

UTAH OIL AND GAS CONSERVATION COMMISSION

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

910100 Expanded field per committee : 911231 OPA per B.M.
 DATE FILED **10-1-90**

LAND: FEE & PATENTED _____ STATE LEASE NO. _____ PUBLIC LEASE NO. **U-64449** INDIAN _____

DRILLING APPROVED: **10-17-90**

SPUDDED IN: _____

COMPLETED: **10-31-91 OPA** PUT TO PRODUCING: _____

INITIAL PRODUCTION: _____

GRAVITY A.P.I. _____

GOR: _____

PRODUCING ZONES: _____

TOTAL DEPTH: _____

WELL ELEVATION: _____

DATE ABANDONED: **OPA 10-31-91**

FIELD: **UNDESIGNATED North Bonanza**

UNIT: _____

COUNTY: **UINTAH**

WELL NO. **FEDERAL 34-A #1** API NO. **43-047-31908**

LOCATION **660' FNL** FT. FROM (N) (S) LINE. **1980' FEL** FT. FROM (E) (W) LINE. **NW NE** 1/4 - 1/4 SEC. **34**

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
8S	24E	34	GILMORE OIL & GAS				

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-64449

6. If Indian, Allottee or Tribe Name

N/A

7. Unit Agreement Name

N/A

8. Farm or Lease Name

Federal 34-A

9. Well No.

1

10. Field and Pool, or Wildcat

Undesignated

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

Sec. 34 T8S, R24E

12. County or Parrish 13. State

Uintah Utah

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work

DRILL

DEEPEN

PLUG BACK

b. Type of Well

Oil Well

Gas Well

Other

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

660' FNL & 1980' FEL (NW NE)

At proposed prod. zone

same

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

35 miles south of Vernal, Utah

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

660'

16. No. of acres in lease

1400'

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.

n/a

19. Proposed depth

4,100' GRR ✓

20. Rotary or cable tools

Rotary

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

5,382' GL

22. Approx. date work will start*

23.

PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
12 1/4"	8 5/8"	24.0**	300'	200 sxs**
7 7/8"	5 1/2"	15.5	4100'	300 sxs**

* New or reconditioned used

** Volume to be determined by Caliper log

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

RECEIVED

OCT 01 1990
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 William C. Gilmore Title Owner Date 9-7-90

(This space for Federal or State office use)

Permit No. 43-047-31908 Approval Date _____

Approved by _____ Title _____

Conditions of approval, if any:

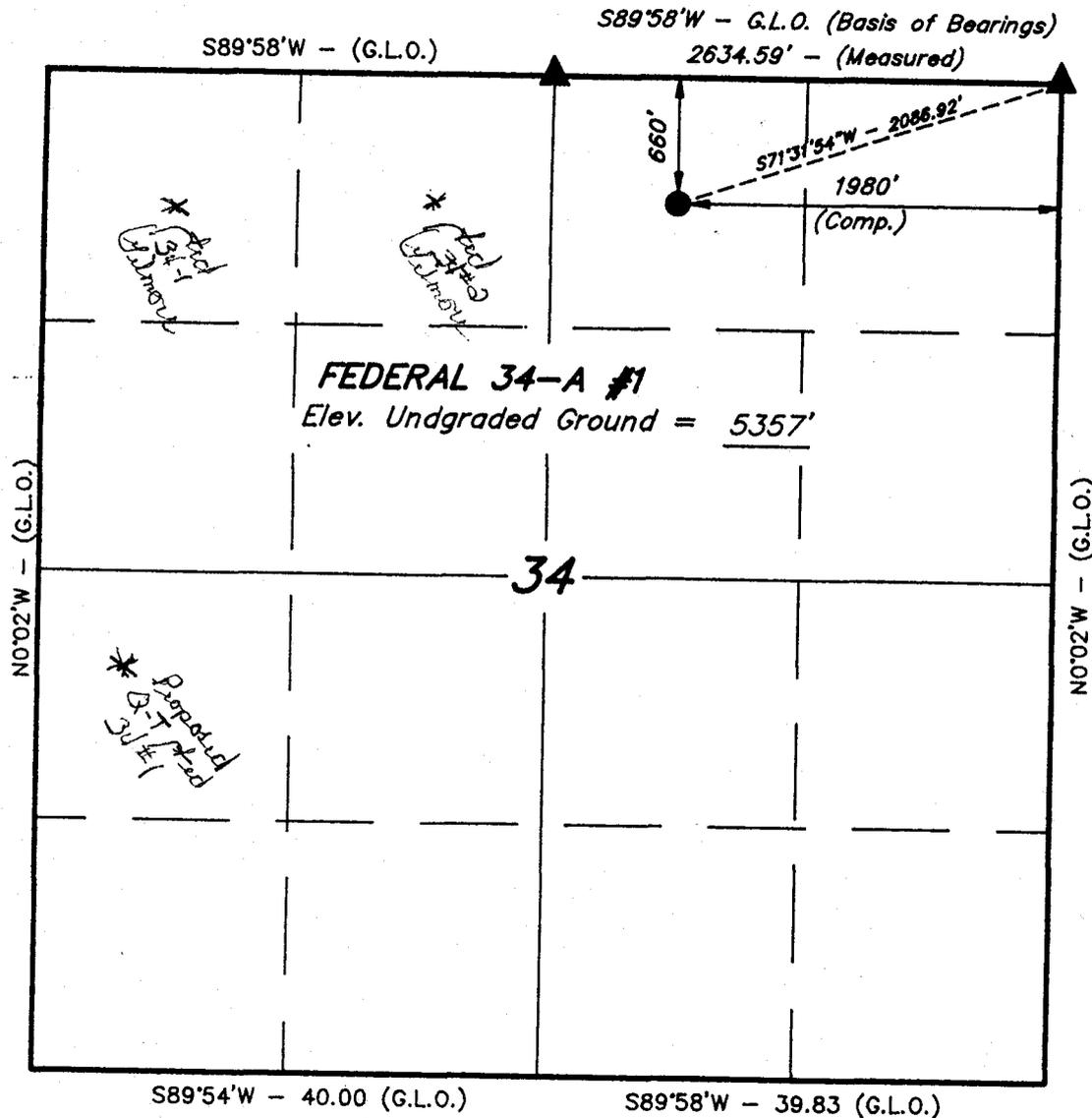
*See Instructions On Reverse Side

10/17/90
RB 15-3-V

GILMORE OIL & GAS

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

Well location, FEDERAL 34-A #1, located as shown in the NW 1/4 NE 1/4 of Section 34, T8S, R24E, S.L.B.&M. Uintah County, Utah.



BASIS OF ELEVATION

SPOT ELEVATION AT THE NORTHEAST CORNER OF SECTION 34, 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 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.

Robert L. Kay
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 5709
 STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
 P. O. BOX 1758 - 86 SOUTH - 200 EAST
 VERNAL, UTAH - 84078

SCALE 1" = 1000'	DATE 8-22-90
PARTY L.D.T. G.S. T.D.H.	REFERENCES G.L.O. PLAT
WEATHER WARM, CLEAR	FILE GILMORE OIL & GAS

▲ = SECTION CORNERS LOCATED. (Brass Caps)

SURFACE USE PROGRAM
FEDERAL "34-A" NO. 1
NW NE, SECTION 34, T8S, R24E
LEASE NO. U-64449
UINTAH COUNTY, UTAH

1. EXISTING ROADS

- A. This location can be reached by taking State Highway 45 south out of Vernal approximately 35 miles and turn left on the old highway 45 and go 1/2 mile to the location on the right. The proposed access road will be approximately 1500' in length and will utilize an existing road and old landing strip access road.
- 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 1%
- C. Major cuts or fills: None
- D. Turnouts: None required
- E. Drainage: None
- F. Culverts: None
- 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: Three; 1) NW/4 Sec. 34, T8S, R24E
2) NW/4 SE/4, Sec. 27, T8S, R24E
3) NE/4 SW/4 Sec. 26, T8S, R24E
- D. Disposal Wells: None
- E. Producing Wells: Four: All operated by Gilmore Oil & Gas
 - 1) Federal 27 #1 - SESW Sec. 27
 - 2) Raging Bull #1 - NESW Sec. 26
 - 3) Federal 34 #1 - NWNW Sec. 34
 - 4) Federal 27 #2 - SWSE Sec. 27
 - 5) Federal 34 #2 - NENW Sec. 34
 - 6) Federal 27 #3 - SESE Sec. 27
- F. Drilling Wells: None
- G. Permitted Wells: Five (5)
 - 1) Federal 26 #1 NWSW Sec. 26
 - 2) Federal 34 #3 SWNW Sec. 34
 - 3) Federal 33 #1 NESE Sec. 33
 - 4) Federal 33 #2 SE NE Sec. 33
 - 5) Q-T Federal 34 #1 NWSW Sec. 34

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

- A. Facility Required in the event of production on Well pad:
A beam type pumping unit, 2-400 bbl tanks, heater treater and associated flowlines.
- B. Description of facilities:
All permanent structure will be painted a flat non-reflective earth tone Desert Brown 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 and construct flowline from the wellhead to the existing tank battery on this lease.

