

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
SUBMIT TO THE STATE
Other instructions on reverse side
MAR - 3 1995
5. LEASE DESIGNATION AND SERIAL NO.
U-54478

Form approved.
Budget Bureau No. 1004-0136
Expires: December 31, 1991

**APPLICATION FOR PERMIT TO DRILL OR DEEPEN
DIV OF OIL, GAS & MINING**

1a. TYPE OF WORK
 DRILL DEEPEN

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
 Wesgra Corporation Phone 801 683-2298

3. ADDRESS AND TELEPHONE NO.
 P.O. Box 310367, Mexican Hat, Utah 84531
 405 521-8900

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface 1271' ft from the south line
 At proposed prod. zone 608 ft from the east line

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

10. FIELD AND POOL, OR WILDCAT
 Mexican Hat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Sec 1, 42S, 18E

12. COUNTY OR PARISH 13. STATE
 San Juan Utah

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
 608'

16. NO. OF ACRES IN LEASE
 320

17. NO. OF ACRES ASSIGNED TO THIS WELL
 3 acres

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 1000'

19. PROPOSED DEPTH
 800 plus

20. ROTARY OR CABLE TOOLS
 rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 4370'

22. APPROX. DATE WORK WILL START*
 two or three months

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	28pd	as needed	what ever is required
6 1/2"	4 1/2"	14pd.	below schaffner	what ever is needed

- 1, 2, 4, 5, 8
 3. surface formation Supi
 6. estimated top of first formation 62'
 7. estimated top or depth of water or oil 62' water
 10. pressure equipment none needed
 11. circulation material foam and air
 12. testing, logging samples only every five ft.
 13. abnormal pressures or temperatures none expected
- estimated starting time reasonable after approval

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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 President DATE 2028-95

(This space for Federal or State office use)
 PERMIT NO. 43-037-31757 APPROVAL DATE _____

Application approval 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.
 CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY JP Matthews TITLE Petroleum Engineer DATE 07/05/95

