

UTAH OIL AND GAS CONSERVATION COMMISSION



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

*\* Application rescinded - 9-14-83*

DATE FILED 4-10-81

LAND: FEE & PATENTED FED. STATE LEASE NO. \_\_\_\_\_

PUBLIC LEASE NO. U-13944

INDIAN \_\_\_\_\_

DRILLING APPROVED: 4-4-81

SPUDDED IN: \_\_\_\_\_

COMPLETED: \_\_\_\_\_ PUT TO PRODUCING: \_\_\_\_\_

INITIAL PRODUCTION: \_\_\_\_\_

GRAVITY A.P.I. \_\_\_\_\_

GOR: \_\_\_\_\_

PRODUCING ZONES: \_\_\_\_\_

TOTAL DEPTH: \_\_\_\_\_

WELL ELEVATION: \_\_\_\_\_

DATE ABANDONED: \_\_\_\_\_ LA 9-14-83

FIELD: Wildcat 3/86

UNIT: \_\_\_\_\_

COUNTY: Sanpete

WELL NO. Haystack Unit #1

API NO. 43-039-30017

LOCATION 1735' FT. FROM (N) ~~X~~ LINE.

687'

FT. FROM (E) ~~X~~ LINE.

SE NE

1/4 - 1/4 SEC. 21

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
17S	4E	21	COSEKA RESOURCES (USA) LTD.				



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

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  
 Coseka Resources (U.S.A.) Ltd.

3. ADDRESS OF OPERATOR  
 718 17th St., Suite 630, Denver, CO 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
 At surface  
 687' FEL, 1735' FNL, Sec. 21, T. 17S, R. 4E,  
 At proposed prod. zone S.L.B. & M, Sanpete County, Utah **SE NE**

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 10.9 miles from Ephraim, Utah

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)  
 415'

16. NO. OF ACRES IN LEASE  
 2537.99

17. NO. OF ACRES ASSIGNED TO THIS WELL  
 320

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.  
 9200' **Dakota Sandstone**

19. ROTARY OR CABLE TOOLS  
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
 8931' Ungr.

22. APPROX. DATE WORK WILL START\*

5. LEASE DESIGNATION AND SERIAL NO.  
 U-13944

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
 Coseka

9. WELL NO.  
 Haystack **Approved** Unit # 1

10. FIELD AND POOL, OR WILDCAT  
 Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
 Sec. 21, T. 17S, R. 4E

12. COUNTY OR PARISH  
 Sanpete

13. STATE  
 Utah

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/2"	9-5/8" H-40 New	36#	400'	250 sacks
8-3/4"	7" K-55 New	23#	4500'	200 sacks
6 1/4"	4 1/2" N-80 New	11.6#	9200'	300 sacks

NOTE:

LEASE EXPIRES MAY 31, 1981. REQUEST EXPEDITING OF PERMIT  
**RECEIVED**  
 APR 10 1981

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

DIVISION OF  
 OIL, GAS & MINING

DATE: 3/21/81  
 BY: [Signature]

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. Scott Wilkinson  
 SIGNED: [Signature] TITLE: Operations Manager DATE: 4/7/81

(This space for Federal or State office use)

PERMIT NO. 43-039-30017 APPROVAL DATE \_\_\_\_\_

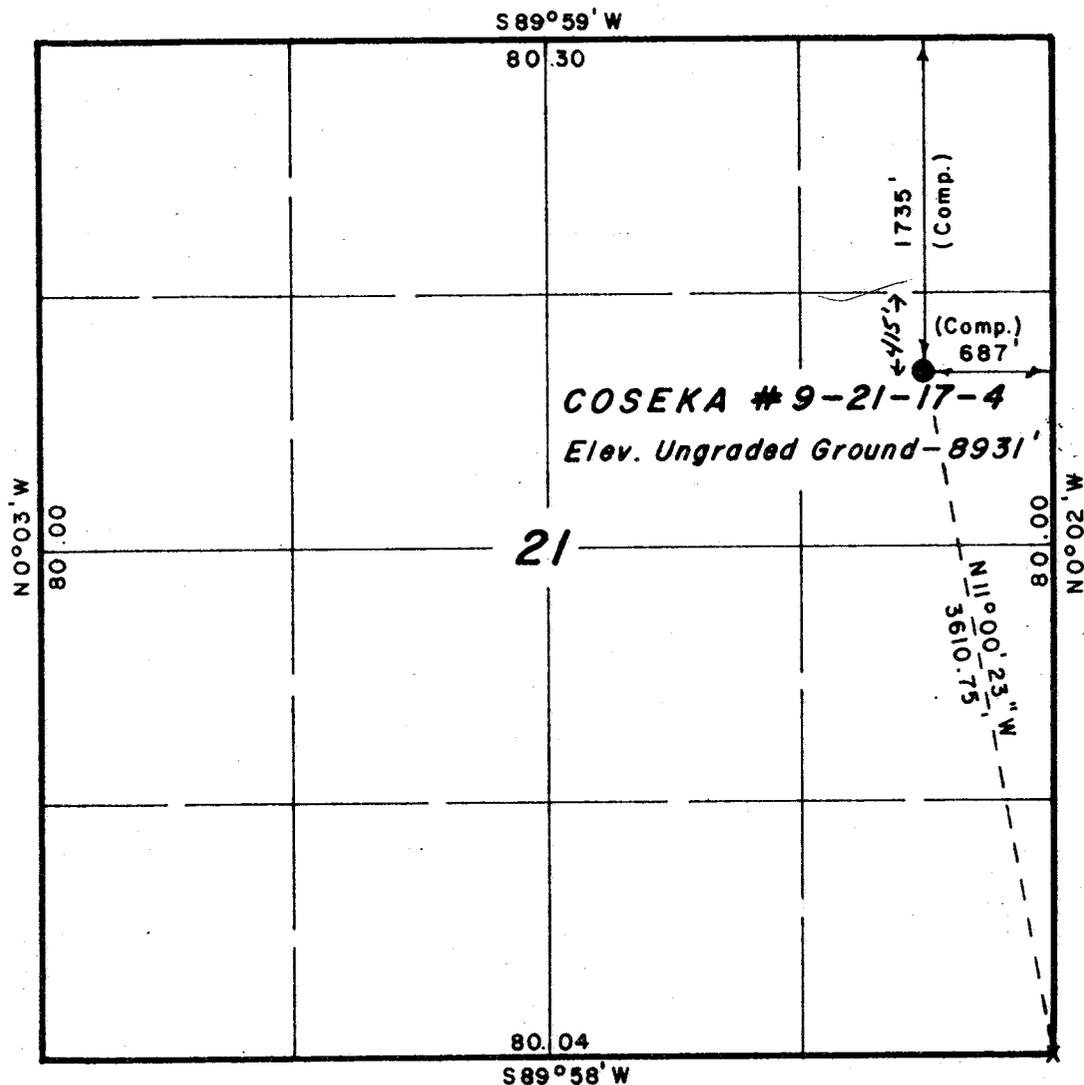
APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
 CONDITIONS OF APPROVAL, IF ANY:

T17S, R4E, S.L.B.&M.

PROJECT  
**COSEKA RESOURCES USA LDT**

Well location, COSEKA # 9-21-17-4,  
located as shown in the SE 1/4 NE 1/4  
Section 21, T17S, R4E, S.L.B.&M.  
Sanpete County, Utah.

NOTE: Basis of Bearings is from Solar  
Observations of the Sun.



CERTIFICATE

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.

*Laurens L. Key*

REGISTERED LAND SURVEYOR  
REGISTRATION NO 3137  
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING  
P.O. BOX Q - 110 EAST - FIRST SOUTH  
VERNAL, UTAH - 84078

SCALE	1" = 1000'	DATE	4/2/81
PARTY	L.P.T., T.J.	REFERENCES	GLO PLAT
WEATHER	PARTLY CLOUDY	FILE	COSEKA

X = Section Corners Located

13 POINT SURFACE USE PROGRAM

## Coseka Resources Haystack Unit # 1

### 1. Existing Roads

- A. For the location of the proposed well and the existing roads, see the attached Topographic Maps "A" and "B". The proposed well is located in the NE/4 of Section 21, T. 17S, R. 4E, S.L.B. & M., Sanpete County, Utah. See well plat.
- B. The proposed location is approximately 10.9 miles from Ephriam, Utah. To reach Coseka Well Haystack Unit #1, proceed south and east on Highway 29 for 10.7 miles. Turn north at the gaging station on Bluebell Flat and drive into the gravel pit where the site is located.
- C. The proposed route is outlined on Topographic Map "A".
- D. See Topographic Map "B".
- E. Not applicable.
- F. Access to the well site will be over existing county and BLM roads. No private roads will be used. County and BLM roads will be regularly maintained by grading, crowning, ditching, and draining when necessary. The proposed access road will be crowned and ditched so as to accommodate rig traffic. See Topo Map B for details of the existing access road.

### 2. Planned Access Roads

See attached Topographic Map "B".

The existing access road will be approximately 10 miles in length and will comply with the general specifications as outlined.

- (1) The proposed access road will be an 18' crown road usable (9' either side of the centerline) with drain ditches along either side of the proposed road where it is determined necessary in order to handle any run-off from any normal weather conditions that are prevalent to this area.

- (2) The maximum grade of the proposed access road will be 9%, but will not exceed this amount. See Topo Map B for details of maximum grades and drainage crossings.
- (3) No turnouts are planned for the length of the proposed access road, so that additional cut disturbance on the proposed access can be kept to a minimum.
- (4) Drainage design of the proposed access road will avoid unnecessary disturbance of natural runoff patterns; however, because of the character of the terrain, several runoff drainages will be impacted. Drainage will be implemented so as not to cause siltation or accumulation of debris. Depending upon soil and precipitation factors, drainage dips will be incorporated where appropriate. Where drainages are crossed, low water crossings will be utilized as outlined in BLM/USGS, Surface Operating Standards, p. 25, whenever possible. If low water crossings are deemed not feasible, culverts will be installed as outlined in Surface Operating Standards, p. 22, 23.
- (5) No new culverts are planned in the existing road.
- (6) Surfacing material shall be the native borrow material from the cut areas and will be used to stabilize the road surface and location. No other material for construction is anticipated.
- (7) No new fences will be crossed in order to access the proposed location; as this is open range, no cattle guard will be needed.
- (8) The existing road has not been center-line flagged for the full distance of the proposed route.

### 3. Location of Existing Wells

See Topographic Map "B". For information purposes, the following wells are within a two mile radius of the proposed well.

