



MIDLAND PARTNERS  
CARLTON BEAL  
CARLTON BEAL, JR.  
BARRY BEAL  
SPENCER BEAL  
KELLY BEAL

DENVER PARTNER  
BARRY BEAL, JR.

BTA OIL PRODUCERS  
104 SOUTH PECOS  
MIDLAND, TEXAS 79701  
AC 915-682-3753

ROCKY MOUNTAIN DIVISION  
555-17TH STREET  
SUITE 835  
DENVER, CO 80202  
AC 303-292-9299

July 18, 1989

RECEIVED  
JUL 19 1989

RE: Application for Permit to Drill  
#1 Cedar Point, 8822 JV-P  
Sec. 12, T-36-S, R-25-E  
San Juan County, Utah

DIVISION OF  
OIL, GAS & MINING

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STATE OF UTAH  
Department of Natural Resources  
Division of Oil, Gas & Mining  
3 Triad Center, Suite 350  
355 W. North Temple  
Salt Lake City, Utah 84180-1203

Express Mail

Gentlemen:

We hereby submit three copies of our above referenced application.

Should further information be required, please advise.

Sincerely,

DOROTHY HOUGHTON  
For BTA Oil Producers

DH/pdi

Enclosures

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK  
 DRILL  DEEPEN  PLUG BACK

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

2. NAME OF OPERATOR  
 BTA Oil Producers

3. ADDRESS OF OPERATOR  
 104 S. Pecos; Midland, Texas 79701

4. LOCATION OF WELL (Report location clearly and in accordance with State requirements)  
 At surface 735' FNL & 565' FWL NW/NW  
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 17 miles Southwest from Dove Creek, Colorado

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)  
 565'

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.  
 None

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
 6216' GR 6225' KB

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8"	36#	2000'	Cmt to surface
8-3/4"	5-1/2"	15.5#	6000'	Tie into 9-5/8" w/one stage caliper log + 30%

Statewide Oil & Gas Bond & Letter of Credit BLM Bond No. UT0 711 Effective 11-16-88

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

24. SIGNED Dorothy Houghton TITLE Regulatory Administrator DATE 07-18-89  
 (This space for Federal or State office use)

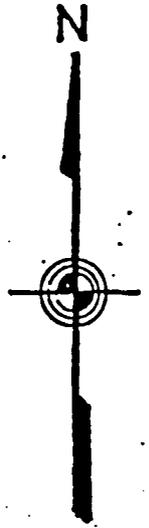
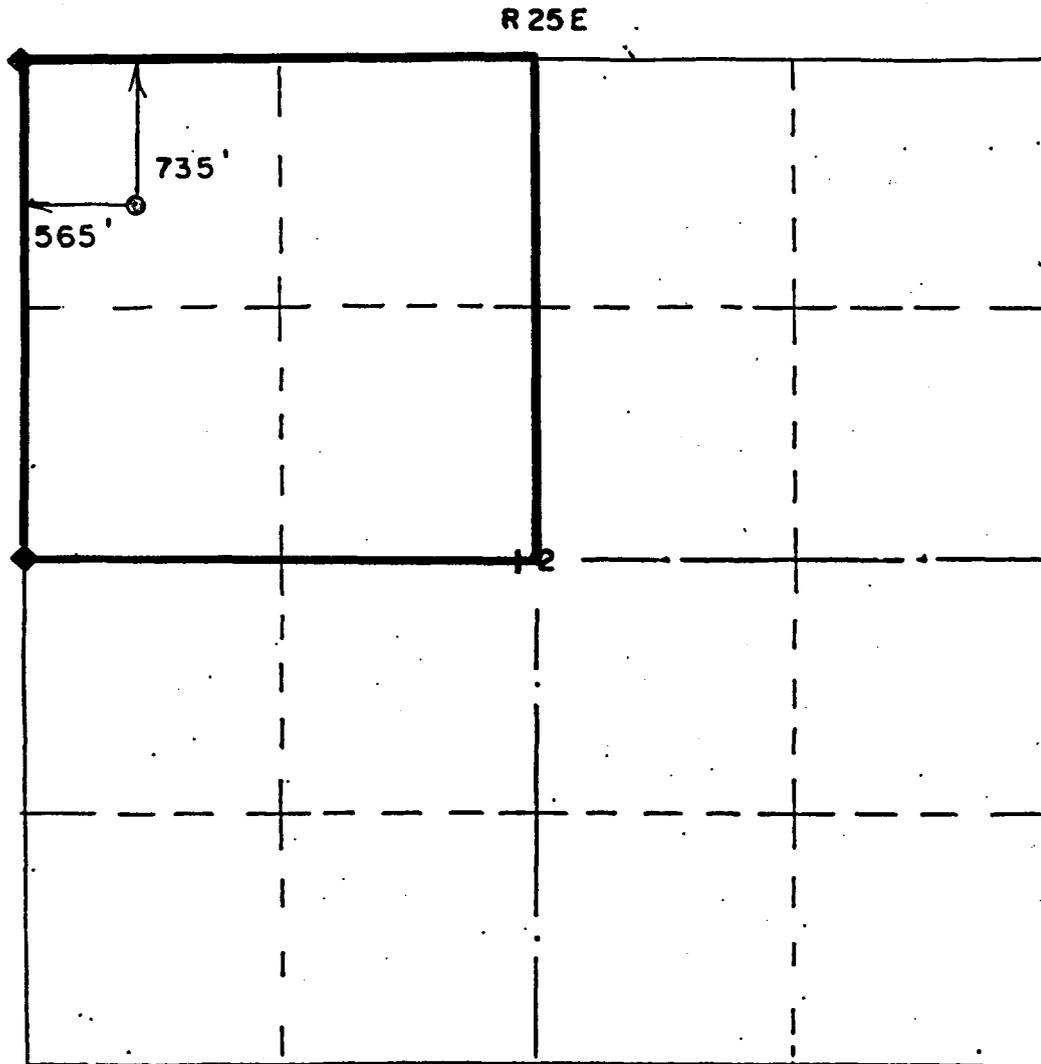
PERMIT NO. 43-037-31470 APPROVAL DATE APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS AND MINING

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE: 7-25-89

CONDITIONS OF APPROVAL, IF ANY: BY: John R. Baye WELL SPACING: R615-3-2

\*See Instructions On Reverse Side

WELL LOCATION AND ACREAGE DEDICATION PLAT



1"=1000'

T 36 S

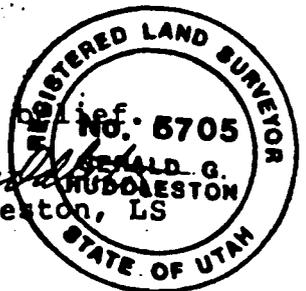
WELL LOCATION DESCRIPTION:

BTA OIL PRODUCERS, 8822 JV - P Cedar Point # 1  
735'FNL & 565'FWL  
Section 12, T.36 S., R.25 E., SLM  
San Juan County, UT  
6216' ground elevation  
Reference: 850'FNL & 500'FWL, 6208' grd.

The above plat is true and correct my knowledge and belief

12 July 1989

*Gerald G. Huddleston*  
Gerald G. Huddleston, LS



## DRILLING PROGRAM

#1, 8822 JV-P Cedar Point  
735' FNL and 565' FWL  
Sec. 12, T-36-S, R-25-E  
San Juan County, Utah

In conjunction with Form 3160-3, Application for Permit to Drill, BTA Oil Producers submits the following 10 items for pertinent information in accordance with BLM requirements:

1. The geologic surface formation is Dakota sandstone and rock.
2. The estimated top of geologic marker is as follows:

Chinle	1,884'	Upper Ismay	5,594'
Shinarump	2,287'	Lower Ismay	5,745'
Cutler	2,487'	Desert Creek	5,907'
Honaker Trail	4,299'		

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

Honaker Trail	4,299'	Desert Creek	5,907'
Lower Ismay	5,745'		

All shows of fresh water and minerals will be reported and protected. A sample will be taken of any water flows and furnished to the BLM, Division of Minerals. All oil and gas shows will be adequately tested for commercial possibilities reported and protected.

4. Proposed casing program:

Surface Casing: Set @ 2000'  
9-5/8" 36# J-55 STC  
Cement with Class -G-  
Circulate to surface

Production Casing: Set @ 6000' or TD  
5-1/2" 15.5# J-55  
Cement with Class -G-  
plus additives and tie into 9-5/8" w/one stage  
Caliper log + 30%  
TOC @ + 1,900'

Note: All casing strings will be pressure tested to 0.22 psi/ft. of setting depth or 1500 psi (whichever is greater) after cementing and prior to drillout.

5. Pressure Control Equipment: See Exhibit -F- and -G-.

6. Mud Program:

Fresh water based mud system from surface to TD. Maximum anticipated mud weight 11.6 ppg.

AUXILIARY EQUIPMENT:

- a) Manually operated kelly cock
- b) No floats at bit
- c) Monitoring of mud system will be visual
- d) Full opening floor valve manually operated

7. Testing, Logging and Coring Program:

Drill Stem Tests: Ismay & Desert Creek  
Logging: 2000' - TD: DIL-FDC; GR-CNL-LDT: BHC Sonic

Note: A gamma ray log will be run over the surface casing from its base to the ground surface.

Coring: None

8. No abnormal pressures or temperatures are anticipated.  
Estimate BHP @ + 3600 psi.

9. Anticipated starting date: August 1, 1989.

**SURFACE USE PLAN**

**FOR**

**BTA OIL PRODUCERS  
CEDAR POINT, 8822 JV-P  
WELL NO. 1  
735' FNL & 565' FWL, SEC. 12, T-36-S, R-25-E.  
SAN JUAN COUNTY, UTAH**

**LOCATED:** 17 miles southwest of Dove Creek, Colorado

**FEDERAL LEASE NUMBER:** UTU 65697

**LEASE ISSUED:** July 1, 1989 BTA Oil Producers

**ACRES IN LEASE:** 442.20

**SURFACE OWNERSHIP:** Federal

**POOL:** Bug

**PRORATION UNIT:** 160 acres

- EXHIBITS:**
- A. Topographic Road Map
  - B. Access Road Map
  - C. Bug Oil Field Map
  - D. Rig Layout Sketch
  - E. Pit and Pad Layout
  - F. Cut-Fill Cross Sections
  - G. Pressure Control Equipment
  - H. Choke Manifold Equipment

## MULTI-POINT SURFACE USE & OPERATIONS PLAN

### BTA Oil Producers

#1, 8822 JV-P Cedar Point  
735' FNL and 565' FWL  
Sec. 12, T-36-S, R-25-E  
San Juan County, Utah

This plan is submitted with Form 3160-3, Application for Permit to Drill, covering the referenced well. The plan describes the location of the proposed well, the proposed construction activities and operations plan, the magnitude of necessary surface disturbance, and the procedures to be followed in rehabilitating the surface after completion of the operation so that complete appraisal can be made concerning the environmental effects associated with the operations.

