

991207 ORG NAME Change fr ^X P&G E to DALEN EFF 10-1-94

DATE FILED SEPTEMBER 20, 1994

LAND FILE # PATENTED STATE LEASE # ML-22058

INDIAN

DRILLING APPROVED SEPTEMBER 21, 1994

SPOILED IN

COMPLETED

OUT TO PRODUCE

INITIAL PRODUCTION

GRAVITY API

GOR

PRODUCING ZONES

TOTAL DEPTH

WELL ELEVATION

DATE ABANDONED LOCATION ABANDONED EFFECTIVE OCTOBER 4, 1995

FIELD EIGHT MILE FLAT NORTH

UNIT NA

COUNTY UINTAH

WELL NO STATE #42-32

API NO. 43-047-32473

LOCATION 2032' FNL FT FROM NE CORNER

547' FEL FT FROM W BOUNDARY SENE

14 - 14 SEC 32

TWP

RGE

SEC

OPERATOR

TWP

RGE

SEC

OPERATOR

8S

18E

32

DALEN RESOURCES O&G



September 19, 1994

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

SEP 20 1994

Attn: Frank Matthews

Re: PG & E Resources Company
State #42-32
SE NE Sec. 8, T8S - R18E
Uintah County, Utah

Dear Frank,

Enclosed please find three copies of the Application for Permit to Drill on the above mentioned well along with the attached drilling program and maps and diagrams.

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

If you should have any questions regarding the enclosed material, please don't hesitate to contact me.

Sincerely,

PERMITCO INC.

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

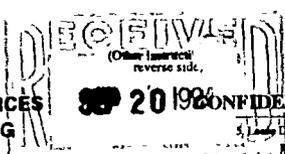
Lisa L. Smith
Consultant for:
PG & E Resources Company

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



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

CONFIDENTIAL - TIGHT HOLE

5. Land Designation and Serial No
ML-22058

6. If Indian, Allottee or Tribe Name

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Well
 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: 2032' FNL and 547' FEL
 At proposed prod. zone: SE NE Sec. 32, T8S - R18E

7. Unit Agricultural Name: N/A
 8. Farm or Lease Name: N/A
 9. Well No: State #42-32
 10. Field and Pool, or Mutual: State
 11. Sec. T. R. N. OR Blx and Survey or Area: Sec. 32, T8S - R18E

14. Distance in miles and direction from nearest town or post office:
 22 miles southeast of Myton, Utah

12. County or Parish: Uintah 13. State: Utah

15. Distance from proposed location to nearest property of lease hse. ft. (Also to nearest drilg. line if any): 547'

16. No. of acres in lease: 640

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. 1800'

19. Proposed depth: 6400'

20. Rotary cable tools: Rotary

21. Elevation (Show whether DF, RT, GR, etc): 4989' GR

22. Approx. date work will start:
 Upon approval of this application

23. PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Casing Depth	Quantity of Cement
12-1/4"	9-5/8"	36#	350'	240 sx or suffic to circ to surf.
7-7/8"	5-1/2"	17#	6400'	660 cubic feet or suffic to cover zones of interest.

PG & E Resources Company proposes to drill a well to 6400' 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.

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

24. Consultant for:
 Signed: [Signature] Title: PG & E Resources Co. Date: 09/19/94

(This space for Federal or State office use)

Permit No. 43-047-32473 Approval Date: _____

Approved by: _____ Title: _____

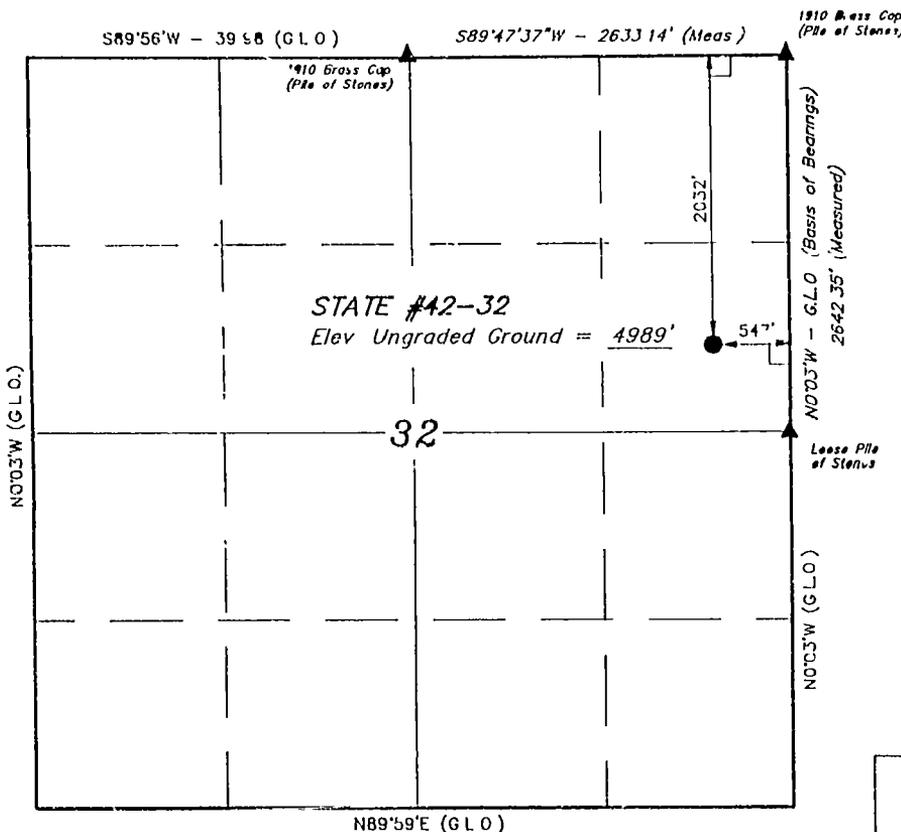
Conditions of approval, if any: _____

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS AND MINING
 DATE: 9/21/94
 BY: [Signature]
 WELL SPACING: 649-3-2

T8S, R18E, S.L.B.&M.

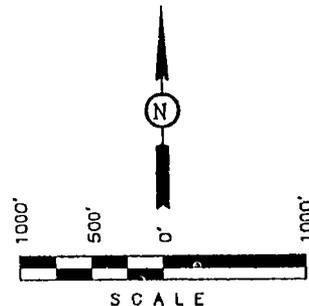
PG&E RESOURCES COMPANY

Well location, STATE #42-32, located as shown in the SE 1/4 NE 1/4 of Section 32, T8S, R18E, S.L.B.&M. Uintah County, Utah.



BASIS OF ELEVATION

SPOT ELEVATION AT THE NORTHEAST CORNER OF SECTION 32, T8S, R18E, S.L.B.&M. TAKEN FROM THE PARIETTE DRAW SW QUADRANGLE, UTAH, 7.5 MINUTE QUAD (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4948 FEET



CERTIFICATE

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

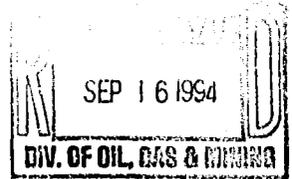

 REGISTERED LAND SURVEYOR
 REGISTRATION NO 161319
 STATE OF UTAH

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. 8-31-94	DATE DRAWN 9-5-94
PARTY JF TG DJS	REFERENCES G.L.O PLAT	
WEATHER COOL	FILE PG&E RESOURCES	



DRILLING LOCATION ASSESSMENT

State of Utah
Division of Oil, Gas and Mining

OPERATOR: PG&E RESOURCES COMPANY WELL NAME: STATE 42-32
SECTION: 32 TWP: 8S RNG: 18E LOC: 2032 FNL. 547 FEL
QTR/QTR SE/NE COUNTY: Uintah FIELD: EIGHT MILE FLAT NORTH
SURFACE OWNER: STATE OF UTAH
SURFACE AGREEMENT:
SPACING: F SECTION LINE F QTR/QTR LINE F ANOTHER WELL
INSPECTOR: DAVID W. HACKFORD DATE AND TIME: 9/15/94 9:30 AM

PARTICIPANTS: DAVID HACKFORD (DOGM), LISA SMITH (PERMITCO),
ROBERT KAY (UELS), BYRON TOLMAN (BLM)

REGIONAL SETTING/TOPOGRAPHY: SITE IS ON THE SOUTH SLOPE OF A
ROCKY KNOLL. TOP OF KNOLL IS 250' NORTH OF PROPOSED WELL BORE
AND 40' HIGHER. DRAWS HEAD ON THE EAST AND WEST OF LOCATION AND
RUN SOUTH. NUMEROUS SANDSTONE OUTCROPPINGS.

