UTAH DIVISION OF OIL, GAS AND MINING

REMARKS: WELL LOG ____ ELECTRIC LOGS ____ FILE X WATER SANDS ____ LOCATION INSPECTED ____ SUB. REPORT/ABD. ____

DATE FILED 7-3-78

LAND: FEE & PATENTED STATE LEASE NO. PUBLIC LEASE NO. U-01301 INDIAN

DRILLING APPROVED: 6-30-78

SPUDDED IN:

COMPLETED: PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR:

PRODUCING ZONES:

TOTAL DEPTH:

WELL ELEVATION:

DATE ABANDONED: 12-14-79 - LOCATION ABANDONED - WELL NEVER DRILLED

FIELD: Natural Buttes 3/86

UNIT:

COUNTY: Uintah

WELL NO. Chapita Federal 14-5 API NO: 43-047-30454

LOCATION 1328' FT. FROM (N) (S) LINE. 1615' FT. FROM (E) (W) LINE. NW SE 1/4 - 1/4 SEC. 14

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
9S	23E	14	CONTINENTAL OIL COMPANY				

FILE NOTATIONS

ntered in NID File .....✓
ocation Map Pinned .....
ard Indexed .....✓

Checked by Chief .....
Approval Letter .....
Disapproval Letter .....

COMPLETION DATA:

Date Well Completed .....

OW..... WW..... TA.....
GW..... OS..... PA.....

Location Inspected .....

Bond released
State or Fee Land .....

LOGS FILED

Driller's Log.....
Electric Logs (No.) .....
E..... I..... Dual I Lat..... GR-N..... Micro.....
BHC Sonic GR..... Lat..... Mi-L..... Sonic...
CBLog..... CCLog..... Others.....

Form 9-331 C
(May 1963)

SUBMIT IN TRIPLICATE*
(Other instructions on reverse)

Form approved.
Budget Bureau No. 42-R1425.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO.: U-01301

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT AGREEMENT NAME:

8. FARM OR LEASE NAME: Chapita Federal 14

9. WELL NO.: 5

10. FIELD AND POOL, OR WILDCAT: Wasatch-Mesaverde

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec. 14, T9S, R23E

12. COUNTY OR PARISH: Uintah

13. STATE: Utah

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

b. TYPE OF WELL: OIL WELL [ ] GAS WELL [X] OTHER — SINGLE ZONE [ ] MULTIPLE ZONE [X]

2. NAME OF OPERATOR: Continental Oil Company

3. ADDRESS OF OPERATOR: 152 N. Durbin, Casper, WY 82601

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: 1328' FSL, 1615' FEL (NWSE)
At proposed prod. zone:

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

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any): 2520

16. NO. OF ACRES IN LEASE: 2520

17. NO. OF ACRES ASSIGNED TO THIS WELL: 320

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

19. PROPOSED DEPTH: 9005'

20. ROTARY OR CABLE TOOLS: Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 5051' Ungraded Ground

22. APPROX. DATE WORK WILL START*: November 15, 1978

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	54.5#	150'	250 Sacks
12 1/4"	9 5/8"	36#	2500'	875 Sacks
7 7/8"	5 1/2"	15.5, 17#	9005'	*

It is proposed to drill this well as a Wasatch-Mesaverde gas well. It is anticipated to drill this well with air until fluid entry into the wellbore becomes such a problem as to require a mud system.

No cores are planned. A DST may be run. All appropriate logs will be run. The BOP will be tested daily.

* Cement volume and placement of cement will depend upon which zones are commercial. Cement volumes will be determined from the caliper log.

USGS(3) UDOGM(2) File

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 T. C. Thompson TITLE Administrative Supervisor DATE June 23, 1978

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE ACTING DISTRICT ENGINEER DATE OCT 16 1978

CONDITIONS OF APPROVAL, IF ANY:

CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

NOTICE OF APPROVAL

*See Instructions On Reverse Side

State O & G

NECESSARY FLARING OF GAS DURING DRILLING AND COMPLETION APPROVED SUBJECT TO ROYALTY (NTL-4)

Oil and Gas Drilling EA No. 1193

United States Department of the Interior
Geological Survey
8440 Federal Building
Salt Lake City, Utah 84138

Usual Environmental Analysis

Lease No. U-01301

Operator Continental Oil Company Well No. 5

Location 1328' FSL, 1615' FEL Sec. 14 T. 9S R. 23E

County Uintah State Utah Field Chapita

Status: Surface Ownership Public Minerals Federal

Joint Field Inspection Date August 3, 1978

Participants and Organizations:

George Diwachak	U.S.G.S.
Bill Robbins	BLM - Vernal
Homer Smith	Continental Oil Co.
Roy Steel	Contractor

Related Environmental Analyses and References:

(1) Unit Resource Analysis -Bonanza Planning Unit (08-05), BLM-Vernal, Utah.

(2)

Pad 200 x 300
+ 60' perimeter
if frac pit.
Pit - 75' x 150'
0.5 mi new access
Does not include flow line
Stockpile topsoil
4 ac

Analysis Prepared by: George Diwachak
Environmental Scientist
Salt Lake City, Utah

Date: August 9, 1978

noted
George Diwachak

Proposed Action:

On June 28, 1978, Continental Oil Company filed an Application for Permit to Drill the No. 5 development well, a 9005-foot gas test of the Wasatch, Mesanerde, and Macos Formations; located at 1328' FSL, 1615' FEL, Sec. 14, T. 9 S., R. 23 E., Uintah County, Utah at an elevation of 5051 ft. in the Chapita Field on Federal mineral lands and Public surface; lease No. U-01301. There was no objection raised to the wellsite nor to the access road.

A rotary rig would be used for the drilling. An adequate casing and cementing program is proposed. Fresh-water sands and other mineral-bearing formations would be protected. A Blowout Preventer would be used during the drilling of the well. The proposed pressure rating should be adequate. Details of the operator's NTL-6 10-Point Subsurface and 13-Point Surface Protection Plans are on file in the U.S.G.S. District Office in Salt Lake City, Utah and the U.S.G.S. Northern Rocky Mountain Area Office in Casper, Wyoming.

A working agreement has been reached with the BLM, the controlling surface agency. Rehabilitation plans would be decided upon as the well neared completion; the Surface Management Agency would be consulted for technical expertise on those arrangements.

The operator proposes to construct a drill pad 200 ft. wide by 300 ft. with an additional 60 ft. perimeter in the event that massive fracturing equipment is necessary. The reserve pit would be constructed to a 75 ft. by 150 ft. size. A new access road will be constructed 18 ft. wide by 0.5 miles long. The operator proposes to construct production facilities on distrubed area of the proposed drill pad.

If production is established, plans for a gas flow line will be submitted to the appropriate agencies for approval. The anticipated starting date is November 15, 1978 and duration of drilling activities would be about 45 days.

Location and Natural Setting:

The proposed drillsite is approximately 4.8 miles west of Bonanza, Utah, the nearest town. A good road runs to within 0.5 miles of the location. This well is in the Chapita Field.

The topography of the lease Area consists of flat desert land with few small drainages dissecting the surface.

Geology:

The surface geology is Uintah. The soil is sandy clay loam. No geologic hazards are known near the drillsite. Seismic risk for the area is minor. Anticipated geologic tops are filed with the 10-Point Subsurface Protection Plan.

