

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK  
 DRILL       DEEPEN       PLUG BACK

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

2. NAME OF OPERATOR  
 Coastal Oil & Gas Corporation

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

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
 At surface 2070' FEL & 441' FNL, (NW/NE) Section 9, T10S, R22E  
 At proposed prod. zone Same as above.

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 Approximately 25 miles southeast of Ouray, Utah

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 441'  
 16. NO. OF ACRES IN LEASE 320  
 17. NO. OF ACRES ASSIGNED TO THIS WELL 80

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2000'  
 19. PROPOSED DEPTH 7225'  
 20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5212' GR  
 22. APPROX. DATE WORK WILL START\* October 1, 1992

5. LEASE DESIGNATION AND SERIAL NO.  
 U-01196-D

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

7. UNIT AGREEMENT NAME  
 Natural Buttes Unit

8. FARM OR LEASE NAME  
 NBU

9. WELL NO.  
 204

10. FIELD AND POOL, OR WILDCAT  
 Natural Buttes

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
 Section 9, T10S, R22E

12. COUNTY OR PARISH  
 Uintah

13. STATE  
 Utah

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" K-55	24.0#	0 - 250'	160 sx circ to surface *
7-7/8"	5-1/2" K-55	17.0#	0 - 7225'	1000 sx circ to surface *

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

EIGHT-POINT RESOURCE PROTECTION PLAN ATTACHED

I hereby certify that Coastal Oil & Gas Corporation is authorized by the Interest Owners to conduct lease operations associates with this Application for Permit to Drill the NBU #204, Federal Lease U-01196-D. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Coastal Oil & Gas Corporation, Nation-wide Bond #CO-0018, who will be responsible for compliance with all the terms and conditions of that portion of the lease associated with this Application.

RECEIVED  
 AUG 31 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. SIGNED Eileen Danni Dey Regulatory Analyst  
 (This space for Federal or State office use)

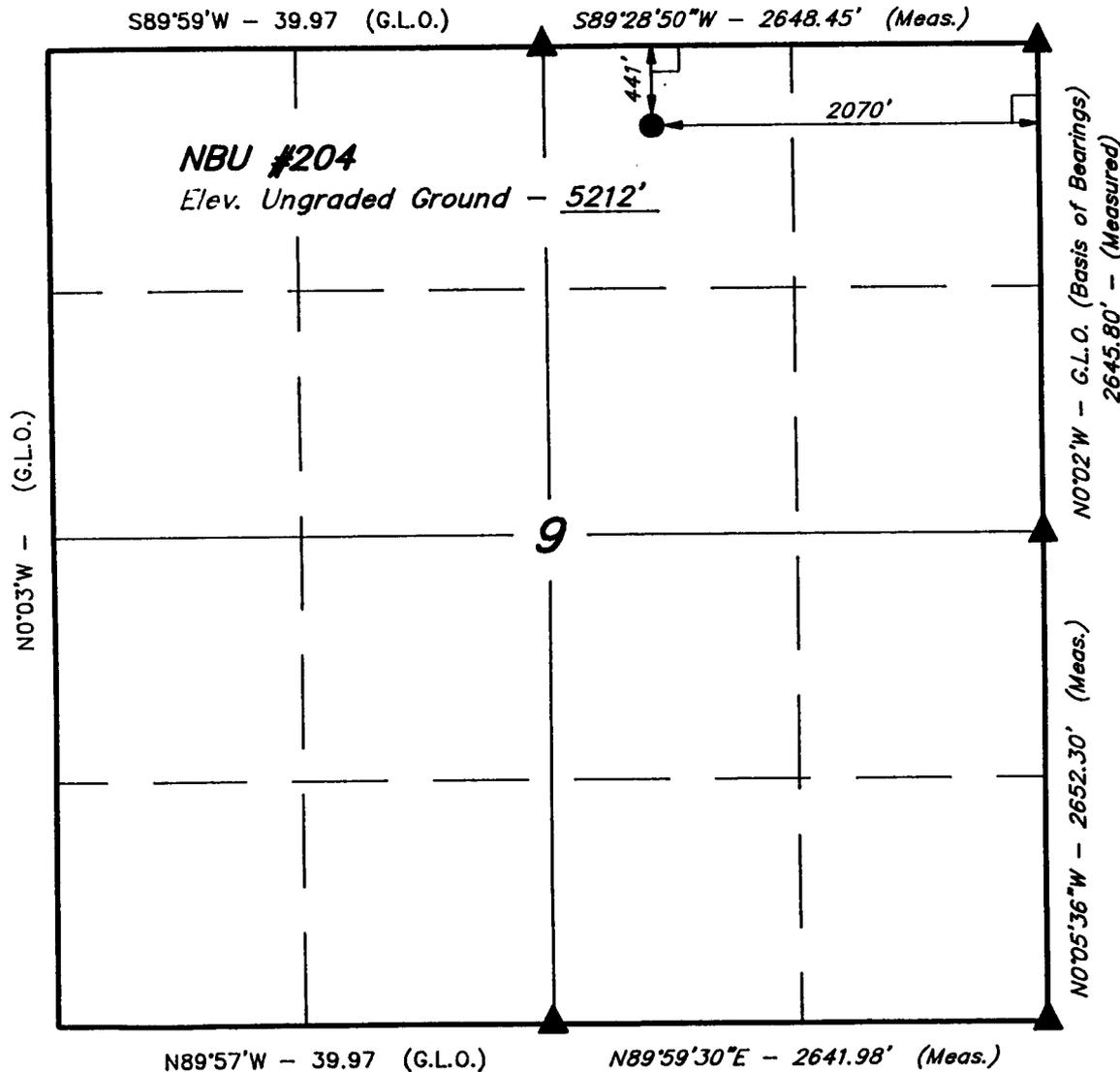
PERMIT NO. 43-047-302340 APPROVAL DATE DATE: 08-29-92  
 BY: [Signature]  
 APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ WELL SPACING 264/23  
 CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions On Reverse Side

# T10S, R22E, S.L.B.&M.

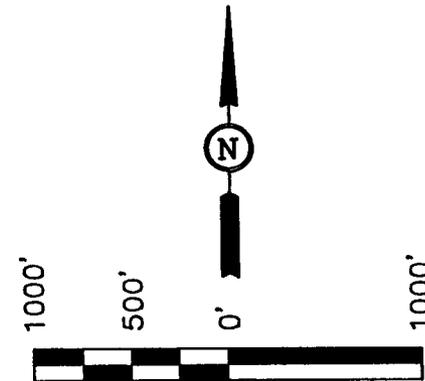
## COASTAL OIL & GAS CORP.

Well location, NBU #204, located as shown in the NW 1/4 SE 1/4 of Section 9, T10S, R22E, S.L.B.&M. Uintah County, Utah.



### BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN. NE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.



### CERTIFICATE

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

ROBERT L. KAY  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 5788  
 STATE OF UTAH

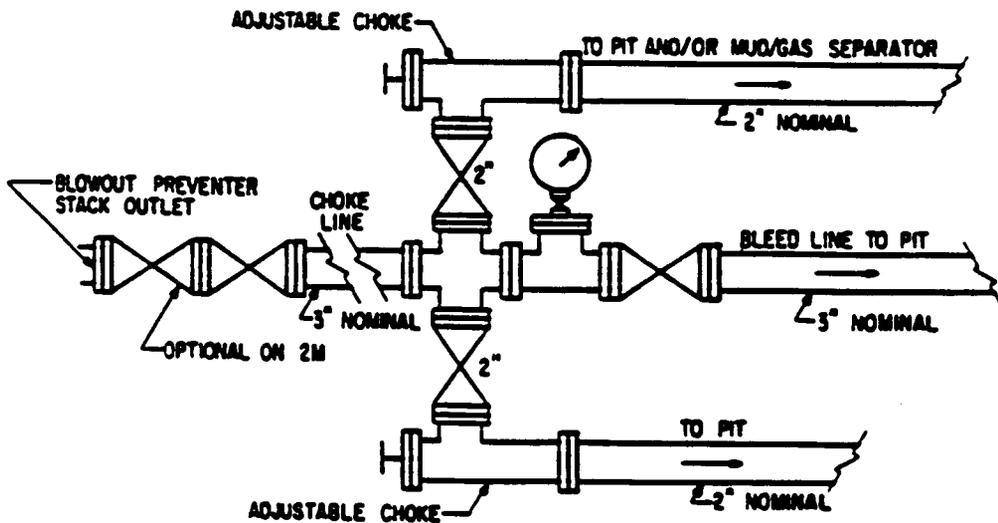
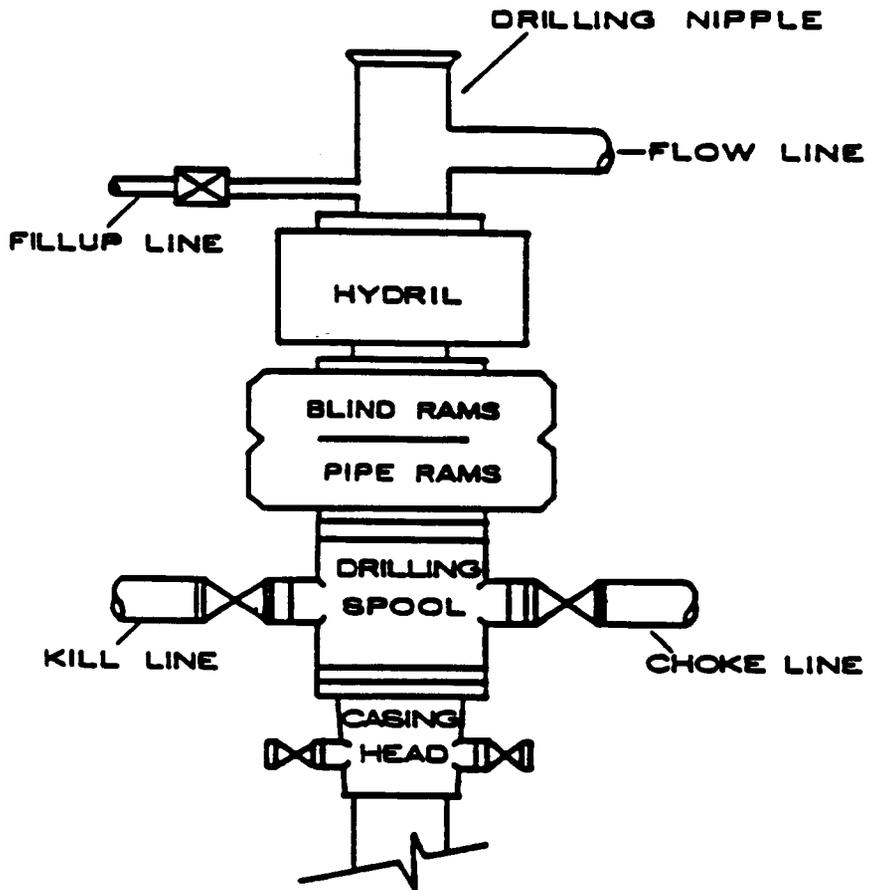
**UINTAH ENGINEERING & LAND SURVEYING**  
 85 SOUTH 200 EAST - VERNAL, UTAH 84078  
 (801) 789-1017

### LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED. (3" B.L.M. Alum. Caps)

SCALE 1" = 1000'	DATE SURVEYED: 7-22-92	DATE DRAWN: 7-25-92
PARTY D.A. C.Y. R.E.H.	REFERENCES G.L.O. PLAT	
WEATHER HOT	FILE COASTAL OIL & GAS CORP.	

# BOP STACK



COASTAL OIL & GAS CORPORATION  
Lease #U-01196-D, NBU #204  
NW/NE, Section 9, T10S, R22E  
Uintah County, Utah

Drilling Prognosis

1. Estimated Tops of Important Geologic Markers:

Uinta	Surface	Wasatch	4365'
		Total Depth	7225'

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

Wasatch            4365'            Gas (Primary Objective)

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

3. Pressure Control Equipment: (Schematic Attached)

A. Type: 10" Double Gate Hydraulic.

The Blow-Out Preventer will be equipped as follows:

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

B. Pressure Rating: 2,000 psi

C. Testing Procedure:

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

3. Pressure Control Equipment:

C. Testing Procedure: Continued

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

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

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

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

D. Choke Manifold Equipment.

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

E. Accumulator:

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

F. Special Drilling Operations:

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

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

3. Pressure Control Equipment:

F. Special Drilling Operations: Continued

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

G. Miscellaneous Information:

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

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

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

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

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

A. Casing Program

<u>Hole Size</u>	<u>Casing Size</u>	<u>Wt./Ft.</u>	<u>Grade</u>	<u>Joint</u>	<u>Depth Set</u>
12-1/4"	8-5/8"	24#	K-55	ST&C	0-250'
7-7/8"	5-1/2"	17.0#	K-55	LT&C	0-7225'

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

B. Cementing Program

Surface Casing : Cement with approximately 180 sx. Class "G" cement + 2% CaCl<sub>2</sub> and 1/4#/sk Flocele circulated to surface with 100% excess.

Production Casing: Lead with approximately 400 sx. Hi-fill cement with 1#/sx. capseal; tail with 600 sx. 50-50 POZ w/10% salt, 2% gel, .6% Halad 24, 1/4#/sx. Flocele & 1#/sx. capseal. Cement will be circulated back to surface with 30% excess.

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

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

5. Mud Program: (Visual Monitoring)

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Viscosity</u>	<u>Fluid Loss</u>
0-1500'	Aerated/ Mist	-----	-----	-----
1500-7225'	Aerated Water	-----	-----	-----

5. Mud Program: (Visual Monitoring - continued)

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

The surface hole will be drilled with an air mist system, injecting water @ the rate of 15-20 gallons/minute, until the lost circulation zone is reached @  $\pm 1500'$ . At that point, Coastal Oil & Gas Corporation will switch to an aerated water system, utilizing the rig pumps to inject water at a rate of 190 gallons/minute to total depth.

6. Evaluation Program:

Logs : Dual Laterlog & Caliper : TD - Surface  
FDC-CNL : TD - 2300'

DST'S : None anticipated.

Cores : None anticipated.

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

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

Whether the well is completed as a dry hole or as a producer, Well Completion and Recompletion Report and Log (Form 3160-4) will be submitted to the Vernal District Office not later than thirty (30) days after the completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164.

Two (2) copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the Authorized Officer, Vernal District Office, Bureau of Land Management, 170 South 500 East, Vernal, Utah 84078, Phone: (801) 789-1362.

7. Abnormal Conditions:

No abnormal temperatures or pressures are anticipated. No H<sub>2</sub>S has been encountered in or known to exist from previous wells drilled to similar depths in the general area. Maximum anticipated bottom hole pressure equals approximately 3,360 psi (calculated at 0.465 psi/foot) and maximum anticipated surface pressure equals approximately 1,770 psi (bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. Anticipated Starting Dates and Notification of Operations:

A. Drilling Activity

Anticipated Commencement Date : October 1, 1992  
Drilling Days : Approximately 10 days  
Completion Days : Approximately 7 days

B. Notification of Operations

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

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

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

8. Anticipated Starting Dates and Notification of Operations:

B. Notification of Operations - Continued

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

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

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

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

Pursuant to NTL-2B, with the approval of the Authorized Officer, produced water may be temporarily disposed of into the reserve pit for a period of up to ninety (90) days. During this period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the Authorized Officer.

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

8. Anticipated Starting Dates and Notification of Operations:

B. Notification of Operations - Continued

A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3, and 3162.7-4 shall be submitted to the Vernal District Office within thirty (30) days of installation or first production, whichever occurs first. All site security regulations as specified in 43 CFR 3162.7 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.

A first production conference will be scheduled within fifteen (15) days after receipt of the first production notice.

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

A "Notice of Intention to Abandon" (Form 3160.5) will be filed with the Authorized Officer within fifteen (15) days following the granting of oral approval to plug & abandon.

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

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

8. Anticipated Starting Dates and Notification of Operations:

B. Notification of Operations - Continued

Pursuant to Onshore Operating Order #1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in such a manner which conforms with applicable Federal laws and regulations and with State and local laws and regulations to the extent that such State and local laws are applicable to operations on Federal and Indian lands.

COASTAL OIL & GAS CORPORATION  
Lease #U-01196-D, NBU #204  
NW/NE, Section 9, T10S, R22E  
Uintah County, Utah

Multi-Point Surface Use and Operations Plan

1. Existing Roads: Refer to Maps "A" & "B" (shown in ORANGE)
  - A. The proposed wellsite is staked and four 200-foot reference stakes are present.
  - B. Proceed westerly from Vernal on U.S. Highway 40 approximately 14.0 miles to the junction of State Highway 88, exit left and proceed south  $\pm 17.0$  miles on State Highway 88 to Ouray, Utah; proceed south from Ouray  $\pm 11.5$  miles on the Seep Ridge Road to the junction of this road and an existing oilfield service road to the east; turn left and proceed in an easterly direction along this road  $\pm 8.9$  miles to the junction of this road and an existing road to the northeast; turn left and proceed in a northeasterly direction  $\pm 3.3$  miles to the junction of this road and an existing road to the northeast; turn right and proceed in a northeasterly direction  $\pm 0.8$  miles to the junction of this road and an existing road to the north; turn left and proceed in a northerly direction  $\pm 0.1$  miles to the junction of this road and an existing road to the west; turn left and proceed in a northwesterly direction  $\pm 0.3$  miles to the beginning of the proposed access road; follow road flags in a northwesterly direction approximately 200 feet to the proposed 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 gravel roads will be maintained in the same or better condition as existed prior to the commencement of operations and said maintenance will continue until final abandonment and reclamation of the NBU #204 well location.

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

Approximately 200 feet of new road construction will be required for access to the proposed NBU #204 well location.

- A. Width - maximum 30-foot overall right-of-way with an 18-foot road running surface, crowned and ditched.
- B. Construction standard - the access road will be constructed in accordance with Bureau of Land Management Rooding Guidelines established for oil and gas exploration and development activities as referenced in the BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development (1989).

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

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

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

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or the accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at a frequent intervals by means of cutouts.

Upgrading shall not be allowed during muddy conditions.

Should mud holes develop, they shall be filled in and detours around them avoided.

- C. Maximum grade - 8%
- D. Turnouts - turnouts will be constructed along the access route as necessary or required to allow for the safe passage of traffic. None anticipated at this time.

2. Planned Access Roads: Continued

- E. Drainage design - the access road will be crowned, ditched, and water turnouts installed as necessary to provide for proper drainage along the access road route.
- F. Culverts, cuts and fills - no culverts will be required. There are no major cuts and/or fills on/along the proposed access road route.
- G. Surface materials (source) - 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. Native material from access location and access road will be used.
- H. 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.

- I. The proposed access route has been centerline flagged.

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

Please refer to Map "C"

- A. Water wells - none known.
- B. Abandoned wells - SW1/4, NW1/4, Section 10, T10S, R22E  
NE1/4, NE1/4, Section 8, T10S, R22E  
NE1/4, NE1/4, Section 4, T10S, R22E
- C. Temporarily abandoned wells - none known.
- D. Disposal wells - none known.
- E. Drilling wells - none known.

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

- F. Producing wells - NE1/4, SE1/4, Section 5, T10S, R22E  
NW1/4, SW1/4, Section 4, T10S, R22E  
SE1/4, NW1/4, Section 4, T10S, R22E  
SE1/4, SW1/4, Section 4, T10S, R22E  
NW1/4, SE1/4, Section 4, T10S, R22E  
SW1/4, NE1/4, Section 4, T10S, R22E  
SW1/4, NW1/4, Section 3, T10S, R22E  
NE1/4, SW1/4, Section 3, T10S, R22E  
NE1/4, SW1/4, Section 10, T10S, R22E  
SW1/4, SW1/4, Section 10, T10S, R22E  
SE1/4, NE1/4, Section 9, T10S, R22E  
SE1/4, SE1/4, Section 9, T10S, R22E  
SE1/4, NW1/4, Section 9, T10S, R22E  
NE1/4, SW1/4, Section 9, T10S, R22E  
NW1/4, NW1/4, Section 9, T10S, R22E
- G. Shut-in wells - none known.  
H. Injection wells - none known.  
I. Monitoring wells - none known.

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

- A. If well is productive the following guidelines will be followed:
1. A diagram showing the proposed production facilities layout will be submitted via Sundry Notice Form 3160-5 prior to facilities installation.
  2. 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 top of the fill slope.
  3. The production facilities (consisting primarily of a christmas tree at the wellhead, dehydration unit, and emergency pit) will require an area approximately 300' x 135'.

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

A. If well is productive the following guidelines will be followed: Continued

4. 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 with 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.

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

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

The required paint color is Carlsbad Canyon, Munsell standard color number 2.5Y6/2.

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

A. If well is productive the following guidelines will be followed: Continued

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

7. A 4" surface gas pipeline will be installed from the NBU #204 gas well and tie into the existing gas pipeline located in Section 9, T10S, R22E (see attached Topo Map D). This pipeline will be inside the Natural Buttes Unit boundary and within federal lease U-01196-D. A 30' width easement of approximately 226' length is requested for this pipeline. There will be minimum surface disturbance as the pipeline will be laid on the surface.

B. The production (emergency) pit will be fenced with woven wire mesh topped with one (1) strand of barbed wire held in place with metal side posts and wooden corner "H" braces in order to protect livestock and wildlife. Please refer to Item #9E (page #10) for additional information on the fencing specifications.

C. 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.

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

5. Location and Type of Water Supply:

A. Fresh water for drilling will be obtained from the Indian water line in Ouray, Utah, located in the SE1/4 of Section 32, Township 8 South, Range 20 East, Uintah County, Utah.

5. Location and Type of Water Supply: Continued

- B. Water will be transported over existing roads via tank truck from the point of diversion to the proposed NBU #204 well location. No new construction will be required on/along the proposed water haul route. No off-lease/unit federal lands will be crossed on/along the proposed water haul route.
- C. No water well will be drilled on this location.

6. Source of Construction Materials:

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

7. Methods of Handling Waste Materials:

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

7. Methods of Handling Waste Materials:

B. Drilling fluids: Continued

In the event adverse weather conditions prevent removal of the fluids from the reserve pit within this time period, an extension may be granted by the Authorized Officer upon receipt of a written request from Coastal Oil & Gas Corporation. The reserve pit will be constructed so as not to leak, break, or allow discharge. The reserve pit will be lined. A plastic nylon reinforced liner will be used. It will be a minimum of 12 MIL thickness w/sufficient bedding (either straw or dirt) to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the Authorized Officer.

