

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS: WELL LOG _____ ELECTRIC LOGS _____ FILE X WATER SANDS _____ LOCATION INSPECTED _____ SUB REPORT/abd _____

******* THIS WELL LOCATION IS A STRATIGRAPHIC WELL IT WILL BE USED FOR RESEARCH ONLY, AND IS NOT AUTHORIZED FOR PRODUCTION OF OIL OR GAS.....**

DATE FILED **1-6-83**

LAND: FEE & PATENTED _____ STATE LEASE NO. _____ PUBLIC LEASE NO. **U-22640** INDIAN _____

DRILLING APPROVED: **1-6-83**

SPUDED IN: _____

COMPLETED: _____ PUT TO PRODUCING: _____

INITIAL PRODUCTION: _____

GRAVITY A.P.I. _____

GOR: _____

PRODUCING ZONES: _____

TOTAL DEPTH: _____

WELL ELEVATION: **5120' grv**

DATE ABANDONED: _____

FIELD: **WILDCAT 3/86**

UNIT: _____

COUNTY: **TOOELE**

WELL NO **LAB ENERGY # 17-14** API NO. **43-045-30016**

LOCATION **733** FT. FROM X (S) LINE. **2087** FT. FROM XX (W) LINE. **SE SW** 1/4 - 1/4 SEC. **17**

TWP	RGE	SEC.	OPERATOR	TWP	RGE	SEC.	OPERATOR
7S	4W	17	LAB ENERGY INC.				

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS WELL LOG ELECTRIC LOGS FILE WATER SANDS LOCATION INSPECTED SUB REPORT abd

***** THIS WELL LOCATION IS A STRATIGRAPHIC WELL IT WILL BE USED FOR RESEARCH ONLY, AND IS NOT AUTHORIZED FOR PRODUCTION OF OIL OR GAS.....

* Location Abandoned - Well never drilled - 4-1-83

DATE FILED 1-6-83

LAND FEE & PATENTED STATE LEASE NO

PUBLIC LEASE NO U-22640

INDIAN

DRILLING APPROVED 1-6-83

SPUDED IN

COMPLETED PUT TO PRODUCING

INITIAL PRODUCTION

GRAVITY API

GOR

PRODUCING ZONES

TOTAL DEPTH

WELL ELEVATION 5120' gw

DATE ABANDONED LA 4-1-83

FIELD WILDCAT 3/86

UNIT

COUNTY TOOELE

WELL NO LAB ENERGY # 17-14

API NO. 43-045-30016

LOCATION 733 FT FROM X(S) LINE 2087

FT FROM XX(W) LINE SE SW 1/4 - 1/4 SEC 17

TWP.	RGE	SEC	OPERATOR	TWP.	RGE	SEC	OPERATOR
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7S

4W

17

LAB ENERGY INC.

UNITED STATES DEPARTMENT OF THE INTERIOR GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. TYPE OF WORK DRILL [X] DEEPEN [] PLUG BACK []

2. TYPE OF WELL OIL WELL [] GAS WELL [] OTHER Stratigraphic SINGLE ZONE [] MULTIPLE ZONE []

NAME OF OPERATOR LAB Energy, Inc.

ADDRESS OF OPERATOR 7107 South 400 West, Suite 10, Midvale, Utah 84047

LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 733' FSL and 2087' FWL, Sec. 17, T-7-S, R-4-W

At proposed prod. zone DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 17 miles south of Tooele, Utah

DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 1/2 mile west of proposed

DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. #17-16 well in Sec 17

ELEVATIONS (Show whether DF, RT, GR, etc.) 5120'

5. LEASE DESIGNATION AND SERIAL NO. U-22640
6. IF INDIAN, ALLOTTEE OR TRUST NAME
7. UNIT AGREEMENT NAME SALT LAKE CITY, UTAH
8. FARM OR LEASE NAME LAB Energy
9. WELL NO. #17-14
10. FIELD AND POOL, OR WILDCAT Undesignated
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SE SW Section 17 T-7-S, R-4-W
12. COUNTY OR PARISH Tooele
13. STATE Utah
16. NO. OF ACRES IN LEASE Approx. 2300 ±
17. NO. OF ACRES ASSIGNED TO THIS WELL 320
20. ROTARY OR CABLE TOOLS Rotary
22. APPROX. DATE WORK WILL START 12-15-82

PROPOSED CASING AND CEMENTING PROGRAM

Table with 5 columns: SIZE OF HOLE, SIZE OF CASING, WEIGHT PER FOOT, SETTING DEPTH, QUANTITY OF CEMENT. Rows show 12 1/2" hole with 9 5/8" casing and 7 7/8" hole with 5 1/2" casing.

Blowout Preventers:

10" 5000# WP

Drill and complete 3,000' test well.

Set new casing as indicated above, casing head 3000# WP.

Low water loss mud with non-dispersed system will be used from 1500' to TD.

Run electric and radioactive logging surveys, i.e., DIL, CNL-Density, GR, Spnic.

BOVE 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 water program, if any.

SIGNED Alan B. Jacobs TITLE Vice President DATE 11-12-82

APPROVED BY [Signature] E. W. Guynn District Oil & Gas Supervisor DATE DEC 21 1982

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED

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

*See Instructions On Reverse Side

OPERATOR

LAB Energy, Inc.
Well No. 17-14
Section 17, T.7S., R.4W.
Tooele, Utah
Lease U-22604

Supplemental Stipulations

- 1) Since Hydrogen Sulfide gas may be encountered during drilling, the following safety precautions will be taken:
 - a. A windsock will be installed at the wellsite.
 - b. An H₂S detector will be installed at the drill rig.
 - c. Adequate supplies of mud additives and scavengers will be on location for H₂S operations.
- 2) If H₂S gas is encountered, operations will cease until an H₂S contingency plan can be implemented. A copy of the plan will be furnished to MMS for review and concurrence.
- 3) All fresh water aquifers penetrated must be adequately isolated and protected.
- 4) Firearms will be prohibited on the wellsite location.
- 5) During periods of wet and muddy ground, drilling operations will be suspended unless access roads are upgraded and surfaced as discussed in the Surface Use Plan of the APD.
- 6) The BLM will be notified prior to rig release so that cleanup and restoration activities can be properly monitored.
- 7) Final reclamation procedures and specifications must be worked out jointly with BLM.
- 8) All APD Surface Use Plan changes agreed to at the December 6, 1982 meeting with MMS and BLM must be adhered to.

ADDITIONAL STIPULATIONS FOR PRODUCTION FACILITIES

Your Application for Permit to Drill also included a submittal for production facilities. These production facilities are approved for the lessee and his designated operator under Section 1 of the Oil and Gas Lease with the following conditions:

- (1) The oil and gas measurement facilities must be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy are to be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. Please provide this office with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports are to be submitted to the Salt Lake City District Oil and Gas Supervisor. Royalty payments will be made on all production volume as determined by the meter measurements or the tank measurements. All measurement facilities must conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.
- (2) Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and 500 feet downstream of the meter run or any production facilities. Meter runs must be housed and/or fenced.
- (3) All disturbed areas not required for operations will be rehabilitated.
- (4) All produced liquids must be contained including the dehydrator vent/condensate line effluent. All production pits must be fenced.
- (5) The well activity, the well status and the date the well is placed on production must be reported on Lessee's Monthly Report of Operations, Form 9-329.
- (6) All off-lease storage, off-lease measurement, or commingling on lease or off-lease must have written approval.
- (7) All product lines entering and leaving hydrocarbon storage tanks must be locked/sealed.
- (8) You are reminded of the requirements for handling, storing, or disposing of water produced from oil and gas wells under NTL-2B.
- (9) All materials, trash, junk, debris, etc. not required for production must be removed from the well site and production facility site at the completion of these operations.
- (10) A copy of the Gas Sales Contract will be provided to this office and the Royalty Accounting Department as directed.
- (11) Construction and maintenance for surface use approved under this plan should be in accordance with the surface use standards as set forth in the BLM/GS Oil and Gas Brochure entitled, "Surface Operating Standards for Oil and Gas Exploration and Development." This includes, but is not limited to, such items as road construction and maintenance, handling of top soil and rehabilitation.
- (12) "Sundry Notice and Reports on Wells" (form 9-331) will be filed for all changes of plans and other operations in accordance with 30 CFR 221.58. Emergency approval may be obtained verbally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alternations of facilities, including roads, gathering lines, batteries, measurement facilities, etc., will require the filing of a suitable plan and prior approval by the survey.

