

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK  
 DRILL       DEEPEN       PLUG BACK

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

2. NAME OF OPERATOR  
 Coastal Oil & Gas Corporation

3. ADDRESS OF OPERATOR  
 P.O. Box 749; Denver, Colorado 80201-0749

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
 At surface  
 1847' FNL, 1725' FEL (SW 1/4 NE 1/4) 14-10S-21E  
 At proposed prod. zone  
 Same as above

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 Approximately fifteen (15) miles southeast of Ouray, Utah

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)      1,725'

16. NO. OF ACRES IN LEASE      320.00

17. NO. OF ACRES ASSIGNED TO THIS WELL      80

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.      2,250' ±

19. PROPOSED DEPTH      6,325' WSTC

20. ROTARY OR CABLE TOOLS      Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
 5,342' GR

22. APPROX. DATE WORK WILL START\*  
 April 1, 1991

5. LEASE DESIGNATION AND SERIAL NO.  
 UTU-465

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
 Not Applicable

7. UNIT AGREEMENT NAME  
 Natural Buttes

8. FARM OR LEASE NAME  
 NBU

9. WELL NO.  
 139

10. FIELD AND POOL, OR WILDCAT  
 Natural Buttes 630

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
 Section 14, T10S, R21E

12. COUNTY OR PARISH      13. STATE  
 Uintah      Utah

23. PROPOSED CASING AND CEMENTING PROGRAM (ALL NEW)

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8" K-55	24.0#	0- 250'	180 sx Circulated to Surface*
7-7/8"	5-1/2" K-55	17.0#	0-6,325'	545 sx Circulated to Surface*

\* Cement volumes may change due to hole size. Calculate from caliper log.

**RECEIVED**  
FEB 06 1991

EIGHT-POINT RESOURCE PROTECTION PLAN ATTACHED.

DIVISION OF  
OIL, GAS & MINING

I hereby certify that Coastal Oil & Gas Corporation is authorized by the proper Lease Interest Owners to conduct lease operations associated with this Application for Permit to Drill the NBU #139, Federal Lease #UTU-465. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Coastal Oil & Gas Corporation, Nationwide Bond #CO-0018, who will be responsible for compliance with all the terms and conditions of that portion of the lease associated with this Application.

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 Charles E. Mowly TITLE District Drilling Manager DATE 01/25/91  
 CHARLES E. MOWLY

(This space for Federal or State office use)  
 API 43-047-31948 PERMIT NO. 43-047-31948 APPROVAL DATE \_\_\_\_\_  
 APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE: 02-08-91  
 BY: JAN Matthews  
 WELL SPACING: 1615-2-3

\*See Instructions On Reverse Side

# T10S, R21E, S.L.B.&M.

## COASTAL OIL & GAS CORP.

Well location, COG NBU #139, located as shown in the SW 1/4 NE 1/4 of Section 14, T10S, R21E, S.L.B.&M. Uintah County, Utah.

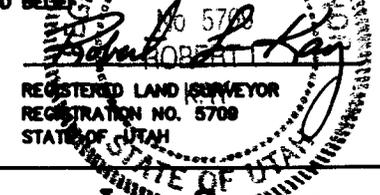
### BASIS OF ELEVATION

SPOT ELEVATION AT THE NE CORNER OF SECTION 14, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5295 FEET.



### CERTIFICATE

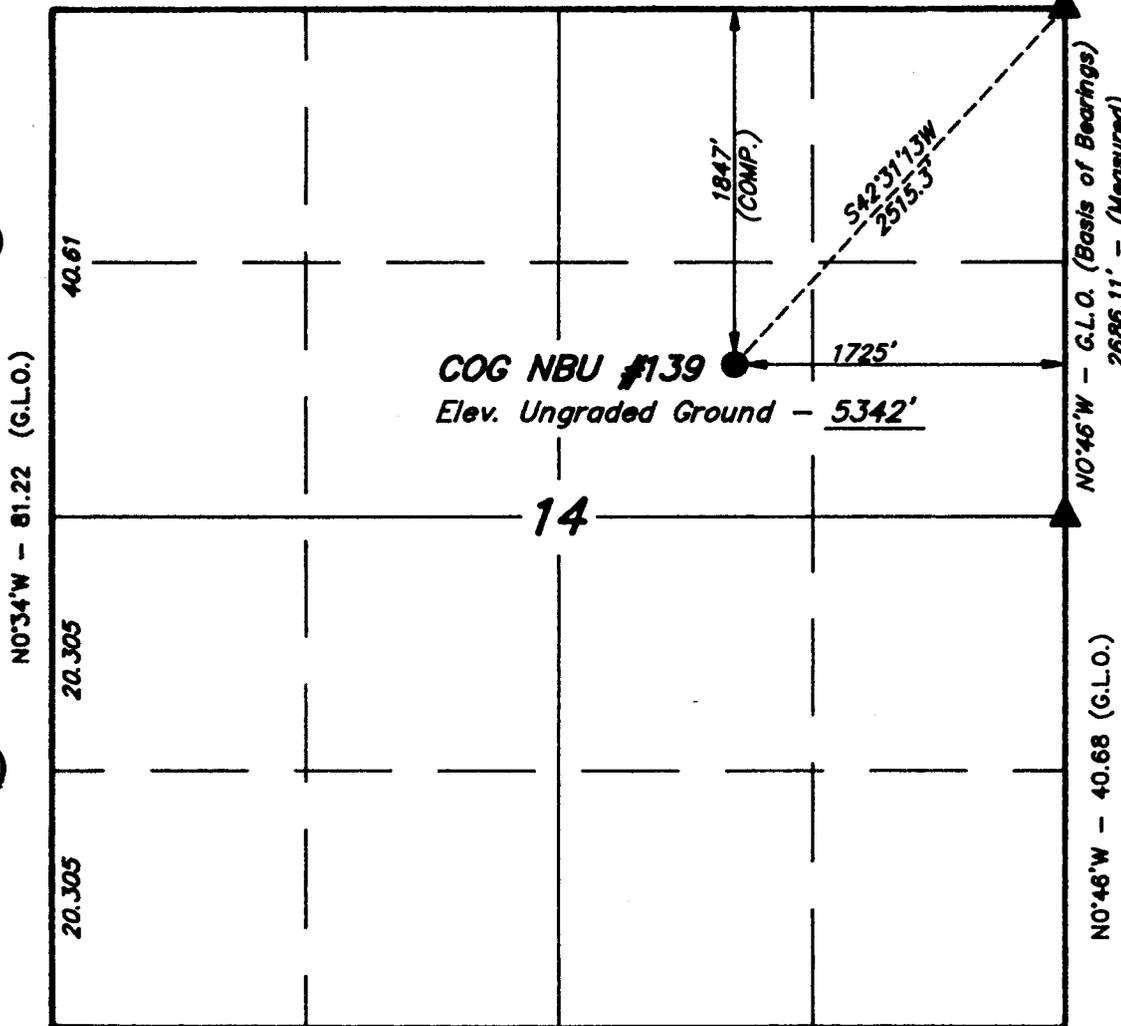
THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



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

SCALE 1" = 1000'	DATE 1-11-91
PARTY G.S. J.F. R.E.H.	REFERENCES G.L.O. PLAT
WEATHER COLD	FILE COASTAL OIL & GAS CORP.

S89°45'W - 80.70 (G.L.O.)



**COG NBU #139**  
 Elev. Ungraded Ground - 5342'

14

S89°51'W - 81.00 (G.L.O.)

▲ = SECTION CORNERS LOCATED. (Bronze Caps)

COASTAL OIL & GAS CORPORATION  
Lease #UTU-465, NBU #139  
SW $\frac{1}{4}$ NE $\frac{1}{4}$ , Section 14, T10S, R21E  
Uintah County, Utah

Drilling Prognosis

1. Estimated Tops of Important Geologic Markers:

Uinta	Surface	Wasatch	4565'
Green River	1434'	Total Depth	6325'

2. Estimated Depths of Anticipated Water, Oil, Gas or Mineral Formations:

Wasatch                      4565'                      Gas (Primary Objective)

If any shallow water zones are encountered, they will be adequately protected and reported; none anticipated. All potentially productive hydrocarbon zones will be cemented off.

3. Pressure Control Equipment: (Schematic Attached)

A. Type: 11" Double Gate Hydraulic.

The Blow-Out Preventer will be equipped as follows:

1. One (1) blind ram (above).
2. One (1) pipe ram (below).
3. Kill line (2-inch minimum).
4. One (1) kill line valve (2-inch minimum).
5. One (1) choke line valve.
6. Two (2) adjustable chokes.
7. Upper kelly cock valve with handle available.
8. Safety valve & subs to fit all drill strings in use.
9. 2-inch (minimum) choke line.
10. Pressure gauge on choke manifold.

B. Pressure Rating: 2,000 psi

C. Testing Procedure:

At a minimum, the BOP, choke manifold, and related equipment will be pressure tested to the approved working pressure of the BOP stack (if isolated from the surface casing by a test plug) or to 70% of the internal yield strength of the surface casing (if the BOP is not isolated from the casing by a test plug). Pressure will be maintained for a period of at least ten (10) minutes or until the requirements of the test are met, whichever is longer.

3. Pressure Control Equipment:

C. Testing Procedure: Continued

At a minimum, the above pressure test will be performed:

1. When the BOP is initially installed;
2. Whenever any seal subject to test pressure is broken;
3. Following related repairs; and
4. At thirty (30) day intervals.

In addition to the above, the pipe and blind rams will be activated each trip, but not more than once each day.

All BOP drills and tests will be recorded in the IADC driller's log.

D. Choke Manifold Equipment:

All choke lines will be straight lines unless turns use tee blocks or are targeted with running tees, and will be anchored to prevent whip and vibration.

E. Accumulator:

The accumulator will have sufficient capacity to close all BOP's and retain 200 psi above precharge. Nitrogen bottles which meet the manufacturer's specifications will be used as the backup to the required independent power source. The accumulator precharge pressure test will be conducted prior to connecting the closing unit to the BOP stack and at least once every six (6) months thereafter. The accumulator pressure will be corrected if the measured precharge pressure is found to be above or below the maximum or minimum limits specified in Onshore Operating Order #2.

F. Special Drilling Operations:

In addition to the equipment already specified in Items A through E, above, the following equipment will be in place and operational during air/gas drilling:

1. Properly lubricated and maintained rotating head.
2. Spark arresters on engines or water cooled exhaust.
3. Blooie line discharge 100 feet from well bore and securely anchored.

3. Pressure Control Equipment:

F. Special Drilling Operations: Continued

4. Straight run on blooie line.
5. Deduster equipment (not required on aerated water system).
6. All cuttings and circulating medium(s) shall be directed into a reserve or blooie pit.
7. Float valve above bit.
8. Automatic igniter or continuous pilot light on the blooie line (not required on aerated water system).
9. Compressors located in the opposite direction from the blooie line and at a minimum of 100 feet from the well bore.
10. Mud circulating equipment, water, and mud materials (does not have to be pre-mixed) sufficient to maintain the capacity of the hole and circulating tanks or pits.

G. Miscellaneous Information:

The Blow-Out Preventer and related pressure control equipment will be installed, tested and maintained in compliance with the specifications in and requirements of Onshore Operating Order #2.

The choke manifold and BOP extension rods with hand wheels will be located outside the rig sub-structure. The hydraulic BOP closing unit will be located at least twenty-five (25) feet from the well head but readily accessible to the driller.

Exact locations and configurations of the hydraulic BOP closing unit will depend upon the particular rig contracted to drill this hole.

A flare line will be installed after the choke manifold, extending 100 feet (minimum) from the center of the drill hole to a separate flare pit.

4. The Proposed Casing and Cementing Program: (All New)

A. Casing Program

<u>Hole Size</u>	<u>Casing Size</u>	<u>Wt./Ft.</u>	<u>Grade</u>	<u>Joint</u>	<u>Depth Set</u>
12-1/4"	8-5/8"	24.0#	K-55	ST&C	0- 250'

4. The Proposed Casing and Cementing Program:

A. Casing Program - Continued

<u>Hole Size</u>	<u>Casing Size</u>	<u>Wt./Ft.</u>	<u>Grade</u>	<u>Joint</u>	<u>Depth Set</u>
7-7/8"	5-1/2"	17.0#	K-55	LT&C	0-6325'

Casing string(s) will be pressure tested to 0.22 psi per foot, or 1500 psi (not to exceed 70% of the internal yield strength of the casing), whichever is greater, after cementing and prior to drilling out from under the casing shoe.

B. Cementing Program

Surface Casing : Cement with approximately 180 sx Class "G" cement + additives, circulated to surface with 100% excess.

Production Casing : Lead with approximately 350 sx Halliburton Silica "Lite" cement with 4% Gel, 4% CaCl<sub>2</sub>, 0.3 % Halad-413 and 2.0#/sx Granulite TR; tail with approximately 195 sx Class "G" cement + additives. Cement will be circulated back to surface with 30% excess.

Actual cement volumes to be required will be determined from the caliper log.

All waiting on cement (WOC) times will be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.

5. Mud Program: (Visual Monitoring)

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Viscosity</u>	<u>Fluid Loss</u>
0-6325'	Aerated Water	-----	-----	-----

Sufficient quantities of mud materials will be maintained or readily accessible for the purpose of assuring well control during the course of drilling operations.

6. Evaluation Program:

Logs : DIL-Caliper : 6325' - Surface  
FDC-CNL : 6325' - 1500'

DST's : None anticipated.

Cores : None anticipated.

The proposed evaluation program may change at the discretion of the wellsite geologist, with prior approval from the Authorized Officer, Bureau of Land Management.

Stimulation : No stimulation or frac treatment has been formulated for this test at this time. The drill site, as approved, will be of sufficient size to accommodate all completion activities.

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 to the Book Cliffs Resource Area Office not later than thirty (30) days after the completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164.

Two (2) 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, Book Cliffs Resource Area Office, Bureau of Land Management, 170 South 500 East, Vernal, Utah 84078, Phone: (801) 789-1362.

7. Abnormal Conditions:

No abnormal temperatures or pressures are anticipated. No H<sub>2</sub>S has been encountered in or known to exist from previous wells drilled to similar depths in the general area. Maximum anticipated bottom hole pressure equals approximately 2,941 psi (calculated at 0.465 psi/foot) and maximum anticipated surface pressure equals approximately 1,550 psi (bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. Anticipated Starting Dates and Notification of Operations:

A. Drilling Activity

Anticipated Commencement Date : April 1, 1991  
Drilling Days : Approximately 10 Days  
Completion Days : Approximately 7 days

B. Notification of Operations

The Book Cliffs Resource Area Office, Bureau of Land Management will be notified at least twenty-four (24) hours PRIOR to the commencement of the following activities:

1. Spudding of the well. This oral report will be followed up with a Sundry Notice (Form 3160-5);
2. initiating pressure tests of the blow-out preventer and related equipment;
3. running casing and cementing of ALL casing strings.

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 suspended status without prior approval of the Authorized Officer. If operations are to be suspended, prior approval of the Authorized Officer will be obtained and notification given before resumption of operations.

In accordance with Onshore Operating Order #1, this well will be reported on MMS Form 3160-6, "Monthly Report of Operations", starting with the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with the Royalty Management Program, Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217.

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

8. Anticipated Starting Dates and Notification of Operations:

B. Notification of Operations - Continued

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 Authorized Officer, and all conditions of this approved plan will be applicable during all operations conducted with the replacement rig.

Should the well be successfully completed for production, the Authorized Officer will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication no later than five (5) business days following the date on which the well is placed on production.

Pursuant to NTL-2B, with the approval of the Authorized Officer, produced water may be temporarily disposed of into the reserve pit for a period of up to ninety (90) days. During this 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 Authorized Officer.

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

A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3, and 3162.7-4 shall be submitted to the Vernal District Office within thirty (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 fifteen (15) days after receipt of the first production notice.

8. Anticipated Starting Dates and Notification of Operations:

B. Notification of Operations - Continued

No well abandonment operations will be commenced without the prior approval of the Authorized Officer. In the case of newly-drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the Authorized Officer.

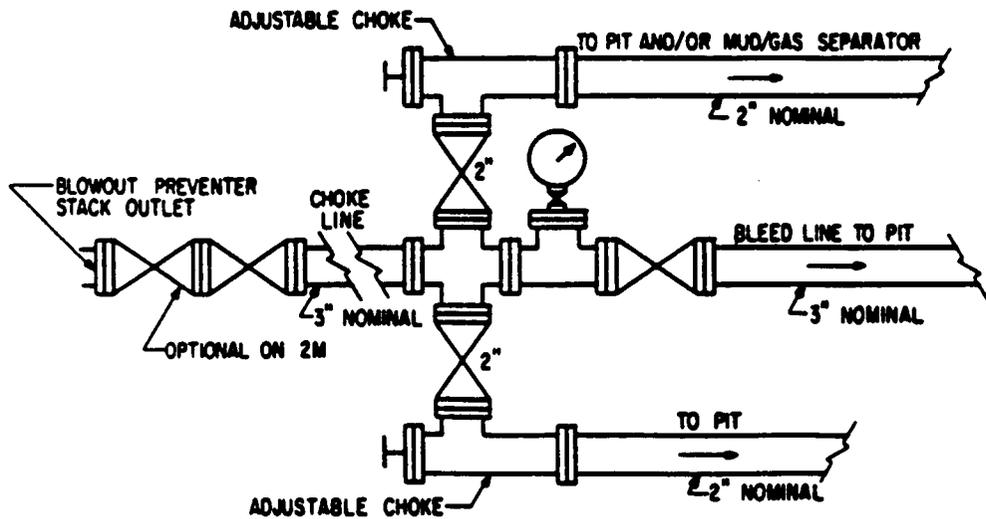
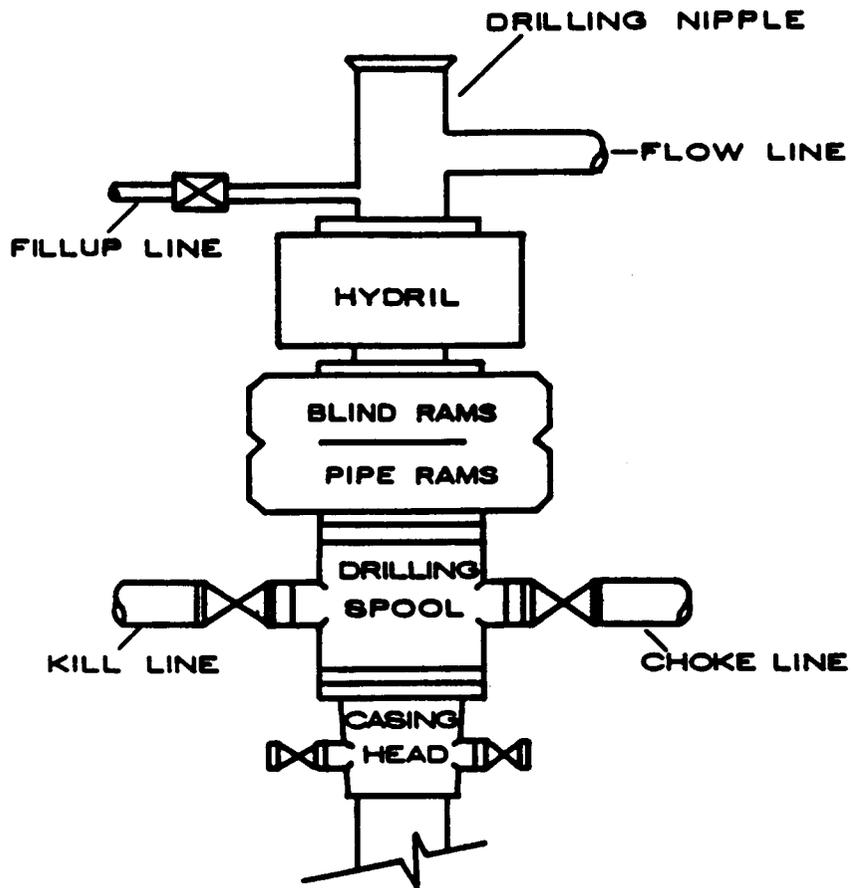
A "Notice of Intention to Abandon" (Form 3160-5) will be filed with the Authorized Officer within fifteen (15) days following the granting of oral approval to plug and abandon.

Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. The following information will be permanently placed on the marker with a plate, cap, or beaded-on with a welding torch: "Fed" or "Ind", as applicable; Company Name, Well Name and Number, Location by Quarter/Quarter, Section, Township, Range, and Federal or Indian Lease Number.

A "Subsequent Report of Abandonment" (Form 3160-5) will be submitted within thirty (30) days following the actual plugging of the well bore. This report will indicate where plugs were placed and the current status of surface restoration operations. If surface restoration has not been completed at that time, a follow-up report on Form 3160-5 will be filed when all surface restoration work has been completed and the location is considered ready for final inspection. Final abandonment will not be approved until the surface reclamation work required by the approved Application for Permit to Drill has been completed to the satisfaction of the Authorized Officer or his representative, or the appropriate Surface Management Agency.

Pursuant to Onshore Operating Order #1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in such 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 and Indian lands.

# BOP STACK



COASTAL OIL & GAS CORPORATION  
Lease #UTU-465, NBU #139  
SW $\frac{1}{4}$ NE $\frac{1}{4}$ , Section 14, T10S, R21E  
Uintah County, Utah

Multi-Point Surface Use and Operations Plan

1. Existing Roads: Refer to Maps "A" & "B" (shown in ORANGE)

- A. The proposed well site is staked and four 200-foot reference stakes are present.
- B. To reach the location from the town of Vernal, Utah; proceed generally southwest approximately 14.0 miles on U.S. Highway 40 (a paved highway), thence south approximately 10.0 miles on Utah Highway 88 (a paved highway) to the town of Ouray, thence generally south approximately 9.1 miles on the Seep Ridge Road (an existing, upgraded Uintah County road), thence generally southeast approximately 2.4 miles on an existing, upgraded oilfield road (crowned & ditched with a gravel surface), thence generally east approximately 5.0 miles on an existing, upgraded oilfield road (crowned & ditched with a gravel surface), thence generally east approximately 1.3 miles on an existing, upgraded oilfield road (crowned & ditched with a gravel surface), thence north approximately 0.8 miles on an existing (flat-bladed) road, thence generally northwest and south approximately 0.6 miles to the proposed NBU #139 well location.
- C. Access roads - refer to Maps "A" and "B".
- D. Access roads within one-mile radius - refer to Map "B".
- E. The existing gravel roads will be maintained in the same or better condition as existed prior to the commencement of operations and said maintenance will continue until final abandonment and reclamation of the NBU #139 well location.

2. Planned Access Roads: Refer to Map "B" (Shown in GREEN)

Approximately 0.8 miles of existing (flat-bladed) road will require upgrading and approximately 0.6 miles of new road construction will be required for access to the proposed NBU #139 well location.

- A. Width - maximum 30-foot overall right-of-way with an 18-foot road running surface, crowned & ditched.
- B. Construction standard - the access road will be constructed in accordance with Bureau of Land Management Rooding Guidelines established for oil and gas exploration and development activities as referenced in the BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Third Edition.

2. Planned Access Roads: Continued

- B. The access road will be constructed to meet the standards of the anticipated traffic flow and all-weather requirements. Construction will include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well constructed and safe road.

Prior to construction/upgrading, the roadway shall be cleared of any snow cover and allowed to dry completely.

Traveling off of the thirty (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 the 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 a 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.

- C. Maximum grade - 8%.
- D. Turnouts - turnouts will be constructed along the access route as necessary or required to allow for the safe passage of traffic. None anticipated at this time.
- E. Drainage design - the access road will be crowned, ditched, and water turnouts installed as necessary to provide for proper drainage along the access road route.
- F. Culverts, cuts and fills - no culverts will be required. There are no major cuts and/or fills on/along the proposed access road route.
- G. Surface materials - any construction materials which may be required for surfacing of the access road will be purchased from a local contractor having a permitted source of materials in the area, if required by the Authorized Officer, Bureau of Land Management. None anticipated at this time.
- H. Gates, cattleguards or fence cuts - none required.

2. Planned Access Roads: Continued

I. Road maintenance - during both the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and will be maintained in accordance with the original construction standards. All drainage ditches and culverts will be kept clear and free-flowing, and will also be maintained in accordance with the original construction standards.

The access road right-of-way will be kept free of trash during operations.

J. The proposed access road route has been flagged.

3. Location of Existing Wells Within a One-Mile Radius:

Please Refer to Map "C"

- A. Water wells - none known.
- B. Abandoned wells - none known.
- C. Temporarily abandoned wells - none known.
- D. Disposal wells - none known.
- E. Drilling wells - none known.
- F. Producing wells - NE $\frac{1}{4}$ SW $\frac{1}{4}$ , Section 11, T10S, R21E.  
NE $\frac{1}{4}$ SW $\frac{1}{4}$ , Section 14, T10S, R21E.  
NW $\frac{1}{4}$ SE $\frac{1}{4}$ , Section 14, T10S, R21E.
- G. Shut-in wells - none known.
- H. Injection wells - none known.
- I. Monitoring wells - none known.

4. Location of Existing and/or Proposed Facilities Owned by Coastal Oil & Gas Corporation Within a One-Mile Radius:

A. Existing

- 1. Tank batteries - NE $\frac{1}{4}$ SW $\frac{1}{4}$ , Section 11, T10S, R21E.  
NE $\frac{1}{4}$ SW $\frac{1}{4}$ , Section 14, T10S, R21E.  
NW $\frac{1}{4}$ SE $\frac{1}{4}$ , Section 14, T10S, R21E.
- 2. Production facilities - same as Item #4A1, above.
- 3. Oil gathering lines - none.
- 4. Gas gathering lines - same as Item #4A1, above.

