

(Submit in triplicate to appropriate
BLM District Office)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

DESIGNATION OF OPERATOR

The undersigned is, on the records of the Bureau of Land Management, holder of lease

STATE OFFICE: *Utah*
SERIAL NO.: *U-7303-D*

and hereby designates

NAME: *Sutherland Oil Co*
ADDRESS: *Box 218 Monticello UT*

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the authorized officer may serve written or oral instructions in securing compliance with the Operating Regulations (43 CFR 3160) with respect to (describe acreage to which this designation is applicable):

Lots 9+10 Sec 5 Township 42 So. Range 19 East

Bond coverage under 43 CFR 3104 for lease activities conducted by the above named designated operator is under Bond Number *802 F0795*.

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Operating Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, stipulations, or orders of the Secretary of the Interior or his representative.

The lessee agrees promptly to notify the authorized officer of any change in the designated operator.

William Ranshaw Jack Williams
(Signature of lessee)

BTI Box 52 Blythe Calif 92515
(Address)

8-19-87
(Date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

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

2. NAME OF OPERATOR
Bill Sutherland oil Co.

3. ADDRESS OF OPERATOR
Box 218 Monticello Utah

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface Mexican Hat UTAH
 At proposed prod. zone 1568' FSL 2477' FWL NE/SW
400' - 450'

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
1 3/4 Miles

10. DISTANCE FROM PROPOSED* 1568 FT. TO SOUTH LINE 16. NO. OF ACRES IN LEASE
 LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 2477 FT. WEST LINE 20
 (Also to nearest drlg. unit line, if any) N/A

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A 19. PROPOSED DEPTH 450

20. ROTARY OR OTHER TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4226 22. APPROX. DATE WORK WILL START* 12-25-87

5. LEASE DESIGNATION AND SERIAL NO.
Mexican Hat 7303

6. IF INDIAN, ALLOTTEE OR TRIBE NAME D
NONE

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Sutherland oil

9. WELL NO.
3

10. FIELD AND POOL, OR WILDCAT
wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
sec T R 5 42.5 19 E. SLM.

12. COUNTY OR PARISH 13. STATE
San Juan Utah

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
<u>4 3/4</u>	<u>N/A</u>		<u>N/A</u>	<u>N/A</u>

RECEIVED
DEC 9 1987

DIVISION OF
OIL, GAS & MINING

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

24. SIGNED Bill Sutherland TITLE owner DATE 11-23-87

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
 APPROVED BY /s/ GENE NODINE TITLE DISTRICT MANAGER DATE DEC 07 1987
 CONDITIONS OF APPROVAL, IF ANY: _____

CONDITIONS OF APPROVAL ATTACHED

*See Instructions On Reverse Side

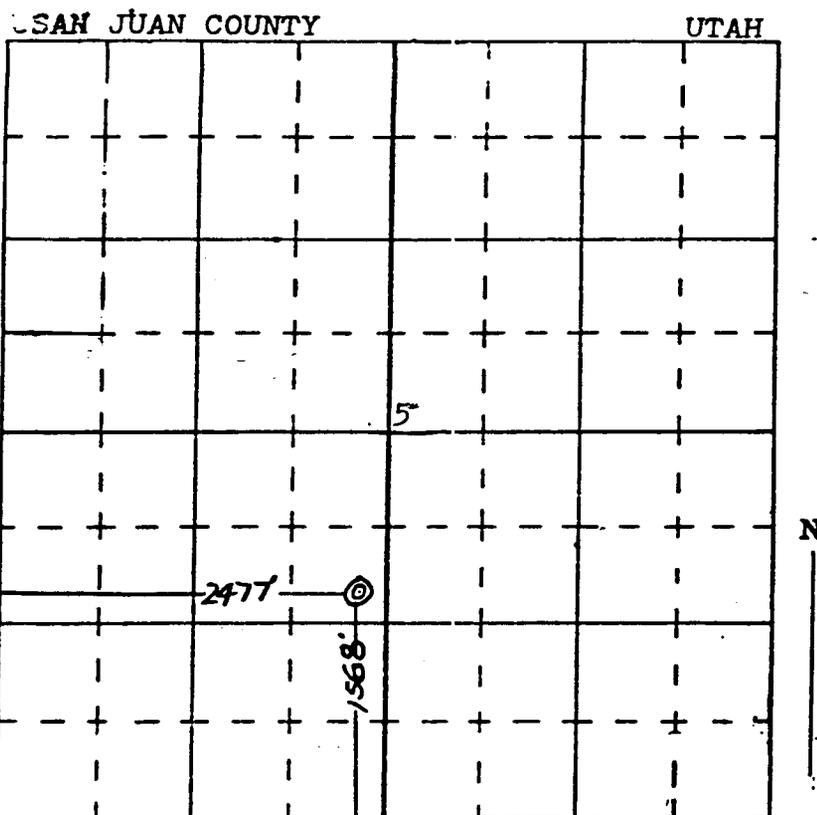
COMPANY SUTHERLAND OIL COMPANY

LEASE _____ WELL NO. 3

SEC. 5, T. 42 S., R. 19 E., S.L.M.

LOCATION 1568 FEET FROM THE SOUTH LINE and
2477 FEET FROM THE WEST LINE.

ELEVATION 4226 Ungraded Ground.



SCALE—4 INCHES EQUALS 1 MILE

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

SEAL:

James P. Leese
Registered Land Surveyor.