- (1) Water wells - At campgrounds and aqueduct to north.
- (2) Abandoned wells - None

- (3) Temporarily abandoned wells - None
- (4) Disposal wells - None
- (5) Drilling wells - None
- (6) Producing wells - None
- (7) Shut-in wells - None
- (8) Injection wells - None
- (9) Monitoring wells - None

4. Location of Existing and Proposed Facilities

A. There are no existing production facilities located within one mile of the proposed well. See Topographic Map "B".

- (1) Tank batteries - None
- (2) Production facilities - None
- (3) Oil gathering lines - None
- (4) Gas gathering lines - None
- (5) There are no injection lines in the area.
- (6) There are no disposal lines in the area.

There are no known gas lines in the immediate area.

B. Due to the exploratory nature of the Coseka Resources drilling program, we are unable to anticipate any production. However, the attached Exhibit "B" shows the proposed production facilities that will be utilized in the event commercial gas is encountered. All production facilities will be kept on the pad. The off-location gas gathering line will be proposed and plans submitted after the well is completed and tested.

Construction materials will be native borrow or cut exposed on the site, and will be consistent with accepted oil field standards and good engineering practices.

A three strand barbed wire fence will be constructed and maintained around any disposal pits during the drilling and completion phase of the well. When these pits are no longer needed or within 90 days, they will be covered over with native borrow material and rehabilitated to conform with the provisions of the rehabilitation agreement on BLM standards. A welded pipe fence will be constructed around the wellhead to prevent access to livestock or larger wildlife.

- C. Rehabilitation of the pits is discussed above. The remaining pad not used for producing operations will be recontoured to conform with the natural grade and covered with gravel saved on the site. This area will not be reseeded.

5. Location and Type of Water Supply

- A. Water to be used to drill this well will be hauled by truck from Ephriam or a nearer location acceptable to the U.S.F.S.
- B. Water will be hauled by trucks on the above described access route. See route on Topographic Map "A". No new roads or pipelines will be needed for this purpose.
- C. No water well will be drilled.

6. Source of Construction Materials

- A. All construction materials for this location site and access road shall be native borrow rock and soil accumulated during the construction. No additional road gravel or pit lining materials are anticipated at this time, but if they are required, appropriate action will be taken to acquire them from private sources after notification is given to the proper regulatory agencies.
- B. Items described in part "A" are from Federal lands.
- C. See part "A".
- D. No other access roads are required other than described in Item 2.

7. Methods for Handling Waste Disposal

See Location Layout for the size and location of the reserve and the location of the fine mesh wire trash cage. Excess "cut" material will be stockpiled as marked on the Location Layout Sheet.

- (1) Drill cuttings, drilling fluids, salts, chemicals and produced fluids will be disposed of in the reserve pit on the location pad. This pit will be approximately 8 feet deep and at least one-half of this depth shall be below the existing ground level. One half of this pit will be used as a fresh water storage during the drilling of the well. The disposal and storage areas shall be separated by a dike. Dust produced during the air drilling phase shall be suppressed by inserting a water hose with a spray nozzle into the 7" flow line. A water mist will be continuously injected into the dust stream during the dusting phase of the drilling.
- (2) See Item 1 above for disposal of drilling fluids.
- (3) See Item 1 above for disposal of produced water. Any oil produced after the well is connected to a pipeline will be collected in a tank on location and trucked for sale to the buyer to be determined at that time. No oil production is anticipated from this well.
- (4) A portable chemical toilet will be provided for human waste during the drilling phase.
- (5) Garbage and other waste material will be contained in a trash cage and hauled away by truck.
- (6) Immediately after the drilling rig moves off the location, the remaining trash and garbage will be collected hauled away by truck. The reserve pit will be fenced on the open side to protect domestic animals and wildlife. This pit will be utilized during the completion and testing phase of the well for storage of produced fluids. As soon as the testing is completed, the pit will be covered. The drilling pad will then be reclaimed as detailed in Item 10 discussed below.

#### 8. Ancillary Facilities

No airstrips or camps are planned for this well.

#### 9. Well Site Layout

See attached Location Layout Sheet which shows the following items:

- (1) Cross section of the pad showing details of the cuts and fills.
- (2) Location of the reserve and Blewie pits, pipe racks, living facilities and topsoil stockpile and excess "cut" stockpile.
- (3) Rig orientation, parking areas and access road.
- (4) Because of the close proximity of the location to Left Fork Creek, all pits will be lined with a bentonite gel and any other material necessary to make the pits water tight.

10. Plans for Restoration of Surface

In the event of a dry hole, pits will be allowed to dry and will then be backfilled and waste pits will be backfilled. The location will be restored to as near the original contour as feasible and then reseeded.

- (1) Upon completion of the testing phase of the well and prior to the pipeline hookup, the areas not needed for access to the well and used for producing operations shall be filled and recontoured to blend with the surrounding topography and the stockpiled soil redistributed over the unused disturbed area. After final plugging and abandonment of the well, the entire disturbed area will be contoured and topsoil spread over any previously disturbed area.
- (2) The revegetation of the drill site area and access not needed to carry on production operations will be reseeded with a seed mixture recommended by the BLM District Manager. It will be performed at a time of the year when the moisture content of the soil is adequate for germination. The Lessee agrees that all of the clean-up and restoration activities shall be done in a diligent and timely manner and in conformity with the above mentioned Items 7 and 10 (1).
- (3) All pits will be fenced prior to disposal of any waste material and the open side of the reserve pit will be fenced before removing the rig from the location. The fences will be maintained in good condition until Item (1) is started.
- (4) Any oil or condensate on any temporary pit will be removed in a timely manner. Overhead flagging or netting will be installed on any sump pit used to handle well fluids during the producing life of the well.

- (5) Restoration activities shall begin within 90 days after the completion of the well. Once completion activities have begun, they shall be completed within 30 days. All wellhead and surface equipment will be painted to blend with the environment according to BLM recommendations.

## 11. Other Information

The topography of the general area is mountainous and cut with numerous canyons. The Green River shale is a weather resistant cap which has produced the flat-top nature of the area. The soils in this semi-arid area are of the Green River formation (Middle Eocene) and the Wasatch formation (Lower Eocene) consisting of light brownish-gray clays (OL) to sandy soils (SM-ML) with poorly graded gravels. Outcrops of sandstone ledges, conglomerate deposits and shale are common on this area. The topsoils in the area range from sandy clay (SM-ML) to clayey (OL) soil.

Vegetation in the area consists of fir trees, aspen and mature spruce trees with grasses and low ground cover in the clearings. No removal of the surface material will be required on the proposed access route and in the pad area.

Fauna of the area consist of a migrating mule deer population, coyotes, rodents, birds, and fauna connected with a high altitude environment. Access to the well is across Federal acreage. Surface ownership lies with the U.S. Forest Service. See Map "D".

The majority of the washes and streams in the area are of a non-perennial nature flowing during the early spring runoff and extremely heavy rains of long duration, which are extremely rare. The normal annual rainfall in the area is only 8". Live water streams within 5 miles of the well site are Left Fork Cottonwood Creek, Cottonwood Creek, Aqueduct.

There are no occupied dwellings and ranch facilities in the general area. There are no visible archaeological, historical and cultural sites within reasonable proximity of the proposed location site. The location itself has not been cleared of cultural resources and we request a waiver for archaeological inventory due to the past use of the access road and gravel pit.

12. Lessee's or Operator's Representative

Peter MacDowell  
Resource Marketing Services, Inc.  
821 17th Street, Suite 804  
Denver, Colorado 80202

(303)892-9185 (Office)  
(303)355-5790 (Home)

Scott Wilkinson  
Coseka Resources (U.S.A.) Ltd.  
718 17th Street, Ste. 630  
Denver, CO 80202

(303) 573-6178

13. Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access routes; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Coseka Resources and its contractors and sub-contractors in conformity with this plan and terms and conditions under which it is approved.

4-7-81

Date



Scott Wilkinson

10 POINT PROGRAM

Coseka Resources Haystack Unit # 1

1. The geological name for the surface formation is the Green River Formation of Middle Eocene Age.
2. The estimated tops of important geological markers with depths calculated from an estimated RKB elevation of 8931' are as follows:

Star Point Sandstone	1960'
Emery Sandstone	4900'
Ferron Sandstone	8000'
Dakota Sandstone	9050'
Total Depth	9200'

3. Of the formations listed above it is anticipated that the Ferron and Dakota formations may be gas bearing in the well.
4. The proposed casing program for completion of this well will consist of 4 1/2" 11.6# N-80 new casing; intermediate casing will consist of 7" 23# K-55 new casing and will be run to 4500'; 400' of 9-5/8" 36# H-40 surface casing will be run and will be new.
5. The operator's minimum specifications for pressure control equipment are as follows:

A 10" Series 900 Hydril Bag type BOP and a 10" Double Ram Hydraulic unit with a closing unit will be utilized. Additionally, while air drilling, a Series 900 Rotating Head will be used. Pressure tests of BOP's to 1000# will be made after installation and operation and will be checked daily. (See Exhibit A)

6. It is proposed that the hole will be drilled to the top of the Dakota with air and mist as necessary in order to clean the hole. From the Dakota to Total Depth it is planned to drill the well with air or air mist.

7. Auxiliary equipment to be used will be a Kelly Cock and a Float at the drill bit.
8. No coring or drill stem testing has been scheduled for this well. The logging will consist of a dual induction laterolog and a compensated neutron formation density log.
9. It is not anticipated that abnormal pressures or temperatures will be encountered nor that any other abnormal hazards such as H<sub>2</sub>S gas will be encountered in this area.
10. It is anticipated that this well will be commenced approximately May 15, 1981, and that the operations will last two weeks.