B. New Facilities Contemplated

- 1. All production facilities will be located on the disturbed portion of the well pad.

4. Location of Existing and/or Proposed Facilities Owned by Coastal Oil & Gas Corporation Within a One-Mile Radius:

B. New Facilities Contemplated - Continued

1. Production facilities will be located at a minimum of twenty-five (25) feet from the toe of the back-slope or top of the fill slope.
2. The production facilities (consisting primarily of a christmas tree at the well head, dehydration unit, and emergency pit) will require an area approximately 300' X 135'. A diagram showing the proposed production facility layout will be submitted to the Authorized Officer via "Sundry Notice" (Form 3160-5) for approval of subsequent installation operations.
3. Production facilities will be accommodated on the existing well pad. Construction materials required for installation of the production facilities will be obtained from the site; any additional materials required will be purchased from a local supplier having a permitted (private) source of materials within the area.

A dike will be constructed completely around those production facilities which contain fluids (i.e. production tanks, produced water tanks and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

4. All permanent (on-site for six months or longer) above-the-ground structures constructed or installed including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Five (5) State Rocky Mountain Interagency Committee.

All production facilities will be painted within six (6) months of installation. Facilities required to comply with Occupational Health and Safety Act Rules and Regulations will be excluded from this painting requirement.

The required paint color is Carlsbad Canyon, Munsell standard color number 2.5Y 6/2.

4. Location of Existing and/or Proposed Facilities Owned by Coastal Oil & Gas Corporation Within a One-Mile Radius:

B. New Facilities Contemplated - Continued

5. If at any time the facilities located on public lands and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), the Bureau of Land Management will process a change in authorization to the appropriate statute). The authorization will be subject to the appropriate rental or other financial obligation as determined by the Authorized Officer.

C. The production (emergency) pit will be fenced with woven wire mesh topped with one (1) strand of barbed wire held in place with metal side posts and wooden corner "H" braces in order to protect livestock and wildlife. Please refer to Item #9E (page #'s 8 & 9) for additional information on the fencing specifications.

D. During drilling and subsequent operations, all equipment and vehicles will be confined to the access road right-of-way and any additional areas as specified in the approved Application for Permit to Drill.

E. Reclamation of disturbed areas no longer needed for operations will be accomplished by grading, leveling and seeding as recommended by the Bureau of Land Management (Refer to Item #10A7 (page #10) for the appropriate seed mixture and rate of application).

5. Location and Type of Water Supply:

A. Fresh water for drilling will be obtained from an existing water well and reservoir: Uintah #1, owned by Target Trucking, Inc. and located in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 16, Township 10 South, Range 21 East, Uintah County, Utah; permit #49-991 (A57530).

B. Water will be transported over existing roads via tank truck from the point of diversion to the proposed NBU #139 well location. No new construction will be required on/along the proposed water haul route. No off-lease/unit federal lands will be crossed on/along the proposed water haul route.

5. Location and Type of Water Supply: Continued

C. No water well will be drilled on this location.

6. Source of Construction Materials:

- A. Construction materials needed for surfacing of the well pad will be obtained from a local contractor having a permitted (private) source of materials in the area. Refer to Item #2G (page #2) regarding any construction materials which may be required on the access road.
- B. No construction materials will be taken from Federal and/or Indian lands without prior approval from the appropriate Surface Management Agency.
- C. If production is established, any additional construction materials needed for surfacing the access road and installation of production facilities will be purchased from a local supplier having a permitted (private) source of materials in the area.
- D. No new access roads for construction materials will be required.

7. Methods of Handling Waste Materials:

- A. Cuttings - the cuttings will be deposited in the reserve/bloolie pit.
- B. Drilling fluids - including salts and chemicals will be contained in the reserve/bloolie pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within ninety (90) days after termination of drilling and completion activities.

In the event adverse weather conditions prevent removal of the fluids from the reserve pit within this time period, an extension may be granted by the Authorized Officer upon receipt of a written request from Coastal Oil & Gas Corporation.

The reserve pit will be constructed so as not to leak, break, or allow discharge.

- C. Produced fluids - liquid hydrocarbons produced during completion operations will be placed in test tanks on the location.

7. Methods of Handling Waste Materials: Continued

- C. Produced fluids - produced waste water will be confined to a lined pit (reserve pit) or storage tank for a period not to exceed ninety (90) days after initial production. During the ninety (90) day period, in accordance with NTL-2B, an application for approval of a permanent disposal method and location, along with the required water analysis, shall be submitted for the Authorized Officer's approval. Failure to file an application within the time frame allowed will be considered an incidence of noncompliance.

Any spills of oil, gas, salt water or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

- D. Sewage - self-contained, chemical toilets will be provided by Rocket Sanitation for human waste disposal. Upon completion of operations, or as needed, the toilet holding tanks will be pumped and the contents thereof disposed of in the nearest, approved, sewage disposal facility.
- E. Garbage and other waste material - garbage, trash and other waste materials will be collected in a portable, self-contained and fully-enclosed trash cage during drilling and completion operations. Upon completion of operations (or as needed) the accumulated trash will be disposed of at an authorized sanitary landfill. No trash will be burned on location or placed in the reserve pit.
- F. Immediately after removal of the drilling rig, all debris and other waste materials not contained in the trash cage will be cleaned up and removed from the well location. No adverse materials will be left on the location upon the termination of drilling and completion operations. Any open pits will be fenced during the drilling operation and the fencing will be maintained until such time as the pits are backfilled.

8. Ancillary Facilities:

None anticipated.

9. Wellsite Layout:

- A. Figure #1 shows the drill site layout as staked.

9. Wellsite Layout: Continued

- A. Cross sections have been drafted to visualize the planned cuts and fills across the location. A minimum of six (6) inches of topsoil will be stripped from the location (including areas of cut, fill, and/or subsoil storage) and stockpiled for future reclamation of the well site. Refer to Figure #1 for the location of the topsoil and subsoil stockpiles.
- B. Figure #1 is a diagram showing the rig layout. No permanent living facilities are planned. There will be one (1) trailer on location during drilling operations for the toolpusher.
- C. A diagram showing the proposed production facility layout will be submitted to the Authorized Officer via Sundry Notice (Form 3160-5) for approval of subsequent operations (Refer to Item #4B (page #4) for additional information in this regard).
- D. If porous subsoil materials (gravel, scoria, sand, faulted rock structures, etc.) are encountered during reserve pit construction, an impervious liner will be installed in order to prevent drilling water loss through seepage. We do not anticipate the need for a pit liner at this time.
- E. Prior to the commencement of drilling operations, the reserve pit will be fenced "sheep tight" on three (3) sides according to the following minimum standards:
  1. 30-inch net wire shall be used with at least one (1) strand of barbed wire on top of the net wire (barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
  2. The net wire shall be no more than two (2) inches above the ground. The barbed wire shall be three (3) inches above the net wire. Total height of the fence shall be at least 42 inches.
  3. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
  4. Standard steel, wood, or pipe posts shall be used between the corner braces. maximum distance between any two (2) posts shall be no greater than sixteen (16) feet.

9. Wellsite Layout: Continued

E. Prior to the commencement of drilling operations, the reserve pit will be fenced "sheep tight" on three (3) sides according to the following minimum standards:

5. All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.

The fourth side of the reserve pit will be fenced immediately upon removal of the drilling rig and the fencing will be maintained until the pit is backfilled.

F. Any hydrocarbons on the pit will be removed from the pit as soon as possible after drilling operations are completed.

10. Plans for Reclamation of the Surface:

A. Production

1. Immediately upon well completion, the well location and surrounding area(s) will be cleared of all debris, materials, trash and junk not required for production.
2. Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.
3. If a plastic or nylon reinforced pit liner is used, it shall be torn and perforated before backfilling of the reserve pit.
4. Before any dirt work to restore the location takes place, the reserve pit will be completely dry and all cans, barrels, pipe, etc. will be removed. Other waste and spoil materials will be disposed of immediately upon completion of drilling and workover activities.
5. The reserve pit and that portion of the location and access road not needed for production facilities/ operations will be reclaimed within ninety (90) days from the date of well completion, weather permitting.

10. Plans for Reclamation of the Surface:

A. Production - Continued

6. For production, the fill slopes will be reduced from a 1.5:1 slope to a 3:1 slope and the cut slopes will be reduced from a 1.5:1 slope to a 3:1 slope by pushing the fill material back up into the cut.
7. Upon completion of backfilling, leveling and re-contouring, the stockpiled topsoil will be evenly spread over the reclaimed area(s). Prior to reseeding, all disturbed surfaces (including the access road and location) will be scarified and left with a rough surface. No depressions will be left that would trap water and form ponds. All disturbed surfaces (including the access road and well pad areas) will be reseeded with the following seed mixture recommended by the Bureau of Land Management:

<u>Species</u>	<u>Lbs. PLS/Acre</u>
Hi-Crest Created Wheatgrass	5.0
Four-Wing Saltbush	6.0
Yellow Sweet Clover	1.0

Seed will be drilled on the contour to an approximate depth of one-half (1/2) inch. All seeding will be conducted after September 15 and prior to ground frost.

B. Dry Hole/Abandoned Location

1. At such time as the well is physically plugged and abandoned, Coastal Oil & Gas Corporation will submit a "Subsequent Report of Abandonment" to the Authorized Officer for approval. At that time, the Bureau of Land Management will formulate the appropriate surface rehabilitation requirements and attach them as the conditions of approval for final abandonment.

11. Surface Ownership:

The well site and proposed access road are situated on surface estate which is owned by the United States of America.

11. Surface Ownership: Continued

These surface lands are administered by:

Area Manager  
Book Cliffs Resource Area Office  
Bureau of Land Management  
170 South 500 East  
Vernal, Utah 84078  
Phone: (801) 789-1362

12. Other Information:

- A. General Description of the Project Area: The proposed drill site is located within the Natural Buttes Unit in an area of northeastern Utah and more specifically in an area of moderately to severely eroded uplands located between the White River to the east (and north), the Green River to the west, Bitter Creek to the southeast, and Willow Creek to the southwest.

This area is classified as a "High Plains Steppe" (Cold Desert) and is characterized by gently to moderately undulated uplands dissected by numerous dendritically-patterned, ephemeral drainages of both the Green and White Rivers. Generally, local flora consists of native grasses such as salt grass, galleta grass, needle-and-thread grass, Indian ricegrass; and woody species such as shadscale, horsebrush, black sagebrush, fringe sagebrush, big sagebrush, rabbitbrush, and greasewood along the dry drainages. Local fauna consists of mule deer, antelope, coyotes, rabbits, raptors, and various smaller vertebrate and invertebrate species.

There are no known threatened or endangered species that will be affected by implementation of operations on the proposed NBU #139 well location.

- B. Surface Use Activities: The primary surface use is for grazing.
- C. Proximity of Water, Occupied Dwellings, Archaeological, Historical or Cultural Sites:
1. The closest source of permanent water is the White River, located approximately 8.0 miles to the north-east.

12. Other Information:

C. Proximity of Water, Occupied Dwellings, Archaeological, Historical or Cultural Sites: Continued

2. The closest occupied dwellings are located in the town of Ouray, approximately 15.0 miles to northwest.
3. Coastal Oil & Gas Corporation will be 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, Coastal Oil & Gas Corporation will suspend all operations that might further disturb such materials and immediately contact the Authorized Officer.

Within five (5) working days the Authorized Officer will inform Coastal Oil & Gas Corporation 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 Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If Coastal Oil & Gas Corporation wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, Coastal Oil & Gas Corporation will be responsible for mitigation costs.

12. Other Information:

C. Proximity of Water, Occupied Dwellings, Archaeological, Historical or Cultural Sites: Continued

3. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that the required mitigation has been completed, Coastal Oil & Gas Corporation will then be allowed to resume construction.

D. Additional Stipulations for Operations on Lands Administered by the Bureau of Land Management:

1. Coastal Oil & Gas Corporation 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 Bureau of Land Management, or the Uintah County Extension Office. On lands administered by the Bureau of Land Management, it is required that a "Pesticide Use Proposal" shall be submitted, and approval obtained, prior to the application of herbicides or other pesticides or possible hazardous chemicals for the control of noxious weeds.
2. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on federal lands after conclusion of drilling operations or at any other time without the proper authorization from the Bureau of Land Management. However, if BLM authorization is obtained, it is only a temporary measure to allow Coastal Oil & Gas Corporation the time to make arrangements for permanent storage at a commercial facility.
3. No construction or drilling activities shall be conducted between May 15 and June 20 in order to protect crucial Antelope kidding areas.
4. This area as been identified as having critical to severe soil erosion conditions. In order to minimize watershed damage, construction and drilling activities will not be allowed when soils are wet and/or muddy.

12. Other Information:

D. Additional Stipulations for Operations on Lands  
Administered by the Bureau of Land Management: Cont.

5. Three (3) erosion control structures will be constructed in minor drainages along the proposed access road route and below (north of) the proposed well pad. The actual location(s) of these erosion control structures will be determined by the BLM at the time of well pad construction.
6. Coastal Oil & Gas Corporation shall contact the Bureau of Land Management between 24 and 48 hours prior to commencement of construction activities on the access road and/or well location: (801) 789-1362.
7. The Bureau of Land Management shall be notified upon site completion and prior to moving drilling tools onto the location.

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

Representative

Coastal Oil & Gas Corporation  
Randy L. Bartley, Operations Manager  
P.O. Box 749  
Denver, Colorado 80201-0749  
Phone: (303) 572-1121

Heitzman Drill-Site Services\*  
Dale Heitzman and/or Robert M. Anderson  
P.O. Drawer 3579  
Casper, Wyoming 82602  
Phone: (307) 266-4840

- \* Contact for any additional information which may be required for approval of this Application for Permit to Drill.

Certification:

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 & Gas Orders, the approved plan of operations, and any applicable Notice to Lessees.

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

Continued

Certification:

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 & Gas Orders, the approved plan of operations, and any applicable Notice to Lessees.

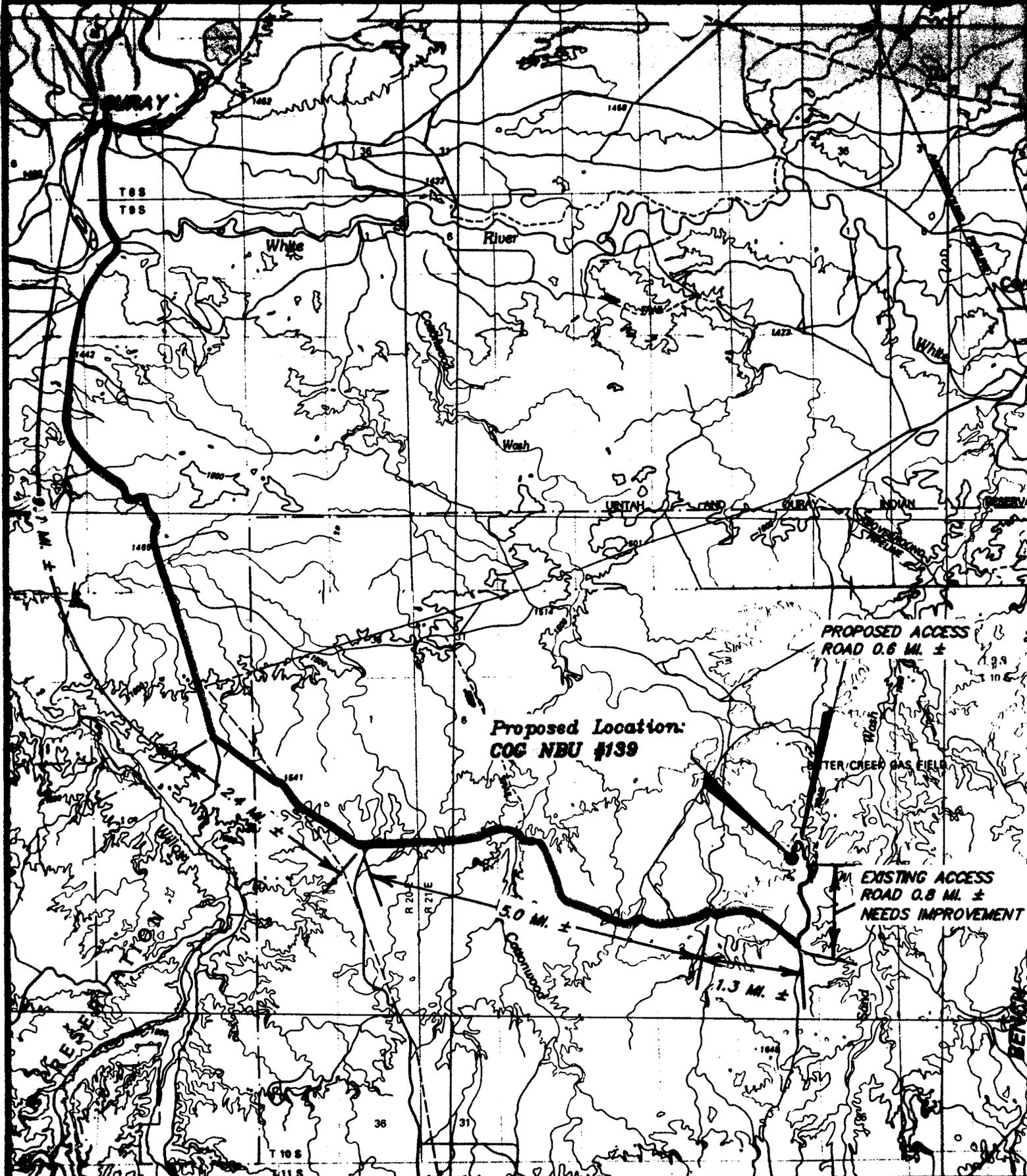
Coastal Oil & Gas Corporation will be fully responsible for the actions of their subcontractors.

A complete copy of the approved Application for Permit to Drill will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Coastal Oil & Gas Corporation, its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

29 January 1991  
Date

  
Robert M. Anderson/Authorized Agent



**Proposed Location:  
COG NBU #139**

**PROPOSED ACCESS  
ROAD 0.6 MI. ±**

**WATER CREEK GAS FIELD**

**EXISTING ACCESS  
ROAD 0.8 MI. ±  
NEEDS IMPROVEMENT**

**5.0 MI. ±**

**1.3 MI. ±**

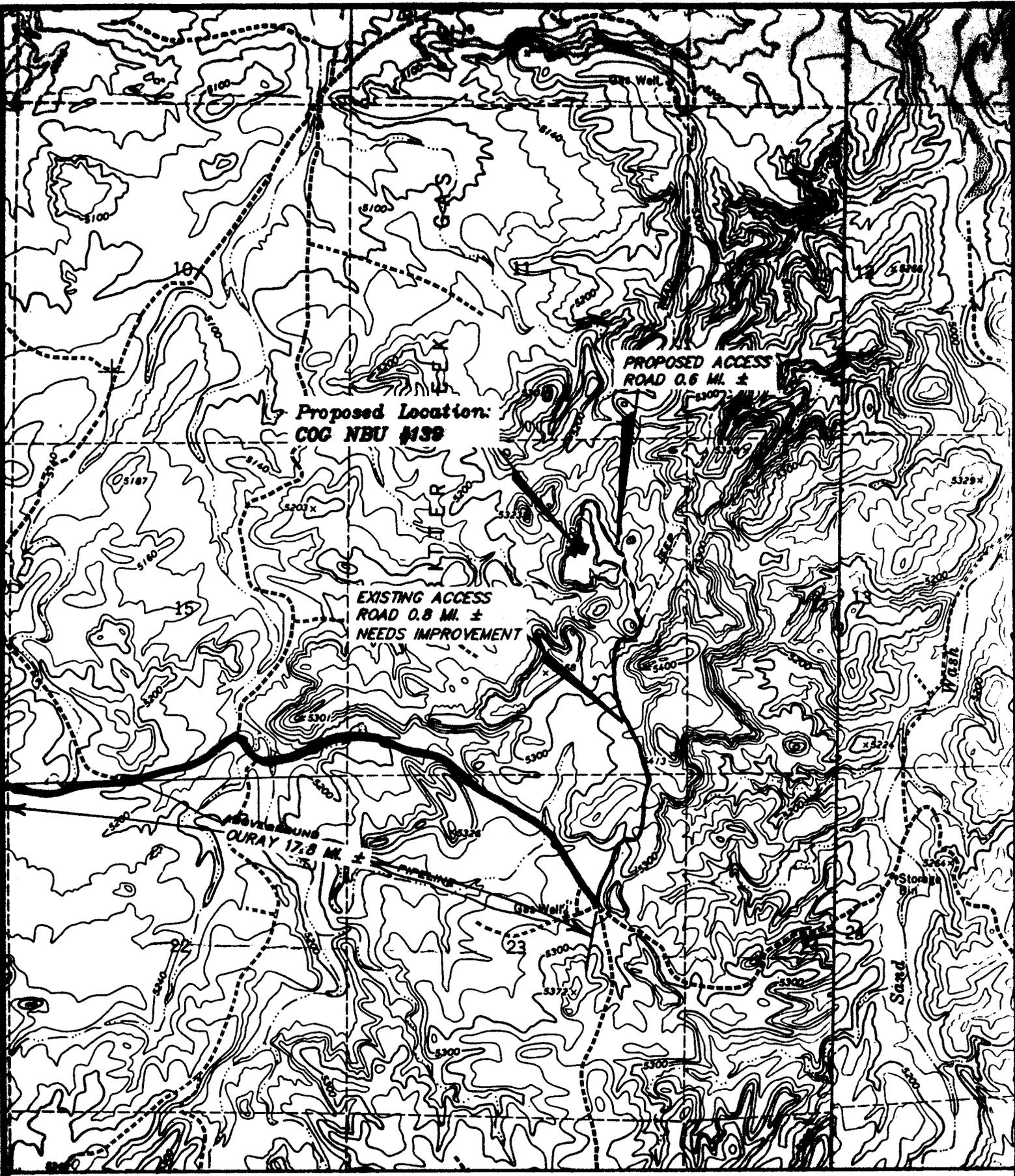
**TOPOGRAPHIC  
MAP "A"**

**DATE 1-7-91**



**COASTAL OIL & GAS CORP.**

**COG NBU #139  
SECTION 14, T10S, R21E, S.L.B.&M.**



TOPOGRAPHIC  
 MAP "B"  
 SCALE: 1" = 2000'  
 DATE 1-7-91



**COASTAL OIL & GAS CORP.**

COG NBU #139  
 SECTION 14, T10S, R21E, S.L.B.&M.



**LEGEND:**

- = Water Wells
- ◊ = Abandoned Wells
- ◐ = Temporarily Abandoned Wells
- ◑ = Disposal Wells
- = Drilling Wells
- = Producing Wells
- ◐ = Shut-in Wells



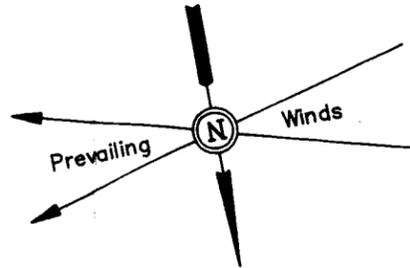
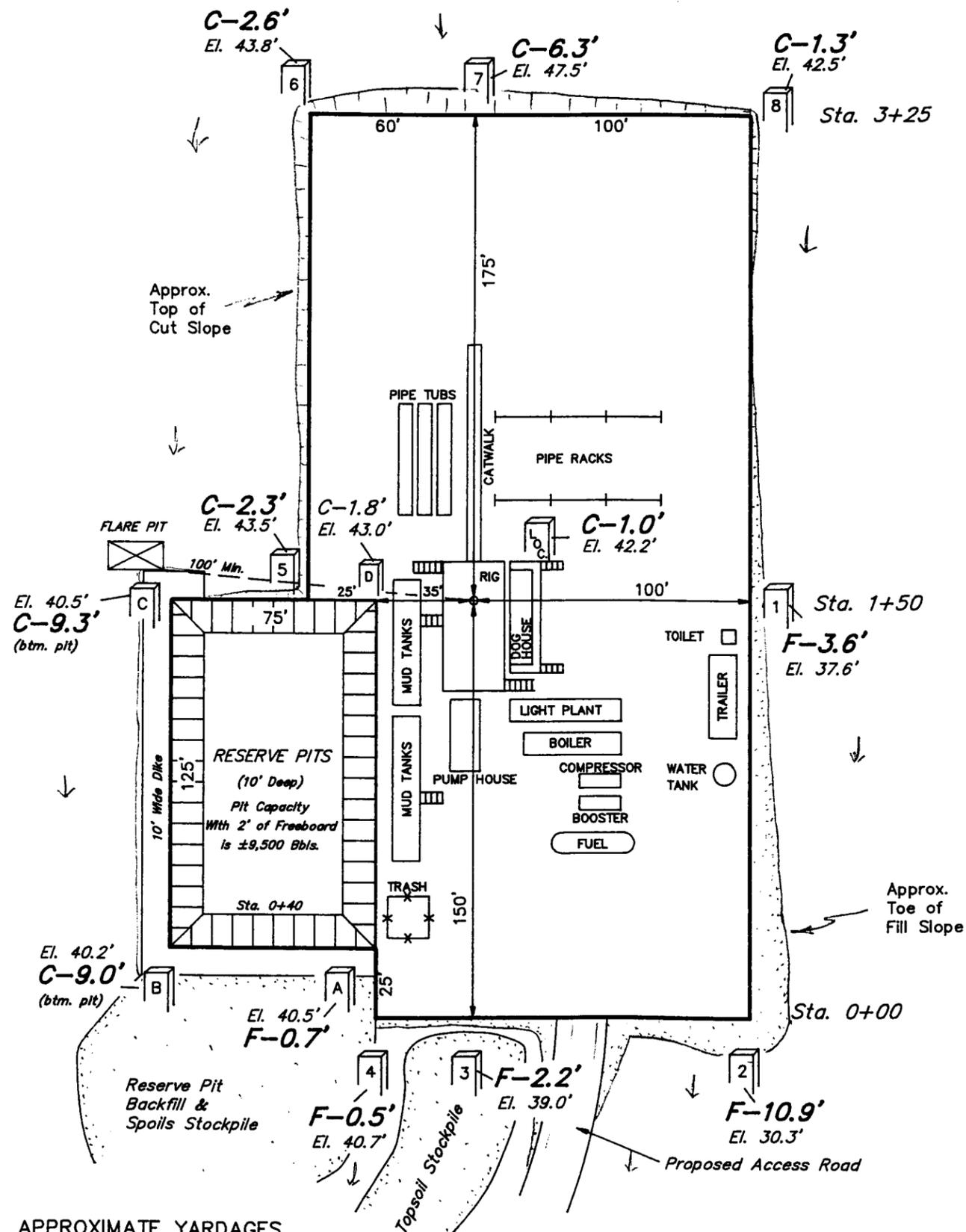
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COG NBU #139  
 SECTION 14, T10S, R21E, S.L.B.&M.  
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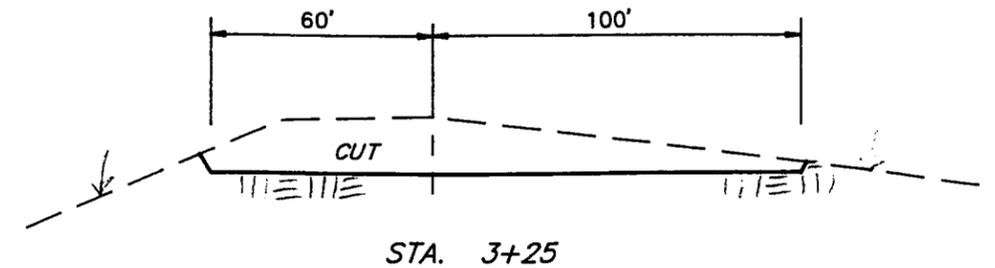
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COASTAL OIL & GAS CORP.

