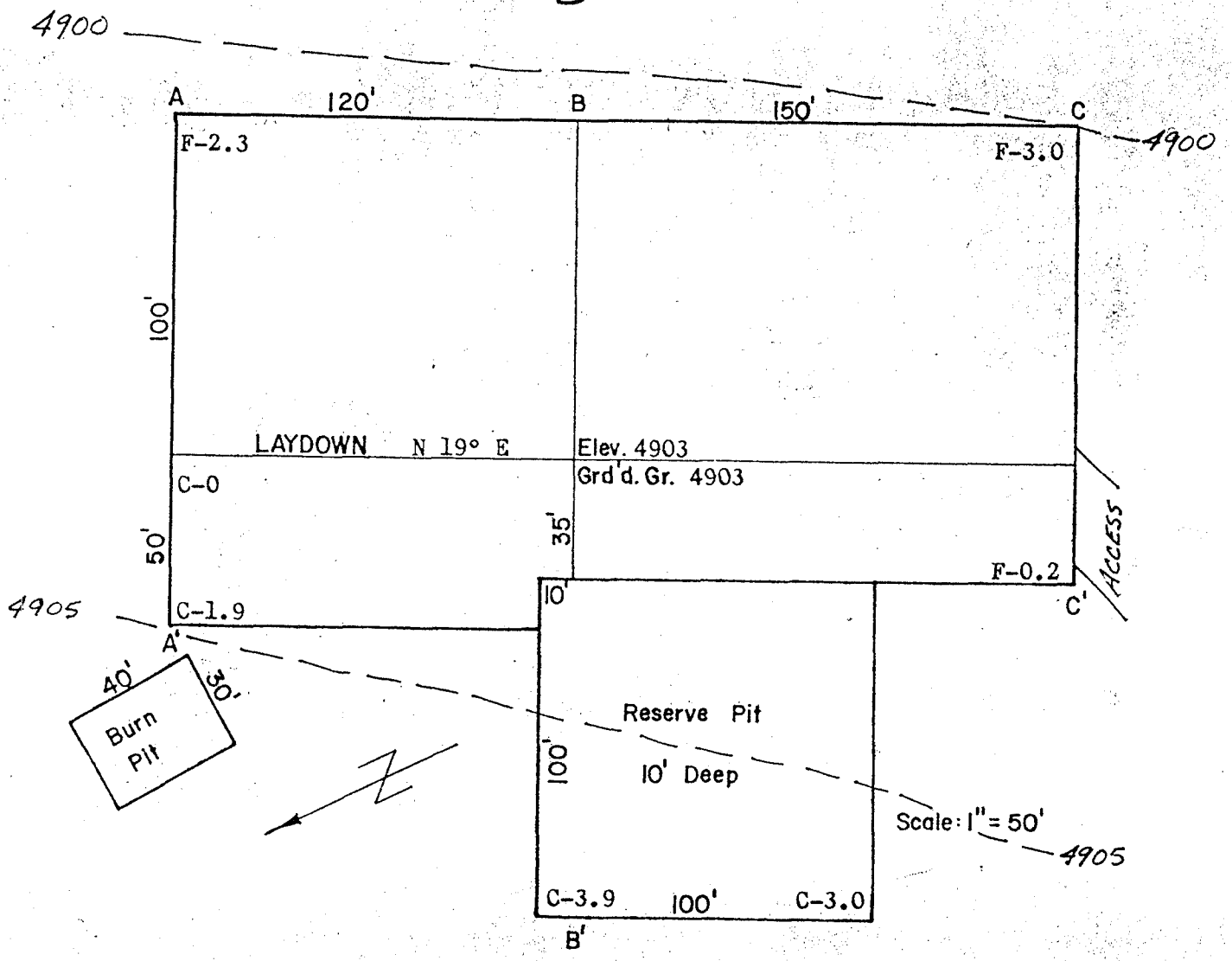
DATE: _____

PARTICIPANTS:


Vicinity Map for
YATES PETROLEUM CORPORATION
#3-1 CAZADOR UNIT
2050'FSL & 1390'FWL
Sec.1, T38S, R24E
San Juan County, Utah
Exhibit A
MONUMENT
Montezuma
Canyon
Prospects
Bug
Creek
Flowing Well
Cave
Canyon
Corral
2660000 FEET
12' 30"

YATES PETROLEUM CORPORATION
#3-1 CAZADOR UNIT
2050'FSL & 1390'FWL
Sec.1, T38S, R24E
San Juan County, Utah

Exhibit B



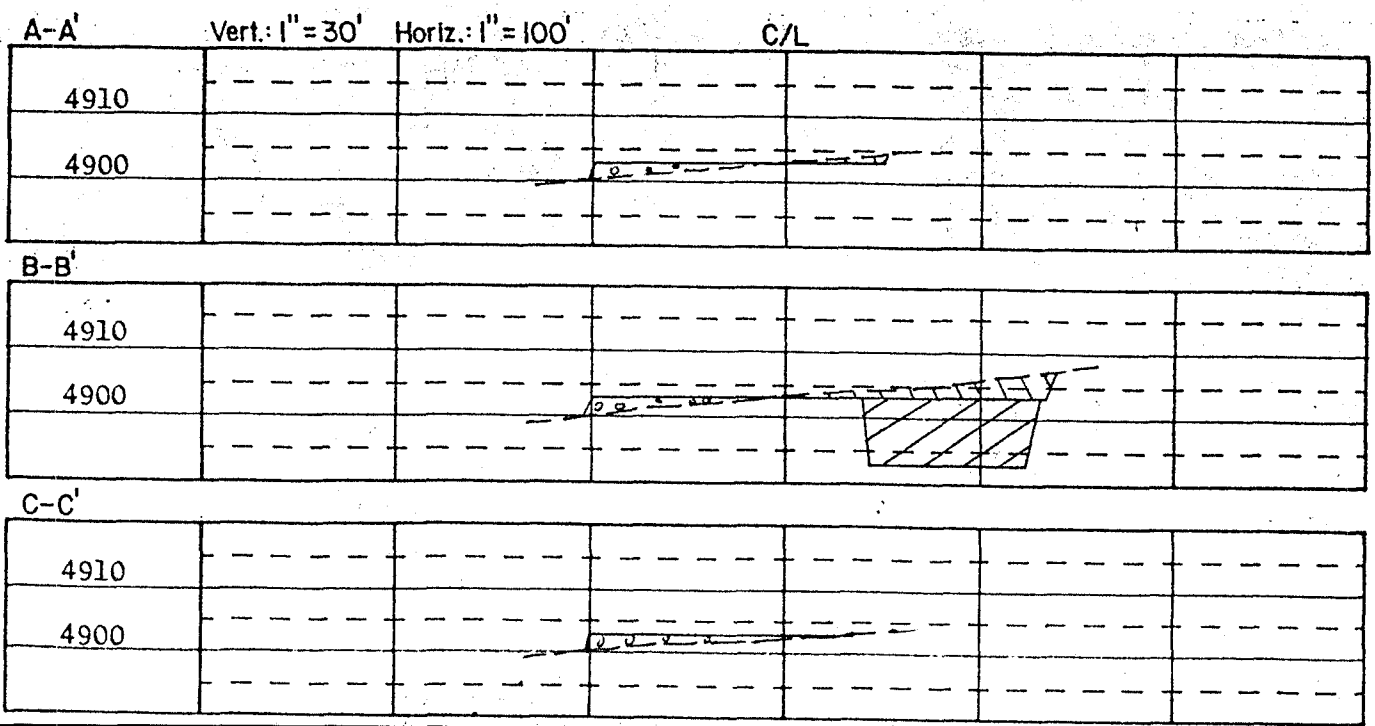
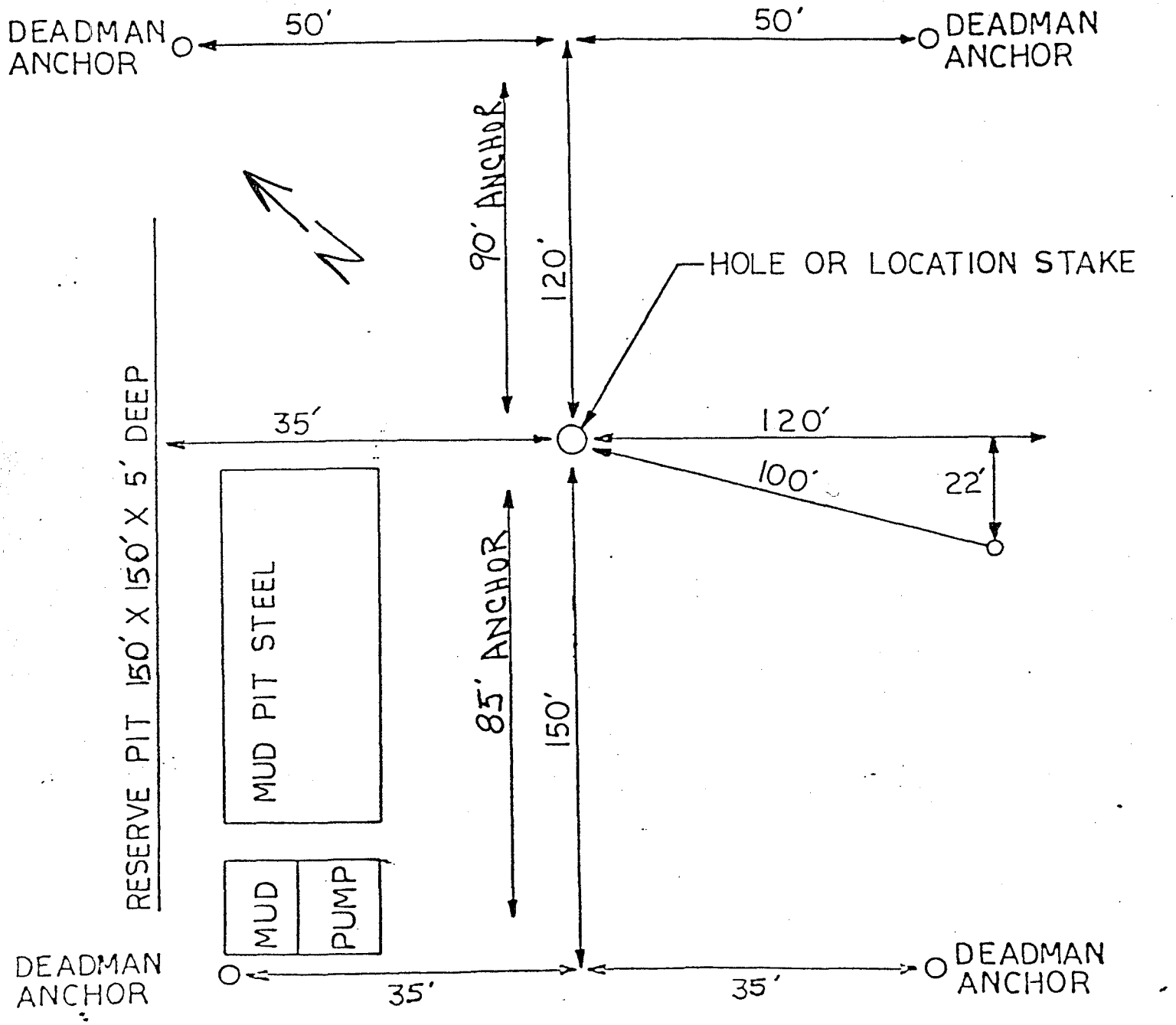
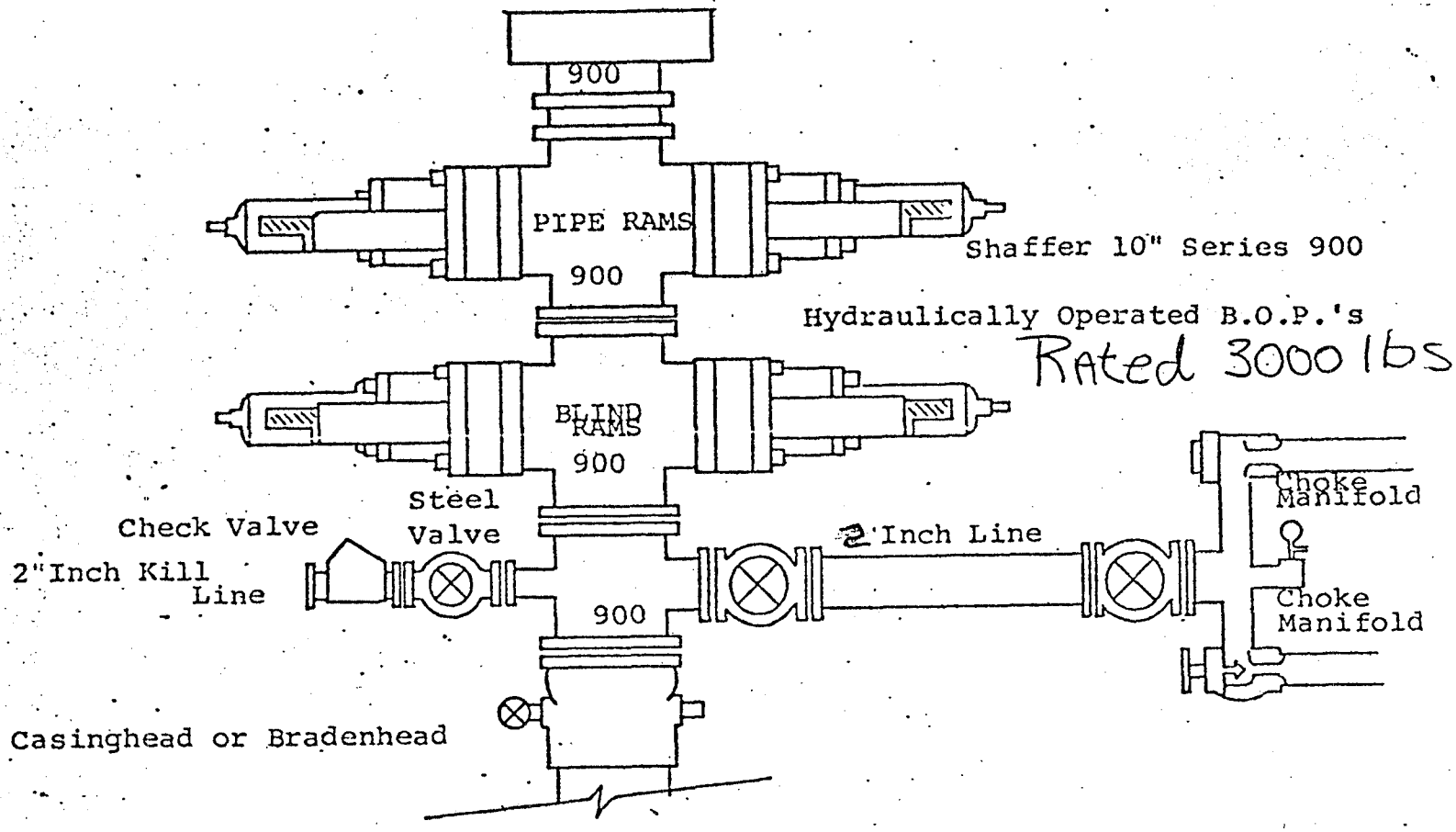


Exhibit C

COLEMAN DRILLING CO.

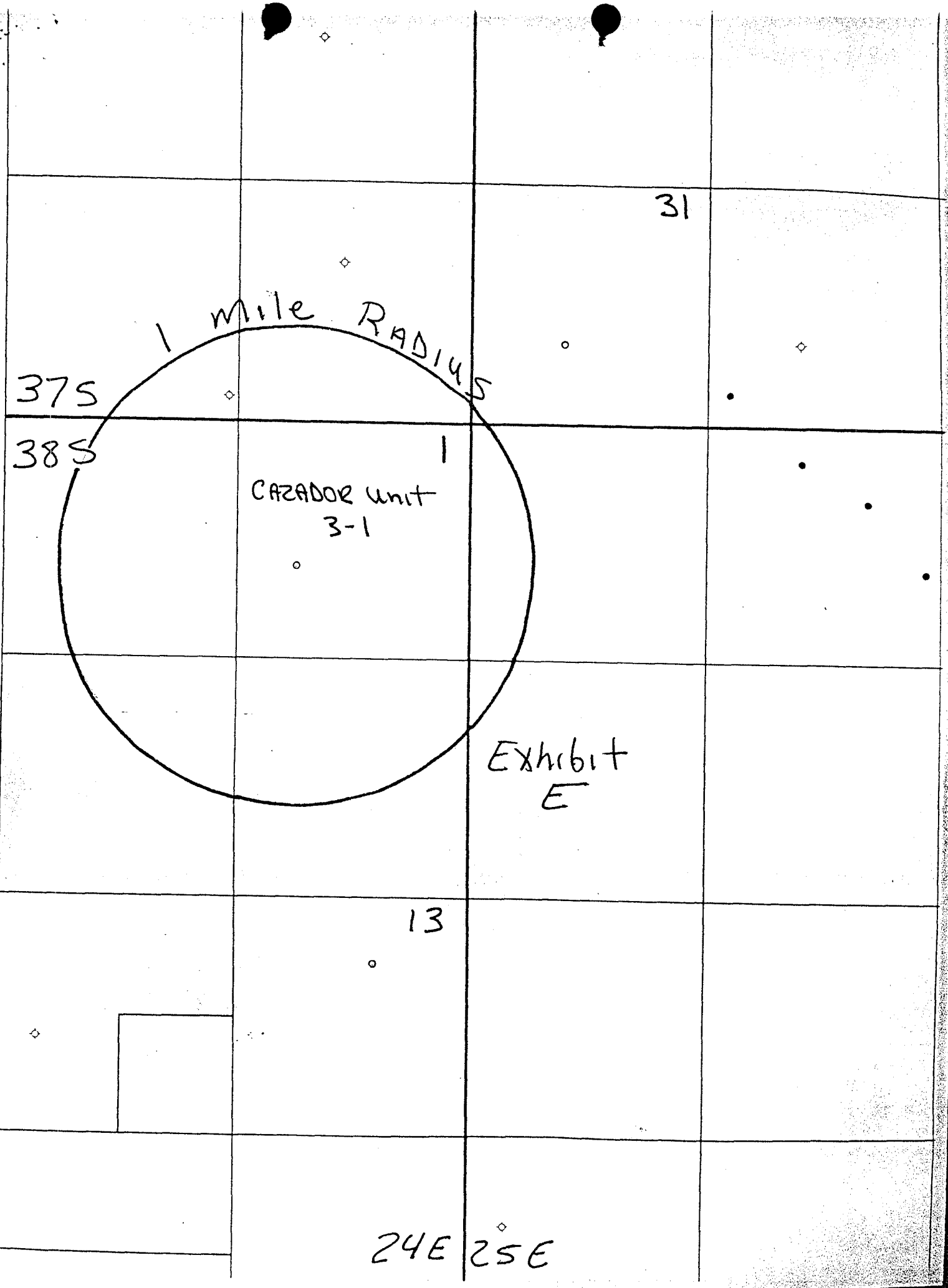
FRONT OF RIG NO. 3





THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

1. All preventers to be hydraulically operated with secondary manual controls installed prior to drilling out from under casing.
2. Choke outlet to be a minimum of 2" diameter.
3. Kill line to be of all steel construction of 2" minimum diameter.
4. All connections from operating manifolds to preventers to be all steel. hole or tube a minimum of one inch in diameter.
5. The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate the B.O.P.'s.
6. All connections to and from preventer to have a pressure rating equivalent to that of the B.O.P.'s.
7. Inside blowout preventer to be available on rig floor.
8. Operating controls located a safe distance from the rig floor.
9. Hole must be kept filled on trips below intermediate casing. Operator not responsible for blowouts resulting from not keeping hole full.
10. D. P. float must be installed and used below zone of first gas intrusion.


31
1 Mile Radius
37S
38S
1
CAZADOR Unit
3-1
Exhibit
E
13
24E
25E

CONFIDENTIAL 10304

032108

OPERATOR Yates Petroleum Corp. DATE 3-31-87

WELL NAME Cazador 3-1

SEC NE SW 1 T 38S R 24E COUNTY San Juan

43-037-31313
API NUMBER

Fed.
TYPE OF LEASE

CHECK OFF:

[✓] PLAT	[✓] BOND	[✓] NEAREST WELL
[✓] LEASE	[✓] FIELD	[✓] POTASH OR OIL SHALE

PROCESSING COMMENTS:
Unit not approved. BLM approving on lease basis.
No other well in Sec. 1
Need water permit

APPROVAL LETTER:

SPACING: [ ] 203 _____ UNIT [ ] 302

[ ] _____ CAUSE NO. & DATE [✓] 302.1

STIPULATIONS:
1 - Water

0218T

STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

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

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

April 1, 1987

Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210

Gentlemen:

Re: Cazador 3-1 - NE SW Sec. 1, T. 38S, R. 24E
2050' FSL, 1390' FWL - San Juan County, Utah

Approval to drill the referenced well is hereby granted in accordance with Rule 302.1, Oil and Gas Conservation General Rules, 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 as required by Chapter 3, Title 73, Utah Code Annotated.

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 the 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.

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 43-037-31313.

Sincerely,

R. J. Firth
Associate Director, Oil & Gas

as
Enclosures
cc: Branch of Fluid Minerals
D. R. Nielson
8159T

Form 3160-3
(November 1983)
(formerly 9-331C)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE* (Other instructions on reverse side)

RECEIVED
APR 02 1987
DIVISION OF OIL, GAS & MINING

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO.: U-14237
6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 040745
7. UNIT AGREEMENT NAME:
8. FARM OR LEASE NAME: Cazador Unit
9. WELL NO.: 3-1
10. FIELD AND POOL, OR WILDCAT: Wildcat
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Section 1-T38S-R24E
12. COUNTY OR PARISH: San Juan
13. STATE: Utah

1a. TYPE OF WORK: DRILL [X] DEEPEN [ ] PLUG BACK [ ]

b. TYPE OF WELL: OIL WELL [X] GAS WELL [ ] OTHER TIGHT HOLE SINGLE ZONE [ ] MULTIPLE ZONE [ ]

2. NAME OF OPERATOR: Yates Petroleum Corporation

3. ADDRESS OF OPERATOR: 105 South Fourth Street - Artesia, NM 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: 2050' FSL & 1390' FWL (unorthodox location)
At proposed prod. zone: Same
STATE OF UTAH HAS BEEN NOTIFIED

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: Approximately 9 miles north of Hatch Trading Post

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)	16. NO. OF ACRES IN LEASE	17. NO. OF ACRES ASSIGNED TO THIS WELL
	640	80
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	19. PROPOSED DEPTH	20. ROTARY OR CABLE TOOLS
	5650'	Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 4903' GR

22. APPROX. DATE WORK WILL START*: ASAP

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 Cy Cowan TITLE Regulatory Agent DATE March 17, 1987

(This space for Federal or State office use)

PERMIT NO. [illegible] APPROVAL DATE

APPROVED BY Kenneth V. Rhea TITLE Acting DISTRICT MANAGER DATE MAR 31 1987

CONDITIONS OF APPROVAL, IF ANY:

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

CONDITIONS OF APPROVAL ATTACHED

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Docm

COMPANY YATES PETROLEUM CORPORATION

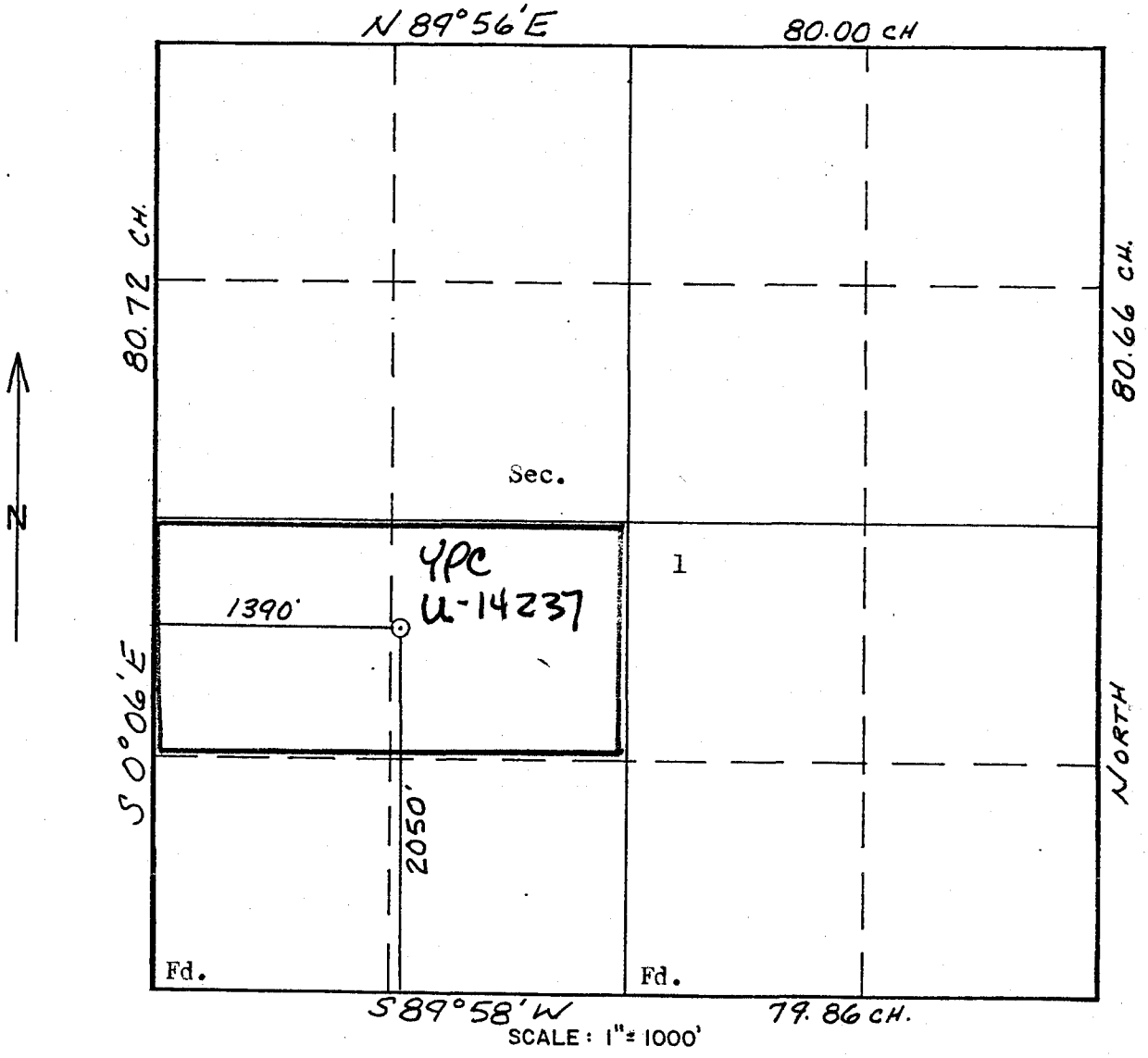
LEASE CAZADOR UNIT WELL NO. 3-1

SEC. 1 , T. 38 S , R. 24 E

COUNTY San Juan STATE Utah

LOCATION 2050'FSL & 1390'FWL

ELEVATION 4903



SCALE: 1" = 1000'

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

SEAL: WILLIAM E. MAHNKE II NEW MEXICO #8466 REGISTERED PROFESSIONAL LAND SURVEYOR

Wm E Mahnke II

WILLIAM E. MAHNKE II
NEW MEXICO P.L.S. Nº 8466

SURVEYED March 13 ,19 87

Yates Petroleum Corporation
Well No. Cazador Unit 3-1
Sec. 1, T. 38 S., R. 24 E.
San Juan County, Utah
Lease U-14237

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

A. DRILLING PROGRAM

1. B.O.P.E. will be tested to 2000 psi prior to drilling out from the 8 5/8" csg.

WATER PERMIT OK

CONFIDENTIAL

DIVISION OF OIL, GAS AND MINING

060223

SPUDDING INFORMATION

API #43-037-31313

NAME OF COMPANY: YATES PETROLEUM CO.

WELL NAME: CAZADOR UNIT 3-1

SECTION NE NE SW 1 TOWNSHIP 38 S RANGE 24 E COUNTY SAN JUAN

DRILLING CONTRACTOR COLEMAN

RIG # #3

SPUDDED: DATE 6/1/87

TIME 3:00 pm

HOW ROTARY

DRILLING WILL COMMENCE 6/1/87

REPORTED BY Jim Krogman

TELEPHONE # (303) 565-7210

DATE June 1, 1987 SIGNED Jim Thompson

Form 3160-5
(November 1983)
(Formerly 9-331)

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

5. LEASE DESIGNATION AND SERIAL NO.: U-14237

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 060812

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.)

RECEIVED
JUN 04 1987
DIVISION OF OIL, GAS & MINING

1. OIL WELL [X] GAS WELL [ ] OTHER TITE HOLE

7. UNIT AGREEMENT NAME: Cazador Unit

2. NAME OF OPERATOR: Yates Petroleum Corporation

8. FARM OR LEASE NAME:

3. ADDRESS OF OPERATOR: 105 South 4th St., Artesia, NM 88210

9. WELL NO.: 3-1

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface: 2050' FSL & 1390' FWL, Sec. 1-T38S-R24E

10. FIELD AND POOL, OR WILDCAT: Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec. 1-T38S-R24E

14. PERMIT NO.: API #43-037-31313

15. ELEVATIONS (Show whether DF, RT, GR, etc.): 4903' GR

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	[ ]	PULL OR ALTER CASING	[ ]	WATER SHUT-OFF	[X]	REPAIRING WELL	[ ]
FRACTURE TREAT	[ ]	MULTIPLE COMPLETE	[ ]	FRACTURE TREATMENT	[ ]	ALTERING CASING	[ ]
SHOOT OR ACIDIZE	[ ]	ABANDON*	[ ]	SHOOTING OR ACIDIZING	[ ]	ABANDONMENT*	[ ]
REPAIR WELL	[ ]	CHANGE PLANS	[ ]	(Other)			
(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.) *

Spudded 17-1/2" hole at 4:00 PM 6-1-87. Drilled to 82'. Reached TD to run casing at 5:15 PM 6-1-87. Ran 2 joints 13-3/8" 54.5# J-55 casing, set 82'. Regular shoe set 82'. Baffle float set 41'. Cemented w/125 sx Class "B" with 3% CaCl2. PD 7:15 PM 6-1-87. Bumped plug, released pressure and float held okay. Cement circulated 10 sacks. WOC. Drilled out 4:00 AM 6-2-87. WOC 8 hours and 45 minutes. Reduced hole to 12-1/4". Drilled plug and resumed drilling.

Note: Notified Bob Turri and Mike Wade with BLM of spud.
Notified John Baza, Utah Oil & Gas Commission of spud.

TITE HOLE

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

SIGNED Anita Goodlett TITLE Production Supervisor DATE 6-2-87

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

FORM OGC-8-X

RECEIVED
JUN 19 1987
DIVISION OF
OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
3 TRIAD CENTER, SUITE 350
SALT LAKE CITY, UT 84180-1203

REPORT OF WATER ENCOUNTERED DURING DRILLING

062942

Well Name & Number Cazador Unit #3-1

Operator Yates Petroleum Corporation Address 105 S. 4th, Artesia, NM 88210

Contractor Coleman Drilling Co. Address Dr. 3337, Farmington, NM 87499

Location NE 1/4 SW 1/4 Sec. 1 T. 38S R. 24E County San Juan, UT

Water Sands

	Depth		Volume	Quality
	From	To	Flow Rate or Head	Fresh or Salty
1.	757	1680	1-1/2" flow	Fresh
2.	5175	5250	3/4" flow	Fresh
3.	5250	5638	less than 1/2"	Fresh
4.				
5.				

(Continue on reverse side if necessary)

Formation Tops

Remarks

NOTE: (a) Report on this form as provided for in Rule 806, Oil and Gas Conservation General Rules.

(b) If a water analysis has been made of the above reported zone, please forward a copy along with this form.

Form 3160-4
(November 1983)
(formerly 9-330)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE (See other instructions on reverse side)

Form approved.
Budget Bureau No. 1004-0137
Expires August 31, 1985

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

5. LEASE DESIGNATION AND SERIAL NO.: U-14237

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT AGREEMENT NAME: 062912 Cazador Unit

8. FARM OR LEASE NAME:

9. WELL NO.: 3-1

10. FIELD AND POOL, OR WILDCAT: Wildcat

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA: Sec. 1-T38S-R24E

1a. TYPE OF WELL: OIL WELL [XX] GAS WELL [ ] DRY [ ] Other TITE HOLE

b. TYPE OF COMPLETION: NEW WELL [X] WORK OVER [ ] DEEP-EN [ ] PLUG BACK [ ] DIFF. RESVR. [ ]

RECEIVED
JUN 26 1987
DIVISION OF OIL, GAS & MINING

2. NAME OF OPERATOR: Yates Petroleum Corporation

3. ADDRESS OF OPERATOR: 105 South 4th St., Artesia, NM 88210

4. LOCATION OF WELL (*Report location clearly and in accordance with any State requirements.**)
At surface: 2050' FSL & 1390' FWL, Sec. 1-T38S-R24E
At top prod. interval reported below
At total depth

14. PERMIT NO. / DATE ISSUED: API #43-037-31313

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

15. DATE SPUDDED	16. DATE T.D. REACHED	17. DATE COMPL. (*Ready to prod.*)	18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*	19. ELEV. CASINGHEAD
6-1-87	6-12-87	6-21-87	4903' GR	

20. TOTAL DEPTH, MD & TVD	21. PLUG, BACK T.D., MD & TVD	22. IF MULTIPLE COMPL., HOW MANY*	23. INTERVALS DRILLED BY	ROTARY TOOLS	CABLE TOOLS
5638'	5607'		→	X	

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*: 5582-5586' Desert Creek

25. WAS DIRECTIONAL SURVEY MADE: No

26. TYPE ELECTRIC AND OTHER LOGS RUN: Litho Density/Comp. Neutron; BH Compensated Sonic, DLL 6-26-87

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
13-3/8"	54.5#	82'	17-1/2"	125 sx	
8-5/8"	32#	1680'	12-1/4"	1200 sx	
4-1/2"	11.6 & 9.5#	5638'	7-7/8"	450 sx	

29. LINER RECORD

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

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-3/8"	5557'	5557'

31. PERFORATION RECORD (*Interval, size and number*): 5582-86' w/10 .42" Holes

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
5582-86'	w/1500 gals 15% NEFE acid.

33.* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (*Flowing, gas lift, pumping—size and type of pump*)	WELL STATUS (*Producing or shut-in*)
6-21-87	Swab Test	Producing

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD →	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
6-21-87	24	-		20	50	1 BLW	2500/1

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE →	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)
-0-	-		20	50	1 BLW	41°

34. DISPOSITION OF GAS (*Sold, used for fuel, vented, etc.*): Vented

TEST WITNESSED BY: Don Mayberry

35. LIST OF ATTACHMENTS: Logs

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

SIGNED [signature] TITLE Production Supervisor DATE 6/23/87

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

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

37. SUMMARY OF POROUS 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):

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
			DST #1 5370-5433' Upper Ismay: TO 15"; SI 60"; TP 60"; SI 300". RECOVERY: 90' drilling mud (15000 CL). SAMPLER: .0024 cfg. 1460 cc mud, pressure 70#. PRESSURES: IHP 3114, IFP 80-60, ISIP 333, FFP 80-80, FSIP 1843, FHP 3100. Note: no fill, no GTS during DST. DST #2 5528-5601' Lower Desert Creek: TO 30"; SI 60"; TO 60"; SI 210". Opened on 1/4" choke with 5" blow. Increased to 5.75 psi in 25 minutes, decreased to 4.0 psi in 30 minutes. Reopened with 1.0 psi, increased to 6.5 psi in 15 minutes. GTS in 27 minutes. RECOVERY: 90' gas and oil cut mud (0.066 bbls oil and .0376 bbls drilling mud). SAMPLER: 0.1555 SCF gas @50 psi, 300 cc oil and 1300 cc drilling mud. PRESSURES: IHP 3149, IFP 86-64, ISIP 2392; FFP 87-81; FSIP 3128, FHP 3112.

38. GEOLOGIC MARKERS

NAME	TOP MEAS. DEPTH	TOP TRUE VERT. DEPTH
Entrada	370	
Navajo	566	
Wingate	1080	
Chinle	1394	
Shinarump	2116	
Cutler	2263	
Honaker Trail	4147	
Paradox	5112	
Upper Ismay	5264	
Hoverweep	5420	
Lower Ismay	5442	
Gothic	5495	
Upper Desert Creek	5520	
Lower Desert Creek	5578	
Chimney Rock	5598	
Akah	5620	

FORM 9

STATE OF UTAH

DIVISION OF OIL, GAS AND MINING

5. Lease Designation and Serial Number: U-14237

SUNDRY NOTICES AND REPORTS ON WELLS

6. If Indian, Allottee or Tribe Name:

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

7. Unit Agreement Name: Cazador Unit

1. Type of Well: OIL [X] GAS [ ] OTHER:

8. Well Name and Number: Cazador Unit 3-1

2. Name of Operator: YATES PETROLEUM CORPORATION

9. API Well Number: 43-037-31313

3. Address and Telephone Number: 105 South 4th St., Artesia, NM 88210 (505) 748-1471

10. Field and Pool, or Wildcat: Desert Creek/Wildcat

4. Location of Well

Footages: 2050' FSL, 1390' FWL (NE/SW) County: San Juan

QQ, Sec., T., R., M.: Sec. 1-T38S-R24E State: Utah

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

NOTICE OF INTENT (Submit in Duplicate)		SUBSEQUENT REPORT (Submit Original Form Only)	
[ ] Abandonment	[ ] New Construction	[ ] Abandonment *	[ ] New Construction
[ ] Casing Repair	[ ] Pull or Alter Casing	[ ] Casing Repair	[ ] Pull or Alter Casing
[ ] Change of Plans	[ ] Recompletion	[ ] Change of Plans	[ ] Shoot or Acidize
[ ] Conversion to Injection	[ ] Shoot or Acidize	[ ] Conversion to Injection	[ ] Vent or Flare
[ ] Fracture Treat	[ ] Vent or Flare	[ ] Fracture Treat	[ ] Water Shut-Off
[ ] Multiple Completion	[ ] Water Shut-Off	[ ] Other	
[X] Other ANNUAL STATUS REPORT			
Approximate date work will start		Date of work completion	

Report results of **Multiple Completions** and **Recompletions** to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

ANNUAL STATUS REPORT OF SHUT-IN, TEMPORARILY-ABANDONED, AND SUSPENDED DRILLING WELLS.

THE CAZADOR 3-1 WELL PRODUCES SPORADICALLY.

THERE HAS BEEN NO PRODUCTION FOR THE PAST 90 DAYS.

RECEIVED
JAN 11 1993
DIVISION OF
OIL GAS & MINING

13.

Name & Signature: Juanita Goodlett Title: Production Supervisor Date: 1-8-93

(This space for State use only)

(12\92) (See Instructions on Reverse Side)

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

5. Lease Designation and Serial No.: U-14237

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

7. If Unit or CA, Agreement Designation: N/A

1. Type of Well: [X] Oil Well [ ] Gas Well [ ] Other Re-entry and kick-off

8. Well Name and No.: Chaparral #1L

2. Name of Operator: Sunfield Energy Company

9. API Well No.: 43-037-31313

3. Address and Telephone No.: 3315 Bloomfield Highway, Farmington, NM 87401 505-326-5525

10. Field and Pool, or Exploratory Area: Exploratory

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Section 1-T38S-R24E
2074 FSL & 1432 FWL (Surface)
2323 FSL & 756 FWL (Subsurface)

11. County or Parish, State: San Juan County, Utah

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
[X] Notice of Intent	[ ] Abandonment	[ ] Change of Plans
[ ] Subsequent Report	[ ] Recompletion	[ ] New Construction
[ ] Final Abandonment Notice	[X] Plugging Back	[ ] Non-Routine Fracturing
	[ ] Casing Repair	[ ] Water Shut-Off
	[ ] Altering Casing	[ ] Conversion to Injection
	[X] Other Kick-off/Name Change	[ ] Dispose Water

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

13. 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.)*

Sunfield Energy Company will be operator of said well under Federal Bond B-03571

The well name will be changed from Cazador 3-1 to Chaparral 1L

Attached is the detailed drilling program for the kick-off and re-entry.