Approval of the proposed action would be conditioned that adequate and sufficient electric/radioactive/density logging surveys would be made to locate and identify any potential mineral resources. Production casing and cementing would be adjusted to assure no influence of the hydrocarbon zones through the well bore on these minerals. In the event the well is abandoned, cement plugs will be placed with drilling fluid in the hole to assure protection of any mineral resources.

The potential for loss of circulation would exist and is possible in the sandstone units. Loss of circulation may result in the lowering of the mud levels, which might permit exposed upper formations to blow out or to cause formation to slough and stick to drill pipe. A loss of circulation would result in contamination due to the introduction of drilling muds, mud chemicals, filler materials, and water deep into the permeable zone, fissures, fractures, and caverns within the formation in which fluid loss is occurring. The use of special drilling techniques, drilling muds, and lost circulation materials may be effective in controlling lost circulation.

A geologic review of the proposed action has been furnished by the Area Geologist, U.S. Geological Survey, Salt Lake City, Utah.

The operator's drilling, cementing, casing and blowout prevention programs have been reviewed by the Geological Survey engineers and determined to be adequate.

Soils:

No detailed soil survey has been made of the project area. The top soils in the area range from a sandy clay to a clay type soil. The soil is subject to runoff from rainfall and has a high runoff potential and sediment production would be high. The soils are mildly to moderately alkaline and support the salt-desert shrub community.

Top soil would be removed from the surface and stockpiled. The soil would be spread over the surface of disturbed areas when abandoned to aid in rehabilitation of the surface. Rehabilitation is necessary to prevent erosion and encroachment of undesired species on the disturbed areas. The operator proposes to rehabilitate the location and access roads per the recommendations of the Bureau of Land Management.

Approximately 4 acres of land would be stripped of vegetation. This would increase the erosional potential. Proper construction practice, construction of water bars, reseeding of slope-cut area would minimize this impact.

Air:

No specific data on air quality is available at the proposed location; however, data from the White River Shale Project infers that the existing air quality relative to federal Ambient Air Quality Standards is good. There would be a minor increase in air pollution due to emmissions from rig and support traffic engines. Particulate matter would increase due to dust from travel over unpaved dirt roads. The potential for increased air pollution due to leaks, spills, and fire would be possible.

Relatively heavy traffic would be anticipated during the drilling-operations phase, increasing dust levels and exhaust pollutants in the area. If the well was to be completed for production, traffic would be reduced substantially to a maintenance schedule with a corresponding decrease of dust levels and exhaust pollutants to minor levels. If the project results in a dry hole, all operations and impact from vehicular traffic would cease after abandonment. Due to the limited number of service vehicles and limited time span of their operation, the air quality would not be substantially reduced. Toxic or noxious gases would not be anticipated.

Precipitation:

Annual rain fall should range from about 8 to 11" at the proposed location. The majority of the numerous drainages in the surrounding area are of a non-perennial nature flowing only during early spring runoff and during extremely heavy rain storms. This type of storm is rather uncommon as the normal annual precipitation is around 8".

Winds are medium and gusty, occurring predominately from west to east. Air mass inversions are rare.

The climate is semi-arid with abundant sunshine, hot summers and cold winters with temperature variations on a daily and seasonal basis.

Surface Water Hydrology:

The drainages of the lease area are non-perennial in nature and run in a northerly direction into Cyote Wash, a tributary of the White River.

Some additional erosion would be expected in the area since surface vegetation would be removed. If erosion became serious, drainage systems such as water bars and dikes would be installed to minimize the problem. The proposed project should have minor impact on the surface water systems.

The potentials of pollution of would be present from leaks or spills. The operator is required to report and clean-up all spills or leaks.

Ground Water Hydrology:

Some minor pollution of ground water systems would occur with the introduction of drilling fluids filtrate into the aquifer. This is normal and unavoidable during rotary drilling operations. The potential for communication, contamination and commingling of formations via the well bore would be possible. The drilling program is designed to prevent this. There is need for more data on hydrologic systems in the area and the drilling of this well may provide some basis information as all shows of fresh water would be reported. Water production with the gas would require disposal of produced water per the requirements of NTL-2B. The depths of fresh-water formations are listed in the 10-Point Subsurface Protection Plan. There would be no tangible effect on water migration in fresh-water aquifers. The pits would be unlined. If fresh water should be available from the well, the owner or surface agency may request completion as a water well if given approval.

Vegetation:

The vegetation of the area is of the salt-desert shrub type consisting of a sparse covering of grease wood, shadscale sagebrush halogeton, cheat grass and other native grasses.

Proposed action would remove about 4 acres of vegetation. Removal of vegetation would increase the erosional potential and there would be a minor decrease in the amount of vegetation available for grazing.

The operator proposes to rehabilitate the surface upon completion of operations.

Wildlife:

Animal and plant inventory has been made by the BLM. No endangered plants or aminals are known to habitat on the project area. The fauna of the area consists predominantly of the pronghorn antelope, mule deer, coyotes, rabbits, and varieties of small ground squirrels and other types of rodents and various types of reptiles. The area is used by man for the primary purpose of grazing domestic livestock and sheep.

The birds of the area are raptors, finches, ground sparrows, magpies, crows, and jays.

Social-Economic Effect:

An on the ground surface archaeological reconnaissance would be required prior to approval of the proposed action. Appropriate clearances would then be obtained from the surface managing agency. If a historic artifact, an archaeological feature or site is discovered during construction operations; activity would cease until the extent, the scientific importance, and the method of mitigating the adverse effects could be determined by a qualified cultural resource specialist.

There are no occupied dwellings or other facilities of this nature in the general area. Minor distractions from aesthetics would occur over the lifetime of the project and is judged to be minor. All permanent facilities placed on the location would be painted light sand color to blend in with the natural environment. Present use of the area is grazing,recreation, and oil and gas activities.

Noise from the drilling operation may temperarily disturb wildlife and people in the area. Noise levels would be moderately high during drilling and completion operations. Upon completion, noise levels would be infrequent and significantly less. If the area is abandoned, noise levels should return to pre-drilling levels.

The site is not visible from any major roads. After drilling operations, completion equipment would be visible to passersby of the area but would not present a major intrusion.

The economic effect of one well would be difficult to determine. The overall effect of oil and gas drilling and production activity are significant in Uintah County. But should this well discover a significant new hydrocarbon source, local, state and possibly national economics might be improved. In this instance, other development wells would be anticipated, with substantially greater environmental and economic impacts.

Should the wellsite be abandoned, surface rehabilitation would be done according to the surface agency's requirements and to USGS's satisfaction. This would involve leveling, contouring, reseeding, etc., of the location and possibly the access road. If the well should produce hydrocarbons, measures would be undertaken to protect wildlife and domestic stock from the production equipment.

Land Use:

The land is used for wildlife and stock grazing.

There are no national, state, or local parks, forests, wildlife refuges or ranges, grasslands, monuments, trails or other formally designated recreational facilities near the proposed location.

The proposed location is within the Bonanza Planning Unit (08-05). This Environmental Assessment Record was compiled by the Bureau of Land Management, the surface managing agency of the Federal surface in the area. The study includes additional information on the environmental impact of oil and gas operations in this area and gives land use recommendations. The E.A.R. is on file in the agency's State offices and is incorporated herein by reference.

Waste Disposal:

The mud and reserve pits would contain all fluids used during the drilling operations. A trash pit would be utilized for any solid wastes generated at the site and would be buried at the completion of the operations. Sewage would be handled according to State sanitary codes. For further information, see the 13-Point Surface Plan.