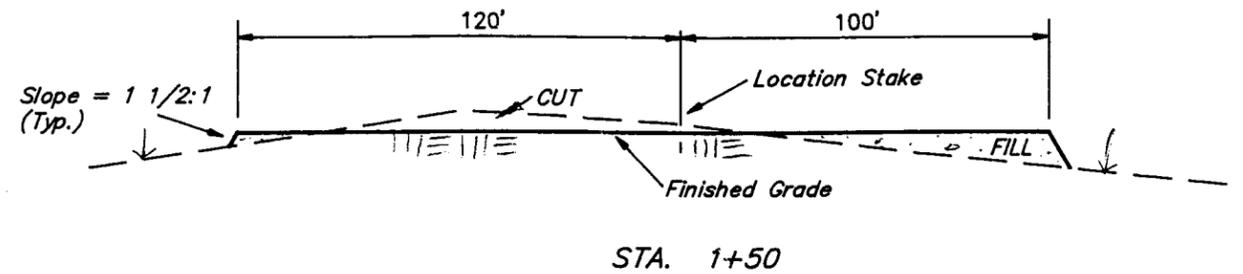
LOCATION LAYOUT FOR  
COG NBU #139  
SECTION 14, T10S, R21E, S.L.B.&M.



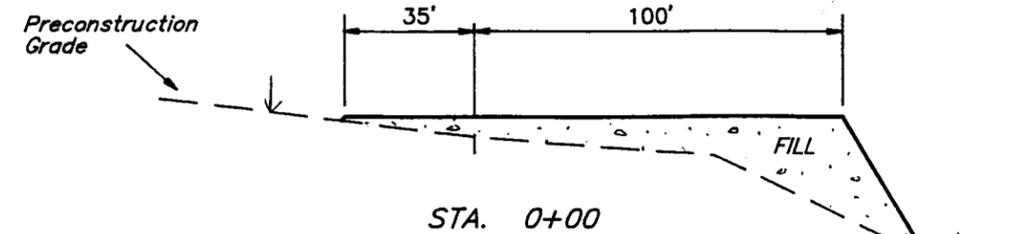
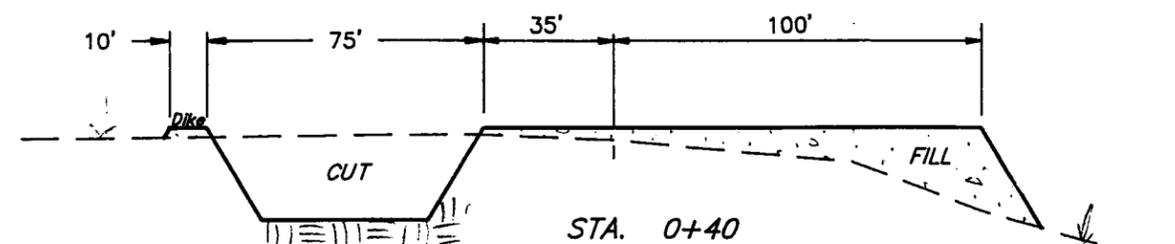
SCALE: 1" = 50'  
DATE: 1-10-91  
Drawn By: J.R.S.



X-Section Scale  
1" = 20'  
1" = 50'



TYP. LOCATION LAYOUT



APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,070 Cu. Yds.
Remaining Location	= 4,830 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 5,900 CU.YDS.</b>
<b>FILL</b>	<b>= 3,430 CU.YDS.</b>

EXCESS MATERIAL AFTER 5% COMPACTION	= 2,290 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,290 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

NOTES:

Elev. Ungraded Ground At Loc. Stake = 5342.2'  
FINISHED GRADE ELEV. AT LOC. STAKE = 5341.2'

OPERATOR Coastal Oil & Gas Corp N-0030 DATE 10-7-91

WELL NAME NBU #139

SEC SWNE 14 T 10S R 01E COUNTY Mitch

43-047-31948  
API NUMBER

Lease (1)  
TYPE OF LEASE

CHECK OFF:

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

PROCESSING COMMENTS:

Included in 1991 P.O.O. approved 10-20-90.  
Water Permit 49-991 (A57530) of target ducking  
Oil shale area

APPROVAL LETTER:

SPACING:  R615-2-3 Patrol Buttes  R615-3-2  
UNIT

N/A  R615-3-3  
CAUSE NO. & DATE

STIPULATIONS:

1- Oil shale stipulation



# 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

February 8, 1991

Coastal Oil & Gas Corporation  
P. O. Box 749  
Denver, Colorado 80201-0749

Gentlemen:

Re: NBU #139 - SW NE Sec. 14, T. 10S, R. 21E - Uintah County, Utah  
1847' FNL, 1725' FEL

Approval to drill the referenced well is hereby granted in accordance with Section 40-6-18, Utah Code Annotated, as amended 1983; and predicated on R615-2-3, Oil and Gas Conservation General Rules, subject to the following stipulation:

1. Special attention is directed to compliance with R615-3-31, Oil and Gas Conservation General Rules, which prescribes drilling procedures for designated oil shale areas.

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 R615-3-20, Gas Flaring or Venting, Oil and Gas Conservation General Rules.

Page 2  
Coastal Oil & Gas Corporation  
NBU #139  
February 8, 1991

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 43-047-31948.

Sincerely,



R. J. Firth  
Associate Director, Oil & Gas

tas  
Enclosures  
cc: Bureau of Land Management  
J. L. Thompson  
we14/1-10

COASTAL OIL & GAS CORPORATION  
Lease #UTU-465, NBU #139  
SW $\frac{1}{4}$ NE $\frac{1}{4}$ , Section 14, T10S, R21E  
Uintah County, Utah

**RECEIVED**  
APR 17 1991

DIVISION OF  
OIL, GAS & MINING

43-047-31948 *del*

Multi-Point Surface Use and Operations Plan

1. Existing Roads: Refer to Maps "A" & "B" (shown in ORANGE)

- A. The proposed well site is staked and four 200-foot reference stakes are present.
- B. To reach the location from the town of Vernal, Utah; proceed generally southwest approximately 14.0 miles on U.S. Highway 40 (a paved U.S. highway), thence generally south approximately 17.0 miles on Utah Highway 88 (a paved state highway) to the community of Ouray, thence generally south approximately 8.8 miles on the Seep Ridge Road (an existing, upgraded Uintah County road), thence generally southeast approximately 2.4 miles on an existing, upgraded oilfield road (crowned & ditched with a gravel surface), thence generally east/southeast approximately 5.0 miles on an existing, upgraded oilfield road (crowned & ditched with a gravel surface), thence generally northeast approximately 0.4 miles on an existing, upgraded oilfield road (crowned & ditched with a gravel surface), thence generally east approximately 0.4 miles on an existing, upgraded oilfield road (crowned & ditched with a gravel surface), thence generally north approximately 0.2 miles on the proposed access to the NBU #146 well location, thence generally east/northeast approximately 0.8 miles to the proposed NBU #139 well location.
- C. Access roads - refer to Maps "A" and "B".
- D. Access roads within a one (1) mile radius - refer to Map "B".
- E. The existing gravel roads will be maintained in the same or better condition as existed prior to the commencement of operations and said maintenance will continue until final abandonment and reclamation of the NBU #139 well location.

2. Planned Access Roads: Refer to Map "B" (Shown in GREEN)

Approximately 1.0 mile of new road construction will be required for access to the proposed NBU #139 well location.

- A. Width - maximum 30-foot overall right-of-way with an 18-foot road running surface, crowned & ditched.
- B. Construction standard - the access road will be constructed in accordance with Bureau of Land Management Roading Guidelines established for oil and gas exploration and development activities.

2. Planned Access Roads: Continued

- B. Construction standard - these construction standards are referenced in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Third Edition.

The access road will be constructed to meet the standards of the anticipated traffic flow and all-weather requirements. Construction will include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well constructed and safe road.

Prior to construction/upgrading, the roadway shall be cleared of any snow cover and allowed to dry completely.

Traveling off of the thirty (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 the 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 a 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.

- C. Maximum grade - 10%.  
D. Turnouts - turnouts will be constructed along the access route as necessary or required to allow for the safe passage of traffic. None anticipated at this time.  
E. Drainage design - the access road will be crowned, ditched, and water turnouts installed as necessary to provide for proper drainage along the access road route.  
F. Culverts, cuts and fills - no culverts will be required. There are no major cuts and/or fills on/along the proposed access road route.

2. Planned Access Roads: Continued

- G. Surface materials - any construction materials which may be required for surfacing of the access road will be purchased from a local contractor having a permitted source of materials in the area, if required by the Authorized Officer, Bureau of Land Management. None anticipated at this time.
- H. Gates, cattleguards or fence cuts - none required.
- I. Road maintenance - during both the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and will be maintained in accordance with the original construction standards. All drainage ditches and culverts will be kept clear and free-flowing, and will also be maintained in accordance with the original construction standards.

The access road right-of-way will be kept free of trash during operations.

- J. The proposed access route has been centerline staked.

3. Location of Existing Wells Within a One-Mile Radius:

Please Refer to Map "C"

- A. Water wells - none known.
- B. Abandoned wells - none known.
- C. Temporarily abandoned wells - none known.
- D. Disposal wells - none known.
- E. Drilling wells - none known.
- F. Producing wells - NE $\frac{1}{4}$ SW $\frac{1}{4}$ , Section 11, T10S, R21E.  
NE $\frac{1}{4}$ SW $\frac{1}{4}$ , Section 14, T10S, R21E.  
NW $\frac{1}{4}$ SE $\frac{1}{4}$ , Section 14, T10S, R21E.
- G. Shut-in wells - none known.
- H. Injection wells - none known.
- I. Monitoring wells - none known.

4. Location of Existing and/or Proposed Facilities Owned by Coastal Oil & Gas Corporation Within a One-Mile Radius:

A. Existing

- 1. Tank batteries - NE $\frac{1}{4}$ SW $\frac{1}{4}$ , Section 11, T10S, R21E.  
NE $\frac{1}{4}$ SW $\frac{1}{4}$ , Section 14, T10S, R21E.  
NW $\frac{1}{4}$ SE $\frac{1}{4}$ , Section 14, T10S, R21E.

4. Location of Existing and/or Proposed Facilities Owned by Coastal Oil & Gas Corporation Within a One-Mile Radius:

A. Existing - Continued

2. Production facilities - same as Item #4A1, above.
3. Oil gathering lines - none.
4. Gas gathering lines - same as Item #4A1, above.

B. New Facilities Contemplated

1. All production facilities will be located on the disturbed portion of the well pad and at a minimum of twenty-five (25) feet from the toe of the back-slope or top of the fill slope.
2. The production facilities (consisting primarily of a christmas tree at the well head, dehydration unit, and emergency pit) will require an area approximately 300' X 135'. A diagram showing the proposed production facility layout will be submitted to the Authorized Officer via "Sundry Notice" (Form 3160-5) for approval of subsequent installation operations.
3. Production facilities will be accommodated on the existing well pad. Construction materials required for installation of the production facilities will be obtained from the site; any additional materials required will be purchased from a local supplier having a permitted (private) source of materials within the area.

A dike will be constructed completely around those production facilities which contain fluids (i.e. production tanks, produced water tanks and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

4. All permanent (on-site for six months or longer) above-the-ground structures constructed or installed including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Five (5) State Rocky Mountain Interagency Committee.

4. Location of Existing and/or Proposed Facilities Owned by Coastal Oil & Gas Corporation Within a One-Mile Radius:

B. New Facilities Contemplated - Continued

4. All production facilities will be painted within six (6) months of installation. Facilities required to comply with Occupational Health and Safety Act Rules and Regulations will be excluded from this painting requirement.

The required paint color is Carlsbad Canyon, Munsell standard color number 2.5Y 6/2.

5. If at any time the facilities located on public lands and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), the Bureau of Land Management will process a change in authorization to the appropriate statute). The authorization will be subject to the appropriate rental or other financial obligation as determined by the Authorized Officer.

- C. The production (emergency) pit will be fenced with woven wire mesh topped with one (1) strand of barbed wire held in place with metal side posts and wooden corner "H" braces in order to protect livestock and wildlife. Please refer to Item #9E (page #'s 8 & 9) for additional information on the fencing specifications.

- D. During drilling and subsequent operations, all equipment and vehicles will be confined to the access road right-of-way and any additional areas as specified in the approved Application for Permit to Drill.

- E. Reclamation of disturbed areas no longer needed for operations will be accomplished by grading, leveling and seeding as recommended by the Authorized Officer, Bureau of Land Management.

5. Location and Type of Water Supply:

- A. Fresh water for drilling will be obtained from an existing water well and reservoir: Uintah #1, owned by Target Trucking, Inc. and located in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 16, Township 10 South, Range 21 East, Uintah County, Utah; permit #49-991 (A57530).

5. Location and Type of Water Supply: Continued

- B. Water will be transported over existing roads via tank truck from the point of diversion to the proposed NBU #139 well location. No new construction will be required on/along the proposed water haul route. No off-lease/unit federal lands will be crossed on/along the proposed water haul route.
- C. No water well will be drilled on this location.

6. Source of Construction Materials:

- A. Construction materials needed for surfacing of the well pad will be obtained from a local contractor having a permitted (private) source of materials in the area. Refer to Item #2G (page #3) regarding any construction materials which may be required on the access road.
- B. No construction materials will be taken from Federal and/or Indian lands without prior approval from the appropriate Surface Management Agency.
- C. If production is established, any additional construction materials needed for surfacing the access road and installation of production facilities will be purchased from a local supplier having a permitted (private) source of materials in the area.
- D. No new access roads for construction materials will be required.

7. Methods of Handling Waste Materials:

- A. Cuttings - the cuttings will be deposited in the reserve/blooiie pit.
- B. Drilling fluids - including salts and chemicals will be contained in the reserve/blooiie pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within ninety (90) days after termination of drilling and completion activities.

In the event adverse weather conditions prevent removal of the fluids from the reserve pit within this time period, an extension may be granted by the Authorized Officer upon receipt of a written request from Coastal Oil & Gas Corporation.

The reserve pit will be constructed so as not to leak, break, or allow discharge.

7. Methods of Handling Waste Materials:\_\_Continued

- C. Produced fluids - liquid hydrocarbons produced during completion operations will be placed in test tanks on the location. Produced waste water will be confined to a lined pit (reserve pit) or storage tank for a period not to exceed ninety (90) days after initial production.

During the ninety (90) day period, in accordance with NTL-2b, an application for approval of a permanent disposal method and location, along with the required water analysis, shall be submitted for the Authorized Officer's approval. Failure to file an application within the time frame allowed will be considered an incidence of noncompliance.

Any spills of oil, gas, salt water or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

- D. Sewage - self-contained, chemical toilets will be provided by Rocket Sanitation for human waste disposal. Upon completion of operations, or as needed, the toilet holding tanks will be pumped and the contents thereof disposed of in the nearest, approved, sewage disposal facility.
- E. Garbage and other waste material - garbage, trash and other waste materials will be collected in a portable, self-contained and fully-enclosed trash cage during drilling and completion operations. Upon completion of operations (or as needed) the accumulated trash will be disposed of at an authorized sanitary landfill. No trash will be burned on location or placed in the reserve pit.
- F. Immediately after removal of the drilling rig, all debris and other waste materials not contained in the trash cage will be cleaned up and removed from the well location. No adverse materials will be left on the location upon the termination of drilling and completion operations. Any open pits will be fenced during the drilling operation and the fencing will be maintained until such time as the pits are backfilled.

8. Ancillary Facilities:

None anticipated.

9. Wellsite Layout:

- A. Figure #1 shows the drill site layout as staked. Cross sections have been drafted to visualize the planned cuts and fills across the location. A minimum of six (6) inches of topsoil will be stripped from the location (including areas of cut, fill, and/or subsoil storage) and stockpiled for future reclamation of the well site. Refer to Figure #1 for the location of the topsoil and subsoil stockpiles.
- B. Figure #1 is a diagram showing the rig layout. No permanent living facilities are planned. There will be one (1) trailer on location during drilling operations for the toolpusher.
- C. A diagram showing the proposed production facility layout will be submitted to the Authorized Officer via Sundry Notice (Form 3160-5) for approval of subsequent operations. Please refer to Item #4B2 (page #4) for additional information in this regard.
- D. If porous subsoil materials (gravel, scoria, sand, faulted rock structures, etc.) are encountered during reserve pit construction, an impervious liner will be installed in order to prevent drilling water loss through seepage. We do not anticipate the need for a pit liner at this time.
- E. Prior to the commencement of drilling operations, the reserve pit will be fenced "sheep tight" on three (3) sides according to the following minimum standards:
  1. 39-inch net wire shall be used with at least one (1) strand of barbed wire on top of the net wire (barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
  2. The net wire shall be no more than two (2) inches above the ground. The barbed wire shall be three (3) inches above the net wire. Total height of the fence shall be at least 42 inches.
  3. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
  4. Standard steel, wood, or pipe posts shall be used between the corner braces. maximum distance between any two (2) posts shall be no greater than sixteen (16) feet.

9. Wellsite Layout: Continued

E. Prior to the commencement of drilling operations, the reserve pit will be fenced "sheep tight" on three (3) sides according to the following minimum standards:

5. All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.

The fourth side of the reserve pit will be fenced immediately upon removal of the drilling rig and the fencing will be maintained until the pit is backfilled.

F. Any hydrocarbons on the pit will be removed from the pit as soon as possible after drilling operations are completed.

10. Plans for Reclamation of the Surface:

A. Production

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

2. Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.

3. If a plastic or nylon reinforced pit liner is used, it shall be torn and perforated before backfilling of the reserve pit.

4. Before any dirt work to restore the location takes place, the reserve pit will be completely dry and all cans, barrels, pipe, etc. will be removed.

Other waste and spoil materials will be disposed of immediately upon completion of drilling and workover activities.

5. The reserve pit and that portion of the location and access road not needed for production facilities/ operations will be reclaimed within ninety (90) days from the date of well completion, weather permitting.

10. Plans for Reclamation of the Surface:

A. Production - Continued

6. For production, the fill slopes will be reduced from a 1.5:1 slope to a 3:1 slope and the cut slopes will be reduced from a 1.5:1 slope to a 3:1 slope by pushing the fill material back up into the cut.
7. Upon completion of backfilling, leveling and re-contouring, the stockpiled topsoil will be evenly spread over the reclaimed area(s). Prior to reseeding, all disturbed surfaces (including the access road and location) will be scarified and left with a rough surface. No depressions will be left that would trap water and form ponds. All disturbed surfaces (including the access road and well pad areas) will be reseeded with a seed mixture to be recommended by the Authorized Officer, Bureau of Land Management.

Seed will be drilled on the contour to an approximate depth of one-half (1/2) inch. All seeding will be conducted after September 15 and prior to ground frost.

B. Dry Hole/Abandoned Location

1. At such time as the well is physically plugged and abandoned, Coastal Oil & Gas Corporation will submit a "Subsequent Report of Abandonment" to the Authorized Officer for approval. At that time, the Bureau of Land Management will formulate the appropriate surface rehabilitation requirements and attach them as the conditions of approval for final abandonment.

11. Surface Ownership:

The well site and proposed access road are situated on surface estate which is owned by the United States of America and administered by:

Area Manager  
Book Cliffs Resource Area Office  
Bureau of Land Management  
170 South 500 East  
Vernal, Utah 84078  
Phone: (801) 789-1362

12. Other Information:

- A. General Description of the Project Area: The proposed drill site is located within the Natural Buttes Unit in an area of northeastern Utah and more specifically in an area of moderately to severely eroded uplands located between the White River to the east (and north), the Green River to the west, Bitter Creek to the southeast, and Willow Creek to the southwest.

This area is classified as a "High Plains Steppe" (Cold Desert) and is characterized by gently to moderately undulated uplands dissected by numerous dendritically-patterned, ephemeral drainages of both the Green and White Rivers. Generally, local flora consists of native grasses such as salt grass, galleta grass, needle-and-thread grass, Indian ricegrass; and woody species such as shadscale, horsebrush, black sagebrush, fringe sagebrush, big sagebrush, rabbitbrush, and greasewood along the dry drainages. Local fauna consists of mule deer, antelope, coyotes, rabbits, raptors, and various smaller vertebrate and invertebrate species.

There are no known threatened or endangered species that will be affected by implementation of operations on the proposed NBU #139 well location.

- B. Surface Use Activities: The primary surface use is for grazing.
- C. Proximity of Water, Occupied Dwellings, Archaeological, Historical or Cultural Sites:
1. The closest source of permanent water is the White River, approximately 8.0 miles to the northeast.
  2. The closest occupied dwellings are located in the community of Ouray, approximately 15.0 miles to northwest.
  3. Coastal Oil & Gas Corporation will be 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, Coastal Oil & Gas Corporation will suspend all operations that might further disturb such materials and immediately contact the Authorized Officer.

12. Other Information:

C. Proximity of Water, Occupied Dwellings, Archaeological, Historical or Cultural Sites: Continued

3. Within five (5) working days the Authorized Officer will inform Coastal Oil & Gas Corporation 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 Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If Coastal Oil & Gas Corporation wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, Coastal Oil & Gas Corporation will be responsible for mitigation costs.

The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that the required mitigation has been completed, Coastal Oil & Gas Corporation will then be allowed to resume construction.

D. Additional Stipulations for Operations on Lands Administered by the Bureau of Land Management:

1. Coastal Oil & Gas Corporation 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 Bureau of Land Management, or the Uintah County Extension Office.

12. Other Information:

D. Additional Stipulations for Operations on Lands  
Administered by the Bureau of Land Management: Cont.

1. On lands administered by the Bureau of Land Management, it is required that a "Pesticide Use Proposal" shall be submitted, and approval obtained, prior to the application of herbicides or other pesticides or possible hazardous chemicals for the control of noxious weeds.
2. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on federal lands after conclusion of drilling operations or at any other time without the proper authorization from the Bureau of Land Management. However, if BLM authorization is obtained, it is only a temporary measure to allow Coastal Oil & Gas Corporation the time to make arrangements for permanent storage at a commercial facility.
3. Coastal Oil & Gas Corporation shall contact the Bureau of Land Management between 24 and 48 hours prior to commencement of construction activities on the access road and/or well location: (801) 789-1362.
4. The Bureau of Land Management shall be notified upon site completion and prior to moving drilling tools onto the location.
5. Approximately four (4) erosion control structures will be constructed in minor drainages along the proposed access road route. The actual location(s) of these erosion control structures will be determined by the Bureau of Land Management at the time of well pad construction.

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

Representative

Coastal Oil & Gas Corporation  
Randy L. Bartley, Operations Manager  
P.O. Box 749  
Denver, Colorado 80201-0749  
Phone: (303) 572-1121

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

Representative - Continued

Heitzman Drill-Site Services\*  
Dale Heitzman and/or Robert M. Anderson  
P.O. Drawer 3579  
Casper, Wyoming 82602  
Phone: (307) 266-4840

\* Contact for any additional information which may be required for approval of this Application for Permit to Drill.