CONFIDENTIAL

OCT 25 1993

DIVISION OF
OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct
Signed Ray H. Wheeler Title Operations Manager Date 9/24/93

(This space for Federal or State office use)

Approved by _____ Title _____ Date 11/22/93
Conditions of approval, if any:

BY: WELL SPACING: Exception

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

CHUSKA ENERGY COMPANY

CHAPARRAL 1L
SECTION 1, TOWNSHIP 38S, RANGE 24E
2074' FSL & 1432' FWL (SURFACE)
2323' FSL & 756' FWL (SUBSURFACE)
SAN JUAN COUNTY, UTAH

10 POINT DRILLING PLAN

1. SURFACE FORMATION:

Geological name of surface formation: Morrison

2. ELEVATION:

Surface elevation is 4902' GR/ 4915' KB

3. ESTIMATED FORMATION TOPS

MD	TVD	FORMATION	SUB-SEA ELEV.
473'	473'	Navajo	+4540'Water-bearing
1241'	1241'	Chinle	+3772'
2323'	2323'	DeChelly	+2690'Water-bearing
2363'	2363'	Organ Rock	+2650'
3133'	3133'	Cedar Mesa	+1880'
4419'	4383'	Hermosa	+ 630'
5450'	5363'	Upper Ismay	- 350'Upper Ismay
5639'	5543'	Lower Ismay	- 530'
5723'	5623'	Desert Crk	- 610
5830'	5725'	Akah	- 712'
5883'	5775'	TD	- 762'

4. PROPOSED CASING/CEMENTING PROGRAM

	DEPTH	SIZE	WEIGHT	GRADE	COUPLING
PROD.	5883'	5 1/2	15.5 ppf	J-55	LTC

PRODUCTION CEMENTING:

First Stage

TD to 3500' (stage collar @ +3500'). Lead with 225 sx Class 'G' cement, 65:35 Pozmix with 6% gel and 1/4 lb/sk Celloflake. Weight = 12.7 ppg, yield = 1.85 ft3/sk. Tail with 100 sx Class 'G' cement with 2% CaCl2. Weight = 15.8 ppg, yield = 1.15 ft3/sk. Total of 536 ft3 w/ 30% excess.

SECOND STAGE

3500' to surface. Lead with 369 sx Class 'G' cement, 65:35 Pozmix with 6% gel and 1/4 lb/sk Celloflake. Weight = 12.7 ppg, yield = 1.85 ft3/sk. Tail with 100 sx Class 'G' cement with 2% CaCl2. Weight = 15.8 ppg, yield = 1.15 ft3/sk. Total of 797 ft3 w/ 30% excess.

NOTE: Exact slurry volumes for the production string will be adjusted according to the caliper log which will be run prior to cementing. Special adjustments may be necessary if significant amounts of salt are drilled.

CENTRALIZERS:

5 1/2" Production String: Center of shoe jtl, jt.2, jt.4, jt.6, jt.8, and every 3rd jt., up to DV Tool @ +/-3500'. Four (4) centralizers through DeChelly and two (2) centralizers @ surface.

NOTE: Put asterik on each pipe tally joint for each centralizer installed.

5. BLOWOUT PREVENTER (SEE ATTACHED SCHEMATICS)

As abnormal pressure is not anticipated, a 2000 psi BOP system would be sufficient for the drilling of this well. However, due to availability constraints, a 3000 psi system will be used, as per attached Exhibits "A" and "B". This will be a 10" x 900 series double ram preventer, equipped with a set of pipe and blind rams.

An accumulator system, with a pressure capacity sufficient to operate the rams three complete cycles without rig power, will be required as part of the rig equipment.

6. PROPOSED MUD PROGRAM

Surface to 3300'

Fresh water, gel, lime and native solids. Weight 8.3 - 8.7 ppg. Gel/lime sweeps are necessary for hole cleaning.

3300' to TD

Low solids, non-dispersed polymer system. Weight 8.6 - 8.8 ppg. Gel/lime sweeps as hole conditions dictate for hole cleaning. Fluid loss to be maintained at 15 cc or less. Fluid loss to be further reduced to 10 cc or less prior to coring, logging or DSTS.

7. AUXILIARY EQUIPMENT

A. A kelly cock will be installed during drilling operations, with handle available on rig floor.

B. Full Opening Safety Valves (FOSV) will be available, on the rig floor at all times, with necessary subs to fit all of the drilling assemblies. Mud will be the circulating fluid. No abnormal formation pressures are expected.

8. WELL EVALUATION

Open hole electric logging program will consist of a minimum program of DLL-MSFL-SP-GR-Cal, FDC-CNL-GR-Lithodensity from TD - 4400'

Drillstem testing will be as per the wellsite geologists' recommendations, based on shows. A mud logging unit will be utilized during drilling operations from 4400' to TD.

9. ABNORMAL PRESSURES/GAS

Abnormal pressures are not anticipated. Monitoring of gas and hydrocarbon shows will be by wellsite mud logging unit. H2S gas is not anticipated, however, regular checks will be made while drilling the well.

10. TIMING

The drilling and evaluation of this well is estimated to be 14 days. Anticipated drilling will be November'93.

DETAILED DRILLING PROGRAM

DATE:	September 24, 1993
WELL NAME:	Chaparral WELL NO.: 1-L
LOCATION:	Section 1 - Township 38S, Range 24E 2074' FSL & 1432' FWL (Surface) 2323' FSL & 756' FWL (Subsurface) San Juan County, Utah
ELEVATION:	4902' GR / 4915' KB
TOTAL DEPTH:	5775' TVD / 5950' MD
PROJECTED HORIZON:	Primary Target is Upper Ismay

DRILLING, CASING AND CEMENTING PROGRAM

1. Move in and rig up workover rig. Notify BLM of stripping time and plugging back time.

2. POH w/rod string and tbg.

3. TIH w/ open ended tbg and pump 70 sx Class 'B' cement plug (80 ft3, 1.18 yield) from PBTD (5607') to 5215'. POH open ended standing back. WOC minimum 4 hrs.

4. Run Free Point and cut csg at estimated top of cement at +/- 3500'. RIH w/ spear to cut point and RU csg crew and commence stripping out 4 1/2" csg.

5. TIH w/ 2 7/8" tbg open ended and pump 20 sx Class 'B' cement plug (24 ft3, 1.18 yield) over stub. Pump 20 sx Class 'B' cement plug (24 ft3, 1.18 yield) from 4200' to 4100'. Pump 40 sx Class 'B' cement kickoff plug from 3375' - 3175' (48 ft3, 1.18 yield). WOC minimum 72 hours prior to drilling.

6. Rig down workover rig and move in and rig up drlg rig and closed mud system. Notify BLM of re-entry time.

7. Drill mouse hole and rat hole. Mix mud prior to spudding well.

8. Pressure test BOP to 2,500 psig for 30 minutes. Pressure test manifold and all related equipment to 2,500 psig.

9. Drill out w/ 7 7/8" bit at kickoff point utilizing directional drilling equipment to TD.

10. Run open hole logs and evaluate. Coring and/or drillstem testing will be as per well site geologist's recommendation.

11. If the well is determined to be productive run 5 1/2" casing to TD, as per casing program in 10 Point Drilling Plan. Set stage cementing collar at +/- 3,500 ft. In addition to placing centralizers over potential production zones, they will also be run to cover the aquifer sands of the DeChelly formation, as per BLM stipulations. Cement production casing in two stages as per cementing program in 10-Point Drilling Plan.

12. Nipple down BOPE. Set 5 1/2" casing slips and cut off casing. Install well head. Release drilling rig and move rig off location.

13. If well is non-productive it will be plugged and abandoned as per State and BLM stipulations.

GENERAL COMPLETION PROCEDURE:

If the well is determined to be productive, move in completion rig. Perforate, acidize, and test each productive porosity zone. Completion work will commence after Sundry Notice approval is received. Detailed procedures will follow.

PLUGGING AND ABANDONMENT:

If the well is determined not to be productive, the well bore will be plugged as per BLM and State requirements.

Chaparral 1-L
Section 1 - Township 38S, Range 24E
2074' FSL & 1432' FWL (Surface)
2323' FSL & 756' FWL (Subsurface)
San Juan County, Utah

1. EXISTING ROADS

Shown on the attached topographic map are the existing roads in the immediate area. Existing road leads to location. Existing roads will be maintained, as needed, while operations are in progress.

2. PLANNED ACCESS ROAD

The access road will be as shown on the attached topographic map. The road will be maintained as necessary to prevent excessive damage to the existing terrain.

3. LOCATION OF EXISTING WELLS & TANK BATTERIES

Said drillsite is the site of an existing wellsite with facilities.

4. LOCATION OF EXISTING AND PROPOSED FACILITIES

Should the well prove to be productive, facilities (tank battery etc) will continue to be sited on the drilling location pad.

5. SOURCE OF CONSTRUCTION MATERIAL

The need for additional construction materials is not anticipated. In the event that additional materials are required, they will be acquired from private sources.

6. METHODS OF HANDLING WASTE MATERIAL

Trash will be contained on location in an enclosed bin. It will be hauled to an approved disposal site or burned on location if a burning permit is granted. Closed mud system will be used. No pit will be built.

7. ANCILLARY FACILITIES

Chemical portable toilet facilities will be provided on location during drilling and completion operations. No camps or air strips are planned for this well.

8. WELL SITE LAYOUT

Attached is a surveyor's staking plat, cut and fill diagram and a schematic of the proposed rig layout.

9. PLANS FOR RESTORATION OF THE SURFACE

After drilling operations are completed, the location and surrounding area will be cleared of all remaining debris and materials not required for production. Following operations, rehabilitation seeding will be in accordance with APD/BLM stipulations. There are no residents in the immediate area of the site.

10. OPERATORS REPRESENTATIVE

SUNFIELD ENERGY COMPANY
3315 BLOOMFIELD HIGHWAY
FARMINGTON, NM 87401
BARRY A. WIELAND

11. CERTIFICATION

I hereby certify that either I, or persons under my direct supervision have inspected the proposed drill site 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 planned will be performed by Sunfield Energy, or its sub-contractors, in conformity with the terms and conditions under which it is approved.

Barry A. Wieland

BARRY A. WIELAND
OPERATIONS MANAGER

EXHIBIT "A"

BLOWOUT PREVENTER

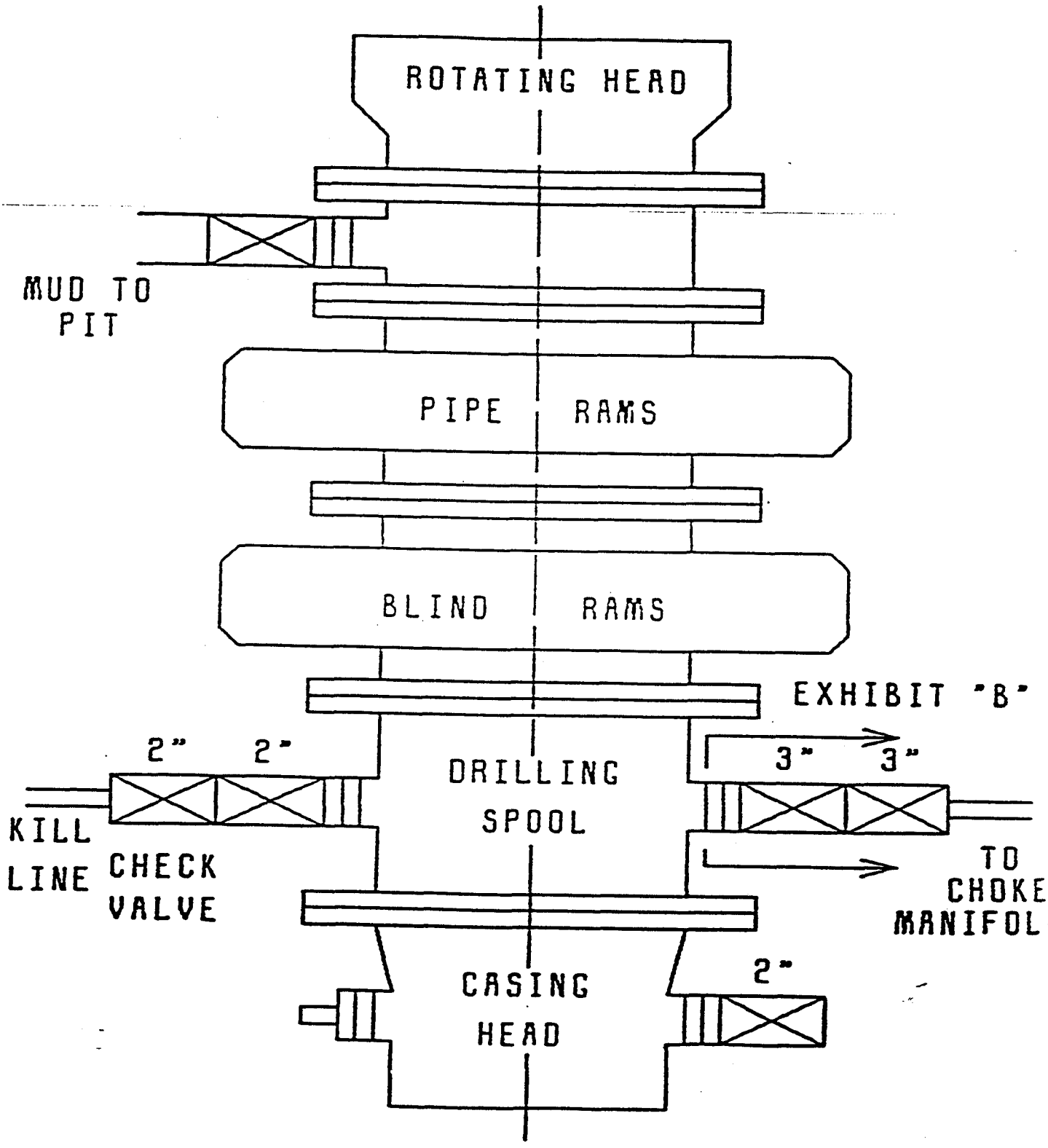
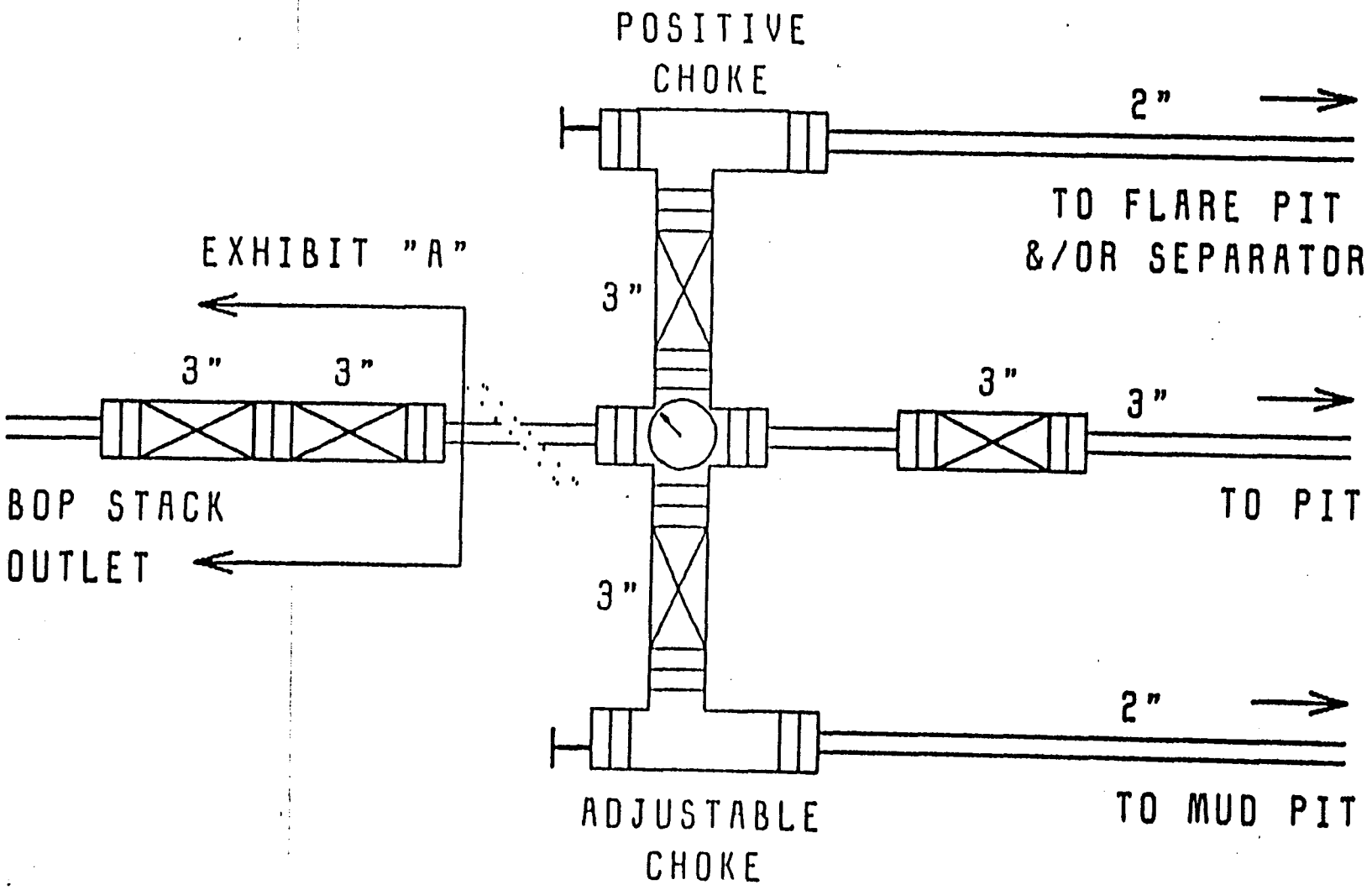


EXHIBIT "B"

CHOKE MANIFOLD



CHUSKA ENERGY COMPANY
S1-38S-24E CHAPARRAL 1-L-1

1-L-1
CHAPARRAL 1-L-1
SAN JUAN COUNTY
UTAH.

P R O P O S A L L I S T I N G

by
Baker Hughes Inteq

Your ref : INITIAL PLAN
Our ref : prop683
License :

Date printed : 22-Sep-93
Date created : 14-Jul-93
Last revised : 22-Sep-93

Field is centred on n37 40 0.000,w109 15 0
Structure is centred on n37 40 0.000,w109 15 0

Slot location is n37 40 20.504,w109 14 42.190
Slot Grid coordinates are N 374051.122, E 2652596.565
Slot local coordinates are 2074.00 N 1432.00 E
Reference North is True North

CHUSKA ENERGY COMPANY
S1-38S-24E CHAPARRAL 1-L-1,1-L-1
SAN JUAN COUNTY,UTAH.

PROPOSAL LISTING Page 1
Your ref : INITIAL PLAN
Last revised : 22-Sep-93

Measured Depth	Inclin. Degrees	Azimuth Degrees	True Vert. Depth	RECTANGULAR COORDINATES		Dogleg Deg/100Ft	Vert Sect	
0.00	0.00	290.22	0.00	0.00 N	0.00 E	0.00	0.00	
473.00	0.00	290.22	473.00	0.00 N	0.00 E	0.00	0.00	NAVAJO
500.00	0.00	290.22	500.00	0.00 N	0.00 E	0.00	0.00	
1000.00	0.00	290.22	1000.00	0.00 N	0.00 E	0.00	0.00	
1241.00	0.00	290.22	1241.00	0.00 N	0.00 E	0.00	0.00	CHINLE
1500.00	0.00	290.22	1500.00	0.00 N	0.00 E	0.00	0.00	
2000.00	0.00	290.22	2000.00	0.00 N	0.00 E	0.00	0.00	
2323.00	0.00	290.22	2323.00	0.00 N	0.00 E	0.00	0.00	
2363.00	0.00	290.22	2363.00	0.00 N	0.00 E	0.00	0.00	DECHELLY
2500.00	0.00	290.22	2500.00	0.00 N	0.00 E	0.00	0.00	ORGAN ROCK
3000.00	0.00	290.22	3000.00	0.00 N	0.00 E	0.00	0.00	
3133.00	0.00	290.22	3133.00	0.00 N	0.00 E	0.00	0.00	
3194.84	0.00	290.22	3194.84	0.00 N	0.00 E	0.00	0.00	CEDAR MESA
3294.84	2.50	290.22	3294.81	0.75 N	2.05 W	2.50	2.18	
3394.84	5.00	290.22	3394.59	3.01 N	8.18 W	2.50	8.72	
3494.84	7.50	290.22	3493.99	6.78 N	18.40 W	2.50	19.61	
3594.84	10.00	290.22	3592.82	12.03 N	32.67 W	2.50	34.82	
3694.84	12.50	290.22	3690.89	18.78 N	50.98 W	2.50	54.32	
3794.84	15.00	290.22	3788.01	26.99 N	73.28 W	2.50	78.09	
3894.84	17.50	290.22	3884.01	36.66 N	99.54 W	2.50	106.07	
3914.84	18.00	290.22	3903.06	38.77 N	105.26 W	2.50	112.17	
4000.00	18.00	290.22	3984.05	47.86 N	129.95 W	0.00	138.48	
4419.48	18.00	290.22	4383.00	92.67 N	251.59 W	0.00	268.11	HERMOSA
4500.00	18.00	290.22	4459.58	101.27 N	274.94 W	0.00	292.99	
5000.00	18.00	290.22	4935.10	154.67 N	419.92 W	0.00	447.50	
5449.92	18.00	290.22	5363.00	202.73 N	550.38 W	0.00	586.53	UPPER ISMAY
5500.00	18.00	290.22	5410.63	208.08 N	564.91 W	0.00	602.01	
5639.18	18.00	290.22	5543.00	222.94 N	605.26 W	0.00	645.02	LOWER ISMAY
5723.30	18.00	290.22	5623.00	231.93 N	629.66 W	0.00	671.01	DESERT CREEK
5830.55	18.00	290.22	5725.00	243.38 N	660.76 W	0.00	704.15	AKAH
5883.12	18.00	290.22	5775.00	249.00 N	676.00 W	0.00	720.40	T.D.

All data is in feet unless otherwise stated
Coordinates from CHAPARRAL 1-L-1 and TVD from wellhead.
Vertical section is from wellhead on azimuth 290.22 degrees.
Declination is 12.46 degrees, Convergence is 1.38 degrees.
Calculation uses the minimum curvature method.
Presented by Baker Hughes Inteq

Comments in wellpath

MD	TVD	Rectangular Coords.		Comment
473.00	473.00	0.00 N	0.00 E	NAVAJO
1241.00	1241.00	0.00 N	0.00 E	CHINLE
2323.00	2323.00	0.00 N	0.00 E	DECHELLY
2363.00	2363.00	0.00 N	0.00 E	ORGAN ROCK
3133.00	3133.00	0.00 N	0.00 E	CEDAR MESA
4419.48	4383.00	92.67 N	251.59 W	HERMOSA
5449.92	5363.00	202.73 N	550.38 W	UPPER ISMAY
5639.18	5543.00	222.94 N	605.26 W	LOWER ISMAY
5723.30	5623.00	231.93 N	629.66 W	DESERT CREEK
5830.55	5725.00	243.38 N	660.76 W	AKAH
5883.12	5775.00	249.00 N	676.00 W	T.D.

Targets associated with this wellpath

Target name	Position	T.V.D.	Local rectangular coords.		Date revised
T.D.	not specified	5775.00	249.00N	676.00W	14-Jul-93

All data is in feet unless otherwise stated
Coordinates from CHAPARRAL 1-L-1 and TVD from wellhead.
Bottom hole distance is 720.40 on azimuth 290.22 degrees from wellhead.
Vertical section is from wellhead on azimuth 290.22 degrees.
Declination is 12.46 degrees, Convergence is 1.38 degrees.
Calculation uses the minimum curvature method.
Presented by Baker Hughes Inteq

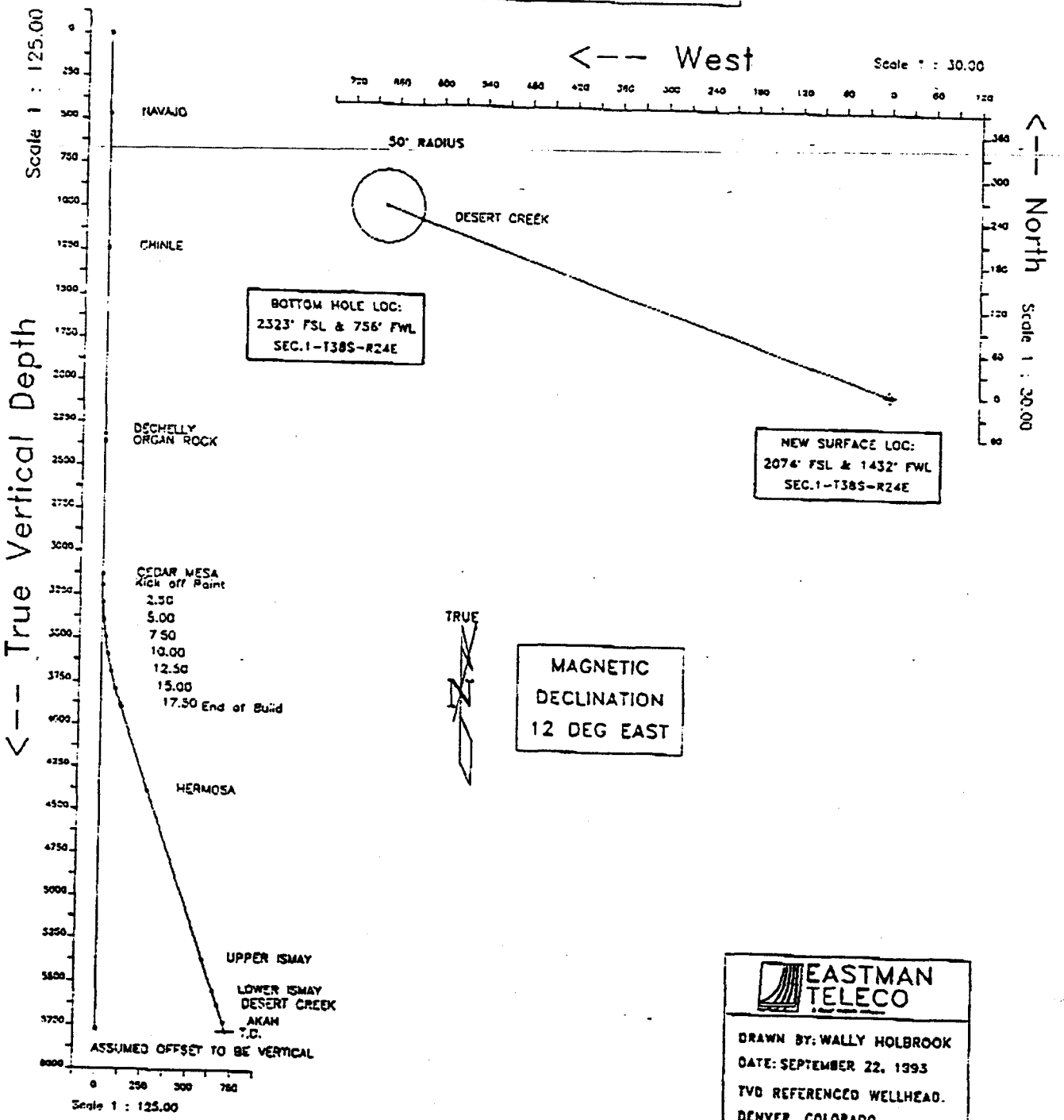
CHUSKA ENERGY COMPANY

Structure : S1-38S-24E CHAPARRAL 1-L-1 Well : 1-L-1

Field : SAN JUAN COUNTY Location : UTAH.

WELL PROFILE DATA

Point	MD	Inc	Dir	TVD	North	East
Tie on	0	0.00	290.22	0	0	0
KOP	3195	0.00	290.22	3195	0	0
End of Build	3915	18.00	290.22	3903	39	-105
Target	5883	18.00	290.22	5775	249	-676



Vertical Section on 290.22 azimuth with reference 0.00 N, 0.00 E from CHAPARRAL 1-L-1

EASTMAN TELECO

DRAWN BY: WALLY HOLBROOK

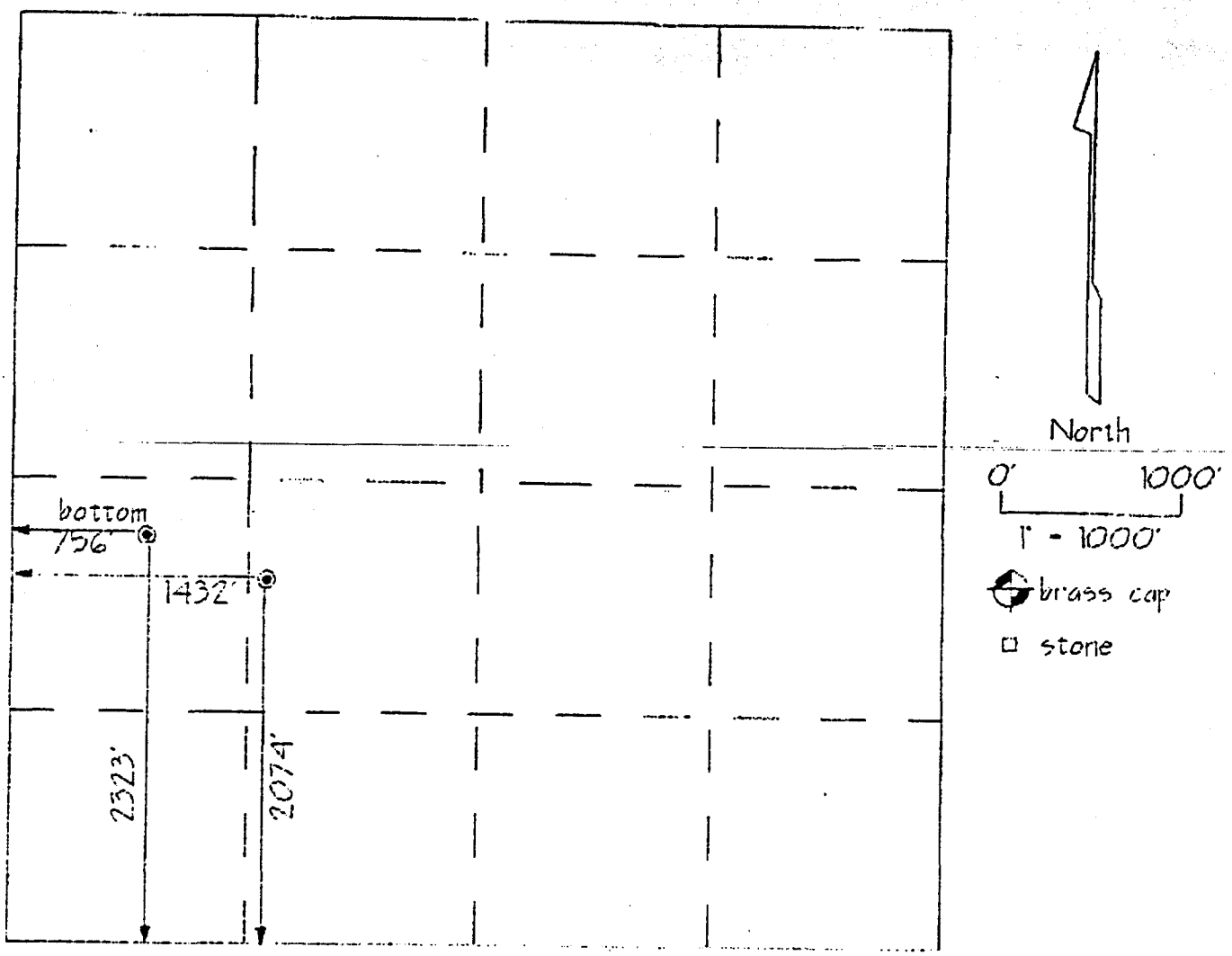
DATE: SEPTEMBER 22, 1993

TVD REFERENCED WELLHEAD.

DENVER, COLORADO

PHONE: (303) 860-0509

Well Location Plat



Well Location Description

Chuska Energy Co.
Chaparral 1 - L
2074' FSL & 1432' FWL (top hole)
2323' FSL & 756' FWL (bottom hole)
Section 1, T.38 S., R.24 E., SLM
San Juan County, Utah
4902' ground elevation from seismic
State plane coordinates from seismic control
x - 2,656,847 y - 315,274 (top hole)
x - 2,656,171 y - 315,523 (bottom hole)

REGISTERED LAND SURVEYOR
No. 5705
GERALD G. HUDDLESTON
STATE OF UTAH

22 September 1993

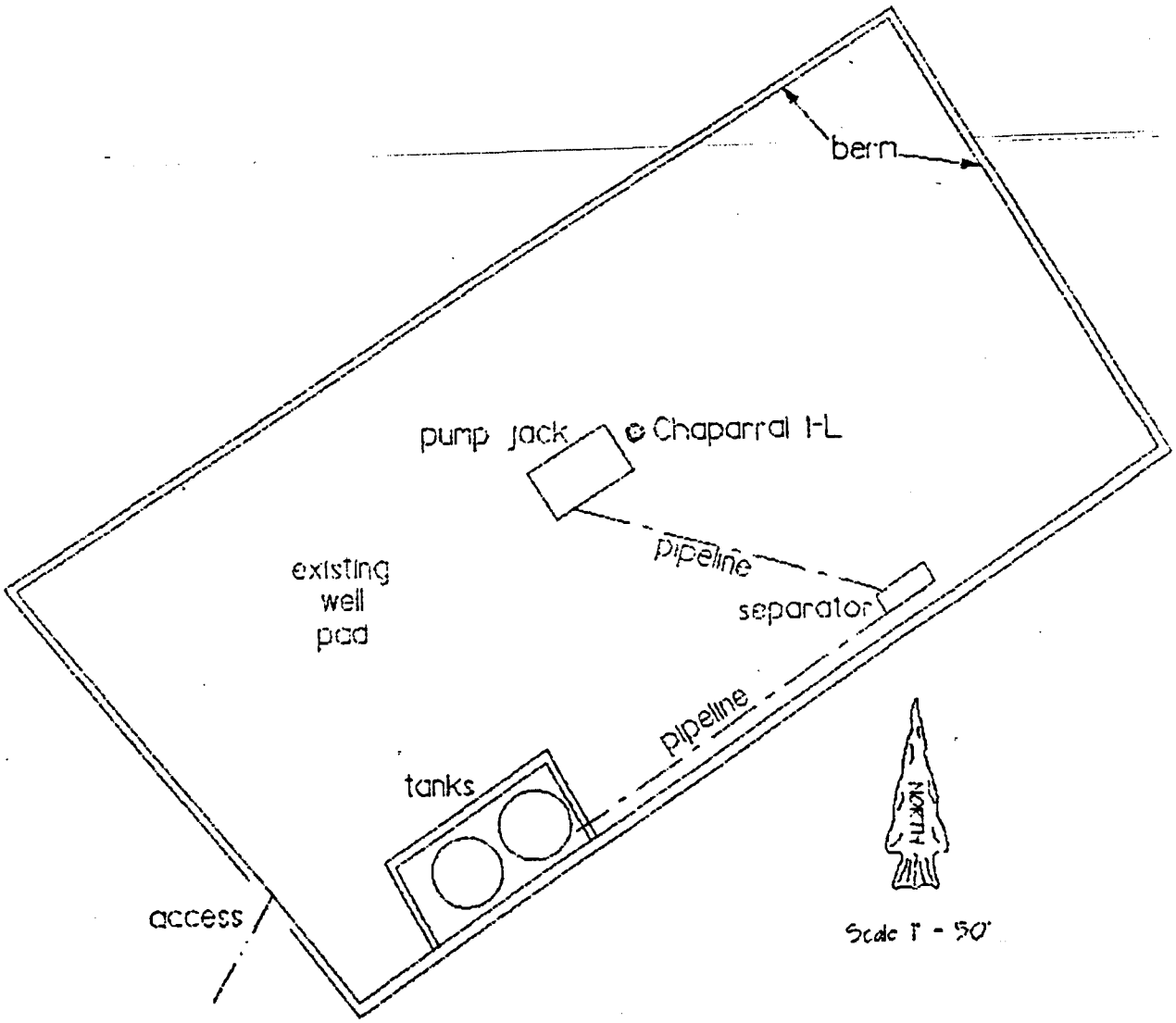
Gerald G. Huddleston, LS

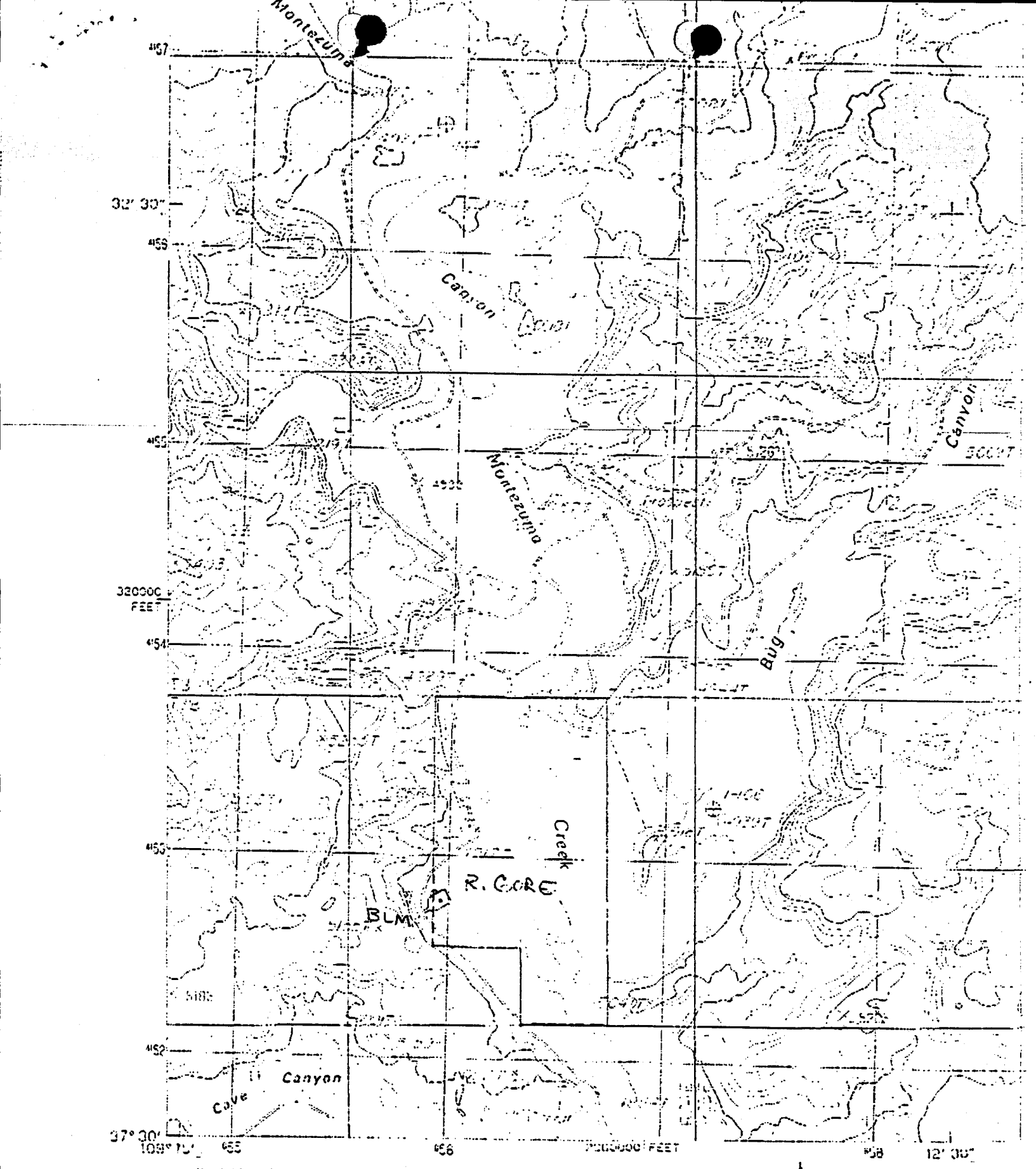
The above is true and correct to my knowledge and belief.

