UTAH OIL AND GAS CONSERVATION COMMISSION

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

DATE FILED 2-3-87

LAND: FEE & PATENTED STATE LEASE NO. PUBLIC LEASE NO. U-1207 INDIAN

DRILLING APPROVED: 4-9-87

SPUDDED IN:

COMPLETED: PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR:

PRODUCING ZONES:

TOTAL DEPTH:

WELL ELEVATION:

DATE ABANDONED: PA 5/10.88

FIELD: NATURAL BUTTES

UNIT: DIRTY DEVIL

COUNTY: UINTAH

WELL NO. DIRTY DEVIL UNIT FEDERAL 1-5 API #43-047-31793

LOCATION 691' FNL FT. FROM (N) (S) LINE, 2112' FWL FT. FROM (E) (W) LINE. NE NW (Lot 3) 1/4 — 1/4 SEC. 5

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
10S	24E	5	DIRTY DEVIL L.P.				

EPS Resources Company

Kennedy Center
10200 E. Girard Ave. Bldg. B. Suite 225
Denver, Colorado 80231
(303) 696-2654

RECEIVED
FEB 03 1987
DIVISION OF
OIL, GAS & MINING

January 12, 1987

U.S. Department of the Interior
Bureau of Land Management
170 South 500 East
Vernal, Utah 84078

Re: Dirty Devil Unit #1-5
Section 5, T10S-R24E
Uintah County, Utah

Dear Sirs:

Please find enclosed the following documents related to the drilling of the above captioned well:

1) Application for Permit to Drill
2) Surveyor's Plat
3) Well and Drilling Prognosis
4) BOP and Pressure Control Specifications
5) 13-Point Surface Use Plan
6) Archeology Evaluation

Your early response to this application will be appreciated. Should you require any additional information, please contact this office.

Sincerely,

THE DIRTY DEVIL, L.P.

Edward Neibauer

Edward Neibauer
Petroleum Engineer

ng

Form OGC-1a

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

(Other instructions on reverse side)

3

5. Lease Designation and Serial No.
U-1207

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

6. If Indian, Allottee or Tribe Name

1a. Type of Work
DRILL [X] DEEPEN [ ] PLUG BACK [ ]

7. Unit Agreement Name
Dirty Devil Unit

b. Type of Well
Oil Well [ ] Gas Well [X] Other Single Zone [ ] Multiple Zone [ ]

8. Farm or Lease Name
Federal

2. Name of Operator
Dirty Devil, L.P.

9. Well No.
1-5

3. Address of Operator (303)696-2654
10200 E. Girard Ave., Suite B-225, Denver, Colo. 80231

10. Field and Pool, or Wildcat
NATURAL BUTTES ~~Bonanza~~

4. Location of Well (Report location clearly and in accordance with any State requirements.*)
At surface
2112'FWL, 691FNL NE¼ NW¼, Section 5, T10S-R24E, S.L.B.&M.
At proposed prod. zone

11. Sec., T., R., M., or Blk. and Survey or Area
Section 5
T10S-R24E, S.L.B.&M.

14. Distance in miles and direction from nearest town or post office*
35 Miles SE of Vernal, Utah

12. County or Parrish 13. State
Uintah Utah

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg. line, if any) 691'

16. No. of acres in lease 1200±

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. 5000'

19. Proposed depth 8000' Mesaverde

20. Rotary or cable tools Rotary

21. Elevations (Show whether DF, RT, GR, etc.)
Ungraded GR 5602' 5616' KB Estimated

22. Approx. date work will start*
Upon Receipt of Approval

23.
PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
17-½"	13-3/8"	48.0#	150'	200 SX
12-¼"	9-5/8"	36.0#	2800'	300 SX
7-7/8"	4-1/2"	11.6#	8000'	As needed to protect all productive zones

Operator proposes to drill a Mesaverde Test estimated to 8000'. Intermediate casing will be run and cemented to protect the oil shale section of the Green River Formation. All water flows and significant hydrocarbon shows will be reported. The well will be drilled according to the attached program. Adequate BOP equipment will be maintained at all times. If commercial production is encountered, production casing will be run and cemented adequately to protect the zones of interest. No abnormal pressures or temperatures are anticipated and drilling operations will continue for 16 days upon commencement.

RECEIVED
FEB 03 1987
DIVISION OF
OIL, GAS & MINING

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 Edward Neibauer TITLE Petroleum Engineer DATE January 9, 1987

(This space for Federal or State office use)

PERMIT NO. APPROVAL DATE

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
DATE: 2-9-87
BY: John R. Baza
WELL SPACING: 203

APPROVED BY TITLE DATE
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

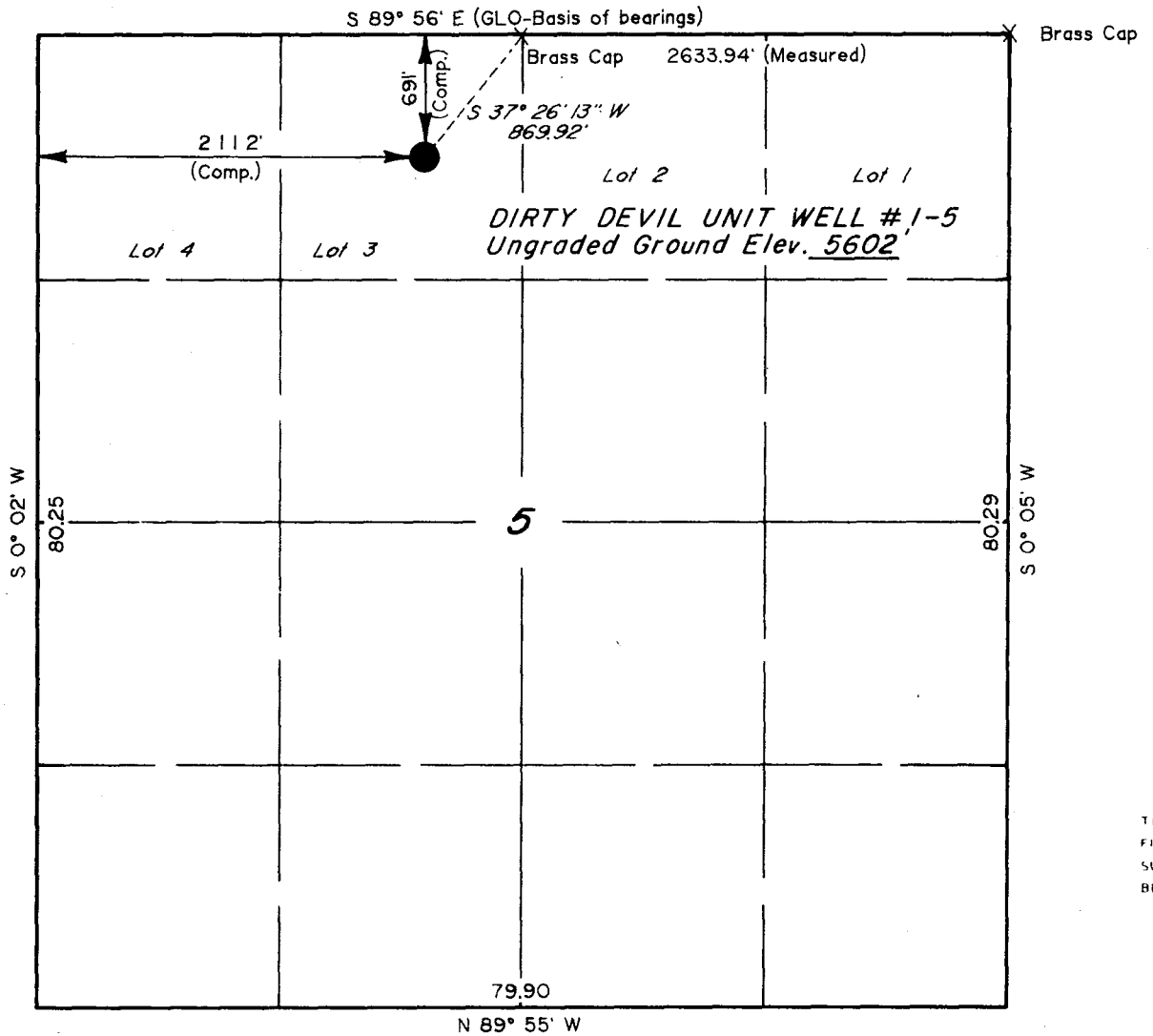
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

T 10 S, R 24 E, S.L.B. & M.

