

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

CONFIDENTIAL - TIGHT HOLE

5. Lease Designation and Serial No.

Fee

6. If Indian, Allottee or Tribe Name

N/A

7. Unit Agreement Name

N/A

8. Farm or Lease Name

Blue Diamond

9. Well No.

#13-13B

10. Field and Pool, or Wildcat **UNDESIGNATED**

Natural Dutton 630 002

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

and Survey or Area

Sec. 13, T9S - R19E

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

214/750-3800

6688 N. Central Expressway, Suite 1000

PG & E Resources Company

Dallas, TX 75206

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

660' FSL and 4620' FEL

At proposed prod. zone

SW SW (Lot 4), Sec. 13, T9S - R19E

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

6 miles southwest of Ouray, UT

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

(Also to nearest drlg. line, if any)

260' (Computed)

16. No. of acres in lease

40

17. No. of acres assigned to this well

40

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

Approx. 2300'

19. Proposed depth

5375'

20. Rotary or cable tools

Rotary

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

4649'

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
12-1/4"	9-5/8"	36#	400'	170 sx or suffic to circ to surf.
7-7/8"	5-1/2"	14#	5375'	500 cubic feet or suffic to cover zones of interest.

PG & E Resources Company proposes to drill a well to 5375' to test the Green River formation. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per State of Utah requirements.

CONFIDENTIAL - TIGHT HOLE

See Drilling Plan attached.

Bond coverage for this well is provided under Bond No. 8063-38-07 and 8057-26-00.

The location was staked at non-standard footages in accordance with the Rules and Regulations of the Utah Division of Oil, Gas & Mining. This location falls at non-standard footages because of the odd shaped section, however, PG & E is the mineral lessee of the adjacent acreage to the west. We, therefore, request your approval of this exception to spacing.

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 *David G. Smith*

Consultant for:

Title **PG & E Resources Co.** Date **12/29/93**

(This space for Federal or State office use)

Permit No. 43-047-30457

Approval Date

Approved by _____

Title

Conditions of approval, if any:

**APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING**
DATE: 2-24-94
BY: JAY Matthews
WELL SPACING: 649-3-3

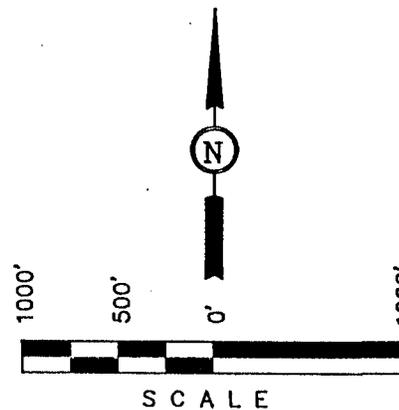
T9S, R19E, S.L.B.&M.

PG&E RESOURCES COMPANY

Well location, BLUE DIAMOND #13-13B, located as shown in Lot 4 of Section 13, T9S, R19E; S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BANCH MARK 1964 (9EAM) LOCATED IN THE SE 1/4 OF SECTION 13, T9S, R19E, S.L.B.&M. TAKEN FROM THE OURAY 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 4658 FEET.



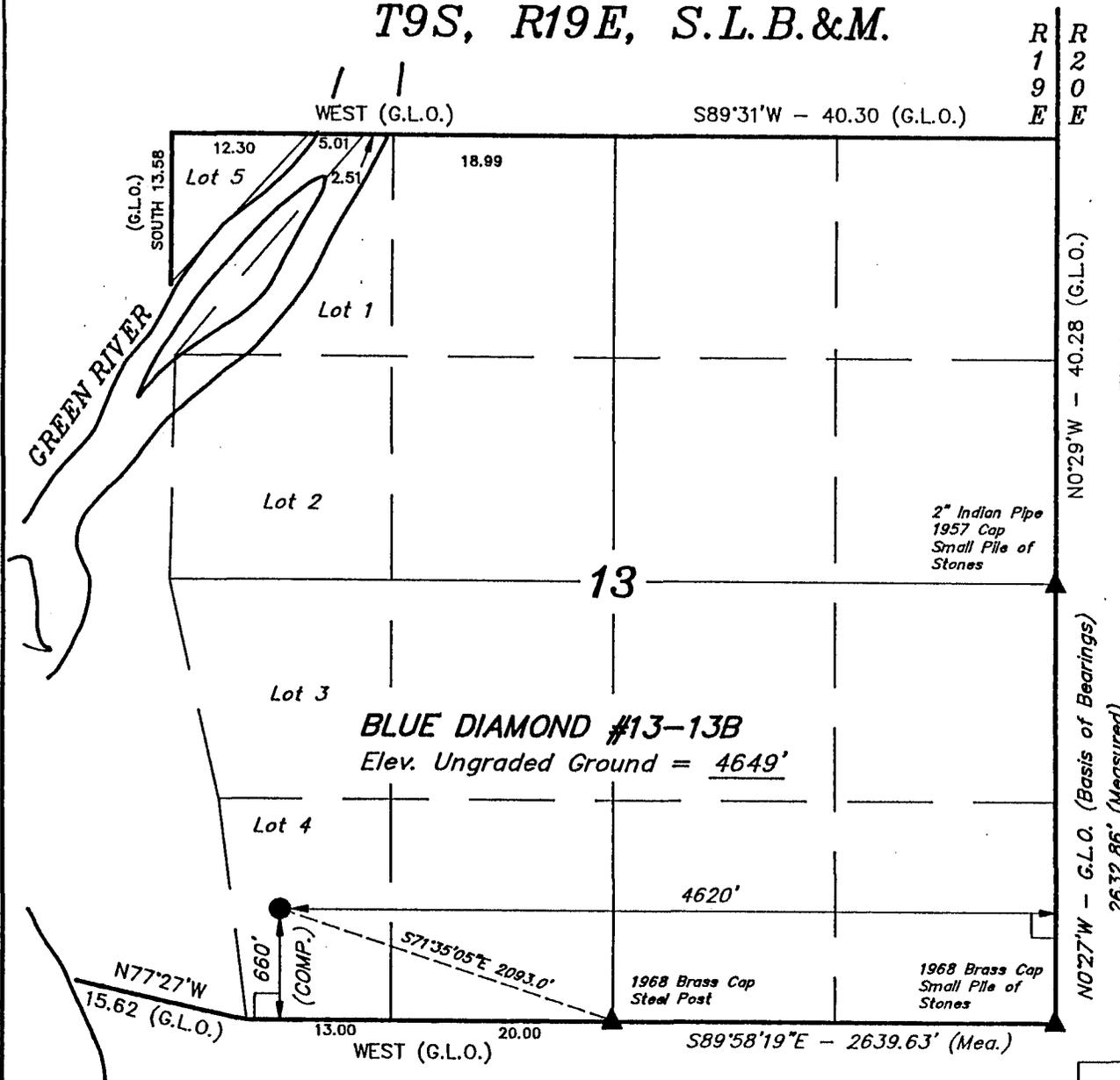
CERTIFICATE

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

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

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

SCALE 1" = 1000'	DATE SURVEYED: 12-1-93	DATE DRAWN: 12-2-93
PARTY D.A. D.G. R.E.H.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE PG&E RESOURCES	



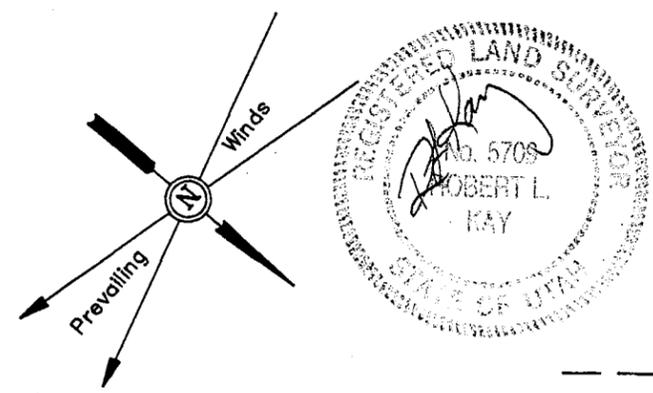
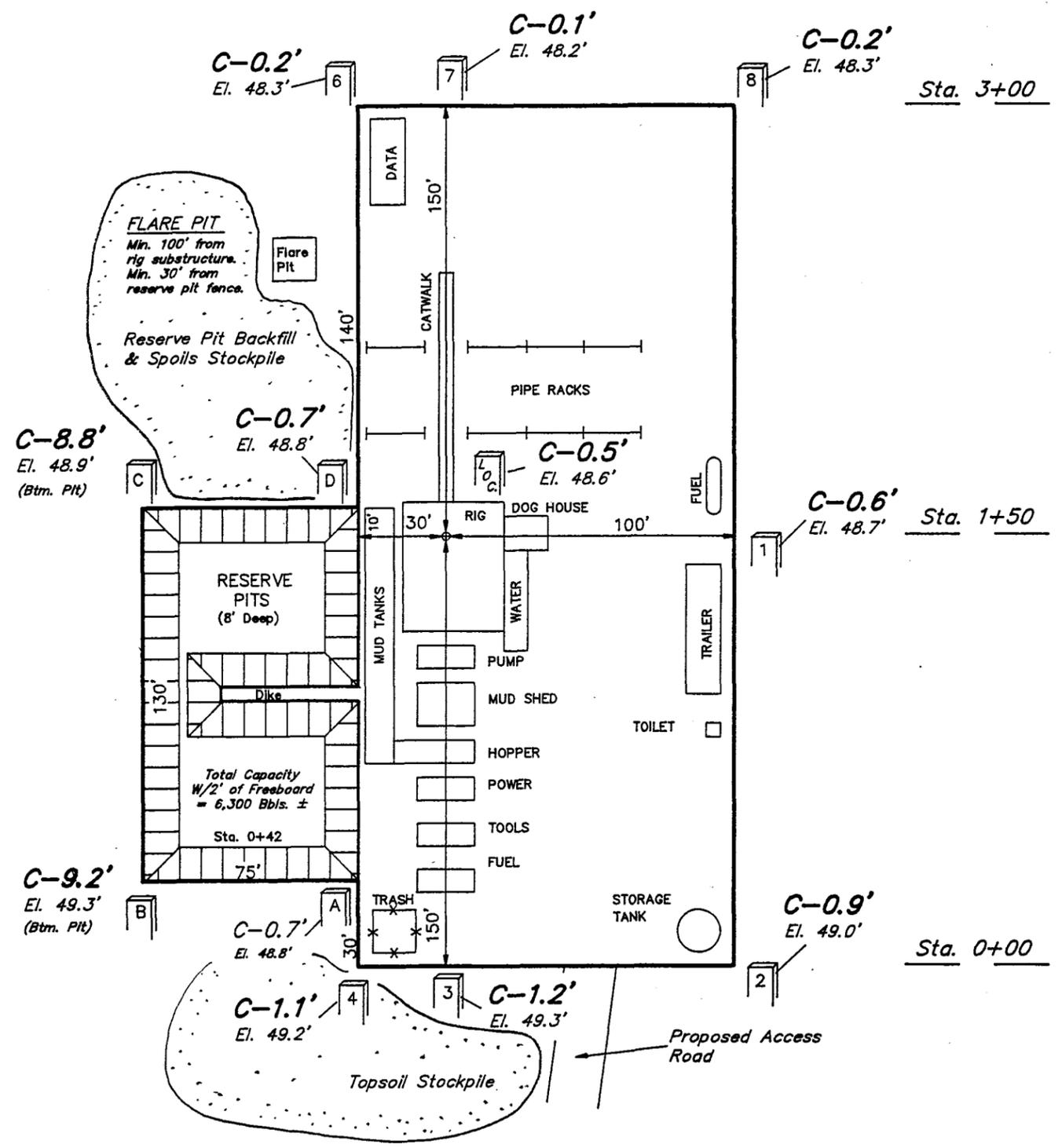
LEGEND:

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

PG&E RESOURCES COMPANY

LOCATION LAYOUT FOR

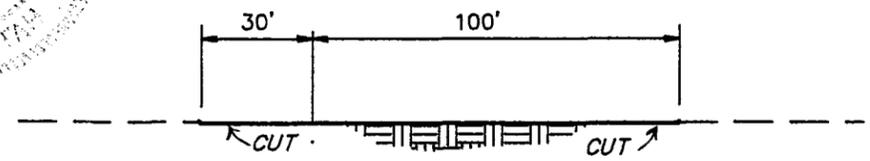
BLUE DIAMOND #13-13B
SECTION 13, T9S, R19E, S.L.B.&M.
660' FSL 4620' FEL



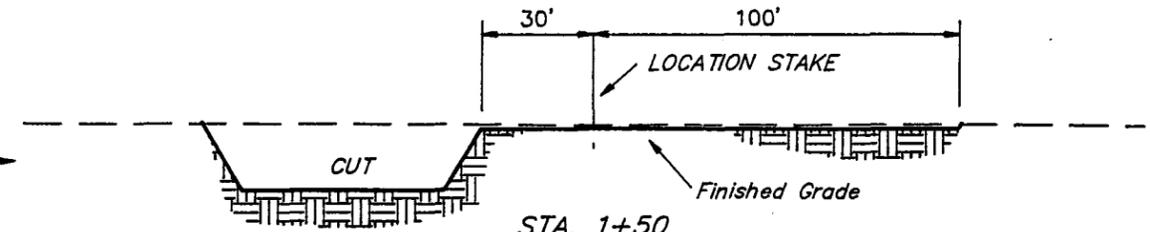
SCALE: 1" = 50'
DATE: 12-2-93
Drawn By: R.E.H.

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

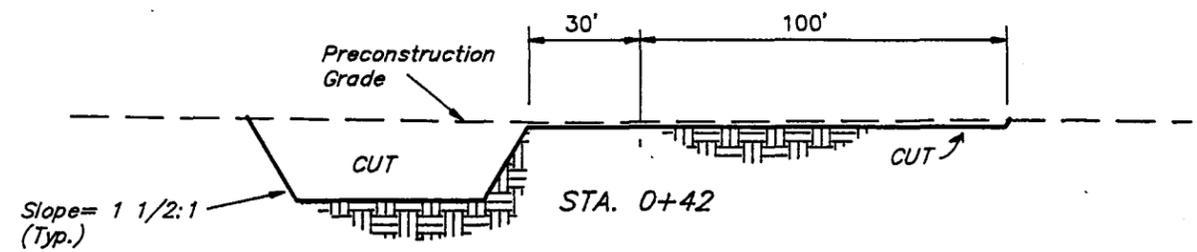
TYP. LOCATION LAYOUT
TYP. CROSS SECTIONS



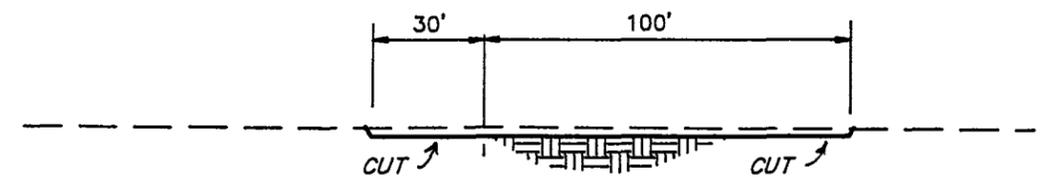
STA. 3+00



STA. 1+50



STA. 0+42



STA. 0+00

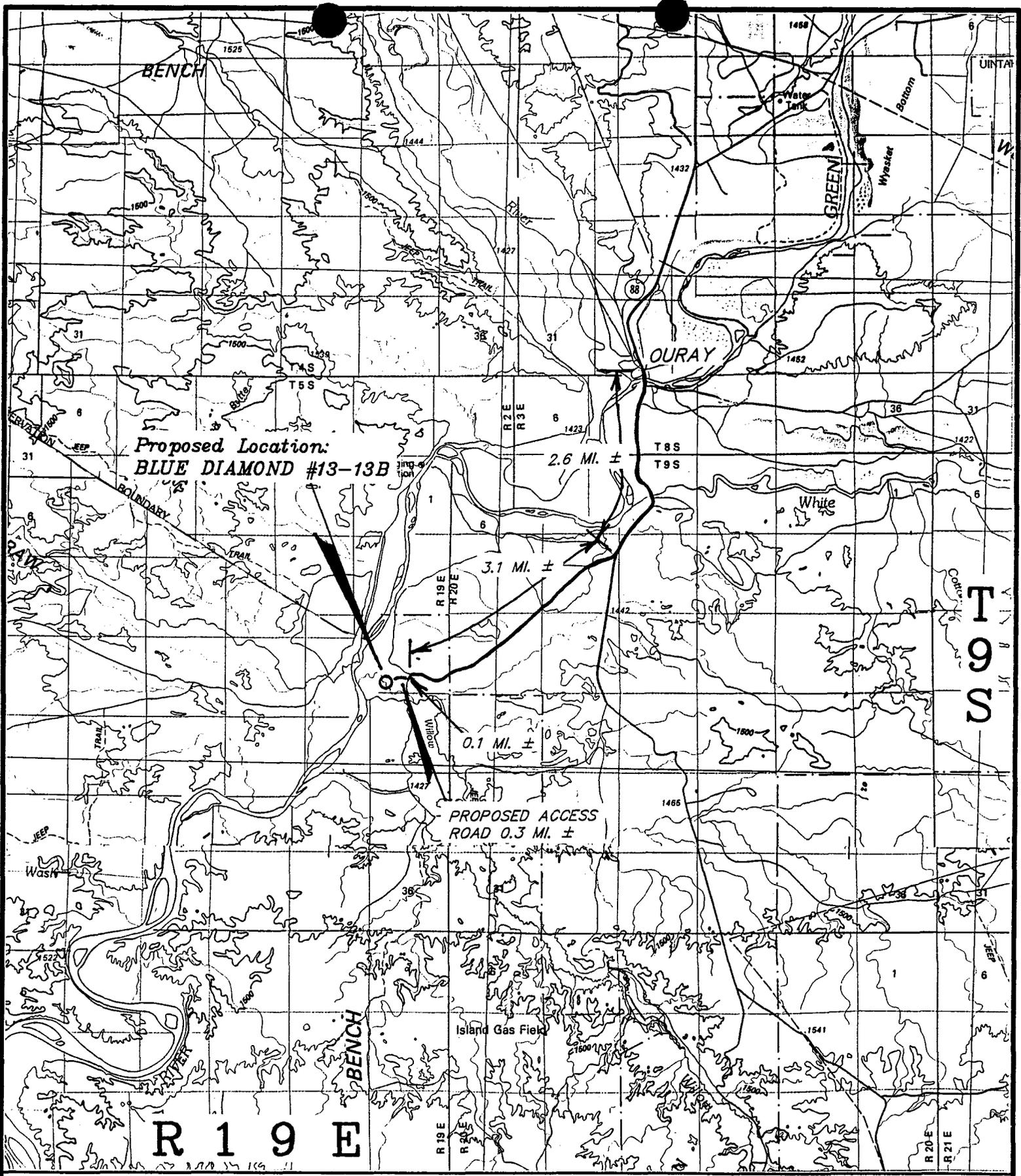
NOTE:
Topsoil should not be Stripped Below Finished Grade on Substructure Area.

Elev. Ungraded Ground at Location Stake = 4648.6'
Elev. Graded Ground at Location Stake = 4648.1'

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

APPROXIMATE YARDAGES

CUT		EXCESS MATERIAL AFTER	
(6") Topsoil Stripping	= 900 Cu. Yds.	5% COMPACTION	= 3,020 Cu. Yds.
Remaining Location	= 2,230 Cu. Yds.	Topsoil & Pit Backfill	= 1,880 Cu. Yds.
		(1/2 Pit Vol.)	
TOTAL CUT	= 3,130 CU.YDS.	EXCESS UNBALANCE	= 1,140 Cu. Yds.
FILL	= 100 CU.YDS.	(After Rehabilitation)	



Proposed Location:
BLUE DIAMOND #13-13B

2.6 Mi. ±

3.1 Mi. ±

0.1 Mi. ±

PROPOSED ACCESS
 ROAD 0.3 Mi. ±

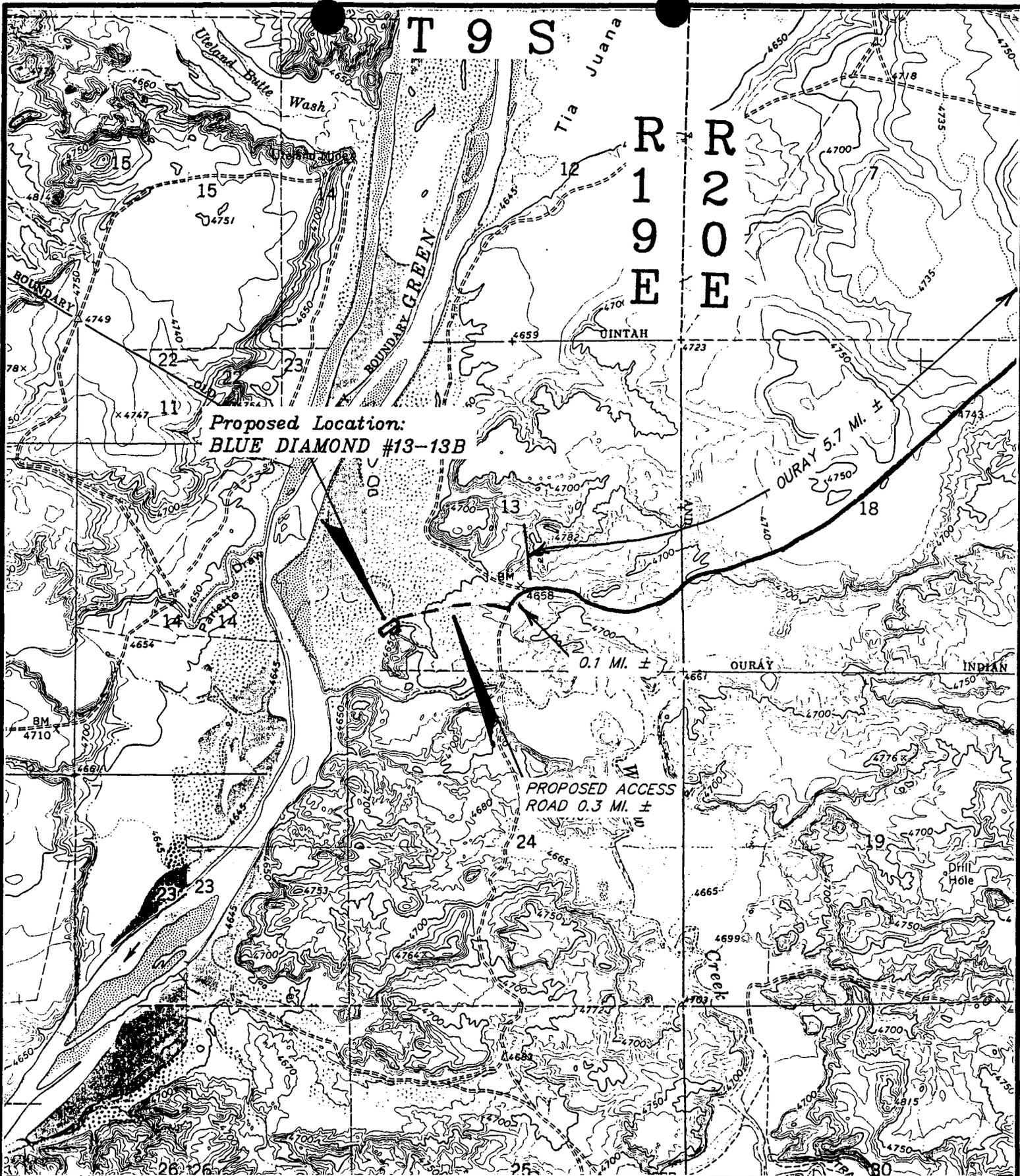
TOPOGRAPHIC
 MAP "A"

DATE 12-2-93 R.E.H.



PG&E RESOURCES COMPANY

BLUE DIAMOND #13-13B
 SECTION 13, T9S, R19E, S.L.B.&M.
 660' FSL 4620' FEL



TOPOGRAPHIC
MAP "B"

SCALE: 1" = 2000'
DATE 12-2-93 R.E.H.

