

13585 Jackson Drive • Denver, Colorado 80241 • (303) 452-8888 • FAX (303) 457-1583

March 3, 1998

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

Attn: John Baza

Re: **Cimarron Operating Company L.C.**  
**Dye #1**  
**601' FNL and 666' FWL**  
**NW Sec. 5, T16S - R3E**  
**Sanpete County, Utah**

Dear John,

Enclosed please find three copies of the Application for Permit to Drill, along with three copies of each attachment, including survey plat, location layout diagram, BOP Diagram and Surface Damage Agreement.

We are requesting that your office make a field inspection of this location as soon as possible, due to our upcoming spud date of March 23, 1998. Please contact Mr. Greg Ethridge at 435/340-1226 to schedule the field inspection.

Thank you for your cooperation. Your early approval of this application would be greatly appreciated. Approved copies of the A.P.D. should be sent to Permitco Inc. at the above address.

Sincerely,

PERMITCO INC.

Lisa L. Smith  
Consultant for:  
Cimarron Operating Company, L.C.

Enc.

cc: Cimarron Operating Company, L.C. - Salt Lake City, Utah  
Mr. Greg Ethridge - Moroni, UT

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

CONFIDENTIAL - TIGHT HOLE

5. Lease Designation and Serial No.

Fee

6. If Indian, Allottee or Tribe Name

N/A

7. Unit Agreement Name

N/A

8. Farm or Lease Name

Dye

9. Well No.

#1

10. Field and Pool, or Wildcat

Wildcat

11. Sec., T., R., M., OR Bld.

and Survey or Area

Sec. 5, T16S - R3E

12. County or Parish

Sanpete

13. State

Utah

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work

DRILL [X]

DEEPEN [ ]

PLUG BACK [ ]

b. Type of Well

Oil Well [X]

Gas Well [ ]

Other

Single Zone [X]

Multiple Zone [ ]

2. Name of Operator

801/562-5556 EX 503

488 E. Winchester St., Suite 100

Cimarron Operating Company, L.C.

Salt Lake City, UT 84107

3. Address of Operator

303/452-8888

13585 Jackson Drive

Permitco Inc. - Agent

Denver, CO 80241

4. Location of Well (Report location clearly and in accordance with any State requirements.)\*

At surface

183 203
601' FNL and 666' FWL

At proposed prod. zone

NW NW Sec. 5, T16S - R3E

14. Distance in miles and direction from nearest town or post office\*

2 miles southeast of Wales, UT

15. Distance from proposed\* location to nearest property or lease line, ft.

(Also to nearest drig. line, if any)

601'

16. No. of acres in lease

50 net acres

17. No. of acres assigned to this well

40

18. Distance from proposed location\* to nearest well, drilling, completed,

or applied for, on this lease, ft.

None

19. Proposed depth

8000' (Top of Salt)

20. Rotary or cable tools

Rotary

21. Elevations (Show whether DP, RT, GR, etc.)

5498' GR

22. Approx. date work will start\*

March 23, 1998

23. PROPOSED CASING AND CEMENTING PROGRAM

Table with 5 columns: Size of Hole, Size of Casing, Weight per Foot, Setting Depth, Quantity of Cement. Rows include 12-1/4" and 7-7/8" casing sizes.

Cimarron Operating Company, L.C. proposes to drill a vertical well to the top of a salt diapir (8000') to test hydrocarbon potential in the Tununk, Dakota, Cedar Mountain and Entrada formations. If dry, the well will be plugged and abandoned as per State of Utah requirements.

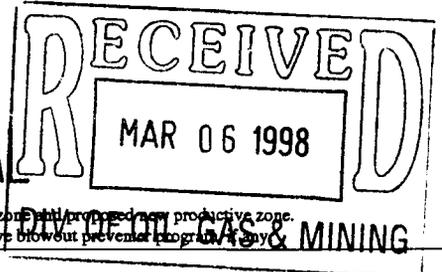
See Drilling Program attached.

CONFIDENTIAL

Cimarron Operating has made application to satisfy the \$20,000 bond requirement with a letter of credit. Acceptance of the letter of credit by the Division of Oil, Gas & Mining is pending.

- cc: 3 - Division of Oil, Gas & Mining - Salt Lake City, UT
2 - Cimarron Operating Company, L.C. - Salt Lake City, UT
1 - Greg Ethridge - Moroni, UT

CONFIDENTIAL



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 prevention program, if any.

24. Signed [Signature]

Consultant for:

Title Cimarron Operating Co.

Date 03/03/98

(This space for Federal or State office use)

Permit No. 43-039-30072

Approval Date

BRADLEY G. HILL
RECLAMATION SPECIALIST III

Date 4/8/98

Approved by

Conditions of approval, if any:

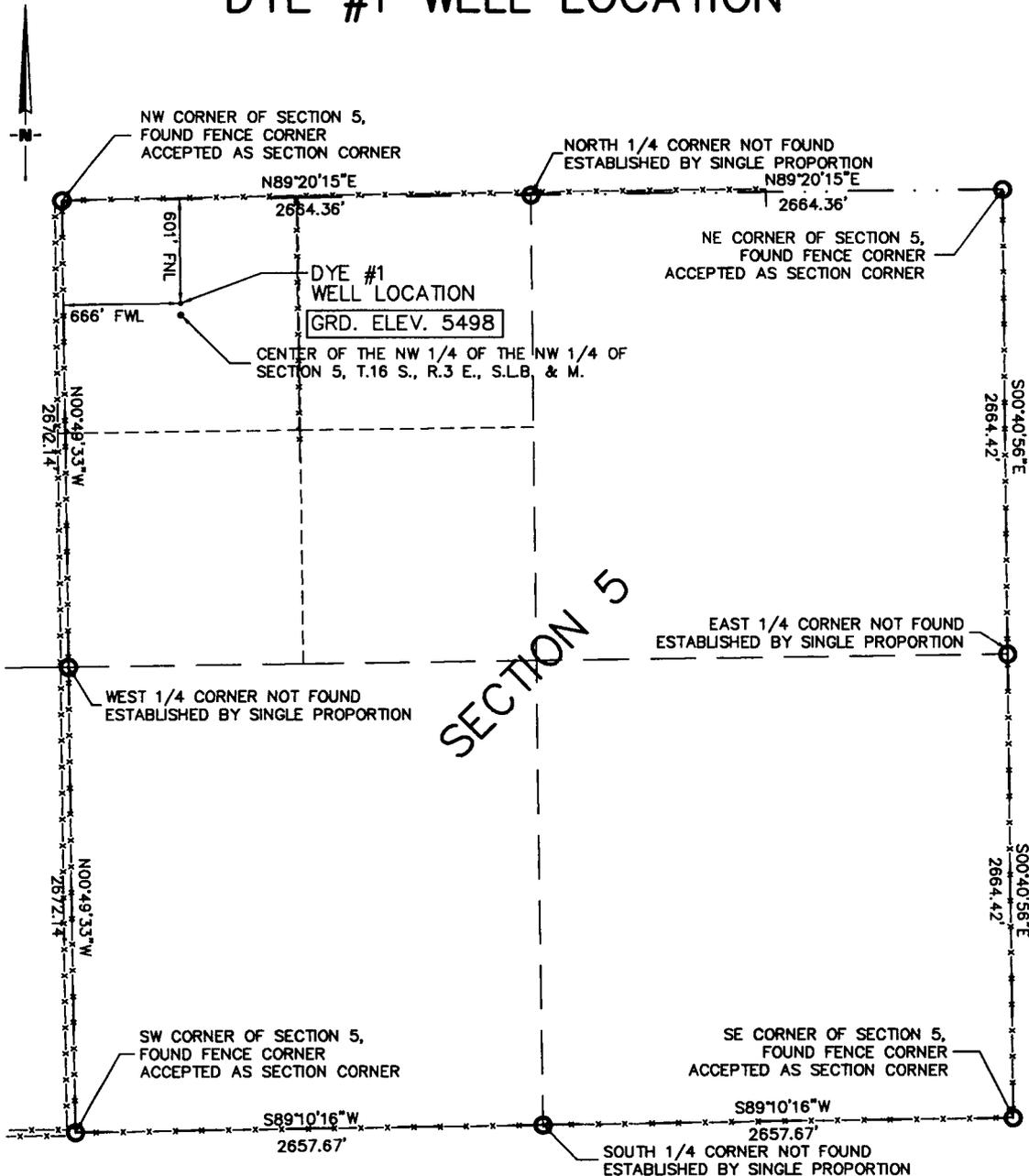
\*See Instructions On Reverse Side

446996.7
4367701.3

# SECTION 5, T.16 S., R.3 E., S.L.B.&M. DYE #1 WELL LOCATION

## PROJECT CIMARRON OPERATING COMPANY, LC

Well location, located as shown in the NW 1/4 of the  
NW 1/4 of Section 5, T.16S., R.3E., S.L.B.&M.  
Sanpete County, Utah

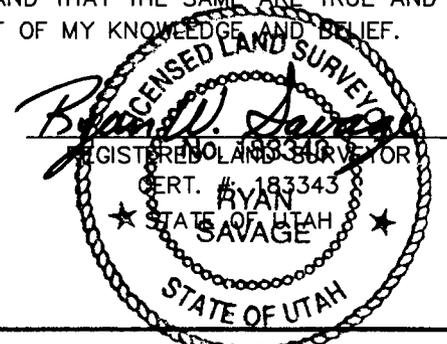


○ = Section Corners located. (Fence Corners)

NOTE: THE PURPOSE OF THIS SURVEY WAS TO  
PLAT THE DYE #1 WELL LOCATION. LOCATED  
IN NW/4 NW/4 OF SECTION 5,  
T.16 S., R.3 E., SANPETE COUNTY.

### 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.



**Jones & DeMille Engineering**

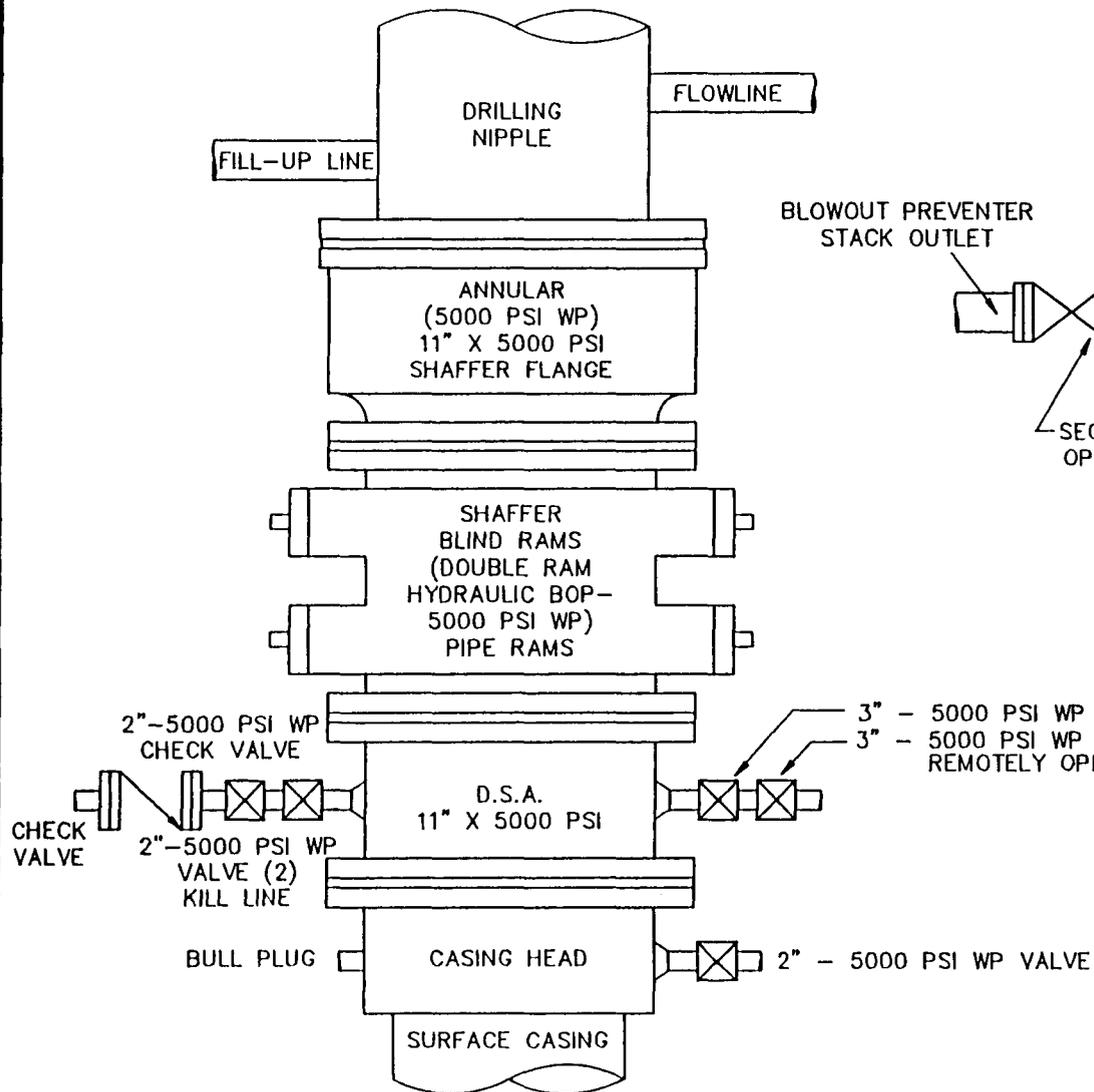
45 East 500 North - Richfield, Utah  
(801) 896-8266  
FAX (801) 896-8268

WELL LOCATION PLAT FOR DYE #1

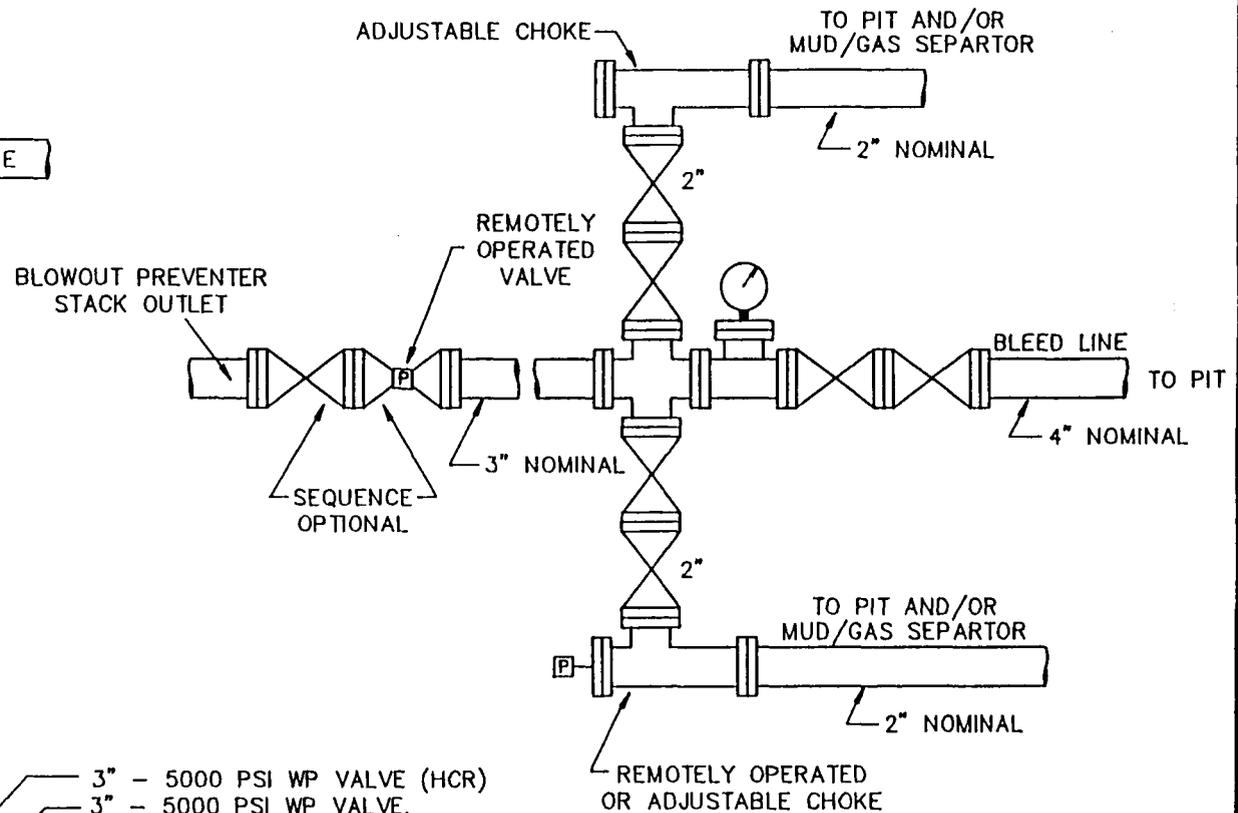
CIMARRON OPERATING COMPANY, LC

DESIGNED	SURVEYED	CHECKED	DRAWN	PROJECT NO.	SHEET NO.
---	K.R.	R.S.	B.L.L.	9802-091	1 of 1
DATE FEB. 1998			SCALE 1" = 1000'		

BOP SCHEMATIC  
5000 PSI WORKING PRESSURE



TYPICAL CHOKE MANIFOLD  
ASSEMBLY FOR 5M



THE HYDRAULIC CLOSING UNIT WILL BE LOCATED MORE THAN 30' FROM THE WELL HEAD. CHOKE AND BLEED/PANIC LINES WILL GO TO THE PIT AND FLARE. ALL CONNECTIONS IN CHOKE LINES AND MANIFOLD WILL BE FLANGED OR WELDED. ALL FLANGES SHOULD BE RING JOINT GASKET TYPE. ALL TURNS IN LINES SHALL BE CONSTRUCTED USING TARGETING 90° TEES. ALL LINES SHALL BE ANCHORED.

ALL VALVES IN THE KILL LINE, CHOKE MANIFOLD, AND CHOKE LINE SHALL BE FULL OPENING.

**CONFIDENTIAL - TIGHT HOLE**

**DYE #1**  
**601' FNL and 666' FWL**  
**NW NW Section 5, T16S - R3E**  
**Sanpete County, Utah**

**Prepared For:**

**CIMARRON OPERATING COMPANY, LC**

**By:**

**PERMITCO INC.**  
**13585 Jackson Drive**  
**Denver, Colorado 80241**  
**303/452-8888**

**Copies Sent To:**

- 3 - Division of Oil, Gas & Mining - SLC, UT**
- 2 - Cimarron Operating Company, LC - SLC, UT**
- 1 - Greg Ethridge - Littleton, CO**



Application for Permit to Drill  
Cimarron Energy Corporation  
Cimarron Energy #1AXZH  
1571' FNL and 1454' FWL (Surface Location)  
1320' FNL and 700' FEL (Btm. Hole Location)  
Sec. 14, T15S- R3E  
Sanpete County, Utah

CONFIDENTIAL - TIGHT HOLE

DRILLING PROGRAM

Page 1

The proposed wellsite is located on Fee Surface/Fee Minerals.

1. Estimated Tops/Geologic Markers

The estimated tops of important geologic markers are as follows:

<u>Formation</u>	<u>Estimated Top</u>	<u>Remarks</u>
Tununk	4,040'	Possible Pay
Dakota	4,420'	Secondary Objective
Cedar Mtn.	4,535'	Possible Pay
Entrada	6,395'	Primary Objective
T.D.	8,000'	Top of Salt

2. Well Control Equipment & Testing Procedures

Cimarron Operating Company's minimum specifications for pressure control equipment are as follows:

Diversion: Smith HDP 1400 Rotating Head (To divert any gas away from rig floor)

Annular BOP: 11" x 5000 psi WP

Ram Type BOP: 11" x 5000 psi WP Double (Blind & 4-1/2" Pipe)

After BOP stack is installed, BOP's, choke manifold, kelly, and all associated valves will be tested by third party BOP tester.

The size and rating of the BOP stack is shown on the attached diagram.

Cimarron will comply with all requirements pertaining to well control as specified in Rule R649-3-7 of the Utah Division of Oil, Gas & Mining.

The size and rating of the BOP stack is shown on the attached diagram.



Application for Permit to Drill  
 Cimarron Energy Corporation  
 Cimarron Energy #1AXZH  
 1571' FNL and 1454' FWL (Surface Location)  
 1320' FNL and 700' FEL (Btm. Hole Location)  
 Sec. 14, T15S- R3E  
 Sanpete County, Utah

CONFIDENTIAL - TIGHT HOLE

DRILLING PROGRAM

Page 2

3. Casing Program

The proposed casing program will be as follows:

<u>Purpose</u>	<u>Depth</u>	<u>Hole Size</u>	<u>O.D.</u>	<u>Weight</u>	<u>Grade</u>	<u>Type</u>
Conductor	0-80'	24"	16"	---	---	- -
Surface	0-800'	12-1/4"	9-5/8"	36#	K-55	SI&C
Produc.	0-7,650'	7-7/8"	5-1/2"	17 & 20#	N-80	LT&C

Casing design subject to revision based on hole and formation conditions encountered.

4. Cement Program

Conductor

Type and Amount

To fill annulus from 0-80' with local ready-mix concrete.

Surface

Type and Amount

225 sx 50/50 Pozmix, mixed @ 14.5 ppg & tail in with 75 sx Class "G" neat cement, mixed @ 15.8 ppg.

Production

Type and Amount

650 sx Class "G" neat cement, mixed @ 15.8 ppg (if upper zones are productive). Volume will be adjusted according to caliper log and depth of productive zone/zones.



5. Drilling Fluids

The proposed circulating mediums to be employed in drilling are as follows:

<u>Interval</u>	<u>Mud Type</u>	<u>Mud Wt.</u>	<u>Visc.</u>	<u>F/L</u>	<u>pH</u>
0-800'	Gel/Lime with Polymer Sweeps	8.6-9.2	30-32	NC	NC
800-3500'	Water/Native Mud with Polymer Sweeps	8.6-9.0	28-32	NC	NC
3500-8000'	Low Solids/Non Dispersed	8.8-9.4	35-45 (55-60 for logging)	8-10	9.0-9.5

6. Testing, Logging and Coring

A. Drill Stem Tests

Any porous zones that provide oil and gas shows will be drill stem tested if ole conditions allow.

B. Electric Logs

CNL/Density/Gamma Ray  
Dual Induction.Microlaterolog.GR  
Sonic (Optional; to tie depths to seismic survey)

C. Mud Log

Mud Logger will catch samples & generate mud log from 3,500' to 8,000' (T.D.). Oil and gas shows will be displayed on log.

D. Coring

No cores are anticipated.



7. Formation Pressures & H<sub>2</sub>S

Abnormally high formation pressures will be controlled by increasing mud weight. All drilling breaks will be observed with pump out for flow detection at shale shaker.

This geologic structure has not been previously penetrated. H<sub>2</sub>S detection equipment will be installed.

8. Water Source

Primary: Water from local irrigation ditch authority.

Secondary: Transport water from municipal source in either Wales or Moroni, Utah.

9. Other Information

A. Drilling is planned to commence on approximately March 23, 1998.

B. It is anticipated that drilling, testing, and installation of casing will be completed in 21 days.



## SURFACE DAMAGE AGREEMENT

This Agreement is between Theron Rex Dye, Trustees & Lucy J. Dye, Trustees, hereinafter referred to as "Lessor", whose address is Box 4217, Wales, UT 84667 and Cimarron Operating Company, L.C., hereinafter referred to as "Lessee", whose address is 488 East Winchester Street, Suite 100, Salt Lake City, UT 84107.

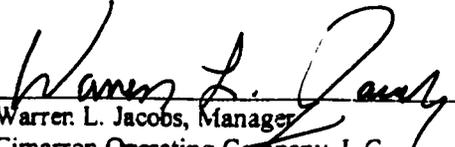
**The above parties agree to the basic understanding as follows:**

1. Prior to the commencement of any drilling operation by Lessee or its assigns on any land on which Lessor owns surface rights ("Subject Lands") Lessee shall pay as compensation for damage to the surface, the following payments.
  - a. for each drill site location (drill pad and access road) up to 5 acres for the first year and then a yearly adjustment of \_\_\_\_\_ per site for irrigated and non-irrigated sites and for dry pasture and sagebrush sites for each year occupied.
  - b. The route for access roads shall be mutually agreed upon by the parties herein. Any and all access roads shall not exceed 30 feet in width. All pipelines, power lines, and telephone lines will be buried below plow depth and mapped. In the event of a dry hole, the drill site and roadways will be restored to original condition, or to Lessor's specifications.
2. Lessee shall use or have access to the subject Property at its own risk. Lessee agrees to bare all liabilities caused by the Lessee or its assigns and to provide proof of liability insurance and well site bond to the Lessor.
3. Unauthorized personnel, contractors, etc. will not be allowed on location or have access to the location. Cimarron will make every reasonable effort to have a company representative on the location at all times during drilling/completion operations. Firearms, liquor, and drugs shall be prohibited from well locations and access roads.
4. Lessee will reimburse Lessor for loss of livestock and damages caused by or directly related to Lessee's exploration and production of oil or gas. Lessee will reimburse Lessor at a fair market value plus associated replacement costs involved.

## PROPERTY RECLAMATION AGREEMENT

1. All top soil will be stripped, stockpiled, and then replaced to support re-vegetation.
2. Ditches, and culverts, gates, cattle guards will be returned to original condition, ~~unless~~ *or to Lessor's specification.*
3. Reclamation work will be accomplished in a timely manner. Natural causes such as unusual weather conditions or ground settling may delay reclamation.
4. All construction and maintenance costs shall be born by Lessee.
5. This agreement shall be binding upon Lessor, its executors, administrators, successors, and assigns and upon Lessee, its executors, administrators, successors, and assigns. This agreement pertains to all surface areas disturbed in exploration and/or development of an oil or gas field

Signed this 13 day of Feb., 1998.

  
\_\_\_\_\_  
Warren L. Jacobs, Manager  
Cimarron Operating Company, L.C.

  
\_\_\_\_\_  
Theron Rex Dye, Trustees

  
\_\_\_\_\_  
Lucy J. Dye, Trustees

WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 03/06/98

API NO. ASSIGNED: 43-039-30022
--------------------------------

WELL NAME: DYE #1  
OPERATOR: CIMARRON OPERATING CO. (N7585)

PROPOSED LOCATION:  
NWNW 05 - T16S - R03E  
SURFACE: 0601-FNL-0666-FWL  
BOTTOM: 0601-FNL-0666-FWL  
SANPETE COUNTY  
WILDCAT FIELD (001)

INSPECT LOCATION BY: 03/20/98

TECH REVIEW	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: FEE  
LEASE NUMBER: PATENTED (DYE)

PROPOSED PRODUCING FORMATION: ENRD

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Federal[] State[] Fee[]  
(Number \_\_\_\_\_)
- Potash (Y/N)
- Oil shale (Y/N)
- Water permit  
(Number \_\_\_\_\_)
- RDCC Review (Y/N)  
(Date: SENT 9-MAR-98)

LOCATION AND SITING:

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

COMMENTS:

STIPULATIONS: ① <sup>(400-600 psi)</sup> Hot high pressure water zones have been reported to be encountered in this general area. Mud weight adequate to control this situation must be maintained after drilling below surface casing.

② STATEMENT OF BASIS



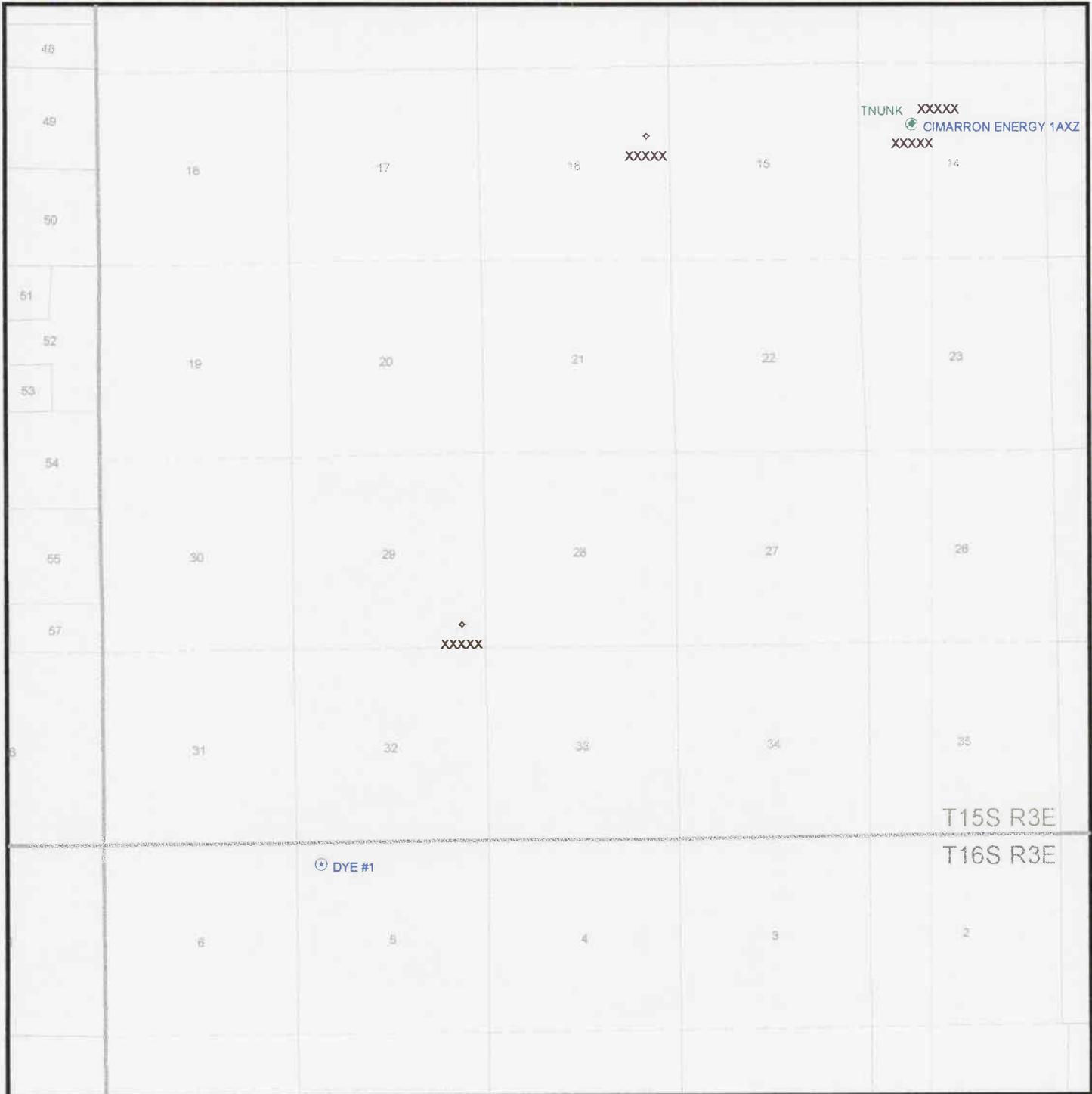
DIVISION OF OIL, GAS & MINING

OPERATOR: CIMARRON OPERATING (N7585)

FIELD: WILDCAT (001)

SEC. 5, TWP. 16S, RNG. 3E,

COUNTY: SANPETE UAC: R649-3-2 STATE SPACING



DATE PREPARED:  
9-MAR-1998

DIVISION OF OIL, GAS AND MINING  
APPLICATION FOR PERMIT TO DRILL  
STATEMENT OF BASIS

Operator Name: Cimarron Operating Company  
Name & Number: Dye #1  
API Number: 43-039-30022  
Location: 1/4, 1/4 NW NW Sec. 5 T. 16 S R. 3 E County: Sanpete

Geology/Ground Water:

This well is scheduled to have 800' of 9 5/8 #36 casing set as surface casing. It will adequately cover the known water bearing zones in this part of the valley, which occur between 40' and 385' deep, within one mile of this location. However there are numerous high pressure water zones known to exist in this valley below the 2,500' level. These wells have water temperatures of 105 to 140 degrees, are highly mineralized, and have documented flowing pressures of 400 - 600 pounds formation pressure. One notable instance of this occurrence is at the Moroni 1AX re-entry where Cimarron is currently drilling.

Reviewer: K. Michael Hebertson Date: 27-Mar-1998

Surface:

The access road departs from the County maintained road headed in an easterly direction and crosses an open field to the south of the location. It will circle in to the location headed in a northerly direction, past a turn of the century log cabin. A brief discussion of the age and condition of a log cabin 150' from the wellhead was had and the surface owner was told that he had the option of requesting a cultural survey, however this appeared to be no problem with him. Location and size of the reserve pit were discussed and the placement of a diversion ditch on the West side to divert runoff around the location. Water permits and supply were discussed as well as the number of active wells and surface water points of diversion in the immediate vicinity. The owner indicated that a gravel access road had been discussed with the landman but Greg Ethridge was unaware of any such road. Gravel for the rig to sit on was discussed. The location of a flare pit was reviewed and it will be located on the Northwest corner of the pad. A gate and cattle guard were suggested and it was decided in favor of the gate. The old road will be abandoned. It was pointed out that the waste management plan was non-existent and will be stipulated by the Division. A berm will be placed on the north and east side of the pad to prevent runoff from the location reaching irrigation ditches in the immediate vicinity. Possible deficiencies in the casing program were discussed should high pressure water be encountered at depth.

Reviewer: K. Michael Hebertson Date: 27-Mar-1998

Conditions of Approval/Application for Permit to Drill:

1. Berm the North and East side of the location.
2. Diversion ditch on the west side of location.
3. Water permit or purchase agreement must be obtained.
4. A reserve pit liner of at least 12 mils is required.
5. H2S continency plan prior to commencement of drilling.
6. Waste baskets and sanitary facilities will be provided and proper disposal is required.

**State of Utah**  
**On-Site Evaluation**  
**Division of Oil, Gas and Mining**

OPERATOR: Cimarron Operating Company  
WELL NAME & NUMBER: Dye #1  
API NUMBER: 43-039-30022  
LEASE: Fee FIELD/UNIT: Wildcat  
LOCATION: 1/4, 1/4 NW NW Sec: 5 TWP: 16S RNG: 3E 601 FNL 660 FWL  
LEGAL WELL SITING: 460 F SEC. LINE; 460 F 1/4, 1/4 LINE; 1320 F ANOTHER WELL.  
GPS COORD (UTM): 446980 E 4367703 N  
SURFACE OWNER: Randy Dye

**PARTICIPANTS:**

Mike Hebertson Oil, Gas & Mining, Greg Ethridge Cimarron Operating,  
Mark Poulson Poulson Construction, Randy Dye Surface Owner,

**REGIONAL/LOCAL SETTING & TOPOGRAPHY:**

Overthrust Belt East of Nephi and West of Manti. Intermountain valley  
Between the Mount Nebo Thrust Plate and the Wasatch Plateau of Central  
Utah. Flat Valley floor on Quaternary Valley Fill.

**SURFACE USE PLAN:**

CURRENT SURFACE USE: Sagebrush field used for livestock and ranching

PROPOSED SURFACE DISTURBANCE: a location and roadway Loc. 250' X 300'  
and a 800 X 25' road from the County road to the location edge. 2.2  
acres total.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: There are 24 water  
Wells or points of diversion ranging from 0 - 400' in depth around this  
location.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: All equipment will be  
maintained on the location.

SOURCE OF CONSTRUCTION MATERIAL: Randy Dye has a private pit for this.

ANCILLARY FACILITIES: None

**WASTE MANAGEMENT PLAN:**

Trash, garbage, and refuse will be placed in a wire mesh type or other  
enclosed receptacle and hauled to the nearest approved land fill. Human  
waste will be disposed of in a portable septic system or chemical  
toilet and hauled away for treatment at an approved facility. Oil  
spills and grease from the operations will be contained on the  
location. Cuttings will be contained in the reserve pit. No water  
disposal will be allowed on this location.

**ENVIRONMENTAL PARAMETERS:**

AFFECTED FLOOD PLAINS AND/OR WETLANDS: None

FLORA/FAUNA: Deer, Rabbit, skunk, Coyote, indigenous birds, Sagebrush Grease Wood, Rabbit Brush, cultivated grasses and weeds.

SOIL TYPE AND CHARACTERISTICS: Clay, very little sand, possible sand bodies at depth, possible boulders at depth.

SURFACE FORMATION & CHARACTERISTICS: Quaternary Alluvium, clay with little sand present soil is a medium reddish brown.

EROSION/SEDIMENTATION/STABILITY: No erosion, sedimentation or stability problems with the location it is in a cultivated field.

PALEONTOLOGICAL POTENTIAL: Small to none

**RESERVE PIT:**

CHARACTERISTICS: 150' X 100' X 10' in the up slope side.

LINER REQUIREMENTS (Site Ranking Form attached): A liner is required

**SURFACE RESTORATION/RECLAMATION PLAN:**

This location will be restored according to the agreement entered into by the operator and the landowner.

SURFACE AGREEMENT: attached to the APD

CULTURAL RESOURCES/ARCHAEOLOGY: An old log cabin 150' North of the well bore was noted and a waiver from the owner was suggested as a precaution.

**OTHER OBSERVATIONS/COMMENTS:**

**ATTACHMENTS:**

Photos were taken and will be placed on file.

