

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS WELL LOG ELECTRIC LOGS FILE **X** WATER SANDS LOCATION INSP SUB R:PORT/abd

DATE FILED **OCTOBER 1, 1996**

LAND. FEE & PATENTED STATE LEASE NO. PUBLIC LEASE NO. **UTU-068676** INDIAN

DRILLING APPROVED: **NOVEMBER 14, 1996**

SPUDED IN

COMPLETED PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY API **CONFIDENTIAL**

GOR

PRODUCING ZONES

TOTAL DEPTH:

WELL ELEVATION:

DATE ABANDONED: **1A 10-12-2000**

FIELD **UNDESIGNATED**

UNIT:

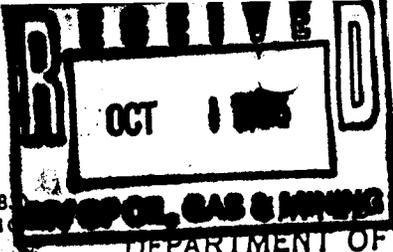
COUNTY **SAN JUAN**

WELL NO. **AULTMORE-FEDERAL 1-24X** API NO. **43-037-31781**

LOCATION **1517 FSL** FT. FROM (N) (S) LINE. **1869 FWL** FT. FROM (E) (W) LINE **NE SW** 1/4 - 1/4 SEC. **24**

TWP	RGE	SEC	OPERATOR	TWP	RGE	SEC	OPERATOR
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37S	24E	24	PETRAL EXPLORATION
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Form 3160-3
(November 1985)
(formerly 9-3316)

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL DEEPEN PLUG BACK
b. TYPE OF WELL
OIL WELL GAS WELL OTHER
SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
Petral Exploration, LLC

3. ADDRESS OF OPERATOR
c/o McIlroy & Associates, Inc.
2305 Oxford Lane, Casper, WY 82640 (307) 265-4351

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface: 1517' FSL and 1869' FWL (SW NE SW) Sec. 24-T37S-R24E
At proposed prod. zone: 570
Same
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Approximately 15 miles SE of Blanding, UT

CONFIDENTIAL

16. NO. OF ACRES IN LEASE: 2560.00
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.: 844'
undrilled loc.
20. ROTARY OR CABLE TOOLS: Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.): 5110' GR
22. APPROX. DATE WORK WILL START*: October, 1996

PROPOSED CASING AND CEMENTING PROGRAM				QUANTITY OF CEMENT	
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH		
20"	16"	0.25" wall	80'	To surface w/ready mix	
12 1/4"	8 5/8"	24#/ft.	1400'	Cemented to surface	
7 7/8"	5 1/2"	15.5#/ft.	5547'	220 sks.	

Request is made for all information to be held CONFIDENTIAL.

It is proposed to drill a well at the above location with the primary zone of interest the Upper Ismay Mound formation at 5238' TVD. If the well proves productive, 5 1/2" casing will be cemented in place and the well completed. If the well is found non-productive it will be plugged and abandoned and the surface restored as per BLM specifications.

See attached "Drilling Program" summary and "Surface Use Program" for details. I hereby certify that Petral Exploration, LLC is responsible under the terms and conditions of the lease to conduct lease operations in conjunction with the application. Bond coverage pursuant to 43 CRF 3104 for lease activities is provided by BLM Bond No. UT 1040

See attached comments. This is an exception location. Application has been made to the Utah Board of Oil, Gas & Mining for an exception location.

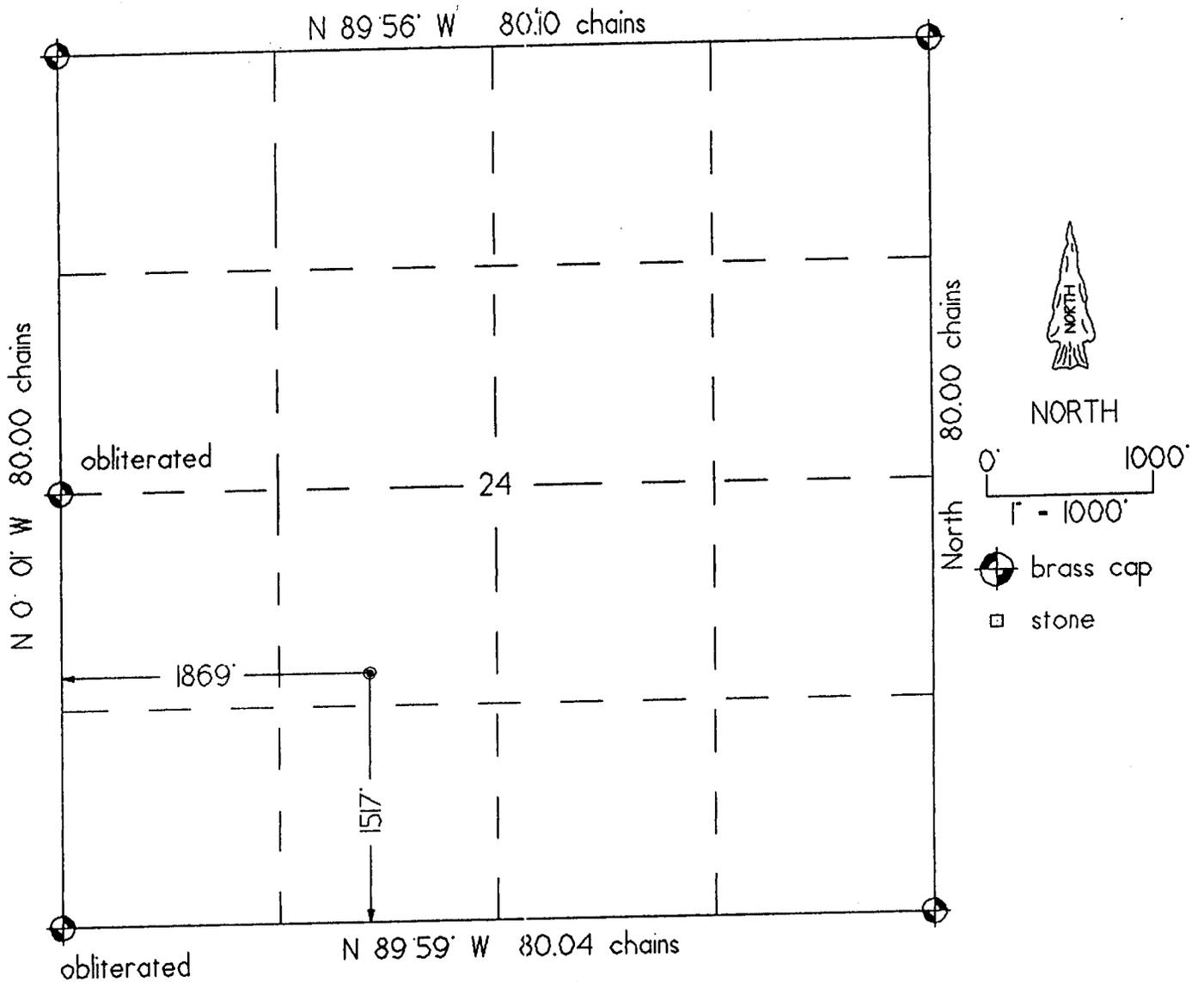
IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer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

24. SIGNED: Anthony R. Mayer Petral Exploration, LLC, Petrero Corp., Manager
TITLE: Anthony R. Mayer, Sr. VP DATE: Sept. 26, 1996

(This space for Federal or State office use)

PERMIT NO. 43-037-31281
APPROVED BY: [Signature] TITLE: State Engineer DATE: 11/14/96

Well Location Plat



Well Location Description

PETRAL EXPLORATION

I-24X Aultmore Federal

1517' FSL & 1869' FWL

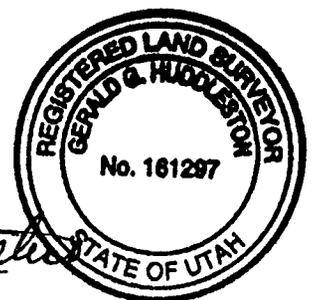
Section 24, T.37 S., R.24 E., SLM

San Juan County, UT

5110' grd. el.

State plane coordinates from GPS survey:

330.616 North & 2.656.897 East



16 September 1996

Gerald G. Huddleston
Gerald G. Huddleston, LS

The above is true and correct to my knowledge and belief.

HUDDLESTON LAND SURVEYING - BOX KK - CORTEZ, CO - (970) 565 -3330

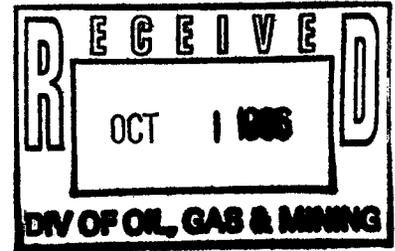
Comments to Form 3160-3

Petral Exploration, LLC,
Aultmore #1-24X, UTU-068676
SW NE SW Section 24-T37S-R24E,
San Juan Co., UT

Item 5, Lease Designation and Serial No. UTU-068676 includes all of Sections 24, 25, 26 & 27 T37S-T24E, San Juan Co., Utah. It covers 2560.00 acres. The NE/4 of Section 24 is included in the Knockando Unit UTU-75217X. The Unit was validated by the Petral #1 Knockando Unit (43 037 31777). As a result, the remainder of the lease will be segregated, will receive a new lease number, and will receive a two year extension. When segregated, the lease will cover 2400 acres. The segregation has not yet occurred, but it is in progress according to BLM SLC.

Item 15, Distance From Proposed Location to Nearest Lease Line and Unit Line, if any. The well is not situated in the Knockando Unit, but is 1300' outside the unit.

Item 18, Distance From Proposed Location to Nearest Well Drilling, Completed or Applied For On This Lease: The proposed well is 844' from an active permit, but to date undrilled location, Petral #1 Aultmore Federal (43 037 31778).



DRILLING PROGRAM

**Petral Exploration, LLC
#1-24X Aultmore-Federal
1517' FSL & 1869' FWL (SW NE SW) Sec. 24-T37S-R24E
Lease # UTU 068676
San Juan Co., UT**

A. Surface Formation:

Morrison

B. Estimated Formation Tops: - (KB Measurements)

<u>Formation</u>	<u>TVD Depth (KB)</u>
Morrison	Spud
Entrada	315
Navajo	510
Wingate.....	1062
Chinle	1282
Shinarump.....	2017
Cutler	2252
Honaker Trail.....	4122
La Sal	4880
Black sh mkr (mud log gas spike).....	5136
Shale 1	5181
Upper Ismay.....	5198
Upper Ismay massive anhydrite.....	5228
Upper Ismay mound.....	5238
Hovenweep Shale.....	5333
Lower Ismay	5363
Lower Ismay anhydrite.....	5380
Lower Ismay carbonate	5406
Gothic Shale.....	5414
Upper Desert Creek.....	5438
Upper Desert Creek anhydrite	5451
Lower Desert Creek	5464
Lower Desert Creek anhydrite.....	5474
Lower Desert Creek mound.....	5487
Chimney Rock Shale.....	5502
Akah	5522
TOTAL DEPTH	5547
Salt	5553

DO NOT PENETRATE

C. Estimated Depths at which Anticipated Water, Oil, Gas or other Mineral-Bearing Formations are Expected to be Encountered:

Hydrocarbon bearing zones may be found from 5238' (Upper Ismay mound) to 5,547'. Commercial water zones are not anticipated. All formations below surface may contain water. Fresh water zones will be protected through casing and cementing programs (see parts E & F).

D. Minimum Pressure Control Equipment & Auxiliary Equipment:(see attached diagram)

1. One 11" - 3000 psig annular preventer. One 11" - 3000 psig double ram blowout preventor with blind rams and one set of 4 1/2" drill pipe rams (above blind ram) will be installed and utilized prior to drilling below 8 5/8" surface csg. Flow sensor and PVT will be installed prior to drilling below surface casing and utilized to T.D.
2. Blowout preventor or drilling spool will be equipped with one 3" and one 2" side outlet.
3. A 3000 psig choke manifold with two (2) adjustable chokes will be installed prior to drilling below surface casing. The choke line will be as straight as possible and turns, if required, will have a targeted T block.
4. An accumulator rated at 3000 psig W.P. with a minimum of three (3) hydraulic control stations will be utilized. One for annular, one for blind rams and one for pipe rams. Remote controls will be located at the accumulator house at G.L. and on the floor. Manual controls (e.g. hand wheels) will be located at G.L. outside the substructure. A valve shall be installed in the hydraulic closing line to serve as a locking device when the accumulator system is inoperative.
5. Pressure testing procedures and requirements. Prior to drilling out below the 9 5/8" surface casing, surface casing will be tested to 2065 psig (70% of minimum internal yield of the 8 5/8", 24#/ft., K-55 surface casing) for a minimum of 10 min. BOP stack and associated equipment (e.g., choke manifold, lower and upper kelly cocks, valves, etc.) will be tested to 3000 psig for 15 min. utilizing a test plug. The annular preventor will be tested to 1500 psig for 15 min. Certified BOP testing service company will be utilized for pressure testing. All pressure testing operations must be witnessed by Petral's well site representative (McIlnay & Associates, Inc.).
6. Drilling contractor will perform a daily operational check of all BOP equipment (e.g. includes associated equipment). Pipe and blind rams shall be activated each trip.
7. All BOP pressure testing and operational check will be recorded in the daily "Tour" book.
8. A BOP and pit level drill will be conducted by the drilling contractor weekly and noted in the "tour" report book.
9. 24 hours prior to pressure testing notify the BLM, and Utah Division of Oil, Gas & Mining.

Every 30 days BOP and accessory equipment will be pressure tested to 3000 psig (utilize test plug). Notify the BLM and Utah Division of Oil, Gas & Mining prior to test.

E. Casing Program:

Conductor Casing: 80' of 16" pipe cemented in place to surface.

Surface Casing: 36 Jts. - 1400', 8 5/8", 24 #/ft, J-55, ST&C, "A" Grade (new).

Accessory Equipment

- 1 - 8 5/8" Guide Shoe
- 1 - 8 5/8" Insert Float installed 1st joint above shoe.
- 1 - 8 5/8" Centralizer placed middle of shoe joint.
- 1 - 8 5/8" Centralizer on 2nd collar above shoe.
- 1 - 8 5/8" Centralizer on 3rd collar above shoe.
- 3 - 8 5/8" Centralizer thereafter on every 4th collar for 3 centralizers.
- 3 - 8 5/8" Centralizer thereafter on every 6th collar for 3 centralizers.
- 1 - 8 5/8" Centralizer placed 3rd collar from surface.
- 10 Total Centralizers

Production Casing (New):

Interval	Net-Ft.	Gross-Ft	Specifications
0 - 5,547'	5,547'	5,602'	5 1/2", 15.5#/ft., J or K-55, ST&C or LT&C, New

Accessory Equipment

To be determined at time of need.

