

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  
 772' FNL, 714' FEL (NE $\frac{1}{4}$ NE $\frac{1}{4}$ ) 19-T9S-R21E  
 At proposed prod. zone  
 Same As Above

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 Approximately Seven (7) 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)                      714'

16. NO. OF ACRES IN LEASE                      2399.63

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.                      1800' ±

19. PROPOSED DEPTH                      6800' WSTC

20. ROTARY OR CABLE TOOLS                      Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)                      4856' GR

22. APPROX. DATE WORK WILL START\*                      September 20, 1991

5. LEASE DESIGNATION AND SERIAL NO.  
 UTU-0581

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
 Not Applicable

7. UNIT AGREEMENT NAME  
 Natural Buttes

8. FARM OR LEASE NAME  
 CIGE

9. WELL NO.  
 130-19-9-21

10. FIELD AND POOL, OR WILDCAT  
 Natural Buttes 630

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
 Section 19, T9S, R21E

12. COUNTY OR PARISH                      13. STATE  
 Uintah                      Utah

23. (ALL NEW) PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8" K-55	24.0#	0-250'	180 sx Circ. to Surface *
7-7/8"	5-1/2" K-55	17.0#	0-6800'	300 sx Circ. to Surface *

RECEIVED

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

MAY 20 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 CIGE #130-19-9-21, Federal Lease # UTU-0581. 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.

SIGNER Charles E. Mowry TITLE District Drilling Manager DATE May 14, 1991

(This space for Federal or State office use)

PERMIT NO. 43-047-30030 APPROVAL DATE \_\_\_\_\_

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY: \_\_\_\_\_

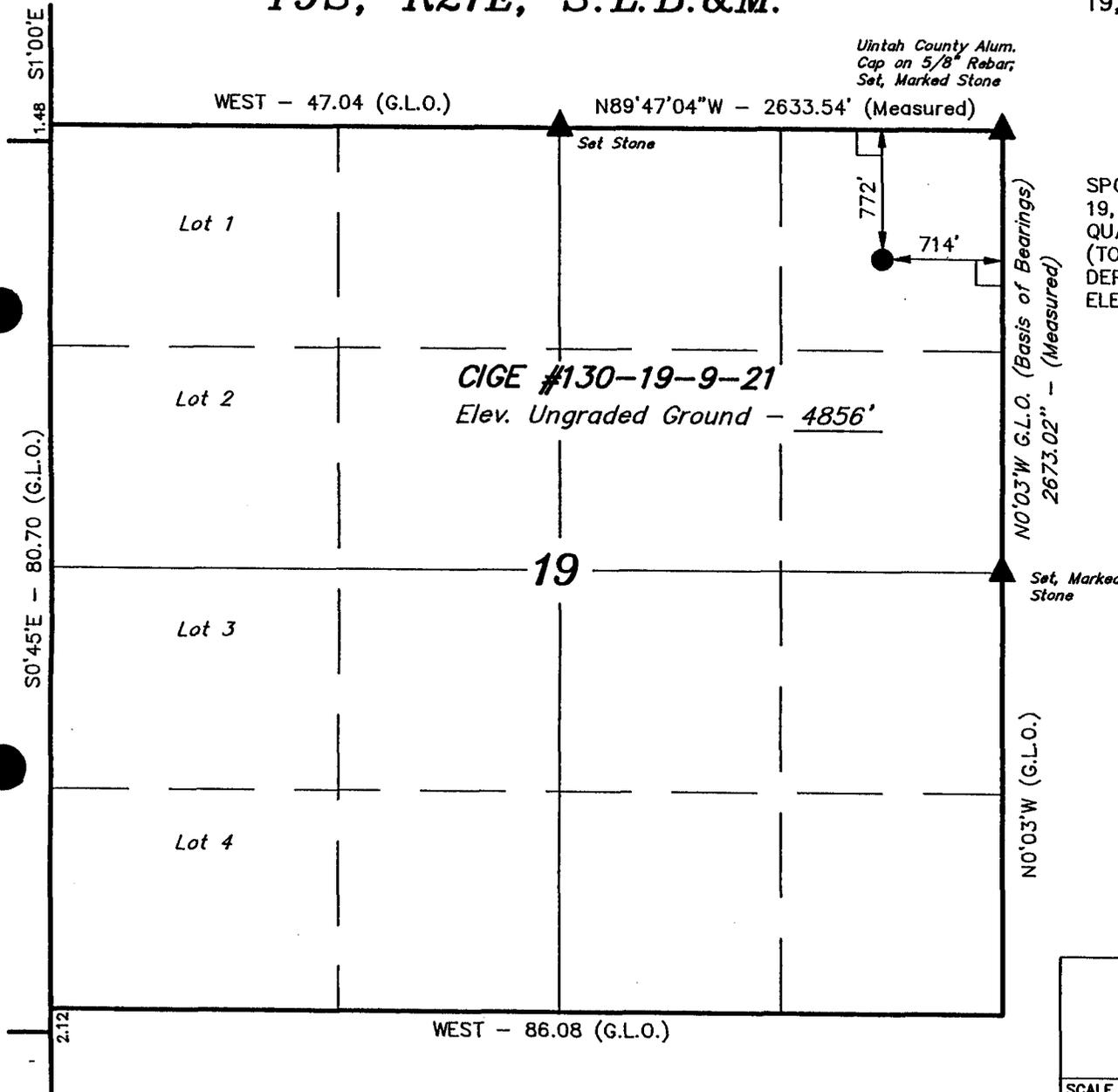
APPROVED BY THE STATE  
 OF UTAH DIVISION OF  
 OIL, GAS, AND MINING  
 DATE: 5-24-91  
 BY: [Signature]  
 WELL SPACING 6x5-2-3

\*See Instructions On Reverse Side

**COASTAL OIL & GAS CORP.**

Well location, CIGE #130-19-9-21, located as shown in the NE 1/4 NE 1/4 of Section 19, T9S, R21E, S.L.B.&M. Uintah County, Utah.

**T9S, R21E, S.L.B.&M.**



**BASIS OF ELEVATION**

SPOT ELEVATION AT THE NORTHEAST CORNER OF SECTION 19, T9S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4785 FEET.



**RECEIVED**

MAY 20 1991

DIVISION OF OIL GAS & MINING

**CERTIFICATE**

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

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

**UINTAH ENGINEERING & LAND SURVEYING**  
 85 SOUTH 200 EAST - VERNAL, UTAH 84078  
 (801) 789-1017

SCALE 1" = 1000'	DATE 3-14-91
PARTY J.F. G.S. J.R.S.	REFERENCES G.L.O. PLAT
WEATHER COLD	FILE COASTAL OIL & GAS CORP.

▲ = SECTION CORNERS LOCATED.

COASTAL OIL & GAS CORPORATION  
Lease #UTU-0581, CIGE #130-19-9-21  
NE $\frac{1}{4}$ NE $\frac{1}{4}$ , Section 19, T9S, R21E  
Uintah County, Utah

Drilling Prognosis

1. Estimated Tops of Important Geologic Markers:

Uinta	Surface	Wasatch	5100'
Green River	1489'	Total Depth	6800'

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

Wasatch                      5100'                      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 for 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 for 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	0-6800'

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>
0-6800'	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 : 6800' - Surface  
: FDC-CNL : 6800' - 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 3,162 psi (calculated at 0.465 psi/foot) and maximum anticipated surface pressure equals approximately 1,666 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 : September 20, 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.

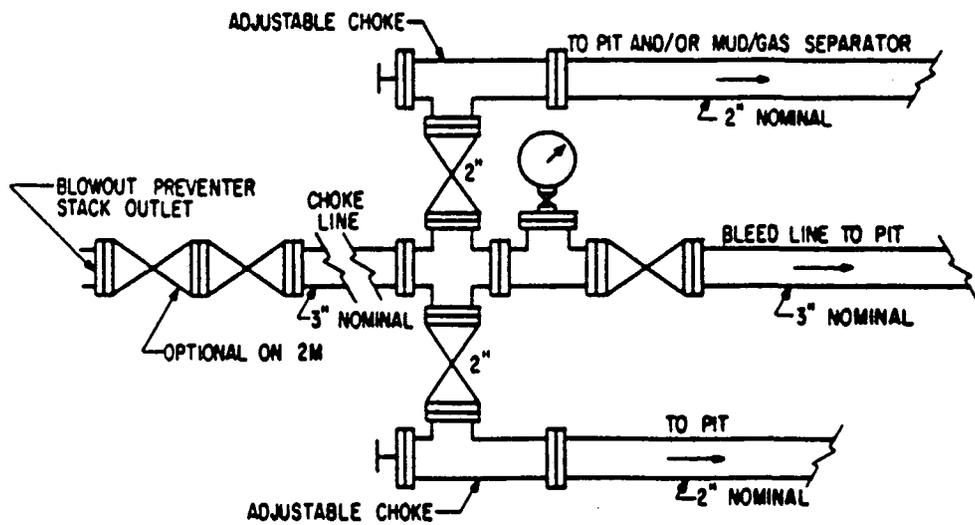
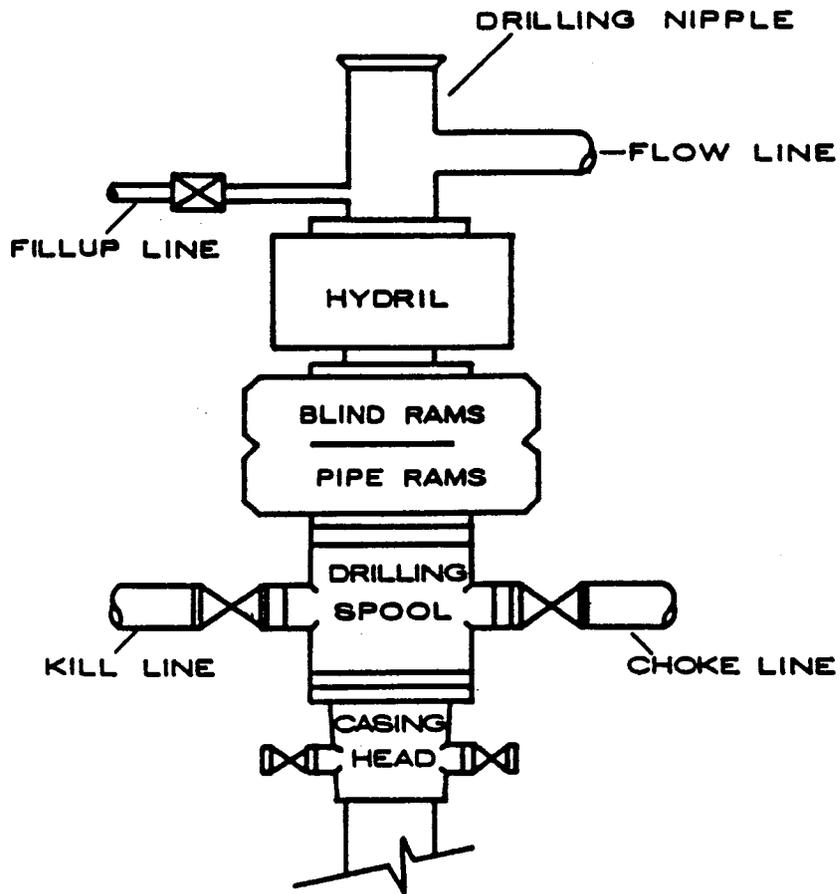
A "Notice of Intention to Abandon" (Form 3160-5) will be filed with the Authorized Officer within fifteen (15) days following the granting of oral approval to plug and abandon.

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-0581, CIGE #130-19-9-21  
NE $\frac{1}{4}$ NE $\frac{1}{4}$ , Section 19, T9S, 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 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 6.9 miles on the Seep Ridge Road (an existing, upgraded Uintah County road), thence generally east/southeast approximately 5.0 miles on an existing, upgraded oilfield road (crowned & ditched with a gravel surface), thence generally north/northwest approximately 2.1 miles on an existing, upgraded oilfield road (crowned & ditched with a gravel surface), thence generally north approximately 0.6 miles on an existing, upgraded oilfield road (crowned & ditched with a gravel surface), thence generally east approximately 0.6 miles on an existing two-track trail to the proposed CIGE #130-19-9-21 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 CIGE #130-19-9-21 well location.

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

Approximately 0.6 miles of existing two-track trail will require upgrading for access to the proposed CIGE #130-19-9-21 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. Construction standard - the 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 - 6%.  
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 Indian Affairs. None anticipated at this time.

2. Planned Access Roads: Continued

- 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 road has been centerline flagged.

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

Please Refer to Map "C"

- A. Water wells - none known.
- B. Abandoned wells - Lot 3, Section 19, T9S, R21E.
- C. Temporarily abandoned wells - none known.
- D. Disposal wells - none known.
- E. Drilling wells - none known.
- F. Producing wells - SW $\frac{1}{4}$ NE $\frac{1}{4}$ , Section 18, T9S, R21E.  
NE $\frac{1}{4}$ SE $\frac{1}{4}$ , Section 18, T9S, R21E.  
SE $\frac{1}{4}$ SW $\frac{1}{4}$ , Section 19, T9S, R21E.  
SW $\frac{1}{4}$ NW $\frac{1}{4}$ , Section 20, T9S, R21E.
- G. Shut-in wells - SW $\frac{1}{4}$ NE $\frac{1}{4}$ , Section 18, T9S, R21E.
- 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 - SW $\frac{1}{4}$ NE $\frac{1}{4}$ , Section 18, T9S, R21E.  
NE $\frac{1}{4}$ SE $\frac{1}{4}$ , Section 18, T9S, R21E.  
SE $\frac{1}{4}$ SW $\frac{1}{4}$ , Section 19, T9S, R21E.
- 2. Production facilities - same as Item #4A1, above.
- 3. Oil gathering lines - none.
- 4. Gas gathering lines - same as Item #4A1, above.

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

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 toe 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:

- 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 Indian Affairs.

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 CIGE #130-19-9-21 well location. No new construction will be required on/along the proposed water haul route.

Access roads which cross off-lease Tribal lands on/along the proposed water haul route will be authorized under a separate Right-of-Way Grant/Special Use Permit to be obtained from the Uintah and Ouray Ute Indian Tribes and/or the Bureau of Indian Affairs prior to commencement of operations, if required.

- 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.

6. Source of Construction Materials: Continued

- 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.

- 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.

7. Methods of Handling Waste Materials: Continued

- C. Drilling fluids - 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. Any open pits will be fenced during the drilling operation and the fencing will be maintained until such time as the pits are backfilled.
- G. The reserve and/or production pit will be constructed on the existing location and will not be located in natural drainages where a flood hazard exists or surface runoff will destroy or damage the pit walls. All pits will be constructed so as not to leak, break, or allow the discharge of liquids therefrom.