Huddleston Land Surveying - Drawer KK - Cortez, CO 81321 - (303) 565-3330

Well Pad Plan Sketch

Chuska Energy Co.
Chaparral 1-L





PRODUCED BY THE UNITED STATES GEOLOGICAL SURVEY

CONTROL BY ..... USGS NOS/NOAA

COMPILED FROM AERIAL PHOTOGRAPHS TAKEN 1978

FIELD CHECKED ..... 1980 MAP EDITED 1985

PROJECTION ..... LAMBERT CONFORMAL CONIC

GRID ZONE/METER UNIVERSAL TRANSVERSE MERCATOR ..... ZONE 12

ROAD CLASSIFICATION ..... LIGHT DUTY

SUNFIELD ENERGY COMPANY

October 20, 1993

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

RE: Application for Permit to Drill: Chaparral 1L Well, San Juan County, Utah
43-037-31313
Sec 1 T38S R24E

Gentlemen:

Attached for your examination and approval are three copies of the Sundry to re-enter the Yates Cazador 3-1 Unit Well, and kick-off to drill the Sunfield Energy Company Chaparral 1L well in Section 1, Township 38 South, Range 24 East, San Juan County, Utah.

The location for this well falls outside the guidelines for the State of Utah spacing requirements. However, two reasons dictated this location for Sunfield Energy Company. The first being the topography of the area. The second and far more critical is that this location falls into a major archaeological area and for this reason Sunfield Energy Company's only alternative to drilling its Chaparral 1L Well is to re-enter the already existing Yates wellbore. Both these scenarios preclude the well being located in accordance with State requirements and yet remain in a position which will allow the well bore to penetrate geological structures which have been identified by seismic interpretation. We therefore apply for an exception to the General State Spacing requirements said grounds. Sunfield Energy Company controls Section 2, Township 38 South, Range 24 East under State Lease ML-36200 as referenced on the attached land plat.

Please advise if you require additional information concerning this application. Sunfield Energy Company greatly appreciates your prompt consideration to this matter.

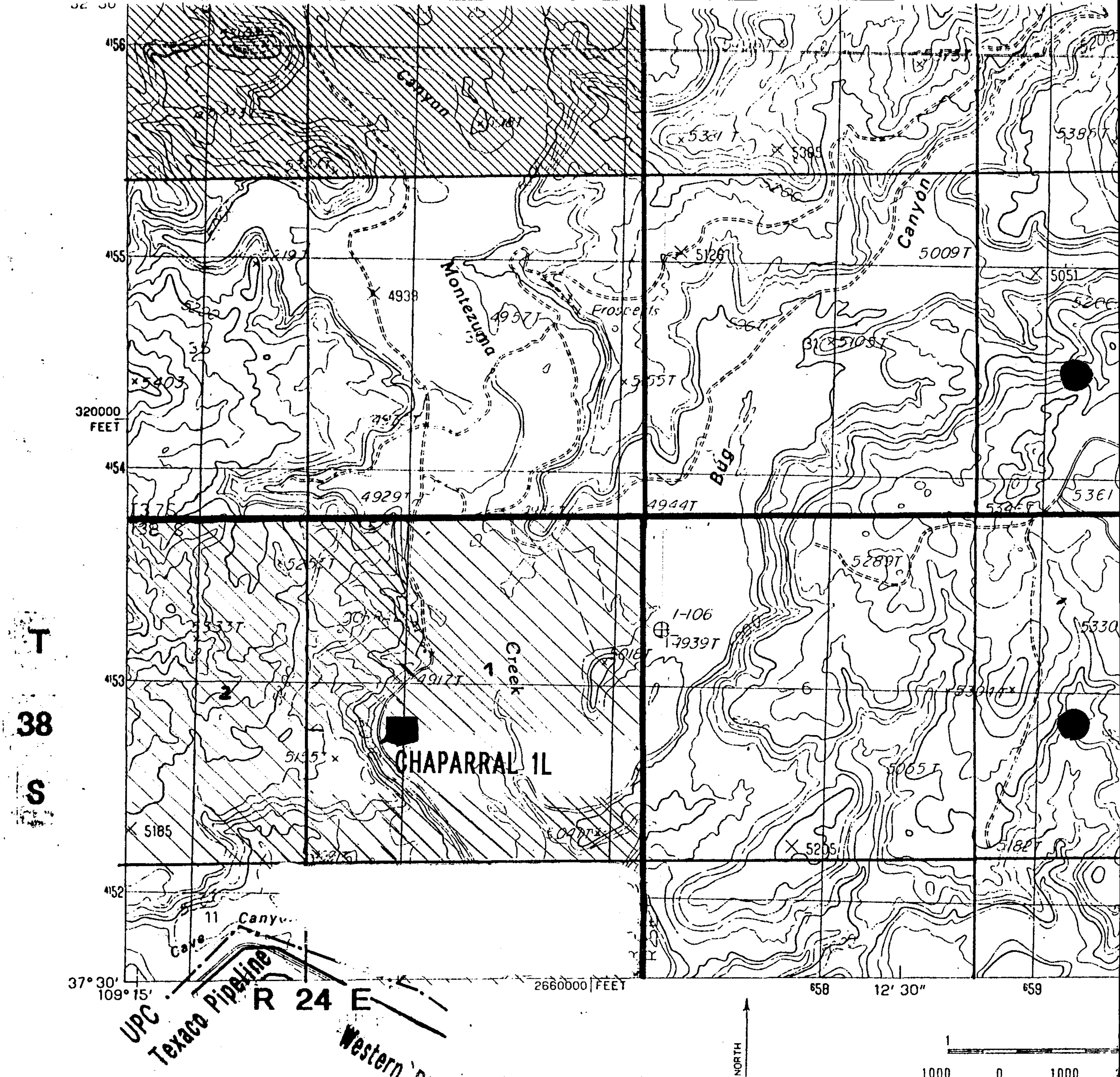
Sincerely,

Barry A. Wieland
Operations Manager

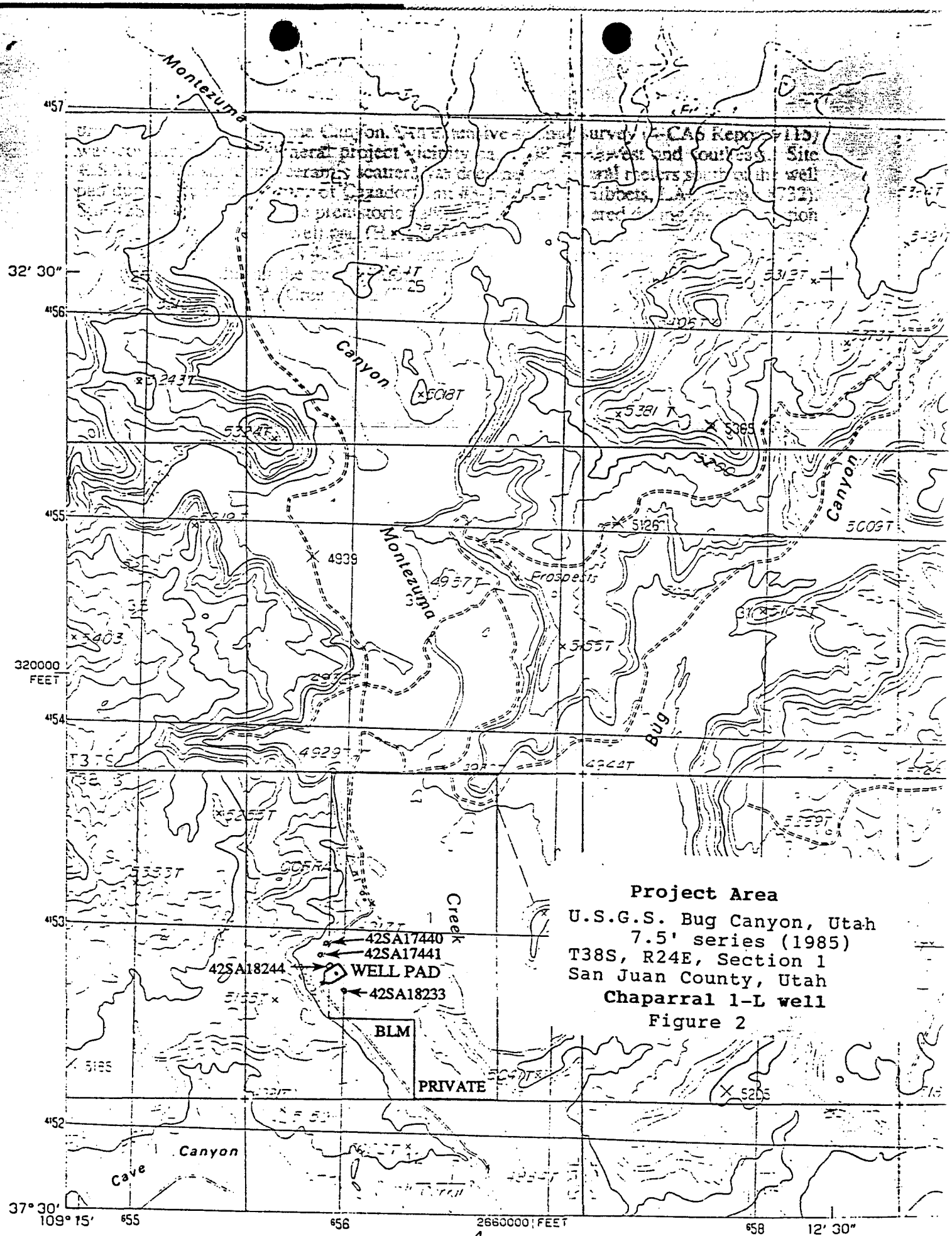
cc: Bruce N. Huff
Mike Childers
Nell Lindenmeyer
File

Encl.

3315 BLOOMFIELD HIGHWAY / FARMINGTON, NEW MEXICO 87401
TELEPHONE (505) 326-5525 / FAX (505) 325-5423



Canyon
Montezuma
Frospects
Canyon
Bug
Creek
CHAPARRAL 1L
1-106
4939T
T
38
S
T37S
R38E
Cave
Canyon
UPC
Texaco Pipeline
Western
R 24 E
320000 FEET
2660000 FEET
37°30'
109°15'
12' 30"
NORTH
1000
0
1000



Project Area
U.S.G.S. Bug Canyon, Utah
7.5' series (1985)
T38S, R24E, Section 1
San Juan County, Utah
Chaparral 1-L well
Figure 2

PRODUCED BY THE UNITED STATES GEOLOGICAL SURVEY
CONTROL BY ..... USGS, NOS/NOAA
COMPILED FROM AERIAL PHOTOGRAPHS TAKEN 1978
FIELD CHECKED ..... 1980 MAP EDITED 1985
PROJECTION ..... LAMBERT CONFORMAL CONIC
GRID: 1000-METER UNIVERSAL TRANSVERSE MERCATOR ..... ZONE 12

CHUSKA ENERGY COMPANY

CHAPARRAL 1L
SECTION 1, TOWNSHIP 38S, RANGE 24E
2074' FSL & 1432' FWL (SURFACE)
2323' FSL & 756' FWL (SUBSURFACE)
SAN JUAN COUNTY, UTAH

10 POINT DRILLING PLAN

1. SURFACE FORMATION:

Geological name of surface formation: Morrison

2. ELEVATION:

Surface elevation is 4902' GR/ 4915' KB

3. ESTIMATED FORMATION TOPS

MD	TVD	FORMATION	SUB-SEA ELEV.
473'	473'	Navajo	+4540'Water-bearing
1241'	1241'	Chinle	+3772'
2323'	2323'	DeChelly	+2690'Water-bearing
2363'	2363'	Organ Rock	+2650'
3133'	3133'	Cedar Mesa	+1880'
4419'	4383'	Hermosa	+ 630'
5450'	5363'	Upper Ismay	- 350'Upper Ismay
5639'	5543'	Lower Ismay	- 530'
5723'	5623'	Desert Crk	- 610
5830'	5725'	Akah	- 712'
5883'	5775'	TD	- 762'

4. PROPOSED CASING/CEMENTING PROGRAM

	DEPTH	SIZE	WEIGHT	GRADE	COUPLING
PROD.	5883'	5 1/2	15.5 ppf	J-55	LTC

PRODUCTION CEMENTING:

First Stage

TD to 3500' (stage collar @ +3500'). Lead with 225 sx Class 'G' cement, 65:35 Pozmix with 6% gel and 1/4 lb/sk Celloflake. Weight = 12.7 ppg, yield = 1.85 ft3/sk. Tail with 100 sx Class 'G' cement with 2% CaCl2. Weight = 15.8 ppg, yield = 1.15 ft3/sk. Total of 536 ft3 w/ 30% excess.

SECOND STAGE

3500' to surface. Lead with 369 sx Class 'G' cement, 65:35 Pozmix with 6% gel and 1/4 lb/sk Celloflake. Weight = 12.7 ppg, yield = 1.85 ft3/sk. Tail with 100 sx Class 'G' cement with 2% CaCl2. Weight = 15.8 ppg, yield = 1.15 ft3/sk. Total of 797 ft3 w/ 30% excess.

NOTE: Exact slurry volumes for the production string will be adjusted according to the caliper log which will be run prior to cementing. Special adjustments may be necessary if significant amounts of salt are drilled.

CENTRALIZERS:

5 1/2" Production String: Center of shoe jtl, jt.2, jt.4, jt.6, jt.8, and every 3rd jt., up to DV Tool @ +/-3500'. Four (4) centralizers through DeChelly and two (2) centralizers @ surface.

NOTE: Put asterik on each pipe tally joint for each centralizer installed.

5. BLOWOUT PREVENTER (SEE ATTACHED SCHEMATICS)

As abnormal pressure is not anticipated, a 2000 psi BOP system would be sufficient for the drilling of this well. However, due to availability constraints, a 3000 psi system will be used, as per attached Exhibits "A" and "B". This will be a 10" x 900 series double ram preventer, equipped with a set of pipe and blind rams.

An accumulator system, with a pressure capacity sufficient to operate the rams three complete cycles without rig power, will be required as part of the rig equipment.

6. PROPOSED MUD PROGRAM

Surface to 3300'

Fresh water, gel, lime and native solids. Weight 8.3 - 8.7 ppg. Gel/lime sweeps are necessary for hole cleaning.

3300' to TD

Low solids, non-dispersed polymer system. Weight 8.6 - 8.8 ppg. Gel/lime sweeps as hole conditions dictate for hole cleaning. Fluid loss to be maintained at 15 cc or less. Fluid loss to be further reduced to 10 cc or less prior to coring, logging or DSTS.

7. AUXILIARY EQUIPMENT

A. A kelly cock will be installed during drilling operations, with handle available on rig floor.

B. Full Opening Safety Valves (FOSV) will be available, on the rig floor at all times, with necessary subs to fit all of the drilling assemblies. Mud will be the circulating fluid. No abnormal formation pressures are expected.

8. WELL EVALUATION

Open hole electric logging program will consist of a minimum program of DLL-MSFL-SP-GR-Cal, FDC-CNL-GR-Lithodensity from TD - 4400'

Drillstem testing will be as per the wellsite geologists' recommendations, based on shows. A mud logging unit will be utilized during drilling operations from 4400' to TD.

9. ABNORMAL PRESSURES/GAS

Abnormal pressures are not anticipated. Monitoring of gas and hydrocarbon shows will be by wellsite mud logging unit. H2S gas is not anticipated, however, regular checks will be made while drilling the well.

10. TIMING

The drilling and evaluation of this well is estimated be 14 days. Anticipated drilling will be November'93.

DETAILED DRILLING PROGRAM

DATE:	September 24, 1993
WELL NAME:	Chaparral WELL NO.: 1-L
LOCATION:	Section 1 - Township 38S, Range 24E 2074' FSL & 1432' FWL (Surface) 2323' FSL & 756' FWL (Subsurface) San Juan County, Utah
ELEVATION:	4902' GR / 4915' KB
TOTAL DEPTH:	5775' TVD / 5950' MD
PROJECTED HORIZON:	Primary Target is Upper Ismay

DRILLING, CASING AND CEMENTING PROGRAM

1. Move in and rig up workover rig. Notify BLM of stripping time and plugging back time.

2. POH w/rod string and tbg.

3. TIH w/ open ended tbg and pump 70 sx Class 'B' cement plug (80 ft3, 1.18 yield) from PBTD (5607') to 5215'. POH open ended standing back. WOC minimum 4 hrs.

4. Run Free Point and cut csg at estimated top of cement at +/- 3500'. RIH w/ spear to cut point and RU csg crew and commence stripping out 4 1/2" csg.

5. TIH w/ 2 7/8" tbg open ended and pump 20 sx Class 'B' cement plug (24 ft3, 1.18 yield) over stub. Pump 20 sx Class 'B' cement plug (24 ft3, 1.18 yield) from 4200' to 4100'. Pump 40 sx Class 'B' cement kickoff plug from 3375' - 3175' (48 ft3, 1.18 yield). WOC minimum 72 hours prior to drilling.

6. Rig down workover rig and move in and rig up drlg rig and closed mud system. Notify BLM of re-entry time.

7. Drill mouse hole and rat hole. Mix mud prior to spudding well.

8. Pressure test BOP to 2,500 psig for 30 minutes. Pressure test manifold and all related equipment to 2,500 psig.

9. Drill out w/ 7 7/8" bit at kickoff point utilizing directional drilling equipment to TD.

10. Run open hole logs and evaluate. Coring and/or drillstem testing will be as per well site geologist's recommendation.

11. If the well is determined to be productive run 5 1/2" casing to TD, as per casing program in 10 Point Drilling Plan. Set stage cementing collar at +/- 3,500 ft. In addition to placing centralizers over potential production zones, they will also be run to cover the aquifer sands of the DeChelly formation, as per BLM stipulations. Cement production casing in two stages as per cementing program in 10-Point Drilling Plan.

12. Nipple down BOPE. Set 5 1/2" casing slips and cut off casing. Install well head. Release drilling rig and move rig off location.

13. If well is non-productive it will be plugged and abandoned as per State and BLM stipulations.

GENERAL COMPLETION PROCEDURE:

If the well is determined to be productive, move in completion rig. Perforate, acidize, and test each productive porosity zone. Completion work will commence after Sundry Notice approval is received. Detailed procedures will follow.

PLUGGING AND ABANDONMENT:

If the well is determined not to be productive, the well bore will be plugged as per BLM and State requirements.

Chaparral 1-L
Section 1 - Township 38S, Range 24E
2074' FSL & 1432' FWL (Surface)
2323' FSL & 756' FWL (Subsurface)
San Juan County, Utah

1. EXISTING ROADS

Shown on the attached topographic map are the existing roads in the immediate area. Existing road leads to location. Existing roads will be maintained, as needed, while operations are in progress.

2. PLANNED ACCESS ROAD

The access road will be as shown on the attached topographic map. The road will be maintained as necessary to prevent excessive damage to the existing terrain.

3. LOCATION OF EXISTING WELLS & TANK BATTERIES

Said drillsite is the site of an existing wellsite with facilities.

4. LOCATION OF EXISTING AND PROPOSED FACILITIES

Should the well prove to be productive, facilities (tank battery etc) will continue to be sited on the drilling location pad.

5. SOURCE OF CONSTRUCTION MATERIAL

The need for additional construction materials is not anticipated. In the event that additional materials are required, they will be acquired from private sources.

6. METHODS OF HANDLING WASTE MATERIAL

Trash will be contained on location in an enclosed bin. It will be hauled to an approved disposal site or burned on location if a burning permit is granted. Closed mud system will be used. No pit will be built.

7. ANCILLARY FACILITIES

Chemical portable toilet facilities will be provided on location during drilling and completion operations. No camps or air strips are planned for this well.

8. WELL SITE LAYOUT

Attached is a surveyor's staking plat, cut and fill diagram and a schematic of the proposed rig layout.

9. PLANS FOR RESTORATION OF THE SURFACE

After drilling operations are completed, the location and surrounding area will be cleared of all remaining debris and materials not required for production. Following operations, rehabilitation seeding will be in accordance with APD/BLM stipulations. There are no residents in the immediate area of the site.

10. OPERATORS REPRESENTATIVE

SUNFIELD ENERGY COMPANY
3315 BLOOMFIELD HIGHWAY
FARMINGTON, NM 87401
BARRY A. WIELAND

11. CERTIFICATION

I hereby certify that either I, or persons under my direct supervision have inspected the proposed drill site 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 planned will be performed by Sunfield Energy, or its sub-contractors, in conformity with the terms and conditions under which it is approved.

BARRY A. WIELAND
OPERATIONS MANAGER

EXHIBIT "A"

BLOWOUT PREVENTER

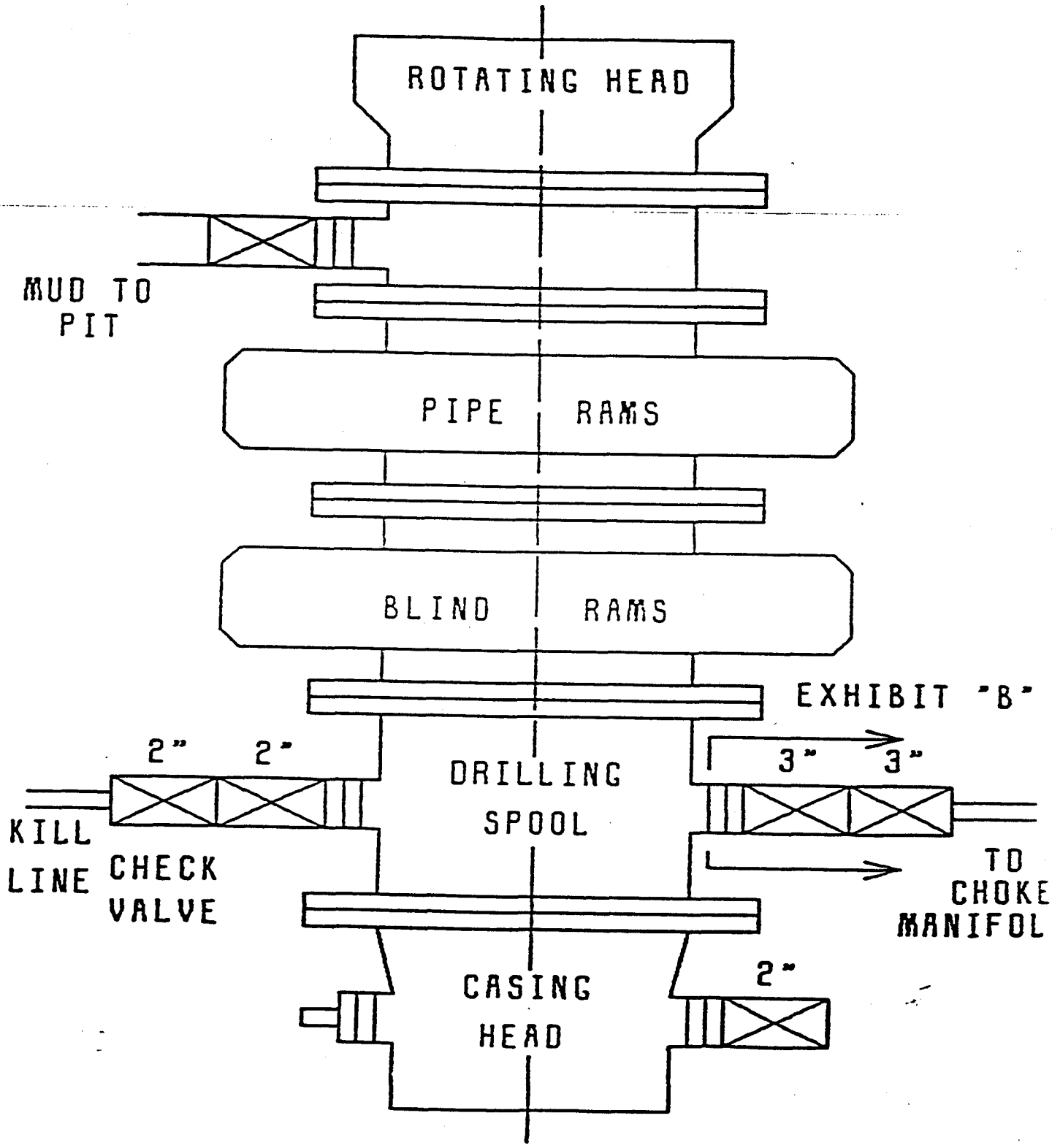
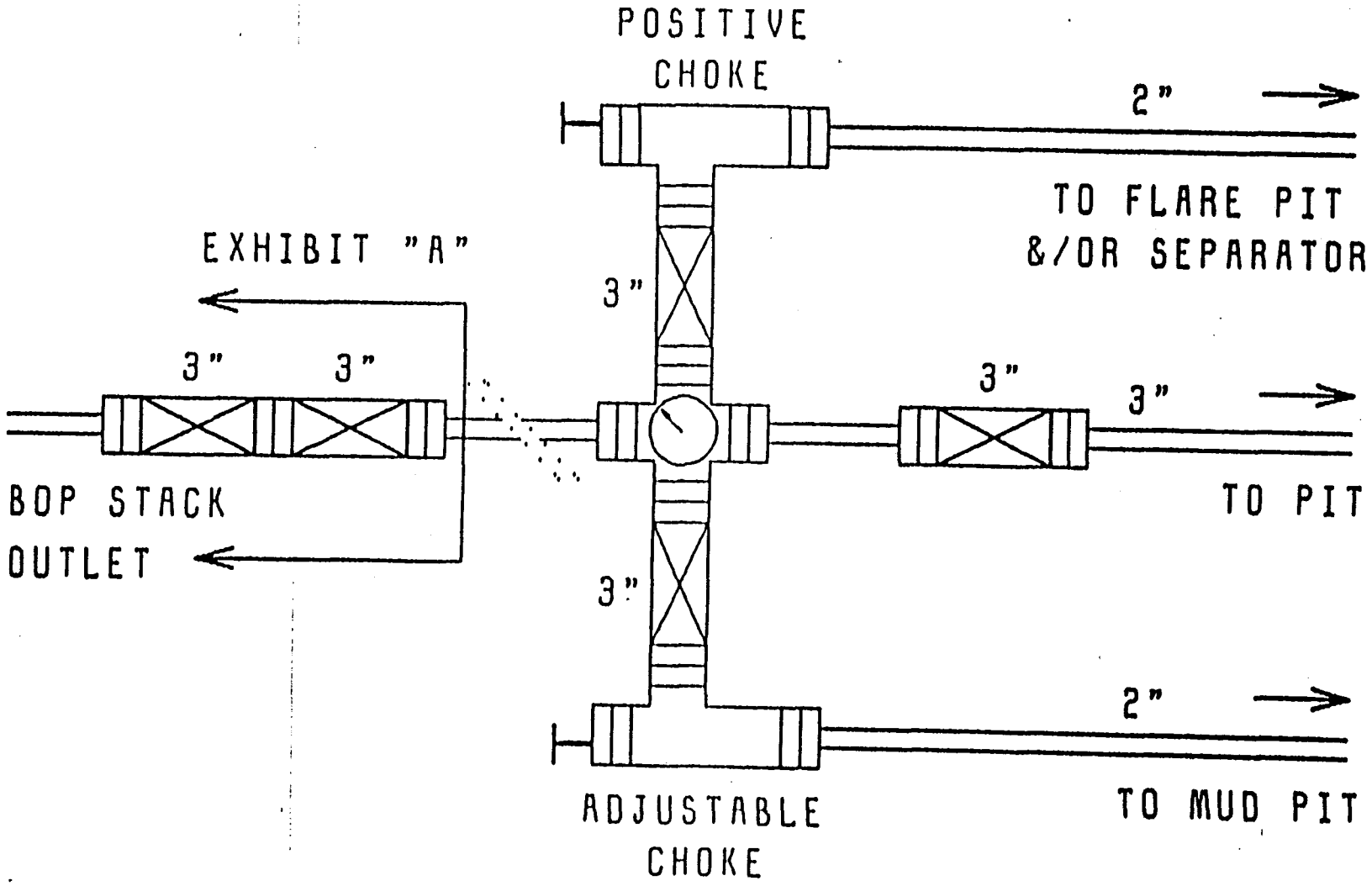


EXHIBIT "B"

CHOKE MANIFOLD



CHUSKA ENERGY COMPANY
S1-38S-24E CHAPARRAL 1-L-1

1-L-1
CHAPARRAL 1-L-1
SAN JUAN COUNTY
UTAH.

P R O P O S A L L I S T I N G

by
Baker Hughes Inteq

Your ref : INITIAL PLAN
Our ref : prop683
License :

Date printed : 22-Sep-93
Date created : 14-Jul-93
Last revised : 22-Sep-93

Field is centred on n37 40 0.000,w109 15 0
Structure is centred on n37 40 0.000,w109 15 0

Slot location is n37 40 20.504,w109 14 42.190
Slot Grid coordinates are N 374051.122, E 2652596.565
Slot local coordinates are 2074.00 N 1432.00 E
Reference North is True North

CHUSKA ENERGY COMPANY
S1-38S-24E CHAPARRAL 1-L-1,1-L-1
SAN JUAN COUNTY,UTAH.

PROPOSAL LISTING Page 1
Your ref : INITIAL PLAN
Last revised : 22-Sep-93

Measured Depth	Inclin. Degrees	Azimuth Degrees	True Vert. Depth	RECTANGULAR COORDINATES	Dogleg Deg/100Ft	Vert Sect	
0.00	0.00	290.22	0.00	0.00 N 0.00 E	0.00	0.00	
473.00	0.00	290.22	473.00	0.00 N 0.00 E	0.00	0.00	
500.00	0.00	290.22	500.00	0.00 N 0.00 E	0.00	0.00	NAVAJO
1000.00	0.00	290.22	1000.00	0.00 N 0.00 E	0.00	0.00	
1241.00	0.00	290.22	1241.00	0.00 N 0.00 E	0.00	0.00	
							CHINLE
1500.00	0.00	290.22	1500.00	0.00 N 0.00 E	0.00	0.00	
2000.00	0.00	290.22	2000.00	0.00 N 0.00 E	0.00	0.00	
2323.00	0.00	290.22	2323.00	0.00 N 0.00 E	0.00	0.00	
2363.00	0.00	290.22	2363.00	0.00 N 0.00 E	0.00	0.00	DECHELLY
2500.00	0.00	290.22	2500.00	0.00 N 0.00 E	0.00	0.00	ORGAN ROCK
3000.00	0.00	290.22	3000.00	0.00 N 0.00 E	0.00	0.00	
3133.00	0.00	290.22	3133.00	0.00 N 0.00 E	0.00	0.00	
3194.84	0.00	290.22	3194.84	0.00 N 0.00 E	0.00	0.00	CEDAR MESA
3294.84	2.50	290.22	3294.81	0.75 N 2.05 W	2.50	2.18	
3394.84	5.00	290.22	3394.59	3.01 N 8.18 W	2.50	8.72	
3494.84	7.50	290.22	3493.99	6.78 N 18.40 W	2.50	19.61	
3594.84	10.00	290.22	3592.82	12.03 N 32.67 W	2.50	34.82	
3694.84	12.50	290.22	3690.89	18.78 N 50.98 W	2.50	54.32	
3794.84	15.00	290.22	3788.01	26.99 N 73.28 W	2.50	78.09	
3894.84	17.50	290.22	3884.01	36.66 N 99.54 W	2.50	106.07	
3914.84	18.00	290.22	3903.06	38.77 N 105.26 W	2.50	112.17	
4000.00	18.00	290.22	3984.05	47.86 N 129.95 W	0.00	138.48	
4419.48	18.00	290.22	4383.00	92.67 N 251.59 W	0.00	268.11	HERMOSA
4500.00	18.00	290.22	4459.58	101.27 N 274.94 W	0.00	292.99	
5000.00	18.00	290.22	4935.10	154.67 N 419.92 W	0.00	447.50	
5449.92	18.00	290.22	5363.00	202.73 N 550.38 W	0.00	586.53	UPPER ISMAY
5500.00	18.00	290.22	5410.63	208.08 N 564.91 W	0.00	602.01	
5639.18	18.00	290.22	5543.00	222.94 N 605.26 W	0.00	645.02	LOWER ISMAY
5723.30	18.00	290.22	5623.00	231.93 N 629.66 W	0.00	671.01	DESERT CREEK
5830.55	18.00	290.22	5725.00	243.38 N 660.76 W	0.00	704.15	AKAH
5883.12	18.00	290.22	5775.00	249.00 N 676.00 W	0.00	720.40	T.D.

All data is in feet unless otherwise stated
Coordinates from CHAPARRAL 1-L-1 and TVD from wellhead.
Vertical section is from wellhead on azimuth 290.22 degrees.
Declination is 12.46 degrees, Convergence is 1.38 degrees.
Calculation uses the minimum curvature method.
Presented by Baker Hughes Inteq

CHUSKA ENERGY COMPANY
S1-38S-24E CHAPARRAL 1-L-1,1-L-1
SAN JUAN COUNTY,UTAH.

PROPOSAL LISTING Page 2
Your ref : INITIAL PLAN
Last revised : 22-Sep-93

Comments in wellpath

MD	TVD	Rectangular Coords.		Comment
473.00	473.00	0.00 N	0.00 E	NAVAJO
1241.00	1241.00	0.00 N	0.00 E	CHINLE
2323.00	2323.00	0.00 N	0.00 E	DECHELLY
2363.00	2363.00	0.00 N	0.00 E	ORGAN ROCK
3133.00	3133.00	0.00 N	0.00 E	CEDAR MESA
4419.48	4383.00	92.67 N	251.59 W	HERMOSA
5449.92	5363.00	202.73 N	550.38 W	UPPER ISMAY
5639.18	5543.00	222.94 N	605.26 W	LOWER ISMAY
5723.30	5623.00	231.93 N	629.66 W	DESERT CREEK
5830.55	5725.00	243.38 N	660.76 W	AKAH
5883.12	5775.00	249.00 N	676.00 W	T.D.

Targets associated with this wellpath

Target name	Position	T.V.D.	Local rectangular coords.		Date revised
T.D.	not specified	5775.00	249.00N	676.00W	14-Jul-93

All data is in feet unless otherwise stated
Coordinates from CHAPARRAL 1-L-1 and TVD from wellhead.
Bottom hole distance is 720.40 on azimuth 290.22 degrees from wellhead.
Vertical section is from wellhead on azimuth 290.22 degrees.
Declination is 12.46 degrees, Convergence is 1.38 degrees.
Calculation uses the minimum curvature method.
Presented by Baker Hughes Inteq

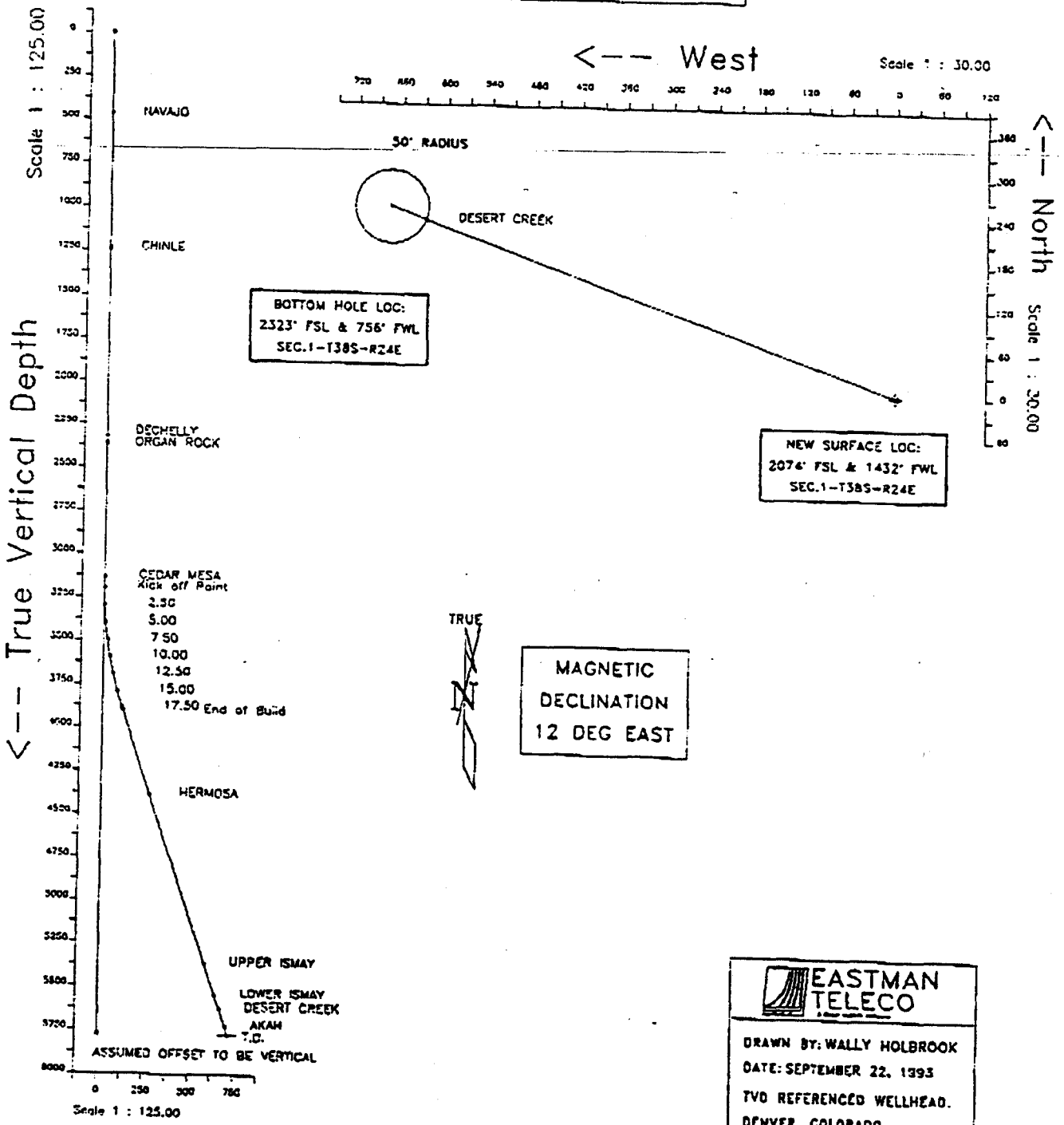
CHUSKA ENERGY COMPANY

Structure : S1-38S-24E CHAPARRAL 1-L-1 Well : 1-L-1

Field : SAN JUAN COUNTY Location : UTAH.

