

UTAH OIL AND GAS CONSERVATION COMMISSION

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

DATE FILED **12-6-91**

LAND: FEE & PATENTED **X** STATE LEASE NO. PUBLIC LEASE NO. INDIAN

DRILLING APPROVED: **1-3-92 (CAUSE NO. 139-42)**

SPUDDED IN:

COMPLETED: **1-28-93 LA** PUT TO PRODUCING:

Confidential

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR:

PRODUCING ZONES:

TOTAL DEPTH:

WELL ELEVATION:

DATE ABANDONED: **LAD APD expired eff 1-28-93**

FIELD: **BLUEBELL**

UNIT:

COUNTY: **UINTAH**

WELL NO. **RICH 2-13B1** API NO. **43-047-32179**

LOCATION **738' FNL** FT. FROM (N) (S) LINE, **1063' FWL** FT. FROM (E) (W) LINE, **NW NW** 1/4 - 1/4 SEC. **13**

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
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2S	1W	13	PENNZOIL EXPL. & PROD.				
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 **PENNZOIL EXPLORATION AND PRODUCTION COMPANY**

P. O. BOX 290 • NEOLA, UTAH 84053 • (801) 353-4397

December 5, 1991

State of Utah, Department of Natural Resources
Division of Oil, Gas, and Mining
355 West North Temple
3 Triad Center; Suite 350
Salt Lake City, Utah 84180-1203

RECEIVED

DEC 06 1991

DIVISION OF
OIL GAS & MINING

RE: Application for Permit to Drill
Rich 2-13B1
738' FNL & 1063' FWL
NW1/4 NW1/4 Sec. 13, T2S, R1W
Uintah County, Utah

Gentlemen:

The original and two copies of the APD for subject well are enclosed for your review and I trust your approval.

Pennzoil Exploration and Production Company requests that this APD and all related information submitted on this well be held confidential for that period of time permitted by regulations and law.

Please call the Pennzoil Production Office in Neola, Utah, at (801) 353-4397 for addition information.

Sincerely,
Pennzoil Exploration and Production Company

DR Lankford

D.R. Lankford
Petroleum Engineer

Enclosure

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

(Other instructions on reverse side)

5. Lease Designation and Serial No.

CA NW673

6. If Indian, Allottee or Tribe Name

Fee Land

7. Unit Agreement Name

8. Farm or Lease Name

Rich

9. Well No.

2-13B1

10. Field and Pool, or Wildcat

Bluebell-Wasatch 065

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

Sec. 13, T2S, R1W

12. County or Parrish

Uintah

13. State

Utah

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work

DRILL

DEEPEN

PLUG BACK

b. Type of Well

Oil Well

Gas Well

Other

Single Zone

Multiple Zone

2. Name of Operator

Pennzoil Exploration and Production Company

3. Address of Operator

P.O. Box 290; Neola, Utah 84053

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

At surface

738' FNL and 1063' FWL

At proposed prod. zone

Same

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

1.7 mi. East and 0.8 mi. North of Roosevelt, Utah

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

738'

16. No. of acres in lease

640

17. No. of acres assigned to this well

640

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

3303'

19. Proposed depth

12,300' WSTC

20. Rotary or cable tools

Rotary

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

Ungraded Ground Elevation: 5094'

22. Approx. date work will start*

March 1, 1992

23. PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
13 1/2"	10 3/4"	40.5#	2500'	1819 cu.ft.
9 7/8"	7"	23#	9305'	24 cu.ft.
6 1/4"	5"	18#	12,300'	310 cu.ft.

TECHNICAL REVIEW

Engr. JM 1/3/91

Geol. JD 12/30/91

Surface BA 12/26/91

- Enclosed Attachments:
 - Certified Location Plat
 - Drilling Plan.
 - BOP Schematic.
 - Area Topography Map Showing Roadway to Location.
 - Location Map Showing Rig Layout and Dirt Plan.

2. Water Permit Will Be Secured Prior to Spudding Well.

3. An AFE has been prepared and copies have been sent to joint interest holders for their approval.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

Signed SR Crawford

Title Petroleum Engineer

Date 12/5/91

(This space for Federal or State office use)