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. An average minimum of twelve (12) 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.

9. Wellsite Layout: Continued

- 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 #4B2 (page #4) for additional information in this regard.
- D. The reserve pit will be lined with either native clay, commercial bentonite, or plastic sufficient to prevent seepage (12 mil minimum thickness).

A flare/blooiie pit will be constructed adjacent to the location, northeast of and separate from the reserve pit, and at a minimum of thirty (30) feet from the reserve pit fence and one hundred (100) feet from the rig substructure (Refer to Figure #1 for the location of the flare/blooiie pit).

- 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. The 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 strand 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 posts shall be no greater than sixteen feet.
  - 5. All wire shall be stretched tight before the wire is attached to the corner braces. Pulling the wire tight by hand without the use of a stretching device will not be acceptable.

9. Wellsite Layout: Continued

- E. 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:

The Ute Tribe will be contacted prior to commencement of any reclamation operations.

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. Before any dirt work to restore the location takes place, all standing water will be removed from the reserve pit, along with all cans, barrels, pipe, etc. that may have been deposited therein during the course of drilling and completion operations.
4. 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.

Prior to commencement of backfilling, the vinyl/ plastic liner will be folded into the pit. Fill material will then be pushed into the reserve pit to completely cover both the pit and it's contents.

10. Plans for Reclamation of the Surface:

A. Production - Continued

5. In order to prevent surface water(s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will result in the ground surface over said pit being "mounded" above the surrounding ground surface (+/- three feet) to allow the reclaimed pit surface area to drain properly.
6. For production, the fill slopes will be reduced from a 1.5:1 slope to a 4:1 slope and the cut slopes will be reduced from a 1.5:1 slope to a 4:1 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 re-seeding, 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 Indian Affairs.

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. If the seeding is unsuccessful, Coastal Oil & Gas Corporation may be required to make subsequent seedings.

B. Dry Hole/Abandoned Location

1. On lands administered by the Bureau of Indian Affairs, abandoned well sites, roads, or other disturbed areas will be restored to near their original condition. This procedure will include:
  - (a) re-establishing irrigation systems where applicable,

10. Plans for Reclamation of the Surface:

B. Dry Hole/Abandoned Location - Continued

1. On lands administered by the Bureau of Indian Affairs, abandoned well sites, roads, or other disturbed areas will be restored to near their original condition. This procedure will include:
  - (b) re-establishing soil conditions in irrigated fields in such a way as to ensure cultivation and harvesting of crops and,
  - (c) ensuring revegetation of the disturbed areas to the specifications of the Uintah & Ouray Indian Tribes or the Bureau of Indian Affairs at the time of abandonment.
2. All disturbed surfaces will be recontoured to the approximate natural contours with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Please refer to Item #10A5 (page #10) for information regarding reclamation of the reserve pit area.

Reseeding operations will be performed in the fall following completion of reclamation operations. Please refer to Item #10A7 (page #10) for additional information regarding the reseeding operation.

11. Surface Ownership:

The well site and proposed access road are situated on surface lands owned by the Uintah and Ouray Ute Indian Tribes and administered in trust by:

Bureau of Indian Affairs  
Uintah & Ouray Agency  
P.O. Box 130  
Fort Duchesne, Utah 84026  
Phone: (801) 722-2406

12. Other Information:

- A. General Description of the Project Area: The proposed drill site is located within the Natural Buttes Unit, an area of northeastern Utah situated in Uintah County.

12. Other Information:

A. General Description of the Project Area: Continued

More specifically, the project area is located in an area of moderately eroded uplands located between the White River to the north (and east), Cottonwood Wash to the northeast, Willow Creek to the west, and Sand Wash 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 CIGE #130-19-9-21 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 3.5 miles to the north.
2. The closest occupied dwellings are located in the community of Ouray, approximately 7.0 miles to northwest.
3. A cultural resource clearance will be conducted before any construction activities begin on the proposed CIGE #130-19-9-21 well location. If, during operations, any archaeological or historical sites, or any object(s) of antiquity (subject to the Antiquities Act of June 8, 1906) are discovered, all operations which would affect such sites are to be suspended and the discovery reported promptly to the Bureau of Indian Affairs.

12. Other Information:

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

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;
- 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 Indian Affairs:
1. If the surface rights are owned by the Ute Indian Tribe and mineral rights are owned by another entity, an approved right-of-way will be obtained from the Bureau of Indian Affairs before the operator begins any construction activities. If the surface is owned by another entity and the mineral rights are owned by the Ute Indian Tribe, rights-of-way will be obtained from the other entity.
  2. All roads constructed by oil and gas operators on the Uintah & Ouray Indian Reservation will have appropriate signs. Signs will be neat and of sound construction. They will state:
    - (a) that the land is owned by the Uintah & Ouray Indian tribes,
    - (b) the name of the Operator,
    - (c) that firearms are prohibited by all non-Tribal members,
    - (d) that permits must be obtained from the Bureau of Indian Affairs before cutting firewood or other timber products, and
    - (e) only authorized personnel are permitted to use said road.
  3. All well site locations on the Uintah & Ouray Indian Reservation will have an appropriate sign.

12. Other Information:

D. Additional Stipulations for Operations on Lands  
Administered by the Bureau of Indian Affairs: Continued

3. This sign will indicate the name of the Operator, the lease serial number, the well name and number, the survey description of the well (either footages or the quarter-quarter section, section, township, and range).
4. Coastal Oil & Gas Corporation shall contact the Bureau of Land Management and the Bureau of Indian Affairs between 24 and 48 hours prior to commencement of construction activities. BLM: (801) 789-1362, BIA: (801) 722-2406.
5. The BLM and BIA offices shall be notified upon site completion and prior to moving drilling tools onto the location.
6. 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 Indian Affairs, or the Uintah County Extension Office. On lands administered by the Bureau of Indian Affairs, 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.

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

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

Representative - Continued

- \* 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.

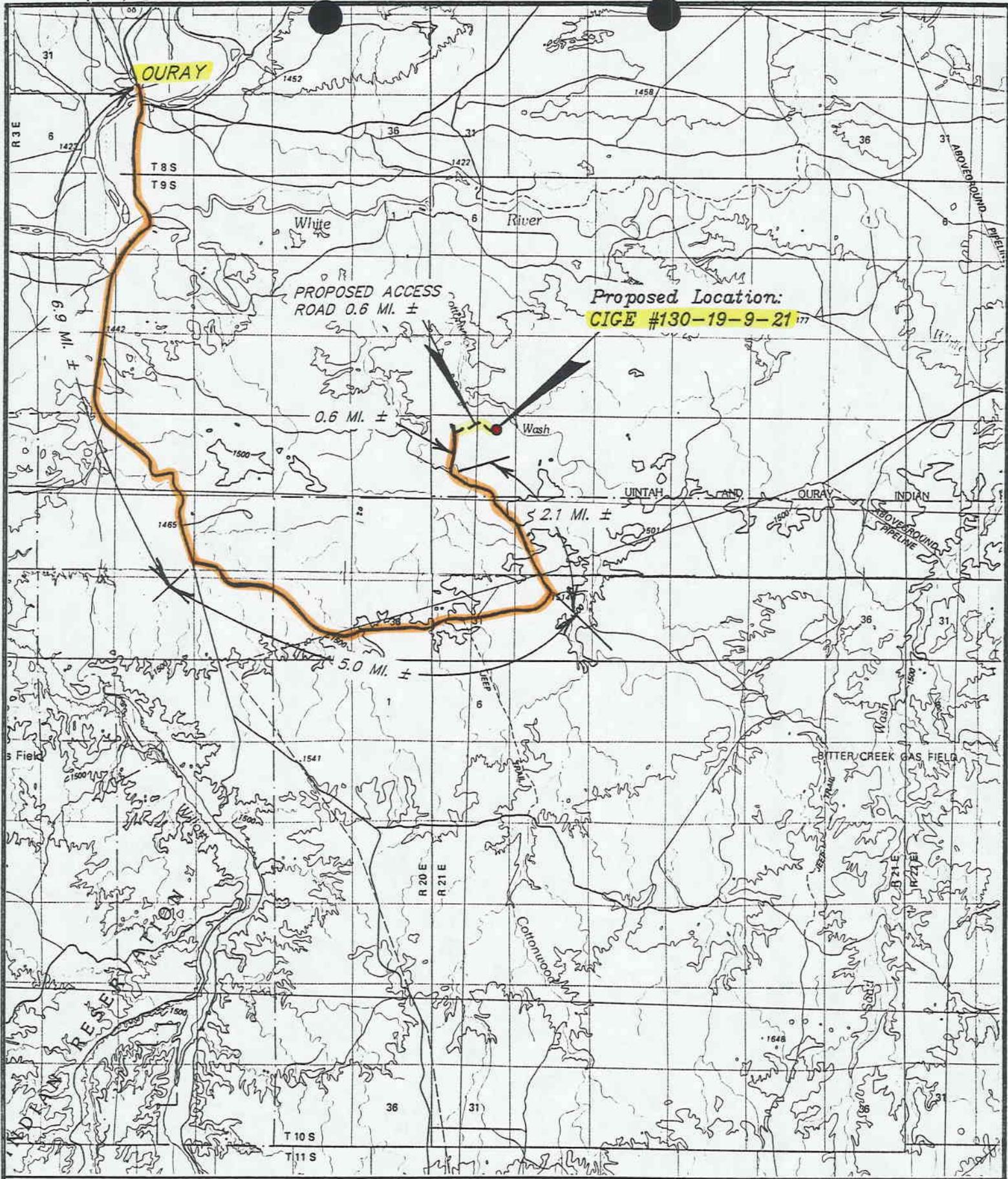
Coastal Oil & Gas Corporation will be fully responsible for the actions of their subcontractors.

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.

14 May 1991  
Date

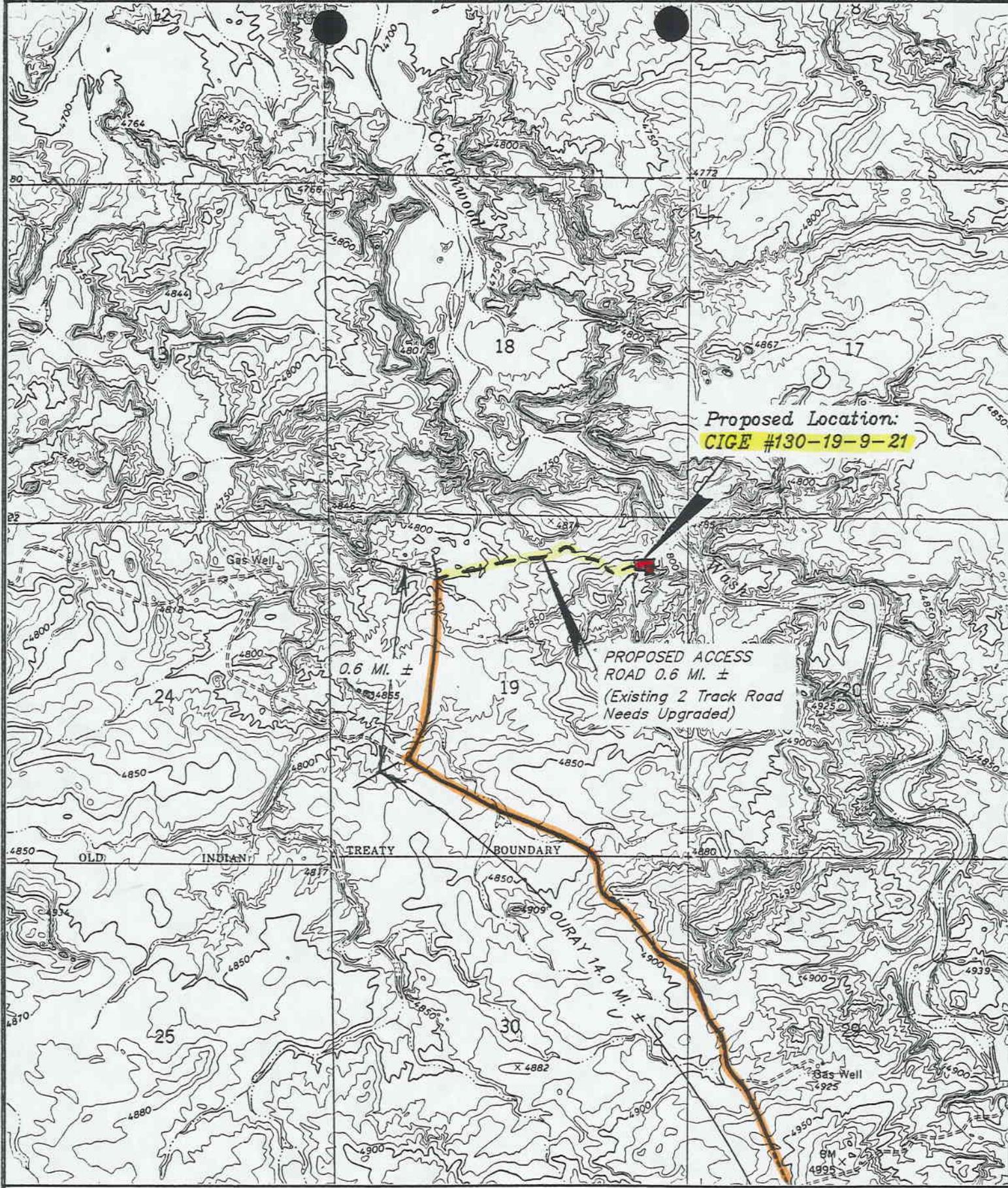
  
Robert M. Anderson/Authorized Agent



TOPOGRAPHIC  
 MAP "A"  
 DATE 3-10-91



**COASTAL OIL & GAS CORP.**  
 CIGE #130-19-9-21  
 SECTION 19, T9S, R21E, S.L.B.&M.



Proposed Location:  
**CIGE #130-19-9-21**

PROPOSED ACCESS  
 ROAD 0.6 MI. ±  
 (Existing 2 Track Road  
 Needs Upgraded)