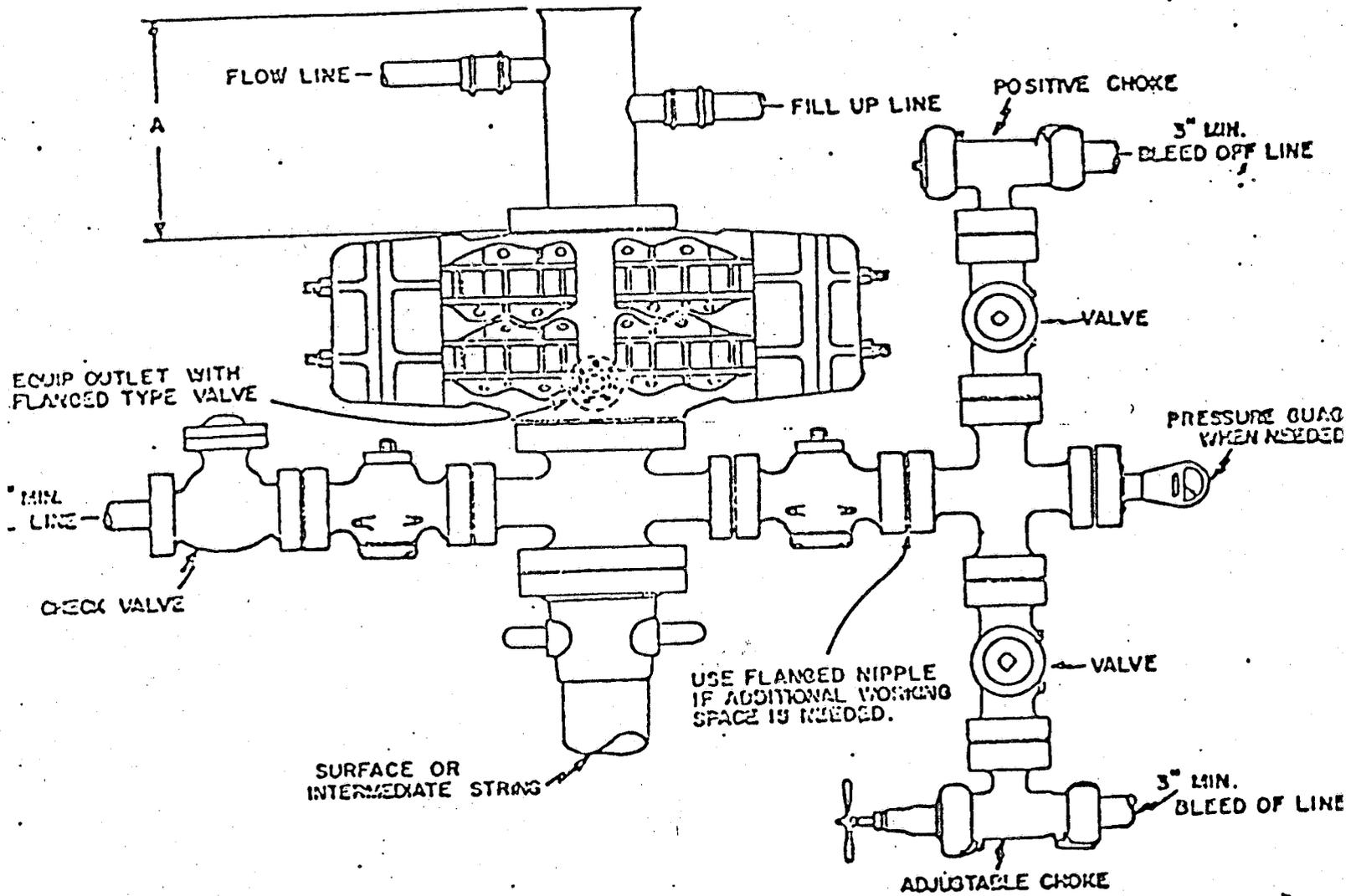


EXHIBIT. A

DAKOTA

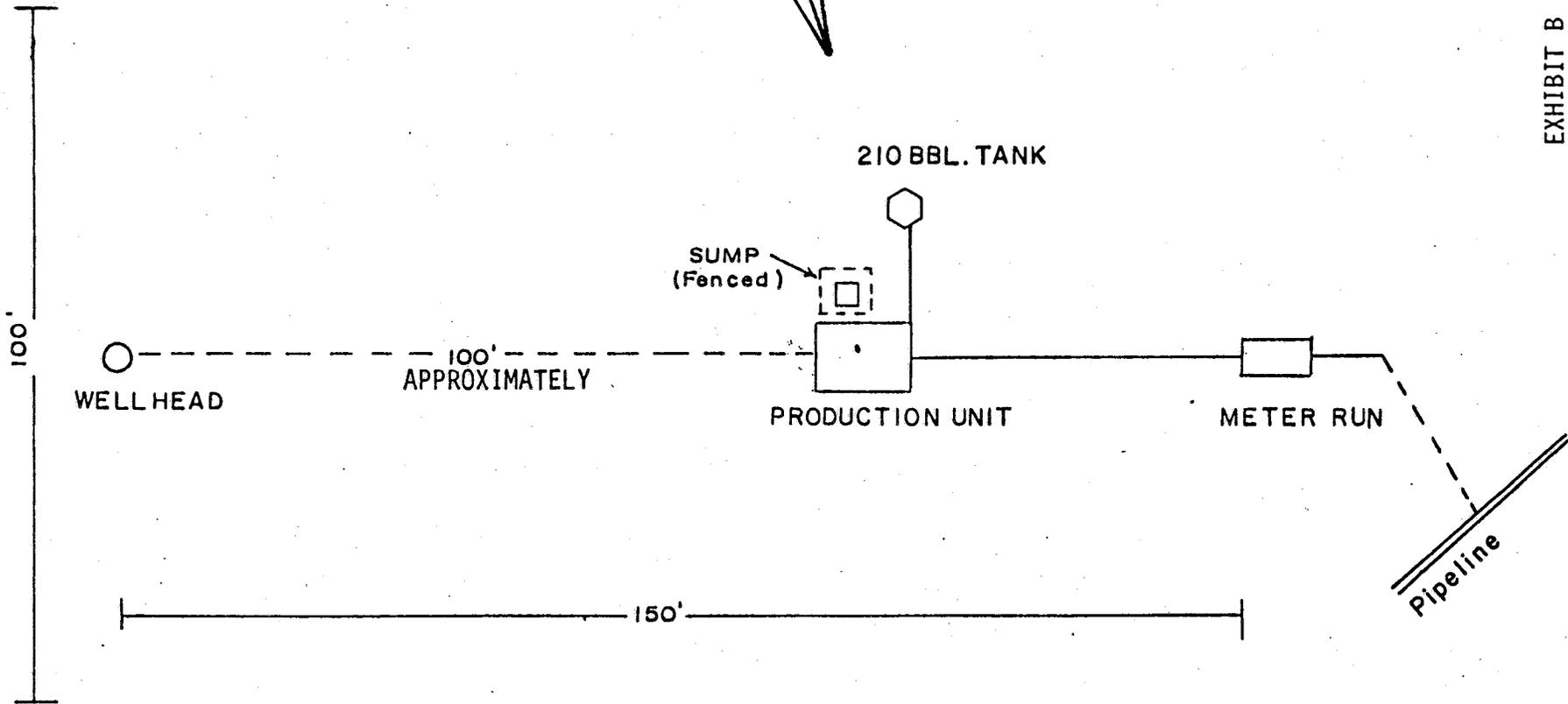


EXHIBIT B

### PRODUCTION LAYOUT

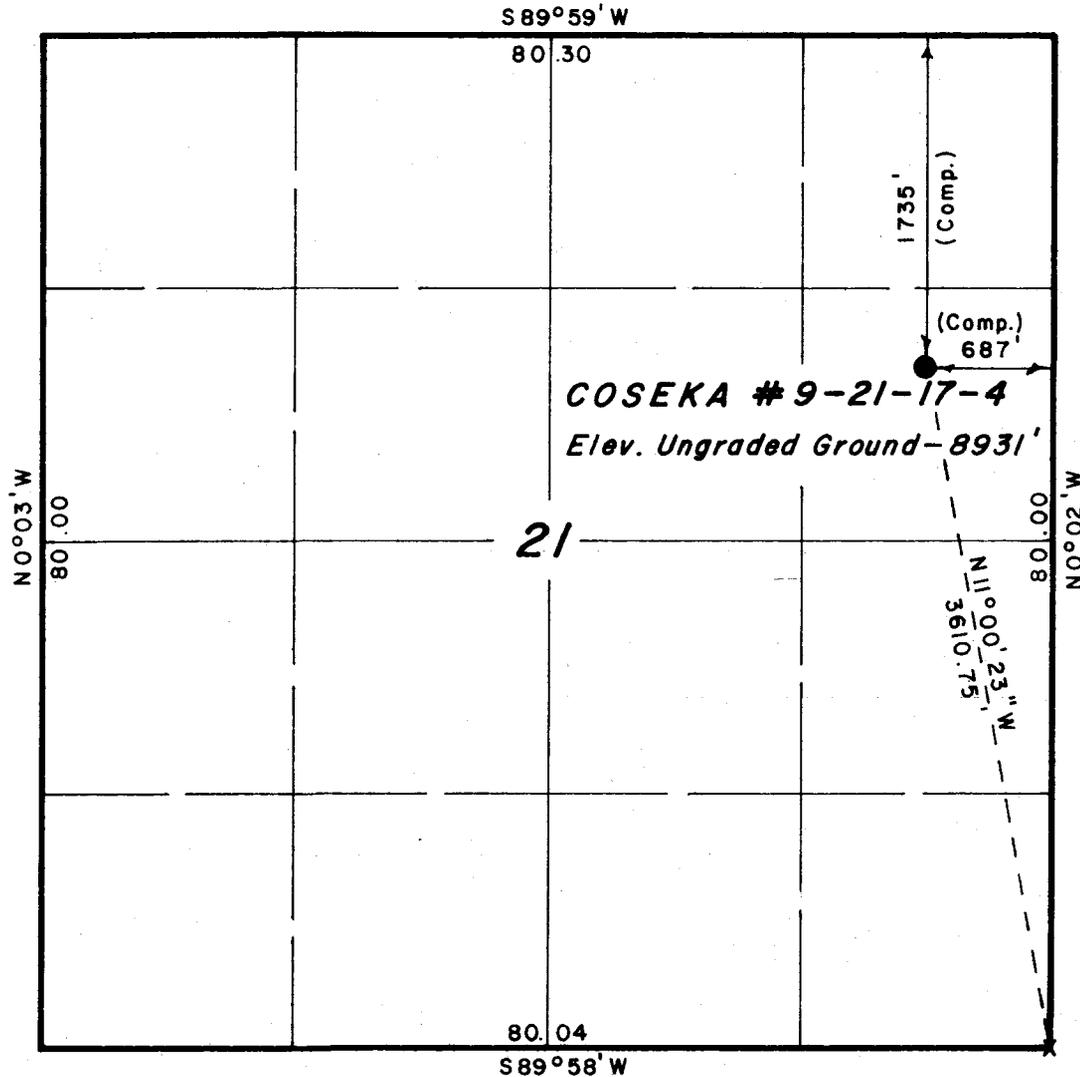
COSEKA RESOURCES  
Haystack Unit # 1

T17S, R4E, S.L.B.&M.