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 as shown on the included surveyors plat.
- C. Topsoil will be stockpiled as shown on the included surveyors plat.
- 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, 1991. 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 reseeding, 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 reseeding requirements.

Rehabilitation will be completed by November 1, 1991, 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.
- D.
 - 1. If any cultural values are observed during construction all work will stop and the BLM authorities will be notified.
- E. All equipment and vehicles will be confined to the access road right of way pad and areas specified in the APD.
- F. The operator 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.

14. Lessee's or Operators Representative and Certification

Gilmore Oil & Gas-----(915) 687-0408
 110 N. Marienfeld, Suite 155
 Midland, Texas 79701
 William C. Gilmore

I hereby certify that I or persons under my direct supervision, have inspected the proposed drillsite and access route, that I am familiar with the conditions which 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. 1001 for the filing of a false statement.

9-25-90 _____
 Date William C. Gilmore
 Gilmore Oil & Gas

GILMORE OIL & GAS
Federal "34-A" #1
NW NE Sec. 34, 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 4,100' (TD). The primary zone of interest from 3,800' to TD 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
approximately 8 joints

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

4. Cementing Program

Surface Casing: Cement circulated to surface with 200 sacks

Production Casing: Pay Zone to be covered with high compressive strength cement and light weight cement to fill 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'				AIR
300 - 700'	8.4 - 8.6	28	NC	Native
700 - 1700'	8.4 - 8.6	30-32	NC	FWG with LCM
1700 - 3100'	8.6 - 8.8	32-34	NC	FWG with LCM
3100 - 4100'	8.8 - 9.1	38-50	NC	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 @ 2000'.
- B. A full opening drill pipe stabbing valve with proper connections will be on the rig floor ready for use when the kelly is not in the string.

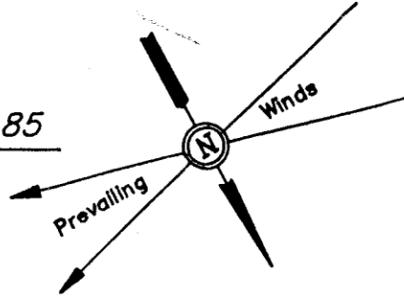
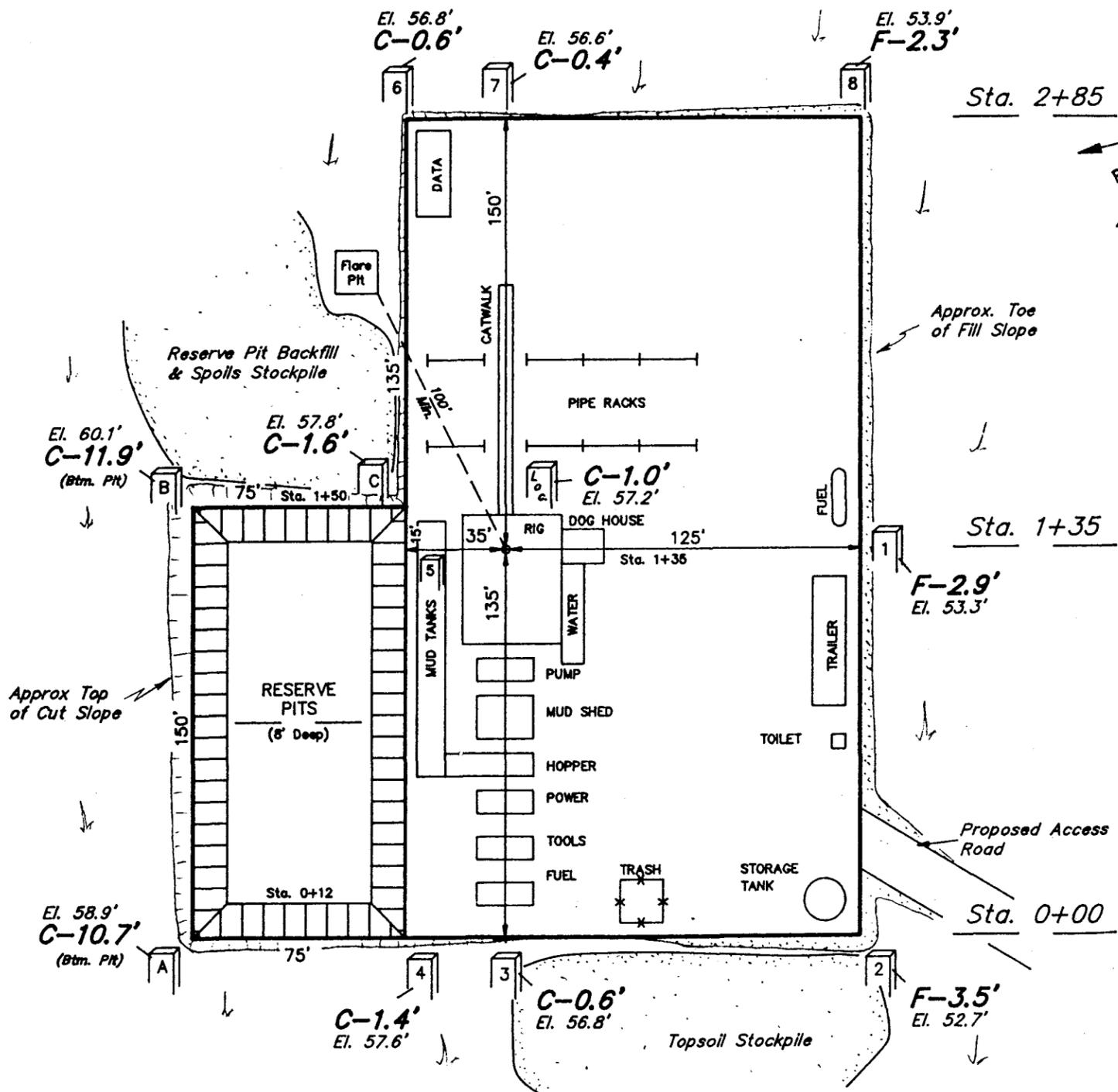
13. ANTICIPATED STARTING DATE:

The location and road construction to begin as soon as a permit is approved and drilling to start approximately October 1, 1990.

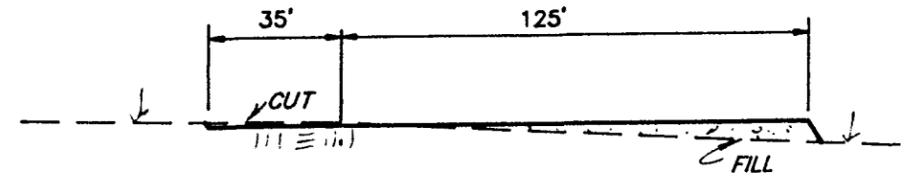
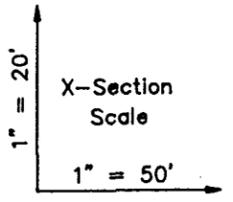
14. ADDITIONAL CONSIDERATIONS

Operator will use a portable drilling rig to drill this hole with air. This rig will also run the 8 5/8" casing. The bigger drilling rig will move on shortly thereafter.

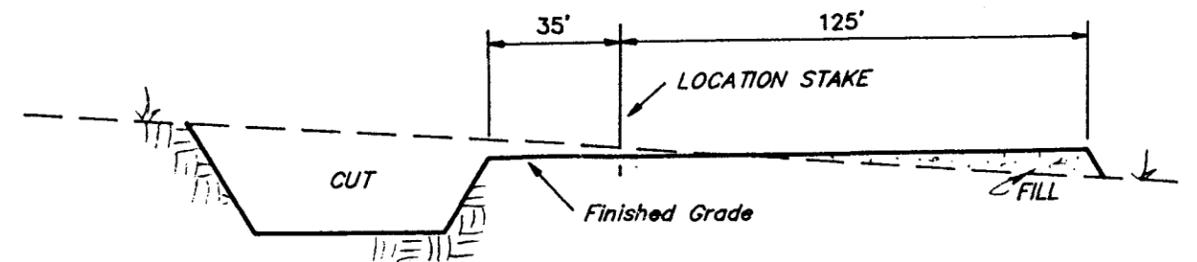
GILMORE OIL & GAS
LOCATION LAYOUT FOR
FEDERAL 34-A #1
SECTION 34, T8S, R24E, S.L.B.&M.



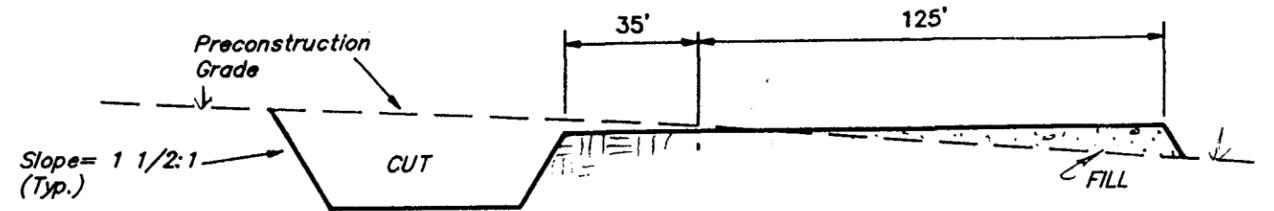
SCALE: 1" = 50'
 DATE: 8-22-90
 Drawn By: J.R.S.



