



BALCRON OIL

A Division of
Equitable Resources Energy Company

P.O. Box 21017
1601 Lewis Avenue Building
Billings, Montana 59104
(406) 259-7860

RECEIVED

APR 29 1992

DIVISION OF
OIL GAS & MINING

April 28, 1992

-- VIA FEDERAL EXPRESS --

State of Utah
Division of Oil, Gas & Mining
355 West North Temple
Salt Lake City, UT 84180

Gentlemen:

Enclosed are Applications for Permit to Drill the following wells in Uintah County, Utah:

Balcron Coyote Federal #21-5
NE NW Section 5, T8S, R25E

Balcron Coyote Federal #33-5
NW SE Section 5, T8S, R25E

Balcron Coyote Federal #42-6
SE NE Section 6, T8S, R25E

Balcron Coyote Federal #12-5
SW NW Section 5, T8S, R25E

Balcron Coyote Federal #33-7
NW SE Section 7, T8S, R25E

We have submitted these APDs to the Bureau of Land Management and will provide a copy of the approved Federal APDs when we have received them.

We request that the status of these wells be held tight for the maximum period allowed by State regulations.

If you have any questions or need further information, please let me know.

Sincerely,

Bobbie Schuman

Bobbie Schuman
Coordinator of Operations,
Environmental and Regulatory Affairs

/rs
Enclosures

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

| | | | | |
|---|------------------------------|---|---|----------------------|
| APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK | | | 4. Lease Designation and Serial No. Fed. Lse. #U-017439-B 6. If Indian, Allottee or Tribe Name n/a 7. Unit Agreement Name n/a 8. Farm or Lease Name Balcron Coyote Federal 9. Well No. 42-6 10. Field and Pool, or Wildcat Coyote Basin/Green River 11. 00, Sec., T., R., M., or Blk. and Survey or Area SE NE Sec. 6, T8S, R25E 12. County or Parrish Uintah 13. State UTAH | |
| 1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> | | | | |
| b. Type of Well Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone <input type="checkbox"/> | | | | |
| 2. Name of Operator BALCRON OIL | | | | |
| 3. Address of Operator P.O. Box 21017; Billings, MT 59104 | | | | |
| 4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 1980' FNL, 660' FEL SELE At proposed prod. zone | | | | |
| 14. Distance in miles and direction from nearest town or post office* | | | | |
| 15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. line, if any) | 16. No. of acres in lease | 17. No. of acres assigned to this well | | |
| 18. Distance from proposed location* to nearest well, drilling, completed, or applied for, on this lease, ft. | 19. Proposed depth 4,690' | 20. Rotary or cable tools Rotary | | |
| 21. Elevations (Show whether DF, RT, GR, etc.) GL 5601.7' | | 22. Approx. date work will start* July 1, 1992 | | |
| 23. PROPOSED CASING AND CEMENTING PROGRAM | | | | |
| Size of Hole | Size of Casing | Weight per Foot | Setting Depth | Quantity of Cement |
| 12-1/4" | 8-5/8" | 24# | 260' | 250 sx G w/add |
| 7-7/8" | 5-1/2" | 15.50# | 4,690' | See drilling program |

Operator intends to drill this well in accordance with the attached Federal APD.

RECEIVED

APR 29 1992

DIVISION OF
OIL GAS & MINING

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

24. I hereby certify that this report is true and complete to the best of my knowledge.

Signed: Bobbie Schuman
 Bobbie Schuman

Title: Coordinator of Environmental and Regulatory Affairs

Date: April 28, 1992

(This space for Federal or State office use)

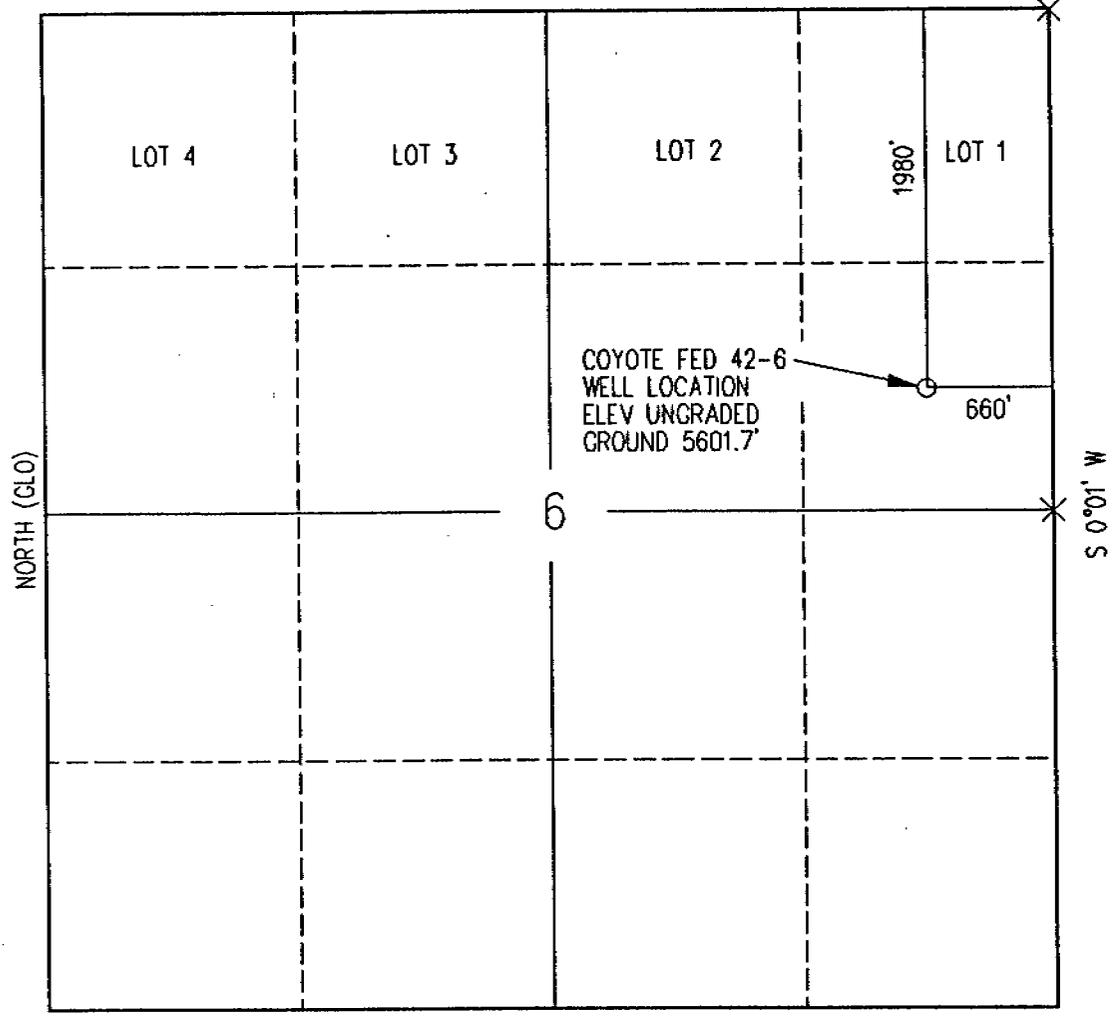
API NO. _____ Approval Date _____

Approved by _____ Title _____ Date _____
 Conditions of approval, if any:

*See Instructions On Reverse Side

T8S, R25E, S.L.B. & M.

EAST (GLO)



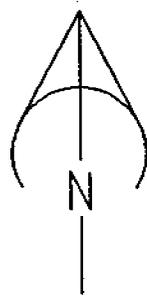
COYOTE FED 42-6
WELL LOCATION
ELEV UNGRADED
GROUND 5601.7'

NORTH (GLO)

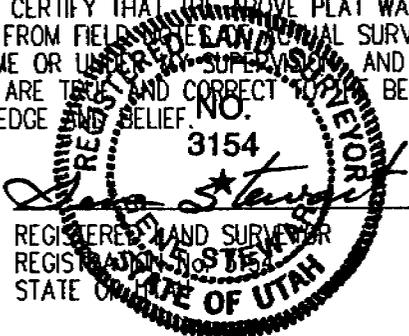
EAST

EQUITABLE RESOURCES ENERGY CO.

WELL LOCATION, COYOTE FED. 42-6,
LOCATED AS SHOWN IN THE SE 1/4 NE 1/4
OF SECTION 6, T8S, R25E, S.L.B. & M,
UNITA COUNTY UTAH.



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



X = SECTION CORNERS LOCATED
BASIS OF BEARINGS; G.L.O. PLAT 1911
BASIS OF ELEV; U.S.G.S. 7-1/2 min QUAD (DINOSAUR NORTHWEST)

| | |
|---|----------------------------------|
| <p>TRI STATE LAND SURVEYING & CONSULTING 38 EAST 100 NORTH, VERNAL, UTAH 84078 (801) 781-2501</p> | |
| <p>SCALE: 1" = 1000'</p> | <p>SURVEYED BY: SS KH</p> |
| <p>DATE: 2/25/92</p> | <p>WEATHER: CLEAR & COOL</p> |
| <p>NOTES:</p> | <p>FILE # COYOTE FED #42-6</p> |

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

5. LEASE DESIGNATION AND SERIAL NO.
U-017439-B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
n/a

7. UNIT AGREEMENT NAME
n/a

8. FARM OR LEASE NAME
Balcron Coyote Federal

9. WELL NO.
42-6

10. FIELD AND POOL, OR WILDCAT
Coyote Basin/Green River

11. SEC., T. R., M., OR BLK.
AND SURVEY OR AREA
SE. NE Sec. 6, T8S, R25E

12. COUNTY OR PARISH
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
EQUITABLE RESOURCES ENERGY COMPANY

CONFIDENTIAL

3. ADDRESS OF OPERATOR
P.O. Box 21017; Billings, MT 59104

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface 1980' FNL, 660' FEL
At proposed prod. zone

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

10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
16. NO. OF ACRES IN LEASE
17. NO. OF ACRES ASSIGNED TO THIS WELL
40

19. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
19. PROPOSED DEPTH
4,690' GRR ✓
20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
GL 5,601.7'
22. APPROX. DATE WORK WILL START*
July 1, 1992

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------|-----------------|---------------|----------------------|
| 12-1/4" | 8-5/8" | 24# | 260' | 250 sx G w/add. |
| 7-7/8" | 5-1/2" | 15.50# | 4,690' | See Drilling Program |

SEE ATTACHED EXHIBITS

- "A" PROPOSED DRILLING PROGRAM
- "B" PROPOSED SURFACE USE PROGRAM
- "C" GEOLOGIC PROGNOSIS
- "D" DRILLING PROGRAM
- "E" DRILL PAD AND RIG LAYOUT (plats 1 and 2)
- "F" LOCATION SITE AND ELEVATION PLAT
- "G" EVIDENCE OF BOND COVERAGE

RECEIVED
APR 29 1992
DIVISION OF
OIL GAS & MINING

SELF CERTIFICATION: I hereby certify that I am authorized, by proper lease interest owner, to conduct these operations associated with the application. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Equitable Resources Energy Company as principal and Safeco Insurance Company of America as surety under BLM Bond No. MT 0576 (Nationwide Oil & Gas Bond #5547188) who will be responsible for compliance with all of the terms and conditions of that portion of the lease associated with this application.

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

24. SIGNED Bobbie Schuman TITLE Coordinator of Environmental and Regulatory Affairs DATE April 27, 1992

(This space for Federal or State office use)
PERMIT NO. 43-047-30058 APPROVAL DATE 5-28-92

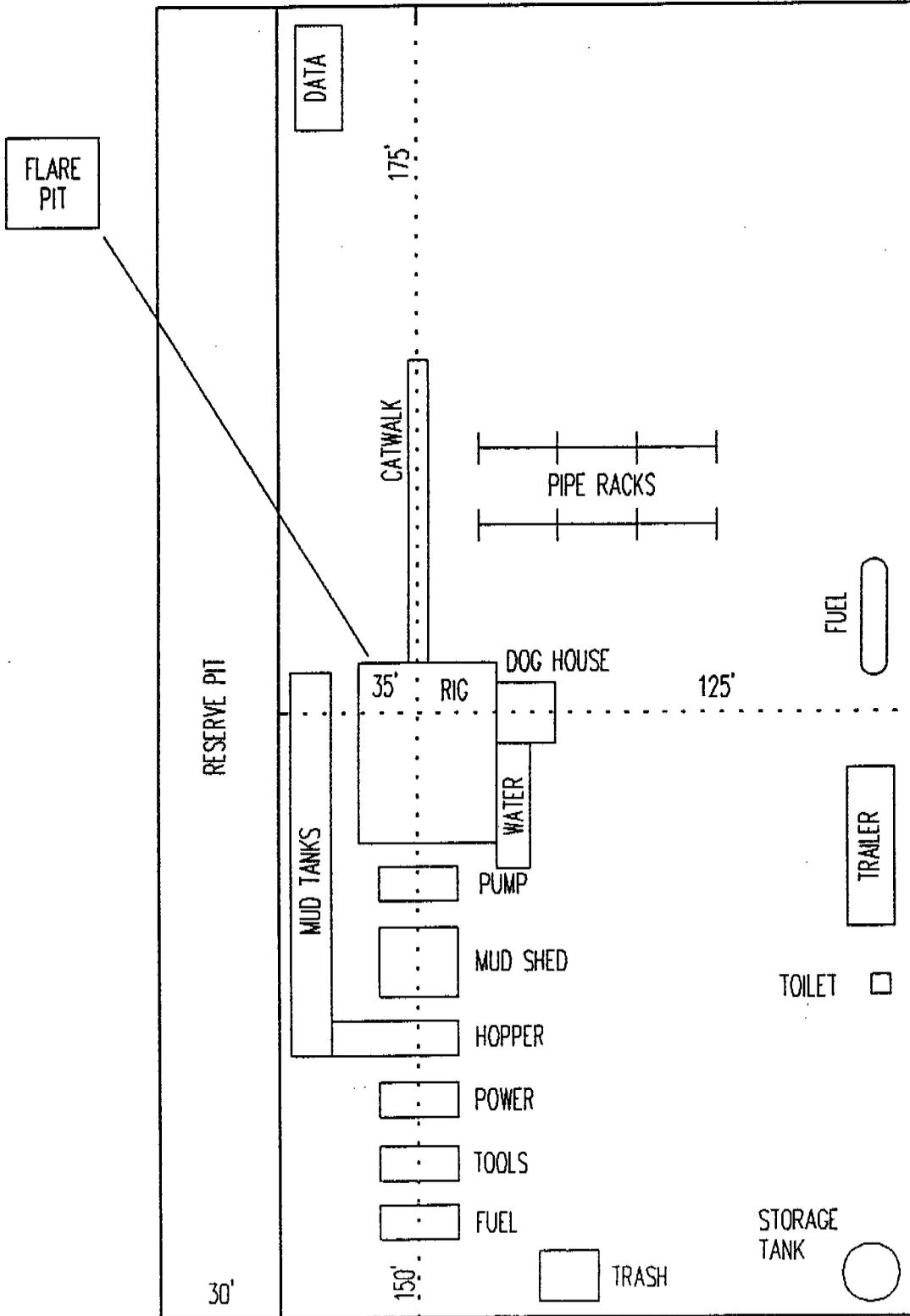
APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING
DATE: 5-28-92
BY: M. Matthews
WELL SPACING: 129-6

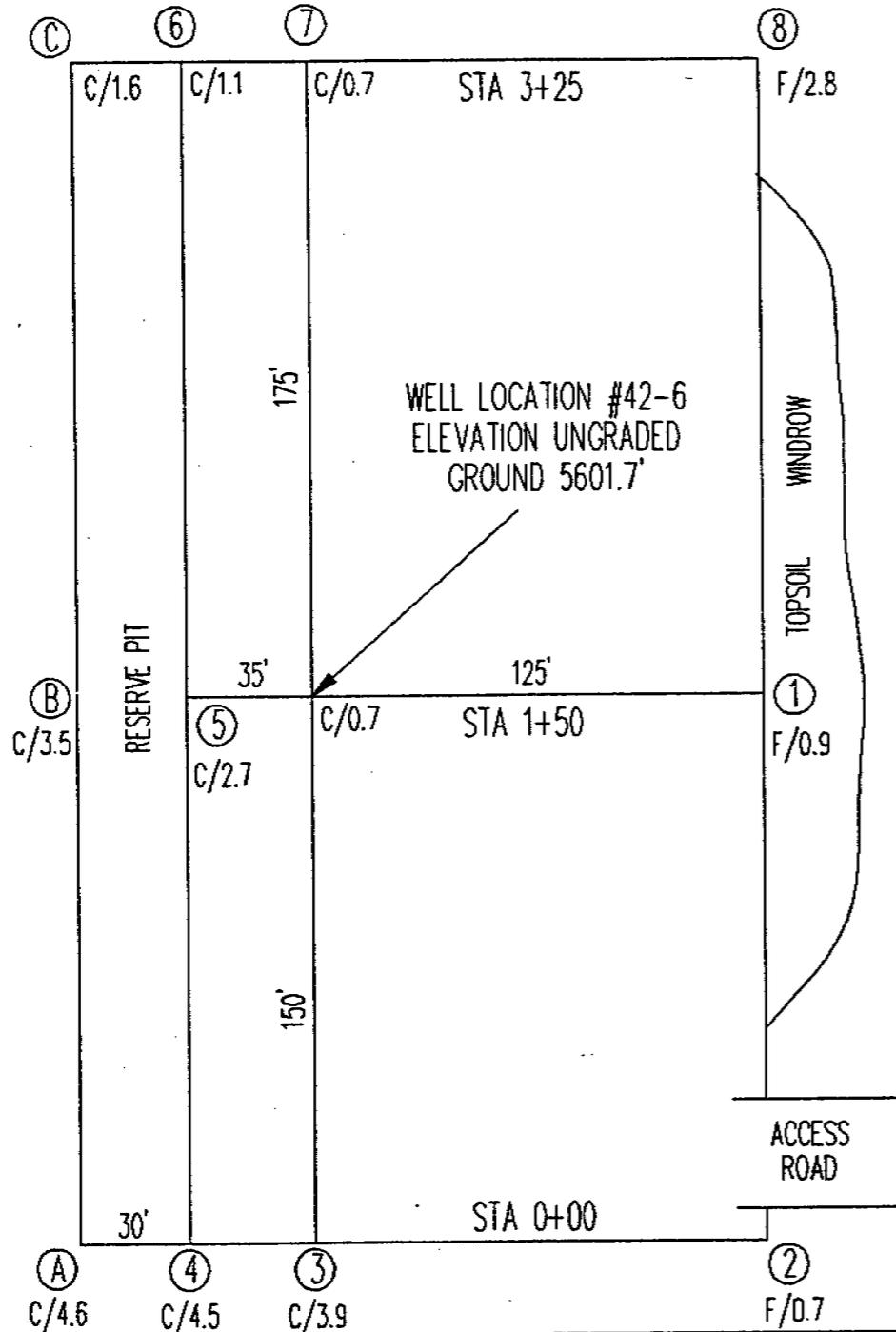
APPROVED BY _____ TITLE _____
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

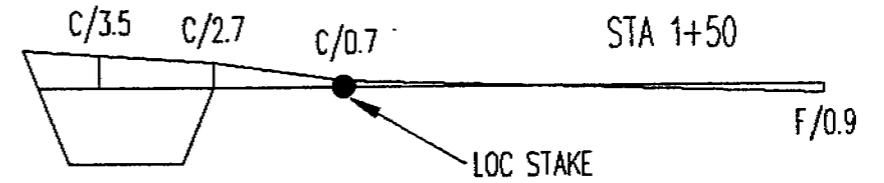
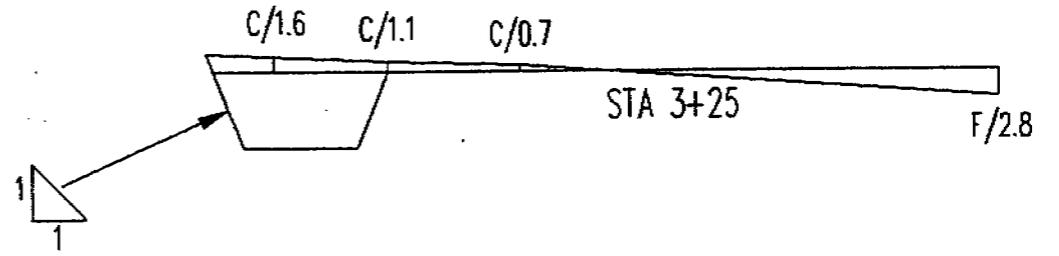
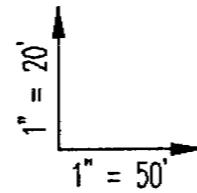
COYOTE FED. UNIT #42-6

PLAT #2 (RIG LAYOUT)
SCALE 1" = 40'





EQUITABLE RESOURCES ENERGY COMPANY

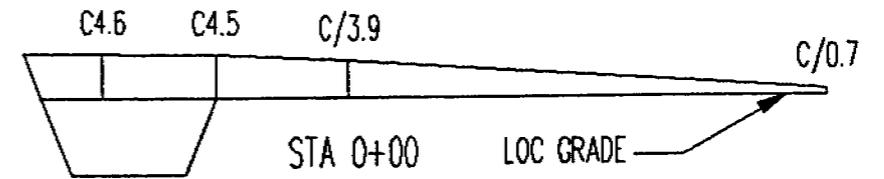


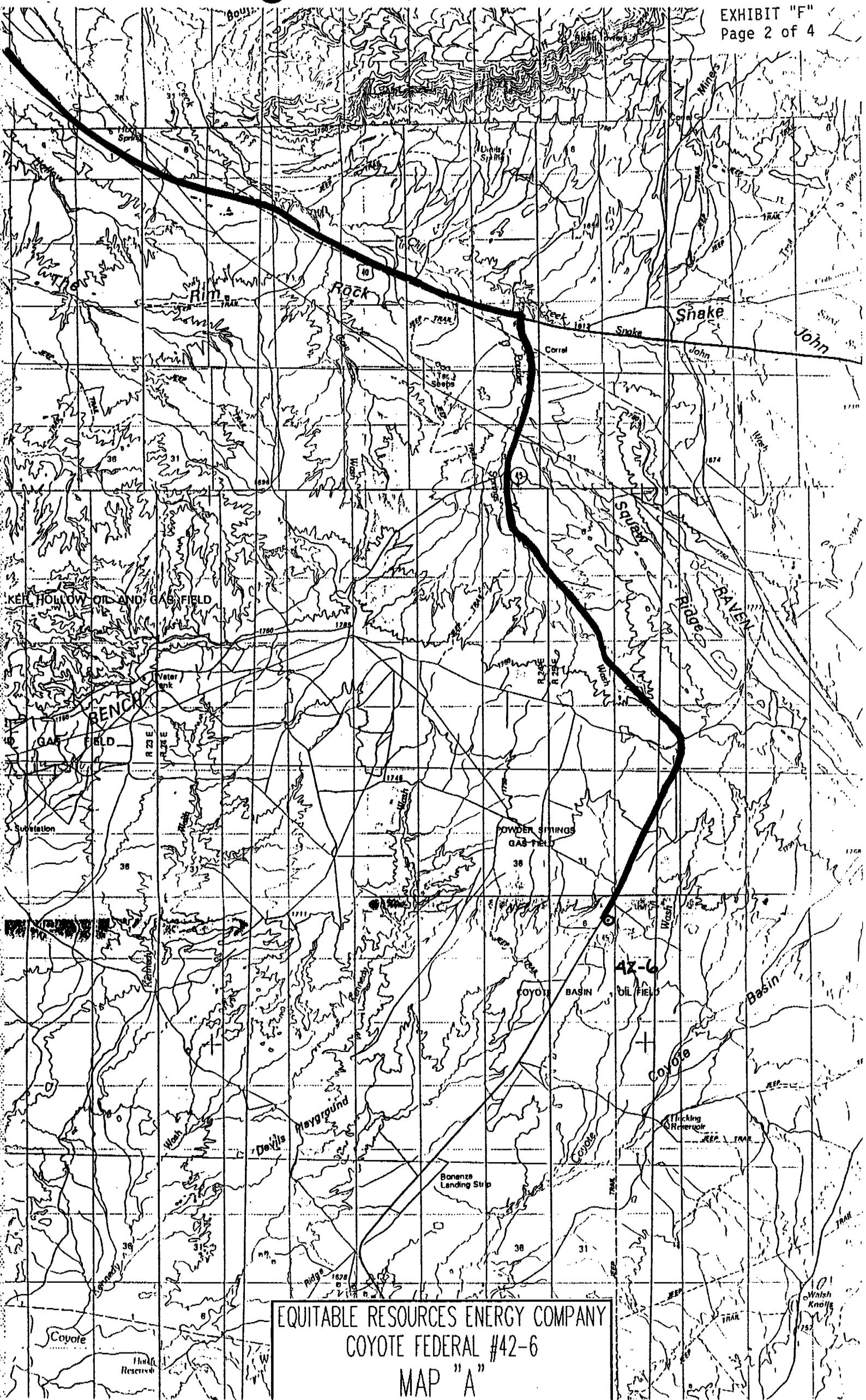
APPROXIMATE YARDAGE

CUT = 2312 - 1168 AFTER TOPSOIL
FILL = 1053.2
PIT = 3659 (BELOW GRADE)

