

Valley Operating, Inc.

Office: (303) 355-3242 Fax: (303) 377-9798

745 Gilpin Street
Denver, Colorado 80218-3633

Re: Antelope Unit
Uintah County, Utah

September 22, 1993

Bureau of Land Management
170 South 500 East
Vernal, Utah 84078

Attn: Minerals

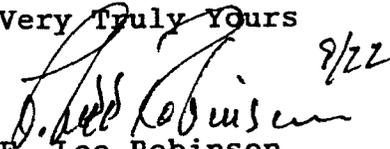
Ladies and Gentlemen:

This letter is to inform you that Permitco Inc. is authorized to act as Agent and to sign documents on behalf of Valley Operating, Inc. when necessary for filing county, state and federal permits including Onshore Order No. 1, Right of Way applications, etc. for the Antelope #1-29 well and the Antelope Unit.

It should be understood that Permitco is acting as Agent only in those matters stated above and is not responsible for drilling, completion, production or compliance with regulations.

Valley Operating, Inc. agrees to accept full responsibility for operations conducted in order to drill, complete and produce the above mentioned well and Unit.

Very Truly Yours

 9/22
F. Lee Robinson
Vice President

cc: Permitco



October 12, 1993

RECEIVED

OCT 14 1993

Utah Division of Oil, Gas & Mining
3 Triad Center, Suite 350
Salt Lake City, UT 84180-1203

DIVISION OF
OIL, GAS & MINING

Attn: Tammi Searing

Re: **Valley Operating, Inc.**
Antelope #1-29
NE NE Sec. 29, T10S - R24E
Uintah County, Utah

Dear Tammi,

Enclosed please find three copies of the Application for Permit to Drill on the above mentioned well, along with the required drilling program and the surface use plan which was filed with the Bureau of Land Management in Vernal, Utah.

Please forward the approved copies to Mr. Lee Robinson, Valley Operating, Inc. at the address shown on the A.P.D. Thanks for your assistance in this matter.

Sincerely,

PERMITCO INC.

Lisa L. Smith
Consultant for:
VALLEY OPERATING, INC.

Enc.

cc: **Valley Operating, Inc. - Denver, CO**

Permitco Incorporated
A Petroleum Permitting Company

13585 Jackson Drive Denver, Colorado 80241 (303) 452-8888

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

CONFIDENTIAL - TIGHT HOLE

5. Lease Designation and Serial No.

U-66421

6. If Indian, Allottee or Tribe Name

N/A

7. Unit Agreement Name

Antelope Unit

8. Farm or Lease Name

Antelope

9. Well No.

#1-29

10. Field and Pool, or Wildcat

Wildcat NATURAL BUILTES

11. Sec., T., R., M., OR Bk.

and Survey or Area

Sec. 29, T10S - R24E

12. County or Parish

Uintah

13. State

Utah

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work

DRILL

DEEPEN

PLUG BACK

b. Type of Well

Oil Well

Gas Well

Other

Single Zone

Multiple Zone

2. Name of Operator 303/355-3242 745 Gilpin St.
Valley Operating, Inc. Denver, CO 80218-3633
3. Address of Operator 303/452-8888 13585 Jackson Drive
Permitco Inc. - Agent Denver, CO 80241

4. Location of Well (Report location clearly and in accordance with any State requirements. *)
At surface

823' FNL and 799' FEL

At proposed prod. zone

NE NE Sec. 29

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

13 miles southwest of Bonanza, Utah

15. Distance from proposed* location to nearest property or lease line, ft.

(Also to nearest drlg. line, if any)

799'

16. No. of acres in lease

2240

17. No. of acres assigned to this well

40 - statewide spacing

18. Distance from proposed location * to nearest well, drilling, completed,

or applied for, on this lease, ft.

None

7,200'

20. Rotary or cable tools

Rotary

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

5264' GR

22. Approx. date work will start*

Upon approval of this application

23. PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
15"	9-5/8"	36#	250'	196 cubic feet - circ to surf.
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Valley Operating, Inc. proposes to drill a well to 7200' to test the Castlegate and Mesa Verde/Wasatch formations. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

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CONFIDENTIAL

Bond coverage for this well will be provided by Valley Operating, Inc. under their Statewide BLM Bond No. UT-0832.

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. Consultant for:
Signed [Signature]

Title Valley Operating, Inc. Date 10/12/93

(This space for Federal or State office use)

Permit No. 43-047-32452 Approval Date

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

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
DATE: 4/15/93
BY: [Signature]
WELL SPACING: 649-2-3

*See Instructions On Reverse Side

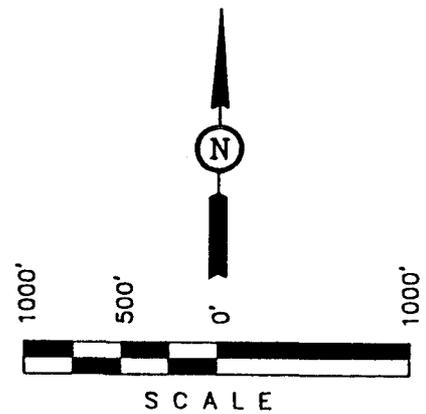
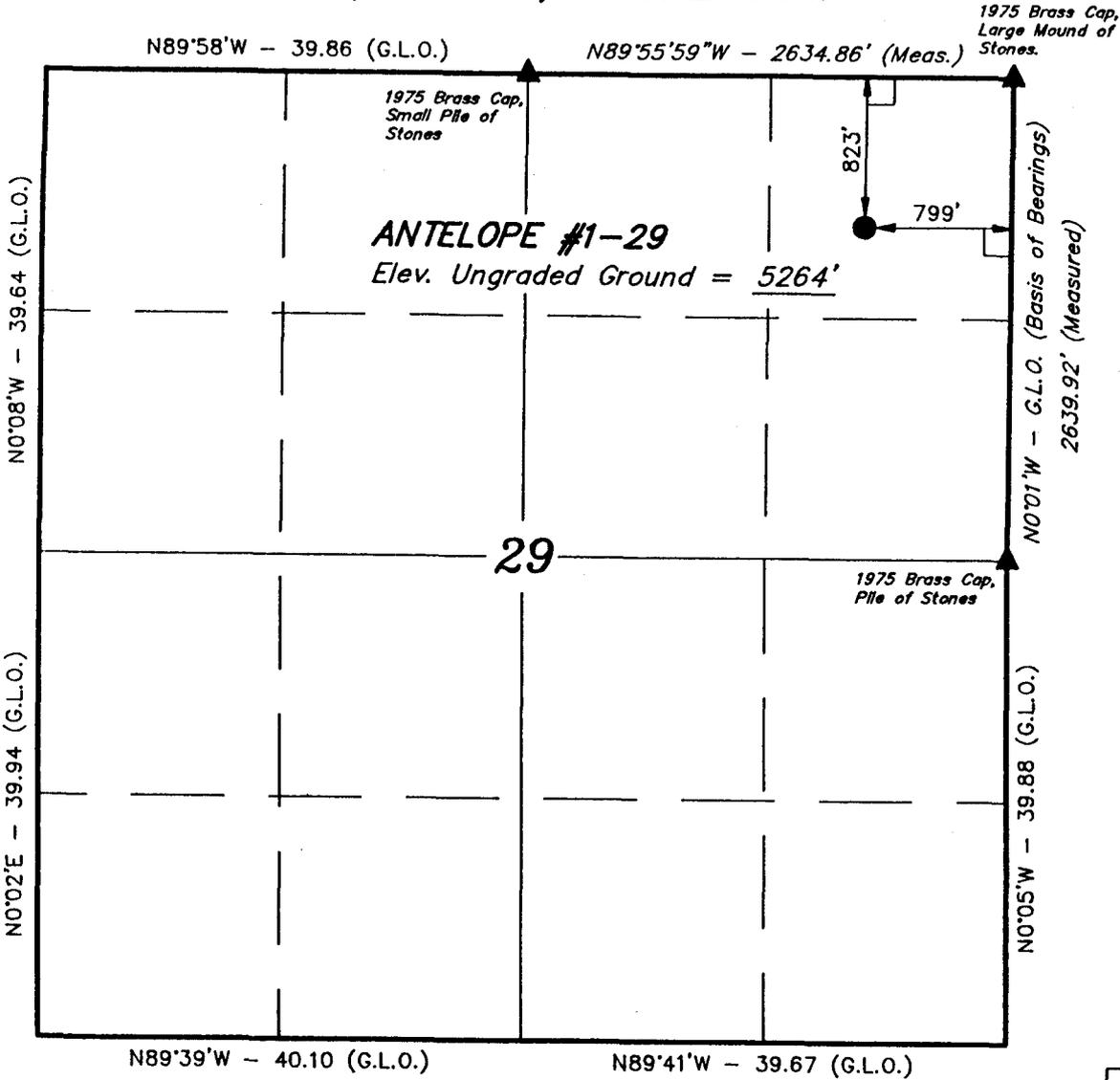
T10S, R24E, S.L.B.&M.

VALLEY OPERATING CO.

Well location, ANTELOPE #1-29, located as shown in the NE 1/4 NE 1/4 of Section 29, T10S, R24E, S.L.B.&M. Uintah County, Utah.

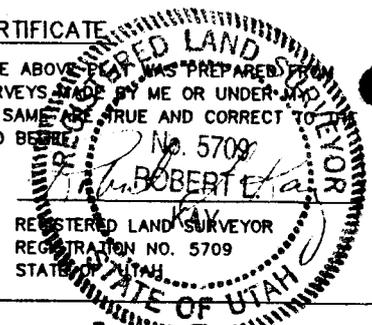
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SPOT ELEVATION AT A HILL TOP IN THE SW 1/4 SE 1/4 OF SECTION 27, T10S, R24E, S.L.B.&M. TAKEN FROM THE SOUTHAM CANYON QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5804 FEET.



CERTIFICATE

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



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

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

SCALE 1" = 1000'	DATE SURVEYED: 9-23-93	DATE DRAWN: 9-28-93
PARTY L.D.T. M.C. J.R.S.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE VALLEY OPERATING CO.	

CONFIDENTIAL **RIGHT HOLE**

SUBMIT IN TRIPLICATE
(Other instructions on
reverse side)

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

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

5. LEASE DESIGNATION AND SERIAL NO.
U-66421

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

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

1a. TYPE OF WORK **DRILL** **DEEPEN** **PLUG BACK**

7. UNIT AGREEMENT NAME
Antelope Unit

1b. TYPE OF WELL
OIL WELL GAS WELL OTHER
SINGLE ZONE MULTIPLE ZONE

8. FARM OR LEASE NAME
Antelope

2. NAME OF OPERATOR **303/355-3242 745 Gilpin St. VALLEY OPERATING, INC. Denver, CO 80218-3633**

9. WELL NO.
#1-29

3. ADDRESS OF OPERATOR **303/452-8888 13585 Jackson Drive PERMITCO INC. - Agent Denver, CO 80241**

10. FIELD AND POOL OR WILDCAT
~~Wildcat~~ **NATURAL BUTTES**

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At Surface **823' FNL and 799' FEL**
At proposed Prod. Zone **NE NE Sec. 29**

11. SEC., T., R., M. OR BLK. AND SURVEY OR AREA
Sec. 29, T10S - R24E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
13 miles southwest of Bonanza, Utah

12. COUNTY OR PARISH **Uintah** 13. STATE **Utah**

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)
799'

16. NO. OF ACRES IN LEASE
2240

17. NO. OF ACRES ASSIGNED TO THIS WELL
40 - Statewide spacing for wildcat oil wells.

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT.
None

19. PROPOSED DEPTH
7200'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
5264' GR

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CONFIDENTIAL

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Please be advised that Valley Operating, Inc. is considered to be the Operator of the above mentioned well. Valley Operating, Inc. agrees to be responsible under the terms and conditons of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Valley Operating, Inc. under their Statewide BLM Bond No. UT-0832.

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24. **SIGNED** *Don L. Smith* **CONSULTANT FOR:** Valley Operating, Inc. **TITLE** Valley Operating, Inc. **DATE** 10/12/93

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

***See Instructions On Reverse Side**

Title 18 U.S.C. Section 1001, makes it a crime for any persn 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 mater within its jurisdiction.

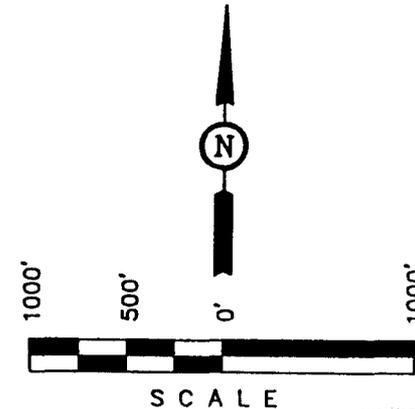
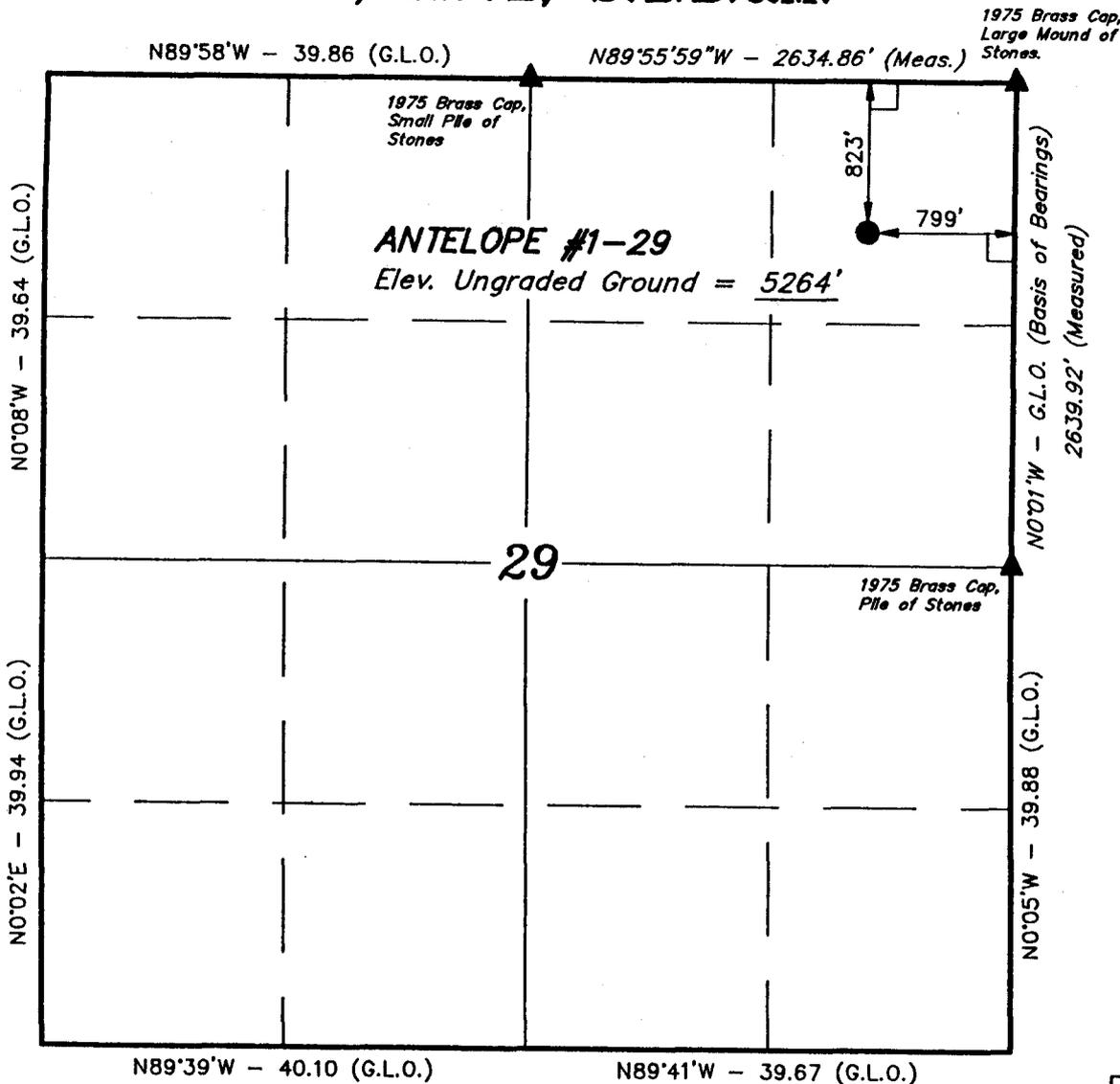
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VALLEY OPERATING CO.

Well location, ANTELOPE #1-29, located as shown in the NE 1/4 NE 1/4 of Section 29, T10S, R24E, S.L.B.&M. Uintah County, Utah.

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ROBERT L. [Signature]
REGISTERED LAND SURVEYOR
REGISTRATION NO. 5708
STATE OF UTAH

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

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(Other instructions on
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24. **Consultant for:**
SIGNED *Don G. Smick* TITLE **Valley Operating, Inc.** DATE **10/12/93**

(This space for Federal or State office use)

PERMIT NO. 43-047-32452 APPROVAL DATE _____

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

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING
DATE **11/15/93**
BY: *JP Matthews*
WELL SPACING: **649-2-3**

*See Instructions On Reverse Side

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 10/14/93

API NO. ASSIGNED: 43-047-32452

WELL NAME: ANTELOPE 1-29
OPERATOR: VALLEY OPERATING INC. (N8270)

PROPOSED LOCATION:
NENE 29 - T10S - R24E
SURFACE: 0823-FNL-0799-FEL
BOTTOM: 0823-FNL-0799-FEL
UINTAH COUNTY
NATURAL BUTTES FIELD (630)

LEASE TYPE: FED
LEASE NUMBER: U-66421

INSPECT LOCATION BY: / /		
TECH REVIEW	Initials	Date
Engineering		
Geology		
Surface		

RECEIVED AND/OR REVIEWED:

Y Plat
Y Bond
(Number 47-0432)
N Potash (Y/N)
Y Oil shale (Y/N)
Y Water permit
(Number 43-8496)
N RDCC Review (Y/N)
(Date: _____)

LOCATION AND SITING:

R649-2-3. Unit: ANTELOPE UNIT
PENDING APPROVAL
 R649-3-2. General. Approved. 11-9-93.
____ R649-3-3. Exception.
 Drilling Unit.
Board Cause no: 122-1
Date: 11/1/66 ~~SEARCHMAN~~
~~CANON 640 MVRD, WSTE~~

COMMENTS: WELL IS PROPOSED IN POSSIBLE OIL SHALE AREA
NO POD. WELL IS WITHIN 50' OF PAD WELL SCU #4
43-047-15881 SEE FIELD PLAT.

STIPULATIONS: _____

CONFIDENTIAL
PERIOD
EXPIRED
ON 2-15-95



October 18, 1993

RECEIVED

OCT 20 1993

DIVISION OF
OIL, GAS & MINING

Bureau of Land Management
170 S. 500 E.
Vernal, UT 84078

Attn: Ed Foresman - Minerals Division

Re: Valley Operating, Inc.
Antelope #1-29
NE NE Sec. 29, T10S - R24E
Uintah County, Utah

Dear Ed,

As per our recent telephone conversation, enclosed please find three copies each of Page 5 of the Drilling Program and Form 3160-3 showing the revised cement amounts. A total of 318 sx is proposed for the surface casing and 1159 sx is proposed for the production casing.

I have also enclosed three copies of the "signed" certification for the Surface Use Plan. I appreciate your call. If you should need anything further, please feel free to contact me.

Sincerely,

PERMITCO INC.

A handwritten signature in cursive script that reads "Lisa L. Smith".

Lisa L. Smith
Consultant for:
Valley Operating, Inc.

Enc.

cc: Valley Operating, Inc.
✓ Utah Div. of Oil, Gas & Mining

Permitco Incorporated
A Petroleum Permitting Company

13585 Jackson Drive Denver, Colorado 80241 (303) 452-8888

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

CONFIDENTIAL - TIGHT HOLE

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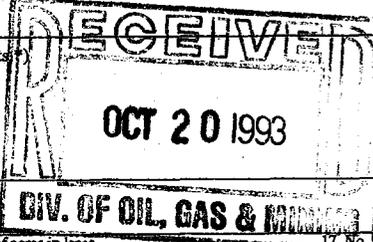
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24. Signed [Signature]

Consultant for:

Title Valley Operating, Inc.