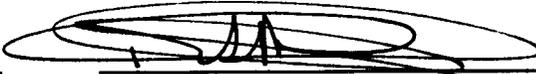
Certification:

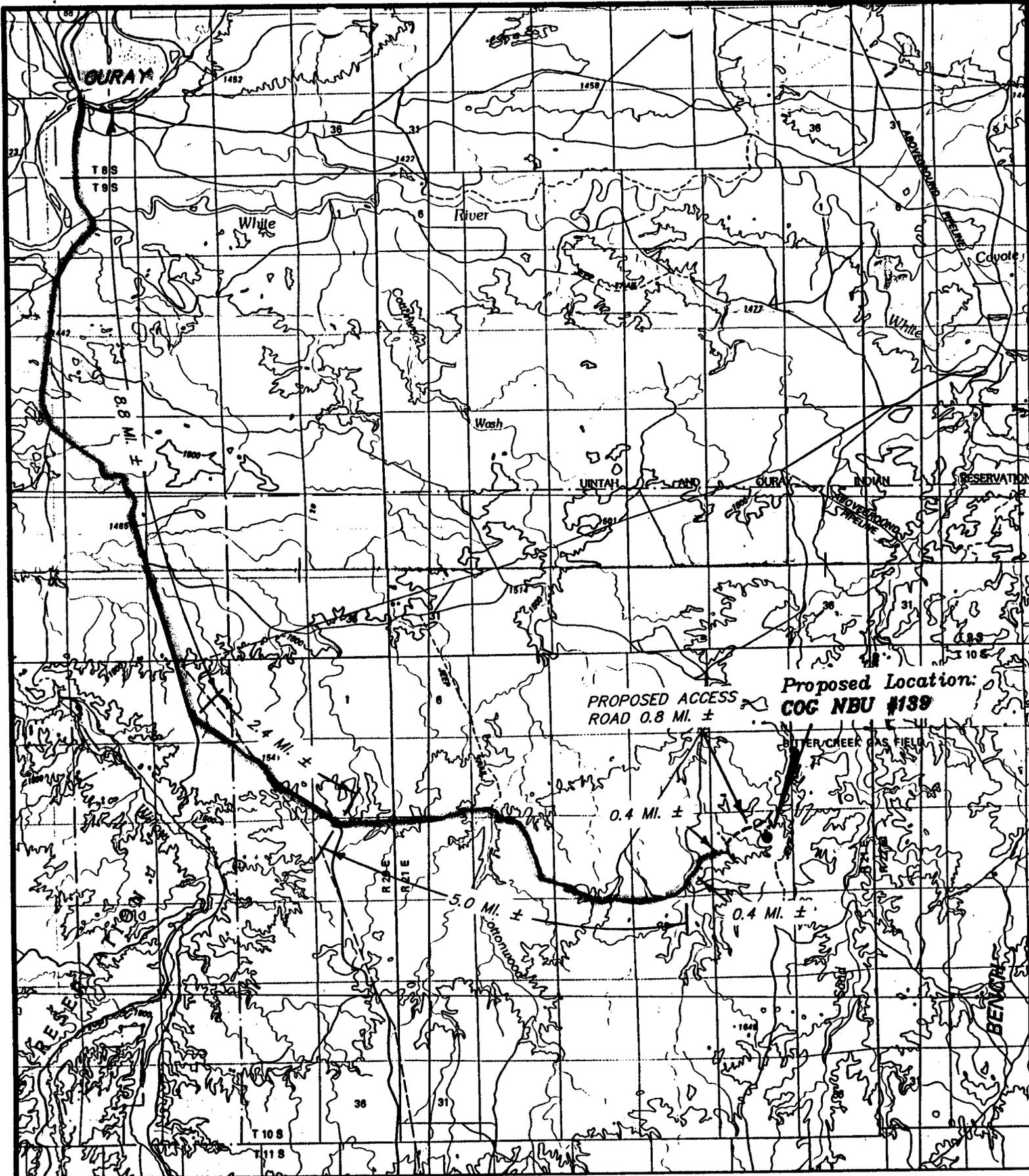
All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil & Gas Orders, the approved plan of operations, and any applicable Notice to Lessees.

Coastal Oil & Gas Corporation will be fully responsible for the actions of their subcontractors. A complete copy of the approved Application for Permit to Drill will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Coastal Oil & Gas Corporation, its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

15 April 1991  
Date

  
Robert M. Anderson/Authorized Agent



TOPOGRAPHIC  
MAP "A"

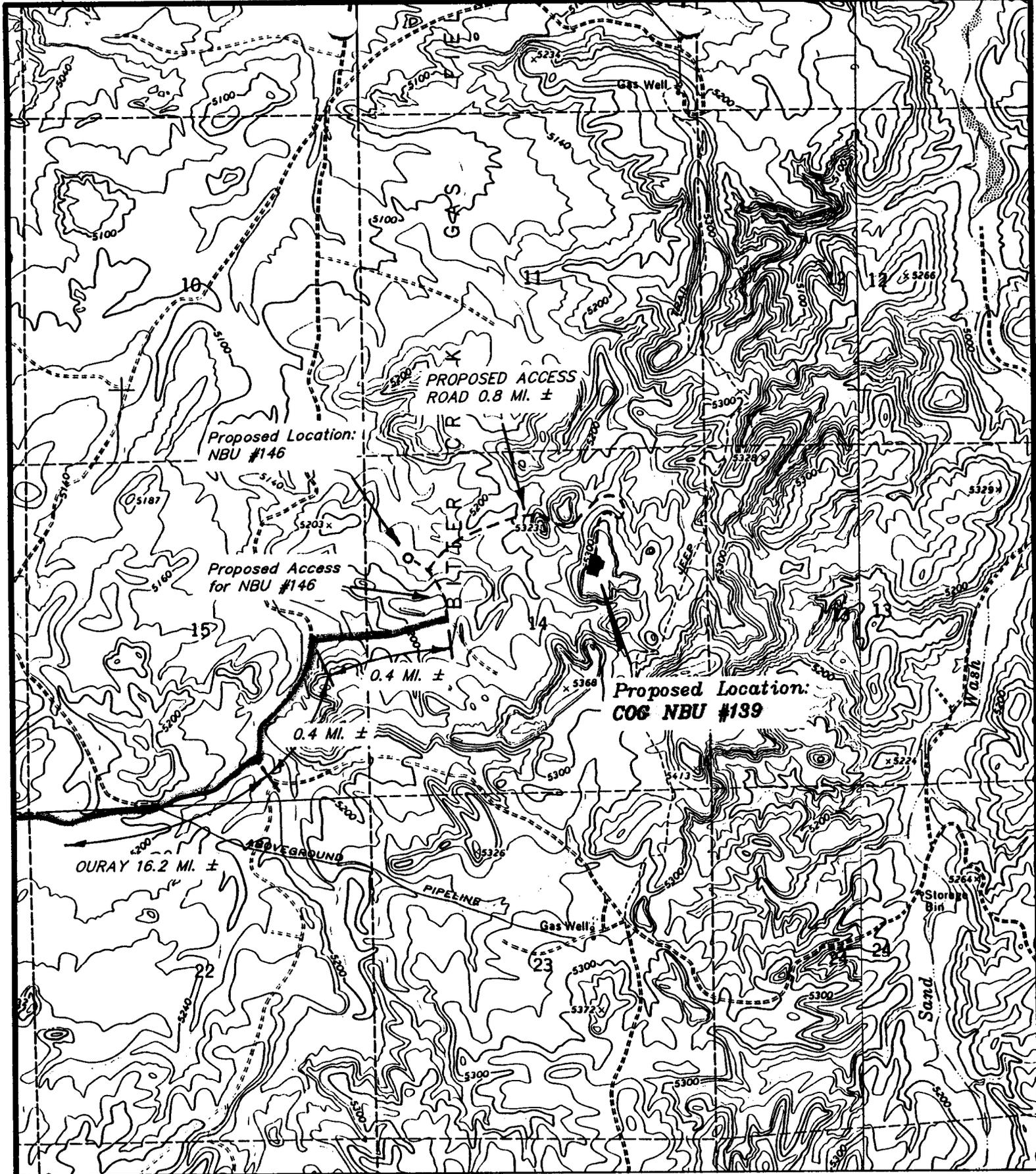
DATE 1-4-91



**COASTAL OIL & GAS CORP.**

COG NBU #139  
SECTION 14, T10S, R21E, S.L.B.&M.

Revised: 4-5-91



TOPOGRAPHIC  
 MAP "B"  
 SCALE: 1" = 2000'  
 DATE 1-4-91



**COASTAL OIL & GAS CORP.**  
 COG NBU #139  
 SECTION 14, T10S, R21E, S.L.B.&M.  
 Revised: 4-5-91

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK  
 DRILL  DEEPEN  PLUG BACK

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

2. NAME OF OPERATOR  
 Coastal Oil & Gas Corporation

3. ADDRESS OF OPERATOR  
 P.O. Box 749; Denver, Colorado 80201-0749

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)  
 At surface  
 1847' FNL, 1725' FEL (SW 1/4 NE 1/4) 14-10S-21E  
 At proposed prod. zone  
 Same as above

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 Approximately fifteen (15) miles southeast of Ouray, Utah

18. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1,725'

FEB 1991  
 RECEIVED  
 43-047-31948 del

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2,250' ±

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
 5,342' GR

23. PROPOSED CASING AND CEMENTING PROGRAM (ALL NEW)

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8" K-55	24.0#	0- 250'	180 sx Circulated to Surface*
7-7/8"	5-1/2" K-55	17.0#	0-6,325'	545 sx Circulated to Surface*

RECEIVED

\* Cement volumes may change due to hole size.  
 Calculate from caliper log.

APR 22 1991

EIGHT-POINT RESOURCE PROTECTION PLAN ATTACHED.

DIVISION OF  
OIL GAS & MINING

I hereby certify that Coastal Oil & Gas Corporation is authorized by the proper Lease Interest Owners to conduct lease operations associated with this Application for Permit to Drill the NBU #139, Federal Lease #UTU-465. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Coastal Oil & Gas Corporation, Nationwide Bond #CO-0018, who will be responsible for compliance with all the terms and conditions of that portion of the lease associated with this Application.

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 Charles E. Nowy TITLE District Drilling Manager DATE 01/25/91  
 Charles E. Nowy  
 (This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_  
 APPROVED BY [Signature] TITLE ASSISTANT DISTRICT MANAGER MINERALS DATE APR 19 1991  
 CONDITIONS OF APPROVAL, IF ANY:

CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

NOTICE OF APPROVAL  
 \*See Instructions On Reverse Side

Ut 080-1m 42

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

Company/Operator: Coastal Oil & Gas Corp.

Well Name & Number: NBU 139

Lease Number: U-465

Location: SWNE Sec. 14 T. 10S R. 21E

Surface Ownership: BLM

**NOTIFICATION REQUIREMENTS**

- Location Construction - at least forty-eight (48) hours prior to construction of location and access roads.
- Location Completion - prior to moving on the drilling rig.
- Spud Notice - at least twenty-four (24) hours prior to spudding the well
- Casing String and Cementing - at least twenty-four (24) hours prior to running casing and cementing all casing strings.
- BOP and Related Equipment Tests - at least twenty-four (24) hours prior to initiating pressure tests.
- First Production Notice - within five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

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. Casing Program and Auxiliary Equipment

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

3. 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.

4. 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 (AO).

A cement bond log (CBL) shall be utilized to determine the top of cement (TOC) for the intermediate and production casing.

6. Notifications of Operations

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.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of thirty (30) days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the AO. 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.

All site security regulations, as specified in Onshore Oil and Gas Order No. 3, shall be adhered to.

6. Other Information

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

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."

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

## 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 wastes.

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

SURFACE USE PROGRAM

Surface Stipulations

No drilling or construction activities will be allowed from February 1 to May 15 to protect important raptor nesting habitat.

DIVISION OF OIL, GAS AND MINING

WATER PERMIT OK

API NO. 43-047-31948

SPUDDING INFORMATION

NAME OF COMPANY: COASTAL OIL & GAS CORPORATION

WELL NAME: NBU #139

SECTION SWNE 14 TOWNSHIP 10S RANGE 21E COUNTY UINTAH

DRILLING CONTRACTOR CIRCLE L

RIG # 7C

SPUDDED: DATE 6-24-91

TIME 10:30 a.m.

HOW DRY

DRILLING WILL COMMENCE 7-4-91

REPORTED BY DOUG

TELEPHONE # 823-6135

DATE 6-25-91 SIGNED TAS TAKEN BY: JLT

ENTITY ACTION FORM - FORM 6

OPERATOR Coastal Oil & Gas Corporation

OPERATOR ACCT. NO. N 0230

ADDRESS P. O. Box 749

Denver, Colorado 80201-0749

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
B	2900 →		43-047-31948	NBU #139	SWNE	14	10S	21E	Uintah	6/24/91	6/24/91
WELL 1 COMMENTS: Fed. Lease Prop. Zone - WSTC Field - Natural Buttes (Entity 2900 added 7-3-91) <i>ff</i> Unit - Natural Buttes											
WELL 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

*Eileen Danni Dey*  
Signature Eileen Danni Dey

Regulatory Analyst 6/26/91

Title Date

Phone No. (303) 573-4476

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

5. Lease Designation and Serial No.  
UTU-465

6. If Indian, Allottee or Tribe Name  
N/A

**SUBMIT IN TRIPLICATE**

7. If Unit or CA, Agreement Designation

Natural Buttes Unit

8. Well Name and No.

NBU #139

9. API Well No.

43-047-31948

10. Field and Pool, or Exploratory Area

Natural Buttes

11. County or Parish, State

Uintah County, Utah

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

Coastal Oil & Gas Corporation

3. Address and Telephone No.

P. O. Box 749, Denver, Colorado 80201-0749 (303) 573-4476

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1847' FNL & 1725' FEL (SWNE)  
Section 14, T10S-R21E

**CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

**TYPE OF SUBMISSION**

- Notice of Intent  
 Subsequent Report  
 Final Abandonment Notice

**TYPE OF ACTION**

- Abandonment  
 Recompletion  
 Plugging Back  
 Casing Repair  
 Altering Casing  
 Other Report of spud  
 Change of Plans  
 New Construction  
 Non-Routine Fracturing  
 Water Shut-Off  
 Conversion to Injection  
 Dispose Water

(Note: Report returns of multiple completions on Well Completion or Recompletion Report and Log form.)

13. 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 measures and true vertical depths for all markers and zones pertinent to this work.)

MIRU Leon Ross Drilling. Spud surface hole @ 10:30 A.M., 6/24/91. Drilled 12-1/4" hole to 265' GL. Ran 6 jts. 8-5/8" 24# K-55, ST&C casing and set at 262' GL. Cemented w/100 sx. THIXOTROPIC cement + additives. Tailed w/50 sx. Type V Premium + additives.

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

Signed

*Robert R. Bennett*

Title Regulatory Analyst

Date 6/26/91

(This space for Federal or State office use)

Approved by \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

Conditions of approval, if any:

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No.  
UTU-465

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or L.A. Agreement Designation

Natural Buttes Unit

8. Well Name and No.

NBU #139

9. API Well No.

43-047-31948

10. Field and Foot. or Exploratory Area

Natural Buttes

11. County or Parish, State

Uintah County, Utah

SUBMIT IN TRIPLICATE

Type of well  
 Oil Well  Gas Well  Other

2. Name of Operator  
Coastal Oil & Gas Corporation

3. Address and Telephone No.  
P. O. Box 749 Denver, CO 80201-0749 (303) 573-4476

4. Location of well (Footage, Sec., T., R., M., or Survey Description)  
1847' FNL & 1725' FEL (SW/NE)  
Section 14, T10S-R21E

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- Notice of Intent  
 Subsequent Report  
 Final Abandonment Notice

TYPE OF ACTION

- Abandonment  
 Recommendation  
 Plugging Back  
 Casing Repair  
 Altering Casing  
 Other Pipeline R-0-W  
 Change of Plans  
 New Construction  
 Non-Routine Fracturing  
 Water Shut-Off  
 Conversion to Injection  
 Dispose Water

(Note: Report events of substantial completion on well completion or abandonment forms and Log form.)

13. Describe proposal or Complete Operations (Clearly state all pertinent details, and give pertinent data, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measures and true vertical depths for all markers and zones pertinent to this work.)

Coastal Oil & Gas Corporation requests a right-of-way to install a 4" gas pipeline from the NBU #139 gas well and tie into the existing gas pipeline. This right-of-way will be located in Section 14, T10S-R21E within leases UTU-465 and U-01393-C and within the Natural Buttes Unit boundaries. Coastal requests a 30' width easement with a total slope distance of ±2175'. There will be minimum surface disturbance as the pipeline will be laid on the surface. Please see the attached topographic map which illustrates this proposed right-of-way.

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

RECEIVED

OCT 09 1991

DATE: 11-21-91  
BY: JM Matthews

DIVISION OF  
OIL GAS & MINING

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

Signed Colleen Kamin Day Title Regulatory Analyst

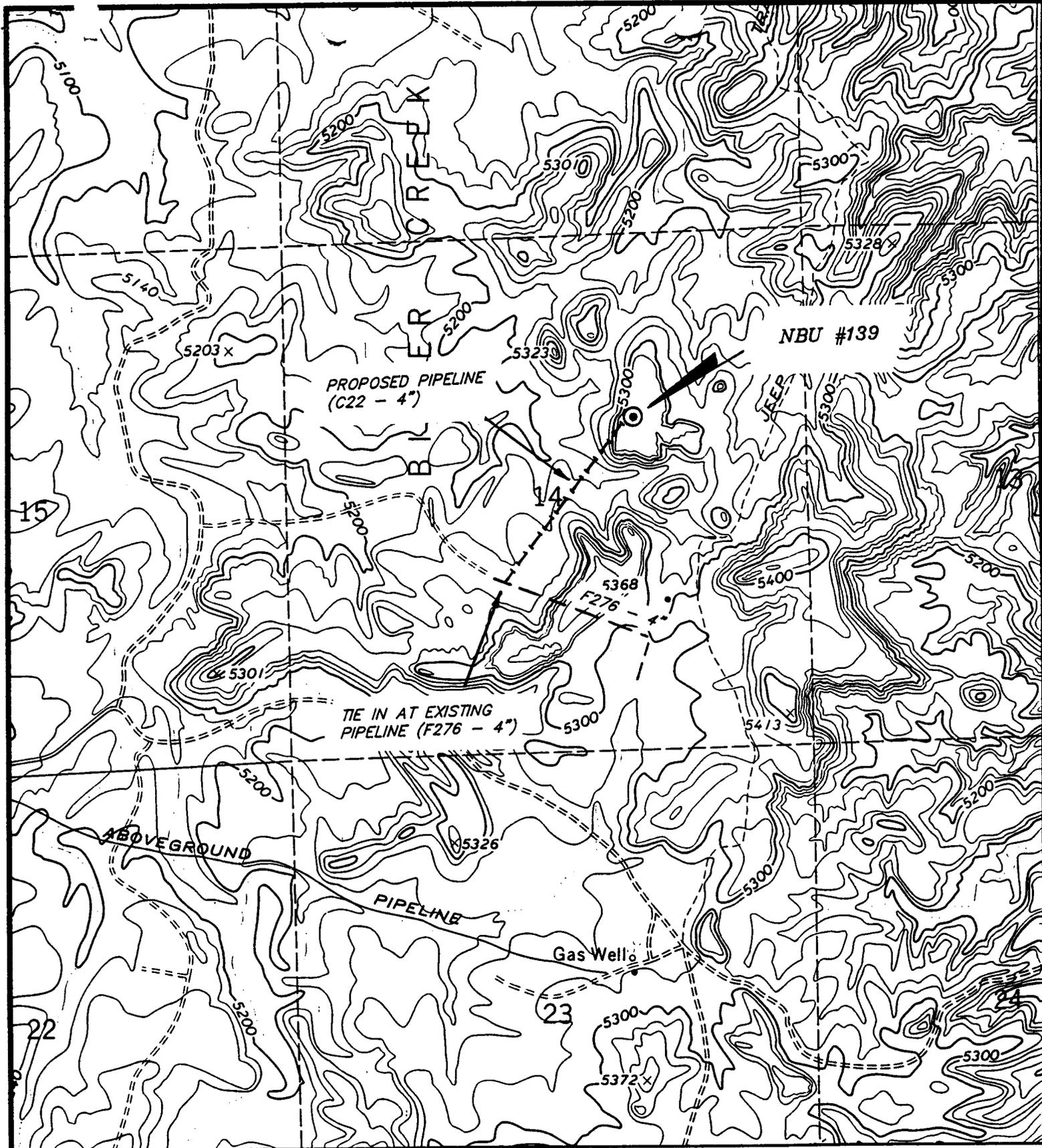
Date 10/4/91

(This space for Federal or State official use)

Approved by \_\_\_\_\_  
Conditions of approval, if any:

Title \_\_\_\_\_

Date \_\_\_\_\_



**TOTAL PIPELINE SLOPE DISTANCE = 2,175'**

**TOPOGRAPHIC  
MAP**

LEGEND

- EXISTING PIPELINE
- Proposed Pipeline



**COASTAL OIL & GAS CORP.**

PROPOSED PIPELINE RIGHT-OF-WAY FOR  
NBU #139

SECTION 14, T10S, R21E, S.L.B.&M.

DATE 9-26-91



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

5. Lease Designation and Serial No.  
UTU-465

6. If Indian, Allottee or Indian Name

N/A

7. If Unit or L.A. Agreement Designation

Natural Buttes Unit

8. Well Name and No.

NBU #139

9. API Well No.

43-047-31948

10. Field and Pool, or Estimation Area

Natural Buttes

11. County or Parish, State

Uintah County, Utah

**SUBMIT IN TRIPLICATE**

Type of well  
 Oil Well  Gas Well  Other

Name of Operator  
Coastal Oil & Gas Corporation

Address and Telephone No.  
P. O. Box 749 Denver, CO 80201-0749 (303) 573-4476

Location of well (Footage, Sec., T., R., M., or survey description)  
1847' FNL & 1725' FEL (SW/NE)  
Section 14, T10S-R21E

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**TYPE OF SUBMISSION**

- Notice of Intent  
 Subsequent Report  
 Final Abandonment Notice

**TYPE OF ACTION**

- Abandonment  
 Recommendation  
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 Casing Repair  
 Alimony Casing  
 Other Pipeline R-O-W  
 Change of Plans  
 New Construction  
 Non-Routine Fracturing  
 Water Shut-Off  
 Conversion to Minimum  
 Dispose Water

(Note: Report status of operations on well completion or abandonment report and log form.)

13. Describe proposed or completed operations (Clearly state all pertinent details, and give pertinent data, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measures and true vertical depths for all markers and zones pertinent to this work.)

Coastal Oil & Gas Corporation requests a right-of-way to install a 4" gas pipeline from the NBU #139 gas well and tie into the existing gas pipeline. This right-of-way will be located in Section 14, T10S-R21E within leases UTU-465 and U-01393-C and within the Natural Buttes Unit boundaries. Coastal requests a 30' width easement with a total slope distance of ±2175'. There will be minimum surface disturbance as the pipeline will be laid on the surface. Please see the attached topographic map which illustrates this proposed right-of-way.

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

DATE: 3-9-92  
BY: [Signature]

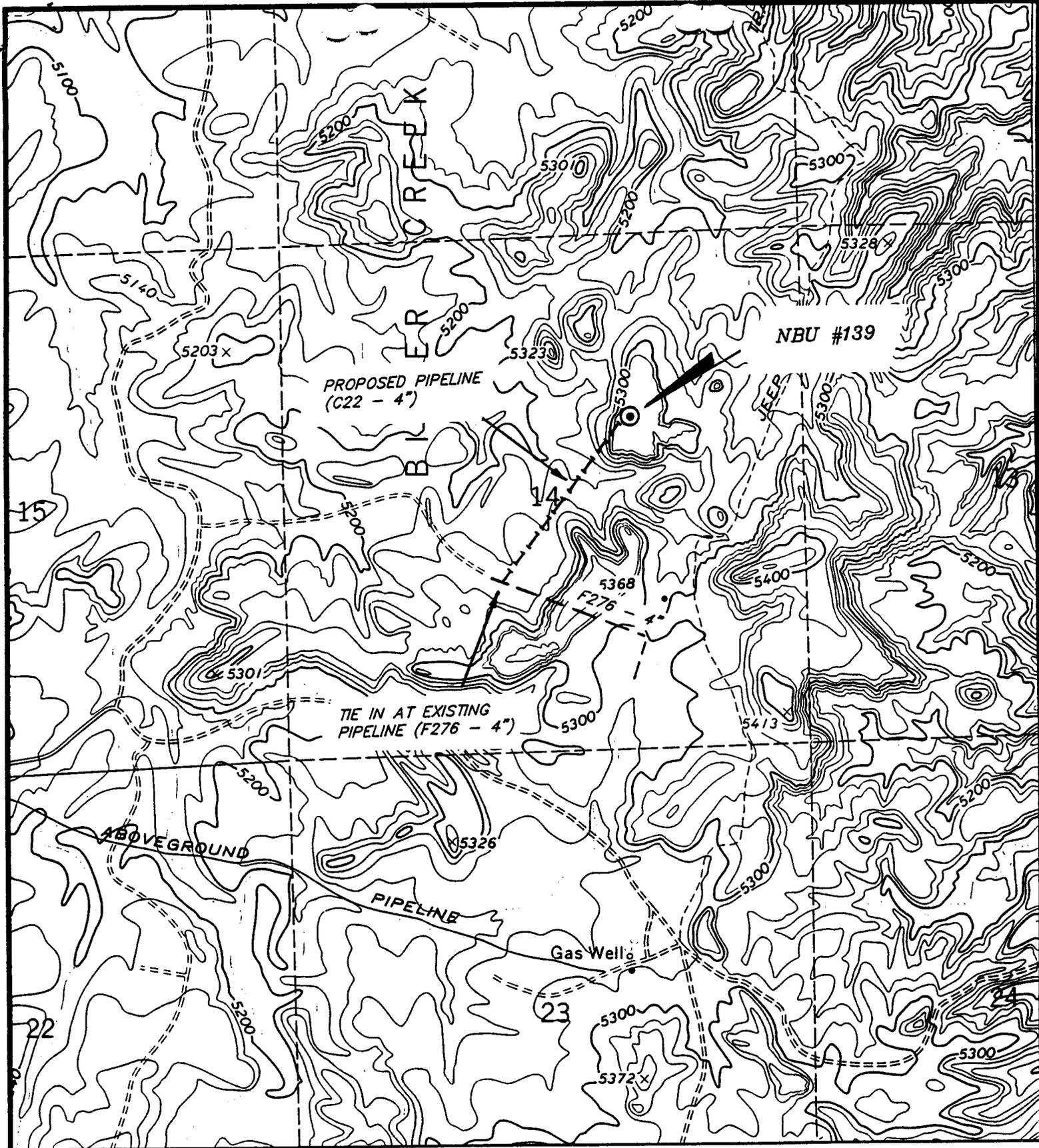
RECEIVED

OCT 09 1991

DIVISION OF  
OIL GAS & MINING

I hereby certify that the foregoing is true and correct  
Signed: [Signature] Title: Regulatory Analyst Date: 10/4/91

Approves by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_  
Conditions of approval, if any:



**TOTAL PIPELINE SLOPE DISTANCE = 2,175'**

**TOPOGRAPHIC  
MAP**

**LEGEND**

- EXISTING PIPELINE
- - - - - Proposed Pipeline



**COASTAL OIL & GAS CORP.**  
 PROPOSED PIPELINE RIGHT-OF-WAY FOR  
 NBU #139  
 SECTION 14, T10S, R21E, S.L.B.&M.  
 DATE 9-26-91



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE

(See other instructions on reverse side)

Form approved.  
Budget Bureau No. 1004-0137  
Expires August 31, 1985

WELL COMPLETION OR RECOMPLETION REPORT AND LOG \*

1a. TYPE OF WELL:  OIL WELL  GAS WELL  DRY WELL

b. TYPE OF COMPLETION:  NEW WELL  WORK OVER  DEEPEN  HIG BACK  DIFF. ENVY.



