

UTAH OIL AND GAS CONSERVATION COMMISSION

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

DATE FILED **9-30-85**

LAND: FEE & PATENTED _____ STATE LEASE NO. _____ PUBLIC LEASE NO. **U-28203** INDIAN _____

DRILLING APPROVED **10-7-85 - OIL (Cause No. 190-5(b))**

SPUDED IN: _____

COMPLETED: _____ PUT TO PRODUCING: _____

INITIAL PRODUCTION: _____

GRAVITY A.P.I. _____

GOR: _____

PRODUCING ZONES: _____

TOTAL DEPTH: _____

WELL ELEVATION: _____

DATE ABANDONED: **LA'd 1-8-87**

FIELD: **NATURAL BUTTES**

UNIT: _____

COUNTY: **UINTAH**

WELL NO. **HILL CREEK FEDERAL 1-34** API #**43-047-31676**

LOCATION **3000' FNL** FT. FROM (N) (S) LINE. **900' FWL** FT. FROM (E) (W) LINE. **NW SW** 1/4 - 1/4 SEC. **34**

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
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10S	20E	34	SANTA FE ENERGY CO				
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STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

(Other instructions on reverse side)

12

5. Lease Designation and Serial No.
U-28203

6. If Indian, Allottee or Tribe Name
Uintah & Ouray

7. Unit Agreement Name

8. Farm or Lease Name
HILL CREEK FEDERAL

9. Well No.
#1-34

10. Field and Pool, or Wildcat
Hill Creek NATURAL BUTTES

11. Sec., T., R., M., or Bk. and Survey or Area
Sec 34 T10S-R20E

12. County or Parrish 13. State
Uintah Utah

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

RECEIVED

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
SANTA FE ENERGY COMPANY, DIVISION OF OIL

3. Address of Operator
2600 Security Life Building/Denver, Colorado 80202
GAS & MINING

4. Location of Well (Report location clearly and in accordance with any State requirements.)*
At surface NW 1/4 SW 1/4 800' FWL & 3000' FNL
At proposed prod. zone Mesa Verde

14. Distance in miles and direction from nearest town or post office*
17.2 miles SW of Ouray, Utah

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg. line, if any) 900'
16. No. of acres in lease 640

18. Distance from proposed location* to nearest well, drilling, completed, or applied for, on this lease, ft.
19. Proposed depth 8300'

21. Elevations (Show whether DF, RT, GR, etc.)
5309' Ground

23. PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
12-1/4"	8-5/8"	24#	325'	Circulate
7-7/8"	5-1/2"	17#	8300'	1000 or as per Caliper

17. No. of acres assigned to this well 640

20. Rotary or cable tools
Rotary

22. Approx. date work will start*
A.S.A.P.

Santa Fe Energy Company proposes to drill a well to 8300' to test the Wasatch and Mesa Verde formations. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM, BIA and the State of Utah requirements.

Onshore Order #1 - attached.

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

DATE: 10/7/85

BY: John R. Bay

WELL SPACING: (Class. No. 190-5(B)) 11/24/82
C-3(C)

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: Jack H. White Title: Dist. Drilling Supt. Date: 9-26-85

(This space for Federal or State office use)

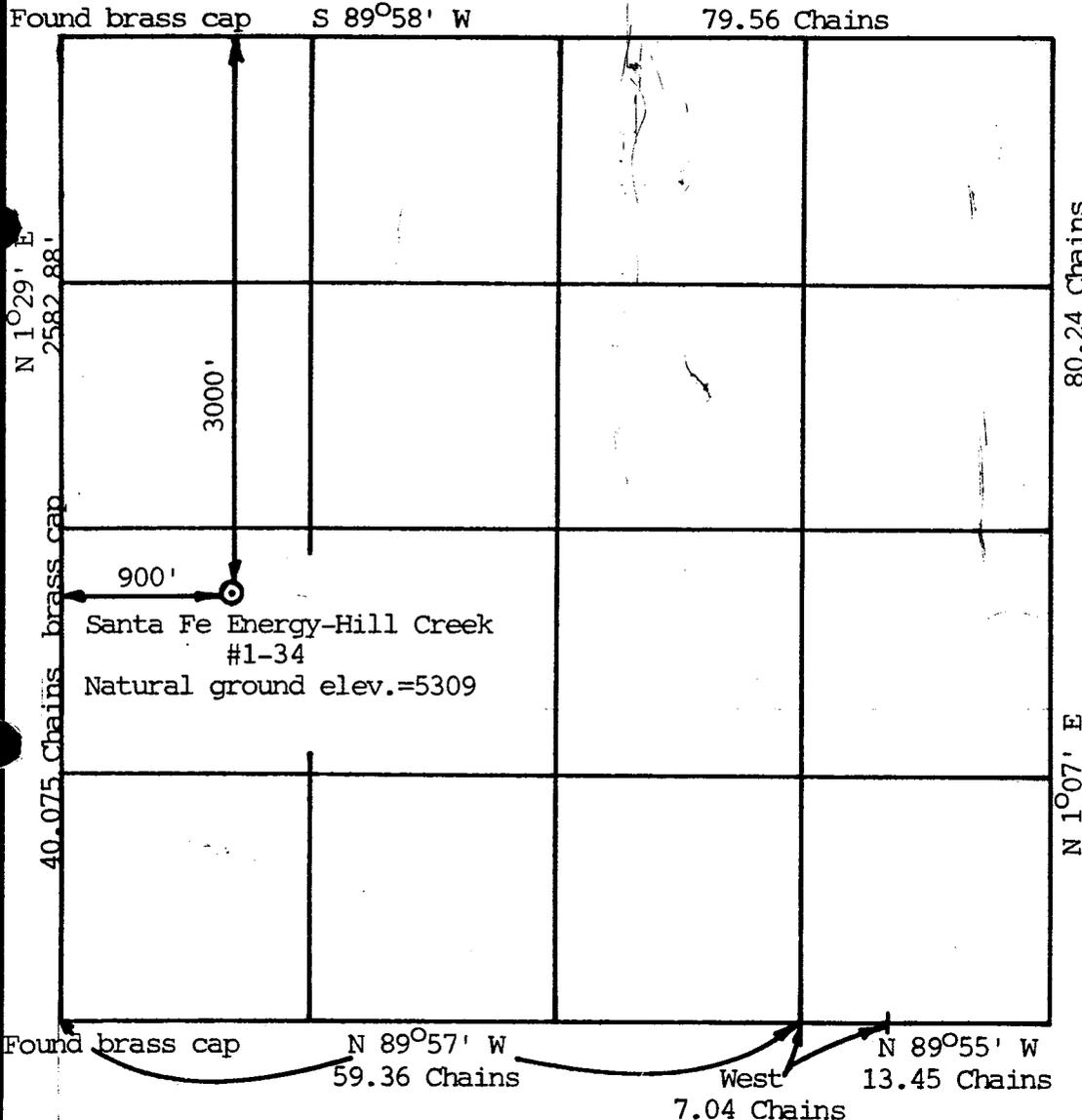
Permit No. 43-047-31676 Approval Date

Approved by: Title: Date: Conditions of approval, if any:

SECTION 34
 TOWNSHIP 10 SOUTH, RANGE 20 EAST
 SALT LAKE BASE AND MERIDIAN
 Uintah County, Utah

SANTA FE ENERGY COMPANY

WELL LOCATION: N.W.¼, S.W.¼



SCALE 1"=1000'

SURVEYOR'S CERTIFICATE

I, Clinton S. Peatross, Duchesne, Utah, do hereby certify that I am a Registered Land Surveyor, and that I hold License No. 4779, as prescribed by the laws of the state of Utah, and that I have made a survey of the oil well location, as shown on this plat.

Date 9/18/85

Clinton S. Peatross
 Clinton S. Peatross
 License No. 4779 (Utah)



Section data obtained from G.L.O. plat.
 Job #315

Santa Fe Energy Company
Hill Creek Federal #1-34
NW $\frac{1}{4}$ SW $\frac{1}{4}$
Section 34 T10S-R20E
Uintah County, Utah

DRILLING PROGRAM

ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal and Indian Oil and Gas Leases

All leases and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

1. The estimated tops of important geologic markers are as follows:

<u>Formation</u>	<u>Depth</u>
Wasatch	4563'
Chapita Wells	5213'
Uteland Buttes	6243'
Mesa Verde	7594'
T.D.	8300'

2. a. The estimated depths at which the water, oil, gas or other mineral bearing formations are expected to be encountered are as follows:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Gas	Wasatch & Mesa Verde	4563' 7594'
Water	Water & Sand	3000'+

No known mineral deposits are anticipated or will be penetrated.

- b. Santa Fe Energy Company plans to protect all surface fresh water zones by running a sufficient amount of surface casing.
3. Santa Fe Energy Company's minimum specifications for pressure control equipment are as follows:

Equipment will be tested prior to drilling out from under surface and operational checks will be made daily thereafter. Rams will be tested to rated working pressure or 70% of the minimum internal yield of the casing. BOP's will be tested prior to drilling out each casing shoe and at least every 30 days. The BOP will have manual controls.

4. a. The proposed casing program will be as follows:

<u>Purpose</u>	<u>Depth</u>	<u>Hole Size</u>	<u>O.D.</u>	<u>Weight</u>	<u>Grade</u>	<u>Type</u>	<u>New or Used</u>
Surface	325'	12-1/4"	8-5/8"	24#	K-55	ST&C	New
Produc.	8300'	7-7/8"	5-1/2"	17#	K-55/N-80	LT&C	New

All casing strings will be tested to 0.2 psi/ft. or 1000 psi, whichever is greater prior to drilling out.

