

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPlicate*

RECEIVED

(Other Instructions on Reverse)

SEP 11 1995

DIV. OF OIL, GAS & MINING

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
 DRILL DEEPEN

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

2. NAME OF OPERATOR
Giant Exploration & Production Company (505) 326-3325

3. ADDRESS AND TELEPHONE NO.
P.O. Box 2810, Farmington, NM 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface **2045' FSL & 1180' FWL NW 1/4 SW 1/4**
 At proposed prod. zone **Same**

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
16 air miles SE of Blanding, Ut.

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 2045'	16. NO. OF ACRES IN LEASE 1,289.44	17. NO. OF ACRES ASSIGNED TO THIS WELL 40
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 676'	19. PROPOSED DEPTH 6,103'	20. ROTARY OR CABLE TOOLS Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5,312' ungraded ground		22. APPROX. DATE WORK WILL START* Oct. 16, 1995

5. LEASE DESIGNATION AND SERIAL NO.
UTU-47876

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
N/A

7. UNIT AGREEMENT NAME
N/A

8. FARM OR LEASE NAME, WELL NO.
Cave Canyon

9. API WELL NO.
13-3

10. FIELD AND POOL, OR WILDCAT
Cave Canyon

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
3-38s-24e SLBM

12. COUNTY OR PARISH
San Juan

13. STATE
Ut.

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8"	48# (J-55)	120'	≈240 cu ft and to surface
12-1/4"	8-5/8"	24# (K-55)	2,000'	≈1519 cu ft and to surface
7-7/8"	5-1/2"	15.5#(K-55)	6,103'	≈739 cu ft and to 1,900'

* Request exception because of geology (based on seismic, to go further west and orthodox would result in dry hole). Exception is to quarter-quarter line (320' too close) and to another Giant well (Cave Canyon 3-2 is 676' away). Orthodox location would move the well away from the shotpoint and production.

Orthodox well could be drilled at 1980 FS & 860 FW 3-38s-24e, but could be a dry hole since it would be off trend. Request permission to drill at 2045' FSL & 1180' FWL 3-38s-24e. This is the only well in the quarter-quarter. Wells (see Page 16) could be drilled in 4 offsetting units, and Giant has wells in the other four offset units. Giant is owner of all drilling units and leases (U-47876 within minimum 2,045' radius of proposed exception. This includes all eight directly or diagonally offsetting drilling units.

cc: BLM (RA-1 & DO-3), UDOGM (2)

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 [Signature] TITLE **Area Engineer** DATE **9-7-95**

(This space for Federal or State office use)
 PERMIT NO. **43-037-31766** 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 [Signature] TITLE **Petroleum Engineer** DATE **10/19/95**

***See Instructions On Reverse Side**

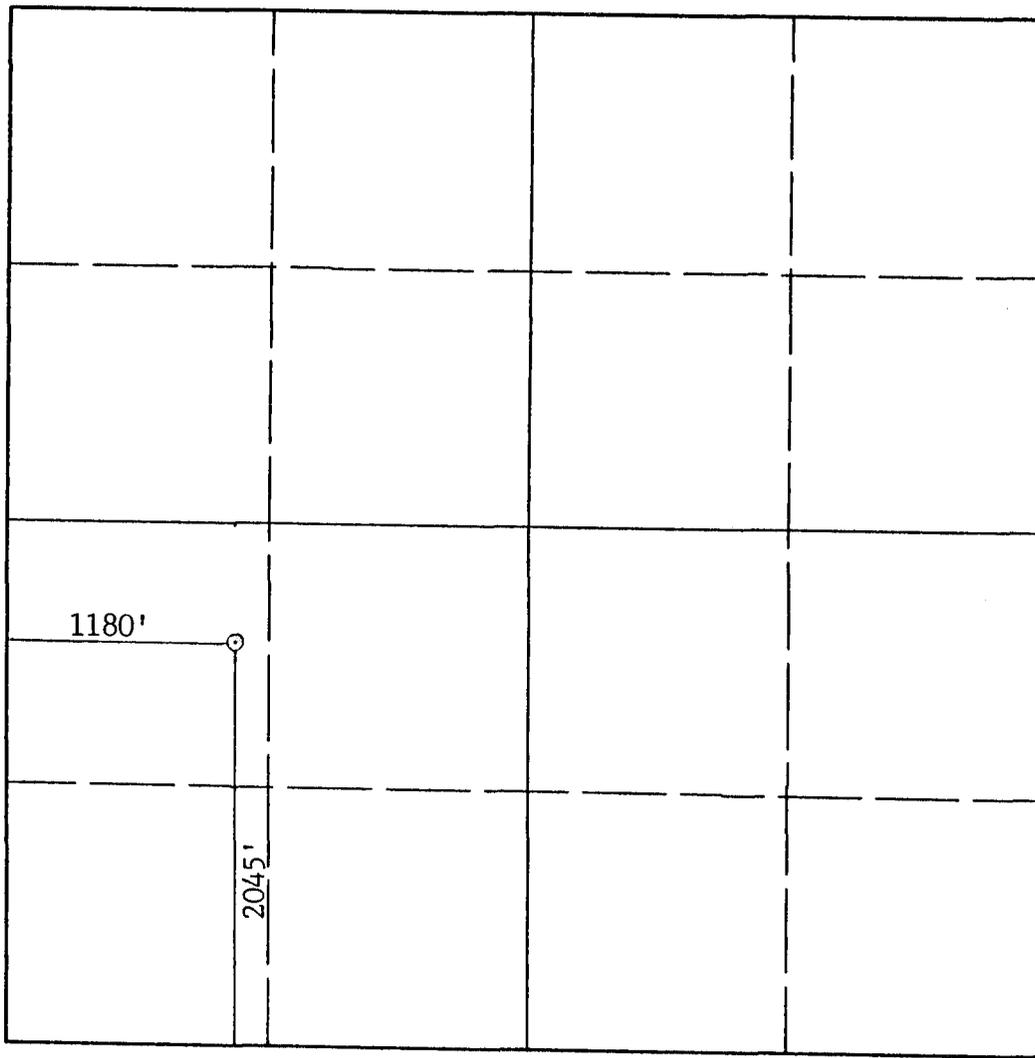
Company GIANT EXPLORATION AND PRODUCTION COMPANY

Well Name & No. CAVE CANYON 3-13

Location 2045 F/SL & 1180 F/WL

Sec. 3 .T 38S R 24E S.L.M. County SAN JUAN Utah

Ground Elevation 5312



Scale: 1" = 1000'

Surveyed August 23 19 95

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.

Cecil B. Tullis

Cecil B. Tullis
 Registered Land Surveyor
 New Mexico No. 9672
 Non-Resident Certification as
 Authorized by Utah State Law
 58 - 22 - 21 (b)



Giant Exploration & Production Company
Cave Canyon 13-3
2045' FSL & 1180' FWL
Sec. 3, T. 38 S., R. 24 E.
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All lease operations will fully comply with applicable laws, regulations (43 CFR 3100), Onshore Oil & Gas Orders, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. Giant Exploration & Production Company will furnish a copy of these conditions to its field representative to assure compliance.

Drilling Program

1. ESTIMATED FORMATION TOPS

<u>Formation Name</u>	<u>Depth from GL</u>	<u>Depth from KB</u>	<u>Subsea Depth</u>
Morrison	0'	12'	+5,312'
Entrada Ss	793'	805'	+4,519'
Navajo Ss	993'	1,005'	+4,319'
Wingate Ss	1,538'	1,550'	+3,774'
Chinle Sh	1,828'	1,850'	+3,484'
Cutler Ss & Sh	2,648'	2,660'	+2,664'
Honaker Trail	4,728'	4,740'	+584'
Upper Ismay	5,718'	5,730'	-406'
Up. Ismay Carbonate	5,768'	5,780'	-456'
Hovenweep	5,863'	5,875'	-551'
Lower Ismay	5,903'	5,915'	-591'
Gothic Shale	5,948'	5,960'	-636'
Desert Creek	5,978'	5,990'	-666'
Chimney Rock Sh	6,048'	6,060'	-736'
Akah Shale	6,073'	6,085'	-761'
Total Depth (TD)	6,103'	6,115'	-791'

2. NOTABLE ZONES

Oil and gas are expected in the Lower Ismay and Desert Creek. Water

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may be found in the Navajo, Wingate, and Chinle. Uranium may be found in the Morrison and Chinle. Oil and gas shows which appear to be commercial to the wellsite geologist will be tested.

All fresh water and prospectively valuable minerals will be recorded by depth and protected by casing and cement. When possible, water flow rates will be measured, samples taken and analyzed, and the results forwarded to BLM.

3. PRESSURE CONTROL (Also see "5." on PAGE 4)

BOP system will follow Onshore Order 2 and API RP 53. A drilling contract has not yet been awarded, thus the exact BOP to be used is not now known. A diagram of a typical 3000 psi BOP (maximum expected pressure is 2000 psi) is on PAGE 3. Call BLM at (801) 587-2141 three hours before pressure testing.

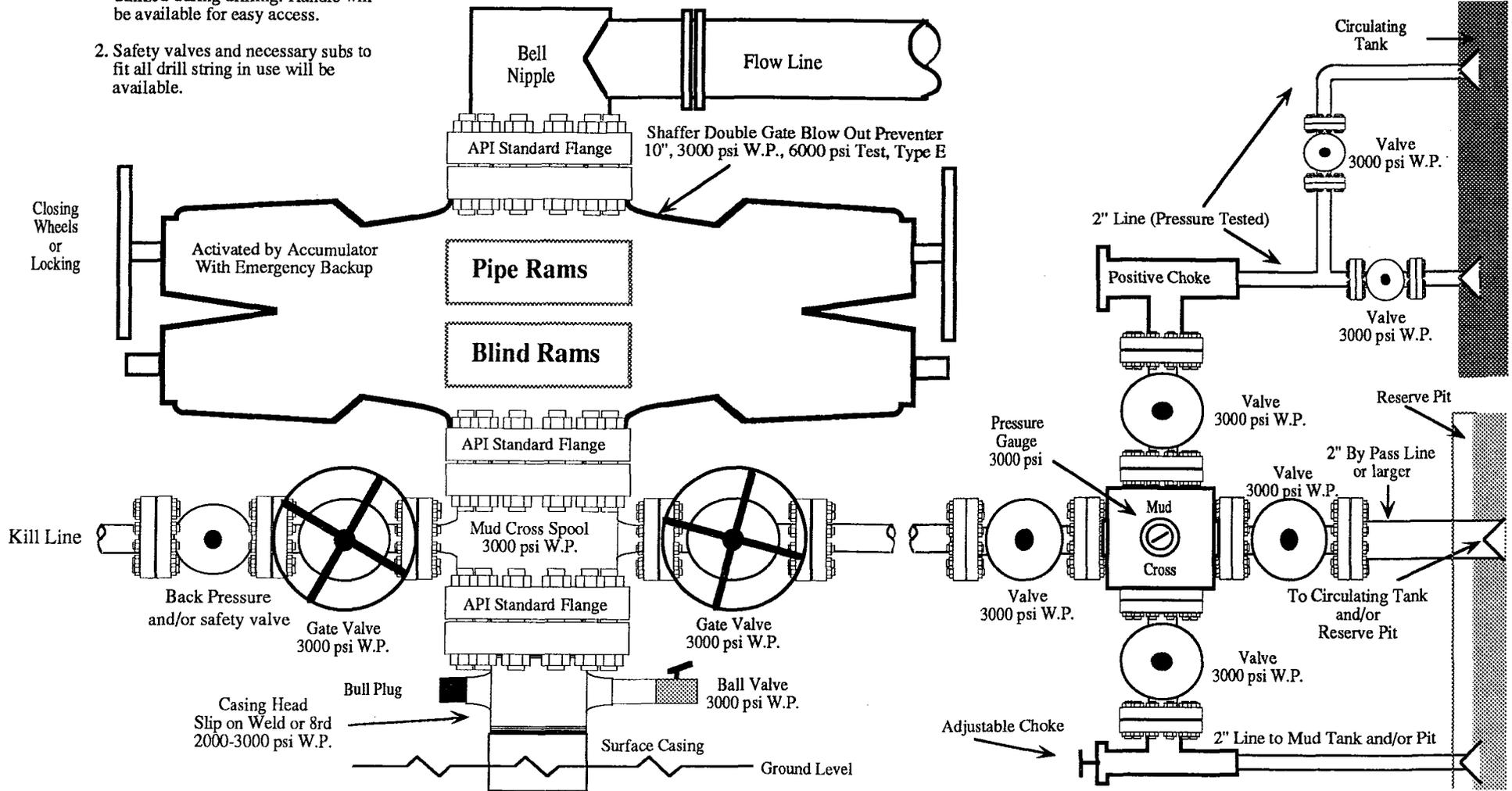
BOP controls will be installed before drilling the surface casing plug and stay in use until the well is completed or abandoned. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Ram preventers will be inspected and operated each trip (but no more than once a day). Annular preventers will be inspected and operated weekly to ensure good mechanical working order. All BOP mechanical tests, pressure tests, and inspections will be recorded on the drillers log or daily drilling report.