PROJECT  
**COSEKA RESOURCES USA LDT**

Well location, COSEKA # 9-21-17-4,  
 located as shown in the SE 1/4 NE 1/4  
 Section 21, T17S, R4E, S.L.B.&M.  
 Sanpete County, Utah.

NOTE: Basis of Bearings is from Solar  
 Observations of the Sun.



CERTIFICATE

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.

*Lawrence P. Key*  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO 3137  
 STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING  
 P.O. BOX Q - 110 EAST - FIRST SOUTH  
 VERNAL, UTAH - 84078

SCALE	1" = 1000'	DATE	4/2/81
PARTY	L.P.T., T.J.	REFERENCES	GLO PLAT
WEATHER	PARTLY CLOUDY	FILE	COSEKA

X = Section Corners Located

COSEKA RESOURCES U.S.A. LTD.

COSEKA 9-21-17-4

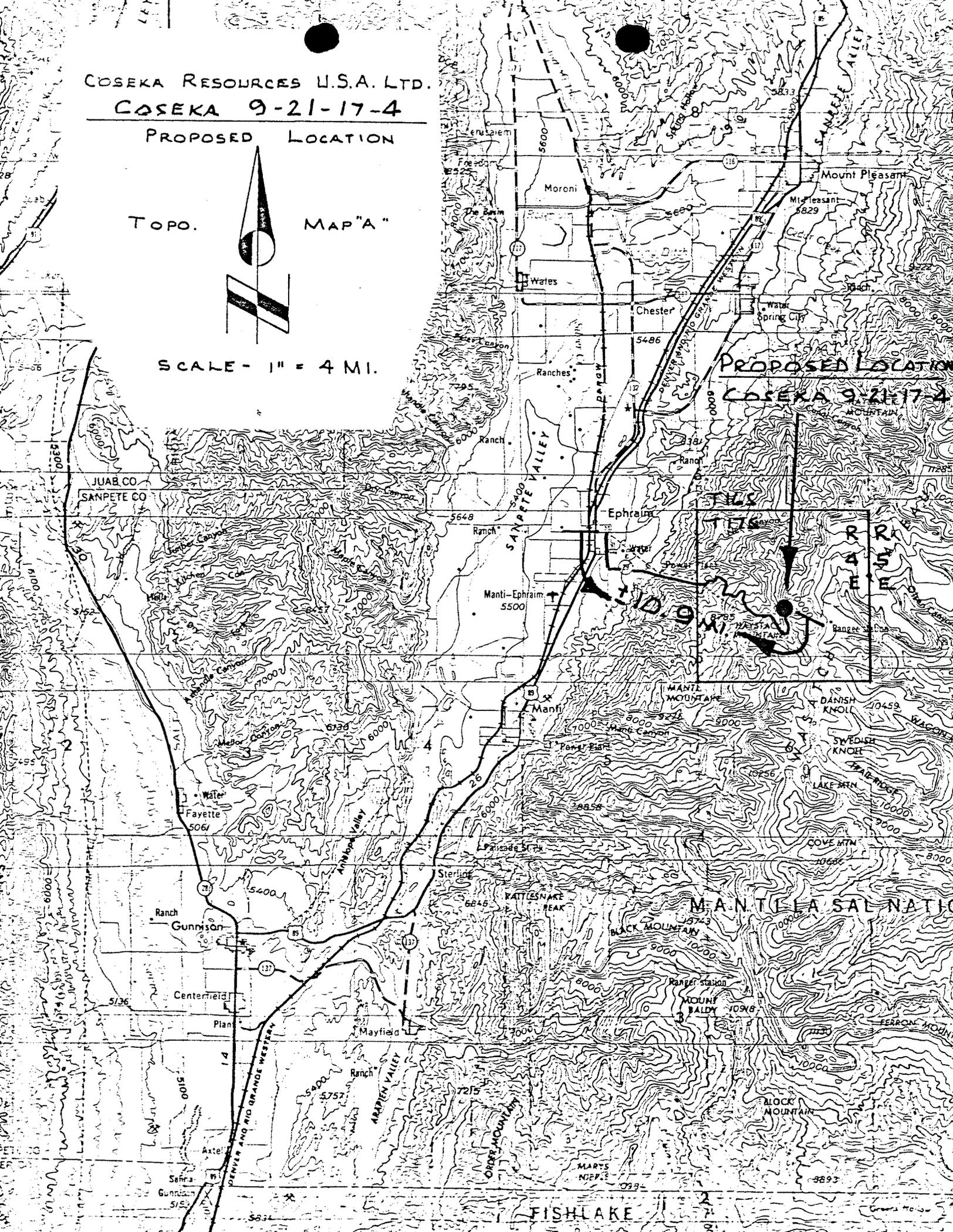
PROPOSED LOCATION

TOPO.

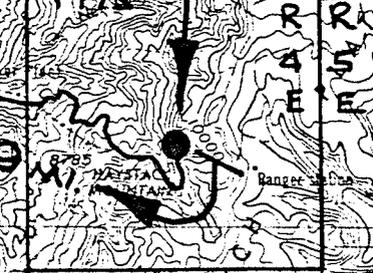
MAP "A"



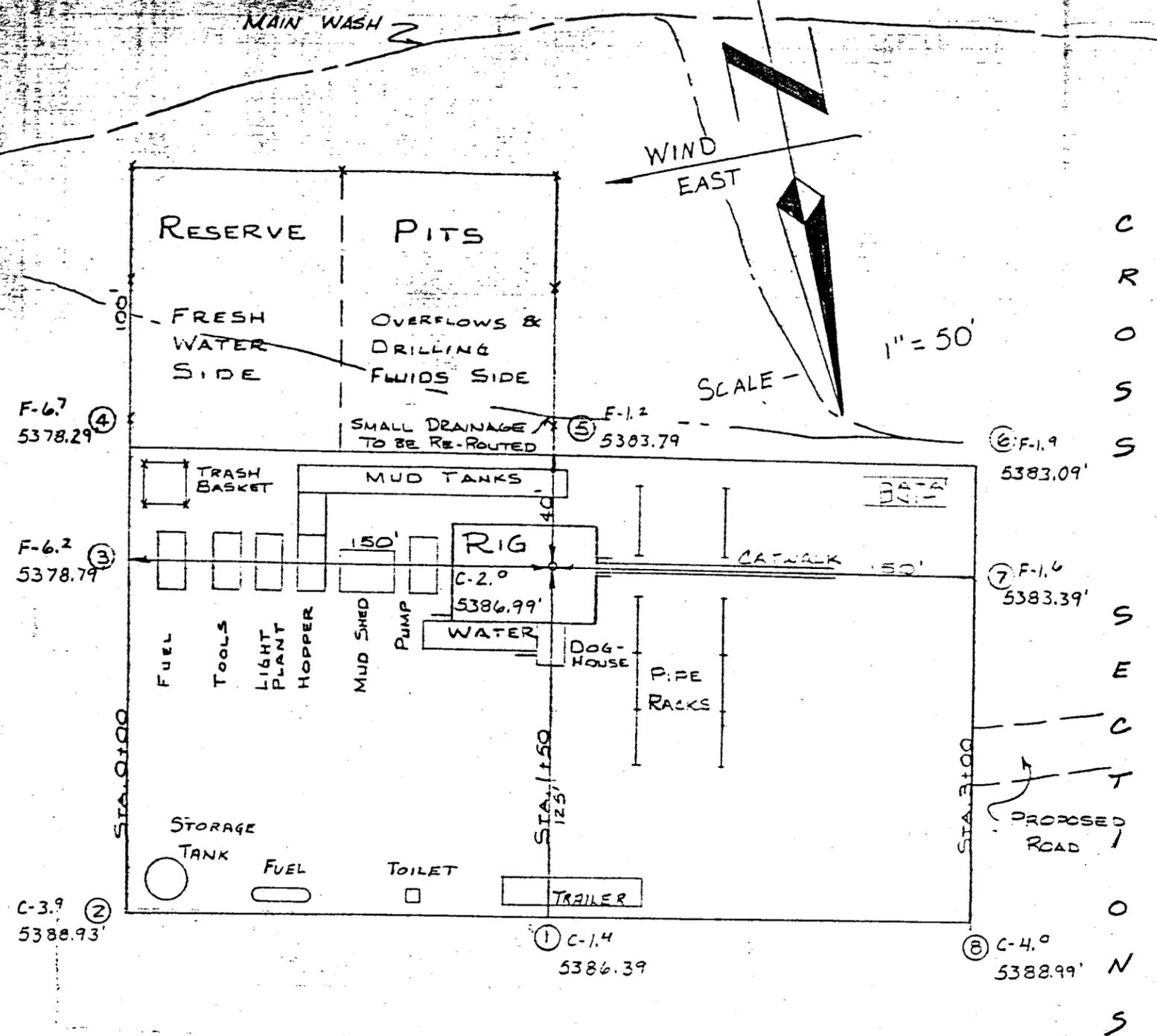
SCALE - 1" = 4 MI.