0.6 MI. ±

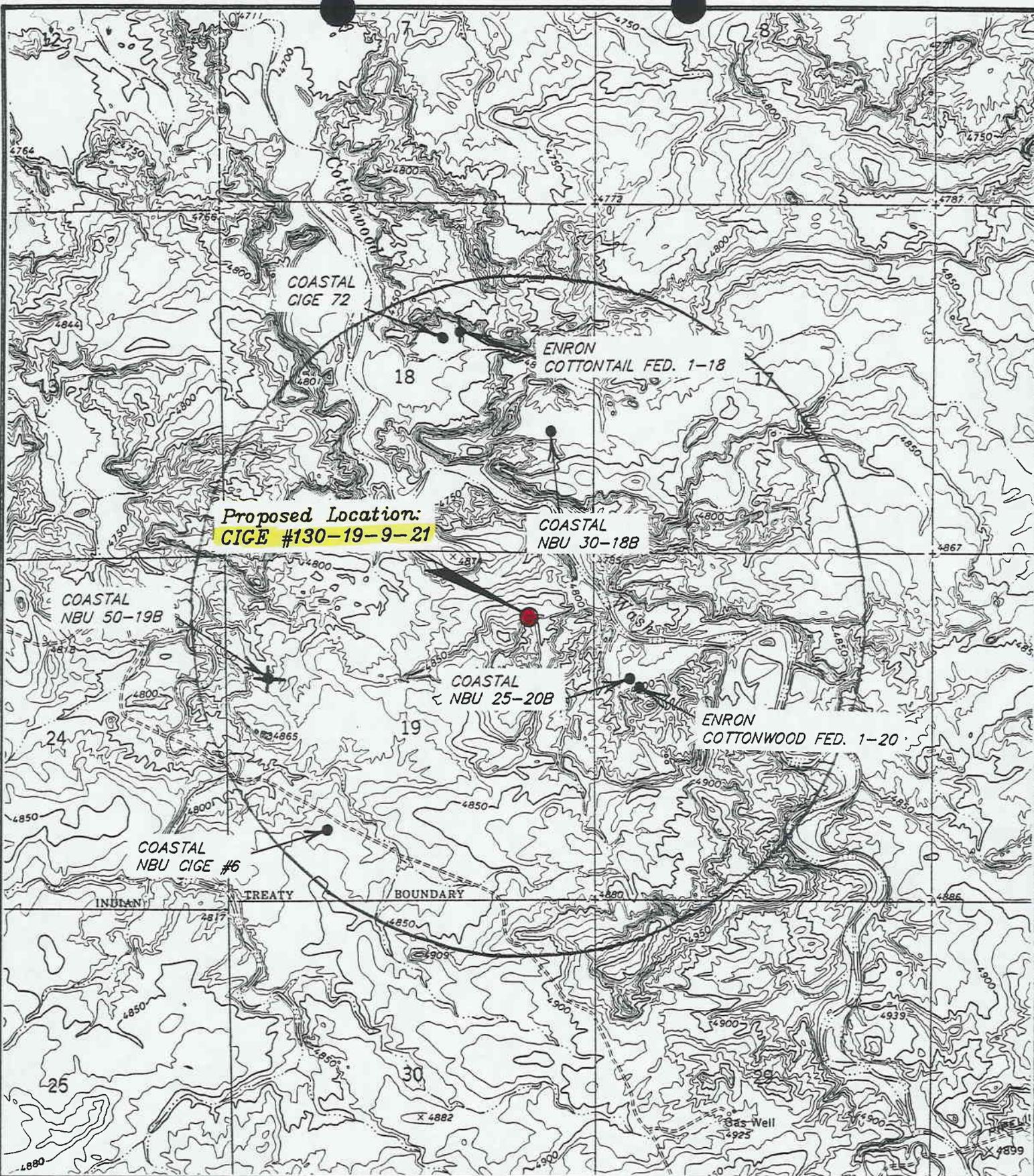
Dairy 14.0 MI. ±

TOPOGRAPHIC  
 MAP "B"  
 SCALE: 1" = 2000'  
 DATE 3-10-91



**COASTAL OIL & GAS CORP.**

CIGE #130-19-9-21  
 SECTION 19, T9S, R21E, S.L.B.&M.



**LEGEND:**

- ⊕ = Water Wells
- ◆ = Abandoned Wells
- = Temporarily Abandoned Wells
- ⊘ = Disposal Wells
- = Drilling Wells
- = Producing Wells
- = Shut-in Wells



**COASTAL OIL & GAS CORP.**

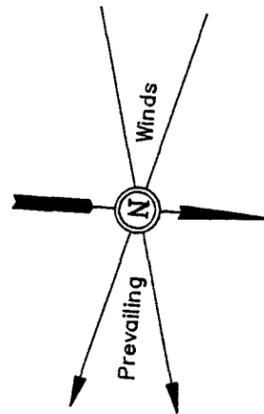
CIGE #130-19-9-21  
SECTION 19, T9S, R21E, S.L.B.&M.

**TOP O MAP "C"**

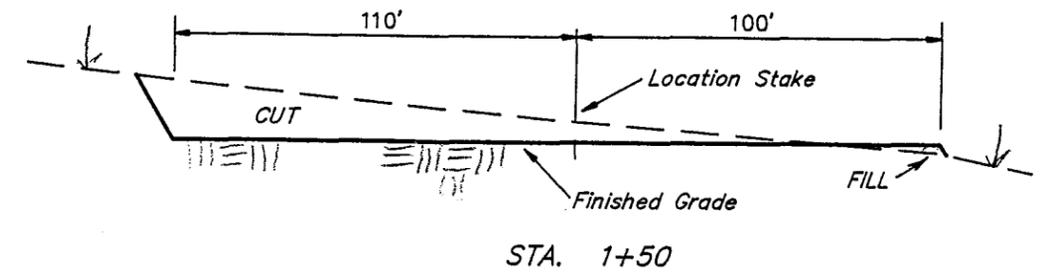
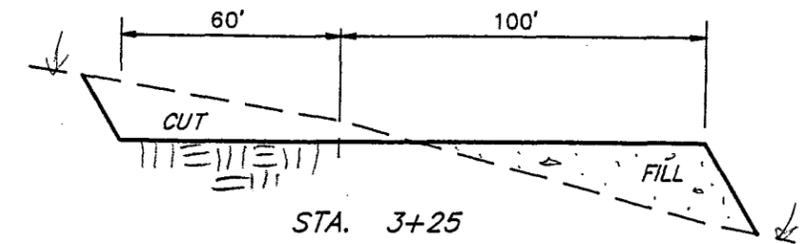
DATE: 3-14-91

MAY 20 1991

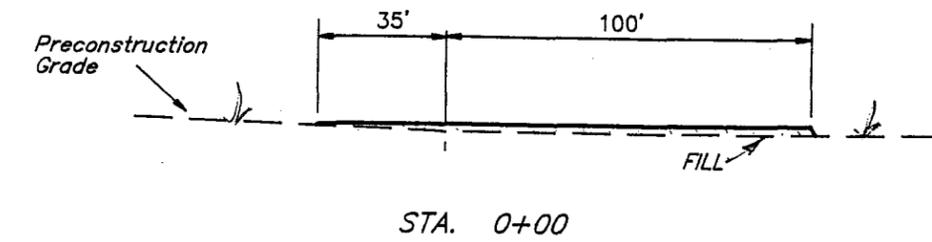
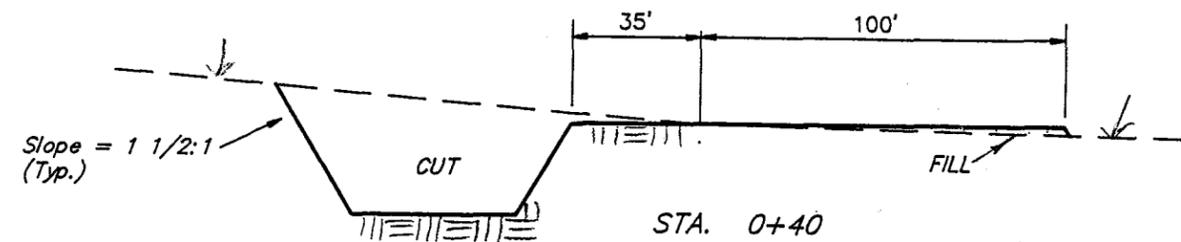
DIVISION OF  
OIL GAS & MINING



SCALE: 1" = 50'  
DATE: 3-18-91  
Drawn By: J.R.S.

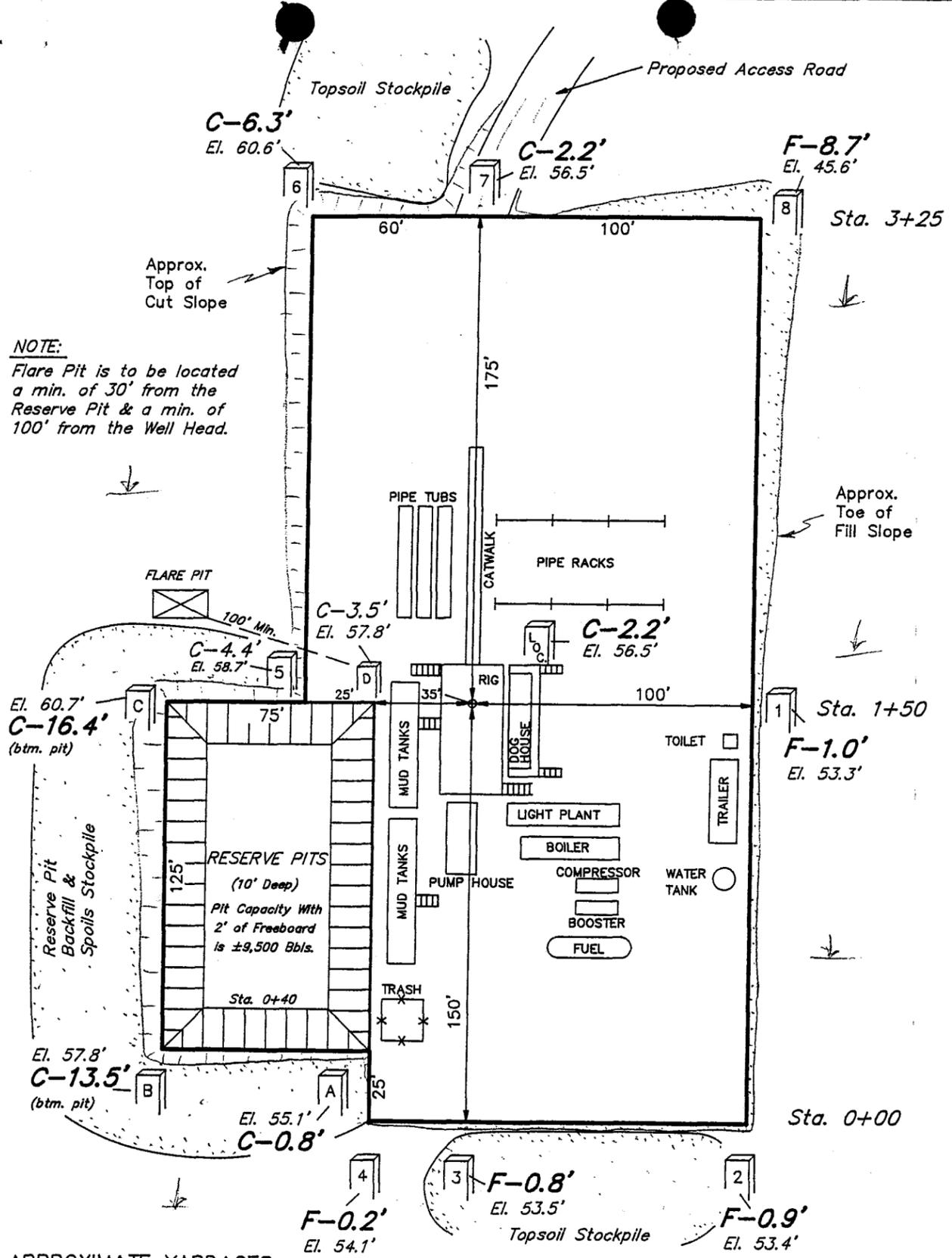


X-Section Scale  
1" = 20'  
1" = 50'



TYP. LOCATION LAYOUT  
TYP. CROSS SECTIONS

**NOTE:**  
Flare Pit is to be located a min. of 30' from the Reserve Pit & a min. of 100' from the Well Head.



**APPROXIMATE YARDAGES**

CUT		EXCESS MATERIAL AFTER 5% COMPACTION	= 3,350 Cu. Yds.
(12") Topsoil Stripping	= 2,130 Cu. Yds.	Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,350 Cu. Yds.
Remaining Location	= 4,690 Cu. Yds.	EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 6,820 CU.YDS.</b>		
<b>FILL</b>	<b>= 3,300 CU.YDS.</b>		

**NOTES:**  
Elev. Ungraded Ground At Loc. Stake = **4856.5'**  
FINISHED GRADE ELEV. AT LOC. STAKE = **4854.3'**

**FIGURE #1**

OPERATOR Coastal Oil Gas Corp No 30 DATE 5-23-91

WELL NAME CIGE 130-19-9-01

SEC N 1/4 T 9S R 01E COUNTY Utah

43-047-3030  
API NUMBER

Natural (1)  
TYPE OF LEASE

CHECK OFF:

PLAT.

BOND

NEAREST WELL

LEASE

FIELD SLBM

POTASH OR OIL SHALE

PROCESSING COMMENTS:

Included in 1991 PDD approved 1-25-91  
Water Permit 49-491 (A57530) target ducting  
Oil shale area

APPROVAL LETTER:

SPACING:  R615-2-3

Natural Buttes  
UNIT

R615-3-2

N/A  
CAUSE NO. & DATE

R615-3-3

STIPULATIONS:

1- Oil shale



# 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

May 24, 1991

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

Gentlemen:

Re: CIGE 130-19-9-21 Well, 772 feet from the North line, 714 feet from the East line, NE NE, Section 19, Township 9 South, Range 21 East, Uintah County, Utah

Approval to drill the referenced well is hereby granted in accordance with Utah Code Ann. Section 40-6-18, et seq. (1953, as amended), and Utah Admin. R.615-2-3, subject to the following stipulation:

1. Special attention is directed to compliance with Utah Admin. R.615-3-34, which prescribes drilling procedures for designated oil shale areas.

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

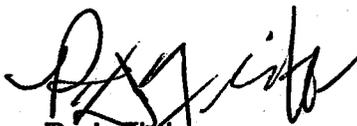
1. Spudding notification within 24 hours after drilling operations commence.
2. Submittal of Entity Action Form 6, within five working days following spudding and whenever a change in operations or interests necessitates an entity status change.
3. Submittal of the Report of Water Encountered During Drilling, Form 7.
4. Prompt notification in the event it is necessary to plug and abandon the well. Notify R. J. Firth, Associate Director, (Office) (801) 538-5340, (Home) 571-6068, or J. L. Thompson, Lead Inspector, (Home) 298-9318.
5. Compliance with the requirements of Utah Admin. R.615-3-20, Gas Flaring or Venting.

Page 2  
Coastal Oil & Gas Corporation  
CIGE 130-19-9-21  
May 24, 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 Drinking Water/Sanitation, telephone (801) 538-6159.
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 43-047-32030.