James P. Leese
Utah Reg. No. 1472

SURVEYED 30 June, 1987

SAN JUAN ENGINEERING COMPANY, FARMINGTON, N. M.

Sutherland Oil Company
Well No. Sutherland Oil 3
Sec. 5, T. 42 S., R. 19 E.
San Juan County, Utah
Lease U-7303-D

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. Surface Casing: 40' of 7-5/8" with cement to surface.
2. Production Casing: This is left to operator's discretion of how the well is to be completed.

B. SURFACE USE PROGRAM

If at any time the facilities located on public lands authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change) the BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental, or other financial obligation determined by the authorized officer.

NOTIFICATIONS

Notify the San Juan Resource Area, at (801) 587-2141 for the following:

2 days prior to commencement of dirt work, construction or reclamation;

1 day prior to spudding.

Notify the Moab District Office, Branch of Fluid Minerals at (801) 259-6111 for the following:

No well abandonment operations will be commenced without the prior approval of the District Manager. In the case of newly drilled dry holes, and in emergency situations, verbal approval can be obtained by calling the following individuals, in the order listed.

Dale Manchester, Petroleum Engineer Office Phone: (801) 259-6111
Home Phone: (801) 259-6038

Lynn Jackson, Chief, Branch of Fluid Minerals
Office Phone: (801) 259-6111
Home Phone: (801) 259-7990

Paul Brown, I&E Coordinator Office Phone: (801) 259-6111
Home Phone: (801) 259-7018

24 hours advance notice is required for all abandonments.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
DEC 16 1987

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
OIL WELL GAS WELL OTHER
DIVISION OF MULTIPLE ZONE
OIL, GAS & MINING

2. NAME OF OPERATOR
Bill Sutherland Oil Co.

3. ADDRESS OF OPERATOR
Box 218 Monticello Utah 84535

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface Mexican Hat UTAH 1568' FSL, 2477' FUL NE SW
At proposed prod. zone 400' - 450'

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
1 3/4 Miles

15. DISTANCE FROM PROPOSED* 1568 Ft. To South Line LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 2477 Ft. West Line
(Also to nearest drlg. unit line, if any) N/A

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

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
4226

5. LEASE DESIGNATION AND SERIAL NO.
Mexican Hat 7303 D
6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NONE
7. UNIT AGREEMENT NAME
NONE
8. FARM OR LEASE NAME
Sutherland Oil
9. WELL NO.
3
10. FIELD AND POOL OR WILDCAT
Wildcat MEXICAN HAT
11. SEC., T., E., M., OR BLE. AND SURVEY OR AREA
Sec T R 5 42.5 19 E. S. L. M.
12. COUNTY OR PARISH | 13. STATE
San Juan | Utah

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
<u>4 3/4</u>	<u>N/A</u>		<u>N/A</u>	<u>N/A</u>

APPROVED BY STATE OF UTAH
John R. Byrnes
12-18-87
WELL SPACING: max 156-3
4/15/80

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 Bill Sutherland TITLE owner DATE 11-23-87

(This space for Federal or State office use)
PERMIT NO. 43-037.31B76 APPROVAL DATE

APPROVED BY [Signature] TITLE District Manager DATE 12/18/87

CONDITIONS OF APPROVAL, IF ANY:
CONDITIONS OF APPROVAL ATTACHED

VENTING OF TO NRE 4-A DATED 1/1/80
*See Instructions On Reverse Side

COMPANY SUTHERLAND OIL COMPANY

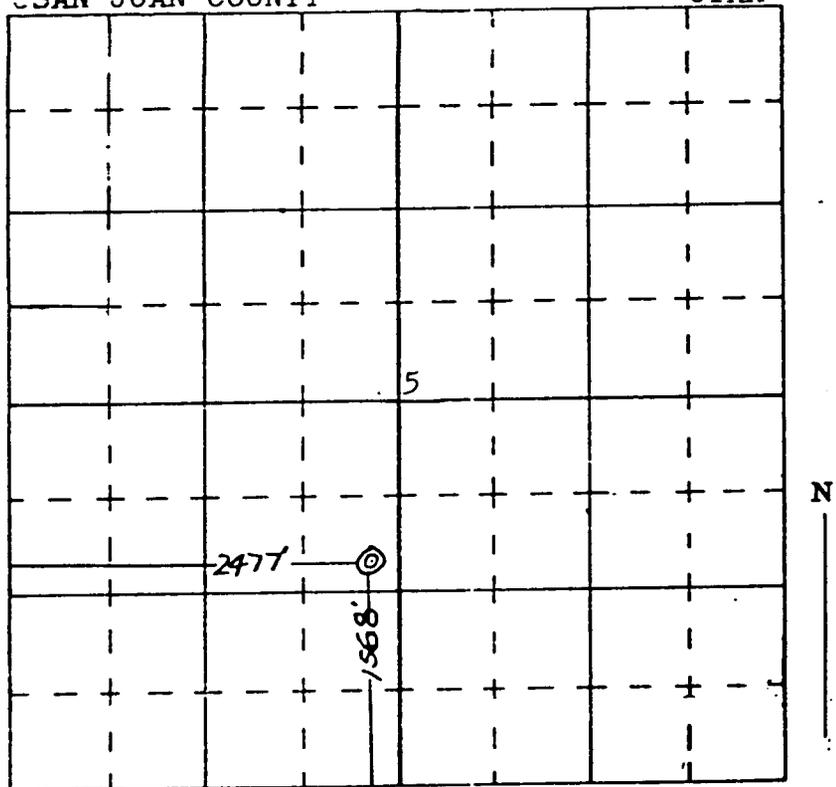
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2477 FEET FROM THE WEST LINE.