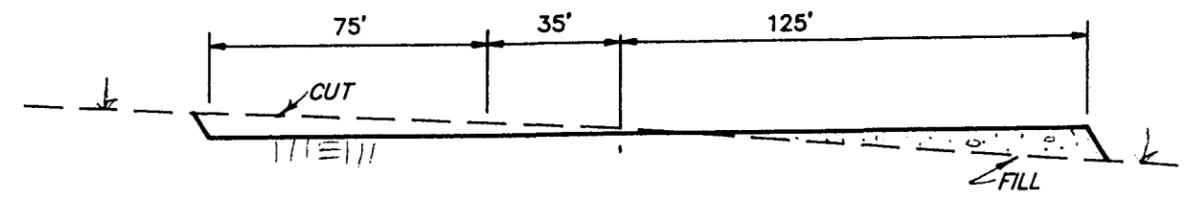
STA. 2+85



STA. 1+35



STA. 0+12



STA. 0+00

TYP. LOCATION LAYOUT

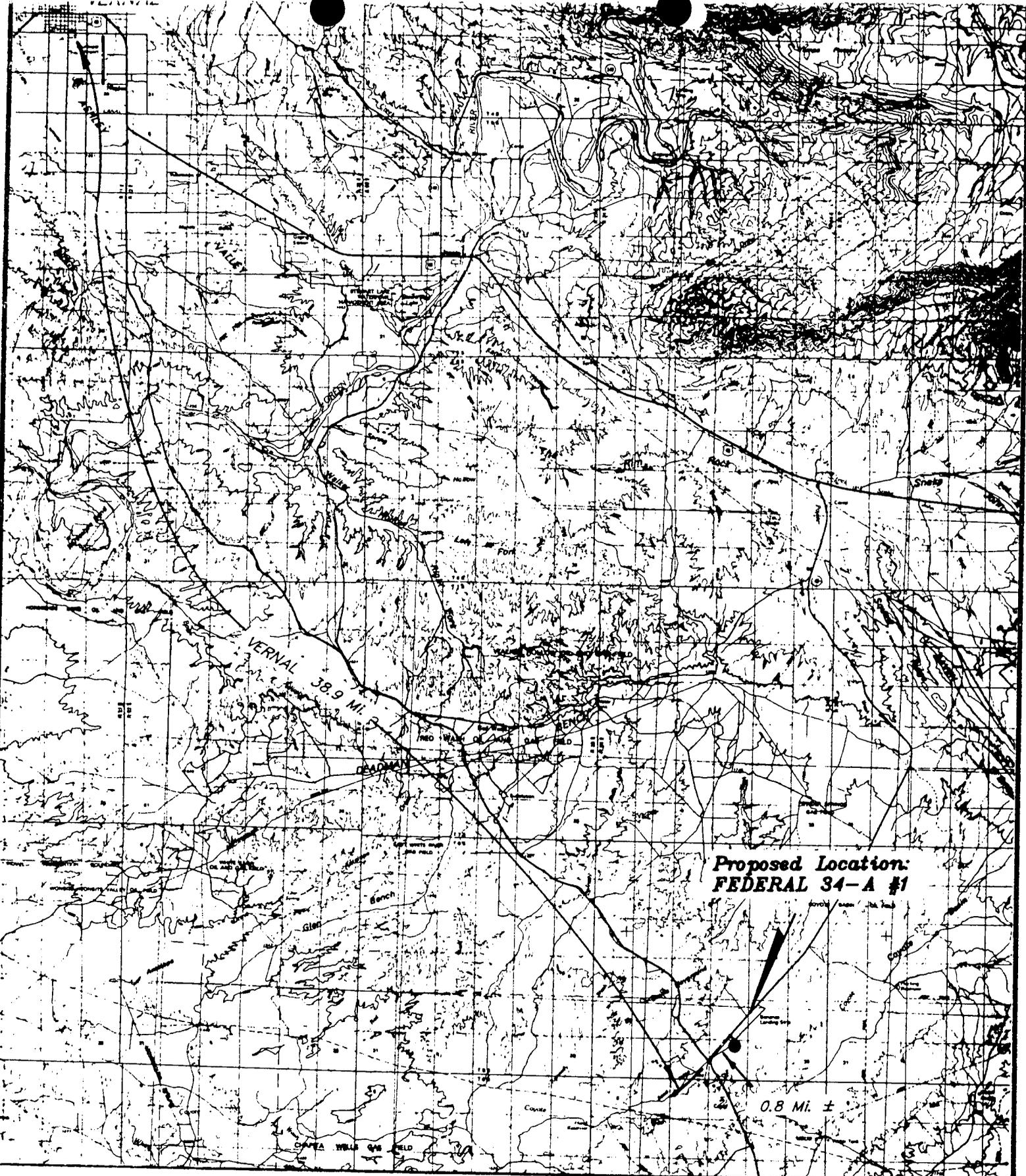
TYP. CROSS SECTIONS

APPROXIMATE YARDAGES

CUT		EXCESS MATERIAL AFTER	
(6") Topsoil Stripping	= 1,050 Cu. Yds.	5% COMPACTION	= 2,400 Cu. Yds.
Pit Volume (Below Grade)	= 2,580 Cu. Yds.	Topsoil & Pit Backfill	= 2,340 Cu. Yds.
Remaining Location	= 1,100 Cu. Yds.	(1/2 Pit Vol.)	