#### 1. Existing Roads

- A. Exhibit -A- is a topographic map showing the location of the proposed well as staked with existing roads and conditions within the one mile area. The proposed location is approximately 17 miles southwest from Dove Creek, Colorado as shown on Exhibit -B-.
- B. From Dove Creek, take County Road H west 1.6 miles; continue southwesterly 2.1 miles to County Road J; continue on County Road J 3.9 miles; continue south .8 mile, go west 1 mile; continue south 2 miles; go west 1 mile; continue southwesterly 3.9 miles to a cattle guard; go southwest on two track road .8 mile to beginning of flagged proposed access .9 mile in length.

#### 2. Access Road

- A. Our proposed access road will be .9 mile from the two track lease road to the well site as shown on Exhibit -A-.
- B. Native soil and rock will be used for grading and leveling the access road.
- C. The access road will be crowned for drainage and maintained during drilling operations and, if productive, as long as producing.

## MULTI-POINT SURFACE USE AND OPERATION PLAN

Cedar Point, 8822 JV-P, Well No. 1  
Page 2

### 3. Location of Existing Wells

- A. All existing wells within a one mile radius of our proposed well are shown on Exhibit -C-.
- B. Wexpro - Bug #1, NE/SW - Section 12.  
Wexpro - May - Bug #2, NE/SW - Section 7.

### 4. Location of Existing and/or Proposed Facilities if Well is Productive.

- A. If well is productive, we will use the existing well pad for the tank battery and all necessary production facilities.
- B. New facilities will be applied for via Sundry notice with schematic diagram prior to installation.
- C. Should the well be successfully completed for production, the BLM will be notified when the well is placed in producing status within five days.
- D. All facilities will be painted juniper green within six months of installation.

### 5. Location and Type of Water Supply

- A. All water for drilling will be trucked to the location from Dove Creek, Colorado.
- B. A water permit will not be required from the Utah State Engineer per Mark Page in the Price office.

### 6. Source of Construction Materials

- A. All materials used for construction of the drilling pad will be obtained from the surrounding area.
- B. If there is not sufficient material available, it will be purchased from the area designated by the BLM.

## MULTI-POINT SURFACE USE AND OPERATION PLAN

Cedar Point, 8822 JV-P, Well No. 1

Page 3

### 7. Methods of Handling Waste Disposal

- A. Drill cuttings will be disposed of in the reserve pits located on the east side of the rig.
- B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
- C. Water produced during operations will be collected in tanks until hauled to an approved disposal system or a separate disposal application will be submitted to the BLM for appropriate approval.
- D. Oil produced during test will be stored in test tanks until sold.
- E. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- F. Trash, waste paper and garbage will be disposed of by hauling to an available disposal. All waste material will be contained in a totally enclosed trash basket with a fine wire mesh, to prevent wind scattering during collection. The road and pad will be kept litter free.

### 8. Ancillary Facilities

- A. It is possible that a mobile home will be used at the well site during drilling operations.

### 9. Wellsite Layout

- A. Exhibit -D- shows the rig layout and reserve pit.
- B. Exhibit -E- shows the pit and well pad layout with the slope on the west side. Trees will be stacked on the north and soil on the northeast. Rig components will be on the southeast as shown.
- C. The reserve pits will be fenced.

MULTI-POINT SURFACE USE AND OPERATION PLAN

Cedar Point, 8822 JV-P, Well No. 1

Page 4

10. Plans for Restoration of Surface

- A. Following drilling and/or completion operations, all equipment and material not needed for further operations will be removed. The location will be cleaned of all trash and junk to leave the well site as clean as possible.
- B. Any unguarded pits containing fluids will be fenced until they are filled. Oil in the mud pit will necessitate either removal or installation of overhead flagging. The pit will be allowed to dry prior to the commencement of backfilling operations. Fill material will be pushed back into the cuts and up over the backslope, re-contouring the area so that there are no large depressions that will trap water or form ponds. Topsoil will be evenly distributed over the entire location. The seedbed will be prepared by disking to a depth of four to six inches following the contour.
- C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the BLM will be complied with and will be accomplished as expeditiously as possible.
- D. All disturbed areas will be seeded on the contour at a depth of one-half inch using the following mixture:
  - 2 pounds per acre Indian ricegrass
  - 1 pound per acre Galleta
  - 2 pounds per acre Fourwing saltbrush
  - 1 pound per acre Shadscale
  - 1 pound per acre Small Burnett
  - 1 pound per acre Yellow Sweetclover
  - 1 pound per acre Ephedra
  - 1 pound per acre Utah Sweetvetch
- E. Slopes too steep for machinery will be seeded by hand, broadcasting and raking into the top soil. Seeding will be completed after October 1st and prior to February 28th.
- F. Newly constructed access road will be recontoured, disked, and seeded as specified above. All rehabilitation work, including seeding, will be completed as specified by the BLM, or sooner if conditions permit.

MULTI-POINT SURFACE USE AND OPERATION PLAN

Cedar Point, 8822 JV-P, Well No. 1  
Page 5

11. Topography

- A. The wellsite and access route are located to the southeast of Coal Bed Canyon as shown on Exhibit -A, Topographic map of area. The area is very rough terrain with huge boulders and steep drop offs.
- B. There are no houses or buildings within 1/2 mile of drillsite.
- C. Signs identifying and locating our well will be maintained at the drillsite and principle entrance, commencing with the spudding of the well.

12. Operator's Representative:

- A. The field representative that is responsible for assuring compliance with the approved surface use plan is:

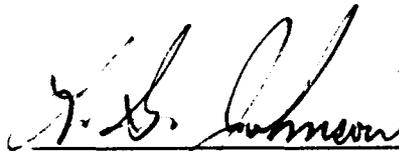
Drilling Superintendent:

Mr. L. G. Johnson  
Phone: 915/682-3753 (Office)  
915/682-5149 (Home)  
915/683-4090 (Mobile)

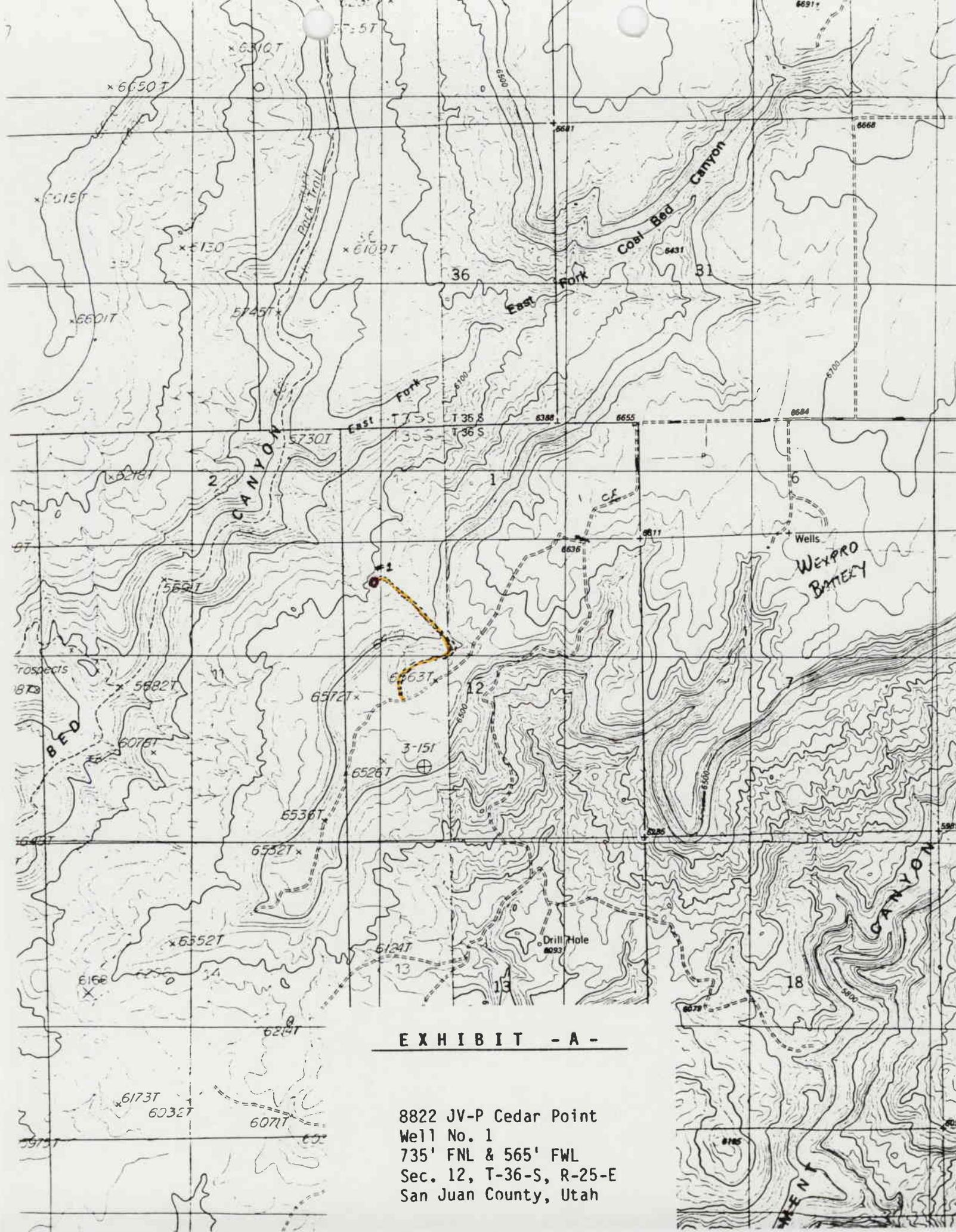
13. Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by BTA Oil Producers and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

Dated this 18th day of July, 1989.