Testing Procedure:

At time of BOP testing and prior to drilling out, surface casing will be tested to 70% of burst pressure for new casing (2065 psig). Production casing will be pressure tested to a minimum of 3000 psig prior to commencement of completion.

F. Cementing Program: Check water quality for all cementing slurries.

Conductor: Cement to surface.

Surface Casing: (Tentative - volumes and types may be changed. Designed to circulate cement to surface - 100% excess.)

Lead Slurry: 480 sks. Halliburton Light Std. (70) w/2% CaCl₂ & 1/4#/sk. Flocele
Slurry yield - 1.95 CF/sk

Tail Slurry: 160 sks. Class "G" cement w/2% CaCl₂ & 1/4#/sk. Flocele
Slurry yield - 1.19 CF/sk

Note: If cement does not circulate to surface, utilize 1" to bring to surface.

Production Casing: (Cement minimum of 1000' fillup above potential pay zone(s))

Preflush: 10 Bbls. fresh water
20 Bbls. mud flush (or equivalent)

Scavenger:
50 sks. Pozmix A (70)

Primary Slurry: 220 sks. Std. Pozmix A (70), w/0.5% Micro Bond M,
2% Halliburton Gel, 0.5% Halad 344 & 1/4#/sk. Flocele.

Note: Slurry volume to be recalculated based on hole caliper and number and depth of zones.
25% excess and 7 7/8" hole used for initial calculations.

G. Drilling Fluids:

Depth	0 - 1400'	1400' - 4000'	4000' - 5400'	5400' - T.D.
Wt. - #/gal	8.4 - 8.9	8.4 - 8.9	*18.6 - 10+	*59 - 12+
Vis. - sec.qt.	27 - 40	30 - 35	*234 - 40	*234 - 40
WL - cc	NC	NC	*310 Max	8 - 10
pH	NC	NC	*49.0 - 10	9.5
PV/YP	--	--	6-10/8-16	6-10/8-16
Gels (sec/ min)	--	--	1-4/3-9	1-4/3-9
Type System	FWG	FWG/SDF 2000 Sweeps	LSND	LSND

*1 Drill Upper Ismay mound with as low a mud weight that can be achieved. May require weighting up to kill water flows. If required to weight up for water flow, pretreat mud w/10 sks. of Magmafiber loss circulation material prior to drilling or coring the Upper Ismay Mound.

*2 Recommended Viscosity:
Coring - 42-44 sec./qt.
Logging - 50 sec./qt.
DST's - 42-44 sec./qt.

*3 Prior to penetrating the Upper Ismay mound.

*4 Raise pH to 10 prior to drilling anhydrites.

*5 Lower Desert Creek may be overpressured and require a weighted mud system.

Prior to penetrating the Upper Ismay Mound @ 5238' or the Lower Desert Creek Mound add 100 ppm nitrates to the mud system.

Sufficient mud materials to maintain mud requirements and meet minor lost circulation and blowout problems will be on the wellsite. The pits will be monitored on trips to assure that the hole is kept full while tripping the drilling string. A pit volume totalizer (PVT), stroke counter & flow sensor will be utilized below the surface casing setting depth to T.D.

H. Coring, Testing, Logging and Tentative Completion Program:

1. One 60' core and one shorter core of Upper Ismay mound at est. depth of 5,238' TVD. On site geologist to pick core point and samples for analyses.
2. Drill stem tests will be at the discretion of the operator and will be based on shows, logs, hole conditions, etc.
3. If a completion attempt is to be made, 5 1/2" casing will be cemented into place. The following presents a summary of tentative completion procedures.
 - a. Perforate pay zones with approximately 4 shots/ft.
 - b. Perforations may be stimulated w/HCl acid.
 - c. A Sundry Notice will be filed with the final completion plan.

Note: All perforations and the size of stimulation jobs are tentative and final design will be based on electric logs, cores, and drill stem test data.

4. Logging:

GR-AIT - Base surface casing to T.D.

GR-BHCS (long spaced integrated) w/Cal - Base surface casing to T.D.

GR-FDC-CNL-w/PE (min.) - Base surface casing to T.D.

FIT (high resolution stratigraphic dipmeter, 6 arm) - Lower 800' of hole or minimum run.

5. Samples:

30' samples from 1,400' - 4,000'

10' samples 4,000' to TD

All cutting samples are to be washed and stored in properly marked cloth bags. Tie the sample bags in 100' depth groups to dry. Store in a clean, dry place. Sample depth intervals may be changed at the discretion of the geologist.

I. Abnormal Conditions or Potential Hazards:

Potential problems include possible water flows to 4900'; abnormal pressure in Lower Desert Creek Carbonate (3500 psig); lost circulation and seepage from surface to TD w/possible differential sticking. Estimated temperature at T.D. 140° F. Hydrogen sulfide gas is not anticipated.

J. Auxiliary Equipment Required: See Paragraph D.

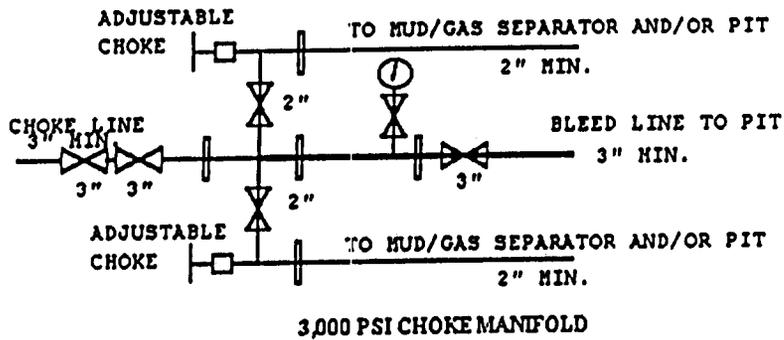
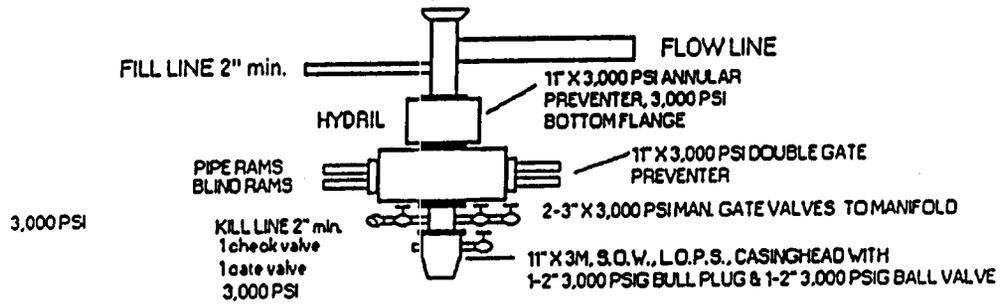
K. Anticipated Starting Date of Drilling Operations:

Plan to start drilling ≈ October 18, 1996. 15 days should be required to drill, test, log and set casing.

L. Additional Considerations

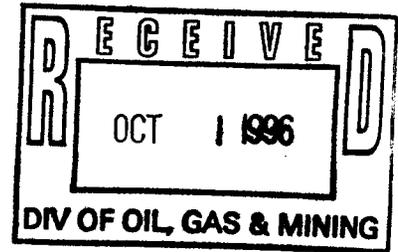
This is an exception location. Application has been made to the Utah Board of Oil, Gas and Mining for an exception location.

**BOP EQUIPMENT
3,000 PSIG W.P.**



SURFACE USE PROGRAM

Petral Exploration, LLC
#1-24X Aultmore-Federal
SW NE SW Sec. 24-T37S-R24E
Lease UTU 068676
San Juan Co., UT



A. Existing Roads

1. To visit the wellsite, proceed south for 1 mile from the Comfort Inn in Blanding, Utah and turn left at Amer-Gas on 700 E Brown Canyon Road. Continue 1 mile to County Road #206 and turn right. Stay on Co. 206 for 8.5 miles (keep to left at fork) and go an additional 14 miles (total of 22.5 miles on Co. 206) to the old compressor station at the Montezuma Canyon Road, (Co. Rd. 146). Turn left and go north 4.4 miles and cross the creek bed. Turn right and go 0.4 miles, turn left and go 0.5 miles up the rocky hill on a newly constructed access road (for the Aultmore Federal #1) to the location.
2. Existing roads are paved, gravel or dirt and are suitable for heavy loads. Existing roads, excluding those maintained by the State or County, will be maintained in the same or better condition. Petral will participate in any cooperative agreement that currently exists, or might be required in the future, to improve and maintain the existing roads. The access road will not cross Indian lands. With the exception of State or County maintained roads, the existing roads are on Bureau of Land Management and land owned by Guy Tracy, Box 763, Monticello, Utah.
3. Proposed wellsite and access roads: See Figures 1 - 3.

B. Access Roads to be Constructed or Reconstructed:

See Figure 2. The last 0.5 miles to the location is on a newly constructed access road bladed up the hill to the Aultmore federal #1. 155' of the newly constructed access road will be moved to avoid the reserve pit for this well. See Figure 3. These roads will be upgraded and graveled as needed if production is obtained.

C. Existing Wells within a One-Mile Radius(See Figure 2)

- | | | |
|----|------------------|------|
| 1. | Water Wells: | Two |
| 2. | Injection Wells: | None |
| 3. | Abandoned Wells: | One |
| 4. | Disposal Wells: | None |

5. Producing Wells: None
6. Drilling Wells: None (one permitted but not yet drilled well Aultmore Federal #1 844' NE, one permit in progress at this date, #2 Knockando Unit).

D. Location of Existing and/or Proposed Facilities if Well is Productive:

1. Facilities Required in the Event of Production on Well Pad:
 - a. Location of Facilities:
See Figure 5 for location of facilities. All facilities will be on the wellsite pad. Production facilities (including dikes) will be placed on the cut portion of the location (Figure 5).
 - b. Dimension of Facilities:
Production pad a maximum of 210' x 305' (See Figure 5). A heater treater will be located approximately 120' northwest of the well. Two 300 or 400 bbl. oil storage tanks will be located approximately 80' northeast of the heater treater and 140' north of the well. The dikes for the production facilities will be constructed of compacted subsoil, hold 1 1/2 times the capacity of the largest tank, and be independent of the back cut. That portion of the drilling pad that is not needed for production will be rehabilitated.
2. Facilities Required off Well Pad in the Event of Production:
Upgrade and maintain access roads as necessary to prevent soil erosion and accommodate year-around traffic.

E. Location and Type of Water Supply: (See figure 1)

1. The water will be trucked from artesian wells located in Section 1-T38S-R24E. Permits will be obtained from the State Engineer.
2. The water source is not located on State land. Water will not be obtained from Indian projects.
3. A water well will not be drilled.

F. Construction Materials:

1. Native soil will be utilized in the drilling site and access road. Newly built access road (0.5 miles) will be graveled as needed with pit run gravel if a producing well is obtained. Additional gravel may be needed for the pulling unit pad and wellsite if the well is found to be productive.
2. No construction material from Indian lands.

3. Crushed rock, if necessary, will be purchased from construction contractors in the area from existing gravel pits and hauled over access roads shown on Figures 1 & 2.

G. Methods for Handling Waste Disposal:

1. Cuttings:
Reserve pit 80' x 125' x 10' (3:1 slope) fenced on three sides during drilling operations. The pit will be lined with 24 tons of bentonite worked in with a cat. The fourth side will be fenced when the rig moves out (See Figures 3-6).
2. Drilling Fluids:
Reserve pit 80' x 125' x 10' (See figures 3 & 4). The reserve pit will be constructed to prevent the collection of surface runoff.
3. Produced Fluids:
 - a. Recovered during drill-stem tests will be disposed of in a test tank.
 - b. During completion, produced fluids will be contained in swab tanks (See Figure 6).
 - c. Water disposal will be provided in accordance with BLM regulation Onshore Order No.7.
4. Sewage:
Porta potty with tank or portable sewage treatment plant (i.e. On Site Sewage Treatment, Inc.) capacity of 700 gal/day of treated water disposed of into reserve pit. Any other sewage will be removed from the location by a commercial service. Sewage treatment plant will be used for on-site trailers.
5. Garbage and Trash:
 - a. An enclosed trash bin will be utilized.
 - b. Engine oil and lubricants will be collected in containers.
6. Clean-up of Wellsite Area after Rig is removed
 - a. Trash will be carried off site for disposal.
 - b. All pits and wellsite will be covered, leveled and reseeded as per BLM instructions.

H. Ancillary Facilities: None.

I. Wellsite Layout:

1. Cross section: See Figure 3 for elevations and cross section. Maximum cut is approximately 5' at the east side of the drilling pad. Maximum fill is 5' at the west corner of the reserve pit.
2. Orientation of rig, pits and associated equipment (See Figure 4).

3. Six inches of topsoil will be removed from the location (drilling pad) including areas of cut and fill. Soil will be stockpiled adjacent to the wellsite pad (See Fig.3).
4. Access road, living facilities, parking area, etc. (See Figure 4).

J. Plans for Restoration of Surface:

1. All pits will be backfilled, leveled and contoured to as near the current condition as is practical.
2. Revegetation and rehabilitation of the wellsite and access road as per BLM specifications.
3. All pits will be fenced until dry and then backfilled.
4. If oil is present on the reserve pit, overhead flagging will be installed.
5. Rehabilitation will be commenced when the rig moves out with the location restored by Spring, 1997. Complete fall seeding after October 1996 and prior to ground frost. Rehabilitation will be completed by November 1, 1997.

K. Surface Ownership:

1. Access roads:
See Figures 1 & 2 Bureau of Land Management (on lease) and Guy Tracy. An easement has been obtained from Guy Tracy across portions of Section 25-T37S-R24E.
2. Well Location:
Bureau of Land Management - See Figures 1 & 2.

L. Other Information:

1.
 - a. BLM to be notified 48 hours prior to starting dirtwork.
 - b. Wellsite and access road are located in arid, sandy, hilly terrain.
 - c. Soil is shallow, sandy, and silty.
 - d. Vegetation consists of very sparse native grasses and sparse sagebrush, and small trees.
 - e. The area is a natural habitat for wildlife (i.e., deer, antelope, rabbits, etc.).
2. Livestock were grazing in the area when the wellsite was visited.
3.
 - a. Intermittent streams (i.e., flow during wet seasons of the year) do exist in the area.
 - b. There are no occupied buildings within one mile of the proposed wellsite.

- c. Historical, cultural and archeological survey has been conducted by 4 Corners Archeological Services. No cultural or archaeological evidence was discovered in the area of the access road and wellsite.

