

UTAH OIL AND GAS CONSERVATION COMMISSION

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

DATE FILED **OCTOBER 11, 1994**

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

DRILLING APPROVED: **DECEMBER 22, 1994**

SPUDED IN:

COMPLETED: PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR

PRODUCING ZONES:

TOTAL DEPTH:

WELL ELEVATION:

DATE ABANDONED: **LOCATION ABANDONED PER BLM EFF. MAY 23, 1996**

FIELD: **MEXICAN HAT FIELD**

UNIT: **NA**

COUNTY: **SAN JUAN**

WELL NO. **GEBAUER-GROOM #80** API NO. **43-037-31750**

LOCATION **1422' FNL** FT. FROM (N) (S) LINE, **2440' FEL** FT. FROM (E) (W) LINE. **SW NE** 1/4 - 1/4 SEC. **7**

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
				42S	19E	7	WESGRA CORPORATION

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

RECEIVED
OCT 11 1994
SUBMIT IN TRIPLICATE
(Other instructions reverse side)

5. LEASE DESIGNATION AND SERIAL NO.
U-7303

6. INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Gebauer-Groom

9. WELL NO.
80

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

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 Corporation

3. ADDRESS OF OPERATOR
P.O. Box 310-367, Mexican Hat, Utah 84531

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface 1422' from the north line
At proposed prod. zone 2440' from the east line

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
three quarters if a nuke

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any)
1400 ft.

16. NO. OF ACRES IN LEASE
320

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.
400 ft.

19. PROPOSED DEPTH
740'

20. ROTARY OR CABLE TOOLS
rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
4320 estimated

22. APPROX. DATE WORK WILL START*
some time after approval

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11 "	8 5/8"	28 pd	30 ft.	5 sacks
6 3/4"	4 1/2"	12 1/2 pd	320?	30 sacks

1,2,4,5,8,9

- 3. surface formation Supaie
- 6. estimated top of first formation Goodridge at around 169'
- 7. estimated depth of water, oil or gas Goodridge at 160'
- 10. pressure equipment not required
- 11. circulating material air and foam
- 12. testing, logging samples only
- 13. abnormal pressures or temperatures none expected
- 14. estimated starting time soon after approval

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. Skeen TITLE Presudebt DATE 10-6-94

(This space for Federal or State office use)

PERMIT NO. 43-037-31750

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

APPROVED BY _____ TITLE _____

DATE: 12/22/94
BY: JAN [Signature]