Sincerely,



R. J. Firth  
Associate Director, Oil & Gas

tas  
Enclosures  
cc: Bureau of Land Management  
J. L. Thompson  
we14/1-6

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

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

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 Parson, 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 checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input 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 NTL 2B; IV
	<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.)

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 Blleen Danni Dey Title Regulatory Analyst Date 4/14/92

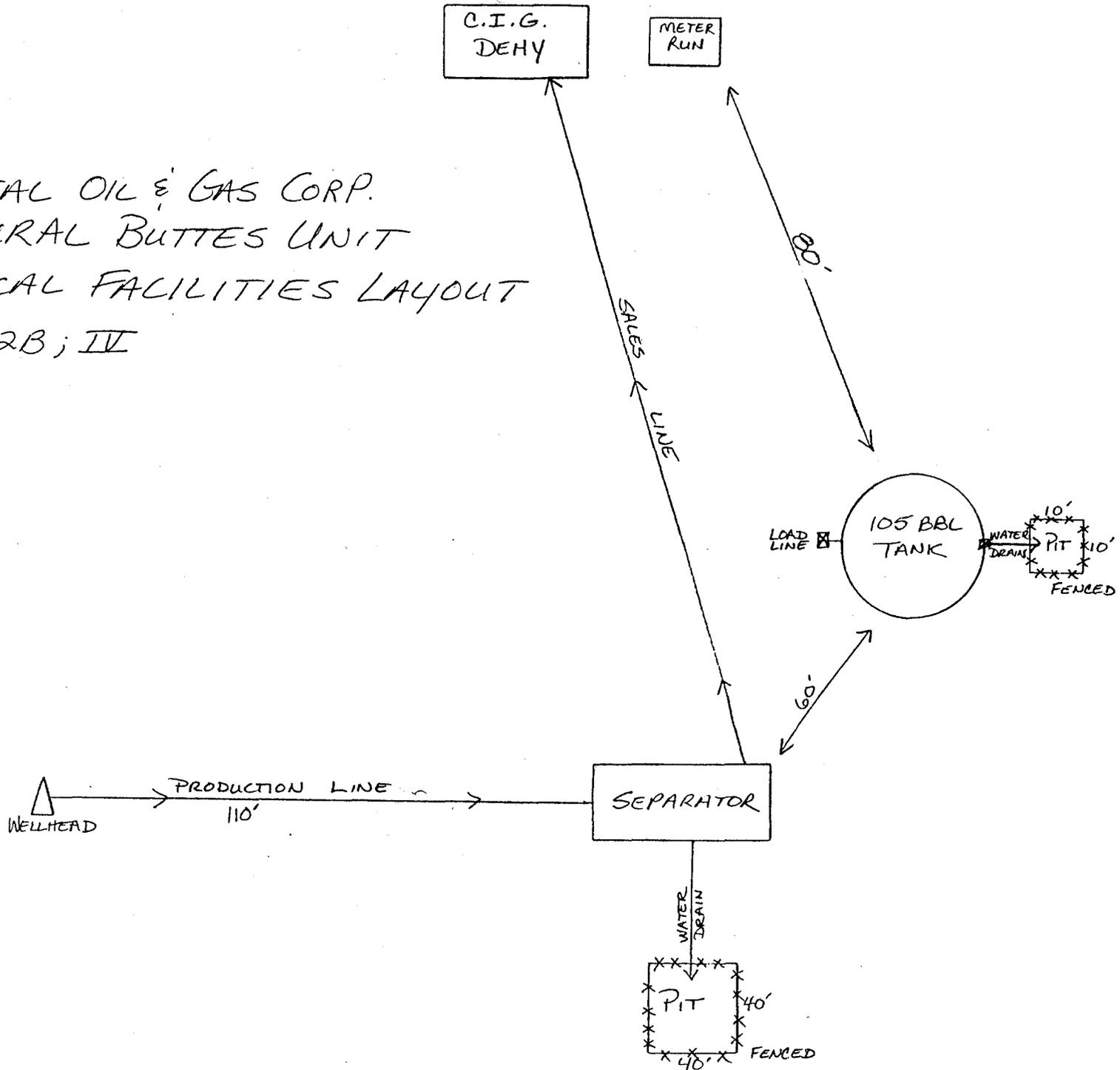
(This space for Federal or State office use)

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

Accepted by the State  
of Utah Division of  
Oil, Gas and Mining  
Date: 4-29-92

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 QUAD SEC TWP RGE	STATE OR BLM LEASE # SURFACE	API 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	SENW 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	SENW 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 ✓	SENW 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				STATE OR BLM		API NUMBER
	QUAD	SEC	TWP	RGE	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	SESW	2	10	21	ST ML-22652	STATE	43-047-

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

5. Lease Designation and Serial No.

UTU-0581

6. If Indian, Allottee or Tribe Name

Ute Tribal

7. If Unit or CA. Agreement Designation

Natural Buttes Unit

8. Well Name and No.

CIGE #130-19-9-21

9. API Well No.

43-047-32030

10. Field and Pool, or Exploratory Area

Natural Buttes

11. County or Parish, State

Uintah County, Utah

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, Colorado 80201-0749 (303)572-1121

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

772' FNL & 714' FEL  
Section 19, T9S-R21E

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

TYPE OF SUBMISSION

TYPE OF ACTION

Notice of Intent

Subsequent Report

Final Abandonment Notice

Abandonment

Recompletion

Plugging Back

Casing Repair

Altering Casing

Other Install Gas Flowline

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.)

Application for Grant of Right-of-Way has been filed with the Bureau of Indian Affairs to install a four-inch (4") surface pipeline as shown on the attached map.

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

DATE: 4-29-92

BY: JM Matthew

RECEIVED

APR 28 1992

DIVISION OF  
OIL GAS & MINING

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

Signed [Signature]

Title Vice President

Date 4/29/92 *wkt*

(This space for Federal or State office use)

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

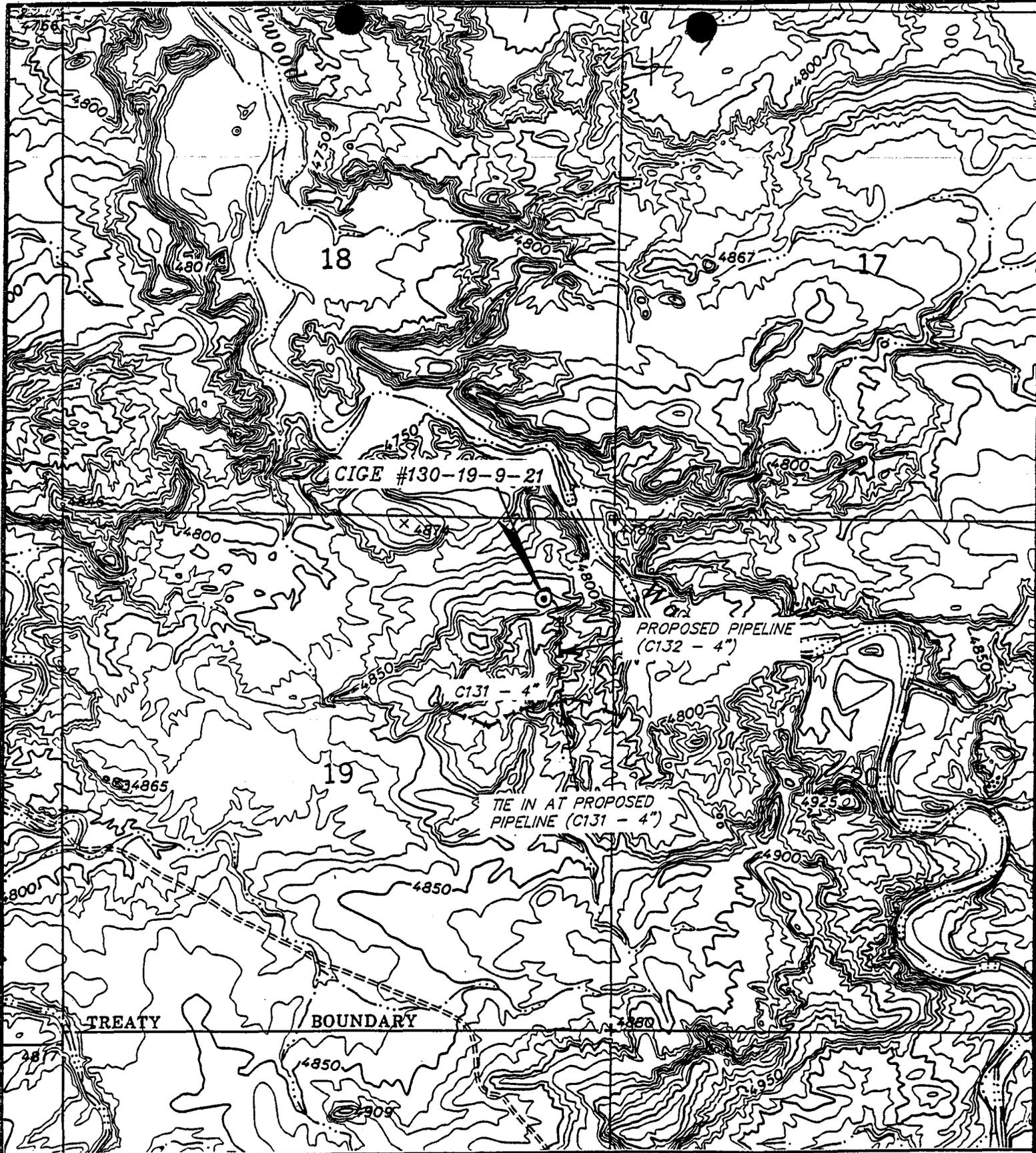
Title \_\_\_\_\_

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



TOTAL PIPELINE SLOPE DISTANCE = 1322'

TOPOGRAPHIC  
MAP "D"

LEGEND

- EXISTING PIPELINE
- Proposed Pipeline



**COASTAL OIL & GAS CORP.**

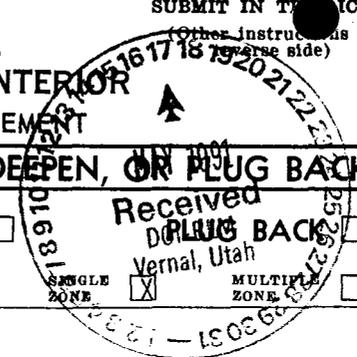
PROPOSED PIPELINE RIGHT-OF-WAY FOR  
CIGE #130-19-9-21  
SECTION 19, T9S, R21E, S.L.B.&M.

DATE: 3-25-92

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE\*  
(Other instructions on reverse side)

Form approved.  
Budget Bureau No. 1004-0136  
Expires August 31, 1985



APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK  
 DRILL  DEEPEN  PLUG BACK

b. TYPE OF WELL  
 OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR  
 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  
 772' FNL, 714' FEL (NE $\frac{1}{4}$ NE $\frac{1}{4}$ ) 19-T9S-R21E  
 At proposed prod. zone  
 Same As Above

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 Approximately Seven (7) Miles Southeast of Ouray, Utah

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 714'

16. NO. OF ACRES IN LEASE 2399.63

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. 1800'±

19. PROPOSED DEPTH 6800'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4856' GR

22. APPROX. DATE WORK WILL START\* September 20, 1991

5. LEASE DESIGNATION AND SERIAL NO.  
 UTU-0581

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
 Not Applicable

7. UNIT AGREEMENT NAME  
 Natural Buttes

8. FARM OR LEASE NAME  
 CIGE

9. WELL NO.  
 130-19-9-21

10. FIELD AND POOL, OR WILDCAT  
 Natural Buttes

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
 Section 19, T9S, R21E

12. COUNTY OR PARISH  
 Uintah

13. STATE  
 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 Circ. to Surface *
7-7/8"	5-1/2" K-55	17.0#	0-6800'	545 sx Circ. to Surface *



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

MAY 11 1992

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 CIGE #130-19-9-21, Federal Lease # UTU-0581. 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. SIGNER Charles E. Mowry TITLE District Drilling Manager DATE May 14, 1991  
 (This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY Ferry Keneigh TITLE Acting ADM- Minerals DATE 5/6/92  
 CONDITIONS OF APPROVAL, IF ANY:

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

UT080-1M133

\*See Instructions On Reverse Side



CONDITIONS OF APPROVAL FOR THE  
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Coastal Oil and Gas Corporation

Well Name & Number: CIGE 130-19-9-21

Lease Number: UTU-0581

Location: NENE Sec. 19 T.9 S. R.21 E.

Surface Ownership: Indian

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.

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 on-site) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

3. Casing Program and Auxiliary Equipment

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

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200 feet above the base of the usable water zone, identified at  $\pm 1,860$  feet.

4. Mud Program and Circulating Medium

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

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

5. Coring, Logging and Testing Program

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

All Drill Stem Tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the Authorized Officer. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized, and if adequate lighting is available (i.e., lighting which is

adequate for visibility and vaporproof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the Authorized Officer.

A cement bond log (CBL) shall be utilized to determine the top of cement (TOC) and bond quality for the 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 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

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

7. Other Information

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

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

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

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with the Onshore Oil and Gas Order No. 4 for liquid hydrocarbons and Onshore Oil and 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-hour 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 waste.

Refinery wastes

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

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation, and miscellaneous solids.

### Surface Stipulations

At the on-site, it was decided the pit would probably need some straw or similar base before its liner can be layed. It is in a very rocky area.

1. Landscape disturbance cannot be effectively mitigated at this time. However, before the site is abandoned, the company will be required to restore the well pad, access roads, and pipeline rights-of-way to near their original state. The disturbed area will be reseeded with desirable perennial vegetation and the seed will be covered with a weed free organic mulch.
2. Noxious weeds will be controlled on all well sites and rights-of-way. If noxious weeds spread from the well sites or rights-of-way, the company will also be responsible for their control.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

NAME OF COMPANY: COASTAL 43-047-32030

WELL NAME: CIGE 130-19-9-21

Section 19 Township 9S Range 21E County UINTAH

Drilling Contractor COASTAL

Rig # 1

SPUDDED: Date 7/8/92

Time 11:00 AM

How DRY HOLE

Drilling will commence \_\_\_\_\_

Reported by DOUG W/LEON ROSS

Telephone # 1-722-4469

Date 7/8/92 SIGNED CAK

cc: LWP  
7-10-92  
PTJ

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-0581

6. If Indian, Allottee or Tribe Name

Ute Tribal

7. If Unit or CA, Agreement Designation

Natural Buttes

8. Well Name and No.

CIGE 130-19-9-21

9. API Well No.

43-047-32030

10. Field and Pool, or Exploratory Area

Natural Buttes

11. County or Parish, State

Uintah County, UT

**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)

772' FNL and 714' FEL  
Section 19, T9S, 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 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.)\*

MIRU Leon Ross Drlg. Spud surface hole @ 11:00 AM, 7/8/92.  
Drl'd 12-1/4" hole to 262' GL. Ran 6 jts 8-5/8" 24# K55 ST&C  
csg & set @ 271' KB. Cmt'd w/150 sx Cl "G" cmt + add.

