

CP

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS	WELL LOG	ELECTRIC LOGS	FILE X	WATER SANDS	LOCATION INSPECTED	SUB REPORT abd
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DATE FILED	5-29-84	
LAND FEE & PATENTED	STATE LEASE NO	PUBLIC LEASE NO U-13944
DRILLING APPROVED	5-29-84 - GAS	
SPUDDED IN		
COMPLETED	PUT TO PRODUCING	
INITIAL PRODUCTION		
GRAVITY API		
GOR		
PRODUCING ZONES		
TOTAL DEPTH		
WELL ELEVATION		
DATE ABANDONED	LA'D 8-12-87	
FIELD	WILDCAT	
UNIT	NATIONAL	
COUNTY	SANPETE	
WELL NO	NATIONAL UNIT #1	API #43-039-30020
LOCATION	1735' FNL FT FROM (N) (S) LINE.	687' FEL FT FROM (E) (W) LINE. SENE 1 4 - 1 4 SEC 21

TWP	RGE	SEC	OPERATOR	TWP	RGE	SEC	OPERATOR
17S	4E	21	NATIONAL TREASURE MINES				

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPPLICATE
(Other instruction reverse side)

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

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL

DEEPEN

PLUG BACK

b. TYPE OF WELL

OIL WELL

GAS WELL

OTHER

SINGLE ZONE

MULTIPLE ZONE

2. NAME OF OPERATOR

NATIONAL TREASURE MINES COMPANY

531-8713

3. ADDRESS OF OPERATOR

165 So. West Temple, Bldg 2, Suite #400, Salt Lake City, Utah 84101

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., S.L.B. & M.
At proposed prod. zone Sanpete County, Utah

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

10.9 miles from Ephraim, Utah

10. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. 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.

19. PROPOSED DEPTH

9200'

20. ROTARY OR CABLE TOOLS

Rotary

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

5. LEASE DESIGNATION AND SERIAL NO.

U-13944

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

NATIONAL

8. FARM OR LEASE NAME

National Treasure Mines Co.

9. WELL NO.

National 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 13. STATE

Sanpete

Utah

RECEIVED

MAY 21 1984

DIVISION OF OIL
GAS & MINING

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. National Treasure Mines Company

SIGNED

Alfred M. Buranek

TITLE

President

DATE

5/11/84

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

State O/G

*See Instructions On Reverse Side

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

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17

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14

100 Ft.

IL Base Lands

U14325
OG Lse

U14326
OG Lse

NOL

NATLNL
Unit #1

PL01736
Wdl Rec
Area

20

21

22

23

U13944
OG Lse

U142851
List 2
Bdl Adm S

26

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
 NATIONAL TREASURE MINES COMPANY

3. ADDRESS OF OPERATOR
 165 So. West Temple, Bldg 2, Suite #400, Salt Lake City, Utah ⁸⁴¹⁰¹

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., S.L.B. & M.
 At proposed prod. zone: Sanpete County, Utah

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

10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. 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.

19. PROPOSED DEPTH
 9200' *Rotary*

20. ROTARY OR CABLE TOOLS
 Rotary

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

5. LEASE DESIGNATION AND SERIAL NO.
 U-13944

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
 NATIONAL

8. FARM OR LEASE NAME
 National Treasure Mines Co.

9. WELL NO.
 National 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
12½"	9-5/8" H-40 New	36#	400'	250 sacks
8-3/4"	7" K-55 New	23#	4500'	200 sacks
6½"	4½" N-80 New	11.6#	9200'	300 sacks

NOTE:

LEASE EXPIRES AUGUST 1, 1984. REQUEST EXPEDITING OF PERMIT

RECEIVED

MAY 29 1984

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

DATE: 5/29/84
BY: John R. Daza

DIVISION OF OIL
GAS & MINING

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. National Treasure Mines Company
 SIGNED: [Signature] TITLE: President DATE: _____
 (This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

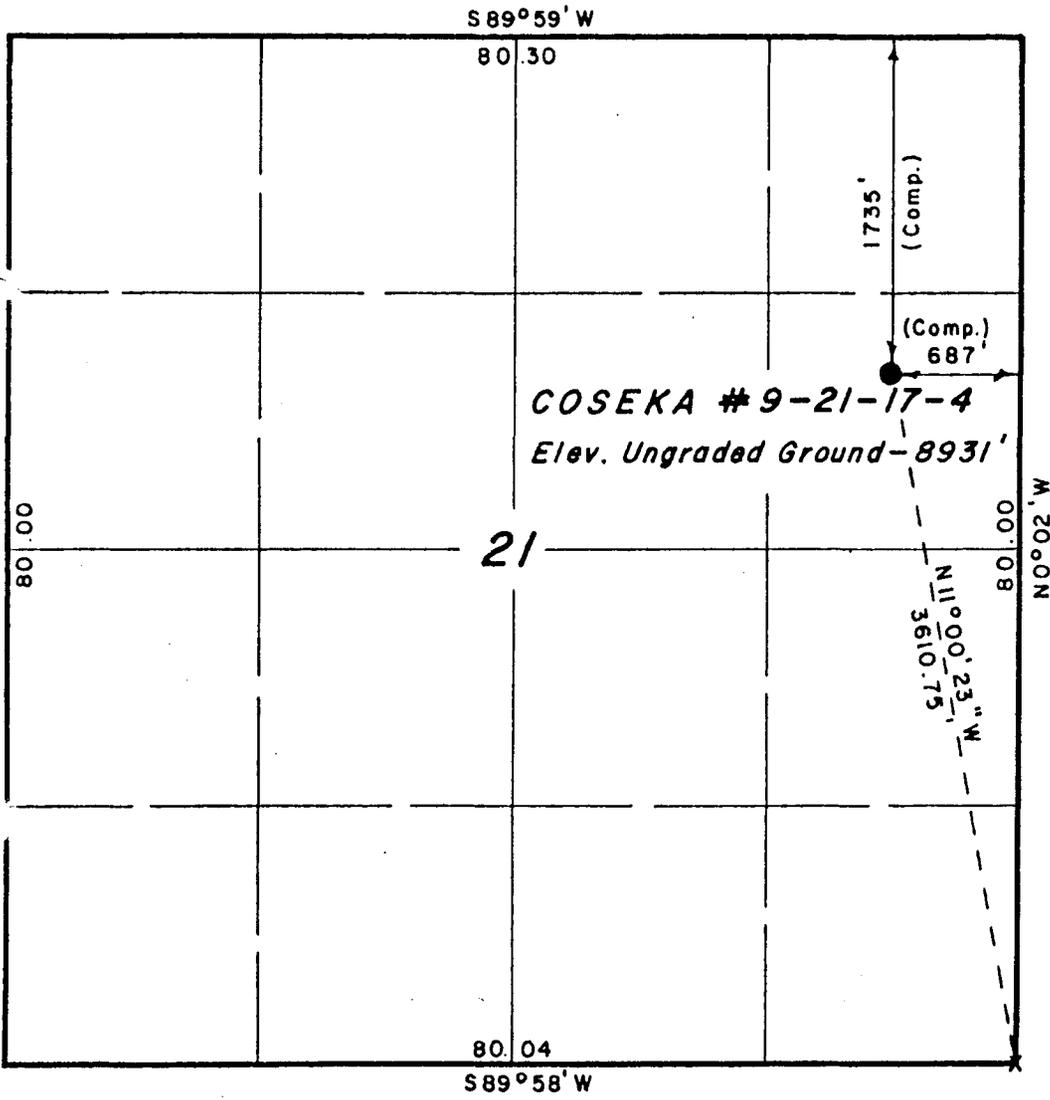
APPROVED BY _____ TITLE _____ DATE _____
 CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