Permit No. 43-047-30179

Approval Date

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

DATE: 1-3-92

BY: JM Matthew

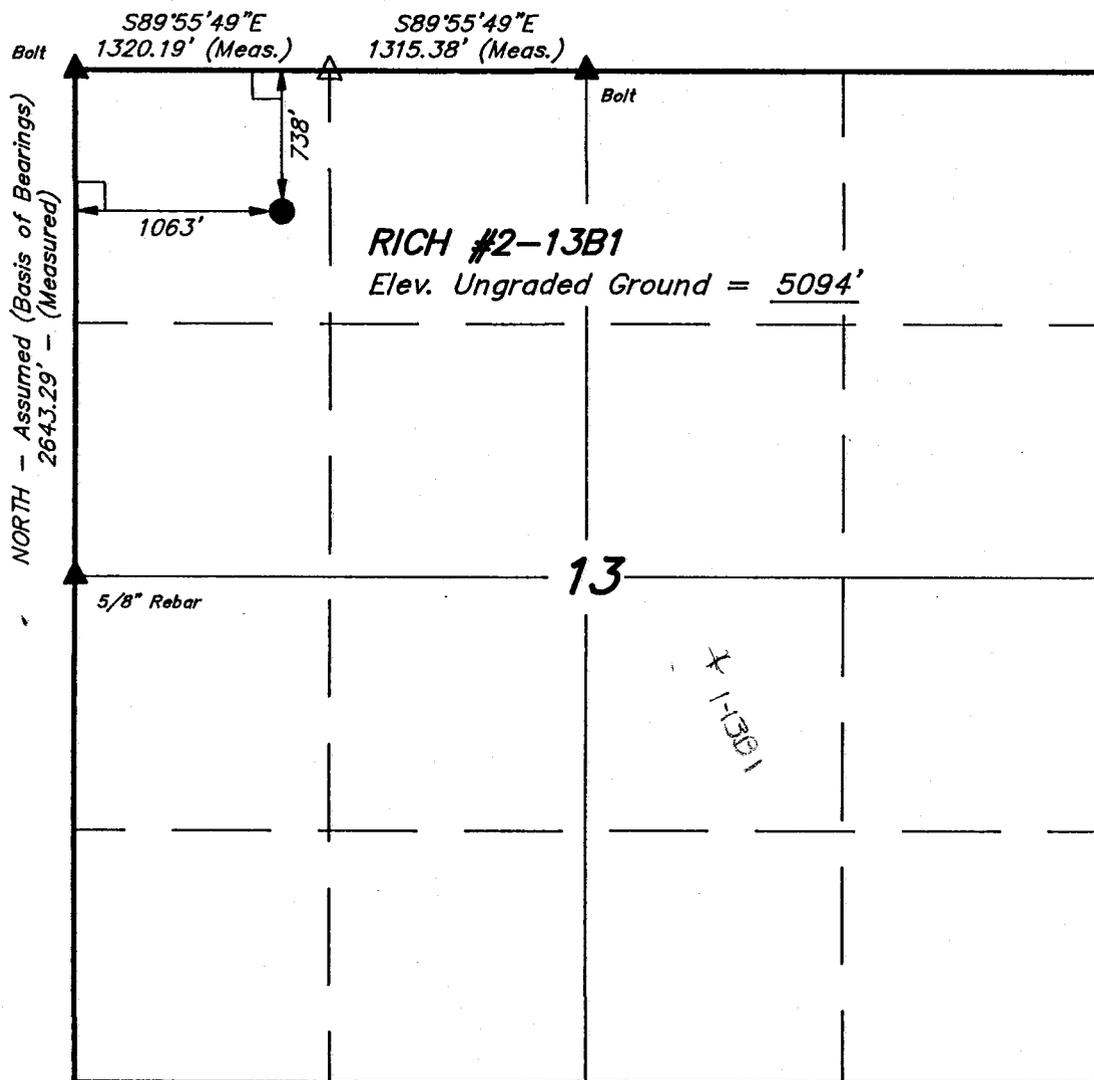
WELL SPACING: 139-42

Approved by

Title

Conditions of approval, if any:

T2S, R1W, U.S.B.&M.

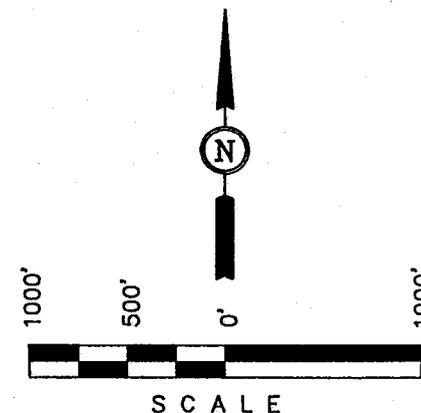


PENNZOIL EXPLR. & PROD. CO.

Well location, RICH #2-13B1, located as shown in the NW 1/4 NW 1/4 of Section 13, T2S, R1W, U.S.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 12, T2S, R1W, U.S.B.&M. TAKEN FROM THE ROOSEVELT QUADRANGLE, UTAH, 7.5 MINUTE SERIES (TOPOGRAPHIC MAP). PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5076 FEET.



CERTIFICATE

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

Robert L. Kay

REGISTERED LAND SURVEYOR
REGISTRATION NO. 5709
STATE OF UTAH

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

- ▲ = SECTION CORNERS LOCATED.
- △ = SECTION CORNERS SET. (Spindle)

SCALE 1" = 1000'	DATE 11-25-91
PARTY D.A. L.D.T.. T.D.H.	REFERENCES G.L.O. PLAT
WEATHER COOL	FILE PENNZOIL EXPLR. & PROD. CO.

DRILLING PLAN

OPERATOR: PENNZOIL EXPLORATION & PRODUCTION COMPANY
WELL: Rich 2-13B1
WELL LOCATION: 738' FNL 1063' FWL
NW 1/4 NW 1/4 SEC. 13, T2S, R1W
Uintah County, Utah

1. ESTIMATED TOPS AND IMPORTANT GEOLOGICAL FORMATIONS:

Top Green River	4455'
Green River Trona	6538'
Mahagony Bench	7190'
TGR 3	8369'
CP 70	9225'
TU 2	9465'
Wasatch 200	10,975'
Total Depth	12,300'

2. ESTIMATED OIL AND WATER DEPTHS:

Water	NONE ANTICIPATED
TU 2	Oil @ +9465'
Wasatch 200	Oil @ +10,975'

3. HOLE SIZE, CASING, AND CEMENT PROGRAM:

- A. CONDUCTOR HOLE: 0' - 60'
- a. Drill a 36" hole to 60'.
 - b. Set 16" conductor pipe.
 - c. Cement with ready mix concrete at 6 bags per yard.
- B. SURFACE HOLE: 60' - 2500'
- a. Drill a 13 1/2" hole to 2500'.
 - b. Set 10 3/4" 40.5# K-55/S-80 STC.
 - c. Cement to surface with a lead slurry of a low density filler and tail in with 200 sks. Class "G".
- C. INTERMEDIATE HOLE: 2500' - 9305'
- a. Drill a 9 7/8" hole to 9305'.
 - b. Set 7" 23# N-80/S-95 LTC.
 - c. Cement to surface with a DVT at approximately 7175'.
First stage: 50/50 Poz "G" with additives tailored for depth and temp. Second stage: A lead cement from approx. 4155' to surface with a low density filler and tail in with a 50/50 Poz. "G" tailored for depth and temp.

- D. PRODUCTION HOLE: 9305 - 12,300'
 - a. Drill a 6 1/4" hole to 12,300'.
 - b. Hang a 5" 18# N-80 FL4S liner.
 - c. Cement liner with a Class "G" cement tailored for depth and temp.

4. OPERATOR'S PRESSURE CONTROL PLAN:

Figure no. 1 is a schematic of minimum BOP equipment.

The BOP equipment will be nipped up on the surface casing string and pressure tested prior to commence drilling.

- a. All rams and choke manifold will be tested to 5000 psi.
- b. Bag preventor will be tested to 50% of its rated working pressure.
- c. 7" casing strings will be tested to 4000 psi. or 0.2 psi/ft per depth, whichever is greater.
- d. Record all BOP test on tour reports.
- e. Retest BOP stack every 28 days.
- f. Fill up line above the bag preventer.
- g. Kill line located below the double BOP rams.