**RECEIVED**

JUL 16 1992

DIVISION OF  
OIL GAS & MINING

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

Signed

Title

Regulatory Analyst

Date

7/13/92

(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.

\*See instruction on Reverse Side

OPERATOR Coastal Oil & Gas Corporation  
 ADDRESS P.O. Box 749  
Denver, CO 80201-0749

OPERATOR ACCT. NO. N 0930

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	→	43-047-32030	CIGE 130-19-9-21	NE/NE	19	9S	21E	Uintah	7/8/92	7/8/92
WELL 1 COMMENTS:											
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.  
 (3/89)

**RECEIVED**

JUL 16 1992

DIVISION OF  
 OIL GAS & MINING

*Eileen Danni Dey*  
 Signature Eileen Danni Dey

Regulatory Analyst 7/13/92  
 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

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UTU-0581

6. If Indian, Allottee or Tribe Name

Ute Tribal

7. If Unit or CA, Agreement Designation

Natural Buttes Unit

8. Well Name and No.

CIGE #130-19-9-21

9. API Well No.

43-047-32030

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)

772' FNL & 714' FEL  
Section 19, T9S-R21E

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TYPE OF SUBMISSION

Notice of Intent

Subsequent Report

Final Abandonment Notice

TYPE OF ACTION

Abandonment

Recompletion

Plugging Back

Casing Repair

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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 history for the drilling operations performed on the above referenced well.

RECEIVED

JUL 29 1992

DIVISION OF  
OIL GAS & MINING

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

Signed [Signature] Title Regulatory Analyst

Date 7/28/92

(This space for Federal or State office use)

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

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

Title \_\_\_\_\_

Date \_\_\_\_\_

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COASTAL OIL & GAS CORPORATION  
CHRONOLOGICAL HISTORY

CIGE #130  
NATURAL BUTTES UNIT  
UINTAH COUNTY, UTAH  
COASTALDRIL #1  
WI: 100% CIGE AFE: 18229  
ATD: 6900' (WASATCH) SD: 7/16/92  
CSG: 8-5/8" @ 271' KB; 5 1/2" @ 6894'  
CWC(M\$): 192.9

- 7/13/92 271' KB WORT. Spud 12-1/4" surf hole w/Leon Ross Drlg on 7/8/92 at 11:00 a.m. Drill 12-1/4" hole to 262' GL. Run 6 jts 8-5/8" 24# K-55 ST&C csg, tally run 260.56'. Set csg at 271' KB. RU Halliburton and pump 150 sx Class G cmt w/2% CaCl<sub>2</sub> and 1/4#/sx Flocele. Displace w/14.5 bbls FW and circ 5-1/2 bbls cmt to surf. CC: \$44,401.
- 7/17/92 780' Drlg 511'/7.5 hrs. Move off other location and MI RURT. Test BOP, PU BHA. Drill cmt 235'-271'. Spud well at 10:00 p.m., 7/16/92. Drlg, svy: 1/4 deg @ 515'. Air mist, 1200 CFM at 250 psi, 20 GPM. CC: \$75,482.
- 7/18/92 2320' Drlg 1540'/22.5 hrs. Drlg, svys: 1 deg @ 1009'; 1-1/4 deg @ 1514'; 2-1/4 deg @ 2016'. Air mist, 1400 CFM, 14-20 GPM @ 250 psi. (No ttl cost given.)
- 7/19/92 3680' Drlg 1360'/21.5 hrs. Drlg, svys: 2-1/2 deg @ 2459'; 2-1/4 deg @ 3005'. Trip for string float. Drlg, chg to aerated wtr at 3322'. Oil zone at 3220'. Drlg w/aerated wtr, 700 CFM. CC: \$91,875.
- 7/20/92 4430' Drlg 750'/23.5 hrs. Drlg, svy and chk BOP, drlg w/full returns at 3869'. SD air. MW 8.4, VIS 26. Svy: 1-1/2 deg @ 3976'. CC: \$98,697.
- 7/21/92 5210' Drlg 780'/23 hrs. Drlg, RS and chk BOP. Drlg, svys: 2-1/4 deg @ 5003'. DAP wtr, 6#/bbl. CC: \$105,057.
- 7/22/92 5671' Drlg 461'/18.5 hrs. Drlg, Rs and chk BOP. Svy: 2 deg @ 5446'. Drlg w/DAP wtr. CC: \$116,182.
- 7/23/92 6300' Drlg 629'/23 hrs. Drlg, RS, CHK BOP's. Svy: 2 deg @ 6105'. Drlg breaks from 5834-42', 5925-32', 6003-30', 6042-57'. No gas noted from breaks. Drlg w/wtr, DAP 6.5#/bbl. CC: \$122,686.
- 7/24/92 6900' C&C for logs. 600'/23.5 hrs. Drlg w/wtr, DAP 6.5#/bbl. RS, chk BOP. Drlg brk from 6670-6676'. CC: \$130,742.
- 7/25/92 6900' Circ csg and wash to btm. Circ and short trip. Short trip 25 stds, no fill. Circ for logs. TOH for logs. Log open hole w/Atlas Wireline. Logger's TD 6893'. Run CDL/CNL/GR from TD to 2400'; DLL/CAL/GR from TD to surf. TIH, LD DP and DC's. RU csg tools. RIH w/161 jts 5-1/2" 17# J-55 8rd LT&C csg (6907.52'). CC: \$145,774.
- 7/26/92 6900' RDRT's. Rig released at 11:00 a.m., 7/25/92. RIH w/5-1/2" csg. Circ csg and wash 20' to btm. RU Howco. Pump 30 bbls Super Flush. Mix and pump 460 sx Type 5 Hi-Fill std w/1#/sx Capseal, .3% HR7. Tail w/715 sx Type H 50-50 Poz w/2% gel, 10% salt, .6% Hal 24, .2% CFR3, 1#/sx Capseal, 1/4#/sx Flocele, set at 6894'. Displ w/159 bbls wtr, circ 49 bbls cmt to pit. Bump plug to 2500#. Floats held. ND BOPE. Set csg slips w/100,000#. Cut off csg. Rig released. CC: \$220,749. FINAL DRILLING REPORT.

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 LOGS

**RECEIVED**  
NOV 13 1992

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

b. TYPE OF COMPLETION: NEW WELL  WORK OVER  DEEP-EN  PIG BACK  DIFF. DENVR.  Other

2. NAME OF OPERATOR  
Coastal Oil & Gas Corporation

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

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)  
At surface 722' FNL & 714' FEL  
At top prod. interval reported below Same as above.  
At total depth Same as above.

14. PERMIT NO. 43-047-32030 DATE ISSUED 5/24/91

15. DATE SPUNDED 7/8/92 16. DATE T.D. REACHED 7/24/92 17. DATE COMPL. (Ready to prod.) 10/14/92

18. ELEVATIONS (DF, RMB, RT, CB, ETC.)\* 4856' GR

20. TOTAL DEPTH, MD & TVD 6900' 21. PLUG BACK T.D., MD & TVD 6328' 22. IF MULTIPLE COMPL. HOW MANY\* 23. INTERVALS DRILLED BY SFC-TD

24. PRODUCING INTERVAL(S) OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)\*  
5513-6764' Wasatch

26. TYPE ELECTRIC AND OTHER LOGS R/LN  
CDL/CNL/GR; DLL/Cal/GR; CBL/CCL/GR ✓ 317-93  
8-14-92

25. 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#	271'	12-1/4"	150 sx Cl "G" + Add	None
5-1/2"	17#	6894'	7-7/8"	1175 sx HiFill & 50/50 Poz	None

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	BACKS CEMENT*	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-3/8"	5468'	

31. PERFORATION RECORD (Interval, size and number) Perforated w/4" csg gun 1 JSPF @ the following depths:

5513'	6005'	6048'
5823'	6014'	6054'
5834'	6025'	6673'
5928'	6041'	6764'

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
5513-6764'	42 bbls 15% HCL + 34 B.S.'s
5513-6764'	91,280 gal Purgel III; 135 tons CO <sub>2</sub> ; 253,500# 20/40 sand

33. PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)					
10/2/92	Flowing	SI					
DATE OF TEST	HOURS TESTED	CHOKED SIZE	PROD'N. FOR TEST PERIOD	OIL—BSL.	GAS—MCF.	WATER—BSL.	GAS-OIL RATIO
10/14/92	24	18/64"		0	1000	0	N/A
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BSL.	GAS—MCF.	WATER—BSL.	OIL GRAVITY-API (CORR.)	
550	500		0	1000	0	N/A	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) SIWOPLC

TEST WITNESSED BY L. Miller

35. LIST OF ATTACHMENTS  
Chronological history.

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

SIGNED Eileen Danni Dey TITLE Regulatory Analyst DATE 11/10/92

\*(See instructions and spaces for Additional Data on Reverse Side)

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

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, flowing and shut-in pressures, and recoveries):

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	TOP		
				NAME	MEAS. DEPTH	
				Wasatch	5090'	TRUE VERT. DEPTH 5090'

38. GEOLOGIC MARKERS

COASTAL OIL & GAS CORPORATION  
CHRONOLOGICAL HISTORY

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UINTAH COUNTY, UTAH  
COASTALDRIL #1  
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THE COASTAL CORPORATION  
PRODUCTION REPORT

CHRONOLOGICAL HISTORY

PAGE 2

CIGE #130  
NE/NE SECTION 19, T9S-R21E  
NATURAL BUTTES UNIT  
UINTAH COUNTY, UTAH  
WI: 100% CIGE AFE: 18229  
TD: 6900' (WASATCH) SD: 7/16/92  
CSG: 5-1/2" @ 6894'  
PERFS: 5513'-6764'  
CWC(M\$): 402.4

- 7/27/92 WOCU. Drop from report until further activity.  
TC: \$220,747
- 9/30/92 WO completion rig. MIRU Cutters WLS w/mast truck. Ran CBL-CCL-GR  
log from 6782' to surface w/1000 psi on csg. Good bond. TOC @ 25'.  
RDMO WL.  
DC: \$23,000 TC: \$243,747
- 10/1/92 Prep to perf. MIRU Western OWS rig #22. NU BOP. PU & RH w/4-3/4"  
mill & 2-3/8" tbg. Tag PBD @ 6828'. Circ hole w/160 bbls 3% KCl  
wtr. PT csg to 5000 psi, OK. POH w/tbg & mill.  
DC: \$3,530 TC: \$247,277
- 10/2/92 Flwg back after acid breakdown. RU Cutters WLS. Perf 12 holes @  
5513'-6764' w/4" csg gun. RIH w/tbg to 6760'. RU Smith Energy.  
Spot 29 bbls 15% HCl across perfs. PU tbg to 5468'. BD perfs w/42  
bbls 15% HCl + 34 BS's. BD @ 3800 psi, treat @ 7.8 BPM @ 4500 psi.  
Balled off to 5000 psi. Surge off balls, finish flush. ISIP 1230  
psi, 5 min 1200 psi, 10 min 1220 psi, 15 min 1230 psi. Flwd to pit  
2 hrs, rec 65 BW. Well kicked off. Flwd overnight on 20/64" chk.  
252 BLWTBR.  
DC: \$21,940 TC: \$269,217
- 10/2/92 Flwg 500 MCFD, FTP 200 psi, CP 425 psi, 20/64" chk, 20 BWPD.
- 10/3/92 SI, WO frac. RDMO Western OWS rig #22. Drop from report.  
DC: \$200 TC: \$269,417
- 10/8/92 Prep to frac Wasatch perfs 5513'-6764'. MI and fill frac tanks. RU  
Halliburton. Start Purgel III frac. WH press 2430 psi. Start pmpg  
pad. Pump 16,580 gal pad. Halliburton broke down hyd hose on  
blender.  
DC: \$6,650 TC: \$276,067
- 10/9/92 Well flwg back after frac. Frac Wasatch perfs 5513'-6767' w/91,280  
gal Purgel III fluid and 135 tons CO<sub>2</sub> (30% to 18% CO<sub>2</sub>), 253,500# 20/40  
sand. ATR 30 BPM, ATP 2800 psi. Frac grad .72, ISIP 1680 psi, 15  
min 1560 psi. Shut-in after frac. Open well up @ 6:00 p.m. on  
20/64" chk. 2568 BLTBR.  
DC: \$86,863 TC: \$362,930
- 10/9/92 Flwg 1.5 MMCFD CO<sub>2</sub>, FTP 1050 psi, CP 1050 psi, 18/64" chk, 6 BWPD.
- 10/10/92 Flwg 1.7 MMCFD CO<sub>2</sub>, FTP 1000 psi, CP 1000 psi, 18/64" chk, 20 BWPD.
- 10/11/92 Flwg 1.5 MMCFD CO<sub>2</sub> & gas, FTP 750 psi, CP 800 psi, 18/64" chk, 10  
BWPD.
- 10/12/92 Flwg 1.0 MMCFD CO<sub>2</sub> & gas, FTP 600 psi, CP 650 psi, 18/64" chk, 40  
BWPD.
- 10/13/92 Flwg 800 MCFD CO<sub>2</sub>, FTP 500 psi, CP 600 psi, 18/64" chk, 1 BWPD.
- 10/14/92 Flwg 1.0 MMCFD CO<sub>2</sub>, FTP 500 psi, CP 550 psi, 18/64" chk, 2 BWPD.
- 10/15/92 SI, WOPLC. Flwd 1.0 MMCFD dry gas, FTP 550 psi, CP 500 psi, 18/64"  
chk. SI @ 1:00 p.m., 10/14/92. Drop from report.

**UTAH DIVISION OF OIL, GAS AND MINING  
EQUIPMENT INVENTORY**

Operator: COASTAL OIL & GAS COMPANY Lease: State:        Federal: Y  
 Indian:        Fee:       

Well Name: CIGE 130-19-9-21 API Number: 43-047-32030  
 Section: 19 Township: 9S Range: 21E County: UINTAH Field: NATURAL BUTTES  
 Well Status: PGW Well Type: Oil:        Gas: Y

PRODUCTION LEASE EQUIPMENT: Y CENTRAL BATTERY:       

Y Well head        Boiler(s)        Compressor        Separator(s)  
Y Dehydrator(s) (1) Shed(s)        Line Heater(s) Y Heated  
 Separator  
       VRU        Heater Treater(s)

PUMPS:  
       Triplex        Chemical        Centrifugal

LIFT METHOD:  
       Pumpjack        Hydraulic        Submersible        Flowing

GAS EQUIPMENT:  
Y Gas Meters        Purchase Meter Y Sales Meter

TANKS:	NUMBER	SIZE
	<u>      </u> Oil Storage Tank(s)	<u>      </u> BBLs
	<u>      </u> Water Tank(s)	<u>      </u> BBLs
	<u>      </u> Power Water Tank	<u>      </u> BBLs
	<u>YES</u> Condensate Tank(s)	<u>1-100 BARREL</u> <u>      </u> BBLs
	<u>      </u> Propane Tank	

REMARKS: HEATED SEPARATOR, DEHYDRATOR & SALES METER IN SINGLE SHED.  
        