Alternatives to the Proposed Action:

1. Not approving the proposed permit -- the oil and gas lease grants the lessee exclusive right to drill for, mine, extract, remove and dispose of all oil and gas deposits.

Under leasing provisions, the Geological Survey has an obligation to allow mineral development if the environmental consequences are not too severe or irreversible. Upon rehabilitation of the site, the environmental effects of this action would be substantially mitigated, if not totally annulled. Permanent damage to the surface and subsurface would be prevented as much as possible under U.S.G.S. and other controlling agencies supervision with rehabilitation planning reversing almost all effects. Additionally, the growing scarcity of oil and gas should be taken into consideration. Therefore, the alternative of not proceeding with the proposed action at this time is rejected.

2. Minor relocation of the wellsite and access road or any special, restrictive stipulations or modifications to the proposed program would not significantly reduce the environmental impact. There are no severe vegetative, animal or archaeological-historical-cultural conflicts at the site. Since only a minor impact on the environment would be expected, the alternative of moving the location is rejected. At abandonment, normal rehabilitation of the area such as contouring, reseeding, etc., would be undertaken with an eventual return to the present status as outlined in the 13-Point Surface Plan.

Adverse Environmental Effects Which Cannot Be Avoided:

Surface distrubance and removal of vegetation from approximately 4.0 acres of land surface for the lifetime of the project which would result in increased and accelerated erosional potential. Grazing would be eliminated in the disturbed areas and there would be a minor and tempory disturbance of wildlife and livestock. Minor induced air pollution due to exhaust emmissions from rig engines of support traffic engines would occur. Minor increase in dust pollution would occur due to vehicular traffic associated with the operation. If the well is a gas producer, additional surface disturbance would be required to install production pipelines. The potential for fires, leaks, spills of gas, oil or water would exist. During the construction and drilling phases of the project, noise levels would increase. Potential for sub-surface damage to fresh water aquifers and other geologic formations exists. Minor distractions from aesthetics during the lifetime of the project would exist. If the well is a producer, an irreplacable and irretrievable committment of resources would be made. Erosion from the site would eventually be carried as sediment in the White River. The potential for pollution to the Cyote Wash would exist through leaks and spills.

Determination:

This requested action does not constitute a major Federal action significantly affecting the environment in the sense of NEPA, Sec. 102(2)(C).

District Engineer
U.S. Geological Survey
Conservation Division
Oil and Gas Operations
Salt Lake City District

: DISTRICT ENGINEER, O&G, S[redacted] LAKE CITY, UTAH

JECT: APD MINERAL EVALUATION REPORT LEASE NO. [redacted]-01301

ERATOR: Continental Oil Company WELL NO. 5

CATION: ¼ NW¼ SE¼ sec. 14, T. 9S, R. 22E, SLM

Uintah County, Utah

Stratigraphy: Operator picked stratigraphy reasonable

Fresh Water: Useable water may occur in the Uintah & Green River fms.

Leasable Minerals: Oil shale occurs in the Mahogany zone of the Green River fms. The Mahogany zone will be encountered at a depth of about 3200'.

Additional Logs Needed: None.

Potential Geologic Hazards: None anticipated by operator.

References and Remarks: Located east of Chapita Wells FGS

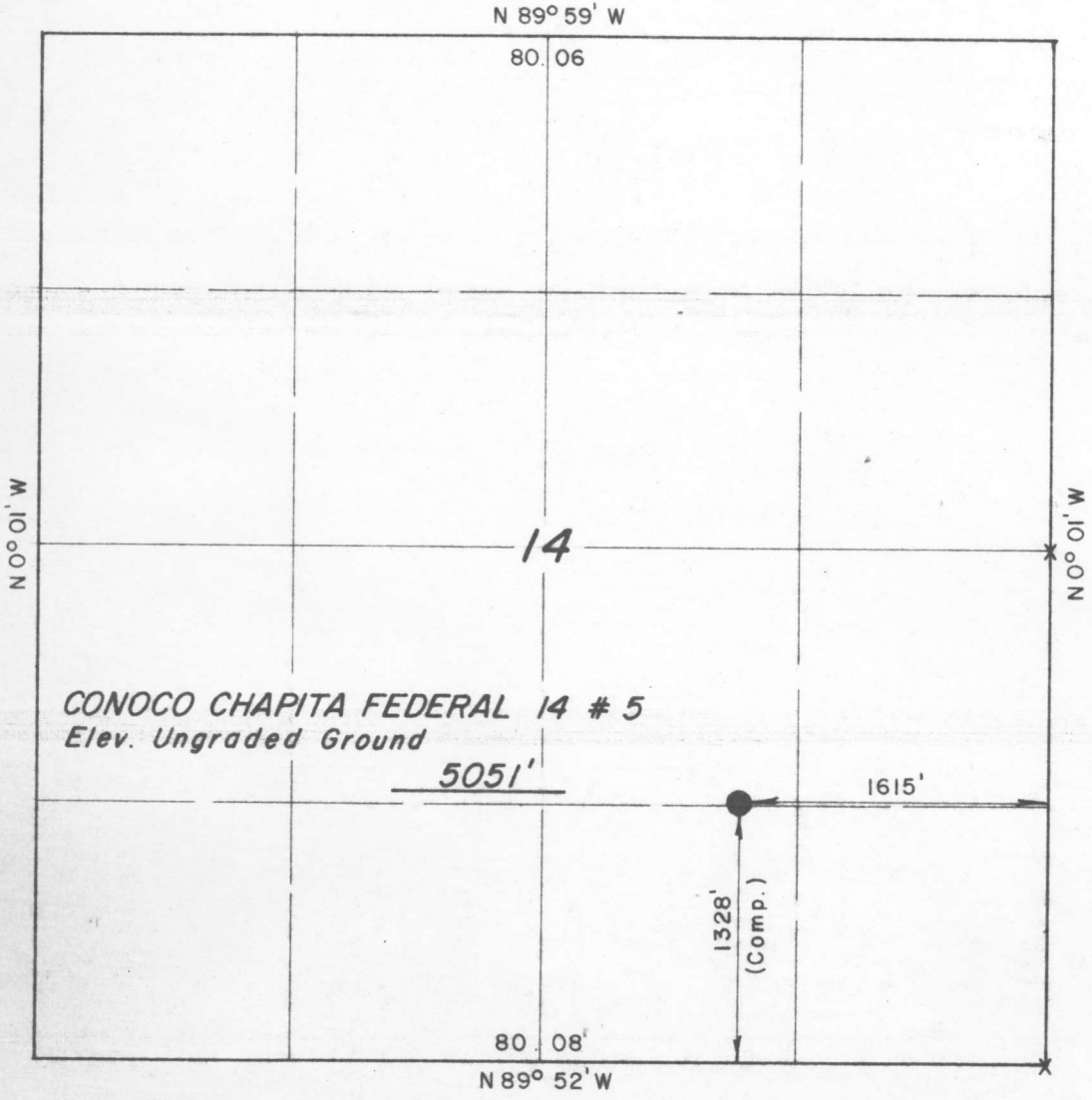
Signature: Sandra C. Neal Date: 7-25-72

T 9 S, R 23 E, S.L.B.&M.

PROJECT

CONTINENTAL OIL COMPANY

Well location, *CONOCO CHAPITA FEDERAL 14 Nº 5*, located as shown in the NW 1/4 SE 1/4 Section 14, T 9 S, R 23 E, S.L.B.&M. Uintah County, Utah.