PROJECT

EPS RESOURCES

Well location, *DIRTY DEVIL UNIT WELL # 1-5*, located as shown in the NE 1/4 NW 1/4 Section 5, T 10 S, R 24 E, S.L.B. & M., Uintah County, Utah.



X = LOCATED SECTION CORNERS

CERTIFICATE

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

REGISTERED LAND SURVEYOR
REGISTRATION No. 5709
STATE OF UTAH

REGISTERED LAND SURVEYOR
No. 5709
ROBERT L. KAY
STATE OF UTAH

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

SCALE 1" = 1000'	DATE 12-11-86
PARTY RK JK DLS	REFERENCES GLO
WEATHER COLD	FILE EPS

DRILLING PROGNOSIS

DIRTY DEVIL UNIT:

1) Move in air precussion rig and drill 17-1/2" hole to 150'. Set and cement 13-3/8", 48.0#, H-40 casing to surface with approximately 200 sacks cement.

2) Move in rotary drilling rig and equipment. Cut off 13-3/8" casing and install 3000# casing flange. Install BOP equipment per BOP and Pressure Containment Data. Pressure test BOP's, manifold and all valves to 2500# and annular preventer to 2000# prior to drilling casing shoe. Drill 12-1/4" hole to 2800' (±). Prepare hole for intermediate casing.

3) Set and cement 9-5/8", 36.0#, K-55 intermediate casing sufficiently to protect any water, oil, gas or other mineral-bearing formations. WOC.

4) Land casing and install intermediate spool. Install BOP equipment and retest prior to drilling casing shoe.

5) Drill 7-7/8" hole to total depth. Perform drill-stem testing as warranted. Conduct electric logging and prepare hole for production casing.

6) Run 4-1/2", 11.6#, N-80 production casing and cement as necessary across potential zones. The length of the cement column will be determined after the logs have been evaluated.

7) Release rotary drilling rig and determine completion procedure.

Special Instructions:

1) Run deviation surveys at regular intervals and in conjunction with bit trips.

2) Utilize a degasser and necessary solids control equipment.

3) Avoid surging hole on trips and fill hole properly when pulling pipe.

4) All crew members should be familiar with BOP operations. Functional test pipe rams daily and closed blind rams each trip out of the hole.

5) Drilling crews should observe to detect either decrease or increase in fluid level.

6) A regular daily mud check should be made by mud engineer.

7) Drill stem testing will be determined by the wellsite geologist.

WELL PROGNOSIS

WELL: DIRTY DEVIL UNIT - #1-5

LOCATION: NE4NW4 Section 5, T10S-R24E, S.L.B. & M.

DRILLING CONTRACTOR: To be selected.

ELEVATION: GR 5602' (Ungraded) 5616' KB Estimated

FORMATION TOPS:

Formation	Depth	Datum
Green River		
Parachute Creek	±1388'	+3855
H-Marker	±2868'	+2375
Wasatch	±4213'	+1030
Mesaverde	±6048'	- 805
Total Depth	±8000'	

SAMPLE COLLECTION: Collect cutting samples at ten (10) foot intervals from under surface to total depth. Samples will be collected by drilling crews for the wellsite geologist. Frequency of sample collection may be changed at the wellsite geologist's discretion.

ELECTRICAL SURVEYS: The following logging program will be followed:

2800 - 8500'	12-1/4" hole to 2800'. Dual Induction Laterolog, Spherical Focused Log, SP and GR.
2800 - 8500'	7-7/8" hole below 9-5/8" casing. Formation Density Compensated, Compensated Neutron Log, GR, and CAL.

MUD LOGGING AND DRILLING TIME: A portable mud logging unit will be operated by wellsite geologist from below surface casing to total depth. A geolograph will be in service from surface casing to total depth.

DRILLSTEM TESTING: No drillstem testing is anticipated.

CORING: No coring operations are anticipated.

DRILLING FLUID
PROGRAM:

Interval (Feet)	Mud Weight (lbs/gal)	Viscosity (secs/qt)	Fluid Loss (cc's/30 min)
0 - 150'	----------AIR----------		

Set 13-3/8" casing at 150'.

150 - 2800'	**8.4 - 8.8**	**27 - 29**	**No Control**

Drill out below surface casing with water. Use gel and lime in the event additional viscosity is required for hole cleaning. If swelling shales are encountered, the drilling fluid salinity should be increased to about 40,000 ppmm Na Cl. The salty water will improve hold stability by minimizing the swelling shale tendencies and will allow cuttings to settle out rapidly. Utilize available solids control equipment and circulate the reserve pit if possible. Occasional sweeps of pre-hydrated bentonite may be necessary to insure adequate hole cleaning while drilling this interval and the use of conventional lost circulation materials should control minor losses in this section of the hole. If severe losses are encountered, they should be combatted, if possible, with pill treatments rather than by maintaining lost circulation materials in the system continuously. Lost circulation which cannot readily be controlled by conventional means may justify using cement plugs.

Set 9-5/8" intermediate casing at 2800'.

2800 - 6000'	**8.6 - 9.0**	**27 - 34**	**No Control**

Drill out below intermediate casing with 3% KCL water. Maintain minimum viscosities and solids by dumping and cleaning mud tanks frequently and utilizing available solids control equipment to prevent recirculating drilled solids. The use of a flocculent will improve the settling of drilled solids. Occasional sweeps of pre-hydrated bentonite, salt gel or asbestos fiber should be used as necessary to clean hole if tight connections are experienced or excessive fill is encountered.

6000 - TD	**8.9 - 9.6**	**32 - 36**	**12 cc's or less**

As it becomes necessary, or at approximately 6000' mud up by using additions of salt gel, caustic soda, starch and a preservative. Additions of lignosulfonate should be used to obtain needed mud flow properties. Drilling fluid salinity can be adjusted as necessary to increase mud weight without adding additional solids to the system. Seepage and slight lost circulation may occur as the mud weight is

increased. Treatments with conventional lost circulation materials may be required to minimize downhold mud losses. Fine mica is recommended for use to correct minor losses. Wellsite interpretation of hole conditions will aid in determining the fluid properties necessary to ensure satisfactory operations.

Set 4-1/2" production casing at TD.

CASING PROGRAM: Size,Wt. & Grade	Setting Depth	Hole Size	Cement Require.
13/3/8", 48.0#, H40 New	150'	17-1/2"	Approximately 200 sacks Class G w/3% Calcium Chloride.
9-5/8", 36.0#, K55 New	2800'	12-1/4"	Approximately 300 sacks to be verified after caliper log is run.
4-1/2", 11.6#, N80 New	7100'	7-7/8"	Amount will be determined after logs are run. Use regulated fillup and Class "G" type cements.

PRESSURE CONTROL EQUIPMENT AND SPECIFICATIONS:

Adequate BOP equipment will be maintained as indicated in the attached Pressure Control Specifications. In addition, the BOP equipment will be well-braced with hand controls extending clear of the drilling rig substructure. The accumulator equipment will provide closing pressure in excess of that required with sufficient volume to operate all components. All BOP equipment, auxiliary equipment, standpipe, valves and rotary hose will be tested as per test schedule or to the rated pressure of the equipment at the time of installation. Modification of the pressure control equipment or testing procedure will be approved in writing on tour sheets by the wellsite representative.

