

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK  
 DRILL  DEEPEN  PLUG BACK

b. TYPE OF WELL  
 OIL WELL  GAS WELL  OTHER \_\_\_\_\_  
 SINGLE ZONE  MULTIPLE ZONE

2. NAME OF OPERATOR  
 Linmar Energy Corporation

3. ADDRESS OF OPERATOR  
 Suite 3025, Amoco Tower, 1670 Broadway, Denver, CO 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
 At surface  
 770' FWL, 1,977' FSL (NW,SW)  
 At proposed prod. zone  
 Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 6.3 Miles South west of Lapoint, Utah

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)  
 1,977'

16. NO. OF ACRES IN LEASE  
 3,125 (Unit)

17. NO. OF ACRES ASSIGNED TO THIS WELL  
 160

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.  
 1,500' (Abandoned)

19. PROPOSED DEPTH  
 10,000'

20. ROTARY OR CABLE TOOLS  
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
 5,465' MSL, Ungraded Ground

22. APPROX. DATE WORK WILL START\*  
 February 12, 1982

5. LEASE DESIGNATION AND SERIAL NO.  
 Fee

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME  
 Roosevelt Unit

8. FARM OR LEASE NAME  
 NA

9. WELL NO.  
 B2

10. FIELD AND POOL, OR WILDCAT  
*Unleased*  
 Roosevelt Unit, Green Rvr

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
 Sec 10-T1S-R1E, USM

12. COUNTY OR PARISH  
 Uintah

13. STATE  
 Utah

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
20"	18"	Culvert	40'	5 Yds Ready Mix
12 1/2"	9-5/8"	36#	2,000'	750 Sx
8-3/4"	7"	26&29#	10,000'	750 Sx

Ten Point drilling plan is attached.

APPROVED BY THE STATE  
 OF UTAH DIVISION OF  
 OIL, GAS, AND MINING  
 DATE: 1/29/82  
 BY: [Signature]

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

24. SIGNED E. B. [Signature] TITLE Manager Engineering operations DATE January 25, 1982

(This space for Federal or State office use)

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

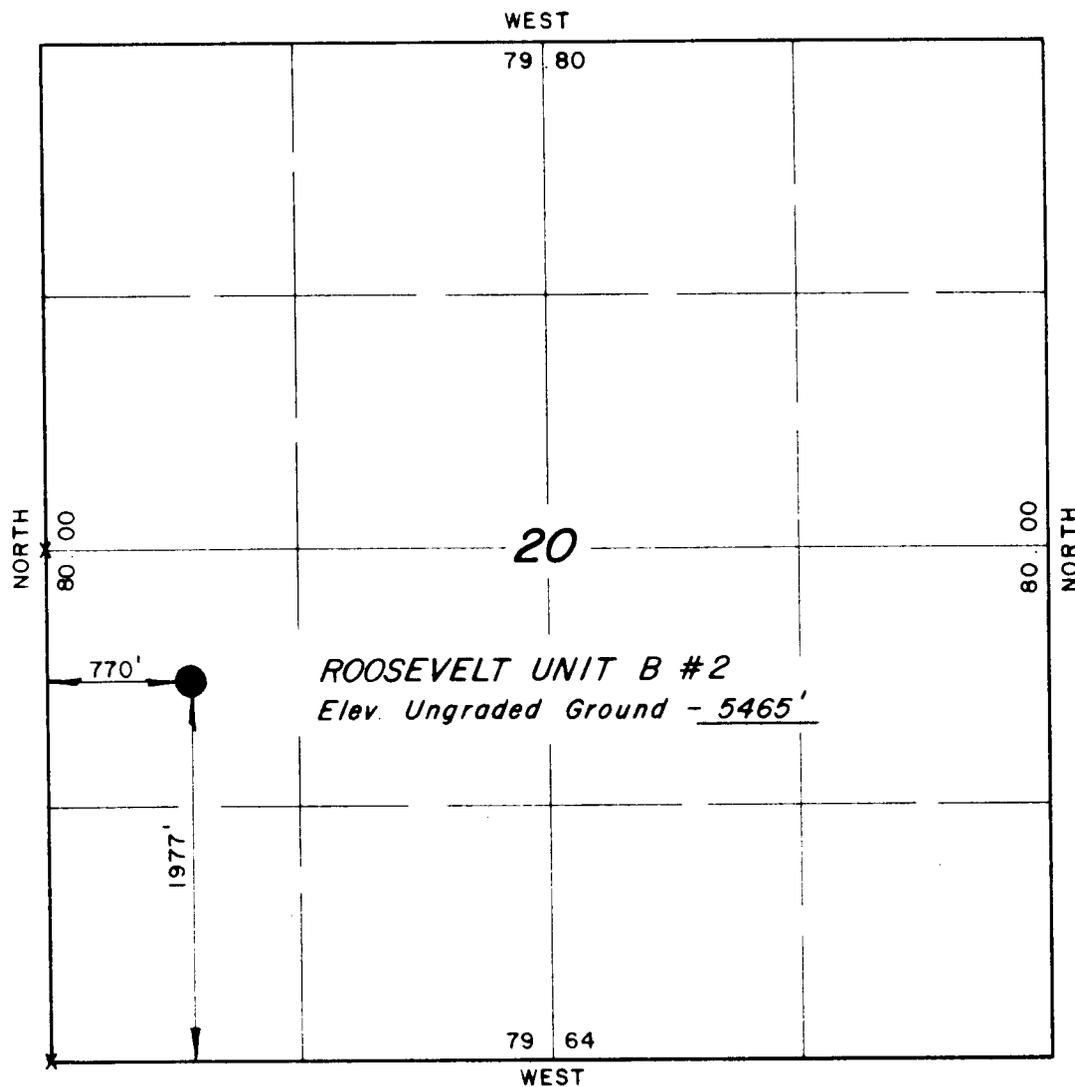
APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

T I S, R I E, U.S.B.&M.

PROJECT

LINMAR ENERGY CORP.

Well location, *ROOSEVELT UNIT B #2*, located as shown in the NW1/4 SW1/4 Section 20, TIS, RIE, U.S.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 SURVEY MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR  
REGISTRATION NO 3137  
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING  
P O. BOX Q - 85 SOUTH - 200 EAST  
VERNAL, UTAH - 84078

SCALE 1" = 1000'	DATE 1/18/82
PARTY D B B.K. BFW	REFERENCES GLO Plat
WEATHER Cool & Clear	FILE LINMAR ENERGY CORP

LINMAR ENERGY CORPORATION  
ROOSEVELT UNIT B#2  
Attachment to 9-331C, 1/24/82  
TEN POINT PLAN

1. Surface Formation: The Well is to be spudded in the Uinta Formation. (Elevation: 5,465' MSL)
2. Estimated Geologic Tops:

Uinta Fm.	Surface
Green River Fm.	3,500 Ft.
3. Anticipated Mineral Encounters:

Surface Waters	0-650 Ft.
Oil and Gas	6,500-9,000 Ft.
4. Casing Program: See Form 9-331C.
5. Pressure Control: Minimum 3,000 PSI BOPE will be used. Equipment will include Dual Ram Blowout Preventers, Upper and Lower Kelly Cocks, Stabbing Valve on the floor, and a Manual Choke Manifold. See Attached Diagram.
6. Circulating Media: From Surface to 7,000 Ft., water will be used as the drilling fluid. From 7,000 Ft. to Total Depth, Fresh Gel Mud (8.8-9.3 PPG) will be used. The surface volume of the Mud Tanks is to be greater than 250 Bbls. Adequate Volumes of Barite and Gel will be stocked to increase the Mud Weight to 10.0 PPG if required.
7. Auxillary Equipment: Auxillary Pressure Control Equipment will include Upper and Lower Kelly Cocks and a full opening stabbing valve on the floor at all times.
8. Testing, Logging, and Coring:

DIL/GR	Surface Pipe-TD
CNL/FDC/GR	6,500-TD
Cores	None anticipated
DST's	One possible, 8,000-9,000'
CBL/GR	6,500-TD
Mud Log	6,500-TD
9. Drilling Hazards: No abnormal pressures or sour gas are expected. Sufficient gel and barite will be stocked on location, to increase the mud weight to 10.0 PPG, if necessary.
10. Timing: The anticipated starting date is February 12, 1982. Drilling operations are expected to last approximately forty days, with an additional twenty-five days required for completion.

LINMAR ENERGY CORPORATION

13 Point Surface Use Plan

for

Well Location

Roosevelt Unit B#2

Located In

Section 20, T1S, R1E, U.S.B. & M.

Uintah County, Utah

## 1. EXISTING ROADS

See attached Topographic Map "A" & "B".

To reach LINMAR ENERGY CORPORATION, well location site Roosevelt Unit B#2, located in the NW 1/4 SW 1/4 Section 20, T1S, R1E, U.S.B. & M., Uintah County, Utah:

Proceed Easterly out of Roosevelt, Utah along U.S. Highway 40 - 5 miles to the junction of this Highway and Utah State Highway 121 to the North; proceed North along this highway 6.4 miles to its junction with beginning of the proposed access road (to be discussed in Item #2).

There is no anticipated construction on any portion of the above described highway. They will meet the necessary standards required to facilitate an orderly flow of traffic during the drilling phase, completion phase, and production phase of this well at such time that production is established.

There will be no maintenance required along any of these roads, they are bituminous surface roads and are maintained by State road crews.

## 2. PLANNED ACCESS ROAD

See Topographic Map "B".

The proposed access road leaves the existing road described in Item #1 at the West line NW 1/4 SW 1/4 Section 20, T1S, R1E, U.S.B. & M., and proceeds in a Southeasterly direction 1000'  $\pm$  to the proposed location site.

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

The 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 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.

There will be two culverts required along this access road. These culverts will be placed according to the specifications found in the Oil and Gas Surface Operations Manual.

The grade of this road is relatively flat but will not exceed 8%. This road will be constructed from native borrow accumulated during construction.

There will be no turnouts required along this road.

All lands involved under this action are under Private Ownership.

The vegetation of this route consists of sparse amounts of pasture grass and other foliage used for grazing.

### 3. EXISTING WELLS

There are 3 known producing wells, two water wells, and one abandoned well within a one mile radius of this location site. (See Topographic Map "B". for the location of these wells relative to the proposed location site).

There are no known water wells, temporarily abandoned wells, disposal wells, drilling wells shut-in wells, injection wells, monitoring or observation wells for other resources located within a one-mile radius of this location site.

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

At the present time there are no other LINMAR ENERGY CORPORATION production facilities, and gas gathering lines, tank batteries, oil gathering lines, injection line or disposal lines within a one mile radius.

In the event that production of this well is established the existing area of the location will be utilized for the establishment of the necessary production facilities.

The total area that is needed for the production of this well will be fenced and cattleguards will be utilized for access to these facilities.

The area will be built if possible, with native materials and if these materials are not available, then the necessary arrangements will be made to get them from a private source.

The proposed gas flowline will be an 18' right-of-way. It is not known at this time where the proposed flowline will run.

If there is any deviation from the above, all appropriate agencies will be notified.

Rehabilitation of disturbed areas no longer needed for operations after construction is completed will meet the requirements of Item #10.

### 5. LOCATION AND TYPE OF WATER SUPPLY

See Topographic Map "A".

Water to be used for the drilling and production of this well will be hauled by truck from the Uinta River in Section 10, T1S, R1E, U.S.B. & M. approximately 4.2 miles by road Northeast of the proposed location site. This water will be hauled over the existing roads and proposed road.

All regulations and guidelines will be followed and no deviations will be made unless all concerned agencies will be notified.

There will be no water well drilled at this location site.

#### 6. SOURCE OF CONSTRUCTION MATERIALS

All construction material for this location site and access road shall be borrow material 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 OF HANDLING WASTE DISPOSAL

See Location Layout Sheet.

A reserve pit shall be constructed.

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

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 material 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 pit 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 domestic animals.

At the onset of drilling, the 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 of Item #10 will be followed.

A portable trash basket will be placed on the location site and all trash will be hauled to the nearest Sanitary Landfill.

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 attached location layout sheet.

The B.I.A. Representative shall be notified before any construction begins on the proposed location site and road.

As mentioned in Item #7, the pits will be unlined unless it is determined by the representatives of the agencies involved that the materials are too porous and would cause contamination to the surrounding area; then the pits will be lined with a gel and any other type of material necessary to make it safe and tight.

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 basket shall be hauled to the nearest sanitary landfill.

Restoration activities shall begin within 90 days after completion of the well. Once Restoration 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.I.A. Representative when the moisture content of the soil is adequate for germination. The Lessee further covenants and agrees that all of said clean-up and restoration activities shall be done and performed in a diligent and most workmanlike manner and in strict conformity with the above mentioned Item #7 and #10.

11. OTHER INFORMATION

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

The area slopes from the rim of the Book Cliff Mountains to the South to the Uintah Mountains to the North, and is a portion of the Uintah Basin. The area is interlaced with numerous canyons and ridges which are extremely steep with numerous ledges formed in sandstone, conglomerates, and shale deposits.

The majority of the washes and streams in the area are non-perennial in nature with the only one in the area having a year round flow being the Montes Creek to the North, of which the numerous washes, draws and non-perennial streams are tributaries to.

The majority of the surrounding drainages are of a non-perennial nature with normal flow limited to the early spring and extremely rare heavy thunderstorms, or rainstorms of high intensity that lasts over an extended period of time and are extremely rare in nature as the normal annual precipitation is only 8".

All drainages in the immediate area are non-perennial streams and flow to the South and are tributaries to the Green River.

The soils of this semi-arid area are of the Uinta Formation and Duchesne River Formation (the Fluvial Sandstone and Mudstone) from the Eocene Epoch and Quaternary Epoch (gravels surfaces) and the visible geologic structure consists of light brownish-gray clays (OL) to sandy soils (SM-ML) with poor gravels and shales with outcrops of rock (sandstone, mudstone, conglomerates and shales).

Due to the low precipitation average, climatic conditions and the marginal types of soils, the vegetation that is found in the area are common of the semi-arid region we are located in and in the lower elevations of the Uintah Basin. It consists of, as primary flow areas of sagebrush, rabbitbrush, some grasses, and cacti and large areas of bare soils devoid of any growth in the areas away from and in the vicinity of non-perennial streams and along the areas that are formed along the edges of perennial streams, cottonwood, willows, tamarack sagebrush, rabbitbrush, grasses and cacti can be found.

The fauna of the area is sparse and consists predominantly of the mule deer, coyotes, pronghorn antelope, rabbits, and varieties of small ground squirrels and other types of rodents, and various reptiles common to this area.

LINMAR ENERGY CORPORATION  
Roosevelt Unit B#2  
Section 20, T1S, R1E, U.S.B. & M.

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

The area is used by man for the primary purpose of grazing domestic livestock.

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

Roosevelt Unit B#2 location site sits on a relatively flat area, approximately 3 miles West of the Uinta River.

The geologic structure of the location is of the Uinta Formation and consists of light brownish-gray clay (SP-PL) with some sandstone outcrops.

The ground slopes from the Northwest through the site to the Southeast at approximately a 0.5% grade.

The location is covered with some sparse pasture grasses.

The total surface ownership affected by this location is owned by private parties.

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

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

John Clark  
LINMAR ENERGY CORPORATION  
1670 Broadway Suite 3025  
Denver, CO. 80202

1-303-832-3854

LINMAR ENERGY CORPORATION  
Roosevelt Unit B#2  
Section 20, T1S, R1E, U.S.B.& M.

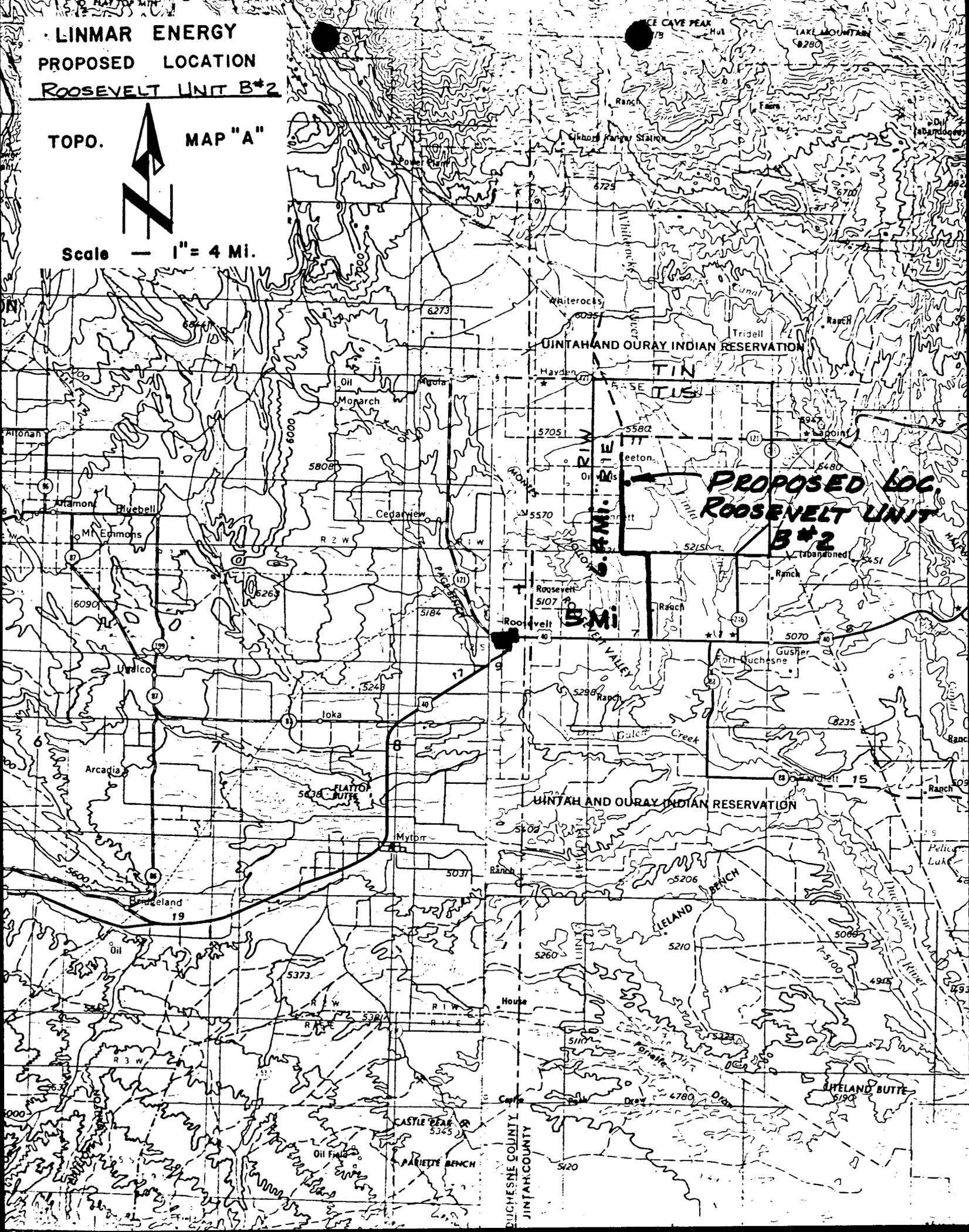
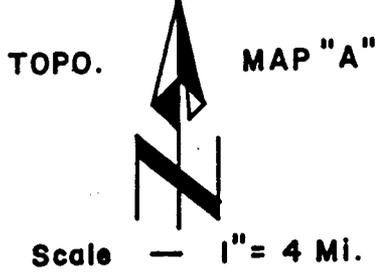
13. CERTIFICATION

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 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 operation proposed herein will be performed by LINMAR ENERGY CORPORATION and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

25 JAN 1967  
Date

E. B. Whelan for  
John Clark

**LINMAR ENERGY**  
**PROPOSED LOCATION**  
**ROOSEVELT UNIT B#2**



ICE CAVE PEAK 79  
LAKELAND BUTTE 8280

UINTAH AND OURAY INDIAN RESERVATION

**PROPOSED LOC.**  
**ROOSEVELT UNIT**  
**B#2**

UINTAH AND OURAY INDIAN RESERVATION

DUCHESE COUNTY  
JINTAR COUNTY

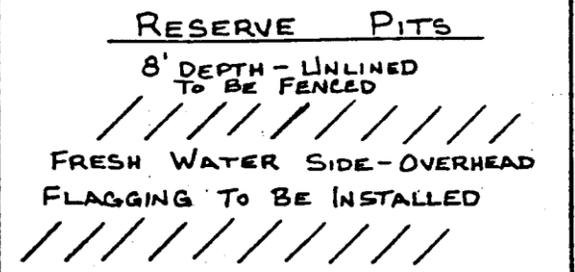
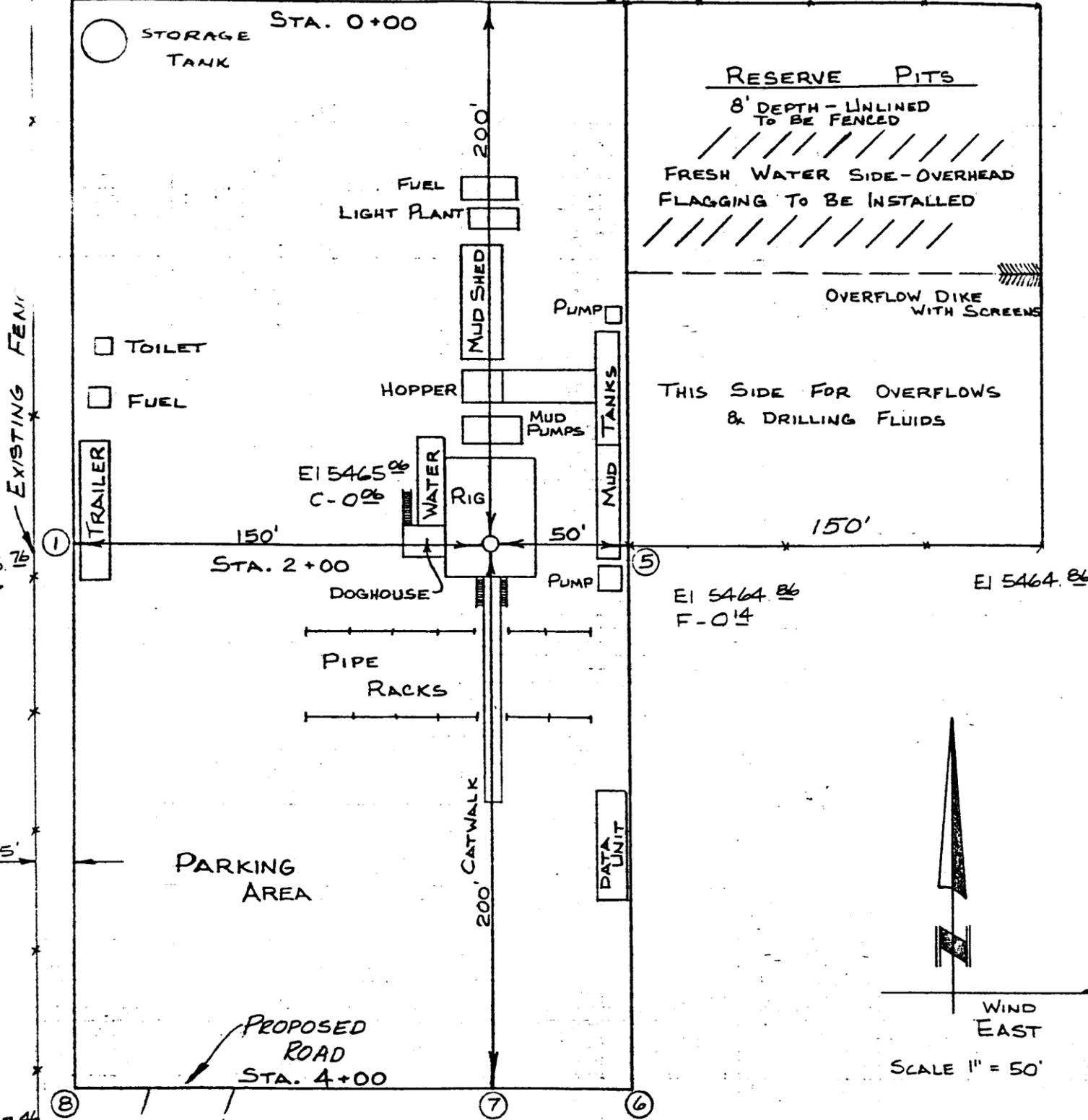
LAKELAND BUTTE  
5190

EI 54676  
C-27  
TOP SOIL STOCKPILE  
EI 546676  
C-19  
EI 54656  
C-12

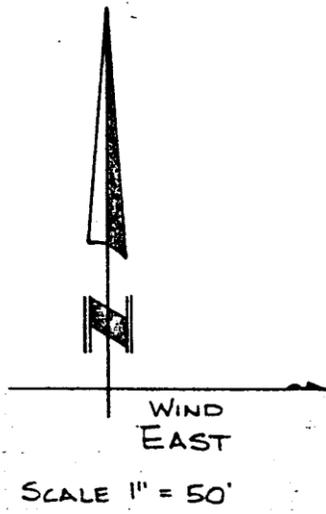
LINMAR ENERGY CORP.  
ROOSEVELT UNIT B#2

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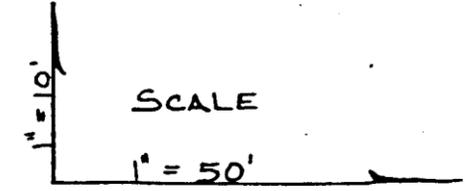
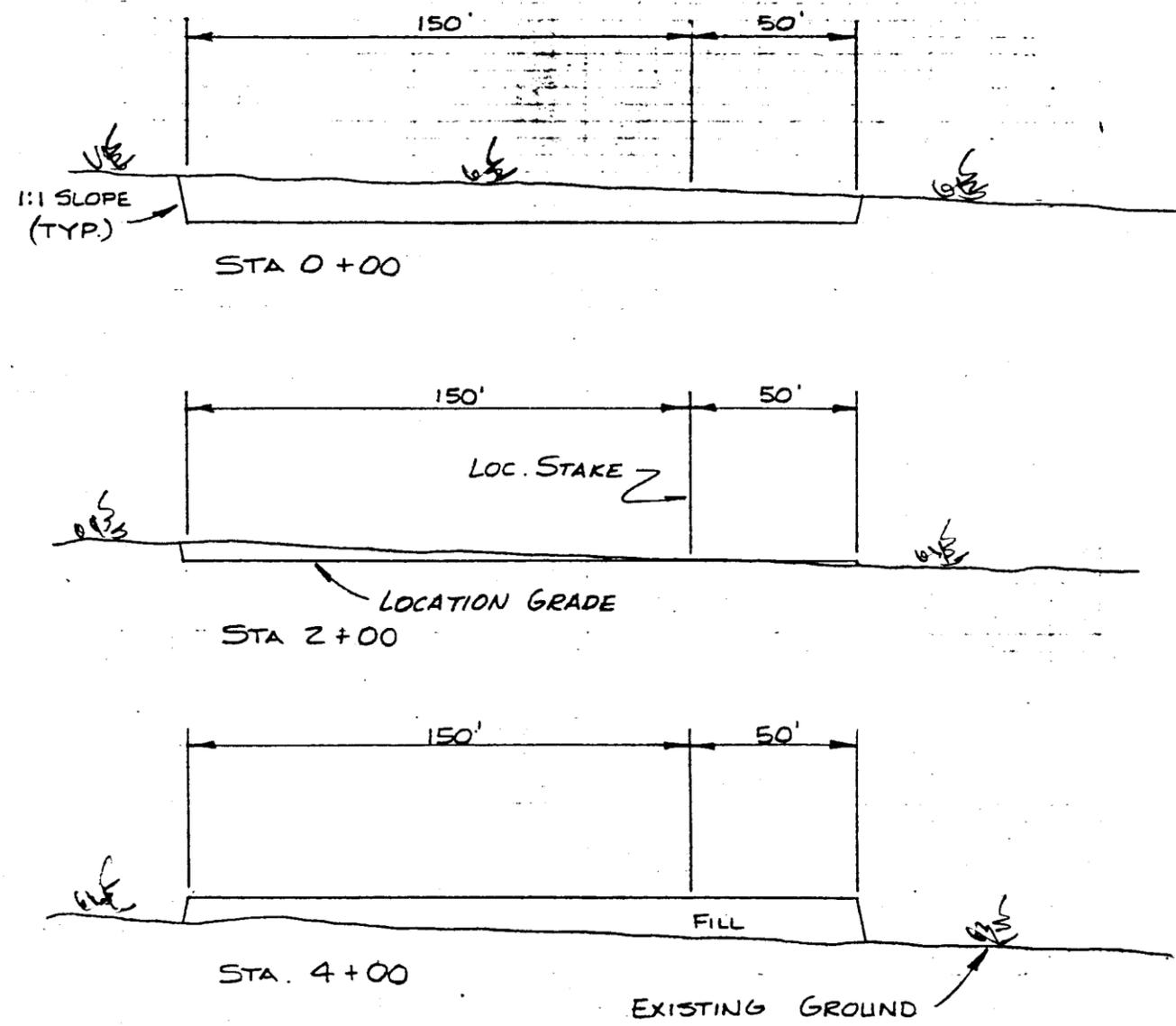
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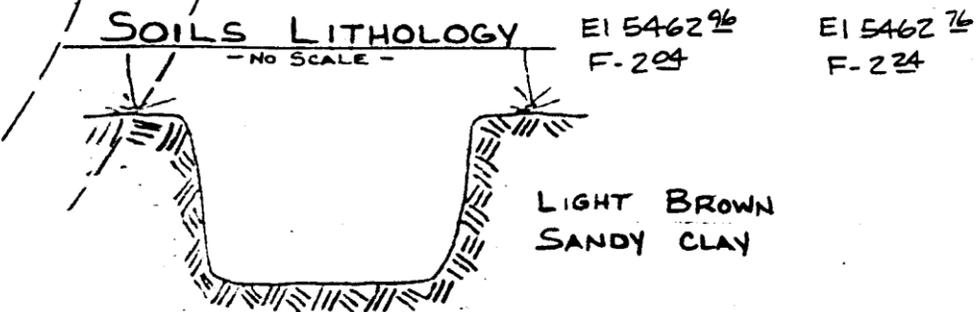
THIS SIDE FOR OVERFLOWS  
& DRILLING FLUIDS



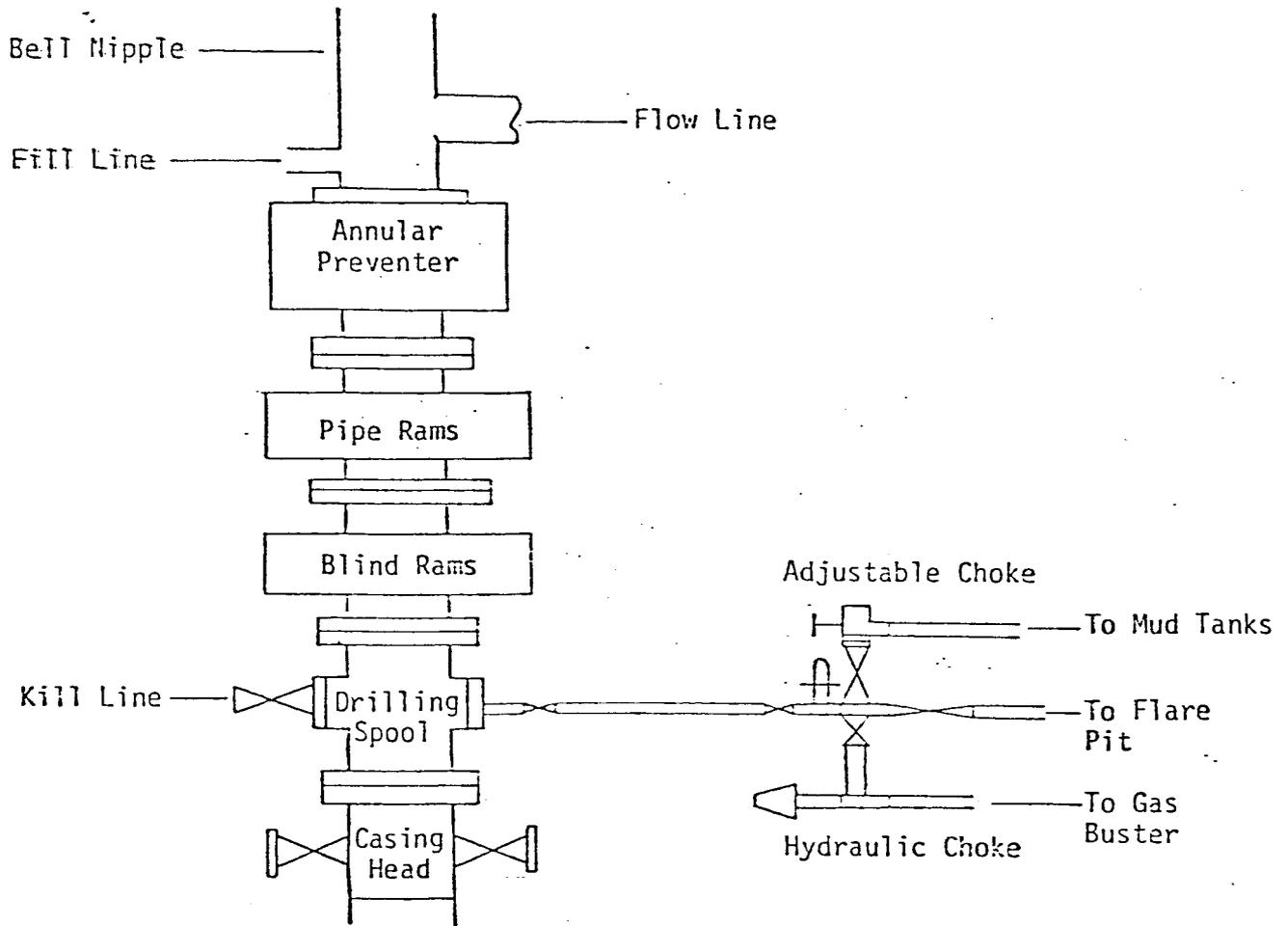
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APPROX. YARDAGES  
CUT - 2,117 CU. YDS.  
FILL - 1,423 CU. YDS.



BLOW OUT PREVENTION EQUIPMENT



Minimum 3,000 PSI BOPE is to be installed after setting surface pipe.  
All preventers are to be tested to 1500 PSI prior to drilling out casing shoe.

\*\* FILE NOTATIONS \*\*

DATE: 1-26-82  
OPERATOR: Lenman Energy Corporation  
WELL NO: Roosevelt Unit B-2  
Location: Sec. 20 T. 15 R. 1E County: Monte

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

API Number 43-047-31187

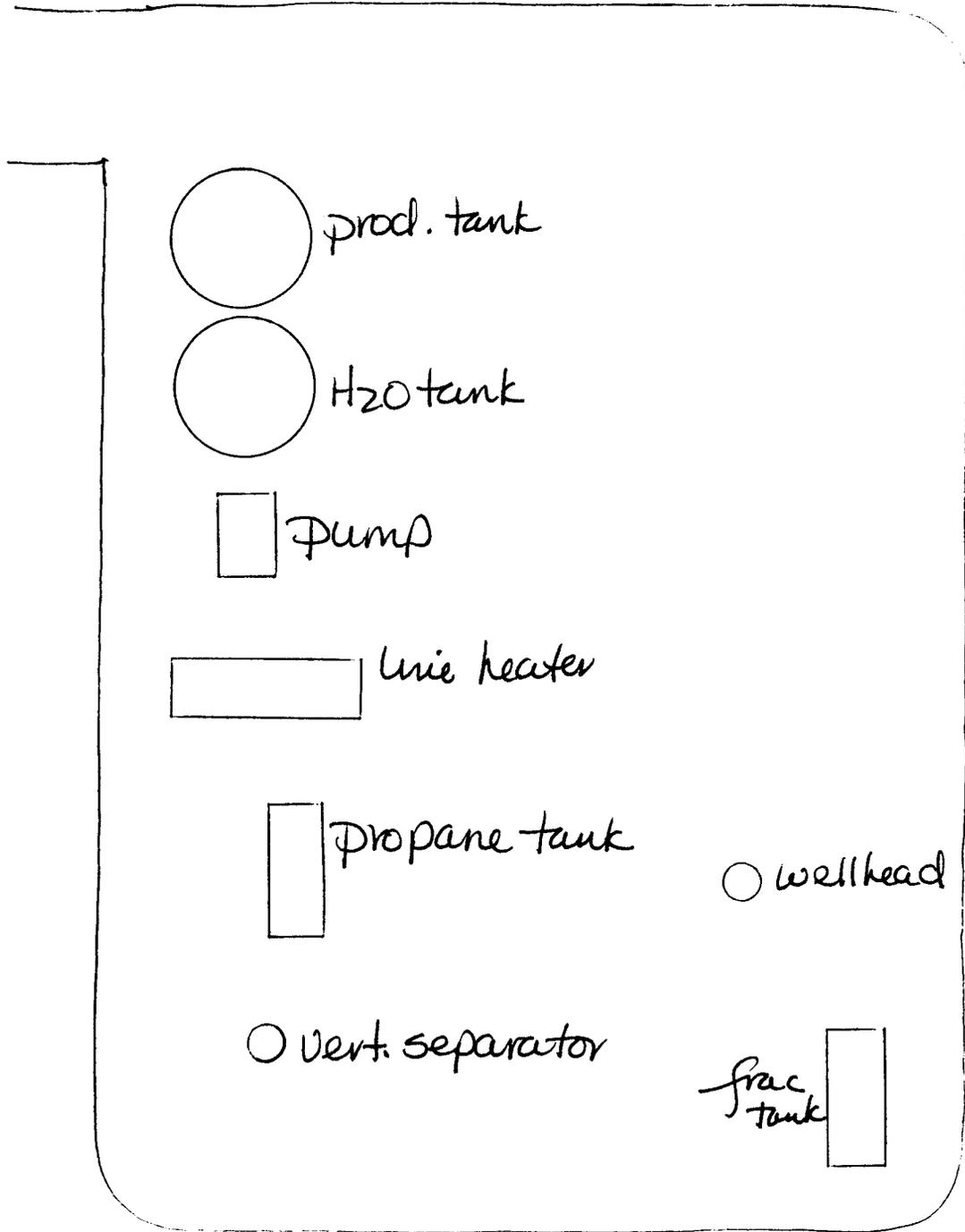
CHECKED BY:

Petroleum Engineer: \_\_\_\_\_  
Director: VW  
Administrative Aide: Unit Well

APPROVAL LETTER:

Bond Required:  Survey Plat Required:   
Order No. \_\_\_\_\_ O.K. Rule C-3   
Rule C-3(c), Topographic Exception - company owns or controls acreage  
within a 660' radius of proposed site   
Lease Designation Fee Plotted on Map   
Approval Letter Written   
Hot Line  P.I.

Roosevelt BZ Sec 20, T15, R1E @ Gully 12/5/88



January 29, 1982

Linmar Energy Corporation  
Suite 3025, Anoco Tower  
1670 Broadway  
Denver, Colorado 80202

RE: Well No. Roosevelt Unit B-2  
Sec. 10, T. 1S, R. 1E  
Uintah County, Utah

Insofar as this office is concerned, approval to drill the above referred to oil well is hereby granted in accordance with Section 40-6-11, Utah Code Annotated 1953; and predicated on Rule A-3, General Rules and Regulations and Rules of Practice and Procedure.

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

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 43-047-31170.

Sincerely,

DIVISION OF OIL, GAS AND MINING

Cleon B. Feight  
Director

CBF/as  
Encl.  
cc: OGM

March 15, 1982

Linmar Energy Corp.  
Suite 3025, Amoco Tower  
1670 Broadway  
Denver, Colo. 80202

RE: Well No. Roosevelt Unit #B-2  
Sec. 20, T. 1S, R. 1E,  
Uintah County, Utah

Insofar as this office is concerned, approval to drill the above referred to oil well is hereby granted in accordance with Section 40-6-11, Utah Code Annotated 1953; and predicated on Rule A-3, General Rules and Regulations and Rules of Practice and Procedure.

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

CLEON B. FEIGHT  
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.

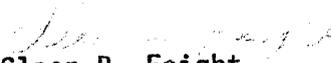
Further, it is requested that this Division be notified within 24 hours after drilling operations commence, and that the drilling contractor and rig number be identified.

The API number assigned to this well is 43-047-31187.

This approval letter is being sent to correct the API number and the section that was previously given on the approval letter sent on January 29, 1982.

