

5. Lease Designation and Serial No.

ML 43698

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

6. If Indian, Allottee or Tribe Name

7. Unit Agreement Name

8. Farm or Lease Name

Gage Foster

9. Well No.

1

10. Field and Pool, or Wildcat

Wildcat

11. QQ, Sec., T., R., M., or Blk. and Survey or Area

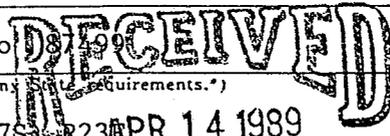
Sec. 32, T37S, R23E

12. County or Parrish

San Juan

13. State

Utah



DIVISION OF OIL, GAS & MINING

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
 Hixon Development Company

3. Address of Operator
 P.O. Box 2810, Farmington, New Mexico

4. Location of Well (Report location clearly and in accordance with any State requirements.)
 At surface: 2180' FNL, 1780' FWL, Section 32, T37S, R23E
 At proposed prod. zone: Same as above SENW

14. Distance in miles and direction from nearest town or post office*
 8 miles southeast of Blanding, Utah

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg. line, if any) 1780'
 16. No. of acres in lease 640
 17. No. of acres assigned to this well 40

13. Distance from proposed location* to nearest well, drilling, completed, or applied for, on this lease, ft. 1500' (dry hole)
 19. Proposed depth 6485' Desert Creek
 20. Rotary or cable tools Rotary

21. Elevations (Show whether DF, RT, GR, etc.) 5581'
 22. Approx. date work will start* June 1989

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"	48-54.5#	120'	125 sks. (148 cu. ft.) to surface
12-1/4"	8-5/8"	24#	2300'	918 sks. (950 cu. ft.) to surface
7-7/8"	5-1/2"	17#	6485'	360 sks. (725 cu. ft.)

It is proposed to drill an Ismay/Desert Creek oil well. Please see attached for a description of the proposed activities.

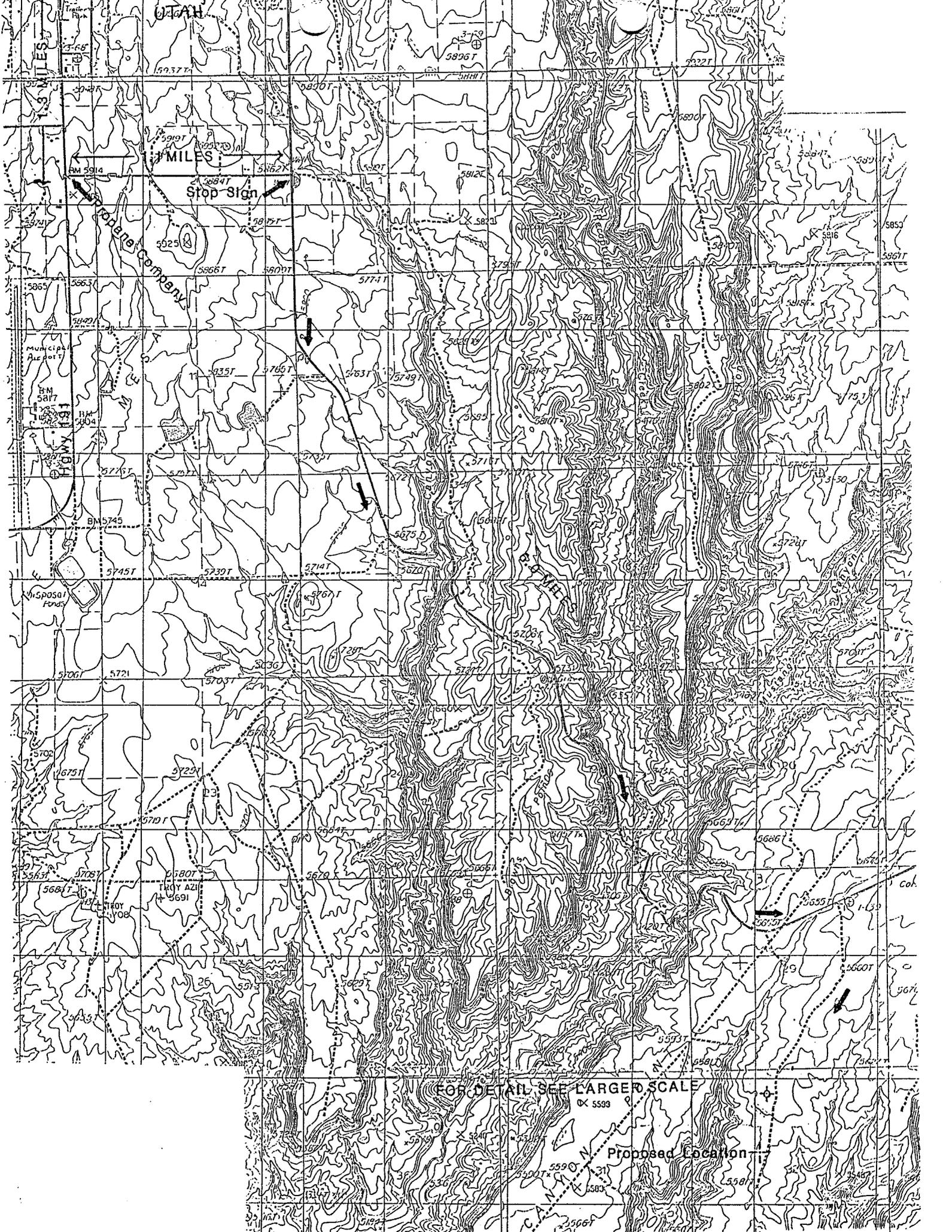
IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer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

24. I hereby certify that this report is true and complete to the best of my knowledge.
 Signed: Aldrich L. Kuchera Title: President/CEO Date: April 12, 1989
 (This space for Federal or State office use)

API NO. _____ Approval Date _____

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

*See Instructions On Reverse Side



BLANDING CO. OHIO

1/2 MILES

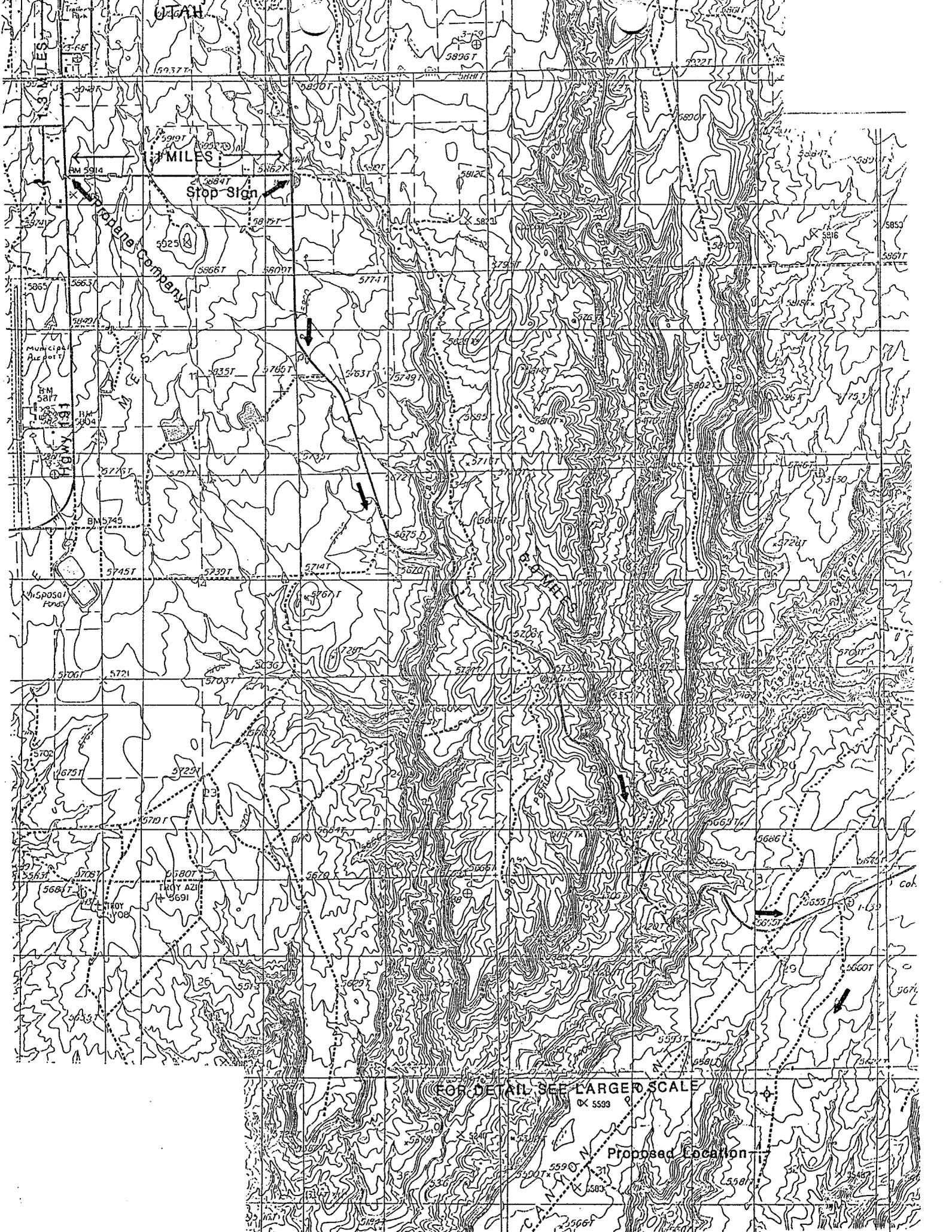
1/2 MILES

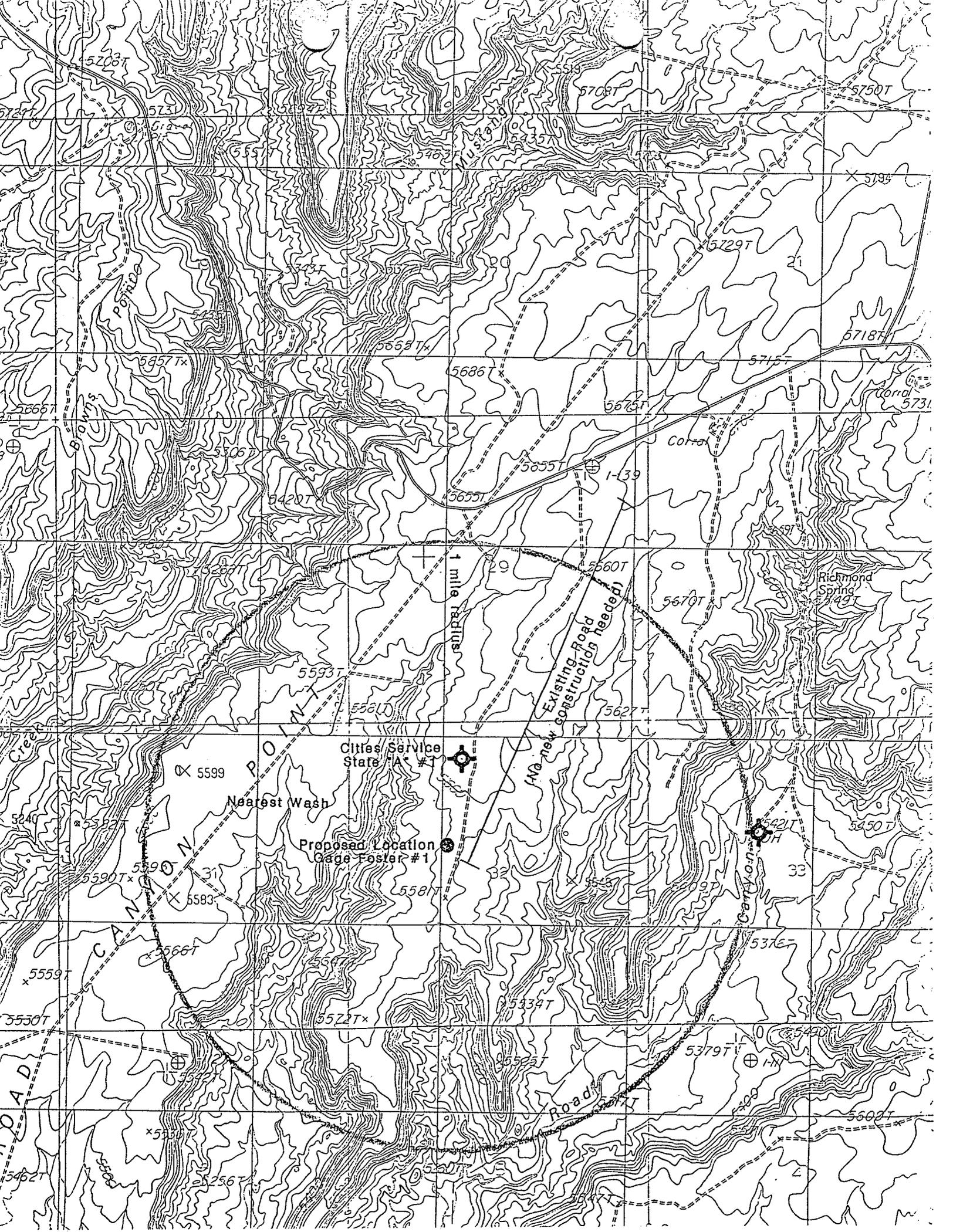
Stop Sign

Proposed Location

FOR DETAIL SEE LARGER SCALE

Proposed Location





5208T

5708T

5750T

5857Tx

5686T

5729T

5718T

5666T

5606T

5655T

5675T

5731T

1 mile radius

Existing Road
(No new construction needed)

Richmond Spring
5749T

Cities Service
State #1

Nearest Wash

Proposed Location
Gage Foster #1

5599

5590Tx

5583

5666T

5559T

5530T

5572Tx

5534T

5523T

5379T

5440T

5602T

5462T

5523T

5526T

5520T

M

APPLICATION FOR TEMPORARY CHANGE OF WATER

RECEIVED Rec. by _____

Fee Paid \$ _____

STATE OF UTAH MAY 4 1989 Receipt # _____

Microfilmed _____

WATER RIGHTS Roll # _____

PRICE

For the purpose of obtaining permission to make a temporary change of water in the State of Utah, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements of Section 73-3-3 Utah Code Annotated 1953, as amended.

*WATER RIGHT NO. 09 - Area _____ *APPLICATION NO. t 89 - 09 - 02

Changes are proposed in (check those applicable)

_____ point of diversion. place of use. nature of use. period of use.

1. OWNER INFORMATION

Name: Ivan R. Watkins *Interest: 100%

Address: Box 938

City: Blanding State: Utah Zip Code: 84511

2. *PRIORITY OF CHANGE: May 4, 1989 *FILING DATE: May 4, 1989

*Is this change amendatory? (Yes/No): No

3. RIGHT EVIDENCED BY: 09-637 (A45847)

Prior Approved Temporary Change Applications for this right: One

***** HERETOFORE *****

4. QUANTITY OF WATER: 0.20 cfs and/or _____ ac-ft.

5. SOURCE: Underground Water Well

6. COUNTY: San Juan

7. POINT(S) OF DIVERSION: S. 2722 ft. & E. 10 ft. from NW Cor. Sec. 1, T37S, R22E, SLB&M.

Description of Diverting Works: 6-5/8" casing, 185 feet deep

8. POINT(S) OF REDIVERSION

The water has been rediverted from _____ at a point: _____

Description of Diverting Works: _____

9. POINT(S) OF RETURN

The amount of water consumed is 0.20 cfs or _____ ac-ft.

The amount of water returned is _____ cfs or _____ ac-ft.

The water has been returned to the natural stream/source at a point(s): _____

*These items are to be completed by the Division of Water Rights.

10. NATURE AND PERIOD OF USE

Irrigation: From April 1 to October 31
Stockwatering: From January 1 to December 31
Domestic: From to
Municipal: From to
Mining: From to
Power: From to
Other: From to

11. PURPOSE AND EXTENT OF USE

Irrigation: 23.5 acres. Sole supply of 15.0 acres.
Stockwatering (number and kind): 65 Cattle
Domestic: Families and/or Persons.
Municipal (name):
Mining: Mining District in the Mine.
Ores mined:
Power: Plant name: Type: Capacity:
Other (describe):

12. PLACE OF USE

Legal description of place of use by 40 acre tract(s): SE 1/4 SW 1/4 Sec. 1, T37S, R22E, SLB&M

13. STORAGE

Reservoir Name: Storage Period: from to
Capacity: ac-ft. Inundated Area: acres.
Height of dam: feet.
Legal description of inundated area by 40 tract(s):

***** THE FOLLOWING CHANGES ARE PROPOSED *****

14. QUANTITY OF WATER: cfs and/or 5.0 ac-ft.
15. SOURCE: Underground Water Well
Balance of the water will be abandoned: , or will be used as heretofore: X
16. COUNTY: San Juan
17. POINT(S) OF DIVERSION: S. 2722 ft. & E. 10 ft. from NW Cor. Sec. 1, T37S, R22E, SLB&M.

Description of Diverting Works: 6-5/8" casing, 185 ft. deep, portable pump and water trucks.
*COMMON DESCRIPTION: 2 miles SE of Blanding Blanding Quad

18. POINT(S) OF REDIVERSION

The water will be rediverted from at a point:
Description of Diverting Works:

19. POINT(S) OF RETURN

The amount of water to be consumed is cfs or 5.0 ac-ft.
The amount of water to be returned is cfs or ac-ft.
The water will be returned to the natural stream/source at a point(s):

20. NATURE AND PERIOD OF USE

Irrigation: From ___/___/___ to ___/___/___
Stockwatering: From ___/___/___ to ___/___/___
Domestic: From ___/___/___ to ___/___/___
Municipal: From ___/___/___ to ___/___/___
Mining: From ___/___/___ to ___/___/___
Power: From ___/___/___ to ___/___/___
Other: From 5 / 1 / 89 to 8 / 31 / 89

21. PURPOSE AND EXTENT OF USE

Irrigation: _____ acres. Sole supply of _____ acres.
Stockwatering (number and kind): _____
Domestic: _____ Families and/or _____ Persons.
Municipal (name): _____
Mining: _____ Mining District at the _____ Mine.
Ores mined: _____
Power: Plant name: _____ Type: _____ Capacity: _____
Other (describe): Oil Well Drilling

22. PLACE OF USE

Legal description of place of use by 40 acre tract(s):
Gage Foster #1 Well: S. 2180 ft. & E. 1780 ft. from NE Cor. Sec. 32, T37S, R23E, SLB&M,
(SW 1/4 NE 1/4).