Operational Checks:

- a. Pipe rams will be closed and opened once each 24 hours.
- b. Blind rams will be closed and opened each time the drill string is pulled from the well bore.

5. AUXILIARY WELL CONTROL AND MONITORING EQUIPMENT:

- a. Upper and lower kelly cocks will be used.
- b. A full opening drill pipe stabbing valve.
- c. PVT equipment will be used to monitor the mud system when drilling the production hole.

6. PROPOSED DRILLING FLUID PROGRAM:

- A. SURFACE HOLE: 60' - 2500'
 - a. Drill from 60' to 2500' with a 36 viscosity in steel pits. Then continue drilling with fresh water, circulating reserve pit using lime and flocculate to keep fluid clean.
 - b. All severe water flows will be contain with barite and gel.
- B. INTERMEDIATE HOLE: 2500' - 9305'
 - a. Drill out with fresh water circulating reserve pit using lime and flocculate as needed to keep fluid clean. Barite, polymers, and gel will be used as wellbore dictates due to pressure or hole condition.
 - b. Final fluid properties: 9.5 ppg. gelled brine water.

C. PRODUCTION HOLE: 9305'-12,300'

- a. Drill out with gelled brine mud system cut to 10 ppg. and continue until formation pressure dictates greater than 10 ppg. mud wt. At that time convert to fresh mud system. Barite, polymer, and gel will be used as wellbore dictates due to pressure and hole condition.
- b. Final fluid properties: 13.0/13.5 ppg. 40/55 vis.
8/10 wl. 20/30 yp.

7. WELL BORE EVALUATION:

- a. CORING: None Anticipated
- b. DRILL STEM TESTING: None Anticipated
- c. LOGS: Production hole Dual Induction Lateral
Gamma Ray
Formation Density
BHC-Sonic Micro-SFL
Four Arm Caliper
- d. COMPLETION: The objective formation is one of the oil zones in the Wasatch Formation. Selected intervals will then be perforated and evaluated for stimulation work.

8. PRESSURE AND TEMPERATURES:

- a. No abnormal pressure or temperature have been noticed or reported in wells drilled in this area.
- b. Estimated bottom hole temperatures : 235 degrees
- c. Estimated bottom hole pressure: 8400 psi

9. ANTICIPATED STARTING DATE:

- a. Construction will probably start circa March 1, 1992.
- b. The well will probably be spudded approx. April 15, 1992.

10. OTHER INFORMATION:

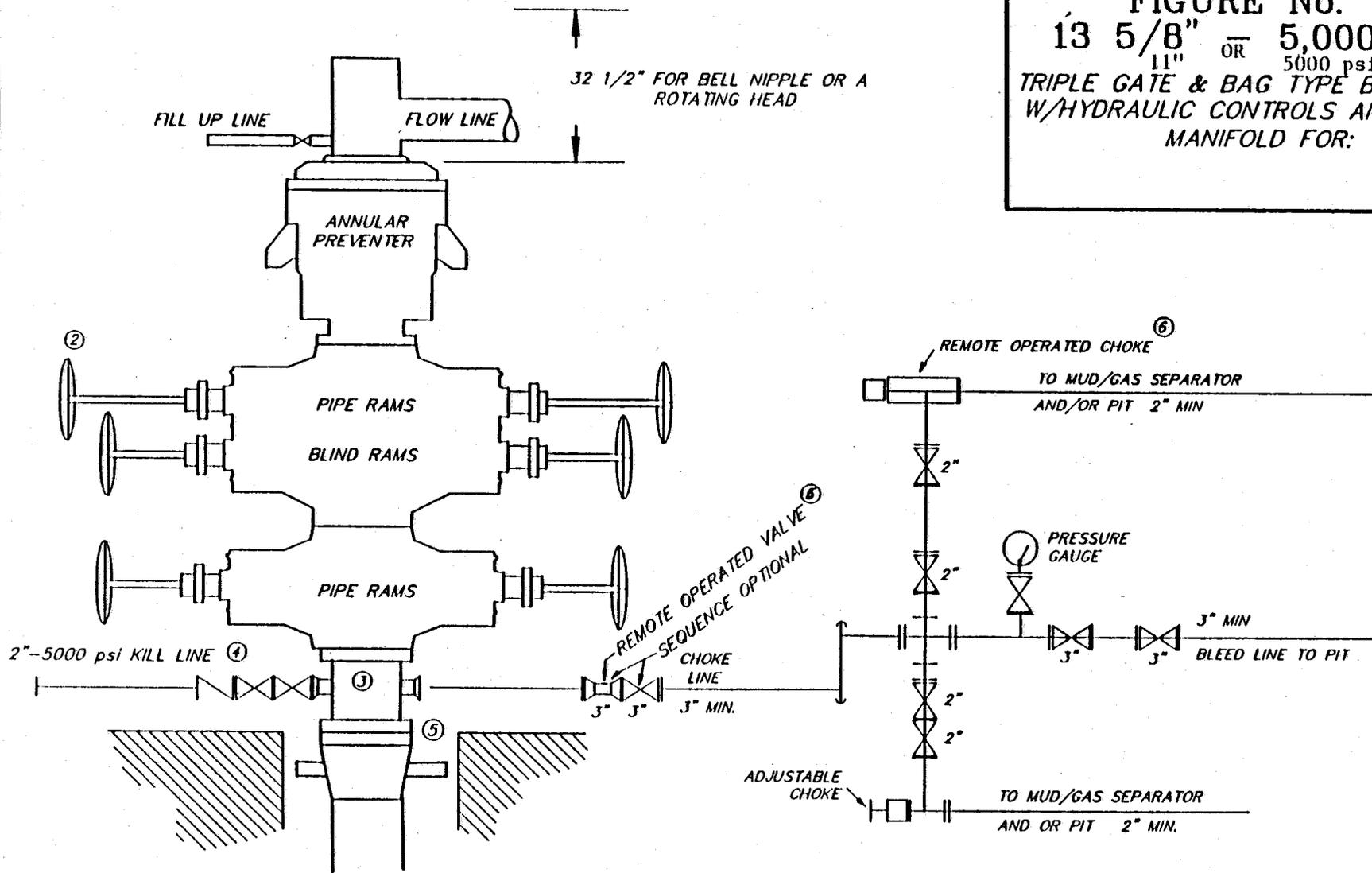
- a. Topography: Rolling hills with exposed sandstone knolls.
- b. Soil Characteristics: Bentonitic clays, sand, and silt.
- c. Flora: Sage brush, Cacti, and sparse grasses.
- d. Fauna: Domestic: none
Wildlife: Deer, rodents, small reptiles
- e. Surface Use: seasonal cattle grazing.
- f. Surface Owner: Deareld D. Rich