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

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

- D. Sewage - self-contained, chemical toilets will be provided by Rocket Sanitation for human waste disposal. Upon completion of operations, or as needed, the toilet holding tanks will be pumped and the contents thereof disposed of in the nearest, approved, sewage disposal facility.
- E. Garbage (trash) 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.

7. Methods of Handling Waste Materials: Continued

F. Immediately after removal of the drilling rig, all debris and other waste materials not contained in the trash cage will be cleaned up and removed from the well location. No adverse materials will be left on the location upon the termination of drilling and completion operations. Any open pits will be fenced during the drilling operation and the fencing will be maintained until such time as the pits are backfilled.

8. Ancillary Facilities:

None anticipated.

9. Wellsite Layout:

A. Figure #1 shows the drill site layout as staked. Cross sections have been drafted to visualize the planned cuts and fills across the location. A minimum of six (6) inches of topsoil will be stripped from the location (including areas of cut, fill, and/or subsoil storage) and stockpiled for future reclamation of the wellsite. Refer to Figure #1 for the location of the topsoil and subsoil stockpiles. (Stockpiled topsoil will be located on the west side of the location.) The reserve pit will be located on the south side of the location. The flare pit will be located downwind of the prevailing wind direction on the southwest side of location. Access to the location will be from the east. The drainage(s) from location shall be diverted from location as recommended by the BLM.

B. Figure #1 is a diagram showing the rig layout. No permanent living facilities are planned. There will be one (1) trailer on location during drilling operations for the toolpusher.

C. A diagram showing the proposed production facility layout will be submitted to the Authorized Officer via Sundry Notice (Form 3160-5) for approval of subsequent operations. Please refer to Item #4A (pages #4 and #5) for additional information in this regard.

9. Wellsite Layout: Continued

- D. An impervious liner will be installed in order to prevent drilling water loss through seepage.
- E. Prior to the commencement of drilling operations, the reserve pit will be fenced "sheep tight" on three (3) sides according to the following minimum standards:
  - 1. 39-inch net wire shall be used with at least one (1) strand of barbed wire on top of the net wire (barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
  - 2. The net wire shall be no more than two (2) inches above the ground. The barbed wire shall be three (3) inches above the net wire. Total height of the fence shall be at least 42 inches.
  - 3. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
  - 4. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two (2) posts shall be no greater than sixteen (16) feet.
  - 5. All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.

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

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

10. Plans for Reclamation of the Surface:

A. Production

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

10. Plans for Reclamation of the Surface:

A. Production Continued

2. Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.
3. The plastic or nylon reinforced pit liner 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. For production, the fill slopes will be reduced from a 1.5:1 slope to a 3:1 slope and the cut slopes will be reduced from a 1.5:1 slope to a 3:1 slope by pushing the fill material back up into the cut.
7. Upon completion of backfilling, leveling and recontouring, the stockpiled topsoil will be evenly spread over the reclaimed area(s). Prior to reseeding, all disturbed surfaces (including the access road and location) will be scarified and left with a rough surface. No depressions will be left that would trap water and form ponds. All disturbed surfaces (including the access road and well pad areas) will be reseeded with a seed mixture to be recommended by the Authorized Officer, Bureau of Land Management.

10. Plans for Reclamation of the Surface:

A. Production: Continued

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

B. Dry Hole/Abandoned Location

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

11. Surface Ownership:

The wellsite and proposed access road in Section 9, T10S-R22E, are situated on surface estate which is owned by the United States of America.

This surface estate is administered by:

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

12. Other Information:

- A. Coastal Oil & Gas Corporation will be responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites or for collecting artifacts.

12. Other Information:

A. Continued:

If historic or archaeological materials are uncovered, Coastal Oil & Gas Corporation will suspend all operations that might further disturb such materials and immediately contact the Authorized Officer.

Within five (5) working days the Authorized Officer will inform Coastal Oil & Gas Corporation as to:

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

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

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

12. Other Information: Continued

- B. Coastal Oil & Gas Corporation will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the Bureau of Land Management, or the Uintah County Extension Office. On lands administered by the Bureau of Land Management, it is required that a "Pesticide Use Proposal" shall be submitted, and approval obtained, prior to the application of herbicides or other pesticides or possible hazardous chemicals for the control of noxious weeds.
- C. Drilling rigs and/or equipment used during drilling operations on this wellsite will not be stacked or stored on federal lands after conclusion of drilling operations or at any other time without the proper authorization from the Bureau of Land Management. However, if BLM authorization is obtained, it is only a temporary measure to allow Coastal Oil & Gas Corporation the time to make arrangements for permanent storage at a commercial facility.

13. Additional Surface Stipulations:

- A. Coastal Oil & Gas Corporation shall contact the Bureau of Land Management between 24 and 48 hours prior to commencement of construction activities on the access road and/or well location: (801) 789-1362
- B. The Bureau of Land Management shall be notified upon site completion and prior to moving drilling tools onto the location.

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

Representative

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

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

Representative: Continued

Eileen Dey, Regulatory Analyst\*  
P. O. Box 749  
Denver, Colorado 80201-0749  
Phone: (303) 573-4476

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

Certification:

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

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

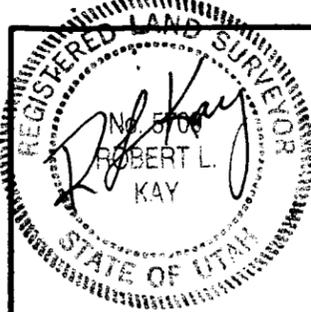
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated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

8/26/92

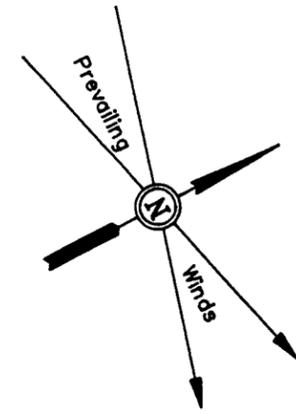
Date



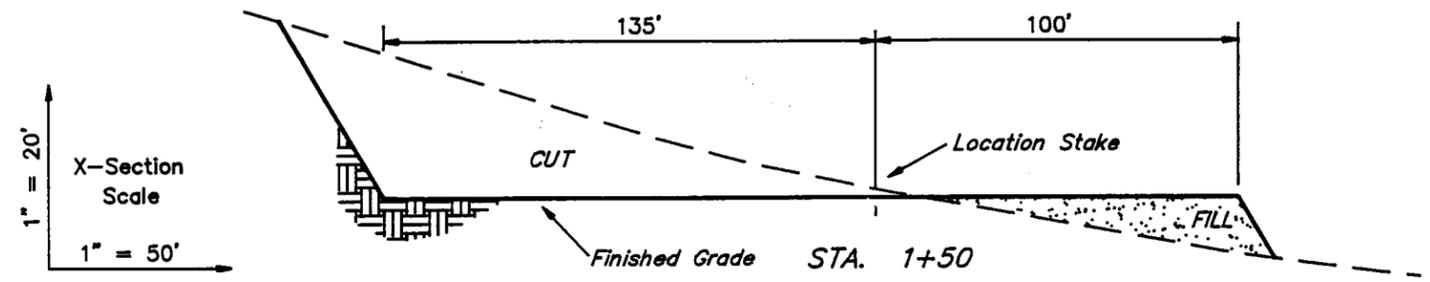
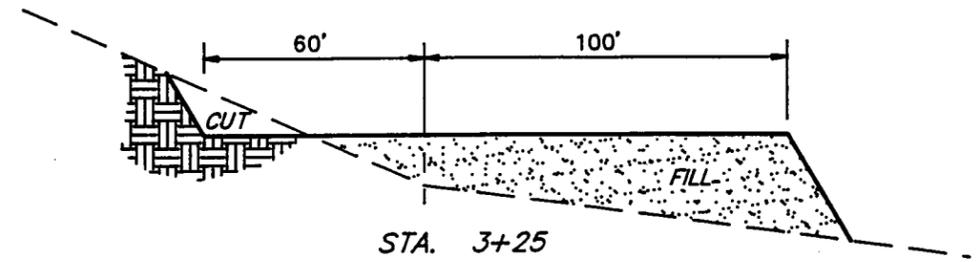
Eileen Danni Dey - Regulatory Analyst



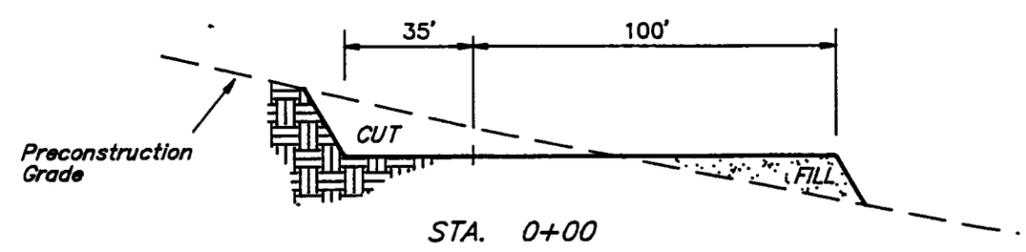
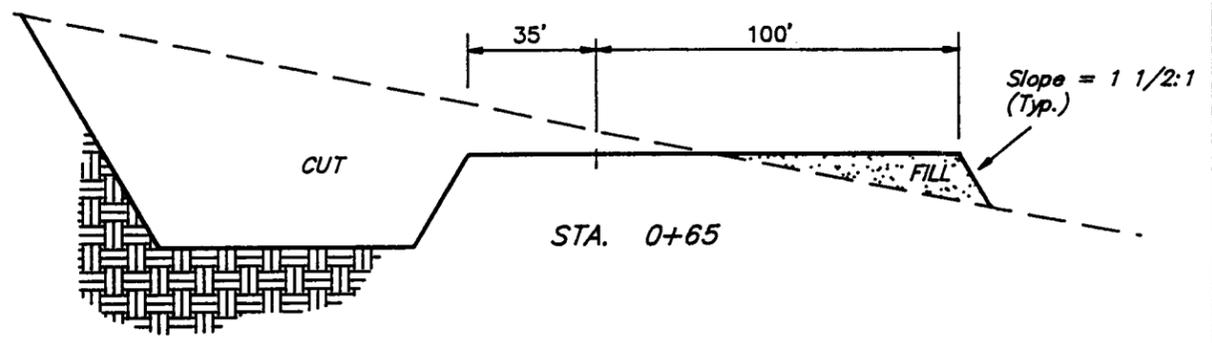
COASTAL OIL & GAS CORP.  
 LOCATION LAYOUT FOR  
 NBU #204  
 SECTION 9, T10S, R22E, S.L.B.&M.



SCALE: 1" = 50'  
 DATE: 7-27-92  
 Drawn By: R.E.H.  
 REVISED: 8-24-92 T.D.H.

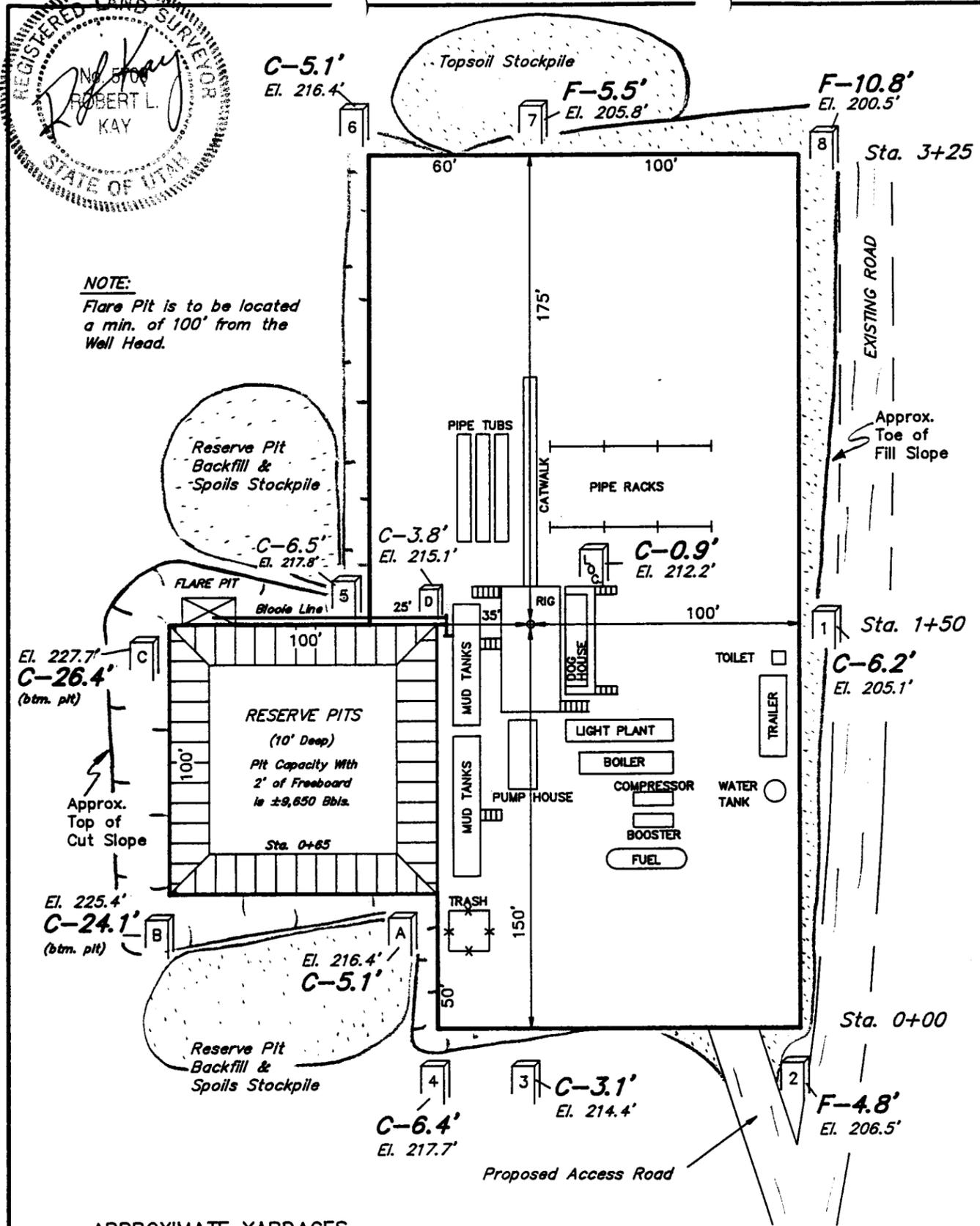


X-Section Scale  
 1" = 20'  
 1" = 50'



TYP. LOCATION LAYOUT  
 TYP. CROSS SECTIONS

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



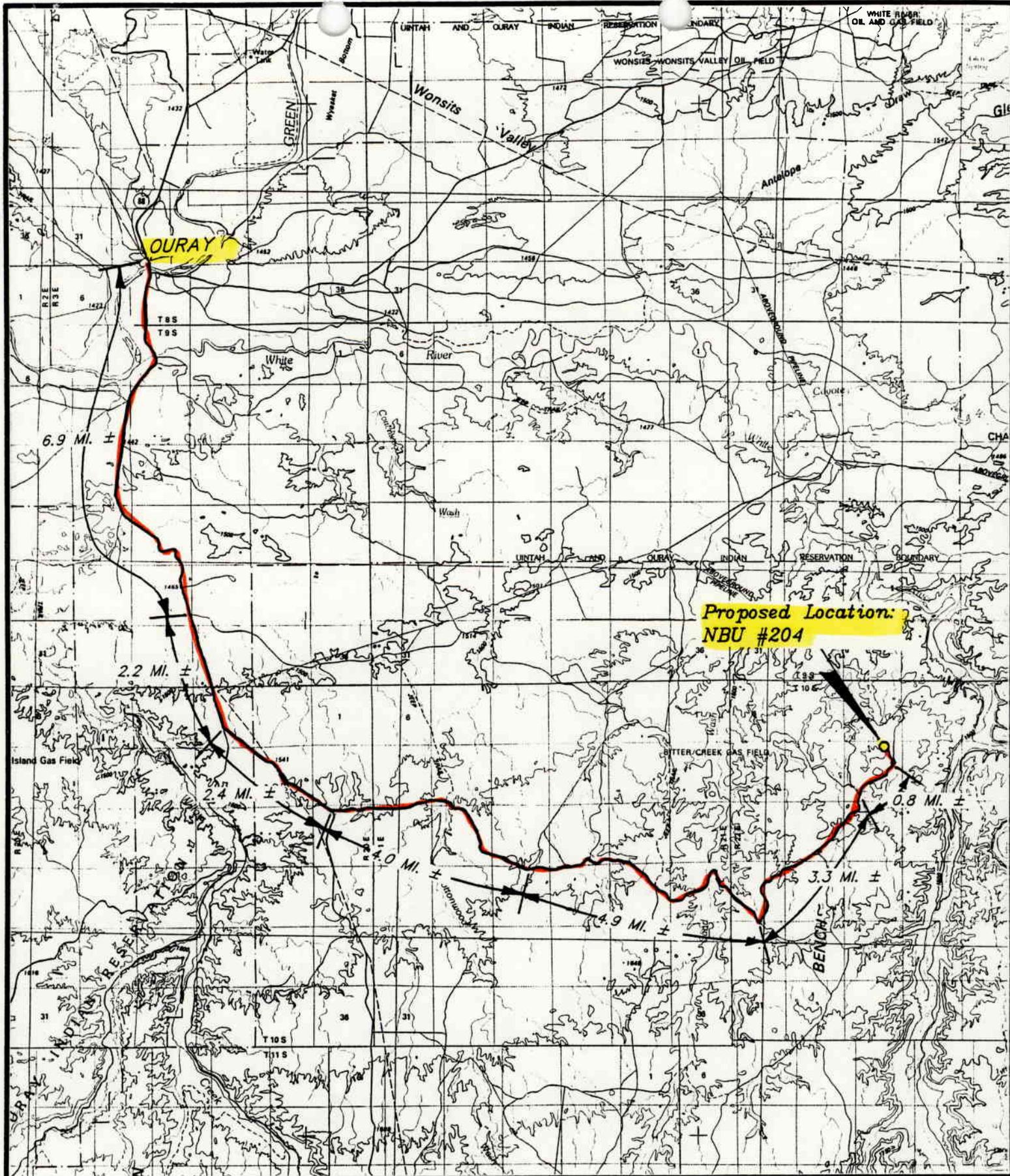
APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,080 Cu. Yds.
Remaining Location	= 9,670 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 10,750 CU.YDS.</b>
<b>FILL</b>	<b>= 5,700 CU.YDS.</b>

EXCESS MATERIAL AFTER 5% COMPACTION	= 4,750 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,430 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 2,320 Cu. Yds.

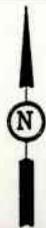
NOTES:  
 Elev. Ungraded Ground At Loc. Stake = 5212.2'  
 FINISHED GRADE ELEV. AT LOC. STAKE = 5211.3'

FIGURE #1



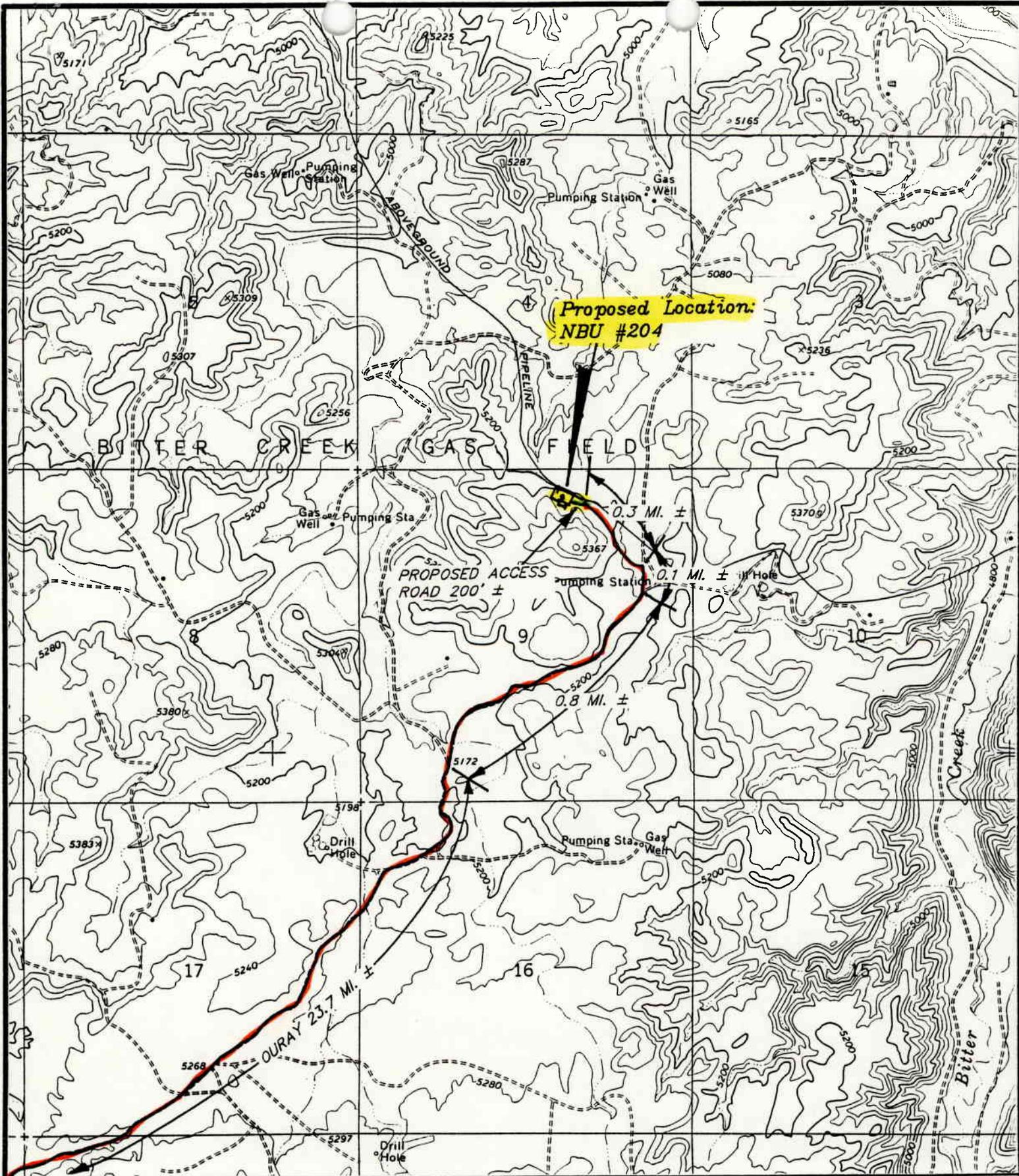
TOPOGRAPHIC  
MAP "A"

DATE 7-26-92 J.L.G.