L. G. Johnson  
Drilling Superintendent  
For BTA Oil Producers



**EXHIBIT - A -**

8822 JV-P Cedar Point  
 Well No. 1  
 735' FNL & 565' FWL  
 Sec. 12, T-36-S, R-25-E  
 San Juan County, Utah

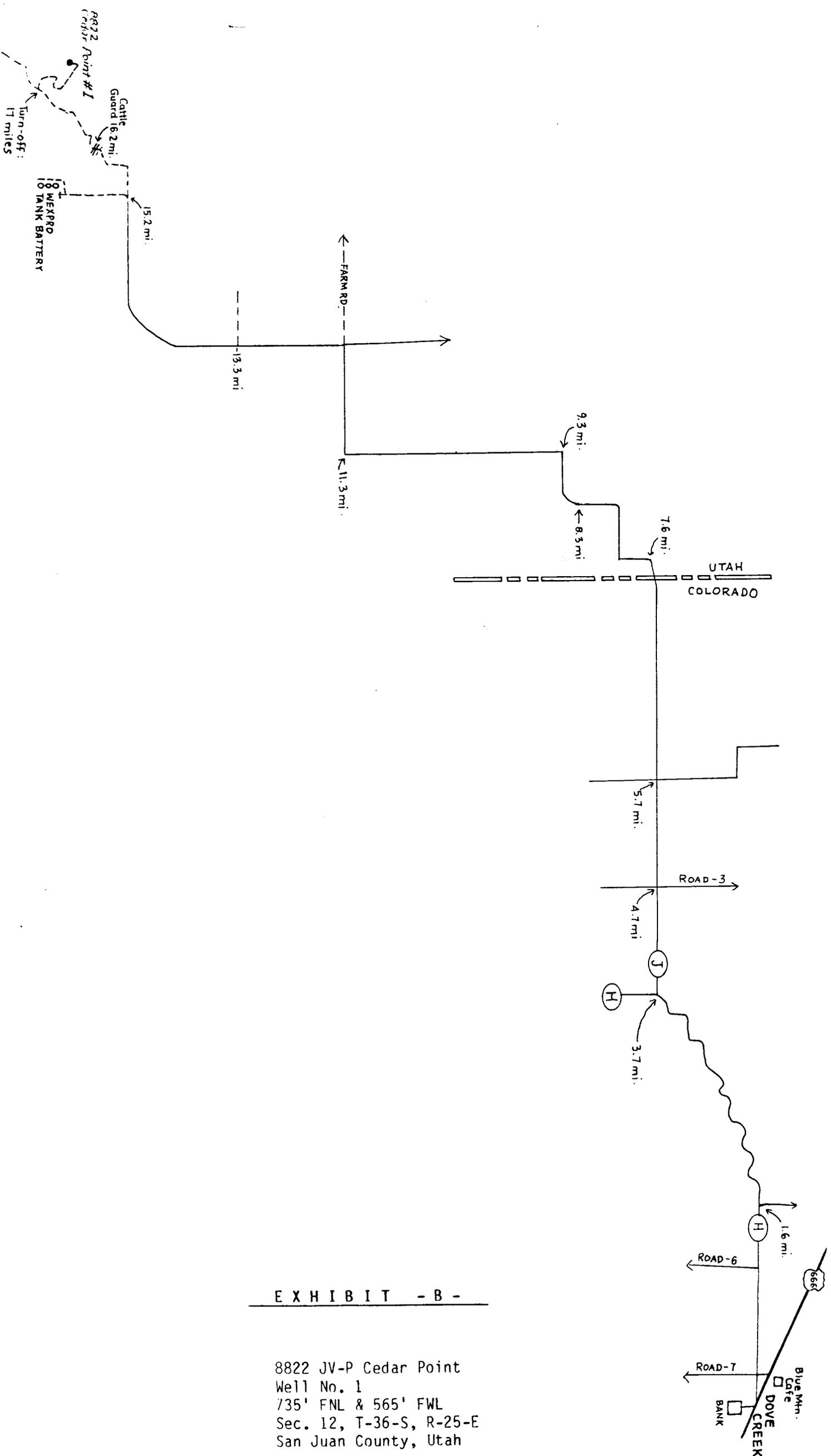


EXHIBIT - B -

8822 JV-P Cedar Point  
 Well No. 1  
 735' FNL & 565' FWL  
 Sec. 12, T-36-S, R-25-E  
 San Juan County, Utah

1" = 1 mi.