Santa Fe Energy Company
Hill Creek Federal #1-34
NW $\frac{1}{4}$ SW $\frac{1}{4}$
Section 34 T10S-R20E
Uintah County, Utah

- b. The cement program will be as follows:

<u>Surface</u> 385'	<u>Type and Amount</u> Sufficient to circulate to surface.
<u>Production</u> 8300'	<u>Type and Amount</u> 350 sks or sufficient to cover zones of interest.

- c. Auxiliary equipment to be used is as follows:

Upper and Lower Kelly Cock valves with safety valve for drill pipe on rig floor. Flow sensor to be installed by 4000'.

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

<u>Interval</u>	<u>Mud Type</u>	<u>Mud Wt.</u>	<u>Vis</u>	<u>F/L</u>	<u>PH</u>
0-325'	Spud	Gel and Lime as required to clean hole			
325-4000'	Water				
4000-T.D.	KCL-SW	9-10 ppg	27-48	40-8cc	11-12

There will be sufficient mud on location to control a blowout should one occur.

6. The anticipated type and amount of testing, logging and coring are as follows:

- a. No test (DST) or Cores anticipated.
- b. The logging program will consist of the following:
DLL-SFF/SP GR
BHC-Sonic GR
FDC - CNL
All run to T.D.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analysis, well test data, geologic summaries, sample descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4.

7. a. Expected bottom hole pressure is 3204 psi.
- b. No abnormal pressures, temperatures or potential hazards are anticipated.

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NW $\frac{1}{4}$ SW $\frac{1}{4}$
Section 34 T10S-R20E
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8. Other information.

- a. Santa Fe Energy Company proposes to spud the Hill Creek Federal #1-34 prior to November 15, 1985, and intends to complete the well within approximately one month after the well has reached T.D.
- b. It is anticipated the duration of drilling will be 15 days.
- c. The anticipated completion program is as follows: All hydrocarbon shows will be perforated and tested.
- d. No well abandonment operations will begin without the prior approval of the District Manager. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the District Manager. A "Subsequent Report of Abandonment" (Form 3160-5), will be filed with the District Manager, within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface operations.

SURFACE USE PLAN

ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal and Indian Oil and Gas Leases

1. Existing Roads

- a. Directions to the location from Ouray, Utah are as follows:

From the town of Ouray, Utah proceed straight south 13.3 miles then turn Right on old access road 2.4 miles, then turn Left 1.5 miles on new access road into location.
- b. For access roads, see Map.
- c. All existing roads within a 2-mile radius are shown on Map #1.
- d. Improvement to existing roads may be necessary depending on weather conditions.
- e. Existing roads will be maintained and kept in good repair during all drilling and completion operations associated with the well.
- f. Existing roads and newly constructed roads on surface under the jurisdiction of any Surface Managing Agency shall be maintained in accordance with the standards of the SMA.

2. Access Roads to be Constructed and Reconstructed

- a. All new roads to be built, or reconstructed roads are shown on Map.
- b. Approximately 1.5 miles will be new access. It was centerline flagged at the time of staking.
- c. The maximum grade will be 8%.
- d. The maximum cut on location is 28 feet. The maximum fill is 22 feet.
- e. Drainage will be installed as deemed necessary by the operator and dirt contractor.
- f. Culverts will be installed as deemed necessary by the operator and dirt contractor.
- g. Cattleguards, gates or fence cuts will be as per landowner requires.
- h. Surfacing material will be placed on the access road and location as deemed necessary by the operator.
- i. Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

Santa Fe Energy Company
Hill Creek Federal #2-34
NW¼ SW¼
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- j. If there is snow on the ground when construction begins, the operator will remove it before the soil is disturbed, and pile it downhill from the topsoil stockpile location.

3. Location of Existing Wells within a 1-Mile Radius of the Proposed Location.

- a. Water Wells - None.
- b. Injection or Disposal Wells - None.
- c. Producing Wells - None
- d. Drilling Wells - None

4. Location of Existing and/or Proposed Facilities if the Well is Productive

- a. No production facilities at present.
- b. If well is productive, Production Department will request type of facilities to be installed through proper channels of the BLM & BIA.
- c. Any production pits will be fenced with at least four strands of barbed wire and held in place by side post and corner H braces.
- d. Production facilities (including dikes) will be placed on the cut portion of the location.
- e. All access roads will be upgraded and maintained as necessary to prevent erosion and accomodate year-round traffic.
- f. Any necessary pits will be fenced to prevent wildlife entry.
- g. Produced waste water will be confined to an unlined pit for a period not to exceed 90 days after initial production. During that 90 day period an application for approval of a permanent disposal method and location (NTL-2B), along with the required water analysis will be submitted.
- h. All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.

5. Location and Type of Water Supply

- a. Permits applied for through the State of Utah and the BIA from Willow Creek.
- b. Water will be pumped or if extreme cold weather will be hauled to the location along the approved access route.
- c. The souce of water is located on BIA lands.
- d. No water wells are to be drilled.

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Hill Creek Federal #1-34
NW $\frac{1}{4}$ SW $\frac{1}{4}$
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6. Construction Materials

- a. Surface and subsoil materials in the immediate area will be utilized.
- b. No construction materials will be removed from Federal lands.
- c. Gravel, stone and sand will be purchased from a commercial source.
- d. Any materials to be used which are under BLM jurisdiction shall be approved in advance, as per CFR 3610.2-3.

7. Methods for Handling Waste Material

- a. Drill cuttings are to be contained and buried in the reserve pit.
- b. Garbage and nonflammable waste are to be contained in the trash pit. Flammable waste is to be contained in the burn pit. The trash is to be burned periodically and the remains buried when the well is completed. The trash and/or burn pit will be totally enclosed on four sides and 3/4 of the top will small mesh wire to prevent wind scattering and wildlife entry. After the burn pit is no longer in use it will be covered with a minimum of 4 feet of earth. No trash is to be placed in the reserve pit.
- c. Any slats and/or chemicals which are an integral part of the drilling system will be disposed of in the same manner as the drilling fluid.
- d. If a chemical porta-toilet is not furnished with the drilling rig, a sewage borehole will be used and its contents covered with a minimum of 6 feet of fill upon well completion.
- e. The produced fluids will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas salt water or other produced fluids will be cleaned up and removed.
- f. The reserve pit and drilling fluids contained in the pit will be allowed to dry. The pit will then be backfilled.

8. Ancillary Facilities

No camps, airstrips or other facilities will be necessary.

9. Wellsite Layouts

- a. The rig layout is shown on Diagram.
- b. A cross section of the well pad and cuts and fills are shown on Diagram.

Santa Fe Energy Company
Hill Creek Federal #1-34
NW $\frac{1}{4}$ SW $\frac{1}{4}$
Section 34 T10S-R20E
Uintah County, Utah

- c. The location of reserve, burn pits, access roads onto the pad, turn around areas, parking areas, living facilities, soil material stockpiles and orientation of the rig with respect to the pad and other facilities is shown on Diagram.
- d. The reserve pit will be fenced on three (3) sides during drilling and the fourth side will be fenced at the time the rig is removed.

10. Plans for Reclamation of the Surface

The following surface reclamation will be done upon completion of the operations.

- a. The reserve pit, when dry, will be backfilled and the entire location will be reshaped to as near as possible its original contour.
- b. A slight alteration of the drainage may be necessary due to the location of the reserve pit.
- c. Topsoil and subsoil will be segregated and stockpiled near the location.
- d. During reclamation of the site, the operator will push fill material into the cuts and up over the backslope to approximate the original topography. No depressions will be left that trap water or form ponds.
- e. Waste materials will be disposed of as stated in #7 of this Surface Use Plan.
- f. Re-seeding will be done as per the surface owner's requirements.
- g. Those areas not required for production will be landscaped to the surrounding topography.
- h. A Notice of Intent to Abandon and a Subsequent Report of Abandonment must be submitted for abandonment approval.

11. Surface Ownership

Wellsite - B.I.A.

Roads - B.I.A. & B.L.M. to be maintained by Santa Fe Energy Company.

12. Other Information

- a. An archaeology study has been completed and attached.
- b. If any cultural values are observed during construction and operations, they will be left intact and the Area Manager notified.

Santa Fe Energy Company
Hill Creek Federal #1-34
NW $\frac{1}{4}$ SW $\frac{1}{4}$
Section 34 T10S-R20E
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- c. If paleontological resources, either large and conspicuous, and/or of significant scientific value are discovered during construction, the find will be reported to the Authorized Officer immediately. Construction will be suspended within 250 feet of said find. An evaluation of the paleontological discovery will be made by a BLM approved professional paleontologist within five (5) working days, weather permitting, to determine the appropriate action(s) to prevent the potential loss of any significant paleontological values. Operations within 250 feet of such a discovery will not be resumed until written authorization to proceed is issued by the Authorized Officer. The applicant will bear the cost of any required paleontological appraisals, surface collection of fossils, or salvage of any large conspicuous fossils of significant scientific interest discovered during operations.
- d. "Sundry Notice and Report of Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 32 CFR 3164.
- e. The dirt contractor will be provided with an approved copy of the surface use plan.