WELL PROFILE DATA

Point	MD	Inc	Dir	TVD	North	East
Tie on	0	0.00	290.22	0	0	0
KOP	3195	0.00	290.22	3195	0	0
End of Build	3915	18.00	290.22	3903	39	-105
Target	5883	18.00	290.22	5775	249	-676

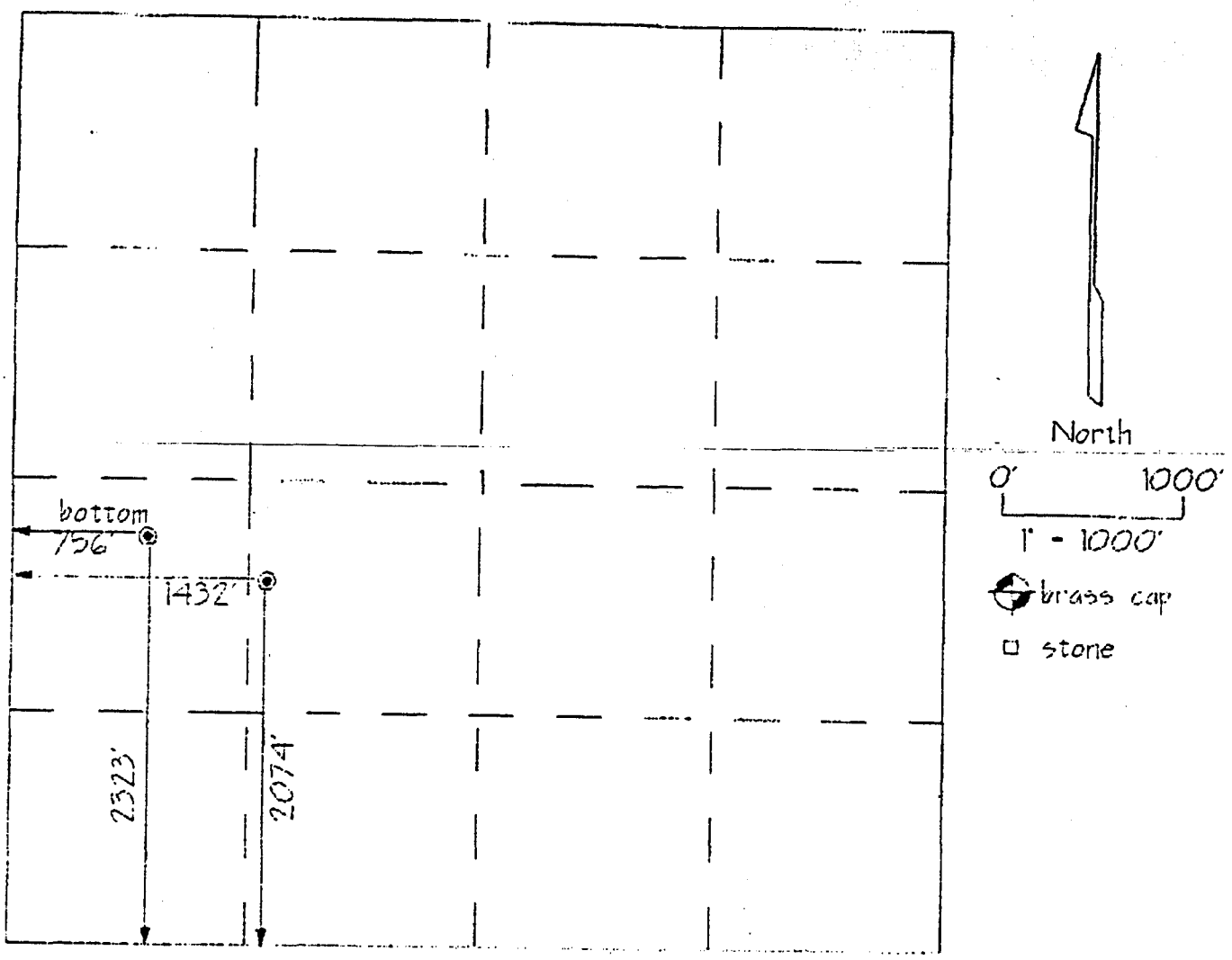


Vertical Section on 290.22 azimuth with reference 0.00 N, 0.00 E from CHAPARRAL 1-L-1

EASTMAN TELECO

DRAWN BY: WALLY HOLBROOK
DATE: SEPTEMBER 22, 1993
TVD REFERENCED WELLHEAD.
DENVER, COLORADO
PHONE: (303) 860-0509

Well Location Plat



Well Location Description

Chuska Energy Co.
Chaparral 1 - L
2074' FSL & 1432' FWL (top hole)
2323' FSL & 756' FWL (bottom hole)
Section 1, T.38 S., R.24 E., SLM
San Juan County, Utah
4902' ground elevation from seismic
State plane coordinates from seismic control
x - 2,656,847 y - 315,274 (top hole)
x - 2,656,171 y - 315,523 (bottom hole)

REGISTERED LAND SURVEYOR
No. 5705
GERALD G. HUDDLESTON
STATE OF UTAH

22 September 1993

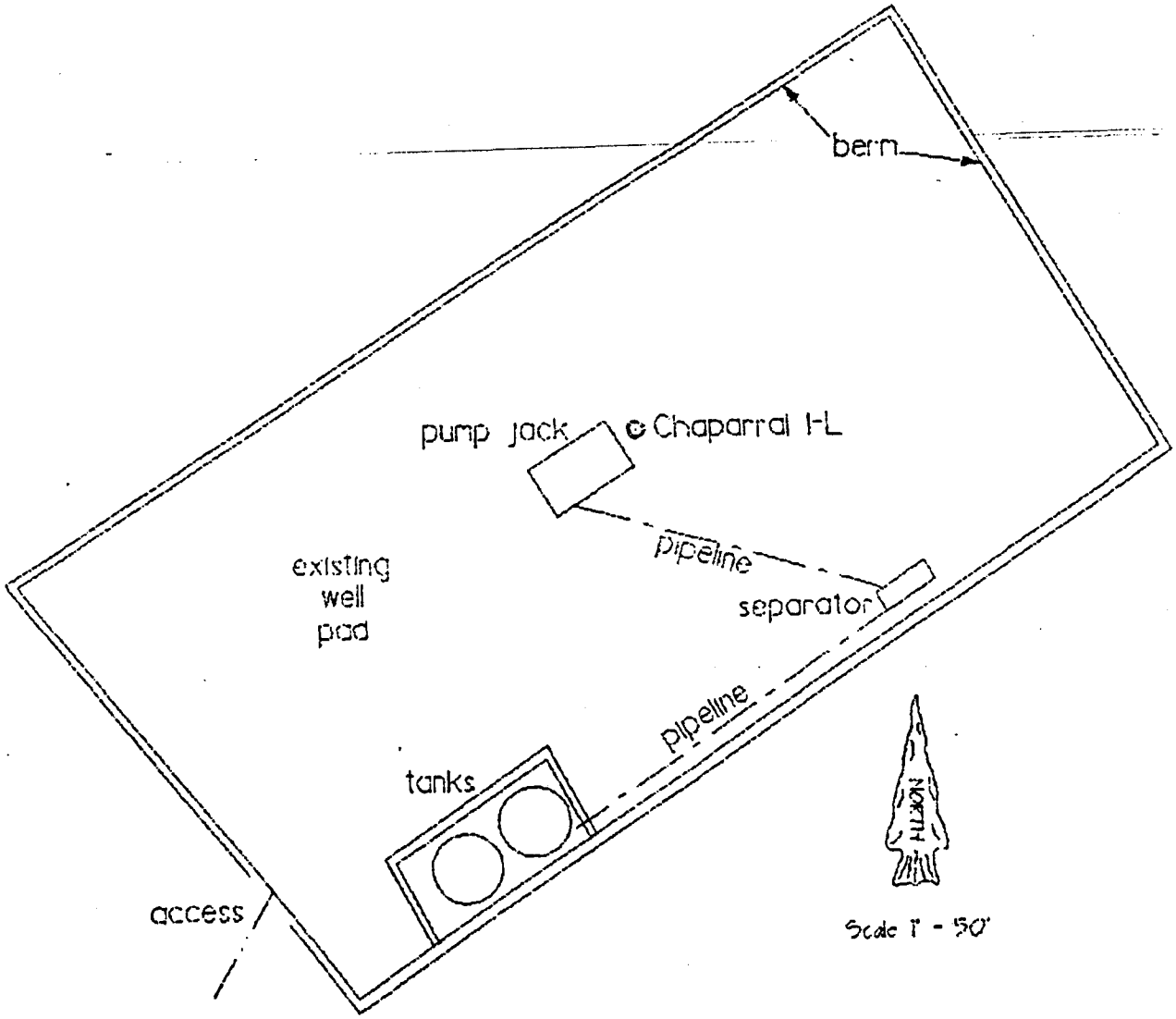
Gerald G. Huddleston, LS

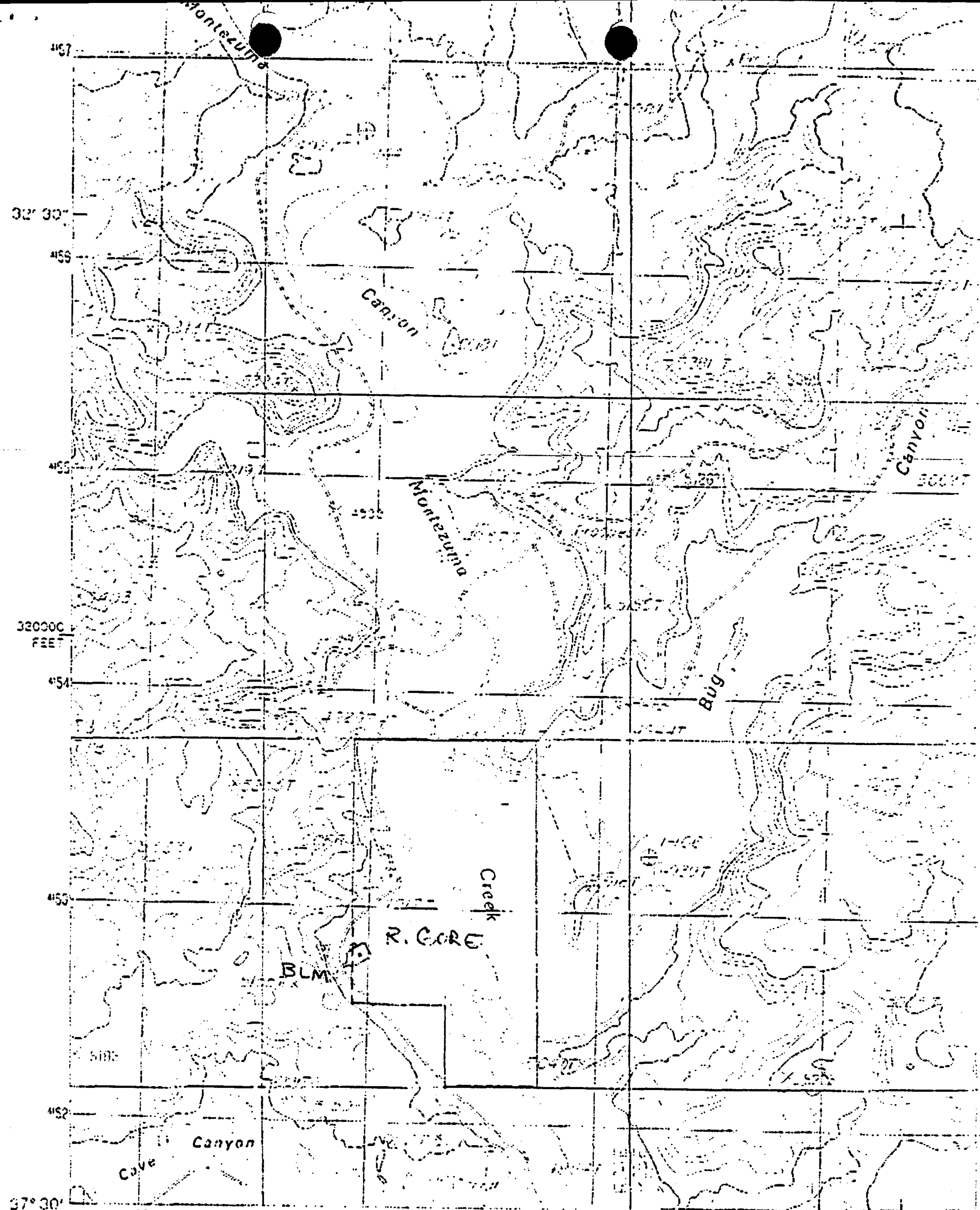
The above is true and correct to my knowledge and belief.

Huddleston Land Surveying - Drawer KK - Cortez, CO 81321 - (303) 565-3330

Well Pad Plan Sketch

Chuska Energy Co.
Chaparral 1-L





PRODUCED BY THE UNITED STATES GEOLOGICAL SURVEY
CONTROL BY .... USGS, NOS/NOAA
COMPILED FROM AERIAL PHOTOGRAPHS TAKEN 1978
FIELD CHECKED .... 1980 MAP EDITED 1985
PROJECTION .... LAMBERT CONFORMAL CONIC
GRID: 1000-METER UNIVERSAL TRANSVERSE MERCATOR .... ZONE 12
10000-FOOT STATE GRID TICKS .... UTAH, SOUTH ZONE

APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 10/25/93

API NO. ASSIGNED: 43-037-31313

WELL NAME: CHAPARRAL 1L (RE-ENTRY)
OPERATOR: SUNFIELD ENERGY COMPANY (N1760)

PROPOSED LOCATION:
NESW 01 - T38S - R24E
SURFACE: 2074-FSL-1432-FWL
BOTTOM: 2323-FSL-0756-FWL
SAN JUAN COUNTY
WILDCAT FIELD (001)

LEASE TYPE: FED
LEASE NUMBER: U-14237

INSPECT LOCATION BY: / /		
TECH REVIEW	Initials	Date
Engineering		
Geology		
Surface		

RECEIVED AND/OR REVIEWED:

Y Plat
Y Bond
(Number FEDERAL)
N Potash (Y/N)
N Oil shale (Y/N)
N Water permit
(Number)
N RDCC Review (Y/N)
(Date:)

LOCATION AND SITING:

___ R649-2-3. Unit: ___

✓ R649-3-2. General.

✓ R649-3-3. Exception.

___ Drilling Unit.
Board Cause no: ___
Date: ___

COMMENTS: WELL NEEDS ARCHEOLOGICAL EXCEPTION FOR LOCATION. CHANGE OF OPERATOR & FED. LOCATION APPROVAL BEING PROCESSED.

STIPULATIONS: ~~1. NEEDS WATER PERMIT PRIOR TO SPUD.~~ in accordance with Utah Admin.
2A Directional survey will be required per R 649-3-11-3.

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
SAN JUAN RESOURCE AREA
1993 NOV 4 AM 9:31
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Joint

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

1. Type of Well
   [X] Oil Well [ ] Gas Well [ ] Other
2. Name of Operator
   YATES PETROLEUM CORPORATION
3. Address and Telephone No.
   105 South Fourth Street, Artesia, New Mexico 88210
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
   2,050' FSL & 1,390' FWL
   Section 1-T38S-R24E

5. Lease Designation and Serial No.
   U-14237
6. If Indian, Allottee or Tribe Name
7. If Unit or CA, Agreement Designation
   Cazador Unit 3-1
8. Well Name and No.
9. API Well No.
10. Field and Pool, or Exploratory Area
    Wildcat
11. County or Parish, State
    San Juan, Utah

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
[X] Notice of Intent	[ ] Abandonment	[ ] Change of Plans
[ ] Subsequent Report	[ ] Recompletion	[ ] New Construction
[ ] Final Abandonment Notice	[ ] Plugging Back	[ ] Non-Routine Fracturing
	[ ] Casing Repair	[ ] Water Shut-Off
	[ ] Altering Casing	[ ] Conversion to Injection
	[ ] Other _____	[ ] Dispose Water

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

13. 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.)*

Yates Petroleum Corporation sold the wellbore to Sunfield Energy effective 10/1/93.

14. I hereby certify that the foregoing is true and correct
Signed [signature] Title LANDMAN Date 10/29/93

(This space for Federal or State office use)
Approved by _____ Title Branch of Fluid Minerals Moab District Date NOV 9 1993
Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

COPY

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

CONFIDENTIAL

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

5. Lease Designation and Serial No.: U-14237

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

7. If Unit or CA, Agreement Designation: N/A

1. Type of Well: [X] Oil Well [ ] Gas Well [ ] Other Re-entry and kick-off

8. Well Name and No.: Chaparral #1L

2. Name of Operator: Sunfield Energy Company

9. API Well No.: 43-037-31313

3. Address and Telephone No.: 3315 Bloomfield Highway, Farmington, NM 87401 505-326-5525

10. Field and Pool, or Exploratory Area: Exploratory

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Section 1-T38S-R24E
2074 FSL & 1432 FWL (Surface)
2323 FSL & 756 FWL (Subsurface)

11. County or Parish, State: San Juan County, Utah

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
[X] Notice of Intent	[ ] Abandonment	[ ] Change of Plans
[ ] Subsequent Report	[ ] Recompletion	[ ] New Construction
[ ] Final Abandonment Notice	[X] Plugging Back	[ ] Non-Routine Fracturing
	[ ] Casing Repair	[ ] Water Shut-Off
	[ ] Altering Casing	[ ] Conversion to Injection
	[X] Other Kick-off/Name Change	[ ] Dispose Water

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

13. 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.)*

Sunfield Energy Company will be operator of said well under Federal Bond B-03571

The well name will be changed from Cazador 3-1 to Chaparral 1L

Attached is the detailed drilling program for the kick-off and re-entry.

RECEIVED
BUREAU OF LAND MANAGEMENT
DEPARTMENT OF THE INTERIOR
FARMINGTON DISTRICT OFFICE
93 SEP 29 AM 8:29

RECEIVED
NOV 03 1993
DIVISION OF
OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct
Signed Roy H. Whelan Title Operations Manager Date 9/24/93

(This space for Federal or State office use)
Approved by /S/ WILLIAM C. STRINGER Title Associate District Manager Date OCT 28 1993
Conditions of approval, if any:

APPROVED W/ COND. SEE ATTACHED

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

Sunfield Energy Company
Chaparral No. 1L, Re-entry
U-14237
Wildcat
Location, Surface: NESW Section 1, T38S, R24E
Bottom Hole: NWSW Section 1, T38S, R24E
San Juan County, Utah

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Sunfield Energy Company is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by UT0922 (Principal - Sunfield Energy Company) via surety consent as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

This permit will be valid for a period of one year from the date of approval. After permit termination, a new application must be filed for approval.

All lease operations will be conducted in full compliance with applicable regulations (43 CFR 3100), Onshore Oil and Gas Orders, lease terms, notices to lessees, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions and the approved plan will be made available to field representatives to insure compliance.

A. DRILLING PROGRAM

1. Directional survey data must be submitted to the BLM, Moab District Office with the completion report or as soon thereafter as possible.

2. The proposed bottom hole location of this well is not within a spacing window; therefore, an exception location must be approved by the Utah Division of Oil, Gas and Mining before drilling this location.

3. All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and will be cased and cemented. When possible, water flow rates will be measured and samples will be taken and analyzed with the results being submitted to BLM. All oil and gas shows will be tested to determine commercial potential.

4. The BOP system shall be consistent with API RP 53 and Onshore Oil and Gas Order No. 2. Pressure tests of all BOP equipment potentially subject to pressure will be conducted before drilling the surface casing shoe. Blowout preventer controls will be installed prior to drilling the surface casing shoe and will remain in use until the well is completed or abandoned. Ram preventers shall be inspected and operated each trip (no more than once a day is necessary), and annular preventers shall be inspected and operated weekly to ensure good mechanical working order. These inspections shall be recorded in the drilling log and in the daily drilling report.

5. Due to potential for contamination of usable quality water aquifers, chromates are banned from Federal leases.

6. Sufficient mud materials will be stored on location to maintain well control and combat lost circulation problems that might reasonably be expected.

7. Initial opening of drill stem tests tools will be restricted to daylight hours.

8. If a gas meter run is constructed, it will be located on lease within 500 feet of the wellhead. The gas flowline will be buried on location. Meter runs will be housed and/or fenced. The gas meter shall be calibrated prior to first sales and shall be calibrated quarterly thereafter. All gas production and measurement shall comply with the provisions of 43 CFR § 3162.7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No.3.

B. SURFACE REQUIREMENTS

1. No additional surface disturbance will occur without prior BLM approval.

2. All drilling mud and cuttings will be contained in a closed system comprised of steel tanks. All cuttings and solids will be removed from the location. A reserve pit will not be constructed on this location.

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

Building Location- Contact the Resource Area, Natural Resource Protection Specialist at lease 48 hours prior to commencing construction of location.

Spud- The spud date will be reported to the Resource Area Office 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 24 hours after spudding, regardless of whether spud was made with a dry hole digger or big rig.

Daily Drilling Reports- Daily drilling reports shall detail the progress and status of the well and shall be submitted to the District Office on a weekly basis.

Monthly Reports of Operations- In accordance with Onshore Oil and Gas Order No. 1, this well shall be reported on Minerals Management Service (MMS) Form 3160, "Monthly Report of Operations," starting the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with MMS.

Sundry Notices- There will be no deviation from the proposed drilling and/or workover program without prior approval. "Sundry Notices and Reports on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2. Safe drilling and operating practices must be observed.

Drilling Suspensions- Operations authorized by this permit shall not be suspended for more than 30 days without prior approval of the Authorized Officer. All conditions of this approval shall be applicable during any operations conducted with a replacement rig.

Undesirable Events- Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be immediately reported to the Resource Area in accordance with requirements of NTL-3A.

Cultural Resources- If cultural resources are discovered during construction, work that might disturb the resources is to stop, and the Area Manager is to be notified.

First Production- The District Office will be notified when the well is placed in producing status. Such notification may be made by phone, but must be followed by a sundry notice or letter 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 as soon as production testing begins and hydrocarbons reach the surface. This conference should be coordinated through the Resource Area Office.

Well Completion Report- 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 the District Office not later than thirty (30) days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. 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 and/or samples) will be submitted when requested by the District Office.

Venting/Flaring of Gas- Gas produced from this well may not be vented/flared beyond an initial, authorized test period of 30 days or 50 Mmcf, whichever first occurs, without the prior written approval of the District Office. Should gas be vented or flared without approval beyond the authorized test period, the well may be ordered shut-in until the gas can be captured or approval to continue venting/flaring as uneconomical is granted. In such cases, compensation to the lessor shall be required for that portion of the gas that is vented/flared without approval which is determined to have been avoidably lost.

Produced Water- Produced waste water may 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 a water analysis, if required, will be submitted to the District Officer for approval pursuant to NTL-2B.

Off-Lease Measurement, Storage, Commingling- Prior approval must be obtained from the District Office for off-lease measurement, off-lease storage or commingling (either down-hole or at the surface).

Plugging and Abandonment- If the well is completed as a dry hole, plugging instructions must be obtained from the District Office prior to initiating plugging operations. Table 1 of this document provides the after-hours phone numbers of personnel who are authorized to give plugging instructions.

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the District Office 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 Area Manager or his representative, or the appropriate surface managing agency.

TABLE 1

NOTIFICATIONS

Notify Jeff Brown, Robert Larsen, or Bob Turri at the San Juan Resource Area, at (801)-587-2141 for the following:

1 day prior to rigging up;

3 hours prior to testing the BOP;

50 feet before reaching TD

If the persons at the above number cannot be reached, notify the Moab District Office at (801) 259-6111. If unsuccessful, notify the person listed below.

Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab District Office, Branch of Fluid Minerals at (801) 259-6111. If approval is needed after work hours, you may contact the following:

Eric Jones, Petroleum Engineer	Office: (801) 259-6111 Home: (801) 259-2214

State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

November 22, 1993

Sunfield Energy Company
3315 Bloomfield Highway
Farmington, New Mexico 87401

Re: Chaparral #1L Well, 2074' FSL, 1432' FWL, NE SW, Sec. 1, T. 38 S., R. 24 E., San Juan County, Utah

Gentlemen:

Pursuant to Utah Admin. R. 649-3-3, Exception to Location and Siting of Wells and Utah Admin. R. 649-3-4, Permitting of Wells to be Drilled, Deepened or Plugged-Back, approval to re-enter and drill the referenced well is hereby granted.

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

1. A directional survey will be required in accordance with Utah Admin. R. 649-3-11-3.

2. Compliance with the requirements of Utah Admin. R. 649-1 et seq., Oil and Gas Conservation General Rules.

3. Notification within 24 hours after commencing drilling operations.

4. Submittal of Entity Action Form, Form 6, within five working days following commencement of drilling operations and whenever a change in operations or interests necessitates an entity status change.

5. Submittal of the Report of Water Encountered During Drilling, Form 7.

6. Prompt notification prior to commencing operations, if necessary, to plug and abandon the well. Notify Frank R. Matthews, Petroleum Engineer, (Office) (801)538-5340, (Home) (801)476-8613, or Mike Hebertson, Oil and Gas Field Specialist, (Home) (801)269-9212.

7. Compliance with the requirements of Utah Admin. R. 649-3-20, Gas Flaring or Venting, if the well is completed for production.

This approval shall expire one year after date of issuance unless substantial and continuous operation is underway or a request for an extension is made prior to the approval expiration date. The API number assigned to this well is 43-037-31313.

Sincerely,

R.J. Firth
Associate Director, Oil and Gas

ldc
Enclosures
cc: San Juan County Assessor
Bureau of Land Management, Moab
WOI1

YATES PETROLEUM CORPORATION
105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
TELEPHONE (505) 748-1471

Fax Cover Sheet

To: Lisha Cordoba
Company:
Phone:
Fax: 801-359-3940

From: Janet Richardson
Company: Yates Petroleum Corporation
Phone: 505-748-1471
Fax: 505-748-4572

Date: 11-22-93
Pages including this cover page: 2

Comments:

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

5. Lease Designation and Serial No.: U-14237

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

7. If Unit or CA, Agreement Designation: N/A

1. Type of Well: [X] Oil Well [ ] Gas Well [ ] Other Re-entry and kick-off

8. Well Name and No.: Chaparral #1L

2. Name of Operator: Sunfield Energy Company

9. API Well No.: 43-037-31313

3. Address and Telephone No.: 3315 Bloomfield Highway, Farmington, NM 87401 505-326-5525

10. Field and Pool, or Exploratory Area: Exploratory

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Section 1-T38S-R24E
2074 FSL & 1432 FWL (Surface)
2323 FSL & 756 FWL (Subsurface)

11. County or Parish, State: San Juan County, Utah

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
[X] Notice of Intent	[ ] Abandonment	[ ] Change of Plans
[ ] Subsequent Report	[ ] Recompletion	[ ] New Construction
[ ] Final Abandonment Notice	[X] Plugging Back	[ ] Non-Routine Fracturing
	[ ] Casing Repair	[ ] Water Shut-Off
	[ ] Altering Casing	[ ] Conversion to Injection
	[X] Other Kick-off/Name Change	[ ] Dispose Water

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

13. 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.)*

Sunfield Energy Company will be operator of said well under Federal Bond B-03571

The well name will be changed from Cazador 3-1 to Chaparral 1L

Attached is the detailed drilling program for the kick-off and re-entry.

RECEIVED
BLM
93 SEP 29 AM 8:29
BUREAU OF LAND MANAGEMENT
DEPARTMENT OF THE INTERIOR
FARMINGTON DISTRICT OFFICE

RECEIVED
NOV 03 1993
DIVISION OF
OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct
Signed Roy H. Whelan Title Operations Manager Date 9/24/93

(This space for Federal or State office use)
Approved by /S/ WILLIAM C. STRINGER Title Associate District Manager Date OCT 28 1993
Conditions of approval, if any:

APPROVED SUBJECT TO CONDITIONS

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

COPY

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

5. Lease Designation and Serial No.: U-14237

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

7. If Unit or CA, Agreement Designation: N/A

1. Type of Well: [X] Oil Well [ ] Gas Well [ ] Other Re-entry and kick-off

8. Well Name and No.: Chaparral #1L

2. Name of Operator: Sunfield Energy Company

9. API Well No.: 43-037-31313

3. Address and Telephone No.: 3315 Bloomfield Highway, Farmington, NM 87401 505-326-5525

10. Field and Pool, or Exploratory Area: Exploratory

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Section 1-T38S-R24E
2074 FSL & 1432 FWL (Surface)
2323 FSL & 756 FWL (Subsurface)

11. County or Parish, State: San Juan County, Utah

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
[X] Notice of Intent	[ ] Abandonment	[ ] Change of Plans
[ ] Subsequent Report	[ ] Recompletion	[ ] New Construction
[ ] Final Abandonment Notice	[X] Plugging Back	[ ] Non-Routine Fracturing
	[ ] Casing Repair	[ ] Water Shut-Off
	[ ] Altering Casing	[ ] Conversion to Injection
	[X] Other Kick-off/Name Change	[ ] Dispose Water

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

13. 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 dr... give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Sunfield Energy Company will be operator of said well under Federal Bond B-03571

The well name will be changed from Cazador 3-1 to Chaparral 1L

Attached is the detailed drilling program for the kick-off and re-entry.

RECEIVED
OCT 25 1993
DIVISION OF
OIL, GAS & MINING

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS AND MINING
DATE: 10-26-93
BY: JR Matthews

14. I hereby certify that the foregoing is true and correct
Signed Roy H. Welsh Title Operations Manager Date 9/24/93

(This space for Federal or State office use)

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

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

Routing:

1-~~LEC~~ 7-~~LEC~~	
2-~~DTS~~/S	
3-VLC	✓
4-RJF	✓
5-PL	✓
6-SJ	✓

Attach all documentation received by the division regarding this change.
Initial each listed item when completed. Write N/A if item is not applicable.

XX Change of Operator (well sold) ☐ Designation of Agent
☐ Designation of Operator ☐ Operator Name Change Only

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 10-1-93)

TO (new operator)	SUNFIELD ENERGY COMPANY	FROM (former operator)	YATES PETROLEUM CORP
(address)	3315 BLOOMFIELD HWY	(address)	105 S 4TH ST
	FARMINGTON, NM 87401		ARTESIA, NM 88210
	phone (505) 326-5526		phone (505) 748-1471
	account no. N 1760		account no. N7400

Well(s) (attach additional page if needed):

Name: CHAPARRAL 1L/DSCR	API: 43-037-31313	Entity: 10752	Sec 1	Twp 30S	Rng 24E	Lease Type: U-14237
Name:	API:	Entity:	Sec	Twp	Rng	Lease Type:
Name:	API:	Entity:	Sec	Twp	Rng	Lease Type:
Name:	API:	Entity:	Sec	Twp	Rng	Lease Type:
Name:	API:	Entity:	Sec	Twp	Rng	Lease Type:
Name:	API:	Entity:	Sec	Twp	Rng	Lease Type:
Name:	API:	Entity:	Sec	Twp	Rng	Lease Type:

OPERATOR CHANGE DOCUMENTATION

Lec 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). (Req. 10-26-93) (Rec'd 11-22-93)

Lec 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). (10-25-93)

N/A 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) _____ If yes, show company file number: _____.

Lec 4. **(For Indian and Federal Wells ONLY)** The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of **Federal and Indian** well operator changes should take place prior to completion of steps 5 through 9 below.

Lec 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. (11-22-93)

Lec 6. Cardex file has been updated for each well listed above. (11-22-93)

Lec 7. Well file labels have been updated for each well listed above. (11-22-93)

Lec 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. (11-22-93)

Lec 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

– OVER –

ERATOR CHANGE WORKSHEET (CONTINUED) Initial each item when completed. Write N/A if item is not applicable.

NTITY REVIEH

Lee 1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) ____ (If entity assignments were changed, attach copies of Form 6, Entity Action Form).

N/A 2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

OND VERIFICATION (Fee wells only)

N/A 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.

Lee 2. A copy of this form has been placed in the new and former operators' bond files.

__ 3. The former operator has requested a release of liability from their bond (yes/no) ___. Today's date _____ 19___. If yes, division response was made by letter dated _____ 19___.

LEASE INTEREST OHNER NOTIFICATION RESPONSIBILITY

N/A 1. (Rule R615-2-10) The former operator/lessee of any **fee lease** well listed above has been notified by letter dated _____ 19___, of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested.

DD 11/22/93

N/A 2. Copies of documents have been sent to State Lands for changes involving **State leases**.

FILMING

✓ 1. All attachments to this form have been microfilmed. Date: 11-24 19 93.

FILING

Lee 1. Copies of all attachments to this form have been filed in each well file.

Lee 2. The original of this form and the original attachments have been filed in the Operator Change file.

COMMENTS

931105 Bfm/moab Approved 10-28-93. (Frank Matthews notified 11-22-93)

E71/34-35

SUNFIELD ENERGY COMPANY

FAX COVER LETTER

Date: 1/11/94

From: Mil

To: Lisha

Telephone # (505)326-5525

Facsimile # (505) 325-5423

Transmitted from: Ricoh Fax 35

Number of Pages (including this page) 2

Please advise at the above telephone number if any problems are encountered.

Message/Instructions:

3315 BLOOMFIELD HIGHWAY / FARMINGTON, NEW MEXICO 87401
TELEPHONE (505) 326-5525 / FAX (505) 325-5423

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

5. Lease Designation and Serial No.: U-14237
6. If Indian, Allottee or Tribe Name: NA
7. If Unit or CA, Agreement Designation: NA
8. Well Name and No.: Chaparral #1L
9. API Well No.: 43-037-31313
10. Field and Pool, or Exploratory Area: Exploratory
11. County or Parish, State: San Juan, UT

1. Type of Well: [x] Oil Well [ ] Gas Well [ ] Other
2. Name of Operator: CELSIUS ENERGY COMPANY
3. Address and Telephone No.: 1331 17th Street, Suite 800, Denver, CO 80202 303-672-6914
4. Location of Well (Footage, Sec., T., R., M., or Survey Description): 2074' FSL and 1432' FWL (surface) 2323' FSL and 756' FWL (BHL) Section 1, T38S, R24E

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
[x] Notice of Intent	[ ] Abandonment	[ ] Change of Plans
[ ] Subsequent Report	[ ] Recompletion	[ ] New Construction
[ ] Final Abandonment Notice	[ ] Plugging Back	[ ] Non-Routine Fracturing
	[ ] Casing Repair	[ ] Water Shut-Off
	[ ] Altering Casing	[ ] Conversion to Injection
	[x] Other Change in Operator	[ ] Dispose Water

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

13. 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.)*

Effective immediately, Celsius Energy Company will take over operations of the Chaparral #1L from Sunfield Energy Company. Celsius is covered under Nationwide Bond No. SL-6308873.

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

Signed Neil Lanlyn Title Sunfield Geologist Date 1/11/94

(This space for Federal or State office use)

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

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
SAN JUAN RESOURCE AREA
1994 JAN -3 AM 9:22
FARMINGTON, NEW MEXICO
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

5. Lease Designation and Serial No.
U-14237

6. If Indian, Allottee or Tribe Name
NA

7. If Unit or CA, Agreement Designation
NA

1. Type of Well
☑ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.
Chaparral #1L

2. Name of Operator
CELSIUS ENERGY COMPANY

9. API Well No.
43-037-31313

3. Address and Telephone No.
1331 17th Street, Suite 800, Denver, CO 80202 303-672-6914

10. Field and Pool, or Exploratory Area
Exploratory

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2074' FSL and 1432' FWL (surface) 2323' FSL and 756' FWL (BHL)
Section 1, T38S, R24E

11. County or Parish, State
San Juan, UT

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
☑ Notice of Intent	☐ Abandonment	☐ Change of Plans
☐ Subsequent Report	☐ Recompletion	☐ New Construction
☐ Final Abandonment Notice	☐ Plugging Back	☐ Non-Routine Fracturing
	☐ Casing Repair	☐ Water Shut-Off
	☐ Altering Casing	☐ Conversion to Injection
	☑ Other Change in Operator	☐ Dispose Water

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

13. 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.)*

Effective immediately, Celsius Energy Company will take over operations of the Chaparral #1L from Sunfield Energy Company. Celsius is covered under Nationwide Bond No. SL-6308873.

ES0019

JAN 1994
Received
BLM
Moab District

RECEIVED
JAN 10 1994
DIVISION OF
OIL, GAS & MINING

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

Signed _____ Title District Manager Date 12/30/93

(This space for Federal or State office use)

Approved by William C. Stringer Title Associate District Manager Date 1/7/94
Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

Routing:

1-LEC	✓
2-DTS	DTS
3-VLC	✓
4-RJF	✓
5-LEC	✓
6-FILE	✓

Attach all documentation received by the division regarding this change.
Initial each listed item when completed. Write N/A if item is not applicable.

XXX Change of Operator (well sold) ☐ Designation of Agent
☐ Designation of Operator ☐ Operator Name Change Only

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 12-30-93)

TO (new operator) CELSIUS ENERGY COMPANY
(address) 1331 17TH ST #800
DENVER, CO 80202-1558
phone (303) 296-8945
account no. N 4850

FROM (former operator) SUNFIELD ENERGY COMPANY
(address) 3315 BLOOMFIELD HWY
FARMINGTON, NM 87401
phone (505) 326-5526
account no. N 1760

Well(s) (attach additional page if needed):

Name: CHAPARRAL 1L/DSCR &DRL	API: 43-037-31313	Entity: 10752	Sec 1	Twp 30S	Rng 24E	Lease Type: U-14237
Name:	API:	Entity:	Sec	Twp	Rng	Lease Type:
Name:	API:	Entity:	Sec	Twp	Rng	Lease Type:
Name:	API:	Entity:	Sec	Twp	Rng	Lease Type:
Name:	API:	Entity:	Sec	Twp	Rng	Lease Type:
Name:	API:	Entity:	Sec	Twp	Rng	Lease Type:
Name:	API:	Entity:	Sec	Twp	Rng	Lease Type:

OPERATOR CHANGE DOCUMENTATION

Lec 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). (Req. 1-14-94) (Rec'd 1-11-94)

Lec 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). (Rec'd 1-3-94)

N/A 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) _____ If yes, show company file number: _____.

Lec 4. (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of Federal and Indian well operator changes should take place prior to completion of steps 5 through 9 below.

Lec 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. (1-11-94)

Lec 6. Cardex file has been updated for each well listed above. (1-11-94)

Lec 7. Well file labels have been updated for each well listed above. (1-11-94)

Lec 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. (1-11-94)

Lec 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

- OVER -

'ERATOR CHANGE WORKSHEET (CONTINUED) Initial each item when completed. Write N/A if item is not applicable.

ENTITY REVIEW

Lee 1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) ____ (If entity assignments were changed, attach copies of Form 6, Entity Action Form).

N/A 2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

BOND VERIFICATION (Fee wells only)

N/A 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a Lee proper bond.

__ 2. A copy of this form has been placed in the new and former operators' bond files.

__ 3. The former operator has requested a release of liability from their bond (yes/no) ___. Today's date _____ 19___. If yes, division response was made by letter dated _____ 19___.

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

N/A 1. (Rule R615-2-10) The former operator/lessee of any fee lease well listed above has been notified by letter dated _____ 19___, of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested.

N/A 2. Copies of documents have been sent to State Lands for changes involving State leases.

FILMING Conf.

N/A 1. All attachments to this form have been microfilmed. Date: _____ 19____.

FILING

Lee 1. Copies of all attachments to this form have been filed in each well file.

Lee 2. The original of this form and the original attachments have been filed in the Operator Change file.

COMMENTS

940111 Bhm/Moab Approved 1-7-94.

E71/34-35

CONFIDENTIAL

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

NAME OF COMPANY: CELSIUS ENERGY

WELL NAME: CHAPARREL # 1L RE-ENTRY

API NO. 43-037-31313

Section 1 Township 38S Range 24E County SAN JUAN

Drilling Contractor FOUR CORNERS

Rig # 4

SPUDDED: Date 2/17/94

Time

How ROTARY

Drilling will commence

Reported by JANE SEILER

Telephone # 1-303-672-6914

Date 2/17/94 SIGNED MKH

Double Jack Testing & Services Inc.