4. CASING & CEMENTING

<u>Hole Size</u>	<u>O.D.</u>	<u>Weight</u>	<u>Grade</u>	<u>Type</u>	<u>Age</u>	<u>Setting Depth</u>
17-1/2"	13-3/8"	48#	J-55	ST&C	New	120'
12-1/4"	8-5/8"	24#	K-55	ST&C	New	2,000'
7-7/8"	5-1/2"	15.5#	K-55	LT&C	New	6,115'

**Giant Exploration & Production Company
Pressure Control Equipment
Cave Canyon Well No. 13-3**

- Note: 1. An upper Kelly cock valve will be utilized during drilling. Handle will be available for easy access.
2. Safety valves and necessary subs to fit all drill string in use will be available.



Note: This equipment is designed to meet requirements for a 2-M rating standard per 43 CFR part 3160 (amended). Proper operation and testing of equipment will be carried out per standard. 2,000 psi equipment can be substituted in the drawing to meet minimum requirements per standard.

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Conductor pipe will be cemented to surface with ≈ 240 cu. ft. by ...

- Breaking circulation with water
- Pumping ≈ 200 sx Class B with 2% CaCl_2 + 1/4 sk cellophane
- Dropping cement wiper plug and displacing to 30' above the casing shoe
- WOC for 12 hours

Call BLM at (801) 587-2141 50' prior to reaching surface casing depth. Surface casing (set at least 50' into the Chinle) will be run as follows ...

- Break circulation with water
- Pump ≈ 790 sx (1375 cu ft) of 35:65 Pozmix with 6% gel + 2% CaCl_2 + 1/4 sk cellophane followed by ≈ 120 sx (144 cu ft) Class B with 2% CaCl_2 + 1/4 sk cellophane
- Dropping cement wiper plug and displacing to 30' above the casing shoe
- WOC for 12 hours
- Centralizers will be run on the 1st, 3rd, and 5th joints

Production casing will be run thusly ...

- Break circulation with water
- Pump ≈ 360 sx (619 cu ft) 35:65 Pozmix with 6% gel + 0.6% fluid loss additive + 1/4 #/sk cellophane followed by ≈ 100 sx (120 cu ft) Class B with 2% CaCl_2 + 1/4 sk cellophane to $\approx 100'$ above surface casing shoe
- Drop cement wiper plug and displace to float collar
- WOC for 12 hours
- Centralizers will be run on the 1st, 3rd, 5th, 7th, 9th, and 11 th joints

5. MUD PROGRAM

Conductor hole will be drilled with fresh water mixed with polymer/gel and lime spud mud.

Surface casing hole will be drilled with fresh water treated with lime and polymer/gel. Sweeps of high viscosity mud will be used to clean the

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hole. Lost circulation will be controlled with with LCM/gel sweeps.

Production hole will be drilled to $\approx 5300'$ with fresh water treated with polymer and lime. Sweeps of high viscosity mud will be used to clean the hole. From $\approx 5300'$ to TD, the hole will be drilled with fresh water treated with polymer and lime mudded up to 8.8 to 9.2 ppg with a 36 to 40 sec/qt viscosity. Mud will be treated with caustic, soda ash, and dispersant before cutting the Ismay. Barite will control pressure.

6. CORING, TESTING, & LOGGING

No cores or DSTs are planned. Induction/Gamma Ray, Sonic, and Neutron/Density logs will be run for well evaluation. Cased hole logs may include cement bond, gamma ray, and collar locator.

Whether it is completed as a dry hole or producer, "Well Completion or Recompletion Report and Log" (Form 3160-4) will be submitted within 30 days after completion of the well or after completion of operations *per* 43 CFR 3162.4-1. Two copies of all logs, core descriptions & analyses, test data, geologic summaries, sample descriptions, and all other data obtained during drilling, workover, and/or completion operations, will be filed with Form 3160-4. (If requested, sample cuttings, fluids, and/or gases will be submitted to BLM.)

7. DOWNHOLE CONDITIONS

Maximum anticipated bottom hole pressure is ≈ 2000 psi. No abnormal pressures, temperatures, or hydrogen sulfide are expected.

8. MISCELLANEOUS

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The anticipated spud date is October 16, 1995. It is expected it will take \approx 12 days to drill the well and \approx 4 weeks to complete the well.

The spud date will be phoned to the Resource Area, a minimum of 24 hours before spudding. A Sundry Notice (Form 3160-5), reporting the spud date and time, will be sent to the District Manager within 24 hours after spudding. If the spud is on a weekend or holiday, the Sundry will be sent on the following regular work day. Daily drilling reports will be sent to the District Office at least weekly.

Operations authorized by this APD will not be suspended for more than 30 days without prior approval of BLM. All conditions of approval will apply to any operations with a replacement rig.

There will be no change from the proposed drilling and/or workover plan without prior approval from the District Office. A Sundry Notice will be filed for approval for all changes of plans and other operations *per* 43 CFR 3162.3-2.

Starting with the month when operations begin, and continuing each month until the well is P&Aed, a "Monthly Report of Operations" (Form 3160-6) will be sent to the Minerals Management Service.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual events will be promptly reported to BLM *per* NTL-3A.

If the well is successfully completed for production, then the District Manager will be notified. The Resource Area will be notified prior to the first sale. Written notification will be sent not later than 5 business days following the date on which the well is placed on production. The Resource Area may schedule a first production conference after receipt of the first production notice.

Approval to vent/flare gas during initial well evaluation will be

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obtained from the District Manager. Preliminary approval will not exceed 30 days or 50 MMcf of gas. Approval to vent/flare beyond this initial period will require the District Manager's approval *per* NTL-4A.

Instructions must be obtained from the District Office before plugging. A Sundry Notice will be sent to the District Manager within 30 days following completion of the well for abandonment. The Sundry will note where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until reclamation required by the approved APD or abandonment notice has been completed to the satisfaction of BLM.

The well will be identified starting with rig-up. This information "Giant Exploration & Production Company, Cave Canyon 13-3, NWSW 3-38s-24e, San Juan County, Ut., U-47876" will be posted on an all weather sign at the pad. Once plugged, the same information will be beaded on the top of the casing with a welding torch. The above ground dry hole marker will be omitted.

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Surface Use Plan

1. EXISTING ROADS & DIRECTIONS (See PAGES 15 & 16)

From Hatch Trading Post, go N 11.6 mi (bear left at a gas plant).
Then turn right and follow the flagging N \approx 175' to the wellpad.

Roads will be maintained to a standard at least equal to their present condition. An encroachment permit has been filed with the county road department.

2. ROAD TO BE BUILT OR UPGRADED (See PAGE 16)

Call BLM (801-587-2141) 48 hours before starting construction.

The \approx 175' of orange flagged new road will be flat bladed with a 16' wide running surface and maximum disturbed width of 30'. Topsoil will be windrowed along the edge. One 30' x 18" culvert will be installed. Maximum cut or fill will be 3'. Maximum grade will be 5%. No cattleguards or turnouts are needed.

Surface disturbance and vehicle travel will be limited to the pad and road. Any additional area needed must be approved in advance by BLM.

If the well is productive, the new road will be upgraded to Class 3 Road Standards within 60 days of dismantling the rig. If the deadline cannot be met, the Resource Area will be notified so temporary drainage control can be installed. Class 3 Road Standards control drainage by using topography, ditch turnouts, dips, outsloping, crowning, low water crossings, and culverts.

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3. EXISTING WELLS (See PAGE 16)

There are no gas wells within a mile. There are 7 oil wells, 2 P&A wells, 1 injection well, and 1 water well within a mile. Closest of which is Giant's Cave Canyon 3-2 which is 676.73' east.

4. PROPOSED PRODUCTION FACILITIES

Production flow 850' northeast via a buried 3-1/2" OD seamless steel 10.25# pipeline to a header at Giant's 3-3 well. The pipeline will operate at \approx 50 psi and be tested to \approx 500 psi before going into service. An overhead raptor proof powerline will follow the same route.

All permanent (on site for 6 or more months) surface facilities will be painted a flat, neutral juniper green color. Parts required to comply with OSHA colors will be excluded.

The tank battery will be surrounded by a dike of sufficient capacity to contain 150% of the storage capacity of the largest tank in the battery + one day's production. All loading lines will be placed inside the dike.

Site security regulations in 43 CFR 3162.7-5 and Onshore Order #3 will be obeyed. Oil and gas measurement will comply with Onshore Orders #4 (43 CFR 3162.7-2) and #5 (43 CFR 3162.7-3).

If at any time these facilities authorized by the terms of the lease are no longer included in the lease, 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.

5. WATER SUPPLY

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Water will be trucked from a private water well (most likely Perkins or Gore depending upon price and availability). A temporary use permit will be filed with the state for the water use.

6. CONSTRUCTION MATERIALS

Pad construction materials will be on lease native soil in place on the well pad and road. Bentonite will be bought from a commercial source. Rock will be bought from a private pit or from BLM *per* 43 CFR 3610.

7. WASTE DISPOSAL

The reserve pit will be lined with at least 24 tons of bentonite worked into 3:1 sides. All of the capacity will be in cut. The pit will be fenced 4' high on 3 sides with 4 strands of barbed wire or woven wire topped with barbed wire. The 4th side will be fenced when drilling stops. The fence will be kept in good repair while the pit dries. No liquid hydrocarbons will be discharged to the pit, pad, or road. Should hydrocarbons escape, they will be cleaned up and removed within 48 hours. No chrome compounds will be on location.

All trash will be placed in a trash cage. When full, it will be hauled to a county landfill and upon the finish of completion operations. There will be no trash burning or burial on location.

Human waste will be disposed of in chemical toilets. Toilet contents will be disposed of at a state approved dump station.

Water will be produced into the reserve pit for 90 days or less after initial production. During the 90 days, an application will be submitted for BLM's approval of a permanent disposal method and site.

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8. ANCILLARY FACILITIES

There will be no airstrip or formal camp. Three camper trailers may be on site for the company man, mud logger, and tool pusher.

9. WELL SITE LAYOUT & CONSTRUCTION

See PAGES 17-20 for depictions of the well pad, cross sections, cut and fill diagrams, reserve pit, burn pit, access road onto the pad, parking, living facilities, and rig orientation. Trees and topsoil will be windrowed around the perimeter of the wellpad. A diversion ditch will be built along the west cut slope to drain south.

10. RECLAMATION

Upon completion of drilling, the wellsite will be cleared of all debris, material, and junk not needed for production.

Reclamation will start when the reserve pit is dry. All areas not needed for production will be backfilled, recontoured to match natural contours, and reserved topsoil and trees spread. If the well is a producer, then enough topsoil will be kept aside to reclaim the rest of the pad. That pile of topsoil and all reclaimed areas will be broadcast seeded between October 1 and February 28 with the below mixture. Seeded areas will be left rough and lightly harrowed after seeding. If the seed is drilled.

5 lb/ac crested wheatgrass
4 lb/ac fourwing saltbush
2 lb/ac desert bitterbrush
1/2 lb/ac sweet clover
1/2 lb/ac wild sunflower

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If the road is surfaced, then the surfacing material will be removed before seeding. The grade of road cuts and fills will be reduced to a natural appearance and the road blocked.

11. SURFACE OWNER

All facilities are on BLM surface.

12. OTHER INFORMATION

The dirt contractor will be provided with an approved copy of the surface use plan.

Giant will inform everyone in the area who is associated with the well that they are subject to prosecution for knowingly disturbing historic or archaeological sites or for collecting artifacts. If historic or archaeological material is uncovered during construction, the operator is to immediately stop work that may further disturb such material and call BLM. BLM will inform the operator within 5 working days whether the material appears eligible for the Nat'l. Register of Historic Places, likely mitigation the operator must do before the site can be used if in-situ preservation is not necessary, and a timeframe for BLM to complete an expedited review under 36 CFR 800.11 to confirm through the SHPO that the BLM's findings are correct and the mitigation is appropriate.

If the operator wishes at any time to relocate activities to avoid the expense or delays of mitigation, BLM will assume responsibility for any required recording or stabilization of the exposed material. Otherwise, the operator is responsible for mitigation costs. BLM will provide technical and procedural mitigation guidelines. Once BLM verifies mitigation has been completed, the operator will then be

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allowed to resume construction.

BLM's Moab District Office's phone number is (801) 259-6111. BLM Petroleum Engineer Eric Jones can be reached after hours at (801) 259-2214.

BLM's San Juan Resource Area's phone number is (801) 587-2141.

Safe drilling and operating practices will be used. The nearest hospital is a 1 hour drive away in Monticello. It is 3 blocks northwest of the intersection of US 666 and US 191. Hospital phone number is (801) 587-2116. Or dial 1-800-332-1911 from anywhere in San Juan County, Ut. The closest medical helicopter is in Farmington NM. Farmington hospital phone number is (505) 325-5011.

13. REPRESENTATION AND CERTIFICATIONS

Anyone having questions concerning the APD should contact:

Brian Wood
Permits West, Inc.
37 Verano Loop
Santa Fe, NM 87505
(505) 466-8120 FAX: (505) 466-9682 Mobile: (505) 699-2276

Field representative will be:

Greg McIntosh, Area Engineer
Giant Exploration & Production Company
P.O. Box 2810
Farmington, NM 87499
(505) 326-3325

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I hereby certify Giant Exploration & Production Company has the necessary consents from the proper lease and unit interest owners to conduct lease and unit operations in conjunction with this APD. Bond coverage *per* 43 CFR 3104 for lease activities will be provided by Giant Exploration & Production Company.