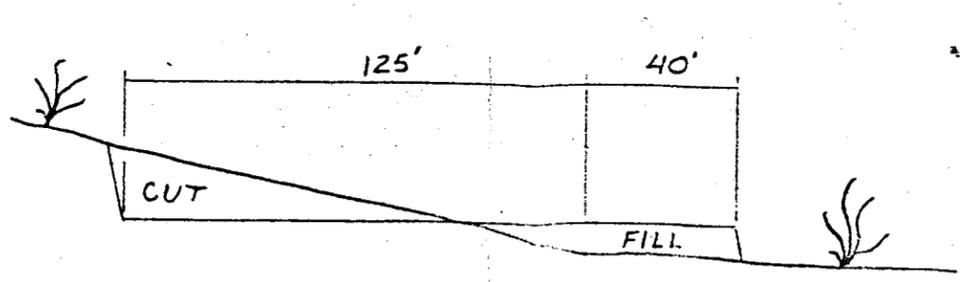
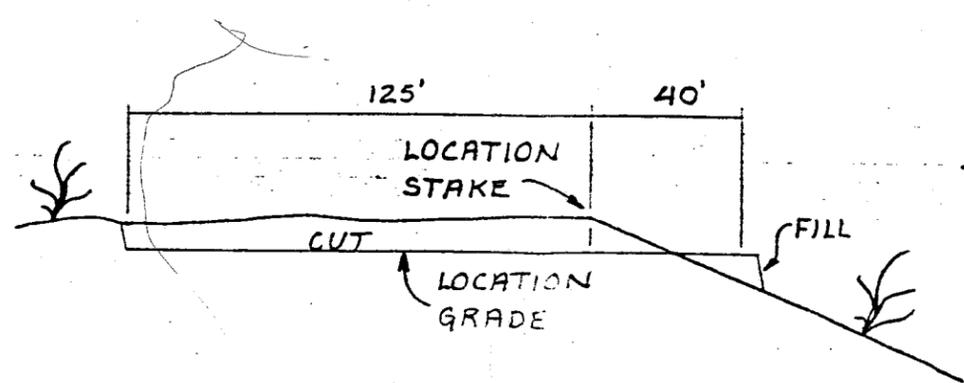
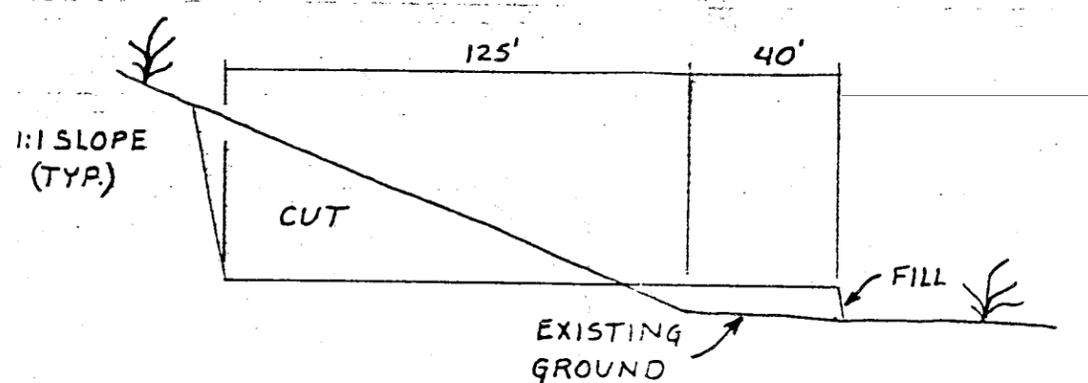
PROPOSED LOCATION  
COSEKA 9-21-17-4



FISHLAKE



C  
R  
O  
S  
S  
S  
E  
C  
T  
I  
O  
N  
S

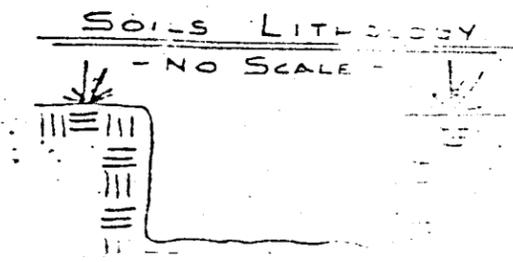
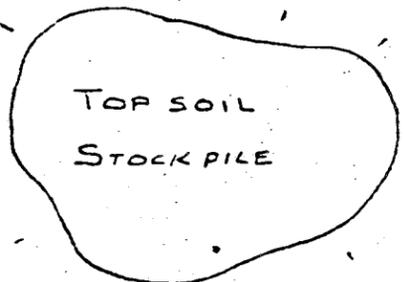


SCALES

1" = 50'

APPROX. YARDAGES

Cu. Yds. CUT = 2120



Haystack Unit

U-14324

U-14324

U-14325

ALFRED M. BURANEK  
5-31-87

ALFRED M. BURANEK  
5-31-81

ALFRED M. BURANEK  
5-31-81

17

16

15

(3)

(7)

(7)

U-13944

U-14325

U-14325

ALFRED M. BURANEK  
5-31-87

ALFRED M. BURANEK  
5-31-87

ALFRED M. BURANEK  
5-31-81

20

21

22

(3)

(3)

(8)

U-13944

U-13944

U-14326

ALFRED M. BURANEK  
5-31-87

ALFRED M. BURANEK  
5-31-87

ALFRED M. BURANEK  
5-31-81

29

28

27

(4)

(4)

(8)

U-13945

U-13945

U-14326

ALFRED M. BURANEK  
5-31-81

ALFRED M. BURANEK  
5-31-87

ALFRED M. BURANEK  
5-31-81

32

33

34

(7)

(4)

(8)

U-14325

U-13945

U-14326

4 47.58 | 3 47.51 | 2 47.43 | 1 47.36  
NATIONAL TREASURER MINES COMPANY  
5-31-81

5  
(669.88)

(1)

RECEIVED

APR 10 1981

DIVISION OF  
OIL, GAS & MINING

(5)



R4E

T

FI  
T  
U



LOGGING AND CORING INSTRUCTIONS

SAMPLES:

Collect every 30 ft. to 4800' (or 100 ft. above top of Emery  
 Collect every 10 ft. to 5200' (or base of Emery Sandsto  
 Collect every 30 ft. to 7900' (or 100' above top of Ferron)  
 Collect every 10 ft. to 9200' or T.D.

Forward set(s) of Samples to:

American Stratigraphic Co.

6280 E. 39th Avenue

Denver Colorado 80207

ELECTRIC AND POROSITY LOGS

Plan to Run: Mud: DIL, Compensated Neutron-Formation Density.  
 (Note: If hole is switched from air to mud a sonic log might also be run and a dipmeter will be run through the Dakota)

Air: DIL, Compensated FDL, Compensated SNL.  
 (Note: Temperature Log may be run if the well is flowing gas)

CORING

Estimated Core Point N/A Footage \_\_\_\_\_

POSSIBLE DST'S:

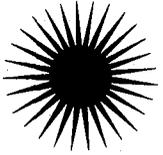
DST NO.	FORMATION
<u>#1</u>	<u>Emery Sandstone</u>
<u>#2, 3</u>	<u>Ferron Sandstone</u>
<u>#4</u>	<u>Dakota Sandstone</u>

CALL DEPTH: Contact Exploration Geologist in Denver Office

36 hours before drilling into the Ferron Sandstone

STOP DEPTH: 9200' or 200 feet below top of Dakota Sandstone

without Geologist and/or mud logger on location.



# Resource Marketing Services Inc.

821 17th Street, Denver, Colorado 80202 • (303) 892-9185

April 8, 1981

RECEIVED

APR 10 1981

DIVISION OF  
OIL, GAS & MINING

State of Utah  
Division of Oil, Gas & Mining  
1588 West, North Temple  
Salt Lake City, UT 84116

Attn: Mr. Mike Minder

Re: Coseka Resources (U.S.A.) Ltd.  
Haystack Unit # 1  
SE/4 NE/4 Sec. 21, T. 17S, R. 4E  
Sanpete County, Utah

Gentlemen:

Coseka Resources requests an exception to Utah Rule C-3 for the above well due to topography.

A map is included which shows Alfred M. Buranek to be the owner of the above lease, as well as the surrounding sections. Also enclosed is a copy of a statement of no objection which has been sent to Mr. Buranek for his signature, giving his permission for drilling of the well at the location specified in the Application for Permit to Drill.

Resource Marketing Services, Inc. is handling the NTL-6/APD for this location. If you have any questions, please do not hesitate to call.

Very truly yours,

RESOURCE MARKETING SERVICES, INC.

Peter MacDowell

PM/nw  
Encl.

Haystack Unit

U-14324

U-14324

U-14325

ALFRED M. BURANEK  
5-31-87

ALFRED M. BURANEK  
5-31-81

ALFRED M. BURANEK  
5-31-81

17

16

15

(3)

(7)

(7)

U-13944

U-14325

U-14325

ALFRED M. BURANEK  
5-31-87

ALFRED M. BURANEK  
5-31-87

ALFRED M. BURANEK  
5-31-81

20

21

22

(3)

(3)

(8)

U-13944

U-13944

U-14326

ALFRED M. BURANEK  
5-31-87

ALFRED M. BURANEK  
5-31-87

ALFRED M. BURANEK  
5-31-81

29

28

27

(4)

(4)

(8)

U-13945

U-13945

U-14326

ALFRED M. BURANEK  
5-31-81

ALFRED M. BURANEK  
5-31-87

ALFRED M. BURANEK  
5-31-81

32

33

34

(7)

(4)

(8)

U-14325

U-13945

U-14326

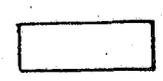
8 4 47.58 | 3 47.51 | 2 47.43 | 1 47.36  
NATIONAL TREASURER MINES COMPANY  
5-31-81

5  
(669.88)

(1)

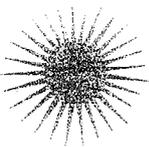
R4E

T



(5)





# Resource Marketing Services Inc.

821 17th Street, Denver, Colorado 80202 • (303) 892-9185

April 8, 1981

National Treasure Mines  
Bldg. # 2, 400 Arrow Press Square  
Salt Lake City, UT 84101

Attn: Mr. Alfred M. Buranek

Re: Coseka Resources (U.S.A.) Ltd.  
Haystack Unit # 1  
SE/4 NE/4 Sec. 21, T. 17S, R. 4E  
Sanpete County, Utah

Dear Mr. Buranek:

Enclosed is a statement for the State of Utah concerning the above well. Because the location is less than 500 feet from a subdivision line, a release is needed from you stating that you have no objection to the placement of the well at that location. A map is included showing you to be the owner of the lease and the surrounding sections.

After signing this statement, please forward the original and map to the State of Utah, Division of Oil, Gas & Mining, 1588 West, North Temple, Salt Lake City, Utah 84116. This will complete the Application for Spacing Exception which we have made to the agency. Please forward us a copy of the statement for our files.

Very truly yours,

RESOURCE MARKETING SERVICES, INC.

Peter MacDowell

RECEIVED

APR 10 1981

DIVISION OF  
OIL, GAS & MINING

PM/nw  
Encls.

April 7, 1981

RECEIVED

APR 22 1981

State of Utah  
Division of Oil, Gas & Mining  
1588 West, North Temple  
Salt Lake City, UT 84116

DIVISION OF  
OIL, GAS & MINING

Attn: Mr. Mike Minder

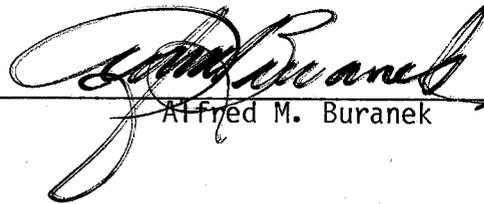
Re: Lease No. U-13944  
Coseka Resources (U.S.A.) Ltd.  
Haystack Unit # 1  
SE/4 NE/4 Sec. 21, T. 17S, R. 4E  
Sanpete County, Utah

Gentlemen:

The undersigned, as record title owner of the above referenced lease, as well as the adjacent leases, hereby notifies you that I have no objection to Coseka Resources' Application for Spacing Exception to Utah Rule C-3 for the Haystack Unit # 1 well in the captioned location.

