

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS: WELL LOG ELECTRIC LOGS FILE  WATER SANDS LOCATION INSPECTED SUB. REPORT/abd.

DATE FILED **10-22-90**

LAND: FEE & PATENTED STATE LEASE NO. PUBLIC LEASE NO. **U-7303** INDIAN

DRILLING APPROVED: **11-25-90**

SPUDED IN:

COMPLETED: **4-21-92 LA** PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR:

PRODUCING ZONES:

TOTAL DEPTH:

WELL ELEVATION:

DATE ABANDONED: **LAD Per BLM eff 4-21-92**

FIELD: **MEXICAN HAT**

UNIT:

COUNTY: **SAN JUAN**

WELL NO. **GERAUER-GROOM 42** API NO. **43-037-31578**

LOCATION **1357' FNL** FT. FROM (N) (S) LINE. **938' FEL** FT. FROM (E) (W) LINE. **SE NE** 1/4 - 1/4 SEC. **7**

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
				<b>42S</b>	<b>19E</b>	<b>7</b>	<b>WESGRA OIL CORPORATION</b>

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**RECEIVED**  
OCT 22 1990  
DIVISION OF OIL, GAS & 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

5. LEASE DESIGNATION AND SERIAL NO.  
U-7303  
 6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
 7. UNIT AGREEMENT NAME  
 8. FARM OR LEASE NAME  
Gebauer-Groom  
 9. WELL NO.  
42  
 10. FIELD AND POOL, OR WILDCAT  
Mexican Hat 410  
 11. SEC., T., R., M., OR BLK. AND SURVEY OR ARRA  
Sec 7, 42S, 19E  
 12. COUNTY OR PARISH  
San Juan  
 13. STATE  
Utah

2. NAME OF OPERATOR  
Wesgra Oil Corp

3. ADDRESS OF OPERATOR  
P.O. Box 367, Mexican Hat, Utah 84531

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)  
 At surface 1357 from the north line  
 At proposed prod. zone 938' from the east line

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 one half mile      SENE

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

16. NO. OF ACRES IN LEASE  
350

17. NO. OF ACRES ASSIGNED TO THIS WELL  
5

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.  
300'

19. PROPOSED DEPTH  
700' HNKRT

20. ROTARY OR CABLE TOOLS  
rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
4170

22. APPROX. DATE WORK WILL START\*

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	8 5/8	20 pd	30 ft	7 sacks
7 7/8	5 1/2	14 pd	200 ft	24 sacks

1. 2,4,5,8, 9
3. surface fromation (Supait)
6. estimated top of geological marker Goodridge 200'
7. estimated depth of water, oil, or gas Goodridge zone 200'
10. pressure equipment, 6" valve no gas pressure in these zones
11. circulating medium, air and foam
12. testing samples only
13. abnormal pressures or temperatures, none no hydrogen sulfite
14. anticipated starting time, when approved or reasonable time there after

duration of drilling operation 6 to 9 days  
 proposed depth, little loop zone 600' to 800ft

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 Mc Skeen TITLE president DATE 10-17-90

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

(This space for Federal or State office use)  
 API PERMITS NO. 43-037-31578

APPROVAL DATE \_\_\_\_\_ DATE: 10/25/90  
 BY: [Signature]  
 WELL SPACING: 150-3