Date 10/12/93

(This space for Federal or State office use)

Permit No. 43-047-32452

Approval Date

Approved by

Title

Conditions of approval, if any:

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

DATE: 10/15/93

BY: [Signature]

WELL SPACING: 649-33

*See Instructions On Reverse Side

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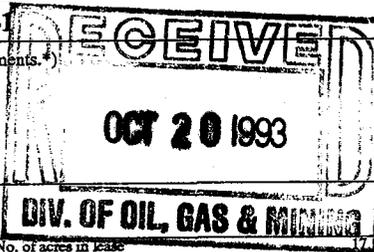
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CONFIDENTIAL - TIGHT HOLE

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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 *[Signature]*

Consultant for:

Title Valley Operating, Inc. Date 10/12/93

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

Permit No. 43-047-32452

Approval Date

Approved by

Title

Conditions of approval, if any:

DATE: 11/15/93
BY: *[Signature]*
WELL SPACING: 649-2-3

*See Instructions On Reverse Side

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

CONFIDENTIAL - TIGHT HOLE

5. Lease Designation and Serial No.
U-66421

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

7. Unit Agreement Name
Antelope Unit

8. Farm or Lease Name
Antelope

9. Well No.
#1-29

10. Field and Pool, or Wildcat
Wildcat

11. Sec., T., R., M., OR Bk. and Survey or Area
Sec. 29, T10S - R24E

12. County or Parish
Uintah

13. State
Utah

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work

DRILL

DEEPEN

PLUG BACK

b. Type of Well

Oil

Well

Gas

Well

Other

Single

Zone

Multiple

Zone

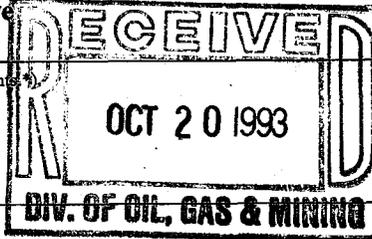
2. Name of Operator **303/355-3242 745 Gilpin St. Valley Operating, Inc. Denver, CO 80218-3633**

3. Address of Operator **303/452-8888 13585 Jackson Drive Permitco Inc. - Agent Denver, CO 80241**

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

**823' FNL and 799' FEL
NE NE Sec. 29**

At proposed prod. zone



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

13 miles southwest of Bonanza, Utah

15. Distance from proposed* location to nearest property or lease line, ft.

(Also to nearest drig. line, if any)

799'

16. No. of acres in lease

2240

17. No. of acres assigned to this well

40 - statewide spacing

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

None

19. Proposed depth

7,200'

20. Rotary or cable tools

Rotary

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

5264' GR

22. Approx. date work will start*

Upon approval of this application

23. **PROPOSED CASING AND CEMENTING PROGRAM**

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
15"	9-5/8"	36#	250'	360 cubic feet - circ to surf.
7-7/8"	4-1/2"	11.6#	7200'	2214 cubic feet - suffic to cover zones of interest.

Valley Operating, Inc. proposes to drill a well to 7200' to test the Castlegate and Mesa Verde/Wasatch formations. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

See Onshore Order No. 1 attached.

CONFIDENTIAL - TIGHT HOLE

Bond coverage for this well will be provided by Valley Operating, Inc. under their Statewide BLM Bond No. UT-0832.

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 *[Signature]*

Consultant for:

Title **Valley Operating, Inc.** Date **10/12/93**

(This space for Federal or State office use)

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

Permit No. **43-047-32452**

Approval Date

DATE: **11/15/93**

Approved by

Title

BY: *[Signature]*

Conditions of approval, if any:

WELL SPACING: **649-2-3**

*See Instructions On Reverse Side

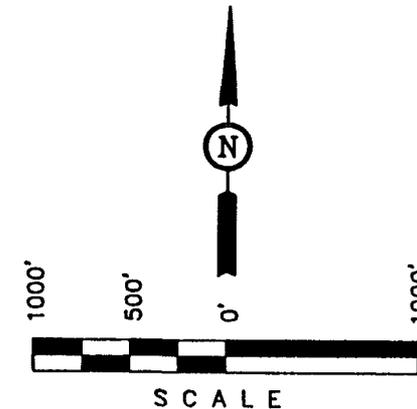
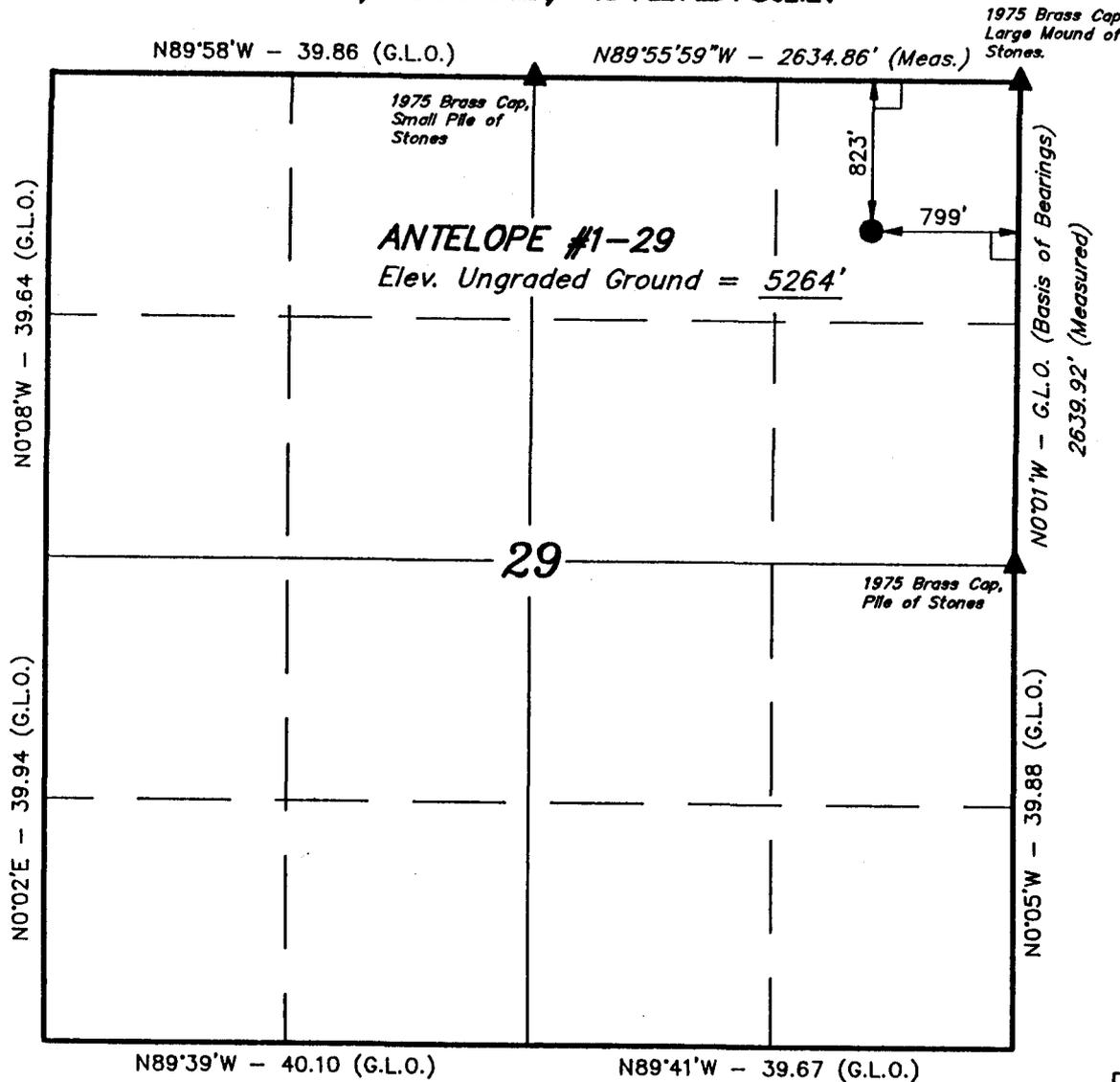
T10S, R24E, S.L.B.&M.

VALLEY OPERATING CO.

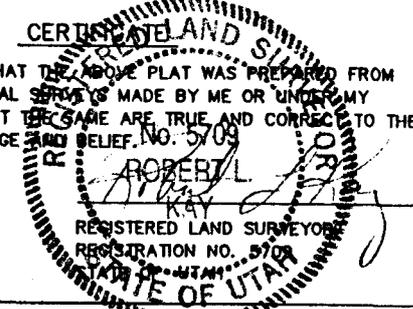
Well location, ANTELOPE #1-29, located as shown in the NE 1/4 NE 1/4 of Section 29, T10S, R24E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT A HILL TOP IN THE SW 1/4 SE 1/4 OF SECTION 27, T10S, R24E, S.L.B.&M. TAKEN FROM THE SOUTHAM CANYON QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5804 FEET.



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. NO. 5709



LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

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

SCALE 1" = 1000'	DATE SURVEYED: 9-23-93	DATE DRAWN: 9-28-93
PARTY L.D.T. M.C. J.R.S.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE VALLEY OPERATING CO.	

CONFIDENTIAL - TIGHT HOLE

SUBMIT IN TRIPLICATE
(Other instructions on
reverse side)

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

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

5. LEASE DESIGNATION AND SERIAL NO.

U-66421

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

N/A

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK **DRILL** **DEEPEN** **PLUG BACK**

1b. TYPE OF WELL

OIL WELL **GAS WELL** **OTHER** **SINGLE ZONE** **MULTIPLE ZONE**

7. UNIT AGREEMENT NAME

Antelope Unit

8. FARM OR LEASE NAME

Antelope

2. NAME OF OPERATOR **303/355-3242 745 Gilpin St.**
VALLEY OPERATING, INC. Denver, CO 80218-3633

9. WELL NO.

#1-29

3. ADDRESS OF OPERATOR **303/452-8888 13585 Jackson Drive**
PERMITCO INC. - Agent Denver, CO 80241

10. FIELD AND POOL OR WILDCAT

Wildcat

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. *)

At Surface **823' FNL and 799' FEL**

At proposed Prod. Zone **NE NE Sec. 29**

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

Sec. 29, T10S - R24E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

13 miles southwest of Bonanza, Utah

12. COUNTY OR PARISH

Uintah

13. STATE

Utah

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

799'

16. NO. OF ACRES IN LEASE

2240

17. NO. OF ACRES ASSIGNED TO THIS WELL
**40 - Statewide spacing for
wildcat oil wells.**

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

None

19. PROPOSED DEPTH

7200'

20. ROTARY OR CABLE TOOLS

Rotary

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

5264' GR

22. APPROX. DATE WORK WILL START*

Upon approval of this application

23. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	SIZE OF CASING	WEIGHT/FOOT	SETTING DEPTH	QUANTITY OF CEMENT
15"	9-5/8"	36#	250'	360 cubic feet - circ to surf.
7-7/8"	4-1/2"	11.6#	7200'	2214 cubic feet - suffic to cover

zones of interest.

Valley Operating, Inc. proposes to drill a well to 7200' to test the Castlegate & Mesa Verde/Wasatch formations. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

See Onshore Order No. 1 attached.

CONFIDENTIAL - TIGHT HOLE

Please be advised that Valley Operating, Inc. is considered to be the Operator of the above mentioned well. Valley Operating, Inc. agrees to be responsible under the terms and conditons of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Valley Operating, Inc. under their Statewide BLM Bond No. UT-0832.

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 *[Signature]*

Consultant for:
TITLE **Valley Operating, Inc.**

DATE **10/12/93**

(This space for Federal or State office use)

PERMIT NO. 43-047-32452 APPROVAL DATE _____

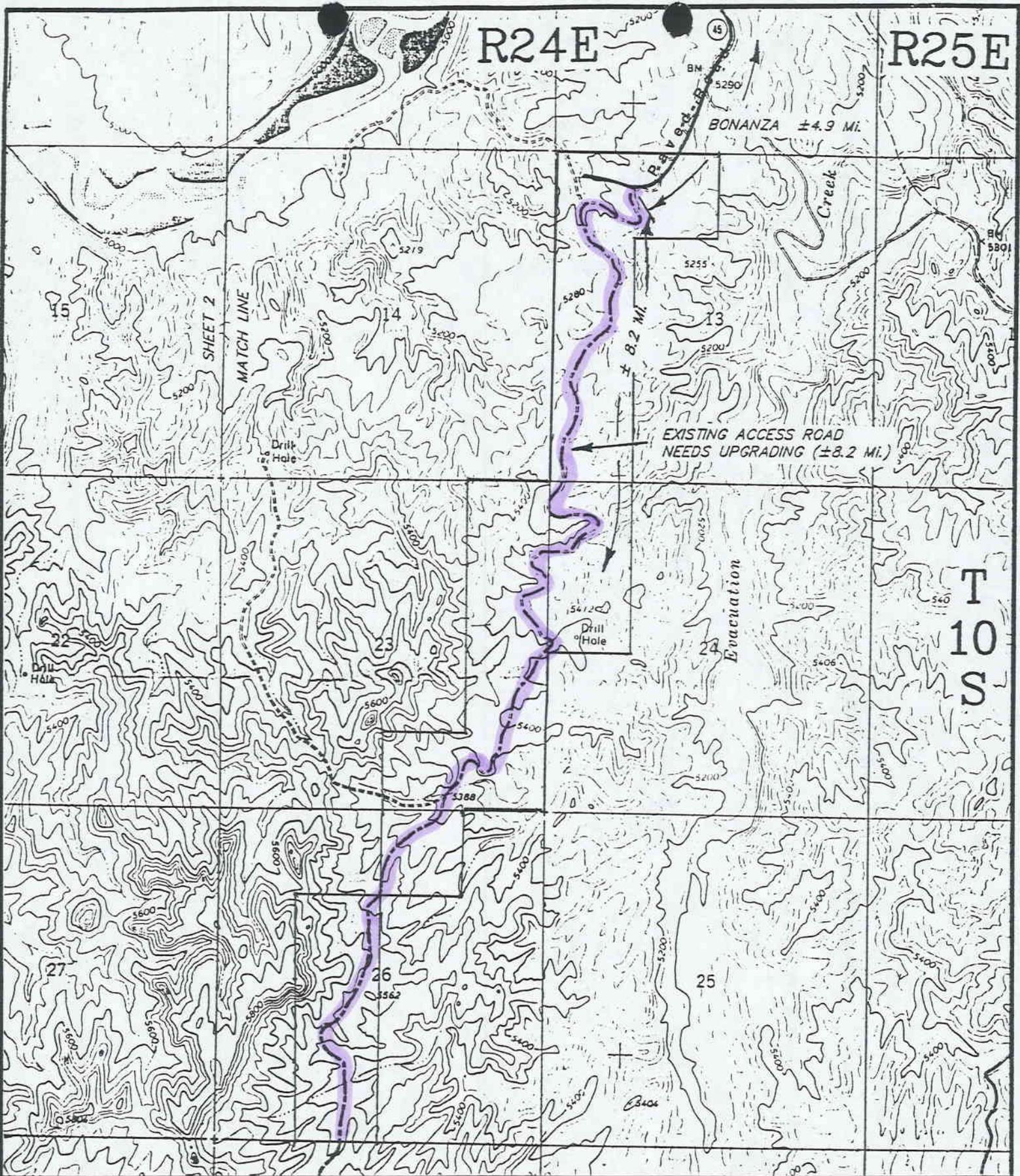
APPROVED BY _____ TITLE _____

CONDITIONS OF APPROVAL, IF ANY: _____

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

DATE: _____ DATE _____
BY: _____
WELL SPACING: _____

***See Instructions On Reverse Side**



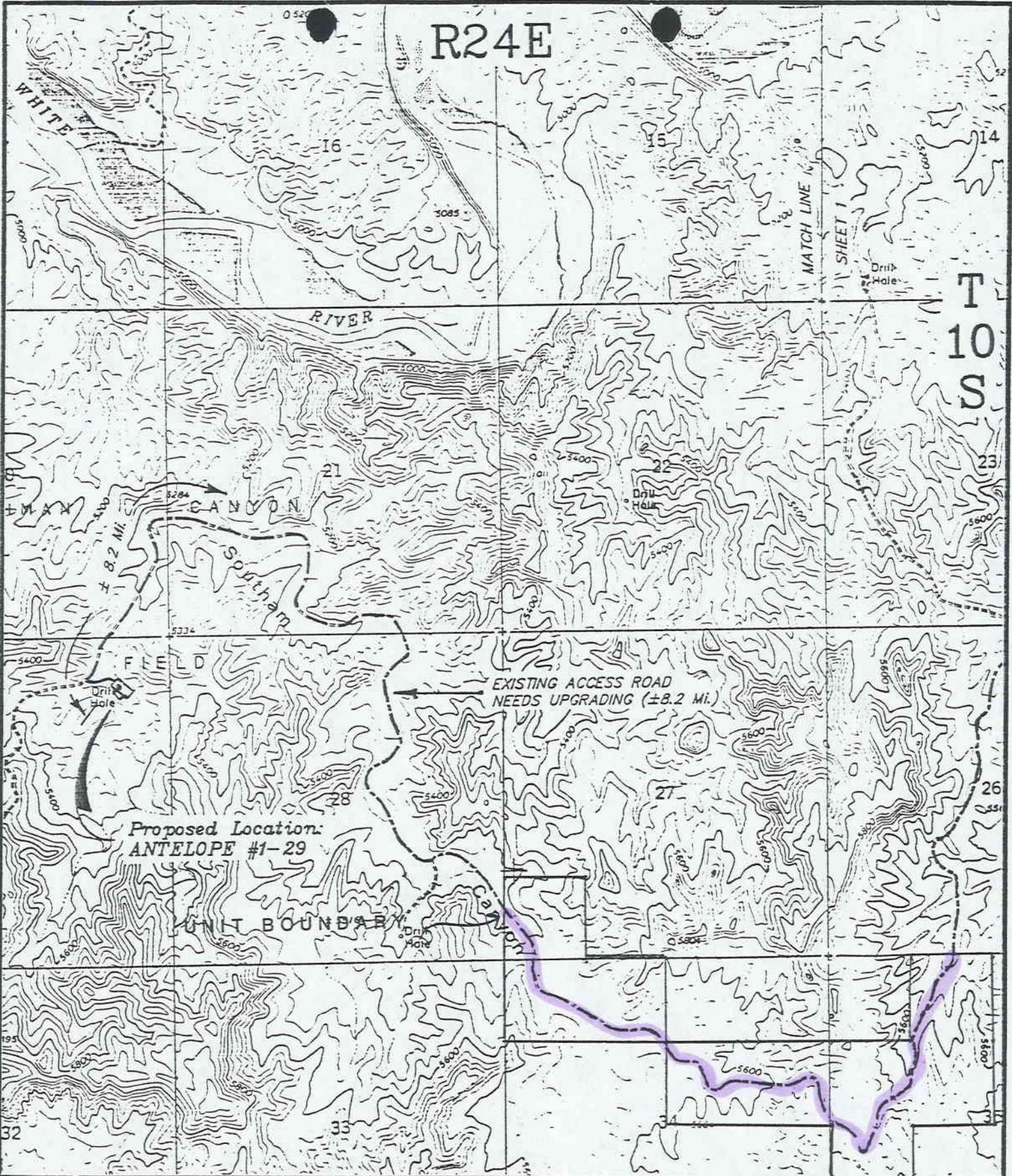
 ROW Requested
 TOPOGRAPHIC
 MAP "B"
 SCALE: 1" = 2000'
 DATE: 9-28-93 J.R.S.



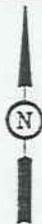
SHEET 1 OF 2
 VALLEY OPERATING CO.
 ANTELOPE #1-29
 SECTION 29, T10S, R24E, S.L.B.&M.
 823' FNL 799' FEL

R24E

T
10
S



 ROW Requested
 TOPOGRAPHIC
 MAP "B"
 SCALE: 1" = 2000'
 DATE: 9-28-93 J.R.S.



SHEET 2 OF 2
 VALLEY OPERATING CO.
 ANTELOPE #1-29
 SECTION 29, T10S, R24E, S.L.B.&M.
 823' FNL 799' FEL

CONFIDENTIAL - TIGHT HOLE

ONSHORE OIL & GAS ORDER NO. 1

**Approval of Operations on Onshore
Federal and Indian Oil & Gas Leases**

**ANTELOPE #1-29
823' FNL and 799' FEL
NE NE Sec. 29, T10S - R24E
Uintah County, Utah**

CONFIDENTIAL

Prepared For:

VALLEY OPERATING, INC.