TOPSOIL
6" = 1144

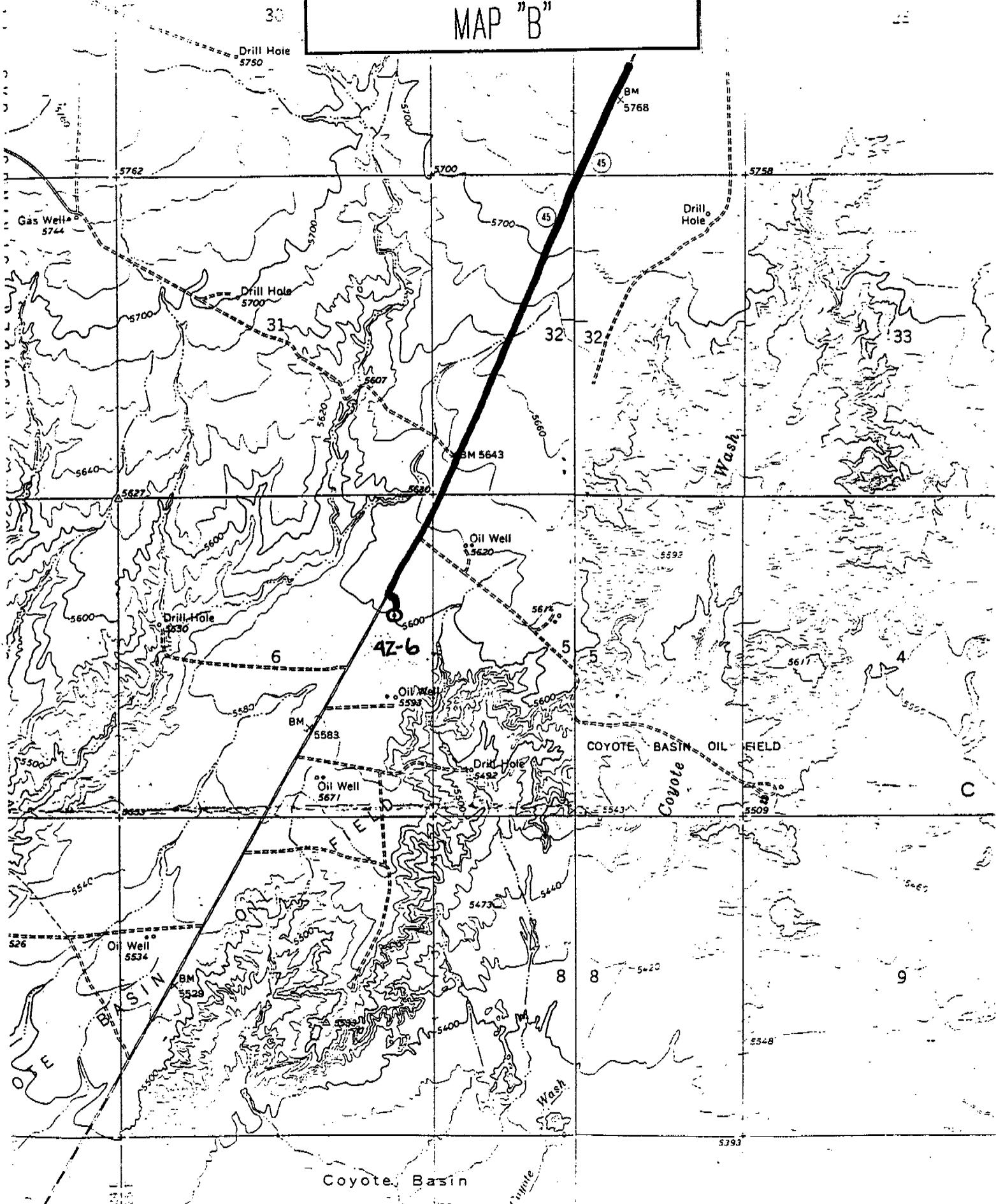
EXCESS
115 YARDS





EQUITABLE RESOURCES ENERGY COMPANY
COYOTE FEDERAL #42-6
MAP "A"

EQUITABLE RESOURCES ENERGY COMPANY
COYOTE FEDERAL #42-6
MAP "B"





United States Department of the Interior



BUREAU OF LAND MANAGEMENT
MONTANA STATE OFFICE
222 NORTH 32ND STREET
P.O. BOX 36800
BILLINGS, MONTANA 59107-6800

IN REPLY TO:

MTM 12619-A et al
BLM BOND NO. MT0576
(922.31)

April 25, 1989

NOTICE

Equitable Resources Energy Company
P. O. Box 21017
Billings, Montana 59104

OIL AND GAS

CORPORATE MERGER RECOGNIZED RIDER TO NATIONWIDE BOND ACCEPTED

Acceptable evidence has been filed in this office concerning the merger of Balcron Oil Company into Equitable Resources Energy Company, the surviving corporation. Information provided shows that Balcron Oil Company merged into Equitable Resources Energy Company, changing the former entity's name to Balcron Oil, a Division of Equitable Resources Energy Company. Please note that Divisions cannot hold leases, therefore, after consultation with Balcron Oil, this office is recognizing only the merger action.

A rider was filed on April 20, 1989, to be made a part of \$150,000 Nationwide Oil and Gas Bond No. 5547188 (BLM Bond No. MT0576) with Balcron Oil Company as principal and Safeco Insurance Company of America as surety. By means of this rider, the surety consents to changing the name on the bond from Balcron Oil Company to Equitable Resources Energy Company. The rider is accepted effective April 20, 1989.

For our purposes, the merger is recognized effective April 20, 1989.

The oil and gas lease files and communitization agreement files identified on the enclosed Exhibit A have been noted as to the merger. Other lease interests will be transferred by assignments from Ballard & Cronoble to Equitable Resources Energy Company.

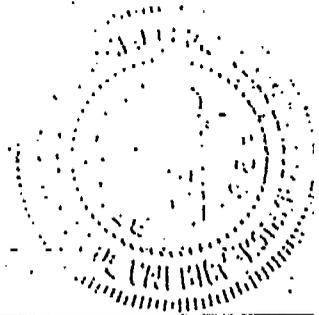

Cynthia L. Embretson, Chief
Fluids Adjudication Section

1 Enclosure
1-Exhibit A

cc: (w/encl.)
AFS, Denver (1)
All DMs (1 ea.)
RMO Section (1)
Regional Forester, Lakewood (2)
Regional Forester, Missoula (2)
Bureau of Reclamation (1)

Form 3104-8
(July 1984)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT



STATE, NATIONWIDE, OR NATIONAL PETROLEUM RESERVE
IN ALASKA OIL AND GAS BOND

Act of February 25, 1920 (30 U.S.C. Sec. 181)

Act of August 7, 1947 (30 U.S.C. Sec. 351)

Department of the Interior Appropriations Act, Fiscal Year 1981 (P.L. 96-514)

Other Oil and Gas Leasing Authorities as Applicable

KNOW ALL MEN BY THESE PRESENTS, That we
BALCRON OIL COMPANY
of 1601 Lewis Avenue, Billings, MT 59104

as principal, and
SAFECO INSURANCE COMPANY OF AMERICA
of 111 Presidential Blvd., Suite 231, Bala Cynwyd, PA 19004

as surety, are held and firmly bound unto the United States of America in the sum of ONE HUNDRED FIFTY THOUSAND AND 00/100-----dollars (\$ 150,000.00), in lawful money of the United States, which sum may be increased or decreased by a rider hereto executed in the same manner as this bond, for the use and benefit of (1) the United States; (2) the owner of any of the land subject to the coverage of this bond, who has the statutory right to compensation in connection with a reservation of the oil and gas deposits to the United States; and (3) any lessee or permittee under a lease or permit issued by the United States prior to the issuance of an oil and gas lease for the same land subject to this bond, covering the use of the surface or the prospecting for, or development of, other mineral deposits in any portion of such land, to be paid to the United States. For such payment, well and truly to be made, we bind ourselves, and each of our heirs, executors, administrators, and successors, jointly and severally.

- The coverage of this bond shall extend to all of the principal's holdings of federal oil and gas leases in the United States including Alaska, issued or acquired under the Acts cited in Schedule A.
- The coverage of this bond extends only to the principal's holdings of federal oil and gas leases issued or acquired under the Acts cited and in the States named in Schedule A and to any other State or States that may be named in a rider attached hereto by the lessor with the consent of the surety.
- The coverage of this bond extends only to the principal's holdings of federal oil and gas leases within the National Petroleum Reserve in Alaska.

SCHEDULE A

Mineral Leasing Act of February 25, 1920 (30 U.S.C. Sec. 181), Acquired Lands Leasing Act of August 7, 1947 (30 U.S.C. Sec. 351), and other oil and gas leasing authorities as applicable.

NAMES OF STATES

ALL STATES

The conditions of the foregoing obligations are such that, whereas the said principal has an interest in oil and gas leases issued under the Acts cited in this bond: (1) as lessee; (2) as the approved holder of operating rights in all or part of the lands covered by such leases under operating agreements with the lessees; or (3) as designated operator or agent under such leases pending approval of an assignment or operating agreement; and

WHEREAS the principal is authorized to drill for, mine, ex-

tract, remove, and dispose of oil and gas deposits in or under the lands covered by the leases, operating agreement or designations and is obligated to comply with certain covenants and agreements set forth in such instruments; and

WHEREAS the principal and surety agree that without notice to the surety the coverage of this bond, in addition to the present holdings of the principal, shall extend to and include:



SURETY RIDER

SAFECO INSURANCE COMPANY OF AMERICA
GENERAL INSURANCE COMPANY OF AMERICA
FIRST NATIONAL INSURANCE COMPANY
OF AMERICA
HOME OFFICE: SAFECO PLAZA
SEATTLE, WASHINGTON 98185

To be attached to and form a part of

Type of Bond: Nationwide Oil and Gas Lease Bond

Bond No. 5547188 (BLM Bond No. MT0576)

dated effective 9/8/88
(MONTH, DAY, YEAR)

executed by BALCRON OIL COMPANY, as Principal,
(PRINCIPAL)

and by SAFECO INSURANCE COMPANY OF AMERICA, as Surety,
(SURETY)

In favor of UNITED STATES DEPARTMENT OF THE INTERIOR, BUREAU OF LAND
(OBLIGEE) MANAGEMENT

In consideration of the mutual agreements herein contained the Principal and the Surety hereby consent to changing

The name of the Principal

From: BALCRON OIL COMPANY

To: EQUITABLE RESOURCES ENERGY COMPANY

Nothing herein contained shall vary, alter or extend any provision or condition of this bond except as herein expressly stated.

This rider is effective 1/1/89
(MONTH, DAY, YEAR)

Signed and Sealed 4/10/89
(MONTH, DAY, YEAR)
EQUITABLE RESOURCES ENERGY COMPANY
PRINCIPAL

By: _____ TITLE

SAFECO INSURANCE COMPANY OF AMERICA
SURETY

By: *R. George Voinchet*
R. George Voinchet ATTORNEY-IN-FACT



POWER OF ATTORNEY

SAFECO INSURANCE COMPANY OF AMERICA
GENERAL INSURANCE COMPANY OF AMERICA
HOME OFFICE: SAFECO PLAZA
SEATTLE, WASHINGTON 98185

EXHIBIT "G"
3798 Page 4 of 4

No. _____

KNOW ALL BY THESE PRESENTS:

That SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA, each a Washington corporation, does each hereby appoint

-----THOMAS L. VEHAR; R. GEORGE VOINCHET, Pittsburgh, Pennsylvania-----

its true and lawful attorney(s)-in-fact, with full authority to execute on its behalf fidelity and surety bonds or undertakings and other documents of a similar character issued in the course of its business, and to bind the respective company thereby.

IN WITNESS WHEREOF, SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA have each executed and attested these presents

this 4th day of September, 19 87.

CERTIFICATE

Extract from the By-Laws of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA:

"Article V, Section 13. — FIDELITY AND SURETY BONDS . . . the President, any Vice President, the Secretary, and any Assistant Vice President appointed for that purpose by the officer in charge of surety operations, shall each have authority to appoint individuals as attorneys-in-fact or under other appropriate titles with authority to execute on behalf of the company fidelity and surety bonds and other documents of similar character issued by the company in the course of its business . . . On any instrument making or evidencing such appointment, the signatures may be affixed by facsimile. On any instrument conferring such authority or on any bond or undertaking of the company, the seal, or a facsimile thereof, may be impressed or affixed or in any other manner reproduced; provided, however, that the seal shall not be necessary to the validity of any such instrument or undertaking."

Extract from a Resolution of the Board of Directors of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA adopted July 28, 1970.

"On any certificate executed by the Secretary or an assistant secretary of the Company setting out,

- (i) The provisions of Article V, Section 13 of the By-Laws, and
- (ii) A copy of the power-of-attorney appointment, executed pursuant thereto, and
- (iii) Certifying that said power-of-attorney appointment is in full force and effect,

the signature of the certifying officer may be by facsimile, and the seal of the Company may be a facsimile thereof."

I, Boh A. Dickey, Secretary of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA, do hereby certify that the foregoing extracts of the By-Laws and of a Resolution of the Board of Directors of these corporations, and of a Power of Attorney issued pursuant thereto, are true and correct, and that both the By-Laws, the Resolution and the Power of Attorney are still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the facsimile seal of said corporation

this 10th day of April, 19 89.

OPERATOR Balson Oil N-9890 DATE 5-27-90

WELL NAME Balson Coyote Federal 40-1

SEC SENE T 89 R 05E COUNTY Mintah

43-047-30058
API NUMBER

Federal (1)
TYPE OF LEASE

CONFIDENTIAL

CHECK OFF:

PLAT.

BOND

NEAREST WELL

LEASE

FIELD GLBM

POTASH OR OIL SHALE

PROCESSING COMMENTS:

Board Hearing held 5-27-90 issued no order.
Water Permit per Claude Mangano there is no water
permit for 89, 05E 5-27-90.

APPROVAL LETTER:

SPACING: R615-2-3

N/A
UNIT

R615-3-2

109-6 per order issued
CAUSE NO. & DATE 5-27-90

R615-3-3

STIPULATIONS:

CONFIDENTIAL
PERIOD
EXPIRED
ON 9-10-93

- Water Permit
- Provided a schematic of BOP + choke manifold
are submitted to the Division as per 649-3-4-2.6.3



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 28, 1992

Equitable Resources Energy Company
P.O. Box 21017
Billings, Montana 59104

Gentlemen:

Re: Balcron Coyote Federal 42-6 Well, 1980 feet from the north line, 660 feet from the east line, SE 1/4 NE 1/4, Section 6, Township 8 South, Range 25 East, 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. 129-6 on May 27, 1992, 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. Submittal of BOP equipment and choke manifold schematic diagrams in accordance with Utah Admin. R649-3-4-2.6.3,
3. Compliance with the requirements of Utah Admin. R. 649-1 et seq., Oil and Gas Conservation General Rules.
4. Notification within 24 hours after drilling operations commence.
5. 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.
6. Submittal of the Report of Water Encountered During Drilling, Form 7.

Page 2
Equitable Resources Energy Company
Balcron Coyote Federal 42-6
May 28, 1992

7. 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.
8. Compliance with the requirements of Utah Admin. R. 649-3-20, 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 year after date of issuance unless substantial and continuous operation is underway or a request for an extension is made prior to the approval expiration date. The API number assigned to this well is 43-047-32258.

Sincerely,



R.J. Firth
Associate Director, Oil and Gas

Jdc
Enclosures
cc: Bureau of Land Management
J.L. Thompson
WOH



BALCRON OIL

A Division of
Equitable Resources Energy Company

P.O. Box 21017
1601 Lewis Avenue Building
Billings, Montana 59104
(406) 259-7860

RECEIVED

JUN 03 1992

DIVISION OF
OIL GAS & MINING

June 2, 1992

-- VIA FEDERAL EXPRESS --

State of Utah
Division of Oil, Gas & Mining
355 West North Temple
Salt Lake City, UT 84180

Gentlemen:

Enclosed is the Archeology Report for the following wells
in Uintah County, Utah:

Balcron Coyote Federal #21-5
Balcron Coyote Federal #33-5
Balcron Coyote Federal #42-6

Balcron Coyote Federal #12-5
Balcron Coyote Federal #33-7
Balcron Coyote Federal #13-5
Balcron Coyote Federal #13-7
Balcron Coyote Federal #22-7
Balcron Coyote Federal #31-7

13-047-32258 85 015E 6

If you have any questions or need further information,
please let me know.

Sincerely,

Bobbie Schuman

Bobbie Schuman
Coordinator of Operations,
Environmental and Regulatory Affairs

/rs

Enclosures



ARCHEOLOGICAL - ENVIRONMENTAL RESEARCH CORPORATION

P. O. Box 853 Bountiful, Utah 84011-0853
Tel: (801) 292-7061, 292-9668

May 26, 1992

Subject: CULTURAL RESOURCE EVALUATIONS OF NINE PROPOSED
WELL LOCATIONS IN THE COYOTE BASIN LOCALITY
OF UINTAH COUNTY, UTAH

Project: BALCRON OIL CO. -- 1992 Development
Program for Units 12-5, 13-5, 21-5, 33-5, 42-6,
13-7, 22-7, 31-7, and 33-7

Project No.: BLCR-92-1

Permit No.: Dept. of Interior -- UT-92-54937

Utah State Project No.: UT-92-AF-201b

To: Ms. Bobbie Schuman, Balcron Oil Co., P.O. Box 21017,
Billings Montana 59104

Mr. David Little, District Manager, Bureau of Land
Management, 170 South 500 East, Vernal, Utah 84078

Info: Antiquities Section, Division of State History, 300 Rio
Grande, Salt Lake City, Utah 84101

RECEIVED

JUN 03 1992

DIVISION OF
OIL GAS & MINING

CULTURAL RESOURCE EVALUATIONS
OF NINE PROPOSED WELL LOCATIONS
(UNITS 12-5, 13-5, 21-5, 33-5, 42-6, 13-7,
22-7, 31-7, AND 33-7)
IN THE COYOTE BASIN LOCALITY OF
UINTAH COUNTY, UTAH

REPORT PREPARED FOR BALCRON OIL COMPANY

Dept. of Interior Permit No.: UT-92-54937
Utah State Project No.: UT-92-AF-201b
AERC PROJECT 1320 (BLCR-92-1)

Principal Investigator & Author of Report
F. Richard Hauck, Ph.D.

Report Prepared by the
ARCHEOLOGICAL-ENVIRONMENTAL RESEARCH
CORPORATION (AERC)

P.O. Box 853
Bountiful, Utah 84011-0853

May 26, 1992

ABSTRACT

Intensive cultural resource evaluations have been conducted for Balcron Oil Company on the proposed Federal Well locations 12-5, 13-5, 21-5, 33-5, 42-6, 13-7, 22-7, 31-7, and 33-7 in the Coyote Basin locality of Uintah County, Utah. This series of well locations involved 10 acre survey areas with the exception of Units 12-5 and 31-7 which have been evaluated during previous archaeological investigations in this locality. Access route corridors were also evaluated measuring ca. 30 meters in width for a total of ca. 1.13 miles in length. Thus, ca. 83.7 acres of public lands in the locality were examined by F.R. Hauck and L. Harding of AERC on May 14, 15, and 20, 1992.

No cultural resource activity loci were identified during the examination. The single known site in the immediate locality, 42UN 1553, will be avoided by the proposed developments. No previously recorded significant or National Register eligible cultural resources will be adversely affected by the proposed developments. No isolated artifacts were observed, collected, or recorded during the evaluations.

AERC recommends cultural resource clearance.

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GENERAL INFORMATION

On May 14, 15, and 20, 1992, AERC archaeologists F.R. Hauck and L. Harding conducted intensive cultural resource evaluations for Balcron Oil Company of Billings, Montana. These examinations involved nine proposed well units (Federal Units 12-5, 13-5, 21-5, 33-5, 42-6, 13-7, 22-7, 31-7, and 33-7) in the Coyote Basin locality of Uintah County, Utah (see Maps 1 and 2).

This project is situated on federal lands administered by the Book Cliffs Resource Area of the Vernal District of the Bureau of Land Management.

The purpose of the field study and this report is to identify and document cultural site presence and assess National Register significance relative to established criteria (cf., 36 CFR 60.6). Federal regulations require archeological assessments of potentially endangered cultural resources in order to identify and preserve significant artifacts and cultural material, strata, features, or monuments that are susceptible to disturbance being situated in the immediate development zone. These excavations and site assessments were conducted in compliance with the Antiquities Act of 1906; the Historic Sites Act of 1935; Section 106 of the National Historic Preservation Act of 1966, as amended; the National Environmental Policy Act of 1969; the Federal Land Policy and Management Act of 1979; the Archaeological Resources Protection Act of 1979; the Native American Religious Freedom Act of 1978; the Historic Preservation Act of 1980; and Executive Order 11593.

Project Location

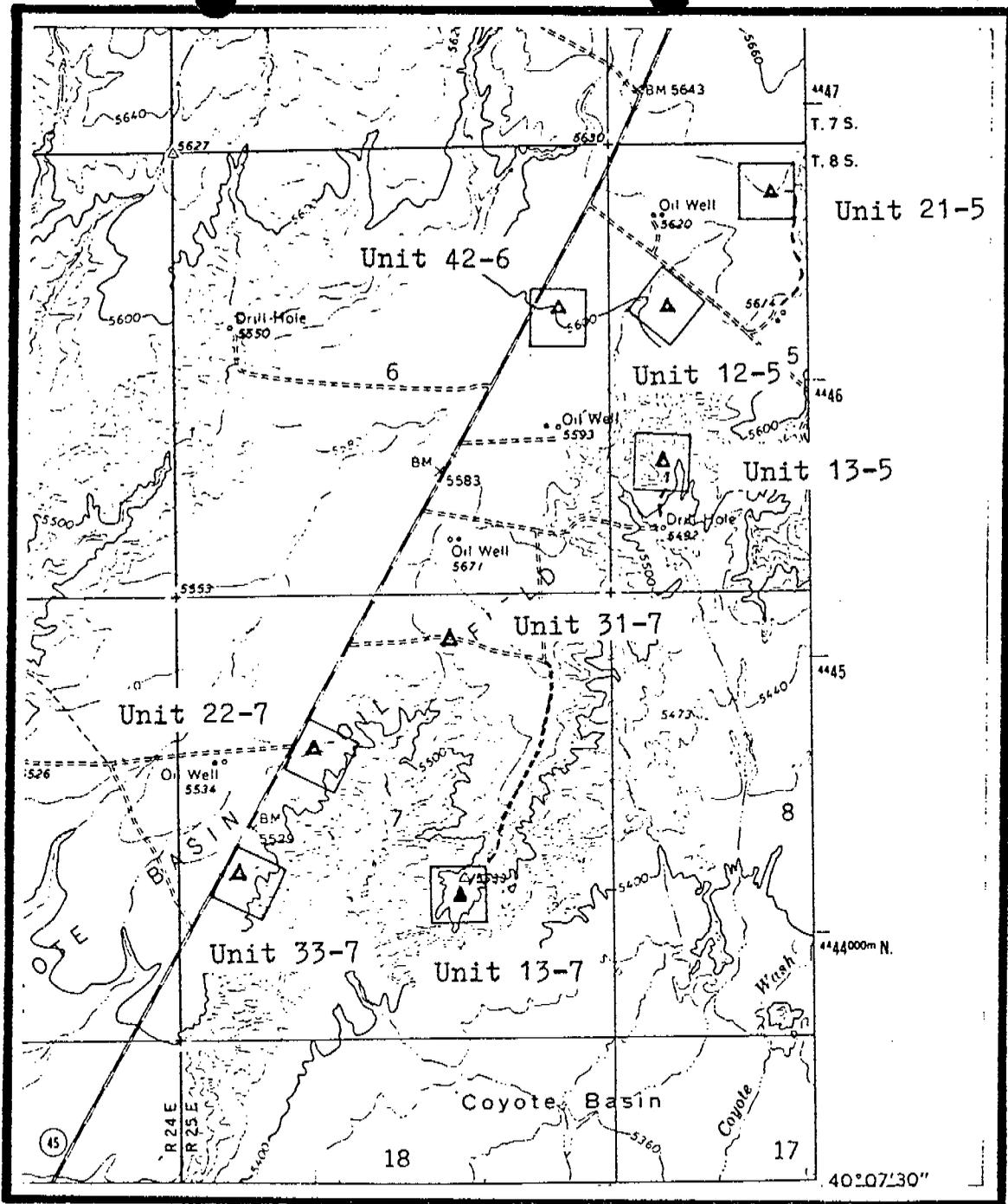
Unit 12-5: This location is in the SW 1/4 of the NW 1/4 of Section 5 of Township 8 South, Range 25 East. The location is immediately adjacent to an existing road (see Map 1).

Unit 13-5: This location is in the NW 1/4 of the SW 1/4 of Section 5 of Township 8 South, Range 25 East. The location is associated with a short access route that approaches from an existing, shut-in well location to the south (see Map 1).

Unit 21-5: This location is in the NE 1/4 of the NW 1/4 of Section 5 of Township 8 South, Range 25 East. The location is associated with a short access route that approaches from an existing well location to the south (see Map 1).

Unit 33-5: This location is in the NW 1/4 of the SE 1/4 of Section 5 of Township 8 South, Range 25 East. The location is immediately adjacent to an existing road (see Map 2).