EMW 7/17/69



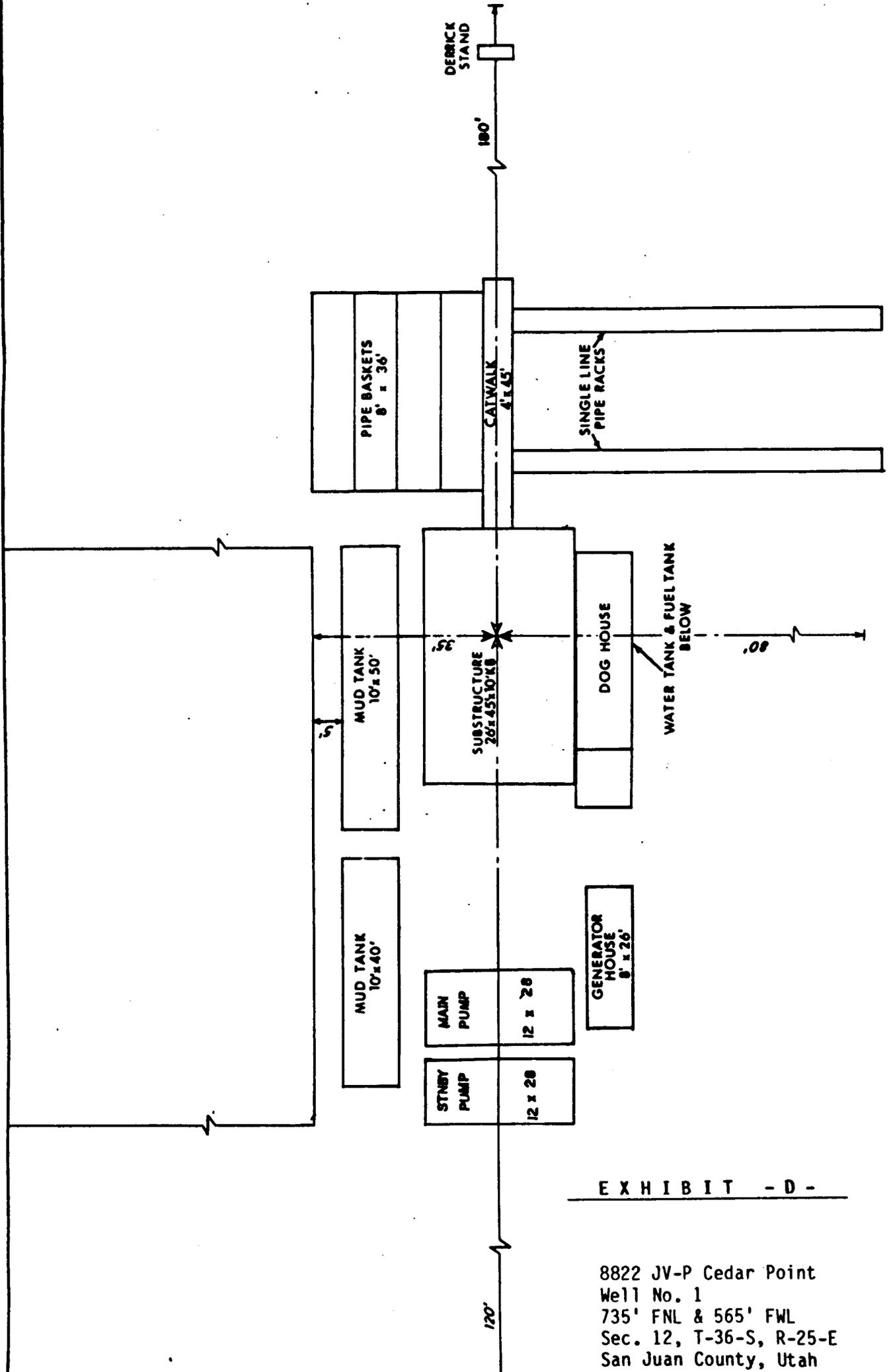


EXHIBIT - D -

8822 JV-P Cedar Point  
 Well No. 1  
 735' FNL & 565' FWL  
 Sec. 12, T-36-S, R-25-E  
 San Juan County, Utah

Plan View Sketch

8822 JV - P  
Cedar Point # 1

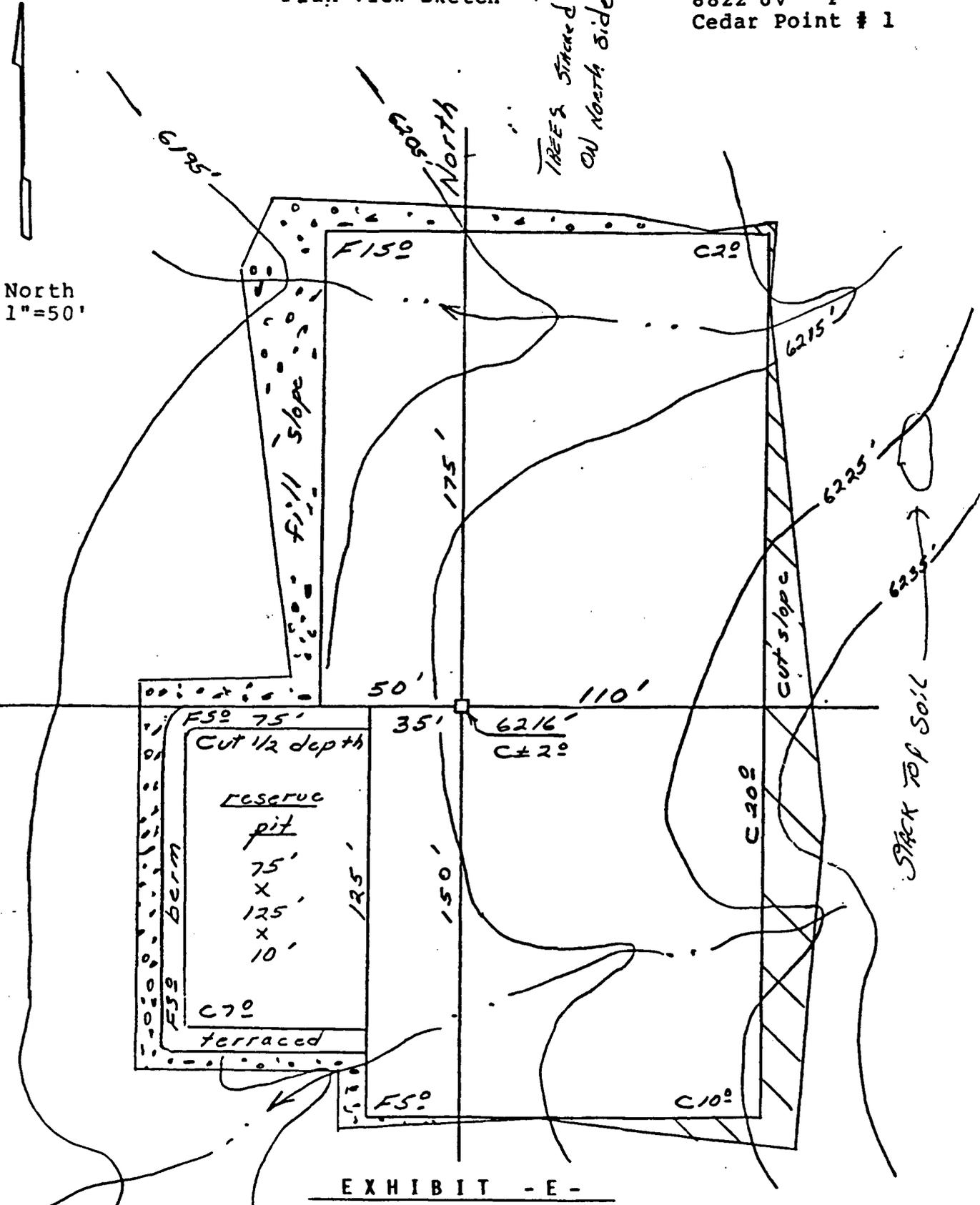


EXHIBIT - E -

8822 JV-P Cedar Point  
Well No. 1  
735' FNL & 565' FWL  
Sec. 12, T-36-S, R-25-E

Cross Section

8822 JV - P  
Cedar Point # 1

Cut   
Fill 

1"=50' Horz. & Vert.

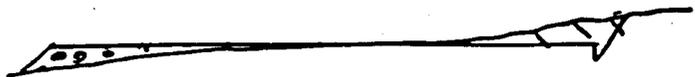
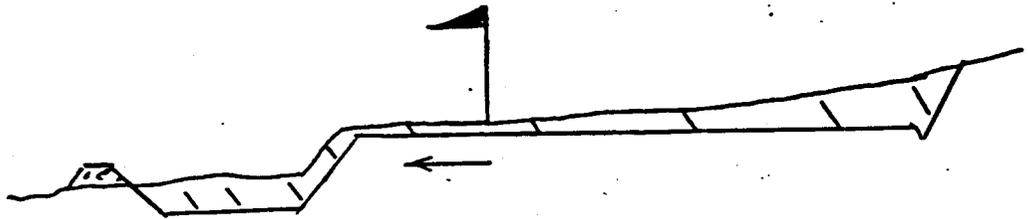
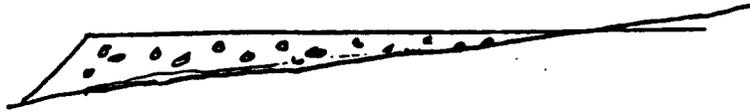


EXHIBIT - F -

8822 JV-P Cedar Point  
Well No. 1  
735' FNL & 565' FWL  
Sec. 12, T-36-S, R-25-E  
San Juan County, Utah

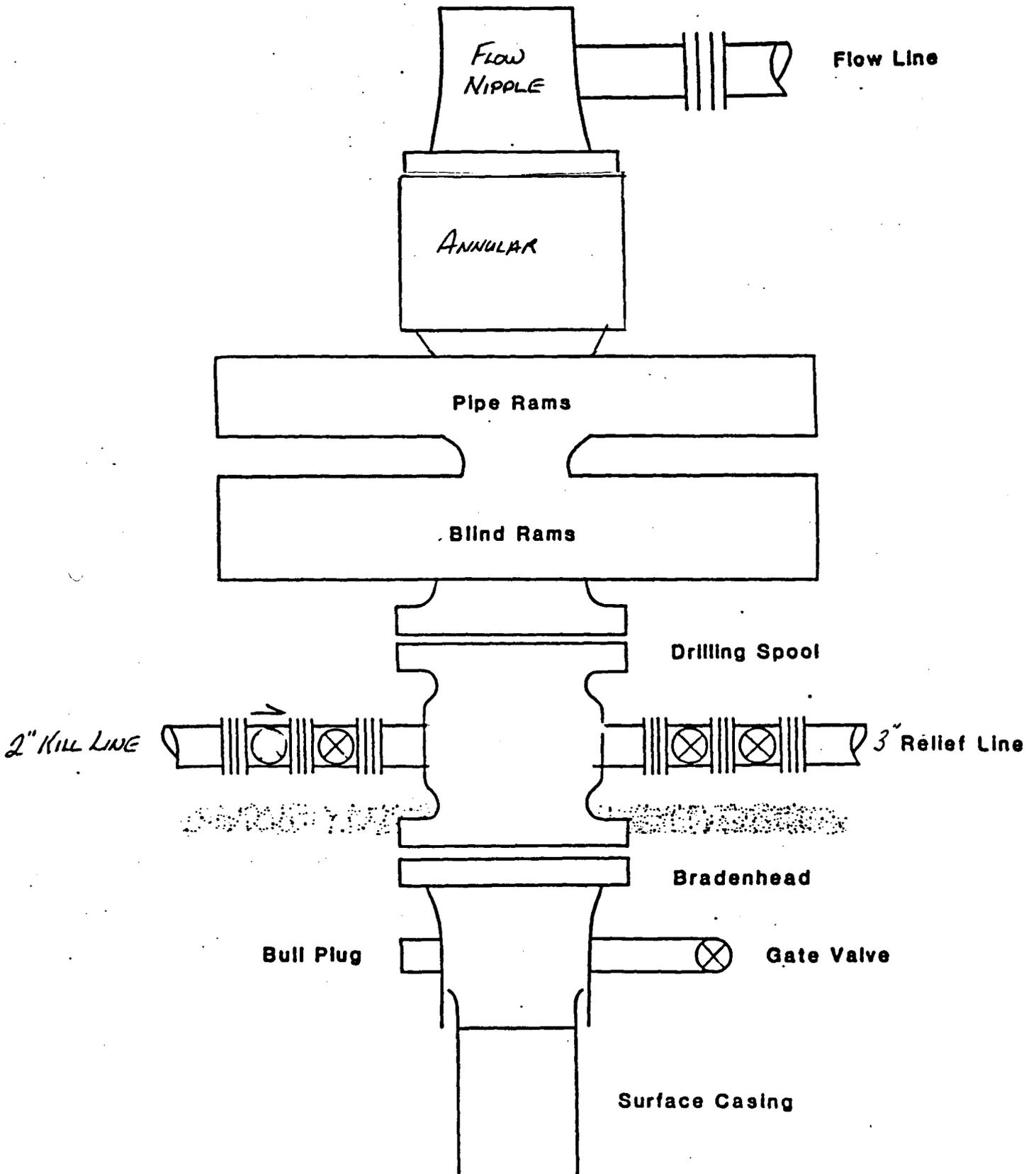
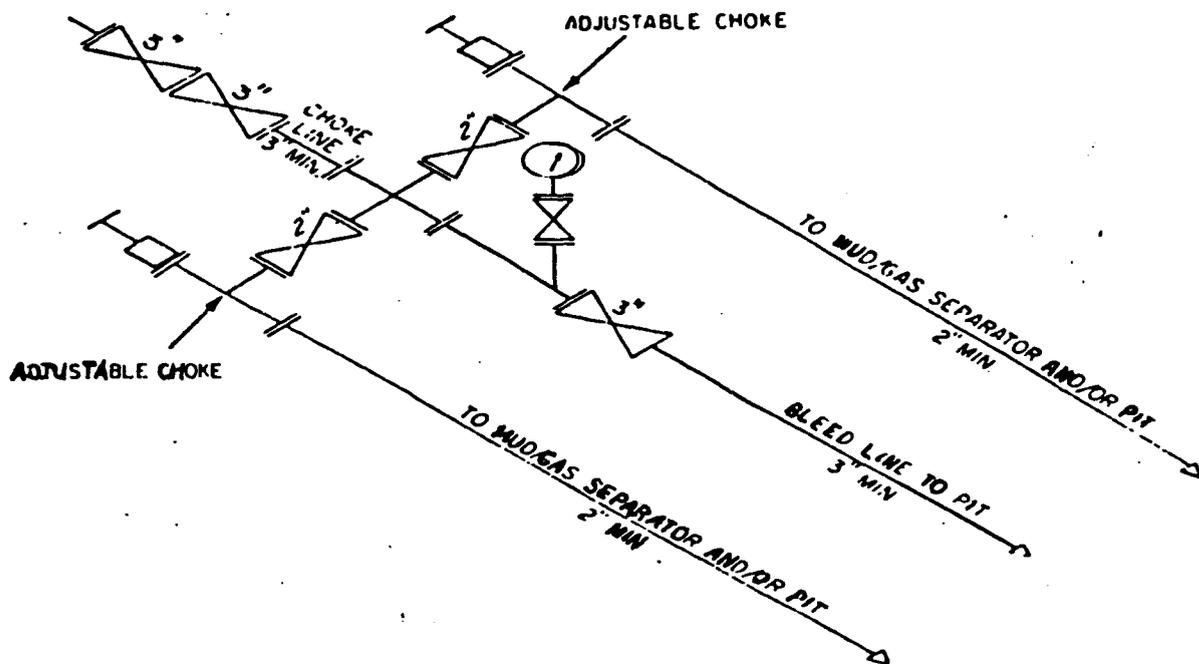


EXHIBIT - 6 -

11" - 3000 psi Working Pressure.