By:

**PERMITCO INC.
13585 Jackson Drive
Denver, Colorado 80241
303/452-8888**

Copies Sent To:

- 3 - BLM - Vernal, Utah**
- 1 - Utah Division of Oil, Gas & Mining - SLC, UT**
- 3 - Valley Operating Co. - Denver, CO**



Permitco Incorporated
A Petroleum Permitting Company

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ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal and Indian Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. The estimated tops of important geologic markers are as follows:

<u>Formation</u>	<u>Depth</u>	<u>Subsea</u>
Uinta	Surface	
Green River	320'	+4959'
Wasatch	2964'	+2315'
Paleocene	4296'	+ 983'
Mesa Verde	4670'	+ 609'
Castlegate	7000'	-1721'
T.D.	7200'	-1921'

2. The estimated depths at which the top and bottom of the anticipated water, oil, gas or other mineral bearing formations are expected to be encountered are as follows:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Gas	Castlegate	7000'
Gas/Oil	Mesa Verde	5950'
Water	N/A	
Other Mineral Zones	N/A	

All fresh water prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

3. Valley Operating Company's minimum specifications for pressure control equipment are as follows:

Ram Type: 11" Hydraulic double with annular, 3000 psi w.p.

Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10 percent in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Annular type preventers (if used) shall be tested to 50 percent of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. when initially installed;
- b. whenever any seal subject to test pressure is broken
- c. following related repairs; and
- d. at 30-day intervals

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) the check valve shall be held open or the ball removed.

Annular preventers shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

A BOPE pit level drill shall be conducted weekly for each drilling crew.



Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log.

BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The District Office should be notified, with sufficient lead time, in order to have the BLM representative on location during pressure testing.

- a. The size and rating of the BOP stack is shown on the attached diagram. Although a rig has not been chosen to drill this well, most of the equipment for this depth of hole in the area use an 11", 3000 psi working pressure blowout preventor.
 - b. A choke line and a kill line are to be properly installed. The kill line is not to be used as a fill-up line.
 - c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
 - d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.
4. a. The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation which will contain the



maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors, including; presence/absence of hydrocarbons; fracture gradients; usable water zones; formation pressures; lost circulation zones; other minerals; or other unusual characteristics. All indications of usable water shall be reported.

- b. Casing design shall assume formation pressure gradients of 0.44 to 0.50 psi per foot for exploratory wells (lacking better data).
- c. Casing design shall assume fracture gradients from 0.70 to 1.00 psi per foot for exploratory wells (lacking better data)
- d. Casing collars shall have a minimum clearance of 0.422 inches of all sides in the hole/casing annulus, with recognition that variances can be granted for justified exceptions.
- e. All waiting on cement times shall be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.
- f. All casing except the conductor casing, shall be new or reconditioned and tested used casing that meets or exceeds API standards for new casing.
- g. The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing.
- h. All indications of usable water shall be reported to the authorized officer prior to running the next string of casing or before plugging orders are requested, whichever occurs first.
- i. Surface casing shall have centralizers on every fourth joint of casing starting with the shoe joint and up to the bottom of the cellar.
- j. Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method, etc. shall be utilized to help isolate

OCT 20 1993

the cement from contamination by the mud fluid being displaced ahead of the cement slurry.

- k. All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or 1500 psi, whichever is greater, but not to exceed 70 percent of the minimum internal yield. If pressure declines more than 10 percent in 30 minutes, corrective action shall be taken.
- l. On all exploratory wells, and on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.

m. The proposed casing program will be as follows:

<u>Purpose</u>	<u>Depth</u>	<u>Hole Size</u>	<u>O.D.</u>	<u>Weight</u>	<u>Grade</u>	<u>Type</u>	<u>New or Used</u>
Surface	0-250'	15"	9-5/8"	36#	K-55	ST&C	New
Produc.	0-7200'	7-7/8"	4-1/2"	11.6#	K-55	LT&C	New

n. Casing design subject to revision based on geologic conditions encountered.

o. The cement program will be as follows:

Surface
 0-250'

Type and Amount

+318 sx (360.95 cubic feet) Premium Plus w/2% CaCl₂-Anhy, 0.25#/sk flocele. Yield 1.19 cubic feet/sk, Weight - 15.6 ppg. or sufficient volume to circulate to surface.

Production

Type and Amount

Lead: 322 sx (1230.10 cubic feet) Standard Cmt., Weight - 11.0 ppg, Yield - 3.82 cubic feet/sk.
 Tail: 837 sx (984 cubic feet) 50/50 Pozmix Premium w/0.5% Halad-322.



- p. Anticipated cement tops will be reported as to depth; not the expected number of sacks of cement to be used. The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.
- q. After cementing but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the driller's log.
- r. The following reports shall be filed with the District Manager within 30 days after the work is completed.
 - 1. Progress reports, Form 3160-5 (formerly 9-331) "Sundry Notices and Reports on Wells", must include complete information concerning:
 - a. Setting of each string of casing, showing the size, grade, weight of casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing, depth of cementing tools used, casing test method and results, and the date work was done. Show the spud date on the first reports submitted.
 - b. Temperature or bond logs must be submitted for each well where the casing cement was not circulated to the surface.
- s. Auxiliary equipment to be used is as follows:
 - 1. Kelly cock
 - 2. No bit float is deemed necessary.
 - 3. A sub with a full opening valve.

5. a. The proposed circulating mediums to be employed in drilling are as follows:

<u>Interval</u>	<u>Mud Type</u>	<u>Mud Wt.</u>	<u>Visc.</u>	<u>F/L</u>	<u>PH</u>
0-250'	Water				
250-T.D.	Air mist/Aerated wtr.	9.2	--	---	7.1

There will be sufficient mud on location to control a blowout should one occur.

A mud test shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, static filtration loss, and Ph.

- b. Mud monitoring equipment to be used is as follows:

1. Periodic checks will be made each tour of the mud system. The mud level will be checked visually.

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

6. The anticipated type and amount of testing, logging and coring are as follows:

- a. One drill stem test is possible in the Castlegate formation at approximately 7000'.

If DST's are run, the following requirements will be adhered to:

Initial opening of drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer. However, DST's 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 shall not begin before daylight, unless prior approval is obtained from the authorized officer. Closed chamber DSTs may be accomplished day or night.



A DST that flows to the surface with evidence of hydrocarbons shall be either reversed out of the testing string under controlled surface conditions, or be displaced into the formation prior to pulling the test tool. This would involve providing some means for reverse circulation.

Separation equipment required for the anticipated recovery shall be properly installed before a test starts.

All engines within 100 feet of the wellbore that are required to "run" during the test shall have spark arresters or water cooled exhausts.

- b. The logging program will consist of a DIL from surface to T.D. A CND and bond log will be run from 3000' to T.D.
 - c. No cores are anticipated.
 - d. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the authorized officer (AO).
 - e. The anticipated completion program is as follows:
Set 4-1/2" casing at T.D. Perforate and acidize zones of interest as necessary.
Connect well to new gathering system and begin production.
- 7.
- a. The expected bottom hole pressure is 3000 psi.
 - b. No hydrogen sulfide gas is anticipated.



8. a. Drilling is planned to commence on approximately December 1, 1993.
- b. It is anticipated that the drilling of this well will take approximately 12 days.
- c. The BLM in Vernal, Utah shall be notified of anticipated date of location construction commencement and of anticipated spud date.
- d. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.
- e. The spud date will be reported orally to the AO within 48 hours after spudding. If the spudding occurs on a weekend or holiday, the report will be submitted on the following regular work day. The oral report will be followed up with a Sundry Notice.
- f. In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6 "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed with the Vernal BLM District Office, 170 South 500 East, Vernal, UT 84078.
- g. Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.
- h. If a replacement rig is contemplated for completion operations, a "Sundry Notice" Form 3160-5 to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.
- i. Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communications, not later than 5 days following the date on which the well is placed on production.



- j. Pursuant to NTL-2B, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the 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 District Engineer.**
- k. Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day or authorized test period.**
- l. A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3 and 3162.7-4 shall be submitted to the appropriate District Office within 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.**
- m. A first production conference will be scheduled within 15 days after receipt of the first production notice.**
- n. No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the SO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.**
- o. Pursuant to Onshore Oil and Gas Order No. 1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in 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 or Indian lands.

NOTIFICATION REQUIREMENTS

- Location Construction** - **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** - **twenty-four (24) hours prior to initiating pressure tests.**
- BOP and Related Equipment Tests** - **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.**

ONSHORE ORDER NO. 1
Valley Operating, Inc.
Antelope #1-29
823' FNL and 799' FEL
NE NE Sec. 29, T10S - R24E
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

OCT 20 1993

SURFACE USE PLAN
Page 12

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

Permit Matters

PERMITCO INC.

Lisa L. Smith
13585 Jackson Drive
Denver, CO 80241
303/452-8888

Drilling & Completion Matters

VALLEY OPERATING, INC.

745 Gilpin
Denver, CO 80218-3633
303/355-3242
303/394-4183 - F. Lee Robinson - Home

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that 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 Valley Operating, Inc. and its contractors and subcontractors in conformity with the 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.

October 12, 1993

Date:



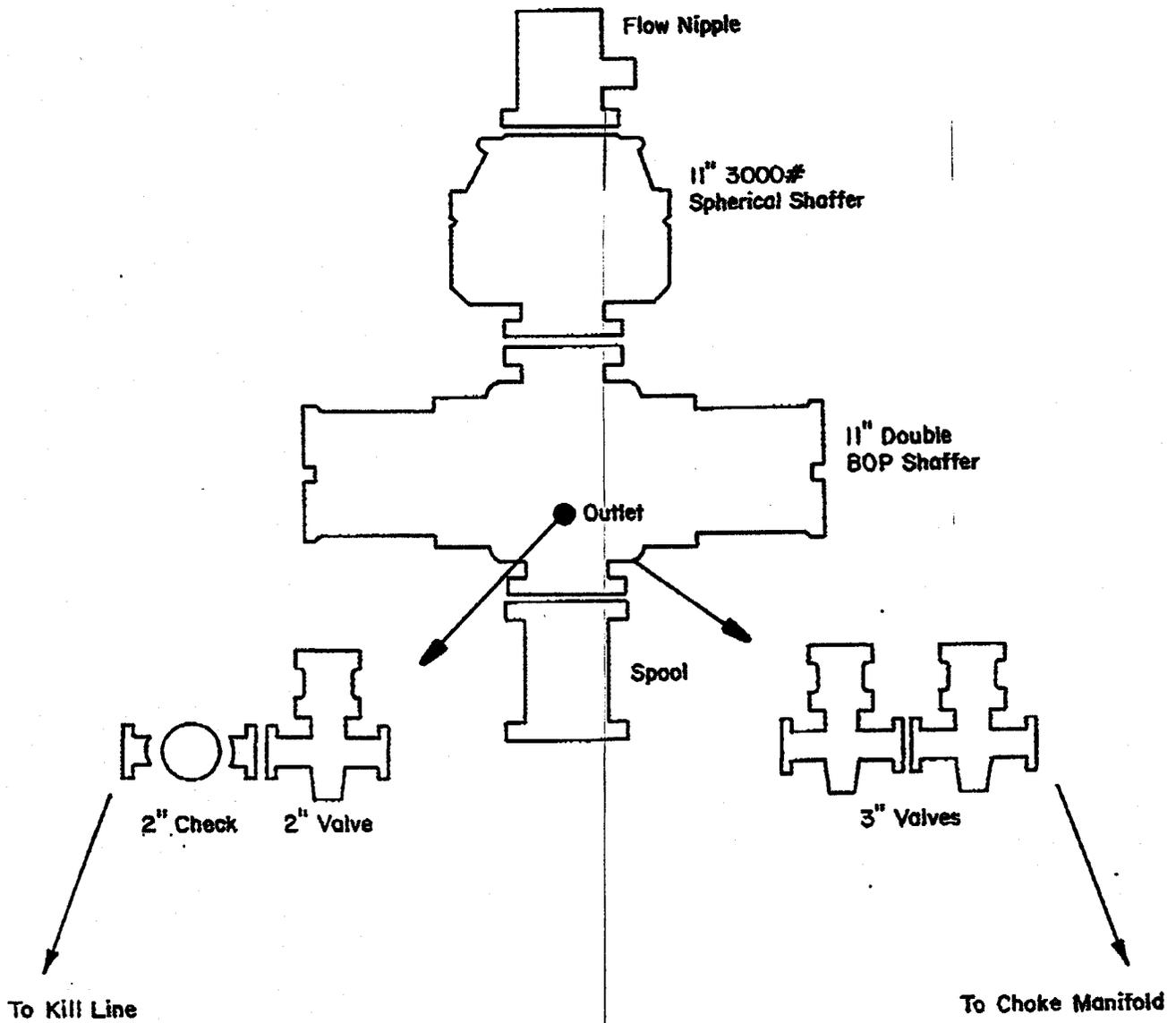
Lisa L. Smith - Permitco Inc.

Authorized Agent for:
Valley Operating, Inc.



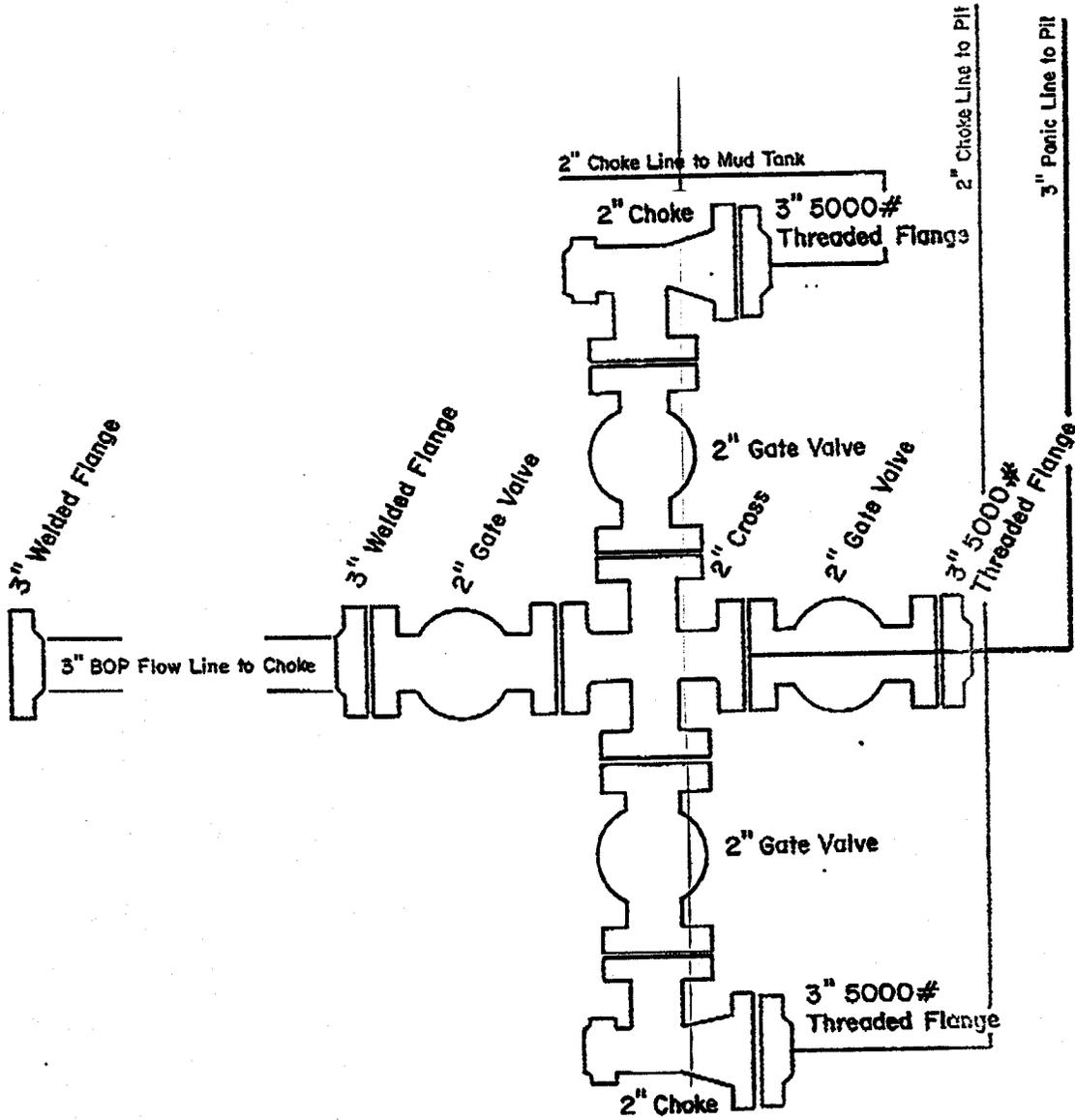
Permitco Incorporated
A Petroleum Permitting Company

CHANDLER DRILLING RIG NO.1



CHANDLER DRILLING

RIG NO.1



ONSHORE ORDER NO. 1
Valley Operating, Inc.
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SURFACE USE PLAN

Page 1

ONSHORE OIL & GAS ORDER NO. 1

Thirteen Point Surface Use Plan

The onsite inspection for the above mentioned well was conducted on Monday, October 4, 1993 at approximately 2:30 p.m. Weather conditions were warm and sunny. Present at the onsite inspection were the following individuals:

Byron Tolman	Natural Resource Protection	BLM
Carl Wright	Natural Resource Specialist	BLM
Robert Kay	Surveyor	UELS
Lisa Smith	Permitting Consultant	Permitco Inc.

1. Existing Roads

- a. The proposed well site is located approximately 20.4 miles southeast of Bonanza, Utah.
- b. Directions to the location from Bonanza, Utah are as follows:

From Bonanza, Utah proceed south on Highway 45 for approximately 4.9 miles. Turn left onto an existing dirt road and proceed southerly then northwesterly for 8.2 miles to the location.

- c. For location of access roads within a 2-Mile radius, see Maps A & B.
- d. The last 8.2 miles of access road will require some upgrading. Blading will be done where necessary and drain dips and wing ditches will be installed where appropriate to keep water off of the road and eliminate rutting.
- e. All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.



Permitco Incorporated
A Petroleum Permitting Company

Valley Operating, Inc.

Antelope #1-29

823' FNL and 799' FEL

NE NE Sec. 29, T10S - R24E

Uintah County, Utah

SURFACE USE PLAN

Page 2

- f. Existing roads and newly constructed roads on surface under the jurisdiction of any Surface Managing Agency shall be maintained in accordance with the standards of the SMA.
- g. Prior to upgrading of the road, Byron Tolman with the BLM in Vernal, Utah will be contacted (801/789-1362). A representative of the BLM may be present during upgrading of the roadway.
- h. Due to highly erosive soils, no drilling or construction activity will be allowed during periods when soils are wet or muddy.

2. Planned Access Roads

- a. No new construction will be required.
- b. The maximum grade will be approximately 8%.
- c. No turnouts will be installed at this time.
- d. No culverts and/or bridges will be required, however, appropriate drain dips or water turnouts will be installed as necessary to control erosion.
- e. It was not necessary to centerline flag the access road, because all roads are existing.
- f. The need for surfacing material is not anticipated at this time, however, may be necessary depending on weather conditions.
- g. No cattleguards will be necessary.
- h. Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.



Valley Operating, Inc.

Antelope #1-29

823' FNL and 799' FEL

NE NE Sec. 29, T10S - R24E

Uintah County, Utah

SURFACE USE PLAN

Page 3

- i. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).

- j. The road will be constructed to meet the standards of the anticipated traffic flow and all weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowing and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 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 accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

- k. A road right of way application will be required outside of the Antelope Unit boundaries for approximately 6 miles. The road right of way requested is shown on Map "B". The acreage on BLM lands which is not state maintained is as follows:

T10S - R24E

Sec. 13: W/2 W/2, NE NW
Sec. 23: E/2 E/2, SW SE
Sec. 24: W/2 NW/4
Sec. 26: NW NE, SE NW, E/2 SW/4
Sec. 27: SW SW
Sec. 34: N/2 NW/4, S/2 NE/4
Sec. 35: NE NW, S/2 NW/4, NW SW



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SURFACE USE PLAN

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Attached is our check in the amount of \$125.00 to cover the application fees.

3. Location of Existing Wells Within a 1-Mile Radius of the Proposed Location.

- a. Water wells - none
- b. Injection wells - none
- c. Producing wells - none
- d. Drilling wells - none
- e. Shut-in wells - none
- f. Temporarily abandoned wells - none
- g. Disposal wells - none
- h. Dry Holes - none

4. Location of Tank Batteries and Production Facilities.

- a. All permanent structures (onsite for six months or longer) constructed or installed (including oil well pump jacks) will be painted Desert Tan (10YR6/3). All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required paint color is Desert Brown.
- b. If storage facilities/tank batteries are constructed on this lease, the facility/battery or the wellpad shall be surrounded by a containment dike of sufficient capacity to contain at a minimum, the entire content of the



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A Petroleum Permitting Company

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SURFACE USE PLAN

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largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.