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.

NOTE: Well name has been changed by Operator
to National Unit #1



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 E. Key
REGISTERED LAND SURVEYOR
REGISTRATION NO 3137
STATE OF UTAH

UTAH 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

National Treasure Mines Company National 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

Keith Hebertson
165 So. West Temple, Ste #400
Salt Lake City, Utah 84101

(801) 531-8713 Office
(801) 278-2109 Home

Bob Owen White
165 So. West Temple, Ste #400
Salt Lake City, Utah

(801) 531-8713 Office
(801) 521-7247 Home

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 National Treasure Mines Company and its contractors and sub-contractors in conformity with this plan and terms and conditions under which it is approved.

NATIONAL TREASURE MINES COMPANY

5/16/84
Date


Alfred M. Buzanek, President

10 POINT PROGRAM

National Treasure Mines Company National 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:

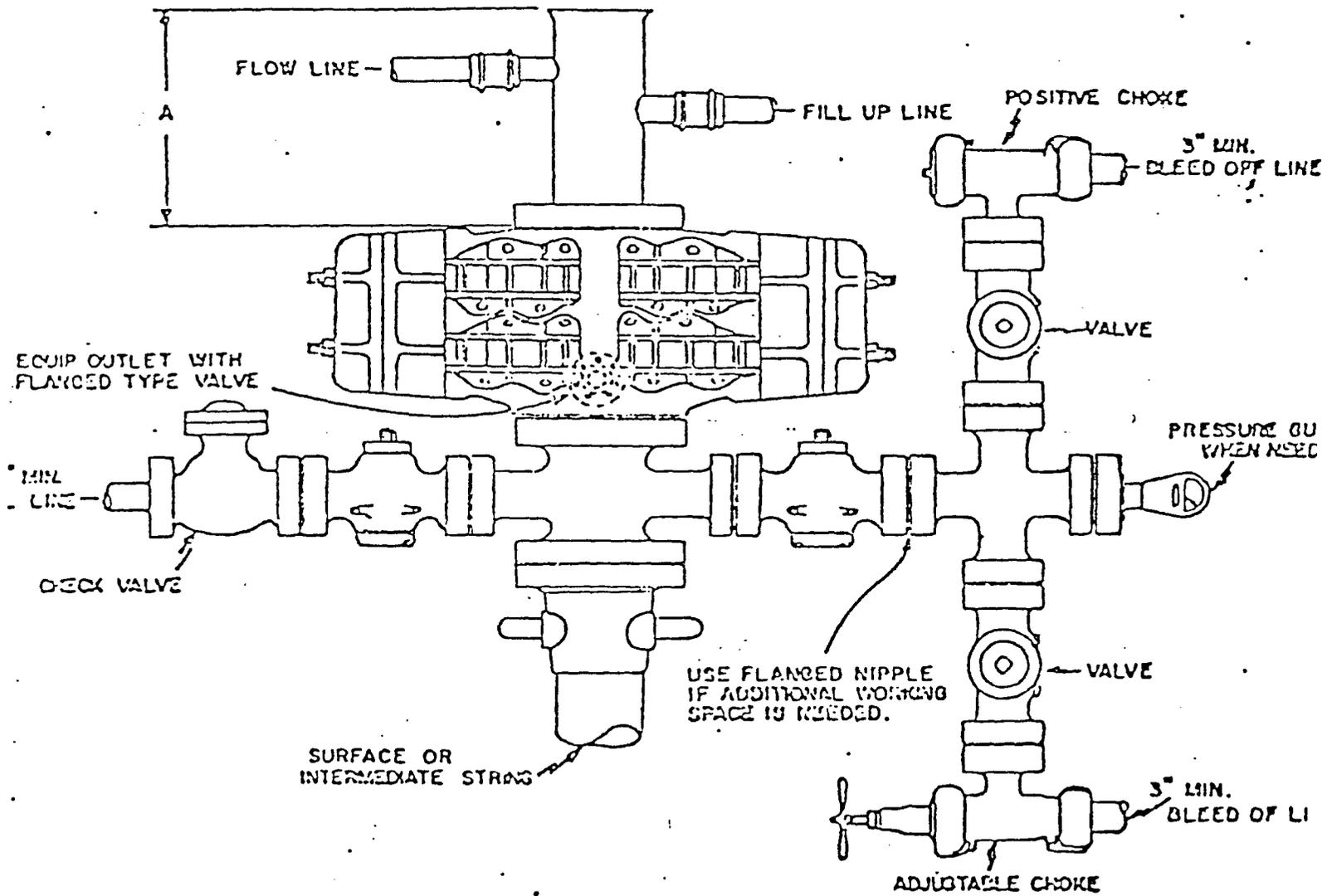
Star Point Sandstone	1960'
Emery Sandstone	4900'
Ferron Sandstone	8000'
Dakota Sandstone	9050'
Total Depth	9200'

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 H₂S gas will be encountered in this area.
10. It is anticipated that this well will be commenced approximately June 15, 1984, and that the operations will last six weeks.