FIELD TICKET
№ 11215

Accounting Office: P.O. Box 516 Shoshoni, WY 82649 • (307) 876-9390

Field Operations:
Shoshoni, WY (307) 876-2308
Rock Springs, WY (307) 382-4020
Evanston, WY (307) 789-9213
Vernal, UT (801) 781-0448

DATE 2-18-94
OPERATOR Celsius
RIG NAME & NO. Four Corners #4
WELL NAME & NO. Chaparral 1-L

COUNTY	STATE	SECTION	TOWNSHIP	RANGE
San Juan	Ut.	1	38s	24E

Items Tested:	LOW TEST PSI	TIME HELD MINUTES	HIGHTEST PSI	TIME HELD MINUTES
Top Pipe Rams	250	5	3000	10
Bottom Pipe Rams				
Blind Rams	250	5	3000	10
Annular B.O.P.	250	5	1500	10
Choke Manifold	250	5	3000	10
Choke Line	250	5	3000	10
Kill Line	250	5	3000	10
Super Choke				
Upper Kelly	250	5	3000	10
Lower Kelly				
Floor Valve	250	5	3000	10
Dart Valve				
5 1/8" Casing cmt plug			1000	10

Closing Unit PSI 1500psi
Closing Time of Rams 4sec
Closing Time of Annular 9sec
Closed Casing Head Valve yes
Set Wear Sleeve No

COMMENTS

ADDITIONAL TESTS & COMMENTS

Accumulator Pre Charge - 650psi
Accumulator Performance Test 150.00 N/C

On location @ 5:PM 2-17-94
Off location @ 12:30PM 2-18-94

TEST PLUG 10" Gulfco N/C
RET. TOOL
TOP SUB. 4½" XH N/C
KELLY SUB. 4½" XH N/C
X-OVER SUB. 4½" XH - 4½" IF N/C

RATES

UNIT RATES 7 hr minimum	700.00
ADDITIONAL 12hrs O/T @ 50.00/hr for Truck + Equip 4 hrs N/C	400.00
MILEAGE Round Trip F/ Farmington 264 mi @ 1.00/mi	264.00
METHANOL	
OTHER	

PURACHASE ORDER #

R. Stott
TESTED BY

SUBTOTAL 1364
TAX
TOTAL

COMPANY REPRESENTATIVE

129
DOUBLE JACK TESTING UNIT NUMBER

NOTICE TO ALL CUSTOMERS

If this account shall not be paid when due and it is placed with an attorney for collection, or if suit be instituted for collection, the undersigned agree(s) to pay in either case, reasonable expense of collection including attorney's fees and court cost in compliance with TRUTH IN LENDING AND THE UNIFORM CONSUMER CREDIT CODE, the following information disclosure, under the terms of our regular accounts, all amounts for service due and payable within THIRTY (30) DAYS from the receipt of an invoice for such services. A LATE CHARGE will be assessed when accounts are not paid when due. THE LATE CHARGE is computed by a "periodic rate" 1-3/4% PER MONTH which is an ANNUAL PERCENTAGE RATE OF 21% to the previous balance in the account on the billing date. No further credit can be extended on unpaid delinquent accounts until the delinquent account is paid in full. The contractor will not be held liable for damages caused by acts of God, or unforeseen circumstances that could not be reasonably anticipated in performing the work done as set forth above.

Celsius
Chaparral 1-L
San Juan
S. 1 T. 38S R. 24E

4-18-77

1) Pipe Rams + Choke line vlv + kill vlv + Floor vlv
250psi 5min 5:45-5:50 Am — 3000psi 10min 6:20-6:30 Am

2) Annular
250psi 5min 6:40-6:45 Am — 1500psi 10min 6:45-6:55 Am

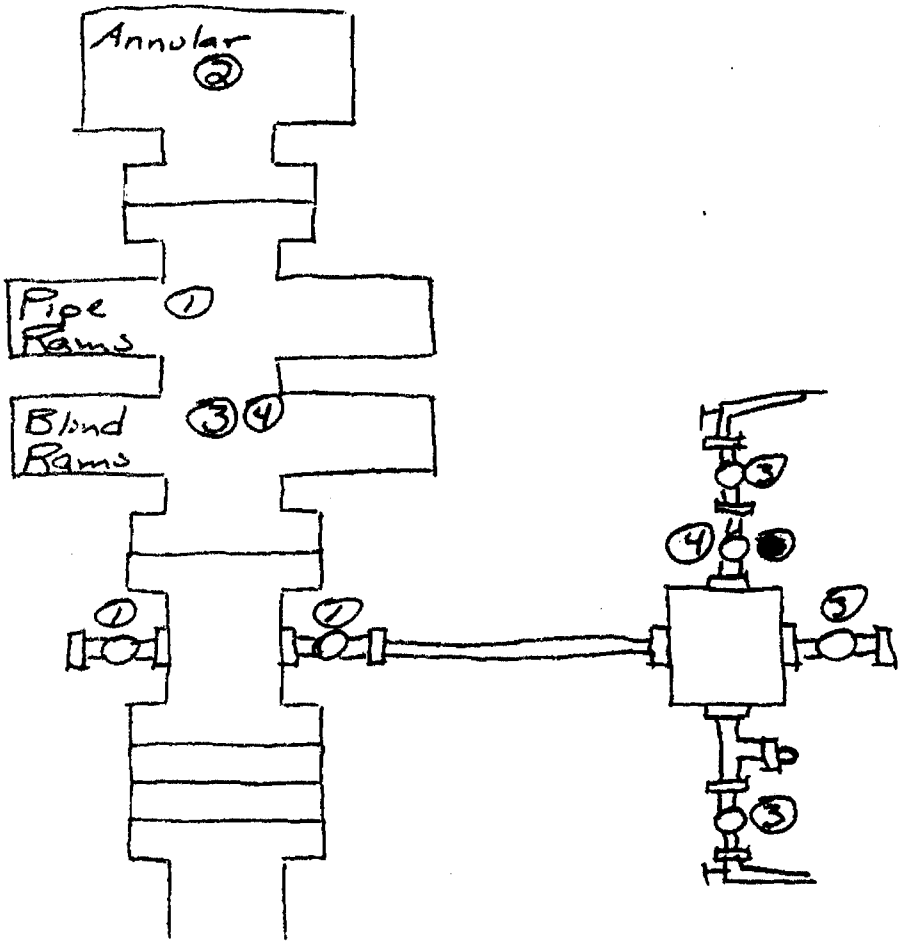
3) Blind Rams + O.S. manifold vlvs
250psi 5min 7:15-7:20 Am — 3000psi 10min 8:10-8:20 Am

4) Blind Rams + I.S. manifold vlv
250psi 5min 8:25-8:30 Am — 3000psi 10min 9:30-9:40 Am

5) kelly vlv
250psi 5min 10:10 Am-10:15 — 3000psi 10min 10:20-10:30 Am

6) 8⅝" Csng + Cmt. Plug
1000psi 10min 11:00-11:10 Am

* Check N_2 backup System - 650psi
* Accumulator performance Test - begin 1500psi End 750psi (N_2 Only)
* Air pump (only) Close Annular + Pipe Rams in 2min 30 sec.



Rod Stott
Double Jack Testing
Thank You

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
MAR 7 1994

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

5. Lease Designation and Serial No.: U-14237

6. If Indian, Allottee or Tribe Name: NA

7. If Unit or CA, Agreement Designation: NA

1. Type of Well: ☑ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.: Chaparral #1L

2. Name of Operator: CELSIUS ENERGY COMPANY

9. API Well No.: 43-037-31313

3. Address and Telephone No.: 1331 17th Street, Suite 800, Denver, CO 80202 303-672-6914

10. Field and Pool, or Exploratory Area: Exploratory

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2074' FSL and 1432' FWL (Surface) 2383' FSL and 594' FWL (BHL)
2323' FSL and 756' FWL (target location in Ismay Formation)
Section 1, T38S, R24E

11. County or Parish, State: San Juan, UT

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
☐ Notice of Intent	☐ Abandonment	☐ Change of Plans
☑ Subsequent Report	☐ Recompletion	☐ New Construction
☐ Final Abandonment Notice	☐ Plugging Back	☐ Non-Routine Fracturing
	☐ Casing Repair	☐ Water Shut-Off
	☐ Altering Casing	☐ Conversion to Injection
	☑ Other BOP Test	☐ Dispose Water

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

13. 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.)*

Celsius Energy Company pressure tested BOPs on 2/18/94 as follows:

Pressure test pipe rams, blind rams, choke manifold valves, choke line and valves, kill line and valve, kelly and valve, and floor valve to 250 psi for 5 minutes and 3000 psi for 10 minutes each. Test annular preventer to 250 psi for 5 min and 1500 psi for 10 min. Test 8-5/8" casing to 1000 psi for 10 minutes. Test accumulator precharge and performance.

BOP test witnessed by Jeff Brown, BLM, Monticello, UT.

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

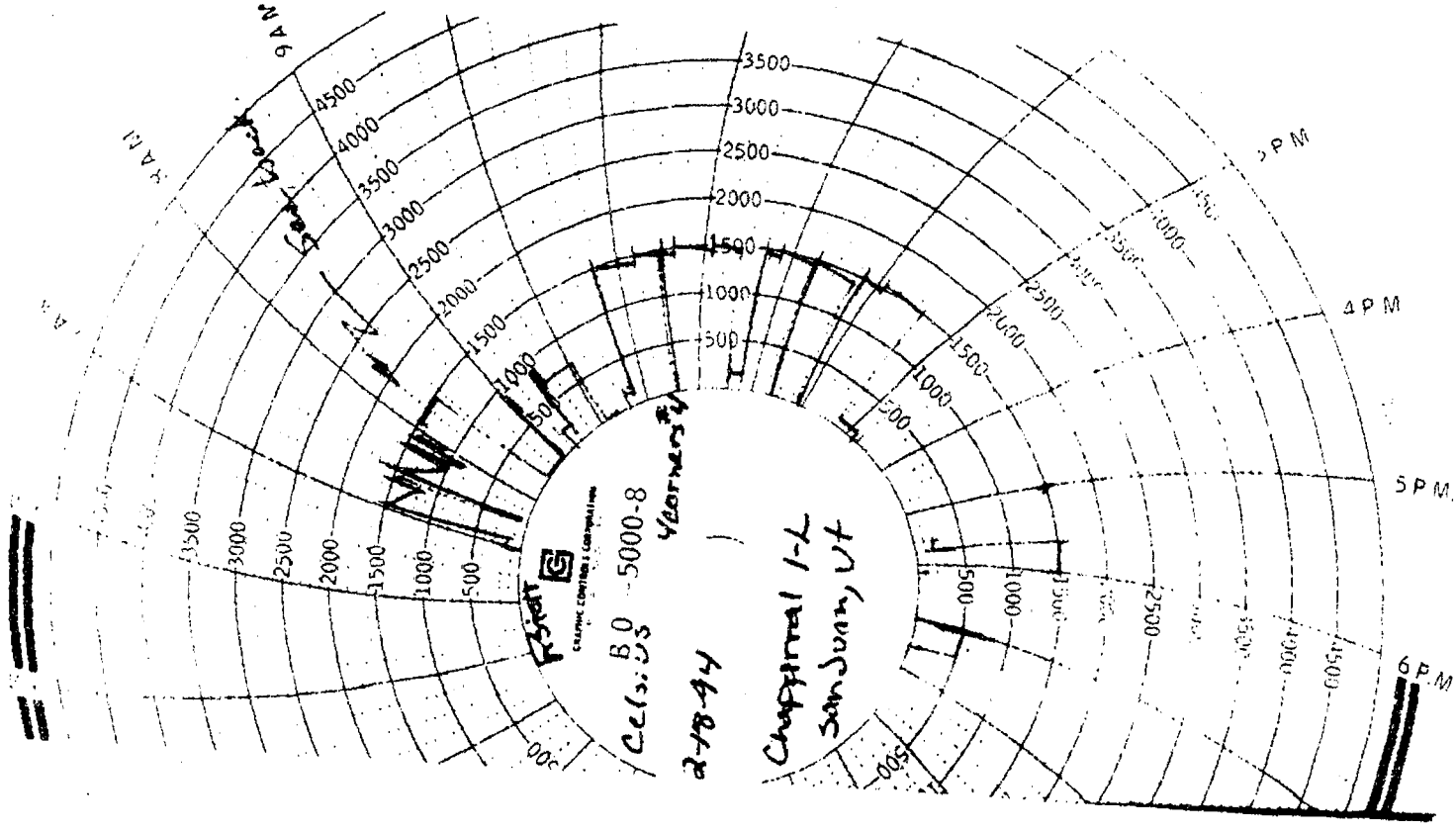
Signed Martin Stahl ENG Title District Manager Date February 27, 1994

(This space for Federal or State office use)

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

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

***See Instruction on Reverse Side**



5000# Chart on 10000# Recorder
all pressures are exactly Double
(I.E. 1500psi = 3000psi)

Double Jack Testing
Brown
BLM

CONFIDENTIAL

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
MAR 7 1994
DIV. OF OIL, GAS & MINING

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

5. Lease Designation and Serial No.: U-14237

6. If Indian, Allottee or Tribe Name: NA

7. If Unit or CA, Agreement Designation: NA

1. Type of Well: ☑ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.: Chaparral #1L

2. Name of Operator: CELSIUS ENERGY COMPANY

9. API Well No.: 43-037-31313

3. Address and Telephone No.: 1331 17th Street, Suite 800, Denver, CO 80202 303-672-6914

10. Field and Pool, or Exploratory Area: Exploratory

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2074' FSL and 1432' FWL (Surface) 2383' FSL and 594' FWL (BHL)
2323' FSL and 756' FWL (target location in Ismay Formation)
Section 1, T38S, R24E

11. County or Parish, State: San Juan, UT

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
☐ Notice of Intent	☐ Abandonment	☐ Change of Plans
☑ Subsequent Report	☐ Recompletion	☐ New Construction
☐ Final Abandonment Notice	☐ Plugging Back	☐ Non-Routine Fracturing
	☐ Casing Repair	☐ Water Shut-Off
	☐ Altering Casing	☐ Conversion to Injection
	☑ Other Plug back	☐ Dispose Water

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

13. 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.)*

Celsius Energy Company plugged back the Chaparral #1L on February 12-16, 1994, as follows:

1. Unable to release pump/rods or packer/tubing.
2. Back off rods @ 4000' +/-. Cut off 2-3/8" tubing @ 3815'.
3. Plug #1: Shoot 2 squeeze holes in 4-1/2" casing @ 3807'. Establish circulation. Set 4-1/2" cement retainer @ 3751'. Pump 82 sx Cl-B cement to retainer (5 sx below retainer in 4-1/2" casing and 77 sx outside casing). Spot 31 sx Cl-B cement on top of retainer. Results of the above is a plug from 3407'-3807' inside and outside of the 4-1/2" casing.
4. Cut off 4-1/2" casing @ 3323'. Pull and recover casing.
5. Plug #2: Spot 166 sx Cl-B cement balanced plug from 3298' to 2927' +/-. Set as a directional kick-off plug that was later drilled out to 3250' (not hard enough to kick off). Re-spotted plug from 3240' to 2810' with 325 sx Cl-G densified cement. Dressed off plug to 2855'. Plug #2 (3240'-2855') in open hole.
6. Spot temporary 58 sx Cl-B cement plug in 8-5/8" casing from 1681'-1509'.

Note: Cl-B cement mixed @ 15.8 ppg with 1.18 ft^3/sx yield. Cl-G cement mixed @ 17.0 ppg with 0.99 ft^3/sx yield.

Plug #1 and first Plug #2 were witnessed by Jeff Brown, BLM, Monticello, UT.

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

Signed _____ Title Staff Engineer Date February 27, 1994

(This space for Federal or State office use)

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

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

CONFIDENTIAL

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

MAR 7 1994

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

5. Lease Designation and Serial No.: U-14237

6. If Indian, Allottee or Tribe Name: NA

7. If Unit or CA, Agreement Designation: NA

1. Type of Well: ☑ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.: Chaparral #1L

2. Name of Operator: CELSIUS ENERGY COMPANY

9. API Well No.: 43-037-31313

3. Address and Telephone No.: 1331 17th Street, Suite 800, Denver, CO 80202 303-672-6914

10. Field and Pool, or Exploratory Area: Exploratory

4. Location of Well (Footage, Sec., T., R., M., or Survey Description): 2074' FSL and 1432' FWL (Surface) 2383' FSL and 594' FWL (BHL)
2323' FSL and 756' FWL (target location in Ismay Formation)
Section 1, T38S, R24E

11. County or Parish, State: San Juan, UT

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
☐ Notice of Intent	☐ Abandonment	☐ Change of Plans
☑ Subsequent Report	☐ Recompletion	☐ New Construction
☐ Final Abandonment Notice	☐ Plugging Back	☐ Non-Routine Fracturing
	☐ Casing Repair	☐ Water Shut-Off
	☐ Altering Casing	☐ Conversion to Injection
	☑ Other Spud and Status Report	☐ Dispose Water

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

13. 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.)*

Celsius Energy Company spud the Chaparral #1L as a directional well on 2/18/94. Following is drilling status through 2/22/94:

1. PU 7-7/8" bit and bit sub on 4-1/2" HWDP. Tag cement @ 1461'. Drill out hard cement to 1652'. PU 4-1/2" drillpipe. Tag fill @ 2930'. Wash and ream to clean out hole to 3058'. Recovered large quantities of cuttings over shaker, no cement cuttings, connection got tighter with depth. Had water flow back after drilling plug from 1461' to 1652' (1"+ stream).
2. TOH to 1521'. Fill hole and close pipe rams. Haul off pit fluids. Fill tanks with fresh water and mix mud (weighting up to 10.7 ppg +/-).
3. TIH to 1630'. Displace hole with mud. Tagged up @ 2257'. Circulate and raise vis to 80. Work through bridge. TIH to 2970'+/-. Circulate out water in hole from 2257'-2970'. Wash 90' to bottom. Drill soft cement to 3250' (nothing hard enough to kick off). Circulate and condition hole.
4. Spot plug from 3240'-2840'+/-. with 20 bbl CW-100 followed by 325 sx Cl-G densified cement (17.0 ppg, 0.99 ft^3/sx) and 0.5% dispersant (D65).
5. Tag @ 2575'. Circulate. Drill 8' hard cement. Drop multi-shot survey and TOH.
6. TIH with directional tools. Drill 2855'-2892' to get kicked off plug. Directional drill to 2970'.

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

Signed _____ Title Staff Engineer Date February 27, 1994

(This space for Federal or State office use)

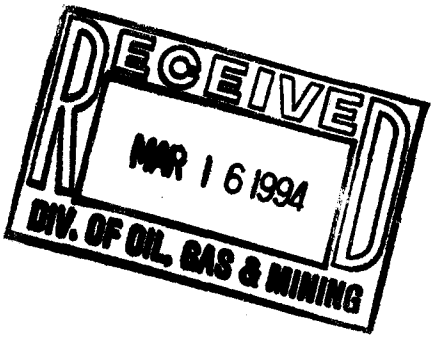
Approved by _____ Title _____ Date _____
Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

ROCKY MOUNTAIN GEO-ENGINEERING CO.

March 14, 1994



Mr. Phil Moffitt
Celsius Energy Co.
1331 17th Street, Suite 800
Denver, CO 80202

Re: Chaparral 1L
Sec. 1, T38S, R24E
San Juan County, Utah

Dear Mr. Moffitt:

Enclosed are the final logs and geology reports on the above referenced well.

We appreciated the opportunity to serve you. If we can be of any further assistance to you in the evaluation of zones encountered, please feel free to contact us at 303-243-3044.

We are looking forward to working with you again in the near future.

Respectfully,

Bill Nagel
Senior Geologist

BN:by

SHDT MONITOR LOG
MUD LOG
DUAL LATEROLOG w/GAMMA RAY
DUAL LATEROLOG W?GAMMA RAY TVD
BOREHOLE COMPENSATED SONIC
BOREHOLE COMPENSATED SONIC TVD
COMPENSATED NEUTRON LITHO-DENSITY
COMPENSATED NEUTRON LITHO-DENSITY TVD

Enc. 2 Final Logs (1 colored)/Geology Reports/Sepia

cc: 1 Final Log - Celsius; Jerry Golden; SLC, UT
2 Final Logs - UT Div. of OG&M; R. J. Firth; SLC, UT
2 Final Logs - BLM Resource Area; Eric Jones; Moab, UT
2 Final Logs/Reports - Sunfield Energy Co.; Mike Childers; Grand Prairie, TX
1 Final Log/2 Reports - Yates Petr. Corp.; David Codding; Artesia, NM
1 Final Log - Mobil E&P; OBO Group, West Region; Houston, TX

Dry Cuts: 1 Set Shipped UPS 3/9/94; Anderson Strat.; Denver, CO

6041

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
MAR 18 1994
DIV. OF OIL, GAS & MINING

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

5. Lease Designation and Serial No.
UTU14237

6. If Indian, Allottee or Tribe Name
NA

7. If Unit or CA, Agreement Designation
NA

1. Type of Well
☐ Oil Well ☐ Gas Well ☑ Other Dry

8. Well Name and No.
Chaparral #1L

2. Name of Operator
CELSIUS ENERGY COMPANY

9. API Well No.
43-037-31313

3. Address and Telephone No.
1331 17th Street, Suite 800, Denver, CO 80202 303-672-6914

10. Field and Pool, or Exploratory Area
Exploratory

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2074' FSL and 1432' FWL (Surface)
Section 1, T38S, R24E

11. County or Parish, State
San Juan, UT

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
☐ Notice of Intent	☐ Abandonment	☐ Change of Plans
☐ Subsequent Report	☐ Recompletion	☐ New Construction
☐ Final Abandonment Notice	☐ Plugging Back	☐ Non-Routine Fracturing
	☐ Casing Repair	☐ Water Shut-Off
	☐ Altering Casing	☐ Conversion to Injection
	☑ Other P&A	☐ Dispose Water

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

13. 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 Chaparral #1L was plugged and abandoned on 3/9/94 as follows:

1. Spot Plug #1 at 5820'-5340' with 160 sx Cl-G + 2% $CaCl_2$ (15.8 ppg, 1.15 ft^3/sx).
2. Pull 15 stds, circulate and WOC. TIH and tag plug @ 5340'.
3. Spot Plug #2, 2955'-2655' with 120 sx Cl-G (15.8 ppg, 1.15 ft^3/sx).
4. Spot Plug #3, 2265'-2140' with 40 sx Cl-G (15.8 ppg, 1.15 ft^3/sx).
5. Spot Plug #4, 1740'-1620' with 50 sx Cl-G (15.8 ppg, 1.15 ft^3/sx).
6. Spot Plug #5, 50' to surface with 15 sx Cl-G (15.8 ppg, 1.15 ft^3/sx).
7. ND BOPs. Cut off casinghead and weld on plate. Haul off mud and clean pit.

Plugging witnessed by Jeff Brown, BLM, Monticello, Utah. Final plug in place at 1:30 a.m. on 3/10/94.

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

Signed _____ Title District Manager Date March 14, 1994

(This space for Federal or State office use)

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

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

CONFIDENTIAL

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

1. Type of Well
☐ Oil Well ☐ Gas Well ☑ Other Dry

2. Name of Operator
CELSIUS ENERGY COMPANY

3. Address and Telephone No.
1331 17th Street, Suite 800, Denver, CO 80202 303-672-6914

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2074' FSL and 1432' FWL (Surface)
Section 1, T38S, R24E

5. Lease Designation and Serial No.
UTU14237

6. If Indian, Allottee or Tribe Name
NA

7. If Unit or CA, Agreement Designation
NA

8. Well Name and No.
Chaparral #1L

9. API Well No.
43-037-31313

10. Field and Pool, or Exploratory Area
Exploratory

11. County or Parish, State
San Juan, UT

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
☐ Notice of Intent	☐ Abandonment	☐ Change of Plans
☐ Subsequent Report	☐ Recompletion	☐ New Construction
☐ Final Abandonment Notice	☐ Plugging Back	☐ Non-Routine Fracturing
	☐ Casing Repair	☐ Water Shut-Off
	☐ Altering Casing	☐ Conversion to Injection
	☑ Other P&A	☐ Dispose Water

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

13. 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 Chaparral #1L was plugged and abandoned on 3/9/94 as follows:

1. Spot Plug #1 at 5820'-5340' with 160 sx Cl-G+2% $CaCl_2$ (15.8 ppg, 1.15 ft^3/sx).
2. Pull 15 stds, circulate and WOC. TIH and tag plug @ 5340'.
3. Spot Plug #2, 2955'-2655' with 120 sx Cl-G (15.8 ppg, 1.15 ft^3/sx).
4. Spot Plug #3, 2265'-2140' with 40 sx Cl-G (15.8 ppg, 1.15 ft^3/sx).
5. Spot Plug #4, 1740'-1620' with 50 sx Cl-G (15.8 ppg, 1.15 ft^3/sx).
6. Spot Plug #5, 50' to surface with 15 sx Cl-G (15.8 ppg, 1.15 ft^3/sx).
7. ND BOPs. Cut off casinghead and weld on plate. Haul off mud and clean pit.

Plugging witnessed by Jeff Brown, BLM, Monticello, Utah. Final plug in place at 1:30 a.m. on 3/10/94.

RECEIVED
MAR 28 1994
DIV. OF OIL, GAS & MINING

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

Signed _____ Title District Manager Date March 14, 1994

(This space for Federal or State office use)

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

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

UTAH DIV OG+M

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONFIDENTIAL

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

5. Lease Designation and Serial No.
U-14237

6. If Indian, Allottee or Tribe Name
NA

7. If Unit or CA, Agreement Designation
NA

1. Type of Well
☐ Oil Well ☐ Gas Well ☑ Other P+A

8. Well Name and No.
Chaparral #1L

2. Name of Operator
CELSIUS ENERGY COMPANY

9. API Well No.
43-037-31313

3. Address and Telephone No.
1331 17th Street, Suite 800, Denver, CO 80202 303-672-6914

10. Field and Pool, or Exploratory Area
Exploratory

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2074' FSL and 1432' FWL (Surface) 2383' FSL and 594' FWL (BHL)
Section 1, T38S, R24E

11. County or Parish, State
San Juan, UT

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
☐ Notice of Intent	☐ Abandonment	☐ Change of Plans
☑ Subsequent Report	☐ Recompletion	☐ New Construction
☐ Final Abandonment Notice	☐ Plugging Back	☐ Non-Routine Fracturing
	☐ Casing Repair	☐ Water Shut-Off
	☐ Altering Casing	☐ Conversion to Injection
	☑ Other Final Well Report	☐ Dispose Water

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

13. 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.)*

Attached is a copy of Sperry-Sun Drilling Services' final well report for the Chaparral #1L.

RECEIVED
APR 28 1994
DIV. OF OIL, GAS & MINING

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

Signed _____ Title District Manager Date April 20, 1994

(This space for Federal or State office use)

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

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

***See Instruction on Reverse Side**

sperry-sun
DRILLING SERVICES

CELSIUS ENERGY COMPANY

FINAL WELL REPORT
For
CHAPARRAL 1-L

UTAH

96 Inverness Drive East, Suite O • Englewood, Colorado 80112 • (303) 649-9309 • Fax (303) 649-9727
A Baroid Company

SPERRY-SUN
DRILLING SERVICES

TABLE OF CONTENTS

SPERRY-SUN
DRILLING SERVICES

B.H.A. SUMMARY
B.H.A. TALLY
ORIENTATION SHEET
FIELD MOTOR REPORT

SPERRY-SUN
Drilling Services
Well: CHAPARRAL 1-L
BHA Run 1

MD in (ft)	MD out	Interval	TVD in	TVD out	BHA type	Method
2847.00	2855.00	8.00	2847.00	2855.00		MULTISHOT

BHA performance: (°/100ft)

		Avg.build:	0.00	Avg.turn.:	0.00
Expected dogleg(rotary)..:	0.00	Max.build:	0.00	Max.turn.:	0.00
Expected dogleg(oriented):	0.00	Min.build:	0.00	Min.turn.:	0.00

BHA components: BIT I, SUB FS, NMDC, SUB XO, 5 x 4.875 HWDP, JAR,
45 x 4.875 HWDP

Formations:

Bit# 1	Size:	7.875in	Type: F-27	Make: SMITH	
	TFA.:	0.588 in2	Hrs.: 0.00	Condition:	
Mtr#	Size:	0.000in	Type:	Make:	
	Desr:				

BHA run summary:

THIS ASSEMBLY WAS USED FOR THE MULTI-SHOT RUN AND ALSO TO TEST THE KICK OFF PLUG. THE CEMENT PLUG WAS POLISHED WITH 10,000 POUNDS WEIGHT ON BIT, 50 RPM. THE PLUG DRILLED AT 5 MINUTES PER FOOT.

Sperry-Sun WESTERN DIVISION
APM v1.12A
03/17/94

BHA # 1 - BHA TALLY

Well: CHAPARRAL 1-L

MD in...:	2847.00 ft	TVD in.:	2847.00 ft	Bit size:	7.875 in
MD out..:	2855.00 ft	TVD out:	2855.00 ft	Jets....:	3X16 32nds
Interval:	8.00 ft			TFA.....:	0.588 in2

Description	S/n	Weight (lb)	Item length (ft)	Item OD (in)	Item ID (in)	Bit/STB gauge (in)	Len.fr. bit (ft)	Belly length (ft)	Bit to CB STB (ft)
7 7/8 INSERT BIT	KX1943	0.05	0.50				0.50		
6 1/4 FLOAT SUB	54101	0.16	1.82	6.250	2.313		2.32		
6 1/4 NON-MAG DC	C-272	2.33	27.53	6.313	2.813		29.85		
6 1/4 CROSSOVER	C-007	0.12	1.44	6.000	2.250		31.29		
4 1/2 HWDP x 5		6.55	152.25	4.875	2.750		183.54		
4 1/2 JARS	DAI-570	2.47	31.05	6.125	2.750		214.59		
4 1/2 HWDP x 45		58.72	1365.50	4.875	2.750		******		
		70.40	1580.09						

Sperry-Sun WESTERN DIVISION — ORIENTATION DATA SHEET — Page:
ADRM v1.36A
Mar/17/1994 — Well: CHAPARRAL 1-L

BHA #	MD in (ft)	MD out (ft)	Bit #	Size (in)	Make	Type	Jets (in)	TFA (in2)	Condition
1	2847.00	2855.00	1	7.875	SMITH	F-27	3X16	0.588	

Pump #	Make	Type	Liner (in)	Stroke (in)	SPM
1	OMEGA	D-750	6.000	8.000	0
2	OMEGA	D-750	6.000	8.000	0

D.D. supervisors: P DAVIS B BALBINOT

Flow rate...: 0.00pm
P.pres. drlg: 0 psi
P.pres. circ: 0 psi
Magnetic declination: 0.00 °
MWD toolface offset.: 0.00 °
MWD depth correction: 0.00 ft

Tally: BIT I, SUB FS, NMDC, SUB XO, 5 x 4.875 HWDP, JAR, 45 x 4.875 HWDP

Formations / TVD tops drilled: (ft)

Orientation data: (All data on the current line refers to the depth interval: current bit depth - previous bit depth)

Bit depth (ft)	Svy depth (ft)	Inc (°)	Dir (°)	Course length (ft)	Build rate -----(°/100ft)------	Turn rate	DLS	TVD (ft)	Orient ---interval--- (ft)	Rotate (ft)	Start rotate (ft)	End rotate (ft)	Toolface

Remarks:

CLEAN OUT CEMENT

SPERRY-SUN
Drilling Services
Well: CHAPARRAL 1-L
BHA Run 2

MD in (ft)	MD out	Interval	TVD in	TVD out	BHA type	Method
2855.00	3716.00	861.00	2855.00	3708.58	BH	STEERABLE

BHA performance: (°/100ft)

		Avg.build:	1.52	Avg.turn.:	-2.66
Expected dogleg(rotary)..:	0.00	Max.build:	4.85	Max.turn.:	24.26
Expected dogleg(oriented):	3.00	Min.build:	-0.78	Min.turn.:	-291.45

BHA components: BIT I, MTR AJ, SUB FS, NMDC, SUBNXO, MWD HS, SUBNXO, NMDC, SUB XO, STB S, 5 x 4.875 HWDP, JAR, 45 x 4.875 HWDP, 45 x 6.500 DP X, DP E

Formations:

Bit# 1RR1 Size: 7.875in Type: F-27 Make: SMITH
TFA.: 0.588 in2 Hrs.: 70.25 Condition: 3/I/1

Mtr# 1 Size: 6.250in Type: PDM Make: SPERRYDRILL
Desr: 1.15° ADJ LS 8/9 3 STG

BHA run summary:

BHA # 2 WAS RUN IN THE HOLE TO KICK OFF OF A CEMENT PLUG WHICH HAD BEEN POLISHED OFF WITH BHA # 1 TO 2,855 FEET, PASSING A CEMENT HARDNESS TEST WITH 60-RPM, 10,000 LBS WOB, AND 5 MIN/FT ROP. A ROP OF 3.5 FT/HR WAS CHOSEN TO START SIDETRACK AND CONTINUED FOR 6.25 DRILLING HOURS AND 22 FEET UNTIL DRILL CUTTING RETURNS SHOWED APPROXIMATELY 50 % EACH CEMENT AND FORMATION. THEN ROP WAS INCREASED TO 4.5 FT/HR UNTIL AN ASSUMED BUILD RATE OF 3.0°/100FT PROJECTED A 1/2 FOOT SEPERATION AWAY FROM OLD HOLE. TOTAL TIME-DRILLING OPERATION WAS COMPLETED IN 9.5 DRILLING HOURS AND 37 FEET (2,892 FEET), AT WHICH TIME, ROTORY DRILLING COMMENCED.

CONSIDERING A PROPOSED 2.0° BUILD RATE TO THE FIRST TARGET, AND PREDICTING THE MOTOR, ADJUSTED TO A 1.15° BEND (SLICK), WOULD ESTABLISH A 5.5° BUILD RATE. BY ORIENTING INTERVALS OF 10 TO 12 FEET PER 30 FEET, A BUILD RATE OF APPROXIMATELY 2.1° WAS PRODUCED, THUS, MAINTAINING CLOSE PROXIMITY TO THE PROPOSED WELL PATH.

BHA #2 WAS PULLED OUT OF THE HOLE FOR A BIT CHANGE. THE MOTOR STALLED WITH 70.25 HOURS ON THE BIT, THUS, THE BIT WAS PULLED FOR A SUSPECTED BEARING PROBLEM ON BIT. ONE LOSE CONE WAS FOUND WHEN BIT WAS EXAMINED.

Sperry-Sun WESTERN DIVISION
APM v1.12A
03/17/94

BHA # 2 - BHA TALLY

Well: CHAPARRAL 1-L

MD in...:	2855.00 ft	TVD in.:	2855.00 ft	Bit size:	7.875 in
MD out..:	3716.00 ft	TVD out:	3708.58 ft	Jets....:	3X16 32nds
Interval:	861.00 ft			TFA.....:	0.588 in2

Description	S/n	Weight (lb)	Item length (ft)	Item OD (in)	Item ID (in)	Bit/STB gauge (in)	Len.fr. bit (ft)	Belly length (ft)	Bit to CB STB (ft)
7 7/8 INSERT BIT F27	KX1943	0.05	0.50				0.50		
6 1/4 ADJUS 1.15° L/S BH	625-006	1.61	22.58	6.250	3.500		23.08		
6 1/4 FLOAT SUB	C-002	0.24	3.08	6.063	2.813		26.16		
6 1/4 NON-MAG DC	C-240	1.97	24.40	6.188	2.813		50.56		
6 1/4 NM CROSSOVER	C-046	0.16	1.78	6.500	2.875		52.34		
6 1/4 MWD HOS	090	0.61	6.43	6.625	2.875		58.77		
6 1/4 NM CROSSOVER	C-045	0.13	1.46	6.438	2.875		60.23		
6 1/4 NON-MAG DC	C-272	2.33	27.53	6.313	2.813		87.76		
6 1/4 CROSSOVER	C-007	0.12	1.44	6.000	2.250		89.20		
7 1/4 STRING STB	R11489	0.46	5.15	6.250	2.313	7.250	94.35	90.75	90.75
4 1/2 HWDP x 5		6.55	152.25	4.875	2.750		246.60		
4 1/2 JARS	DAI-570	2.47	31.05	6.125	2.750		277.65		
4 1/2 HWDP x 45		58.72	1365.50	4.875	2.750		******		
4 1/2 X95 DRILLPIPE		126.91	1378.64	6.500	2.750		******		
4 1/2 GRADE E DRILLPIPE							******		
		202.33	3021.79						

Sperry-Sun WESTERN DIVISION
ADRM v1.36A
Mar/17/1994

ORIENTATION DATA SHEET

Well: CHAPARRAL 1-L

Page:

BHA #	MD in (ft)	MD out (ft)	Bit #	Size (in)	Make	Type	Jets (in)	TFA (in2)	Condition
2	2855.00	3716.00	1RR1	7.875	SMITH	F-27	3X16	0.588	3/I/1

Pump #	Make	Type	Liner (in)	Stroke (in)	SPM
1	OMEGA	D-750	6.000	8.000	102
2	OMEGA	D-750	6.000	8.000	0

D.D. supervisors: P DAVIS B BALBINOT

Flow rate...: 283.00gpm
P.pres. drlg: 1300 psi
P.pres. circ: 1200 psi

Magnetic declination: 12.40 °
MWD toolface offset.: 57.42 °
MWD depth correction: 49.00 ft

Tally: BIT I, MTR AJ, SUB FS, NMDC, SUBNXO, MWD HS, SUBNXO, NMDC, SUB XO, STB S, 5 x 4.875 HWDP, JAR, 45 x 4.875 HWDP, 45 x 6.500 DP X, DP E

Formations / TVD tops drilled: (ft)

Orientation data: (All data on the current line refers to the depth interval: current bit depth - previous bit depth)

Bit depth (ft)	Svy depth (ft)	Inc (°)	Dir (°)	Course length (ft)	Build rate (°/100ft)	Turn rate (°/100ft)	DLS (°/100ft)	TVD (ft)	Orient ---interval--- (ft)	Rotate ---interval--- (ft)	Start rotate (ft)	End rotate (ft)	Toolface
2907.95	2858.95	0.30	311.60	1178.95	-0.78	-291.45	2.00	2858.95	******	0.00	1729.00	1729.00	290 MAG
2938.40	2889.40	0.70	278.00	30.45	1.31	-110.34	1.58	2889.40	0.00	30.45	2907.95	2938.40	35WOB45RPM
2969.38	2920.38	0.70	267.80	30.98	0.00	-32.92	0.40	2920.38	0.00	30.98	2938.40	2969.38	35WOB45RPM
3000.17	2951.17	0.80	267.20	30.79	0.32	-1.95	0.33	2951.17	30.79	0.00	0.00	0.00	300 MAG
3030.87	2981.87	1.60	269.90	30.70	2.61	8.79	2.61	2981.86	30.70	0.00	0.00	0.00	289 MAG
3061.79	3012.79	3.10	277.40	30.92	4.85	24.26	4.94	3012.75	10.00	20.92	3040.87	3061.79	360 MAG
3093.65	3044.65	4.00	282.10	31.86	2.82	14.75	2.97	3044.55	0.00	31.86	3061.79	3093.65	35WOB45RPM
3124.01	3075.01	4.40	286.20	30.36	1.32	13.50	1.65	3074.83	0.00	30.36	3093.65	3124.01	30WOB40RPM
3155.01	3106.01	4.50	288.60	31.00	0.32	7.74	0.68	3105.74	0.00	31.00	3124.01	3155.01	35WOB40RPM
3186.67	3137.67	4.40	289.20	31.66	-0.32	1.90	0.35	3137.30	0.00	31.66	3155.01	3186.67	35WOB60RPM
3217.70	3168.70	4.60	289.30	31.03	0.64	0.32	0.65	3168.23	12.00	19.03	3198.67	3217.70	290 MAG
3249.60	3200.60	4.80	285.10	31.90	0.63	-13.17	1.25	3200.02	10.00	21.90	3227.70	3249.60	290 MAG
3280.25	3231.25	5.60	291.20	30.65	2.61	19.90	3.17	3230.54	15.00	15.65	3264.60	3280.25	30R
3311.05	3262.05	6.10	293.40	30.80	1.62	7.14	1.78	3261.18	0.00	30.80	3280.25	3311.05	35WOB45RPM
3342.53	3293.53	6.30	295.40	31.48	0.64	6.35	0.94	3292.48	15.00	16.48	3326.05	3342.53	72L
3373.27	3324.27	6.50	290.50	30.74	0.65	-15.94	1.89	3323.03	15.00	15.74	3357.53	3373.27	66L
3405.15	3356.15	7.00	282.40	31.88	1.57	-25.41	3.37	3354.69	15.00	16.88	3388.27	3405.15	10L
3436.13	3387.13	7.80	281.00	30.98	2.58	-4.52	2.65	3385.41	10.00	20.98	3415.15	3436.13	20R
3466.39	3417.39	8.30	281.00	30.26	1.65	0.00	1.65	3415.37	15.00	15.26	3451.13	3466.39	45R
3497.59	3448.59	8.70	285.30	31.20	1.28	13.78	2.41	3446.23	15.00	16.20	3481.39	3497.59	45R
3529.40	3480.40	9.40	288.30	31.81	2.20	9.43	2.65	3477.64	12.00	19.81	3509.59	3529.40	HS
3559.78	3510.78	9.80	290.20	30.38	1.32	6.25	1.68	3507.59	12.00	18.38	3541.40	3559.78	HS
3591.06	3542.06	10.50	290.70	31.28	2.24	1.60	2.26	3538.38	12.00	19.28	3571.78	3591.06	20-10L
3622.16	3573.16	10.90	290.60	31.10	1.29	-0.32	1.29	3568.94	10.00	21.10	3603.06	3624.16	20-10L
3653.61	3604.61	11.50	289.30	31.45	1.91	-4.13	2.07	3599.79	12.00	19.45	3634.16	3653.61	20L
3684.61	3635.61	11.90	288.80	31.00	1.29	-1.61	1.33	3630.15	10.00	21.00	3663.61	3684.61	HS

Sperry-Sun WESTERN DIVISION
ADRM v1.36A
Mar/17/1994

ORIENTATION DATA SHEET

Well: CHAPARRAL 1-L

BHA #	MD in (ft)	MD out (ft)	Bit #	Size (in)	Make	Type	Jets (in)	TFA (in2)	Condition
2	2855.00	3716.00	1RR1	7.875	SMITH	F-27	3X16	0.588	3/I/1

Remarks:

Motor S/n.:625-006
Job No....:CA-MJ-40018

SPERRY-SUN
Drilling Services

MOTOR PERFORMANCE REPORT

Mar/17/1994
MPR No...: 1
D.D. Name:
P DAVIS B BALBINOT

Customer..:CELSIUS ENERGY COMPANY
Well No...:CHAPARRAL 1-L
Location..:UNITED STATES
Rig.....:# 4

Depth in.: 2855.00 ft
Depth out: 3716.00 ft
Date in..: 02/21/94
Date out.: 02/25/94

Motor run: 1
Bit run..: 1RR1
BHA run..: 2
Hole size: 7.875n

BUILD CONFIGURATION:

								Length from bit
	Section A.....OD:	6.250	ID:	3.500				
	Section B.....OD:	6.250	ID:	3.500				
Lower bent housing? Y	Adjustable.? Y		Bend.:	1.150	°			9.12 ft
Upper bent housing? N	Adjustable.?		Bend.:		°			ft
Bent sub.....? N			Bend.:		°			ft
Motor stab.....? N	Type:		Gauge:		in			ft
String stab.....? N	Type:		Gauge:		in			ft
2nd string stab...? N	Type:		Gauge:		in			ft
Lower pad/upset...? N	Type:		Thick:		in			ft
Upper pad/upset...? N	Type:		Thick:		in			ft
Rotor nozzle.....? N	Size:	32nds	Lobe config:	8/9				

MOTOR DATA:

Drlg+circ hrs this run:	79.75 hrs	ABI serial number..:	
Drlg hrs this run.....:	70.25 hrs	Cum. hrs this job..:	79.75 hrs
Off bottom pressure...:	1200 psi	Total hrs in hole..:	84.75 hrs
Avg. weight on bit....:	35.00klb	Diff. pressure.....:	200 psi
Oriented interval.....:	1440.44 ft	Avg. string RPM....:	45
Avg. ROP oriented.....:	12.0 ft/hr	Rotated interval...:	515.17 ft
Performance oriented..:	5.50 °/100ft	Avg. ROP rotated...:	16.0 ft/hr
Sub gap play in:	0.000out: 0.063n	Performance rotated:	0.00 °/100ft
Inclination in:	0.00 out: 12.40 °	Dump sub working ?.:	Y
		Azimuth in:	0.00 out: 288.90 °

MUD DATA:

Mud type.....:	LIME			Mud weight:	10.70 ppg
PV.....:	17.00p	YP....:	12.00	Cl.....:	20000 ppm
Avg.flow rate.....:	283.00gpm	Solids:	11 %		
Max. downhole temp:	86 °F	Sand..:	0.1 %	Aniline point...:	0 °F
Formations.....:				Aromatic content:	0.0 %

BIT DATA:

Make: SMITH		Type:	F-27	Drilling.:	70.25 hrs
Jets: 3X16	32nds	TFA.:	0.588 in2	Reaming..:	0.00 hrs
Condition: 3/I/1				Gauge len:	0.000n

Lost in hole?: N Failure?: N Lost rig hours: 0.00 hrs

Comments / Failure description:

SPERRY-SUN
Drilling Services
Well: CHAPARRAL 1-L
BHA Run 3

MD in (ft)	MD out	Interval	TVD in	TVD out	BHA type	Method
3716.00	4702.00	986.00	3708.58	4629.82	BH	STEERABLE

BHA performance: (°/100ft)

		Avg.build:	1.07	Avg.turn.:	0.12
Expected dogleg(rotary)..:	0.00	Max.build:	4.24	Max.turn.:	4.39
Expected dogleg(oriented):	5.00	Min.build:	-3.14	Min.turn.:	-6.91

BHA components: BIT I, MTR AJ, SUB FS, NMDC, SUBNXO, MWD HS, SUBNXO, NMDC, SUB XO, STB S, 5 x 4.875 HWDP, JAR, 45 x 4.875 HWDP, 45 x 6.500 DP X, DP E

Formations: HONAKER

Bit# 2 Size: 7.875in Type: HP51X Make: REED
TFA.: 0.389 in2 Hrs.: 67.75 Condition: 6/E/1

Mtr# 1RR1 Size: 6.250in Type: PDM Make: SPERRYDRILL
Desr: 1.15° ADJ LS 8/9 3 STG

BHA run summary:

BHA #3 WAS RUN IN HOLE TO CONTINUE BUILDING CURVE FROM 12.4° TO THE FIRST TARGET AT 4,168.16 FEET MD, THEN, MAINTAIN AN ANGLE OF 23.36° AND A 290.22° DIRECTION TO T.D. (5,828.21 FEET).