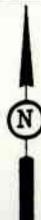
**COASTAL OIL & GAS CORP.**

NBU #204  
SECTION 9, T.10S, R.22E, S.L.B.&M.



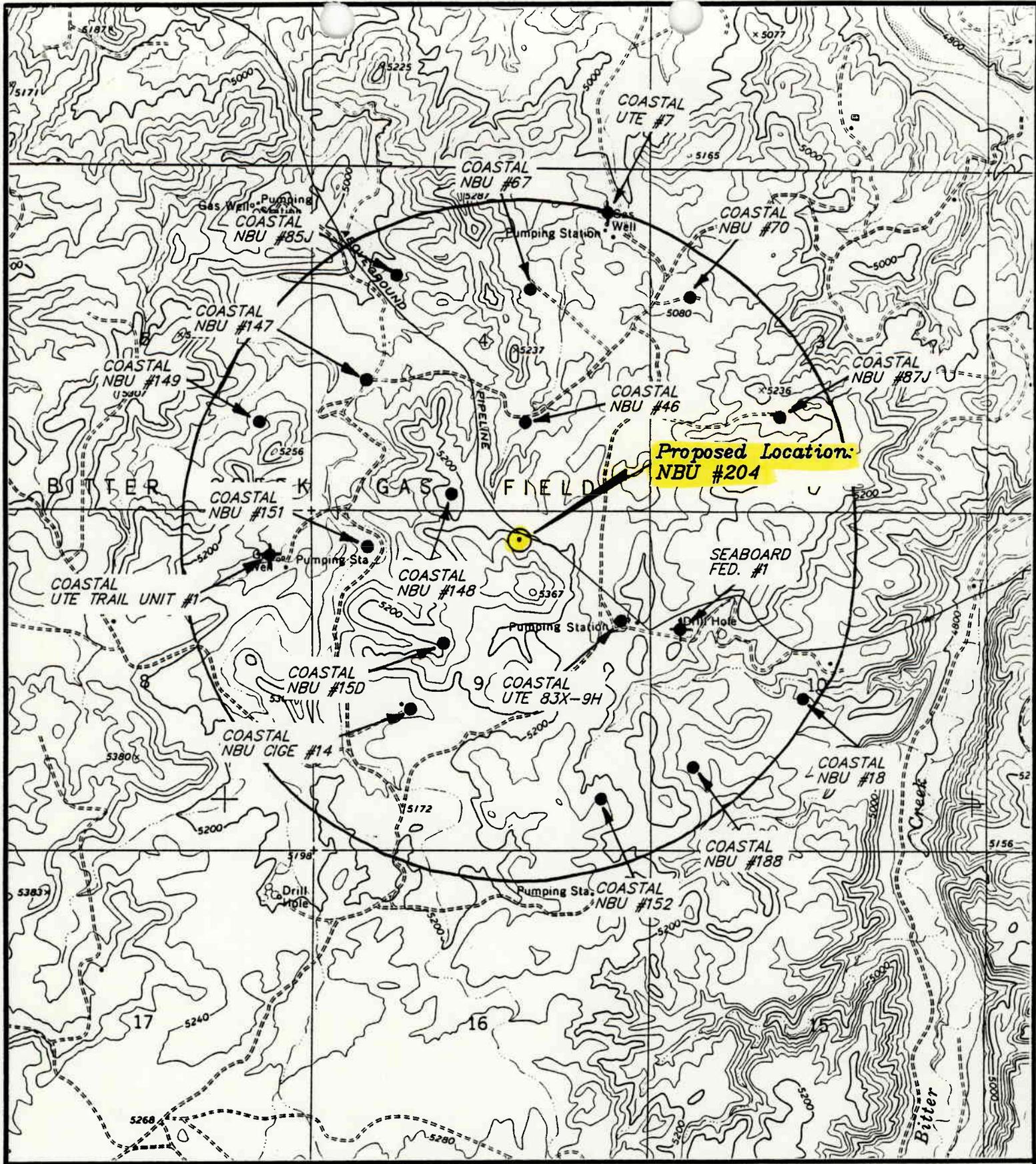
TOPOGRAPHIC  
MAP "B"

SCALE: 1" = 2000'  
DATE 7-26-92 J.L.G.



**COASTAL OIL & GAS CORP.**

NBU #204  
SECTION 9, T10S, R22E, S.L.B.&M.



**LEGEND:**

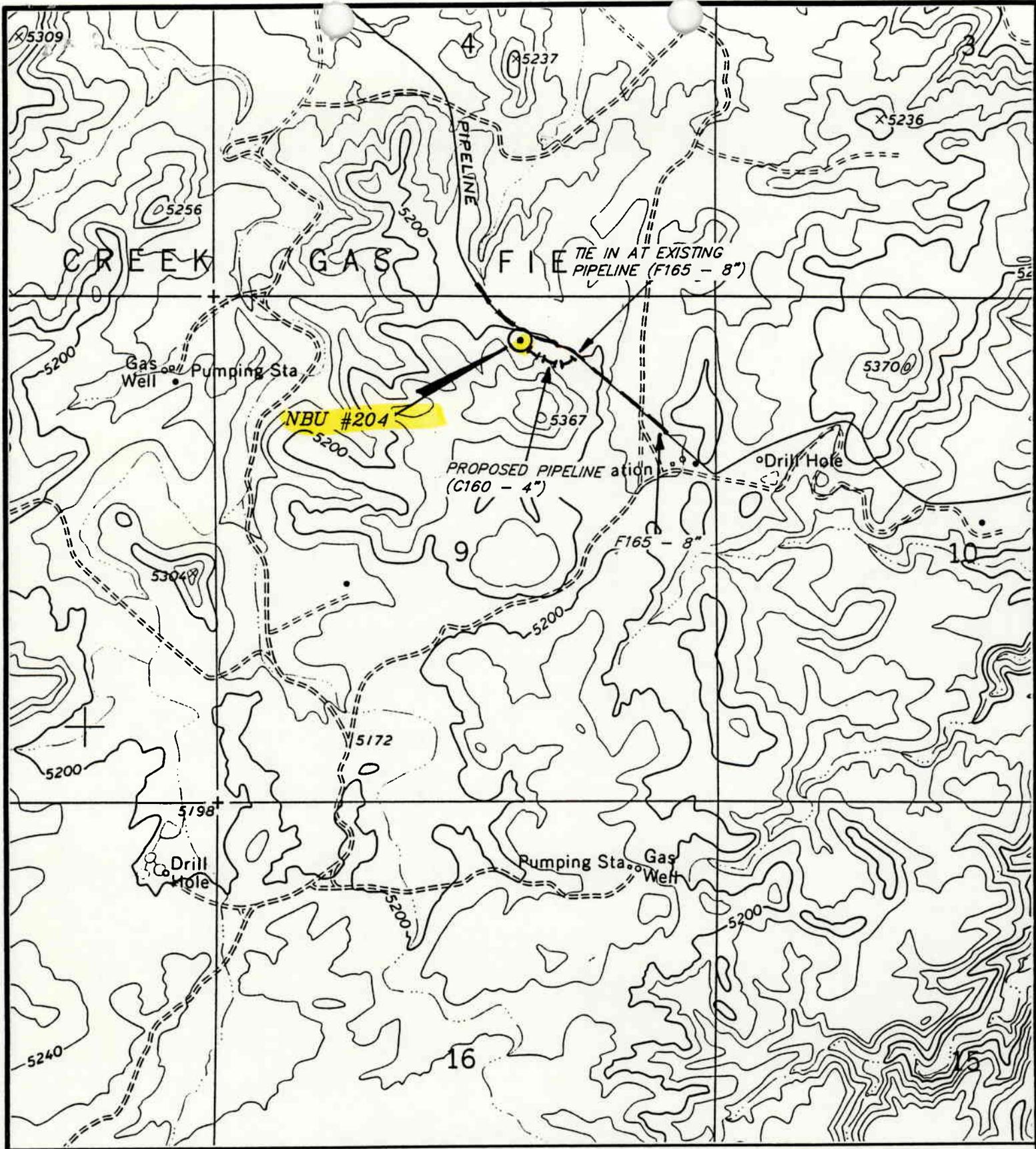
- ⊗ = Water Wells
- ◆ = Abandoned Wells
- = Temporarily Abandoned Wells
- ⊘ = Disposal Wells
- = Drilling Wells
- = Producing Wells
- = Shut-in Wells



**COASTAL OIL & GAS CORP.**

NBU #204  
 SECTION 9, T10S, R22E, S.L.B.&M.  
**TOPO MAP "C"**

DATE: 7-27-92 J.L.G.

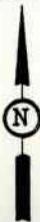


**TOTAL PIPELINE SLOPE DISTANCE = 226'**

**TOPOGRAPHIC  
MAP "D"**

**LEGEND**

- EXISTING PIPELINE
- |-|-|-|- Proposed Pipeline



**COASTAL OIL & GAS CORP.**

PROPOSED PIPELINE RIGHT-OF-WAY FOR  
NBU #204  
SECTION 9, T10S, R22E, S.L.B.&M.

DATE: 7-29-92

WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

DATE RECEIVED: 08/31/92

OPERATOR: COASTAL OIL & GAS CORP  
WELL NAME: NBU 204

OPERATOR ACCT NO: N- 00230

API NO. ASSIGNED: 43 - 047 - 30340

LEASE TYPE: FED LEASE NO: U- 011916-0  
LOCATION: NWNE 09 - T10S - R22E UINTEH COUNTY  
FIELD: NATURAL BUTTES FIELD CODE: 430

RECEIVED AND/OR REVIEWED:

- Plat
- Bond  
(Number Federal)
- Potash (Y/N)
- Oil shale (Y/N)
- Water permit  
(Number indian waterline)
- RDCC Review (Y/N)  
(Date: \_\_\_\_\_)

LOCATION AND SITING:

- R649-2-3. Unit: Natural Buttes
- R649-3-2. General.
- R649-3-3. Exception.
- Drilling Unit.
- Board Cause no: \_\_\_\_\_
- Date: \_\_\_\_\_

COMMENTS: Included in fourth supplemental 90 P00 8-7-92

STIPULATIONS:

Oil shale area



# 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

September 9, 1992

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

Gentlemen:

Re: NBU 204 Well, 441 feet from the north line, 2070 feet from the east line, NW 1/4 NE 1/4, Section 9, Township 10 South, Range 22 East, Uintah County, Utah

Pursuant to Utah Code Ann. § 40-6-18, (1953, as amended), Utah Admin. R. 649-2-3, Application of Rules to Unit Agreements and R. 649-3-4, Permitting of Wells to be Drilled, Deepened or Plugged-Back, approval to drill the referenced well is hereby granted.

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

1. Compliance with the requirements of Utah Admin. R. 649-1 et seq., Oil and Gas Conservation General Rules.
2. Notification within 24 hours after drilling operations commence.
3. 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.
4. Submittal of the Report of Water Encountered During Drilling, Form 7.
5. 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.

Page 2  
Coastal Oil and Gas Corporation  
NBU 204 Well  
September 9, 1992

6. Compliance with the requirements of Utah Admin. R. 649-3-20, Gas Flaring or Venting, if the well is completed for production.

Trash and sanitary waste should be properly contained and transported to approved disposal locations, not retained in or disposed of in pits on location or downhole. Prior to the commencement of drilling operations, the operator should consult the local/county sanitarian and/or the Department of Environmental Quality, Division of Drinking Water/Sanitation, regarding appropriate disposal of sanitary waste.

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 43-047-32342.

Sincerely,



R.J. Firth  
Associate Director, Oil and Gas

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK  
 DRILL                       DEEPEN                       PLUG BACK

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

2. NAME OF OPERATOR  
 Coastal Oil & Gas Corporation

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

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)  
 At surface 2070' FEL & 441' FNL, (NW/NE) Section 9, T10S, R22E

At proposed prod. zone Same as above. **43 097-22342**

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 Approximately 25 miles southeast of Ouray, Utah

16. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)  
 441'

18. NO. OF ACRES IN LEASE  
 320

17. NO. OF ACRES ASSIGNED TO THIS WELL  
 80

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.  
 2000'

19. PROPOSED DEPTH  
 7225'

20. ROTARY OR CABLE TOOLS  
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
 5212' GR

22. APPROX. DATE WORK WILL START\*  
 October 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" K-55	24.0#	250'	circ to surface *
7-7/8"	5-1/2" K-55	17.0#	7225'	circ to surface *

SEP 23 1992 RECEIVED

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

DIVISION OF  
 OIL GAS & MINING

AUG 27 1992

EIGHT-POINT RESOURCE PROTECTION PLAN ATTACHED

I hereby certify that Coastal Oil & Gas Corporation is authorized by the proper Lease Interest Owners to conduct lease operations associates with this Application for Permit to Drill the NBU #204, Federal Lease U-01196-D. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Coastal Oil & Gas Corporation, Nation-wide Bond #CO-0018, who will be responsible for compliance with all the terms and conditions of that portion of the lease associated with this Application.

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

24. SIGNED Eileen Danni Dey Regulatory Analyst DATE 8/26/92  
 (This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_  
 APPROVED BY [Signature] TITLE ASSISTANT DISTRICT MANAGER MINERALS DATE SEP 11 1992  
 CONDITIONS OF APPROVAL, IF ANY:

NOTICE OF APPROVAL  
 \*See Instructions On Reverse Side

CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

44090-210-226

**RECEIVED**

SEP 23 1992

DIVISION OF  
OIL GAS & MINING

CONDITIONS OF APPROVAL FOR THE  
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Coastal Oil and Gas

Well Name & Number: NBU 204

Lease Number: U-01196-D

Location: NWNE Sec. 9 T.10 S. R.22 E.

Surface Ownership: Federal

**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.

RECEIVED

SEP 23 1992

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

DIVISION OF  
OIL GAS & MINING

Company Coastal Oil and Gas Corporation Well No. NBU 204  
Location NWNE, Section 9, T10S, R22E Lease No. U - 01196 - D

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

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

A. DRILLING PROGRAM

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

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

All usable water and prospectively valuable minerals (as described by BLM at 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

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.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

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  $\pm$  2,030 ft. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

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 vapor-proof 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.

6. Notification of Operations

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

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

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

#### 7. Other Information

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

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

Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried or anchored down from the wellhead to the meter and 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, spent solvents, spilled chemicals, and waste acids

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

Refinery wastes

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

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

NAME OF COMPANY: COASTAL 43-047-32342

WELL NAME: NBU 204

Section 9 Township 10S Range 22E County UINTAH

Drilling Contractor \_\_\_\_\_

Rig # \_\_\_\_\_

SPUDDED: Date 10/22/92

Time 10:00 AM

How DRY HOLE

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

Reported by DOUG W/LEON ROSS CONST.

Telephone # 1-722-4469

Date 10/22/92 SIGNED JLT



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter  
Governor  
Dee C. Hansen  
Executive Director  
Dianne R. Nielson, Ph.D.  
Division Director

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

November 18, 1992

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

Dear Ms. Dey:

Re: Request for Completed Entity Action Form - NBU 204  
NWNE Sec. 9, T. 10S, R. 22E - Uintah County, Utah

This is written to remind you that all well operators are responsible for sending an Entity Action Form to the Division of Oil, Gas and Mining within five working days of spudding a new well. This office was notified that your company spudded the NBU 204, API Number 43-047-32342, on October 22, 1992. At this time, we have not received an Entity Action Form for this well.

Please review the instructions on the back of the enclosed form. Make sure you choose the proper Action Code to show whether the well will be a single well with its own sales facilities (Code A), a well being added to an existing group of wells having the same tank battery and common division of royalty interest (Code B - show existing Entity Number to which well should be added), or a well being drilled in the participating area of a properly designated unit (Code B). Complete the form and return it to us by November 27, 1992.

Your attention to this matter is appreciated. If we can be of assistance to you, please feel free to call Lisha Romero at the above number.

Sincerely,

Don Staley  
Administrative Supervisor

lcr  
Enclosure  
cc: R. J. Firth  
File



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter  
Governor

Dee C. Hansen  
Executive Director

Dianne R. Nielson, Ph.D.  
Division Director

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

November 18, 1992

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

Dear Ms. Dey:

Re: Request for Completed Entity Action Form - NBU 204  
NWNE Sec. 9, T. 10S, R. 22E - Uintah County, Utah

This is written to remind you that all well operators are responsible for sending an Entity Action Form to the Division of Oil, Gas and Mining within five working days of spudding a new well. This office was notified that your company spudded the NBU 204, API Number 43-047-32342, on October 22, 1992. At this time, we have not received an Entity Action Form for this well.

Please review the instructions on the back of the enclosed form. Make sure you choose the proper Action Code to show whether the well will be a single well with its own sales facilities (Code A), a well being added to an existing group of wells having the same tank battery and common division of royalty interest (Code B - show existing Entity Number to which well should be added), or a well being drilled in the participating area of a properly designated unit (Code B). Complete the form and return it to us by November 27, 1992.

Your attention to this matter is appreciated. If we can be of assistance to you, please feel free to call Lisha Romero at the above number.

Sincerely,

Don Staley  
Administrative Supervisor

lcr  
Enclosure  
cc: R. J. Firth  
File

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

OPERATOR ACCT. NO. M 0230

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
B	2900	→	43-047-32342	NBU #204	NW/NE	9	10S	22E	Uintah	11/8/92	11/8/92
WELL 1 COMMENTS: <i>Entity added 12-9-92. JCP</i>											
WELL 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

**ACTION CODES (See instructions on back of form)**

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

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

**RECEIVED**

DEC 07 1992

DIVISION OF  
OIL GAS & MINING

*Eileen Danni Dey*  
Signature Eileen Danni Dey

Regulatory Analyst 12/2/92  
Title Date

Phone No. (303) 573-4476

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

5. Lease Designation and Serial No.  
U-01196-D

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

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

8. Well Name and No.  
NBU #204

9. API Well No.  
43-047-32342

10. Field and Pool, or Exploratory Area  
Natural Buttes

11. County or Parish, State  
Uintah County, Utah

**SUBMIT IN TRIPLICATE**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
 Coastal Oil & Gas Corporation

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
 2070' FEL & 441' FNL (NW/NE)  
 Section 9, T10S, R22E

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

TYPE OF SUBMISSION

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

TYPE OF ACTION

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

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

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

MIRU Leon Ross Drlg. Spud surface hole @ 12:30 AM, 11/8/92. Drld 12-1/4" hole to 265'. Ran 6 jts 8-5/8", 24#, K55 ST&C csg & set @ 265'. Cmdt w/150 sx Cl "G" cmt + add.

**RECEIVED**

DEC 07 1992

DIVISION OF  
OIL GAS & MINING

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

Signed [Signature] Title Regulatory Analyst Date 12/2/92

(This space for Federal or State office use)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

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

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

\*See instruction on Reverse Side

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

5. Lease Designation and Serial No.  
U-01196-D

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

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

8. Well Name and No.  
NBU #204

9. API Well No.  
43-047-32342

10. Field and Pool, or Exploratory Area  
Natural Buttes

11. County or Parish, State  
Uintah County, Utah

**SUBMIT IN TRIPLICATE**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
Coastal Oil & Gas Corporation

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
2070' FEL & 441' FNL (NW/NE)  
Section 9, T10S, R22E

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

**TYPE OF SUBMISSION**

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

**TYPE OF ACTION**

- Abandonment
- Recompletion
- Plugging Back
- Casing Repair
- Altering Casing
- Other Drilling Operations

- Change of Plans
- New Construction
- Non-Routine Fracturing
- Water Shut-Off
- Conversion to Injection
- Dispose Water

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

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

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

**RECEIVED**

DEC 07 1992

DIVISION OF  
OIL GAS & MINING

14. I hereby certify that the foregoing is true and correct  
Signed [Signature] Title Regulatory Analyst Date 12/2/92  
(This space for Federal or State office use)

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

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

COASTAL OIL & GAS CORPORATION  
CHRONOLOGICAL HISTORY

NBU #204  
NATURAL BUTTES UNIT  
UINTAH COUNTY, UTAH  
COASTALDRIL #1  
WI: 100% COGC AFE:  
ATD: 7200' (WASATCH) SD: 11/8/92  
CSG: 8-5/8" @ 265'  
DHC(M\$): 192.9

11/8/92 600' Drlg 335'/5 hrs. RURT. NU and test BOP, PU BHA. Spud @ 12:30 a.m., 11/8/92. Drlg cmt, svy: 1/2 deg @ 460'. Drlg w/air mist, 400 CFM @ 250 psi. CC: \$52,623.

11/9/92 2135' Drlg 1535'/22.5 hrs. Drlg, svys: 3/4 deg @ 1011'; 1 deg @ 1453'; 1 deg @ 1953'. Drlg w/aerated wtr, CFM 700. Hit wtr at 1455'. Begin aerated wtr drlg at 1500'. CC: \$72,485.

11/10/92 3275' Drlg 1140'/23 hrs. Drlg, svys: 1-1/4 deg @ 2519'; 1-3/4 deg @ 3053'. Aerated wtr, air 700 CFM. CC: \$81,199.

11/11/92 4250' Drlg 975'/22.5 hrs. Drlg, svys: 1-3/4 deg @ 3556'; 1-1/4 deg @ 4057'. Drlg w/aerated DAP wtr. 450 CFM. CC: \$90,560.

11/12/92 5000' Drlg 750'/23 hrs. Drlg, RS, chk BOPE. Drlg, svy: 1 deg @ 4558'. Drlg brk 4960-4978'. 6 ppb DAP, air 300 CFM. CC: \$101,394.

11/13/92 5540' Drlg 540'/18 hrs. Drlg, svy: 1 deg @ 5048'. Drlg, RS, chk BOP's. Drlg, trip for bit, fill pipe, wash 46' to btm. Drlg w/6#/bbl DAP wtr. Air 300 CFM. CC: \$116,750.

11/14/92 6195' Drlg 655'/22.5 hrs. Drlg, svys: 3/4 deg @ 5595'; 1-1/2 deg @ 6004'. RS, chk BOP's, drlg w/DAP wtr, 6#/bbl, air 300 CFM. CC: \$125,343.