ELEVATION 4226 Ungraded Ground.

SAN JUAN COUNTY UTAH



SCALE—4 INCHES EQUALS 1 MILE

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

James P. Leese
Registered Land Surveyor,
James P. Leese
Utah Reg. No. 1472

SEAL:

SURVEYED 30 June, 1987

Sutherland Oil Company
Well No. Sutherland Oil 3
Sec. 5, T. 42 S., R. 19 E.
San Juan County, Utah
Lease U-7303-D

CONDITIONS OF APPROVAL

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A. DRILLING PROGRAM

1. Surface Casing: 40' of 7-5/8" with cement to surface.
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1 day prior to spudding.

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Paul Brown, I&E Coordinator

Office Phone: (801) 259-6111

Home Phone: (801) 259-7018

24 hours advance notice is required for all abandonments.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

DESIGNATION OF OPERATOR

The undersigned is, on the records of the Bureau of Land Management, holder of lease

STATE OFFICE: *Utah*
SERIAL NO.: *U-7303-10*

and hereby designates

NAME: Sutherland Oil Co.
ADDRESS: P.O. Box 218
Monticello, Utah 84535

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the authorized officer may serve written or oral instructions in securing compliance with the Operating Regulations (43 CFR 3160) with respect to (describe acreage to which this designation is applicable):

Lots 9 & 10 Sec 15 Township 42 S. Range 19 East

Bond coverage under 43 CFR 3104 for lease activities conducted by the above named designated operator is under Bond Number *30210725*.

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Operating Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, stipulations, or orders of the Secretary of the Interior or his representative.

The lessee agrees promptly to notify the authorized officer of any change in the designated operator.

William K. ...
(Signature of lessee)

9-19-81
(Date)

411 ...
(Address)

BLM BOND NO: UT0191

PART NO:

SURETY BOND ID: 902F0795

CASE TYPE: 311111 OIG LSE NONCOMP PUB LAND

NAME AND ADDRESS OF BONDED PARTIES

B85000402001 BONDED PRINCIPAL
WILLIAMS RANCHES INC
ROUTE 1 BOX 52
BLYTHE CA 92225

S84001505001 SURETY
TRAVELERS INDEMNITY CO
ONE TOWER SQUARE
HARTFORD CT 06183

BOND AREA: INDIVIDUAL SERIAL NUMBER: UTU 007303D PART NO:

TYPE OF LAND: FEDERAL-PUBLIC

BOND TYPE: SURETY AMOUNT OF BOND: \$10,000

BONDED ACTIVITY/PURPOSE COMMODITY(IES)

GENERAL LSE/DRILLING OIL & GAS L

ACTION DATE	ACTION TAKEN	ACTION REMARKS
12/16/1993	BOND FILED	
12/16/1993	BOND ACCEPTED	

BUREAU OF LAND MANAGEMENT
MOAB DISTRICT

CONDITIONS OF APPROVAL FOR PERMIT TO DRILL

Company Sutherland oil CO. Well No. 3

Location: Sec: 5 T. 42 S. R. 19 E. SW1 Lease No. 73030

Onsite Inspection Date 11-23-87

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 Orders, 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 the field representative to ensure compliance.

A. DRILLING PROGRAM

1. Surface Formation and Estimated Formation Tops: Sandstone, Shale.
0 TO 100 Feet. Limestone sandstone 100 To
400 Feet. Goodrich 400' To 450 Feet - oil zone.

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

	<u>Formation</u>	<u>Depth</u>
Expected Oil Zones:	<u>400' - 450'</u>	_____
Expected Gas Zones:	<u>400' - 450'</u>	_____
Expected Water Zones:	<u>NONE</u>	_____
Expected Mineral Zones:	<u>NONE</u>	_____

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: NONE
-
-
-
-
-
-
-

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

4. Casing Program and Auxiliary Equipment: NONE
-
-
-
-
-
-
-

Anticipated cements tops will be reported as to depth, not the expected number of sacks.

5. Mud Program and Circulating Medium: Fresh water
-
-
-
-
-
-
-

Bloolie line will be misted to reduce fugative dust when air drilling.

6. Coring, Logging and Testing Program: NONE
-
-
-
-
-
-
-

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, fluids, and/or gases) will be submitted when requested by the Moab District Manager.

7. Abnormal Conditions, Bottom Hole Pressures and Potential Hazards: NONE

8. Anticipated Starting Dates and Notifications of Operations:

Required verbal notifications are summarized in Table I, attached. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the District Office within twenty-four (24) hours after spudding. If the spudding occurs on a weekend or holiday, the written report will be submitted on the following regular work day.

In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6, "Monthly Report of Operations", starting with 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 the BLM, Moab 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.

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

A first production conference will be scheduled within fifteen (15) days after receipt of the first production report. The Resource Area Office will coordinate the field conference.

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the District Manager within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Area Manager or his representative, or the appropriate surface managing agency.

Approval to vent/flare gas during initial well evaluation will be obtained from the District Office. This preliminary approval will not exceed 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 marker will be constructed as follows: Cement with Marker Tag.

The top of the marker will be closed or capped.