2. NAME OF OPERATOR: Coastal Oil & Gas Corporation

OCT 11 1991

3. ADDRESS OF OPERATOR: P. O. Box 749 Denver, CO 80201-0749

(303) 598-076  
DIVISION OF OIL & GAS MINING

4. LOCATION OF WELL (Report location clearly and in accordance with any State or Federal regulations)  
At surface 1847' FNL & 1725' FEL (SW/NE)  
At top prod. interval reported below Same as above.  
At total depth Same as above.

14. PERMIT NO. 43-047-31948 | DATE ISSUED 2/8/91

5. LEASE DESIGNATION AND SERIAL NO. UTU-465  
6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A  
7. UNIT AGREEMENT NAME Natural Buttes Unit  
8. FARM OR LEASE NAME NBU  
9. WELL NO. 139  
10. FIELD AND POOL, OR WILDCAT Natural Buttes  
11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA Section 14, T10S-R21E

12. COUNTY OR PARISH Uintah | 13. STATE Utah

15. DATE SPUDDED 6/24/91 | 16. DATE T.D. REACHED 7/12/91 | 17. DATE COMPL. (Ready to prod.) 7/31/91 | 18. ELEVATIONS (OF. RKB, RT. OR, ETC.)\* 5342' GR, 5354' KB | 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 6450' | 21. PLUG. BACK T.D., MD & TVD 6387' | 22. IF MULTIPLE COMPL., HOW MANY\* | 23. INTERVALS DRILLED BY SFC-TD | ROTARY TOOLS | CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)\* 4938'-6064' Wasatch | 25. WAS DIRECTIONAL SURVEY MADE No

26. TYPE ELECTRIC AND OTHER LOGS RUN Neutron-GR-Caliper-Density-DLL, CSL-CCL-GR 7-25-91 | 27. WAS WELL CORED No

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

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8"	24#	274'	12-1/4"	150 sx Type V + Add.	None
5-1/2"	17#	6448'	7-7/8"	945 sx HiFill & 50/50 Poz 255 sx C1 "G" + Add (See chrono for bullhead squeeze.)	None

29. LINER RECORD | 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

31. PERFORATION RECORD (Interval, size and number)

DEPTH	INTERVAL	SIZE	NUMBER
4938'	5374'	5832'	6060'
4946'	5586'	5921'	6064'
5354'	5590'	6007'	
5363'	5784'	6056'	

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
4938'-6064'	4000 gals 3% KCl wtr & 28 BS's

33. PRODUCTION

DATE FIRST PRODUCTION 7/30/91 | PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) Flowing | WELL STATUS (Producing or shut-in) SI

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
7/31/91	24	20/64"		0	270	0	N/A

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)
100	200		0	270	0	N/A

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) SI, WOPLC | TEST WITNESSED BY P. Breshears

35. LIST OF ATTACHMENTS Chronological report.

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

SIGNED Aileen Danni Joy TITLE Regulatory Analyst DATE 10/8/91

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

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, cushion used, time tool open, flowing and shut-in pressures, and recoveries);

38. GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	MEAS. DEPTH	TRUE VERT. DEPTH
				Wasatch Fin.	4558'	4558'

COASTAL OIL & GAS CORPORATION  
CHRONOLOGICAL HISTORY

NBU #139  
NATURAL BUTTES UNIT  
UINTAH COUNTY, UTAH  
CIRCLE L #7  
WI: 100% COGC AFE: 13055  
ATD: 6325' (WASATCH) SD: 7/5/91  
CSG: 8-5/8" @ 274'; 5-1/2" @ 6448'  
DHC(M\$): \$158.9

SW/NE SECTION 14-T10S-R21E

- 6/26/91 265' Spud sfc hole @ 10:30 a.m., 6/24/91. MIRU Leon Ross & drill 265' - 12-1/4" hole and run 6 jts 8-5/8" 24# K-55 ST&C (tally run - 264.21'). Cmt w/Halliburton: 100 sx Thixotropic cmt w/12% Capseal, 3% CaCl<sub>2</sub> and 15#/sx Gilsonite, 1/2#/sx Flocele. Tail w/50 sx Type V Premium w/2% CaCl<sub>2</sub> & 1/4#/sx Flocele. Circ to pit 20 bbls cmt: 1) Yd - 1.82 ft<sup>3</sup>/sx, Wt - 14#/gal; 2) Yd - 1.15 ft<sup>3</sup>/sx, Wt - 15.6#/gal. CC: \$10,596.
- 7/3/91 RURT. Will spud Thursday p.m., 7/4/91. CC: \$25,794.
- 7/4/91 265' RURT. Will spud today, changing out draw works motor. CC: \$25,794.
- 7/5/91 277' Testing BOP. Finish RU Circle L #7. PU Kelly, install. NU stack, test manifold - 2000#/10 min, 8-5/8" csg - 1500#/30 min. Will spud this a.m. CC: \$61,433.
- 7/6/91 1148' Drlg 871'/14.5 hrs. Finish tstg BOP's to 2000# - OK, hydril to 1500# - OK. Install pit liner. PU BHA, RIH, tag cmt @ 201'. Drlg cmt from 201' to 274'. Spud @ 2:30 p.m., 7/5/91. Drlg 7-7/8" hole to 510'. Svy: 1/2 deg @ 490'. Drlg to 1027'. Svy: 1-1/2 deg @ 1017'. Drlg. Air mist, 1400 CFM. CC: \$78,224.
- 7/7/91 2201' Drlg 1053'/21.5 hrs. Drlg, change rotating hd. Drlg, hit wtr @ 1530'. Svy, drlg, RS, drlg. Rig repair - pump valve. Drlg, svy. Drlg w/aerated wtr. Svys: 1-1/4 deg @ 1510', 1-3/4 deg @ 2036'. pH 11.0, 1400 CFM. CC: \$84,664.
- 7/8/91 3170' Drlg 969'/21.5 hrs. Drlg, rig repair - draw works. Drlg, svy, drlg, svy. Drlg w/aerated wtr. Svys: 2 deg @ 2524', 2 deg @ 3020'. pH 11.0, 1100 CFM. CC: \$103,333.
- 7/9/91 4070' Drlg 900'/22.5 hrs. Drlg, RS, svys: 1-3/4 deg @ 3528'; 1-3/4 deg @ 4010'. Drlg w/aerated wtr. MW 8.4, VIS 28, 1100 CFM. CC: \$113,808.
- 7/10/91 4706' Drlg 636'/18.5 hrs. Drlg, RS & work BOP's. Drlg, TOH w/BHA. CO bit and work blind rams. TIH w/bit #2. Wash 25' to btm (18' of fill). Drlg, svy: 1-3/4 deg @ 4509'. Drlg w/aerated wtr. MW 8.4, VIS 28, PH 11, AIR 1100 CFM. CC: \$123,655.
- 7/11/91 5436' Drlg 730'/22 hrs. Drlg, svy: 2 deg @ 5017'. RS & chk BOP. Drlg, RR (rig pump). Drlg w/wtr. MW 8.4, VIS 28, PH 10.5, AIR 1100 CFM. CC: \$129,156.
- 7/12/91 6101' Drlg 665'/22.5 hrs. Drlg, svys: 2 deg @ 5514'; 1-3/4 deg @ 6005'. RS & work BOP's. Drlg w/aerated wtr. MW 8.4, VIS 28, PH 10.5, AIR 1100 CFM. CC: \$136,111.
- 7/13/91 6450' Rig repair, compound chain. 349'/14.5 hrs. Drlg, RS, chk BOP. Drlg, circ for short trip. Short trip, wash & ream 100' to btm, 20' tight hole, 20' fill. Circ, displace hole w/400 bbls 10# brine. TOOH for logs. RR, 10# brine, 1100 CFM. CC: \$149,400.
- 7/14/91 6450' Running 5-1/2" csg. RR, fin TOOH, SLM, no corr. Logging w/Atlas: Neutron-GR-Caliper-Density-DLL. TIH to 6325'. LD drillstring. RU csg crew. Run 5-1/2" csg. 10# brine. CC: \$166,513.
- 7/15/91 6450' RDRT. Run 5-1/2" csg. Wash csg to btm 6260-6448'. Ran 151 jts (6448.36') 5-1/2", 17#, J-55, ST&C csg. FS @ 6448'; FC 6403'. Cmt w/Howco: 20 bbls FW, 270 sx HiFill, 1#/sk Capseal, .3% HR-7; 675 sx 50-50 Poz, 2% gel, 10% salt, .6% Halad 24, 2% CFR-3, 1/4#/sk Flocele, 1#/sk Capseal; 149 bbls FW. Bump plug to 2050 psi/5 min-OK. Set slips w/100M#. ND BOP's. RR @ 4:00 p.m., 7/14/91. CC: \$235,704. FINAL DRILLING REPORT.

THE COASTAL CORPORATION  
PRODUCTION REPORT

CHRONOLOGICAL HISTORY

NBU #139  
SW/NE SECTION 14-T10S-R21E  
NATURAL BUTTES UNIT  
UINTAH COUNTY, UTAH  
WI: 100% COGC AFE: 12943 RI  
TD: 6450'  
CSG: 5-1/2" @ 6448'  
PERFS: 4938'-6064' (WASATCH)  
CWC(M\$): \$397.0

PAGE 2

- 7/27/91 Prep to RIH w/tbg. Clean location, install anchors. MIRU CU.  
DC: \$18,470 TC: \$254,174
- 7/28/91 Prep to run CBL. NU BOP. PU and RIH w/2-3/8" tbg. Tag btm @ 6387'.  
Circ hole w/3% KCl.  
DC: \$2,175 TC: \$256,349
- 7/29/91 Prep to swab. RU HLS. Run CBL-CCL-GR from 6372' to 1450'. TOC @  
1740'. Test csg to 5000 psi. Perf Wasatch from 4938' to 6064' w/14  
holes. RIH w/tbg. Land tbg @ 4892'. RU Smith. Breakdown perfs  
w/4000 gals 3% KCl wtr and ball sealers. AIR 5.9 BPM @ 4500 psi.  
Did not ball off. Flowed back 60 bbls. Well died. Swab 50 bbls.  
SIFN.  
DC: \$28,525 TC: \$284,874
- 7/30/91 Flow test well. SITP 1000 psi, SICP 800 psi. Made 1 swab run.  
Recover 9 BW w/swab. Well flowed 40 bbls wtr and kicked off.  
DC: \$1,600 TC: \$286,474
- 7/31/91 Flowing 270 MCFD, FTP 100 psi, CP 200 psi, 20/64" choke.
- 8/1/91 SI waiting on frac. Flowing 270 MCFD, FTP 100 psi, CP 200 psi,  
20/64" choke. POOH w/tbg. LD tbg. RDMO CU. Drop from report until  
further activity.  
DC: \$14,245 TC: \$300,719
- 8/8/91 MIRU Western Company. Cmt 8-5/8" x 5-1/2" csg annulus as follows:  
Mix and pump 20 bbl LCM pill. Mix and pump 55 sx Class "G" w/LCM.  
Mix and pump 200 sx Class "G". Annulus filled and stood full. Drop  
from report until further activity.  
DC: \$5,850 TC: \$306,569

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

**SUNDRY NOTICES AND REPORTS ON WELLS**

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**SUBMIT IN TRIPLICATE**

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

Coastal Oil & Gas Corporation

3. Address and Telephone No.

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4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1847' FNL & 1725' FEL (SWNE)  
Section 14, T10S-R21E

5. Lease Designation and Serial No.

UTU-465

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

Natural Buttes Unit

8. Well Name and No.

NBU #139

9. API Well No.

43-047-31948

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Natural Buttes

11. County or Parish, State

Uintah County, Utah

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TYPE OF SUBMISSION

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TYPE OF ACTION

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 Altering Casing  
 Other Report of Operations  
 Change of Plans  
 New Construction  
 Non-Routine Fracturing  
 Water Shut-Off  
 Conversion to Injection  
 Dispose Water

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

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Please see the attached chronological report for the drilling operations on the above-referenced well.

**RECEIVED**

AUG 01 1991

DIVISION OF  
OIL GAS & MINING

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

Signed

*[Signature]*

Title Regulatory Analyst

Date 7/29/91

(This space for Federal or State office use)

Approved by \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

Conditions of approval, if any:

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.

\*See Instruction on Reverse Side

COASTAL OIL & GAS CORPORATION  
CHRONOLOGICAL HISTORY

NBU #139  
NATURAL BUTTES UNIT  
UINTAH COUNTY, UTAH  
CIRCLE L #7  
WI: 100% COGC AFE: 13055  
ATD: 6325' (WASATCH) SD: 7/5/91  
CSG: 8-5/8" @ 274'; 5-1/2" @ 6448'  
DHC(M\$): \$158.9

SW/NE SECTION 14-T10S-R21E

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- 7/3/91 RURT. Will spud Thursday p.m., 7/4/91. CC: \$25,794.
- 7/4/91 265' RURT. Will spud today, changing out draw works motor. CC: \$25,794.
- 7/5/91 277' Testing BOP. Finish RU Circle L #7. PU Kelly, install. NU stack, test manifold - 2000#/10 min, 8-5/8" csg - 1500#/30 min. Will spud this a.m. CC: \$61,433.
- 7/6/91 1148' Drlg 871'/14.5 hrs. Finish tstg BOP's to 2000# - OK, hydril to 1500# - OK. Install pit liner. PU BHA, RIH, tag cmt @ 201'. Drlg cmt from 201' to 274'. Spud @ 2:30 p.m., 7/5/91. Drlg 7-7/8" hole to 510'. Svy: 1/2 deg @ 490'. Drlg to 1027'. Svy: 1-1/2 deg @ 1017'. Drlg. Air mist, 1400 CFM. CC: \$78,224.
- 7/7/91 2201' Drlg 1053'/21.5 hrs. Drlg, change rotating hd. Drlg, hit wtr @ 1530'. Svy, drlg, RS, drlg. Rig repair - pump valve. Drlg, svy. Drlg w/aerated wtr. Svys: 1-1/4 deg @ 1510', 1-3/4 deg @ 2036'. pH 11.0, 1400 CFM. CC: \$84,664.
- 7/8/91 3170' Drlg 969'/21.5 hrs. Drlg, rig repair - draw works. Drlg, svy, drlg, svy. Drlg w/aerated wtr. Svys: 2 deg @ 2524', 2 deg @ 3020'. pH 11.0, 1100 CFM. CC: \$103,333.
- 7/9/91 4070' Drlg 900'/22.5 hrs. Drlg, RS, svys: 1-3/4 deg @ 3528'; 1-3/4 deg @ 4010'. Drlg w/aerated wtr. MW 8.4, VIS 28, 1100 CFM. CC: \$113,808.
- 7/10/91 4706' Drlg 636'/18.5 hrs. Drlg, RS & work BOP's. Drlg, TOH w/BHA. CO bit and work blind rams. TIH w/bit #2. Wash 25' to btm (18' of fill). Drlg, svy: 1-3/4 deg @ 4509'. Drlg w/aerated wtr. MW 8.4, VIS 28, PH 11, AIR 1100 CFM. CC: \$123,655.
- 7/11/91 5436' Drlg 730'/22 hrs. Drlg, svy: 2 deg @ 5017'. RS & chk BOP. Drlg, RR (rig pump). Drlg w/wtr. MW 8.4, VIS 28, PH 10.5, AIR 1100 CFM. CC: \$129,156.
- 7/12/91 6101' Drlg 665'/22.5 hrs. Drlg, svys: 2 deg @ 5514'; 1-3/4 deg @ 6005'. RS & work BOP's. Drlg w/aerated wtr. MW 8.4, VIS 28, PH 10.5, AIR 1100 CFM. CC: \$136,111.
- 7/13/91 6450' Rig repair, compound chain. 349'/14.5 hrs. Drlg, RS, chk BOP. Drlg, circ for short trip. Short trip, wash & ream 100' to btm, 20' tight hole, 20' fill. Circ, displace hole w/400 bbls 10# brine. TOOH for logs. RR, 10# brine, 1100 CFM. CC: \$149,400.
- 7/14/91 6450' Running 5-1/2" csg. RR, fin TOOH, SLM, no corr. Logging w/Atlas: Neutron-GR-Caliper-Density-DLL. TIH to 6325'. LD drillstring. RU csg crew. Run 5-1/2" csg. 10# brine. CC: \$166,513.
- 7/15/91 6450' RDRT. Run 5-1/2" csg. Wash csg to btm 6260-6448'. Ran 151 jts (6448.36') 5-1/2", 17#, J-55, ST&C csg. FS @ 6448'; FC 6403'. Cmt w/Howco: 20 bbls FW, 270 sx HiFill, 1#/sk Capseal, .3% HR-7; 675 sx 50-50 Poz, 2% gel, 10% salt, .6% Halad 24, 2% CFR-3, 1/4#/sk Flocele, 1#/sk Capseal; 149 bbls FW. Bump plug to 2050 psi/5 min-OK. Set slips w/100M#. ND BOP's. RR @ 4:00 p.m., 7/14/91. CC: \$235,704. FINAL DRILLING REPORT.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

**SUBMIT IN TRIPLICATE**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
 Coastal Oil & Gas Corporation

3. Address and Telephone No.  
 P. O. Box 749 Denver, CO 80201-0749 (303) 573-4476

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
 1847' FNL & 1725' FEL (SW/NE)  
 Section 14, T10S-R21E

5. Lease Designation and Serial No.  
 UTU-465

6. If Indian, Allottee or Tribe Name  
 N/A

7. If Unit or CA, Agreement Designation  
 Natural Buttes Unit

8. Well Name and No.  
 NBU #139

9. API Well No.  
 43-047-31948

10. Field and Pool, or Exploratory Area  
 Natural Buttes

11. County or Parish, State  
 Uintah County, Utah

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>Report of 1st Sales</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

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

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

The above referenced well was connected to CIG's gas salesline and 1st sales occurred @ 3:15 p.m., 12/19/91 with a rate of 1209 MCFD, FTP 1977 psi, SICP 1983 psi on 10/64" choke.

**RECEIVED**  
 JAN 27 1992  
 DIVISION OF  
 OIL GAS & MINING

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

Signed *William R. ...* Title Regulatory Analyst Date 1/22/92

(This space for Federal or State office use)

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

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.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

**SUNDRY NOTICES AND REPORTS ON WELLS**

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 Coastal Oil & Gas Corporation

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4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
 1847' FNL & 1725' FEL  
 SW/NE Section 14, T10S-R21E

5. Lease Designation and Serial No.  
 UTU-465

6. If Indian, Allottee or Tribe Name  
 N/A

7. If Unit or CA, Agreement Designation  
 Natural Buttes Unit

8. Well Name and No.  
 NBU #139

9. API Well No.  
 43-047-31948

10. Field and Pool, or Exploratory Area  
 Natural Buttes

11. County or Parish, State  
 Uintah County, Utah

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TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>Fracture Treatment</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

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

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Please see the attached chronological history for the fracture treatment procedure performed on the above referenced well.

**RECEIVED**  
 MAR 05 1992  
 DIVISION OF  
 OIL GAS & MINING

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

Signed *Ellen Denny Day* Title Regulatory Analyst Date 2/28/92

(This space for Federal or State office use)

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

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.

THE COASTAL CORPORATION  
PRODUCTION REPORT

CHRONOLOGICAL HISTORY

NBU #139  
SW/NE SECTION 14-T10S-R21E  
NATURAL BUTTES UNIT  
UINTAH COUNTY, UTAH  
WI: 100% COGC     AFE: 12943 R1

PAGE 3

- 11/5/91     SI, WO frac. MIRU Welltech rig #247. Killed well. ND WH, NU BOP. PU & RIH w/2-3/8" tbg. Landed @ 4943'. ND BOP, NU WH. RD, prep to MO.  
DC: \$4,240            TC: \$310,809
- 11/26/91     Flow back after frac. RU Smith Energy. Fracture treat Wasatch perfs 4938'-6064' w/150,000 gals frac fluid w/30% CO<sub>2</sub> & 288,500# 20/40 mesh sand in two stages. Drop 3 - 7/8" 1.1 RCN ball sealers to stage. ATP 4200 psi, AIR 31.7 BPM. ISIP 2010 psi, 15 min 1950 psi.  
DC: \$102,200        TC: \$413,009
- 11/27/91     Flwg 850 MCFD CO<sub>2</sub>, FTP 1100 psi, CP 1150 psi, 16/64" chk, 15 BWP.
- 11/28/91     Flwg 1000 MCFD CO<sub>2</sub>, FTP 1050 psi, CP 950 psi, 16/64" chk.
- 11/29/91     Flwg 1700 MCFD, FTP 1150 psi, CP 900 psi, 16/64" chk, dry gas.
- 11/30/91     SI, WOPLC.
- 12/6/91     Prep to cleanout frac sand. MIRU Pool Company rig #298. SDFN.  
DC: \$2,750            TC: \$415,759
- 12/7/91     Flow testing after cleanout. Killed well w/3% KCl wtr. ND WH, NU BOP. RIH w/tbg to 6362'. Knocked out sand bridges @ 5652' & 6330'. Pulled tbg back up to 4943'. ND BOP, NU WH. Flwg 2000 MCFD, FTP 1100 psi, CP 1100 psi, 20/64" chk.  
DC: \$2,820            TC: \$418,579
- 12/8/91     Flwg 1500 MCFD, FTP 825 psi, CP 120 psi, 20/64" chk, 30 BWP.
- 12/9/91     SI, WOPLC. Flwg 2000 MCFD, FTP 840 psi, CP 1000 psi, 20/64" chk, light mist.
- 12/10/91     Prep to run after frac tracer log. RDMO Pool Company rig #298. Drop from report.  
DC: \$610              TC: \$419,189
- 12/18/91     SI, WOPLC. Killed well w/3% KCl wtr. Fin PU & RIH w/2-3/8" tbg. Landed @ 4661'. ND BOP, NU WH. RDMO Welltech rig #247. Drop from report.  
DC: \$1,260            TC: \$420,449

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

APR 17 1992

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

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

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

5. Lease Designation and Serial No.

See Attached List

6. If Indian, Allottee or Tribe Name

See Attached List

7. If Unit or CA, Agreement Designation

Natural Buttes Unit

8. Well Name and No.

See Attached List

9. API Well No.

See Attached List

10. Field and Pool, or Exploratory Area

Natural Buttes

11. County or Parish, State

Uintah County, Utah

**SUBMIT IN TRIPLICATE**

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

Coastal Oil & Gas Corporation

3. Address and Telephone No.

P. O. Box 749 Denver, CO 80201-0749 (303) 573-4476

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

See Attached List

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

TYPE OF ACTION

- Abandonment
- Recompletion
- Plugging Back
- Casing Repair
- Altering Casing
- Other NTL 2B; IV
- Change of Plans
- New Construction
- Non-Routine Fracturing
- Water Shut-Off
- Conversion to Injection
- Dispose Water

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

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Coastal Oil & Gas Corporation hereby requests permission to dispose of produced water in unlined pits per NTL-2B, IV, for the subject wells.

- 1) These wells are completed in the Wasatch formation and produce less than 5 barrels of water per day on a monthly basis.
- 2) Two unlined pits per location will be used due to the size and layout of the locations: 40' x 40' x 8' and 6' x 6' x 6' deep with berms surrounding them. Each pit will be fenced and will have cement corner posts per BLM specifications. (See the attached typical facilities diagram.)
- 3) The average evaporation rate for the area compensated for annual rainfall is 70" per year.
- 4) The estimated percolation rate based on the soil characteristics under and adjacent to the pits is 2-6" per hour.
- 5) The depth of usable water aquifers in this area is approximately 1500'.