8822 JV-P Cedar Point  
 Well No. 1  
 735' FNL & 565' FWL  
 Sec. 12, T-36-S, R-25-E  
 San Juan County, Utah



3M CHOKE MANIFOLD EQUIPMENT — CONFIGURATION MAY VARY

EXHIBIT - H -

8822 JV-P Cedar Point  
 Well No. 1  
 735' FNL & 565' FWL  
 Sec. 12, T-36-S, R-25-E  
 San Juan County, Utah

OPERATOR BTA Oil Producers (No 3107) DATE 7-20-89

WELL NAME 8822 QV-P Cedar Point #1

SEC NWNLW 12 T 36S R 25E COUNTY San Juan

43-037-31470  
API NUMBER

Federal  
TYPE OF LEASE

CHECK OFF:

PLAT

BOND

NEAREST WELL

LEASE

FIELD

POTASH OR OIL SHALE

PROCESSING COMMENTS:

No other well within 920'  
Water from Dove Creek, Colorado (No permit necessary - Mark Page *Water Rights*)  
\_\_\_\_\_  
\_\_\_\_\_

APPROVAL LETTER:

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

186-1 (E 1/2 sec. 12) N/A  R615-3-3  
CAUSE NO. & DATE

STIPULATIONS:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



Norman H. Bangerter  
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

July 25, 1989

BTA Oil Producers  
104 South Pecos  
Midland, Texas 79701

Gentlemen:

Re: 8822 JV-P Cedar Point #1-NWNW Sec. 12,T. 36S, R. 25E - San Juan County, Utah  
735' FNL, 565' FWL

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

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.
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.

Page 2  
BTA Oil Producers  
8822 JV-P Cedar Point #1  
July 25, 1989

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 43-037-31470.

Sincerely,



R. J. Firth  
Associate Director, Oil & Gas

lcr  
Enclosures  
cc: Bureau of Land Management  
D. R. Nielson  
J. L. Thompson  
WE14/1-2

43-037-31470 WCR

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK  
 DRILL       DEEPEN       PLUG BACK

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

2. NAME OF OPERATOR  
 BTA OIL PRODUCERS

3. ADDRESS OF OPERATOR  
 104 South Pecos, Midland, Texas 79701

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
 At surface: 735' FNL & 565' FWL      NW DIVISION OF OIL, GAS & MINING  
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 17 Miles Southwest from Dove Creek, Colorado

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any): 565'

16. NO. OF ACRES IN LEASE: 442.2

17. NO. OF ACRES ASSIGNED TO THIS WELL: 160

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.: None

19. PROPOSED DEPTH: 6,000'

20. ROTARY OR CABLE TOOLS: Rotary

21. ELEVATIONS (Show whether DF, BT, GR, etc.): 6,216' GR      6,225' KB

22. APPROX. DATE WORK WILL START\*: 8/1/89

RECEIVED  
AUG 11 1989

5. LEASE DESIGNATION AND SERIAL NO.  
 UTU 65746

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
 8822 JV-P Cedar Point

9. WELL NO.  
 1

10. FIELD AND POOL, OR WILDCAT  
 Bug

11. SEC., T., E., M., OR BLK. AND SURVEY OR AREA  
 Sec. 12, T-36-S, R-25-E

12. COUNTY OR PARISH  
 San Juan

13. STATE  
 Utah

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	9 5/8"	36#	2,000'	Cmt to Surface
8 3/4"	5 1/2"	15.5#	6,000'	Tie into 9 5/8" w/ one stage caliper log + 30%

Statewide Oil & Gas Bond & Letter of Credit BLM Bond No. UTO 711 Effective 11/16/88

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

24. SIGNED Dorothy Houghton TITLE Regulatory Administrator DATE 7/18/89  
 DOROTHY HOUGHTON  
 (This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE AUG 8 1989  
/s/ Kenneth V. Rhea ACTING DISTRICT MANAGER  
 APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
 CONDITIONS OF APPROVAL, IF ANY:

CONDITIONS OF APPROVAL ATTACHED

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

\*See Instructions On Reverse Side

bocm

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK  
 DRILL  DEEPEN  PLUG BACK   
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 104 S. Pecos; Midland, Texas 79701

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 565'

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 442.2

17. NO. OF ACRES ASSIGNED TO THIS WELL  
 160

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.  
 None

19. PROPOSED DEPTH  
 6000'

20. ROTARY OR CABLE TOOLS  
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
 6216' GR 6225' KB

22. APPROX. DATE WORK WILL START\*  
 08-01-89

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8"	36#	2000'	Cmt to surface
8-3/4"	5-1/2"	15.5#	6000'	Tie into 9-5/8" w/one stage caliper log + 30%

Statewide Oil & Gas Bond & Letter of Credit BLM Bond No. UTO 711 Effective 11-16-88

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

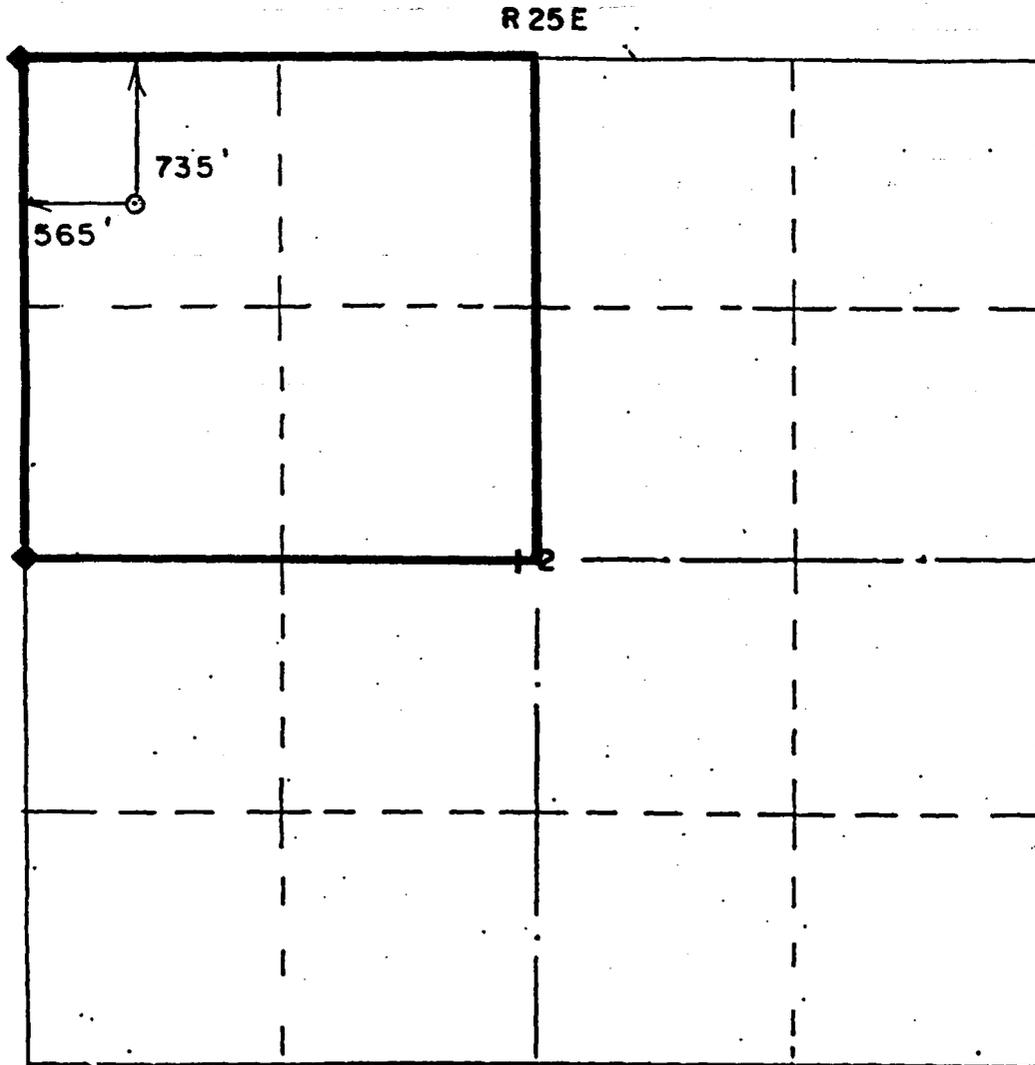
24. SIGNED Dorothy Houghton TITLE Regulatory Administrator DATE 07-18-89  
 (This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
 CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions On Reverse Side

WELL LOCATION AND ACREAGE DEDICATION PLAT



1"=1000'

T 36 S

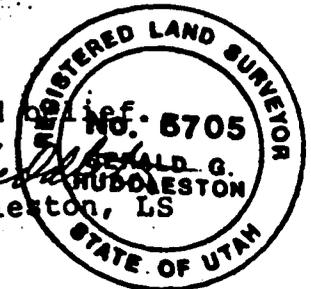
WELL LOCATION DESCRIPTION:

BTA OIL PRODUCERS, 8822 JV - P Cedar Point # 1  
735'FNL & 565'FWL  
Section 12, T.36 S., R.25 E., SLM  
San Juan County, UT  
6216' ground elevation  
Reference: 850'FNL & 500'FWL, 6208' grd.

The above plat is true and correct my knowledge and belief

12 July 1989

*Gerald G. Huddleston*  
Gerald G. Huddleston, LS



BTA Oil Producers  
Well No. 8822 JV-P Cedar Point 1  
NWNW Sec. 12, T. 36 S., R. 25 E.  
San Juan County, Utah  
Lease U-65746

CONDITIONS OF APPROVAL

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

Be advised that BTA Oil Producers is considered to be the operator of the above well, and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by an irrevocable "Letter of Credit" (Principal - BTA Oil Producers) \$25,000 as provided for in 43 CFR 3104.1.