LAB Energy, Inc.
Well No. 17-14
Section 17, T.7S., R.4W.
Tooele, Utah
Lease U-22604

Supplemental Stipulations

- 1) Since Hydrogen Sulfide gas may be encountered during drilling, the following safety precautions will be taken:
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- 4) Firearms will be prohibited on the wellsite location.
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- 7) Final reclamation procedures and specifications must be worked out jointly with BLM.
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ADDITIONAL REGULATIONS FOR PRODUCTION FACILITIES

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- (9) All materials, trash, junk, debris, etc. not required for production must be removed from the well site and production facility site at the completion of these operations.
- (10) A copy of the Gas Sales Contract will be provided to this office and the Royalty Accounting Department as directed.
- (11) Construction and maintenance for surface use approved under this plan should be in accordance with the surface use standards as set forth in the BLM/GS Oil and Gas Brochure entitled, "Surface Operating Standards for Oil and Gas Exploration and Development." This includes, but is not limited to, such items as road construction and maintenance, handling of top soil and rehabilitation.
- (12) "Sundry Notice and Reports on Wells" (form 9-331) will be filed for all changes of plans and other operations in accordance with 30 CFR 221.58. Emergency approval may be obtained verbally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alternations of facilities, including roads, gathering lines, batteries, measurement facilities, etc., will require the filing of a suitable plan and prior approval by the survey.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Company LAB Energy, Inc. Well No. 17-14
Location Sec. 17, T. 7S, R. 4W Lease No. U-22640

A COPY OF THESE CONDITIONS SHOULD BE FURNISHED YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (30 CFR 221), and the approved plan of operations. The operator is considered fully responsible for the actions of his subcontractors. The following items are emphasized:

1. There shall be no deviation from the proposed drilling and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 30 CFR 221.22. Any changes in operations must have prior approval of this office. Pressure tests are required before drilling out from under all casing strings set and cemented in place. Blowout preventer controls must be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to insure good mechanical working order, and this inspection recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs. All BOP pressure tests must be recorded on the daily drilling report.
2. All shows of fresh water and minerals will be reported and protected. A sample will be taken of any water flows and furnished this office for analysis. All oil and gas shows will be adequately tested for commercial possibilities, reported and protected.
3. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of this office. If operations are to be suspended, prior approval of this office must be obtained and notification given before resumption of operations.

In the event abandonment of the hole is desired, an oral request may be granted by this office, but must be timely followed within 15 days with a "Notice of Intention to Abandon" (form 9-331). Unless the plugging is to take place immediately upon receipt of oral approval, the District Supervisor must be notified at least 48 hours in advance of the plugging of the well in order that a representative may witness plugging operation. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (form 9-331) must be submitted within 15 days after the actual plugging of the well bore, reporting where the plugs were placed, and the current status of the surface restoration. If surface restoration has not been completed at that time, a follow-up report on form 9-331 should be filed when all surface restoration work has been completed and the location is considered ready for final inspection.

OPERATOR

4. The spud date will be reported orally to the District Supervisor's office within 48 hours after spudding. If the spudding occurs on a weekend or holiday, wait until the following regular workday to make this report.

Periodic drilling progress reports must be filed directly with the District Supervisor's office on a frequency and form or method as may be acceptable to the District Supervisor.

In accordance with NTL-1, this well must be reported on Form 9-329 "Monthly Report of Operations," starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report should be filed, in duplicate, directly with the U.S. Geological Survey Accounting, P.O. Box 2859, Casper, Wyoming 82602.

Any change in the program must be approved by the District Supervisor. "Sundry Notices and Reports on Wells" (form 9-331) must be filed for all changes of plans and other operations in accordance with 30 CFR 221.58. Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alteration of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground will require the filing of a suitable plan pursuant to NTL-6, and prior approval by the District Supervisor.

5. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (form 9-330) will be submitted not later than 15 days after completion of the well or after completion of operations being performed, in accordance with 30 CFR 221.59. Two copies of all logs run, core descriptions, core analyses, well-test data, geologic summaries, sample descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with form 9-330. Samples (cuttings, fluid, and/or gas) will be submitted only when requested by this office.

6. Significant surface values (are) ~~(are)~~ involved at this location. Accordingly, you (must) ~~(must)~~ notify the Surface Management Agency at least (24) ~~(48)~~ hours prior to commencing field operations to allow the Surface Management Agency office to have personnel present for consultation during the construction of roads and locations.

The Surface Management Agency contact is: Clair Zutter
Office Phone: (801) 524-5348, Home Phone: _____
City: Salt Lake, State: Utah

The Minerals Management Service office address and contacts are:

Address: 2000 Administration Building, 1745 West 1700 South, SLC, Utah 84104-3884

Office Phone: (801) 524-4590

District Supervisor E. W. Gynn

District Drilling Engineer W. P. Martens

District Production Engineer R.A. Henricks

Staff Engineer A.M. Raffoul

Home Phone: (801) 582-7042

Home Phone: (801) 466-2780

Home Phone: (801) 484-2294

Home Phone: (801) 484-2638

7. SURFACE OPERATING STANDARDS

Unless otherwise specified herein, construction and maintenance of surface facilities approved under this plan shall be in accordance with the guidelines set forth in the BLM/FS/GS Oil and Gas Brochure entitled, "Surface Operation Standards for Oil and Gas Exploration and Development." This includes but is not limited to such items as road construction and maintenance, handling of top soil and rehabilitation.

8. If a replacement rig is contemplated for completion operations, a "Sundry Notice" to that effect must be filed, for prior approval of the District Supervisor, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.
9. Pursuant to NTL-2B requirements regarding disposal facilities for new wells, this is authorization for unlined pit disposal of the water produced from this well for a period of 90 days from the date of initial production for sales purposes. During this period, an application for approval of the permanent disposal method, along with the required water analysis and other information must be submitted for the District Supervisor's approval. Failure to timely file an application within the time allowed will be considered an incident of noncompliance, and will be grounds for issuing a shut-in order until the application is submitted.
10. This permit is valid for a period of one year from the date of approval. If construction does not commence within 90 days from approval, the operator must contact the Surface Management Agency 15 days prior to beginning construction. Construction under adverse conditions may require additional stipulations. If the permit terminates, any surface disturbance created under the application must be rehabilitated in accordance with the approved plan. After termination, it is required that a new application be filed for approval for any future operations.
11. If a tank battery is constructed on this lease, it must be surrounded by a fire wall of sufficient capacity to adequately contain the storage capacity of the battery.

12. This Application for Permit to Drill is approved subject to the requirement that, should the well be successfully completed for production, this office must be notified when it is placed in a producing status. Such notification will be by telegram or other written communication, and must be received in this office by not later than the first business day next following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:

- a. Operator name, address and telephone number.
- b. Well name and number.
- c. Well location (1/4, 1/4, Section, Township, Range and Prime Meridian).
- d. Date well was placed in a producing status.
- e. The nature of the well's production, i.e. crude oil, or crude oil and casinghead gas, or natural gas and entrained liquid hydrocarbons.
- f. The OCS, Federal or Indian lease prefix and number on which the well is located. Otherwise, the non-Federal or non-Indian land category, i.e. State or private.
- g. If appropriate, the unit agreement name, number and participating area name.
- h. If appropriate, the communitization agreement number.