LAND USE:

CURRENT SURFACE USE: LIVESTOCK GRAZING WITH SOME WILDLIFE USE.

PROPOSED SURFACE DISTURBANCE: LOCATION 300' X 175' PLUS FOUR
TENTHS OF A MILE ACCESS ROAD.

AFFECTED FLOODPLAINS AND/OR WETLANDS: AREA IS NOT A FLOODPLAIN
BUT COULD SEE RUNOFF DURING OR AFTER RAIN STORMS.

FLORA/FAUNA: VERY LITTLE FLORA: LESS THAN 1% GROUND COVER. SALT
BRUSH, SOME NATIVE GRASSES; ANTELOPE, COYOTES, RABBITS, SMALL
BIRDS, RAPTORS, REPTILES.

ENVIRONMENTAL PARAMETERS

SURFACE GEOLOGY

SOIL TYPE AND CHARACTERISTICS: REDDISH GRAY CLAY.

SURFACE FORMATION & CHARACTERISTICS: NUMEROUS SANDSTONE
OUTCROPPINGS.

EROSION/SEDIMENTATION/STABILITY: EROSION IN AREA; SHOULD NOT
BE A PROBLEM WITH LOCATION. NO SEDIMENTATION OR STABILITY
PROBLEMS OBSERVED.

PALEONTOLOGICAL POTENTIAL: NONE

SUBSURFACE GEOLOGY

OBJECTIVES/DEPTHS: GREEN RIVER FORMATION: 6400'

ABNORMAL PRESSURES-HIGH AND LOW: NONE EXPECTED.

CULTURAL RESOURCES/ARCHAEOLOGY: NO INTEREST IN THIS AREA.

CONSTRUCTION MATERIALS: CUT AND FILL AS NECESSARY.

SITE RECLAMATION: AS REQUIRED BY STATE LANDS.

RESERVE PIT

CHARACTERISTICS: 130' X 75' AND 8' DEEP.

LINING: A 12 MIL PLASTIC LINER WILL BE NECESSARY.

MUD PROGRAM: WATER, KCL AND POLYMER.

DRILLING WATER SUPPLY: HICKEN POND.

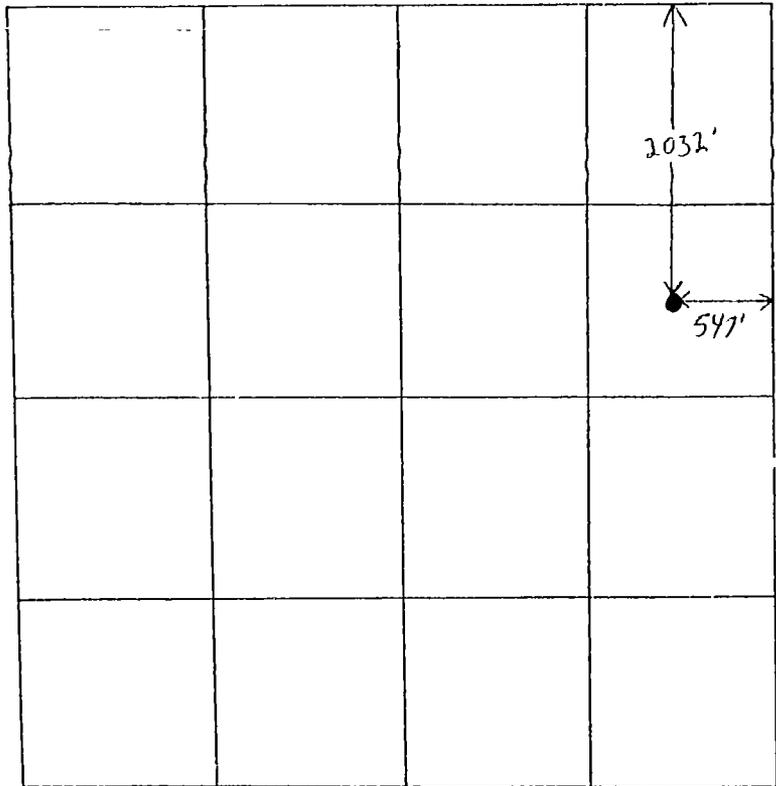
OTHER OBSERVATIONS

STIPULATIONS FOR APD APPROVAL RESERVE PIT PLACED ON NORTH
SIDE OF PROPOSED WELL BORE.

ATTACHMENTS

PHOTOGRAPHS WILL BE PLACED ON FILE.

SECTION 32 TOWNSHIP 8S RANGE 10E COUNTY Uintah STATE UTAH
SCALE= 1"=1000'



August 9, 1993

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

Attn Minerals

Re Agent Designation

Gentlemen

This letter is to inform you that Permitco, Inc is authorized to act as Agent and to sign documents on behalf of PG&E Resources Company when necessary for filing county, state and federal permits including Onshore Order No 1, Right of Way applications, etc

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

PG&E Resources Company agrees to accept full responsibility for operations including drilling, completion and production

Yours very truly,



Jim LaFavers
Supervisor
Regulatory Affairs

JLF ah

CONFIDENTIAL - TIGHT HOLE

#42-32 STATE
2032' FNL and 547' FEL
SE NE Section 32, T8S - R18E
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

The proposed wellsite is located on State Surface/State Minerals. The majority of the access is located on Federal lands and a right of way application will be filed with the Bureau of Land Management if one is not currently in place. The remainder of the access is located on state surface within lease ML-22058.

An onsite inspection for the above mentioned location and access road was conducted on Thursday, September 15, 1994 at 10:00 a.m. Weather conditions were cool with a slight breeze.

Present at the onsite inspection were the following individuals:

Byron Tolman	Natural Resource Specialist	BLM
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	1707'
Douglas Creek Marker	4930'
"D" Marker	5182'
"E" Marker	5331'
E ₂	5531'
"F" Marker	5757'
Basal Limestone	6137'
Wasatch	6300'
T.D.	6400'

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>	<u>Type</u>	<u>Used</u>
Surface	0-350'	12-1/4"	9-5/8"	36#	K-55	ST&C	New
Produc.	0-6400'	7-7/8"	5-1/2"	17#	N-80	LT&C	New

Casing design subject to revision based on geologic conditions encountered.

3. Cement Program

Surface
0-350'

Type and Amount

± 110 sx (240 cubic feet) Class "A" Cement or sufficient volume to circulate to surface.

Production

Type and Amount

Approx. 660 cubic feet of 50/50 Poz Mix, 14.1 ppg, 1.26 yield or sufficient to cover zones of interest (from T.D. to approximately 2600'.

4. Drilling Fluids

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

<u>Interval</u>	<u>Mud Type</u>	<u>Mud Wt.</u>	<u>Visc.</u>	<u>F/L</u>	<u>PH</u>
0-6400'	Water/Lime & Gel	8.4-8.6	27-36	N/C	N/C

5. Testing, Logging and Coring

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

- a. Drill stem tests will be run as warranted after log evaluation, however, no DST's are anticipated.
- b. The logging program will consist of a Dual Laterolog (1", 2" and 5") from T.D. to base of surface casing. A Spectral Density Dual Spaced Neutron Log (5") from T.D. to 2500'.
- c. No cores are anticipated.

6. Spud Date/Drilling Time

- a. Drilling is planned to commence immediately upon approval of this application.
- b. It is anticipated that the drilling of this well will take approximately 10 days.