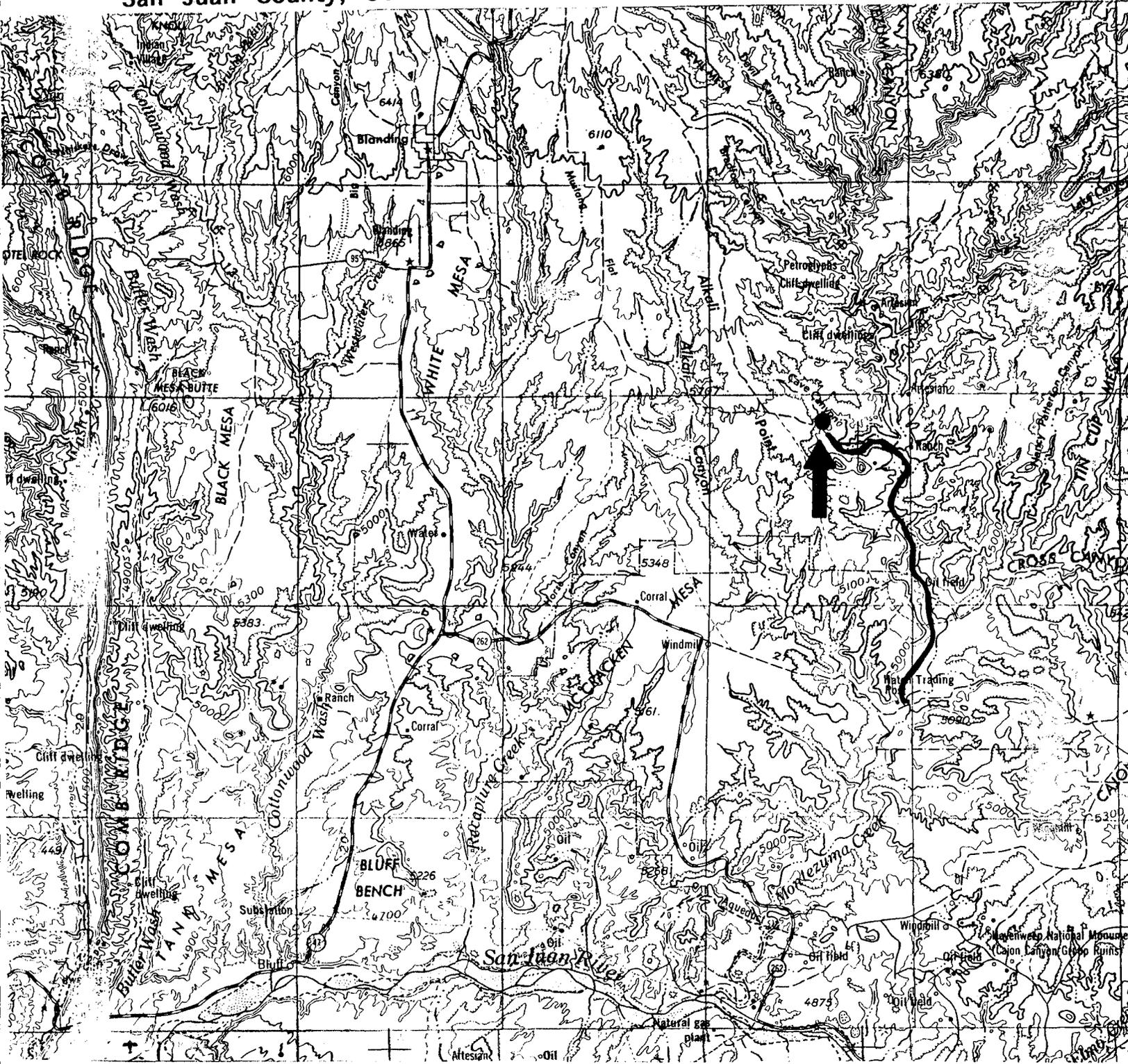
I hereby certify I have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by Giant Exploration & Production Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.



Gregory E. McIntosh
Area Engineer

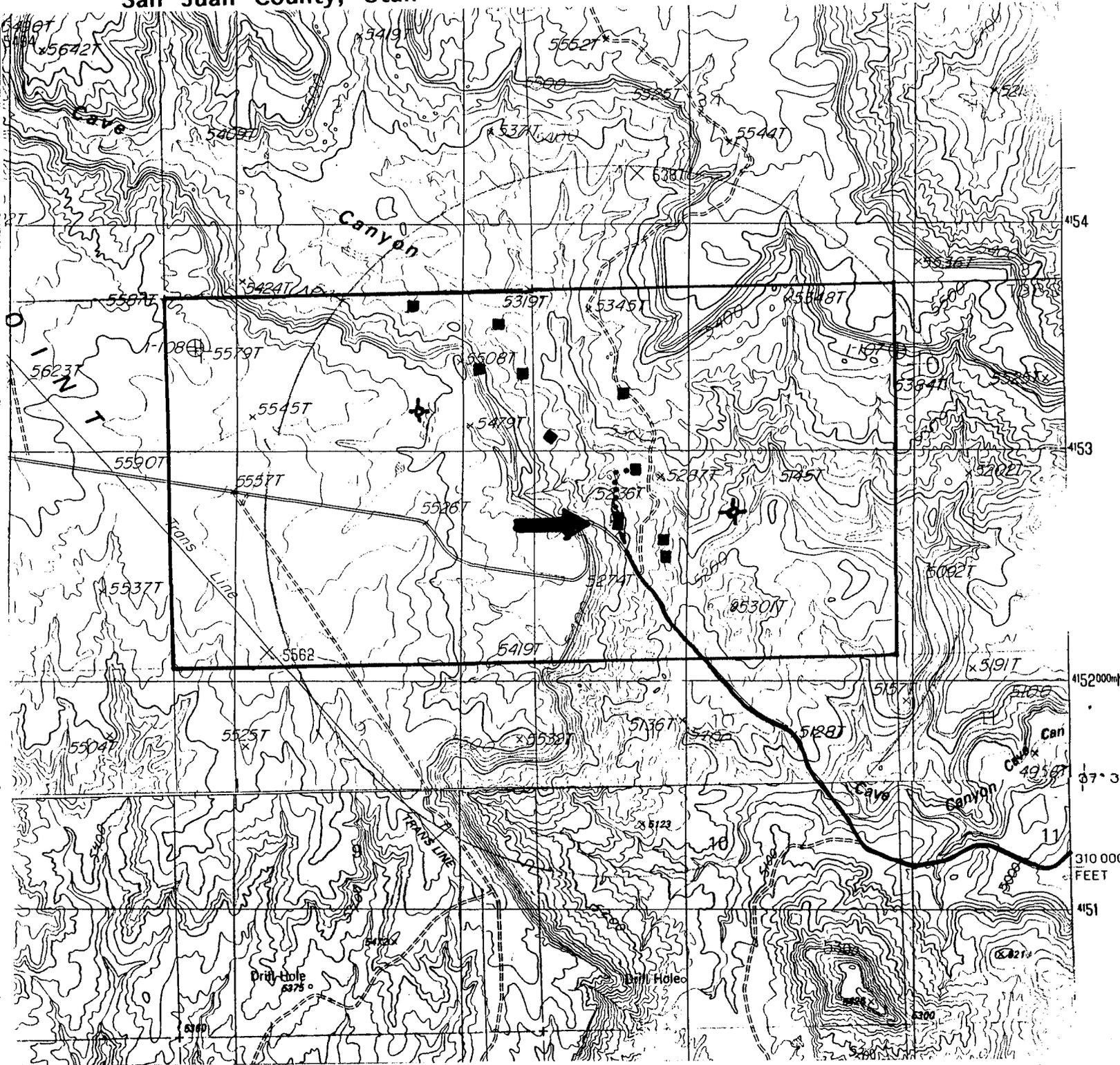
September 7, 1995
Date

Giant Exploration & Production Company
Cave Canyon 13-3
2045' FSL & 1180' FWL
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PROPOSED WELL: ●
ACCESS ROUTE: 

Giant Exploration & Production Company
 Cave Canyon 13-3
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 San Juan County, Utah



PROPOSED WELL: ■

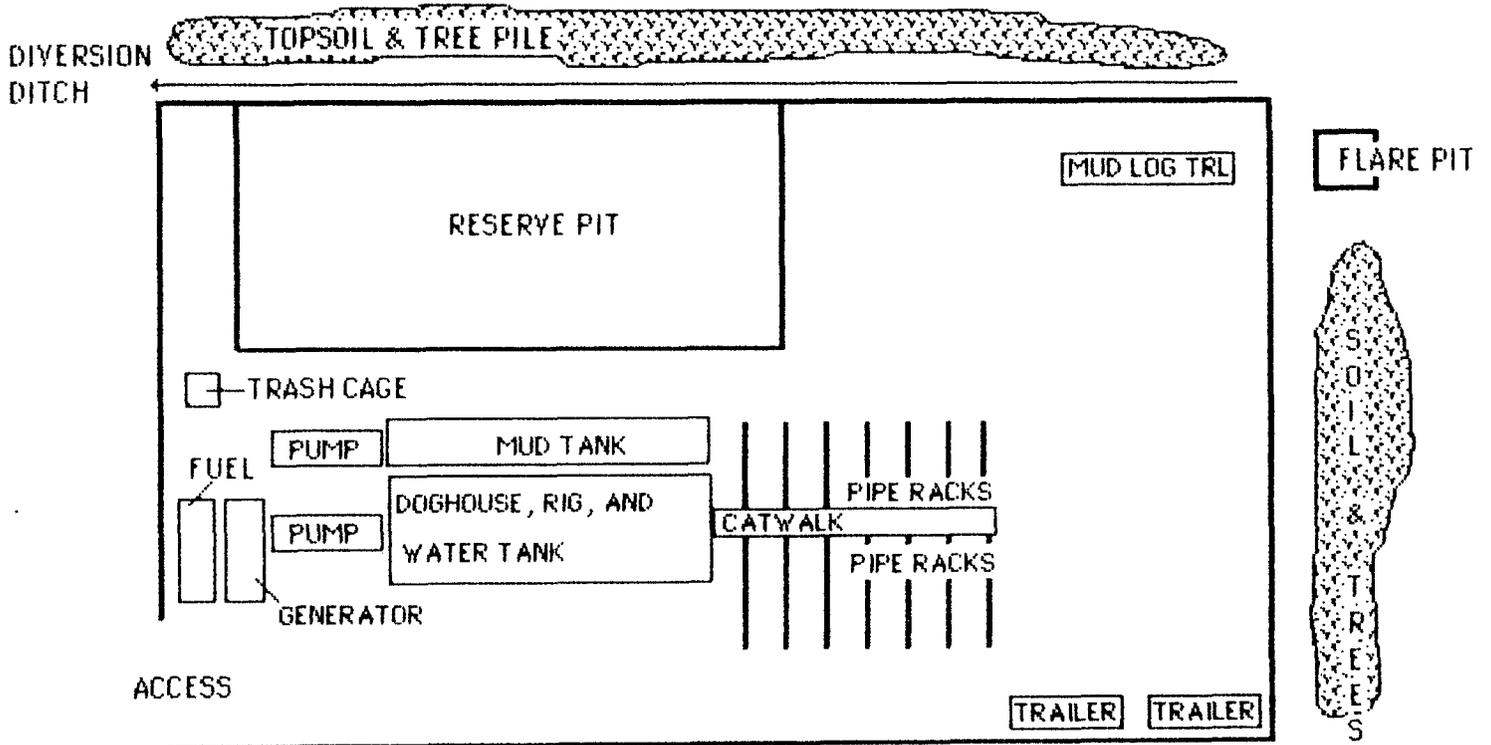
PROPOSED ROAD: \

PROPOSED POWERLINE & PIPELINE:

EXISTING WELL: ●

LEASE LINE: ┌

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2045' FSL & 1180' FWL
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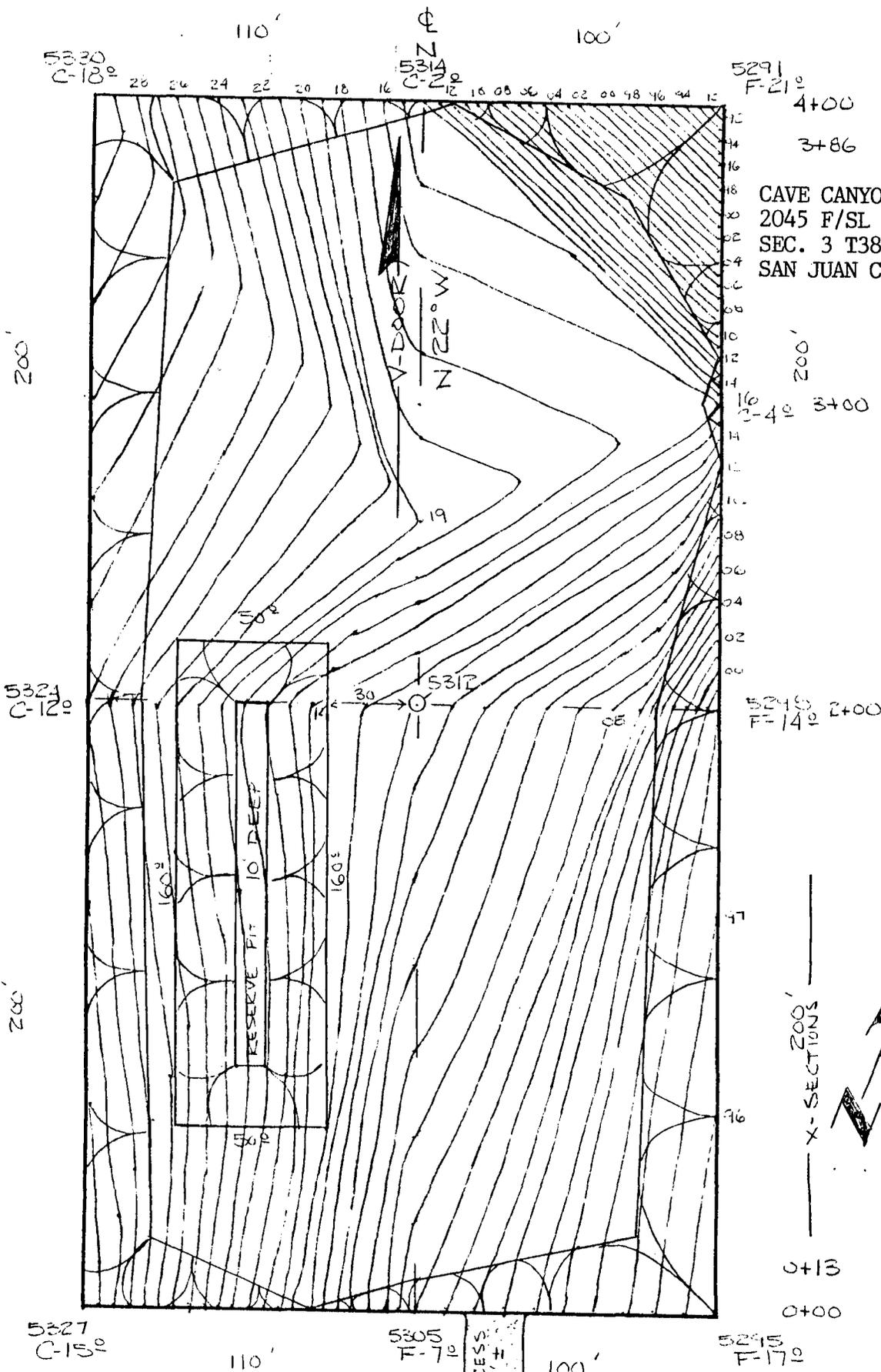


ROUND CORNERS IF POSSIBLE



SCALE: 1" = 50'

CONTOUR INT. = 1'



CAVE CANYON
 2045 F/SL & 1180 F/WL
 SEC. 3 T38S R24E
 SAN JUAN CO., UTAH

RESERVE PIT 10 DEEP

V-DROP
 N 22° W

200'

X-SECTIONS

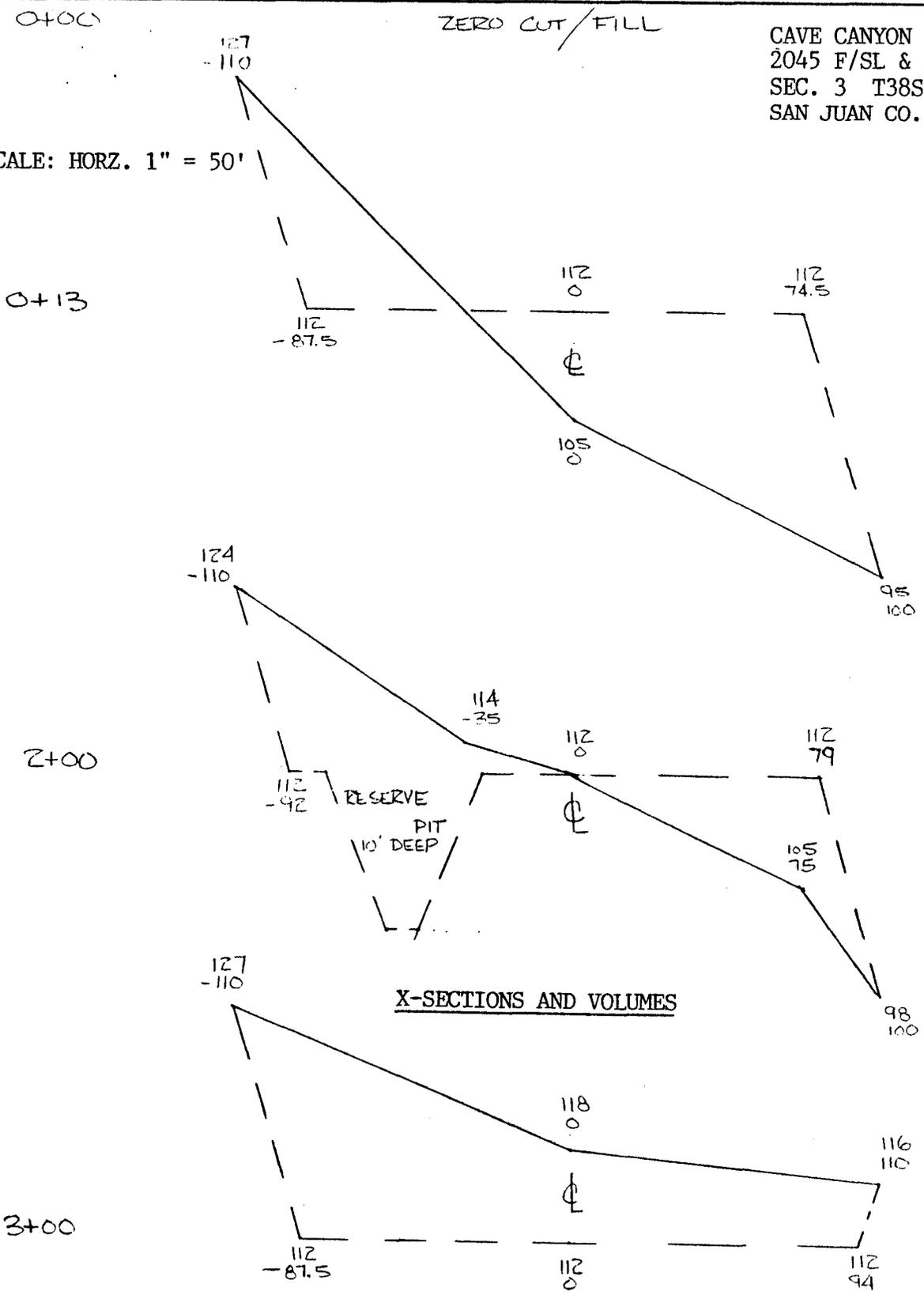
ACCESS
 200'

PAD LAYOUT AND TOPOGRAPHY

CAVE CANYON
 2045 F/SL & 1180 F/WL
 SEC. 3 T38S R24E S.L.M.
 SAN JUAN CO., UTAH

ZERO CUT/FILL

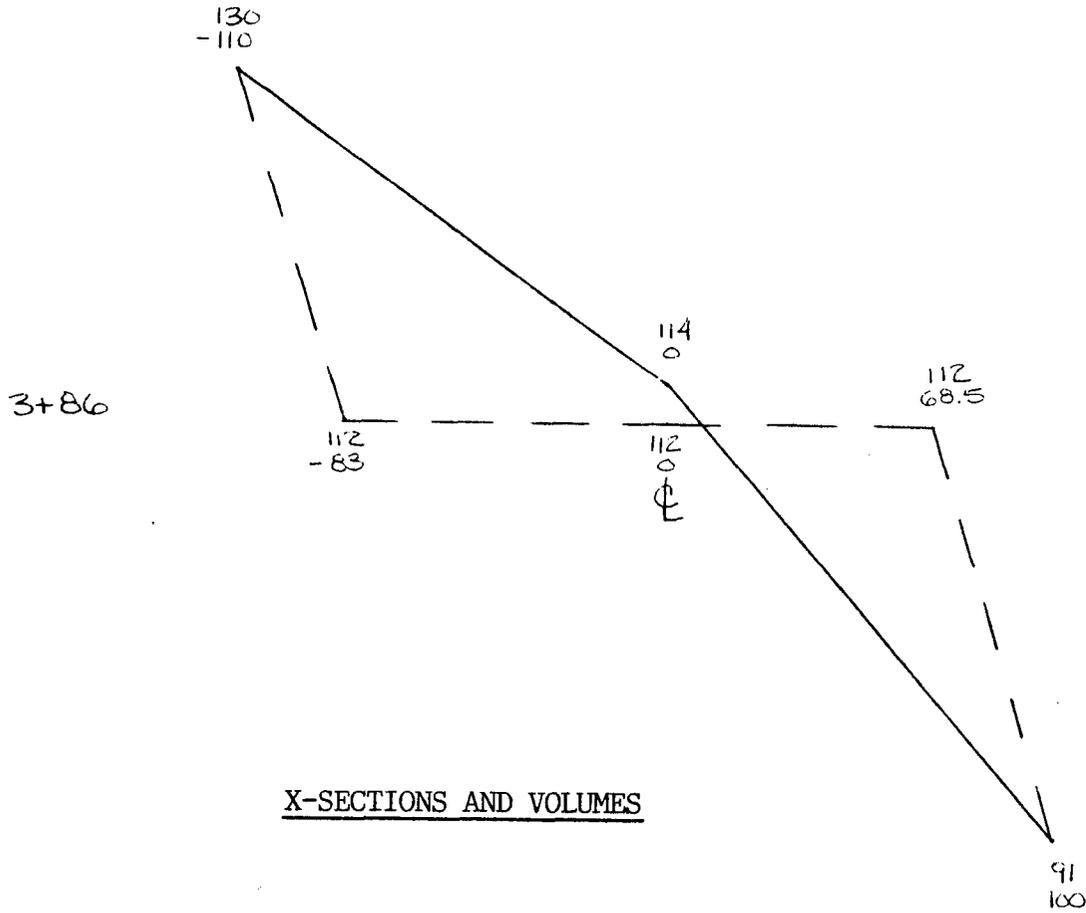
SCALE: HORZ. 1" = 50'



X-SECTIONS AND VOLUMES

CUT.....10542 CU YDS.
 FILL.....7267 CU YDS.
 PIT EXCAVATION.....1556 CU YDS.

CAVE CANYON
2045 F/SL & 1180 F/WL
SEC. 3 T38S R24E S.L.M.
SAN JUAN CO., UTAH



X-SECTIONS AND VOLUMES

4+00

ZERO CUT/FILL

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 09/11/95

API NO. ASSIGNED: 43-037-31766

WELL NAME: CAVE CANYON 13-3
OPERATOR: GIANT EXPL & PROD COMPANY (N0075)

PROPOSED LOCATION:
NWSW 03 - T38S - R24E
SURFACE: 2045-FSL-1180-FWL
BOTTOM: 2045-FSL-1180-FWL
SAN JUAN COUNTY
CAVE CANYON FIELD (323)

LEASE TYPE: FED
LEASE NUMBER: UTU - 47876

PROPOSED PRODUCING FORMATION: DSCR

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

RECEIVED AND/OR REVIEWED:

Plat
 Bond: Federal[] State[] Fee[]
 (Number NOT PROVIDED)
 Potash (Y/N)
 Oil shale (Y/N)
 Water permit
 (Number WILL BE APPLIED FOR)
 RDCC Review (Y/N)
 (Date: _____)