K. Michael Hebertson  
DOGM REPRESENTATIVE

24-Mar-98 12:00 PM  
DATE/TIME

**Evaluation Ranking Criteria and Ranking Score  
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
<b>Distance to Groundwater (feet)</b>		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>5</u>
<b>Distance to Surf. Water (feet)</b>		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>15</u>
<b>Distance to Nearest Municipal Well (feet)</b>		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	15	<u>0</u>
<b>Distance to Other Wells (feet)</b>		
>1320	0	
300 to 1320	10	
<300	20	<u>10</u>
<b>Native Soil Type</b>		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>5</u>
<b>Fluid Type</b>		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	15	
TDS >10000 or Oil Base	20	
Mud Fluid containing high levels of hazardous constituents		<u>5</u>
<b>Drill Cuttings</b>		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
<b>Annual Precipitation (inches)</b>		
<10	0	
10 to 20	5	
>20	10	<u>5</u>
<b>Affected Populations</b>		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
<b>Presence of Nearby Utility Conduits</b>		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>
<b>Final Score (Level II Sensitivity)</b>		<u>45</u>

STATE ACTIONS

Mail to:  
RDCC Coordinator  
116 State Capitol  
Salt Lake City, Utah 84114

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1. ADMINISTERING STATE AGENCY OIL, GAS AND MINING 1594 West North Temple, Suite 1210 P.O. Box 145801 Salt Lake City, Utah 84114-5801	2. STATE APPLICATION IDENTIFIER NUMBER: (assigned by State Clearinghouse)
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4. AREAWIDE CLEARING HOUSE(S) RECEIVING STATE ACTIONS: (to be sent out by agency in block 1) Six County Commissioners Organization	3. APPROXIMATE DATE PROJECT WILL START: Upon Approval
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5. TYPE OF ACTION:  Lease  Permit  License  Land Acquisition  
 Land Sale  Land Exchange  Other \_\_\_\_\_

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6. TITLE OF PROPOSED ACTION:  
Application for Permit to Drill

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7. DESCRIPTION:  
Cimarron Operating Company, proposes to drill the Dye #1 well (wildcat) on a private lease in Sanpete County, Utah. This action is being presented to RDCC for consideration of resource issues affecting state interests. The Division of Oil, Gas and Mining is the primary administrative agency in this action and must issue approval before operations commence.

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8. LAND AFFECTED (site location map required) (indicate county)  
NW NW, Section 5, Township 16 South, Range 3 East, Sanpete County, Utah

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9. HAS THE LOCAL GOVERNMENT(S) BEEN CONTACTED?  
No

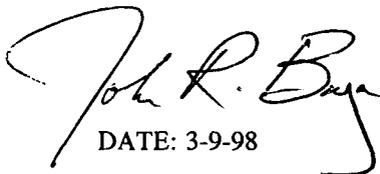
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10. POSSIBLE SIGNIFICANT IMPACTS LIKELY TO OCCUR:  
Degree of impact is based on the discovery of oil or gas in commercial quantities.

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11. NAME AND PHONE NUMBER OF DISTRICT REPRESENTATIVE FROM YOUR AGENCY NEAR PROJECT SITE, IF APPLICABLE:

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12. FOR FURTHER INFORMATION, CONTACT:  John R. Baza PHONE: 538-5334	13. SIGNATURE AND TITLE OF AUTHORIZED OFFICIAL:   DATE: 3-9-98 Associate Director
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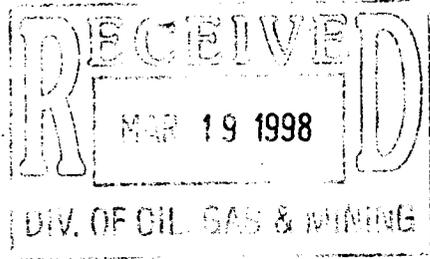
MAP CHAR	WATER RIGHT	CFS	QUANTITY AND/OR AC-FT	SOURCE DESCRIPTION or WELL INFO	DIAMETER	DEPTH	YEAR	LOG	POI NORTH
0	65 562	.0130	.00	2	100				S 2266
		WATER USE(S): STOCKWATERING Anderson, Ephraim							
1	65 639	.0020	.00	2	117	1903	Y		S 3166
		WATER USE(S): DOMESTIC STOCKWATERING Edmunds, Nathaniel L.							
2	65 3352	30.5000	.00						N 1990
		WATER USE(S): IRRIGATION West Point Irrigation Company							
2	65 3353	3.0000	.00						N 1990
		WATER USE(S): West Point Irrigation Company							
2	65 3354	65.0000	.00						N 1990
		WATER USE(S): Island Irrigation Company							
2	65 3355	4.0000	.00						N 1990
		WATER USE(S): Island Irrigation Company							
3	65 208	.0150	.00	4	210				N 1716
		WATER USE(S): STOCKWATERING Reese, Newel F.							
4	93 1006	40.0000	10000.00						N 1200
		WATER USE(S): IRRIGATION USA Bureau of Reclamation -- Provo Area 302 East 1860 South							
4	93 1007	60.0000 OR	2000.00						N 1200
		WATER USE(S): IRRIGATION USA Bureau of Reclamation -- Provo Area 302 East 1860 South							
4	65 689	.0040	.00	2	94				N 1195
		WATER USE(S): DOMESTIC STOCKWATERING Edmunds, W. L.							
5	65 204	.0150	.00			72			N 1073
		WATER USE(S): STOCKWATERING Thomas, Lawrence							
6	65 206	.0150	.00	4	40				N 809
		WATER USE(S): STOCKWATERING Thomas, Moroni W.							
7	65 601	.0110	.00	2	128				N 508
		WATER USE(S): STOCKWATERING Bagnall, J. R. 1805 N. 1550 E.							
8	65 231	.0150	.00	4	56				N 165
		WATER USE(S): STOCKWATERING Washburn, Ralph							
9	65 600	.0220	.00	2	138				N 10
		WATER USE(S): STOCKWATERING Bagnall, J. R. 1805 N. 1550 E.							
A	65 1083	1.7830	.00	12	294			Y	S 330
		WATER USE(S): DOMESTIC STOCKWATERING State of Utah Board of Water Resources 1594 West North Temple, Ste 3							

1

UTAH DIVISION OF WATER RIGHTS  
NWPLAT POINT OF DIVERSION LOCATION PR

MAP CHAR	WATER RIGHT	CFS	QUANTITY AND/OR	AC-FT	SOURCE DESCRIPTION or DIAMETER	DEPTH	WELL INFO YEAR LOG	POI NORTH
B	<u>65 963</u>	.0040		.00	2	130		S 482
			WATER USE(S): DOMESTIC STOCKWATERING					
			Beal, Milton					
			Beal, Ralph					
C	<u>65 1085</u>	.0670		.00	7	385	Y S	756
			WATER USE(S): DOMESTIC STOCKWATERING					
			State of Utah Board of Water Resources			1594 West North Temple, Ste 3		
D	<u>65 1290</u>	.0130		.00	1	254		S 1696
			WATER USE(S): IRRIGATION DOMESTIC STOCKWATERING					
			Nielsen, Ida B.					
E	<u>65 1255</u>	.0220		.00	2	150		S 1743
			WATER USE(S): IRRIGATION STOCKWATERING					
			Johnson, Jennie T.					
			Thompson, Nels A.					
			Thompson, Joseph H.					
			Thompson, Jacob					
			Thygerson, Agnes T.					
			Thompson, Leander T.					
F	<u>65 638</u>	.0040		.00	2	175	1908 Y N	3525
			WATER USE(S): DOMESTIC STOCKWATERING					
			Thomas, H. R.					
G	<u>93 1006</u>	40.0000		10000.00		Tribs.of North Fork of Hunting	S	2700
			WATER USE(S): IRRIGATION					
			USA Bureau of Reclamation -- Provo Area			302 East 1860 South		
G	<u>93 1007</u>	60.0000	OR	2000.00		Two Unnamed Tribs. of Boulger	S	2700
			WATER USE(S): IRRIGATION					
			USA Bureau of Reclamation -- Provo Area			302 East 1860 South		
H	<u>65 534</u>	.0450		.00	1	130		N 2007
			WATER USE(S): DOMESTIC STOCKWATERING					
			Rees, Thomas J.					
I	<u>65 200</u>	.0150		.00	2	284		N 1947
			WATER USE(S): STOCKWATERING					
			Anderson, Kenneth Dwane					
J	<u>65 194</u>	.0150		.00	2	114		N 1386
			WATER USE(S): STOCKWATERING					
			Christensen, Deliel					
K	<u>65 77</u>	.0150		.00	4	131		N 1320
			WATER USE(S): STOCKWATERING					
			Anderson, Kenneth E.					
L	<u>65 923</u>	.0110		.00	2	210		N 856
			WATER USE(S): IRRIGATION STOCKWATERING					
			Peterson, Thomas A. (Estate)				Distributors: Annie C. Frost	
M	<u>65 1146</u>	.3340		.00	2	80		N 226
			WATER USE(S): IRRIGATION STOCKWATERING					
			Rees, Theodore E.					
			Rees, A. J. (Jr.)					
N	<u>65 1148</u>	.0110		.00	2	60		S 23
			WATER USE(S): DOMESTIC STOCKWATERING					
			Rees, Theodore E.					
			Rees, A. J. (Jr.)					

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING



IRREVOCABLE DOCUMENTARY LETTER OF CREDIT - FORM 4-C

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

Gentlemen:

We hereby establish our Irrevocable Documentary Letter of Credit in favor of the Director of the Division of Oil, Gas and Mining of the State of Utah for the account of

Cimarron Operating Company LC (operator name) for the aggregate amount of  
\*\*\*TWENTY THOUSAND DOLLARS AND NO/100\*\*\* dollars (\*\*20,000.00\*\*) available by your drafts at sight on the bank when drawn in accordance with the terms and accompanied by the documents listed under Part C below:

A. This Letter of Credit is issued because the operator is or will be engaged in drilling, re-drilling, deepening, repairing, operating, and plugging and abandonment a well or wells and restoring the well site or sites in the State of Utah for the purposes of oil or gas production and/or the injection and disposal of fluids in connection therewith for the following described land or well:

Blanket Bond: To cover all wells drilled in the State of Utah  
XX Individual Bond: Well No. DYE #1  
Section 5 Township 16S Range 3E  
Sanpete County, Utah

B. This Letter of credit is specifically issued at the request of the operator as guaranty that this fund will be available during the time that the wells referenced above are active. We are not a party to, nor bound by, the terms of any agreement between you and the operator out of which this Letter of Credit may arise.

C. Drafts drawn under this Letter of Credit must be accompanied by an affidavit from the Director of the Division of Oil, Gas and Mining stating that:

- 1. Any well subject to the Letter of Credit is deemed necessary for plugging and abandonment and the operator has not fulfilled such obligation under the Oil and Gas Conservation General Rules of the State of Utah.
- 2. The draft is in the estimated cost of plugging each well subject to the Letter of Credit up to the aggregate amount of the Letter of Credit.

We will be entitled to rely upon the statements contained in the affidavit and will have no obligation to independently verify any statements contained therein.

Each draft hereunder must be listed and endorsed on the reverse side of this Letter of Credit, and this Letter of Credit must be attached to the last draft when the credit has been exhausted. Drafts may be presented at the office of this bank no later than 2:00 p.m. (local time) on March 10 (date), 19 99, and bear the clause "Drawn under the Brighton Bank (Bank name), Bank Letter of Credit No. 04-495, dated March 10, 19 98."

THIS LETTER OF CREDIT SHALL BE DEEMED AUTOMATICALLY EXTENDED FOR A PERIOD OF ONE YEAR FROM THE CURRENT OR ANY FUTURE EXPIRATION DATE HEREOF, UNLESS AT LEAST 90 (NINETY) DAYS PRIOR TO SUCH EXPIRATION DATE, WE NOTIFY YOU THAT WE HAVE ELECTED NOT TO EXTEND THIS LETTER OF CREDIT FOR SUCH ADDITIONAL PERIOD.

We hereby engage with the bona fide holders of this draft and/or documents presented under and in compliance with the terms of this Letter of Credit that such draft and/or documents will be duly honored upon presentation to us. Our obligations hereunder shall not be subject to any claim or defense by reason of the invalidity, illegality, or unenforceability of any of the agreements upon which this Letter of Credit is based.

(Seal)

Bank Name: Brighton Bank  
By: [Signature]  
(Name): James R. Fraser  
(Title): President & CEO (801) 943-6500  
Tel. no.

Attest:

Shanna Spurgeon  
Assistant Cashier or Cashier  
3-18-98  
Date

Address of Bank: 7101 South Highland Drive  
Salt Lake City, Utah 84121



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

Michael O. Leavitt  
Governor  
Ted Stewart  
Executive Director  
Lowell P. Braxton  
Division Director

1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
801-538-5340  
801-359-3940 (Fax)  
801-538-7223 (TDD)

April 8, 1998

Cimarron Operating Company, L.C.  
488 East Winchester Street, Suite 100  
Salt Lake City, Utah 84107

Re: Dye #1 Well, 601' FNL, 666' FWL, NW NW, Sec. 5, T. 16 S.,  
R. 3 E., Sanpete County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-039-30022.

Sincerely,

  
for John R. Baza  
Associate Director

lwp

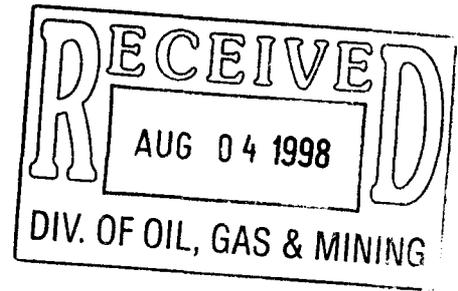
Enclosures

cc: Sanpete County Assessor  
Bureau of Land Management, Richfield District Office

Operator: Cimarron Operating Company, L.C.  
Well Name & Number: Dye #1  
API Number: 43-039-30022  
Lease: Fee  
Location: NW NW Sec. 5 T. 16 S. R. 3 E.

### Conditions of Approval

1. General  
Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.
2. Notification Requirements  
Notify the Division within 24 hours following spudding the well or commencing drilling operations. Contact Jim Thompson at (801)538-5336.  
  
Notify the Division prior to commencing operations to plug and abandon the well. Contact Dan Jarvis at (801) 538-5338 or John R. Baza at (801)538-5334.
3. Reporting Requirements  
All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.
4. Hot high pressure 400-600 psi water zones have been reported to be encountered in this general area. Mud weight adequate to control this situation must be maintained after drilling below surface casing.
5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis dated March 27, 1998 (copy attached).



# **HYDROGEN SULFIDE CONTINGENCY PLAN**

**CIMARRON OPERATING COMPANY.**

Dye #1  
NW/4 NW/4 Section 5, T16S, R3E  
SANPETE COUNTY, UTAH

601'FNL

666'FWL

**MICROFICHE**

## Checklist For Drilling Or Workover In H2S Environment

\*Items 1-4 to be shown on site layout diagram

1. Two Safe Briefing areas 200 feet from wellhead, arranged so that at least one area will always be upwind of the well at all times—Site Plan
2. Direction of prevailing winds—Site Plan \* Note: Prevailing winds from the North or South. Safety equipment in place for either condition.
3. Wind sock location ( Minimum of 2)-- Site Plan
4. A secondary emergency escape route from the location ( Flagged trail minimum )-- Page 12 and Site Plan
5. Number, types, and storage location of H2S respirators for personnel, and number of personnel to be expected at any one time—Page 8 and Site Plan
6. H2S Detector locations ( should at least include cellar or bell nipple and mud tanks at shale shaker). Type and location of audible, visual alarm to be used—Page 11 and Site Plan
7. H2S evacuation and emergency training procedures and frequency--Page 7,8,9,&10
8. Area residents within 3,000 foot radius, and agencies to be notified in an emergency (Contingency Plan )-  
Page 20
9. Necessary Types and quantities of mud additives and scavengers will be available at location for H2S operations.
10. Design features and operational procedures will be implemented to protect the drill string, casing strings, wellhead, BOP's, choke lines and manifold, and other well-killing equipment in H2S environments.
11. Appropriate Warning signs and flags on all access roads to location—Site plan
12. Provision for blocking or monitoring access to location during critical operations--Page 13.
13. Ventilation fan under rig floor—Page 12.
14. In event of an uncontrollable blowout, on-site personnel are authorized to ignite flow.—Page 16
15. Swabbing or drillstem testing of fluids containing H2S should be through a separator to permit flaring of gas. Flare should have continuous pilot to ensure ignition of all such gas—Page 11
16. H2S Training: To begin 1,000 feet and/or three days before H2S zone. Page 8

## **GENERAL**

### ***DESCRIPTION OF HYDROGEN SULFIDE GAS:***

H<sub>2</sub>S is a colorless gas which smells similar to rotten eggs in low concentrations. In large concentrations or over long periods of exposure, the sense of smell may be paralyzed. H<sub>2</sub>S is extremely toxic gas that must be treated with extreme care to prevent injury to people. H<sub>2</sub>S is heavier than air ( specific gravity = 1.19) and on still days tends to accumulate in low places. This accumulation could build up and lead to dangerous concentrations. However, if the H<sub>2</sub>S gas is warmer than air, it will tend to rise until cooled off and could affect workers above the escaping source.

### **TOXICITY**

Hydrogen sulfide is extremely toxic (poisonous). It is almost as toxic as hydrogen cyanide. It reproduces irritation to the eyes, throat and respiratory tract. The sense of smell can be lost in 2-15 minutes in low concentrations due to paralysis of the olfactory nerve. The sense of smell can be lost in 60 seconds or less in higher concentrations. Susceptibility to H<sub>2</sub>S poisoning varies to the number of exposures. The second exposure being more dangerous than the first.

The result of inhalation of H<sub>2</sub>S may be strangulation in a few seconds of exposure to high H<sub>2</sub>S concentrations. This produces symptoms such as panting, pallor, cramps, paralysis of the pupil, and loss of speech. This is generally followed by immediate loss of consciousness. Death may occur quickly from respiratory and cardiac paralysis. One deep sniff of high concentration can cause death. Coughing, eye burning and pain, throat irritation, and sleepiness come from exposure to low concentrations.

The two following charts list some of the toxic characteristics of H<sub>2</sub>S.

(See following page)

**TOXICITY OF HYDROGEN SULFIDE GAS**  
PARTS PER MILLION                      GRAINS/100

*Std. Cu. Ft.*

10 PPM 1/1,000 of 1%	0.65	Can smell safe for 8 hours exposure.
100 PPM = 1/100 of 1%	6.48	Kills smell in 3-15 minutes. May sting eyes and throat.
200 PPM = 2/100 of 1%	12.96	Kills smell shortly. Stings eyes and throat.
500 PPM= 5/100 of 1%	32.96	Loses sense of reasoning and balance. Respiratory paralysis in 30-40 minutes. Needs prompt artificial suscitation. Will become unconscious quickly.(15 minutes maximum.)
700 PPM= 7/100 of 1%	45.36	Breathing will stop-death will result if not rescued promptly. Immediate artificial resuscitation.
1,000 PPM = 1/10 of 1%	64.80	Unconscious at once. <b>Permanent Brain Damage          May Result Unless Rescued Promptly.</b>

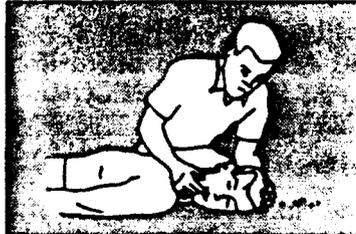
## **H2S FIRST AID PROCEDURES**

### ***TREATMENT***

1. Victim should be removed to fresh air immediately by rescuers wearing respiratory protective equipment. Protect yourself while rescuing.
2. If the victim is not breathing, begin immediately to apply artificial respiration. If a resuscitator is available, let another employee get it and prepare it for use.
3. Treat for shock by keeping victim warm and comfortable.
4. Call a doctor in all cases; victims of poisoning should be attended to by a physician.

# ARTIFICIAL RESPIRATION

## Mouth-To-Mouth Resuscitation Method



1. Place victim on his back, loosen clothing around neck and waist. Turn victim's head to the side, wipe out the mouth quickly, using your fingers to get rid of any foreign matter.



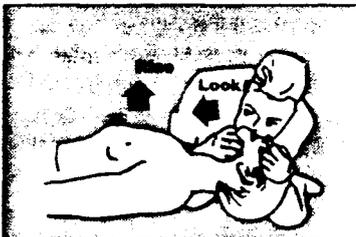
2. Insert thumb in the mouth — grasp lower jaw and lift it forcibly upwards and forwards



3. Hold the lower jaw up and with the other hand close the victim's nostrils



4. Take a deep breath, place your mouth firmly over the victim's mouth and breathe out



5. While breathing into victim, watch chest rise to indicate air passage is clear.



6. Remove your mouth from the victim's to allow breath to be exhaled. Count three and repeat.

**NOTE:** Every moment lost before beginning artificial respiration lessens chances for success. Artificial respiration should be continued until the patient recovers or rigor mortis sets in.

**TOXICITY OF HYDROGEN SULFIDE TO MEN**

H <sub>2</sub> S% (PPM)**	0-2 Minutes	2-15 Minutes	15-20 Minutes	30 Minutes 1 Hour	1-4 Hours	4-8 Hours	8-48 Hours
0.005(50)				Mild conjunctivitis respiratory tract irritation			
0.020(100)							
0.10(100)							
0.015(150)		Coughing Irritation of eyes - loss of sense of smell	Disturbed respiration; pain in eyes, sleepiness	Throat irritation	Salivation and mucous discharge Sharp pain in eyes - coughing	Increased symptoms*	Hemorrhaging and death
0.015(150)							
0.020(200)		Loss of sense of smell	Throat and eye irritation	Throat and eye irritation	Difficult breathing blurred vision light shy	Serious irritation effects	Hemorrhaging and death
0.025(250)							
0.035(350)	Irritation of eyes loss of sense of smell	Irritation of eyes	Painful secretion of tears weariness	Light shy nasal catarrh pain in eyes difficult breathing			
0.035(350)							
0.045(450)		Irritation of eyes - loss of sense of smell	Difficult respiration coughing irritation of eyes	Increased irritation of eyes and nasal tract - dull pain in head - weariness light shy	Dizziness weakness increased irritation death	Death*	
0.050(500)							
0.060(600)	Coughing collapse and unconscious- ness	Respiratory disturbances; irritation of eyes - collapse	Serious eye irritation palpitation of heart - few causes of death	Severe pain in eyes and head - dizziness trembling of extremities great weakness and death			
0.060(600)							
0.070(700)	Collapse*	Collapse*					
0.070(700)	unconscious- ness death*	unconsciousness; death*					
0.080(800)							
0.100(1000)							
0.150(1500)							

\*Data secured from experiments of dogs which have a susceptibility similar to men.      \*\*PPM-parts per million

**DO YOU KNOW**

**THERE IS NO TIME TO WASTE**  
**WHEN BREATHING STOPS!**  
**RESCUE BREATHING MUST**  
**BE STARTED FAST!**

AFTER BREATHING HAS STOPPED FOR:	THE CHANCES FOR LIFE ARE
1 MINUTE	98 OUT OF 100
2 MINUTES	92 OUT OF 100
3 MINUTES	72 OUT OF 100
4 MINUTES	50 OUT OF 100
5 MINUTES	25 OUT OF 100 *
6 MINUTES	11 OUT OF 100 *
7 MINUTES	8 OUT OF 100 *
8 MINUTES	5 OUT OF 100 *
9 MINUTES	2 OUT OF 100 *
10 MINUTES	1 OUT OF 100 *
11 MINUTES	1 OUT OF 1,000 *
12 MINUTES	1 OUT OF 10,000 *

- Irreparable brain damage starts at about the 5<sup>th</sup> minute.

**LEARN HOW TO USE**  
**LIFE SAVING EQUIPMENT !**



## **HYDROGEN SULFIDE CONTINGENCY PLAN**

### **Cimarron Operating Company**

This plan provides for personal safety programs, precautionary measures, safety equipment and emergency procedures, and sets forth responsibilities and duties pertaining to drilling in a sour gas area.

To be effective, the plan requires the cooperation and effort of each person participating in the drilling of an H2S well. Each person must know his responsibilities and duties in regard to normal drilling operations as well as emergency and safety procedures. He should thoroughly understand and be able to use with accuracy all safety equipment while performing his normal duties, if the circumstance should arise. He should therefore, familiarize himself with the location of all safety equipment and check to see that it is properly stored, easily accessible at all times, and routinely maintained.

It is the intention of Cimarron Operating Co. and the drilling contractor to make every effort to provide adequate safeguards against harm to persons on the rig and in the immediate vicinity from the effects of hydrogen sulfide, which may be released into the atmosphere under emergency conditions. However, the initiative rests with the suggestions of the individuals involved in the drilling of these wells are highly welcomed and act as a fundamental tool for providing the safest working conditions possible.

The drilling foreman is required to enforce these procedures. They are set up for your safety and the safety of all others.

### ***PURPOSE***

Cimarron Operating Co. intent to provide a safe working place, not only for its employees, but also for those other firms who are aiding in the drilling of this well.

There is a possibility of encountering toxic hydrogen sulfide gas. Safety procedures must be adhered to in order to protect all personnel connected with the operation, as well as people living within the area.

Cimarron Operating Co. foreman must enforce what may seem to be stringent requirements. This job will become easier; be a careful study of the following pages and use COMMON SENSE.



## **OPERATING PROCEDURES**

### **GENERAL**

Before this H2S contingency plan becomes operational, the drilling contractor's personnel, necessary service company personnel, and the operator's personnel shall be thoroughly trained in the use of breathing equipment, emergency procedures, and H2S procedures. Initial H2S training shall be completed and all H2S related safety equipment shall be installed, tested and operational when drilling reaches a depth of 1,000 feet above, or three days, whichever is sooner, prior to penetrating the first zone containing or reasonably expected to contain H2S. Cimarron Operating Co. shall keep a list of all personnel who have been through the special training programs on the drill site. This list shall be supplied by the safety company as the personnel are trained.

### **THROUGHOUT THIS CONTINGENCY PLAN, BREATHING APPARATUS SHALL BE UNDERSTOOD TO MEAN:**

- 1) Self Contained Breathing Apparatus (Scott IIA or equivalent)
- 2) Scott Ska-Pac Airline-5 minute Egress or equivalent.

The area within a 3,000 foot radius will be checked and phone numbers of residents will be recorded—See emergency phone numbers, Page 20.

A list of emergency phone numbers of company personnel to be contacted in case of an emergency will be posted at the following locations:

- 1) Cimarron Operating Co. foreman's trailer on the rig.
- 2) Drilling Contractor's Toolpusher Office.

All safety equipment and H2S related hardware must be set up as required by Cimarron Operating Co. Such as location of briefing areas and breathing equipment, etc. All safety equipment must be inspected periodically with particular attention to resuscitators and breathing air facilities.

All personnel on the drill site will be assigned breathing apparatus and if needed, personal detection devices. Operator and drilling contractor personnel required to work in the following areas will be provided with breathing equipment connected to a cascade air supply.

- A. Rig Floor
- B. Mud Pit
- C. Derrick
- D. Shale Shaker
- E. Mud Hopper and Bulk Hopper
- F. Any hazardous location will be accessible by hose & work pack

All service companies to be used on the drill site will be notified of the potential hazard and will furnish safety equipment for their personnel. No service company employee will be allowed to work on the drill site without having breathing equipment and training.

The Oilind Safety Advisor will be responsible for installing the H2S continuous gas monitor detection system. In the event that H2S is detected, or when drilling in a zone containing H2S, the units will be tested at least once every 12 hours. This monitor will be maintained and tested as required by the Oilind Safety Advisor.

## **DRILLS**

Drills will be held as often as necessary to acquaint the crews and service company personnel with their responsibilities and the proper procedures to shut-in a well. After the Cimarron Operating Co. drilling foreman is satisfied with the drilling procedures, a drill will be conducted weekly for all personnel in each working crew. The initial training session shall include a review of the drilling operations plan.

An Oilind Safety Advisor will be on duty when drilling begins or as otherwise deemed necessary. He will conduct safety talks and instructions of the drilling foreman. All personal allowed on the drill site during drilling or testing operations will be instructed in the use of breathing equipment until supervisory personnel are satisfied that they are capable of using it.

After familiarization, each rig crew should perform a drill with breathing equipment. The drill should include getting the breathing equipment, putting it on, and a short work period. A record shall be kept of the crew members drill in the driver's log or equivalent.

Proper protective breathing apparatus shall be readily accessible to all essential personnel. Escape and pressure-demand type working equipment shall be provided for essential personnel in the H<sub>2</sub>S environment to maintain or regain control of the well. Rig crews and service company personnel shall be made aware of the location of spare air bottles, the resuscitation equipment, portable fire extinguishers, and H<sub>2</sub>S detectors. Knowledge of the location of the H<sub>2</sub>S monitor is vital in determining a sour gas location and the severity of the emergency situation. In addition, key personnel shall be trained in the use of a resuscitator.

Personal H<sub>2</sub>S detection devices shall be available for use by all working personnel. After H<sub>2</sub>S has been initially detected by any device, periodic inspections of areas of poor venelation shall be made with a portable H<sub>2</sub>S detection instrument.





## **PROCEDURE PROGRAM**

### **SAFETY PROGRAM**

#### **A. DRILL SITE**

1. The drilling rig should be located to allow prevailing winds to blow across the rig toward the reserve pit.
2. Two briefing areas shall be designated for assembly of personnel during emergency conditions. The briefing areas will be located a minimum of 150 feet from the well bore and one of the briefing areas shall be upwind of the well at all times. The briefing area located most normally upwind shall be designated as the "Primary Briefing Area". Personnel will assemble at the most upwind station under alarm conditions, or when so ordered by Cimarron Operating Co. foreman or the Oilind Safety advisor

Windssocks shall be installed at prominent locations and shall be visible from all principal working areas at all times so that wind direction can be easily determined.

3. Warning signs will be posted on the access road to the location. "No Smoking" signs will be posted as well. The condition sign shall be placed a minimum of 200 feet but no more than 500 feet from the well site. When H<sub>2</sub>S is detected in excess of 10 PPM at any detection point, a red flag shall be displayed.
4. Swabbing or drillstem testing fluids containing H<sub>2</sub>S will flow through a separator to permit flaring of gas. There will be a pilot light for any possible flared gas.
5. One multi-channel automatic H<sub>2</sub>S monitor will be provided by Oilind Safety and the detector heads will be at the shale shaker, bell nipple, rig floor, and other hazardous areas. The H<sub>2</sub>S continuous monitor system shall automatically activate visible and audible alarms when the ambient air concentration H<sub>2</sub>S reaches the threshold limits of 10 and 20 PPM in air, respectively. Should the alarm be shut off to silence the siren, the blinker light must continue to warn of H<sub>2</sub>S presence. The safety representative will continuously monitor the detectors and will reactivate the alarms if H<sub>2</sub>S concentrations increase to a dangerous level.

6. An escape road should be provided which is to be used only in an emergency.
7. Explosion proof electric fans (bug blowers) will be positioned to insure adequate circulation at all critical locations if necessary.
8. If available, commercial telephone service will be provided.
9. Road barricades will be used if necessary to block access to the location at all entrances at a safe distance from the well site. Under critical drilling and testing operations, gate guards will be used.

## **B. General**

1. Cimarron Operating Co. drilling foreman residing at the well site will have complete charge of the rig operation and will take whatever action is deemed necessary to insure personnel safety, to protect the well, and to prevent property damage.
2. An Oilind Safety advisor should be on location at all times when drilling at the depth H<sub>2</sub>S may be expected.



## **H2S EMERGENCY PROCEDURES**

### ***OCCURRENCE***

Light and siren are activated by H2S release.

### ***PRIMARY PROCEDURE***

All rig crew personnel and all auxiliary personnel are to immediately go to the nearest respiratory equipment and **MASK UP.**

Rig crew should preferentially mask-up with work packs if feasible. ALL auxiliary personnel are to immediately proceed to upwind briefing area. When H2S is detected in excess of 10 PPM at any detection point, all non-essential personnel shall be moved to a safe area. All essential personnel necessary to maintain control of the well shall immediately mask-up with breathing apparatus.

### ***SECONDARY PROCEDURE***

#### **A. SUPERVISORY PERSONNEL**

##### **1. *Cimarron Operating Co. FOREMAN:***

- a. Proceed to cascade trailer and check for safe operation of cascade system.
- b. Proceed to upwind briefing area and consult with wardens to insure all personnel area safe and accounted for.
- c. Proceed to drilling floor to supervise operations.

\*Note: If auxiliary personnel are not accounted for, institute an appropriate search utilizing one of the wardens and a volunteer.

##### **2. *TOOLPUSHER:***

- a. Check to see if Cimarron Operating Co. foreman is checking cascade . If Cimarron Operating Co. is NOT checking trailer then check it yourself to ensure safe operations.
- b. Proceed to drilling floor to supervise rig crew and aid driller. Insure all crew members are accounted for and institute a "buddy system" if necessary.

#### **B. RIG PERSONNEL**

##### **1. Driller**

###### **A. If drilling:**

1. Proceed to console and raise Kelly to slip-set position.

2. Shut down mud pumps.
  3. Monitor well flow-remain at console.
  4. Use hand signals to determine if all personnel are at stations ( including company man and toolpusher). Initiate search using "buddy system" if well is not flowing.
- B. If tripping:
1. Put pipe in the slip-set position.
  2. Stab the safety valve. Close the Valve.
  3. Monitor well flow-remain at console.
  4. Watch derrickman descend from derrick and determine whereabouts of all hands, including company man and toolpusher. Innate search using "buddy system" if well is not flowing.
- C. If well is flowing:
1. Shut will in HARD.
  2. Determine whereabouts of all hands and company man and toolpusher. Initiate search using "buddy system" if necessary.
  3. Obtain necessary pressures for well control.
  4. Proceed to upwind briefing area to plan well control operations with supervisors and crew.
2. Derrickman:
    - a. Go to pit-side window on the floor whether drilling or tripping (descend derrick).
    - b. Maintain visual contact with driller and monitor flow.
    - c. If mud properties are needed, then proceed to shaker utilizing the "buddy system".
    - d. Monitor hands on pit-side of rig visually.
    - e. Proceed to open manual well-head valve on "buddy system" if so ordered.
  3. MOTORMAN:
    - a. Go to the accumulator house/cascade trailer site and check the cascade trailer for proper operation.
    - b. Maintain visual contact with chain hand at doghouse side of floor.
  4. CHAINHAND:
    - a. Stab the safety valve if tripping.
    - b. Go to the doghouse/piperack door on floor and maintain visual contact with the driller and the motorman.
  5. FLOORMAN:
    - a. Stab the safety valve if tripping.
    - b. Assist the driller and maintain visual contact with the driller, Derrickman, and CHAINHAND as necessary.
- C. AUXILIARY PERSONNEL:
1. Cimarron Operating Co. geologist and the mud engineer are the designated wardens. They are responsible for accounting for ALL auxiliary personnel on location.
  2. All auxiliary personnel are to REMAIN at the upwind briefing area and obey the directions of the wardens.
3. The wardens are to organize, with the company mans' concurrence, such personnel searches, using the "buddy system", as are necessary. The geologist warden should remain at the briefing area. The mud engineer warden and a volunteer should conduct necessary searches.



## **IGNITING THE WELL**

### **A. RESPONSIBILITY**

1. The decision to ignite the well is the responsibility of Cimarron Operating Co. foreman. In his absence or incapacity, the contractor's toolpusher will assume his responsibilities. In their absence or incapacity, the contract driller will be in charge.
2. The decision to ignite the well is a last resort when it is clear that:
  - a. There is a definite threat to human life and property.
  - b. There is no hope of containing the well under prevailing conditions.
  - c. Time and circumstances permitting, an attempt should be made not be delayed.