AERC



T. 8 South
 R. 25 East
 Meridian: SL
 Quad: Dinosaur
 NW, Ut.

MAP 1
 Cultural Resource Survey
 of Proposed Locations in
 the Coyote Basin Locality
 Uintah County, Utah

Legend:
 Well Center Δ
 10 Acre
 Survey
 Area \square

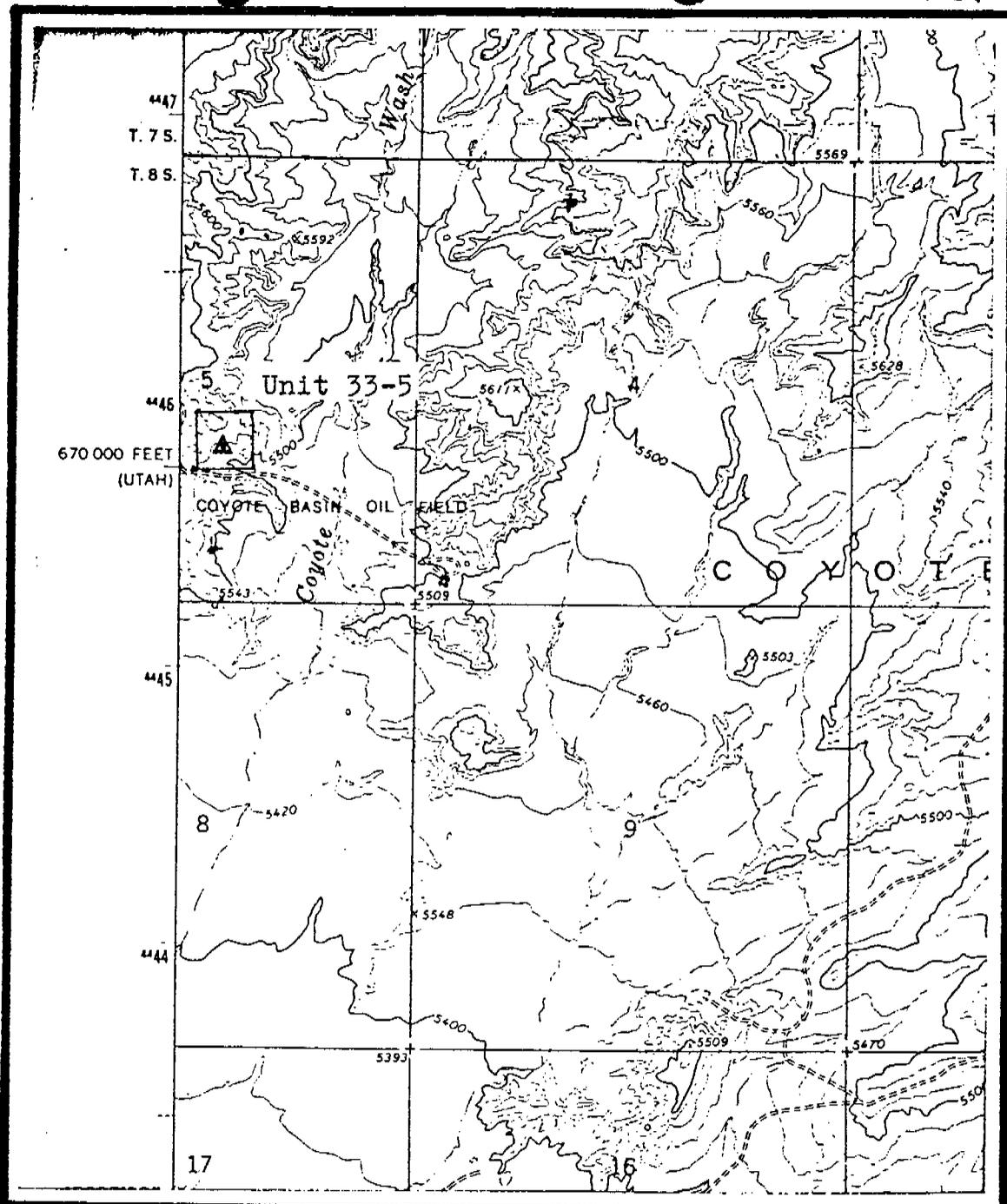


Project: BLCR-92-1
Series: Uinta Basin
Date: 5-26-92
Scale: 1:24000



**Access
 Route**

AERC



T. 8 South
 R. 25 East
 Meridian: SL
 Quad: Dinosaur,
 Utah

MAP 2
 Cultural Resource Survey
 of Proposed Unit 33-5 in
 the Coyote Basin Locality
 Uintah County, Utah

Legend:
 Well Center Δ
 10 Acre
 Survey
 Area



Project: Scale: 1:24000
Series: BLCR-92-1
Date: Uinta Basin
 5-26-92



Unit 42-6: This location is in the SE 1/4 of the NE 1/4 of Section 6 of Township 8 South, Range 25 East. The location is immediately adjacent to an existing road (see Map 1).

Unit 13-7: This location is in the NW 1/4 of the SE 1/4 of Section 7 of Township 8 South, Range 25 East. The location is associated with a 5. mile access route that approaches along the top of the ridge from the north (see Map 1).

Unit 22-7: This location is in the SE 1/4 of the NW 1/4 of Section 7 of Township 8 South, Range 25 East. The location is immediately adjacent to an existing road (see Map 1).

Unit 31-7: This location is in the NW 1/4 of the NE 1/4 of Section 7 of Township 8 South, Range 25 East. The location is associated with a two-track road (see Map 1).

Unit 33-7: This location is in the NW 1/4 of the SW 1/4 of Section 7 of Township 8 South, Range 25 East. The location is immediately adjacent to an existing road (see Map 1).

Environmental Description

The project area is situated within the 5500 to 5650 foot elevation zone above sea level. Open rangeland terrain surfaces are associated with all these locations.

The vegetation in the project area includes Chrysothamnus spp., Ephedra viridis, Atriplex canescens, Juniperus spp., Artemesia tridentata, Opuntia polyacantha, Sarcobatus vermiculatus, and Bromus tectorum. The juniper are only associated with Units 33-5 and 13-7.

The geological associations within the project area consist of Quaternary gravels and fluvial sandstone and mudstone deposits which correlate with the Duchesne River Formation which is of Tertiary age.

PREVIOUS RESEARCH IN THE LOCALITY

File Search

Records searches of the site files and maps at the Antiquities Section of the State Historic Preservation Office in Salt Lake City were conducted on May 12, 1992. A similar search was conducted in the Vernal District Office of the BLM on May 20. The National Register of Historic Places has been consulted and no registered historic or prehistoric properties will be affected by the proposed developments.

A few known cultural sites are situated in the Coyote Basin locality. Most of these prehistoric resources including Sites 42UN 808, 42UN 928, and 42UN 929 were identified and recorded by Nickens and Associates during the Red Wash and Seep Ridge sample inventories (Larralde and Nickens 1980 and Larralde and Chandler 1981). Subsequent well location and access route evaluations in this locality have also resulted in the identification of one other cultural resource, Site 48UN 1553 (cf., Hauck 1981a, 1981b, 1983, and 1985).

Prehistory and History of the Cultural Region

Currently available information indicates that the Northern Colorado Plateau Cultural Region has been occupied by a variety of cultures beginning perhaps as early as 10,000 B.C. These cultures, as identified by their material remains, demonstrate a cultural developmental process that begins with the earliest identified Paleoindian peoples (10,000 - 7,000 B.C.) and extends through the Archaic (ca. 7,000 B.C. - A.D. 300), and Formative (ca. A.D. 400 - 1100) Stages, and the Late Prehistoric-Protohistoric periods (ca. A.D. 1200 - 1850) to conclude in the Historic-Modern period which was initiated with the incursion of the Euro-American trappers, explorers, and settlers. Basically, each cultural stage - with the exception of the Late Prehistoric hunting and gathering Shoshonean bands - features a more complex life-way and social order than occurred during the earlier stage of development (Hauck 1991:53). For a more comprehensive treatment of the prehistory and history of this region see Archaeological Evaluations in the Northern Colorado Plateau Cultural Area (Hauck 1991).

Site Potential in the Project Development Zone:

Previous archaeological evaluations in the general project area have resulted in the identification and recording of a variety of cultural resource sites having eligibility for potential nomination to the National Register of Historic Places (NRHP). The

majority of these sites are lithic scatters including Sites 42UN 928 and 42UN 929. Open occupations have also been identified in this locality (42UN 808 and 42UN 1553). Sites associated with the open rangeland generally appear to have been occupied during the Archaic Stage with occasional indications of Paleoindian activity based on the recovery of isolated Plano style projectile points.

According to the sources noted in the reference, the site density of this locality appears to range from one to four sites per section. These densities increase in the river bottoms and in the dune-juniper environments. Prehistoric sites on the rangeland benches appear to be associated with water courses and aeolian deposits.

FIELD EVALUATIONS

Methodology

Intensive evaluations consisted of the archaeologists walking 10 to 20 meter wide transects within the well location areas and along the proposed access corridors. This series of well locations involved 10 acre survey areas with the exception of Units 12-5 and 31-7. Unit 12-5 was evaluated in 1985 as a ten acre parcel (Hauck 1985). The 80 acre parcel surrounding Unit 31-7 and including that unit's access route as well as a portion of the access route into Unit 13-7 was evaluated during the Red Wash sample survey (Larralde and Nickens 1980). Access route corridors were evaluated measuring ca. 30 meters in width for a total of ca. 1.13 miles in length. Thus, ca. 83.7 acres of public lands in the locality were examined by F.R. Hauck and L. Harding AERC on May 14, 15, and 20, 1992.

Observation of cultural materials results in intensive examinations to determine the nature of the resource (isolate or activity locus). The analysis of each specific cultural site involves its subsequently being sketched, photographed, and appropriately recorded on standard IMACS forms. The determination of site significance is also established during the examination and evaluation of the cultural resources.

Site Significance Criteria

Prehistoric and historic cultural sites which can be considered as eligible for nomination to the National Register of Historic Places have been outlined as follows in the National Register's Criteria for Evaluation as established in Title 36 CFR 60.6:

The quality of significance in American ...
archaeology ... and culture is present in ... sites ...

that possess integrity of location, design, setting, materials, workmanship, feeling, and association and:

a. That are associated with events that have made a significant contribution to the broad patterns of our history; or

b. that are associated with the lives of persons significant in our past; or

c. that embody the distinctive characteristics of a type, period, or method of construction ... ; or

d. that have yielded, or may be likely to yield, information important in prehistory or history.

In addition to satisfying one or more of these general conditions, a significant cultural resource site in Utah will generally be considered as being eligible for inclusion in the National Register if it should advance our current state of knowledge relating to chronology, cultural relationships, origins, and cultural life ways of prehistoric or historic groups in the area.

In a final review of any site's cultural significance, the site must possess integrity and at least one of the above criteria to be considered eligible for nomination to the National Record of Historic Places.

Results of the Inventory

No newly identified prehistoric or historic cultural resource activity loci was observed and recorded during these archaeological evaluations.

No previously recorded cultural sites will be adversely affected by the proposed developments. Site 42UN 1553 is closest to the development area but is outside and not readily accessible from the adjacent well location.

No isolated artifacts were observed or recorded during the evaluations.

CONCLUSION AND RECOMMENDATIONS:

AERC recommends that a cultural resource clearance be granted to Balcron Oil Company relative to the development of the proposed units as noted above based upon adherence to the following stipulations:

1. All vehicular traffic, personnel movement, construction and restoration operations should be confined to the flagged areas and corridors examined as referenced in this report, and to the existing roadways and/or evaluated access routes.

2. All personnel should refrain from collecting artifacts and from disturbing any significant cultural resources in the area.

3. The authorized official should be consulted should cultural remains from subsurface deposits be exposed during construction work or if the need arises to relocate or otherwise alter the location of the exploration area.



F. Richard Hauck, Ph.D.
President and Principal
Investigator

REFERENCES

Hauck, F. Richard

- 1981a CULTURAL RESOURCE INVENTORY OF A PROPOSED WELL LOCATION AND ACCESS ROAD IN THE COYOTE BASIN LOCALITY OF UINTAH COUNTY, UTAH. AERC Report prepared for Diamond Shamrock Exploration (DS-81-1), Bountiful.
- 1981b CULTURAL RESOURCE INVENTORY OF NINE PROPOSED WELL LOCATIONS AND ACCESS ROADS IN THE COYOTE BASIN LOCALITY OF UINTAH COUNTY, UTAH. AERC Report prepared for Diamond Shamrock Exploration (DS-81-2), Bountiful.
- 1983 CULTURAL RESOURCE EVALUATIONS OF THREE PROPOSED WELL LOCATIONS IN THE COYOTE BASIN LOCALITY OF UINTAH COUNTY, UTAH. AERC Report prepared for Cotton Petroleum Company (CPC-83-1), Bountiful.
- 1985 CULTURAL RESOURCE EVALUATION OF PROPOSED COYOTE BASIN LOCATIONS 12-5 AND 13-5 IN THE COYOTE BASIN LOCALITY OF UINTAH COUNTY, UTAH. AERC Report prepared for Diamond Shamrock Exploration (DSE-85-8), Bountiful.
- 1991 ARCHAEOLOGICAL EVALUATIONS ON THE NORTHERN COLORADO PLATEAU CULTURAL AREA, AERC PAPER No. 45, Archeological-Environmental Research Corporation, Bountiful.

Larralde, Signa L. and Paul R. Nickens

- 1980 SAMPLE INVENTORIES OF OIL & GAS FIELDS IN EASTERN UTAH 1978-1979, ARCHAEOLOGICAL INVENTORY IN THE RED WASH CULTURAL STUDY TRACT, UINTAH COUNTY, UTAH. (In) CULTURAL RESOURCE SERIES, NO. 5, Bureau of Land Management, Salt Lake City.

Larralde, Signa L. and Susan M. Chandler

- 1981 ARCHAEOLOGICAL INVENTORY IN THE SEEP RIDGE CULTURAL STUDY TRACT, UINTAH COUNTY, NORTHEASTERN UTAH. (In) CULTURAL RESOURCE SERIES, NO. 11, Bureau of Land Management, Salt Lake City.

Report Acceptable Yes __ No __

Mitigation Acceptable Yes __ No __

Comments: _____

Summary Report of
Inspection for Cultural Resources

C O Y O T E B A S I N L O C A T I O N S

1. Report Title

BALCRON OIL CO. UNITS 12-5, 13-5, 21-5, 33-5, 42-6, 13-7, 22-7, 31-7, & 33-7

2. Development Company _____

5 26 1 9 9 2

UT-92-54937

3. Report Date 4. Antiquities Permit No. _____

A E R C B L C R - 9 2 - 1

Uintah

5. Responsible Institution County _____

6. Fieldwork

0 8 S 2 5 E 0 5 0 6 0 7

7. Resource Location: TWN RNG Section. . . | . . . | . . . | . . . |

Area TWN RNG Section. . . | . . . | . . . | . . . |

.B.C. TWN RNG Section. . . | . . . | . . . | . . . |

8. Description of Examination Procedures: The archeologists, F.R. Hauck and L. Harding, intensively examined these proposed locations and access corridor by walking a series of 10 to 20 meter-wide transects flanking the flagged centerline. This series of well locations involved 10 acre (continued)

9. Linear Miles Surveyed 1 . 1 3 10. Inventory Type I

and/or Definable Acres Surveyed R = Reconnaissance
and/or I = Intensive
Legally Undefinable Acres Surveyed 8 3 . 7 S = Statistical Sample

11. Description of Findings: No cultural resource sites were identified during the survey. No isolated artifacts were observed, recorded, or collected. 12. Number Sites Found .0. (No sites = 0)
13. Collection: .Y. (Y = Yes, N = No)

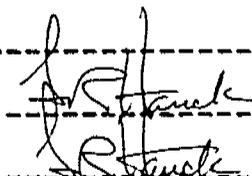
14. Actual/Potential National Register Properties Affected: The National Register of Historic Places (NRHP) has been consulted and no registered properties will be affected by the proposed development.

15. Literature Search, Location/ Date: Utah SHPO 5-12-92
Vernal District Office Records 5-20-92

16. Conclusion/ Recommendations: AERC recommends that a cultural resource clearance be granted to Balcron Oil Company for these proposed developments based on the following stipulations: (see page 2).

17. Signature of Administrator & Field Supervisor

Administrator
Field Supervisor



8. continued:

survey parcels on all of the locations with the exceptions of Units 12-5 and 31-7 which were evaluated during earlier examinations. Unit 12-5 was evaluated by AERC for Cotton Petroleum in 1985 as a ten acre parcel (Hauck 1985). Unit 31-7 and a portion of the access route into Unit 13-7 was evaluated within an 80 acre sample survey unit during the Red Wash sample survey by Nickens and Associates (Larralde and Nickens 1980).

16. continued:

1. All vehicular traffic, personnel movement, construction and restoration operations should be confined to the corridors examined as referenced in this report, and to the existing roadways and/or evaluated access routes.

3. All personnel should refrain from collecting artifacts and from disturbing any significant cultural resources in the area.

4. The authorized official should be consulted should cultural remains from subsurface deposits be exposed during construction work or if the need arises to relocate or otherwise alter the location of the exploration area.

13. OPERATOR'S REPRESENTATIVES:

Balcron Oil, a division of Equitable Resources Energy Company
1601 Lewis Avenue
P.O. Box 21017
Billings, Montana 59104
(8:00 a.m. to 5:00 p.m.)
(406) 259-7860
FAX: (406) 245-1361

Dave McCoskery, Drilling Engineer
Home: (406) 248-3864

Steve Durrett, Engineering Manager
Home: (406) 652-9208

14: 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.

A complete copy of the approved Application for Permit to Drill will be onsite during all construction and drilling operations.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that any 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 Balcron Oil, a division of Equitable Resources Energy Company, and 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.

April 27, 1992
Date

Bobbie Schuman
Bobbie Schuman
Coordinator of Environmental
and Regulatory Affairs

The soils in the semi-arid area of the Williams Fork Formation (Upper Cretaceous) and Wasatch Formation (Eocene) consist of light brownish gray clay (OL) to sand soil (SM-ML) type with poorly graded gravels.

Outcrops of sandstone ledges, conglomerate deposits and shale are common in this area.

The topsoils in the area range from a sandy clay (SM-ML) type soil to a clayey (OL) soil.

The majority of the numerous washes and draws in the area are of a non-perennial nature flowing during the early spring run-off and heavy rain storms of long duration which are rare as the normal annual rainfall in the area is only 8".

The flora of the area includes pinon and juniper trees, sagebrush, mountain mahogany, serviceberry, rabbit brush, greasewood, four-wing saltbush, Gambel scrub oak, willow, tamarack, shadscale, Spanish bayonet, indian rice grass, cheatgrass, wheatgrass, curly grass, crested wheatgrass, sweet clover, gum weed, foxtail, mustard, Canadian thistle, Russian thistle, Kochia, sunflowers and cacti.

The fauna of the area includes cattle, horses, elk, deer, coyotes, rabbits, rodents, lizards, bull snakes, rattle snakes, water snakes and horned toads. Birds of the area are ground sparrows, bluejays, bluebirds, magpies, ravens, raptors, morning doves, swallows, nighthawks, hummingbirds, and chukar.

- B. The surface ownership is Federal. The surface use is grazing and petroleum production.
- C.
 1. The closest live water is the White River which is approximately 16 miles South of the proposed site.
 2. There are no occupied dwellings in the immediate area
 3. An archaeological report will be forwarded upon completion, unless this requirement is waived by the Bookcliff Resource Area archaeologist.
 4. There are no reported restrictions or reservations noted on the oil and gas lease.

applicable,

(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 Bureau of Land Management at the time of abandonment.

2. All disturbed surfaces will be recontoured to the approximate natural contours and reseeded according to BLM specifications. Reclamation of the well pad and access road will be performed as soon as practical after final abandonment and reseeded operations will be performed in the fall or spring following completion of reclamation operations.

11. Surface Ownership:

The well site and proposed access road are situated on surface lands administered by

Bureau of Land Management
Vernal District Office
Vernal, Utah

12. Other Information:

A. Topographic and geologic features of the area (reference Topographic Map #A) are:

The proposed drill site is located in the Coyote Basin oil field, which lies in a large basin formed by the Uinta Mountains to the North and the Bookcliff Mountains to the South. The site is located approximately 16 miles North of the White River, which is the major drainage for this area, and approximately 9 miles north of Bonanza Utah, the closest occupied dwellings to this area.

This basin floor is interlaced with numerous canyons and ridges formed by the non-perennial streams of the area. The sides of these canyons are steep and ledges formed in sandstone, conglomerate deposits and shale are common in this area.

The geologic structures that are visible in the area are of the Uinta formation (Eocene Epoch) tertiary period and the cobblestone and younger alluvial deposits from the Quaternary period.

If the well is abandoned/dry hole, Equitable Resources Energy Company will, restore the access road and location to approximately the original contours. During reclamation of the site, push the fill material into cuts and up over the backslope. Leave no depressions that will trap water or form ponds. Distribute topsoil evenly over the location, and seed according to the above seed mixture. The access road and location shall be ripped or disked prior to seeding. Perennial vegetation must be established. Additional work shall be required in case of seeding failures, etc.

Seedbed will be prepared by disking, then roller packing following the natural contours. Seed will be drilled on contours at a depth no greater than one-half inch (1/2"). In areas that cannot be drilled, seed will be broadcast at double the seeding rate and harrowed into soil. Certified seed will be used whenever available.

Fall seeding will be completed after September 1 and prior to prolonged ground frost. Spring seeding, to be effective, will be completed after the frost has left the ground and prior to May 15th.

7. Upon completion of backfilling, leveling and recontouring, the stockpiled topsoil will be evenly spread over the reclaimed area(s). Prior to reseeding, all disturbed surfaces will be scarified and left with a rough surface. No depressions will be left that would trap water and form ponds. All disturbed surfaces will be reseeded with a seed mixture to be recommended by the Bureau of Land Management.

Seed will be drilled on the contour to a approximate depth of one-half (1/2) inch. All seeding will be conducted after September 1 and prior to ground frost. Spring seeding will be done after the frost leaves the ground and no later than May 15. If the seeding is unsuccessful, Equitable Resources may be required to make subsequent seedings.

B. Dry Hole/Abandoned Location

1. On lands administered by the Bureau of Land Management, 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

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 it as soon as possible after drilling operations are completed.

10. Plans for Reclamation of the Surface:

The B.L.M. 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. If a plastic or nylon reinforced pit liner is used, it shall be torn and perforated before backfilling of the reserve pit.
4. Before any dirt work to restore the location takes place, the reserve pit will be completely dry and all cans, barrels, pipe, etc. will be removed.

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

5. The reserve pit and that portion of the location and access road not needed for production facilities/operations will be reclaimed within ninety (90) days from the date of well completion, weather permitting.
6. If the well is a producer, Equitable Resources Energy Company will, upgrade and maintain access roads as necessary to prevent soil erosion, and accommodate year round traffic. Reshape areas unnecessary to operations, distribute topsoil, disk and seed all disturbed areas outside the work area according to the recommended seed mixture. Perennial vegetation must be established. Additional work shall be required in case of seeding failures, etc.

and fills across the location. An average minimum of six (6) inches of topsoil will be stripped from the location (including areas of cut, fill, and/or subsoil storage) and stockpiled for future reclamation of the well site. The topsoil will be windrowed along the doghouse side of location. Refer to Figure #1 for the location of the topsoil and subsoil stockpiles.

- B. Plat #2 is a diagram showing the rig layout. No permanent living facilities are planned. There will be two or three trailers on location during drilling operations.
- 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.
- D. The reserve pit and the blooie pit will be constructed as a combination pit capable of holding 12,000 bbls. of fluid. This size of pit will be approximately equivalent to four times the T.D. hole volume. The blooie pit might be used for testing, but only after the drilling is completed and the drilling equipment and personnel are off the well site location.

The reserve pit will not be lined unless requested by the B.L.M. or unless it is deemed necessary by Equitable Resources. If a plastic-nylon reinforced liner is used, it will be torn and perforated after the pit dries and before backfilling of the reserve pit.

- E. Prior to the commencement of drilling operations, the reserve pit will be fenced on three (3) sides using 39-inch net wire with one strand of barbed wire on top of the net wire. The net wire will be no more than two inches above the ground. the barbed wire will be three inches above the net wire. total height of the fence will be at least 42-inches.
 - 1. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
 - 2. Standard steel, wood, or pipe posts shall be used between the corner braces. The maximum distance between any two (2) posts shall be no greater than sixteen (16) feet.
 - 3. All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.

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

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

- D. Sewage - self-contained, chemical toilets will be provided 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. Plat #1 shows the drill site layout as staked. Cross sections have been drafted to visualize the planned cuts

- B. No water well will be drilled on this location.

6. Source of Construction Materials

- A. No construction materials are needed for drilling operations. In the event of production, the small amount of gravel needed for facilities will be hauled in by truck from a local gravel pit over existing access roads to the area. No special access other than for drilling operations and pipeline construction is needed.
- B. All access roads crossing Federal land are described under item #2, and shown on Map #A.

All construction material for these location sites and access roads shall be borrowed material accumulated during the construction of the location sites and access roads. No additional construction material from other sources is anticipated at this time, if in the future it is required the appropriate actions will be taken to acquire it from private sources.

- C. All surface disturbance area is on B.L.M. lands.
- D. There are no trees on this location or along the proposed access road.

7. Methods of Handling Waste Materials:

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

In the event adverse weather conditions prevent removal of the fluids from the reserve pit within this time period, an extension may be granted by the Authorized Officer upon receipt of a written request from Equitable Resources Energy Company.

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

4. The standard Antelope stipulation which states that construction, drilling, and other development activity will not be allowed from May 15 to June 20 was waived at the onsite inspection by the Bookcliff Resource Area wildlife biologist.
5. All permanent (onsite for six months or longer) above the ground structures constructed or installed including pumping units) will be painted a flat, nonreflective, 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 Tan or Desert Tan.

- C. The production (emergency) pit will be 12'x12' and will be fenced. Said fence will be maintained in good condition.
- 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 operation will accomplished by grading, leveling and seeding as recommended by the Bureau of Land Management.

For Pipeline:

- F. Any proposed pipelines will be submitted to the authorized offices Via Sundry Notice for approval of subsequent operations.
- G. Equitable Resources Energy Company shall be responsible for road maintenance from the beginning to completion of operations.

5. Location and Type of Water Supply

- A. Water to be used for the drilling of these wells will be hauled by truck over the roads described in item #1 and item #2 from the White River. Permit by Dalbo for this water is pending.

Please Refer to Map "B"

- A. Water wells - none known.
- B. Abandoned wells - see Map "B"
- C. Temporarily abandoned wells - none known.
- D. Disposal wells - none known.
- E. Drilling wells - none known.
- F. Producing wells - see Map "B".
- G. Shut-in wells - none known.
- H. Injection wells - none known.
- I. Monitoring wells - none known.

4. Location of Existing and/or Proposed Facilities Owned by Equitable Resources Energy Company Within a One-Mile Radius:

A. Existing

- 1. Tank batteries - see Map #B.
- 2. Production facilities - see Map #B.
- 3. Oil gathering lines - none.
- 4. Gas gathering lines - see Map #B.

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 backslope or toe of the fill slope.
- 2. The production facilities will consist primarily of a pumping unit, Two tanks and an emergency pit. 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.