13. Lessee's or Operator's Representative and Certification

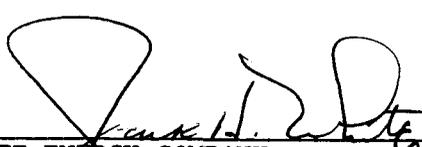
SANTA FE ENERGY COMPANY
1616 Glenarm, Suite 2600
Denver, Colorado 80202
Jack H. White
District Drilling Superintendent
(W) 303/825-5101
(H) 303/424-2859

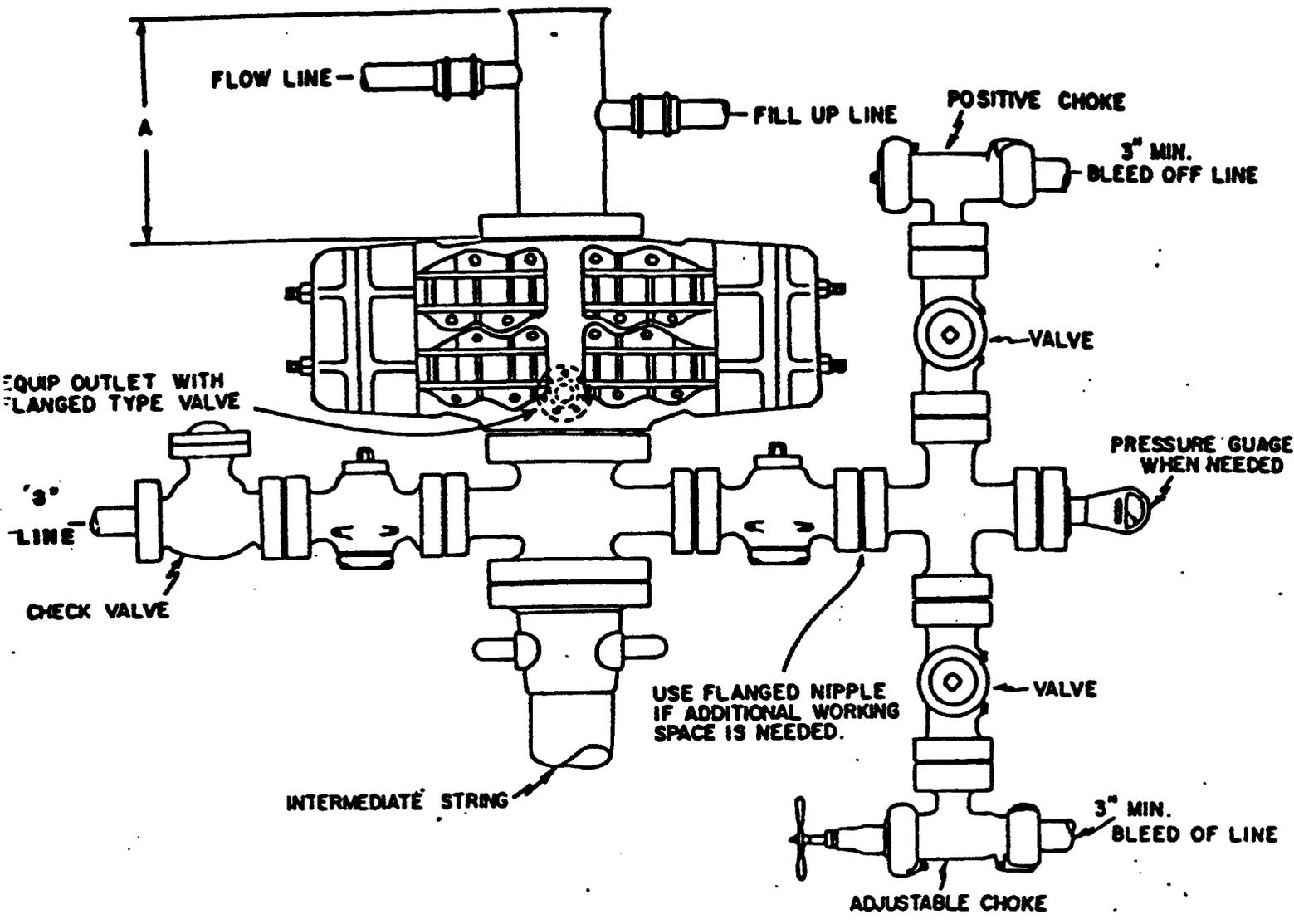
CERTIFICATION

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 currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Santa Fe Energy Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Date:

9-26-85

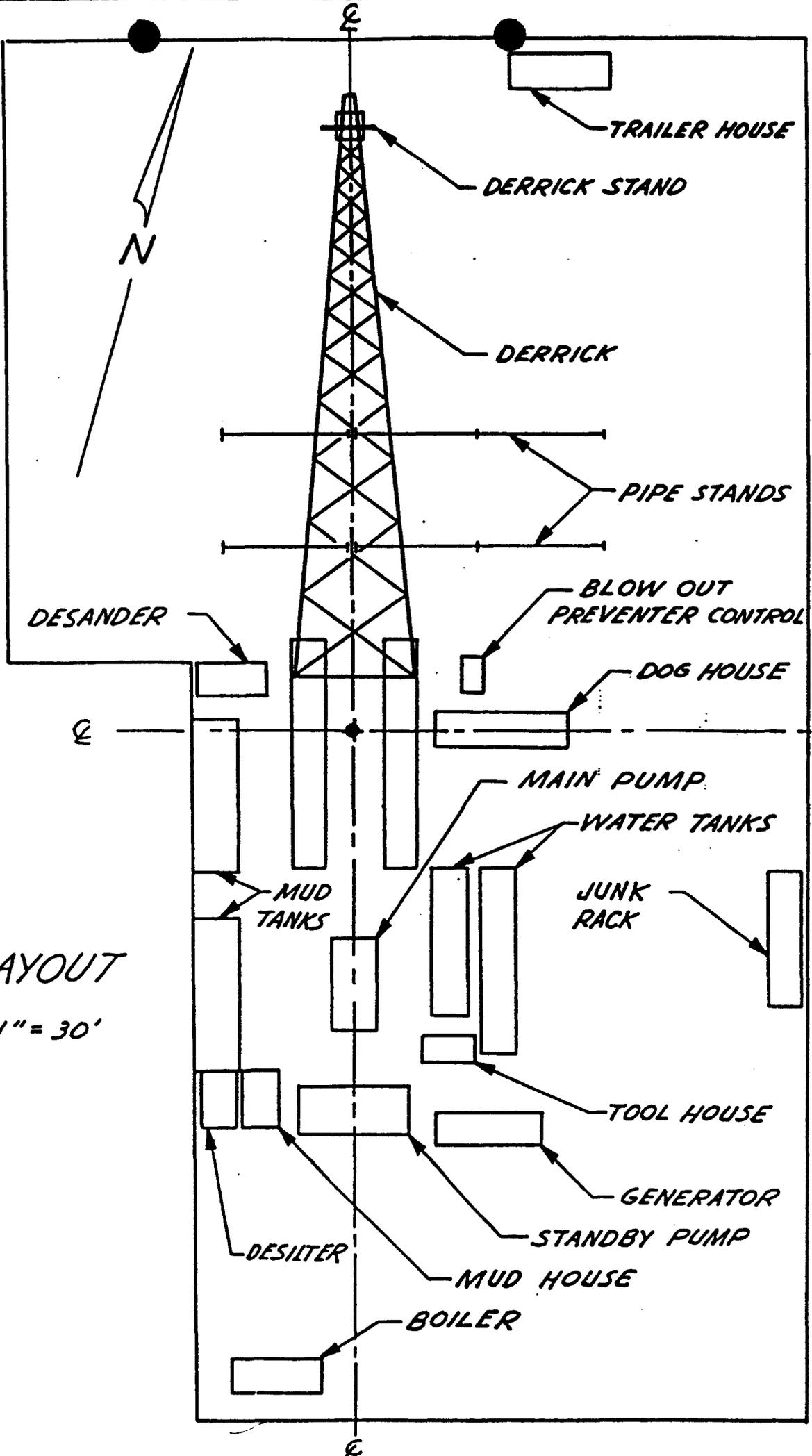

SANTA FE ENERGY COMPANY
Jack H. White



NOTE BLOWOUT PREVENTER MUST HAVE DOUBLE RAMS; ONE BLIND & ONE PIPE RAM OR THE EQUIPMENT MUST CONSIST OF TWO BLOWOUT PREVENTERS, ONE EQUIPPED WITH BLIND RAMS & THE OTHER WITH PIPE RAMS. ALWAYS PLACE THE BLIND RAMS IN THE TOP PREVENTER

	<p>SANTA FE ENERGY COMPANY ROCKY MOUNTAIN DISTRICT DENVER, COLORADO</p>
<p>3000 PSI</p>	

EXHIBIT VI



TRAILER HOUSE

DERRICK STAND

DERRICK

PIPE STANDS

DESANDER

BLOW OUT PREVENTER CONTROL

DOG HOUSE

MAIN PUMP

WATER TANKS

MUD TANKS

JUNK RACK

TOOL HOUSE

GENERATOR

STANDBY PUMP

DESILTER

MUD HOUSE

BOILER

N

E

E

E

RIG LAYOUT

SCALE: 1" = 30'

A CULTURAL RESOURCES SURVEY OF
TWO PROPOSED SANTA FE ENERGY WELLS AND ACCESS ROADS,
UINTAH COUNTY, UTAH

by

Michael R. Polk
Principal Investigator

Prepared for:

Santa Fe Energy Company
Security Life Building
1616 Glenarm, Suite 2600
Denver, Colorado 80202

Prepared by:

Sagebrush Archaeological Consultants
4263 Monroe Boulevard
Ogden, Utah 84403

Under Authority of Cultural Resources Use Permit No. 84-UT-54630

Utah State Antiquities Permit No. U-85-22-606 i,b

Archaeological Report No. 172

September 22, 1985

INTRODUCTION

In mid-September, 1985 Santa Fe Energy Company (Santa Fe) requested that Sagebrush Archaeological Consultants (Sagebrush) conduct an archaeological survey of two proposed well locations on the Uintah and Ouray Indian Reservation and on Bureau of Land Management (BLM) lands in Uintah County, Utah. The well locations and associated access roads are located on Ute Tribal lands in T. 10S., R. 20E., S. 27 and 34 and on BLM lands in T. 10S., R. 20E., S. 26 and 35 (Fig. 1). The survey area lies on the Big Pack Mountain NW Quadrangle 7.5' (1968). The survey was conducted by the author who was accompanied by two representatives of the Ute Tribal Energy and Minerals Office. It was conducted on September 20, 1985 under authority of Cultural Resources Use Permit No. 84-WY-54630 and Utah State Antiquities Permit No. U-85-22-606 i,b.