TOTAL CUT	= 4,730 CU.YDS.	EXCESS UNBALANCE	= 60 Cu. Yds.
FILL	= 2,210 CU.YDS.	(After Rehabilitation)	

NOTES:

Elev. Ungraded Ground At Loc. Stake = **5357.2'**
 FINISHED GRADE ELEV. AT LOC. STAKE = **5356.2'**



Proposed Location:
FEDERAL 34-A #1

0.8 Mi. ±

TOPOGRAPHIC

MAP "A"

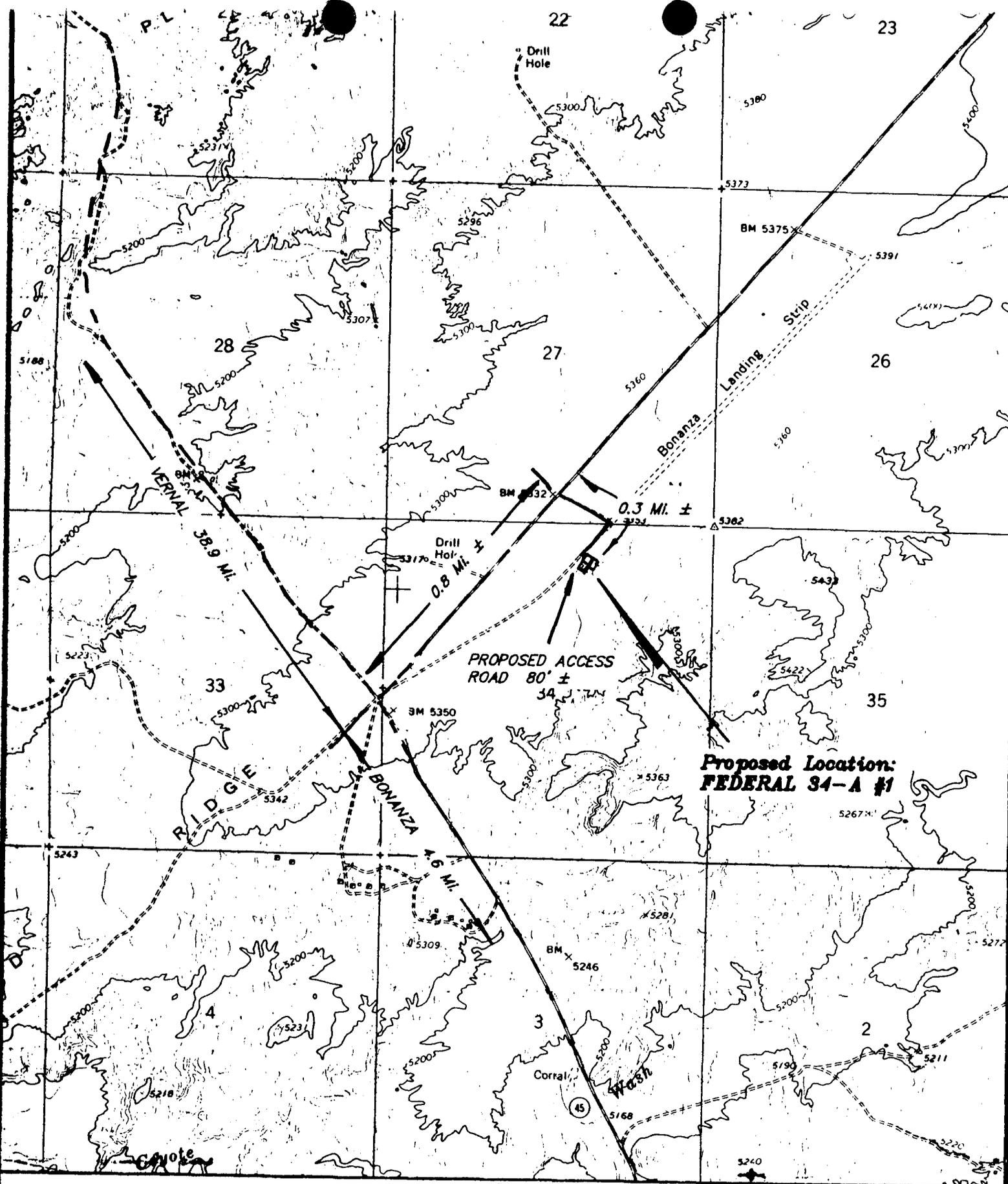
DATE: 8-22-90



GILMORE OIL & GAS

FEDERAL 34-A #1

SECTION 34, T8S, R24E, S.L.B&M.