THE ASSEMBLY PRODUCED AN AVERAGE BUILD RATE OF 2.1° TO APPROXIMATELY 250 FEET PRIOR TO REACHING THE FIRST TARGET BY ORIENTING 10 TO 12 FEET PER SINGLE. AT THAT POINT, THE ASSEMBLY FAILED TO PERFORM AS WELL, CONSEQUENTLY, THE INTERVAL ORIENTED PER SINGLE WAS INCREASED GRADUALLY UNTIL THE LAST ENTIRE 100 FEET REMAINING TO TARGET WAS ORIENTED. AN ANGLE OF 23.5° AND A 287.8° DIRECTION WAS REALIZED AT 4,199 FEET MD.

ONCE THE FIRST TARGET WAS REACHED, DRILLING PARAMETERS WERE SET AT 45 RPM AND 40,000 LBS WOB IN AN ATTEMPT TO MAINTAIN THE PROPOSED ANGLE AND DIRECTION WHILE ROTATING. AFTER ROTATING THREE SINGLES, IT BECAME APPARENT THE ANGLE AT BIT HAD DROPPED ONE DEGREE. TO COUNTERACT THIS DROP AND A RIGHTHAND BIT WALK, 46 FEET WERE ORIENTED AT 20° LEFT, WHICH INCREASED THE ANGLE TO 24.1°. ROTATION WAS STARTED AGAIN WITH 30 RPM, AND THE PREVIOUS SITUATION WAS REPEATED.

BHA #3 WAS PULLED FOR A BIT CHANGE DUE TO A SUSPECTED BIT BEARING PROBLEM, THE MOTOR HAD STALLED WITH 67.75 DRILLING HOURS. WHEN THE BIT WAS EXAMINED, SEVERAL TEETH WERE BROKEN OFF, BUT THE BEARINGS WERE FOUND EFFECTIVE.

Sperry-Sun WESTERN DIVISION
APM v1.12A
03/17/94

BHA # 3 - BHA TALLY

Well: CHAPARRAL 1-L

MD in...: 3716.00 ft TVD in.: 3708.58 ft Bit size: 7.875 in
MD out..: 4702.00 ft TVD out: 4629.82 ft Jets....: 3 X 13 32nds
Interval: 986.00 ft TFA.....: 0.389 in2

Description	S/n	Weight (lb)	Item length (ft)	Item OD (in)	Item ID (in)	Bit/STB gauge (in)	Len.fr. bit (ft)	Belly length (ft)	Bit to CB STB (ft)
7 7/8 INSERT BIT HP51X	R09701	0.05	0.50				0.50		
6 1/4 ADJUS 1.15° L/S BH	625-006	1.61	22.58	6.250	3.500		23.08		
6 1/4 FLOAT SUB	C-002	0.24	3.08	6.063	2.813		26.16		
6 1/4 NON-MAG DC	C-240	1.97	24.40	6.188	2.813		50.56		
6 1/4 NM CROSSOVER	C-046	0.16	1.78	6.500	2.875		52.34		
6 1/4 MWD HOS	090	0.61	6.43	6.625	2.875		58.77		
6 1/4 NM CROSSOVER	C-045	0.13	1.46	6.438	2.875		60.23		
6 1/4 NON-MAG DC	C-272	2.33	27.53	6.313	2.813		87.76		
6 1/4 CROSSOVER	C-007	0.12	1.44	6.000	2.250		89.20		
7 1/4 STRING STB	R11489	0.46	5.15	6.250	2.313	7.250	94.35	90.75	90.75
4 1/2 HWDP x 5		6.55	152.25	4.875	2.750		246.60		
4 1/2 JARS	DAI-570	2.47	31.05	6.125	2.750		277.65		
4 1/2 HWDP x 45		58.72	1365.50	4.875	2.750		******		
4 1/2 X95 DRILLPIPE		126.91	1378.64	6.500	2.750		******		
4 1/2 GRADE E DRILLPIPE							******		
		202.33	3021.79						

Sperry-Sun WESTERN DIVISION
ADRM v1.36A
Mar/17/1994

ORIENTATION DATA SHEET

Page:

Well: CHAPARRAL 1-L

BHA #	MD in (ft)	MD out (ft)	Bit #	Size (in)	Make	Type	Jets (in)	TFA (in2)	Condition
3	3716.00	4702.00	2	7.875	REED	HP51X	3 X 13	0.389	6/E/1

Pump #	Make	Type	Liner (in)	Stroke (in)	SPM
1	OMEGA	D-750	6.000	8.000	102
2	OMEGA	D-750	6.000	8.000	0

D.D. supervisors: P DAVIS B BALBINOT

Flow rate...: 283.00gpm
P.pres. drlg: 1525 psi
P.pres. circ: 1325 psi

Magnetic declination: 12.40 °
MWD toolface offset.: 57.42 °
MWD depth correction: 49.00 ft

Tally: BIT I, MTR AJ, SUB FS, NMDC, SUBNXO, MWD HS, SUBNXO, NMDC, SUB XO, STB S, 5 x 4.875 HWDP, JAR, 45 x 4.875 HWDP, 45 x 6.500 DP X, DP E

Formations / TVD tops drilled: (ft)
HONAKER 4251.88

Orientation data: (All data on the current line refers to the depth interval: current bit depth - previous bit depth)

Bit depth (ft)	Svy depth (ft)	Inc (°)	Dir (°)	Course length (ft)	Build rate (°/100ft)	Turn rate (°/100ft)	DLS (°/100ft)	TVD (ft)	Orient ---interval--- (ft)	Rotate ---interval--- (ft)	Start rotate (ft)	End rotate (ft)	Toolface
3716.31	3667.31	12.40	288.90	31.70	1.58	0.32	1.58	3661.14	12.00	19.70	3696.61	3716.31	HS
3747.78	3698.78	13.10	289.30	31.47	2.22	1.27	2.24	3691.83	12.00	19.47	3728.31	3747.78	HS
3779.86	3730.86	13.80	289.40	32.08	2.18	0.31	2.18	3723.03	12.00	20.08	3759.78	3779.86	HS
3810.99	3761.99	14.60	289.20	31.13	2.57	-0.64	2.57	3753.21	12.00	19.13	3791.86	3810.99	HS
3841.44	3792.44	14.80	288.90	30.45	0.66	-0.99	0.70	3782.66	12.00	18.45	3822.99	3841.44	HS
3873.31	3824.31	15.30	290.30	31.87	1.57	4.39	1.94	3813.44	12.00	19.87	3841.44	3861.31	HS
3905.29	3856.29	15.70	290.20	31.98	1.25	-0.31	1.25	3844.26	13.00	18.98	3873.31	3892.29	HS
3935.56	3886.56	16.10	290.40	30.27	1.32	0.66	1.33	3873.37	13.00	17.27	3918.29	3935.56	HS
3966.58	3917.58	16.30	290.40	31.02	0.64	0.00	0.64	3903.16	15.00	16.02	3950.56	3966.58	HS
3998.46	3949.46	16.80	291.00	31.88	1.57	1.88	1.66	3933.72	15.00	16.88	3981.58	3998.46	HS
4028.86	3979.86	17.40	291.40	30.40	1.97	1.32	2.01	3962.78	20.00	10.40	4018.46	4028.86	HS
4059.72	4010.72	18.10	291.80	30.86	2.27	1.30	2.30	3992.17	20.00	10.86	4048.86	4059.72	10L
4091.70	4042.70	18.70	291.80	31.98	1.88	0.00	1.88	4022.51	20.00	11.98	4079.72	4091.70	25L
4123.58	4074.58	19.40	292.00	31.88	2.20	0.63	2.21	4052.64	31.88	0.00	0.00	0.00	20L
4155.08	4106.08	20.50	291.50	31.50	3.49	-1.59	3.53	4082.25	31.50	0.00	0.00	0.00	10L
4186.26	4137.26	21.70	290.00	31.18	3.85	-4.81	4.22	4111.34	31.18	0.00	0.00	0.00	30L - HS
4218.10	4169.10	23.00	287.80	31.84	4.08	-6.91	4.85	4140.79	4.00	27.84	4190.26	4218.10	HS
4248.33	4199.33	23.50	287.80	30.23	1.65	0.00	1.65	4168.56	0.00	30.23	4218.10	4248.33	35WOB45RPM
4280.03	4231.03	23.30	287.00	31.70	-0.63	-2.52	1.18	4197.65	0.00	31.70	4248.33	4280.03	35WOB45RPM
4310.66	4261.66	23.20	287.60	30.63	-0.33	1.96	0.84	4225.79	0.00	30.63	4280.03	4310.66	35WOB45RPM
4342.46	4293.46	22.80	288.50	31.80	-1.26	2.83	1.67	4255.06	0.00	31.80	4310.66	4342.46	40WOB60RPM
4373.54	4324.54	22.50	288.40	31.08	-0.97	-0.32	0.97	4283.74	31.08	0.00	0.00	0.00	20L
4405.16	4356.16	23.10	288.20	31.62	1.90	-0.63	1.91	4312.89	15.00	16.62	4388.54	4405.16	20L
4436.75	4387.75	24.10	287.30	31.59	3.17	-2.85	3.36	4341.84	0.00	31.59	4405.16	4436.75	40WOB30RPM
4468.43	4419.43	24.10	287.40	31.68	0.00	0.32	0.13	4370.76	0.00	31.68	4436.75	4468.43	40WOB30RPM
4499.10	4450.10	24.00	287.90	30.67	-0.33	1.63	0.74	4398.77	0.00	30.67	4468.43	4499.10	40WOB30RPM
4530.90	4481.90	23.00	288.80	31.80	-3.14	2.83	3.34	4427.93	0.00	31.80	4499.10	4530.90	40WOB30RPM
4562.51	4513.51	22.10	290.00	31.61	-2.85	3.80	3.20	4457.12	31.61	0.00	0.00	0.00	20L
4593.51	4544.51	22.20	290.50	31.00	0.32	1.61	0.69	4485.83	31.00	0.00	0.00	0.00	30L

Sperry-Sun WESTERN DIVISION
ADRM v1.36A
Mar/17/1994

ORIENTATION DATA SHEET

Well: CHAPARRAL 1-L

Page:

BHA #	MD in (ft)	MD out (ft)	Bit #	Size (in)	Make	Type	Jets (in)	TFA (in2)	Condition
3	3716.00	4702.00	2	7.875	REED	HP51X	3 X 13	0.389	6/E/1

Orientation data: (All data on the current line refers to the depth interval: current bit depth - previous bit depth)

Bit depth (ft)	Svy depth (ft)	Inc (°)	Dir (°)	Course length (ft)	Build rate -----(°/100ft)------	Turn rate	DLS	TVD (ft)	Orient ---interval--- (ft)	Rotate ---interval--- (ft)	Start rotate (ft)	End rotate (ft)	Toolface
4625.07	4576.07	23.10	289.80	31.56	2.85	-2.22	2.98	4514.96	20.00	11.56	4613.51	4625.07	10L
4655.73	4606.73	24.40	289.70	30.66	4.24	-0.33	4.24	4543.02	0.00	30.66	4625.07	4655.73	40WOB30RPM
4686.67	4637.67	24.50	289.30	30.94	0.32	-1.29	0.63	4571.19	0.00	30.94	4655.73	4686.67	40WOB30RPM

Remarks:

Motor S/n.:625-006
Job No....:CA-MJ-40018

SPERRY-SUN
Drilling Services

MOTOR PERFORMANCE REPORT

Mar/17/1994
MPR No...: 2
D.D. Name:
P DAVIS B BALBINOT

Customer..:CELSIUS ENERGY COMPANY
Well No...:CHAPARRAL 1-L
Location..:UNITED STATES
Rig.....:# 4

Depth in.: 3716.00 ft
Depth out: 4702.00 ft
Date in..: 02/25/94
Date out.: 02/28/94

Motor run: 1RR1
Bit run..: 2
BHA run..: 3
Hole size: 7.875n

BUILD CONFIGURATION:

								Length from bit
	Section A.....OD:	6.250	ID:	3.500				
	Section B.....OD:	6.250	ID:	3.500				
Lower bent housing? Y	Adjustable.? Y			Bend.:	1.150	°		9.12 ft
Upper bent housing? N	Adjustable.?			Bend.:		°		ft
Bent sub.....? N				Bend.:		°		ft
Motor stab.....? N	Type:			Gauge:		in		ft
String stab.....? N	Type:			Gauge:		in		ft
2nd string stab...? N	Type:			Gauge:		in		ft
Lower pad/upset...? N	Type:			Thick:		in		ft
Upper pad/upset...? N	Type:			Thick:		in		ft
Rotor nozzle.....? N	Size:	32nds		Lobe config:	8/9			

MOTOR DATA:

Drlg+circ hrs this run:	75.50 hrs	ABI serial number..:	
Drlg hrs this run.....:	67.75 hrs	Cum. hrs this job..:	160.25 hrs
Off bottom pressure...:	1400 psi	Total hrs in hole..:	80.50 hrs
Avg. weight on bit....:	40.00klb	Diff. pressure.....:	200 psi
Oriented interval.....:	415.25 ft	Avg. string RPM....:	30
Avg. ROP oriented.....:	10.0 ft/hr	Rotated interval...:	586.81 ft
Performance oriented..:	5.00 °/100ft	Avg. ROP rotated...:	12.0 ft/hr
Sub gap play in:	0.000out: 0.000n	Performance rotated:	-1.00 °/100ft
Inclination in:	12.40 out: 23.50 °	Dump sub working ?.:	Y
		Azimuth in:	290.00 out: 290.00 °

MUD DATA:

Mud type.....:	LIME	Mud weight:	10.50 ppg
PV.....:	16.00p YP....: 12.00	Cl.....:	20000 ppm
Avg.flow rate.....:	283.00gpm Solids: 11 %		
Max. downhole temp:	99 °F Sand..: 0.1 %	Aniline point...:	0 °F
Formations.....:		Aromatic content:	0.0 %

BIT DATA:

Make: REED	Type: HP51X	Drilling.:	67.75 hrs
Jets: 3 X 13 32nds	TFA.: 0.389 in2	Reaming..:	0.00 hrs
Condition: 6/E/1		Gauge len:	0.000n

Lost in hole?: N Failure?: N Lost rig hours: 0.00 hrs

Comments / Failure description:

SPERRY-SUN
Drilling Services
Well: CHAPARRAL 1-L
BHA Run 4

MD in (ft)	MD out	Interval	TVD in	TVD out	BHA type	Method
4702.00	5214.00	512.00	4629.82	5097.61	BH	STEERABLE

BHA performance: (°/100ft)

		Avg.build:	-0.02	Avg.turn.:	0.30
Expected dogleg(rotary)..:	0.00	Max.build:	2.94	Max.turn.:	3.82
Expected dogleg(oriented):	5.00	Min.build:	-2.98	Min.turn.:	-4.06

BHA components: BIT I, MTR BH, SUB FS, NMDC, SUBNXO, MWD HS, SUBNXO, NMDC, SUB XO, STB S, 5 x 4.875 HWDP, JAR, 45 x 4.875 HWDP, 45 x 6.500 DP X, DP E

Formations: HONAKER, PARADOX

Bit# 3	Size:	7.875in	Type: ATJ33H	Make: HTC	
	TFA.:	0.351 in2	Hrs.: 57.25	Condition:	6/E/1
Mtr# 2	Size:	6.250in	Type: PDM	Make: SPERRYDRILL	
	Desr:	1 3/4 L/S 7/8 2.8 STG			

BHA run summary:

BHA # 4 WAS RUN IN THE HOLE TO MAINTAIN AN ANGLE OF 23.36 DEGREES AND A HOLE DIRECTION OF 290.22 DEGREES.

IN ORDER TO MAINTAIN THE ANGLE AND DIRECTION STATED, A ROUTINE OF ORIENTING TEN FEET HIGH-SIDE FOR EVERY FOUR TO FIVE SINGLES ROTATED WAS NECESSARY. THIS SCENARIO MAINTAINED AN ANGLE WITHIN 1.5 DEGREES AND A DIRECTION WITHIN 2.0 DEGREES OF THE SPECIFIED PARAMETERS.

BHA #4 WAS PULLED DUE TO A DROP IN PENETRATION RATE, FROM 8 TO 4 FEET PER HOUR. WHEN THE BIT WAS EXAMINED, IT WAS JUDGED 6/E/ IN GAUGE.

ALSO, THE COMPANY REPRESENTATIVE DECIDED TO REPLACE THE MUD MOTOR WITH A LOCKED-PENDULUM STABILIZED ASSEMBLY. THE MWD SYSTEM WAS RELEASED, REPLACED WITH A WIRELINE SINGLE-SHOT.

Sperry-Sun WESTERN DIVISION
APM v1.12A
03/17/94

BHA # 4 - BHA TALLY

Well: CHAPARRAL 1-L

MD in...: 4702.00 ft TVD in.: 4629.82 ft Bit size: 7.875 in
MD out..: 5214.00 ft TVD out: 5097.61 ft Jets....: 1 X 13, 2 X 12 32nds
Interval: 512.00 ft TFA.....: 0.351 in2

Description	S/n	Weight (lb)	Item length (ft)	Item OD (in)	Item ID (in)	Bit/STB gauge (in)	Len.fr. bit (ft)	Belly length (ft)	Bit to CB STB (ft)
7 7/8 INSERT BIT ATJ-33H	S19PW	0.05	0.50				0.50		
6-1/4 1-3/4DEG L/S BH	625-008	1.61	20.24	6.250	3.500		20.74		
6 1/4 FLOAT SUB	C-002	0.24	3.08	6.063	2.813		23.82		
6 1/4 NON-MAG DC	C-240	1.97	24.40	6.188	2.813		48.22		
6 1/4 NM CROSSOVER	C-046	0.16	1.78	6.500	2.875		50.00		
6 1/4 MWD HOS	090	0.61	6.43	6.625	2.875		56.43		
6 1/4 NM CROSSOVER	C-045	0.13	1.46	6.438	2.875		57.89		
6 1/4 NON-MAG DC	C-272	2.33	27.53	6.313	2.813		85.42		
6 1/4 CROSSOVER	C-007	0.12	1.44	6.000	2.250		86.86		
7 1/4 STRING STB	R11489	0.46	5.15	6.250	2.313	7.250	92.01	88.41	88.41
4 1/2 HWDP x 5		6.55	152.25	4.875	2.750		244.26		
4 1/2 JARS	DAI-570	2.47	31.05	6.125	2.750		275.31		
4 1/2 HWDP x 45		58.72	1365.50	4.875	2.750		******		
4 1/2 X95 DRILLPIPE		126.91	1378.64	6.500	2.750		******		
4 1/2 GRADE E DRILLPIPE							******		
		202.33	3019.45						

Sperry-Sun WESTERN DIVISION — ORIENTATION DATA SHEET — Page:
ADRM v1.36A
Mar/17/1994 — Well: CHAPARRAL 1-L

BHA #	MD in (ft)	MD out (ft)	Bit #	Size (in)	Make	Type	Jets (in)	TFA (in2)	Condition
4	4702.00	5214.00	3	7.875	HTC	ATJ33H	1 X 13, 2 X 12	0.351	6/E/1

Pump #	Make	Type	Liner (in)	Stroke (in)	SPM
1	OMEGA	D-750	6.000	8.000	102
2	OMEGA	D-750	6.000	8.000	0

D.D. supervisors: P DAVIS B BALBINOT

Flow rate...: 283.00gpm
P.pres. drlg: 1450 psi
P.pres. circ: 1350 psi
Magnetic declination: 12.40 °
MWD toolface offset.: 177.70 °
MWD depth correction: 47.00 ft

Tally: BIT I, MTR BH, SUB FS, NMDC, SUBNXO, MWD HS, SUBNXO, NMDC, SUB XO, STB S, 5 x 4.875 HWDP, JAR, 45 x 4.875 HWDP, 45 x 6.500 DP X, DP E

Formations / TVD tops drilled: (ft)

HONAKER	4251.88	PARADOX	4728.53

Orientation data: (All data on the current line refers to the depth interval: current bit depth - previous bit depth)

Bit depth (ft)	Svy depth (ft)	Inc (°)	Dir (°)	Course length (ft)	Build rate (°/100ft)	Turn rate (°/100ft)	DLS (°/100ft)	TVD (ft)	Orient ---interval--- (ft)	Rotate ---interval--- (ft)	Start rotate (ft)	End rotate (ft)	Toolface
4716.24	4669.24	24.30	290.50	29.57	-0.63	3.80	1.69	4599.94	0.00	29.57	4686.67	4716.24	40WOB30RPM
4747.22	4700.22	24.20	290.60	30.98	-0.32	0.32	0.35	4628.19	0.00	30.98	4716.24	4747.22	40WOB30RPM
4777.39	4730.39	23.70	290.30	30.17	-1.66	-0.99	1.71	4655.76	0.00	30.17	4747.22	4777.39	40WOB30RPM
4809.14	4762.14	23.50	289.70	31.75	-0.63	-1.89	0.98	4684.85	10.00	21.75	4787.39	4809.14	25L
4841.17	4794.17	24.20	288.40	32.03	2.19	-4.06	2.73	4714.14	10.00	22.03	4819.14	4841.17	HS
4871.81	4824.81	25.10	288.30	30.64	2.94	-0.33	2.94	4741.99	0.00	30.64	4841.17	4871.81	40WOB30RPM
4902.91	4855.91	25.10	288.30	31.10	0.00	0.00	0.00	4770.15	0.00	31.10	4871.81	4902.91	40WOB30RPM
4933.62	4886.62	24.70	288.20	30.71	-1.30	-0.33	1.31	4798.01	0.00	30.71	4902.91	4933.62	40WOB30RPM
4964.29	4917.29	24.20	288.20	30.67	-1.63	0.00	1.63	4825.93	0.00	30.67	4933.62	4964.29	40WOB50RPM
4994.47	4947.47	23.30	289.00	30.18	-2.98	2.65	3.17	4853.55	10.00	20.18	4974.29	4994.47	20R
5025.91	4978.91	24.10	290.20	31.44	2.54	3.82	2.97	4882.34	0.00	31.44	4994.47	5025.91	40WOB30RPM
5056.97	5009.97	24.20	290.70	31.06	0.32	1.61	0.73	4910.68	0.00	31.06	5025.91	5056.97	40WOB30RPM
5088.85	5041.85	23.90	291.10	31.88	-0.94	1.25	1.07	4939.79	0.00	31.88	5056.97	5088.85	40WOB30RPM
5119.95	5072.95	23.70	290.90	31.10	-0.64	-0.64	0.69	4968.25	0.00	31.10	5088.85	5119.95	35WOB30RPM
5151.70	5104.70	23.30	291.30	31.75	-1.26	1.26	1.36	4997.37	0.00	31.75	5119.95	5151.70	40WOB30RPM
5182.72	5135.72	23.30	291.60	31.02	0.00	0.97	0.38	5025.86	10.00	21.02	5161.70	5182.72	HS

Remarks:

Motor S/n.:625-008
Job No....:CA-MJ-40018

SPERRY-SUN
Drilling Services

MOTOR PERFORMANCE REPORT

Mar/17/1994
MPR No...: 3
D.D. Name:
P DAVIS B BALBINOT

Customer..:CELSIUS ENERGY COMPANY
Well No...:CHAPARRAL 1-L
Location..:UNITED STATES
Rig.....:# 4

Depth in.: 4702.00 ft
Depth out: 5214.00 ft
Date in..: 02/28/94
Date out.: 03/03/94

Motor run: 2
Bit run..: 3
BHA run..: 4
Hole size: 7.875n

BUILD CONFIGURATION:

							Length from bit
	Section A.....OD:	6.250	ID:	3.500			
	Section B.....OD:	6.250	ID:	3.500			
Lower bent housing? Y	Adjustable.? N		Bend.:	1.750	°		7.96 ft
Upper bent housing? N	Adjustable.?		Bend.:		°		ft
Bent sub.....? N			Bend.:		°		ft
Motor stab.....? N	Type:		Gauge:		in		ft
String stab.....? N	Type:		Gauge:		in		ft
2nd string stab...? N	Type:		Gauge:		in		ft
Lower pad/upset...? N	Type:		Thick:		in		ft
Upper pad/upset...? N	Type:		Thick:		in		ft
Rotor nozzle.....? N	Size:	32nds	Lobe config:	7/8			

MOTOR DATA:

Drlg+circ hrs this run:	62.50 hrs	ABI serial number..:	
Drlg hrs this run.....:	57.25 hrs	Cum. hrs this job..:	62.50 hrs
Off bottom pressure...:	1300 psi	Total hrs in hole..:	67.50 hrs
Avg. weight on bit....:	40.00klb	Diff. pressure.....:	200 psi
Oriented interval.....:	40.00 ft	Avg. string RPM....:	30
Avg. ROP oriented.....:	8.0 ft/hr	Rotated interval...:	456.05 ft
Performance oriented..:	8.00 °/100ft	Avg. ROP rotated...:	14.0 ft/hr
Sub gap play in:	0.000out: 0.000n	Performance rotated:	-1.00 °/100ft
Inclination in:	23.50 out: 23.50 °	Dump sub working ?.:	N
		Azimuth in:	290.00 out: 290.00 °

MUD DATA:

Mud type.....:	LOW LIME	Mud weight:	10.60 ppg
PV.....:	13.00p YP....: 11.00	Cl.....:	19200 ppm
Avg.flow rate.....:	283.00gpm Solids: 12 %		
Max. downhole temp:	112 F Sand..: 0.1 %	Aniline point...:	0 °F
Formations.....:	HONAKER, PARADOX	Aromatic content:	0.0 %

BIT DATA:

Make: HTC	Type: ATJ33H	Drilling.:	57.25 hrs
Jets: 1 X 13, 2 X 12 32nds	TFA.: 0.351 in2	Reaming..:	0.00 hrs
Condition: 6/E/1		Gauge len:	0.000n

Lost in hole?: N Failure?: N Lost rig hours: 0.00 hrs

Comments / Failure description:

SPERRY-SUN
Drilling Services
Well: CHAPARRAL 1-L
BHA Run 5

MD in (ft)	MD out	Interval	TVD in	TVD out	BHA type	Method
5214.00	5228.00	14.00	5097.61	5110.44	H	ROTORY

BHA performance: (°/100ft)

		Avg.build:	0.00	Avg.turn.:	0.00
Expected dogleg(rotary)..:	0.00	Max.build:	0.00	Max.turn.:	0.00
Expected dogleg(oriented):	0.00	Min.build:	0.00	Min.turn.:	0.00

BHA components: BIT I, STB NB, NMDC, NMDC, STB S, SUB XO, 5 x 4.875 HWDP, JAR, 45 x 4.875 HWDP, 24 x 6.500 DP X, STB S, 21 x 6.500 DP X, DP E

Formations: PARADOX

Bit# 4	Size:	7.875in	Type: F3H	Make: SMITH	
	TFA.:	0.278 in2	Hrs.: 2.00	Condition:	
Mtr#	Size:	0.000in	Type:	Make:	
	Desr:				

BHA run summary:

BHA # 5, A LOCKED-PENDULUM STABILIZED ASSEMBLY, WAS RUN IN THE HOLE TO HOLD AN ANGLE OF 23.36 DEGREES AND A HOLE DIRECTION OF 290.22 DEGREES.

WHILE TRIPPING IN THE HOLE, A TIGHT SPOT IN THE SURFACE CASING WAS ENCOUNTERED AT 1,115 FEET. THE DRILL STRING WAS ROTATED AND RECIPROCATED SEVERAL TIMES IN AN ATTEMPT TO BREAK THROUGH THE TIGHT SPOT, BUT IT PROVED UNPASSABLE.

ON EXAMINATION AT THE SURFACE, IT WAS APPARENT THE FULL CIRCULAR GAUGE OF THE 7-7/8" NEAR BIT STABILIZER COULD NOT PASS THROUGH THE CASING TIGHT SPOT. CONSEQUNETLY, THE DECISION WAS MADE TO REPLACE THE NEAR BIT STABILIZER AND THE STRING STABILIZER WITH TWO 3-POINT REAMERS.

Sperry-Sun WESTERN DIVISION
APM v1.12A
03/17/94

BHA # 5 - BHA TALLY

Well: CHAPARRAL 1-L

MD in...: 5214.00 ft TVD in.: 5097.61 ft Bit size: 7.875 in
MD out..: 5228.00 ft TVD out: 5110.44 ft Jets....: 3 X 11 32nds
Interval: 14.00 ft TFA.....: 0.278 in2

Description	S/n	Weight (lb)	Item length (ft)	Item OD (in)	Item ID (in)	Bit/STB gauge (in)	Len.fr. bit (ft)	Belly length (ft)	Bit to CB STB (ft)
7 7/8 INSERT BIT F3H	KY3658	0.05	0.50				0.50		
7 7/8 NEAR BIT STB	983	0.42	4.66	6.250	2.313	7.875	5.16	2.83	2.83
6 1/4 NON-MAG DC	C-240	1.97	24.40	6.188	2.813		29.56		
6 1/4 NON-MAG DC	C-272	2.33	27.53	6.313	2.813		57.09		
7 7/8 STRING STB	2949	0.43	4.39	6.500	2.313	7.875	61.48	56.26	59.09
6 1/4 CROSSOVER	C-007	0.12	1.44	6.000	2.250		62.92		
4 1/2 HWDP x 5		6.55	152.25	4.875	2.750		215.17		
4 1/2 JARS	DAI-570	2.47	31.05	6.125	2.750		246.22		
4 1/2 HWDP x 45		58.72	1365.50	4.875	2.750		******		
4 1/2 X95 DRILLPIPE		126.91	735.44	6.500	2.750		******		
7 1/4 STRING STB	R11489	0.46	5.15	6.250	2.313	7.250	******	2289.70	2348.79
4 1/2 X95 DRILLPIPE		59.21	643.20	6.500	2.750		******		
4 1/2 GRADE E DRILLPIPE							******		
		259.64	2995.51						

Sperry-Sun WESTERN DIVISION
ADRM v1.36A
Mar/17/1994

ORIENTATION DATA SHEET

Well: CHAPARRAL 1-L

Page:

BHA #	MD in (ft)	MD out (ft)	Bit #	Size (in)	Make	Type	Jets (in)	TFA (in2)	Condition
5	5214.00	5228.00	4	7.875	SMITH	F3H	3 X 11	0.278	

Pump #	Make	Type	Liner (in)	Stroke (in)	SPM
1	OMEGA	D-750	6.000	8.000	0
2	OMEGA	D-750	6.000	8.000	0

D.D. supervisors: P DAVIS B BALBINOT

Flow rate...: 0.00pm
P.pres. drlg: 0 psi
P.pres. circ: 0 psi

Magnetic declination: 12.40 °
MWD toolface offset.: 0.00 °
MWD depth correction: 0.00 ft

Tally: BIT I, STB NB, NMDC, NMDC, STB S, SUB XO, 5 x 4.875 HWDP, JAR, 45 x 4.875 HWDP, 24 x 6.500 DP X, STB S, 21 x 6.500 DP X, DP E

Formations / TVD tops drilled: (ft)

PARADOX	4728.53

Orientation data: (All data on the current line refers to the depth interval: current bit depth - previous bit depth)

Bit depth (ft)	Svy depth (ft)	Inc (°)	Dir (°)	Course length (ft)	Build rate	Turn rate	DLS	TVD (ft)	Orient ---interval--- (ft)	Rotate (ft)	Start rotate (ft)	End rotate (ft)	Toolface
					-----(°/100ft)------								
5214.22	5167.22	23.60	291.60	31.50	0.95	0.00	0.95	5054.76	0.00	31.50	5182.72	5214.22	40WOB30RPM

Remarks:

SPERRY-SUN
Drilling Services
Well: CHAPARRAL 1-L
BHA Run 6

MD in (ft)	MD out	Interval	TVD in	TVD out	BHA type	Method
5228.00	5820.00	592.00	5110.44	5656.76	H	ROTORY

BHA performance: (°/100ft)

		Avg.build:	-0.49	Avg.turn.:	-1.06
Expected dogleg(rotary)..:	0.00	Max.build:	0.08	Max.turn.:	1.38
Expected dogleg(oriented):	0.00	Min.build:	-0.64	Min.turn.:	-2.12

BHA components: BIT I, SUB FS, RR, NMDC, NMDC, RR, SUB XO, 5 x 4.875 HWDP, JAR, 45 x 4.875 HWDP, 24 x 6.500 DP X, STB S, 21 x 6.500 DP X, DP E

Formations: PARADOX, ISMAY, GOTHIC, DESERT CREEK, CHIMNEY ROCK, AKAH

Bit# 4RR1 Size: 7.875in Type: F3H Make: SMITH
TFA.: 0.278 in2 Hrs.: 50.00 Condition: 6/E/1

Mtr# Size: 0.000in Type: Make:
Desr:

BHA run summary:

THIS ASSEMBLY WAS RUN IN THE HOLE TO MAINTAIN A 23.3° IN INCLANATION AND A 290.2° IN DIRECTION. WITH 600 FEET TO DRILL TO TD, AN AVERAGE 35 RPM AND 45 WEIGHT ON BIT WAS USED TO MINIMIZE DROP AND TURN. OVER THE 600 FOOT COURSE LENGTH A DROP RATE OF .37° PER 100 FEET AND A TURN RATE OF .53° PER 100 FEET WAS EXPERIENCED. THE ASSEMBLY PERFORMED WELL WITH A 11.8 FEET PER HOUR DRILL RATE AND FINISHING 2 FEET LEFT OF CENTER AND 7 FEET BACK IN VERTICAL SECTION. THE ASSEMBLY WAS PULLED AT TD WITHOUT INCIDENT.