A file search was conducted for previous surveys and known sites in the area through Liz Manion of the Antiquities Section, Division of State History, Salt Lake City on September 23, 1985. Only two sites are known in the area. Site 42 Un 102 is a petroglyph site in section 27a with "pipe smoking, horses pecked into dark surface". Modern petroglyphs are also present. Site 42 Un 103 is also present in section 27 and contains bison and hunters pecked into a rock face. Both sites were recorded by Gunnerson in 1954 and lie outside of the current survey area.

ENVIRONMENT

The project area is located in dissected tablelands and arroyo cut uplands east of the Green River. The area varies from low rolling to deeply dissected by arroyos and a large creek canyon (Willow Creek). The soils in the area consist of silts which are largely covered with large sized angular cobbles and tabular mudstone and sandstone debris. The nearest permanent water source is Willow Creek located less than 500 meters to the west. Elevation of the area ranges from 5100 feet a.s.l. up to 5300 feet a.s.l.. Vegetation is largely sagebrush grassland and includes Big sagebrush, bunchgrass, Rubber rabbitbrush and some Prickly pear cactus covering an average of 20 to 30 percent of the surface.

Natural disturbance in the area is largely the result of sheetwash and heavy arroyo cutting. Cultural disturbance includes two track roads, an abandoned well location, several small reservoirs and farming operations in the Willow Creek Valley which can be seen from both of the well locations.

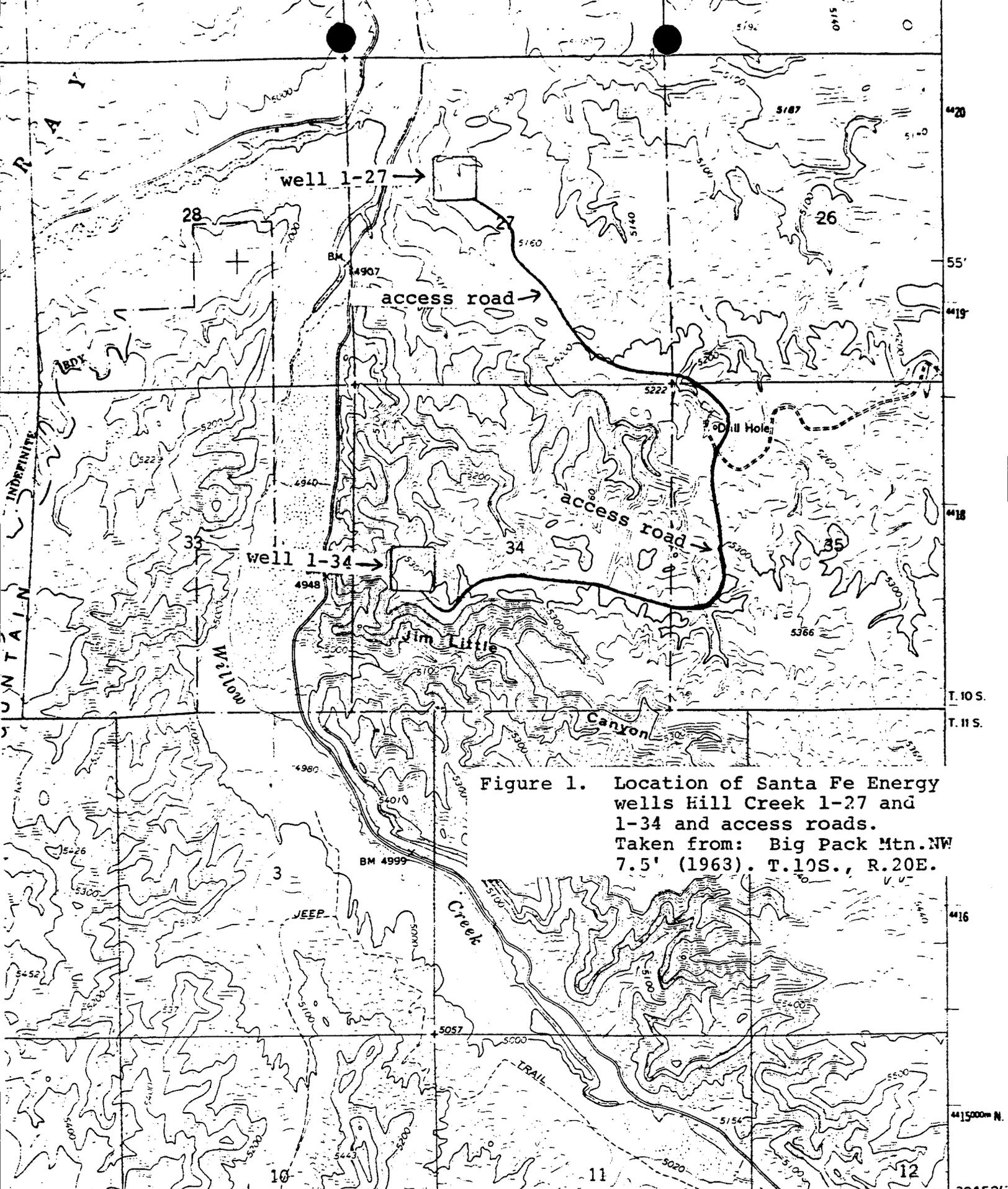
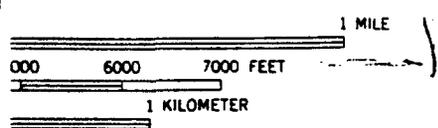


Figure 1. Location of Santa Fe Energy wells Hill Creek 1-27 and 1-34 and access roads. Taken from: Big Pack Mtn. NW 7.5' (1963). T.19S., R.20E.



ROAD CLASSIFICATION
 Light-duty road, all weather, improved surface _____ Unimproved road, fair or dry weather -----

INTERIOR—GEOLOGICAL SURVEY WASHINGTON, D. C.—1970
 16 SULPHUR SPR. 9 MI. 17000m E 39°52' 109°37'30"

METHODOLOGY

The access roads on the project were surveyed by following a staked path in two evenly spaced transects (spaced 10 meters apart) to cover a 30 meter (100 foot) wide corridor. Ten acre areas were surveyed at 15 meter wide transects each of the well pads (Hill Creek 1-27 and Hill Creek 1-34) around a centerstake at each well which marked the well's center. The road to well Hill Creek 1-27 was 1.4 miles long and that to Hill Creek 1-34 was 1.5 miles long. Thus, a total of 56 acres were surveyed (20 acres for the wells and 36 acres for the road lengths). Very steep portions of the well pads were not covered in 15 meter intervals. Rather, a meandering transect was made along these areas to spot check for cultural materials.

RESULTS

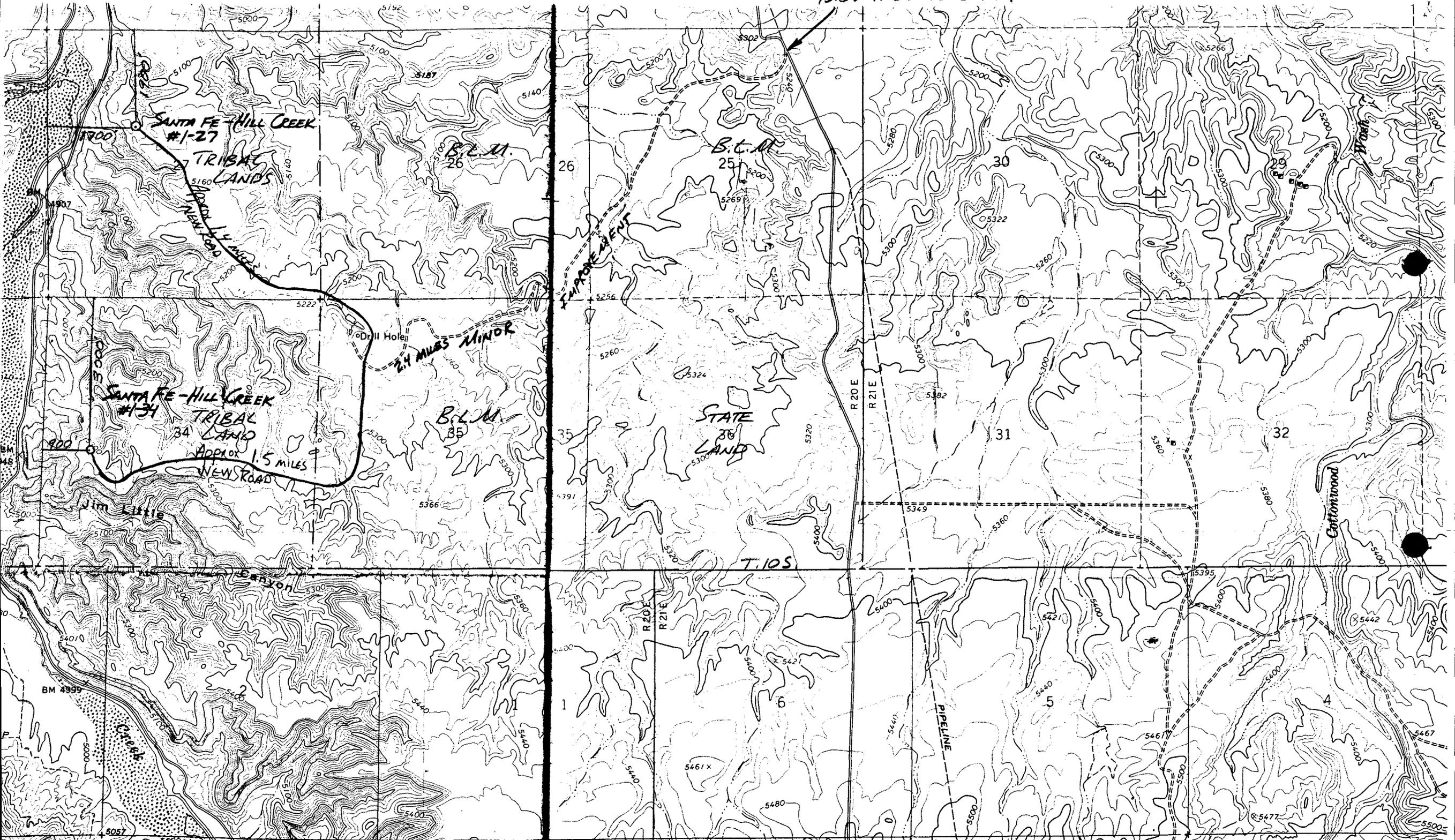
No cultural resources were noted during this survey.