Sincerely,

DIVISION OF OIL, GAS AND MINING

  
Cleon B. Feight  
Director

CBF/db

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. Fee
2. NAME OF OPERATOR Linmar Energy Corporation		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
3. ADDRESS OF OPERATOR General Delivery, Roosevelt, UT 84066		7. UNIT AGREEMENT NAME Roosevelt Unit
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 770' FWL, 1,977' FSL (NW SW)		8. FARM OR LEASE NAME
14. PERMIT NO.	15. ELEVATIONS (Show whether DF, RT, OR, etc.) 5,464' UGG	9. WELL NO. B2
		10. FIELD AND POOL, OR WILDCAT Roosevelt Unit, Grn Rvr
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec 20-T1S-R1E, USM
		12. COUNTY OR PARISH Uintah
		13. STATE UT

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) _____	
(Other) Location Correction <input checked="" type="checkbox"/>		(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

This notice is to inform the Division of Oil Gas, and Mining, and other interested parties, of a typographical error on the original Application for Permit to Drill. The Correct location is in Section 20, T1S, R1E, as per the above data and the original location plat.

**RECEIVED**  
MAR 25 1982

DIVISION OF  
OIL, GAS & MINING

18. I hereby certify that the foregoing is true and correct  
SIGNED E. B. Whicker TITLE Manager of Engineering DATE March 20, 1982

(This space for Federal or State office use)  
APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

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

(Other instructions on reverse side)

**SUNDRY NOTICES AND REPORTS ON WELLS**

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR  
Linmar Energy Corporation

3. ADDRESS OF OPERATOR  
1670 Broadway, Suite 3025, Denver, Colorado 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\*  
See also space 17 below.)  
At surface  
  
770' FWL, 1977' FSL (NWSW)

14. PERMIT NO.  
43-047-31187

15. ELEVATIONS (Show whether OF, AT, OR, etc.)  
5,464' GL

5. LEASE DESIGNATION AND SERIAL NO.  
FEE

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
N/A

7. UNIT AGREEMENT NAME  
ROOSEVELT UNIT

8. FARM OR LEASE NAME

9. WELL NO.  
"B" No. 2

10. FIELD AND POOL, OR WILDCAT  
Roosevelt Unit -  
Green River

11. SEC., T., R., M., OR S.E.C. AND SURVEY OR AREA  
Sec. 20, T1S, R1E, USM

12. COUNTY OR PARISH  
Uintah

13. STATE  
Utah

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <u>Drilling</u> <input type="checkbox"/>	
(Other) <input type="checkbox"/>			

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

SPUD well at 5:30 p.m. 2/14/82.

2-15-82  
to Drill to 2,190' and set 9-5/8" surface casing.

2-19-82

2-20-82  
to Drill to 6,807'.

2-28-82

(SEE ATTACHED FOR DETAILS.)

18. I hereby certify that the foregoing is true and correct

SIGNED John W. Clark TITLE Vice President DATE 6/14/82

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

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

(Other instructions on reverse side)

**SUNDRY NOTICES AND REPORTS ON WELLS**

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)

1.  OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR  
 Linmar Energy Corporation

3. ADDRESS OF OPERATOR  
 1670 Broadway, Suite 3025, Denver, Colorado 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\* See also space 17 below.)  
 At surface  
 770' FWL, 1977' FSL (NWSW)

14. PERMIT NO.  
 43-047-31187

15. ELEVATIONS (Show whether OF, AT, OR, etc.)  
 5,464' GL

5. LEASE DESIGNATION AND SERIAL NO.  
 FEE

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
 N/A

7. UNIT AGREEMENT NAME  
 ROOSEVELT UNIT

8. FARM OR LEASE NAME

9. WELL NO.  
 "B" No. 2

10. FIELD AND POOL, OR WILDCAT  
 Roosevelt Unit -  
 Green River

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
 Sec. 20, T1S, R1E, USM

12. COUNTY OR PARISH  
 Uintah

13. STATE  
 Utah

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <u>Drilling</u> <input type="checkbox"/>	
(Other) <input type="checkbox"/>			

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

3-1-82 Drill to 10,014'. Set 5" production  
 to casing.  
 3-16-82  
 3-17-82 to WOCU.  
 3-31-82

18. I hereby certify that the foregoing is true and correct

SIGNED John W. Clark TITLE Vice President DATE 6/14/82

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

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

SECRET BY TRIPLICATE  
 (Other instructions on reverse side)

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> <small>(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)</small>		5. LEASE DESIGNATION AND SERIAL NO. <b>FEE</b> 6. IF INDIAN, ALLOTTEE OR TRIBE NAME <b>N/A</b> 7. UNIT AGREEMENT NAME <b>ROOSEVELT UNIT</b> 8. FARM OR LEASE NAME  9. WELL NO. <b>"B" No. 2</b> 10. FIELD AND POOL, OR WILDCAT <b>Roosevelt Unit -          Green River</b> 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA <b>Sec. 20, T1S, R1E, USM</b> 12. COUNTY OR PARISH <b>Uintah</b> 13. STATE <b>Utah</b>
1. <input checked="" type="checkbox"/> OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER	2. NAME OF OPERATOR <b>Linmar Energy Corporation</b> 3. ADDRESS OF OPERATOR <b>1670 Broadway, Suite 3025, Denver, Colorado 80202</b> 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) <b>At surface</b>  <b>770' FWL, 1977' FSL (NWSW)</b> 14. PERMIT NO. <b>43-047-31187</b> 15. ELEVATIONS (Show whether OF, AT, OR, etc.) <b>5,464' GL</b>	

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <u>Drilling</u> <input type="checkbox"/>	
(Other) <input type="checkbox"/>		<small>(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)</small>	

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

4-8-82      MIRU SERVICE UNIT.

4-9-82      Perforate, stimulate and test Green River zone from  
 to            9,494-9,520'.

4-30-82

(SEE ATTACHED FOR DETAILS.)

18. I hereby certify that the foregoing is true and correct

SIGNED John W. Clark TITLE Vice President DATE 6/14/82  
 John W. Clark  
(This space for Federal or State office use)

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

\*See Instructions on Reverse Side

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

(Other instructions on reverse side)

**SUNDRY NOTICES AND REPORTS ON WELLS**

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR  
 Linmar Energy Corporation

3. ADDRESS OF OPERATOR  
 1670 Broadway, Suite 3025, Denver, Colorado 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)  
 At surface  
 770' FWL, 1977' FSL (NWSW)

14. PERMIT NO.  
 43-047-31187

15. ELEVATIONS (Show whether OF, RT, OR, etc.)  
 5,464' GL

5. LEASE DESIGNATION AND SERIAL NO.  
 FEE

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
 N/A

7. UNIT AGREEMENT NAME  
 ROOSEVELT UNIT

8. FARM OR LEASE NAME

9. WELL NO.  
 "B" No. 2

10. FIELD AND POOL, OR WILDCAT  
 Roosevelt Unit -  
 Green River

11. SEC., T., R., M., OR BLK. AND SUBST OR AREA  
 Sec. 20, T1S, R1E, USM

12. COUNTY OR PARISH  
 Uintah

13. STATE  
 Utah

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <u>Drilling</u>	
(Other) <input type="checkbox"/>			

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

5-1-82  
 to  
 5-26-82 Further stimulate and test Green River zone from 9,494-9,520'.  
 5-27-82 Preparing to finish completion Green River formation.

(SEE ATTACHED FOR DETAILS.)

18. I hereby certify that the foregoing is true and correct

SIGNED John W. Clark TITLE Vice President DATE 6/14/82

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions on Reverse Side

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
 Use "APPLICATION FOR PERMIT—" for such proposals.)

5. LEASE DESIGNATION AND SERIAL NO. FEE	
6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A	
7. UNIT AGREEMENT NAME ROOSEVELT UNIT	
8. FARM OR LEASE NAME	
9. WELL NO. "B" No. 2	
10. FIELD AND POOL, OR WILDCAT Roosevelt Unit - Green River	
11. SEC., T., E., M., OR BLE. AND SURVEY OR AREA Sec. 20, T1S, R1E, USM	
12. COUNTY OR PARISH Uintah	13. STATE Utah

1. OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR  
Linmar Energy Corporation

3. ADDRESS OF OPERATOR  
1670 Broadway, Suite 3025, Denver, Colorado 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\*  
 See also space 17 below.)  
 At surface  
 770' FWL, 1977' FSL (NWSW)

14. PERMIT NO.  
43-047-31187

15. ELEVATIONS (Show whether DF, RT, OR, etc.)  
5,464' GL

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <u>Drilling</u>	
(Other) <input type="checkbox"/>		(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

6-2-82            Perforate 55' in 54 zones with 3 jspf.

6/3-4/82        Selectively acidize.

6/5-6/82        Swab to cleanup. Place on pump.

6-7-82         Initial production 495 BO plus 14 BW, plus 113 MCF gas on 24 hour test. Pumping.

(SEE ATTACHED FOR DETAILS.)

18. I hereby certify that the foregoing is true and correct

SIGNED John W. Clark TITLE Vice President DATE 6/14/82

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

12

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

5. LEASE DESIGNATION AND SERIAL NO.

FEE

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

N/A

7. UNIT AGREEMENT NAME

Roosevelt Unit

8. FARM OR LEASE NAME

N/A

9. WELL NO.

"B" No. 2

10. FIELD AND POOL, OR WILDCAT

Roosevelt Unit-Green River

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

Sec. 20, T1S, R1E, USM

12. COUNTY OR PARISH

Utah

13. STATE

Utah

WELL COMPLETION OR RECOMPLETION REPORT AND LOG \*

1a. TYPE OF WELL: OIL WELL  GAS WELL  DRY  Other \_\_\_\_\_

b. TYPE OF COMPLETION: NEW WELL  WORK OVER  DEEP-EN  PLUG BACK  DIFF. RESVR.  Other \_\_\_\_\_

2. NAME OF OPERATOR  
Linmar Energy Corporation

3. ADDRESS OF OPERATOR  
1670 Broadway, Suite 3025, Denver, Colorado, 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\*

At surface 770' FWL, 1977' FSL, Section 20, T1S, R1E, USM

At top prod. interval reported below Same

At total depth Same

14. PERMIT NO. 43-047-31187  
DATE ISSUED 2-29-82  
DIVISION OF OIL, GAS & MINING

15. DATE SPUDDED 2-14-82 16. DATE T.D. REACHED 3-14-82 17. DATE COMPL. (Ready to prod.) 6-7-82 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)\* 5,464' GL 19. ELEV. CASINGHEAD 5,462' GL

20. TOTAL DEPTH, MD & TVD 10,014' 21. PLUG, BACK T.D., MD & TVD 9,960' 22. IF MULTIPLE COMPL., HOW MANY\* N/A 23. INTERVALS DRILLED BY → ROTARY TOOLS X CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)\* 8,994-9,960' Green River 25. WAS DIRECTIONAL SURVEY MADE No

26. TYPE ELECTRIC AND OTHER LOGS RUN FDC-CNL-GR-DIL-SP 27. WAS WELL CORED No

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

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9-5/8"	36#	2,189'	12 1/2"	715 sacks	
5 1/2"	20#	10,014'	7-7/8"	900 sacks	

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
N/A					2-7/8"	8,900'	8,900'

31. PERFORATION RECORD (Interval, size and number)

9,494-9,520'	3 jspf
8,994-9,960'	55 Net Feet
	54 Intervals 3 jspf

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
9,494-9,520'	3,000 gals. 15% HCl, 7500 gals. 65# Gelled Acid, 25,000 gals. 70 quality foam w/25,000# SD.
8,994-9,960'	10,000 gals. 15% HCl in 2 stages.

33.\* PRODUCTION

DATE FIRST PRODUCTION 6-7-82 PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) Pumping - Hydraulic Pump WELL STATUS (Producing or shut-in) Producing

DATE OF TEST 6-7-82 HOURS TESTED 24 CHOKER SIZE N/A PROD'N. FOR TEST PERIOD → OIL—BBL. 495 GAS—MCF. 113 WATER—BBL. 14 GAS-OIL RATIO 228

FLOW. TUBING PRESS. N/A CASING PRESSURE N/A CALCULATED 24-HOUR RATE → OIL—BBL. 495 GAS—MCF. 113 WATER—BBL. 14 OIL GRAVITY-API (CORR.) 39

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Used for fuel. TEST WITNESSED BY

35. LIST OF ATTACHMENTS Perforations.

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

SIGNED John W. Clark TITLE Vice President DATE 6/14/82

\*(See Instructions and Spaces for Additional Data on Reverse Side)

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

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)

5. LEASE DESIGNATION AND SERIAL NO

I-SEC-NO-886

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

Roosevelt Unit

8. FARM OR LEASE NAME

9. WELL NO. RUI 1,2,3,4, (B-2)

9,10,11,12,13

10. FIELD AND POOL, OR WILDCAT

T. 1 S & R. 1 E & 1 W

11. SEC., T., R., M., CORNER, AND SURVEY OR AREA

Sec. 20

12. COUNTY OR PARISH 13. STATE

1. OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR  
Rio Bravo Oil Company (Paiute Oil & Mining - Agent)

3. ADDRESS OF OPERATOR  
Pacific Gateway Gldg., 201 Mission St., San Francisco, CA 94105

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

#12 SEC 20 SESW API 43-047-31427	# 13 SEC 13 NESW API 43-042-31414
#1 SEC 21 NWSW API 43-047-15550	#B-2 SEC 20 NWSW API 43-047-31187
#2 SEC 21 NWSE API 43-047-15551	# 9 SEC 28 NWSE API 43-047-31384
#3 SEC 28 SESE API 43-047-15552	# 10 SEC 21 SESW API 43-047-31429
#4 SEC 13 SWSW API 43-047-15549	# 11 SEC 21 SESE API 43-047-31428

14. PERMIT NO. 15. ELEVATIONS (Show whether DF, RT, CR, etc.)

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
(Other) <input type="checkbox"/>	

SUBSEQUENT REPORT OF:

WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
(Other) <u>Change of operator</u> <input checked="" type="checkbox"/>	

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Effective September 19, 1983 Rio Bravo Oil Company was named as successor operator to D & J Oil Company in the Roosevelt Unit, Uintah County, Utah. This change in operator was approved by the Bureau of Land Management on March 2, 1984.

18. I hereby certify that the foregoing is true and correct

SIGNED Ronald J. Johnson

TITLE V.P. Oil & Gas Operations

DATE 5-29-84

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_

TITLE \_\_\_\_\_

DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

WELL: Linmar Ute #B-2  
 OPERATOR: Linmar Energy Corporation  
 LOCATION: Sec. 20, T1S, R1E, Uintah County, Utah  
 CONTRACTOR: Chase Drilling Company, Rig No. 1  
 OBJECTIVE ZONE: Green River Formation  
 ESTIMATED T.D.: 10,000'

PAGE 1

2-15-82	74'	Day 1; SPUDDED @ 5:30 p.m. 2/14/82. Drilled 2' in formation. Conductor pipe washed out. Slow drilling to 74'. Rig up Halliburton. Pump 200 sxs. Class H cement w/4% CaCl <sub>2</sub> , 36.4 bbls. cement. Leaves 9 bbls. in conductor pipe. Cement returns after pumping 17 bbls. Waiting on cement. DC: \$34,449 DMC: \$ 599	CUM: \$34,449 CMC: \$ 599
2-16-82	941'	Day 2; MW 8.7, Vis 31, WL no control, Cake no control, PH 12. Remarks: Drilling, drill cement. Survey: 0 degrees @ 166', 0 degrees @ 412', 0 degrees @ 659', and ¼ degree @ 847'. DC: \$46,440 DMC: \$ -0-	CUM: \$80,889 CMC: \$ 599
2-17-82	1,563'	Day 3; MW 9.4, Vis 36, WL no control, PH 11.5. Remarks: Trip for bit #2. Survey @ 1,095', 0 degrees. Drilling, made 622' in 22-1/4 hrs. DC: \$26,696 DMC: \$ 393	CUM: \$107,585 CMC: \$ 992
2-18-82	2,099'	Day 4; MW 9.2, Vis 34, PH 10. Remarks: Drilling ahead. Survey @ 1,626' - ¼ degree. Received 63 joints and 1 cut joint of 9-5/8" casing from Accutest yard. DC: \$17,168 DMC: \$ 82	CUM: \$124,753 CMC: \$ 1,074
2-19-82	2,190'	Day 5; MW 9.3, Vis 33, PH 11.5. Remarks: Drilling to 2,190'. Short trip 10 stands. Pull out of hole and run 9-5/8" surface casing. Lay down 8" and 7" drill collars. Pick up (7) 6-3/4" drill collars. Bit balled up. Rig up and run 51 joints 9-5/8" J-55, 36#, ST&C casing. Set at 2,189'. Rig up and cement w/Halliburton. Lead cement, 415 sxs. Howsco light w/10# per bbl. Gilsonite w/¼# per bbl. Flocele and 2% CaCl <sub>2</sub> . Tail cement 300 sxs. Howsco H w/¼# per bbl. Gilsonite and 2% CaCl <sub>2</sub> . Total cement volume 184 bbls. Returns to surface 145 bbls. Bumped plug w/1200 psi. Held OK. DC: \$24,288 DMC: \$ 197	CUM: \$149,041 CMC: \$ 1,271
2-20-82	2,266'	Day 6; MW wtr. Remarks: Drill cement and shoe, wait on cement. Cut off conductor pipe and 9-5/8" casing. Nipple up Cameron 3000 psi. head and test weld. Nipple up stack and test, rams and manifold 2500 #'s, hydril 1500 #'s. Trip in hole and drill float collar and shoe. Drilling. DC: \$13,031 DMC: \$ -0-	CUM: \$162,072 CMC: \$ 1,271
2-21-82	3,178'	Day 7; MW wtr. Remarks: Drilling. Packed top 12' of surface casing w/pea gravel. Survey: 3/4 degrees @ 2,464'; 1/2 degrees @ 2,712' and 3/4 degrees @ 3,178'. DC: \$31,125 DMC: \$ 1,595	CUM: \$193,197 CMC: \$ 2,866
2-22-82	3,960'	Day 8; MW wtr. Remarks: Drilling, made 782' in 23 hrs. Survey: 1/2 degrees @ 3,428' and 3/4 degrees @ 3,677'. DC: \$25,942 DMC: \$ 671	CUM: \$219,139 CMC: \$ 3,537
2-23-82	4,631'	Day 9; MW wtr. Remarks: Drilling, made 671' in 23 hrs. Survey: 1 degree at 4,177'. DC: \$23,621 DMC: \$ -0-	CUM: \$242,760 CMC: \$ 3,537
2-24-82	5,164'	Day 10; MW wtr. Remarks: Drilling, made 533' in 19 hrs. Trip for bit #2. Wash and ream 130' to bottom. DC: \$26,965 DMC: \$ 311	CUM: \$269,725 CMC: \$ 3,848

WELL: Linmar Ute #B-2  
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2-25-82	5,740'	Day 11; MW wtr. Remarks: Drilling, made 576' in 23-1/2 hrs. Survey: 3/4 degree @ 5,174'. DC: \$150,669 (includes casing) DMC: \$ 281	CUM: \$420,394 CMC: \$ 4,129
2-26-82	6,204'	Day 12; MW wtr. Remarks: Drilling, made 464' in 23-1/2 hrs. Survey: 3/4 degree @ 5,736'. BGG: 40 units, CG: 50 units. Break #1: 6,086-90'; 90 units, no cut, no stain. DC: \$16,570 DMC: \$ 498	CUM: \$436,964 CMC: \$ 4,627
2-27-82	6,449'	Day 13; MW wtr. Remarks: Drilling, made 245' in 18-1/2 hrs. Drilling, trip for bit #3. 20' of fill on bottom. Survey: 1-1/4 degrees @ 6,237'; 1 degree @ 6,297'. Trip gas 350 units. DC: \$11,225 DMC: \$ 1,832	CUM: \$448,189 CMC: \$ 6,459
2-28-82	6,807'	Day 14; MW 8.9, Vis 30, PH 8.5. Remarks: Drilling, made 358' in 23-1/2 hrs. Drilling, survey 1 degree @ 6,549'. Show #2: 6,660-70'; no break, no increase in gas, Sandstone 10%, bright gold fluorescence, very weak milky cut. Show #3: 6,750-60'; no break, no increase in gas, no fluorescence, fair yellow cut, trace porosity. DC: \$13,293 DMC: \$ 454	CUM: \$461,482 CMC: \$ 6,913
3-1-82	7,100'	Day 15; MW 9.0, Vis 30, PH 8.7. Remarks: Drilling, made 293' in 21 hrs. Remarks: Drilling. Survey wireline tool broke down, hand cranked tool out of hole. Survey: 1-3/4 degree @ 6,797'; 1 degree @ 7,078'. Show #4: 6,810-30'; no break, no increase in gas, Sandstone 10%, 10% dull gold fluorescence, good yellow stream cut, trace porosity. Show #5: 6,866-70'; drlg. break, before 3.5 mins., during 3 mins., after 4 mins. 25 unit increase in gas, 10% Sandstone, no cut, no fluorescence, trace porosity. DC: \$11,174 DMC: \$ 317	CUM: \$472,656 CMC: \$ 7,230
3-2-82	7,310'	Day 16; MW 9.1, Vis 29, Cake 4, PH 8.5. Remarks: Drilling, made 210' in 18-1/2 hrs. Trip for bit #4. Survey: 1 degree @ 7,191'. BGG: 50 units; CG: 65 units; Trip gas: 350 units. Show #6: 7,080-7100'; no drilling break, no increase in gas, 10% Sandstone, trace fluorescence, fair cut. Show #7: 7,130-40'; no break, no increase in gas, 10% Sandstone, trace fluorescence, weak yellow cut. DC: \$18,656 DMC: \$ 1,051	CUM: \$491,312 CMC: \$ 8,281
3-3-82	7,706'	Day 17; Drilling, made 396' in 23-1/2 hrs. MW 9.0, Vis 30, Cake 4, PH 8.5. Remarks: Drilling. Survey: 2 degrees @ 7,517'. Show #8: 7,314-18'; Drlg. Rate: Before 4 mins., During 4 mins., After 3.5 mins. Formation Gas: Before 60 units, During 110 units, After 60 units. 30% shale, weak fluores. Show #9: 7,468-72'; Drlg. Rate: before 4 mins., during 2.5 mins., after 3.5 mins., Formation gas: before 70 units, during 120 units, after 80 units 10% Sandstone, 10% dull fluorescence, fair cut. Show #10: 7,508-16'; Drlg. rate: before 4 mins., during 4 mins., after 4.5 mins. Formation gas: before 90 units, during 130 units, after 90 units, 10% Sandstone, weak fluorescence, cut, trace porosity. Show #11: 7,562-70'; Drlg. rate: before 3 mins., during 2 mins., after 3 mins.; Formation gas: before 100 units, during 150 units, after 100 units, Sandstone, trace silts, 30% fluorescence, weak cut, trace porosity. Show #12: 7,600-10'; Drlg. rate: before 3 mins., during 2 mins., after 3 mins., Formation gas: before 100 units, during 225 units, after 160 units, Sandstone, 10% fluorescence, dull gold, weak cut, trace porosity. BGG: 60-140 units, CG: 100-225 units. Drilling in 10% Sandstone, and 90% Shale. DC: \$ 14,815 DMC: \$ 817	CUM: \$506,127 CMC: \$ 9,098

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3-4-82	8,052'	Day 18; Drilling, made 346' in 23-1/4 hrs. MW 8.9, Vis 30, Cake 2, PH 8.5. Remarks: Drilling. Survey: 1-3/4 degrees @ 7,769'. Show #13: 7,682-86', Drlg. rate: before 4 mins., during 3 mins., after 3-1/2 mins. Formation gas: before 60 units, during 100 units, after 70 units, fluorensence trace, fair cut. DC: \$13,276 DMC: \$ 803	CUM: \$519,403 CMC: \$ 9,901
3-5-82	8,330'	Day 19; Drilling, made 278' in 16-1/4 hrs. MW 9.0, Vis 30, PH 8.5. Remarks: Trip for bit #7. Survey 1-3/4 degrees @ 8,052', 2 degrees @ 8,299'. Tripping. DC: \$11,420 DMC: \$ 1,021	CUM: \$530,823 CMC: \$ 10,922
3-6-82	8,632'	Day 20; Drilling, made 302' in 22-1/2 hrs. MW 9.0, Vis 30, PH 8.0. Remarks: Wash and ream to bottom. Circulate and survey. Survey 2 degrees @ 8,549'. SHOW #14: 8,502-06'; Drlg. rate: Before 3 mins., During 3 mins., After 4 mins. Formation gas: Before 70 units, During 140 units, After 90 units. No fluorensence, cut. 100% Shale. BGG: 90 units, CG: 160 units, TRIP 375 units. DC: \$16,548 DMC: \$ 696	CUM: \$547,371 CMC: \$ 11,618
3-7-82	8,961'	Day 21; Drilling, made 329' in 24 hrs. MW 8.9+, Vis 30, PH 8. Remarks: Increase in brown oil over shaker. SHOW #15: 8,620-28'; Drlg. rate: Before 3.5 mins., During 3 mins., After 3.5 mins., Formation Gas: Before 100 units, During 150 units, After 90 units. Fluorensence 10%, cut weak, trace porosity. Sandstone 10%, dull gold fluorensence w/weak yellow stream cut. SHOW #17: 8,568-70'; Drlg. rate: Before 4.5 mins., During 3 mins., After 4 mins., Formation gas: Before 100 units, During 300 units, After 220 units. Fluorensence 10%, cut weak, trace porosity. Sandstone 10%, dull gold fluorensence w/weak yellow stream cut. SHOW #17: 8,822-30'; Drlg. rate: Before 3.5 mins., During 3 mins., After 3.5 mins. Formation gas: Before 280 units, During 480 units, After 320 units. Sandstone 10%, dull bright gold w/trace blue fluorensence w/weak milky cut, cut weak, trace porosity. SHOW #18 8,880-86'; Drlg. rate: Before 5 mins., During 4 mins., After 5 mins. Formation gas: Before 350 units, During 780 units, After 400 units. Sandstone 20%, dull gold w/trace blue fluorensence w/fair milky cut. Fluorensence 10, cut fair, porosity fair. BGG: 200-400 units, CG: 310-570 units. DC: \$13,509 DMC: \$ 780	CUM: \$560,880 CMC: \$ 12,398
3-8-82	9,286'	Day 22; Drilling, 325' in 23-1/4 hrs. MW 9.0, Vis 30, PH 8.0. Remarks: Increase in brown oil over shaker. SHOW #19: 9,038-58'; Drlg. rate: Before 3.5 mins., During 2 mins., After 3.5 mins., Formation gas: Before 325 units, During 725 units, After 300 units. Sandstone 20%, bright gold fluorensence w/fair slow milky cut. Fluorensence 20, cut fair, porosity fair. SHOW #20; 9,146-56'; Drlg. rate: Before 4 mins., During 3 mins., After 4 mins. Formation gas: Before 325 units, During 1500 units, After 1200 units. Sandstone 10%, increase in oil in sample and over shaker (top of transition zone @ 9,150'). BGG: 250-1400 units; CG: 600-1500 units. DC: \$12,470 DMC: \$ 638	CUM: \$573,350 CMC: \$ 13,036
3-9-82	9,456'	Day 23; Drilling, made 170' in 15 hrs. MW 9.3, Vis 34, PH 7.5. Remarks: Survey: 1/2 degree @ 9,430'. Trip for bit #8. Cut drilling line. Wash and ream to bottom. No shows. BGG: 1050 units; CG: 1400 units; Trip 2500 units. DC: \$10,943 DMC: \$ 3,578	CUM: \$584,293 CMC: \$ 16,614
3-10-82	9,678'	Day 24; Drilling, made 222' in 23 hrs. MW 9.3+, Vis 34, PH 7.5. Remarks: Repair pump. No shows. BGG: 1100 units, CG: 1400 units. DC: \$17,181 DMC: \$ 90	CUM: \$601,474 CMC: \$ 16,704

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3-11-82	9,843'	Day 25; Drilling, made 165' in 23 hrs. MW 9.4, Vis 34, PH 8.0. Remarks: Circulate and survey. Survey: 1½ degrees @ 9,734'. BGG: 800 units, CG: 1000-1800 units. No shows. DC: \$18,603 DMC: \$ 282	CUM: \$620,077 CMC: \$ 16,986
3-12-82	9,859'	Day 26; Drilling, made 16' in 3½ hrs. MW 9.4, Vis 34, PH 8.0. Drop survey and trip out of hole w/bit #8. Repair cat head. Pick up magnet, and trip in hole. Circulate. Trip out of hole w/magnet. Clean magnet and trip in hole w/rerun bit #7. No shows. Survey; 2 degrees @ 9859'. BGG: 800 units, CG: 1000 units, Trip 2200 units. DC: \$2,478 DMC: \$ 70	CUM: \$622,555 CMC: \$ 17,056
3-13-82	10,000'	Day 27; Drilling made 141' in 17-¾ hrs. MW 9.2., Vis 35, PH 8. Remarks: Trip in hole w/rerun bit #7. Circulate and condition mud. No shows. BGG: 800 units, CG: 1000 units, Trip 2200 units. DC: \$6,220 DMC: \$ -0-	CUM: \$628,775 CMC: \$ 17,056
3-14-82	10,014'	Day 28; Drilling made 0'. MW 9.5+, Vis 36, PH 7.5. Remarks: Circulate and condition mud. Short trip 20 stands. Circulate and condition hole for logs. Drop survey and trip out for logs, slick line measurement. Rig up Schlumberger. Logging, rig down loggers. Trip in hole. Survey: 2 degrees @ 10,014'. (Depth slick line measurement correction.) DC: \$10,077 DMC: \$ 1,657	CUM: \$638,852 CMC: \$ 18,713
3-15-82	10,014'	Day 29; MW 9.5, Vis 36. Remarks: Trip in hole, circulate and condition hole. Lay down drill pipe and drill collars. Pull wear ring and cut drilling line. Rig up and run casing. Rig down casing crew and rig up Halliburton. Circulate gas out and condition hole. BGG: 200 units, Trip 1700 units. DC: \$41,714 DMC: \$ -0-	CUM: \$680,566 CMC: \$ 18,713
3-16-82	10,014'	Day 30; MW 9.5, Vis 36. Remarks: Circulate. Cement w/Halliburton and set slips. Nipple down, cut casing and install well head. Clean pits. Rig Released @ 9:00 pm 3/15/82. Ran 236 joints 5½" 20# N-80 NT & C. Cemented w/900 sacks 50-50 pozmix, 2% gel, 10% salt, .5% CFR-2 and reciprocated pipe while cementing. Landed pipe @ 10,014', float collar @ 9969'. DC: \$23,750 DMC: \$ -0-	CUM: \$704,316 CMC: \$ 18,713
3-17-82		Rig down, move off rotary tools.	
3-18-82		Waiting on completion unit.	
3-19-82		Waiting on completion unit.	
3-20-82		Waiting on completion unit.	
3-21-82		Waiting on completion unit.	
3-22-82		Waiting on completion unit.	
3-23-82		Waiting on completion unit.	
3-24-82		Waiting on completion unit.	
3-25-82		Waiting on completion unit.	
3-26-82		Waiting on completion unit.	
3-27-82		Waiting on completion unit.	
3-28-82		Waiting on completion unit.	
3-29-82		Waiting on completion unit.	
3-30-82		Waiting on completion unit.	
3-31-82		Waiting on completion unit.	
4-1-82		Waiting on completion unit.	
4-2-82		Waiting on completion unit.	
4-3-82		Waiting on completion unit.	
4-4-82		Waiting on completion unit.	
4-5-82		Move in, rig up.	
4-6-82		Move in, rig up.	
4-7-82		Move in, rig up.	
4-8-82		Move in, rig up Prairie Gold Rig #8. Nipple down tree, nipple up 3000 psi BOP. Pick up, and run in hole w/4½" OD cement mill, casing scraper, 1 joint N-80 tubing, and 300 joints J-55 tubing. Shut down for night. DC: \$71,700	CUM: \$71,700

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- 4-9-82 Clean out casing to 9,960'. Reverse out mud, spot 90 barrels Roosevelt Unit Formation water on bottom. Test BOP and casing to 2500 psi. Pull out of hole and lay down 16 joints tubing. Pull out of hole and stand back 150 stands, lay down mill and scraper. Move in rig up Dresser Atals, ran Gamma Ray Casing Collar locator from 7,500-9,960'. Pick up 2-7/8" tubing collar, Baker model "R" double grip packer, National "V" type pump cavity, 4' pup joint and 1 joint tubing. Test blanking sleeve in pump cavity to 1000 psi. Stood cavity and packer in derrick. Shut in for night.  
DC: \$14,600 CUM: \$87,300
- 4-10-82 Run in hole w/4" casing gun w/120 degree phasing. Perforate Green River intervals from 9,494' - 9,520' (DIL-GR) w/3 jspf. No flow or pressure increase. Rig down, move off Dresser Atlas. Run in hole w/Baker Model "R" Packer, National Production Systems "V" type pump cavity w/blanking sleeve in place, 299 joints 2-7/8" J-55 tubing. Set packer @ 9,390', test annulus to 1000 psi. Ran tubing broach on slick line to pump cavity. Nipple down BOP, screw tree onto tubing and land tubing w/13,000# set down on packer. Nipple up tree and flow line. Fill tubing and pump into perfs @ 1800 psi. Mill casing and test wellhead, casing, packer and blanking sleeve to 2800 psi. Bled casing pressure to 1400 psi and break down perfs w/10 BFW @ 2.5 BPM and 2400 psi. ISIP 1800 psi. Equalized tubing and casing pressure and bled pressure to tank. Nipple up lubricator and swab F.L. to 8,500' in 7 runs. Swabbing from 9,200'. No measureable inflow, recovered trace of oil and 49 BW. Shut in for weekend.  
DC: \$10,800 CUM: \$98,100
- 4-11-82 Haul formation water to tanks and heat to 130 degrees F.  
DC: \$ 1,300 CUM: \$99,400
- 4-12-82 Shut in for Sunday. Swab 2 hrs. 45 mins. Recovered 100 BF. Last run 10% oil. Fluid level increased slightly. Swabbing from 5,000'.
- 4-13-82 Move in, rig up Dowell. Set casing pop off valve to 2500 psi. Pressure casing to 2000 psi. Acidize down tubing w/3,000 gals. 15% HCl (w/corrosion inhibitor and non-emulsifier). Maximum treating pressure 5600 psi @ 8 BPM. Average treating pressure 2500 psi @ 5 BPM. Dropped 160 ball sealers spaced throughout job. Displaced to bottom perforation w/60 bbls. formation water. No significant breaks or ball action. Shut down pumps @ 8:45 a.m. ISIP 900 psi, after 10 mins., SITP 900 psi. Rig down move off Dowell. 138 barrels of load water to be recovered. Rig up lubricator. Open well to flat tank @ 9:45 a.m. 1 hr. SITP 500 psi. Flowed back 9 BW in 30 mins. & died. Swabbed 25 runs to flat tank. At end of day, swabbing from end of packer @ 9,390'. (Something in tubing tearing up swab cups on every run below 8,500'.) Recovered 56 BO from 123 BW. Final run cutting 80% oil. 15 bbls. load to be recovered.  
DC: \$11,700 CUM: \$111,100
- 4-14-82 TP 50 psi. Fluid level @ 4,000'. Run in hole w/2.340" OD broach to packer @ 9,390'. Pull out of hole and pick up 2.350" OD broach. Could not pass 8,300'. (Hydraulic pump OD = 2,327".) Pick up swab. Made 17 runs w/swab in 7 hrs. Recovered 89 BO, 14 BW (measured in flat tank). Final fluid level @ 7,000'. Pulling swab from packer @ 9,390'. Still tearing up swab cups on every run. Shut down for night.  
DC: \$3,000 CUM: \$114,100
- 4-15-82 SITP 50 psi. Fluid level 3,000'. Run in hole w/equalizing prong on sand line. Oper sliding sleeve in blanking tool. Pull out of hole. Pick up and run in hole w/fish tool on sand line. Engage blanking sleeve. Work sand line for 1 hr. and sleeve came free. Pull out of hole and lay down blanking sleeve. Heat oil in flat tank w/hot oil truck and transfer oil to storage tank. Modify wellhead for hydraulic pump. Drop standing valve. Shut down for night.  
DC: \$13,500 CUM: \$127,600
- 4-16-82 Finish electrical work. Start triplex. Circulate well over night w/hot formation water.  
DC: \$2,800 CUM: \$130,400
- 4-17-82 Pump 6 hrs. @ 2250 TP, 74 spm, 33 BO, 60 BW.  
4-18-82 Pump 12 hrs. @ 2300 TP, 80 spm, 37 BO, 5 BW, 31 MCFD. Changed pump.  
4-19-82 Pump 12 hrs. @ 0 TP, 76 spm, 15 BO, 5 BW, 31 MCFD. Down on high discharge.  
4-20-82 Pump 24 hrs. 2400 TP, 17 BO, 10 BW, 33 MCFD @ 74 spm.  
4-21-82 Pump 24 hrs. @ 3300 TP, 25 BO, 5 BW, 33 MCFD @ 20 spm. Changed pumps.  
4-22-82 Pump 8 hrs. @ 2300 WHP, 0 BO, 0 BW, 0 MCFD. Down on high discharge.

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4-23-82 Down, pulled pump and standing valve. Pumped chemical into formation, circulated small amount of oil.

4-24-82 Pump 11 hrs. @ 2500 WHP, 12 BO, 128 BW, 28 MCFD. Circulated 13 hrs.

4-25-82 Pump 24 hrs. @ 2400 WHP, 15 BO, 33 BW.

4-26-82 Pump 24 hrs. @ 2500 WHP, 13 BO, 12 BW.

4-27-82 Pump 24 hrs. @ 2500 WHP, 13 BO, 5 BW, 10 MCFD.

4-28-82 Pump 24 hrs. @ 2500 WHP, 12 BO, 8 BW, 10 MCFD.

4-29-82 Circulate pump out of hole. Run in hole w/equalizer prong on wireline. Break equalizer plug in standing valve. Shut down for night.  
DC: \$500 CUM: \$130,900

4-30-82 Run in hole w/pulling tool on wireline. Pull standing valve. Run in hole w/blanking sleeve and land in pump cavity w/sinker bars. Test casing annulus to 2000 psi.  
DC: \$800 CUM: \$131,700

5-1-82 Move in rig up Dowell. Nipple down National Production Systems wellhead. Nipple up Dowell. Acidize down tubing w/7500 gals. 60# gelled acid (containing non-emulsifying agent, clay stabilizer and corrosion inhibitor) w/176 barrels out of 221 pumped. Perforations balled off w/4900 psi and tubing pressure communicated to casing. Surged balls off perforations and finished displacement 221 barrels of load fluid to be recovered. Maximum treating pressure 3400 psi @ 8 bpm. Average treating pressure 3000 psi @ 7 bpm. Instantaneous shut in pressure 1650 psi, 5 min. SITP 1600 psi, 15 min. SITP 1400 psi. Nipple down Dowell. Nipple up National Production Systems wellhead. 1 hr SITP 500 psi. Opened well to pit @ 12:30 p.m. Flowed approximately 10 BW to tank and died. Move in, rig up Lyles Swab Unit. Made 15 runs of swab. Final fluid level 2000'. Recovered 80 BW, trace oil. 141 barrels load water to be recovered. Shut down for night.  
DC: \$11,800 CUM: \$143,500

5-2-82 SITP 50 psi. Fluid level 1200'. Made 20 swab runs. Pulled fluid level to 4700'. Pulling fluid from 6000'. Made estimated 16 BO, 65 BW. 86 barrels of load water to be recovered. Shut down for night.  
DC: \$1,200 CUM: \$144,700

5-3-82 SITP 50 psi. Fluid level 2000'. Made 19 swab runs. Recovered 15 BO, 85 BW. Final fluid level 6100'. Swabbing from 7500'. 1 barrel load water to recover.  
DC: \$1,600 CUM: \$146,300

5-4-82 SITP 100 psi. Fluid level 4000'. Run in hole w/equalizer prong on sand line and open sleeve in blanking tool. Pick up and run in hole w/1-3/8" spear and gauge blanking sleeve. Pumped 15 BW down tubing. Pulled 6000# on line, sleeve did not come free. Hit jars 2 times. Spear came out of sleeve. Pull out of hole and re-dress spear. Could not engage sleeve w/2 subsequent runs w/spear. Marks indicate spear in blanking sleeve on all 3 runs. Recycled and separated all fluid in tanks. Total 30 BO recovered since acidizing on 4/30/82. 16 barrels load water to be recovered.  
DC: \$1,800 CUM: \$148,100

5-5-82 Pick up and run in hole w/3-1/8" OD bone spear on sand line. Engage fish and jarred same loose. Pull out of hole and lay down fish tool and blanking sleeve. Top sub of blanking sleeve was split 5". Run and set standing valve. Fill casing w/formation water. Test standing valve to 1000 psi. Dropped pump. Pump on bottom and stroking @ 2:00 p.m. Pumped 16 hrs, recovered 64 BO, 20 BW @ 1800 psi, 80 spm.  
DC: \$2,500 CUM: \$150,600

5-6-82 Produced 99 barrels fluid.