Traveling off the thirty (30) foot right-of-way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossing 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 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 - 3%
 - D. Turnouts - no turnouts will be required.
 - E. Drainage design - the access road will be crowned and ditched or sloped and dipped, and water turnouts installed as necessary to provide for proper drainage along the access road route.
 - F. Culverts, cuts and fills - no culverts will be required. There are no major cuts and/or fills on/along the proposed access road route.
 - G. Surface materials - any construction materials which may be required for surfacing of the access road will be purchased from a local contractor having a permitted source of materials in the area, if required by the Authorized Officer, Bureau of Land Management. None anticipated at this time.
 - H. Gates, cattleguards or fence cuts - none required.
 - 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:

Multi-Point Surface Use and Operations Plan**1. Existing Roads: Refer to Maps "A" & "B" (shown in RED)**

- A. The proposed well site is staked and four reference stakes are present. 175' & 225' W and 200' & 250' N
- B. The Coyote Federal #42-6 is located approximately 35 miles Southeasterly from Vernal Utah, in the NW1/4 SE1/4 Section 5, T8S, R25E, SLB&M, Uintah County, Utah. To reach the 33-5, proceed East from Vernal, Utah along U.S. Highway 40 for 24 miles to the junction of this highway and Utah State highway 45; Proceed South along Utah State Highway 45 approximately 9.3 miles to the proposed access road sign. Follow flags 100' to location.
- C. Access roads - refer to Maps "A" and "B".
- D. Access roads within a one-mile radius - refer to Map "B".
- E. The existing 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 well location.

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

Approximately 100 feet of new road construction will be required for access to the proposed well location.

- A. Width - maximum 30-foot overall right-of-way with an 18-foot road running surface, crowned & ditched and/or sloped and dipped.
- B. Construction standard - the access road will be constructed so as to conform to the standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development. (1989)

The road will be constructed to meet the standards of the anticipated traffic flow and all-weather requirements. Construction will include ditching, draining, crowning, and capping or sloping and dipping 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.

4. PROPOSED CASING AND CEMENTING PROGRAM:

- a. Surface casing will be set in the Duchesne River formation to approximately 260' and cemented to surface.
- b. All potentially productive hydrocarbon zones will be isolated.
- c. Casing designs are based on factors of burst: 1.25, collapse: 1.125, and joint strength: 1.8.
- d. All casing strings will be pressure tested to 0.22 psi/ft. of casing string length or 1500 psi whichever is greater (not to exceed 70% of yield).
- E. For details of casing, cement program, drilling fluid program, and proposed mud program, see the following two attachments:

Drilling Program (EXHIBIT "D")
Geologic Prognosis (EXHIBIT "C")

5. HAZARDOUS PRESSURES, TEMPERATURES, FLUIDS/GASSES EXPECTED:

- a. Expected bottom hole temperature is 125 degrees F. Expected bottom hole pressure is 1500 psi.
- b. No abnormal pressures or temperatures have been noted or reported in wells drilled to the Green River formation in this area.
- c. No dangerous levels of hydrogen sulfide, hazardous fluids, or gasses have been found, reported, or known to exist at the depth to be drilled in this well, in this area.

6. ANTICIPATED STARTING DATE AND DURATION OF OPERATIONS:

- a. The drilling operations for this well will begin as soon as the BLM approves all requirements included in this APD.
- b. These drilling operations should be completed within 12 days after spudding the well depending on weather conditions.
- c. If the well is productive, a sundry notice and plat showing exact installed facilities will be submitted.
- d. If this well is non-productive, a sundry notice will be filed with the BLM District Office within 30 days following completion of the well for abandonment.

EQUITABLE RESOURCES ENERGY COMPANY
Balcron Oil Division
Balcron Coyote Federal #42-6
SE NE Section 6-T8S-R25E
Uintah County, Utah

In accordance with requirements outlined in 43 CFR 3162-3.1 (d):

1. ESTIMATED IMPORTANT GEOLOGICAL MARKERS:

See Geologic Prognosis

2. ESTIMATED DEPTHS OF ANTICIPATED OIL, GAS OR WATER:

See Geologic Prognosis (see EXHIBIT "C")

3. OPERATOR'S MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

- a. Schematics of the BOP equipment and choke manifold will be provided as soon as a drilling contractor has been chosen. The BOPE will be installed after setting 8-5/8" casing at 260'. The blind rams and pipe rams will be tested to 1500 psi. The annular preventer will be tested to 500 psi. Pipe rams will be operationally checked each 24-hour period and blind rams each time pipe is pulled out of the hole.
- b. The BOPE layout will be provided as soon as a drilling contractor is chosen. The BOPE will be tested to 1500 psi when initially installed, whenever any seal subject to test pressure is broken, and following related repairs. The pipe and blind rams will be activated at least weekly and on every trip the pipe and blind rams will be activated.
- c. An accumulator of sufficient capacity to open the hydraulically-controlled choke valve lines (if so equipped), close all rams plus the annular preventer, and retain a minimum of 200 psi above precharge on the closing manifold without the use of the closing unit pumps will be installed during the drilling of this well.
- d. An upper kelly cock will be used during the drilling of this well.
- e. Visual mud monitoring equipment will be used to detect volume changes indicating loss or gain in circulating fluid volume.
- f. Sufficient quantities of mud materials will be maintained or readily accessible for the purpose of assuring well control.

FILING FOR WATER IN THE STATE OF UTAH

Rec. by N.T.
 Fee Rec. 30.00
 Receipt # 748
 Microfilmed _____
 Roll # _____

MAY 6 5 1992

APPLICATION TO APPROPRIATE WATER

For the purpose of acquiring the right to use a portion of the unappropriated water of the State of Utah, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements of Title 73, Chapter 3 of the Utah Code Annotated 1953, as amended.

WATER RIGHT NUMBER: 49 - 1521

TEMPORARY APPLICATION NUMBER: T66068

1. OWNERSHIP INFORMATION:

LAND OWNED? No

A. **NAME:** Dalbo Incorporated
ADDRESS: P. O. Box 1167, Vernal, UT 84078

B. **PRIORITY DATE:** April 28, 1992

FILING DATE: April 28, 1992

2. SOURCE INFORMATION:

A. **QUANTITY OF WATER:** 20.0 acre-feet

B. **DIRECT SOURCE:** White River

COUNTY: Uintah

C. **POINT OF DIVERSION -- SURFACE:**

(1) N 400 feet W 1850 feet from E $\frac{1}{4}$ corner, Section 2, T 10S, R 24E, SLBM
DIVERT WORKS: Pump into tank trucks
SOURCE: White River

3. WATER USE INFORMATION:

OIL EXPLORATION: from Jan 1 to Dec 31. Drilling and completion of 9 wells for Balcron Oil Division in Bonanza Area

-----*

4. PLACE OF USE: (which includes all or part of the following legal subdivisions:)

| BASE TOWN | RANG | SEC | NORTH-EAST $\frac{1}{4}$ | | | | NORTH-WEST $\frac{1}{4}$ | | | | SOUTH-WEST $\frac{1}{4}$ | | | | SOUTH-EAST $\frac{1}{4}$ | | | | | | | | |
|-----------|------|-----|--------------------------|----|----|----|--------------------------|----|----|----|--------------------------|----|----|----|--------------------------|----|----|----|---|---|---|---|---|
| | | | NE | NW | SW | SE | | | | | |
| SL | 8S | 25E | 5 | X | X | X | X | ■ | ■ | X | X | X | X | ■ | X | X | X | X | ■ | X | X | X | X |
| | | | 6 | X | X | X | X | ■ | ■ | X | X | X | X | ■ | X | X | X | X | ■ | X | X | X | X |
| | | | 7 | X | X | X | X | ■ | ■ | X | X | X | X | ■ | X | X | X | X | ■ | X | X | X | X |

5. EXPLANATORY:

Point of Diversion is on BLM lands. Permission is being obtained.

RECEIVED

JUN 08 1992

DIVISION OF
OIL GAS & MINING

Appropriate

COYOTE BASIN WELLS
EQUITABLE RESOURCES ENERGY COMPANY
BALCRON OIL DIVISION
COYOTE BASIN PROJECT

Balcron Coyote Federal #22-7
SE NW Section 7, T8S, R25E
1749' FNL, 1601' FWL

Balcron Coyote Federal #31-7
NW NE Section 7, T8S, R25E
561' FNL, 1977' FEL

Balcron Coyote Federal #13-7
NW SW Section 7, T8S, R25E
1900' FNL, 660' FWL

Balcron Coyote Federal #21-5
NE NW Section 5, T8S, R25E
660' FNL, 1980' FWL

Balcron Coyote Federal #33-5
NW SE Section 5, T8S, R25E
1892' FSL, 2326' FEL

Balcron Coyote Federal #33-7
NW SE Section 7, T8S, R25E
1751' FSL, 1922' FEL

Balcron Coyote Federal #42-6
SE NE Section T8S, T25E
1980' FNL, 660' FEL

43-047-30058

Balcron Coyote Federal #12-5
SW NW Section 5, T8S, R25E
1980' FNL, 660' FWL

Balcron Coyote Federal #13-5
NW SW Section 5, T8S, R25E
1605' FSL, 586' FWL

ALL ARE IN UINTAH COUNTY, UTAH
OPERATOR IS: EQUITABLE RESOURCES ENERGY COMPANY
Balcron Oil division

4/24/92
/rs

STATE ENGINEER'S ENDORSEMENT

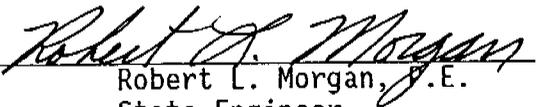
WATER RIGHT NUMBER: 49 - 1521

APPLICATION NO. T66068

1. April 28, 1992 Application received by BMW.
 2. May 4, 1992 Application designated for APPROVAL by RWL and KLJ.
 3. Comments:
-
-

Conditions:

This application is hereby APPROVED, dated June 5, 1992, subject to prior rights and this application will expire on June 5, 1993.


Robert L. Morgan, P.E.
State Engineer



BALCRON OIL

A Division of
Equitable Resources Energy Company

P.O. Box 21017
1601 Lewis Avenue Building
Billings, Montana 59104
(406) 259-7880

RECEIVED

JUN 10 1992

**DIVISION OF
OIL GAS & MINING**

June 8, 1992

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, UT 84180-1203

Gentlemen:

As requested, enclosed is a copy of the BOPE diagram for the following wells:

Balcron Coyote Federal #42-6
Balcron Coyote Federal #33-7
Balcron Coyote Federal #33-5
Balcron Coyote Federal #31-7
Balcron Coyote Federal #22-7
Balcron Coyote Federal #21-5
Balcron Coyote Federal #13-7
Balcron Coyote Federal #13-5
Balcron Coyote Federal #12-5

Also enclosed is a copy of the Application to Appropriate Water. This Application has been approved by the State Engineer's office by Dalbo Incorporated.

If you have any questions or need further information, please let me know. For your information, we anticipate being able to start this Coyote Basin drilling program by July 1.

Sincerely,

Bobbie Schuman

Bobbie Schuman
Coordinator of Operations,
Environmental and Regulatory Affairs

/rs

Enclosures

FILING FOR WATER IN THE STATE OF UTAH

Rec. by _____

Fee Rec. _____

Receipt # _____

Microfilmed _____

Roll # _____

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|-----------|------|-----|----------------|----|----|----|----------------|----|----|----|----------------|----|----|----|----------------|----|----|----|---|---|---|---|---|---|---|
| | | | NE | NW | SW | SE | | | | | | | |
| SL | 8S | 25E | 5 | X | X | X | X | ■ | ■ | X | X | X | X | ■ | ■ | X | X | X | X | ■ | ■ | X | X | X | X |
| | | | 6 | X | X | X | X | ■ | ■ | X | X | X | X | ■ | ■ | X | X | X | X | ■ | ■ | X | X | X | X |
| | | | 7 | X | X | X | X | ■ | ■ | X | X | X | X | ■ | ■ | X | X | X | X | ■ | ■ | X | X | X | X |

5. EXPLANATORY:

Point of Diversion is on BLM lands. Permission is being obtained.

RECEIVED

JUN 10 1992

DIVISION OF OIL GAS & MINING

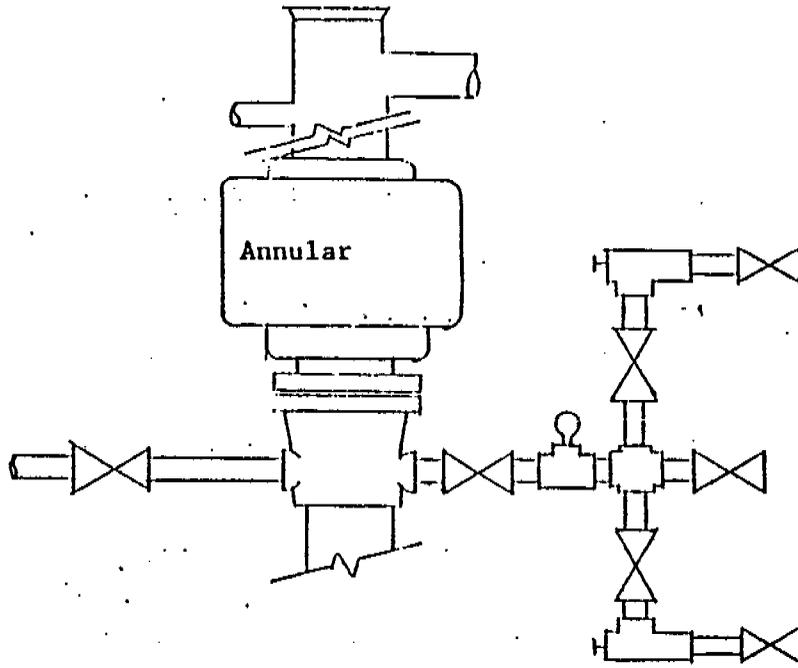
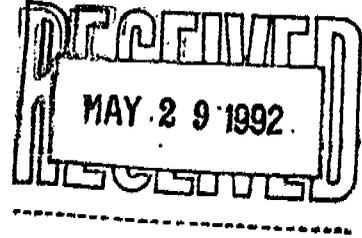
ROTARY DRILLING WITH MUD & AIR SINCE 1966



Main Office
1910 N. Loop Ave.
P.O. Box 2440
Casper, Wyoming 82602
(307) 235-8609

Billings Office
2047 E. Main
Billings, Montana 59103
(406) 245-3511

Havre, Montana Yard
4 mi. W. Hwy 2



9" Bore-1000 PSI
Blowout Preventer Stack

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

SUBMIT IN **DUPLICATE***
(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 SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
 EQUITABLE RESOURCES ENERGY COMPANY

3. ADDRESS OF OPERATOR
 P.O. Box 21017; Billings, MT 59104

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface: 1980' FNL, 660' FEL
 At proposed prod. zone: 43-047-32258

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

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

16. NO. OF ACRES IN LEASE

17. NO. OF ACRES ASSIGNED TO THIS WELL
 40

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

19. PROPOSED DEPTH
 4,690'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 GL 5,601.7'

22. APPROX. DATE WORK WILL START*
 July 1, 1992

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------|-----------------|---------------|----------------------|
| 12-1/4" | 8-5/8" | 24# | 260' | 250 sx G w/add |
| 7-7/8" | 5-1/2" | 15.50# | 4,690' | See Drilling Program |

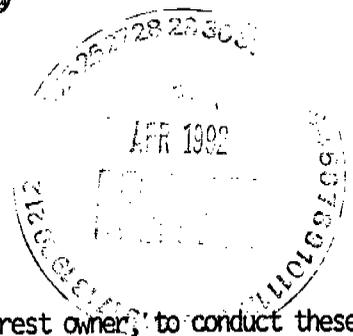
SEE ATTACHED EXHIBITS

- "A" PROPOSED DRILLING PROGRAM
- "B" PROPOSED SURFACE USE PROGRAM
- "C" GEOLOGIC PROGNOSIS
- "D" DRILLING PROGRAM
- "E" DRILL PAD AND RIG LAYOUT (plats 1 and 2)
- "F" LOCATION SITE AND ELEVATION PLAT
- "G" EVIDENCE OF BOND COVERAGE

RECEIVED

JUN 15 1992

DIVISION OF
OIL GAS & MINING



SELF CERTIFICATION: I hereby certify that I am authorized, by proper lease interest owner, to conduct these operations associated with the application. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Equitable Resources Energy Company as principal and Safeco Insurance Company of America as surety under BLM Bond No. MT 0576 (Nationwide Oil & Gas Bond #5547188) who will be responsible for compliance with all of the terms and conditions of that portion of the lease associated with this application.

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

24. SIGNED Bobbie Schuman TITLE Coordinator of Environmental and Regulatory Affairs DATE April 27, 1992

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
 APPROVED BY Tim Shueller TITLE ASSISTANT DISTRICT MANAGER MINERALS DATE JUN 12 1992

CONDITIONS OF APPROVAL, IF ANY:

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHES TO OPERATOR'S COPY

*See Instructions On Reverse Side

CONDITIONS OF APPROVAL FOR THE
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Equitable Resources

Well Name & Number: Coyote Federal 42-6

Lease Number: U-017439-B

Location: SENE Sec. 6 T.8 S. R.25 E.

Surface Ownership: BLM

NOTIFICATION REQUIREMENTS

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

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

12. Other Additional Information

- a. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the operator as to:

-whether the materials appear eligible for the National Register of Historic Places;

-the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and

-a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

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

- b. The operator will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- c. Drilling rigs and/or equipment used during drilling operations on this wellsite will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Company Equitable Resources Energy Company Well No. Coyote Federal 42-6

Location SENE Section 6, T8S, R25E Lease No. U - 017439 - B

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Orders, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

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

A. DRILLING PROGRAM

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

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

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

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

The Vernal District Office shall be notified, at least 24 hours prior to initiating the pressure tests, in order to have a BLM representative on location during pressure testing.

3. Casing Program and Auxiliary Equipment

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

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 ft. above the top of the Mahogany oil shale, identified at \pm 2,800 ft. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

The Vernal District Office shall be notified at least 24 hours prior to the running and cementing of all casing strings, in order to have a BLM representative on location while running and cementing all casing strings.

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 AO. 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 AO.

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

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

The Vernal District Office shall be notified, during regular work hours (7:45 a.m.-4:30 p.m., Monday through Friday except holidays), at least 24 hours prior to spudding the well.

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

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

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

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.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) days following the date on which the well is placed on production.

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

A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3, and 3162.7-4 shall be submitted to the appropriate District Office within thirty (30) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

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 onlease or off-lease will have prior written approval from the AO.

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

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

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

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

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

Ed Forsman (801) 789-7077
Petroleum Engineer

BLM FAX Machine (801) 789-3634

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

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

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spend 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.

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
 EQUITABLE RESOURCES ENERGY COMPANY

CONFIDENTIAL

3. ADDRESS OF OPERATOR
 P.O. Box 21017; Billings, MT 59104

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface 1980' FNL, 660' FEL
 At proposed prod. zone

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

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

16. NO. OF ACRES IN LEASE

17. NO. OF ACRES ASSIGNED TO THIS WELL
 40

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

19. PROPOSED DEPTH
 4,690'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 GL 5,601.7'

22. APPROX. DATE WORK WILL START*
 July 1, 1992

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------|-----------------|---------------|----------------------|
| 12-1/4" | 8-5/8" | 24# | 260' | 250 sx G w/add |
| 7-7/8" | 5-1/2" | 15.50# | 4,690' | See Drilling Program |

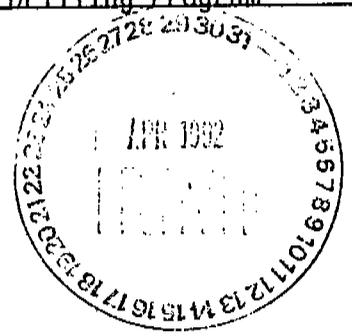
SEE ATTACHED EXHIBITS

- "A" PROPOSED DRILLING PROGRAM
- "B" PROPOSED SURFACE USE PROGRAM
- "C" GEOLOGIC PROGNOSIS
- "D" DRILLING PROGRAM
- "E" DRILL PAD AND RIG LAYOUT (plats 1 and 2)
- "F" LOCATION SITE AND ELEVATION PLAT
- "G" EVIDENCE OF BOND COVERAGE

RECEIVED

JUN 19 1992

DIVISION OF
OIL, GAS & MINING



SELF CERTIFICATION: I hereby certify that I am authorized, by proper lease interest owner, to conduct these operations associated with the application. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Equitable Resources Energy Company as principal and Safeco Insurance Company of America as surety under BLM Bond No. MT 0576 (Nationwide Oil & Gas Bond #5547188) who will be responsible for compliance with all of the terms and conditions of that portion of the lease associated with this application.

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

24. SIGNED Bobbie Schuman TITLE Coordinator of Environmental and Regulatory Affairs DATE April 27, 1992

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE JUN 1 2 1992
 APPROVED BY Tim Chywell (ACTING) TITLE ASSISTANT DISTRICT MANAGER MINERALS DATE _____

CONDITIONS OF APPROVAL, IF ANY:

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

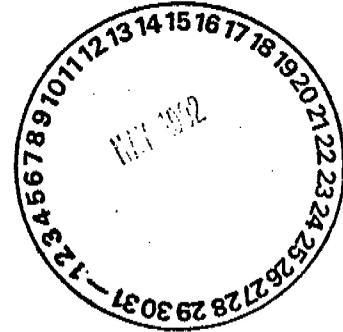
*See Instructions On Reverse Side



BALCRON OIL

A Division of
Equitable Resources Energy Company

P.O. Box 21017
1601 Lewis Avenue Building
Billings, Montana 59104
(406) 259-7860



May 11, 1992

-- VIA FEDERAL EXPRESS --

Bureau of Land Management
Vernal District Office
170 South 500 East
Vernal, UT 84078

Gentlemen:

The following is in response to your APD deficiency letter for the Balcron Coyote Federal #42-6 in Section 6, T8S, R25E, Lease #U-017439-B:

1. It is my understanding that no archeological report is necessary since archeological clearance has already been obtained for this area.
2. We intend to use a 2M BOP system. A BOP diagram is attached.
- 3/4 Surface casing will be 8-5/8", 24#, J-55, ST&C, 8rd, new. Production casing will be 5-1/3", 15.5#, J-55, ST&C, 8rd, new.
5. Cement on the longstring will be a two-stage cement job with DV tool at approximately 2,000'. First stage: 90 sacks Halliburton Hifill with 10#/sx gilsonite tailed with 180 sx 50/50 poz containing 0.3% CFR-3, 1/4#/sx flocele, 0.5% Halad-24, and 10% salt. Second stage: 110 sacks Halliburton Hifill with 10#/sx gilsonite. NOTE: True volumes will be determined from the caliper log.

Please let me know if there is additional information needed in order to process our APD.

Sincerely,

Bobbie Schuman

Bobbie Schuman
Coordinator of Operations,
Environmental and Regulatory Affairs

/rs
Attachment

EQUITABLE RESOURCES ENERGY COMPANY
Balcron Oil Division
Balcron Coyote Federal #42-6
SE NE Section 6-T8S-R25E
Uintah County, Utah

In accordance with requirements outlined in 43 CFR 3162-3.1 (d):

1. ESTIMATED IMPORTANT GEOLOGICAL MARKERS:

See Geologic Prognosis

2. ESTIMATED DEPTHS OF ANTICIPATED OIL, GAS OR WATER:

See Geologic Prognosis (see EXHIBIT "C")

3. OPERATOR'S MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

- a. Schematics of the BOP equipment and choke manifold will be provided as soon as a drilling contractor has been chosen. The BOPE will be installed after setting 8-5/8" casing at 260'. The blind rams and pipe rams will be tested to 1500 psi. The annular preventer will be tested to 500 psi. Pipe rams will be operationally checked each 24-hour period and blind rams each time pipe is pulled out of the hole.
- b. The BOPE layout will be provided as soon as a drilling contractor is chosen. The BOPE will be tested to 1500 psi when initially installed, whenever any seal subject to test pressure is broken, and following related repairs. The pipe and blind rams will be activated at least weekly and on every trip the pipe and blind rams will be activated.
- c. An accumulator of sufficient capacity to open the hydraulically-controlled choke valve lines (if so equipped), close all rams plus the annular preventer, and retain a minimum of 200 psi above precharge on the closing manifold without the use of the closing unit pumps will be installed during the drilling of this well.
- d. An upper kelly cock will be used during the drilling of this well.
- e. Visual mud monitoring equipment will be used to detect volume changes indicating loss or gain in circulating fluid volume.
- f. Sufficient quantities of mud materials will be maintained or readily accessible for the purpose of assuring well control.

4. PROPOSED CASING AND CEMENTING PROGRAM:

- a. Surface casing will be set in the Duchesne River formation to approximately 260' and cemented to surface.
- b. All potentially productive hydrocarbon zones will be isolated.
- c. Casing designs are based on factors of burst: 1.25, collapse: 1.125, and joint strength: 1.8.
- d. All casing strings will be pressure tested to 0.22 psi/ft. of casing string length or 1500 psi whichever is greater (not to exceed 70% of yield).
- e. For details of casing, cement program, drilling fluid program, and proposed mud program, see the following two attachments:

Drilling Program (EXHIBIT "D")
Geologic Prognosis (EXHIBIT "C")

5. HAZARDOUS PRESSURES, TEMPERATURES, FLUIDS/GASSES EXPECTED:

- a. Expected bottom hole temperature is 125 degrees F. Expected bottom hole pressure is 1500 psi.
- b. No abnormal pressures or temperatures have been noted or reported in wells drilled to the Green River formation in this area.
- c. No dangerous levels of hydrogen sulfide, hazardous fluids, or gasses have been found, reported, or known to exist at the depth to be drilled in this well, in this area.

6. ANTICIPATED STARTING DATE AND DURATION OF OPERATIONS:

- a. The drilling operations for this well will begin as soon as the BLM approves all requirements included in this APD.
- b. These drilling operations should be completed within 12 days after spudding the well depending on weather conditions.
- c. If the well is productive, a sundry notice and plat showing exact installed facilities will be submitted.
- d. If this well is non-productive, a sundry notice will be filed with the BLM District Office within 30 days following completion of the well for abandonment.

Multi-Point Surface Use and Operations Plan

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

- A. The proposed well site is staked and four reference stakes are present. 175' & 225' W and 200' & 250' N
- B. The Coyote Federal #42-6 is located approximately 35 miles Southeasterly from Vernal Utah, in the NW1/4 SE1/4 Section 5, T8S, R25E, SLB&M, Uintah County, Utah. To reach the 33-5, proceed East from Vernal, Utah along U.S. Highway 40 for 24 miles to the junction of this highway and Utah State highway 45; Proceed South along Utah State Highway 45 approximately 9.3 miles to the proposed access road sign. Follow flags 100' to location.
- C. Access roads - refer to Maps "A" and "B".
- D. Access roads within a one-mile radius - refer to Map "B".
- E. The existing 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 well location.