4-20-81

Date

  
Alfred M. Buranek

\*\* FILE NOTATIONS \*\*

DATE: 5/15/81  
OPERATOR: Coseka Resources (USA) Ltd.  
WELL NO: Haystack Unit #1  
Location: Sec. 21 T. 17S R. 4E County: Sanpete

File Prepared:  Entered on N.I.D.:   
Card Indexed:  Completion Sheet:

API Number 43-039-30017

CHECKED BY:

Petroleum Engineer: \_\_\_\_\_

Director: OK rule C-3(c) Topo

Administrative Aide: OK (Haystack Unit not appr. as of 5/21/81. As per C-3(c); top request submitted w/ app.; OK on any other oil & gas wells.)

APPROVAL LETTER:

Bond Required:  Survey Plat Required:

Order No. \_\_\_\_\_ O.K. Rule C-3

Rule C-3(c), Topographic Exception - company owns or controls acreage within a 660' radius of proposed site

Lease Designation Ad. Plotted on Map

Approval Letter Written

Hot Line  P.I.

June 4, 1981

Coseka Resources (USA) Ltd.  
718 17th Street, Suite 630  
Denver, Colorado 80202

Re: Well No. Haystack Unit #1  
Sec. 21, T. 17S, R. 4E, SE NE  
Sanpete County, Utah

Insofar as this office concerned, approval to drill the above referred to gas well on said unorthodox location is hereby granted in accordance with Rule C-3(c), General Rules and Regulations and Rules of Practice and Procedure.

Should you determine that it will be necessary to plug and abandon this well, you are hereby requested to immediately notify the following:

MICHAEL T. MINDER - Petroleum Engineer  
Office: 533-5771  
Home: 876-3001

Enclosed please find Form OGC-8-X, which is to be completed whether or not water sands (aquifers) are encountered during drilling. Your cooperation in completing this form will be appreciated.

Further, it is requested that this Division be notified within 24 hours after drilling operations commence, and that the drilling contractor and rig number be identified.

The API number assigned to this well is 43-039-30017.

Sincerely,

DIVISION OF OIL, GAS, AND MINING

*Cleon B. Feight*  
Cleon B. Feight  
Director

CBF/ko  
cc: USGS



STATE OF UTAH  
NATURAL RESOURCES & ENERGY  
Oil, Gas & Mining

Scott M. Matheson, Governor  
Temple A. Reynolds, Executive Director  
Cleon B. Feight, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

March 9, 1982

Coseka Resources USA Ltd.  
718 17th Street, Suite 630  
Denver, Colorado 80202

Re: Well No. Haystack Unit #1  
Sec. 21, T. 17S, R. 4E.  
Sanpete County, Utah

Gentlemen:

In reference to the above mentioned wells, considerable time has gone by since approval was obtained from this office.

This office has not received any notification of spudding. If you do not intend to drill these wells, please notify this Division. If spudding or any other activity has taken place, please send necessary forms. If you plan to drill this location at a later date, please notify as such.

Your prompt attention to the above will be greatly appreciated.

Very truly yours,

DIVISION OF OIL, GAS AND MINING

Cari Furse  
Clerk Typist

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

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  
 Coseka Resources (U.S.A.) Ltd.

3. ADDRESS OF OPERATOR  
~~200 WRITER SQUARE, 1512 CARIMER ST.~~  
 718 17th St., Suite 630, Denver, CO 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
 At surface  
 687' FEL, 1735' FNL, Sec. 21, T. 17S, R. 4E,  
 At proposed prod. zone S.L.B. & M, Sanpete County, Utah

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 10.9 miles from Ephraim, Utah

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)  
 415'

16. NO. OF ACRES IN LEASE  
 2537.99

17. NO. OF ACRES ASSIGNED TO THIS WELL  
 320

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.  
 9200'

19. PROPOSED DEPTH  
 9200'

20. ROTARY OR CABLE TOOLS  
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
 8931' Ungr.

22. APPROX. DATE WORK WILL START\*

5. LEASE DESIGNATION AND SERIAL NO.  
 U-13944

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
 Coseka

9. WELL NO.  
 Haystack Unit # 1

10. FIELD AND POOL, OR WILDCAT  
 Wildcat

11. SEC., T., R., M., OR RLK. AND SURVEY OR AREA  
 Sec. 21, T. 17S, R. 4E

12. COUNTY OR PARISH  
 Sanpete

13. STATE  
 Utah

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	9-5/8" H-40 New	36#	400'	250 sacks
8-3/4"	7" K-55 New	23#	4500'	200 sacks
6 1/4"	4 1/2" N-80 New	11.6#	9200'	300 sacks

NOTE:

LEASE EXPIRES MAY 31, 1981. REQUEST EXPEDITING OF PERMIT

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. Scott Wilkinson  
 SIGNED [Signature] TITLE Operations Manager DATE 4/7/81

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY [Signature] E. W. Guynn  
 TITLE District Oil & Gas Supervisor DATE AUG 23 1982

CONDITIONS OF APPROVAL, IF ANY:

NOTICE OF APPROVAL CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY  
 \*See Instructions On Reverse Side

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

*I state Oil & Gas*

United States Department of the Interior  
Geological Survey  
2000 Administration Building  
1745 West 1700 South  
Salt Lake City, Utah 84104

NEPA CATEGORICAL EXCLUSION REVIEW

PROJECT IDENTIFICATION

Operator Coseka Resources Ltd.  
Project Type Gas Well - Wildcat  
Project Location 687' FEL & 1735' FML Sec. 21, T.17S., R.4E.  
Well No. Haystack Unit Lease No. U-13944  
Date Project Submitted April 10, 1981

FIELD INSPECTION

Date June 12, 1981

Field Inspection  
Participants

<u>George Diwachak</u>	<u>USGS-SLC</u>
<u>Carter Reed</u>	<u>USFS</u>
<u>Brent Barney</u>	<u>USFS</u>
<u>Pete McDowell</u>	<u>Coseka</u>
<u>Bill Karcich</u>	<u>H. E. Lowdermilk Co.</u>

I have reviewed the proposal in accordance with the categorical exclusion review guidelines. This proposal would not involve any significant effects and, therefore, does not represent an exception to the categorical exclusions.

December 29, 1981  
Date Prepared

*George Diwachak*  
George Diwachak  
Environmental Scientist

I concur

DEC 30 1981  
Date

*W. P. Martin*  
W. P. Martin  
District Supervisor

FOR E. W. GUYNN  
DISTRICT OIL & GAS SUPERVISOR

CATEGORICAL EXCLUSION REVIEW INFORMATION SOURCE

Criteria 516 DM 2.3.A	Federal/State Agency			Local and private corre- spondence (date)	Previous NEPA	Other studies and reports	Staff expertise	Onsite inspection (date)	Other
	Corre- spondence (date)	Phone check (date)	Meeting (date)						
1. Public health and safety	12-8-81 /				1	2	6	6	4.8
2. Unique charac- teristics	/				1	2	6	6	4.8
3. Environmentally controversial	/				1		6	6	4.8
4. Uncertain and unknown risks	/				1	2	6	6	4.8
5. Establishes precedents	/				1		6	6	4.8
6. Cumulatively significant	/						6	6	4
7. National Register historic places	/				1				
8. Endangered/ threatened species	/				1				
9. Violate Federal, State, local, tribal law	/				1		6	6	4.8

CATEGORICAL EXCLUSION REVIEW COMMON REFERENCE LEGEND

1. Surface Management Agency Input *Including Environmental Assessment  
And findings of no significant impact for proposed well.*
2. Reviews Reports, or information received from Geological Survey  
(Conservation Division, Geological Division, Water Resource Division,  
Topographic Division)
3. Lease Stipulations/Terms
4. Application for Permit to Drill
5. Operator Correspondence
6. Field Observation *Fieldnote*
7. Private Rehabilitation Agreement
8. *Recommended stipulations*

RECEIVED

AUG 24 1992

DIVISION OF  
OIL, GAS & MINING

## Recommended Stipulations

1. Natural Gamma Logs will be run through the Lower Blackhawk Formation to help identify and protect coal beds. Logs will be furnished to the USGS.
2. All minable coal zones will be isolated with cement from a point 100 ft. below the formation to 100 ft. above the formation.
3. Adhere to recommended USFS stipulations 1 through 32 on pages 2 through 5 in USFS attachments.
4. Reserve pits will be lined with plastic to insure pit integrity.

UNITED STATES DEPARTMENT OF AGRICULTURE

FOREST SERVICE

Manti-LaSal National Forest  
599 West Price River Drive  
Price, Utah 84501

2820

December 8, 1981



Mr. Edgar W. Guynn  
USGS - Conservation Division  
2000 Administration Building  
1745 West 1700 South  
Salt Lake City, Utah 84104

Dear Mr. Guynn:

Enclosed is an approved Environmental Assessment for Coseka Resources (USA) Ltd.'s proposed wildcat oil and gas well (Haystack Unit #1) in Ephraim Canyon on the Manti-LaSal National Forest. This document is our concurrence to approval of the subject Application to Drill.

As indicated in the Environmental Assessment, a Road-Use Permit authorizing use of Forest Development #50114 must be issued by the Forest Service before operations may begin. A Road-Use Permit request form has been sent to Coseka Resources (USA) Ltd., to be filled out and sent back. The permit will be issued upon receipt of the completed request.

If you have any questions about the Environmental Assessment or Forest Service required mitigations, please contact Carter Reed at our Supervisor's Office in Price, Utah.

Sincerely,

for  
REED C. CHRISTENSEN  
Forest Supervisor

Enclosure

RECEIVED  
AUG 24 1982

DIVISION OF  
OIL, GAS & MINING

RECORD OF DECISION

AND

FINDING OF NO SIGNIFICANT IMPACT

COSEKA RESOURCES (U.S.A.) LTD.

PROPOSED WILDCAT WELL - EPHRAIM CANYON

MANTI-LASAL NATIONAL FOREST

MANTI DIVISION

The Environmental Assessment (EA) discussing the affects of Coseka Resources (U.S.A.) Ltd, proposed wildcat well in the left fork of Cottonwood Creek in Ephraim Canyon on the Sanpete Ranger District, Manti-LaSal National Forest, is available for public review at the Sanpete Ranger District Office, Ephraim, Utah and at the Forest Supervisor's Office in Price, Utah.

It is my decision, based on the assessment and evaluation described in the EA, that the proposed operation be allowed as described with the management requirements and constraints listed in the EA.