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5-7-82 Worked oil and water tanks all day. Put 4 truck loads clean water in system via triplex. Average PH increased from 5.6 to 7.5. Changed pump @ 16:00 hrs. Produced 14 BF in 14 hrs. Stroking 86 spm @ 2300 psi. Water content in oil tank 10% this a.m.

5-8-82 Pump 14 hrs. @ 0 WHP, 27 BO, 0 BW. Down 10 hrs. on high discharge.

5-9-82 Pump 6 hrs. @ 0 WHP, 18 BO, 0 BW. Down 18 hrs., pump problems.

5-10-82 Pump 15 hrs. @ 2300 WHP, 45 BO, 12 BW, circulating 10 hrs, and changing pump.

5-11-82 Pump 24 hrs. @ 2300 WHP, 36 BO, 10 BW, 72 spm.

5-12-82 Pump 24 hrs. @ 2400 WHP, 33 BO, 5 BW, 76 spm.

5-13-82 Pump 24 hrs. @ 2300 WHP, 27 BO, 7 BW, 76 spm.

5-14-82 Pump 24 hrs. @ 2300 WHP, 30 BO, 5 BW, 30 MCFD, 76 spm.

5-15-82 Pump 24 hrs. @ 0 WHP, 0 BO, 0 BW, 0 MCFD, pulled pump, circulating.

5-16-82 Pulled tubing for frac.

5-17-82 Move in rig up Prairie Gold Rig #5. Nipple down tree, nipple up BOP. Pull out of hole w/tubing, pump cavity, and packer. Lay down pump cavity. Run in hole w/new 5½" Model "R" packer and tubing. Set packer @ 9,400'. Fill casing w/water and test packer, tubing and BOP to 3000 psi. Top joint of tubing N-80. Shut down for weekend.  
DC: \$6,300 CUM: \$154,400

5-18-82 Waiting on frac.

5-19-82 Move in rig up Dowell. Tied into 2-7/8" tubing with frac iron, with 2500 casing pressure. Frac well down to tubing w/25,000 gals. 70 quality foam and 25,000 pounds 20-40 sand. Maximum pressure 7000 psi. Rate 10-12 bpm. Well screened out while pumping 30 ppg sand. ISIP 7000 psi, 15 min. SITP 6100 psi, 90 min. SITP 5500 psi. Open well through ¼" positive choke. Flowed back 5000 pounds sand, 60 barrels fluid in 5 hrs. Well died. Left open to pit over night. Estimated 260 barrels load fluid to be recovered.  
DC: \$40,200 CUM: \$194,600

5-20-82 Well dead. Release packer and pull out of hole w/tubing. Pick up and run in hole w/Baker hydrostatic bailer to 9700'. Encountered no fill. Pull 10 stands tubing. Shut down for night.  
DC: \$4,200 CUM: \$198,800

5-21-82 Pull out of hole and lay down bailer. Pick up and run in hole w/5½" redressed model "R" packer, NTS V-type pump cavity w/standing valve in place and tubing. Land tubing @ 9397'. Broach all tubing. Nipple down BOP, nipple up tree. Test casing, wellhead, standing valve and packer to 3000 psi. Shut down for night.  
DC: \$6,000 CUM: \$204,800

5-22-82 Pump 20 hrs. @ 2300 WHP, 32 BO, 72 BW, 11 MCFD @ 76 spm.

5-23-82 Pump 24 hrs. @ 2300 WHP, 32 BO, 13 BW, 46 MCFD @ 74 spm.

5-24-82 Pump 24 hrs. @ 2300 WHP, 28 BO, 5 BW, @ 74 spm.

5-25-82 Pump 12 hrs. @ 2700 WHP, 12 BO, 0 BW, 11 MCFD @ 82 spm. Down, high discharge.

5-26-82 Pump 24 hrs. @ 2700 WHP, 22 BO, 20 BW, 11 MCFD @ 80 spm.

5-27-82 Circulate out pump. Rig up Lyles Oil Tools. Equalize and pull standing valve. Tag fill w/sinker bar @ 9850'. Rig down Lyles. Shut down for night.

5-28-82 Move in, rig up Prairie Gold rig #5. Nipple down tree. Nipple up BOP. Shut down for night.

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5-29-82 Pull out of hole w/299 joints 2-7/8" tubing. Lay down NPS cavity, and Baker model "S" packer. Pick up Baker 2-7/8" bailer. Run in hole and clean out sand from 9,850-9,960'. Pull out of hole and lay down bailer. Run in hole w/ 20 stands open end tubing. Shut in for night.  
DC: \$4,100 CUM: \$212,700

5-30-82 Shut in for weekend.

5-31-82 Shut in for weekend.

6-1-82 Shut in for weekend.

6-2-82 Pull out of hole w/20 stands tubing. Move in, rig up Dresser Atlas. Run in hole w/3½" hollow carrier gun w/120 degree phasing. Perforate the following DIL-GR depths w/3 jspf:

RUN #1: 9,648', 9,634', 9,605', 9,914-16', 9,896', 9,894', 9,832' & 9,830';  
RUN #2: 9,860', 9,862', 9,864', 9,866', 9,868', 9,870', 9,848', 9,850', 9,856', 9,858', 9,734', 9,738', 9,740', 9,742';  
RUN #3: 9,566', 9,568', 9,572', 9,448', 9,450', 9,452', 9,392', 9,394', 9,348', 9,350', 9,352', 9,354', 9,356', 9,358';  
RUN #4: 9,598', 9,558', 9,550', 9,235', 9,187', 9,174';  
RUN #5: 9,058', 9,064', 9,066', 9,068', 9,046', 9,048', 9,056';  
RUN #6: 9,160', 9,144', 9,146', 9,112', 9,116'.

Unable to perf 9,960', 9,946' and 9,934'. (Tagged fill @ 9,934'.) Total 55', 54 zones, 165 holes. Pick up Baker 5½" model "C" retrievable bridge plug and model "EA" packer. Run in hole w/93 stands tubing. Shut down for night.  
DC: \$13,100 CUM: \$225,800

6-3-82 Finish in hole w/56 stands tubing. Pick up 16 joints and run in hole to 9,925'. Set retrievable bridge plug @ 9,925'. Pull 7 joints and set packer at 9,700'. Acidize down tubing w/3500 gals. 15% HCl (w/non-emulsifier, scale inhibitor, clay stabilizer and 72 hr. corrosion protector). Pumping @ 3½ bpm @ 2900 psi. Pressure communicated to casing after pumping 122 of 148 bbls. Shut in casing and displaced acid to perforations. Flowed tubing and casing to flat tank 1 hr. Released packer and tubing went on vacuum. Pumped 40 BW down casing. Casing still very active. Pump 90 BW down tubing. Casing still flowing. Open BOP and run in hole w/7 joints. Catch retrievable bridge plug and move to 9,700'. Set retrievable bridge plug and packer to test. Pumped in tubing @ 3 bpm @ 600 psi. Pumped 260 BW down tubing. Casing almost dead. Reset packer and retrievable bridge plug. Test packer and bridge plug and tubing to 2000 psi. Moderate pressure up under retrievable bridge plug. Well flows hard when bypass opened. Pull out of hole to 9,000' and set packer. Test backside to 2000 psi. Shut down for night.  
DC: \$6,300 CUM: \$232,100

6-4-82 Finish acidizing. Pumped 6500 gals. 15% HCl, followed by 65 bbls. formation water @ 3000 psi @ 6 bpm. Dropped 50 balls after first 24 bbls of acid and 5 balls every 8 bbls thereafter. Dropped total 125 balls. Moderate ball action. ISIP 1900 psi, 15 min. 1400 psi, 1400 psi, 225 barrels load fluid to be recovered from this interval. Opened well to tank. Flowed 299 barrels fluid in 20 hrs. Last 14 hrs. made 114 BO, 0 BW.  
DC: \$21,400 CUM: \$253,500

6-5-82

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

5. LEASE DESIGNATION AND SERIAL NO.  
*POW / GRRU*

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME  
Roosevelt Unit

8. FARM OR LEASE NAME

9. WELL NO.  
#B2-20

10. FIELD AND POOL, OR WILDCAT

11. SEC., T., R., M., OR BLK.  
AND SURVEY OR AREA  
Section 20-T1S R1E

12. COUNTY OR PARISH  
Uintah

13. STATE  
Utah

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK  
DRILL  DEEPEN  PLUG BACK

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

2. NAME OF OPERATOR  
Gavilan Petroleum, Inc.

3. ADDRESS OF OPERATOR  
1680 W. Highway 40, Suite 1230, Vernal, UT 84078

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
At surface  
At proposed prod. zone NW/4SW/4

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 drig. unit line, if any)

16. NO. OF ACRES IN LEASE

17. NO. OF ACRES ASSIGNED TO THIS WELL

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

19. PROPOSED DEPTH

20. ROTARY OR CABLE TOOLS

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

22. APPROX. DATE WORK WILL START\*

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT

API # 43-047-31187  
Entity # 9307

This is to advise that the Operator of this well has been changed to Gavilan Petroleum, Inc.

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 [Signature] TITLE Land Manager DATE 3/30/88  
(This space for Federal or State office use)

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

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions On Reverse Side

DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

5. LEASE DESIGNATION AND SERIAL NO.

Fee

6. IF INDIAN, ALLOTTEE OR TR: NAME

N/A

7. UNIT AGREEMENT NAME

Roosevelt Unit

8. FARM OR LEASE NAME

N/A

9. WELL NO.

B220-A1E

10. FIELD AND POOL, OR WILDCAT

Roosevelt Unit

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA

NW/SW Sec. 20, T1S, R1E

12. COUNTY OR PARISH 13. STATE

Uintah

Utah

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT" for such proposals.)

1. OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR

Gavilan Petroleum, Inc.

3. ADDRESS OF OPERATOR

P.O. Box 1656 Roosevelt, Utah 84066

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)  
At surface

NW/SW Section 20, T1S, R1E DIVISION OF OIL, GAS & MINING

770' FWL 1977' FSL

14. PERMIT NO.

43-047-31187

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

5,465' GR

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other) X NTL-4A

PULL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON\*

CHANGE PLANS

Gas Venting

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other)

REPAIRING WELL

ALTERING CASING

ABANDONMENT\*

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

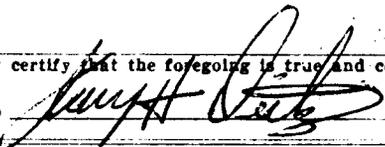
17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

The Roosevelt Unit B220-A1E is currently venting gas at the rate of 0.69 MCF/D. An economic analysis for installing a gas sales line was performed on this basis. The results yielded an initial investment cost of \$12,996 and a pay out of 47.8 years. A reserve study was also done on the well indicating the remaining economic life of the well to be 7.4 years. From this it is clear that an investment of this nature is uneconomic at the present time. It is therefore Gavilan's request that permission be granted to allow the continued venting of gas.

Please find enclosed the necessary information required for the above analysis.

18. I hereby certify that the foregoing is true and correct

SIGNED



TITLE

Field Engineer

DATE

04/21/89

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions on Reverse Side

GAVILAN PETROLEUM, INC.  
ROOSEVELT UNIT B220-A1E  
APRIL 19, 1989

ECONOMIC ANALYSIS

CURRENT GAS PRICE:

AT THE WELL HEAD = \$1.99/MCF

AFTER SHRINKAGE / INCLUDING LIQUIDS = \$1.25/MCF

AFTER ROYALTIES = \$1.06/MCF

REVENUE TO GAVILAN BEFORE TAXES:

\$1.06/MCF X 0.69 MCF/D X 31 DAYS = \$22.67/MONTH

\$22.67/MONTH X 12 MONTHS/YEAR = \$272.08/YEAR

PAY OUT BEFORE TAXES:

INVESTMENT = \$12,996

PAY OUT = \$12,996 / \$272.08/YEAR = 47.8 YEARS

GAVILAN PETROLEUM, INC.  
 ROOSEVELT UNIT B220A1E  
 APRIL 19, 1989

INVESTMENT COST FOR GAS SALES LINE

QUANTITY	COST	DESCRIPTION	TOTAL COST
2	30.00	METHANOL POTS	60.00
2	15.66	1/2" NEEDLE VALVES	31.32
2	2.91	1/2" THREAD O LETTS	5.82
2	3.98	1" THREAD O LETTS	7.96
2	10.39	1" BALL VALVES	20.78
2	2.57	1" x 2" NIPPLES	5.14
2	37.36	3" x 1" SWEDGE	74.72
1	38.00	6" x 3" WELD TYPE SWEDGE	38.00
1	28.00	3" x 4 BOLT WELD TYPE FLANG	28.00
1	13.63	3" WELD TYPE NINTY	13.63
1500	3.05	3" SCH 40 LINE PIPE	4,575.00
1	2,500.00	METER RUN	2,500.00
1	1,000.00	SHED W/ SKID	1,000.00

SUB TOTAL OF MISCELLANEOUS PARTS = 8,360.37  
 STATE TAX OF 6% = 501.62  
 TOTAL COST OF MISCELLANEOUS PARTS = 8,861.99

OTHER COSTS:

24	40.00	WELDER	960.00
24	10.00	ROUSTABOUT	240.00
3	45.00	TRUCKING	135.00
1	300.00	CALIBRATION / ETC.	300.00
1	2,500.00	RIGHT OF WAY	2,500.00
TOTAL OTHER COSTS =			4,135.00

TOTAL INVESTMENT COST = 12,996.99

## EXPONENTIAL DECLINE PROJECTION

INITIAL PRODUCTION RATE IS 663 BBL/MO  
 ECONOMIC LIMIT IS 236 BBL/MO  
 ANNUAL (EFFECTIVE) DECLINE IS .13  
 NOMINAL DECLINE IS .139262  
 RESERVES ARE 36793.95 BBLs  
 RESERVE LIFE IS 7.417263 YEARS

NUMBER OF MONTHS IN FIRST YEAR = 9

## PRODUCTION SCHEDULE

YEAR	START RATE	FINAL RATE	PRODUCTION	
			YEAR	CUM
1.000	663.000	597.246	5665.952	5665.952
2.000	597.246	519.604	6690.292	12356.243
3.000	519.604	452.055	5820.547	18176.791
4.000	452.055	393.288	5063.882	23240.674
5.000	393.288	342.161	4405.575	27646.248
6.000	342.161	297.680	3832.847	31479.094
7.000	297.680	258.981	3334.580	34813.676
8.000	258.981	236.000	1980.271	36793.945



**UNITED STATES DEPARTMENT OF THE INTERIOR**  
**BUREAU OF LAND MANAGEMENT**

SUBMIT IN TRIPLICATE\*  
(Other instructions on reverse side)

Budget Bureau No. 1004-01  
Expires August 31, 1985

5. LEASE DESIGNATION AND SERIAL NO.

**SUNDRY NOTICES AND REPORTS ON WELLS**

(Do not use this form for proposals to drill or to deepen or plug a well in a different reservoir. Use "APPLICATION FOR PERMIT..." for such proposals.)

**RECEIVED**  
**APR 18 1990**

OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR

Gavilan Petroleum, Inc.

3. ADDRESS OF OPERATOR

P.O. Box 1656, Roosevelt, Utah 84066

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below) At surface

Nw/Sw Section 20, T1S, R1E  
770' FWL & 1977' FSL

7. UNIT AGREEMENT NAME

Roosevelt Unit

8. FARM OR LEASE NAME

N/A

9. WELL NO.

B220A1E

10. FIELD AND POOL, OR WILDCAT

Roosevelt Unit

11. SEC., T., S., M., OR BLK. AND SURVEY OR AREA

Nw/Sw Sec. 20, T1S, R1E

14. PERMIT NO.

43-047-31187

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

5465' Gr

12. COUNTY OR PARISH

Uintah

13. STATE

Utah

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF   
FRACTURE TREAT   
SHOOT OR ACIDIZE   
REPAIR WELL   
(Other)

PULL OR ALTER CASING   
MULTIPLE COMPLETE   
ABANDON\*   
CHANGE PLANS

WATER SHUT-OFF   
FRACTURE TREATMENT   
SHOOTING OR ACIDIZING   
(Other)

REPAIRING WELL   
ALTERING CASING   
ABANDONMENT\*

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Please be informed that Gavilan Petroleum, Inc. has acidized the existing perforations on 4-10-90 with 7500 Gallons 15 % HCL and 64 1.3 SpGr. ball sealers.

OIL AND GAS	
DRN	
JRB	
DTC	CLS
1-TAS	
2-	MICROFILM
3-	FILE

18. I hereby certify that the foregoing is true and correct

SIGNED



TITLE Field Engineer

DATE 04-16-90

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions on Reverse Side

1. Notify DOGM 24 hrs. prior to plugging  
2. MZRU 3U. Install BOPE.

3. POH w/ tubing = pump cavity.

4. CINH w/ @IBP on tubing set @  
 $\pm 9000'$ . Spt 5 sk cement on plug.

5. PU = circ. hole of plugging fluid  
as per R649-3-24-3.5. Test annulus  
to 500 psi for 15 min.

6. POH to  $\pm 3800'$  pump 300' balanced  
cement plug across calculated top of  
cement and above bench ss.

7. Cont. POH to  $\pm 2239'$ . Pump 100'  
cement balanced plug across shoe of surface  
pipe. 50' in  $\pm$  50' out.

8. POH put 10 sk cement plug @ surface  
cut off well head. Fill all casing  
annulus w/ cement to surface.

9. Install dry hole marker.

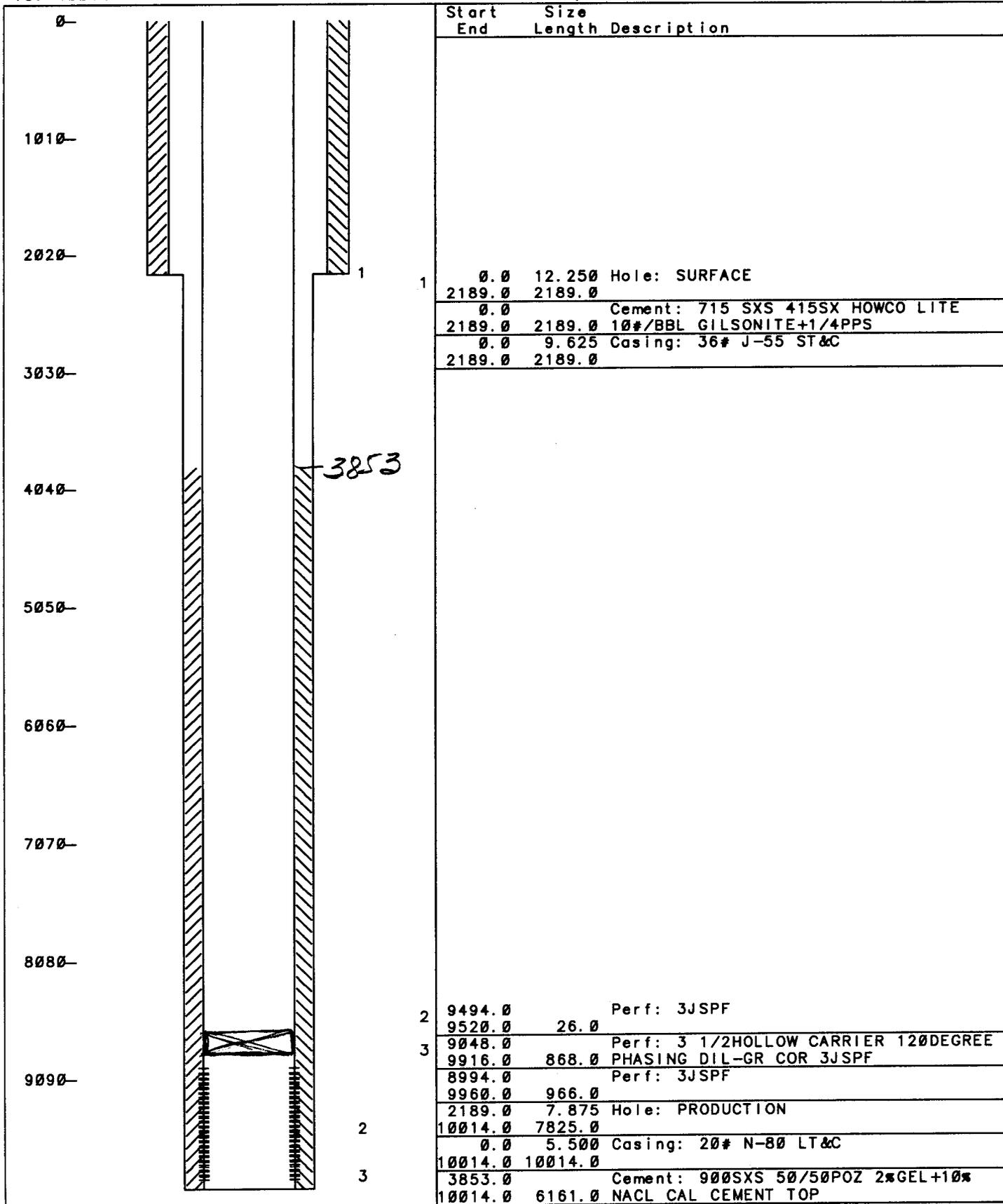
10. Clean up + rehab location.

Well Service Unit	3 days @ 2000/day	\$ 6000
CIP 5.5"		\$ 1000
Plugging fluid	200 bbls	\$ 300
Cement @ \$20/sk	pumped 50 sk.	\$ 1000
Backhoe, welder, *	dryhole marker	\$ 2000
Trucking + miscel.		\$ 1500
Reclaim loc haul off equip		3500
Contingency	10%	1500
		<hr/>
		\$ 16,800

Lease: ROOSEVELT UNIT  
Well #: B-2

API #: 43-047-31187-  
Location: Sec 20 Twn 01S Rng 01E  
County: UINTAH  
State: UTAH  
Field: BLUEBELL  
Operator: GAVILAN PETROLEUM INC.

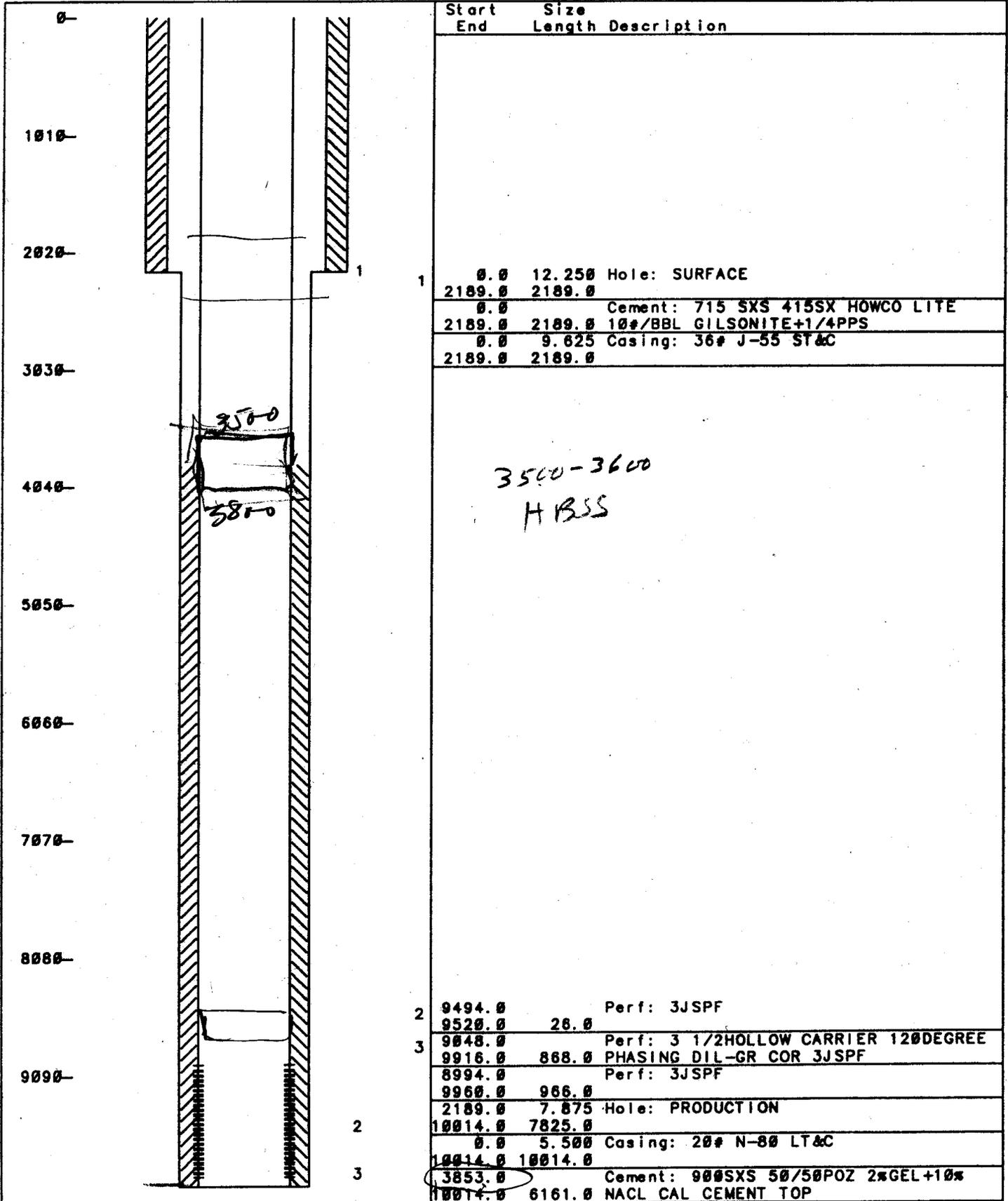
Spud Date: 02/14/1982      Comp Date: 06/07/1982  
KB: 0                      ELEV: 5464  
TD: 10014                PBD: 9960



Lease: ROOSEVELT UNIT  
Well #: B-2

API #: 43-047-31187-  
Location: Sec 20 Twn 01S Rng 01E  
County: UINTAH  
State: UTAH  
Field: BLUEBELL  
Operator: GAVILAN PETROLEUM INC.

Spud Date: 02/14/1982      Comp Date: 06/07/1982  
KB: 0                      ELEV: 5464  
TD: 10014                PBD: 9960



Start	End	Size	Description
0.0	12.250		Hole: SURFACE
2189.0	2189.0		
0.0			Cement: 715 SXS 415SX HOWCO LITE
2189.0	2189.0		10#/BBL GILSONITE+1/4PPS
0.0	9.625		Casing: 36# J-55 ST&C
2189.0	2189.0		
9494.0			Perf: 3JSPF
9520.0	26.0		
9848.0			Perf: 3 1/2 HOLLOW CARRIER 120 DEGREE
9916.0	868.0		PHASING DIL-GR COR 3JSPF
8994.0			Perf: 3JSPF
9960.0	966.0		
2189.0	7.875		Hole: PRODUCTION
10014.0	7825.0		
0.0	5.500		Casing: 20# N-80 LT&C
10014.0	10014.0		
3853.0			Cement: 900 SXS 50/50 POZ 2% GEL + 10%
10014.0	6161.0		NACL CAL CEMENT TOP

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

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. Fee
2. NAME OF OPERATOR Emerald Oil and Mining Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
3. ADDRESS OF OPERATOR 4725 Willow Lane, Dallas, TX 75244		7. UNIT AGREEMENT NAME Roosevelt
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface NW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 20, Township 1 South, Range 1 East, USM (part of Tract No. 274-B, Roosevelt Unit)		8. FARM OR LEASE NAME Whitlock
14. PERMIT NO.	15. ELEVATIONS (Show whether of, ft., or, etc.)	9. WELL NO. Roosevelt Unit B-2-20
		10. FIELD AND POOL, OR WILDCAT Roosevelt-Green River
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Same as 4
		12. COUNTY OR PARISH Uintah
		13. STATE Utah

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <u>XX</u>	

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Change of Operator for Roosevelt Unit B-2-20 Well purchased from Gavilan Petroleum, Inc. under Agreement effective as of January 1, 1995 at 7:00 a.m.

18. I hereby certify that the foregoing is true and correct  
Emerald Oil and Mining Company

By: SIGNED Jeff P. [Signature] TITLE President DATE August 1, 1995

(This space for Federal or State office use)

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

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

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. Fee
2. NAME OF OPERATOR Emerald Oil and Mining Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
3. ADDRESS OF OPERATOR 4725 Willow Lane, Dallas, TX 75244		7. UNIT AGREEMENT NAME Roosevelt
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface NW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 20, Township 1 South, Range 1 East, USM (part of Tract No. 274-B, Roosevelt Unit)		8. FARM OR LEASE NAME Whitlock
14. PERMIT NO.		9. WELL NO. Roosevelt Unit B-2-20
15. ELEVATIONS (Show whether of, ft, or, etc.)		10. FIELD AND POOL, OR WILDCAT Roosevelt-Green River
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Same as 4
		12. COUNTY OR PARISH Uintah
		13. STATE Utah

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	FULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <u>XX</u>	

(Other) \_\_\_\_\_  
(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.) \*

Change of Operator for Roosevelt Unit B-2-20 Well purchased from Gavilan Petroleum, Inc. under Agreement effective as of January 1, 1995 at 7:00 a.m.

RECEIVED

AUG 03 1995

DIVISION OF OIL, GAS & MINING

18. I hereby certify that the foregoing is true and correct  
Gavilan Petroleum, Inc.

By: SIGNED \_\_\_\_\_ TITLE President DATE August 1, 1995

(This space for Federal or State office use)

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

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET**

Routing:

1-LEC 7-PL	✓
2-LWP 8-SJ	✓
3-DTS/39-FILE	✓
4-VLC	✓
5-RJF	✓
6-LWP	✓

Attach all documentation received by the division regarding this change.  
 Initial each listed item when completed. Write N/A if item is not applicable.

- Change of Operator (well sold)       Designation of Agent  
 Designation of Operator       Operator Name Change Only

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 1-1-95)

TO (new operator) EMERALD OIL AND MINING CO  
 (address) 4725 WILLOW LN  
DALLAS TX 75244  
JEFF GENTRY  
 phone ( 801 ) 580-8275  
 account no. N 0855

FROM (former operator) GAVILAN PETROLEUM INC  
 (address) 215 S ST STE 550  
SALT LAKE CITY UT 84111  
JAY MEALEY  
 phone ( 801 ) 537-5605  
 account no. N 2275

Well(s) (attach additional page if needed):

Name: <u>ROOSEVELT B2/GRRV</u>	API: <u>43-047-31187</u>	Entity: <u>9307</u>	Sec <u>20</u> Twp <u>1S</u> Rng <u>1E</u>	Lease Type: <u>FEE</u>
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____

**OPERATOR CHANGE DOCUMENTATION**

- Lee 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). *(Rec'd 8-3-95)*
- Lee 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). *(Rec'd 8-2-95)*
- NA 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) \_\_\_\_\_ If yes, show company file number: \_\_\_\_\_.
- A 4. (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of Federal and Indian well operator changes should take place prior to completion of steps 5 through 9 below.
- cc 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. *(8-3-95)*
- cc 6. Cardex file has been updated for each well listed above. *8-7-95*
- cc 7. Well file labels have been updated for each well listed above. *8-7-95*
- cc 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. *(8-3-95)*
- cc 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

**ENTITY REVIEW**

- Sec 1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes) (no) \_\_\_\_ (If entity assignments were changed, attach copies of Form 6, Entity Action Form).
- N/A 2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

**BOND VERIFICATION (Fee wells only)** *Cont. of Dep. #30300187 (\$20,000) Fidelity Bank, Nat'l Assoc.*

- Sec 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.
- Sec 2. A copy of this form has been placed in the new *\* Upon Compl. of routing.* and former operators' bond files.
- Sec 3. The former operator has requested a release of liability from their bond (yes) (no) \_\_\_\_ . Today's date Aug. 3, 1995. If yes, division response was made by letter dated Aug. 4, 1995.

**LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY**

- N/A 1. (Rule R615-2-10) The former operator/lessee of any **fee lease** well listed above has been notified by letter dated \_\_\_\_\_ 19\_\_\_\_, of their responsibility to notify any *015-95* person with an interest in such lease of the change of operator. Documentation of such notification has been requested. *no longer following this procedure per ASF.*
- N/A 2. Copies of documents have been sent to State Lands for changes involving State Leases.

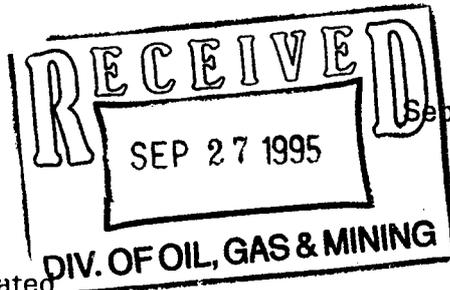
**FILMING**

- ✓ 1. All attachments to this form have been microfilmed. Date: 8-11 1995.

**FILING**

- ✓ 1. Copies of all attachments to this form have been filed in each well file.
- ✓ 2. The original of this form and the original attachments have been filed in the Operator Change file.

**COMMENTS**



3160  
UT08438

September 25, 1995

CERTIFIED LETTER  
Return Receipt Requested  
Z 413 579 848

Gavilan Petroleum Incorporated  
215 South State Suite 550  
Salt Lake City UT 84111

Re: Operations Within Roosevelt Unit  
Green River Participating Area  
8920008860  
Uintah County, UT

Gentlemen:

This letter is to inform you that as the recognized Unit Operator of the above Participating Area (PA) Gavilan Petroleum is responsible for all operations, reports, compliance, etc., with Federal Regulations for oil and gas operations, penalty assessments, and royalty payments, etc., regardless of the individual operators of the wells or leases inside the PA. All correspondence, penalties, royalty arrears, etc., will be directed to Gavilan Petroleum. Correspondence by any other company operating inside the PA will not be recognized.

On April 11, 1994, Federal seals were placed on all vessels capable of holding oil production as per a request from the Mineral Management Service (MMS) due to royalty arrears. The Federal seals have been removed effective September 25, 1995. The Roosevelt Unit will continue to be monitored by this office for production accountability and compliance as per the Federal regulations in 43 CFR 3160.

If you have any questions regarding this matter, please contact either Wayne Bankert or Ed Forsman of this office at (801) 781-4400.

Sincerely,

Jerry Kenczka  
Assistant District Manager for Minerals

cc: Richardson Operating Company  
Emerald Oil  
Amtech Energy  
WBankert:September 25, 1995  
bcc: BLM State Office  
BIA, U&O Agency  
MMS, Production Accountability  
State of Utah, D.O.G.M.  
Unit File  
Reading File

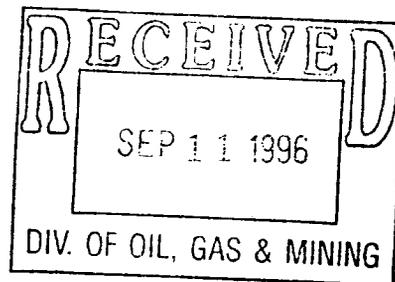
# Intrepid Oil & Gas LLC

1801 Broadway Suite 800  
Denver, CO 80203  
(303)298-1951  
Fax: (303)298-7502

September 6, 1996

Division of Oil, Gas and Mining  
3 Triad Center, Ste 350  
Salt Lake City, Utah 84180-1203

**RE: Roosevelt Unit B-2-20 Well**



Dear Sirs:

Enclosed in triplicate are two Sundry Notices notifying you of the change of Operator on the captioned well.

Also enclosed is a Certificate of Deposit in the amount of \$20,000 as a collateral bond for the well along with a completed Form 4-B. Please fill out and sign the attached "Corporate Certificate of Authority" indicating those individuals who are authorized to sign on behalf of the DOGM and return it to the Colorado National Bank to the attention of Lauren Cooper. The bank address is 950 Seventeenth St., Suite 300, Denver, CO 80202. *(303) 585-4216*

The Certificate of Deposit should be kept in your files.

Please do not hesitate to call me with questions.

Respectfully yours,

A handwritten signature in cursive script, appearing to read "Hugh E. Harvey, Jr.".

Hugh E. Harvey, Jr.  
Managing Member

HH/hh

Enclosures (3)

### SUNDRY NOTICES AND REPORTS ON WELLS

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

1. Type of Well: OIL  GAS  OTHER: \_\_\_\_\_

2. Name of Operator:  
Intrepid Oil & Gas LLC

3. Address and Telephone Number:  
1801 Broadway, Suite 800 Denver, Colorado 80202

4. Location of Well  
Footage: NW 1/4 SW 1/4 Section 20, Township 1 South, Range 1 East, County: Uintah  
USM (part of Tract No. 274-B, Roosevelt Unit) State: Utah  
OO, Sec., T., R., M.: \_\_\_\_\_

5. Lease Designation and Serial Number:  
Fee

6. If Indian, Allocated or Tribe Name:

7. Unit Agreement Name:  
Roosevelt

8. Well Name and Number:  
Roosevelt Unit B-2-20

9. API Well Number:

10. Field and Pool, or Wildcat:  
Roosevelt-Green River

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

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

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

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

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

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

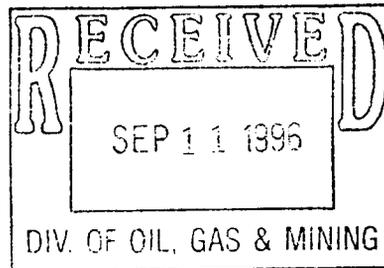
Date of work completion \_\_\_\_\_

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

\* Must be accompanied by a cement verification report.

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

Change of Operator for Roosevelt Unit B-2-20 Well purchased from Emerald Oil & Mining Company effective AUGUST 1, 1996 at 7:00 a.m.



13. Emerald Oil & Mining Company  
Name & Signature: by: Jeff D. Gentry Title: President Date: AUGUST 30, 1996

(This space for State use only)

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

1. Type of Well: OIL  GAS  OTHER:

2. Name of Operator:  
Intrepid Oil & Gas LLC

3. Address and Telephone Number:  
1801 Broadway, Suite 800 Denver, Colorado 80202

4. Location of Well  
Footage: NW 1/4 SW 1/4 Section 20, Township 1 South, Range 1 East, County: Uintah  
USM (part of Tract No. 274-B, Roosevelt Unit) State: Utah  
OO, Sec., T., R., M.:

5. Lease Designation and Serial Number:

Fee

6. If Indian, Altitise or Tribe Name:

7. Unit Agreement Name:

Roosevelt

8. Well Name and Number:

Roosevelt Unit B-2-20

9. API Well Number:

10. Field and Pool, or Wildcat:

Roosevelt-Green River

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

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

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

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

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

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

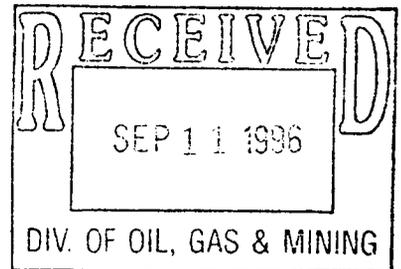
Date of work completion \_\_\_\_\_

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

\* Must be accompanied by a cement verification report.

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

Change of Operator for Roosevelt Unit B-2-20 Well purchased from Emerald Oil & Mining Company effective Aug 1, 1996, 1996 at 7:00 a.m.



13. Intrepid Oil & Gas LLC

Name & Signature: [Signature]

Title: Member

Date: 8/30, 1996

(This space for State use only)



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

Michael O. Leavitt  
Governor

Ted Stewart  
Executive Director

James W. Carter  
Division Director

355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
801-538-5340  
801-359-3940 (Fax)  
801-538-5319 (TDD)

September 16, 1996

Hugh E. Harvey, Jr.  
Intrepid Oil & Gas LLC  
1801 Broadway, Suite 800  
Denver, Colorado 80203

Re: Roosevelt B2 Well Located in Section 20, Township 1 South,  
Range 1 East, Uintah County, Utah.

Dear Mr. Harvey:

In reviewing the operator change for the referenced well, it was determined that your company is not currently registered with the Utah Department of Commerce. This letter is written to advise you of your responsibility to register your company with the state prior to conducting business within Utah. This can be accomplished by contacting:

Department of Commerce  
Division of Corporations  
160 East 300 South  
Salt Lake City, Utah 84111  
(801)530-4849

Sincerely,

Lisha Cordova  
Admin. Analyst

cc: Dept. of Commerce  
D. T. Staley  
R. J. Firth  
Operator File(s)  
Correspondence File/lwp



**OPERATOR CHANGE WORKSHEET**

1-LEC	6-LEC
2-GLH	7-KDR
3-DTS	8-SJ
4-VLD	9-FILE
5-RJP	

Attach all documentation received by the division regarding this change.  
Initial each listed item when completed. Write N/A if item is not applicable.