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

Approximately 100 feet of new road construction will be required for access to the proposed well location.

- A. Width - maximum 30-foot overall right-of-way with an 18-foot road running surface, crowned & ditched and/or sloped and dipped.
- B. Construction standard - the access road will be constructed so as to conform to the standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development. (1989)

The road will be constructed to meet the standards of the anticipated traffic flow and all-weather requirements. Construction will include ditching, draining, crowning, and capping or sloping and dipping 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 the thirty (30) foot right-of-way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossing 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 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 - 3%
 - D. Turnouts - no turnouts will be required.
 - E. Drainage design - the access road will be crowned and ditched or sloped and dipped, and water turnouts installed as necessary to provide for proper drainage along the access road route.
 - F. Culverts, cuts and fills - no culverts will be required. There are no major cuts and/or fills on/along the proposed access road route.
 - G. Surface materials - any construction materials which may be required for surfacing of the access road will be purchased from a local contractor having a permitted source of materials in the area, if required by the Authorized Officer, Bureau of Land Management. None anticipated at this time.
 - H. Gates, cattleguards or fence cuts - none required.
 - 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 "B"

- A. Water wells - none known.
- B. Abandoned wells - see Map "B"
- C. Temporarily abandoned wells - none known.
- D. Disposal wells - none known.
- E. Drilling wells - none known.
- F. Producing wells - see Map "B".
- G. Shut-in wells - none known.
- H. Injection wells - none known.
- I. Monitoring wells - none known.

4. Location of Existing and/or Proposed Facilities Owned by Equitable Resources Energy Company Within a One-Mile Radius:

A. Existing

- 1. Tank batteries - see Map #B.
- 2. Production facilities - see Map #B.
- 3. Oil gathering lines - none.
- 4. Gas gathering lines - see Map #B.

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 backslope or toe of the fill slope.
- 2. The production facilities will consist primarily of a pumping unit, Two tanks and an emergency pit. 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. The standard Antelope stipulation which states that construction, drilling, and other development activity will not be allowed from May 15 to June 20 was waived at the onsite inspection by the Bookcliff Resource Area wildlife biologist.
5. All permanent (onsite for six months or longer) above the ground structures constructed or installed including pumping units) will be painted a flat, nonreflective, 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 Tan or Desert Tan.

- C. The production (emergency) pit will be 12'x12' and will be fenced. Said fence will be maintained in good condition.
- 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 operation will accomplished by grading, leveling and seeding as recommended by the Bureau of Land Management.

For Pipeline:

- F. Any proposed pipelines will be submitted to the authorized offices Via Sundry Notice for approval of subsequent operations.
 - G. Equitable Resources Energy Company shall be responsible for road maintenance from the beginning to completion of operations.
5. Location and Type of Water Supply
 - A. Water to be used for the drilling of these wells will be hauled by truck over the roads described in item #1 and item #2 from the White River. Permit by Dalbo for this water is pending.

- B. No water well will be drilled on this location.

6. Source of Construction Materials

- A. No construction materials are needed for drilling operations. In the event of production, the small amount of gravel needed for facilities will be hauled in by truck from a local gravel pit over existing access roads to the area. No special access other than for drilling operations and pipeline construction is needed.
- B. All access roads crossing Federal land are described under item #2, and shown on Map #A.

All construction material for these location sites and access roads shall be borrowed material accumulated during the construction of the location sites and access roads. No additional construction material from other sources is anticipated at this time, if in the future it is required the appropriate actions will be taken to acquire it from private sources.

- C. All surface disturbance area is on B.L.M. lands.
- D. There are no trees on this location or along the proposed access road.

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 Equitable Resources Energy Company.

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.

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 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. Plat #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 six (6) inches of topsoil will be stripped from the location (including areas of cut, fill, and/or subsoil storage) and stockpiled for future reclamation of the well site. The topsoil will be windrowed along the doghouse side of location. Refer to Figure #1 for the location of the topsoil and subsoil stockpiles.

- B. Plat #2 is a diagram showing the rig layout. No permanent living facilities are planned. There will be two or three trailers on location during drilling operations.
- 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.
- D. The reserve pit and the blooie pit will be constructed as a combination pit capable of holding 12,000 bbls. of fluid. This size of pit will be approximately equivalent to four times the T.D. hole volume. The blooie pit might be used for testing, but only after the drilling is completed and the drilling equipment and personnel are off the well site location.

The reserve pit will not be lined unless requested by the B.L.M. or unless it is deemed necessary by Equitable Resources. If a plastic-nylon reinforced liner is used, it will be torn and perforated after the pit dries and before backfilling of the reserve pit.

- E. Prior to the commencement of drilling operations, the reserve pit will be fenced on three (3) sides using 39-inch net wire with one strand of barbed wire on top of the net wire. The net wire will be no more than two inches above the ground. the barbed wire will be three inches above the net wire. total height of the fence will be at least 42-inches.
 - 1. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
 - 2. Standard steel, wood, or pipe posts shall be used between the corner braces. The maximum distance between any two (2) posts shall be no greater than sixteen (16) feet.
 - 3. All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.

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

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

10. Plans for Reclamation of the Surface:

The B.L.M. 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. If a plastic or nylon reinforced pit liner is used, it shall be torn and perforated before backfilling of the reserve pit.
4. Before any dirt work to restore the location takes place, the reserve pit will be completely dry and all cans, barrels, pipe, etc. will be removed.

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

5. The reserve pit and that portion of the location and access road not needed for production facilities/operations will be reclaimed within ninety (90) days from the date of well completion, weather permitting.
6. If the well is a producer, Equitable Resources Energy Company will, upgrade and maintain access roads as necessary to prevent soil erosion, and accommodate year round traffic. Reshape areas unnecessary to operations, distribute topsoil, disk and seed all disturbed areas outside the work area according to the recommended seed mixture. Perennial vegetation must be established. Additional work shall be required in case of seeding failures, etc.

If the well is abandoned/dry hole, Equitable Resources Energy Company will, restore the access road and location to approximately the original contours. During reclamation of the site, push the fill material into cuts and up over the backslope. Leave no depressions that will trap water or form ponds. Distribute topsoil evenly over the location, and seed according to the above seed mixture. The access road and location shall be ripped or disked prior to seeding. Perennial vegetation must be established. Additional work shall be required in case of seeding failures, etc.

Seedbed will be prepared by disking, then roller packing following the natural contours. Seed will be drilled on contours at a depth no greater than one-half inch (1/2"). In areas that cannot be drilled, seed will be broadcast at double the seeding rate and harrowed into soil. Certified seed will be used whenever available.

Fall seeding will be completed after September 1 and prior to prolonged ground frost. Spring seeding, to be effective, will be completed after the frost has left the ground and prior to May 15th.

7. Upon completion of backfilling, leveling and recontouring, the stockpiled topsoil will be evenly spread over the reclaimed area(s). Prior to reseeding, all disturbed surfaces will be scarified and left with a rough surface. No depressions will be left that would trap water and form ponds. All disturbed surfaces will be reseeded with a seed mixture to be recommended by the Bureau of Land Management.

Seed will be drilled on the contour to a approximate depth of one-half (1/2) inch. All seeding will be conducted after September 1 and prior to ground frost. Spring seeding will be done after the frost leaves the ground and no later than May 15. If the seeding is unsuccessful, Equitable Resources may be required to make subsequent seedings.

B. Dry Hole/Abandoned Location

1. On lands administered by the Bureau of Land Management, 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,

(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 Bureau of Land Management at the time of abandonment.

2. All disturbed surfaces will be recontoured to the approximate natural contours and reseeded according to BLM specifications. Reclamation of the well pad and access road will be performed as soon as practical after final abandonment and reseeded operations will be performed in the fall or spring following completion of reclamation operations.

11. Surface Ownership:

The well site and proposed access road are situated on surface lands administered by

Bureau of Land Management
Vernal District Office
Vernal, Utah

12. Other Information:

- A. Topographic and geologic features of the area (reference Topographic Map #A) are:

The proposed drill site is located in the Coyote Basin oil field, which lies in a large basin formed by the Uinta Mountains to the North and the Bookcliff Mountains to the South. The site is located approximately 16 miles North of the White River, which is the major drainage for this area, and approximately 9 miles north of Bonanza Utah, the closest occupied dwellings to this area.

This basin floor is interlaced with numerous canyons and ridges formed by the non-perennial streams of the area. The sides of these canyons are steep and ledges formed in sandstone, conglomerate deposits and shale are common in this area.

The geologic structures that are visible in the area are of the Uinta formation (Eocene Epoch) tertiary period and the cobblestone and younger alluvial deposits from the Quaternary period.

The soils in the semi-arid area of the Williams Fork Formation (Upper Cretaceous) and Wasatch Formation (Eocene) consist of light brownish gray clay (OL) to sand soil (SM-ML) type with poorly graded gravels.

Outcrops of sandstone ledges, conglomerate deposits and shale are common in this area.

The topsoils in the area range from a sandy clay (SM-ML) type soil to a clayey (OL) soil.

The majority of the numerous washes and draws in the area are of a non-perennial nature flowing during the early spring run-off and heavy rain storms of long duration which are rare as the normal annual rainfall in the area is only 8".

The flora of the area includes pinon and juniper trees, sagebrush, mountain mahogany, serviceberry, rabbit brush, greasewood, four-wing saltbush, Gambel scrub oak, willow, tamarack, shadscale, Spanish bayonet, indian rice grass, cheatgrass, wheatgrass, curly grass, crested wheatgrass, sweet clover, gum weed, foxtail, mustard, Canadian thistle, Russian thistle, Kochia, sunflowers and cacti.

The fauna of the area includes cattle, horses, elk, deer, coyotes, rabbits, rodents, lizards, bull snakes, rattle snakes, water snakes and horned toads. Birds of the area are ground sparrows, bluejays, bluebirds, magpies, ravens, raptors, morning doves, swallows, nighthawks, hummingbirds, and chukar.

- B. The surface ownership is Federal. The surface use is grazing and petroleum production.
- C.
 1. The closest live water is the White River which is approximately 16 miles South of the proposed site.
 2. There are no occupied dwellings in the immediate area
 3. An archaeological report will be forwarded upon completion, unless this requirement is waived by the Bookcliff Resource Area archaeologist.
 4. There are no reported restrictions or reservations noted on the oil and gas lease.

13. OPERATOR'S REPRESENTATIVES:

Balcron Oil, a division of Equitable Resources Energy Company
1601 Lewis Avenue
P.O. Box 21017
Billings, Montana 59104
(8:00 a.m. to 5:00 p.m.)
(406) 259-7860
FAX: (406) 245-1361

Dave McCoskery, Drilling Engineer
Home: (406) 248-3864

Steve Durrett, Engineering Manager
Home: (406) 652-9208

14: 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.

A complete copy of the approved Application for Permit to Drill will be onsite during all construction and drilling operations.

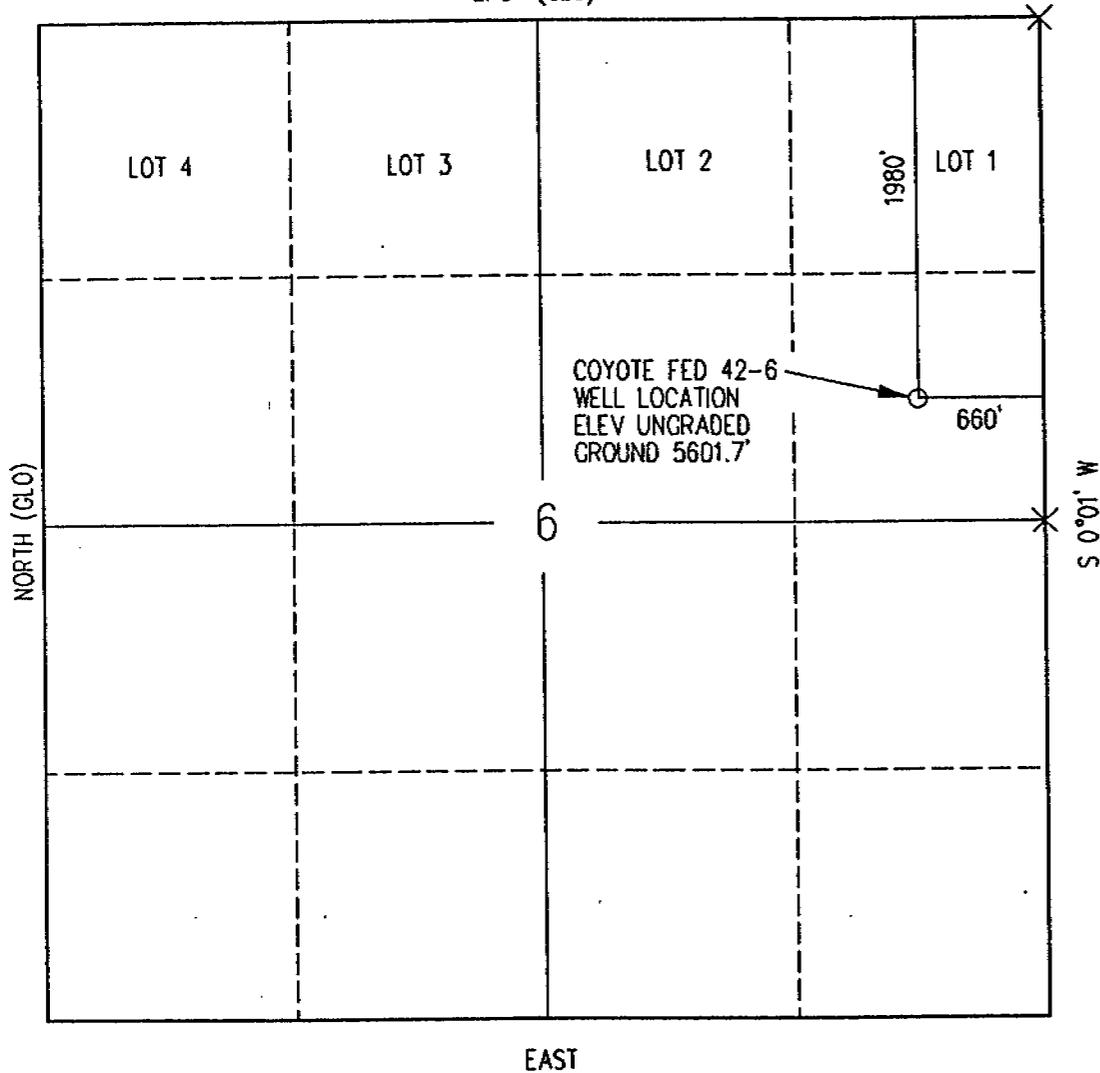
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that any statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Balcron Oil, a division of Equitable Resources Energy Company, and 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.

April 27, 1992
Date

Bobbie Schuman
Bobbie Schuman
Coordinator of Environmental
and Regulatory Affairs

T8S, R25E, S.L.B. & M.

EAST (GLO)



COYOTE FED 42-6
WELL LOCATION
ELEV UNGRADED
GROUND 5601.7'

660'

1980'

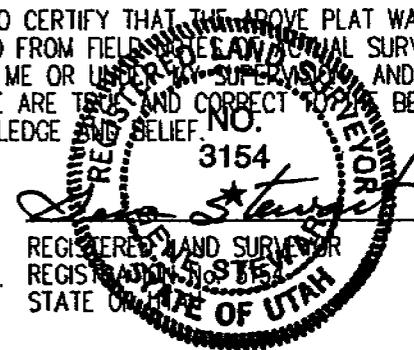
S 0°01' W

EQUITABLE RESOURCES ENERGY CO.

WELL LOCATION, COYOTE FED. 42-6,
LOCATED AS SHOWN IN THE SE 1/4 NE 1/4
OF SECTION 6, T8S, R25E, S.L.B. & M,
UNITA COUNTY UTAH.



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

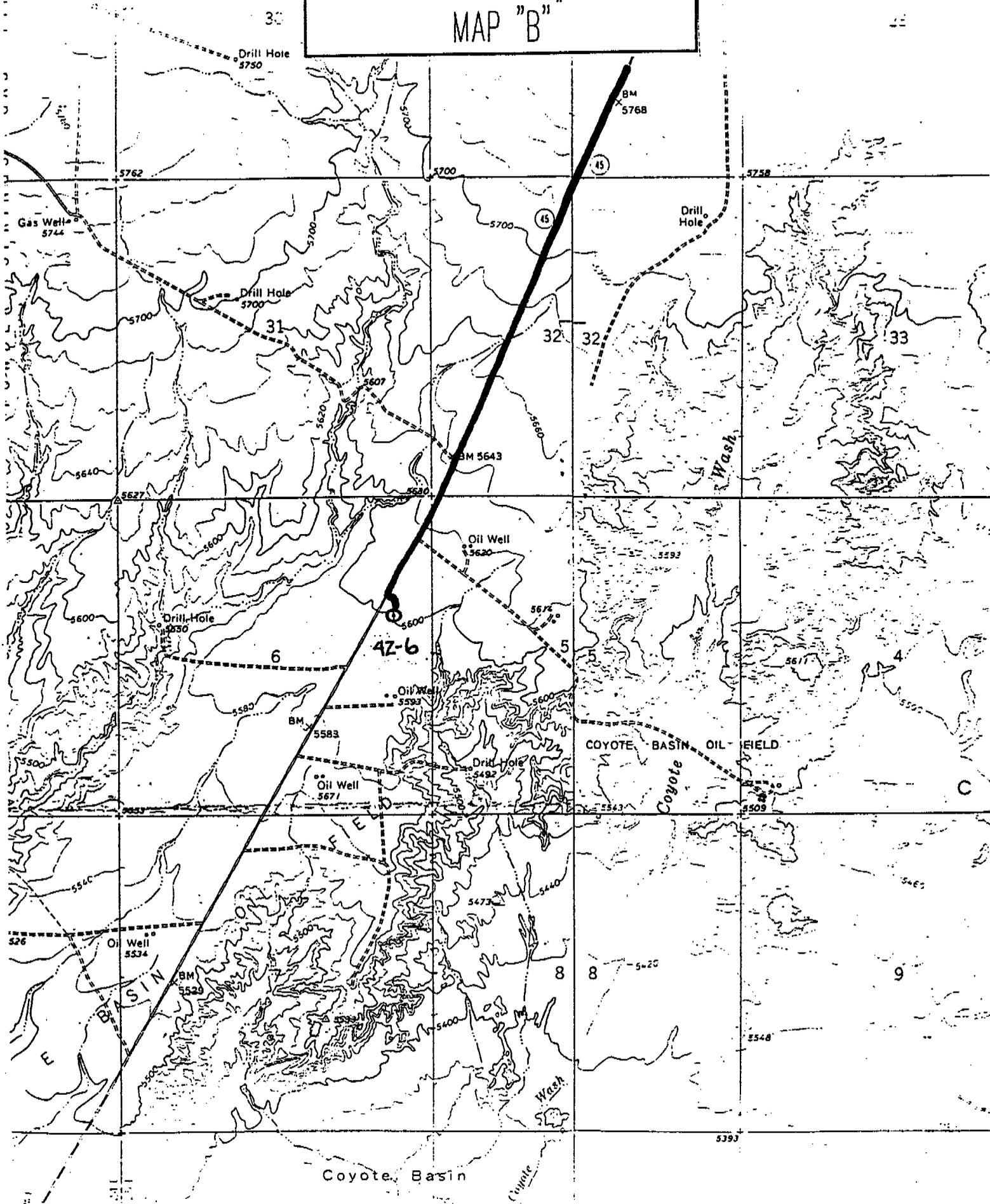


TRI STATE LAND SURVEYING & CONSULTING
38 EAST 100 NORTH, VERNAL, UTAH 84078
(801) 781-2501

| | |
|-------------------|-------------------------|
| SCALE: 1" = 1000' | SURVEYED BY: SS KH |
| DATE: 2/25/92 | WEATHER: CLEAR & COOL |
| NOTES: | FILE # COYOTE FED #42-6 |

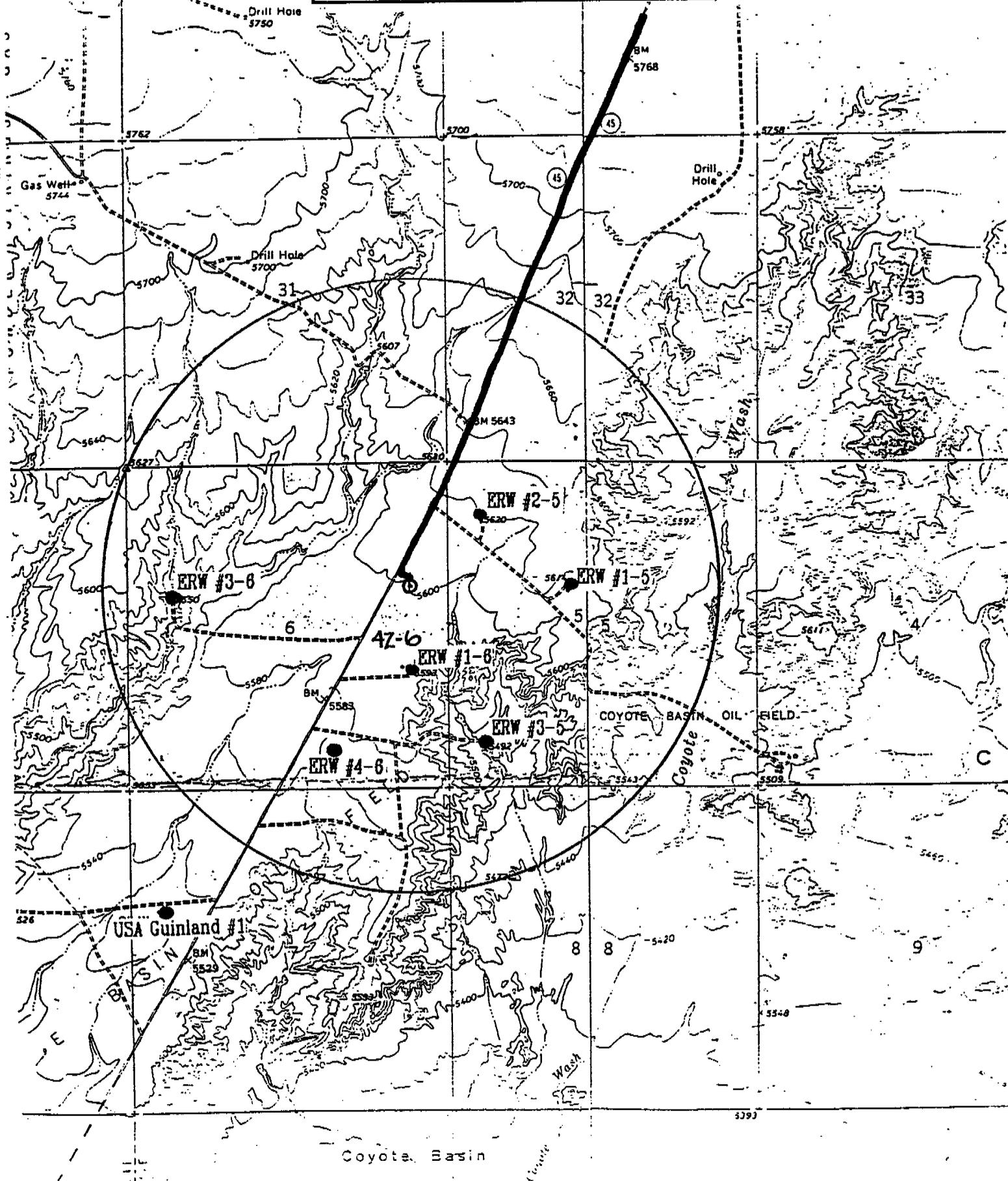
X = SECTION CORNERS LOCATED
BASIS OF BEARINGS; G.L.O. PLAT 1911
BASIS OF ELEV; U.S.G.S. 7-1/2 min QUAD (DINOSAUR NORTHWEST)

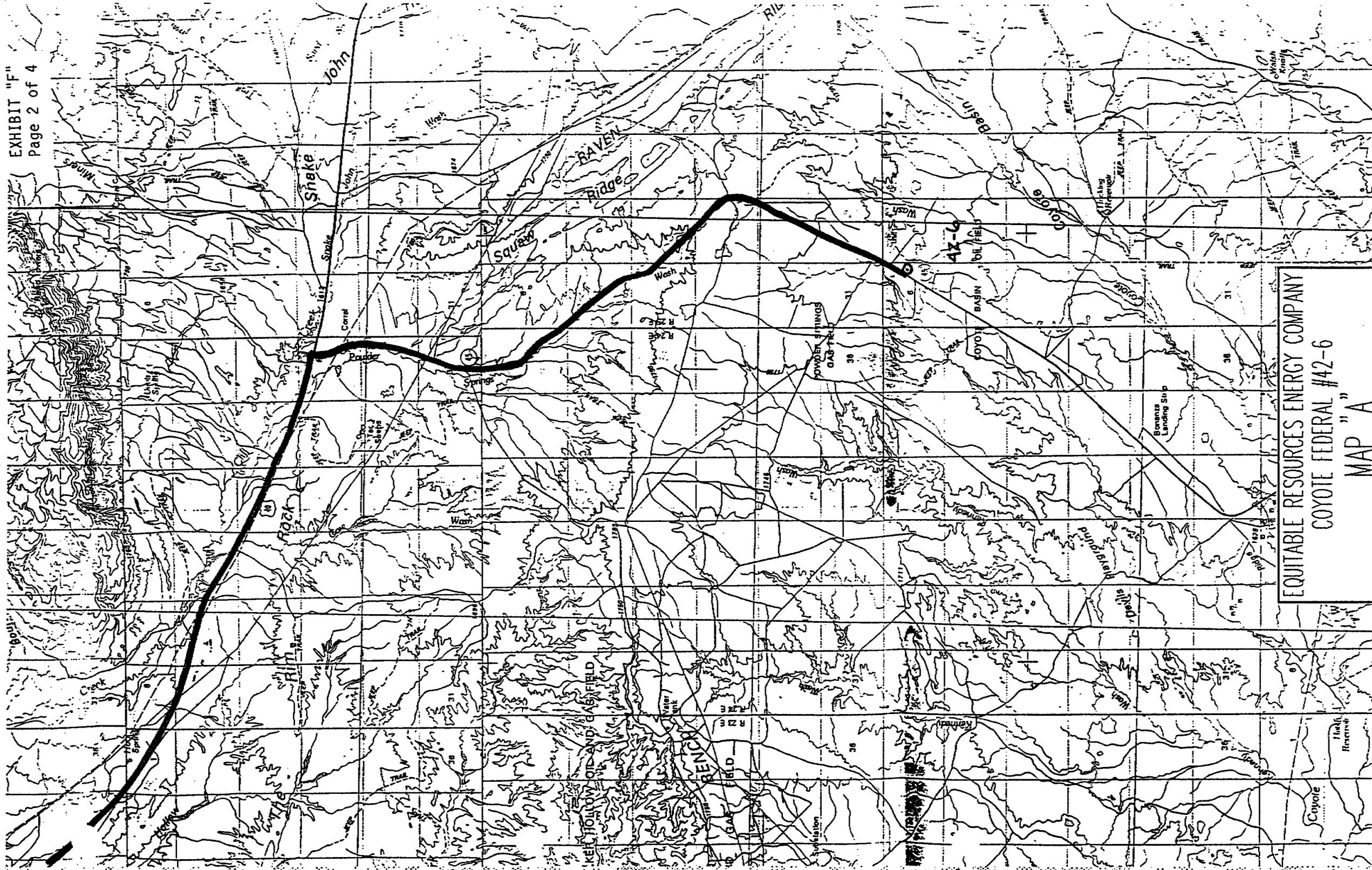
EQUITABLE RESOURCES ENERGY COMPANY
COYOTE FEDERAL #42-6
MAP "B"



EQUITABLE RESOURCES ENERGY COMPANY
COYOTE FEDERAL #42-6
MAP "C"

EXHIBIT "F"
Page 4 of 4





EQUITABLE RESOURCES ENERGY COMPANY
COYOTE FEDERAL #42-6
MAP "A"

Geologic Prognosis

EXPLORATORY DEVELOPMENT X

WELL NAME: Federal #42-6 PROSPECT/FIELD: Coyote Basin
LOCATION: 1980' FNL, 660' FEL SECTION 6 TOWNSHIP 8S RANGE 25E
UNTY: Uintah STATE: UT GL (Ung) 5600' EST KB 5612' TOTAL DEPTH 4692'

FORM. TOPS:

Table with columns: Formation, Prognosis Depth, Prognosis Datum, Sample Top Depth, Sample Top Datum, Cntl Wl. Datum, and repeated for a second set of columns.