*See Instructions On Reverse Side

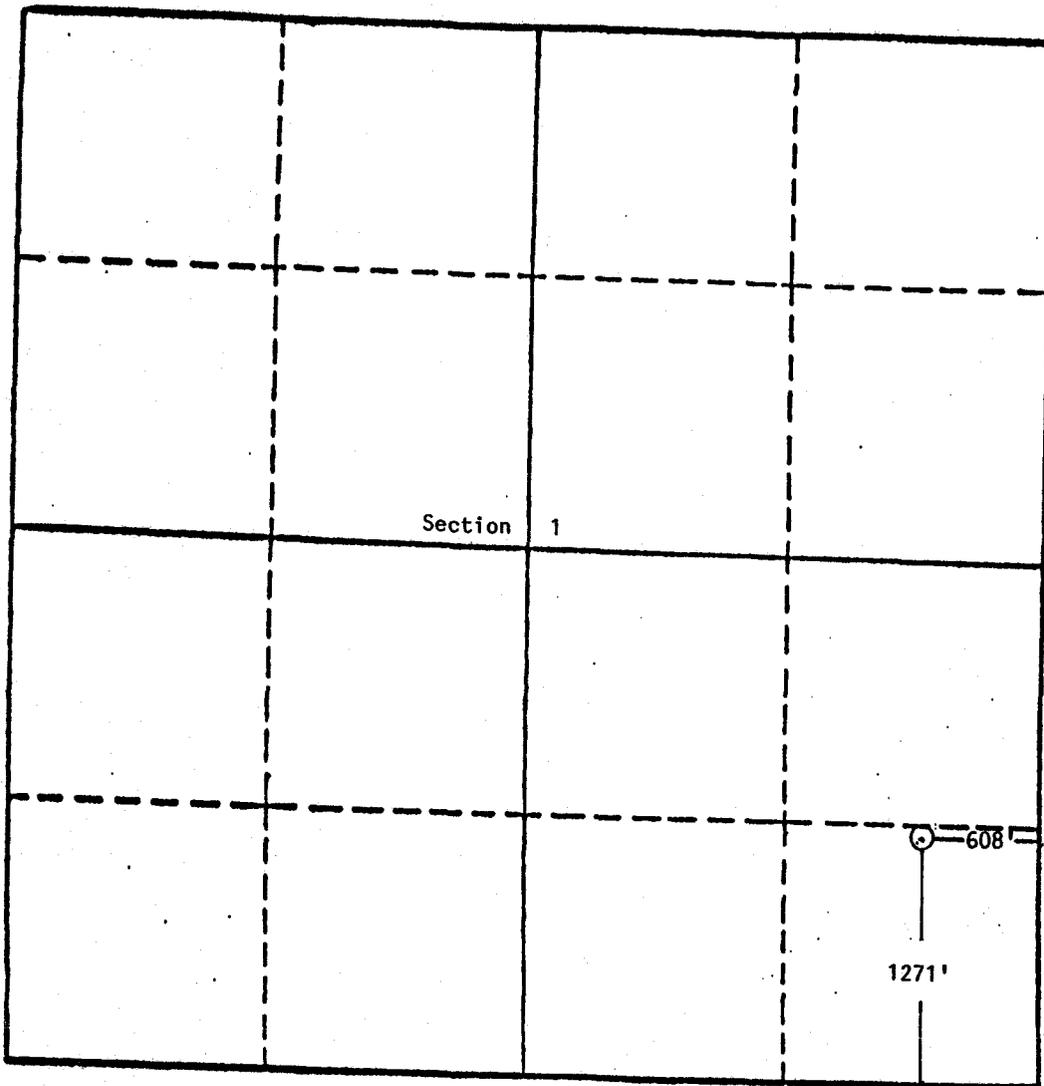
Company Wesgra Corporation

Well Name & No. Howell #1

Location 1271' F/SL 608' F/EL

Sec. 1, T. 42 S., R. 18 E., S. L. M., County San Juan, Utah

Ground Elevation 4370' 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.

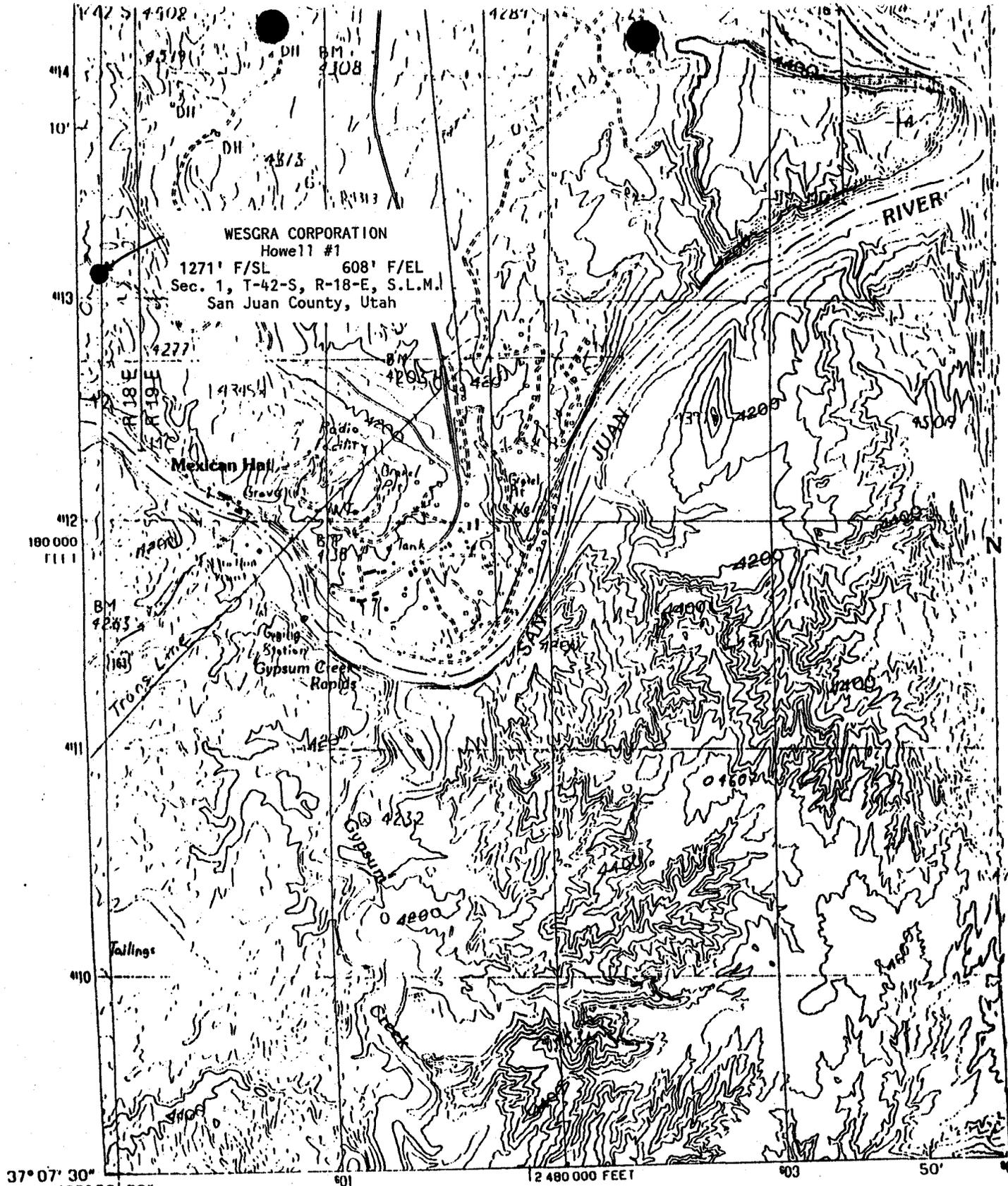
Seal:



Edgar L. Risenhoover

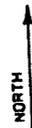
Edgar L. Risenhoover,
Registered Land Surveyor
New Mexico Reg. No. 5979

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



PRODUCED BY THE UNITED STATES GEOLOGICAL SURVEY
 CONTROL BY USGS, NOS/NOAA
 COMPILED FROM AERIAL PHOTOGRAPHS TAKEN 1951 AND 1959
 FIELD CHECKED 1963
 LIMITED REVISION FROM AERIAL PHOTOGRAPHS TAKEN 1964
 FIELD CHECKED 1966 MAP EDITED 1969
 PROJECTION LAMBERT CONFORMAL CONIC
 GRID 1000-METER UNIVERSAL TRANSVERSE MERCATOR ZONE 12
 10000-1000' 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 (w) meters east)
 There may be private inholdings within the boundaries of any

PROVISIONAL MAP
 Produced from original
 manuscript drawings. Infor-
 mation shown as of date of
 field check.



1000

March, 1994

Bureau of Land Management
 Moab District
 Application for Permit to Drill
 On-Site Inspection Checklist

Company Wesgra Corporation Well No. ~~Hiwekk #one~~ Howell #1

Location: Sec. 1, T. 42S, R. 19E, Lease No. U-54478

On-Site Inspection Date _____

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, the approved plan of operations and the conditions of approval. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

A. DRILLING PROGRAM

1. Surface Formation and Estimated Formation Tops:

Surface	Supi
Goodridge	surface
Schaffer	62'
Mendenhall	145'
Hermosa	262'
Little loop	406'
Goose Necks pay zone	406 to 538'

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

	<u>Depth/Formation</u>
Expected Oil Zones:	<u>little loop 406'</u>
Expected Gas Zones:	<u>none expected</u>
Expected Water Zones:	<u>possible schaffer, but in reality none expected</u>
Expected Mineral Zones:	<u>none expected</u>

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and will be cased and cemented. When possible, water flow rates will be measured and samples will be taken and analyzed with the results being submitted to BLM. All oil and gas shows will be tested to determine commercial potential.