- Change of Operator (well sold)       Designation of Agent  
 Designation of Operator       Operator Name Change Only

The operator of the well(s) listed below has changed, effective: 8-1-96

TO: (new operator) INTREPID OIL & GAS LLC  
 (address) 1801 BROADWAY STE 800  
DENVER CO 80202  
HUGH HARVEY, JR.  
 Phone: (303)298-1951  
 Account no. N6810 (9-16-96)

FROM: (old operator) EMERALD OIL AND MINING CO  
 (address) PO BOX 920078  
SNOWBIRD UT 84092  
JEFF GENTRY  
 Phone: (801)580-8275  
 Account no. N0855

WELL(S) attach additional page if needed:      \*ROOSEVELT UNIT

Name: <u>ROOSEVELT B2/GRRV</u>	API: <u>43-047-31187</u>	Entity: <u>9307</u>	S	<u>20</u>	T	<u>1S</u>	R	<u>1E</u>	Lease: <u>FEE</u>
Name: _____	API: _____	Entity: _____	S	_____	T	_____	R	_____	Lease: _____
Name: _____	API: _____	Entity: _____	S	_____	T	_____	R	_____	Lease: _____
Name: _____	API: _____	Entity: _____	S	_____	T	_____	R	_____	Lease: _____
Name: _____	API: _____	Entity: _____	S	_____	T	_____	R	_____	Lease: _____
Name: _____	API: _____	Entity: _____	S	_____	T	_____	R	_____	Lease: _____

**OPERATOR CHANGE DOCUMENTATION**

- Yes 1. (r649-8-10) Sundry or other legal documentation has been received from the FORMER operator (attach to this form). *(Rec'd 9-11-96)*
- Yes 2. (r649-8-10) Sundry or other legal documentation has been received from the NEW operator (Attach to this form). *(Rec'd 9-11-96)*
- Yes 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is the company registered with the state? (yes/no) no If yes, show company file number: \_\_\_\_\_ (9-16-96) & letter mailed 9-16-96.
- X 4. FOR INDIAN AND FEDERAL WELLS ONLY. The BLM has been contacted regarding this change. Make note of BLM status in comments section of this form. BLM approval of Federal and Indian well operator changes should ordinarily take place prior to the division's approval, and before the completion of steps 5 through 9 below.
- Yes 5. Changes have been entered in the Oil and Gas Information System (3270) for each well listed above. *(9-16-96)*
- Yes 6. Cardex file has been updated for each well listed above. *(9-16-96)*
- Yes 7. Well file labels have been updated for each well listed above *(9-16-96)*
- Yes 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to Trust Lands, Sovereign Lands, UGS, Tax Commission, etc. *(9-16-96)*
- Yes 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.



STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

5. Lease Designation and Serial Number:

FEE

6. If Indian, Allottee or Tribe Name:

SUNDRY NOTICES AND REPORTS ON WELLS

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

7. Unit Agreement Name:

ROOSEVELT Unit

8. Well Name and Number:

R.V. - B2-20

9. API Well Number:

4304731187

10. Field and Pool, or Wildcat:

ALTAMONT-BLUEBELL

County: VINTAH

State: UTAH

1. Type of Well: OIL  GAS  OTHER:

2. Name of Operator: ROAD RUNNER OIL, INC.

3. Address and Telephone Number: BOX 358 DUCHESNE, UT. 84001 801-548-2343

4. Location of Well: NW 1/4 SW 1/4 SEC 20 T15 R1E Tract # 274-B  
Footages: GREEN RIVER

QQ, Sec., T., R., M.:

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

NOTICE OF INTENT  
(Submit in Duplicate)

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

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

SUBSEQUENT REPORT  
(Submit Original Form Only)

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

Date of work completion \_\_\_\_\_

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

\* Must be accompanied by a cement verification report.

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

Change of Operator From Intrepid to Road Runner Oil, Inc.  
GREEN RIVER FORMATION.

13.

Name & Signature:

Title:

PRESIDENT

Date:

5/6/97

(This space for State use only)



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155

IN REPLY REFER TO  
UT-931

May 21, 1997

Department of Natural Resources  
Division of Oil, Gas & Mining  
P.O. Box 145801  
Salt Lake City, Utah 84114-5801

Re: Roosevelt Unit  
Duchesne County, Utah

Gentlemen:

Enclosed is the information you requested on the operator for the Roosevelt Unit, Duchesne County, Utah. Gavilan Petroleum Inc. was approved as operator for the Green River Participating Area, Roosevelt Unit on March 16, 1988.

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks  
Chief, Branch of Fluid Minerals

Enclosure

bcc: Agr. Sec. Chron.  
Fluid Chron

UT931:TATHOMPSON:tt:05/21/97

May 27, 1997

To: Gil Hunt  
Lowell Braxton  
John Baza  
Operator & Bonding Files

From: Lisha Cordova

Re: Update to Pending Operator Change (Roosevelt B2) Well

N6810 - Intrepid Oil & Gas LLC  
Roosevelt B2/43-047-31187 Sec. 20, T. 1S, R. 1E, Uintah County  
**Active** CD 394310392581 (\$20,000) eff. 9/96  
(Roosevelt Unit)

05-15-97 Letter to DOGM, Intrepid/Hugh Harvey objects to change of operator to Road Runner Oil Inc. \*Attachment

05-27-97 I spoke with Mr. Harvey via telephone. He informed me that he has met with his attorney and has been informed that if the BIA approves the operator change it will not affect this well based on legal documents, interest assignments, etc. Mr. Harvey requests that DOGM keep him apprised of any additional information. I stated that the Division would not change the operator of the Roosevelt B2 well until further notice by BIA/BLM, and DOGM review.

Road Runner Oil Inc./John Pinder

5-06-97 Submitted change of operator sundry (Roosevelt B2) and Bonding, CD 0389992633943 (\$40,000) Active

\*(\$20,000) Roosevelt B2 (Intrepid Oil & Gas LLC) \*Bond Reduction PBTD 9960' fr. 40,000 (\$20,000) RU 15-A1E (Gavilan Petroleum Inc.) \*Add'l 20,000 Ref. (TD 10275')

Operator Change History

09/96 to Intrepid Oil & Gas LLC, CD 394310392581 (\$20,000) Active

09/96 fr Emerald Oil & Mining Co., CD 30300187 (\$20,000) rel. 9/96  
01/95 fr Gavilan Petroleum Inc., IDLOC S004641 (\$20,000) rel. 8/95  
03/88 fr Walker Energy Group, Surety 053447 (\$50,000) rel. 7/91  
11/85 fr Rio Bravo, Surety 028199238 (\$50,000) Active

**facsimile**  
TRANSMITTAL

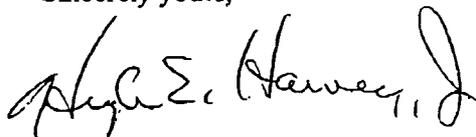
to: Lisha Cordova, DOGM  
fax #: 801 359 3940  
re: Roosevelt B-2 well  
date: May 15, 1997  
pages: 1, including this cover sheet.

We object to Road Runner Oil, Inc's request for a change of Operator on the above well. We had never heard of Road Runner Oil, Inc. prior to your telephone call today. We are unaware of their owning an interest in the referenced well and have requested of them that they furnish us evidence of their ownership.

Further, we are unaware of any rights they have which would allow them to become the designated operator of the well.

Please keep us informed of any developments concerning this matter.

Sincerely yours,



From the desk of...

Hugh E. Harvey, Jr.  
Operating Manager  
Intrepid Oil & Gas LLC  
1801 Broadway Suite 800  
Denver, CO 80203

(303)298-1951  
Fax: (303)298-7502

PHONE CONVERSATION DOCUMENTATION FORM

Route original/copy to:

[ ] Well File Roosevelt B2  
(Location) Sec 20 Twp 15 Rng E  
(API No.) 43-047-31187

[ ] Suspense  
(Return Date) \_\_\_\_\_  
(To - Initials) \_\_\_\_\_

Other  
Oper. Chg.

1. Date of Phone Call: 5-15-97 Time: 9:45

2. DOGM Employee (name) L. Cordova (Initiated Call   
Talked to:

Name Hugh Harvey (Initiated Call [ ] - Phone No. (303) 298-1951  
of (Company/Organization) Intrepid Oil & Gas LLC (N6810)

3. Topic of Conversation: Oper. chg. Roosevelt B2 "Intrepid to Road Runner Oil Inc."  
\* Req. Resignation of well or comments.

4. Highlights of Conversation: Mr. Harvey has had no contact w/ Road Runner Oil Inc. "Q. Pinder".  
This was the first he had heard of it. He is going to submit  
Comments to DOGM.

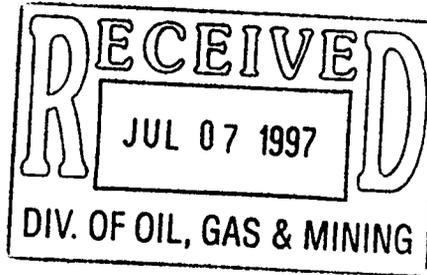
\* Copy of sundry submitted to DOGM by Road Runner Oil Inc.  
was faxed to him today!

# Snell & Wilmer

L.L.P.  
LAW OFFICES

111 East Broadway, Suite 900  
Salt Lake City, Utah 84111  
(801) 237-1900  
Fax: (801) 237-1950

Phillip Wm. Lear (801) 237-1967  
Internet: lear@swlaw.com



*Lisha Cordova*  
*CI cl'd John Gil with*  
*the fax copy of 7-3)*  
*44*  
SALT LAKE CITY, UTAH

PHOENIX, ARIZONA  
TUCSON, ARIZONA  
IRVINE, CALIFORNIA

July 3, 1997

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

Re: Gavilan Petroleum, Inc.  
Roosevelt Unit

Dear Lowell:

This letter notifies you that effective Wednesday, July 2, 1997, Road Runner Oil, Inc. acquired all stock of Gavilan Petroleum, Inc.. Gavilan remains operator of the Roosevelt Unit (Green River participating area) and of the Green River Wells within the unit. As evidence of the acquisition, I am providing a photocopy of Stock Certificate No. 5 of Gavilan Petroleum, Inc. indicating that Road Runner owns the shares of Gavilan Petroleum, Inc. We will provide you with verifying documents from the records of Utah Division of Corporations and Commercial Code regarding the change of management and new addresses as soon as the paperwork is processed.

In the interim, and as a matter of notice, all future correspondence, decisions, and directives to Gavilan Petroleum, Inc. Should be sent to the following address:

Mr. John R. Pinder  
P.O. Box 358  
34058 Strawberry River Road  
Duchesne, UT 84021  
Telephone: (801) 548-2343

Snell & Wilmer  
L.L.P.

Lowell P. Braxton  
July 3, 1997  
Page 2

Should you have any questions, please contact me.

Very truly yours,



Phillip Wm. Lear

cc: Diane Mitchell, Real Property Officer  
Rose Vallie-Robirds, Esq.  
John R. Pinder  
Thomas W. Bachtell, Esq.  
Mr. Jay Mealey

NUMBER  
5

SHARES  
- 1,102



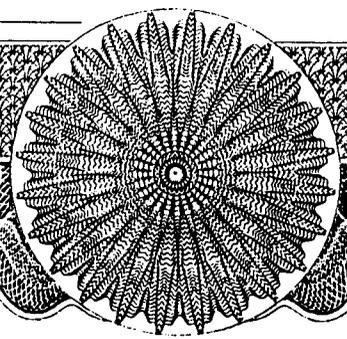
INCORPORATED UNDER THE LAWS OF THE STATE OF UTAH

# GAVILAN PETROLEUM, INCORPORATED

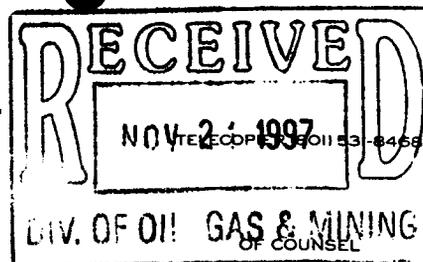
The Corporation is authorized to issue 1,000 Shares — Without Par Value

This Certifies that ROAD RUNNER OIL, INC. is the owner of  
-ONE THOUSAND ONE HUNDRED TWO- fully paid and  
non-assessable Shares of the above Corporation, transferable only on the  
books of the Corporation by the holder hereof in person or by duly authorized  
Attorney upon surrender of this Certificate properly endorsed.

In Witness Whereof, the said Corporation has caused this Certificate to be signed  
by its duly authorized officers and to be sealed with the Seal of the Corporation.  
Dated JULY, 2, 1997



LAW OFFICES  
PRUITT, GUSHEE & BACHTELL  
SUITE 1850 BENEFICIAL LIFE TOWER  
SALT LAKE CITY, UTAH 84111-1495  
(801) 531-8446



ROBERT G. PRUITT, JR.  
OLIVER W. GUSHEE, JR.  
THOMAS W. BACHTELL  
A. JOHN DAVIS, III  
JOHN W. ANDERSON  
FREDERICK M. MACDONALD  
JOHN F. WALDO  
ANGELA L. FRANKLIN  
JOHN S. FLITTON  
MICHAEL S. JOHNSON  
CHRISTOPHER J. CASTILLO

November 20, 1997

ROBERT G. PRUITT, III  
BRENT A. BOHMAN

COPY

**VIA CERTIFIED MAIL - RETURN**  
**RECEIPT REQUESTED Z 420 371 342**

Charles Cameron, Petroleum Engineer  
United States Department of Interior  
Bureau of Indian Affairs  
Uintah and Ouray Agency  
Fort Duchesne, UT 84026

Re: Roosevelt Unit #B2-20 Well Operating Rights

Dear Mr. Cameron:

As you know, Pruitt, Gushee & Bachtell represents Intrepid Oil & Gas L.L.C. ("Intrepid"). Please note that Intrepid has owned and operated the Roosevelt Unit #B2-20 Well under effective assignments and conveyances since August 1, 1996. It has come to our attention that an entity known as Road Runner Oil, Inc. may allege that it has a right to operate this well or that it has a valid claim against this well. This allegation is not true and this claim is not valid. Also, no sale of Intrepid's interest is pending, nor is Intrepid conducting discussions for the sale of this well. Should you receive representations to the contrary, please let us know directly.

Very truly yours,

Christopher J. Castillo

CJC:jl  
1852.03

cc: Robert P. Jornayvaz, III and Hugh Harvey, Intrepid Oil & Gas L.L.C.  
Robert A. Henricks, Chief, Branch Fluid Minerals, Bureau of Land Management  
Rose Vallie, Staff Attorney, Office of the Solicitor  
Robert J. Thompson, III, General Council, Ute Indian Tribe  
Jerry Kenzka, Petroleum Engineer, Bureau of Land Management, Vernal Office  
Lisha Cordova, Administrative Analyst, Division of Oil, Gas and Mining.

CJC\CORRESPD\CAMERON.LTR

\*\*\*\*\*  
 \*  
 \* UTAH DEPARTMENT OF COMMERCE  
 \* 10/10/97 DIVISION OF CORPORATIONS AND COMMERCIAL CODE 16:27:4  
 \*  
 \*\*\*\*\*

CORPORATION TRANSCRIPT # 116734 PAGE:

BUSINESS NAME: GAVILAN PETROLEUM, INCORPORATED  
 34058 W STRAWBERRY RVR RD  
 POB 408 DUCHESNE UT 84021

STATUS: GOOD STANDING

SIC CODE: 1389 OIL AND GAS FIELD SERVICES, NEC PROFIT: Y

DATE OF INCORPORATION: 09/09/1985 DATE OF LAST ANNUAL REPORT: 09/22/97

-----  
 REGISTERED AGENT: JOHN PINDER  
 34058 W STRAWBERRY RVR RD  
 POB 408 DUCHESNE UT 84021

-----  
 OFFICERS AND DIRECTORS

TP NAME	ADDRESS	CITY/STATE	ZI
P JOHN PINDER	BOX 358	DUCHESNE UT	84
VP ROBERT PINDER	BOX 1329	PARK CITY UT	84
S ROBERT PINDER	BOX 1329	PARK CITY UT	84
TR JAY MEALEY	215 S STATE STE 550	SALT LAKE CITY UT	84
D JOHN PINDER	BOX 358	DUCHESNE UT	84
D ROBERT PINDER	BOX 1329	PARK CITY UT	84

ADDITIONAL OFFICERS: NO ADDITIONAL DIRECTORS: NO

-----  
 SHARE INFORMATION

CLASS	AUTHORIZED
COMMON	50,000

-----

\*\*\*\*\*  
 \*  
 \* UTAH DEPARTMENT OF COMMERCE  
 \* 10/10/97 DIVISION OF CORPORATIONS AND COMMERCIAL CODE 16:27:4  
 \*  
 \*\*\*\*\*

CORPORATION TRANSCRIPT # 116734 PAGE:  
 BUSINESS NAME: GAVILAN PETROLEUM, INCORPORATED

-----  
 REMARKS

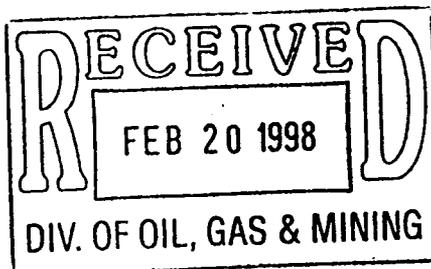
- 01 11-1-86 SUSPENDED FOR FAIURE TO FILE AN ANNUAL REPORT
- 02 11-25-86 REINSTATED
- 03 9-14-89 AR RETD FOR PRES & SECTY, NEW REG AGENT. FEE PAID. (GB)
- 04 3-7-90 MERGER OF GAVILAN OPERATING, INC., A UT CORP. FILE #123600 INTO
- 05 GAVILAN PETROLEUM, INCORPORATED (BS)
- 06 1-24-91 MERGER OF CROWN SUBSIDIARY CORP., A UT CORP. FILE #144669 INTO
- 07 GAVILAN PETROLEUM, INCORPORATED (BS)
- 08 10-17-89 REGISTERED AGENT CHANGED <-
- 09 09-17-90 REGISTERED AGENT ADDRESS CHANGED <-
- 10 10-02-92 ANNUAL REPORT FILED BY COUPON SHOWING NO CHANGES FROM PREVIOUS YR.
- 11 10-02-95 ANNUAL REPORT FILED BY COUPON SHOWING NO CHANGES FROM PREVIOUS YR.
- 12 09-30-96 ANNUAL REPORT FILED BY COUPON SHOWING NO CHANGES FROM PREVIOUS YR.
- 13 09-04-97 ANNUAL REPORT RECEIVED 08-11-97. REJECTED FOR USING A PO BOX
- 14 FOR REGISTERED AGENT & NO FEE. FORM RETURNED. (DH)

-----  
 MERGERS

144669 CROWN SUBSIDIARY CORP.  
 MERGED ON 01/24/91 INTO:  
 116734 GAVILAN PETROLEUM, INCORPORATED

-----

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING



SURETY BOND - FORM 4-A

57 43 38

KNOW ALL MEN BY THESE PRESENTS:

That we ROAD RUNNER OIL, INC. (operator name) as Principal,

and GULF INSURANCE COMPANY (surety name) as Surety,  
duly authorized and qualified to do business in the State of Utah, are held and firmly bound unto the State of Utah in the sum of:

Eighty Thousand dollars (\$ \$80,000.)

lawful money of the United States, payable to the Director of the Division of Oil, Gas and Mining, as agent of the State of Utah, for the use and benefit of the State of Utah for the faithful payment of which we bind ourselves, our heirs, executors, administrators and successors, jointly and severally by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, WHEREAS, the principal is or will be engaged in drilling, redrilling, deepening, repairing, operating, and plugging and abandonment a well or wells and restoring the well site or sites in the State of Utah for the purposes of oil or gas production and/or the injection and disposal of fluids in connection therewith for the following described land or well:

- Blanket Bond: To cover all wells drilled in the State of Utah
- Individual Bond: Well No. \_\_\_\_\_  
Section \_\_\_\_\_ Township \_\_\_\_\_ Range \_\_\_\_\_  
\_\_\_\_\_ County, Utah

NOW, THEREFORE, if the above bounden principal shall comply with all the provisions of the laws of the State of Utah and the rules, orders and requirements of the Board of Oil, Gas and Mining of the State of Utah, including, but not limited to the proper plugging and abandonment of wells and well site restoration, then this obligation is void; otherwise, the same shall be and remain in full force and effect.

IN TESTIMONY WHEREOF, said Principal has hereunto subscribed his or their names or has caused this instrument to be signed by its duly authorized officers and its corporate seal to be affixed this

17TH day of FEBRUARY, 19 98 ROAD RUNNER OIL, INC.

(Seal)

[Signature]  
Principal  
By JOHN PINDER PRESIDENT  
Name and Title

IN TESTIMONY WHEREOF, said Surety has caused this instrument to be signed by its duly authorized officers and its corporate seal to be affixed this 17TH day of FEBRUARY, 19 98

(Seal)

GULF INSURANCE COMPANY  
Surety (Attach Power of Attorney)  
By [Signature]  
DAN L. DILLINGHAM and Title ATTORNEY-IN-FACT  
P. O. BOX 1741  
Surety's Mailing Address  
DALLAS, TEXAS 75221



# POWER OF ATTORNEY

**KNOW ALL MEN BY THESE PRESENTS:**

That GULF INSURANCE COMPANY, a corporation of the State of Missouri, hereinafter called "Company," does hereby appoint

DAN L. DILLINGHAM OR JOHN E. DILLINGHAM OR DANIEL CHAD DILLINGHAM OR JOHN K. MARTIN

ENID, OKLAHOMA

its true and lawful Attorney-in-fact to make, execute, seal and deliver on its behalf, as surety, any and all bonds and undertakings of suretyship.

The execution of such bonds or undertakings in pursuance of these presents shall be as binding upon the Company as if they had been executed and acknowledged by the regularly elected officers of the Company.

This Power of Attorney is issued pursuant to and by authority of the following resolution of the Board of Directors of the Company, adopted effective July 1, 1983, and now in full force and effect:

"Resolved that the President, or any Senior Vice President, or any Vice President, or the Secretary, or any Assistant Secretary may appoint Attorneys-in-fact in any state, territory or federal district to represent this Company and to act on its behalf within the scope of the authority granted to them, in writing, which authority may include the power to make, execute, seal and deliver on behalf of this Company, as surety, and as its act and deed, any and all bonds and undertakings of suretyship and other documents that the ordinary course of surety business may require, including authority to appoint agents for the service of process in any jurisdiction, state or federal, and authority to attest to the signature of the President, or any Senior Vice President, or any Vice President, or the Secretary, or any Assistant Secretary and to verify any affidavit or other statement relating to the foregoing, and to certify to a copy of any of the bylaws of the Company and to any resolutions adopted by its Board of Directors; and any such Attorney-in-fact may be removed and the authority granted him revoked by the President, or any Senior Vice President, or any Vice President, or the Secretary, or any Assistant Secretary, or by the Board of Directors."

This Power of Attorney and Certificate are signed and sealed by facsimile under and by authority of the following resolution of the Board of Directors of the Company, adopted effective July 1, 1983, and now in full force and effect:

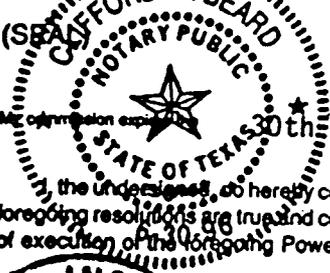
"Resolved that the signature of the President, or of any Senior Vice President, or of any Vice President, or of the Secretary, or of any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Attorneys-in-fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, including any such power of attorney and certificate revoking the authority of the foregoing Attorneys-in-fact, as well as for the appointment of agents for the service of process in any jurisdiction, state or federal, including any such power of attorney and certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power of attorney or certificate so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company at the time any such power of attorney and certificate are executed and in the future with respect to any bond or undertaking to which they are attached."

In Witness Whereof, the Company has caused this Power of Attorney to be signed and its corporate seal to be affixed by its authorized officer this 13th day of June, 1996



By *Bill M... ..*  
Sr. Vice President

On this 13th day of June, 1996 before me, a Notary Public of the State and County aforesaid, residing therein, duly commissioned and sworn, personally came the above named officer of GULF INSURANCE COMPANY, who being by me first duly sworn according to law, did depose and say that he is that officer of the company described in and which executed the foregoing instrument; that he knows the seal of said company; that the seal affixed to such instrument is the corporate seal of said company; and that the corporate seal and his signature as such officer were affixed and subscribed to the said instrument by the authority and direction of said company.



*Clifford R. Beard*  
Clifford R. Beard Notary Public

### CERTIFICATE

the undersigned do hereby certify that the original Power of Attorney of which the foregoing is a true and correct copy is in full force and effect, and the foregoing resolutions are true and correct transcripts from the records of GULF INSURANCE COMPANY and that the above named officer was on the date of execution of the foregoing Power of Attorney authorized to execute this Power of Attorney.



In Witness Whereof, I have hereunto subscribed my name and affixed the corporate seal of Gulf Insurance Company this 17th day of FEBRUARY, 1998

*Rodney Ricketts*  
Vice President

Division of Oil, Gas and Mining  
**PHONE CONVERSATION DOCUMENTATION FORM**

Route original/copy to:

Well File \_\_\_\_\_  
**B2-20**  
(Loc.) Sec \_\_\_\_\_ Twp \_\_\_\_\_ Rng \_\_\_\_\_  
(API No.) \_\_\_\_\_

Suspense  
(Return Date) \_\_\_\_\_  
(To-Initials) \_\_\_\_\_

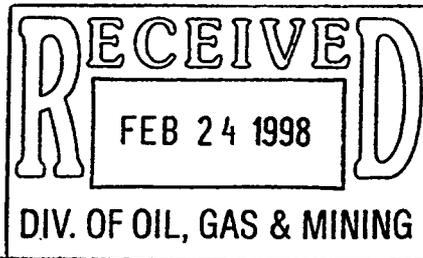
Other  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

1. Date of Phone Call: 3-10-98 Time: 2:09

2. DOGM Employee (name) L. CORDOVA (  Initiated Call)  
Talked to:  
Name JOHN PINDER (  Initiated Call) - Phone No. (      )  
of (Company/Organization) GAVILAN / ROAD RUNNER

3. Topic of Conversation: INTREPID B2-20 WELL.  
HE WANTED TO KNOW WHAT DOCUMENTATION WAS SUBMITTED BY EMERALD OIL  
AND GAVILAN WHEN OPERATOR OF WELL CHANGED TO EMERALD OIL.

4. Highlights of Conversation: \_\_\_\_\_  
SUNDRY NOTICE FILED BY BOTH EMERALD OIL AND GAVILAN. NO OTHER DOC.  
FILED BY THEM.  
\*HE WAS LOOKING FOR SPECIFIC DETAILS OF SALE/AGREEMENT.



ROAD RUNNER OIL, INC.  
BOX 358  
DUCHESNE, UT 84021  
(801) 548-2343

February 17, 1998

VIA FACSIMILE AND REGULAR MAIL

Lisha Cordola  
Division of Oil, Gas & Mining  
State of Utah  
1594 West North Temple, Suite 1210  
Salt Lake City, UT 84114

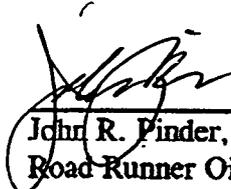
Dear Lisha:

Pursuant to terms of escrow instructions given to you regarding the Amtech Post 1-19 Well located in the Roosevelt Unit and upon successful placement of an area bond on behalf of Road Runner Oil, Inc., please utilize this letter as a directive to initiate the following:

1. Place the Amtech Post 1-19 Well under Road Runner's bond;
2. Release \$10,000.00 of Amtech's \$20,000.00 bond directly to Phil Lear or designee;
3. Send balance of bond to Steve Hill;
4. Place the following wells under Road Runner's bonds in addition to the list provided herein:

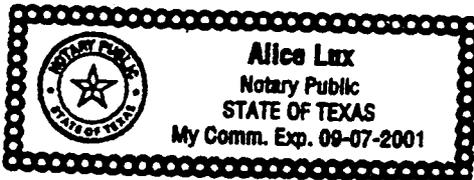
Birch 1-25	A.P.I. #
Sorenson 1-5	A.P.I. #
Sorenson 1-6	A.P.I. #
Intrepid B-2-20	A.P.I. #
Quinex Mary R. U.	A.P.I. #
North Duchesne 1-7	A.P.I. #

Lisha Cordola  
Division of Oil, Gas & Mining  
February 17, 1998  
Page 2

  
\_\_\_\_\_  
John R. Pinder, President  
Road Runner Oil, Inc.  
Road Runner Operating Co., Inc.

STATE OF Texas )  
COUNTY OF Harris ) ss:

SUBSCRIBED AND SWORN to before me this 17 day of February, 1998.



  
\_\_\_\_\_  
Notary Public  
Residing in: Harris County

My commission expires:

9-7-2001

LISHA =  
Sundry Notices will be  
filed when I return to  
UTAH next week.

CASPER #4  
HOUSTON  
PETERSON  
LEETON

**ROOSEVELT UNIT WELLS**

SECTIONS 13, 14, 23, 24 T15, R1W, UINAH County, UTAH  
SECTIONS 17, 18, 19, 20, 21, 27, 28, 29, T15, R1E UINAH County, UTAH

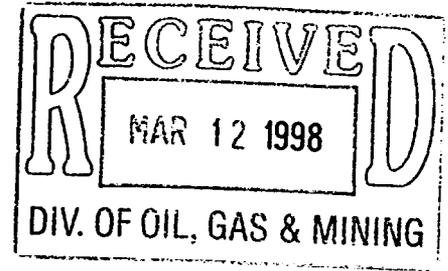
Richardson -

UNIT WELL	API NUMBER	OPERATOR
R.U. MARY	R.U. 278	QUINEX
R.U. 1	43-047-15550	GAVILAN
R.U. 2	43-047-15551	GAVILAN
R.U. 3	43-047-16552	GAVILAN
R.U. 4	43-047-15549	GAVILAN
R.U. 8	43-047-31384	GAVILAN
R.U. 10	43-047-31429	GAVILAN
R.U. 11	43-047-31428	GAVILAN
R.U. 12 GR	43-047-31427	GAVILAN
R.U. 13	43-047-31414	GAVILAN
R.U. 15 AIE	43-047-31686	GAVILAN
R.U. 18 AIE	43-047-31687	GAVILAN
R.U. POST 1-19	43-047-30802	GAVILAN
R.U. 20-2	43-047-31422	GAVILAN
R.U. B2	43-047-31187	INTREPID
R.U. 5	43-047-31447	RICHARDSON
R.U. 6W	43-047-31368	RICHARDSON
R.U. A-7	43-047-31402	RICHARDSON
R.U. 9W	43-047-31445	RICHARDSON
R.U. 10W	43-047-31446	RICHARDSON
R.U. C-11	43-047-31500	RICHARDSON

Including all  
Indian Leases and  
Allotted Interests  
Therein.  
Attachment of the  
Indian Leases will  
be filed as exhibits  
after approvals.

GREAT WESTERN Energy Co. (GWECO) & AMTECH  
BIRCH 1-25  
Sorenson 1-5  
Sorenson 1-6  
North Duchesne 1-7  
Post 1-19  
(HOUSTON (Roosevelt Unit))  
(LEETON (Roosevelt Unit))

**DILLINGHAM**  
I • N • S • U • R • A • N • C • E



March 9, 1998

Lisha Cordova  
State of Utah  
Division of Oil, Gas & Mining  
P O Box 145801  
Salt Lake City, UT 84114-5801

RE: Road Runner Oil, Inc., Bond No. 57 43 38

Lisha, please accept the enclosed Change of Name of Principal Rider on the above bond adding Gavilan Petroleum, Inc. to the above bond.

We would appreciate it if you would sign the copy as approved and return in the enclosed envelope. Should you need any additional information, please let me know. Thank you.

Cordially,

**DILLINGHAM INSURANCE**

A handwritten signature in cursive script, appearing to read "Norine Dotson".

Norine Dotson

CC: Road Runner Oil, Inc.  
P O Box 409  
Duchesne, UT 84201

CC: Gulf Insurance Company  
Dallas, TX



Affiliated with InServices, Inc.



CHANGE IN NAME OF PRINCIPAL RIDER

To be attached to and form a part of Bond No. 57 43 38 in the amount of \$ 80,000.00 issued by GULF INSURANCE COMPANY on behalf of ROAD RUNNER OIL, INC. in favor of STATE OF UTAH

It is understood and agreed that the bond described above is hereby modified so as to state the name of the Principal therein as ROAD RUNNER OIL, INC. AND GAVILAN PETROLEUM, INC. instead of ROAD RUNNER OIL, INC.

from and after FEBRUARY 17, 1998

It is further expressly understood and agreed that the aggregate liability of the Company under said bond to the obligee herein mentioned shall not exceed the amount stated above.

Nothing herein contained shall be held to vary, alter, waive, or extend any of the terms, agreements, conditions or limitations of the above mentioned bond, other than as above stated.

Signed, sealed, and dated this 6TH day of MARCH 19 1998

ROAD RUNNER OIL, INC. & GAVILAN PETROLEUM, INC. Principal

GULF INSURANCE COMPANY

APPROVED

By

DAN L. DILLINGHAM,

Attorney in fact

DATE

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

DATE: 3-12-98 BY: [Signature]



**POWER OF ATTORNEY**

**KNOW ALL MEN BY THESE PRESENTS:**

That GULF INSURANCE COMPANY, a corporation of the State of Missouri, hereinafter called "Company," does hereby appoint

DAN L. DILLINGHAM OR JOHN E. DILLINGHAM OR DANIEL CHAD DILLINGHAM OR  
JOHN K. MARTIN

ENID, OKLAHOMA

its true and lawful Attorney-in-fact to make, execute, seal and deliver on its behalf, as surety, any and all bonds and undertakings of suretyship.

The execution of such bonds or undertakings in pursuance of these presents shall be as binding upon the Company as if they had been executed and acknowledged by the regularly elected officers of the Company.

This Power of Attorney is issued pursuant to and by authority of the following resolution of the Board of Directors of the Company, adopted effective July 1, 1983, and now in full force and effect:

"Resolved that the President, or any Senior Vice President, or any Vice President, or the Secretary, or any Assistant Secretary may appoint Attorneys-in-fact in any state, territory or federal district to represent this Company and to act on its behalf within the scope of the authority granted to them, in writing, which authority may include the power to make, execute, seal and deliver on behalf of the Company, as surety, and as its act and deed, any and all bonds and undertakings of suretyship and other documents that the ordinary course of surety business may require, including authority to appoint agents for the service of process in any jurisdiction, state or federal, and authority to attest to the signature of the President, or any Senior Vice President, or any Vice President, or the Secretary, or any Assistant Secretary and to verify any affidavit or other statement relating to the foregoing, and to certify to a copy of any of the bylaws of the Company and to any resolutions adopted by its Board of Directors; and any such Attorney-in-fact may be removed and the authority granted him revoked by the President, or any Senior Vice President, or any Vice President, or the Secretary, or any Assistant Secretary, or by the Board of Directors."

This Power of Attorney and Certificate are signed and sealed by facsimile under and by authority of the following resolution of the Board of Directors of the Company, adopted effective July 1, 1983, and now in full force and effect:

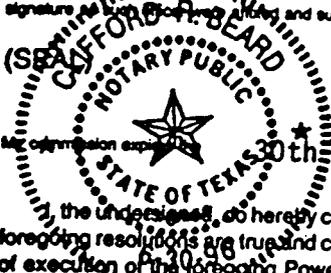
"Resolved that the signature of the President, or of any Senior Vice President, or of any Vice President, or of the Secretary, or of any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Attorneys-in-fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, including any such power of attorney and certificate revoking the authority of the foregoing Attorneys-in-fact, as well as for the appointment of agents for the service of process in any jurisdiction, state or federal, including any such power of attorney and certificate bearing the authority of such agents; and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power of attorney or certificate so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company at the time any such power of attorney and certificate are executed and in the future with respect to any bond or undertaking to which they are attached."

In Witness Whereof, the Company has caused this Power of Attorney to be signed and its corporate seal to be affixed by its authorized officer this 13th day of June, 1996



By Bill Mearns  
Sr. Vice President

On this 13th day of June, 1996 before me, a Notary Public of the State and County aforesaid, residing therein, duly commissioned and sworn, personally came the above named officer of GULF INSURANCE COMPANY, who being by me first duly sworn according to law, did depose and say that he is that officer of the company described in and which executed the foregoing instrument; that he knows the seal of said company; that the seal affixed to such instrument is the corporate seal of said company; and that the corporate seal and his signature as both officer and Notary Public, affixed and subscribed to the said instrument by the authority and direction of said company.



Clifford R. Beard  
Notary Public

**CERTIFICATE**

the undersigned, do hereby certify that the original Power of Attorney of which the foregoing is a true and correct copy is in full force and effect, and the foregoing resolutions are true and correct transcripts from the records of GULF INSURANCE COMPANY and that the above named officer was on the date of execution of the foregoing Power of Attorney authorized to execute this Power of Attorney.



In witness whereof, I have hereunto subscribed my name and affixed the corporate seal of Gulf Insurance Company this 6TH day of MARCH, 1998

Rodney Rickett  
Vice President

March 17, 1988

Gavilan Petroleum, Inc.  
4885 South 900 East, Suite 305  
Salt Lake City, Utah 84117

Re: Successor of Operator  
Roosevelt Unit  
Green River Participating Area  
Uintah County, Utah

Gentlemen:

We received an indenture dated December 9, 1987, whereby Walker Energy Group resigned as Operator of the Green River Participating Area and Gavilan Petroleum, Inc. was designated as Operator of the Green River Participating Area for the Roosevelt Unit Agreement, Uintah County, Utah.

This indenture was executed by all required parties. The signatory parties have complied with Section 6 of the unit agreement. The instrument is hereby accepted effective as of March 16, 1988. Please advise all interested parties of the change in unit operator.

Sincerely,

Orig. Sgd: J.A. Fouts

*for* Robert A. Henricks  
Chief, Branch of Fluid Minerals

Enclosure

bcc: District Manager - Vernal (w/enclosure)  
Division of Oil, Gas and Mining  
Branch of Lands and Minerals Operations (U-942)  
File - Roosevelt Unit (w/enclosure)  
Accounts - Denver  
Agr. Sec. Chron

U-922:TAThompson:tt:03-17-88  
0013U

**Gavilan Petroleum, Inc.  
Road Runner Oil, Inc.**

Box 409 Duchesne UT 84021

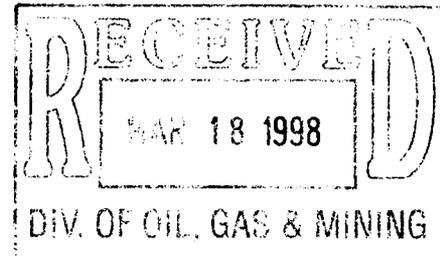
Ph: (435) 548-2343

Cel: (435) 828-6272

Fax: (435) 548-2445

March 17, 1998

**Intrepid Oil and Gas**  
1801 Broadway Suite 800  
Denver, Colorado 80202



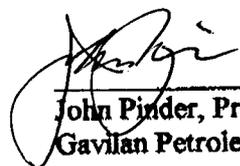
To Whom It May Concern:

Effective March 17, 1998, Gavilan Petroleum, Inc. as Operator of the Roosevelt Unit and pursuant to terms and conditions of The Roosevelt Unit operating agreement, hereby revokes any agency that may have been granted to parties of interest in the Roosevelt Unit B2-20 well.

Said operations by Gavilan Petroleum, Inc. to commence immediately. Any division order information should be forwarded to Gavilan Petroleum, Inc. in order to effectively pay working, royalty, and overriding royalty interests.

Gavilan Petroleum, Inc. will notify the purchaser of crude as to the new operator.

Sincerely,

  
\_\_\_\_\_  
John Pinder, President  
Gavilan Petroleum, Inc.