23. STORAGE

Reservoir Name: _____ Storage Period: from _____ to _____
Capacity: _____ ac-ft. Inundated Area: _____ acres.
Height of dam: _____ feet.
Legal description of inundated area by 40 tract(s): _____

24. EXPLANATORY

The following is set forth to define more clearly the full purpose of this application. Include any supplemental water rights used for the same purpose. (Use additional pages of same size if necessary):
This well is being drilled for the Hixom Company.

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

Signature of Applicant(s)
[Handwritten Signature]

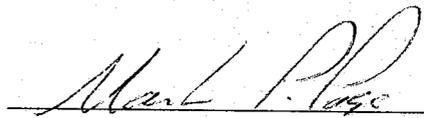
STATE ENGINEER'S ENDORSEMENT

TEMPORARY CHANGE APPLICATION NUMBER: t89-09-02

1. May 4, 1989 Change Application received by MP.
2. May 4, 1989 Application designated for APPROVAL by MP.
3. Comments:

Conditions:

This application is hereby APPROVED, dated May 4, 1989, subject to prior rights and this application will expire on August 31, 1989.



Mark Page, Area Engineer
for
Robert L. Morgan, State Engineer

April 12, 1989

RECEIVED
APR 14 1989

Mr. Ron Firth
Associate Director of Oil and Gas
Division of Oil, Gas and Mining
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

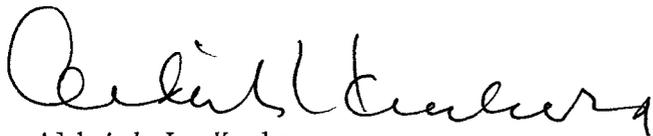
DIVISION OF
OIL, GAS & MINING

Subject: Application for Permit to Drill
Gage Foster Well No. 1
2180' FNL, 1780' FWL
Section 32, T37S, R23E
San Juan County, Utah

Dear Mr. Firth:

We desire your approval to drill the subject well.

Very truly yours,



Aldrich L. Kuchera
President/CEO

RPT/das

Enclosures

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

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
 Hixon Development Company

3. Address of Operator
 P.O. Box 2810, Farmington, New Mexico

4. Location of Well (Report location clearly and in accordance with any requirements.)*
 At surface: 2180' FNL, 1780' FWL, Section 32, T37S, R23E
 At proposed prod. zone: Same as above SENW

5. Lease Designation and Serial No.
 ML 43698

6. If Indian, Allottee or Tribe Name

7. Unit Agreement Name

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 Gage Foster

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 1

10. Field and Pool, or Wildcat
 Wildcat

11. T.O., Sec., T., R., M., or Blk. and Survey or Area
 Sec. 32, T37S, R23E

12. County or Parrish
 San Juan

13. State
 Utah

14. Distance in miles and direction from nearest town or post office*
 8 miles southeast of Blanding, Utah

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg. line, if any)
 1780'

16. No. of acres in lease
 640

17. No. of acres assigned to this well
 40

18. Distance from proposed location* to nearest well, drilling, completed, or applied for, on this lease, ft.
 1500' (dry hole)

19. Proposed depth
 6485' *Desert Creek*

20. Rotary or cable tools
 Rotary

21. Elevations (Show whether DF, RT, GR, etc.)
 5581'

22. Approx. date work will start*
 June 1989

RECEIVED

APR 14 1989

DIVISION OF
OIL, GAS & MINING

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"	48-54.5#	120'	125 sks. (148 cu. ft.) to surface
12-1/4"	8-5/8"	24#	2300'	918 sks. (950 cu. ft.) to surface
7-7/8"	5-1/2"	17#	6485'	360 sks. (725 cu. ft.)

It is proposed to drill an Ismay/Desert Creek oil well. Please see attached for a description of the proposed activities.

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. I hereby certify that this report is true and complete to the best of my knowledge.
 Signed: Aldrich L. Kuchera Title: President/CEO Date: April 12, 1989

(This space for Federal or State office use)

API NO. 43-037-31463 Approval Date: APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING

Approved by: _____ Title: _____ Date: 5-13-89
 Conditions of approval, if any: _____
 BY: John R. Bays
 WELL SPACING: R615-3-2

*See Instructions On Reverse Side

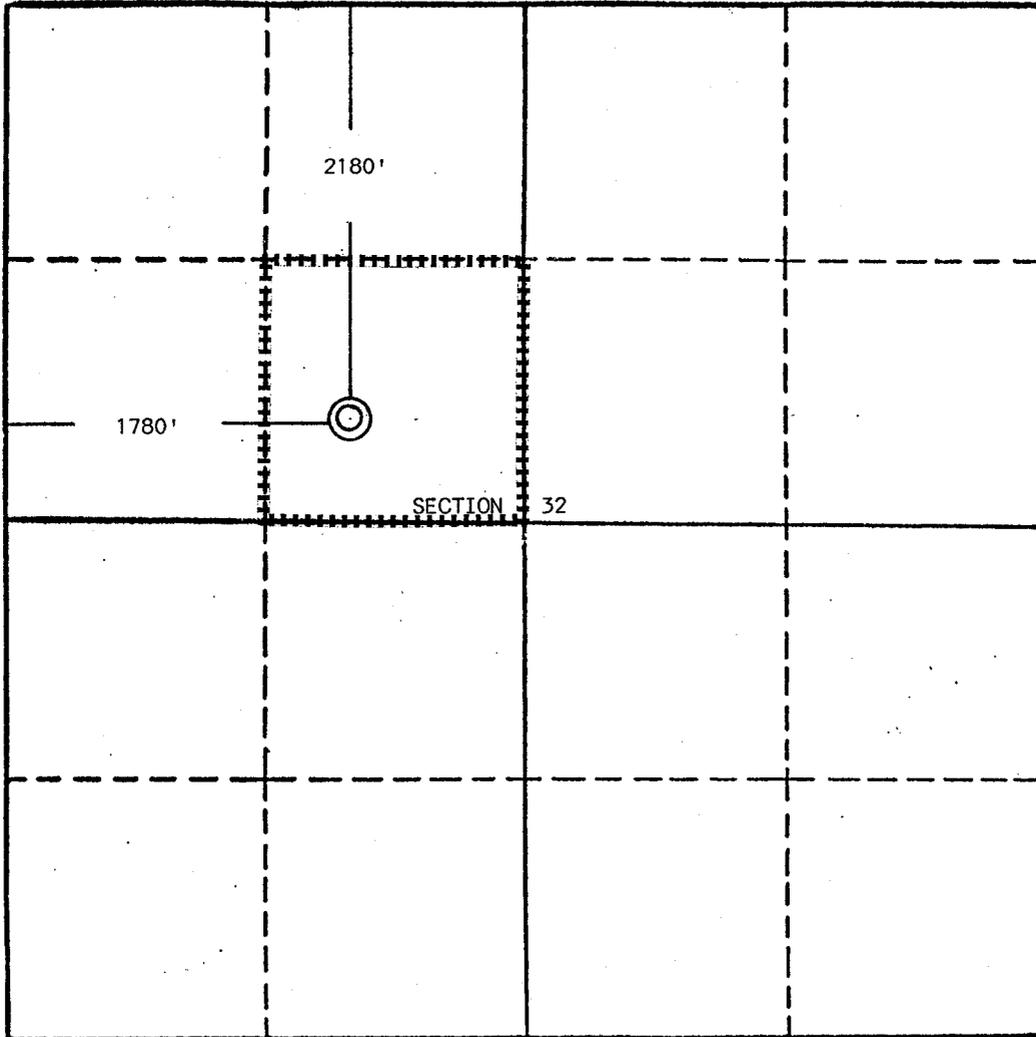
Company Hixon Development Company

Well Name & No. Gage Foster #1

Location 2180' F/NL 1780' F/WL

Sec. 32, T. 37 S., R. 23 E., S. L. M., County San Juan, Utah

Ground Elevation 5581



Scale, 1 inch = 1,000 feet

Surveyed April 7, 1989

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:



Edgar L. Risenhoover

Edgar L. Risenhoover
Registered Land Surveyor
New Mexico Reg. No. 5979

Non-resident certification as
authorized by Utah State Law
58-22-21(b)

APPLICATION FOR PERMIT TO DRILL
HIXON DEVELOPMENT COMPANY
WILDCAT
GAGE FOSTER WELL NO. 1
2180' FNL, 1780' FWL
SECTION 32, T37S, R23E
SAN JUAN COUNTY, UTAH

1. Form 3. See attached.

2. General Location Information:

2.1 Hixon Development Company's representative is:
John C. Corbett
2200 Bloomfield Highway
Farmington, New Mexico 87401
(505) 326-3325

2.2 Surface Ownership/Mineral Ownership - The surface and minerals are owned by the State of Utah, administered by the Division of Oil, Gas and Mining.

2.3 This well is not located within an existing or proposed unit.

2.4 A location plat showing elevation is attached.

2.6 Location and Type of Water Supply - Water for drilling will be obtained from Clyde Watkins (Watkins Farm) pond. Division of Water Rights approval #T89-09-01.

3. Proposed Drilling Program:

3.1 Estimated Tops of Geologic Markers:

Entrada	975'
Navajo	1125'
Chinle	2170'
Cedar Mesa	3750'
Hermosa	5055'
Upper Ismay	6100'
Lower Ismay	6240'
Desert Creek	6350'

3.2 Anticipated Water:

Fresh water - the top of the Entrada is expected at 975' and the bottom of the Wingate is expected at 2170'. The Entrada, Navajo, Kayenta, and Wingate will be covered by intermediate casing.

APPLICATION FOR PERMIT TO DRILL
HIXON DEVELOPMENT COMPANY
WILDCAT
GAGE FOSTER WELL NO. 1
2180' FNL, 1780' FWL
SECTION 32, T37S, R23E
SAN JUAN COUNTY, UTAH
PAGE 2

- 3.3 Pressure Control - BOP's to be used are detailed in the attached diagram.

Testing of BOPE - All Blow Out Prevention equipment will be tested upon installation. This will include casing, casing head, and all related equipment and connections associated with blow out prevention and/or control. Testing will be to the lessor of the following: (1) Full manufacturer's working pressure rating of equipment; (2) 70% of minimum internal yield pressure of casing; (3) or 1 psi/ft. of last casing string depth.

All BOP's shall be checked each trip for physical operation. Morning tower driller will also check operating components of BOPE, test operation of BOPE and record on driller's log.

- 3.4 Proposed Casing Program:

Surface Casing will be 120' of 13-3/8", 48#, 8rd, H-40 ST & C., LS, casing.

Intermediate Casing will be 2300' of 8-5/8", 32#, 8rd, J-55, ST&C, LS, casing.

Production Casing will be 6485' of 5-1/2", 17#, 8rd, K-55, ST & C. Smls, casing.

- Proposed Cementing Program:

Surface Casing will be cemented to surface as follows: (1) break circulation with water; (2) pump 130 sks. of Class "B" cement containing 2% CaCl; (3) displace cement to 30' above end of casing shoe with water; (4) WOC 12 hrs.

Intermediate Casing will be cemented to surface as follows: (1) break circulation with water; (2) pump 725 sks. Class "B" cement containing 3% salt, 16% gel, and light dispersant, tail in with 200 sks. of Class "B" cement containing 2% salt; (3) drop cement wiper plug and displace to float with water; (4) WOC 12 hrs.

APPLICATION FOR PERMIT TO DRILL
HIXON DEVELOPMENT COMPANY
WILDCAT
GAGE FOSTER WELL NO. 1
2180' FNL, 1780' FWL
SECTION 32, T37S, R23E
SAN JUAN COUNTY, UTAH
PAGE 3

3.4 Continued:

Production Casing will be cemented as follows:
(1) break circulation with mud; (2) pump 20 bbls. of chemical mud wash; (3) mix and pump 260 sks. of Class "B" cement containing 16% gel, 3% salt, 0.4% retarder, tail in with 100 sks. Class "H" cement containing 3% salt, 1% fluid loss and light dispersant; (4) drop cement wiper plug and displace to float with water; (5) WOC for 72 hrs. or until a compressive strength of 1000 psi or greater.

3.5 Mud Program:

Surface - 0-120'; drill 17-1/2" hole with water treated with polymer/gel and lime (spud mud).

Intermediate - 120'-2300'; drill 12-1/4" hole with water treated with polymer/gel and lime. Sweep hole at intervals with gel-lime pills to clean hole. Control lost circulation with gel-LCM pills. Control seepage with Mud-Seal and fine mica.

Production Hole - 2300'-TD; drill 7-7/8" hole with water treated with polymer and lime to about 5500' to 5700'. Mud up at any point if water flows or hole problems are encountered. If no problems, begin mudding up about 200' above Paradox. Build mud weight to 9-9.2 #/gal., and viscosity 34-40 sec/qt. Pretreat mud 50' above Ismay or prior to anhydrites, with caustic, soda Ash, and dispersant. Raise pH to 12, and lower water loss to 10-12 cc. Maintain this system to TD. Build mud weight to 9.6 #/gal. before the Lower Desert Creek, or to a mud weight sufficient to handle any abnormal pressures. Sweep and clean hole to log with 40-44 sec/qt. mud.

Mud properties will be:
Weight - 8.4-10.0 #/gallon
Viscosity - 34-44 sec/qt
Plastic Viscosity - 4-8 cps
Yield Value - 3-6 #/100 square feet
Fluid Loss - 10-12 cc's/API
pH - 8.3-12.00
Solids Content - 5-1/2% maximum
Annular Velocity - 120'/min.

APPLICATION FOR PERMIT TO DRILL
HIXON DEVELOPMENT COMPANY
WILDCAT
GAGE FOSTER WELL NO. 1
2180' FNL, 1780' FWL
SECTION 32, T37S, R23E
SAN JUAN COUNTY, UTAH
PAGE 4

3.6 Testing, Logging and Coring -

This well will be evaluated on the basis of Induction Electric Survey, Gamma Ray, Compensated Density-Neutron, Sonic and Caliper surveys. Cased hole logs will consist of CCL and Cement Bond Logs and Gamma Ray.

3.7 Drilling Problems -

Bottom hole pressure gradient is 8.89 #/gal.-.462 psi/ft. Fracture gradient is 13.5 #/gal.-.7 psi/ft. We will prepare for drilling problems by controlling solids and mud weight.

3.8 Surface Use Program - Please see attached topographic maps.

Existing Roads - To reach the proposed location start from Blanding, Utah. Travel 1.3 miles south on Highway #191. Turn left (east) at the propane company (Guymon Road) and travel 1.1 miles to the stop sign. Turn right (south) and travel approximately 6.0 miles on this gravel road. Access to the location is to the south of the road and will be marked by rig signs.

Planned Access Roads - Access to the location will be along an existing two-track road approximately 1.5 miles in length. No new construction will be needed. This road has been previously bladed. There will be no turnouts, bridges, fence cuts or cattleguard, or foreign surface material. All roads will be maintained in the same or better condition than presently found.

Location of Existing Wells - All wells within a one mile radius are shown on the attached map.

Wellsite Layout - Refer to attached plat and cross sections. The pit will be unlined.

All garbage and trash will be placed in a trash pit. This earthen pit will be four to six feet deep with small mesh wire fencing to prevent the scattering of trash. Upon cleanup, any refuse in the trash pit will be buried at least three feet deep.

APPLICATION FOR PERMIT TO DRILL
HIXON DEVELOPMENT COMPANY
WILDCAT
GAGE FOSTER WELL NO. 1
2180' FNL, 1780' FWL
SECTION 32, T37S, R23E
SAN JUAN COUNTY, UTAH
PAGE 5

3.8 Continued:

Methods of Handling Waste Disposal - Any waste material incurred while drilling will be buried in the mud pits, i.e. 5' deep. Cuttings, drilling fluid, well circulation and stimulation fluids (if any) will be contained in the mud pits. The mud pits will be allowed to dehydrate, and will be filled and contoured per regulations. Well site will be properly cleaned up, and pits will be fenced on three sides and the fourth will be fenced after rigging down.

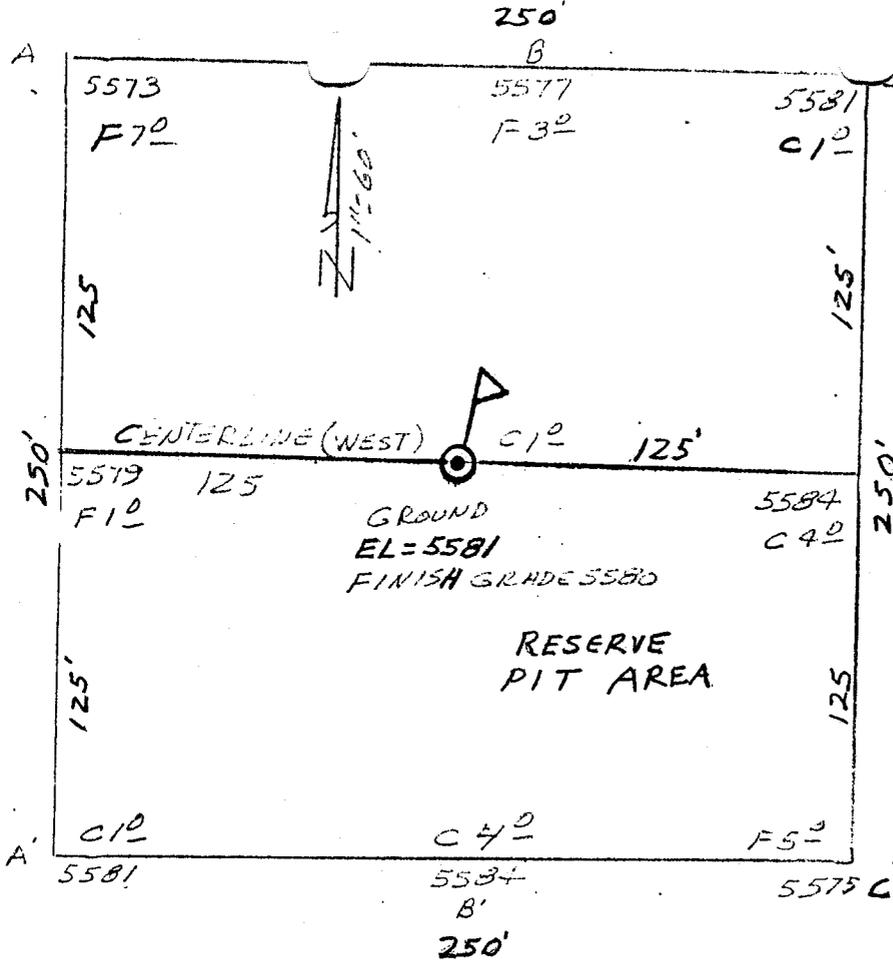
Plans for Reclamation of the Surface - The area will be raked and waste materials buried 5' deep. The pit will be filled and the location contoured. Revegetation will be carried out per stipulations.