11. LEASEE'S OR OPERATOR'S REPRESENTATIVE:

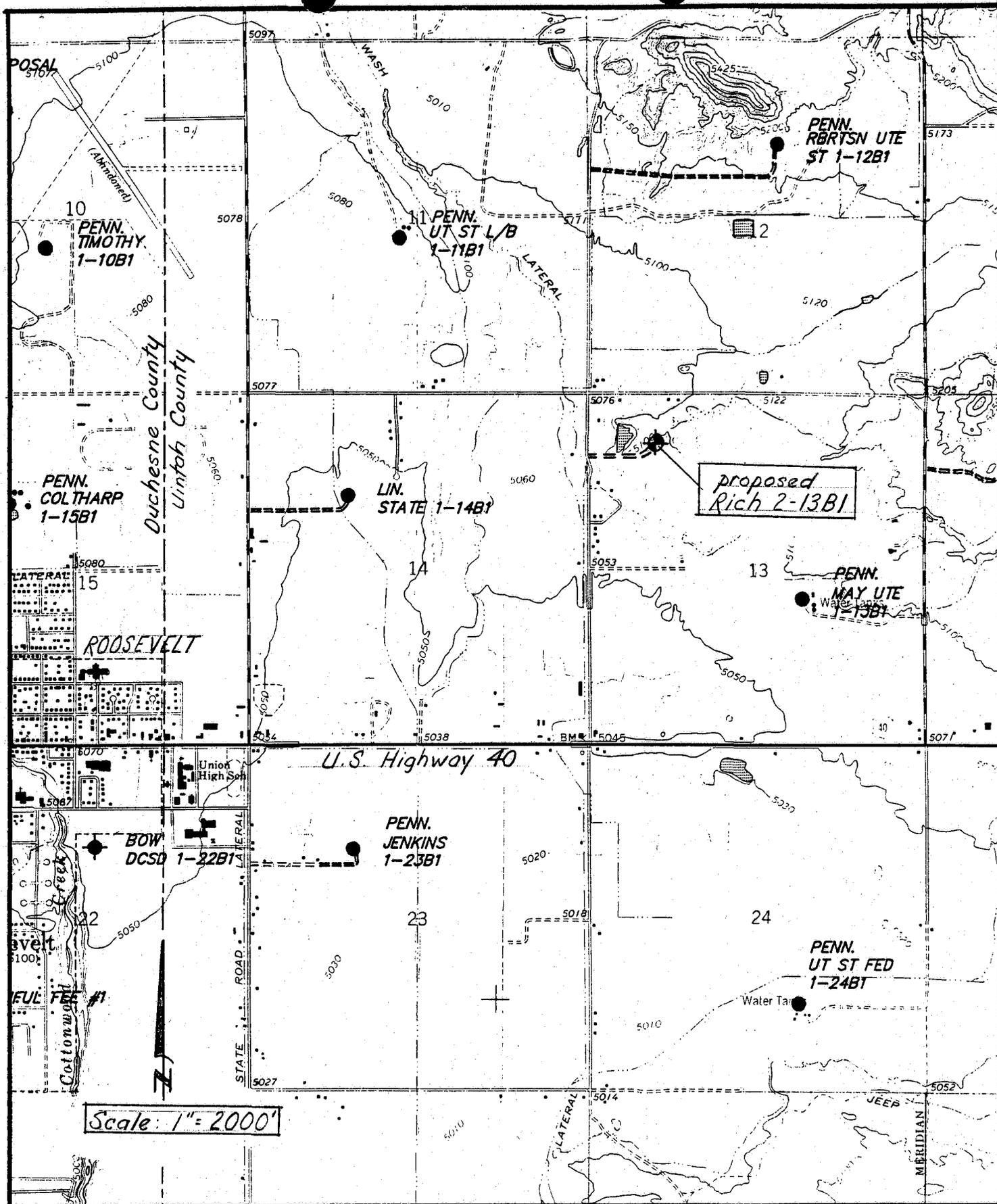
George P. SanFilippo, Vice President of Western Operations
Danny L. Laman, Area Drilling Foreman (801) 353-4397

12. This well will be drilled per regulations as set forth by the Bureau of Land Management and the Utah Division of Oil, Gas, & Mining.

FIGURE No. 1
13 5/8" $\overline{\text{OR}}$ 5,000 psi ^①
11" ^{5000 psi}
TRIPLE GATE & BAG TYPE BOP STACK
W/HYDRAULIC CONTROLS AND CHOKE
MANIFOLD FOR:



- ① = ALL BOP CONNECTIONS SUBJECTED TO WELL PRESSURE SHALL BE FLANGED, WELDED OR CLAMPED.
- ② = HAND WHEELS FOR EACH SET OF RAMS UNLESS EQUIPPED WITH AUTO LOCK.
- ③ = DRILLING SPOOL UNLESS BOTTOM BOP EQUIPPED WITH SIDE OUTLETS.
- ④ = KILL LINE W/2-2" VALVES & 1-2" CHECK VALVE WITH KILL LINE TO OUTER EDGE OF THE SUB STRUCTURE.
- ⑤ = TOP OF CASING HEAD FLANGE WILL BE AT GROUND LEVEL.
- ⑥ = REMOTE CONTROLS ON RIG FLOOR.