CONTROL WELL: Federal 2-5 Qtr/Qtr NW/NW Section 5 Township 8S Range 25E

SAMPLES:

samples, to
samples, to
samples, to
samples, to
samples, to
samples, to

LOGS:

DIL-SFL from Surf. to T.D.
LDT-CNL from Surf. to T.D.
from to
from to
from to
from to
from to
from to

Send Samples To:

CORES:

None

DRILL STEM TESTS:

None

MUD LOGGER/HOT WIRE:

Required: (Yes/No) Yes
Type: 1 man

WELLSITE GEOLOGIST:

From 3000' to T.D.
Name: Tele. #: ()
Address:

COMMENTS:

Blank lines for comments.

PREPARED BY: Steve W. VanDelinder DATE: 4-23-92

**BALCRON OIL
DRILLING PROGRAM**

WELL NAME: Balcron Coyote Fed.42-6 PROSPECT/FIELD: Coyote Basin
 LOCATION: SE NE 6-T88-R25E
 COUNTY: Uintah STATE: Utah

TOTAL DEPTH: 4690

HOLE SIZE INTERVAL

| | |
|---------|------------------|
| 12 1/4" | 0 to 260' |
| 7 7/8" | 260 to 4690 (TD) |

| CASING | INTERVAL | | CASING | | |
|-------------|----------|------|--------|--------|-------|
| | FROM | TO | SIZE | WEIGHT | GRADE |
| STRING TYPE | | | | | |
| Surface | 0 | 260 | 8 5/8" | 24 | J-55 |
| Production | 0 | 4690 | 5 1/2" | 15.50 | J-55 |

CEMENT PROGRAM

| | |
|------------|---|
| Surface | 250 sacks Class "G" with 3% CaCl. (Note: Volumes are 100% excess.) |
| Production | Two stage cement job with top of second stage cement at 1000'. |

**PRELIMINARY
DRILLING FLUID PROGRAM**

| TYPE | FROM | TO | WEIGHT | PLAS. VIS | YIELD POINT |
|----------------------|------|------|---------|--------------|----------------|
| Fresh Gel/Native mud | 0 | 260 | 8.5 | NA | NA |
| KCL/GEL AND LCM | 0 | 4690 | 8.7-9.0 | 10-12 | 12-14 |

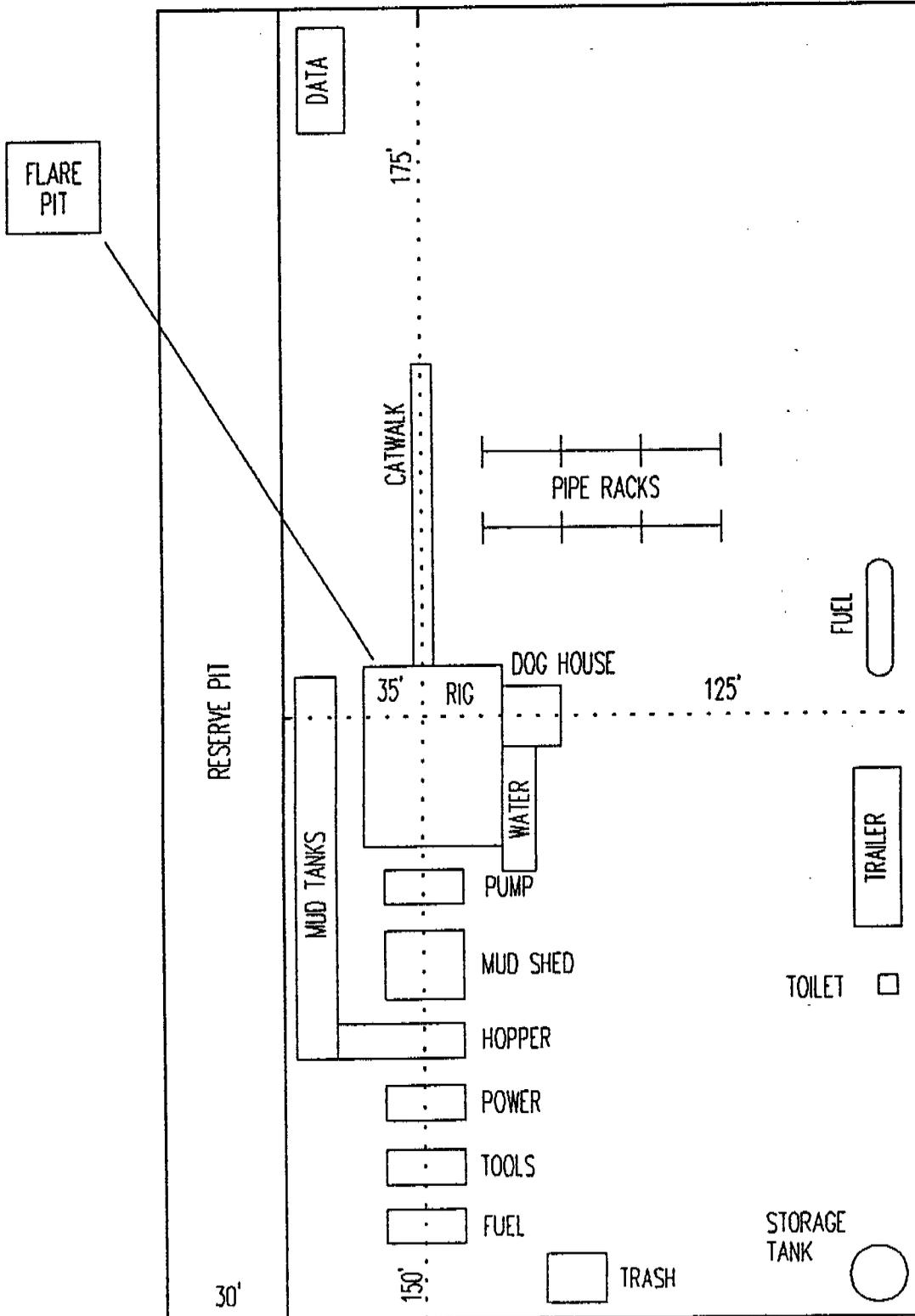
COMMENTS

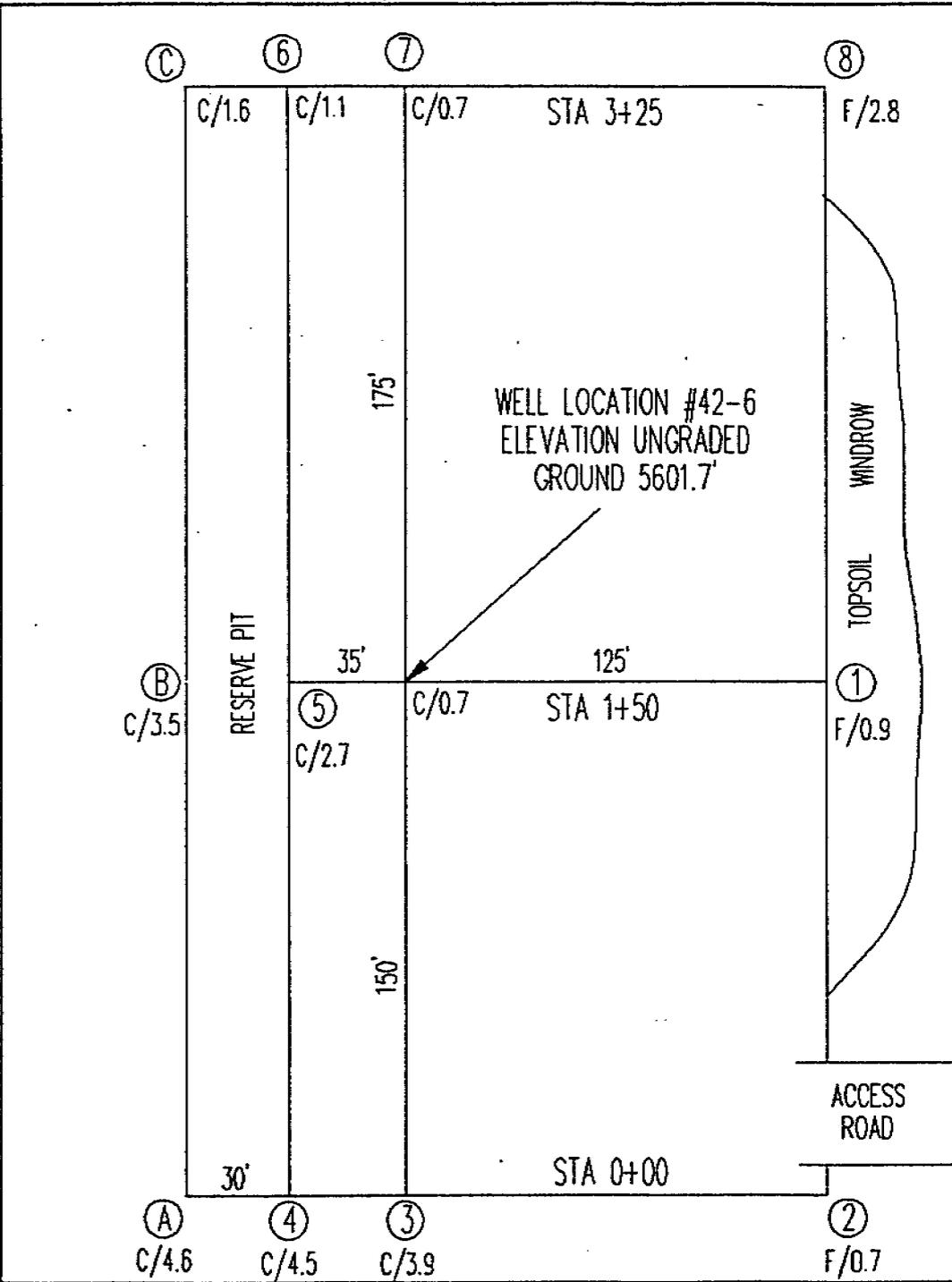
1.) No cores or DSTs are planned for this well.

4/2/92
DMM

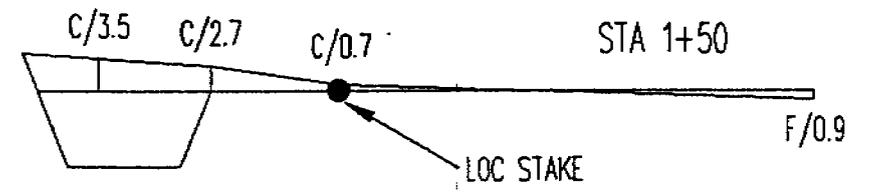
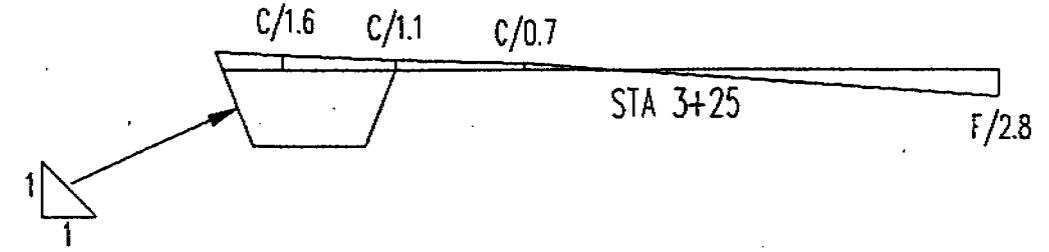
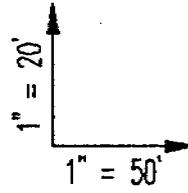
COYOTE FED. UNIT #42-6

PLAT #2 (RIG LAYOUT)
SCALE 1" = 40'





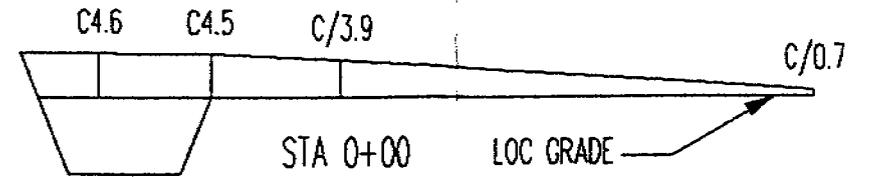
EQUITABLE RESOURCES ENERGY COMPANY



APPROXIMATE YARDAGE

CUT = 2312 - 1168 AFTER TOPSOIL
 FILL = 1053.2
 PIT = 3659 (BELOW GRADE)
 TOPSOIL
 6" = 1144

EXCESS
 115 YARDS





United States Department of the Interior



BUREAU OF LAND MANAGEMENT
MONTANA STATE OFFICE
222 NORTH 32ND STREET
P.O. BOX 36800
BILLINGS, MONTANA 59107-6800

IN REPLY TO:

MTM 12619-A et al
BLM BOND NO. MT0576
(922.31)

April 25, 1989

NOTICE

Equitable Resources Energy Company
P. O. Box 21017
Billings, Montana 59104

OIL AND GAS

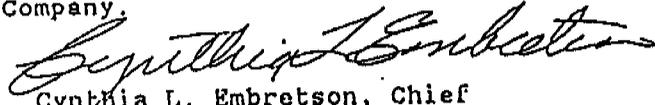
CORPORATE MERGER RECOGNIZED RIDER TO NATIONWIDE BOND ACCEPTED

Acceptable evidence has been filed in this office concerning the merger of Balcron Oil Company into Equitable Resources Energy Company, the surviving corporation. Information provided shows that Balcron Oil Company merged into Equitable Resources Energy Company, changing the former entity's name to Balcron Oil, a Division of Equitable Resources Energy Company. Please note that Divisions cannot hold leases, therefore, after consultation with Balcron Oil, this office is recognizing only the merger action.

A rider was filed on April 20, 1989, to be made a part of \$150,000 Nationwide Oil and Gas Bond No. 5547188 (BLM Bond No. MT0576) with Balcron Oil Company as principal and Safeco Insurance Company of America as surety. By means of this rider, the surety consents to changing the name on the bond from Balcron Oil Company to Equitable Resources Energy Company. The rider is accepted effective April 20, 1989.

For our purposes, the merger is recognized effective April 20, 1989.

The oil and gas lease files and communitization agreement files identified on the enclosed Exhibit A have been noted as to the merger. Other lease interests will be transferred by assignments from Ballard & Cronoble to Equitable Resources Energy Company.


Cynthia L. Embretson, Chief
Fluids Adjudication Section

1 Enclosure
1-Exhibit A

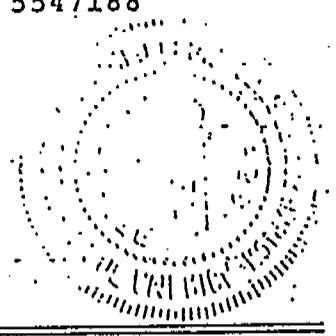
cc: (w/encl.)
AFS, Denver (1)
All DMs (1 ea.)
RMO Section (1)
Regional Forester, Lakewood (2)
Regional Forester, Missoula (2)
Bureau of Reclamation (1)

Form 3104-8
(July 1984)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

STATE, NATIONWIDE, OR NATIONAL PETROLEUM RESERVE
IN ALASKA OIL AND GAS BOND

Act of February 25, 1920 (30 U.S.C. Sec. 181)
Act of August 7, 1947 (30 U.S.C. Sec. 351)
Department of the Interior Appropriations Act, Fiscal Year 1981 (P.L. 96-514)
Other Oil and Gas Leasing Authorities as Applicable



KNOW ALL MEN BY THESE PRESENTS, That we
BALCRON OIL COMPANY
of 1601 Lewis Avenue, Billings, MT 59104

as principal, and
SAFECO INSURANCE COMPANY OF AMERICA
of 111 Presidential Blvd., Suite 231, Bala Cynwyd, PA 19004

as surety, are held and firmly bound unto the United States of America in the sum of ONE HUNDRED FIFTY THOUSAND AND 00/100----- dollars (\$ 150,000.00), in lawful money of the United States, which sum may be increased or decreased by a rider hereto executed in the same manner as this bond, for the use and benefit of (1) the United States; (2) the owner of any of the land subject to the coverage of this bond, who has a statutory right to compensation in connection with a reservation of the oil and gas deposits to the United States; and (3) any lessee or permittee under a lease or permit issued by the United States prior to the issuance of an oil and gas lease for the same land subject to this bond, covering the use of the surface or the prospecting for, or development of, other mineral deposits in any portion of such land, to be paid to the United States. For such payment, well and truly to be made, we bind ourselves, and each of our heirs, executors, administrators, and successors, jointly and severally.

- The coverage of this bond shall extend to all of the principal's holdings of federal oil and gas leases in the United States, including Alaska, issued or acquired under the Acts cited in Schedule A.
- The coverage of this bond extends only to the principal's holdings of federal oil and gas leases issued or acquired under the Acts cited and in the States named in Schedule A and to any other State or States that may be named in a rider attached hereto by the lessor with the consent of the surety.
- The coverage of this bond extends only to the principal's holdings of federal oil and gas leases within the National Petroleum Reserve in Alaska.

SCHEDULE A

Mineral Leasing Act of February 25, 1920 (30 U.S.C. Sec. 181), Acquired Lands Leasing Act of August 7, 1947 (30 U.S.C. Sec. 351), and other oil and gas leasing authorities as applicable.

NAMES OF STATES

ALL STATES

The conditions of the foregoing obligations are such that, whereas the said principal has an interest in oil and gas leases issued under the Acts cited in this bond: (1) as lessee; (2) as the approved holder of operating rights in all or part of the lands covered by such leases under operating agreements with the lessees; or (3) as designated operator or agent under such leases pending approval of an assignment or operating agreement; and

tract, remove, and dispose of oil and gas deposits in or under the lands covered by the leases, operating agreements or designations and is obligated to comply with certain covenants and agreements set forth in such instruments; and

WHEREAS the principal is authorized to drill for, mine, ex-

WHEREAS the principal and surety agree that without notice to the surety the coverage of this bond, in addition to the present holdings of the principal, shall extend to and include:



SURETY RIDER

SAFECO INSURANCE COMPANY OF AMERICA
GENERAL INSURANCE COMPANY OF AMERICA
FIRST NATIONAL INSURANCE COMPANY
OF AMERICA
HOME OFFICE: SAFECO PLAZA
SEATTLE, WASHINGTON 98185

To be attached to and form a part of

Type of Bond: Nationwide Oil and Gas Lease Bond

Bond No. 5547188 (BLM Bond No. MT0576)

dated effective 9/8/88
(MONTH, DAY, YEAR)

executed by BALCRON OIL COMPANY, as Principal,
(PRINCIPAL)

and by SAFECO INSURANCE COMPANY OF AMERICA, as Surety,
(SURETY)

in favor of UNITED STATES DEPARTMENT OF THE INTERIOR, BUREAU OF LAND
(OBLIGEE) MANAGEMENT

In consideration of the mutual agreements herein contained the Principal and the Surety hereby consent to changing

The name of the Principal

From: BALCRON OIL COMPANY

To: EQUITABLE RESOURCES ENERGY COMPANY

Nothing herein contained shall vary, alter or extend any provision or condition of this bond except as herein expressly stated.

This rider is effective 1/1/89
(MONTH, DAY, YEAR)

Signed and Sealed 4/10/89
(MONTH, DAY, YEAR)

EQUITABLE RESOURCES ENERGY COMPANY
PRINCIPAL

By: _____ TITLE

SAFECO INSURANCE COMPANY OF AMERICA
SURETY

By: R. George Voinchet ATTORNEY-IN-FACT



SAFECO

POWER OF ATTORNEY

SAFECO INSURANCE COMPANY OF AMERICA
GENERAL INSURANCE COMPANY OF AMERICA
HOME OFFICE: SAFECO PLAZA
SEATTLE, WASHINGTON 98185

EXHIBIT "G"

3798 Page 4 of 4

No. _____

KNOW ALL BY THESE PRESENTS:

That SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA, each a Washington corporation, does each hereby appoint

-----THOMAS L. VEHAR; R. GEORGE VOINCHET, Pittsburgh, Pennsylvania-----

its true and lawful attorney(s)-in-fact, with full authority to execute on its behalf fidelity and surety bonds or undertakings and other documents of a similar character issued in the course of its business, and to bind the respective company thereby.

IN WITNESS WHEREOF, SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA have each executed and attested these presents

this 4th day of September, 19 87.

CERTIFICATE

Extract from the By-Laws of SAFECO INSURANCE COMPANY OF AMERICA
and of GENERAL INSURANCE COMPANY OF AMERICA:

"Article V, Section 13. — FIDELITY AND SURETY BONDS . . . the President, any Vice President, the Secretary, and any Assistant Vice President appointed for that purpose by the officer in charge of surety operations, shall each have authority to appoint individuals as attorneys-in-fact or under other appropriate titles with authority to execute on behalf of the company fidelity and surety bonds and other documents of similar character issued by the company in the course of its business . . . On any instrument making or evidencing such appointment, the signatures may be affixed by facsimile. On any instrument conferring such authority or on any bond or undertaking of the company, the seal, or a facsimile thereof, may be impressed or affixed or in any other manner reproduced; provided, however, that the seal shall not be necessary to the validity of any such instrument or undertaking."

Extract from a Resolution of the Board of Directors of SAFECO INSURANCE COMPANY OF AMERICA
and of GENERAL INSURANCE COMPANY OF AMERICA adopted July 28, 1970.

"On any certificate executed by the Secretary or an assistant secretary of the Company setting out,
(i) The provisions of Article V, Section 13 of the By-Laws, and
(ii) A copy of the power-of-attorney appointment, executed pursuant thereto, and
(iii) Certifying that said power-of-attorney appointment is in full force and effect,
the signature of the certifying officer may be by facsimile, and the seal of the Company may be a facsimile thereof."

I, Boh A. Dickey, Secretary of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA, do hereby certify that the foregoing extracts of the By-Laws and of a Resolution of the Board of Directors of these corporations, and of a Power of Attorney issued pursuant thereto, are true and correct, and that both the By-Laws, the Resolution and the Power of Attorney are still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the facsimile seal of said corporation

this 10th day of April, 19 89.



BALCRON OIL

A Division of
Equitable Resources Energy Company

P.O. Box 21017
1601 Lewis Avenue Building
Billings, Montana 59104
(406) 259-7860

RECEIVED

JUN 19 1992

DIVISION OF
OIL GAS & MINING

June 18, 1992

-- VIA FEDERAL EXPRESS --

State of Utah
Division of Oil, Gas & Mining
355 West North Temple
Salt Lake City, UT 84180

Gentlemen:

Enclosed for your files are copies of the approved
Federal Applications for Permit to Drill the following
wells in Uintah County, Utah:

Balcron Coyote Federal #21-5
NE NW Section 5, T8S, R25E

Balcron Coyote Federal #42-6
SE NE Section 6, T8S, R25E

43-097-32258

Balcron Coyote Federal #12-5
SW NW Section 5, T8S, R25E

If you have any questions or need further information,
please let me know.

Sincerely,

Bobbie Schuman
Coordinator of Operations,
Environmental and Regulatory Affairs

/rs

Enclosures



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal District Office
170 South 500 East
Vernal, Utah 84078

Phone (801) 789-1362

FAX (801) 789-3634

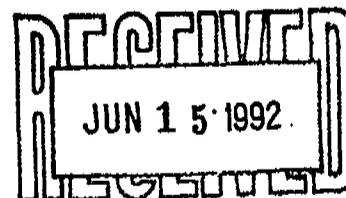
IN REPLY REFER TO:

3160
UT08438

JUN 12 1992

Certified Mail
Return Receipt Requested
P 125 313 152

Equitable Resources Energy Company
P.O. Box 21017
Billings, MT 59104



Re: Well No. 42-6
Section 6, T8S, R25E
Lease No. U-017439-B
Uintah County, Utah

Gentlemen:

Enclosed are two approved copies of the Application for Permit to Drill (APD) for the above referenced well.