JPjc

cc: Phil Lear

**Gavilan Petroleum, Inc.  
Road Runner Oil, Inc.  
Road Runner Operating Co., Inc.**

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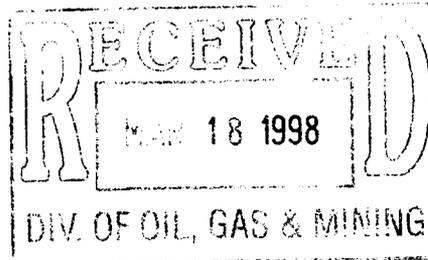
P.O. Box 409 Duchesne, UT 84021

Ph: (435) 548-2343

Cell: (435) 828-6272

Fax: (435) 548-2445

March 18, 1998



**Amoco Production Company  
521 South Boston Ave.  
Tulsa, OK 74103**

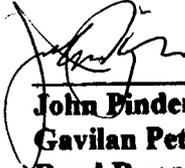
**To Whom It May Concern:**

**On February 25, 1998, Gavilan Petroleum, Inc., as unit operator, notified Intrepid Oil and Gas that Gavilan Petroleum, Inc. was taking over operations of the Intrepid's Roosevelt Unit B-2-20 well located in the Roosevelt Unit oil field, Uintah County, Utah.**

**Pursuant to the Unit Operating Agreement, Gavilan Petroleum, Inc. would now like all production funds of the Roosevelt Unit B-2-20 well, API# 43-047-31-187, Property #294807 00,T1S, R1E, Sec. 20, sent to Gavilan Petroleum, Inc. for distribution to royalty and working interest owners.**

**Please send an oil division order to Gavilan Petroleum, Inc. for 100% payment, less taxes. All proceeds from oil shipments should immediately be sent to Gavilan Petroleum, Inc. as of the effective date February 25, 1998.**

Sincerely,

  
\_\_\_\_\_  
**John Binder, President  
Gavilan Petroleum, Inc.  
Road Runner Oil, Inc.  
Road Runner Operating Co., Inc.**

JPjc

Division of Oil, Gas and Mining  
**PHONE CONVERSATION DOCUMENTATION FORM**

Route original/copy to:

Well File \_\_\_\_\_  Suspense  Other  
ROOSEVELT B2 (Return Date) \_\_\_\_\_ OPERATOR CHANGE  
(Loc.) Sec 20 Twp 1S Rng 1E (To-Initials) \_\_\_\_\_  
(API No.) 43-047-31187

1. Date of Phone Call: 3-19-98 Time: 12:05

2. DOGM Employee (name) L. CORDOVA ( Initiated Call)  
Talked to:  
Name DIANE MITCHELL ( Initiated Call) - Phone No. (435) 722-4310  
of (Company/Organization) BUREAU OF INDIAN AFFAIRS (UINTAH & OURAY)

3. Topic of Conversation: RECOGNIZED OPERATOR OF THE ROOSEVELT B2?

4. Highlights of Conversation: \_\_\_\_\_  
PURSUANT TO THE ROOSEVELT UNIT AGREEMENT (GRRV) GAVILAN IS THE  
RECOGNIZED OPERATOR OF THE WELL.

\*HOWEVER, AS OF THIS DAY THE BIA HAS NOT APPROVED THE CHANGE WITHIN  
GAVILAN PETROLEUM, INC. (JAY MEALEY TO JOHN PINDER), THEY ARE  
AWAITING IBIA DECISION.



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

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

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

March 19, 1998

John Pinder  
Gavilan Petroleum, Inc.  
P. O. Box 408  
Duchesne, Utah 84021

Re: Notification of Sale or Transfer of Fee Lease Interest

Dear Mr. Pinder:

The Division has received notification of a change of operator from Intrepid Oil & Gas L.L.C. to Gavilan Petroleum, Inc. for the following well which is located on a fee lease:

<u>Well Name</u>	<u>Sec.-T.-R.</u>	<u>API Number</u>
Roosevelt B2	20-01S-01E	43-047-31187

Utah Administrative Rule R649-2-10 states; the owner of a lease shall provide notification to any person with an interest in such lease, when all or part of that interest in the lease is sold or transferred.

This letter is written to advise Gavilan Petroleum, Inc. of its responsibility to notify all individuals with an interest in the lease (royalty interest and working interest) of the change of operator. Please provide written documentation of this notification to:

Utah Royalty Owners Association  
Box 1292  
Roosevelt, Utah 84066

Page 2  
Gavilan Petroleum, Inc.  
Notification of Sale  
March 19, 1998

Your assistance in this matter is appreciated.

Sincerely,

A handwritten signature in cursive script that reads "Lisha Cordova".

Lisha Cordova  
Admin. Analyst, Oil & Gas

cc: Intrepid Oil & Gas L.L.C., Hugh Harvey  
Utah Royalty Owners Association, Stephen Evans  
John R. Baza, Associate Director  
Operator File(s)

**Gavilan Petroleum, Inc.  
Road Runner Oil, Inc.  
Road Runner Operating Co., Inc**

---

Box 409 Duchesne UT 84021

Ph: (435) 548-2343

Cell: (435) 828-6272

Fax: (435) 548-2445

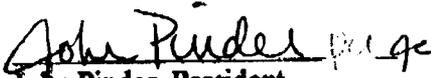
March 20, 1998

**Intrepid Oil and Gas  
1801 Broadway Suite 800  
Denver, Colorado 80202**

Dear Sir:

Pursuant to notice of change in well operations on the Roosevelt Unit B-2-20 well, Uintah County, Utah; please send a copy of your most current well Division Order, Working Interest ownership, and any suspense fund account information. Proceeds from Amoco for February's shipments should also be sent to Gavilan Petroleum, Inc. for distribution of the above.

Sincerely,

  
John Pinder, President  
Gavilan Petroleum, Inc.  
Road Runner Oil, Inc.  
Road Runner Operating, Inc.

JPsab

cc: Utah State Division of Oil, Gas, & Mining  
Phil Lear



3160  
(U-922)

June 3, 1991

Gavilan Petroleum Inc.  
3030 South Main, Suite 500  
Salt Lake City, Utah 84115

Re: Roosevelt Unit  
Green River Participating Area  
Uintah County, Utah

Gentlemen:

We have been prompted by current events within the referenced unit to restate the Utah State Office's position regarding the Green River Participating Area. Under the Roosevelt Unit Agreement, Gavilan Petroleum Inc. is the operator of the Green River Participating Area and, as such, is responsible for operations associated with the Participating Area. The unit operator is responsible to ensure operations are conducted in accordance with the terms of the all applicable laws, regulations, order, notices, etc. Of particular importance is to insure production accountability within the Green River Participating Area. Designation of Agent forms, previously approved for wells within the Green River Participating Area, are to allow another company besides the unit operator to drill and complete a well. Once the well is completed, jurisdiction and responsibilities revert back to the unit operator.

If you need further information or clarification, please advise.

Sincerely,

(Orig. Sgd.) R. A. Henricks

Robert A. Henricks  
Chief, Branch of Fluid Minerals

bcc: DM Vernal  
Roosevelt Unit File  
Agr. Sec. Chron.  
Fluid Chron

RAHenricks:jw:6/3/91  
HENRICKS



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

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

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

March 27, 1998

Mr. Hugh Harvey  
Intrepid Oil & Gas LLC  
1801 Broadway, Suite 800  
Denver, Colorado 80202

Re: Change of Operator - Roosevelt B2 Well, Section 20, Township 1 South,  
Range 1 East, API No. 43-047-31187, Uintah County, Utah

Dear Mr. Harvey:

On March 18, 1998, the Division of Oil, Gas and Mining (the "Division") received a copy of a letter transmitted from Gavilan Petroleum, Inc. ("Gavilan") to your office which indicated that Gavilan was revoking any agency that may have been granted to parties of interest in the referenced well, and that Gavilan was assuming operations of the well under the authority of the established operating agreement for the Roosevelt Unit. The Division previously received notification from the U.S. Bureau of Land Management ("BLM") that Gavilan was approved as operator for the Green River Participating Area of the Roosevelt Unit as of March 16, 1988 (see attached letter dated May 21, 1997). The referenced well is considered to be part of the Green River Participating Area.

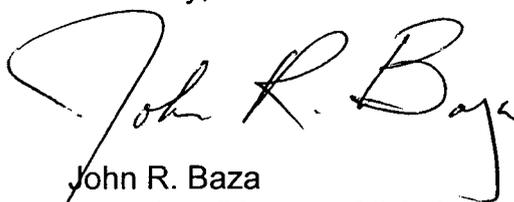
In the past few weeks, Gavilan furnished the Division with adequate bonding for wells located on lands with fee or privately owned minerals, which are operated by Gavilan. Also, through Mr. John Pinder as President, Gavilan made a request to the Division to change the operator of the referenced well as shown in Division records from Intrepid Oil & Gas LLC ("Intrepid") back to Gavilan.

Pursuant to this request, and in accordance with the decision rendered by the BLM pertaining to the designated operator of the Green River Participating Area, the Division recognizes Gavilan as operator of the referenced well. As indicated in R649-3-1., Bonding and R649-8-10, Form 9, Sundry Notices and Reports on Wells (copies enclosed), Intrepid must submit a completed Form 9 to the Division as a notice of change of operator. Once this requirement is met, the Division may then terminate liability for the referenced well under the bond supplied by Intrepid.

Page 2  
Intrepid Oil & Gas LLC  
March 27, 1998

If you have any questions concerning this matter, please contact Lisha Cordova or myself at the letterhead address and telephone number.

Sincerely,

A handwritten signature in black ink that reads "John R. Baza". The signature is written in a cursive style with a large, sweeping initial "J".

John R. Baza  
Associate Director, Oil & Gas

lec

Enclosure(s)

cc: Gavilan Petroleum, Inc., John Pinder, President  
Bureau of Land Management, Salt Lake Office  
Bureau of Indian Affairs, Uintah and Ouray Agency  
Lowell P. Braxton, Acting Director  
Patrick J. O'Hara, Assistant Attorney General  
Operator & Bond File(s)

INTREPID OIL & GAS LLC  
OPERATOR CHANGE  
ROOSEVELT B2

MAILING LIST

Mr. Hugh Harvey  
Intrepid Oil & Gas LLC  
1801 Broadway, Suite 800  
Denver, Colorado 80202

John Pinder, President  
Gavilan Petroleum, Inc.  
34058 Strawberry River Road  
Duchesne, Utah 84021

Bureau of Land Management  
Salt Lake Office  
P. O. Box 45155  
Salt Lake City, Utah 84145-0155

Bureau of Indian Affairs  
Uintah and Ouray Agency  
P. O. Box 130  
Ft. Duchesne, Utah 84026

Patrick J. O'Hara  
Assistant Attorney General  
Utah Attorney General's Office  
160 East 300 South, 5th Floor  
Salt Lake City, Utah 84114



---

Lisha Cordova  
Admin. Analyst  
March 27, 1998

**OPERATOR CHANGE WORKSHEET**

Routing	
1-LEC ✓	6-LE ✓
2-GLM ✓	7-KAS
3-DTB ✓	8-SI
4-VLD ✓	9-FILE
5-JRB ✓	

Attach all documentation received by the division regarding this change.  
Initial each listed item when completed. Write N/A if item is not applicable.

- Change of Operator (well sold)       Designation of Agent  
 Designation of Operator       Operator Name Change Only

The operator of the well(s) listed below has changed, effective: 3-17-98

<b>TO:</b> (new operator)	<u>GAVILAN PETROLEUM INC</u>	<b>FROM:</b> (old operator)	<u>INTREPID OIL &amp; GAS LLC</u>
(address)	<u>PO BOX 408</u>	(address)	<u>1801 BROADWAY STE 800</u>
	<u>DUCHESNE UT 84021</u>		<u>DENVER CO 80202</u>
	<u>JOHN PINDER</u>		<u>HUGH HARVEY</u>
Phone:	<u>(435)548-2343</u>	Phone:	<u>(303)298-1951</u>
Account no.	<u>N2275</u>	Account no.	<u>N6810</u>

**WELL(S)** attach additional page if needed:

**\*ROOSEVELT UNIT**

Name: <u>ROOSEVELT B2/GRRV</u>	API: <u>43-047-31187</u>	Entity: <u>9307</u>	S <u>20</u>	T <u>1S</u>	R <u>1E</u>	Lease: <u>FEE</u>
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____

**OPERATOR CHANGE DOCUMENTATION**

1. (r649-8-10) Sundry or other legal documentation has been received from the **FORMER** operator (attach to this form). *(See attached)*
2. (r649-8-10) Sundry or other legal documentation has been received from the **NEW** operator (Attach to this form). *(Rec'd 3-18-98)*
3. The **Department of Commerce** has been contacted if the new operator above is not currently operating any wells in Utah. Is the company **registered with the state?** (yes/no) \_\_\_\_\_ If yes, show company file number: \_\_\_\_\_
4. **FOR INDIAN AND FEDERAL WELLS ONLY.** The BLM has been contacted regarding this change. Make note of BLM status in comments section of this form. BLM approval of **Federal** and **Indian** well operator changes should ordinarily take place prior to the division's approval, and before the completion of **steps 5 through 9** below.
5. Changes have been entered in the **Oil and Gas Information System** (3270) for each well listed above. *(3-19-98)*
6. **Cardex** file has been updated for each well listed above. *(3-27-98)*
7. Well **file labels** have been updated for each well listed above. *(3-27-98)*
8. Changes have been included on the monthly "Operator, Address, and Account Changes" **memo** for distribution to Trust Lands, Sovereign Lands, UGS, Tax Commission, etc. *(3-19-98)*
9. A folder has been set up for the **Operator Change file**, and a copy of this page has been placed there for **reference during routing and processing of the original documents.**

**ENTITY REVIEW**

- Lee 1. (r649-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) no If entity assignments were changed, attach copies of Form 6, Entity Action Form.
- N/A/lee 2. Trust Lands, Sovereign Lands, Tax Commission, etc., have been notified through normal procedures of entity changes.

**BOND VERIFICATION - (FEE WELLS ONLY) \$20,000 Surety "Gulf Ins. Co." # 3-6-98.**

- Lee 1. (r649-3-1) The NEW operator of any fee lease well listed above has furnished a proper bond.
- Lee 2. A copy of this form has been placed in the new and former operator's bond files.
- Lee 3. The FORMER operator has requested a release of liability from their bond (yes/no) no, as of today's date march 19, 1998. If yes, division response was made to this request by letter dated \_\_\_\_\_.

**LEASE INTEREST OWNER NOTIFICATION OF RESPONSIBILITY**

- N/A/lee 1. Copies of documents have been sent on \_\_\_\_\_ to \_\_\_\_\_ at Trust Lands for changes involving State leases, in order to remind that agency of their responsibility to review for proper bonding.
- Lee 2. (r649-2-10) The former operator of any fee lease wells listed above has been contacted and informed by letter dated march 19, 1998, of their responsibility to notify all interest owners of this change.

**FILMING**

- 1. All attachments to this form have been microfilmed. Today's date: \_\_\_\_\_.

**FILING**

- 1. Copies of all attachments to this form have been filed in each well file.
- 2. The original of this form, and the original attachments are now being filed in the Operator Change file.

**COMMENTS**

980319 Roosevelt Unit - GRRV P.A. "Cavilan" oper. chg. ok per Admin.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

04/03/98

D E T A I L W E L L D A T A

menu: opt 00

api num: 4304731187 prod zone: GRRV sec twshp range qr-qr  
 entity: 9307 : ROOSEVELT B2 20 1.0 S 1.0 E NWSW  
 well name: ROOSEVELT B2  
 operator: N6810 : INTREPID OIL & GAS LLC meridian: U  
 field: 65 : BLUEBELL

confidential flag: confidential expires: alt addr flag:

\* \* \* application to drill, deepen, or plug back \* \* \*

lease number: FEE lease type: 4 well type: OW  
 surface loc: 1977 FSL 0770 FWL unit name: ROOSEVELT  
 prod zone loc: 1977 FSL 0770 FWL depth: 10000 proposed zone: GRRV  
 elevation: 5465' GR apd date: 820127 auth code:  
 \* \* completion information \* \* date recd: la/pa date:  
 spud date: 820214 compl date: 820607 total depth: 10014'

producing intervals: 8994-9960'  
 bottom hole: 1977 FSL 0770 FWL first prod: 820607 well status: POW  
 24hr oil: 495 24hr gas: 113 24hr water: 14 gas/oil ratio: 228  
 \* \* well comments: directionl: api gravity: 39.00

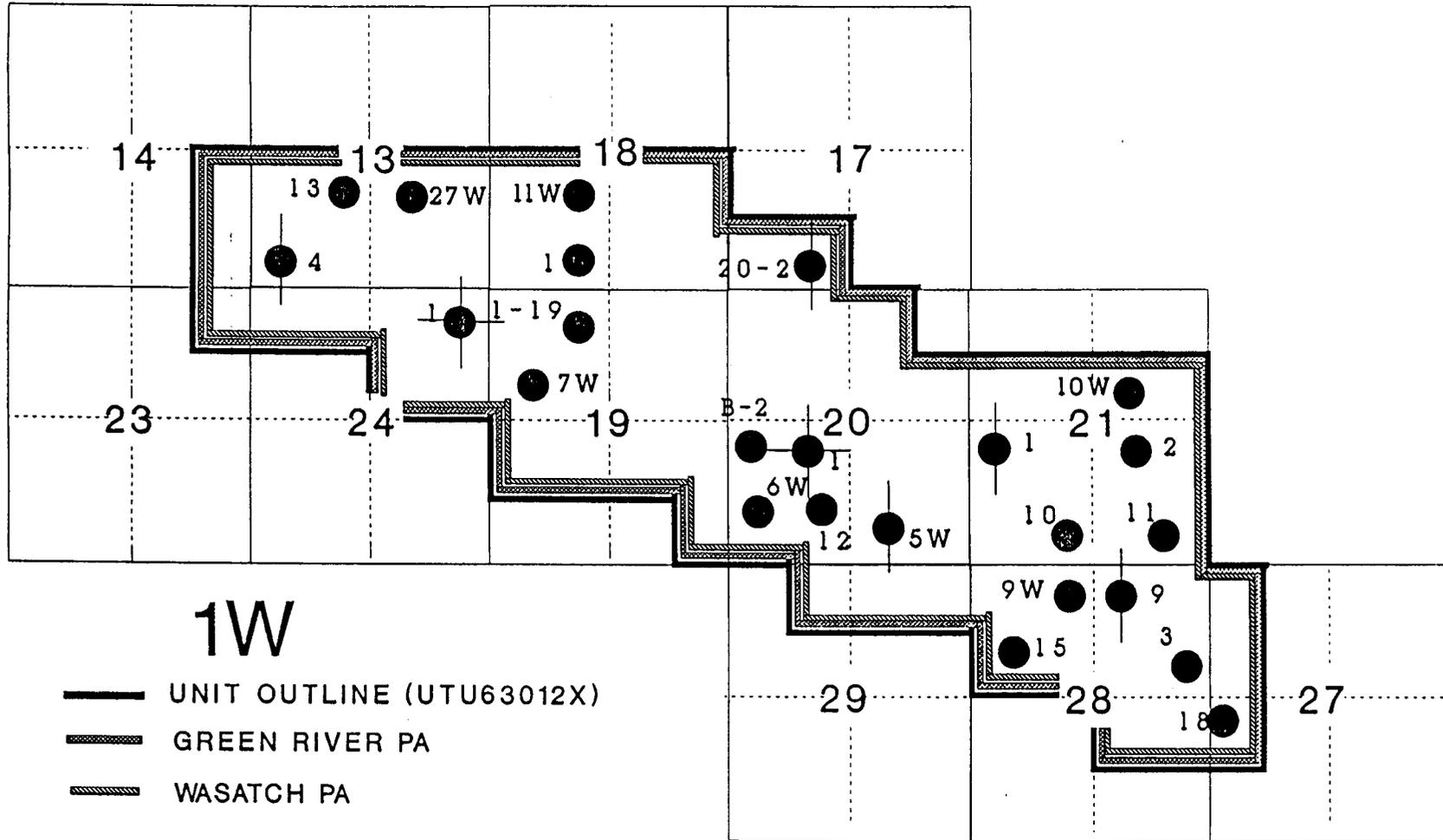
850416 ENTITY FR 9300:851101 FR N9510:860407 1984 CUM ADJ:880408 FR N9956  
 3/88:950803 FR N2275 1/95:960916 FR N0855 8/96:980319 FR N6810 EFF 3-17-98:  
 980403 FR N2275 EFF 3-17-98:

opt: 21 api: 4304731187 zone: GRRV date(yymm): enty 9307 acct:

# ROOSEVELT UNIT

## Uintah County, Utah

EFFECTIVE: OCTOBER 30, 1951



1S

1W

- UNIT OUTLINE (UTU63012X)
- GREEN RIVER PA
- WASATCH PA

GREEN RIVER PA ALLOCATION	
INDIAN	50.2862%
FEE	49.7138%
3,321.50 Acres	

WASATCH PA ALLOCATION	
INDIAN	50.2862%
FEE	49.7138%
3,321.50 Acres	

1E

AS CONTRACTED DECEMBER 1, 1954  
3,321.50 ACRES



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

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

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

April 3, 1998

John R. Pinder, President  
Gavilan Petroleum, Inc.  
34058 Strawberry River Road  
Duchesne, Utah 84021

Re: Operator Status of the Roosevelt B2 Well Located in Section 20, Township 1 South, Range 1 East, API No. 43-047-31187, Uintah County, Utah

Dear Mr. Pinder:

The purpose of this letter is to notify you and the parties indicated on the attached Mailing List that my letter of March 27, 1998, to Mr. Hugh Harvey at Intrepid Oil & Gas, LLC ("Intrepid") regarding the purported change of operator of the Roosevelt B2 well (the "B2") is hereby rescinded immediately and retroactive to the time of its issuance. This rescission letter is issued to give the Division of Oil, Gas and Mining (the "Division") a reasonable opportunity to investigate this matter further because, as set forth below, it is apparent that Intrepid challenges the accuracy of the change of operator sundry notice filed by Gavilan Petroleum, Inc. ("Gavilan").

When the Division issued the now-rescinded letter, the Division anticipated that Intrepid would agree to what appeared to the Division to be a routine change of operator. Now that the Division is aware that there is a substantial dispute, and so as to protect the due process rights of all concerned, it appears that this matter may need to be resolved as an adjudication. The Division expects both Intrepid and Gavilan to cooperate fully with the Division in resolving this dispute.

Since issuing that letter, the Division has been advised that Intrepid, the previously existing bonded operator of record of the well, refuses to sign a sundry notice confirming that Gavilan is the new operator of the B2. Intrepid also claims that it, not Gavilan, is the operator of the B2. Intrepid also claims that Intrepid owns 100% of the working interest in the B2, and that Intrepid has not, and will not, designate Gavilan as the operator of the B2. In the meantime, the Division will maintain the status quo, which is that Intrepid is the operator of the B2.

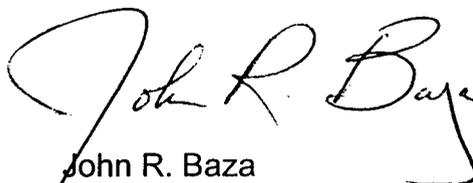
Page 2  
Gavilan Petroleum, Inc.  
April, 3, 1998

In rescinding my letter, let me emphasize that the Division is not necessarily finding that it agrees with Intrepid or that it disagrees with Gavilan. The Division is simply postponing a final decision on Gavilan's requested change of operator on the B2 until such time as it has had an opportunity to complete its investigation.

To move this informal investigation forward, I would like to meet jointly in person with representatives of both Gavilan and Intrepid on April 27, 1998, at 2:00 p.m. in Conference Room 1010 at the Natural Resources Building, 1594 West North Temple, Suite 1210, Salt Lake City, Utah. At that time, I would like to hear from both parties regarding their respective positions and I hope that this dialogue will promote a quick and early settlement of this impasse. It would be quite helpful if you could bring witnesses with personal knowledge of the facts and courtesy copies of all pertinent documents to the proposed meeting. If we cannot resolve this matter at that meeting, the Division or the parties may need to commence an adjudicatory proceeding.

Should you have any questions regarding this matter, please contact me or Lisha Cordova at (801)538-5340.

Sincerely,



John R. Baza  
Associate Director, Oil & Gas

lec

cc: Snell & Wilmer, Phillip Wm. Lear, Esq.  
Intrepid Oil & Gas, LLC, Robert Jornayvaz, Attorney In Fact  
Pruitt, Gushee & Bachtell, Christopher J. Castillo, Esq.  
Lowell P. Braxton, Acting Director  
Bureau of Indian Affairs, Uintah and Ouray Agency  
Bureau of Land Management, Salt Lake Office

GAVILAN PETROLEUM, INC.  
OPERATOR CHANGE  
ROOSEVELT B2

MAILING LIST

John R. Pinder  
Gavilan Petroleum, Inc.  
34058 Strawberry River Road  
Duchesne, Utah 84021  
(Via Fax 435-548-2445)

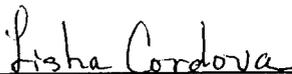
Phillip Wm. Lear, Esq  
Snell & Wilmer  
Attorneys for Gavilan Petroleum, Inc.  
111 East Broadway, Suite 900  
Salt Lake City, Utah 84111  
(Via Fax 801-237-1950)

Robert Jornayvaz, Attorney In Fact  
Intrepid Oil & Gas, LLC  
1801 Broadway, Suite 800  
Denver, Colorado 80202  
(Via Fax 303-298-7502)

Christopher J. Castillo, Esq.  
Pruitt, Gushee & Bachtell  
Attorneys for Intrepid Oil & Gas, LLC  
1850 Beneficial Life Tower  
Salt Lake City, Utah 84111  
(Via Fax 801-531-8468)

Bureau of Indian Affairs  
Uintah and Ouray Agency  
P. O. Box 130  
Ft. Duchesne, Utah 84026  
(Via Fax 435-722-2323)

Bureau of Land Management  
Salt Lake Office  
P. O. Box 45155  
Salt Lake City, Utah 84145-0155  
(Via Fax 801-539-4200)



---

Lisha Cordova, Admin. Analyst  
April 3, 1998

**OPERATOR CHANGE WORKSHEET**

Routing	
1- <del>GR</del>	6-KAS
2- <del>GLH</del>	7-SJ ✓
3- <del>URB</del>	8-FILE
4- <del>CDM</del>	
5- <del>EST</del>	

Attach all documentation received by the division regarding this change.  
Initial each listed item when completed. Write N/A if item is not applicable.

- Change of Operator (well sold)       Designation of Agent
- Designation of Operator               Operator Name Change Only

The operator of the well(s) listed below has changed, effective: 3-17-98

<b>TO:</b> (new operator)	<u>INTREPID OIL &amp; GAS LLC</u>	<b>FROM:</b> (old operator)	<u>GAVILAN PETROLEUM INC</u>
(address)	<u>1801 BROADWAY STE 800</u>	(address)	<u>PO BOX 408</u>
	<u>DENVER CO 80202</u>		<u>DUCHESNE UT 84021</u>
	<u>HUGH HARVEY</u>		<u>JOHN PINDER</u>
	Phone: <u>(303) 298-1951</u>		Phone: <u>(435) 548-2343</u>
	Account no. <u>N6810</u>		Account no. <u>N2275</u>

**\*ROOSEVELT UNIT**

**WELL(S)** attach additional page if needed:

Name: <u>ROOSEVELT B2/GRRV</u>	API: <u>43-047-31187</u>	Entity: <u>9307</u>	S <u>20</u>	T <u>1S</u>	R <u>1E</u>	Lease: <u>FEE</u>
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____

**OPERATOR CHANGE DOCUMENTATION** *\* See comments.*

1. (r649-8-10) Sundry or other legal documentation has been received from the **FORMER** operator (attach to this form).
2. (r649-8-10) Sundry or other legal documentation has been received from the **NEW** operator (Attach to this form).
3. The **Department of Commerce** has been contacted if the new operator above is not currently operating any wells in Utah. Is the company **registered with the state?** (yes/no) \_\_\_\_ If yes, show company file number: \_\_\_\_\_
4. **FOR INDIAN AND FEDERAL WELLS ONLY.** The BLM has been contacted regarding this change. Make note of BLM status in comments section of this form. BLM approval of **Federal** and **Indian** well operator changes should ordinarily take place prior to the division's approval, and before the completion of **steps 5 through 9** below.
5. Changes have been entered in the **Oil and Gas Information System** (3270) for each well listed above. *(4-3-98)*
6. **Cardex** file has been updated for each well listed above. *(4-3-98)*
7. Well **file labels** have been updated for each well listed above. *(4-3-98)*
8. Changes have been included on the monthly "Operator, Address, and Account Changes" **memo** for distribution to Trust Lands, Sovereign Lands, UGS, Tax Commission, etc.
9. A folder has been set up for the **Operator Change file**, and a copy of this page has been placed there for reference during routing and processing of the original documents.

**ENTITY REVIEW**

- Y 1. (r649-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) no If entity assignments were changed, attach copies of Form 6, Entity Action Form.
- N/A 2. Trust Lands, Sovereign Lands, Tax Commission, etc., have been notified through normal procedures of entity changes.

**BOND VERIFICATION - (FEE WELLS ONLY)**

- Y 1. (r649-3-1) The NEW operator of any fee lease well listed above has furnished a proper bond.
- Y 2. A copy of this form has been placed in the new and former operator's bond files.
- N/A 3. The FORMER operator has requested a release of liability from their bond (yes/no) no, as of today's date \_\_\_\_\_. If yes, division response was made to this request by letter dated \_\_\_\_\_.

**LEASE INTEREST OWNER NOTIFICATION OF RESPONSIBILITY**

- N/A 1. Copies of documents have been sent on \_\_\_\_\_ to \_\_\_\_\_ at Trust Lands for changes involving State leases, in order to remind that agency of their responsibility to review for proper bonding.
- N/A 2. (r649-2-10) The former operator of any fee lease wells listed above has been contacted and informed by letter dated \_\_\_\_\_ 19 \_\_, of their responsibility to notify all interest owners of this change.

**FILMING**

- 1. All attachments to this form have been microfilmed. Today's date: \_\_\_\_\_.

**FILING**

- 1. Copies of all attachments to this form have been filed in each well file.
- 2. The original of this form, and the original attachments are now being filed in the Operator Change file.

**COMMENTS**

980403 Admin. review in progress. Previous change "Intrepid to Gavilan" rescinded. (Operator dispute)

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



The purpose of this Petition is to confirm the results of the Division's informal investigation by confirming that Petitioner remains the Designated Operator of the captioned well.

In support of this Petition, Petitioner states and alleges as follows:

1. Petitioner owns one hundred percent (100%) of the working interest of the captioned well.
2. Petitioner is the current legal operator of the captioned well.
3. The captioned well is located on fee land within the Roosevelt Unit.
4. Petitioner acquired its right to operate the captioned well through valid assignments and conveyances which were supported by consideration.
5. Petitioner has yet to relinquish operations of the captioned well.
6. Gavilan has failed to show cause why Petitioner should relinquish operations of the captioned well.

WHEREFORE, Petitioner respectfully requests that the Division of Oil, Gas & Mining issue an order confirming Petitioner's authority to operate the captioned well and denying Gavilan's attempt to terminate Petitioner's operations.

DATED this 2<sup>nd</sup> day of July, 1998.

INTREPID OIL & GAS, LLC

By: 

Christopher J. Castillo  
Attorneys for Petitioner  
Pruitt, Gushee & Bachtell  
1850 Beneficial Life Tower  
Salt Lake City, Utah 84111

**CERTIFICATE OF SERVICE**

The undersigned certifies that, on the 2<sup>nd</sup> day of July, 1998, I served a copy of the foregoing Request for Agency Action by causing a copy thereof to be mailed, properly addressed, with postage prepaid, to the following parties:

John R. Pinder  
Gavilan Petroleum, Inc.  
34058 Strawberry River Road  
Duchesne, Utah 84021

Phillip W. Lear, Esq.  
SNELL & WILMER  
111 E. Broadway, #900  
Salt Lake City, UT 84111

Robert Jornayvaz, Attorney In Fact  
Intrepid Oil & Gas, LLC  
1801 Broadway, Suite 800  
Denver, Colorado 80202

John R. Baza, Associate Director  
State of Utah  
Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
Salt Lake City, Utah 84114-5801

Bureau of Indian Affairs  
Uintah and Ouray Agency  
P.O. Box 130  
Ft. Duchesne, Utah 84026

Bureau of Land Management  
Salt Lake Office  
P.O. Box 45155  
Salt Lake City, Utah 84145-0155



A handwritten signature in black ink, appearing to read "John R. Baza", is written over a solid horizontal line.

1852\03\plead\req4agy.act



2. Petitioner is the current legal operator of the captioned well.
3. The captioned well is located on fee land within the Roosevelt Unit.
4. Petitioner acquired its rights to operate the captioned well through assignments and conveyances which were supported by consideration.
5. Petitioner has yet to relinquish its right to operate the captioned well.
6. Gavilan has failed to show cause why Petitioner should relinquish operations of the captioned well.

Consequently, the Division of Oil, Gas & Mining, hereby orders and confirms Petitioner's continuing authority to operate the captioned well and denies Gavilan's Sundry Notice to unilaterally change the well's operatorship. This Order may be appealed by filing a request for appeal with the presiding officer within thirty (30) days from the date hereafter in accordance with R.649-10-6.

ENTERED this \_\_\_\_ day of \_\_\_\_\_, 1998.

STATE OF UTAH

DIVISION OF OIL, GAS AND MINING

---

BEFORE THE DIVISION OF OIL, GAS & MINING  
DEPARTMENT OF NATURAL RESOURCES  
STATE OF UTAH

---

IN THE MATTER OF THE REQUEST )	
FOR AGENCY ACTION OF INTREPID )	
OIL AND GAS, LLC TO CONFIRM )	INTERIM ORDER DIRECTING
DESIGNATION OF OPERATOR OF )	GAVILAN PETROLEUM, INC.
THE ROOSEVELT B2 WELL )	TO FILE A POSITION
LOCATED IN SECTION 20, )	STATEMENT
TOWNSHIP 1 SOUTH, RANGE 1 )	
EAST, SALT LAKE BASE & )	Well Name: Roosevelt B2
MERIDIAN, API NO. 43-047-31187, )	Well API No: 43-047-31187
UINTAH COUNTY, UTAH )	

---

On or about July 2, 1998, the above-captioned proceeding was initiated when the petitioner, Intrepid Oil and Gas, LLC ("Intrepid"), filed its "Request for Agency Action to Confirm Designation of Operator Under Rule R. 649-10-3.2.3" (the "Request").

1. Presiding Officer.--Lowell P. Braxton, Acting Director of the Utah Division of Oil, Gas and Mining ("DOG M"), 1594 West North Temple, Suite 1210, P.O. Box 1210, Salt Lake City, UT 84114-5801, will be DOGM's Presiding Officer in this matter.

2. Counsel.--Counsel to the Presiding Officer will be Patrick J. O'Hara, Esq., Assistant Attorney General, Utah Attorney General's Office, 160 East 300 South, 5th Floor, P.O. Box 140857, Salt Lake City, UT 84114-0857. Telephone: 801-366-0508. Fax 801-366-0352.

3. The B2 Well.--The Request filed by Intrepid concerns that certain well described more particularly as the "Roosevelt B2 Well" located in Section 20, Township 1 South, Range 1 East, Salt Lake Base & Meridian, API No. 43-047-31187, Uintah County, Utah (the "B2 Well").

4. The Issue.--The core issue in this administrative matter is whether, for purposes of DOGM's regulatory oil and gas jurisdiction over the B2 Well, DOGM should recognize Gavilan Petroleum, Inc. ("Gavilan"), not Intrepid, as the lawful Operator of the B2 Well. Gavilan says yes, while Intrepid says no.

5. Informal Adjudication--This matter will be resolved as an informal adjudication governed by the procedures of the Utah Administrative Procedures Act ("UAPA"), Utah Code Ann. § 63-46b-1 et seq. (1953, as amended), and the implementing procedural rules of DOGM. In addition to Intrepid, the Presiding Officer recognizes Gavilan as a party to this informal adjudication.

6. Definition of "Operator"--The Presiding Officer will decide this matter with due regard to the legal meaning of the term "Operator" as defined in the Utah Oil and Gas Conservation Act (the "Act"). In the Act, at Utah Code Ann. § 40-6-2(16) (1953, as amended), the term "'Operator' means the person who has been designated by the owners or the board to operate a well or unit." *Id.* Under the Act, the term "'Owner' means the person who has the right: (a) to drill into and produce from a reservoir; and (b) appropriate the oil and gas produced for himself and others." *Id.* The Board, of course, is the Board of Oil, Gas & Mining.

7. Burden of Proof.--Lest there be any confusion, DOGM currently recognizes Intrepid as the lawful bonded Operator of the B2 Well for purposes of DOGM's oil and gas regulatory program. To maintain the status quo, DOGM will continue to recognize Intrepid as the lawful bonded Operator of the B2 Well during the pendency of this contested administrative matter. Since it is Gavilan who is urging DOGM to change the status quo, the Presiding Officer holds that Gavilan has the burden of proof in this matter.

8. Overview of Dispute.--This dispute arises because on or about March 18, 1998, Gavilan advised Intrepid and DOGM that Gavilan, not Intrepid, is the Operator of the B2 Well, whereas Intrepid, in response, has requested that DOGM deny Gavilan's requested change of Operator. Intrepid says it is the owner of the B2 Well and that it enjoys the absolute right to continue as the Operator. Based on the informal investigation conducted by DOGM before Intrepid filed its Request, the Presiding Officer understands that Intrepid claims that in August 1996 Gavilan permanently contracted away the right it once had to be lawful Operator of the B2 Well, while Gavilan claims otherwise.

9. Position Statements.--During DOGM's informal investigation of this matter, Intrepid provided DOGM a copy of that certain 3 page letter dated March 27, 1998 from Intrepid counsel Christopher J. Castillo to Gavilan counsel Philip Wm. Lear, along with a number of supporting exhibits referenced in that letter (hereinafter the

“Intrepid Position Statement”). DOGM does not appear to have in its file a responsive written Gavilan Position Statement.

DOGM’s procedural rules applicable to informal adjudications state: “[N]o answer or other pleading responsive to the allegations contained in the notice of agency action or the request for agency action need be filed.” Utah Admin. Code R649-10-4.1.1. DOGM’s rules also state: “The presiding officer's order shall be based on the facts appearing in the agency's files and on the facts presented in evidence at any hearings.” Utah Admin. Code R649-10-4.1.10.

Although the Presiding Officer could elect to decide this informal adjudication based on the information already in DOGM’s files concerning the B2 Well, the Presiding Officer would like, before rendering a final decision, to receive a short and plain written statement from Gavilan responding to the specific points of fact and law made in the Intrepid Position Statement. DOGM’s procedural rules applicable to informal adjudications state: “Discovery is prohibited, but the agency may issue subpoenas or other orders to compel production of necessary evidence.” Utah Admin. Code R649-10-4.1.5 Therefore, based on the authority of said rule, the Presiding Officer hereby orders Gavilan to file, by no later than 15 days after the date this Order is issued, a “Gavilan Position Statement”, not to exceed 3 pages in length, plus any pertinent supporting exhibits. Gavilan shall set forth the key reasons of fact and law why Gavilan thinks DOGM should recognize Gavilan as the Operator of the B2 Well. Gavilan shall file the original and one copy of its Position Statement (with supporting exhibits, if any) with the

Presiding Officer. Gavilan shall also serve true and correct copies of same on all other persons shown on the attached Certificate of Service.

10. Other Governmental Agencies May Comment.--Of course, DOGM will decide this matter solely for the specific purposes of the State of Utah's oil and gas regulatory program. DOGM will not purport in this matter to decide whether Intrepid is the Operator of the B2 Well for other purposes of separate and independent regulatory programs administered by other agencies of government, whether federal, state or local. That said, if any other agencies of government desire to provide written comments to DOGM in this matter, they may do so by filing the original and one copy of their written comments with DOGM's Acting Director. Governmental comments, if any, shall be filed by no later than 15 days after the date this Order is issued, and shall not exceed 3 pages in length (not counting pertinent supporting exhibits, if any). Any agencies of government who elect to file written comments with DOGM's Acting Director shall serve true and correct copies of same on all other persons shown on the attached Certificate of Service.

11. Conclusion.--After receiving Gavilan's Position Statement, and the written comments, if any, of other agencies of government, the Presiding Officer will decide whether to conduct an evidentiary hearing, which is optional in this matter, before rendering a final written decision on the merits.

ISSUED this 8<sup>th</sup> day of August, 1998.