The following minimum information will be permanently placed on the marker with a plate, cap, or beaded-on with a welding torch:

"Fed" or "Ind", as applicable. "Well number, location by 1/4 1/4 section, township and range". "Lease number".

Other: _____

_____.

B. THIRTEEN-POINT SURFACE USE PLAN

1. Existing Roads:

a. Location of proposed well in relation to town or other reference point: North of Mexican Hat

b. Proposed route to location: .8 Miles North of Mexican Hat Post office (Highway 191) Turn East on existing Road .7 Miles off Highway to well site

c. Plans for improvement and/or maintenance of existing roads: Normal Maintenance

d. Other: _____

_____.

2. Planned Access Roads:

a. The maximum total disturbed width will be 20' feet.

b. Maximum grades: N/A

c. Turnouts: N/A

d. Location (centerline): Off Existing Road See Map Attached

e. Drainage: Not Needed

f. Surface Materials: Native

g. Other: _____

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

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

3. Location of Existing Wells: Shown on Map

4. Location of Tank Batteries and Production Facilities:

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

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 largest tank in the battery.

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

All site security guidelines identified in 43 CFR 3162.7-4 regulations will be adhered to.

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

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

Gas meter runs for each well will be located within five hundred (500) feet of the wellhead. The gas flowline will be buried from the well head to the meter and downstream for the remainder of the pad. Meter runs will be housed and/or fenced.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three (3) months on new meter installations and at least quarterly thereafter. The Area Manager will be provided with a date and time for the initial meter calibration and all future meter-proving schedules. A copy of the meter calibration reports will be submitted to the Resource Area Office. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

5. Location and Type of Water Supply:

All water needed for drilling purposes will be obtained from: _____
Private Source

A temporary water use permit for this operation will be obtained from the Utah State Engineer, _____.

Water obtained on private land, or land administered by another agency, will require approval from the owner or agency for use of the land.

6. Source of Construction Material:

Pad construction material will be obtained from: Native

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.1-3. Source of construction material (will/will not) be located on lease.

7. Methods of Handling Waste Disposal:

The reserve pit (will/~~will not~~) be lined: with Visqueen Plastic
No Fence Required.

Three sides of the reserve pit will be fenced with _____ 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.

All trash must be contained and disposed of by: Trash Barrel

If burning is required, a permit will be obtained from the State Fire Warden, _____.

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

Other: _____

8. Ancillary Facilities:

Camp facilities (will/will not) be required. They will be located at: Mexican Hat

9. Well Site Layout:

The reserve pit will be located: Back of drill rig, 2 mud pits 4x6x2 feet, each location 50'x20'

The top _____ inches of soil material will be removed from the location and stockpiled separately on _____.

Topsoil along the access road will be reserved in place adjacent to the road.

Access to the well pad will be from: Existing Roads

The trash pit will be located: _____

10. Plans for Restoration of Surface:

Immediately upon completion of drilling, the location and surrounding area will be cleared of all remaining debris, materials, trash and junk not required for production. _____

Before any dirt work to restore the location takes place, the reserve pit must be completely dry. _____

All disturbed areas will be recontoured to the approximate natural contours. _____

The stockpiled topsoil will be evenly distributed over the disturbed contours. _____

Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface. SCARIFY 2-3" deep

Seed will be broadcast or drilled at a time specified by the BLM. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage. Seeding Oct. 1 - Feb. 28.

The following seed mixture will be used: 1/2 pound of
Featuring Salt Brush

The reserve pit and that portion of the location and access road not needed for production or production facilities will be reclaimed.

Additional Requirements: _____

11. Surface and Mineral Ownership:

Federal Surface / Federal Minerals

12. Other Information:

There will be no deviation from the proposed drilling and/or workover program without prior approval from the District Manager. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.3-2.

"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 3162.3-2.

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

A cultural resource clearance (will/will not) be required before any construction begins. If any cultural resources are found during construction, all work will stop and the Area Manager will be notified.

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

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

Representative

Name

Bill Sutherland

Address

Box 218 Monticello Utah

Phone No.

801-587-2019

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions which currently exist, that the statements made in this plan are, to the best of my knowledge, true and correct, and that the work associated with operations proposed herein will be performed by:

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

Name

Bill Sutherland

Title

owner

Date

11-23-87

POST OFFICE
MEX hat

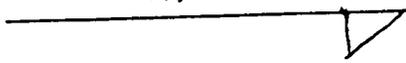
191

BLUFF

3/10 Mine

1/2 Wire
ACCESS
PRIVATE ROAD

NORTH



BL. W7
PRAD

OLD ROAD

75 YARDS ACCESS

ACCESS 75 FT

20 FT
FRONT RIG
Hole

Hole #1

Mud PITS
6-4-2

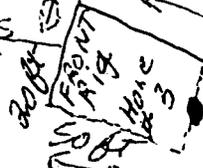
Mud PITS

6-4-2

Mud PITS

6-4-2

10 FT



122836

OPERATOR Sutherland Oil Co. DATE 12-18-87

WELL NAME Sutherland Oil Fed #3

SEC NE3W 5 T 42S R 19E COUNTY San Juan

43-037-31376
API NUMBER

Fed.
TYPE OF LEASE

CHECK OFF:

PLAT

BOND

NEAREST WELL

LEASE

FIELD

POTASH OR OIL SHALE

PROCESSING COMMENTS:

& Canal 156-3
need water permit

APPROVAL LETTER:

SPACING: R615-2-3 _____ UNIT _____ R615-3-2

156-3 4/15/80 R615-3-3
CAUSE NO. & DATE

STIPULATIONS:

1-Water



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

December 18, 1987

N7325

Sutherland Oil Company
P. O. Box 218
Monticello, Utah 84535

Gentlemen:

Re: Sutherland Oil Federal #3 - NE SW Sec. 5, T. 42S, R. 19E
1568' FSL, 2477' FWL - San Juan County, Utah

Approval to drill the referenced well is hereby granted in accordance with the Order of Cause No. 1565-3 dated April 15, 1980, 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 of an Entity Action Form to the Division within five working days of the time that the well is spudded or a change in operations or interests necessitates a change in entity status.
3. Submittal to the Division of completed Form OGC-8-X, Report of Water Encountered During Drilling.
4. 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.
5. Compliance with the requirements of Rule R615-3-22, Gas Flaring or Venting, Oil and Gas Conservation General Rules.

Page 2
Sutherland Oil Company
Sutherland Oil Federal #3
December 18, 1987

6. 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) 538-6121.
7. 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 43-037-31376.

Sincerely,



R. J. Firth
Associate Director, Oil & Gas

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

RECEIVED
JUL 12 1989

DIVISION OF
OIL, GAS & MINING

Division of Water Rights
P.O. Box 718
Price, UT 84501

Subject: Authorization for culinary water usage

Gentlemen:

The following Company has requested and received authorization from the undersigned to use culinary water from the township of Mexican Hat, Utah, for the purpose of drilling oil wells.

Water Right No. 09-944

Company:

Amount Allocated: 10,000 Dols

Time Period: Dec. 31, 89

Well Name: Fed 1, 2 & 3

Surveyed Location: Lots 5 & 9 Sec 5 2/2, 5 19, E
1568' FSL ~~373~~ 2477 F.W.C.

Very truly yours,

SAN JUAN SPECIAL SERVICE DIST. #1

Luther P. Risenhoover
Luther P. Risenhoover, President

Sutherland Oil Co.

Fed. #3 43-037-31376

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. 1004-1
Expires August 31, 1985

5. LEASE DESIGNATION AND SERIAL NO.

U-7 303-D

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

SUNDRY NOTICES AND REPORTS ON WELLS

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

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1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR *Sutherland oil co* DIVISION OF OIL, GAS & MINING

3. ADDRESS OF OPERATOR *Box 356 Mexican Hat Utah 84531*

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)
At surface
well # 1 - 1464 FSL 2544' FWL 43-037-31374
well # 2 - 1568 FSL 2477' FWL 43-037-31376

8. FARM OR LEASE NAME
Sutherland oil co

9. WELL NO. *# 1 and # 3*

10. FIELD AND POOL, OR WILDCAT
Wildcat

11. SEC., T., E., M., OR BLK. AND SURVEY OR AREA
T 42.5 R 19. E

14. PERMIT NO. 15. ELEVATIONS (Show whether DF, RT, GR, etc.)
4230 & 4226

12. COUNTY OR PARISH 13. STATE
San Juan Utah

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

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

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

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

*Request a one year Extension on these
A.P.D. To allow Drilling in 1989*

18. I hereby certify that the foregoing is true and correct
SIGNED *Bill Sutherland* TITLE *owner* DATE *12-20-88*

(This space for Federal or State office use)
APPROVED BY */s/ Gene Nodine* TITLE *DISTRICT MANAGER* DATE *January 4, 1989*
CONDITIONS OF APPROVAL, IF ANY:

*Approved GNM
12/29/88*

*See Instructions on Reverse Side

DIVISION OF OIL, GAS AND MINING

API NO. 43-037-31376

SPUDDING INFORMATION

NAME OF COMPANY: SUTHERLAND OIL CO.

WELL NAME: FEDERAL #3

SECTION NESW 5 TOWNSHIP 42S RANGE 9E COUNTY SAN JUAN

DRILLING CONTRACTOR SUTHERLAND

RIG # 5

SPUDDED: DATE ~~7/1/89~~ 6.1.89

TIME 11:00 p.m.

How ROTARY

DRILLING WILL COMMENCE _____

REPORTED BY MRS. SUTHERLAND

TELEPHONE # 683-2201

DATE 7/3/89 SIGNED TAS

RECEIVED
JUL 12 1989

ENTITY ACTION FORM - DOGM FORM 6

OPERATOR Sutherland oil Co.
ADDRESS P.O. Box 356
Mexican Hat UT
84531-0356

OPERATOR CODE K0026
PHONE NO. 801-683-2201

DIVISION OF
OIL, GAS & MINING

OPERATORS MUST COMPLETE FORM UPON SPUD OF NEW WELL OR WHEN CHANGE IN OPERATIONS OR INTERESTS NECESSITATES CHANGE IN EXISTING ENTITY NUMBER ASSIGNMENT.