11/15/92 6720' Drlg 525'/23 hrs. Drlg, RS, chk BOP's. Drlg, svy: 1-1/4 deg @ 6606'. DAP wtr, 6#/bbl, 300 CFM. CC: \$133,936.

11/16/92 7225' TOH for logs. 505'/18 hrs. Drlg, RS, chk BOP. Drlg, circ for ST. ST to 4040' (33 stds). Fill pipe and wash 50'. Circ, POH for logs. TD hole at 12:30 a.m., 11/16/92. Drlg brks from 6809-35', 6866-76', 7013-40', 7070-7107'. Drlg w/wtr, 6#/bbl DAP. CC: \$142,943.

11/17/92 7225' Washing 5-1/2" csg to btm at 7182'. TOH and SLM BHA, no corr. Run open hole logs at 7127'. TIH w/BHA. W&R 6140-6160'. Finish TIH. LD DP and DC. Run 164 jts 5-1/2" K-55 LT&C csg. Wash 5-1/2" csg to btm from 6500' to 7182'. CC: \$160,788.

11/18/92 7225' RD and move rig. Released at 12:00 noon, 11/17/92. Wash csg 7182-7218'. Cmt w/265 sx Hi-fill 1#/sx Capseal, .3% HR-7 @ 11 ppg. Tail w/1175 sx 50-50 Poz, 2% gel, 10% salt, .6% Halad-24, .2% CFR-3, 1#/sx Capseal, 1/4#/sx Flocele. Displace w/166.5 bbls wtr. PD at 8:00 a.m. ND and set slips, clean pits and ND. RR. RD, dry watch. Csg = 164 jts 5-1/2" 17# K-55 LT&C, 7228.89', set at 7218'. Float at 7173', marker jt at 4114'. CC: \$242,509. FINAL DRILLING REPORT.

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

OPERATOR ACCT. NO. N 0230

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
E	2900 →		43-047-32342	NBU #204	NW/NE	9	10S	22E	Uintah	10/22/92	10/22/92
WELL 1 COMMENTS: Revised Form: Corrected Spud Date <i>Entity previously added on 12-9-92. See</i>											
WELL 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

- ACTION CODES** (See instructions on back of form)
- A - Establish new entity for new well (single well only)
  - B - Add new well to existing entity (group or unit well)
  - C - Re-assign well from one existing entity to another existing entity
  - D - Re-assign well from one existing entity to a new entity
  - E - Other (explain in comments section)

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

**RECEIVED**

JAN 11 1993

DIVISION OF  
OIL GAS & MINING

*Eileen Danni Dey*  
Signature Eileen Danni Dey

Regulatory Analyst 1-6-93  
Title Date

Phone No. (303) 573-4476

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

SUBMIT IN DUPLICATE\*

(See other instructions on reverse side)

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

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG\***

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

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

2. NAME OF OPERATOR  
Coastal Oil & Gas Corporation

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

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\*  
At surface 2070' FEL & 441' FNL (NW/NE)  
At top prod. interval reported below Same as above  
At total depth Same as above

5. LEASE DESIGNATION AND SERIAL NO.  
U-01196-D

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

7. UNIT AGREEMENT NAME  
Natural Buttes Unit

8. FARM OR LEASE NAME  
COANBU

9. WELL NO.  
204

10. FIELD AND POOL OR WILDCAT  
Natural Buttes

11. SEC. T. R. M., OR BLOCK AND SURVEY OR AREA  
Section 9, T10S-R22E

**RECEIVED**  
JAN 11 1993

DIVISION OF  
GAS & MINING

14. PERMIT NO. 43-047-32342 | DATE ISSUED 9/9/92

12. COUNTY OR PARISH Uintah | 13. STATE Utah

15. DATE SPUNDED 10/22/92 | 16. DATE T.D. REACHED 11/16/92 | 17. DATE COMPL. (Ready to prod.) 12/9/92 | 18. ELEVATIONS (DP, RKB, ST, GR, ETC.)\* 5212' GR | 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 7225' | 21. PLUG. BACK T.D., MD & TVD 7154' | 22. IF MULTIPLE COMPL., HOW MANY\* | 23. INTERVALS DRILLED BY | ROTARY TOOLS SFC-TD | CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)\*  
5007 - 7012' Wasatch

25. WAS DIRECTIONAL SURVEY MADE  
No

26. TYPE ELECTRIC AND OTHER LOGS RUN  
DLL; CN-FD; CBL/CCL/GR 11-24-92

27. WAS WELL CORED  
No

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

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8"	24#	263'	12-1/4"	150 sx PPAG + add	None
5-1/2"	17#	7218'	7-7/8"	1440 sx HiFill & 50/50 Poz	None
			8-5/8"x5-1/2"	csg annulus-205 sx c1"G"	add (Bullhead squeeze)

29. LINER RECORD | 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	BACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-3/8"	4937'	

31. PERFORATION RECORD (Interval, size and number) Perforated w/4" csg gun, 1 JSPF @ the following depths:  
5007' 5405' 6801' 7007'  
5011' 5417' 6813' 7012'  
5333' 5445' 6821'  
5397' 6793' 7003'

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
5007-7012'	48 bbls 15% HCL + 50 B.S.'s
5007-7012'	83,860 gals Purgel III w/170 tons CO <sub>2</sub> & 380,400# 20/40 sand

33. PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)					
11/26/92	Flowing	SI					
DATE OF TEST	HOURS TESTED	CHOKED SIZE	PROD'N. FOR TEST PERIOD	OIL—BSL.	GAS—MCF.	WATER—BSL.	GAS-OIL RATIO
12/9/92	24	18/64"		0	2000	0	N/A
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BSL.	GAS—MCF.	WATER—BSL.	OIL GRAVITY-API (CORR.)	
1000	1000		0	2000	0	N/A	

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

TEST WITNESSED BY  
L. Streeb

35. LIST OF ATTACHMENTS  
Chronological History

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

SIGNED Eileen Damm DeY TITLE Regulatory Analyst DATE 1-6-93

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

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, flowing and shut-in pressures, and recoveries):

38. GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
				Wasatch	4363'	4363'

COASTAL OIL & GAS CORPORATION  
CHRONOLOGICAL HISTORY

NBU #204  
NATURAL BUTTES UNIT  
UINTAH COUNTY, UTAH  
COASTALDRIL #1  
WI: 100% COGC AFE:  
ATD: 7200' (WASATCH) SD: 11/8/92  
CSG: 8-5/8" @ 265'  
DHC(MS): 192.9

11/8/92 600' Drlg 335'/5 hrs. RURT. NU and test BOP, PU BHA. Spud @ 12:30 a.m., 11/8/92. Drlg cmt, svy: 1/2 deg @ 460'. Drlg w/air mist, 400 CFM @ 250 psi. CC: \$52,623.

11/9/92 2135' Drlg 1535'/22.5 hrs. Drlg, svys: 3/4 deg @ 1011'; 1 deg @ 1453'; 1 deg @ 1953'. Drlg w/aerated wtr, CFM 700. Hit wtr at 1455'. Begin aerated wtr drlg at 1500'. CC: \$72,485.

11/10/92 3275' Drlg 1140'/23 hrs. Drlg, svys: 1-1/4 deg @ 2519'; 1-3/4 deg @ 3053'. Aerated wtr, air 700 CFM. CC: \$81,199.

11/11/92 4250' Drlg 975'/22.5 hrs. Drlg, svys: 1-3/4 deg @ 3556'; 1-1/4 deg @ 4057'. Drlg w/aerated DAP wtr. 450 CFM. CC: \$90,560.

11/12/92 5000' Drlg 750'/23 hrs. Drlg, RS, chk BOPE. Drlg, svy: 1 deg @ 4558'. Drlg brk 4960-4978'. 6 ppb DAP, air 300 CFM. CC: \$101,394.

11/13/92 5540' Drlg 540'/18 hrs. Drlg, svy: 1 deg @ 5048'. Drlg, RS, chk BOP's. Drlg, trip for bit, fill pipe, wash 46' to btm. Drlg w/6#/bbl DAP wtr. Air 300 CFM. CC: \$116,750.

11/14/92 6195' Drlg 655'/22.5 hrs. Drlg, svys: 3/4 deg @ 5595'; 1-1/2 deg @ 6004'. RS, chk BOP's, drlg w/DAP wtr, 6#/bbl, air 300 CFM. CC: \$125,343.

11/15/92 6720' Drlg 525'/23 hrs. Drlg, RS, chk BOP's. Drlg, svy: 1-1/4 deg @ 6606'. DAP wtr, 6#/bbl, 300 CFM. CC: \$133,936.

11/16/92 7225' TOH for logs. 505'/18 hrs. Drlg, RS, chk BOP. Drlg, circ for ST. ST to 4040' (33 stds). Fill pipe and wash 50'. Circ, POH for logs. TD hole at 12:30 a.m., 11/16/92. Drlg brks from 6809-35', 6866-76', 7013-40', 7070-7107'. Drlg w/wtr, 6#/bbl DAP. CC: \$142,943.

11/17/92 7225' Washing 5-1/2" csg to btm at 7182'. TOH and SLM BHA, no corr. Run open hole logs at 7127'. TIH w/BHA. W&R 6140-6160'. Finish TIH. LD DP and DC. Run 164 jts 5-1/2" K-55 LT&C csg. Wash 5-1/2" csg to btm from 6500' to 7182'. CC: \$160,788.

11/18/92 7225' RD and move rig. Released at 12:00 noon, 11/17/92. Wash csg 7182-7218'. Cmt w/265 sx Hi-fill 1#/sx Capseal, .3% HR-7 @ 11 ppg. Tail w/1175 sx 50-50 Poz, 2% gel, 10% salt, .6% Halad-24, .2% CFR-3, 1#/sx Capseal, 1/4#/sx Flocele. Displace w/166.5 bbls wtr. PD at 8:00 a.m. ND and set slips, clean pits and ND. RR. RD, dry watch. Csg = 164 jts 5-1/2" 17# K-55 LT&C, 7228.89', set at 7218'. Float at 7173', marker jt at 4114'. CC: \$242,509. FINAL DRILLING REPORT.

THE COASTAL CORPORATION  
PRODUCTION REPORT

CHRONOLOGICAL HISTORY

PAGE 2

NBU #204  
NW/NE SECTION 9, T10S-R22E  
NATURAL BUTTES UNIT  
UINTAH COUNTY, UTAH  
WI: 100% COGC AFE: 13852  
TD: 7225' (WASATCH) SD: 11/8/92  
CSG: 5-1/2" @ 7218'  
PERFS: 5007'-7012'  
CWC(M\$): 402.4

- 11/19/92 WOCU. Drop from report until further activity.  
TC: \$242,509
- 11/21/92 WO completion rig. MIRU Cutters WLS w/mast truck. Ran CBL-CCL-GR log from 7124' to sfc w/1000 psi on csg. Good bond, TOC @ 1370'. RDMO WL.  
DC: \$21,280 TC: \$263,789
- 11/24/92 POH w/tbg & mill. MIRU Well Tech rig #565. NU BOP. PU & RIH w/4-3/4" mill & 2-3/8" tbg. Tag PBTD @ 7154'. Circ hole w/160 bbls 3% KCl wtr. Start POH w/tbg & mill.  
DC: \$5,320 TC: \$269,109
- 11/25/92 Prep to perf. Finish POH w/tbg & mill. Shut down. No service company available to breakdown perfs.  
DC: \$1,100 TC: \$270,209
- 11/26/92 Flow back after breakdown. RU Cutters WLS. Perf 14 holes 5007'-7012' w/4" csg gun. RIH w/tbg to 7012'. RU Halliburton. Spot 47 bbls 15% HCl across perfs. PU tbg to 4937'. ND BOP, NU WH. Breakdown perfs w/48 bbls 15% HCl + 50 BS's. BD @ 1800 psi. Treat @ 8.1 BPM @ 4450 psi. Ball action to 5000 psi. Did not ball off. ISIP 1500 psi, 15 min 1020 psi. Flwd to pit, left open to pit overnight on 20/64" chk.  
DC: \$24,540 TC: \$294,749
- 11/26/92 Flwd 1.0 MMCFD, 5 BWPD, FTP 550#, CP 750#, 20/64" chk.
- 11/27/92 Flwd 1.0 MMCFD, 3-5 BWPD, FTP 500#, CP 600#, 20/64" chk.
- 11/28/92 SI, WO frac. Flwd 1.0 MMCFD, 1 BWPD, FTP 450#, CP 550#, 20/64" chk. SI @ 7:00 a.m., 11/28/92.
- 12/1/92 SI, WO frac. RDMO. Drop from report.  
DC: \$250 TC: \$294,999
- 12/6/92 Frac Wasatch perfs 5007'-7012' (14 holes) w/83,860 gals Purgel III w/170 tons CO<sub>2</sub> & 380,400# 20/40 mesh sand in two stages. Drop 7 - 1.3 S.G. BS's, 32 BPM @ 4200#. ISIP 2289#, 5 min 1970#, 10 min 1949#, 15 min 1956#. Note: 30-18% CO<sub>2</sub> assisted w/25% pad.  
DC: \$79,500 TC: \$374,499
- 12/6/92 Flwd 1.1 MMCFPD CO<sub>2</sub>, 4 BWPH, FTP 700#, CP 650#, 18/64" chk.
- 12/7/92 Flwd 2.2 MMCFPD CO<sub>2</sub>, 3 BWPH, FTP 1350#, CP 1050#, 18/64" chk.
- 12/8/92 Flwd 2.0 MMCFPD CO<sub>2</sub>, 2 BWPD, FTP 1100#, CP 1050#, 18/64" chk.
- 12/9/92 SI, WOPLC. Flwd 2.0 MMCFPD dry gas, FTP 1000#, CP 1000#, 18/64" chk. SI @ 6:30 a.m., 12/9/92. RDMO Well Tech rig #565. Drop from report.
- 12/11/92 SI, WOPLC. MIRU Western Company. Cemented 8-5/8" x 5-1/2" csg annulus w/20 bbl LCM pill, 55 sx Super "G" + 2% CaCl<sub>2</sub> + 3 pps Hi-Seal 2 + 1/4 pps Cello Seal + .7% CF-2 & 150 sx Super "G" + 2% CaCl<sub>2</sub> + .7% CF-2. Max press 175 psi @ end of job, wk vac 30 min later. Drop from report.  
DC: \$7,000 TC: \$381,499

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

**SUBMIT IN TRIPLICATE**

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator  
 Coastal Oil & Gas Corporation

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description):  
 2070' FEL & 441' FNL (NW/NE)  
 Section 9, T10S-R22E

5. Lease Designation and Serial No.  
 U-01196-D

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

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

8. Well Name and No.  
 NBU #204

9. API Well No.  
 43-047-32342

10. Field and Pool, or Exploratory Area  
 Natural Buttes

11. County or Parish, State  
 Uintah County, Utah

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

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

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

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

The above referenced well was connected to CIG's gas salesline and first sales occurred at 11:00 a.m., 1/25/93, with a rate of 2354 MCFPD, 0 BOPD, 0 BWPD, FTP 1324 psi, SICP 1000 psi, on 15/64" choke.

**RECEIVED**

FEB 0 1 1993

DIVISION OF  
OIL GAS & MINING

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

Signed [Signature] Title Regulatory Analyst Date 1/28/93

(This space for Federal or State office use)

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

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

RECEIVED

JUL 02 1993

Type of Well  
 Oil Well  Gas Well  Other

Name of Operator  
Coastal Oil & Gas Corporation

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

Location of Well (Fortage, Sec., T., R., M., or Survey Description)  
2070' FEL & 441' FNL (NW/NE)  
Section 9, T10S-R22E

Lease Designation and Serial No.  
U-01196-D  
Indian, Allottee or Tribe Name  
N/A  
If Unit or CA Agreement Designation  
Natural Buttes Unit  
Well Name and No.  
NBU #204  
API Well No.  
43-047-32342  
Field and Pool, or Exploratory Area  
Natural Buttes  
County or Parish, State  
Uintah County, Utah

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

TYPE OF SUBMISSION

- Notice of intent
- Subsequent Report
- Final Abandonment Notice

TYPE OF ACTION

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

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

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

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

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

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

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

Signed [Signature] Title

Regulatory Analyst

Date: 7-8-93

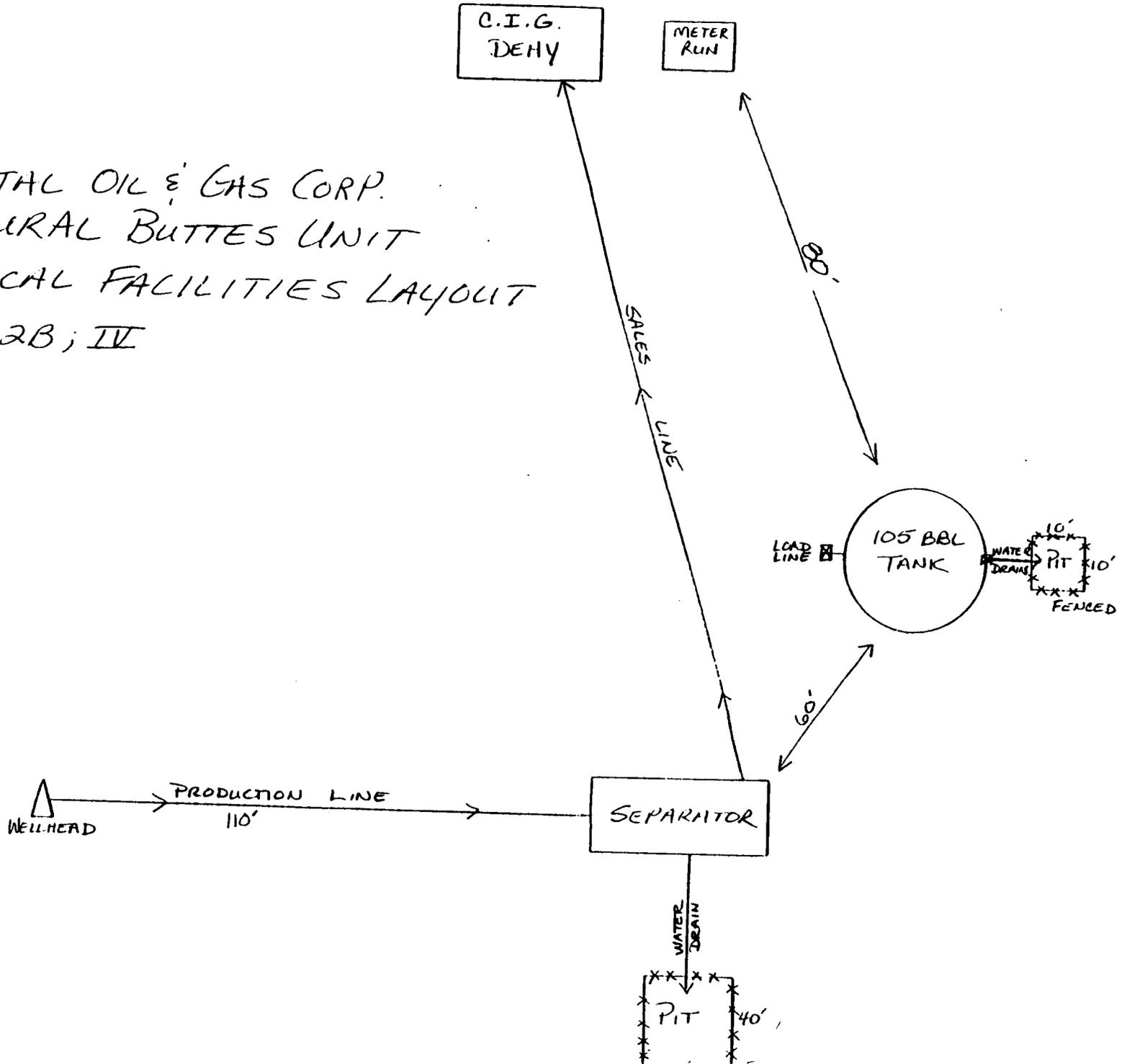
Federal Approval 6/28/93  
Action is N/A

(This space for Federal or State office use)

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

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

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



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED  
SEP 28 1994

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

**SUNDRY NOTICES AND REPORTS ON WELLS OF OIL, GAS & MINERALS**

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

Case Designation and Serial No. **10-01196-D**  
6. If Indian, Allottee or Tribe Name  
**N/A**  
7. If Unit or CA, Agreement Designation  
**Natural Buttes Unit**  
8. Well Name and No.  
**NBU #204**  
9. API Well No.  
**43-047-32342**  
10. Field and Pool, or Exploratory Area  
**Natural Buttes**  
11. County or Parish, State  
**Uintah County, Utah**

**SUBMIT IN TRIPLICATE**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
**Coastal Oil & Gas Corporation**

3. Address and Telephone No.  
**P.O. Box 749 Denver, Colo. 80202-0749 301-573-4486**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**2070' FEL & 441' FNL (NW/NE)  
Section 9, T10S-R22E**

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

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

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

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

See Attached Procedure

E&P OPERATIONS - DENVER DISTRICT

NOV 22 1993

TOY \_\_\_ NOS \_\_\_ REC \_\_\_  
LPS \_\_\_ JDP \_\_\_  
TFS \_\_\_ EDD \_\_\_ JRN \_\_\_ RLB \_\_\_

*JK* 11-22

File \_\_\_

RECEIVED  
NOV 12 1993

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

Signed *Jerald Jackson*

Title *Field Admin. Clerk* <sup>789-4433</sup>

Date *11-12-93*

(This space for Federal or State office use)

Approved by *[Signature]*

Title **ASSISTANT DISTRICT  
MANAGER MINERALS**

Date **NOV 16 1993**

WASATCH WATER SHUT-OFF PROCEDURE  
NBU #204  
SECTION 9-T10S-R22E  
UINTAH COUNTY, UTAH

WELL DATA

Location: 2070' FEL & 441' FNL Section 9, T10S, R22E  
Elevation: 5212' GR, 5224' KB  
Total Depth: 7154'  
PBDT: 7225' (FC)

CASING

Surface: 8-5/8" K-55 24# CSA 263', cmt w/150 sx  
Production: 5-1/2" K-55 17# LT&C CSA 7218', cmt w/1400 sx (no cmt to surf)  
Performance Properties:

Description	ID	Drift	Capacity (BPF)	Burst (psi)	Collapse (psi)	Tension (#)
5-1/2" K-55 17#	4.892"	4.767"	.0232	5320	4910	273,000
2-3/8" J-55 EUE	1.995"	1.901"	.00389	7700	8100	71,730

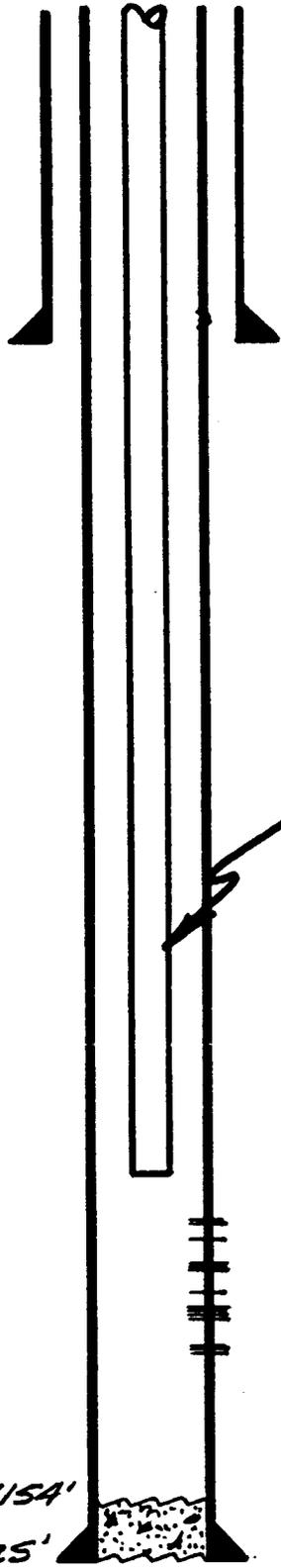
Depth Reference: Schlumberger CNL-FDC dated Nov 16, 1992.  
Present Status: Producing.  
Perforations: 5007, 5011, 5333, 5397, 5405, 5417, 5445, 6793, 6801  
6813, 6821, 7003, 7007, 7012. Total of 14 holes.