7. Road Use/Water Source

- a. All existing roads are located on BLM or State lands. All access is located on BLM lands with the exception of the access roads in Section 32 which are on state lands.
- b. Approximately 400 feet of access road is existing within Section 32 and approximately 1800 feet of new construction will be required - also within Section 32.
- c. All water needed for drilling purposes will be obtained from the Cedar View Water source which is located S 1167', E 340', from North quarter corner of Section 27, T1S - R2W, Duchesne County, Utah. Permit No. 43-9974 A14289 (Dalbo).

- d. Water will be hauled to the location over the roads marked on Maps A and B. No water well is to be drilled on this lease.
- e. A copy of the approved water permit is attached.

8. BOP Requirements

PG & E's minimum specifications for pressure control equipment are as follows:
Ram Type: 10" Hydraulic double, 3000 psi w.p.

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

As a minimum, the above test shall be performed:

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

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

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

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

Pressure tests shall apply to all related well control equipment.



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

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

- a. The size and rating of the BOP stack is shown on the attached diagram.
- b. A choke line and a kill line are to be properly installed. The kill line is not to be used as a fill-up line.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.

9. Anticipated Pressures

- a. The expected maximum bottom hole pressure is 3030 psi.
- b. No hydrogen sulfide gas or abnormal pressures are anticipated.

10. Reserve Pit

- a. At the request of the State, the reserve pit will be lined.

Application for Permit to Drill
P G & E Resources Company
#42-32 State
2032' FNL and 547' FEL
SE NE, Sec. 32, T8S - R18E
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. ML-22058

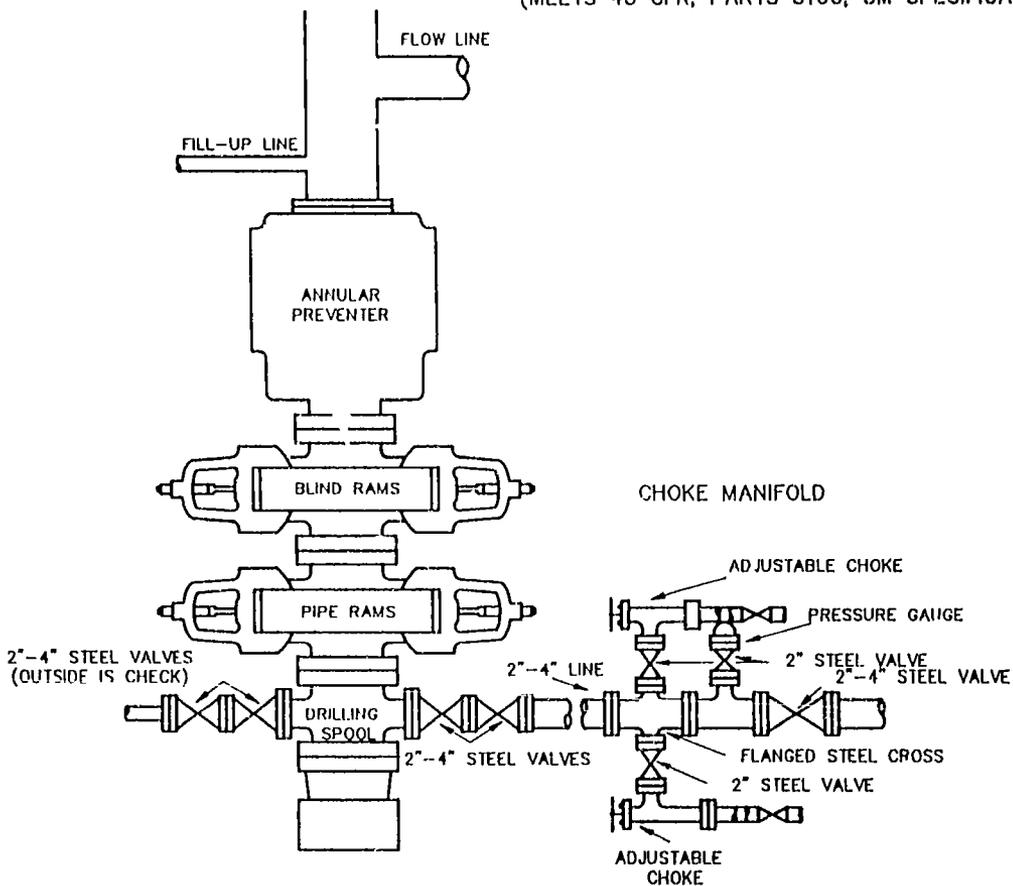
Page 6

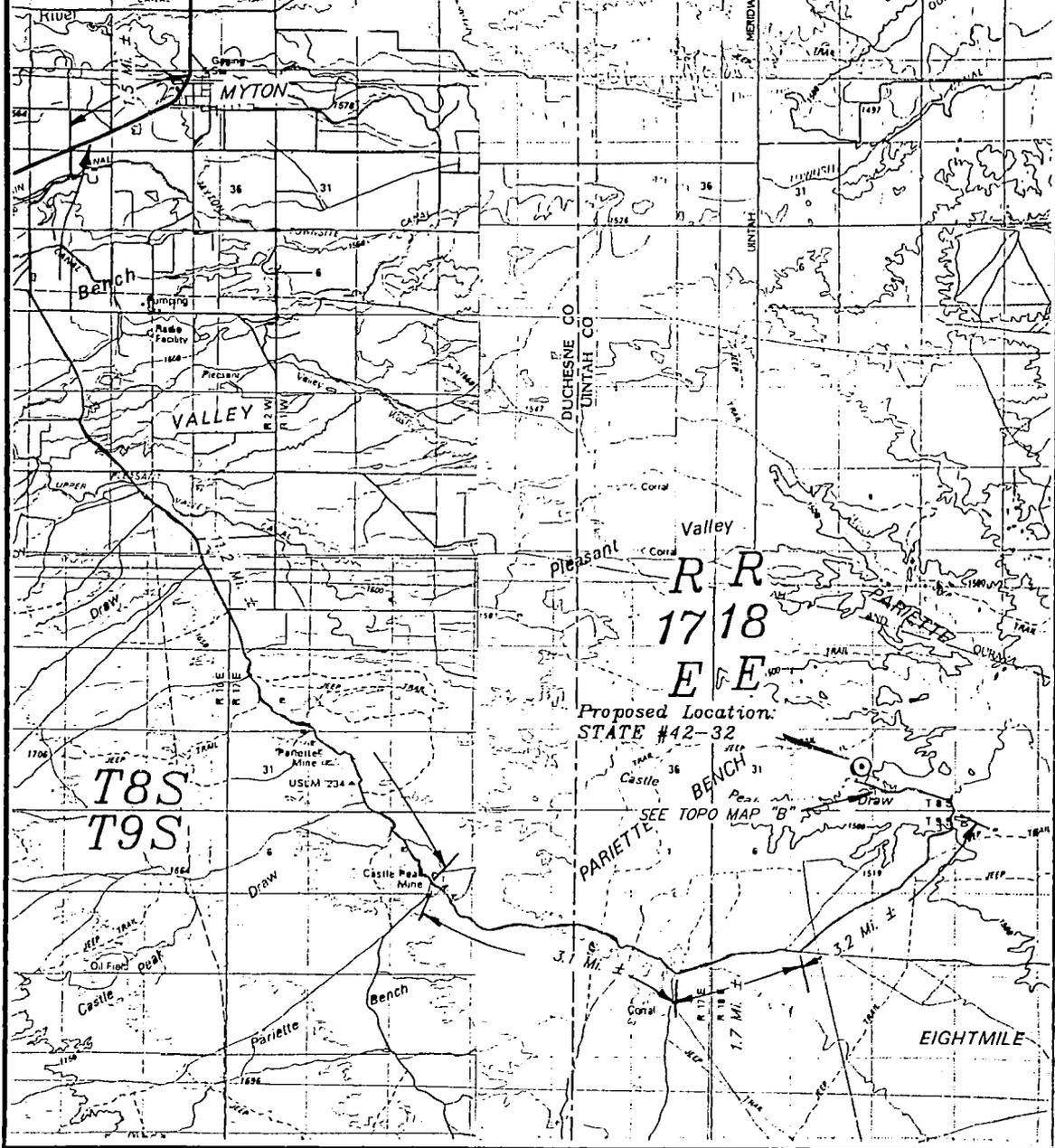
11. Production Facilities

- a. If production is established a Sundry Notice will be submitted prior to installation of the facilities.