Production Facilities - Oil storage facilities will be located on the well site.

Other Information - Archaeological clearance, topography, oil character, and biota are detailed in the archaeologic report included with this APD.

Chemical toilets will be provided and maintained during drilling operations.

HIXON DEVELOPMENT
CUT AND FILL DIAGRAM



Hixon Development Company
OPERATOR

Gage Foster #1
WELL NAME & NO.

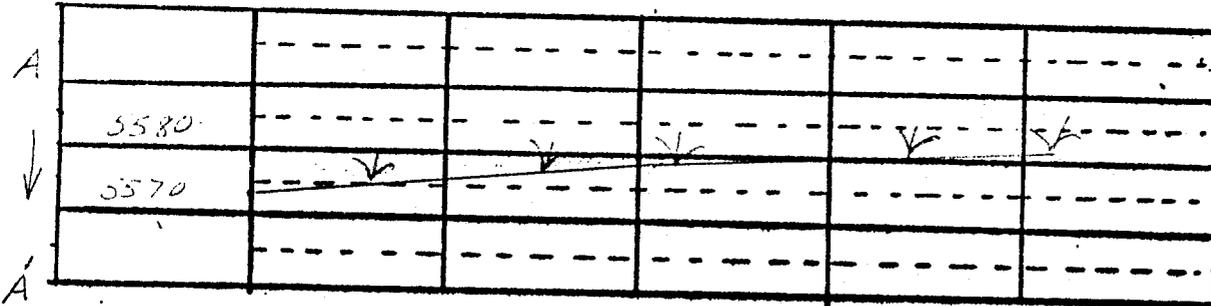
2180' F/NL 1780' F/WL
FOOTAGES

32 37S 23E

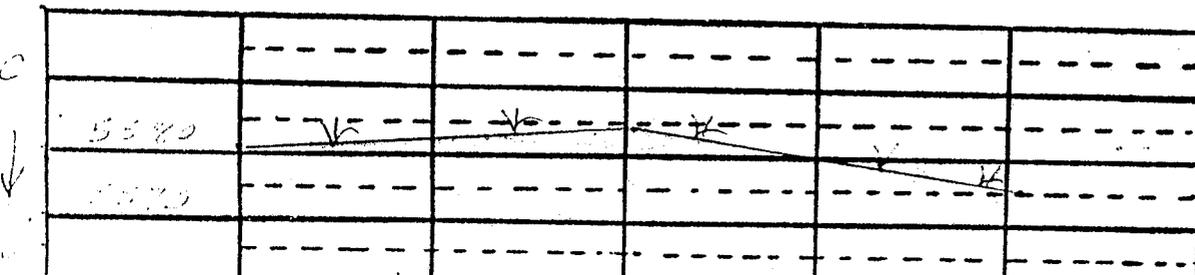
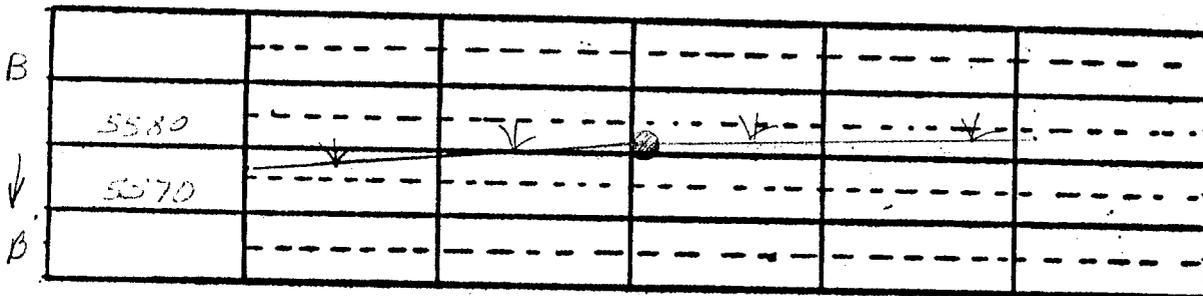
SEC. TWP. RGE.

San Juan, Utah
COUNTY

April 7, 1989
DATE



H. 1" = 60'
V. 1" = 30'



BLANDING, UTAH

1.3 MILES

1.1 MILES

Stop Sign

Propane Company

Municipal Airport

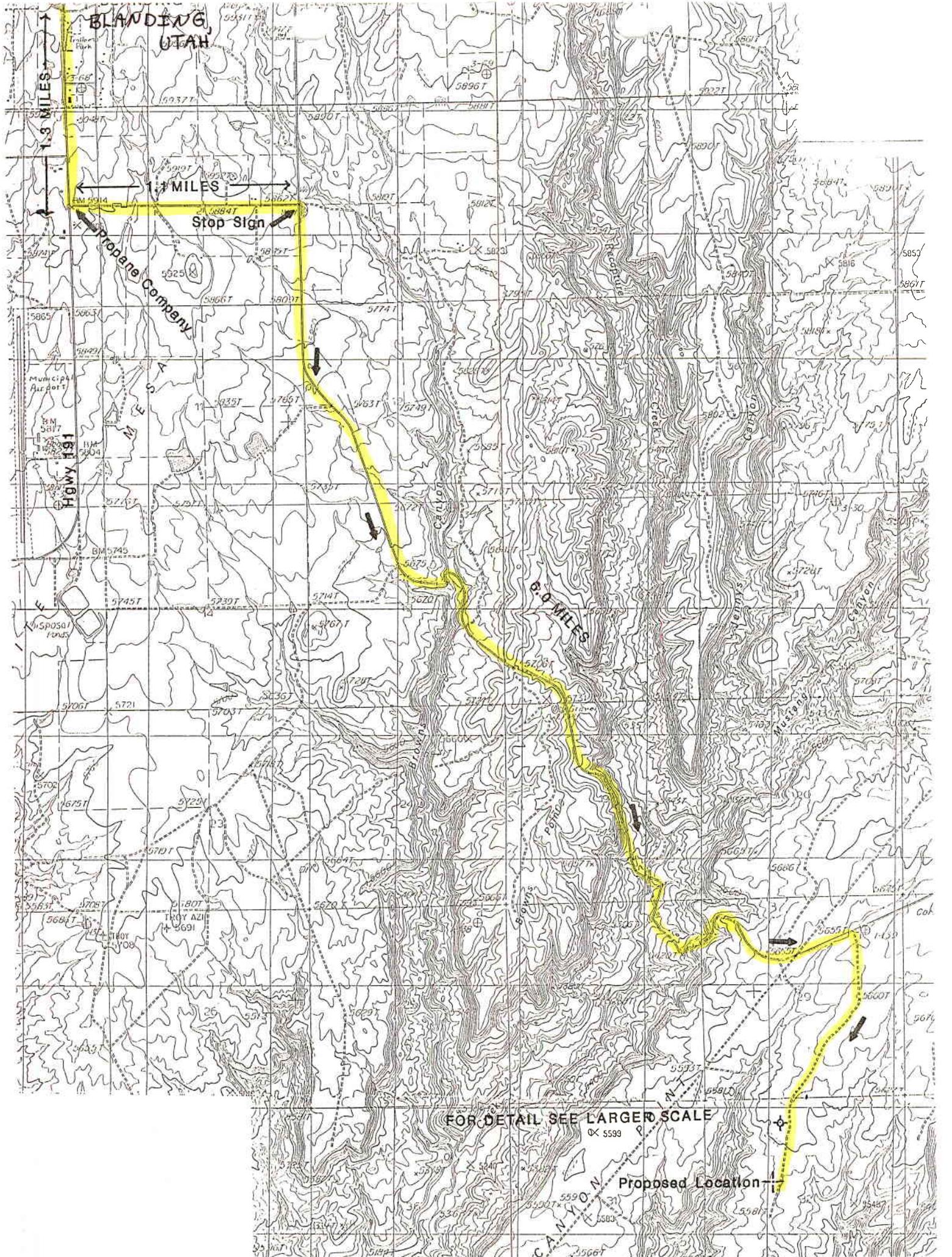
HWY 191

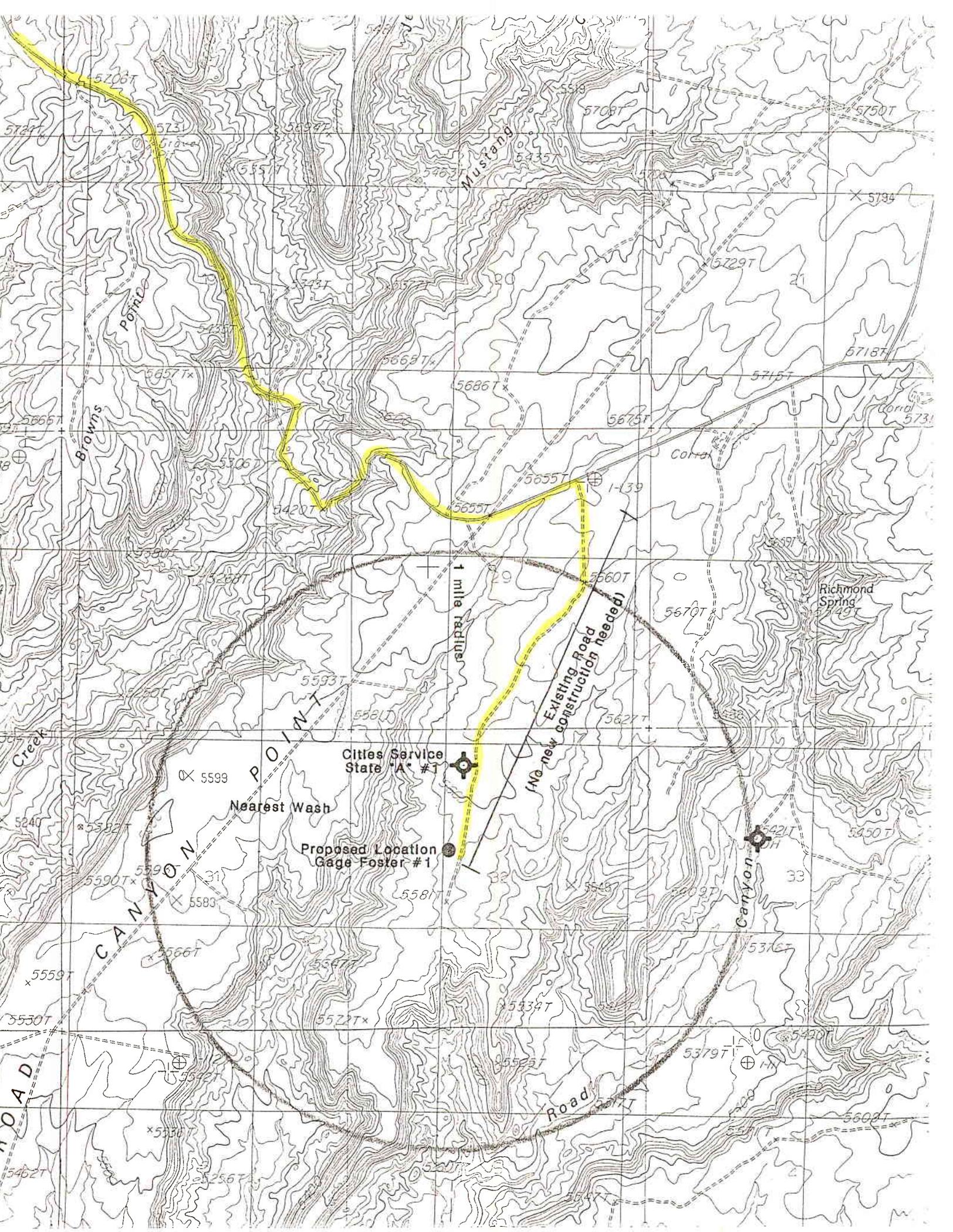
6.0 MILES

FOR DETAIL SEE LARGER SCALE

OX 5599

Proposed Location





1 mile radius

(No new construction needed)