UTAH DIVISION OF OIL, GAS & MINING

By Lowell P. Braxton  
Lowell P. Braxton, Acting Director

CERTIFICATE OF SERVICE

I hereby certify that I mailed a true and correct copy of the foregoing  
“INTERIM ORDER DIRECTING GAVILAN PETROLEUM, INC. TO FILE A POSITION  
STATEMENT”, first-class postage prepaid, this 5<sup>th</sup> day of August, 1998 to the following  
persons:

Phillip Wm. Lear, Esq.  
Snell & Wilmer  
Attorneys for Gavilan Petroleum, Inc.  
Broadway Center  
111 East Broadway, Suite 900  
Salt Lake City, UT 84111-1004

Christopher J. Castillo, Esq.  
Pruitt, Gushee & Bachtell  
Attorneys for Intrepid Oil & Gas, LLC  
Suite 1850 Beneficial Life Tower  
Salt Lake City, UT 84111-1495

Patrick J. O'Hara, Esq.  
Utah Attorney General's Office  
Counsel to the Acting Director  
160 East 300 South, 5th Floor  
P.O. Box 140857  
Salt Lake City, UT 84114-0857

I further certify that on said date I also mailed or delivered courtesy copies of said  
document to the following persons:

Mr. Robert A. Henricks  
Chief, Branch of Fluid Minerals  
U.S. Bureau of Land Management  
324 South State  
P.O. Box 45155  
Salt Lake City, UT 84145-0155

Mr. Charles H. Cameron  
Petroleum Engineer  
U.S. Bureau of Indian Affairs  
Uintah & Ouray Agency  
988 S. 7500 E.  
P.O. Box 130  
Fort Duchesne, UT 84026

Mr. John Baza  
Deputy Director of Oil and Gas  
Utah Division of Oil, Gas & Mining  
1594 West North Temple, Suite 1210  
P.O. Box 1210  
Salt Lake City, UT 84114-5801

Mr. Lowell P. Braxton  
Acting Director  
Utah Division of Oil, Gas & Mining  
1594 West North Temple, Suite 1210  
P.O. Box 1210  
Salt Lake City, UT 84114-5801

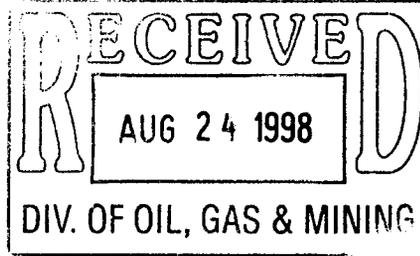
  
\_\_\_\_\_

# Snell & Wilmer

L.L.P.  
LAW OFFICES

111 East Broadway, Suite 900  
Salt Lake City, Utah 84111  
(801) 237-1900  
Fax: (801) 237-1950

Phillip Wm. Lear (801) 237-1967  
Internet: learp@swlaw.com



SALT LAKE CITY, UTAH  
PHOENIX, ARIZONA  
TUCSON, ARIZONA  
IRVINE, CALIFORNIA

August 19, 1998

Lowell P. Braxton  
Acting Director  
Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
P.O. Box 1210  
Salt Lake City, UT 84114-5801

VIA FACSIMILE AND REGULAR MAIL  
(801) 359-3940

Re: Intrepid Oil & Gas Company  
Designation of Suboperator  
Roosevelt Unit #B 2-20 Well

Dear Mr. Braxton:

This responds to the Division's Interim Order mailed August 5, 1998. Likewise, it memorializes my oral report to Christopher J. Castillo on Friday, May 23, 1998, pertaining to the position of Intrepid Oil & Gas LLC ("**Intrepid**") regarding operatorship of the Roosevelt Unit #B2029 Well ("**Well**"). In that telephone report I addressed all issues by Mr. Castillo raised in his letter of March 27, 1998, pertaining to Intrepid's rights under the documents governing the operation of the Roosevelt Unit. The only issue not discussed was Intrepid's position invoking the common law of agency coupled with an interest, contending that Gavilan Operating, Inc. ("**Gavilan**") had irrevocably committed operatorship of the well to Emerald and its successors.

**Controlling Agreements.** The rights of the parties in this matter are governed by five agreements: the Roosevelt Unit Agreement ("**Unit Agreement**"), the Roosevelt Unit Operating Agreement ("**Unit Operating Agreement**"), the Segregation Agreement, the Purchase Agreement between Gavilan and Emerald, and the Purchase and Sale Agreement between Emerald and Harvey Operating & Production Company.

1. **Roosevelt Unit Agreement and Roosevelt Unit Operating Agreement.** The Unit Agreement unequivocally and unmistakably vests exclusive operating authority in the unit operator.

**RIGHTS AND DUTIES OF THE UNIT OPERATOR.** . . . [T]he *exclusive* right, privilege, and duty of exercising *any and all rights* of the parties . . . necessary and convenient for prospecting for, producing, storing, allocating and distributing the unitized substances are hereby delegated to and *shall be exercised* by the Unit Operator

.....

Unit Agreement ¶ 8, at page 3 (emphasis added). The Unit Operator's rights of possession and use incident to the exclusivity of operations derive not from the Unit Operator's record ownership of a particular lease or well, but from the rights and duties delegated to it by the working interests owners subject pursuant to the operatorship appointment. *Id.* The relationship created is one of principal and agent. *See, e.g., Gavilan Petroleum, Inc. v. Acting Phoenix Director*, 32 IBIA 191, 204 n. 10 (1998)(citing with approval *Wyoming State Tax Comm'n v. BHP Petroleum Co., Inc.*, 856, P.2d 428, 432 (Wyo. 1993)).

The Roosevelt Unit Operating Agreement ("**Operating Agreement**") confirms this arrangement when it provides in pertinent part, as follows:

The unit area . . . *and all wells drilled thereon*, shall be developed and operated by Unit Operator for the purposes set forth in the Unit Agreement.

Operating Agreement ¶ 1, at page 3 (emphasis added). Further:

Unit Operator *shall have full control* of the unit area, and subject to the provisions hereof and of the Unit Agreement shall conduct an management the development and operator of the unit area for the production of unitized substances therefrom.

Operating Agreement ¶ 7, at page 11 (emphasis added).

The only exception to exclusivity of operatorship is when a majority owner in a lease not committed to a participating area proposes a well not covered by the Unit Operator's plan of development. In that case, the owner may submit a separate plan of development for the well, and if approved by the Supervisor (now Chief Branch of Fluid Minerals, Bureau of Land Management), may drill the well at the owner's sole risk and expense. However, if the well is deemed to be a unit well and is committed to the participating area, the drilling party must turn the well over to the Unit Operator. Unit Agreement ¶ 12, at page 5. *Compare* Operating Agreement ¶ 9, at pages 13-15 (requiring a non-consent well to be drilled by, and if approved as a unit well operated by, the Unit Operator).

The Unit Operator functions in its capacity separate and apart from its ownership of leases and lands. Unit Agreement ¶ 4, at 2. Consequently, when the Unit Operator assigns and interest in its leases and lands, it does so as a working interest owner and not as the Unit Operator.

Finally, the terms of the Unit Agreement are deemed covenants running with the land and are binding upon all successors and assigns of the original signatories. Unit Agreement ¶18, at page 7.

Based on the foregoing agreements, neither Emerald nor its successor, Intrepid, has claim to rights of irrevocable operatorship of the Well. Gavilan is the approved Unit Operator for the Green River Participating Area to which the Well is committed. The Well has never been removed from the participating area, and indeed cannot be removed from the participating area, without the approval of the BLM and a vote of 60% of the owners in the participating area. Based upon the records Mr. Castillo provided to me and my independent examination of the Roosevelt Unit files maintained by the BLM, no such action occurred. Clearly, under the terms of the Unit Agreement and Operating Agreement, Gavilan is entitled to exclusive control over unit wells for exploration, development, production, distribution, and plugging and abandoning operations.

3. **Other Agreements.** The question then becomes, did, or for that matter could, subsequent agreements among owners in the Green River Participating Area modify or reform the Unit Agreement and Unit Operating Agreement imperatives?

Intrepid's counsel provided us with copies of the Segregation Agreement dated March 1, 1984 (effective February 7, 1983), among the working interest owners in the Green River Participating Area ("**Segregation Agreement**"), asserting that it controlled the case. The Segregation Agreement does not speak to operatorship issues. It simply apportions interests in lands and wells among Gavilan's predecessors. "It is not intended that [the Segregation Agreement] supercede or replace any previous agreements between . . . the parties." See ¶ X. Specifically, it acknowledges Rio Bravo as the unit operator. See ¶ VIII. Rio Bravo is a predecessor operator to Gavilan. Mr. Castillo has orally concurred with me that the Segregation Agreement does not bear on this issue.

The Purchase Agreement between Gavilan and Emerald dated effective January 1, 1995, assigns interests in leases, units, and equipment that expressly affect the Roosevelt Unit No. B-2-20 Well ("**Well**") and all agreements affecting the lands and leases committed to the Well. Exhibit "A" at 2. The subsequent Purchase and Sale Agreement between Emerald and Harvey Operating & Production Company Purchase and Sale Agreement dated August 5, 1996, expressly provides that the buyer take its interests under the agreement subject to the terms, conditions, and covenants of the instruments in the chain of title, whether or not recorded. ¶ III.K.(2) at 6. Presumably, Intrepid is the successor under these purchase agreements. Two agreements in the chain of title referred to in the purchase agreements are the Unit Agreement and the Unit Operating Agreement which confirm the unit operator as the exclusive party to operate unit wells. In the Purchase Agreement Gavilan purports to sell its interests in the leases, units, and personal property described in Exhibit A. This did not include Gavilan's rights as operator of the Unit or right to exclusive operatorship.

See Unit Agree. ¶ 4. Gavilan the unit operator could not sell, convey, or otherwise alienate its rights and obligations as unit operator without the approval process imposed by federal regulations. Consequently, the only way to harmonize the effect of the purchase agreements in the face of the unit agreements is to conclude that Gavilan assigned to Emerald (and by mesne assignments to Intrepid) legal title to the leasehold, and only temporary rights to operate the well, subject to the overarching right under the Unit Agreement and Unit Operating Agreement to terminate that operatorship at any time. Since both Emerald and Intrepid took their interests subject to the Unit Agreement and Unit Operating Agreement and since Gavilan could not and did not assign its rights as unit operator, any right to operate the well received by Emerald and Intrepid can only be a temporary right, at best, subject to termination by Gavilan at will.

Consequently, to the extent the assignments from Gavilan to Emerald are perceived as creating an agency coupled with an interest, that agency is trumped by the Unit Agreement and Unit Operating Agreement. To the extent the parties to the purchase agreements erred in their understanding of the controlling nature of the Unit Agreement and Unit Operating Agreement, the purchase agreements, at least as to the irrevocability of the operatorship, would be void.

**Governing Law.** The Roosevelt Unit ("Unit") is a federally supervised Indian exploratory unit. It is governed by statutes pertaining to the unitization and cooperative development of Indian oil and gas leases and federal regulations issued pursuant to those statutes. The three-page limitation prohibits an in-depth discussion of the application of federal law to this matter. Suffice to say, the Secretary has exclusive jurisdiction over mineral leasing and operations *involving* Indian minerals. See, e.g., *Rainbow Resources, Inc. v. Calf Looking*, 521 F. Supp. 682 (D.C. Mont. 1981)(oil and gas); *Crow Tribe of Indians v. State of Montana*, 650 F.2d 1104, amended on other grounds, *reh. denied*, 665 F.2d 1390 (9<sup>th</sup> Cir. 1981)(coal). The Secretary is to approve all cooperative agreements involving Indian, state, and private lands and is to "approve, inspect *and regulate* the operations" involving those lands. 43 C.F.R. § 3161.2 (1997) (emphasis added). Moreover, the Secretary is to approve the unit operator and changes in the unit operator. See 43 C.F.R. § 3182.1 (1997). *A fortiori*, the Secretary approves designations of agent. State law may apply to non-Indians lands within a unit when consistent with the terms of the Unit Agreement and federal law. See 43 C.F.R. § 3181.4 (a) (1997). The Board of Oil, Gas and Mining ("Board") regulations expressly provide that the Board may suspend the application of its general rules to lands and operations within a unit area approved by the appropriate federal agency, excepting reporting functions. See *Utah Admin. Code R649-2-2* (1997). Arguably, the State of Utah suspended such rules or its predecessor equivalents when it approved the Unit Agreement.

The Unit is an undivided-type unit for allocation and distribution of royalty and a divided type unit for allocation and distribution of the working and overriding royalty interests. Consequently, every royalty owner committed to the Unit Agreement participates in production from every unit well, whether on Indian or private lands. Consequently, the Secretary has a greater

Lowell J. Braxton  
August 19, 1998  
Page 5

interest in operations conducted on non-Indian lands than he might otherwise have, as the Indians have rights to production from non-Indian wells.

Our understanding is that the well is a unit well. As a unit well it is subject to the jurisdiction of the Secretary, particularly because the Indians have undivided interests in all unit wells, the Secretary clearly has jurisdiction over operations. Even should jurisdiction be deemed to be shared with the State of Utah, the terms of the Unit Agreement approved by the State of Utah and all the parties controls who operates the wells. To our knowledge, the BLM has not recognized Intrepid's right to operate the well.

Because of the logistics of me being in the Uinta Basin for the past three weeks, you have authorized me to file this position statement by facsimile on this 20<sup>th</sup> day of August, 1998. Gavilan requests an extension of the three-page limitation.

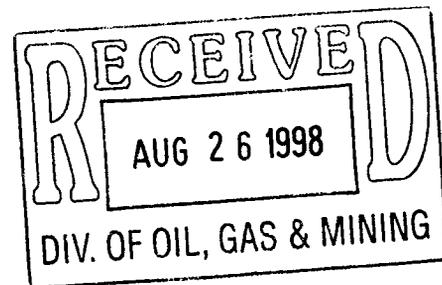
Very truly yours,



Phillip Wm. Lear

Enclosures

cc: John R. Pinder  
Patrick J. O'Hara, Esq.  
Christopher J. Castillo, Esq.



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

**IN THE MATTER OF THE REQUEST )  
FOR AGENCY ACTION OF )  
INTREPID OIL AND GAS, LLC TO )  
CONFIRM DESIGNATION OF )  
OPERATOR OF THE ROOSEVELT )  
B2 WELL LOCATED IN SECTION 20, )  
TOWNSHIP 1 SOUTH, RANGE 1 )  
EAST, U.S.M., API 43-047-31187, )  
UINTAH COUNTY, UTAH )  
)  
)  
)  
)  
)  
)  
)**

**CERTIFICATE OF SERVICE**

**Well Name: Roosevelt B2  
Well API No.: 43-047-31187**

**CERTIFICATE OF SERVICE**

I hereby certify that I caused a true and correct copy of the attached letter response of Gavilan Petroleum, Inc., to be served by facsimile transmission the 20th day of August, 1998, and by regular United States Mail, first-class postage prepaid, on the 21<sup>st</sup> day of August, 1998, to the following:

Lowell P. Braxton  
Acting Director  
Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
P.O. Box 1210  
Salt Lake City, UT 84114-5801  
Facsimile No: (801) 359-3940

Further, I hereby certify that I caused a true and correct copy of the attached letter response of Gavilan Petroleum, Inc. to be served by facsimile transmission the 24<sup>th</sup> day of August, 1998, and by regular United States Mail, first-class postage prepaid, on the 25<sup>th</sup> day of August, 1998, to the following:

Christopher J. Castillo, Esq.  
Pruitt, Gushee & Bachtell  
Attorneys for Intrepid Oil & Gas,  
LLC  
Suite 1850 Beneficial Life Tower  
Salt Lake City, UT 84114-0857  
Facsimile No. (801) 531-8468

Mr. Charles H. Cameron  
Petroleum Engineer  
Bureau of Indian Affairs  
Uintah & Ouray Agency  
988 South 7500 East  
P.O. Box 130  
Fort Duchesne, UT 84026  
Facsimile No. (435) 722-2323

Patrick J. O'Hara, Esq.  
Utah Attorney General's Office  
Counsel to the Acting Director  
160 East 300 South, 5<sup>th</sup> Floor  
P.O. Box 140857  
Salt Lake City, UT 84145-0155  
Facsimile No. (801) 366-0352

(continued on Page 3)

Finally, I hereby certify that I caused a true and correct copy of the attached letter response of Gavilan Petroleum, Inc. to be served by regular United States Mail, first-class postage prepaid, the 24<sup>th</sup> day of August, 1998, to the following:

Mr. Robert A. Henricks  
Chief, Branch of Fluid Minerals  
Bureau of Land Management  
324 South State Street  
P.O. Box 45155  
Salt Lake City, UT 84114-0857



---

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August 19, 1998

Lowell P. Braxton  
Acting Director  
Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
P.O. Box 1210  
Salt Lake City, UT 84114-5801

VIA FACSIMILE AND REGULAR MAIL  
(801) 359-3940

Re: Intrepid Oil & Gas Company  
Designation of Suboperator  
Roosevelt Unit #B 2-20 Well

Dear Mr. Braxton:

This responds to the Division's Interim Order mailed August 5, 1998. Likewise, it memorializes my oral report to Christopher J. Castillo on Friday, May 23, 1998, pertaining to the position of Intrepid Oil & Gas LLC ("**Intrepid**") regarding operatorship of the Roosevelt Unit #B2029 Well ("**Well**"). In that telephone report I addressed all issues by Mr. Castillo raised in his letter of March 27, 1998, pertaining to Intrepid's rights under the documents governing the operation of the Roosevelt Unit. The only issue not discussed was Intrepid's position invoking the common law of agency coupled with an interest, contending that Gavilan Operating, Inc. ("**Gavilan**") had irrevocably committed operatorship of the well to Emerald and its successors.

**Controlling Agreements.** The rights of the parties in this matter are governed by five agreements: the Roosevelt Unit Agreement ("**Unit Agreement**"), the Roosevelt Unit Operating Agreement ("**Unit Operating Agreement**"), the Segregation Agreement, the Purchase Agreement between Gavilan and Emerald, and the Purchase and Sale Agreement between Emerald and Harvey Operating & Production Company.

1. **Roosevelt Unit Agreement and Roosevelt Unit Operating Agreement.** The Unit Agreement unequivocally and unmistakably vests exclusive operating authority in the unit operator.

**RIGHTS AND DUTIES OF THE UNIT OPERATOR.** . . . [T]he *exclusive* right, privilege, and duty of exercising *any and all rights* of the parties . . . necessary and convenient for prospecting for, producing, storing, allocating and distributing the unitized substances are hereby delegated to and *shall be exercised* by the Unit Operator

....

Unit Agreement ¶ 8, at page 3 (emphasis added). The Unit Operator's rights of possession and use incident to the exclusivity of operations derive not from the Unit Operator's record ownership of a particular lease or well, but from the rights and duties delegated to it by the working interests owners subject pursuant to the operatorship appointment. *Id.* The relationship created is one of principal and agent. *See, e.g., Gavilan Petroleum, Inc. v. Acting Phoenix Director*, 32 IBIA 191, 204 n. 10 (1998)(citing with approval *Wyoming State Tax Comm'n v. BHP Petroleum Co., Inc.*, 856, P.2d 428, 432 (Wyo. 1993)).

The Roosevelt Unit Operating Agreement ("**Operating Agreement**") confirms this arrangement when it provides in pertinent part, as follows:

The unit area . . . *and all wells drilled thereon*, shall be developed and operated by Unit Operator for the purposes set forth in the Unit Agreement.

Operating Agreement ¶ 1, at page 3 (emphasis added). Further:

Unit Operator *shall have full control* of the unit area, and subject to the provisions hereof and of the Unit Agreement shall conduct an management the development and operator of the unit area for the production of unitized substances therefrom.

Operating Agreement ¶ 7, at page 11 (emphasis added).

The only exception to exclusivity of operatorship is when a majority owner in a lease not committed to a participating area proposes a well not covered by the Unit Operator's plan of development. In that case, the owner may submit a separate plan of development for the well, and if approved by the Supervisor (now Chief Branch of Fluid Minerals, Bureau of Land Management), may drill the well at the owner's sole risk and expense. However, if the well is deemed to be a unit well and is committed to the participating area, the drilling party must turn the well over to the Unit Operator. Unit Agreement ¶ 12, at page 5. *Compare* Operating Agreement ¶ 9, at pages 13-15 (requiring a non-consent well to be drilled by, and if approved as a unit well operated by, the Unit Operator).

The Unit Operator functions in its capacity separate and apart from its ownership of leases and lands. Unit Agreement ¶ 4, at 2. Consequently, when the Unit Operator assigns and interest in its leases and lands, it does so as a working interest owner and not as the Unit Operator.

Lowell J. Braxton

August 19, 1998

Page 3

Finally, the terms of the Unit Agreement are deemed covenants running with the land and are binding upon all successors and assigns of the original signatories. Unit Agreement ¶18, at page 7.

Based on the foregoing agreements, neither Emerald nor its successor, Intrepid, has claim to rights of irrevocable operatorship of the Well. Gavilan is the approved Unit Operator for the Green River Participating Area to which the Well is committed. The Well has never been removed from the participating area, and indeed cannot be removed from the participating area, without the approval of the BLM and a vote of 60% of the owners in the participating area. Based upon the records Mr. Castillo provided to me and my independent examination of the Roosevelt Unit files maintained by the BLM, no such action occurred. Clearly, under the terms of the Unit Agreement and Operating Agreement, Gavilan is entitled to exclusive control over unit wells for exploration, development, production, distribution, and plugging and abandoning operations.

3. **Other Agreements.** The question then becomes, did, or for that matter could, subsequent agreements among owners in the Green River Participating Area modify or reform the Unit Agreement and Unit Operating Agreement imperatives?

Intrepid's counsel provided us with copies of the Segregation Agreement dated March 1, 1984 (effective February 7, 1983), among the working interest owners in the Green River Participating Area ("**Segregation Agreement**"), asserting that it controlled the case. The Segregation Agreement does not speak to operatorship issues. It simply apportions interests in lands and wells among Gavilan's predecessors. "It is not intended that [the Segregation Agreement] supercede or replace any previous agreements between . . . the parties." See ¶ X. Specifically, it acknowledges Rio Bravo as the unit operator. See ¶ VIII. Rio Bravo is a predecessor operator to Gavilan. Mr. Castillo has orally concurred with me that the Segregation Agreement does not bear on this issue.

The Purchase Agreement between Gavilan and Emerald dated effective January 1, 1995, assigns interests in leases, units, and equipment that expressly affect the Roosevelt Unit No. B-2-20 Well ("**Well**") and all agreements affecting the lands and leases committed to the Well. Exhibit "A" at 2. The subsequent Purchase and Sale Agreement between Emerald and Harvey Operating & Production Company Purchase and Sale Agreement dated August 5, 1996, expressly provides that the buyer take its interests under the agreement subject to the terms, conditions, and covenants of the instruments in the chain of title, whether or not recorded. ¶ III.K.(2) at 6. Presumably, Intrepid is the successor under these purchase agreements. Two agreements in the chain of title referred to in the purchase agreements are the Unit Agreement and the Unit Operating Agreement which confirm the unit operator as the exclusive party to operate unit wells. In the Purchase Agreement Gavilan purports to sell its interests in the leases, units, and personal property described in Exhibit A. This did not include Gavilan's rights as operator of the Unit or right to exclusive operatorship.

See Unit Agree. ¶ 4. Gavilan the unit operator could not sell, convey, or otherwise alienate its rights and obligations as unit operator without the approval process imposed by federal regulations. Consequently, the only way to harmonize the effect of the purchase agreements in the face of the unit agreements is to conclude that Gavilan assigned to Emerald (and by mesne assignments to Intrepid) legal title to the leasehold, and only temporary rights to operate the well, subject to the overarching right under the Unit Agreement and Unit Operating Agreement to terminate that operatorship at any time. Since both Emerald and Intrepid took their interests subject to the Unit Agreement and Unit Operating Agreement and since Gavilan could not and did not assign its rights as unit operator, any right to operate the well received by Emerald and Intrepid can only be a temporary right, at best, subject to termination by Gavilan at will.

Consequently, to the extent the assignments from Gavilan to Emerald are perceived as creating an agency coupled with an interest, that agency is trumped by the Unit Agreement and Unit Operating Agreement. To the extent the parties to the purchase agreements erred in their understanding of the controlling nature of the Unit Agreement and Unit Operating Agreement, the purchase agreements, at least as to the irrevocability of the operatorship, would be void.

**Governing Law.** The Roosevelt Unit ("Unit") is a federally supervised Indian exploratory unit. It is governed by statutes pertaining to the unitization and cooperative development of Indian oil and gas leases and federal regulations issued pursuant to those statutes. The three-page limitation prohibits an in-depth discussion of the application of federal law to this matter. Suffice to say, the Secretary has exclusive jurisdiction over mineral leasing and operations *involving* Indian minerals. See, e.g., *Rainbow Resources, Inc. v. Calf Looking*, 521 F. Supp. 682 (D.C. Mont. 1981)(oil and gas); *Crow Tribe of Indians v. State of Montana*, 650 F.2d 1104, amended on other grounds, *reh. denied*, 665 F.2d 1390 (9<sup>th</sup> Cir. 1981)(coal). The Secretary is to approve all cooperative agreements involving Indian, state, and private lands and is to "approve, inspect *and regulate* the operations" involving those lands. 43 C.F.R. § 3161.2 (1997) (emphasis added). Moreover, the Secretary is to approve the unit operator and changes in the unit operator. See 43 C.F.R. § 3182.1 (1997). *A fortiori*, the Secretary approves designations of agent. State law may apply to non-Indians lands within a unit when consistent with the terms of the Unit Agreement and federal law. See 43 C.F.R. § 3181.4 (a) (1997). The Board of Oil, Gas and Mining ("Board") regulations expressly provide that the Board may suspend the application of its general rules to lands and operations within a unit area approved by the appropriate federal agency, excepting reporting functions. See *Utah Admin. Code R649-2-2* (1997). Arguably, the State of Utah suspended such rules or its predecessor equivalents when it approved the Unit Agreement.

The Unit is an undivided-type unit for allocation and distribution of royalty and a divided type unit for allocation and distribution of the working and overriding royalty interests. Consequently, every royalty owner committed to the Unit Agreement participates in production from every unit well, whether on Indian or private lands. Consequently, the Secretary has a greater

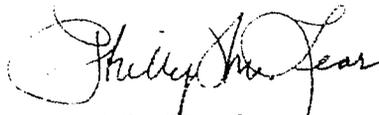
Lowell J. Braxton  
August 19, 1998  
Page 5

interest in operations conducted on non-Indian lands than he might otherwise have, as the Indians have rights to production from non-Indian wells.

Our understanding is that the well is a unit well. As a unit well it is subject to the jurisdiction of the Secretary, particularly because the Indians have undivided interests in all unit wells, the Secretary clearly has jurisdiction over operations. Even should jurisdiction be deemed to be shared with the State of Utah, the terms of the Unit Agreement approved by the State of Utah and all the parties controls who operates the wells. To our knowledge, the BLM has not recognized Intrepid's right to operate the well.

Because of the logistics of me being in the Uinta Basin for the past three weeks, you have authorized me to file this position statement by facsimile on this 20<sup>th</sup> day of August, 1998. Gavilan requests an extension of the three-page limitation.

Very truly yours,



Phillip Wm. Lear

Enclosures

cc: John R. Pinder  
Patrick J. O'Hara, Esq.  
Christopher J. Castillo, Esq.

BEFORE THE DIVISION OF OIL, GAS & MINING  
DEPARTMENT OF NATURAL RESOURCES  
STATE OF UTAH

---

IN THE MATTER OF THE REQUEST )  
FOR AGENCY ACTION OF INTREPID )  
OIL AND GAS, LLC TO CONFIRM )  
DESIGNATION OF OPERATOR OF )  
THE ROOSEVELT B2 WELL )  
LOCATED IN SECTION 20, )  
TOWNSHIP 1 SOUTH, RANGE 1 )  
EAST, SALT LAKE BASE & )  
MERIDIAN, API NO. 43-047-31187, )  
UINTAH COUNTY, UTAH )

NOTICE OF HEARING TO  
RECEIVE EVIDENCE AND TO  
HEAR ORAL ARGUMENT

Well Name: Roosevelt B2  
Well API No: 43-047-31187

---

THE STATE OF UTAH TO ALL PERSONS INTERESTED IN THE ABOVE-ENTITLED MATTER:

Notice is hereby given that Lowell P. Braxton, Acting Director of the Division of Oil, Gas & Mining ("DOGM"), acting in his official capacity as the Presiding Officer in the above-captioned informal adjudication, will conduct a hearing on the record in the above-captioned matter on Thursday, October 15, 1998, starting at 1 p.m. and lasting, if necessary, until 5 p.m., in 1040A in the State of Utah's Department of Natural Resources Building, 1594 West North Temple St., Salt Lake City, Utah.

The hearing will be conducted in compliance with the informal adjudication provisions of the Utah Administrative Procedures Act, Utah Code Ann. 63-46b-1 et seq. (1953, as amended), and DOGM's corresponding applicable implementing administrative procedural rules. The hearing will also be conducted consistent with the provisions of the

“Interim Order Directing Gavilan Petroleum, Inc. to File a Position Statement” previously issued by the Presiding Officer in this matter, which is hereby incorporated by this reference.

The scope of the evidentiary hearing will be to allow the parties to put on relevant evidence, through witnesses subject to direct and cross-examination, and through pre-marked exhibits, concerning the subject matter of the “Request for Agency Action to Confirm Designation of Operator Under Rule R. 649-10-3.2.3” (the “Request”). The Request was filed in this matter on or about July 2, 1998 by petitioner Intrepid Oil and Gas, LLC (“Intrepid”). Based on the Position Statements previously filed by counsel for the parties, the Presiding Officer notes that respondent Gavilan Petroleum, Inc. (“Gavilan”) opposes the Request. Gavilan contests Intrepid’s statement of material facts and argues that Gavilan, not Intrepid, is entitled to prevail as a matter of law.

Before issuing a Final Ruling in this matter, the Presiding Officer wants to receive sworn testimony from the key witnesses who have personal knowledge of the facts and circumstances giving rise to the key transactions at issue in this matter, and especially the intention of the parties. At the conclusion of the evidentiary phase of the hearing, the Presiding Officer also wants to hear oral arguments from counsel for Intrepid and Gavilan regarding the contested questions of law in this dispute. The Presiding Officer finds that it will be helpful to hold an evidentiary hearing because the parties apparently do not agree on the material facts, but until the Final Ruling is issued in this matter, the Presiding Officer also hereby expressly reserves judgment on the question

whether material facts genuinely are in dispute, or if they are, how that conflict will be resolved by the Presiding Officer.

To save time and to facilitate the smooth functioning of the evidentiary hearing, by no later than the close of business on October 9, 1998, the Presiding Officer directs the parties to pre-mark and pre-file with the Presiding Officer four sets of exhibits they intend to use the hearing, with an exhibit list. One courtesy set of pre-marked exhibits, along with an Exhibit List shall, also be served by Intrepid and Gavilan on the respective party's opposing counsel, and on counsel to the Presiding Officer, by the same date. The Presiding Officer also directs opposing counsel for Intrepid and Gavilan to meet and confer with each other at least one day prior to the evidentiary hearing to consider stipulating to the admissibility of any and all exhibits whose authenticity and relevancy is not in genuine dispute.

ISSUED this 28 day of September, 1998.

UTAH DIVISION OF OIL, GAS & MINING

By Lowell P. Braxton  
Lowell P. Braxton  
Its Acting Director

CERTIFICATE OF SERVICE

I hereby certify that I mailed a true and correct copy of the foregoing "NOTICE OF HEARING TO RECEIVE EVIDENCE AND TO HEAR ORAL ARGUMENT", first-class postage prepaid, this 29 day of September, 1998 to the following persons:

Phillip Wm. Lear, Esq.  
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Pruitt, Gushee & Bachtell  
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Suite 1850 Beneficial Life Tower  
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Patrick J. O'Hara, Esq.  
Utah Attorney General's Office  
Counsel to the Acting Director of DOGM  
160 East 300 South, 5th Floor  
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Salt Lake City, UT 84114-0857

I further certify that on said date I also mailed or delivered courtesy copies of said document to the following persons:

Mr. Robert A. Henricks  
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Deputy Director of Oil and Gas  
Utah Division of Oil, Gas & Mining  
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Mr. Lowell P. Braxton  
Acting Director  
Utah Division of Oil, Gas & Mining  
1594 West North Temple, Suite 1210  
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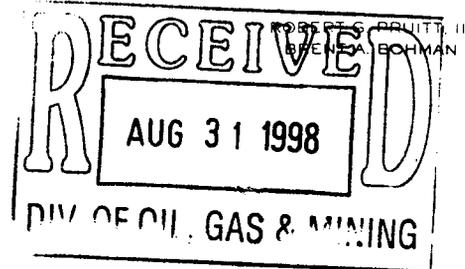
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JOHN F. WALDO  
ANGELA L. FRANKLIN  
JOHN S. FLITTON  
MICHAEL S. JOHNSON  
CHRISTOPHER J. CASTILLO

August 28, 1998



**VIA HAND-DELIVERY**

Lowell P. Braxton, Acting Director  
Division of Oil, Gas & Mining  
1594 West North Temple, Suite 1210  
Salt Lake City, Utah 84114-5801

*RE: Reply to Gavilan Petroleum, Inc. Position Statement*

Dear Mr. Braxton:

I welcome the opportunity to respond to Gavilan Petroleum, Inc.'s ("Gavilan's") Position Statement. This letter first addresses the nature of this matter and associated jurisdiction. This letter then addresses the revocability issue. This letter closes with a brief discussion of Gavilan's solvency.

**Jurisdiction:** The State of Utah, Board of Oil, Gas and Mining (the "Board") has authority to hear this matter because this matter involves purchase/sale agreements between private parties, fee land within the Roosevelt Unit, and the Roosevelt Unit Operating Agreement (as amended) rather than the Roosevelt Unit Agreement. The United States Supreme Court has held that state law should govern the dealings between private parties, even with respect to federal oil and gas leases. *Wallis v. Pan American Petroleum Corp.* 384 U.S. 63 (1966)(state law applies to transfer of interest in federal mineral lease). In addition, Utah law creating the Board and Division of Oil, Gas and Mining provides, "[t]his act shall apply to all lands in the state of Utah, lawfully subject to its police power, and shall apply to lands of the United States or lands subject to the jurisdiction of the United States." Utah Code Ann. § 40-6-18 (1997). Finally, Paragraph 1 of the Roosevelt Unit Agreement itself states federal regulations governing drilling or producing operations on non-Indian land shall apply to the extent "not inconsistent with the terms hereof or the laws of the state of Utah."

In an earlier matter involving the application of the nonconsent penalty of the Roosevelt Unit Operating Agreement the Bureau of Land Management ("BLM") stressed the administration of the "unit operating agreement is not considered a regulatory responsibility of this or any other federal agency." *Letter from Robert A. Henricks, Chief, BLM Branch of Fluid Minerals to State of Utah Board of Oil, Gas and Mining of August 11, 1989*, at 1 (see *Sam Oil, Inc. v. BHP Petroleum (Americas), Inc.*, Docket No. 89-

008, Cause No. 131-82 (1990)). Here the BLM concluded, federal regulations are designed so that they can protect federal and Indian basic royalty." *Id.* at 2. Accordingly, there is "no incentive for the federal government to levy civil penalties or arbitrate civil matters which do not effect the Federal or Indian interest and this intent cannot be construed from any of the 3100 regulations." *Id.* Finally,

current Bureau policy . . . not to adjudicate operating rights assignments, and policy not to ensure operators of oil and gas leases have permission from lessees, or working interest owners to conduct operations on federal leases, further emphasizes it is the intent of the present and past administration that the Federal Government will not arbitrate civil matters.  
*Id.*

Here, Intrepid and Gavilan are involved in a dispute over the assignment of authority through purchase/sale agreements between private parties. The authority in dispute constitutes the authority to operate a single well located on a fee lease within the Roosevelt Unit. At no time has Intrepid claimed that it has acquired Gavilan's authority of exclusive operations as Unit Operator. Consequently, this matter falls within the administration of the Unit Operating Agreement and is not considered a regulatory responsibility of the BLM. Therefore, this informal adjudication is the appropriate first step in the litigation of this dispute.

**Revocability:** Gavilan may not revoke Intrepid's right to operate the B2-20 Well. It is well settled that "if the authority or power of an agent is coupled with an interest, it is not revocable by the act, condition, or death of the principal before the expiration of the interest." 3 *Am Jur* 2d § 63 (1998). In addition "a power given for a valuable consideration is irrevocable." *Id.* It is undeniable that Gavilan intended to assign the authority to operate the B2-20 Well to Emerald Oil and Mining Co ("Emerald"). The authority to operate was a material element of the buy/sell transaction. The parties viewed the authority to operate as such a material element that prior to closing they agreed to execute and file State of Utah Change of Operator Sundry Notices and to "provide evidence of availability of an acceptable bond or other instrument to the Utah Division of Oil, Gas and Mining . . . to replace Seller's current Letter of Credit bond, to the extent required by DOGM for the Roosevelt B-2-20 Well." *Purchase Agreement between Gavilan (Seller) and Emerald (Buyer) of January 1, 1995* at § 4.10; see also §§ 7.4 and 7.5. Emerald's authority to operate therefore constitutes an irrevocable agency that inures to Emerald's "successors and assigns." (i.e. Intrepid).

Counsel for Gavilan asserts Intrepid's operating authority must be temporary and subject to Gavilan's termination at will since the Unit Operator could not alienate its rights and obligations as Unit Operator without the approval process imposed by federal regulations. Gavilan further asserts the assignment of the authority to operate is void since Gavilan's unit operator right is exclusive.

Gavilan fails to point out a party other than the Unit Operator designated under an agreement can operate one or more of the wells provided "the other party is designated as a limited agent acting on behalf of the operator (the operator is ultimately responsible for all operations conducted on the well(s) that would be operated by a limited agent)." Bernie Dillon, *Communitization Agreement Supplement, Paper 3B, Federal Onshore Oil and Gas Pooling and Unitization II*, Rocky Mountain Mineral Law Foundation, (1990). In addition, regarding the Roosevelt Unit in particular, the BLM Vernal District Office recognizes, although changes in the Federal Unit Operator require BLM approval,

[s]hould the Unit Operator wish to enter into an agreement with another party to operate wells within a participating area this office [BLM, Vernal District Office] does not become involved in such agreements so long as all of the parties involved understand that it is the Unit Operator that this office holds liable and responsible for all operations within the Unit. *Letter from Craig M. Hansen, BLM, ADM for Minerals, to Caloco Energy, Inc. of July 19, 1988* at 2.

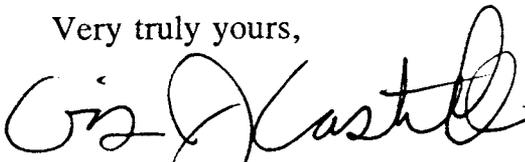
In the case at hand, Intrepid operates the subject well as an irrevocable agent for the Unit Operator. Consequently, federal approval of Intrepid's agency authority is not necessary. In addition, since Intrepid operates the B2-20 Well as a limited agent, its operations do not encroach upon Gavilan's exclusive rights. In light of the facts set forth above and in light of Gavilan's questionable solvency, (see below), the state must continue to recognize Intrepid as the B2-20 Well's legal operator for State purposes.

**Solvency:** Gavilan is now unequivocally insolvent. (See attached Civil Complaint and previously provided notices of lien). Consequently, Gavilan's authority to act as Unit Operator is subject to revocation under Article V (B)(1) of the Roosevelt Unit Operating Agreement. All interests involved will be jeopardized should the Division approve Gavilan's change of operator sundry notice.

Lowell P. Braxton  
August 28, 1998  
Page 4

In sum, Intrepid respectfully requests an extension of Mr. O'Hara's two page reply limitation and moves the Division to continue to recognize Intrepid as the legal operator of the subject well for State purposes.

Very truly yours,



Christopher J. Castillo

CJC\pk  
Enclosures  
1852.03

c:\wpdocs\CJC\braxton.ltr

CERTIFICATE OF SERVICE

I hereby certify that I mailed a true and correct copy of the foregoing "REPLY to GAVILAN PETROLEUM, INC. POSITION STATEMENT", first-class postage prepaid, this 28<sup>th</sup> day of August 1998 to the following persons:

Phillip Wm. Lear, Esq.  
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Patrick J. O'Hara, Esq.  
Utah Attorney General's Office  
Counsel to the Acting Director  
160 East 300 South, 5<sup>th</sup> Floor  
P.O. Box 140857  
Salt Lake City, Utah 84114-0857

I further certify that on said date I also mailed or delivered courtesy copies of said document to the following persons:

Mr. Robert A. Henricks  
Chief, Branch of Fluid Minerals  
U.S. Bureau of Land Management  
324 South State  
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Mr. Charles H. Cameron  
Petroleum Engineer  
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Uintah & Ouray Agency  
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Deputy Director of Oil and Gas  
Utah Division of Oil, Gas & Mining  
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Mr. Lowell P. Braxton  
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Becky Thomas

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ANGELA L. FRANKLIN  
JOHN S. FLITTON  
MICHAEL S. JOHNSON  
CHRISTOPHER J. CASTILLO

OF COUNSEL

ROBERT G. PRUITT, III  
BRENT A. BOHMAN

**TELECOPIER TRANSMITTAL COVER SHEET**

---

<b>TO:</b>	John Baza	<b>DATE:</b>	September 1, 1998
<b>COMPANY:</b>	State of Utah, Division of Oil, Gas, & Mining	<b>TELECOPIER NUMBER:</b>	359-3940
<b>CITY/STATE:</b>	SLC, UT	<b>PAGES (INCLUDING COVER SHEET):</b>	16
<b>FROM:</b>	Cris Castillo	<b>CLIENT/MATTER NUMBER:</b>	1852.03

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**MESSAGE:**

For your information/review.