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PLUG BACK

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Multiple Zone

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PG & E Resources Company Dallas, TX 75206**

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24. Consultant for:
Signed *Don G. Smith* Title PG & E Resources Co. Date 12/29/93

(This space for Federal or State office use)

Permit No. _____ Approval Date _____

Approved by _____ Title _____ Date _____

Conditions of approval, if any: _____

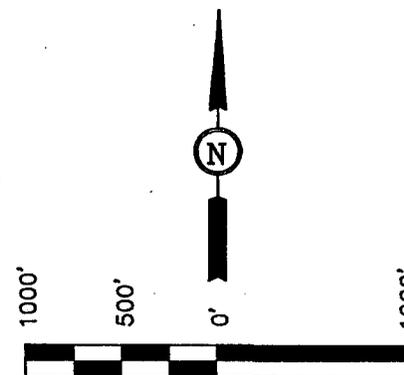
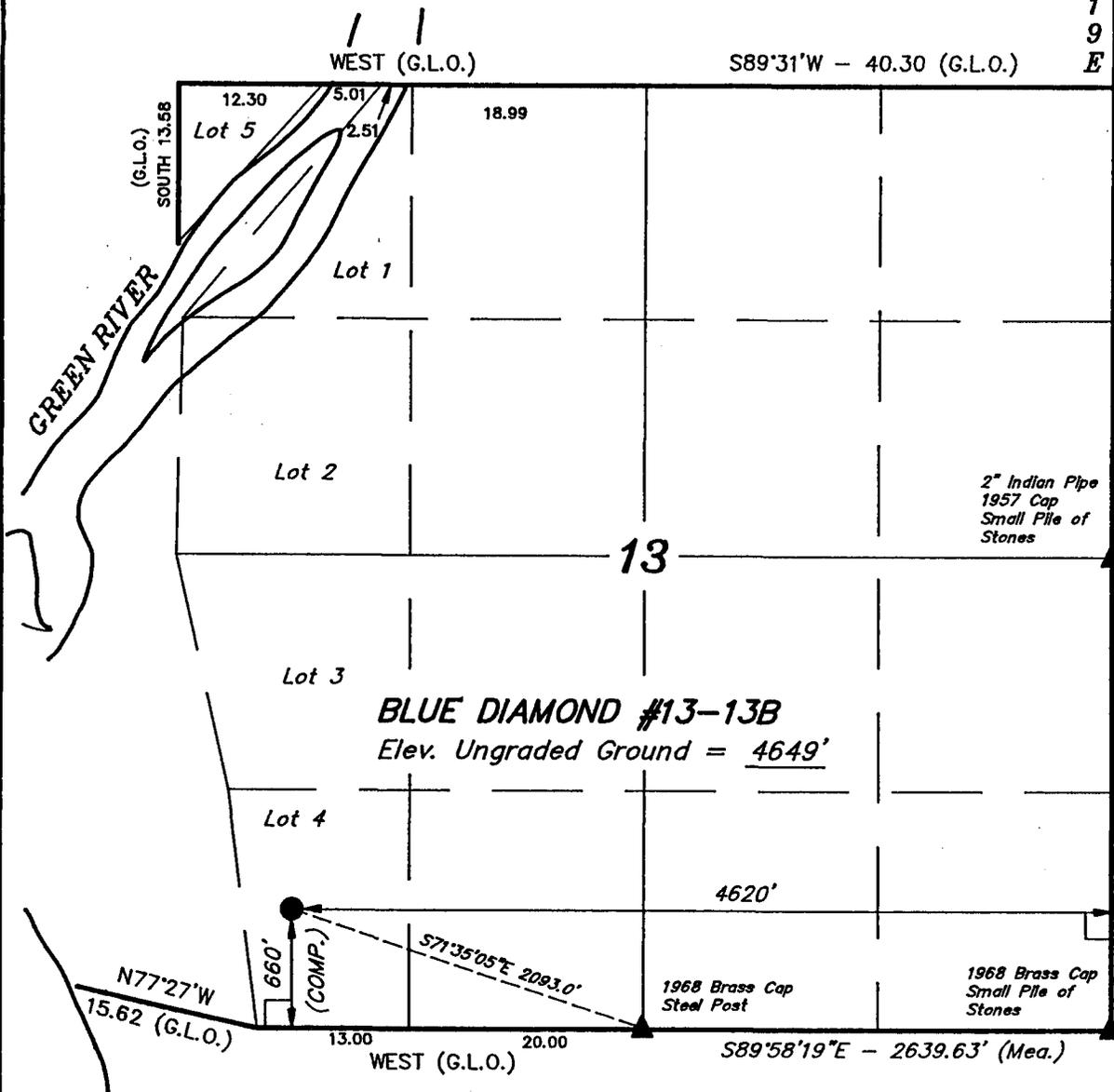
T9S, R19E, S.L.B.&M.

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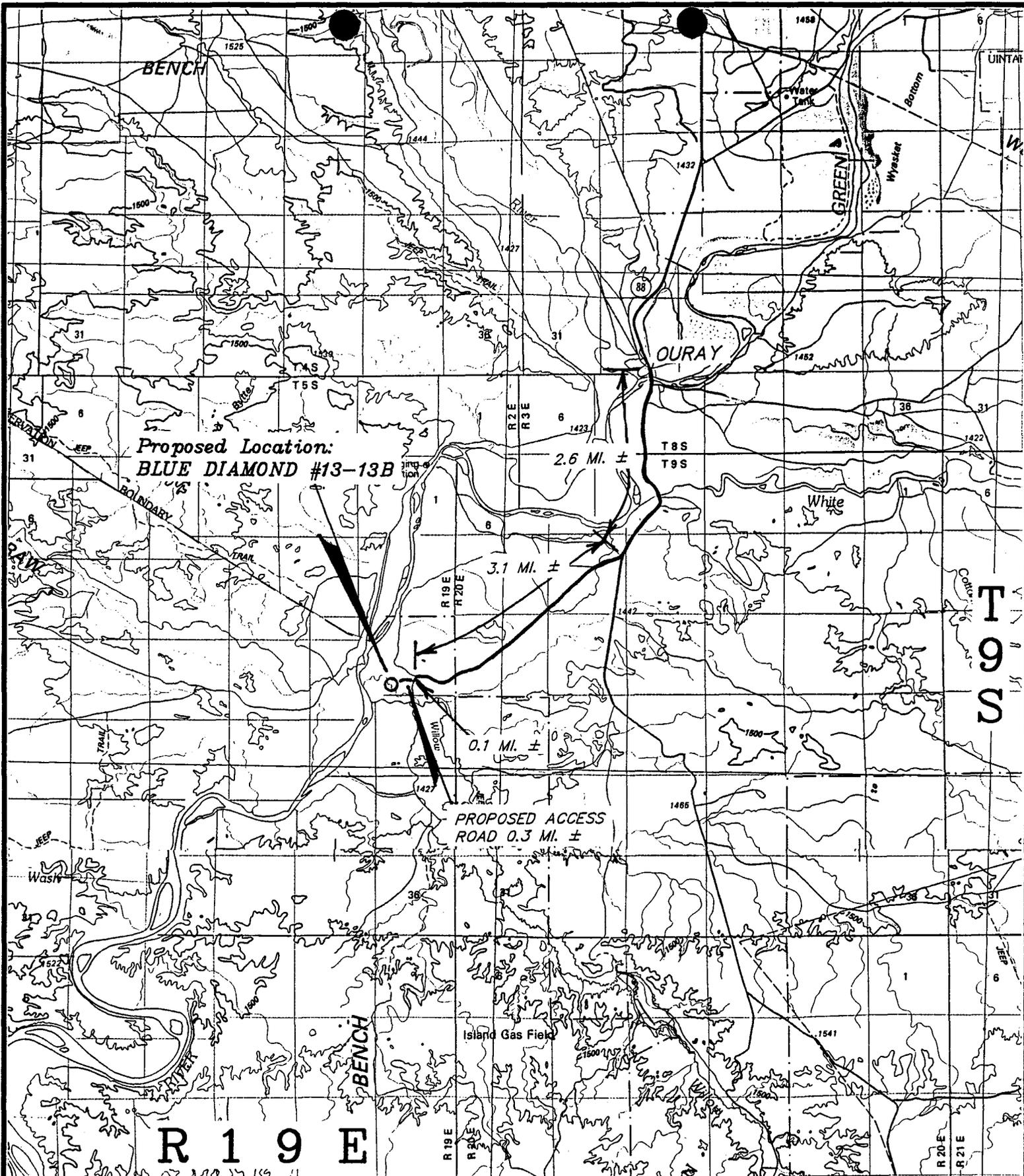
Robert L. King
REGISTERED LAND SURVEYOR
REGISTRATION NO. 5709
STATE OF UTAH

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

SCALE 1" = 1000'	DATE SURVEYED: 12-1-93	DATE DRAWN: 12-2-93
PARTY D.A. D.G. R.E.H.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE PG&E RESOURCES	



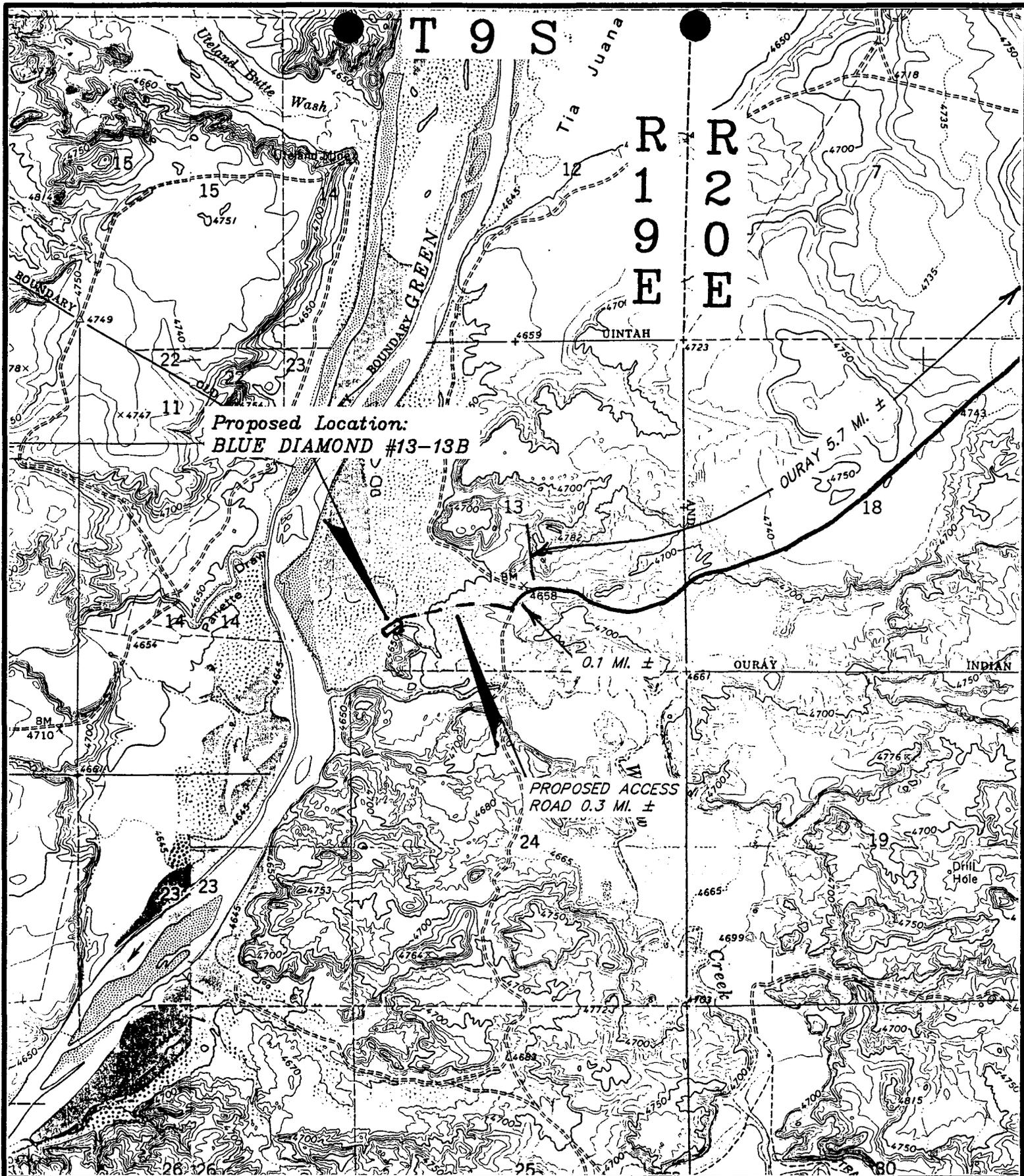
TOPOGRAPHIC
MAP "A"

DATE 12-2-93 R.E.H.



PG&E RESOURCES COMPANY

BLUE DIAMOND #13-13B
SECTION 13, T9S, R19E, S.L.B.&M.
660' FSL 4620' FEL



TOPOGRAPHIC
 MAP "B"
 SCALE: 1" = 2000'
 DATE 12-2-93 R.E.H.

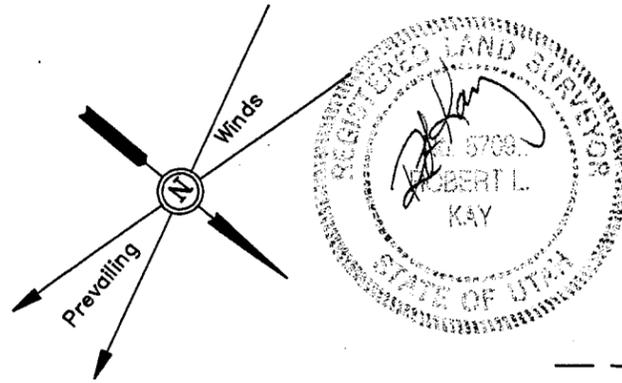
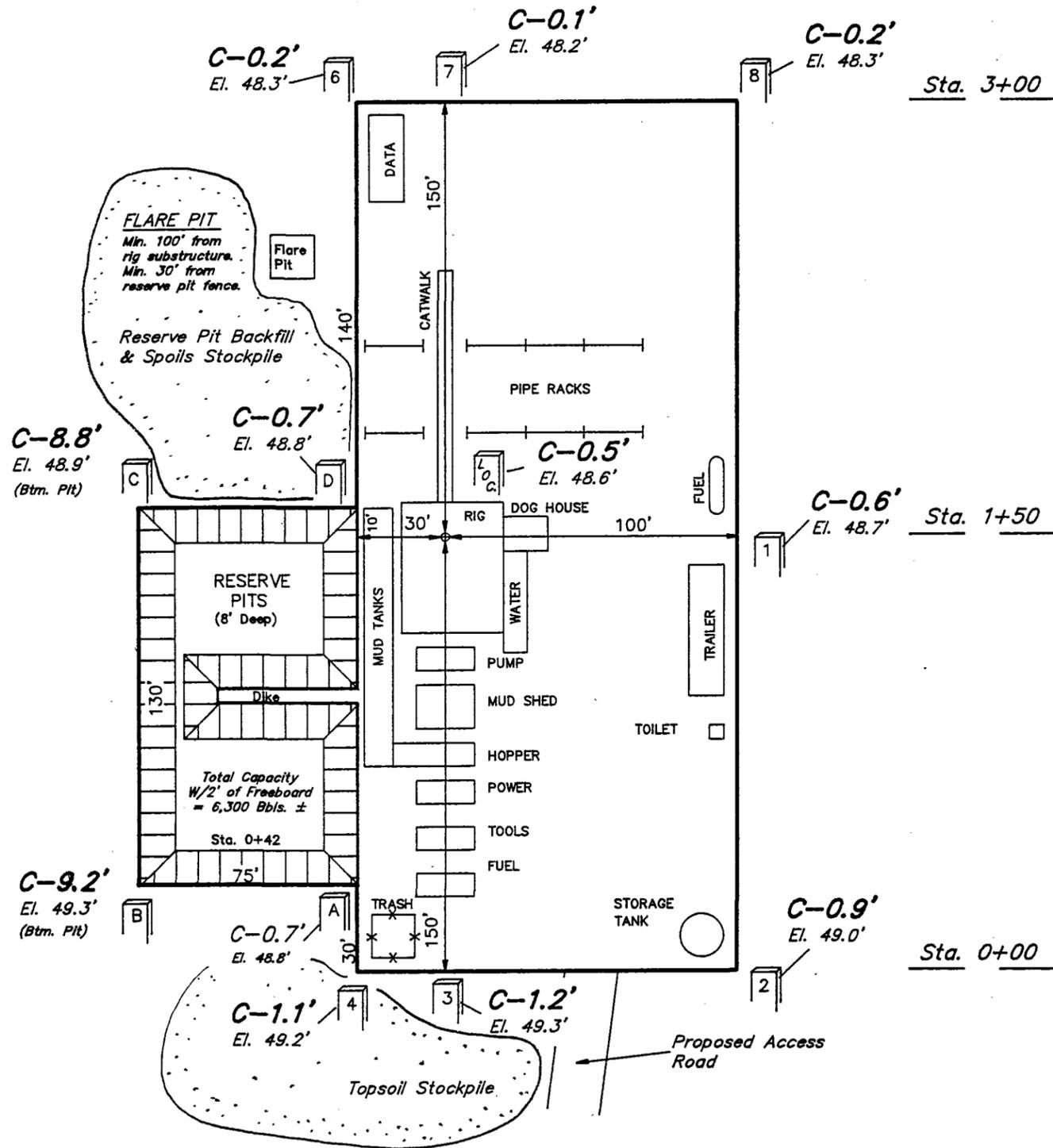


PG&E RESOURCES COMPANY
 BLUE DIAMOND #13-13B
 SECTION 13, T9S, R19E, S.L.B.&M.
 660' FSL 4620' FEL

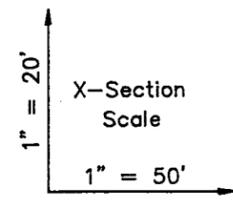
PG&E RESOURCES COMPANY

LOCATION LAYOUT FOR

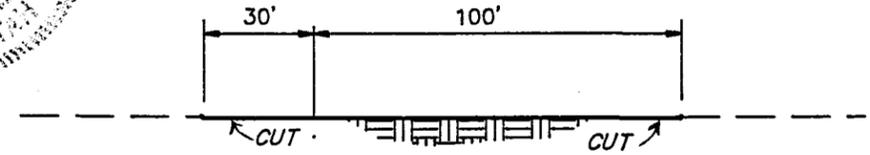
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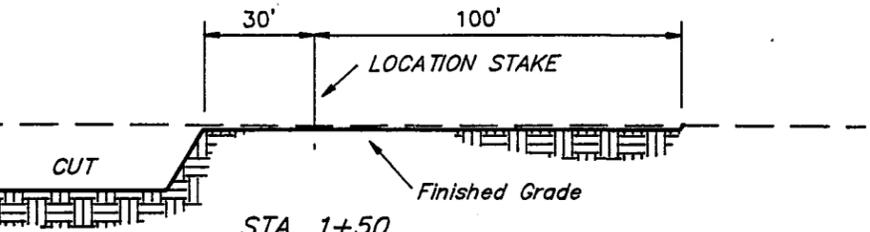
SCALE: 1" = 50'
DATE: 12-2-93
Drawn By: R.E.H.



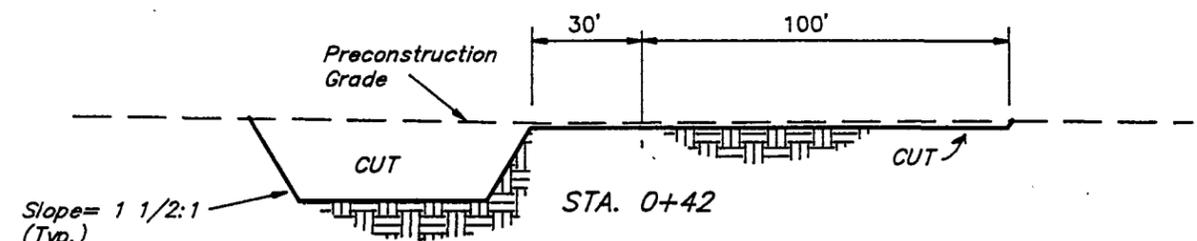
TYP. LOCATION LAYOUT TYP. CROSS SECTIONS



STA. 3+00



STA. 1+50



STA. 0+42



STA. 0+00

NOTE:
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TOTAL CUT	= 3,130 CU.YDS.	EXCESS UNBALANCE	= 1,140 Cu. Yds.
FILL	= 100 CU.YDS.	(After Rehabilitation)	



December 29, 1993

RECEIVED

JAN 03 1994

DIVISION OF
OIL, GAS & MINING

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

Attn: Tammi Searing

Re: PG & E Resources Company
Blue Diamond #13-13B
660' FSL and 4620' FEL
SW SW (Lot 4) Sec. 13, 9S - 19E
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. Please be advised that a road ROW application has been filed with the Bureau of Land Management for use of the access road.

Please forward the approved copies to Jim LaFavers, PG & E Resources Company at the address shown on the A.P.D. Thanks for your assistance in this matter.

Sincerely,

PERMITCO INC.

A handwritten signature in cursive script, appearing to read "Lisa L. Smith".

Lisa L. Smith
Consultant for:
PG & E Resources Company

Enc.

cc: PG & E Resources Company - Dallas, TX
PG & E Resources Company - Vernal, UT

Permitco Incorporated
A Petroleum Permitting Company

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

P.G.& E. RESOURCES COMPANY

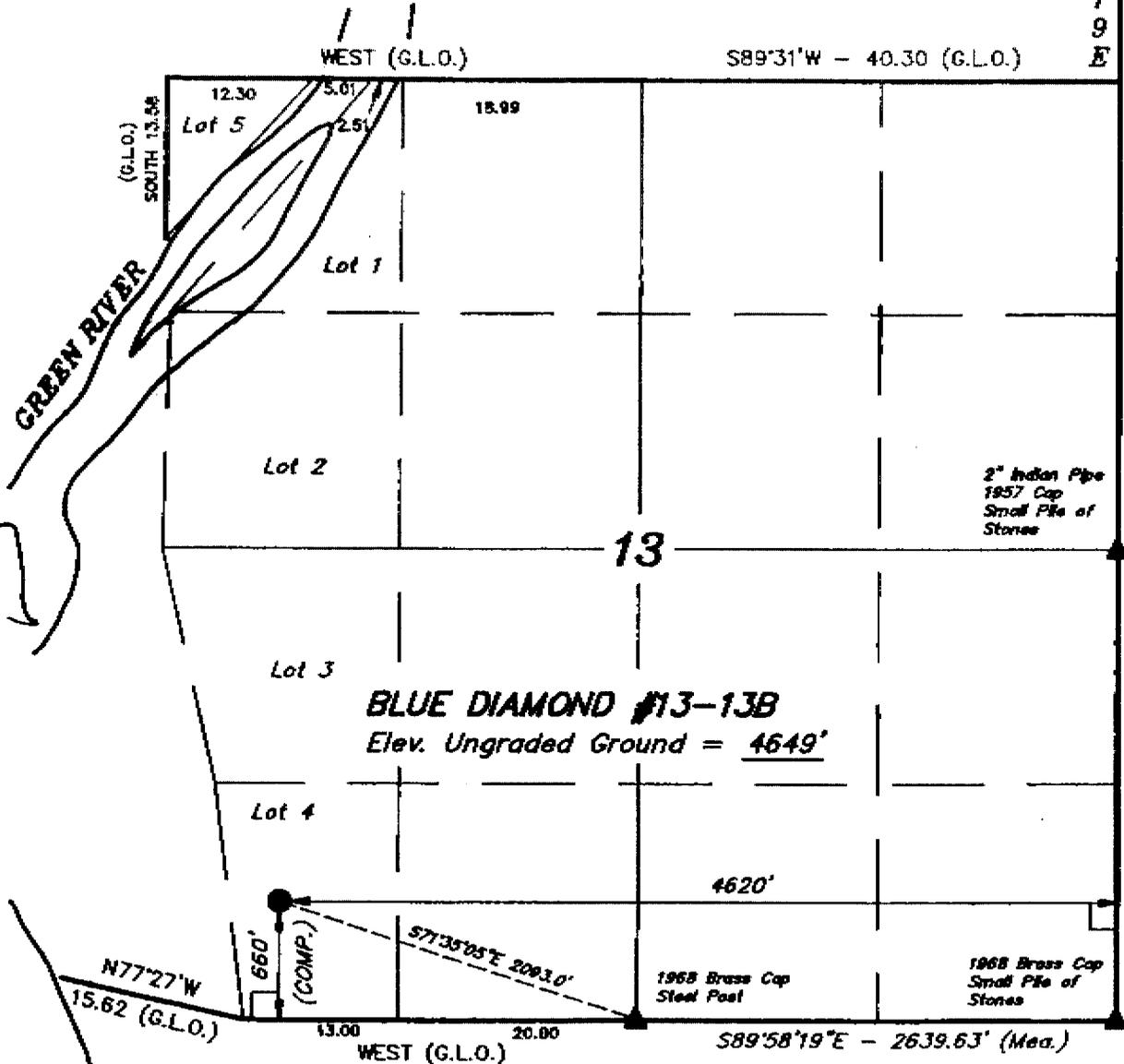
**BLUE DIAMOND #13-13B
SECTION 13, T9S, R19E, S.L.B. &M.**

PROCEED SOUTHERLY FROM OURAY, UTAH ON THE SEEP RIDGE ROAD APPROXIMATELY 2.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING OILFIELD SERVICE ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION 3.1 MILES ± TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION 0.1 MILES ± TO THE BEGINNING OF THE PROPOSED ACCESS ROAD. FOLLOW ROAD FLAGS IN A WESTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE PROPOSED LOCATION.