Circles Service State "A" #1
Nearest Wash
Proposed Location Gage Foster #1

CANYON

Canyon

Road

Brown's Point

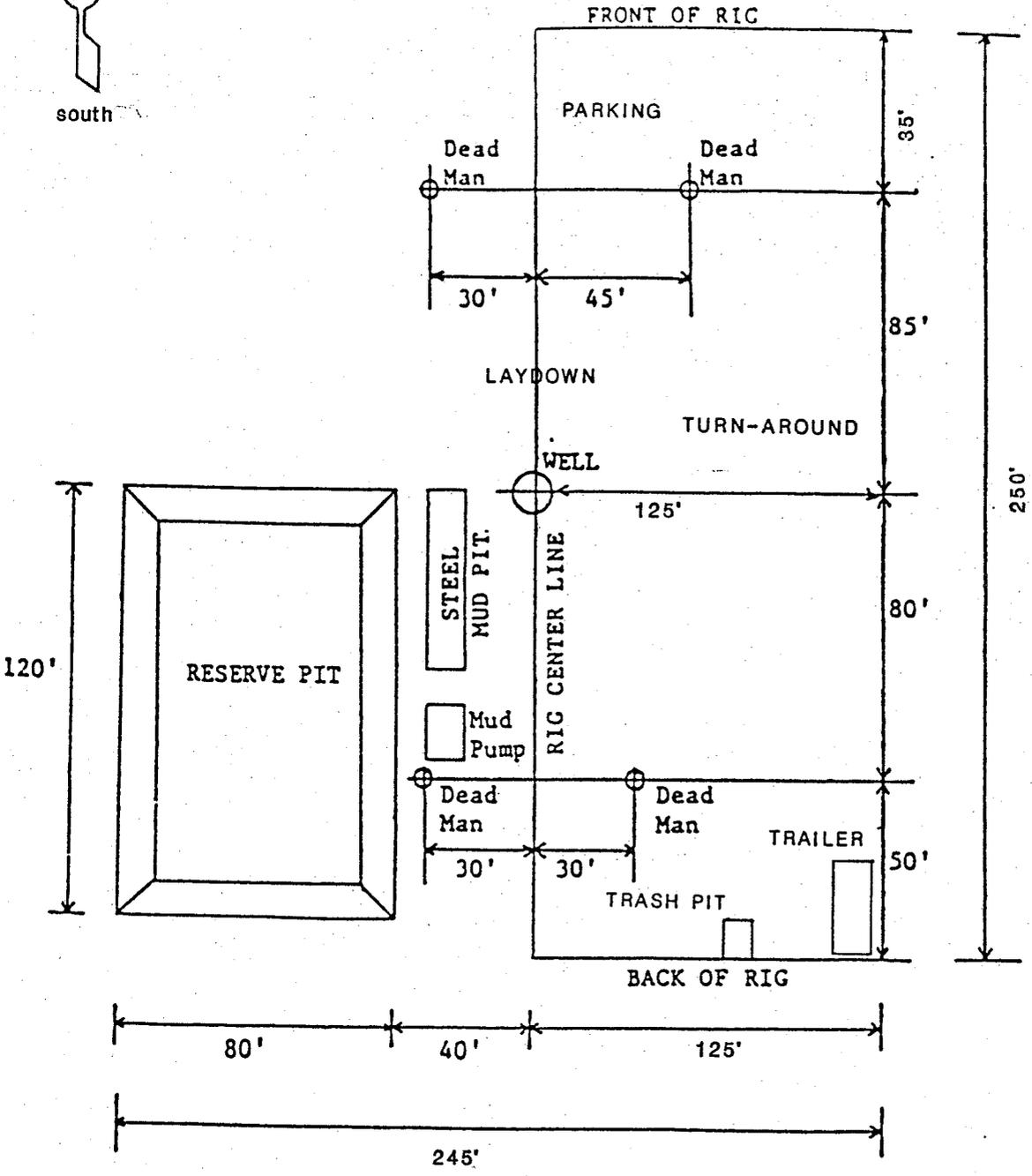
Mustang

Richmond Spring

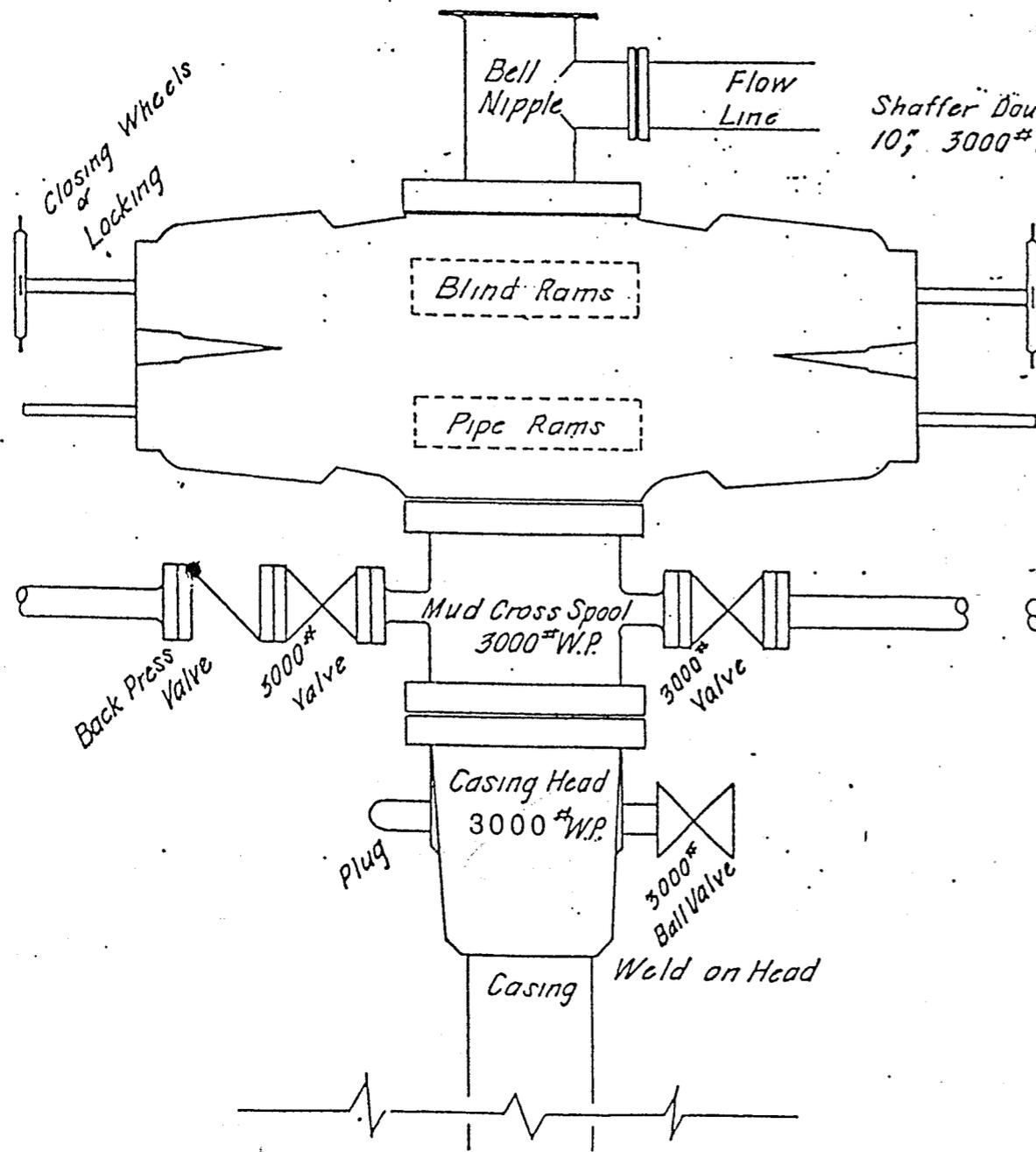
Creek



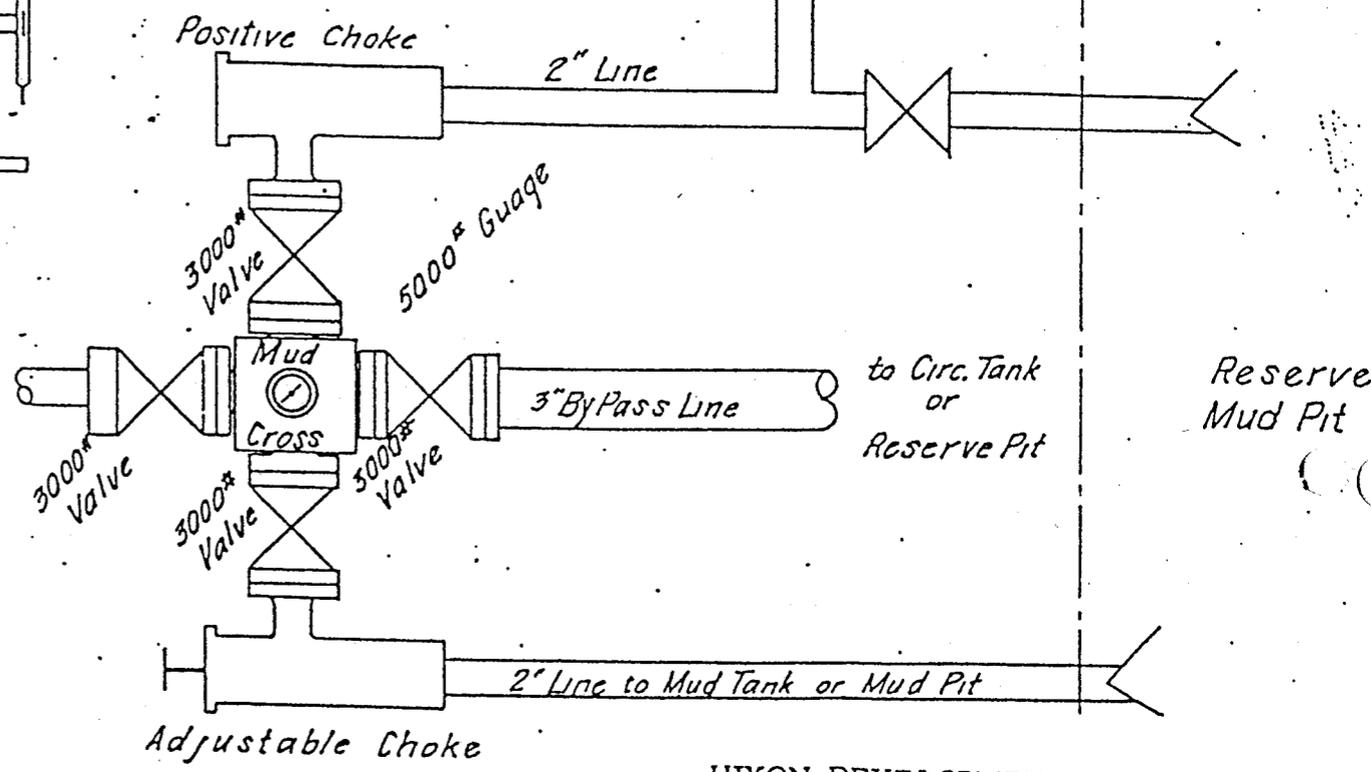
south



HIXON DEVELOPMENT COMPANY
 DRILLING RIG LOCATION PLAT
 GAGE FOSTER #1



Shaffer Double Gate Blow Out Preventer
10", 3000# W.P., 6000# Test, Type E



Circulating Tank

Reserve Mud Pit

HIXON DEVELOPMENT COMPANY
PRESSURE CONTROL EQUIPMENT
GAGE FOSTER WELL NO. 1

Cultural Resource Inventory

Hixon Development Company
Gage Foster No. 1 Wellpad
San Juan County, Utah

RECEIVED
APR 14 1989

DIVISION OF
OIL, GAS & MINING

Prepared by

Nancy S. Hammack
Complete Archaeological Service Associates
12400 Highway 666
Cortez, Colorado 81321

[CASA 89-09]



Prepared for

Hixon Development Company
Post Office Box 2810
Farmington, New Mexico 87499

Submitted to

Utah State Historic Preservation Office
Utah Division of State History
300 Rio Grande
Salt Lake City, Utah 84101

Utah State Project Number
U-89-CH-113s

April 10, 1989

Abstract

A class III cultural resource inventory was undertaken for Hixon Development Company's proposed Gage Foster No. 1 wellpad, located on the southern end of Mustang Mesa, San Juan County, Utah. The field work was carried out on April 7, 1989 by Nancy S. Hammack of Complete Archaeological Service Associates (CASA). The Utah State Number assigned to this project is U-89-CH-113s.

A ten-acre parcel was inventoried for the well location. Access is by an existing bladed road which continues past an existing dry hole to the north of the proposed well location. Surface and mineral rights for this location are controlled by the State of Utah.

No cultural resources were located during this inventory and cultural resource clearance is recommended.

Introduction

A class III inventory of a proposed wellpad located on the south end of Mustang Mesa, San Juan County, Utah was carried out by Nancy S. Hammack of Complete Archaeological Service Associates (CASA) on April 7, 1989. This inventory was done at the request of Perry Tuttle of Hixon Development Company, Farmington, New Mexico.

Surface and mineral rights in the project area are controlled by the State of Utah. This inventory was carried out under Utah State Project No. U-89-CH-113s.

Project Location and Description

The proposed Gage Foster No. 1 wellpad is located approximately six miles southeast of Blanding, Utah (Figure 1). It is situated on a north-south running finger of Mustang Mesa, immediately to the east of Road Canyon Point and bound on the east by Road Canyon (Figure 2). Dead junipers are scattered over the sandy ridgetop, with denser stands of live juniper downslope to the east and west. Sagebrush, rabbitbrush, snakeweed and grasses are also present. Detailed locational information, as well as descriptions of the setting, vegetation, terrain, cultural resources and recommendations, is presented in the following project description section.

Previous Research

Prior to the field inventory, records searches were carried out at the BLM San Juan Resource Area Office in Monticello and through the Division of State History, Salt Lake City. These record searches indicated that, although over 25 sites had been previously recorded within Section 32, there were no previously-recorded sites in the immediate vicinity of the wellpad location. Numerous seismic projects have been carried out in the SE $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 32 by Central Exploration Company, Inc., Vibrosearch Seismic, Seis-Port Exploration, Inc., and Rocky Mountain Geophysical (Berge 1976, Bond 1985, Ford 1983, Harden 1984).

The cultural history of the general area has been well-documented and summarized in a comprehensive overview sponsored by the Bureau of Land Management (Nickens 1982). Neighboring areas in southwestern Colorado are discussed in a companion volume (Nickens and Hull 1982).

Inventory Methodology

The field survey was carried out by Nancy S. Hammack on April 7, 1989. The wellhead was located and the wellpad staked during the inventory. A ten-acre parcel, centered on the wellhead stake, was examined by means of parallel zig-zag pedestrian transects no more than 15 meters apart.

Access to the proposed wellpad is by means of an existing bladed road (Figure 2). This road has been utilized for an existing wellpad approximately $\frac{1}{4}$ mile to the north of the present location, as well as to access the many seismic projects.

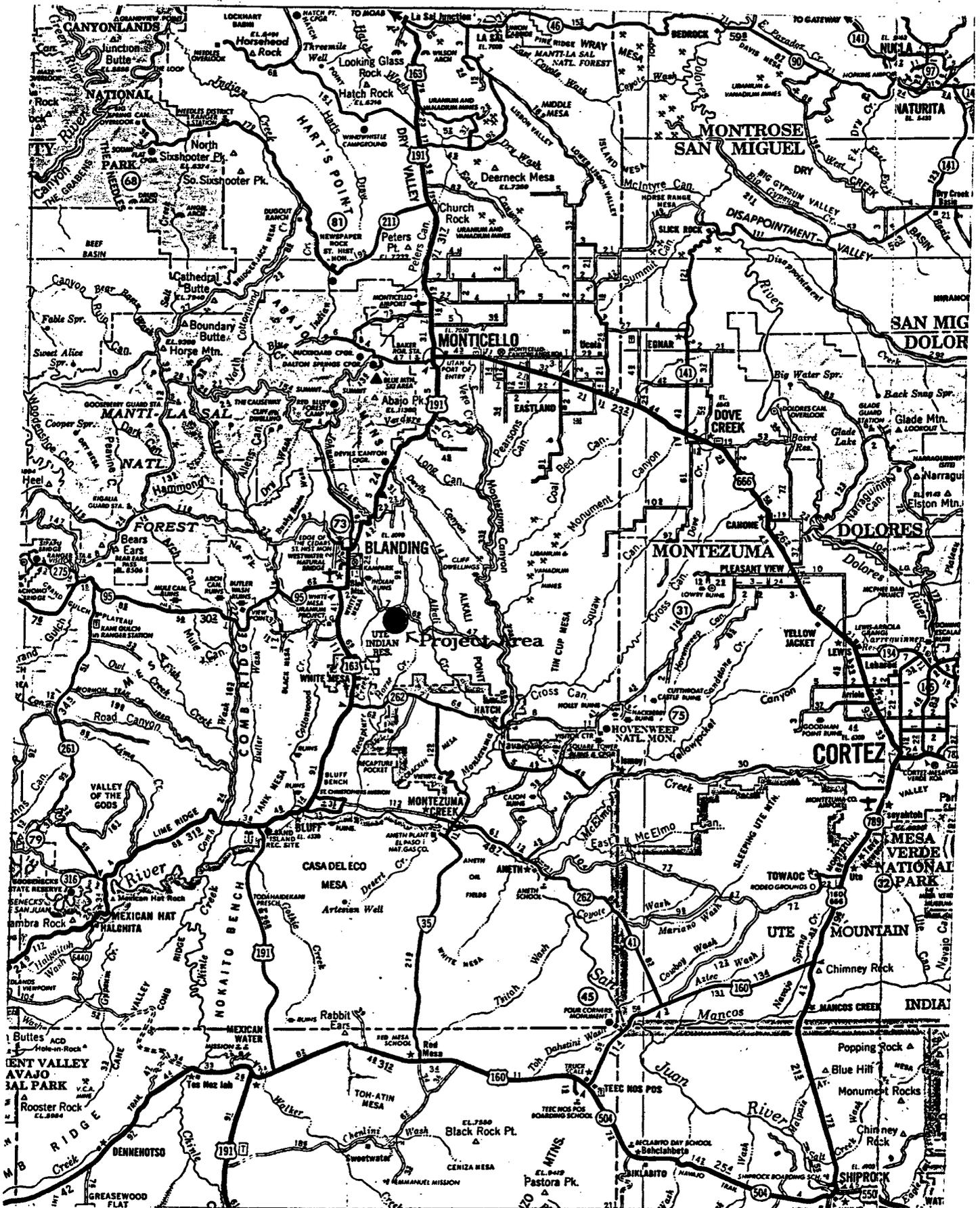
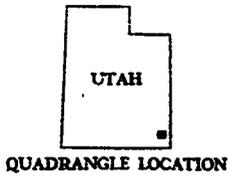
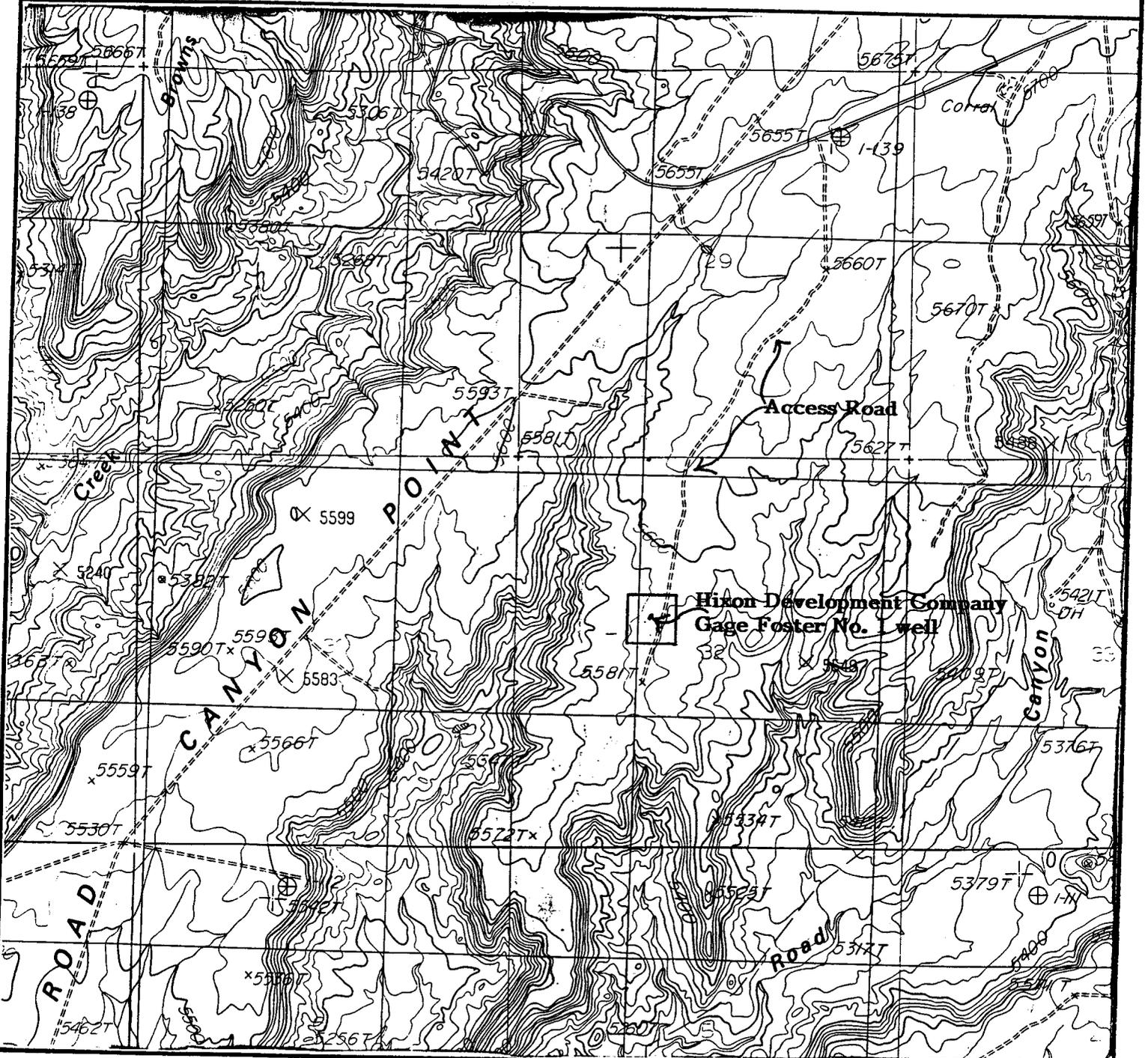


Figure 1. Project location map, southeastern Utah



BLANDING SOUTH, UTAH PROVISIONAL EDITION 1985



SCALE 1:24 000

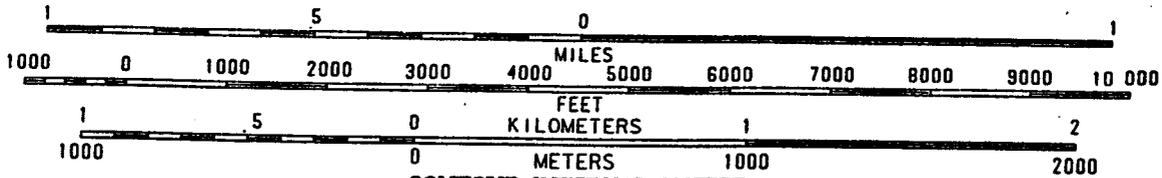


Figure 2. Locational map, Gage Foster No. 1 well and access road.