### **C. INSTRUCTIONS FOR IGNITING THE WELL:**

1. Two people are required for the actual igniting operation. Both men will wear self-contained breathing units and will have 200 foot retrieval ropes tied around their waists. One man is responsible for checking the atmosphere for explosive gases with an explosion meter. The other is assigned special duties within the "Safe Briefing Area". Those in the "Safe Briefing Area", will be alert to the needs of the two men assigned to ignite the well. Should either of these men be overcome by fumes, they will immediately pull him to safety by the retrieval ropes.
2. The primary method for igniting the well is a 25mm meteorotype flare gun. It has a range of approximately 500 feet. If this method fails or well conditions are such that a safer or better method is apparent, then the alternate should be used.
3. If the well is ignited, the burning hydrogen sulfide will be converted to sulfur dioxide which is also poisonous. Therefore, **DO NOT ASSUME THAT THE AREA IS SAFE AFTER THE GAS IS IGNITED. CONTINUE TO OBSERVE EMERGENCY PROCEDURES AND FOLLOW THE INSTRUCTIONS OF SUPERVISORS.**

## **SAFETY EQUIPMENT TO BE PROVIDED**

- 1 Safety trailer with cascade system of 10/300 cu.ft. bottles of compressed breathing air complete with high pressure manifolds
- 6 45 cu.ft. self-contained breathing apparatus (SCOTT).
- 5 Airline breathing apparatus complete with 7 cu.ft. egress cylinders
  
- 2 300 cu.ft. bottles for one briefing area with refill equipment for 30 minute bottles.
- 1 H2S pump type detector (Dragger)
- 2 Windsocks
- 1 Flare gun with cartridges
- 1 Stretcher
- 1 First Aid kit
- H2S warning signs with warning flags
- 1 4'x4' condition warning sign with warning flags
- 1 Three channel continuous H2S monitor c/w sensing heads and cables.
- 1 Siren Explosion proof
- 1 Warning light-Explosion proof
- 1 Resuscitator

**MAXIMUM NUMBER OF PEOPLE 11 AT ANY ONE TIME**



## **EMERGENCY PHONE NUMBERS**

**CIMARRON OPERATING COMPANY  
MORONI, UT.**

### **COMPANY PERSONNEL TO BE NOTIFIED**

<b>KEN WOOLEY</b>	<b>PRESIDENT</b>	<b>(801)272-3035-home (801) 562-5556-office</b>
<b>GREG ETHRIDGE</b>	<b>OPS. CONSULTANT</b>	<b>(303) 758-2264-home (435) 340-1226-site (435) 979-9850-cell</b>

### **OILIND SAFETY PERSONNEL**

<b>FRED FRANDSON</b>	<b>AREA MNGR.</b>	<b>(307)347-4293-24 HR</b>
<b>SCOTT POULOS</b>	<b>AREA MNGR.</b>	<b>(303)399-3319 -24 HR</b>

# EMERGENCY PHONE NUMBERS

## SANPETE COUNTY, UTAH

### Local Authorities

Sheriff	911
Police	(435)-462-2724
Fire	911
Hospital	(435)-462-2441
Ambulance	911

## GOVERNMENT AGENCIES TO BE NOTIFIED IN CASE OF EMERGENCY

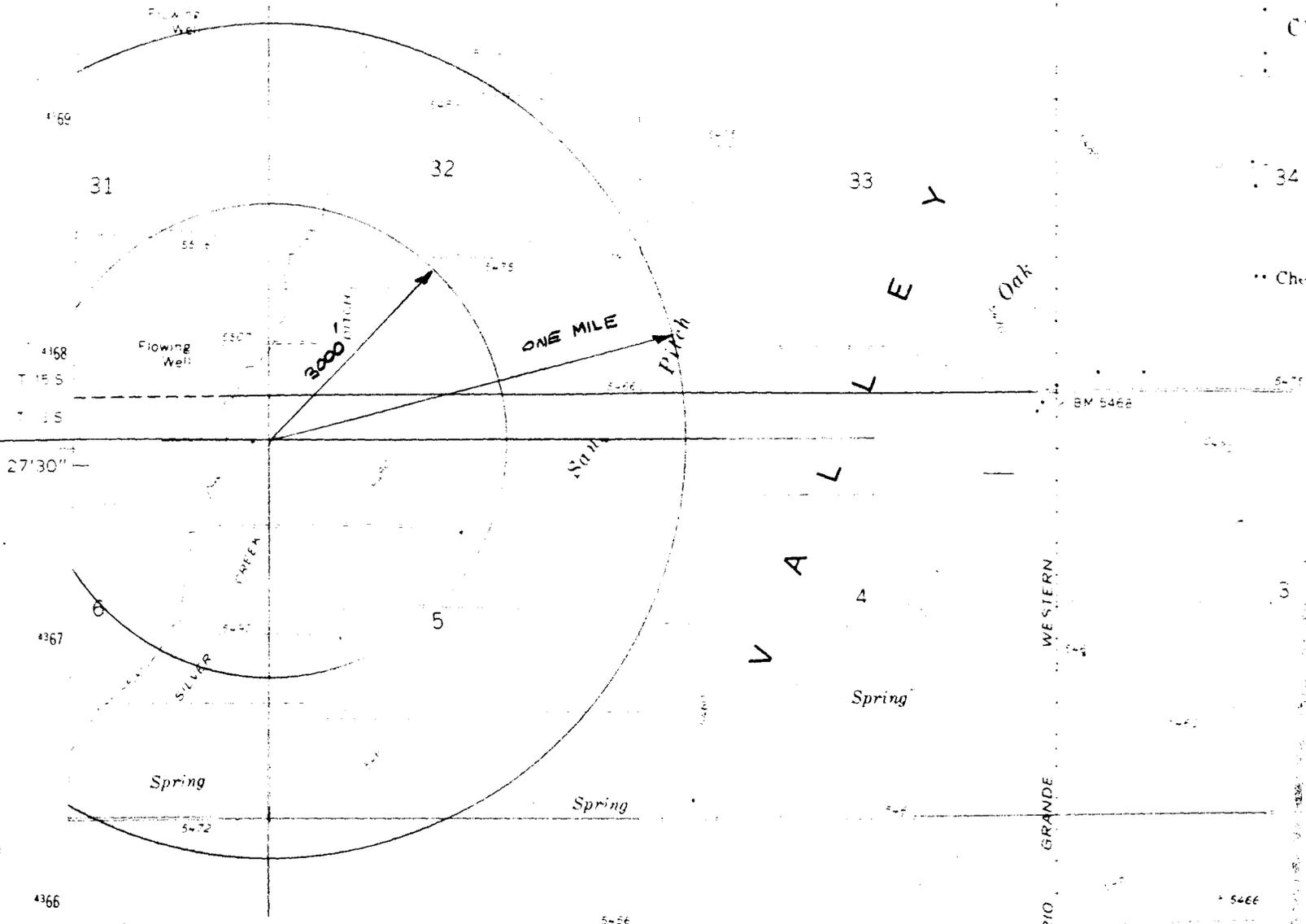
Bureau of Land Management	(801)-539-4001
National Response Center	(800)-424-8802
EPA Region VIII	(303)-837-3880

## AREA RESIDENTS

**There are no residents within the 3000' radius**

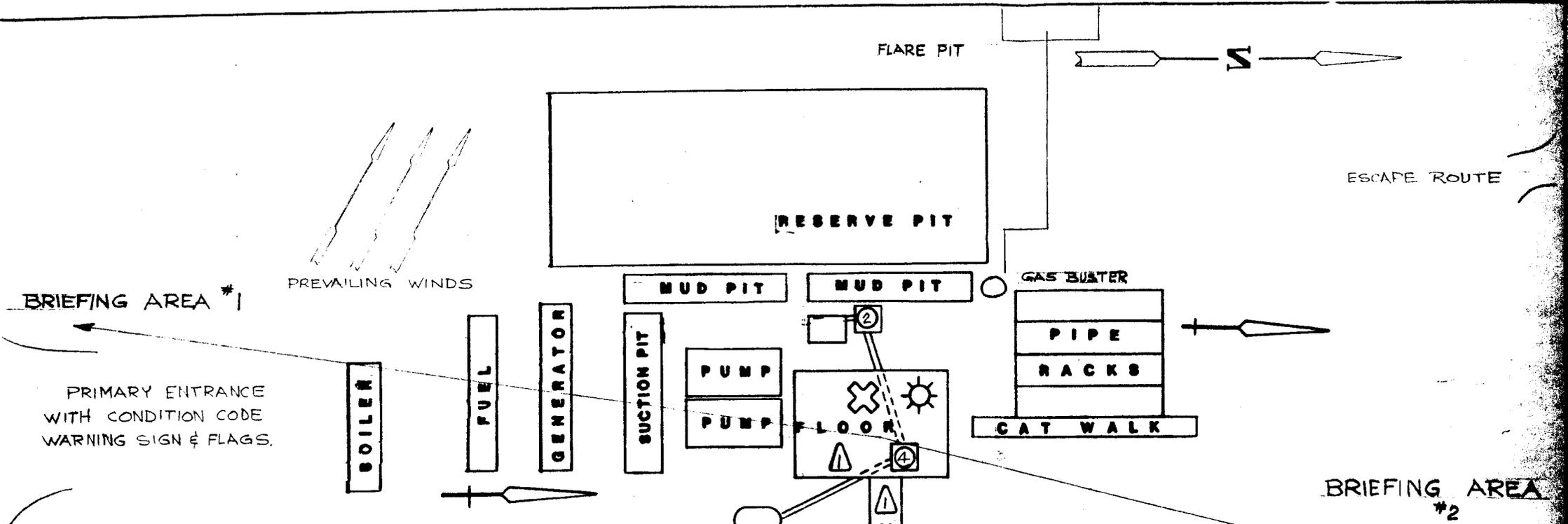
WALLES P.O. 17 MI

BM 5483

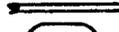


CIMARRON OPERATING CO.  
 DYE #1 SEC. 5 T16S R3E  
 SAN PETE CO, UTAH

DENVER  
 Flowing Wells  
 5466



**LEGEND**

-  80 MIN. BACK PACKS
-  AIRLINE BREATHING APPARATUS W/ MANIFOLD
-  WIND SOCK
-  LOW PRESSURE MANIFOLD
-  1/2" LOW PRESSURE HOSE W/ HOOK TO CASCADE
-  SAFETY TRAILER W/ CASCADE AIR SYSTEM
-  ALARM SIREN
-  ALARM FLASHING LIGHT
-  AIR MOVERS
-  RESUSCITATOR
-  ALTERNATE OR ADDITIONAL CASCADE AIR SUPPLY

**NOTE**

CONTINUOUS H<sub>2</sub>S MONITORING HEADS LOCATED AT:  
 A. RETURN AIRLINE WHILE AIR DRILLING  
 B. SHAKER WHILE MUD DRILLING  
 C. FLOOR  
 D. SUBSTRUCTURE, BELL NIPPLE READOUT INSTRUMENT IN DOG HOUSE

CIMARRON OPERATING Co.	
NAME: DYE	<b>Site Plan of Safety Equipment</b>
LOC: SEC. 5 T16S R3E	
STATE: UTAH CO. GARFETE	
<b>OILIND SAFETY</b>	

**CONFIDENTIAL**

SPUDDING INFORMATION

Name of Company: CIMARRON ENRGY CORP.

Well Name: DYE # 1

Api No. 43-039-30022 Lease Type: Fee

Section 5 Township 16S Range 3E County San Pete

Drilling Contractor Norton Drilling

Rig # 6

SPUDDED:

Date 8/5/98

Time 2:00 pm

How Rotary

Drilling will commence

Reported by Greg Ethridge

Telephone # 1-435-340-1226

Date: 8/5/98 Signed: MKH

✓

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING  
DRILLING INSPECTION FORM

OPERATOR: CIMARRON ENERGY COMPANY REP: GREG ETHRIDGE

WELL NAME: DYE # 1 API NO: 43-039-30022

QTR/QTR: NW/NW SECTION: 5 TWP: 16S RANGE: 3E

CONTRACTOR: NORTON RIG NUMBER: 6

INSPECTOR: M. HEBERTSON TIME: 1:00 PM DATE: 8/9/98

TYPE OF WELL: OIL: X GAS:        WIW:       

SPUD DATE: DRY:        ROTARY: 8/5/98 PROJECTED T.D.: 8500'

OPERATIONS AT TIME OF VISIT: Preparing to run surface casing.

WELL SIGN: N MUD WEIGHT:        LBS/GAL BOPE:       

BLOOIE LINE: N/A FLARE PIT: Y H2S POTENTIAL: Y

ENVIRONMENTAL:

RESERVE PIT: Y FENCED:        LINED: Y PLASTIC: Y

RUBBER:        BENTONITE:        SANITATION:       

WATER ENCOUNTERED DURING DRILLING:       

DEPTH:       

BOPE TEST RECORDED IN THE RIG DAILY TOUR BOOK: N/A

REMARKS: There were H2S problems that have not been addressed in the APD that were reviewed with the company man. Secondary escape route, wind sock, and the air pack training. On arrival There had been an equipment malfunction and the surface hole was not @ TD. Remained on location.

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING  
CEMENTING OPERATIONS

OPERATOR: CIMARRON ENERGY API NO: 43-039-30022

WELL NAME: DYE # 1 LEASE: FEE

QTR/QTR: NW/NW SECTION: 5 TOWNSHIP: 16S RANGE: 3E

PLUGGING COMPANY NAME: HALIBURTON

COMPANY REPRESENTATIVE: GREG ETHRIDGE

DOGMI INSPECTOR: M. HEBERTSON DATE: 8/9/98

---

TYPE OF WELL: OIL:  GAS:  WIW:

**CASING INFORMATION:**

SURFACE CASING:  OTHER:

SIZE: 9 5/8" GRADE: 36# J55 HOLE SIZE: 12 1/4 DEPTH: 1892'

PIPE CENTRALIZED: YES:  NO:  CEMENTING CO. HALIBURTON

CEMENTING STAGES: 1 STAGE TOOL @:

---

**SLURRY INFORMATION:**

1. LEAD 470 sx

2. SLURRY: Class "G" 2% CACL 1/4 lb/sx flow gel 8% halco light  
1.87 cf/sx 12.7 #'s/gal.

3. TAIL: 270 SX CLASS "G".

4. SLURRY:

5. SLURRY:

---

6. CEMENT TO SURFACE: YES:  NO:  LOST RETURNS: YES:  NO:

7. 1" INFORMATION: CLASS:  ADDITIVES:

8. CEMENT WEIGHT: 15.5 CEMENT TO SURFACE: N LENGTH OF 1": 40 FT.

ADDITIONAL COMMENTS: Cement fell 40' in 2 hours. 50 sx would fill  
to surface. Piped to surface. Shut down. Left location.



STATE OF UTAH  
DIVISION OF OIL AND GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER: _____		5. Lease Designation and Serial Number: FEE
2. Name of Operator: CIMARRON OPERATING COMPANY, L. C.		6. If Indian, Aliottee or Tribe Name: _____
3. Address and Telephone Number: (801) 562-5556 488 E. Winchester Street, Suite 150, Salt Lake City, Utah 84107		7. Unit Agreement Name: _____
4. Location of Well Footages: 601' fnl 666' fwl Co., Sec., T., R., M.: NW/4 NW/4 Section 5 - T16S - R3E SLC		8. Well Name and Number: Dye # 1
		9. API Well Number: 43-039-30022
		10. Field and Pool, or Wildcat: Wildcat
		County: Sanpete
		State: Utah

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

NOTICE OF INTENT (Submit in Duplicate)	SUBSEQUENT REPORT (Submit Original Form Only)
<input type="checkbox"/> Abandon <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input type="checkbox"/> Multiple Completion <input type="checkbox"/> Other _____	<input type="checkbox"/> Abandon * <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input checked="" type="checkbox"/> Other <u>Weekly activity report (drilling)</u>
<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Recomplete <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off
Approximate date work will start _____	Date of work completion <u>In progress</u>
Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form. * Must be accompanied by a cement verification report.	

**CONFIDENTIAL**

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

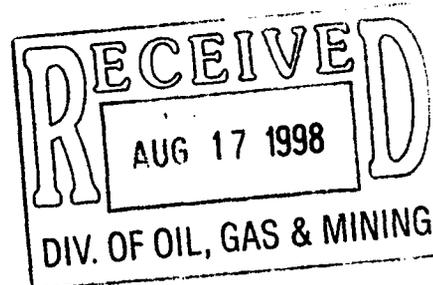
As requested, the following is a summary of wellsite activity (drilling) for the week ending 8/11/98:

- 8/5/98 Spud w/ 12 1/4" bit @ 3:30 PM 8/5/98 & drilled thru 356'.
- 8/6/98 Continue drilling 12 1/4" hole thru 1,056'.
- 8/7/98 Trip for bit #2 & continue drilling 12 1/4" hole thru 1573'.
- 8/8/98 Continue drilling 12 1/4" hole thru 1871'.
- 8/9/98 Drilled to 1885', dropped blocks 15' & bent kelly; hook & swivel twisted. Made repairs & drilled to 1,895'.
- 8/10/98 Ran 9 5/8" casing, set @ 1852' KB. Cemented w/ 470 sx Halco-Lite & 290 sx Class "G", waited 2 hrs. & perform 35 sk 1" job to surface. Weld on casinghead.
- 8/11/98 Nipple up BOP's & begin testing BOP stack.

PLEASE HOLD ALL INFORMATION CONFIDENTIAL

13. Name & Signature: Greg W. Ethridge *Greg W. Ethridge* Title: Operations Consultant Date: 8/14/98

(This space for State use only)



STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. Lease Designation and Serial Number: <b>FEE</b>
<small>Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.</small>		6. If Indian, Allottee or Tribe Name:
		7. Unit Agreement Name:
1. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER:		8. Well Name and Number: Dye #1
2. Name of Operator: CIMARRON OPERATING COMPANY, L.C.		9. API Well Number: 43-039-30022
3. Address and Telephone Number: (801) 562-5556 488 E. Winchester Street, Suite 150, Salt Lake City, Utah 84107		10. Field and Pool, or Wildcat: Wildcat
4. Location of Well Footages: 601' fn1 666' fw1 County: Sanpete QQ, Sec., T., R., M.: NW/4 NW/4 Section 5 - T16S - R3E SLC State: Utah		

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

NOTICE OF INTENT <small>(Submit in Duplicate)</small>	SUBSEQUENT REPORT <small>(Submit Original Form Only)</small>
<input type="checkbox"/> Abandon <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input type="checkbox"/> Multiple Completion <input type="checkbox"/> Other _____	<input type="checkbox"/> Abandon * <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input checked="" type="checkbox"/> Other <u>BOP test data</u>
<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Recomplete <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off
Approximate date work will start _____	Date of work completion <u>8/12/98</u>
<small>Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form. * Must be accompanied by a cement verification report.</small>	

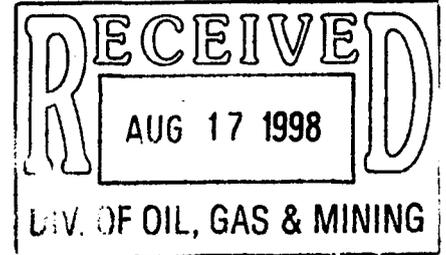
~~CONFIDENTIAL~~

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

As requested, attached please find copies of the pressure test charts, and list of items tested. Most items were tested at two pressures: a low test pressure of 250 psi & a high pressure of 5,000 psi. The annular BOP high test pressure was 2,500 psi. Casinghead (11", 5,000 psi X 9 5/8" SOW) welds were tested to 1,500 psi, and 9 5/8" casing was tested to 1,000 psi to depth of float collar at 1846' KB. BOP testing started on 8/11/98 and was completed on 8/12/98. The pipe ram rubbers had to be replaced (4 1/2" drill pipe), and the HCR valve had to be replaced before high pressure competency requirements could be satisfied.

13. Name & Signature: Greg W. Ethridge *Greg W. Ethridge* Title: Operations Consultant Date: 8/13/98

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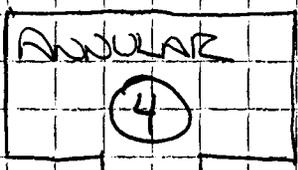


DYE # 1

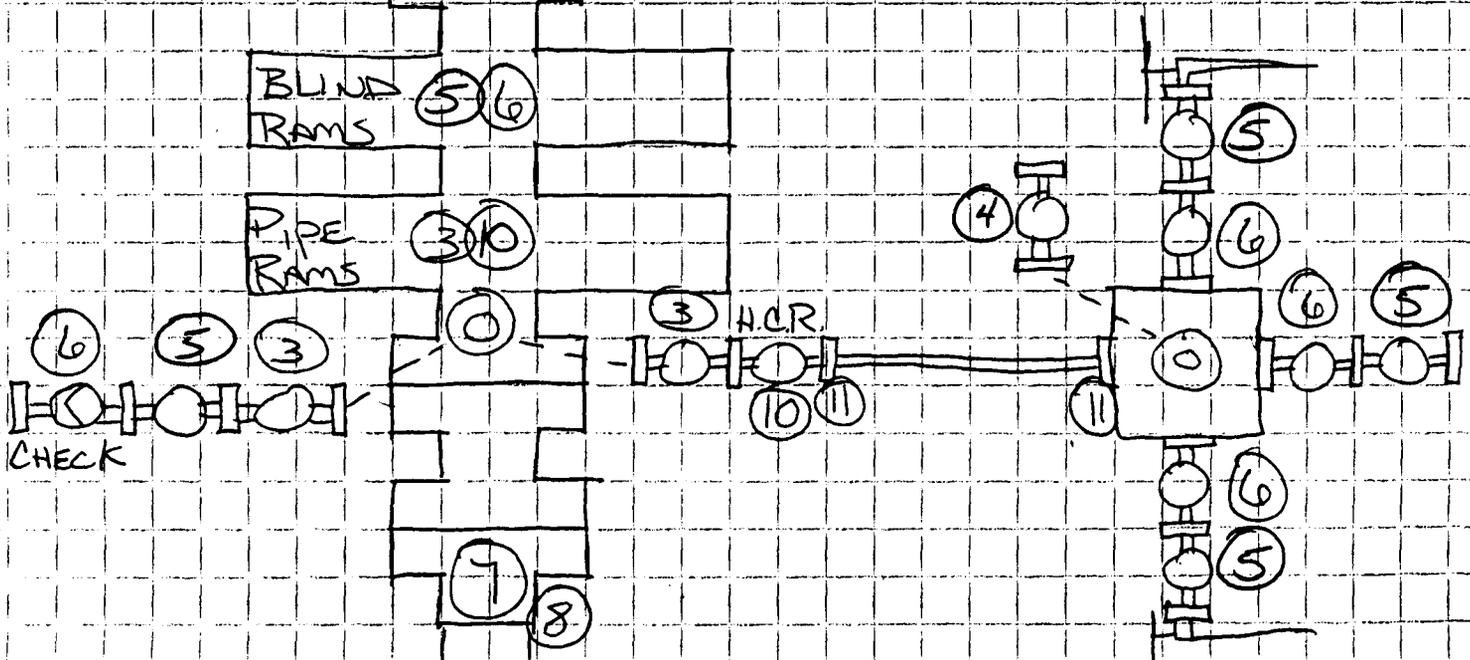
8-11-98

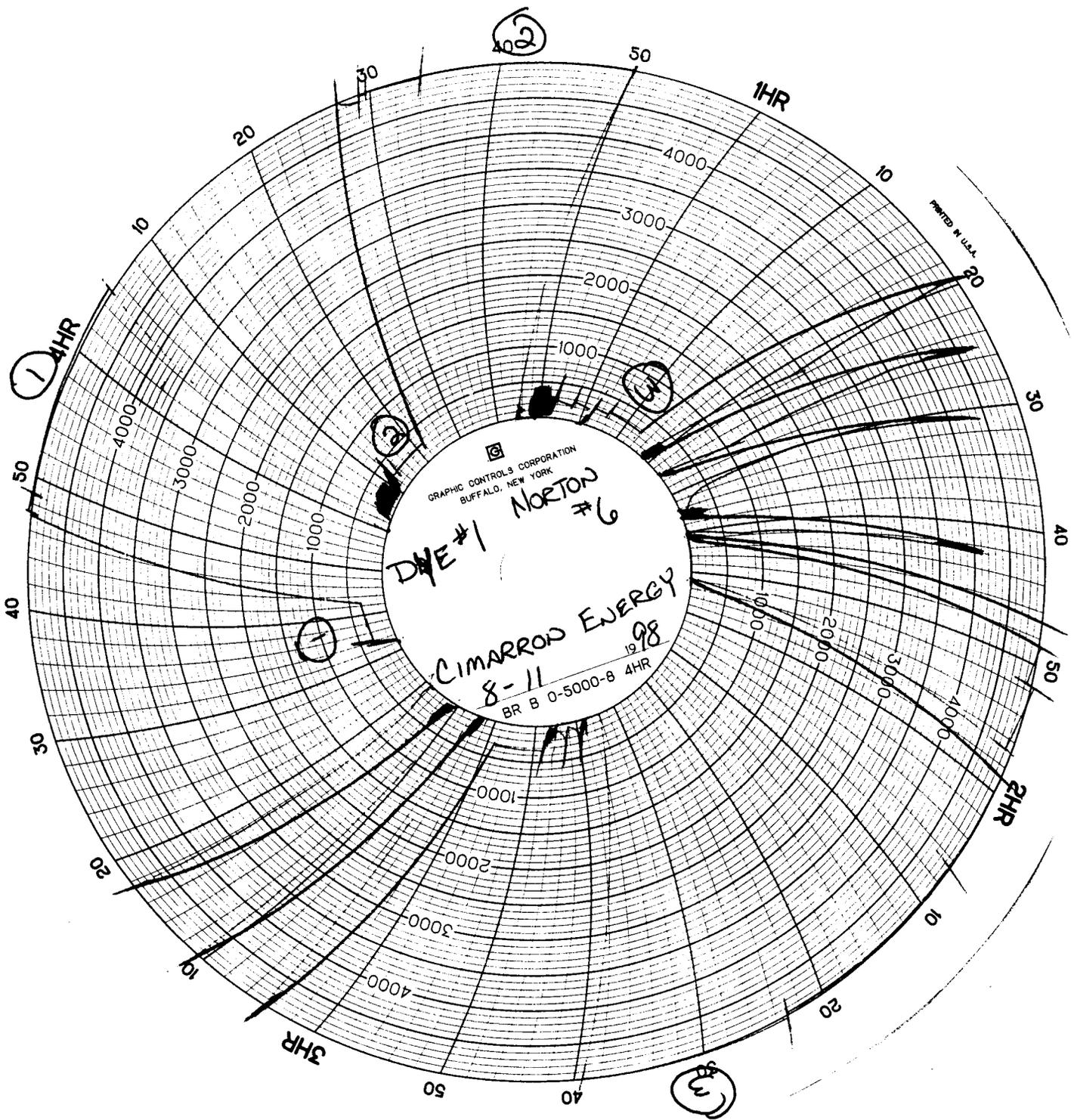
SNOPEETE, UT  
55 TIGS R 3E

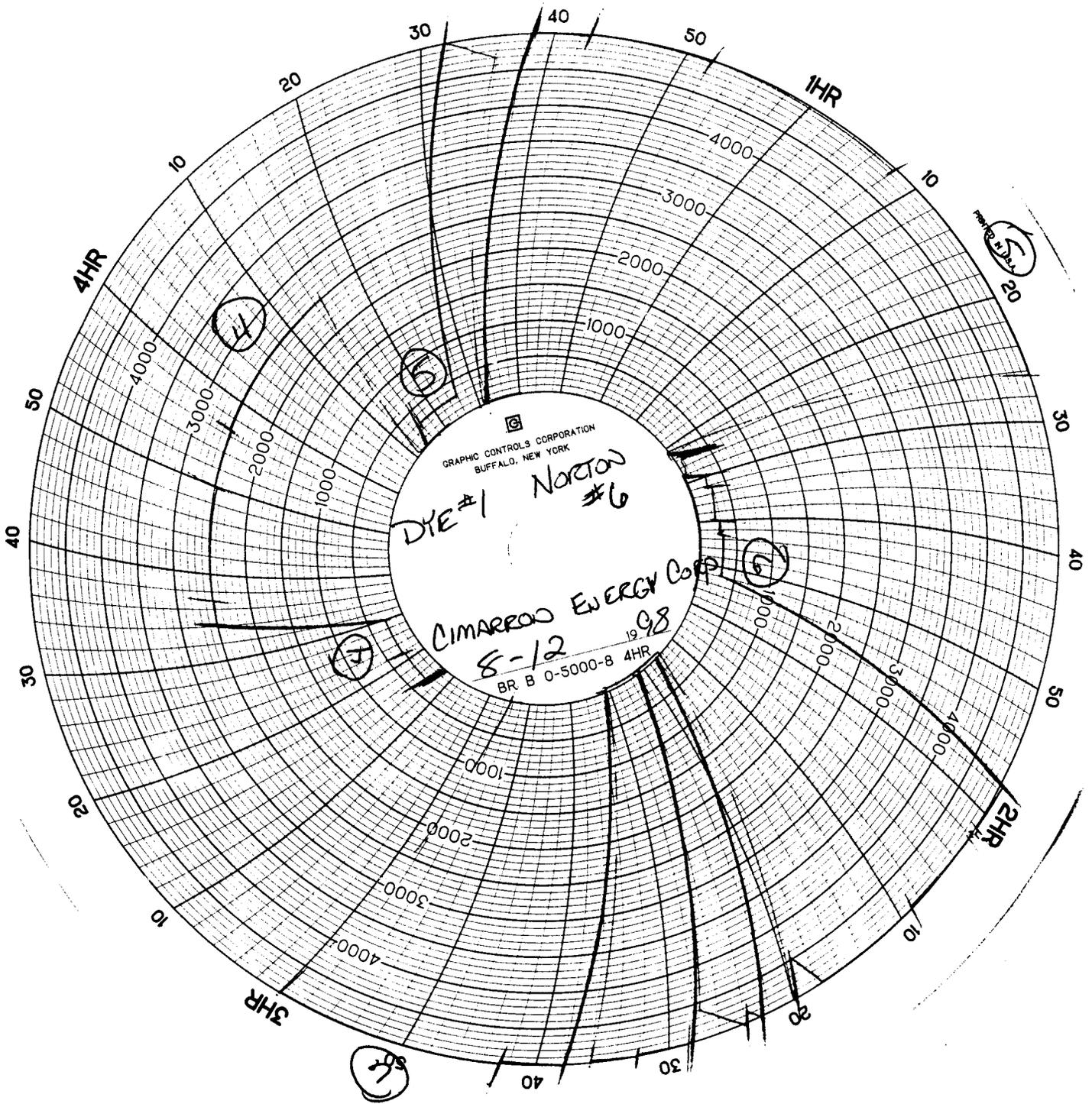
- 1) LOWER KELLY VLV  
250 PSI @ 5min 5000 PSI @ 10min
- 2) UPPER KELLY VLV  
250 PSI @ 5min 5000 PSI @ 10min
- 3) PIPE RAMS + DART VLV + I.S. KICK + I.S. CHOKE VLV  
250 PSI @ 5min 5000 PSI @ 10min
- 4) ANNULAR + UPRIGHT MANIFOLD VLV  
250 PSI @ 5min 2500 PSI @ 10min
- 5) BLIND RAMS + MID KILL VLV + O.S. CHOKE MANIFOLD VLVs  
250 PSI @ 5min 5000 PSI @ 10min
- 6) BLIND RAMS + KILL CHECK + I.S. CHOKE MANIFOLD VLVs  
250 PSI @ 5min 5000 PSI @ 10min
- 7) 9 7/8" CSNB  
1000 PSI @ 10min
- 8) WELL HEAD TO CSNB VOID  
1500 PSI @ 10min
- 9) FLOOR VLV  
250 PSI @ 5min 5000 PSI @ 10min

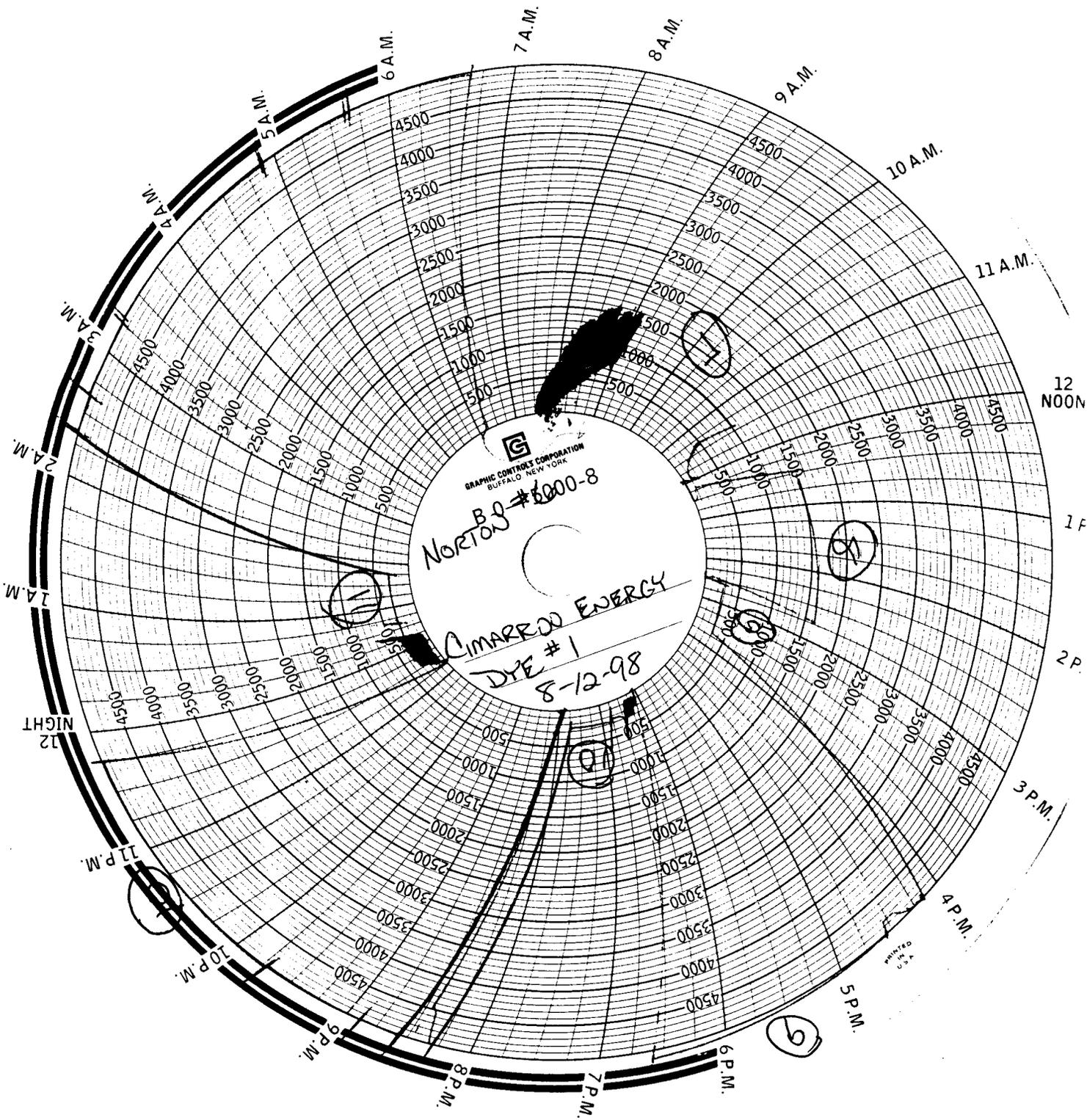


- 10) PIPE RAMS + H.C.R.  
250 PSI @ 5min 5000 PSI @ 10min
- 11) PIPE RAMS - CHOKE LINE FLANGES  
250 PSI @ 5min









GRAPHIC CONTROLS CORPORATION  
BUFFALO NEW YORK

NORTON #1000-8

AMARRO ENERGY  
DYE #1  
8-12-98

PRINTED  
IN  
U.S.A.



STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

**SUNDRY NOTICES AND REPORTS ON WELLS**

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1. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER: _____		5. Lease Designation and Serial Number: FEE
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		9. API Well Number: 43-039-30022
		10. Field and Pool, or Wildcat: Wildcat

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

**NOTICE OF INTENT**  
(Submit in Duplicate)

- |  |   |
|--|---|
| <input type="checkbox"/> Abandon                   | <input type="checkbox"/> New Construction     |
| <input type="checkbox"/> Repair Casing             | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans           | <input type="checkbox"/> Recomplete           |
| <input type="checkbox"/> Convert to Injection      | <input type="checkbox"/> Reperforate          |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare        |
| <input type="checkbox"/> Multiple Completion       | <input type="checkbox"/> Water Shut-Off       |
| <input type="checkbox"/> Other _____               |   |

**SUBSEQUENT REPORT**  
(Submit Original Form Only)

- |  |   |
|--|---|
| <input type="checkbox"/> Abandon *   | <input type="checkbox"/> New Construction     |
| <input type="checkbox"/> Repair Casing   | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans   | <input type="checkbox"/> Reperforate          |
| <input type="checkbox"/> Convert to Injection                                      | <input type="checkbox"/> Vent or Flare        |
| <input type="checkbox"/> Fracture Treat or Acidize                                 | <input type="checkbox"/> Water Shut-Off       |
| <input checked="" type="checkbox"/> Other <u>Weekly progress report (drilling)</u> |   |

Approximate date work will start

**CONFIDENTIAL**

Date of work completion In progress

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

\* Must be accompanied by a cement verification report.

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

As requested, the following is a summary of wellsite activity (drilling) for the week ending 8/18/98:

- 8/12/98 Finish testing BOP's. Trip in w/ 8 3/4" bit, drill cement & shoe, & continue drilling new hole thru 1972'.
- 8/13/98 Drill to 1983'; run formation/shoe integrity test to 450 psi (13.0 ppg mud @ shoe -- 1892' equivalent), drill to 2275' & trip out w/ bit #3.
- 8/14/98 Trip in w/ bit #4 & stabilizers; ream 1895' to 2275'; & drill new 8 3/4" hole to 2403'.
- 8/15/98 Drilling 8 3/4" hole thru 2,744'.
- 8/16/98 Drilling 8 3/4" hole thru 3,076'.
- 8/17/98 Drilling 8 3/4" hole thru 3,212'.
- 8/18/98 Drill to 3,426'. Drop survey & commence tripping out w/ bit #4.

PLEASE HOLD ALL INFORMATION CONFIDENTIAL

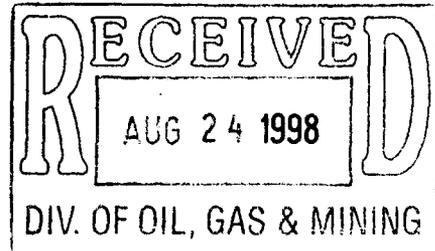
13.

Name & Signature: Greg W. Ethridge *Greg W. Ethridge* Title: Operations Consultant Date: 8/19/98

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**CONFIDENTIAL**

(See Instructions on Reverse Side)



SUNDRY NOTICES AND REPORTS ON WELLS

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

1. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER:		5. Lease Designation and Serial Number: FEE
2. Name of Operator: CIMARRON OPERATING COMPANY, L.C.		6. If Indian, Altiottee or Tribe Name:
3. Address and Telephone Number: 488 E. Winchester Street, Suite 150, Salt Lake City, Utah 84107		7. Unit Agreement Name:
4. Location of Well Footages: 601' fnl 666' fw1 OO, Sec., T., R., M.: NW/4 NW/4 Section 5 - T16S - R3E SLC		8. Well Name and Number: Dye #1
		9. API Well Number: 43-039-30022
		10. Field and Pool, or Wildcat: Wildcat
		County: Sanpete
		State: Utah

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

CONFIDENTIAL

NOTICE OF INTENT (Submit in Duplicate)

- Abandon
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Multiple Completion
- Other \_\_\_\_\_
- New Construction
- Pull or Alter Casing
- Recomplete
- Reperforate
- Vent or Flare
- Water Shut-Off

Approximate date work will start \_\_\_\_\_

SUBSEQUENT REPORT (Submit Original Form Only)

- Abandon
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Other Weekly progress report (drilling)
- New Construction
- Pull or Alter Casing
- Reperforate
- Vent or Flare
- Water Shut-Off

Date of work completion In progress

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

\* Must be accompanied by a cement verification report.