T9S, R19E, S.L.B.&M.

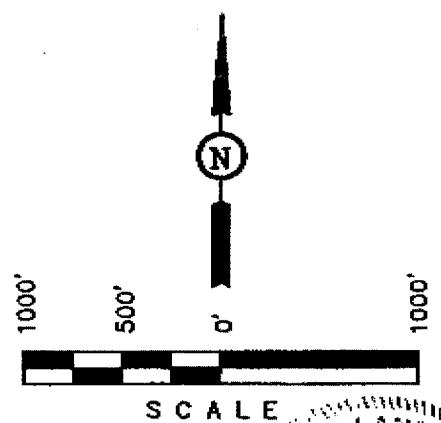
PG&E RESOURCES COMPANY

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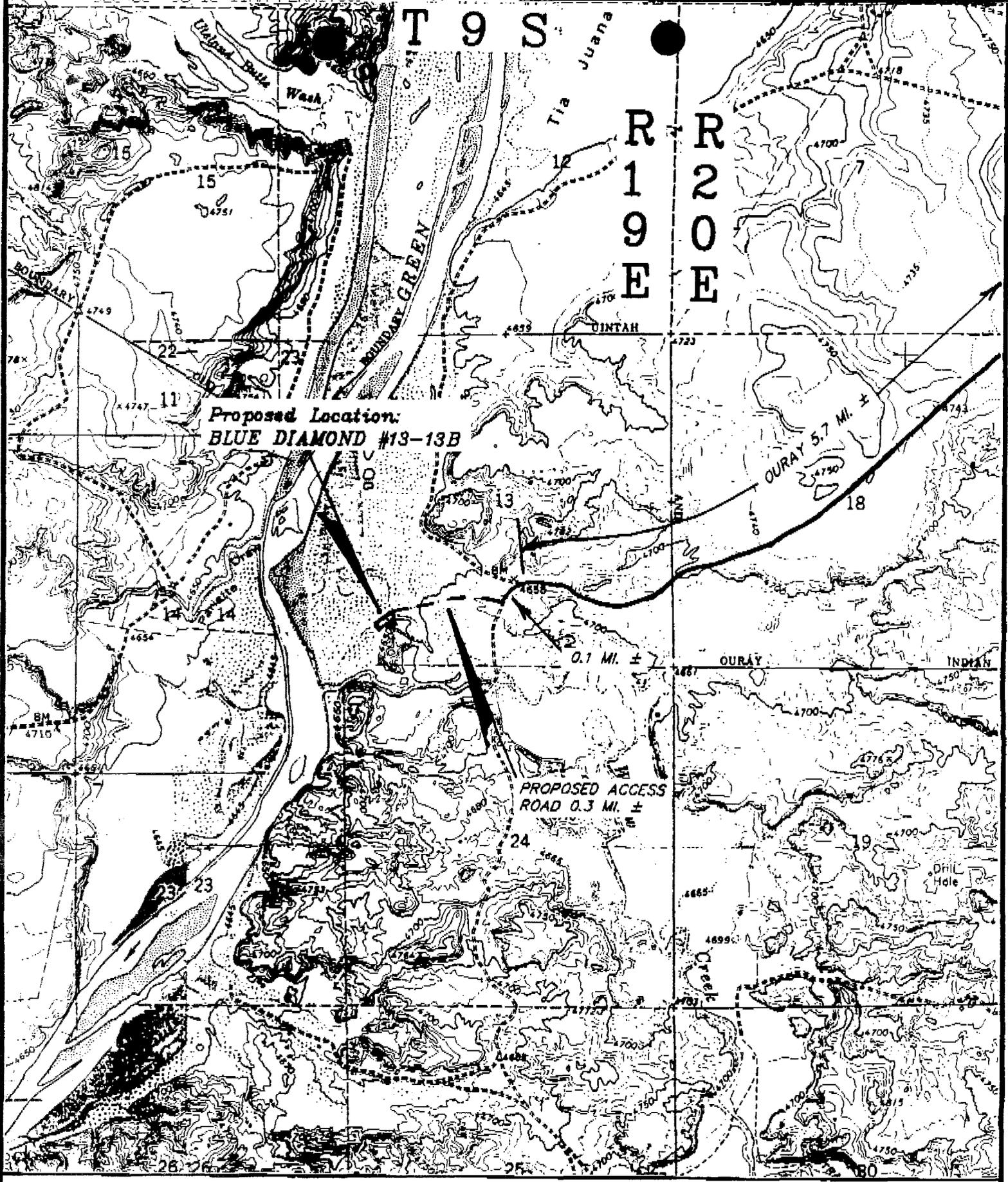
Robert J. Hen
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REGISTRATION NO. 5769
STATE OF UTAH

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WEATHER COLD	FILE PG&E RESOURCES	



TOPOGRAPHIC
 MAP "B"
 SCALE: 1" = 2000'
 DATE 12-2-93 R.E.H.



PG&E RESOURCES COMPANY
 BLUE DIAMOND #13-13B
 SECTION 13, T9S, R19E, S.L.B.&M.
 660' FSL 4620' FEL

SURFACE DAMAGE AGREEMENT AND RELEASE

KNOW ALL MEN BY THESE PRESENTS:

That Blue Diamond Oil Corporation is the owner of the following described lands:

Township 9 South, Range 19 East
Section 13: Lot 4
Uintah County, Utah

Which lands are presently under oil and gas lease to PG&E Resources Company, whereas, PG&E Resources Company proposes to clear a well site on said premises.

Now, therefore, in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, the undersigned does hereby release PG&E Resources Company, its assigns, successors, agents and contractors from any and all claims for all surface damages, including damages to all crops, trees and grass, which have arisen or may arise in connection with PG&E Resources Company's preparing access, building location, drilling, completing and operating the Blue Diamond 13-13B well on said premises. Said surface damages and release shall be limited to a three acre parcel of land and must be located near the East boundary of the above described land.

The undersigned hereby accepts the above consideration as full compensation for all such surface damages caused by any and all operations performed by PG&E Resources Company in connection with the drilling, completing and operating of said well on the three acre parcel. PG&E Resources Company agrees that upon completion or permanent cessation of its operations on said premises, it will return the wellsite to as near its original natural state as is reasonably practicable.

This agreement and release shall include and cover the existence of permanent surface facilities on the wellsite

This agreement shall be binding upon the heirs, successors and assigns of the undersigned.

SIGNED AND EXECUTED this 10th day of February, 1994.

BLUE DIAMOND OIL CORPORATION

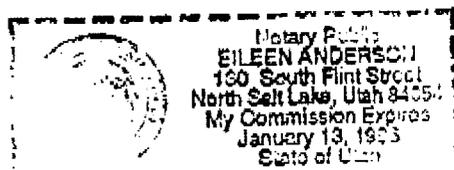
[Handwritten Signature]
By Gary F. Sprouse, President

STATE OF UTAH }
 }
COUNTY OF UINTAH }

On this 10th day of February 1994, before me, a Notary Public, personally appeared Gary F. Sprouse, President of BLUE DIAMOND OIL CORPORATION, known to me to be the person whose name is subscribed to the foregoing instrument and who acknowledged to me that he executed the same on behalf of said corporation.

IN WITNESS WHEREOF, I have hereunto set my official signature and affixed my notarial seal the day and year first above written.

[Handwritten Signature]
Notary Public



PG&E Resources Company
6688 N. Central Expressway, Suite 1000
Dallas, Texas 75206-3922
(214) 750-3800

FAX COVER SHEET

PG&E Resources Fax Numbers

___	Acquisition/Development (4th Flr)	(214) 750-3954
___	Business Development/Legal (10th Flr)	(214) 750-3166
___	Data Processing (2nd Flr)	(214) 750-3159
___	Drilling (5th Flr)	(214) 750-3845
___	Executive (10th Flr.)	(214) 750-3803
___	Exploration-Offshore (5th Flr)	(214) 750-3163
___	Exploration-Onshore (6th Flr)	(214) 750-3993
___	Financial Acctg/Tax Dept (10th Flr)	(214) 750-3188
___	General Accounting (2nd Flr)	(214) 750-3998
___	Human Resources (10th Flr.)	(214) 750-3165
___	Land/Land Admin (4th Flr)	(214) 750-3977
___	Main Fax (2nd Flr)	(214) 750-3883
___	Marketing (10th Flr)	(214) 750-3994
___	Operations-Offshore/Materials (5th Flr)	(214) 750-3189
___	Operations-Onshore (6th Flr)	(214) 750-3164
___	Production/Revenue Acctg (2nd Flr)	(214) 750-3162
___	Treasury (10th Flr)	(214) 750-3160

This transmittal was sent from the Fax # checked above

TO: Frank Matthews @ DOGM @ FAX # 801/359-3940
 TC: _____ @ _____ @ FAX # _____
 TO: _____ @ _____ @ FAX # _____

Jim Stevens Date: 2/11/94

Information contained in or attached to this facsimile transmission is intended only for the confidential use of the individual(s) named above. If you are not the named recipient or an agent responsible for delivering it to the named recipient, you are hereby notified that you have received this document in error and that review, dissemination or copying of this information is prohibited. If you have received this transmission in error, please notify us immediately by telephone and return the original documents to us by mail.

TOTAL NO. OF PAGES: 1 (does not include cover page)

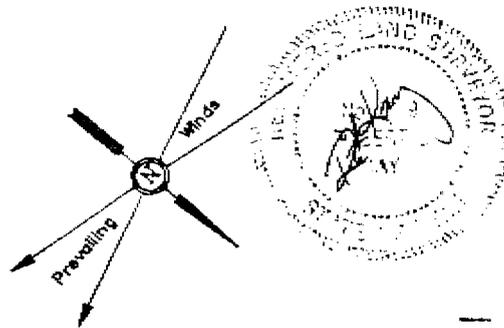
MESSAGE

IF YOU DO NOT RECEIVE ALL OF THIS TRANSMITTAL, PLEASE NOTIFY
 @ (214) 750- 3958

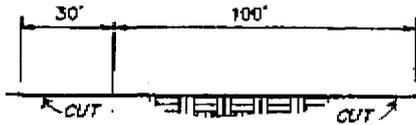
PG&E RESOURCES COMPANY

LOCATION LAYOUT FOR

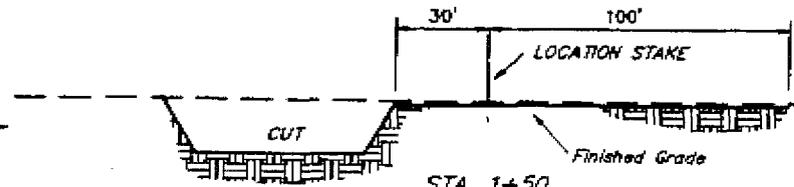
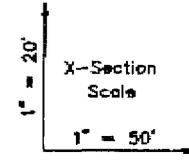
BLUE DIAMOND #13-13B
SECTION 13, T9S, R19E, S.L.B &M.
660' FSL 4620' FEL



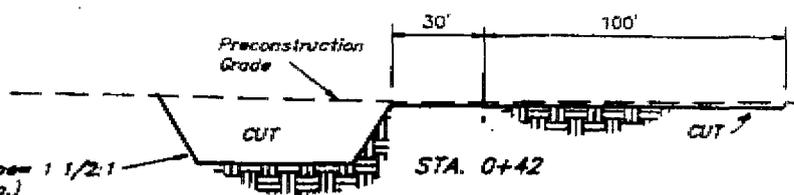
SCALE: 1" = 50'
DATE: 12-2-93
Drawn By: R.E.H.



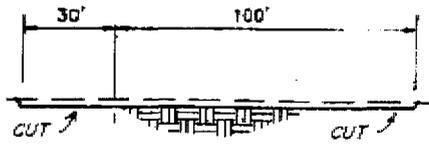
STA. 3+00



STA. 1+50



STA. 0+42

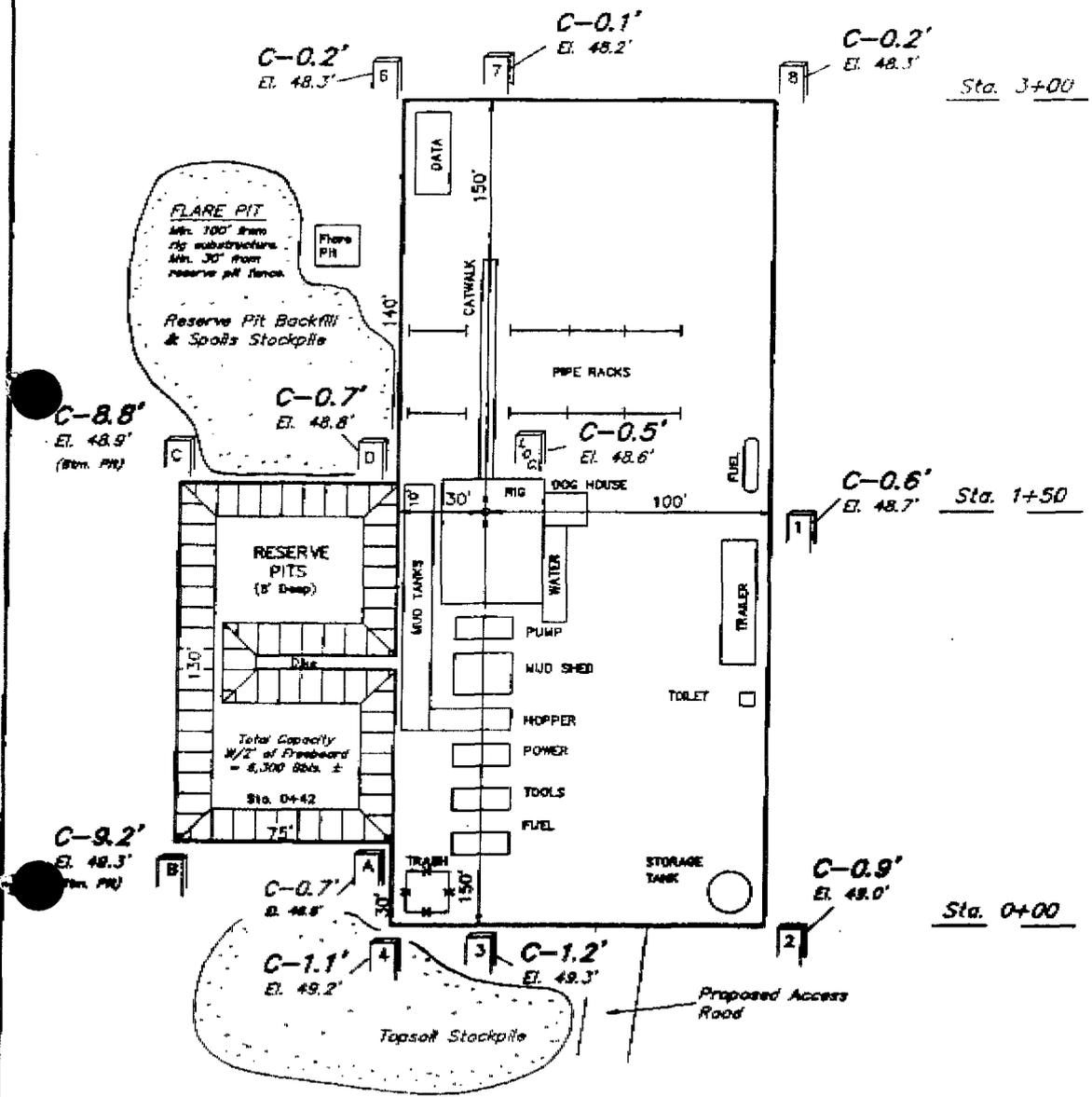


NOTE:
Topsoil should not be Stripped Below Finished Grade on Substructure Area.

TYP. CROSS SECTIONS
TYP. LOCATION LAYOUT

Elev. Ungraded Ground at Location Stake = 4648.6'
Elev. Graded Ground at Location Stake = 4648.1'

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



APPROXIMATE YARDAGES

CUT		EXCESS MATERIAL AFTER	
(6") Topsoil Stripping	= 900 Cu. Yds.	5% COMPACTION	= 3,020 Cu. Yds
Remaining Location	= 2,230 Cu. Yds.	Topsoil & Pit Backfill	= 1,880 Cu. Yds.
		(1/2 Pit Vol.)	
TOTAL CUT	= 3,130 CU.YDS.	EXCESS UNBALANCE	= 1,140 Cu. Yds.
FILL	= 100 CU.YDS.	(After Rehabilitation)	

CONFIDENTIAL - TIGHT HOLE

BLUE DIAMOND #13-13B
660' FSL and 4620' FEL
Lot 4, Sec. 13, T9S - R19E
Uintah County, Utah

Prepared For:

PG & E RESOURCES COMPANY

By:

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

CONFIDENTIAL - TIGHT HOLE

Copies Sent To:

- 3 - Division of Oil, Gas & Mining**
- 1 - PG & E Resources Co. - Vernal, Utah**
- 3 - PG & E Resources Co. - Dallas, TX**



Permitco Incorporated
A Petroleum Permitting Company

Application for Permit to Drill
P G & E Resources Company
Blue Diamond #13-13B
660' FSL and 4620' FEL
Lot 4, Sec. 13, T9S - R19E
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

Page 1

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An onsite inspection for the above mentioned location and access road was conducted on Monday, December 13, 1993 at 9:15 a.m. Weather conditions were cold and windy.

Present at the onsite inspection were the following individuals:

Byron Tolman	Natural Resource Specialist	BLM
Jean Sinclear	T & E Specialist	BLM
Dennis Ingram	Oil & Gas Field Specialist	State of Utah
David Hackford	Oil & Gas Field Specialist	State of Utah
Robert Kay	Surveyor	UELS
Lisa Smith	Permitting Consultant	Permitco Inc.

1. Formation Tops

The estimated tops of important geologic markers are as follows:

<u>Formation</u>	<u>Depth</u>
Uinta	Surface
Green River	1056'
Douglas Creek Marker	4137'
E(2) Marker	4702'
F Marker	4870'
Basal Ls.	5209'
Wasatch	5342'
T.D.	5375'

2. Casing Program

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>
Surface	0-400'	12-1/4"	9-5/8"	36#	K-55
Produc.	0-5375'	7-7/8"	5-1/2"	17#	N-80

Casing design subject to revision based on geologic conditions encountered.

3. Cement Program

The cement program will be as follows:

Surface
0-400'

Type and Amount

Cement to surface with 170 sx Class "A"
Cement.

Production

Type and Amount

Approx. 500 cubic feet of 50/50 Poz Mix,
14.1 ppg, 1.26 yield or sufficient to cover
zones of interest (from T.D. to approx.
2425'.)

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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>FL</u>	<u>PH</u>
0-5375'	LSND	8.3-10.1	26-40	4-10	9-10



5. Testing, Logging and Coring

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

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- a. Drilling is planned to commence immediately upon approval of this application.
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- a. All existing roads are located on Tribal or BLM lands. The first 1500 feet of new construction will be located on BLM lands. The remaining 500' of access road and wellpad will be located on private surface owned by the Blue Diamond Oil Corp. A Right of Way Application will be filed with the BLM for use of the access road.
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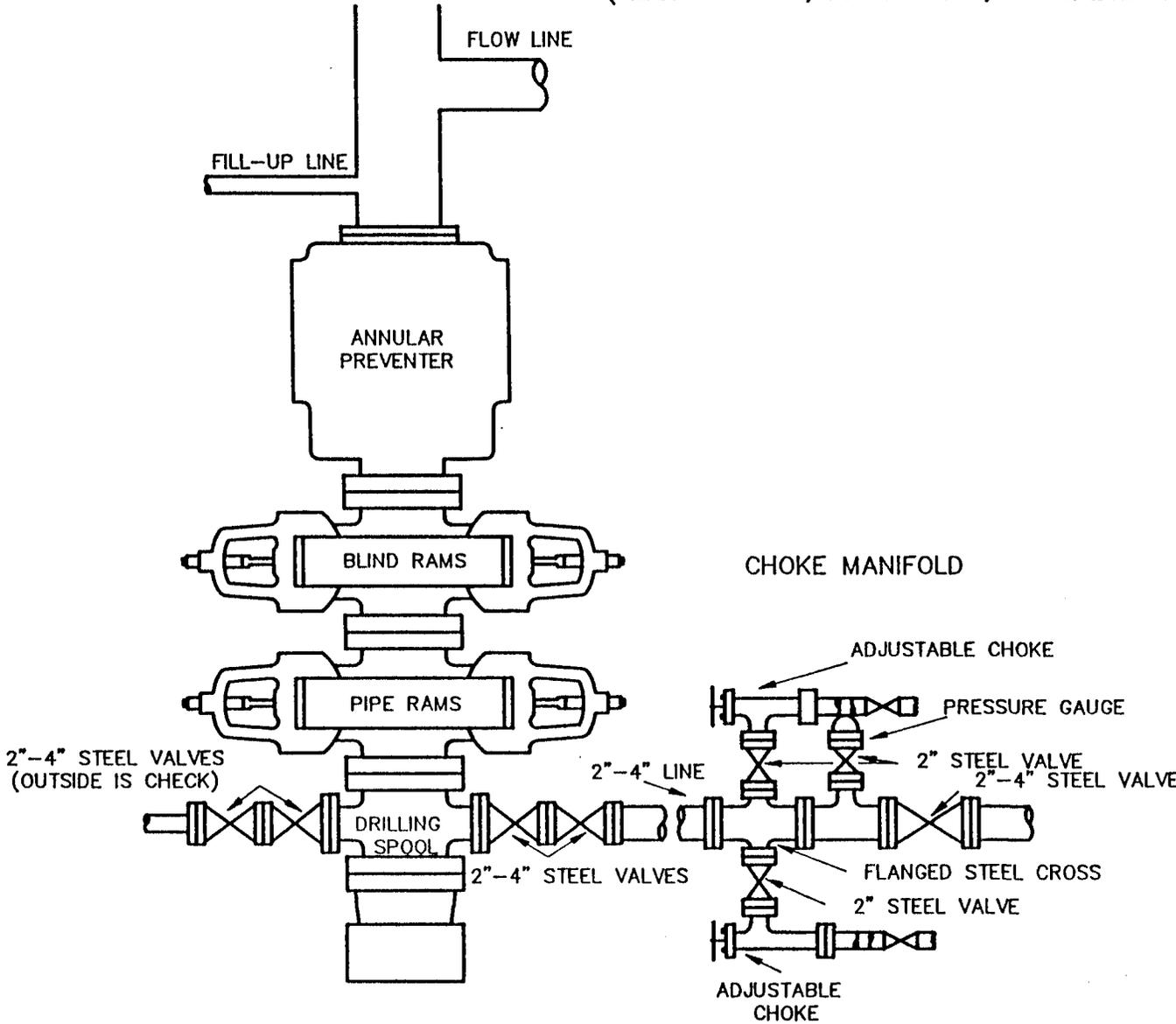
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THREE PREVENTER HOOKUP
CLASS III
(MEETS 43 CFR, PARTS 3160, 3M SPECIFICATIONS)



CONFIDENTIAL - TIGHT HOLE

BLUE DIAMOND #13-13B
660' FSL and 4620' FEL
Lot 4, Sec. 13, T9S - R19E
Uintah County, Utah

Prepared For:

PG & E RESOURCES COMPANY

By:

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Denver, Colorado 80241
303/452-8888