Service of this letter shall be deemed to occur when received, or seven (7) business days after the date this letter is mailed, whichever is earlier.

A section governing appeals of decisions and approvals relating to proposed operations was added to 43 CFR Part 3160 by an interim final rule. The effective dates are March 13, 1992, through December 31, 1992. Now, under 43 CFR 3165.4(c), the decision to approve an APD is in full force and effect when an appeal is filed, unless the appellant shows sufficient justification to the Interior Board of Land Appeals (IBLA) that a stay is necessary.

If you have any questions concerning APD processing, please contact Pat Sutton of this office at (801) 789-1362.

Sincerely,

 (ACTING)

Howard B. Cleavinger II
Assistant District Manager for Minerals

Enclosure



United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Vernal District Office
170 South 500 East
Vernal, Utah 84078

IN REPLY REFER TO:

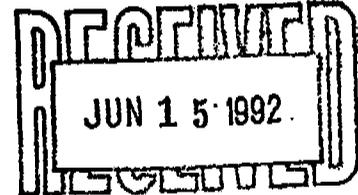
Phone (801) 789-1362

JUN 12 1992

FAX (801) 789-3634

3162.8
UT08438

Equitable Resources Energy Company
Attn: Bobbie Schuman
1601 Lewis Avenue Building
Billings, MT 59104



Re: Confidential Status
Well No. Balcon Coyote Federal 42-6
SENE, Sec. 6, T8S, R25E
Lease No. U-017439-B
Uintah County, Utah

Dear Ms. Schuman:

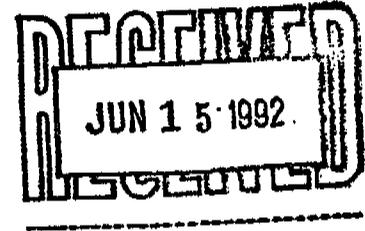
As you requested, all information for the referenced well will be held confidential. In accordance with 43 CFR 3162.8 of the Code of Federal Regulations, confidential status will be maintained for a period of 12 months, ending June 11, 1993. Upon expiration of the 12-month period, Equitable Resources Energy Company can request that the data be held confidential for an additional 12-month period.

If you have any other questions concerning this matter, please contact Ed Forsman of this office at (801) 789-1362.

Sincerely,

Howard B. Cleavinger II
Assistant District Manager for Minerals

CONDITIONS OF APPROVAL FOR THE
APPLICATION FOR PERMIT TO DRILL



Company/Operator: Equitable Resources

Well Name & Number: Coyote Federal 42-6

Lease Number: U-017439-B

Location: SENE Sec. 6 T.8 S. R.25 E.

Surface Ownership: BLM

NOTIFICATION REQUIREMENTS

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

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

12. Other Additional Information

- a. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the operator as to:

-whether the materials appear eligible for the National Register of Historic Places;

-the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and

-a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

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

- b. The operator will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- c. Drilling rigs and/or equipment used during drilling operations on this wellsite will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Company Equitable Resources Energy Company Well No. Coyote Federal 42-6

Location SENE Section 6, T8S, R25E Lease No. U - 017439 - B

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Orders, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

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

A. DRILLING PROGRAM

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

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

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

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

The Vernal District Office shall be notified, at least 24 hours prior to initiating the pressure tests, in order to have a BLM representative on location during pressure testing.

3. Casing Program and Auxiliary Equipment

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

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 ft. above the top of the Mahogany oil shale, identified at \pm 2,800 ft. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

The Vernal District Office shall be notified at least 24 hours prior to the running and cementing of all casing strings, in order to have a BLM representative on location while running and cementing all casing strings.

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 AO. 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 AO.

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

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

The Vernal District Office shall be notified, during regular work hours (7:45 a.m.-4:30 p.m., Monday through Friday except holidays), at least 24 hours prior to spudding the well.

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

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

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

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.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) days following the date on which the well is placed on production.

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

A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3, and 3162.7-4 shall be submitted to the appropriate District Office within thirty (30) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

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 onlease or off-lease will have prior written approval from the AO.

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

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

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

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

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

Ed Forsman (801) 789-7077
Petroleum Engineer

BLM FAX Machine (801) 789-3634

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

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

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spend 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.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

NAME OF COMPANY: BALCRON 43-047-32258

WELL NAME: BALCRON COYOTE 42-6

Section 6 Township 8S Range 25E County UINTAH

Drilling Contractor ELLENBURG

Rig # 14

SPUDDED: Date 8/3/92

Time 8:00 PM

How ROTARY

CONFIDENTIAL

Drilling will commence 8/3/92

Reported by BOBBIE SHUMAN

Telephone # 1-406-259-7860

Date 8/4/92 SIGNED RJF



BALCRON OIL

A Division of
Equitable Resources Energy Company

P.O. Box 21017
1601 Lewis Avenue Building
Billings, Montana 59104
(406) 259-7860

August 4, 1992

State of Utah
Division of Oil, Gas & Mining
355 West North Temple
Salt Lake City, UT 84180

Gentlemen:

RE: Balcron Coyote Federal #42-6
SE NE Section 6, T8S, R35E ~~25E~~ 25E
Uintah County, Utah

Enclosed is our Entity Action Form (form 6) reporting the
spud date of the referenced well.

Sincerely,

Bobbie Schuman
Coordinator of Operations,
Environmental and Regulatory Affairs

/rs

Enclosure

RECEIVED

AUG 06 1992

DIVISION OF
OIL GAS & MINING

OPERATOR BALCRON OIL

OPERATOR ACCT. NO. H 9890

ADDRESS P.O. Box 21017

Billings, MT 59104

| ACTION CODE | CURRENT ENTITY NO. | NEW ENTITY NO. | API NUMBER | WELL NAME | WELL LOCATION | | | | | SPUD DATE | EFFECTIVE DATE |
|-------------|--------------------|----------------|--------------|------------------------------|---------------|----|----|------------|--------|-----------|----------------|
| | | | | | QQ | SC | TP | RG | COUNTY | | |
| A | 99999 | 11386 | 43-047-32258 | Balcron Coyote Federal #42-6 | SE NE | 6 | 8S | 35E 25E | Uintah | 8/3/92 | 8/3/92 |

CELL 1 COMMENTS:

Spud of new well.

Entity added 8-11-92. see

CELL 2 COMMENTS:

CELL 3 COMMENTS:

CELL 4 COMMENTS:

CELL 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.

(/89)

RECEIVED

AUG 06 1992

DIVISION OF
OIL, GAS & MINING

Bobbie Schuman

Signature
Coordinator of Environmental
and Regulatory Affairs

Date

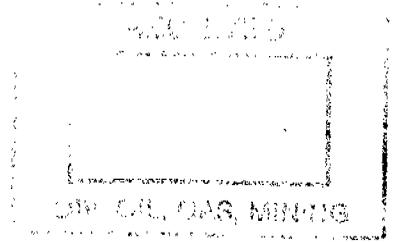
Phone No. (406) 259-7860



BALCRON OIL

A Division of
Equitable Resources Energy Company

P.O. Box 21017
1601 Lewis Avenue Building
Billings, Montana 59104
(406) 259-7860



August 5, 1992

State of Utah
Division of Oil, Gas, & Mining
355 West North Temple
Salt Lake City, UT 84180

Gentlemen:

RE: Balcron Coyote Basin #42-6
SE NE Section 6, T8S, R25E
Uintah County, Utah

Enclosed is our sundry report giving notice of spud and running casing on the referenced well. Verbal notifications were given to the Bureau of Land Management and the State of Utah August 4, 1992.

Sincerely,

Molly M. Conrad
Operations Secretary

/mc

Enclosure

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

| | | | |
|--|---|---|-------------------|
| SUNDRY NOTICES AND REPORTS ON WELLS <small>(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)</small> | | 5. LEASE DESIGNATION & SERIAL NO. Fed. #U-017439-B | |
| | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME n/a | |
| 1. OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> | | 7. UNIT AGREEMENT NAME n/a | |
| 2. NAME OF OPERATOR BALCRON OIL | | 8. FARM OR LEASE NAME Balcron Coyote Basin | |
| 3. ADDRESS OF OPERATOR P.O. Box 21017; Billings, MT 59104 | | 9. WELL NO. #42-6 | |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 1980' FNL, 660' FEL At proposed prod. zone | | 10. FIELD AND POOL, OR WILDCAT Coyote Basin/Green River | |
| | | 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SE NE Sec. 6, T8S, R25E | |
| 14. API NO. 43-047-32258 | 15. ELEVATIONS (Show whether DF, RT, GR, etc.) 5,601.7' GL | 12. COUNTY Uintah | 13. STATE UTAH |

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

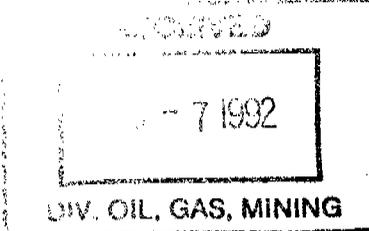
| NOTICE OF INTENTION TO: | SUBSEQUENT REPORT OF: |
|--|--|
| TEST WATER SHUT-OFF <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> SHOOT OR ACIDIZE <input type="checkbox"/> REPAIR WELL <input type="checkbox"/> (Other) <input type="checkbox"/> | WATER SHUT-OFF <input type="checkbox"/> FRACTURE TREATMENT <input type="checkbox"/> SHOOTING OR ACIDIZING <input type="checkbox"/> (Other) <u>spud & running casing</u> <input checked="" type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETE <input type="checkbox"/> ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> | REPAIRING WELL <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> ABANDONMENT* <input type="checkbox"/> |
| APPROX. DATE WORK WILL START _____ | DATE OF COMPLETION _____ |

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

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

* Must be accompanied by a cement verification report.

Well was spud at 8 p.m. 8/3/92. Ran 8-5/8" 24# J-55 casing (262'). Casing was landed at 262' KB.



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

SIGNED Bobbie Schuman TITLE Coordinator of Environmental and Regulatory Affairs DATE August 4, 1992

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY: _____

DAILY OPERATING REPORTBALCRON COYOTE #42-6

Location: SE NE Section 6, T8S, R25E
 Uintah County, Utah

---TIGHT HOLE---

- 8-9-92 TD: 338' (0') Day 6
 Formation: Green River
 MW 8.5 VIS 38 pH 10.1 WL 16.4
 Present Operation: Fishing
 Spun around fish. Work pipe. Circ N₂ to surface & blue hole. Work pipe. Circ out N₂. Run free point. Stuck @ IBS. Back off 2 collars above IBS (fish = bit, bit sub, 2 - 6" DC, IBS, 2 - 6" DC = 139') TOH. PU bumper sub & jars w/1 DC below & 8 DC above jars. TIH - jar & bump on fish for 4-1/2 hrs. Can't circ through fish. TOH to PU more DC.
 DC: \$1,818 CC: \$56,202
- 8-10-92 TD: 2,338' (0') Day 7
 Formation: Green River
 MW 8.5 VIS 35 pH 9.8 WL 20
 Present Operation: Setting plugs.
 Jarred down on fish for 3-1/2 hrs. Jarred up on fish 6-1/2 hrs - no movement. Backed off 2 collars above IBS, TOH, TIH open ended. Set plug from 2000' to 1800' - WO cmt to tag plug.
 DC: \$30,493 CC: \$86,695
- 8-11-92 TD: 1,798' (78') Day 8
 Formation: Green River
 MW 8.4 VIS 44 pH 12.8
 Present Operation: Drilling Cmt.
 Set 118 sxs Class "G" w/2% CaCl from 2000' to 1720' WOC 3 hrs, tagged plug. WOC PU BHA, TIH, and drill. BHA: Bit #3, Bit Sub, X-0, 1 jt 4-1/2" Drill Pipe, 3 6" DC.
 DC: \$8,451 CC: \$95,146
- 8-12-92 TD: 1,798' (0') Day 9
 Formation: Green River
 Present Operation: Preparing to skid rig. P&A well. Drilled to 2000' w/milltoothed bit & 1 jt DP. Could not get kicked off. P&A'd well. Plug #1 - 120 sxs Class "G" w/2% CaCl from 2000'-1800'. Plug #2 - 45 sxs Class "G" w/2% CaCl from 310'-210'. Tagged plug @ 213'. Plug #3 - 50 sx Class "G" w/2% CaCl from 60' to surface. Rig released @ 8 a.m. Moving (skidding) rig 30' west from present location.
 DC: \$8,586 CC: \$103,732
- FINAL REPORT

DAILY OPERATING REPORTBALCRON COYOTE #42-6

42-047-32258

Location: SE NE Section 6, T8S, R25E

Uintah County, Utah

660' FEL 1980' FNL

PTD: 4,450' Formation: Wasatch Tongue of Green River
Green River Prospect

Contractor: Elenburg rig #14

Operator: Balcron/EREC

Spud: 8-3-92 @ 8 p.m.

Casing: 8-5/8" @ 262'

8-4-92 TD: 265' (265') Day 1

Formation: Uinta

Present Operation: Cementing

Spudded 12-1/4" hole @ 8:00 p.m. 8-3-92. Drill to 265',
TOH. Ran 262' 8-5/8", 24#, J-55 w/shoe, insert float &
4 centralizers.

DC: \$12,245

CC: \$12,245

DAILY OPERATING REPORT

BALCRON COYOTE #42-6

43-047 32258

Location: SE NE Section 6, T8S, R25E
 Uintah County, Utah

660' FEL 1980' FNL

PTD: 4,450' Formation: Wasatch Tongue of Green River
 Green River Prospect

Contractor: Elenburg rig #14

Operator: Balcron/EREC

Spud: 8-3-92 @ 8 p.m.

Casing: 8-5/8" @ 262'

- 8-4-92 TD: 265' (265') Day 1
 Formation: Uinta
 Present Operation: Cementing
 Spudded 12-1/4" hole @ 8:00 p.m. 8-3-92. Drill to 265',
 TOH. Ran 262' 8-5/8", 24#, J-55 w/shoe, insert float &
 4 centralizers.
 DC: \$12,245 CC: \$12,245

- 8-5-92 TD: 857' (592') Day 2
 Formation: Uinta
 MW 8.3 VIS 27 pH 7.8
 Present Operation: Drilling
 Cmt'd 8-5/8" csg w/190 sxs Class "G" w/2% CaCl & 1/4#
 celloflakes -good returns.. Cmt to surface - tested
 BOP's & choke manifold & csg to 1500 psi.
 DC: \$11,929 CC: \$24,174

- 8-6-92 TD: 2,048' (1,456') Day 3
 Formation: Green River
 MW 8.3 VIS 27 pH 11.2
 Present Operation: Drilling
 Lost returns (800 bbls) @ 1985'.
 DC: \$18,578 CC: \$42,752

- 8-7-92 TD: 2,338' (290') Day 4
 MW 8.4 Vis 33 pH 9.2 WL 19.2
 Present Operation: Working stuck pipe.
 Lost circ @ 2338', mixed LCM.
 DC: \$8,283 CC: \$51,035

| | | |
|--|----------------------------------|--------------|
| Post-It™ brand fax transmittal memo 7671 | | # of pages ▶ |
| To <i>State of Utah</i> | From <i>Molly Conrad</i> | |
| Co. | Co. <i>Balcron Oil</i> | |
| Dept. | Phone # <i>(406) 259-7860</i> | |
| Fax # <i>(801) 359-3940</i> | Fax # <i>(406) 245-1361</i> | |

DAILY OPERATING REPORTBALCRON COYOTE #42-6

Location: SE NE Section 6, T8S, R25E

Uintah County, Utah

660' FEL 1980' FNL

PTD: 4,450' Formation: Wasatch Tongue of Green River
Green River Prospect

Contractor: Elenburg rig #14

Operator: Balcron/EREC

Spud: 8-3-92 @ 8 p.m.

Casing: 8-5/8" @ 262'

- 8-4-92 TD: 265' (265') Day 1
Formation: Uinta
Present Operation: Cementing
Spudded 12-1/4" hole @ 8:00 p.m. 8-3-92. Drill to 265',
TOH. Ran 262' 8-5/8", 24#, J-55 w/shoe, insert float &
4 centralizers.
DC: \$12,245 CC: \$12,245
- 8-5-92 TD: 857' (592') Day 2
Formation: Uinta
MW 8.3 VIS 27 pH 7.8
Present Operation: Drilling
Cmt'd 8-5/8" csg w/190 sxs Class "G" w/2% CaCl & 1/4#
celloflakes -good returns.. Cmt to surface - tested
BOP's & choke manifold & csg to 1500 psi.
DC: \$11,929 CC: \$24,174
- 8-6-92 TD: 2,048' (1,456') Day 3
Formation: Green River
MW 8.3 VIS 27 pH 11.2
Present Operation: Drilling
Lost returns (800 bbls) @ 1985'.
DC: \$18,578 CC: \$42,752

| Post-It™ brand fax transmittal memo 7671 | | # of pages * |
|--|----------------|----------------|
| To | State of Utah | From |
| Co. | | Molly Conrad |
| Dept. | | Balcron Oil |
| Fax # | (801) 359-3940 | Phone # |
| | | (206) 259-7800 |
| | | Fax # |
| | | (406) 245-1361 |

DAILY OPERATING REPORT

BALCRON COYOTE #42-6

42-047-22258

Location: SE NE Section 6, T88, R25E

Uintah County, Utah

660' FEL 1980' FNL

PTD: 4,450' Formation: Wasatch Tongue of Green River

Green River Prospect

Contractor: Elenburg rig #14

Operator: Balcron/EREC

Spud: 8-3-92 @ 8 p.m.

Casing: 8-5/8" @ 262'

8-92 TD: 265' (265') Day 1
 Formation: Uinta
 Present Operation: Cementing
 Spudded 12-1/4" hole @ 8:00 p.m. 8-3-92. Drill to 265',
 TOH. Ran 262' 8-5/8", 24#, J-55 w/shoe, insert float &
 4 centralizers.
 DC: \$12,245 CC: \$12,245

TD: 857' (592') Day 2
 Formation: Uinta
 MW 8.3 VIS 27 pH 7.8
 Present Operation: Drilling
 Cmt'd 8-5/8" csg w/190 sxs Class "G" w/2% CaCl & 1/4#
 celloflakes -good returns.. Cmt to surface - tested
 BOP's & choke manifold & csg to 1500 psi.
 DC: \$11,929 CC: \$24,174

| | | |
|--|----------------|----------------|
| Post-It™ brand fax transmittal memo 7671 | | # of pages ▶ |
| To | State of Utah | From |
| Co. | | Molly Conrad |
| Dept. | | Balcron Oil |
| Fax # | (801) 359-3940 | Phone # |
| | | (400) 245-7800 |
| | | (400) 245-1361 |

DAILY OPERATING REPORTBALCRON COYOTE #42-6

42-047-22258

Location: SE NE Section 6, T8S, R25E

---TIGHT HOLE---

Uintah County, Utah

660' FEL 1980' FNL

PTD: 4,450' Formation: Wasatch Tongue of Green River

Green River Prospect

Contractor: Elenburg rig #14

Operator: Balcron/EREC

Spud: 8-3-92 @ 8 p.m.

Casing: 8-5/8" @ 262'

- 8-4-92 TD: 265' (265') Day 1
Formation: Uinta
Present Operation: Cementing
Spudded 12-1/4" hole @ 8:00 p.m. 8-3-92. Drill to 265',
TOH. Ran 262' 8-5/8", 24#, J-55 w/shoe, insert float &
4 centralizers.
DC: \$12,245 CC: \$12,245
- 8-5-92 TD: 857' (592') Day 2
Formation: Uinta
MW 8.3 VIS 27 pH 7.8
Present Operation: Drilling
Cmt'd 8-5/8" csg w/190 sxs Class "G" w/2% CaCl & 1/4#
celloflakes -good returns.. Cmt to surface - tested
BOP's & choke manifold & csg to 1500 psi.
DC: \$11,929 CC: \$24,174
- 8-6-92 TD: 2,048' (1,456') Day 3
Formation: Green River
MW 8.3 VIS 27 pH 11.2
Present Operation: Drilling
Lost returns (800 bbls) @ 1985'.
DC: \$18,578 CC: \$42,752
- 8-7-92 TD: 2,338' (290') Day 4
MW 8.4 Vis 33 pH 9.2 WL 19.2
Present Operation: Working stuck pipe.
Lost circ @ 2338', mixed LCM.
DC: \$8,283 CC: \$51,035
- 8-8-92 TD: 2,338' (0') Day 5
Formation: Green River
MW 8.4 VIS 37 pH 9 WL 3
Present Operation: Work stuck pipe.
Spotted diesel & pipe lax, pump 1-4 BPH. Work pipe -
circ out diesel after 17 hrs. Circ & condition mud.
DC: \$3,349 CC: \$54,384

DAILY OPERATING REPORTBALCRON COYOTE #42-6

42-047-22258

Location: SE NE Section 6, T8S, R25E

Uintah County, Utah

---TIGHT HOLE---

- 8-8-92 TD: 2,338' (0') Day 5
Formation: Green River
MW 8.4 VIS 37 pH 9 WL 3
Present Operation: Work stuck pipe.
Spotted diesel & pipe lax, pump 1-4 BPH. Work pipe -
circ out diesel after 17 hrs. Circ & condition mud.
DC: \$3,349 CC: \$54,384
- 8-9-92 TD: 2,338' (0') Day 6
Formation: Green River
MW 8.5 VIS 38 pH 10.1 WL 16.4
Present Operation: Fishing
Spot N₂ around fish. Work pipe. Circ N₂ to surface &
blow hole. Work pipe. Circ out N₂. Run free point.
Stuck @ IBS. Back off 2 collars above IBS (fish = bit,
bit sub, 2 - 6" DC, IBS, 2 - 6" DC = 139') TOH. PU
bumper sub & jars w/1 DC below & 8 DC above jars. TIH -
jar & bump on fish for 4-1/2 hrs. Can't circ through
fish. TOH to PU more DC.
DC: \$1,818 CC: \$56,202
- 8-10-92 TD: 2,338' (0') Day 7
Formation: Green River
MW 8.5 VIS 35 pH 9.8 WL 20
Present Operation: Setting plugs.
Jarred down on fish for 3-1/2 hrs. Jarred up on fish 6-
1/2 hrs - no movement. Backed off 2 collars above IBS,
TOH, TIH open ended. Set plug from 2000' to 1800' - WO
cmt to tag plug.
DC: \$30,493 CC: \$86,695

| | | |
|--|------------------------|--------------|
| Post-It™ brand fax transmittal memo 7671 | | # of pages > |
| To: State of Utah | From: Molly Conrad | |
| Co. | Co. Balcron Oil | |
| Dept. | Phone # (406) 259-7860 | |
| Fax # (801) 359-3990 | Fax # (406) 245-1361 | |

DAILY OPERATING REPORTBALCRON COYOTE #42-6

42-047-22258

Location: SE NE Section 6, T8S, R25E
 Uintah County, Utah

---TIGHT HOLE---

660' FEL 1980' FNL

PTD: 4,450' Formation: Wasatch Tongue of Green River
 Green River Prospect

Contractor: Elenburg rig #14

Operator: Balcron/EREC

Spud: 8-3-92 @ 8 p.m.

Casing: 8-5/8" @ 262'

- 8-4-92 TD: 265' (265') Day 1
 Formation: Uinta
 Present Operation: Cementing
 Spudded 12-1/4" hole @ 8:00 p.m. 8-3-92. Drill to 265',
 TOH. Ran 262' 8-5/8", 24#, J-55 w/shoe, insert float &
 4 centralizers.
 DC: \$12,245 CC: \$12,245
- 8-5-92 TD: 857' (592') Day 2
 Formation: Uinta
 MW 8.3 VIS 27 pH 7.8
 Present Operation: Drilling
 Cmt'd 8-5/8" csg w/190 sxs Class "G" w/2% CaCl & 1/4#
 celloflakes -good returns.. Cmt to surface - tested
 BOP's & choke manifold & csg to 1500 psi.
 DC: \$11,929 CC: \$24,174
- 8-6-92 TD: 2,048' (1,456') Day 3
 Formation: Green River
 MW 8.3 VIS 27 pH 11.2
 Present Operation: Drilling
 Lost returns (800 bbls) @ 1985'.
 DC: \$18,578 CC: \$42,752
- 8-7-92 TD: 2,338' (290') Day 4
 MW 8.4 Vis 33 pH 9.2 WL 19.2
 Present Operation: Working stuck pipe.
 Lost circ @ 2338', mixed LCM.
 DC: \$8,283 CC: \$51,035
- 8-8-92 TD: 2,338' (0') Day 5
 Formation: Green River
 MW 8.4 VIS 37 pH 9 WL 3
 Present Operation: Work stuck pipe.
 Spotted diesel & pipe lax, pump 1-4 BPH. Work pipe -
 circ out diesel after 17 hrs. Circ & condition mud.
 DC: \$3,349 CC: \$54,384

DAILY OPERATING REPORTBALCRON COYOTE #42-6

Location: SE NE Section 6, T88, R25E
 Uintah County, Utah

---TIGHT HOLE---

- 8-9-92 TD: 2,338' (0') Day 6
 Formation: Green River
 MW 8.5 VIS 38 pH 10.1 WL 16.4
 Present Operation: Fishing
 Spot N₂ around fish. Work pipe. Circ N₂ to surface & blow hole. Work pipe. Circ out N₂. Run free point. Stuck @ IBS. Back off 2 collars above IBS (fish = bit, bit sub, 2 - 6" DC, IBS, 2 - 6" DC = 139') TOH. PU bumper sub & jars w/1 DC below & 8 DC above jars. TIH - jar & bump on fish for 4-1/2 hrs. Can't circ through fish. TOH to PU more DC.
 DC: \$1,818 CC: \$56,202
- 8-10-92 TD: 2,338' (0') Day 7
 Formation: Green River
 MW 8.5 VIS 35 pH 9.8 WL 20
 Present Operation: Setting plugs.
 Jarred down on fish for 3-1/2 hrs. Jarred up on fish 6-1/2 hrs - no movement. BAKed off 2 collars above IBS, TOH, TIH open ended. Set plug from 2000' to 1800' - WO cmt to tag plug.
 DC: \$30,493 CC: \$86,695
- 8-11-92 TD: 1,798' (78') Day 8
 Formation: Green River
 MW 8.4 VIS 44 pH 12.8
 Present Operation: Drilling Cmt.
 Set 118 sxs Class "G" w/2% CaCl from 2000' to 1720' WOC 3 hrs, tagged plug. WOC PU BHA, TIH, and drill. BHA: Bit #3, Bit Sub, X-O, 1 jt 4-1/2" Drill Pipe, 3 6" DC.
 DC: \$8,451 CC: \$95,146
- 8-12-92 TD: 1,798' (0') Day 9
 Formation: Green River
 Present Operation: Preparing to skid rig. P&A well. Drilled to 2000' w/milltoothed bit & 1 jt DP. Could not get kicked off. P&A'd well. Plug #1 - 120 sxs Class "G" w/2% CaCl from 2000'-1800'. Plug #2 - 45 sxs Class "G" w/2% CaCl from 310'-210'. Tagged plug @ 213'. Plug #3 - 50 sx Class "G" w/2% CaCl from 60' to surface. Rig released @ 8 a.m. Moving (skidding) rig 30' west from present location.
 DC: \$8,586 CC: \$103,732
- FINAL REPORT

DAILY OPERATING REPORT

BALCRON COYOTE #42-6

43-047 22258

Location: SE NE Section 6, T8S, R25E
Uintah County, Utah

660' FEL 1980' FNL

PTD: 4,450' Formation: Wasatch Tongue of Green River
Green River Prospect

Contractor: Elenburg rig #14

Operator: Balcron/EREC

Spud: 8-3-92 @ 8 p.m.