— EXHIBIT - A —

DAKOTA

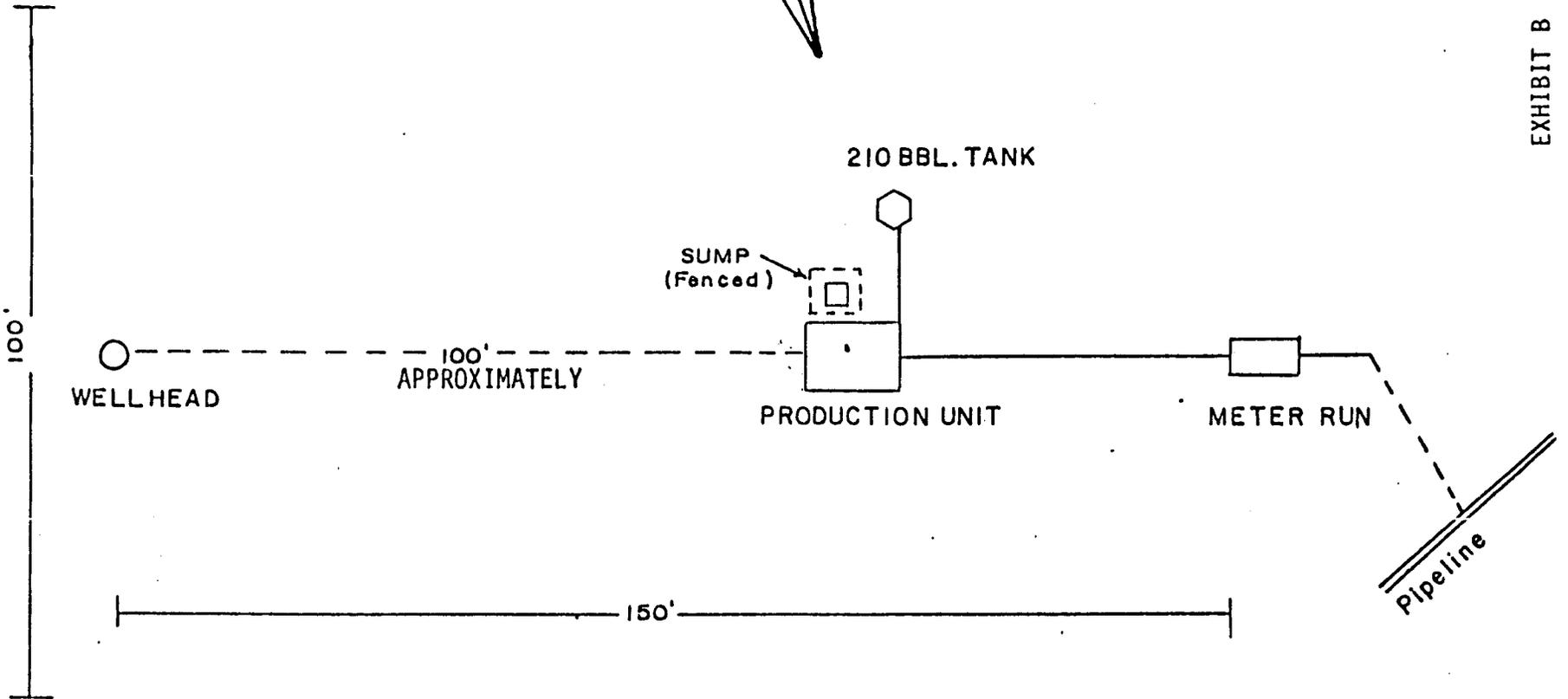


EXHIBIT B

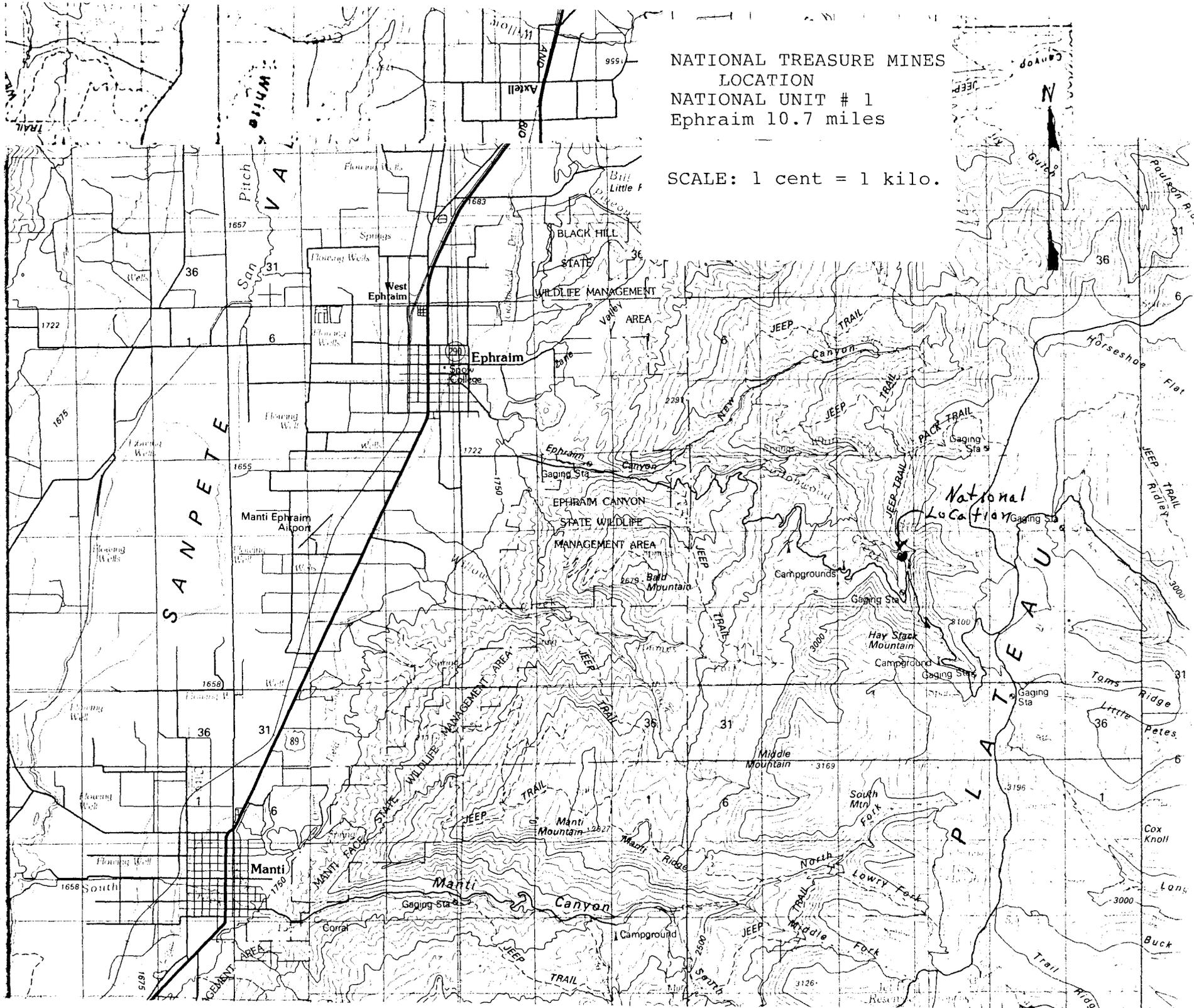
PRODUCTION LAYOUT

NATIONAL TREASURE MINES COMPANY

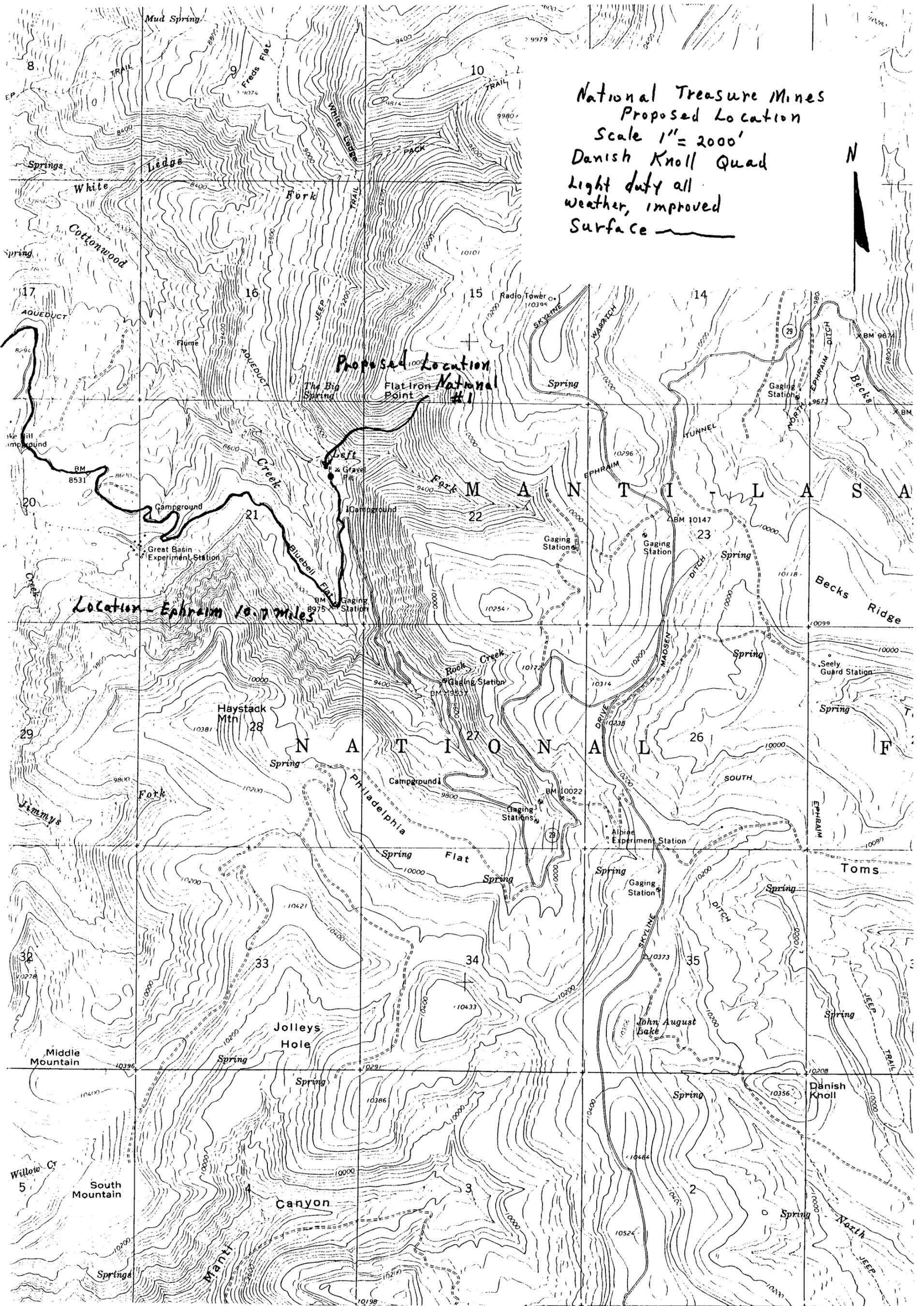
NATIONAL UNIT #1

NATIONAL TREASURE MINES
LOCATION
NATIONAL UNIT # 1
Ephraim 10.7 miles

SCALE: 1 cent = 1 kilo.



National Treasure Mines
Proposed Location
Scale 1" = 2000'
Danish Knoll Quad
Light duty all
weather, improved
Surface