M. Lessee's or Operators Representative and Certification:

Operator

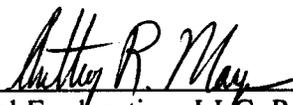
Petral Exploration, LLC------(303) 832-3131
P. O. Box 5083
Denver, CO 80202

Representative

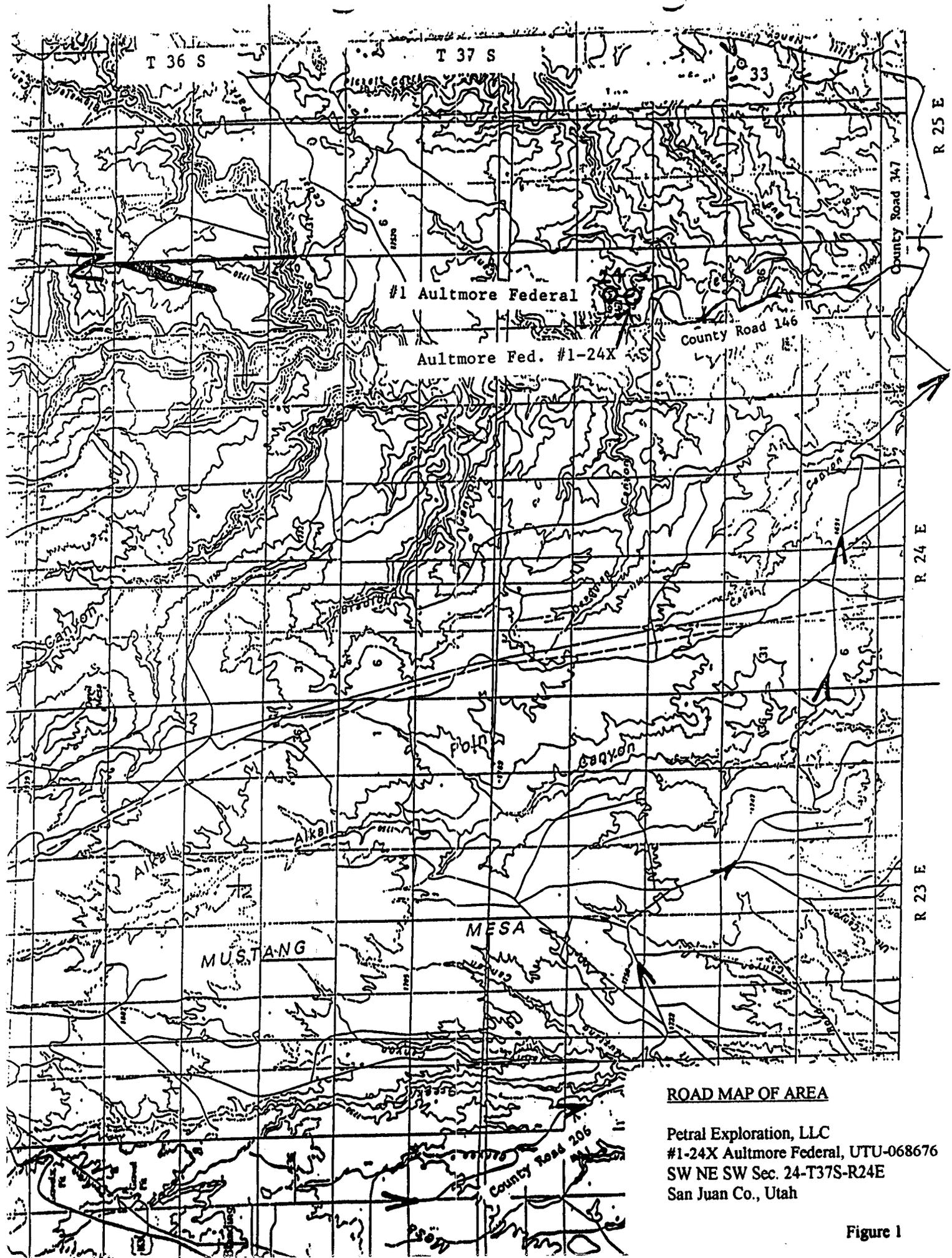
McIlnay & Associates, Inc.------(307) 265-4351
2305 Oxford Lane
Casper, WY 82604

I hereby certify that I or persons under my direct supervision, have inspected the proposed drillsite 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 Petral Exploration, LLC and its' contractors and sub-contractors 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.

9-26-96
Date



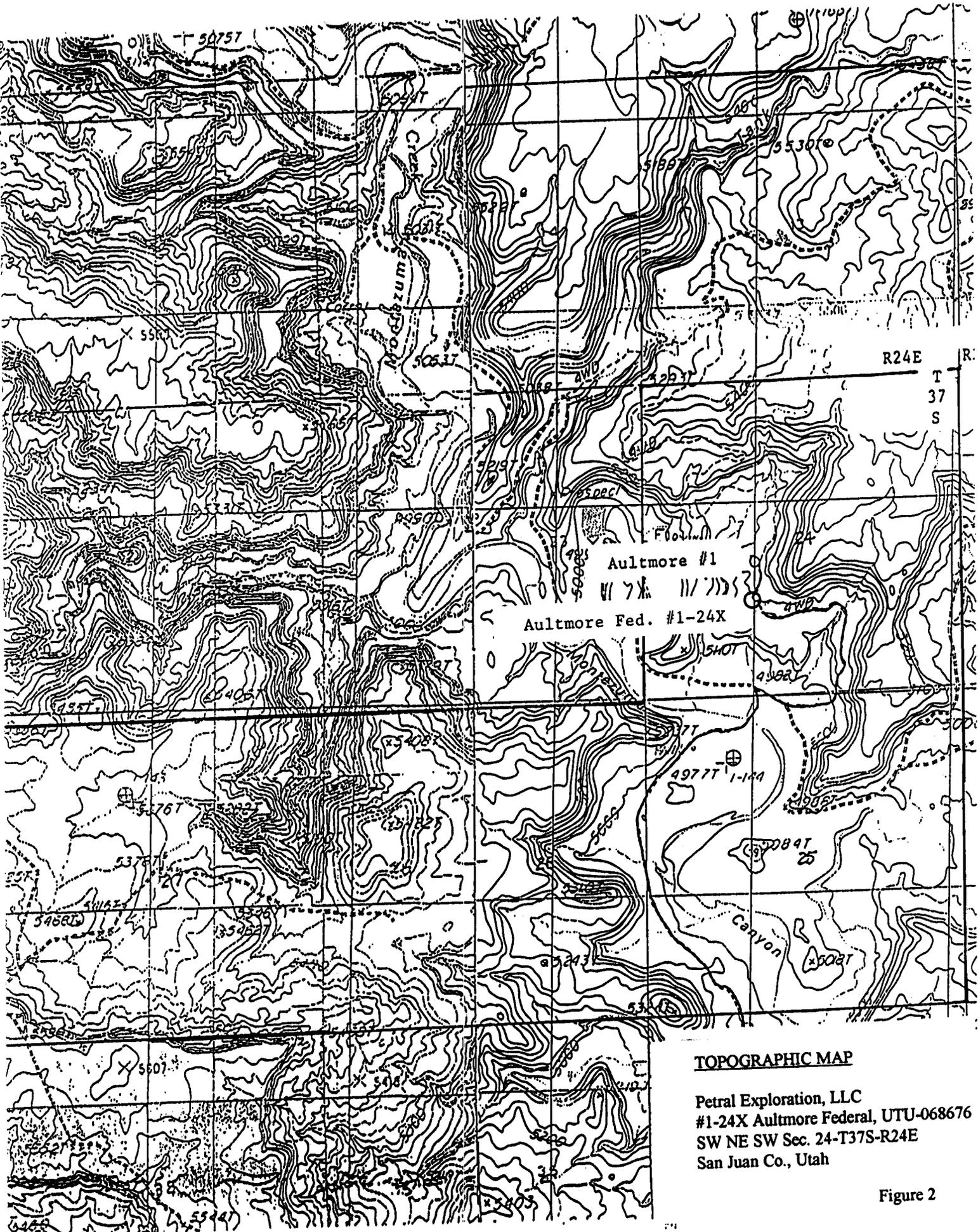
Petral Exploration, LLC, Petroco Corp., Manager
Anthony R. Mayer, Senior Vice President



ROAD MAP OF AREA

Petral Exploration, LLC
#1-24X Aultmore Federal, UTU-068676
SW NE SW Sec. 24-T37S-R24E
San Juan Co., Utah

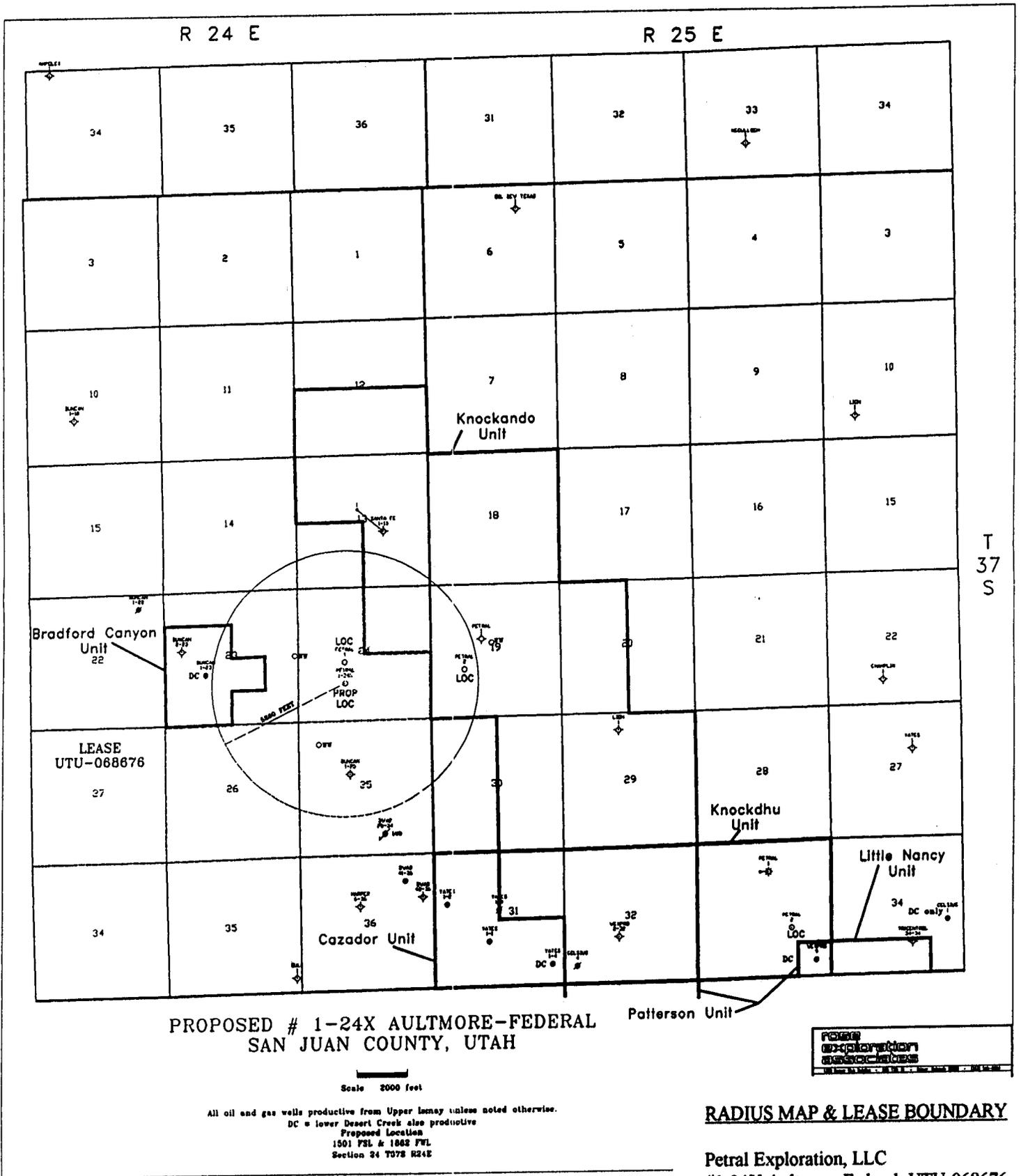
Figure 1



TOPOGRAPHIC MAP

Petral Exploration, LLC
#1-24X Aultmore Federal, UTU-068676
SW NE SW Sec. 24-T37S-R24E
San Juan Co., Utah

Figure 2



PROPOSED # 1-24X AULTMORE-FEDERAL
SAN JUAN COUNTY, UTAH

Scale 2000 feet

All oil and gas wells productive from Upper Lannay unless noted otherwise.
DC = lower Desert Creek also productive
Proposed Location
1501 FSL & 1682 FWL
Section 24 T07S R24E

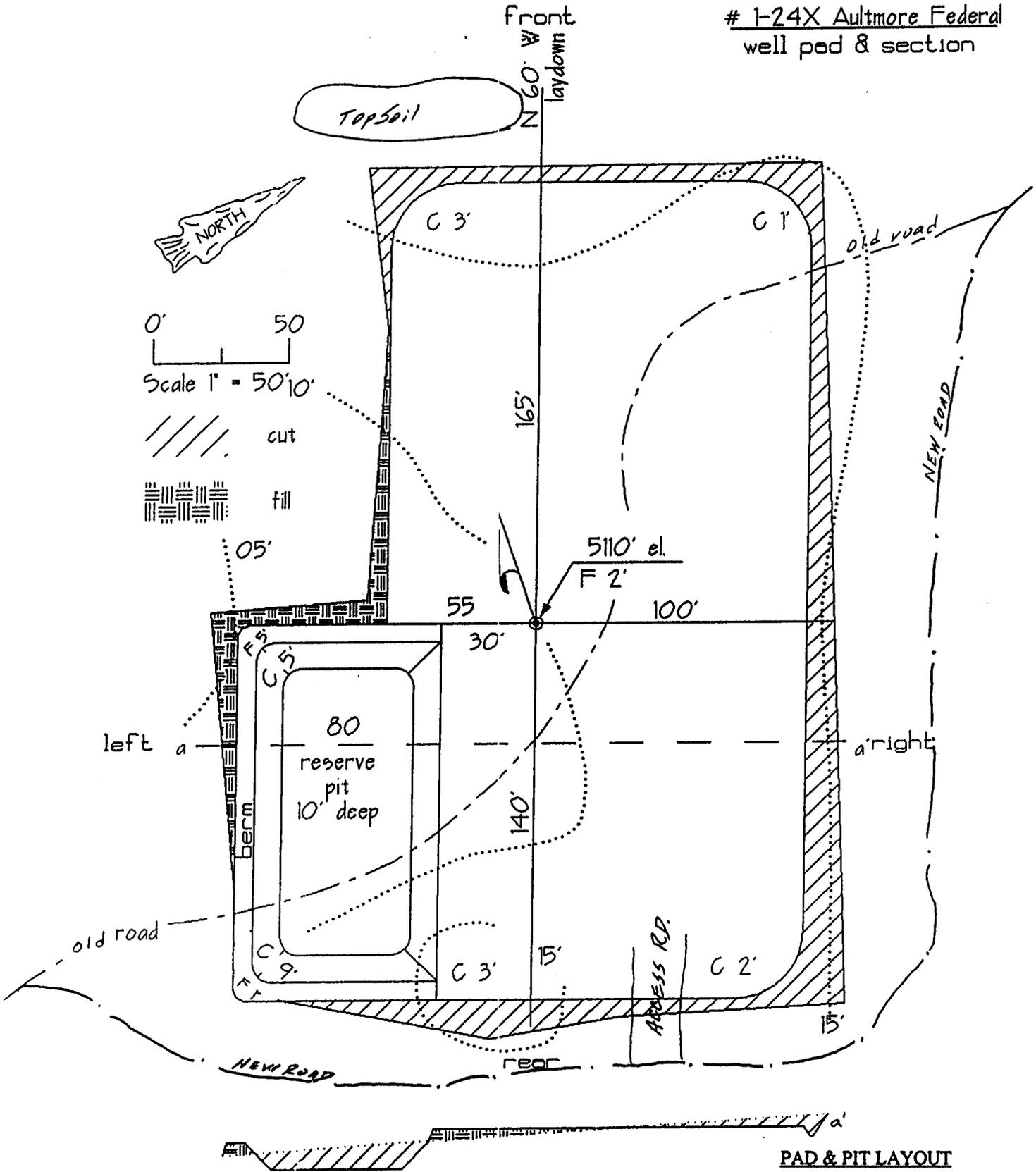
radius
exploration
associates

RADIUS MAP & LEASE BOUNDARY

Petral Exploration, LLC
#1-24X Aultmore Federal, UTU-068676
SW NE SW Sec. 24-T37S-R24E
San Juan Co., Utah