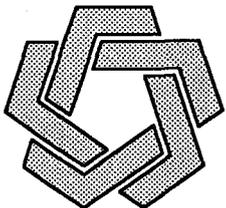
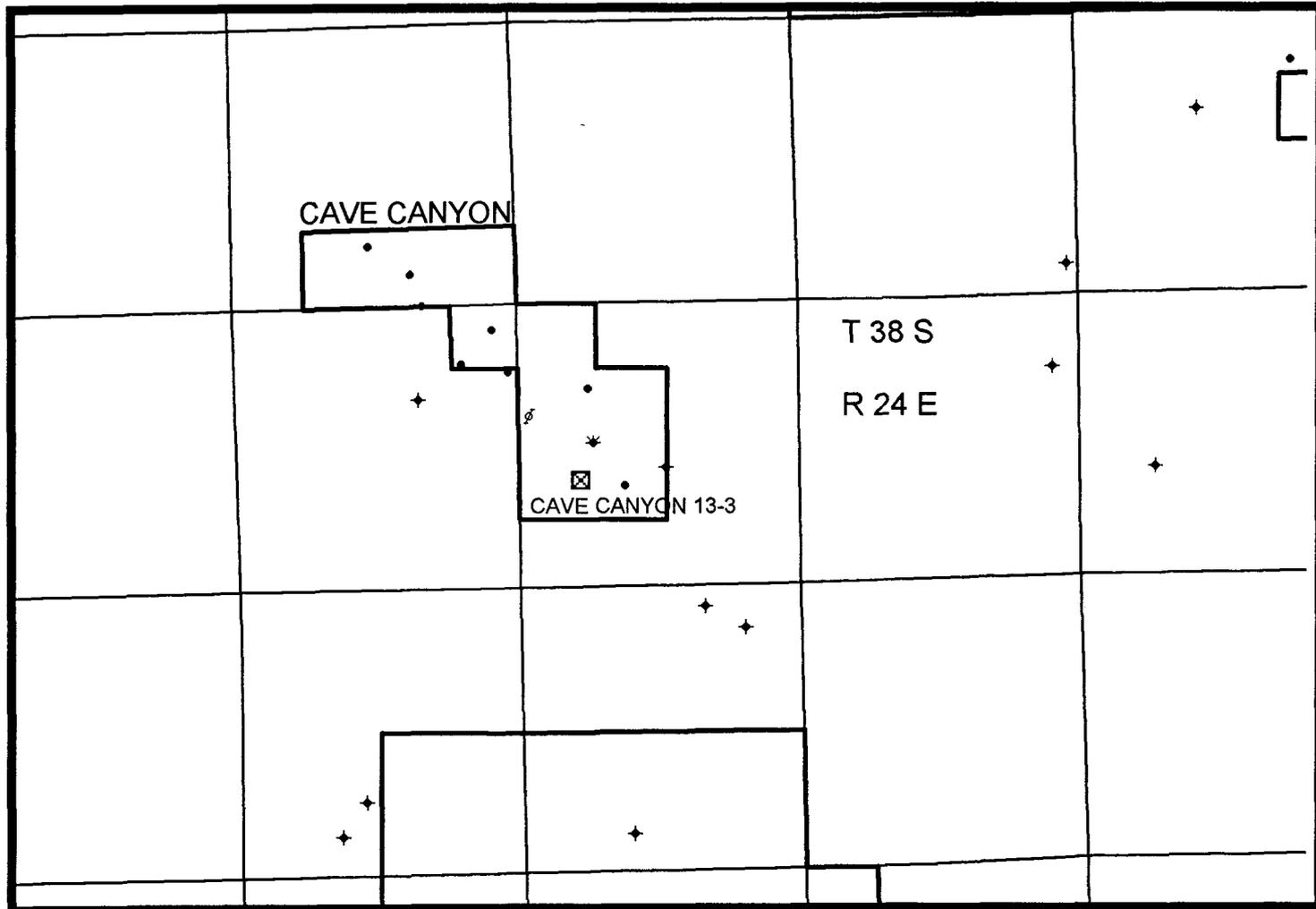
LOCATION AND SITING:

R649-2-3. Unit: SECONDARY RECOVERY
UNIT
 R649-3-2. General.
 R649-3-3. Exception.
 Drilling Unit.
 Board Cause no: _____
 Date: _____

COMMENTS: _____

STIPULATIONS: _____

GIANT EXPLORATION
CAVE CANYON DEVELOPMENT
SEC. 3, T38S, R24E
SAN JUAN COUNTY, STATE SPACING



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

DATE: 9/12/95



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)

October 19, 1995

Giant Exploration & Production Company
P.O. Box 2810
Farmington, New Mexico 87499

Re: Cave Canyon #13-3 Well, 2045' FSL, 1180' FWL, NW SW, Sec. 3, T. 38 S.,
R. 24E., 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 43-037-31766.

Sincerely,

R. J. Firth
Associate Director

pjl

Enclosures

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

WAPD



Operator: Giant Exploration & Production

Well Name & Number: Cave Canyon #13-3

API Number: 43-037-31766

Lease: Federal UTU-47876

Location: NW SW Sec. 3 T. 38 S. R. 24 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

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL

DEEPEN

b. TYPE OF WELL

OIL WELL

GAS WELL

OTHER

SINGLE ZONE

MULTIPLE ZONE

2. NAME OF OPERATOR

Giant Exploration & Production Company (505) 326-3325

3. ADDRESS AND TELEPHONE NO.

P.O. Box 2810, Farmington, NM 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface

2045' FSL & 1180' FWL

At proposed prod. zone

Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

16 air miles SE of Blanding, Ut.

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

2045'

16. NO. OF ACRES IN LEASE

1,289.44

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

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

676'

19. PROPOSED DEPTH

6,103'

20. ROTARY OR CABLE TOOLS

Rotary

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

5,312' ungraded ground

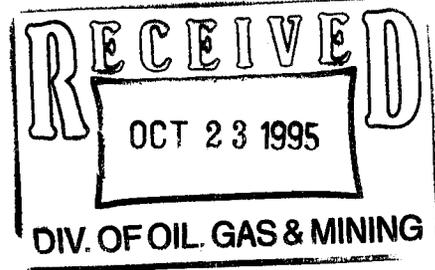
22. APPROX. DATE WORK WILL

Oct. 16, 1995

23.

PROPOSED CASING AND CEMENTING PROGRAM

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



FLARING OR VENTING OF
GAS IS SUBJECT TO NTL 4-A
10/13/80

CONDITIONS OF APPROVAL ATTACHED

cc: BLM (RA-1 & DO-3), UE (2)

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 deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

[Signature]

Area Engineer

TITLE

9-7-95

DATE

(This space for Federal or State office use)

PERMIT NO.

43-037-317106

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

/s/ WILLIAM C. STRINGER

TITLE

Associate District Manager

DATE

OCT 19 1995

*See Instructions On Reverse Side

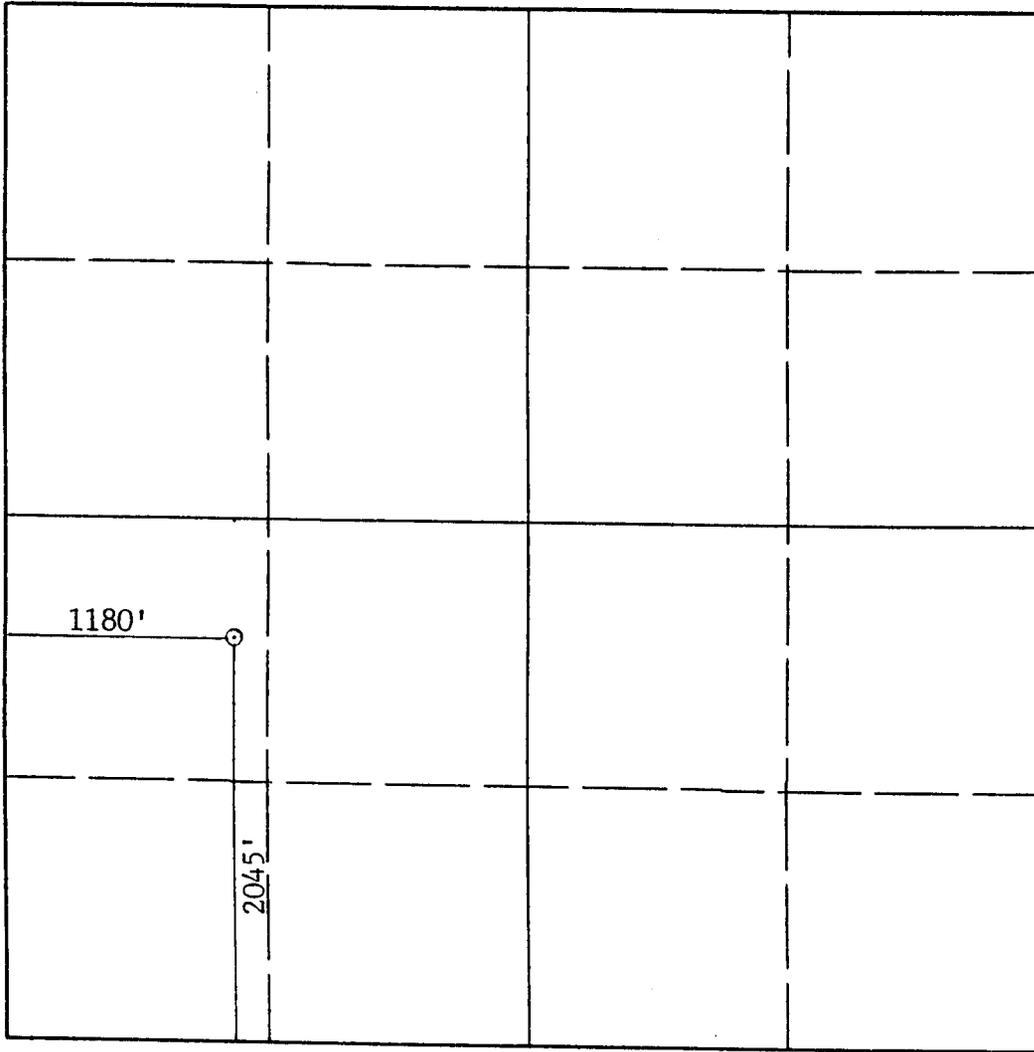
Company GIANT EXPLORATION AND PRODUCTION COMPANY

Well Name & No. CAVE CANYON 3-13

Location 2045 F/SL & 1180 F/WL

Sec. 3 T 38S R 24E S.L.M. County SAN JUAN Utah

Ground Elevation 5312



Scale: 1" = 1000'

Surveyed August 23 .19 95

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.

Cecil Tullis
Cecil Tullis
Registered Land Surveyor
New Mexico Professional Land Surveyor No. 9672
Non-Resident Certification as Authorized by Utah State Law
58 - 22 - 21 (b)

SELF-CERTIFICATION STATEMENT

Be advised that GIANT EXPLORATION & PRODUCTION COMPANY is considered to be the operator of Well No. CAVE CANYON 13-3, ($\frac{11}{44}$)NWSW, Sec. 3, T. 38 S., R. 24 E., Lease UTU 47876, San Juan County, Utah, and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond Coverage for this well is provided by Bond No. BLM # NM1759 SLR11132893097.

(Principal NATIONAL SURETY 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.

Giant Exploration and Production Company
Cave Canyon 13-3
U-47876
Cave Canyon
2045 FSL 1180 FWL
NWSW Section 3, T. 38 S., R. 24 E.
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 Giant Exploration and Production Company 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 NM-1759 (Principal-Giant Exploration and Production Company) 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.
2. The 8-5/8" casing must be set at least 50' into the Chinle and cemented back to surface.
3. This location is not in a "spacing window" as described by the State of Utah. Prior to drilling, Giant must get approval from the State of Utah, Division of Oil, Gas, and Mining (contact Frank Matthews) for an exception location.
4. The 3000 psi BOPE will be installed, operated and tested in accordance with API RP 53 and Onshore Oil and Gas Order No. 2.

B. SURFACE USE PLAN

The following stipulations have been developed to mitigate adverse environmental impacts which may result from the action permitted by the accompanying decision. The action permitted and its anticipated impacts are fully described in the environmental assessment or categorical exclusion referenced above.

1. Deer winter range restrictions (no operations from December 15 to April 30) are imposed for the drilling operations.
2. BLM will complete a raptor/owl survey and clearance of the affected area surrounding the proposed drilling site PRIOR to work initiation if the proposed well is drilled between February 1 and July 15. If the raptor/owl survey locates an active raptor or owl nest which would be affected by this proposal, no work will be allowed until nestlings have fledged. If work is to be conducted between July 16 and January 31, a raptor/owl survey and clearance will not be required.
3. If conflicts with wildlife occur the reserve pit will be effectively netted to prevent animal access and entry.
4. Any paleontological resource discovered by the operator or person working on their behalf on BLM administered land, shall be immediately reported to the San Juan Resource Area Manager. The operator shall suspend all operations in the area of the discovery until written authorization to proceed is issued by the San Juan Resource Area Manager. An evaluation of the discovery will be made by the San Juan Resource Area Manager to determine appropriate actions to prevent the loss of significant scientific values.

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- 2224

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: GIANT EXPLORATION

Well Name: CAVE CANYON 13-3

Api No. 43-037-31766

Section 3 Township 38S Range 24E County SAN JUAN

Drilling Contractor FOUR CORNERS

Rig # 7

SPUDDED: Date 11/2/95

Time 12:30 AM

How ROTARY

Drilling will commence _____

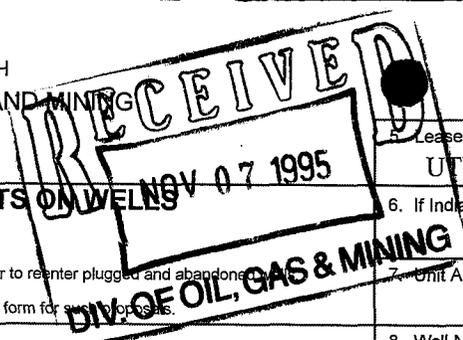
Reported by GREG MACINTOSH

Telephone # 1-505-326-3325

Date: 11/2/95 SIGNED: JLT

11-8-95
FORM 9

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING



5. Lease Designation and Serial Number:
UTU-47876
6. If Indian, Allottee or Tribe Name:
7. Unit Agreement Name:

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER:	8. Well Name and Number: Cave Canyon Well No. 13-3
2. Name of Operator: Giant Exploration & Production Company	9. API Well Number: 43-037-31766
3. Address and Telephone Number: P.O. Box 2810, Farmington, New Mexico 87499 (505)326-3325	10. Field and Pool, or Wildcat: Cave Canyon
4. Location of Well: Footages: 2045' FSL, 1180' FWL County: San Juan QQ, Sec., T.,R.,M.: NWSW, Sec. 3, T38S, R24E State: Utah	

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

NOTICE OF INTENT
(Submit in Duplicate)

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

Approximate date work will start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

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

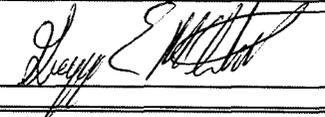
Date of work completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

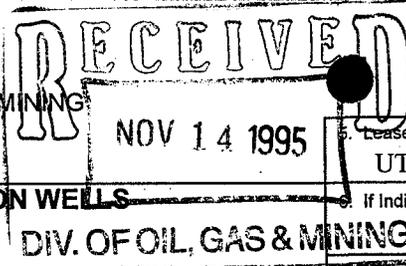
* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

The subject well was spud at 12:30 a.m., 11/02/95 with Four Corners Drilling Rig #7.