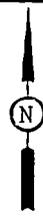
THREE PREVENTER HOOKUP
CLASS III
(MEETS 43 CFR, PARTS 3160, 3M SPECIFICATIONS)





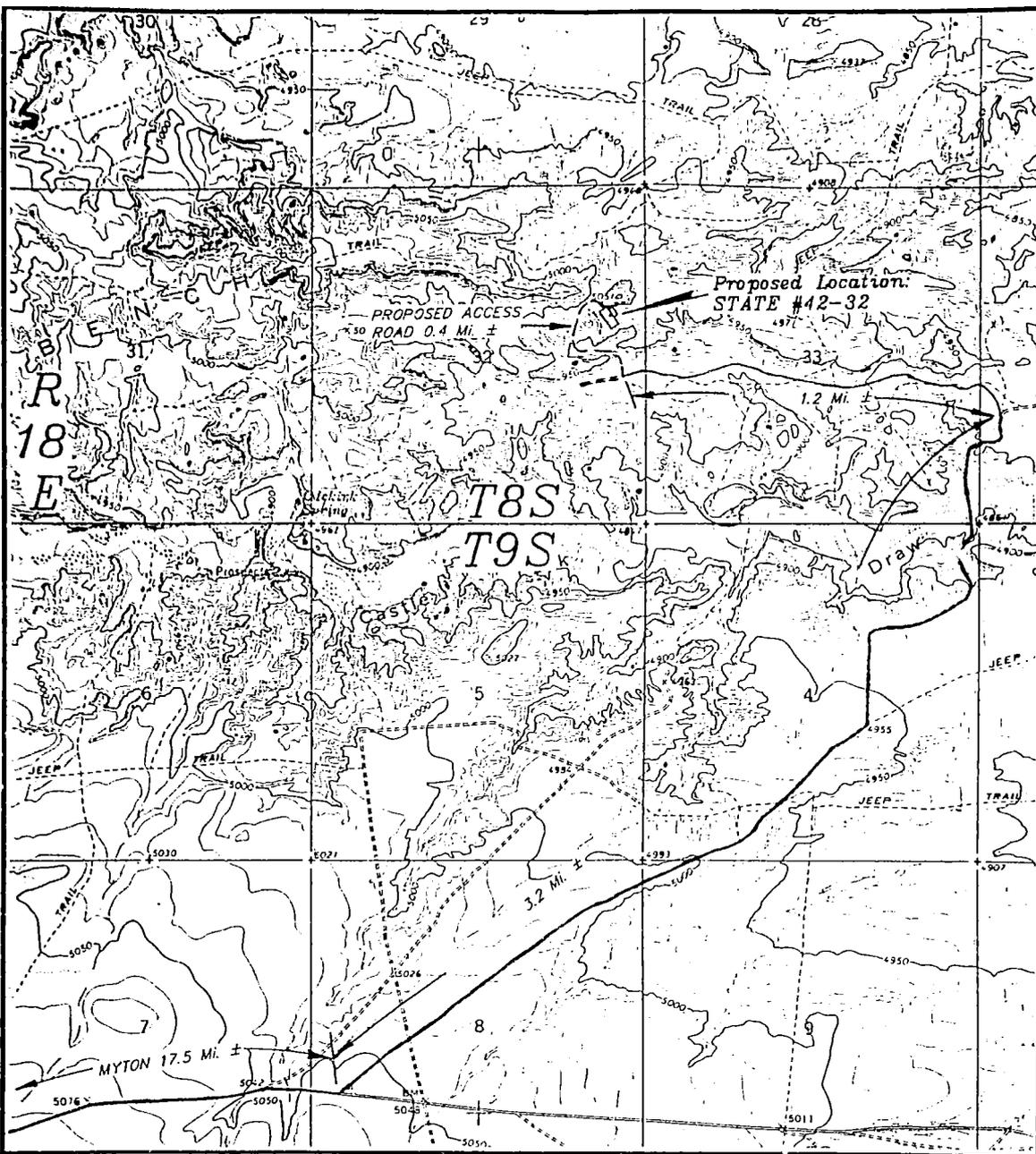
TOPOGRAPHIC
MAP "A"

DATE: 9-5-94 D.J.S.



PG&E RESOURCES COMPANY

STATE #42-32
SECTION 32, T8S, R18E, S.L.B.&M.
2032' FNL 547' FEL



TOPOGRAPHIC

MAP "B"

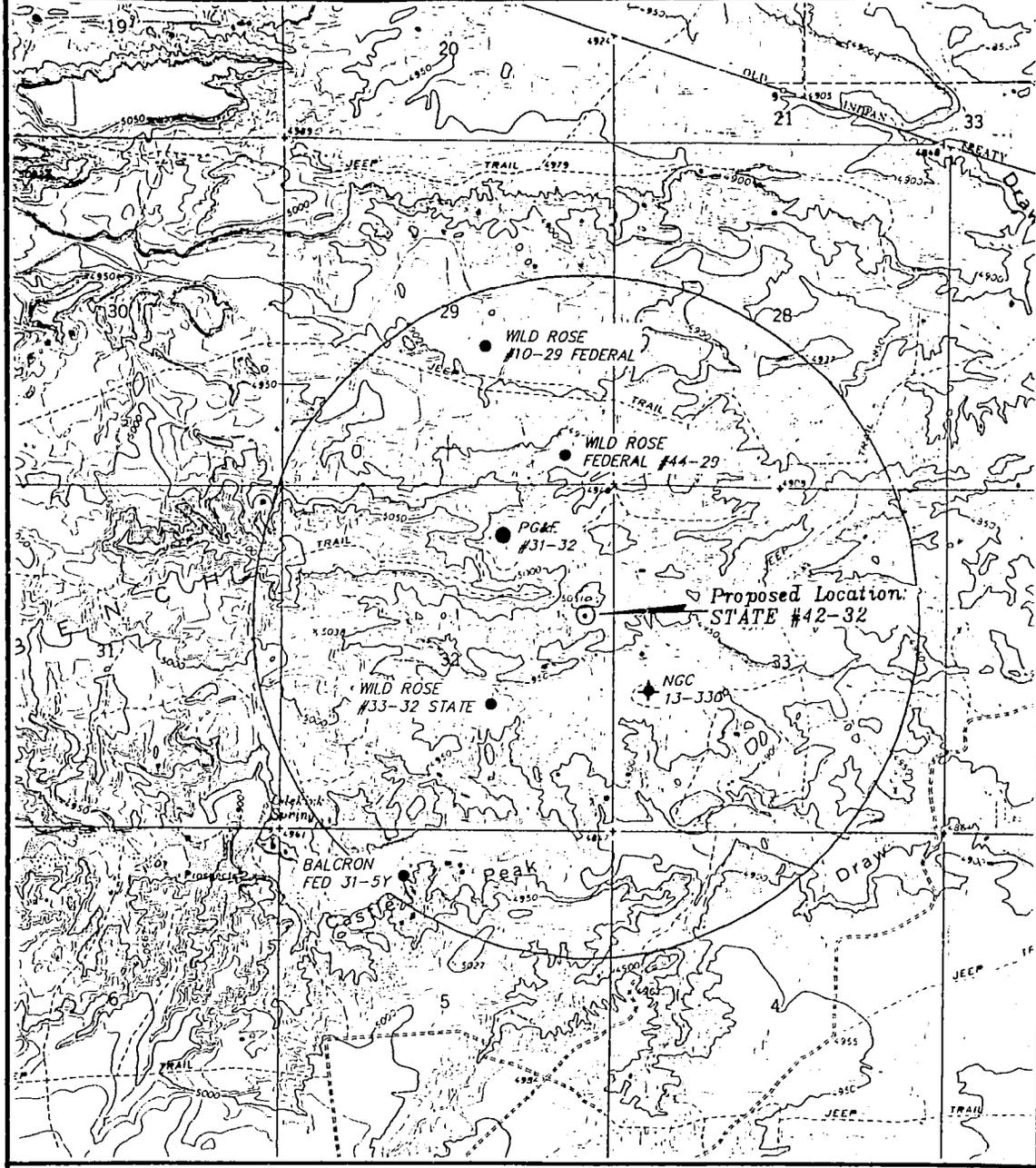
SCALE: 1" = 2000'

DATE: 9-5-94 D.J.S.