Figure 2a

1-24X Aultmore Federal
well pad & section



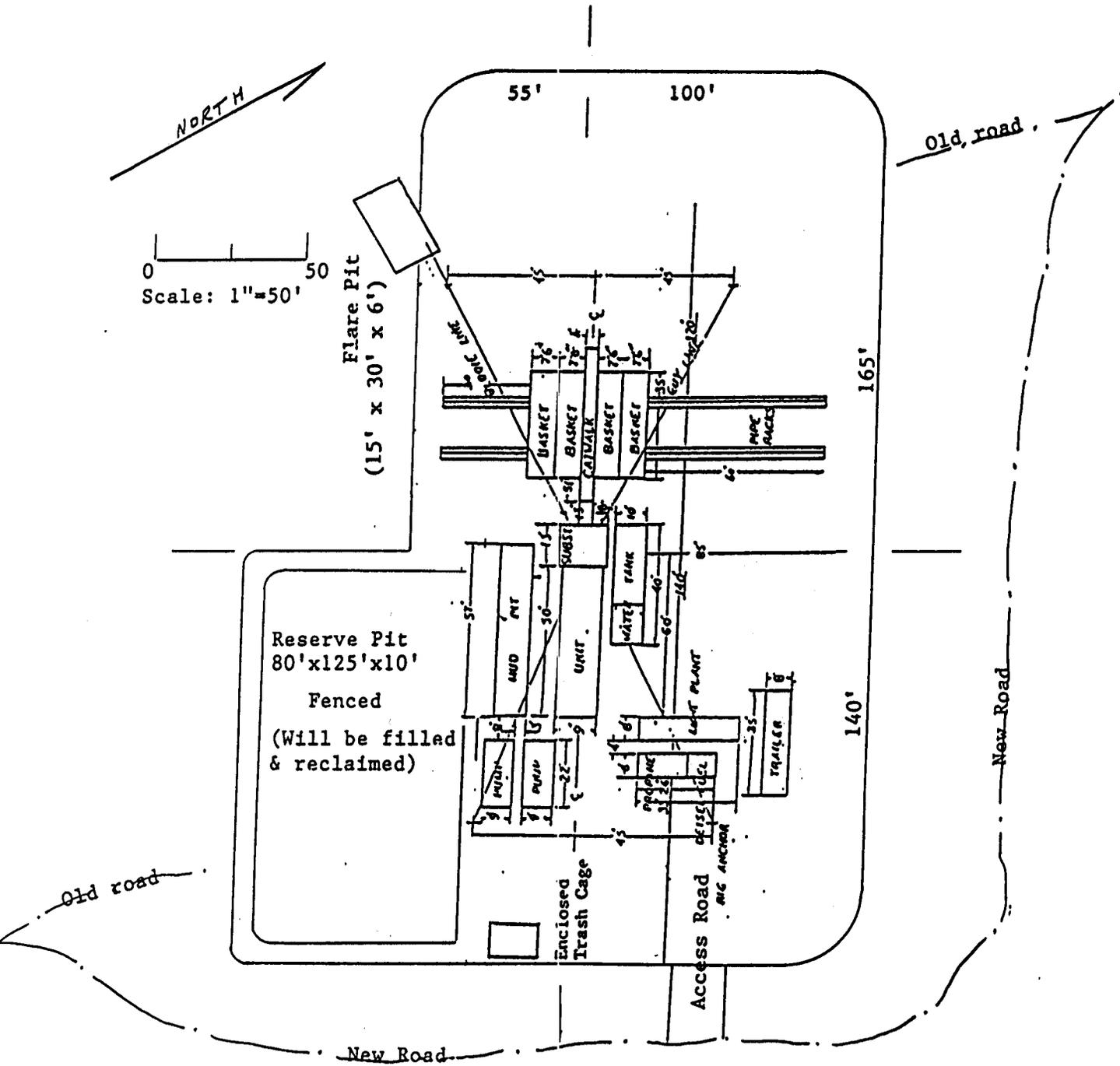
PAD & PIT LAYOUT

a

Cross section

Petral Exploration, LLC
#1-24X Aultmore Federal, UTU-068676
SW NE SW Sec. 24-T37S-R24E
San Juan Co., Utah

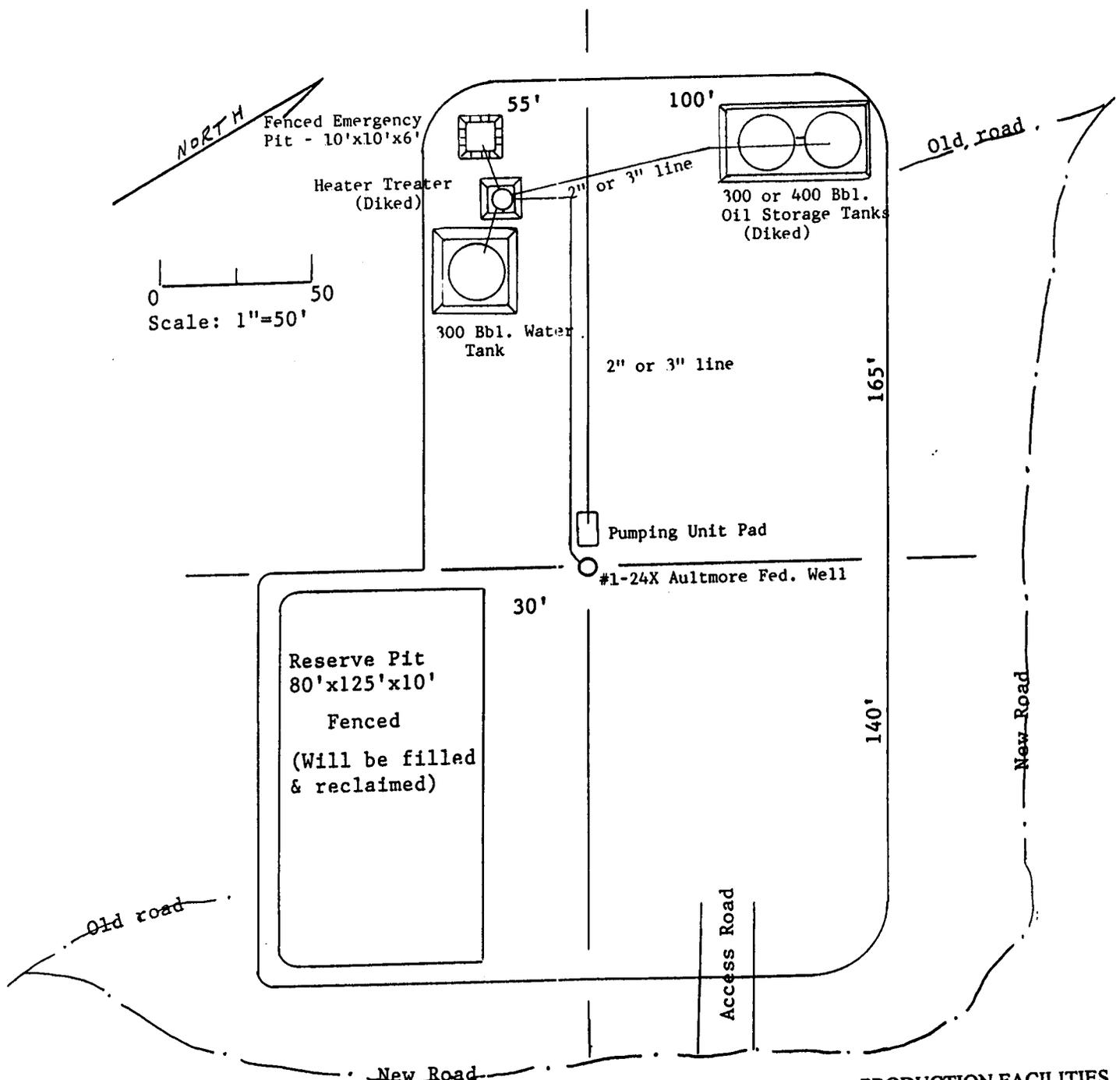
Figure 3



RIG LAYOUT

Petral Exploration, LLC
 #1-24X Aultmore Federal, UTU-068676
 SW NE SW Sec. 24-T37S-R24E
 San Juan Co., Utah

Figure 4

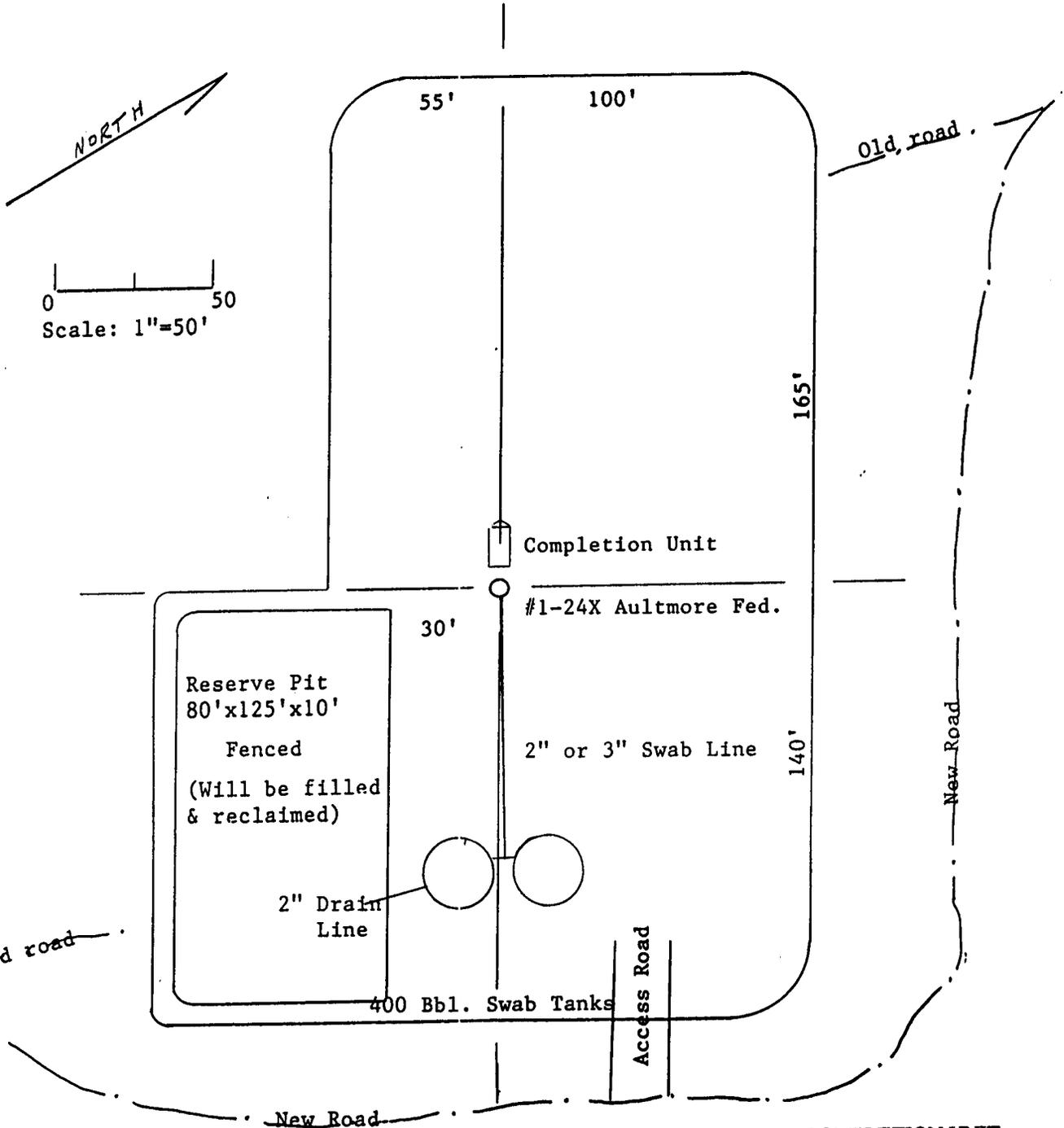


0 50
Scale: 1"=50'

PRODUCTION FACILITIES

Petral Exploration, LLC
 #1-24X Aultmore Federal, UTU-068676
 SW NE SW Sec. 24-T37S-R24E
 San Juan Co., Utah

Figure 5



COMPLETION UNIT

Petral Exploration, LLC
 #1-24X Aultmore Federal, UTU-068676
 SW NE SW Sec. 24-T37S-R24E
 San Juan Co., Utah

Figure 6

RIGHT-OF-WAY GRANT

KNOW ALL MEN BY THESE PRESENTS:

THAT, Guy C. Tracy and Virginia D. Tracy, husband and wife, of P. O. Box 763, Monticello, Utah 84335; hereinafter referred to as "Owner", for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration in hand paid by Petral Exploration LLC, of P.O. Box 5083, Denver, Colorado 80202, hereinafter referred to as "Operator", the receipt of which is hereby acknowledged, does hereby grant unto Operator, its successors and assigns, a right-of-way and easement for the right to use, operate, maintain and/or construct roadways across the following described land situated in the County of San Juan, State of Utah, to wit:

Township 37 South, Range 24 East, SLM

~~Section 23: SWNE, NW, SESE G.T.~~

~~Section 24: W/2SW C.H.~~

Section 25: SWNE, NW, ~~N/2SW, SESE~~ G.T.

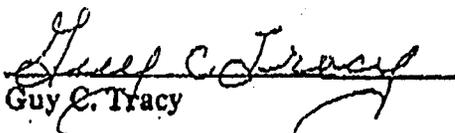
Operator, including employees, agents, licensees and invitees, its successors and assigns shall have the free and exclusive right and privilege to travel upon, and use said roadways in any lawful manner, including, but not limited to, the transportation of persons, materials, supplies and commodities. It is hereby understood that Owner shall have the right to use and/or cross any such roads at any time and manner as may be done without injuring or damaging said roads or inhibiting the reasonable operations conducted by the Operator hereunder.