Personnel & Mailing Information:

EPS Resources Company
10200 E. Girard Avenue
Suite B-225
Denver, Colorado 80231
Office (303)696-2654

Jack Mercer
P. O. Box 205
Vernal, Utah 84078
Mobile Phone (801)789-6241
Home (801)789-1842

Notification of Shows, DST's and Unusual Problems:

Jack Mercer	Mobile:	(801)789-6241	Home:	(801)789-1842
Ed Neibauer	Office:	(303)696-2654		(303)337-1153

Distribution of Information:

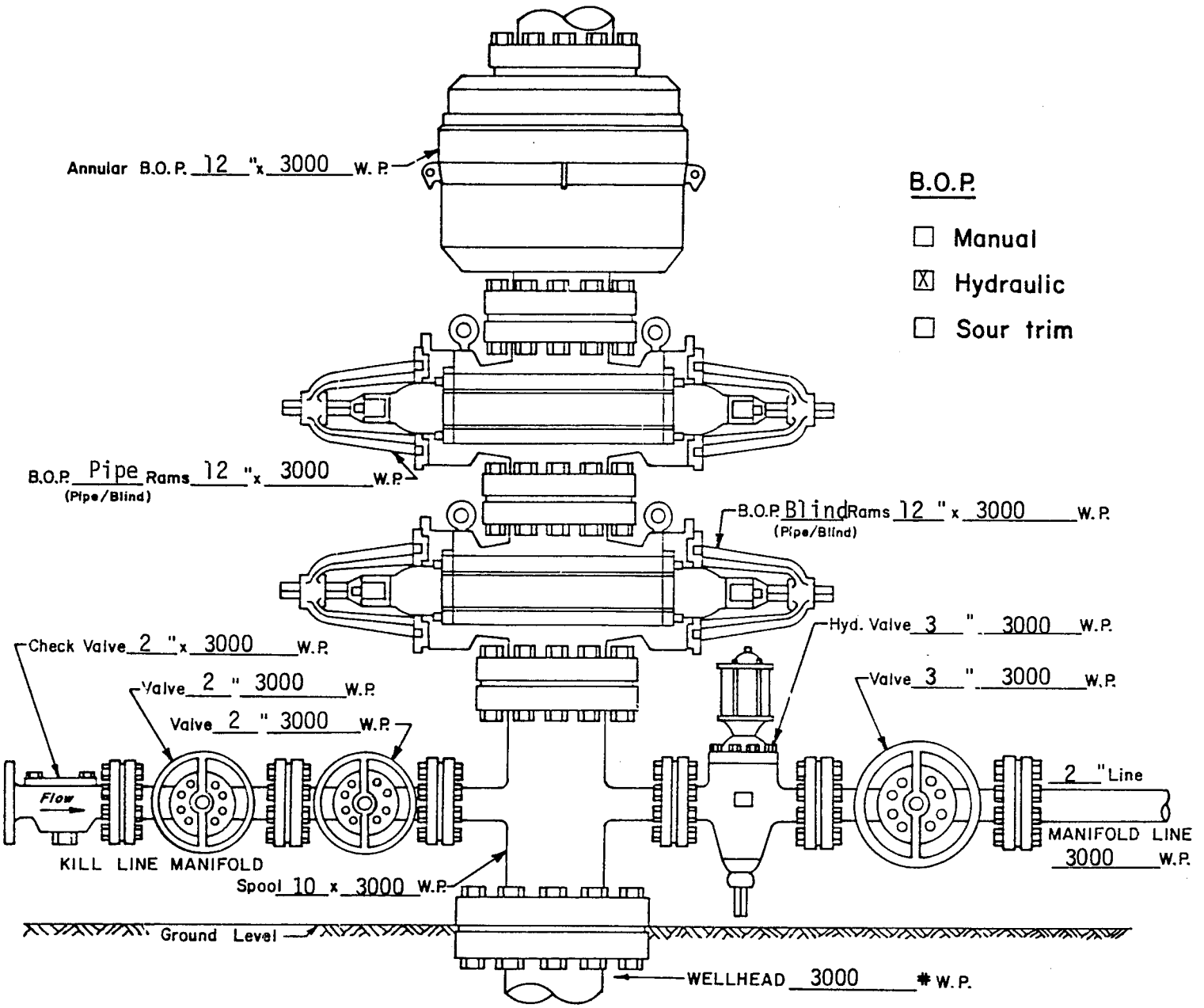
EPS Resources Company
10200 E. Girard Avenue
Suite B-225
Denver, Colorado 80231
Attn: Ed Neibauer

State of Utah
Natural Resources
Oil, Gas and Mining
355 W. North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
Attn: Chief Petroleum Engineer

Bureau of Land Management
U. S. Dept. of the Interior
170 South 500 East
Vernal, Utah 84078

WELLHEAD BLOWOUT CONTROL SYSTEM

COMPANY	WELL NAME AND NUMBER
Dirty Devil, L.P.	Dirty Devil Unit - #1-5
LOCATION	
NE¼ NW¼ Section 5, T10S-R24E, S.L.B. & M. Uintah County, Utah	



Fill blanks with applicable information. If not applicable, enter "N.A." or cross-out item shown. Enter other pertinent information below.

DIRTY DEVIL, L.P.

13 Point Surface Use Plan

for

Well Location

#1-5
Located In

Section 5, T10S-R24E, S.L.B. & M.

Uintah County, Utah

DIRTY DEVIL, L.P.

Section 5, T10S-R24E, S.L.B. & M.

1. EXISTING ROADS

See attached Topographic Map "A", to reach the Dirty Devil Unit well location, located in Section 5, T10-R24E, S.L.B. & M., from Vernal, Utah.

Proceed East out of Vernal, Utah along U.S. Highway 40, 24 miles to the junction of this highway and Utah State Highway 45 to the South; proceed South along this road 22 miles to Bonanza, Utah and the junction of this road and a gravel surface road to the West; proceed Westerly along this road 4.6 miles to the junction of this road and the proposed access road to be discussed in Item #2.

There is no construction anticipated on any of the above described road. It will meet the standards necessary, for the hauling of equipment during the drilling and production of this well.

2. PLANNED ACCESS ROAD

See Topographic Map "B" for the proposed access road.

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

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

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

C. The road will be center-line flagged prior to the commencement of construction.

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

E. No major cuts, fills or culverts are necessary for construction on the proposed access road.

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

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

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

3. LOCATION OF EXISTING WELLS

As shown on Topographic Map "B", the other known wells within a one mile radius are identified as follows:

(1) Water Wells - None
(2) Abandoned Wells - 1 (one), PTS #11-20, NWNW, Section 20, T9S-R24E, S.L.B. & M.
(3) Temporarily abandoned wells - None
(4) Disposal Wells - None
(5) Drilling Wells - None
(6) Producing Wells - 2 (two), Dirty Devil Unit (DDU) #1-18, NWNE, Section 18, T9S-R24E, S.L.B. & M., and the DDU #41-9, NENE, Section 9, T9S-R24E, S.L.B. & M.
(7) Shut in Wells - DDU #23-17, NESW, Section 17, T9S-R24E S.L.B. & M., and DDU #31-15A, NWNE, Section 15, T9S-R24E S.L.B. & M.
(8) Injection Wells - None
(9) Monitoring or observation wells for other purposes - None

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

All petroleum production facilities are to be contained within the proposed location site.

In the event production is established:

(1) Any plans for a gas flow line from this location to existing gathering lines or a main production line will be submitted to the appropriate agencies for approval.

(2) All production facilities will be located on the existing pad.

(3) Construction materials will be native borrow or cut exposed on the site, and will be consistent with accepted oil field standards and good engineering practices.

(4) As described in Item 7, the reserve pit will be fenced on three sides during drilling and completion operations and will be rehabilitated to conform with the provisions of plans for surface restorations. In the event a disposal pit is required for producing this well, it will be completely fenced to protect livestock and wildlife.

5. LOCATION OF AND TYPE OF WATER SUPPLY

A. Water required for drilling operations will be transported by truck over the existing and proposed access roads from Bonanza, Utah. No additional roads or pipelines will be required.

B. No water well will be drilled on the location site or lease.

6. SOURCE OF CONSTRUCTION MATERIALS

Construction materials will be obtained from Federal lands.

The proposed access road under Item 2 will be crossing Federal lands.

7. METHODS FOR HANDLING WASTE DISPOSAL

See Location Layout Sheet.

A reserve pit will be constructed.

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

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

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

D. The pits will have overhead flagging installed if deemed necessary to protect the water fowl, wildlife, and domestic animals.

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

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

G. Garbage and other waste materials will be contained in an enclosed wire mesh trash bin on the location and hauled to the nearest sanitary fill as necessary.

H. A portable chemical toilet will be supplied for human waste.

8. ANCILLARY FACILITIES

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

9. WELL SITE LAYOUT

See Location Layout Sheet.

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

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 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 production activities have been completed, the location site and access road will be reshaped to the original contour and stockpiled topsoil spread over the disturbed area.

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

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

Any appreciable amount of oil will be removed from the reserve pit prior to restoration activities.

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

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

11. OTHER INFORMATION

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

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

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

The surface area is used primarily for grazing domestic sheep and cattle.

The geologic structures of the area that are visible are of the Uintah Formation (Eocene Epoch) Tertiary Period in the upper elevation and the cobblestone and younger Alluvial deposits from the Quaternary Period.

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

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

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

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

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

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

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

<u>The Topography of the Immediate Area (Topographic Map "B")</u>

The location is on top of a small ridge which slopes to the Northeast.