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

As requested, the following is a summary of wellsite activity (drilling) for the week ending 8/25/98:

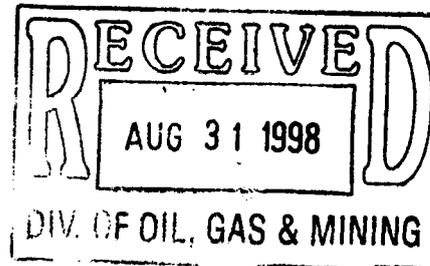
- 8/19/98 Trip in w/ bit #5 & continue drilling 8 3/4" hole thru 3615'.
- 8/20/98 Continue drilling 8 3/4" hole thru 3767'.
- 8/21/98 Continue drilling 8 3/4" hole thru 3848'.
- 8/22/98 Continue drilling 8 3/4" hole thru 3990'.
- 8/23/98 Continue drilling 8 3/4" hole thru 4095'.
- 8/24/98 Continue drilling 8 3/4" hole to 4137'; trip for bit #6 & continue drilling 8 3/4" hole thru 4151'.
- 8/25/98 Continue drilling 8 3/4" hole thru 4230'.

CONFIDENTIAL

PLEASE HOLD ALL INFORMATION CONFIDENTIAL

13. Name & Signature: Greg W. Ethridge *Greg W. Ethridge* Title: Operations Consultant Date: 8/26/98

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**SUNDRY NOTICES AND REPORTS ON WELLS**

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

1. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER:		5. Lease Designation and Serial Number: FEE
2. Name of Operator: CIMARRON OPERATING COMPANY, L.C.		8. Well Name and Number: Dye #1
3. Address and Telephone Number: 488 E. Winchester Street, Suite 150, Salt Lake City, Utah 84107		7. Unit Agreement Name:
4. Location of Well Footages: 601' fnl 666' fw1 CO, Sec., T., R., M.: NW/4 NW/4 Section 5 - T16S - R3E SLC		9. API Well Number: 43-039-30022
		10. Field and Pool, or Wildcat: Wildcat
		County: Sanpete State: Utah

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

NOTICE OF INTENT (Submit in Duplicate)	SUBSEQUENT REPORT (Submit Original Form Only)
<input type="checkbox"/> Abandon <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input type="checkbox"/> Multiple Completion <input type="checkbox"/> Other _____	<input type="checkbox"/> Abandon <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input checked="" type="checkbox"/> Other <u>Weekly progress report (drilling)</u>
<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Recomplete <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off
Approximate date work will start <b>CONFIDENTIAL</b>	Date of work completion <u>In progress</u> Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form. * Must be accompanied by a cement verification report.

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

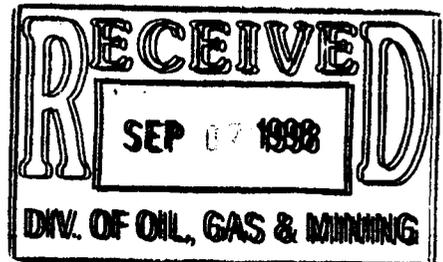
As requested, the following is a summary of wellsite activity (drilling) for the week ending 9/1/98:

- 8/26/98 Continue drilling thru 4,322'.
- 8/27/98 Continue drilling thru 4,439'.
- 8/28/98 Continue drilling thru 4,543'.
- 8/29/98 Continue drilling to 4,632', drop survey, & trip out w/ bit #6.
- 8/30/98 Trip in w/ bit #7, & continue drilling 8 3/4" hole thru 4,731'.
- 8/31/98 Continue drilling thru 4,830'.
- 9/1/98 Continue drilling thru 4,928'.

PLEASE HOLD ALL INFORMATION CONFIDENTIAL

13. Name & Signature: Greg W. Ethridge *Greg W. Ethridge* Title: Operations Consultant Date: 9/3/98

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STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER:		5. Lease Designation and Serial Number: FEE
2. Name of Operator: CIMARRON ENERGY CORPORATION		6. If Indian, Allottee or Tribe Name:
3. Address and Telephone Number: (801) 562-5556 488 E. Winchester Street, Suite 150, Salt Lake City, Utah 84107		7. Unit Agreement Name:
4. Location of Well Footages: 1454' fw1 1571' fn1 QQ, Sec., T., R., M.: SE/4 NW/4 Section 14 - T15S - R3E SLC		8. Well Name and Number: Cimarron Energy #1AXZH
		9. API Well Number: 43-039-30007
		10. Field and Pool, or Wildcat: Wildcat
		County: Sanpete
		State: Utah

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

NOTICE OF INTENT (Submit in Duplicate)	SUBSEQUENT REPORT (Submit Original Form Only)
<input type="checkbox"/> Abandon <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input type="checkbox"/> Multiple Completion <input type="checkbox"/> Other _____	<input type="checkbox"/> Abandon * <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input checked="" type="checkbox"/> Other <u>Weekly progress report (completion)</u>
<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Recomplete <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off
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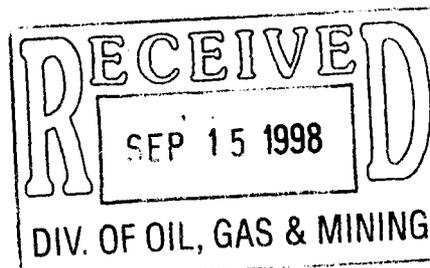
As requested, the following is a summary of wellsite activity (completion) for the week ending 9/5/98:

8/30/98 - 9/5/98 Shut-in for pressure build-up. Shut-in tubing & annulus pressures being read & recorded at regular intervals.

PLEASE HOLD ALL INFORMATION CONFIDENTIAL

13. Name & Signature: Greg W. Ethridge *Greg W. Ethridge* Title: Operations Consultant Date: 9/8/98

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STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. Lease Designation and Serial Number: <b>FEE</b>
Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.		6. If Indian, Allottee or Tribe Name:
1. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER:		7. Unit Agreement Name:
2. Name of Operator: <b>CIMARRON OPERATING COMPANY, L.C.</b>		8. Well Name and Number: <b>Dye #1</b>
3. Address and Telephone Number: <b>(801) 562-5556</b> <b>488 E. Winchester Street, Suite 150, Salt Lake City, Utah 84107</b>		9. API Well Number: <b>43-039-30022</b>
4. Location of Well Footages: <b>601' fn1 666' fw1</b> OO, Sec., T., R., M.: <b>NW/4 NW/4 Section 5 - T16S - R3E SLC</b>		10. Field and Pool, or Wildcat: <b>Wildcat</b> County: <b>Sanpete</b> State: <b>Utah</b>

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

NOTICE OF INTENT <small>(Submit in Duplicate)</small>	SUBSEQUENT REPORT <small>(Submit Original Form Only)</small>
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<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Recomplete <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off
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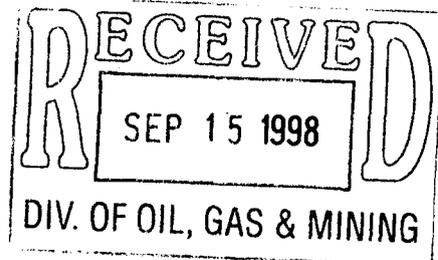
As requested, the following is a summary of wellsite activity (drilling) for the week ending 9/8/98:

- 9/2/98 Continue drilling 8 3/4" hole thru 5,090'. Last survey @ 4994' is 11° & serious problem. Decide to steer deviation back using MWD & bent motor.
- 9/3/98 Continue drilling to 5173' & begin tripping out w/ bit #7 -- became stuck w/ bit @ 4717'.
- 9/4/98 Work stuck pipe. Run free-point survey & back-off in drill collars @ 4605'. Trip in w/ fishing tools & trip out due to tight interval @ 2,525'.
- 9/5/98 Trip in w/ bit & string mill; wash & ream to top of fish @ 4,605' & trip out. Trip in w/ fishing tools, screw into fish, jar fish loose & trip out w/ same.
- 9/6/98 Trip in w/ reaming assembly, & ream open hole from 4605' to bottom @ 5173' & trip out.

(continued next page)

13. Name & Signature: Greg W. Ethridge *Greg W. Ethridge* Title: Operations Consultant Date: 9/10/98

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Weekly progress report -- week ending 9/8/98

- 9/7/98 Trip in w/ directional drilling tools thru bottom of surface casing & shut down w/ bad torque converters on both draw works motors.
- 9/8/98 Install torque converter on #1 motor. Continue tripping in w/ directional tools; conduct survey w/ MWD equipment every 93'. Drill 7 7/8" hole from 5,173' thru 5276'.

PLEASE HOLD ALL INFORMATION CONFIDENTIAL

9/20/98  
9:00 p.m.

Greg Ethridge, Cimarron Energy  
(435) 340-1226 N.G.

979-9850 MOBIL

Dye # 1 well - P & A procedure  
NW NW Sec. 5, T.16 S, R. 3 E, Sumpste Co.

Casing: 9 5/8" surface csg @ 1892'

8 3/4" hole to 5173'

7 7/8" hole to 7016' (current TD)

Formations:

Green River	@ 2296'
Colton	3090'
Flagstaff	3494'
North Horn	3720'
Unconformity (or Tunnuk)	4545'
Dakota	4770'
Summerville	6192'

Salt zone @ 6100' <sup>N 8:00 AM</sup> WOC ~ 6 hours, bump cement w/ 15,000 # (12" cement)  
T/cmt @ 6,014', B/cmt @ 6,138'

Lost circ. zone @ <sup>N 3:10 PM</sup> 5536' - 5548' (Cedar Mtn.)  
WOC 6 hrs.; Tag cmt w/ 15,000 # @ ~ 3:10 PM  
T/cmt @ 5,493', B/cmt @ 5,611'

- Plugs:
- (1) 100' across top of salt 6050' - 6150'  
~~100'~~ (tag plug)
  - (2) 100' across LCZ 5500' - 5600' (tag)
  - (3) 100' @ <sup>T/cmt 3680', B/cmt 3782', ~ 5:00 PM</sup> 3700' - 3800'
  - (4) 100' across casing shoe 1850' - 1950'
  - (5) Surface plug - minimum of 10 SX

CIMARRON OPERATING COMPANY

*Magellan Salt*

9/21/98

PLUGGING PROCEDURE

ZONE POSITION	INTERVAL	#	SX OF CEMENT	No. JTS.
OF SALT <i>Magellan Salt</i> } <sup>+900'</sup>	6,050 - 6,150' T/Cement @ 6,014' B/Cement @ 6,138'	bumped cement w/ 15,000 # WCC 6 WCC	$(95 \text{ FT}^3)(1.3) = 100 \text{ SX}$ $\frac{1.18}{\text{DISP.}} = 82 \text{ BBLs.}$	198 (66 STANDS)
MOUNTAIN POROSITY	5,500' - 5,600' T/Cement 5,493' B/Cement 5,611'	Tag out w/ 15,000 # WCC 6 WCC	$(80 \text{ FT}^3)(1.3) = 90 \text{ SX}$ $\frac{1.18}{\text{DISP.}} = 75 \text{ BBLs.}$	181 (60 STANDS + 1)
LIZER	3,700' - 3,800'		$\frac{90 \text{ FT}^3}{1.18} = 80 \text{ SX}$ $\text{DISP.} = 50 \text{ BBLs.}$	122 (41 STANDS)
OF SURFACE CSG.	1850' - 1950'		$\frac{50 \text{ FT}^3 + 22 \text{ FT}^3}{1.18} = 60 \text{ SX}$ $\text{DISP.} = 24 \text{ BBLs.}$	63 (21 STANDS)
SURFACE			$\frac{10 \text{ ...}}{1.18} = 10 \text{ SX}$	

340

D.P. CAPACITY: 0.01422 BBLs./FT.

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING  
RECORD OF ABANDONMENT OPERATIONS

COMPANY NAME: Cimarron Operating Company

WELL NAME: Dye #1

QTR/QTR: MNW SECTION: 5 TOWNSHIP: 165 RANGE: 3e

COUNTY: Sanpete API NO: 4503930022

INSPECTOR: C. Kierst TIME: 11:30 PM DATE: 9/22/98

SURFACE CASING SHOE DEPTH 1892' CASING PULLED YES  NO

CASING PULLED: SIZE        CUT DEPTH        FT/CSG RECOVERED       

CASING TESTED YES  NO  TESTED TO: ? PSI TIME: ? MIN:

CEMENTING COMPANY: Halliburton

CEMENTING OPERATIONS: P&A WELL:

PLUG 1. SET: FROM 6138 FT. TO 6014 FT. TAGGED YES  NO  *w/ 15,000\* string weight*

SLURRY: 100 sks. <sup>124' plug</sup> Class G neat @ 15.6 \* (1.18 ft<sup>3</sup>/sk and 5.2 gal/sk) *198 jts. total w/ 31' avg. woc 6 hrs.*

PLUG 2. SET FROM 5611 FT. TO 5493 FT. TAGGED YES  NO  *w/ 15,000\* string weight woc 6 hrs.*

SLURRY: 90 sks. <sup>118' plug</sup> Class G neat @ 15.6 \* (1.18 ft<sup>3</sup>/sk and 5.2 gal/sk)

PLUG 3. SET FROM 3782 FT. TO 3680 FT. TAGGED YES  NO  *118' plug woc 6 hrs.*

SLURRY: 80 sks. class G neat @ 15.6 \* (1.18 ft<sup>3</sup>/sk and 5.2 gal/sk)

PLUG 4. SET FROM 1950 FT. TO ? FT. TAGGED YES  NO

SLURRY: 60 sks. class G neat @ 15.6 \* (1.18 ft<sup>3</sup>/sk and 5.2 gal/sk)

SURFACE PLUG: FROM 62 FT. TO ? FT.

ALL ANNULUS CEMENTED TO SURFACE: YES  NO

PLUGGING FLUID TYPE: 10 sks. class G neat @ 15.8 \* (1.15 ft<sup>3</sup>/sk and 5 gal/sk)

PERFORATIONS: FROM ? FT. TO ? FT.  
FROM ? FT. TO ? FT.

# 1 CIBP SET: ?

# 2 CIBP SET: ?

ABANDONMENT MARKER: PLATE:        PIPE:        CORRECT INFORMATION:

COMMENTS: Cimarron Rep. - Greg Etheridge, Halliburton Rep. - Lex Cook

TICKET #	440102	TICKET DATE	7-22-98
BDA / STATE	UTAH	COUNTY	SAN JUAN
PSL DEPARTMENT	501	CUSTOMER REP / PHONE	913-30022
APL / UWI #	43-039-30022	JOB PURPOSE CODE	115 P

REGION	North America	NWA/COUNTRY	MINN
MBU ID / EMP #		EMPLOYEE NAME	Lee Clark
LOCATION	11-113	COMPANY	...
TICKET AMOUNT	13870.90	WELL TYPE	01
WELL LOCATION		DEPARTMENT	
LEASE / WELL #		SEC / TWP / RNG	511135E

HES EMP NAME/EMP#/(EXPOSURE HOURS)	HRS						
Lee Clark	23		23				
	23						

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL)(GAL)	PUMPS		PRESS. (psi)		JOB DESCRIPTION / REMARKS
				T	C	Tbg	Csg	
								9-21-98
	1700							yard safety meeting on location spot equip, rig up safety meeting 9-22-98
	2100							198 JTS TOTAL 31' AVG. 4 7/8 16.6" D.P. @ 6138' #1st plug 100' Plug +/- 100 SKS @ 15.6" 1.18 FT <sup>3</sup> /SK 5.2 gal/SK
	0337	4.2	10			200		Pump Fresh Ahead
	045	4	0			300		Start CMT
	049		21					end CMT
	049	4.7	0			70		Start Fresh behind
	049		2					end Fresh
	050	8.1	0			600		Start mud disp.
	0100	0	80			0		end mud disp. Plug balanced
	0758							POOH 10 std's Kelly up W.O.C. TAG CMT @ 6014' plug IS O.K. 124' plug POOH 14 std's w/ 1 std in derrick
	0827	4	5			200		Pump Fresh Ahead
	0831	4	0			250		Start CMT
	0834		19			111		end CMT
	0834	4	0			80		Start Fresh behind
	0834		1					end Fresh
	0834	8.3	0			500		Start mud disp.
	0845	0	74			0		end mud disp. Plug balanced
	1509							POOH 10 std's Kelly up W.O.C. TAG CMT @ 5493' 118" plug #3 Plug 80 SKS @ 15.6" 1.18 FT <sup>3</sup> /SK 5.2 gal/SK D.P. @ 3782'
	1648	2.1	5			10		pump Fresh Ahead
	1651	4.2	0			75		Start CMT
	1655		17					end CMT
	1655	1.7	0			30		Start Fresh Behind
	1655		1					end Fresh
	1656	8.9	0			350		Start Mud disp.
	1701	0	49			0		end mud plug balanced - POOH 10 std's 21 std's TOTAL IN derrick lay rest of drill pipe down. R.H w/ 21 std's

CONTD ON NEXT PAGE



**JOB LOG** 4239-5

REGION North America	NWA/COUNTRY Rocky MTN	TICKET # 420602	TICKET DATE 9-22-98
MBU ID / EMP # Veu 109 H0103	EMPLOYEE NAME Lex Cook	BDA / STATE UTAH	COUNTY Sanpete
LOCATION 055685 - Vernal	COMPANY CIMARRON Oper.	PSL DEPARTMENT 5001	CUSTOMER REP / PHONE GREG ETHRIDGE
TICKET AMOUNT 13870.90	WELL TYPE 01	API/UWI # 43-039-30022	JOB PURPOSE CODE 115 PTA
WELL LOCATION Chester	DEPARTMENT 5001		
LEASE / WELL # DYE #1	SEC / TWP / RNG 5/16S/3E		

| HES EMP NAME/EMP#/(EXPOSURE HOURS)   HRS |
|--|--|--|--|
| Lex Cook H0103 23                        |  |  |  |
| Sam DAVIS H528923                        |  |  |  |
| W. ANDRESEN H905923                      |  |  |  |

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL)(GAL)	PUMPS		PRESS. (psi)		JOB DESCRIPTION / REMARKS
				T	C	Tbg	Csg	
Cont'd 9-22-98								
								#4 plug 60 SKS @ 15.6" 1.18 FT <sup>3</sup> /SK 5.2 gal/SK D.P. @ 1750'
	1946	2.4	5			15		Pump Fresh Ahead
	1948	4.6	0			145		Start CMT
	1951		125					end CMT
	1951	.8	0			25		Start Fresh behind
	1952		1					end Fresh
	1952	8.4	0			190		Start Mud disp.
	1954	0	23			0		end mud plug balanced POOH 6/STS
								#5 Plug. 10 SKS @ 15.8" 1.15 FT <sup>3</sup> /SK 5 gal/SK D.P. @ 1750'
	2204	1	0			20		Start CMT
	2206		2.1					CMT to surface.
	2206	0				0		Shutdown POOH 1 ST
	2215	1.5	3			30		pump H <sub>2</sub> O to clean out d.p. end H <sub>2</sub> O. POOH end job.

Thanks  
Halliburton

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. Lease Designation and Serial Number: <b>FEE</b>
Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.		6. If Indian, Allottee or Tribe Name:
1. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER:		7. Unit Agreement Name:
2. Name of Operator: <b>CIMARRON OPERATING COMPANY, L.C.</b>		8. Well Name and Number: <b>Dye #1</b>
3. Address and Telephone Number: (801) 562-5556 488 E. Winchester Street, Suite 150, Salt Lake City, Utah 84107		9. API Well Number: 43-039-30022
4. Location of Well Footages: 601' fnl 666' fw1 OO, Sec., T., R., M.: NW/4 NW/4 Section 5 - T16S - R3E SLC		10. Field and Pool, or Wildcat: <b>Wildcat</b>  County: Sanpete State: Utah

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

NOTICE OF INTENT <small>(Submit in Duplicate)</small>	SUBSEQUENT REPORT <small>(Submit Original Form Only)</small>
<input type="checkbox"/> Abandon <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input type="checkbox"/> Multiple Completion <input type="checkbox"/> Other _____	<input type="checkbox"/> Abandon * <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input checked="" type="checkbox"/> Other <u>Weekly progress report (drilling)</u>
<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Recomplete <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off
Approximate date work will start <b>CONFIDENTIAL</b>	Date of work completion <u>In progress</u>  <small>Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form. * Must be accompanied by a cement verification report.</small>

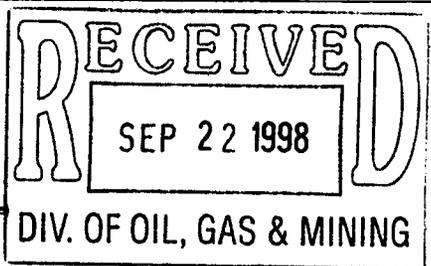
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

As requested, the following is a summary of wellsite activity (drilling) for the week ending 9/15/98:

- 9/9/98 Continued drilling 7 7/8" hole from 5,276' thru 5,621' (lost 100 bbls. mud in sand interval 5,538' - 5,546').
- 9/10/98 Continued drilling 7 7/8" hole to 5,629' & tripped into surface casing w/ bit to repair rig. Stuck twice tripping out. Wash & ream tight intervals w/ key seat wiper tripping in.
- 9/11/98 Continue drilling new 7 7/8" hole from 5,629' thru 5,781'.
- 9/12/98 Drill to 5,822'; trip for bit #9 & continue drilling 7 7/8" hole from 5,822' thru 5,906'.
- 9/13/98 Continue drilling 7 7/8" hole from 5,906' to 6,380'.
- 9/14/98 Commence trip out & became stuck @ 4,736'. Free-point & back-off @ 4,003'. Chain out for fishing tools.
- 9/15/98 Trip in w/ fishing tools, screw into fish, jar loose, & became stuck @ 2,823'.

13. Name & Signature: Greg W. Ethridge *Greg W. Ethridge* Title: Operations Consultant Date: 9/17/98

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STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. Lease Designation and Serial Number: <p style="text-align: center;">FEE</p>
		6. If Indian, Allottee or Tribe Name:
		7. Unit Agreement Name:
Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.		
1. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER:	8. Well Name and Number: <p style="text-align: center;">Dye #1</p>	
2. Name of Operator: <p style="text-align: center;">CIMARRON OPERATING COMPANY, L.C.</p>	9. API Well Number: <p style="text-align: center;">43-039-30022</p>	
3. Address and Telephone Number: 488 E. Winchester Street, Suite 150, Salt Lake City, Utah 84107	10. Field and Pool, or Wildcat: <p style="text-align: center;">Wildcat</p>	
4. Location of Well Footages: 601' fn1 666' fw1 OO, Sec., T., R., M.: NW/4 NW/4 Section 5 - T16S - R3E SLC	County: Sanpete State: Utah	

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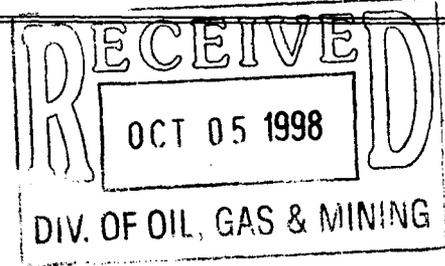
As requested; the following is a summary of wellsite activity (drilling) for the time period 9/16/98 thru 9/23/98:

- 9/16/98 Ran free-point survey, backed-off @ 2,689', trip in w/ fishing tools & jar loose.
- 9/17/98 Trip out w/ fish. Trip in w/ 8½" string mill & ream tight intervals to 4,215' & trip out.
- 9/18/98 Trip in w/ 7 7/8" bit & mud motor & ream open hole 4,308' to 6,024'.
- 9/19/98 Ream to 6,380' & continue drilling thru 6,997'.
- 9/20/98 Drilled to T.D. @ 7,016'. Tripped out for logs & ran CNL-Density, Laterolog, & Sonic logs.
- 9/21/98 Run Dip Meter Log. Lay down drill collars, run drill pipe to 6,138', & place first cement plug (100sx); wait on cement.

(continued next page)

13. Name & Signature: Greg W. Ethridge *Greg W. Ethridge* Title: Operations Consultant Date: 9/24/98

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Weekly progress report -- week ending 9/23/98

- 9/22/98 Tag top of first plug w/ drill pipe (plug 6,014' - 6,138'), lay down drill pipe to 5,611' & pump 90 sk plug. Wait on cement, tag top cement (plug 5,493' to 5,611'). Lay down drill pipe & pump 80 sk plug 3,680' - 3782'. Lay down drill pipe & pump 4th plug (60 sx) 1,850' - 1,950'. Set surface plug (14' - 60'). Nipple down BOP's.
- 9/23/98 Clean steel mud pits & release rig @ 2:00 P.M. 9/23/98.

STATE OF UTAH  
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SUNDRY NOTICES AND REPORTS ON WELLS

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1. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER: _____	5. Lease Designation and Serial Number: FEE
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CONFIDENTIAL

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The subject well was plugged & abandoned by installing cement plugs as follows:\*\*\*

<u>PLUG POSITION</u>	<u>INTERVAL (ft.)</u>	<u>Sacks of Cement*</u>
Top of Salt	**6,014' - 6,138' (124')	100 sx (30% excess)
Cedar Mountain Porosity	**5,493' - 5,611' (118')	90 sx (30% excess)
"Stabilizer"	3,680' - 3,782' (102')	80 sx
Bottom of Surface Casing	1,850' - 1,950' (100')	60 sx
Surface	14 - 60' (46')	10 sx

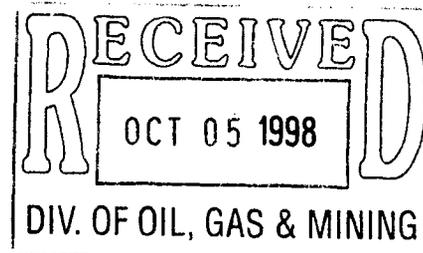
\*Mixed @ 15,6 ppg

\*\*Top of plug tagged w/ drill pipe 6 hours after placement

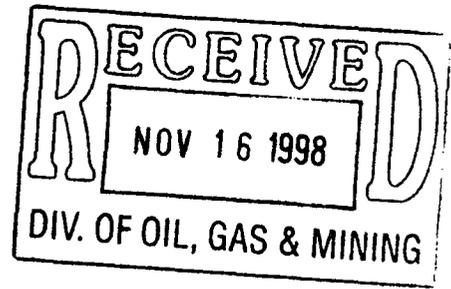
\*\*\*Plugging program approved by John Baza 9:00 P.M. 9/20/98. Plugging witnessed by Chris Kierst.

13. Name & Signature: Greg W. Ethridge *Greg W. Ethridge* Title: Operations Consultant Date: 9/24/98

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**CONFIDENTIAL**



**CIMARRON OPERATING COMPANY  
DYE #1  
NW/NW SEC. 5, T16S, R3E  
SANPETE COUNTY, UTAH**

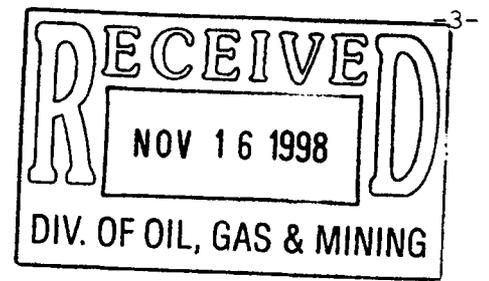
**Geological Consulting  
by**

**Paul J. Prijatel**  
*Pueblo, Colorado*  
*(719) 560-6543*

**MICROFICHE**

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## WELL SUMMARY

<b>OPERATOR:</b>	<b>Cimarron Operating Company</b>
<b>NAME:</b>	<b>Dye #1</b>
<b>LOCATION:</b>	<b>601' FNL, 666' FWL (NW/NW) SEC 5,T16S,R3E</b>
<b>COUNTY/STATE:</b>	<b>Sanpete County, Utah</b>
<b>ELEVATION:</b>	<b>GL: 5,498' KB: 5,511.5'</b>
<b>SPUD DATE:</b>	<b>8/5/98</b>
<b>TD DATE</b>	<b>9/21/98</b>
<b>COMPANY MAN:</b>	<b>Greg Ethridge</b>
<b>WELLSITE GEOLOGIST:</b>	<b>Paul J. Prijatel</b>
<b>MUDLOGGING EQUIPMENT:</b>	<b>Pason Rocky Mountain Geo-Engineering Portable Automated Logging Flame Ionization Detector (FID)</b>
<b>CONTRACTOR:</b>	<b>Norton Rig #6</b>
<b>TOOLPUSHERS:</b>	<b>Stan Thompson / Robert DeJongh</b>
<b>HOLE SIZE:</b>	<b>12 1/4" to 1,895'    8 3/4" to 5,173'    7 7/8" to 7,016'</b>
<b>CASING RECORD:</b>	<b>9 5/8" to 1,895'</b>
<b>DRILLING MUD:</b>	<b>Anchor Drilling Fluids</b>
<b>FLUIDS ENGINEER:</b>	<b>John Nitschke / Keith Stetson</b>
<b>MUD TYPE:</b>	<b>Polymer to 10.3 lb /gal, 41 vis @ T.D.</b>
<b>ELECTRIC LOGS:</b>	<b>Azimuthal Laterlog, Array Sonic, FMI Dipmeter, Neutron/Density</b>
<b>SERVICE COMPANIES:</b>	<b>Schlumberger</b>
	<b>Halliburton</b>
	<b>Smith International</b>
	<b>Reed</b>
	<b>Wedge Dia-Log</b>
	<b>Weatherford</b>
	<b>Geocom Drilling Services</b>
	<b>Performance Drilling Specialists</b>
	<b>Mark Poulson Excavating</b>
	<b>Graco / Baker</b>
<b>TOTAL DEPTH:</b>	<b>DRILLER: 7,016'    LOGGER: 6,354'</b>
<b>STATUS:</b>	<b>Plugged and Temp abandoned</b>

## DRILLING CHRONOLOGY

OPERATOR: Cimarron Operating Company

WELL NAME: Dye #1

DATE	START DEPTH	DAY FTG	ACTIVITY
8/5/98	69	56	Rig up, drill surface hole
8/6	273	647	Drill surface hole, survey @ 222', 487'
8/7	772	598	Drill surface hole, survey @ 722, 970, 1249
8/8	1370	420	Drill surface hole, survey @ 1494, 1722, bit trip #2
8/9	1790	105	Drill surface hole
8/10	1895	0	TOH, survey @ 1845, run 8 5/8" surface casing, cement casing,
8/11	1895	0	Wait on cement, nipple up BOP, test BOP
8/12	1895	0	Nipple down BOP, test BOP and pipe rams
8/13	1895	287	TIH w bit, TOH, TIH, drill cement plug, pressure test, drill ftg
8/14	2182	119	Drill ftg, survey @ 2231, TOH bit #4, TIH, wash/ream 302'
8/15	2301	274	Drill ftg, survey @ 2507
8/16	2575	377	Drill ftg, repack swivel
8/17	2952	194	Drill ftg, survey @3003,3035,3096
8/18	3146	163	Drill ftg, survey @ 3219
8/19	3309	175	Drill ftg, TOH bit #5, TIH, wash/ream 110'
8/20	3484	136	Drill ftg, survey @ 3505
8/21	3620	183	Drill ftg, survey @ 3659
8/22	3803	122	Drill ftg, survey @ 3846
8/23	3925	113	Drill ftg, survey @ 3969
8/24	4038	99	Drill ftg, survey @ 4110, TOH
8/25	4137	43	TOH, TIH, wash/ream 27', drill ftg
8/26	4180	95	Drill ftg
8/27	4275	115	Drill ftg, survey @ 4250
8/28	4390	95	Drill ftg, survey @ 4405
8/29	4485	116	Drill ftg, survey @ 4559
8/30	4601	70	Drill ftg, survey @ 4599, TOH, TIH w bit
8/31	4671	131	Drill ftg, survey @ 4715
9/1	4802	66	Drill ftg, survey @ 4807
9/2	4868	108	Drill ftg, survey @ 4900
9/3	4976	170	Drill ftg, survey @ 5036, 5086
9/4	5146	27	Drill ftg, TOH, work stuck pipe
9/5	5173	0	Jar on fish, TOH, pick up fish tool, TIH, wash/ream
9/6	5173	0	Wash/ream, TOH, TIH, w fish tool, TOH, TIH, ream
9/7	5173	0	Ream, TOH, w o rig, TOH
9/8	5173	0	Wait on torque converter, TIH, survey every 90'
9/9	5173	257	TIH, drill ftg, slide, rotate
9/10	5430	199	Drill ftg, circ samples, TOH, work on torque converter
9/11	5630	36	TIH w keyseat wiper, work stuck pipe, wash/ream, drill ftg
9/12	5666	156	Drill ftg, survey, circ samples, TOH for bit
9/13	5822	233	TIH, wash/ream, drill ftg



## DAILY ACTIVITY

OPERATOR: Cimarron Operating Company

WELL NAME: Dye #1

DATE	DEPTH	DAY FTG	DATE	DEPTH	DAY FTG
8/5	69	56	9/17	6380	0
6/6	273	647	9/18	6380	0
8/7	772	598	9/19	6380	636
8/8	1370	420	9/20	7016	0
8/9	1790	105	9/21	7016	0
8/10	1895	0			
8/11	1895	0			
8/12	1895	0			
8/13	1895	287			
8/14	2182	119			
8/15	2301	274			
8/16	2575	377			
8/17	2952	194			
8/18	3146	163			
8/19	3309	175			
8/20	3484	136			
8/21	3620	183			
8/22	3803	122			
8/23	3925	113			
8/24	4038	99			
8/25	4137	43			
8/26	4180	95			
8/27	4275	115			
8/28	4390	95			
8/29	4485	116			
8/30	4601	70			
8/31	4671	131			
9/1	4802	66			
9/2	4868	108			
9/3	4976	170			
9/4	5146	27			
9/5	5173	0			
9/6	5173	0			
9/7	5173	0			
9/8	5173	0			
9/9	5173	257			
9/10	5430	199			
9/11	5630	36			
9/12	5666	156			
9/13	5822	233			
9/14	6099	281			
9/15	6380	0			
9/16	6380	0			

# BIT RECORD

OPERATOR: Cimarron Operating Company

WELL NAME: Dye #1

NO	SIZE	MAKE	TYPE	OUT	FTG	HRS	FT/HR
1	12 1/4"	SMITH	FD55T	1544	1475	35 3/4	41.3
2	12 1/4"	SMITH	FD55T	1895	351	27	13.0
3	8 3/4"	SMITH	FDS	2275	380	27	14.1
4	8 3/4"	SMITH	F1	3426	1151	100.25	11.5
5	8 3/4"	SMITH	F15H	4137	711	122.25	5.85
6	8 3/4"	SMITH	F2H	4632	495	124	3.99
7	8 3/4"	SMITH	F2H	5173	541	106.75	5.07
8	7 7/8"	REED	HP53A	5822	649	50.5	12.85
9	7 7/8"	SMITH	F15H	6380	558	-	-
10	8 3/4"	SMITH	FDST(RR)	-	-	-	-
11	7 7/8"	SMITH	F15H	7016	636	-	-
12							
13							
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18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							



## SURVEYS

OPERATOR: Cimarron Operating Company

WELL NAME: Dye #1

MD	TVD	VS	INC	AZ
222			1/4	
487			1/2	
722			1/2	
970			1/2	
1249			3/4	
1494			1 1/2	
1733			1 1/2	
1845			1 3/4	
2231			3	
2270			3	
2507			2	
3003			6	
3035			6	
3096			6 1/2	
3219			6	
3353			6 1/2	
3505			6	
3659			7	
3846			7 1/2	
3909			9	
4110			9	
4250			8	
4405			10	
4559			9 1/4	
4599			9 1/2	
4715			8 1/4	
4807			9 1/4	
4900			9 3/4	
4994			11	
5082			11 1/2	
5140			11 3/4	
4959	4933.46	402.37	10.56	125.10
4992	4965.88	407.78	11.00	126.90
5023	4996.31	412.91	11.00	127.90
5054	5026.75	417.91	10.81	129.20
5085	5057.20	422.79	10.69	129.70
5116	5087.61	427.84	11.75	130.80
5132	5103.26	430.59	12.13	131.00
5184	5154.23	439.16	10.75	130.80
5246	5215.32	447.58	8.88	138.10



## FORMATION TOPS

OPERATOR: Cimarron Operating Company

WELL NAME: Dye #1

<b>FORMATION NAME</b>	<b>CONTROL</b> Phillips Price "N" Sublette #1	<b>SAMPLE</b> Dye #1	<b>E-LOG</b> Dye #1"	<b>E-LOG</b> DATUM
<i>KELLY BUSHING ELEV.</i>	5498'	5511'	5511'	5511'
<b>CRAZY HOLLOW</b>	-	LOWER	SURFACE	-
<b>GREEN RIVER</b>	1345(?)	2206	2312(?)	+3199
<b>COLTON</b>	2047	3090	3090(?)	+2421
<b>FLAGSTAFF</b>	2428	3474	3496	+2015
<b>NORTH HORN</b>	2647	3720	3716	+1795
<b>UNCONFORMITY</b>	5023	4545(?)	4854(?)	+657
<b>DAKOTA</b>	5663	-	-	-
<b>CEDAR MOUNTAIN</b>	5730	-	-	-
<b>SUMMERVILLE</b>	6500	-	-	-
<b>CURTIS</b>	7368	4988(?)	4988(?)	+523
<b>ENTRADA</b>	7674	5318(?)	5318(?)	+193
<b>SALT</b>	9082	6106(?)	6107(?)	-596
<b>TOTAL DEPTH</b>	12,332	7016	6354	-843

# **GEOLOGICAL SUMMARY**

## **AND**

### **ZONES OF INTEREST**

Cimarron Operating Company's - Dye #1, located in the NW/ NW of Sec. 5 - T16S - R3E, Sanpete County, Utah, was spud on August 5, 1998. An 8 3/4" hole was drilled vertically to 5,173' and directional tools drilled a 7 7/8" hole to total depth. Sample and gas evaluations were conducted by Pason Rocky Mountain Geo-Engineering and electric logging by Shlumberger. After all data was evaluated by Cimarron Operating Company representatives the well was plugged and temporarily abandoned.