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

Signed Eileen Danni Dey  
(This space for Federal or State office use)

Title Regulatory Analyst

Date 4/14/92

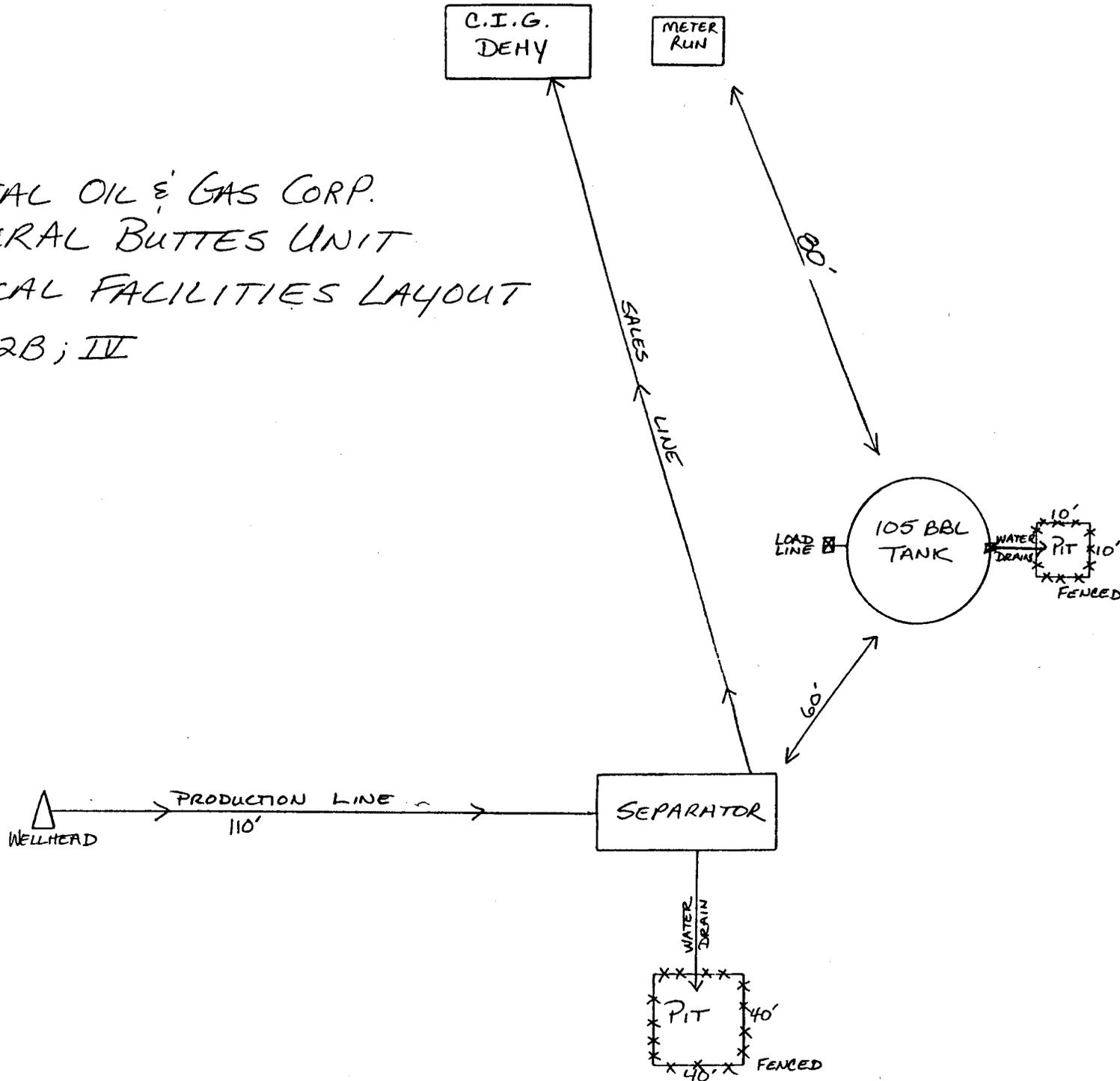
**Accepted by the State  
of Utah Division of  
Oil, Gas and Mining**

Date: 4-29-92

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

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.

COASTAL OIL & GAS CORP.  
NATURAL BUTTES UNIT  
TYPICAL FACILITIES LAYOUT  
NTL-2B; IV



13-Apr-92

NATURAL BUTTES

UINTAH COUNTY, UTAH

WELL #	LOCATION				STATE OR BLM		API
	QUAD	SEC	TWP	RGE	LEASE #	SURFACE	NUMBER
NBU #103	SENW	10	9	21	U-0141315	UTE	43-047-31956
NBU #104	SENE	16	9	21	ST ML-3282	UTE	43-047-31957
NBU #105	SWSW	17	9	21	U-0575	UTE	43-047-31955
NBU #106	NESW	21	9	21	U-0576	UTE	43-047-31946
NBU #107	SENW	26	9	21	ST ML-01194	STATE	43-047-31916
NBU #108	SESE	19	9	22	U-0284	UTE	43-047-31958
NBU #109	SENE	27	9	21	ST U-01194-A	STATE	43-047-31917
NBU #110	NENE	28	9	21	U-0576	FED.	43-047-31924
NBU #111	SWNW	25	9	21	ST U-01194	STATE	43-047-31920
NBU #112	SESE	33	9	22	U-01191	FED.	43-047-31930
NBU #113	SESE	34	9	22	U-0149077	FED.	43-047-31931
NBU #114	SWSW	5	10	21	U-01393-D	FED.	43-047-31923
NBU #115	NENW	10	10	21	U-0149079	FED.	43-047-31929
NBU #116	NWNW	6	10	22	U-464	FED.	43-047-31925
NBU #117	NENE	10	10	22	ST UT-01197-A	STATE	43-047-31914
NBU #118	SENE	22	9	20	U-0577-B	UTE	43-047-31969
NBU #119	SENW	22	9	20	U-0577-B	UTE	43-047-31973
NBU #120	NWNW	10	9	21	U-0141315	UTE	43-047-31972
NBU #121	NWNE	13	9	21	U-01193	UTE	43-047-
NBU #122	SWSE	13	9	21	U-01193	UTE	43-047-32085
NBU #123	NWNW	15	9	21	U-01188	UTE	43-047-31974
NBU #124	NWNE	16	9	21	ST ML-3282	UTE	43-047-31971
NBU #125	NESE	17	9	21	U-0575	UTE	43-047-32090
NBU #126	NENW	21	9	21	U-0576	UTE	43-047-31962
NBU #127	SWNW	21	9	21	U-0576	UTE	43-047-31963
NBU #128	SWSW	21	9	21	U-0576	UTE	43-047-31964
NBU #129	SENE	22	9	21	U-010950-A	UTE	43-047-31965
NBU #130	SWNW	22	9	21	U-0147566	UTE	43-047-31967
NBU #131	NWSW	23	9	21	U-0149075	UTE	43-047-31966
NBU #132	NWNW	26	9	21	ST U-01194	STATE	43-047-31938
NBU #133	SWNE	28	9	21	U-0576	FED.	43-047-31950
NBU #134	SWSW	28	9	21	U-0576	FED.	43-047-32011
NBU #135	NESE	18	9	22	U-461	UTE	43-047-32089
NBU #136	SWSE	19	9	22	U-0284	UTE	43-047-31968
NBU #137	SESE	30	9	22	ST ML-22935	STATE	43-047-31939
NBU #138A	SENE	33	9	22	U-01191-A	FED.	43-047-32151
NBU #139	SWNE	14	10	21	U-465	FED.	43-047-31948
NBU #140	NWNE	5	10	22	U-01191A	FED.	43-047-31947
NBU #141	SENW	6	10	22	U-464	FED.	43-047-32017
NBU #142	NESE	10	10	22	U-025187	FED.	43-047-32013
NBU #143	NWNE	10	9	21	U-0141315	UTE	43-047-32088
NBU #144	NWNW	23	9	21	U-0149075	UTE	43-047-32044
NBU #145	NWNE	27	9	21	ST U-01194-A	STATE	43-047-31976
NBU #146	SWNW	14	10	21	U-465	FED.	43-047-31985
NBU #147	NWSW	4	10	22	U-01191	FED.	43-047-31984
NBU #148	SESW	4	10	22	U-01191	FED.	43-047-31983
NBU #149	NESE	5	10	22	U-01191	FED.	43-047-31982
NBU #150	SENW	9	10	22	U-01196-B	FED.	43-047-31992
NBU #151	NWNW	9	10	22	U-01196-B	FED.	43-047-31991
NBU #152	SESE	9	10	22	U-01196-D	FED.	43-047-31990
NBU #153	SWNW	11	10	22	ST U-01197-A	STATE	43-047-31975
NBU #154	NWSE	26	9	21	ST ML-22934	STATE	43-047-32003
NBU #155	SENW	31	9	22	ST ML-23607	STATE	43-047-32004
NBU #156	SWNW	35	9	21	ST U-01194	STATE	43-047-32005
NBU #157	SESW	32	9	22	ST ML-22649	STATE	43-047-32007
NBU #158	NWSE	27	9	21	ST U-01194-A	STATE	43-047-31997
NBU #159	NESW	35	9	21	ST U-01194	STATE	43-047-31996
NBU #160	SESW	31	9	22	ST ML-22935-A	STATE	43-047-32006
NBU #161	SESE	32	9	22	ST ML-22649	STATE	43-047-32023
NBU #162	SENW	12	10	20	U-4478	FED.	43-047-32066
NBU #163	NENW	14	10	21	U-465	FED.	43-047-32069
NBU #164	NWSE	3	10	22	U-01191-A	FED.	43-047-32055
NBU #165	NENW	3	10	22	U-01191	FED.	43-047-32057
NBU #166	SWSE	28	9	21	U-0576	FED.	43-047-32065
NBU #167	SESW	25	9	21	ST U-01194	STATE	43-047-32054
NBU #168	NWSW	12	10	20	U-4478	FED.	43-047-32117
NBU #169	SESW	12	10	20	U-4478	FED.	43-047-32118

13-Apr-92

NATURAL BUTTES

UINTAH COUNTY, UTAH

WELL #	LOCATION	STATE OR BLM	API
QUAD SEC TWP RGE	LEASE #	SURFACE	NUMBER
NBU #170	NWNW 4 10 22	U-01191-A	FED. 43-047-32169
NBU #171	SENE 5 10 22	U-01191-A	FED. 43-047-32115
NBU #172	NENE 19 9 22	U-0284	UTE 43-047-32194
NBU #173	NWNE 33 9 22	U-01191-A	FED. 43-047-32116
NBU #174	NWNW 11 9 21	U-0141315	UTE 43-047-32193
NBU #175	NENW 28 9 21	U-0576	FED. 43-047-32143
NBU #176	SWNW 28 9 21	U-0576	FED. 43-047-32144
NBU #177	NESE 29 9 21	U-0581	FED. 43-047-32112
NBU #178	NWNE 30 9 21	U-0581	FED. 43-047-32121
NBU #179	SWSW 10 10 21	U-01416-A	FED. 43-047-32145
NBU #180	SWSE 10 10 22	U-025187	FED. 43-047-32113
NBU #181	SESW 9 9 21	U-0576	UTE 43-047-32161
NBU #182	SESW 11 9 21	U-0141315	UTE 43-047-32162
NBU #183 ✓	SWNW 27 9 21	ST U-01194-A	STATE 43-047-32122
NBU #184	SESW 30 9 22	U-463	FED. 43-047-32170
NBU #185	SWNE 3 10 22	U-01191-A	FED. 43-047-32171
NBU #186	SENE 30 9 22	U-463	FED. 43-047-
NBU #187	SESW 34 9 22	U-0149077	FED. 43-047-
NBU #188	SWSW 10 10 22	U-01196-C	FED. 43-047-
NBU #189	SESW 23 9 21	U-0149075	UTE 43-047-
NBU #190 ✓	NWNE 26 9 21	ST U-01194	STATE 43-047-
CIGE 110-7-9-21	SWSE 7 9 21	U-0575-B	UTE 43-047-31959
CIGE 111-13-9-21	SESW 13 9 21	U-01193	UTE 43-047-31954
CIGE 112-19-9-21	SESE 19 9 21	U-0581	UTE 43-047-31945
CIGE 113-21-9-21	SWNE 21 9 21	U-0576	UTE 43-047-31944
CIGE 114-34-9-21 ✓	NESE 34 9 21	ST U-01194-A	STATE 43-047-31915
CIGE 115-35-9-21 ✓	NWNE 35 9 21	ST ML-22582	STATE 43-047-31918
CIGE 116-29-9-22 ✓	NWSW 29 9 22	ST ML-22935	STATE 43-047-31919
CIGE 117-34-9-22	SWNW 34 9 22	U-0149077	FED. 43-047-31928
CIGE 118-35-9-22	NESE 35 9 22	U-010954A	FED. 43-047-32025
CIGE 119-15-10-21	NENE 15 10 21	U-01416-A	FED. 43-047-31927
CIGE 120-15-9-20	SENE 15 9 20	U-0144868	UTE 43-047-32032
CIGE 121-15-9-20	NWNE 15 9 20	U-0144868	UTE 43-047-32031
CIGE 122-7-9-21	NENE 7 9 21	U-0149767	UTE 43-047-32098
CIGE 123-7-9-21	SWNE 7 9 21	U-0575-B	UTE 43-047-32047
CIGE 124-9-9-21	NWSE 9 9 21	U-01188	UTE 43-047-32045
CIGE 125-13-9-21	NWNW 13 9 21	U-01193	UTE 43-047-32084
CIGE 126-13-9-21	NWSW 13 9 21	U-01193	UTE 43-047-32087
CIGE 127-16-9-21	NESW 16 9 21	ST ML-3141	UTE 43-047-32036
CIGE 128-18-9-21	NENE 18 9 21	U-0575	UTE 43-047-32046
CIGE 129-18-9-21	NENW 18 9 21	U-0581	UTE 43-047-32043
CIGE 130-19-9-21	NENE 19 9 21	U-0581	UTE 43-047-32030
CIGE 131-19-9-21	SWNE 19 9 21	U-0581	UTE 43-047-32029
CIGE 132-20-9-21	NWSW 20 9 21	U-0575	UTE 43-047-32028
CIGE 133-35-9-21 ✓	SWSE 35 9 21	ST ML-22582	STATE 43-047-31978
CIGE 134-1-10-20	SWSW 1 10 20	U-02270-A	FED. 43-047-31989
CIGE 135-3-10-21	SWSW 3 10 21	U-0149078	FED. 43-047-32001
CIGE 136-4-10-21 ✓	SWNE 4 10 21	ST ML-22940	STATE 43-047-31979
CIGE 137-6-10-21	SENE 6 10 21	U-01791	FED. 43-047-31988
CIGE 138A-6-10-21	SENE 6 10 21	U-01791	FED. 43-047-31987
CIGE 139-10-10-21	SWNE 10 10 21	U-0149079	FED. 43-047-31986
CIGE 140-16-10-21 ✓	NENE 16 10 21	ST ML-10755	STATE 43-047-31977
CIGE 141-7-10-22 ✓	NWNE 7 10 22	ST ML-23609	STATE 43-047-31970
CIGE 142-25-9-21 ✓	SENE 25 9 21	ST U-01189	STATE 43-047-31994
CIGE 143-34-9-21 ✓	SWNE 34 9 21	ST U-01194-A	STATE 43-047-31995
CIGE 144-2-10-22 ✓	SWNE 2 10 22	ST ML-22651	STATE 43-047-32022
CIGE 145-29-9-22 ✓	SENE 29 9 22	ST ML-22935	STATE 43-047-31993
CIGE 146-16-10-21 ✓	NWNE 16 10 21	ST ML-10755	STATE 43-047-32021
CIGE 147-36-9-22 ✓	SESW 36 9 22	ST ML-22650	STATE 43-047-32020
CIGE 148-31-9-22 ✓	NWNE 31 9 22	ST ML-22935-A	STATE 43-047-32024
CIGE 149-8-10-21	NWNE 8 10 21	U-01791	FED. 43-047-32056
CIGE 150-9-10-21	SWNE 9 10 21	U-01416	FED. 43-047-32058
CIGE 151-10-10-21	SWSE 10 10 21	U-0149079	FED. 43-047-32059
CIGE 152-33-9-22	SESW 33 9 22	U-01191-A	FED. 43-047-32068
CIGE 153-35-9-22	SESW 35 9 22	U-010954-A	FED. 43-047-32067
CIGE 154-13-10-20	NWNW 13 10 20	U-4485	STATE 43-047-32119
CIGE 155-9-9-21	SENE 9 9 21	U-01188-B	UTE 43-047-32157

13-Apr-92

NATURAL BUTTES

UINTAH COUNTY, UTAH

WELL #	LOCATION			RGE	STATE OR BLM		API
	QUAD	SEC	TWP		LEASE #	SURFACE	
CIGE 156-16-9-21	NESE	16	9	21	ST ML-3282	UTE	43-047-32195
CIGE 157-16-9-21	SWNW	16	9	21	U-38409	UTE	43-047-32160
CIGE 158-21-9-21	NESE	21	9	21	U-0576	UTE	43-047-32158
CIGE 159-6-10-21	NWNE	6	10	21	U-01791	FED.	43-047-32120
CIGE 160-14-10-21	SWSE	14	10	21	U-01393-C	FED.	43-047-32124
CIGE 161-2-10-22	SESE	2	10	22	ST ML-22651	STATE	43-047-32168
CIGE 162-36-9-22	SESE	36	9	22	ST ML-22650	STATE	43-047-32164
CIGE 163-15-9-21	SENE	15	9	21	U-01193	UTE	43-047-32192
CIGE 164-34-9-22	NWNE	34	9	22	U-0149077	FED.	43-047-32141
CIGE 165-1-10-20	SWNW	1	10	20	U-02270-A	FED.	43-047-32114
CIGE 166-3-10-21	NENW	3	10	21	U-0149078	FED.	43-047-32172
CIGE 167-7-10-21	NENE	7	10	21	U-01791	FED.	43-047-32142
CIGE 168-16-10-21	NWSE	16	10	21	ST ML-10755	STATE	43-047-32123
CIGE 169-2-10-21	SENE	2	10	21	ST ML-22652	STATE	43-047-



**NBU #139**  
 Natural Buttes Field  
 Section 14-T10S-R21E

**WELL DATA:**

Location: 1847' FNL 1725' FEL Sec. 14-T10S-R21E  
 Elevation: 5342' GR, 5354' KB  
 Total Depth: 6450', PBDT 6403' (7/91)  
 Casing: 8-5/8", 24# K-55 @ 274' w/150 sx  
 5-1/2" 17# J-55 @ 6448' w/945 sx 50/50 POZ  
 Tubing: 2-3/8" 4.7# J-55 @ 4661'  
 Formation: Wastach (4938'-6064' - 14 holes)  
 Working Interest: 100% COGC

**PROCEDURE:**

1. MI & RU. Kill well w/3% KCL water. NDWH. NU BOP. POOH w/2-3/8" tbg.
2. RIH w/bit & casing scraper to tag new PBDT 6291'.
3. RU & reperforate Wasatch w/4" casing gun (4 JSPF). Perforate from FDC-CNL log (7/91):

4938	5363	5590	5833	6056	
4940	5374	5782	5920	6060	
4946	5582	5784	5921	6064	
5354	5586	5785	6006		
5358	5588	5832	6007		(14 holes)

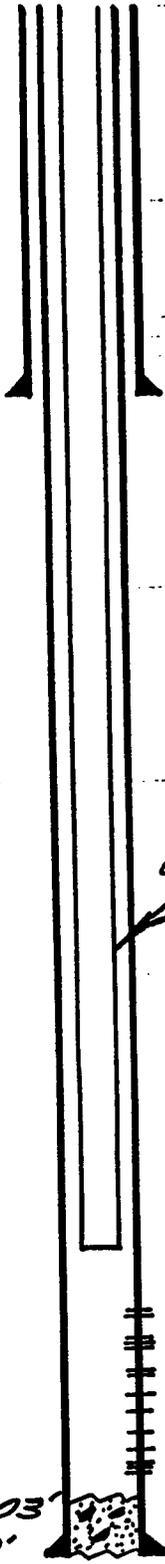
4. RIH w/2-3/8" tubing to 6079' (new EOT). Swab & flow well to clean up.
5. Install plunger lift stop via WL. ND BOP. NU WH. RD & MO. Complete plunger lift installation.
6. After returning well to sales line, obtain rates and pressures.

Rate prior to W/O (4/16/95): 39 MCF, on 12/64" choke (FTP 300#, CP 700#, LP 268#).

*lm*

NBU #139  
SEC 14 T10S R21E  
UINTAH CO., UTAH

ELEV 5342' GR  
5354' KB



8 5/8" K-55 24# CSA 274'  
CMT W/ 150 SX

2 3/8" TUBING

PERFORATIONS: 4938, 4946, 5354, 5363  
5374, 5586, 5590, 5784, 5832,  
5921, 6007, 6056, 6060, 6064.

PBTD 6403'  
TD 6450'

5 1/2" J-55 17# CSA 6448'  
CMT W/ 945 SX  
(NO CMT TO SURF)



**THE COASTAL CORPORATION  
PRODUCTION REPORT**

**CHRONOLOGICAL HISTORY**

**NBU #139 (Reperf, Lwr Tbg & Install PLE)  
SW/NE SECTION 14-T10S-R21E  
NATURAL BUTTES UNIT  
UINTAH COUNTY, UTAH  
WI: 100% COGC AFE:**

7/05/95	Prepare to perf. MI & RU Flint rig #1472. Blow down & kill well w/40 bbls 3% KCl wtr. ND WH. NU BOP. PU & RIH w/tbg tag fill @ 6297'. POH w/tbg. PU & RIH w/hydrastatic bailer. Clean out sand from 6297' to PBD @ 6399'. POH & lay down bailer. SDFN. DC: \$ 5,490	CC: \$ 5,490
7/06/95	Prepare to swab. SICP 300. Blew well down. RU Cutters WLS perf 23 intervals 4938'-6064' (4 SPF) w/4" csg gun. RD WL RIH & broach prod tbg, 196 jts landed @ 6079' w/notched collar on bottom. SN 1 jt up & 10' blast jt on top. ND BOP, NU WH. RU swab. Made 16 swab runs, rec 70 BW. IFL 3800, FFL 5000. SICP 500 psi. Fluid gas cut, no blow behind swab. SDFN. DC: \$ 9,780	CC: \$15,270
7/07/95	Flowing to pit. SITP 50, SICP 800. RU swab. Made 2 runs, rec 10 BW, IFL 3500. Well kicked off, RD & MO Flint rig #1472. Flowed well to pit over night on 32/64 choke. DC: \$ 1,240	CC: \$16,510
7/08/95	SITP 50, SICP 360. Hooked up plunger lift. DC: \$ 0.0	CC: \$16,510
7/09/95	TP 300, CP 400, LP 290, Ch 40/64, MMCF 149, Wtr 10, Down 8. DC: \$ 0.0	CC: \$16,510
7/10/95	TP 300, CP 400, LP 290, Ch 40/64, MMCF 149, Wtr 10, Down 8. DC: \$ 0.0	CC: \$16,510
7/11/95	TP 290, CP 350, LP 278, Ch 30/64-40/64, MMCF 134, Wtr 10, Down 8. DC: \$ 0.0	CC: \$16,510
7/12/95	TP 260, CP 325, LP 279, Ch 30/64, MMCF 87, Wtr 8, Down 12. DC: \$ 0.0	CC: \$16,510
7/13/95	TP 300, CP 360, LP 278, Ch 30/64, MMCF 137, Wtr 5, Down 6. DC: \$ 0.0	CC: \$16,510
7/14/95	TP 275, CP 350, LP 268, Ch 30/64, MMCF 141, Wtr 5, Down 6. DC: \$ 0.0	CC: \$16,510

**FINAL REPORT**



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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER:
2. NAME OF OPERATOR: El Paso Production Oil & Gas Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 8 South 1200 East CITY Vernal STATE Utah ZIP 84078		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: _____ QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: _____		8. WELL NAME and NUMBER: Exhibit "A"
PHONE NUMBER: 435-789-4433		9. API NUMBER:
COUNTY: _____		10. FIELD AND POOL, OR WILDCAT:
STATE: UTAH		

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

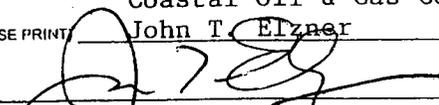
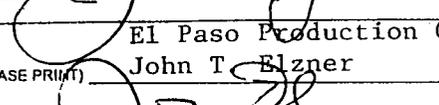
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Name Change</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

As a result of the merger between The Coastal Corporation and a wholly owned subsidiary of El Paso Energy Corporation, the name of Coastal Oil & Gas Corporation has been changed to El Paso Production Oil & Gas Company effective March 9, 2001.

See Exhibit "A"

Bond # 400JU0708

NAME (PLEASE PRINT) Coastal Oil & Gas Corporation		TITLE
John T. Elzner		Vice President
SIGNATURE 		DATE 06-15-01
NAME (PLEASE PRINT) El Paso Production Oil & Gas Company		TITLE
John T. Elzner		Vice President
SIGNATURE 		DATE 06-15-01

(This space for State use only)

RECEIVED

JUN 19 2001

DIVISION OF  
OIL, GAS AND MINING

State of Delaware  
Office of the Secretary of State

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PAGE 1

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "COASTAL OIL & GAS CORPORATION", CHANGING ITS NAME FROM "COASTAL OIL & GAS CORPORATION" TO "EL PASO PRODUCTION OIL & GAS COMPANY", FILED IN THIS OFFICE ON THE NINTH DAY OF MARCH, A.D. 2001, AT 11 O'CLOCK A.M.