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side WELL SPACING 156-3

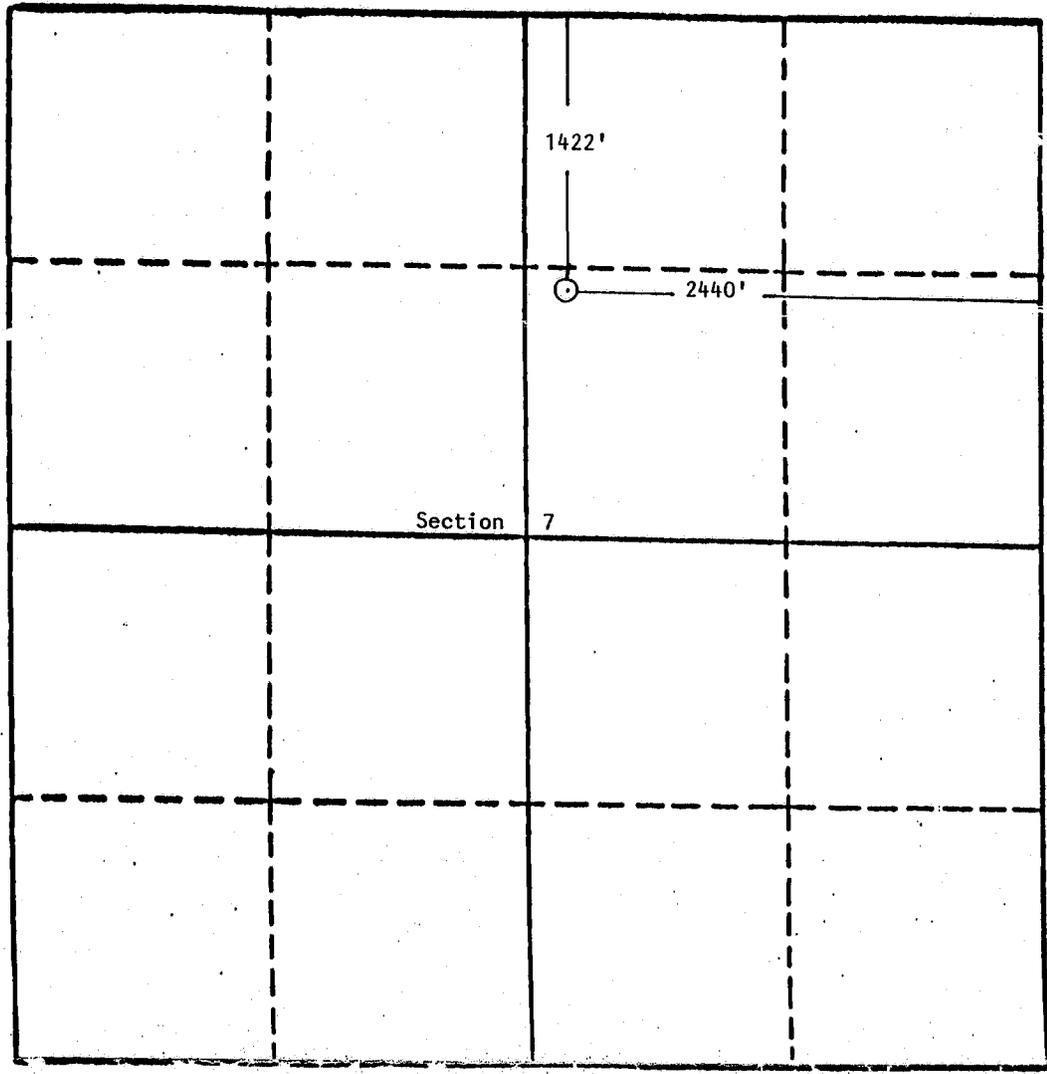
Company Wesgra Corporation

Well Name & No. Gebauer-Groom #80

Location 1422' F/NL 2440' F/EL

Sec. 7, T. 42 S., R. 19 E., S. L. M., County San Juan, Utah

Ground Elevation 4320' Estimated



Scale, 1 inch = 1,000 feet

Surveyed June 20, 1994

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

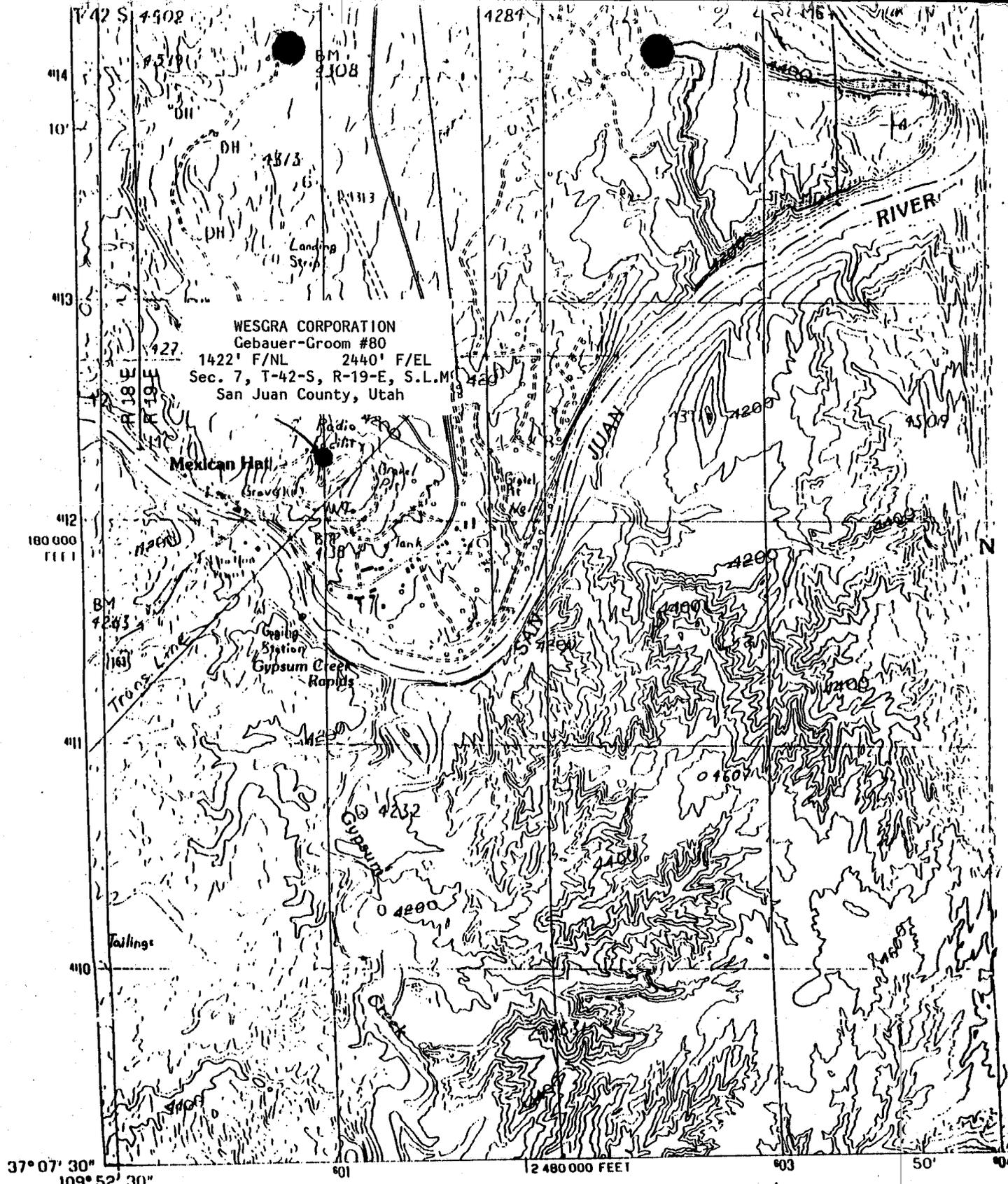
Seal:



Edgar L. Risenhoover
Edgar L. Risenhoover,

Registered Land Surveyor
New Mexico Reg. No. 5979

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



PRODUCED BY THE UNITED STATES GEOLOGICAL SURVEY
 CONTROL BY USGS, NOR/NOAA
 COMPILED FROM AERIAL PHOTOGRAPHS TAKEN 1951 AND 1959
 FIELD CHECKED 1963
 LIMITED REVISION FROM AERIAL PHOTOGRAPHS TAKEN 1964
 FIELD CHECKED 1986 MAP EDITED 1989
 PROJECTION LAMBERT CONFORMAL CONIC
 GRID 1000-METER UNIVERSAL TRANSVERSE MERCATOR ZONE 12
 10000-FOOT STATE GRID TICKS UTAH, SOUTH ZONE
 UTM GRID DECLINATION 0°47' EAST
 1983 MAGNETIC NORTH DECLINATION 12°30' EAST
 VERTICAL DATUM NATIONAL GEODETIC VERTICAL DATUM OF 1929
 HORIZONTAL DATUM 1927 NORTH AMERICAN DATUM
 To place on the predicted North American Datum of 1983,
 move the projection lines as shown by dashed corner ticks
 (1 meters north and 60 meters east)
 There may be private inholdings within the boundaries of any

PROVISIONAL MAP
 Produced from original
 manuscript drawings. Informa-
 tion shown as of date of
 field check.



1000

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 ^{porosity} ~~perosity~~ 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 aforestated 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 15th day of April, 1980.

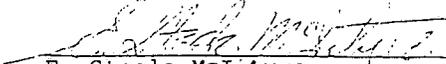
BOARD OF OIL, GAS AND MINING OF
THE STATE OF UTAH

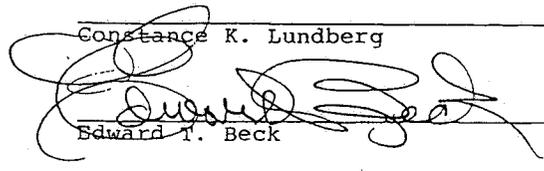
Charles R. Henderson

John L. Bell

Thadeus W. Box

C. Ray Juvelin


E. Steele McIntyre

Constance K. Lundberg

Edward T. Beck

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 10/11/94

API NO. ASSIGNED: 43-037-31750

WELL NAME: GEBAUER-GROOM 80
OPERATOR: WESGRA CORPORATION (N1060)

PROPOSED LOCATION:
SWNE 07 - T42S - R19E
SURFACE: 1422-FNL-2440-FEL
BOTTOM: 1422-FNL-2440-FEL
SAN JUAN COUNTY
MEXICAN HAT FIELD (410)