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

A. DRILLING PROGRAM

All lease operations will be conducted in full compliance with applicable regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, Onshore Oil and Gas Order No. 2 and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions and the approved plan will be made available to the field representative to insure compliance.

1. If unconsolidated rock is encountered, conductor shall be set ten (10) feet unto underlying bedrock with cement circulated to surface.

CONDITIONS OF APPROVAL

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

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

Bond coverage for this well is provided by Bond No. \_\_\_\_\_

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

A. DRILLING PROGRAM

All lease operations will be conducted in full compliance with applicable regulations (43 CFR 3100), Onshore Oil and Gas Order 1,<sup>9</sup> and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions and the approved plan will be made available to the field representative to insure compliance.

1. If unconsolidated rock is encountered, conductor shall be set ten (10) feet unto underlying bedrock with cement circulated to surface.

[Onshore Oil and Gas Order  
No. 2]

CONDITIONS FOR APPROVAL  
FOR SURFACE USE

1. Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported to the Resource Area in accordance with requirements of NTL-3A.
2. Should the well be successfully completed for production, the District Manager will be notified when the well is placed in producing status. Such notification will be sent by telegram or other written communication, not later than five (5) business days following the date on which the well is placed on production.
3. A first production conference may be scheduled within fifteen (15) days after receipt of the first production report. The Resource Area Office will coordinate the field conference.
4. The maximum total disturbed width of the access road will be 50 feet.
5. The maximum grade is 10%.
6. Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional area needed will be approved by the Area Manager in advance.
7. The newly constructed access road will be rehabilitated or the entire access be brought to (Class III) Road Standards within sixty (60) days of dismantling of the drilling rig. This includes crowning, ditching, and rock surfacing. If this time frame cannot be met, the Area Manager will be notified so that temporary drainage control can be installed along the access road.
8. All permanent (onsite for six (6) months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, nonreflective, earthtone color to match the standard environmental colors, as determined by the Rocky Mountain Five-State Interagency Committee. All facilities will be painted within (6) months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded.
9. If a tank battery is construction on this lease, it will be surrounded by a dike of sufficient capacity to contain 1-1/2 times the storage capacity of the largest tank in the battery.
10. All loading lines and valves will be placed inside the berm surrounding the tank battery.
11. All site security guidelines identified in 43 CFR 3162.7-5 and ONSHORE OIL AND GAS ORDER NO. 3; SITE SECURITY will be adhered to.
12. Gas measurement will be conducted in accordance with the ONSHORE OIL AND GAS ORDER NO. 5; GAS MEASUREMENT and 43 CFR 3162.7-3.
13. Gas meter runs for each well will be located within five hundred (500) feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and downstream for the remainder of the pad. Meter runs will be housed and/or fenced.

14. Oil measurement will be conducted in accordance with ONSHORE OIL AND GAS ORDER NO. 4; OIL MEASUREMENT as of the effective date of August 23, 1989 and 43 CFR 3162.7-2.
15. The reserve pit will be lined if it is determined necessary at the time of construction with a minimum of 400 sacks of bentonite.
16. Three sides of the reserve pit will be fenced with 4 strands of barbed wire before drilling starts. The fourth side will be fenced as soon as the drilling is completed. The fence will be kept in good repair while the pit is drying.
17. All trash must be hauled to a landfill.
18. If burning is required, a permit will be obtained from the San Juan County Sheriff's Office. This APD approval serves as a variance to the State of Utah fire closure #04-00-17 (enclosed) but subject you to the following:
  - A. The operator will be responsible for all fire suppression costs that result directly or indirectly as a result of their operation. Immediate suppression action will commence on the discovery of a fire and the authorized officer notified as soon as possible. Suppression costs will include not only the cost incurred by the operator, but also costs to the Bureau of Land Management for their efforts.
  - B. All vehicles and equipment operating in the field shall be equipped with a minimum of one fire extinguisher and adequate fire fighting equipment (i.e. shovels, swatters, pulaski, etc.) to equip each crew member with at least one tool.
19. All side hill cuts along the newly constructed access road shall be recontoured by pulling the cut material up slope to reform the original contour. An excavator or other suitable equipment shall be used along steep slopes to ensure against further damage outside of the right-of-way.
20. There will be no deviation from the proposed drilling and/or workover program without prior approval from the District Manager. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned and/or separate facilities, will be identified in accordance with 43 CFR 3162.6.
21. "Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.6.
22. The dirt contractor will be provided with an approved copy of the surface use plan.
23. All persons in the area who are associated with the project will be informed by the holder/operator that they will be subject to prosecution for disturbing archaeological sites or paleontological sites, or collecting artifacts or fossils.
24. Any cultural and/or paleontological resource discovered by the holder/operator, or any person working on his behalf, on public or federal land shall be immediately reported to the authorized officer (BLM-San Juan Resource Area Office (801) 587-2141). The holder/operator shall immediately suspend all operations in the area of such discovery until written authorization to proceed is issued by the authorized officer. An evaluation of the discovery will be made by the authorized officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder/operator will be responsible for the cost of evaluation of the discovery and of any required mitigation measures. Any decision as to proper mitigation measures will be made by the authorized officer after consulting with the holder/operator and other affected parties.

25. This permit will be valid for a period of one (1) year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.
26. If at any time the facilities located on public lands authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change) the BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental, or other financial obligation determined by the authorized officer.

Message 592-2409

Subj: Special Order, State II Fire Restrictions, State of Utah

SPECIAL ORDER  
STATE II FIRE RESTRICTIONS

STATE OF UTAH

Pursuant to 36 CFR 261.50(a) and/or (b); 43CFR 9212.2 and 65A8-11 S& 12, as amended 1988; the following acts are prohibited on the area, roads, and trails described below until rescinded by the Regional Forester of the U. S. Forest Service, the State Director of the Bureau of Land Management, and the Utah State Forester,

1. Building, maintaining, attending, or using a fire or campfires (36 CFR 2612.52(a)). Please see exhibit A attached.

Pursuant to the governing rules of each agency the following persons are exempt from this part of the order:

- a. Persons within developed and/or designated recreation sites.
  - b. Persons with a campfire permit authorizing the otherwise prohibited act.
  - c. Cooking fires utilizing bottled or containerized fuels, (stove fire) are allowed outside of developed or designated recreation sites.
  - d. Areas designated as safe and identified as such in writing by the appropriate unit manager.
2. Smoking, except within an enclosed vehicle or building, a developed recreation site, or while stopped in an area at least three feet in diameter that is barren or cleared of all flammable material. Please see Exhibit A attached.

The following acts are prohibited from 1:00 p.m. to 1:00 a.m.:

3. Operating a chain saw for any purpose.
4. Operating motorized equipment off roads and trails.
5. Blasting, welding, or other activities which generate flame or flammable material.

The following persons are exempt from parts 1, 3, 4, and 5 of the order:

- a. Those persons with a permit authorizing the otherwise prohibited act, or in those areas authorized by written posted notice in the area of operation. Permits may be obtained from the responsible agency office.

1989 JUN 19 PM 2:15

SPECIAL ORDER  
STATE II FIRE RESTRICTION -- STATE OF UTAH  
PAGE 2

- b. Any Federal, State, or local officer or member of an organized rescue or firefighting force in the performance of an official duty.

AREA DESCRIBED:

All National Forest lands, all Bureau of Land Management lands and all State or privately owned wildlands within the State of Utah.

Dated this 10th day of July, 1989.

Signed by Clair C. Beasley  
for REGIONAL FORESTER  
U.S. FOREST SERVICE

Signed by James M. Parker  
STATE DIRECTOR  
BUREAU OF LAND MANAGEMENT

Signed by Richard P. Kleason  
STATE FORESTER  
STATE OF UTAH

Violation of the above prohibited acts is punishable by a fine of not more than \$500 and/or imprisonment for not more than six months (16 USC 551) and/or appropriate State laws.

## EXHIBIT A

### Definitions

- CAMPFIRE:** Means a fire, not within any building, mobile home or living accommodation mounted on a vehicle, which is used for cooking, personal warmth, lighting, ceremonial, or esthetic purposes. Campfires are open fires, usually built on the ground, from native forest fuels or charcoal.
- STOVE FIRE:** Means a fire built inside an enclosed stove or a pressurized liquid or gas stove, including a space heating device.
- DEVELOPED/  
DESIGNATED  
RECREATION  
SITE:** Means an area which has been improved or developed for recreation by the governing agencies.
- CHAINSAWS:** A saw powered by an internal combustion engine, with cutting teeth linked in an endless chain.
- DESIGNATED  
AREA:** A geographic area defined by the responsible land management agency in which a specific land use activity is occurring.
- PERMIT:** The only acceptable permit is a written one, authorizing the otherwise prohibited act, and issued by an authorized agency representative.

B. Additional Requirements According To Onshore Oil and Gas Order No. 2

- 3000 psi BOP & BOPE:

Upper kelly cock valve with handle available,

Safety valve and subs to fit all drill strings in use,

All BOPE connections subjected to well pressure shall be flanged, welded, or clamped,

Fill-up line above the uppermost preventer,

- If repair or replacement of the BOPE is required after testing, this work shall be performed prior to drilling out the casing shoe, and

- When the BOPE cannot function to secure the hole, the hole shall be secured using cement, retrievable packer or bridge plug packer, bridge plug or other acceptable approved methods to assure safe well conditions.

- Choke Manifold Equipment:

All choke lines shall be straight lines unless turns use tee blocks or are targeted with running tees, and shall be anchored to prevent whip and reduce vibration.

All valves (except chokes) in the kill line, choke manifold and choke line shall be a type that does not restrict the flow (full opening) and that allows a straight through flow.

Pressure gauges in the well control system shall be a type designed for drilling fluid service.

- 3000 psi system - Accumulator Equipment:

Accumulator shall have sufficient capacity to open the hydraulically controlled choke line valve (if so equipped), close all rams plus the annual preventer, and retain a minimum of 200 psi above precharge on the closing manifold without the use of the closing unit pumps. This is a minimum requirement. The fluid reservoir capacity shall be double the accumulator capacity and fluid level maintained at manufacturer's recommendations. The 3M system shall have 2 independent power sources to close the preventers. Nitrogen bottles (3 minimum) may be 1 of the independent power sources and, if so, shall maintain a charge equal to the manufacturer's specifications.