RECOMMENDATIONS

Cultural resources clearance is recommended for this project due to the negative findings.

While this investigation was conducted with techniques considered to be adequate for evaluating cultural resources which might be affected by the project, if cultural materials are discovered during construction, they should be immediately reported to either the BLM District Office in Vernal (on BLM lands) or the Ute Tribal Office of Energy and Minerals in Fort Duchesne and the Antiquities Section, Division of State History in Salt Lake City (on Ute Tribal lands).

13.3 MILES TO OURAY



SANTA FE HILL CREEK #1-27

TRIBAL LANDS

APPROX 1.5 MILES
NEW ROAD

SANTA FE HILL CREEK #1-34

TRIBAL LAND

APPROX 1.5 MILES
NEW ROAD

2.4 MILES MINOR

STATE LAND

PIPELINE

Cottonwood

IMPROVEMENT

B.L.M. 26

B.L.M. 25

B.L.M. 35

T.105

Jim Little

BM 4999

Canyon

R 20 E
R 21 E

5100

5100

5200

5200

5200

5200

5200

5300

5300

5300

5300

5300

5400

5400

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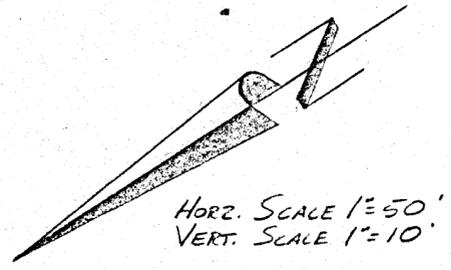
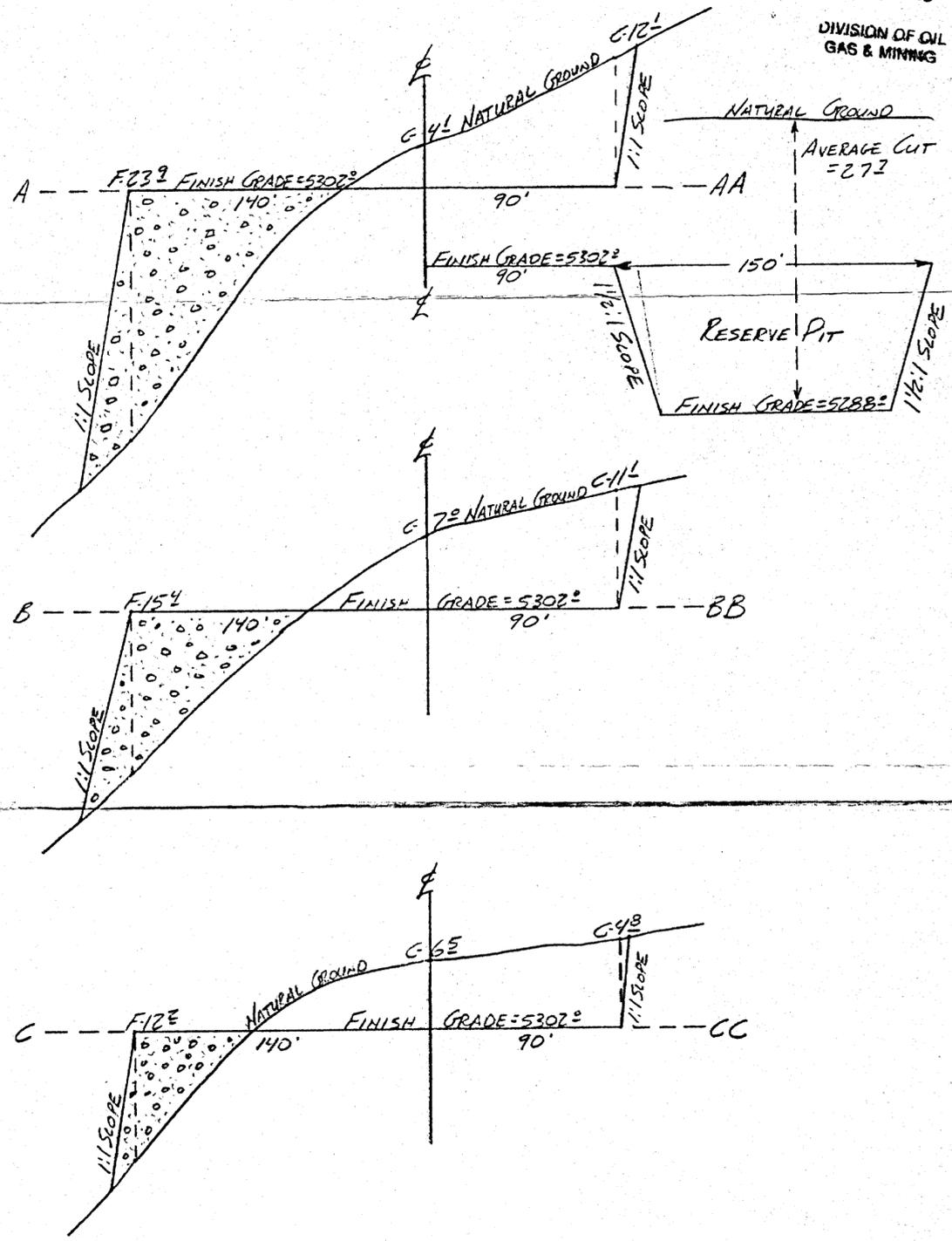
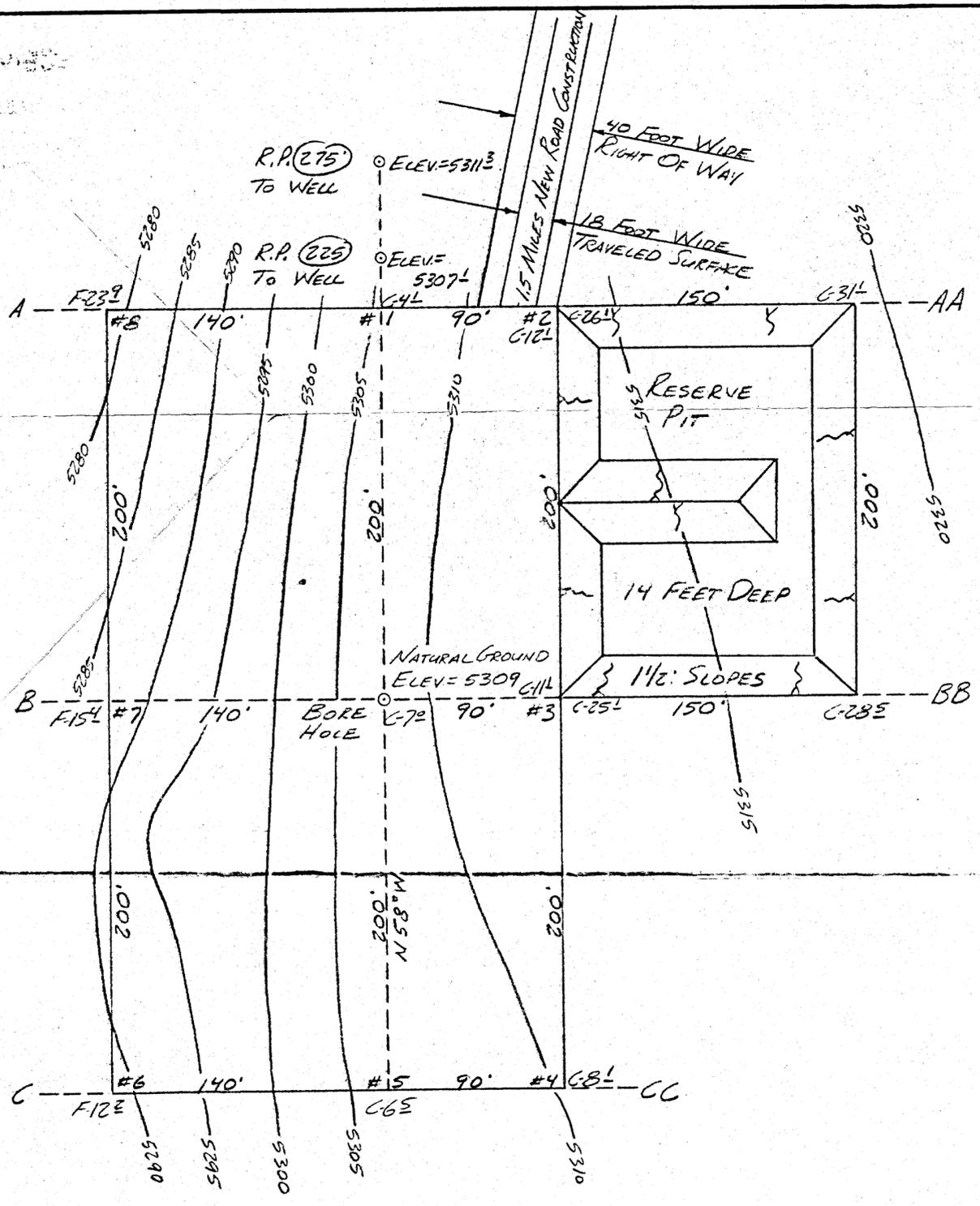
5500