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 03/03/95

API NO. ASSIGNED: 43-037-31757

WELL NAME: HOWELL #1
OPERATOR: WESGRA CORPORATION (N1060)

PROPOSED LOCATION:
SESE 01 - T42S - R18E
SURFACE: 1271-FSL-0608-FEL
BOTTOM: 1271-FSL-0608-FEL
SAN JUAN COUNTY
MEXICAN HAT FIELD (410)

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

LEASE TYPE: FED
LEASE NUMBER: U-54478

PROPOSED PRODUCING FORMATION: GDRSD

RECEIVED AND/OR REVIEWED:

Y Plat
Y Bond: Federal State Fee
(Number UNKNOWN)
N Potash (Y/N)
N Oil shale (Y/N)
Y Water permit
(Number CITY OF MEXICAN HAT)
N 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: 4/15/8

COMMENTS:

STIPULATIONS:

MEXICAN HAT

R 18 E

R 19 E

T 41 S

T 42 S

HOWELL #1

WESGRA CORP.

MEXICAN HAT

HOWELL #1

SEC. 1, T 42 S, R 18 E,

SAN JUAN, SPACING ORDER 156-3



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)

July 5, 1995

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

Re: Howell #1 Well, 1271' FSL, 608' FEL, SE SE, Sec. 1, T. 42 S., R. 18 E., San Juan County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-037-31757.

Sincerely,

A handwritten signature in black ink, appearing to read "R. J. Firth".

R. J. Firth
Associate Director

ldc

Enclosures

cc: San Juan County Assessor

Bureau of Land Management, Moab District Office

WAPD



Operator: Wesgra Corporation

Well Name & Number: Howell #1

API Number: 43-037-31757

Lease: Federal U-54478

Location: SE SE Sec. 1 T. 42 S., R. 18 E.

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division within 24 hours following spudding the well or commencing drilling operations. Contact Jimmie Thompson at (801)538-5340.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Frank Matthews or Mike Hebertson at (801)538-5340.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
SUBMIT IN TRIPLICATES
(Other instructions on reverse side)
JUL 03 1995
BUREAU OF OIL, GAS & MINING

Form approved.
Budget Bureau No. 1004-0136
Expires: December 31, 1991

APPLICATION FOR PERMIT TO DRILL OR DEEPEN
WELL OR DEEPEN
WELL OF OIL, GAS & MINING

1a. TYPE OF WORK
 DRILL DEEPEN

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

2. NAME OF OPERATOR
 Wesgra Corporation Phone 801 683-2298
 405 521-8960

3. ADDRESS AND TELEPHONE NO.
 P.O. Box 310367, Mexican Hat, Utah 84531

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface 1271' ft from the south line
 At proposed prod. zone 608 ft from the east line

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

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)
 608'

16. NO. OF ACRES IN LEASE
 320

17. NO. OF ACRES ASSIGNED TO THIS WELL
 7 acres

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 1000'

19. PROPOSED DEPTH
 800 plus

20. ROTARY OR CABLE TOOLS
 rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 4370'

22. APPROX. DATE WORK WILL START*
 two or three months

8. FARM OR LEASE NAME, WELL NO.
 Howell #1

9. AP WELL NO.
 43-037-31757

10. FIELD AND POOL, OR WILDCAT
 Mexican Hat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Sec 1, 42S, 18E

12. COUNTY OR PARISH
 San Juan

13. STATE
 Utah

23. PROPOSED CASING AND CEMENTING PROGRAM

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

CONDITIONS OF APPROVAL ATTACHED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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. Keen TITLE President DATE 2028-95

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval 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.
CONDITIONS OF APPROVAL, IF ANY:

BY WILLIAM C. STRINGER

Associate District Manager

APPROVED BY _____ TITLE _____ DATE JUN 28 1995

*See Instructions On Reverse Side

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

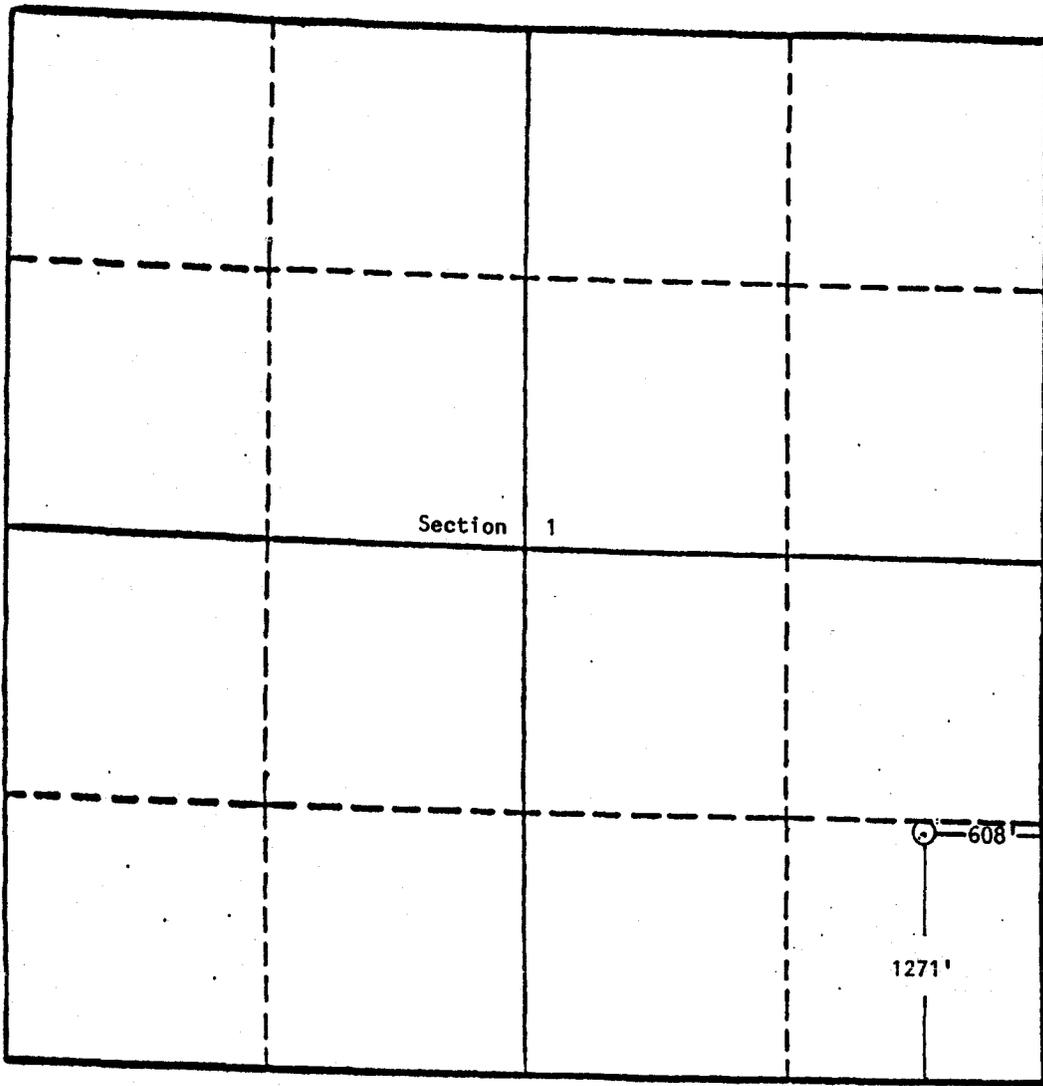
Company Wesgra Corporation

Well Name & No. Howell #1

Location 1271' F/SL 608' F/EL

Sec. 1, T. 42 S., R. 18 E., S. L. M., County San Juan, Utah

Ground Elevation 4370' 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
Howell #1
U-54478
Mexican Hat Field
1271 FSL 608 FEL
SESE Section 1 T42S R18E
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 UT-0934 (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 (a minimum of 25' past) 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. The Well Completion Report must be submitted within 30 days of completing the well.