TOPOGRAPHIC
MAP "B"
 DATE: 8-22-90
 SCALE 1" = 2000'



GILMORE OIL & GAS
FEDERAL 34-A #1
SECTION 34, T8S, R24E, S.L.B.&M.

OPERATOR Winn-Dixie Oil Gas N-5480 DATE 10-17-90

WELL NAME Redual 34-A #1

SEC N4E 34 T 85 R 04E COUNTY Winton

43-047-31908
API NUMBER

Redual (1)
TYPE OF LEASE

CHECK OFF:

PLAT.

BOND

NEAREST WELL

LEASE

FIELD SLBM

POTASH OR OIL SHALE

PROCESSING COMMENTS:

OK sec 34
Water Permit

APPROVAL LETTER:

SPACING:

R615-2-3

N/A
UNIT

R615-3-2

N/A
CAUSE NO. & DATE

R615-3-3

STIPULATIONS:

1- Water Permit

GILMORE OIL & GAS

110 N. MARIENFELD, SUITE 155 • ONE MARIENFELD PLACE • MIDLAND, TEXAS 79701 • (915) 687-0408 • FAX (915) 687-0400

October 9, 1990

RECEIVED
OCT 15 1990

DIVISION OF
OIL, GAS & MINING

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

Attention: Ms. Tami Searing

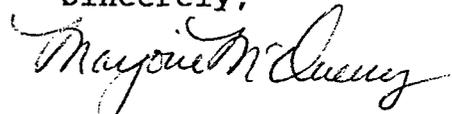
Re: APD material

Dear Tami:

As per your telephone request, please find the enclosed material for the six APDs that I recently filed with your office. This is the same material that was filed with the BLM for this six federal wells.

Should you require any further information on this application, please do not hesitate to call the undersigned.

Sincerely,



Marjorie McQuerry



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter
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

October 17, 1990

Gilmore Oil & Gas
110 N. Marienfeld, Suite 155
Midland, Texas 79701

Gentlemen:

Re: Federal 34-A #1 - NW NE Sec. 34, T. 8S, R. 24E - Uintah County, Utah
660' FNL, 1980' 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 7.
4. Prompt notification if it is necessary to plug and abandon the well. Notify R. J. Firth, Associate Director, (Office) (801) 538-5340, (Home) 571-6068, or Jim Thompson, Lead Inspector, (Home) 298-9318.
5. Compliance with the requirements of Rule R615-3-20, Gas Flaring or Venting, Oil and Gas Conservation General Rules.

Page 2
Gilmore Oil & Gas
Federal 34-A #1
October 17, 1990

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 43-047-31908.

Sincerely,



R. J. Firth
Associate Director, Oil & Gas

tas
Enclosures
cc: Bureau of Land Management
J. L. Thompson
we14/1-4

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

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO.
U-64449

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

7. UNIT AGREEMENT NAME
N/A

8. FARM OR LEASE NAME
Federal 34-A

9. WELL NO.
1

10. FIELD AND POOL, OR WILDCAT
Undesignated

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 34 T8SR24E

12. COUNTY OR PARISH
Uintah

13. STATE
Utah

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER
 OCT 17 1990 SINGLE ZONE MULTIPLE ZONE

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 660' FNL & 1980' FEL (NW NE)
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
35 Miles south of Vernal, Utah

10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
660'

16. NO. OF ACRES IN LEASE
1400'

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.
n/a

19. PROPOSED DEPTH
4,100'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
5,382' GL

22. APPROX. DATE WORK WILL START*

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24.0*	300'	200 sxs**
7 7/8"	5 1/2"	15.50	4100'	300 sxs**

* New or reconditioned used
 ** Volume to be determined by Caliper log



It is proposed to drill a well at the above site. The primary zone of interest is the Green River sand from 3,700' - 4100'. If the zone of interest is present and appears to be productive, 5 1/2" casing will be run and cemented in place and the well will be completed. If the completion attempt does not find commercial production, then the well will be plugged and abandoned and the location and road will be restored as per BLM instruction.