PG&E RESOURCES COMPANY

STATE #42-32
SECTION 32, T8S, R18E, S.L.B.&M.
2032' FNL 547' FEL



LEGEND:

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



PG&E RESOURCES COMPANY

STATE #42-32
SECTION 32, T8S, R18E, S.L.B.&M.

TO P O M A P " C "

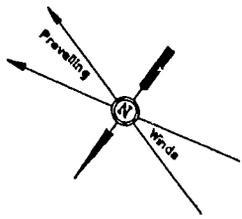
DATE: 9-5-94 D.J.S.

PG&E RESOURCES COMPANY

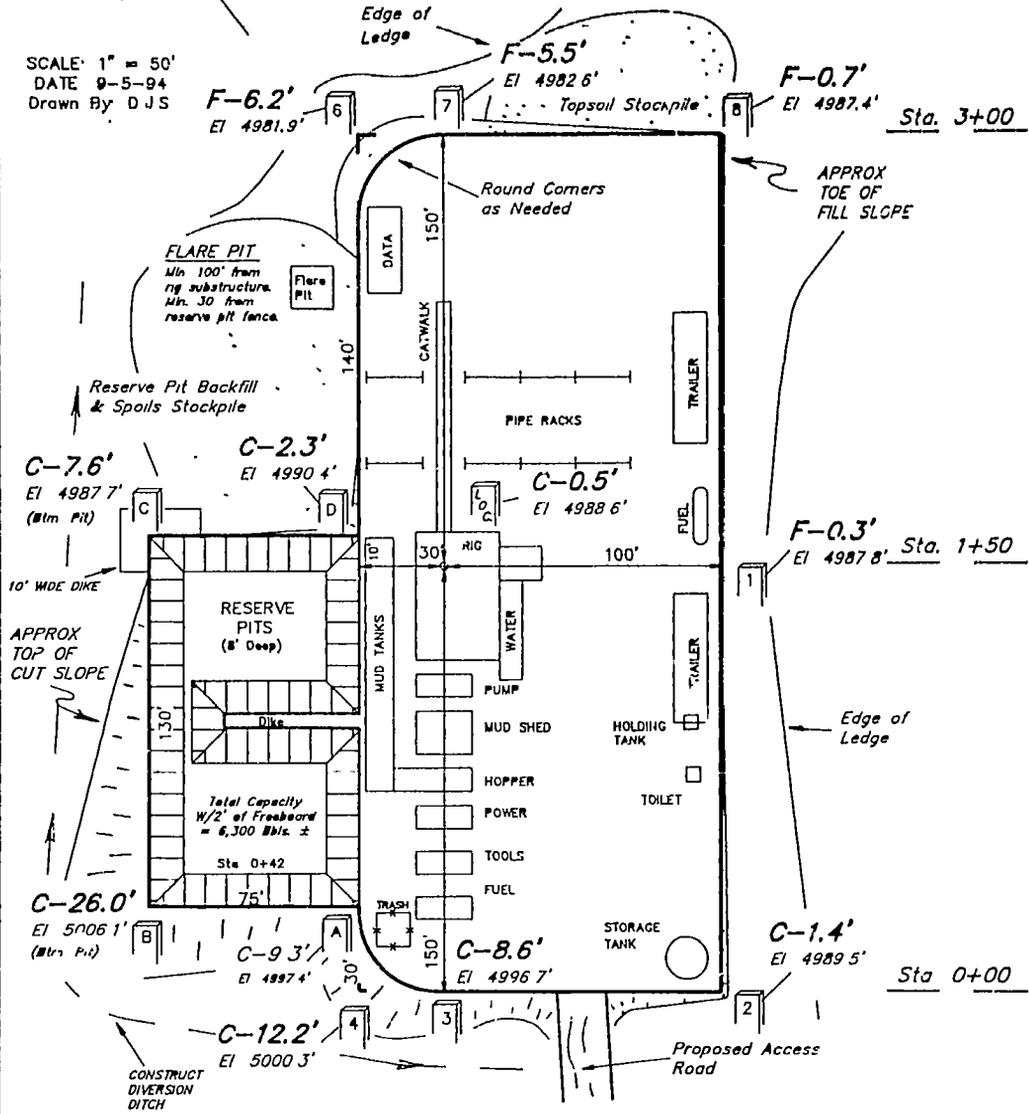
LOCATION LAYOUT FOR

STATE #42-32
SECTION 32, T8S, R18E, S.L.B.&M.
2032' FNL 547' FEL

De Kay
LAND SURVEYING
UTAH



SCALE: 1" = 50'
DATE 9-5-94
Drawn By DJS



Elev Ungraded Ground at Location Stake = 4988.6'

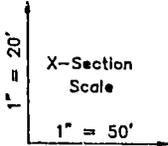
Elev Graded Ground at Location Stake = 4988.1'

PG&E RESOURCES COMPANY

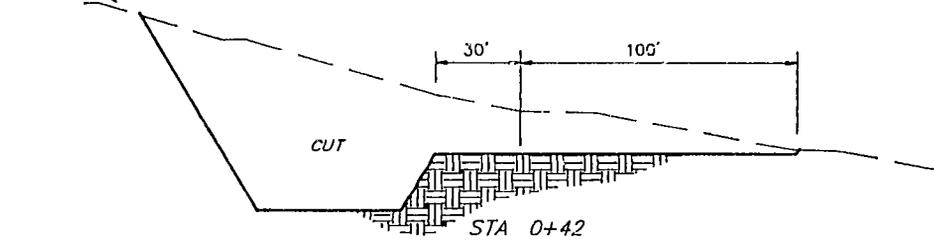
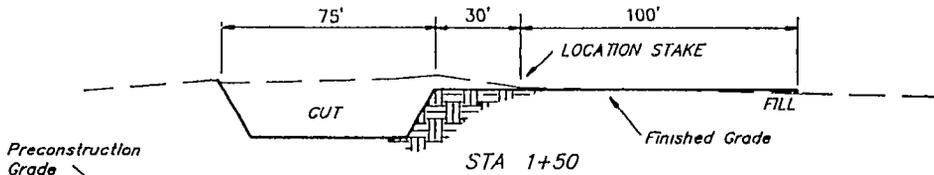
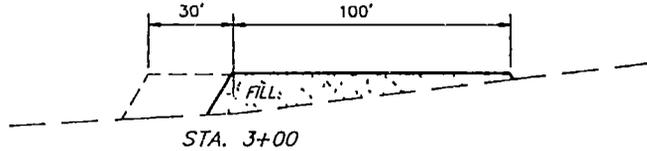
LOCATION LAYOUT FOR