5500

5500

5500

RECEIVED
 SEP 30 1985
 DIVISION OF OIL
 GAS & MINING



HORZ. SCALE 1"=50'
 VERT. SCALE 1"=10'

NOTES
 12,710 CUBIC YARDS FILL ON PAD
 13,070 CUBIC YARDS CUT ON PAD
 30,000 CUBIC YARDS CUT ON PIT
 1.5 MILES OF NEW ROAD CONSTRUCTION
 WITH 18 FOOT WIDE TRAVELED SURFACE.



9/18/85
 PREPARED FOR
 SANTA FE ENERGY CO.
 1616 GLENARM PLACE, SUITE 2600 DENVER, COLO. 80202
 SANTA FE ENERGY-HILL CREEK #134
 N.W. 1/4, S.W. 1/4, SECTION 34, T.10S., R.20E., SLE&M
 UTAH COUNTY, UTAH
 PREPARED BY
PEATROSS LAND SURVEYS
 REGISTERED LAND SURVEYORS
 P.O. BOX 271
 DUCHESNE, UTAH 84021
 (801) 738-2386

JOB #315
 SANTA FE ENERGY-HILL CREEK #134

OPERATOR Sante Fe Energy Co. DATE 10/4/85

WELL NAME Hill Creek Fed. 1-34

SEC NW 34 T 10S R 20E COUNTY Montal

43-647-31676
API NUMBER

Fed
TYPE OF LEASE

CHECK OFF:

- PLAT
- BOND
- NEAREST WELL
- LEASE
- FIELD
- POTASH OR OIL SHALE

PROCESSING COMMENTS:

No other well within 1000'

Need water permit

APPROVAL LETTER:

SPACING: A-3 _____ UNIT c-3-a 190-5(B) 10/28/82
CAUSE NO. & DATE

c-3-b c-3-c

STIPULATIONS:

1- Water

2- Exception location



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

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

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

October 7, 1985

Santa Fe Energy Company
2600 Security Life Building
Denver, Colorado 80202

Gentlemen:

Re: Well No. Hill Creek Federal 1-34 - NW SW Sec. 34, T. 10S, R. 20E
3000' FNL, 900' FWL - Uintah County, Utah

Approval to drill the above-referenced oil well is hereby granted in accordance with the Order of Cause No. 190-(b) dated October 28, 1982 subject to the following stipulations:

1. Prior to commencement of drilling, receipt by the Division of evidence providing assurance of an adequate and approved supply of water.
2. Special attention is directed to compliance with the Order for Cause No. 190-5 dated January 27, 1983, which prescribes drilling procedures for oil shale designated areas.
3. Submittal to the Division of information justifying the necessity for an exception location and verification of ownership within a radius of 500 feet of the proposed location.

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

1. Spudding notification to the Division within 24 hours after drilling operations commence.
2. Submittal to the Division of completed Form OGC-8-X, Report of Water Encountered During Drilling.
3. Prompt notification to the Division should you determine that it is necessary to plug and abandon this well. Notify John R. Baza, Petroleum Engineer, (Office) (801) 538-5340, (Home) 298-7695, or R. J. Firth, Associate Director, (Home) 571-6068.

Page 2
Santa Fe Energy Company
Well No. Hill Creek Federal 1-34
October 7, 1985

4. Compliance with the requirements and regulations of Rule C-27, Associated Gas Flaring, General Rules and Regulations, Oil and Gas Conservation.
5. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-047-31676.

Sincerely,



R. J. Firth
Associate Director, Oil & Gas

as
Enclosures
cc: Branch of Fluid Minerals



Central Division-Rocky Mountain District
Security Life Building
Suite 2600
Denver, Colorado 80202-4330
303/825-5101

October 14, 1985

RECEIVED

OCT 16 1985

DIVISION OF OIL
GAS & MINING

State of Utah
Natural Resources
355 W. North Temple
3 Triad Center - Suite 350
Salt Lake City, UT 84180-1203

Attention: Mr. Ron Firth,
Associate Director

Re: Permit to Drill Hill Creek
Federal #1-27
SENW, Sec. 27-T10S-R20E
1900' FNL, 1700' FWL
Hill Creek Federal #1-34
NWSW, Sec. 34-T10S-R20E
3000' FNL, 900' FWL
Uintah County, UT

Gentlemen:

Reference is made to your letter of October 7, 1985 regarding approval to drill the above captioned wells. In satisfaction of Stipulation #3, please find enclosed land plats which verify that Santa Fe Energy Company owns the leasehold rights 100% within a 500' radius of each proposed location. It was necessary for us to locate our wells at the above captioned locations due to rough terrain.

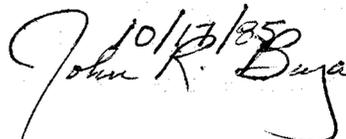
Should you have any questions regarding this matter, please don't hesitate to call.

Sincerely,


Jennifer Rogers
Landman

JR/dw
Encls.