X = Section Corners Located

CERTIFICATE

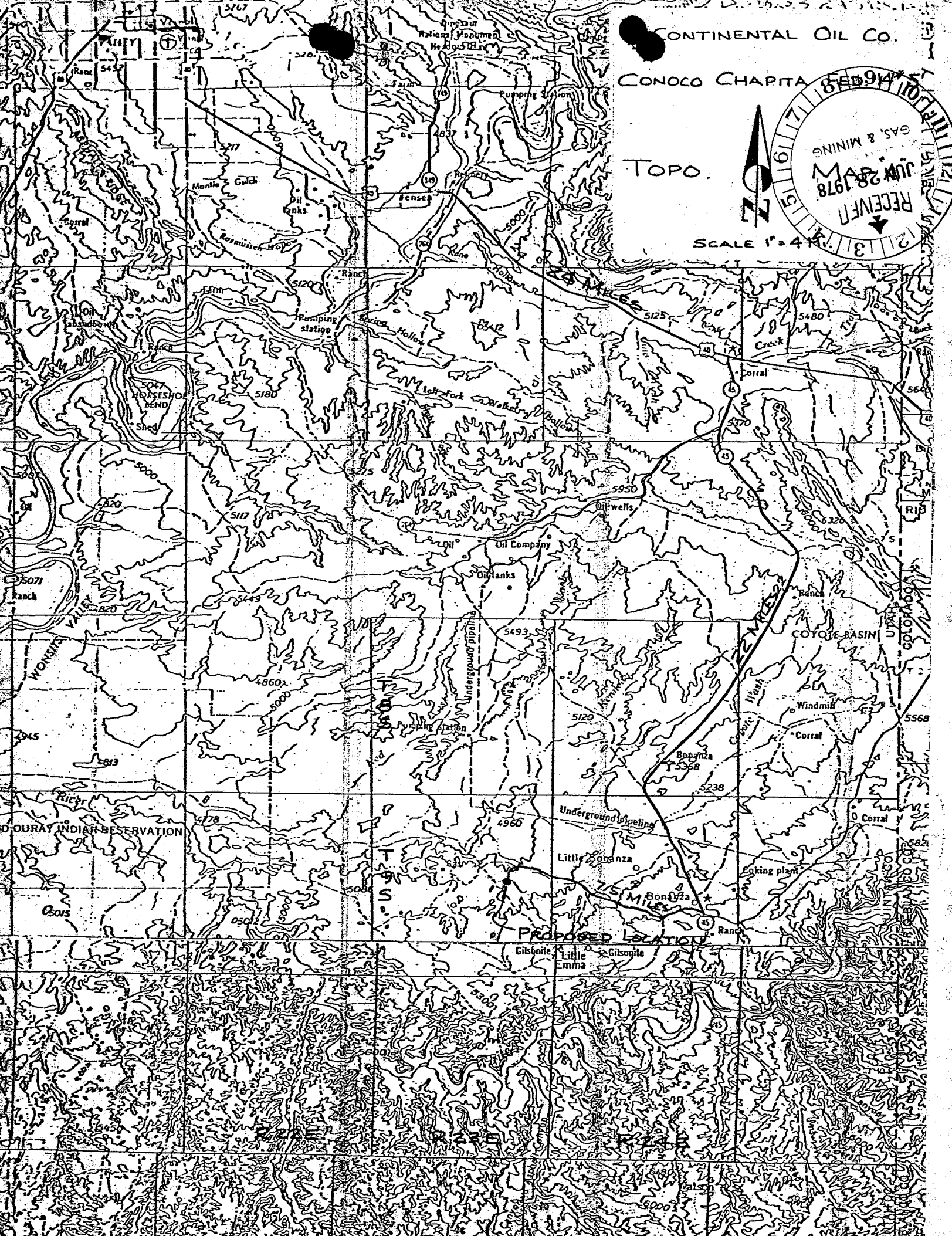
THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Gene Stewart

REGISTERED LAND SURVEYOR
REGISTRATION Nº 3154
STATE OF UTAH

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

SCALE 1" = 1000'	DATE 4 / 3 / 78
PARTY LDT., B.R., S.S., B.N. BFW	REFERENCES GLO Plat
WEATHER Fair	FILE CONTINENTAL OIL CO.


CONTINENTAL OIL CO.
CONOCO CHAPITA
TOPO.
SCALE 1" = 4 MI.
RECEIVED
JUL 28 1978
GAS & MINING
PROPOSED LOCATION
Gilsonite
Little Emma
Gilsonite
Little Bonanza
Bonanza
Underground pipeline
Pumping station
Oil tanks
Oil wells
Oil Company
Corral
Windmill
Ranch
Coyote Basin
Wonsits Valley
Uintah and Ouray Indian Reservation
T 9 S
R 22 E
R 23 E
R 24 E
15 MILES
2 MILES

Attachment to Form 9-331C
Chapita Federal 14 No. 5
Uintah County, Utah
June 23, 1978

1. The geologic name of surface formation: Uintah

2. The estimated tops of important geologic markers:

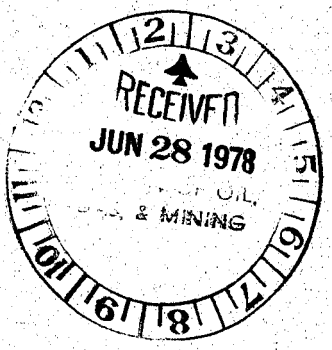
Formation	Drilled Depth	Subsea Depth
First Limestone	1200'	3865'
Green River	1610'	3455'
Wasatch	4495'	570'
Mesaverde	6435'	-1370'
Mancos	8855'	-3790'
T. D.	9005'	-3940

3. It is anticipated to encounter a water bearing zone in the Green River formation. A gas and water bearing zone is anticipated in the Wasatch and in the Mesaverde formations. The depths of these formations are listed in (2) above.

4. Proposed casing pattern:

0-150' 13 3/8", 54.5#, K-55, ST&C
0-2500' 9 5/8", 36#, K-55, ST&C
0-1000' 5 1/2", 17#, N-80, LT&C
1000-2000' 5 1/2", 17#, K-55, LT&C
2000-6800' 5 1/2", 15.5#, K-55, LT&C
6800-9005' 5 1/2", 17#, K-55, LT&C

All casing mentioned above will be new.



5. Specifications for pressure control:
Our minimum specification for pressure equipment will be 5000 lbs. See attached BOP diagram.

6. Proposed circulating medium:
Well will be drilled with air. If fluid entry into wellbore becomes such a problem as to require drilling fluid to lift cuttings, aerated water inhibited with 2% KCl will be used. It is anticipated that a salt saturated system will be needed at ±5000'. Mud weights will be maintained between 9.0-10.7 lbs. per gallon to T.D. (Sufficient mud will be mixed on location to fill hole volume plus excess of 200 bbls. and sufficient weight to control bottom hole pressures.)

7. Auxiliary equipment:
We will use kelly cocks, floats at the bit, monitoring equipment on the mud system (if needed) a sub on the floor with a full opening valve and a blooie line.