Sperry-Sun WESTERN DIVISION
APM v1.12A
03/17/94

BHA # 6 - BHA TALLY

Well: CHAPARRAL 1-L

MD in...: 5228.00 ft TVD in.: 5110.44 ft Bit size: 7.875 in
MD out..: 5820.00 ft TVD out: 5656.76 ft Jets....: 3 X 11 32nds
Interval: 592.00 ft TFA.....: 0.278 in2

Description	S/n	Weight (lb)	Item length (ft)	Item OD (in)	Item ID (in)	Bit/STB gauge (in)	Len.fr. bit (ft)	Belly length (ft)	Bit to CB STB (ft)
7 7/8 INSERT BIT F3H	KY3658	0.05	0.50				0.50		
6 1/4 FLOAT SUB	54101	0.16	1.82	6.250	2.313		2.32		
7 7/8 STG 3/PT REAMER	15242		4.01	6.250	2.250	7.875	6.33	3.86	3.86
6 1/4 NON-MAG DC	C-240	1.97	24.40	6.188	2.813		30.73		
6 1/4 NON-MAG DC	C-272	2.33	27.53	6.313	2.813		58.26		
7 7/8 STG 3/PT REAMER	1569	0.55	6.14	6.250	2.250	7.875	64.40	56.48	60.34
6 1/4 CROSSOVER	C-007	0.12	1.44	6.000	2.250		65.84		
4 1/2 HWDP x 5		6.55	152.25	4.875	2.750		218.09		
4 1/2 JARS	DAI-570	2.47	31.05	6.125	2.750		249.14		
4 1/2 HWDP x 45		58.72	1365.50	4.875	2.750		******		
4 1/2 X95 DRILLPIPE		126.91	735.44	6.500	2.750		******		
7 1/4 STRING STB	R11489	0.46	5.15	6.250	2.313	7.250	******	2291.37	2351.71
4 1/2 X95 DRILLPIPE		59.21	643.20	6.500	2.750		******		
4 1/2 GRADE E DRILLPIPE							******		
		259.50	2998.43						

Sperry-Sun WESTERN DIVISION | ORIENTATION DATA SHEET | Page:

ADRM v1.36A

Mar/17/1994 | Well: CHAPARRAL 1-L

BHA #	MD in (ft)	MD out (ft)	Bit #	Size (in)	Make	Type	Jets (in)	TFA (in2)	Condition
6	5228.00	5820.00	4RR1	7.875	SMITH	F3H	3 X 11	0.278	6/E/1

Pump #	Make	Type	Liner (in)	Stroke (in)	SPM
1	OMEGA	D-750	6.000	8.000	102
2	OMEGA	D-750	6.000	8.000	0

D.D. supervisors: P DAVIS B BALBINOT

Flow rate...: 283.00pm

P.pres. drlg: 1500 psi

P.pres. circ: 1500 psi

Magnetic declination: 12.40 °

MWD toolface offset.: 0.00 °

MWD depth correction: 22.00 ft

Tally: BIT I, SUB FS, RR, NMDC, NMDC, RR, SUB XO, 5 x 4.875 HWDP, JAR, 45 x 4.875 HWDP, 24 x 6.500 DP X, STB S, 21 x 6.500 DP X, DP E

Formations / TVD tops drilled: (ft)

PARADOX	4728.53	ISMAY	5258.96	GOTHIC	5498.83	DESERT CREEK	5521.94
CHIMNEY ROCK	5600.92	AKAH	5624.18				

Orientation data: (All data on the current line refers to the depth interval: current bit depth - previous bit depth)

Bit depth (ft)	Svy depth (ft)	Inc (°)	Dir (°)	Course length (ft)	Build rate (°/100ft)	Turn rate (°/100ft)	DLS (°/100ft)	TVD (ft)	Orient interval (ft)	Rotate interval (ft)	Start rotate (ft)	End rotate (ft)	Toolface
5320.11	5298.11	23.70	293.40	105.89	0.08	1.38	0.56	5174.66	0.00	105.89	5214.22	5320.11	45WOB50RPM
5414.47	5392.47	23.20	291.40	94.36	-0.53	-2.12	1.00	5261.23	0.00	94.36	5320.11	5414.47	45WOB30RPM
5539.16	5517.16	22.80	291.40	124.69	-0.32	0.00	0.32	5376.01	0.00	124.69	5414.47	5539.16	45WOB40RPM
5697.28	5675.28	22.00	289.90	158.12	-0.51	-0.95	0.62	5522.20	0.00	158.12	5539.16	5697.28	40WOB40RPM
5791.00	5769.00	21.40	288.40	93.72	-0.64	-1.60	0.87	5609.28	0.00	93.72	5697.28	5791.00	45WOB60RPM

Remarks:

SPERRY-SUN
DRILLING SERVICES

BIT RECORDS

Sperry-Sun WESTERN DIVISION
APM v1.12A
03/17/94

BIT RECORDS

Well: CHAPARRAL 1-L

BHA run	Bit #	Size (in)	MD in / MD out / Interval (ft)	Inc. in / Inc. out / Change (°)	Bit type / Make / S/n	IADC code / BHA type / Motor	Jets / TFA (32nds/in2)	HOB / Av.ROP (ft/hr)	Condition / Formations
1	1	7.875	2847.00 2855.00 8.00	 0.00	F-27 SMITH KX1943	527Y	3X16 0.588	0.00	A
2	1RR1	7.875	2855.00 3716.00 861.00	0.30 13.10 12.80	F-27 SMITH KX1943	527Y BH 6.250 in SPERRYDRILL PDM	3X16 0.588	70.25 12.26	3/I/1 A
3	2	7.875	3716.00 4702.00 986.00	13.80 24.20 10.40	HP51X REED R09701	517 BH 6.250 in SPERRYDRILL PDM	3 X 13 0.389	67.75 14.55	6/E/1 A\B
4	3	7.875	4702.00 5214.00 512.00	23.70 23.60 -0.10	ATJ33H HTC S19PW	547 BH 6.250 in SPERRYDRILL PDM	1 X 13, 2 X 12 0.351	57.25 8.94	6/E/1 B\C
5	4	7.875	5214.00 5228.00 14.00	 0.00	F3H SMITH KY3658	537X H	3 X 11 0.278	2.00 7.00	C
6	4RR1	7.875	5228.00 5820.00 592.00	23.70 21.40 -2.30	F3H SMITH KY3658	537X H	3 X 11 0.278	50.00 11.84	6/E/1 C\D\E\F\G\H

NOTES: 1: Inclination in/out derived from the original survey closest to the MD in/out within the BHA run course length
2: BHA types.....: B:build / D:drop / H:hold / T:turn / O:other
3: formation names:
A: OVERBURDEN B: HONAKER C: PARADOX D: ISMAY E: GOTHIC F: DESERT CREEK
G: CHIMNEY ROCK H: AKAH

SPERRY-SUN
DRILLING SERVICES

B.H.A. SUMMARY

Sperry-Sun WESTERN DIVISION
APM v1.12A
03/17/94

BHA RUNS SUMMARY

Well: CHAPARRAL 1-L

Page:

BHA run	Bit # / Motor # Hole size (in)	MD in / MD out/ Interval (ft)	TVD in/ TVD out Comments (ft)	Method BHA type	Dogleg --Expected-- Rot / Orient (°/100ft)	Dogleg Actual (°/100ft)	Inc .in/ Inc .out (°)	Inc Change Build rate (°/ °/100ft)	Dir. in Dir. out Formations (°)	Dir change Turn rate (°/ ft)
1	1	2847.00	2847.00	MULTISHOT	0.00	0.00	0.00	0.00	0.00	0.00
		2855.00	2855.00				0.00	0.00	0.00	0.00
	7.875	8.00	MULTI-SHOT RUN AND CLEAN OUT CEMENT						A	
2	1RR1	2855.00	2855.00	STEERABLE	0.00	2.95	0.30	12.80	311.60	-22.30
	1	3716.00	3708.58	BH			13.10	1.50	289.30	-2.62
	7.875	861.00							A	
3	2	3716.00	3708.58	STEERABLE	0.00	4.92	13.80	10.40	289.40	1.20
	1RR1	4702.00	4629.82	BH			24.20	1.05	290.60	0.12
	7.875	986.00							A	
4	3	4702.00	4629.82	STEERABLE	0.00	4.92	23.70	-0.10	290.30	1.30
	2	5214.00	5097.61	BH			23.60	-0.02	291.60	0.30
	7.875	512.00								
5	4	5214.00	5097.61	ROTORY	0.00	0.00	0.00	0.00	0.00	0.00
		5228.00	5110.44	H			0.00	0.00	0.00	0.00
	7.875	14.00								
6	4RR1	5228.00	5110.44	ROTORY	0.00	0.00	23.70	-2.30	293.40	-5.00
		5820.00	5656.76	H			21.40	-0.48	288.40	-1.04
	7.875	592.00							B	

NOTES: 1: Inclination in/out and direction in/out are derived from the original survey closest to the MD in/out within the BHA run course length
2: BHA types.....: B:build / D:drop / H:hold / T:turn / O:other
3: formation names:
A: OVERBURDEN B: ISMAY

SPERRY-SUN
DRILLING SERVICES

MOTOR RUN SUMMARY

Sperry-Sun WESTERN DIVISION
APM v1.12A
03/17/94

MOTOR RUNS SUMMARY

Well: CHAPARRAL 1-L

BHA run	DHM #	Hole size / Motor size/ Description (in)	MD in / MD out/ Interval (ft)	Inc. in / Inc. out/ Change	Dir. in / Dir. out/ Change	Type / Make / s/n	Bit type / BHA type / Flow rate (gpm)	Formations	Hours Total in-hole	Hours Drlg + Circ	Hours Drlg
2	1	7.875	2855.00	0.30	311.60	PDM	F-27	A			
		6.250	3716.00	13.10	289.30	SPERRYDRILL	BH				
			861.00	12.80	-22.30	625-006	0.00		84.75	79.75	70.25
		1.15° ADJ LS 8/9 3 STG									
3	1RR1	7.875	3716.00	13.80	289.40	PDM	HP51X	A			
		6.250	4702.00	24.20	290.60	SPERRYDRILL	BH				
			986.00	10.40	1.20	625-006	0.00		80.50	75.50	67.75
		1.15° ADJ LS 8/9 3 STG									
4	2	7.875	4702.00	23.70	290.30	PDM	ATJ33H				
		6.250	5214.00	23.60	291.60	SPERRYDRILL	BH				
			512.00	-0.10	1.30	625-008	0.00		67.50	62.50	57.25
		1 3/4 L/S 7/8	2.8 STG								

NOTES: 1: Inclination in/out and direction in/out are derived from the original survey closest to the MD in/out within the BHA run course length
2: BHA types.....: B:build / D:drop / H:hold / T:turn / O:other
3: formation names:
A: OVERBURDEN

SPERRY-SUN
DRILLING SERVICES

ORIGINAL WORKING SURVEYS

Sperry-Sun WESTERN DIVISION
APM v1.12A
17/03/94

ORIGINAL WORKING SURVEYS

Well: CHAPARRAL 1-L

MD (ft)	Angle	Direction (azimuth)	Survey type	TVD (ft)	Rect.Coordinates N(-S) (ft)	E(-W) (ft)	Vertical section (ft)	Dog-leg severity (°/30m)	Rate of build (°/30m)	Rate of turn (°/30m)
1680.00	0.00	0.00	TIE ON	1680.00	0.00	0.00	0.00	0.00	0.00	0.00
1694.86	0.39	80.40		1694.86	0.01	0.05	-0.04	2.62	2.58	532.53
1755.79	0.33	101.45		1755.79	0.01	0.43	-0.40	0.24	-0.10	34.01
1816.72	0.37	29.00		1816.72	0.15	0.70	-0.60	0.68	0.07	-117.04
1877.65	0.58	6.33		1877.65	0.63	0.83	-0.56	0.46	0.33	-36.62
1938.58	0.51	351.41		1938.58	1.20	0.82	-0.36	0.26	-0.11	-24.10
1999.51	0.56	4.95		1999.51	1.76	0.81	-0.15	0.22	0.08	21.87
2060.44	0.44	344.39		2060.44	2.28	0.77	0.06	0.35	-0.20	-33.21
2121.37	0.36	333.04		2121.37	2.68	0.62	0.34	0.18	-0.13	-18.34
2182.30	0.43	347.33		2182.30	3.07	0.48	0.61	0.20	0.11	23.08
2243.23	0.15	5.71		2243.23	3.37	0.44	0.75	0.48	-0.45	29.69
2304.16	0.19	342.40		2304.16	3.55	0.42	0.83	0.13	0.07	-37.66
2365.09	0.18	317.55		2365.09	3.72	0.32	0.98	0.13	-0.02	-40.14
2426.02	0.03	255.93		2426.02	3.79	0.24	1.08	0.28	-0.25	-99.54
2486.95	0.22	329.37		2486.95	3.89	0.16	1.19	0.35	0.31	118.63
2547.88	0.22	355.33		2547.88	4.11	0.09	1.33	0.16	0.00	41.94
2608.81	0.31	75.46		2608.81	4.27	0.24	1.25	0.57	0.15	129.44
2669.74	0.39	97.39		2669.74	4.28	0.61	0.91	0.25	0.13	35.42
2730.67	0.45	88.60		2730.67	4.26	1.05	0.48	0.14	0.10	-14.20
2791.60	0.44	85.01		2791.60	4.29	1.52	0.05	0.05	-0.02	-5.80
2822.00	0.59	59.29		2822.00	4.38	1.77	-0.15	0.89	0.48	-83.28
2858.95	0.30	311.60		2858.95	4.54	1.86	-0.18	2.00	-0.77	-286.86
2889.40	0.70	278.00		2889.40	4.62	1.62	0.08	1.58	1.29	-108.60
2920.38	0.70	267.80		2920.38	4.64	1.24	0.44	0.40	0.00	-32.40
2951.17	0.80	267.20		2951.17	4.62	0.84	0.81	0.33	0.31	-1.92
2981.87	1.60	269.90		2981.86	4.61	0.20	1.41	2.61	2.57	8.65
3012.79	3.10	277.40		3012.75	4.72	-1.06	2.63	4.94	4.77	23.88
3044.65	4.00	282.10		3044.55	5.06	-3.00	4.57	2.97	2.78	14.52
3075.01	4.40	286.20		3074.83	5.61	-5.15	6.77	1.65	1.30	13.29
3106.01	4.50	288.60		3105.74	6.33	-7.44	9.17	0.68	0.31	7.62
3137.67	4.40	289.20		3137.30	7.13	-9.76	11.63	0.35	-0.31	1.87
3168.70	4.60	289.30		3168.23	7.93	-12.06	14.06	0.65	0.63	0.31
3200.60	4.80	285.10		3200.02	8.70	-14.56	16.67	1.25	0.62	-12.96
3231.25	5.60	291.20		3230.54	9.57	-17.19	19.44	3.17	2.57	19.59
3262.05	6.10	293.40		3261.18	10.76	-20.09	22.57	1.78	1.59	7.03

VERTICAL SECTION IS RELATIVE TO WELL HEAD ALONG AZIMUTH 290.22 °.
MINIMUM CURVATURE CALCULATION METHOD USED.

Sperry-Sun WESTERN DIVISION
APM v1.12A
17/03/94

ORIGINAL WORKING SURVEYS

Well: CHAPARRAL 1-L

MD (ft)	Angle	Direction (azimuth)	Survey type	TVD (ft)	Rect.Coordinates N(-S) (ft)	E(-W) (ft)	Vertical section (ft)	Dog-leg severity (°/30m)	Rate of build (°/30m)	Rate of turn (°/30m)
3293.53	6.30	295.40		3292.48	12.17	-23.19	25.96	0.94	0.63	6.25
3324.27	6.50	290.50		3323.03	13.50	-26.34	29.39	1.89	0.64	-15.69
3356.15	7.00	282.40		3354.69	14.55	-29.93	33.11	3.37	1.55	-25.01
3387.13	7.80	281.00		3385.41	15.36	-33.84	37.06	2.65	2.54	-4.45
3417.39	8.30	281.00		3415.37	16.17	-38.00	41.25	1.65	1.62	0.00
3448.59	8.70	285.30		3446.23	17.22	-42.49	45.82	2.41	1.26	13.56
3480.40	9.40	288.30		3477.64	18.67	-47.28	50.82	2.65	2.17	9.28
3510.78	9.80	290.20		3507.59	20.34	-52.06	55.88	1.68	1.30	6.15
3542.06	10.50	290.70		3538.38	22.27	-57.22	61.39	2.26	2.20	1.57
3573.16	10.90	290.60		3568.94	24.31	-62.62	67.16	1.29	1.27	-0.31
3604.61	11.50	289.30		3599.79	26.39	-68.36	73.27	2.07	1.88	-4.06
3635.61	11.90	288.80		3630.15	28.44	-74.30	79.55	1.33	1.27	-1.58
3667.31	12.40	288.90		3661.14	30.60	-80.61	86.22	1.58	1.56	0.31
3698.78	13.10	289.30		3691.83	32.87	-87.17	93.16	2.24	2.19	1.25
3730.86	13.80	289.40		3723.03	35.34	-94.21	100.62	2.18	2.15	0.31
3761.99	14.60	289.20		3753.21	37.86	-101.42	108.25	2.57	2.53	-0.63
3792.44	14.80	288.90		3782.66	40.38	-108.72	115.98	0.70	0.65	-0.97
3824.31	15.30	290.30		3813.44	43.16	-116.51	124.25	1.94	1.55	4.32
3856.29	15.70	290.20		3844.26	46.12	-124.53	132.79	1.25	1.23	-0.31
3886.56	16.10	290.40		3873.37	49.00	-132.31	141.09	1.33	1.30	0.65
3917.58	16.30	290.40		3903.16	52.02	-140.42	149.75	0.64	0.63	0.00
3949.46	16.80	291.00		3933.72	55.23	-148.91	158.83	1.66	1.55	1.85
3979.86	17.40	291.40		3962.78	58.46	-157.24	167.76	2.01	1.94	1.30
4010.72	18.10	291.80		3992.17	61.92	-165.99	177.16	2.30	2.23	1.28
4042.70	18.70	291.80		4022.51	65.67	-175.36	187.25	1.88	1.85	0.00
4074.58	19.40	292.00		4052.64	69.55	-185.01	197.65	2.21	2.17	0.62
4106.08	20.50	291.50		4082.25	73.53	-194.99	208.39	3.53	3.44	-1.56
4137.26	21.70	290.00		4111.34	77.50	-205.49	219.61	4.22	3.79	-4.73
4169.10	23.00	287.80		4140.79	81.42	-216.94	231.71	4.85	4.02	-6.80
4199.33	23.50	287.80		4168.56	85.07	-228.30	243.63	1.65	1.62	0.00
4231.03	23.30	287.00		4197.65	88.84	-240.31	256.21	1.18	-0.62	-2.48
4261.66	23.20	287.60		4225.79	92.44	-251.85	268.28	0.84	-0.32	1.93
4293.46	22.80	288.50		4255.06	96.29	-263.66	280.69	1.67	-1.24	2.79
4324.54	22.50	288.40		4283.74	100.08	-275.01	292.65	0.97	-0.95	-0.31
4356.16	23.10	288.20		4312.89	103.93	-286.64	304.90	1.91	1.87	-0.62

VERTICAL SECTION IS RELATIVE TO WELL HEAD ALONG AZIMUTH 290.22 °.
MINIMUM CURVATURE CALCULATION METHOD USED.

Sperry-Sun WESTERN DIVISION
APM v1.12A
17/03/94

ORIGINAL WORKING SURVEYS

Well: CHAPARRAL 1-L

MD (ft)	Angle	Direction (azimuth)	Survey type	TVD (ft)	Rect.Coordinates N(-S) (ft)	E(-W) (ft)	Vertical section (ft)	Dog-leg severity (°/30m)	Rate of build (°/30m)	Rate of turn (°/30m)
4387.75	24.10	287.30		4341.84	107.78	-298.69	317.53	3.36	3.12	-2.81
4419.43	24.10	287.40		4370.76	111.64	-311.04	330.45	0.13	0.00	0.31
4450.10	24.00	287.90		4398.77	115.43	-322.95	342.94	0.74	-0.32	1.60
4481.90	23.00	288.80		4427.93	119.42	-334.99	355.62	3.34	-3.09	2.79
4513.51	22.10	290.00		4457.12	123.44	-346.42	367.74	3.20	-2.81	3.74
4544.51	22.20	290.50		4485.83	127.49	-357.39	379.42	0.69	0.31	1.58
4576.07	23.10	289.80		4514.96	131.68	-368.80	391.58	2.98	2.81	-2.19
4606.73	24.40	289.70		4543.02	135.85	-380.42	403.93	4.24	4.17	-0.32
4637.67	24.50	289.30		4571.19	140.12	-392.49	416.73	0.63	0.31	-1.27
4669.24	24.30	290.50		4599.94	144.56	-404.75	429.77	1.69	-0.62	3.74
4700.22	24.20	290.60		4628.19	149.03	-416.66	442.49	0.35	-0.31	0.31
4730.39	23.70	290.30		4655.76	153.31	-428.14	454.74	1.71	-1.63	-0.97
4762.14	23.50	289.70		4684.85	157.66	-440.08	467.45	0.98	-0.62	-1.86
4794.17	24.20	288.40		4714.14	161.88	-452.32	480.40	2.73	2.16	-4.00
4824.81	25.10	288.30		4741.99	165.90	-464.45	493.17	2.94	2.89	-0.32
4855.91	25.10	288.30		4770.15	170.04	-476.98	506.35	0.00	0.00	0.00
4886.62	24.70	288.20		4798.01	174.09	-489.26	519.28	1.31	-1.28	-0.32
4917.29	24.20	288.20		4825.93	178.05	-501.32	531.96	1.63	-1.60	0.00
4947.47	23.30	289.00		4853.55	181.93	-512.84	544.11	3.17	-2.93	2.61
4978.91	24.10	290.20		4882.34	186.17	-524.74	556.75	2.97	2.50	3.76
5009.97	24.20	290.70		4910.68	190.61	-536.65	569.45	0.73	0.31	1.58
5041.85	23.90	291.10		4939.79	195.24	-548.79	582.45	1.07	-0.93	1.23
5072.95	23.70	290.90		4968.25	199.74	-560.51	595.00	0.69	-0.63	-0.63
5104.70	23.30	291.30		4997.37	204.30	-572.32	607.66	1.36	-1.24	1.24
5135.72	23.30	291.60		5025.86	208.79	-583.74	619.93	0.38	0.00	0.95
5167.22	23.60	291.60		5054.76	213.40	-595.40	632.46	0.95	0.94	0.00
5298.11	23.70	293.40		5174.66	233.49	-643.90	684.92	0.56	0.08	1.36
5392.47	23.20	291.40		5261.23	247.80	-678.61	722.44	1.00	-0.52	-2.09
5517.16	22.80	291.40		5376.01	265.58	-723.97	771.14	0.32	-0.31	0.00
5675.28	22.00	289.90		5522.20	286.84	-780.34	831.39	0.62	-0.50	-0.94
5769.00	21.40	288.40		5609.28	298.21	-813.07	866.03	0.87	-0.63	-1.57

VERTICAL SECTION IS RELATIVE TO WELL HEAD ALONG AZIMUTH 290.22 °.
MINIMUM CURVATURE CALCULATION METHOD USED.

SPERRY-SUN
DRILLING SERVICES

MUD DATA

Sperry-Sun WESTERN DIVISION
APM v1.12A
17/03/94

MUD DATA

Well: CHAPARRAL 1-L

MD (ft)	Mud type	MW (ppg)	Vis (sec/qt)	PV (cp)	YP	pH/ Aw*	Water loss (cc)	Temp out (°F)	Oil/Water/Solids ------(%)------	Sand (%)
2847.00	WATER	8.40	26			7.0			0.0/ 0.0/ 0.0	0.0
2847.00	GEL-WATER	10.20	47	10.00	14.0	12.0	11.1	70	0.0/93.0/ 7.0	0.1
2847.00	GEL-WATER	10.20	47	10.00	14.0	12.0	11.1	70	0.0/93.0/ 7.0	0.1
2907.00	LINE BASE	10.70	44	17.00	12.0	11.0	15.2	70	0.0/89.0/11.0	0.1
3211.00	LOW LIME	10.60	39	16.00	13.0	12.0	20.0	70	0.0/89.0/11.0	0.1
3476.00	LIME	10.80	42	17.00	8.0	11.5	12.0	80	0.0/89.0/11.0	0.1
3716.00	LIME	10.50	45	17.00	12.0	11.0	15.0	80	0.0/90.0/10.0	0.1
3990.00	LIME	10.50	46	16.00	12.0	11.5	20.0	80	0.0/90.0/10.0	0.1
4298.00	LOW LIME	10.60	43	16.00	10.0	11.0	14.0	90	0.0/89.0/11.0	0.1
0.00	LOW LIME	10.80	56	22.00	17.0	11.0	7.0	90	0.0/87.0/13.0	0.1
0.00	LOW LIME	10.80	46	20.00	12.0	12.0	6.0	90	0.0/86.0/14.0	0.1
4971.00	LOW LIME	10.50	52	19.00	14.0	12.0	9.6	90	0.0/88.0/12.0	0.1
0.00	LOW LIME	10.60	45	17.00	14.0	12.0	13.6	90	0.0/88.0/12.0	0.1
5228.00	LOW LIME	10.60	40	13.00	11.0	12.0	20.4	90	0.0/88.0/12.0	0.1
5370.00	LOW LIME	10.50	39	16.00	10.0	11.5	20.0	90	0.0/88.0/12.0	0.1
5550.00	LOW LIME	10.90	48	24.00	20.0	12.0	8.4	90	0.0/86.0/14.0	0.1
5718.00	LOW LIME	10.90	56	30.00	24.0	12.0	16.0	90	0.0/86.0/14.0	0.1
5820.00	LOW LIME	11.70	58	30.00	23.0	12.0	8.0	90	0.0/86.0/14.0	0.1

SPERRY-SUN
DRILLING SERVICES

FORMATION TOPS

Sperry-Sun WESTERN DIVISION
APM v1.12A
17/03/94

FORMATION TOPS

Well: CHAPARRAL 1-L

Formation Names	-----MD (RKB)----- top (ft)	bottom (ft)	----TVD (RKB)----- top (ft)	bottom (ft)	--TVD (Sub-sea)-- top (ft)	bottom (ft)	Vertical thickness (ft)
OVERBURDEN	0.00	4290.00		4251.88		4251.88	4251.88
ISMAY	5390.00	5650.00	5258.96	5498.83	5258.96	5498.83	239.87
SALT	5830.00	6000.00	5666.07	5824.35	5666.07	5824.35	158.28
HONAKER	4290.00	4810.00	4251.88	4728.53	4251.88	4728.53	476.65
PARADOX	4810.00	5390.00	4728.53	5258.96	4728.53	5258.96	530.43
GOTHIC	5650.00	5675.00	5498.83	5521.94	5498.83	5521.94	23.11
DESERT CREEK	5675.00	5760.00	5521.94	5600.92	5521.94	5600.92	78.98
CHIMNEY ROCK	5760.00	5785.00	5600.92	5624.18	5600.92	5624.18	23.26
AKAH	5785.00	5830.00	5624.18	5666.07	5624.18	5666.07	41.89

SPERRY-SUN
DRILLING SERVICES

DAYS vs DEPTH

Sperry-Sun WESTERN DIVISION
APM v1.12A
17/03/94

DAYS vs DEPTH

Well: CHAPARRAL 1-L

Date	Day #	Midnight depth (ft)	Hole Size (in)	Company representative	Directional driller
18/02/94	1	2847.00	7.875	JOHN OWEN	P DAVIS B BALBINOT
19/02/94	2	2847.00	7.875	JOHN OWEN	P DAVIS B BALBINOT
20/02/94	3	2847.00	7.875	JOHN OWEN	P DAVIS B BALBINOT
21/02/94	4	2902.00	7.875	JOHN OWEN	P DAVIS B BALBINOT
22/02/94	5	3211.00	7.875	JOHN OWEN	P DAVIS B BALBINOT
23/02/94	6	3476.00	7.875	JOHN OWEN	P DAVIS B BALBINOT
24/02/94	7	3716.00	7.875	JOHN OWEN	P DAVIS B BALBINOT
25/02/94	8	3990.00	7.875	JOHN OWEN	P DAVIS B BALBINOT
26/02/94	9	4298.00	7.875	JOHN OWEN	P DAVIS B BALBINOT
27/02/94	10	4600.00	7.875	JOHN OWEN	P DAVIS B BALBINOT
28/02/94	11	4760.00	7.875	JOHN OWEN	P DAVIS B BALBINOT
01/03/94	12	4971.00	7.875	JOHN OWEN	P DAVIS B BALBINOT
02/03/94	13	5151.00	7.875	JOHN OWEN	P DAVIS B BALBINOT
03/03/94	14	5228.00	7.875	JOHN OWEN	P DAVIS B BALBINOT
04/03/94	15	5370.00	7.875	JOHN OWEN	P DAVIS B BALBINOT
05/03/94	16	5550.00	7.875	JOHN OWEN	P DAVIS B BALBINOT
06/03/94	17	5718.00	7.875	JOHN OWEN	P DAVIS
07/03/94	18	5820.00	7.875	JOHN OWEN	P DAVIS

SPERRY-SUN
DRILLING SERVICES

TIME DISTRIBUTION

Sperry-Sun WESTERN DIVISION
APM v1.12A
17/03/94

TIME DISTRIBUTION - TOTAL WELL

Well: CHAPARRAL 1-L

Operation	Total Hours	%
ROTARY DRILLING	195.50	45.25
ORIENTED DRILLING	73.50	17.01
DEVIATION SURVEY	23.25	5.38
PULL OUT OF HOLE	21.00	4.86
RUN IN HOLE	19.00	4.40
OTHER	17.00	3.94
WAIT ON CEMENT	12.00	2.78
CONDITION MUD	11.50	2.66
DRILL CEMENT	10.25	2.37
CHANGE BHA	9.00	2.08
WASHING	7.75	1.79
TEST BOPS	7.50	1.74
REPAIRING RIG	7.00	1.62
CIRCULATING	6.00	1.39
CHANGE BOPS	5.00	1.16
SERVICE RIG	4.25	0.98
CUT & SLIP LINE	1.50	0.35
CEMENT PLUG	0.75	0.17
ROTARY REAMING	0.25	0.06
Section Total:	432.00	100.00

SPERRY-SUN
DRILLING SERVICES

EVENT LOG

Sperry-Sun WESTERN DIVISION
APM v1.12A
17/03/94

EVENT LOG - TOTAL WELL

Well: CHAPARRAL 1-L

Date	Depth (ft)	Section (in)	Start time	Hours	Operation	Description
18/02/94		7.87500	00	1.50	CHANGE BOPS	CHANGE BOPS WAIT ON DRILLING SPOOL
		7.87501	30	3.50	CHANGE BOPS	CHANGE BOPS - NIPPLE UP
		7.87505	00	3.00	TEST BOPS	TEST BOPS - PRESSURE TEST
		7.87508	00	4.50	TEST BOPS	TEST BOPS - ACCUMULATOR FUNCTION TEST
		7.87512	30	3.50	RUN IN HOLE	RUN IN HOLE - PICK UP PIPE
		7.87516	00	1.75	DRILL CEMENT	DRILL CEMENT
		7.87517	45	1.50	RUN IN HOLE	RUN IN HOLE - PICK UP PIPE
		7.87519	15	2.00	WASHING	WASHING
		7.87521	15	1.00	PULL OUT OF HOLE	PULL OUT OF HOLE
	2847.00	7.87522	15	1.75	OTHER	OTHER - CLEAN MUD TANKS
19/02/94		7.87500	00	2.75	OTHER	OTHER - CLEAN MUD TANKS
		7.87502	45	4.75	CONDITION MUD	CONDITION MUD
		7.87507	30	0.25	RUN IN HOLE	RUN IN HOLE
		7.87507	45	0.50	CONDITION MUD	CONDITION MUD - DISPLACING HOLE
		7.87508	15	0.75	RUN IN HOLE	RUN IN HOLE
		7.87509	00	5.00	WASHING	WASHING
		7.87514	00	0.75	CONDITION MUD	CONDITION MUD - H2O TO FRAC TANK
		7.87514	45	0.75	WASHING	WASHING
		7.87515	30	3.50	DRILL CEMENT	DRILL CEMENT
		7.87519	00	2.50	CONDITION MUD	CONDITION MUD
	2847.00	7.87521	30	2.50	PULL OUT OF HOLE	PULL OUT OF HOLE
20/02/94		7.87500	00	1.00	RUN IN HOLE	RUN IN HOLE - OPEN ENDED
		7.87501	00	0.75	CIRCULATING	CIRCULATING
		7.87501	45	0.75	CEMENT PLUG	CEMENT PLUG
		7.87502	30	0.50	PULL OUT OF HOLE	PULL OUT OF HOLE
		7.87503	00	0.75	CIRCULATING	CIRCULATING
		7.87503	45	1.00	PULL OUT OF HOLE	PULL OUT OF HOLE
		7.87504	45	8.00	WAIT ON CEMENT	WAIT ON CEMENT
		7.87512	45	0.75	RUN IN HOLE	RUN IN HOLE
		7.87513	30	4.00	WAIT ON CEMENT	WAIT ON CEMENT
		7.87517	30	0.50	RUN IN HOLE	RUN IN HOLE
		7.87518	00	4.00	DRILL CEMENT	DRILL CEMENT
		7.87522	00	1.00	CIRCULATING	CIRCULATING
	2847.00	7.87523	00	1.00	PULL OUT OF HOLE	PULL OUT OF HOLE
21/02/94		7.87500	00	0.50	PULL OUT OF HOLE	PULL OUT OF HOLE
		7.87500	30	2.00	CHANGE BHA	CHANGE BHA
		7.87502	30	1.00	DRILL CEMENT	DRILL CEMENT
		7.87503	30	1.50	CIRCULATING	CIRCULATING
		7.87505	00	2.00	PULL OUT OF HOLE	PULL OUT OF HOLE - MULTISHOT SURVEY OUTRUN TO CASING SHOE

Sperry-Sun WESTERN DIVISION
APM v1.12A
17/03/94

EVENT LOG - TOTAL WELL

Well: CHAPARRAL 1-L

Date	Depth (ft)	Section (in)	Start time	Hours	Operation	Description
			7.87507:00	2.00	CHANGE BHA	CHANGE BHA - MAKE UP SPERRY TOOLS & TEST
			7.87509:00	1.50	RUN IN HOLE	RUN IN HOLE
			7.87510:30	1.00	CIRCULATING	CIRCULATING - ORIENT TOOL
			7.87511:30	0.50	ORIENTED DRILLING	ORIENTED DRILLING - TIME DRILL
			7.87512:00	1.00	CONDITION MUD	CONDITION MUD
			7.87513:00	5.25	ORIENTED DRILLING	ORIENTED DRILLING - TIME DRILL
			7.87518:15	0.50	REPAIRING RIG	REPAIRING RIG - CHANGE SHAKER SCREENS
			7.87518:45	0.25	DEVIATION SURVEY	DEVIATION SURVEY
			7.87519:00	0.25	ORIENTED DRILLING	ORIENTED DRILLING - TIME DRILL
			7.87519:15	0.25	REPAIRING RIG	REPAIRING RIG - CHANGE SHAKER SCREENS
			7.87519:30	0.25	ORIENTED DRILLING	ORIENTED DRILLING - TIME DRILL
			7.87519:45	0.25	REPAIRING RIG	REPAIRING RIG - CHANGE SHAKER SCREENS
			7.87520:00	3.25	ORIENTED DRILLING	ORIENTED DRILLING - TIME DRILL
	2902.00		7.87523:15	0.75	ROTARY DRILLING	ROTARY DRILLING
22/02/94			7.87500:00	0.75	ROTARY DRILLING	ROTARY DRILLING
			7.87500:45	1.00	REPAIRING RIG	REPAIRING RIG - REPACK WASH PIPE
			7.87501:45	3.25	ROTARY DRILLING	ROTARY DRILLING
			7.87505:00	1.00	DEVIATION SURVEY	DEVIATION SURVEY
			7.87506:00	1.25	ORIENTED DRILLING	ORIENTED DRILLING
			7.87507:15	0.25	REPAIRING RIG	REPAIRING RIG - CHANGE SHAKER SCREEN
			7.87507:30	4.50	ORIENTED DRILLING	ORIENTED DRILLING
			7.87512:00	0.50	DEVIATION SURVEY	DEVIATION SURVEY
			7.87512:30	4.00	ROTARY DRILLING	ROTARY DRILLING
			7.87516:30	0.75	DEVIATION SURVEY	DEVIATION SURVEY
			7.87517:15	1.00	REPAIRING RIG	REPAIRING RIG - WORK ON SHAKER
			7.87518:15	3.25	ROTARY DRILLING	ROTARY DRILLING
			7.87521:30	0.50	DEVIATION SURVEY	DEVIATION SURVEY
			7.87522:00	0.75	ORIENTED DRILLING	ORIENTED DRILLING
	3211.00		7.87522:45	1.25	ROTARY DRILLING	ROTARY DRILLING
23/02/94			7.87500:00	0.50	ROTARY DRILLING	ROTARY DRILLING
			7.87500:30	0.50	DEVIATION SURVEY	DEVIATION SURVEY
			7.87501:00	1.00	ORIENTED DRILLING	ORIENTED DRILLING
			7.87502:00	1.75	ROTARY DRILLING	ROTARY DRILLING
			7.87503:45	0.25	DEVIATION SURVEY	DEVIATION SURVEY
			7.87504:00	1.25	ORIENTED DRILLING	ORIENTED DRILLING
			7.87505:15	4.00	ROTARY DRILLING	ROTARY DRILLING
			7.87509:15	0.50	DEVIATION SURVEY	DEVIATION SURVEY
			7.87509:45	1.25	ORIENTED DRILLING	ORIENTED DRILLING
			7.87511:00	0.75	ROTARY DRILLING	ROTARY DRILLING
			7.87511:45	0.25	DEVIATION SURVEY	DEVIATION SURVEY

Sperry-Sun WESTERN DIVISION
APM v1.12A
17/03/94

EVENT LOG - TOTAL WELL

Well: CHAPARRAL 1-L

Date	Depth (ft)	Section (in)	Start time	Hours	Operation	Description
		7.87512	00	1.25	ORIENTED DRILLING	ORIENTED DRILLING
		7.87513	15	1.25	ROTARY DRILLING	ROTARY DRILLING
		7.87514	30	0.25	DEVIATION SURVEY	DEVIATION SURVEY
		7.87514	45	1.00	ORIENTED DRILLING	ORIENTED DRILLING
		7.87515	45	1.25	ROTARY DRILLING	ROTARY DRILLING
		7.87517	00	0.25	DEVIATION SURVEY	DEVIATION SURVEY
		7.87517	15	0.75	ORIENTED DRILLING	ORIENTED DRILLING
		7.87518	00	1.75	ROTARY DRILLING	ROTARY DRILLING
		7.87519	45	0.25	DEVIATION SURVEY	DEVIATION SURVEY
		7.87520	00	1.50	ORIENTED DRILLING	ORIENTED DRILLING
		7.87521	30	1.25	ROTARY DRILLING	ROTARY DRILLING
		7.87522	45	0.50	SERVICE RIG	SERVICE RIG
		7.87523	15	0.25	DEVIATION SURVEY	DEVIATION SURVEY
	3476.00	7.87523	30	0.50	ORIENTED DRILLING	ORIENTED DRILLING
24/02/94		7.87500	00	0.75	ORIENTED DRILLING	ORIENTED DRILLING
		7.87500	45	1.50	ROTARY DRILLING	ROTARY DRILLING
		7.87502	15	0.25	DEVIATION SURVEY	DEVIATION SURVEY
		7.87502	30	1.25	ORIENTED DRILLING	ORIENTED DRILLING
		7.87503	45	1.75	ROTARY DRILLING	ROTARY DRILLING
		7.87505	30	0.25	ORIENTED DRILLING	ORIENTED DRILLING
		7.87505	45	1.25	ORIENTED DRILLING	ORIENTED DRILLING
		7.87507	00	1.00	ROTARY DRILLING	ROTARY DRILLING
		7.87508	00	1.75	REPAIRING RIG	REPAIRING RIG - ELECTRICAL REPAIR ON CHARGING PUMP
		7.87509	45	0.25	DEVIATION SURVEY	DEVIATION SURVEY
		7.87510	00	1.00	ORIENTED DRILLING	ORIENTED DRILLING
		7.87511	00	1.00	ROTARY DRILLING	ROTARY DRILLING
		7.87512	00	0.25	DEVIATION SURVEY	DEVIATION SURVEY
		7.87512	15	0.75	ORIENTED DRILLING	ORIENTED DRILLING
		7.87513	00	1.00	ROTARY DRILLING	ROTARY DRILLING
		7.87514	00	0.25	DEVIATION SURVEY	DEVIATION SURVEY
		7.87514	15	1.25	ORIENTED DRILLING	ORIENTED DRILLING
		7.87515	30	1.25	ROTARY DRILLING	ROTARY DRILLING
		7.87516	45	0.25	DEVIATION SURVEY	DEVIATION SURVEY
		7.87517	00	0.50	ORIENTED DRILLING	ORIENTED DRILLING
		7.87517	30	2.00	ROTARY DRILLING	ROTARY DRILLING
		7.87519	30	0.25	DEVIATION SURVEY	DEVIATION SURVEY
		7.87519	45	1.25	ORIENTED DRILLING	ORIENTED DRILLING
		7.87521	00	1.75	ROTARY DRILLING	ROTARY DRILLING
		7.87522	45	0.25	SERVICE RIG	SERVICE RIG
		7.87523	00	0.25	DEVIATION SURVEY	DEVIATION SURVEY
	3716.00	7.87523	15	0.75	CIRCULATING	CIRCULATING FOR BIT TRIP