Location - Ephraim 10.7 miles

Proposed Location
National #1

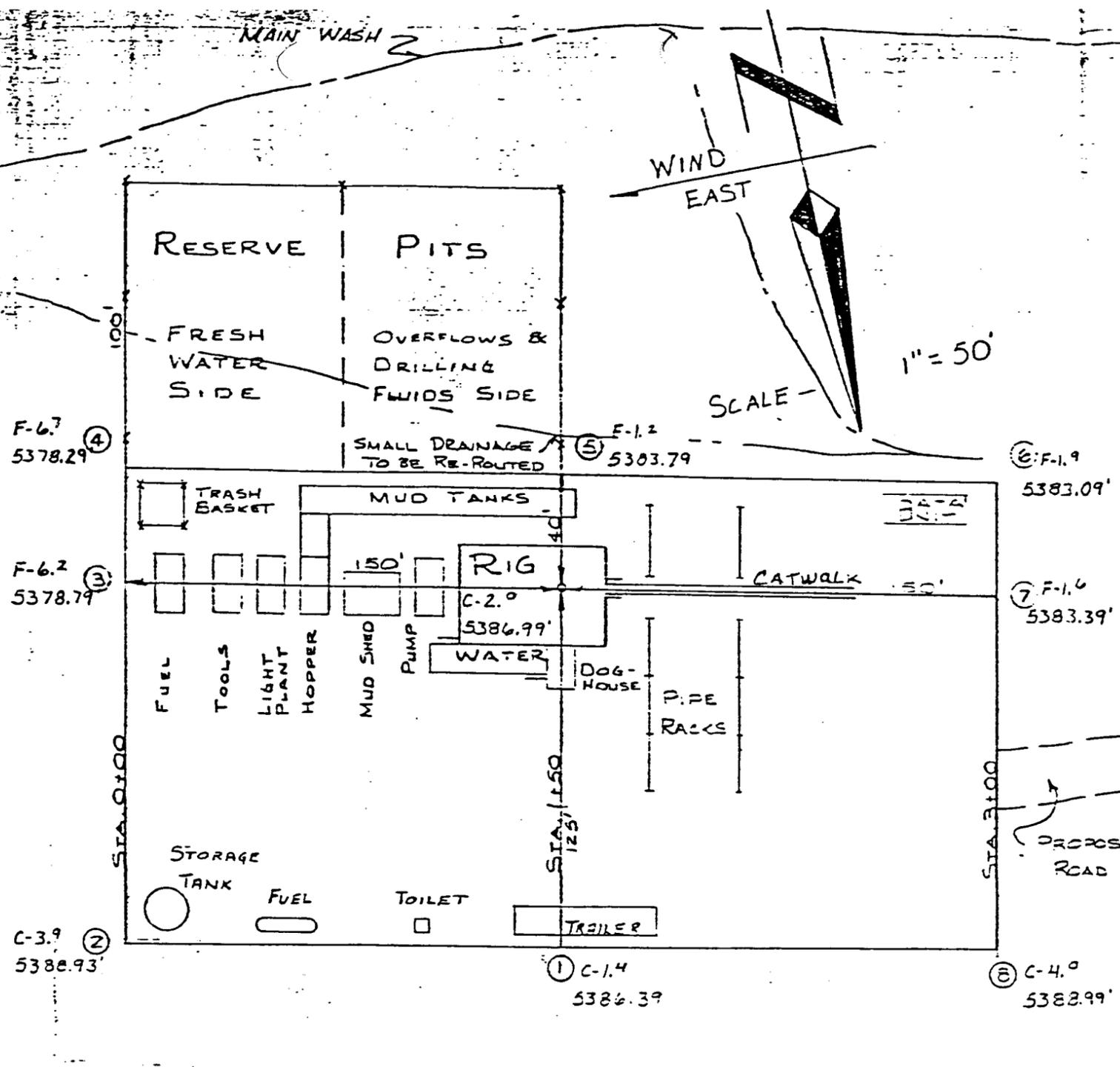
Flat Iron Point

Left
& Gravel Pit

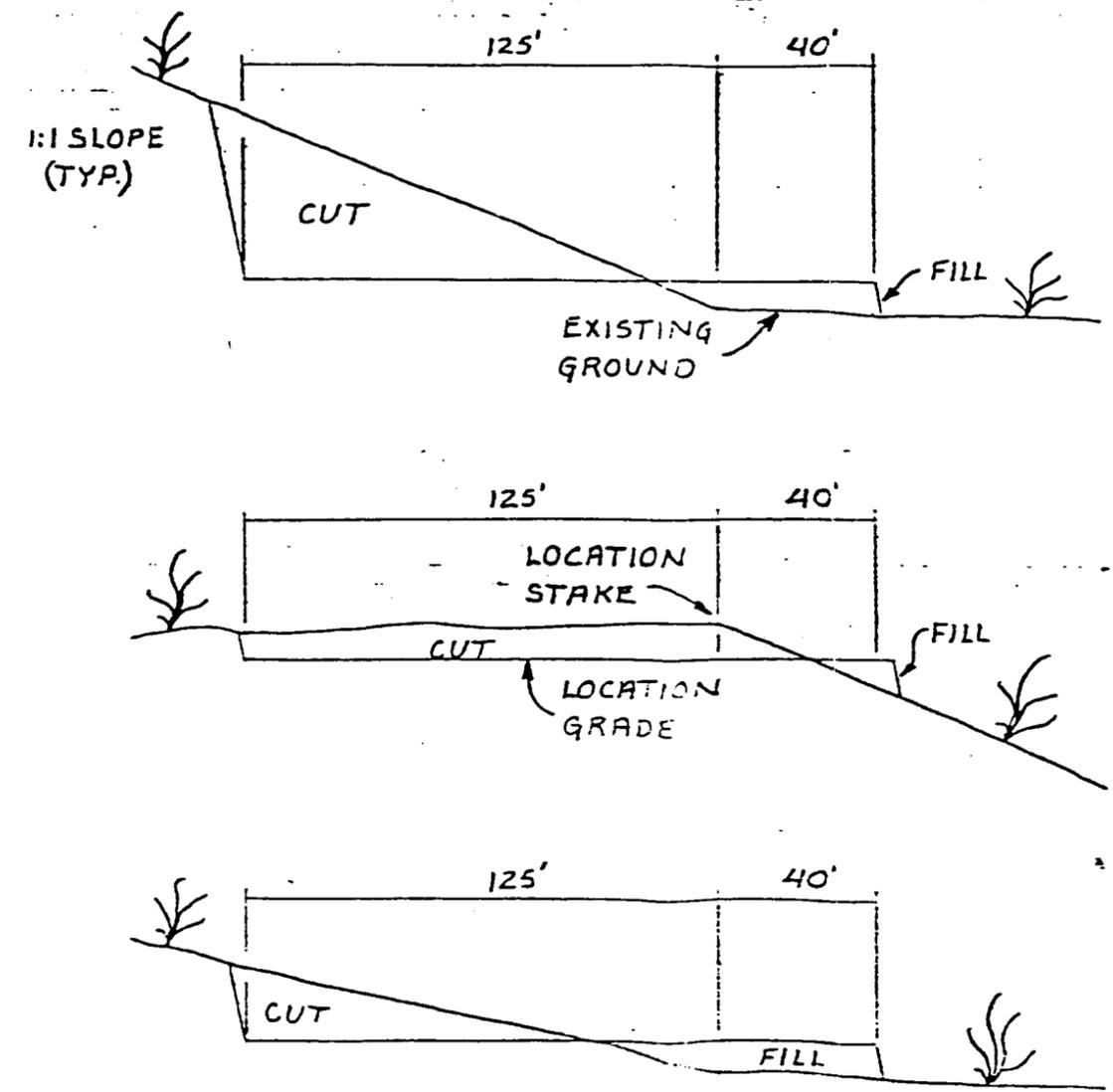
BM 8975

Campground 1

Spring



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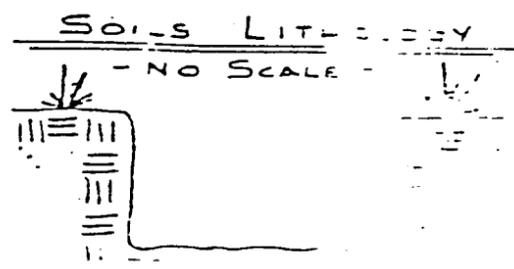


SCALES

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

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U-13944

U-13944

U-14326

ALFRED M. BURANEK
5-31-87

ALFRED M. BURANEK
5-31-87

ALFRED M. BURANEK
5-31-81

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(4)

(4)

(8)

U-13945

U-13945

U-14326

NY

ALFRED M. BURANEK
5-31-81

ALFRED M. BURANEK
5-31-87

ALFRED M. BURANEK
5-31-81

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(7)

(4)

(8)

U-14325

U-13945

U-14326

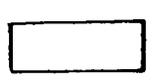
4 47.58 | 3 47.51 | 2 47.43 | 1 47.36

NATIONAL TREASURER MINES COMPANY

5-31-81

5
(669.88)

R4E



F

(5)

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 Sandstone)
- 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:

<u>DST NO.</u>	<u>FORMATION</u>
<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 Salt Lake 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.

N
T
M
C

RECEIVED

MAY 29 1984

DIVISION OF OIL
GAS & MINING

May 16, 1984

U.S. Bureau of Land Management
Attn: State Director, Ed Guynn
136 East South Temple - 14th Floor
Salt Lake City, Utah 84111

Dear Mr. Guynn:

This will advise that National Treasure Mines Company prepared and presented the APD on the National Unit to you personally on May 11, 1984. At that time, two copies were forwarded by you to the Richfield office. Also, copies were submitted by certified mail to the U. S. Forest Service at both Price and Ephraim, Utah.

On Monday last, National received a letter dated May 8, 1984 from the Price, Utah Forest Supervisor (in answer to previous telephone conversations) written before receiving our submittals of May 11. In effect, the letter stated Ephraim Canyon will be open to road traffic in late June or early July if weather and ground conditions permit, which makes an August spud-in date unrealistic. A copy of said letter is enclosed for your information.

In view of the foregoing, it appears that National will not be permitted access to the drill location of the National Unit in time to comply with the Unit and lease requirements of production or indications of production on or before August 1, 1984. National Treasure Mines Company and Alfred M. Buranek have a very large investment in lease acquisitions and rentals over the years in this block and further, the capital requirements for the test by National amount to some AFE expenditures of approximately an additional one million dollars. Under present conditions, it is believed that to re-assemble a block of this magnitude would create sufficient expense to make the present test marginally economic or non-economic. It is therefore in the best interest of all parties to allow National to proceed under the present unit agreement. Accordingly, it is hereby requested that a suspension of operations and productions be granted to National Treasure Mines on the National Unit and Federal leases contained therein as of May 1, 1984