8. Testing, logging, and coring:
As mentioned in the permit to drill, no cores, but possibly a drill stem test is planned. A flare will be ignited under the blooie line when

8. Testing, logging, and coring, cont'd:

drilling below 3000' with air to detect combustible quantities of gas. The following logs will be run over the specified intervals:

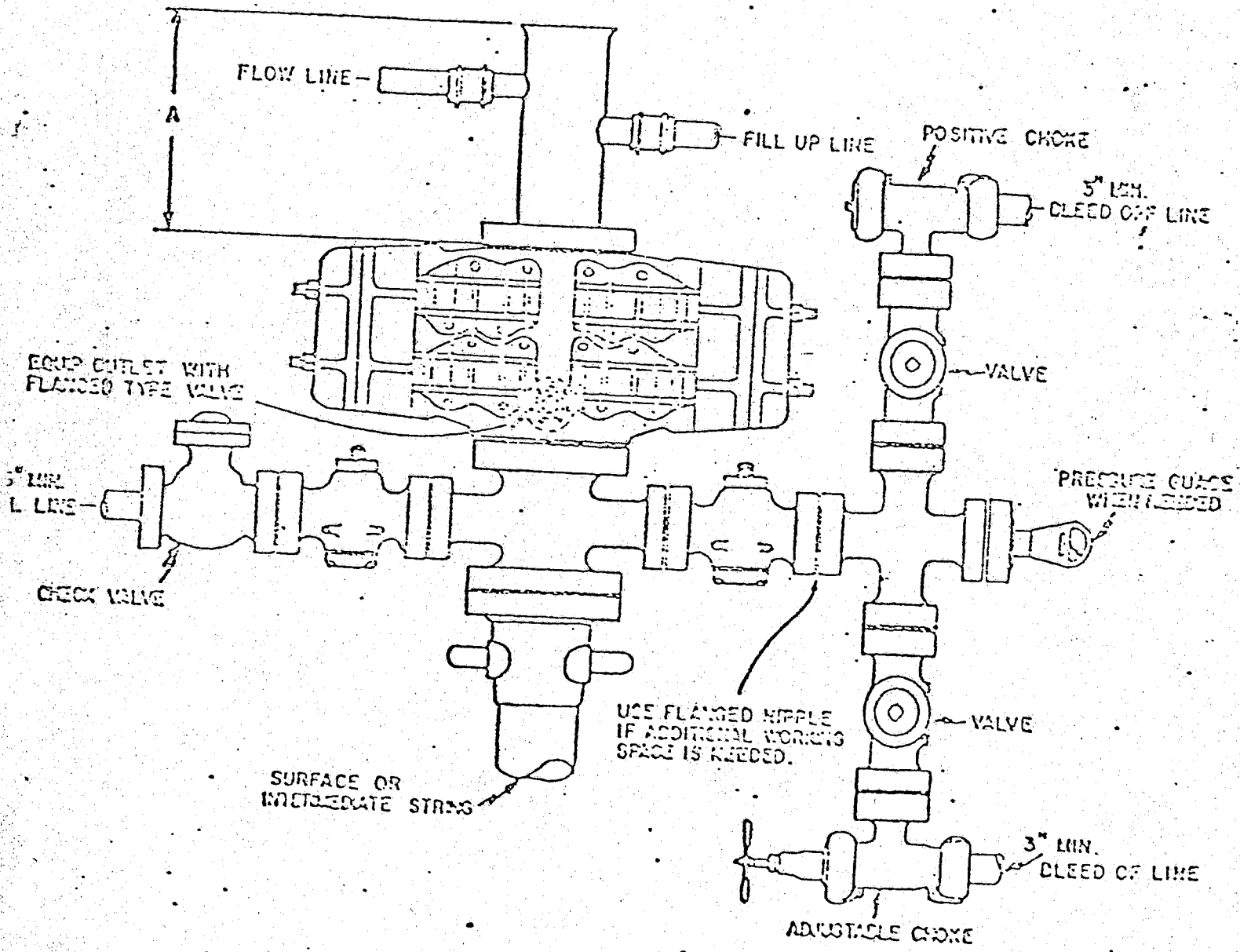
A. Dual Induction with SP from surface pipe to T.D.

B. Formation Density and Compensated Neutron Log with Caliper over selected zones in the Green River, Wasatch, and Mesaverde formations. The Caliper will be run from T.D. to surface pipe.

9. Formation and completion interval:
Sand lens of the Mesaverde and Wasatch completion method: Perforate the casing.
Sand Fracturing: 450,000 gallons gelled water, 800,000 pounds of sand, and 50 tons CO_2.

10. Abnormal pressures and temperatures:
We do not anticipate any abnormal pressures or temperatures. Rotating head will be used while drilling with air for control. BOP's will be used for control while drilling with mud. Mud weight will be increased if necessary to insure adequate control.

11. Starting date and duration:
We plan to spud the well on November 15, 1978, and expect drilling operations to last 45 days.



Conoco:

Minimum BOP Stack One Pipe Ram One Blind Ram	5000 psi Working Pressure
Manifold	5000 psi Working Pressure
Well Head	5000 psi Working Pressure

CONTINENTAL OIL COMPANY

13 Point Surface Use Plan

for

Well Location

Conoco Chapita Federal 14 No. 5

Located In

Section 14, T9S, R23E, S.L.B. & M.

Uintah County, Utah

Continental Oil Company
Concoc Chapita Federal 14 [redacted] o. 5
Section 14, T9S, R23E, S.L.B. & M.

1. EXISTING ROADS

See Attached Topographic Map "A" to reach the Continental Oil Company well location, Chapita Federal 14, No. 5, located in Section 14, T9S, R23E, S.L.B. & M. from Vernal, Utah.

Proceed East out of Vernal, Utah along U.S. Highway 40 - 24 miles to the junction of this highway and Utah State Highway 45 to the South; proceed South along Utah Sate Highway 45 - 22 miles to Bonanza, Utah; proceed in a Westerly direction along an improved dirt road 6.9 miles to the junction of this road and the proposed access road to be discussed in Item #2.

At the present time there is no major construction anticipated along any portion of the above described road.

The road will be maintained and kept at the necessary standards required for an orderly flow of traffic during the drilling, completion, and production activities of this location.

2. PLANNED ACCESS ROAD

See Topographic Map "B".

The proposed access road leaves the existing road described in Item #1 in the SE 1/4 NE 1/4 of Section 14, T9S, R23E, S.L.B. & M., and proceeds in a Southerly direction 0.5 miles to the proposed well location site.

In order to facilitate the anticipated traffic flow necessary to drill and produce this well, the following standards will be met.

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

Back slopes along the cut areas of the road will be 1 1/2 to 1 slopes and terraced.

The road will be centerline flagged prior to the commencement of construction.

The grade of this road will vary from flat to 8%, but will not exceed this amount. This road will be constructed from native borrow accumulated during construction.

If deemed necessary by the local governmental agencies or their representatives, turnouts will be installed for safety purposes every 0.25 miles or on the top of ridges that will provide the greatest sight distance. These turnouts will be 200' in length and 12' in width and will be tapered from the shoulder of the road for a distance of 50' in length at both the access and the outlet end.

2. PLANNED ACCESS ROAD (Continued)

Any fences that are encountered along this access road will be cut and replaced with a cattleguard with a minimum width of 18' and a loading factor large enough to facilitate the heavy trucks required in the drilling and production of this well.

If cattleguards are to be located at existing gates, they will be installed with the above requirements and with a new gate installed at one end of the cattleguard.

The access from the road to the gate will be of such a nature that there will be no impedance of traffic flow along the main access road and no difficulties encountered by traffic utilizing the gate, either leaving or entering the proposed access road.

The terrain that is traversed by this road is relatively flat and is vegetated with sparce amounts of sagebrush and grasses.