13. _____

SUPPLEMENTAL STIPULATIONS OF APPROVAL ATTACHED

14

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

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

2. NAME OF OPERATOR
 LAB Energy, Inc.

3. ADDRESS OF OPERATOR
 7107 South 400 West, Suite 10, Midvale, Utah 84047

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
 At surface 733' FSL and 2087' FWL, Sec. 17, T-7-S, R-4-W
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 17 miles south of Tooele, Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
 16. NO. OF ACRES IN LEASE
 Approx. 2300 ±

17. NO. OF ACRES ASSIGNED TO THIS WELL
 320

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 1/4 mile west of proposed #17-16 well in Sec. 17
 19. PROPOSED DEPTH
 3000'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 5120'

22. APPROX. DATE WORK WILL START*
 12-15-82

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	9 5/8"	40#	250'	400 SX
7 7/8"	5 1/2"	20#	3000'	100 SX

Blowout Preventers:

10" 5000# WP

Drill and complete 3,000' test well.
 Set new casing as indicated above, casing head 3000# WP.
 Low water loss mud with non-dispersed system will be used from 1500' to TD.
 Run electric and radioactive logging surveys, i.e., DIL, CNL-Density, GR, Sonic

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

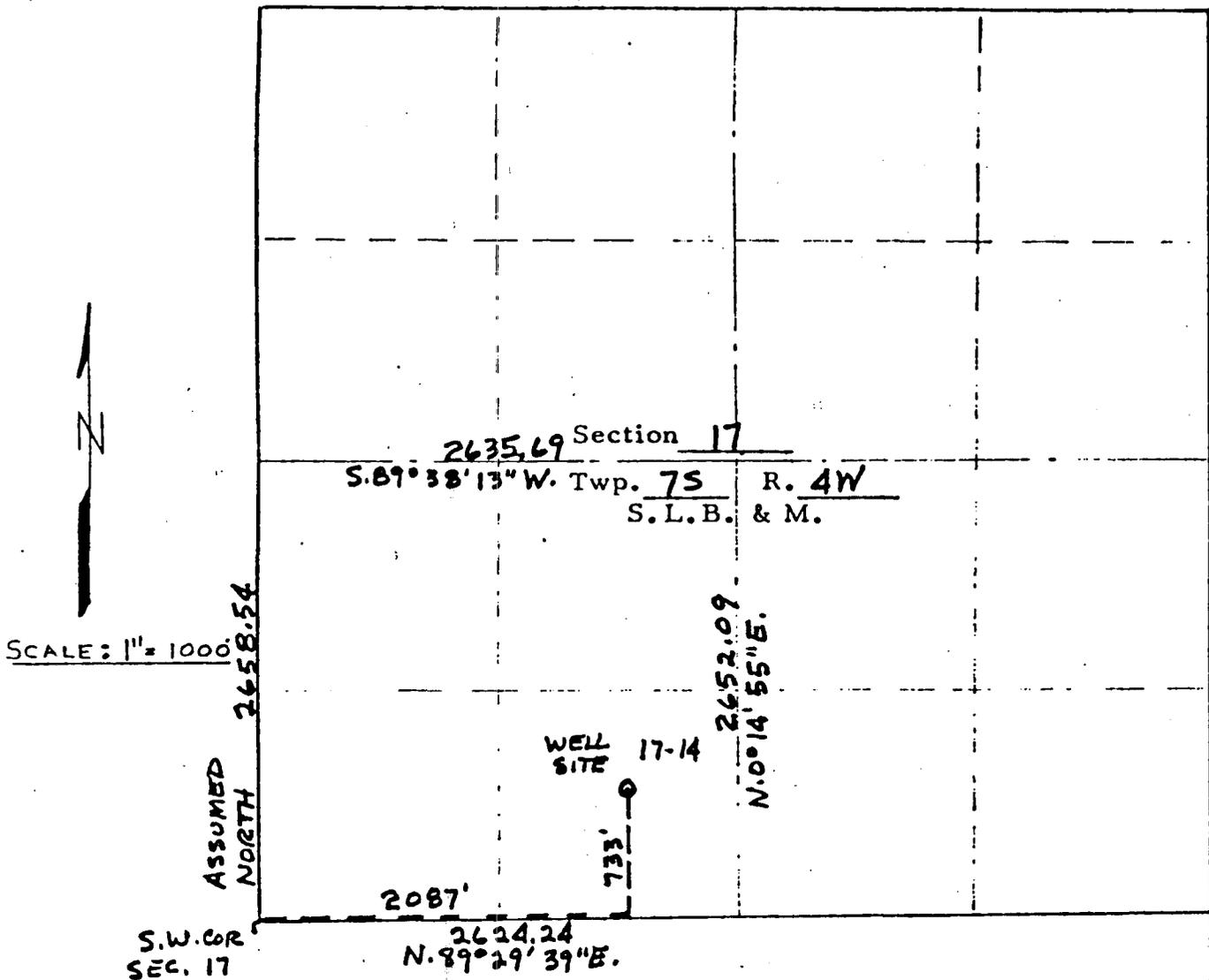
24. SIGNED Allen S. Jacobs TITLE Vice President DATE 11-12-82

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
 APPROVED BY [Signature] E. W. Guynn
 District Oil & Gas Supervisor DATE DEC 21 1982

NOTICE OF APPROVAL CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY
 *See Instructions On Reverse Side
 FLARING OR VENTING OF GAS IS SUBJECT TO NTL 4-A. DATED 1/1/80

STATE 0 & 6



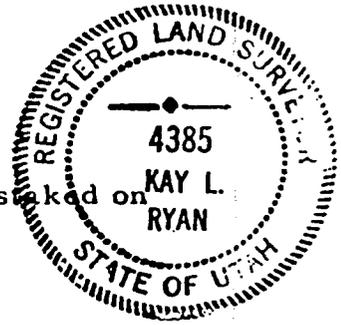
SURVEYOR'S CERTIFICATE

I, Kay L. Ryan, of Ryan Engineering Inc., do hereby certify that I am a Registered Land Surveyor, and hold certificate No. 4385 as prescribed by the laws of the State of Utah, and have made a survey as shown on this plat of:

LAB Energy Inc., Federal #17-14, located East 2087 ft. and North 733 ft. from the Southwest Corner, Section 17, Township 7 South, Range 4 West, Salt Lake Meridian.

Ground Line Elevation: 5120 (Approx.)

I further certify that the above plat shows the locations as staked on the ground.



Date 11-7-82 Kay L. Ryan

**UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY**

SUBMIT IN TRIPPLICATE*
(Other instructions on reverse side)

Form approved:
Budget Bureau No. 43-B1485.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

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

NAME OF OPERATOR
 LAB Energy, Inc.

ADDRESS OF OPERATOR
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LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
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 At proposed prod. zone

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 17 miles south of Tooele, Utah

DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
 1/4 mile west of proposed

DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. #17-16 well in Sec. 17
 3000'

ELEVATIONS (Show whether DF, RT, GR, etc.)
 5120'

16. NO. OF ACRES IN LEASE
 Approx. 2300 ±

17. NO. OF ACRES ASSIGNED TO THIS WELL
 320

19. PROPOSED DEPTH
 3000'

20. ROTARY OR CABLE TOOLS
 Rotary

22. APPROX. DATE WORK WILL START*
 12-15-82

5. LEASE DESIGNATION AND SERIAL NO.
 U-22640

6. IF INDIAN, ALLOTTEE OR TRIBAL NAME
 SALT LAKE CITY, UTAH

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
 LAB Energy

9. WELL NO.
 #17-14

10. FIELD AND POOL, OR WILDCAT
 Undesignated

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 SE SW Section 17
 T-7-S, R-4-W

12. COUNTY OR PARISH **13. STATE**
 Tooele Utah

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
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 JAN 06 1983

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 Run electric and radioactive logging surveys, i.e., DIL, CNL-Density, GR, Sonic

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

DATE: 1-6-83
BY: [Signature]

SOME SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone program, if any.