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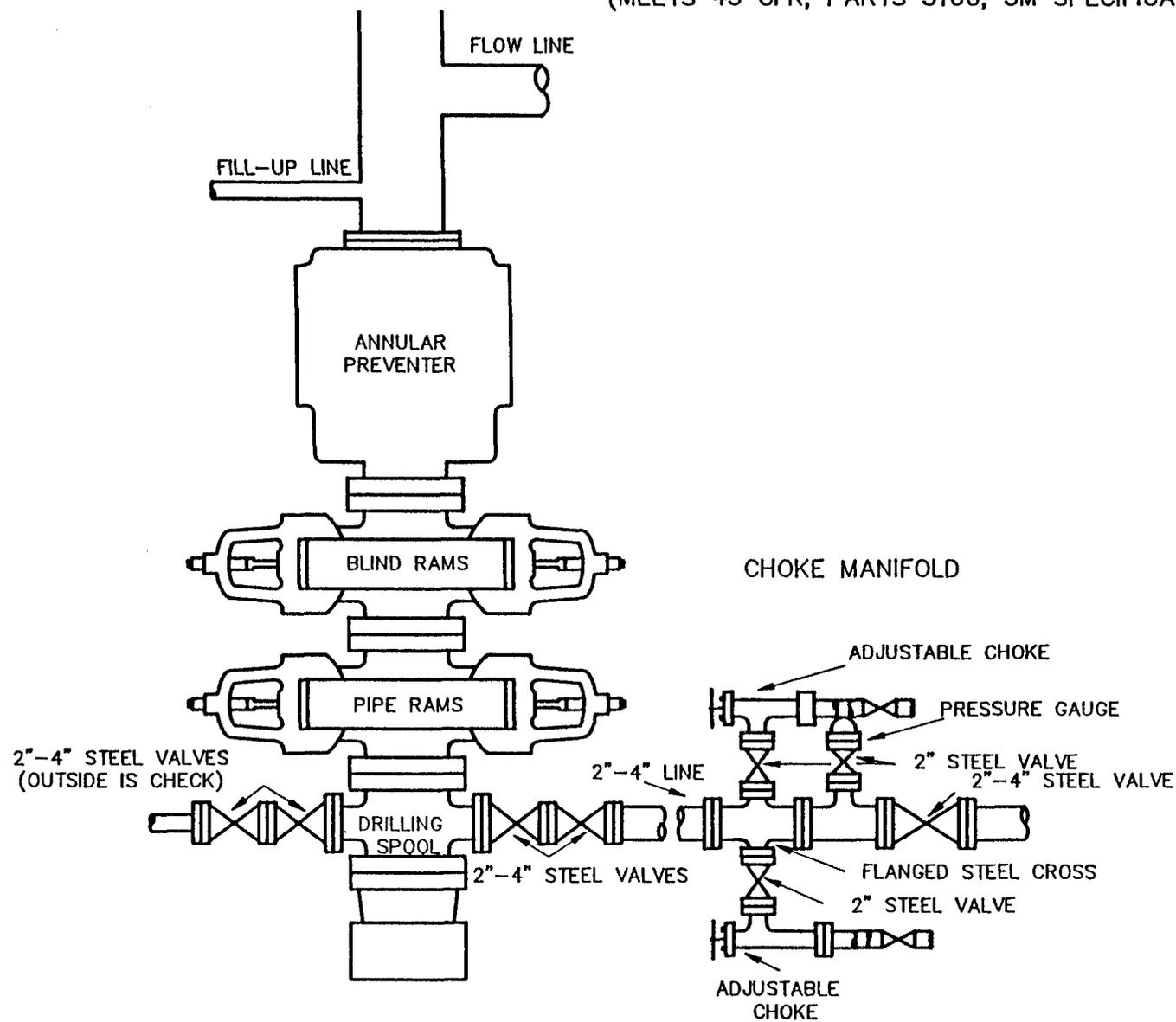
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THREE PREVENTER HOOKUP
CLASS III
(MEETS 43 CFR, PARTS 3160, 3M SPECIFICATIONS)



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 01/03/94

API NO. ASSIGNED: 43-047-32457

WELL NAME: BLUE DIAMOND 13-13B
OPERATOR: PG & E RESOURCES COMPANY (N0595)

PROPOSED LOCATION:
SWSW 13 - T09S - R19E
SURFACE: 0660-FSL-4620-FEL
BOTTOM: 0660-FSL-4620-FEL
UINTAH COUNTY
~~NATURAL BUTTES FIELD (630)~~
~~UNDESIGNATED~~ 002
LEASE TYPE: FEE
LEASE NUMBER:

INSPECT LOCATION BY: 12/13/93		
TECH REVIEW	Initials	Date
Engineering	JAM	12/15/93
Geology	DJ.	12/16/93
Surface	12/13/93	DL

RECEIVED AND/OR REVIEWED:

Plat
 Bond: Federal[] State[] Fee[
(Number 41870145 480,000)
 Potash (Y/N)
 Oil shale (Y/N)
 Water permit
(Number BY SUNDAY)
 RDCC Review (Y/N)
(Date: NOT NECESSARY)

LOCATION AND SITING:

R649-2-3. Unit: _____
 R649-3-2. General.
 R649-3-3. Exception.
 Drilling Unit.
Board Cause no: _____
Date: _____

COMMENTS: _____

CONFIDENTIAL
PERIOD
EXPIRED
ON 12-14-95

STIPULATIONS: STIPULATIONS AS REQUIRED BY THE PRE-SITE
~~2. WATER PERMIT RESOURCE FIELD PAID FOR BY SUNDAY~~
 PRIOR TO COMPLETION AS A PRODUCING LOCATION
WELL SITE STABILITY AND PLACEMENT OF PRODUCTION
FACILITIES WILL BE REVIEWED AND APPROVED
BY THE DIVISION OF OIL GAS AND MINING.

cc: Uintah County
BLM, Vernal

DRILLING LOCATION ASSESSMENT

State of Utah
Division of Oil, Gas and Mining

OPERATOR: PG&E RESOURCES WELL NAME: BLUE DIAMOND #13-13B
SECTION: 13 TWP: 09s RNG: 19E LOC: 660 FSL 4620 FFL
QTR/QTR C-SW COUNTY: UINTAH FIELD: NATURAL BUTTES
SURFACE OWNER: SHORTY HATCH & GARY SPROUSE (NOT RECEIVED YET)
SPACING: F SECTION LINE F QTR/QTR LINE F ANOTHER WELL
INSPECTOR: DENNIS INGRAM DATE AND TIME: 9:30 AM 12/13/93
PARTICIPANTS LISA SMITH, BYRON TOLEMAN, DAVID HACKFORD, DENNIS
INGRAM

REGIONAL SETTING/TOPOGRAPHY

SITE IS LOCATED IN FLOOD PLAIN WITH THE GREEN RIVER LOCATED 1200
FEET TO THE WEST. THE WILLOW CREEK DRAINAGE BORDERS 700' TO THE
SOUTH AND DUMPS INTO THE GREEN RIVER 600' BELOW THAT POINT. PARIETTE
WETLANDS IS STRAIGHT WEST AND ACROSS GREEN RIVER FROM SITE.

LAND USE:

CURRENT SURFACE USE: LIVESTOCK PASTURAGE, WILDLIFE HABITAT.

PROPOSED SURFACE DISTURBANCE: LOCATION IS APPROXIMATELY 205' BY
300'. ROAD ENTERS FROM EAST SIDE OF LOCATION.

AFFECTED FLOODPLAINS AND/OR WETLANDS: SITE IS LOCATED ON FLOOD
PLAIN ADJACENT TO GREEN RIVER AND WILLOW CREEK.

FLORA/FAUNA: WILLOWS, TAMARISK, SAGEBRUSH, NATURAL GRASSES.
FAUNA INCLUDES RESIDENT DEER, COYOTES, FERAL HORSES, RABBITS,
RAPTORS, FOX, GEESE, DUCKS, POSSIBLE BLACK BEAR.

ENVIRONMENTAL PARAMETERS

SURFACE GEOLOGY

SOIL TYPE AND CHARACTERISTICS: LIGHT TAN CLAY AT SURFACE WITH
UNDERLYING SILT.

SURFACE FORMATION & CHARACTERISTICS:

EROSION/SEDIMENTATION/STABILITY: EROSION COULD BE A PROBLEM
DURING SPRING RAINS OR RUNOFF.

PALEONTOLOGICAL POTENTIAL: POTENTIAL PLANT OR ANIMAL FOSSILS,
NONE OBSERVED.

SUBSURFACE GEOLOGY

OBJECTIVES/DEPTHS: OIL WELL.

ABNORMAL PRESSURES-HIGH AND LOW:

CULTURAL RESOURCES/ARCHAEOLOGY: NONE OBSERVED ON PRE-SITE.

CONSTRUCTION MATERIALS: LOCATION CONSTRUCTION WILL UTILIZE MATERIAL AT SITE USING CUT AND FILL AS AVAILABLE.

SITE RECLAMATION: AS AGREED TO BY LANDOWNER AND OPERATOR.

RESERVE PIT

CHARACTERISTICS: 75' by 130' CUT INTO CLAY AND UNDERLYING SILT. PIT LOCATED EAST OF WELLHEAD.

LINING: A 12 MIL PLASTIC LINER REQUIRED WITH PADDED OR SMOOTHED SURFACE TO PROTECT LINER FROM PUNCTURES.

MUD PROGRAM: AS SPECIFIED OR NECESSARY IN APD.

DRILLING WATER SUPPLY: WATER FOR DRILLING OBTAINED FROM RIVER. OPERATOR WILL SEND PERMIT NUMBER.

OTHER OBSERVATIONS

SITE IS LOCATED WITHIN FLOOD PLAIN REQUIRING APPROVAL OF ARMY CORP OF ENGINEERS. GRADED GROUND ELEVATION WILL BE 4648.1' WHICH IS 4 MILES DOWN RIVER FROM CONOCO'S SNOW KNIGHT 4-23. the KNIGHT 4-23 HAS BEEN SHUT IN DURING THE SPRING BECAUSE OF FLOODING

ELEVATION OF KNIGHT 4-23 IS 4649"

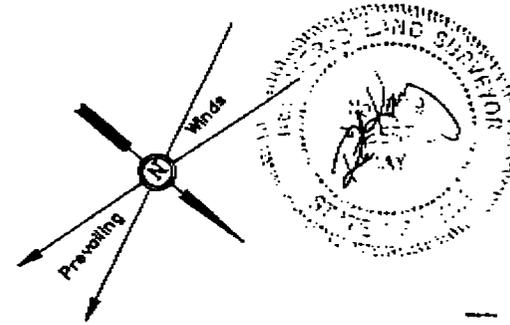
STIPULATIONS FOR APD APPROVAL

1. PIT PLACED ON SOUTHEAST SIDE OF LOCATION. 2. RUNOFF WATER SHOULD BE DIVERTED FROM ABOVE LOCATION (OR EAST & SOUTHEAST SIDES). 3. WELL SHOULD BE DRILLED IN MONTHS OTHER THAN LATE SPRING AND EARLY SUMMER WHEN GREEN RIVER FLOODS. 4. ~~WHEN PRODUCED ENTIRE LOCATION SHOULD BE BERMED AND/OR ELEVATED TO PROTECT GREEN RIVER.~~ 5. A CLOSED SYSTEM (NO PITS) NEEDED HERE. OR TRANSPORT ALL DRILLING FLUIDS OFF SITE AND CLOSE DRILL PIT WITHIN 10 DAYS OF REACHING PHOTOS AND MAPS ACCOMPANY REPORT. TD.

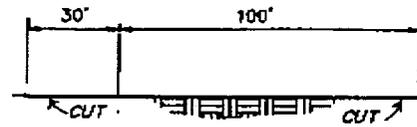
PG&E RESOURCES COMPANY

LOCATION LAYOUT FOR

BLUE DIAMOND #13-13B
SECTION 13, T9S, R19E, S.L.B.&M.
660' FSL 4620' FEL

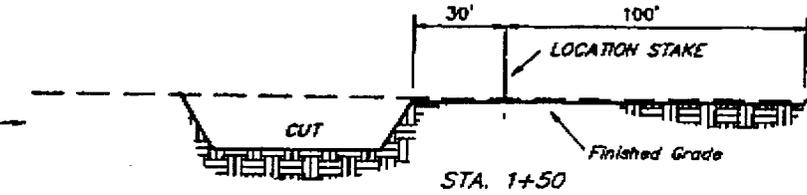


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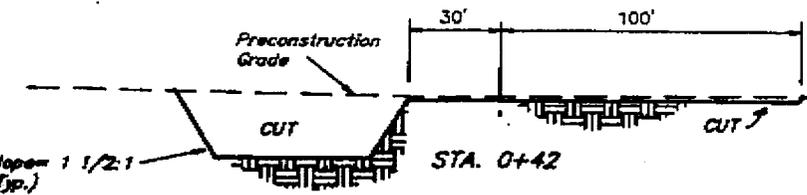
STA. 3+00

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

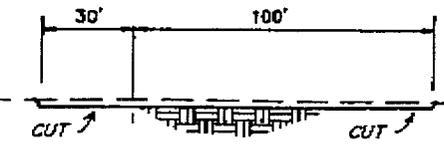


STA. 1+50

TYPICAL CROSS SECTIONS
TYPICAL LOCATION LAYOUT



STA. 0+42

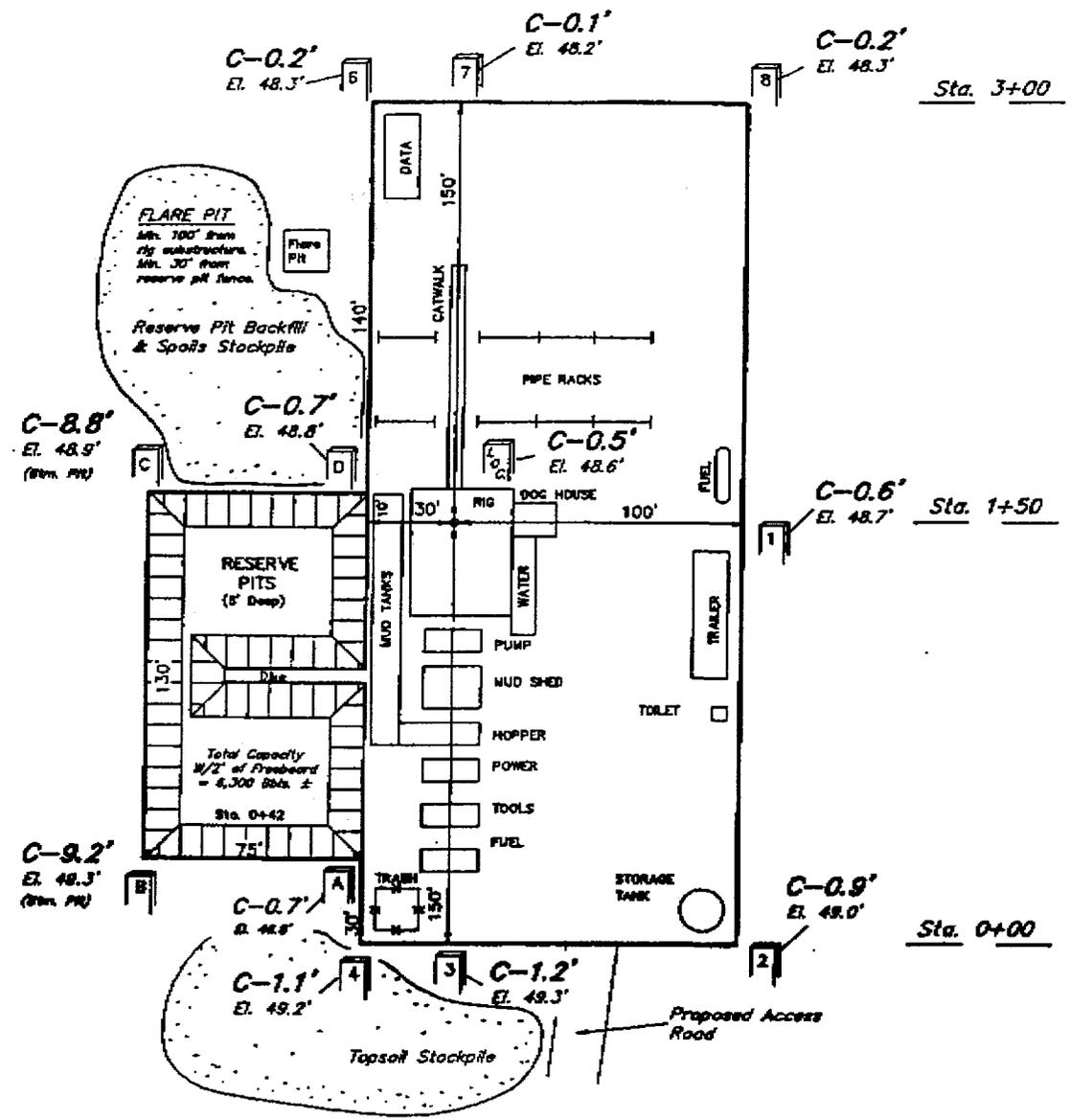


STA. 0+00

NOTE:
Topsoil should not be Stripped Below Finished Grade on Substructure Area.

Elev. Ungraded Ground at Location Stake = 4648.6'
Elev. Graded Ground at Location Stake = 4648.1'

UINTAH ENGINEERING & LAND SURVEYING
65 So. 200 East Ternal, Utah



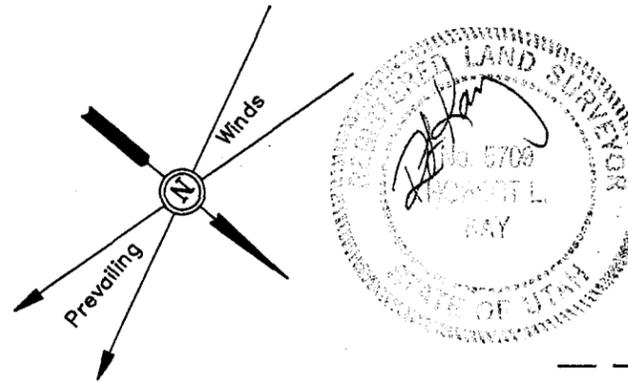
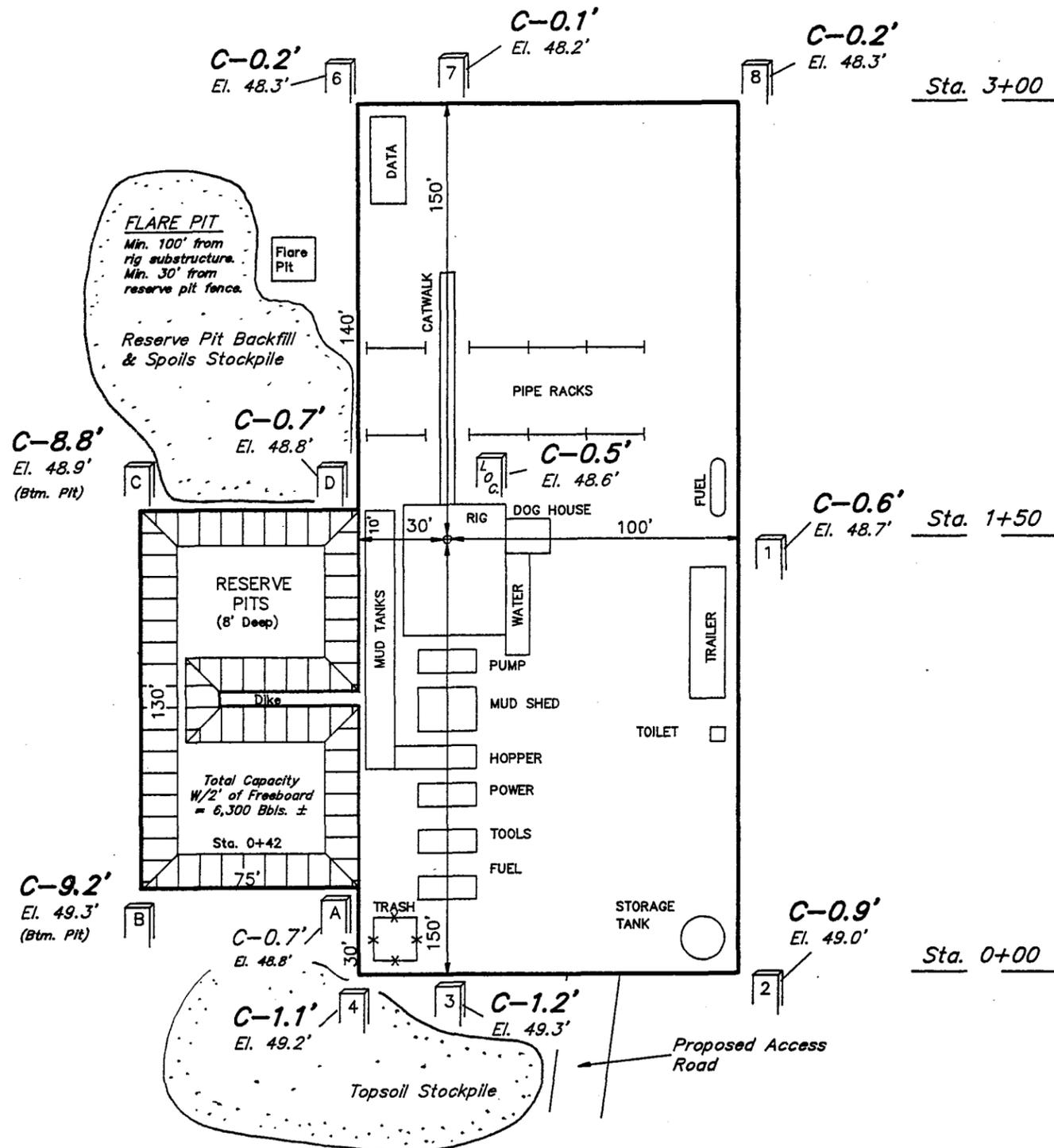
APPROXIMATE YARDAGES

CUT		EXCESS MATERIAL AFTER	
(6") Topsoil Stripping	= 800 Cu. Yds.	5% COMPACTION	= 3,020 Cu. Yds.
Remaining Location	= 2,230 Cu. Yds.	Topsoil & Pit Backfill	= 1,880 Cu. Yds.
		(1/2 Pit Vol.)	
TOTAL CUT	= 3,130 CU.YDS.	EXCESS UNBALANCE	= 1,140 Cu. Yds.
FILL	= 100 CU.YDS.	(After Rehabilitation)	

PG&E RESOURCES COMPANY

LOCATION LAYOUT FOR

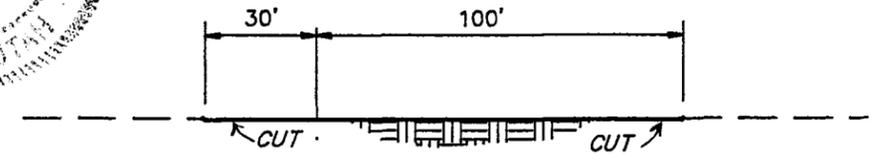
BLUE DIAMOND #13-13B
SECTION 13, T9S, R19E, S.L.B.&M.
660' FSL 4620' FEL



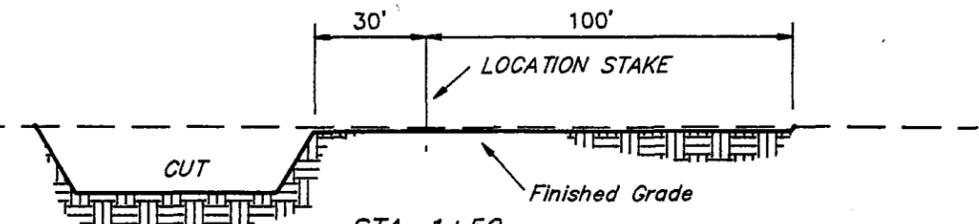
SCALE: 1" = 50'
DATE: 12-2-93
Drawn By: R.E.H.