Inventory Results and Recommendations

No significant cultural resources were located within the survey area. Approximately four isolated and widely scattered ceramic sherds were noted. Cultural resource clearance is recommended for Hixon Development Company's proposed Gage Foster No. 1 wellpad.

References

Berg, Dale L.

- 1976 An Archaeological Reconnaissance of Sections of Mustang Flat and Bluff Bench, San Juan County, Utah. Department of Anthropology and Archaeology, Brigham Young University, Provo.

Bond, Mark

- 1985 The Archaeological Survey of Rocky Mountain Geophysical, Inc. Seismographic Exploration Transects Numbers PX-4 through PX-12, Southeastern San Juan County, Utah and Montezuma County, Colorado. Abajo Archaeology, Bluff.

Ford, Dabney A.

- 1983 Cultural Resource Inventory of Vibrosearch Seismic Exploration Transects in Southeast Utah and Southwest Colorado. Abajo Archaeology, Bluff.

Harden, Patrick L.

- 1984 An Archeological Survey of Seis-Port Explorations, Inc.'s Seismograph Lines SPX-124, 125, 126, 127, & 128 in the Mustang Flat Vicinity of San Juan County, Utah. LAC Report 8351. La Plata Archeological Consultants, Inc., Dolores.

Nickens, Paul R.

- 1982 A Summary of the Prehistory of Southeastern Utah. In Contributions to the Prehistory of Southeastern Utah, assembled by Steven G. Baker. Bureau of Land Management Utah Cultural Resource Series No. 13, Salt Lake City.

Nickens, Paul R. and Deborah Hull

- 1982 Archeological Resources of Southwestern Colorado: An Overview of the Bureau of Land Management's San Juan Resource Area. In Archeological Resources in Southwestern Colorado, by Susan Eininger and others, pp. 1-307. Bureau of Land Management Colorado Resource Series No. 13, Denver.

Project Description

Project Name: Hixon Development Company, Gage Foster No. 1 wellpad

USGS Map: Blanding South, Utah, 7.5 min., 1985 Provisional Edition

Legal Description: Township 37 South, Range 23 East, Section 32, NE $\frac{1}{4}$ of the SW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of the NW $\frac{1}{4}$, San Juan County, Utah.

UTM: Zone 12, 640560 mE/4154410 mN

Measured Location: 1780 feet from West Line
2180 feet from North Line

Elevation: 5580 feet

Ownership: State of Utah surface and subsurface minerals

Area Surveyed: 10 \pm acres

Description: The proposed Gage Foster No. 1 wellpad is situated on a southern extension of Mustang Mesa, just to the east of Road Canyon Point and bound on the east by Road Canyon. The terrain consists of sandy north-south trending ridges with sandstone bedrock exposures on the east and west as the ridge drops into shallow drainages. Vegetation on the wellpad includes dead juniper, sagebrush, grasses, rabbitbrush and snakeweed. Stands of live juniper are present in the drainages to the east and west. Access to the wellpad is by existing bladed road. The wellpad is bound on the east by this road, which may have originally been a seismic line. Another seismic line cuts through the western edge of the wellpad. •

Cultural Resources: No cultural resources located.

Recommendations: Cultural Resource Clearance is recommended for Gage Foster No. 1 wellpad.

DRILLING LOCATION ASSESSMENT

State of Utah
Division of Oil, Gas and Mining

OPERATOR: Hixon Development Company WELL NAME: Gage Foster #1
SECTION: 32 TWP: 37S RNG: 23E LOC: 2180 FNL 1780 FWL
QTR/QTR SE/NW COUNTY: San Juan FIELD: Undesignated
SURFACE OWNER: State of Utah
SPACING: 460 F SECTION LINE 460 F QTR/QTR LINE 920 F ANOTHER WELL
INSPECTOR: Brad Hill DATE AND TIME: April 14, 1989 10:00 AM

PARTICIPANTS: Glenn Goodwin/DOGM, Perry Tuttle/Hixon Development

REGIONAL SETTING/TOPOGRAPHY: Blanding Basin Physiographic Provenance
/Location is on the top of a large flat bench area

LAND USE:

CURRENT SURFACE USE: None

PROPOSED SURFACE DISTURBANCE: A rectangular shaped pad 250'X 125'
with a 120'X 120' extension for the reserve pit. Access to the
location will be from an existing dirt road. Hixon indicates that
no upgrade will be needed on the existing road.

AFFECTED FLOODPLAINS AND/OR WETLANDS: None

FLORA/FAUNA: Abundant sage, scattered Junipers and scattered
grasses/Deer, rabbits, birds and insects.

ENVIRONMENTAL PARAMETERS

SURFACE GEOLOGY

SOIL TYPE AND CHARACTERISTICS: Eolian sandy-silt

SURFACE FORMATION & CHARACTERISTICS: Quaternary eolian
deposits which overlay the Cretaceous Dakota Sandstone

EROSION/SEDIMENTATION/STABILITY: No active erosion/deposition
at this time. The area is flat and stable and no problems are
expected.

PALEONTOLOGICAL POTENTIAL: None observed

SUBSURFACE GEOLOGY

OBJECTIVES/DEPTHS: Upper Ismay-6100', Lower Ismay-6240'

ABNORMAL PRESSURES-HIGH AND LOW: None anticipated

CULTURAL RESOURCES/ARCHAEOLOGY: Casa Consultants-Cortez Colo.

CONSTRUCTION MATERIALS: Onsite materials only

SITE RECLAMATION: To be reclaimed and reseeded as per instructions from Div. of State Lands.

RESERVE PIT

CHARACTERISTICS: Reserve pit to be 120'X 80'X 8'

LINING: Pit will be checked prior to introduction of fluids. If surface material continues to pit bottom, 2 lbs./sq.ft. Bentonite lining will be required. If the bottom of the pit encounters the under lying Dakota Sandstone a 12 mil. synthetic liner should be used.

MUD PROGRAM: Fresh water/polymer gel & lime, mud up as required.

DRILLING WATER SUPPLY: Watkins Farm pond near Blanding will be used for water supply.

STIPULATIONS FOR APD APPROVAL

Check reserve pit prior to introduction of fluid to determine the type of liner needed.

ATTACHMENTS

Photographs will be placed on file.

STATE ACTIONS

Mail to:
RDCC Coordinator
116 State Capitol
Salt Lake City, Utah 84114

-
1. ADMINISTERING STATE AGENCY
OIL, GAS AND MINING
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, UT 84180-1203
2. STATE APPLICATION IDENTIFIER NUMBER:
(assigned by State Clearinghouse)
-
3. APPROXIMATE DATE PROJECT WILL START:
Upon approval
-
4. AREAWIDE CLEARING HOUSE(S) RECEIVING STATE ACTIONS:
(to be sent out by agency in block 1)
Southeastern Utah Association of Local Governments
-
5. TYPE OF ACTION: Lease Permit License Land Aquisition
 Land Sale Land Exchange Other _____
-
6. TITLE OF PROPOSED ACTION:
Application for Permit to Drill
-
7. DESCRIPTION:
Hixon Development Company proposes to drill a wildcat well, the Gage Foster #1, on state lease number ML-43698 in San Juan County, Utah. This action is being presented to RDCC for consideration of resource issues affecting state interests. The DOGM is the primary administrative agency in this case and must issue approval to drill before operations can commence.
-
8. LAND AFFECTED (site location map required) (indicate county)
SE/4, NW/4, Section 32, Township 37 South, Range 23 East, San Juan County, Utah
-
9. HAS THE LOCAL GOVERNMENT(S) BEEN CONTACTED?
Unknown
-
10. POSSIBLE SIGNIFICANT IMPACTS LIKELY TO OCCUR:
Degree of impact is based on the discovery of oil or gas in commercial quantities.
-
11. NAME AND PHONE NUMBER OF DISTRICT REPRESENTATIVE FROM YOUR AGENCY NEAR PROJECT SITE, IF APPLICABLE:
Glen Goodwin, Monticello, 587-2710
-
12. FOR FURTHER INFORMATION, CONTACT: 13. SIGNATURE AND TITLE OF AUTHORIZED OFFICIAL
John Baza
PHONE: 538-5340
DATE: 4/26/89
Petroleum Engineer
-



STATE OF UTAH
NATURAL RESOURCES
Water Rights

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

Southeastern Area • 453 S. Carbon Avenue • P.O. Box 718 • Price, UT 84501-0718 • 801-637-1303

May 4, 1989

Division of Oil, Gas & Mining
Attn: Lisha Romero
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

RECEIVED
MAY 08 1989

DIVISION OF
OIL, GAS & MINING

Re: Temporary Change Application #t89-09-02
Gage Foster #1 Well

Dear Lisha:

The above referenced Temporary Change Application has been approved, and a copy is enclosed for your information and records.

If you have any questions, please contact me.

Sincerely,

Mark P. Page
Area Engineer

Enclosure
MPP/mjk

OPERATOR Hixon Development Co. DATE 4-14-89

WELL NAME Gage Foster #1

SEC SENW 32 T 37S R 23E COUNTY San Juan

43-037-31463
API NUMBER

State
TYPE OF LEASE

CHECK OFF:

PLAT

Statewide (St. Lends rec. 4-18-89)
 BOND

NEAREST WELL

LEASE

FIELD

POTASH OR OIL SHALE

PROCESSING COMMENTS:

No other well within 920'

Water Permit # 89-09-02 (Ivan R. Watkins for Gage Foster #1)

Archaeological Survey 4-10-89 - St. History has copy per Diane Christensen

Presite on 4-14-89 (Brad Hill) / Dan Jarvis - OK 4-25-89

RDCC 4-18-89 / Process 5-9-89

APPROVAL LETTER:

SPACING: R615-2-3 N/A R615-3-2
UNIT

N/A R615-3-3
CAUSE NO. & DATE

STIPULATIONS:

1. The operator shall notify DOGM upon excavation of reserve pit and prior to introduction of fluids to allow inspection and determination of pit lining requirements.



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

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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

May 12, 1989

Hixon Development Company
P. O. Box 2810
Farmington, New Mexico 87499

Gentlemen:

Re: Gage Foster #1 - SE NW Sec. 32, T. 37S, R. 23E - San Juan County, Utah
2180' FNL, 1780' FWL

Approval to drill the referenced well is hereby granted in accordance with Rule R615-3-2, Oil and Gas Conservation General Rules, subject to the following stipulation:

1. The operator shall notify the Division upon excavation of reserve pit and prior to introduction of fluids to allow inspection and determination of pit lining requirements.

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

1. Spudding notification within 24 hours after drilling operations commence.
2. Submittal of an Entity Action Form within five working days following spudding and whenever a change in operations or interests necessitates an entity status change.
3. Submittal of the Report of Water Encountered During Drilling, Form 7.
4. Prompt notification if it is necessary to plug and abandon the well. Notify John R. Baza, Petroleum Engineer, (Office) (801) 538-5340, (Home) 298-7695, or Jim Thompson, Lead Inspector, (Home) 298-9318.
5. Compliance with the requirements of Rule R615-3-20, Gas Flaring or Venting, Oil and Gas Conservation General Rules.

Page 2
Hixon Development Company
Gage Foster #1
May 12, 1989

6. Prior to commencement of the proposed drilling operations, plans for facilities for disposal of sanitary wastes at the drill site shall be submitted to the local health department. These drilling operations and any subsequent well operations must be conducted in accordance with applicable state and local health department regulations. A list of 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 43-037-31463.

Sincerely,



R. J. Firth
Associate Director, Oil & Gas

lr
Enclosures
cc: Branch of Fluid Minerals
D. R. Nielson
WE14/1-2

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION & SERIAL NO.
ML 43698

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.)

6. IF INDIAN ALLOTTEE OR TRIBE NAME

1. OIL WELL GAS WELL OTHER

7. UNIT AGREEMENT NAME

2. NAME OF OPERATOR
Hixon Development Company

8. FARM OR LEASE NAME
Gage Foster

3. ADDRESS OF OPERATOR
P.O. Box 2810, Farmington, New Mexico 87499

9. WELL NO.

4. LOCATION OF WELL (Report location clearly and in accordance with any State regulations. See also space 17 below.)
At surface 2180' FNL, 1780' FWL, Section 32, T37S, R23E
At proposed prod. zone

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MAY 24 1989
DIVISION OF OIL, GAS & MINING

FIELD AND POOL, OR WILDCAT
Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 32, T37S, R23E

14. API NO.
43-037-31463

15. ELEVATIONS (Show whether DF, RT, or other)
5581' GL

12. COUNTY
San Juan

13. STATE
Utah

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

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF PULL OR ALTER CASING
FRACTURE TREAT MULTIPLE COMPLETE
SHOOT OR ACIDIZE ABANDON
REPAIR WELL CHANGE PLANS
(Other)
APPROX. DATE WORK WILL START _____

SUBSEQUENT REPORT OF:

WATER SHUT-OFF REPAIRING WELL
FRACTURE TREATMENT ALTERING CASING
SHOOTING OR ACIDIZING ABANDONMENT*
(Other) _____
(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)
DATE OF COMPLETION _____

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.)

* Must be accompanied by a cement verification report.

The correct water usage number permitted under Hixon Development Company is T89-09-02. (Ivan Watkins) JOL

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

SIGNED Bruce E. Delventhal
Bruce E. Delventhal

TITLE Petroleum Engineer

DATE May 19, 1989

(This space for Federal or State office use)

APPROVED BY _____
CONDITIONS OF APPROVAL, IF ANY:

TITLE _____

DATE _____

See Instructions On Reverse Side

SOUTHEASTERN UTAH ASSOCIATION OF LOCAL GOVERNMENTS

HAROLD JACOBS
Chairman

P. O. Drawer A1 • Price, Utah 84501 Telephone 637-5444

WILLIAMS HOWELL
Executive Director

RECEIVED
MAY 25 1989

AREAWIDE CLEARINGHOUSE A-95 REVIEW

1401

NOI ___ Preapp ___ App ___ State Plan ___ State Action X Subdivision ___ (ASP # 5-59-13)

Other (indicate) _____ SAI Number UT890509-030

Applicant (Address, Phone Number):

Federal Funds:
Requested: _____

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

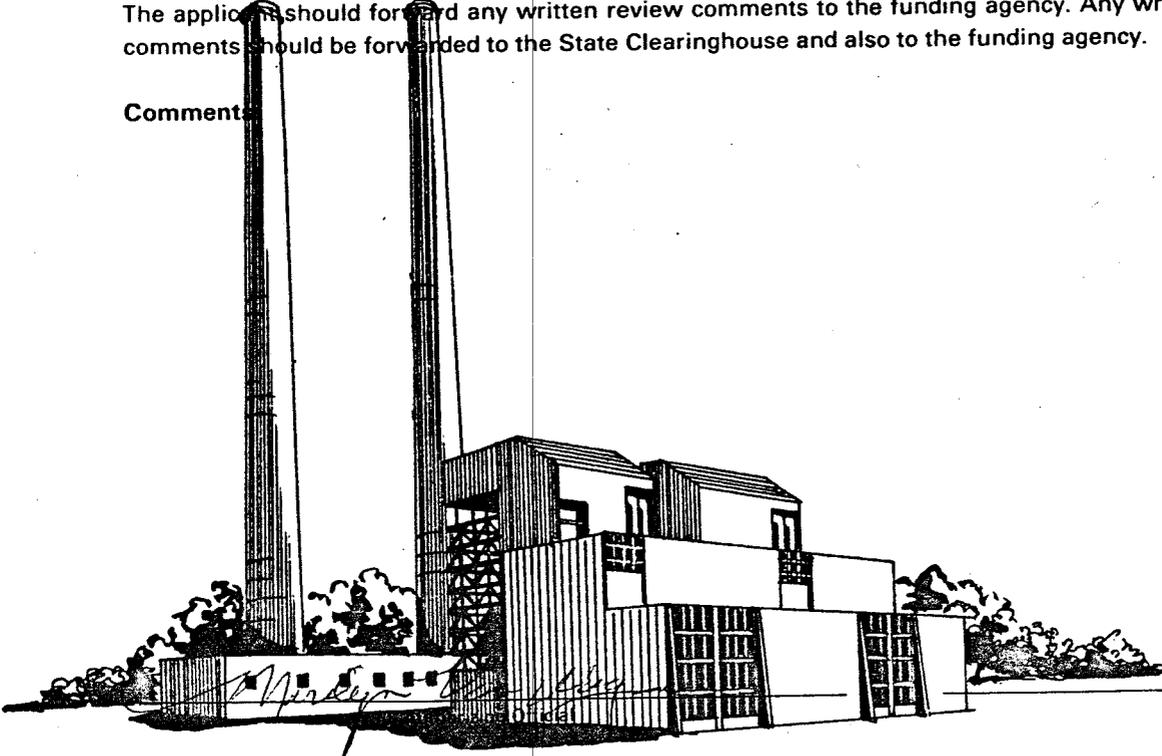
Title:

APPLICATION FOR PERMIT TO DRILL

- No comment
- See comments below
- No action taken because of insufficient information
- Please send your formal application to us for review. Your attendance is requested

The applicant should forward any written review comments to the funding agency. Any written response to those comments should be forwarded to the State Clearinghouse and also to the funding agency.

Comments:



5-23-89

Date

RECEIVED
JUN 21 1989

OPERATOR Hixon Development Company

OPERATOR ACCT. NO. 19455

ADDRESS PO Box 2810

Farmington, NM 87499

CONFIDENTIAL

DIVISION OF
OIL, GAS & MINING

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999 N/A	10991	43-037-31463	Gage Foster Well No. 1	SE/NW	32	37S	23E	San Juan	06 16 89	06 16 89

WELL 1 COMMENTS: *NEW WELL State Lease Field - Wildcat Not in a Unit Proposed Zone DSCR (Entity 10991 added 6-22-89) JCR*

--	--	--	--	--	--	--	--	--	--	--	--

WELL 2 COMMENTS:

--	--	--	--	--	--	--	--	--	--	--	--

WELL 3 COMMENTS:

--	--	--	--	--	--	--	--	--	--	--	--

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.