Accumulator precharge pressure test: This test shall be conducted prior to connecting the closing unit to the BOP stack and at least once every 6 months. The accumulator pressure shall be corrected if the measure precharge pressure is found to be above or below the maximum limit specified within Onshore Order Number 2.

Power for the closing unit pumps shall be available to the unit at all times so that the pumps shall automatically start when the closing unit manifold pressure has decreased to a pre-set level.

Each BOP closing unit shall be equipped with sufficient number and sizes of pumps so that, with the accumulator system isolated from service, the pumps shall be capable of opening the hydraulically-operated gate valve (if so equipped), plus closing the annular preventer on the smallest size drill pipe to be used within 2 minutes, and obtain a minimum of 200 psi. above specified accumulator precharge pressure.

A manual locking device (i.e., hand wheels) or automatic locking devices shall be installed on all systems of 2M or greater. A valve shall be installed in the closing line as close as possible to the annular preventer to act as a locking device. This valve shall be maintained in the open position and shall be closed only when the power source for the accumulator system is inoperative.

Remote controls shall be readily accessible to the driller. Remote controls for all 3M or greater systems shall be capable of closing all preventers.

- BOP Testing:

Pressure tests on ram type preventers shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed off of pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10 percent in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test of BOP stack.

Annular BOP pressure tests shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above tests shall be performed:

- \*\*When initially installed;
- \*\*Whenever any seal subject to test pressure is broken;
- \*\*Following related repairs; and
- \*\*At 30 day intervals.

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s), the check valve shall be held open or the ball removed.

Annular preventers shall be functionally operated at least weekly. Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

A BOPE pit level drill shall be conducted weekly for each drilling crew.

Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log.

- Casing and Cementing:

All waiting on cement times shall be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.

All casing, except the conductor casing, shall be new or reconditioned and tested used casing that meets or exceeds API standards for new casing.

The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing.

All of the above described tests shall be recorded in the drilling log.

All indications of usable water shall be reported to the authorized officer prior to running the next string of casing or before plugging orders are requested, whichever occurs first.

Surface casing shall have centralizers on at least the bottom three joints depending on severity of hole inclination.

Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method, etc. shall be utilized to help isolate the cement from contamination by the mud fluid being displaced ahead of the cement slurry.

All casing strings below the conductor shall be pressure tested to 0.22 psi/ft. of casing string length or 1500 psi, whichever is greater, but not to exceed 70 percent of the minimum internal yield. If pressure declines more than 10 percent in 30 minutes, corrective action shall be taken.

- Mud Program Requirements:

The characteristics, use and testing of drilling mud and the implementation of related drilling procedures shall be designed to prevent the loss of well control. Sufficient quantities of mud materials shall be maintained or readily accessible for the purpose of assuring well control.

- Record slow pump speed on daily drilling report after mudding up.
- Visual mud monitoring equipment shall be in place to detect volume changes indicating loss or gain of circulating fluid volume.
- A mud test shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, filtration, and pH.
- All flare systems shall be designed to gather and burn all gas. The flare line(s) discharge shall be located not less than 100 feet from the well head, having straight lines unless turns are targeted with running tees, and shall be positioned downwind of the prevailing wind direction and shall be anchored. The flare system shall have an effective method for ignition. Where non-combustible gas is likely or expected to be vented, the system shall be provided supplemental fuel for ignition and to maintain a continuous flare.

- Drill Stem Testing Requirements:

Initial opening of drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping shall not begin before daylight, unless prior approval is obtained from the authorized officer. Closed chamber DSTs may be accomplished day or night.

- A DST that flows to the surface with evidence of hydrocarbons shall be either reversed out of the testing string under controlled surface conditions, or displaced into the formation prior to pulling the test tool. This would involve providing some means for reverse circulation.
- Separation equipment required for the anticipated recovery shall be properly installed before a test starts.

-All engines within 100 feet of the wellbore that are required to "run" during the test shall have spark arresters or water cooled exhausts.

- Special Drilling Operations:

In addition to the equipment already specified elsewhere in Onshore Order No. 2 , the following equipment shall be in place and operational during air/gas drilling:

- Properly lubricated and maintained rotating head;
- Spark arresters on engines or water cooled exhaust;
- Blooie line discharge 100 feet from well bore and securely anchored;
- Straight run on blooie line unless otherwise approved;
- Deduster equipment;
- All cuttings and circulating medium shall be directed into a reserve or blooie pit;
- Float valve above bit;
- Automatic igniter or continuous pilot light on the blooie line;
- Compressors located in the opposite direction from the blooie line a minimum of 100 feet from the well bore;
- Mud circulating equipment, water, and mud materials (does not have to be premixed) sufficient to maintain the capacity of the hole and circulating tanks or pits.

NOTIFICATIONS

Notify Mike Wade of the San Juan Resource Area, at  
 (801) 587-2141 or home at (801) 587-2026 for the following:

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

1 day prior to spudding;

1 day prior to running and cementing surface casing;

1 day prior to pressure testing of surface casing.

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

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

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

Home Phone: (801) 259-6239

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

Home Phone: (801) 259-2214

If unable to reach the above individuals including weekends, holidays,  
 or after hours please call the following:

Lynn Jackson, Chief, Branch of Fluid Minerals

Office Phone: (801) 259-6111

Home Phone: (801) 259-7990

24 HOURS ADVANCE NOTICE IS REQUIRED FOR ALL ABANDONMENTS.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

API NO. 43-037-31470

NAME OF COMPANY: BTA OIL PRODUCERS

WELL NAME: 8822 JV-P CEDAR POINT #1

SECTION NWNW 12 TOWNSHIP 36S RANGE 25E COUNTY SAN JUAN

DRILLING CONTRACTOR EXETER DRILLING COMPANY

RIG # 68

SPUDDED: DATE 9-16-89

TIME 5:00 P.M.

HOW ROTARY

DRILLING WILL COMMENCE 9-16-89

REPORTED BY DOROTHY HOUGHTON

TELEPHONE # (915) 682-3753

DATE 9-18-89 SIGNED LCR

OPERATOR BTA OIL PRODUCERS

OPERATOR ACCT. NO. N 0310

ADDRESS 104 South Pecos

Midland, TX 79701

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	11012	43-037-31470	Cedar Point, #1 8822 JV-P	NW/ NW	12	36-S	25-E	San Juan	9-16-89	
WELL 1 COMMENTS: Federal lease. Field - Undesignated Unit - N/A Proposed Zone - OSCR (Entity added 9-26-89) for											
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.

(3/89)

**RECEIVED**  
SEP 20 1989

DIVISION OF  
OIL, GAS & MINING

*Dorothy Houghton*  
Signature DOROTHY HOUGHTON

Reg. Administrator 9/18/89

Title Date

Phone No. (915) 682-3753

COPY TO DON TRACY.

CEDAR POINT #1



DG+E

2506 West Main Street  
Farmington, New Mexico 87401  
Tel. (505) 326-4737

CLIENT: BTA Oil Producers

DATE REPORTED: 10/05/89

SITE: Top Sample

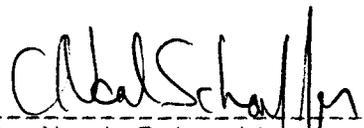
DATE RECEIVED: 09/29/89

LAB NO: F3077

DATE COLLECTED: 09/29/89

Lab pH.....	7.55
Lab Conductivity, umhos/cm.....	1522
Lab resistivity, ohm-m.....	6.3211
Total Alkalinity as CaCO <sub>3</sub> , mg/l.....	59.40
Total Acidity as CaCO <sub>3</sub> , mg/l.....	0.00
Total Hardness as CaCO <sub>3</sub> , mg/l.....	458.93
Sodium Absorption Ratio.....	3.72

	mg/l	meq/l
Bicarbonate as HCO <sub>3</sub> .....	72.47	1.19
Carbonate as CO <sub>3</sub> .....	0.00	0.00
Chloride.....	421.25	11.68
Sulfate.....	175.30	3.65
Calcium.....	128.01	6.39
Magnesium.....	33.94	2.79
Potassium.....	8.64	0.22
Sodium.....	183.40	7.98
Major Cations.....		17.38
Major Anions.....		16.72
Cation/Anion Difference.....		1.92 %

  
 C. Neal Schaeffer  
 Lab Director

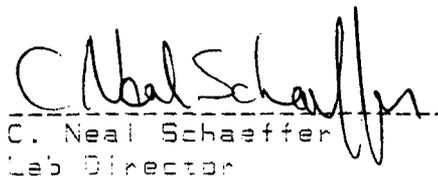


2506 West Main Street  
Farmington, New Mexico 87401  
Tel. (505) 326-4737

CLIENT: BTA Oil Producers                      DATE REPORTED: 10/05/89  
SITE: DST-1 Middle 5934-5954                      DATE RECEIVED: 09/29/89  
LAB NO: F3278                                      DATE COLLECTED: 09/29/89

Lab pH..... 7.53  
Lab Conductivity, umhos/cm..... 30989  
Lab resistivity, ohm-m..... 0.3227  
Total Alkalinity as CaCO<sub>3</sub>, mg/l..... 108.90  
Total Acidity as CaCO<sub>3</sub>, mg/l..... 0.00  
Total Hardness as CaCO<sub>3</sub>, mg/l..... 9599.71  
Sodium Absorption Ratio..... 20.36

	mg/l	meq/l
Bicarbonate as HCO <sub>3</sub> .....	132.86	2.18
Carbonate as CO <sub>3</sub> .....	0.00	0.00
Chloride.....	13083.60	369.07
Sulfate.....	557.17	11.61
Calcium.....	3284.58	163.90
Magnesium.....	341.61	28.09
Potassium.....	310.00	7.93
Sodium.....	4585.00	199.43
Major Cations.....		399.36
Major Anions.....		382.86
Cation/Anion Difference.....		2.11 %