### **DRILLING OBJECTIVES**

The primary objective of the Cretaceous/Jurassic test was to evaluate the sandstones of the Dakota, Cedar Mountain, Curtis and Entrada Formations. The area of interest is located in Sanpete County, Utah in the eastern portion of the Great Basin. Correlation logs from the Phillips - Price "N" well, located 1 1/2 miles north-northeast, were used for comparison.

Mike Pinnell and Floyd Moulton provided the initial geophysics and geology, respectively, of the site in question. Pason Rocky Mountain Geo-Engineering assisted in orienting the drilling based on lithology changes, potential fracture identification, oil shows and gas readings.

Rock correlation's were made based on tops picked and identified by Phillips Petroleum in the Phillips - Price 'N' correlation well located 1 1/2 miles north-northwest.

At the end of the well Cimarron representatives elected to conduct a palynology analysis of selected samples to determine the age of specific rock formation samples by pollen identification. Microfossils and other organisms were also used for identification purposes.

At the time of this report additional samples were being considered for analysis and that information is not reflected in this report.

## PROBLEMS ENCOUNTERED

Drilling operations went relatively smooth until 3,003' where the deviation changed from 2 to 6 degrees in 500 feet. Since that depth the deviation had increased to 11 3/4 degrees at a survey depth of 5,140'. Directional tools were ordered at 5,173' to prevent any additional increases in deviation.

Sample collection and in particular the quality of samples was difficult from time to time due to the type of shale shaker utilized by the drilling rig. Samples were collected in a coffee can while being ejected out of the porthole of the mud-logging agitator located in the possumbelly.

A persistent dogleg located near 2,500' +/- prompted the usage of a key seat wiper tool during a trip out of the hole at 5,622'. The rig was stuck a few times due to the dogleg; therefore, usage of the tool was needed to clean up the dogleg to allow for easier trips in and out of the hole.

Collecting samples the conventional way, off the shaker, resulted in sample cuttings that were pinhead in size, which made describing extremely difficult. This is due in part to a large gap between the top shaker screens, which allow most of the cuttings to fall through.

At 5,173' the decision was made to trip for a new bit; however, after pulling 3 stands the bit was stuck at a depth of 4,614 +/- . The decision was made to back off the pipe and utilize fishing tools to recover the fish but they also became temporarily stuck at 2,500' +/- . A reamer trip was made to the top of the fish, which allowed for removal of all of the fish. This was followed by several hours of reaming during the wiper trip. At the same depth the torque converters were down on both drawworks motors. The decision was made to wait several hours on new parts prior to finishing a trip into the hole.

While drilling at 6,106' salt was encountered for the next 274' and the decision was made to trip out of the hole at 6,380' and log the well. During tripping out of the hole the drill string was stuck and fishing equipment was needed to recover the bottom hole assembly. During fishing, the bottom hole assembly was stuck several times while advancing up hole and at 2,332' (top of fish), Wedge Dia-log was called in again to determine sticking point for back off operations. Fishing operations were successful and a 8 3/4" wiper trip was made to 4,100'+ and a decision was made to trip in with a mud motor and a 7 7/8" bit and drill another 700'+ of salt prior to logging.

## **PALYNOLOGY ANALYSIS**

Palynology results from the recent analysis covered the following intervals and ages:

- 4480-4510...Paleocene...Immature...TAI = 1...Terrestrial and Immature
- 4580-4610...Paleocene...Immature...TAI = 1...Immature
- 4730-4760...Paleocene (?)...Immature...TAI = 1...Lucustrian
- 4820-4850...Paleocene...Immature...TAI = 1
- 5100-5130...Jurassic (Kemmeridgian)...TAI = 2+...Peak oil generation
- 6010-6040...Jurassic (Oxfordian)...TAI 2+

The following intervals are also being considered for analysis: 4670'-4700', 4870'-4900', 4950'-4980' and 6080'-6110'. This information will help determine formation tops selection and create a better understanding and age of the unconformity or fault surface at the Tertiary - Cretaceous boundary.

## **CRAZY HOLLOW FORMATION**

Geologic supervision of the well began at 1,895' while drilling shales and sandstones of the Crazy Hollow Formation (?). The lithology was predominantly clear to white, fine to medium grained, angular to subrounded, loose, unconsolidated to occasionally light gray, very fine grained, slightly calcareous, soft to friable occasionally arkosic sandstones.

Also observed were cream to light gray to light green, variegated colors, sub-blocky, soft, occasionally waxy, slightly calcareous, silty, occasionally micaceous shales. Occasional light to medium brown, blocky, firm, earthy to crystalline, limestones were also observed.

## **GREEN RIVER FORMATION**

The Green River sample top was originally picked at 2,206' (2,312' E-log) and consisted of tan to off white to light brown, medium gray, blocky, sucrosic, soft, laminated, varved limestones and light to medium gray, subplaty, soft to firm calcareous and occasionally carbonaceous shales in the upper portion of the formation.

The lower part of the formation included light gray, very fine grained, subrounded to subangular, friable calcareous cement matrix sandstones and shales as mentioned above.

## **COLTON FORMATION**

The Colton sample top was picked at 3,090' (3,090' E log) and consisted of brown, green, gray green, red brown, lavender, tan, black, sub-blocky to subplaty, soft to firm shales. Some white to light gray, rounded, very soft to slightly gummy claystones were also observed.

A small oil show was observed midway through the formation and is thought to be associated with calcite crystals that were clear, crystalline, and possibly of fracture origin and included a few spots of light brown thick oil stain that had good yellow-blue residual ring cut fluorescence. A few thin beds of off white to light gray sandstones were also observed. E-log evaluation appears to indicate a lack of sufficient readings for possible oil production.

## **FLAGSTAFF FORMATION**

The Flagstaff Formation sample top was selected at 3,494' (3,494' E log) and is mostly a fresh water limestone and shale sequence. The limestone base is a very good lithologic marker in the area and consists of light gray to tan, sub-blocky, fine crystalline, tight, fossiliferous limestones and occasional dolomites. The shales are light to medium gray, sub-blocky, firm and calcareous in part.

## **NORTH HORN FORMATION**

The North Horn Formation sample top was picked at 3,720' (3,716" E-log). The upper part of the formation consists of variegated colored shales and occasional sandstones while the lower portion, in this well, consisted of shales and limestones.

The shales were gray, gray green, red, sub-blocky to subplaty, firm, occasionally laminated, calcareous, silty, and pyritic. The limestone unit consists of tan, buff to cream, subplaty, firm to hard to sucrosic, non-porous limes. The base consisted of abundant limestones (?) that were tan, light gray, sucrosic, crystalline, occasionally fractured and fossiliferous limes.

A basal shale consists of light to medium gray, light brown, sub-blocky, soft, waxy, greasy, sticky, calcareous shale. Calcite crystals, clear, white, medium size crystals with pale oil stain and a yellow-blue residual ring cut fluorescence was also observed. E-log evaluation appears to indicate a lack of sufficient readings for possible oil production.

A sandstone near 4,610' was also observed with a heavy light brown free oil stain with pale yellow blue residual ring cut fluorescence. E-log evaluation appears to indicate a lack of sufficient readings for possible oil production. Both shows had less than 8 units of total gas.

A basal sandstone at 4,770' was tan to light gray, fine grained, subrounded to subangular, firm, tight, calcareous to dolomitic matrix cement with occasional light gray to red chert and pyritic inclusions. Conglomerates were also present. No visible oil staining was present; however, a very faint yellow residual ring cut fluorescence was observed. E-log evaluation appears to indicate a lack of sufficient readings for possible oil production.

The Tertiary North Horn was originally thought to have been separated by an unconformity and/or fault in the Cretaceous Tununk Shale; however, after careful thought and palynology analysis, appears to be separated at the Cretaceous Lower Summerville (?) by an unconformity and/or fault (erosion surface) beneath the drill site. If the assumptions are correct, the North Horn is exceptionally thick in this area! This unconformity is also known as the Tertiary-Cretaceous Boundary (KT Boundary).

## **PROBABLE UNCONFORMITY SUMMERVILLE(?) FORMATION**

It appears that an unconformity and/or fault has eroded away the Price River, Castlegate, Blackhawk, Starpoint, Masuk Shale, Emery, Bluegate, Ferron, Tununk and most of the Summerville formations. The unconformity sample top was reselected at 4,854' (4,854' E log).

At 4,854' a very noticeable change to red brown shales was observed thus marking the weathered sample top of the suspected unconformity or faulted surface. The shales were red brown, brown, green, subplaty, soft, calcareous in part and occasionally silty. Also observed were thin beds of white, fine grained, firm, well-sorted, tight, kaolin cemented sandstones.

Based on the current palynology analysis, the unconformity is placed in this portion of the Summerville (?). Log and sample correlation places the unconformity/fault in the Summerville (?) Shale; however, palynology analysis places the rocks in the Jurassic (Kemmeridgian Stage) whereas the Summerville in Central Utah is considered to be in the older Jurassic (Oxfordian Stage)! Further analysis as well as expertise by the Utah Geological Survey is being considered to unravel the mystery.

## **CURTIS**

The Curtis sample and log tops are tentatively placed at 4,988' and based on sample identification.

The sands were light gray, cream, very fine to fine grained, subrounded to subangular, calcareous cement and clay filled matrix, occasional glauconite and black mineral inclusions. Mineral fluorescence with no stains or cut was observed.

The middle and lower shales consisted of *light gray*, subplaty, soft, calcareous, occasionally *carbonaceous and coaly (?) shales*. These shales were correlated with the Price 'N' well mudlog which helped identify a correlation interval with the Dye #1 well and ultimately placed the unconformity and/or fault surface higher than previously thought.

## ENTRADA

The Entrada sample and log tops were selected at 5,318'. The sandstone was light gray, buff, white, clear and red-brown, fine grained, subrounded to subangular, soft to firm, calcareous cement matrix, tight, occasionally argillaceous with some mineral fluorescence and no stain or cut.

Shales consisted of brown, gray, gray-green, sub-blocky to subplaty, firm, calcareous, and occasionally silty. The lower portion of the formation appears to be 600'-700' thinner than expected and probably subject to a normal fault between the Entrada and Carmel Salt Zone. One area of interest was located between 5,538' and 5,548' that drilled one-half minute/foot. Prior to circulating samples an estimated 100 barrels of drilling mud was assumed to be lost into this zone! The circulated samples consisted of clear, fine to medium grained, subrounded to subangular, unconsolidated, loose, sand grains with no visible stain or oil cut. Total gas units ranged from 3 to 5 units and E-logs recorded 18% to 20% density porosity and only 1-2 ohms of resistivity and a good clean gamma-ray curve.

## CARMEL FORMATION

The upper portion of the Carmel anhydrites and shales appears to be missing due to the above-mentioned fault. 1,000'+ of salt was drilled in search of finding potential sandstone reservoirs prior to making a decision to log the well.

A rate of penetration of one-half minute/foot drilling as well as an increase in chlorides from 11,000 ppm to 105,000 ppm verified the assumed drilling of the Carmel Salt. No actual salt samples were recovered during the drilling due to utilizing a non-salt based mud.

## CONCLUSIONS

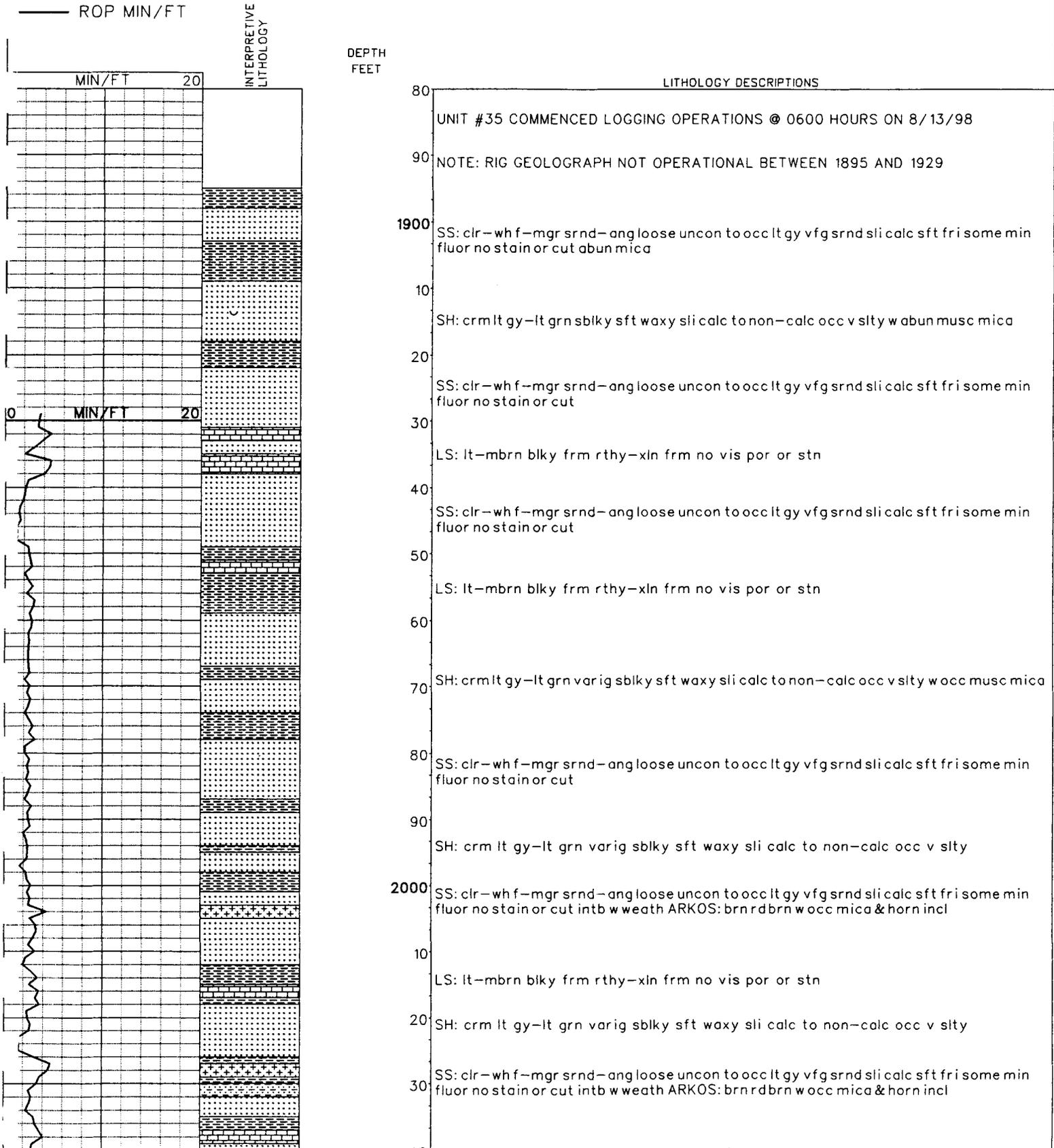
The primary objective of the Cretaceous/Jurassic test was to evaluate the sandstones of the Dakota, Cedar Mountain, Curtis and Entrada Formations. At the end of the well Cimarron representatives elected to conduct a palynology analysis of selected samples to determine the age of specific rock formation samples by pollen identification.

This analysis revealed that the Cretaceous Dakota and Cedar Mountain formations appear to be either faulted out or eroded away. This also indicates that the Jurassic Curtis and Entrada Formations have been evaluated and are 1,200' to 1,300' feet higher than the Phillips - Price 'N' well and appear to lack productive hydrocarbons.

The lower portion of the Entrada appears to be 600'-700' thinner than expected and probably subject to a normal fault between the Entrada and Carmel Salt Zone. The opposite (up thrown) side of the fault, when decided on, may have potential structural traps.

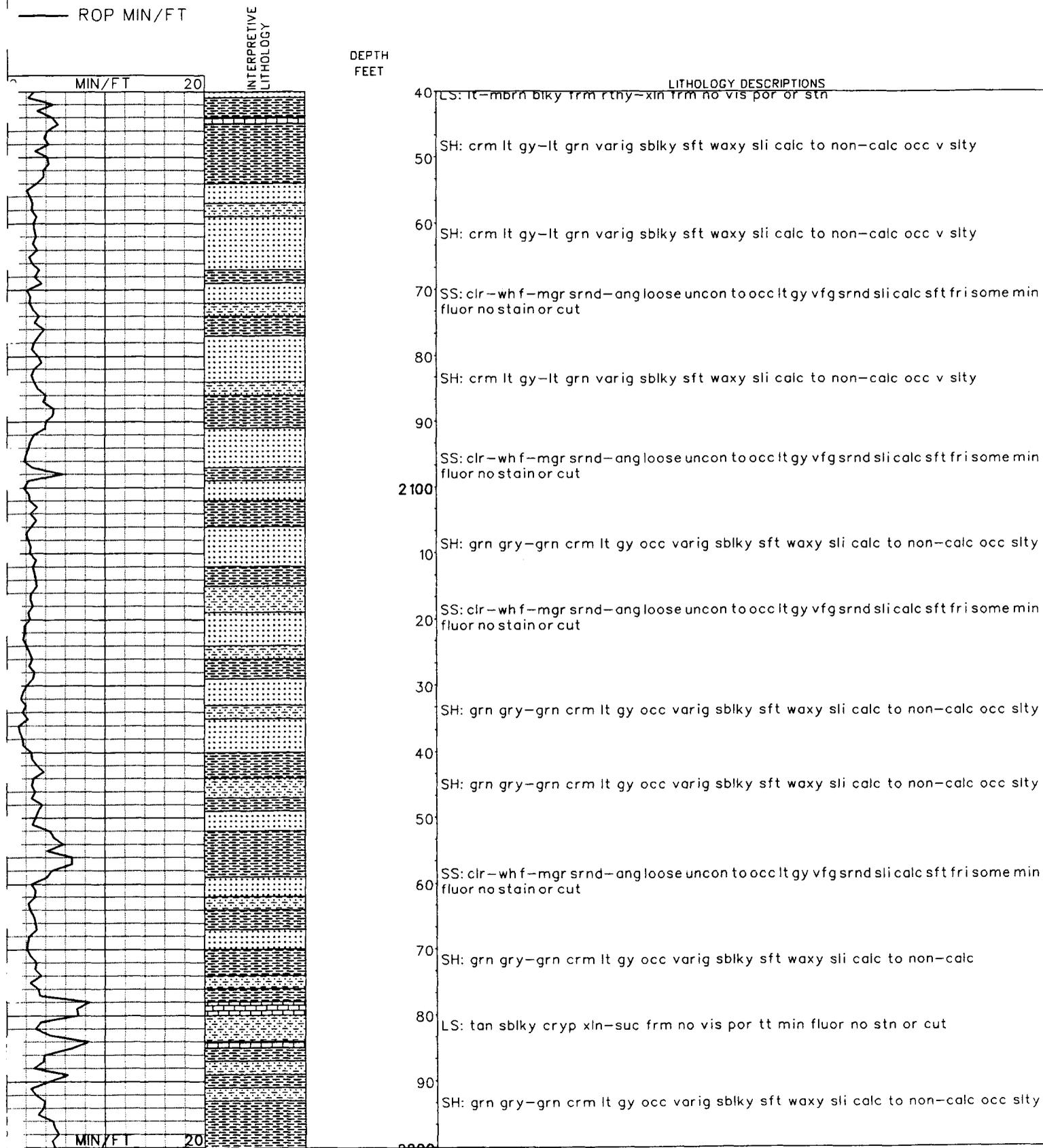
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STATE: UTAH



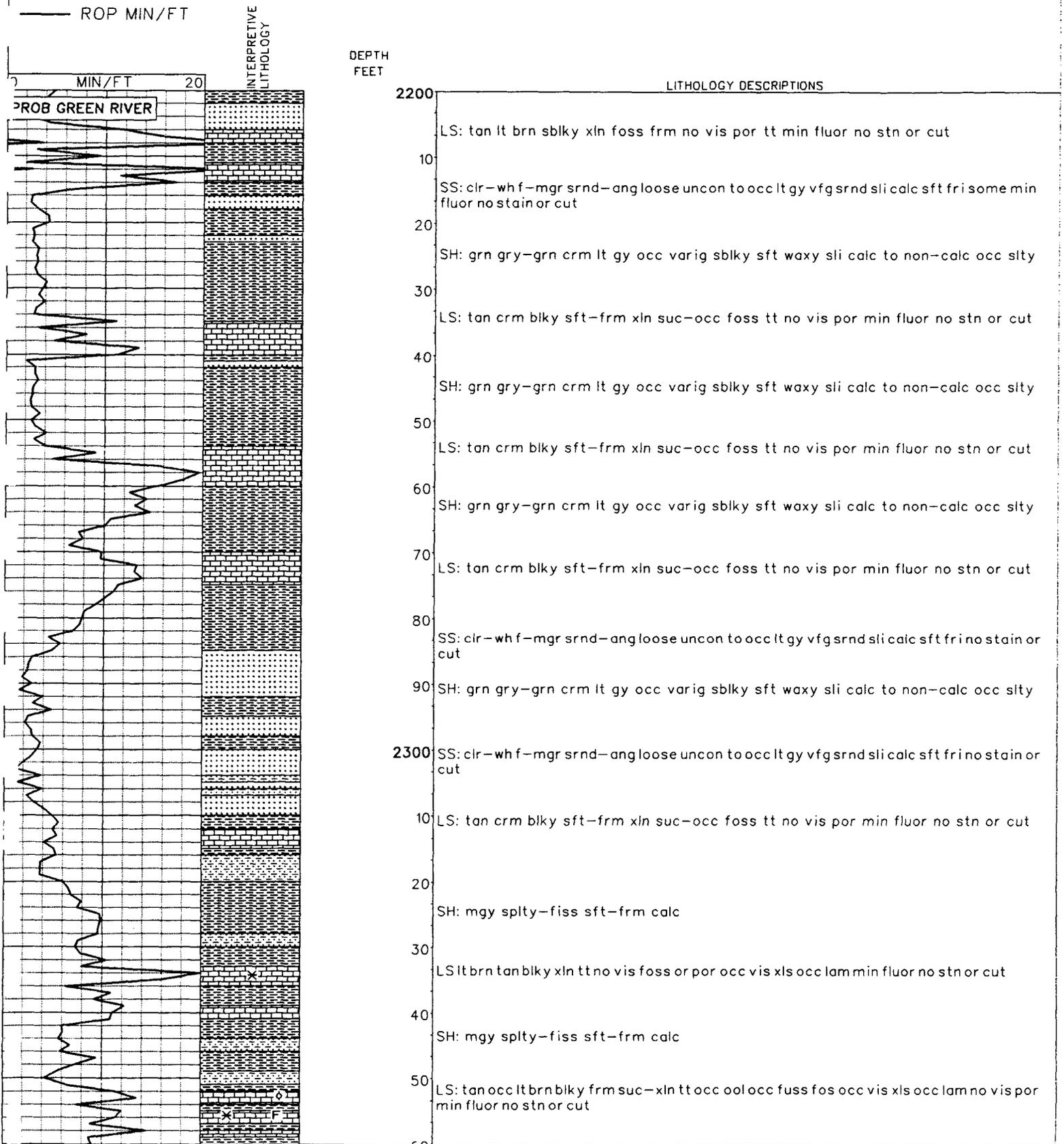
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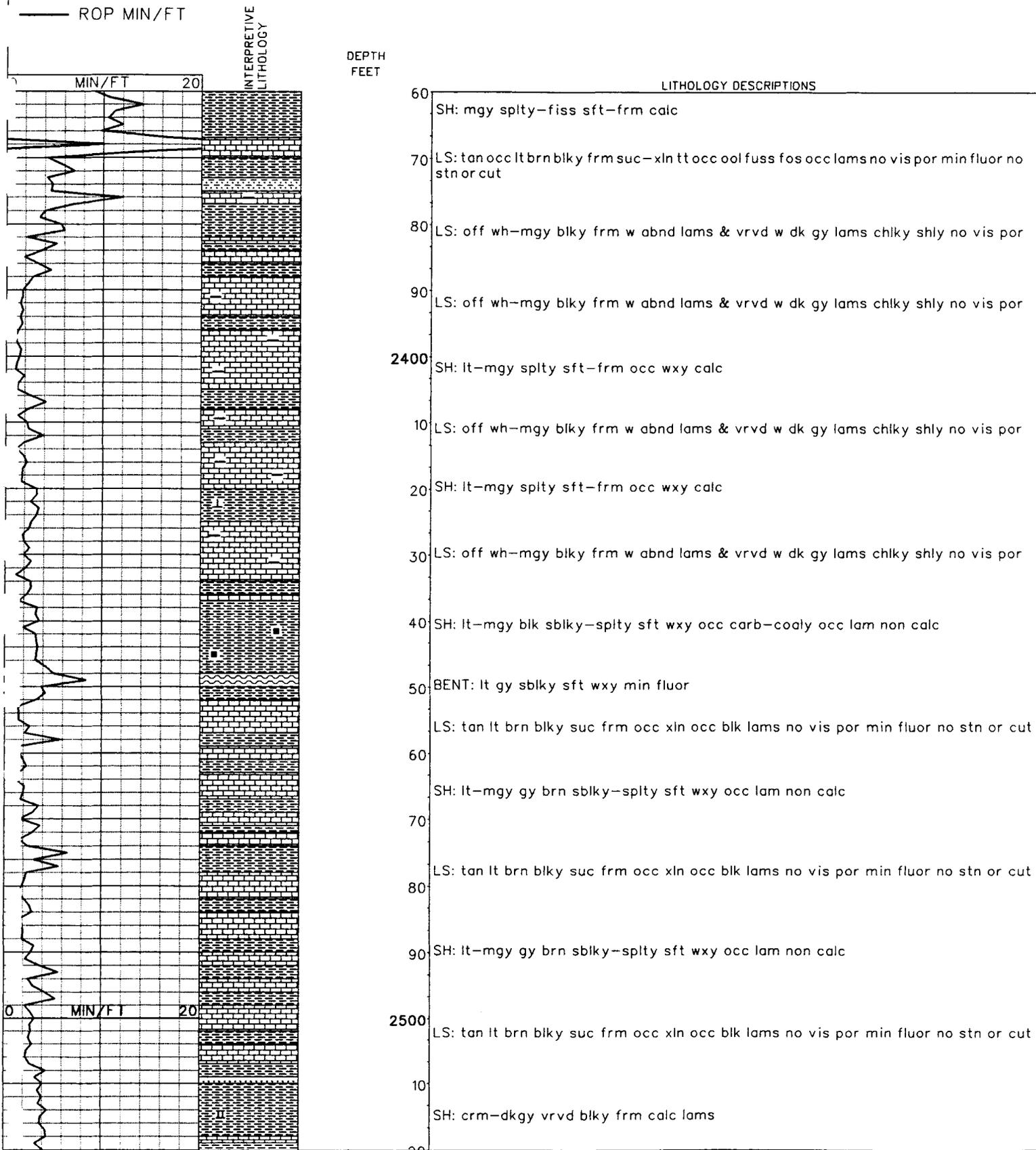
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STATE: UTAH

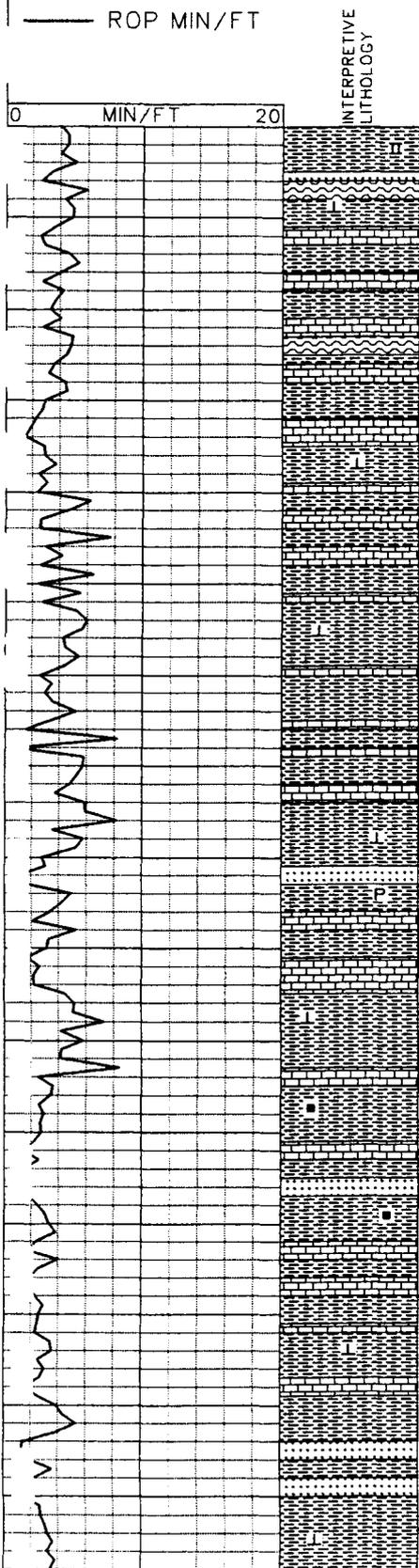


PASON ROCKY MOUNTAIN GEO-ENGINEERING  
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OPERATOR: CIMARRON OPERATING COMPANY  
WELL: DYE #1  
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DEPTH FEET

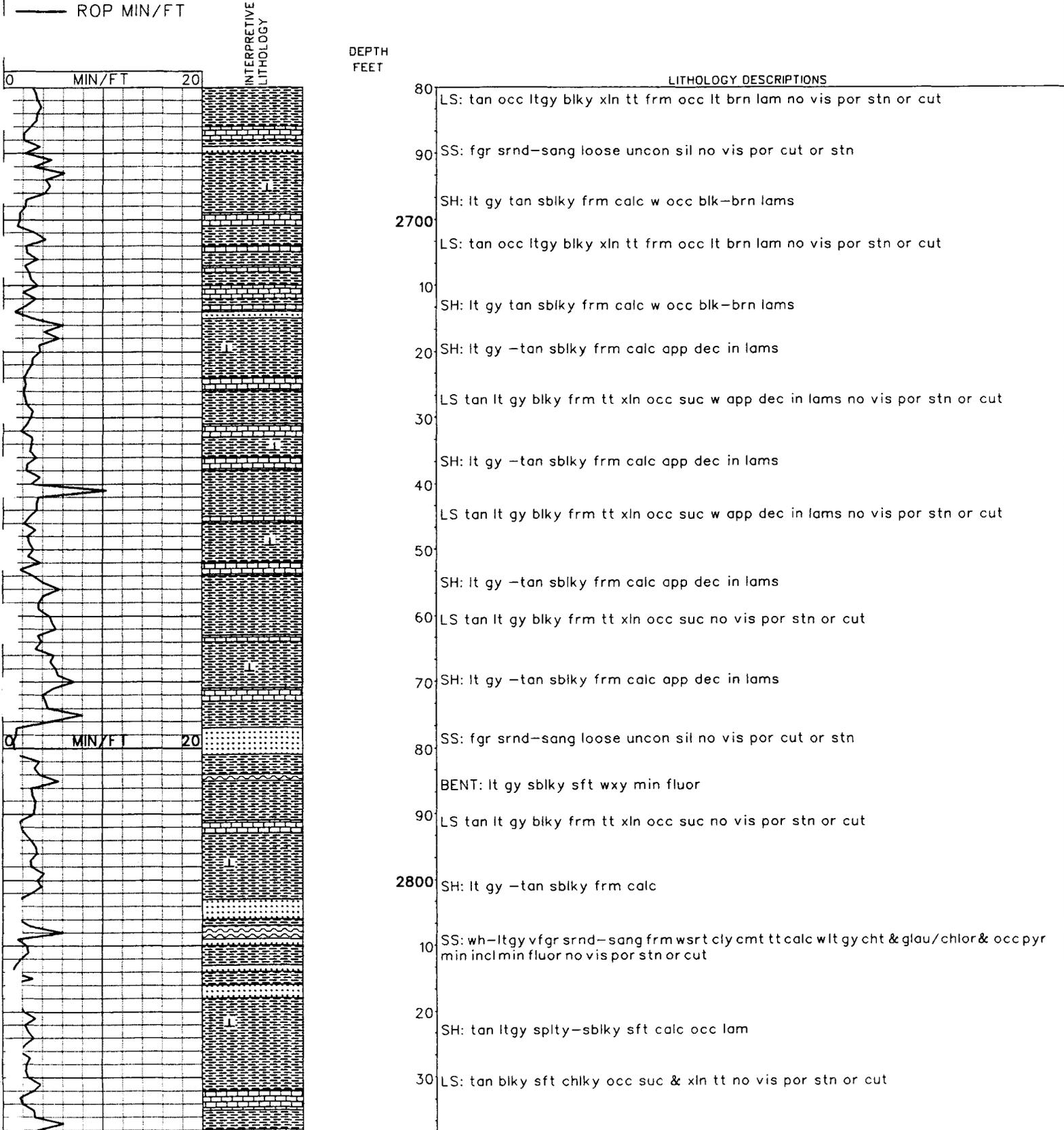
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- 50 BENT: lt gy sblky sft wxy min fluor
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- 40 SS: fgr srnd-sang loose uncon sil no vis por cut or stn
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- 60 SH: tan lt gy w wh lams sblky-splty frm calc ip
- 70 LS: tan crm blkly rthy suc no vis por min fluor no stn or cut
- 80 SS: fgr srnd-sang loose uncon sil no vis por cut or stn
- 90 SH: tan lt gy w wh lams sblky-splty frm calc ip

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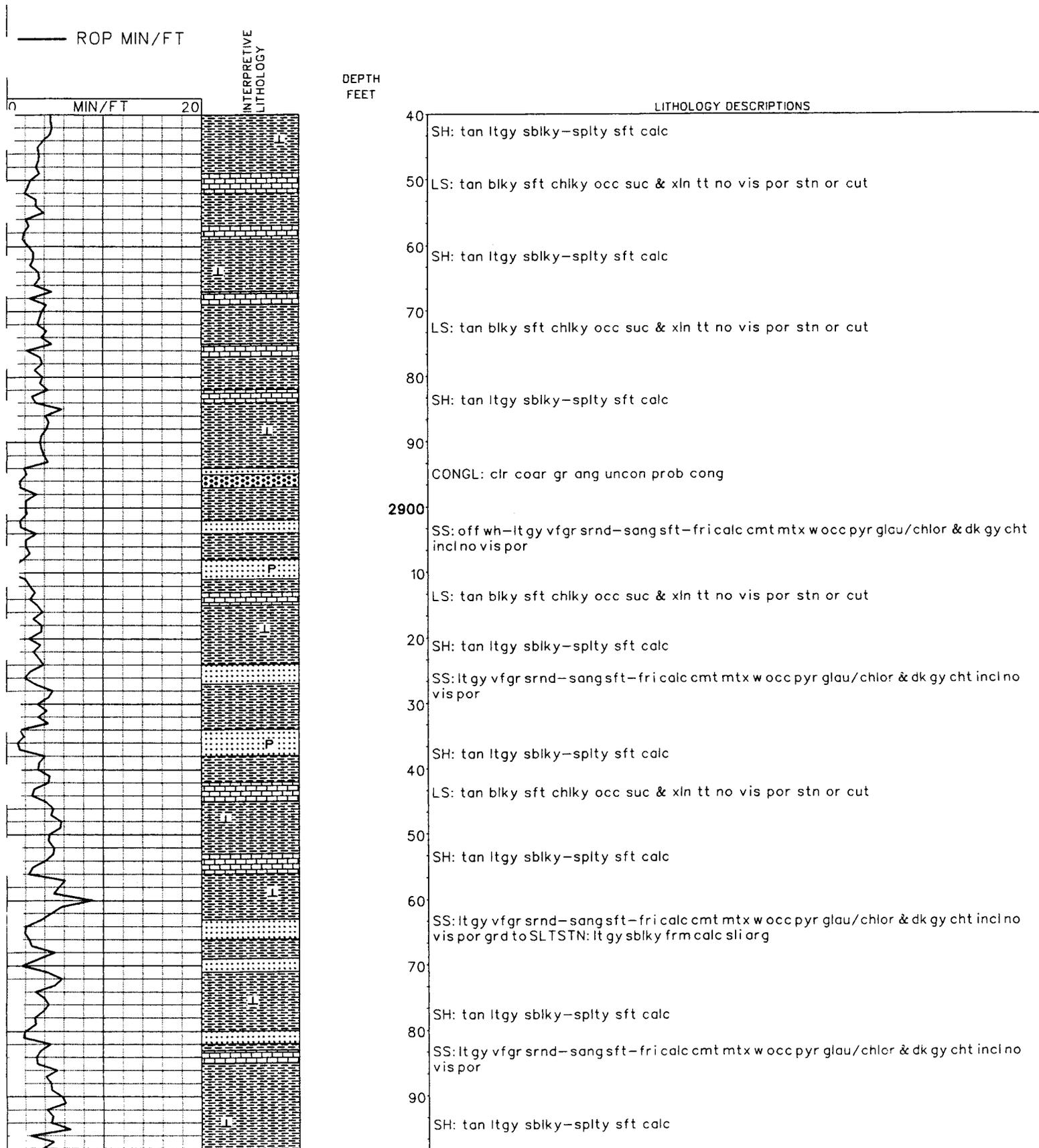
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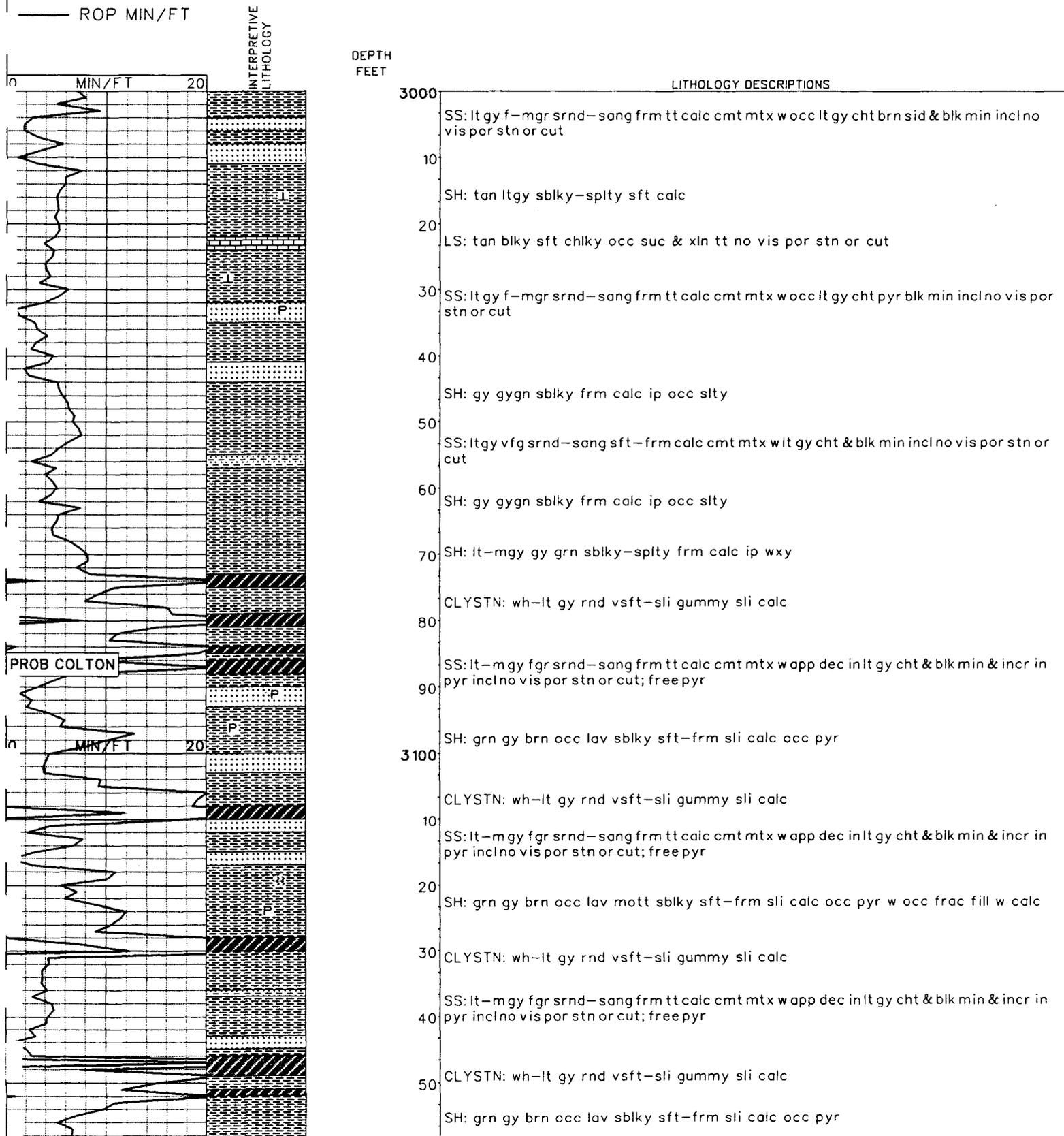
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STATE: UTAH