It is believed that a minimum of 60 days will be needed by National from spud date through drilling, testing and completion of the initial test well.

NATIONAL TREASURE MINES COMPANY

Building #2, Suite 400
165 S. West Temple
Salt Lake City, Utah 84101
531-8713

Your cooperation and assistance in this matter will be sincerely appreciated.

Respectfully submitted,

NATIONAL TREASURE MINES COMPANY



Alfred M. Buranek, President

AMB:mo

Enclosure



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
UTAH STATE OFFICE
136 E. SOUTH TEMPLE
SALT LAKE CITY, UTAH 84111

IN REPLY REFER TO

3163
(U-922)

DIVISION OF OIL
GAS & MINING

MAY 29 1984

RECEIVED

May 22, 1984

National Treasure Mines Company
Building No. 2, Suite 400
165 South West Temple
Salt Lake City, Utah 84101

Re: Request for Suspension of Operations
and Production (SOP) for Leases
Committed to the National Unit

Gentlemen:

On May 17, 1984 the referenced request was received in the Utah State Office of the Bureau of Land Management.

According to our records the National Unit was approved effective May 11, 1984 with National Treasure Mines Company as unit operator.

Eight leases, U-12064, U-13943, U-13944, U-13945, U-14320, U-14324, U-14325, and U-14326, are fully committed to the National Unit and all have an expiration date of July 31, 1984.

On May 11, 1984 this office received an Application for Permit to Drill (APD) to drill a unit well on lease U-13944.

On May 17, 1984 this office received the referenced request for a SOP. This request was based on a May 8, 1984 letter from the Manti-LaSal National Forest, Price, Utah stating that because of unstable soil conditions in Ephraim Canyon it cannot make a determination at this time if the proposal to drill will be allowed which makes a late July spud unrealistic.

Pursuant to the provisions of 43 CFR 3103.4-2, assent to the requested SOP for eight committed leases in the National Unit is hereby granted, effective May 1, 1984, the first of the month in which the application was filed. The suspension so granted will terminate automatically on the first of the month in which actual, approved drilling operations are commenced. This suspension is granted with the further understanding that, should drilling be permitted and the unit operator fails to commence actual drilling operations within thirty (30) days following the receipt of all necessary approvals and permits, the suspension of operations and production for the eight leases committed to the National Unit will terminate on the first of the month in which said 30-day period expires.

Beginning May 1, 1984, rental payments required by leases U-12064, U-13943, U-13944, U-13945, U-14320, U-14324, U-14325, and U-14326 will be waived for each full month during which all operations and production are suspended pursuant to the assent.

Sincerely,

A handwritten signature in cursive script, appearing to read "E. W. Guynn".

E. W. Guynn
Chief, Branch of Fluid Minerals

RECONCILE WELL NAME AND LOCATION ON APD AGAINST SAME DATA ON PLAT MAP.