PROCEDURE:

1. MIRU Service Unit.
2. ND WH. NU BOPE. Kill well if necessary.
3. RU wireline company. TIH with CIBP on wireline. Set CIBP at 6850'.
4. TIH with cmt retainer on wireline. Set retainer at 6750'. TIH with 2 3/8" tubing.
5. RU HOWCO. Sting into cmt retainer. Pump into tubing to establish injection rate. Check annulus for communication. Sting out of retainer.
6. Mix and spot 50 sxs of class "G" cement with appropriate additives.
7. Sting into cmt retainer. Cement squeeze perforations at 6793 to 6821'.
8. TIH with tubing and mill. Drill out retainer and cmt to top of CIBP. TIH with retrievable packer. Set packer at 6700'. Pressure test squeeze perforations to 3000 psi. If perforations do not test, repeat steps 4 through 9.
9. Drill out CIBP. TIH with tubing open ended. Set tubing open ended +/- 4950' with blast joint on top. Return well to production.

DKD:dkd

NBU #204  
SEC 9, T10S, R22E  
UINTAH CO, UTAH  
ELEV. - 5212' GL  
- 5224' KB



8 5/8" 24# K-55 CSA 263'  
CMT W/ 150 SXS

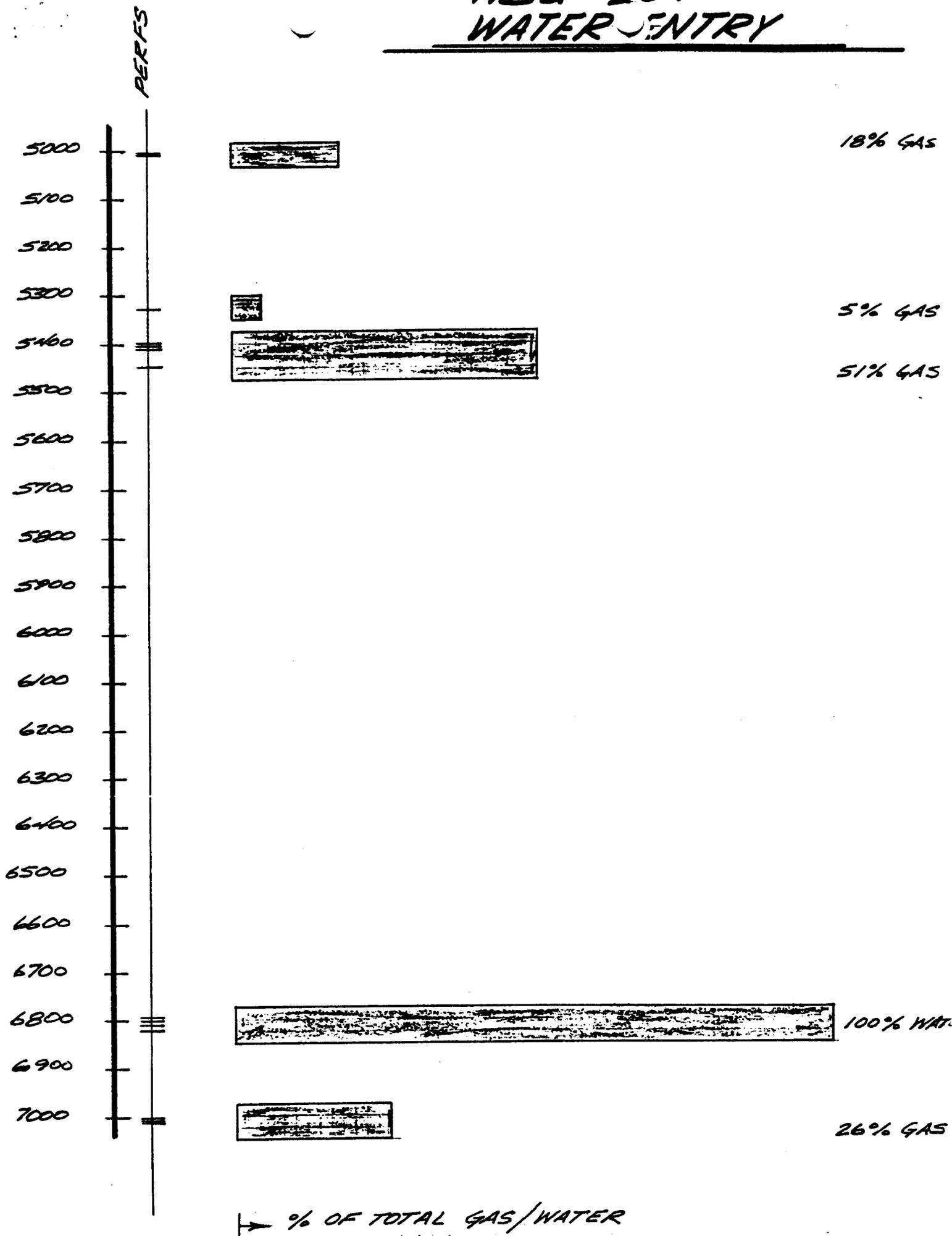
2 7/8" TUBING @ 7012'

PERFORATIONS: 5007', 5011', 5333', 5397', 5405',  
5417', 5445', 6793', 6801', 6813',  
6821', 7003', 7007', 7012'

PBTD - 7154'  
TD - 7225'

5 1/2" 17# K-55 CSA 7218'  
CMT W/ 1440 SXS

# NBU #204 WATER ENTRY



→ % OF TOTAL GAS/WATER

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

5. Lease Designation and Serial No.

U-01196-D

6. If Indian, Alottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

Natural Buttes Unit

8. Well Name and No.

NBU #204

9. AAPI Well No.

43-047-32342

10. Field and Pool, Or Exploratory Area

Natural Buttes

11. County or Parish, State

Uintah County, UT

**SUBMIT IN TRIPLICATE**

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

Coastal Oil & Gas Corporation

3. Address and Telephone No.

P. O. Box 749, Denver, CO 80201-0749

(303) 573-4476

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

2070' FEL & 441 FNL

NW/NE Section 9-T10S-R22E

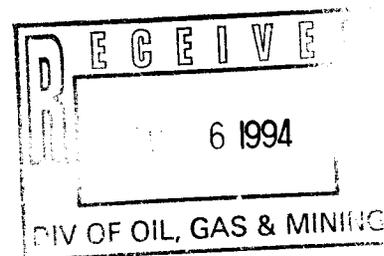
**12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

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

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

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

Please see the attached chronological history for work performed in the subject well.



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

Signed

*N.O. Shiflett*  
N.O. Shiflett

Title District Drilling Manager

Date

12/02/94

(This space for Federal or State office use)

APPROVED BY

Title

Date

Conditions of approval, if any:

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

\*See instruction on Reverse Side

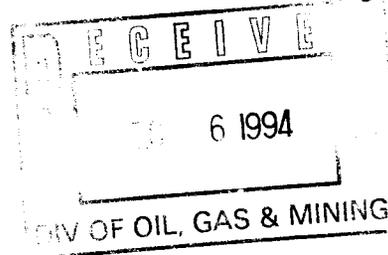
THE COASTAL CORPORATION  
PRODUCTION REPORT

CHRONOLOGICAL HISTORY

COMPLETION:

Page #4

NBU #204 (Water Shut-Off)  
NW/NE SECTION 9, T10S-R22E  
NATURAL BUTTES UNIT  
UINTAH COUNTY, UTAH  
WI: 100% COGC AFE: 14347  
TD: 7225' (WASATCH) SD: 11/8/92  
CSG: 5½" @ 7218'  
PERFS: 5007'-7012' Wasatch/14 holes)  
CWC: \$26,000 / CC: \$46,700



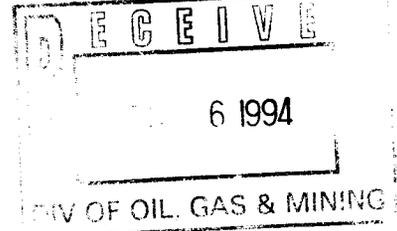
- 11/19/93 PO: RIH w/4½" mill & bailer. MIRU. ND WH. NU BOP. POOH w/2½" tbg. RIH w/CIBP to 6797'. Tag fill. POOH. RIH w/4½" mill on 2½" tbg to 5060' - tight. POOH.  
DC: \$5.050 CC: \$ 5.050
- 11/20/93 PO: CO fill & scale. SITP 500 psi. Bleed well. Kill well 2/50 BBLS KCl. RIH w/4½" mill & bulldog bailer. tag @ 5.060'. WO pwr swivel. Drl scale to 5.340'. fell through. RIH. tag @ 6.800' SDFN.  
DC: \$3.550 CC: \$ 7.900
- 11/21/93 PO: Prep to CO scale. SITP 500 psi. Bleed off. kill well w/50 BBLS 8% KCl. Tag scale fill @ 6.800'. CO to 6.900'. plugged bailer. POH CO tools. RIH to 6.000'. SDFN.  
DC: \$3.500 CC: \$ 9.950
- 11/22/93 PO: CO scale. STIP 400 psi. Bleed off. Pmp 3% KCl. tag @ 6.895'. CO 5' fill. drl on scale/3 hrs. made 3'. POOH. LD mill & bailer. RIH w/notch collar. CO to 6.950'/2 hrs. Lost 290 BW. Clean up tbg. SDFN.  
DC: \$5.200 CC: \$15.150
- 11/23/93 PO: Prep to drl scale. CO sand & scale to 7.089'. Lost circ. POOH. PU & RIH w/4½" mill & bulldog bailer to 6.500'. SDFN.  
DC: \$3.350 CC: \$18.400
- 11/24/93 PO: Prep to cmt sqz. Kill well w/50 BW. Fin RIH. tag sand @ 7.060'. CO to 7.154'. RIH w/CIBP. set @ 6850'. Set cmt retainer @ 6.750'. RIH w/tbg to 6.700'. SDFN.  
DC: \$ 6.250 CC: \$24.650
- 11/25/93 PO: WOC. SICP/SITP 400 psi. Bleed well off. Load csg w/75 BW. load tbg w/17 BW. Est inj rate of 3.5 BPM @ 2200 psi. Mix & pmp 50 sx C1 "G" ARO 2.3 BPM @ 2200 psi. Obtained sqz w/7½ BBL cmt through perfs. c/n reverse. dumped 1½ BBL cmt on ret. POOH. tbg clean. RIH w/4½" mill & bulldog bailer to 2000'. SDFN.  
DC: \$6.550 CC: \$30.300
- 11/26/93 SDFN.  
11/27/93 SDFN.
- 11/28/93 PO: POOH w/cmt & CICR. SITP/SICP 400 psi. Bleed off & kill well w/50 BBLS 3% KCl. Fin RIH. tag stinger @ 6.597'. solid cmt @ 6.659'. CO to 6.715'. Start POOH. SDFN.  
DC: \$3.300 CC: \$33.600
- 11/29/93 PO: Prep to drl out CICR. SICP 300 psi. Bleed well off. Kill well w/50 BBLS KCl. Fin POOH. clean mill. RIOH. tag @ 6.715'. CO to 6.750' (CICR). POOH.  
DC: \$3.250 CC: \$36.850
- 11/30/93 PO: Drl cmt. SICP 100 psi. Fin POOH w/plugged mill. RIH w/4½" mill & hit tight spot @ 6376'. POOH. RIH w/4½" mill & DO cmt & CICR to 6770'. POOH w/plugged mill. RIH w/4½" mill & DO cmt to 6773'.  
DC: \$5.150 CC: \$42.000
- 12/01/93 PO: POOH w/mill. Stuck mill @ 6773'. Worked free. POOH w/plugged mill. RIH w/4½" mill & DO cmt to 6777'. Bailer quit working.  
DC: \$4.750 CC: \$46.700

PRODUCTION REPORT

CHRONOLOGICAL HISTORY

COMPLETION:

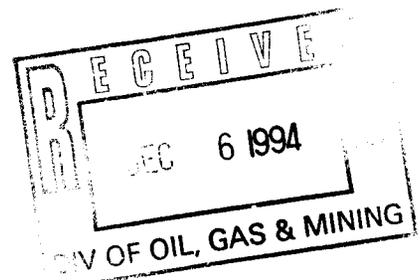
NBU #204 (Water Shut-Off)  
 NW/NE SECTION 9, T10S-R22E  
 NATURAL BUTTES UNIT  
 UINTAH COUNTY, UTAH  
 WI: 100% COGC AFE: 14347  
 TD: 7225' (WASATCH) SD: 11/8/92  
 CSG: 5½" @ 7218'  
 PERFS: 5007'-7012' (Wasatch/14 holes)  
 CWC: \$26,000 / CC: \$46,700



- 12/02/93 PO: DO cmt. POOH w/mill. DO cmt to 6779'. POOH w/plugged mill. RIH w/bit & DO cmt to 6803'. Bailer quit working. Trip for new bailer. DO cmt to 6810'.  
 DC: \$6,950 CC: \$53,700
- 12/03/93 PO: Prep to DO CIBP. DO cmt to 6847'. TIH w/pkr. set @ 6027'. Test sqz to 3000 psi. Bled off in 3 min. Possible leak @ CIBP. TOOH w/pkr. RIH w/4½" mill. Tag fill @ 6832'.  
 DC: \$5,250 CC: \$58,950
- 12/04/93 PO: Swb mill in. CO fill f/6,832-6,847'. CO stringers & soft cmt to CIBP @ 6,864'. POOH w/bailer. Drl CIBP to PBTD @ 7,154'. POOH w/tbg. bailer & mill. RIH w/2½" prod string & PSN @ 4,909'. ND BOP, NU WH.  
 DC: \$4,750 CC: \$63,700
- 12/05/93 PO: Prep to swb. SICP/SITP 100 psi. Swb/8 runs f/4,909'. IFL 4,900'. Rec 1 BW, FFL 4,800'. SICP 20 psi. Fluid sli gas cut last 2 runs. SDFN.  
 DC: \$1,800 CC: \$65,500
- 12/06/93 PO: Prep to swb. SICP 60 psi. SITP 140 psi. IFL 4,300'. Swb/25 runs, rec 68 BW. FFL 4,800'. SICP 230 psi. Fl hvy gas cut, weak blw for 1 min behind swb. SDFN.  
 DC: \$1,600 CC: \$67,100
- 12/07/93 PO: Prep to swb. SICP/SITP 420 psi. Blw dwn 1 min. IFL 3100'. Swb/32 runs, rec 109 BW. FFL 4300'. SICP 440 psi. Fl hvy gas cut, strong blow behind swb/1 min; decr to weak blow.  
 DC: \$1,600 CC: \$68,700
- 12/08/93 PO: Prep to RDMO & MIRU Swb. SICP 800 psi. SITP 750 psi. Flow to pit/3 hrs, rec 20 BW. Well died. IFL 4000'. Swb 15 runs, rec 37 BW. FFL 4500'. SICP 220 psi. Fl hvy gas cut. Strong blow f/5-15 min between swb runs. SDFN.  
 DC: \$1,900 CC: \$70,600
- 12/09/93 PO: Prep to swb. SICP 650 psi. SITP 700 psi. RDMO. MIRU swb. Flw/4 hrs, well died. IFL 4200'. Swb 6 runs. FFL 4500'. SICP 250 psi. Total rec 31 BW (25 BW/flw; 6 BW/swb). Fl hvy gas cut.  
 DC: \$1,300 CC: \$71,900
- 12/10/93 PO: Flwg 350 MCFPD, 220 BWP, FTP 200# 20/64" chk. SITP 775#. Flwg 3-5 BWP on open chk. SICP 350#. RD swab unit.  
 DC: \$1,550 CC: \$73,450
- 12/11/93 Flwg 350 MCFPD, 48 BWP, FTP 200#, 20/64" chk.
- 12/12/93 Flwg 350 MCFPD, 48 BWP, FTP 225#, 20/64" chk.
- 12/13/93 Flwg 400 MCFPD, 48 BWP, FTP 225#, 20/64" chk.
- 12/14/93 Flwg 500 MCFD, 10 BWP, FTP 225# on 20/64" chk.
- 12/15/93 SI f/PBU.

SE/NE SECTION 5-T10S-R22E  
NATURAL BUTTES UNIT  
UINTAH COUNTY, UTAH  
WI: 100% COGC AFE: 14413  
CWC(\$M): 38.0 CC(\$M): 6.660

- 1/24/94 PO: SI WO Frac. MI & RU Flint compl. rig. Killed well w/3% KCl wtr. ND WH. NU BOP. POOH w/2-3/8" J-35 tbg. PU & RIH w/RBP. pkr & 2-3/8" N-80 tbg. Set RBP @ 5350'. press tst RBP to 5000 psi - ok. Set pkr @ 5264'. (170 jts tbg). ND BOP. NU WH. SDFN.  
DC: \$6.660 TC: \$6.660
- 1/26/94 PO: Frac perfs. Fill frac tanks, filter & heat wrt. RU Western CO. Frac perfs 5283' - 5293' w/15.456 gals Santurn 3 gel wtr + 37.180# 20/40 sand BD @ 4260 psi. Avg IR 13.5 BPM @ 4700 psi. ISIP 1200 psi. 15 min 200 psi. 2 hrs vac. Made 5 swb runs, rec 22 BW, hit bridge @ 3800' on 6th run. POOH. stuck swb. Pulled out of rope socket. POOH & LD N-80 tbg & pkr. Rec swb tools in btm jt tbg. RIH w/J-55 tbg - 146 jts land @ 4561' w/notched collar on btm, SN 1 jt above & 10' blast jt on top. NU BOP. NU WH. Left well open on 20/64" chk. Total load 388 bbls. 366 BLW to rec.  
DC: \$24.180 TC: \$30.840
- 1/27/94 PO: Prep to swb. SICIP 0. FTP 0 20/64" chk. Made 44 swb runs. Rec 135 BW. IFL @ 3400'. FFL @ 4000'. SICIP 100 psi. Fluid hvy gas cut. weak gas blow behind swb. 231 BLW to rec.  
DC: \$2.560 TC: \$33.400
- 1/28/94 PO: Prep to Swb. SITP 400. SICIP 350. Flwd to pit 20 min, rec 5 BW. Made 40 swb runs, rec 135 BW. IFL 3100'. FFL 4200'. SICIP 180 psi. Fluid vry hvy gas cut. Strong gas blw 2 - 3 min behind swb. then weak blw. SDFN.  
DC: \$2.250 TC: \$35.650
- 1/29/94 PO: SI for Press BU. SITP 650. SICIP 650. Flwd to pit 2-1/2 hrs on 20/64" chk, rec 35 BW. Made 13 swb runs, rec 44 BW. Flwd 1/2 hr. Made 8 swb runs, rec 25 BW. Total rec 104 bbls, 21 swb runs. IFL 3000'. FFL 3800'. SICIP 180 psi. Fluid vry hvy gas cut. Strong gas blw 2 - 10 min behind swb, dec to weak blw. SDFN. Rec 8 bbls over load (from frac). Sun OWS ran SLM tag PBDT @ 5290' GL, 5302' KB.  
DC: \$2,500 TC: \$38.150
- 2/1/94 PO: Prep to CO sand. Blw well dn. ND WH, NU BOP. POOH w/tbg. RIH w/hydrastatic bailer & tbg. CO sand from 5160' - 5216'. Bailer plugged, POOH, CO bailer. RIH, CO sand to 5340'. Bailer plugged, POOH. SDFN. RBP @ 5350'.  
DC: \$3,500 TC: \$41.650
- 2/3/94 PO: SI for Press BU. SICIP 550, FTP 200, 20/64" chk, 400 MCF/d, 2 - 3 BW/hr. RD&MO. SICIP 550, FTP 60, 20/64" chk, 180 MCF/d. Dry gas. SI for press BU.  
DC: \$650 TC: \$48,780
- 2/5/94 Production. FTP 150 psi, SICIP 425 psi, 18/64" chk, 350 MCFD, 20 - 30 BWPD. SI @ 12:00 pm.
- 2/6/94 PO: SI BU Press.
- 2/7/94 AM Prod. FTP 590 psi, SICIP 690 psi, 11/64" chk, 350 MCFD, 0 BWPD.