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
B	10845 →		4303731376	Fed. # 3	Lot 5 529	5	42	19	San Juan	6-1-89	
COMMENTS: Federal # 3 will be pumped into same tank as Fed # 2 and has same royalties interests & operator											
COMMENTS: Field - Mexican Hat Proposed zone - BDRSD Unit - N/A (Assigned same entity as Fed. #2 - 10845 on 7-14-89) fck Federal Lease											
COMMENTS:											
COMMENTS:											
COMMENTS:											
COMMENTS:											

ACTION CODES:
 A - ESTABLISH NEW ENTITY FOR NEW WELL
 B - ADD NEW WELL TO EXISTING ENTITY
 C - RE-ASSIGN WELL FROM ONE EXISTING ENTITY TO ANOTHER EXISTING ENTITY
 D - RE-ASSIGN WELL FROM ONE EXISTING ENTITY TO A NEW ENTITY
 E - OTHER (EXPLAIN IN COMMENTS SECTION)
 (SEE INSTRUCTIONS ON BACK OF FORM)

Bobbie J. Bunn
SIGNATURE
for Bill Sutherland
owner
TITLE
DATE 6/1/89

RECEIVED
JUL 25 1989

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
3 TRIAD CENTER, SUITE 350
SALT LAKE CITY, UT 84130-1203

DIVISION OF
OIL, GAS & MINING

42-037-3155

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well Name & Number Sutherland Fed. #3
Operator Sutherland oil const. & Drilling Address Box 356 Mexican Hat ut.
Contractor Sutherland oil const. & Drilling Address Same
Location N.E. 1/4 S.W. 1/4 Sec. 5 T. 42 S R. 19 E County San Juan

Water Sands

<u>Depth</u>		<u>Volume</u>	<u>Quality</u>
From	To	Flow Rate or Head	Fresh or Salty
1	<u>0-400</u>	<u>No Water</u>	
2.			
3.			
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.

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

5. LEASE DESIGNATION AND SERIAL NO.

UTU 73030

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

9. WELL NO.

Fed. # 3

10. FIELD AND POOL, OR WILDCAT

Mex. Hat

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

sec. 5 425 19 E. SLA

WELL COMPLETION OR RECOMPLETION REPORT

RECEIVED
JUL 25 1989

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

1b. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP-EN PLUG BACK DIFF. RESVR. Other _____

2. NAME OF OPERATOR: Sutherland oil Co. DIVISION OF OIL, GAS & MINING

3. ADDRESS OF OPERATOR: P.O. Box 356 Mexican Hat UT 84531

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements):
At surface 1568' ESE 2477 FWL.
Elevation 4,226 Ungraded
At top prod. interval reported below
At total depth _____

14. PERMIT NO. 43-037-31376 DATE ISSUED 12-18-87 Extended 7/8 89

12. COUNTY OR PARISH San Juan 13. STATE Utah

15. DATE SPUNDED 7-1-89 16. DATE T.D. REACHED 7-10-89 17. DATE COMPL. (Ready to prod.) _____ 18. ELEVATIONS (DF, RES. BT, GR, ETC.) 4,226 Ungraded 19. ELEV. CASINGHEAD 4,226'

20. TOTAL DEPTH, MD & TVD 400' 21. PLUG. BACK T.D., MD & TVD _____ 22. IF MULTIPLE COMPL., HOW MANY? _____ 23. INTERVALS DRILLED BY ROTARY TOOLS _____ CABLE TOOLS _____

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD):
Top 312 Bottom 358'
Goodridge 25. WAS DIRECTIONAL SURVEY MADE _____

26. TYPE ELECTRIC AND OTHER LOGS RUN: Samples & Footage Logs 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
7 7/8"		40'	9"	7 Sacs	0

29. LINER RECORD

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

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKERS SET (MD)

31. FROPPATION RECORD (Interval, size and number)

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)
7-15-89	6' + 1 3/8" pump	Producing

DATE OF TEST	HOURS TESTED	CHOKER SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
7-15-89	1			3	0	0	0

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HR. RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-AP1 (CORR.)
N/A	N/A		1	0	0	36-44

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) N/A TEST WITNESSED BY Bill S.

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 Bobbie J. Busan TITLE _____ DATE 7-15-89

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

Sutherland Oil Co

Box 218 Monticello UT

Mexican Hat U.T.

Well No. 3

Date	Footage	From To	min	Remarks
6-1-89	0 - 20'	1 1/2 hours		spud well 10 1/2" M
6-2-89	20 - 40'	8:00 AM - 4:00 PM		Set 40' 7 3/8" casing poured C
6-3-89	40' - 60'	9:30 pm - 11:00		dilled Cement Nol set wellen
6-4-89				pored More Cement
6-5-89				Pored more cement ^{NEW} 5 1/8" #1
6-6-89	40' - 220'	8:30 - 3:36		180' 5 3/4" #1 (New)
6-7-89		9		
	250 - 255	9:19 ^{AM} - 9:35	16	
	255 - 260	9:35 - 9:43	8	
		9:43 - 9:54	11	Blowed hole & Made Change
	260 - 265	9:54 - 10:25	31	
	265 - 270	10:25 - 10:38	13	
	270 - 275	10:38 - 11:02	22	
	275 - 280	11:02 - 11:19	17	
		11:19 - 11:42		Com out Change 4 3/4" #1 Blew
	280 - 285	11:42 - 12:05	23	
	285 - 290	12:05 - 12:12	7	
	290 - 295	12:12 - 12:24	12	
	295 - 300	12:24 - 12:35	11	
		12:35 - 12:40	5	Blowed Made Change
	300 - 305	12:40 - 12:48	8	
	305 - 310	12:48 - 12:57	9	
	310 - 315	12:57 ^{1:00} - 2:00	9	(312) picked up gas lost ^{Hit good ridge} lost
7-8-89		12:56		Blowed oil
	3:15 - 3:20	2:00 - 2:32	32	
	3:20 - 3:25	2:32 - 2:59	27	
	3:25 - 3:30	2:59 - 3:24	25	
	3:30 - 3:35	3:24 - 4:07	43	
	3:35 - 3:40	4:07 ^{4:15} - 7:19	12	