3. LOCATION OF EXISTING WELLS

As shown on Topographic Map "B", there are no other wells within a one-mile radius of the proposed well site. (See location plat for placement of Continental Oil Co., well location within the section.)

4. LOCATION OF TANK BATTERIES, PRODUCTION FACILITIES, AND PRODUCTION GATHERING AND SERVICE LINES

All petroleum production facilities are to be contained within the proposed location site. There are no other Continental Oil Company flow, gathering, injection, or disposal lines within a one-mile radius of this location.

In the event production is established, plans for a gas flow line from this location to existing gathering lines or a main production line shall be submitted to the appropriate agencies for approval.

The rehabilitation of the disturbed area that is not required for the production of this well, will meet the requirements of Items #7 and #10 and these requirements and standards will be adhered to.

5. LOCATION AND TYPE OF WATER SUPPLY

Water for this well will be hauled by truck from an existing loading ramp on the White River in the NE 1/4 of Section 17, T9S, R22E, S.L.B. & M. approximately 16 miles to the West from the proposed well location.

6. SOURCE OF CONSTRUCTION MATERIALS

All construction materials for this location site and access road shall be borrow materials accumulated during construction of the location site and access road. No additional road gravels or pit lining material from other sources are anticipated at this time, but if they are required, the appropriate actions will be taken to acquire them from private sources.

7. METHODS FOR HANDLING WASTE DISPOSAL

See Location Layout Sheet.

A reserve and burn pit will be constructed.

The reserve pit will be approximately 8' deep and at least one half of this depth shall be below the surface of the existing ground.

One half of the reserve pit will be used as a fresh water storage area during the drilling of this well and the other one half will be used to store non-flammable materials such as cuttings, salts, drilling fluids, chemicals, produced fluids, etc.

If deemed necessary by the agencies concerned, to prevent contamination to surrounding areas, the reserve pits will be lined with a gel.

The pits will have wire and overhead flagging installed at such time as deemed necessary to protect the water fowl, wildlife, and domesticated animals.

At the onset of drilling, this reserve pit will be fenced on three sides and at the time the drilling activities are completed, it will be fenced on the fourth side and allowed to dry completely prior to the time that backfilling and reclamation activities are attempted.

When the reserve pit dries and the reclamation activities commence, the pits will be covered with a minimum of four feet of soil and all requirements in Item #10 will be followed.

The burn pits will be constructed and fenced on all four sides with a small mesh wire to prevent any flammable materials from escaping and creating a fire hazard.

All flammable materials will be burned and then buried upon completion of this well.

A portable chemical toilet will be supplied for human waste.

8. ANCILLARY FACILITIES

There are no ancillary facilities planned for at the present time and none foreseen in the near future.

9. WELL SITE LAYOUT

See Location Layout Sheet.

The B.L.M. District Manager shall be notified before any construction begins on the proposed location site.

11. OTHER INFORMATION - continued

Outcrops of sandstone ledges, conglomerate deposits and shale are common in this area.

The topsoils in the area range from a light brownish-gray sandy clay (SM-ML) type soil poorly graded gravels to a clayey (OL) type soil.

The majority of the numerous washes and streams in the area are of a non-perennial nature flowing during the early spring run-off and extremely heavy rain storms of long duration which are extremely rare as the normal annual rainfall in the area is only 8".

The White River to the South of this location is the only perennial stream that is affected by this location site.

Due to the low precipitation average, climate conditions and the marginal types of soils, the vegetation that is found in the area is common of the semi-arid region we are located in. It consists of areas of sagebrush, rabbit brush, some grasses and cacti as the primary flora. This is also true for the lower elevations.

The fauna of the area consists predominantly of the mule deer, coyotes, rabbits and varieties of small ground squirrels and other types of rodents. The area is used by man for the primary purpose of grazing domesticated sheep and cattle.

The birds of the area are raptors, finches, ground sparrows, magpies, crows, and jays.

The Topography of the Immediate Area (Topographic Map "B".)

Conoco Chapita Federal 14, No. 5, is located on a relatively flat area with a small drainage to the West that extends downward to the north into Coyote Wash from the summit of a ridge that separates this drainage area from the White River to the South.

The majority of the drainages in the area around this location run in a Northerly direction into the aforesaid Coyote Wash which is a tributary to the White River and area non-perennial streams.

The terrain in the vicinity of the location slopes to the North from a small ridge through the location site at approximately a 4% grade into a small wash to the North.

The vegetation in the immediate area surrounding the location site is predominantly sagebrush, and grasses.

There are no occupied dwellings or other facilities of this nature in the general area.

Continental Oil Company
Conoco Chapita Federal 14, No. 5
Section 14, T9S, R23E, S.L.B. & M.

9. WELL SITE LAYOUT

See Location Layout Sheet.

The BIA manager in Duchesne, Utah shall be notified before any construction begins on the proposed location site.

When drilling activities commence, all work shall proceed in a neat and orderly sequence.

10. PLANS FOR RESTORATION OF SURFACE

As there is some topsoil on the location site, all topsoil shall be stripped and stockpiled. (See Location Layout Sheet and Item #9.) When all drilling and production activities have been completed, the location site and access road will be reshaped to the original contour and stockpiled topsoil spread over the disturbed area.

Any drainages re-routed during the construction activities shall be restored to their original line of flow as near as possible. Fences around pits are to be removed upon completion of drilling activities and all waste being contained in the trash pit shall be buried with a minimum of 5' of cover.

As mentioned in Item #7, the reserve pit will be completely fenced and wired and overhead wire and flagging installed, if there is oil in the pits, and then allowed to completely dry before covering.

Restoration activities shall begin within 90 days after completion of the well. Once completion activities have begun, they shall be completed within 30 days.

When restoration activities have been completed, the location site and access ramp shall be reseeded with a seed mixture recommended by the B.L.M. District Manager when the moisture content of the soil is adequate for germination. The Lessee further covenants and agrees that all of said cleanup and restoration activities shall be done and performed in a diligent and most workmanlike manner and in strict conformity with the above mentioned Items #7 and #10.

11. OTHER INFORMATION

The Topography of the General Area (See Topographic Map "A".)

The area is a basin formed by the Blue Mountain Plateau and Green River to the North and the White River and the Roan Plateau to the South.

The basin floor is interlaced with numerous canyons and ridges formed by the non-perennial streams of the area. The sides of these canyons are steep and ledges formed in sandstones, conglomerates and shale deposits are extremely common to the area.

The geologic structures of the area that are visible are of the Uinta formation (Eocene Epoch) Tertiary Period in the upper elevations and the cobblestone and younger alluvial deposits from the Quaternary Period.

11. OTHER INFORMATION (Continued)

There are no visible archaeological, historical, or cultural sites within any reasonable proximity of the proposed location site. (See Topographic Map "B".)