        
      

Location central battery: Qtr/Qtr:        Section:        Township:         
 Range:       

Inspector: DENNIS INGRAM Date: 6/16/93

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.

Lease Designation and Serial No.

UTU-0581

Indian, Annotee or Tribe Name

Ute Tribal

If Unit or CA Agreement Designation

Natural Buttes Unit

Well Name and No.

CIGE 130-19-9-21

API Well No.

43-047-32030

Field and Pool, or Exploratory Area

Natural Buttes

Country or Parson. State

Uintah County, Utah

SUBMIT IN TRIPLICATE

RECEIVED  
JUL 02 1993

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)

772' FNL & 714' FEL  
Section 19, T9S-R21E

DIVISION OF  
OIL GAS & MINING

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

TYPE OF SUBMISSION

TYPE OF ACTION

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

- 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.

3. 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.)

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

- 1) This well is completed in the Wasatch formation and produces less than 5 barrels of water per day on a monthly basis.
- 2) Two unlined pits per location are used, in most cases, due to the size and layout of the location: 40' x 40' x 8' and 6' x 6' x 6' deep with berms surrounding them. Each pit is fenced and has 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 inches per year.
- 4) The estimated percolation rate based on the soil characteristics under and adjacent to the pits is 2-6 inches per hour.
- 5) The depth of usable water aquifers in this area is approximately 1500 feet.

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

Date: 7-8-93

Special Approval of this  
Action is Necessary

I hereby certify that the foregoing is true and correct

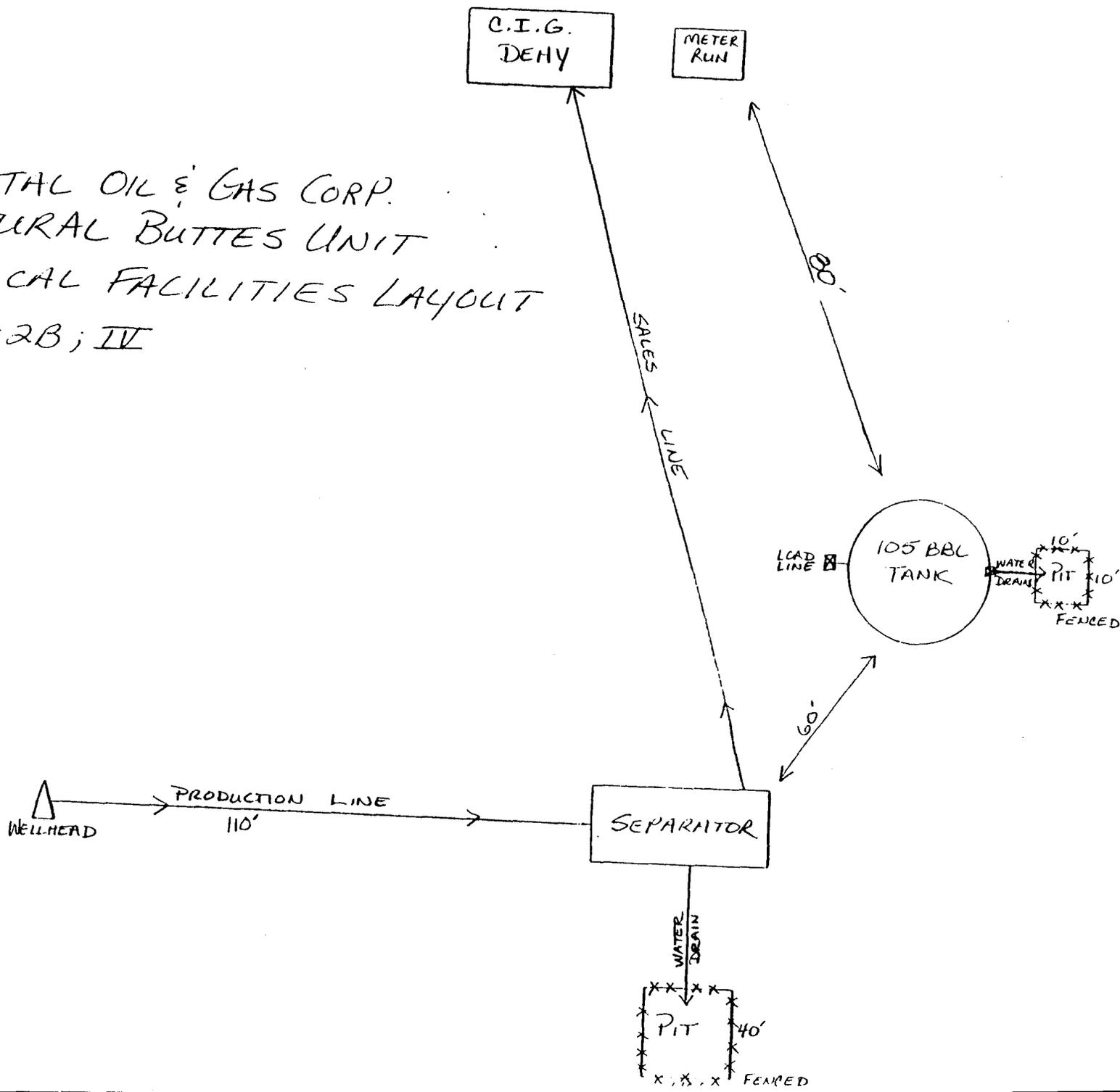
Signed: [Signature] Title: Regulatory Analyst

Date: 6/28/93

This space for Federal or State office use:

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

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



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

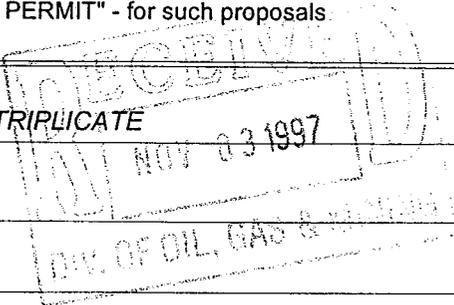
43-047-32030

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 <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. See attached spreadsheet
2. Name of Operator Coastal Oil & Gas Corporation	6. If Indian, Alottee or Tribe Name See attached spreadsheet
3. Address and Telephone No. P. O. Box 749, Denver, CO 80201-0749 (303) 573-4476	7. If Unit or CA, Agreement Designation Natural Buttes Unit
4. Location of Well (Footage, Sec., T., R., M., Or Survey Description) See attached spreadsheet	8. Well Name and No. See attached spreadsheet
	9. API Well No. See attached spreadsheet
	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 type="checkbox"/> Other
	<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 checked="" 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 markets and zones pertinent to this work.)\*

The Operator requests approval to empty produced water into tanks on the listed locations. The produced water will then be transported by truck to the underground injection well NBU #159, located at NE/SW Section 35, T9S-R21E, for disposal. Furthermore, the Operator requests approval for the presence of small unlined pits, approximate dimensions of 7' x 7' x 4' deep, to be located immediately adjacent to the stock tanks on the listed locations. The small pits may be necessary to drain off water from the stock tanks at the time of condensate sales. The water will be emptied from the small pit and trucked to the NBU #159 disposal well. The volume of water to be disposed of at each facility will not exceed an average of 5 barrels per day on a monthly basis, in conformance with the requirements of Onshore Order #7.

The listed locations include all wells listed in a Request to Dispose Water sundry dated 10/11/96, as well as all wells drilled to date in the Operator's 1997 drilling program in the Natural Buttes field.

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

303-670-3077

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

Signed Bonnie Carson Title Senior Environmental Analyst Date: 12-1-97

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Conditions of approval, if any:

*Must meet pt. 1100 guidelines*

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.

Well Name & No.	API No.	Lease Designation & Serial Number	If Indian, Allottee or Tribe Name	Footages	Qtr/Qtr	Section	Township	Range	Field	County
CIGE #105D-1-10-22E	43-047-31758	U-011336	N/A	842' FNL & 2095' FWL	NENW	1	10	22	Natural Buttes	Uintah
CIGE #114-34-9-21	43-047-31915	ST U-01194-A	N/A	1931' FSL & 535' FEL	NESE	34	9	21	Natural Buttes	Uintah
CIGE #118-35-9-22	43-047-32025	U-010954-A	N/A	2116' FSL & 615' FEL	NESE	35	9	22	Natural Buttes	Uintah
CIGE #124-9-9-21	43-047-32045	U-01188	Ute Tribe Surface	1854' FSL & 1819' FEL	NWSE	9	9	21	Natural Buttes	Uintah
CIGE #129-18-9-21	43-047-32043	U-0581	Ute Tribe Surface	928' FNL & 1837' FWL	NENW	18	9	21	Natural Buttes	Uintah
CIGE #130-19-9-21	43-047-32030	U-0581	Ute Tribe Surface	772' FNL & 714' FEL	NENE	19	9	21	Natural Buttes	Uintah
CIGE #140-16-10-21	43-047-31977	ST ML-10755	N/A	380' FNL & 591' FEL	NENE	16	10	21	Natural Buttes	Uintah
CIGE #144-2-10-22	43-047-32022	ST ML-22651	N/A	1501' FNL & 1719' FEL	SWNE	2	10	22	Natural Buttes	Uintah
CIGE #149-8-10-21	43-047-32056	U-01791	N/A	833' FNL & 2011' FEL	NWNE	8	10	21	Natural Buttes	Uintah
CIGE #161-2-10-22	43-047-32168	ST ML-22651	N/A	297' FSL & 1033' FEL	SESE	2	10	22	Natural Buttes	Uintah
CIGE #164-34-9-22	43-047-32353	U-0149077	N/A	660' FNL & 1739' FWL	NENW	34	9	22	Natural Buttes	Uintah
CIGE #178-5-10-22	43-047-32330	U-01195	N/A	926' FWL & 685' FNL	NWNW	5	10	22	Natural Buttes	Uintah
CIGE #180-16-9-21	43-047-32478	ST ML-3141	N/A	333' FSL & 2557' FWL	SESW	16	9	21	Natural Buttes	Uintah
CIGE #183-20-9-21	43-047-32656	U-0575	Ute Tribe Surface	1725' FSL & 2386' FEL	SWSE	20	9	21	Natural Buttes	Uintah
CIGE #187-13-10-20	43-047-32607	U-4485	N/A	900' FNL & 2200' FWL	NENW	13	10	20	Natural Buttes	Uintah
CIGE #189-29-9-22	43-047-32817	USA U-462	N/A	1574' FNL & 720' FWL	SWNW	29	9	22	Natural Buttes	Uintah
CIGE #194-1-10-22	43-047-32932	USA U-011336	N/A	2017' FNL & 61' FWL	SWNW	1	10	22	Natural Buttes	Uintah
CIGE #197-7-9-21	43-07-32798	U-0149747	N/A	854' FNL & 2178' FEL	NWNE	7	9	21	Natural Buttes	Uintah
CIGE #198-9-9-21	43-047-32799	U-01188	Ute Tribe Surface	2502' FSL & 772' FEL	NESE	9	9	21	Natural Buttes	Uintah
CIGE #199-14-9-21	43-047-32801	U-01193	Ute Tribe Surface	959' FNL & 1760' FWL	NENW	14	9	21	Natural Buttes	Uintah
CIGE #200-16-9-21	43-047-32802	U-38409	Ute Tribe Surface	1950' FNL & 2500' FWL	SENE	16	9	21	Natural Buttes	Uintah
CIGE #201-18-9-21	43-047-32804	U-0575	Ute Tribe Surface	1814' FNL & 944' FEL	SENE	18	9	21	Natural Buttes	Uintah
CIGE #202-21-9-21	43-047-32805	U-0575	Ute Tribe Surface	785' FSL & 471' FEL	SESE	21	9	21	Natural Buttes	Uintah
CIGE #204-35-9-21	43-047-32794	ML-22582	N/A	2055' FNL & 1604' FEL	SWNE	35	9	21	Natural Buttes	Uintah
CIGE #205-1-10-21	43-047-32795	ML-23612	N/A	2110' FNL & 2607' FEL	SWNE	1	10	21	Natural Buttes	Uintah
CIGE #221-36-9-22	43-047-32868	ML-22650	N/A	550' FSL & 514' FEL	NESW	13	9	21	Natural Buttes	Uintah
CIGE #235-25-9-21	43-047-32858	U-01194-ST	N/A	1900' FSL & 1800' FEL	NWSE	25	9	21	Natural Buttes	Uintah
CIGE #236-34-9-21	43-047-32861	U-01194-A-ST	N/A	428' FSL & 882' FEL	SESE	34	9	21	Natural Buttes	Uintah
CIGE #23-7-10-22	43-047-30333	ST ML-23609	N/A	1573' FNL & 1024' FEL	SENE	7	10	22	Natural Buttes	Uintah
CIGE #25-34-9-22	43-047-30737	U-0149077	N/A	2037' FNL & 1608' FWL	SENE	34	9	22	Natural Buttes	Uintah
CIGE #3-32-9-22	43-047-30320	ST ML-22649	N/A	2270' FNL & 900' FEL	SENE	32	9	22	Natural Buttes	Uintah
CIGE #43-14-10-22	43-047-30491	U-01197-A-ST	N/A	1437' FWL & 1416' FNL	NW	14	10	22	Natural Buttes	Uintah
CIGE #59-21-10-21	43-047-30548	U-02278	N/A	809' FSL & 1081' FWL	SWSW	21	10	21	Natural Buttes	Uintah
CIGE #6-19-9-21 (GR)	43-047-30356	U-0581	N/A	1122' FSL & 1542' FEL	SWSE	19	9	21	Natural Buttes	Uintah
CIGE #63D-29-9-22P	43-047-30949	U-462	N/A	521' FNL & 977' FWL	NWNW	29	9	22	Natural Buttes	Uintah
CIGE #9-36-9-22	43-047-30419	ST ML-22650	N/A	2090' FSL & 1852' FEL	NWSE	36	9	22	Natural Buttes	Uintah
CIGE #97D-31-9-22	43-047-31729	U-01530-A-ST	N/A	548' FSL & 907' FEL	SESE	31	9	22	Natural Buttes	Uintah
Morgan State #10-36	43-047-32816	ML-22265	N/A	1794' FNL & 649' FEL	SENE	36	9	21	Natural Buttes	Uintah
Morgan State #11-36	43-047-32813	ML-22265	N/A	1943' FSL & 1843' FEL	NESW	36	9	21	Natural Buttes	Uintah
Morgan State #12-36	43-047-32814	ML-22265	N/A	1992' FSL & 722' FEL	NESE	36	9	21	Natural Buttes	Uintah
Morgan State #13-36	43-047-32817	ML-22265	N/A	540' FSL & 815' FEL	SESE	36	9	21	Natural Buttes	Uintah
Morgan State #2-36	43-047-32585	ST ML-22265	N/A	900' FNL & 804' FWL	NWNW	36	9	21	Natural Buttes	Uintah
Morgan State #4-36	43-047-32729	ST ML-22265	N/A	1912' FSL & 649' FWL	NWSW	36	9	21	Natural Buttes	Uintah
Morgan State #5-36	43-047-32735	ST ML-22265	N/A	2100' FSL & 1800' FEL	NWSE	36	9	21	Natural Buttes	Uintah
Morgan State #8-36	43-047-32812	ML-22265	N/A	650' FNL & 690' FEL	NENE	36	9	21	Natural Buttes	Uintah
Morgan State #9-36	43-047-32815	ML-22265	N/A	1894' FNL & 1978' FEL	SWNE	36	9	21	Natural Buttes	Uintah
NBU #105	43-047-32302	U-0575	N/A	1026' FSL & 1011' FWL	SWSW	17	9	21	Natural Buttes	Uintah
NBU #113	43-047-31931	U-0149077	N/A	580' FSL & 854' FEL	SESE	34	9	22	Natural Buttes	Uintah
NBU #118	43-047-31969	U-5077-B	Ute Tribe Surface	1700' FNL & 660' FEL	SENE	22	9	20	Natural Buttes	Uintah
NBU #12	43-047-30119	U-461	N/A	1563' FSL & 2328' FEL	NWSE	18	9	22	Natural Buttes	Uintah