13.
Name & Signature Gregory E. McIntosh  Title: Area Engineer Date: NOV 02 1995

(This space for State use only)



5. Lease Designation and Serial Number:
UTU-47876
6. If Indian, Allottee or Tribe Name:
7. Unit Agreement Name:

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.

Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL GAS OTHER:
2. Name of Operator: Giant Exploration & Production Company
3. Address and Telephone Number: P.O. Box 2810, Farmington, New Mexico 87499 (505)326-3325
4. Location of Well: Footages: 2045' FSL, 1180' FWL
QQ, Sec., T.,R.,M.: NWSW, Sec. 3, T38S, R24E

8. Well Name and Number: Cave Canyon Well No. 13-3
9. API Well Number: 43-037-31766
10. Field and Pool, or Wildcat: Cave Canyon
County: San Juan
State: Utah

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

NOTICE OF INTENT
(Submit in Duplicate)

- Abandonment
- Casing Repair
- Change of Plans
- Conversion to Injection
- Fracture Treat
- Multiple Completion
- Other _____
- New Construction
- Pull or Alter Casing
- Recompletion
- Shoot or Acidize
- Vent or Flare
- Water Shut-Off

SUBSEQUENT REPORT
(Submit Original Form Only)

- Abandonment *
- Casing Repair
- Change of Plans
- Conversion to Injection
- Fracture Treat
- Other Drilling Progress
- New Construction
- Pull or Alter Casing
- Shoot or Acidize
- Vent or Flare
- Water Shut-Off

Approximate date work will start _____

Date of work completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

See Attachment "A".

13. Name & Signature Gregory E. McIntosh  Title: Senior Area Engineer Date: NOV 09 1995

Cave Canyon Well No. 13-3
Weekly Operations Report
11/9/95
Attachment A

- 11/2/95 Drilled 17-1/2" hole to 126'. Ran 126' of 13-3/8", 48#, J-55, ST&C conductor pipe to 126'. Cemented with 200 sacks of Class B cement with 2% CaCl₂ and 1/4#/sk cellophane flakes. Circulated cement to surface. WOC 12 hours.
- 11/3/95 Drilled 12-1/4" hole to 1565'.
- 11/4/95 Drilled 12-1/4" hole to 1979'. Set 8-5/8", 24#, J-55 casing to 1977' with 800 sacks 35:65 pozmix cement containing 6% gel, 2% CaCl₂ and 1/4#/sk, followed by 120 sacks of Class B cement containing 2% CaCl₂ and 1/4#/sk cellophane. Bumped plug at 4:28 am. BLM witness - Jeff Brown. Circulated cement to surface (no fill up job).
- 11/5/95 WOC. Pressure tested BOP stack to 3000 psi. BLM witness - Jeff Brown.
- 11/6/95 Drilled 7-7/8" hole to 2930'.
- 11/7/95 Drilled 7-7/8" hole to 3840'.
- 11/8/95 Drilled 7-7/8" hole to 4650'.

5. Lease Designation and Serial Number:
UTU-47876

SUNDRY NOTICES AND REPORTS ON WELLS

6. If Indian, Allottee or Tribe Name:

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

7. Unit Agreement Name:

1. Type of Well:

OIL GAS OTHER:

8. Well Name and Number:
Cave Canyon Well No. 13-3

2. Name of Operator:

Giant Exploration & Production Company

9. API Well Number:
43-037-31766

3. Address and Telephone Number:

P.O. Box 2810, Farmington, New Mexico 87499 (505)326-3325

10. Field and Pool, or Wildcat:
Cave Canyon

4. Location of Well:

Footages: 2045' FSL, 1180' FWL

County: San Juan

QQ, Sec., T.,R.,M.: NWSW, Sec. 3, T38S, R24E

State: Utah

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

NOTICE OF INTENT
(Submit in Duplicate)

- Abandonment
- Casing Repair
- Change of Plans
- Conversion to Injection
- Fracture Treat
- Multiple Completion
- Other _____
- New Construction
- Pull or Alter Casing
- Recompletion
- Shoot or Acidize
- Vent or Flare
- Water Shut-Off

Approximate date work will start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

- Abandonment *
- Casing Repair
- Change of Plans
- Conversion to Injection
- Fracture Treat
- Other Drilling Progress
- New Construction
- Pull or Alter Casing
- Shoot or Acidize
- Vent or Flare
- Water Shut-Off

Date of work completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

See Attachment "A".

13.

Name & Signature Gregory E. McIntosh

Title: Senior Area Engineer

Date: NOV 16 1995

Cave Canyon Well No. 13-3
Weekly Operations Report
11/16/95
Attachment A

11/9/95 Drilled 7-7/8" hole to 4798'.

11/10/95 Drilled 7-7/8" hole to 5330'.

11/11/95 Drilled 7-7/8" hole to 5610'.

11/12/95 Drilled 7-7/8" hole to 5895'.

11/13/95 Drilled 7-7/8" hole to 6096', TD.

11/14/95 TD 6096'. Logged with DIL/GR, Sonic and Neutron/Density logs.

11/15/95 TD 6096'. Ran 5-1/2", 17#, L-80, LT&C casing to 6096'. Cemented with 800 sacks of 35:65 Poz B cement containing 6% Gel, 0.4% FL-62, 2% CaCl₂ and 1/4#/sk Cellophane Flakes followed by 250 sacks of Class B cement containing 1/4#/sk Cellophane Flakes and 2#/sk Hi-Seal. Plug down at 1:45 pm. Waiting on completion rig. End of Drilling Report.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

5. Lease Designation and Serial Number:
UTU-47876

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

6. If Indian, Allottee or Tribe Name:
7. Unit Agreement Name:

1. Type of Well:
OIL GAS OTHER:

8. Well Name and Number:
Cave Canyon Well No. 13-3

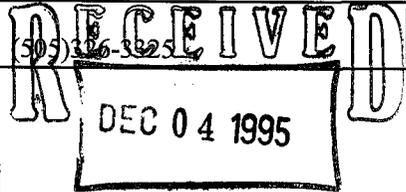
2. Name of Operator:
Giant Exploration & Production Company

9. API Well Number:
43-037-31766

3. Address and Telephone Number:
P.O. Box 2810, Farmington, New Mexico 87499 (505) 326-3325

10. Field and Pool, or Wildcat:
Cave Canyon

4. Location of Well:
Footages: 2045' FSL, 1180' FWL
QQ, Sec., T.,R.,M.: NWSW, Sec. 3, T38S, R24E



County: San Juan
State: Utah

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

NOTICE OF INTENT
(Submit in Duplicate)

- Abandonment
- Casing Repair
- Change of Plans
- Conversion to Injection
- Fracture Treat
- Multiple Completion
- Other _____
- New Construction
- Pull or Alter Casing
- Recompletion
- Shoot or Acidize
- Vent or Flare
- Water Shut-Off

SUBSEQUENT REPORT
(Submit Original Form Only)

- Abandonment *
- Casing Repair
- Change of Plans
- Conversion to Injection
- Fracture Treat
- Other Completion Progress
- New Construction
- Pull or Alter Casing
- Shoot or Acidize
- Vent or Flare
- Water Shut-Off

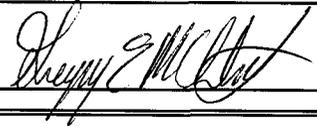
Date of work completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

See Attachment "A".

13. Name & Signature Gregory E. McIntosh  Title: Senior Area Engineer Date: NOV 30 1995

Cave Canyon Well No. 13-3
Weekly Operations Report
11/30/95
Attachment A

11/16/95

to

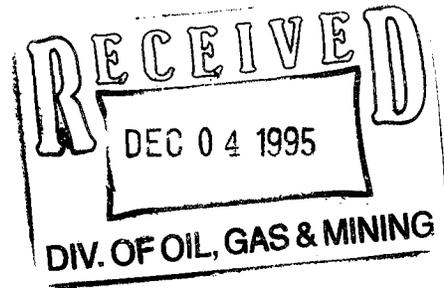
11/28/95

Waiting on completion rig.

11/29/95

Moved in completion rig and picked up tubing.

Giant Exploration & Production Company
Cave Canyon Well No. 13-3
2045' FSL, 1180' FWL
Section 3, T38S, R24E
San Juan County, Utah
Lease No. UTU-47876
DEVIATION SURVEY



<u>Depth</u>	<u>Inclination</u>
54'	3/4 degree
84'	1 degree
108'	3/4 degree
114'	1 degree
259'	1 degree
526'	1 1/2 degree
738'	1 degree
928'	1 1/4 degree
1146'	1 degree
1459'	1 degree
1958'	1 degree
2437'	3/4 degree
2936'	1/4 degree
3430'	1/4 degree
3931'	1 degree
4434'	1 degree
4936'	1 degree
5374'	1 1/4 degree
5870'	1/2 degree
6056'	3/4 degree

By:  Date: 11/30/95
Gregory E. McIntosh
Senior Area Engineer

Cave Canyon Well No. 13-3

DEVATION SURVEY

Page 2

State of New Mexico

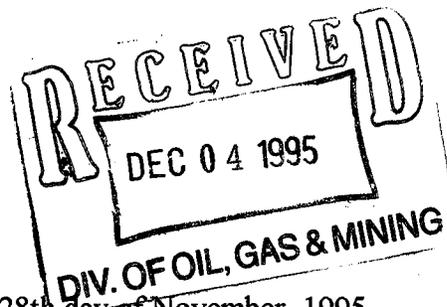
County of San Juan

The foregoing instrument was acknowledged before me this 28th day of November, 1995,
by Gregory E. McIntosh.

Dawn M. Tate

Notary Public

My commission expires 07/13/97



STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

5. Lease Designation and Serial Number:
UTU-47876

6. If Indian, Allottee or Tribe Name:

7. Unit Agreement Name:

8. Well Name and Number:
Cave Canyon Well No. 13-3

9. API Well Number:
43-037-31766

10. Field and Pool, or Wildcat:
Cave Canyon

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well:
OIL GAS OTHER:

2. Name of Operator:
Giant Exploration & Production Company

3. Address and Telephone Number:
P.O. Box 2810, Farmington, New Mexico 87499 (505)326-3325

4. Location of Well:
Footages: **2045' FSL, 1180' FWL**
County: **San Juan**
QQ, Sec., T.,R.,M.: **NWSW, Sec. 3, T38S, R24E**
State: **Utah**

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

NOTICE OF INTENT
(Submit in Duplicate)

Abandonment New Construction

Casing Repair Pull or Alter Casing

Change of Plans Recompletion

Conversion to Injection Shoot or Acidize

Fracture Treat Vent or Flare

Multiple Completion Water Shut-Off

Other _____

Approximate date work will start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

Abandonment * New Construction

Casing Repair Pull or Alter Casing

Change of Plans Shoot or Acidize

Conversion to Injection Vent or Flare

Fracture Treat Water Shut-Off

Other First Production

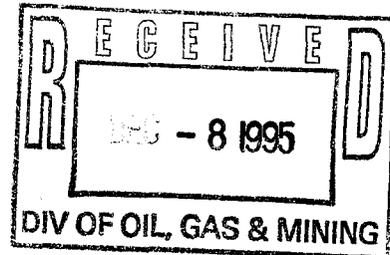
Date of work completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

* Must be accompanied by a cement verification report.

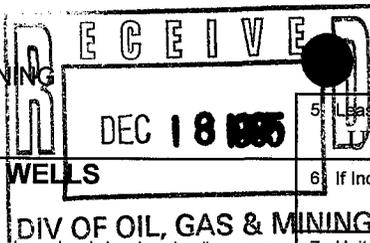
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

The subject well established first production on December 1, 1995. The well is shut in waiting on a pipeline connection.



13. Name & Signature Gregory E. McIntosh *Gregory E. McIntosh* Title: Senior Area Engineer Date: DEC 06 1995

(This space for State use only)



5. Lease Designation and Serial Number:
UTU-47876

SUNDRY NOTICES AND REPORTS ON WELLS

6. If Indian, Allottee or Tribe Name:

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.