12. LESSEE'S OR OPERATOR'S REPRESENTATIVE

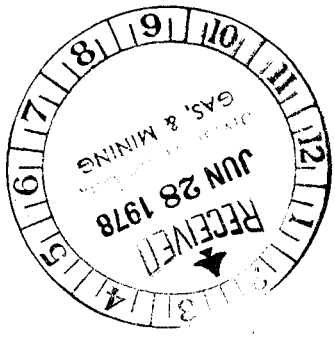
Homer Smith
Box 536
Grand Junction, Colorado 81501

13. CERTIFICATION

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

4-12-78
DATE

Homer L. Smith
Homer Smith



CONTINENTAL OIL COMPANY

CONOCO CHAPITA FED. 14 # 5

LOCATION LAYOUT SHEET

200'

RESERVE PITS

8' Depth - Unlined - To be fenced

OVERFLOW DIKE WITH SCREENS

FRESH WATER SIDE

THIS SIDE FOR WELL OVERFLOWS & DRILLING FLUIDS

125'

TOP SOIL STOCKPILE

25' x 25' BURN PIT

OVERHEAD FLAGGING TO BE INSTALLED

(5) F-0⁴

(4) 60' F-1²

PUMP

MUD TANKS

PUMP

DATA UNIT

(6) 60' F-1³

50'

CATWALK

RIG

C-0²⁸

150'

(3) F-1¹²

(7) F-0⁴

WATER

FUEL

LIGHT PLANT

MUD TANKS

HOPPER

MUD PUMPS

DOGHOUSE

PIPE RACKS

STA. 0+00

STA. 1+50

150'

STA 3+00

PARKING AREA

HILL

STORAGE TANKS

TOILET

FUEL

TRAILER

(2) C-12³

(1) C-3³

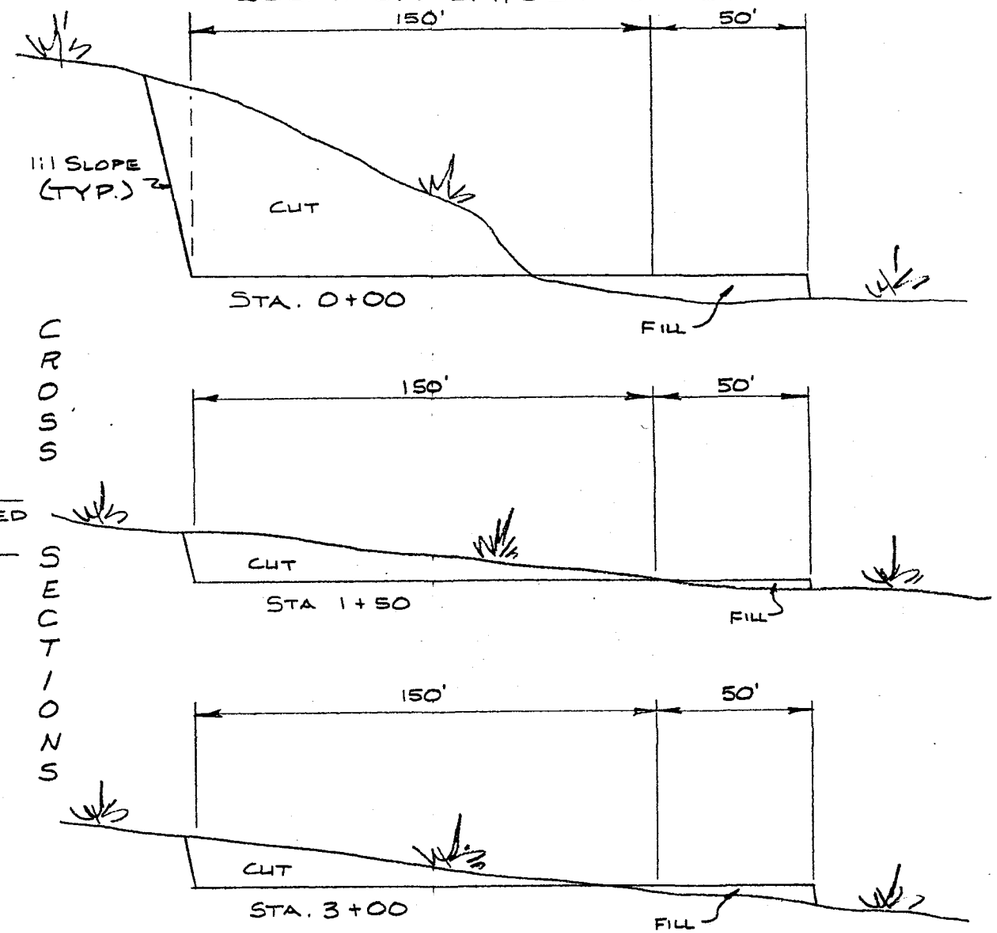
(8) F-3²

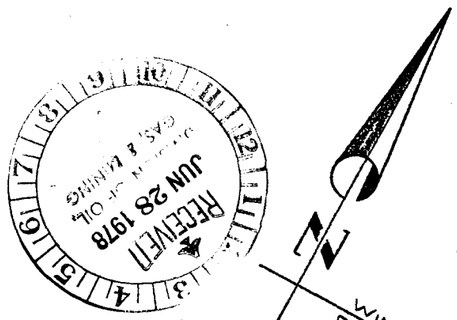
60'

THIS AREA TO BE USED FOR FRACK TANKS & OTHER EQUIP.

PROPOSED ROAD

CROSS SECTIONS



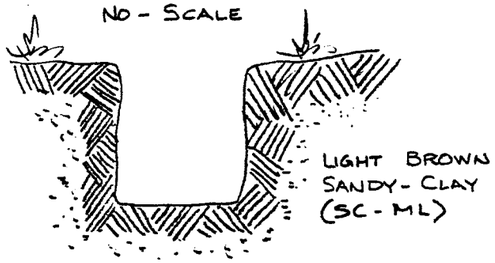


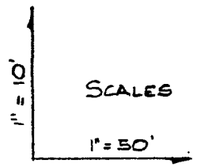
SCALE 1" = 50'

WIND EAST

SOILS LITHOLOGY

NO - SCALE





APPROX. YARDAGES

CUT 4,704 CU. YDS.
FILL 375 CU. YDS.

CONTINENTAL OIL CO.
CONOCO CHAPITA FED. 14*5

TOPO. MAP "B"

SCALE 1" = 2000'