STATE #42-32
SECTION 32, T8S, R18E, S.L.B.&M.
2032' FNL 547' FEL

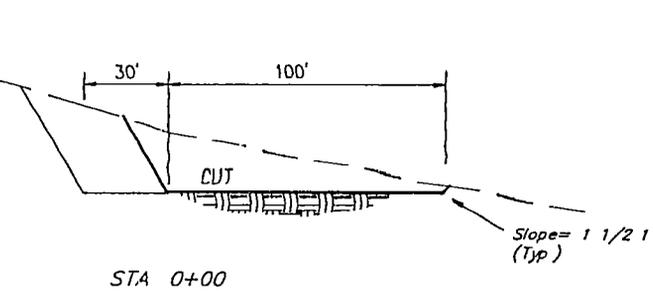
REGISTERED
DeKay
ENGINEER



DATE: 9-5-94
Drawn By DJS



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



APPROXIMATE YARDAGES

CUT		
(6") Topsoil Stripping	=	900 Cu Yds
Remaining Location	=	7,640 Cu Yds
TOTAL CUT	=	8,540 CU.YDS.
FILL	=	1,520 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	=	6,940 Cu. Yds
Topsoil & Pit Backfill (1/2 Pit Vol)	=	1,880 Cu Yds
EXCESS UNBALANCE (After Rehabilitation)	=	5,060 Cu Yds

UINTAH BASIN DISTRICT HEALTH DEPARTMENT

Reply To:

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

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

**UINTAH BASIN DISTRICT
 HEALTH DEPARTMENT**

FOR DEPARTMENT USE ONLY

Wastewater Permit Application
 for Drilling Sites

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

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

DRILLING COMPANY Nabors Drilling U.S.A RESPONSIBLE PARTY Larry Larson
 ADDRESS 2801 Youngfield St., #178, Golden, CO PHONE NUMBER 303/234-1444

DRILLING FOR PG & E Resources Company
 SITE LOCATION State #42-32, SE NE Sec. 32, T8S - R18E, Uintah Co., Utah

APPROXIMATE DATES 10/01/94 TO 4/1/95

SERVICES: POTABLE WATER YES NO, SUPPLIER Rocket Sanitation
 CHEMICAL TOILETS YES NO, SUPPLIER Rocket Sanitation
 LIVING OR OFFICE UNITS 0
 BUNKHOUSES _____
 MOBILE HOMES 3
 REC VEHICLES 1

TOTAL UNITS _____
 TOTAL PERSONNEL AT SITE 4
Approx. 8

WASTEWATER DISPOSAL PROPOSED

X HOLDING TANK AND SCAVENGER PUMPING SERVICE If this system is used, indicate the licensed scavenger employed Rocket Sanitation

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

1. A soil log prepared by a certified engineer or sanitarian using the unified soil classification system at least four feet below the intended absorption system depth
2. Indicate the type of absorption system intended
 - Absorption field
 - Seepage trench
 - Seepage pit
 - Absorption bed

_____ OTHER Describe proposal in detail on an attached sheet.

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

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

See rig layouts and topographic maps attached.

APPLICATION FOR PERMANENT CHANGE OF WATER

RECEIVED
 STATE OF UTAH APR 17 1987
 Rec. by DLK
 Fee Paid \$ 15.00
 Receipt # 071.50
 Salt Lake Microfilm
 Roll # _____

For the purpose of obtaining permission to make a permanent change of water in the State of Utah, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements of the Laws of Utah

*WATER USER CLAIM NO. 43-9974 *APPLICATION NO A-14289

Changes are proposed in (check those applicable)

- _____ point of diversion. _____ point of return
- place of use. nature of use

1. OWNER INFORMATION

Name: Owen Dale Anderson *Interest %
 Address: PO Box 1167 Vernal UT 84272

2 *PRIORITY OF CHANGE _____ *FILING DATE: _____

*Is this change amendatory? (Yes, No) _____

3 RIGHT EVIDENCED BY. 43-3525

Prior Approved Change Applications for this sign. 93-43-21 94-43-73 A 14299

HEXLIUFORE

4. QUANTITY OF WATER: 05 cfs and/or _____ ac ft.

5. SOURCE: U.G.W (well)

6. COUNTY: Duchesne

7 POINT(S) OF DIVERSION. South 1167 ft East 340 ft from N 1/4 Corner Section 27 T1S, R2W, US&M

Description of Diverting Works _____

8. POINT(S) OF REDIVERSION

The water will be rediverted from _____ at a point _____

Description of Diverting Works _____

9. POINT(S) OF RETURN

The amount of water consumed is _____ cfs or _____ ac ft.

The amount of water returned is _____ cfs or _____ ac ft

The water will be returned to the natural streamy/source at a point(s): _____

*These items are to be completed by Division of Water Rights.

10. NATURE AND PERIOD OF USE

Stockwatering: From Jan 1 to Dec 31
 Domestic: From _____ to _____
 Municipal: From _____ to _____
 Mining: From _____ to _____
 Power: From _____ to _____
 Other: From Jan 1 to Dec 31
 Irrigation: From April 1 to Oct 31

11. PURPOSE AND EXTENT OF USE

Stockwatering (number and kind). — 250 Livestock Units _____
 Domestic: _____ Families and/or _____ Persons
 Municipal (name): _____
 Mining: _____ Mining District in the _____ Mine.
 Ores mined: _____
 Power Plant name _____ type _____ Capacity _____
 Other (describe): ~~mining & completion of all gold lease fish culture~~
 Irrigation: 557 acres sole supply of _____ acres

12. PLACE OF USE

Legal description of areas of use other than acreage by 40 acre tract: n/a

13. STORAGE

Reservoir Name Unnamed Storage Period, from 11-1 to 3-31
 Capacity: 4.0 ac ft. Inundated Area. _____ acres
 Height of dam: _____ feet
 Legal description of inundated area by 40 tract: NW NE Sec 27, T15 R2W 25S & M

***** THE FOLLOWING CHANGES ARE PROPOSED *****

14. QUANTITY OF WATER: _____ cfs and/or 20.0 ac ft
 15. SOURCE: UGW Remaining Water same
 16. COUNTY: Duchesne
 17. POINT(S) OF DIVERSION: same

Description of Diverting Works: _____

18. POINT(S) OF REDIVERSION

The water will be rediverted from _____ at a point: _____

Description of Diverting Works: _____

19. POINT(S) OF RETURN

The amount of water consumed is _____ cfs or _____ ac ft
 The amount of water returned is _____ cfs or _____ ac ft
 The water will be returned to the natural stream/source at a point(s). _____

20. NATURE AND PERIOD OF USE

Stockwatering. From _____ to _____
 Domestic. From _____ to _____
 Municipal: From _____ to _____
 Mining From _____ to _____
 Power. From _____ to _____
 Other From Jan 1 to Dec 31
 Irrigation: From _____ to _____

21. PURPOSE AND EXTENT OF USE

Stockwatering (number and kind) _____
 Domestic: _____ Families and/or _____ Persons
 Municipal (name): _____
 Mining _____ Mining District in the _____ Mine
 Ores mined: _____
 Power. Plant name: _____ Type _____ Capacity _____
 Other (describe): drilling and completion of oil wells
 Irrigation: _____ acres Sole supply of _____

22. PLACE OF USE

Legal description of areas of use by 40 acre tract: _____

Other: hauls to locations by water trucks as needed

23. STORAGE

Reservoir Name. _____ Storage Period: from _____ to _____
 Capacity _____ ac-ft. Inundated Area. _____ acres
 Height of dam. _____ feet
 Legal description of inundated area by 40 tract: _____

24. EXPLANATORY

The following is set forth to define more clearly the full purpose of this application. Include any supplemental water rights used for the same purpose. (Use additional pages of same size if necessary).