NBU #121	43-047-32086	UTU-01193	Ute Tribe Surface	819' FNL & 2163' FEL	NWNE	13	9	21	Natural Buttes	Uintah
NBU #123	43-047-31974	U-01188	N/A	827' FNL & 916' FWL	NWNW	15	9	21	Natural Buttes	Uintah
NBU #131	43-047-31966	U-0149075	Ute Tribe Surface	1699' FSL & 800' FWL	NWSW	23	9	21	Natural Buttes	Uintah
NBU #134	43-047-32011	U-0576	N/A	138' FSL & 836' FWL	SWSW	28	9	21	Natural Buttes	Uintah
NBU #140	43-047-31947	U-01191-A	N/A	1031' FNL & 1879' FEL	NWNE	5	10	22	Natural Buttes	Uintah
NBU #148	43-047-31983	U-01191	N/A	279' FSL & 2127' FWL	SESW	4	10	22	Natural Buttes	Uintah
NBU #150	43-047-31992	U-01196-B	N/A	2042' FNL & 2002' FWL	SENE	9	10	22	Natural Buttes	Uintah
NBU #152	43-047-31990	U-01196-D	N/A	815' FSL & 754' FEL	SESE	9	10	22	Natural Buttes	Uintah
NBU #153	43-047-31975	ST U-01197-A	N/A	2500' FNL & 974' FWL	SWNW	11	10	22	Natural Buttes	Uintah
NBU #18	43-047-30221	U-025187	N/A	2401' FWL & 2337' FSL	SWNE	10	10	22	Natural Buttes	Uintah
NBU #180	43-047-32113	U-025187	N/A	843' FSL & 2075' FEL	SWSE	10	10	22	Natural Buttes	Uintah
NBU #182	43-047-32162	U-0141315	N/A	1809' FNL & 1519' FWL	SENE	11	9	21	Natural Buttes	Uintah
NBU #185	43-047-32171	U-01191-A	N/A	2132' FNL & 2126' FEL	SWNE	3	10	22	Natural Buttes	Uintah
NBU #187	43-047-32230	U-0149077	N/A	1057' FSL & 2321' FWL	SESW	34	9	22	Natural Buttes	Uintah
NBU #188	43-047-32234	U-01196-C	N/A	699' FWL & 1248' FSL	SWSW	10	10	22	Natural Buttes	Uintah
NBU #189	43-047-32236	U-0149075	Ute Tribe Surface	1551' FWL & 1064' FSL	SESW	23	9	21	Natural Buttes	Uintah
NBU #198	43-047-32357	U-010950-A	N/A	2041' FEL & 2107' FSL	NWSE	22	9	21	Natural Buttes	Uintah
NBU #201	43-047-32364	U-0149767	Ute Tribe Surface	2310' FNL & 500' FWL	SWNW	9	9	21	Natural Buttes	Uintah
NBU #206	43-047-32341	U-01196-C	N/A	2209' FNL & 303' FWL	SWNW	10	10	22	Natural Buttes	Uintah
NBU #207	43-047-32329	ST U-01197	N/A	912' FNL & 1685' FWL	NENW	10	10	22	Natural Buttes	Uintah
NBU #208	43-047-32343	U-01191	N/A	790' FSL & 569' FEL	SESE	4	10	22	Natural Buttes	Uintah
NBU #210	43-047-32340	U-01196-C	N/A	1956' FSL & 2060' FWL	NESW	10	10	22	Natural Buttes	Uintah
NBU #216	43-047-32487	U-010950-A	Ute Tribe Surface	1875' FSL & 1665' FWL	NESW	15	9	21	Natural Buttes	Uintah
NBU #223	43-047-32517	U-01194-ST	N/A	514' FNL & 2174' FWL	NENW	26	9	21	Natural Buttes	Uintah
NBU #228	43-047-32636	U-0575	Ute Tribe Surface	660' FSL & 1843' FEL	SWSE	17	9	21	Natural Buttes	Uintah
NBU #229	43-47-32594	U-01191-A	N/A	1019' FNL & 1712' FEL	NWNE	3	10	22	Natural Buttes	Uintah
NBU #230A	43-047-32908	U-01191-A	N/A	1849' FNL & 677' FEL	SENE	3	10	22	Natural Buttes	Uintah
NBU #231	43-047-32561	U-01191-A-ST	N/A	966' FNL & 1539' FEL	NWNE	10	10	22	Natural Buttes	Uintah
NBU #252	43-047-32800	U-0141315	Ute Tribal Surface	641' FNL & 1845' FWL	NENW	10	9	21	Natural Buttes	Uintah
NBU #254	43-047-32803	U-0575	Ute Tribal Surface	1840' FNL & 2014' FWL	NESW	17	9	21	Natural Buttes	Uintah
NBU #255	43-047-32806	U-0575	Ute Tribal Surface	642' FSL & 1235' FWL	SESW	21	9	21	Natural Buttes	Uintah
NBU #256	43-047-32807	U-0147566	Ute Tribal Surface	2213' FNL & 2312' FWL	SENE	22	9	21	Natural Buttes	Uintah
NBU #257	43-047-32790	ST U-01194	N/A	1756' FNL & 2150' FWL	SENE	25	9	21	Natural Buttes	Uintah
NBU #258	43-047-32791	ST U-01194	N/A	1880' FNL & 211' FEL	SENE	26	9	21	Natural Buttes	Uintah
NBU #259	43-047-32792	ST U-01194	N/A	2300' FNL & 1850' FEL	SWNE	26	9	21	Natural Buttes	Uintah
NBU #263	43-047-32793	ST U-01194-A	N/A	1641' FNL & 1832' FWL	SENE	34	9	21	Natural Buttes	Uintah
NBU #265	43-047-32796	ML-13826	N/A	1953' FSL & 632' FEL	NESE	2	10	21	Natural Buttes	Uintah
NBU #270	43-047-32862	ML-23608	N/A	1963' FNL & 801' FWL	SWNW	13	10	21	Natural Buttes	Uintah
NBU #280	43-047-32865	ML-32935-A	N/A	2596' FSL & 1459' FWL	NESW	31	9	22	Natural Buttes	Uintah
NBU #289	43-047-32910	U-01191	N/A	463' FSL & 2023' FWL	SESW	3	10	22	Natural Buttes	Uintah
NBU #291	43-047-32911	U-1196-D	N/A	457' FNL & 570' FEL	NENE	9	10	22	Natural Buttes	Uintah
NBU #38N2	43-047-30536	U-08512-ST	N/A	1752' FWL & 1768' FSL	CSW	13	10	22	Natural Buttes	Uintah
NBU #80V	43-047-31240	U-0149077	N/A	2042' FSL & 984' FWL	NWSW	34	9	22	Natural Buttes	Uintah
NBU #86J	43-047-31251	U-01191-A	N/A	492' FNL & 722' FEL	NENE	3	10	22	Natural Buttes	Uintah

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:
PHONE NUMBER: 435-789-4433		8. WELL NAME and NUMBER: Exhibit "A"
		9. API NUMBER:
		10. FIELD AND POOL, OR WILDCAT:

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

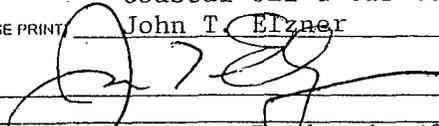
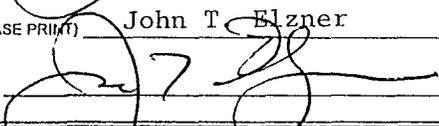
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input 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 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 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

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

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

MAR 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
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

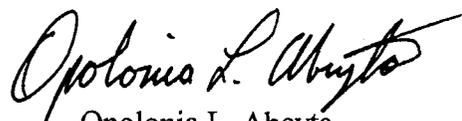
Acceptable evidence has been received in this office concerning the name change of Coastal Oil & Gas Corporation into El Paso Production Oil & Gas Company with El Paso Production Oil & Gas Company being the surviving entity.

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 306-18E	43-047-32282	2900	18-09S-21E	FEDERAL	GW	P
CIGE 201-18-9-21	43-047-32804	2900	18-09S-21E	FEDERAL	GW	P
NBU 382-18E	43-047-33064	2900	18-09S-21E	FEDERAL	GW	P
NBU CIGE 6-19-9-21	43-047-30356	2900	19-09S-21E	FEDERAL	GW	P
CIGE 112D-19-9-21	43-047-31945	2900	19-09S-21E	FEDERAL	GW	P
CIGE 131-19-9-21	43-047-32029	2900	19-09S-21E	FEDERAL	GW	P
CIGE 130-19-9-21	43-047-32030	2900	19-09S-21E	FEDERAL	GW	P
CIGE 218-19-9-21	43-047-32921	2900	19-09S-21E	FEDERAL	GW	P
NBU 483-19E	43-047-33065	2900	19-09S-21E	FEDERAL	GW	P
NBU 25-20B	43-047-30363	2900	20-09S-21E	FEDERAL	GW	P
CIGE 70-20-9-21	43-047-30636	2900	20-09S-21E	FEDERAL	GW	P
NBU 309-20E	43-047-32283	2900	20-09S-21E	FEDERAL	GW	P
CIGE 183-20-9-21	43-047-32656	2900	20-09S-21E	FEDERAL	GW	P
NBU CIGE 46-21-9-21	43-047-30529	2900	21-09S-21E	FEDERAL	GW	P
NBU CIGE 37D-21-9-21	43-047-30910	2900	21-09S-21E	FEDERAL	GW	P
CIGE 113D-21-9-21	43-047-31944	2900	21-09S-21E	FEDERAL	GW	P
NBU 106	43-047-31946	2900	21-09S-21E	FEDERAL	GW	P
NBU 127	43-047-31963	2900	21-09S-21E	FEDERAL	GW	P
NBU 128	43-047-31964	2900	21-09S-21E	FEDERAL	GW	P
CIGE 158-21-9-21	43-047-32158	2900	21-09S-21E	FEDERAL	GW	P

**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

---

**DATA ENTRY:**

1. Changes entered in the **Oil and Gas Database** on: 07/31/2001
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 07/31/2001
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 5609

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.

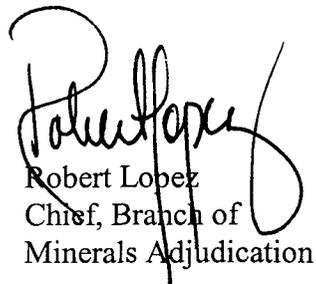
For our purposes, the name change is recognized effective December 31, 2001.

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.

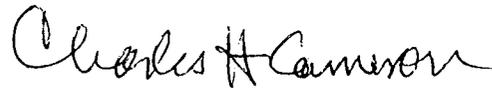
We have no objection.

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  
chron





IN REPLY REFER TO:  
Real Estate Services

## United States Department of the Interior

BUREAU OF INDIAN AFFAIRS  
Washington, D.C. 20240

FEB 10 2003

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

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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:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: <b>Exhibit "A"</b>
2. NAME OF OPERATOR: <b>El Paso Production Oil &amp; Gas Company</b>		9. API NUMBER:
3. ADDRESS OF OPERATOR: <b>9 Greenway Plaza</b> CITY <b>Houston</b> STATE <b>TX</b> ZIP <b>77064-0995</b>	PHONE NUMBER: <b>(832) 676-5933</b>	10. FIELD AND POOL, OR WILDCAT:

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

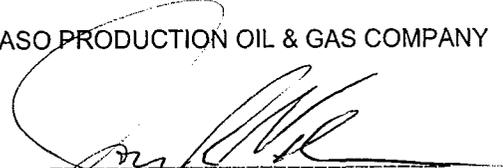
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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"/> 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.

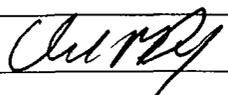
Operator change to Westport Oil and Gas Company, L.P., 1670 Broadway, Suite 2800, Denver, CO. 80202-4800, effective December 17, 2002.

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.		TITLE	Agent and Attorney-in-Fact
NAME (PLEASE PRINT)	David R. Dix	DATE	12/17/02
SIGNATURE			

(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

**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)

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**

**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"/> 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 checked="" type="checkbox"/> Other
	<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
			<b>SUCCESSOR OF OPERATOR</b>

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 recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and 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 \_\_\_\_\_

Office \_\_\_\_\_

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.