AREA TOPOGRAPHY MAP

For The Proposed RICH 2-13B1

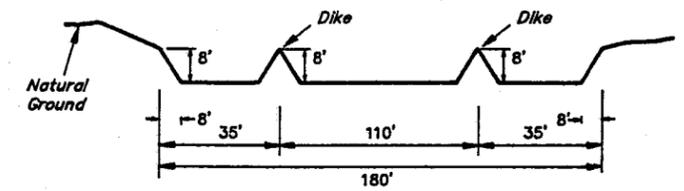
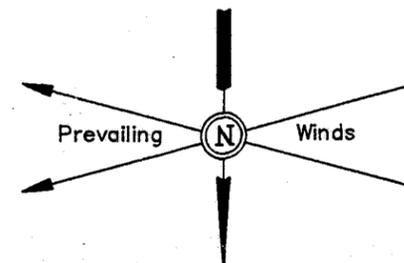
738' FNL and 1063' FWL; Section 13, T2S, R1W, Uintah County, Utah, 12/5/91

PENNZOIL EXPLR. & PROD. CO.

LOCATION LAYOUT FOR

RICH #2-13B1

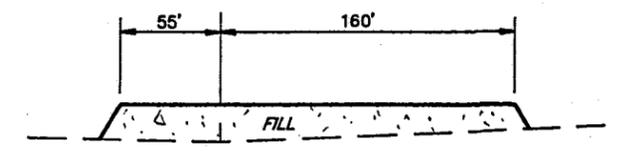
SECTION 13, T2S, R1W, U.S.B.&M.



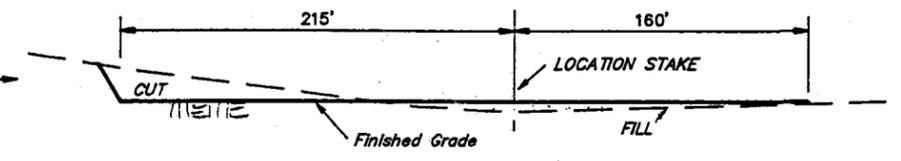
SECTION A-A
NO SCALE

SCALE: 1" = 50'
DATE: 11-25-91
Drawn By: T.D.H.

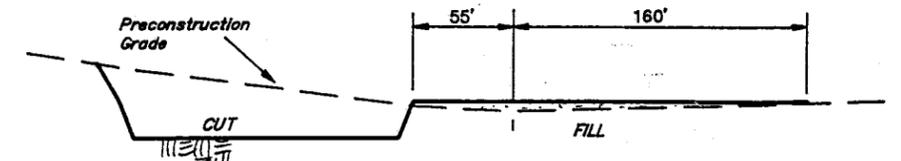
X-Section Scale
1" = 100'



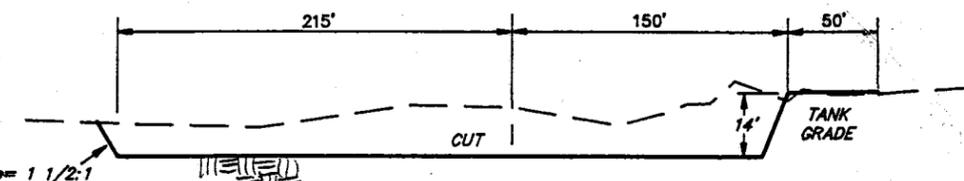
STA. 3+80



STA. 1+80



STA. 1+72



STA. 0+00

TYP. LOCATION LAYOUT
TYP. CROSS SECTIONS

APPROXIMATE YARDAGES

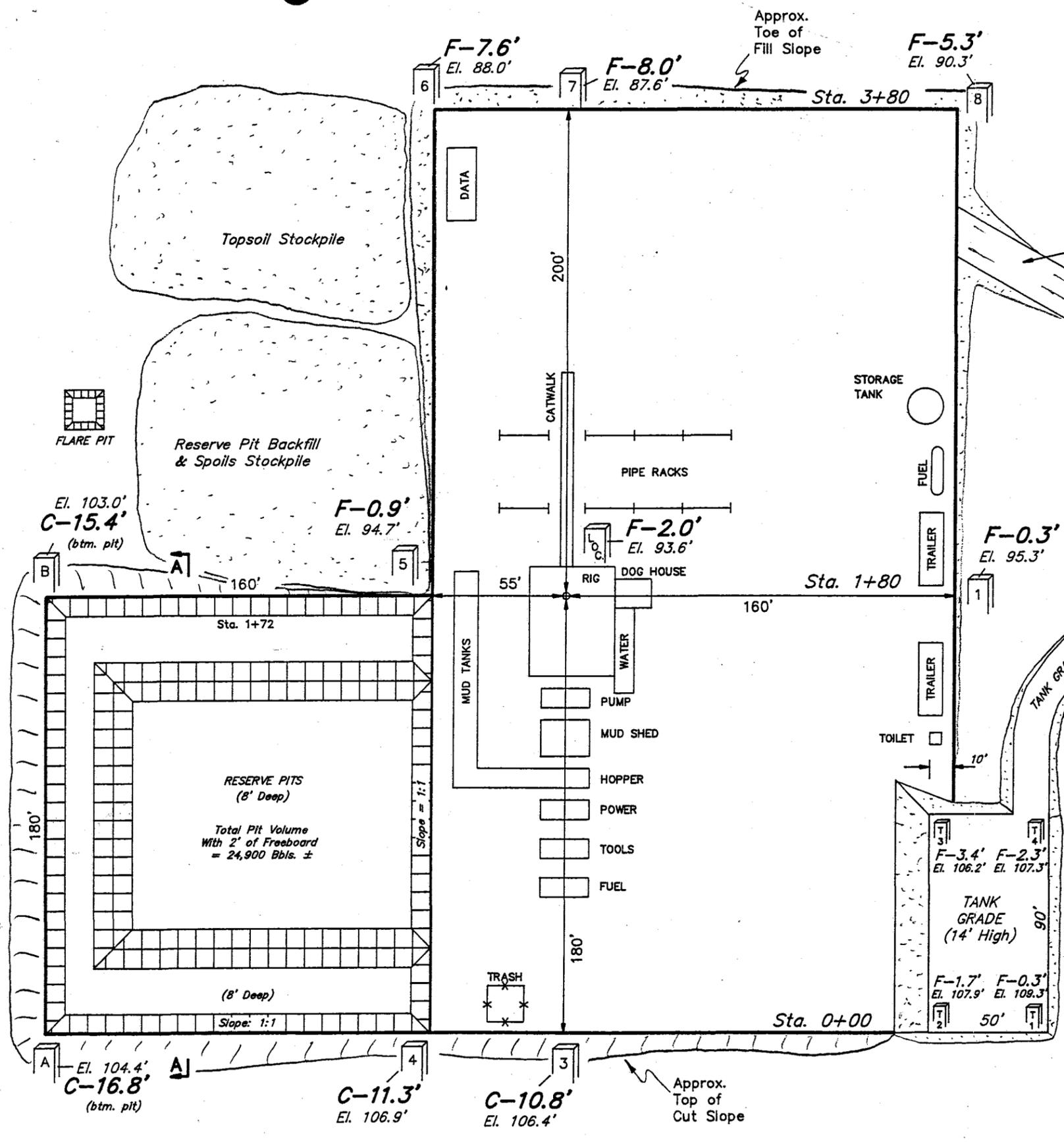
(6") Topsoil Stripping	= 2,160 Cu. Yds.
Remaining Location	= 20,500 Cu. Yds.
TOTAL CUT	= 22,660 CU.YDS.
FILL	= 8,350 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 13,870 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 5,610 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 8,260 Cu. Yds.