Change is for oilfield drilling and exploration.
Approximately 4 acre ft^{best} will be taken from
irrigation purposes and used for oilfield purposes
acres to be irrigated will change from ~~55.7~~ to 50 acres
because of the change in use. ~~53.7~~ 48.7

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 09/20/94

API NO. ASSIGNED: 43-047-32473

WELL NAME: STATE 42-32
OPERATOR: PG & E RESOURCES (N0595)

PROPOSED LOCATION:
SENE 32 - T08S - R18E
SURFACE: 2032-FNL-0547-FEL
BOTTOM: 2032-FNL-0547-FEL
UINTAH COUNTY
EIGHT MILE FLAT NORTH FIELD (590)

INSPECT LOCATION BY: 09/20/94

TECH REVIEW	Initials	Date
Engineering	JMM	9/21/94
Geology	TJ	9/21/94
Surface	DH	9/20/94

LEASE TYPE: STA
LEASE NUMBER: ML-22058

PROPOSED PRODUCING FORMATION: GRRV

RECEIVED AND/OR REVIEWED:

Plat
 Bond: Federal State Fee
 (Number 8063-38-07)
 Potash (Y/N)
 Oil shale (Y/N)
 Water permit
 (Number 42-9974)
 RDCU Review (Y/N)
 (Date: _____)

LOCATION AND SITING:

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

COMMENTS: _____

STIPULATIONS: _____

STATE OF UTAH

Operator: PG & E RESOURCES CO.	Well Name: STATE #42-32
Project ID: 43-047-32473	Location: SEC. 32 - T08S - R18E

Design Parameters:

Mud weight (8.60 ppg) : 0.447 psi/ft
 Shut in surface pressure : 2470 psi
 Internal gradient (burst) 0.061 psi/ft
 Annular gradient (burst) : 0.000 psi/ft
 Tensile load is determined using buoyed weight
 Service rating is "Sweet"

Design Factors:

Collapse : 1.125
 Burst : 1.00
 8 Round : 1.80 (J)
 Buttress : 1.60 (J)
 Other : 1.50 (J)
 Body Yield : 1.50 (B)

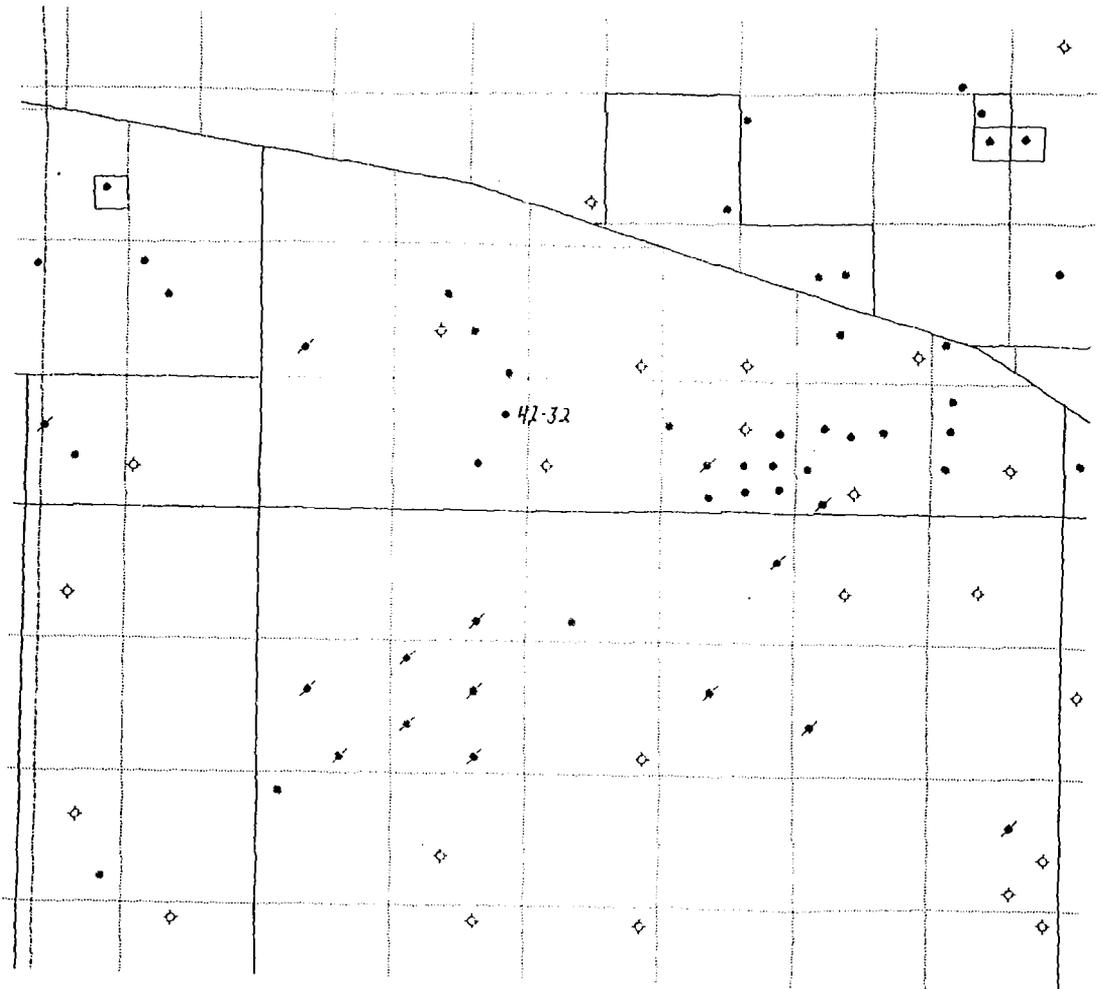
Length (feet)	Size (in.)	Weight (lb/ft)	Grade	Joint	Depth (feet)	Drift (in.)	Cost			
1	6,400	5.500	17.00	N-80	LT&C	6,400	4.767			
		Collapse Load Strgth (psi)	S.F.	Burst Load (psi)	Min Int Strgth (psi)	Yield S.F.	Tension Load Strgth (kips)	S.F.		
1		2859	6280	2.196	2859	7740	2.71	94.49	348	3.68 J

Prepared by : FRM, Salt Lake City, UT
 Date : 09-21-1994
 Remarks :

Minimum segment length for the 6,400 foot well is 1,000 feet
 SICP is based on the ideal gas law, a gas gravity of 0.69, and a mean gas
 temperature of 106°F (Surface 74°F , BHT 138°F & temp gradient 1.000°/100 ft)
 The mud gradient and bottom hole pressures (for burst) are 0.447 psi/ft and
 2,859 psi, respectively

NOTE: The design factors used in this casing string design are as shown above. As a general guide-
 line, Lone Star Steel recommends using minimum design factors of 1.125 - Collapse (with
 evacuated casing), 1.0 - Burst, 1.8 - 8 Round Tension, 1.6 - Buttress Tension, and 1.5 - Body
 Yield. Collapse strength under axial tension was calculated based on the Westcott, Dunlop and
 Kemler curve. Engineering responsibility for use of this design will be that of the purchaser.
 Costs for this design are based on a 1987 pricing model. (Version 1.06)

PG&E RESOURCES
EIGHT MILE FLAT NORTH FIELD
STATE 42-32 LOCATION
NO SPACING ORDERS COVER THIS AREA





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
3rd Floor Center Suite 350
Salt Lake City Utah 84100 1203
801 538 5340
801 359 3940 (Fax)
801 538 5319 (TDD)

September 21, 1994

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

Re: State #42-32 Well, 2032' FNL, 547' FEL, SE NE, Sec 32, T 8 S, R 18 E, Uintah County, Utah

Gentlemen:

Pursuant to Utah Admin R 649-3-2, 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. Compliance with the requirements of Utah Admin R 649-1 et seq., the Oil and Gas Conservation General Rules
2. Notification to the Division within 24 hours after drilling operations commence
3. Submittal of Entity Action Form, Form 6, within five working days following commencement of drilling operations and whenever a change in operations or interests necessitates an entity status change
4. Submittal of the Report of Water Encountered During Drilling, Form 7.
5. Compliance with the requirements of Utah Admin R 649-3-20, Gas Flaring or Venting, if the well is completed for production

Page 2

PG & E Resources Company
State #42-32 Well
September 21, 1994

- 6 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 K. Michael Hebertson, Reclamation Specialist, (Home) (801)269-9212.

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 43-047-32473.