- c. A Sundry Notice will be submitted showing placement of all production facilities prior to construction.**
- d. If at any time the facilities located on public land 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), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.**
- e. Any necessary pits will be properly fenced to prevent any wildlife entry.**
- f. All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.**
- g. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager.**
- h. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic.**
- i. The road will be maintained in a safe useable condition.**

5. Location and Type of Water Supply

- a. All water needed for drilling purposes will be obtained from a Dalbo, Inc. The source of water is an underground water well located East 400 feet, North 200 feet from S/4 Corner of Section 32, T4S - R3E in Ouray, Utah. (Permit No. 43-846)**

- b. Water will be hauled to location over the roads marked on Maps A and B.
 - c. No water well is to be drilled on this lease.
6. Source of Construction Material
- a. Surface and subsoil materials in the immediate area will be utilized.
 - b. Any gravel used will be obtained from a commercial source.
 - c. The use of materials under BLM jurisdiction will conform with 43 CFR 3610.2.3. Construction material will not be located on lease.
 - d. No construction materials will be removed from Federal land.
7. Methods of Handling Waste Disposal
- a. The reserve pit will be constructed so as not to leak, break, or allow discharge.
 - b. After the reserve pit has been constructed, it will be reviewed by the BLM to determine the need for a pit liner. If a plastic liner is used, it will be a minimum of 10 mil thickness with 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 A.O.
 - c. Burning will not be allowed. All trash will be contained in a trash cage and its contents removed at the end of drilling operations and hauled to an approved disposal sight.
 - d. After first production, produced waste water will be confined to a unlined pit or storage tank for a period not to exceed ninety (90) days. During the 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, will be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.

- e. Drill cuttings are to be contained and buried in the reserve pit.
- f. Any salts and/or chemicals which are an integral part of the drilling system will be disposed of in the same manner as the drilling fluid.
- g. A chemical porta-toilet will be furnished with the drilling rig.
- h. The produced fluids will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas salt water or other produced fluids will be cleaned up and removed.

8. Ancillary Facilities

There are no airstrips, camps, or other facilities planned during the drilling of the proposed well.

9. Well Site Layout

- a. A diversion ditch will be constructed on the southeast side of the wellpad to divert an existing drainage around the wellpad. Water will be diverted in an attempt to keep the pad free of moisture and eliminate future erosion.
- b. The reserve pit will be located on the southwest side of the location.
- c. The flare pit will be located downwind of the prevailing wind direction on the northwest side, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.
- d. The stockpiled topsoil (first six inches) will be stored along the east and west sides of the location as shown on the attached rig layout.



- e. Access to the wellpad will be from the northwest as shown on Map "B".
- f. See Location Layout for orientation of rig, cross section of drill pad and cuts and fills.
- g. The location of mud tanks; reserve pit, trash cage; pipe racks; living facilities and soil stockpiles will be shown on the Location Layout.
- h. During construction, any brush will be removed from the wellpad and access road and stockpiled separately from the topsoil.
- i. All pits will be fenced according to the following minimum standards:
 - 1. 39 inch net wire shall be used with at least one strand or 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 2-inches above the ground. The barbed wire shall be 3-inches above the net wire. Total height of the fence shall be at least 42-inches.
 - 3. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
 - 4. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
 - 5. All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.
- j. The reserve pit will be fenced on three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until cleanup.



10. Plans for Restoration of Surface

Producing Location

- a. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash and junk not required for production.
- b. Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.
- c. If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.
- d. The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 120 days from the date of well completion. Before any dirt work takes place, the reserve pit must have all fluids and hydrocarbons removed and all cans, barrels, pipe, etc., will be removed.
- e. The reclaimed portion of the production pad will be reseeded with a seed mix to be specified by the BLM.

The appropriate surface management agency should be contact for required seed mixture for final abandonment.

Dry Hole

- f. At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment and BLM will attach the appropriate surface rehabilitation conditions of approval.

11. Surface Ownership

Access Roads - All existing roads maintained by the State Highway Dept. The last 8.2 miles of access road to be upgraded is located on BLM lands.

Wellpad - The well pad is located on lands managed by the BLM.

12. Other Information

a. **A Class III archeological survey was conducted by Sagebrush Archaeological Consultants. No significant cultural resources were found and clearance has been recommended. A copy of this report will be submitted directly by Sagebrush Archaeological Consultants.**

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

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

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

-a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate. If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification



from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

- c. The operator will control noxious weeds along right-of-ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- d. Drilling rigs and/or equipment used during drilling operations on this wellsite will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)
- e. 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 and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.
- f. A complete copy of the approved APD shall be on location during construction of the location and drilling activities.
- g. This permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.
- h. The operator or his contractor shall contact the BLM Offices at 801/789-1362 48 hours prior to construction activities.
- i. The BLM Office shall be notified upon site completion prior to moving on the drilling rig.

ONSHORE ORDER NO. 1
Valley Operating, Inc.
Antelope #1-29
823' FNL and 799' FEL
NE NE Sec. 29, T10S - R24E
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

SURFACE USE PLAN
Page 12

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

Permit Matters
PERMITCO INC.
Lisa L. Smith
13585 Jackson Drive
Denver, CO 80241
303/452-8888

Drilling & Completion Matters
VALLEY OPERATING, INC.
745 Gilpin
Denver, CO 80218-3633
303/355-3242
303/394-4183 - F. Lee Robinson - Home

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that 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 Valley Operating, Inc. and its contractors and subcontractors in conformity with the 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.

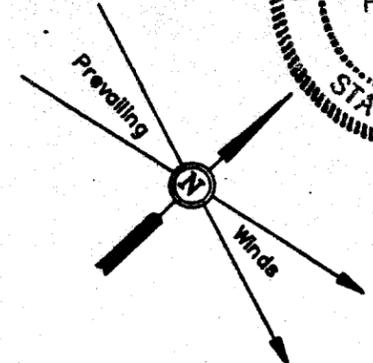
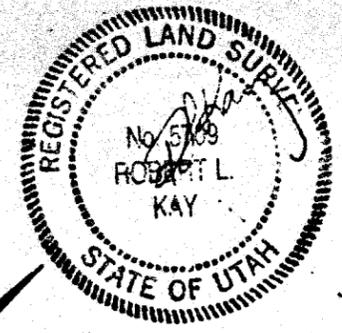
October 12, 1993

Date:

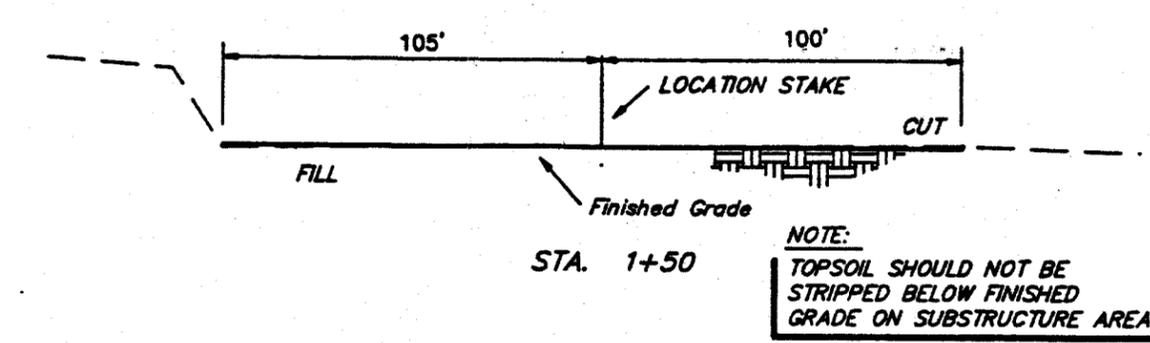
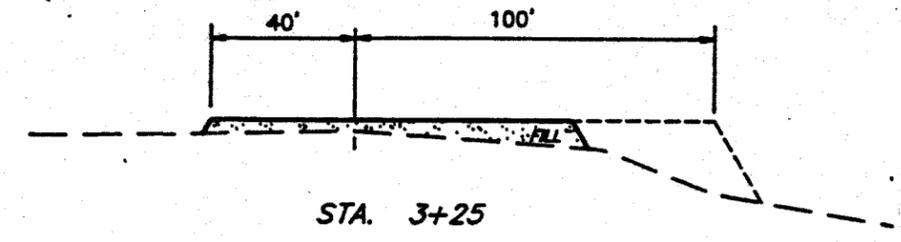
Lisa L. Smith - Permitco Inc.
Authorized Agent for:
Valley Operating, Inc.



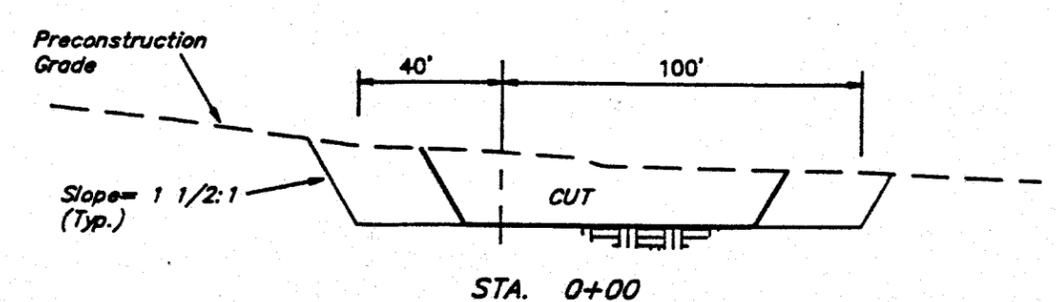
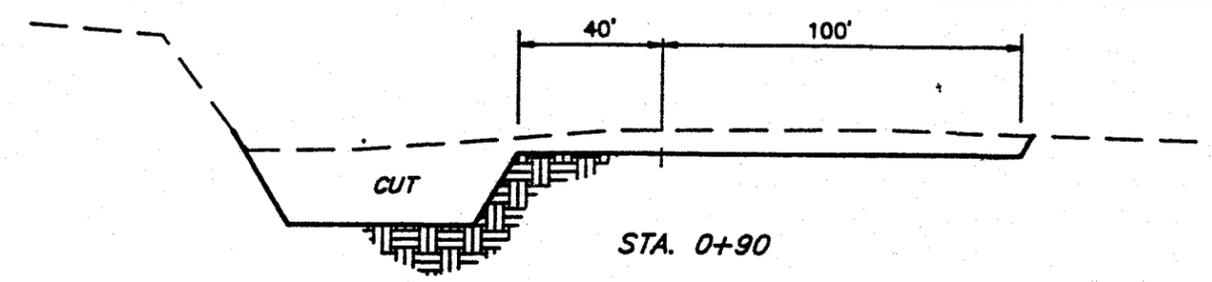
VALLEY OPERATING CO.
 LOCATION LAYOUT FOR
 ANTELOPE #1-29
 SECTION 29, T10S, R24E, S.L.B.&M.
 823' FNL 799' FEL



SCALE: 1" = 50'
 DATE: 9-28-93
 Drawn By: J.R.S.



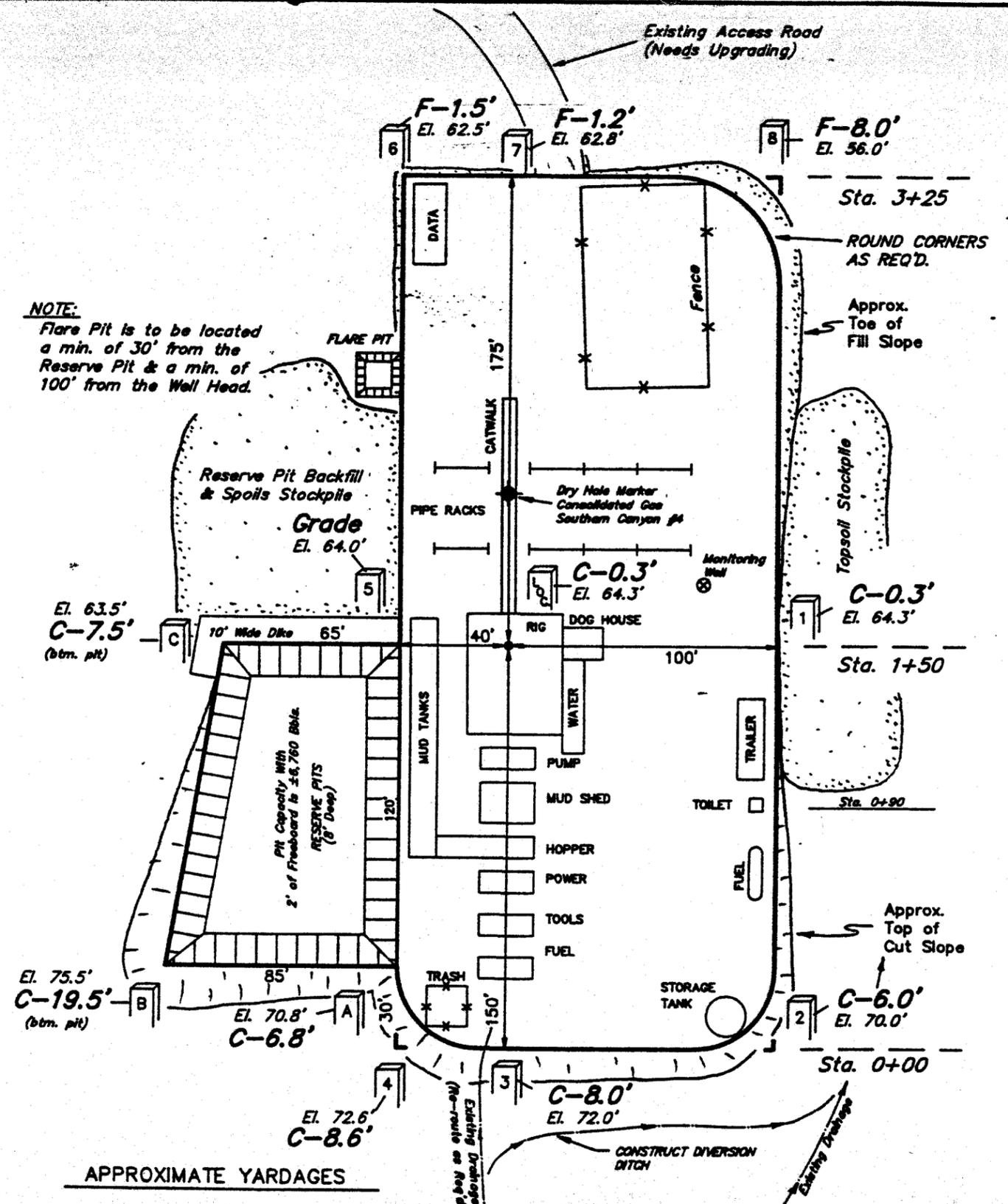
NOTE:
 TOPSOIL SHOULD NOT BE STRIPPED BELOW FINISHED GRADE ON SUBSTRUCTURE AREA.



TYP. LOCATION LAYOUT
 TYP. CROSS SECTIONS

Elev. Ungraded Ground at Location Stake = 5264.3'
 Elev. Graded Ground at Location Stake = 5264.0'

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



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

APPROXIMATE YARDAGES

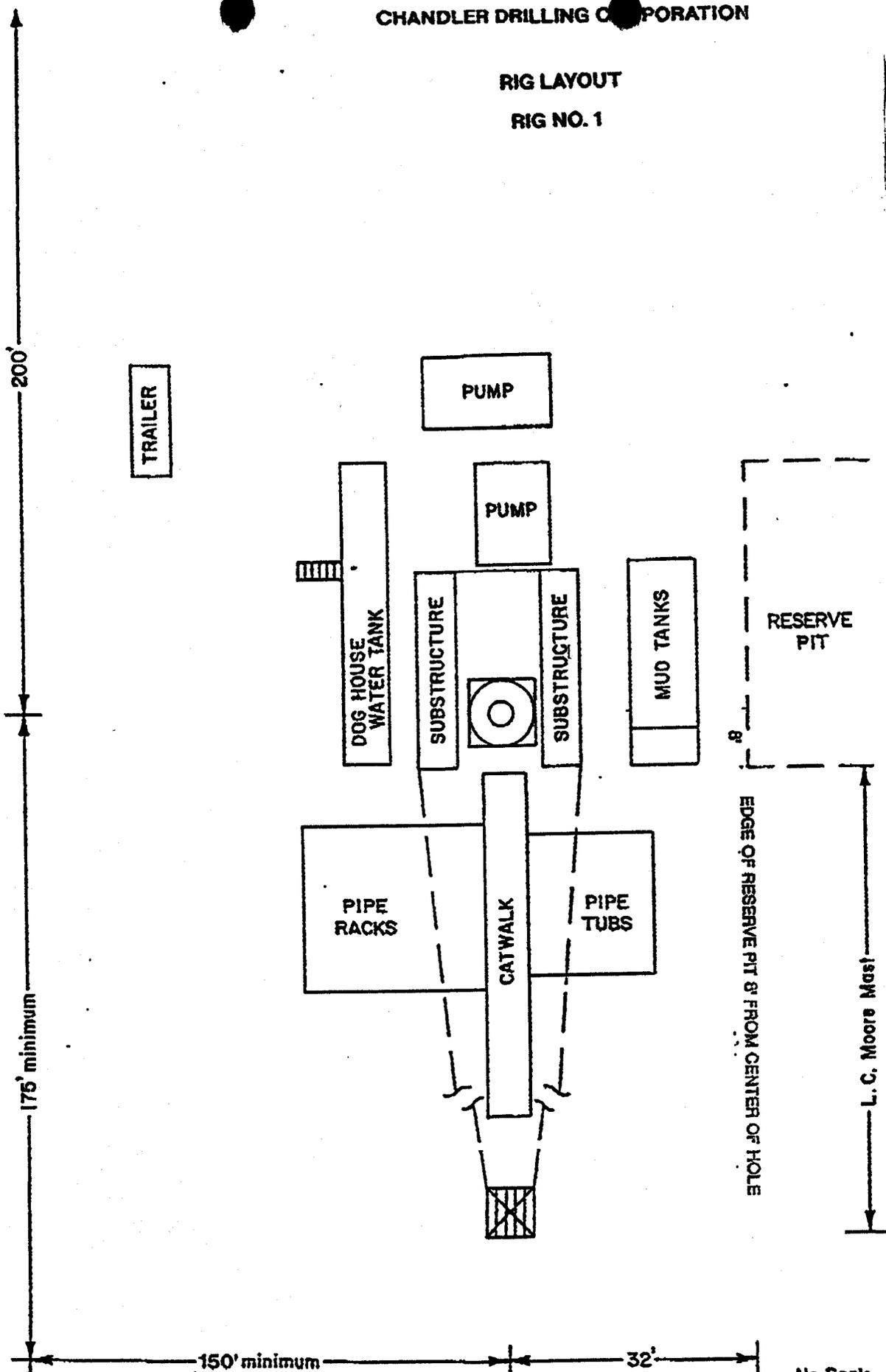
(6") Topsoil Stripping	= 1,010 Cu. Yds.
Remaining Location	= 5,380 Cu. Yds.
TOTAL CUT	= 6,390 CU.YDS.
FILL	= 2,720 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION = 3,530 Cu. Yds.
 Topsoil & Pit Backfill (1/2 Pit Vol.) = 2,030 Cu. Yds.
 EXCESS MATERIAL AFTER RESERVE PIT IS BACKFILLED & TOPSOIL IS RE-DISTRIBUTED = 1,500 Cu. Yds.

CHANDLER DRILLING CORPORATION

RIG LAYOUT

RIG NO. 1



No Scale

There are no federal stipulations at this time.



**A CULTURAL RESOURCES SURVEY OF ANTELOPE #1-29 WELL
AND ACCESS ROAD, UINTAH COUNTY, UTAH**

by

Heather M. Weymouth
Archaeologist

Prepared for:

Valley Operating, Inc.
745 Gilpin Street
Denver, Colorado 80218-3633

Prepared by:

Sagebrush Archaeological Consultants
3670 Quincy Avenue, Suite 203
Ogden, Utah 84403

Under Authority of Cultural Resources Use Permit No. 92-UT-54630

and

Utah State Antiquities Permit No. U-93-SJ-554b

Archaeological Report No. 628

October 4, 1993

ENVIRONMENT

The well pad and access road lay on a low sandy flat in the Southam Canyon Gas Field south of the White River and west of State Route 45. The area is characterized by low rolling tablelands dissected by deep drainages and low eroding bedrock outcrops of sandstone. The area surveyed for the well location lies on a sandy flat which is cut by a series of ephemeral drainages and surrounded by low outcrops of eroding sandstone bedrock underlain by a shale layer. Soils in the area are poorly developed and extremely sandy in nature. Sediments are very fine grained, buff colored sands and silts. The elevation of the area is about 5280 feet a.s.l. Vegetation in the area covers approximately 30 percent of the surface and is predominately shadscale community species. Noted species include greasewood, sagebrush, gray rabbitbrush, broom snakeweed, clasping pepperweed and Juniper. The nearest permanent water source is the White River which is located approximately one and one half miles to the north.