SIGNED [Signature] **TITLE** Ice President **DATE** 11-12-82

This space for Federal or State office use)

PERMIT NO. _____ **APPROVAL DATE** _____

APPROVED BY [Signature] **FOR** E. W. Guynn **DATE** DEC 21 1982
CONDITIONS OF APPROVAL, IF ANY: **TITLE** District Oil & Gas Supervisor **DATE** _____

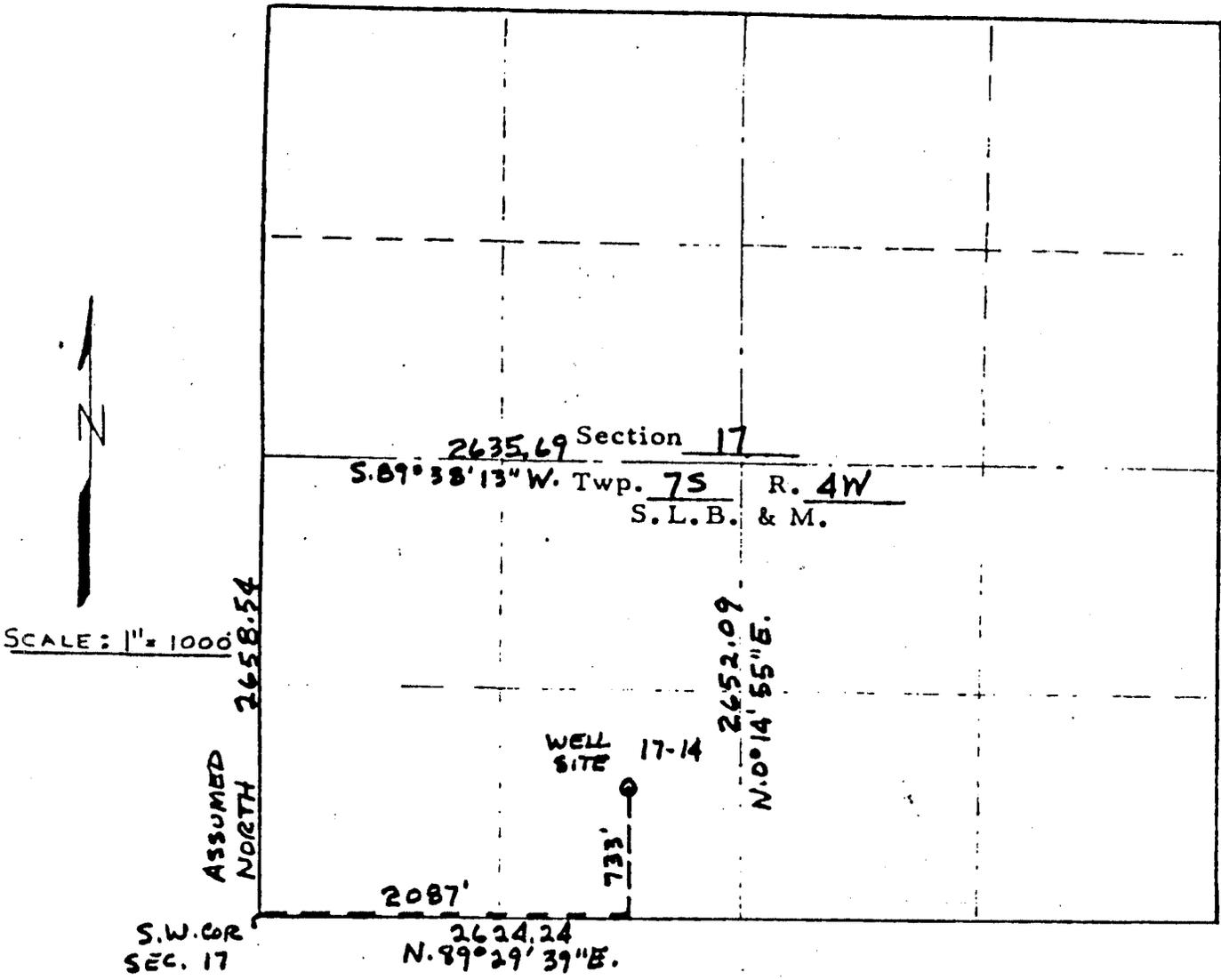
NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED

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

*See Instructions On Reverse Side

OPERATOR



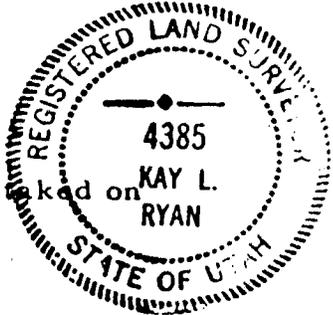
SURVEYOR'S CERTIFICATE

I, Kay L. Ryan, of Ryan Engineering Inc., do hereby certify that I am a Registered Land Surveyor, and hold certificate No. 4385 as prescribed by the laws of the State of Utah, and have made a survey as shown on this plat of:

LAB Energy Inc., Federal #17-14, located East 2087 ft. and North 733 ft. from the Southwest Corner, Section 17, Township 7 South, Range 4 West, Salt Lake Meridian.

Ground Line Elevation: 5120 (Approx.)

I further certify that the above plat shows the locations as staked on the ground.



Date 11-7-82

Kay L. Ryan

RECEIVED
OIL & GAS DIVISION
NOV 15 1982

LAB ENERGY, INC.
#17-14
Section 17, T-7-S, R-4-W
Tooele County, Utah

SALT LAKE CITY, UTAH

1. Existing Roads

a. Proposed Wellsite Location:

As surveyed by registered land surveyor, is located 733' north and 2087' East of SW corner, Sec. 17, T-7-S, R-4-W, Tooele County, Utah.
See Exhibit I

b. Planned Access Route:

From Faust, drive 4.5 miles east-northeast on county gravel road. Turn north (left) onto light duty dirt road, main lease access road. Go northeast 0.2 miles.

c. Access Road Labeled:

See Exhibit II - Red - existing (sheepherder) road.

d. If exploratory well, all existing roads within 3 miles:

See Exhibit II.

1. a. If development well, all existing roads within a one mile radius of well-site:

N/A

f. Plans for improvement and/or maintenance of existing roads:

The existing road (trail) may require widening. The existing and new road may require periodic grading and graveling to maintain proper drainage. Gravel source will be native and will be taken from existing borrow pit site $\frac{1}{2}$ mile east of location.

2. Planned Access Route

Route Location:

The planned new access route was selected to provide the shortest distance to the well site with acceptable grades from the existing county road. The new access road will be for the most part on the existing road (trail). A temporary access will be built initially; if well is productive, the temporary road will be improved as follows:

1.) Width: The average dirt width will be 20 feet. The average traveled surface width will be 20 feet. Road construction will be in accordance with typical roadways requested by the U.S. Bureau of Land Management.

2.) Maximum Grade: The maximum grade allowed will be 5°.

3.) Turnouts: Not required.

4.) Drainage Design: Prior to construction of the new access road, the brush and topsoil will be windrowed to each side of the alignment outside construction limits. The subgrade surface will be a minimum elevation of one foot above ditch grade. The road surface will be center crowned and inslopes will have a maximum slope of 3:1 and fill slopes will be a maximum of 2:1.

2. Planned Access Route, continued

5.) Culverts Use, Major Cuts and Fills:

Culverts will not be required. Cuts and fills will be minimum.