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THE INFORMATION CONTAINED IN THIS COMMUNICATION IS CONFIDENTIAL, MAY BE PROTECTED BY THE ATTORNEY-CLIENT PRIVILEGE OR THE WORK PRODUCT DOCTRINE, MAY CONSTITUTE INSIDE INFORMATION, AND IS INTENDED ONLY FOR THE USE OF THE ADDRESSEE. UNAUTHORIZED USE, DISCLOSURE OR COPYING IS STRICTLY PROHIBITED AND MAY BE UNLAWFUL. IF YOU HAVE RECEIVED THIS COMMUNICATION IN ERROR, PLEASE IMMEDIATELY NOTIFY US AT (801) 531-8446.

13160  
(U-922)

August 10, 1989

Board of Oil, Gas, and Mining  
Department of Natural Resources  
3 Triad Center Suite 301  
355 West Temple  
Salt Lake City, UT 84180-1203

RE: Docket No. 89-008  
Cause No. 131-83

Gentlemen:

By letter dated August 10, 1989 this office was asked to provide written response as to the jurisdiction of the Bureau of Land Management in the above referenced case (copy enclosed).

It was felt that the most appropriate action in this case was to provide our response directly to the Board with courtesy copies to interested parties.

As stated in the Bureau's Manual for the Approval and Administration of Federal Exploratory Unit Agreements: "The terms and conditions of the operating agreement are not approved by the Bureau, since the unit agreement (43 CFR 3166.1) contains language in Section 7 that makes the operating agreement subservient to the unit agreement; however, the joinders are reviewed to ensure that all committed working interest have ratified both agreements..." This procedure is identical to that used in accepting the Sam Oil Inc., joinder which is enclosed for your information.

Enclosed for your information are copies of the approval of the Roosevelt Unit Agreement and the Certification and Determination of said agreement, clearly the Commissioner of Indian Affairs acting on the recommendation of the Director of the Geologic Survey approved only the Unit Agreement for the Roosevelt Unit Area, not the Unit Operating Agreement. The fact that the April 27, 1983 amendment to the unit operating agreement was not approved by a federal agency further demonstrates that the administration of the unit operating agreement is not considered a regulatory responsibility of this or any other federal agency.

Section 7 of the Roosevelt Unit Agreement (copy enclosed) dictates the accounting provisions of the agreement as to the appropriation of costs and expenses, and the allocation of production to working interest owners. Clearly the United States Government does not approve, does not administer, and can not be construed as a party to the "unit operating agreement" as defined by this section or any other reference in the Unit Agreement.

BHP contends that unquestionably, the BLM has jurisdiction over the operation of any federal unit such as the Roosevelt Unit by citing regulations at 43 CFR 3161.1(b). What BHP fails to realize is that said regulations are designed so that the BLM can protect Federal and Indian basic royalty. Clearly their would be no incentive for the federal government to levy civil penalties to arbitrate civil matters which do not effect the Federal or Indian interest, and this intent can not be construed from any of the 3100 regulations. In fact current Bureau policy (by regulation change) not to adjudicate operating rights assignments, and policy not to ensure operators of oil and gas leases have permission from lessees or working interest owners to conduct operations on federal leases, further emphasis it is the intent of the present and past administration that the Federal Government will not arbitrate civil matters.

In conclusion, it is our standing that the Bureau of Land Management has no jurisdiction in the matters raised by petition of Sam Oil, Inc., Docket No. 89-008, Cause No. 131-82. It is the position of the BLM that this is a civil and not a regulatory matter, if the Board feels that it is within their jurisdiction, than a hearing before the Board would be the appropriate first step in litigation of the dispute.

Sincerely,  
(Orig. Sgd.) R. A. Henricks

Robert A. Henricks  
Chief, Branch of Fluid Minerals

enclosures

1. letter of 8/10/89
2. Sam Oil Inc., joinder
3. approval letter for Roosevelt Unit
4. certification and determination Roosevelt Unit
5. section 7 of the Roosevelt Unit

cc: DGGM

Sam Oil Inc.,  
c/o Hansen and Anderson  
50 West Broadway, Sixth Floor  
Salt Lake City, UT 84101-2018

Elf Petroleum Inc.  
c/o Ray, Quinney, & Anderson  
400 Deseret Plaza  
79 South Main Street  
Salt Lake City, UT 84111

bcc: ~~Roosevelt Unit File~~  
DM Vernal  
Fluid Chron  
Agr Sec Chron

MCoulthard:PLC 08/10/89  
0319T



# United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
VERNAL DISTRICT OFFICE  
170 SOUTH 300 EAST  
VERNAL, UTAH 84078



IN REPLY REFER TO:  
3150  
UT03438

July 19, 1988

Caloco Energy, Inc.  
P. O. Box 131505  
Dallas, TX 75218

Re: Operations Within Roosevelt Unit  
Uintah County, Utah

RECEIVED  
STATE OFFICE  
1988 JUL 21 AM 9:00  
DEPT. OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

Gentlemen:

It is the understanding of this office that Caloco Energy considers themselves to be the new operator for approximately seven wells within the Roosevelt Unit Green River Participating Area.

Please be advised that the following problems exist because of this action since the Roosevelt Unit is a Federally supervised unit:

1. Any action requiring approval must be filed with this office or our Bureau of Land Management State Office depending upon the action and approved prior to initiating any work or considering a change in operator effective. This viewpoint is consistent with the Federal regulations, Notices to Lessee's (NLT'S), Onshore Orders, policies, etc. that govern the management of Federally supervised lands.
2. As per the Unit Agreement, the Unit Operator is the only recognized operator within the participating area(s) of a unit, unless the unit agreement allows for a sub-operator which must first be approved by our State Office.

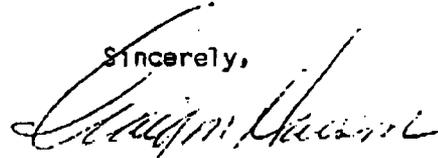
Therefore, regardless of whether Caloco Energy, or any other operator other than the Unit Operator, claims to be operating unit wells within a Federally supervised unit, the Unit Operator is the party held liable and responsible for all operations within a participating area boundary. Only for those wells not considered to be unit wells could this office recognize another operator other than the Unit Operator. Typically, this situation involves wells that have been drilled outside of a participating area boundary and for which a nonpaying unit well determination has been made. Thus, this office cannot recognize Caloco Energy as the operator for those wells in

which you consider yourselves to be the operator for within the Graen River Participating Area of the Roosevelt Unit.

Should the Unit Operator wish to enter into an agreement with another party to operate wells within a participating area, this office does not become involved in such agreements so long as all of the parties involved understand that it is the Unit Operator that this office holds liable and responsible for all operations within the Unit. This includes all of the necessary paperwork requirements, proper well signs, seal requirements, penalty assessments, etc. Thus, if Caloco Energy were to enter into such an agreement with the Unit Operator for the Roosevelt Unit, this office would not need to approve such an action, but it must be understood that this office would not recognize or act upon any request submitted by Caloco Energy. As stated earlier, all paperwork requirements must be submitted by the Unit Operator.

If you have any questions regarding any of the above, please contact Jerry Kenczka of this office.

Sincerely,



Craig M. Hansen  
ADM for Minerals

cc: U-922  
BIA  
Gavilan  
DOGM



Plaintiff hereby complains and alleges as follows:

1. In this action, plaintiff seeks to foreclose on a mechanic's lien on the interest of Roadrunner oil, Inc., dba Roadrunner Oil Company [hereinafter "Roadrunner"] regarding property located on the Uintah and Ouray Reservation. Accordingly, jurisdiction in this Court is proper pursuant to § 1-2-4 and § 7-1-4 of the Law and Order Code of the Ute Indian Tribe.
2. Jurisdiction of this Court is concurrent with the jurisdiction of the Eighth Judicial District Court for the State of Utah pursuant to § 1-2-6 of the Law and Order Code of the Ute Indian Tribe.
3. CET Environmental Services, Inc. ["CET"], is a California corporation with its principal place of business located in the State of Colorado and duly authorized to transact business in the State of Utah. CET is a provider of various environmental services, including the drilling and maintenance of oil and natural gas wells, and is a "contractor," as defined in § 38-10-101 Utah Code Annotated.
4. Roadrunner is a Utah corporation, with its principal place of business located in the State of Utah. Roadrunner is engaged in the business of oil and natural gas production in the State of Utah and owns various interests in various oil and gas wells located in the Roosevelt Unit, a production unit for oil and gas, and is an "owner," as defined in § 38-10-101 Utah Code Annotated. The Roosevelt Unit is a "production unit," as defined in § 38-10-101 Utah Code Annotated.

5. The John Doe defendants are parties unknown to CET at this time who may claim an interest or right in and to the interest of Roadrunner regarding the property identified in the mechanic's lien hereinafter set forth.

6. On or about June 5, 1997, CET entered into an Agreement for Environmental Services (the "Agreement") with Roadrunner, whereby CET was to provide oil field services to remediate and water flood oil wells within the Roosevelt Unit for Roadrunner, for which CET was to be paid on a time-and-material basis at a not-to-exceed price of \$2,500,000. A copy of said Agreement is attached hereto, marked "Exhibit A," and by reference incorporated herein.

7. Commencing on or about June 6, 1997, and continuing to December 30, 1997, CET performed services, as called for in said Agreement, and performed additional work, as requested by Roadrunner.

8. Between the period of June 6, 1997, and December 30, 1997, CET provided services pursuant to the Agreement in the total sum of \$2,083,434.87, which was the value of the work performed and materials and equipment furnished in order to provide the services above referenced. As of December 30, 1997, Roadrunner had paid only the sum of \$336,621.20 for such services.

9. On or about December 30, 1997, CET discontinued providing services pursuant to the Agreement by reason of the failure of Roadrunner to pay CET for overdue invoices in the sum of \$1,746,813.67 for the value of the work performed and materials and equipment furnished pursuant to said Agreement.

FIRST CAUSE OF ACTION

Mechanic's Lien

10. CET incorporates by reference each and every allegation contained in Paragraphs 1 through 9 above, as though fully set forth.

11. CET, as a "contractor," as above defined, was entitled to file a mechanic's lien as against the interests of Roadrunner as an "owner," pursuant to the provisions of Title 38, Chapters 1 and 10, Utah Code Annotated.

12. On February 10, 1998, CET filed and recorded a Notice of Lien pursuant to Title 38, Chapters 1 and 10, Utah Code Annotated, a copy of which Notice of Lien is attached hereto, marked "Exhibit B," and by reference incorporated herein. Said Notice of Lien was recorded in the office of the Uintah County Recorder as Entry No. 98000824, Book 661, Page 848-851. The following wells in which Roadrunner owns an interest are located within the Uintah and Ouray Reservation: #15-A1E Well, #18-A1E Well and #20-2 Well.

13. CET has fully complied with the provisions of Title 38, Chapters 1 and 10, Utah Code Annotated, insofar as is necessary to enforce CET's lien as against the interest of Roadrunner in the subject property. Pursuant thereto, and in accordance with §§ 7-1-4, 7-1-5 and 7-1-6 of the Law and Order Code of the Ute Indian Tribe, CET is entitled to a judgment in the sum of \$1,746,813.67, a decree foreclosing its mechanic's lien as against the interest of Roadrunner in the property located within the Uintah and Ouray Reservation identified in said Notice of Lien, and an Order of the Court causing the interest in said

property to be sold in satisfaction of the lien, together with all costs and attorney's fees incurred herein.

14. In the event that the proceeds from the sale of said property is insufficient to satisfy the amount of the judgment rendered herein in favor of CET, CET is entitled to judgment in deficiency for the unpaid balance as against Roadrunner.

**SECOND CAUSE OF ACTION**

**Breach of Contract**

15. CET incorporates by reference each and every allegation contained in Paragraphs 1 through 14 above, as though fully set forth.

16. Roadrunner has breached the terms and conditions of the Agreement by its failure to pay for the services rendered by CET.

17. CET fully and substantially performed the obligations under the Agreement until such time as Roadrunner breached said Agreement by failing to pay for said services.

18. Despite repeated demand upon Roadrunner, Roadrunner has failed and continues to fail to pay to CET the balance of the sums due in the amount of \$1,746,813.67. Pursuant to the terms set forth in Article 6 of the Agreement, CET is entitled to recover all attorney's fees and costs incurred in collecting the amounts due under the Agreement.

19. CET is entitled to recover judgment as against Roadrunner in the sum of \$1,746,813.67, together with all costs incurred herein and reasonable attorney's fees.

THIRD CAUSE OF ACTION

Unjust Enrichment

20. CET incorporates by reference each and every allegation contained in Paragraphs 1 through 19 above, as though fully set forth.

21. CET provided services, material and equipment of the value of \$2,083,434.87 for the improvement of the oil wells identified in the Notice of Lien for work described in Section 38-10-102(2)(a), Utah Code Annotated.

22. Roadrunner has been unjustly enriched, to the detriment of CET, by reason of the work, materials and equipment supplied, as above set forth, for the improvement of the oil wells above-referenced, for which full payment has not been made to CET.

23. CET is entitled to an award of judgment as against Roadrunner in the sum of \$1,746,813.67, to restore the unjust enrichment enjoyed by Roadrunner at CET's expense.

WHEREFORE, CET prays judgment as against Roadrunner as follows:

1. For judgment in the sum of \$1,746,813.67, together with all costs incurred and reasonable attorney's fees, and a decree in foreclosure of the mechanic's lien above referenced causing the interest of Roadrunner in said property to be sold and the proceeds therefrom allocated to satisfaction of CET's mechanic's lien, in accordance with the provisions of Title 38, Chapters 1 and 10, Utah Code Annotated, and §§ 7-1-4, 7-1-5 and 7-1-6 of the Law and Order Code of the Ute Indian Tribe.

2. For deficiency judgment in the event that the proceeds from the sale of the property in foreclosure of CET's mechanic's lien is insufficient to satisfy the balance due, which total sum includes the balance of \$1,746,813.67, together with all costs incurred herein and reasonable attorney's fees.

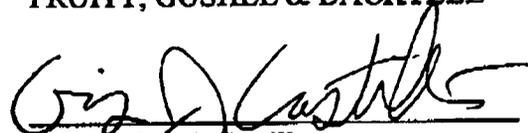
3. For a judgment in the sum of \$1,746,813.67, together with all costs incurred herein and reasonable attorney's fees, pursuant to the Second Cause of Action.

4. For judgment in the sum of \$1,746,813.67, together with all costs incurred herein, pursuant to the Third Cause of Action.

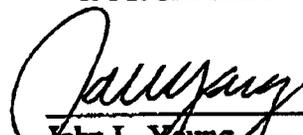
5. For such other and further relief as the Court deems just and meet in the premises.

DATED this 10<sup>th</sup> day of August, 1998.

PRUITT, GUSHEE & BACHTTELL

  
Christopher J. Castillo

VAN COTT, BAGLEY, CORNWALL  
& McCARTHY

  
John L. Young  
Jeremy M. Hoffman  
Attorneys for Plaintiff

Plaintiff's Address:  
CET Environmental Service, Inc.  
5315 NW Saint Helens Road  
Portland, Oregon 97210

ENTRY 98000824  
BOOK 661 PAGE 848

ENTRY 98000824  
BOOK 661 PAGE 848-851 \$33.00  
10-FEB-98 02:53  
RANDY SIMMONS  
RECORDER, UINTAH COUNTY, UTAH  
VAN COTT, BAGLEY, CORNWALL & MCCART  
50 S MAIN ST. SUIT 1600 S.L.C UT 84144  
REC BY: CAROL ALLEN , DEPUTY

When recorded mail to:  
Gregory P. Williams  
Van Cott, Bagley, Cornwall & McCarthy  
50 South Main Street, Suite 1600  
Salt Lake City, Utah 84144

## NOTICE OF LIEN

Notice is hereby given that CET ENVIRONMENTAL SERVICES, INC. ("Claimant"), holds and claims a lien pursuant to Chapters 1 and 10, Title 38, Utah Code Annotated, upon the interest of ROAD RUNNER OIL COMPANY ("Owner") in:

- a. The Roosevelt Unit, a production unit for oil and gas, and access rights appurtenant thereto, situated in Uintah County, Utah, which is more particularly described on Exhibit A attached hereto, including, without limitation, the oil and gas wells which are more particularly described in Exhibit B attached hereto;
- b. Pipelines, including rights of way, buildings, wells, oil tanks, and appurtenances located on the land or leasehold within the production unit;
- c. The oil, gas, and associated substances in the ground, or while the same remain in storage on the production unit, which are attributable to the interest subject to the lien as the interest existed on the date work was first performed or materials or equipment were first furnished; and
- d. Such other interests in real and personal property as allowed by law.

Claimant was engaged by Owner to perform work and furnish materials and equipment of the nature described in Section 38-10-102(2) UCA pursuant to an Agreement dated June 5, 1997, as amended and supplemented. Such work, materials, and equipment have a value of \$2,083,434.87 through December 31, 1997 (exclusive of interest). Partial payment has been received in the amount of \$336,621.20, leaving an unpaid balance of \$1,746,813.67 (exclusive of interest). The value of the work, materials and equipment is allocable among the wells described in Exhibit B in the amounts set forth in Exhibit B.

The first work was performed or materials or equipment furnished on June 6, 1997.



## EXHIBIT A

ENTRY 93000824  
BOOK 661 PAGE 850

The following lands in Uintah County, Utah, to the extent situated within the Roosevelt Unit:

T. 1 S., R. 1 E., USM

Section 17 SE $\frac{1}{4}$ SW $\frac{1}{4}$   
Section 18 S $\frac{1}{2}$   
Section 19 N $\frac{1}{2}$ , N $\frac{1}{2}$ S $\frac{1}{2}$ , SE $\frac{1}{4}$ SE $\frac{1}{4}$   
Section 20 W $\frac{1}{2}$ , W $\frac{1}{2}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$   
Section 21 S $\frac{1}{2}$ N $\frac{1}{2}$ , S $\frac{1}{2}$   
Section 27 W $\frac{1}{2}$ NW $\frac{1}{4}$ , NW $\frac{1}{4}$ SW $\frac{1}{4}$   
Section 28 N $\frac{1}{2}$ , N $\frac{1}{2}$ SE $\frac{1}{4}$   
Section 29 NE $\frac{1}{4}$ NW $\frac{1}{4}$ , N $\frac{1}{2}$ NE $\frac{1}{4}$

T. 1 S., R. 1 W., USM

Section 13 S $\frac{1}{2}$   
Section 14 E $\frac{1}{2}$ SE $\frac{1}{4}$   
Section 23 NE $\frac{1}{4}$ NE $\frac{1}{4}$   
Section 24 N $\frac{1}{2}$ NW $\frac{1}{4}$ , NE $\frac{1}{4}$

## EXHIBIT B

ENTRY 92000824  
BOOK 661 PAGE 851

Well	Location	Value of Services, Materials and Equipment
Roosevelt Unit #15-A1E Well	Township 1 So., Range 1 E., Section 28: SW $\frac{1}{4}$ NW	\$486,725.66
Roosevelt Unit #18-A1E Well	Township 1 So., Range 1 E., Section 27: NW $\frac{1}{4}$ SW $\frac{1}{4}$	\$480,515.87
Roosevelt Unit #20-2 Well	Township 1 So., Range 1 E., Section 17: SE $\frac{1}{4}$ SW $\frac{1}{4}$	\$474,380.47
Roosevelt Unit #13 Well	Township 1 So., Range 1 W., Section 13: NE $\frac{1}{4}$ SW $\frac{1}{4}$	\$466,497.01
Wasatch #6 Well [= Roosevelt Unit #6W Well]	Township 1 So., Range 1 E., Section 20: SW $\frac{1}{4}$ SW $\frac{1}{4}$	\$ <u>      ?</u>

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

---

)  
)  
IN THE MATTER OF THE )  
REQUEST FOR AGENCY ACTION )  
OF INTREPID OIL & GAS, LLC, )  
TO CONFIRM DESIGNATION OF )  
OPERATOR OF THE ROOSEVELT )  
B2 WELL LOCATED IN SECTION )  
20, TOWNSHIP 1 SOUTH, RANGE )  
1 EAST, API NO. 43-047-31187, )  
UINTAH COUNTY, UTAH )  
)  
)

MOTION TO DISMISS  
REQUEST FOR AGENCY  
ACTION UPON STIPULATION  
OF THE PARTIES

Docket No.   N/A  

Cause No.   N/A  

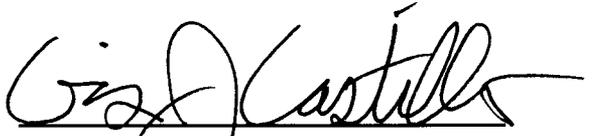
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INTREPID OIL & GAS, LLC, ("Petitioner"), by and through its attorneys, Pruitt, Gushee & Bachtell, moves the Utah Division of Oil, Gas and Mining (the "Division") pursuant to R.641-105-300 for an Order dismissing without prejudice the above referenced Request for Agency Action based upon the attached Stipulation of the Parties dated October 8, 1998.

WHEREFORE, Petitioner respectfully requests that the Division of Oil, Gas & Mining issue an order confirming Petitioner's motion to dismiss without prejudice the above referenced Request for Agency Action.

DATED this 14 day of October, 1998.

INTREPID OIL & GAS, LLC

By: 

Christopher J. Castillo  
Attorneys for Petitioner  
Pruitt, Gushee & Bachtell  
1850 Beneficial Life Tower  
Salt Lake City, Utah 84111

**CERTIFICATE OF SERVICE**

The undersigned certifies that, on the 14<sup>th</sup> day of October, 1998, I served a copy of the foregoing Request for Agency Action by causing a copy thereof to be mailed, properly addressed, with postage prepaid, to the following parties:

John R. Pinder  
Gavilan Petroleum, Inc.  
34058 Strawberry River Road  
Duchesne, Utah 84021

Phillip W. Lear, Esq.  
SNELL & WILMER  
111 E. Broadway, #900  
Salt Lake City, UT 84111

Robert Jornayvaz, Attorney In Fact  
Intrepid Oil & Gas, LLC  
1801 Broadway, Suite 800  
Denver, Colorado 80202

John R. Baza, Associate Director  
State of Utah  
Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
Salt Lake City, Utah 84114-5801

Bureau of Indian Affairs  
Uintah and Ouray Agency  
P.O. Box 130  
Ft. Duchesne, Utah 84026

Bureau of Land Management  
Salt Lake Office  
P.O. Box 45155  
Salt Lake City, Utah 84145-0155

1852\03\plead\req4agy.act

Becky Thomas

FILE COPY

LAW OFFICES

**PRUITT, GUSHEE & BACHTELL**

SUITE 1850 BENEFICIAL LIFE TOWER

SALT LAKE CITY, UTAH 84111-1495

(801) 531-8446

E-mail: pgbslc@aol.com

TELECOPIER (801) 531-8468

OF COUNSEL

ROBERT G. PRUITT, III  
BRENT A. BOHMAN

ROBERT G. PRUITT, JR.  
OLIVER W. GUSHEE, JR.  
THOMAS W. BACHTELL  
A. JOHN DAVIS, III  
JOHN W. ANDERSON  
FREDERICK M. MACDONALD  
JOHN F. WALDO  
ANGELA L. FRANKLIN  
JOHN S. FLITTON  
MICHAEL S. JOHNSON  
CHRISTOPHER J. CASTILLO

October 8, 1998

**VIA FACSIMILE (801) 237-1950**

Phillip Wm. Lear, Esq.  
Snell & Wilmer  
Broadway Center  
111 East Broadway, Suite 900  
Salt Lake City, Utah 84111-1008

Dear Mr. Lear:

This letter incorporates those adjustments that you and I discussed yesterday. Accordingly, this letter supplements and adjusts the Pruitt, Gushee & Bachtell letter addressed to your office and dated October 6, 1998.

The settlement agreement will include the following:

1. Parties to the settlement agreement recognize that the Unit Operator has authority to take over the day-to-day operations of unit wells. However, in the case of the Roosevelt B2 well, the Unit Operator has delegated the authority to conduct well operations in exchange for consideration. Gavilan agrees to execute federal and state forms, as needed, to confirm such delegation and further agrees not to revoke said delegation except for cause as defined in Paragraph No. 2.
2. Gavilan will agree not to challenge and will support the operation of the Roosevelt B2 well by Intrepid except for cause. Cause for challenge to well operatorship will be based upon claims of willful misconduct or gross negligence by Intrepid.
3. On behalf of Gavilan, your office will deliver a letter to Pruitt, Gushee & Bachtell confirming ownership of the Rio Bravo/Santa Fe overriding royalty interest. Your letter will be accompanied by documents confirming the chain of title from the owner shown in the latest Division Order Title Opinion to the present. Your letter will direct to whom the current payment attributable to this interest should be made, and provide a tax I.D.

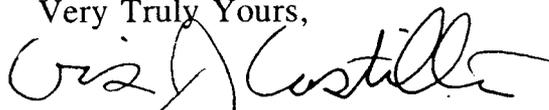
Phillip Wm. Lear  
October 8, 1998  
Page 2

number. Upon receiving your letter and the necessary information completing the chain of title into the current owner, Intrepid will pay the funds attributable to that interest. Intrepid shall be responsible only for the time period from the day it assumed operations of the Roosevelt B2 well. Intrepid's estimate of this payment is seventeen thousand dollars (\$17,000). For your information, the latest Division Order Title Opinion that I have for the Roosevelt Unit is dated March 31, 1988 and is prepared by VanCott, Bagley, Cornwall & McCarthy. If you have a later version, please advise and provide a copy of the relevant pages for the Roosevelt B2 well.

4. Intrepid will provide satisfactory evidence of its bonds, insurance, and payment of taxes respecting the Roosevelt B2 well.
5. Both parties will bear their own costs and attorneys fees.
6. The parties (including Road Runner, Inc.) will release all claims against the other now known or asserted except as listed in Paragraphs No. 1 and No. 2.
7. The agreement will be binding upon the parties, their successors, and assigns, Road Runner Oil, Inc. and any company in which Robert or John Pinder have control, or own an interest greater than ten percent.
8. In any action to enforce the terms, the prevailing party shall be entitled to reimbursement for reasonable costs, witness and attorneys fees.
9. Gavilan acknowledges that, with respect to the time period that Intrepid has operated the Roosevelt B2 Well, the "Wilcox override" has been paid.

If your client agrees with the terms set out in this letter, please acknowledge by signing at the space provided below and faxing the signed letter back to me. Upon receiving the letter, we are authorized to make a joint motion with you to cancel the October 15<sup>th</sup> hearing.

Very Truly Yours,

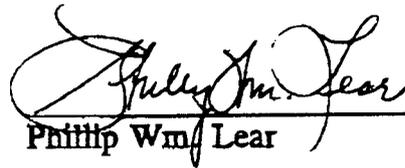
  
Christopher J. Castillo

Phillip Wm. Lear  
October 8, 1998  
Page 3

CJC:bt

cc: Robert P. Jorayvaz, III  
Hugh Harvey

ACKNOWLEDGED this 8<sup>th</sup> day of October, 1998.

  
Phillip Wm. Lear

STATE OF UTAH  
OFFICE OF THE ATTORNEY GENERAL



JAN GRAHAM - ATTORNEY GENERAL

250 East 300 South • P.O. Box 140887 • SALT LAKE CITY, UTAH 84114-0887 • TELEPHONE (801) 366-0352

fax

FACSIMILE COVER SHEET

Date 10/15/98  
Time 10:09am

TO: ① Lowell Braxton  
Name ② John Baga

Agency DOGMA

Fax No. 359-3940

FROM: P. J. O'Idara  
Name

Agency AG

Fax No. (801) 366-0352

Number pages transmitted including cover sheet 4

Comments Copy of Garland / Tortiguard  
settlement letter of 10/16/98 (to  
be read with the letter of 10/18/98  
pared separately by Tortiguard's  
counsel)

This facsimile transmission may contain confidential and privileged information. This message is intended only for the use of the individual or entity to which it is addressed and may contain information that is exempt from disclosure under applicable Federal or State Law. If the reader of this message is not the intended recipient or the employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication is strictly prohibited.

If you receive this communication in error, please notify us immediately by telephone and return the original message to us at the address above via regular U.S. mail.

LAW OFFICES

**FRUITT, GUSHEE & BACHTTELL**

SUITE 1850 BENEFICIAL LIFE TOWER  
SALT LAKE CITY, UTAH 84111-1495  
(801) 831-8448  
E-mail: pgs81g@slc.com

TELECOPIER (801) 831-8448

ROBERT G. FRUITT, JR.  
OLIVER W. GUSHEE, JR.  
THOMAS W. BACHTTELL  
A. JOHN DAVIS, III  
JOHN W. ANDERSON  
FREDERICK M. MACDONALD  
JOHN F. WALDO  
ANGELA L. FRANKLIN  
JOHN S. FLITTON  
MICHAEL S. JOHNSON  
CHRISTOPHER J. CASTILLO

OF COUNSEL

ROBERT G. FRUITT, III  
BRENT A. BOHMAN

October 6, 1998

**VIA FACSIMILE (801) 237-1950**

Phillip Wm. Lear, Esq.  
Snell & Wilmer  
Broadway Center  
111 East Broadway, Suite 900  
Salt Lake City, Utah 84111-1008

Dear Mr. Lear:

As discussed, we have apparently reached a tentative settlement between my client, Intrepid Oil and Gas, LLC, and your client, Gavalan Petroleum, Inc. regarding the Roosevelt B2 well. If you approve the proposal outlined in this letter, then we will agree to enter into a joint motion postponing the hearing scheduled for Thursday, October 15, 1998 before Lowell P. Braxton, Acting Director of the Utah Division of Oil, Gas and Mining.

As I understand the proposed arrangement, our respective clients will enter into a settlement agreement addressing the following essential matters:

1. Gavalan will agree not to challenge and will support the operation of the Roosevelt B2 well by Intrepid except for cause. Cause for challenge to well operatorship will be based upon claims of willful misconduct or gross negligence by Intrepid.
2. On behalf of Gavalan, your office will deliver a letter to me confirming ownership of the Rio Bravo/Santa Fe overriding royalty interest. Your letter will be accompanied by documents confirming the chain of title from the owner shown in the latest Division Order Title Opinion to the present. Your letter will direct to whom the current payment attributable to this interest should be made, and provide a tax I.D. number. Upon receiving your letter and the necessary information completing the chain of title into the current owner, Intrepid will pay the funds attributable to that interest. Intrepid shall

Phillip Wm. Lear  
October 6, 1998  
Page 2

be responsible only for the time period from the day it assumed operations of the Roosevelt B2 well. For your information, the latest Division Order Title Opinion that I have for the Roosevelt Unit is dated March 31, 1988 and is prepared by VanCott, Bagley, Cornwall & McCarthy. If you have a later version, please advise and provide a copy of the relevant pages for the Roosevelt B2 well.

3. Intrepid will provide satisfactory evidence of its bonds, insurance, and payment of taxes respecting the Roosevelt B2 well.
4. Both parties will bear their own costs and attorneys fees.
5. The parties (including Road Runner, Inc.) will release all claims against the other.
6. The agreement will be binding upon the parties, their successors, and assigns, Road Runner Oil, Inc. and any company in which Robert or John Pender have control, or own an interest greater than ten percent.
7. In any action to enforce the terms, the prevailing party shall be entitled to reimbursement for reasonable costs, witness and attorneys fees.

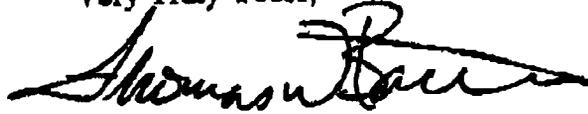
I understand that your client has resolved any issue concerning the current payment of the so-called "Wilcox override" and acknowledge that, with respect to the time period that Intrepid has operated the B2 well, the interest has been paid through August, 1998. I am also advised that your clients may propose a secondary recovery operation by water flood for the upper Green River formation within the Roosevelt unit. It is understood between us that the proposed settlement agreement will not address the parties relative rights, duties, and obligations regarding this subject matter.

If your client agrees with the preliminary terms set out in this letter, please acknowledge by signing at the space provided below and faxing the signed letter back to me at your earliest convenience. Upon receiving the letter, we are authorized to make a joint motion with you to postpone the October 15<sup>th</sup> hearing.

Phillip Wm. Lear  
October 6, 1998  
Page 3

Please advise at your earliest convenience.

Very Truly Yours,



Thomas W. Bachtell

TWB:bt

cc: Robert P. Jornayvaz, III  
Hugh Harvey

ACKNOWLEDGED this \_\_\_\_\_ day of October, 1998.

---

Phillip Wm. Lear

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

---

)  
)  
IN THE MATTER OF THE )  
REQUEST FOR AGENCY ACTION )  
OF INTREPID OIL & GAS, LLC, )  
TO CONFIRM DESIGNATION OF )  
OPERATOR OF THE ROOSEVELT )  
B2 WELL LOCATED IN SECTION )  
20, TOWNSHIP 1 SOUTH, RANGE )  
1 EAST, API NO. 43-047-31187, )  
UINTAH COUNTY, UTAH )  
)  
)

ORDER GRANTING  
MOTION TO DISMISS WITHOUT  
PREJUDICE

Docket No.     N/A    

Cause No.     N/A    

---

The Utah Division of Oil, Gas and Mining (the "Division") has received from Intrepid Oil & Gas, LLC ("Petitioner") a Motion to Dismiss Without Prejudice Petitioner's Request for Agency Action Upon Stipulation of the Parties. The Division, having reviewed Petitioner's Motion, and the attached Stipulated Agreement, and good cause being shown, hereby grants Petitioner's Motion to Dismiss Without Prejudice.

ENTERED this 19<sup>th</sup> day of October, 1998.

STATE OF UTAH

DIVISION OF OIL, GAS AND MINING

Jawee P. Brantley

1852\03\plead\req4agy.ord

CERTIFICATE OF SERVICE

I hereby certify that I mailed a true and correct copy of the foregoing "ORDER GRANTING MOTION TO DISMISS WITHOUT PREJUDICE", first-class postage prepaid, this 20 day of October, 1998 to the following persons:

Phillip Wm. Lear, Esq.  
Snell & Wilmer  
Attorneys for Gavilan Petroleum, Inc.  
Broadway Center  
111 East Broadway, Suite 900  
Salt Lake City, UT 84111-1004

Christopher J. Castillo, Esq.  
Pruitt, Gushee & Bachtell  
Attorneys for Intrepid Oil & Gas, LLC  
Suite 1850 Beneficial Life Tower  
Salt Lake City, UT 84111-1495

Patrick J. O'Hara, Esq.  
Utah Attorney General's Office  
Counsel to the Acting Director of DOGM  
160 East 300 South, 5th Floor  
P.O. Box 140857  
Salt Lake City, UT 84114-0857

I further certify that on said date I also mailed or delivered courtesy copies of said document to the following persons:

Mr. Robert A. Henricks  
Chief, Branch of Fluid Minerals  
U.S. Bureau of Land Management  
324 South State  
P.O. Box 45155  
Salt Lake City, UT 84145-0155

Mr. Charles H. Cameron  
Petroleum Engineer  
U.S. Bureau of Indian Affairs  
Uintah & Ouray Agency  
988 S. 7500 E.  
P.O. Box 130  
Fort Duchesne, UT 84026

Mr. John Baza  
Deputy Director of Oil and Gas  
Utah Division of Oil, Gas & Mining  
1594 West North Temple, Suite 1210  
P.O. Box 1210  
Salt Lake City, UT 84114-5801

Mr. Lowell P. Braxton  
Acting Director  
Utah Division of Oil, Gas & Mining  
1594 West North Temple, Suite 1210  
P.O. Box 1210  
Salt Lake City, UT 84114-5801

Christine Alfred



**United States Department of the Interior**

**BUREAU OF INDIAN AFFAIRS**

**Utah and Ouray Agency  
P.O. Box 130, 988 South 7500 East  
Fort Duchesne, Utah 84026-0130  
(435) 722-4300**

*for information only  
43047 31187  
TIS RIE Sec 20*

**IN REPLY REFER TO:  
MS - 410 Real Estate Services  
Minerals & Mining Section**

October 3, 2005

Elk Production L.L.C.  
Richard P. Crist, Executive Vice President  
1401 17<sup>th</sup> Street, Suite 700  
Denver, CO 80202

Dear Mr. Crist;

Enclosed is the indenture, with Bureau of Indian Affairs approval for Elk Production L.L.C. as the Roosevelt Unit Operator.

My staff is continuing to process your Surface Use Agreement with the Ute Indian Tribe, lease modification for lease 14-20-H62-4692, and the Roosevelt Unit lease assignments.

Sincerely,

Chester D. Mills  
Superintendent

Enclosure: Indenture

cc: ✓ Utah Division of Oil, Gas, and Mining  
Bureau of Land Management, Utah State Office  
Bureau of Land Management, Vernal Field Office  
Branch and Chrono Files

**RECEIVED**

**NOV 04 2005**

**DIV. OF OIL, GAS & MINING**

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET**

**ROUTING**

1. DJJ
2. CDW

**X - Change of Operator (Well Sold)**

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

1/1/2007

<b>FROM:</b> (Old Operator): N6810-Intrepid Oil & Gas, LLC 700 17th St, Suite 1700 Denver, CO 80202 Phone: 1 (303) 296-3006	<b>TO:</b> ( New Operator): N2650-Elk Production, LLC 1401 17th St, Suite 700 Denver, CO 80202 Phone: 1 (303) 296-4505
---	--

CA No.

Unit:

**ROOSEVELT**

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
ROOSEVELT B2	20	010S	010E	4304731187	9307	FEE	OW	P

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 1/22/2007
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 1/22/2007
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 1/23/2007
- Is the new operator registered in the State of Utah: YES Business Number: 5693065-0161
- (R649-9-2)Waste Management Plan has been received on: REQUESTED
- Inspections of LA PA state/fee well sites complete on: \_\_\_\_\_
- Reports current for Production/Disposition & Sundries on: \_\_\_\_\_
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM BIA
- Federal and Indian Units:**  
The BLM or BIA has approved the successor of unit operator for wells listed on: \_\_\_\_\_
- Federal and Indian Communization Agreements ("CA"):**  
The BLM or BIA has approved the operator for all wells listed within a CA on: \_\_\_\_\_
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: \_\_\_\_\_

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 1/23/2007
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 1/23/2007
- Bond information entered in RBDMS on: 1/23/2007
- Fee/State wells attached to bond in RBDMS on: 1/23/2007
- Injection Projects to new operator in RBDMS on: \_\_\_\_\_
- Receipt of Acceptance of Drilling Procedures for APD/New on: \_\_\_\_\_

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: \_\_\_\_\_
- Indian well(s) covered by Bond Number: \_\_\_\_\_
- (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number B000969
- The **FORMER** operator has requested a release of liability from their bond on: n/a

**LEASE INTEREST OWNER NOTIFICATION:**

- (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 1/23/2007

**COMMENTS:**

This well is going to the Unit Operator approved by BLM.

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

RECEIVED  
JAN 22 2007  
DIV. OF OIL, GAS & MINING

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Elk Production, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
3. ADDRESS OF OPERATOR: 1401 17th Street, #700 CITY Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME: Roosevelt Unit - #8920008860
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1977' FSL, 770' FWL		8. WELL NAME and NUMBER: Roosevelt Unit B2-20
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 20 1S 1E U		9. API NUMBER: 4304731187
COUNTY: Uintah		10. FIELD AND POOL, OR WILDCAT: Bluebell Field/Green River
STATE: UTAH		

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Effective January 1, 2007: Bond # B000969

Dated this 19<sup>TH</sup> day of January, 2007.

Dated this 18<sup>TH</sup> day of January, 2007.