Routing	
1- LCR	7- LCR
2- DPS	
3- VLC	✓
4- RJF	✓
5- RWM	✓
6- ADA	✓

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

- 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: 5-11-92)

TO (new operator)	<u>SAN JUAN MINERALS EXPLOR.</u>	FROM (former operator)	<u>SUTHERLAND OIL COMPANY</u>
(address)	<u>10970 WILLIAMS AVENUE</u>	(address)	<u>BOX 158</u>
	<u>BLYTHE, CA 92225</u>		<u>MEXICAN HAT, UT 84531</u>
	<u>JILL JOHNSON</u>		<u>GAIL AMMERMAN</u>
	<u>phone (619) 922-2278</u>		<u>phone (801) 683-2206</u>
	<u>account no. N 0810</u>		<u>account no. N7325</u>

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

Name: <u>FEDERAL #1/GDRSD</u>	API: <u>43-037-31374</u>	Entity: <u>10845</u>	Sec5 <u>Twp42SRng19E</u>	Lease Type: <u>U-7303-D</u>
Name: <u>FEDERAL #2/GDRSD</u>	API: <u>43-037-31375</u>	Entity: <u>10845</u>	Sec5 <u>Twp42SRng19E</u>	Lease Type: <u>U-7303-D</u>
Name: <u>FEDERAL #3/GDRSD</u>	API: <u>43-037-31376</u>	Entity: <u>10845</u>	Sec5 <u>Twp42SRng19E</u>	Lease Type: <u>U-7303-D</u>
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

- N/A 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). *(Reg. 5-15-92) (Reg. 9-14-92) (Rec'd Btm Approvals 2-24-93)*
- See 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). *(Rec'd 5-14-92)*
- 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: _____.
- See 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.
- See 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. *(2-26-93)*
- See 6. Cardex file has been updated for each well listed above. *(2-26-93)*
- See 7. Well file labels have been updated for each well listed above. *(2-26-93)*
- See 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. *(2-26-93)*
- See 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.

ENTITY REVIEW

- Yes 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).
- Yes 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 proper bond.
- N/A 2. A copy of this form has been placed in the new and former operators' bond files.
- N/A 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

- ____ 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.
- ____ 2. Copies of documents have been sent to State Lands for changes involving State leases.

FILMING

- Yes RWM 1. All attachments to this form have been microfilmed. Date: March 4 1993.

FILING

- Yes 1. Copies of all attachments to this form have been filed in each well file.
- Yes 2. The original of this form and the original attachments have been filed in the Operator Change file.

COMMENTS

- 920713 Btm/Moab Not Approved.
- 920914 " " "
- 921218 " " (Holding/Outstanding Ino's.)
- 930226 Btm/Moab Approved 2-22-93 eff. 5-11-92.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

MAY 14 1992

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

SUNDRY NOTICES AND REPORTS ON WELLS DIVISION OF

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 7303 D

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Federal #3

9. API Well No.

43 037 31376

10. Field and Pool, or Exploratory Area

Mexican Hat

11. County or Parish, State

San Juan UT

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
San Juan Minerals Exploration

~~Subherland Oil Company~~

3. Address and Telephone No.
Rxxx 10970 Williams Ave

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1568' SL and 2477' WL Sec 5 T 42S 19 E SLM

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

TYPE OF SUBMISSION

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

TYPE OF ACTION

- Abandonment
- Recompletion
- Plugging Back
- Casing Repair
- Altering Casing
- Other Change Operator
- Change of Plans
- New Construction
- Non-Routine Fracturing
- Water Shut-Off
- Conversion to Injection
- 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.)*

CHANGE OF OPERATOR

San Juan Minerals Exploration Co is taking over operations of the above well.

San Juan Minerals Exploration Co. is responsible under the terms and conditions of the lease for operations conducted on the leased lands or portions thereof.

Bond Coverage for this well will be provided by BLM Bond No. 490E867A; 863E7020 and 802F0795.

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

Signed Joe Johnson

Title Secretary

Date 5-11-92

(This space for Federal or State office use)

Approved by _____
Conditions of approval, if any:

Title _____ Date _____

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

OPERATOR San Juan Minerals Exploration OPERATOR ACCT. NO. 110810
ADDRESS 10970 Williams Ave
Blythe CA 92225

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
D	NOT KNOWN		4303731374	FEDERAL #1	NW SE	5	425	19E	SAN JUAN		
WELL 1 COMMENTS: This well is shut-in TAKING OVER WELL FROM SUTHERLAND OIL CO. REQUEST IDENTICAL ENTITY # FOR ALL 3 wells											
D	NOT KNOWN		4303731376	FEDERAL #3	NW SE	5	425	19E	SAN JUAN		
WELL 2 COMMENTS: TAKING OVER WELL FROM SUTHERLAND OIL CO. REQUEST IDENTICAL ENTITY NUMBER FOR ALL THREE WELLS.											
D	NOT KNOWN		43037 31374 ³¹³⁷⁵	FEDERAL #2	NW SE	5	425	19E	SAN JUAN		
WELL 3 COMMENTS: TAKING WELL OVER FROM SUTHERLAND OIL CO. REQUEST IDENTICAL ENTITY NUMBER FOR ALL 3 WELLS											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

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MAY 14 1992

DIVISION OF
OIL GAS & MINING

Joe Johnson
Signature
Secretary 5-11-92
Title Date
619 9222278
Phone No.