  
C. Neal Schaeffer  
Lab Director



2506 West Main Street  
Farmington, New Mexico 87401  
Tel. (505) 326-4737

CLIENT: BTA Oil Producers                      DATE REPORTED: 10/05/89  
SITE: Bottom Sample                              DATE RECEIVED: 09/29/89  
LAB NO: F3079                                      DATE COLLECTED: 09/29/89

Lab pH..... 6.98  
Lab Conductivity, umhos/cm..... 42780  
Lab resistivity, ohm-m..... 0.2338  
Total Alkalinity as CaCO<sub>3</sub>, mg/l..... 8761.50  
Total Acidity as CaCO<sub>3</sub>, mg/l..... 0.00  
Total Hardness as CaCO<sub>3</sub>, mg/l..... 48314.34  
Sodium Absorption Ratio..... 19.37

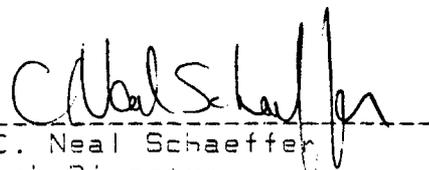
	mg/l	meq/l
Bicarbonate as HCO <sub>3</sub> .....	10689.03	175.23
Carbonate as CO <sub>3</sub> .....	0.00	0.00
Chloride.....	41480.97	1170.13
Sulfate.....	687.20	14.32
Calcium.....	16422.90	819.51
Magnesium.....	1784.85	146.78
Potassium.....	670.20	17.14
Sodium.....	9786.00	425.66
Major Cations.....		1409.09
Major Anions.....		1359.67
Cation/Anion Difference.....		1.78 %

  
C. Neal Schaeffer  
Lab Director

CLIENT: BTA Oil Producers                      DATE REPORTED: 10/05/89  
 SITE: Sample Chamber                              DATE RECEIVED: 09/29/89  
 LAB NO: F3080                                      DATE COLLECTED: 09/29/89

Lab pH..... 5.75  
 Lab Conductivity, umhos/cm..... 158841  
 Lab resistivity, ohm-m..... 0.0630  
 Total Alkalinity as CaCO<sub>3</sub>, mg/l..... 31.35  
 Total Acidity as CaCO<sub>3</sub>, mg/l..... 0.00  
 Total Hardness as CaCO<sub>3</sub>, mg/l..... 3496.05  
 Sodium Absorption Ratio..... 60.81

	mg/l	meq/l
Bicarbonate as HCO <sub>3</sub> .....	38.25	0.63
Carbonate as CO <sub>3</sub> .....	0.00	0.00
Chloride.....	212113	5983.44
Sulfate.....	691.32	14.40
Calcium.....	55290.43	2759.00
Magnesium.....	8996.44	739.84
Potassium.....	4848.00	123.78
Sodium.....	58470.00	2543.28
Major Cations.....		6166.11
Major Anions.....		5998.47
Cation/Anion Difference.....		1.38 %

  
 C. Neal Schaeffer  
 Lab Director



2506 West Main Street  
Farmington, New Mexico 87401  
Tel. (505) 326-4737

CLIENT: BTA Oil Producers

DATE REPORTED: 10/05/89

SITE: Sample Chamber-5634-5654  
LAB NO: F3081

DATE RECEIVED: 09/29/89  
DATE COLLECTED: 09/29/89

Lab pH..... 5.78  
Lab Conductivity, umhos/cm..... 157964  
Lab resistivity, ohm-m..... 0.0633  
Total Alkalinity as CaCO<sub>3</sub>, mg/l..... 80.85  
Total Acidity as CaCO<sub>3</sub>, mg/l..... 0.02  
Total Hardness as CaCO<sub>3</sub>, mg/l..... 3365.63  
Sodium Absorption Ratio..... 62.51

	mg/l	meq/l
Bicarbonate as HCO <sub>3</sub> .....	99.64	1.62
Carbonate as CO <sub>3</sub> .....	0.00	0.00
Chloride.....	212856	6004.41
Sulfate.....	190.11	3.96
Calcium.....	11058.09	551.80
Magnesium.....	34248.87	2816.52
Potassium.....	4929.00	126.05
Sodium.....	58980.00	2565.46
Major Cations.....		6059.84
Major Anions.....		6009.99
Cation/Anion Difference.....		0.41 %

  
C. Neal Schaeffer  
Lab Director

REPORT OF WATER ENCOUNTERED DURING DRILLING - FORM 7

1. Well name and number: 8822 JV-P Cedar Point, Well No. 1  
 API number: 43-037-31470

2. Well location: QQ NW/NW section 12 township 36 range 25 county San Juan

3. Well operator: BTA OIL PRODUCERS  
 Address: 104 South Pecos phone: (915)682-3753  
Midland, TX 79701

4. Drilling contractor: Exeter Drilling Co.  
 Address: P. O. Box 17349 phone: (303)861-0181  
Denver, CO 80217

5. Water encountered (continue on reverse side if necessary)

Depth		Volume (flow rate or head)	Quality (fresh or salty)
from	to		
5,934	5,954	1,100 cc	Salty
5,941	5,944	50 bbls	Salty

OIL AND GAS	
DRN	RJF
JRS	GLH
DTG	SLS

6. Formation tops: Chinle 1600 U. Ismay 5625  
Shinarump 2326 L. Ismay 5768  
Cutler 2578 Desert Creek 5881  
Honaker Trail 4304 Akah 5985

2- GAS	
3- MICROFILM	<input checked="" type="checkbox"/>
4- FILE	

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I certify that this report is true and complete to the best of my knowledge.

Name DOROTHY HOUGHTON  
 Title Regulatory Administrator

Signature *Dorothy Houghton*  
 Date 10/16/89

Comments:



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE\*

(See other instructions on reverse side)

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

5. LEASE DESIGNATION AND SERIAL NO.

UTU 65746

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

8822 JV-P Cedar Point

9. WELL NO.

1

10. FIELD AND POOL, OR WILDCAT

Bug

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

Sec. 12, T-36-S, R-25-E

12. COUNTY OR PARISH

San Juan

13. STATE

Utah

WELL COMPLETION OR RECOMPLETION REPORT AND LOG \*

1a. TYPE OF WELL: OIL WELL  GAS WELL  DRY  Other \_\_\_\_\_

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

2. NAME OF OPERATOR  
BTA OIL PRODUCERS

3. ADDRESS OF OPERATOR  
104 S. Pecos; Midland, Texas 79701

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\*  
At surface 735' FNL & 565' FWL

At top prod. interval reported below

At total depth

NW/NW

14. PERMIT NO. 43-037-31470 DATE ISSUED 08-08-89

15. DATE SPUDDED 09-16-89 16. DATE T.D. REACHED 09-29-89 17. DATE COMPL. (Ready to prod.) 10-12-89 (P&A) 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)\* 6216' GR 6227' KB 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 6015' 21. PLUG, BACK T.D., MD & TVD 22. IF MULTIPLE COMPL., HOW MANY\* 23. INTERVALS DRILLED BY 6015' ROTARY TOOLS CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)\* 25. WAS DIRECTIONAL SURVEY MADE No

26. TYPE ELECTRIC AND OTHER LOGS RUN GR-CCL ~~DT-SEL~~ CN-LD Raw SHOT Data 27. WAS WELL CORED No

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

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13-3/8"		60'			
9-5/8"	36#	1938'	12-1/4"	1000 sx - Surface	
5-1/2"	15.5 & 17#	6015'	8-3/4"	1800 sx - Surface	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)

31. PERFORATION RECORD (Interval, size and number) DRB GLH DTS SLS

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC. DEPTH INTERVAL (MD) AMOUNT AND KIND OF MATERIAL USED

33.\* PRODUCTION DATE FIRST PRODUCTION PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) MICROFILM WELL STATUS (Producing or shut-in)

DATE OF TEST HOURS TESTED CHOSE SIZE 3 FILE FOR TEST PERIOD OIL—BBL. GAS—MCF. WATER—BBL. GAS-OIL RATIO

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

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

35. LIST OF ATTACHMENTS 3160-5, Logs -2- (1xc State)

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

SIGNED Dorothy Houghton TITLE Regulatory Administrator DATE 10-24-89

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

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

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	GEOLOGIC MARKERS		
				NAME	MEAS. DEPTH	TOP TRUE VERT. DEPTH
Desert Creek	5934'	5954'	DST #1  Pressures: IH 3,437 psi 10 min PF 792-1,266 psi* 60 min ISI 3,413 psi 60 min FF 1,192-1,303 psi 180 min FSI 3,385 psi FH 3,413 psi  * (2,000' fresh water blanket run on test) Sampler: 1,300 psi - 6.4 SCF gas; 500 cc oil (45 API @ 60 F) & 1,100 cc water (CL 212,000 ppm)	Chinle	1,600	
				Shinarump	2,326	
				Cutler	2,578	
				Honaker Trail	4,304	
				U. Ismay	5,625	
				L. Ismay	5,768	
				Desert Creek	5,881	
				Akah	5,985	

38.



MIDLAND PARTNERS  
CARLTON BEAL  
CARLTON BEAL, JR.  
BARRY BEAL  
SPENCER BEAL  
KELLY BEAL

DENVER PARTNER  
BARRY BEAL, JR.

BTA OIL PRODUCERS  
104 SOUTH PECOS  
MIDLAND, TEXAS 79701  
AC 915-682-3753

November 6, 1989

ROCKY MOUNTAIN DIVISION  
555-17TH STREET  
SUITE 835  
DENVER, CO 80202  
AC 303-292-9299

RE: Confidentiality of Well Log Information  
8822 JV-P Cedar Point, Well No. 1  
Section 12, T-36-W, R-25-E  
San Juan County, Utah

STATE OF UTAH  
Dept. of Natural Resources  
Division of Oil, Gas & Mining  
3 Triad Center, Suite 350  
355 W. North Temple  
Salt Lake City, Utah 84180-1203

Attn: Ms. Tammy Searing

RECEIVED  
NOV 08 1989

DIVISION OF  
OIL, GAS & MINING

Ms. Searing:

Please be advised that we hereby request all well logs, completion and sundry notices on the above referenced well be held CONFIDENTIAL.

Thank you for handling this request.

Sincerely,

DOROTHY HOUGHTON  
For BTA Oil Producers

DH/pdi