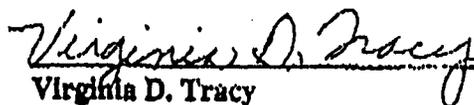
For the use of this roadway across the lands of Owner, in connection with Operators drilling or other operations, Operator agrees to pay the Owner an annual payment of \$1,000.00. This annual payment is for the express purpose of utilizing any current roads, which traverse said lands, during the normal course of oil and gas operations conducted by the Operator, its successors, agents, and assigns. Said consideration also entitles the Operator, its successors, agents and assigns, to improve, construct and/or maintain lease roads to its well locations in order to produce commercial quantities of oil and/or gas.

This annual payment will allow the herein granted right-of-way and easement to be used by the Operator, its agents, employees, and assigns for so long as the annual payments of \$1,000.00 are being made. Any additional wells utilizing this roadway shall fall under this agreement and annual payment schedule, and no additional payments will be due hereunder. The annual payment provided for herein shall be due and payable on the anniversary date of this agreement.

This instrument shall inure to the benefit of and be binding on the parties hereto, their respective heirs, personal representatives, successors and assigns.

This instrument is dated June 7, 1996.


Guy C. Tracy


Virginia D. Tracy

McILNAY & ASSOCIATES, INC.

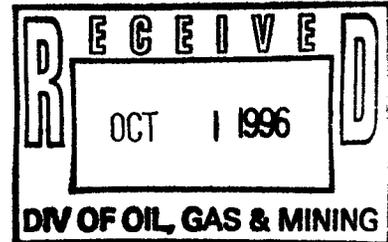
McILNAY

2305 OXFORD LANE • CASPER, WY 82604 • (307) 265-4351 • FAX (307) 473-1218

PETROLEUM CONSULTING ENGINEERS & PROPERTY MANAGEMENT

REGISTERED PROFESSIONAL ENGINEERS

September 25, 1996



San Juan County Road Department
P. O. Box 188
Monticello, Utah 84535

Re: Application for Right-of-Way Encroachment Permit for
Access Route to Petral Exploration, LLC., San Juan Co., Well
#1-24X Aultmore Federal, SW NE SW Sec. 24-T37S-R24E

Dear Sir or Madam:

On behalf of our client, Petral Exploration, LLC, enclosed is our application for the subject Right-of-Way Encroachment Permit.

Please advise if you need additional information.

Very truly yours,

McILNAY & ASSOCIATES, INC.

A handwritten signature in black ink, appearing to read "Ken Kidneigh".

Ken Kidneigh,
Engineer

KK/so

Attachment

cc: Petral Exploration, LLC
Rose Exploration Associates



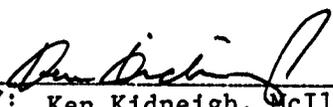
Rights-of-Way", approved by the Utah State Road Commission of October 8, 1962, and all revisions thereto or Regulations adopted by the San Juan County Commission.

(8) In approving this application and locations of utilities, and effort will be made to approve only locations that will not be affected in the event that San Juan County changes the roadway. But, in situations in which the utility has to be moved, this moving shall be done by the utility company or paid for by the company.

(9) For any and all applications requesting authority to use vibratory equipment, applicants shall:

- a. Provide map showing where vibrations will take place.
- b. Agree to repair any damages or replace any property damaged.
- c. Take full responsibility for proper flagging and traffic control.
- d. Agree that vibrating done in the area of dirt roads shall be done on the dirt road rather than in the bar ditch to minimize damage.
- e. Provide a schedule of the planned work and estimated dates of completion.
- f. Attach written permission from all adjacent fee-title owners.
- g. The San Juan County commission has authorized the San Juan County Surveyor/Engineer (or his Assignees) to issue permits.

(10) San Juan County can only grant permission to the extent that the County has the authority to do so and the permission granted hereunder is limited to the interest of authority actually owned by San Juan County and no warranties of ownership or authority to grant permission is expressed or implied by the granting of this permit.


BY: Ken Kidneigh, McIlroy & Associates, Inc.
Representative for Petral Exploration
TITLE

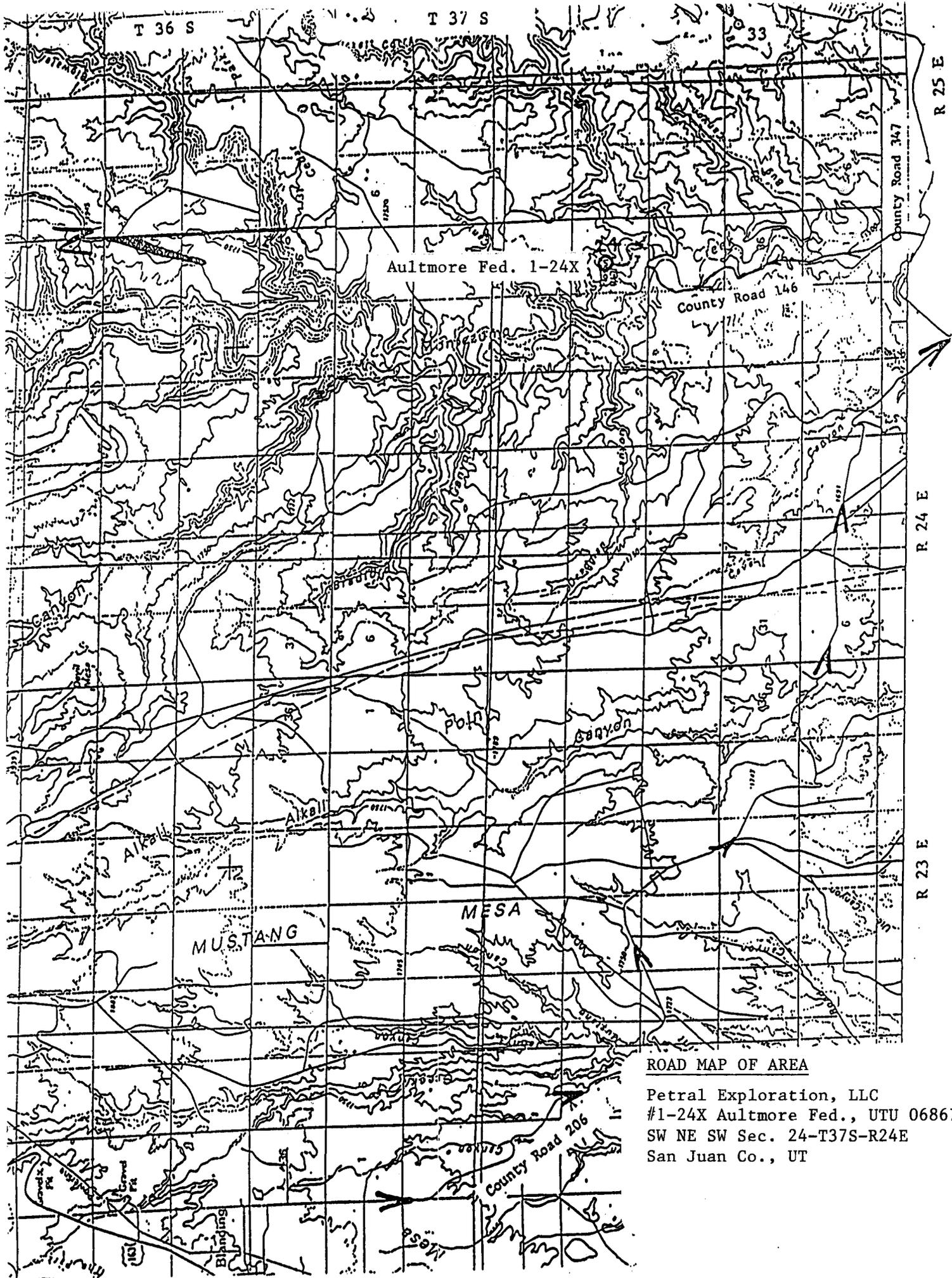
To be filled in by San Juan County Surveyor/Engineer.

(1) Permit should be granted _____

Permit should not be granted _____

(2) Additional requirements which should be imposed _____.

SAN JUAN COUNTY SURVEYOR/ENGINEER



Aultmore Fed. 1-24X

County Road 146

County Road 347

R. 24 E

R. 23 E

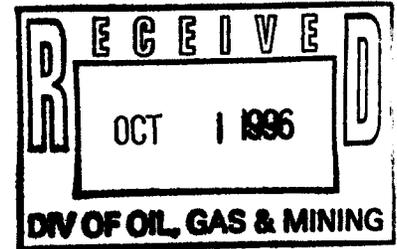
R. 25 E

ROAD MAP OF AREA

Petral Exploration, LLC
#1-24X Aultmore Fed., UTU 068676
SW NE SW Sec. 24-T37S-R24E
San Juan Co., UT

ARCHAEOLOGICAL SURVEY OF
PETRAL EXPLORATION COMPANY'S
PROPOSED # 1-24X AULTMORE FEDERAL WELL PAD
SAN JUAN COUNTY, UTAH

4-CAS REPORT 9621



by
Carol S. DeFrancia

4-CORNERS ARCHAEOLOGICAL SERVICES
76 S. Main Street
Moab, Utah 84532
(801) 259-2777

September 16, 1996

FEDERAL ANTIQUITIES PERMIT 95UT62712
Utah State Permit No. U-96-FE-0514b

Prepared For:
Petral Exploration
1700 Lincoln, Suite 5000
Denver, CO 80203

TABLE OF CONTENTS

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Conclusion	5
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Figure 2. Project Map	3

ABSTRACT

The archaeological survey of Petral Exploration Company's proposed # 1-24X Aultmore Federal well pad was conducted by personnel of 4-Corners Archaeological Services on September 11, 1996. The project is located in the vicinity of Montezuma Canyon in San Juan County, Utah, approximately twelve to fifteen miles southeast of the town of Blanding. A total of 10 acres were inventoried for cultural resources.

No cultural resources were found in the project area. Archaeological clearance is recommended.

INTRODUCTION

The archaeological survey of Petral Exploration Company's proposed # 1-24X Aultmore Federal well pad was conducted by Carol DeFrancia of 4-Corners Archaeological Services on September 11, 1996. The project is located along a rocky bench area above Montezuma Canyon (Figure 1) on lands administered by the Bureau of Land Management, San Juan Resource Area Office, Monticello. The survey was requested by Mr. Ed McIlroy, of McIlroy & Associates, Inc. Huddleston Surveying personnel staked and flagged the well pad prior to the survey. The well location is accessed from an existing county road along Montezuma Canyon. A total of 10 acres were inventoried for cultural resources (Figure 2).

Principal federal legislation that is designed to conserve and protect cultural resources includes the Antiquities Act of 1906 (PL 52-209), the National Historic Preservation Act of 1966 (PL 89-665), the National Environmental Policy Act of 1969 (PL 91-190), the 1971 Executive Order No. 11593, the Archeological and Historical Conservation Act of 1974 (PL 93-291), and the Archaeological Resource Protection Act (ARPA) of 1978 (PL 95-96).

No cultural resources were found in the project area and archaeological clearance is recommended.

PROJECT AREA

Map Reference: Bug Canyon, Utah 1985 (7.5' series)

Total Project Area: 1.4 acres; area surveyed 10 acres

1-24X Aultmore Federal Well Pad

Legal Description: T37S, R24E: Section 24

Center Stake: 1517' FSL, 1869' FWL

UTM Coordinates: (Surveyed Area)		Easting	Northing
	NW Corner	655990	4157600
	NE Corner	656160	4157510
	SE Corner	656060	4157330
	SW Corner	655890	4157430

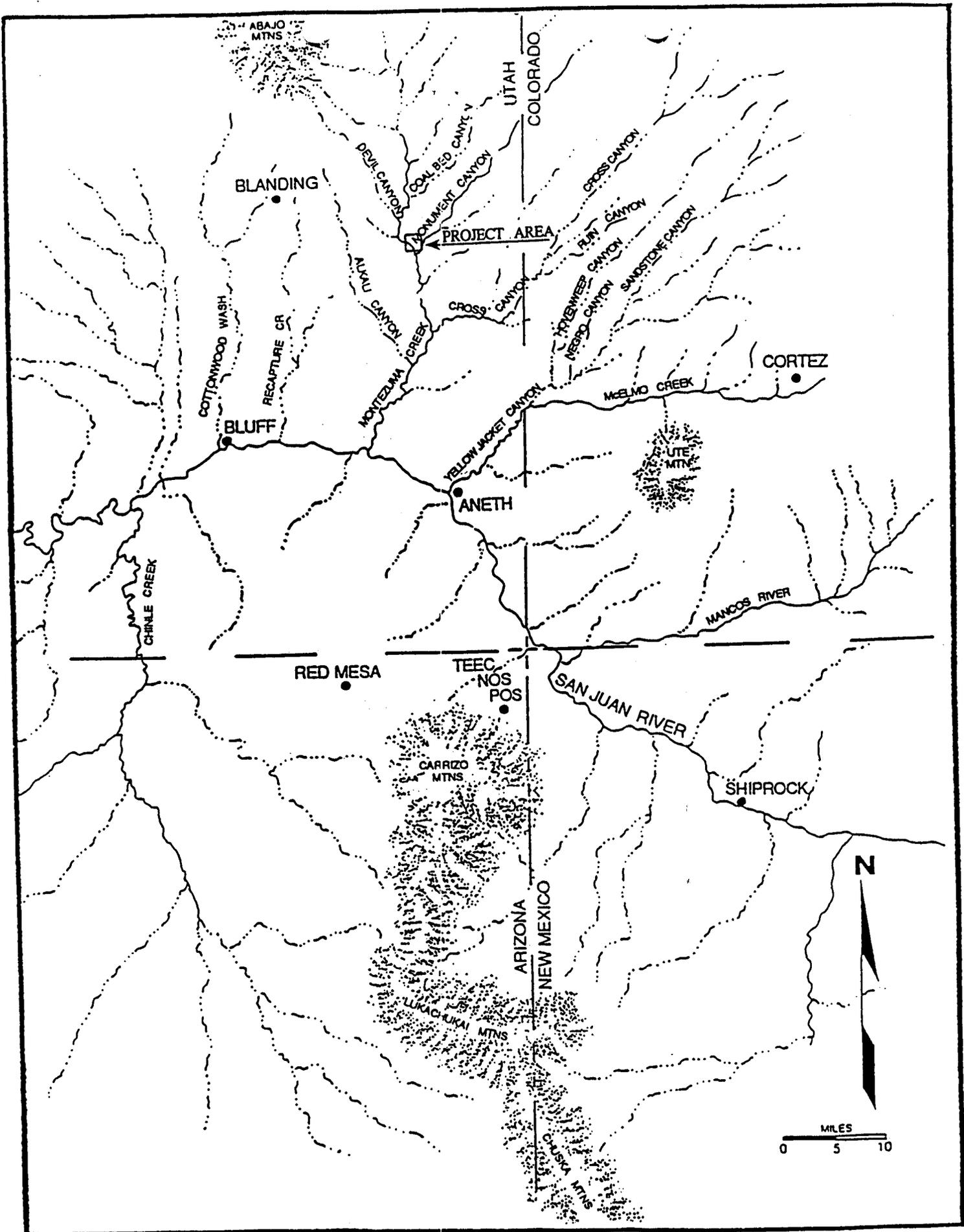


Figure 1. Project Area

Project Area: Well Pad 210 x 305'; (1.4 acres)
Surveyed Area: 660 x 660' (10 acres)
Results: No cultural resources found.