Elev. Ungraded Ground at Location Stake = 5093.6'

Elev. Graded Ground at Location Stake = 5095.6'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East Vernal, Utah



DRILLING LOCATION ASSESSMENT

State of Utah
Division of Oil, Gas and Mining

OPERATOR: PENNZOIL EX. AND PROD. CO. NAME: RICH 2-13B1
SECTION: 13 TWP: 2S RNG: 1W LOC: 738 FNL 1063 FWL
QTR/QTR NW/NW COUNTY: ~~DUCHESNE~~ Uintah FIELD: BLUEBELL/WASATCH
SURFACE OWNER: DEARELD RICH
SPACING: 660 F SECTION LINE 1320 F ANOTHER WELL
INSPECTOR: BRAD HILL DATE AND TIME 12/23/91 10:15

PARTICIPANTS: Don Lankford-Pennzoil, Robert Kay-Uintah
Engineering, Tracy Monks-Contractor, Gil Mitchell-Contractor

REGIONAL SETTING/TOPOGRAPHY: The proposed location is in the
central Uinta Basin in an area of low hills. One shallow
drainage and one irrigation ditch cross the proposed location.

LAND USE:

CURRENT SURFACE USE: Domestic grazing and Bee hives.

PROPOSED SURFACE DISTURBANCE: A rectangular shaped pad will be
constructed with approximate dimensions of 380'X 215' with a
180'X 160' extension for a reserve pit. Approximately .2 mile
of existing access road will be upgraded.

AFFECTED FLOODPLAINS AND/OR WETLANDS: None

FLORA/FAUNA: Rice grass, Russian Thistle, Ephedra, Sage,
Snakeweed, Crested Wheatgrass, Shadscale/Birds, Rabbits, Rodents

ENVIRONMENTAL PARAMETERS

SURFACE GEOLOGY

SOIL TYPE AND CHARACTERISTICS: Sandy-silt with some
sandstone outcrops and fragments.

SURFACE FORMATION & CHARACTERISTICS: Quaternary Alluvium on
Duchesne River Formation.

EROSION/SEDIMENTATION/STABILITY: No active erosion or
sedimentation at present. Location should be stable.

PALEONTOLOGICAL POTENTIAL: None Observed

SUBSURFACE GEOLOGY

OBJECTIVES/DEPTHS: Tu 2-9,465'; Wasatch 200-10,975'

ABNORMAL PRESSURES-HIGH AND LOW: None Anticipated

CULTURAL RESOURCES/ARCHAEOLOGY: NA

CONSTRUCTION MATERIALS: Onsite materials will be used for construction.

SITE RECLAMATION: As per landowner instructions.

RESERVE PIT

CHARACTERISTICS: An square/horseshoe shaped reserve pit will be constructed with dimensions of 180'X 160'X 8'.

LINING: The reserve pit is to be lined with a synthetic liner.

MUD PROGRAM: See APD

DRILLING WATER SUPPLY: Not specified

STIPULATIONS FOR APD APPROVAL

Reserve pits to be lined with a synthetic liner of 12 mil minimum thickness.

Drainages are to be diverted around the location.

BEFORE THE BOARD OF OIL, GAS AND MINING

DEPARTMENT OF NATURAL RESOURCES

STATE OF UTAH

IN THE MATTER OF THE AMENDED	:	
PETITION OF ANR LIMITED INC.,	:	
ET AL. FOR AN ORDER MODIFYING	:	FINDINGS OF FACT,
PREVIOUS ORDERS WHICH	:	CONCLUSIONS OF LAW
ESTABLISHED DRILLING AND	:	AND ORDER
SPACING UNITS AND ANY OTHER	:	
ORDERS RELATING TO TEST WELLS	:	Docket No. 85-007
FOR THE ALTAMONT, BLUEBELL	:	Cause No. 139-42
AND CEDAR RIM-SINK DRAW	:	
FIELDS, DUCHESNE AND UINTAH	:	
COUNTIES, UTAH	:	

Pursuant to the Amended Notice of Hearing dated March 4, 1985 of the Board of Oil, Gas and Mining ("Board"), Department of Natural Resources of the State of Utah, said cause came on for hearing on Thursday, April 11, 1985 at 10:00 a.m. in the Board Room of the Division of Oil, Gas and Mining ("Division"), 355 West North Temple, 3 Triad Center, Suite 301, Salt Lake City, Utah.

The following members of the Board were present:

Gregory P. Williams, Chairman
James W. Carter
Charles R. Henderson
Richard B. Larson
E. Steele McIntyre
John M. Garr, having recused himself,
did not participate

Mark C. Moench, Assistant Attorney General, was present on behalf of the Board.

Members of the Staff of the Division present and participating in the hearing included:

Dr. Dianne R. Nielson, Director
Ronald J. Firth, Associate Director
John R. Baza, Petroleum Engineer

Barbara W. Roberts, Assistant Attorney General, was present on behalf of the Division.