Natural disturbance in the area is primarily arroyo cutting and sheetwash erosion. Cultural disturbance includes the pre-existing well pad location, a number of surface pipelines and Southam Canyon Road which leads to the well location.

METHODOLOGY

The survey area covered during this project consists of one 10 acre parcel of land centered on the proposed well head and an access road corridor connecting the well location to the Southam Canyon Road. The well pad was inventoried by the author in parallel transects spaced no more than 15 meters apart. The access road, which totals 0.2 miles in length, was walked in two parallel transects spaced 10 meters apart to cover a corridor width of 100 feet (30 meters). The area surveyed on this project (including both the well pad and access road) totaled 12.4 acres.

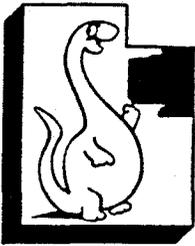
RESULTS

No cultural resources sites nor paleontological localities were found as a result of this inventory.

RECOMMENDATIONS

Since there were no cultural resources nor paleontological resources found, cultural and paleontological clearance is recommended for the proposed project.

This investigation was conducted with techniques which are considered to be adequate for evaluating cultural and paleontological resources which could be adversely affected by the project. However, should such resources be discovered during construction, a report should be made immediately to the BLM District Archaeologist, Vernal District Office, Vernal, Utah.



UINTAH BASIN DISTRICT HEALTH DEPARTMENT

Reply To:

Uintah County Courthouse Rm 20, Vernal, UT 84078 - (801) 781-0770
Duchesne County Courthouse, Box 210, Duchesne, UT 84021 - (801) 738-5370
Daggett County Courthouse, Box 156, Manila, UT 84046 - (801) 784-3494
Roosevelt Branch Office, 57 No. 100 East (83-7), Roosevelt, UT 84066 - (801) 722-5085

Antelope #1-29

Joseph B. Shaffer, M.A.
Director
Health Officer
Lorraine Wilson, R.N.
Nursing Supervisor
Lowell Card, R.S.
Environmental Health
Supervisor
Carma Preece
Office Manager

Board of Health Members
LaRae Sadler
Thomas Howells
Alton Moon
William Durant, M.D.
Keith Goodspeed
Ellen Rawlings
Neal Domgaard
Richard Jolley, D.D.S.

UINTAH BASIN DISTRICT
HEALTH DEPARTMENT

Wastewater Permit Application
for Drilling Sites

FOR DEPARTMENT USE ONLY

Permit #: _____
Fee (\$55.00) received _____
Approved: _____
Date: _____

DRILLING COMPANY Chandler Drilling RESPONSIBLE PARTY Hugo Cartaya
ADDRESS 555-17th St., Suite 1850 Denver PHONE NUMBER 303/295-0400
DRILLING FOR Valley Operating, Inc.
SITE LOCATION NE NE Sec. 29, T10S - R24E

APPROXIMATE DATES December 1, 1993 TO January 15, 1994

SERVICES: POTABLE WATER YES NO, SUPPLIER Dalbo, Inc.
CHEMICAL TOILETS YES NO, SUPPLIER Mtn. West Oilfield
LIVING OR OFFICE UNITS: BUNKHOUSES 0
MOBILE HOMES 3 max.
REC. VEHICLES 2 max.

TOTAL UNITS 5

TOTAL PERSONNEL AT SITE 8

WASTEWATER DISPOSAL PROPOSED:

XX HOLDING TANK AND SCAVENGER PUMPING SERVICE if this system is used, indicate the licensed scavenger employed Mtn. West Oilfield

SEPTIC TANK AND ABSORPTION SYSTEM If this system is proposed, please supply the following information:

1. A soil log prepared by a certified engineer or sanitarian using the unified soil classification system at least four feet below the intended absorption system depth.

2. Indicate the type of absorption system intended

- Absorption field
- Seepage trench
- Seepage pit
- Absorption bed

OTHER Describe proposal in detail on an attached sheet.

In the space below provide a sketch or drawing of the site indicating:

1. Location of water supply and plumbing
2. Location of living units, offices etc.
3. Proposed wastewater system layout including septic tank or holding tank and absorption system if any.

See Location Layout and Rig Layout attached.

Form 97.2M 10.20

Application No. 53617

APPLICATION TO APPROPRIATE WATER
STATE OF UTAH

43-8496

NOTE:—The information given in the following blanks should be free from explanatory matter, but when necessary, a complete supplementary statement should be made on the following page under the heading "Explanatory."

For the purpose of acquiring the right to use a portion of the unappropriated water of the State of Utah, for uses indicated by (X) in the proper box or boxes, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements of the Laws of Utah.

1. Irrigation Domestic Stockwatering Municipal Power Mining Other Uses

2. The name of the applicant is A-1 Tank Rental & Brine Service

3. The Post Office address of the applicant is P. O. Box 1167, Vernal, Utah 84078

4. The quantity of water to be appropriated .015 second-feet and/or _____ acre-feet

5. The water is to be used for Other from Jan. 1 to Dec. 31

other use period _____ from _____ to _____

and stored each year (if stored) from _____ to _____

6. The drainage area to which the direct source of supply belongs is _____

The direct source of supply is* Underground Water (Well)

which is tributary to _____, tributary to _____

*Note.—Where water is to be diverted from a well, a tunnel, or drain, the source should be designated as "Underground Water" in the space and the remaining spaces should be left blank. If the source is a stream, a spring, a spring area, or a drain, so indicate in the first space, giving its name, if named, and in the remaining spaces, designate the stream channels to which it is tributary, even though the water may sink, evaporate, or be diverted before reaching said channels. If water from a spring flows in a natural surface channel before being diverted, the direct source should be designated as a stream and not a spring.

7. The point of diversion from the source is in Uintah County, situated at a point* East 400 ft. North 200 ft. from S $\frac{1}{2}$ Cor. Sec. 32, T4S, R3E, USB&M (in Ouray)

*Note.—The point of diversion must be located definitely by course and distance or by giving the distances north or south, and east or west with reference to a United States land survey corner or United States mineral monument, if within a distance of six miles of either, or if greater distance, to some prominent and permanent natural object. No application will be received for filing in which the point of diversion is not defined definitely.

8. The diverting and carrying works will consist of a 6-in. well 40 to 100 ft. deep

9. If water is to be stored, give capacity of reservoir in acre-feet _____ height of dam _____ area inundated in acres _____ legal subdivision of area inundated _____

10. If application is for irrigation purposes, the legal subdivisions of the area irrigated are as follows: _____

11. Is the land owned by the applicant? Yes X No _____ Total _____ Acres

12. Is this water to be used supplementally with other water rights? Yes _____ No X If "yes," identify other water rights on page 2.

13. If application is for power purposes, describe type of plant, size and rated capacity. _____

14. If application is for mining, the water will be used in _____ Mining District at the _____ mine, where the following ores are mined _____

15. If application is for stockwatering purposes, number and kind of stock watered _____

16. If application is for domestic purposes, number of persons _____, or families _____

17. If application is for municipal purposes, name of municipality _____

18. If application is for other uses, include general description of proposed uses Making Brine. Drilling fluid for drilling oil and gas wells

19. Give place of use by legal subdivision of the United States Land Survey for all uses described in paragraphs 14 to 19, incl. SW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 32, T4S, R3E, USB&M

20. The use of water as set forth in this application will consume .015 second-feet and/or acre-feet of water and None second feet and/ or acre feet will be returned to the natural stream or source at a point described as follows: _____

Page No. 2

EXPLANATORY

The following additional facts are set forth in order to define more clearly the full purpose of the proposed application:

[Lined area for explanatory text]

(Use page 4 if additional explanatory is needed.)

The quantity of water sought to be appropriated is limited to that which can be beneficially used for the purpose herein described

[Handwritten Signature]
 Signature of Applicant

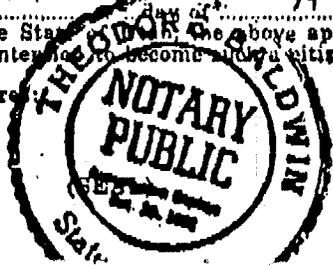
*If applicant is a corporation or other organization, signature must be the name of such corporation or organization by its proper officer, or in the name of the partnership by one of the partners, and the names of the other partners shall be listed. If a corporation or partnership, the affidavit below need not be filled in. If there is more than one applicant, a power of attorney, authorizing one to act for all, should accompany the Application.

DECLARATION OF CITIZENSHIP

STATE OF UTAH, Uintah } ss
County of.....

On the 17th day of August, 1979, personally appeared before me, a notary public for the State of Utah, the above applicant who, on oath, declared that he is a citizen of the United States, or has declared his intention to become a citizen.

My commission expires.....



[Handwritten Signature]
 Notary Public



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

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

November 15, 1993

Valley Operating, Inc.
745 Gilpin Street
Denver, Colorado 80218-3633

Re: Antelope #1-29 Well, 823' FNL, 799' FEL, NE NE, Sec. 29, T. 10 S., R. 24 E.,
Uintah County, Utah

Gentlemen:

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 commencing drilling operations.
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 Mike Hebertson, Oil and Gas Field Specialist, (Home) (801)269-9212.

Page 2
Valley Operating, Inc.
Antelope #1-29 Well
November 15, 1993

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

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 43-047-32452.

Sincerely,



R.J. Firth
Associate Director, Oil and Gas

Idc
Enclosures
cc: Uintah County Assessor
Bureau of Land Management, Vernal
WO11

CONFIDENTIAL

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

NAME OF COMPANY: VALLEY OPERATING

WELL NAME: ANTELOPE 1-29

API NO. 43-047-32452

Section 29 Township 10S Range 24E County UINTAH

Drilling Contractor CHANDLER?

Rig # 7?

SPUDDED: Date 12/7/93

Time 10:00 AM

How DRY HOLE

Drilling will commence _____

Reported by DAVID-DOGM

Telephone # _____

Date 12/7/93 SIGNED JLT



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

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

January 7, 1994

Lee Robinson
Valley Operating Inc.
745 Gilpin Street
Denver, Colorado 80218-3633

Re: Request for Completed Entity Action Form - Antelope 1-29
NENE Sec. 29, T. 10S, R. 24E - Uintah County, Utah

Dear Mr. Robinson:

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 Antelope 1-29 well, API Number 43-047-32452, on December 7, 1993. 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 January 17, 1994.

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

Sincerely,

Don Staley
Administrative Supervisor

lec
Enclosure
cc: R. J. Firth
File



OPERATOR VALLEY OPERATING, INC
 ADDRESS 745 EULPIA STREET
DENVER, COLORADO
80218

OPERATOR ACCT. NO. N 8270

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999	11609	43-047-32452	ANTELOPE #1-29	NENE	29	10S	24E	UNTAM	12-7-93	
WELL 1 COMMENTS: <p style="text-align: center;">THIS WELL IS THE EARNING (INITIAL) WELL OF THE NEWLY FORMED FEDERAL UNIT: THE ANTELOPE UNIT.</p>											
WELL 2 COMMENTS: <i>Unit entity added 1-24-94. J</i>											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

JAN 18 1994
 DIVISION OF
 OIL, GAS & MINING

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

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

(3/89)

D. Lee Robinson
 Signature
 Vice President
 Title
 Date 1/12/94
 Phone No. (303) 355-3242

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONFIDENTIAL

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: September 30, 1990

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

JAN 12 1994

1. Type of Well
 Oil Well Gas Well Other **To be determined**

2. Name of Operator
Valley Operating, Inc.

3. Address and Telephone No.
745 Gilpin Street, Denver, Colo (303)-355-3242

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**823' FNL and 799' FEL
 NENE Sec 29, T10S, R24E**

DIVISION OF
OIL, GAS & MINING

5. Lease Designation and Serial No.
U-66421

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

7. If Unit or CA, Agreement Designation
Antelope Unit

8. Well Name and No.
#1-29

9. API Well No.
43-017-32452

10. Field and Pool, or Exploratory Area
Wildcat

11. County or Parish, State
Uintah, 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 checked="" type="checkbox"/> Subsequent Report <input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Abandonment <input type="checkbox"/> Recompletion <input type="checkbox"/> Plugging Back <input type="checkbox"/> Casing Repair <input type="checkbox"/> Altering Casing <input type="checkbox"/> Other <input checked="" 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

(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.)*

Drilling Report for the well is attached.

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

Signed *L. Lee Johnson* Title *Vice President* Date *9/12/94*

(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.

DRILLING REPORT

Antelope #1-29
NENE Section 29, T10S, R24E

Page 7

Uintah County, Utah

January 10, 1994

7:00 AM Casing set @ 5:30 AM. ~~Cement top~~
~~calculated at 3700'~~. ✓ Casing 7050' - 5
1 1/2", 17#, L-80. Cemented with 420 cuft
premium cement, 10% Trixad, 10% salt, .2%
CF2, .4% WR15, 1/4# floceal/sack and 180
cuft Class B cement, 10% salt, 10%
Trixad, 10% celloseal and .2% WR15.
Displaced with 161 bbls fresh water
(Western Company). Plug down at 7:15 AM.
Pressured to 2200#, plug held ok. Begin
breaking down rig. Well capable of being
logged in 48 hours.

January 11, 1993

Release rig.

DRILLING REPORT

Antelope #1-29
NENE Section 29, T10S, R24E

Page 6

Uintah County, Utah

January 8, 1994

- 7:00 AM Schlumberger arrived at 5:30 AM. Plan to run three logs: DIL/CND/GR (tool length 62'). Set tool for sand matrix; will determine Rw once in hole.
- 2:30 PM Logging tool hit bridge at 3400'. Pull logger out of hole. Run in hole with bit and reamer to break through bridge. Reamed and pulled out of hole.
- 10:30 PM Logger back in hole. Hit ledge, twisted rope socket due to setting down hard. Pull out of hole. Release Schlumberger. Prepare to run casing. Will log through casing.
- 11:00 PM Plan to cement all drilling breaks on mud log. Begin clean out run.

January 9, 1994

- 7:00 AM TD 6970'. 120' from bottom on clean out run. Plan to lay down drill pipe on way out of hole. BLM (Jerry Barnes) notified of plans.
- 7:00 PM Hole cleaned out to bottom. Drill pipe pulled out of hole and laid down. No tight spots experienced on way out of hole. Casing crew on site. Begin running casing by 9:00 PM.

TD 7050'

DRILLING REPORT

Antelope #1-29
NENE Section 29, T10S, R24E

Page 5

Uintah County, Utah

January 1, 1994 Repair torque converter on rig. No progress on hole.

January 2, 1994 Repair torque converter on rig. No progress on hole.

January 3, 1994 Wait on torque converter parts.

January 4, 1994 Rig operational at 5:00 AM. Pulled to 125,000#. Pipe moved 18 ft. and broke free at 7:00 AM. Pulled out of hole. Rig requires additional repair of clutch hub before going back in hole. Rebuilt parts on way from Odessa, Tx.

January 5, 1994 Wait on parts for rig.

January 6, 1994

7:00 AM Begin in hole at 2:30 PM 1/5/94. Tagged fill at 2475'. TD 2900' in fractured interval. Good circulation. Making 60' per hour progress.

3:00PM TD 3200'. Washing and reaming bridges in hole.

January 7, 1994

7:00 AM TD 3840'. Washing and reaming with air and mud. Upper portions of hole is beginning to stabilize.

1:30 PM TD 6900'. Good Progress of Washing and reaming to bottom (7050'). Plan to circulate on bottom; make short trip and then pull out of hole.

BLM Engineer (Ed Forsman) visited @ Noon. Wants copies of logs as soon as available.

TD
7050'

DRILLING REPORT

Antelope #1-29
NENE Section 29, T10S, R24E

Page 4

Uintah County, Utah

December 29, 1993

TD 7050'. Final depth of well. Circulating hole clean. Begun short trip. Scheduled logging for today.

3:00 PM

TD 3150. Collars stuck at 2500+/- on way out of hole. Sudden restriction as if pipe is "key locked". Pulled to 180,000#. Using air to reduce hydrostatic. Call for 70 bbls diesel to circulate in hole.

9:00 PM

3000 gal diesel spotted on location at 8:00 PM. 27 bbls pumped to outside pipe at 1/2 bbl per hour. Restriction appears to be caused by unstable hole between 2000 - 2500 ft. (highly fractured interval).

December 30, 1993

TD 3150'. Circulation constant, using air with mud to circulate. 40 Bbls outside of pipe. Displacing 30 bbls in pipe at 2 bbls per hour. Repairing clutch on rig.

December 30, 1993

3:00 PM

TD 3150'. Increased displacement of diesel to 4 bbls per hour. Rig repaired and able to pull to 135,000#. Plan to freepoint drill string to locate tight spot.

December 31, 1993

7:00 AM

TD 3150'. Able to freepoint drill collar; last joint free. Torque converter on rig failed. Unable to use draw-works. Rig repair.

10:00 AM

Looking for parts in Vernal; expect delay due to holiday weekend.

DRILLING REPORT

Antelope #1-29
NENE Section 29, T10S, R24E

Page 3

Uintah County, Utah

December 26, 1993

TD 5200'. Continue mudding up and conditioning hole to prevent sluffing of shales above bit. Working through tight spot 4415' to 5200'. Fluid Loss: 35-50 bbls per hour. Returns: primarily shales. Need to have stable hole before resuming drilling to 7200'.

11:00

Drill string at 4446' waiting on brine to condition mud. Once mud conditioned, plan to begin in hole to circulate mud across fracture zone. Experiencing tight spot again at 5200'.

December 27, 1993

TD 5520'. Continue to wash and ream hole. Sluffing shales causing tight spot 4842'-5027'. Fluid loss appears to be occurring here. Objective will be to wash and ream to bottom (6726'), drill to 7000', log and set casing. Background gas 2200-2500 Units.

2:20 PM

TD 6050'. Continue to wash and ream hole. Using Lost Circulation material: Fiber, paper and peanut hulls. Fluid loss reduced to 10 - 15 BBls per hour. Hole appears to be stabilizing.

8:15 PM

TD 6315'. Continue to wash and ream. Fluid Loss: 10-15 bbls per hour.

December 28, 1993

TD 6732'. Drilling @ 4" per foot. Hole appears to be stabilized. No dragging on drill pipe. Fluid Loss: 3-5 bbls per hour (max).

3:30 PM

TD 6890'. Drilling @ 22 feet per hour (< 3" per foot) Hole stable.

8:30 PM

TD 6914'. Drilling break (6904 - 6912'). Sand in returns, gas increased to 3000 Units. Break drilled at 1/2" per ft.

DRILLING REPORT

Antelope #1-29
NENE Section 29, T10S, R24E

Uintah County, Utah

Page 2

December 20, 1993 TD 3505'. 8 hours drilling. 16 hours rig repair, survey and trip. Deviation @ 3255' - 7-3/4 degrees, @3344' - 7-1/2 degrees, @3437' - 7 degrees. Trip for Bit #2 (6 hours). Wash and ream 3130' to 3375'. Back on Bottom 5 AM. Background gas averaging 100 to 200 units.

December 21, 1993 TD 4150'. Progress 645'. Drilling Break: 4105 to 4134 @ 1/2" per foot. 800 units gas on Mud Logger. 4' - 6' flair.

December 22, 1993 TD 5075'. Progress 925'. Top of Mesa Verde @4682'. Background gas 4100-4200 Units on Mud Logger. 6'-15' flair (continuous). Deviation @4863' @ 1-1/2 degree. WOB: 35,000#.

December 23, 1993 TD 5945'. Progress 890'. Background gas 1600-4000 Units on Mud Logger. Continuous flair - yellow and blue - methane and condensate. Drilling ahead.

December 24, 1993 TD 6678'. Progress 713'. Background gas 600-1000 Units on Mud Logger (spikes to 4200 Units. Continuous flair(2' to 15'). 15' Drilling Break at 5920' (10'-15' high to El Paso well). Deviation @6391 @ 1-3/4 degrees.

December 25, 1993 TD 6726'. Progress 48'. Drilling break 6670'-6712' (42' break - spike 2600 Units gas kick, bright florescence). Trip for Bit #3. Begin back in hole, hit bridge at 4415'. Drill through bridge; back on bottom, drill 2'. Pull back up to work through tight spot. Begin mudding up to condition hole.

DRILLING REPORT

Page 1

Antelope #1-29
NENE Section 29, T10S, R24E

Uintah County, Utah

December 6, 1993 Rig up Leon Ross Drilling Company to drill surface, mouse and rat hole.

December 7, 1993 Drilling to 254 feet

December 8, 1993 Run surface casing to 243 feet. Cement in place with 155 sx of Class G cement, with 2% CaCl and celloseal (Western). 55 sx flowed to pit. Move off Ross.