Casing: 8-5/8" @ 262'

8-4-92 TD: 265' (265') Day 1
Formation: Uinta
Present Operation: Cementing
Spudded 12-1/4" hole @ 8:00 p.m. 8-3-92. Drill to 265',
TOH. Ran 262' 8-5/8", 24#, J-55 w/shoe, insert float &
4 centralizers.
DC: \$12,245 CC: \$12,245

8-5-92 TD: 857' (592') Day 2
Formation: Uinta
MW 8.3 VIS 27 pH 7.8
Present Operation: Drilling
Cmt'd 8-5/8" csg w/190 sxs Class "G" w/2% CaCl & 1/4#
celloflakes -good returns.. Cmt to surface - tested
BOP's & choke manifold & csg to 1500 psi.
DC: \$11,929 CC: \$24,174

8-6-92 TD: 2,048' (1,456') Day 3
Formation: Green River
MW 8.3 VIS 27 pH 11.2
Present Operation: Drilling
Lost returns (800 bbls) @ 1985'.
DC: \$18,578 CC: \$42,752

8-7-92 TD: 2,338' (290') Day 4
MW 8.4 Vis 33 pH 9.2 WL 19.2
Present Operation: Working stuck pipe.
Lost circ @ 2338', mixed LCM.
DC: \$8,283 CC: \$51,035

| | | |
|--|------------------------|----------------------|
| Post-It™ brand fax transmittal memo 7671 | | # of pages ▶ |
| To | State of Utah | |
| From | Molly Conrad | |
| Co. | Balcron Oil | |
| Dept. | Phone # (406) 259-7800 | |
| Fax # | (801) 359-3940 | Fax # (406) 245-1361 |

DAILY OPERATING REPORTBALCRON COYOTE #42-6

42-047-32258

Location: SE NE Section 6, T8S, R25E

Uintah County, Utah

660' FEL 1980' FNL

PTD: 4,450' Formation: Wasatch Tongue of Green River

Green River Prospect

Contractor: Elenburg rig #14

Operator: Balcron/EREC

Spud: 8-3-92 @ 8 p.m.

Casing: 8-5/8" @ 262'

8-4-92 TD: 265' (265') Day 1

Formation: Uinta

Present Operation: Cementing

Spudded 12-1/4" hole @ 8:00 p.m. 8-3-92. Drill to 265',

TOH. Ran 262' 8-5/8", 24#, J-55 w/shoe, insert float &
4 centralizers.

DC: \$12,245

CC: \$12,245

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

| | | |
|---|--|---|
| <p>SUNDRY NOTICES AND REPORTS ON WELLS (Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)</p> | | <p>3. LEASE DESIGNATION & SERIAL NO. Fed. #U-017439-B</p> |
| <p>1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER plugged and abandoned</p> | | <p>6. IF INDIAN ALLOTTEE OR TRIBE NAME n/a</p> |
| <p>2. NAME OF OPERATOR BALCRON OIL</p> | | <p>7. UNIT AGREEMENT NAME n/a</p> |
| <p>3. ADDRESS OF OPERATOR P.O. Box 21017; Billings, MT 59104</p> | | <p>8. FARM OR LEASE NAME Balcron Coyote Basin FEDERAL</p> |
| <p>4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 1980' FNL, 660' FEL At proposed prod. zone</p> | | <p>9. WELL NO. #42-6</p> |
| <p>14. API NO. 43-047-32258</p> | | <p>10. FIELD AND POOL, OR WILDCAT Coyote Basin/Green River</p> |
| <p>15. ELEVATIONS (Show whether DF, RT, GR, etc.) 5,601.7' GL</p> | | <p>11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SE NE Sec. 6, T8S, R25E</p> |
| <p>12. COUNTY Uintah</p> | | <p>13. STATE UTAH</p> |

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

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

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

* Must be accompanied by a cement verification report.

This well was plugged as follows:

| Plug # | # sx | Depth |
|--------|----------|---------------|
| 1 | 120 sx G | 2,000'-1,800' |
| 2 | 45 sx G | 310'- 210' |
| 3 | 50 sx G | 60'- surface |

Well was drilled to 2,338' at which point we lost a fish in the hole. Set plug 2,000'-1,720'. Backed off and tried to sidetrack hole. Could not get kicked off. Plug as above. Received verbal orders from Ed Forsman of the Vernal BLM. Rig was released at 8 a.m. 8/12/92. Skid rig to drill the Balcron Coyote Federal #42-6X.

** Use as WCR*

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

SIGNED Bobbie Schuman TITLE Coordinator of Environmental and Regulatory Affairs DATE August 13, 1992

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

| | | |
|---|--|---|
| <p>SUNDRY NOTICES AND REPORTS ON WELLS (Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)</p> | | <p>3. LEASE DESIGNATION & SERIAL NO. Fed. #U-017439-B</p> |
| <p>1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER plugged and abandoned</p> | | <p>6. IF INDIAN, ALLOTTEE OR TRIBE NAME n/a</p> |
| <p>2. NAME OF OPERATOR BALCRON OIL</p> | | <p>7. UNIT AGREEMENT NAME n/a</p> |
| <p>3. ADDRESS OF OPERATOR P.O. Box 21017; Billings, MT 59104</p> | | <p>8. FARM OR LEASE NAME Balcron Coyote Basin ^{FEDERAL}</p> |
| <p>4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 1980' FNL, 660' FEL At proposed prod. zone</p> | | <p>9. WELL NO. #42-6</p> |
| <p>14. API NO. 43-047-32258</p> | | <p>10. FIELD AND POOL, OR WILDCAT Coyote Basin/Green River</p> |
| <p>15. ELEVATIONS (Show whether DF, RT, GR, etc.) 5,601.7' GL</p> | | <p>11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SE NE Sec. 6, T8S, R25E</p> |
| <p>12. COUNTY Uintah</p> | | <p>13. STATE UTAH</p> |

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

| NOTICE OF INTENTION TO: | SUBSEQUENT REPORT OF: |
|---|---|
| <p>TEST WATER SHUT-OFF <input type="checkbox"/></p> <p>FRACTURE TREAT <input type="checkbox"/></p> <p>SHOOT OR ACIDIZE <input type="checkbox"/></p> <p>REPAIR WELL <input type="checkbox"/></p> <p>(Other) <input type="checkbox"/></p> | <p>WATER SHUT-OFF <input type="checkbox"/></p> <p>FRACTURE TREATMENT <input type="checkbox"/></p> <p>SHOOTING OR ACIDIZING <input type="checkbox"/></p> <p>(Other) <input type="checkbox"/></p> |
| <p>PULL OR ALTER CASING <input type="checkbox"/></p> <p>MULTIPLE COMPLETE <input type="checkbox"/></p> <p>ABANDON <input checked="" type="checkbox"/></p> <p>CHANGE PLANS <input type="checkbox"/></p> | <p>REPAIRING WELL <input type="checkbox"/></p> <p>ALTERING CASING <input type="checkbox"/></p> <p>ABANDONMENT* <input type="checkbox"/></p> |
| <p>APPROX. DATE WORK WILL START _____</p> | <p>DATE OF COMPLETION _____</p> |

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

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

Operator plans to plug well as follows:

* Must be accompanied by a cement verification report.

| Plug # | # sx | Depth |
|--------|----------|---------------|
| 1 | 120 sx G | 2,000'-1,800' |
| 2 | 45 sx G | 310'- 210' |
| 3 | 50 sx G | 60'- surface |

Well was drilled to 2,338' at which point we lost a fish in the hole. Set plug 2,000'-1,720'. Backed off and tried to sidetrack hole. Could not get kicked off. Plug as above. Received verbal orders from Ed Forsman of the Vernal BLM.

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

SIGNED Robbie Schuman TITLE Coordinator of Environmental and Regulatory Affairs DATE August 13, 1992

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NO.

Fed. #U-017439-B

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

n/a

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

7. UNIT AGREEMENT NAME

n/a

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

8. FARM OR LEASE NAME

Balcron Coyote Federal

2. NAME OF OPERATOR
BALCRON OIL

OCT 13 1992

9. WELL NO.

#42-6

3. ADDRESS OF OPERATOR

P.O. Box 21017; Billings, MT 59104

10. FIELD AND POOL, OR WILDCAT

Coyote Basin/Green River

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
At surface 660' FEL, 1980' FNL

DIVISION OF
OIL GAS & MINING

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

SE NE Sec. 6, T8S, R25E

At top prod. interval reported below

At total depth

14. API NO. 43-047-32258
DATE ISSUED 5/28/92

12. COUNTY Uintah

13. STATE UTAH

15. DATE SPUDDED 8/3/92
16. DATE T.D. REACHED 8/7/92
17. DATE COMPL. (Ready to prod.) 8/17/92 P&A (Plug & Abd.)
18. ELEVATIONS (DF, REB, RT, GR, ETC.) 5,601.7' GL
19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 2,338'
21. PLUG BACK T.D., MD & TVD n/a
22. IF MULTIPLE COMPL., HOW MANY
23. INTERVALS DRILLED BY
24. PRODUCING INTERVAL(S) OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD) none
25. WAS DIRECTIONAL SURVEY MADE no

26. TYPE ELECTRIC AND OTHER LOGGING none

27. WAS WELL CORED YES NO Submit analysis
DRILL STEM TEST YES NO See reverse side

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

| CASING SIZE | WEIGHT, LB./FT. | DEPTH SET (MD) | HOLE SIZE | CEMENTING RECORD | AMOUNT PULLED |
|-------------|-----------------|----------------|-----------|------------------|---------------|
| 8-5/8" | 24# | 262' | 12-1/4" | 190 sx G w/add. | none |
| | | | | | |
| | | | | | |

29. LINER RECORD

| SIZE | TOP (MD) | BOTTOM (MD) | SACKS CEMENT | SCREEN (MD) | SIZE | DEPTH SET (MD) | PACKER SET (MD) |
|------|----------|-------------|--------------|-------------|------|----------------|-----------------|
| n/a | | | | | n/a | | |
| | | | | | | | |

30. TUBING RECORD

31. PERFORATION RECORD (Interval, size and number)
n/a

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

| DEPTH INTERVAL (MD) | AMOUNT AND KIND OF MATERIAL USED |
|---------------------|----------------------------------|
| n/a | |
| | |
| | |

33. PRODUCTION

| DATE FIRST PRODUCTION | PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) | WELL STATUS (Producing or shut-in) | | | | | |
|-----------------------|--|------------------------------------|-------------------------|----------|------------|-------------------------|---------------|
| n/a P & A | | P & A | | | | | |
| DATE OF TEST | HOURS TESTED | CHOKED SIZE | PROD'N. FOR TEST PERIOD | OIL—BSL. | GAS—MCF. | WATER—BSL. | GAS-OIL RATIO |
| | | | | | | | |
| FLOW. TUBING PRESS. | CASING PRESSURE | CALCULATED 24-HOUR RATE | OIL—BSL. | GAS—MCF. | WATER—BSL. | OIL GRAVITY-API (CORR.) | |
| | | | | | | | |

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

TEST WITNESSED BY

35. LIST OF ATTACHMENTS

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

Coordinator of Environmental
and Regulatory Affairs

SIGNED Bobbie Schuman
Bobbie Schuman

TITLE

DATE 10-8-92

See Spaces for Additional Data on Reverse Side

INSTRUCTIONS

This form should be completed in compliance with the Utah Oil and Gas Conservation General Rules. If not filed prior to this time, all logs, tests, and directional surveys as required by Utah Rules should be attached and submitted with this report.

ITEM 18: Indicate which elevation is used as reference for depth measurements given in other spaces on this form and on any attachments.

ITEMS 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

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

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

| 37. SUMMARY OF POROUS ZONES: Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries. | Top | Bottom | Description, contents, etc. | Name | Meas. Depth | True Vert. Depth |
|---|-----|--------|-----------------------------|---|-------------|------------------|
| | | | NONE RUN | See Geologic Report: - Submitted Separately | | |

38. GEOLOGIC MARKERS



BALCRON OIL

A Division of
Equitable Resources Energy Company

P.O. Box 21017
1601 Lewis Avenue Building
Billings, Montana 59104
(406) 259-7860

RECEIVED

OCT 13 1992

DIVISION OF
OIL GAS & MINING

October 9, 1992

State of Utah
Division of Oil, Gas & Mining
355 West North Temple
Salt Lake City, UT 84180

PA

Gentlemen:

RE: Balcron Coyote Federal #42-6
SE NE Section T8S, T25E
Uintah County, Utah

Enclosed are the Well Completion Report and the Report of Water Encountered During Drilling (Form 7) for the referenced well.

Sincerely,

Bobbie Schuman

Bobbie Schuman
Coordinator of Operations,
Environmental and Regulatory Affairs

/rs

Enclosures

REPORT OF WATER ENCOUNTERED DURING DRILLING - FORM 7 (1/89)

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OCT 13 1992

DIVISION OF
OIL, GAS & MINING

1. Well name and number: Balcron Coyote Federal #42-6
API number: 43-047- 32258
2. Well location: QQ SE NE section 6 township 8S range 25E county Uintah
3. Well operator: BALCRON OIL
Address: P.O. Box 21017 phone: (406) 259-7860
Billings, MT 59104
4. Drilling contractor: Elenburg Exploration, Inc.
Address: Main office: P.O. Box 2440 phone: (307) 235-8609
Casper, WY 82602

5. Water encountered (continue on reverse side if necessary)

| Depth | | Volume (flow rate or head) | Quality (fresh or salty) |
|--|----|-------------------------------|-----------------------------|
| from | to | | |
| No measurable water reported during drilling operations. | | | |
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6. Formation tops: See Geologic Report to be submitted separately.

If an analysis has been made of the water encountered, please attach a copy of the report to this form.
n/a

I certify that this report is true and complete to the best of my knowledge.

Name Bobbie Schuman Signature Bobbie Schuman
Title Coordinator of Environmental Date 10-8-92
and Regulatory Affairs

Comments:

RECEIVED

OCT 13 1992

DIVISION OF OIL GAS & MINING

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|--|----|-------------------------------|-----------------------------|
| from | to | | |
| No measurable water reported during drilling operations. | | | |
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6. Formation tops: See Geologic Report to be submitted separately.

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

n/a

I certify that this report is true and complete to the best of my knowledge.

Name Bobbie Schuman Signature Bobbie Schuman
 Title Coordinator of Environmental and Regulatory Affairs Date 10-8-92

Comments:

RECEIVED

OCT 13 1992

DIVISION OF
OIL, GAS & MINING

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Casper, WY 82602

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|--|----|-------------------------------|-----------------------------|
| from | to | | |
| No measurable water reported during drilling operations. | | | |
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6. Formation tops: See Geologic Report to be submitted separately.

If an analysis has been made of the water encountered, please attach a copy of the report to this form. n/a

I certify that this report is true and complete to the best of my knowledge.

Name Bobbie Schuman Signature Bobbie Schuman
Title Coordinator of Environmental Date 10-8-92
and Regulatory Affairs

Comments:

DAILY OPERATING REPORT

BALCRON MONUMENT #42-6

**Location: SE NE Section 6, T9S, R17E
Duchesne County, Utah**

---TIGHT HOLE---

- 11-18-92 Completion
RU Dowell to frac. Wtr heated to 115°. Average BPM 35, average pressure 3300. Screened out fust after 8# sand was on perfs. Had just started flush. Left 23000# & sand in csg. Approximately 1800'. Instant shut down pressure 4289#, 5 min 1661#, 10 min 942#, 15 min 640#. 51,670# sand in perfs, 543 bbls wtr. SWI & SDFN.
DC: \$28,376 CC: \$231,413

- 11-19-92 Completion
TIH w/tbg circ out unbroken gel. SDFN.

- 11-20-92 Completion
Well on slight vacuum. Tag sand @ 3020'. Start circ sand out. Gel broke OK. Get circulated down to 4620'. Pull 3 stds, SWI & drain pump & lines. SDFN.
DC: \$1,740 CC: \$234,298

- 11-21-92 Completion
Well on vac. Took 30 bbls to fill hole. Sand bridged off @ 4970' +/- . Circ clean & tag sand again @ 5660'. Circ sand to PBTD 5772' & circ hole clean. TOH & PU packer w/1 jt tbg below & TIH. Set packer w/end of tbg @ 4670'+/-. Swab down to packer @ 4640. Make one run after swab down & get 200' fluid w/a little oil. SWI & SDFN. Swab total of 33 bbls.
DC: \$2,840 CC: \$237,238

- 11-22-92 Completion
TP - 25#, FL - 3750'. Make 2 pulls from packer & recover 9-1/2 bbls, 75% oil. make 1 pull per hr for 5 hrs & get 50-60' an hr (4 or 5 gals). Fill tbg w/wtr & release packer & go down 3 jts below perfs, no sand. TOH & get ready for GR log. SWI & SDFN. Swab total of 10-1/2 bbls.
DC: \$1,850 CC: \$239,088

| | | |
|--|--------------------------------|--------------|
| Post-It™ brand fax transmittal memo 7671 | | # of pages ▶ |
| To <i>Oil, Gas & Mining</i> | From <i>Molly Coad</i> | |
| Co. <i>State of Utah</i> | Co. <i>Balcron Oil</i> | |
| Dept. | Phone # <i>406-259-7860</i> | |
| Fax # <i>801-359-3940</i> | Fax # <i>406-245-1361</i> | |



MONTHLY OIL AND GAS PRODUCTION REPORT

Operator name and address:

• DAWN SCHINDLER
BALCRON OIL
PO BOX 21017
BILLINGS MT 59104

Utah Account No. N9890

Report Period (Month/Year) 1 / 93

Amended Report

| Well Name | Producing Zone | Days Oper | Production Volume | | |
|----------------------------------|-------------------------------|-----------|-------------------|------------|-------------|
| API Number Entity Location | | | Oil (BBL) | Gas (MSCF) | Water (BBL) |
| ✓ 304732256 11408 08S 25E 7 | BALCRON COYOTE FEDERAL 22-7 | GRRV | | | |
| ✓ 304732346 11409 08S 25E 6 | BALCRON COYOTE FEDERAL 42-6X | GRRV | | | |
| ✓ 304732255 11412 08S 25E 7 | BALCRON COYOTE FEDERAL 13-7 | GRRV | | | |
| ✓ 304732196 11417 08S 24E 13 | FEDERAL 13-13 | GRRV | | | |
| ✓ 301331362 11422 09S 17E 6 | BALCRON MONUMENT FEDERAL 11-6 | GRRV | — W/D | | |
| ✓ 304732257 11424 08S 25E 5 | BALCRON COYOTE FEDERAL 33-5 | GRRV | | | |
| ✓ 301331363 11426 09S 17E 6 | BALCRON MONUMENT FEDERAL 24-6 | GRRV | — W/D | | |
| ✓ 304732261 11427 08S 25E 5 | BALCRON COYOTE FEDERAL 13-5 | GRRV | | | |
| ✓ 304715681 99990 9S 19E 7 | PARIETTE BENCH U #4 | GRRV | — W/D | | |
| ✓ 43-047-20252 1112 8S 25E 5 | EAST RED WASH 2-5 | GRRV | | | |
| ✓ 43-047-32258 11386 8S 25E 6 | BALCRON COYOTE FED 42-6 | | | | |
| ✓ 43-047-32259 99999 8S 25E 7 | BALCRON COYOTE FED 33-7 | | | | |
| ✓ 43-013-15780 1115 9S 17E 5 | ALLEN FEDERAL A-1 | GRRV | | | |
| ✓ 43-013-31361 11438 9S 17E 6 | BALCRON MONUMENT FED 33-6 | GRRV | — W/D | | |
| | | TOTAL | | | |

Comments (attach separate sheet if necessary) _____

I have reviewed this report and certify the information to be accurate and complete. Date _____

Authorized signature _____ Telephone _____



EQUITABLE RESOURCES ENERGY COMPANY,
BALCRON OIL DIVISION

1601 Lewis Avenue
P.O. Box 21017
Billings, MT 59104
(406) 259-7860
FAX: (406) 245-1364

March 4, 1993

State of Utah
Uintah County
152 East 100 North
Vernal, UT 84078

Gentlemen:

Effective March 1, 1993, the name of our company has changed from Balcron Oil Company to Equitable Resources Energy Company, Balcron Oil Division.

Please make the necessary changes in your records and let me know if there is anything else we need to do in order to effect the change for the 1993 Uintah County Business License.

Sincerely,

Bobbie Schuman

Bobbie Schuman
Coordinator of Operations,
Environmental and Regulatory Affairs

/rs

RECEIVED

MAR 08 1993

DIVISION OF
OIL GAS & MINING

| | |
|-------|-------------------|
| 1-LEC | 7- DEC |
| 2-DPS | 8-DEC |
| 3-VLC | ✓ |
| 4-RJF | ✓ |
| 5-RWM | ✓ |
| 6-ADA | ✓ |

Attach all documentation received by the division regarding this change.
 Initial each listed item when completed. Write N/A if item is not applicable.

- Change of Operator (well sold) Designation of Agent
 Designation of Operator Operator Name Change Only

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 3-1-93)

| | | | |
|-------------------|---|-------------------|--------------------------------------|
| TO (new operator) | <u>EQUITABLE RESOURCES ENERGY CO FROM</u> | (former operator) | <u>BALCRON OIL</u> |
| (address) | <u>BALCRON OIL DIVISION</u> | (address) | <u>PO BOX 21017</u> |
| | <u>PO BOX 21017</u> | | <u>BILLINGS MT 59104</u> |
| | <u>BILLINGS MT 59104</u> | | |
| | phone (<u>406</u>) <u>259-7860</u> | | phone (<u>406</u>) <u>259-7860</u> |
| | account no. <u>N 9890</u> | | account no. <u>N9890</u> |

Well(s) (attach additional page if needed):

| | | | | | | |
|----------------------------|------------|---------------|-----------|-----------|-----------|-------------------|
| Name: **ALL WELLS** | API: _____ | Entity: _____ | Sec _____ | Twp _____ | Rng _____ | Lease Type: _____ |
| Name: _____ | API: _____ | Entity: _____ | Sec _____ | Twp _____ | Rng _____ | Lease Type: _____ |
| Name: _____ | API: _____ | Entity: _____ | Sec _____ | Twp _____ | Rng _____ | Lease Type: _____ |
| Name: _____ | API: _____ | Entity: _____ | Sec _____ | Twp _____ | Rng _____ | Lease Type: _____ |
| Name: _____ | API: _____ | Entity: _____ | Sec _____ | Twp _____ | Rng _____ | Lease Type: _____ |
| Name: _____ | API: _____ | Entity: _____ | Sec _____ | Twp _____ | Rng _____ | Lease Type: _____ |
| Name: _____ | API: _____ | Entity: _____ | Sec _____ | Twp _____ | Rng _____ | Lease Type: _____ |

OPERATOR CHANGE DOCUMENTATION

- N/A 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form).
- Sec 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). *(Rec'd 3-8-93)*
- Sec 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) ____ If yes, show company file number: 134640.
- * 4. (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of **Federal and Indian** well operator changes should take place prior to completion of steps 5 through 9 below.
- Sec 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. *(3-19-93)*
- Sec 6. Cardex file has been updated for each well listed above. *(3-19-93)*
- Sec 7. Well file labels have been updated for each well listed above. *(3-19-93)*
- Sec 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. *(3-19-93)*
- Sec 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

Division

ENTITY REVIEW

- 1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) (If entity assignments were changed, attach copies of Form 6, Entity Action Form).
- 2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

BOND VERIFICATION (Fee wells only) #930319 rec'd bond rider eff. 3-4-93.

- 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond. #5578314/80,000 Belton Oil, A Division of Equitable Resources Energy Company.
- 2. A copy of this form has been placed in the new and former operators' bond files. **Upon completion of auditing.*
- 3. The former operator has requested a release of liability from their bond (yes/no) . Today's date 19 . If yes, division response was made by letter dated 19 .

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

- 1. (Rule R615-2-10) The former operator/lessee of any fee lease well listed above has been notified by letter dated 19 , of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested.
- 2. Copies of documents have been sent to State Lands for changes involving State leases. *see comments below*

FILMING

- 1. All attachments to this form have been microfilmed. Date: March 30 1993.

FILING

- 1. Copies of all attachments to this form have been filed in each well file.
- 2. The original of this form and the original attachments have been filed in the Operator Change file.

COMMENTS

930308 Btm 15.4. No change necessary, they always recognized company name as "Equitable Resources Energy Company, Belton Oil Division".