ROAD CLASSIFICATION

Light-duty road, all weather, improved surface

Unimproved road, fair or dry weather

UTAH

PROPOSED ROAD
CONOCO CHAPITA FED. 14*5

0.5 MILES

2.1 MILES

EXISTING ROAD

BONANZA, UTAH
4.8 MILES

Kennedy Wash

Coyote Wash

Hatch Res

PIPELINE

JEEP TRAIL

Drill Hole

Gas Well

BM 5072

BM 5015

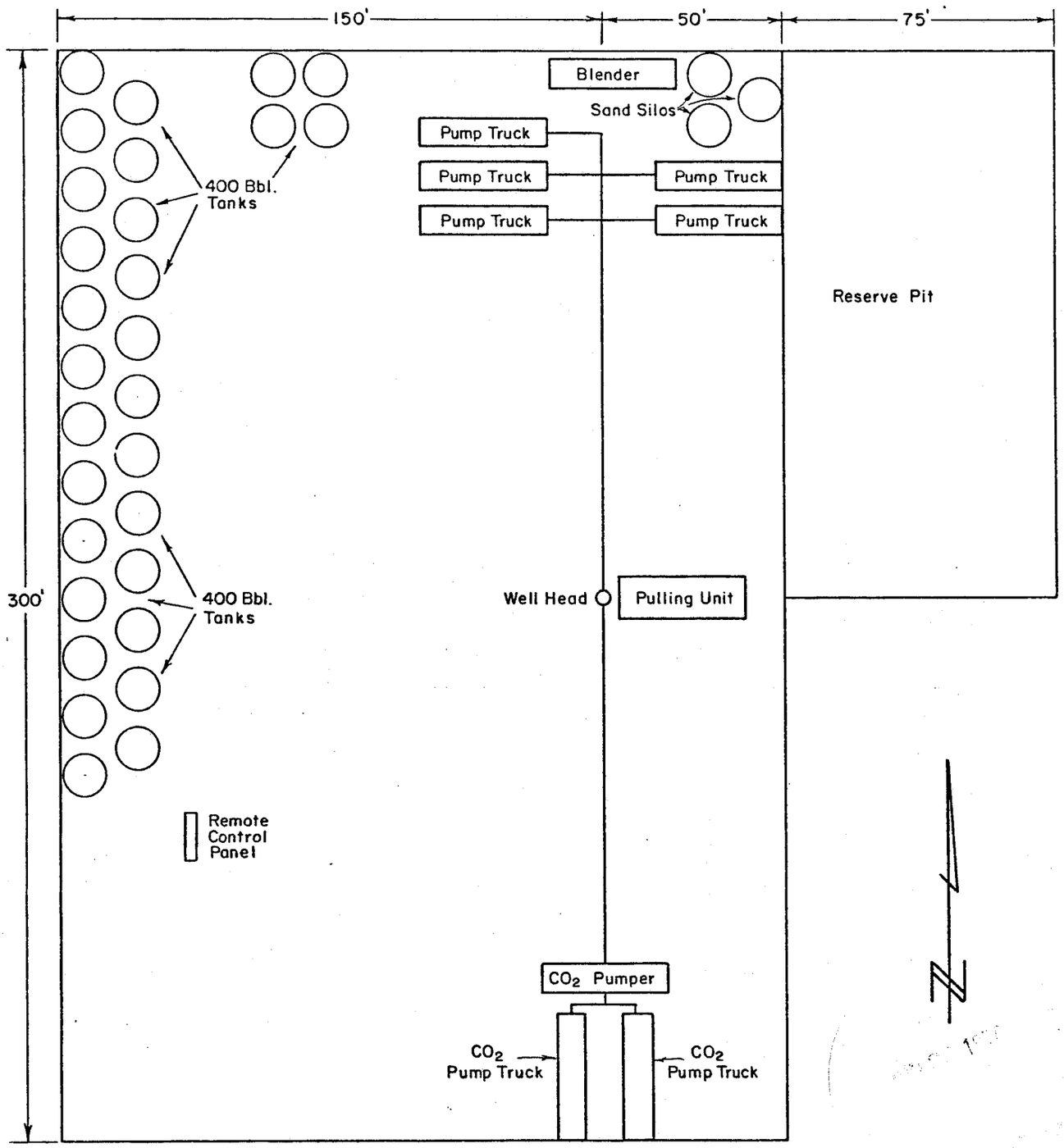
BM 5078

BM 5026

BM 5192

BM 5146

S. CASTLE FIELD



FRACTURING EQUIPMENT LAYOUT

CHAPITA FEDERAL WELLS

Scale: 1" = 40'

Date: 5-9-78

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

** FILE NOTATIONS **

Date: June 28-

Operator: Continental Oil Co.

Well No: Chapita Fed. 14-5

Location: Sec. 14 T. 9S R. 23E County: Uintah

File Prepared: / / *Entered on N.I.D.:* / /

Card Indexed: / / *Completion Sheet:* / /

API NUMBER: 43-047-30454

CHECKED BY:

Administrative Assistant

Remarks: OK - Lets Order

Petroleum Engineer OK

Remarks:

Director

Remarks:

INCLUDE WITHIN APPROVAL LETTER:

Bond Required: Yes Surf. *Survey Plat Required:* /

Order No. 174-1 / *Surface Casing Change* / *to* _____

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

O.K. Rule C-3 / *O.K. In* _____ *Unit* /

Other:

/ *Letter Written/~~Approved~~*

June 30, 1978

Continental Oil Company
152 North Durbin
Casper, Wyoming 82601

Re: Well No. Chapita Federal 14-5
Sec. 14, T. 9 S, R. 23 E,
Uintah County, Utah

Gentlemen:

Insofar as this office is concerned, approval to drill the above referred to well is hereby granted in accordance with the Order issued in Cause No. 174-1.

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

PATRICK L. DRISCOLL - Chief Petroleum Engineer
HOME: 582-7247
OFFICE: 533-5771

Enclosed please find Form OGC-8-X, which is to be completed whether or not water sands (aquifers) are encountered during drilling.

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 43-047-30454.

Very truly yours,

DIVISION OF OIL, GAS, AND MINING

CLEON B. FEIGHT
Director

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING
1588 West North Temple
Salt Lake City, Utah 84116
(801) 533-5771

November 19, 1979

Continental Oil Co.
152 No. Durbin St.
Casper, Wyoming 82601

RE: SEE ATTACHMENT SHEET FOR
WELLS INVOLVED.

Gentlemen:

In reference to above mentioned well(s), considerable time has gone by since approval was obtained from this office.

This office has not recieved any notification of spudding. If you do not intend to drill this well (these wells), please notify this Division. If spudding or any other activity has taken place, please send necessary forms.* If we do not hear from your company within fifteen (15) days, we will assume you do not intend to drill this well, and action will be taken to terminate the application. If you plan on drilling this well at a later date, please notify as such.

Your prompt attention to the above will be greatly appreciated.

Very truly yours,

DIVISION OF OIL, GAS, AND MINING

Debbie Beauregard
DEBBIE BEAUREGARD
CLERK-TYPIST

ATTACHMENT, WELLS INVOLVED.

1) Well No. Conoco-McCook et al 1-4
Sec. 1, T. 9S, R. 21E,
Uintah County, Utah

2) Well No. Conoco-Ignacio #2-5
Sec. 2, T. 9S, R. 20E,
Uintah County, Utah

3) Well No. Ute Tribal #6
Sec. 6, T. 9S, R. 22E,
Uintah County, Utah

4) Well No. Chapita Federal #13
Sec. 13, T. 9S, R. 23E,
Uintah County, Utah

5) Well No. Chapita Federal # 13-3
Sec. 13, T. 9S, R. 23E,
Uintah County, Utah

6) Well No. Chapita Federal # 14-4
Sec. 14, T. 9S, R. 23E,
Uintah County, Utah

7) Well No. Chapita Federal # 14-5
Sec. 14, T. 9S, R. 23E,
Uintah County, Utah

Alex M. Yarsa
Division Manager
Production Department

Conoco Inc.
907 North Union Boulevard
Casper, WY 82601
(307) 234-7311

December 14, 1979

State of Utah
Department of Natural Resources
Division of Oil, Gas, and Mining
1588 West North Temple
Salt Lake City, Utah 84116

Gentlemen:

Drilling Well Status
Ouray and Chapita Fields
Uintah County, Utah
File: PC-416-CF

In response to your letter of November 19, 1979 concerning the status of applications to drill seven wells in the Ouray and Chapita Fields:

1) Conoco McCook 1 No. 4 will be drilled in the spring of 1980. A new Application to Drill will be submitted.

2) Conoco Ignacio 2 No. 5 will not be drilled. Our application to the U.S.G.S. has been withdrawn.

3) Conoco Ute Tribal 6 No. 1 will be drilled in the spring of 1980. A new Application to Drill will be submitted.

4) Conoco Chapita Federal 13 will not be drilled. Our application to the U.S.G.S. has been withdrawn.

5) Conoco Chapita Federal 13 No. 3 - same as above.

6) Conoco Chapita Federal 14 No. 4 - same as above.

7) Conoco Chapita Federal 14 No. 5 - same as above.

Very truly yours,

Alex M. Yarsa
Division Manager

sp
att.