6.) Surfacing Material: The proposed access road will be constructed with native fill.

7.) Gates, Cattleguards, Fence Cuts: Not required.

8.) New Portion of road will be center flagged.

3. Location of Existing Wells

The proposed well is a stratigraphic test. There is no known well (water, abandoned, temporarily abandoned, disposal and drilling) within a 2 mile radius.

4. Location of Existing and/or Proposed Facilities

a. Existing facilities within one mile radius owned or controlled by operator:

- (1) Tank Batteries: None
- (2) Production Facilities: None
- (3) Oil Gathering Lines: None
- (4) Gas Gathering Lines: None
- (5) Injection Lines: None
- (6) Disposal Lines: None

b. New Facilities in Event of Production: ~~OMIT -~~ STRAT TEST NO PRODUCTION

- (1) New facilities: Wellhead, production separator, pumping unit, storage tanks, all constructed on disturbed ground.
- (2) Dimension of the facilities are shown on Exhibit III.
- (3) Construction methods will be to strip the topsoil and the drilling pad construction methods will be employed to assure that no drainage flows are impounded to prevent the loss of any hydrocarbons from the site to facilitate rapid clean up and recovery of the loss.
- (4) Protective measures to protect wildlife and livestock: Open pits will be flagged and fenced.

4. c. Plan for rehabilitation of disturbed areas no longer needed for operations after construction is completed:

Upon completion of well, areas required for continued use will be graded to provide drainage and minimize erosion. Those areas not required for continued use will be graded to blend with the surrounding topography. Topsoil will be replaced on those areas and seeded as per BLM specifications.

5. Location and Type of Water Supply

a. The water source has not yet been determined but will be from a legal private source.

b. Water transportation system: water will be hauled in trucks from an undetermined source.

c. Water wells: none available.

6. Source of Construction Materials

a. Materials: Construction materials will consist of soil encountered within the boundaries of the proposed site. Topsoil will be stripped to a depth of 6 inches and stockpiled in an area that does not interfere with operations. (northeast of location).

b. Land Ownership: The planned site and access roads lie on Federal land administered by the U.S. Department of the Interior, U.S. Bureau of Land Management.

c. Material Foreign to Site: ~~None~~ SEE ITEM e. BELOW

d. Access road shown under item 2.

e. Gravel will be available from existing borrow pit located along an existing road near the center of the SE/4 Sec. 17 T-7-S, R-4-W. - IF NEEDED

GRAVEL ON FEDERAL LAND -
GRAVEL PERMIT OK PER BLM - REGIONAL GRAVEL FA COMPLETE

7. Methods of Handling Waste Materials

a. Cuttings: will be contained within the limits of the reserve pit.

b. Drilling Fluids will be retained in the reserve pit.

c. Produced Fluids: No substantial amount of water is expected. The amount of hydrocarbon that may be produced while treating will be retained in the reserve pit. Previous to clean-up operations, the hydrocarbon materials will be skimmed or removed as the situation would indicate.

d. Sewage: Sanitary facilities will consist of at least one chemical toilet. Waste will be contained in a pit and backfilled immediately following the drilling operations or removed to sanitary disposal facility.

e. Garbage: A burn cage will be constructed and fenced with small mesh wire. The refuse will be removed from the area and taken to a landfill.

f. Clean Up Well Site: The surface of the drill pad will be cleaned and graded. The "mouse hole" and "rat hole" will be backfilled to prevent injury and hazard for livestock. Reserve pit will be fenced until dry and it can be backfilled and restored to natural terrain.

8. Ancillary Facilities

None required. 9

9. Well-site Layout

- (1) Well location is relatively flat and requires minimal cuts and fills. Any cuts and fills needed will be determined at on-site inspection. Surface soil will be stock piled on the NE side of location, 12" high.
- (2) Location of Pits: See Exhibit IV.
- (3) Rig orientation: See Exhibit IV.
- (4) Pits will be unlined, unless otherwise required.

10. Plans For Restoration of Surface

a. Reserve Pit Cleanup: The pit will be fenced prior to rig release and shall be maintained until cleanup. Previous to backfill operation, any hydrocarbon material on the pit surface will be removed. The fluids and solids contained in the pit shall be backfilled with soil excavated from the site and with soil adjacent to the reserve pit. The restored surface of the reserve pit will be contoured to prevent impoundment of any drainage flows. The gradient of the surface will be maintained to prevent sudden acceleration of drainage flows which could cause continued erosion of the surface. Following backfill completion, topsoil removed from the disturbed areas will be replaced in a uniform layer. The reserve pit will be seeded per BLM recommendation during the appropriate season following final restoration of the site.

b. Restoration Plans - Production Developed: **N/A - STRAT TEST - NO PRODUCTION**

~~The reserve pit will be backfilled and restored as described under item 10a. In addition, those disturbed areas not required for production will be graded to blend with the surrounding topography. Topsoil will be placed on those areas and seeded. The portion of the drill pad required for production and turning areas will be graded to minimize erosion and provide access to production facilities under inclement conditions. Following final improvement and surfacing of that portion of new access road, the topsoil windrowed to each side of the alignment will be placed on the out slopes. Following depletion and abandonment of the site, restoration procedures will be those that follow under item 10c.~~

10. c. Restoration Plans - No Production Developed:

The reserve pit will be restored as described in Item 10a above. With no production developed, the entire surface disturbed by construction of the drilling pad will be restored to its natural terrain and reseeded per BLM requirements.

11. Other Information

a. Surface Description:

The proposed site is located in Bush Valley, some 4 miles south of Tcoele Army Depot (south area) in Tcoele County, Utah. The valley is a broad, arid area located between the Oquirrh Mountains on the east and the Onaqui Mountains on the west. The site is situated along a low swell. The vegetation is sparse, consisting of annuals and grasses interspersed with occasional salt brush on the low swells with sagebrush, rabbit brush and snakeweed along occasional alkali washes.

b. Other Surface Use Activities:

The surface is predominantly Federally owned and managed by the BLM/USGS. Some sheep grazing is apparent during the winter season.

c. Proximity of Water, Dwelling, Historical Sites:

1. Water - none known.

2. Dwellings: none

3. Historical Sites: An archaeological cultural resource survey is to be conducted on this location. The report is expected to be available as soon as practical, and will be forwarded to appropriate Federal and State offices.

12. Operator's Representative

Field Personnel who can be contacted concerning compliance of this Surface Use Plan are as follows:

<u>Lab Energy, Inc</u>	<u>Rocky Mountain Petroleum Consultants, Inc</u>
<u>Arlon Jacobs</u>	<u>Neil T. Foley</u>
<u>7107 South 1th West</u>	<u>8748 Oak Valley Drive</u>
<u>Midvale, Utah 84047</u>	<u>Sandy, Utah 84092</u>
<u>Office: 801/566-4104</u>	<u>Office: 801/942-4860</u>
	<u>Home: 801/942-2429</u>

13. Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions as they actually exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the proposed work performed by Lab Energy, Inc. and its contractors and sub-contractors will conform to this plan.

DATE: 11/11/82

Neil T. Foley
N.T.F.

LAB ENERGY, INC.

Section 17, T-7-S, R-4-W
Tooele County, Utah

1. Geological name of the surface formation: _____
Salt Lake Group - Tertiary

2. Estimated tops of geological markers: _____
Preliminary Estimated Tops:
Salt Lake Group - 100'

(Tops are only estimates; there are no geological control wells in the area).