X-Section Scale
1" = 50'

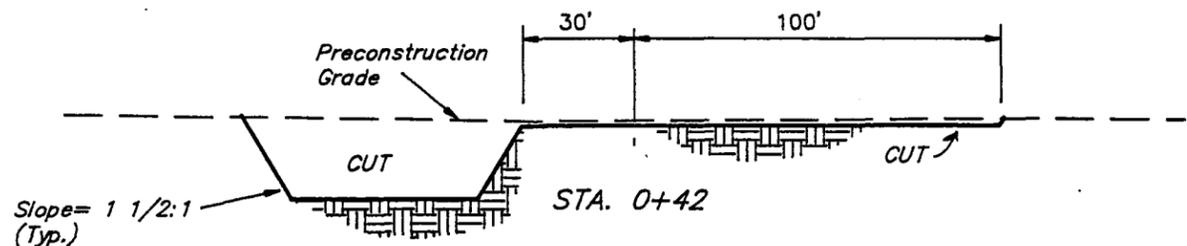
TYP. LOCATION LAYOUT TYP. CROSS SECTIONS



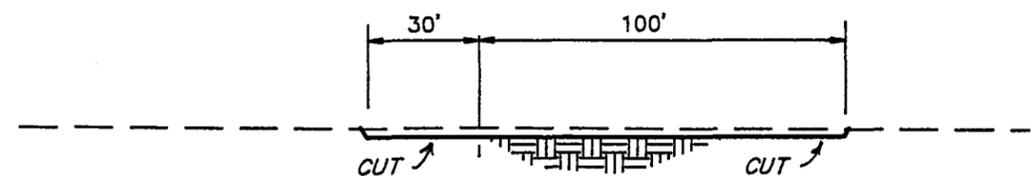
STA. 3+00



STA. 1+50



STA. 0+42



STA. 0+00

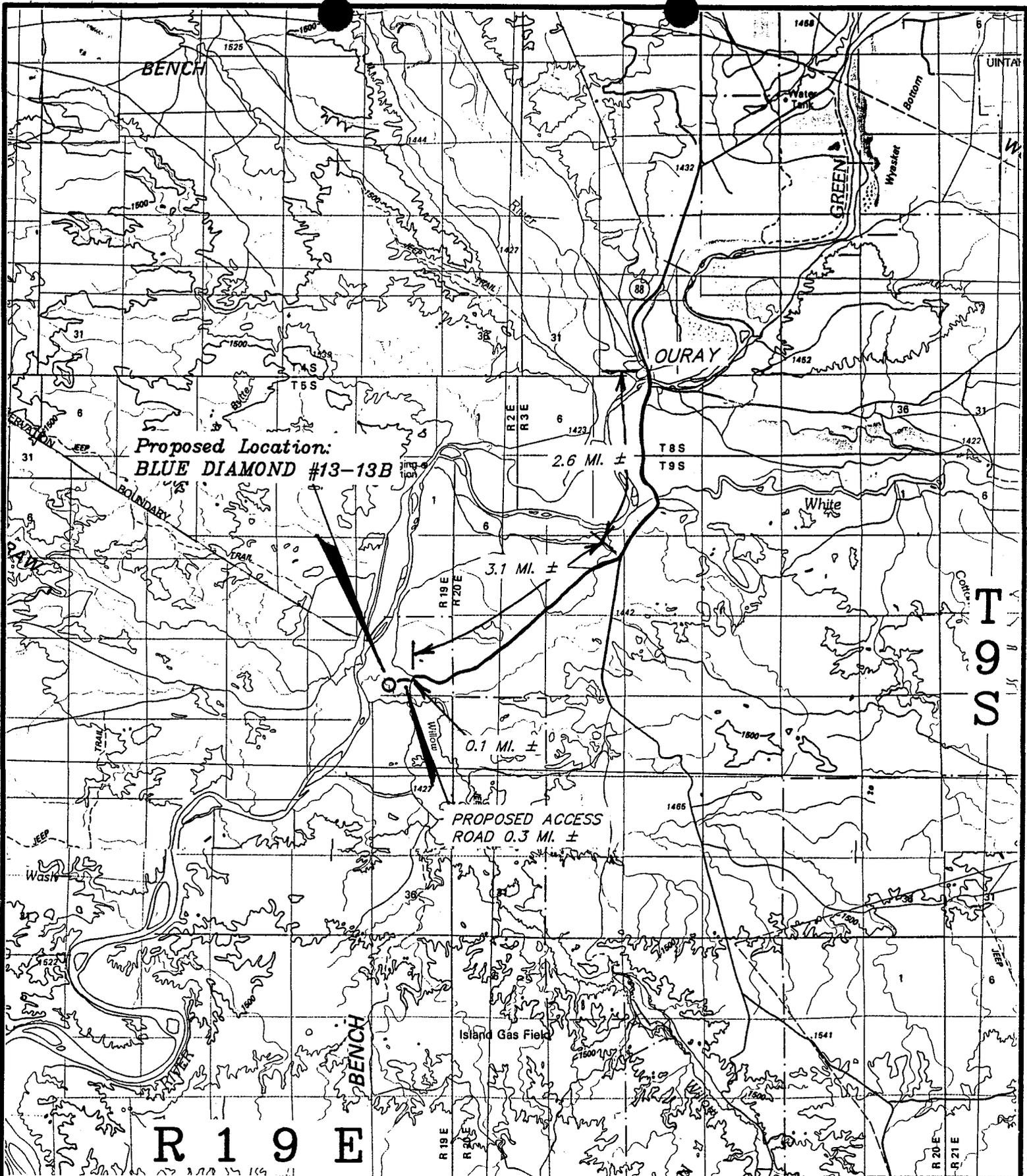
NOTE:
Topsoil should not be Stripped Below Finished Grade on Substructure Area.

APPROXIMATE YARDAGES

CUT		EXCESS MATERIAL AFTER	
(6") Topsoil Stripping	= 900 Cu. Yds.	5% COMPACTION	= 3,020 Cu. Yds.
Remaining Location	= 2,230 Cu. Yds.	Topsoil & Pit Backfill	= 1,880 Cu. Yds.
		(1/2 Pit Vol.)	
TOTAL CUT	= 3,130 CU.YDS.	EXCESS UNBALANCE	= 1,140 Cu. Yds.
FILL	= 100 CU.YDS.	(After Rehabilitation)	

Elev. Ungraded Ground at Location Stake = 4648.6'

Elev. Graded Ground at Location Stake = 4648.1'



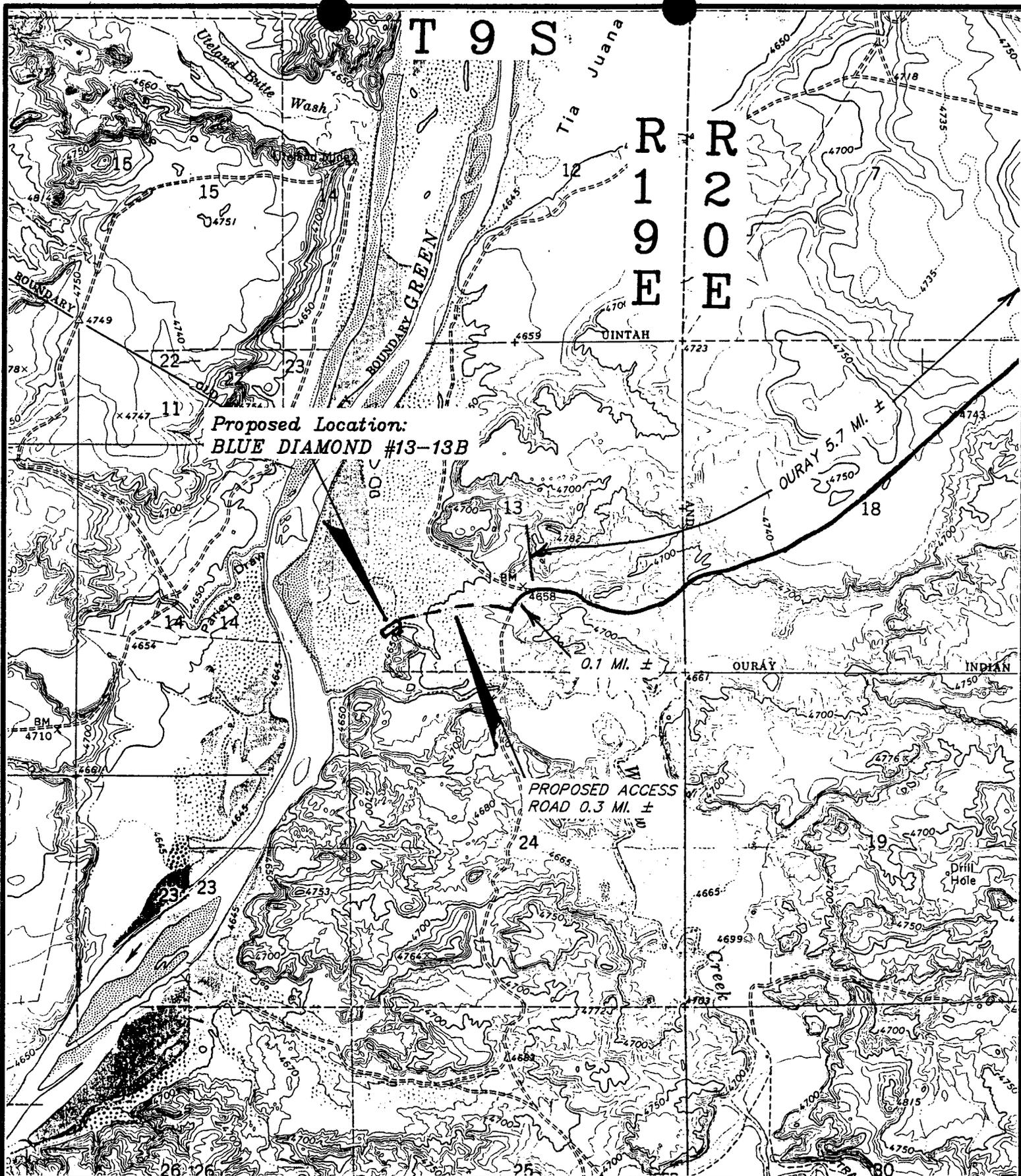
TOPOGRAPHIC
MAP "A"

DATE 12-2-93 R.E.H.



PG&E RESOURCES COMPANY

BLUE DIAMOND #13-13B
SECTION 13, T9S, R19E, S.L.B.&M.
660' FSL 4620' FEL



TOPOGRAPHIC
MAP "B"

SCALE: 1" = 2000'
DATE 12-2-93 R.E.H.



PG&E RESOURCES COMPANY

BLUE DIAMOND #13-13B
SECTION 13, T9S, R19E, S.L.B.&M.
660' FSL 4620' FEL

P.G.& E. RESOURCES COMPANY

**BLUE DIAMOND #13-13B
SECTION 13, T9S, R19E, S.L.B. &M.**

PROCEED SOUTHERLY FROM OURAY, UTAH ON THE SEEP RIDGE ROAD APPROXIMATELY 2.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING OILFIELD SERVICE ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION 3.1 MILES ± TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION 0.1 MILES ± TO THE BEGINNING OF THE PROPOSED ACCESS ROAD. FOLLOW ROAD FLAGS IN A WESTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE PROPOSED LOCATION.

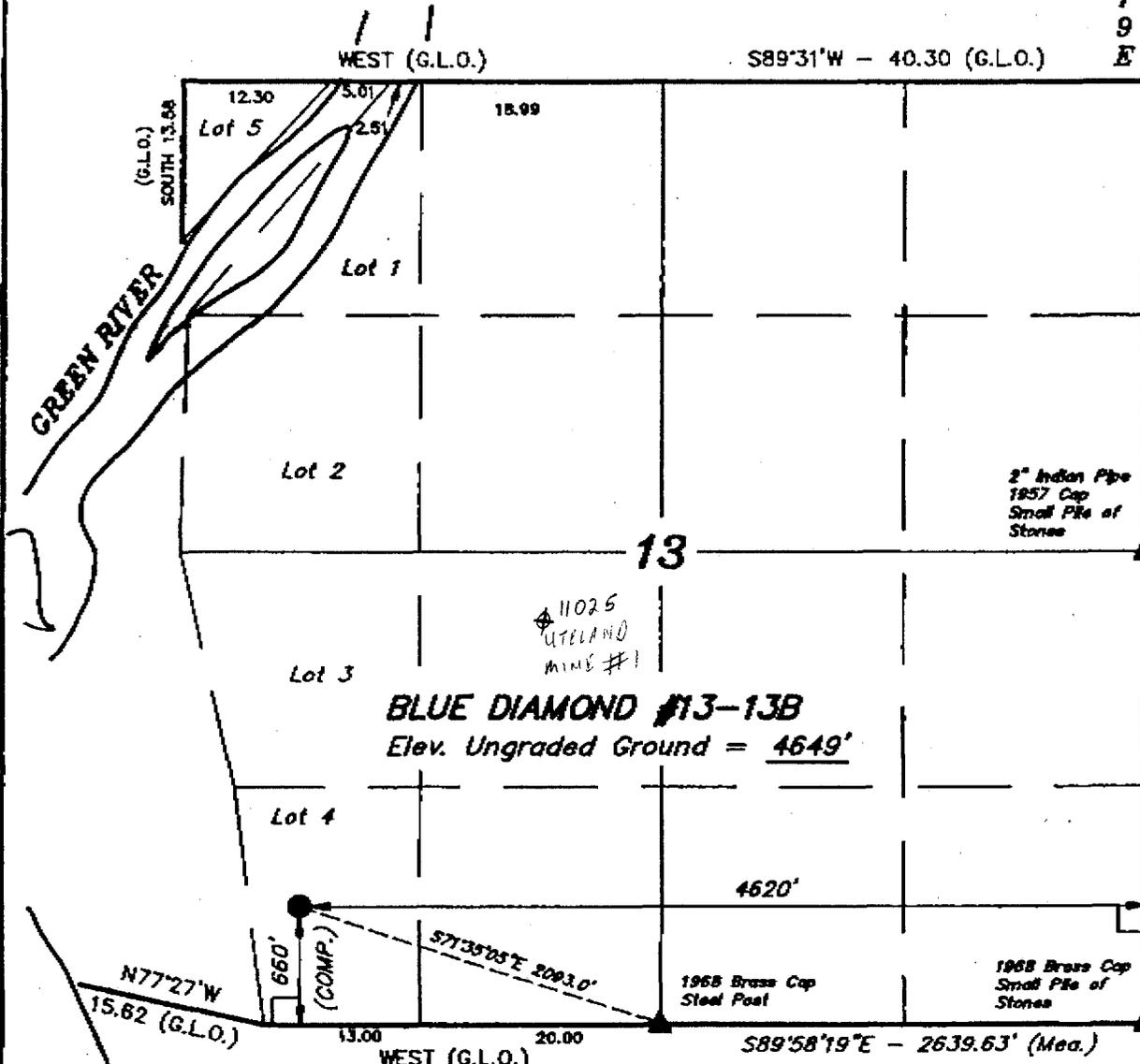
T9S, R19E, S.L.B.&M.

PG&E RESOURCES COMPANY

Well location, BLUE DIAMOND #13-13B, located as shown in Lot 4 of Section 13, T9S, R19E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BANCH MARK 1964 (9EAM) LOCATED IN THE SE 1/4 OF SECTION 13, T9S, R19E, S.L.B.&M. TAKEN FROM THE OURAY 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 4658 FEET.

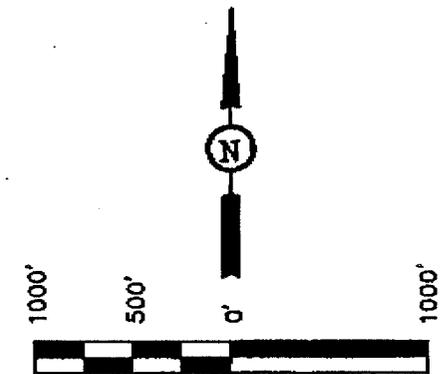


R
1
9
E

R
2
0
E

N0°29'W - 40.28 (G.L.O.)

N0°27'W - G.L.O. (Basis of Bearings)
2632.86' (Measured)



SCALE
CERTIFICATE
THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.
Robert J. Hen
REGISTERED LAND SURVEYOR
REGISTRATION NO. 5709
STATE OF UTAH

- 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: 12-1-93	DATE DRAWN: 12-2-93
PARTY D.A. D.G. R.E.H.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE PG&E RESOURCES	



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)

February 4, 1994

PG & E Resources Company
6688 N. Central Expressway, Suite 1000
Dallas, Texas 75206

Re: Blue Diamond #13-13B Well, 660' FSL, 4620' FEL, SW SW, Sec. 13, T. 9 S., R. 19 E., Uintah County, Utah

Gentlemen:

Pursuant to Utah Admin. R. 649-3-3, Exception to Location and Siting of Wells and Utah Admin. 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. PG & E Resources Company ("PG & E"), as designated operator, is the bonded principal in reference to this Application for Permit to Drill. Should this designation change or a transfer of ownership occur, liability will remain with PG & E until the Division is notified by letter of a new bonded principal.
2. Pursuant to Utah Admin. R.649-3-34, Well Site Restoration, an operator shall make a reasonable effort to establish surface use agreements with the owners of the land included in the wellsite prior to the commencement of drilling a new well, reentering an abandoned well or assuming operatorship of an existing well on fee or private surface. Accordingly, PG & E should submit to the division a copy of its surface use agreement or in the alternative, an affidavit stating whether appropriate surface use agreements have been established with and approved by the surface landowner of the well site.
3. The reserve pit should be constructed on the southeast side of the location.
4. The reserve pit should be lined with a 10 mil plastic liner as indicated on the application.

Page 2
PG & E Resources Company
Blue Diamond #13-13B Well
February 4, 1994

5. Since the location is located within the flood plain of the Green River, drilling should occur at times other than late spring or early summer to avoid the possibility of excess runoff.
6. If the well is productive, surface mitigation measures and the installation of production facilities should be coordinated with and approved by the Division.
7. Compliance with the requirements of Utah Admin. R. 649-1 et seq., Oil and Gas Conservation General Rules.
8. Notification within 24 hours after commencing drilling operations.
9. 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.
10. Submittal of the Report of Water Encountered During Drilling, Form 7.
11. 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, Reclamation Specialist, (Home) (801)269-9212.
12. 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 43-047-32457.

Sincerely,



R.J. Firth
Associate Director, Oil and Gas

ldc
Enclosures
cc: Uintah County Assessor
Bureau of Land Management, Vernal
WOI1

February 11, 1993

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



Attention: Ms. Joy Wehking

RE: Blue Diamond 13-13B
Access Road Right-of-Way
Uintah County, Utah

Dear Ms. Wehking:

In reference to your conversation with Jim LaFevers this date, PG&E Resources Company supplies the following information concerning the referenced right-of-way:

1. No hazardous materials will be utilized in the construction of the access road as defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. 9601 (14), or any hazardous or solid waste, as defined in the Resource Conservation and Recovery Act of 1976, as amended, 42 U.S.C. 6903 (5), (27).
2. PG&E will consider possible mitigation, with the land owner's consent, to reduce visual impacts to the Green River Corridor which may result from the execution of the proposed action.

If you have any questions or need further information, please contact the undersigned at (214) 706-3640 or Jim LaFevers at 750-3988.

Sincerely,

Cindy R. Keister
Sr. Regulatory Analyst

CRK/ck

cc: J. LaFevers
Central File
Regulatory File



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

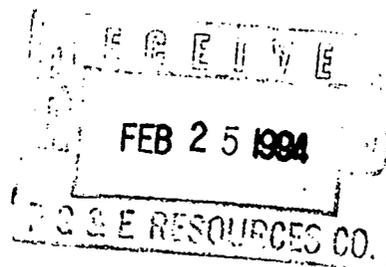
Vernal District Office
170 South 500 East
Vernal, Utah 84078-2799



IN REPLY REFER TO:

2800
UTU-71241
(U-082)

FEB 23 1994



Jim LaFevers
PG&E Resources Company
6688 North Expressway, #1000
Dallas, Texas 75206

Dear Mr. LaFevers:

This is in reference to PG&E's application for an access road to the Blue Diamond Well #13-13B which was filed with our office on January 4, 1994 and your recent conversation with Joy Wehking concerning the status of the application (UTU-71241).

The Bureau of Land Management, in analyzing the probable impacts associated with a proposed action, must also consider any impacts that may result from other actions which would not likely occur if the Federal approval was not granted. Therefore, in authorizing access to the #13-13B well, the BLM must take into consideration any impacts that may result from the placement of the #13-13B well despite the fact that it is located on privately owned lands and has been approved by the private landowner and the Division of Oil, Gas and Mining.

The Green River and its floodplain have been designated as proposed critical habitat for the Colorado squawfish and razorback sucker, both of which are listed as endangered species warranting protection under the provisions of the Endangered Species Act of 1973. The BLM is required to confer and/or consult with the U.S. Fish and Wildlife Service (USFWS) where actions may affect proposed critical habitat or listed species. The regulations pertaining to the implementation of the Endangered Species Act are found under 50 CFR Part 402.

Although an assessment has not yet been rendered by this office on this project, it is possible that the proposed location of the #13-13B well within the floodplain of the Green River may have some adverse impact on the listed species and/or the proposed critical habitat. Regardless of our findings, an initial informal consultation with the USFWS will be required as endangered species are involved. If formal Section 7 consultation is deemed necessary by the USFWS, the process could take up to 120 days.

We regret the delay in processing your application, however, we cannot overlook the requirements of the law. We will keep you updated on the status of your application as progress occurs. Should you have any questions concerning this matter, please feel free to call me at 801-789-1362.

Sincerely,



Paul Andrews
Area Manager
Book Cliffs Resource Area

PG&E Resources Company

6688 N. Central Expressway, Suite 1000
Dallas, Texas 75206-3922
Telephone 214750-3800
FAX 214750-3883

March 23, 1994

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

Attn: Mr. Paul Andrews, Manager
Book Cliffs Resource Area

Re: Blue Diamond 13-13B
ROW No. UTU-71241

Dear Mr. Andrews:

As discussed with you during our telephone conversation on March 23, 1994, PG&E Resources Company (PG&ER) respectfully requests the above referenced right-of-way be issued. This request is based upon the following contentions:

- PG&ER will consult with the Bureau of Land Management prior to setting production facilities and agrees to have this stipulated in the ROW grant.
- PG&ER has consulted with Henry Maddox, Fish and Wildlife, Salt Lake City, Utah on March 23, 1994. Mr. Maddox indicated the drilling of the well would not propose significant impacts to the T & E fish species.
- The State of Utah has stipulated that PG&ER must consult with their office prior to setting production facilities.
- Drilling the Blue Diamond 13-13B will provide critical data regarding the reservoir and field delineation.

Should the well be productive, I intend to schedule an on-site with the State and BLM representatives to address any concerns regarding the production facilities. This will most likely occur in May.

Your earliest approval in granting this request will be greatly appreciated and should you care to discuss this matter please contact me at (214) 750-3988.

Thank you.

Sincerely,



Jim LaFavers
Supervisor
Regulatory Affairs

JL:ah

cc: D. W. Moore
G. E. Taylor
S. C. Goodrich

April 6, 1994



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

Attn: Mr. Frank Matthews
Petroleum Engineer

Re: Blue Diamond 13-13B
Section 13, T-9S, R-19E
Uintah County, Utah

Dear Mr. Matthews:

Enclosed is a copy of a letter sent to the BLM regarding the production facilities for the above referenced well. As stated within, I will contact you soon to schedule an on-site to discuss the proposed facility designs.

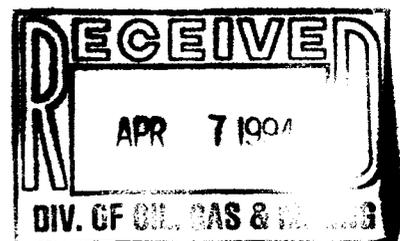
Should you have any questions, please feel free to call me at (214) 750-3988.

Sincerely,

Jim LaFevers
Supervisor
Regulatory Affairs

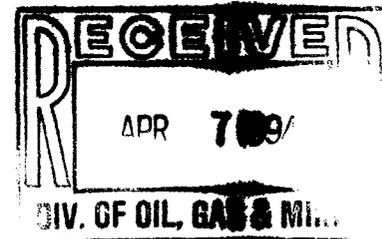
JL:ah

cc: D. W. Moore
Central
Regulatory
Reading



April 5, 1994

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



Attn: Mr. Paul Andrews, Manager
Book Cliffs Resource Area

Re: Blue Diamond 13-13B
ROW No. UTU-71241

Dear Mr. Andrews:

As requested by your office during our telephone conversation on March 29, 1994, please find enclosed proposed facilities diagrams for the above referenced right-of-way application.

Both the Bureau of Land Management and the State Division of Oil, Gas and Mining have expressed concerns regarding the Blue Diamond 13-13B well pad being located in a floodplain of the Green River. In particular, the potential of a hydrocarbon release should the production pad be flooded. Thus, PG&ER proposes two viable facility scenarios which will eliminate any possibility should this event occur.

- **Production Facilities (on-lease)**
Should the production facilities be constructed on lease within the floodplain, PG&ER will raise the well pad approximately three feet (3'). This would bring the graded ground elevation to 4652'. The facilities would be set as shown and both the tanks and well pad would be bermed an additional three feet (3'). In addition, the storage tanks would be anchored to the pad by using deadmen and welded braces. This design allows for six feet (6') of flood protection and prohibits the storage tanks from possible movement.
- **Production Facilities (off-lease)**
Another option is to locate the production facilities on higher ground out of the designated floodplain. If this is done, then PG&ER will set only a line heater and pumping unit on the location and flow bulk production via a three inch (3") insulated heat traced flowline to the facilities. The facilities would be constructed as shown at the location depicted by the survey plat. This will place the facilities approximately nine feet (9') higher than the current surveyed ground elevation.

It is imperative to resolve this issue expeditiously so the Blue Diamond 13-13B well can be drilled. As you know, it is unknown if the well will be productive at this time, but it is the geological and reservoir data that will be obtained which will provide critical information on field delineation. Discussions between PG&ER, CNG and the State BLM office regarding possible unitization plans have been ongoing, however, they can not be finalized until the boundaries of the field are identified.

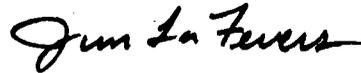
BUREAU OF LAND MANAGEMENT
MR. PAUL ANDREWS
PAGE 2

I will be contacting you soon so I can schedule and coordinate an on-site with representatives from your office, State Division of Oil, Gas & Mining and PG&ER to evaluate which facility proposal addresses everyone's needs and concerns.

Should you care to discuss this matter please contact me at (214) 750-3988.

Thank you.