December 9, 1993 Build location

December 10, 1993 Build location

December 11, 1993 Build location

December 14, 1993 Moving Chandler Rig #7 onto location and begin rigging up.

December 15, 1993 Begin drilling. Found plug at 254'.

December 16, 1993 TD 850'. Progress 596'. WOB 10-14,000#, drilling with air mist, average 31'/hr. Air pressure 150 psi, 14 cuft/min. Boiler 24 hours.

December 17, 1993 TD 1825'. Progress 975'. WOB 28,000#, 10' gas flair at 1014 for 3 minutes. Air pressure 200#, 800 cuft/min, 4 bbls H2O per min.

December 18, 1993 TD 2705'. Progress 880'. 22 hrs drilling deviated 4 degrees in 360'; pull back on weight; Total deviation 8 degrees @ 2694'.

December 19, 1993 TD 3220'. 20 hours drilling. Max deviation: 10 degrees at 2860'. 7-1/2 degrees @3193; no hole drag.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONFIDENTIAL

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: September 30, 1990

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

To be determined

2. Name of Operator

Valley Operating, Inc.

3. Address and Telephone No.

745 Gilpin Street, Denver, Colo (303)-355-3242

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

823' FNL and 799' FEL
NENE Sec 29, T10S, R24E

5. Lease Designation and Serial No.

U-66421

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA. Agreement Designation

Antelope Unit

8. Well Name and No.

#1-29

9. API Well No.

043-047-32452

10. Field and Pool, or Exploratory Area

Wildcat

11. County or Parish, State

Uintah, Utah

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

TYPE OF SUBMISSION

- Notice of Intent
 Subsequent Report
 Final Abandonment Notice

TYPE OF ACTION

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

(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.)*

Notice of First Production - witnessed by BLM (Vernal)

Completion Report Attached

RECEIVED

FFR 04 1994

DIVISION OF OIL, GAS & MINING

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

Signed

[Signature]

Title

Vice President

Date

1/15/94

(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

COMPLETION REPORT

Antelope #1-29
NENE Section 29, T10S, R24E

Page 1

Uintah County, Utah

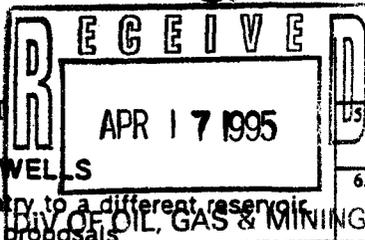
January 12, 1994	Install Wellhead and BOP
January 13, 1994	Wait on Cement
January 14, 1994	Log well through casing (Schlumberger). Run GR/CBL and Arrayed Sonic from 3,500' to TD. Cement tagged at 6912'. (CSLGT)
January 15, 1994	Perforate ✓ Castlegate: 6870-76', 6882-88', 6893-6911'. 4 jspf with 4" Casing Gun (Schlumberger). Gas to Surface at 2:45 AM. Flowed to pit. SI at 3:00 AM. Operation witnessed by Bureau of Land Management (Dave Brown). Open well at 10:00 AM; flow flammable gas to pit. Release Rig.

RECEIVED

FEB 04 1994

DIVISION OF
OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT



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

SUNDRY NOTICES AND REPORTS ON WELLS

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

Lease Designation and Serial No.

U-66421

If Indian, Allottee or Tribe Name

If Unit or CA, Agreement Designation

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Valley Operating, Inc.

3. Address and Telephone No.

745 Gilpin Street, Denver CO 80218-3633, 303/355-3242

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

823' FNL & 799' FEL Sec. 29 T10S, R24E

Antelope Unit

8. Well Name and No.

Antelope #1-29

9. API Well No.

43-047-32452

10. Field and Pool, or Exploratory Area

Wildcat

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 checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>Completion</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.)

We propose to fracture stimulate and test the Castlegate sandstone of the Mesaverde group through existing perforations at 6870'-6911' OA.

Operator may at its option isolate the Castlegate and additionally perforate, acidize, fracture stimulate, and test the following zones:

Neslin-Mesaverde 5950'-6024'
Wasatch* 4100'-4358'

*Cement the interval and run a CBL to inspect for quality and placement

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

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

Signed

[Signature]

Title

Vice President

Date

4/18/95

(This space for Federal or State office use)

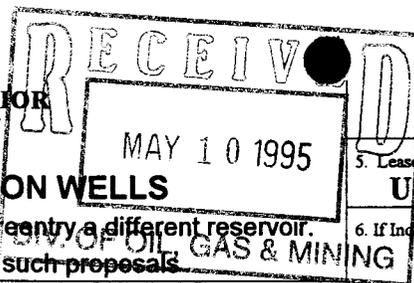
Approved by

Title

Date

Conditions of approval, if any:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT



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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No.
U-66421

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

Antelope Unit

8. Well Name and No.

Antelope #1-29

9. API Well No.

43-47-3245200

10. Field and Pool, or Exploratory Area

Wildcat

11. County or Parish, State

Uintah Co., Utah

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Valley Operating, Inc.

3. Address and Telephone No.

745 Gilpin Street, Denver CO 80218-3633, 303/355-3242

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

823' FNL & 799' FEL Sec. 29-T10S-R24E

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 checked="" type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input 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.)*

We propose to set a bridge plug at 6675'; perforate the Neslin member of the Mesaverde group at 5950'-5966', 6004'-6024', and 6416'-6428'. Acidizing and fracturing will be used to stimulate the formation, followed by flowing the well to test for hydrocarbons.

VERBAL APPROVAL OBTAINED 5/5/95 FROM ED FORESMAN WITH BLM

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

Signed Waldo Ackerman

Title Petroleum Engineer

Date 05/08/95

(This space for Federal or State office use)

Approved by _____

Title _____

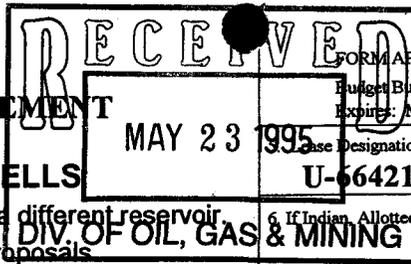
Date _____

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 Instructions on Reverse Side**

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT



FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993
Case Designation and Serial No.
U-66421

SUNDRY NOTICES AND REPORTS ON WELLS

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

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Valley Operating, Inc.

3. Address and Telephone No.

745 Gilpin Street, Denver CO 80218-3633, 303/355-3242

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

823' FNL & 799' FEL Sec. 29-T10S-R24E

7. If Unit or CA, Agreement Designation

Antelope Unit

8. Well Name and No.

Antelope #1-29

9. API Well No.

43-47-3245200

10. Field and Pool, or Exploratory Area

Wildcat

11. County or Parish, State

Uintah Co., Utah

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

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

We propose to set a bridge plug at 5930' and cap with 35 cu. ft. of cement.

Perforate for squeeze at 4550' and set cement retainer at 4510'. Verify cement coverage with CBL to 3900'.

Perforate 4105'-4133', 4213'-4225', & 4330'-4347' in the Wasatch. Acidize, fracture stimulate, and test the well.

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

(AGENT FOR VALLEY OPERATING CO.)

Signed

Title **V. P. Operations**

Date

05/17/95

(This space for Federal or State office use)

Approved by

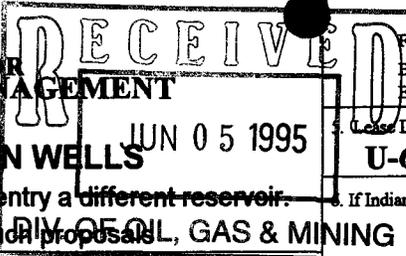
Title

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 a different reservoir.

Use "APPLICATION FOR PERMIT -" for such proposals.

Lease Designation and Serial No.
U-66421

If Indian, Allottee or Tribe Name

If Unit or CA, Agreement Designation

Antelope Unit

Well Name and No.

Antelope #1-29

API Well No.

43-47-3245200

Field and Pool, or Exploratory Area

Wildcat

County or Parish, State

Uintah Co., Utah

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Valley Operating, Inc.

3. Address and Telephone No.

745 Gilpin Street, Denver CO 80218-3633, 303/355-3242

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

823' FNL & 799' FEL Sec. 29-T10S-R24E

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

TYPE OF SUBMISSION

Notice of Intent
 Subsequent Report
 Final Abandonment Notice

TYPE OF ACTION

Abandonment
 Recompletion
 Plugging Back
 Casing Repair
 Altering Casing
 Other

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.)*

4/29/95: Fracture stimulated existing Mesaverde perfs at 6870'-6911' OA w/50,000# sand and flow tested.
5/06/95: Set CIBP @ 6650'. Perforated Mesaverde interval at 5951'-6426' OA.
5/08/95: Stimulated interval with 138,580# sand. Proceed to flow test.
5/16/95: Set CIBP @ 5930' w/4 sx. cement on top. Shoot squeeze perfs at 4550' and circulate 153 sx. cement (1.18 cu.ft./sx.).
5/17/95: Run cement bond log. TOC @ 4120'. Shoot squeeze perfs at 4118'.
5/18/95: Pumped 130 sx. cement (1.18 cu. ft./sx.)
5/19/95: Run cement bond log. TOC @ 3536'. Perforated Wasatch at 4105'-4343' OA. Stimulated with 160,800# sand. Proceed to flow test.
5/23/95: Started BLM flow test.
5/24/95: Completed 24 hr. flow test. Witnessed by Wayne Bankert, BLM-Vernal office.

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

(AGENT FOR VALLEY OPERATING CO.)

Signed

Title **V. P. Operations**

Date

06/02/95

(This space for Federal or State office use)

Approved by

Title

Date

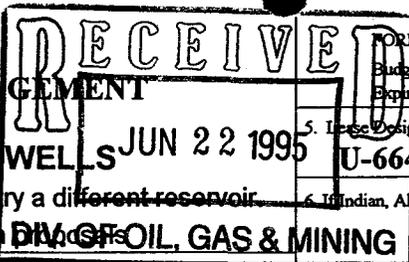
Conditions of approval, if any:

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 false statements or representations as to any matter within its jurisdiction.

*See Instructions on Reverse Side

~~Accepted~~
~~Signature~~
~~Signature~~
~~Signature~~

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 a different reservoir.
Use "APPLICATION FOR PERMIT -" for such purposes.

5. Lease Designation and Serial No.

U-66421

6. Indian, Alutotce or Tribe Name

7. If Unit or CA, Agreement Designation

Antelope Unit

8. Well Name and No.

Antelope #1-29

9. API Well No.

43-47-3245200

10. Field and Pool, or Exploratory Area

Wildcat

11. County or Parish, State

Uintah Co., Utah

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Valley Operating, Inc.

3. Address and Telephone No.

745 Gilpin Street, Denver CO 80218-3633, 303/355-3242

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

823' FNL & 799' FEL Sec. 29-T10S-R24E

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
	<input type="checkbox"/> Change of Plans
	<input checked="" 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.)*

We propose to install a surface pipeline from the Antelope 1-29 to an existing pipeline in the West half of Section 30. Proposed route is shown on attached topographic map. Dimensions will be 4.5" OD, 4.188" ID, .156 wall, and 7.24#/ft.

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

(AGENT FOR VALLEY OPERATING CO.)

Signed Waldemar Schuman Title Petroleum Engineer

Date 06/19/95

(This space for Federal or State office use)

Approved by _____ Title _____

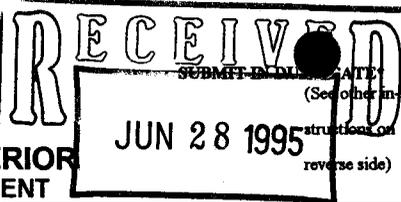
Date _____

Conditions of approval, if any:

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*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT



Expires: February 28, 1995

5. LEASE DESIGNATION AND SERIAL NO.

U-66421

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

DIV. OF OIL, GAS & MINING

1a. TYPE OF WORK
OIL WELL GAS WELL DRY Other _____

1b. TYPE OF WELL
NEW WORK DEEP- PLUG DIFF.
WELL OVER EN BACK RESVR Other _____

2. NAME OF OPERATOR
Valley Operating, Inc.

3. ADDRESS AND TELEPHONE NO.
745 Gilpin Street, Denver CO 80218-3633, 303/355-3242

4. LOCATION OF WELL (Report locations clearly and in accordance with any State requirements.)*
At Surface
823' FNL & 799' FEL Sec. 29
At top prod. Interval reported below
same
At total depth
same

14. PERMIT NO. _____ DATE ISSUED 11/09/93

12. COUNTY OR PARISH Uintah 13. STATE UT

9. API WELL NO. 43-47-3245200

10. FIELD AND POOL OR WILDCAT Wildcat

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
NENE 29-T10S-R24E

15. DATE SPUDDED 12/6/93 16. DATE T.D. REACHED 1/10/94 17. DATE COMPL. (Ready to prod.) 05/25/95 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* 5264' GR 19. ELEV. CASINGHEAD 5276'

20. TOTAL DEPTH, MD & TVD 7050' MD 21. PLUG, BACK T.D., MD & TVD 5930' MD 22. IF MULTIPLE COMPL., HOW MANY* 3 23. INTERVALS DRILLED BY ROTARY TOOLS 0'-7050' CABLE TOOLS _____

24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD)*
Wasatch 4105'-4343'

25. WAS DIRECTIONAL SURVEY MADE No

26. TYPE ELECTRIC AND OTHER LOGS RUN
Sonic Porosity thru Casing, Completion Record Log, and CBL's

27. WAS WELL CORED No

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

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
9 5/8"	36#	243'	15"	Surface	
5 1/2", N80	6.5#	7051'	7 7/8"	3536'	

29. LINER RECORD

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

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 7/8"	4081'	CIBP @ 5930

31. PERFORMANCE RECORD (Interval, size and number)

INTERVAL	SIZE	NUMBER
4105'-4343'	.37"	16
5961'-6426'	.38"	17
6870'-6911'	.45"	123

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
4105'-4343	160,800# 20/40m sand, 1290 bbls. fluid
5951'-6426	138,580# 20/40m sand, 1230 bbls. fluid
6870'-6911	6,000# 20/40, 44,000# 16/30 sand, 410 bbls. fluid

33.* PRODUCTION

DATE FIRST PRODUCTION WOPL PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump) Shut In WELL STATUS (Producing or shut-in)

DATE OF TEST 05/24/95 HOURS TESTED 24 CHOKER SIZE 14/64" PROD'N. FOR TEST PERIOD → OIL--BBL. 3 GAS--MCF. 2400 WATER--BBL. 40 GAS-OIL RATIO 800,000

FLOW. TUBING PRESS. 960 CASING PRESSURE 960 CALCULATED 24-HOUR RATE → OIL-BBL. 3 GAS--MCF. 2400 WATER--BBL. 40 OIL GRAVITY-API (CORR.)

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) TEST WITNESSED BY Waldo Ackerman

35. LIST OF ATTACHMENTS

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

SIGNED Waldo Ackerman TITLE Petroleum Engineer DATE 06/23/95

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

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

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

38.

GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
			Unable to run logs and determine formations			



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

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

July 10, 1995

Mr. Waldo Ackerman
Valley Operating, Inc.
745 Gilpin Street
Denver, Colorado 80218-3633

Re: Antelope #1-29, API No. 43-047-32452
Submittal of Electric and Radioactivity Logs

Dear Mr. Ackerman:

We have not received the logs for the referenced well. The Well Completion Report indicates that Sonic Porosity thru Casing, Completion Record Log, and CBL logs were run. Please submit a copy of these logs to this office as soon as possible.

Your help in this matter will be greatly appreciated. If you have questions regarding this request, please contact me at (801) 538-5340.

Sincerely,

Vicky Carney
Production Group Supervisor

cc: R. J. Firth
D. T. Staley
L. D. Clement
Log File

rec'd
7-19-95
U





United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
324 South State, Suite 301
Salt Lake City, Utah 84111-2303

IN REPLY REFER TO:

August 1, 1995

Gerrity Oil & Gas Corporation
4100 East Mississippi Avenue, Suite 1200
Denver, Colorado 80222

Re: Antelope Unit
Uintah County, Utah

Gentlemen:

On July 28, 1995, we received an indenture dated July 24, 1995, whereby Valley Operating Inc. resigned as Unit Operator and Gerrity Oil & Gas Corporation was designated as Successor Unit Operator for the Antelope 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 August 1, 1995. 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 Antelope Unit Agreement.

Your statewide (Utah) oil and gas bond No. 1014 will be used to cover all operations within the Antelope 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,

R. A. McKee

for Robert A. Henricks
Chief, Branch of Fluid Minerals

Enclosure

UTAH STATE OFFICE
RECEIVED
ACCOUNTS UNIT

95 JUL 29 AM 11:08

DEPT. OF INTERIOR
BUR. OF LAND MGMT

RESIGNATION OF UNIT OPERATOR

Antelope Unit Area

County of Uintah

State of Utah

Unit Agreement No. UTU 72403X

Under and pursuant to the provisions of Section 5 of the Unit Agreement for the Development and Operation of the Antelope Unit Area, Uintah County, Utah, Valley Operating, Inc. the designated Unit Operator under said Unit Agreement, does hereby resign as Unit Operator, effective upon the selection and approval of a successor Unit Operator.

EXECUTED with effect as: aforesaid the 24th day of July, 1995

ATTEST:

VALLEY OPERATING, INC.

[Signature]

DESIGNATION OF
SUCCESSOR UNIT OPERATOR

Antelope Unit Area

County of Uintah

State of Utah

Unit Agreement No. UTU 72403X

THIS INDENTURE, dated as of the 24th day of July, 1995, by and between Gerrity Oil & Gas Corporation, hereinafter designated as "First Party," and the owners of unitized working interests, hereinafter designated as "Second Parties,"

UTAH STATE OFFICE
RECEIVED
ACCOUNTS UNIT

SECOND PARTIES

55 JUL 29 AM 11:08

THERMO COGENERATION PARTNERSHIP, L.P. - 16.13%

DEPT. OF INTERIOR
BUR OF LAND MGMT

BY James Morison
Execution Date: _____ Total 66.93%

BY _____
Execution Date: _____

UTAH STATE OFFICE
RECEIVED
ACCOUNTS UNIT

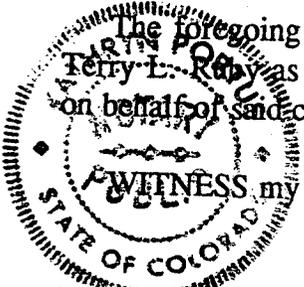
CORPORATE ACKNOWLEDGEMENT

95 JUL 23 AM 11:08

STATE OF COLORADO)
) ss.
COUNTY OF ARAPAHOE)

DEPT. OF INTERIOR
BUR OF LAND MGMT

The foregoing instrument was acknowledged before me this 25th day of July, 1995, by Terry L. Ray as Vice President of Gerrity Oil & Gas Corporation, a Delaware corporation, on behalf of said corporation.



WITNESS my hand and official seal.

Kathryn Partus
Notary Public

My commission expires: 2/9/97

STATE OF COLORADO)
) ss.
COUNTY OF Arapahoe)

The foregoing instrument was acknowledged before me this 26th day of July, 1995, by James Monroe, III, President of Thermo Ft. Lupton I, Inc., General Partner of Thermo Fort Lupton, L.P. a partner on behalf of Thermo Cogeneration Partnership, L.P., a Colorado limited partnership.



WITNESS my hand and official seal.

Kathryn Partus
Notary Public

My commission expires: 2/9/97

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
AUG 17 1995
DIV. OF OIL, GAS & MINING

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993
Case Designation and Serial No.
U-66421

SUNDRY NOTICES AND REPORTS ON WELLS

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

Use "APPLICATION FOR PERMIT -" for such proposals.

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

7. If Unit or CA, Agreement Designation

Antelope Unit

8. Well Name and No.

Antelope #1-29

9. API Well No.

43-47-3245200

10. Field and Pool, or Exploratory Area

Wildcat

2. Name of Operator

Valley Operating, Inc.

3. Address and Telephone No.

745 Gilpin Street, Denver CO 80218-3633, 303/355-3242

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

823' FNL & 799' FEL Sec. 29-T10S-R24E

11. County or Parish, State

Uintah Co., 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 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>Initial Production</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 markers and zones pertinent to this work.)*

Initial production on the Antelope 1-29 was on Saturday, August 12, 1995.

Gas sales will be to Lone Mountain Production Company.

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

(AGENT FOR VALLEY OPERATING CO.)

Signed Waldemar Aeblerman

Title Petroleum Engineer

Date 08/14/95

(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 Instructions on Reverse Side

WELL LOCATION INFORMATION

Company/Operator: Valley Operating, Inc.