# WORKOVER PROCEDURE

## **NBU 204**

NW/4, SE/4 Section 9-10S-22E  
Uintah County, UT

January 19, 1996

ELEVATION: 5212' GL; 5224' KB  
TOTAL DEPTH: 7225' PBTB: 7154' (6954' by 11/11/95 SLM)  
CASING: 8-5/8", 24#, K-55 ST&C set @ 263'  
5-1/2", 17#, K-55 set @ 7218'  
TUBING: 2-3/8", 4.7#, N-80 set @ 4937'  
PERFORATIONS: 5007-7012' 14 holes (Wasatch & Mesa Verde)

### PROCEDURE

Notes: Average rate prior to WO (1/13/96): 165 MCFD on 30/64" chk w/290# TP, 450# CP.  
S/L survey indicates PBTB @ 6954' w/flowing fluid level @ 5350'

- 1) MIRU. Control well w/2% KCl water. ND WH/NU BOP's. POOH w/2-3/8" tubing.
- 2) TIH w/bailer assy. CO to +/-7100'. POOH.
- 3) RU & perforate the following Wasatch/Mesaverde depths w/4" guns loaded 4 spf. Depths correlate to GR/CDL/CNL log run 11/16/92:

5007'	5333'	5405'	5445'	7007'
5011'	5397'	5417'	7003'	7012'

NOTE: Omitted reperforating the squeezed interval from 6793-6821'.

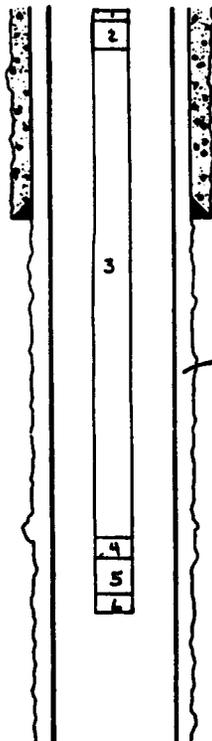
- 4) PU 5-1/2" 17# Retrievalmatic packer and +/-66 new joints 2-3/8" tubing. TIH to +/-4900'. Set packer and pump 25 bbls 2% KCl mixed with 1 drum Champion T-155 scale inhibitor. Displace with 15 bbls 2% KCl.
- 5) Unseat pkr and TIH to 7012'. Spot 1500 gal 15% HCl w/corrosion inhibitor, iron control, surfactant (e.g Flo-Back 20) and clay stabilizer. **Note: all acid to include T-155 at 10 gal/1000.** PU 2100' and set pkr at +/-4900'. Pump an additional 1000 gal 15% HCl w/additives dropping 75 ball sealers throughout. Displace to packer with 19 bbls 2% KCl water. Pump at maximum rate but **do not exceed 2000 psi** pump pressure (to avoid breaking down squeezed perforations).
- 6) Swab back acid load. Unseat packer, POOH. If necessary, control well with 2% KCl water.
- 7) TIH w/2-3/8" tubing to 7012'. ND BOP's/NU tree.
- 8) Swab well in. If water inflow exceeds +/-50 BPD. Call Denver office to discuss whether to raise tbg.
- 9) RDMO. Complete plunger lift installation.

PRODUCING STATUS: Flowing  
 WELLHEAD WORKING PRESSURE: 5m

DOWNHOLE SCHEMATIC	
LEASE:	<u>NBL</u>
WELL #:	<u>204</u>
FIELD:	<u>NATURAL BRIDGES</u>
LOCATION:	
COUNTY/STATE:	<u>LITCHFIELD/UTAH</u>
TD:	
PBTO:	<u>71544m CIP 800</u>
PERFS:	<u>5007-7012 144455</u>
PROD. FORM(S):	
DATE:	<u>25 Nov 92</u> BY: <u>[Signature]</u>

KB ELEVATION: 12.00

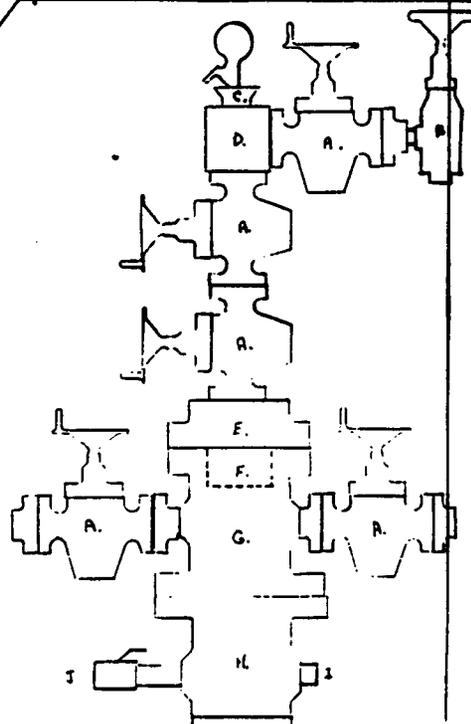
FORM. TOPS



ITEM, QUANTITY, DEPTHS, GRADE, WEIGHT, CPLG, Etc.	O.D.	I.D.
HOLE SIZE: _____"		
SURFACE CASING: O.D. <u>8 5/8</u> " WEIGHT(S) <u>24</u> # GRADE(S) <u>K55</u> , CPLG <u>STAG</u> SET AT <u>263</u> ' W/ <u>150</u> SX		
HOLE SIZE: <u>11 1/4</u> " @ <u>7218</u> W/ <u>1440</u> SX		
ITEM	LENGTH	DEPTH
KB	12.00	0.00
1. HNGR	1.00	12.00
2. B-SUB	10.00	13.00
3. 1543TS 2 3/8 TSG	4882.74	73.00
4. SEAT H NPLE	1.08	4903.74
5. 1ST 2 3/8	31.65	4904.82
6. MARCHED COLLAR	.50	4936.97
		4936.97

WELLHEAD DETAIL

- CAMERON GATES VALVES, FLANGED 2 1/4 SM
- BESTABS CHOK 3m
- TREE CAP W/ 3M GANGE 10m N. VALVE
- TEE 2 1/4 SM
- FLANGE 7 1/2 x 2 1/4 SM
- HANGER C/W BPT NFB 2 3/8 x 6
- CAMERON TBG HD 7 1/2 x 11 x 2 1/4 FLANGED OUT.
- 6 3/4 BORE SM.
- MCKOUEY CSG. HD. 11" x 8 5/8 x 2 1/4 L.P. OUT
- 8" BOFF SM
- BULLPLUG 2 1/4 LP
- BALLVALVE 2 1/4 LP 3M



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT" - for such proposals

5. Lease Designation and Serial No.

U-01196-D

6. If Indian, Alottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

Natural Buttes Unit

8. Well Name and No.

NBU #204

9. API Well No.

43-047-32342

10. Field and Pool, Or Exploratory Area

Natural Buttes

11. County or Parish, State

Uintah County, UT

**SUBMIT IN TRIPLICATE**

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

Coastal Oil & Gas Corporation

3. Address and Telephone No.

P. O. Box 749, Denver, CO 80201-0749

(303) 573-4476

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

2070' FEL & 441 FNL

NW/NE Section 9-T10S-R22E

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

TYPE OF SUBMISSION

TYPE OF ACTION

Notice of Intent  
 Subsequent Report  
 Final Abandonment Notice

Abandonment  
 Recompletion  
 Plugging Back  
 Casing Repair  
 Altering Casing  
 Other CO.perf.install PLE

Change of Plans  
 New Construction  
 Non-Routine Fracturing  
 Water Shut-Off  
 Conversion to Injection  
 Dispose Water

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

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

Please see the attached chronological history for work performed on the subject well.

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

Signed

*Bonnie Carson*  
Bonnie Carson

Title

Senior Environmental Analyst

Date

03/21/96

(This space for Federal or State office use)

APPROVED BY

Conditions of approval, if any:

Title

*John Credit*  
9/20/96

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

\*See Instruction on Reverse Side



02/26/96 SITP 350 psi. Blow dead, POH balance of tbg SLM - PU, RIH 4% blade bit of stroke bailer, tag @ 6800±, RU power swivel. Work & DP to 6945' to 7000±. POH, clean bailer, PU-RIH, hydro bailer, 50 stds, rig DL, start to come apart. SDFN.  
DC: \$2,400 TC: \$5,992

02/27/96 SITP 450 psi. Replace drill line. Continued into hole @ 12 noon. Tag @ 7000±. Start working bailer, CO to 7145±. POOH, clean bailer, & LD. MIRU Cutters WL - PU RIH 4" csg gun 4 JSPF - perf 5007', 5011', 5333', 5397', 5405', 5417', 5445', 7003', 7007', 7015' - POH. RD & rls, Cutter WL - SDFN.  
DC: \$7,250 TC: \$13,247

02/28/96 SITP 350 psi. Bleed off. PU - RIH w/strata, set pkr. Spacing - Set first time @ 6873', top pkr perf 7003' - 12 - pump 750 gal 15% HCl + additives, 2800# ATP @ 1.5 BPM. Rls SST tool, move up hole to 5318'. Top pkr perfs 5333'-5445', pump 1250 gals 15% HCl + additives. 2100# @ 6.2 BPM - rls SST tool, move up hole to 4849' top pkr, perf 5007'-11', pump 500 gal 15% HCl + 20 bbls flush @ 6 BPM @ 700#. Rls tool, pull BP vlv - POH tbg. & SST tool - RIH notch clr, 1 jt, 221 jts - broach tbg going in blast jt. Hang in donut - ND BOPs, NU tree & FL - EOT @ 7009', SN @ 6975'. SDFN  
DC: \$14,142 TC: \$27,384

02/29/96 SITP 50 psi, SICP 175 psi. MIRU Delsco Swabbing. RIH, tag fluid 3900±, pull 20 runs, FL 4000'-4200'. Rec 120 BF est. Fluid at last run - gas cut. SICP 500 psi. Load 250 bbls, LTR 130 bbls.  
DC: \$1,608 TC: \$28,792

03/01/96 SITP 150 psi, SICP 580 psi. Blow down, tag fluid @ 4600', made 7 runs, well flowed last 3 30-45 mins. Hook up plunger, made 1 run w/swabers. Drop plunger, made one run. No arrival #2. SDFN - FFL 5600', FTP 0 psi, FCP 400 psi. Swb 40 bbls, 160 total.  
DC: \$6,089 TC: \$35,081

03/02/96 SITP 250 psi, SICP 590 psi. Blow right down, tag fluid @ 5200'. Made 1 run, drop plunger. It made 4 run selling, 1 min each run. Last run, no arrival, csg down to 410 psi. Run in w/swab, tag fluid 4800'. Made one run. Start swabbing w/plunger, very little production. 12 bbls, 172 total. Flowing 78 MMCF, 40 BW, 275 TP, 425 CP, on 30/64" chk. Flow 3 hrs.  
DC: \$1,283 TC: \$36,364

03/03/95 Flowing 91 MMCF, 40 BW, 275 TP, 375 CP, on 30/64" chk. Plunger 3 hrs flow.

03/04/96 Flowing 91 MMCF, 40 BW, 325 TP, 400 CP, on 30/64" chk. Flow 3 hrs.

03/05/96 Flowing 93 MMCF, 40 BW, 324 TP, 425 CP, on 30/64" chk. Flow 21 hrs.

03/06/96 Flowing 90 MMCF, 20 BW, 325 TP, 425 CP, on 30/64" chk. Flow 3 hrs, set time to sell more.

03/07/96 Flowing 208 MMCF, 70 BW, 325 TP, 400 CP, on 30/64" chk. Flow 16 hrs.

03/08/96 Flowing 208 MMCF, 20 BW, 325 TP, 400 CP, on 30/64" chk. Flow 16 hrs.

03/09/96 Flowing 184 MMCF, 20 BW, 275 TP, 350 CP, on 30/64" chk.

03/10/96 Flowing 245 MMCF, 20 BW, 275 TP, 350 CP, on 30/64" chk.

03/11/96 Flowing 237 MMCF, 20 BW, 275 TP, 350 CP, on 30/64" chk. Plunger 15 hrs.

03/12/96 Flowing 237 MMCF, 20 BW, 275 TP, 350 CP, on 30/64" chk. Plunger 15 hrs.

03/13/96 Flowing 213 MMCF, 20 BW, 275 TP, 350 CP, on 30/64" chk.

03/14/96 Flowing 237 MMCF, 20 BW, 275 TP, 350 CP, on 30/64" chk. Plunger 15 hrs. **Final Report.**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

5. Lease Designation and Serial No.

U-01196-D

6. If Indian, Alottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

Natural Buttes Unit

8. Well Name and No.

NBU #204

9. API Well No.

43-047-32342

10. Field and Pool, Or Exploratory Area

Natural Buttes

11. County or Parish, State

Uintah County, UT

**SUBMIT IN TRIPLICATE**

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

Coastal Oil & Gas Corporation

3. Address and Telephone No.

P. O. Box 749, Denver, CO 80201-0749

(303) 573-4476

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

2070' FEL & 441 FNL

NW/NE Section 9-T10S-R22E

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

TYPE OF SUBMISSION

TYPE OF ACTION

Notice of Intent

Subsequent Report

Final Abandonment Notice

Abandonment

Recompletion

Plugging Back

Casing Repair

Altering Casing

Other Perf and frac

Change of Plans

New Construction

Non-Routine Fracturing

Water Shut-Off

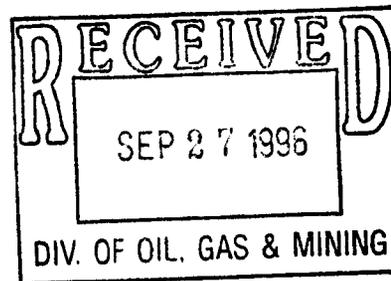
Conversion to Injection

Dispose Water

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

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

Please see the attached procedure for work to be performed on the subject well.



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

Signed

*Bonnie Carson*  
Bonnie Carson

TITLE Senior Environmental Analyst

Date

09/20/96

(This space for Federal or State office use)

APPROVED BY

Conditions of approval, if any:

TITLE

Date

# WORKOVER PROCEDURE

**NBU #204**

Section 9-10S-22E  
Uintah County, UT

September 16, 1996

ELEVATION: 5,212' GL; 5,224' KB  
TOTAL DEPTH: 7,225' PBD: 7,130'  
CASING: 8-5/8", 24#, J-55 ST&C set @ 263'  
5-1/2", 17#, K-55 set @ 7,218'  
TUBING: 2-3/8", 4.7#, J-55 set @ 7,009'  
PERFORATIONS: Current 5,007'-7,015' (Wasatch)

**OBJECTIVE:** TA the present interval. Complete and fracture stimulate the interval 4944-66'.

## **PROCEDURE:**

Current 14 day rate: 133 MCFD, 3 BWPD, 280 # FTP, 350# CP

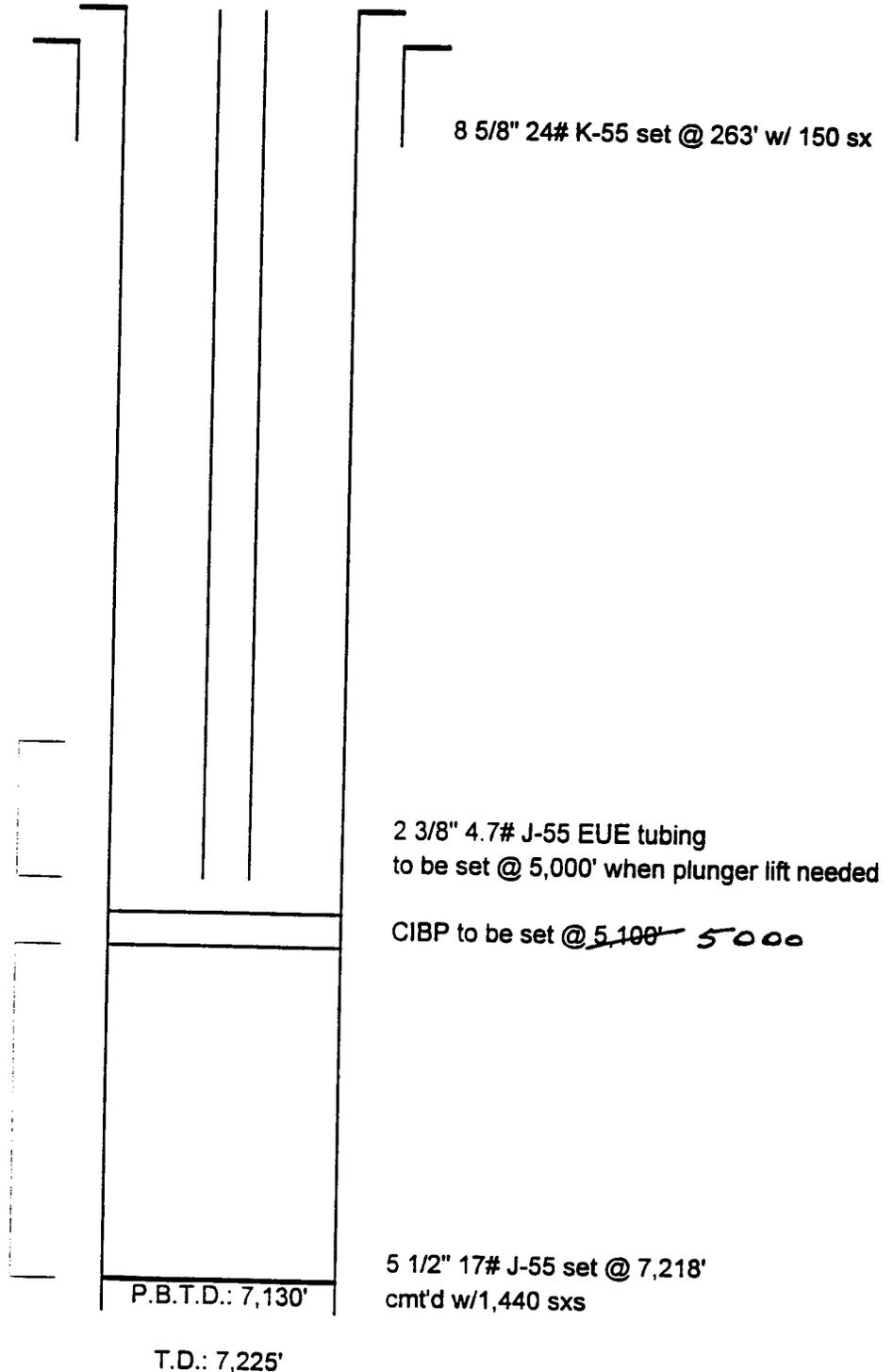
- 1) MIRU pulling unit. Control well. ND WH, NU BOP's. POOH w/tubing.
- 2) RU W/L. Set 5-1/2" CIBP @ 5000'. Pressure test casing and CIBP to 5000 psi.
- 3) Perforate the following Wasatch depths w/4" csg guns loaded 2 spf, 90 degree phasing. Depths correlate to Halliburton Compensated Density Neutron Log 11/16/92  
**4,944-4,966', 23' net, 46 holes**
- 4) TIH w/2-3/8" tbg w/SN to 4,966'. Spot 500 gal 15% HCL w/additives in annulus. Breakdown perfs by pumping down annulus.
- 5) POOH w/tbg to +/-4,925'. Land tubing with blast joint at surface. ND BOP's/NU tree. Swab test interval to determine if zones are wet. Confer w/Denver to determine cutoff for water. RDMO pulling unit.
- 6) RU frac service. Include a flowback manifold on tubing. Install a pressure gauge on the tubing and monitor throughout job (static string). Frac down 5-1/2" x 2-3/8" annulus. Pump schedule is attached. Immediately flow back +/-15 bbls at 2-3 bpm for "reverse screen-out". Note closure if possible.
- 8) RD frac service. Return well to separator when returns are free of sand.

TWH

**NBU #204**  
Natural Buttes Field  
Uintah County, Utah

**Proposed Wellbore Schematic**

KB: 5,224'  
GL: 5,212'



Proposed Perforations:  
4,944' - 4,966'

Current Perforations:  
5,007' - 7,015'

8 5/8" 24# K-55 set @ 263' w/ 150 sx

2 3/8" 4.7# J-55 EUE tubing  
to be set @ 5,000' when plunger lift needed

CIBP to be set @ ~~5,100~~ 5000

5 1/2" 17# J-55 set @ 7,218'  
cmt'd w/1,440 sxs

P.B.T.D.: 7,130'

T.D.: 7,225'

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

5. Lease Designation and Serial No.

U-01196-D

6. If Indian, Alottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

Natural Buttes Unit

8. Well Name and No.

NBU 204

9. API Well No.

43-047-32342

10. Field and Pool, Or Exploratory Area

Natural Buttes Field

11. County or Parish, State

Uintah County, Utah

**SUBMIT IN TRIPLICATE**

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

Coastal Oil & Gas Corporation

3. Address and Telephone No.

P. O. Box 749, Denver, CO 80201-0749

(303) 573-4476

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

441' FNL & 2070' FEL

NW/NE Section 9-T10S-R22E

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

TYPE OF SUBMISSION

TYPE OF ACTION

Notice of Intent  
 Subsequent Report  
 Final Abandonment Notice

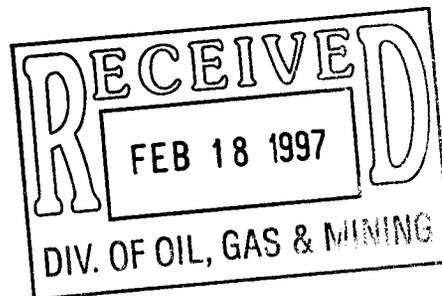
Abandonment  
 Recompletion  
 Plugging Back  
 Casing Repair  
 Altering Casing  
 Other lwr tbg and re-install PLE

Change of Plans  
 New Construction  
 Non-Routine Fracturing  
 Water Shut-Off  
 Conversion to Injection  
 Dispose Water

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

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

The operator proposes to lower tubing and re-install plunger lift equipment. Please see the attached workover procedure for the work to be performed on the subject well.