Earlene J. Bickford
Signature
Earlene J. Bickford
Administrative Manager 06|19|89
Title Date
Phone No. (505) 326-3325

RECEIVED
JUN 23 1989

DIVISION OF
OIL, GAS & MINING

June 21, 1989

Ron Firth
Associate Director of Oil and Gas
Division of Oil, Gas, and Mining
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Subject: Gage Foster Well No. 1
2180' FNL, 1780' FWL
Section 32, T37S, R23E
San Juan County, Utah
Lease No. ML 43698

43-037-31463

Dear Mr. Firth:

Hixon Development Company requests that all information concerning the above referenced well be kept "Confidential".

Very truly yours,

Earlene J. Bickford

Earlene J. Bickford
Administrative Manager

EJB:das

COPIES SENT TO	
TAS	

<p>SUNDRY NOTICES AND REPORTS ON WELLS (Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)</p>		5. LEASE DESIGNATION & SERIAL NO. ML 43698
1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR Hixon Development Company		7. UNIT AGREEMENT NAME
3. ADDRESS OF OPERATOR P.O. Box 2810, Farmington, New Mexico 87499		8. FARM OR LEASE NAME Gage Foster
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 2180' FNL, 1780' FWL, Section 32, T37S, R23E At proposed prod. zone		9. WELL NO. 10. FIELD AND POOL, OR WILDCAT Wildcat
14. API NO. 43-037-31463		11. SEC., T., R., M. OR BLK. AND SURVEY OR AREA Sec. 32, T37S, R23E
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 5580' GR		12. COUNTY San Juan
		13. STATE Utah

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JUN 28 1989

DIVISION OF
OIL, GAS & MINING

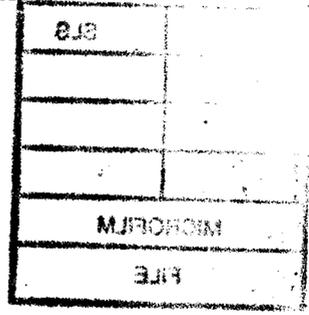
16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

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

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.)

* Must be accompanied by a cement verification report.

Pressure tested 13-3/8" casing to 500 psi. Drilled out from under casing with 11" bit on June 17, 1989. Drilled 11" intermediate hole to 2300'. Ran 57 jts. (2299.74') of 8-5/8", 32#, 8rd, K-55, ST&C Mannesman intermediate casing. Casing set at 2295.65' with float at 2254.69'. Ran centralizers on 1st, 3rd, 5th, 7th and 9th jts. Mixed and pumped 430 sks. (997.6 cu. ft.) of Class "B" cement containing 3% salt, 16% gel, 4% HR-7 and 1/4#/sk. Flocele. Mixed and pumped 200 sks. (236 cu. ft.) of Class "B" cement containing 2% CaCl₂ and 1/4#/sk. Flocele. Ran 100' of 1" pipe and topped out with 50 sks. (59 cu. ft.) of Class "B" cement and 2% CaCl₂. Cement circulated to surface. WOC.



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

SIGNED Bruce E. Delventhal TITLE Petroleum Engineer DATE June 26, 1989
Bruce E. Delventhal MDW

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION & SERIAL NO.
ML 43698

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Gage Foster

9. WELL NO.

10. FIELD AND POOL, OR WILDCAT
Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 32, T37S, R23E

12. COUNTY
San Juan

13. STATE
Utah

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

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JUN 28 1989

DIVISION OF
OIL, GAS & MINING

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
Hixon Development Company

3. ADDRESS OF OPERATOR
P.O. Box 2810, Farmington, New Mexico 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)
At surface 2180' FNL, 1780' FWL, Section 32, T37S, R23E
At proposed prod. zone

14. API NO.
43-037-31463

15. ELEVATIONS (Show whether DF, RT, GR.)
5580' GR

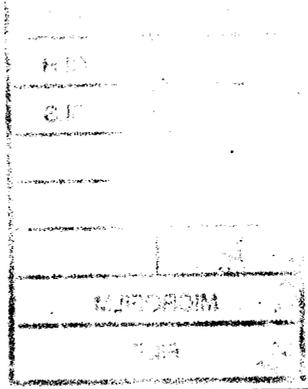
16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

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

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.)

* Must be accompanied by a cement verification report.

Spudded surface at 6:30 p.m. on June 16, 1989. Drilled 17-1/2" surface hole to 134'. Ran 3 jts. (116.18') of 13-3/8", 48#, 8rd, H-40, ST&C, LS casing. Casing set at 128.43' KB. Mixed and pumped 140 sks. (165.2 cu. ft.) of Class "B" cement containing 2% CaCl₂. Circulated cement to surface. WOC.



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

SIGNED Bruce E. Delventhal TITLE Petroleum Engineer DATE June 26, 1989
Bruce E. Delventhal

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

See Instructions On Reverse Side

RECEIVED
JUL 03 1989

HIXON DEVELOPMENT COMPANY
GAGE FOSTER WELL NO. 1
2180' FNL, 1780' FWL
SECTION 32, T37S, R23E
SAN JUAN COUNTY, UTAH
DEVIATION SURVEY

43-037-31463

DIVISION OF
OIL, GAS & MINING
CONFIDENTIAL

<u>DATE</u>	<u>DEPTH</u>	<u>INCLINATION</u>
06-16-89	113'	1 degree
06-17-89	354'	1/2 degree
06-18-89	680'	1-3/4 degrees
06-18-89	992'	1-1/2 degrees
06-18-89	1146'	1-1/2 degrees
06-18-89	1397'	1-1/2 degrees
06-18-89	1709'	1-1/2 degrees
06-18-89	2055'	2 degrees
06-19-89	2274'	2 degrees
06-20-89	2568'	1-1/2 degrees
06-20-89	2879'	1-1/4 degrees
06-20-89	3351'	3/4 degree
06-21-89	3851'	1 degree
06-21-89	4350'	3/4 degree
06-22-89	4851'	3/4 degree
06-23-89	5321'	1 degree
06-24-89	5850'	2 degrees
06-25-89	6066'	2-1/2 degrees
06-26-89	6437'	2-1/2 degrees

RECEIVED
JUL 03 1989

HIXON DEVELOPMENT COMPANY
GAGE FOSTER WELL NO. 1
2180' FNL, 1780' FWL
SECTION 32, T37S, R23E
SAN JUAN COUNTY, UTAH
DEVIATION SURVEY
PAGE 2

DIVISION OF
OIL, GAS & MINING

CONFIDENTIAL

By: Aldrich L. Kuchera Date: 6/30/89
Aldrich L. Kuchera
President/CEO

State of New Mexico
County of San Juan

The foregoing instrument was acknowledged before me this 30th
day of June, 1989, by Aldrich L. Kuchera.

Aldrich L. Kuchera
Notary Public

My commission expires July 20, 1991.

<p>SUNDRY NOTICES AND REPORTS ON WELLS (Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)</p>		5. LEASE DESIGNATION & SERIAL NO. ML 43698
1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR Hixon Development Company		7. UNIT AGREEMENT NAME
3. ADDRESS OF OPERATOR P.O. Box 2810, Farmington, New Mexico 87401		8. FARM OR LEASE NAME Gage Foster
4. LOCATION OF WELL (Report location clearly and in accordance with any State regulations. See also space 17 below.) At surface 2180' FNL, 1780' FWL, Section 32, T37S, R23E At proposed prod. zone		9. WELL NO. 1
14. API NO. 43-037-31463		10. FIELD AND POOL, OR WILDCAT Wildcat
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 5580' GR		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 32, T37S, R23E
12. COUNTY San Juan		13. STATE Utah

CONFIDENTIAL

RECEIVED
 JUL 03 1989

DIVISION OF OIL, GAS & MINING

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <u>Drilling Progress</u>	
(Other) <input type="checkbox"/>		(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	
APPROX. DATE WORK WILL START _____		DATE OF COMPLETION _____	

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.)

* Must be accompanied by a cement verification report.

Pressure tested casing and BOP to 2300 psi. Drilled out from under casing with 7-7/8" bit, June 19, 1989. Drilled to T.D. of 6459'. Ran Induction Log with Gamma Ray and Compensated Density-Neutron Logs. Log tops as follows: Hermosa - 5046', Upper Ismay - 6087', Hovenweep - 6176', Lower Ismay - 6208', Gothic - 6266', Desert Creek - 6295', Akah Salt - 6452'. Ran 161 jts. (6468.87') of 5-1/2", 17#, K-55 casing. Placed differential fill float shoe on bottom of 1st jt. and differential fill float collar on top of 1st jt. Ran centralizers on 1st, 3rd, 5th and 7th jts. Casing set at 6469.87' KB. Float collar at 6426.72'. Cemented casing as follows: Mixed and pumped 360 sks. (835.2 cu. ft.) of Class "B" cement containing 16% gel, 3% salt, 6% HR-7 and 1/4#/sk. Flocele. Mixed and pumped 100 sks. (118 cu. ft.) of Class "B" cement containing 3% salt, 8% Halad 9, 3% CFR-3 and 1/4#/sk. Flocele. Waiting on completion.

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

SIGNED Bruce E. Delventhal TITLE Petroleum Engineer DATE June 29, 1989

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

See Instructions On Reverse Side

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION & SERIAL NO.
ML 43698

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Gage Foster

9. WELL NO.
1

10. FIELD AND POOL, OR WILDCAT
Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 32, T37S, R23E

12. COUNTY
San Juan

13. STATE
Utah

RECEIVED
AUG 25 1989

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
Hixon Development Company

3. ADDRESS OF OPERATOR
P.O. Box 2810, Farmington, New Mexico 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)
At surface 2180' FNL, 1780' FWL, Section 32, T37S, R23E
At proposed prod. zone

14. API NO.
43-037-31463

15. ELEVATIONS (Show whether DF, RT, GR, etc.)
5580' GR

DIVISION OF
OIL, GAS & MINING

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

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

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.)

* Must be accompanied by a cement verification report.

Per our verbal agreement with John Baza, we plan to test the Desert Creek and Lower Ismay zones of the above referenced well.

First production from this well was established on August 19, 1989. Effective on that date, we plan to test this well for not more than 30 days or 50 MMCF.

We are testing these zones so that we may more accurately determine production and further evaluate this acreage.

OIL AND GAS	
DRN	RJF
JRB	GLH
DTS	SLS
L-TAS	
TITLE MICROFILM	
FILE	

18. I hereby certify that the foregoing is true and correct
SIGNED Bruce E. Delventhal
Bruce E. Delventhal
(This space for Federal or State office use)

TITLE Microfilm Engineer August 22, 1989
FILE
APPROVED BY _____ TITLE _____
CONDITIONS OF APPROVAL, IF ANY:

RECEIVED
AUG 25 1989

See Instructions On Reverse Side

DIVISION OF
OIL, GAS & MINING

Confidential

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
NOV 13 1989

5. LEASE DESIGNATION & SERIAL NO. ML 43698

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME Gage Foster

9. WELL NO. 1

10. FIELD AND POOL, OR WILDCAT Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 32, T37S, R23E

12. COUNTY San Juan

13. STATE Utah

14. API NO. 43-037-31463

15. ELEVATIONS (Show whether DF, RT, GR, etc.) 5580' GR

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR Hixon Development Company

3. ADDRESS OF OPERATOR P.O. Box 2810, Farmington, New Mexico 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)
 At surface 2180' FNL, 1780' FWL, Section 32, T37S, R23E
 At proposed prod. zone

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

<p>NOTICE OF INTENTION TO:</p> <table border="0"> <tr> <td>TEST WATER SHUT-OFF <input type="checkbox"/></td> <td>FULL OR ALTER CASING <input type="checkbox"/></td> </tr> <tr> <td>FRACTURE TREAT <input type="checkbox"/></td> <td>MULTIPLE COMPLETE <input type="checkbox"/></td> </tr> <tr> <td>SHOOT OR ACIDIZE <input type="checkbox"/></td> <td>ABANDON <input type="checkbox"/></td> </tr> <tr> <td>REPAIR WELL <input type="checkbox"/></td> <td>CHANGE PLANS <input type="checkbox"/></td> </tr> <tr> <td>(Other) Intent to Test</td> <td style="text-align: center;"><input checked="" type="checkbox"/></td> </tr> </table> <p>APPROX. DATE WORK WILL START _____</p>	TEST WATER SHUT-OFF <input type="checkbox"/>	FULL OR ALTER CASING <input type="checkbox"/>	FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON <input type="checkbox"/>	REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) Intent to Test	<input checked="" type="checkbox"/>	<p>SUBSEQUENT REPORT OF:</p> <table border="0"> <tr> <td>WATER SHUT-OFF <input type="checkbox"/></td> <td>REPAIRING WELL <input type="checkbox"/></td> </tr> <tr> <td>FRACTURE TREATMENT <input type="checkbox"/></td> <td>ALTERING CASING <input type="checkbox"/></td> </tr> <tr> <td>SHOOTING OR ACIDIZING <input type="checkbox"/></td> <td>ABANDONMENT* <input type="checkbox"/></td> </tr> </table> <p>(Other) _____ (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)</p> <p>DATE OF COMPLETION _____</p>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
TEST WATER SHUT-OFF <input type="checkbox"/>	FULL OR ALTER CASING <input type="checkbox"/>																
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>																
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON <input type="checkbox"/>																
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>																
(Other) Intent to Test	<input checked="" type="checkbox"/>																
WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>																
FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>																
SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>																

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.)

* Must be accompanied by a cement verification report.

We plan to test the Upper Ismay zone (6166' - 6171') of the above referenced well for not more than 30 days or 50 MMCF.

This testing will commence on or about November 10, 1989.

CONFIDENTIAL

OIL AND GAS	
DRN	RJF
JRB <input checked="" type="checkbox"/>	GLH
DTS	SLS
<div style="position: absolute; top: 5px; left: 5px; font-size: 1.5em; font-weight: bold;">ETAS</div>	
MICROFILM	
FILE	

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

SIGNED Bruce E. Delventhal TITLE Petroleum Engineer DATE November 6, 1989

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____

CONDITIONS OF APPROVAL, IF ANY:
Federal approval of this action is required before commencing (3/89) operations.

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

DATE: 11-26-89
 BY: John R. Dyer

See Instructions On Reverse Side

5. LEASE DESIGNATION AND SERIAL NO.
ML 43698

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Gage Foster

9. WELL NO.
1

10. FIELD AND POOL, OR WILDCAT
Wildcat

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
Sec. 32, T37S, R23E

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

2. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP-EN PLUG BACK DIFF. RESYR. Other

2. NAME OF OPERATOR
Hixon Development Company

3. ADDRESS OF OPERATOR
P.O. Box 2810, Farmington, New Mexico 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
At surface 2180' FNL, 1780' FWL, Sec. 32, T37S, R23E
At top prod. interval reported below
At total depth

RECEIVED
MAR 21 1990
DIVISION OF OIL, GAS & MINING

14. API NO. 43-037-31463 DATE ISSUED

12. COUNTY San Juan 13. STATE Utah

15. DATE SPUNDED 6-16-89 16. DATE T.D. REACHED 6-26-89 17. DATE COMPL. (Ready to prod.) 1-30-90 (Plug & Abd.) 18. ELEVATIONS (DF, REB, RT, CR, ETC.) 5580' GR 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 6459' 21. PLUG BACK T.D., MD & TVD 6426.72 22. IF MULTIPLE COMPL., HOW MANY N/A 23. INTERVALS DRILLED BY → ROTARY TOOLS X CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)
6166' - 6171', 6250' - 6260', 6374' - 6380'

25. WAS DIRECTIONAL SURVEY MADE Yes

26. TYPE ELECTRIC AND OTHER LOGS RUN Induction log with Gamma Ray & Compensated Density-Neutron logs
LONG SPACED LOGS 4-1-91

27. WAS WELL CORED YES NO (Submit analysis)
DRILL STEM TEST YES NO (See reverse side)

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"	48#	128.43' KB	17-1/2"	See attached Exhibit "A"	
8-5/8"	32#	2295.65'	11"	See attached Exhibit "A"	
5-1/2"	17#	6469.87' KB	7-7/8"	See attached Exhibit "A"	

29. LINES RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SICKS CEMENT	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-7/8"	6367'	

31. PERFORATION RECORD (Interval, size and number)

INTERVAL	SIZE	NUMBER
6166'-6171'	.44"	20 holes
6250'-6260'	.44"	24 holes
6374'-6380'	.44"	40 holes

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
6166'-6171'	Acidized with 168 gal 15% HCL acid,
6250'-6260'	6580 gal 28% HCL-FE acid, 515,000 SCF, N2, 1500 gal 15% HCL-FE acid.
6374'-6380'	Acidized with 1000 gal 15% acid.

33. PRODUCTION

DATE FIRST PRODUCTION 8-19-89 PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) Pumping WELL STATUS (Producing or shut-in) Producing

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
3-9-90	72	1/4"	→	63	78	3	1238

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)
90	90	→	21	26	1	39

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

35. LIST OF ATTACHMENTS

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

SIGNED Aldrich L. Kuchera President DATE March 19, 1990

See Spaces for Additional Data on Reverse Side

INSTRUCTIONS

This form should be completed in compliance with the Utah Oil and Gas Conservation General Rules. If not filed prior to this time, all logs, tests, and directional surveys as required by Utah Rules should be attached and submitted with this report.

ITEM 18: Indicate which elevation is used as reference for depth measurements given in other spaces on this form and on any attachments.