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

LEASE TYPE: FED
LEASE NUMBER: U-7303

PROPOSED PRODUCING FORMATION: GDRSD

RECEIVED AND/OR REVIEWED:

Plat
 Bond: Federal State Fee
 (Number _____)
 Potash (Y/N)
 Oil shale (Y/N)
 Water permit
 (Number CITY OF MEXICAN HAT)
 RDCC Review (Y/N)
 (Date: _____)

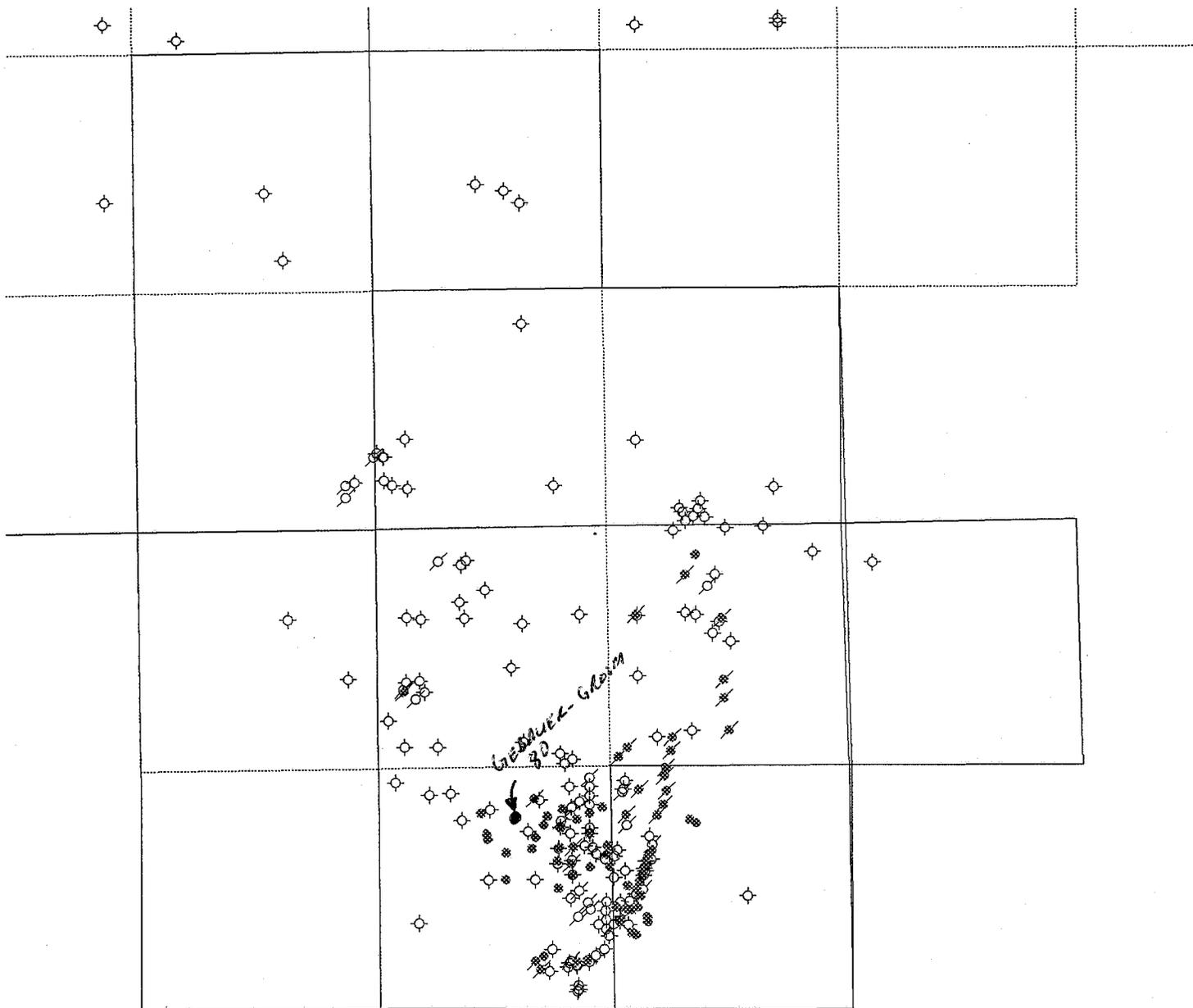
LOCATION AND SITING:

R649-2-3. Unit: _____
 R649-3-2. General.
 R649-3-3. Exception.
 Drilling Unit.
 Board Cause no: 156-3
 Date: 4/15/80

COMMENTS: _____

STIPULATIONS: _____

Wesgra Mexican Hat Field
Gebauer-Groom 80
Sec.7, T42, R19E San Juan County





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

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

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

December 22, 1994

Wesgra Corporation
P.O. Box 310-367
Mexican Hat, Utah 84531

Re: Gebauer-Groom #80 Well, 1422' FNL, 2440' FEL, SW NE, Sec. 7, T. 42 S., R. 19 E., San Juan County, Utah

Gentlemen:

Pursuant to the order issued by the Board of Oil, Gas and Mining in Cause No. 156-3 dated April 15, 1980, and Utah Admin. R.649-3-4, Permitting of Wells to be Drilled, Deepened or Plugged-Back, approval to drill the referenced well is hereby granted.

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

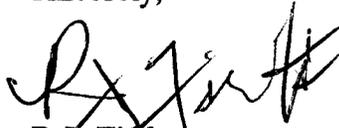
1. Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules.
2. Notification to the Division within 24 hours after drilling operations commence.
3. Submittal of Entity Action Form, Form 6, within five working days following commencement of drilling operations and whenever a change in operations or interests necessitates an entity status change.
4. Submittal of the Report of Water Encountered During Drilling, Form 7.
5. Prompt notification prior to commencing operations, if necessary, to plug and abandon the well. Notify Frank R. Matthews, Petroleum Engineer, (Office) (801)538-5340, (Home) (801)476-8613, or K. Michael Hebertson, Reclamation Specialist, (Home) (801)269-9212.
6. Compliance with the requirements of Utah Admin. R. 649-3-20, Gas Flaring or Venting, if the well is completed for production.



Page 2
Wesgra Corporation
Gebauer-Groom #80 Well
December 22, 1994

This approval shall expire one year after date of issuance unless substantial and continuous operation is underway or a request for an extension is made prior to the approval expiration date. The API number assigned to this well is 43-037-31750.

Sincerely,



R.J. Firth
Associate Director

ldc
Enclosures
cc: San Juan County Assessor
Bureau of Land Management, Moab District Office
WO11

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
 DEC 21 1994
 DIV OF OIL, GAS & MINING
 PLUG BACK

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

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 Corporation

3. ADDRESS OF OPERATOR
 P.O. Box 310-367, Mexican Hat, Utah 84531

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface 1422' from the north line
 At proposed prod. zone 2440' from the east line

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 three quarters if a nuke

10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1400 ft.

16. NO. OF ACRES IN LEASE 320

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. 400 ft.

19. PROPOSED DEPTH 740'

20. ROTARY OR CABLE TOOLS rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4320 estimated

22. APPROX. DATE WORK WILL START* some time after approval

12. COUNTY OR PARISH San Juan 18. STATE Utah

5. LEASE DESIGNATION AND SERIAL NO. U-7303

6. INDIAN, ALLOTTEE OR TRIBE NAME

7. LEASE AGREEMENT NAME

8. FARM OR LEASE NAME Gebauer-Groom

9. WELL NO. 80

10. FIELD AND POOL, OR WILDCAT Mexican Hat

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

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	8 5/8"	28 pd	30 ft.	5 sacks
6 3/4"	4 1/2"	12 1/2 pd	320'	30 sacks

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. Deen TITLE Presudebt DATE 10-6-94

(This space for Federal or State office use)

PERMIT NO. 43-037-31750 APPROVAL DATE _____

APPROVED BY /S/ WILLIAM C. STRINGER TITLE Associate District Manager DATE DEC 19 1994

CONDITIONS OF APPROVAL, IF ANY:

CONDITIONS OF APPROVAL ATTACHED
*See Instructions On Reverse Side

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

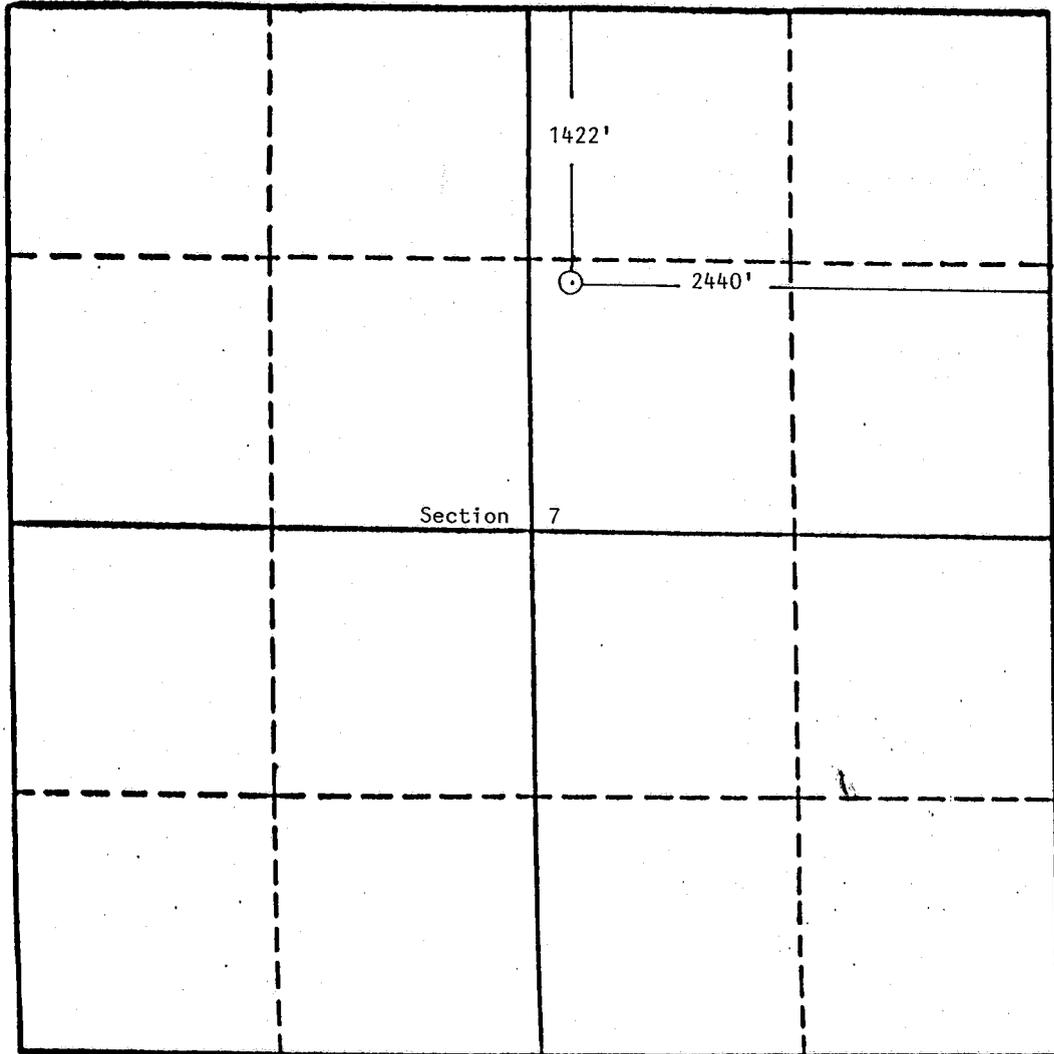
Company Wesgra Corporation

Well Name & No. Gebauer-Groom #80

Location 1422' F/NL 2440' F/EL

Sec. 7, T. 42 S., R. 19 E., S. L. M., County San Juan, Utah

Ground Elevation 4320' Estimated



Scale, 1 inch = 1,000 feet

Surveyed June 20, 1994

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

Seal:



Edgar L. Risenhoover

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

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

Wesgra Corporation
Gebauer Groom 80
U-7303
Mexican Hat Field
2440 FEL 1422 FNL
Section 7 T42S R19E
San Juan County, Utah

CONDITIONS OF APPROVAL

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

Be advised that 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.

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

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

A. DRILLING PROGRAM

1. The conductor pipe must be cemented back to surface. The production casing must be set through (minimum 25') the Shafer Limestone.

2. The geologic log (sample strip) must be submitted with the Well Completion Report. Wesgra must ensure that the Well Completion Report documents the actual size and weight of casing used.

B. SURFACE USE PLAN

1. All electrical lines and flow lines will be buried.
2. During rehabilitation of the area, six pounds per acre of either fourwings saltbush or shadscale will be planted.
3. All facilities will be painted a Sand Beige color.