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

Signed

*Sheila Bremer*  
Sheila Bremer

Title Environmental & Safety Analyst

Date

02/11/97

(This space for Federal or State office use)

APPROVED BY

Title

Date

Conditions of approval, if any:

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

\*See Instruction on Reverse Side

**NBU #204-9-10-22**  
**NATURAL BUTTES FIELD**  
**SECTION 9 T10S R22E**  
**WORKOVER PROCEDURES *HWM***

**WELL DATA**

LOCATION: 441' FNL 2070' FWL SEC. 9 T10S R22E  
ELEVATION: 5212' GR., 5224' KB.  
TD: 7225', PBSD 7153' (12/93), 4995' CIBP (10/96)  
CSG: 8-5/8", 24.0#, K-55 @ 263' w/ 150 SX.  
5-1/2", 17.0#, J-55 @ 7218' w/ 1440 SX.  
CMT ANNULUS w/ 205 SX.  
TBG: 2-3/8", 4.7#, J-55 @ 4968' (1996)  
FORMATION(S): WASATCH 5007' - 7012', 14 HOLES (1992)  
SQZ PERF 6793' - 6821', (4) HOLES (1993)  
CIBP @ 4995' (1996)  
WASATCH 4944' - 4966', 46 HOLES (1996)

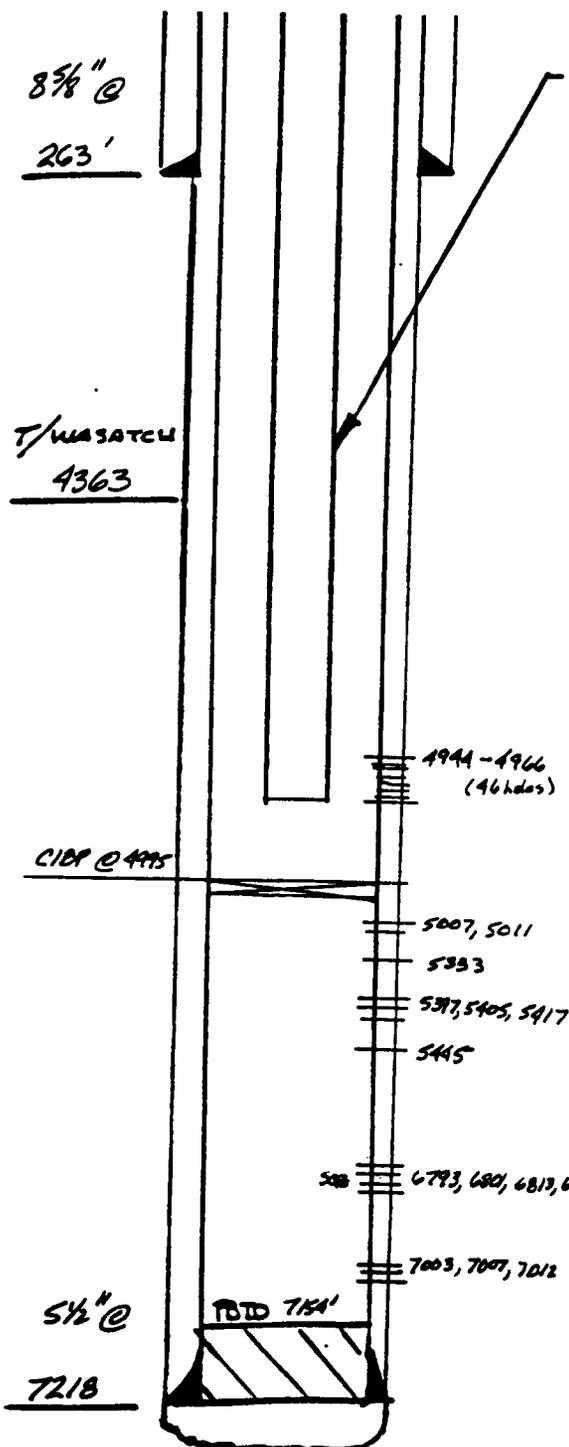
**PROCEDURE**

1. MI & RU pulling unit. Blow down & kill well safely w/ minimum amount of KCL water. ND WH. NU BOP.
2. TIH w/ 2-3/8" tbg and tag PBSD. **NOTE:** CIBP set @ 4995' and reportedly pushed to 5010' (?). POOH w/ 2-3/8" tbg.
3. RIH w/ 2-3/8" tbg & 4-3/4" mill-tooth bit to drill out CIBP @ 4995' (?). **NOTE:** Pressure below CIBP from perms 5007' - 7012'. Drill CIBP and allow pressure to equalize before continuing to clean out to PBSD @ 7154' (BP @ 7012'). Circ. hole clean. POOH w/ 2-3/8" tbg & bit.
4. TIH w/ 2-3/8" tbg with notched collar on bottom. Check for fill. PU & land tbg @ 7009'. BP @ 7012'.
4. ND BOP. NU WH. RD & MO pulling unit.
5. Re-run PLE. Swab / flow well to clean up. Return the well to sales.

NBU #204-9-10-22  
 NATURAL BUTTES FIELD  
 SECTION 9 T10S R22E

WELL DATA

LOCATION: 441' FNL 2070' FWL SEC. 9 T10S R22E  
 ELEVATION: 5212' GR., 5224' KB.  
 TD: 7225', PBSD 7153' (12/93), 4995' CIBP (10/96)  
 CSG: 8-5/8", 24.0#, K-55 @ 263' w/ 150 SX.  
 5-1/2", 17.0#, J-55 @ 7218' w/ 1440 SX.  
 CMT ANNULUS w/ 205 SX.  
 TBG: 2-3/8", 4.7#, J-55 @ 4968' (1996)  
 FORMATION(S): WASATCH 5007' - 7012', 14 HOLES (1992)  
 SQZ PERF 6793' - 6821', (4) HOLES (1993)  
 CIBP @ 4995' (1996)  
 WASATCH 4944' - 4966', 46 HOLES (1996)



2 3/8", 4.7# @ 4968 w/ notched collar on bottom

(10/96) Reamp to Wasatch 4944'-4966' 1 sand 46 holes  
 ser CIBP @ 4995' Base 4944'-4966' w/ 2 JSPP w/ 4" CSS gun  
 BD w/ 126 gal KCL water + 462 gal 10% HCL  
 FRAC's w/ 100,000# sand + 27,300 gal gel  
 No fluid entry - 55 11/5/96

(2/96) Repair Wasatch, DPC10, LT & PLE IPF 3/4" 237 MCF + 20 BWL 70' CL  
 FTP 275" CP 350"

WSO (11/93) CO SCALE 5060' - 7060' 50% PERFS 6793, 6801, 6813, 6821  
 IPF 500 MCF + 10 BWL 20/64" CK FTP 225"

(A/93) CO FRAC SAND 5400' - 7150'

(12/92) WASATCH 5007' - 7012' 6 sands 14 holes

PERF 1 JSPP w/ 4" CSS gun  
 5007' 5333' 5397' 5445' 6793' 7003'  
 5011' 5408' 5417' 6801' 7007'  
 6813' 7012'  
 6821'

BD w/ 2016 gal 15% HCL + 50 RS IPF 1000 MCF 20/64" CK FTP 450"  
 FRAC'S w/ 300,000# sand + 83,860 gal gel w/ 170 tons CO2

IPF (12/99) 2000 MCF 18/64" CK FTP 1000" CP 1000"

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

5. Lease Designation and Serial No.

U-01196-D

6. If Indian, Alottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

Natural Buttes Unit

8. Well Name and No.

NBU #204

9. API Well No.

43-047-32342

10. Field and Pool, Or Exploratory Area

Natural Buttes

11. County or Parish, State

Uintah County, UT

**SUBMIT IN TRIPLICATE**

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

Coastal Oil & Gas Corporation

3. Address and Telephone No.

P. O. Box 749, Denver, CO 80201-0749

(303) 573-4476

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

2070' FEL & 441 FNL

NW/NE Section 9-T10S-R22E

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

TYPE OF SUBMISSION

TYPE OF ACTION

Notice of Intent  
 Subsequent Report  
 Final Abandonment Notice

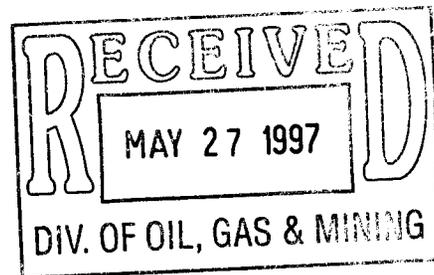
Abandonment  
 Recompletion  
 Plugging Back  
 Casing Repair  
 Altering Casing  
 Other CO, lower tubing, install PLE

Change of Plans  
 New Construction  
 Non-Routine Fracturing  
 Water Shut-Off  
 Conversion to Injection  
 Dispose Water

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

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

Please see the attached chronological history for work performed on the subject well.



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

Signed

*Bonnie Carson*  
Bonnie Carson

TITLE Senior Environmental Analyst

Date

05/21/97

(This space for Federal or State office use)

APPROVED BY

Conditions of approval, if any:

TITLE

Date

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

\*See Instruction on Reverse Side

WO tax Credit 2/98

**Clean Out, Lower Tubing and Install PLE**

- 04/22/97 **POOH w/tbg f/mill.** Road rig from Ute Trail 83X to NBU #204. MIRU, FTP 250 psi, SICP 500 psi. Blow well dn. RU pmp & lines pmp 60 bbls dn csg. ND WH & NU BOPs & RU floor & tbg equip. PU & LD hanger. SDFN  
DC: \$2,288 TC: \$2,288
- 04/23/97 **POOH w/mill & tbg.** SICP 0 psi, SITP 0 psi. Open well up. POOH w/tbg & strap out 4870.53' 155 jts 2 $\frac{3}{8}$ " tbg. PU 4 $\frac{3}{4}$ " mill & RIH w/tbg & tag 4943'. RU swivel & B/circ w/air foam. CO from 4943' to 4980'. Mill on CIBP for 4 hrs. RD swivel. POOH to float pmp 10 bbls dn tbg & POOH w/48 stds tbg, EOT 1860' & SDFN. Pmpd 10 BLW, rec 0, 10 BLWTR  
DC: \$6,519 TC: \$8,807
- 04/24/97 **RIH w/tbg & CO to PBTD w/air foam.** SICP 500 psi, SITP 500 psi. Blow well dn & pmp 60 bbls dn csg. POOH w/mill & tbg. Mill looked OK. PU 4 $\frac{3}{4}$ " mill & RIH w/tbg, tag @ 4905'. RU swivel B/circ w/air foam & CO from 4905' to 5057' & mill up CIBP. RD swivel. POOH to flt pmp 12 bbls dn tbg. Talley & PU-RIH w/tbg, tag @ 7009'. POOH w/36 stds tbg from above perf, EOT @ 4750'. Pmp 72 BW, recovered 0 BW, 72 BLWTR. SDFN  
DC: \$6,840 TC: \$15,647
- 04/25/97 **POOH w/mill & tbg.** SICP 650 psi, SITP 500 psi. Blow well dn. Pmp 20 bbls dn tbg. RIH w/36 stds tbg. RU swivel, B/circ w/air foam @ 6989' @ 9AM. Comp problem on foam unit. Pmp 5 bbls dn tbg. RD swivel. POOH w/12 stds tbg. Work comp & booster @ 11AM. RIH w/12 stds tbg. RU swivel, B/circ w/air foam. CO from 7009' to 7145 PBTD. Circ hole clean. Sub parted on swivel, catch tbg w/slip. RD swivel. POOH w/6 jts tbg to float. Pmp 20 bbls dn tbg. POOH w/36 stds tbg from above perf, EOT @ 4750' & SDFN.  
DC: \$7,436 TC: \$23,083
- 04/26/97 **RU Delsco & Swab.** SICP 550 psi, SITP 600 psi. Blow well dn. Pmp 50 bbls dn csg. POOH w/mill & tbg, pmp 30 bbls dn csg & POOH w/mill & tbg. PU NC & SN. RIH w/tbg & broach pmp 10 bbls dn tbg. RIH w/tbg. PU 5 jts tbg, tag PBTD, no fill. LD 5 jts tbg & broach. PU Hanger & land tbg w/223 jts 2 $\frac{3}{8}$ " TBG, EOT 6993' & SN @ 6962'. RD floor & tbg equip. ND BOPs w/hydril & SH & NU WH & pull vlv off WH & NU PLE stop. RDMO & SDFN. BLTR 277.  
DC: \$7,022 TC: \$30,105

4/27/97      **On production line.** Delsco Swab. ITP 75 psi, ISCP 4000 psi, IFL 4000'. Made 11 runs, rec 70 BW, FFL 6000'. Trip 3 times AV, FTP 300 psi, FCP 400 psi. Put on production line @ 3:00PM. 277 BLW, rec 70 BLW, 207 BLWTR Flowing 317 MCF, 20 BW, 200 TP, 500 CP, on 28/64" chk.  
DC: \$1,380      TC: \$31,485

04/28/97      Flowing 554 MCF, 15 BW, 138 TP, 360 CP, on 30/64" chk.

04/29/97      Flowing 551 MCF, 25 BW, 125 TP, 375 CP, on 30/64" chk. 16 hrs flow.

04/30/97      Flowing 535 MCF, 25 BW, 130 TP, 375 CP, on 30/64" chk. **Final Report**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
**Coastal Oil & Gas Corporation**

3a. Address  
**P.O. Box 1148 Vernal, UT 84078**

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**NW/NE  
Sec. 9, T10S, R22E**

5. Lease Serial No.

6. If Indian, Allottee or Tribe Name

**U-01196-D**

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

**Natural Buttes**

8. Well Name and No.

**NBU #204**

9. API Well No.

**43-047-32342**

10. Field and Pool, or Exploratory Area

**Natural Buttes**

11. County or Parish, State

**Uintah, UT**

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

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

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

Please refer to the attached Chronological History Report for the Acidization work performed on the subject well.

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

**Cheryl Cameron**

Title

**Regulatory Analyst**

Signature

*Cheryl Cameron*

Date

**June 12, 2001**

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

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

(Instructions on reverse)

**RECEIVED**

**JUN 18 2001**

**DIVISION OF  
OIL, GAS AND MINING**

**THE COASTAL CORPORATION  
PRODUCTION REPORT**

**NBU #204**  
**NW/NE SECTION 9, T10S-R22E**  
**NATURAL BUTTES UNIT**  
**UINTAH COUNTY, UTAH**

**CHRONOLOGICAL HISTORY**

WI: 100%

PBTD: 7,154' PERFS: WASATCH: 4,944'-6,821', MESA VERDE: 7,003'-7,012'

CSG: 5 1/2", 17#, J-55 SET @ 7218' 8/8THS

AFE DESCRIP. ACIDIZE, AFE # 053779

- 5/01/01      PREP TO CO WELLBORE**  
PROG: MIRU NUBOPE. RIH & TAG FILL @ 7067'. POOH W/TBG. SLIGHT SCALE ON  
BTM 1500' TBG. PU & SIH W4 3/4" BIT & CSG SCRAPER. EOT @ 4885'.
- 5/02/01      SI WO PUMP TRUCK**  
PROG: FINISH RIH W/4 3/4" BIT & 5 1/2" CSG SCRAPER TO 7020'. POOH. RIH W/2 3/8" TBG  
& NC. BROACH TBG WHILE RIH. EOT @ 6982'.
- 5/03/01      PREP TO SWAB**  
PROG: PUMP 2000 GALS 15% HCL PLUS ADDITIVES. ISIP: 60#. PU & LAND TBG @  
5991'. NUWH. TLTR: 114 BBLs, LLTR: 114 BBLs.
- 5/04/01      SWABBING**  
PROG: SITP: 15#, SICP: 235#. MADE 15 SWAB TRIPS. REC 12 BW, IFL: 5200', FFL: 5900',  
FTP: 0#, FCP: 205#, LLTR: 102 BBLs.
- 5/07/01      PROD TO SALES**  
5/5/01 PROG: SITP: 130#, CP: 245#. MADE 1 SWAB TRIP & WELL STARTED TO FLOW.  
IFL: 5700', LLTR: 97 BBLs.  
5/6/01 ON SALES NO SPOT DATA AVAILABLE.  
5/7/01 FLWD 225 MCF, 5 BW, FTP: 175#, CP: 212#, 64/64" CHK, 24 HRS, LP: 77#. LLTR: 92  
BBLs.
- 5/08/01      PROD TO SALES**  
PROG: FTP: 9#, CP: 257#, LOGGED OFF.
- 5/09/01      PROD TO SALES**  
PROG: LOGGED OFF. BLEW WELL FOR 4 HRS & PUT BACK TO SALES @ 12 PM.
- 5/10/01      PROD TO SALES**  
PROG: FLWD 85 MCF, 5 BW, FTP: 192#, CP: 242#, CHK: 64/64", 24 HRS, LP: 180#.
- 5/11/01      PROD TO SALES**  
PROG: FLWD 109 MCF, 0 BW, FTP: 104#, CP: 234#, CHK: 64/64", 24 HRS, LP: 65#. **FINAL**  
**REPORT**. PRIOR PROD RATE: 15 MCFPD.

SUNDRY NOTICES AND REPORTS ON WELLS

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

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

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

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

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

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

See Exhibit "A"

Bond # 400JU0708

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

(This space for State use only)

RECEIVED

JUN 19 2001

DIVISION OF  
OIL, GAS AND MINING

State of Delaware  
Office of the Secretary of State

---

PAGE 1

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

RECEIVED

MAR 9 2001

DIVISION OF  
OIL, GAS AND MINING



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

0610204 8100

010162788

AUTHENTICATION: 1061007

DATE: 04-03-01

CERTIFICATE OF AMENDMENT

OF

CERTIFICATE OF INCORPORATION

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

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

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

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

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

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

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

COASTAL OIL & GAS CORPORATION

*David L. Siddall*

David L. Siddall  
Vice President

Attest:

*Margaret E. Roark*  
Margaret E. Roark, Assistant Secretary

RECEIVED

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

JUN 19 2001

DIVISION OF  
OIL, GAS AND MINING



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

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

# RECEIVED

JUL 12 2001

DIVISION OF  
OIL, GAS AND MINING

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

JUL 10 2001

### NOTICE

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

#### Name Change Recognized

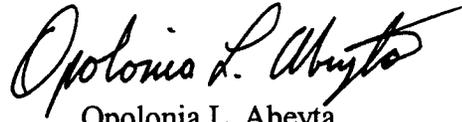
Acceptable evidence has been received in this office concerning the name change of Coastal Oil & Gas Corporation into El Paso Production Oil & Gas Company with El Paso Production Oil & Gas Company being the surviving entity.

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

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

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

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



Opolonia L. Abeyta  
Acting Chief, Branch of  
Minerals Adjudication

Enclosure

1. Exhibit of Leases (1 pp)

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

## Exhibit of Leases

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

**OPERATOR CHANGE WORKSHEET**

**ROUTING**

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

Enter date after each listed item is completed

Change of Operator (Well Sold)

Designation of Agent

Operator Name Change (Only)

**X** Merger

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

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

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

CA No.

Unit: NATURAL BUTTES

**WELL(S)**

NAME	API NO	ENTITY NO	SEC TWN RNG	LEASE TYPE	WELL TYPE	WELL STATUS
NBU 141	43-047-32017	2900	06-10S-22E	FEDERAL	GW	P
CIGE 179-6-10-22	43-047-32400	2900	06-10S-22E	FEDERAL	GW	P
NBU 243	43-047-32930	2900	06-10S-22E	FEDERAL	GW	P
CIGE 196-6-10-22	43-047-33003	2900	06-10S-22E	FEDERAL	GW	P
NBU 340X	43-047-34015	2900	06-10S-22E	FEDERAL	GW	P
NBU 341	43-047-33726	2900	06-10S-22E	FEDERAL	GW	P
NBU 244	43-047-32931	2900	07-10S-22E	FEDERAL	GW	P
NBU 342	43-047-33727	2900	07-10S-22E	FEDERAL	GW	P
NBU 245	43-047-33004	2900	08-10S-22E	FEDERAL	GW	P
NBU 343	43-047-33719	2900	08-10S-22E	FEDERAL	GW	P
CIGE 250	43-047-33743	2900	08-10S-22E	FEDERAL	GW	P
UTE TRAIL U 83X-9H	43-047-15388	2900	09-10S-22E	FEDERAL	GW	P
NBU CIGE 14-9-10-22	43-047-30484	2900	09-10S-22E	FEDERAL	GW	P
NBU 152	43-047-31990	2900	09-10S-22E	FEDERAL	GW	P
NBU 151	43-047-31991	2900	09-10S-22E	FEDERAL	GW	P
NBU 150	43-047-31992	2900	09-10S-22E	FEDERAL	GW	P
<b>NBU 204</b>	43-047-32342	2900	09-10S-22E	FEDERAL	GW	P
NBU 205	43-047-32344	2900	09-10S-22E	FEDERAL	GW	P
NBU 291	43-047-32911	2900	09-10S-22E	FEDERAL	GW	P
NBU 292	43-047-33474	2900	09-10S-22E	FEDERAL	GW	P

**OPERATOR CHANGES DOCUMENTATION**

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

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

---

**DATA ENTRY:**

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

---

**STATE BOND VERIFICATION:**

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

---

**FEDERAL BOND VERIFICATION:**

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

---

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

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

---

**FILMING:**

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

---

**FILING:**

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

---

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

---

---

---

---

---

---

JAN. 17. 2003 3:34PM

WESTPORT

NO. 173 P. 2

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

410 Seventeenth Street #2300 Denver Colorado 80202-4436  
Telephone: 303 573 5404 Fax: 303 573 5609

February 1, 2002

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

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

Dear Ms. Maxwell:

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

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

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

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

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

Debby J. Black  
Engineer Technician

Encl:



United States Department of the Interior **RECEIVED**

BUREAU OF LAND MANAGEMENT

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

FEB 22 2002

DIVISION OF  
OIL, GAS AND MINING

In Reply Refer To:  
3106  
UTU-25566 et al  
(UT-924)

FEB 21 2002

NOTICE

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

Name Change Recognized

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

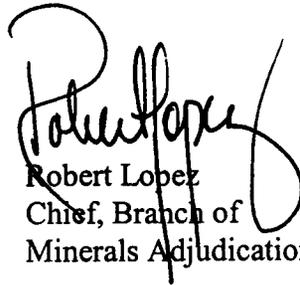
For our purposes, the name change is recognized effective December 31, 2001.

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

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

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

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



Robert Lopez  
Chief, Branch of  
Minerals Adjudication

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

# memorandum

Branch of Real Estate Services  
Uintah & Ouray Agency

Date: 5 December, 2002

Reply to  
Attn of: Supervisory Petroleum Engineer

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

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

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

We have no objection.