API Number: 43-047-

Well Name & Number: Antelope 1-29

Lease Number: U-66421

Location: NENE Sec. 29 T. 10S R. 24E

Surface Ownership: Federal Lands administered by BLM

Date NOS Received: September 27, 1993

Date APD Received: October 15, 1993

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.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

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.

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.

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a 3M system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

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

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 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 1,200 ft.

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.

5. Coring, Logging and Testing Program

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

A cement bond log (CBL) will be run from the production casing shoe to \pm 1,000 ft. and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

6. Notifications of Operations

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

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.

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.

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.

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) 781-4410

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

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

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids

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

Refinery wastes

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

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.

SURFACE USE PLAN OF OPERATION
Conditions of Approval (COAs)

Well Site Layout

Because the flare pit is located upwind for the location, a six (6) foot dirt berm will be constructed between the pit and the well location to protect personnel on the rig from potential burns if a gas kick were to occur.

Additional Surface Conditions of Approval

No construction or drilling activities shall be conducted between February 1 and July 15 because of eagle nesting sites located within 1/2 (one-half) mile of the well site.

The two water monitoring wells and the dry hole marker on the well site will be left undisturbed. A welded pipe barrier will need to be erected around the water well located on the well pad to protect it from damage.

The water monitoring well located on the east side of the well pad should not be covered by the top soil pile.

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 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

Gerrity Oil & Gas Corporation

3. Address and Telephone No.

4100 E. Mississippi Ave., #1200, Denver CO 80222, 303/757-1110

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

823' FNL & 799' FEL Sec. 29-T10S-R24E

5. Lease Designation and Serial No.

U-66421

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

Antelope Unit

8. Well Name and No.

Antelope Fed. #1-29

9. API Well No.

43-047-32452

10. Field and Pool, or Exploratory Area

Wildcat

11. County or Parish, State

Uintah Co., Utah

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

TYPE OF SUBMISSION

Notice of Intent
 Subsequent Report
 Final Abandonment Notice

TYPE OF ACTION

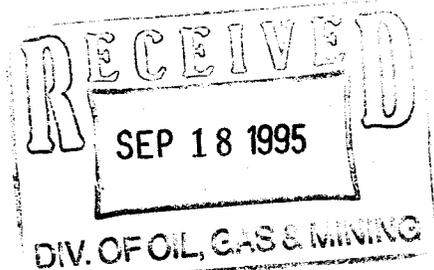
Abandonment
 Recompletion
 Plugging Back
 Casing Repair
 Altering Casing
 Other **Change of Operator**

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 be advised that Gerrity Oil & Gas Corporation is considered to be the operator of the Antelope Federal #1-29, NENE Section 29, Township 10 South, Range 24 East, Uintah County, Utah; and responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by the United States Fire Insurance Company.



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

Signed

[Signature]

Title

Valley Operating, Inc.

[Signature]
Vice President

Date

09/11/95

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

Signed

[Signature]

Title

Gerrity Oil & Gas Corporation

Vice President

Date

09/11/95

(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 Instructions on Reverse Side**

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

Routing:

1- VLC 7-PL
2-LWP 8-SJ
3- DT 9-FILE
4-VLC ✓
5-RJF ✓
6-LWP ✓

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

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

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 8-1-95)

TO (new operator) <u>GERRITY OIL & GAS CORP.</u>	FROM (former operator) <u>VALLEY OPERATING INC</u>
(address) <u>4100 E MISSISSIPPI #1200</u>	(address) <u>745 GILPIN ST</u>
<u>DENVER CO 80222</u>	<u>DENVER CO 80218-3633</u>
<u>TERRY RUBY</u>	<u>LEE ROBINSON</u>
phone <u>(303) 757-1110</u>	phone <u>(303) 289-7720</u>
account no. <u>N 6355</u>	account no. <u>N 8270</u>

Well(s) (attach additional page if needed): ***ANTELOPE UNIT**

Name: <u>ANTELOPE FEDERAL 20-2</u>	API: <u>43-047-32680</u>	Entity: <u>99999</u>	Sec <u>20</u> Twp <u>10S</u> Rng <u>24E</u>	Lease Type: <u>U66420</u>
Name: <u>ANTELOPE 1-29/WSTC</u>	API: <u>43-047-32452</u>	Entity: <u>11609</u>	Sec <u>29</u> Twp <u>10S</u> Rng <u>24E</u>	Lease Type: <u>U66421</u>
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____

OPERATOR CHANGE DOCUMENTATION

- Sec 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). *(Reg. 8-4-95) (Rec'd 9-18-95)*
- Sec 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). *(Rec'd 9-18-94)*
- Sec 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) ____ If yes, show company file number: #177035. (4-20-95)
- Sec 4. (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of Federal and Indian well operator changes should take place prior to completion of steps 5 through 9 below.
- Sec 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. *(9-18-95)*
- Sup 6. Cardex file has been updated for each well listed above. *9-18-95*
- Sup 7. Well file labels have been updated for each well listed above. *9-18-95*
- Sec 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. *(9-18-95)*
- Sec 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

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

BOND VERIFICATION (Fee wells only)

- N/A* *See* 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.
2. A copy of this form has been placed in the new and former operators' bond files.
3. The former operator has requested a release of liability from their bond (yes/no) _____. Today's date _____ 19____. If yes, division response was made by letter dated _____ 19____.

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

- N/A* 1. (Rule R615-2-10) The former operator/lessee of any **fee lease** well listed above has been notified by letter dated _____ 19____, of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested. *OTS 3/12/95*
- N/A* 2. Copies of documents have been sent to State Lands for changes involving State leases.

FILMING

1. All attachments to this form have been microfilmed. Date: September 26 1995.

FILING

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

COMMENTS

950803: BLM/SL Appr. eff. 8-1-95.

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 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

Gerrity Oil & Gas Corporation

3. Address and Telephone No.

4100 E. Mississippi Ave., #1200, Denver, CO 80222 (303-757-1110)

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

823' FNL & 799' FEL Sec. 29-T10S-R24E

5. Lease Designation and Serial No.

U-66421

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

Antelope Unit

8. Well Name and No.

Antelope #1-29

9. API Well No.

43-47-3245200-

10. Field and Pool, or Exploratory Area

Wildcat

11. County or Parish, State

Uintah Co., Utah

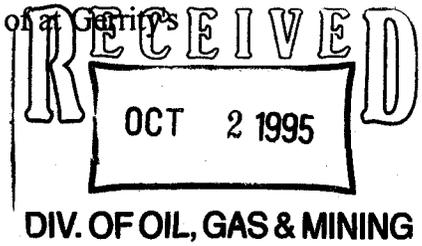
12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input 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 type="checkbox"/> Other	<input checked="" type="checkbox"/> Dispose Water

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

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

We propose that the water produced from the Antelope #1-29 be disposed of at Gerrity's Federal #14-10 disposal well.



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

Signed Waldo Ackerman

Title **Petroleum Engineer**

Date **09/27/95**

(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 Instructions on Reverse Side

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

FORM 3160-5
(June 1990)

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 a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

5. Lease Designation and Serial No.
U-66421

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement Designation
Antelope Unit

8. Well Name and No.
Antelope #1-29

9. API Well No.
43-47-3245200

10. Field and Pool, or Exploratory Area
Wildcat

11. County or Parish, State

Uintah Co., Utah

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Gerrity Oil & Gas Corporation

3. Address and Telephone No.

4100 E. Mississippi Ave., #1200 Denver CO 80237, 303/757-1110

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

823' FNL & 799' FEL Sec. 29-T10S-R24E

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<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 Electronic Gas Measurement
	<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.)*

We request to utilize electronic gas measurement on this well for measurement of gas sales from this well to the gathering pipeline. Attached is the spec sheet for the electronic gas measurement equipment on this location.

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

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

Signed Waldp Aikerman

Title Petroleum Engineer

Date 04/26/96

(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 Instructions on Reverse Side**

LONE MOUNTAIN PRODUCTION COMPANY

Mailing Address:
P.O. Box 3394
Billings, MT 59103-3394

(406) 245-5077
FAX 248-6321

Shipping Address:
100 North 27th Street
Suite 650
Billings, MT 59101

July 25, 1996

Ron Firth
Utah Division of Oil, Gas, & Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Re: CHANGE OF OPERATOR SUNDRY NOTICES
UINTAH COUNTY, UTAH

Dear Ron:

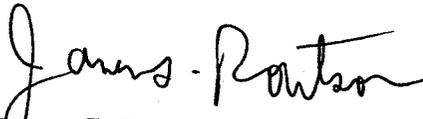
Enclosed in triplicate are Sundry Notices for two wells on State Lands for which Lone Mountain Production Company has assumed operations effective July 22, 1996. Also enclosed for your information are Sundry Notices for twelve wells on BLM lands we are also now operating.

Please contact Joe Dyk in our Grand Junction office in regard to field operations. Day to day operations of these wells will be handled by Dick White, who will be based in Rangely, Colorado. We will furnish you with his phone and cell phone numbers when he is moved to Rangely.

If any further information is needed please advise.

Sincerely,

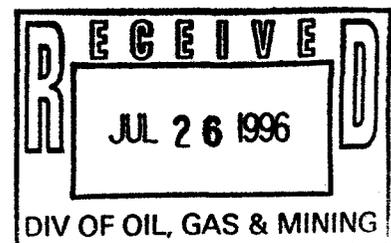
Lone Mountain Production Company



James G. Routson
President

Enclosures

xc: Joe Dyk



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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Use "APPLICATION FOR PERMIT -" for such proposals

5. Lease Designation and Serial No.

U-66421

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

Antelope Unit

8. Well Name and No.

Antelope Fed. #1-29

9. API Well No.

43-047-32452

Wildcat

Uintah Co., Utah

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Lone Mountain Production Co.

3. Address of Operator

P. O. Box 3394 Billings, MT 59103

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

823' FNL & 799' FEL Sec. 29-T10S-R24E

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

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

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

Please be advised that Lone Mountain Production Co. is considered to be the operator of the Antelope Federal #1-29, NENE Section 29, Township 10 South, Range 24 East, Uintah County, Utah; and responsible under the terms and conditions of the lease for the operations conducted upon the leased lands.

Bond coverage is provided by Lone Mountain Production Co.'s statewide oil and gas bond - #UT0719. Field operations will be handled by Lone Mountain's Grand Junction, CO office.

14. I hereby certify that the foregoing is true and correct
Signed James S. Routson

Lone Mountain Production Co.
Title **President**

Date 7/22/96

14. I hereby certify that the foregoing is true and correct
Signed Gerry M. Hurd

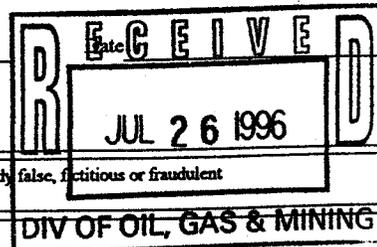
Gerrity Oil & Gas Corporation
Title **Vice President**

Date 7/22/96

(This space for Federal or State office use)

Approved by _____
Conditions of approval, if any:

Title _____



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 Instructions on Reverse Side

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
 1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801

MONTHLY OIL AND GAS PRODUCTION REPORT

OPERATOR NAME AND ADDRESS:

JENNIFER CARTER
 GERRITY OIL & GAS CORP
 1625 BROADWAY STE 2000
 DENVER CO 80202-4720

UTAH ACCOUNT NUMBER: N6355

REPORT PERIOD (MONTH/YEAR): 12 / 96

AMENDED REPORT (Highlight Changes)

Well Name					Producing Zone	Well Status	Days Oper	Production Volumes		
API Number	Entity	Location		OIL(BBL)				GAS(MCF)	WATER(BBL)	
4304730339	06195	09S	24E	9	WSTC					
4304730124	06200	09S	24E	18	WSTC					
4304731507	09585	09S	24E	27	WSTC					
4304731617	09586	09S	24E	29	MVRD					
4304730100	10096	08S	25E	32	DGCRK					
4304731726	10697	09S	24E	15	WSMVD					
* 4304732452	11609	10S	24E	29	WSTC		- 466421			
4304732680	11609	10S	24E	20	WSTC		- 466420			
TOTALS										

COMMENTS: _____

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

Date: _____

Name and Signature: _____

Telephone Number: _____

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No 1034-0133
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-66421

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
Antelope Fed. #1-29

9. API Well No.
43-047-32452

10. Field and Pool, or Exploratory Area
Wildcat

11. County or Parish, State
Uintah County, Utah

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Lone Mountain Production Company

3. Address and Telephone No.
P. O. Box 3394, Billings, Montana 59103 (406) 245-5077

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
823' FNL 799' FEL Sec. 29: T10S-R24E (NE 1/4 NE 1/4)

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 _____
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Dispose Water

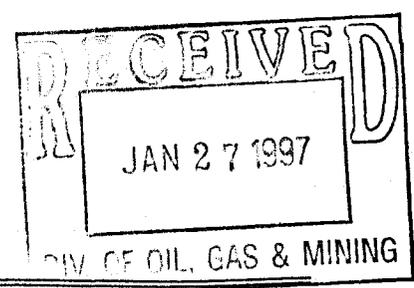
(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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

Lone Mountain Production Company requests approval to haul water from the above referenced well to the Federal #14-10 saltwater disposal well located in SW 1/4 SW 1/4 Section 10-Township 9 South-Range 24 East, Uintah County, Utah.

Attached is a map showing the intended route.

Please notify Lands and add to Right-of-Way #U-71248



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

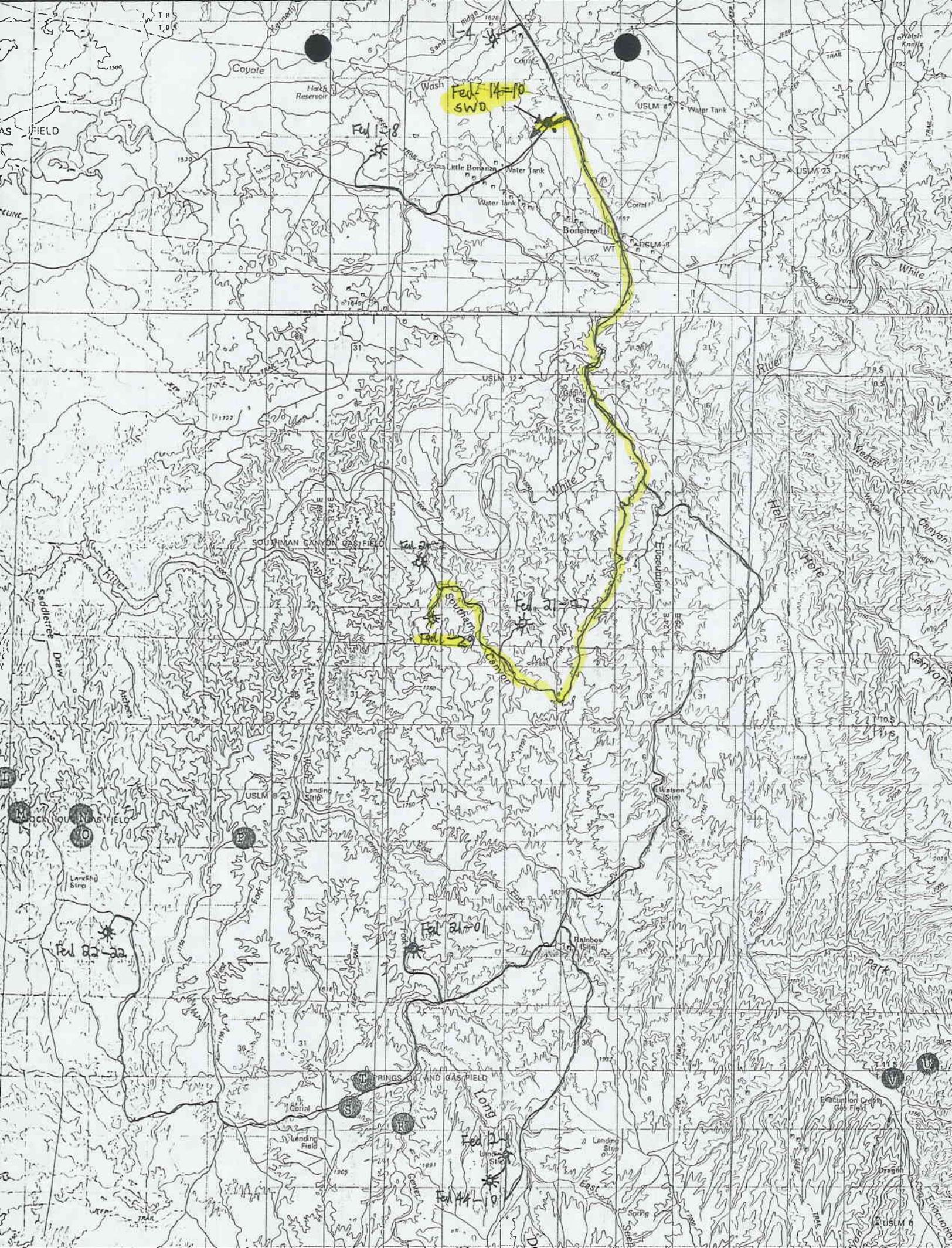
Signed *Jim O. Bank* Title Petroleum Engineer Date 1/23/97

(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.



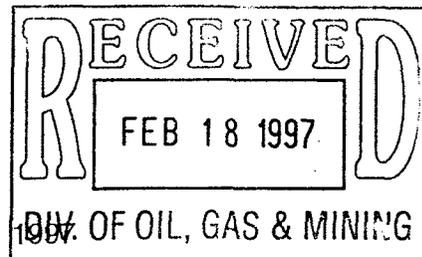


United States Department of the Interior

COPY

BUREAU OF LAND MANAGEMENT

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



February 11, 1997

Lone Mountain Production Company
c/o UnitSource Incorporated
11184 Huron Street, Suite 10
Denver, Colorado 80234

Re: Antelope Unit
Uintah County, Utah

Gentlemen:

On February 5, 1997, we received an indenture dated June 1, 1996, whereby Gerrity Oil & Gas Corporation resigned as Unit Operator and Lone Mountain Production Company was designated as Successor Unit Operator for the Antelope 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 11, 1997.

Your nationwide (MT) oil and gas bond No. 0627 will be used to cover all operations within the Antelope 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: District Manager - Vernal (w/enclosure)
~~Division of Oil, Gas & Mining~~
Minerals Adjudication Group
File - Antelope Unit (w/enclosure)
MMS - Data Management Division (Attn: Rose Davalos)
Agr. Sec. Chron
Fluid Chron

U-931:TAThompson:tt:02-12-97

OPERATOR CHANGE WORKSHEET

1- <i>File</i>	6- <i>File</i>
2-GLH	7-KDR Film
3-DTS <i>BLS</i>	8-SI ✓
4-VLD ✓	9-FILE ✓
5-RIF ✓	

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

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

The operator of the well(s) listed below has changed, effective: 2-11-97

TO: (new operator)	<u>LONE MTN PRODUCTION CO</u>	FROM: (old operator)	<u>GERRITY OIL & GAS CORP.</u>
(address)	<u>PO BOX 3394</u>	(address)	<u>4100 E MISSISSIPPI #1200</u>
	<u>BILLINGS MT 59103-5077</u>		<u>DENVER CO 80222</u>
	<u>JAMES ROUTSON</u>		<u>TERRY RUBY</u>
Phone:	<u>(406) 245-5077</u>	Phone:	<u>(303) 757-1110</u>
Account no.	<u>N7210</u>	Account no.	<u>N6355</u>

WELL(S) attach additional page if needed: **ANTELOPE UNIT**

Name: <u>ANTELOPE 1-29/WSTC</u>	API: <u>43-047-32452</u>	Entity: <u>11609</u>	S	<u>29</u>	T	<u>10S</u>	R	<u>24E</u>	Lease: <u>U66421</u>
Name: <u>ANTELOPE 20-2/WSTC</u>	API: <u>43-047-32680</u>	Entity: <u>11609</u>	S	<u>20</u>	T	<u>10S</u>	R	<u>24E</u>	Lease: <u>U66420</u>
Name: _____	API: _____	Entity: _____	S	_____	T	_____	R	_____	Lease: _____
Name: _____	API: _____	Entity: _____	S	_____	T	_____	R	_____	Lease: _____
Name: _____	API: _____	Entity: _____	S	_____	T	_____	R	_____	Lease: _____
Name: _____	API: _____	Entity: _____	S	_____	T	_____	R	_____	Lease: _____

OPERATOR CHANGE DOCUMENTATION

- lec* 1. (r649-8-10) Sundry or other legal documentation has been received from the **FORMER** operator (attach to this form). *(Rec'd 7-26-96)*
- lec* 2. (r649-8-10) Sundry or other legal documentation has been received from the **NEW** operator (Attach to this form). *(Rec'd 7-26-96)*
- N/A* 3. The **Department of Commerce** has been contacted if the new operator above is not currently operating any wells in Utah. Is the company **registered with the state?** (yes/no) ____ If yes, show company file number: _____
- lec* 4. **FOR INDIAN AND FEDERAL WELLS ONLY.** The BLM has been contacted regarding this change. Make note of BLM status in comments section of this form. BLM approval of **Federal and Indian** well operator changes should ordinarily take place prior to the division's approval, and before the completion of steps 5 through 9 below.
- lec* 5. Changes have been entered in the **Oil and Gas Information System (3270)** for each well listed above. *(2-19-97)*
- lec* 6. **Cardex** file has been updated for each well listed above. *(2-19-97)*
- lec* 7. Well **file labels** have been updated for each well listed above. *(2-19-97)*
- lec* 8. Changes have been included on the monthly "Operator, Address, and Account Changes" **memo** for distribution to Trust Lands, Sovereign Lands, UGS, Tax Commission, etc. *(2-19-97)*
- lec* 9. A folder has been set up for the **Operator Change file**, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

- Yes 1. (r649-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) no If entity assignments were changed, attach copies of Form 6, Entity Action Form.
- N/A 2. Trust Lands, Sovereign Lands, Tax Commission, etc., have been notified through normal procedures of entity changes.

BOND VERIFICATION - (FEE WELLS ONLY)

- N/A 1. (r649-3-1) The NEW operator of any fee lease well listed above has furnished a proper bond.
- 2. A copy of this form has been placed in the new and former operator's bond files.
- 3. The FORMER operator has requested a release of liability from their bond (yes/no) , as of today's date . If yes, division response was made to this request by letter dated .

LEASE INTEREST OWNER NOTIFICATION OF RESPONSIBILITY

- N/A 1. Copies of documents have been sent on to at Trust Lands for changes involving State leases, in order to remind that agency of their responsibility to review for proper bonding.
DTS 2/21/97
- N/A 2. (r649-2-10) The former operator of any fee lease wells listed above has been contacted and informed by letter dated 19 , of their responsibility to notify all interest owners of this change.

FILMING

- Yes 1. All attachments to this form have been microfilmed. Today's date: 3-10-97

FILING

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

COMMENTS

970219 B/LM/SL Oprv. eff. 2-11-97.

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

SUBMIT IN
TRIPPLICATE*
(Other Instructions on
reverse side)

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 TRIPPLICATE

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

5. LEASE DESIGNATION AND SERIAL NO.
UTU-66421

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. IF UNIT OR CA. AGREEMENT DESIGNATION
UTU-72403A

8. WELL NAME and No.
Antelope Unit No. 1-29

9. API WELL NO.
43-047-32452

10. Field and Pool, or Exploratory Area
Wildcat

11. County or Parish, State
Uintah County, Utah

2. NAME OF OPERATOR
Dominion Exploration & Production, Inc.

3. ADDRESS OF OPERATOR
1450 Poydras, 8th Floor, New Orleans, Louisiana 70112-6000

4. LOCATION OF WELL (Footage, Sec. T., R., M., or Survey Description)
**823' FNL, 799' FEL Section 29-T10S-R24E
(NENE)**

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>Change of Operator</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 of Water

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

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

Dominion Exploration & Production, Inc. has assumed operation of the above referenced well, effective January 1, 2001. The former operator was Lone Mountain Production Company.

Bond coverage is provided by Dominion's Nationwide Bond No. 76S630500330.

Field operations will be handled by the Roosevelt office. The contact person is Mitch Hall.

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

Signed: Donna J. Muller Title: Agent, Attorney-in-fact for DEPI Date: 12/20/00
Donna J. Muller

(This space for Federal or State office use)

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

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

LONE MOUNTAIN PRODUCTION COMPANY

Mailing Address:
P.O. Box 3394
Billings, MT 59103-3394

(406) 245-5077
FAX 248-6321

Shipping Address:
100 North 27th Street
Suite 650
Billings, MT 59101

December 18, 2000

State of Utah
Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
P. O. Box 145801
Salt Lake City, Utah 84114-5801

Attn: Jimmie Thompson

RE: RESIGNATION OF OPERATOR
VARIOUS WELLS
UINTAH COUNTY, UTAH

Dear Mr. Thompson:

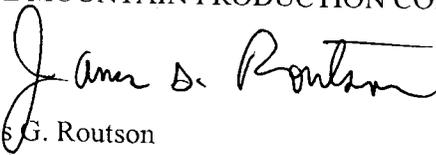
Please be advised Lone Mountain Production Company resigns as Operator of the attached list of wells in the referenced county, effective January 1, 2001.

All future correspondence should be directed to Dominion Exploration & Production Inc., 1450 Poydras Street, 8th Floor, New Orleans, Louisiana 70112-6000.

Should you have any questions or need further information, please contact our office at the letterhead address or phone number.

Sincerely,

LONE MOUNTAIN PRODUCTION COMPANY



James G. Routson
President

attachment

RECEIVED

DEC 26 2000

DIVISION OF
OIL, GAS AND MINING

**RESIGNATION OF OPERATOR
LONE MOUNTAIN PRODUCTION COMPANY
UINTAH COUNTY, UTAH**

<u>Well Name</u>	<u>API No.</u>
\ Conoco State 32-2	43-047-30100
\ Antelope Federal 20-02	43-047-32680
Antelope Federal 1-29	43-047-32452
\ Federal 12-11	43-047-32557
\ Federal 21-27	43-047-32560
\ Federal 22-22	43-047-32559
\ Black Dragon 31-34	43-047-33019
\ Federal 34-30	43-047-32558
\ Federal 28-01	43-047-30098
\ L. S. Federal 44-10	43-047-32681
\ End of Rainbow 21-01	43-047-31897
State S 42-2	43-047-32940
\ State M 42-2	43-047-33169
\ State S 22-2	43-047-32845
State G 22-32	43-047-33129
State N 31-16	43-047-33175
State Q 44-16	43-047-33176
Federal L 44-31	43-047-33261
\ Federal K 12-22	43-047-33299
Federal H 41-28	43-047-33184
\ Federal Q 44-15	43-047-33187
Federal Q 24-22	43-047-33246
\ Federal Q 22-15	43-047-33248
Federal M 22-27	43-047-33253
\ Federal R 44-9	43-047-33192
Federal R 13-30	43-047-33188
Federal M 44-29	43-047-33260
\ Federal H 42-20	43-047-33170
Federal M 42-22	43-047-33258
Federal M 24-22	43-047-33255

RECEIVED

DEC 26 2000

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

IN REPLY REFER TO
UT-922

July 9, 2001

Dominion Exploration & Production, Inc.
Four Greenspoint Plaza
16945 Northchase Drive, Suite 1750
Houston, Texas 77060-2133

Re: Antelope Unit
Uintah County, Utah

Gentlemen:

On July 6, 2001, we received an indenture dated January 1, 2001, whereby Lone Mountain Production Company resigned as Unit Operator and Dominion Exploration & Production, Inc. was designated as Successor Unit Operator for the Antelope 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 July 9, 2001. 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 Antelope Unit Agreement.

Your nationwide (Wyoming) oil and gas bond No. 3322 will be used to cover all operations within the Antelope 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)
Division of Oil, Gas & Mining
Minerals Adjudication Group U-932
File - Antelope Unit (w/enclosure)
Agr. Sec. Chron
Fluid Chron
UT922:TAThompson:tt:7/9/01

RECEIVED

JUL 10 2001

DIVISION OF
OIL, GAS AND MINING

OPERATOR CHANGE WORKSHEET

ROUTING

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

Enter date after each listed item is completed

X Change of Operator (Well Sold)

Designation of Agent

Operator Name Change (Only)

Merger

The operator of the well(s) listed below has changed, effective: **1-01-2001**

FROM: (Old Operator):
LONE MOUNTAIN PRODUCTION COMPANY
Address: P. O. BOX 3394
BILLINGS, MT 59103-3394
Phone: 1-(406)-245-5077
Account N7210

TO: (New Operator):
DOMINION EXPLORATION & PRODUCTION INC
Address: 1450 POYDRAS 8TH FLOOR
NEW ORLEANS, LA 70112-6000
Phone: 1-(504)-593-7000
Account N1095

CA No.

Unit: ANTELOPE ~~CREEK~~

WELL(S)

NAME	API NO.	ENTITY NO.	SEC. TWN RNG	LEASE TYPE	WELL TYPE	WELL STATUS
ANTELOPE 1-29	43-047-32452	11609	29-10S-24E	FEDERAL	GW	P

OPERATOR CHANGES DOCUMENTATION

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 12/26/2000
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 01/29/2001
- The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 07/10/2001
- Is the new operator registered in the State of Utah: YES Business Number: 852894-0143
- If **NO**, the operator was contacted on: N/A
- 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: 07/09/2001
- Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: 07/09/2001
- 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: 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: N/A

DATA ENTRY:

- 1. Changes entered in the **Oil and Gas Database** on: 07/10/2001
- 2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 07/10/2001
- 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

FEE WELLS - BOND VERIFICATION/LEASE INTEREST OWNER NOTIFICATION:

- 1. (R649-3-1) The **NEW** operator of any fee well(s) listed has furnished a bond: 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: N/A

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:

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 to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
UTU-66421

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Antelope 1-29

9. API Well No.
43-047-32452

10. Field and Pool, or Exploratory Area
Natural Buttes

11. County or Parish, State
Uintah, UT

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Dominion Exploration & Production, Inc.

3a. Address Suite 600
14000 Quail Springs Parkway, OKC, OK 73134

3b. Phone No. (include area code)
(405) 749-5263

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
823' FNL & 799' FEL, NE/NE Sec. 29-10S-24E

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"/> Altering 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 checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input type="checkbox"/> Other

13 Describe Proposed or Completed 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.)

Dominion request permission to P&A the Antelope #1-29 per the attached procedure and schematic.

COPY SENT TO OPERATOR
Date: 9-30-04
Initials: CHO

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

Name (Printed/Typed) **Carla Christian** Title **Regulatory Specialist**

Signature *Carla Christian* Date **9/27/2004**

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, 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.

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

Date: 9/30/04
By: [Signature]

Federal Approval Of This
Action Is Necessary

RECEIVED
SEP 28 2004
DIV. OF OIL, GAS & MINING

Plug & Abandon Procedure
ANTELOPE 1-29
823' FNL & 799' FEL, Sec. 29. T-10-S, R-24-E
Uintah Co., Utah
API# 43-047-32452, KB: 5,276' (12' AGL)

State of Utah P&A Approval _____

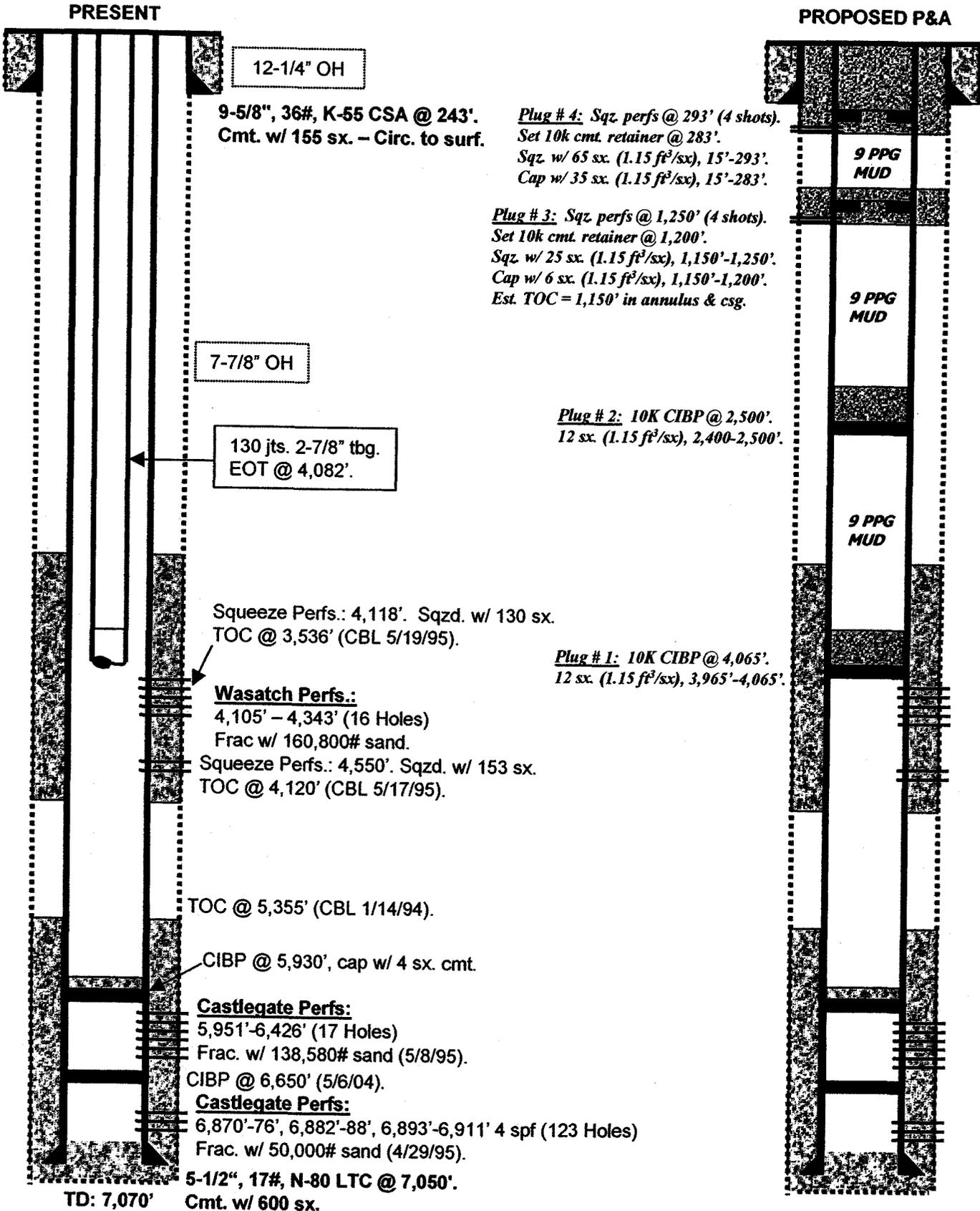
1. State P&A requirements are outlined in attached '*Conditions of approval to plug and abandon well*'. Obtain verbal approval from State of Utah engineer, Dan Jarvis 801-538-5338 to commence P&A operations. Note details of verbal approval on daily report.
2. Blow down tbg. & tbg.-csg. annulus. MIRU WOR. ND wellhead. NU BOP. POOH standing back 2-7/8" tbg.
3. Run Weatherford 5-1/2", 14#, 10K tubing-set CIBP on MST setting tool on 2-7/8" tbg, set CIBP @ 4,065', pressure test tbg. to 1000 psi, rotate out of CIBP, pull EOT 2' off bottom.
4. RU Halliburton cementing equipment, fill hole via tbg. w/ minimum 9.0 ppg non-corrosive fluid, press test csg. & CIBP to 200 psi, mix and pump 12 sx cement (Class G - 1.15 cu.ft./sx) to spot cement plug from 3,965' to 4,065', pull setting tool above cement plug, reverse circulate to clean tbg., POOH w/ tbg. standing back 2,500' and laying down the remainder.
5. Run Weatherford 5-1/2", 14#, 10K tubing-set CIBP on MST setting tool on 2-7/8" tbg., set CIBP @ +/- 2,500', rotate out of CIBP, pull EOT 2' off bottom, press test csg. & CIBP to 200 psi, mix and pump 12 sx cement (Class G - 1.15 cu.ft./sx) to spot cement plug from +/- 2,400' to 2,500', pull setting tool above cement plug, reverse circulate to clean tbg., POOH w/ tbg. standing back 1,250' tbg. & laying down the remainder.
6. RU Schlumberger ELU with packoff only, run 4" HSC gun, perforate four (4) squeeze holes @ +/-1,250', RD ELU. Run Weatherford 5-1/2", 14# cement retainer on MST setting tool and 2-7/8" tbg., set retainer @ +/-1,200', rotate out of retainer, test tbg. to 2000 psi, sting out of retainer, fill hole via tbg. w/ minimum 9.0 ppg non-corrosive fluid, sting in and open retainer, EIR w/ 10 bbls FW, mix and pump 31 sx cement (Class G - 1.15 cu.ft./sx): squeeze 25 sx through retainer, sting out and spot 6 sx on top of retainer (TOC in annulus and csg. calc. @ 1,150'). Pull stinger above cement plug and reverse circulate to clean tbg. w/ minimum 9.0 ppg non-corrosive fluid. POOH w/ tbg. standing back 300' tbg. & laying down the remainder.
7. RU Schlumberger ELU with packoff only, run 4" HSC gun, perforate four (4) squeeze holes @ 293', RD packoff. Run Weatherford 5-1/2", 15.5# cement retainer on MST setting tool and 2-7/8" tbg., set retainer @ 283', rotate out of retainer, test tbg. to 2000 psi, open retainer and EIR w/ 10 bbls FW, mix and pump 100 sx cement (Class G - 1.15 cu.ft./sx): squeeze 65 sx through retainer, sting out and spot 35 sx on top of retainer (TOC in csg. calc. @ 12' [3' BGL]). Pull and LD tbg., setting tool and stinger. RDMO cementing equip. and WOR.
8. Cut off casing, install dryhole marker per State of Utah specs (attached), clean and restore location.

DOMINION EXPLORATION & PRODUCTION

ANTELOPE 1-29
SEC. 29, T-10-S, R-24-E
API: 43-047-32452

SPUD: 12/07/93

ELEV.: 5,264' GL
 5,276' KB (12' AGL)



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 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
 Dominion Exploration & Production, Inc.

3a. Address Suite 600
 14000 Quail Springs Parkway, OKC, OK 73134

3b. Phone No. (include area code)
 (405) 749-5263

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 823' FNL & 799' FEL, NE/NE Sec. 29-10S-24E

5. Lease Serial No.
 UTU-66421

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
 Antelope Federal 1-29

9. API Well No.
 43-047-32452

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 type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Altering 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 checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input type="checkbox"/> Other

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DIV. OF OIL, GAS & MINING

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.)

12/15/04 thru 12/18/04. Set CIBP @ 4065', pump 20 sks Class G cmt, mixed @ 15.5 ppg, 1.15 yld & 4 bbl slurry, cmt f/4065 to 3900. Set CIBP @ 2500', pump 20 sks Class G cmt mixed @ 15.5 ppg, 1.15 yld & 4 bbl slurry, cmt f/2500 to 2319. Perf 4 sqz holes @ 1250'. Set CIBP @ 1196. Sting into retainer, mix & pump 48 sks Class G, 15.5 ppg, 1.15 yld. Wait 1 hr, pump 48 sks Class G, 15.5 ppg, 1.15 yld., sqz 92 sks Class G, 15.5 ppg, 1.15 yld & 19 bbl slurry into perfs. Spot 45 sks Class G, 15.5 ppg, 1.15 yld & 9 bbl slurry on retainer. Cmt. f/1196 to 809. Perf 4 sqz holes @ 293, set CIBP @ 287. Pump 77 sks Thixotropic cmt mixed @ 13.5 ppg, 1.8 yld, 25 bbl Slurry. Displace .5 bbls past perfs. Wait 1 hr, pump 61 sks Thixotropic cmt mixed @ 13.5 ppg, 1.8 yld, 20 bbl slurry. Displace .5 bbls past perfs, wait 1 hr, pump 61 sks Thixotropic cmt mixed @ 13.5 ppg, 1.8 yld, 20 bbl slurry. Displace .5 bbls past perfs, wait 1 hr, pump 150 sks, 3.5% CaCl Class G cmt @ 15.8 ppg, 1.15 yld & 30 bbls slurry. Mix 800#'s High Yield Gel w/200#'s Floccell into 60 bbl LCM pill. Gained partial circ @ 30 bbls gone. Pump 77 sks Thixotropic @ 13.5 ppg, 1.8 yld, 30 bbl slurry w/3 bbls cmt to surface. Pump 40 sks Class G, 15.8 ppg, 1.15 yld, 8 bbl slurry. Cmt f/383 to surface. Cut off prod csg hanger & surface csg. Pump 40 sks Class G, 15.8 ppg, 1.15 yld. 8 bbl to top off 5.5 csg & surface csg. Install flat dry hole marker. BLM representatives Jamie Sparger, Kim Kettle & Donna Kenney were present for plugging. Pumped a total of 551 sks Class G and 276 sks Thixotropic.

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

Signature *Carla Christian*

Title Regulatory Specialist
 Date 2/10/2005

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 _____