Sincerely,



Jim LaFevers
Supervisor
Regulatory Affairs

JL:ah

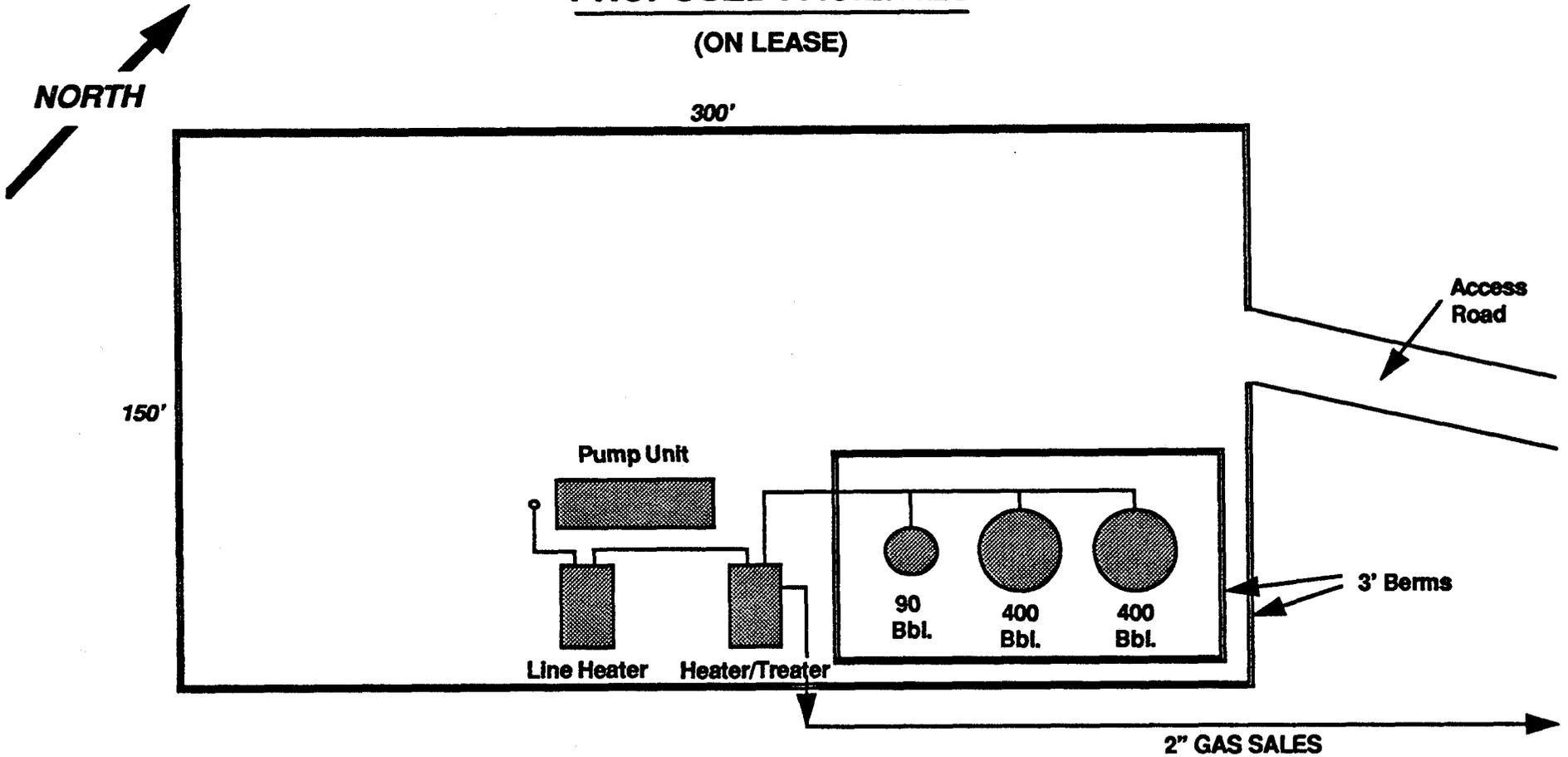
cc: D. W. Moore
G. E. Taylor
S. C. Goodrich
M. McMican
J. R. Wingert
Frank Matthews - Div. of Oil, Gas & Mining

BLUE DIAMOND 13- 13B

SEC. 13, T 9 S - R 19 E, 660' FSL & 4620' FEL

PROPOSED FACILITIES

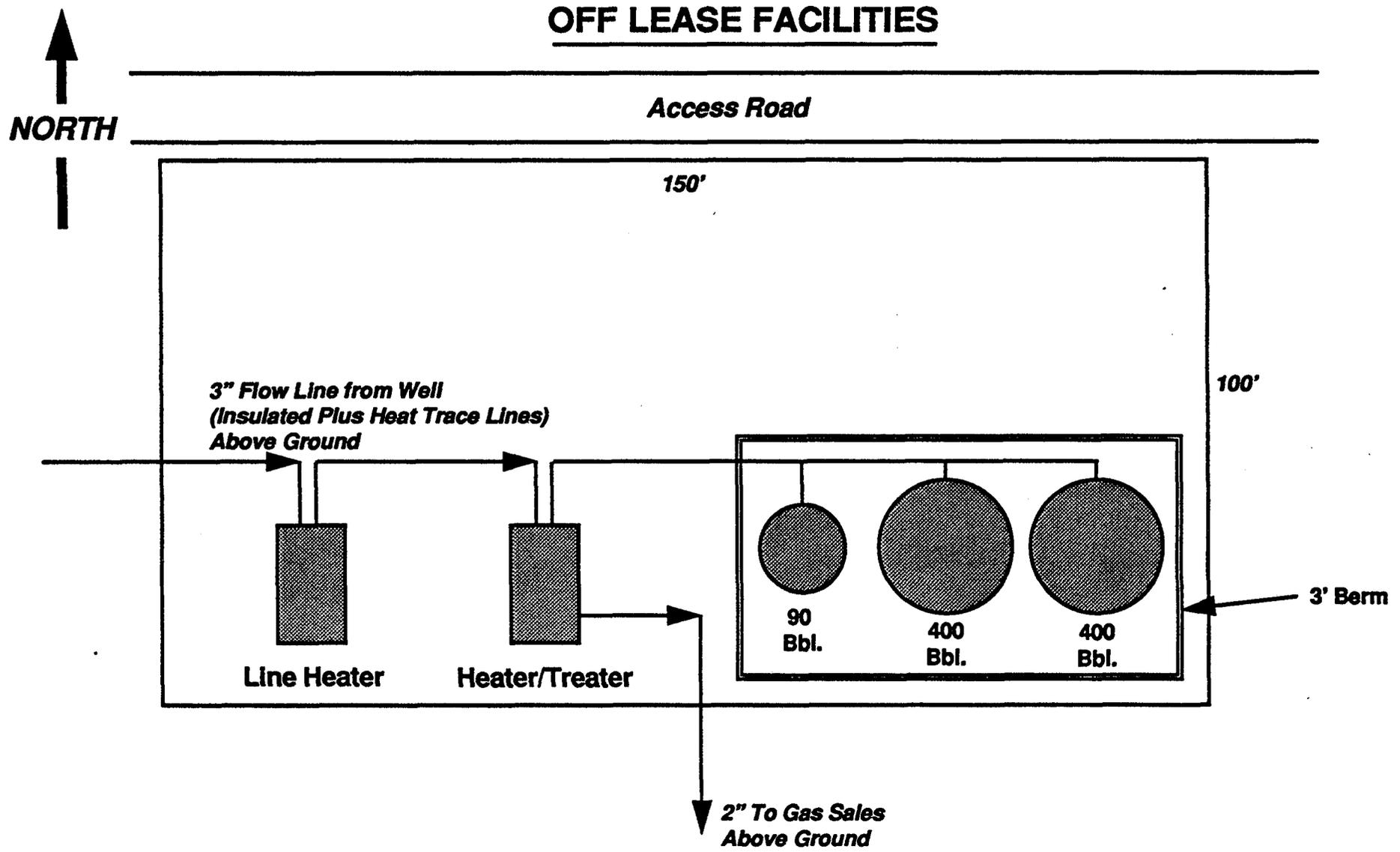
(ON LEASE)



BLUE DIAMOND 13- 13B

NE/4 SE/4 SW/4, SEC. 13, T 9 S - R 19 E

OFF LEASE FACILITIES

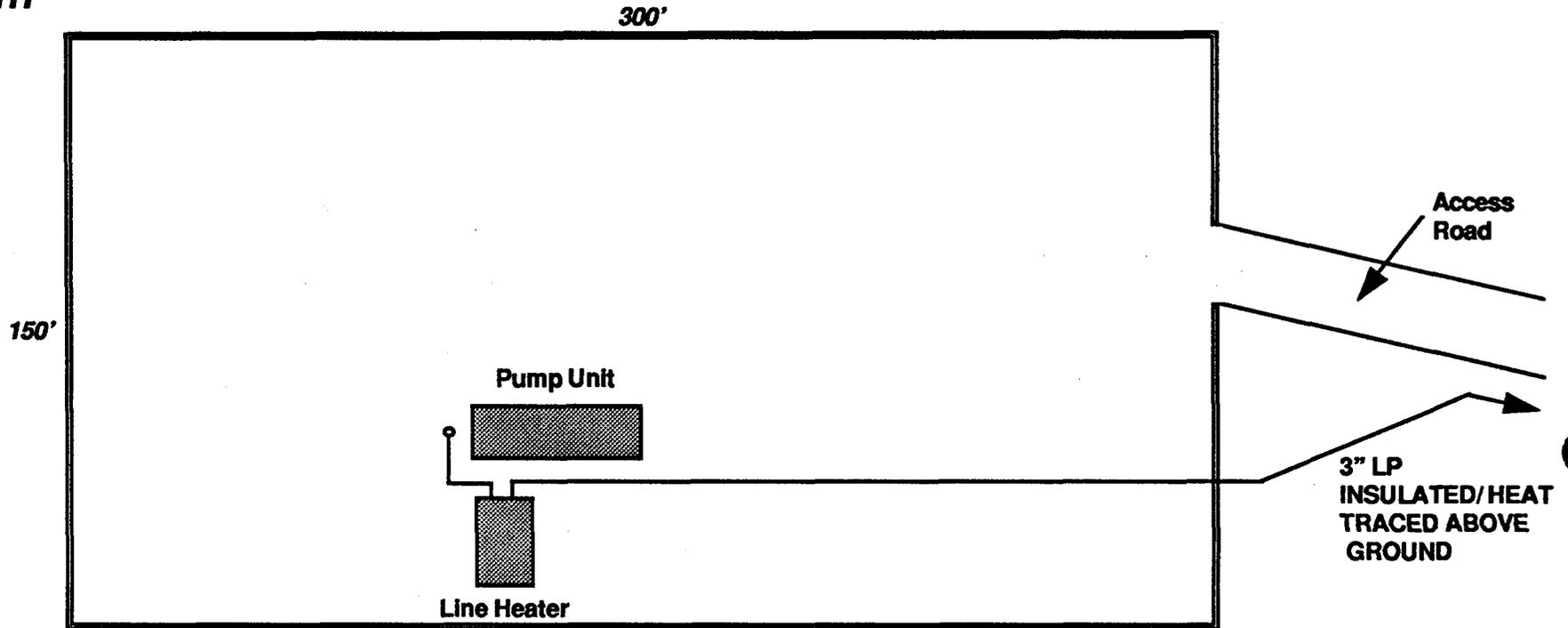
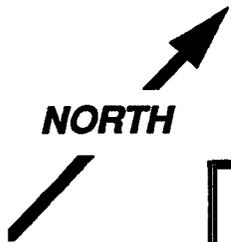


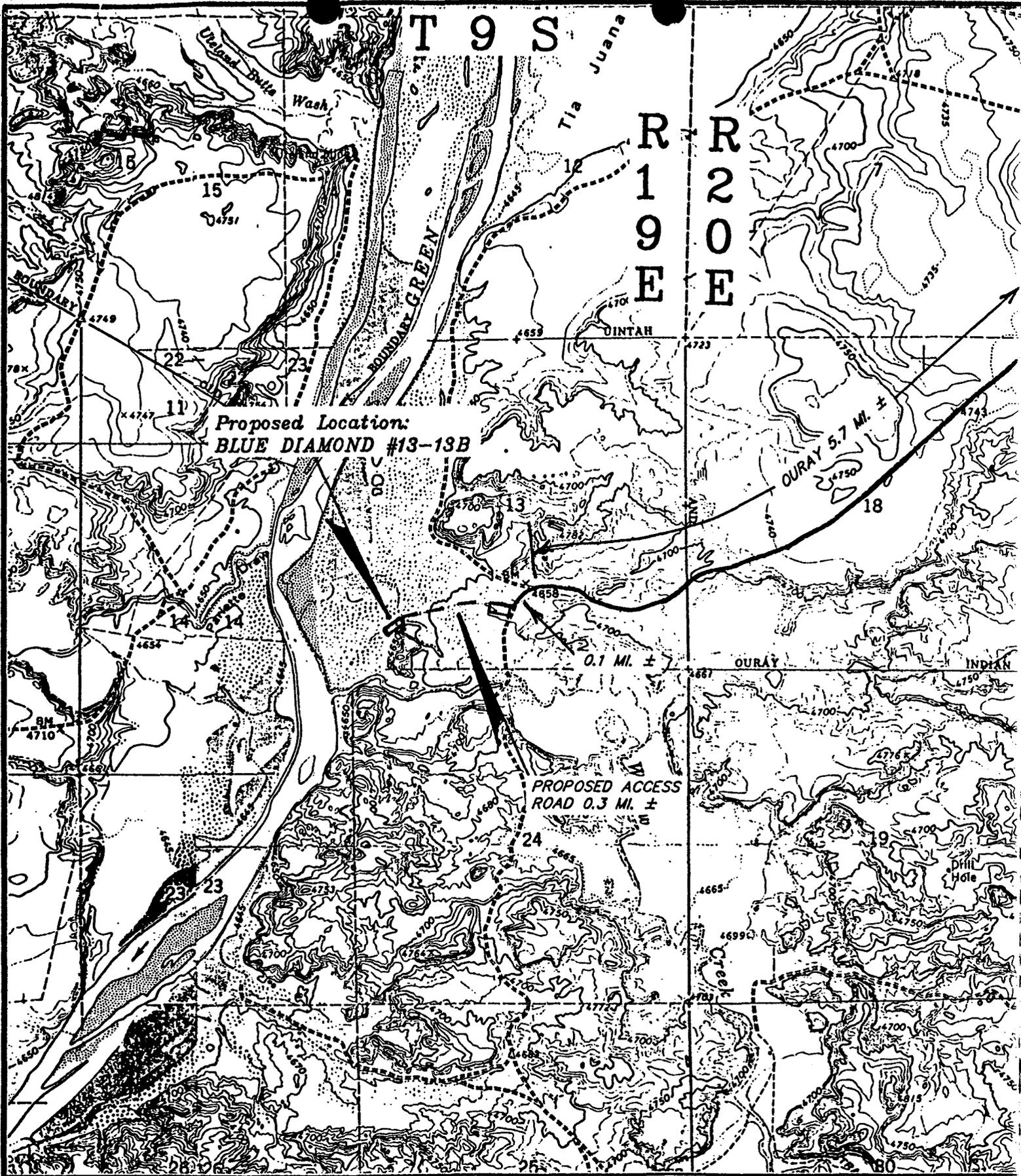
BLUE DIAMOND 13- 13B

SEC. 13, T 9 S - R 19 E, 660' FSL & 4620' FEL

PROPOSED WELLHEAD FACILITIES

(ON LEASE)





Proposed Location:
BLUE DIAMOND #13-13B

PROPOSED ACCESS
 ROAD 0.3 MI. ±

OURAY 5.7 MI. ±

**TOPOGRAPHIC
 MAP "B"**

SCALE: 1" = 2000'
 DATE 12-2-03 DCU



PG&E RESOURCES COMPANY

BLUE DIAMOND #13-13B
 SECTION 13, T9S, R19E, S.L.B.&M.
 660' FSL 4620' FEL

9:15 AM
3/23/94

Telecon w/ Henry Maddox
FWS - SLC
(801) 975-3630

1. Explained situation, pool, pit tank battery etc.
DOGMA steps
2. He does not have problem w/ dely well.
Will concn with ROW but would like to be involved
if Battery set.
3. I also explained if dry hole ^{or not} reserve pit must be emptied
w/in 10 days. also lined.
4. COE also onsite location - no problem

5

mtg w/ BLM
3/16/94

To: Paul Andrews
Bill Stroh

Blue Diamond 13-13B
ROW

Problem - concerned of hydrocarbon release into river during floods. Not when well drilling but from production facility.

FWS to have decision out by March 29 '94 designating portions of the Green River as critical T&E (fish) habitat.

BLM - would like letter describing facilities & Approved DOGM permit.

-
- * PGER to decide facility loc'n and construction
ie - raise pad, anchor tanks etc.
 - * Onsite - reveals entire road + pad in floodplain
movement to east will not resolve. South move may
but will be non-standard loc'n + feel permit.
 - * Move loc'n + direct drill

Telecon w/ Paul Andrews BLM - Vernal

8/Mar/94

- * Any BLM authorization adjacent to proposed critical habitat requires consultation w/ FWS. FWS to determine if informal / formal consultation needed.
- * BLM attempting to contact FWS - unsuccessful
- * Decision due 3/15 if proposed TFE fish habitat of the Green River will become official.
- * Paul Andrews will obtain name & number of FWS representative so PGER may also call.

Points raised

- * How does pad/road affect habitat in river. approx 1/4 mile away
- * Understand concern if PGER proposing a low water or p/c crossing.
- * State stipulated liner in pit + no fluids after 10 days when dily stops.
- * PGER may be willing to entertain a silt catchment basin for added spill protection.

Fish + Wildlife Rep.
Henry Maddux
(801) 975-3630

SURFACE DAMAGE AGREEMENT AND RELEASE

KNOW ALL MEN BY THESE PRESENTS:

That Blue Diamond Oil Corporation is the owner of the following described lands:

Township 9 South, Range 19 East
Section 13: Lot 4
Uintah County, Utah

PG&E Blue Diamond 13-13B
SWSW Sec 13 9S 19E
43-047-32457

Which lands are presently under oil and gas lease to PG&E Resources Company. whereas, PG&E Resources Company proposes to clear a well site on said premises.

Now, therefore, in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, the undersigned does hereby release PG&E Resources Company, its assigns, successors, agents and contractors from any and all claims for all surface damages, including damages to all crops, trees and grass, which have arisen or may arise in connection with PG&E Resources Company's preparing access, building location, drilling, completing and operating the Blue Diamond 13-13B well on said premises. Said surface damages and release shall be limited to a three acre parcel of land and must be located near the East boundary of the above described land.

The undersigned hereby accepts the above consideration as full compensation for all such surface damages caused by any and all operations performed by PG&E Resources Company in connection with the drilling, completing and operating of said well on the three acre parcel. PG&E Resources Company agrees that upon completion or permanent cessation of its operations on said premises, it will return the wellsite to as near its original natural state as is reasonably practicable.

This agreement and release shall include and cover the existence of permanent surface facilities on the wellsite.

This agreement shall be binding upon the heirs, successors and assigns of the undersigned.

SIGNED AND EXECUTED this 10th day of February, 1994.

BLUE DIAMOND OIL CORPORATION

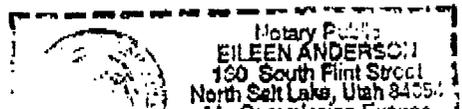
[Handwritten Signature]
By Gary F. Sprouse, President

STATE OF UTAH }
COUNTY OF UINTAH }

On this 10th day of February 1994, before me, a Notary Public, personally appeared Gary F. Sprouse, President of BLUE DIAMOND OIL CORPORATION, known to me to be the person whose name is subscribed to the foregoing instrument and who acknowledged to me that he executed the same on behalf of said corporation.

IN WITNESS WHEREOF, I have hereunto set my official signature and affixed my notarial seal the day and year first above written.

[Handwritten Signature]
Notary Public

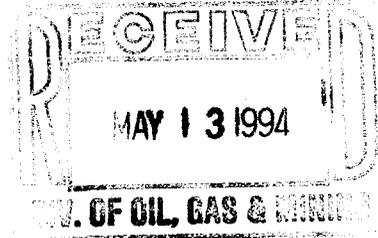


May 10, 1994



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

Attn: Mr. Frank Matthews
Petroleum Engineer



43-047-32457
Re: Blue Diamond 13-13B
Section 13, T-9S, R19E
Uintah County, Utah

Dear Mr. Matthews:

Enclosed is a copy of the correspondence sent to the BLM as of this date regarding the above referenced well.

Should you have any questions, please feel free to call me at (214) 750-3988.

Sincerely,

Jim LaFevers
Supervisor
Regulatory Affairs

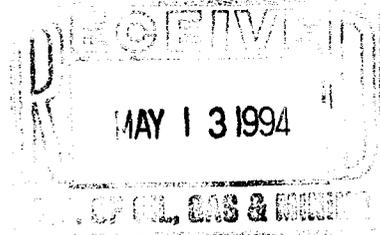
JL:ah

cc: D. W. Moore
Central File
Regulatory File
Reading

May 10, 1994


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

Attn: Mr. Paul Andrews, Manager
Book Cliffs Resource Area



Re: Blue Diamond 13-13B
ROW No. UTU-71241

Dear Mr. Andrews:

As you are fully aware, PG&E Resources Company (PG&ER) has been requested to provide additional data to support our application for a fifteen hundred foot (1500') Right of Way across federal lands to access the Blue Diamond 13-13B wellsite located on private acreage owned by S&H Ranch.

PG&ER was requested to determine flood stage elevations in the Green River should the flow approach 48,000 CFS and then compare this elevation to our wellsite to evaluate the potential water depths should the pad be inundated. Several avenues have been pursued to determine this data among them the possibility of conducting Water Surface Profile (WSPRO) modeling as suggested by Mr. Bill Stroh, Fisheries Biologist for the Bureau of Land Management (BLM).

I contacted Mr. Jim Kolva of the Salt Lake City United States Geological Survey (USGS) office to discuss what would be needed to run this computer model. Mr. Kolva indicated the program requires cross-sectional surveys of the water channel to be evaluated. I subsequently contacted Uintah Engineering & Land Surveying (UE&LS) to request they converse with the USGS to insure what type of survey is necessary and then determine if it could be physically obtained and the cost associated to do so.

UE&LS notified PG&ER that obtaining the data needed for WSPRO would be extremely difficult as well as dangerous, and the costs could not be determined due to the uncertainties revolving around obtaining a survey on a river of this size. UE&LS feels the river is too wide to cable off and the current flows, though low, would present positioning problems. In addition UE&LS does not have the boat(s) necessary to transect the river. Therefore, obtaining the required cross-sections to run the WSPRO model has been ruled out.

**BUREAU OF LAND MANAGEMENT
PAGE 2**

The other option was to attempt to locate a gauge point more representative of the flows encountered in this section of the river other than the Jensen site. I contacted the Bureau of Reclamation (BOR) to see if a rate table could be provided for the Green River Gauge Station located approximately three(3) miles upstream in Section 11, T5S,R19E. According to the BOR, this site is no longer in service and has not been for ten(10) years. All flow data associated with this station is archived at the National Archives Center in Denver, Colorado and would take eight (8) weeks to possibly retrieve, with no guarantees of being located.

The only other method in determining the flood stages of the Green River in this locale is to utilize the available rate table of the Jensen gauge and plot the corresponding points, then extrapolate to the requested 48,000 CFS flows. It is this calculation that has been enclosed and is described as follows:

First, USGS topographic maps showing the Jensen gauge and the wellsite were obtained. River channels appear to be very similar in both areas, however, the section at the Jensen gauge appears to be 50' less in width than at the wellsite area. Thus, it stands to reason that crest heights at the Jensen site will increase quicker than an area where the river tends to widen. Next, the rate table (gauge height vs. CFS flows) from the Jensen site were plotted and then extrapolated to 48,000 CFS to account for any flows contributed to the Green River from the White and Duschene tributaries (Exhibit A). Results indicate that at 48,000 CFS the river should experience a crest increase of approximately 16' maximum above the benchmark elevation. The benchmark elevation will vary from different points along a watershed, so it was necessary to determine this equivalent elevation near the wellsite.

Using the USGS Ouray, Utah topo, elevations were taken on a straight line parallel to the access road, well pad and across to the west bank of the river (depicted as Line A-B). These elevations were then plotted on a typical geographic cross-section (Exhibit B). A five foot adjustment for the bank to river elevation was based on the visual inspection of the river during an onsite held April 13, 1994 between PG&ER, BLM and State officials. To calculate the benchmark elevation, I contacted the BOR on April 19 to determine the flows of the Green, White and Duschene Rivers. Combined flows per the BOR were at 3500 CFS during that week. Referring back to the rate table, 3500 CFS flow equates to a gauge height elevation of four feet above benchmark, thus the benchmark elevation for the Green River in this area is calculated to be at 4631'. Now the 16' increase for 48,000 CFS can be added to the benchmark to obtain a gauge height increase of 4647' under worst case conditions. This elevation is two feet lower than the well pad elevation of 4649'. Thus, the potential of the wellsite to flood is non-existent.