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

\*See Instructions On Reverse Side

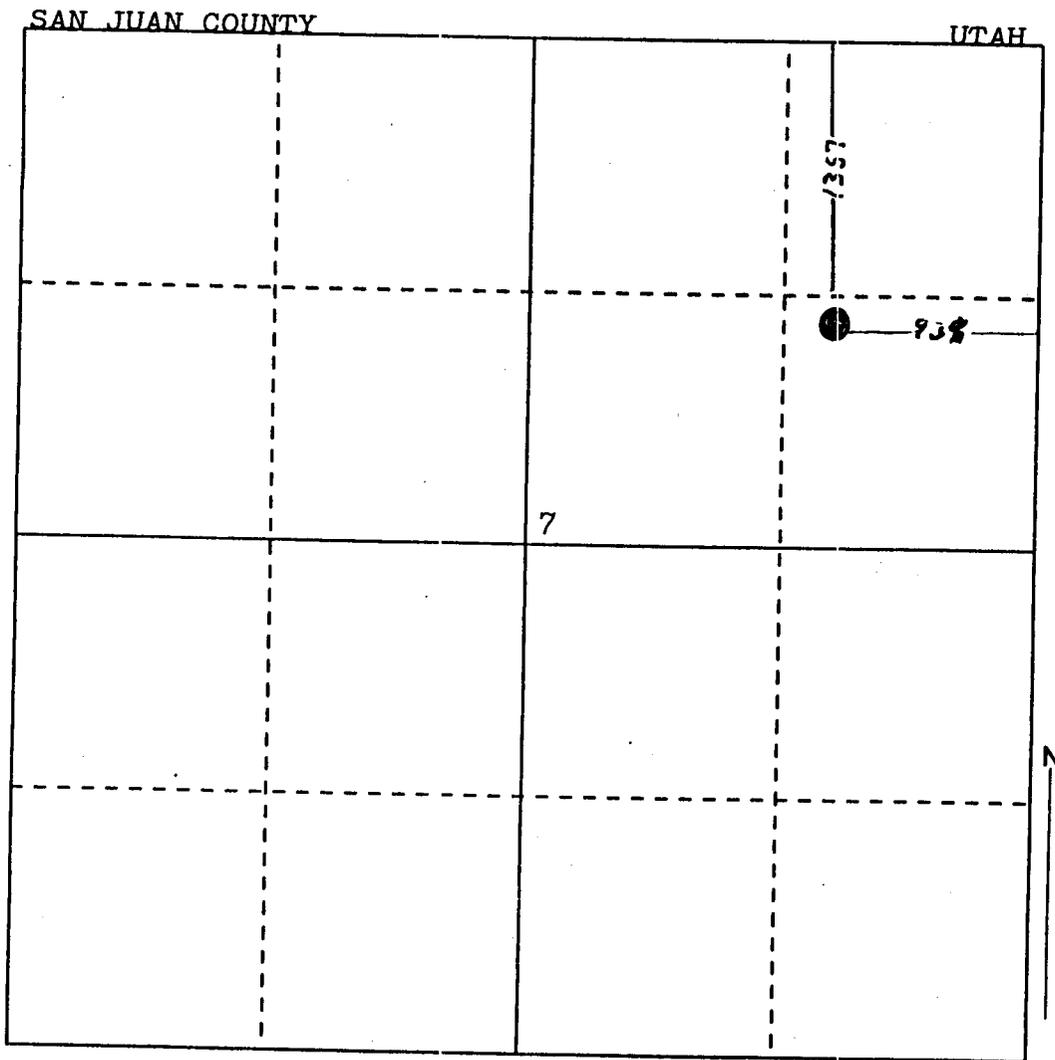
COMPANY WESGRO OIL COMPANY

LEASE GIBAUER - GROOM WELL NO. 42

SEC. 7 T. 42 S. R. 19 E. S.L.M.

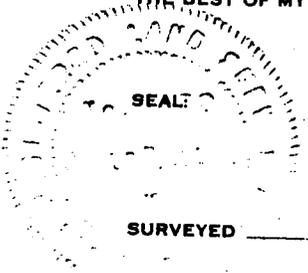
LOCATION 1357 FEET FROM THE NORTH LINE and  
938 FEET FROM THE EAST LINE.

ELEVATION 4170



SCALE - 1 INCH EQUALS 1000 FEET

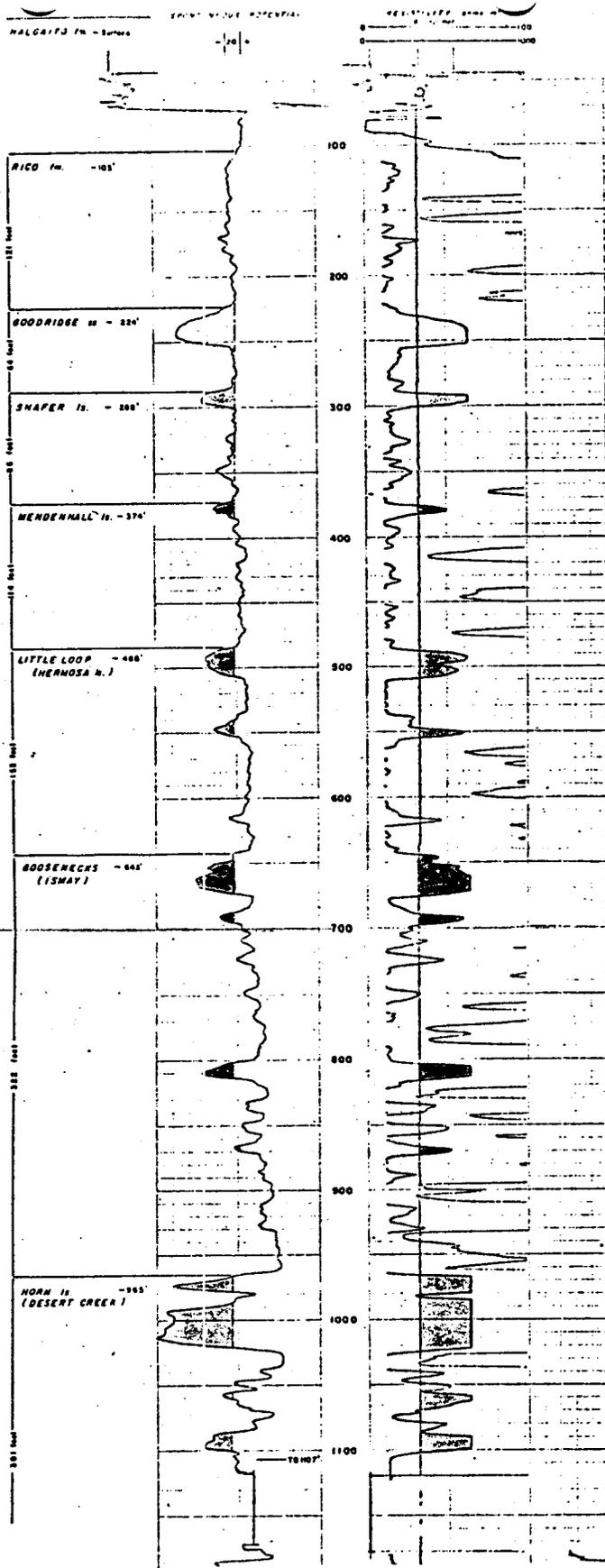
THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



*James P. Leese*  
Registered Land Surveyor.