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

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

Spud- The spud date will be reported to the Resource Area Office 24 hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the District Office within 24 hours after spudding, regardless of whether spud was made with a dry hole digger or big rig.

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

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

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

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

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

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

First Production- Should the well be successfully completed for production, the District Office will be notified when the well is placed in producing status. Such notification may be made by phone, but must be followed by a sundry notice or letter not later than five (5) business days following the date on which the well is placed into production.

A first production conference will be scheduled as soon as the productivity of the well is apparent. This conference should be

coordinated through the Resource Area Office. The Resource Area Office shall be notified prior to the first sale.

Well Completion Report- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted to the District Office not later than thirty (30) days after completion of the well or after completion of operations being performed, in accordance with 43 CFR § 3162.4-1. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. When requested, samples (cuttings and/or samples) will be submitted to the District Office.

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

Produced Water- Produced waste water may be confined to an unlined pit for a period not to exceed 90 days after initial production. During the 90 day period, an application for approval of a permanent disposal method and location, along with a water analysis, if required, will be submitted to the District Office for approval pursuant to Onshore Oil and Gas Order No. 7.

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

Plugging and Abandonment- If the well is completed as a dry hole, plugging instructions must be obtained from the District Office prior to initiating plugging operations.

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the Assistant District Manager, Minerals Division within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR § 3162.6. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Area Manager or his representative, or the appropriate surface managing agency.

TABLE 1

NOTIFICATIONS

Notify Jeff Brown, Gary Torres or Robert Larsen of the San Juan Resource Area in Monticello, Utah at (801) 587-2141 for the following:

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

1 day prior to spudding;

50 feet prior to reaching surface casing depth;

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

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

Gary Torres, Petroleum Engineer	Office:	(801) 259-6111
	Home:	(801) 587-2705
Eric Jones, Petroleum Engineer	Office:	(801) 259-6111
	Home:	(801) 259-2214

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
SEP 20 1995
DIV. OF OIL, GAS & MIN.

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No.

6. Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE

7. If Unit or CA, Agreement Designation

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.

2. Name of Operator
Wesgra Corporation

9. API Well No.

3. Address and Telephone No.
P.O. Box 310367, Mexican Hat Utah 84531

10. Field and Pool, or Exploratory Area

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
17 small producing oil wells in Sec 8, and 7 lease- Goodridge Trust

11. County or Parish, State

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

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

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

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Gentlemen Men:
As of Sept 1, 1995, Wesgra Corporation becomes the property of Mr. Clint Howell long time partner in the firm.
The operation will continue to operate under the same name and the address will remain the same.
It has always been a pleasure dealing with you folks, you have always helpful and corprorative.

Thanks *W.E. Skeen*
W. E. (Bill) Skeen
President, Wesgra Corporation
Clint Howell
Clint Howell Ph. 801-685-2298
new president
all corrispondance will be address to the address listed above

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

Signed _____ Title _____ Date _____

(This space for Federal or State office use)

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

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

Moab District
82 East Dogwood Avenue
Moab, Utah 84532

3162
(UTU7303)
(UT-062)

FEB 29 1996

Memorandum

To: Area Manager, San Juan Resource Area
From: Assistant District Manager, Resource Management
Subject: Rescinding Application for Permit to Drill
Wesgra Corporation
Well No. Gebauer-Groom 80
SWNE Sec. 7, T. 42 S., R. 19 E.
San Juan County, Utah
Lease UTU7303

43-037-31750

The above mentioned APD was approved December 19, 1994.

Could you please field check this location for any surface disturbance? If there has been no disturbance, we will rescind their APD.

Please notify Verlene Butts, within ¹⁰⁰ ~~30~~ working days of the current status of this location.

No Surface Disturbance/Rescind APD
per _____ dated _____
 Surface Disturbance/Hold for Successful Reclamation
per _____ dated _____

Comments: _____

Tidder Setue for 4/29/96

VBButts:vb:2/27/96

VBButts 2/27/96

6/8/96
Moab District
82 East Dogwood Avenue
Moab, Utah 84532

3162
(UTU7303)
(UT-065)

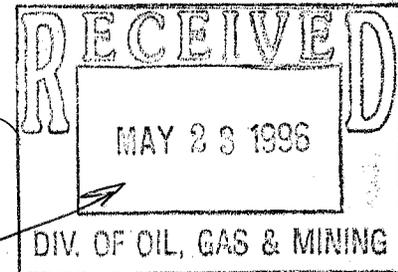
Wesgra Corporation
P. O. Box 310367
Mexican Hat, Utah 84531