3. Estimated depths anticipated to encounter water, oil, gas or other mineral bearing formations: _____
Unknown, weak geological control

4. Casing program: _____
See Form 9-331C, Item #23

5. Blowout Preventors:

Hydraulic double rams with 3000 psi rated BOP. One set of pipe rams will be provided for each size drill pipe in the hole. One set of blind rams will be installed at all times. Fill lines, kill lines and choke relief line will be 2", 3000 psi rated. BOP will be tested daily and noted on IADC Daily Drilling Report. After running surface casing and prior to drilling out, BOP will be tested to full working pressure. Thereafter, the BOP will be checked daily for mechanical operations only and will be noted on the IADC Report. See Exhibit "A".

6. Mud Program:

Approximate Interval	Type Mud	Weight = gal.	Viscosity	API
0 - 1500'	Native	8.3 - 8.5	As Needed	10
1500' - 3000'	Gel/low solids	8.5 - 9.0	32-35	10-15 sec

7. Auxiliary Equipment:

- a. Kelly cock will be in use at all times.
- b. Full opening stabbing valve will be present on floor at all times.
- c. Mud monitoring will be visual to 1500'. no abnormal pressures are anticipated. Mud logger, pit level indicator.
- d. 2" - 3000 psi choke manifold with remote control choke will be on well- see Exhibit "A".

3. Testing Program:

No cores are planned. No DST's are planned.
Open hole logs will be DJL,
Neutron-Density with caliper, and Sonic Velocity Survey. If casing is run,
a cement bond log with Gamma Ray will be run.

9. Hazards:

No abnormal pressures, temperatures, or poison gases are expected to be
encountered; however, mud properties and poison gas will be monitored closely
below 1500'.

10. The starting date is approximately December 15, 1982 depending
on rig availability and should take 2 to 3 weeks to complete.

I hereby certify that I, or persons under my direct supervision, have inspected the
proposed drill site and access route; that I am familiar with the conditions which
presently exist; that the statements made in this plan are, to the best of my know-
ledge, true and correct; and, that the work associated with the operations proposed
herein will be performed by Lab Energy, Inc.
and its contractors and subcontractors in conformity with this plan and the terms
and conditions under which it is approved.

11/11/82

Date

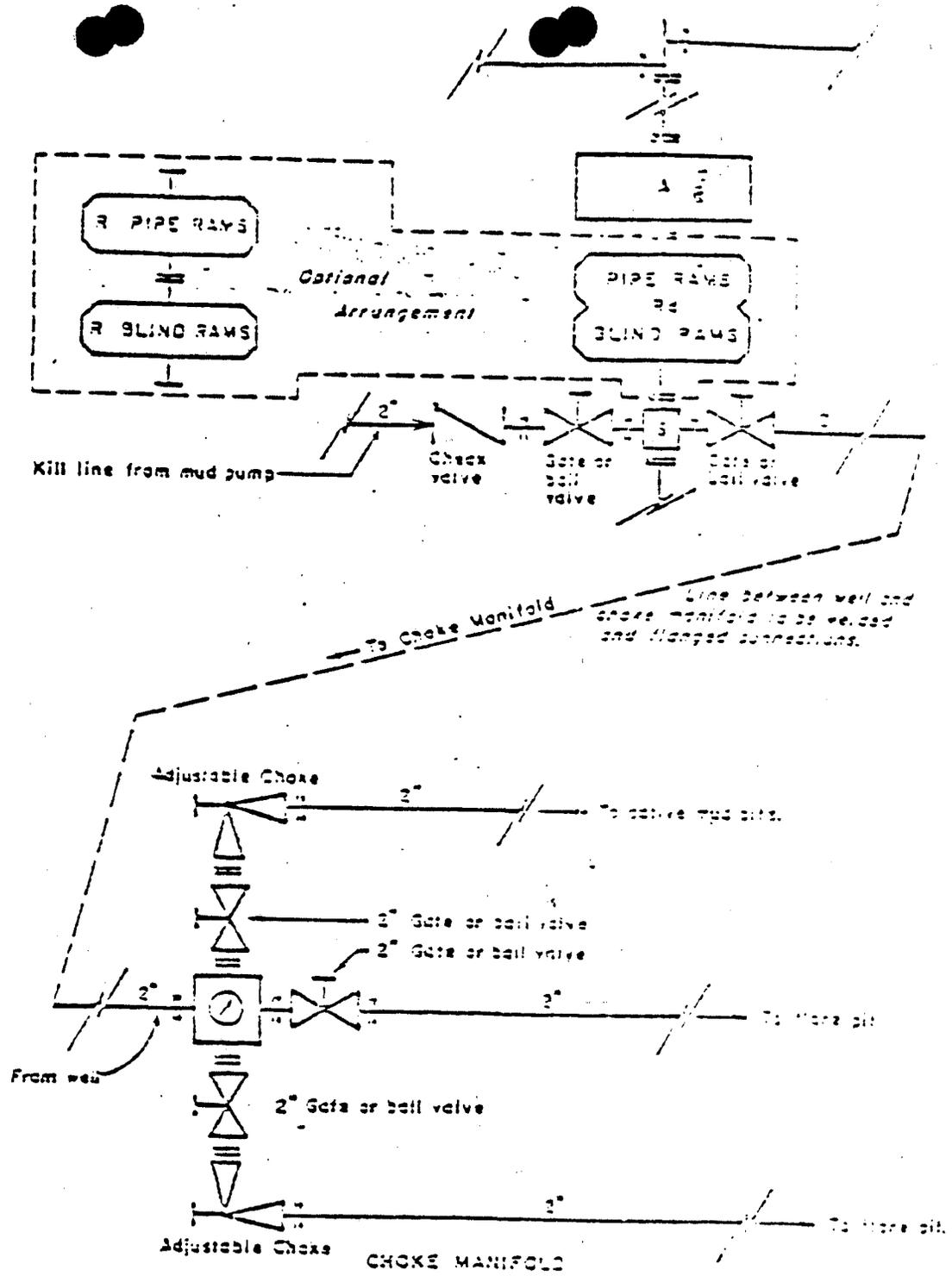


Name

Consulting Engineer and Agent
for Lab Energy, Inc.

Title

Asst.



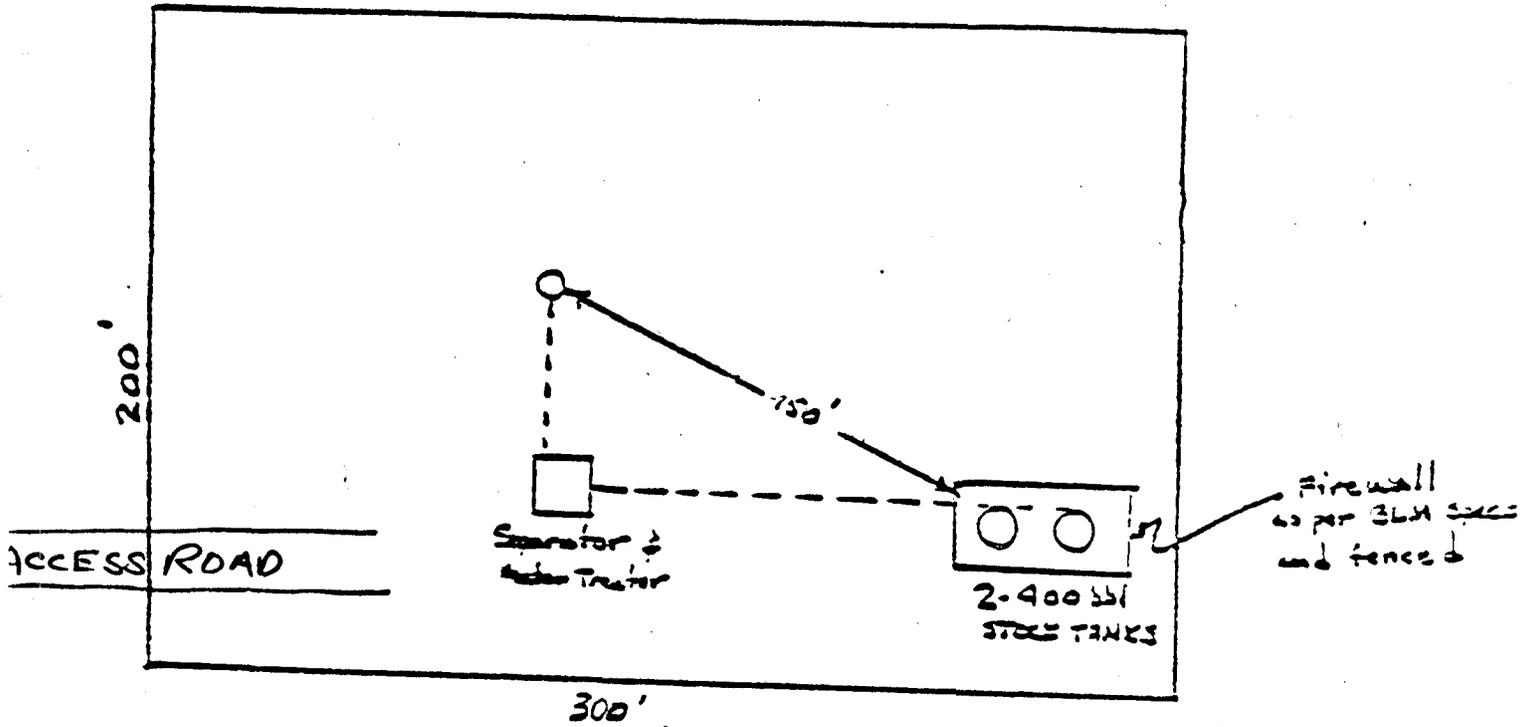
- All equipment to be 3,000 psi working pressure except as noted.
- Rd Double ram type preventer with two sets of rams.
 - R Single ram type preventer with one set of rams.
 - S Grilling spool with side outlet connections for choke and kill lines.
 - A Annular type blowout preventer.