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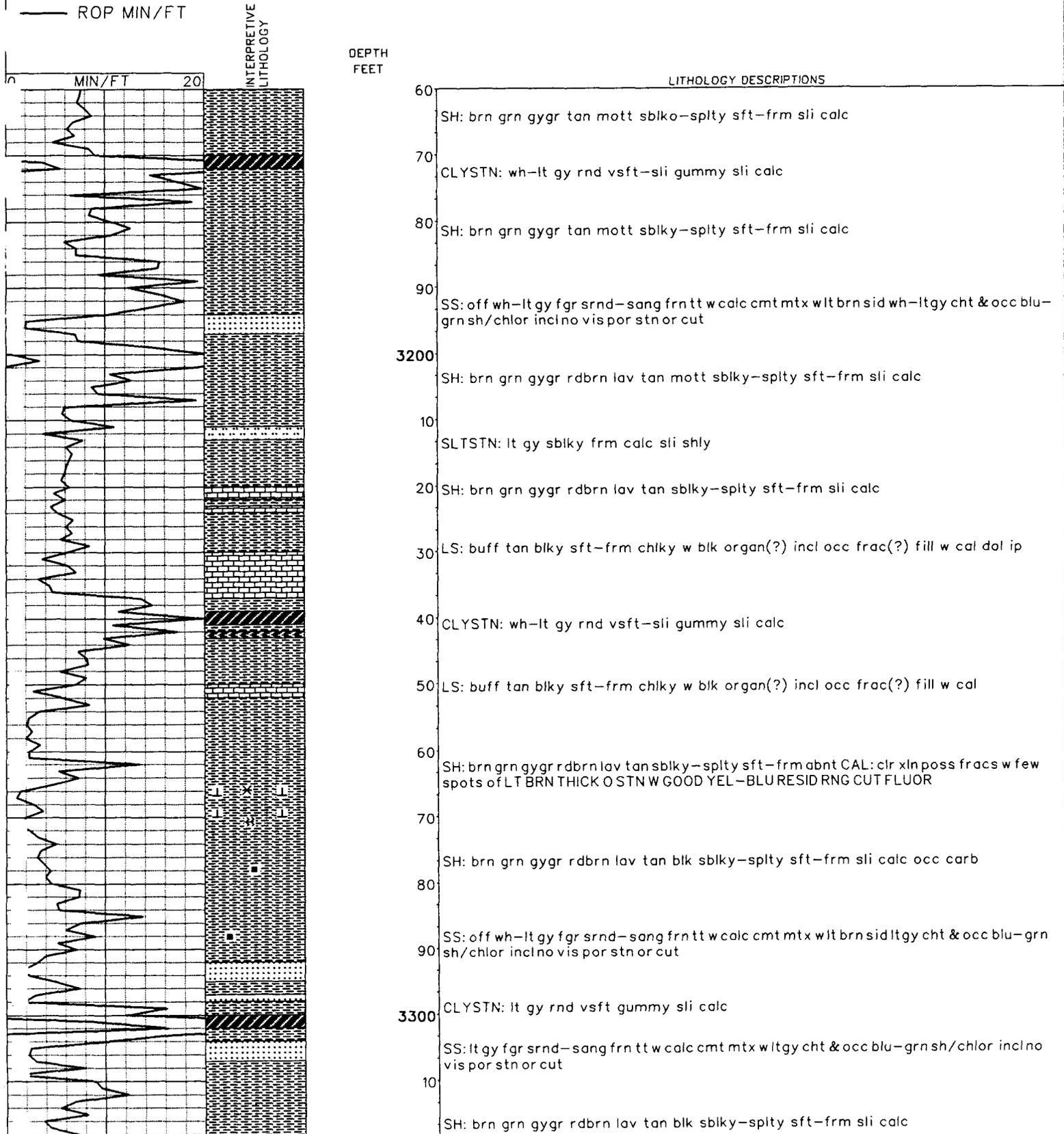
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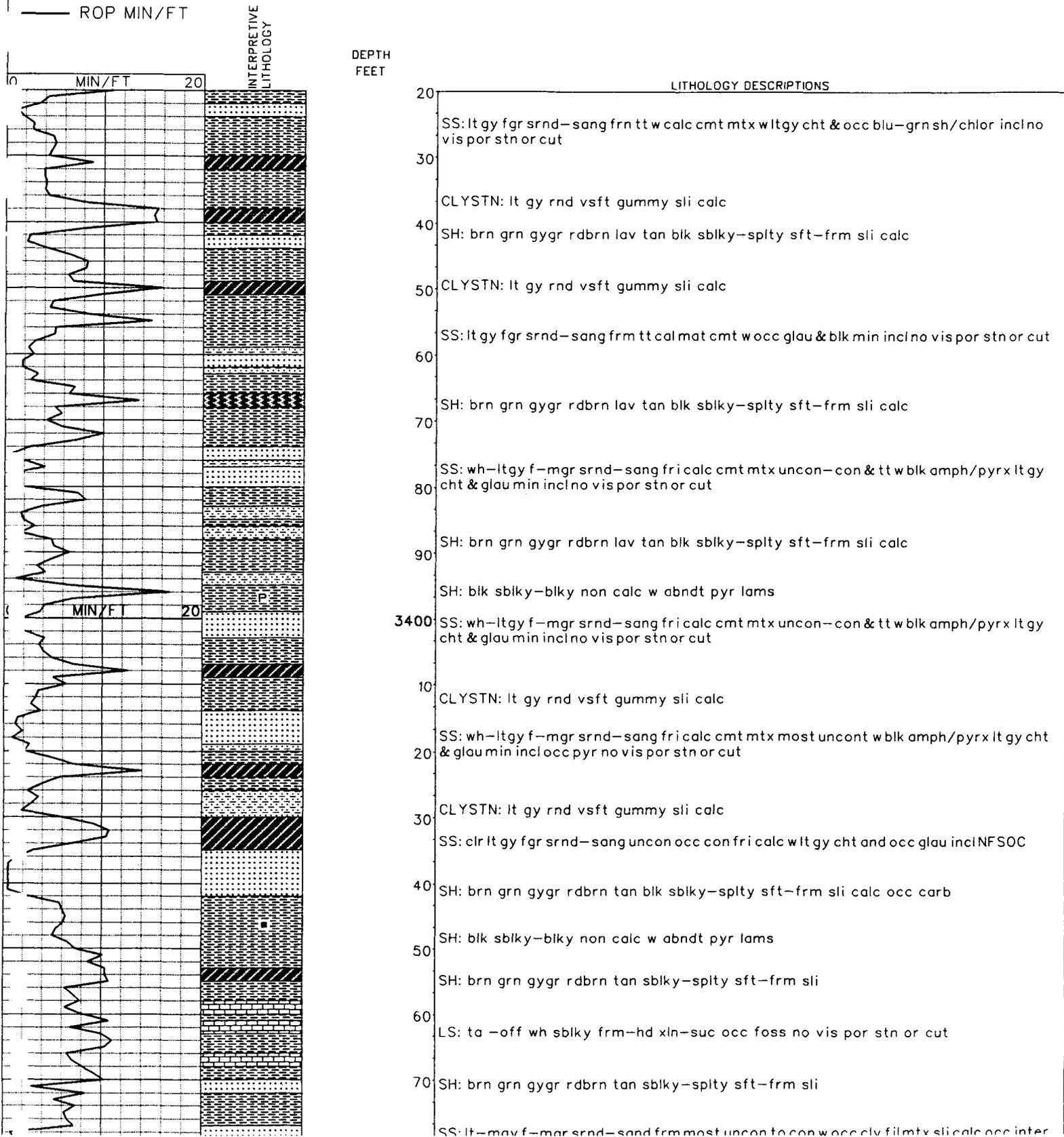
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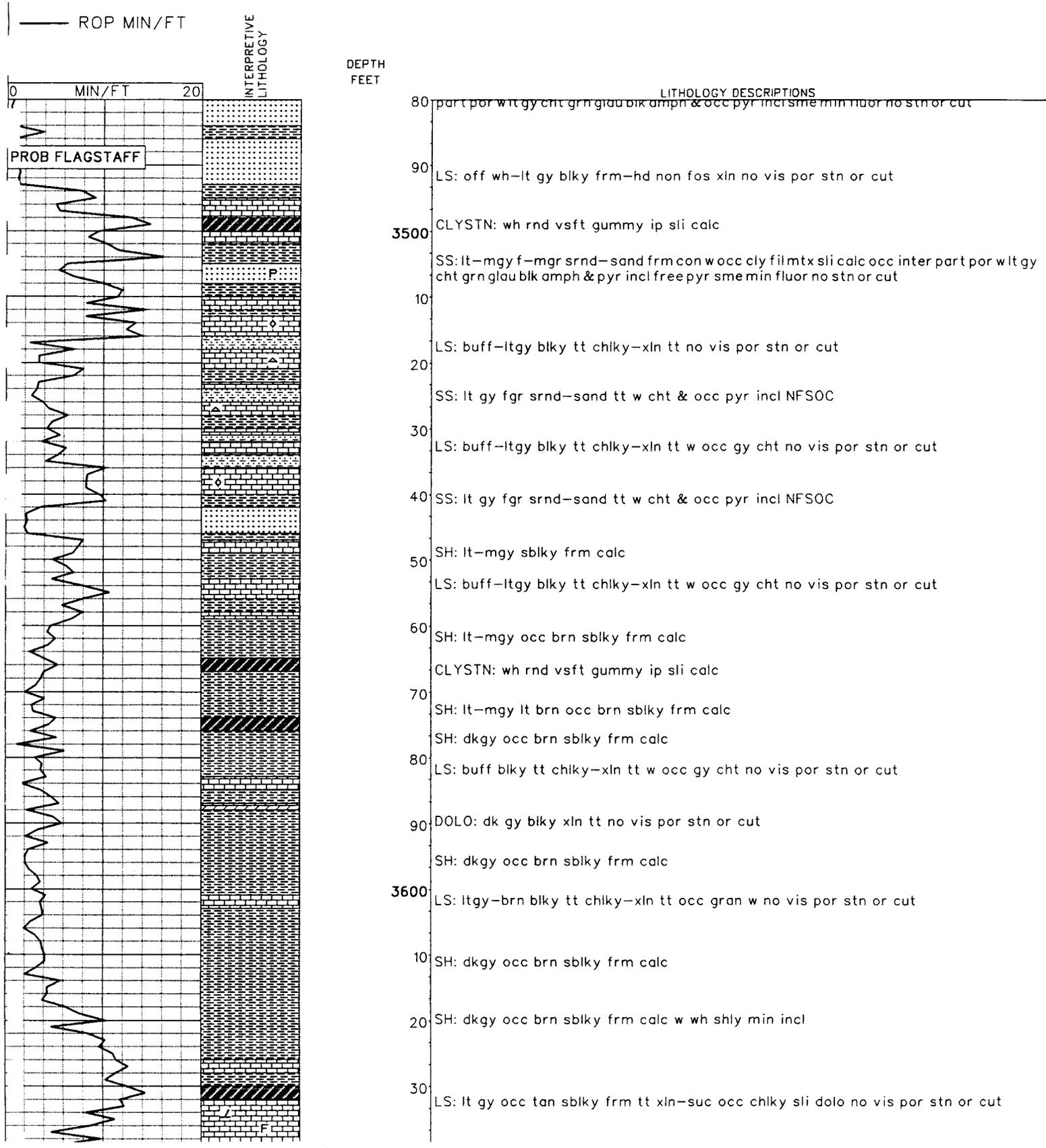
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STATE: UTAH



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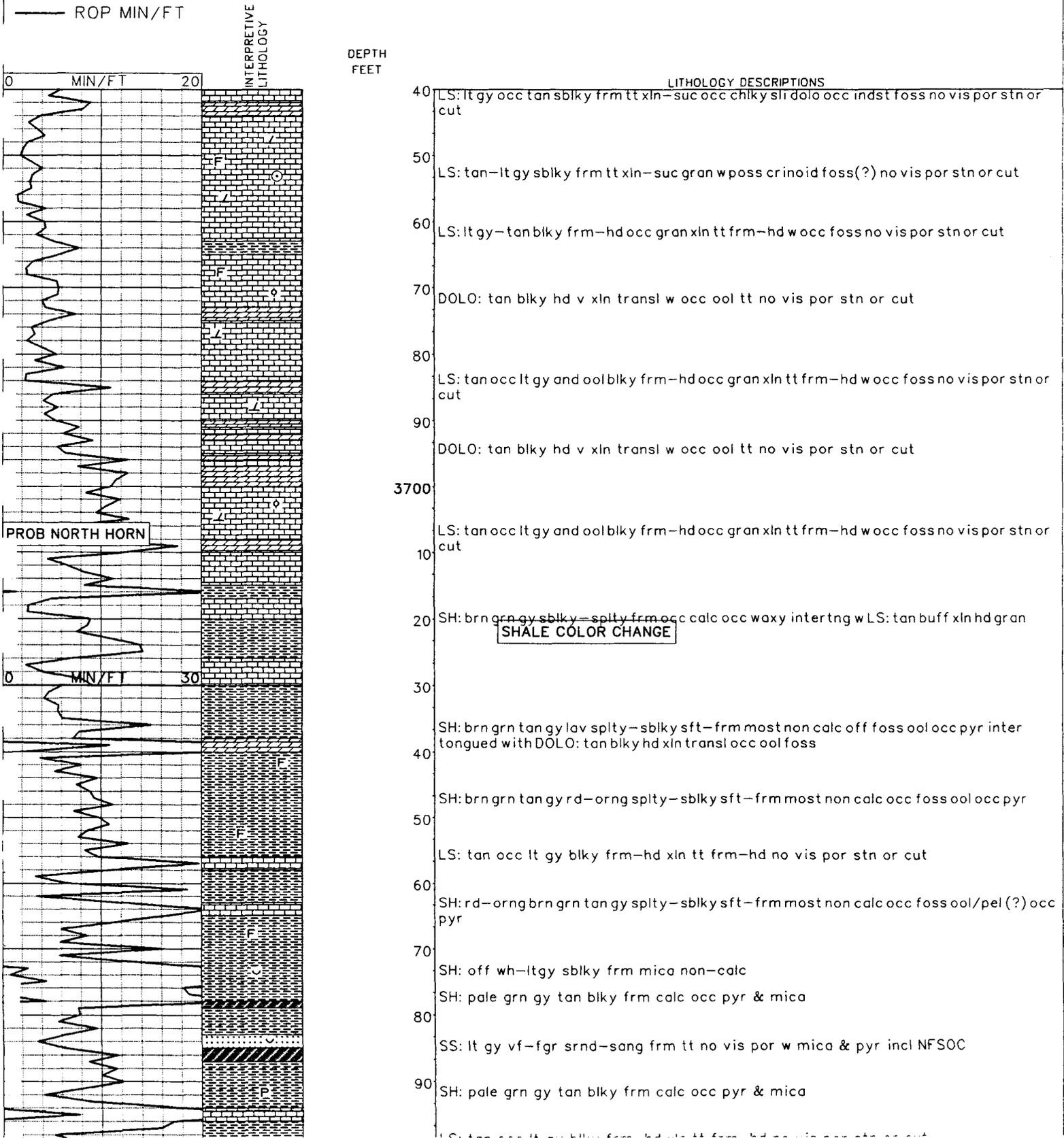
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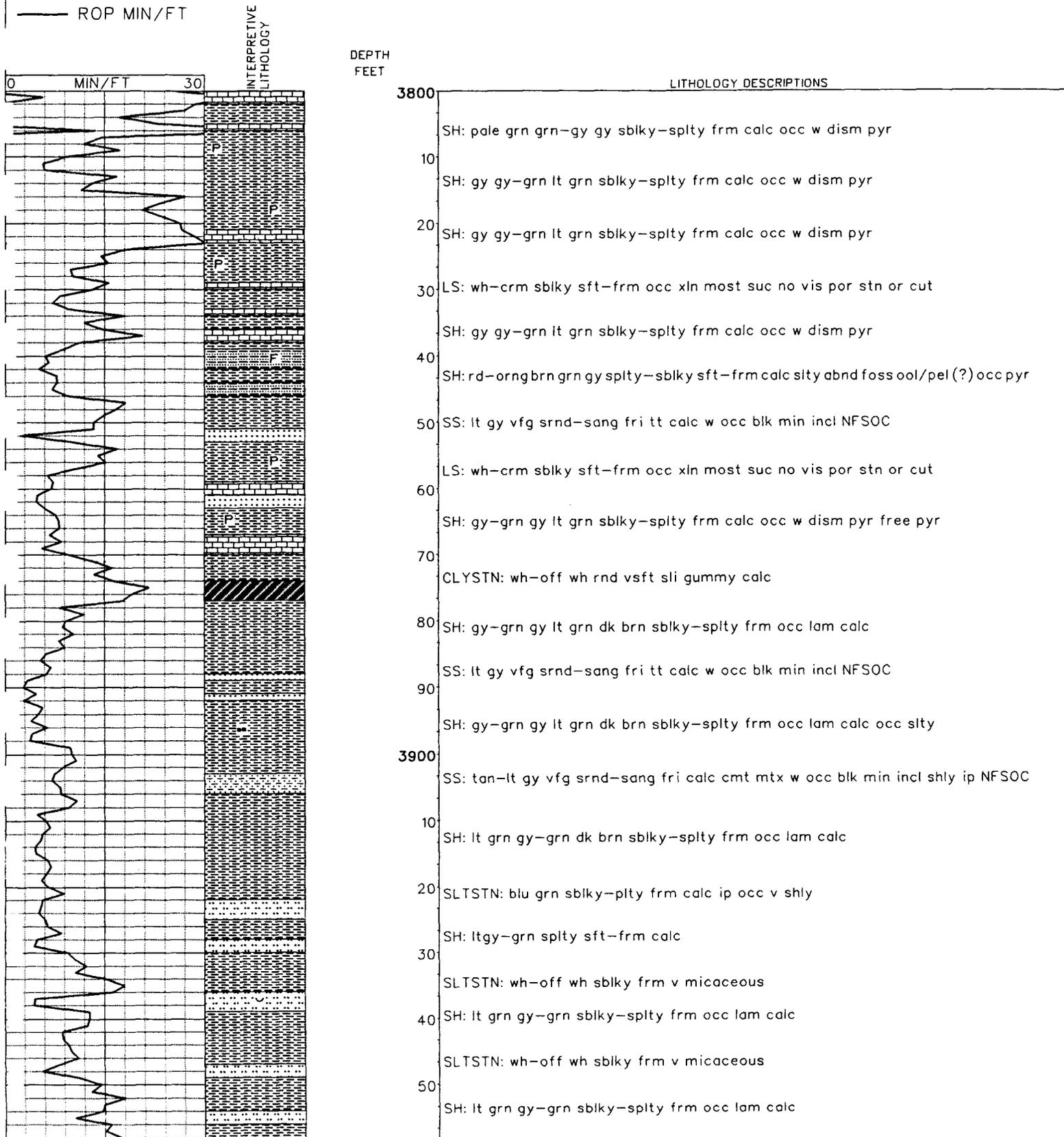
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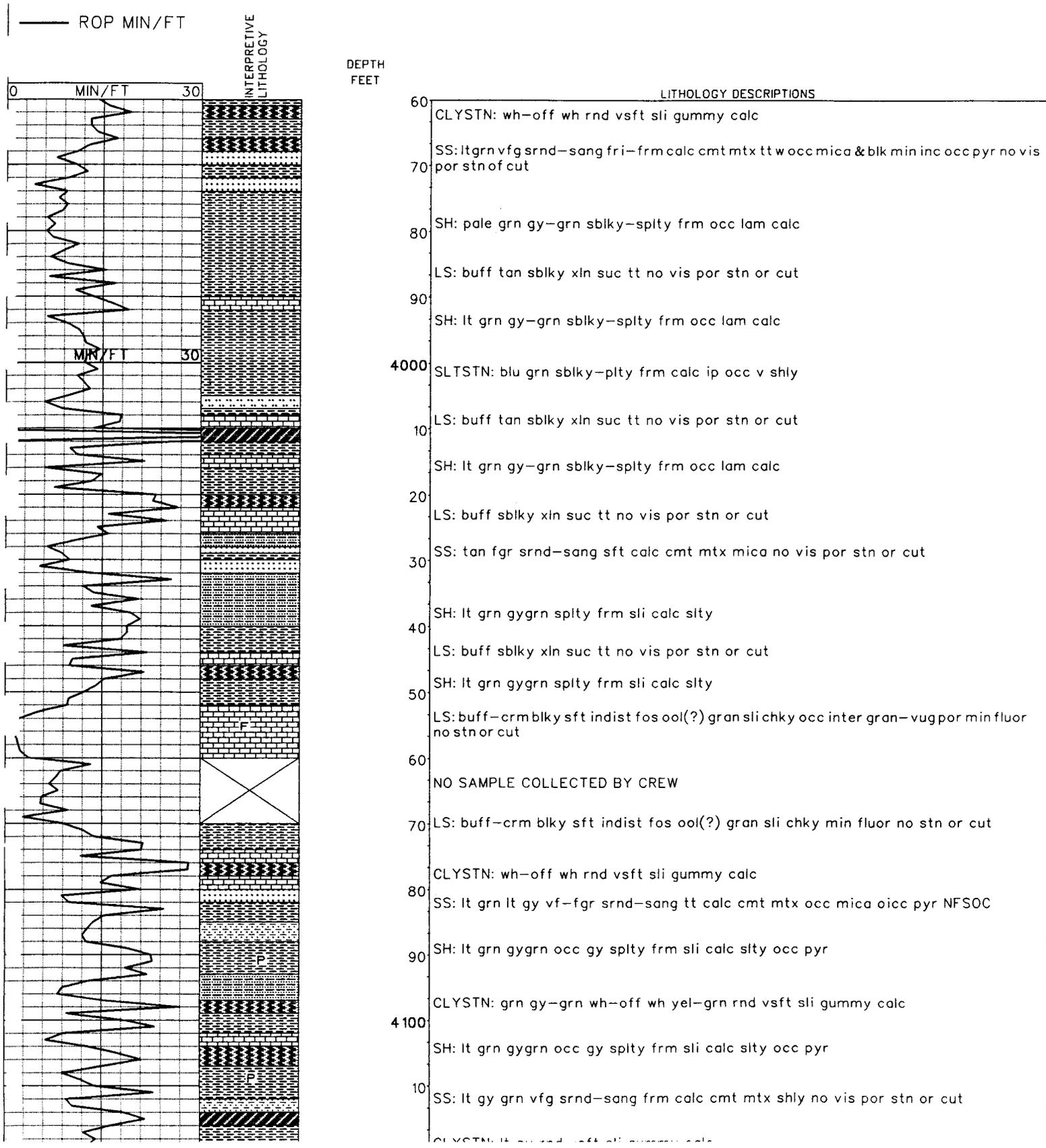
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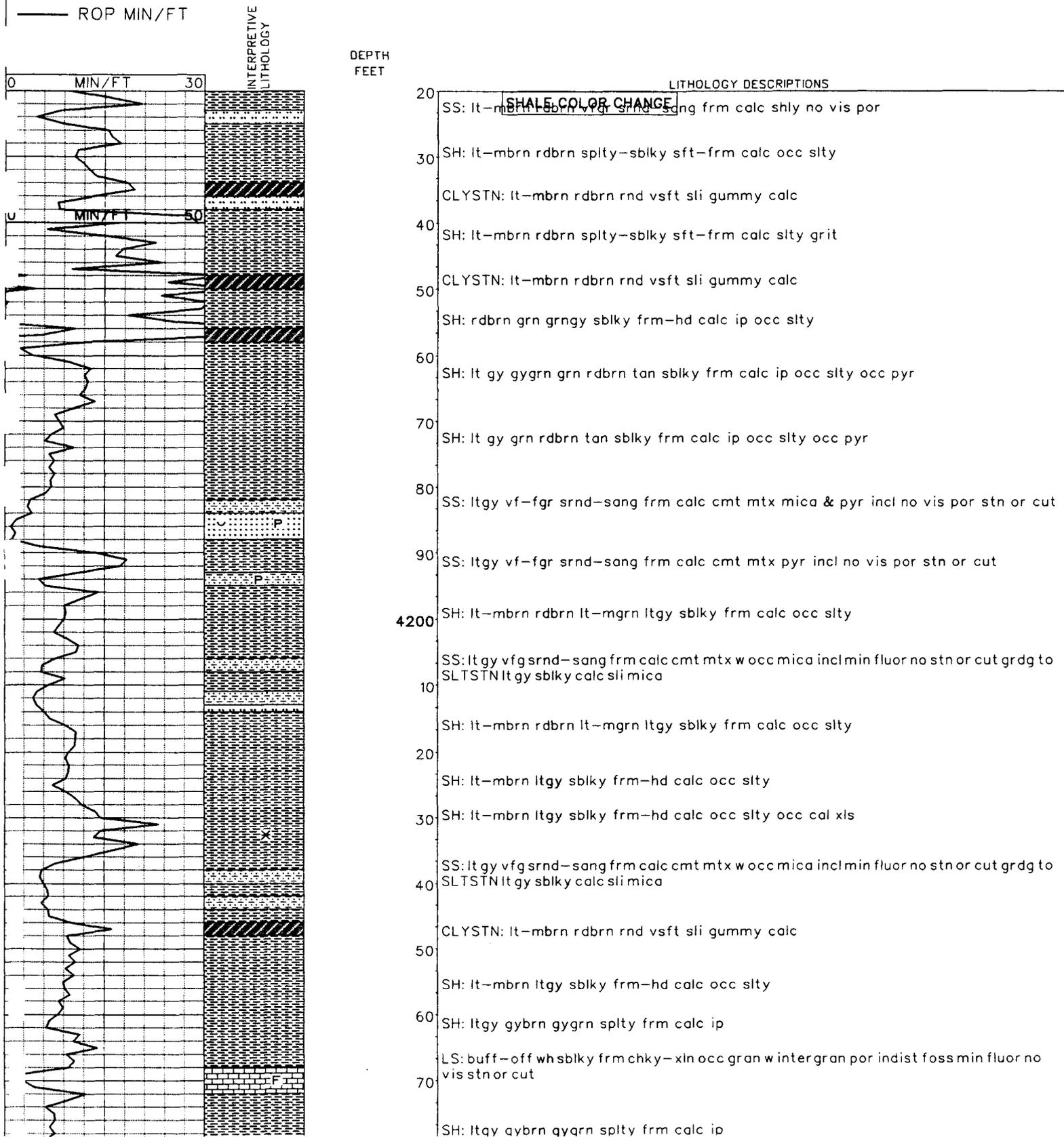
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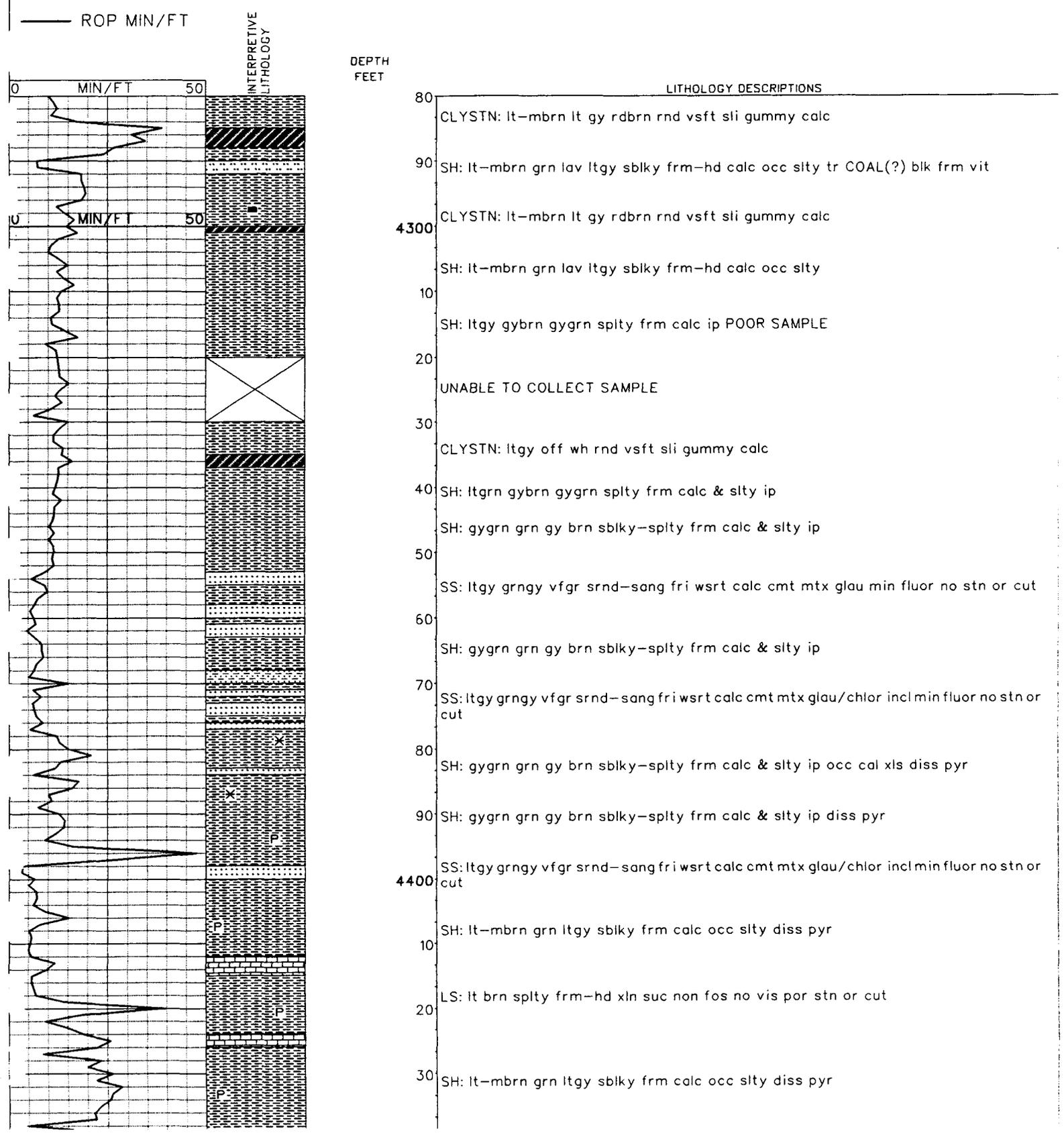
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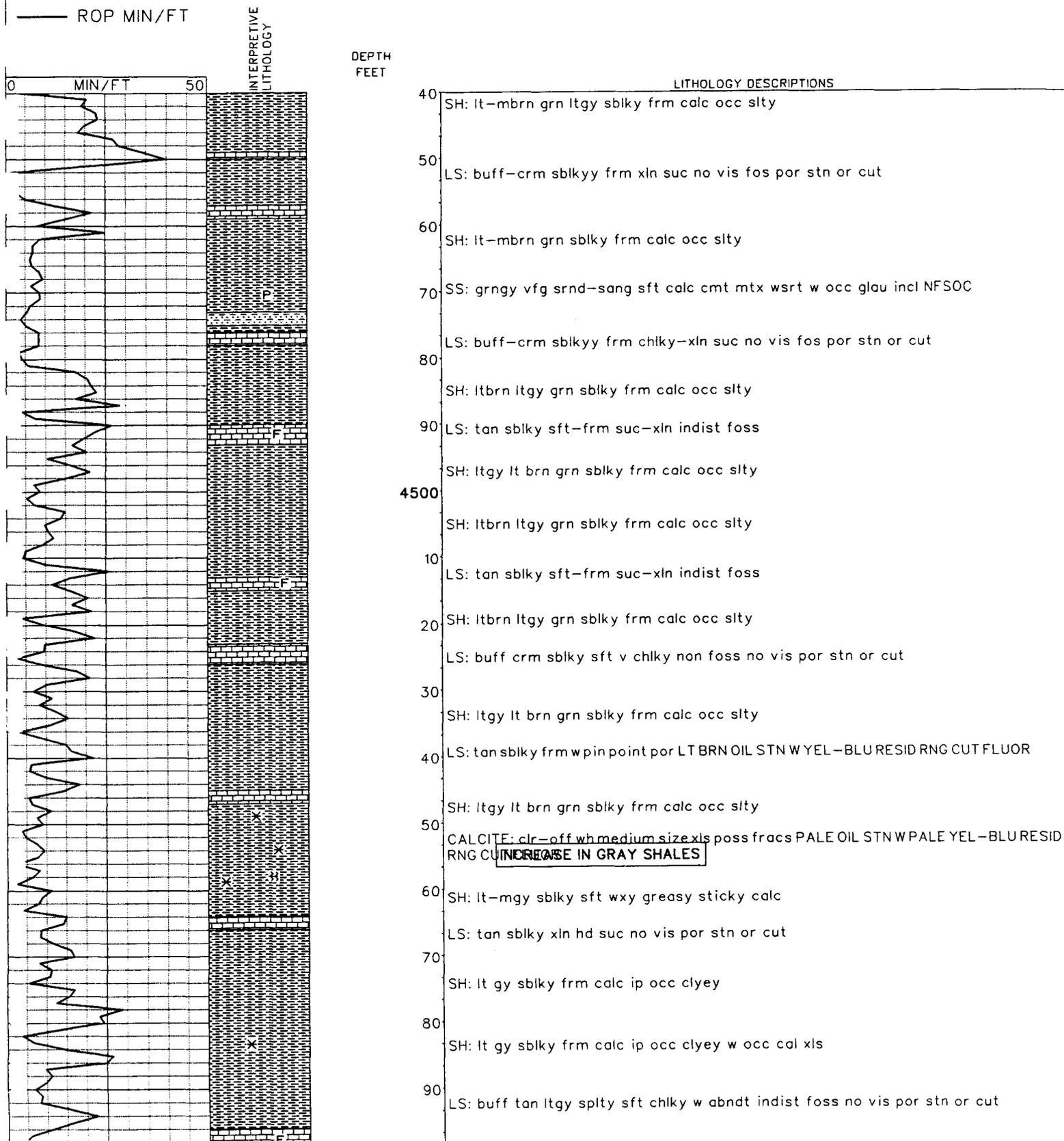
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STATE: UTAH