PHYSIOGRAPHY AND ENVIRONMENT

The project area is located in San Juan County, Utah approximately twelve to fifteen miles southeast of the town of Blanding, along a rocky bench area above Montezuma Canyon. The area lies in the Colorado Plateau physiographic province and is a structural element of the Blanding Basin (Stokes 1977). The proposed well pad lies predominately along a flat bench area covered by thin aeolian silty loess and areas of slickrock exposures. Large talus boulders and colluvial deposits border the northeast corner of the proposed location.

Throughout the Blanding Basin are numerous sources of lithic materials for tool manufacture, outcrops of clay and iron minerals for ceramic construction and decoration, and an abundance of sandstone available for construction and other materials important to the areas prehistory.

Vegetation on the canyon bench is predominately a cold desert shrub association consisting of shadscale, four-wing saltbush, euphedra, snakeweed, sagebrush, crested wheat, Indian ricegrass and scattered juniper. A permanent water source in the area is Dalton Spring, an artesian well approximately one-half mile west of the location. Montezuma Canyon generally holds water for several months throughout the late winter/spring season.

Reptilian, avian, and mammalian associations are consistent with those of the Upper Sonoran Life Zone throughout the Colorado Plateau.

Currently, most of the area is used for limited oil and gas development.

PREVIOUS RESEARCH

A file search was conducted on several occasions between May 17, and September 11, 1996 at the BLM San Juan Resource Area Office in Monticello. The results of the review indicated that a large number of oil and gas related surveys have been conducted in the vicinity between the late 1970's and 1980's and that several archaeological sites (10+) are documented within one to three miles from the project area, predominately near the confluence of Montezuma Creek and Monument Canyon. Apart from smaller energy-related surveys (4-CAS Reports 9319, 9327, 9329, 9614, 9615 & 9618), an extensive seismic survey (4-CAS Report 9115) was conducted less than a one-quarter mile radius from the project area (seismic lines 91-NP-1 & NP-3). More recently, a 3-D seismic program was also conducted in the general vicinity (JBR; 1995), and also increased the site inventory of the area. Site types affiliated with the Anasazi occupation of the area range from lithic scatters, small isolated features and rockshelters, to larger pueblo habitations and village-size settlements. Earlier Archaic sites have also been documented in the region but occur less frequently.

EXAMINATION PROCEDURES

Prior to the field investigations the well pad was staked and flagged. A 660 x 660' area surrounding the well center stake (10 acres) was inventoried by walking a series of parallel transects spaced 15m apart.

SURVEY RESULTS

No cultural resources were encountered in the project area.

CONCLUSION AND RECOMMENDATIONS

The archaeological survey of Petral Exploration Company's proposed # 1-24X Aultmore Federal well pad was conducted by personnel of 4-Corners Archaeological Services on September 11, 1996. The project is located in the vicinity of Montezuma Canyon along a rocky bench area in San Juan County, Utah, approximately twelve to fifteen miles southeast of the town of Blanding. A total of 10 acres were inventoried for cultural resources.

No cultural resources were found in the project area. Archaeological clearance is recommended.

REFERENCES

DeFrancia, Carol S.

- 1996 Archaeological Survey of Petral Exploration Company's Proposed #2 Knockando Federal Well Pad, San Juan County, Utah. 4-CAS Report No. 9618, Moab.
- 1996 Archaeological Survey of Petral Exploration Company's #1 Knockando Federal Well Pad & Access Route, San Juan County, Utah. 4-CAS Report No. 9615, Moab.
- 1996 Archaeological Survey of Petral Exploration Company's #1 Aultmore Unit Well Pad, San Juan County, Utah. 4-CAS Report No. 9614, Moab.
- 1993 Archaeological Survey of Sunfield Energy Company's Chaparral 1-L Directional Well (Re-Survey of Cazador Unit #3-1), San Juan County, Utah. 4-CAS Report 9319, Cortez.
- 1993 Archaeological Survey of Sunfield Energy Company's North Patterson 25-A Well Pad and Access Route, San Juan County, Utah. 4-CAS Report 9327, Cortez.
- 1993 Archaeological Survey of Sunfield Energy Company's Chaparral 2-A Well Pad and Access Route, San Juan County, Utah. 4-CAS Report 9329, Cortez.

(cont.)

1991 Archaeological Survey of Century Geophysical's North
Patterson Seismograph Lines (91-NP-1 through 91-NP-14)
San Juan County, Utah. 4-CAS Report 9115, Cortez.

Moore, Michele, Jenni Prince-Mahoney, and Scott Billat

1995 An Archaeological Inventory of 51 Miles of 3-D Seismic Program
Across Montezuma Canyon, San Juan County, Utah.
JBR Cultural Resource Report 95-16, Sandy.

Stokes, William Lee

1987 Geology of Utah. Occasional Paper Number 6. Utah
Museum of Natural History, University of Utah, Salt Lake City.

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 10/01/96

API NO. ASSIGNED: 43-037-31781

WELL NAME: AULTMORE FEDERAL 1-24X
 OPERATOR: PETRAL EXPLORATION (N7700)

PROPOSED LOCATION:
 NESW 24 - T37S - R24E
 SURFACE: 1517-FSL-1869-FWL
 BOTTOM: 1517-FSL-1869-FWL
 SAN JUAN COUNTY
 UNDESIGNATED FIELD (002)

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

LEASE TYPE: FED
 LEASE NUMBER: UTU - 68676

PROPOSED PRODUCING FORMATION: AKAH

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Federal State Fee
 (Number UT 1040)
- Potash (Y/N)
- Oil shale (Y/N)
- Water permit
 (Number BY PERMIT FROM SEC. Y)
- RDCC Review (Y/N) 385 246
 (Date: _____)

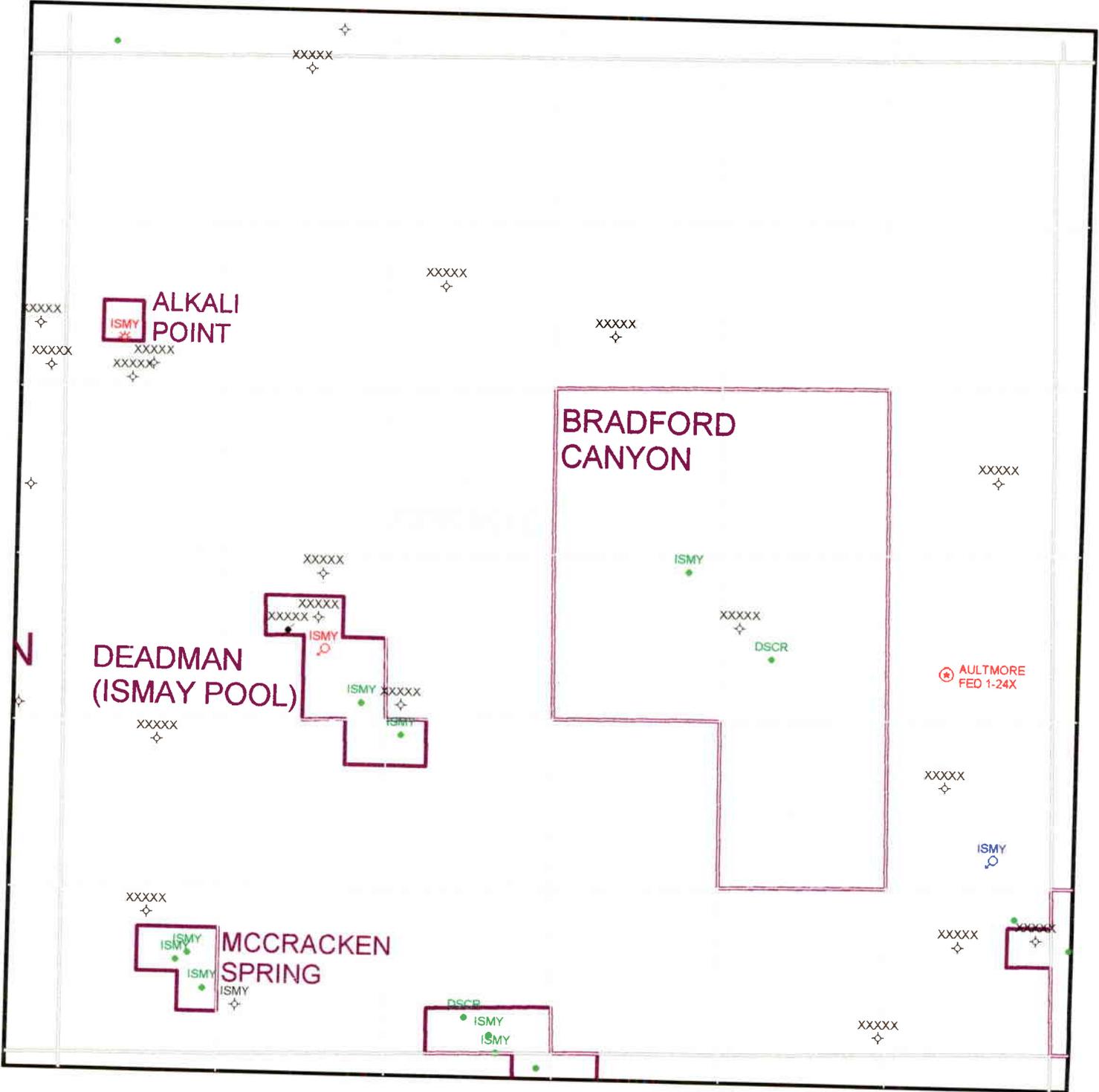
LOCATION AND SITING:

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

COMMENTS: _____

STIPULATIONS: _____

OPERATOR: PETRAL
FIELD: UNDESIGNATED (002)
SEC. TWP. RNG.: 24, T37S, R24E
COUNTY: SAN JUAN
UAC: R 649-3-3



PREPARED:
DATE: 1-OCT-96

STATE OF UTAH, DIV OF OIL, GAS & MINERALS

Operator: PETRAL EXPLORATION	Well Name: AULTMORE FED 1-24X
Project ID: 43-037-31781	Location: SEC. 24 - T37S - R24E

Design Parameters:

Mud weight (12.00 ppg) : 0.623 psi/ft
 Shut in surface pressure : 3024 psi
 Internal gradient (burst) : 0.078 psi/ft
 Annular gradient (burst) : 0.000 psi/ft
 Tensile load is determined using air weight
 Service rating is "Sweet"

Design Factors:

Collapse : 1.125
 Burst : 1.00
 8 Round : 1.80 (J)
 Buttress : 1.60 (J)
 Other : 1.50 (J)
 Body Yield : 1.50 (B)

Length (feet)	Size (in.)	Weight (lb/ft)	Grade	Joint	Depth (feet)	Drift (in.)	Cost
1	5,547	5.500	15.50	J-55	ST&C	5,547	4.825
	Collapse Load Strgth S.F. (psi) (psi)		Burst Min Int Yield Load Strgth S.F. (psi) (psi)			Tension Load Strgth S.F. (kips) (kips)	
1	3458	4040	1.168	3458	4810	1.39	85.98 202 2.35 J

Prepared by : MATTHEWS, Salt Lake City, Utah
 Date : 11-14-1996
 Remarks :

AKAH @ TD

LOWER DESERT CREEK MOUND

Minimum segment length for the 5,547 foot well is 1,500 feet.

SICP is based on the ideal gas law, a gas gravity of 0.69, and a mean gas temperature of 113°F (Surface 74°F , BHT 152°F & temp. gradient 1.400°/100 ft.)

String type: Production

The mud gradient and bottom hole pressures (for burst) are 0.623 psi/ft and 3,458 psi, respectively.

NOTE: The design factors used in this casing string design are as shown above. As a general guideline, Lone Star Steel recommends using minimum design factors of 1.125 - collapse (with evacuated casing), 1.0 - (uniaxial) burst, 1.8 - API 8rd tension, 1.6 - buttress tension, 1.5 - body yield tension, and 1.6 - EUE 8rd tension. Collapse strength under axial tension was calculated based on the Westcott, Dunlop and Kemler curve. Engineering responsibility for use of this design will be that of the purchaser.
 Costs for this design are based on a 1987 pricing model. (Version 1.07)

McILNAY & ASSOCIATES, INC.

McILNAY

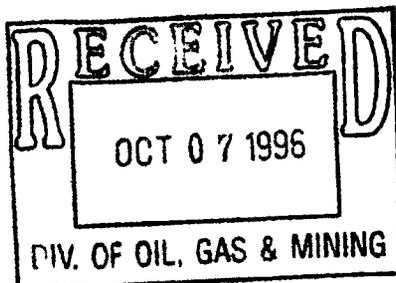
2305 OXFORD LANE • CASPER, WY 82604 • (307) 265-4351 • FAX (307) 473-1218

PETROLEUM CONSULTING ENGINEERS & PROPERTY MANAGEMENT

REGISTERED PROFESSIONAL ENGINEERS

September 25, 1996

Mr. Frank Matthews
Utah Board of Oil, Gas & Mining
1594 W. North Temple, Ste. 1210
Salt Lake City, UT 84180



Re: Application for Exception to R649-3-2 for the Drilling of Petral Exploration, LLC, Aultmore #1-24X, SW NE SW Section 24-T37S-R24E, San Juan Co., UT

Dear Sir:

On behalf of our client, Petral Exploration, LLC., we hereby request an exception to the State of Utah Oil & Gas Conservation Rule 649-3-2 to drill well Aultmore #1-24X.

The Oil & Gas Conservation Act, 40-6-1 Et. Seq. Utah Code Annotated 1953 (As Amended 1993), Paragraph R649-3-2, Location and Siting of Wells, states that in the absence of special orders to the contrary, each oil and gas well shall be located in the center of a 40 acre quarter-quarter section with a tolerance of 200' in any direction from the center location, a "window" 400 feet square.

The location requested for this well does not meet those qualifications, and therefore an exception is required. Paragraph R649-3-3 allows for the exception requested to be granted administratively if certain information is provided with the Form 3.

The following information is provided in support of the requested exception:

- 1.1 Petral Exploration LLC respectfully requests that under the provisions of R649-3-3, an exception to R649-3-2 be granted and a permit issued to drill a 5547 foot exploratory well in the SW NE SW, more specifically 1517' FSL and 1869' FWL of Section 24-T37S-R24E (SLM), San Juan Co., Utah.
- 1.2 There are no other owners within a 460 foot radius of the proposed well location. Petral Exploration, LLC is the "owner" of the entire Section 24-T37S-R24E (Federal Lease UTU068676, comprising 2560.00 acres more or less). The requested location is off pattern but does not crowd the lease line, the standback being 1869 feet.