BUREAU OF LAND MANAGEMENT
PAGE 3

To verify the findings above, PG&ER contacted the private landowner, Mr. Gary Sprouse to determine if his acreage has ever been flooded. Mr. Sprouse stated he has never seen water out of the banks in this area and is currently installing irrigation systems so the area may be farmed for alfalfa. Mr. Sprouse stated he would verify that his property has never flooded with the BLM should it be required.

Thus, PG&ER respectfully requests the BLM to issue the ROW for the Blue Diamond 13-13B well. We feel strongly that the "may affect" issue to the threatened and endangered (T&E) fish species has been shown to have no impacts by the proposed action.

Enclosed for review in approving the ROW application are the following Exhibits:

- Exhibit A - Gauge Height vs. CFS graph
- Exhibit B - Geographic Cross-Section
- Exhibit C - Jensen Gauge Rate Table
- Exhibit D - USGS Ouray, Utah Topo
- Exhibit E - USGS Split Mountain Topo

In addition, a check payable to the BLM in the amount of \$32.00 for the rentals associated with ROW UTU-71241 has been enclosed. Again, PG&ER respectfully requests the BLM to issue the ROW for the Blue Diamond 13-13B well. Please respond in writing of your decision to the undersigned.

Thank you.

Sincerely,



Jim LaFevers
Supervisor
Regulatory Affairs

JL:ah

Enclosures

cc: D. W. Moore
Central File
Regulatory File
Reading

PG&E Resources Company 6688 N. Central Expressway, Suite 1000, Dallas, Texas 75206-3922

PAYEE	CHECK NUMBER	DATE
BUREAU OF LAND MANAGEMENT	801028	5/10/94

BLUE DIAMOND 13-13 ROW APPLICATION UTU 71241

32.00



PG&E Resources Company

6688 N. Central Expressway
Suite 1000
Dallas, Texas 75206-3922

OPERATING ACCOUNT
VOID IF NOT PRESENTED FOR
PAYMENT WITHIN 180 DAYS

11-24/001
1210 (8)

SAN FRANCISCO MAIN
WELLS FARGO BANK
NATIONAL ASSOCIATION
464 CALIFORNIA STREET
SAN FRANCISCO, CA 94163

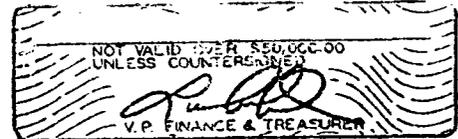
PAY

EXACTLY 32 AND 00 CTS.

CHECK NUMBER	DATE	PAY EXACTLY
801028	5/10/94	**32.00**

TO
THE
ORDER
OF

BUREAU OF LAND MANAGEMENT
VERNAL DISTRICT OFFICE
170 SOUTH 500 EAST
VERNAL UT 84078



⑈801028⑈ ⑆121000248⑆4518 040670⑈

EXHIBIT A

BLUE DIAMOND 13-13B
13-95-19E
UINTAH COUNTY, UTAH

16' @ 48000 CFS

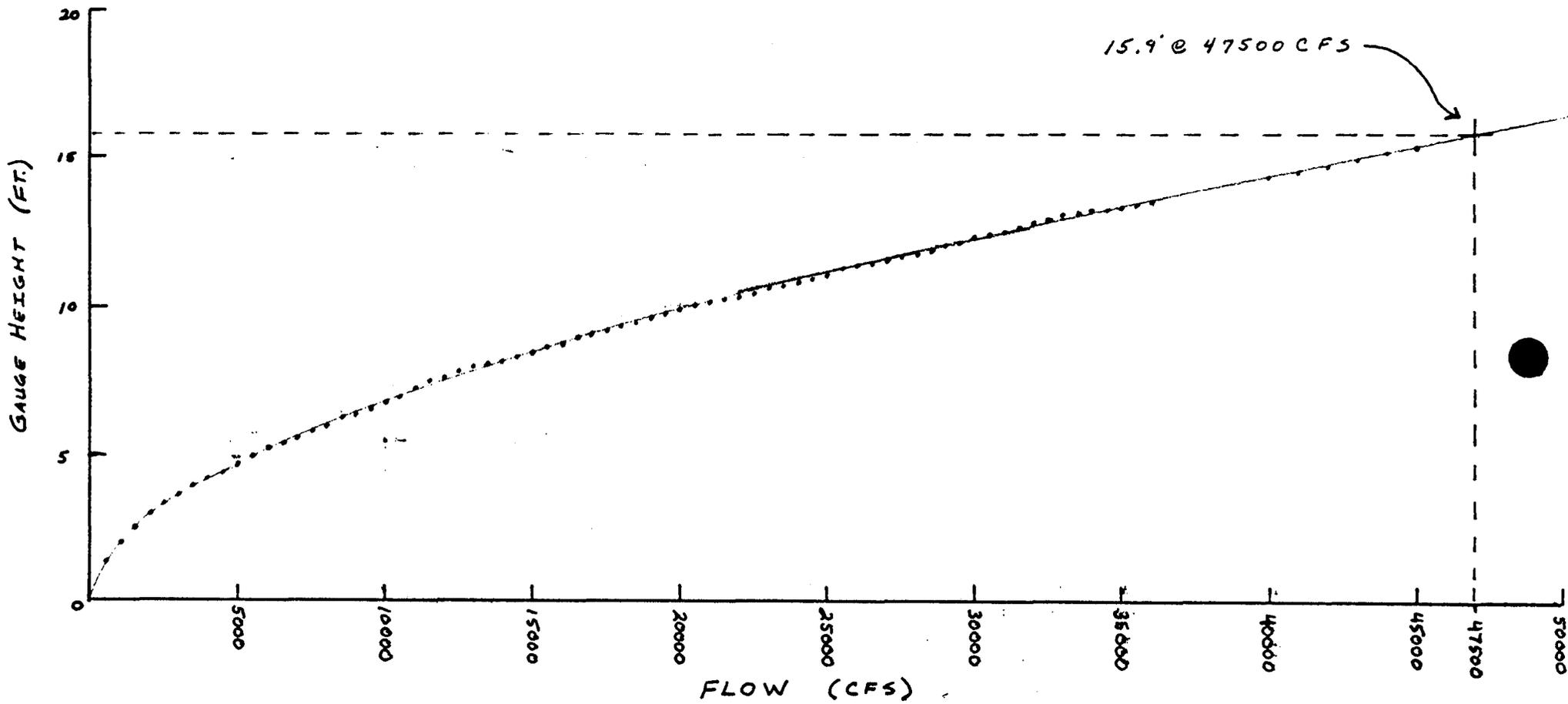
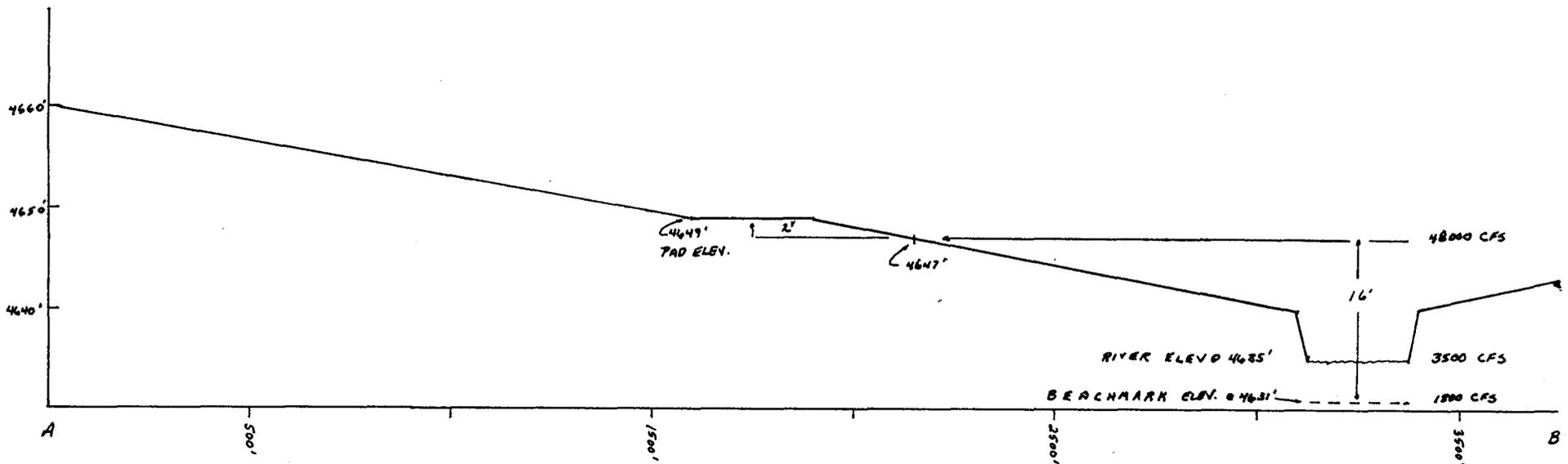


EXHIBIT B

BLUE DIAMOND 13-13B
13-95-19E

ELEV @ 48,000 CFS ; 4947'



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Q value

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EXHIBIT C

GAUGE HEIGHT VS CFS
RATE TABLE

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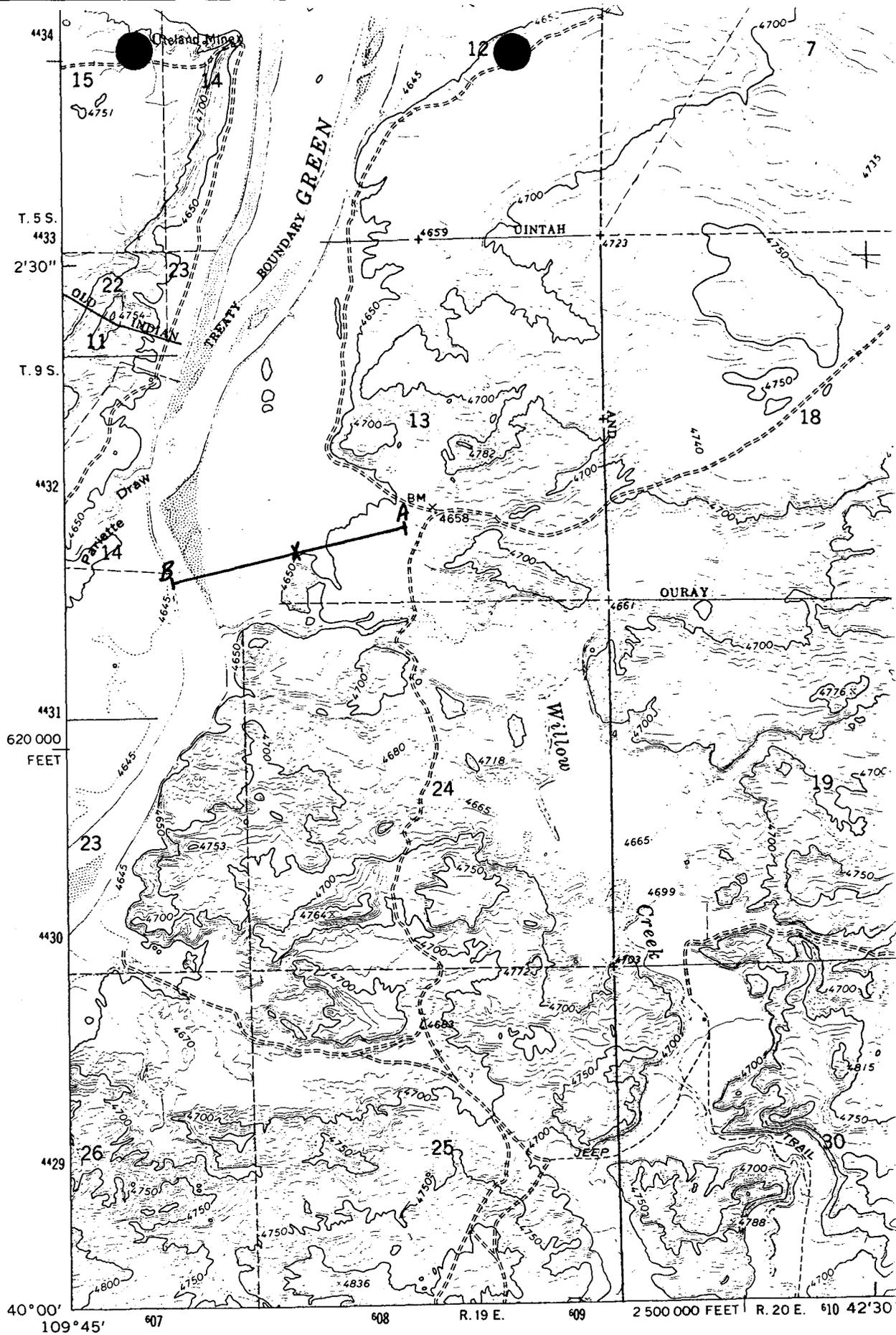
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EXHIBIT D



4063 IV
NUTTERS HOLE)
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Mapped, edited, and published by the Geological Survey
in cooperation with the Bureau of Reclamation

Control by USGS and USC&GS

Topography by photogrammetric methods from aerial
photographs taken 1963 and planetable surveys 1964

Polyconic projection. 1927 North American datum
10,000-foot grid based on Utah coordinate system, central zone

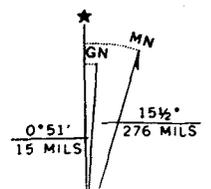
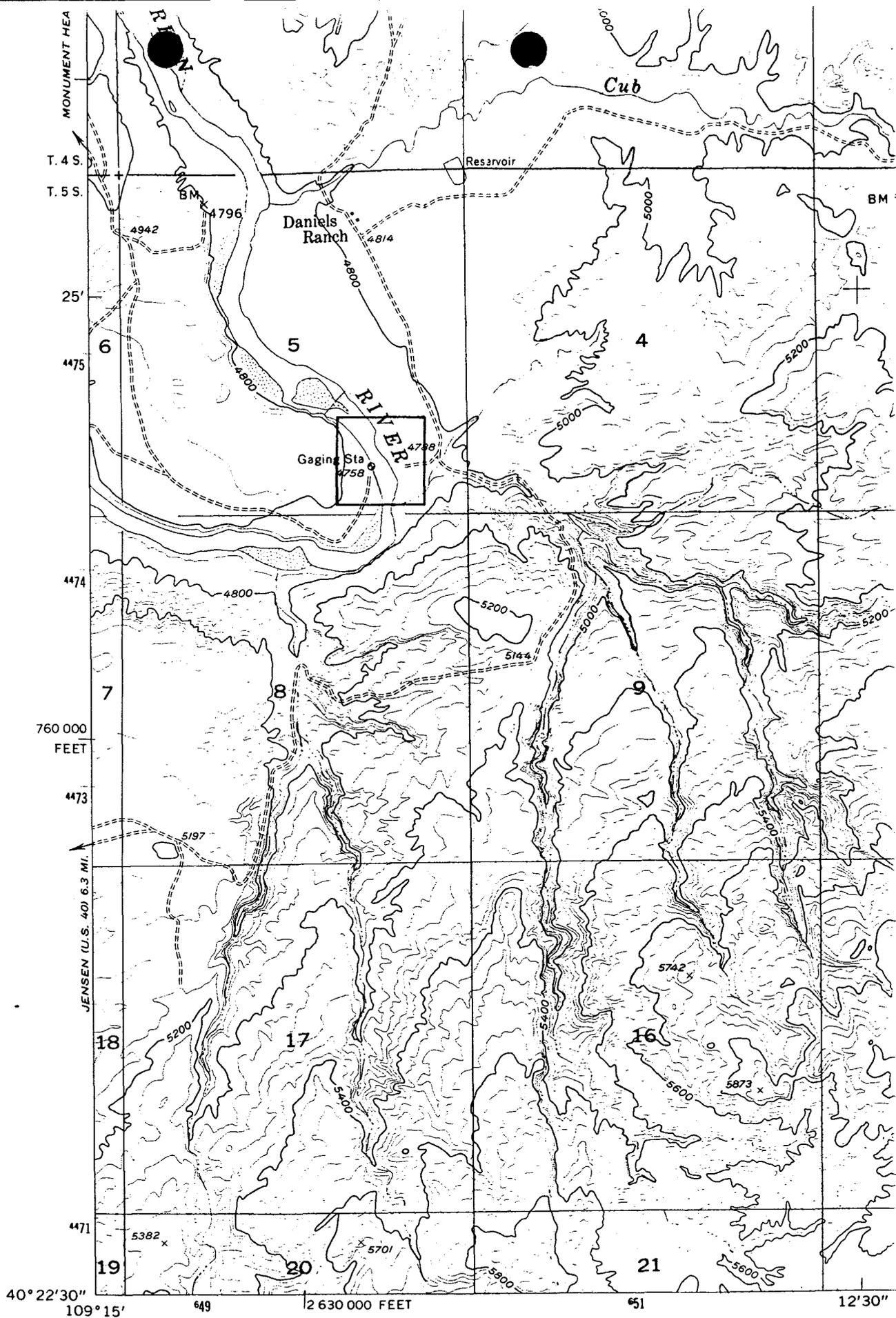
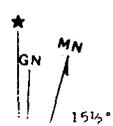


EXHIBIT E



(JENSEN)
4164 IV SE

Mapped, edited, and published by the Geological Survey
 Control by USGS and USC&GS
 Topography from aerial photographs by multiplex methods
 Aerial photographs taken 1954. Advance field check 1955
 Polyconic projection. 1927 North American datum



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

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

214/750-3800

DALEN Resources Oil & Gas Co.

Attn: **Cindy Keister**

3. Address and Telephone No.

6688 N. Central Expressway, Suite 1000 Dallas, TX 75206

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

**660' FSL and 4620' FEL
SW SW (Lot 4), Section 13, T9S - R19E**

5. Lease Designation and Serial No.

Fee

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

N/A

8. Well Name and No.

Blue Diamond #13-13B

9. API Well No.

#43-047-32457

10. Field and Pool, or Exploratory Area

Natural Buttes #630

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"/> 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 <u>Change of Water Source</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 <small>(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)</small>

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 DALEN Resources Oil & Gas Co. proposes to change the water source for the subject well. The new water source is as follows:

**A-1 Tank Rental & Brine Service
Underground Water (Well)
East 400', North 200 ft. from S1/4 Cor.
Section 32, T4S - R3E
Uintah County, Utah
(Permit No. 43-8496)**

OCT 17 1994

A copy of the water permit is attached. If you should need anything further, please contact Ms. Cindy Keister at 214/750-3800. Thank you for your cooperation.

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

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

Consultant for:

Signed

[Signature]

Title **DALEN Resources Oil & Gas Co.**

Date **10/13/94**

(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**

Division of Oil, Gas and Mining
PHONE CONVERSATION DOCUMENTATION FORM

Route original/copy to:

Well File Blue Diamond
13-13B
Subw (Location) Sec 13 Twp 9S Rng 9E
(API No.) 43-047-32457

Suspense (Return Date) _____
(To - Initials) _____

Other _____

1. Date of Phone Call: 11-12-94 Time: 1:45AM

2. DOGM Employee (name) Frank Matthews (Initiated Call)
Talked to:

Name Jake Neves (Initiated Call) - Phone No. ()
of (Company/Organization) Dalton Corp.

3. Topic of Conversation: Plugging orders

4. Highlights of Conversation: ID-5375
Green River 4828' No pressure punched out.
wet sands 4222'-3600'
water zone 2900'-2700'

plug #1	4300-4200	100'	
plug #2	3600-3500	100'	
plug #3	2900-2700	200'	top plug
plug #4	462-367'		surface csg. shoe
plug #5	50 sks		surface

Jake called back @ 9:15 PM. when prep to cut off csg. found well flowing. (IHW) bit & drill to hard cnt. applied another 200sk plug across water zone.

Division of Oil, Gas and Mining
PHONE CONVERSATION DOCUMENTATION FORM

Page 2 of 2

Route original/copy to:

Well File Blue Diamond 13-13B Suspense Other

(Location) Sec 3 Twp 9S Rng 4E (Return Date) _____
(API No.) 43-047-32457 (To - Initials) _____

1. Date of Phone Call: _____ Time: _____

2. DOGM Employee (name) _____ (Initiated Call)
Talked to:

Name _____ (Initiated Call) - Phone No. (_____)

of (Company/Organization) _____

3. Topic of Conversation: _____

Sunday 11/13/94

4. Highlights of Conversation: Replace plug @ surface

Asy sk + 50 sk @ surface.

Well plugged.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
355 West North Temple, 3 Triad, Suite 350, Salt Lake City, UT 84180-1203

MONTHLY OIL AND GAS PRODUCTION REPORT

OPERATOR NAME AND ADDRESS:

PRODUCTION DEPT
PG&E RESOURCES COMPANY
6688 N CENTRAL EXP #1000
DALLAS TX 75206-3922

UTAH ACCOUNT NUMBER: N0595

REPORT PERIOD (MONTH/YEAR): 8 / 94

AMENDED REPORT (Highlight Changes)

Well Name API Number Entity Location	Producing Zone	Well Status	Days Oper	Production Volumes		
				OIL(BBL)	GAS(MCF)	WATER(BBL)
✓ FEDERAL 7-24B 4304732227 11508 09S 19E 24		✓		✓ UTL 68625	(w. willow creek?)	
✓ FEDERAL 15-24B 4304732420 11509 09S 19E 24	GRRV			✓ UTL 68625	(west willow creek unit)	
✓ FEDERAL 5-24B 4304732447 11585 09S 19E 24	GRRV			✓ UTL 68625	(west willow creek unit)	
✓ Blue Diamond 13-13B 4304732457 99999 9S 19E 13	Oil	✓		✓ FEE	* 10-6-94 Bond updated. (w. willow creek?)	
✓ State 15-14B 4304732450 99999 9S 19E 24	"			✓ ML 45243	(w. willow creek)	
✓ Federal 7-19B 4304732479 11632 9S 19E 19	"			✓ UTL 65218		
✓ Federal 2-19 4304732477 99999 9S 19E 19	"			✓ U 65218		
✓ State 31-32 4304732500 11645 8S 18E 32	GRRV			✓ ML 22058		
✓ Federal 41-29 4304732495 11646 9S 18E 29	GRRV			✓ U 19267		
✓ Federal 13-20 4301331445 99999 9S 17E 20	"			✓ U 13905	(Rec'd 10-21-94)	
✓ Federal 44-18 4304732498 99999 9S 17E 18	"			✓ U 16544		
✓ Federal 22-8H 4301331457 11675 9S 17E 8	"			✓ U 10760	"	
✓ Federal 14-9H 4301331459 11677 9S 17E 9	"			✓ U 50750		
✓ Federal 21-9H 4301331458 11676 9S 17E 9	"			TOTALS U 50750		
✓ Federal 21-8H 4301331460 99999 9S 17E 8	"			✓ U 10760		
✓ State 42-32 4304732473 99999 8S 18E 32	"			✓ ML 22058		
COMMENTS: ✓ Federal 23-29 4304732556 99999 9S 18E 29	"			U-19267		

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

Date: _____

Name and Signature: _____

Telephone Number: _____

UTAH WELLS

8/24/94

WELL NAME	LOCATION	SEC-TWNSHIP-RANGE	COUNTY	LEASE NUMBER	API NO.
✓ NGC #31-15 (PA'd 10/88)	NW/4 NE/4	15-14S-24E	Unitah	U-10133	43-047-30974
✓ Federal #42-23 (PA'd 9/90)	SE/4 NE/4	23-14S-24E	Unitah	U-10133	43-047-30976
✓ Federal #23-23 (PA'd 8/90)	NE/4 SW/4	23-9S-17E	Unitah	U-17785	43-047-31169
✓ Federal #32-29	SW/4 NE/4	29-9S-18E	Unitah	U-19267	43-047-31175
✓ Federal #33-18-J	NW/4 SE/4	18-9S-19E	Unitah	U-16544	43-047-31200
✓ State #2-32-B	NW/4 NE/4	32-9S-19E	Unitah	ML-45172	43-047-32221
✓ Federal #11-24-B	NE/4 SW/4	24-9S-19E	Unitah	UTU-68625	43-047-32223
✓ State #5-36-B	SW/4 NW/4	36-9S-19E	Unitah	ML-45173	43-047-32224
✓ State #9-36-A	NE/4 SE/4	36-9S-18E	Unitah	ML-45171	43-047-32225
✓ Federal #7-24-B	SW/4 NE/4	24-9S-19E	Unitah	U-68625	43-047-32227
✓ Federal #13-26-B	SW/4 SW/4	26-9S-19E	Unitah	UTU-68626	43-047-32237
✓ Federal #11-31-C (PA'd 2/94)	NE/4 SW/4	31-9S-20E	Unitah	UTU-68631	43-047-32244
✓ Federal #1-26-B	NE/4 NE/4	26-9S-19E	Unitah	UTU-68625	43-047-32248
✓ State #9-36-B	NE/4 SE/4	36-9S-19E	Unitah	ML-45173	43-047-32249
✓ Federal #13-24-B	SW/4 SW/4	24-9S-19E	Unitah	UTU-68625	43-047-32418
✓ Federal #15-24-B	SW/4 SE/4	24-9S-19E	Unitah	UTU-68625	43-047-32420
✓ State #15-14-B	SW/4 NW/4	24-9S-19E	Unitah	ML-45243	43-047-32450
✓ Federal #5-24-B	SW/4 NW/4	24-9S-19E	Unitah	UTU-68625	43-047-32447
✓ Blue Diamond #13-13-B	SW/4 SW/4	13-9S-19E	Unitah	Fee	43-047-32457
✓ Federal #7-19-B	SW/4 NE/4	19-9S-19E	Unitah	UTU-65218	43-047-32479
✓ State #31-32	NW/4 NE/4	32-8S-18E	Unitah	ML-22058	43-047-32500
✓ Federal #2-19	NW/4 NE/4	19-9S-19E	Unitah	U-65218	43-047-32497
✓ Federal #41-29	NE/4 NE/4	29-9S-18E	Unitah	U-19267	43-047-32495
✓ Federal #44-18	SE/4 SE/4	18-9S-19E	Unitah	U-16544	43-047-32498

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
CEMENTING OPERATIONS

COMPANY NAME: PG&E RESOURCES CO. API NO: 43-047-32457

WELL NAME: BLUE DIAMOND 13-13B

QTR/QTR SW/SW SECTION 13 TOWNSHIP 9S RANGE 19E

CEMENTING COMPANY: DOWELL SCHLUMBERGER WELL SIGN: NO

INSPECTOR: DAVID W. HACKFORD DATE: 11/1/94

CEMENTING OPERATIONS: PLUGBACK: SQUEEZE: P&A ZONE:

SURFACE CASING: X INTERMEDIATE: PROD CASING:

PERFORATIONS: NA SQUEEZE PRESSURE: NA

CASING INFORMATION:

SIZE: 9 5/8 GRADE: K55 35LB. HOLE SIZE: 12 1/4 DEPTH: 399'

SLURRY INFORMATION:

1. CLASS: 225 SX CLASS G 1/4 LB

LEAD : SX CELLO FLAKE 2% CACL TAIL: NO TAIL

2. SLURRY WEIGHT LBS. PER GALLON:

LEAD: 15.8 TAIL:

3. WATER (GAL/SX)

LEAD: 4.97 TAIL:

4. COMPRESSIVE STRENGTH:

PSI @ 2500 AT 24 HRS. HRS

PIPE CENTRALIZED: YES CEMENTING STAGES: ONE

LOST RETURNS: NO REGAIN RETURNS: BARRELS LOST:

TOP OF CEMENT: SURFACE PERFORATED INTERVAL:

PRIMARY CEMENT TO SURFACE: YES

1 INCH INFORMATION: WEIGHT: NA CEMENT TO SURFACE:

FEET: SX: CLASS: %SALTS: RETURNS:

ADDITIONAL COMMENTS: PUMPED 100% EXCESS AND IT APPEARED THIS EXCESS WAS PUMPED TO SURFACE.