Sperry-Sun WESTERN DIVISION
APM v1.12A
17/03/94

EVENT LOG - TOTAL WELL

Well: CHAPARRAL 1-L

Date	Depth (ft)	Section (in)	Start time	Hours	Operation	Description
25/02/94		7.87500	00	1.50	PULL OUT OF HOLE	PULL OUT OF HOLE FOR BIT
		7.87501	30	0.50	CHANGE BHA	CHANGE BIT
		7.87502	00	1.75	RUN IN HOLE	RUN IN HOLE
		7.87503	45	0.25	ORIENTED DRILLING	ORIENTED DRILLING
		7.87504	00	1.25	ROTARY DRILLING	ROTARY DRILLING
		7.87505	15	0.25	DEVIATION SURVEY	DEVIATION SURVEY
		7.87505	30	1.00	ORIENTED DRILLING	ORIENTED DRILLING
		7.87506	30	1.25	ROTARY DRILLING	ROTARY DRILLING
		7.87507	45	0.25	DEVIATION SURVEY	DEVIATION SURVEY
		7.87508	00	1.00	ORIENTED DRILLING	ORIENTED DRILLING
		7.87509	00	1.25	ROTARY DRILLING	ROTARY DRILLING
		7.87510	15	0.25	DEVIATION SURVEY	DEVIATION SURVEY
		7.87510	30	1.25	ORIENTED DRILLING	ORIENTED DRILLING
		7.87511	45	0.75	ROTARY DRILLING	ROTARY DRILLING
		7.87512	30	0.25	DEVIATION SURVEY	DEVIATION SURVEY
		7.87512	45	0.50	ORIENTED DRILLING	ORIENTED DRILLING
		7.87513	15	0.50	REPAIRING RIG	REPAIRING RIG WORK ON LIGHT PLANT
		7.87513	45	0.50	ORIENTED DRILLING	ORIENTED DRILLING
		7.87514	15	0.75	ROTARY DRILLING	ROTARY DRILLING
		7.87515	00	0.25	DEVIATION SURVEY	DEVIATION SURVEY
		7.87515	15	0.25	SERVICE RIG	SERVICE RIG
		7.87515	30	0.75	ORIENTED DRILLING	ORIENTED DRILLING
		7.87516	15	1.00	ROTARY DRILLING	ROTARY DRILLING
		7.87517	15	0.25	DEVIATION SURVEY	DEVIATION SURVEY
		7.87517	30	0.25	SERVICE RIG	SERVICE RIG
		7.87517	45	1.00	ORIENTED DRILLING	ORIENTED DRILLING
		7.87518	45	1.00	ROTARY DRILLING	ROTARY DRILLING
		7.87519	45	0.25	DEVIATION SURVEY	DEVIATION SURVEY
		7.87520	00	1.00	ORIENTED DRILLING	ORIENTED DRILLING
		7.87521	00	0.75	ROTARY DRILLING	ROTARY DRILLING
		7.87521	45	0.25	DEVIATION SURVEY	DEVIATION SURVEY
		7.87522	00	1.25	ORIENTED DRILLING	ORIENTED DRILLING
	3990.00	7.87523	15	0.75	ROTARY DRILLING	ROTARY DRILLING
26/02/94		7.87500	00	0.50	ROTARY DRILLING	ROTARY DRILLING
		7.87500	30	0.25	REPAIRING RIG	REPAIRING RIG - REPAIR LIGHT PLANT
		7.87500	45	0.25	DEVIATION SURVEY	DEVIATION SURVEY
		7.87501	00	1.50	ORIENTED DRILLING	ORIENTED DRILLING
		7.87502	30	0.75	ROTARY DRILLING	ROTARY DRILLING
		7.87503	15	0.25	DEVIATION SURVEY	DEVIATION SURVEY
		7.87503	30	1.50	ORIENTED DRILLING	ORIENTED DRILLING
		7.87505	00	0.50	ROTARY DRILLING	ROTARY DRILLING

Sperry-Sun WESTERN DIVISION
APM v1.12A
17/03/94

EVENT LOG - TOTAL WELL

Well: CHAPARRAL 1-L

Date	Depth (ft)	Section (in)	Start time	Hours	Operation	Description
			7.87505:30	0.25	DEVIATION SURVEY	DEVIATION SURVEY
			7.87505:45	1.75	ORIENTED DRILLING	ORIENTED DRILLING
			7.87507:30	0.50	ROTARY DRILLING	ROTARY DRILLING
			7.87508:00	0.25	DEVIATION SURVEY	DEVIATION SURVEY
			7.87508:15	7.75	ORIENTED DRILLING	ORIENTED DRILLING
			7.87516:00	0.75	DEVIATION SURVEY	DEVIATION SURVEY
			7.87516:45	6.50	ROTARY DRILLING	ROTARY DRILLING
	4298.00		7.87523:15	0.75	DEVIATION SURVEY	DEVIATION SURVEYS
27/02/94			7.87500:00	0.75	ROTARY DRILLING	ROTARY DRILLING
			7.87500:45	0.25	SERVICE RIG	SERVICE RIG
			7.87501:00	0.25	DEVIATION SURVEY	DEVIATION SURVEY
			7.87501:15	1.00	ROTARY DRILLING	ROTARY DRILLING
			7.87502:15	0.25	DEVIATION SURVEY	DEVIATION SURVEY
			7.87502:30	3.75	ORIENTED DRILLING	ORIENTED DRILLING
			7.87506:15	0.25	DEVIATION SURVEY	DEVIATION SURVEY
			7.87506:30	9.75	ROTARY DRILLING	ROTARY DRILLING
			7.87516:15	1.00	DEVIATION SURVEY	DEVIATION SURVEYS
			7.87517:15	0.25	SERVICE RIG	SERVICE RIG
			7.87517:30	6.00	ORIENTED DRILLING	ORIENTED DRILLING
	4600.00		7.87523:30	0.50	DEVIATION SURVEY	DEVIATION SURVEYS
28/02/94			7.87500:00	1.50	ORIENTED DRILLING	ORIENTED DRILLING
			7.87501:30	6.50	ROTARY DRILLING	ROTARY DRILLING
			7.87508:00	0.75	DEVIATION SURVEY	DEVIATION SURVEY
			7.87508:45	0.25	SERVICE RIG	SERVICE RIG
			7.87509:00	0.25	CIRCULATING	CIRCULATING
			7.87509:15	2.25	PULL OUT OF HOLE	PULL OUT OF HOLE
			7.87511:30	2.00	OTHER	OTHER CLEAN MUD TANKS
			7.87513:30	1.00	CHANGE BHA	CHANGE BHA MOTOR, BIT, AND MWD
			7.87514:30	2.00	RUN IN HOLE	RUN IN HOLE AND TEST MWD
			7.87516:30	0.50	ROTARY DRILLING	ROTARY DRILLING
			7.87517:00	0.25	REPAIRING RIG	REPAIRING RIG CHANGE SHAKER SCREENS
			7.87517:15	1.25	ROTARY DRILLING	ROTARY DRILLING
			7.87518:30	0.25	DEVIATION SURVEY	DEVIATION SURVEY
			7.87518:45	3.75	ROTARY DRILLING	ROTARY DRILLING
			7.87522:30	0.25	DEVIATION SURVEY	DEVIATION SURVEY
	4760.00		7.87522:45	1.25	ROTARY DRILLING	ROTARY DRILLING
01/03/94			7.87500:00	1.00	ROTARY DRILLING	ROTARY DRILLING
			7.87501:00	0.25	REPAIRING RIG	REPAIRING RIG - CHANGE SHAKER SCREEN
			7.87501:15	0.25	DEVIATION SURVEY	DEVIATION SURVEY

Sperry-Sun WESTERN DIVISION
APM v1.12A
17/03/94

EVENT LOG - TOTAL WELL

Well: CHAPARRAL 1-L

Date	Depth (ft)	Section (in)	Start time	Hours	Operation	Description
			7.87501:30	1.50	ORIENTED DRILLING	ORIENTED DRILLING
			7.87503:00	2.75	ROTARY DRILLING	ROTARY DRILLING
			7.87505:45	1.75	ORIENTED DRILLING	ORIENTED DRILLING
			7.87507:30	13.25	ROTARY DRILLING	ROTARY DRILLING
			7.87520:45	1.25	DEVIATION SURVEY	DEVIATION SURVEY
			7.87522:00	0.50	SERVICE RIG	SERVICE RIG
	4971.00		7.87522:30	1.50	ORIENTED DRILLING	ORIENTED DRILLING
02/03/94			7.87500:00	1.75	ORIENTED DRILLING	ORIENTED DRILLING
			7.87501:45	9.75	ROTARY DRILLING	ROTARY DRILLING
			7.87511:30	0.75	DEVIATION SURVEY	DEVIATION SURVEY
			7.87512:15	0.25	SERVICE RIG	SERVICE RIG
			7.87512:30	0.75	REPAIRING RIG	REPAIRING RIG - REPAIR SHAKER
			7.87513:15	4.75	ROTARY DRILLING	ROTARY DRILLING
			7.87518:00	0.25	DEVIATION SURVEY	DEVIATION SURVEY
			7.87518:15	0.50	OTHER	OTHER CLEAN OUT SHAKER PIT
			7.87518:45	1.25	ROTARY DRILLING	ROTARY DRILLING
			7.87520:00	0.25	DEVIATION SURVEY	DEVIATION SURVEY
	5151.00		7.87520:15	3.75	ROTARY DRILLING	ROTARY DRILLING
03/03/94			7.87500:00	0.50	DEVIATION SURVEY	DEVIATION SURVEY
			7.87500:30	2.00	ORIENTED DRILLING	ORIENTED DRILLING
			7.87502:30	6.50	ROTARY DRILLING	ROTARY DRILLING
			7.87509:00	0.25	DEVIATION SURVEY	DEVIATION SURVEY
			7.87509:15	2.75	PULL OUT OF HOLE	PULL OUT OF HOLE
			7.87512:00	1.00	CHANGE BHA	CHANGE BHA LAY DOWN MOTOR, MWD
			7.87513:00	1.00	CHANGE BHA	CHANGE BHA MAKE UP ROTORY DRILLING ASSEMBLY
			7.87514:00	1.50	CUT & SLIP LINE	CUT & SLIP LINE
			7.87515:30	0.50	RUN IN HOLE	RUN IN HOLE TO 1115, IBS STAB'S WOULD NOT GO THRU CASING
			7.87516:00	1.50	PULL OUT OF HOLE	PULL OUT OF HOLE
			7.87517:30	0.50	CHANGE BHA	CHANGE BHA CHANGE OUT IBS STAB'S FOR 3 POINT REAMERS
			7.87518:00	2.00	RUN IN HOLE	RUN IN HOLE
			7.87520:00	2.00	ROTARY DRILLING	ROTARY DRILLING WHILE ATTEMPTING TO UNPLUG BIT JETS
	5228.00		7.87522:00	2.00	PULL OUT OF HOLE	PULL OUT OF HOLE
04/03/94			7.87500:00	0.50	PULL OUT OF HOLE	PULL OUT OF HOLE
			7.87500:30	1.25	OTHER	OTHER CLEAN MUD PITS
			7.87501:45	2.25	RUN IN HOLE	RUN IN HOLE BRAKE CIRCULATION AT 1900, 3093, AND 4328
			7.87504:00	0.75	OTHER	OTHER CHANGE SHAKER SCREENS
			7.87504:45	0.75	RUN IN HOLE	RUN IN HOLE TO 5200
			7.87505:30	0.25	ROTARY REAMING	ROTARY REAMING 28 FEET TO BOTTOM
			7.87505:45	2.25	ROTARY DRILLING	ROTARY DRILLING

Sperry-Sun WESTERN DIVISION
APM v1.12A
17/03/94

EVENT LOG - TOTAL WELL

Well: CHAPARRAL 1-L

Date	Depth (ft)	Section (in)	Start time	Hours	Operation	Description
			7.87508:00	0.25	SERVICE RIG	SERVICE RIG
			7.87508:15	7.75	ROTARY DRILLING	ROTARY DRILLING
			7.87516:00	1.00	DEVIATION SURVEY	DEVIATION SURVEY
	5370.00		7.87517:00	7.00	ROTARY DRILLING	ROTARY DRILLING
05/03/94			7.87500:00	7.25	ROTARY DRILLING	ROTARY DRILLING
			7.87507:15	0.75	DEVIATION SURVEY	DEVIATION SURVEY
			7.87508:00	0.50	SERVICE RIG	SERVICE RIG
			7.87508:30	13.75	ROTARY DRILLING	ROTARY DRILLING
			7.87522:15	0.75	DEVIATION SURVEY	DEVIATION SURVEY
	5550.00		7.87523:00	1.00	ROTARY DRILLING	ROTARY DRILLING
06/03/94			7.87500:00	7.50	ROTARY DRILLING	ROTARY DRILLING
			7.87507:30	0.50	OTHER	OTHER CHANGE SHAKER SCREENS
			7.87508:00	0.25	SERVICE RIG	SERVICE RIG
			7.87508:15	7.75	ROTARY DRILLING	ROTARY DRILLING
			7.87516:00	1.00	OTHER	OTHER CLEAN MUD PITS AND CHANGE SHAKER SCREENS
			7.87517:00	3.75	ROTARY DRILLING	ROTARY DRILLING
			7.87520:45	1.00	DEVIATION SURVEY	DEVIATION SURVEY
	5718.00		7.87521:45	2.25	ROTARY DRILLING	ROTARY DRILLING
07/03/94			7.87500:00	8.00	ROTARY DRILLING	ROTARY DRILLING
			7.87508:00	0.50	SERVICE RIG	SERVICE RIG
			7.87508:30	3.00	ROTARY DRILLING	ROTARY DRILLING
			7.87511:30	1.00	DEVIATION SURVEY	DEVIATION SURVEY
			7.87512:30	2.00	CONDITION MUD	CONDITION MUD FOR LOGS
			7.87514:30	2.00	PULL OUT OF HOLE	PULL OUT OF HOLE
			7.87516:30	1.00	CHANGE BHA	CHANGE BHA LAY DOWN SPERRY TOOLS AND LOAD OUT
	5820.00		7.87517:30	6.50	OTHER	OTHER RETURN TO SHOP

SPERRY-SUN
DRILLING SERVICES

B.H.A. INVENTORY DIMENSIONS

Sperry-Sun WESTERN DIVISION
APM v1.12A
03/17/94

BHA INVENTORY DIMENSIONS

Well: CHAPARRAL 1-L

S/n	Description	Length (ft)	OD (in)	ID (in)	Gauge (in)	Weight (lb)	CBDN (ft)	Top connection	Bottom connection
625-008	6 1/4 1.75 DEG L/S BH								
625-006	6 1/4 ADJUS. DEG L/S BH								
54101	6 1/4 FLOAT SUB	1.82	6.250	2.313				4 1/2 H90	4 1/2 REG
C-002	6 1/4 FLOAT SUB								
C-012	6 1/4 FLOAT SUB								
C-240	6 1/4 NON-MAG DC	24.40	6.188	2.813				4 1/2 H90	4 1/2 H90
C-272	6 1/4 NON-MAG DC	27.53	6.313	2.813				4 1/2 H90	4 1/2 H90
114133	6 1/4 MWD HOS								
090	6 1/4 MWD HOS								
C-015	6 1/4 CROSSOVER	2.90	6.375	2.313				4 1/2 XH	4 1/2 H90
C-007	6 1/4 CROSSOVER	1.44	6.000	2.250				4 1/2 XH	4 1/2 H90
C-045	6 1/4 NM CROSSOVER								
C-046	6 1/4 NM CROSSOVER								
5192	6 1/4 PICKUP SUB								4 1/2 H90
5198	6 1/4 PICKUP SUB								4 1/2 H90
1569	7 7/8 STG 3/PT REAMER	6.14	6.250	2.250	7.875		2.08	4 1/2 H90	4 1/2 H90
15242	7 7/8 STG 3/PT REAMER	4.01	6.250	2.250	7.875		1.54	4 1/2 H90	4 1/2 H90
R11489	7 1/4 STRING STB	5.15	6.250	2.313	7.250		1.55	4 1/2 XH	4 1/2 XH
S11526	7 5/8 STRING STB	4.46	6.313	2.500	7.625		1.80	4 1/2 H90	4 1/2 H90
2949	7 7/8 STRING STB	4.39	6.500	2.313	7.875		1.95	4 1/2 H90	4 1/2 H90
983	7 7/8 NEAR BIT STB	4.66	6.250	2.313	7.875		2.33	4 1/2 H90	4 1/2 REG
DAI-570	6 1/8 JARS	31.05	6.125	2.750				4 1/2 XH	4 1/2 XH
DAI-1210	6 1/8 JARS	30.98	6.125	2.750				4 1/2 XH	4 1/2 XH

SPERRY-SUN
DRILLING SERVICES

B.H.A. INVENTORY TRACKING

Sperry-Sun WESTERN DIVISION
APM v1.12A
03/17/94

BHA INVENTORY TRACKING

Well: CHAPARRAL 1-L

S/n	Description	Arrival date	Departure date	Owner	In-hole charge	Std by. charge	Hourly charge	Flat Rate charge	Remarks
625-008	6 1/4 1.75 DEG L/S BH	02/18/94			0.00	0.00	150.00	0.00	
625-006	6 1/4 ADJUS. DEG L/S BH	02/18/94			0.00	0.00	150.00	0.00	
54101	6 1/4 FLOAT SUB	02/18/94		SS	30.00	0.00	0.00	0.00	
C-002	6 1/4 FLOAT SUB	02/18/94			30.00	0.00	0.00	0.00	
C-012	6 1/4 FLOAT SUB				0.00	0.00	0.00	0.00	
C-240	6 1/4 NON-MAG DC	02/18/94		SS	60.00	0.00	0.00	0.00	
C-272	6 1/4 NON-MAG DC	02/18/94		SS	60.00	0.00	0.00	0.00	
114133	6 1/4 MWD HOS				0.00	0.00	0.00	0.00	
090	6 1/4 MWD HOS				0.00	0.00	0.00	0.00	
C-015	6 1/4 CROSSOVER	02/18/94		SS	10.00	0.00	0.00	0.00	
C-007	6 1/4 CROSSOVER	02/18/94		SS	10.00	0.00	0.00	0.00	
C-045	6 1/4 NM CROSSOVER				0.00	0.00	0.00	0.00	
C-046	6 1/4 NM CROSSOVER				0.00	0.00	0.00	0.00	
5192	6 1/4 PICKUP SUB	02/18/94		SS	0.00	0.00	0.00	0.00	
5198	6 1/4 PICKUP SUB	02/18/94		SS	0.00	0.00	0.00	0.00	
1569	7 7/8 STG 3/PT REAMER	02/18/94		SS	0.00	0.00	0.00	0.00	
15242	7 7/8 STG 3/PT REAMER	02/18/94		SP	0.00	0.00	0.00	0.00	
R11489	7 1/4 STRING STB	02/18/94		SP	0.00	0.00	0.00	0.00	
S11526	7 5/8 STRING STB	02/18/94		SP	0.00	0.00	0.00	0.00	
2949	7 7/8 STRING STB	02/18/94		SS	0.00	0.00	0.00	0.00	
983	7 7/8 NEAR BIT STB	02/18/94		SS	0.00	0.00	0.00	0.00	
DAI-570	6 1/8 JARS	02/18/94		HE	254.00	25.00	0.00	0.00	
DAI-1210	6 1/8 JARS	02/18/94		HE	254.00	25.00	0.00	0.00	

SPERRY-SUN
DRILLING SERVICES

SURVEY REPORT

SPERRY-SUN DRILLING SERVICES

CHAPARRAL
1-L

07-MAR-1994

MEASURED DEPTH	ANGLE DEG	DIRECTION DEG	VERTICAL DEPTH	LATITUDE FEET	DEPARTURE FEET	VERTICAL SECTION	DOG LEG
1680.00	0.00	0.00	1680.00	0.00	0.00	0.00	0.00
1694.86	0.39	80.40	1694.86	0.01 N	0.05 E	-0.04	2.62
1755.79	0.33	101.45	1755.79	0.01 N	0.43 E	-0.40	0.24
1816.72	0.37	29.00	1816.72	0.15 N	0.69 E	-0.60	0.68
1877.65	0.58	6.33	1877.65	0.62 N	0.82 E	-0.56	0.46
1938.58	0.51	351.41	1938.57	1.20 N	0.82 E	-0.35	0.26
1999.51	0.56	4.95	1999.50	1.76 N	0.80 E	-0.14	0.22
2060.44	0.44	344.39	2060.43	2.29 N	0.76 E	0.07	0.35
2121.37	0.36	333.04	2121.36	2.68 N	0.61 E	0.35	0.18
2182.30	0.43	347.33	2182.29	3.07 N	0.48 E	0.61	0.20
2243.23	0.15	5.71	2243.21	3.38 N	0.44 E	0.76	0.48
2304.16	0.19	342.40	2304.14	3.55 N	0.41 E	0.84	0.13
2365.09	0.18	317.55	2365.07	3.72 N	0.32 E	0.99	0.13
2426.02	0.03	255.93	2426.00	3.79 N	0.24 E	1.09	0.28
2486.95	0.22	329.37	2486.93	3.88 N	0.16 E	1.19	0.35
2547.88	0.22	355.33	2547.86	4.10 N	0.09 E	1.33	0.16
2608.81	0.31	75.46	2608.79	4.26 N	0.24 E	1.24	0.57
2669.74	0.39	97.39	2669.72	4.27 N	0.61 E	0.91	0.25
2730.67	0.45	88.60	2730.65	4.25 N	1.05 E	0.48	0.14
2791.60	0.44	85.01	2791.58	4.28 N	1.53 E	0.05	0.05
2822.00	0.59	59.29	2821.98	4.37 N	1.78 E	-0.16	0.89
2858.95	0.30	311.60	2858.93	4.53 N	1.87 E	-0.19	2.00
2889.40	0.70	278.00	2889.37	4.61 N	1.62 E	0.07	1.58
2920.38	0.70	267.80	2920.35	4.63 N	1.25 E	0.43	0.40
2951.17	0.80	267.20	2951.14	4.61 N	0.85 E	0.80	0.33
2981.87	1.60	269.90	2981.83	4.60 N	0.20 E	1.40	2.61
3012.79	3.10	277.40	3012.73	4.71 N	1.06 W	2.62	4.94
3044.65	4.00	282.10	3044.52	5.05 N	3.00 W	4.56	2.97
3075.01	4.40	286.20	3074.80	5.60 N	5.15 W	6.77	1.65
3106.01	4.50	288.60	3105.71	6.32 N	7.45 W	9.17	0.68
3137.67	4.40	289.20	3137.27	7.11 N	9.77 W	11.63	0.35
3168.70	4.60	289.30	3168.21	7.91 N	12.07 W	14.06	0.65
3200.60	4.80	285.10	3200.00	8.69 N	14.57 W	16.67	1.25
3231.25	5.60	291.20	3230.53	9.56 N	17.20 W	19.44	3.17
3262.05	6.10	293.40	3261.16	10.75 N	20.10 W	22.58	1.78
3293.53	6.30	295.40	3292.46	12.16 N	23.20 W	25.97	0.94
3324.27	6.50	290.50	3323.01	13.49 N	26.35 W	29.39	1.89
3356.15	7.00	282.40	3354.67	14.54 N	29.94 W	33.12	3.37
3387.13	7.80	281.00	3385.39	15.35 N	33.84 W	37.06	2.65
3417.39	8.30	281.00	3415.35	16.16 N	38.00 W	41.25	1.65

SPERRY-SUN DRILLING SERVICES

CHAPARRAL
1-L

07-MAR-1994

MEASURED DEPTH	ANGLE DEG	DIRECTION DEG	VERTICAL DEPTH	LATITUDE FEET	DEPARTURE FEET	VERTICAL SECTION	DOG LEG
3448.59	8.70	285.30	3446.21	17.21 N	42.49 W	45.82	2.41
3480.40	9.40	288.30	3477.62	18.66 N	47.28 W	50.81	2.65
3510.78	9.80	290.20	3507.58	20.33 N	52.06 W	55.88	1.68
3542.06	10.50	290.70	3538.37	22.26 N	57.22 W	61.39	2.26
3573.16	10.90	290.60	3568.93	24.29 N	62.63 W	67.16	1.29
3604.61	11.50	289.30	3599.78	26.38 N	68.37 W	73.27	2.07
3635.61	11.90	288.80	3630.13	28.43 N	74.31 W	79.56	1.33
3667.31	12.40	288.90	3661.12	30.58 N	80.63 W	86.23	1.58
3698.78	13.10	289.30	3691.82	32.86 N	87.19 W	93.17	2.24
3730.86	13.80	289.40	3723.02	35.33 N	94.23 W	100.63	2.18
3761.99	14.60	289.20	3753.20	37.85 N	101.44 W	108.27	2.57
3792.44	14.80	288.90	3782.65	40.37 N	108.74 W	115.99	0.70
3824.31	15.30	290.30	3813.43	43.15 N	116.54 W	124.27	1.94
3856.29	15.70	290.20	3844.24	46.11 N	124.55 W	132.81	1.25
3886.56	16.10	290.40	3873.36	48.99 N	132.33 W	141.11	1.33
3917.58	16.30	290.40	3903.14	52.00 N	140.44 W	149.76	0.64
3949.46	16.80	291.00	3933.70	55.21 N	148.94 W	158.84	1.66
3979.86	17.40	291.40	3962.76	58.45 N	157.27 W	167.78	2.01
4010.72	18.10	291.80	3992.15	61.91 N	166.02 W	177.18	2.30
4042.70	18.70	291.80	4022.50	65.66 N	175.39 W	187.27	1.88
4074.58	19.40	292.00	4052.63	69.54 N	185.04 W	197.68	2.21
4106.08	20.50	291.50	4082.24	73.52 N	195.03 W	208.42	3.53
4137.26	21.70	290.00	4111.33	77.49 N	205.52 W	219.64	4.22
4169.10	23.00	287.80	4140.78	81.41 N	216.98 W	231.74	4.85
4199.33	23.50	287.80	4168.55	85.06 N	228.34 W	243.67	1.65
4231.03	23.30	287.00	4197.64	88.82 N	240.35 W	256.24	1.18
4261.66	23.20	287.60	4225.79	92.42 N	251.90 W	268.32	0.84
4293.46	22.80	288.50	4255.06	96.27 N	263.71 W	280.73	1.67
4324.54	22.50	288.40	4283.74	100.06 N	275.07 W	292.70	0.97
4356.16	23.10	288.20	4312.89	103.90 N	286.70 W	304.94	1.91
4387.75	24.10	287.30	4341.84	107.76 N	298.74 W	317.58	3.36
4419.43	24.10	287.40	4370.76	111.61 N	311.09 W	330.50	0.13
4450.10	24.00	287.90	4398.76	115.40 N	323.00 W	342.98	0.74
4481.90	23.00	288.80	4427.93	119.39 N	335.04 W	355.66	3.34
4513.51	22.10	290.00	4457.12	123.42 N	346.47 W	367.78	3.20
4544.51	22.20	290.50	4485.83	127.46 N	357.44 W	379.46	0.69
4576.07	23.10	289.80	4514.96	131.65 N	368.85 W	391.62	2.98
4606.73	24.40	289.70	4543.02	135.82 N	380.47 W	403.96	4.24
4637.67	24.50	289.30	4571.19	140.09 N	392.54 W	416.77	0.63
4669.24	24.30	290.50	4599.94	144.53 N	404.80 W	429.81	1.69

SPERRY-SUN DRILLING SERVICES

CHAPARRAL
1-L

07-MAR-1994

MEASURED DEPTH	ANGLE DEG	DIRECTION DEG	VERTICAL DEPTH	LATITUDE FEET	DEPARTURE FEET	VERTICAL SECTION	DOG LEG
4700.22	24.20	290.60	4628.18	149.00 N	416.72 W	442.53	0.35
4730.39	23.70	290.30	4655.75	153.28 N	428.19 W	454.78	1.71
4762.14	23.50	289.70	4684.85	157.63 N	440.14 W	467.49	0.98
4794.17	24.20	288.40	4714.14	161.85 N	452.38 W	480.44	2.73
4824.81	25.10	288.30	4741.99	165.87 N	464.51 W	493.21	2.94
4855.91	25.10	288.30	4770.15	170.02 N	477.03 W	506.40	0.00
4886.62	24.70	288.20	4798.01	174.07 N	489.31 W	519.32	1.31
4917.29	24.20	288.20	4825.93	178.03 N	501.37 W	532.01	1.63
4947.47	23.30	289.00	4853.55	181.91 N	512.89 W	544.16	3.17
4978.91	24.10	290.20	4882.34	186.15 N	524.80 W	556.79	2.97
5009.97	24.20	290.70	4910.68	190.59 N	536.70 W	569.50	0.73
5041.85	23.90	291.10	4939.80	195.22 N	548.84 W	582.49	1.07
5072.95	23.70	290.90	4968.25	199.72 N	560.56 W	595.04	0.69
5104.70	23.30	291.30	4997.37	204.28 N	572.37 W	607.70	1.36
5135.72	23.30	291.60	5025.86	208.76 N	583.79 W	619.96	0.38
5167.22	23.60	291.60	5054.76	213.38 N	595.44 W	632.50	0.95
5298.11	23.70	293.40	5174.65	233.47 N	643.95 W	684.95	0.56
5392.47	23.20	291.40	5261.22	247.78 N	678.66 W	722.47	1.00
5517.16	22.80	291.40	5376.00	265.56 N	724.02 W	771.18	0.32
5675.28	22.00	289.90	5522.19	286.82 N	780.39 W	831.43	0.62
5769.00	21.40	288.40	5609.27	298.19 N	813.12 W	866.07	0.87
5820.00	21.10	287.60	5656.80	303.91 N	830.70 W	884.54	0.82

THE DOGLEG SEVERITY IS IN DEGREES PER 100.00 FEET
THE VERTICAL SECTION WAS COMPUTED ALONG 290.22° (TRUE)

BASED UPON MINIMUM CURVATURE TYPE CALCULATIONS. THE BOTTOM HOLE DISPLACEMENT IS 884.55 FEET, IN THE DIRECTION OF 290.10° (TRUE)

Form 3160-4
(November 1983)
(formerly 9-330)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE (See other instructions on reverse side)

Form approved.
Budget Bureau No. 1004-0137
Expires August 31, 1985

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

5. LEASE DESIGNATION AND SERIAL NO.: U-14237

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA

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 Directional

7. UNIT AGREEMENT NAME: NA

8. FARM OR LEASE NAME: Chaparral

2. NAME OF OPERATOR: CELSIUS ENERGY COMPANY

CONFIDENTIAL

9. WELL NO.: #1L

3. ADDRESS OF OPERATOR: 1331 17th Street, Suite 800, Denver, CO 80202

10. FIELD AND POOL, OR WILDCAT: Exploratory

4. LOCATION OF WELL (*Report location clearly and in accordance with any State requirements*)*
At surface 2074' FSL and 1432' FWL
At top prod. interval reported below 2323' FSL and 756' FWL (Target location)
At total depth 2383' FSL and 594' FWL

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA: Sec. 1-38S-24E

14. PERMIT NO.	DATE ISSUED	12. COUNTY OR PARISH	13. STATE
43-037-31313	10/28/93	San Juan	UT

15. DATE SPUDDED	16. DATE T.D. REACHED	17. DATE COMPL. (*Ready to prod.*)	18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*	19. ELEV. CASINGHEAD
2/18/94	3/7/94	--	4903' GL; 4916' KB	--

20. TOTAL DEPTH, MD & TVD	21. PLUG, BACK T.D., MD & TVD	22. IF MULTIPLE COMPL., HOW MANY*	23. INTERVALS DRILLED BY	ROTARY TOOLS	CABLE TOOLS
5820'	--		→	X	NA

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*
None - Dry and abandoned

25. WAS DIRECTIONAL SURVEY MADE: Yes

26. TYPE ELECTRIC AND OTHER LOGS RUN
CNL-FDC, Sonic-Caliper-GR, DLL-GR 3-15-94 MUDLOG, SHDT MONITOR LOG

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"	32	1682	12-1/4"	950 sx Lite & B	None
13-3/8"	54.5	82	17-1/2"	125 sx B	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)
NA				

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
NA		

31. PERFORATION RECORD (*Interval, size and number*)
* This was a reentry. The casing was previously set.

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED

33.* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (*Flowing, gas lift, pumping—size and type of pump*)	WELL STATUS (*Producing or shut-in*)
P&A 3/9/94		P&A

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
Tops and plugs

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

SIGNED [signature] TITLE Staff Engineer DATE 5/4/94

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

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

37. SUMMARY OF POROUS 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):

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
			Plugging Record #1 5820'-5340' 160 sx Cl-G #2 2955'-2655' 120 sx Cl-G #3 2265'-2140' 40 sx Cl-G #4 1740'-1620' 50 sx Cl-G #5 50' to surface 15 sx Cl-G Plugging witnessed by Jeff Brown, Monticello BLM

38. GEOLOGIC MARKERS

NAME	TOP	
	MEAS. DEPTH	TRUE VERT. DEPTH
Overburden	Surface	
Honaker	4290'	
Paradox	4810'	
Ismay	5390'	
Gothic	5650'	
Desert Creek	5675'	
Chimney Rock	5760'	
Akah	5785'	
Salt	5830'	

CELSIUS ENERGY COMPANY

1331 Seventeenth Street, Suite 800 / Denver, Colorado 80202 / Phone (303) 296-8945 / Fax (303) 294-9632

January 10, 1997

Mike Hebertson
State of Utah Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84116-3154

Re: Chaparral Well #1L
Lease UTU-14237
API 43-037-31313

Dear Mike:

I am enclosing a copy of a letter agreement between Celsius Energy Company and Richard W. Gore and Josephine M. Gore. By this letter agreement, the Gores have agreed to accept all future responsibility for the reclamation of the captioned wellpad and road and to release Celsius from all further liability for the reclamation and restoration of the lands.

Celsius requests that the State of Utah release it from any further responsibility for the rehabilitation of the lands covered under our APD to drill the Chaparral #1L well. Please call me at 303-672-6970 if you have any questions.

Sincerely,

Jane Seiler
Administrative Supervisor

enclosure

CELSIUS ENERGY COMPANY

1331 Seventeenth Street, Suite 800 / Denver, Colorado 80202 / Phone (303) 296-8945 / Fax (303) 294-9632

December 9, 1997

Richard W. Gore
Josephine M. Gore
56850 Fern Road
Olathe, CO 81425

Re: Chaparral Well #1-L (formerly Cazador #3-1)
Surface Damage and Road Right-of-Way Agreement
Dated April 4, 1987

Ladies and Gentlemen:

Yates Petroleum Corporation entered into a Surface Damage and Road Right-of-Way Agreement covering the Chaparral Well #1-L (formerly the Cazador #3-1) in the NESW of Section 1, Township 38 South, Range 24 East, San Juan County, Utah, on April 4, 1987. Celsius Energy Company was assigned rights under the aforementioned agreement and took over operation of the well from Yates effective December 30, 1993 (see attached sundry notice).

Section 2 of the agreement provides that an annual rental payment of [redacted] be made on April 1 of each year as long as the wellsite is used by the lessee. Sunfield Energy Company paid this rental through March 31, 1994; however, through an oversight, rentals since then have not been made.

The Chaparral #1-L was drilled and subsequently plugged and abandoned in March 1994. Article 9 of the captioned agreement provides that if the well is plugged, lessee will restore the surface as nearly as practical to its original condition including the seeding and refurrowing of the site with dry land alfalfa and Jose wheat grass. I understand you have contacted our foreman, David Nelsen, and have expressed a desire to reclaim the surface yourself in exchange for [redacted] in damages.

Therefore, Celsius Energy Company offers the following in exchange for a full release from further liability and responsibility for the above listed lands:

Three years' rental for surface use
(April 1, 1994 through May 31, 1997) [redacted]

Partial year's rental for surface use
(April 1, 1997 through November 15, 1997) [redacted]

Reclamation [redacted]

TOTAL

If you agree to accept this offer, please indicate by signing below. If you have any questions, please call me at 303-672-6970 or contact David Nelsen at 970-564-9231.

Sincerely,

Jane Seiler
Administrative Supervisor

ACCEPTANCE

Upon receipt of $19,379.45, we hereby release Celsius Energy Company from all further liability and responsibility for reclamation, restoration, recontouring, reseeding and any other obligation in regard to Celsius' use of lands covered under the Surface Damage Agreement and Road Right-of-Way Agreement dated April 4, 1987, between Richard W. Gore and Josephine M. Gore and Yates Petroleum Corporation, said agreement subsequently assigned to Celsius Energy Company.

We agree that all requirements in the aforementioned agreement pertaining to the reclamation of the surface, including but not limited to Paragraphs 4 and 9, are null and void. We further agree that the Bureau of Land Management will be notified of our acceptance of all responsibility for reclamation and restoration of the subject lands in order that Celsius Energy Company may be released from its obligations under the approved Application for Permit to Drill the Chaparral Well #1-L (formerly known as the Cazador #3-1).

Richard W. Gore
Richard W. Gore

Date 12/15/97

Josephine M. Gore
Josephine M. Gore

Date 12/15/97

County of Delta
State of Colorado

Acknowledged before me this 15th day of December, 1997 by Richard W Gore and Josephine M. Gore.

My commission expires 5/29/2000 Ann B Eddins

Route: [illegible handwriting] 1-11-94

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

5. Lease Designation and Serial No.
U-14237

6. If Indian, Allottee or Tribe Name
NA

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

7. If Unit or CA, Agreement Designation
NA

1. Type of Well
[X] Oil Well [ ] Gas Well [ ] Other

8. Well Name and No.
Chaparral #1L

2. Name of Operator
CELSIUS ENERGY COMPANY

9. API Well No.
43-037-31313

3. Address and Telephone No.
1331 17th Street, Suite 800, Denver, CO 80202 303-672-6914

10. Field and Pool, or Exploratory Area
Exploratory

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2074' FSL and 1432' FWL (surface) 2323' FSL and 756' FWL (BHL)
Section 1, T38S, R24E

11. County or Parish, State
San Juan, UT

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
[X] Notice of Intent	[ ] Abandonment	[ ] Change of Plans
[ ] Subsequent Report	[ ] Recompletion	[ ] New Construction
[ ] Final Abandonment Notice	[ ] Plugging Back	[ ] Non-Routine Fracturing
	[ ] Casing Repair	[ ] Water Shut-Off
	[ ] Altering Casing	[ ] Conversion to Injection
	[X] Other Change in Operator	[ ] Dispose Water

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

13. 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.)*

Effective immediately, Celsius Energy Company will take over operations of the Chaparral #1L from Sunfield Energy Company. Celsius is covered under Nationwide Bond No. SL-6308873.
ES0019

JAN 1994
Received
BLM
Moab District

RECEIVED
JAN 14 1998
DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct
Signed [signature] Title District Manager Date 12/30/93

(This space for Federal or State office use)
Approved by William C. [signature] Title Associate District Manager Date 1/7/94
Conditions of approval, if any:

CONDITIONS OF APPROVAL ATTACHED

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side