SAN JUAN MINERALS EXPLORATION COMPANY

ROUTE 1, BOX 52

BLYTHE, CALIFORNIA 92225

May 11, 1992

CANCELLATION OF DESIGNATION OF OPERATOR

Know, that whereas, Jack Williams, President of Williams Ranches, Inc., did by instrument dated August 19, 1987, appoint Sutherland Oil Co., Monticello, UT., as the Operator of the following:

BLM U 7303 D
Lots 9 and 10 Section 5 T 42S R 19 E SLM

BE IT KNOWN that the above do hereby revoke, countermand, annul and make void the Designation of Operator agreement dated August 19, 1987 and any and all power given or intended to be given to Sutherland Oil Company.

Date: May 11, 1992


Williams Ranches, Inc.
Jack Williams

RECEIVED

MAY 14 1992

DIVISION OF
OIL GAS & MINING



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

September 1, 1992

TO: Steve Schneider, Compliance
FROM: Vicky Carney, Production
RE: San Juan Minerals/Sutherland Oil as Attached

Steve, please note the attached reports. I called San Juan Minerals and spoke with Jill Johnson. I explained to her that she was reporting on three wells that Sutherland was also reporting on. She said that they were doing the work on them, had sent in all the necessary paperwork for an operator change, but the BLM had not approved the change. Jill also said the BLM told her they had to report on the wells.

This would not normally be a problem, because we could override one company with another. However, as you will note, San Juan Minerals shows 0 Beginning Inventory, Produced 10 barrels of oil, and now 10 as Ending Inventory. Sutherland, on the other hand, shows 18 as Beginning Inventory, 0 Production, and 18 Ending Inventory.

Jill didn't have any ideas or suggestions and I have been unable to reach Sutherland at this point.

Can you offer a suggestion?

cc: R. J. Firth
L. C. Romero

3160-5
(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

Type of Well
 Oil Well Gas Well Other

Name of Operator
San Juan Minerals Exploration

Address and Telephone No.
10970 Williams Avenue Blythe, CA 92225

Location of Well (Footage, Sec., T., R., M., or Survey Description) 619 922 2278

1568' SL and 2477' WL Section 5 T 42S R 19 E S1M San Juan UT

5. Lease Designation and Serial No.

U 7303 D

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No. *Sutherland 01*

Federal #3

9. API Well No.

43 037 31376

10. Field and Pool, or Exploratory Area

Mexican Hat

11. County or Parish, State

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>to make minor repairs</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

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

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.)*

Well is temporarily shut-in while minor repairs are made to pump.

I hereby certify that the foregoing is true and correct

Signed *[Signature]*

Title Secretary

Date 2-1-93

(This space for Federal or State office use)

Approved by _____
Conditions of approval, if any:

Title _____

Date



Section 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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Federal wells

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

5. Lease Designation and Serial No.

U 7303 D

6. If Indian, ~~Notice or Tribe Name~~

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

2. Name of Operator

San Juan Minerals Exploration Co.

3. Address and Telephone No

10970 Williams Ave Blythe, CA 92225

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Central location - all wells

Sec 5 T42S R19E

8. Well Name and No

Federal #3

9. API Well No.

43-037-31376

10. Field and Pool, or Exploratory Area

Mexican Hat

11. County or Parish, State

San Juan CA

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

TYPE OF SUBMISSION

TYPE OF ACTION

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

- Abandonment
- Recompletion
- Plugging Back
- Casing Repair
- Altering Casing
- Other _____

- Change of Plans
- New Construction
- Non-Routine Fracturing
- Water Shut-Off
- Conversion to Injection
- 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.)

Request permission to shut-in all wells located on Lease U 7303 D.
Request permission to perform any work necessary to shut-in wells and transport any crude oil in tanks to refinery. (Transportation to refinery by Texaco)

RECEIVED

APR 15 1993

DIVISION OF
OIL GAS & MINING

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

Signed

[Signature]

Title

Secretary

Date 4-9-93

(This space for Federal or State office use)

Approved by

Conditions of approval, if any:

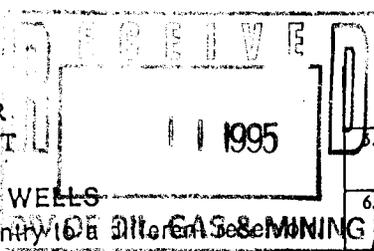
Title

Date

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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 well. Use "APPLICATION FOR PERMIT—" for such proposals.

5. Lease Designation and Serial No.
U-7303D

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE

7. If Unit or CA, Agreement Designation

1. Type of Well

Oil Well Gas Well Other

8. Well Name and No.

FEDERAL # 3

2. Name of Operator

San Juan Minerals Exploration Co

9. API Well No.

43 037 31376

3. Address and Telephone No.

10970 Williams Ave Blythe Ca

10. Field and Pool, or Exploratory Area

MEXICAN HAT

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

6199222278
1568' SL AND 2477' WL

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
<input checked="" type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Abandonment
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	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> 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.)*

Pull rods and equipment
Plug and ABANDON - witnessed
BY B.L.M.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

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

Signed

Joe Johnson

Title

SECRETARY

Date

12/7/95

(This space for Federal or State office use)

Approved by

Conditions of approval, if any:

Title

Date

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