Sincerely,



R. J. Firth
Associate Director

ldc

Enclosures

cc Utah County Assessor

Bureau of Land Management, Vernal District Office

WO11

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
 355 West North Temple 3 Third Suite 350 Salt Lake City UT 84100 1203

MONTHLY OIL AND GAS PRODUCTION REPORT

OPERATOR NAME AND ADDRESS

UTAH ACCOUNT NUMBER N0595

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

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)	WATLR(BBL)
✓ FEDERAL 7-24B 4304732227 11508 09S 19E 24				UTU68625	(w wllow let 11')	
✓ FEDERAL 15-24B 4304732420 11509 09S 19E 24	GRRV			UTU68625	(wllow llow (rec k llmt)	
✓ FEDERAL 5-24B 4304732447 11585 09S 19E 24	GRRV			UTU 68625	(wllow llow llow llmt)	
✓ Blue Diamond 13-13B 4304732457 99999 9S 19E 13	Oil	✓		FEE	* 11-699 Bond updated (w wllow llow)	
✓ State 15-14B 4304732450 99999 9S 19E 24	"			ML45243	(w w llow llow)	
✓ Federal 7-17B 4304732479 11632 9S 19E 19	"			UTU65218		
✓ Federal 2-19 4304732497 99999 9S 19E 19	"			U65218		
✓ State 31-32 4304732500 11645 8S 18E 32	GRRV			ML22058		
✓ Federal 41-29 4304732495 11646 9S 18E 29	GRRV			U19267		
✓ Federal 13-20 4301331443 99999 9S 17E 20	"			U13905		
✓ Federal 44-18 4304732492 99999 9S 19E 18	"			U16544		
✓ Federal 22-8H 4301331427 11695 9S 17E 8	"			U10760		
✓ Federal 14-9H 4301331459 11697 9S 17E 9	"			U50750		
✓ Federal 21-9H 4301331458 11696 9S 17E 9	"			TOTALS	U50750	
✓ Federal 21-8H 4301331460 99999 9S 17E 8	"				U10760	
✓ State 42-32 4304732473 99999 8S 18E 32	"				ML22058	
COMMENTS Federal 23-29 4304732556 99999 9S 18E 29	"				U-19267	

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

Date _____

Name and Signature _____

Telephone Number _____

DALEN Resources
Oil & Gas Co



October 18, 1994

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

Re Company Name Change

Dear Lisha

In reference to our telephone conversation on October 17, I have enclosed copies of the following Sundry notices you requested

Federal #13-20	Duchesne Co , Utah
Federal #22-811	Duchesne Co , Utah
Federal #14-911	Duchesne Co , Utah
Federal #21-811	Duchesne Co , Utah
Federal #21-911	Duchesne Co , Utah
Federal #42-32	Unitah Co , Utah
Federal #32-31	Unitah Co , Utah

If you have any questions or need additional information, please contact me at (214) 706-3678

Sincerely,

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

Jim Johnson
Regulatory Analyst

JJ/sw
Enclosure

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5 Lease Designation and Serial No
ML- 22058

6 If Indian, Allottee or Tribe Name
NA

7 If Unit or CA, Agreement Designation
NA

8 Well Name and No
State 42-32

9 API Well No
43-047-32473

10 Field and Pool, or Exploratory Area
Eight Mile Flat North

11 County or Parish, State
Utah Co., UT

SUBMIT IN TRIPLICATE

1 Type of Well
 Oil Well Gas Well Other

2 Name of Operator
DALEN Resources Oil & Gas Co.

3 Address and Telephone No
6688 N. Central Expressway, Suite 1000 Dallas, Texas 75206-3922

4 Location of Well (Footage, Sec., T., R., M., or Survey Description)
2032' INL & 547' FEL
SE/NE Section 32, T8S, R18E

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

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

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

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.)*

PG&E Resources Company changed its name to DALEN Resources Oil & Gas Co. effective 10/1/94.

14 I hereby certify that the foregoing is true and correct
Signed Jim Johnson Title Regulatory Analyst Date 10/18/94

(This space for Federal or State office use)

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

Division of Oil Gas and Mining
 OPERATOR CHANGE WORKSHEET

1	REC/QIL
2	LWP 7-PL
3	DTB-SJ
4	VLC/S-FILE
5	RJF
6	LWP

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

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

The operator of the well(s) listed below has changed (EFFECTIVE DATE 10-1-94)

TO (new operator) **DALEN RESOURCES OIL & GAS CO.** FROM (former operator) **PG&E RESOURCES COMPANY**
 (address) **6688 N CENTRAL EXP STE 1000** (address) **6688 N CENTRAL EXP STE 1000**
DALLAS TX 75206-3922 **DALLAS TX 75206-3922**
 phone (214) 750-3800 phone (214) 750-3800
 account no N3300 (11-29-94) account no N0595

Well(s) (attach additional page if needed)	*WELLS DRAW (GRRV) UNIT	*WEST WILLOW CREEK UNIT
Name **SEE ATTACHED**	API <u>04732423</u> Entity _____ Sec ___ Twp ___ Rng ___ Lease Type _____	Entity _____ Sec ___ Twp ___ Rng ___ Lease Type _____
Name _____	API _____ Entity _____ Sec ___ Twp ___ Rng ___ Lease Type _____	Entity _____ Sec ___ Twp ___ Rng ___ Lease Type _____
Name _____	API _____ Entity _____ Sec ___ Twp ___ Rng ___ Lease Type _____	Entity _____ Sec ___ Twp ___ Rng ___ Lease Type _____
Name _____	API _____ Entity _____ Sec ___ Twp ___ Rng ___ Lease Type _____	Entity _____ Sec ___ Twp ___ Rng ___ Lease Type _____
Name _____	API _____ Entity _____ Sec ___ Twp ___ Rng ___ Lease Type _____	Entity _____ Sec ___ Twp ___ Rng ___ Lease Type _____
Name _____	API _____ Entity _____ Sec ___ Twp ___ Rng ___ Lease Type _____	Entity _____ Sec ___ Twp ___ Rng ___ Lease Type _____

OPERATOR CHANGE DOCUMENTATION

- Lee* 1 (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form) *(Rec'd 10-3-94)*
- Lee* 2 (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form) *(Rec'd 10-3-94)*
- Lee* 3 The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) ____ If yes, show company file number: #FN001519 "Dalen Resources Corp" c# 6-15-94.
- Lee* 4 (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report) Make note of BLM status in comments section of this form. Management review of Federal and Indian well operator changes should take place prior to completion of steps 5 through 9 below.
- Lee* 5 Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above *(11-29-94)*
- Lee* 6 Cardex file has been updated for each well listed above *12-7-94*
- Lee* 7 Well file labels have been updated for each well listed above *12-8-94*
- Lee* 8 Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission *(11-29-94)*
- Lee* 9 A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents

Speed Letter.

To Ed Bonner

From Don Staley

State Lands

Oil, Gas and Mining

Subject Operator Change

MESSAGE

Date 12/9 19 94

Id,

NAME CHANGE

For your information, attached are copies of documents regarding an operator change on a state lease(s). These companies have complied with our requirements. Our records have been updated. Bonding should be reviewed by State Lands ASAP

Former Operator: PG & E (N0595)

New Operator: VALEN Resources O & G (N 3300)

Well:

API:

Entity

S-T-R.

STATE 42-32

43-047-32473

91111

32-85-18E

incl 22058

CC: Operator File

Signed

Don Staley

REPLY

Date _____ 19 ____

Signed

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, Secretary of State

2261176 8100M

944175519

AUTHENTICATION.

DATE

7242629

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 263 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 263 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, 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 "DALEN 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

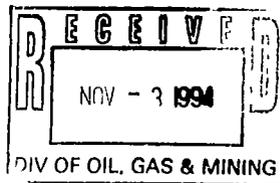
DALEN Resources
Oil & Gas Co



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



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 84119-1203
801 534 5151
801 359 3940 (Fax)
801 538 5319 (TDD)

October 4, 1995

Jim Johnson
Dalen Resources Oil & Gas
6688 N. Central Expressway
Suite 1000
Dallas, TX 75206

Re: State 42-32 Well, Sec 32, T 8S, R 18E, Uintah County, Utah
API No 43-047-32473

Dear Mr. Johnson.

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

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

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

Sincerely,

A handwritten signature in cursive script that reads "Don Staley".

Don Staley
Administrative Manager
Oil and Gas

opl

cc: R.J.Firth
Well File