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. Gilmore TITLE Owner DATE 9-7-90

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY Donald B. Lawrence TITLE ASSISTANT DISTRICT MANAGER, UTAH DATE OCT 16 1990

CONDITIONS OF APPROVAL, IF ANY:

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

*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.

44080-0m57

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Company GILMORE OIL & GAS Well No. Federal 34-A
Location NWNE Sec. 34, T. 8S, R. 24E Lease No. U-64449

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.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

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 Tim Ingwell 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 usable 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 on location during pressure testing.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

Useable water may be encountered from the surface to +50 ft. in the Quaternary surface gravels, from +676-1020 ft. in the Uinta formation, and from +1570-1730 ft. in the Green River formation. The Mahogany oil shale and the L1 oil shale have been identified from +2170-2296 ft. and +2356-2430 ft., respectively. Therefore, as a minimum, the resources shall 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. Also, if gilsonite is encountered in the shallow subsurface, it will need to be isolated and/or protected via the cementing program.

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.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

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) 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 forty-eight (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 thirty (30) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 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.

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 thirty (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 Onshore Oil and Gas Order No. 3 regulations will be adhered to.

All off-lease storage, off-lease measurement, or commingling onlease 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 Onshore

Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 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).

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

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

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

Ed Forsman (801) 789-7077
Petroleum Engineer

BLM FAX Machine (801) 789-3634

Revised October 1, 1985

Date NOS Received: 08/07/90

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

Company/Operator: GILMORE OIL AND GAS

Well Name & Number: Federal 34-A-1

Lease Number: U-64449

Location: NWNE Sec. 34 T. 8S R. 24E

Surface Ownership: BLM

1. Planned Access Roads

Access roads and surface disturbing activities will conform to standards outlined in the BLM/USFS 1989 "Surface Operating Standards for Oil and Gas Development".

The road shall be upgraded or constructed 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 Wells

Provide a map or plat of all wells within a one mile radius of the proposed well location showing and identifying the existing:

- Water wells
- Abandoned wells
- Temporarily abandoned wells
- Disposal wells
- Drilling wells
- Producing wells
- Shut-in wells
- Injection wells

3. Location of Existing and/or Proposed Wells

On well pad: Show the following existing area facilities and dimensions to be utilized if the well is successfully completed for production:

The battery or the well pad will be surrounded by a dike of sufficient capacity to contain the capacity of the largest vessel. The integrity of the dike must be maintained.

4. Methods for Handling Waste Disposal

Production facilities: More than one pit for produced water on production facilities must be justified.

5. Well Site Layout

All pits will be fenced in accordance with the Vernal District Fencing Policy.

6. Plans for Restoration of Surface

The reserve pit will be reclaimed within ninety (90) days from the date of well completion.

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

The BLM recommends the following procedure for reclamation:

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

7 Other Additional Information

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 BLM Office shall be notified upon site completion prior to moving on the drilling rig.

No construction or drilling activities shall be conducted between May 15 and June 20 in order to protect pronghorn antelope during the kidding period.

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.)

Cultural Resource Protection Procedures

The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work

that might further disturb such materials, and contact the authorized officer (AO). Within five (5) working days, the AO will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and
- a time frame for the AO to complete an expedited review under 36 CFR 800.11 to conform, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wishes at any time to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume construction.

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/her subcontractors. A copy of these conditions will be furnished the field representative to ensure 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.

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.

RECEIVED

DEC 20 1991

DEC 17 1991

3162.35
U-08438

DIVISION OF
OIL GAS & MINING

Gilmore Oil & Gas
Attn: William C. Gilmore
110 N. Marienfeld, Suite 155
Midland, TX 79701

43-047-31908
Re: Rescind Application for
Permit to Drill
Well No. Federal 34-A
Section 34, T8S, R24E
Lease No. U-64449
Uintah County, Utah

Dear Mr. Gilmore:

The Application for Permit to Drill the above-referenced well was approved on October 16, 1990. 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,



Howard B. Cleavinger II
Assistant District Manager for Minerals

MHerrmann:plp:December 16, 1991
bcc: State Div. OG&M
central file
well file
U-922/943
reading file
RA



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

December 31, 1991

Mr. William C. Gilmore
Gilmore Oil and Gas
110 N. Marienfeld, Suite 155
Midland, Texas 79701

Dear Mr. Gilmore:

Re: Well No. Federal 34-A #1, Sec. 34, T. 8S, R. 24E, Uintah County, Utah,
API No. 43-047-31908

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 the commencement of any future work on 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,

Don Staley
Administrative Supervisor
Oil and Gas

DME/lde
cc: R.J. Firth
Bureau of Land Management - Vernal
Well file
WOI196