Appearances were made as follows: Petitioners ANR Limited, et al., by Frank Douglass, Esq. and Ray H. Langenberg, Austin, Texas; Robert G. Pruitt, Jr., Esq., Salt Lake City, Utah; Frank J. Gustin, Esq., Salt Lake City, Utah; Louis A. Posekany, Jr., General Counsel, and George W. Hellstrom, Esq., ANR Production Company; Phillip K. Chattin, General Counsel, Utex Oil Company; Hugh C. Garner, Esq., for Coastal Oil & Gas Corporation; Phillip William Lear, Esq., for Phillips Petroleum Company; Jeffrey R. Young, Esq., for Bow Valley Petroleum, Inc.; B. J. Lewis, Esq., Vice President, and Robert W. Adkins, Esq., Linmar Energy Corporation; Robert Buettner, Esq., Koch Exploration Company; Lane Jamison, Esq., Sonat Exploration Company; Victor Brown and Robert Brown, Utah Royalty Association; John Harja, Esq., Gulf Oil Corporation; Martin Seneca, General Counsel, Ute Indian Tribe; Assad M. Raffoul, Petroleum Engineer, Bureau of Land Management; John Chasel, on his own behalf; George Morris, Esq., Ute Distribution Corporation; Dr. Gilbert Miller, Conservation Superintendent, Amarada Hess Corporation; and L. A. Pike, Roosevelt, Utah, landowner.

Now therefore, the Board having considered the testimony of the witnesses, John C. Osmond, Petroleum Geologist; Clarke Gillespie, Petroleum Reservoir Engineer; and R. Thayne Robson, Economist, for Petitioners and B. J. Lewis, Vice President, and John W. Clark, Petroleum Engineer, for Linmar Energy Corporation, and the exhibits received at said hearing and being fully advised in the premises, now makes and enters the following:

FINDINGS OF FACT

1. Due and regular notice of the time, place and purpose of the hearing was given to all interested parties as required by law and the rules and regulations of the Board.
2. The Board has jurisdiction over the matters covered by said notice and over all parties interested therein and has jurisdiction to make and promulgate any order hereinafter set forth.
3. The Board has heretofore entered 640 acre drilling and spacing orders for the Lower Green River/Wasatch Formation in Causes No. 139-3, 139-4, 139-5, 139-8, and 139-17 (Altamont Field), Causes No. 131-11, 131-14, 131-24, 131-27, 131-32, 131-33, 131-34, 131-45 and 131-55, (Bluebell Field), and Causes No. 140-6 and 140-7 (Cedar Rim-Sink Draw Field) as to the following described lands:

UINTAH SPECIAL MERIDIAN

Township 1 North, Range 1 West
Sections: 19-36

Township 1 North, Range 2 West
Sections: 19-36

Township 1 North, Range 3 West
Sections 23-26, 35 and 36

Township 1 South, Range 1 East
Sections: All (except Roosevelt Unit)

Township 1 South, Range 2 East
Sections: 4-8, 18-19, 30-31

Township 1 South, Range 1 West
Sections: All (except Roosevelt Unit)

Township 1 South, Range 2 through 4 West
Sections: All

Township 1 South, Range 5 West
Sections: 10-17, 20-36

Township 1 South, Range 6 West
Sections: 25-26, 35-36

Township 2 South, Range 1 through 2 East
Sections: All

Township 2 South, Range 1 through 6 West
Sections: All

Township 2 South, Range 7 West
Sections: 19, 30-36

Township 2 South, Range 8 West
Sections: 23-26, 31-36

Township 3 South, Range 3 West
Sections: 5-8, 17-20, 29-32

Township 3 South, Range 4 through 8 West
Sections: All

Township 4 South, Range 3 West
Sections: 5 and 6

Township 4 South, Range 4 West
Sections: 1-6

Township 4 South, Range 5 West
Sections: 1-6

Township 4 South, Range 6 West
Sections: 1-18

SALT LAKE MERIDIAN

Township 5 South, Range 19 East
Sections: 20-23, 26-29, 32-35

Township 6 South, Range 19 East
Sections: 3-5, 9, 10, 15, 16, 22, 27
and 34

4. In Cause No. 140-12, the Board authorized the drilling of test or second wells that may only be produced alternatively with the initial well on the same drilling unit.

5. The Lower Green River/Wasatch Formation underlying the subject fields constitutes a pool as that term is defined in Utah Code Ann. §40-6-2(9) (1953, as amended), and is a highly complex series of isolated and discontinuous beds of productive rock that are randomly distributed vertically over a several thousand feet thick interval. Normally, the productive beds are separate and distinct and not in communication with each other.

6. Many of the productive beds are not correlatable from well to well and will not afford communication between wells as close as 1000 feet. Of the productive beds that correlate, various geological factors prevent a significant number from communicating between wells within the same section.

7. Geologic and engineering information from initial unit wells and test wells show that a single well will not effectively drain the recoverable oil and gas underlying any given 640 acre spacing unit because the productive beds are too

small or have other limiting characteristics precluding effective and efficient drainage of the recoverable reserves underlying the unit.

8. Data from production logs and field performance show that test wells drilled under the Order in Cause No. 140-12 after 1978 have caused the recovery of substantial amounts of oil from separate and distinct productive beds and from previously undepleted productive beds, and that the drilling of additional wells on existing units will increase the ultimate recovery of oil from the subject fields.

9. The prohibition of simultaneous production from the initial well and test well on the same unit has caused the shutting in of wells with the potential to produce substantial amounts of additional reserves.

10. Each additional well drilled under this order will tap producing formations that are separate and distinct from and not in communication with any other producing formation and is not an unnecessary well.

11. In some areas of the subject fields, geologic, engineering, and economic factors justify drilling additional wells on existing units. In other areas, geologic, engineering and economic factors may not justify drilling additional wells on existing units.

CONCLUSIONS OF LAW

1. Due and regular notice of the time, place and

purpose of the hearing was given to all interested parties as required by law and the rules and regulations of the Board.

2. The Board has jurisdiction over the matters covered by said notice and over all parties interested therein and has jurisdiction to make and promulgate any order hereinafter set forth.

3. The Board is authorized to modify its previous orders to permit additional wells to be drilled within established units under Utah Code Ann. §40-6-6(4) (1953, as amended).

4. An order permitting (a) the drilling of additional wells on existing units as provided herein and (b) the simultaneous production of initial wells and additional wells will prevent the waste of hydrocarbons, prevent the drilling of unnecessary wells, and protect correlative rights.