 PG&E NOW CALL THEMSELVES DALEN RESOURCES INC.

CONFIDENTIAL

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

NAME OF COMPANY: PG & E RESOURCES

WELL NAME: BLUE DIAMOND 13-13B

API NO. 43-047-32457

Section 13 Township 9S Range 19E County UINTAH

Drilling Contractor CIRCLE L

Rig # 18

SPUDDED: Date 11/3/94

Time _____

How ROTARY

Drilling will commence _____

Reported by JAKE NEVES

Telephone # _____

Date 11/2/94 SIGNED JLT

STATE OF UTAH
DIVISION OF OIL, GAS AND MINES
RECORD OF ABANDONMENT OPERATIONS

COMPANY NAME: PG+E RESOURCES
WELL NAME: BLUE DIAMOND 13-13B
QTR/QTR: SW/SW SECTION: 13 TOWNSHIP: 9S RANGE: 19E
COUNTY: UINTAH API NO: 43-047-32457
INSPECTOR: INGRAM TIME: 1:25 PM DATE: 11/13/94

SURFACE CASING SHOE DEPTH 399' CASING PULLED YES NO
CASING PULLED: SIZE CUT DEPTH FT/CSG RECOVERED
CASING TESTED YES NO TESTED TO: NO PSI TIME: MIN:

CEMENTING COMPANY: SCHLUMBERGER/DOWELL

CEMENTING OPERATIONS: P&A WELL: YES

PLUG 1. SET: FROM 4290 FT. TO 4190 FT. TAGGED YES NO

SLURRY: 87 SACKS @ 15.8 PPG OF "G"

PLUG 2. SET FROM 3614 FT. TO 3514 FT. TAGGED YES NO

SLURRY: 70 SACKS @ 15.8 PPG OF "G"

PLUG 3. SET FROM 2871' FT. TO 2198' FT. TAGGED YES NO

SLURRY: 140 SACKS (TWICE) @ 15.8 PPG OF "G"

PLUG 4. SET FROM 462' FT. TO 362' FT. TAGGED YES NO

SLURRY: 70 SACKS OF "G" @ 15.8 PPG.

SURFACE PLUG: FROM 50 SKS FT. TO FT.

ALL ANNULUS CEMENTED TO SURFACE: YES NO

PLUGGING FLUID TYPE:

PERFORATIONS: FROM N/A FT. TO FT.
FROM FT. TO FT.

1 CIBP SET: N/A

2 CIBP SET: N/A

ABANDONMENT MARKER: PLATE: PIPE: CORRECT INFORMATION:

COMMENTS: NO PRODUCTION PIPE WAS RUN. WATER FLOW CAUSED
NEED 2ND SECOND PLUG PUMPED @ 2406'. PLUG WAS TAGGED @
2198' WITH 8,000# AFTER 4 HOURS. WITNESSED PLUG & TAG 2406 TO 2198.

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

6. Lease Designation and Serial Number
Fee

7. Indian Allottee or Tribe Name

NA

8. Unit or Communization Agreement

NA

9. Well Name and Number

Blue Diamond 13-13B

10. API Well Number

43-047-32457

11. Field and Pool, or Wildcat

Undesignated 002

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT—for such proposals.

1. Type of Well

Oil Well Gas Well Other (Specify) Dry Hole

2. Name of Operator

DALEN Resources Oil & Gas Co.

3. Address of Operator

6688 N. Central Expwy., Suite 1000, Dallas, TX 75206

4. Telephone Number

(214) 750-3800

5. Location of Well

Footage : 660' FSL & 4620' FEL SW/4 SW/4
QQ. Sec, T., R., M. : Section 13, T9S-R19E

County : Uintah
State : UTAH

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

NOTICE OF INTENT
(Submit in Duplicate)

- | | |
|--|---|
| <input type="checkbox"/> Abandonment | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Recompletion |
| <input type="checkbox"/> Conversion to Injection | <input type="checkbox"/> Shoot or Acidize |
| <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other _____ | |

Approximate Date Work Will Start _____

SUBSEQUENT REPORT
(Submit in Duplicate)

- | | |
|---|---|
| <input checked="" type="checkbox"/> Abandonment * | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Shoot or Acidize |
| <input type="checkbox"/> Conversion to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Test | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other _____ | |

Date of Work Completion 11/14/94

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.
* Must be accompanied by a cement verification report.

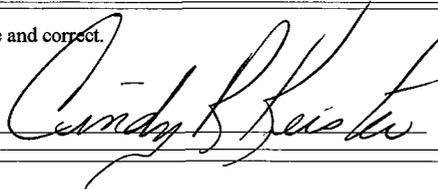
13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

DALEN Resources plugged and abandoned the Blue Diamond 13-13B according to state regulations as shown on the attached daily report.

CONFIDENTIAL

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

Name & Signature Cindy R. Keister



Title Supervisor Regulatory Compliance

Date 12/01/1994

(State Use Only)

CC: BLM - Vernal

WELL HISTORY

Blue Diamond 13-13B
Riverbend Area
Uintah County, Utah
(DALEN Resources Operated)

- 11-03-94 MIRU, should break tour today. Run 9-5/8", 36#, K-55 csg, set at 401'. Cmt with 225 sx Class G + 2% CaCl₂ mixed at 15.8 ppg/1.51 yield, cmt to surf.
- 11-04-94 Testing BOP's, RU rig, raise derrick at 2:00 p.m., put up wind wall, NU BOP's and start testing.
- 11-05-94 Drilling 865', day 1, 500'/13½ hrs, MW 8.3, Visc 26. Test BOPE to 3000 psi (hydril to 1500 psi), csg to 1500 psi. PU bit #1 & DC's, tag cmt at 365'. Drill cmt & float equip, drill ahead. Survey ¼° at 413'.
- 11-06-94 Drilling 1915', day 2, 1050'/22½ hrs, MW 8.3, Visc 26. Drill & survey. Survey 1° at 1461'.
- 11-07-94 Drilling 2620', day 3, 705'/19 hrs, MW 8.3, Visc 26. Drill to 2341', trip for new bit. Ream 90' to btm, drill ahead.
- 11-08-94 Drilling 3345', day 4, 725'/22½ hrs, MW 8.4, Visc 26. Drill & survey. Survey ¾° at 2608'.
- 11-09-94 Drilling 3998', day 5, 653'/23 hrs, MW 8.4, Visc 26. Drill & survey. Survey 1¼° at 3628'.
- 11-10-94 Drilling 4415', day 6, 417'/16.5 hrs, MW 8.5, Visc 26. Drill & survey to 4289', lost 150 psi pump pressure, POOH looking for wash out (20 stand + double) POOH for new bit, TIH, wash 30' to bottom & drill ahead. Survey at ¾° at 4121'. RKB elev at 4463'.
- 11-11-94 Drilling 5150', day 7, 735'/23½ hrs, MW 8.5, Visc 27. Drill & survey. Survey 1° at 4651'.
- 11-12-94 P&A, day 8, 225'/7½ hrs, MW 8.5, Visc 27. Drill to 5375', circ for logs. Log with Hallib, run DIL/DSN/SDL/GR/Cal. TIH to 2000', cut drill line. Call Frank Matthews with Utah O&G to approve plugging procedures. LD 33 jts DP & 24 DC's.
- 11-13-94 TIH, day 9, MW 8.5, Visc 27. TIH to 4290', M&P 87 sx Class G at 15.8 ppg with 1.18 yield (cmt 4290-3990'). POOH, LD DP to 2871'. M&P 70 sx Class G at 15.8 ppg with 1.18 yield (cmt 4290-2465'), WOC. TIH, tag cmt at 2465', LD DP to 462'. M&P 70 sx Class G at 15.8 ppg with 1.18 yield (cmt 462-246'). Set a 50 sx top job at 50'. ND BOPE, well started flowing. NU BOPE, start in hole to re-set plug at 2600'.

WELL HISTORY

Blue Diamond 13-13B
Riverbend Area
Uintah County, Utah
(DALEN Resources Operated)

11-14-94 RR, day 10. PU DP, GIH, tag cmt at 2370' & drill hard cmt to 2416'. Spot hi-visc pill, POOH. GIH open ended, M&P 140 sx Class G at 15.8 ppg with 1.18 yield, WOC. Tag cmt at 2198', POOH, LD DP. Spot 14 bbl hi-visc pill, M&P 70 sx Class G at 15.8 ppg with 1.18 yield from 462-262'. LD DP, do a 50 sx top job. ND BOPE, cut off wellhead, weld on P&A plate, clean mud tanks. **RR at 5:00am 11-14-94. FINAL REPORT - WELL P&A'd.**

DIVISION OF OIL, GAS AND MINING

12 1994

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NO.

Fee

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

NA

7. UNIT AGREEMENT NAME

NA

8. FARM OR LEASE NAME

Blue Diamond

9. WELL NO.

13-13B

10. FIELD AND POOL, OR WILDCAT

Undesignated 002

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

Section 13, T9S-R19E

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

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

2. NAME OF OPERATOR

DALEN Resources Oil & Gas Co.

3. ADDRESS OF OPERATOR

6688 N. Central Expwy., Suite 1000, Dallas, TX 75206

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

At surface 660' FSL & 4620' FEL SW/4 SW/4

At top prod. interval reported below Same

At total depth Same

14. API NO. 43-047-32457

DATE ISSUED 02/04/94

12. COUNTY Uintah

13. STATE Utah

15. DATE SPUDDED 11/02/94

16. DATE T.D. REACHED 11/11/94

17. DATE COMPL. (Ready to prod.) 11/14/94

18. ELEVATIONS (DF, RKB, RT, GR, ETC.) 4663' RKB

19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 5150'

21. PLUG, BACK T.D., MD & TVD NA

22. IF MULTIPLE COMPL., HOW MANY

23. INTERVALS DRILLED BY

ROTARY TOOLS X

CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD)

NA

25. WAS DIRECTIONAL SURVEY MADE

No

26. TYPE ELECTRIC AND OTHER LOGS RUN

DIL/D5N/SDL/GR/Cal. 11-16-94

27. WAS WELL CORED YES NO (Submit analysis)

DRILL STEM TEST YES NO (See reverse side)

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

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9-5/8"	36"	401'	12-1/4"	225sx Class G	0

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					NA	NA	NA

30. TUBING RECORD

31. PERFORATION RECORD (Interval, size and number)

NA

32. ACID, SHOT, FRACTURE, CEMENT

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
NA	NA

33. PRODUCTION

DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump)				WELL STATUS (Producing or shut-in)	
NA							
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR OIL--BBL.	GAS--MCF.	WATER--BBL.	GAS-OIL RATIO	
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL--BBL.	GAS--MCF.	WATER--BBL.	OIL GRAVITY-API (CORR.)	

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

TEST WITNESSED BY

35. LIST OF ATTACHMENTS

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

SIGNED

Cindy R. Keister

TITLE Supervisor Regulatory Compliance

DATE

12/02/1994

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
				Green River		1024'
				Basal Limestone		5196'
				Wasatch		5330'

DALEN Resources
Oil & Gas Co.



October 1, 1994

State of Utah
Department of Natural Resources, Division of Oil, Gas & Mining
355 W. North Temple, 3 Triad Center #350
Salt Lake City, UT 84180-1203

RE: U1870145

Gentlemen:

As of October 1, 1994, PG&E Resources Offshore Company was merged into PG&E Resources Company which simultaneously changed to DALEN Resources Oil & Gas Co. Enclosed please find the following documents:

1. Rider of the name change on the above referenced bond
2. Certificate of Ownership and Merger

Should you have additional requirements for completing this name change, contact CoCo Kasik at (214)750-3111.

Thank you for your assistance.

Very truly yours,

A handwritten signature in black ink, appearing to read "Michael R. Bakke".

Michael R. Bakke
Assistant Treasurer

Encl.

OCT 3

UNITED PACIFIC INSURANCE COMPANY

HEAD OFFICE, PHILADELPHIA, PENNSYLVANIA

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, That the UNITED PACIFIC INSURANCE COMPANY, a corporation duly organized under the laws of the State of Pennsylvania, does hereby make, constitute and appoint Theresa Fermanich, individually, of San Francisco, California, its true and lawful Attorney(s)-in-Fact, to make, execute, seal and deliver for and on its behalf, and as its act and deed any and all bonds and undertakings of suretyship and to bind the UNITED PACIFIC INSURANCE COMPANY thereby as fully and to the same extent as if such bonds and undertakings and other writings obligatory in the nature thereof were signed by an Executive Officer of the UNITED PACIFIC INSURANCE COMPANY and sealed and attested by one other of such officers, and hereby ratifies and confirms all that its said Attorney(s)-in-Fact may do in pursuance hereof.

This Power of Attorney is granted under and by authority of Article VII of the By-Laws of UNITED PACIFIC INSURANCE COMPANY which became effective September 7, 1978, which provisions are now in full force and effect, reading as follows:

ARTICLE VII - EXECUTION OF BONDS AND UNDERTAKING

1. The Board of Directors, the President, the Chairman of the Board, any Senior Vice President, any Vice President or Assistant Vice President or other officer designated by the Board of Directors shall have power and authority to (a) appoint Attorney(s)-in-Fact and to authorize them to execute on behalf of the Company, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, and (b) to remove any such Attorney(s)-in-Fact at any time and revoke the power and authority given to them.

2. Attorney(s)-in-Fact shall have power and authority, subject to the terms and limitations of the Power of Attorney issued to them, to execute and deliver on behalf of the Company, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof. The corporate seal is not necessary for the validity of any bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof.

3. Attorney(s)-in-Fact shall have power and authority to execute affidavits required to be attached to bonds, recognizances, contracts of indemnity or other conditional or obligatory undertakings and they shall also have power and authority to certify the financial statement of the Company and to copies of the By-Laws of the Company or any article or section thereof.

This Power of Attorney is signed and sealed by facsimile under and by authority of the following Resolution adopted by the Board of Directors of UNITED PACIFIC INSURANCE COMPANY at a meeting held on the 5th day of June, 1979, at which a quorum was present, and said Resolution has not been amended or repealed:

"Resolved that the signatures of such directors and officers and the seal of the Company may be affixed to any such Power of Attorney or any certificates relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company and any such Power so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company, in the future with respect to any bond or undertaking to which it is attached."

IN WITNESS WHEREOF, the UNITED PACIFIC INSURANCE COMPANY has caused these presents to be signed by its Vice President and its corporate seal to be hereto affixed, this 13 day of October, 1993

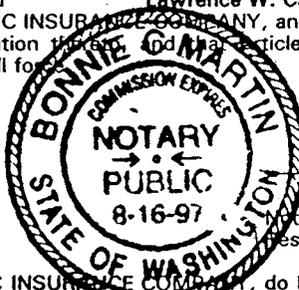


UNITED PACIFIC INSURANCE COMPANY

Lawrence W. Carlstrom
Vice President

STATE OF Washington }
COUNTY OF King } ss.

On this 13 day of October, 1993 personally appeared Lawrence W. Carlstrom to me known to be the Vice President of the UNITED PACIFIC INSURANCE COMPANY, and acknowledged that he executed and attested the foregoing instrument and affixed the seal of said corporation thereon, and that the Resolution, set forth therein, are still in full force and effect.



Bonnie C. Martin
Notary Public in and for State of Washington
Residing at Sumner

I, Robyn Layng, Assistant Secretary of the UNITED PACIFIC INSURANCE COMPANY, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney executed by said UNITED PACIFIC INSURANCE COMPANY, which is still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Company this 26th day of September 19 94



Robyn Layng
Assistant Secretary

OCT 3

DALEN Resources
Oil & Gas Co.



October 5, 1994

OCT 11

Lisha Romero
State Oil & Gas Office
3 Triad Center
Salt Lake City, Utah 84180-1203

Re: Company Name Change

Dear Ms. Romero:

PG&E Resources Company changed its name to DALEN Resources Oil & Gas Co. We are requesting a blanket change for all of PG&E Resources Company's properties to:

DALEN Resources Oil & Gas Co.
6688 N. Central Expressway, Suite 1000
Dallas, Texas 75206-3922

This change is effective October 1, 1994 for all records and reports filed in all districts throughout the state of Utah. I have included a listing of our Utah properties.

Also enclosed is a copy of the Certificate of the Secretary of State of Delaware regarding the name change to DALEN Resources Oil & Gas Co.

If you have any questions regarding this matter, please contact me at (214) 706-3678.

Sincerely,

A handwritten signature in cursive script that reads "Jim Johnson".

Jim Johnson
Regulatory Analyst

JJ/sw
Enclosures

cc: Bureau of Land Management
Vernal District Office
170 South 500 East
Vernal, Utah 84078

State of Delaware
Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF OWNERSHIP, WHICH MERGES:

"PG&E RESOURCES OFFSHORE COMPANY", A DELAWARE CORPORATION, WITH AND INTO "PG&E RESOURCES COMPANY" UNDER THE NAME OF "DALEN RESOURCES OIL & GAS CO.", A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF DELAWARE, AS RECEIVED AND FILED IN THIS OFFICE THE NINETEENTH DAY OF SEPTEMBER, A.D. 1994, AT 1:30 O'CLOCK P.M.

A CERTIFIED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS FOR RECORDING.



Edward J. Freel

Edward J. Freel, Secretary of State

2261176 8100M

944175519

AUTHENTICATION: 7242629

DATE: 09-19-94

**CERTIFICATE OF OWNERSHIP
AND MERGER**

MERGING

**PG&E Resources Offshore Company
a Delaware corporation**

INTO

**PG&E Resources Company
a Delaware corporation**

**(Pursuant to Section 253 of the General Corporation
Law of the State of Delaware)**

PG&E Resources Company, a corporation duly organized and existing under and by virtue of the General Corporation Law of the State of Delaware ("Resources"), does hereby certify:

FIRST: That Resources and PG&E Resources Offshore Company ("Offshore") are corporations duly organized and existing under and by virtue of the General Corporation Law of the State of Delaware.

SECOND: That Resources owns all of the outstanding shares of the capital stock of Offshore.

THIRD: That the board of directors of Resources adopted the following resolutions by unanimous written consent on September 16, 1994, and that such resolutions have not been rescinded and are in full force and effect on the date hereof:

"RESOLVED, that PG&E Resources Offshore Company, a Delaware corporation ("Offshore"), which is a wholly-owned subsidiary of Resources, merge with and into Resources pursuant to Section 253 of the General Corporation Law of the State of Delaware (the "Merger"), effective as of 9:00 A.M., Wilmington, Delaware time, on October 1, 1994, and that Resources assume all of the obligations of Offshore at such time;

RESOLVED, that upon the effective time of the Merger the name of the surviving corporation shall be changed to "DALEN Resources Oil & Gas Co."; and

RESOLVED, that the President or any Vice President of Resources are hereby authorized and empowered to file with the Secretary of State of the State of Delaware a certificate of ownership and merger to effect the Merger and the name change of the surviving corporation, and the appropriate officers of Resources are hereby authorized to incur the necessary expenses therefor and to take, or cause to be taken, all such further action and to execute and deliver

or cause to be executed and delivered, in the name of and on behalf of Resources, all such further instruments and documents as any such officer may deem to be necessary or advisable in order to effect the purpose and intent of the foregoing resolutions and to be in the best interests of Resources (as conclusively evidenced by the taking of such action or the execution and delivery of such instruments and documents, as the case may be, by or under the direction of any such officer)."

FOURTH: This Certificate shall not be effective upon its filing date, but shall become effective at 9:00 A.M., Wilmington, Delaware time, on October 1, 1994 (the "Effective Date").

FIFTH: Upon the Effective Date, the name of the surviving corporation shall be changed to "DAI.EN Resources Oil & Gas Co."

IT WITNESS WHEREOF, Resources has caused this Certificate to be signed by its duly authorized officer this 19th day of September 1994.

PG&E RESOURCES COMPANY

By Joseph T. Williams
Name: Joseph T. Williams
Title: President

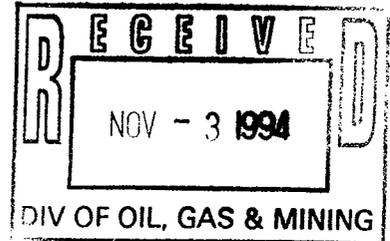
DALEN Resources
Oil & Gas Co.



October 31, 1994

Kent E. Johnson
Vice President
Exploration/Development

STATE OF UTAH NATURAL RESOURCES
OIL & GAS MINING
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
Attn: Gil Hunt



Re: Name Change
PG&E Resources Company

Gentlemen:

Effective October 1, 1994, PG&E Resources Company (PG&ER) changed its name to **DALEN** Resources Oil & Gas Co. As a result of this action, all activities previously conducted in the name of PG&E Resources Company will subsequently be conducted by **DALEN** Resources Oil & Gas Co.. No changes in ownership, personnel, office address, telephone numbers, or business practices were caused by this name change.

Please revise your records by replacing PG&E Resources Company or PG&E Resources Offshore Company with **DALEN** Resources Oil & Gas Co.

Very truly yours,

A handwritten signature in cursive script that reads "John R. Wingert".

John R. Wingert
Exploration Manager
Northern Division

JRW:lkd

ENTITY REVIEW

- Yes* 1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) yes (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) *Surety U1870145/80,000 "Rider to Daten" rec'd 10-3-94. *Trust Lead/Ed "Rider" Aprv. 10-5-94 # U2164274/80,000.*

- Yes* 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.
- N/A* 2. A copy of this form has been placed in the new ^{*Upon compl. of routing.*} and former operators' bond files.
- Yes/N/A* 3. The former operator has requested a release of liability from their bond (yes/no) 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.
- DTD* 2. Copies of documents have been sent to State Lands for changes involving State leases. *2/8/94 to Ed Bonin*

FILMING

- 1. All attachments to this form have been microfilmed. Date: _____ 19____

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

941108 Bbm/s.Y. Not Aprv. yet!

941125 " Aprv.'d.