7. Unit Agreement Name:

Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well:

OIL GAS OTHER:

8. Well Name and Number:

Cave Canyon Well No. 13-3

2. Name of Operator:

Giant Exploration & Production Company

9. API Well Number:

43-037-31766

3. Address and Telephone Number:

P.O. Box 2810, Farmington, New Mexico 87499 (505)326-3325

10. Field and Pool, or Wildcat:

Cave Canyon

4. Location of Well:

Footages: 2045' FSL, 1180' FWL

County: San Juan

QQ, Sec., T.,R.,M.: NWSW, Sec. 3, T38S, R24E

State: Utah

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

NOTICE OF INTENT

(Submit in Duplicate)

- Abandonment
- Casing Repair
- Change of Plans
- Conversion to Injection
- Fracture Treat
- Multiple Completion
- Other _____
- New Construction
- Pull or Alter Casing
- Recompletion
- Shoot or Acidize
- Vent or Flare
- Water Shut-Off

Approximate date work will start _____

SUBSEQUENT REPORT

(Submit Original Form Only)

- Abandonment *
- Casing Repair
- Change of Plans
- Conversion to Injection
- Fracture Treat
- Other Completion Progress
- New Construction
- Pull or Alter Casing
- Shoot or Acidize
- Vent or Flare
- Water Shut-Off

Date of work completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

See Attachment "A".

13.

Name & Signature

Gregory E. McIntosh

Title:

Senior Area Engineer

Date:

DEC 14 1995

Cave Canyon Well No. 13-3
Weekly Operations Report
12/14/95
Attachment A

11/30/95 Ran cement bond log. Perforated 5829'-5836' and 5848'-5855' with 4 SPF.

12/01/95 Pumped 1400 gallons of 28% HCl. Swabbing and flowing well.

12/02/95 Swabbing and flowing well.

12/03/95 Well shut in.

12/04/95 Flowing well to swab tank. Ran production tubing.

12/05/95 Ran rod string and pump. Well shut in, waiting on pipeline connection.

12/06/95
to
12/11/95 Waiting on pipeline tie in.

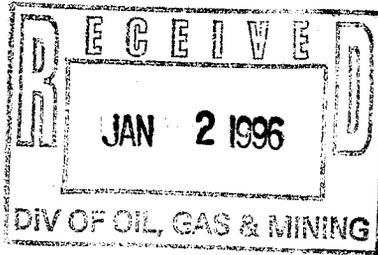
12/12/95 Pipeline connection complete.

12/13/95 Well placed into production. Waiting on well test information. Final report.



P.O. Box 2810
Farmington, New Mexico
87499

505
326-3325



December 29, 1995

State of Utah, Department of Natural Resources
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
Attn: R.J. Firth

Re: Cave Canyon Well No. 13-3 Completion Report, Geologic Report and Logs

Dear Mr. Firth:

Attached, please find a copy of the Completion Report, Geologic Report and Logs for the Cave Canyon Well No. 13-3.

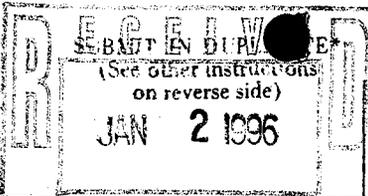
If you have any questions regarding this information, please contact me at (505) 326-3325.

Sincerely,

Gregory E. McIntosh, P.E.
Senior Area Engineer

GEM/ncs

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



56 64 01

WELL COMPLETION OR RECOMPLETION REPORT AND LOGGING

5. LEASE DESIGNATION AND SERIAL NO.
UTU 47876

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

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

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

2. NAME OF OPERATOR
Giant Exploration & Production Company

3. ADDRESS OF OPERATOR
P.O. Box 2810, Farmington, New Mexico 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 2045' FSL, 1180' FWL, Sec. 3, T38S, R24E
At top prod. interval reported below
At total depth

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Cave Canyon

9. WELL NO.
1303

10. FIELD AND POOL, OR WILDCAT
Cave Canyon

11. SEC. T., R., M., OR BLOCK AND SURVEY OR AREA
Sec. 3, T38S, R24E

12. COUNTY OR PARISH
San Juan

13. STATE
Utah

14. PERMIT NO. DATE ISSUED
42-037-31766

15. DATE SPUDDED 11/02/95 16. DATE T.D. REACHED 11/14/95 17. DATE COMPL. (Ready to prod.) 12/01/95 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* 5324' RKB 19. ELEV. CASINGHEAD 5312'

20. TOTAL DEPTH, MD & TVD 6098' 21. PLUG. BACK T.D., MD & TVD 5996' 22. IF MULTIPLE COMPL., HOW MANY* N/A 23. INTERVALS DRILLED BY → X ROTARY TOOLS CABLE TOOLS

24. PRODUCING INTERVAL(S). OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 5829'-5836', 5848'-5855' 25. WAS DIRECTIONAL SURVEY MADE Yes

26. TYPE ELECTRIC AND OTHER LOGS RUN 11-22-95 Logged with DIL/GR, Sonic & Neutron Density logs CBL/GR/CLL mudlog 27. WAS WELL CORRD. No

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

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8"	24#	1977'	12-1/4"	See Exhibit "A" attached	
5-1/2"	17#	6096'	7-7/8"	See Exhibit "A" attached	

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-7/8"	5997'	

31. PERFORATION RECORD (Interval, size and number) 32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

INTERVAL	SIZE	HOLES	DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
5829'-5836'	.5"	28 holes	5829'-5836'	1400 gallons 28% HCl.
5848'-5855'	.5"	28 holes	5848'-5855'	

33.* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)
12/01/95	Pumping	Producing

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
12/19/95	24		→	78	36	0.1	462

FLOW TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)
35	35	→	78	36	0.1	42.5

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

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records
SIGNED [Signature] TITLE Senior Area Engineer DATE DEC 29 1995

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

INSTRUCTIONS

General: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 33, below regarding separate reports for separate completions.

If not filed prior to the time this summary record is submitted, copies of all currently available logs (Williams, Geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be attached hereto to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 35.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Items 18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments. **Items 22 and 24:** If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

Item 29: "Sacks Cement" Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool. **Item 33:** Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

37. SUMMARY OF POROUS ZONES: SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORED INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES		38. GEOLOGIC MARKERS			
FORMATION	TOP	BOTTOM	NAME	MEAS. DEPTH	TRUE VERT. DEPTH
Chinle	1850'	2650'			
Cutler	2650'	4728'			
Honaker Trail	4728'	5721'			
Upper Ismay	5721'	5860'			
Hoven Weep	5860'	5895'			
Lower Ismay	5895'	5942'			
Gothic Shale	5942'	5969'			
Desert Creek	5969'	6044'			
Chimney Rock	6044'	6067'			
Akah Salt	6067'	--			

GIANT EXPLORATION & PRODUCTION COMPANY
CAVE CANYON WELL NO. 13-3
2045' FSL, 1180' FWL
SEC. 3, T38S, R24E
SAN JUAN COUNTY, UTAH
LEASE NO. : UTU 47876
COMPLETION REPORT
EXHIBIT "A"

CEMENT RECORD

- Conductor Casing -Mixed and pumped 200 sks. (240 cu. ft.) of Class "B" cement containing 2% CaCl₂ and 1/4 #/sk cellophane flakes. Cement circulated to surface.
- Surface Casing -Mixed and pumped 800 sks. (1368 cu. ft.) of 35:65 poz mix cement containing 6% gel, 2% CaCl₂ and 1/4 #/sk cellophane flakes. Followed by 120 sks. (240 cu. ft.) of Class "B" cement containing 2% CaCl₂ and 1/4 #/sk cellophane flakes. Cement circulated to surface.
- Production Casing -Mixed and pumped 800 sks. (1352 cu. ft.) of 35:65 Poz "B" cement containing 6% gel, 0.4% FL-62, 2% CaCl₂ and 1/4 #/sk cellophane flakes. Followed by 250 sks. (297.5 cu ft.) Class "B" cement containing 1/4 #/sk cellophane flakes and 2#/sk Hi-Seal.

ENTITY ACTION FORM - FORM 6

ADDRESS _____

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
B	99999	09775	43-037-31766	CAVE CANYON 13-3	NWSW	3	38S	24E	SAN JUAN	11-02-95	

WELL 1 COMMENTS: *ENTITY ADDED 1-26-96;CAVE CANYON UNIT (ISMY) PZ. *see*

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)

L. CORDOVA (DOGM)
 Signature
ADMIN. ANALYST 1-26-96
 Title Date

NOTE: Use COMMENT section to explain why each Action Code was selected.

Phone No. () _____

MONTHLY OIL AND GAS PRODUCTION REPORT

OPERATOR NAME AND ADDRESS:

DIANE G JARAMILLO
 GIANT EXPLOR & PROD CO
 PO BOX 2810
 FARMINGTON NM 87499

UTAH ACCOUNT NUMBER: N0075

REPORT PERIOD (MONTH/YEAR): 8 / 96

AMENDED REPORT (Highlight Changes)

Well Name			Producing Zone	Well Status	Days Oper	Production Volumes		
API Number	Entity	Location				OIL(BBL)	GAS(MCF)	WATER(BBL)
✓ 4303731120	CAVE CANYON 3-2	38S 24E 3	ISMY			47876	Cave Cyn Unit	
✓ 4303731276	CAVE CANYON 4-33	37S 24E 33	ISMY			40751	"	
✓ 4303731413	CAVE CANYON 3-3.1	38S 24E 3	ISMY			47876	"	
✓ 4303731414	CAVE CANYON FED 4-3	38S 24E 4	ISMY			"	"	
✓ 4303731539	CAVE CANYON FED 4-4	38S 24E 4	ISMY			"	"	
✓ 4303731567	CAVE CANYON FEDERAL 12-3	38S 24E 3	ISMY			"	"	
✓ 4303731695	CAVE CANYON FEDERAL 4-5	38S 24E 4	ISMY			"	"	
✓ 4303731766	CAVE CANYON 13-3	38S 24E 3	ISMY			"	"	
4303731463	GAGE FOSTER #1	37S 23E 32	DSCR			ML43698		
4303731658	HATCH POINT #1	29S 21E 14	LDLL			461791		
43-037-15042	Gothic mesa 16-11	41S 23E 16	DSCR / WIW			1420602243	Gothic Mesa Unit / Nav.	
43-037-21095	Cave Canyon 3-1	38S 24E 3	ISMY / WIW			47876	Cave Cyn Unit	
TOTALS								

COMMENTS: _____

I hereby certify that this report is true and complete to the best of my knowledge.
 Name and Signature: _____ Date: _____
 Telephone Number: _____

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

5. Lease Designation and Serial Number:
U-47876

6. If Indian, Allottee or Tribe Name:
NA

7. Unit Agreement Name:
NA

8. Well Name and Number:
Cave Canyon 13-3

9. API Well Number:
43-037-31766

10. Field and Pool, or Wildcat:
Cave Canyon, Ismay

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL GAS OTHER: _____

2. Name of Operator:
Central Resources, Inc.

3. Address and Telephone Number:
1775 Sherman Street, Suite 2600 Denver, CO 80203 303-830-0100

4. Location of Well:
Footages: 2045' FSL & 1180' FWL County: San Juan
QQ, Sec., T.,R.,M.: NW SW Sec. 3-T38S-R24E State: Utah

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

NOTICE OF INTENT
(Submit in Duplicate)

- Abandonment
- Casing Repair
- Change of Plans
- Conversion to Injection
- Fracture Treat
- Multiple Completion
- Other _____
- New Construction
- Pull or Alter Casing
- Recompletion
- Shoot or Acidize
- Vent or Flare
- Water Shut-Off

Approximate date work will start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

- Abandonment *
- Casing Repair
- Change of Plans
- Conversion to Injection
- Fracture Treat
- Other Change of Operator
- New Construction
- Pull or Alter Casing
- Shoot or Acidize
- Vent or Flare
- Water Shut-Off

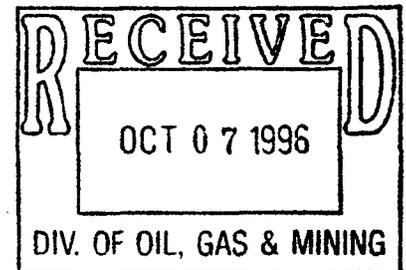
Date of work completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

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



Giant Exploration & Production Company
Name & Signature *Steve Jaramilla*

Title: Production/Regulatory Manager Date: August 30, 1996

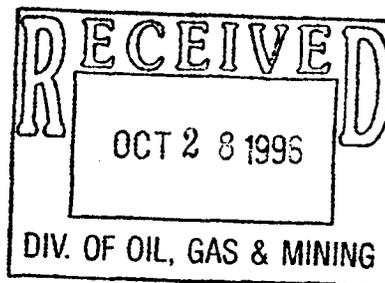
13. Central Resources, Inc.
Name & Signature *Jane Martinez*

Title: Engineering Technician Date: August 30, 1996

CENTRAL

RESOURCES, INC.