AUTHENTICATE LEASE AND OPERATOR INFORMATION

VERIFY ADEQUATE AND PROPER BONDING

AUTHENTICATE IF SITE IS IN A NAMED FIELD, ETC.

APPLY SPACING CONSIDERATION

ORDER _____

UNIT National

c-3-b

c-3-c

CHECK DISTANCE TO NEAREST WELL.

CHECK OUTSTANDING OR OVERDUE REPORTS FOR OPERATOR'S OTHER WELLS.

IF POTASH DESIGNATED AREA, SPECIAL LANGUAGE ON APPROVAL LETTER

IF IN OIL SHALE DESIGNATED AREA, SPECIAL APPROVAL LANGUAGE.

May 29, 1984

National Treasure Mines Company
165 South West Temple
Building 2, Suite 400
Salt Lake City, Utah 84101

RE: Well No. National Unit #1
SE1/4 Sec. 21, T. 17S, R. 4E
1735' FHL, 687' FEL
Sarpete County, Utah

Gentlemen:

Approval to drill the above referenced gas well is hereby granted in accordance with Section 40-6-18, Utah Code Annotated, as amended 1983; and predicated on Rule A-3, General Rules and Regulations and Rules of Practice and Procedure, subject to the following stipulations:

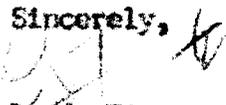
1. Prior to commencement of drilling, receipt by the Division of evidence providing assurance of an adequate and approved supply of water.

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

1. Spudding notification to the Division within 24 hours after drilling operations commence.
2. Submittal to the Division of completed Form OGO-8-X, Report of Water Encountered During Drilling.
3. Prompt notification to the Division should you determine that it is necessary to plug and abandon this well. Notify R. J. Firth, Associate Director, Telephone (801) 533-5771 (Office), 571-6068 (Home).
4. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-039-30020.

Sincerely,


R. J. Firth
Associate Director, Oil & Gas

RJF/as
cc: Branch of Fluid Minerals
Enclosure

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DATE*
(Other instructions on
reverse side)

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

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL

DEEPEN

PLUG BACK

b. TYPE OF WELL

OIL WELL

GAS WELL

OTHER

SINGLE ZONE

MULTIPLE ZONE

2. NAME OF OPERATOR

NATIONAL TREASURE MINES COMPANY

3. ADDRESS OF OPERATOR

165 So. West Temple, Bldg 2, Suite #400, Salt Lake City, Utah ⁸⁴¹⁰¹

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., S.L.B. & M.

At proposed prod. zone

Sanpete County, Utah

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

10.9 miles from Ephraim, Utah

10. 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.

19. PROPOSED DEPTH

9200'

20. ROTARY OR CABLE TOOLS

Rotary

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

8931' Uber

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

NATIONAL

8. FARM OR LEASE NAME

National Treasure Mines Co.

9. WELL NO.

National 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

RECEIVED

AUG 16 1984

DIVISION OF OIL
GAS & MINING

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. National Treasure Mines Company

SIGNED

Alfred M. Buranek

TITLE

President

DATE

5/11/84

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

UT 9/G

*See Instructions On Reverse Side

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

BLM/8/16/84
APD

RECEIVED

MAY 28 1985

DIVISION OF OIL
GAS & MINING

24 May 1985

DON PENDLETON / DISTRICT MANAGER
Bureau of Land Management
Oil & Gas Office
150 East, 900 North
Richfield, Utah 84701

RE: Application for Extension National Unit #1
SENE section 21, T 17 S, R 4 E
Sanpete County, Utah
API # 43-039-30020

Dear Mr. Pendleton:

On May 24, 1985 I spoke with John Branch in your office and he advised that I would receive an extension by preparing this written request:

This request is for an extension of the APPLICATION FOR PERMIT TO DRILL on National Unit #1 well mentioned above. This extension is necessary due to weather and road conditions prohibiting the access to location. Communication (5/20/85) with Steve Keller - Sanpete County Road Department indicated that slides cover Highway #29 making access impossible. The leases and unit are currently under suspension and therefore substantiate the need for an extension. Approval was received from the State on 5/29/84; therefore immediate attention and response to this request by the 29th is imperative and will be appreciated.

Please send written approval to:

NATIONAL TREASURE MINE COMPANY
165 South West Temple
Building 2, Suite 400
Salt Lake City, Utah 84101

Federal approval of this action
is required before commencing
operations.

Also please send me a copy to the address below:

JOHN D. ADAMSON
Consulting Geologist
3098 Metropolitan Way
Salt Lake City, Utah 84109

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

DATE: 6/3/85

BY: John K. Dora

Sincerely,

John D. Adamson
John D. Adamson

Extension of approval to
drill granted to 11/29/85

JDA/pa
cc: State Utah
Div of Oil, Gas & Mining

RECEIVED DEC 20 1985



United States Department of the Interior **RECEIVED**

BUREAU OF LAND MANAGEMENT
RICHFIELD DISTRICT OFFICE
150 EAST 900 NORTH
RICHFIELD, UTAH 84701

JAN 17 1986

**DIVISION OF OIL
GAS & MINING**

IN REPLY
REFER TO:
S3100
(U-052)

December 17, 1985

Mr. John D. Adamson
3098 Metropolitan Way
Salt Lake City, Utah 84109

486-4596

Re: National Treasures Mines Company
National Unit No. 1 - Gas Well
T. 17 S., R. 4 E., Sec. 21
Lease No. U-13944.

Dear Mr. Adamson:

Enclosed is a copy of the November 15, 1985 letter you requested from the Manti-LaSal National Forest concerning the status of the suspension of operations for the above-referenced lease. In this letter, the USFS requests that all construction operations proposed in connection with the above-mentioned well be postponed until such a time that winter time construction can be avoided. This request will be honored and the present suspension will remain in effect until such a time as this condition can be met.

As outlined in the USFS letter, road and site plans for the APD proposal must be submitted to the USFS for approval prior to construction. The Ephraim City culinary water pipeline is of special concern to the USFS. In addition, a Forest Service road-use permit and performance bond are required for FDR 50114. These forms were sent to National Treasure Mines Co. on July 20, 1984 by the USFS. The completed forms must be approved by the USFS prior to National Treasures Mines Company's use of the subject road. Please advise this office when the required information and forms are submitted to the USFS for approval.

If you have any questions concerning this matter, please contact this office.