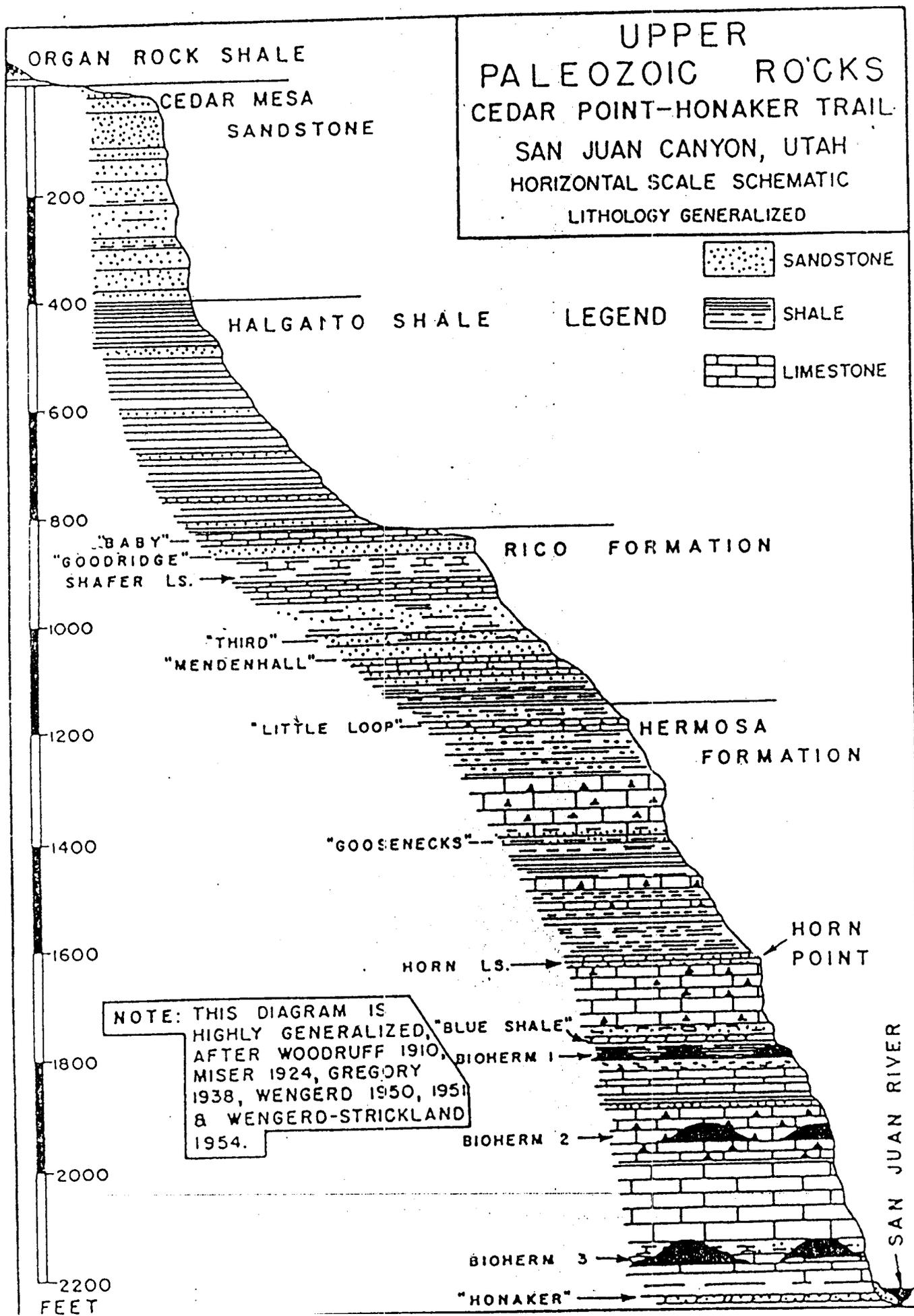
James P. Leese  
Utah Reg. No. 1472

SURVEYED 20 May 19 88

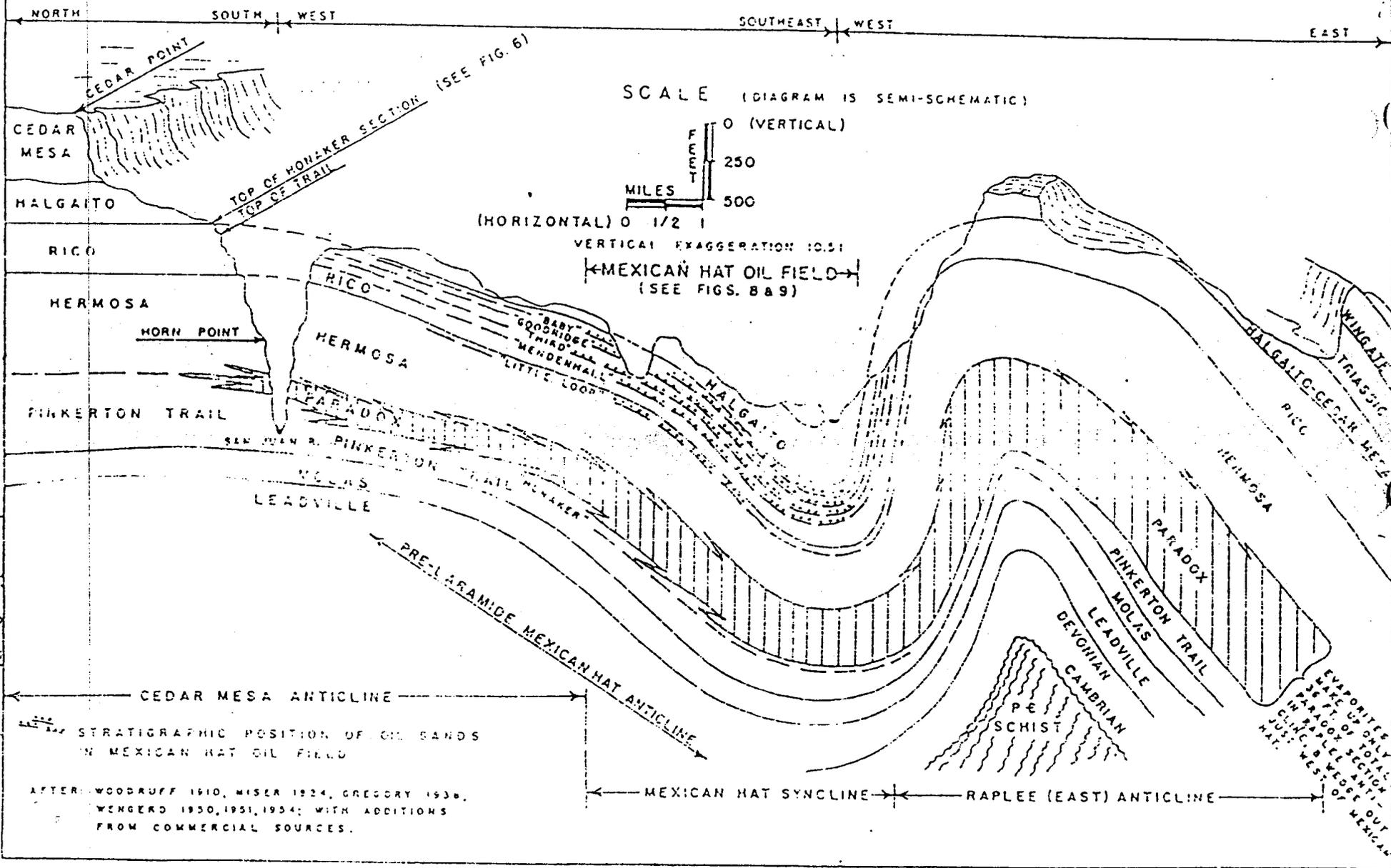


SHIPROCK OIL AND GAS CORPORATION  
 NO. 1 OGBALER  
 MEXICAN HAT AREA  
 SAN JUAN COUNTY, UTAH  
 BEING SEC 7 - T42N, R19E  
 1010' PNL, 021' PNL  
 ELEV. 4972 5/6

**EXHIBIT b**



# CROSS SECTION-MEXICAN HAT AREA, SAN JUAN COUNTY, UTAH



BEFORE THE BOARD OF OIL, GAS AND MINING  
DEPARTMENT OF NATURAL RESOURCES  
IN AND FOR THE STATE OF UTAH

IN THE MATTER OF THE APPLICATION )  
OF SAN JUAN MINERALS EXPLORATION )  
COMPANY FOR AN EXCEPTION TO THE )  
WILD CAT WELL SPACING PATTERN )  
ESTABLISHED BY RULE C-3, OF THE )  
GENERAL RULES AND REGULATIONS, )  
AND AMENDING PRIOR ORDERS OF THE )  
BOARD IN CAUSE NO. 156-1 TO GRANT )  
UNRESTRICTED SPACING IN CERTAIN )  
PORTIONS OF THE MEXICAN HAT AREA, )  
SAN JUAN COUNTY, STATE OF UTAH )

ORDER

CAUSE NO. 156-3 ✓

Pursuant to Notice of Hearing dated February 22, 1980, as amended, of the Board of Oil, Gas and Mining, Department of Natural Resources of the State of Utah, this Cause came on for hearing before Cleon B. Feight, acting as hearing examiner for the full Board, commencing at the hour of 9:00 a.m. on April 15, 1980, in the offices of the Division of Oil, Gas and Mining, 1588 West North Temple, Salt Lake City, Utah.

Appearing for the applicant was Anthony L. Rampton of the law firm of Fabian & Clendenin, Salt Lake City, Utah, and Robert Lauth, Certified Registered Geologist. Appearing on behalf of the Division of Oil, Gas and Mining were Denise Dragoo, Special Assistant, Utah Attorney General's Office, and Mike Minder, Petroleum Engineer.

NOW, THEREFORE, having considered the testimony presented to the hearing examiner and the exhibits received at said hearing, and being fully advised in the premises, and all persons appearing before the hearing examiner being in favor of the application, the Board now makes and enters the following:

FINDINGS OF FACT

1. Due and regular notice of the time, place and purpose of the hearing was given to all interested parties in the form and manner and within the time required by law and the rules and regulations of the Board.

2. The Board has jurisdiction over the matter covered by said Notice and over all parties interested therein and has jurisdiction to make and promulgate the Order hereinafter set forth.

3. The principal producing sand or zone in this area is the Goodridge Sand producing from shallow sand and low pressure.

4. That there has been no systematic development through the Mexican Hat Area.

5. By Order entered in Cause No. 156-1 dated September 25, 1974, the Board established five-acre spacing for drilling wells and not less than two hundred feet from any property or lease line or from the boundary of any legal subdivision comprising a governmental quarter-quarter section or equivalent lot or lots of comparable size and location and not less than 330 feet from any producible oil well, unless otherwise specifically permitted by order of the Board after notice and hearing.

6. That the oil wells producing on tracts in Sections 31 and 32, Township 41 South, and Sections 4, 5, 6, 7 and 8, Township 42 South, Range 19 East, Salt Lake Meridian, San Juan County, State of Utah, are all producing from the Goodridge producing sand.

7. That the Goodridge formation is confined to certain pockets of permeability and <sup>porosity</sup> ~~porosity~~ requiring the drilling of holes in an irregular pattern in order to discover and drain all of the recoverable oil and associated hydrocarbons from said formation.

8. That in order to facilitate the location and commercial production of oil in this area, it is necessary to allow for an amendment to the Order in Cause No. 156-1 so as to permit the drilling of wells on unrestricted spacing in the aforesated sections.

O R D E R

IT IS THEREFORE ORDERED:

A. That an exception is hereby granted to the provisions of Rule C-3, General Rules and Regulations, Division of Oil, Gas

and Mining, so as to permit the drilling of wells on unrestricted spacing to best accommodate the prevention of waste and protection of correlative rights in the development of the field and to maximize ultimate future recovery of oil and associated hydrocarbons insofar as and only insofar as the Goodridge Formation in Sections 31 and 32, Township 41 South, and Sections 4, 5, 6, 7 and 8, Township 42 South, Range 19 East, Salt Lake Meridian, San Juan County, State of Utah, and the Order of this Board in Cause No. 156-1 is hereby amended accordingly.

B. It is further Ordered that no well in said Sections shall be drilled less than 50 feet from any property or lease line or from the boundary of any legal subdivision comprising a governmental quarter-quarters section or equivalent lot or lots of comparable size unless otherwise specifically permitted by order of the Board after notice and hearing.

C. That this Order is a temporary order and the Board, on its own motion or the motion of any interested party, may file an application requesting a hearing to present new evidence covering the matter set forth herein.

D. That the Board retains continuing jurisdiction of all matters covered by this Order and particularly retains continuing jurisdiction to make further orders as appropriate and authorized by statute and applicable regulations.

ENTERED AND EFFECTIVE this 15<sup>th</sup> day of April, 1980.

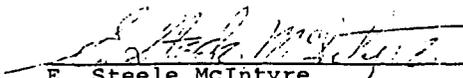
BOARD OF OIL, GAS AND MINING OF  
THE STATE OF UTAH

\_\_\_\_\_  
Charles R. Henderson

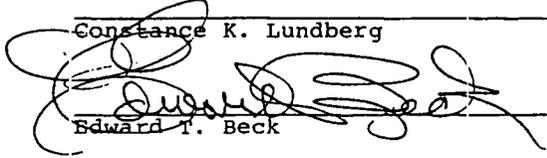
\_\_\_\_\_  
John L. Bell

\_\_\_\_\_  
Thaddeus W. Box

\_\_\_\_\_  
C. Ray Juvelin

  
E. Steele McIntyre

Constance K. Lundberg

  
Edward I. Beck

OPERATOR Wesga Oil Corp DATE 10-26-90

WELL NAME Ybarras - Groom #42

SEC SENE 7 T 42S R 19E COUNTY Lan Juan

43-037-31578  
API NUMBER

Federal (1)  
TYPE OF LEASE

CHECK OFF:

PLAT

BOND

NEAREST WELL

LEASE

FIELD

POTASH OR OIL SHALE

PROCESSING COMMENTS:

Cause indicates unstructured spacing -  
water permit

APPROVAL LETTER:

SPACING:  R615-2-3

N/A  
UNIT

R615-3-2

150-3 4-15-80  
CAUSE NO. & DATE

R615-3-3

STIPULATIONS:

1- Needs water permit



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter  
Governor

Dee C. Hansen  
Executive Director

Diannie R. Nielson, Ph.D.  
Division Director

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

November 25, 1990

Wesgra Oil Corporation  
P. O. Box 367  
Mexican Hat, Utah 84531

Gentlemen:

Re: Gebauer-Groom 42 - SE NE Sec. 7, T. 42S, R. 19E - San Juan County, Utah  
1357'FNL, 938' FEL

Approval to drill the referenced well is hereby granted in accordance with the Order of Cause No. 156-3 dated April 15, 1980 subject to the following stipulation:

1. Prior to commencement of drilling, receipt by the Division of evidence providing assurance of an adequate and approved supply of water as required by Chapter 3, Title 73, Utah Code Annotated.

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

1. Spudding notification 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 R. J. Firth, Associate Director, (Office) (801) 538-5340, (Home) 571-6068, 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  
Wesgra Oil Corporation  
Gebauer-Groom 42  
November 25, 1990

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 43-037-31578.

Sincerely,



R. J. Firth  
Associate Director, Oil & Gas

tas  
Enclosures  
cc: Bureau of Land Management  
J. L. Thompson  
we14/1-18

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  
 Wesgra Oil Corp

3. ADDRESS OF OPERATOR  
 P.O. Box 367, Mexican Hat, Utah 84531

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
 At surface: 1357' from the north line  
 At proposed prod. zone: 938' from the east line  
 43-037-31578 dl

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 one half mile

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)  
 300'

16. NO. OF ACRES IN LEASE  
 350

17. NO. OF ACRES ASSIGNED TO THIS WELL  
 5

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.  
 300'

19. PROPOSED DEPTH  
 700'

20. ROTARY OR CABLE TOOLS  
 rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
 4170

22. APPROX. DATE WORK WILL START\*

5. LEASE DESIGNATION AND SERIAL NO.  
 U-7303

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
 Gebauer-Groom

9. WELL NO.  
 42

10. FIELD AND POOL, OR WILDCAT  
 Mexican Hat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
 Sec 7, 42S, 19E

12. COUNTY OR PARISH  
 San Juan

13. STATE  
 Utah

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
--------------	----------------	-----------------	---------------	--------------------

**RECEIVED**  
 MAR 15 1991  
 DIVISION OF  
 OIL GAS & MINING

proposed depth liitl loop zone 600 to 700'

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 W.E. Steen TITLE President DATE 10-17-90

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ ASSISTANT DISTRICT MANAGER  
/S/ WILLIAM C. STRINGER for Minerals  
 APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE MAR 13 1991  
 CONDITIONS OF APPROVAL, IF ANY:

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

CONDITIONS OF APPROVAL

\*See Instructions On Reverse Side

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

beam

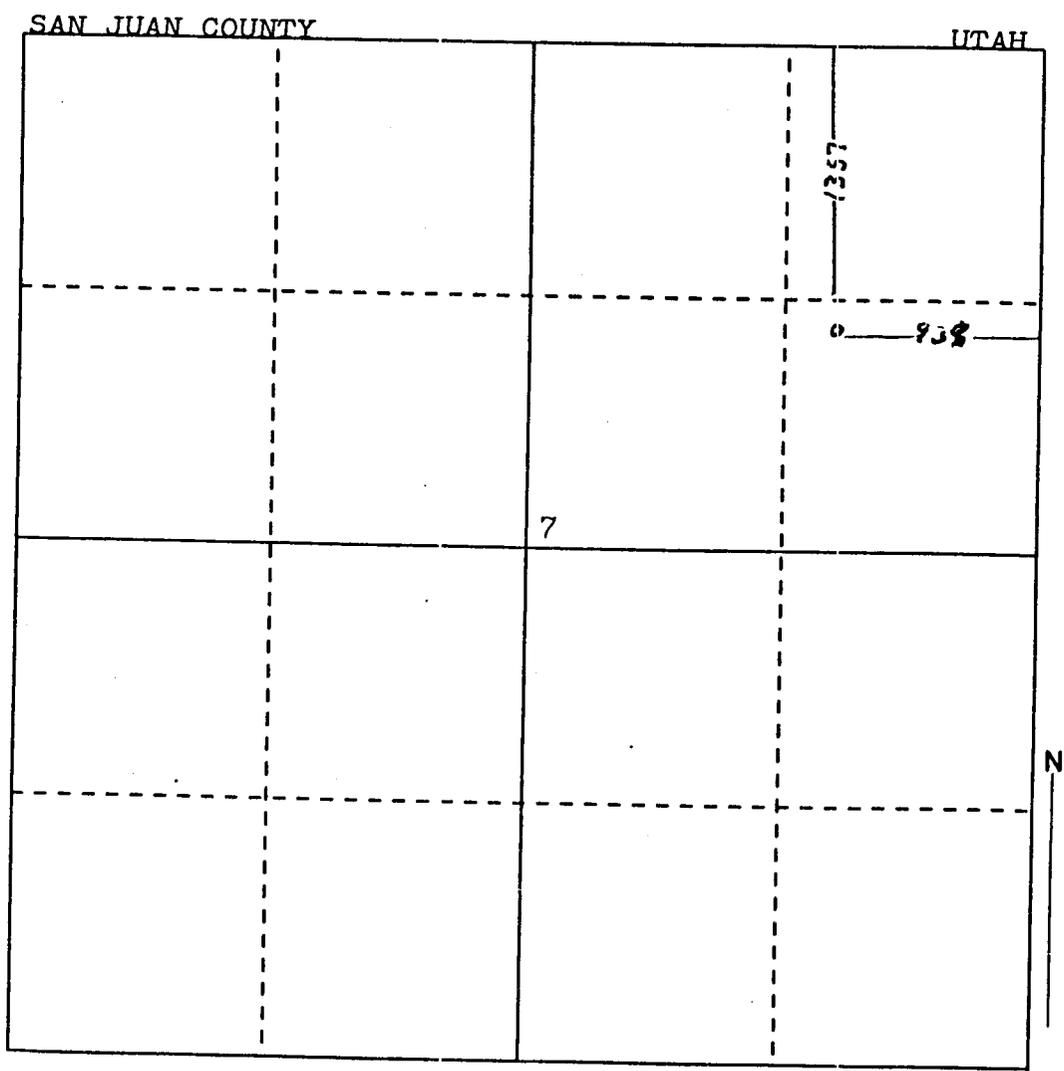
COMPANY WESGRO<sup>A</sup> OIL COMPANY

LEASE GIBAUER - GROOM WELL NO. 42

SEC. 7 T. 42 S. R. 19 E. S.L.M.

LOCATION 1357 FEET FROM THE NORTH LINE and  
938 FEET FROM THE EAST LINE.

ELEVATION 4170



SCALE - 1 INCH EQUALS 1000 FEET

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



*James P. Loese*  
 Registered Land Surveyor.  
 James P. Loese  
 Utah Reg. No. 1472

SURVEYED 20 May 19 88

Wesgra Corporation  
Well No. Gebauer-Groom 42  
SENE Sec. 7, T. 42 S., R. 19 E.  
San Juan County, Utah  
Lease U-7303

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 Wesgra Corporation 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 UT0251 (Principal - Wesgra Corporation) via surety consent as provided for in 43 CFR 3104.2.

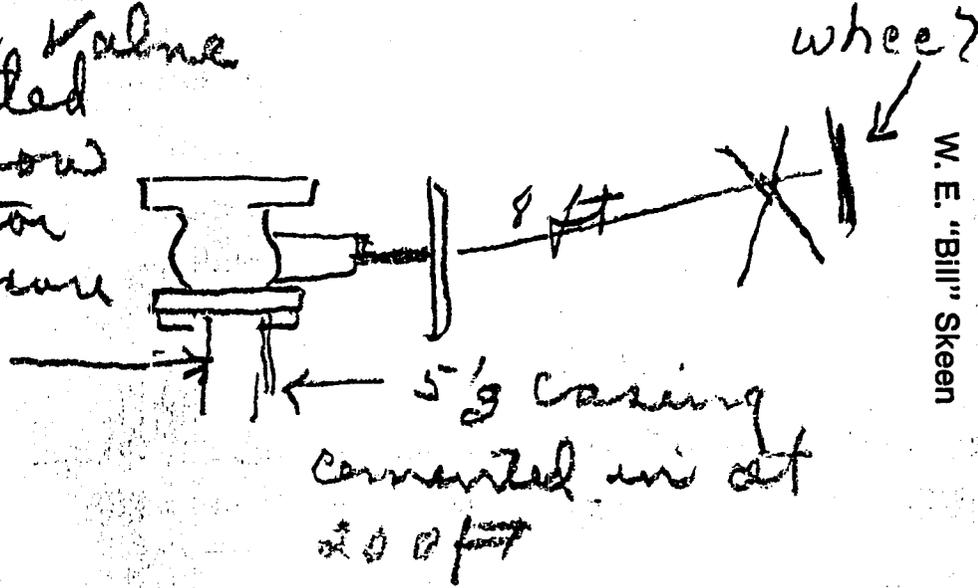
This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

A. DRILLING PROGRAM

All lease operations will be conducted in full compliance with applicable regulations (43 CFR 3100), Onshore Oil and 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. 500 lb. pressure valve shall be tested according to Onshore Order No. 2. See attached diagram.
2. Casing and cementing requirements shall comply with Onshore Order No. 2 requirements.

Walworth Valve  
Hand operated  
Valve or blow  
out separator  
500 psi pressure  
Well  
head



W. E. "Bill" Skeen

## B. Stipulations

1. All oil flow lines will be buried.
2. The disturbed areas of the buried lines will be seeded with fourwing saltbush in the same manner as required for rehabilitation.

The following stipulations were presented by Wesgra Oil Corporation in the APD.

1. All operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100, Onshore Oil and Gas Orders, and the approved plan of operations (Application for Permit to Drill)).
2. Approximately 50 feet of new road (25 feet of maximum disturbed width) would be constructed.
3. The access (including any existing non-county) road will be rehabilitated or brought to Resource (Class III) Road Standards within sixty (60) days of completion of drilling operations.
4. 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.
5. The topsoil from the access road will be reserved in place.
6. All permanent above-ground facilities (6 months or longer) would be painted a neutral, nonreflective ( SAND ) color to blend into the surrounding area, except for those required to comply with the Occupational Safety and Health Act or written company safety manual or documents.
7. If a tank battery is constructed on this location it will be surrounded by a dike of sufficient capacity to contain 1-1/2 times the storage capacity of the largest tank; all load lines and valves will be placed inside the dike surrounding the tank battery.
8. 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.

9. Gas measurement will be conducted in accordance with the ONSHORE OIL AND GAS ORDER NO. 5; GAS MEASUREMENT and 43 CFR 3162.7-3.
10. Gas meter runs for each well will be located within five hundred (500) feet of the wellhead. The gas flowline will be buried from the well head to the meter and downstream for the remainder of the pad. Meter runs will be housed and/or fenced.
11. Oil measurement will be conducted in accordance with ONSHORE OIL AND GAS ORDER NO. 4; OIL MEASUREMENT as of the effective of August 23, 1989 and 43 CFR 3162.7-2.
12. All water needed for drilling purposes will be obtained from City of Mexican Hat, UT.
13. A temporary water use permit for this operation will be obtained from the Utah State Engineer in Price, Utah (801) 637-1303.
14. Pad construction material will be obtained from on site and in place materials.
15. The use of materials under BLM jurisdiction will conform to 43 CFR 3610
16. The reserve pit will be constructed with at least 1/2 of the capacity in cut material and will be lined with native material and foam.
17. No liquid hydrocarbons (i.e. fuels, lubricants, formation) will be discharged to the reserve pit.
18. No chrome compounds will be on location.
19. All trash will be placed in a trash basket and hauled to a county refuse facility . There will be no burning of trash on location.
20. Produced waste water will be confined to the reserve pit for a period not to exceed ninety (90) days after initial production. During the ninety (90) day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the District Manager's approval pursuant to NTL-2B.
21. Camp facilities will not be required.
22. Within 24 hours of completion of drilling, the location and surrounding area will be cleared of everything not required for production.
23. As soon as the reserve pit has dried all areas not needed for production (including access road) will be filled in, recontoured to approximately natural contours and (inches/as much top soil as was removed ) replaced leaving sufficient for future restoration. The remaining top soil (if any) will be stabilized and seeded in place. If the well is a dry hole, the location and access road will be rehabilitated in total.
24. The area will be seeded between October 1 and February 28 with 6 lbs./acre of fourwing saltbush. Seed will be broadcast followed by a light harrowing.
25. 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.

26. "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.
27. The dirt contractor will be provided with an approved copy of the surface use plan.
28. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the operator as to:
  - whether the materials appear eligible for the National Register of Historic Places;
  - the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and,
  - a timeframe for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume construction.

29. 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.
30. If at any time the facilities located on public lands authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change) the BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental, or other financial obligation determined by the authorized officer.

NOTIFICATIONS

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

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

1 day prior to spudding;

50 feet prior to reaching surface casing depth;

3 hours prior to testing BOP's and surface casing.

If the person at the above number cannot be reached, then notify Fred Oneyear in the Moab District Office at (801) 259-6111 or at home (801) 259-5937 (If unsuccessful, then notify one of the following people listed below).

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 Assistant District Manager, Minerals Division. 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

RECEIVED

APR 09 1992

DIVISION OF  
OIL GAS & MINING

Moab District  
P. O. Box 970  
Moab, Utah 84532

3162 (U-065)  
(U-7303)

APR -7 1992

Wesgra Corporation  
P. O. Box 367  
Mexican Hat, Utah 84531

Re: Application for Permit to Drill  
Well No. Gebauer-Groom 42 43.037-31578  
SENE Sec. 7, T. 42 S., R. 19 E.  
San Juan County, Utah  
Lease U-7303

Gentlemen:

The Application for Permit to Drill the referenced well was approved on March 13, 1991. Since that date, no known activity has transpired at the approved location.

Applications for permit to drill are effective for a period of one year. In view of the foregoing, this office is rescinding the approval of the referenced application.

Should you intend to drill at this location at a future date, a new application for permit to drill must be submitted.

If you have any questions, please contact the Branch of Fluid Minerals at (801) 259-6111.

Sincerely yours,

**/S/ WILLIAM C. STRINGER**

Assistant District Manager  
Mineral Resources

Enclosure:  
Application for Permit to Drill

cc: San Juan Resource Area (w/o encl.)  
State of Utah, Division of Oil, Gas and Mining (w/o encl.) ✓

VButts:vb:4/3/92



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Norman H. Bangertor  
Governor

Dee C. Hansen  
Executive Director

Dianne R. Nielson, Ph.D.  
Division Director

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

April 21, 1992

Wesgra Corporation  
P.O. Box 367  
Mexican Hat, Utah 84531

Gentlemen:

Re: Well No. Gebauer-Groom #42, Sec. 7, T. 42S, R. 19E, San Juan County, Utah,  
API No. 43-037-31578

In concert with action taken by the U.S. Bureau of Land Management, approval to drill the above referenced well is hereby rescinded. A new Application for Permit to Drill must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division of Oil, Gas and Mining immediately.

Sincerely,

A handwritten signature in black ink that reads "Don Staley".

Don Staley  
Administrative Manager  
Oil and Gas

DME

cc: R.J. Firth  
Bureau of Land Management - Moab  
Well file

WOI196