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

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

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

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





# United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

Washington, D.C. 20240

FEB 10 2003

IN REPLY REFER TO:  
Real Estate Services

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

Dear Mr. Wilson:

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

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

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

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

Sincerely,

Director, Office of Trust Responsibilities

**ACTING**

Enclosure



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO  
UT-922

February 27, 2003

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

Re: Natural Buttes Unit  
Uintah County, Utah

Gentlemen:

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

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

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

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

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks  
Chief, Branch of Fluid Minerals

Enclosure

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

UT922:TAThompson:tt:02/27/2003

RECEIVED

FEB 28 2003

DIV. OF OIL, GAS & MINING

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER:
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: <b>Exhibit "A"</b>	
2. NAME OF OPERATOR: <b>El Paso Production Oil &amp; Gas Company</b>		9. API NUMBER:
3. ADDRESS OF OPERATOR: <b>9 Greenway Plaza</b> CITY <b>Houston</b> STATE <b>TX</b> ZIP <b>77064-0995</b>	PHONE NUMBER: <b>(832) 676-5933</b>	10. FIELD AND POOL, OR WILDCAT:
4. LOCATION OF WELL		
FOOTAGES AT SURFACE:		COUNTY:
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		STATE: <b>UTAH</b>

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

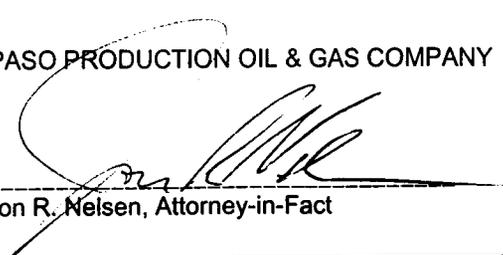
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

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

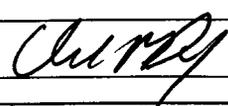
BOND # \_\_\_\_\_

State Surety Bond No. RLB0005236  
Fee Bond No. RLB0005238

EL PASO PRODUCTION OIL & GAS COMPANY

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

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

WESTPORT OIL AND GAS COMPANY, L.P.		
NAME (PLEASE PRINT) <b>David R. Dix</b>	TITLE <b>Agent and Attorney-in-Fact</b>	
SIGNATURE 	DATE <b>12/17/02</b>	

(This space for State use only)

Form 3160-5  
(August 1999)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

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

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

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

6. If Indian, Allottee or Tribe Name

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.

**SEE ATTACHED EXHIBIT "A"**

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

9. API Well No.

**SEE ATTACHED EXHIBIT "A"**

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

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

10. Field and Pool, or Exploratory Area

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

**SEE ATTACHED EXHIBIT "A"**

11. County or Parish, State

**UINTAH COUNTY, UT**

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

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

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

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

RECEIVED

MAR 04 2003

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

Name (Printed/Typed)  
**CHERYL CAMERON**

Title  
**OPERATIONS**

Signature  
*Cheryl Cameron*

Date  
**March 4, 2003**

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to these rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

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

(Instructions on reverse)

**OPERATOR CHANGE WORKSHEET**

**ROUTING**

1. GLH
2. CDW ✓
3. FILE

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

Designation of Agent/Operator

Operator Name Change

Merger

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

**CA No. Unit: NATURAL BUTTES**

<b>WELL(S)</b>						
NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
NBU 344	08-10S-22E	43-047-34021	2900	FEDERAL	GW	P
CIGE 268	08-10S-22E	43-047-34412	2900	FEDERAL	GW	P
NBU CIGE 15-8-10-22	08-10S-22E	43-047-30490	2900	FEDERAL	GW	PA
CIGE 249	08-10S-22E	43-047-34023	99999	FEDERAL	GW	APD
NBU 291	09-10S-22E	43-047-32911	2900	FEDERAL	GW	P
NBU 292	09-10S-22E	43-047-33474	2900	FEDERAL	GW	P
UTE TRAIL U 83X-9H	09-10S-22E	43-047-15388	2900	FEDERAL	GW	P
NBU CIGE 14-9-10-22	09-10S-22E	43-047-30484	2900	FEDERAL	GW	S
NBU 152	09-10S-22E	43-047-31990	2900	FEDERAL	GW	P
NBU 151	09-10S-22E	43-047-31991	2900	FEDERAL	GW	P
NBU 150	09-10S-22E	43-047-31992	2900	FEDERAL	GW	S
<b>NBU 204</b>	09-10S-22E	43-047-32342	2900	FEDERAL	GW	P
NBU 205	09-10S-22E	43-047-32344	2900	FEDERAL	GW	PA
NBU 188	10-10S-22E	43-047-32234	2900	FEDERAL	GW	S
NBU 207	10-10S-22E	43-047-32329	2900	STATE	GW	P
NBU 210	10-10S-22E	43-047-32340	2900	FEDERAL	GW	P
NBU 206	10-10S-22E	43-047-32341	2900	FEDERAL	GW	P
NBU 231	10-10S-22E	43-047-32561	2900	FEDERAL	GW	P
NBU 117	10-10S-22E	43-047-31914	2900	FEDERAL	GW	P
NBU 142	10-10S-22E	43-047-32013	2900	FEDERAL	GW	P

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

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

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

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

8. **Federal and Indian Units:**

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

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

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

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

**DATA ENTRY:**

1. Changes entered in the **Oil and Gas Database** on: 03/24/2003

2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 03/24/2003

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

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

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

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

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

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

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

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

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

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

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

**LEASE INTEREST OWNER NOTIFICATION:**

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

**COMMENTS:**

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Serial No.  
Multiple Wells - see attached

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
Multiple Wells - see attached

9. API Well No.  
Multiple Wells - see attached

10. Field and Pool, or Exploratory Area  
Natural Buttes Unit

11. County or Parish, State  
Uintah County, UT

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

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

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

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

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

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

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

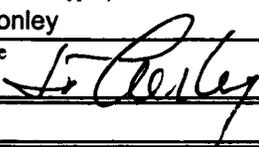
The volume lost to shrinkage by dropping the tank pressure from 6 ozs. to 0 psig is shown to be 0.3% of the tank volume. This was determined by lab analysis of a representative sample from the field. The sample shrunk from 98.82% of original volume to 98.52% when the pressure was dropped. The average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

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

Name (Printed/Typed)

J.T. Conley

Signature



COPY SENT TO OPERATOR

Date: 9-16-03

Initials: JTC Date: 9-2-2003

Title

Operations Manager

SEP 10 2003

DIV. OF OIL, GAS & MINING

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Accepted by the  
Utah Division of  
Oil, Gas and Mining

Date

Federal Approval of This  
Action is Necessary

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Date: 9/16/03

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

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

**Project Economics Worksheet**

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

Project Name: **Condensate Shrinkage Economics**

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

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

**Increased OPX Per Year**

**Investment Breakdown:**

	Cap/Exp Code	Cost, \$
Capital \$	820/830/840	\$1,200
Expense \$	830/860	\$0
Total \$		\$1,200

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

**Production & OPX Detail:**

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

**Project Life:**

Life =  Years  
(Life no longer than 20 years)

**Internal Rate of Return:**

After Tax IROR =

**AT Cum Cashflow:**

Operating Cashflow =  (Discounted @ 10%)

**Payout Calculation:**

$$\text{Payout} = \frac{\text{Total Investment}}{\text{Sum(OPX + Incremental Revenue)}} = 1$$

Payout occurs when total AT cashflow equals investment  
See graph below, note years when cashflow reaches zero

Payout =  Years or  Days

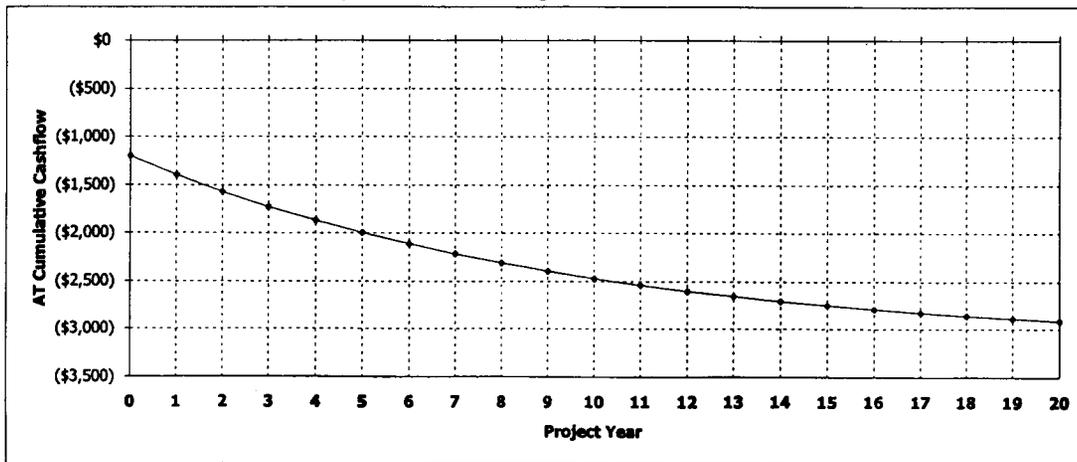
**Gross Reserves:**

Oil Reserves = 4 BO  
Gas Reserves = 0 MCF  
Gas Equiv Reserves = 38 MCFE

**Notes/Assumptions:**

An average NBU well produces 0.192 Bcpd with no tank pressure. The production is increased to 0.194 Bcpd if 4 ozs of pressure are placed on the tank. The increased production does not payout the valve cost or the estimated annual maintenance costs.

Project: Condensate Shrinkage Economics



Westport Oil and Gas, Inc.

NBU/Ouray Field

RFL 2003-022

**COMPARISON OF FLASH BACK PRESSURES**

Calculated by Characterized Equation-of-State

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

**Calculated at Laboratory Flash Conditions**

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

**Calculated Flash with Backpressure using Tuned EOS**

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

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

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

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

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

NBU 163	14-10-21 NENW	UTU465	891008900A	430473206900S1
NBU 164	3-10-22 NWSE	UTU01191A	891008900A	430473205500S1
NBU 165	3-1 NENW	UTU01191	891008900A	430473205700S1
NBU 166	28 SWSE	U05676	891008900A	430473206500S1
NBU 167	25-9-21 SESW	U01194	891008900A	430473205400S1 ✓
NBU 168	12-10-20 NWSW	UTU4478	891008900A	430473211700S1 ✓
NBU 169	12-10-20 SESW	UTU4478	891008900A	430473211800S1
NBU 170	4-10-22 NWNW	UTU01191A	891008900A	430473216900S1
NBU 171	5-10-22 SENE	UTU01191A	891008900A	430473211500S1
NBU 172	19-9-22 NENE	UTU0284	891008900A	430473219400S1
NBU 173	33-9-22 NWNE	UTU01191A	891008900A	430473211600S1
NBU 174	11-9-21 NWNW	UTU0141315	891008900A	430473219300S1
NBU 175	28-9-21 NENW	U05676	891008900A	430473214300S1
NBU 176	28-9-21 SWNW	U05676	891008900A	430473214400S1
NBU 177	29-9-21 NESE	UTU0581	891008900A	430473211200S1
NBU 178	30-9-21 NWNE	UTU0581	891008900A	430473212100S1
NBU 180	10-10-22 SWSE	UTU025187	891008900A	430473211300S1
NBU 181	9-9-21 SESW	UTU0576	891008900A	430473216100S1
NBU 182	11-9-21 SENW	UTU0141315	891008900A	430473216200S1
NBU 183	27-9-21 SWNW	U01194A	891008900A	430473212200S1 ✓
NBU 184	30-9-22 SESW	U463	891008900A	430473217000S1
NBU 185	3-10-22 SWNE	UTU01191A	891008900A	430473217100S1
NBU 186	30-9-22 SENE	U463	891008900A	430473223300S1
NBU 187	34-9-22 SESW	UTU0149077	891008900A	430473223000S1
NBU 188	10-10-22 SWSW	U01196C	891008900A	430473223400S1
NBU 189	23-9-21 SESW	UTU0149075	891008900A	430473223800S1
NBU 190	26-9-21 NWNE	U01194	891008900A	430473223200S1
NBU 191	15-9-21 SWSW	UTU010950A	891008900A	430473229800S1
NBU 192	22-9-21 NENW	UTU0147566	891008900A	430473229900S1
NBU 193	22-9-21 SWSW	UTU010950A	891008900A	430473230000S1
NBU 194	22-9-21 NESW	UTU010950A	891008900A	430473229800S1
NBU 195	11-9-21 NWNE	UTU0141317	891008900A	430473235500S1
NBU 198	22-9-21 NWSE	UTU010950A	891008900A	430473235700S1
NBU 199	9-9-21 SWSW	UTU0576A	891008900A	430473233700S1
NBU 200	19-9-22 NESE	UTU0284	891008900A	430473235900S1
NBU 201	9-9-21 SWNW	UTU0149767	891008900A	430473236400S1
NBU 202	8-9-21 NENE	UTU0149767	891008900A	430473233800S1
NBU 204	9-10-22 NWNE	UTU01196D	891008900A	430473234200S1
NBU 206	10-10-22 SWNW	U01196C	891008900A	430473234100S1
NBU 207	10-10-22 NENW	UTU69129	891008900A	430473232900S1 ✓
NBU 208	4-10-22 SESE	UTU01191	891008900A	430473234300S1
NBU 209	3-10-22 SWSW	UTU01191	891008900A	430473234500S1
NBU 210	10-10-22 NESW	U01196C	891008900A	430473234000S1
NBU 211	1-10-21 NWSW	U02842B	891008900A	430473233900S1
NBU 212	24-10-20 NENW	UTU4485	891008900A	430473239900S1
NBU 213	15-10-22 NWNW	UTU025187	891008900A	430473240100S1
NBU 214	27-9-21 NWSW	U01194	891008900A	430473246600S1 ✓
NBU 215	12-10-21 NWNW	UTU01190	891008900A	430473247100S1
NBU 216	15-9-21 NESW	UTU010950A	891008900A	430473248700S1
NBU 217	28-9-21 NESW	U05676	891008900A	430473248000S1
NBU 221X	34-9-21 NWNW	U01194A	891008900A	430473254500S1 ✓
NBU 222	11-10-22 SWNE	U01194A	891008900A	430473250900S1 ✓
NBU 223	26-9-21 NENW	U01194	891008900A	430473251700S1 ✓
NBU 224	26-9-21 NESW	U01194	891008900A	430473251600S1 ✓
NBU 228	17-9-21 SWSE	UTU0575	891008900A	430473263600S1
NBU 229	3-10-22 NWNE	UTU01191A	891008900A	430473259400S1
NBU 230A	3-10-22 SENE	UTU01191A	891008900A	430473290800S1
NBU 231	10-10-22 NWNE	U01197	891008900A	430473256100S1 ✓
NBU 236	30-9-22 SWNW	U463	891008900A	430473299400S1
NBU 242	5-10-22 SWSE	UTU01191	891008900A	430473294400S1
NBU 243	6-10-22 NWNW	UTU464	891008900A	430473293000S1
NBU 244	7-10-22 NESE	UTU466	891008900A	430473293100S1

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

**ENTITY ACTION FORM**

Operator: EOG RESOURCES Operator Account Number: N 9550  
 Address: P.O. BOX 1815  
city VERNAL  
state UT zip 84078 Phone Number: (435) 781-9111

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36342	CHAPITA WELLS UNIT 928-24		NWSE	24	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
D	99999	15353	4/29/2006		5/4/06		
Comments: <u>PRRU = MVRD</u> <u>— K</u>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36760	CHAPITA WELLS UNIT 951-30		SWSE	30	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
D	99999	13918	4/28/2006		5/4/06		
Comments: <u>PRRU = MVRD</u> <u>— K</u>							

Well 3

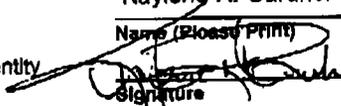
API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-33582	N Chapita 104-33		SESW	33	8S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
C	4905	15347	1/27/2000		5/1/06		
Comments: <u>WSTC Effective 1/1/06</u> <u>4905 was assigned in error</u> <u>— K</u>							

**ACTION CODES:**

- 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)

Kaylene R. Gardner

Name (Please Print)

  
Signature

Regulatory Assistant

Title

5/1/2006

Date

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

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

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator **EOG RESOURCES, INC.**

3a. Address  
**P.O. BOX 1815 Vernal, UT 84078**

3b. Phone No. (include area code)  
**435-781-9111**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**2054 FSL 1925 FEL (NWSE) S.L.B.&M  
 SECTION 24, T9S, R22E 40.019914 LAT 109.385792 LON**

5. Lease Serial No.  
**SL-071756**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
**CHAPITA WELLS UNIT**

8. Well Name and No.  
**CHAPITA WELLS UNIT 928-24**

9. API Well No.  
**43-047-36342**

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

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

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

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

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

**EOG Resources, Inc. requests authorization for disposal of produced water from the referenced well to any of the following locations.**

- 1. Natural Buttes Unit 21-20B SWD**
- 2. Ace Disposal**
- 3. RN Industries**

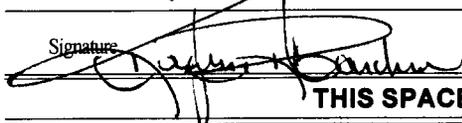
**Accepted by the  
Utah Division of  
Oil, Gas and Mining  
FOR RECORD ONLY**

14. I hereby certify that the foregoing is true and correct  
 Name (Printed/Typed)

**Kaylene R. Gardner**

Title **Regulatory Assistant**

Signature



Date

**05/01/2006**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

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

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**MAY 02 2006**

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

<b>ROUTING</b>
1. DJJ
2. CDW

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

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:		<b>1/6/2006</b>
<b>FROM:</b> (Old Operator): N2115-Westport Oil & Gas Co., LP 1368 South 1200 East Vernal, UT 84078 Phone: 1-(435) 781-7024	<b>TO:</b> ( New Operator): N2995-Kerr-McGee Oil & Gas Onshore, LP 1368 South 1200 East Vernal, UT 84078 Phone: 1-(435) 781-7024	

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

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

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

**DATA ENTRY:**

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

**BOND VERIFICATION:**

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

**LEASE INTEREST OWNER NOTIFICATION:**

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

**COMMENTS:**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

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

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

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

6. If Indian, Allottee or Tribe Name

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

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

9. API Well No.

10. Field and Pool, or Exploratory Area

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

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

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

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

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

**RECEIVED**  
**MAY 10 2006**

*BLM BOND = C01203*  
*BIA BOND = RLB0005239*

**APPROVED 5/16/06**

DIV. OF OIL, GAS & MINING

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

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

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

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

3a. Address **1368 SOUTH 1200 EAST VERNAL, UT 84078** 3b. Phone No. (include area code) **(435) 781-7024**

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

**SEE ATTACHED**

5. Lease Serial No.

**MULTIPLE LEASES**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

**MUTIPLE WELLS**

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

**UINTAH COUNTY, UTAH**

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

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

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

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

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

RECEIVED  
MAY 10 2006

DIV OF OIL, GAS & MINING

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

Name (Printed/Typed)

**BRAD LANEY**

Signature

Title

**ENGINEERING SPECIALIST**

Date

**May 9, 2006**

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by

*Brad Laney*

Title

Office

Date

**5-9-06**

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

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



## United States Department of the Interior

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

IN REPLY REFER TO:

CO922 (MM)  
3106  
COC017387 et. al.

March 23, 2006

### NOTICE

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

#### Merger/Name Change - Recognized

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

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

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

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

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

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

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

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

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

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

**Attachment:**

List of OG Leases to each of the following offices:

MMS MRM, MS 357B-1

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

CO Field Offices

Wyoming State Office

Rider #1 to Bond WY2357

Rider #2 to Bond WY1865

Rider #3 to Bond WY1127



# United States Department of the Interior



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

IN REPLY REFER TO:  
3106  
(UT-922)

March 27, 2006

## Memorandum

To: Vernal Field Office

From: Chief, Branch of Fluid Minerals

Subject: Merger Approval

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

Chief, Branch of  
Fluid Minerals

## Enclosure

Approval letter from BLM COSO (2 pp)

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

RECEIVED

MAR 28 2006

DIV. OF OIL, GAS & MINERAL

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

5. Lease Serial No.  
**U-01196-D**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**NBU 204**

9. API Well No.  
**4304732342**

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

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**NWNE SECTION 9, T10S, R22E 441'FNL, 2070'FEL**

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

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

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

05/11/2006: PMP 2 BBLS KCL KILL 2 DRUMS ACID W/20 BBLS FLUSH

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

Name (Printed/Typed)  
**Sheila Upchego**

Signature  


Title  
**Regulatory Analyst**

Date  
**May 17, 2006**

THIS SPACE FOR FEDERAL OR STATE USE

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

**RECEIVED**

**MAY 26 2006**

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

(Instructions on reverse)

DIV. OF OIL, GAS & MINING

DIV. OF OIL, GAS & MINING

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> U-01196-D
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b> NATURAL BUTTES
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> NBU 204
<b>2. NAME OF OPERATOR:</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.	<b>9. API NUMBER:</b> 43047323420000
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	<b>PHONE NUMBER:</b> 720 929-6007 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0441 FNL 2070 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWNE Section: 09 Township: 10.0S Range: 22.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 3/30/2010	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input checked="" type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: _____

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

THIS WELL RETURNED TO PRODUCTION ON 3/30/2010.

**Accepted by the**  
**Utah Division of**  
**Oil, Gas and Mining**  
**FOR RECORD ONLY**  
 April 21, 2010

<b>NAME (PLEASE PRINT)</b> Andy Lytle	<b>PHONE NUMBER</b> 720 929-6100	<b>TITLE</b> Regulatory Analyst
<b>SIGNATURE</b> N/A		<b>DATE</b> 4/21/2010

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> U-01196-D
<b>1. TYPE OF WELL</b> Gas Well		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>2. NAME OF OPERATOR:</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.		<b>7. UNIT or CA AGREEMENT NAME:</b> NATURAL BUTTES
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		<b>8. WELL NAME and NUMBER:</b> NBU 204
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0441 FNL 2070 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWNE Section: 09 Township: 10.0S Range: 22.0E Meridian: S		<b>9. API NUMBER:</b> 43047323420000
<b>PHONE NUMBER:</b> 720 929-6515 Ext		<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
<b>COUNTY:</b> UINTAH		<b>STATE:</b> UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input checked="" type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 7/19/2011	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER: <input style="width: 50px;" type="text"/>	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION	
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. THE SUBJECT WELL WAS RETURNED TO PRODUCTION ON 07/19/2011.		
<b>Accepted by the          Utah Division of          Oil, Gas and Mining          FOR RECORD ONLY</b>		
<b>NAME (PLEASE PRINT)</b> Sheila Wopsock	<b>PHONE NUMBER</b> 435 781-7024	<b>TITLE</b> Regulatory Analyst
<b>SIGNATURE</b> N/A	<b>DATE</b> 7/25/2011	