PASON ROCKY MOUNTAIN GEO-ENGINEERING  
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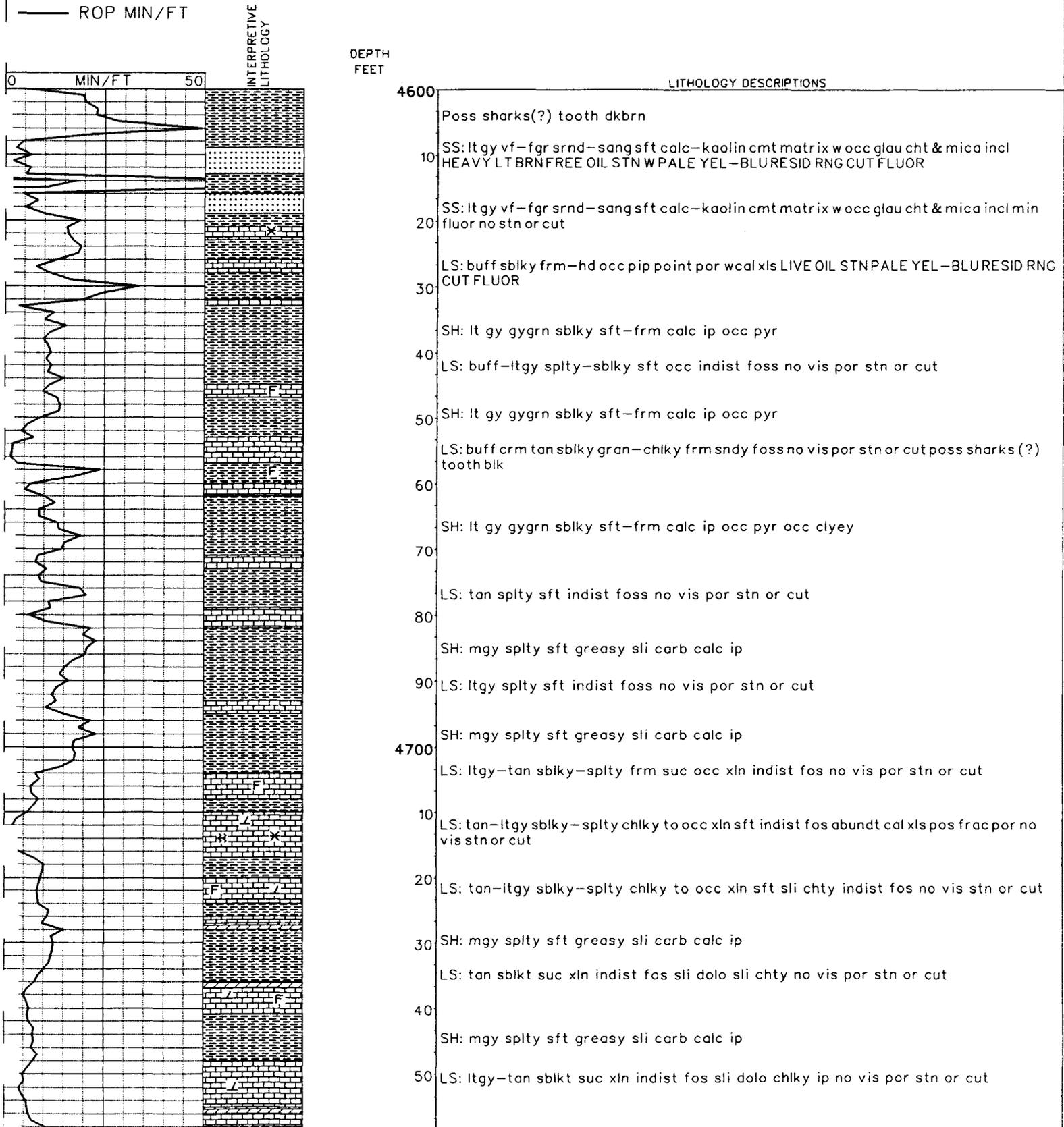
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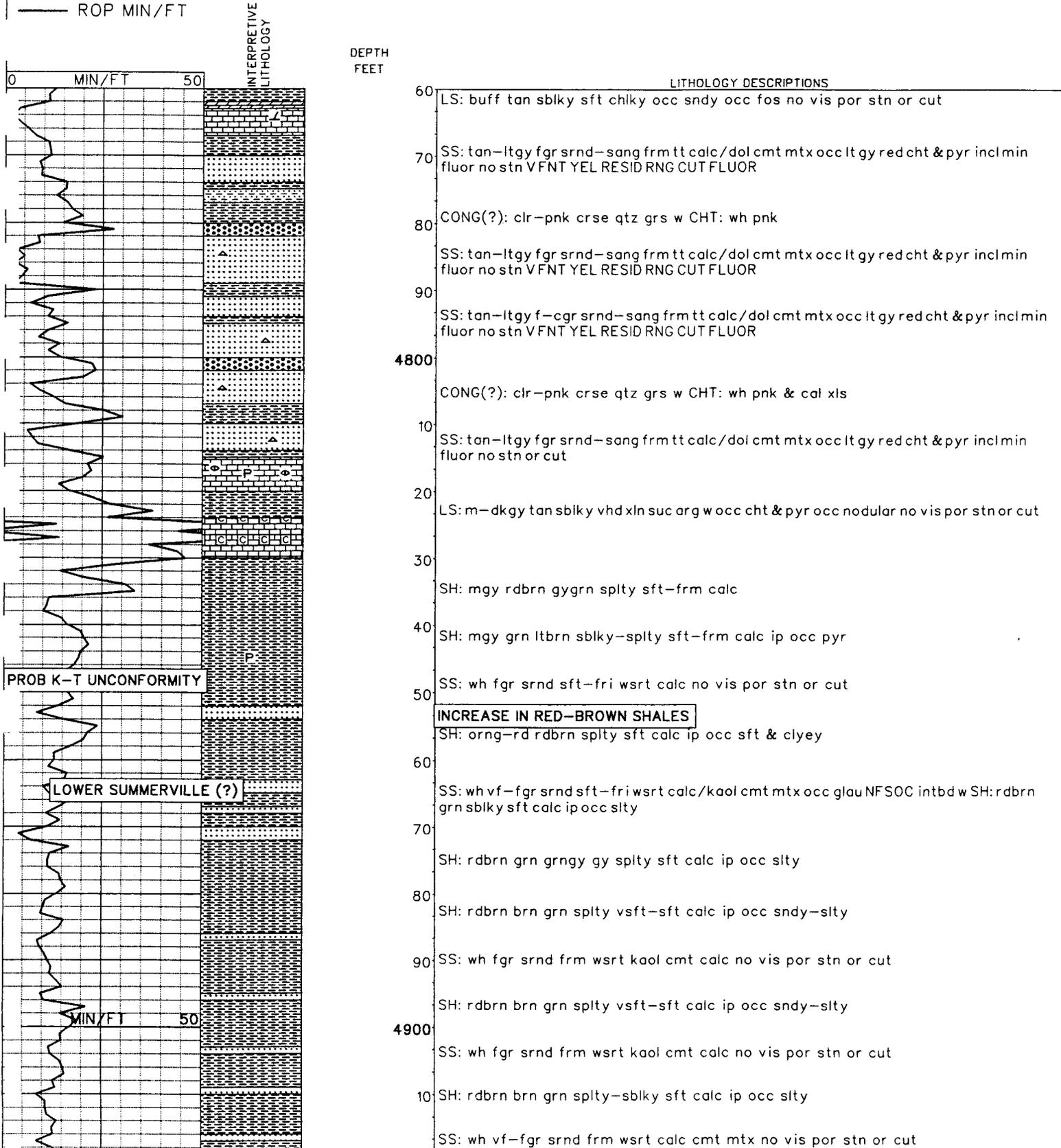
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STATE: UTAH



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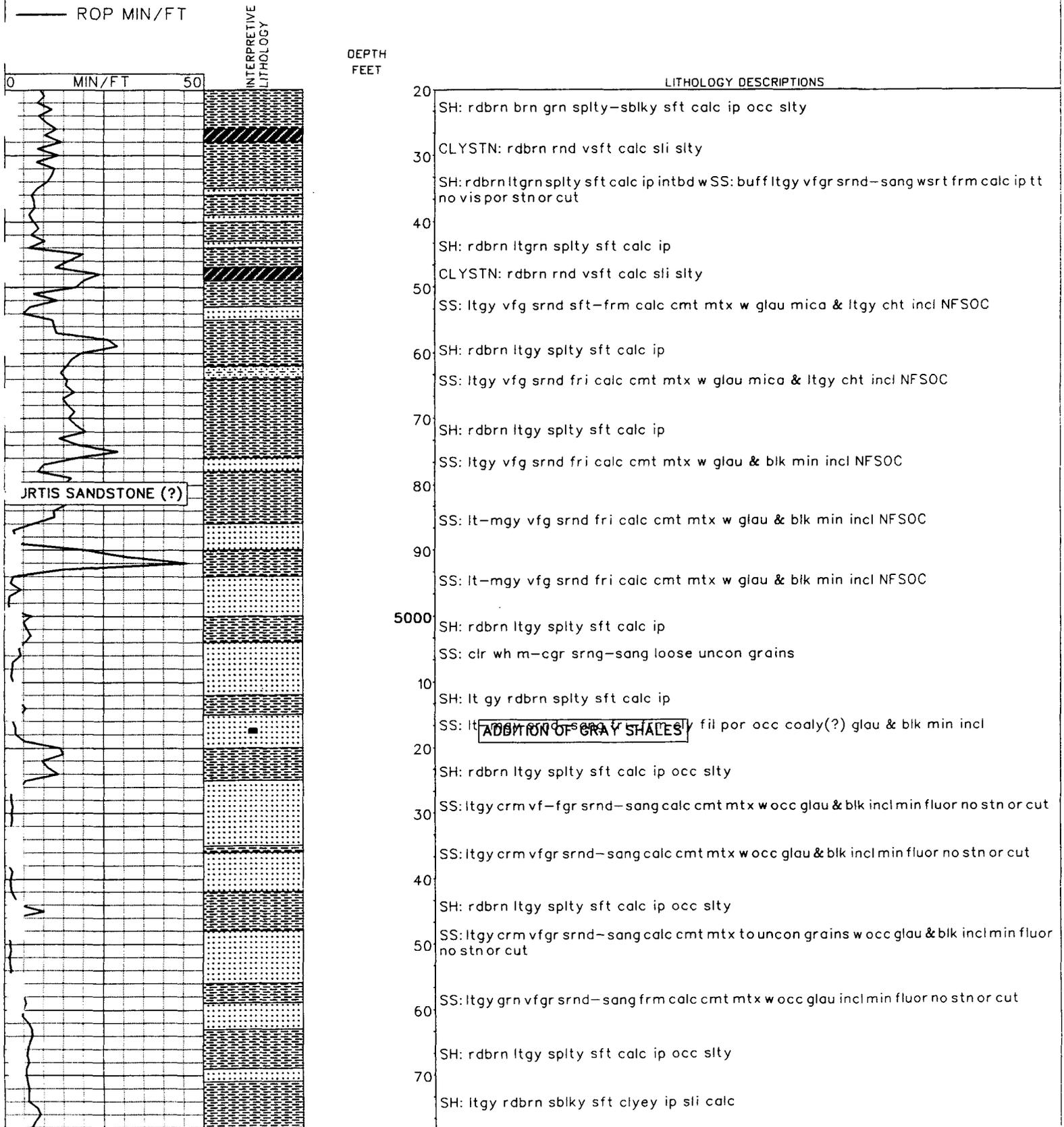
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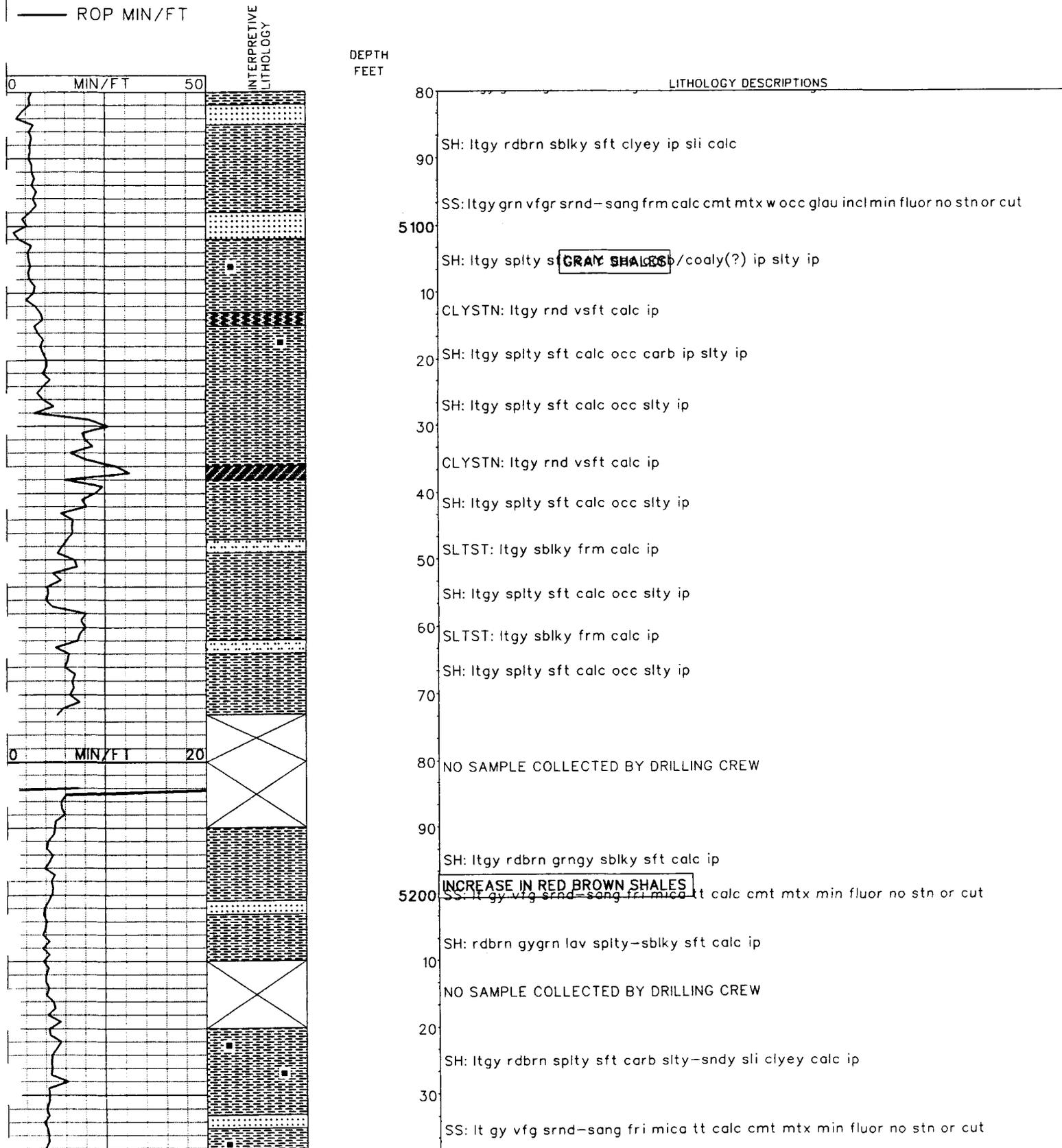
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STATE: UTAH



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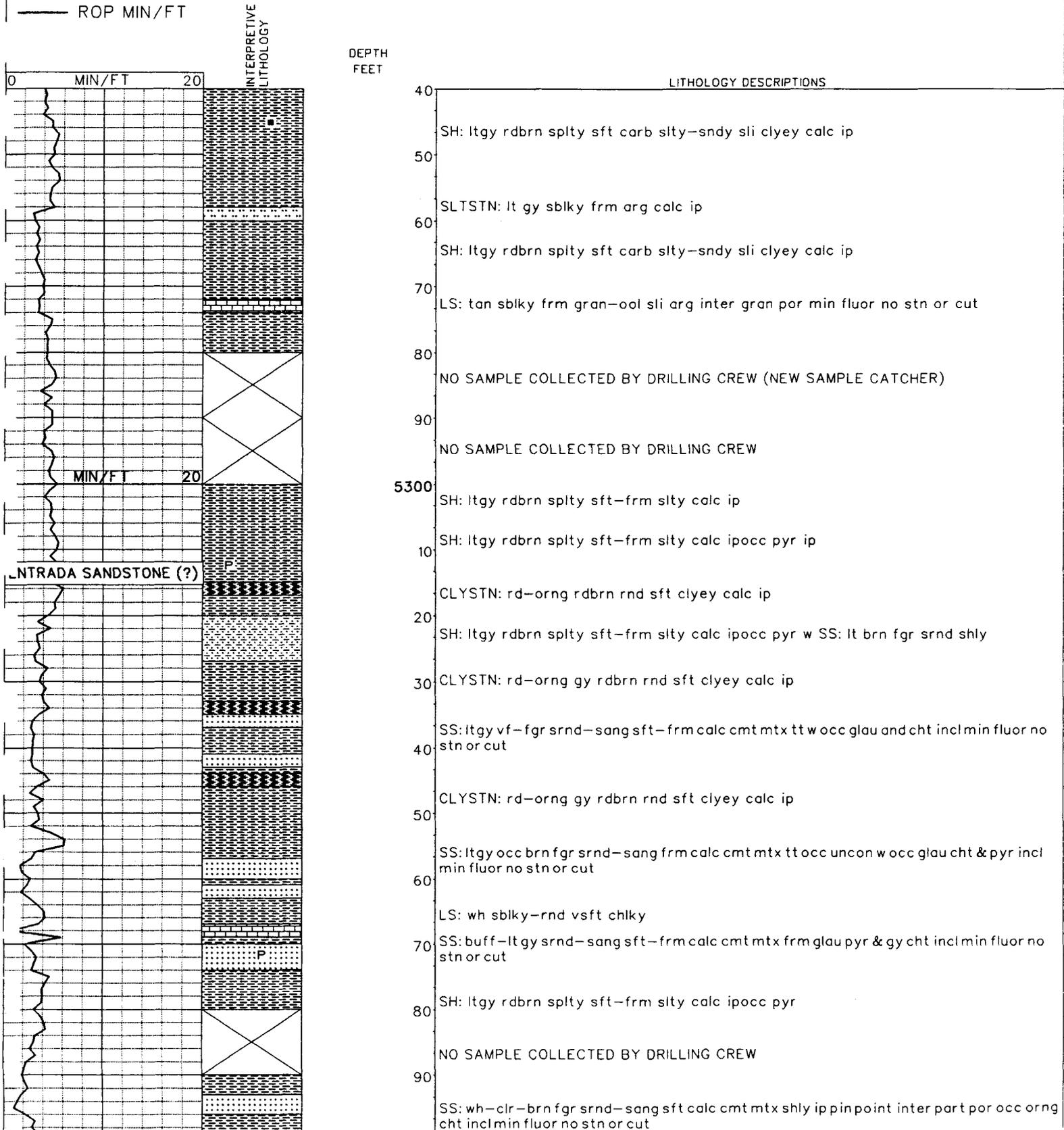
LOCATION: NWNW SEC. 5, T16S, R3E  
COUNTY: SANPETE  
STATE: UTAH



PASON ROCKY MOUNTAIN GEO-ENGINEERING  
(970) 243-3044

OPERATOR: CIMARRON OPERATING COMPANY  
WELL: DYE #1  
PRINT DATE: Tue Sep 29 1998 13:41:00

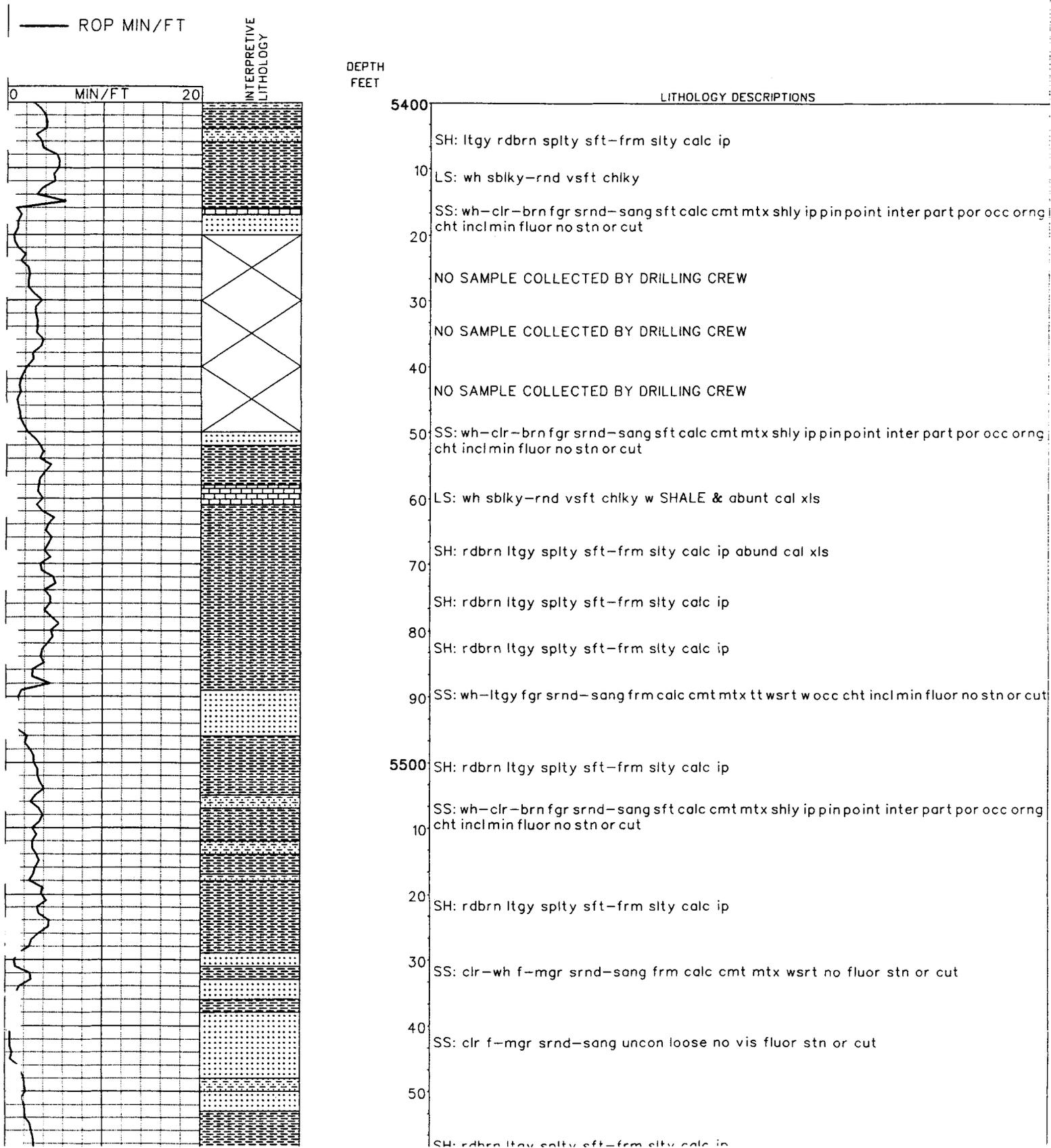
LOCATION: NWNW SEC. 5, T16S, R3E  
COUNTY: SANPETE  
STATE: UTAH



PASON ROCKY MOUNTAIN GEO-ENGINEERING  
(970) 243-3044

OPERATOR: CIMARRON OPERATING COMPANY  
WELL: DYE #1  
PRINT DATE: Tue Sep 29 1998 13:42:40

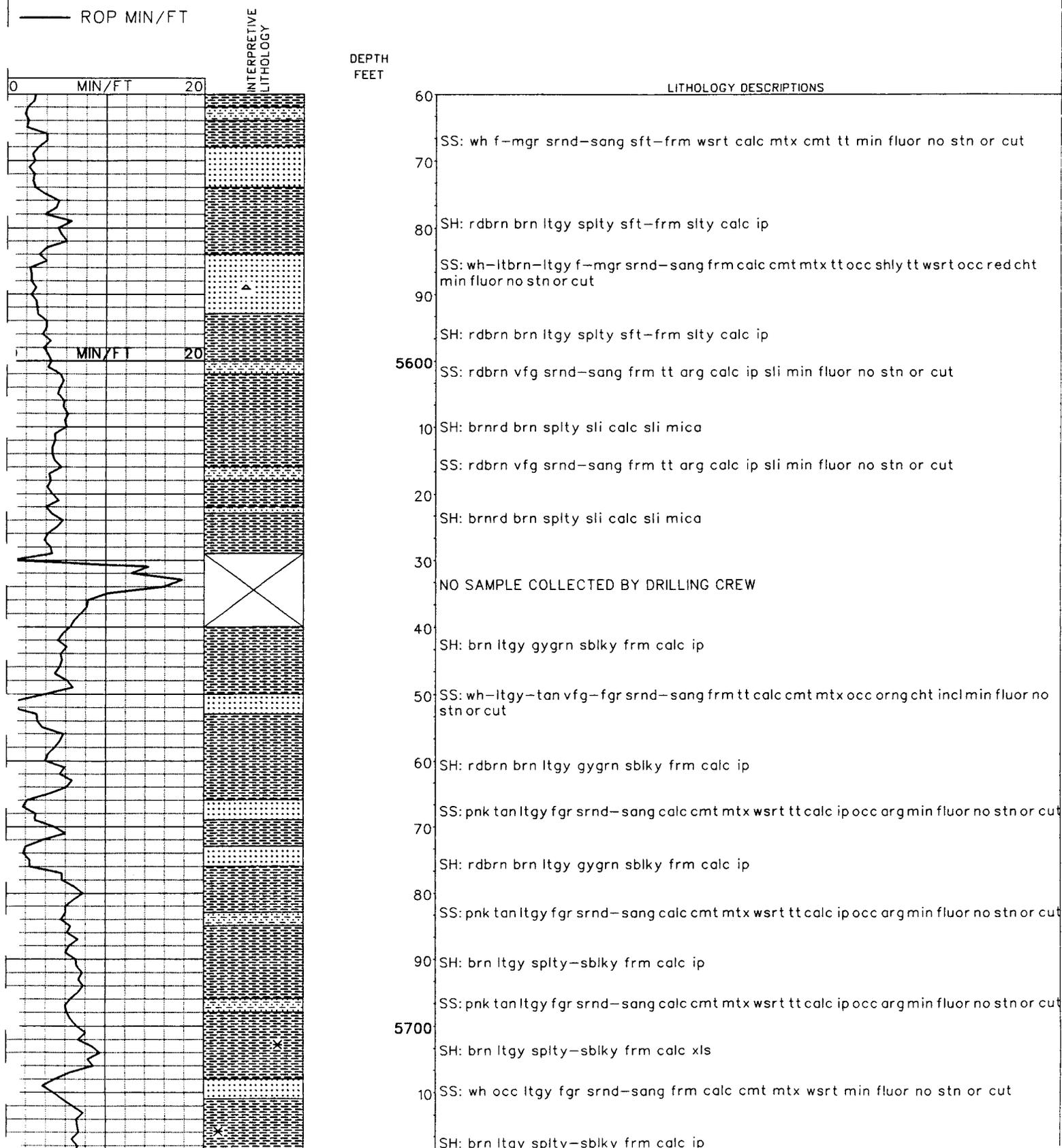
LOCATION: NWNW SEC. 5, T16S, R3E  
COUNTY: SANPETE  
STATE: UTAH



PASON ROCKY MOUNTAIN GEO-ENGINEERING  
(970) 243-3044

OPERATOR: CIMARRON OPERATING COMPANY  
WELL: DYE #1  
PRINT DATE: Tue Sep 29 1998 13:44:10

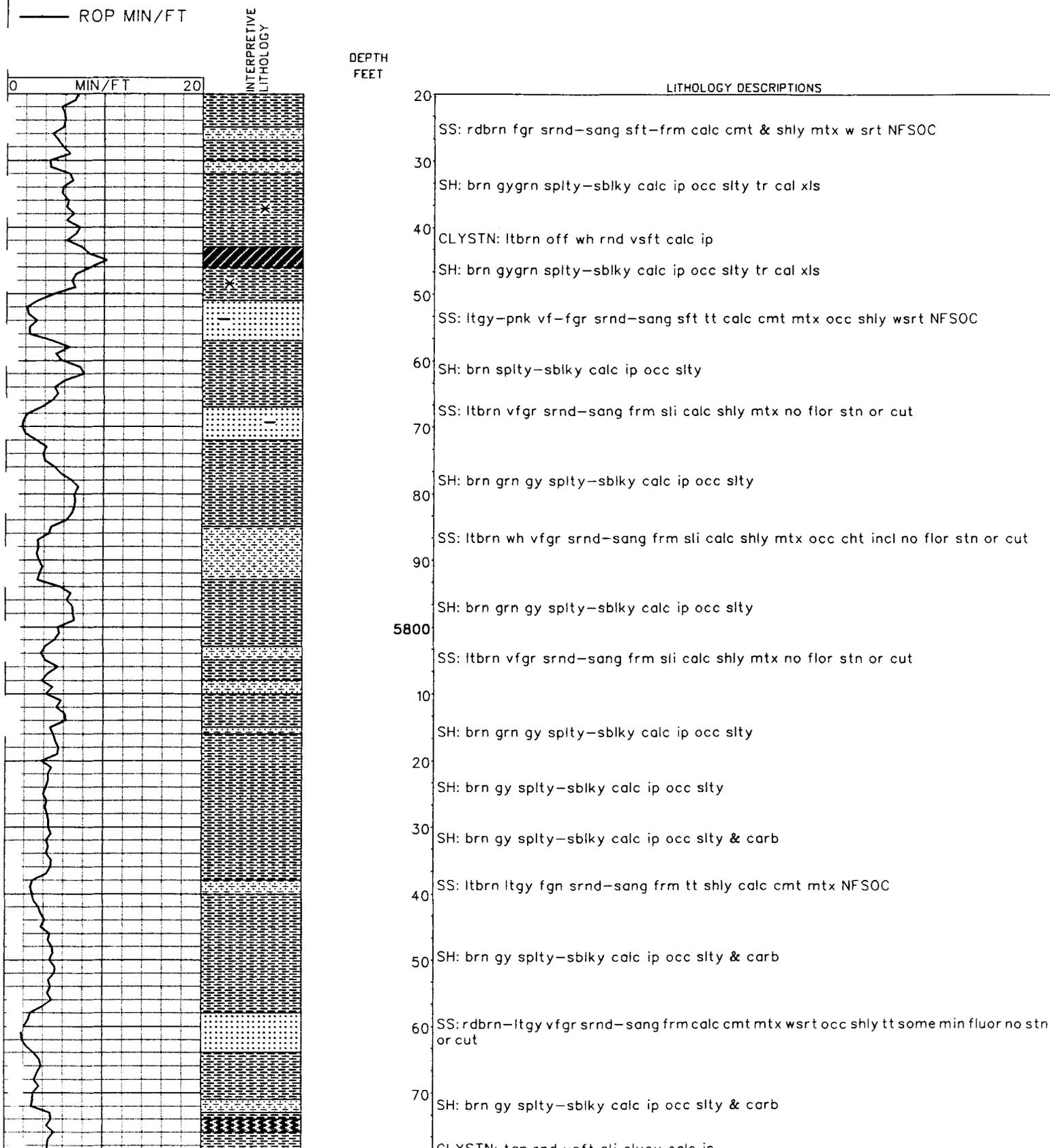
LOCATION: NWNW SEC. 5, T16S, R3E  
COUNTY: SANPETE  
STATE: UTAH



PASON ROCKY MOUNTAIN GEO-ENGINEERING  
(970) 243-3044

OPERATOR: CIMARRON OPERATING COMPANY  
WELL: DYE #1  
PRINT DATE: Tue Sep 29 1998 13:45:50

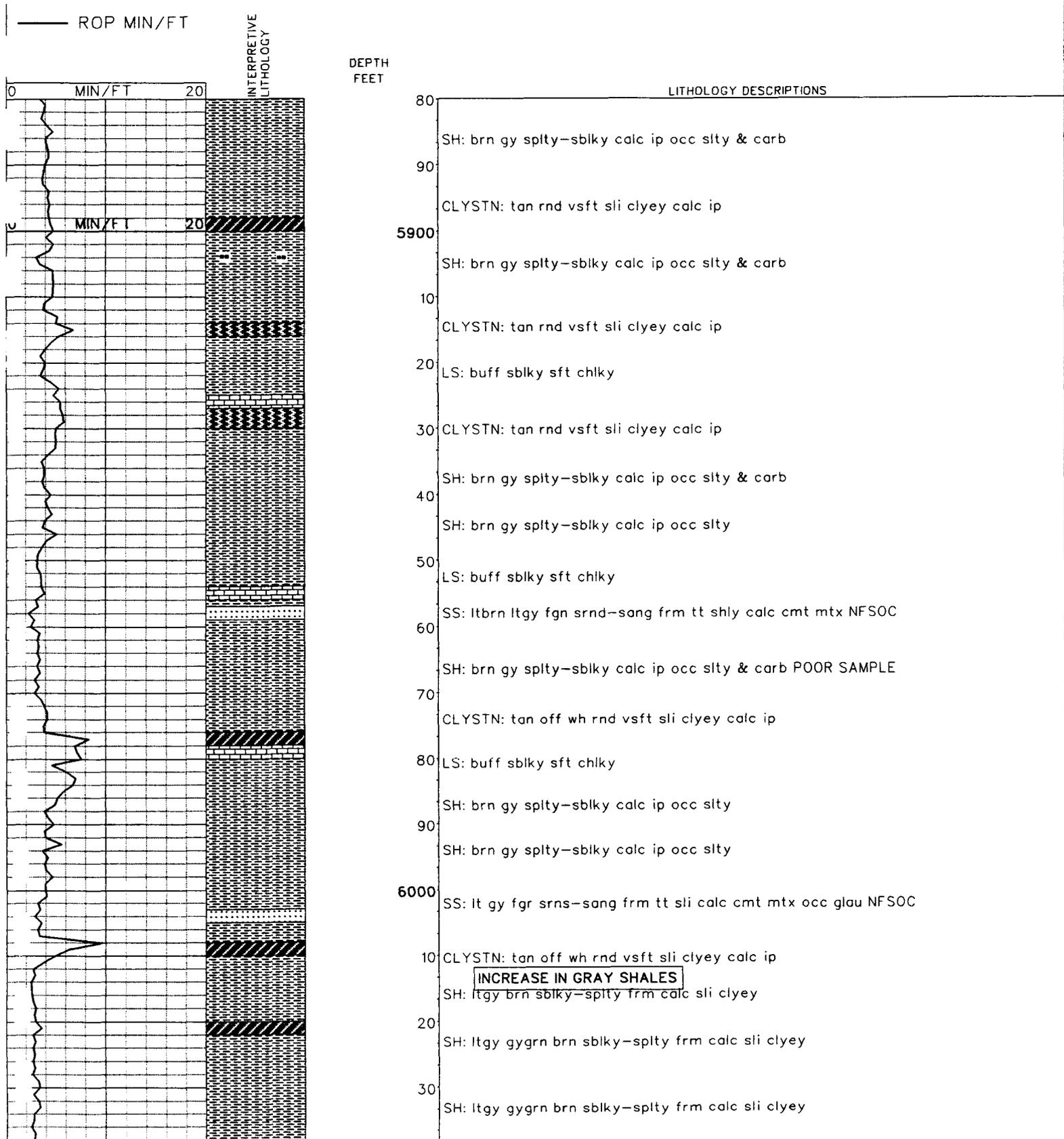
LOCATION: NWNW SEC. 5, T16S, R3E  
COUNTY: SANPETE  
STATE: UTAH



PASON ROCKY MOUNTAIN GEO-ENGINEERING  
(970) 243-3044

OPERATOR: CIMARRON OPERATING COMPANY  
WELL: DYE #1  
PRINT DATE: Tue Sep 29 1998 13:47:30

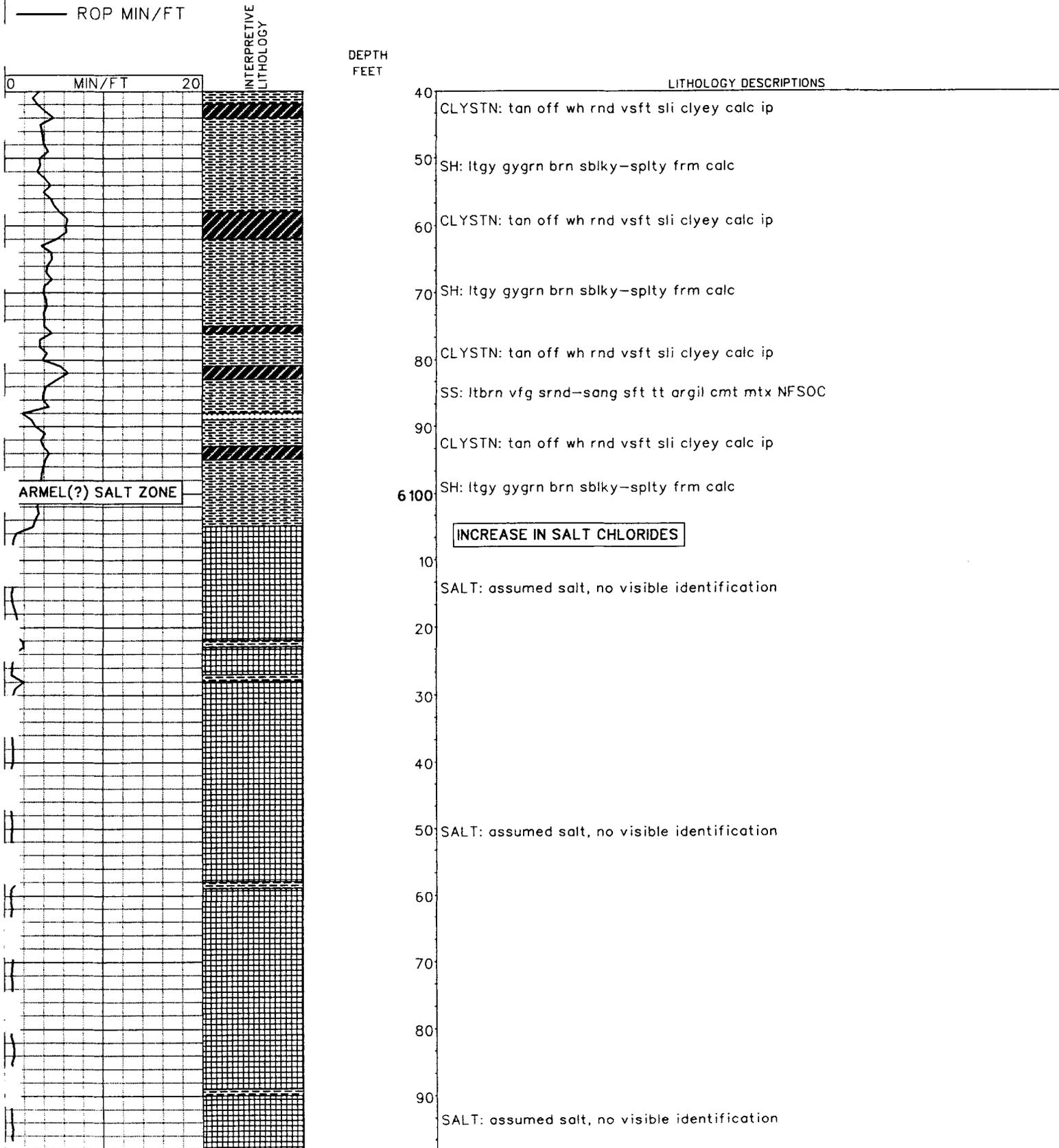
LOCATION: NWNW SEC. 5, T16S, R3E  
COUNTY: SANPETE  
STATE: UTAH