RECEIVED

JUN 14 2001

DIVISION OF  
OIL, GAS AND MINING



*Harriet Smith Windsor*  
Harriet Smith Windsor, Secretary of State

0610204 8100

AUTHENTICATION: 1061007

010162788

DATE: 04-03-01

**CERTIFICATE OF AMENDMENT**

**OF**

**CERTIFICATE OF INCORPORATION**

COASTAL OIL & GAS CORPORATION (the "Company"), a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware, DOES HEREBY CERTIFY:

FIRST: That the Board of Directors of the Company, by the unanimous written consent of its members, filed with the minutes of the Board, adopted a resolution proposing and declaring advisable the following amendment to the Certificate of Incorporation of the Company:

RESOLVED that it is deemed advisable that the Certificate of Incorporation of this Company be amended, and that said Certificate of Incorporation be so amended, by changing the Article thereof numbered "FIRST." so that, as amended, said Article shall be and read as follows:

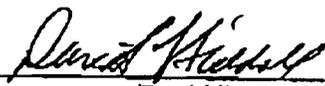
"FIRST. The name of the corporation is El Paso Production Oil & Gas Company."

SECOND: That in lieu of a meeting and vote of stockholders, the stockholders entitled to vote have given unanimous written consent to said amendment in accordance with the provisions of Section 228 of the General Corporation Law of the State of Delaware.

THIRD: That the aforesaid amendment was duly adopted in accordance with the applicable provisions of Sections 242 and 228 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, said COASTAL OIL & GAS CORPORATION has caused this certificate to be signed on its behalf by a Vice President and attested by an Assistant Secretary, this 9th day of March 2001.

COASTAL OIL & GAS CORPORATION

  
\_\_\_\_\_  
David L. Siddall  
Vice President

Attest:

  
\_\_\_\_\_  
Margaret E. Roark, Assistant Secretary

**RECEIVED**

STATE OF DELAWARE  
SECRETARY OF STATE  
DIVISION OF CORPORATIONS  
FILED 11:00 AM 03/09/2001  
010118394 - 0610204

JUN 19 2001

DIVISION OF  
OIL, GAS AND MINING



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

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

**RECEIVED**

JUL 12 2001

DIVISION OF  
OIL, GAS AND MINING

In Reply Refer To:  
3106  
UTSL-065841  
(UT-924)

JUL 10 2001

### NOTICE

El Paso Production Oil & Gas Company : Oil and Gas  
Nine Greenway Plaza :  
Houston TX 77046-0095 :

#### Name Change Recognized

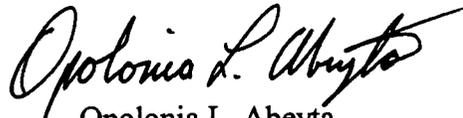
Acceptable evidence has been received in this office concerning the name change of Coastal Oil & Gas Corporation into El Paso Production Oil & Gas Company with El Paso Production Oil & Gas Company being the surviving entity.

For our purposes, the name change is recognized effective March 9, 2001.

The oil and gas lease files identified on the enclosed exhibit have been noted as to the name change. The exhibit was compiled from a list of leases obtained from our computer program. We have not abstracted the lease files to determine if the entities affected by this name change hold an interest in the leases identified nor have we attempted to identify leases where the entities are the operator on the ground maintaining no vested recorded title or operating rights interests. We will be notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

If you identify additional leases in which the entities maintain an interest, please contact this office and we will appropriately document those files with a copy of this Notice.

Due to the name change, the name of the principal/obligor on the bond is required to be changed from Coastal Oil & Gas Corporation to El Paso Production Oil & Gas Company. You may accomplish this either by consent of surety rider on the original bond or a rider to the original bond. The bonds are held in Wyoming and Colorado.



Opolonia L. Abeyta  
Acting Chief, Branch of  
Minerals Adjudication

Enclosure

1. Exhibit of Leases (1 pp)

cc: Moab Field Office  
Vernal Field Office  
MMS, Reference Data Branch, MS3130, PO Box 5860, Denver CO 80217  
~~State of Utah, DOGM~~, Attn: Jim Thompson (Ste. 1210), Box 145801, SLC UT 84114  
Teresa Thompson (UT-922)  
Joe Incardine (UT-921)

## Exhibit of Leases

UTUSL-065841A	UTU-47172	UTU-74415	UTU-53860
UTU-28652	UTU-50687	UTU-74416	UTU-66401
UTU-37943	UTU-52298	UTU-75091	UTU-67868
UTU-44089	UTU-0109054	UTU-75096	UTU-65389
UTU-44090A	UTU-0143511	UTU-75097	UTU-77084
UTU-61263	UTU-0143512	UTU-75673	UTU-61430
UTU-00343	UTU-38401	UTU-76259	UTU-72633
UTU-02651	UTU-38411	UTU-76260	UTU-72650
UTU-02651B	UTU-38418	UTU-76261	UTU-49692
UTU-0142175	UTU-38419	UTU-76493	UTU-57894
UTU-70235	UTU-38420	UTU-76495	UTU-76829
UTU-70406	UTU-38421	UTU-76503	UTU-76830
UTU-74954	UTU-38423	UTU-78228	UTU-76831
UTU-75132	UTU-38424	UTU-78714	
UTU-75699	UTU-38425	UTU-78727	
UTU-76242	UTU-38426	UTU-78734	
UTU-78032	UTU-38427	UTU-79012	
UTU-4377	UTU-38428	UTU-79011	
UTU-4378	UTU-53861	UTU-71694	
UTU-7386	UTU-58097	UTU-00576	
UTU-8344A	UTU-64376	UTU-00647	
UTU-8345	UTU-65222	UTU-01470D	
UTU-8347	UTU-65223	UTU-0136484	
UTU-8621	UTU-66746	UTU-8344	
UTU-14646	UTU-67178	UTU-8346	
UTU-15855	UTU-67549	UTU-8648	
UTU-25880	UTU-72028	UTU-28212	
UTU-28213	UTU-72632	UTU-30289	
UTU-29535	UTU-73009	UTU-31260	
UTU-29797	UTU-73010	UTU-33433	
UTU-31736	UTU-73013	UTU-34711	
UTU-34350	UTU-73175	UTU-46699	
UTU-34705	UTU-73434	UTU-78852	
UTU-37116	UTU-73435	UTU-78853	
UTU-37355	UTU-73444	UTU-78854	
UTU-37573	UTU-73450	UTU-075939	
UTU-38261	UTU-73900	UTU-0149767	
UTU-39223	UTU-74409	UTU-2078	
UTU-40729	UTU-74410	UTU-44426	
UTU-40736	UTU-74413	UTU-49530	
UTU-42469	UTU-74414	UTU-51026	

**OPERATOR CHANGE WORKSHEET**

**ROUTING**

1. GLH		4-KAS
2. CDW ✓		5-LP ✓
3. JLT		6-FILE

Enter date after each listed item is completed

Change of Operator (Well Sold)

Designation of Agent

Operator Name Change (Only)

**X** Merger

The operator of the well(s) listed below has changed, effective: **3-09-2001**

<b>FROM: (Old Operator):</b>
COASTAL OIL & GAS CORPORATION
Address: 9 GREENWAY PLAZA STE 2721
HOUSTON, TX 77046-0995
Phone: 1-(713)-418-4635
Account N0230

<b>TO: ( New Operator):</b>
EL PASO PRODUCTION OIL & GAS COMPANY
Address: 9 GREENWAY PLAZA STE 2721 RM 2975B
HOUSTON, TX 77046-0995
Phone: 1-(832)-676-4721
Account N1845

**CA No.**

**Unit: NATURAL BUTTES**

**WELL(S)**

NAME	API NO	ENTITY NO	SEC TWN RNG	LEASE TYPE	WELL TYPE	WELL STATUS
NBU 269 (CA NW-127)	43-047-33473	2900	12-10S-21E	FEDERAL	GW	P
NBU CIGE 47-14-10-21	43-047-30510	2900	14-10S-21E	FEDERAL	GW	P
NBU CIGE 95D-14-10-21J	43-047-31166	2900	14-10S-21E	FEDERAL	GW	P
NBU 139	43-047-31948	2900	14-10S-21E	FEDERAL	GW	P
NBU 146	43-047-31985	2900	14-10S-21E	FEDERAL	GW	P
NBU 163	43-047-32069	2900	14-10S-21E	FEDERAL	GW	P
CIGE 160-14-10-21	43-047-32124	2900	14-10S-21E	FEDERAL	GW	P
NBU CIGE 48-15-10-21	43-047-30506	2900	15-10S-21E	FEDERAL	GW	P
NBU CIGE 88D-15-10-21P	43-047-30958	2900	15-10S-21E	FEDERAL	GW	P
CIGE 119-15-10-21	43-047-31927	2900	15-10S-21E	FEDERAL	GW	P
CIGE 209-15-10-21	43-047-32943	2900	15-10S-21E	FEDERAL	GW	P
CIGE 228-15-10-21	43-047-32999	2900	15-10S-21E	FEDERAL	GW	P
CIGE 251	43-047-33720	2900	15-10S-21E	FEDERAL	GW	DRL
NBU 357	43-047-33728	2900	15-10S-21E	FEDERAL	GW	P
NBU 218-17	43-047-31310	2900	17-10S-21E	FEDERAL	GW	P
NBU 17-18B	43-047-30317	2900	18-10S-21E	FEDERAL	GW	S
CIGE 248-21-10-21	43-047-33226	2900	21-10S-21E	FEDERAL	GW	P
CIGE 252	43-047-33721	2900	21-10S-21E	FEDERAL	GW	DRL
CIGE 253	43-047-33722	2900	21-10S-21E	FEDERAL	GW	DRL
CIGE 66-23-10-21	43-047-30542	2900	23-10S-21E	FEDERAL	GW	S

**OPERATOR CHANGES DOCUMENTATION**

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 06/19/2001
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 06/19/2001
3. The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 06/21/2001
4. Is the new operator registered in the State of Utah: YES Business Number: 608186-0143

5. If **NO**, the operator was contacted contacted on: N/A
6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the (merger, name change, or operator change for all wells listed on Federal or Indian leases on: 07/10/2001
7. **Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: 07/10/2001
8. **Federal and Indian Communization Agreements ("CA"):** The BLM or the BIA has approved the operator change for all wells listed involved in a CA on: 07/10/2001
9. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

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**DATA ENTRY:**

1. Changes entered in the **Oil and Gas Database** on: 08/07/2001
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 08/07/2001
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

---

**STATE BOND VERIFICATION:**

1. State well(s) covered by Bond No.: N/A

---

**FEDERAL BOND VERIFICATION:**

1. Federal well(s) covered by Bond No.: WY 2793

---

**FEE WELLS - BOND VERIFICATION/LEASE INTEREST OWNER NOTIFICATION:**

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond No: N/A
2. The **FORMER** operator has requested a release of liability from their bond on: N/A  
The Division sent response by letter on: N/A
3. (R649-2-10) The **FORMER** operator of the Fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: \_\_\_\_\_

---

**FILMING:**

1. All attachments to this form have been **MICROFILMED** on: \_\_\_\_\_

---

**FILING:**

1. **ORIGINALS/COPIES** of all attachments pertaining to each individual well have been filled in each well file on: \_\_\_\_\_

---

**COMMENTS: Master list of all wells involved in operator change from Coastal Oil & Gas Corporation to El Paso Production Oil and Gas Company shall be retained in the "Operator Change File".**

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JAN. 17. 2003 3:34PM

WESTPORT

NO. 173

P. 2

**WESTPORT OIL AND GAS COMPANY, L.P.**

410 Seventeenth Street #2300 Denver Colorado 80202-4436  
Telephone: 303 573 5404 Fax: 303 573 5409

**February 1, 2002**

Department of the Interior  
Bureau of Land Management  
2850 Youngfield Street  
Lakewood, CO 80215-7093  
Attention: Ms. Martha Maxwell

**RE: BLM Bond CO-1203  
BLM Nationwide Bond 158626364  
Surety - Continental Casualty Company  
Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.  
Conversion of Westport Oil and Gas Company, Inc., into Westport Oil and Gas Company, L.P.  
Assumption Rider - Westport Oil and Gas Company, L.P.**

**Dear Ms. Maxwell:**

Pursuant to our recent conversations, please find the following list of enclosures for the BLM's consideration and approval:

**Two (2) Assumption Riders, fully executed originals.  
Copies of Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.  
Copies of Westport Oil and Gas Company, Inc., conversion into Westport Oil and Gas Company, L.P.  
List of all Federal/BIA/State Leases - Belco/Westport's leases - in all states.**

Please inform us of any additional information needed to complete the change to Westport Oil and Gas Company, L.P., as operator of record.

I thank you for your assistance and cooperation in this matter. Please do not hesitate contacting the undersigned, should a question arise.

Sincerely,  
Westport Oil and Gas Company, L.P.

*Debby J. Black*  
Debby J. Black  
Engineer Technician

Encl:



United States Department of the Interior **RECEIVED**

BUREAU OF LAND MANAGEMENT

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

FEB 22 2002

DIVISION OF  
OIL, GAS AND MINING

In Reply Refer To:

3106

UTU-25566 et al

(UT-924)

FEB 21 2002

NOTICE

Westport Oil and Gas Company L.P. : Oil and Gas  
410 Seventeenth Street, #2300 :  
Denver Colorado 80215-7093 :

Name Change Recognized

Acceptable evidence has been received in this office concerning the name change of Westport Oil and Gas Company, Inc. into Westport Oil and Gas Company, L.P. with Westport Oil and Gas Company, L.P. being the surviving entity.

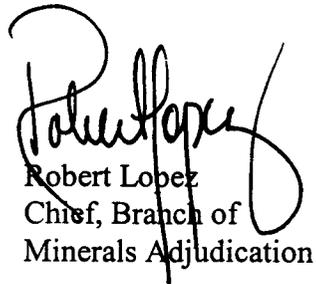
For our purposes, the name change is recognized effective December 31, 2001.

The oil and gas lease files identified have been noted as to the name change. The exhibit was compiled from a list of leases obtained from our computer program. We have not abstracted the lease files to determine if the entities affected by this name change hold an interest in the leases identified nor have we attempted to identify leases where the entities are the operator on the ground maintaining no vested recorded title or operating rights interests. We will be notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

If you identify additional leases in which the entities maintain an interest, please contact this office and we will appropriately document those files with a copy of this Notice.

Due to the name change, the name of the principal/obligor on the bond is required to be changed from Westport Oil and Gas Company, Inc. to Westport Oil and Gas Company, L.P.. You may accomplish this either by consent of surety rider on the original bond or a rider to the original bond. The bonds are held in Colorado.

UTU-03405  
UTU-20895  
UTU-25566  
UTU-43156  
UTU-49518  
UTU-49519  
UTU-49522  
UTU-49523



Robert Lopez  
Chief, Branch of  
Minerals Adjudication

cc: Moab Field Office  
Vernal Field Office  
MMS, Reference Data Branch, MS3130, PO Box 5860, Denver CO 80217  
State of Utah, DOGM, Attn: Jim Thompson (Ste. 1210), Box 145801, SLC UT 84114  
Teresa Thompson (UT-922)  
Joe Incardine (UT-921)

# memorandum

Branch of Real Estate Services  
Uintah & Ouray Agency

Date: 5 December, 2002

Reply to  
Attn of: Supervisory Petroleum Engineer

Subject: Modification of Utah Division of Oil, Gas and Mining Regulations

To: Director, Utah Division of Oil, Gas and Mining Division: John Baza

We have been advised of changes occurring with the operation of your database for Change of Operator. You will be modifying your records to reflect Change of Operator once you have received all necessary documentation from the companies involved, and perhaps in advance of our Notice of Concurrence/Approval of Change of Operator where Indian leases are involved.

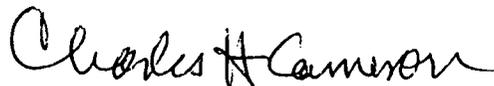
We have no objection.

With further comment to Rulemaking, I wish to comment concerning the provision of Exhibits for upcoming Hearings. I would like to see the Uintah & Ouray Agency, BIA, and the Ute Indian Tribe, Energy & Mineral Resources Department added to the list of those parties that receive advance Exhibits so as to allow us to have research time prior to Hearing dates. We will be able to provide a more informed recommendation to the Oil, Gas and Mining Board. It would be best if we would receive only those Exhibits that concern Indian lands, specifically on or adjacent to Indian lands. This may be a difficult situation to attain, as it is not always clear where 'on or adjacent' occurs.

I am aware that you have gone to extra effort to correct this matter already, and I fully appreciate it. My request is intended only to allow the addition of Uintah & Ouray Agency and Ute Indian Tribe to the official listing.

We appreciate your concern, and hope that these comments are timely enough for consideration in the revision process.

CC: Minerals & Mining Section of RES  
Ute Energy & Mineral Resources Department: Executive Director  
chrono





# United States Department of the Interior

**BUREAU OF INDIAN AFFAIRS**

Washington, D.C. 20240

FEB 10 2003

IN REPLY REFER TO:  
Real Estate Services.

Carroll A. Wilson  
Principal Landman  
Westport Oil and Gas Company, L.P.  
1368 South 1200 East  
Vernal, Utah 84078

Dear Mr. Wilson:

This is in response to your request for approval of RLI Insurance Company's Nationwide Oil and Gas Lease Bond No. RLB0005239 executed effective December 17, 2002, (\$150,000 coverage) with Westport Oil and Gas Company, L. P., as principal.

This bond is hereby approved as of the date of this correspondence and will be retained in the Bureau of Indian Affairs' Division of Real Estate Services, 1849 C Street, NW, MS-4512-MIB, Washington, D.C. 20240. All Bureau oil and gas regional offices and the surety are being informed of this action.

In cases where you have existing individual and/or collective bonds on file with one or more of our regional offices, you may now request those offices, directly, to terminate in lieu of coverage under this Nationwide Bond.

Enclosed is a copy of the approved bond for your files. If we may be of further assistance in this matter, please advise.

Sincerely,

Director, Office of Trust Responsibilities

**ACTING**

Enclosure



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO  
UT-922

February 27, 2003

Westport Oil and Gas Company, L.P.  
Attn: Gary D. Williamson  
1670 Broadway, Suite 2800  
Denver, Colorado 80202

Re: Natural Buttes Unit  
Uintah County, Utah

Gentlemen:

On February 27, 2003, we received an indenture dated December 17, 2002, whereby El Paso Production Oil & Gas Company resigned as Unit Operator and Westport Oil and Gas Company, L.P., was designated as Successor Unit Operator for the Natural Buttes Unit, Uintah County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective February 27, 2003. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Natural Buttes Unit Agreement.

Your nationwide (Colorado) oil and gas bond No. 1203 will be used to cover all operations within the Natural Buttes Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks  
Chief, Branch of Fluid Minerals

Enclosure

bcc: Field Manager - Vernal (w/enclosure)  
SITLA  
Division of Oil, Gas & Mining  
Minerals Adjudication Group  
File - Natural Buttes Unit (w/enclosure)  
Agr. Sec. Chron  
Fluid Chron

UT922:TAThompson:tt:02/27/2003

RECEIVED

FEB 28 2003

DIV. OF OIL, GAS & MINING

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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER: \_\_\_\_\_

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: \_\_\_\_\_

7. UNIT or CA AGREEMENT NAME: \_\_\_\_\_

8. WELL NAME and NUMBER:  
**Exhibit "A"**

9. API NUMBER: \_\_\_\_\_

10. FIELD AND POOL, OR WILDCAT: \_\_\_\_\_

1. TYPE OF WELL    OIL WELL     GAS WELL     OTHER \_\_\_\_\_

2. NAME OF OPERATOR:  
**El Paso Production Oil & Gas Company**

3. ADDRESS OF OPERATOR:    **9 Greenway Plaza**    CITY: **Houston**    STATE: **TX**    ZIP: **77064-0995**    PHONE NUMBER: **(832) 676-5933**

4. LOCATION OF WELL

FOOTAGES AT SURFACE: \_\_\_\_\_    COUNTY: \_\_\_\_\_

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: \_\_\_\_\_    STATE: **UTAH**

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

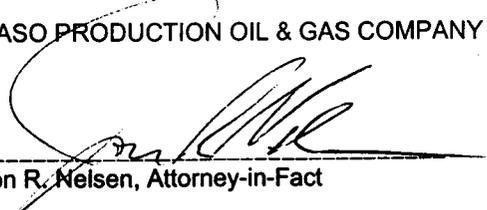
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Operator change to Westport Oil and Gas Company, L.P., 1670 Broadway, Suite 2800, Denver, CO. 80202-4800, effective December 17, 2002.

BOND # \_\_\_\_\_

State Surety Bond No. RLB0005236  
Fee Bond No. RLB0005238

EL PASO PRODUCTION OIL & GAS COMPANY

By:   
Jon R. Nelsen, Attorney-in-Fact

**RECEIVED**  
**FEB 28 2003**  
DIV. OF OIL, GAS & MINING

WESTPORT OIL AND GAS COMPANY, L.P.  
NAME (PLEASE PRINT) **David R. Dix**    TITLE **Agent and Attorney-in-Fact**

SIGNATURE     DATE **12/17/02**

(This space for State use only)

Form 3160-5  
(August 1999)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS  
Do not use this form for proposals to drill or reenter an  
abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

5. Lease Serial No.  
SEE ATTACHED EXHIBIT "A"

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.  
SEE ATTACHED EXHIBIT "A"

9. API Well No.  
SEE ATTACHED EXHIBIT "A"

10. Field and Pool, or Exploratory Area

11. County or Parish, State  
UINTAH COUNTY, UT

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
WESTPORT OIL & GAS COMPANY, L.P.

3a. Address  
P.O. BOX 1148 VERNAL, UT 84078

3b. Phone No. (include area code)  
(435) 781-7023

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED EXHIBIT "A"

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	SUCCESSOR OF
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	OPERATOR

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zone. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed if testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator determined that the site is ready for final inspection.

WESTPORT OIL & GAS COMPANY, L.P., IS CONSIDERED TO BE THE OPERATOR ON THE ATTACHED DESCRIBED LANDS AND IS RESPONSIBLE UNDER THE TERMS AND CONDITIONS OF THE LEASE FOR THE OPERATIONS CONDUCTED ON THE LEASED LANDS OR PORTIONS THEREOF, BOND COVERAGE FOR THIS WELL IS PROVIDED BY FEDERAL NATIONWIDE BOND NO. 158626364, EFFECTIVE FEBRUARY 1, 2002, AND BIA NATIONWIDE BOND NO. RLB0005239, EFFECTIVE FEBRUARY 10, 2003.

RECEIVED

MAR 04 2003

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

Name (Printed/Typed)  
CHERYL CAMERON

Title  
OPERATIONS

Signature

Date  
March 4, 2003

DIV. OF OIL, GAS & MINING

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice 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.

Office

Title 18 U.S.C. Section 1001, make 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.