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

The terrain in the vicinity of the location slopes to the Northwest from the top of a small ridge through the location site at approximately a 2% grade into a small wash to the North.

The vegetation in the immediate area surrounding the location site is predominantly sagebrush and grasses. There are no occupied dwellings or other facilities of this nature in the general area. 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

Jack Mercer
P. O. Box 205
Vernal, Utah 84078

(Home) 801-789-1842
(Mobile) 801-789-6241

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 and belief, true and correct; that the work associated with the operations proposed herein will be performed by Dirty Devil, L.P. and its contractors and sub-contractors in conformity with this plan and terms and conditions under which it is approved.

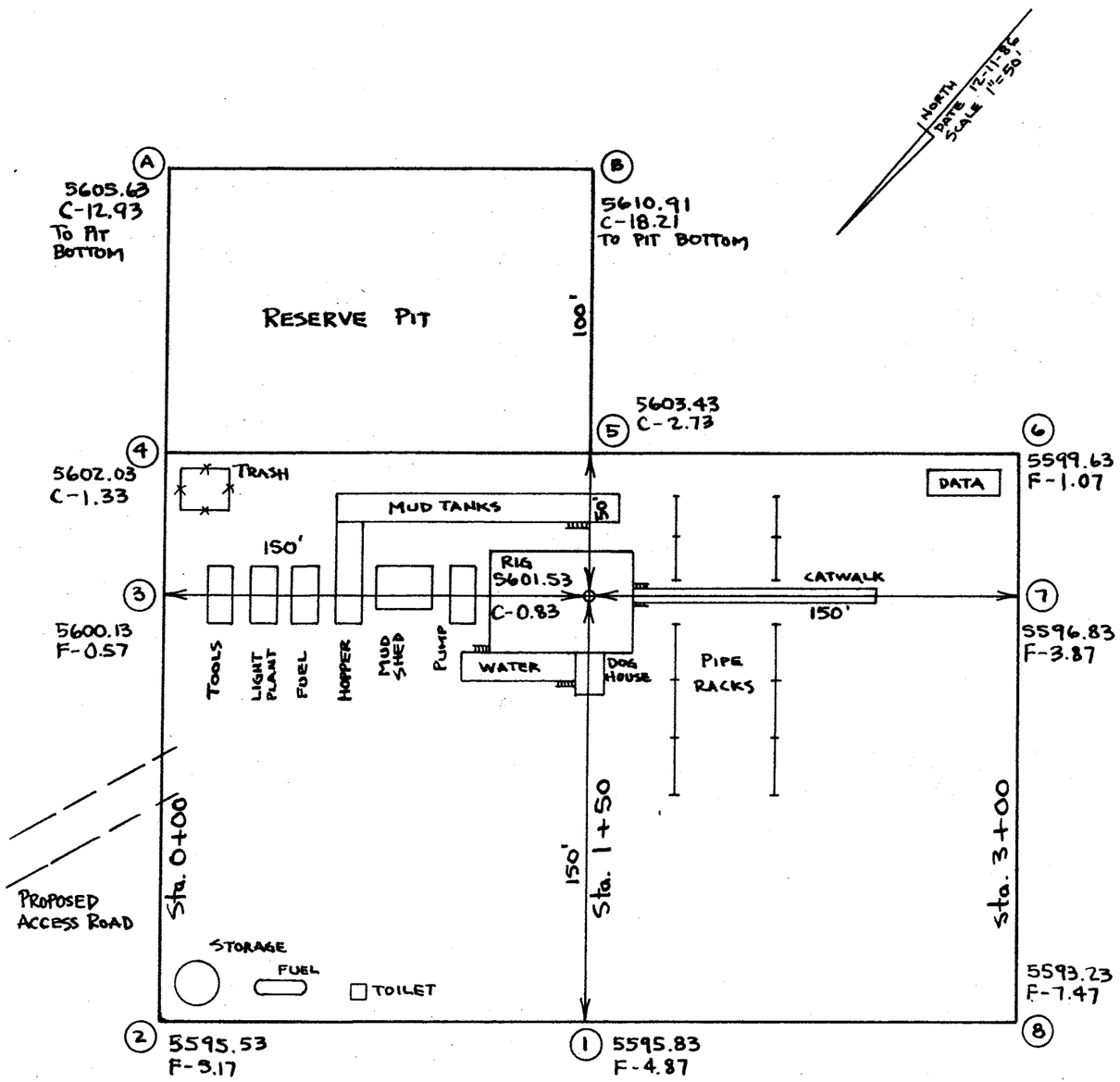
DIRTY DEVIL, L.P.
c/o EPS Resources Company

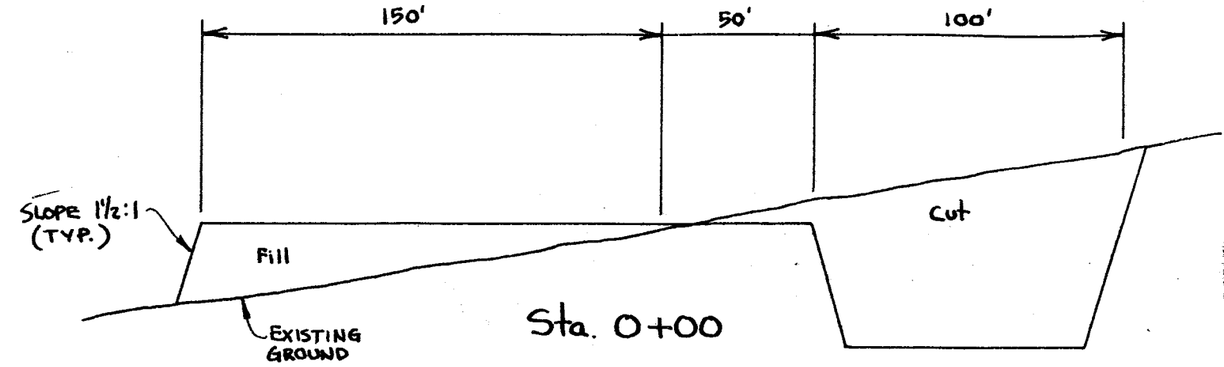
Edward Neibauer
Petroleum Engineer

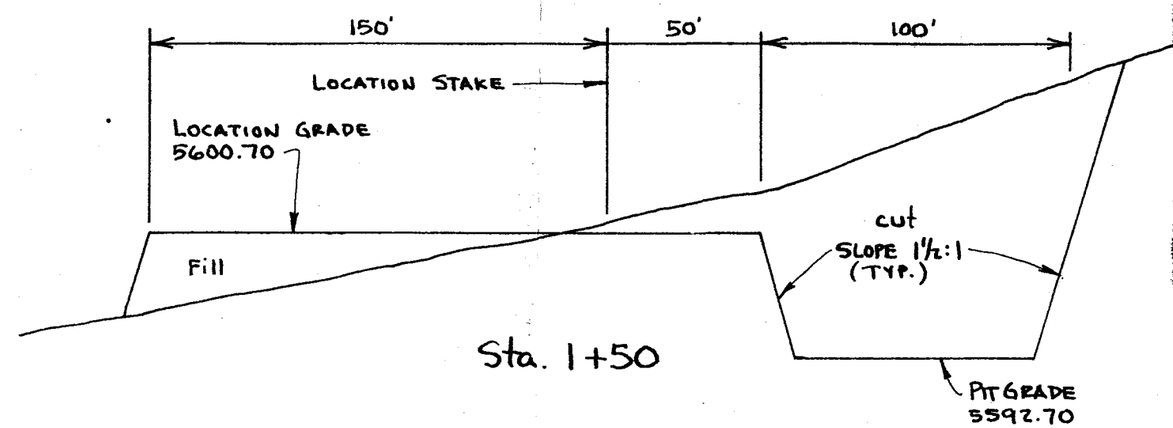
Date 1/9/87

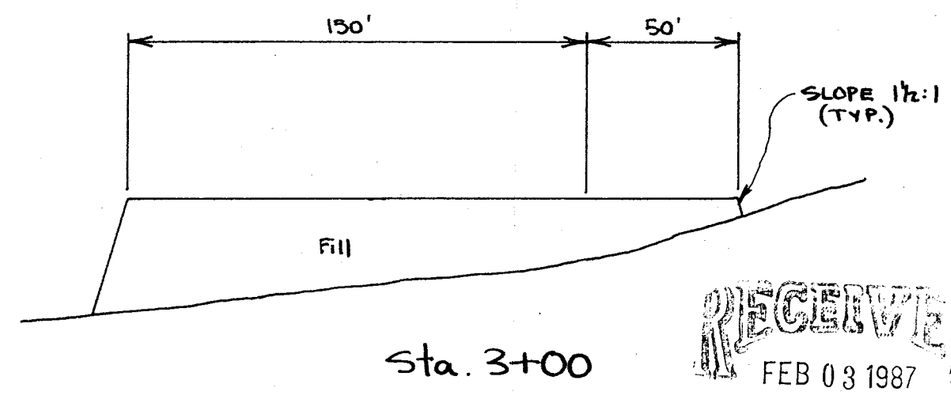
EPS RESOURCES

DIRTY DEVIL UNIT WELL # 1-5





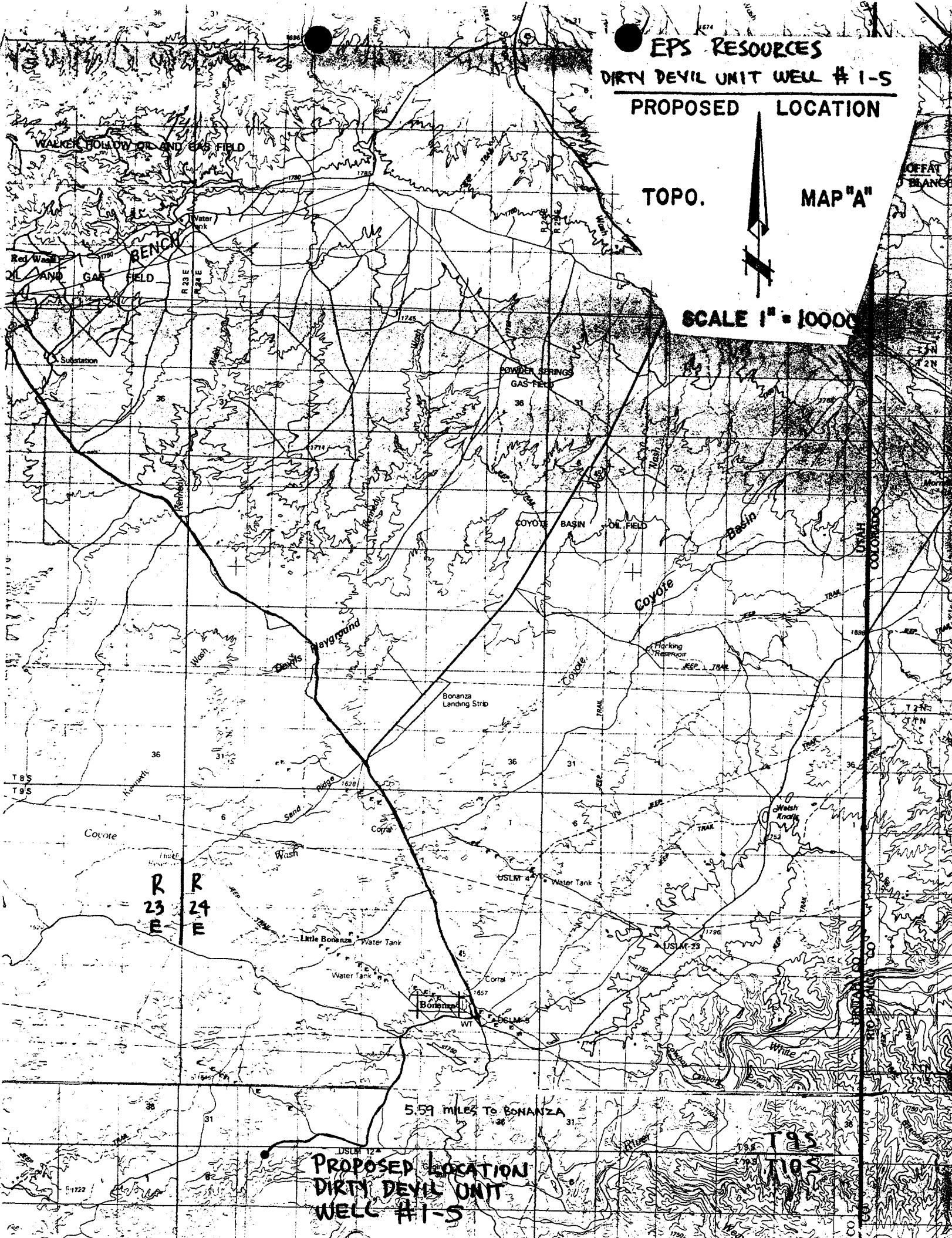


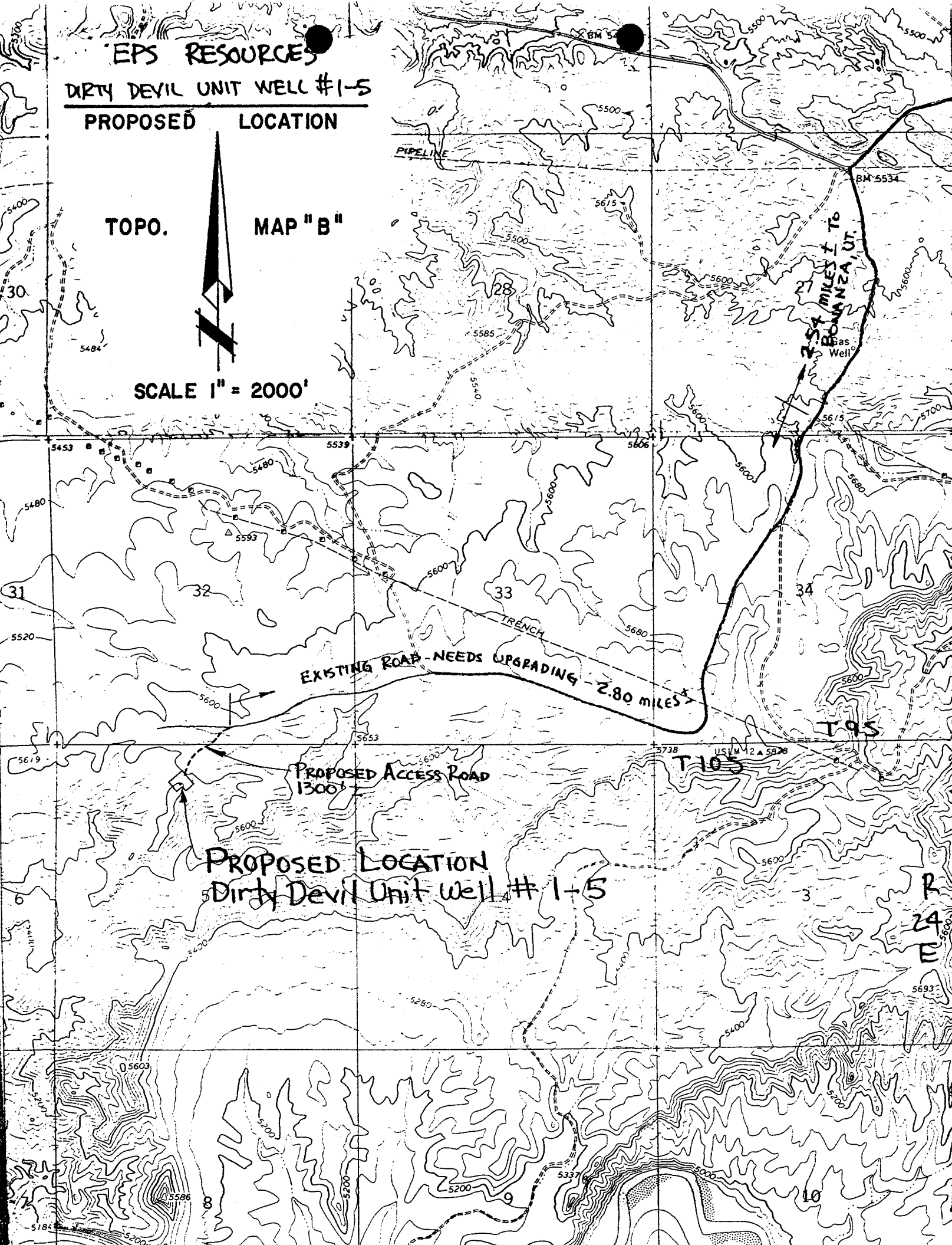


RECEIVED
FEB 03 1987
DIVISION OF
OIL GAS & MINING

APPROXIMATE YARDAGES

CUT - 7993.11 CU. YDS.
FILL - 6615.97 CU. YDS.
UNBALANCE AFTER 20% COMPACTION
53.95 CU. YDS. CUT


EPS RESOURCES
DIRTY DEVIL UNIT WELL # 1-5
PROPOSED LOCATION
TOPO. MAP "A"
SCALE 1" = 10000
WALKER HOLLOW OIL AND GAS FIELD
BENCH
Red Wash
OIL AND GAS FIELD
Substation
Water Tank
POWDER SPRINGS GAS FIELD
COYOTE BASIN OIL FIELD
Coyote Basin
Kenneth
Wash
Devils Playground
Bonanza Landing Strip
Corral
Sand ridge
Coyote
Wash
Little Bonanza
Water Tank
Bonanza
USLM 4
USLM 23
USLM 12
USLM 5
Walsh Knolls
White
Canyon
River
UTAH
COLORADO
RIO BLANCO CO
R 23 E
R 24 E
T 8 S
T 9 S
T 10 S
5.59 miles To BONANZA
PROPOSED LOCATION
DIRTY DEVIL UNIT
WELL #1-5


EPS RESOURCES
DIRTY DEVIL UNIT WELL #1-5
PROPOSED LOCATION
TOPO. MAP "B"
SCALE 1" = 2000'
PIPELINE
BM 5534
2.54 MILES ± TO BONANZA, UT.
Gas Well
TRENCH
EXISTING ROAD - NEEDS UPGRADING - 2.80 MILES ±
PROPOSED ACCESS ROAD 1300' ±
PROPOSED LOCATION
Dirty Devil Unit Well # 1-5
T 9 S
T 10 S
R 24 E
USLM 12 ▲ 5828
28
27
30
31
32
33
34
6
5
3
8
9
10

ARCHEOLOGICAL - ENVIRONMENTAL RESEARCH CORPORATION

P.O. Box 853 Bountiful, Utah 84010
Tel: (801) 292-7061, 292-9668

January 16, 1986

Subject: **CULTURAL RESOURCE EXAMINATION OF FOUR PROPOSED WELL LOCATIONS IN THE BONANZA LOCALITY OF UINTAH COUNTY, UTAH**

Project: EPS Resources Corporation - Dirty Devil Units No. 1-4, 1-5, 1-8 and 1-9

Project No.: EPSR-87-1

Permit No.: Utah State Number U-87-AF-4b
Dept. of Interior Ut-86-54937

To: EPS Resources Corporation, 10200 E. Girard Ave., Bldg. B, Suite 225, Denver, Colorado 80231

District Manager, Bureau of Land Management, 170 South 500 East, Vernal, Utah 84078

Info: Mr. James Dykman, Preservation Section, Division of State History, 300 Rio Grande, Salt Lake City, Utah 84101

Mr. Rich Fike, BLM State Archeologist, Bureau of Land Management, CFS Financial Center Bldg., 324 South State, Salt Lake City, Utah 84111-2303

JAN 27 1987

Department of the Interior
Bureau of Land Management
Utah State Office
(AERC FORMAT)

Summary Report of
Inspection for Cultural Resources

Authorization No .U.8.6.A.F.0.0.4.b. .
1 10

Report Acceptable Yes __ No __

Mitigation Acceptable Yes __ No __
Comments:_____

B O N A N Z A L O C A L I T Y W E L L U N I T S

1. Report Title . . . . . .
11 **EPS Resources Units: Dirty Devil Nos. 1-4, 1-5,**
2. Development Company____**1-8 and 1-9**_____
0 1 1 9 1 9 8 7 **86-UT-54937**
3. Report Date . . ._____. . . . . 4. Antiquities Permit No. _____
41 42 43 46
A E R C E P S R - 8 7 - 1 **UINTAH**
5. Responsible Institution . . . . . County _____
47 61
6. Fieldwork **0 9 S** **2 4 E** **0 8 0 9**
Location: TWN . . . . . RNG . . . . . Section. . .|. . .|. . .|. . .|
62 65 66 69 70 71 72 73 74 75 76 77
7. Resource **1 0 S** **2 4 E** **0 4 0 5**
Area TWN . . . . . RNG . . . . . Section. . .|. . .|. . .|. . .|
.B.C. 78 81 82 85 86 87 88 89 90 91 92 93
110 111 TWN . . . . . RNG . . . . . Section. . .|. . .|. . .|. . .|
94 97 98 101 102 104 106 108

8. Description of Examination Procedures:
The archeologist, F.R. Hauck, walked a series of 15 to 20 meter wide transects within three of the four proposed well locations (1-4, 1-8 and 1-9). Unit 1-5 was not examined since it was situated in a 80 acre sample unit which had previously been intensively evaluated. A ten acre parcel was examined at Units 1-8 and 1-9 since the on-site inspection has not been held. Half of Unit 1-4 had previously been examined within an 80 acre sample area. For this reason, only the eastern half of this well location was evaluated during the current survey. Ten meter wide transects flanking the center line of the staked access roads were also examined. continued

9. Linear Miles Surveyed **1 . 7 5** . . . . . 10. Inventory Type **I** . .
and/or 112 117 130
Definable Acres Surveyed . . . . . R = Reconnaissance
and/or 118 123 I = Intensive
Legally Undefinable **2 3** S = Statistical Sample
Acres Surveyed . . . . . .
124 129

11. Description of Findings:
No cultural sites of any historic or prehistoric period were found during the evaluations at these locations.

12. Number Sites Found **.0.** . . . .
(No sites = 0) 131 135
13. Collection: **.N.**
Y = Yes, N = No) 136

14. Actual/Potential National Register Properties Affected:
The National Register of Historic Places (NRHP) has been consulted and no registered properties will be affected by the proposed developments.

15. Literature Search, Location/ Date: **Utah SHPO - 1-87**
Vernal District BLM Office - 1-8-87

16. Conclusion/ Recommendations:
AERC recommends that a cultural resource clearance be granted to EPS Resources Corporation based upon adherence to the following stipulations: (see reverse)

17. Signature of Administrator & Field & Field Supervisor

Administrator F. R. Hauck

Field Supervisor _____

UT 8100-3
(2/85)

8. continued:

Projects conducted in the operational area include the Seep Ridge Sampling study reported in 1981 by Larrald and Chandler, and several studies conducted by Nickens & Associates on the Moon Lake Project, i.e.,"Known Cultural Resource Data Compilations for the Proposed Transmission Line Corridor for the Moon Lake Project" dated 1979, and the companion work "Archaeological Investigation of the Coal Development Areas and Coal Transportation Corridor for the Moon Lake Project, Rio Blanco County, Colorado and Uintah County, Utah".

16. continued:

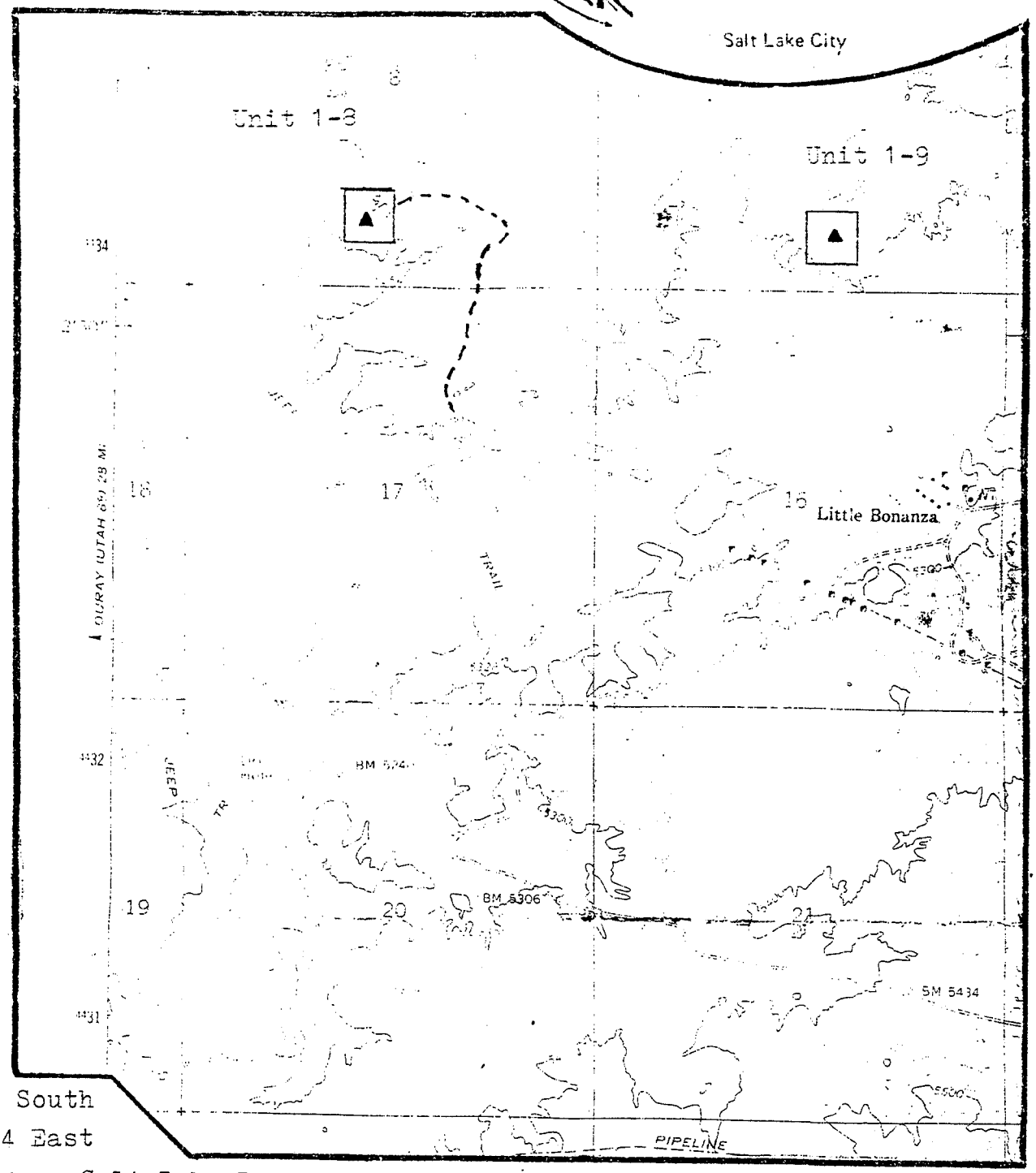
1. All vehicular traffic, personnel movement, and construction should be confined to the locations examined as referenced in this report, and to the existing roadways and/or evaluated access routes.

2. All personnel should refrain from collecting artifacts and from disturbing any cultural resources in the area.

3. The authorized official should be consulted should cultural remains from subsurface deposits be exposed during construction work or if the need arises to relocate or otherwise alter the location of the construction area.

ARCHEOLOGICAL-ENVIRONMENTAL RESEARCH CORPORATION

Salt Lake City



T. 9 South

R. 24 East

Meridian: Salt Lake B. & M.

Quad: Bonanza, Utah 7.5 minute-USGS

Project: EPSR-87-1

Series: Uinta Basin

Date: 1-15-87

MAP 1
Cultural Resource Survey of Dirty Devil Units 1-8 and 1-9 in the Bonanza Area of Uintah County

Legend:

Well Location ▲

Ten Acre Survey Area

Access Route

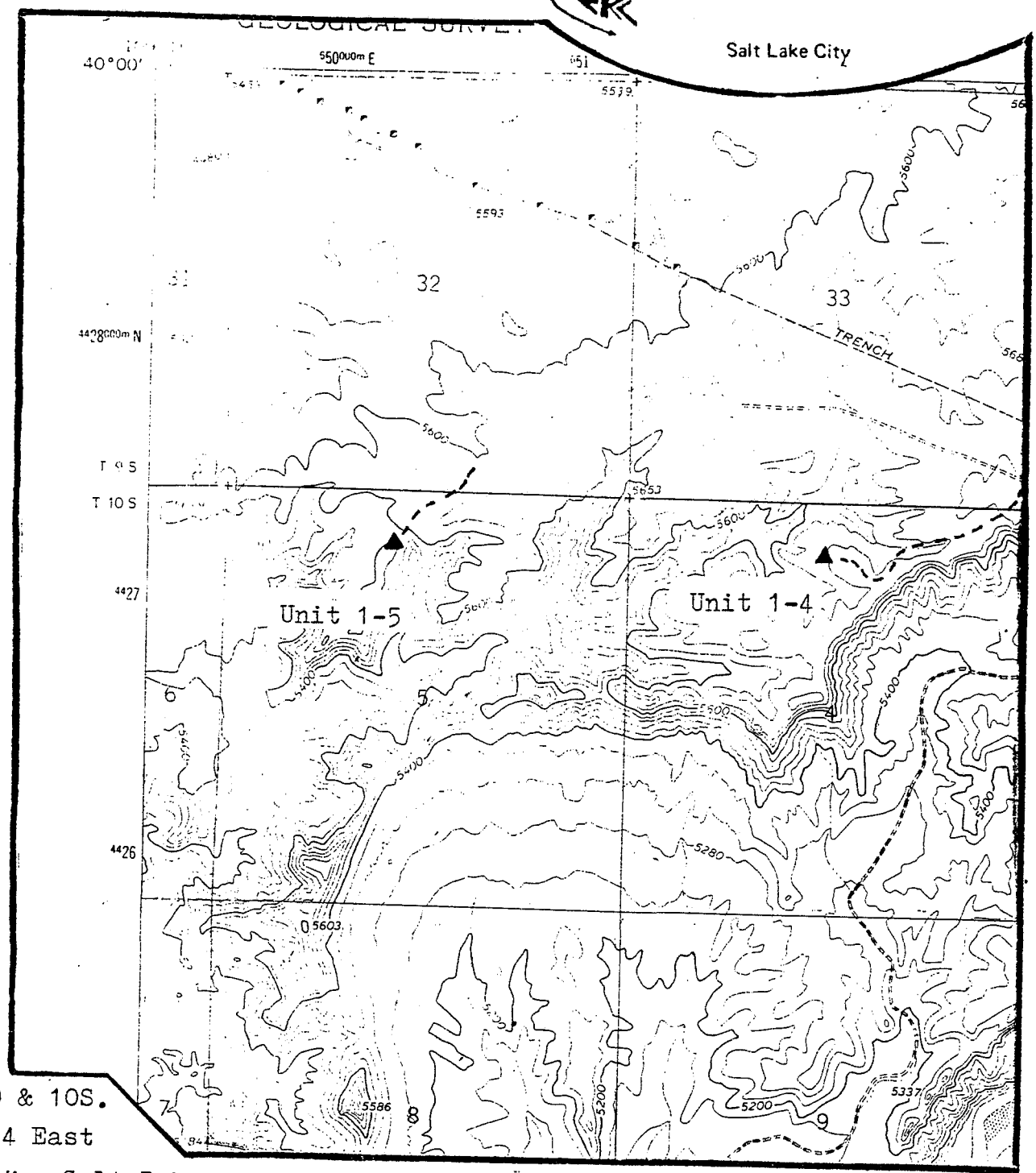
N

2.64" = 1 mile

Scale

ARCHEOLOGICAL-ENVIRONMENTAL RESEARCH CORPORATION

Salt Lake City



T. 9 & 10S.

R. 24 East

Meridian: Salt Lake B. & M.

Quad: Southam Canyon, Utah 7.5 minute-USGS

Project: EPSR-87-1

Series: Uinta Basin

Date: 1-15-87

MAP 2
Cultural Resource Survey of Dirty Devil Units 1-4 and 1-5 in the Bonanza Area of Uintah County

Legend:

Well Location ▲

Access Route

N

2.64" = 1 mile

Scale

041415

OPERATOR Dirty Devil, L.P. DATE 2-9-87

WELL NAME Dirty Devil Unit Fed. 1-5

SEC NE NW 5 LOT 3 T 10S R 24E COUNTY Uintah

43-047-31793
API NUMBER

Fed
TYPE OF LEASE

CHECK OFF:

- [✓] PLAT
- [✓] BOND
- [✓] NEAREST WELL
- [✓] LEASE
- [✓] FIELD
- [✓] POTASH OR OIL SHALE

PROCESSING COMMENTS:

Unit Well - ok on P.O.D 4/8/87 - per Teresa BLM

Need water permit

APPROVAL LETTER:

SPACING: [✓] 203 Dirty Devil UNIT [ ] 302

[ ] CAUSE NO. & DATE [ ] 302.1

STIPULATIONS:

1 - Water

0218T

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

April 9, 1987

Dirty Devil, L. P.
10200 East Girard Avenue, Suite B-225
Denver, Colorado 80231

Gentlemen:

Re: Dirty Devil Unit Federal 1-5 - NE NW Sec. 5, T. 10S, R. 24E
691' FNL, 2112' FWL - Uintah County, Utah

Approval to drill the referenced well is hereby granted in accordance with Section 40-6-18, Utah Code Annotated, as amended 1983; and predicated on Rule 203, Oil and Gas Conservation General Rules, 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 as required by Chapter 3, Title 73, Utah Code Annotated.

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.

4. Prior to commencement of the proposed drilling operations, plans for toilet facilities and the disposal of sanitary waste at the drill site shall be submitted to the local health department having jurisdiction. Any such drilling operations and any subsequent well operations must be conducted in accordance with applicable state and local health department regulations. A list of all local health departments and copies of applicable regulations are available from the Division of Environmental Health, Bureau of General Sanitation, telephone (801) 533-6163.

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 43-047-31793.

Sincerely,

R. J. Firth
Associate Director, Oil & Gas

as
Enclosures
cc: Branch of Fluid Minerals
Division of State Lands
D. R. Nielson
8159T

Form OGC-1a

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

(Other instructions on reverse side)

5. Lease Designation and Serial No.
U-1207

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

6. If Indian, Allottee or Tribe Name

1a. Type of Work
DRILL [X] DEEPEN [ ] PLUG BACK [ ]

7. Unit Agreement Name
Dirty Devil Unit

b. Type of Well
Oil Well [ ] Gas Well [X] Other Single Zone [ ] Multiple Zone [ ]

8. Farm or Lease Name
Federal

2. Name of Operator
Dirty Devil, L.P.

9. Well No.
1-5

3. Address of Operator (303)696-2654
10200 E. Girard Ave., Suite B-225, Denver, Colo. 80231

10. Field and Pool, or Wildcat
Bonanza

4. Location of Well (Report location clearly and in accordance with any State requirements.*)
At surface
2112'FWL, 691FNL NE¼ NW¼, Section 5, T10S-R24E, S.L.B.&M.
At proposed prod. zone

11. Sec., T., R., M., or Blk. and Survey or Area
Section 5
T10S-R24E, S.L.B.&M.

14. Distance in miles and direction from nearest town or post office*
35 Miles SE of Vernal, Utah

12. County or Parrish: Uintah
13. State: Utah

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg. line, if any) 691'

16. No. of acres in lease 1200±

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. 5000'

19. Proposed depth 8000'

20. Rotary or cable tools Rotary

21. Elevations (Show whether DF, RT, GR, etc.)
Ungraded GR 5602' 5616' KB Estimated

22. Approx. date work will start*
Upon Receipt of Approval

23. PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
17-½"	13-3/8"	48.0#	150'	200 SX
12-¼"	9-5/8"	36.0#	2800'	300 SX
7-7/8"	4-1/2"	11.6#	8000'	As needed to protect all productive zones

Operator proposes to drill a Mesaverde Test estimated to 8000'. Intermediate casing will be run and cemented to protect the oil shale section of the Green River Formation. All water flows and significant hydrocarbon shows will be reported. The well will be drilled according to the attached program. Adequate BOP equipment will be maintained at all times. If commercial production is encountered, production casing will be run and cemented adequately to protect the zones of interest. No abnormal pressures or temperatures are anticipated and drilling operations will continue for 16 days upon commencement.

RECEIVED
APR 13 1987
DIVISION OF OIL, GAS & MINING
FEB 1987

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 Edward Neibauer TITLE Petroleum Engineer DATE January 9, 1987

(This space for Federal or State office use)

PERMIT NO. APPROVAL DATE

APPROVED BY TITLE DATE 4-10-87

CONDITIONS OF APPROVAL, IF ANY:

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

UT080-7M-39

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Company Dirty Devil, L.P. Well No. 1-5

Location Sec. 5 T10S R24E Lease No. U-1207

Onsite Inspection Date 02-19-87

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

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. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

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.

Report all water shows and water-bearing sands encountered to Wayne Svejnoha of this office. Copies of State of Utah form OGC-8-X will be acceptable. If noticeable water flows are encountered, submit samples to this office along with any water analyses conducted by the operator.

Fresh water may be present in the Uinta Formation at ±800-1,000'; in the Birds Nest Aquifer at ±1,500-2,000'; and in the Douglas Creek Aquifer at ±2,800-3,800'; these zones, if encountered while drilling, will be isolated and protected via the cementing program for the intermediate and production casing strings.

The Mahogany oil shale zone of the Parachute Creek Member of the Green River Formation (±1,820-1,950) will be protected via the cementing program for the intermediate casing string, i.e. the cement shall be circulated to at least ±1,720' (100' above oil shale top).

2. Pressure Control Equipment

All BOPE and testing procedures 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 shall 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 shall be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.

After running and cementing the 9-5/8" intermediate casing, either a cement bond log (CBL) or a temperature survey shall be run to ensure protection of the oil shale zone and the potential water zones.

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 progress 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 of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover 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.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to $10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

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

Craig M. Hansen Assistant District Manager for Minerals	(801) 247-2318
Gerald E. Kenczka Petroleum Engineer	(801) 781-1190
R. Allen McKee Petroleum Engineer	(801) 781-1368

Revised October 1, 1985

Date NOS Received 02/02/87

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

Company/Operator Dirty Devil, L.P.

Well Name & Number 1-5

Lease Number U-1207

Location NE ¼ NW ¼ Sec. 5 T. 10 S. R. 24 E.

Surface Ownership Federal

THIRTEEN POINT SURFACE USE PROGRAM:

Multipoint Requirements to Accompany APD

1. Planned Access Roads

All travel will be confined to existing access road rights-of-way.

Access roads and surface disturbing activities will conform to standards outlined in the USGS Publication (1978) Surface Operating Standards for Oil and Gas Development.

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

2. Location of Existing and/or Proposed Facilities

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 1½ 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.

The reserve pit shall be lined with gel and benthonite. A separate blooie pit will be constructed at least 100 feet from the wellhead and used appropriately during drilling operations.

*If the pit is lined, it shall be constructed so as not to leak, break, or allow discharge.

For the following reasons the reserve pit will be lined:

To conserve water (because of operator's request).
*If a plastic nylon reinforced liner is used it shall be torn and perforated before backfilling of the reserve pit.

To protect the environment (without a chemical analysis).

Produced waste water will be confined to a lined pit or, if deemed necessary, 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

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 Authorized Officer for approval.

Well Site Layout: The reserve pit and blooie pit will be located on the northwest side of the pad. (The location was rotated 180° from its original staking.) The pit will be at least two feet below the level of the pad.

The stockpiled topsoil will be stored on the east side of the location.

Access to the well pad will be from near the north corner of the pad. The access road will be built as indicated in the APD.

5. Plans for Restoration of Surface

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 BLM. 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 BLM 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.

6. Surface Ownership: Public Lands Administered by the BLM

7. Other Additional Information

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.

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

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

The BLM Bookcliffs Resource Area would welcome the suggestions of the operator with regard to devising effective soil erosion controls in and adjacent to the project area. We would especially appreciate the opportunity to discuss further where such efforts may be appropriately incorporated into the construction of the proposed project.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. 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.

The dirt contractor will be provided with an approved copy of the Surface Use Plan from the APD.

This drilling permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

RECEIVED
MAY 9 1988
DIVISION OF
OIL, GAS & MINING

Bureau of Land Management
Vernal District Office
170 South 500 East
Vernal, Utah 84078

3162.35
UT08438

May 3, 1988

Dirty Devil, L.P.
10200 East Girard Ave. Suite B-225
Denver, CO 80231

Re: Rescind Application for Permit to Drill
Well No. 1-5
Section 5,T10S,R24E
Uintah County, Utah
Lease U-1207

43-047-31793

Gentlemen:

The Application for Permit to Drill the referenced well was approved on April 10, 1987. 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

cc: Well File
State Div OG&M
U-922/U-943
U-942
RA
AIRS

MHermann:ls

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

May 10, 1988

Dirty Devil, L.P.
10200 East Girard Ave. Suite B-225
Denver, Colorado 80231

Gentlemen:

Re: Dirty Devil Unit Federal 1-5, Sec.5, T.10S, R.24E, Uintah County, Utah, API No. 43-047-31793

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

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