3. The exception is necessary for two reasons: a) because the exploratory target is an Upper Isamy *Ivanovia* algal mound whose dimensions and geographic position (based on 3-D seismic and limited well control) are such that wells drilled on the prescribed pattern would not penetrate maximum buildup of mound facies and would probably be marginal producers or dry holes, and b) terrain and cultural resource (archaeologic) problems force the location off pattern (see attached topographic map which has a 40 foot contour interval which does not depict the ruggedness of the terrain in detail).

3.1, 3.2, 3.3 Attached is a plat showing locations at which an oil or gas well could be drilled in compliance with R649-3-2 (LL = legal location), the requested exception location (REL) legal direct and diagonal offsets to the requested location (LOL = Legal Offset Location) and a circle having a radius of 960 feet around the requested exception location.

3.4 There are no other owners within a 460 foot radius of the requested exception location.

If administratively approval for this exception location cannot be granted, it is requested that the application be set for the next available hearing before the Utah Board of Oil, Gas & Mining.

Very truly yours,

McILNAY & ASSOCIATES, INC.

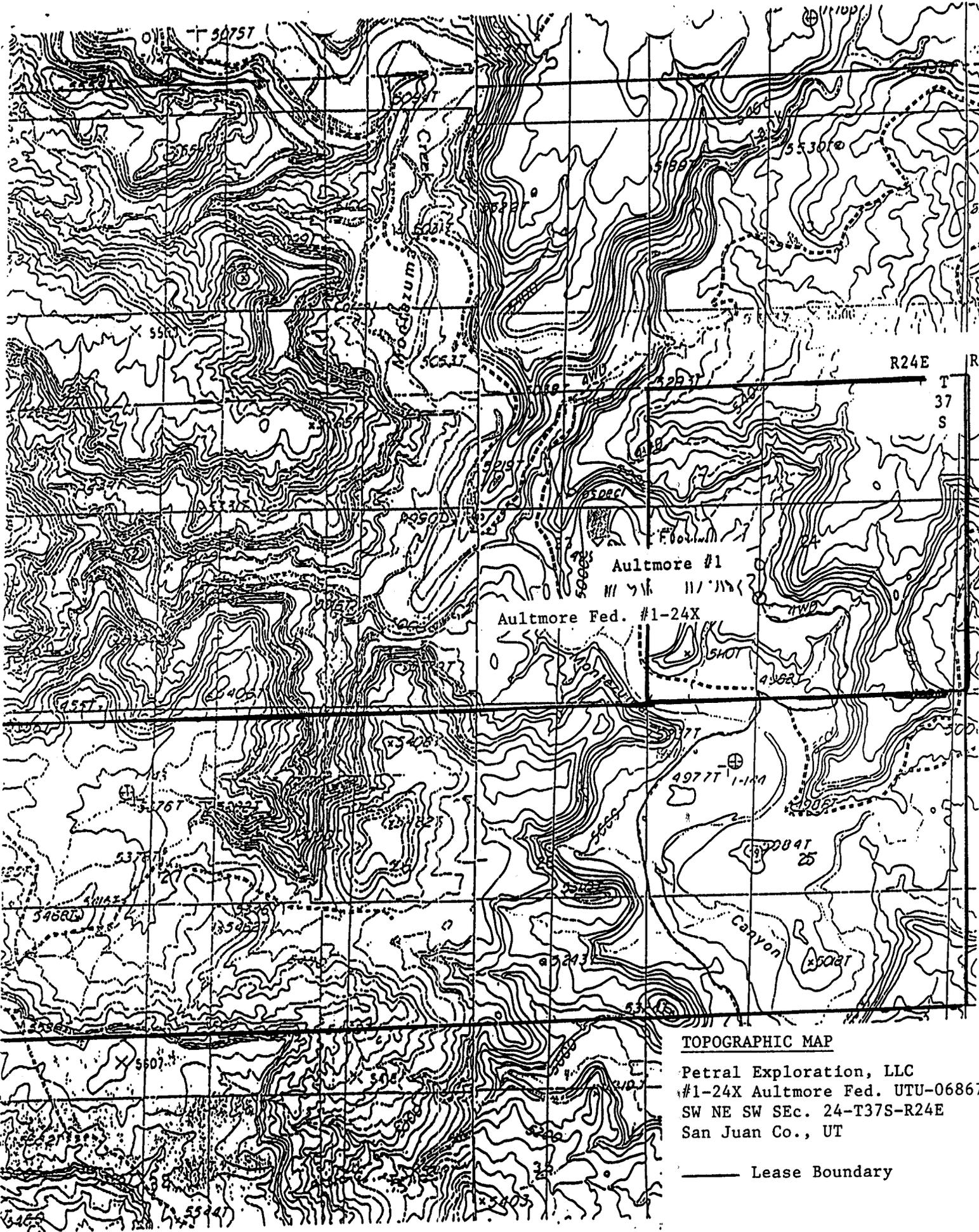


Kenneth P. Kidneigh,
Engineer

KK/so

Attachments

cc: Petral Exploration, LLC
Rose Exploration Associates



TOPOGRAPHIC MAP

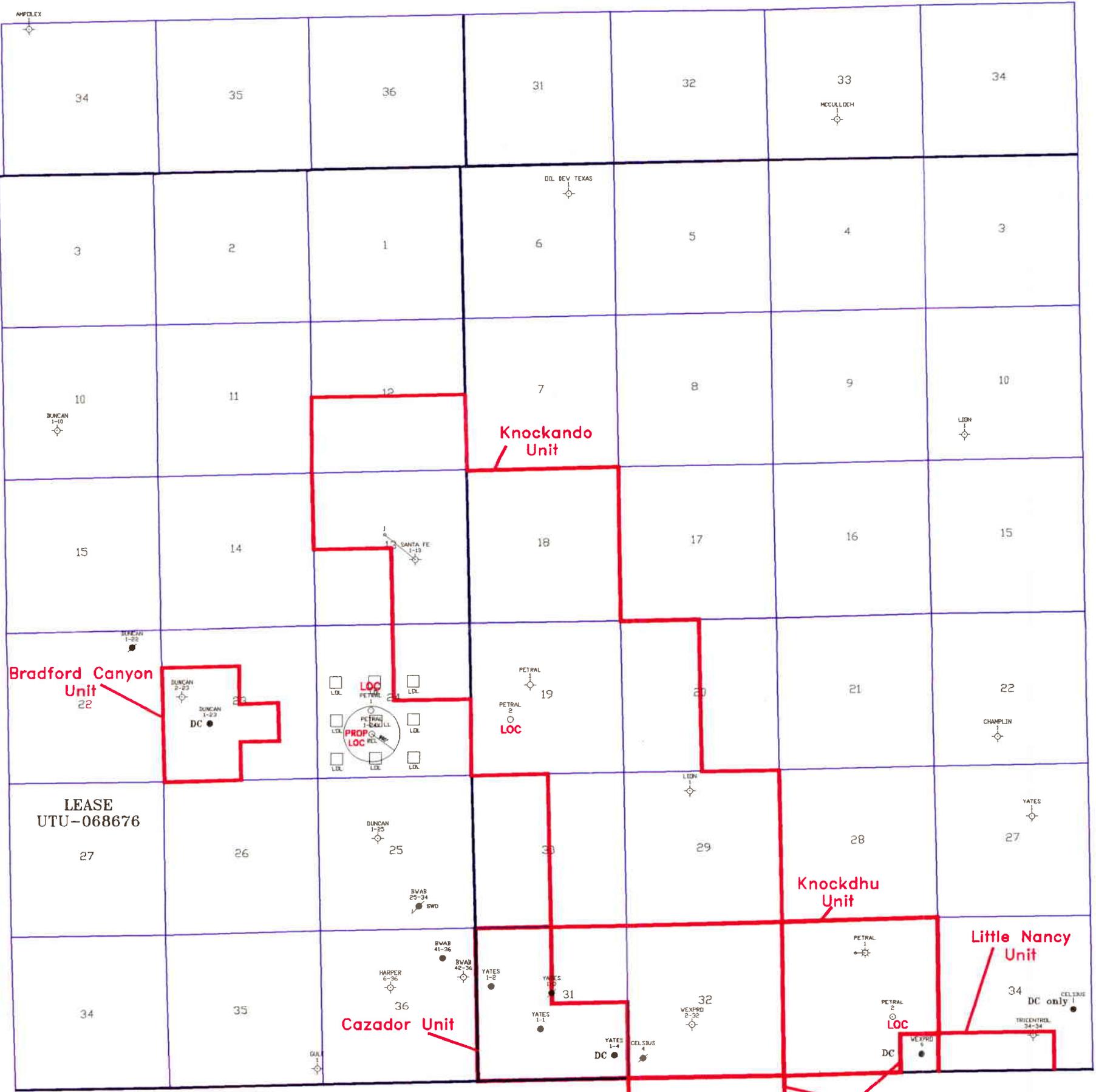
Petral Exploration, LLC
#1-24X Aultmore Fed. UTU-06867
SW NE SW SEc. 24-T37S-R24E
San Juan Co., UT

— Lease Boundary

R 24 E

R 25 E

T 37 S



Bradford Canyon Unit

Knockando Unit

Knockdhu Unit

Little Nancy Unit

Cazador Unit

Patterson Unit

PROPOSED # 1-24X AULTMORE-FEDERAL SAN JUAN COUNTY, UTAH

Scale 2000 feet

All oil and gas wells productive from Upper Ismay unless noted otherwise.
DC = lower Desert Creek also productive
Proposed Location
1501 FSL & 1862 FWL
Section 24 T37S R24E

rose exploration associates
1500 Inman Oak Building - 518 778 31 - Denver, Colorado 80202 - (303) 565-0844

EXCEPTION LOCATION REQUEST

Geologist: RAC, MEW	Date Created: 05/05/1998 Modified:
Geophysicist: JNE	State: UT
Engineer: BMA	County: San Juan
Drawn By: MEW	Geological Map: Upper Ismay / Lower Desert Creek
Colour Interval:	File: V:\PR\AULTM001.dwg



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
324 South State, Suite 301
Salt Lake City, Utah 84111-2303

RECEIVED

NOV 10 1995

IN REPLY REFER TO
3104
(UT-923)

NOV 7 1995

DECISION

Obligor	:	Bond Amount:	\$25,000
Petral Exploration LLC	:		
P.O. Box 5083	:	Bond Type:	Statewide
Denver, CO 80217-5083	:		Oil and Gas
Financial Institution:	:		
Norwest Bank Colorado, N.A.	:	BLM Bond Number:	UT 1040
1740 Broadway	:		
Denver, CO 80274	:		

Statewide Oil and Gas Personal Bond and Certificate of Deposit Accepted

On November 6, 1995, this office received Bond Form 3000-4 together with Investment Deposit Agreement (Book Entry) No. 101741006 evidencing the purchase of a \$25,000 Certificate of Deposit (CD) in the amount of \$25,000 to secure a statewide oil and gas bond for the above obligor. Both documents have been examined and are accepted effective November 6, 1995.

The CD will be retained by the Bureau of Land Management (BLM) and will automatically renew annually until all terms and conditions of the leases have been fulfilled or until a satisfactory replacement bond has been accepted by the BLM.

The bond will be maintained by this office. The bond constitutes coverage of all operations conducted by or on behalf of the obligor on Federal leases in the State of Utah. The bond provides coverage of the obligor where that obligor has interest in, and/or responsibility for operations on, leases issued under the authority of any of the Acts cited on the bond form. Please note that Federal leases do not include Indian leases.

If you have any questions, please contact Irene Anderson of this office at (801) 539-4108.


 Robert Lopez
 Chief, Branch of Mineral
 Leasing Adjudication

cc: All Districts

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

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

2. NAME OF OPERATOR
 Petral Exploration, LLC

3. ADDRESS OF OPERATOR
 c/o McIlroy & Associates, Inc.
 2305 Oxford Lane, Casper, WY 82640 (307) 265-4351

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface
 1517' FSL and 1869' FWL (SW NE SW) Sec. 24-T37S-R24E
 At proposed prod. zone
 Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 Approximately 15 miles SE of Blanding, UT

5. LEASE DESIGNATION AND SERIAL NO.
 UTU-068676

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
 NA

7. UNIT AGREEMENT NAME
 NA

8. FARM OR LEASE NAME
 Aultmore - Federal

9. WELL NO.
 #1-24X

10. FIELD AND POOL, OR WILDCAT
 Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Sec. 24-T37S-R24E

12. COUNTY OR PARISH
 San Juan

13. STATE
 UT

10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1869'

16. NO. OF ACRES IN LEASE 2560.00

17. NO. OF ACRES ASSIGNED TO THIS WELL 40

13. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 844'

10. PROPOSED DEPTH 5547'

20. ROTARY OR CABLE TOOLS
 Rotary

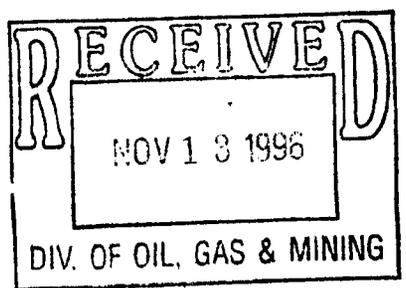
21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 5110' GR

22. APPROX. DATE WORK WILL START*
 October, 1996

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
20"	16"	0.25" wall	80'	To surface w/ready mix
12 1/4"	8 5/8"	24#/ft.	1400'	Cemented to surface
7 7/8"	5 1/2"	15.5#/ft.	5547'	220 sks.

Request is made for all information to be held CONFIDENTIAL.