(Instructions on reverse)

**OPERATOR CHANGE WORKSHEET**

**ROUTING**

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: **12-17-02**

<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)**

NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
CIGE 128-18-9-21	18-09S-21E	43-047-32046	2900	FEDERAL	GW	PA
CIGE 129-18-9-21	18-09S-21E	43-047-32043	2900	FEDERAL	GW	P
NBU 304-18E	18-09S-21E	43-047-32130	2900	FEDERAL	GW	P
NBU 306-18E	18-09S-21E	43-047-32282	2900	FEDERAL	GW	P
NBU 382-18E	18-09S-21E	43-047-33064	2900	FEDERAL	GW	P
CIGE 257	18-09S-21E	43-047-34666	99999	FEDERAL	GW	APD
CIGE 218-19-9-21	19-09S-21E	43-047-32921	2900	FEDERAL	GW	P
NBU 483-19E	19-09S-21E	43-047-33065	2900	FEDERAL	GW	P
CIGE 112D-19-9-21	19-09S-21E	43-047-31945	2900	FEDERAL	GW	P
CIGE 131-19-9-21	19-09S-21E	43-047-32029	2900	FEDERAL	GW	P
CIGE 130-19-9-21	19-09S-21E	43-047-32030	2900	FEDERAL	GW	P
CIGE 258	19-09S-21E	43-047-34667	99999	FEDERAL	GW	APD
NBU 50-19B	19-09S-21E	43-047-30453	2900	FEDERAL	GW	PA
NBU 309-20E	20-09S-21E	43-047-32283	2900	FEDERAL	GW	P
NBU 25-20B	20-09S-21E	43-047-30363	2900	FEDERAL	GW	P
CIGE 70-20-9-21	20-09S-21E	43-047-30636	2900	FEDERAL	GW	P
CIGE 183-20-9-21	20-09S-21E	43-047-32656	2900	FEDERAL	GW	P
NBU 484-20E	20-09S-21E	43-047-33784	2900	FEDERAL	GW	P
NBU 414-20E	20-09S-21E	43-047-34779	99999	FEDERAL	GW	APD
NBU 415-20E	20-09S-21E	43-047-34489	99999	FEDERAL	GW	APD

**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: 02/28/2003
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 03/04/2003
- The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 03/06/2003
- Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- If **NO**, the operator was 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: 03/11/2003
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 03/11/2003
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:**

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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

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**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-

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
 Multiple Wells - see attached

5. Lease Serial No.  
 Multiple Wells - see attached

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
 891008900A

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"/> 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 type="checkbox"/> Other _____
	<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.

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.

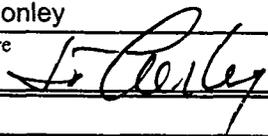
The volume lost to shrinkage by dropping the tank pressure from 6 ozs. to 0 psig is shown to be 0.3% of the tank volume. This was determined by lab analysis of a representative sample from the field. The sample shrunk from 98.82% of original volume to 98.52% when the pressure was dropped. The average 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

Signature



COPY SENT TO OPERATOR  
 Date: 9-16-03  
 Initials: JHD

Title

Operations Manager

Date

9-2-2003

SEP 10 2003

DIV. OF OIL GAS & MINING

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

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.

Office

Date: 9/16/03

Accepted by the  
 Utah Division of  
 Oil, Gas and Mining

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.

**Westport Oil & Gas, L.P.**

**Project Economics Worksheet**

Instructions: Fill in blue areas with before and after project data. The evaluation results are shown and graphed automatically at the bottom of the page. This 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
PULLING 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 \$	830/860	\$0
<b>Total \$</b>		<b>\$1,200</b>

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:**

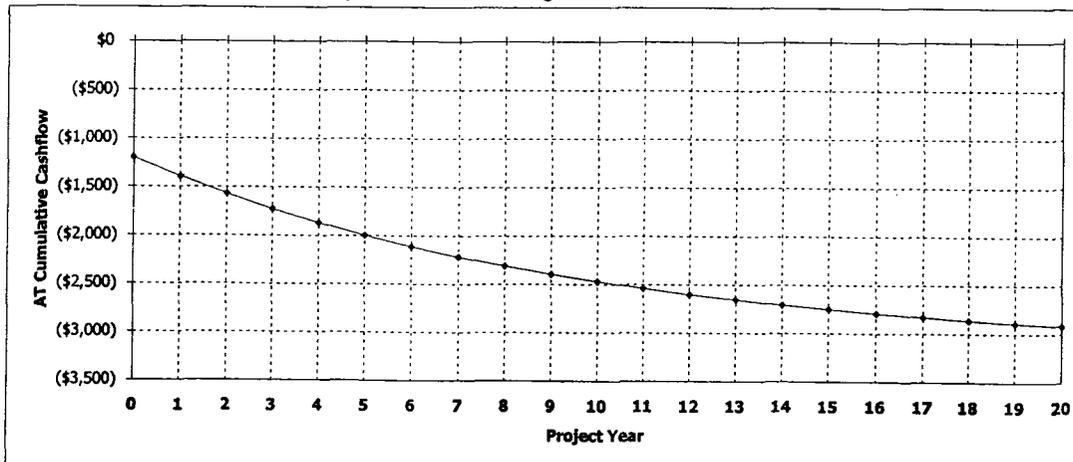
	Before	After	Difference
Oil Production	0.192 BOPD	0.194 BOPD	0.002 BOPD
Gas Production	0 MCFPD	0 MCFPD	0 MCFPD
Wtr Production	0 BWPD	0 BWPD	0 BWPD
Horse Power	HP	HP	0 HP
Fuel Gas Burned	MCFPD	MCFPD	0 MCFPD

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

**Notes/Assumptions:**

**An average NBU well produces 0.192 Bcpd with no tank pressure. The production is increased to 0.196 Bcpd if 6 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

WELL	LEGALS	STFLEASENO	CANUMBER	APINO
CIGE 092D	13-10-20 SENW	UTU4485	891008900A	430473116200S1 ✓
CIGE 093D	3-10-21 SWNW	UTU0149078	891008900A	430473116300S1
CIGE 094D	7-10-21 SWNE	UTU01791	891008900A	430473116400S1
CIGE 095D	14-10-21 NESW	UTU01393C	891008900A	430473116600S1
CIGE 096D	32-9-22 NWNE	ML22649	891008900A	430473173000S1
CIGE 097D	31-9-22 SESE	U01530A	891008900A	430473172900S1 ✓
CIGE 098D	25-9-21 NESE	U0868	891008900A	430473172700S1 ✓
CIGE 099D	25-9-21 NWNE	U01189	891008900A	430473122300S1 ✓
CIGE 100D	2-10-21 SENE	ML22652	891008900A	430473173100S1 ✓
CIGE 101D	9-10-21 SWSE	UTU01791	891008900A	430473173600S1
CIGE 102D	8-10-21 SWNW	UTU01791	891008900A	430473174100S1
CIGE 103D	13-10-20 NENE	UTU02270A	891008900A	430473174200S1
CIGE 105D	1-10-22 NENW	U011336	891008900A	430473175800S1
CIGE 106D	32-9-22 SENW	ML22649	891008900A	430473174600S1 ✓
CIGE 107D	1-10-21 NWNW	ML23612	891008900A	430473174700S1 ✓
CIGE 108D	4-10-21 NESE	U01416	891008900A	430473175600S1
CIGE 109D	33-9-22 SWNW	UTU01191A	891008900A	430473175400S1
CIGE 110D	7-9-21 SWSE	UTU0575B	891008900A	430473195900S1
CIGE 111D	13-9-21 SESW	U01193	891008900A	430473230500S1
CIGE 112D	19-9-21 SESE	U0581	891008900A	430473194500S1
CIGE 113	21-9-21 SWNE	UTU0576	891008900A	430473194400S1
CIGE 114	34-9-21 NESE	U01194A	891008900A	430473191500S1 ✓
CIGE 115	35-9-21 NWNE	ML22582	891008900A	430473191800S1 ✓
CIGE 116	29-9-22 NWSW	ML22935	891008900A	430473191900S1
CIGE 117	34-9-22 SWNW	UTU0149077	891008900A	430473192800S1
CIGE 118	35-9-22 NESE	UTU010954A	891008900A	430473202500S1
CIGE 119	15-10-21 NENE	UTU01416A	891008900A	430473192700S1
CIGE 120	15-9-20 NENE	UTU0144868	891008900A	430473225100S1
CIGE 121	15-9-20 SWNE	UTU0144868	891008900A	430473225200S1
CIGE 122	7-9-21 NENE	UTU0149767	891008900A	430473209800S1
CIGE 123	7-9-21 SWNE	UTU0575B	891008900A	430473204700S1
CIGE 124	9-9-21 NWSE	UTU01188	891008900A	430473204500S1
CIGE 125	13-9-21 NWNW	U01193	891008900A	430473208400S1
CIGE 127	16-9-21 NESW	ML3141	891008900A	430473203600S1
CIGE 129	18-9-21 NENW	UTU0581	891008900A	430473204300S1
CIGE 130	19-9-21 NENE	U0581	891008900A	430473203000S1
CIGE 131	19-9-21 SWNE	U0581	891008900A	430473202900S1
CIGE 133	35-9-21 SWSE	ML22582	891008900A	430473197800S1 ✓
CIGE 134D	1-10-20 SWSW	UTU02270A	891008900A	430473198900S1
CIGE 135	3-10-21 SWSW	UTU0149078	891008900A	430473200100S1
CIGE 136	4-10-21 SWNE	ML22940	891008900A	430473197900S1
CIGE 137	6-10-21 SENE	UTU01791	891008900A	430473198800S1
CIGE 138A	6-10-21 SENW	UTU01791	891008900A	430473204900S1
CIGE 139	10-10-21 SWNE	UTU0149079	891008900A	430473198600S1
CIGE 140	16-10-21 NENE	ML10755	891008900A	430473197700S1
CIGE 141	7-10-22 NWNE	ML23609	891008900A	430473197000S1
CIGE 142	25-9-21 SENE	U01189	891008900A	430473199400S1 ✓
CIGE 143	34-9-21 SWNE	U01194A	891008900A	430473199500S1 ✓
CIGE 144	2-10-22 SWNE	ML22651	891008900A	430473202200S1
CIGE 145	29-9-22 SENW	ML22935	891008900A	430473199300S1
CIGE 146	16-10-21 NWNE	ML10755	891008900A	430473202100S1
CIGE 147	36-9-22 SESW	ML22650	891008900A	430473202000S1 ✓
CIGE 148	31-9-22 NWNE	ML22935A	891008900A	430473202400S1 ✓
CIGE 149	8-10-21 NWNE	UTU01791	891008900A	430473205600S1
CIGE 150	9-10-21 SWNE	UTU01416	891008900A	430473205800S1
CIGE 151	10-10-21 SWSE	UTU0149079	891008900A	430473205900S1
CIGE 152	33-9-22 SESW	UTU01191A	891008900A	430473206800S1
CIGE 153	35-9-22 SESW	UTU010954A	891008900A	430473206700S1
CIGE 154	13-10-20 NWNW	UTU4485	891008900A	430473211900S1
CIGE 155	9-9-21 SENE	UTU01188B	891008900A	430473215700S1
CIGE 156	16-9-21 NESE	ML3282	891008900A	430473219500S1
CIGE 157	16-9-21 SWNW	UTU38409	891008900A	430473216000S1

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

<b>ROUTING</b>
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
---	--

WELL NAME	CA No.	Unit:	NATURAL BUTTES UNIT				
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
- 4a. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- 4b. 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

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

**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 CHANGE OF OPERATOR
	<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.

BLM BOND = C01203  
 BIA BOND = RLB0005239

APPROVED 5116106  
 Earlene Russell

RECEIVED  
 MAY 10 2006  
 DIV. OF OIL, GAS & MINING

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>

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

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)

BRAD LANEY

Signature

Title

ENGINEERING SPECIALIST

Date

May 9, 2006

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by

*Brad Laney*

Title

Office

Date

5-9-06

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.



## 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

U.S. DEPT. OF THE INTERIOR

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.

5. Lease Serial No.  
UTU-0581

6. If Indian, Allottee or Tribe Name  
TRIBAL SURFACE

7. If Unit or CA/Agreement, Name and/or No.  
UNIT #891008900A  
NATURAL BUTTES UNIT

8. Well Name and No.  
CIGE 130

9. API Well No.  
4304732030

10. Field and Pool, or Exploratory Area  
NATURAL BUTTES

11. County or Parish, State  
UINTAH COUNTY, UTAH

**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)  
NENE SEC. 19, T9S, R21E 772'FNL, 714'FEL

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"/> 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 SHUT-IN
	<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 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.

The operator requests authorization to shut-in the subject well location. Gross production from the greater Natural Buttes area is currently constrained at roughly 215mmcf/d due to lack of export pipeline capacity. The field is capable of producing more gas than this, which results in frequent and widespread bottlenecked areas of high line pressure. This in turn causes numerous wells to log off of production, often requiring swab rigs to get them going again. Operating the field in this reactionary manner is very inefficient. The operator requests authorization to shut in wells strategically to alleviate this situation and utilize the resource more efficiently. A significant drop in production is not expected, as the field is constrained anyway. The subject well was selected on the basis of one or more of the following factors:

\*Located in a bottlenecked area; \*High intervention requirement relative to gas production, \*High water production  
Wells will be shut in for an indefinite period. As the constrained situation continues, different wells will be selected and subject wells will be returned to production in order to cycle the shut-ins around the field and allow well pressures to build up and assist with future production.

COPY SENT TO OPERATOR  
Date: 11/11/06  
Initials: RM

RECEIVED

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

Name (Printed/Typed) Sheila Upchego	Title Regulatory Analyst	Date November 3, 2006	NOV 07 2006
Signature <i>Sheila Upchego</i>			DIV. OF OIL, GAS & MINING

THIS SPACE FOR FEDERAL OR STATE USE

Approved by	Title Accepted by [Signature] Date	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.	Office Utah Division of Oil, Gas and Mining	

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

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**UTU-0581**

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**TRIBAL SURFACE**

7. If Unit or CA/Agreement, Name and/or No.  
**UNIT #891008900A  
NATURAL BUTTES UNIT**

8. Well Name and No.  
**CIGE 130**

9. API Well No.  
**4304732030**

10. Field and Pool, or Exploratory Area  
**NATURAL BUTTES**

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

**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)  
**NENE SEC. 19, T9S, R21E 772'FNL, 714'FEL**

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

TYPE OF SUBMISSION	TYPE OF ACTION			
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<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>SHUT-IN</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	

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THE SUBJECT WELL LOCATION WAS RETURNED BACK TO PRODUCTION ON 11/21/2006 AT 1:00 PM.

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

Name (Printed/Typed) <b>Sheila Upchego</b>	Title <b>SENIOR LAND ADMIN SPECIALIST</b>
Signature 	Date <b>November 29, 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.

(Instructions on reverse)

**RECEIVED**

**DEC 06 2006**

**DIV. OF OIL, GAS & MINING**