Stipulations for Howell #1

1. All electrical lines and flow lines will be buried where soil is available.
2. If the well is a producer the disturbed area not needed for production will be rehabilitated by grading, spreading the stock piled topsoil and seeding with the following seed mixture:

galleta	2 pounds per acre
sand dropseed	1 pound per acre
Indian ricegrass	2 pounds per acre
shadescale	2 pounds per acre
globe mallow	2 pounds per acre

If the well is a dry hole the disturbed area will be rehabilitated as described above.

3. All permanent facilities on the well site will be painted a Sand Beige color.
4. The reserve pit will be maintained in a cleaned and/or a secure condition at all times using one of the following methods:
 - A. If hydrocarbons are discharged into the reserve pit they will be removed immediately. The hydrocarbons shall be disposed at an approved facility.
 - B. Absorbent material will be used immediately upon discharge of hydrocarbons into the reserve pit or before leaving the location for the day.
 - C. The reserve pit will be effectively sealed using netting material with a maximum opening of one inch.

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

Building Location- Contact the San Juan Resource Area Office, Jeff Brown or Gary Torres, at least 48 hours prior to commencing construction of location.

Spud- The spud date will be reported to the San Juan Resource Area Office, Jeff Brown or Gary Torres, 24 hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the Moab 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 Moab 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 Moab 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 Moab 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 San Juan Resource Area, Jeff Brown or Gary Torres, 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 San Juan Resource Area Office, Jeff Brown or Gary Torres, is to be immediately notified.

First Production- Should the well be successfully completed for production, the Moab 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 San Juan 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 Moab 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 Moab 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 Moab 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 Moab 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 Moab District Office prior to initiating plugging operations.

A "Subsequent Report of Abandonment" (Form 3160-5) must be filed with the Moab District Office 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 or Gary Torres 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

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: WESGRA CORP.

Well Name: HOWELL # 1

Api No. 43-037-31757

Section 1 Township 42S Range 18E County SAN JUAN

Drilling Contractor QUALITY

Rig # 1

SPUDDED: Date 7/3/95

Time _____

How ROTARY

Drilling will commence _____

Reported by BILL SKEEN

Telephone # _____

Date: 7/5/95 Signed: MKH

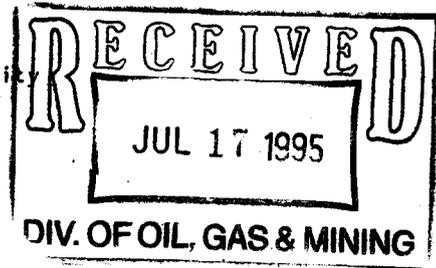
OPERATOR Wesgra Corporation
 ADDRESS P.O. Box 310367
Mexican Hat, Utah 84531

OPERATOR ACCT. NO. N -1060

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	11791	4303731757	Howell #1	S.E.S.	W.1	42S	18E	San Juan	7-7-95	7-11-95
WELL 1 COMMENTS: <i>Entity added 7-20-95. See</i>											
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)



W E Sheen 7-11-95
 Signature _____
 President _____
 Title _____
 Date 7-11-95
 Phone No. (801) 683-2298

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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 for oil or gas in a reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Wesgra Corporation

3. Address and Telephone No.

P.O. Box 310367, Mexican Hat Utah 84531

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

5. Lease Designation and Serial No.

Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

9. API Well No.

10. Field and Pool, or Exploratory Area

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. No. 801-683-2298

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: _____

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

***NEW OWNER ONLY!**

Routing:

1	LEG 7-LWP
2	DTE 58-PL
3	VLD 9-SJ
4	RJE 10-FILE
5	PRM 1
6	OTR

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

- Yes 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)*
- Yes 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.
- Yes 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) 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 9/26/95 1995, 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. *OTS*
- N/A 2. Copies of documents have been sent to State Lands for changes involving State leases.

FILMING

- VS 1. All attachments to this form have been microfilmed. Date: 6-30 1999.