ITEMS 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

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

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

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.	Name	Meas. Depth	Top True Vert. Depth
Hermosa Upper Ismay Hovenweep Lower Ismay Gothic Desert Creek Akah Salt	5046' 6087' 6176' 6208' 6266' 6295' 6452'					

OIL AND GAS	
DRN	RJF
JRB	GLH
DTS	SLS
I-TAS	
MICROFILM	
FILE	

38. GEOLOGIC MARKERS

HIXON DEVELOPMENT COMPANY
GAGE FOSTER WELL NO. 1
2180' FNL, 1780' FWL
SECTION 32, T37S, R23E
SAN JUAN COUNTY, UTAH
LEASE NO. ML 43698
COMPLETION REPORT
EXHIBIT "A"

RECEIVED

MAR 21 1990

DIVISION OF
OIL, GAS & MINING

CEMENTING RECORD

- Surface Casing - Mixed and pumped 140 sks. (165.2 cu. ft.) of Class "B" cement containing 2% CaCl₂. Circulated cement to surface.
- Intermediate Casing - Mixed and pumped 430 sks. (997.6 cu. ft.) of Class "B" cement containing 3% salt, 16% gel, 4% HR-7 and 1/4#/sk. Flocele. Mixed and pumped 200 sks. (236 cu. ft.) of Class "B" cement containing 2% CaCl₂ and 1/4#/sk. Flocele. Ran 100' of 1" pipe and topped out with 50 sks. (59 cu. ft.) of Class "B" cement and 2% CaCl₂. Cement circulated to surface.
- Production Casing - Mixed and pumped 360 sks. (835.2 cu. ft.) of Class "B" cement containing 16% gel, 3% salt, 6% HR-7 and 1/4#/sk. Flocele. Mixed and pumped 100 sks. (118 cu. ft.) of Class "B" cement containing 3% salt, 8% Halad 9, 3% CFR-3 and 1/4#/sk. Flocele.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION & SERIAL NO.

ML 43698

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

SUNDRY NOTICES AND REPORTS ON WELLS

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

RECEIVED
JUN 22 1990
DIVISION OF OIL, GAS & MINING

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
Giant Exploration & Production Company

3. ADDRESS OF OPERATOR
P.O. Box 2810, Farmington, New Mexico 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)
At surface 2180' FNL, 1780' FWL, Sec. 32, T37S, R23E
At proposed prod. zone

UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Gage Foster

9. WELL NO.
1

10. FIELD AND POOL, OR WILDCAT
Wildcat

11. SEC., T., R., M. OR BLK. AND SURVEY OR AREA
Sec. 32, T37S, R23E

14. API NO.
43-037-31463

15. ELEVATIONS (Show whether DF, RT, GR, etc.)
5580' GR

12. COUNTY
San Juan

13. STATE
Utah

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

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF
FRACTURE TREAT
SHOOT OR ACIDIZE
REPAIR WELL
(Other)

PULL OR ALTER CASING
MULTIPLE COMPLETE
ABANDON
CHANGE PLANS

APPROX. DATE WORK WILL START _____

SUBSEQUENT REPORT OF:

WATER SHUT-OFF
FRACTURE TREATMENT
SHOOTING OR ACIDIZING

REPAIRING WELL
ALTERING CASING
ABANDONMENT*

(Other) Name Change

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

DATE OF COMPLETION _____

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.)

* Must be accompanied by a cement verification report.

Effective July 1, 1990, the operator name for the above referenced well will be changed from Hixon Development Company to Giant Exploration & Production Company.

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

SIGNED Aldrich L. Kuchera TITLE President

DATE JUN 19 1990

(This space for Federal or State office use)

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

See Instructions On Reverse Side

Speed Letter®

To Ed Bonner
STATE LANDS

From DON STALEY
OIL, GAS & MINING

Subject Operator Name Change

- No. 9 & 10 FOLD

MESSAGE

Date 7-3 19 70

Ed -

For your information, attached is a copy of a document regarding an operator name change for a well located on a state lease. Our records have been updated.

You may want to review their bonding to determine if a rider is needed to show the new company name.

Former Name: HIXON DEVELOPMENT CO. (N7455)

New Name: GIANT Exploration & Production Company (N0075)

Well: Gage Foster 1 API 43-037-31463 ENTITY 10771 32-375-23E

- No. 9 FOLD

- No. 10 FOLD

Signed

Don Staley

REPLY

Date _____ 19 _____

- No. 9 & 10 FOLD

Signed



**GIANT EXPLORATION &
PRODUCTION COMPANY**

2200 Bloomfield Highway
Post Office Box 2810
Farmington, New Mexico
87499-2810

505 FAX
326-3325 505
 327-7987

March 28, 1991

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

ATTENTION: Vicki Carney

REFERENCE: Gage Foster No. 1

Dear Vicki:

Enclosed please find electrical logs for the above referenced well. Core samples and DST were not run on this well.

If you have any questions or need further information, please contact me.

Sincerely,

GIANT EXPLORATION & PRODUCTION COMPANY

John C. Corbett
Executive Vice President

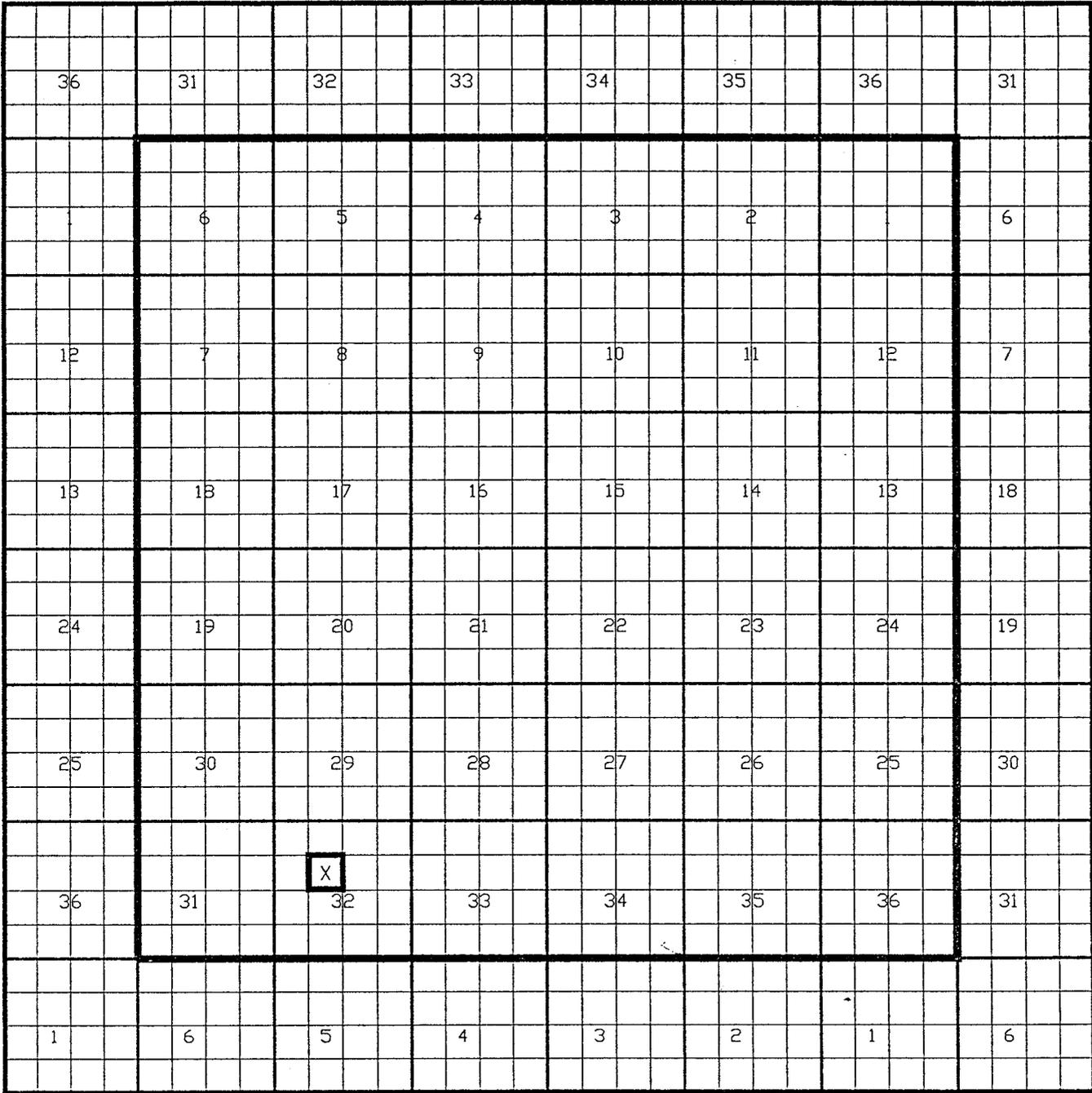
Enclosures

:clm

4-1-91 received

SPECTRAL DENSITY DSN II LOG
DUAL INDUCTION GUARD LOG
LONG SPACED SONIC VELOCITY LOG

ROAD CANYON



T. 37S

R. 23E

TOWNSHIP 37 SOUTH, RANGE 23 EAST - SAN JUAN COUNTY

SECTION 32: SE/4 NW/4

- 401

Grant Expl. Gage Post #1 43-037-31463

APRIL 1990
DESERT CREEK POOL

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

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.

1. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER: _____	5. Lease Designation and Serial Number: ML-43698
2. Name of Operator: Central Resources, Inc.	6. If Indian, Allottee or Tribe Name: NA
3. Address and Telephone Number: 1775 Sherman Street, Suite 2600 Denver, CO 80203 303-830-0100	7. Unit Agreement Name: NA
4. Location of Well: Footages: 2180' FNL & 1780' FWL County: San Juan QQ, Sec., T.,R.,M.: SE NW Sec. 32-T37S-R23E State: Utah	8. Well Name and Number: Gage Foster I
	9. API Well Number: 43-037-31463
	10. Field and Pool, or Wildcat: Road Canyon, 404IS-DC

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)
<input type="checkbox"/> Abandonment	<input type="checkbox"/> Abandonment *
<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Casing Repair
<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Conversion to Injection
<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Fracture Treat
<input type="checkbox"/> Multiple Completion	<input checked="" type="checkbox"/> Other <u>Change of Operator</u>
<input type="checkbox"/> New Construction	<input type="checkbox"/> New Construction
<input type="checkbox"/> Pull or Alter Casing	<input type="checkbox"/> Pull or Alter Casing
<input type="checkbox"/> Recompletion	<input type="checkbox"/> Shoot or Acidize
<input type="checkbox"/> Shoot or Acidize	<input type="checkbox"/> Vent or Flare
<input type="checkbox"/> Vent or Flare	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Water Shut-Off	
<input type="checkbox"/> Other _____	

Approximate date work will start _____

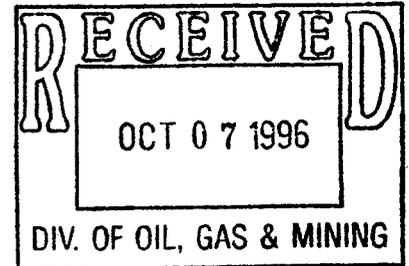
Date of work completion _____

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.)

Effective 9/1/96 operations of the subject well were transferred from Giant Exploration & Production Company to Central Resources, Inc.



Giant Exploration & Production Company
Name & Signature: [Signature] Title: Production/Regulatory Manager Date: August 30, 1996

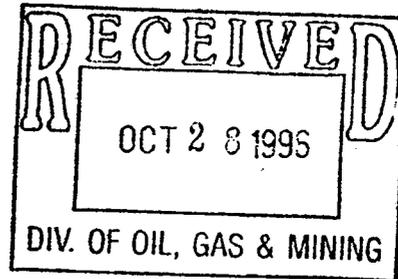
13. Central Resources, Inc.
Name & Signature: [Signature] Title: Engineering Technician Date: August 30, 1996

(This space for State use only)

CENTRAL

RESOURCES, INC.

October 23, 1996



Ms. Lesha Cordova
State of Utah
Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Re: Monthly Oil & Gas Production Report

Dear Ms. Cordova:

Central Resources, Inc. purchased all assets from Giant Exploration & Production Company effective September 1, 1996.

Central is in the process of acquiring a Utah Account Number. However, to avoid mailing the enclosed Monthly Oil and Gas Production Report late, the account number on the report has been left blank.

If you have any questions regarding this matter, please contact Edna Wageman or myself at (505) 326-3325.

Sincerely,

Diane G. Jaramillo by EW

Diane G. Jaramillo
Office Supervisor

DGJ/

Enclosure

** 9/6/98 notified open NL935 "Central Res. Inc."
(clg. not finalized yet!)*

DOG M SPEED LETTER

To: Ed Bonner

From: Don Staley

School & Institutional Trust

Division of Oil, Gas & Mining

Lands Administration

Subject: Operator Change

MESSAGE

Date 7/3 19 97

Ed,

For your information, attached are copies of documents regarding an operator change on a state lease(s)

These companies have complied with our requirements. Our records have been updated. Bonding should be reviewed by your agency ASAP.

Former Operator: Giant Exploration & Production Company (N0075)

New Operator: Central Resources Inc. (N6935)

Well(s):	API:	Entity:	S-T-R:	Lease:
Gage Foster 1	43-037-31463	10991	32-37S-23E	ML43698

cc: Operator File

Signed Don Staley

REPLY

Date _____ 19 ____

Signed _____

OPERATOR CHANGE WORKSHEET

1-LEC ✓	6-LEC ✓
2-GFF ✓	7-KAS ✓
3-DTS ✓	8-SI ✓
4-VLD ✓	9-FILE ✓
5-JRB ✓	

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: 9-1-96

TO: (new operator)	<u>CENTRAL RESOURCES INC</u>	FROM: (old operator)	<u>GIANT EXPLOR & PROD CO</u>
(address)	<u>1775 SHERMAN ST STE 2600</u>	(address)	<u>PO BOX 2810</u>
	<u>DENVER, CO 80203-4313</u>		<u>FARMINGTON, NM 87499</u>
	<u>IRENE MARTINEZ</u>		<u>DIANE JARAMILLO</u>
Phone:	<u>(303)830-0100</u>	Phone:	<u>(505)326-3325</u>
Account no.	<u>N6935</u>	Account no.	<u>N0075</u>

WELL(S) attach additional page if needed:

Name:	<u>GAGE FOSTER #1/DSCR</u>	API:	<u>43-037-31463</u>	Entity:	<u>10991</u>	S	<u>32</u>	T	<u>37S</u>	R	<u>23E</u>	Lease:	<u>ML43698</u>
Name:	_____	API:	_____	Entity:	_____	S	_____	T	_____	R	_____	Lease:	_____
Name:	_____	API:	_____	Entity:	_____	S	_____	T	_____	R	_____	Lease:	_____
Name:	_____	API:	_____	Entity:	_____	S	_____	T	_____	R	_____	Lease:	_____
Name:	_____	API:	_____	Entity:	_____	S	_____	T	_____	R	_____	Lease:	_____
Name:	_____	API:	_____	Entity:	_____	S	_____	T	_____	R	_____	Lease:	_____

OPERATOR CHANGE DOCUMENTATION

- lec 1. (r649-8-10) Sundry or other legal documentation has been received from the **FORMER** operator (attach to this form). *(lec'd 10-7-96)*
- lec 2. (r649-8-10) Sundry or other legal documentation has been received from the **NEW** operator (Attach to this form). *(lec'd 10-7-96)*
- N/A 3. The **Department of Commerce** has been contacted if the new operator above is not currently operating any wells in Utah. Is the company **registered with the state?** (yes/no) _____ If yes, show company file number: _____
- N/A 4. **FOR INDIAN AND FEDERAL WELLS ONLY.** The BLM has been contacted regarding this change. Make note of BLM status in comments section of this form. BLM approval of **Federal** and **Indian** well operator changes should ordinarily take place prior to the division's approval, and before the completion of **steps 5 through 9** below.
- lec 5. Changes have been entered in the **Oil and Gas Information System** (3270) for each well listed above. *(7-1-97)*
- lec 6. **Cardex** file has been updated for each well listed above. *(7-1-97)*
- lec 7. Well **file labels** have been updated for each well listed above. *(7-1-97)*
- lec 8. Changes have been included on the monthly "Operator, Address, and Account Changes" **memo** for distribution to Trust Lands, Sovereign Lands, UGS, Tax Commission, etc. *(7-1-97)*
- 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.

ENTITY REVIEW

- Yes 1. (r649-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) no If entity assignments were changed, attach copies of Form 6, Entity Action Form.
- N/A 2. Trust Lands, Sovereign Lands, Tax Commission, etc., have been notified through normal procedures of entity changes.

BOND VERIFICATION - (FEE WELLS ONLY) * 20,000 # B06498 / Trust Lands filed 5/97.

- Yes 1. (r649-3-1) 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 operator's bond files.
- N/A 3. The FORMER operator has requested a release of liability from their bond (yes/no) _____, as of today's date _____. If yes, division response was made to this request by letter dated _____.

LEASE INTEREST OWNER NOTIFICATION OF RESPONSIBILITY

- Yes 1. Copies of documents have been sent on 7/3/97 to Ed Bonner at Trust Lands for changes involving State leases, in order to remind that agency of their responsibility to review for proper bonding.
- ___ 2. (r649-2-10) The former operator of any fee lease wells listed above has been contacted and informed by letter dated _____ 19 ___, of their responsibility to notify all interest owners of this change.

FILMING

- Yes 1. All attachments to this form have been microfilmed. Today's date: 7-9-97.

FILING

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

COMMENTS

970701 Other changes "Grant to Central" pending!

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

5. Lease Designation and Serial Number:
ML-43698

SUNDRY NOTICES AND REPORTS ON WELLS

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

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:
N/A

1. Type of Well:
OIL GAS OTHER:

8. Well Name and Number:
Gage Foster 1

2. Name of Operator:
Elm Ridge Resources, Inc.

9. API Well Number:
43-037-31463

3. Address and Telephone Number:
312 W. LaPlata Street, Farmington, New Mexico (505) 326-7099

10. Field and Pool, or Wildcat:
Road Canyon, 404IS-DC

4. Location of Well:
Footages: 2180' FNL & 1780' FWL
QQ, Sec., T., R., M.: SE NW Sec. 32-T37S-R23E

County: San Juan
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
- Casing Repair
- Change of Plans
- Conversion to Injection
- Fracture Treat
- Multiple Completion
- Other _____

- New Construction
- Pull or Alter Casing
- Recompletion
- Shoot or Acidize
- Vent or Flare
- Water Shut-Off

- Abandonment *
- Casing Repair
- Change of Plans
- Conversion to Injection
- Fracture Treat
- Other Change of Operator

- New Construction
- Pull or Alter Casing
- Shoot or Acidize
- Vent or Flare
- Water Shut-Off

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.)