cc: Jack White, Denver

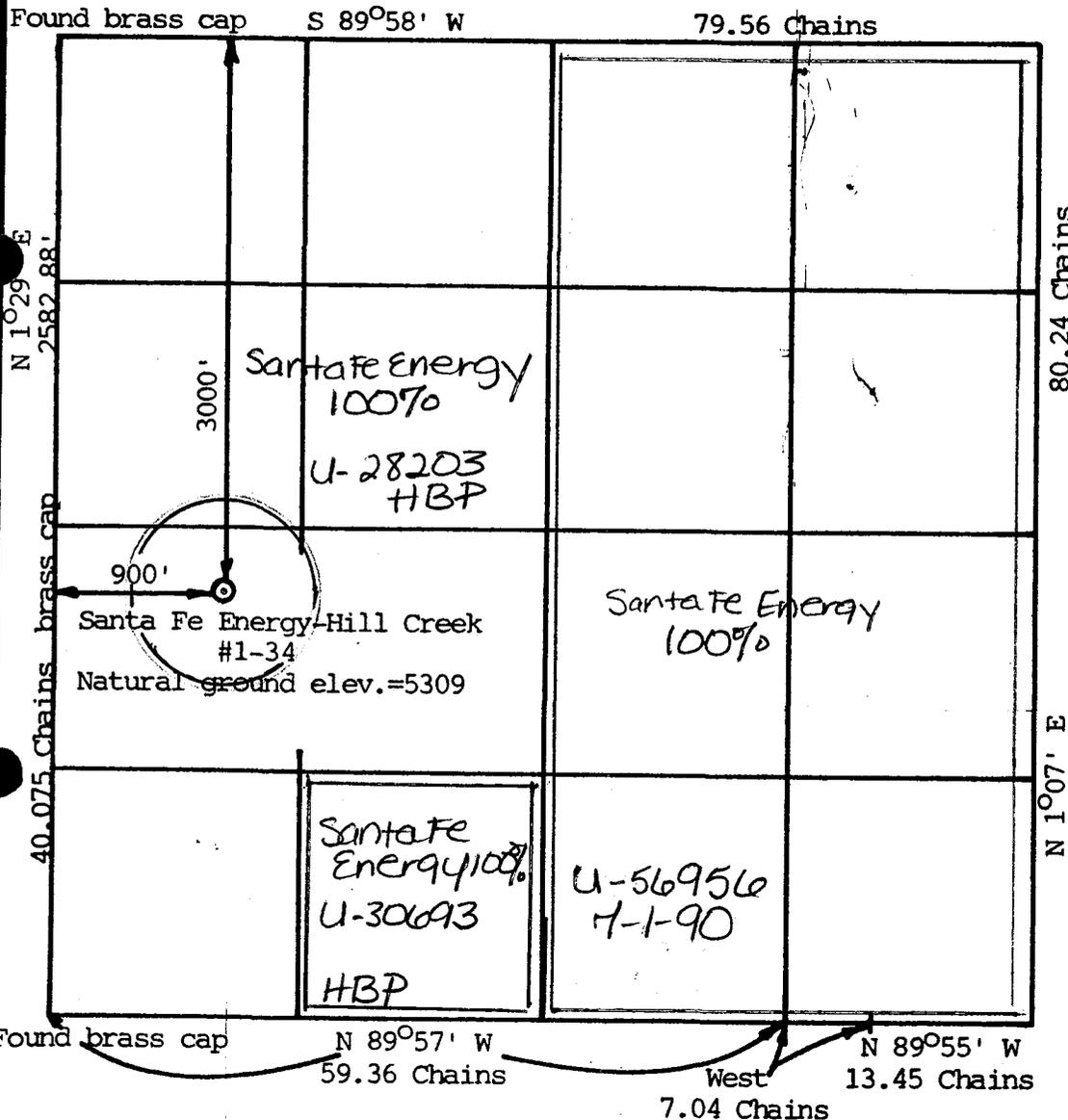
10/17/85




SECTION 34
 TOWNSHIP 10 SOUTH, RANGE 20 EAST
 SALT LAKE BASE AND MERIDIAN
 Uintah County, Utah

SANTA FE ENERGY COMPANY

WELL LOCATION: N.W. 1/4, S.W. 1/4



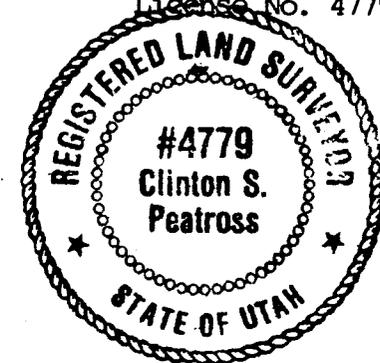
SCALE 1"=1000'

SURVEYOR'S CERTIFICATE

I, Clinton S. Peatross, Duchesne, Utah, do hereby certify that I am a Registered Land Surveyor, and that I hold License No. 4779, as prescribed by the laws of the state of Utah, and that I have made a survey of the oil well location, as shown on this plat.

9/18/85
 Date

Clinton S. Peatross
 Clinton S. Peatross
 License No. 4779 (Utah)



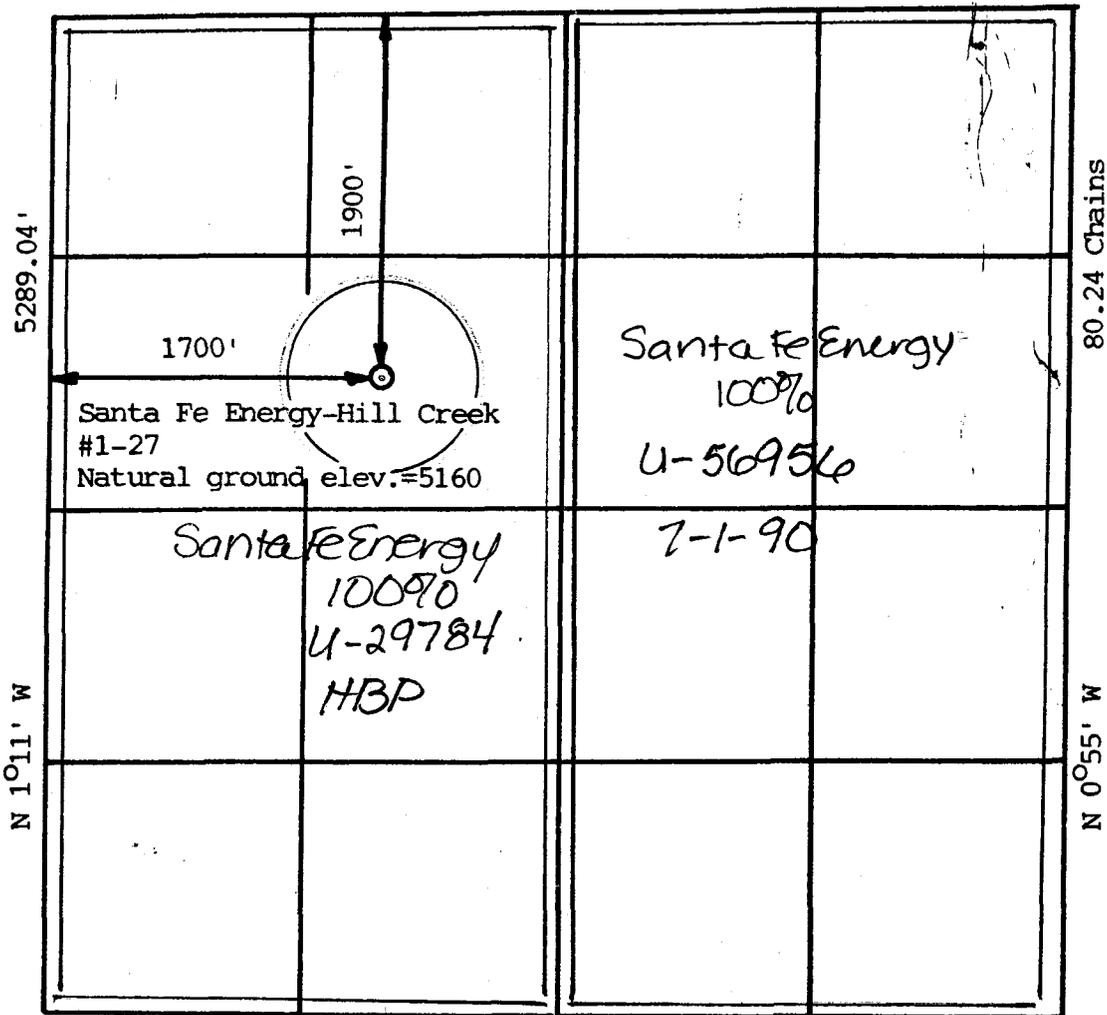
Section data obtained from G.L.O. plat.
 Job #315

SECTION 27
 TOWNSHIP 10 SOUTH, RANGE 20 EAST
 SALT LAKE BASE AND MERIDIAN
 UINTAH COUNTY, UTAH

SANTA FE ENERGY COMPANY

WELL LOCATION: S.E.¼, N.W.¼

Found brass cap West 79.83 Chains



SCALE 1"=1000'

SURVEYOR'S CERTIFICATE

I, Clinton S. Peatross, Duchesne, Utah, do hereby certify that I am a Registered Land Surveyor, and that I hold License No. 4779, as prescribed by the laws of the state of Utah, and that I have made a survey of the oil well location, as shown on this plat.

9/18/85
 Date

Clinton S. Peatross
 Clinton S. Peatross
 License No. 4779 (Utah)

Found brass cap S 89°58' W

79.56 Chains

Section data obtained from G.L.O. plat.
 Job #314



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
 SANTA FE ENERGY COMPANY

3. ADDRESS OF OPERATOR
 2600 Security Life Building/Denver, Colorado 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
 At surface NW 1/4 SW 1/4 900' FWL & 3000' FNL
 At proposed prod. zone Mesa Verde

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 17.2 miles SW of Ouray, Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
 900'

16. NO. OF DIVISIONS OF OIL & GAS & MINING
 64

NO. OF ACRES ASSIGNED TO THIS WELL
 640

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

19. PROPOSED DEPTH
 8300'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 5309' Ground

22. APPROX. DATE WORK WILL START*
 A.S.A.P.

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	325'	Circulate
7-7/8"	5-1/2"	17#	8300'	1000 or as per Caliper

Santa Fe Energy Company proposes to drill a well to 8300' to test the Wasatch and Mesa Verde formations. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per B.L.M., BIA and the State of Utah requirements.

Onshore Order #1 - attached.



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 Jack H. White TITLE Dist Drilling Supt. DATE 9-26-85

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
 APPROVED BY Don Alford TITLE ASSOCIATE DISTRICT MANAGER DATE 12-09-85

CONDITIONS OF APPROVAL, IF ANY:

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

U+080-5m-213
 Don Alford, District Manager

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Company Santa Fe Energy Well No. 1-34
Location Sec. 34 T10S R20E Lease No. U-28203
Onsite Inspection Date 09-30-85

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

A. DRILLING PROGRAM

1. All fresh water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

An annular bag-type preventer shall be utilized in the BOP stack and will be tested to 1,500 psi.

BOP and choke manifold systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location during pressure testing.

3. Casing Program and Auxiliary Equipment

The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.

4. Mud Program and Circulating Medium

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. Coring, Logging and Testing Program

Daily drilling and completion reports shall be submitted to this office on a weekly basis.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the authorized officer (AO).

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

The spud date will be reported orally to the AO within 48 hours after spudding. If the spudding occurs on a weekend or holiday, the report will be submitted on the following regular work day. The oral report will be followed up with a Sundry Notice.

In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6 "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed, in duplicate, to the Vernal BLM District Office, 170 South 500 East, Vernal, Utah 84078.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than 5 days following the date on which the well is placed on production.

Pursuant to NTL-2B, with the approval of a District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.

Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day or authorized test period.

A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3, and 3162.7-4 shall be submitted to the appropriate District Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in 43 CFR 3162.7 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.

A first production conference will be scheduled within 15 days after receipt of the first production notice.

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

Pursuant to Onshore Oil and Gas Order No. 1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in a manner which conforms with applicable Federal laws and regulations and with State and local laws and regulations to the extent that such State and local laws are applicable to operations on Federal or Indian lands.

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the AO.

Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried or anchored down from the wellhead to the meter and 500 feet downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

The use materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or work-over program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Revised October 1, 1985

CONDITIONS OF APPROVAL
SURFACE USE PROGRAM

Date APD Received 09/30/85

Operator Santa Fe Energy Well Name and No. 1-34
Lease No. U-28203 District ID No. 5M213
Location: NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 34 T. 10 S. R. 20 E.