I have determined through the environmental analysis of this project that this is not a major Federal Action that would significantly affect the quality of the human environment. Therefore, an Environmental Impact Statement will not be prepared. This determination was made after considering the following factors:

1. This project will have no effect on threatened or endangered plants or animals.
2. There will be no disturbance to archeological or paleontological values.
3. There are no apparent adverse cumulative or secondary effects.
4. There will be no disturbance to prime or unique rangelands, farm lands, or timber lands.
5. Management of the Great Basin Experimental Range and Forest will not be affected by this project.

Bennett W. Black Date 12/1/81  
(Sanpete District Ranger)

Paul C. Clouston Date 12/17/81  
(Forest Supervisor)

File Designation \_\_\_\_\_

Date \_\_\_\_\_

ENVIRONMENTAL ASSESSMENT REPORT  
COSEKA RESOURCES (U.S.A.) LTD. PROPOSED  
WILDCAT WELL - EPHRAIM CANYON

Lead Agency: USDA Forest Service  
Forest Supervisor  
Manti-LaSal National Forest  
Price, Utah 84501

Responsible Official: Reed C. Christensen  
Forest Supervisor  
Manti-LaSal National Forest  
Price, Utah 84501

For Further Information Contact: Brent Erskine  
Forester  
Ephraim, Utah 84627

Prepared by Brent Erskine  
(Forester)

Date 11/30/81

Report Approved by Bernett W. Black  
(Sanpete District Ranger)

Date 12/1/81

## I. PURPOSE AND NEED FOR ACTION

Coseka Resources (U.S.A.) Limited, 718 - 17 st. Suite 630, Denver Colorado 80202, submitted, April 4, 1981, an application for a permit to drill a wildcat gas well in an abandoned gravel pit in the left fork drainage of Cottonwood Creek. The company estimates it will take approximately 50 days to complete the proposal. Coseka plans to drill the well in the spring/summer of 1982.

### A. Issues, Concerns, Opportunities

1. If the well is a producer, the gravel source would be lost.
2. The proposed site location could block traffic on FDR 50114.
3. Increase traffic on Ephraim Canyon Road, State Highway 29, (Forest Highway 8).

### B. Location of the Proposed Drill Site

Location of the proposed drill site is in the NE $\frac{1}{4}$  of Section 21, T17S, R4E, Sanpete County, Utah. This site is located approximately 14 miles east of Ephraim, Utah. Access roads to the site exist at present. The portions of the existing roads to be used are 13.8 miles of State Highway 29 (F.H. 8) and 0.2 miles of FDR 50114. A map located in the appendix of this report shows the location of the proposed drilling site and its relationship to the existing roads.

## II. ALTERNATIVES

### 1. No drilling - no action.

The proposed drilling site is covered by lease U-13944. There are areas within this leased area that meet Forest Service considerations for drilling. Therefore, this alternative will not be considered further.

### 2. Drill the proposed well on a site located approximately 1100 feet south and west of the Bluebell Bridge.

The location of the proposed site and the bridge is shown on the map in the appendix of this report. This proposed site was selected by Coseka Resources. After review of this site by the Forest Service, it was suggested that the company use the gravel pit in Left Fork as a drill site. This suggestion was made because the drill site selected by Coseka does not have access to it from State Highway (F.H 8), as does the gravel pit proposed drill site.

The site selected by Coseka lies within the Great Basin Experimental Range and Forest as does the gravel pit. But the development of the Bluebell Bridge site would affect an area that has not been previously disturbed. The preferred location of the managers of the Great Basin Experimental Range and Forest is the proposed gravel pit site, as it would meet their objectives of minimizing the impacts of this type operation on the land within the Great Basin Experimental Range and Forest.

Coseka Resources Inc. reviewed the gravel pit site and found it suitable to their proposed operation. Therefore, further consideration of this alternative is unnecessary.

3. Locate the proposed drill site in the old gravel pit in the Left Fork drainage of Cottonwood Creek.

Under this alternative the site would be built as shown on the site plan dated 8/4/81. Included with this alternative are the Forest Service Mitigations, Management Requirements and Constraints. These items are considered part of this alternative.

Mitigations, Management Requirements and Constraints:

1. The reserve pit will be examined during its construction to determine the probability of fluids entering the Left Fork of Cottonwood Creek stream. Appropriate measures shall be taken to prevent contamination of soil and water resources in the area.
2. A bypass road must be constructed around the drill site to maintain access on FDR 50114.
3. Adequate signs must be posted warning the public of oil exploration traffic. A stop sign must be posted at the intersection of FH8 and FDR 50114.
4. Prevent livestock and wildlife from getting into the reserve pit by construction of an adequate fence.
5. Coordinate with Sanpete County road use requirements on State Highway #29.
6. If the drilling operation extends into the winter period, the company shall provide engineering data on the portion of FDR 50114 they use to determine the amount of surfacing required to support the weights of the drilling traffic during the wet period.
7. All solid and liquid waste must be removed from the National Forest.

8. The available topsoil will be stripped off prior to site construction and stockpiled at an acceptable location, such that soil loss will be minimized.
9. Rehabilitation of the site will consist of the following:
  - a. Following project completion, all disturbed sites will be loosened by ripping, plowing or digging to at least 8" deep.
  - b. All surface rocks larger than 1' in diameter will be removed.
  - c. Seeding will occur between October 15 and November 15. Seed will be drilled to a depth not less than 1/16 inch and not more than 1/2 inch. Following seeding, the site will be mulched with weed-free straw between 1/2 and 1 inch deep. The following species will be seeded at designated rates:

Species	Common Name	Lbs/Acre	Lowest Acceptable Purity
Bromus inermis (northern strain)	Smooth brome	4	90%
Agropyron trachycaulum	Slender wheatgrass	3	90%
Phleum pratense	Timothy	3	90%
Geranium richarsonii	Richardson geranium	1	90%
Viguiera multiflora	Showy goldeneye	2	70%
Osmorhiza occidentalis	Sweetanise	2	90%
Penstemon rydbergii	Rydberg penstemon	2	50%

Immediately after drill seeding, ammonium nitrate sulfate 27-12-0-7 NPKS will be applied at a rate of 225/lbs/acre. After seeding and mulching, a sheep tight fence will be constructed around the site, excluding the roadway, to exclude sheep grazing, and the fence will be maintained by the oil company for at least 3 years.

10. If H<sub>2</sub>S is expected to be encountered, the operator must file a contingency plan with the U.S. Geological Survey. This contingency plan must be approved by the U.S. Geological Survey prior to drilling operations or prior to penetration of the potential H<sub>2</sub>S horizon.

11. The cut slope is in common material and fill slope will be constructed of common material; therefore, all slopes shall be  $1\frac{1}{2}$ :1 or flatter.
12. The berm around the drill site shall be 18 inches high, with a top width of one foot and bottom width of 5.5 feet.
13. The ditches shall be one foot deep and have 3:1 slopes.
14. In place gravels will be conserved and spread on the pad surface for stabilization.
15. The minimum culvert size on drill access road and rerouted FDR shall be 18 inches in diameter.
16. A sediment trap shall be installed ahead of the culvert under the rerouted road to control sediment.
17. The rerouted portion of Road 50114 will be constructed to a 14-16 foot finish width and outsloped.
18. The storage area for topsoil will be identified by the Forest Service after construction slope stakes have been placed. The preferable location is to the southwest above the cut slope; however, the exact location will be field determined to minimize affects on environment.
19. Disposal of vegetation removed at the pad site will be determined by the Sanpete Ranger District.
20. Permittee will provide adequate fire suppression tools and equipment to ensure that immediate and proper action is taken should a wildfire occur.
21. All activities will be confined to the well site or on specified roads unless approved in advance by the Forest Service.
22. No on-site burning will be permitted.
23. All garbage, debris, etc., will be hauled from the National Forest for disposal.
24. Mud pits will be allowed to dry or fluids that will not dry must be removed from the Forest. All polluting substances or contaminated materials, such as oil, oil saturated soils and gravel will be buried with a minimum of 2 feet of clean soil as cover or be removed from the Forest.
25. Drill site grading, drainage, and surface drawings, plans, and specifications will be submitted to the Forest Service for approval prior to initiating construction. For reference see Manti-LaSal National Forest Guidelines for Oil and Gas

#### Exploration/Development.

26. In the event of a discovery and producing well, a separate surface use and operation plan will be required covering any additional facilities. Another Environmental Assessment will be prepared to evaluate such a proposal.
27. Reserve pits will be constructed of sufficient size and capacity for the necessary fluids for drilling and to contain any runoff from the drill site. Pits will not be constructed within intermittent or perennial stream channels.
28. No changes in the road or pad construction design or in the permit can be made without the written approval of the Forest Supervisor.
29. Site reclamation for producing wells will be accomplished for portions of the site not required for the continued operation of the well. Specific reclamation procedures will be outlined by the Sanpete District Ranger.
30. The operator shall submit for approval a maintenance plan for the site and that portion of FDR 50114 to be used for the life of the drilling program. In the event of a discovery an updated maintenance plan will be required. A road-use permit must be obtained from the Forest Service authorizing use of FDR 50114. All stipulations identified in the road-use permit must be followed.
31. The location of the reserve pit shall be the "Alternate Pit Location" as shown on the site plans dated 8/4/81 - revision 10/28/81.
32. The site and road will be construction staked and the staking must be approved by the District Ranger prior to any construction activity.

### III. AFFECTED ENVIRONMENT

The proposed drill site location is in an abandoned gravel pit. The pit was opened in 1963. The gravel was used on the improvement of State Highway #29. When the pit was opened the top soil was stripped off and the gravel excavated. The gravel extraction operation created an open flat area with a 30-35' vertical bank on the northeast corner. After the gravel extraction was completed the topsoil was placed on the open flat area and the disturbed areas were seeded and the pit closed as a gravel source in 1965. Today the open flat area is covered by gravel size rocks and very little vegetation. The vertical bank also remains. There are no plans to extract gravel from the pit.

The proposed drill site is in the left fork subwatershed (967 acre) of the 7178 acre Ephraim Canyon watershed of the San Pitch River Basin. The left fork stream flows along the gravel pit on the north side.

This stream is a perennial stream, and a tributary of Cottonwood Creek, the main stream in Ephraim Canyon. The water from these streams is used for irrigation purposes. Most of the flow in the left fork stream occurs during the spring runoff. By late summer and fall the flow in this stream is small. Due to the gravel base of the site, any pollutants that may escape could filter through the gravel and reach the left fork stream and contaminate it. The ground water system in the immediate area of the proposal is probably a series of shallow aquifers. The drilling of these aquifers has the potential of adding drilling fluid contaminants or diverting ground water from one level to another.