ORDER

IT IS THEREFORE ORDERED:

To prevent waste of oil, gas and associated liquid hydrocarbons, to avoid the drilling of unnecessary wells, to protect correlative rights and to maintain, to the maximum extent practicable, drilling units of uniform size and shape for the promotion of more orderly development of the lands described in Finding of Fact No. 3 above, the following order is hereby promulgated to govern operations in said area effective as of April 12, 1985:

A. Upon the effective date any and all orders of the Board heretofore promulgated which are inconsistent with the orders herein set forth shall be and are hereby vacated to the extent inconsistent herewith.

B. Additional wells may be drilled, completed, and produced on established drilling units comprising government surveyed sections of approximately 640 acres (or other designated drilling units so long as such unit is at least 400 acres in size) to a density of no greater than two producing wells on each unit comprising a section (or other designated unit).

C. Additional wells may be drilled at the option of the operator of the unit, based upon geologic and engineering data for that unit which will justify the drilling of an additional well in order to recover additional oil, provided the additional well appears to be economically feasible.

D. Economically feasible means that a prudent operator would have a reasonable opportunity to recover the costs of drilling, completing, producing and operating the well, plus a reasonable profit.

E. It is not the intent of this order, in permitting additional wells to be drilled on established drilling units, to change or amend the existing contractual rights or relationships, express or implied, of any parties who share in production or the proceeds therefrom in the spaced area.

F. Any additional well must be located at least 1,320 feet from the existing well on the unit and not closer than 660

feet from the exterior boundary of the unit. No two wells may be drilled in any drilling unit within the same governmental quarter section or equivalent lot.

G. If an operator elects to initially complete a well solely within producing formations that are separate and distinct from and not in communication with any other producing formation, the operator will use reasonable precautions in order that such well is not completed in any producing formation that may be effectively drained by any other well.

H. Second or test wells drilled under previous orders as well as additional wells to be drilled under this order may be produced simultaneously with initial wells.

I. The Board retains exclusive and continuing jurisdiction of all matters covered by this order and of all parties affected thereby and particularly that the Board retains and reserves exclusive and continuing jurisdiction to make further orders as appropriate and authorized by statute and applicable regulations.

ENTERED this 17th day of April, 1985.

STATE OF UTAH
BOARD OF OIL, GAS AND MINING


GREGORY P. WILLIAMS, Chairman

APPROVED AS TO FORM:


MARK C. MOENCH
Assistant Attorney General

OPERATOR Pennigott Expl Prod N-2885 DATE 10-30-91

WELL NAME Rech W-1381

SEC NW1/4 13 T 02S R 1W COUNTY Uintah

43-047-30179
API NUMBER

tree (4)
TYPE OF LEASE

CHECK OFF:

PLAT.

BOND
81005080
80,000

NEAREST WELL

LEASE

FIELD
USBM

POTASH OR OIL SHALE

PROCESSING COMMENTS:

One add producing well in Sec 13 falls within Cause No
related Permit
Permit 10-10-91 / (biology review) 10-30-91

APPROVAL LETTER:

SPACING:

R615-2-3

n/a
UNIT

R615-3-2

139-40 4-17-85
CAUSE NO. & DATE

R615-3-3

STIPULATIONS:

1. Needs water permit
2. Surface drainages are to be directed around location.
3. Reserve pits are to be lined with a synthetic liner of 12 mil minimum thickness



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter
Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
Division Director

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

January 3, 1992

Pennzoil Exploration and Production Company
P.O. Box 290
Neola, Utah 84053

Gentlemen:

Re: Rich 2-13B1 Well, 738 feet from the north line, 1063 feet from the west line, NW 1/4 NW 1/4, Section 13, Township 2 South, Range 1 West, Uintah County, Utah

Pursuant to Utah Code Ann. § 40-6-6, (1953, as amended) and the order issued by the Board of Oil, Gas and Mining in Cause No. 139-42 dated April 17, 1985, approval to drill the referenced well is hereby granted.

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

1. Submittal to the Division of evidence providing assurance of an adequate and approved supply of water as required by Utah Code Ann. § 73-3, Appropriations, prior to commencing drilling operations.
2. Surface drainages are to be diverted around location.
3. Reserve pits are to be lined with a synthetic liner of 12 mil minimum thickness.
4. Compliance with the requirements of Utah Admin. R. 615-1 et seq., Oil and Gas General Rules.
5. Notification within 24 hours after drilling operations commence.
6. Submittal of Entity Action Form, Form 6, within five working days following commencement of drilling operations and whenever a change in operations or interests necessitates an entity status change.
7. Submittal of the Report of Water Encountered During Drilling, Form 7.

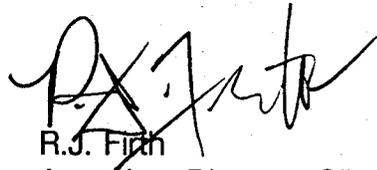
Page 2
Pennzoil Exploration and Production Company
Rich 2-13B1
January 3, 1992

8. Prompt notification prior to commencing operations, if necessary, to plug and abandon the well. Notify Frank R. Matthews, Petroleum Engineer, (Office) (801)538-5340, (Home) (801)476-8613, or R.J. Firth, Associate Director, (Home) (801)571-6068.
9. Compliance with the requirements of Utah Admin. R. 615-3-20, Gas Flaring or Venting, if the well is completed for production.

Prior to commencement of the proposed drilling operations, plans for facilities for disposal of sanitary wastes at the drill site should be submitted to the local health department. These drilling operations and any subsequent well operations should 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 Department of Environmental Quality, Division of Drinking Water/Sanitation, telephone (801)538-6159.

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 43-047-32179.

Sincerely,



R.J. Firth
Associate Director, Oil and Gas

ldc
Enclosures
cc: Bureau of Land Management
J.L. Thompson
WO11



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

January 28, 1993

Pennzoil Exploration & Production Co.
P.O. Box 290
Neola, Utah 84053

Gentlemen:

Re: Rich 2-13B1 Well, Sec. 13, T. 2S, R. 1W, Uintah County, Utah
API No. 43-047-32179

Due to excessive time delay in commencing drilling operations, approval to drill the subject well is hereby rescinded, effective immediately.

Please note that a new Application for Permit to Drill must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division of Oil, Gas and Mining immediately.

Sincerely,

Don Staley
Administrative Supervisor
Oil and Gas

DME/lc
cc: R.J. Firth
Well file
WOI219