October 23, 1996



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

Re: Monthly Oil & Gas Production Report

Dear Ms. Cordova:

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

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

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

Sincerely,

Diane G. Jaramillo by EW

Diane G. Jaramillo
Office Supervisor

DGJ/

Enclosure

** 9/6/98 Notified Oper. NL935 "Central Res. Inc."
(Clg. not finalized yet!)*

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires March 31, 1995

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

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
 Central Resources, Inc.

3. Address and Telephone No.
 1775 Sherman Street, Suite 2600, Denver, Colorado 80203 (303)830-0100

4. Location of Well (Footage, T. R, M, or Survey Description)
 2045' FSL & 1180' FML
 NW SW Sec 3-T36S-R24E

5. Lease Designation and Serial No.
 UTU47876

6. If Indian, Allotte or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
 Cave Canyon 13-3

9. API Well No.
 43-037-31756

10. Field and Pool, or Exploratory Area
 Cave Canyon Ismay

11. County or Parish, State
 San Juan, UT

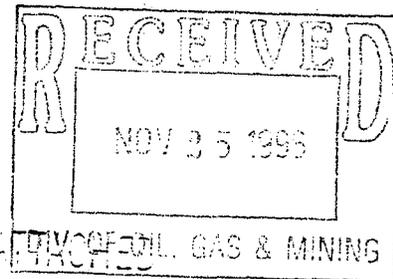
12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recomposition
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Surface Casing Cementing
	<input checked="" type="checkbox"/> Other: CHANGE OF OPERATOR
	<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 recomposition 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 directional, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Please be advised that effective September 1, 1996, Central Resources, Inc. assumed operatorship of the referenced well. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Central Resources, Inc. under their statewide bond, BLM Bond No. B06175. They will be responsible for compliance under the lease terms and conditions for that portion of the lease associated with this notice.



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

Signed: Jane Marley Title: Engineering Technician Date: November 1, 1996

Approved by: Brad D. Palmer Assistant Field Manager, Resource Management

Conditions of approval, if any:

Central Resources, Inc.
Well No. Cave Canyon 13-3
NWSW Sec. 3, T. 38 S., R. 24 E.
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 Central Resources, Inc., 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 land.

Bond coverage for this well is provided by BLM Bond UT1053 (Principle - Central Resources, Inc.) 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.

OPERATOR CHANGE WORKSHEET

Routing	
1-LEC ✓	6-LEC ✓
2-LEC ✓	7-KDR ✓
3-DPS ✓	8-SJ ✓
4-VLD ✓	9-FILE ✓
5-RJF ✓	

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

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

The operator of the well(s) listed below has changed, effective: 9-1-96

TO: (new operator) CENTRAL RESOURCES INC
 (address) 1775 SHERMAN ST STE 2600
DENVER CO 80203-4313
IRENE MARTINEZ
 Phone: (303)830-0100
 Account no. N6935 (10-25-96)

FROM: (old operator) GIANT EXPLOR & PROD CO
 (address) PO BOX 2810
FARMINGTON NM 87499
DIANE JARAMILLO
 Phone: (505)326-3325
 Account no. N0075

WELL(S) attach additional page if needed: ***CAVE CANYON UNIT**

Name: **SEE ATTACHED**	API: _____	Entity: _____	S	T	R	Lease: _____
Name: _____	API: _____	Entity: _____	S	T	R	Lease: _____
Name: _____	API: _____	Entity: _____	S	T	R	Lease: _____
Name: _____	API: _____	Entity: _____	S	T	R	Lease: _____
Name: _____	API: _____	Entity: _____	S	T	R	Lease: _____
Name: _____	API: _____	Entity: _____	S	T	R	Lease: _____
Name: _____	API: _____	Entity: _____	S	T	R	Lease: _____

OPERATOR CHANGE DOCUMENTATION

- 1 1. (r649-8-10) Sundry or other legal documentation has been received from the **FORMER** operator (attach to this form). *(rec'd 10-7-96)*
- 2 2. (r649-8-10) Sundry or other legal documentation has been received from the **NEW** operator (Attach to this form). *(rec'd 10-7-96)*
- 3 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is the company registered with the state? (yes/no) _____ If yes, show company file number: #CO193111. *(c.H. 8-2-96)*
- 4 4. **FOR INDIAN AND FEDERAL WELLS ONLY.** The BLM has been contacted regarding this change. Make note of BLM status in comments section of this form. BLM approval of Federal and Indian well operator changes should ordinarily take place prior to the division's approval, and before the completion of steps 5 through 9 below.
- 5 5. Changes have been entered in the Oil and Gas Information System (3270) for each well listed above. *(11-25-96)*
- 6 6. Cardex file has been updated for each well listed above. *(11-25-96)*
- 7 7. Well file labels have been updated for each well listed above. *(11-25-96)*
- 8 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to Trust Lands, Sovereign Lands, UGS, Tax Commission, etc. *(11-25-96)*
- 9 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

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

BOND VERIFICATION - (FEE WELLS ONLY)

- N/A 1. (r649-3-1) The NEW operator of any fee lease well listed above has furnished a proper bond.
- Yes 2. A copy of this form has been placed in the new and former operator's bond files.
3. The FORMER operator has requested a release of liability from their bond (yes/no) , as of today's date . If yes, division response was made to this request by letter dated .

LEASE INTEREST OWNER NOTIFICATION OF RESPONSIBILITY

- N/A 1. Copies of documents have been sent on to at Trust Lands for changes involving State leases, in order to remind that agency of their responsibility to review for proper bonding.

FILMING

- Yes 1. All attachments to this form have been microfilmed. Today's date: 12-30-96.

FILING

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

COMMENTS

9/6/25 BLM/Moab Aprv. 11-19-96.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

5. Lease Designation and Serial Number:

U-47876

SUNDRY NOTICES AND REPORTS ON WELLS

6. If Indian, Allottee or Tribe Name:

N/A

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.

Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

7. Unit Agreement Name:

N/A

1. Type of Well:

OIL GAS OTHER:

8. Well Name and Number:

Cave Canyon 13-3

2. Name of Operator:

Elm Ridge Resources, Inc.

9. API Well Number:

43-037-31766

3. Address and Telephone Number:

312 W. LaPlata Street, Farmington, New Mexico (505) 326-7099

10. Field and Pool, or Wildcat:

Cave Canyon, Ismay

4. Location of Well:

Footages: 2045' FSL & 1180' FWL

County: San Juan

QQ, Sec., T.,R.,M.: NW SW Sec. 3-T38S-R24E

State: Utah

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

NOTICE OF INTENT

(Submit in Duplicate)

- Abandonment
- Casing Repair
- Change of Plans
- Conversion to Injection
- Fracture Treat
- Multiple Completion
- Other _____
- New Construction
- Pull or Alter Casing
- Recom
- Shoot or Acidize
- Vent or Flare
- Water Shut-Off

Approximate date work will start _____

SUBSEQUENT REPORT

(Submit Original Form Only)

- Abandonment *
- Casing Repair
- Change of Plans
- Conversion to Injection
- Fracture Treat
- Other Change of Operator
- New Construction
- Pull or Alter Casing
- Shoot or Acidize
- Vent or Flare
- Water Shut-Off

Date of work completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

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

RECEIVED

OCT 10 2000

DIVISION OF
OIL, GAS AND MINING

Central Resources, Inc.

Name & Signature

Jane Martinez

Title: Engineering Technician

Date: 09/29/00

13.

Elm Ridge Resources, Inc.

Name & Signature

Doug Eubly

Title: Operations Manager

Date: 09/29/00

(This space for State use only)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
 Elm Ridge Resources, Inc.

3. Address and Telephone No.
 312 W. LaPlata Street, Farmington, New Mexico (505) 326-7099

4. Location of Well (Footage, T, R, M, or Survey Description)
 2045' FSL & 1180' FWL
 NW SW Sec 3-T38S-R24E

5. Lease Designation and Serial No.
 UTU47876

6. If Indian, Allotte or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
 Cave Canyon 13-3

9. API Well No.
 43-037-31766

10. Field and Pool, or Exploratory Area
 Cave Canyon, Ismay

11. County or Parish, State
 San Juan, UT

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"/> Surface Casing/Cementing
	<input checked="" type="checkbox"/> Other: CHANGE OF OPERATOR
	<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 markets and zones pertinent to this work.)*

Please be advised that effective ~~October 1, 2000~~, Elm Ridge Resources, Inc. assumed operatorship of the referenced well. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Elm Ridge Resources, Inc. under their statewide bond, BLM Bond No. ~~505786~~. They will be under the lease terms and conditions for that portion of the lease associated with this notice.

*Bond obtained 3/20/01
 Change of operator effective 4/1/01
 BLM Bond # UT 1216*

RECEIVED
MOAB FIELD OFFICE
2000 OCT 17 P 2: 08

DEPT OF THE INTERIOR
BUREAU OF LAND MGMT

RECEIVED

JUN 11 2001

DIVISION OF OIL, GAS AND MINING

2000 OCT 10 PM 2:24
 070 FARMINGTON NM

14. I hereby certify that the foregoing is true and correct
 Signed: *[Signature]* Title: Operations Manager Date: September 29, 2000

(This space for Federal or State office use)
 Approved by: *[Signature]* Title: Assistant Field Manager, Division of Resources Date: 6/6/01

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.

CC: UDSGM 6/6/01

Elm Ridge Resources, Inc.
Well No. Cave Canyon 13-3
NE SW Sec. 3, T. 38 S., R. 24 E.
Lease UTU47876
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 Elm Ridge Resources, Inc. 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 UT1216 (Principal - Elm Ridge Resources, Inc.) 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.

RECEIVED

JUN 11 2001

**DIVISION OF
OIL, GAS AND MINING**

OPERATOR CHANGE WORKSHEET

ROUTING

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

Enter date after each listed item is completed

X Change of Operator (Well Sold)

Designation of Agent

Operator Name Change (Only)

Merger

The operator of the well(s) listed below has changed, effective: **04-01-2001**

FROM: (Old Operator):
CENTRAL RESOURCES INC
Address: P. O. BOX 189
FARMINGTON, NM 87499-189
Phone: 1-(505)-632-3476
Account N6935
CA No.

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

WELL(S)

NAME	API NO.	ENTITY NO.	SEC. TWN RNG	LEASE TYPE	WELL TYPE	WELL STATUS
CAVE CANYON 1-33	43-037-31276	9775	33-37S-24E	FEDERAL	OW	P
CAVE CANYON 3-2	43-037-31120	9775	03-38S-24E	FEDERAL	OW	P
CAVE CANYON 3-3	43-037-31413	9775	03-38S-24E	FEDERAL	OW	S
CAVE CANYON 12-3	43-037-31567	9775	03-38S-24E	FEDERAL	OW	S
CAVE CANYON 13-3	43-037-31766	9775	03-38S-24E	FEDERAL	OW	S
CAVE CANYON 1-4	43-037-31028	9775	04-38S-24E	FEDERAL	OW	P
CAVE CANYON 4-3	43-037-31414	9775	04-38S-24E	FEDERAL	OW	S
CAVE CANYON 4-4	43-037-31539	9775	04-38S-24E	FEDERAL	OW	P
CAVE CANYON 4-5	43-037-31695	9775	04-38S-24E	FEDERAL	OW	P

OPERATOR CHANGES DOCUMENTATION

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 10/10/2000
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 10/10/2000
- The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 06/12/2001
- Is the new operator registered in the State of Ut YES Business Number: 4830075-1150
- If **NO**, the operator was contacted on: _____
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the (merger, name change, or operator change for all wells listed on Federal or Indian leases on: 06/06/2001
- Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: N/A

8. **Federal and Indian Communization Agreements ("CA"):** The BLM or the BIA has approved the operator change for all wells listed involved in a CA on: N/A

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

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** 06/12/2001

2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 06/12/2001

3. Bond information entered in RBDMS on: N/A

4. Fee wells attached to bond in RBDMS on: N/A

STATE BOND VERIFICATION:

1. State well(s) covered by Bond No.: N/A

FEE WELLS - BOND VERIFICATION/LEASE INTEREST OWNER NOTIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed has furnished a bond: N/A

2. The **FORMER** operator has requested a release of liability from their bond on: N/A
The Division sent response by letter on: N/A

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

FILMING:

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

FILING:

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

COMMENTS:

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

FORM 9.

SUNDRY NOTICES AND REPORTS ON WELLS

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

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

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

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

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

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

Current Operator:

Name Elm Ridge Resources, Inc. N1440 Title Land Manager
Signature Cathleen Colly Date December 1, 2005

New Operator:

NAME (PLEASE PRINT) Elm Ridge Exploration Company, LLC TITLE Land Manager
SIGNATURE Cathleen Colly DATE December 1, 2005

(This space for State use only)

RECEIVED

DEC 05 2005

Exhibit "A"
Operator Change
Effective February 18, 2005

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

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

8. **Federal and Indian Units:**

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

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

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

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

DATA ENTRY:

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

FEDERAL WELL(S) BOND VERIFICATION:

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

INDIAN WELL(S) BOND VERIFICATION:

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

FEE & STATE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number 1116000107

2. The **FORMER** operator has requested a release of liability from their bond on: n/a
The Division sent response by letter on: _____

LEASE INTEREST OWNER NOTIFICATION:

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

COMMENTS:

