

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-60580

6. If Indian, Allottee or Tribe Name

na

7. Unit Agreement Name

na

8. Farm or Lease Name

Exxon Federal 27

9. Well No.

1

10. Field and Pool, or Wildcat

Undesignated

11. Sec., T., R., M., or Blk. and Survey or Area

Sec. 27, T8S, R24E

12. County or Parrish 13. State

Uintah Utah

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work

DRILL

PLUG BACK

b. Type of Well

Oil Well

Gas Well

Other

Single

Multiple Zone

2. Name of Operator

Gilmore Oil & Gas

3. Address of Operator

500 W. Texas, Suite 1410, ~~Midland, Texas~~ 79701

4. Location of Well (Report location clearly and in accordance with any State requirements.)*

At surface

1980' FSL & 1975' FEL (NW SE) Sec. 27, T8S R24E

At proposed prod. zone

Same

14. Distance in miles and direction from nearest town or post office*

40 Miles SE of Vernal Utah

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

1975

16. No. of acres in lease

440

17. No. of acres assigned to this well

40

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

None

19. Proposed depth

4,100 GREEN RIVER

20. Rotary or cable tools

Rotary- All

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

5346 - Ground

22. Approx. date work will start*

March 10, 1989

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"	24.0	300'	225 sx
7 7/8"	5 1/2"	15.5	4,100'	500+ sx *

*To be determined by Caliper log

It is proposed to drill a well at the above location. The primary zone of interest is the Green River sand from 3,700 to 4,100'. If the zone of interest is found to be present and appears to be productive, 5 1/2" production casing will be run and cemented in place and the well completed. If the completion attempt does not find commercial production, the well will be plugged and abandoned and the location and road will be restored as per BLM instructions.

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: *William C. Limon*

Title: Owner 915-687-0408

Date: 2-20-89

(This space for Federal or State office use)

Permit No. 43-047-31861

Approval Date APPROVED BY THE STATE

Approved by Conditions of approval, if any:

Title OF UTAH DIVISION OF OIL, GAS AND MINING

DATE: 3-1-89 BY: *[Signature]* WELL SPACING: 605-3-2

*See Instructions On Reverse Side

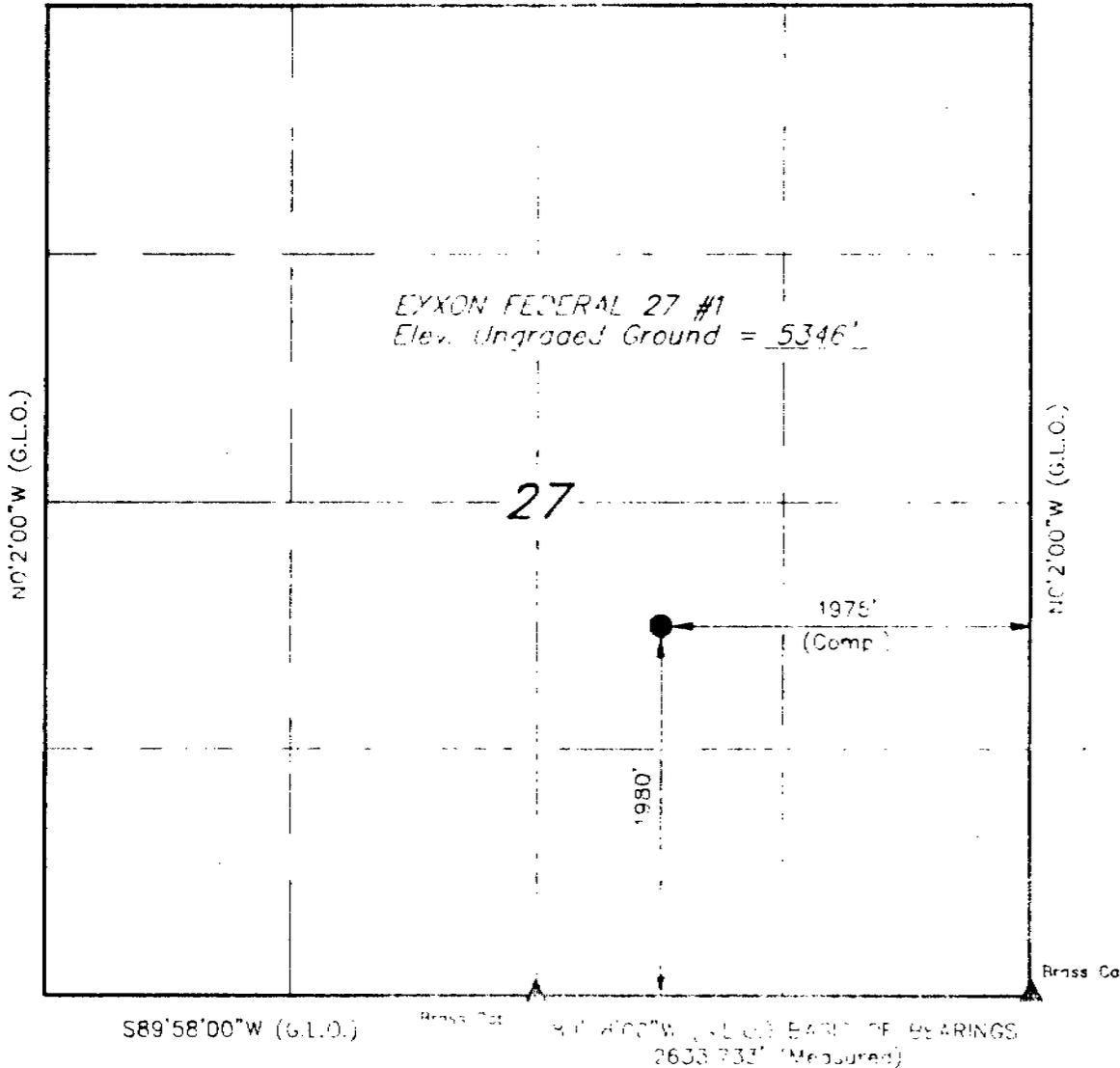
BEST COPY
AVAILABLE

T8S, R24E, S.L.B.&M.

GILMORE OIL & GAS

Well location, EXXON FEDERAL 27 #1, located as shown in the NW 1/4 SE 1/4 of Section 27, T8S, R24E, S.L.B.&M. Uintah County, Utah.

SECTION 27 (G.L.O.)



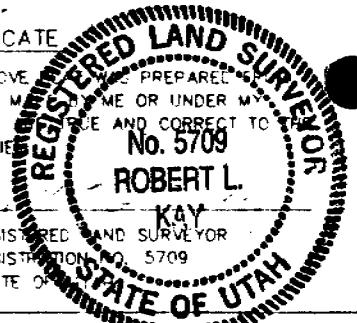
BASIS OF ELEVATION

BEST ELEVATION ON THE SE CORNER OF SECTION 27, T8S, R24E, S.L.B.&M. TAKEN FROM THE BONANZA QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5382 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE SURVEY WAS PREPARED BY ME OR UNDER MY SUPERVISION AND THAT THE SAME IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



REGISTERED LAND SURVEYOR
REGISTRATION NO. 5709
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
P. O. BOX 1758 - 85 SOUTH - 200 EAST
VERNAL, UTAH - 84078

SCALE 1" = 1000'	DATE 2-13-89
PARTY R.L.K. L.D.T. J.T.K.	REFERENCES G.L.O. PLAT
WEATHER CLEAR - COLD	FILE GILMORE OIL & GAS

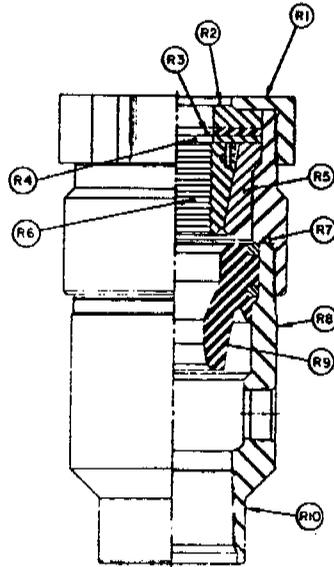
▲ = SECTION CORNERS LOCATED.

rwse, SECTION 27, T8S-R24E, UINIAH COUNTY, UTAH

WELLHEADS: CASING HEAD - 8 5/8" X 5 1/2", 2000 psi wp

TUBING HEAD - 5 1/2" X 2 7/8", 2000 psi wp

TYPE MR & MSR TUBINGHEADS
4,000* P.S.I. TEST-2,000* P.S.I. W.P.



MSR

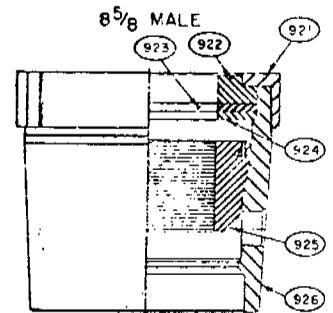
PARTS LIST

PART NO.	PART NAME
R1	TOP CAP
R2	TOP PACKING RING
R3	RUBBER PACKING RING
R4	BOTTOM PACKING RING
R5	SLIP BOWL
R6	SLIPS
R7	O-RING
R8	STRIPPER ADAPTER
R9	STRIPPER RUBBER
R10	BODY

FEATURES

1. HEAVY DUTY HAMMER CAP.
2. FORGE STEEL BODY.
3. FORGED AND HARDENED STEEL SLIPS.
4. PACKING AND STRIPPER RUBBERS ARE OF HI-STRIPPER OIL AND GAS RESISTANT NITRILE COMPOUNDS ESPECIALLY FORMULATED FOR OILFIELD SERVICE.
5. SPLIT PACKING RINGS ALLOW TUBING HEAD TO BE REPACKED WITHOUT DISTURBING TUBING.

FIG. ML92 CASING HEADS
4,000 P.S.I. TEST-2,000 W.P.



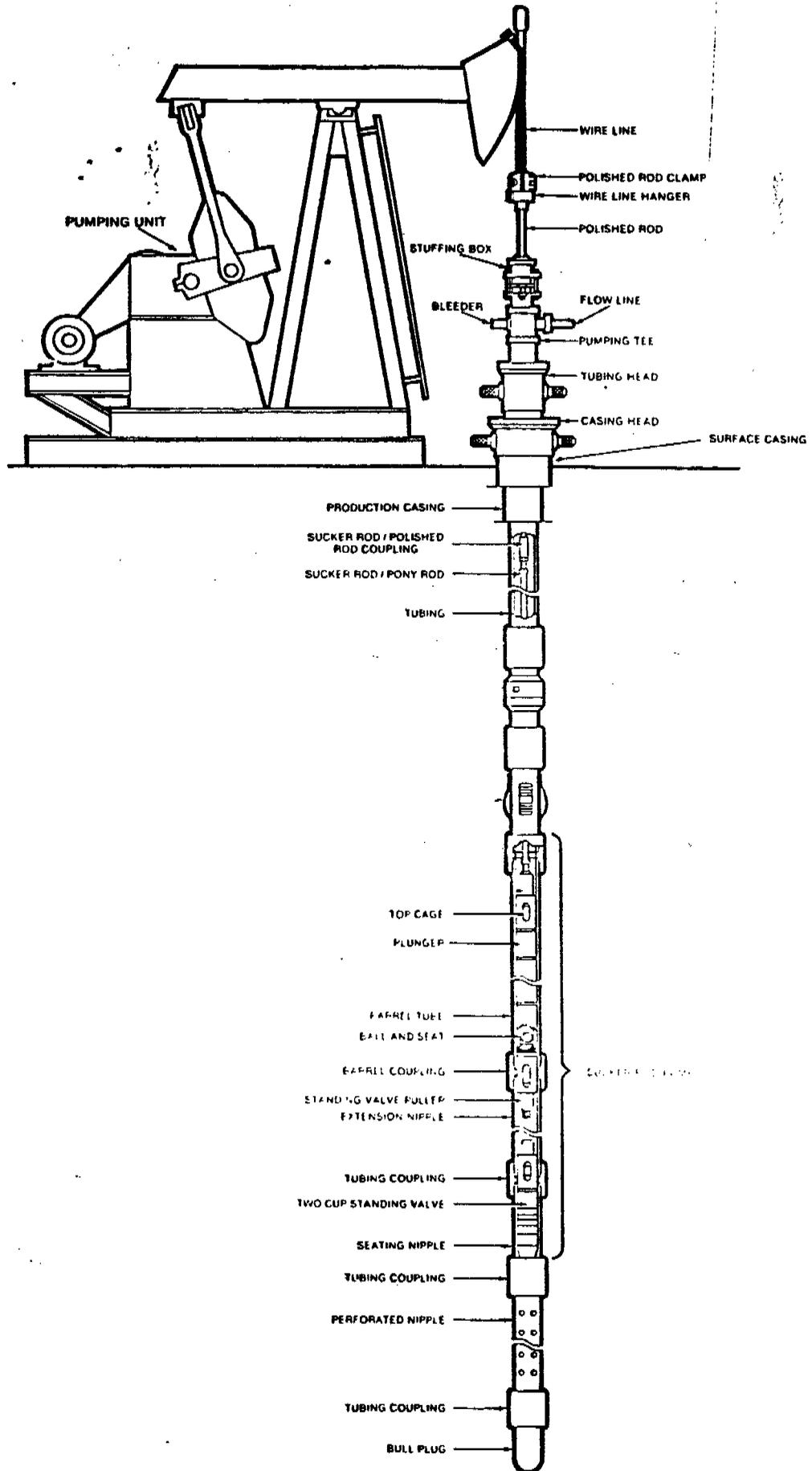
PARTS LIST

PART NO.	PART NAME
L921	TOP CAP
L922	TOP PACKING RING
L923	RUBBER PACKING RING
L924	BOTTOM PACKING RING
L925	SLIPS
L926	BODY

FEATURES

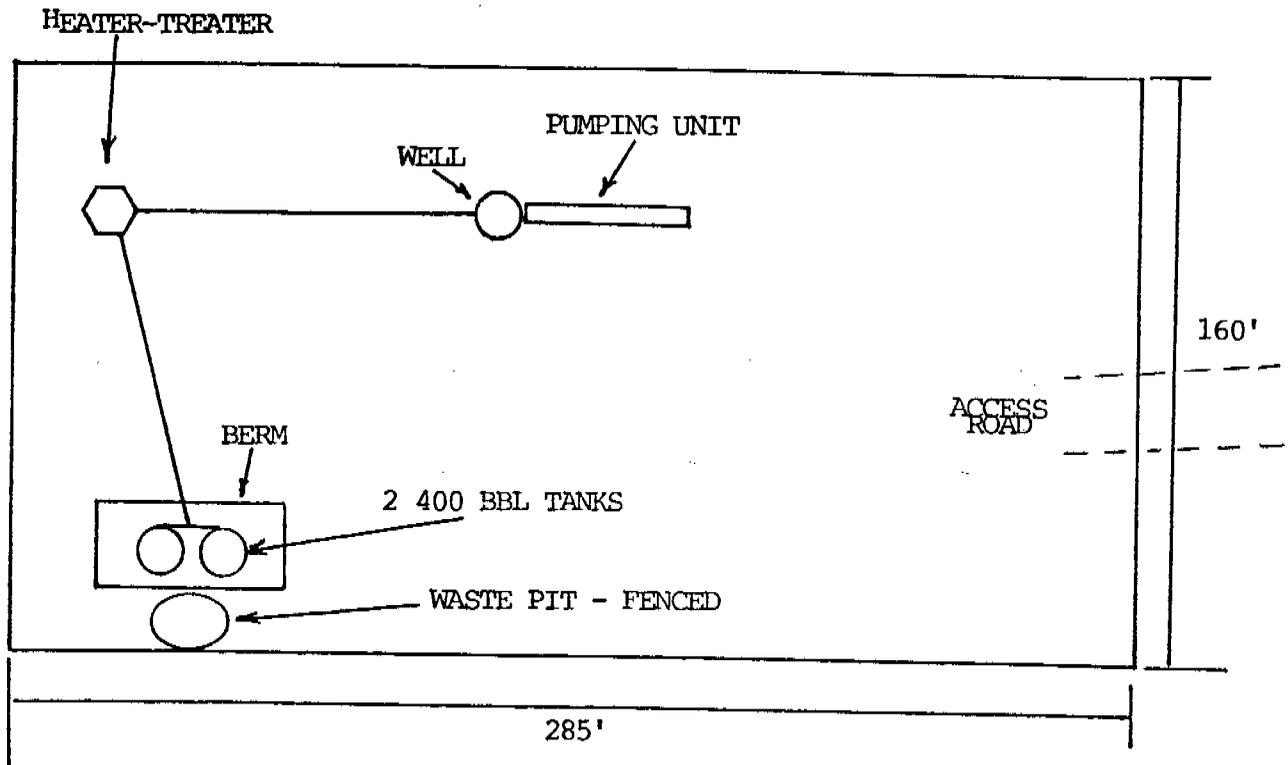
1. HEAVY DUTY HAMMER CAP
2. FORGED STEEL BODY
3. FORGED AND HARDENED STEEL SLIPS
4. PACKING RUBBER IS OF HI-STRENGTH OIL AND GAS RESISTANT NITRILE COMPOUNDS ESPECIALLY FORMULATED FOR OILFIELD SERVICE
5. SPLIT PACKING RINGS ALLOW CASING HEAD TO BE REPACKED WITHOUT DISTURBING CASING.

GILMORE OIL & GAS - EXXON FEDERAL "27" NO. 1
 NWSE, SECTION 27, T8S-R24E, UINIAH COUNTY, UTAH
 WELLHEAD & DOWNHOLE PRODUCTION EQUIPMENT



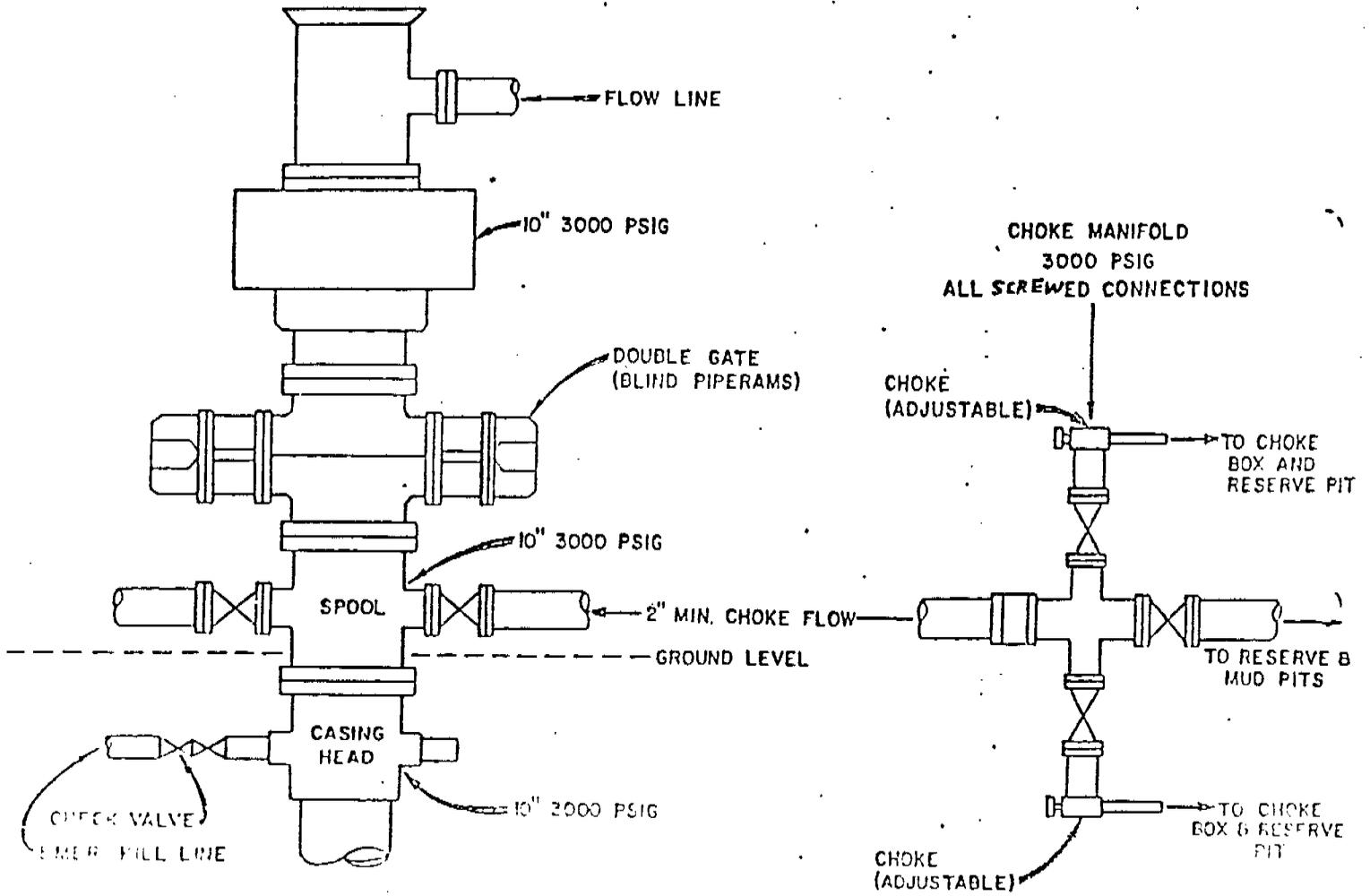
GILMORE OIL & GAS - EXXON FEDERAL "27" NO. 1

MAP C - PRODUCTION FACILITIES



GILMORE OIL & GAS - EXXON FEDERAL "27" NO. 1
NWSE, SECTION 27, T8S - R24E
UINTAH COUNTY, UTAH

WELLHEAD EQUIPMENT FOR DRILLING OPERATION



MORE OIL & GAS

PROPOSED LOCATION

TOPO. **N** MAP "A"

WALKER HOLLOW OIL AND GAS FIELD

BENCH GAS FIELD

POWDER SPRINGS GAS FIELD

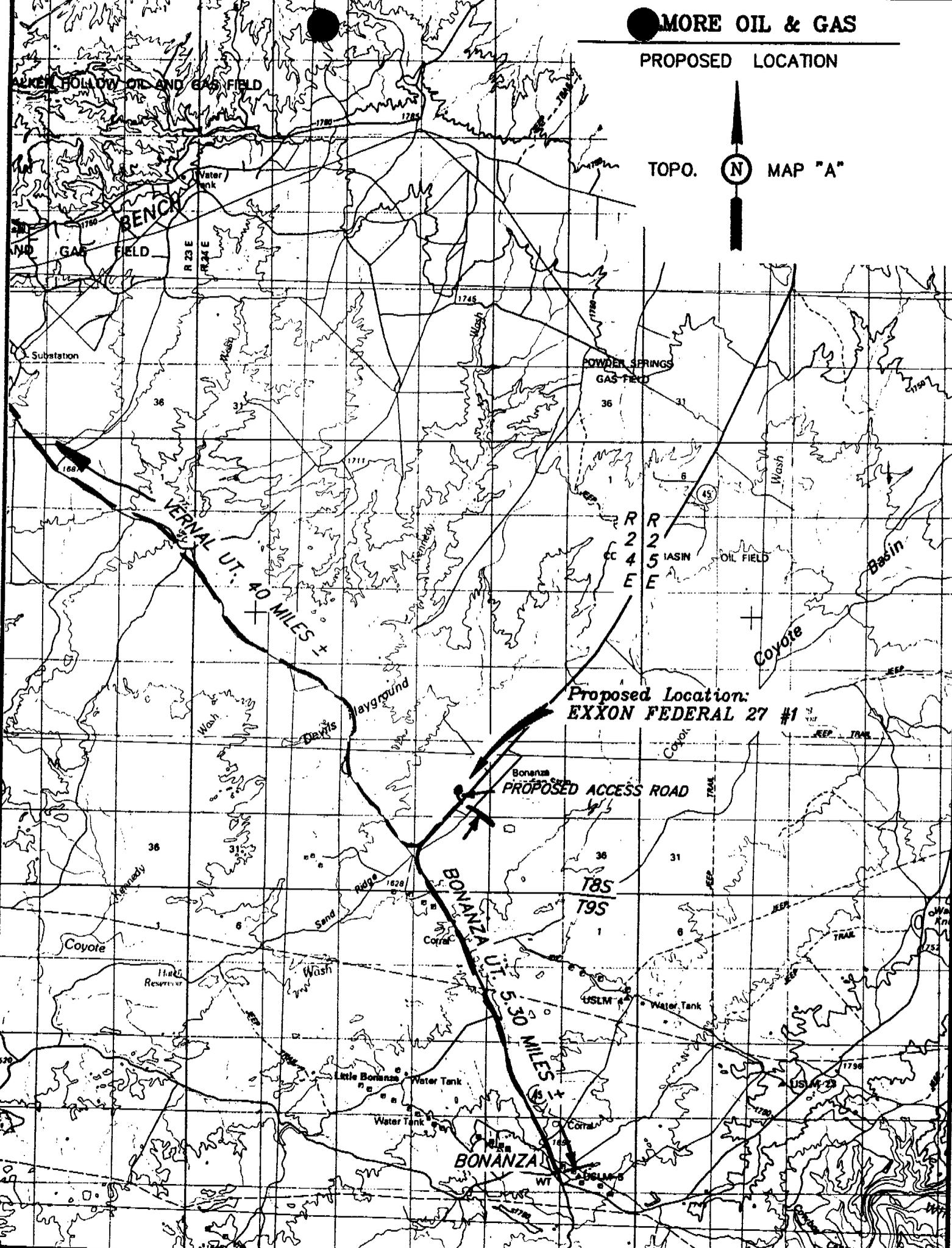
VERNAL UT. 40 MILES +

Proposed Location:
EXXON FEDERAL 27 #1

PROPOSED ACCESS ROAD

BONANZA UT. 53 MILES +

BONANZA



MORE OIL & GAS

PROPOSED LOCATION

TOPO. **(N)** MAP "B"

SCALE: 1" = 2000'

Proposed Location:
EXXON FEDERAL 27 #1

PROPOSED ACCESS ROAD
450'

VERNAL UT. 40 MILES

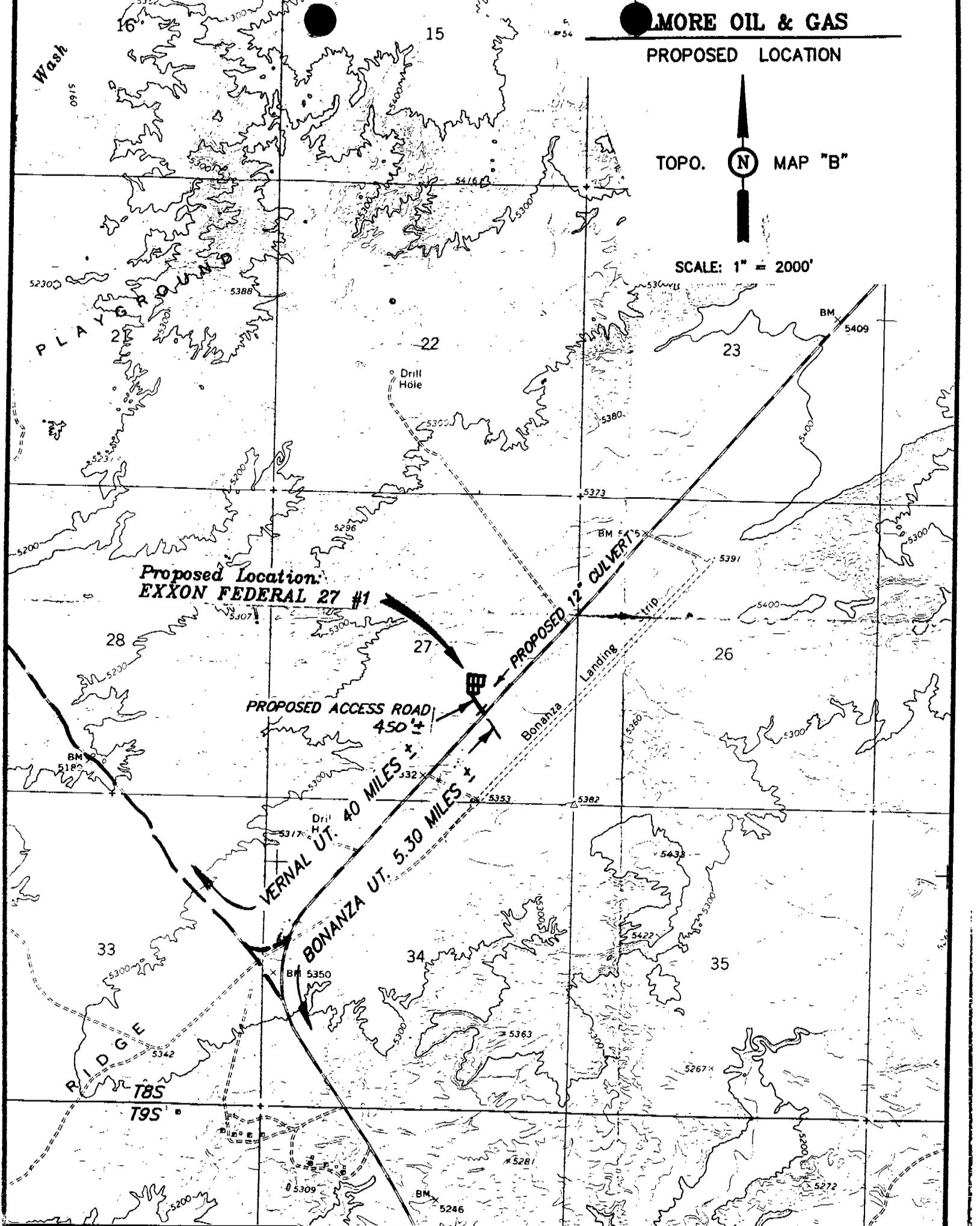
BONANZA UT. 5.30 MILES

PROPOSED 12" CULVERT

Landing

Bonanza

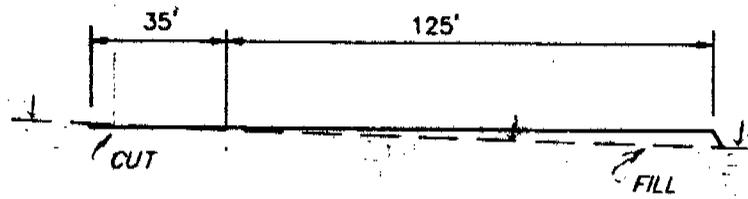
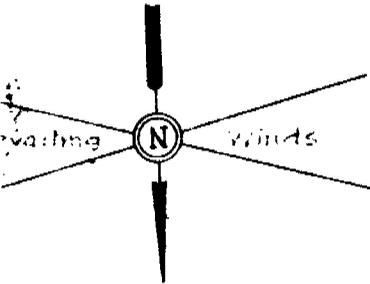
RIDGE
TBS
T9S



GILMORE OIL & GAS

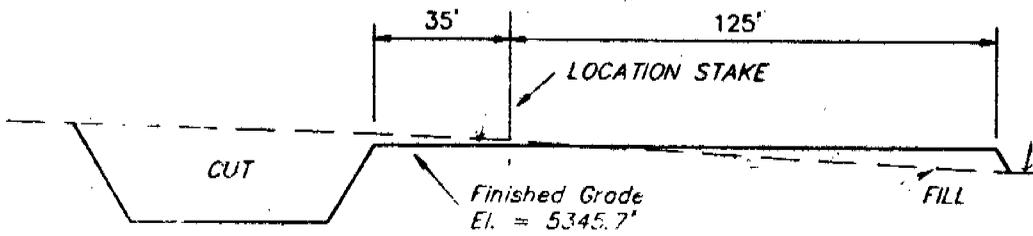
LOCATION LAYOUT FOR

**EXXON FEDERAL 27 #1
SECTION 27, T8S, R24E, S.L.B.&M.**

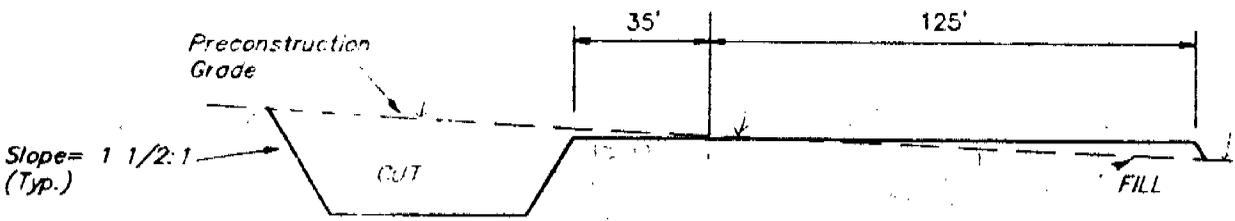
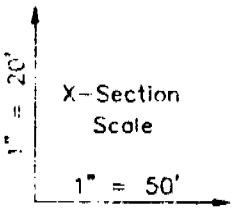


STATION 2+85.00

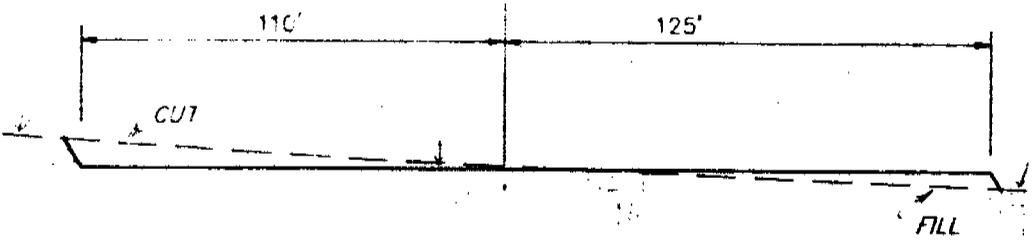
SCALE: 1" = 50'
DATE: 2-13-89



STATION 1+35.00



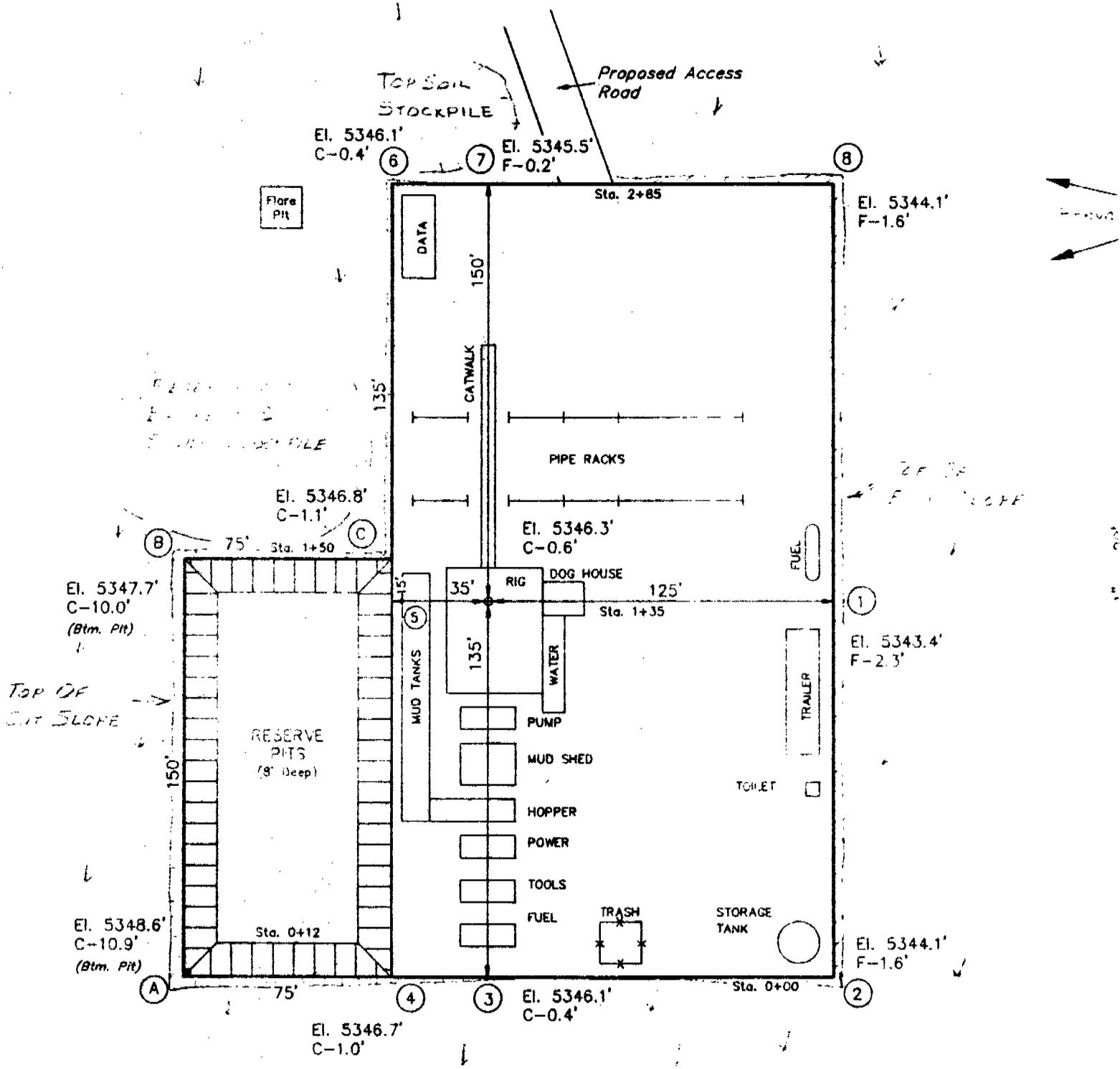
STATION 0+12.00



STATION 0+00.00

TYP. LOCATION LAYOUT

TYP. CROSS SECTIONS



APPROXIMATE YARDAGES

CUT
 (6") Topsoil Stripping = 1,053 Cu. Yds.
 Pit Volume (Below Grade) = 2,576 Cu. Yds.
 Remaining Location = 645 Cu. Yds.

EXCESS MATERIAL AFTER 5% COMPACTION
 = 2,361 Cu. Yds.
 Topsoil & Pit Backfill (1/2 Pit Vol.) = 2,341 Cu. Yds.

TOTAL CUT = 4,274 CU.YDS.

EXCESS UNBALANCE (After Rehabilitation) = 20 Cu. Yds.

FILL = 1,817 CU.YDS.

OPERATOR Gilmore Oil & Gas DATE 2-23-89

WELL NAME Exxon Fed. 27 #1

SEC NWSE 27 T 8S R 24E COUNTY Wintah

43-047-31861
API NUMBER

Fed.
TYPE OF LEASE

CHECK OFF:

PLAT

BOND

NEAREST WELL

LEASE

FIELD

POTASH OR OIL SHALE

PROCESSING COMMENTS:

No other well within 920'
Need water permit

APPROVAL LETTER:

SPACING: R615-2-3 _____ UNIT

R615-3-2

_____ CAUSE NO. & DATE

R615-3-3

STIPULATIONS:

1. Water Permit



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangertter
Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

March 1, 1989

Gilmore Oil & Gas
500 West Texas, Suite 1410
Midland, Texas 79701

Gentlemen:

Re: Exxon Fed. 27 #1 - NW SE Sec. 27, T. 8S, R. 24E - Uintah County, Utah
1980' FSL, 1975 FEL

Approval to drill the referenced well is hereby granted in accordance with Rule R615-3-2, Oil and Gas Conservation General Rules, subject to the following stipulation:

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 within 24 hours after drilling operations commence.
2. Submittal of an Entity Action Form within five working days following spudding and whenever a change in operations or interests necessitates an entity status change.
3. Submittal of the Report of Water Encountered During Drilling, Form OGC-8-X.
4. Prompt notification if it is necessary to plug and abandon the well. Notify John R. Baza, Petroleum Engineer, (Office) (801) 538-5340, (Home) 298-7695, or Jim Thompson, Lead Inspector, (Home) 298-9318.
5. Compliance with the requirements of Rule R615-3-22, Gas Flaring or Venting, Oil and Gas Conservation General Rules.

6. Prior to commencement of the proposed drilling operations, plans for facilities for disposal of sanitary wastes at the drill site shall be submitted to the local health department. These drilling operations and any subsequent well operations must be conducted in accordance with applicable state and local health department regulations. A list of local health departments and copies of applicable regulations are available from the Division of Environmental Health, Bureau of General Sanitation, telephone (801) 538-6121.
7. 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 43-047-31861.

Sincerely,



R. J. Firth
Associate Director, Oil & Gas

lr
Enclosures
cc: Branch of Fluid Minerals
D. R. Nielson
WE14/1-2

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK

RECEIVED
MAR 15 1989

1A. TYPE OF WORK
DRILL DEEPEN PLUG BACK

B. TYPE OF WELL
OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
Gilmore Oil & Gas

3. ADDRESS OF OPERATOR
500 W. Texas, Suite 1410, Midland, Texas 79701

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface 1980' FSL & 1975' FEL (NW SE) Sec. 27, T8S, R24E
At proposed prod. zone Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
40 Miles SE of Vernal Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1975'

16. NO. OF ACRES IN LEASE 440

17. NO. OF ACRES ASSIGNED TO THIS WELL 40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. None

19. PROPOSED DEPTH 4,100'

20. ROTARY OR CABLE TOOLS Rotary- All

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5,346' Ground

22. APPROX. DATE WORK WILL START* March 10, 1989

5. LEASE DESIGNATION AND SERIAL NO.
U-60580

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
na

7. UNIT AGREEMENT NAME
na

8. FARM OR LEASE NAME
Exxon Federal 27

9. WELL NO.
1

10. FIELD AND POOL, OR WILDCAT
Undesignated

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 27, T8S, R24E

12. COUNTY OR PARISH
Uintah

13. STATE
Utah

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24.0	300'	225 Sx
7 7/8"	5 1/2"	15.5	4100'	500+ sx *

*to be determined by Caliper log

It is proposed to drill a well at the above location. The primary zone of interest is the Green River sand from 3,700' to 4,100'. If the zone of interest is found to be present and appears to be productive 5 1/2" production casing will be run and cemented in place and the well completed. If the completion attempt does not find commercial production, the well will be plugged and abandoned and the location and road will be restored as per BLM instructions.

* Changes made as per Telephone conversation with B. Gilmore 02/28/89

RECEIVED
FEB 21 1988
BUREAU OF LAND MANAGEMENT
DEPARTMENT OF THE INTERIOR

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and any 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 William C. Gilmore TITLE Owner DATE 2-20-89

(This space for Federal or State office use)

PERMIT NO. 43-047-31861 APPROVAL DATE _____

APPROVED BY [Signature] TITLE ASSISTANT DISTRICT MANAGER MINERALS DATE March 7, 1989

CONDITIONS OF APPROVAL, IF ANY:

NOTICE OF APPROVAL CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL
WITHIN THE UINTAH OURAY RESERVATION

Company Gilmore Oil and Gas Well No. Exxon Federal 27 No. 1
Location NW/SE, Sec. 27, T.8S., R.24E. Lease No. U-60580

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 Orders 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

Report ALL water shows and water-bearing sands to the hydrologist of this office. Copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

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

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc. and individual components shall be operable as designed.

The Vernal District Office shall be notified, with sufficient lead time, in order to have a BLM representative present while 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.

* Surface casing shall have centralizers on every fourth joint of casing starting with the shoe joint and up to the bottom of the cellar.

* Usable water may be encountered at depths of + 200-500 ft. in the Uinta Formation and from + 900-1100 ft., + 2600-3000 ft. and + 3700-4100 ft. in the Green River formation. The Mahogany oil shale and L1 oil shale have been identified from + 2223-2310 ft. and + 2410-2495 ft., respectfully. Therefore, the resources will be isolated and/or protected via the cementing program for the production casing by having a cement top for the production casing at least 200 ft. above the oil shale.

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.

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the Authorized Officer. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vaporproof for safe operations). Packers can be released, but tripping should not begin before daylight, unless prior approval is obtained from the Authorized Officer.

A cement bond log (CBL), or some other means acceptable to the Authorized Officer, shall be utilized to determine the top of cement (TOC) for the intermediate and production casing.

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.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

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 five (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.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

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 Orders, 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 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.

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).

APD approval is valid for a period of one (1) year from the signature date. An additional one (1) year approval period may be granted, if requested, prior to the expiration of the original approval period.

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

Gerald E. Kenczka
Petroleum Engineer

(801) 781-1190

Ed Forsman
Petroleum Engineer

(801) 789-7077

Revised October 1, 1985

Date NOS Received February 3, 1989
APD February 21, 1989

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

Company/Operator Gilmore Oil and Gas
Well Name & Number Exxon Federal 27 No. 1
Lease Number U-60580
Location NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 27 T.8S. R.24E.
Surface Ownership Public Lands Administered by the BLM

THIRTEEN POINT SURFACE USE PROGRAM:

Multipoint Requirements to Accompany APD

All travel will be confined to existing access road rights-of-way. About 600 feet of new access road will be required. 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.

_____ The operator/lessee or his successor shall be responsible for all maintenance on the culvert associated with this oil and/or gas operation.. The culvert shall be at least 40 feet long.

On BLM administered lands:

The reserve pit shall not be lined. Also, a blooie pit or flare pit will be used during drilling operations and will be at least 150 feet from the well site.

Produced waste water will be confined to an unlined 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.

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 will be located on the northwest side of the location.

The stockpiled topsoil will be stored as indicated in the layout diagram near stakes 6 and 7.

Access to the well pad will be from the southeast of location via a new access road of about 600 foot length.

A cultural resource clearance will be required before any construction begins on Federal and Indian lands. However, historic and cultural resource work shall be undertaken only with the written 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 on 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.

The operator will control noxious weeds along rights-of-way for roads, pipelines, well sites or other applicable facilities. A list of noxious weeds may be obtained from the BLM, BIA, FS or the appropriate County Extension Office.

On BLM administered land, it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.

The area has been identified as crucial pronghorn habitat. Modifications may be required in the Surface Use Plan to protect the pronghorn during the kidding period, May 15 through June 20.

Drilling rigs and/or equipment used during drilling operations on this wellsite will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

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.

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

RECEIVED
APR 21 1989

SUNDRY NOTICES AND REPORTS ON WELLS
DIVISION OF OIL, GAS & MINING

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

1. OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input checked="" type="checkbox"/> Dry Hole		5. LEASE DESIGNATION AND SERIAL NO. U-60580
2. NAME OF OPERATOR Gilmore Oil & Gas		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A
3. ADDRESS OF OPERATOR 110 N. Marienfeld, Suite 155, Midland, Texas 79701		7. UNIT AGREEMENT NAME N/A
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface NW SE Section 27, T8S, R24E 43-047-318101		8. FARM OR LEASE NAME Exxon Federal 27
14. API NUMBER Not issued	15. ELEVATIONS (Show whether DF, RT, GR, etc.) 5346' Ground Level	9. WELL NO. 1
		10. FIELD AND POOL, OR WILDCAT Undesignated
		11. SEC., T., R., M., OR BLM AND SURVEY OR AREA Sec. 27, T8S, R24E
		12. COUNTY OR PARISH Uintah
		13. STATE Utah

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

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

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

This well did not encounter the objective sand or any other zone that was capable of commercial oil and/or gas production and was plugged and abandoned per the BLM instruction and witnessed by BLM representative, Mr. Ray Arnold. Cement plugs were set as follows:

- 42 sacks @ 4096'
- 30 sacks @ 2440'
- 30 sacks @ 2256'
- 30 sacks @ 814'
- 30 sacks @ 350'
- Tagged plug at 292'
- 30 sacks @ 292'
- 10 sacks @ surface

Cut off weld head, welded plate over 8 5/8" surface casing and installed dry hole marker.

18. I hereby certify that the foregoing is true and correct
 SIGNED William C. Gilmore TITLE Owner DATE 4/18/89

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____
 CONDITIONS OF APPROVAL, IF ANY:

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

SUBMIT IN DUPLICATE*
(See other instructions
on reverse side)

56 64 01

10

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL GAS WELL

b. TYPE OF COMPLETION:
NEW WELL WORK OVER DEEP-EN PLUG BACK

2. NAME OF OPERATOR
Gilmore Oil & Gas

3. ADDRESS OF OPERATOR
110 N. Marienfeld, Suite 155, Midland, Texas 79701

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface NW SE, Sec. 27, T8S,R24E

At top prod. interval reported below NW SE, Sec. 27, T8S,R24E

At total depth NW SE, Sec.27, T8S,R24E

34. PERMIT NO. not issued DATE ISSUED 3-7-89

43-047-31861

5. LEASE DESIGNATION AND SERIAL NO.

U-60580

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

N/A

7. UNIT AGREEMENT NAME

N/A

8. FARM OR LEASE NAME

Exxon Federal 27

9. WELL NO.

1

10. FIELD AND POOL, OR WILDCAT

Undesignated

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

Sec. 27, T8S,R24E

12. COUNTY OR PARISH

Uintah

13. STATE

Utah

15. DATE SPUDDED 3-15-89 16. DATE T.D. REACHED 3-23-89 17. DATE COMPL. (Ready to prod.) 3-24-89 18. ELEVATIONS (OF, BKB, RT, GB, ETC.)* 5361' 19. ELEV. CASINGHEAD 5346'

20. TOTAL DEPTH, MD & TVD 4,100' 21. PLUG BACK T.D., MD & TVD 22. IF MULTIPLE COMPL., HOW MANY* 23. INTERVALS DRILLED BY 24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* None 25. WAS DIRECTIONAL SURVEY MADE No

26. TYPE ELECTRIC AND OTHER LOGS RUN Dual Induction, Gamma Ray, Density, Neutron 27. WAS WELL CORDED No

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

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8"	24.0	325	12 1/4"	325 sx with 3% CC	None

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)
None				

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
None		

31. PERFORATION RECORD (Interval, size and number)

None

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
None	

33. PRODUCTION

DATE FIRST PRODUCTION PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) WELL STATUS (Producing or shut-in) PA (see Sunday dated 4-18-89)

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
							DTS

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)

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

35. LIST OF ATTACHMENTS

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

SIGNED William C. Gilmore TITLE Owner DATE 4/18/89

INSTRUCTIONS

General: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and site files, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 33, below regarding separate reports for separate completions.

Item 1: If not filed prior to the time this summary record is submitted, copies of all currently available logs (diplogs, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and geophysical surveys, should be attached hereto to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 36.

Item 2: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 3: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments. Items 22 and 24. If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

Item 29: "Sacks Cement". Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

Item 33: Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

37. SUMMARY OF POROUS ZONES:
 SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF: CORED INTERVALS, AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CURSION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURE, AND RECOVERIES

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.														
Uintah	Surface	764'	No cores of drillstem tests were run on this well. <div style="margin-top: 20px;"> <table border="1" style="margin: auto; border-collapse: collapse;"> <tr> <th colspan="2" style="text-align: center;">OIL AND GAS</th> </tr> <tr> <td style="text-align: center;">DRN</td> <td style="text-align: center;">DIF</td> </tr> <tr> <td style="text-align: center;">JRB</td> <td style="text-align: center;">GLH</td> </tr> <tr> <td style="text-align: center;">DTR</td> <td style="text-align: center;">SLS</td> </tr> <tr> <td colspan="2" style="text-align: center;">1-TAS</td> </tr> <tr> <td colspan="2" style="text-align: center;">0 - MICROFILM</td> </tr> <tr> <td colspan="2" style="text-align: center;">3 - FILE</td> </tr> </table> </div>	OIL AND GAS		DRN	DIF	JRB	GLH	DTR	SLS	1-TAS		0 - MICROFILM		3 - FILE	
OIL AND GAS																	
DRN	DIF																
JRB	GLH																
DTR	SLS																
1-TAS																	
0 - MICROFILM																	
3 - FILE																	
Green River	764'	4066'															
Mahogany	2206'	2328'															
Mahogany I1 horizon	2390'	2440'															
"H" horizon	2972'																
Wasatch	4066'																
Total Depth	-----	4,100'															

38. GEOLOGIC MARKERS

NAME	MEAS. DEPTH	TOP

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Sec. 27
T. 8S
R. 24E
SLB Mer.
Ref. No. _____

INDIVIDUAL WELL RECORD

Date March 7, 1989

	27		
		*	

FEDERAL

Lease No. U-60580 - Terminated
Lessee Exxon Corp. 100%
Operator Gilmore Oil & Gas Co.
Well Name & No. Exxon Federal 27 Well #1
A.P.I. Well No. 43-047-31861
Location 1980' FSL & 1975' FEL

State Utah
County Uintah
Field Undesignated
Unit/CA n/a
District Vernal
Subdivision NWSE

Date Drilling Approved March 7, 1989
Date Drilling Commenced March 15, 1989
Date Drilling Ceased March 23, 1989
Date Completed For Production _____
Final Abandonment Approved (Final) FAU 9/29/93

Well Elevation 5346 Feet
Total Depth 4100 Feet
Initial Production _____
Gravity A.P.I. _____
Initial Reservoir Pressure _____

GEOLOGIC FORMATIONS

PRODUCTIVE HORIZONS

SURFACE LOWEST TESTED NAME DEPTHS CONTENTS

SURFACE MANAGEMENT AGENCY BLM
MINERAL OWNERSHIP Federal
LEASE EXPIRATION Nov. 30, 1989

WELL STATUS

YEAR	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUG.	SEPT.	OCT.	NOV.	DEC.
1989			SPUD									
1993									P+A			

First Production Memorandum _____ Lease Extension Memorandum _____ Confirmation _____

Remarks _____

OCT 22 1993

DIVISION OF

GILMORE OIL & GAS

500 WEST TEXAS, SUITE 1410 • MIDLAND, TEXAS 79701 • (915) 687-0408

GILMORE OIL & GAS
EXXON FEDERAL "27" NO. 1
NW SE SEC. 27, T8S, R24E
UINTAH COUNTY, UTAH

DRILLING PROGRAM

1. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS:

Surface Formation-----	Uintah
Green River Formation-----	700'
Green River Oil Sands-----	3,600'
Total Depth-----	4,100'

2. Estimated depths at which the top and the bottom of anticipated water, oil, gas or other mineral bearing formations are expected to be encountered and operator plans for protecting such resources.

Possible oil and gas bearing zones could be encountered from 700' to TD (4,100'). The primary zone of interest from 3,700' to 4,100' is expected to contain high pour point Green River oil and will be protected by cementing casing through the zone. No commercial water or mineral bearing formations are expected to be encountered.

3. Casing Program

Conductor Casing: None

Surface Casing: 300', 8 5/8" 24.0 lb/ft, J-55, ST&C, Range 3 approximately 8 joints

Production Casing: 4,100' 5 1/2" 15.5 lb/ft J-55, LT&C, Range 3, Approximately 103 joints.

4. Cementing Program

Surface Casing: Cement circulated to surface with 225 sacks.

Production Casing: Pay Zone to be covered with high compressive strength cement and light weight cement to fill the remainder of hole to within 500' of surface casing. Exact volume to be determined from logs.

5. Drilling Fluids:

<u>INTERVAL</u>	<u>WT-LB/GAL</u>	<u>VIS</u>	<u>WATER LOSS</u>	<u>TYPE SYSTEM</u>
0-300'	8.4 - 8.6	28	N.C.	FWG WITH LIME
300'-700'	8.4 - 8.6	28	N.C.	NATIVE
700 -1700'	8.4 - 8.6	30-32	N.C.	FWG WITH LCM
1700'-3100'	8.6 - 8.8	32-34	N.C.	FWG WITH LCM
3100'-4100'	8.8 - 9.1	38-50	IO	FWG - LOW SOLIDS

Sufficient mud materials to maintain mud requirements and meet minor lost circulation and blowout problems will be on wellsite.

6. CORING

None planned

7. DRILL STEM TEST (DST):

DST could possibly be run if well conditions, shows, and logs dictate.

8. OPEN HOLE LOGGING:

Operator plans to run a Dual Induction log from TD to surface casing and a GR-CAL-FDC-CNL over the porous intervals.

9. TENTATIVE COMPLETION PROGRAM:

Perforate 5 1/2" casing with 2 shots per foot and stimulate as necessary with gelled Kcl water/sand fracture treatment.

10. ABNORMAL CONDITIONS OR POTENTIAL HAZARDS:

No abnormal conditions or hazards are expected. The estimated bottom temperature and pressure are 125 degrees F and 1650 psi respectively.

11. WELLHEAD EQUIPMENT

An attached BOP and choke manifold schematic is attached.

12. AUXILIARY EQUIPMENT TO BE USED.

- A. Two man 24 hour mud logging unit starting @ 1,500'.
- B. A full opening drill pipe with stabbing valve with proper connections will be on the rig floor ready for use when the kelly is not in the string.

13. ANTICIPATED STARTING DATE:

The location and road construction to begin as soon as a permit is approved and drilling to start approximately 3-12-89

14. ADDITIONAL CONSIDERATIONS

None

GILMORE OIL & GAS

500 WEST TEXAS, SUITE 1410 • MIDLAND, TEXAS 79701 • (915) 687-0408

SURFACE USE PROGRAM
EXXON FEDERAL "27" NO. 1
NW SE, SECTION 27, T8S, R24E
LEASE NO. U-60580
UINTAH COUNTY, UTAH

1. EXISTING ROADS

- A. This location can be reached by taking State Highway 45 south out of Vernal approximately 40 miles and turn left on the old highway 45 and go 1 mile to the location on the left. The proposed access road will be approximately 450' in length.
- B. Please refer to the included surveyor's plats.
- C. The existing roads are paved and suitable for heavy loads. The access road will not cross any Indian lands.

2. ACCESS ROADS TO BE CONSTRUCTED

- A. Width : Bladed to 16'
- B. Maximum Grade: Less than 7%
- C. Major cuts or fills: None
- D. Turnouts: None required
- E. Drainage: None
- F. Culverts: One (12" x 18')
- G. Auto gates: None
- H. Existing Facility to be modified: None

3. Location of Existing Wells within a one mile radius

- A. Water wells: None
- B. Injection Wells: None
- C. Abandoned Wells: One (NW/4 Sec. 34, T8S-R24E)
- D. Disposal Wells: None
- E. Producing Wells: Two, both operated by Gilmore Oil & Gas
 - 1) Federal 27 #1 - SESW Sec.27
 - 2) Raging Bull #1 - NESW Sec.26
- F. Drilling Wells: None

4. Location of Existing and/or Proposed Facility if well is productive.

- A. Facility Required in the event of production on Well pad:
See map C for location of facilities. All facilities will be on the wellsite pad.
- B. Description of facilities: (See map C)
The berm for the production tanks will be constructed of compacted subsoil, hold the capacity to contain 1 1/2 times the storage capacity of the tanks and be independent of the back cut. All permanent structure will be painted a flat non-reflective earth tone color to match the recommended environmental colors.
- C. Facilities Required in the event of production off well pad:

Upgrade and maintain access roads as necessary to prevent said erosion and accomodate year-round traffic.

5. Location and Type of Water Supply

- A. The source of water will be from the White River (SE SW Section 2, T10S,R24E). Temporary Application to Appropriate Water from the State of Utah has been applied for.
- B. Water source is located in Federal land. Water will not be obtained from Federal or Indian projects.
- C. A water well will not be drilled.
- D. Water will be trucked to the location.

6. Constructive Materials

- A. Native soil will be utilized in the drilling site and access road. No additional construction material will be required for drilling operations. Crushed rock or gravel may be needed for the pulling unit pad, wellsite and to make the access road passable during all weather conditions if the well is found productive.
- B. No construction material from Federal or Indian lands
- C. Crushed rock, if necessary, will be purchased from construction contractors in the area from privately owned sources.

7. Methods for Handling Waste Disposal.

- A. Cuttings: Unlined reserve pit 75' x 150' x 8' fenced with wire mesh fence and topped with at least one strand of barbed wire on three sides during drilling operations. The fourth side will be fenced when the rig moves off location.
- B. Drilling Fluids: Unlined reserve pit 75' x 150' x 8'. Reserve pit will be constructed to prevent the collection of surface runoff. Any hydrocarbons on the pit will be removed from the pit as soon as possible after drilling operations are completed.
- C. Produced Fluids:
 - 1) Recovered during drill-stem tests will be disposed of in a test tank.
 - 2) During completion operations, produced fluids will be contained in swab tanks.
 - 3) Water disposal will be provided in accordance with BLM regulations NTL-2B. All disposal pits will be constructed as per the NTL-2B regulations.
- D. Sewage: Sanitation holes 20-40' (will be filled) with minimum 4' of earth when rig is released and chemically treated or chemical toilets will be used.
- E. Garbage and Trash
 - 1) 8' x 25' x 4' trash cage completely enclosed with woven mesh wire.
 - 2) Engine oil and lubricants will be collected in steel containers.

F. Clean up of Wellsite Area after Rig is Removed.

1) Trash will be hauled to an approved sanitary landfill. Trash will not be burned.

2) All pits and wellsite will be covered, leveled and reseeded as per BLM instructions

8. Ancillary Facilities

None

9. Wellsite Layout

A. Cross Section: See Figures for elevations and cross sections.

B. Orientation of rig, pits and associated equipment. The reserve pit will be located on the southwest corner of the drilling pad.

C. Topsoil will be stockpiled adjacent to reserve pit.

D. Access Road, living facilities Parking area, etc. See Figure.

10. Plans for Restoration of Surface

A. All pits will be backfilled, leveled and contoured to as near the current condition as is practical within one year from the date of the well completion. The stockpiled topsoil will be evenly distributed over the disturbed area. Waste material will be hauled to an approved sanitary landfill.

B. Revegetation and rehabilitation of wellsite and access road: As per BLM requirements.

C. All pits will be fenced until dry and then backfilled.

D. If oil is present on the reserve pit, overhead flagging will be installed.

E. Rehabilitation will be commenced when the rig moves out with the location restored by September 30, 1990. Immediately upon well completion, the location and surrounding area will be cleared of all debris, materials, trash and junk not required for production. Prior to reseeded, all disturbed areas, including the access roads, will be scarified and left with a rough left with a rough surface. Seed will be broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage. Also, if broadcast, the amount of seed will be proportionately (double the lbs/acre). An appropriate seed mixture will be determined by the BLM either as part of the Conditions of Approval of the APD or at the time restoration activities are scheduled to begin. 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 reseeded requirements.

Rehabilitation will be completed by November 1, 1990, including vegetation.

11. Surface Ownership

- A. Access Road: Bureau of Land Management.
- B. Well Location: Bureau of Land Management

12. Mineral Ownership

Bureau of Land Management

13. Other Information

- A.
 - 1. Wellsite and access road are located in arid, hilly terrain.
 - 2. Soil is light brown sandy clay.
 - 3. Vegetation consists of native grasses
 - 4. The area is a natural habitat for wildlife
- B.
 - 1. The wellsite, existing and new access road are on BLM land
 - 2. Livestock were not grazing in the area when the wellsite was visited.
- C.
 - 1. Intermittent streams (i.e. flow during wet seasons of the year) do exist in the area.
 - 2. There are no occupied buildings within one mile of the proposed wellsite.
 - 3. Historical, cultural or archeological sites not apparent. An archeological survey has been conducted
- D.
 - 1. If an cultural values ar observed during construc- tion all work will stop and the BLM autorities will be notified.
- E. All equipment and vehicles will be confied to the access road right of wya pad and areas specidied in the APD
- F. The opertor and his contractor shall contact the BLM office (801) 789-1362 between 24 and 48 hours prior to construction activities. Contact Book Cliff Resource Area.
- G. No construction or drilling activites shall be con- ducted between May 15 and June 20 due to big game habitat are (antelope)

14. Lessee's or Operators Representative and Certification

Gilmore Oil & Gas----- (915) 687-0408
 500 W. Texas, Suite 1410
 Midland, Texas 79701
 William C. Gilmore. P.E.

I hereby certify that I or persons under my direct supervi- sion, have inspected the proposed drillsite and access route, that I am familiar with the conditions whcih 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 operations proposed herein will be performed by Gilmore Oil & Gas and its contractors and sub-contractors 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. (00) for the filing of a false statement.

2-21-89
 Date

William C. Gilmore
 William C. Gilmore, P.E.
 Gilmore Oil & Gas