Exhibit 'A'

Sec. 17, T-7-S, R-4-W
Tooele County, Utah

Required Minimum Blowout Preventer
and Choke Manifold

Original Drillsite



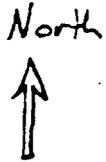
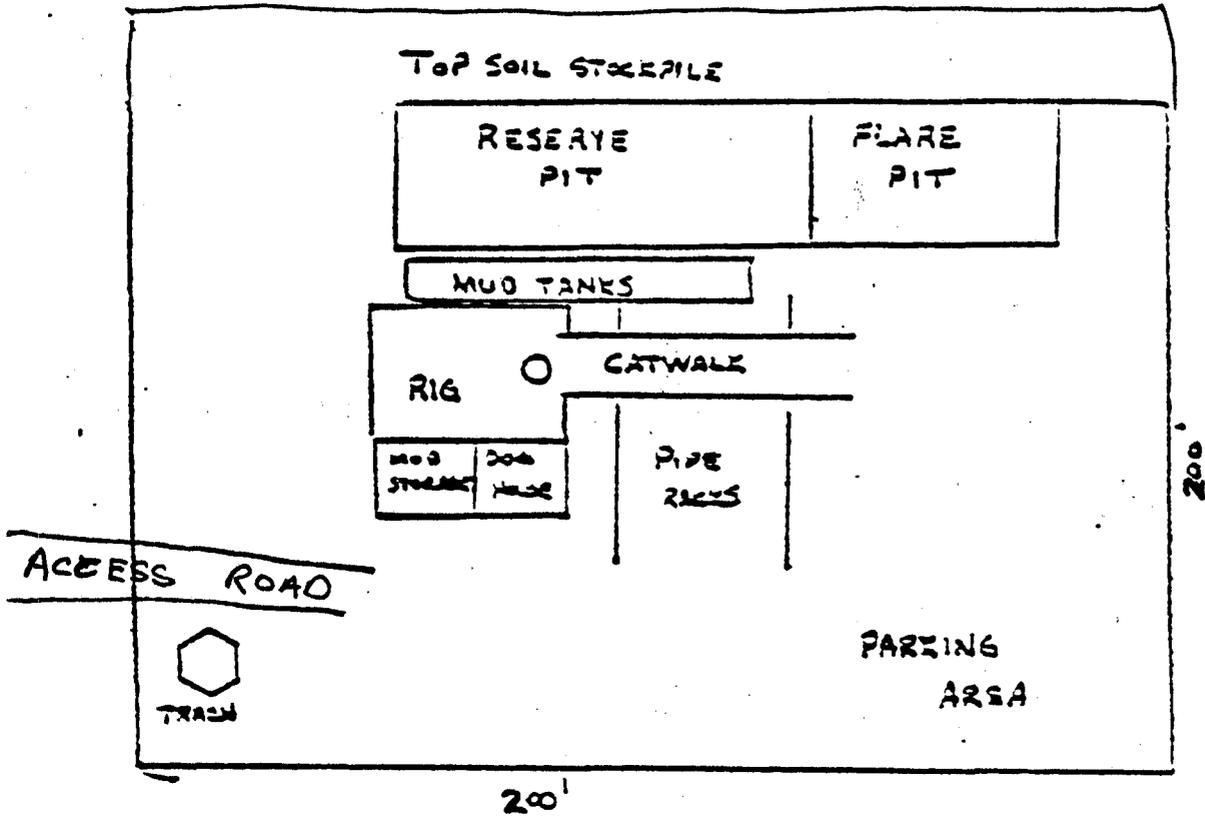
SCALE : 1" = 60'

LAB ENERGY, INC.

Well #17-14
SE SE Sec. 17 T-7-S, R-4-W
Tooele County, Utah

EXHIBIT III

PRODUCTION FACILITIES LAYOUT



SCALE: 1" = 120'