24. SIGNED Anthony R. Mayer Petral Exploration, LLC, Petroco Corp., Manager
 TITLE Anthony R. Mayer, Sr. VP DATE Sept. 26, 1996

(This space for Federal or State office use)

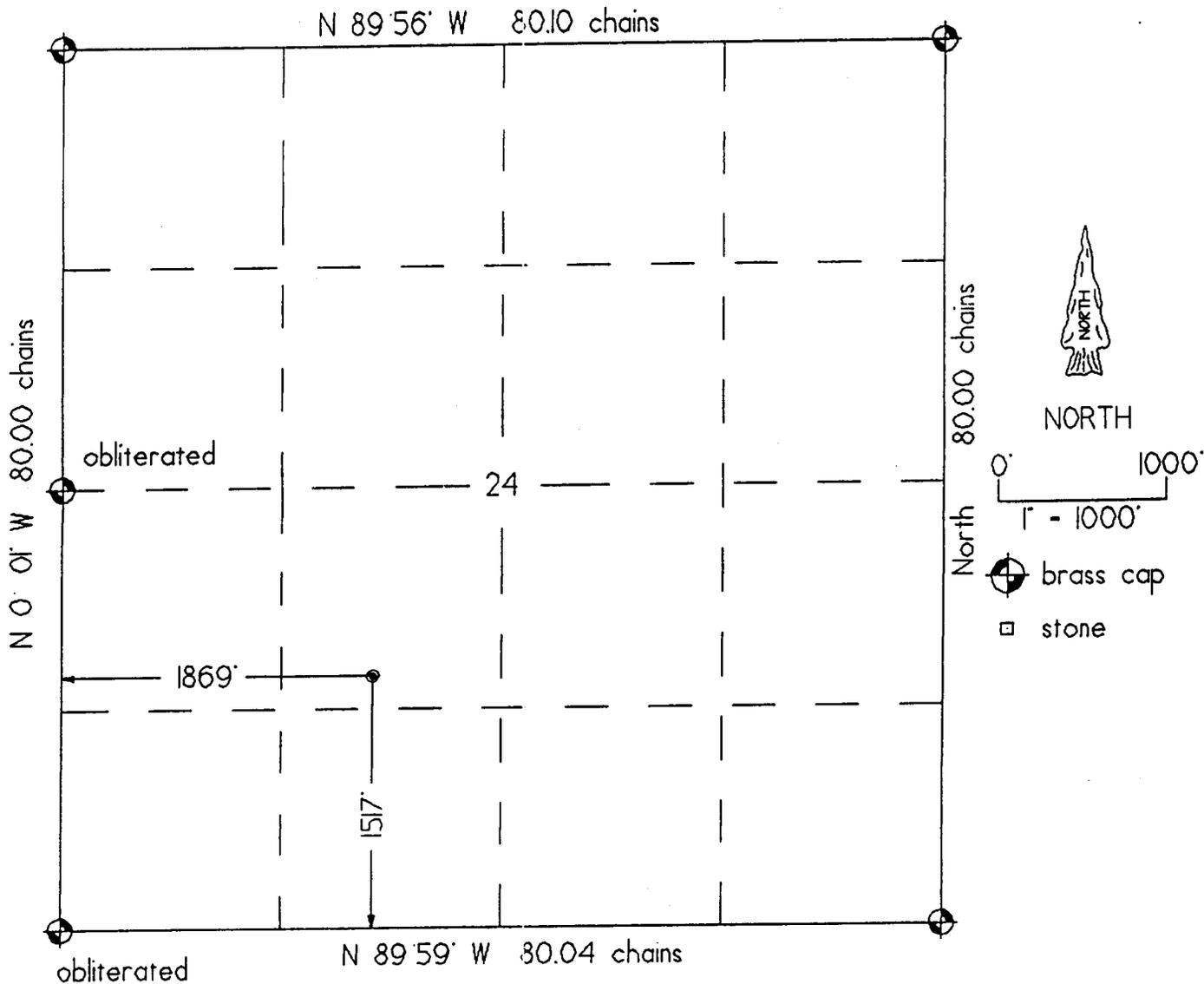
PERMIT NO. _____ APPROVAL DATE _____
 APPROVED BY /s/ Brad D. Palmer Assistant Field Manager, DATE NOV 7 1996
 TITLE Resource Management

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

*See Instructions On Reverse Side

Dogm

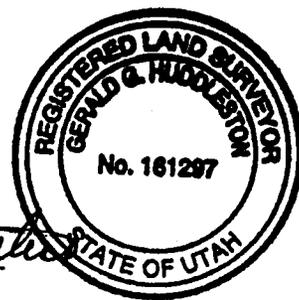
Well Location Plat



Well Location Description

PETRAL EXPLORATION

1-24X Aultmore Federal
 1517' FSL & 1869' FWL
 Section 24, T.37 S., R.24 E., SLM
 San Juan County, UT
 5110' grd. el.
 State plane coordinates from GPS survey:
 330.616 North & 2.656.897 East



16 September 1996

Gerald G. Huddleston
 Gerald G. Huddleston, LS

The above is true and correct to my knowledge and belief.

Comments to Form 3160-3

Petral Exploration, LLC,
Aultmore #1-24X, UTU-068676
SW NE SW Section 24-T37S-R24E,
San Juan Co., UT

Item 5, Lease Designation and Serial No. UTU-068676 includes all of Sections 24, 25, 26 & 27 T37S-T24E, San Juan Co., Utah. It covers 2560.00 acres. The NE/4 of Section 24 is included in the Knockando Unit UTU-75217X. The Unit was validated by the Petral #1 Knockando Unit (43 037 31777). As a result, the remainder of the lease will be segregated, will receive a new lease number, and will receive a two year extension. When segregated, the lease will cover 2400 acres. The segregation has not yet occurred, but it is in progress according to BLM SLC.

Item 15, Distance From Proposed Location to Nearest Lease Line and Unit Line, if any. The well is not situated in the Knockando Unit, but is 1300' outside the unit.

Item 18, Distance From Proposed Location to Nearest Well Drilling, Completed or Applied For On This Lease: The proposed well is 844' from an active permit, but to date undrilled location, Petral #1 Aultmore Federal (43 037 31778).

Petral Exploration, LLC
Aultmore Federal 1-24X
Lease U-068676
NESW Section 24, T. 37 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 Petral Exploration, LLC is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by UT-1040 (Principal - Petral Exploration, LLC) 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 will 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 proposed 3M BOP system is adequate. Installation, testing and operation of the system shall be in conformance with Onshore Oil and Gas Order No. 2.
2. Any fluid bearing zones or lost circulation zones encountered while drilling will be isolated behind casing and cement.
3. Cement must be circulated to surface for the surface casings (20" and 8-5/8"). The TOC for the production casing (5-1/2") must be from TD to a minimum of 1000' above potential pay zones.
4. If a gas meter run is constructed, it will be located on lease within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and will be buried downstream of the meter until it leaves the pad. Meter runs will be housed and/or fenced. The gas meter shall be calibrated prior to first sales and shall be calibrated quarterly thereafter. All gas production and measurement shall comply with the provisions of 43 CFR § 3162.7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.
5. Any air drilling must be conducted in accordance with Onshore Order No. 2, Section E, Special Drilling Operations. Rig must have spark arresters, blooie line, float valve, automatic igniters, etc.
6. Approval for spacing must be obtained from the Division of Oil, Gas, and Mining prior to initiating any ground disturbing activities.

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. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the operator, or any person working on his behalf, on public or Federal land shall be immediately reported to the San Juan Resource Area Manager. The operator shall suspend all operations in the immediate area of such 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 action to prevent the loss of significant cultural or scientific values. The operator will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the authorized officer after consulting with the operator.
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/owl nest which would be affected by this proposal, no work would be allowed until nestlings have fledged.
3. Deer winter range restrictions from December 15, through April 30 are imposed for well pad preparation and drilling operations.
4. All permanent above the ground production equipment will be painted Juniper Green.
5. The reserve pit shall remain free of hydrocarbons at all times. Any hydrocarbons entering the reserve pit will be removed promptly or the pit will be effectively sealed with netting material with a mesh of one inch or less.
6. Reclamation of the entire disturbed area will be accomplished by grading the area as near as near as practical back to the natural contour and spreading the top soil evenly as possible over the area. The entire disturbed area will be scarified with a 6 inch or less distance between ripped surfaces. The soil surface will be dry and loose prior to seeding and will be broadcast seeded between October 1, and February 28 with the following mixture of pure live seed:

Fourwing saltbush	2 pounds/acre
Galleta	2 pounds/acre
Indian ricegrass	2 pounds/acre
Sand dropseed	1 pound/acre
Cliffrose	1 pound/acre
Wild sunflower	1 pound/acre
Morman tea	1 pound/acre

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, enclosed.

Building Location- Contact the BLM Petroleum Engineering Technician at the Monticello BLM Field Office at least 48 hours prior to commencing construction of location.

Spud- The spud date will be reported to BLM 24 hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the Moab BLM Field 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 BLM Field 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. "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 BLM Field 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 BLM 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 BLM is to be notified.

First Production- Should the well be successfully completed for production, the Moab BLM Field 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 Monticello BLM Field Office. The Monticello BLM Field 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 BLM Filed 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 BLM Field 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 occurs first, without the prior, written approval of the BLM. 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 the required water analysis, will be submitted to the Moab BLM Field 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 BLM Field 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 BLM Field Office prior to initiating plugging operations.

A "Subsequent Report of Abandonment" (Form 3160-5) shall be filed with the Moab BLM Field 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 BLM, or the appropriate surface managing agency.

TABLE 1. NOTIFICATIONS

Notify Jeff Brown of the Monticello BLM Field Office in Monticello, Utah, at (801) 587-2141, or at home (801) 587-2046 for the following:

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

1 day prior to spudding;

50 feet prior to reaching each casing setting depth;

3 hours prior to testing BOPE

If the person at the above number cannot be reached, notify the Moab BLM Field Office at (801) 259-6111. If unsuccessful, contact one of the people 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 Field Office at (801) 259-6111. If approval is needed after work hours, you may contact the following:

Gary Torres, Petroleum Engineer	Office:	(801) 587-2141
	Home:	(801) 587-2705

Eric Jones, Petroleum Engineer	Office:	(801) 259-2117
	Home:	(801) 259-2214



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)

November 14, 1996

Petral Exploration, LLC
c/o McIlnay & Associates, Inc.
2305 Oxford Lane
Casper, Wyoming 82640

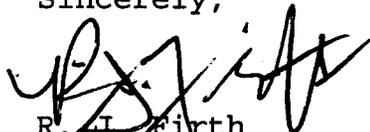
Re: Aultmore-Federal 1-24X Well, 1517' FSL, 1869' FWL,
NE SW, Sec. 24, T. 37 S., R. 24 E., San Juan County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-037-31781.

Sincerely,


R. I. Firth
Associate Director

lwp

Enclosures

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



Operator: Petral Exploration, LLC
Well Name & Number: Aultmore-Federal 1-24X
API Number: 43-037-31781
Lease: UTU-068676
Location: NE SW Sec. 24 T. 37 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)538-5336.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Frank Matthews at (801)538-5334 or Mike Hebertson at (801)538-5333.

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.

From: Verlene Butts <vbutts@ut.blm.gov>
To: NRDOMAIN.NROGM (DST Y)
Date: 8/10/98 2:28pm
Subject: Rescind well permits?? - Reply

Good Afternoon Don! Well here is the rest of the story, o.k.! The following permits are in the process of being rescinded to the operator, a copy of the letters are forthcoming.

Chandler & Associates, Inc.

43-015-30260	3-3-18-8	3-18S-8E
43-015-30263	8-7-18-8	7-18S-8E
43-015-30265	5-12-19-7	12-19S-7E
43-015-30261	11-1-19-7	1-19S-7E

On the following permits I have sent memorandums to the San Juan Resource Area and San Rafael Resource Area to field check the location of rehab and subsequently rescind the permit and release the bond for this location.

Petral Exploration

43-037-31781	1-24X	24-37S-24E
43-037-31791	Knockdhu Unit #8	33-37S-25E

Texaco Inc.

43-015-30296	33-22	33-21S-6E
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Farmington R. A. would handle this permit.

Mobil Oil

43-037-31132	RU 24-41	24-41S-23E
--------------	----------	------------

Hope this helps, bye, Verlene

>>> Don Staley <nrogm.dstaley@state.ut.us> 08/03 10:05 am >>>
Hi Verlene,

Could you check out the status of the following permits for me. According to my records, they are all due to be rescinded. Thanks!

API NAME	OPERATOR LOCATION	WELL
43-015-30260 3-3-18-8	Chandler 3-18S-8E	Ferron Fed
43-015-30261	Chandler	Ferron Fed 11-1-19-7 1-19S-7E
43-015-30263 8-7-18-8	Chandler 7-18S-8E	Ferron Fed
43-015-30265 5-12-19-7	Chandler 12-19S-7E	Ferron Fed

CC: WELL FILE



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

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

October 12, 2000

Dennis Yockim
Petral Exploration LLC
P. O. Box 5083
Denver, Colorado 80217

Re: APD Rescinded – Aultmore Federal 1-24X, Sec. 24, T.37S, R24E
San Juan County, Utah - API No. 43-037-31781

Dear Mr. Yockim:

The Application for Permit to Drill for the subject well was approved by the Division of Oil, Gas and Mining on November 14, 1996. No drilling activity at this location has been reported to the division. Due to the excessive time delay in commencing drilling operations, approval to drill the well is hereby rescinded, effective immediately.

Please note that a new Application for Permit to Drill must be filed with this office for approval prior to the commencement of any future work on the subject location.

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

Sincerely,

A handwritten signature in cursive script that reads "Lisha Cordova".

Lisha Cordova
Eng. Technician

cc: **Well File**
Bureau of Land Management, Moab

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 checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-75899
2. NAME OF OPERATOR: PETRAL EXPLORATION LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: P. O. Box 5083 CITY Denver STATE CO ZP 80217		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2345' FSL & 1850' FWL		8. WELL NAME and NUMBER: Aultmore 1-24X Federal
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 24 37S 24E 5EM		9. API NUMBER: 43-037-31781
		10. FIELD AND POOL, OR WILDCAT: Wildcat
		COUNTY: San Juan
		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>12/20/01</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<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 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 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 checked="" 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.

Petral intends to reclaim surface and pits. Will reseed to Bureau of Land Management's specifications. Dirt work and reseeded to be done by Crawley Construction Co. of Monticello, Utah, telephone 435-587-2377. Field Supervision by Petral - Randy Shelton Telephone 435-459-1027.

All reclamation will be in accordance with specifications outlined in APD.

Well was never drilled.

RECEIVED
DEC 17 2001
DIVISION OF
OIL, GAS AND MINING

COPY SENT TO OPERATOR
Date: 12/20/01
Initials: CHD

NAME (PLEASE PRINT) Dennis W. Yockim TITLE Landman
SIGNATURE Dennis W. Yockim DATE 12/20/01

(This space for State use only)
**Accepted by the
Utah Division of
Oil, Gas and Mining**
Date: 12/20/01
By: [Signature]

Federal Approval Of This
Action Is Necessary

PETRAL EXPLORATION

P.O. Box 5088 • Denver, CO 80217
1700 Lincoln Street, Suite 4750 • Denver, CO 80203
(908) 832-3131 • Fax (908) 894-9088

December 12, 2001

Utah Division of Oil, Gas and Mining
1594 West North Temple, #1210
Box 145801
Salt Lake City, UT 84114-5801

Re: Sundry Notices and Reports on Wells

Gentlemen:

Enclosed in duplicate please find four (4) Sundry Notices and Reports on Wells on the following wells listed below for filing and subject to your approval.

Dalmore #44-23
Aultmore 1-24X Federal
Black Bull Federal #43-30
Knockdhu Unit #8

~~1-CHD~~
~~2-1-24X~~
3-File

Thank you,

Sincerely,

PETRAL EXPLORATION LLC

Dennis W. Yockim
Dennis W. Yockim
Landman

/sp
Encl.

RECEIVED

DEC 17 2001

DIVISION OF
OIL, GAS AND MINING