MAY 21 1996

Re: Rescinding Application for Permit to Drill
Well No. Gebauer-Groom 80
SWNE Sec. 7, T. 42 S., R. 19 E.
San Juan County, Utah
Lease UTU7303

43-037-31750

DOGMA LA
DATE



Gentlemen:

The Application for Permit to Drill the referenced well was approved on May 24, 1995. 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 this location at a future date, a new application must be submitted. If you have any questions, please contact Verlene Butts, Legal Instruments Examiner at (801) 259-2152.

Sincerely,

/s/ BRAD D. PALMER

Assistant District Manager
Resource Management

Enclosure
Application for Permit to Drill (13pp)

cc: State of Utah
Division of Oil, Gas, and Mining
355 W. North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203 (wo/Enclosure) ✓

VButts:vb:5/17/96

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

***NEW OWNER ONLY!**

Routing:

1	LEG 7-LWP
2	DTE 58-PL
3	VLDV 9-SJ
4	RTE 10-FILE
5	PRM, I
6	CLERK

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

- Change of Operator (well sold) Designation of Agent
 Designation of Operator Operator Name Change Only

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 9-1-95)

TO (new operator)	<u>WESGRA CORPORATION</u>	FROM (former operator)	<u>WESGRA CORPORATION</u>
(address)	<u>PO BOX 367</u>	(address)	<u>PO BOX 367</u>
	<u>MEXICAN HAT UT 84531</u>		<u>MEXICAN HAT UT 84531</u>
	<u>CLINT HOWELL (NEW OWNER)</u>		<u>BILL SKEEN</u>
	phone <u>(801) 683-2298</u>		phone <u>(405) 521-8960</u>
	account no. <u>N1060</u>		account no. <u>N1060</u>

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

Name: **SEE ATTACHED**	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____

OPERATOR CHANGE DOCUMENTATION

- See 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). *(Rec'd 9-20-95)*
- See 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). *(Rec'd 9-20-95)*
- N/A 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) _____. If yes, show company file number: _____.
- N/A 4. (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of **Federal and Indian** well operator changes should take place prior to completion of steps 5 through 9 below.
- N/A 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above.
- N/A 6. Cardex file has been updated for each well listed above.
- N/A 7. Well file labels have been updated for each well listed above.
- N/A 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission.
- See 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

- LC 1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) no (If entity assignments were changed, attach copies of Form 6, Entity Action Form).
- N/A 2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

BOND VERIFICATION (Fee wells only) IDOC #007230 / \$10,000 "Zions First Nat'l Bank"

- Yes 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.
- 2. A copy of this form has been placed in the new and former operators' bond files. ** Upon compl. of routing.*
- Yes 3. The former operator has requested a release of liability from their bond (yes/no) . Today's date Sept. 21, 1995. If yes, division response was made by letter dated Sept. 25, 1995.

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

- N/A 1. (Rule R615-2-10) The former operator/lessee of any fee lease well listed above has been notified by letter dated 19 , of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested. *OT 5 9/26/95*
- N/A 2. Copies of documents have been sent to State Lands for changes involving State Leases.

FILMING

- WDR 1. All attachments to this form have been microfilmed. Date: July 2 1996.

FILING

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

COMMENTS

Wesgra wells - not yet completed 7/26/95 DTS

Record#	WELL NAME	API NUMBER	DATEAPPRVD	SPUD DATE	COMPLT
1927	GEBÄUER-SKEEN 20-A	43-037-31734	06/14/94	08/22/95	/ /
2202	GEBÄUER-GROOM 80	43-037-31750	12/22/94	/ /	/ /
2205	GEBÄUER-GROOM 82	43-037-31751	01/04/95	/ /	/ /
2381	LAURA-LETA SEVEN	43-037-31755	05/01/95	/ /	/ /
2385	GEBÄUER-GROOM 56-A	43-037-31756	05/01/95	07/26/95	/ /
2391	HOWELL 1	43-037-31757	07/05/95	/ /	/ /
2512	GOODRIDGE TRUST 7-A	43-037-31762	07/20/95	/ /	/ /
2550	GEBÄUER-GROOM 18A	43-037-31764	/ /	/ /	/ /

APD Not yet approved