PASON ROCKY MOUNTAIN GEO-ENGINEERING  
(970) 243-3044

OPERATOR: CIMARRON OPERATING COMPANY  
WELL: DYE #1  
PRINT DATE: Tue Sep 29 1998 13:49:10

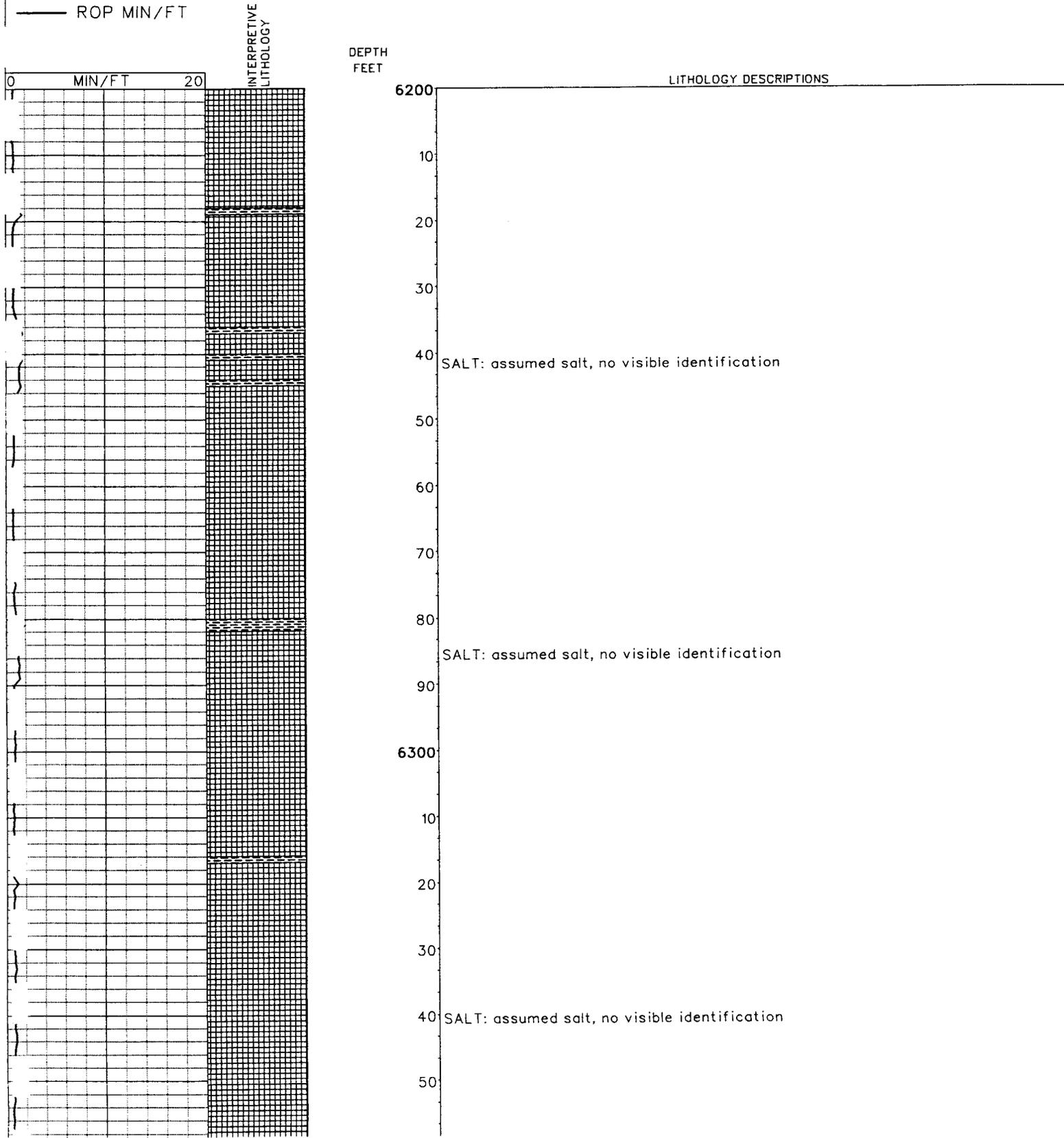
LOCATION: NWNW SEC. 5, T 16S, R3E  
COUNTY: SANPETE  
STATE: UTAH



PASON ROCKY MOUNTAIN GEO-ENGINEERING  
(970) 243-3044

OPERATOR: CIMARRON OPERATING COMPANY  
WELL: DYE #1  
PRINT DATE: Tue Sep 29 1998 13:50:50

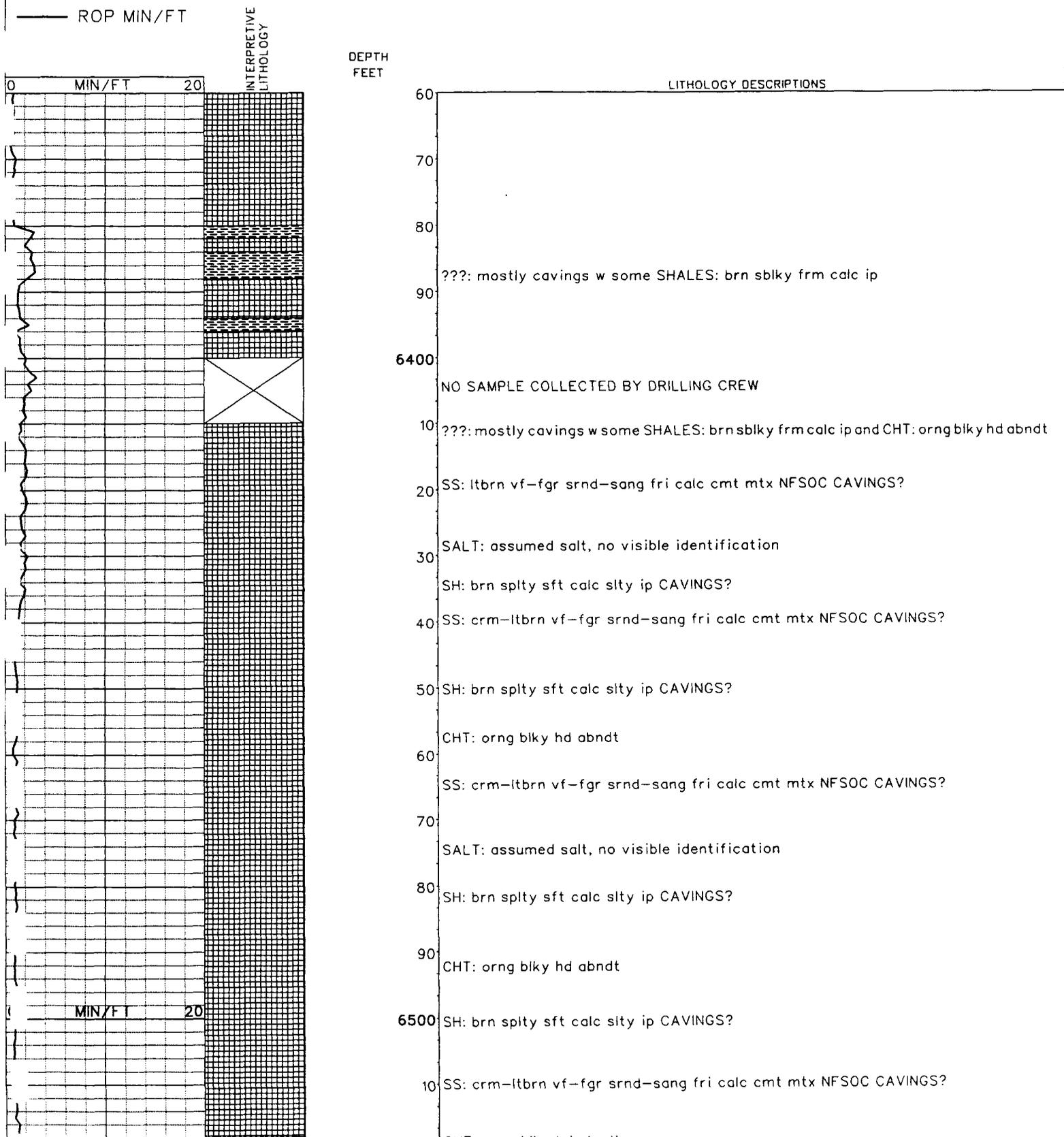
LOCATION: NWNW SEC. 5, T16S, R3E  
COUNTY: SANPETE  
STATE: UTAH



PASON ROCKY MOUNTAIN GEO-ENGINEERING  
(970) 243-3044

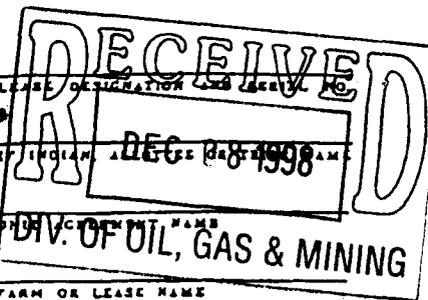
OPERATOR: CIMARRON OPERATING COMPANY  
WELL: DYE #1  
PRINT DATE: Tue Sep 29 1998 13:52:30

LOCATION: NWNW SEC. 5, T 16S, R3E  
COUNTY: SANPETE  
STATE: UTAH



ST OF UTAH  
DIVISION OF OIL, GAS AND MINING

**CONFIDENTIAL**



**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

1. TYPE OF WELL: OIL WELL  GAS WELL  DRY  Other Dry (P & A'd)

2. TYPE OF COMPLETION: NEW WELL  WORK OVER  DEEP-EN  PLUG BACK  DIFF. ACSTX.  Other Plug & Abandoned

3. NAME OF OPERATOR: CIMARRON OPERATING COMPANY, L C

4. ADDRESS OF OPERATOR: (801) 562-5556  
488 E. Winchester Street, Suite 150, Salt Lake City, UT 84107

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements):  
At surface: 601' fnl 666' fwl  
At top prod. interval reported below: N/A  
At total depth (@ 6338' KB - last survey): 762' fnl 1,118' fwl

6. FIELD AND POOL OR WILDCAT: Wildcat

7. SEC. T. R. M. OR BLOCK AND SURVEY OR AREA: NW/4 NW/4  
Sec. 5 - T16S - R3E SLC

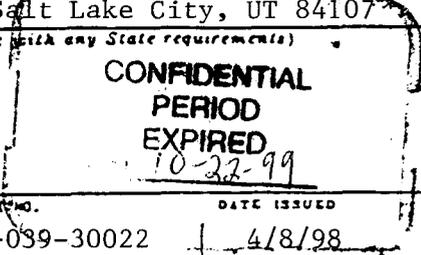
8. COUNTY: Sanpete STATE: Utah

9. DATE SPUNDED: 8/5/98 10. DATE T.D. REACHED: 9/20/98 11. DATE COMPL. (Ready to prod.): 9/22/98 (Plug & Abd.) 12. ELEVATIONS (DF. BEB. RT. CR. ETC.): 5,498' Ground 13. ELEV. CASINGHEAD: 5,498'

14. TOTAL DEPTH, MD & TVD: 7,016' KB (MD) 15. PLUG BACK T.D., MD & TVD: N/A 16. IF MULTIPLE COMPL. HOW MANY: N/A 17. INTERVALS DRILLED BY: Rotary 18. ROTARY TOOLS: Rotary 19. CABLE TOOLS: ----

20. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD): N/A 21. WAS DIRECTIONAL SURVEY MADE: Yes - copy attached

22. TYPE ELECTRIC AND OTHER LOGS RUN: Mud Log; Dipmeter; // -16 1/2" CNL-Density/GR; Azimuthal Laterolog; Array Sonic 23. WAS WELL CORED: YES  NO  (Submit analysis) 24. DRILL STEM TEST: YES  NO  (See reverse side)



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

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
16"	----	96' KB	24"	180 sx/ 50 sx top job	None
9 5/8"	36#	1,892' KB	12 1/4"	470 sx Lite/ 290 sx "G"	None

26. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT	SCREEN (MD)
N/A				

27. TUBING RECORD

SIZE	DEPTH SET (MD)	PACERS SET (MD)
N/A		

28. PERFORATION RECORD (Interval, size and number)

N/A ---- P & A'd 9/22/98

29. ACID, SHOT, FRACTURE CEMENT SQUEEZE ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
N/A	

30. PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)
N/A	N/A	P & A'd

DATE OF TEST	HOURS TESTED	CHOKER SIZE	PROG'N. FOR TEST PERIOD	OIL—BSL.	GAS—MCF.	WATER—BSL.	GAS-OIL RATIO
N/A	N/A	N/A					

FLOW, TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BSL.	GAS—MCF.	WATER—BSL.	OIL GRAVITY-API (CORR.)
N/A	N/A					

31. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.): N/A

32. TEST WITNESSED BY: \_\_\_\_\_

33. LIST OF ATTACHMENTS: Directional Survey (including section view & plan view)

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

SIGNED: Greg W. Ethridge TITLE: Operations Consultant DATE: 12/3/98

See Spaces for Additional Data on Reverse Side

## INSTRUCTIONS

This form should be completed in compliance with the Utah Oil and Gas Conservation General Rules. If not filed prior to this time, all logs, tests, and directional surveys as required by Utah Rules should be attached and submitted with this report.

ITEM 18: Indicate which elevation is used as reference for depth measurements given in other spaces on this form and on any attachments.

ITEMS 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

ITEM 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

ITEM 33: Submit a separate completion report on this form for each interval to be separately produced (see instruction for items 22 and 24 above).

CONFIDENTIAL

Formation	Top	Bottom	Description, contents, etc.	Name	Meas. Depth	True Vert. Depth
38. GEOLOGIC MARKERS						
<p>37. SUMMARY OF POROUS ZONES:            Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries.</p>						
			Did not observe any porous zones	Green River	2,206'	2,205'
				Colton	3,090'	3,083'
				Flagstaff	3,474'	3,464'
				North Horn	3,720'	3,709'
				Unconformity	4,545' (?)	4,525'
				Dakota	Not Present	----
				Cedar Mountain	Not Present	----
				Summerville	Not Present	----
				Curtis	4,988'	4,962'
				Entrada	5,318'	5,286'
			Salt	6,106'	6,067'	

**DRILLED FOOTAGE CALCULATION FOR  
DIRECTIONAL AND HORIZONTAL WELLS**

Unit, Well Name: Cimmaron, Dye #1  
API Well #: 43-039-30022  
Well Completion: Sidetrack, P&A'ed

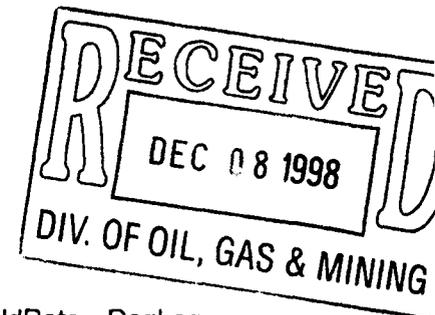
First leg description:	Lateral #1
KOP MD:	0.00
EOL MD:	6338.00
Footage drilled:	6338.00
Max. TVD Recorded	6298.66

<b>Total Footage Drilled (MD):</b>	<b>6338.00</b>
<b>Deepest point (TVD):</b>	<b>6298.66</b>

September 16, 1998  
10:20 pm

PathTracker 4.0  
Survey Calculation Program  
PERFORMANCE DRILLING SPECIALISTS

Customer: CIMARRON OPERATING  
WellName: DYE #1  
Location: SANPETE COUNTY, UTAH  
T16S-R3E-SEC.5



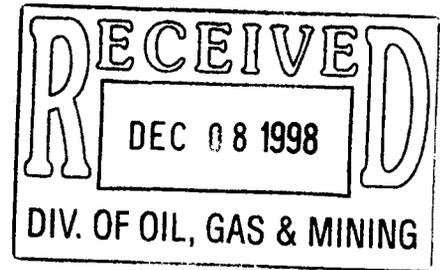
Vertical Section Calculated on: 109.6529  
Survey Calculation Method: Minimum Curvature  
FileName: C:\PATHTRK\RDYE#1.SR3

#	Depth Feet	Inc Deg	Azimuth Degrees	TVD Feet	North Feet	East Feet	Section Feet	TrnRate /100f	BldRate /100f	DogLeg /100f
0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1	1943.00	2.25	71.80	1942.50	11.91	36.24	30.12	0.00	0.12	0.12
2	2036.00	2.44	76.60	2035.42	12.94	39.90	33.22	5.16	0.20	0.29
3	2129.00	2.44	76.70	2128.34	13.86	43.75	36.54	0.11	0.00	0.00
4	2222.00	2.75	82.30	2221.24	14.61	47.89	40.18	6.02	0.33	0.43
5	2315.00	3.00	83.40	2314.13	15.19	52.52	44.35	1.18	0.27	0.28
6	2408.00	3.81	88.80	2406.96	15.53	58.02	49.42	5.81	0.87	0.94
7	2501.00	6.00	94.50	2499.62	15.22	65.96	57.00	6.13	2.35	2.41
8	2594.00	8.63	100.10	2591.85	13.61	77.68	68.57	6.02	2.83	2.93
9	2687.00	8.38	99.50	2683.83	11.27	91.23	82.12	-0.65	-0.27	0.29
10	2780.00	8.06	98.70	2775.87	9.17	104.36	95.20	-0.86	-0.34	0.37
11	2873.00	7.38	96.50	2868.03	7.50	116.74	107.41	-2.37	-0.73	0.80
12	2966.00	7.19	92.70	2960.28	6.55	128.48	118.80	-4.09	-0.20	0.56
13	3059.00	6.75	91.70	3052.59	6.12	139.76	129.56	-1.08	-0.47	0.49
14	3152.00	6.69	90.80	3144.95	5.88	150.64	139.89	-0.97	-0.06	0.13
15	3245.00	6.63	87.90	3237.33	6.00	161.42	150.00	-3.12	-0.06	0.37
16	3338.00	6.44	89.00	3329.72	6.29	172.00	159.87	1.18	-0.20	0.24
17	3431.00	6.13	88.30	3422.16	6.53	182.18	169.37	-0.75	-0.33	0.34
18	3524.00	6.38	88.20	3514.61	6.84	192.31	178.81	-0.11	0.27	0.27
19	3617.00	7.06	92.50	3606.97	6.75	203.18	189.08	4.62	0.73	0.91
20	3710.00	7.19	95.20	3699.25	5.97	214.69	200.17	2.90	0.14	0.39
21	3803.00	7.38	96.50	3791.50	4.77	226.42	211.63	1.40	0.20	0.27
22	3896.00	8.44	97.00	3883.62	3.26	239.13	224.10	0.54	1.14	1.14
23	3989.00	9.06	95.82	3975.53	1.69	253.19	237.87	-1.27	0.67	0.69
24	4082.00	8.88	95.50	4067.40	0.26	267.62	251.94	-0.34	-0.19	0.20
25	4175.00	8.44	94.80	4159.33	-1.00	281.56	265.50	-0.75	-0.47	0.49
26	4268.00	8.44	94.20	4251.33	-2.07	295.17	278.67	-0.65	0.00	0.09
27	4361.00	9.00	95.50	4343.25	-3.27	309.22	292.31	1.40	0.60	0.64
28	4454.00	9.69	95.10	4435.02	-4.66	324.25	306.93	-0.43	0.74	0.75
29	4547.00	9.50	93.50	4526.72	-5.83	339.71	321.88	-1.72	-0.20	0.35
30	4640.00	9.25	96.70	4618.47	-7.17	354.80	336.54	3.44	-0.27	0.62
31	4733.00	9.00	98.70	4710.30	-9.14	369.41	350.96	2.15	-0.27	0.43
32	4795.00	8.88	103.70	4771.55	-11.01	378.85	360.49	8.06	-0.19	1.27
33	4888.00	8.94	110.10	4863.43	-15.19	392.61	374.85	6.88	0.06	1.07
34	4929.00	9.25	117.30	4903.91	-17.80	398.53	381.30	17.56	0.76	2.87
35	4959.00	10.56	125.10	4933.46	-20.48	402.92	386.34	26.00	4.37	6.24
36	4992.00	11.06	126.90	4965.88	-24.12	407.93	392.28	5.45	1.52	1.83
37	5023.00	11.00	127.80	4996.31	-27.73	412.64	397.93	3.23	-0.19	0.65

September 16, 1998  
10:20 pm

PathTracker 4.0  
Survey Calculation Program  
PERFORMANCE DRILLING SPECIALISTS

Customer: CIMARRON OPERATING  
WellName: DYE #1  
Location: SANPETE COUNTY, UTAH  
T16S-R3E-SEC.5

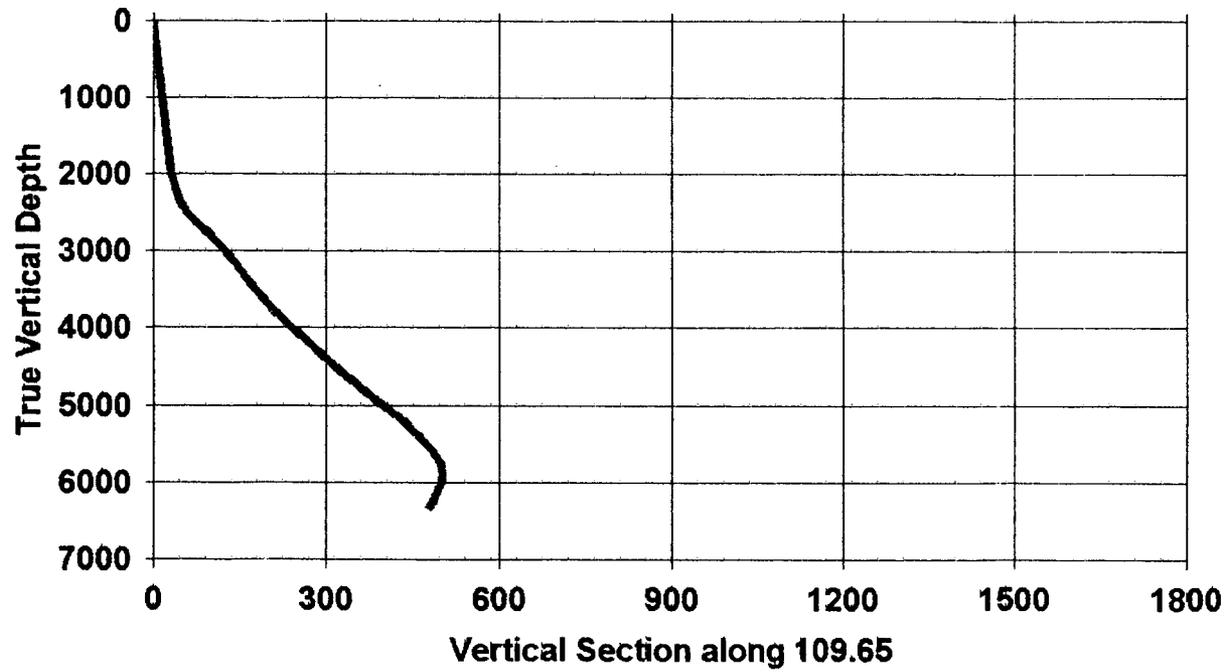


Vertical Section Calculated on: 109.6529  
Survey Calculation Method: Minimum Curvature  
FileName: C:\PATHTRKR\DYE#1.SR3

#	Depth Feet	Inc Deg	Azimuth Degrees	TVD Feet	North Feet	East Feet	Section Feet	TrnRate /100f	BldRate /100f	DogLeg /100f
38	5054.00	10.81	129.20	5026.75	-31.38	417.23	403.48	4.19	-0.61	1.00
39	5085.00	10.69	129.70	5057.20	-35.05	421.69	408.92	1.61	-0.39	0.49
40	5116.00	11.75	130.80	5087.61	-38.95	426.29	414.56	3.55	3.42	3.49
41	5132.00	12.13	131.00	5103.26	-41.12	428.80	417.65	1.25	2.38	2.39
42	5184.00	10.75	130.80	5154.23	-47.87	436.59	427.26	-0.38	-2.65	2.65
43	5246.00	8.88	138.10	5215.32	-55.22	444.17	436.86	11.77	-3.02	3.62
44	5278.00	8.69	142.90	5246.95	-58.98	447.27	441.05	15.00	-0.59	2.37
45	5309.00	9.00	144.90	5277.58	-62.83	450.08	444.99	6.45	1.00	1.41
46	5371.00	8.63	142.30	5338.85	-70.48	455.71	452.87	-4.19	-0.60	0.88
47	5401.00	8.44	140.70	5368.51	-73.97	458.48	456.65	-5.33	-0.63	1.01
48	5432.00	8.44	140.40	5399.18	-77.48	461.37	460.56	-0.97	0.00	0.14
49	5464.00	8.38	138.90	5430.83	-81.05	464.40	464.61	-4.69	-0.19	0.71
50	5494.00	8.31	138.30	5460.52	-84.31	467.28	468.42	-2.00	-0.23	0.37
51	5525.00	8.63	137.50	5491.18	-87.70	470.35	472.44	-2.58	1.03	1.10
52	5595.00	7.81	141.90	5560.46	-95.31	476.83	481.11	6.29	-1.17	1.48
53	5658.00	7.38	152.50	5622.91	-102.27	481.34	487.70	16.83	-0.68	2.32
54	5719.00	6.88	160.90	5683.44	-109.20	484.34	492.85	13.77	-0.82	1.89
55	5750.00	6.81	160.90	5714.22	-112.69	485.55	495.17	0.00	-0.23	0.23
56	5804.00	6.06	175.50	5767.88	-118.56	486.82	498.34	27.04	-1.39	3.32
57	5842.00	5.88	185.90	5805.68	-122.49	486.78	499.62	27.37	-0.47	2.88
58	5873.00	5.56	182.70	5836.52	-125.57	486.55	500.44	-10.32	-1.03	1.46
59	5931.00	5.25	198.20	5894.27	-130.90	485.59	501.32	26.72	-0.53	2.56
60	5996.00	6.13	220.32	5958.95	-136.37	482.41	500.17	34.03	1.35	3.61
61	6027.00	6.25	223.90	5989.77	-138.85	480.17	498.90	11.55	0.39	1.30
62	6057.00	6.25	226.90	6019.59	-141.14	477.84	497.48	10.00	0.00	1.09
63	6243.00	6.88	231.90	6204.38	-154.94	461.68	486.90	2.69	0.34	0.46
64	6274.00	6.88	233.70	6235.15	-157.18	458.73	484.87	5.81	0.00	0.70
65	6306.00	7.25	237.40	6266.91	-159.40	455.48	482.56	11.56	1.16	1.83
66	6338.00	7.19	242.30	6298.66	-161.42	452.01	479.97	15.31	-0.19	1.93

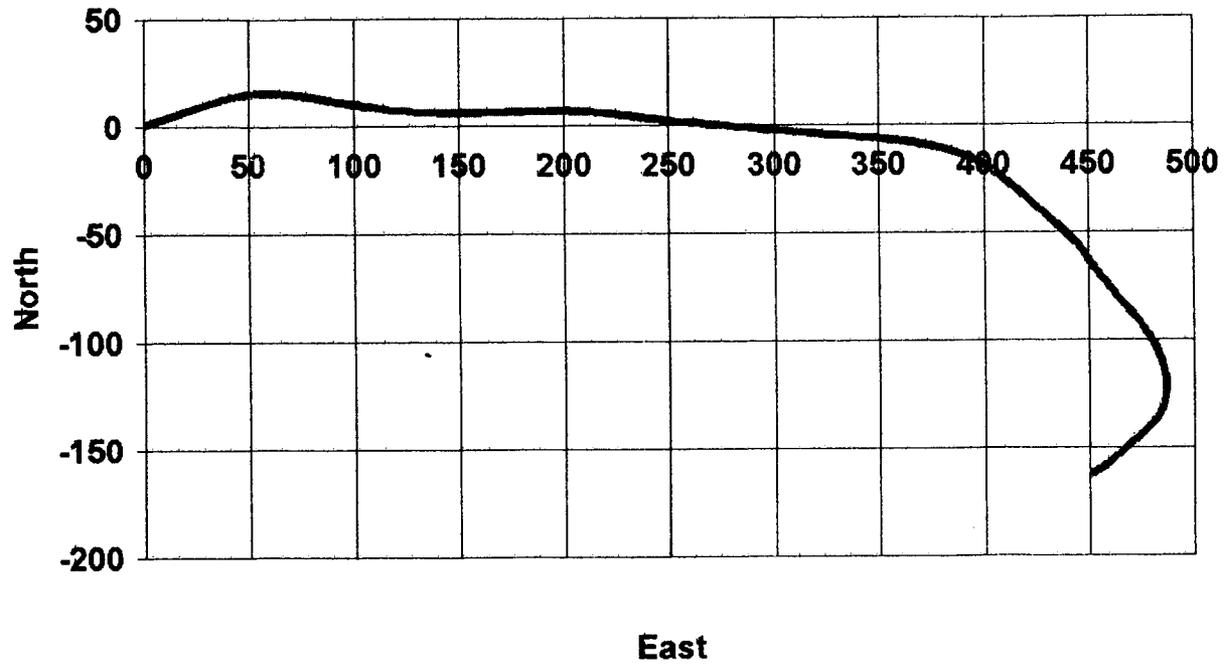
Closure is 479.9666 Feet on an azimuth of 109.6529

Section View  
DYE #1



RECEIVED  
DEC 08 1998  
DIV. OF OIL, GAS & MINING

Plan View  
DYE #1



RECEIVED  
DEC 18 1998  
DIV. OF OIL, GAS & MINING

**COPY**

**Cimarron Operating Company, LC**

October 4, 1999

Ms. Kristen Risbeck  
State of Utah  
Department of Natural Resources  
Division of Oil, Gas & Mining  
Oil & Gas Program  
P. O. Box 145801  
Salt Lake City, UT 84114-5801

Re: Release of Performance Bond  
Well: Dye #1  
NW/4 NW/4 Sec. 5 - T16S - R3E  
Sanpete County, Utah  
API # 43-039-30022

Dear Ms. Risbeck:

The Dye #1 reserve pit has been reclaimed and surface restored to original, or better, conditions.

Mr. Dye prefers to reseed the location to his specifications. Cimarron Operating has paid Mr. Dye \$400 to accomplish the reseeding at his convenience (agreement attached).

Cimarron Operating Co. requests that a surface inspection be conducted on the Dye #1 location such that Cimarron can be released from maintenance of a \$20,000 Letter of Credit with Brighton Bank, 7101 Highland Dr., Salt Lake City, UT 84121, which has been satisfying Division of Oil, Gas and Mining bond requirements.

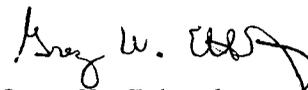
Cimarron Operating requests that Mr. Dye, or his representative, be present when the Dye #1 location is inspected, and that Mr. Greg Ethridge, representing Cimarron, also be present. Mr. Ethridge can be contacted for scheduling at either of the following phone numbers:

Location (435) 340-1226

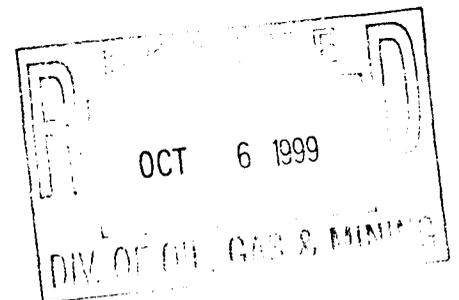
Pickup (435) 979-9850

Cimarron Operating looks forward to hearing from your office in the near future to schedule the Dye #1 surface inspection.

Very truly yours,



Greg W. Ethridge  
Operations Consultant



LOCATION RECLAMATION & RESEEDING

WELL: DYE #1

LOCATION: NW/4 NW/4 Section 5 - T16S - R3E  
Sanpete County, Utah

API #: 43 - 039 - 30022

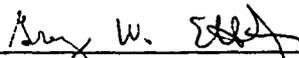
I, Rex Dye, agree that the reserve pit on the above location has been reclaimed, all trash removed, and top soil replaced and bladed to my satisfaction.

For the sum of \$400 (four hundred dollars; check # 3012), I also agree to reseed the above location with a grass seed mixture of my preference, using my equipment, and at a time of year conducive to germination and growth of the seed.

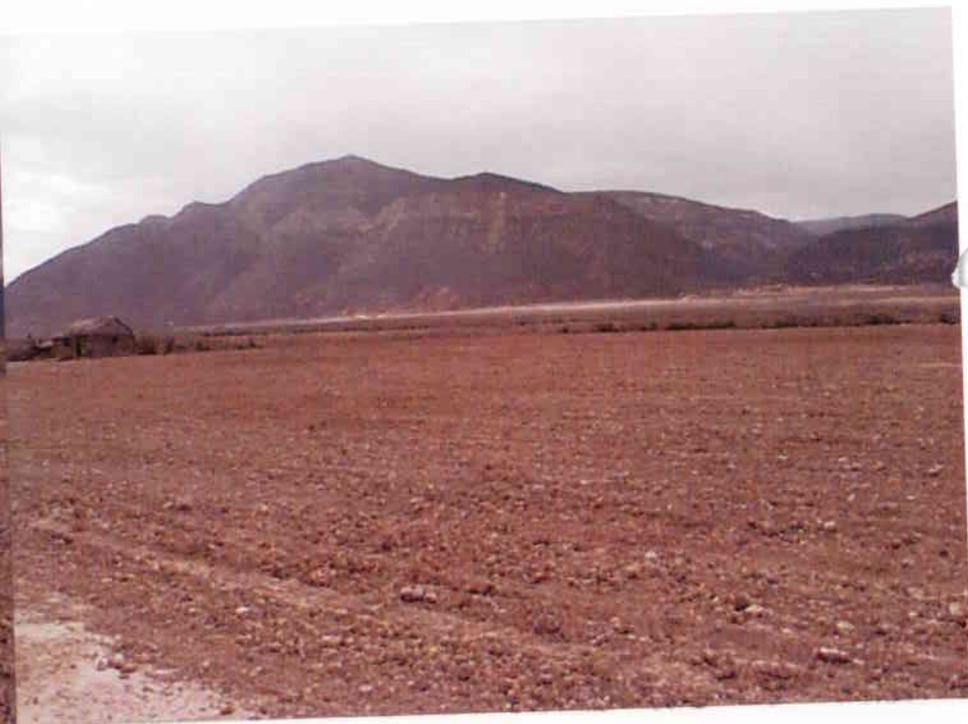
I hereby release Cimarron Operating Company from any further responsibility for surface restoration of the subject location.



\_\_\_\_\_  
Rex Dye  
Surface Owner



\_\_\_\_\_  
Greg W. Ethridge  
Operations Consultant  
Cimarron Operating Co.





TATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

5. Lease Designation and Serial Number:

FEE

6. If Indian, Allottee or Tribe Name:

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

7. Unit Agreement Name:

1. Type of Well: OIL  GAS  OTHER: Plugged & Abandoned

8. Well Name and Number:

Dye #1

2. Name of Operator:

CIMARRON OPERATING COMPANY, L.C.

9. API Well Number:

43-039-30022

3. Address and Telephone Number:

(801) 225-0038  
584 South State Street, Orem, Utah 84058

10. Field and Pool, or Wildcat:

Wildcat

4. Location of Well

Footages: 601' fnl 666' fw1

County: Sanpete

QQ, Sec., T., R., M.: NW/4 NW/4 Section 5 - T16S - R3E SLC

State: Utah

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

**NOTICE OF INTENT**  
(Submit in Duplicate)

- Abandon
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Multiple Completion
- Other \_\_\_\_\_
- New Construction
- Pull or Alter Casing
- Recomplete
- Reperforate
- Vent or Flare
- Water Shut-Off

Approximate date work will start \_\_\_\_\_

**SUBSEQUENT REPORT**  
(Submit Original Form Only)

- Abandon
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Other \_\_\_\_\_
- New Construction
- Pull or Alter Casing
- Reperforate
- Vent or Flare
- Water Shut-Off

Date of work completion 9/23/98

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

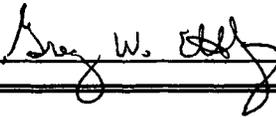
\* Must be accompanied by a cement verification report.

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

Attached are two photographs of the Plug & Abandonment plate installed on the conductor casing stub 4' below natural grade.

A sundry notice describing the plugging procedure and plug setting depths was submitted on 9/24/98.

13.

Name & Signature: Greg W. Ethridge  Title: Operations Consultant Date: 5/15/00

(This space for State use only)

**RECEIVED**

MAY 18 2000

DIVISION OF  
OIL, GAS AND MINING



CIMARRON OPERATING CO., L.C.

DYE #1

NW/4 NW/4 SECTION 5 - T16S - R3E SLC

API # 43-039-30022



CIMARRON OPERATING Co., L.C.

DYE #1

NW/4 NW/4 SECTION 5 - T16S - R3E S10

API # 43-039 - 3002.2