Sincerely,

Donald L. Pendleton
District Manager

cc.
Manti-LaSal National Forest
SRRA
U-922
National Treasures Mines Co.

United States
Department of
Agriculture

Forest
Service

Manti-LaSal
National Forest

599 West Price River Dr.
Price, Utah 84501

Reply to: 2820

BLM Richfield

Date:

Initial	Acc	Chg
November 17	1985	
ADMIN		
RESOURCES		
OPERATIONS		
FEAS		

Donald L. Pendleton
BLM-Richfield District
150 East 900 North
Richfield, Utah 84701

NOV 20 1985

Dear Mr. Pendleton:

On November 12, 1985, John Branch of your office called the Manti-LaSal National Forest and spoke with Carter Reed regarding National Treasure Mines Company's proposed National Unit #1 Oil and Gas Well. The Forest was notified that the suspension of operations on the project has been lifted due to the completion of repairs on the Ephraim Canyon Road (State Hwy 29) by Sanpete County. In addition, we were notified that National Treasure Mines Co. has applied for another suspension to enable them to postpone operations until the next field season to avoid winter-time conditions. John requested our recommendation regarding the additional requested suspension.

PLANNING		
ADMIN		
PERSONNEL		
PAO		
TRAINING		
ARSA		

The Forest Service Environmental Assessment (EA) and Finding of No Significant Impact (FONSI) were sent to your office on January 22, 1985, recommending approval of the APD subject to the identified stipulations. The proposal evaluated in the EA was basically a summer-time, dry-season operation. We are concerned that construction of the pad and improvements to the access road (FDR 50114) during the winter, when soils are wet and frozen, will increase the potential for impacts. In addition, it is questionable that required construction specifications can be achieved.

As stipulated in the FONSI, the road and site plans for the proposal are subject to Forest Service review and approval. It must be demonstrated to the satisfaction of the Forest Service and City of Ephraim that operations will not damage the culinary water pipeline which is buried along the north edge of the proposed site. To date, no plans or specifications have been submitted.

As discussed in the EA (Mitigation No. 30), a Forest Service road-use permit and performance bond are required for FDR 50114. National Treasure Mines Co. has not completed and returned the road-use permit application forms sent to them on July 20, 1984.

Our recommendation regarding an additional suspension of operations is that it be granted so that winter-time construction can be avoided. National Treasure Mines Co. should, however, be cautioned that it will be necessary to submit the road-use permit application and the road and site plans to the Forest Service, as soon as possible, to allow adequate review and approval time, ahead of the required spud-in date.

Sincerely,



for
REED C. CHRISTENSEN
Forest Supervisor



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

January 21, 1986

National Treasure Mine Company
165 South West Temple
Building 2, Suite # 400
Salt Lake City, Utah 84101

Gentlemen:

RE: National Unit Well No. 1, Sec. 21, T. 17S, R. 4E,
Sanpete County, Utah

The Division of Oil, Gas and Mining recently received copies of correspondence from the U.S. Bureau of Land Management and the U.S. Forest Service concerning the referenced well. The BLM advised your office that they were effectively extending the approval of the initial APD because of construction restrictions within National Forest land. This letter will serve to advise you that the corresponding approval to drill from this office is also extended for the same period of time.

Although, no expiration date has been stipulated in the extended approval, this office will coordinate any expiration of approval with the BLM.

If you should have any questions concerning this action, please contact this office.

Sincerely,

A handwritten signature in cursive script that reads "John R. Baza".

John R. Baza
Petroleum Engineer

sb
cc: D.R. Nielson
R.J. Firth
Well File
0155T-100

John,

The APD for this well was rescinded on 9/4/86 due to termination of bond coverage. The Richfield BLM office (896-8221) is sending us a copy of the rescind-tion (is there such a word?) letter.

CR.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
RICHFIELD DISTRICT OFFICE
150 EAST 900 NORTH
RICHFIELD, UTAH 84701

IN REPLY
REFER TO:

3160
U-13944
(U-052)

RECEIVED

AUG 10 1987

**DIVISION OF OIL
GAS & MINING**

August 6, 1987

Carol Revelt
Division of Oil, Gas & Mining
355 West North Temple
3 Traid Center, Suite 350
Salt Lake City, UT 84180-1203

Dear Ms. Revelt:

Enclosed is the letter you requested regarding the termination of the Application for Permit to Drill for National Treasures Mines Co., Well - National Unit No. 1.

Please note National Treasures Mines Company, is still liable for reclamation of any areas which were disturbed.

If you have anymore questions regarding this well, please contact John Branch at 896-8221.

Sincerely,

Donald L. Pendleton
District Manager

Enclosure

RECEIVED

AUG 10 1987

**DIVISION OF OIL
GAS & MINING**

3160
U-13944
(U-052)

September 19, 1986

National Treasures Mines Company
165 So. West Temple
Building 2, Suite 400
Salt Lake City, Utah 84101

Re: National Treasures Mines Company
National Unit No. 1 - Gas Well
T. 17 S., R. 4 E., Sec. 21
Lease No. U-13944.

Gentlemen:

On July 7, 1986, an Application for Permit to Drill (APD) was approved for the above-referenced well. Approval to drill this well was conditioned upon the requirement that a bond had been filed and was maintained in accordance with the regulations set forth in 43 CFR 3104. Bond coverage for the above-referenced well was terminated on September 4, 1986. As such, approval to drill the above-referenced well is hereby terminated as of the date of bond termination. National Treasures Mines Company is, however, liable for reclamation of any areas which may have been disturbed in conjunction with this well.

Sincerely,

Donald L. Pendleton
Donald L. Pendleton
District Manager

cc.
U-922
SRRA
Manti-LaSal National Forest

JBranch:ebk:09/19/86
46



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dicnne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

081410

August 12, 1987

National Treasure Mine Company
165 South West Temple
Bldg. 2, Suite 400
Salt Lake City, Utah 84101

Gentlemen:

RE: Well No. National Unit 1, Sec. 21, T. 17S, R. 4E,
Sanpete County, Utah, API NO. 43-039-30020

In concert with action taken by the U.S. Bureau of Land Management, approval to drill the above referenced well is hereby rescinded. A new Application for Permit to Drill must be filed with this office for approval, prior to future drilling of 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 black ink that reads "John R. Baza".

John R. Baza
Petroleum Engineer

sb

cc: BLM

D. R. Nielson

R. J. Firth

Well file ✓

0327T-97