Effective October 1, 2000, operations of the subject well were transferred from Central Resources, Inc. to Elm Ridge Resources, Inc.

RECEIVED

OCT 10 2000

DIVISION OF
OIL, GAS AND MINING

Central Resources, Inc.
Name & Signature *Srene Martin*

Title: Engineering Technician

Date: 09/29/00

13. Elm Ridge Resources, Inc.
Name & Signature *Dary Luby*

Title: Operations Manager

Date: 09/29/00

(This space for State use only)

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

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.

1. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER: _____	5. Lease Designation and Serial Number: ML-43698
2. Name of Operator: Elm Ridge Resources, Inc.	6. If Indian, Allottee or Tribe Name: N/A
3. Address and Telephone Number: 312 W. LaPlata Street, Farmington, New Mexico (505) 326-7099	7. Unit Agreement Name: N/A
4. Location of Well: Footages: 2180' FNL & 1780' FWL County: San Juan QQ, Sec., T.,R.,M.: SE NW Sec. 32-T37S-R23E State: Utah	8. Well Name and Number: Gage Foster 1
	9. API Well Number: 43-037-31463
	10. Field and Pool, or Wildcat: Road Canyon, 404IS-DC

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)
<input type="checkbox"/> Abandonment	<input type="checkbox"/> Abandonment *
<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Casing Repair
<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Conversion to Injection
<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Fracture Treat
<input type="checkbox"/> Multiple Completion	<input checked="" type="checkbox"/> Other <u>Change of Operator</u>
<input type="checkbox"/> Other _____	
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.)

Effective October 1, 2000, operations of the subject well were transferred from Central Resources, Inc. to Elm Ridge Resources, Inc.

Central Resources, Inc.
 Name & Signature: [Signature] Title: Engineering Technician Date: 3/19/01

Elm Ridge Resources, Inc.
 Name & Signature: [Signature] Title: Operations Manager Date: 3/12/01

(This space for State use only)

RECEIVED

MAR 30 2001

DIVISION OF
OIL, GAS AND MINING

ROUTING

1. GLH		4-KAS ✓
2. CDW ✓		5-LP <u>6/25</u>
3. JLT ✓		6-FILE

OPERATOR CHANGE WORKSHEET

Enter date after each listed item is completed

X Change of Operator (Well Sold)

Designation of Agent

Operator Name Change (Only)

Merger

The operator of the well(s) listed below has changed, effective: 10-01-2000

FROM: (Old Operator):
CENTRAL RESOURCES INC
Address: P. O. BOX 1213
BLOOMFIELD, NM 87413-1213
Phone: 1-(505)-632-3476
Account N6935
CA No.

TO: (New Operator):
ELM RIDGE RESOURCES INC
Address: P. O. BOX 189
FARMINGTON, NM 87499-189
Phone: 1-(505)-632-3476
Account N1440
Unit:

WELL(S)

NAME	API NO.	ENTITY NO.	SEC. TWN RNG	LEASE TYPE	WELL TYPE	WELL STATUS
GAGE FOSTER 1	43-037-31463	10991	32-37S-23E	STATE	OW	P

OPERATOR CHANGES DOCUMENTATION

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 10/10/2000
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 10/10/2000
- The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 06/06/2001
- Is the new operator registered in the State of Ut YES Business Number: 4830075-1150
- If **NO**, the operator was contacted on: _____
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the (merger, name change, or operator change for all wells listed on Federal or Indian leases on: N/A
- Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: N/A
- Federal and Indian Communization Agreements ("CA"):** The BLM or the BIA has approved the operator change for all wells listed involved in a CA on: N/A

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

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** 06/06/2001
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 06/06/2001
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

STATE BOND VERIFICATION:

1. State well(s) covered by Bond No.: 88624C

FEE WELLS - BOND VERIFICATION/LEASE INTEREST OWNER NOTIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed has furnished a bond: N/A
2. The **FORMER** operator has requested a release of liability from their bond on: N/A
The Division sent response by letter on: N/A
3. (R649-2-10) The **FORMER** operator of the Fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

FILMING:

1. All attachments to this form have been **MICROFILMED** on: 7.12.01

FILING:

1. **ORIGINALS/COPIES** of all attachments pertaining to each individual well have been filed in each well file on: _____

COMMENTS:

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

FORM 9.

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER:
2. NAME OF OPERATOR: Elm Ridge Exploration Company, LLC <i>N2985</i>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 12225 Greenville, Suite 950 CITY Dallas STATE TX ZIP 75243		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: COUNTY: QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: STATE: UTAH		8. WELL NAME and NUMBER: See attached Exhibit "A"
PHONE NUMBER: (972) 889-2100		9. API NUMBER:
		10. FIELD AND POOL, OR WILDCAT:

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

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

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

Effective February 18, 2005, Elm Ridge Resources, Inc. transferred all responsibility of Operations for the wells described on the attached Exhibit "A" to Elm Ridge Exploration Company, LLC.

Current Operator:

Name Elm Ridge Resources, Inc. N1440 Title Land Manager

Signature Cathleen Colby Date December 1, 2005

New Operator:

NAME (PLEASE PRINT) Elm Ridge Exploration Company, LLC TITLE Land Manager

SIGNATURE Cathleen Colby DATE December 1, 2005

(This space for State use only)

RECEIVED

DEC 05 2005

Exhibit "A"
Operator Change
Effective February 18, 2005

Old Operator:	Elm Ridge Resources, Inc.									
New Operator:	Elm Ridge Exploration Company, LLC									
Lease Designation / Serial Number	Indian, Allottee or Tribe Name	Unit or CA Agreement	Well Name and Number	API Number	Type Well	Field and Pool or Wildcat	Location of Well Footages at Surface	1/41/4 Section Township, Range	County	State
14-20-603-239A	Navajo	Gothic Mesa Unit	Gothic Mesa 7-41	43-037-15032	Oil Well	Gothic Mesa	625' FNL, 710' FEL	NENE-7-41S-23E	San Juan	UT
14-20-603-239A	Navajo	Gothic Mesa Unit	Gothic Mesa 6-34	43-037-15034	Oil Well	Gothic Mesa	660' FSL, 1980' FEL	SWSE-6-41S-23E	San Juan	UT
14-20-603-240	Navajo	Gothic Mesa Unit	Gothic Mesa 17-31	43-037-15040	Oil Well	Gothic Mesa	820' FNL, 2140' FEL	NWNE-17-41S-23E	San Juan	UT
UTU-47876	N/A	N/A	Wells Federal 1-4	43-037-31028	Oil Well	Cave Canyon	500' FNL, 500' FEL	NENE-4-38S-24E	San Juan	UT
UTU-47876	N/A	N/A	Cave Canyon 3-2	43-037-31120	Oil Well	Cave Canyon	1925' FSL, 1925' FWL	NESW-3-38S-24E	San Juan	UT
UTU-47876	N/A	N/A	Cave Canyon 1-33	43-037-31276	Oil Well	Cave Canyon	535' FSL, 2025' FEL	SWSE-33-37S-24E	San Juan	UT
UTU-47876	N/A	N/A	Cave Canyon 3-3	43-037-31413	Oil Well	Cave Canyon	2635' FNL, 1390' FWL	SENE-3-38S-24E	San Juan	UT
UTU-47876	N/A	N/A	Cave Canyon Federal 4-3	43-037-31414	Oil Well	Cave Canyon	1310' FNL, 200' FEL	NENE-4-38S-24E	San Juan	UT
ST of UT ML-43698	N/A	N/A	Gage Foster 1	43-037-31463	Oil Well	Road Canyon	2180' FNL, 1780' FWL	SENE-32-37S-23E	San Juan	UT
UTU-47876	N/A	N/A	Cave Canyon 4-4	43-037-31539	Oil Well	Cave Canyon	1150' FNL, 1070' FEL	NENE-4-38S-24E	San Juan	UT
UTU-47876	N/A	N/A	Cave Canyon Federal 12-3	43-037-31567	Oil Well	Cave Canyon	1610' FNL, 1300' FWL	SWNW-3-38S-24E	San Juan	UT
14-20-603-239	Navajo	Gothic Mesa Unit	Gothic Mesa 6-43	43-037-31643	Oil Well	Gothic Mesa	1900' FSL, 500' FEL	NESE-6-41S-23E	San Juan	UT
UTU-47876	N/A	N/A	Cave Canyon Federal 4-5	43-037-31695	Oil Well	Cave Canyon	50' FNL, 1800' FEL	NWNE-4-38S-24E	San Juan	UT
UTU-47876	N/A	N/A	Cave Canyon 13-3	43-037-31766	Oil Well	Cave Canyon	2045' FSL, 1180' FWL	NWSW-3-38S-24E	San Juan	UT
UTU-47876	N/A	N/A	WSW. No. 1	43-037-31820	Water Source	Cave Canyon	1800' FSL, 1845' FWL	NESW-3-38S-24E	San Juan	UT
UTU-47876	N/A	N/A	Cave Canyon 3-1	43-037-31095	Water Injection	Cave Canyon	2140' FNL, 200' FWL	SWNW-3-38S-24E	San Juan	UT
14-20-603-243	Navajo	Gothic Mesa Unit	Gothic Mesa 16-11	43-037-15042	Water Disposal	Gothic Mesa	500' FNL, 500' FWL	NWNW-16-41S-23E	San Juan	UT

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: not yet

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: not yet

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

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

10. **Underground Injection Control ("UIC")**

The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 12/7/2005

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 12/8/2005
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 12/8/2005
3. Bond information entered in RBDMS on: 12/8/2005
4. Fee/State wells attached to bond in RBDMS on: 12/8/2005
5. Injection Projects to new operator in RBDMS on: 12/8/2005
6. Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: UT00126

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: 886936C

FEE & STATE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number 1116000107
2. The **FORMER** operator has requested a release of liability from their bond on: n/a
The Division sent response by letter on: _____

LEASE INTEREST OWNER NOTIFICATION:

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

COMMENTS:



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

April 3, 2008

CERTIFIED MAIL NO.: 7004 2510 0004 1824 5513

Mr. Terry Lindeman
Elm Ridge Exploration Company, LLC
P.O. Box 156
Bloomfield, NM 87413

Re: Gage Foster 1 API 43-037-31463 37S 23 E 32
Extended Shut-in and Temporarily Abandoned Well Requirements for Fee
or State Leases

Dear Mr. Lindeman,

As of January 2008, Elm Ridge has one (1) State Lease Well (Attachment A) that is in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status. Wells SI/TA beyond twelve (12) consecutive months require filing of a Sundry Notice in accordance with R649-3-36-1 for Utah Division of Oil, Gas & Mining ("Division") approval. Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon showing of good cause by the operator (R649-3-36-1.3.3).

For extended SI/TA consideration the operator shall provide the Division with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).



Page 2
April 3, 2008
Mr. Lindeman

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

If the required information is not received within 30 days of the date of this notice, further actions may be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,



Dustin K. Doucet
Petroleum Engineer

DKD/js

Enclosure

cc: Jim Davis, SITLA
Operator Compliance File
Well File

ATTACHMENT A

	Well Name	Location	API	Lease Type	Years Inactive
1	Gage Foster 1	SENW Sec 32-T37S-R23E	43-037-31463	ML-43698	1 Year 3 Months



State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

August 11, 2008

CERTIFIED MAIL NO. 7004 2510 0004 1824 5858

Mr. Terry Lindeman
Elm Ridge Exploration Company, LLC
P.O. Box 156
Bloomfield, NM 87413

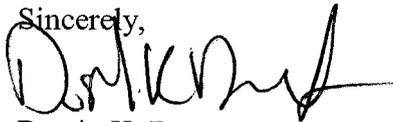
37 S 23E 32

Re: Gage Foster 1 API 43-037-31463
Second Notice of Extended Shut-in and Temporarily Abandoned Requirements for Wells on Fee or State Leases

Dear Mr. Lindeman,

Elm Ridge Exploration Company, LLC ("Elm Ridge") was sent a first notice of Extended Shut-in and Temporarily Abandoned ("SI/TA") requirements certified mail on April 3, 2008 in regards to Gage Foster 1 (API# 43-037-31463). Elm Ridge had thirty (30) days to address the requirements of the letter. To date, the Division of Oil, Gas and Mining has not received a response to the letter.

If the required information is not received within 30 days of the date of this notice, a Notice of Violation will be issued and further actions will be initiated. For your convenience a copy of the first notice dated April 3, 2008, has been attached. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,

Dustin K. Doucet
Petroleum Engineer

JP:js
Enclosure

cc: Cathy Colby, Elm Ridge Exploration Co., LLC; 12225 Greenville, Ste 950, Dallas, TX 75243
Jim Davis, SITLA
Compliance File
Well File





JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

April 3, 2008

CERTIFIED MAIL NO.: 7004 2510 0004 1824 5513

Mr. Terry Lindeman
Elm Ridge Exploration Company, LLC
P.O. Box 156
Bloomfield, NM 87413

Re: Gage Foster 1 API 43-037-31463
Extended Shut-in and Temporarily Abandoned Well Requirements for Fee
or State Leases

Dear Mr. Lindeman,

As of January 2008, Elm Ridge has one (1) State Lease Well (Attachment A) that is in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status. Wells SI/TA beyond twelve (12) consecutive months require filing of a Sundry Notice in accordance with R649-3-36-1 for Utah Division of Oil, Gas & Mining ("Division") approval. Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon showing of good cause by the operator (R649-3-36-1.3.3).

For extended SI/TA consideration the operator shall provide the Division with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).



Page 2
April 3, 2008
Mr. Lindeman

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

If the required information is not received within 30 days of the date of this notice, further actions may be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,



Dustin K. Doucet
Petroleum Engineer

DKD/js

Enclosure

cc: Jim Davis, SITLA
Operator Compliance File
Well File

ATTACHMENT A

	Well Name	Location	API	Lease Type	Years Inactive
1	Gage Foster 1	SENW Sec 32-T37S-R23E	43-037-31463	ML-43698	1 Year 3 Months

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-43698
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: Gage Foster #1
2. NAME OF OPERATOR: Elm Ridge Exploration Co LLC		9. API NUMBER: 4303731463
3. ADDRESS OF OPERATOR: PO BOX 156 CITY Bloomfield STATE NM ZIP 87413	PHONE NUMBER: (505) 632-3476	10. FIELD AND POOL, OR WILDCAT: Road Canyon, 404IS-DC
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2180' FNL X 1780' FWL		COUNTY: San Juan
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENW 32 37S 23E		STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 4/16/2008	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input checked="" type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

In regards to your letter sent to us on August 11, 2008. This well was returned to production on April 16th, 2008. We moved a rig on location April 8th, 2008 and proceeded for the next 8 days to removed the paraffin from the tubing. The well then proceeded to make an average of 150 bbls of oil a month to date.

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS OR FOLD AT DOTTED LINE

CERTIFIED MAIL



7001 1940 0002 1375 7887

NAME (PLEASE PRINT) Andy Mackey	TITLE Administrative Manager
SIGNATURE	DATE 8/20/2008

(This space for State use only)

RECEIVED
AUG 25 2008

DIV. OF OIL, GAS & MINING



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

March 2, 2011

CERTIFIED MAIL NO.: 7004 1160 0003 0190 4956

Mr. Terry Lindeman
Elm Ridge Exploration Company, LLC
P.O. Box 156
Bloomfield, NM 87413

43 037 31463
Gage Foster 1
37S 23E 32

Subject: Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases

Dear Mr. Lindeman:

As of January 2011, Elm Ridge Exploration Company, LLC has one (1) State Lease Well (see attachment A) that is currently in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status.

Wells SI/TA beyond twelve (12) consecutive months requires filing a Sundry Notice (R649-3-36-1). Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (649-3-36-1.3.3). For extended SI/TA consideration the operator shall provide the Utah Division of Oil, Gas & Mining with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).

Please note that the Divisions preferred method for showing well integrity is by MIT.



Page 2
Elm Ridge Exploration Company, LLC
March 2, 2011

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

If the required information is not received within 30 days of the date of this notice, further actions may be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,



Dustin K. Doucet
Petroleum Engineer

DKD/JP/js
Enclosure
cc: Compliance File
Well File
LaVonne Garrison, SITLA

N:\O&G Reviewed Docs\ChronFile\PetroleumEngineer\SITA

ATTACHMENT A

	Well Name	API	LEASE	Years Inactive
1	GAGE FOSTER 1	43-037-31463	ML-43698	1 Year 6 Months



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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-43698
2. NAME OF OPERATOR: Elm Ridge Exploration CO LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: PO Box 1516 CITY Bloomfield STATE NM ZIP 87413 PHONE NUMBER: 505-632-3476		7. UNIT or CA AGREEMENT NAME: N/A
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2180' FNL x 1780' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SE/NW3237B23E		8. WELL NAME and NUMBER: Gage Foster #1
		9. API NUMBER: 43-037-31463
		10. FIELD AND POOL, OR WILDCAT: Road Canyon
		COUNTY: San Juan
		STATE: UTAH

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

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

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

In regards to your letter dated March 2, 2011 on the subject of Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases. Elm Ridge Exploration CO LLC believes the tubing in this well is clogged with paraffin and we plan to move a rig on this location by April 18th, 2011 to pull the tubing and clean it out. We are asking for Shut in status until that time.

COPY SENT TO OPERATOR

RECEIVED

MAR 14 2011

Date: 3-10-2011

Initials: KS

NAME (PLEASE PRINT) Amy Mackey	DIV. OF OIL, GAS & MINING
SIGNATURE <i>Amy Mackey</i>	TITLE Administrative Manager
	DATE 3-10-11

(This space for State use only)

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

DATE: 3/05/2011

BY: [Signature]

(See Instructions on Reverse Side)