PREVIOUS OPERATOR:  
INTREPID OIL & GAS LLC N6810  
By: Intrepid Mining, LLC its sole member

NEW OPERATOR:  
ELK PRODUCTION, LLC (N2650)  
a Texas limited liability company  
1401 17th Street, Suite 700  
Denver, CO 80202

By: Hugh E. Harvey  
Robert P. Jomayax, Manager  
HUGH E. HARVEY  
700 17th St #1700  
Denver Co 80202 303 296-3006

NAME (PLEASE PRINT) David K. Davenport TITLE VP Land & Negotiations  
SIGNATURE [Signature] DATE 1/18/2007

(This space for State use only)

APPROVED 01/23/2007  
Earlene Russell  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET (for state use only)**

**ROUTING**  
 1. CDW

Change of Operator (Well Sold)

**X - Operator Name Change/Merger**

The operator of the well(s) listed below has changed, effective:

**6/8/2011**

<b>FROM:</b> (Old Operator): N2650-Elk Production, LLC 1401 17th Street, Suite 700 Denver, CO 80202 Phone: 1 (303) 296-4505	<b>TO:</b> ( New Operator): N3770-Elk Production Uintah, LLC 1099 18th Street, Suite 2300 Denver, CO 80202 Phone: 1 (303) 312-8134
---	--

**CA No.**

**Unit:**

**ROOSEVELT**

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED LIST								

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 7/27/2011
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 7/27/2011
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 7/27/2011
- 4a. Is the new operator registered in the State of Utah: Business Number: 8025875-0161
- 5a. (R649-9-2)Waste Management Plan has been received on: requested
- 5b. Inspections of LA PA state/fee well sites complete on: n/a
- 5c. Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM BIA not yet
- Federal and Indian Units:**  
The BLM or BIA has approved the successor of unit operator for wells listed on: not yet
- Federal and Indian Communization Agreements ("CA"):**  
The BLM or BIA has approved the operator for all wells listed within a CA on: \_\_\_\_\_
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 7/27/2011
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 7/27/2011
- Bond information entered in RBDMS on: 7/27/2011
- Fee/State wells attached to bond in RBDMS on: 7/27/2011
- Injection Projects to new operator in RBDMS on: n/a
- Receipt of Acceptance of Drilling Procedures for APD/New on: 7/27/2011

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: n/a
- Indian well(s) covered by Bond Number: LPM4138175
- 3a. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number LPM4138148 and LPM9046685
- 3b. The **FORMER** operator has requested a release of liability from their bond on: n/a

**LEASE INTEREST OWNER NOTIFICATION:**

- (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 7/27/2011

**COMMENTS:**

Elk Production Uintah, LLC (N3770) from Elk Production, LLC (N2650)  
effective June 8, 2011

well_name	qtr_qtr	sec	twp	rng	api	entity	Lease	well	stat	conf	zone	lease no
ROOSEVELT U 4	SWSW	13	010S	010W	4304715549	9300	Fee	OW	P		GRRV	FEE
UTE TRIBAL 1 (RU 1)	NWSW	21	010S	010E	4304715550	9302	Indian	OW	TA		GRRV	14-20-H62-4692
UTE TRIBAL 2 (RU 2)	NWSE	21	010S	010E	4304715551	9303	Indian	OW	TA		GRRV	I-109-IND-5242
UTE TRIBAL 3 (RU 3)	SENE	28	010S	010E	4304715552	9304	Indian	OW	S		GRRV	14-20-H62-4692
UTE 1-19A1E	NENW	19	010S	010E	4304730902	1085	Fee	OW	P		GRRV	FEE
ROOSEVELT B2	NWSW	20	010S	010E	4304731187	9307	Fee	OW	P		GRRV	FEE
WASATCH 6	SWSW	20	010S	010E	4304731366	221 13586	Indian	OW	P		WSTC GRRV	14-20-H62-4699
ROOSEVELT U 9	NWNE	28	010S	010E	4304731384	9308	Indian	OW	S		GRRV	I-109-IND-5242
ROOSEVELT A-7	SWNW	19	010S	010E	4304731402	12560 13586	Fee	OW	P		WSTC GRRV	FEE
ROOSEVELT U 13	NESW	13	010S	010W	4304731414	9312	Indian	OW	S		GRRV	I-109-IND-5242
ROOSEVELT U 20-2	SESW	17	010S	010E	4304731422	9301	Indian	OW	TA		GRRV	14-20-H62-5247
ROOSEVELT U 12 GR	SESW	20	010S	010E	4304731427	10814	Indian	OW	TA		GRRV	I-109-IND-5242
ROOSEVELT U 11	SESE	21	010S	010E	4304731428	9311	Indian	OW	P		GR-WS	14-20-H62-4692
ROOSEVELT U 10	SESW	21	010S	010E	4304731429	9309	Indian	OW	S		GRRV	14-20-H62-4692
WASATCH 9	NENW	28	010S	010E	4304731445	221 13586	Indian	OW	P		WSTC GRRV	I-109-IND-5242
WASATCH 10	SWNE	21	010S	010E	4304731446	221 13586	Indian	OW	P		WSTC GRRV	I-109-IND-5242
ROOSEVELT U 5	SWSE	20	010S	010E	4304731447	13586	Indian	OW	P		GRRV	14-20-H62-4700
ROOSEVELT C11	NESW	18	010S	010E	4304731500	12560 13586	Fee	OW	P		WSTC GRRV	FEE
ROOSEVELT U 18-A1E	NWSW	27	010S	010E	4304731687	221 13586	Indian	OW	P		WSTC GRRV	14-20-H62-4692
ROOSEVELT U 15-A1E	SWNW	28	010S	010E	4304731696	10506	Fee	OW	S		GRRV	FEE
MARY R. U. 278	NWSE	13	010S	010W	4304731845	12560	Fee	OW	P		WSTC	FEE
ROOSEVELT U 3-19	NWNE	19	010S	010E	4304736304	13586	Fee	OW	P		GRRV	FEE
ROOSEVELT U 4-19	NWSE	19	010S	010E	4304736599	12560 13586	Fee	OW	P		WSTC GRRV	FEE
ROOSEVELT U 5-19	NESW	19	010S	010E	4304736843	12560 13586	Fee	OW	P		WSTC GRRV	FEE
ROOSEVELT U 28-33	NWSE	28	010S	010E	4304738142	221 13586	Indian	OW	P		WSTC GRRV	14-20-H62-4691
ROOSEVELT U 7-20	NWNW	20	010S	010E	4304738292	12560	Fee	OW	DRL	C	WSTC	FEE
ROOSEVELT U 20-24	SENE	20	010S	010E	4304738329		Indian	OW	APD	C		14-20-H62-4691
ROOSEVELT U 21-41	SWSW	21	010S	010E	4304738333		Indian	OW	APD	C		14-20-H62-4691
ROOSEVELT U 21-43	SWSE	21	010S	010E	4304738873	221	Indian	OW	OPS	C	WSTC	14-20-H62-4691
ROOSEVELT U 28-14	NENE	28	010S	010E	4304738882		Indian	OW	APD	C		14-20-H62-4691
ROOSEVELT U 29-14	NENE	29	010S	010E	4304739923	221 13586	Indian	OW	P		WSTC GRRV	14-20-H62-4701
ROOSEVELT UNIT 20-13	NWNE	20	010S	010E	4304751501		Indian	OW	APD			14-20-H62-4691

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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:	
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
7. UNIT or CA AGREEMENT NAME: <b>Roosevelt Unit</b>	
8. WELL NAME and NUMBER: <b>see attached</b>	
9. API NUMBER: <b>see attach</b>	
10. FIELD AND POOL, OR WILDCAT: <b>see attached</b>	
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____	
2. NAME OF OPERATOR: <b>Elk Production Uintah, LLC</b>	
3. ADDRESS OF OPERATOR: 1099 18th Street, Suite 2300 CITY <b>Denver</b> STATE <b>CO</b> ZIP <b>80202</b>	PHONE NUMBER: <b>(303) 312-8134</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>see attached</b> COUNTY: <b>Uintah</b> QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: STATE: <b>UTAH</b>	

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>1/1/2011</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Company</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<u>Merger/Name Chg</u>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

This letter is to inform you that Bill Barrett Corporation (BBC) acquired the Uintah County assets of Elk Production, LLC (N2650) and during the course of this merger, the company name was changed to Elk Production Uintah, LLC (a wholly owned subsidiary of BBC). This entity and all of Elk Production, LLC wells within the Roosevelt Unit will continue to be operated by Elk Production Uintah, LLC and all regulatory documents will be submitted in this company name.

Please see the attached list of wells that require name and address changes within your records and the appropriate APD Transfer forms for wells permitted but not drilled.

All future correspondence for these properties should be sent to the appropriate personnel at BBC to the following address:

1099 18th Street, Suite 2300  
Denver, CO 80202

Bonds: BIA LPM4138175 State/Fee LPM4138148 (LPM9046685 for 4304731696 only)

EFFECTIVE: June 8, 2011

NAME (PLEASE PRINT) <u>Tracey Fallang</u>	TITLE <u>Regulatory Manager</u>
SIGNATURE <u><i>Tracey Fallang</i></u>	DATE <u>7/22/2011</u>

(This space for State use only)

**APPROVED** 7/27/2011  
*Earlene Russell*  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

**RECEIVED**  
**JUL 27 2011**

DIV. OF OIL, GAS & MINING



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

**Request to Transfer Application or Permit to Drill**

(This form should accompany a Sundry Notice, Form 9, requesting APD transfer)

<b>Well name:</b>	Roosevelt U 20-13
<b>API number:</b>	43047515010000
<b>Location:</b>	Qtr-Qtr: NWNE Section: 20 Township: 1S Range: 1E
<b>Company that filed original application:</b>	Elk Production, LLC
<b>Date original permit was issued:</b>	02/03/2011
<b>Company that permit was issued to:</b>	Elk Production Uintah, LLC

Check one	Desired Action:
<input type="checkbox"/>	<b>Transfer pending (unapproved) Application for Permit to Drill to new operator</b>
<input type="checkbox"/>	The undersigned as owner with legal rights to drill on the property, hereby verifies that the information as submitted in the pending Application for Permit to Drill, remains valid and does not require revision. The new owner of the application accepts and agrees to the information and procedures as stated in the application.
<input checked="" type="checkbox"/>	<b>Transfer approved Application for Permit to Drill to new operator</b>
<input type="checkbox"/>	The undersigned as owner with legal rights to drill on the property as permitted, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.	Yes	No
If located on private land, has the ownership changed? <span style="float: right;">N/A</span>	<input type="checkbox"/>	<input type="checkbox"/>
If so, has the surface agreement been updated?	<input type="checkbox"/>	<input type="checkbox"/>
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have there been any changes to the access route including ownership or right-of-way, which could affect the proposed location?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Has the approved source of water for drilling changed?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is bonding still in place, which covers this proposed well? Bond No. <u>LPM4138175</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Any desired or necessary changes to either a pending or approved Application for Permit to Drill that is being transferred, should be filed on a Sundry Notice, Form 9, or amended Application for Permit to Drill, Form 3, as appropriate, with necessary supporting information as required.

**RECEIVED**

**JUL 27 2011**

Name (please print) Tracey Fallang Title Regulatory Manager  
 Signature *Tracey Fallang* Date 07/22/2011  
 Representing (company name) Elk Production Uintah, LLC

**DIV. OF OIL, GAS & MINING**

The person signing this form must have legal authority to represent the company or individual(s) to be listed as the new operator on the Application for Permit to Drill.

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

**Request to Transfer Application or Permit to Drill**

(This form should accompany a Sundry Notice, Form 9, requesting APD transfer)

<b>Well name:</b>	Roosevelt U 28-14
<b>API number:</b>	43047388820000
<b>Location:</b>	Qtr-Qtr: NENE Section: 28 Township: 1S Range: 1E
<b>Company that filed original application:</b>	Elk Production, LLC
<b>Date original permit was issued:</b>	02/21/2007
<b>Company that permit was issued to:</b>	Elk Production Uintah, LLC

Check one	Desired Action:
<input type="checkbox"/>	<b>Transfer pending (unapproved) Application for Permit to Drill to new operator</b>
<input type="checkbox"/>	The undersigned as owner with legal rights to drill on the property, hereby verifies that the information as submitted in the pending Application for Permit to Drill, remains valid and does not require revision. The new owner of the application accepts and agrees to the information and procedures as stated in the application.
<input checked="" type="checkbox"/>	<b>Transfer approved Application for Permit to Drill to new operator</b>
<input type="checkbox"/>	The undersigned as owner with legal rights to drill on the property as permitted, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.	Yes	No
If located on private land, has the ownership changed? <span style="float: right;">N/A</span>	<input type="checkbox"/>	<input type="checkbox"/>
If so, has the surface agreement been updated?	<input type="checkbox"/>	<input type="checkbox"/>
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have there been any changes to the access route including ownership or right-of-way, which could affect the proposed location?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Has the approved source of water for drilling changed?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is bonding still in place, which covers this proposed well? Bond No. <u>LPM4138175</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Any desired or necessary changes to either a pending or approved Application for Permit to Drill that is being transferred, should be filed on a Sundry Notice, Form 9, or amended Application for Permit to Drill, Form 3, as appropriate, with necessary supporting information as required.

**RECEIVED**

**JUL 27 2011**

Name (please print) Tracey Fallang Title Regulatory Manager  
 Signature *Tracey Fallang* Date 07/22/2011 **DIV. OF OIL, GAS & MINING**  
 Representing (company name) Elk Production Uintah, LLC

The person signing this form must have legal authority to represent the company or individual(s) to be listed as the new operator on the Application for Permit to Drill.

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

**Request to Transfer Application or Permit to Drill**

(This form should accompany a Sundry Notice, Form 9, requesting APD transfer)

<b>Well name:</b>	Roosevelt U 21-41
<b>API number:</b>	43047383330000
<b>Location:</b>	Qtr-Qtr: SWSW Section: 21 Township: 1S Range: 1E
<b>Company that filed original application:</b>	Elk Production, LLC
<b>Date original permit was issued:</b>	06/29/2006
<b>Company that permit was issued to:</b>	Elk Production Uintah, LLC

Check one	Desired Action:
<input type="checkbox"/>	<b>Transfer pending (unapproved) Application for Permit to Drill to new operator</b>
<input type="checkbox"/>	The undersigned as owner with legal rights to drill on the property, hereby verifies that the information as submitted in the pending Application for Permit to Drill, remains valid and does not require revision. The new owner of the application accepts and agrees to the information and procedures as stated in the application.
<input checked="" type="checkbox"/>	<b>Transfer approved Application for Permit to Drill to new operator</b>
<input type="checkbox"/>	The undersigned as owner with legal rights to drill on the property as permitted, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.	Yes	No
If located on private land, has the ownership changed? <span style="float: right;">N/A</span>	<input type="checkbox"/>	<input type="checkbox"/>
If so, has the surface agreement been updated?	<input type="checkbox"/>	<input type="checkbox"/>
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have there been any changes to the access route including ownership or right-of-way, which could affect the proposed location?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Has the approved source of water for drilling changed?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is bonding still in place, which covers this proposed well? Bond No. <u>LPM4138175</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Any desired or necessary changes to either a pending or approved Application for Permit to Drill that is being transferred, should be filed on a Sundry Notice, Form 9, or amended Application for Permit to Drill, Form 3, as appropriate, with necessary supporting information as required.

**RECEIVED**  
**JUL 27 2011**

Name (please print) <u>Tracey Fallang</u>	Title <u>Regulatory Manager</u>
Signature <u><i>Tracey Fallang</i></u>	Date <u>07/22/2011</u>
Representing (company name) <u>Elk Production Uintah, LLC</u>	<b>DIV. OF OIL, GAS &amp; MINING</b>

The person signing this form must have legal authority to represent the company or individual(s) to be listed as the new operator on the Application for Permit to Drill.

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

**Request to Transfer Application or Permit to Drill**

(This form should accompany a Sundry Notice, Form 9, requesting APD transfer)

<b>Well name:</b>	Roosevelt U 20-24
<b>API number:</b>	43047383290000
<b>Location:</b>	Qtr-Qtr: SENE Section: 20 Township: 1S Range: 1E
<b>Company that filed original application:</b>	Elk Production, LLC
<b>Date original permit was issued:</b>	06/29/2006
<b>Company that permit was issued to:</b>	Elk Production Uintah, LLC

Check one	Desired Action:
<input type="checkbox"/>	<b>Transfer pending (unapproved) Application for Permit to Drill to new operator</b>
<input type="checkbox"/>	The undersigned as owner with legal rights to drill on the property, hereby verifies that the information as submitted in the pending Application for Permit to Drill, remains valid and does not require revision. The new owner of the application accepts and agrees to the information and procedures as stated in the application.
<input checked="" type="checkbox"/>	<b>Transfer approved Application for Permit to Drill to new operator</b>
<input type="checkbox"/>	The undersigned as owner with legal rights to drill on the property as permitted, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.	Yes	No
If located on private land, has the ownership changed? <span style="float: right;">N/A</span>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> If so, has the surface agreement been updated?	<input type="checkbox"/>	<input type="checkbox"/>
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have there been any changes to the access route including ownership or right-of-way, which could affect the proposed location?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Has the approved source of water for drilling changed?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is bonding still in place, which covers this proposed well? Bond No. <u>LPM4138175</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Any desired or necessary changes to either a pending or approved Application for Permit to Drill that is being transferred, should be filed on a Sundry Notice, Form 9, or amended Application for Permit to Drill, Form 3, as appropriate, with necessary supporting information as required.

**RECEIVED**

**JUL 27 2011**

Name (please print) Tracey Fallang Title Regulatory Manager  
 Signature *Tracey Fallang* Date 07/22/2011  
 Representing (company name) Elk Production Uintah, LLC

**DIV. OF OIL, GAS & MINING**

The person signing this form must have legal authority to represent the company or individual(s) to be listed as the new operator on the Application for Permit to Drill.

Effective Date: 1/1/2015

<b>FORMER OPERATOR:</b>	<b>NEW OPERATOR:</b>
Elk Production Uintah, LLC N3770 1099 18th Street, Suite 2300 Denver, CO 80202 303-293-9000	Bill Barrett Corporation N2145 1099 18th Street, Suite 2300 Denver, CO 80202 303-293-9000
CA Number(s):	Unit(s): Roosevelt

**WELL INFORMATION:**

Well Name	Sec	TWN	RNG	API	Entity	Mineral	Surface	Type	Status
See Attached List									

**OPERATOR CHANGES DOCUMENTATION:**

- Sundry or legal documentation was received from the **FORMER** operator on: 1/13/2015
- Sundry or legal documentation was received from the **NEW** operator on: 1/13/2015
- New operator Division of Corporations Business Number: 5239043-0143

**REVIEW:**

- Surface Agreement Sundry from **NEW** operator on Fee Surface wells received on: 1/13/2015
- Receipt of Acceptance of Drilling Procedures for APD/New on: 1/13/2015
- Reports current for Production/Disposition & Sundries: 1/16/2015
- OPS/SI/TA well(s) reviewed for full cost bonding: 1/20/2015
- UIC5 on all disposal/injection/storage well(s) approved on: N/A
- Surface Facility(s) included in operator change: None
- Inspections of PA state/fee well sites complete on (only upon operators request): N/A

**NEW OPERATOR BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: NA
- Indian well(s) covered by Bond Number: LPM8874725
- State/fee well(s) covered by Bond Number(s): LPM4138148

**DATA ENTRY:**

- Well(s) update in the **OGIS** on: 1/20/2015
- Entity Number(s) updated in **OGIS** on: 1/20/2015
- Unit(s) operator number update in **OGIS** on: 1/20/2015
- Surface Facilities update in **OGIS** on: N/A
- State/Fee well(s) attached to bond(s) in **RBDMS** on: 1/20/2015
- Surface Facilities update in **RBDMS** on: N/A

**LEASE INTEREST OWNER NOTIFICATION:**

- The **NEW** operator of the Fee (Mineral) wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 1/20/2015

**COMMENTS:**

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Elk Production Uintah, LLC N3770 to  
 Bill Barrett Corporation N2165  
 Effective 1/1/2015

Well Name	Sec	TWN	RNG	API	Entity	Mineral	Surface	Type	Status	Unit
RU 18-43D	18	010S	010E	4304753886		Fee	Fee	OW	APD	ROOSEVELT
RU 27D-11	27	010S	010E	4304754440		Indian	Fee	OW	APD	ROOSEVELT
RU 21-24	21	010S	010E	4304754441		Indian	Fee	OW	APD	ROOSEVELT
ROOSEVELT U 4	13	010S	010W	4304715549	9300	Fee	Fee	OW	P	ROOSEVELT
ROOSEVELT B2	20	010S	010E	4304731187	9307	Fee	Fee	OW	P	ROOSEVELT
WASATCH 6	20	010S	010E	4304731366	221	Indian	Indian	OW	P	ROOSEVELT
ROOSEVELT A-7	19	010S	010E	4304731402	12560	Fee	Fee	OW	P	ROOSEVELT
ROOSEVELT U 11	21	010S	010E	4304731428	9311	Indian	Fee	OW	P	ROOSEVELT
WASATCH 9	28	010S	010E	4304731445	221	Indian	Indian	OW	P	ROOSEVELT
WASATCH 10	21	010S	010E	4304731446	221	Indian	Fee	OW	P	ROOSEVELT
ROOSEVELT U 5	20	010S	010E	4304731447	13586	Indian	Indian	OW	P	ROOSEVELT
ROOSEVELT C11	18	010S	010E	4304731500	12560	Fee	Fee	OW	P	ROOSEVELT
ROOSEVELT U 18-A1E	27	010S	010E	4304731687	221	Indian	Fee	OW	P	ROOSEVELT
ROOSEVELT U 3-19	19	010S	010E	4304736304	13586	Fee	Fee	OW	P	ROOSEVELT
ROOSEVELT U 4-19	19	010S	010E	4304736599	12560	Fee	Fee	OW	P	ROOSEVELT
ROOSEVELT U 5-19	19	010S	010E	4304736843	12560	Fee	Fee	OW	P	ROOSEVELT
ROOSEVELT U 28-33	28	010S	010E	4304738142	221	Indian	Indian	OW	P	ROOSEVELT
ROOSEVELT U 7-20	20	010S	010E	4304738292	12560	Fee	Fee	OW	P	ROOSEVELT
ROOSEVELT U 20-24	20	010S	010E	4304738329	221	Indian	Indian	OW	P	ROOSEVELT
ROOSEVELT U 21-43	21	010S	010E	4304738873	221	Indian	Indian	OW	P	ROOSEVELT
ROOSEVELT U 28-14	28	010S	010E	4304738882	221	Indian	Indian	OW	P	ROOSEVELT
ROOSEVELT U 29-14	29	010S	010E	4304739923	221	Indian	Indian	OW	P	ROOSEVELT
ROOSEVELT UNIT 20-13	20	010S	010E	4304751501	221	Indian	Indian	OW	P	ROOSEVELT
RU 24-13	24	010S	010W	4304752398	13586	Fee	Fee	OW	P	ROOSEVELT
RU 18-41	18	010S	010E	4304752865	12560	Fee	Fee	OW	P	ROOSEVELT
RU 23-14D	23	010S	010W	4304752990	13586	Fee	Fee	OW	P	ROOSEVELT
RU 13-31D	13	010S	010W	4304753000	13586	Fee	Fee	OW	P	ROOSEVELT
RU 19D-24	19	010S	010E	4304753001	12560	Fee	Fee	OW	P	ROOSEVELT
RU 21-41	21	010S	010E	4304753072	221	Indian	Indian	OW	P	ROOSEVELT
RU 29-13D	29	010S	010E	4304753529	221	Indian	Indian	OW	P	ROOSEVELT
RU 28-22	28	010S	010E	4304753614	221	Indian	Indian	OW	P	ROOSEVELT
UTE 1-19A1E	19	010S	010E	4304730902	1085	Fee	Fee	OW	S	ROOSEVELT
ROOSEVELT U 10	21	010S	010E	4304731429	9309	Indian	Indian	OW	S	ROOSEVELT
ROOSEVELT U 15-A1E	28	010S	010E	4304731696	10506	Fee	Fee	OW	S	ROOSEVELT
MARY R. U. 278	13	010S	010W	4304731845	12560	Fee	Fee	OW	S	ROOSEVELT

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

RECEIVED  
JAN 15

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

DIV. OF OIL, GAS & MINING

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: (see attached well list)
2. NAME OF OPERATOR: BILL BARRETT CORPORATION		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: 1099 18TH STREET, SUITE _____ CITY DENVER STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: (see attached well list)		8. WELL NAME and NUMBER: (see attached well list)
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		9. API NUMBER:
PHONE NUMBER: (303) 293-9100		10. FIELD AND POOL, OR WILDCAT:
COUNTY:		STATE: UTAH

RECEIVED  
JAN 18 2015

DIV. OF OIL, GAS & MINING

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>1/1/2015</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  
BILL BARRETT CORPORATION (BBC) IS SUBMITTING THIS SUNDRY AS NOTIFICATION THAT THE ENTITY ELK PRODUCTION UINTAH, LLC (A WHOLLY OWNED SUBSIDIARY OF BBC) IS BEING DISSOLVED AND WILL BE MERGED INTO BBC EFFECTIVE 1/1/2015. PLEASE REFER ALL FUTURE CORRESPONDENCE TO THE ADDRESS BELOW.

BILL BARRETT CORPORATION  
1099 18TH STREET, SUITE 2300  
DENVER, CO 80202  
303-293-900  
(BLM BOND # LPM8874725, STATE/FEE BOND # LPM4138148)

ELK PRODUCTION UINTAH LLC  
Duane Zavadil NAME (PLEASE PRINT)  
Duane Zavadil SIGNATURE  
Senior Vice President -  
EH&S, Government and Regulatory Affairs

BILL BARRETT CORPORATION  
Duane Zavadil NAME (PLEASE PRINT)  
Duane Zavadil SIGNATURE  
Senior Vice President -  
EH&S, Government and Regulatory Affairs

NAME (PLEASE PRINT) DUANE ZAVADIL  
SIGNATURE Duane Zavadil

TITLE Senior Vice President -  
EH&S, Government and Regulatory Affairs  
DATE 1/12/2015

(This space for State use only)

**APPROVED**

JAN 20 2015

DIV. OIL GAS & MINING  
BY: Rachel Medina

## FORM 9 CHANGE OF OP FROM ELK PRODUCTION UINTAH, LLC TO BILL BARRETT CORPORATION

Well Name	Sec	TWN	RNG	API	Entity	Mineral Lease	Surface Lease	Type	Status	Have SUA	Unit
ROOSEVELT U 4	13	010S	010W	4.305E+09	9300	Fee	Fee	OW	P	X	ROOSEVELT
ROOSEVELT B2	20	010S	010E	4.305E+09	9307	Fee	Fee	OW	P	X	ROOSEVELT
WASATCH 6	20	010S	010E	4.305E+09	221	Indian	Indian	OW	P		ROOSEVELT
WASATCH 6	20	010S	010E	4.305E+09	13586	Indian	Indian	OW	P		ROOSEVELT
ROOSEVELT A-7	19	010S	010E	4.305E+09	12560	Fee	Fee	OW	P	X	ROOSEVELT
ROOSEVELT A-7	19	010S	010E	4.305E+09	13586	Fee	Fee	OW	P	X	ROOSEVELT
ROOSEVELT U 11.	21	010S	010E	4.305E+09	9311	Indian	Fee	OW	P	X	ROOSEVELT
WASATCH 9	28	010S	010E	4.305E+09	221	Indian	Indian	OW	P		ROOSEVELT
WASATCH 9	28	010S	010E	4.305E+09	13586	Indian	Indian	OW	P		ROOSEVELT
WASATCH 10	21	010S	010E	4.305E+09	221	Indian	Fee	OW	P	X	ROOSEVELT
WASATCH 10	21	010S	010E	4.305E+09	13586	Indian	Fee	OW	P	X	ROOSEVELT
ROOSEVELT C11	18	010S	010E	4.305E+09	13586	Fee	Fee	OW	P	X	ROOSEVELT
ROOSEVELT C11	18	010S	010E	4.305E+09	12560	Fee	Fee	OW	P	X	ROOSEVELT
ROOSEVELT U 18-A1E	27	010S	010E	4.305E+09	13586	Indian	Fee	OW	P	X	ROOSEVELT
ROOSEVELT U 18-A1E	27	010S	010E	4.305E+09	221	Indian	Fee	OW	P	X	ROOSEVELT
ROOSEVELT U 3-19	19	010S	010E	4.305E+09	13586	Fee	Fee	OW	P	X	ROOSEVELT
ROOSEVELT U 4-19	19	010S	010E	4.305E+09	12560	Fee	Fee	OW	P	X	ROOSEVELT
ROOSEVELT U 4-19	19	010S	010E	4.305E+09	13586	Fee	Fee	OW	P	X	ROOSEVELT
ROOSEVELT U 5-19	19	010S	010E	4.305E+09	12560	Fee	Fee	OW	P	X	ROOSEVELT
ROOSEVELT U 5-19	19	010S	010E	4.305E+09	13586	Fee	Fee	OW	P	X	ROOSEVELT
ROOSEVELT U 28-33	28	010S	010E	4.305E+09	221	Indian	Indian	OW	P		ROOSEVELT
ROOSEVELT U 28-33	28	010S	010E	4.305E+09	13586	Indian	Indian	OW	P		ROOSEVELT
ROOSEVELT U 7-20	20	010S	010E	4.305E+09	12560	Fee	Fee	OW	P	X	ROOSEVELT
ROOSEVELT U 7-20	20	010S	010E	4.305E+09	13586	Fee	Fee	OW	P	X	ROOSEVELT
ROOSEVELT U 20-24	20	010S	010E	4.305E+09	221	Indian	Indian	OW	P		ROOSEVELT
ROOSEVELT U 21-43	21	010S	010E	4.305E+09	221	Indian	Indian	OW	P		ROOSEVELT
ROOSEVELT U 28-14	28	010S	010E	4.305E+09	221	Indian	Indian	OW	P		ROOSEVELT
ROOSEVELT U 29-14	29	010S	010E	4.305E+09	221	Indian	Indian	OW	P		ROOSEVELT
ROOSEVELT U 29-14	29	010S	010E	4.305E+09	13586	Indian	Indian	OW	P		ROOSEVELT
ROOSEVELT UNIT 20-13	20	010S	010E	4.305E+09	221	Indian	Indian	OW	P		ROOSEVELT
RU 24-13	24	010S	010W	4.305E+09	13586	Fee	Fee	OW	P	X	ROOSEVELT
RU 18-41	18	010S	010E	4.305E+09	12560	Fee	Fee	OW	P	X	ROOSEVELT
RU 23-14D	23	010S	010W	4.305E+09	13586	Fee	Fee	OW	P	X	ROOSEVELT
RU 13-31D	13	010S	010W	4.305E+09	13586	Fee	Fee	OW	P	X	ROOSEVELT
RU 19D-24	19	010S	010E	4.305E+09	12560	Fee	Fee	OW	P	X	ROOSEVELT
RU 21-41	21	010S	010E	4.305E+09	221	Indian	Indian	OW	P		ROOSEVELT
RU 29-13D	29	010S	010E	4.305E+09	221	Indian	Indian	OW	P		ROOSEVELT
RU 28-22	28	010S	010E	4.305E+09	221	Indian	Indian	OW	P		ROOSEVELT
UTE 1-19A1E	19	010S	010E	4.305E+09	1085	Fee	Fee	OW	S	X	ROOSEVELT
ROOSEVELT U 10	21	010S	010E	4.305E+09	9309	Indian	Indian	OW	S		ROOSEVELT
ROOSEVELT U 5	20	010S	010E	4.305E+09	13586	Indian	Indian	OW	S		ROOSEVELT
ROOSEVELT U 15-A1E	28	010S	010E	4.305E+09	10506	Fee	Fee	OW	S	X	ROOSEVELT
UTE TRIBAL 1 (RU 1)	21	010S	010E	4.305E+09	9302	Indian	Indian	OW	PA		ROOSEVELT
UTE TRIBAL 2 (RU 2)	21	010S	010E	4.305E+09	9303	Indian	Indian	OW	PA		ROOSEVELT
UTE TRIBAL 3 (RU 3)	28	010S	010E	4.305E+09	9304	Indian	Indian	OW	PA		ROOSEVELT
ROOSEVELT U 9	28	010S	010E	4.305E+09	9308	Indian	Indian	OW	PA		ROOSEVELT
ROOSEVELT U 13	13	010S	010W	4.305E+09	9312	Indian	Fee	OW	PA	X	ROOSEVELT
ROOSEVELT U 20-2	17	010S	010E	4.305E+09	9301	Indian	Fee	OW	PA	X	ROOSEVELT
ROOSEVELT U 12 GR	20	010S	010E	4.305E+09	10814	Indian	Indian	OW	PA		ROOSEVELT



## Request to Transfer Application or Permit to Drill

Well Name	Sec	TWN	RNG	API	Entity	Mineral Lease	Surface Lease	Type	Status	Have SUA	Unit
RU 18-43D	18	010S	010E	4.305E+09		Fee	Fee	OW	APD	X	ROOSEVELT
RU 27D-11	27	010S	010E	4.305E+09		Indian	Fee	OW	APD	X	ROOSEVELT
RU 21-24	21	010S	010E	4.305E+09		Indian	Fee	OW	APD	X	ROOSEVELT

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> FEE
		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>1. TYPE OF WELL</b> Oil Well		<b>7. UNIT or CA AGREEMENT NAME:</b> ROOSEVELT
<b>2. NAME OF OPERATOR:</b> BILL BARRETT CORP		<b>8. WELL NAME and NUMBER:</b> ROOSEVELT B2
<b>3. ADDRESS OF OPERATOR:</b> 1099 18th Street Ste 2300 , Denver, CO, 80202		<b>9. API NUMBER:</b> 43047311870000
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 1977 FSL 0770 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWSW Section: 20 Township: 01.0S Range: 01.0E Meridian: U		<b>9. FIELD and POOL or WILDCAT:</b> BLUEBELL
		<b>COUNTY:</b> UINTAH
		<b>STATE:</b> UTAH

11.

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

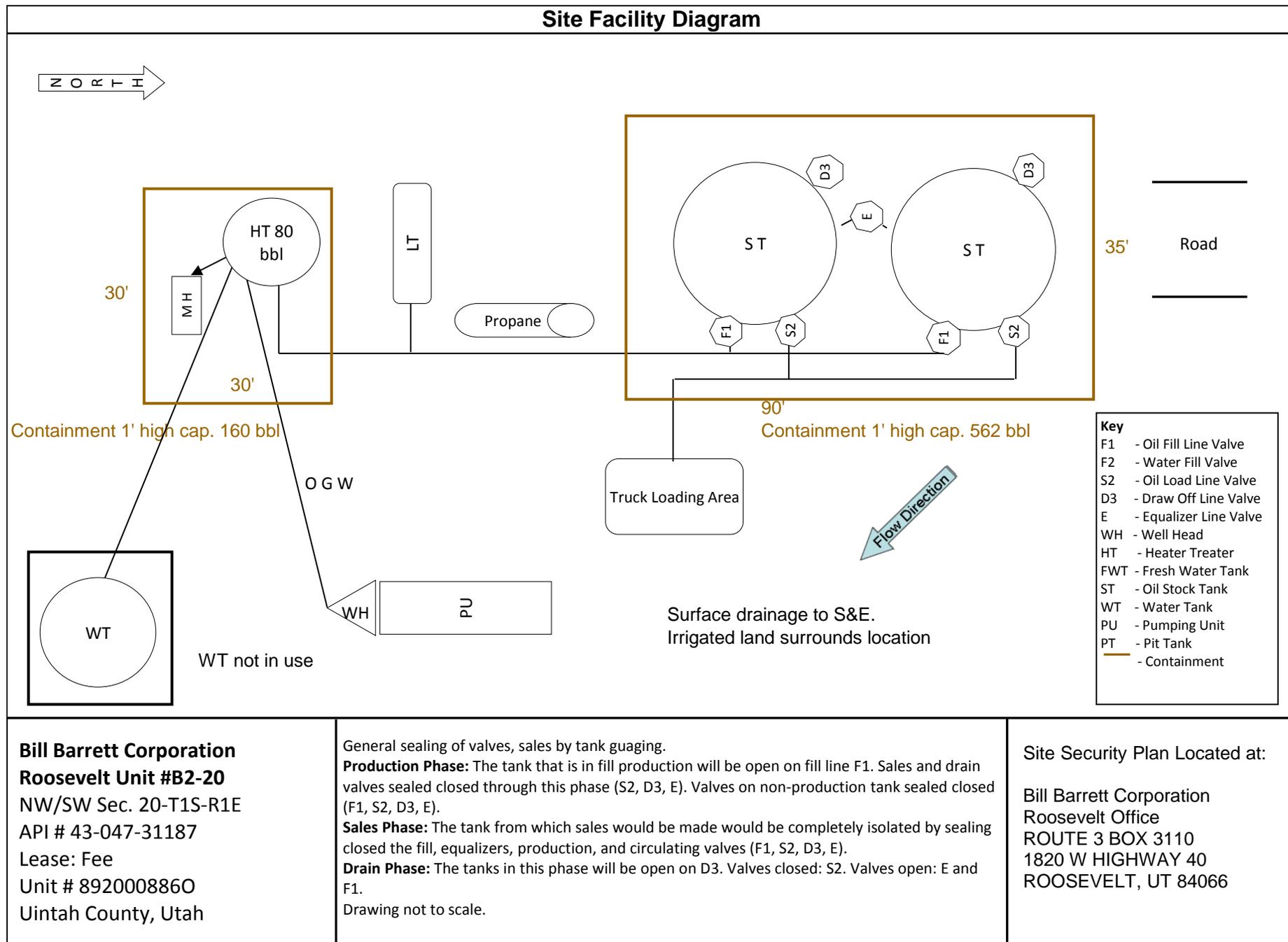
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 2/25/2015	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: <input type="text" value="SITE FACILITY DIAGRAM"/>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

ATTACHED IS THE UPDATED SITE FACILITY DIAGRAM FOR THIS PAD.

**Accepted by the  
Utah Division of  
Oil, Gas and Mining  
FOR RECORD ONLY  
July 28, 2015**

<b>NAME (PLEASE PRINT)</b> Brady Riley	<b>PHONE NUMBER</b> 303 312-8115	<b>TITLE</b> Permit Analyst
<b>SIGNATURE</b> N/A	<b>DATE</b> 2/25/2015	



<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9  5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL Oil Well		7. UNIT or CA AGREEMENT NAME: ROOSEVELT
2. NAME OF OPERATOR: BILL BARRETT CORP		8. WELL NAME and NUMBER: ROOSEVELT B2
3. ADDRESS OF OPERATOR: 1099 18th Street Ste 2300 , Denver, CO, 80202		9. API NUMBER: 43047311870000
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1977 FSL 0770 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 20 Township: 01.0S Range: 01.0E Meridian: U		9. FIELD and POOL or WILDCAT: BLUEBELL
		COUNTY: Uintah
		STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 1/22/2018	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input checked="" type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

This well was shut in 1/23/16 due to a rod part/hole in tbg & separator failure. Due to low commodity prices, it has been left SI. On 1/22/17 the well will be SI for 1 year. Current economics don't justify RTP. For this reason, BBC is requesting an add'l 1 year SI, before a MIT is required, until 1/22/18. The well currently has 20 psi tbg, 20 psi csg, 5 psi Braden Head. With minimal to zero Braden Head pressure & 20 psi csg pressure, it is evident that the 5-1/2" prod csg has full integrity & all formations are protected. Fluid level was found at 5,330' with TOC at 6,161'. Sfc csg is set at 2,189'. The well is shut in at the wellhead & all sfc equipment has been drained & winterized. The well is still on active lease operator route & is checked frequently for any surface & potential downhole issues. The well would be RTP if economics will justify at higher commodity price before 1/22/18

**Approved by the Utah Division of Oil, Gas and Mining**

Date: January 19, 2017

By: *David K. Quist*

**Please Review Attached Conditions of Approval**

NAME (PLEASE PRINT) Brady Riley	PHONE NUMBER 303 312-8115	TITLE Permit Analyst
SIGNATURE N/A	DATE 1/9/2017	



**The Utah Division of Oil, Gas, and Mining**

- State of Utah
- Department of Natural Resources

**Electronic Permitting System - Sundry Notices**

**Sundry Conditions of Approval Well Number 43047311870000**

**Extension valid through 1/22/2018. Operator shall visit the site and record casing and bradenhead pressures frequently and report them to the Division in tabular form via sundry notice on a quarterly basis. Any change in pressure or pressure on the bradenhead should be reported to the Division immediately and may require remedial action.**