CONDITIONS OF APPROVAL FOR THE
SURFACE USE PROGRAM OF THE
APPLICATION FOR PERMIT TO DRILL

1. Access Roads to be Constructed or Reconstructed:

Right-of-Way Application needed. If a ROW is necessary for this access road, a copy of the ROW grant shall be with the dirt contractor during the construction, and thereafter kept on location with the complete copy of the approved APD. Needed for access in Section 35, T.10S., R.20E.

2. Location of Existing and/or Proposed Facilities if the Well Enters Production:

If a tank battery is constructed on this lease, the battery or the well pad will be surrounded by a dike of sufficient capacity to contain $1\frac{1}{2}$ times the storage capacity of the battery. The integrity of the dike must be maintained.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

3. Methods for Handling Waste Disposal:

Burning will not be allowed. All trash must be contained in a trash cage and hauled away to an approved disposal site at the completion of the drilling activities.

Pits are not to be located in natural drainages where a flood hazard exists or surface runoff will destroy or damage the pit walls, unless otherwise herein provided.

On BIA administered lands:

All reserve pits will be lined with either native clay and commercial bentonite sufficient to prevent seepage.

Pits will be constructed so as not to leak, break, or allow discharge of liquids.

Produced waste water will be confined to a lined pit or a storage tank for a period not to exceed 90 days after first production. During the 90 day period an application for approval of a permanent disposal method and location, along with required water analysis, will be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.

4. Well Site Layout:

- a. Tank Batteries - Not indicated, placement plans will be sent in if the well is successfully completed.
- b. Reserve pit - As indicated in the layout diagram.
- c. Topsoil stockpile - The top four inches of topsoil to be stockpiled. Placement of stockpile left to the judgement of the dirt contractor.
- d. Blooie pit - Not indicated.
- e. Access road - As indicated in the APD.
- f. Other - The pad will be narrowed by 50 feet and the well site moved 25 feet west and 43 feet south (toward stake No. 3) to its new coordinates.

All pits will be fenced with a wire mesh fence and topped with at least one strand of barbed wire. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off the location. Any hydrocarbons on the pit will be removed from the pit as soon as possible after drilling operations are completed. Pits will be fenced and maintained until clean-up.

The fence will be constructed as prescribed in the USGS Publication (1978) Surface Operating Standards for Oil and Gas Development. Alternatives to the prescribed standards shall be submitted to the Surface Management Agency for approval.

5. Plans for Reclamation of the Surface:

The following are provisions to be addressed in the restoration plan:

Immediately upon well completion, the location and surrounding area will be cleared of all debris, materials, trash and junk not required for production.

Before any dirt work to restore the location takes place, the reserve pit must be completely dry and all cans, barrels, pipe, etc. will be removed. The reserve pit and that portion of the location and access road not needed for production facilities/operations will be reclaimed. The reserve pit will be reclaimed within one year from the date of well completion.

All disturbed areas will be recontoured to the approximate natural contours.

The stockpiled topsoil will be evenly distributed over the disturbed areas.

Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface.

Seed will be broadcast or drilled at a time specified by the BIA. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage and the seed mixture will be proportionately larger (double the lbs. per acre).

An appropriate seed mixture will be determined by the BIA, either as part of the conditions of approval of the APD or at the time restoration activities are scheduled to begin.

All seeding will be done from September 1 until the ground freezes.

At such time as the well is plugged and abandoned, the operator will submit a surface reclamation plan to the Surface Management Agency for prescribed seed mixtures and reseeding requirements.

If the seeding is unsuccessful, the lessee/operator may be required to make subsequent seedings.

On BIA administered lands:

Abandoned well sites, roads, or other disturbed areas will be restored to near their original condition. This procedure will include: (a) reestablishing irrigation systems where applicable, (b) reestablishing soil conditions in irrigated fields in such a way as to insure cultivation and harvesting of crops and, (c) insuring revegetation of the disturbed areas to the specifications of the Ute Indian Tribe or the BIA at the time of abandonment.

The operator will submit a plan of controlling noxious weeds along rights-of-way for roads, pipelines, well sites or other applicable facilities. A list of noxious weeds can be obtained from the appropriate county extension office.

*The BLM recommends the following procedure for reclamation:

Compacted areas of the well pad should be plowed or ripped to a depth of 12" before reseeding. Seeding should be done with a disc-type drill to ten inches apart. The seed should be planted between one-half inch deep and three-quarter inch deep. A drag, packer or roller may be used to insure uniform coverage of the seed, and adequate compaction. Drilling of the seed should be done on the contour where possible. Where slopes are too steep for contour drilling, a "cyclone" hand-seeder or similar broadcast seeder should be used, using twice the recommended seed per acre. Seed should then be covered to a depth described above by whatever means is practical.

6. Surface Ownership:

Indian lands under BIA jurisdiction with some new access on Federal lands.

7. Other Information:

A cultural resource clearance will be required before any construction begins on Federal or Indian lands. However, historic and cultural resource work shall be undertaken only with the consent of a private surface owner. If the private surface owner refuses entry for that purpose, the lessee or operator shall use its best efforts to conduct its approved operations in a manner that avoids adverse effects or any properties which are listed, or may be eligible for listing, in the NRHP.

If, during operations, any archaeological or historical sites or any object of antiquity (subject to the Antiquities Act of June 8, 1906) are discovered, all operations which would affect such sites are to be suspended and the discovery reported promptly to the Surface Management Agency.

On BLM administered land, it is required that a proposed use of pesticide, herbicide or other possible hazardous chemicals shall be cleared for use prior to application.

On BIA administered land:

Operator's employees, including subcontractors, will not gather firewood along roads constructed by operators. If wood cutting is required, a permit will be obtained from the Forestry Department of the BIA pursuant to 25 CFR 169.13 "Assessed Damages Incident to Right-of-Way Authorization". All operators, sub-contractors, vendors and their employees or agents may not disturb saleable timber (including firewood) without a duly granted wood permit from the BIA Forester.

If the surface rights are owned by the Ute Indian Tribe and mineral rights are owned by another entity, an approved right-of-way will be obtained from the BIA before the operator begins any construction activities. If the surface is owned by another entity and the mineral rights are owned by the Ute Indian Tribe, rights-of-way will be obtained from the other entity.

All roads constructed by operators on the Uintah and Ouray Indian Reservation will have appropriate signs. Signs will be neat and of sound construction. They will state: (a) that the land is owned by the Ute Indian Tribe, (b) the name of the operator, (c) that firearms are prohibited to all non-Ute Tribal members, (d) that permits must be obtained from the BIA before cutting firewood or other timber products and (e) only authorized personnel permitted.

All well site locations on the Uintah and Ouray Indian Reservation will have an appropriate sign indicating the name of the operator, the lease serial number, the well name and number, the survey description of the well (either footages or the quarter-quarter section, the section, township, and range).

Additional Surface Stipulations for BLM, BIA, FS, DWR or Private
Surface Lands:

The operator or his contractor shall contact the BLM and BIA Office(s) at (801) 789-1362 (BLM) and (801) 722-2406 (BIA) between 24 and 48 hours prior to construction activities. Contact Book Cliff Resource Area BLM.

No construction or drilling activities shall be conducted between May 15 and June 20 because of pronghorn kidding areas.

In the event after-hour approvals are necessary, please contact one of the following individuals:

Craig M. Hansen (801) 247-2318
Assistant District Manager
for Minerals

Gerald E. Kenczka (801) 781-1190
Petroleum Engineer

R. Allen McKee (801) 781-1368
Petroleum Engineer

RECEIVED
DEC 26 1986

010721

DIVISION OF
OIL, GAS & MINING

3162.35
U-820
U-28203

December 19, 1986

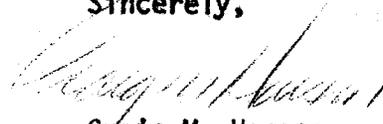
Santa Fe Energy Company
2600 Security Life Building
Denver, CO 80202

RE: Rescind Application for Permit to Drill
Well No. 1-34
Section 34, T10S, R20E
Uintah County, Utah
Lease No. U-28203

The Application for Permit to Drill the referenced well was approved on December 4, 1985. Since that date, no known activity has transpired at the approved location. Under current District policy, Applications for Permit to Drill are effective for a period of one year. In view of the foregoing, this office is rescinding the approval of the referenced application without prejudice. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,


Craig M. Hansen
ADM for Minerals

mh

bcc: State Div. O G & M
well file
U-922/943



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

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

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

January 8, 1987

Santa Fe Energy Company
2600 Security Life Building
Denver, Colorado 80202

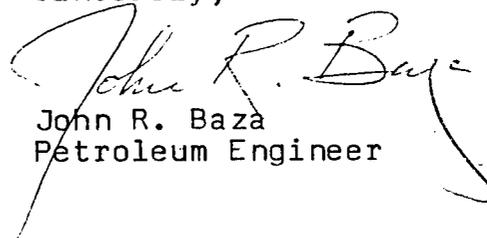
Gentlemen:

RE: Well No. Hill Creek Federal #1-34, Sec.34, T.10S, R.20E,
Uintah County, Utah, API NO. 43-047-31676

In concert with action taken by the U.S. Bureau of Land Management, approval to drill the above referenced well is hereby rescinded. A new Application for Permit to Drill must be filed with this office for approval, prior to future drilling of the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division of Oil, Gas and Mining immediately.

Sincerely,


John R. Baza
Petroleum Engineer

sb

cc: BLM-Vernal
D. R. Nielson
R. J. Firth
Well file
0327T-37

8701/3
✓