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

Form 3160-4
(October 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE*

Use other in-
structions on
reverse side

FOR APPROVED
OMB NO. 1004-0137
Expires: December 31, 1991

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

LEASE DESIGNATION AND SERIAL NO.
UTU-54478

IF INDIAN, ALLOTTEE OR TRIBE NAME

LEASE AGREEMENT NAME

FARM OR LEASE NAME, WELL NO.
Howell #1

API WELL NO.
43-037031757

FIELD AND POOL OR WILDCAT

Mexican Hat
S.E. 1/4, R. 18 E., S. 1 N., ON BLOCK AND SURVEY
ON AREA
Sec. 1, T. 42 S., R. 18 E.

COUNTY OR PARISH
San Juan Co Utah

ELEVATION (OF R.M. AT CR. ETC.)
4370 est.

INTERVALS DRILLED BY
Rotary

ROTARY TOOLS
Rotary

WAS DIRECTIONAL SURVEY MADE
NO

WAS WELL Cased
NO

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

2. TYPE OF COMPLETION: NEW WELL WORK OVER REPER. PLUG DIFF. Other ABANDON

3. NAME OF OPERATOR
Wasata Corporation

4. ADDRESS AND TELEPHONE NO.

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
At surface 1271' F.S.L. 608' F.E.L. SE. SE. Sec. 1
At top prod. interval reported below T. 42 S. R. 18 E. SAN JUAN CO. UT.
At total depth

14. PERMIT NO. 43-087031757 DATE ISSUED

15. DATE SPUNDED 6-30-95 16. DATE P.D. REACHED 7-14-95 17. DATE COMPL. (Ready to prod.) 7-21-95 18. ELEVATION (OF R.M. AT CR. ETC.)
4370 est. 19. SLEV. CASINGHEAD NA.

20. TOTAL DEPTH, MD & TVD 1180' 21. PLUG BACK T.D., MD & TVD ABANDON 22. IF MULTIPLE COMPL. HOW MANY? _____ 23. INTERVALS DRILLED BY _____ 24. ROTARY TOOLS _____ 25. CABLE TOOLS _____

26. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*
NONE (ABANDONED)

27. TYPE ELECTRIC AND OTHER LOGS RUN
Samples only

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

CASING SIZE GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT FILLED
<u>NONE</u>					

29. LINER RECORD				30. TUBING RECORD			
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACER SET (MD)

31. PERFORATION RECORD (Interval, size and number)
Plugged & ABANDONED AS PER B.L.M. INST.

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)	WELL STATUS (Producing or shut-in)
<u>NONE</u>		<u>P.A.</u>

DATE OF TEST	HOURS TESTED	CHOKED SIZE	PROD. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO

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

34. DISPOSITION OF GAS (Bld, used for fuel, vented, etc.)

35. LIST OF ATTACHMENTS

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

SIGNED [Signature] TITLE Sub-Regional DATE 7-22-96

*(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.

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

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

3. Lease Designation and Serial No.
U-54478

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
HOWELL # 1

9. API Well No.
43-037031757

10. Field and Pool, or Exploratory Area
MEXICAN HAT

11. County or Parish, State
SAN JUAN CO. UTAH

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
WESGRA CORPORATION

3. Address and Telephone No.
P.O. BOX 310367 MEXICAN HAT, UTAH 84531 (801)683-2298

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**1271' FSL 608' FEL, SE SE, SEC. 1
 T. 42 S. R18 E., SAN JUAN COUNTY UTAH**

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 checked="" type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input checked="" 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 to: m.)

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.)*

Plugged back to 540' with 9 pound mud.
Set cement from 540' to 450' = 14 sack cement
Filled hole with mud to 25'
Set 25' surface plug = 4 sack cement

AS PER B.L.M. INSTRUCTION (ERIC JONES) COPY ATTACHED

14. I hereby certify that the foregoing is true and correct
Signed *Eric Howell* Title Superintendent Date 9/22/96
(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 statement or representations as to any matter within its jurisdiction.

*See instruction on Reverse Side

From: WESGRA CORP

To CARROL DANIELS

Total 6 Pages including cover.

Wells # 18-A
& Howell # 1