(Instructions on reverse)

**OPERATOR CHANGE WORKSHEET**

1. GLH
2. CDW ✓
3. FILE

**X Change of Operator (Well Sold)**

Designation of Agent/Operator

Operator Name Change

Merger

The operator of the well(s) listed below has changed, effective: <b>12-17-02</b>	
<b>FROM: (Old Operator):</b>	<b>TO: (New Operator):</b>
EL PASO PRODUCTION OIL & GAS COMPANY	WESTPORT OIL & GAS COMPANY LP
Address: 9 GREENWAY PLAZA	Address: P O BOX 1148
HOUSTON, TX 77064-0995	VERNAL, UT 84078
Phone: 1-(832)-676-5933	Phone: 1-(435)-781-7023
Account No. N1845	Account No. N2115

CA No. Unit: NATURAL BUTTES

WELL(S)	SEC TWN	API NO	ENTITY	LEASE	WELL	WELL
NAME	RNG		NO	TYPE	TYPE	STATUS
NBU 425	11-10S-21E	43-047-34410	2900	FEDERAL	GW	P
NBU 426	11-10S-21E	43-047-34411	2900	FEDERAL	GW	P
NBU 427	11-10S-21E	43-047-34418	2900	FEDERAL	GW	P
NBU 269	12-10S-21E	43-047-33473	2900	FEDERAL	GW	P
NBU 215	12-10S-21E	43-047-32471	2900	FEDERAL	GW	P
CIGE 41-12-10-21	12-10S-21E	43-047-30373	2900	FEDERAL	GW	PA
NBU CIGE 84D-12-10-21P	12-10S-21E	43-047-30957	2900	FEDERAL	GW	PA
NBU 28	13-10S-21E	43-047-30305	2900	STATE	GW	PA
NBU 270	13-10S-21E	43-047-32862	2900	STATE	GW	P
NBU 333	13-10S-21E	43-047-33641	2900	STATE	GW	S
<b>NBU 139</b>	14-10S-21E	43-047-31948	2900	FEDERAL	GW	P
NBU CIGE 47-14-10-21	14-10S-21E	43-047-30510	2900	FEDERAL	GW	P
NBU CIGE 95D-14-10-21J	14-10S-21E	43-047-31166	2900	FEDERAL	GW	P
NBU 146	14-10S-21E	43-047-31985	2900	FEDERAL	GW	P
NBU 163	14-10S-21E	43-047-32069	2900	FEDERAL	GW	P
CIGE 160-14-10-21	14-10S-21E	43-047-32124	2900	FEDERAL	GW	P
CIGE 278	14-10S-21E	43-047-34445	99999	FEDERAL	GW	APD
CIGE 279	14-10S-21E	43-047-34479	2900	FEDERAL	GW	P
NBU 399	14-10S-21E	43-047-34409	99999	FEDERAL	GW	APD
NBU 434	14-10S-21E	43-047-34481	99999	FEDERAL	GW	APD

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 02/28/2003
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 03/04/2003
3. The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 03/06/2003
4. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
5. If **NO**, the operator was contacted contacted on: \_\_\_\_\_

6. (R649-9-2)Waste Management Plan has been received on: IN PLACE

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM-12/31/2003 BIA-12/5/02

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: 02/27/2003

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: N/A

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

**DATA ENTRY:**

1. Changes entered in the Oil and Gas Database on: 03/19/2003

2. Changes have been entered on the Monthly Operator Change Spread Sheet on: 03/19/2003

3. Bond information entered in RBDMS on: N/A

4. Fee wells attached to bond in RBDMS on: N/A

**STATE WELL(S) BOND VERIFICATION:**

1. State well(s) covered by Bond Number: RLB 0005236

**FEDERAL WELL(S) BOND VERIFICATION:**

1. Federal well(s) covered by Bond Number: 158626364

**INDIAN WELL(S) BOND VERIFICATION:**

1. Indian well(s) covered by Bond Number: RLB 0005239

**FEE WELL(S) BOND VERIFICATION:**

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB 0005238

2. The **FORMER** operator has requested a release of liability from their bond on: N/A  
The Division sent response by letter on: N/A

**LEASE INTEREST OWNER NOTIFICATION:**

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

**COMMENTS:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. Multiple Wells - see attached
2. Name of Operator WESTPORT OIL & GAS COMPANY, L.P.		6. If Indian, Allottee or Tribe Name
3a. Address P.O. BOX 1148 VERNAL, UT 84078	3b. Phone No. (include area code) (435) 781-	7. If Unit or CA/Agreement, Name and/or No. 891008900A
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Multiple Wells - see attached		8. Well Name and No. Multiple Wells - see attached
		9. API Well No. Multiple Wells - see attached
		10. Field and Pool, or Exploratory Area Natural Buttes Unit
		11. County or Parish, State Uintah County, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input type="checkbox"/> Other _____

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

Westport Oil & Gas requests a variance to Onshore Order No. 4, Part IIIC.a. requiring each sales tank be equipped with a pressure-vacuum thief hatch and/or vent line valve. The variance is requested as an economic analysis shows the value of the shrunk condensate will not payout the incremental cost of purchasing and maintaining the valve resulting in a loss of value over the producing life of the well.

The volume lost to shrinkage by dropping the tank pressure from 6 ozs. to 0 psig is shown to be 0.3% of the tank volume. This was determined by lab analysis of a representative sample from the field. The sample shrunk from 98.82% of original volume to 98.52% when the pressure was dropped. The average NBU well produces approximately 6 bbls condensate per month. The resulting shrinkage would amount to 0.56 bbls per month lost volume due to shrinkage. The value of the shrunk and lost condensate does not recoup or payout the cost of installing and maintaining the valves and other devices that hold the positive tank pressure. An economic run based on the loss and costs is attached.

Westport Oil & gas requests approval of this variance in order to increase the value of the well to the operator and the mineral royalty owners.

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

Name (Printed/Typed) J.T. Conley	COPY SENT TO OPERATOR Date: 9-16-03 Initials: CHD	Title Operations Manager	SEP 10 2003
Signature <i>J.T. Conley</i>	Date 9-2-2003		DIV. OF OIL, GAS & MINING

THIS SPACE FOR FEDERAL OR STATE USE

Approved by	Title Accepted by the Utah Division of Oil, Gas and Mining	Date 9/16/03	Federal Approval of This Action Is Necessary
Conditions of approval, if any, are attached. Approval of this notice 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.			

Title 18 U.S.C. Section 1001, make 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.

NBU 078	30-9-22 NWNW	U463	891008900A	430473176200S1
NBU 080V	34-9-22 NWSW	UTU0149077	891008900A	430473124000S1
NBU 081V	31-9-21 SWNW	U01194	891008900A	430473123200S1 ✓
NBU 083J	27-9-21 NESW	U01194A	891008900A	430473123500S1 ✓
NBU 084V	6-10-22 NWNE	UTU01195B	891008900A	430473124500S1
NBU 085J	4-10-22 SWNW	UTU01191A	891008900A	430473124600S1
NBU 086J	3-10-22 NENE	UTU01191A	891008900A	430473125100S1
NBU 087J	3-10-22 NESW	UTU01191	891008900A	430473125000S1
NBU 088V	26-9-21 NENE	U01194	891008900A	430473123300S1 ✓
NBU 093	33-9-22 NESE	UTU01191A	891008900A	430473175300S1
NBU 097	25-9-21 NENW	U01189	891008900A	430473174400S1 ✓
NBU 098V	34-9-21 SWSW	U01194A	891008900A	430473132700S1 ✓
NBU 099	25-9-21 SWSW	U01194	891008900A	430473174500S1 ✓
NBU 101	3-10-21 NWSE	UTU0149078	891008900A	430473175500S1
NBU 102	5-10-21 SESW	UTU01393D	891008900A	430473175700S1
NBU 1021-16G	16-10-21 SWNE	ML10755	891008900A	430473511100S1 ✓
NBU 1021-2O	2-10-21 SWSE	ML13826	891008900A	430473511000S1 ✓
NBU 103	10-9-21 SENW	U0141315	891008900A	430473195600S1
NBU 104	16-9-21 SENE	ML3282	891008900A	430473195700S1
NBU 105	17-9-21 SWSW	UTU0575	891008900A	430473230200S1
NBU 106	21-9-21 NESW	UTU0576	891008900A	430473194600S1
NBU 107	26-9-21 SENW	U01194	891008900A	430473191600S1
NBU 108	19-9-22 SESE	UTU0284	891008900A	430473195800S1
NBU 109	27-9-21 SENE	U01194A	891008900A	430473191700S1 ✓
NBU 110	28-9-21 NENE	U05676	891008900A	430473192400S1
NBU 111	25-9-21 SWNW	U01194	891008900A	430473192000S1 ✓
NBU 112	33-9-22 SESE	UTU01191	891008900A	430473193000S1
NBU 113	34-9-22 SESE	UTU0149077	891008900A	430473193100S1
NBU 114	5-10-21 SWSW	UTU01393D	891008900A	430473192300S1
NBU 115	10-10-21 NENW	UTU0149079	891008900A	430473192900S1
NBU 116	6-10-22 NWNW	UTU464	891008900A	430473192500S1
NBU 117	10-10-22 NENE	U01197A	891008900A	430473191400S1
NBU 118	22-9-20 SENE	UTU0577B	891008900A	430473196900S1
NBU 119	22-9-20 SENW	UTU0577B	891008900A	430473197300S1
NBU 120	10-9-21 NWNW	U0141315	891008900A	430473197200S1
NBU 121	13-9-21 NWNE	U01193	891008900A	430473208600S1
NBU 122	13-9-21 SESE	U01193	891008900A	430473230300S1
NBU 123	15-9-21 NWNW	UTU01188	891008900A	430473197400S1
NBU 124	16-9-21 NWNE	ML3282	891008900A	430473197100S1
NBU 125	17-9-21 SESE	UTU0575	891008900A	430473235000S1
NBU 126	21-9-21 SENW	UTU0576	891008900A	430473234900S1
NBU 127	21-9-21 SWNW	UTU0576	891008900A	430473196300S1
NBU 128	21-9-21 SWSW	UTU0576	891008900A	430473196400S1
NBU 129	22-9-21 SENE	UTU010950A	891008900A	430473196500S1
NBU 130	22-9-21 SWNW	UTU0147566	891008900A	430473196700S1
NBU 131	23-9-21 NWSW	UTU0149075	891008900A	430473196600S1
NBU 132	26-9-21 NWNW	U01194	891008900A	430473193800S1 ✓
NBU 133	28-9-21 SWNE	U05676	891008900A	430473195000S1
NBU 134	28-9-21 SWSW	U05676	891008900A	430473201100S1
NBU 136	19-9-22 SWSE	UTU0284	891008900A	430473196800S1
NBU 137	30-9-22 SESE	ML22935	891008900A	430473193900S1 ✓
NBU 138A	33-9-22 SENE	UTU01191A	891008900A	430473215100S1
NBU 139	14-10-21 SWNE	UTU465	891008900A	430473194800S1
NBU 140	5-10-22 NWNE	UTU01191A	891008900A	430473194700S1
NBU 141	6-10-22 SENW	UTU464	891008900A	430473201700S1
NBU 142	10-10-22 NESE	UTU025187	891008900A	430473201300S1
NBU 143	10-9-21 SWNE	U0141315	891008900A	430473229700S1
NBU 144	23-9-21 NWNW	UTU0149075	891008900A	430473204400S1
NBU 145	27-9-21 NWNE	U01194A	891008900A	430473197600S1 ✓
NBU 146	14-10-21 SWNW	UTU465	891008900A	430473198500S1
NBU 147	4-10-22 NWSW	UTU01191	891008900A	430473198400S1
NBU 148	4-10-22 SESW	UTU01191	891008900A	430473198300S1

**Westport Oil & Gas, L.P.**  
**Project Economics Worksheet**

Instructions: Fill in blue areas with before and after project data. The evaluation results are shown below and graphed automatically at the bottom of the page. This sheet is protected to prevent accidental alteration of the formulas. See JTC for changes. OPX entered as annual costs and/or as unit OPX costs for \$/BF and \$/MCF

Project Name: **Condensate Shrinkage Economics**

Is this job a well pull or production rig job ???  N (Y or N)

	BEFORE \$/Year	AFTER \$/Year	DIFFERENCE \$/Year
Gross Oil Revenue	\$1,088	\$1,099	\$11
Gross Gas Revenue	\$0	\$0	\$0
NGL Revenue	\$0	\$0	\$0
PULING UNIT SERVICE			\$0
WIRELINE SERVICE			\$0
SUBSURF EQUIP REPAIRS			\$0
COMPANY LABOR			\$0
CONTRACT LABOR	\$0	\$200	\$200
CONTR SERVICE			\$0
LEASE FUEL GAS	\$0	\$0	\$0
UTILITIES - ELECTRICITY	\$0	\$0	\$0
CHEMICAL TREATING			\$0
MATERIAL & SUPPLY	\$0	\$150	\$150
WATER & HAULING			\$0
ADMINISTRATIVE COSTS			\$0
GAS PLANT PROCESSING			\$0
<b>Totals</b>	<b>\$0</b>	<b>\$350</b>	<b>\$350</b>

**Increased OPX Per Year**

**Investment Breakdown:**

Cap/Exp Code	Cost, \$
Capital \$ 820/830/840	\$1,200
Expense \$ 830/840	\$0
Total \$	\$1,200

Oil Price	\$ 23.00	\$/BO
Gas Price	\$ 3.10	\$/MCF
Electric Cost	\$ -	\$/ HP / day
OPX/BF	\$ 2.00	\$/BF
OPX/MCF	\$ 0.62	\$/MCF

**Production & OPX Detail:**

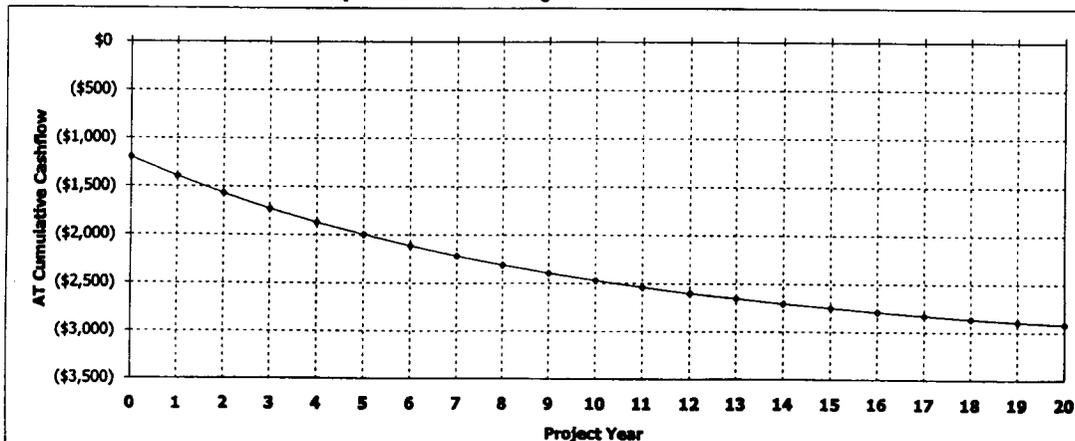
	Before		After		Difference	
Oil Production	0.192	BOPD	0.194	BOPD	0.002	BOPD
Gas Production	0	MCFPD	0	MCFPD	0	MCFPD
Wtr Production	0	BWPD	0	BWPD	0	BWPD
Horse Power		HP		HP	0	HP
Fuel Gas Burned		MCFPD		MCFPD	0	MCFPD

<p><b>Project Life:</b>                  Life = <input type="text" value="20.0"/> Years                  (Life no longer than 20 years)</p> <p><b>Internal Rate of Return:</b>                  After Tax IROR = <input type="text" value="#DIV/0!"/></p> <p><b>AT Cum Cashflow:</b>                  Operating Cashflow = <input type="text" value="(\$2,917)"/> (Discounted @ 10%)</p> <p><b>Gross Reserves:</b>                  Oil Reserves = <input type="text" value="6"/> BO                  Gas Reserves = <input type="text" value="0"/> MCF                  Gas Equiv Reserves = <input type="text" value="38"/> MCFE</p>	<p><b>Payout Calculation:</b></p> <p>Payout = <math>\frac{\text{Total Investment}}{\text{Sum(OPX + Incremental Revenue)}}</math> = 1</p> <p>Payout occurs when total AT cashflow equals investment                  See graph below, note years when cashflow reaches zero</p> <p>Payout = <input type="text" value="NEVER"/> Years or <input type="text" value="#VALUE!"/> Days</p>
--	--

**Notes/Assumptions:**

An average NRU well produces 0.192 Bcpd with no tank pressure. The production is increased to 0.196 Bcpd if 4 ozs of pressure are placed on the tank. The increased production does not payout the valve cost or the estimated annual maintenance costs.

Project: Condensate Shrinkage Economics



**Westport Oil and Gas, Inc.**

**NBU/Ouray Field**

RFL 2003-022

**COMPARISON OF FLASH BACK PRESSURES**

Calculated by Characterized Equation-of-State

Flash Conditions		Gas/Oil Ratio ( scf/STbbl ) (A)	Specific Gravity of Flashed Gas ( Air=1.000 )	Separator Volume Factor (B)	Separator Volume Percent (C)
psig	*F				

**Calculated at Laboratory Flash Conditions**

80	70			1.019	
0	122	30.4	0.993	1.033	101.37%
0	60	0.0	—	1.000	98.14%

**Calculated Flash with Backpressure using Tuned EOS**

80	70			1.015	
6.0 oz	65	24.6	0.777	1.003	98.82%
0	60	0.0	—	1.000	98.52%
80	70			1.015	
4.0 oz	65	24.7	0.778	1.003	98.82%
0	60	0.0	—	1.000	98.52%
80	70			1.015	
2.0 oz	65	24.7	0.779	1.003	98.82%
0	60	0.0	—	1.000	98.52%
80	70			1.015	
0	65	24.8	0.780	1.003	98.82%
0	60	0.0	—	1.000	98.52%

(A) Cubic Feet of gas at 14.696 psia and 60 °F per Barrel of Stock Tank Oil at 60 °F.

(B) Barrels of oil at indicated pressure and temperature per Barrel of Stock Tank Oil at 60 °F.

(C) Oil volume at indicated pressure and temperature as a percentage of original saturated oil volume.

Note: Bubblepoint of sample in original sample container was 80 psig at 70° F with 1 cc water

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

**ROUTING**

1. DJJ
2. CDW

**X Change of Operator (Well Sold)**

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective: **1/6/2006**

<b>FROM:</b> (Old Operator): N2115-Westport Oil & Gas Co., LP 1368 South 1200 East Vernal, UT 84078 Phone: 1-(435) 781-7024	<b>TO:</b> ( New Operator): N2995-Kerr-McGee Oil & Gas Onshore, LP 1368 South 1200 East Vernal, UT 84078 Phone: 1-(435) 781-7024
---	--

CA No.		Unit:		NATURAL BUTTES UNIT				
WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/10/2006
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/10/2006
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/7/2006
- a. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- b. If **NO**, the operator was contacted on:
- 5a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- 5b. Inspections of LA PA state/fee well sites complete on: n/a 3 LA wells & all PA wells transferred
- 5c. Reports current for Production/Disposition & Sundries on: ok
- 6. Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 3/27/2006 BIA not yet

**7. Federal and Indian Units:**  
 The BLM or BIA has approved the successor of unit operator for wells listed on: 3/27/2006

**8. Federal and Indian Communization Agreements ("CA"):**  
 The BLM or BIA has approved the operator for all wells listed within a CA on: n/a

**9. Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on:

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 5/15/2006
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 5/15/2006
- Bond information entered in RBDMS on: 5/15/2006
- Fee/State wells attached to bond in RBDMS on: 5/16/2006
- Injection Projects to new operator in RBDMS on: \_\_\_\_\_
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a Name Change Only

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: CO1203
- Indian well(s) covered by Bond Number: RLB0005239
- (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB0005236
- a. The **FORMER** operator has requested a release of liability from their bond on: n/a rider added KMG  
 The Division sent response by letter on: \_\_\_\_\_

**LEASE INTEREST OWNER NOTIFICATION:**

- (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 5/16/2006

**COMMENTS:**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
**KERR-McGEE OIL & GAS ONSHORE LP**

3a. Address  
**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)  
**(435) 781-7024**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**SEE ATTACHED**

5. Lease Serial No.  
**MULTIPLE LEASES**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.  
**MUTIPLE WELLS**

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <b>CHANGE OF OPERATOR</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

PLEASE BE ADVISED THAT KERR-McGEE OIL & GAS ONSHORE LP, IS CONSIDERED TO BE THE OPERATOR OF THE ATTACHED WELL LOCATIONS. EFFECTIVE JANUARY 6, 2006. KERR-McGEE OIL & GAS ONSHORE LP, IS RESPONSIBLE UNDER TERMS AND CONDITIONS OF THE LEASE(S) FOR THE OPERATIONS CONDUCTED UPON LEASE LANDS. BOND COVERAGE IS PROVIDED BY STATE OF UTAH NATIONWIDE BOND NO. RLB0005237.

**RECEIVED**

**MAY 10 2006**

DIV. OF OIL, GAS & MINING

*BLM BOND = C01203  
BIA BOND = RLB0005239*

**APPROVED 5/16/06**

*Earlene Russell*  
**Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician**

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

Name (Printed/Typed) <b>RANDY BAYNE</b>	Title <b>DRILLING MANAGER</b>
Signature <i>Randy Bayne</i>	Date <b>May 9, 2006</b>

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice 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.	Office	

Title 18 U.S.C. Section 1001, make 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.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
**WESTPORT OIL & GAS COMPANY L.P.**

3a. Address  
**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)  
**(435) 781-7024**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**SEE ATTACHED**

5. Lease Serial No.  
**MULTIPLE LEASES**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.  
**MUTIPLE WELLS**

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input checked="" type="checkbox"/> Other CHANGE OF OPERATOR

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

EFFECTIVE JANUARY 6, 2006, WESTPORT OIL & GAS COMPANY L.P., HAS RELINQUISHED THE OPERATORSHIP OF THE ATTACHED WELL LOCATIONS TO KERR-McGEE OIL & GAS ONSHORE LP.

**APPROVED** 5/16/06  
*Earlene Russell*  
 Division of Oil, Gas and Mining  
 Earlene Russell, Engineering Technician

RECEIVED  
 MAY 10 2006

DIV OF OIL, GAS & MINING

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

Name (Printed/Typed) <b>BRAD LANEY</b>	Title <b>ENGINEERING SPECIALIST</b>
Signature <i>Brad Laney</i>	Date <b>May 9, 2006</b>

THIS SPACE FOR FEDERAL OR STATE USE

Approved by <i>Brad Laney</i>	Title	Date <b>5-9-06</b>
Conditions of approval, if any, are attached. Approval of this notice 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.	Office	

Title 18 U.S.C. Section 1001, make 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.



## United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
Colorado State Office  
2850 Youngfield Street  
Lakewood, Colorado 80215-7076

IN REPLY REFER TO:

CO922 (MM)  
3106  
COC017387 et. al.

March 23, 2006

### NOTICE

Kerr-McGee Oil & Gas Onshore L.P. :  
1999 Broadway, Suite 3700 : Oil & Gas  
Denver, CO 80202 :

#### Merger/Name Change - Recognized

On February 28, 2006 this office received acceptable evidence of the following mergers and name conversion:

Kerr-McGee Oil & Gas Onshore L.P., a Delaware Limited Partnership, and Kerr-McGee Oil & Gas Onshore LLC, a Delaware Limited Partnership merger with and into Westport Oil and Gas Company L.P., a Delaware Limited Partnership, and subsequent Westport Oil & Gas Company L.P. name conversion to Kerr-McGee Oil & Gas Onshore L.P.

For our purposes the merger and name conversion was effective January 4, 2006, the date the Secretary of State of Delaware authenticated the mergers and name conversion.

Kerr-McGee Oil & Gas Onshore L.P. provided a list of oil and gas leases held by the merging parties with the request that the Bureau of Land Management change all their lease records from the named entities to the new entity, Kerr-McGee Oil & Gas Onshore L.P. In response to this request each state is asked to retrieve their own list of leases in the names of these entities from the Bureau of Land Management's (BLM) automated LR2000 data base.

The oil and gas lease files identified on the list provided by Kerr-McGee Oil & Gas Onshore L.P. have been updated as to the merger and name conversion. We have not abstracted the lease files to determine if the entities affected by the acceptance of these documents holds an interest in the lease, nor have we attempt to identify leases where the entity is the operator on the ground that maintains vested record title or operating rights interests. If additional documentation, for change of operator, is required you will be contacted directly by the appropriate Field Office. The Mineral Management Services (MMS) and other applicable BLM offices were notified of the merger with a copy of this notice

Please contact this office if you identify additional leases where the merging party maintains an interest, under our jurisdiction, and we will document the case files with a copy of this notice. If the leases are under the jurisdiction of another State Office that information will be forwarded to them for their action.

Three riders accompanied the merger/name conversion documents which will add Kerr-McGee Oil and Gas Onshore LLC as a principal to the 3 Kerr-McGee bonds maintained by the Wyoming State Office. These riders will be forward to them for their acceptance.

The Nationwide Oil & Gas Continental Casualty Company Bond #158626364 (BLM Bond #CO1203), maintained by the Colorado State Office, will remain in full force and effect until an assumption rider is accepted by the Wyoming State Office that conditions their Nationwide Safeco bond to accept all outstanding liability on the oil and gas leases attached to the Colorado bond.

If you have questions about this action you may call me at 303.239.3768.

/s/Martha L. Maxwell  
Martha L. Maxwell  
Land Law Examiner  
Fluid Minerals Adjudication

**Attachment:**

List of OG Leases to each of the following offices:

MMS MRM, MS 357B-1

WY, UT, NM/OK/TX, MT/ND, WY State Offices

CO Field Offices

Wyoming State Office

Rider #1 to Bond WY2357

Rider #2 to Bond WY1865

Rider #3 to Bond WY1127



# United States Department of the Interior



BUREAU OF LAND MANAGEMENT  
Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155  
<http://www.blm.gov>

IN REPLY REFER TO:  
3106  
(UT-922)

March 27, 2006

## Memorandum

To: Vernal Field Office

From: Chief, Branch of Fluid Minerals

Subject: Merger Approval

Attached is an approved copy of the merger recognized by the Bureau of Land Management, Colorado State Office. We have updated our records to reflect the merger from Westport Oil and Gas Company L.P. into Kerr-McGee Onshore Oil and Gas Company. The merger was approved effective January 4, 2006.

Chief, Branch of  
Fluid Minerals

## Enclosure

Approval letter from BLM COSO (2 pp)

cc: MMS, Reference Data Branch, James Sykes, PO Box 25165, Denver CO 80225  
State of Utah, DOGM, Attn: Earlene Russell, PO Box 145801, SLC UT 84114  
Teresa Thompson  
Joe Incardine  
Connie Seare  
Dave Mascarenas  
Susan Bauman

RECEIVED

MAR 28 2006

DIV. OF OIL, GAS & MINERALS

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-465
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b> NATURAL BUTTES
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> NBU 139
<b>2. NAME OF OPERATOR:</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.	<b>9. API NUMBER:</b> 43047319480000
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	<b>PHONE NUMBER:</b> 720 929-6007 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 1847 FNL 1725 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWNE Section: 14 Township: 10.0S Range: 21.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion: 3/8/2010	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input checked="" type="checkbox"/> <b>PRODUCTION START OR RESUME</b>	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: _____

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THIS WELL RETURNED TO PRODUCTION ON 3/8/2010.

**Accepted by the**  
**Utah Division of**  
**Oil, Gas and Mining**  
**FOR RECORD ONLY**  
 March 23, 2010

<b>NAME (PLEASE PRINT)</b> Andy Lytle	<b>PHONE NUMBER</b> 720 929-6100	<b>TITLE</b> Regulatory Analyst
<b>SIGNATURE</b> N/A		<b>DATE</b> 3/22/2010

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