The roads proposed to be used are approximately 13.8 miles of State Highway #29 (Forest Highway 8) and .2 mile of FDR 50114. Sanpete County has the maintenance responsibility for the highway. The state highway is a single land road with native surfacing.

FDR 50114 is a single lane road in poor condition. This road ties into the state highway and the New Canyon road. The .2 mile portion of this road to be used by the drilling program was improved when the gravel pit was opened. Brent Barney, civil engineer, Supervisor's Office, Price, Utah has evaluated this road and he felt the road is in adequate condition for the proposed use during the summer (dry) periods. During the winter (wet) period, additional load support surfacing may be required. This material could be pit run gravel from the drill site.

FDR 50114 is used primarily by hunters, livestockmen and Forest personnel. This road is located on the west side of the flat area of the gravel pit. The proposed drill site will incorporate this road into the site. If this road is blocked off during the summer and fall months, it may affect livestock management and hunting in the white ledge area.

The traffic associated with the well will increase the amount of traffic on State Highway #29. The road receives a lot of use during the summer and fall months.

The proposed drill site lies within the Great Basin Experimental Range and Forest. The managers of this area felt that the gravel pit location would not significantly affect the management objectives of this area.

The traffic associated with this proposal will use the Blue Bell bridge. This is a state owned structure. Sanpete County has the maintenance responsibility for it.

<sup>1</sup> Referenced from - 2530 Hydrologic Surveys, Prescriptions and Plans, Coseka Resources Gas Well - Haystack Unit #1 - dated August 31, 1981 by Jeffery M. Lucero, Hydrologist.

#### IV. ENVIRONMENTAL CONSEQUENCES

##### A. Effects of Implementation

If the well becomes a producer, further extraction of gravel from the pit may be lost.

The other issues and/or concerns can be mitigated.

#### V. CONSULTATION AND COORDINATION

##### Forest Service I.D. Team:

Brent Barney, Civil Engineer, Supervisor's Office, Manti-LaSal National Forest, Price, Utah. Mr. Barney evaluated that portion of the FDR 50114 proposed to be used by the proposed operation.

Carter Reed, Geologist, Supervisor's Office, Manti-LaSal National Forest, Price, Utah.

Jeff Lucero, Hydrologist, Supervisor's Office, Manti-LaSal National Forest, Price, Utah. Mr. Lucero conducted a hydrologic analysis of the relationship between the proposed site location and the left fork stream.

Jim Jensen, Landscape Architect, Supervisor's Office, Manti-LaSal National Forest, Price, Utah. Mr. Jensen provided information about the visual quality values of the area, and the impact of the proposed operation on snowmobiling in the canyon.

Ben Black, Sanpete District Ranger, Ephraim, Utah

##### Other Consultants:

Arthur Tiedmann, Project Leader, Great Basin Experimental Forest and Range, Provo, Utah. The proposed well site is located within the Great Basin Experimental Forest and Range. Mr. Tiedmann has reviewed the proposal and has determined that the proposal will not impair the scientific values of the area. His recommendations to reduce the effects of this proposal are included in this E/A.

Peter McDowell of Resource Marketing Services, Inc., Denver, Colorado, working on behalf of Coseka Resources Inc. Mr. McDowell provided the technical information about the proposed well drilling operation.

Robert M. Thompson, Range Conservationist, Supervisor's Office, Manti-LaSal National Forest, Price, Utah. Mr. Thompson conducted a review of the area to be disturbed for Threatened and Endangered Plants. None were found.

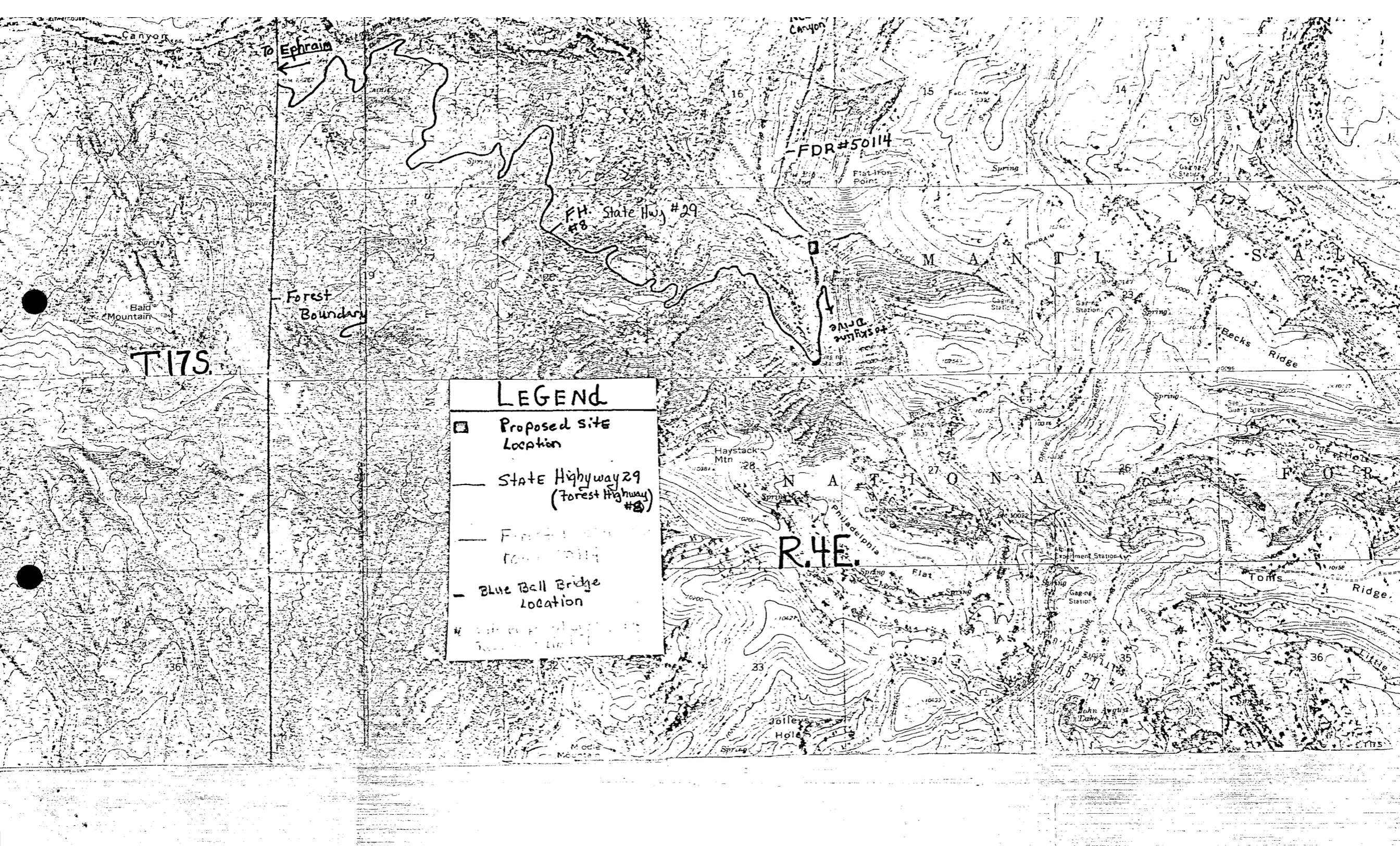
Gloria Cosdick, Archeologist, of Archeological and Environmental Research Corporation. Ms. Cosdick said because the well site was to be in the gravel pit and the existing roads were to be used, an archeological review was not necessary.

Other Reference Material

- A. The application for a Permit to Drill and 13 point Surface Use Development Plan are on file with the Supervisor's Office, Manti-LaSal National Forest, Price, Utah and the Sanpete Ranger District Office, Ephraim, Utah.
- B. Guidelines for Oil and Gas Exploration and Development on National Forest lands, prepared by the Manti-LaSal National Forest - 1980.
- C. Technical Reports: Hydrologic Report - Coseka Resources Gas Well - Haystack Unit #1 by Jeffery Lucero, Hydrologist, dated August 31, 1981 - filed under 2530 - Hydrologic Surveys, Prescriptions and Plans.

APPENDIX

1. Site Location and Transportation Map -  
7½ Minute Quadrangle Map.



To Ephraim

FDR #50114

F.H. #29 State Hwy #29

Forest Boundary

T17S.

**LEGEND**

- Proposed site location
- State Highway 29 (Forest Highway #29)
- Forest Boundary
- Blue Bell Bridge location

R.4E.

MANTILLA SA

NATIONAL FOREST

Tombs Ridge

Little

Boileys Hole

John August Lake

T17S

1140  
(U-922)

Branch of Fluid Minerals  
2006 Administration Building  
1745 West 1700 South  
Salt Lake City, Utah 84104

August 8, 1983

Coscha Resources (USA), Ltd.  
P.O. Box 399  
Grand Junction, CO 81502

Re: Rescind Application for Permit  
to Drill  
Well No. 1 *HAYSTACK UNIT*  
Section 21-T178-R4E  
Sanpete County, Utah  
Lease No. U-13944

Gentlemen:

The Application for Permit to Drill the referenced well was approved on April 19, 1981. Since that date no known activity has transpired at the approved location. Under current District policy, applications for permit to drill are effective for a period of one year. In view of the foregoing this office is rescinding the approval of the referenced application without prejudice. If you intend to drill at this location at a future date, a new application for permit to drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must then be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

E. W. Gwynn  
Chief, Branch of  
Fluid Minerals

bcc: BLM-Richfield  
State O&G  
State BLM  
Manti-Laasal National Forest  
Well File  
APD Control  
DSD/MR Reading  
922:DHersley:rs:8/8/83:4590



STATE OF UTAH  
NATURAL RESOURCES  
Oil, Gas & Mining

Scott M. Matheson, Governor  
Temple A. Reynolds, Executive Director  
Dr. G. A. (Jim) Shirazi, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

September 14, 1983

Coseka Resource (USA) Limited  
P. O. box 399  
Grand Junction, Colorado 81502

RE: Rescind Application for  
Permit to Drill  
Well No. Haystack Unit #1  
Sec. 21, T.17S, R.24E  
Sanpete County, Utah

Gentlemen:

Approval of Application for Permit to Drill the above referenced well is rescinded without prejudice as of the above date in concert with action taken by Branch of Fluid Minerals.

If you intend to drill this location at a future date, a new application for permit to drill may be submitted for State approval.

Sincerely,

A handwritten signature in cursive script, appearing to read "Norman C. Stout".

Norman C. Stout  
Administrative Assistant

NS/as