LAB ENERGY, INC

Well #17-14
 SE SE Sec. 17 T-7-S, R-4-W
 Tooele County, Utah

EXHIBIT IV

RIG LAYOUT

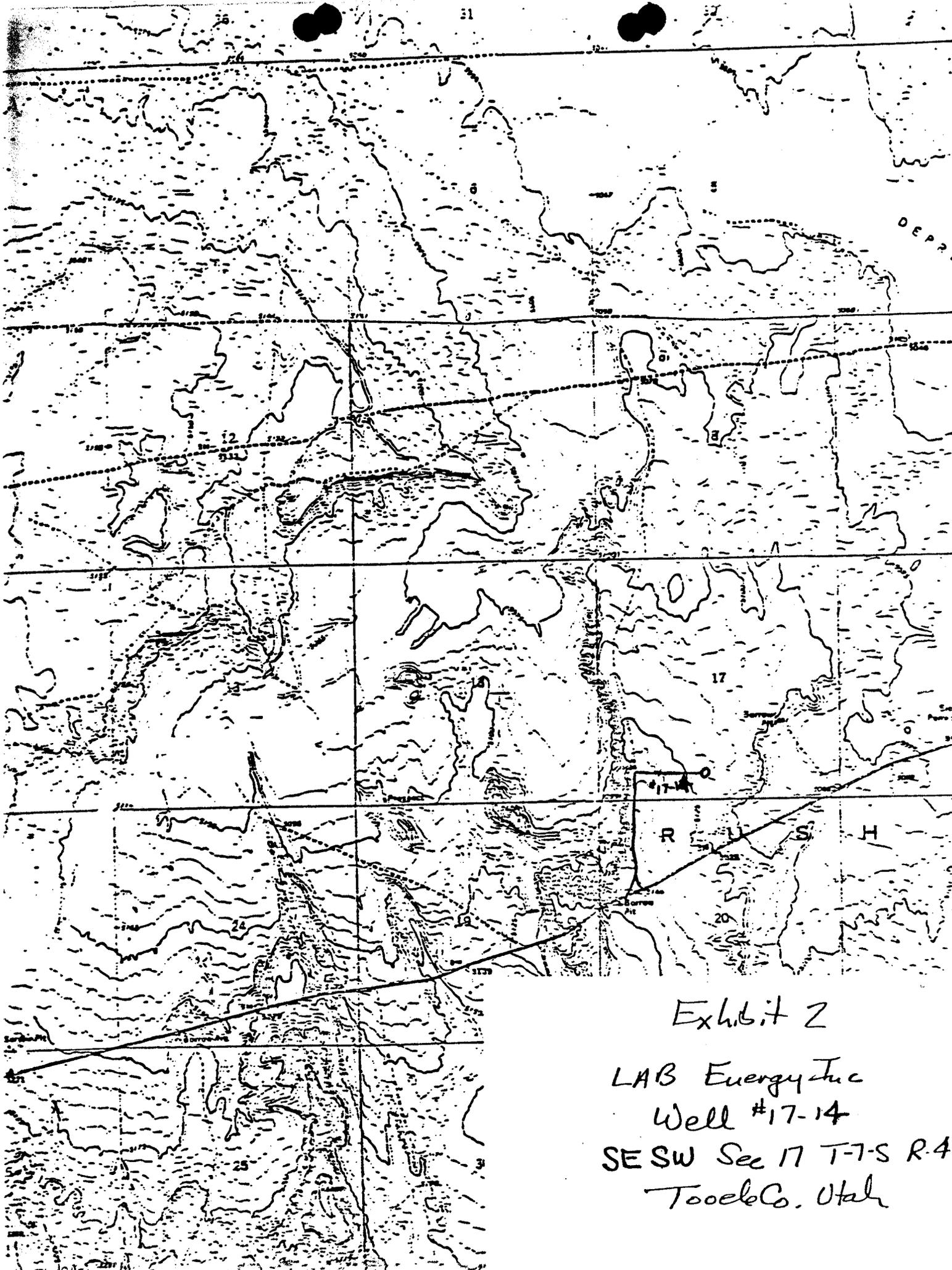


Exhibit Z

LAB Energy Inc
Well #17-14
SE SW Sec 17 T-7-S R-4-W
Toole Co., Utah

OPERATOR LAB ENERGY INC DATE 1-6-83

WELL NAME LAB ENERGY 17-14

SEC SE SW 17 T 75 R 4W COUNTY TOOELE

43-045-30016
API NUMBER

FED
TYPE OF LEASE

POSTING CHECK OFF:

<input type="checkbox"/>	INDEX	<input type="checkbox"/>	HL	<input type="checkbox"/>
<input type="checkbox"/>	NID	<input type="checkbox"/>	PI	<input type="checkbox"/>
<input type="checkbox"/>	MAP	<input type="checkbox"/>		<input type="checkbox"/>

PROCESSING COMMENTS:

THIS WELL IS NOT INTENDED FOR PRODUCTION, THEREFORE NO SPACING
CONSIDERATIONS ARE APPLICABLE - Staff make a card index
showing "not authorized for production" - ~~no API number~~
APV and no regular reporting as a new API

APPROVAL LETTER:

SPACING: A-3 _____ UNIT c-3-a _____ CAUSE NO. & DATE

c-3-b c-3-c

SPECIAL LANGUAGE:

OTHER STRATIGRAPHIC

APPROVED
THIS WELL IS AUTHORIZED FOR STRATIGRAPHIC RESEARCH
ONLY, AND IS NOT AUTHORIZED FOR PRODUCTION OF OIL
AND GAS.

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

AUTHENTICATE LEASE AND OPERATOR INFORMATION

VERIFY ADEQUATE AND PROPER BONDING *FED*

AUTHENTICATE IF SITE IS IN A NAMED FIELD, ETC.

APPLY SPACING CONSIDERATION

ORDER _____

UNIT _____

c-3-b

c-3-c

OUTSTANDING OR OVERDUE REPORTS FOR OTHER WELLS OF THE OPERATOR.

IF POTASH DESIGNATED AREA, SPECIAL LANGUAGE ON APPROVAL LETTER

January 6, 1983

Lab Energy Inc.
7107 South 400 West, Suite 10
Midvale, Utah 84047

RE: Well No. Lab Energy 18-14
SESW Sec. 17, T.7S, R.4W
Tooele County, Utah

Gentlemen:

Insofar as this office is concerned, approval to drill the above referred to stratigraphic well is hereby granted. This well is approved for stratigraphic research only, and is not authorized for production of oil and gas.

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

RONALD J. FIRTH - Engineer
Office: 533-5771
Home: 571-6068

OR

CLEON B. FEIGHT - Director
Office: 533-5771
Home: 466-4455

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

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

The API number assigned to this well is 43-045-3001**6**.

Sincerely,

Norman C. Stout
Administrative Assistant

NCS/as
cc: MMS
Enclosure



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

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

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

March 29, 1983

Lab Energy, Inc.
7107 South 400 West, Suite 10
Midvale, Utah 84047

Gentlemen:

We have received notification that the Rush Valley Unit Agreement was approved effective March 25, 1983. Boundaries of the Unit include Section 17, Township 7 South, Range 4 West in Tooele County where you have received approval from this agency to drill two (2) stratigraphic research wells (Lab Enerby 17-10 and Lab Energy 17-14).

This letter is to remind you that the mentioned wells are not permitted for production of oil or gas, and that it will be necessary to file new or amended applications for permit to drill these wells if you plan to use them for oil or gas production.

Please provide written response as to your intentions for the purpose of these wells.

Respectfully,

A handwritten signature in black ink, appearing to read 'Norman C. Stout'.

Norman C. Stout
Adminstrative Assistant

NCS/as

LAB ENERGY - WELL NO. LAB ENERGY
17-14

sec. 17, T. 7S R 4W, TOOELE COUNTY, UTAH

API 43-045-30016

RESENDED LOCATION
AS STRAT. WELL NOT OIL & GAS LOCATION

NEXT WEEK NID

LAB Energy, Inc.

7107 South 400 West, Suite #10
Midvale, Utah 84047
(801) 566-4101

April 1, 1983

State of Utah
Natural Resources & Energy
Oil, Gas & Mining
4241 State Office Building
Salt Lake City, Utah 84114

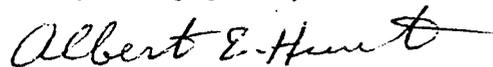
Gentlemen:

We wish to cancel the following well permits in Tooele County:

<u>Well No.</u>	<u>Lease No.</u>	<u>Permit No.</u>
32-14	ML-29517	43-045-30013
32-15	ML-29517	43-045-30014
16-5	ML-29517	43-045-30015
17-14 (Strat.)	U-22640	43-045-30017
17-12 (Strat.)	U-22604	?

✓ Please return to us the applications for permit to drill.

Very truly yours,



Albert E. Hunt
President

WLJ:jc

Attachments

APR 06 1983
DIVISION OF
OIL, GAS & MINING

RECEIVED
MAR 2 1984

**DIVISION OF
OIL, GAS & MINING**

83-APD-2
83-APD-4
(U-202)

*No Application
for the 17-12
3/8/84
ad*

MAR - 1 1984

*file
in # 17-14*

LAB Energy Inc.
7107 South 400 West, Suite 10
Midvale, Utah 84047

**RE: Applications for Permit to Drill
Well 17-12 and Well 17-14 ✓
Section 17, T.7S., R.4W.
Lease U-22640**

Dear Sir:

The permits for these two wells expired December 21, 1983.

If you intend to drill the referenced wells at a future date, new applications for permit to drill must be submitted.

If you have any questions, please contact this office.

Sincerely,

Frank W. Snell
District Manager

cc:
Branch of Fluid Minerals
U-942
Utah State Division of Oil, Gas & Mining

CQuilter:rb 3/1/84