

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS WELL LOG ELECTRIC LOGS FILE X WATER SANDS LOCATION INSPE SUB REPORT NO.

DATE FILED MARCH 23, 1994

LAND FEE & PATENTED STATE LEASE NO PUBLIC LEASE NO U-65735 INDIAN

DRILLING APPROVED APRIL 12, 1994

SPUDDED IN

COMPLETED PUT TO PRODUCING

INITIAL PRODUCTION

~~Confidential~~

GRAVITY API

GOR

PRODUCING ZONES

TOTAL DEPTH

WELL ELEVATION

DATE ABANDONED LA'D PER BLM EFF. 4-27-95

FIELD ~~EAST COYOTE FEDERAL~~ BUSW

UNIT NA

COUNTY UINTAH

WELL NO EAST COYOTE FEDERAL #2-9-8-25 API NO. 43-047-32488

LOCATION 660' FNL FT FROM (N) (S) LINE 1980' FWL FT FROM (E) (W) LINE NW NE 1/4 - 1/4 SEC 9

TWP	RGE	SEC	OPERATOR	TWP	RGE	SEC	OPERATOR
8S	25E	9	CHANDLER & ASSOC				

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

5. LEASE ORIGINATOR AND SERIAL NO.
U-65735

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

7. UNIT AGREEMENT NAME
N/A

8. FARM OR LEASE NAME, WELL NO.
East Coyote Federal

9. AM WELL NO.
#2-9-8-25

10. FIELD AND POOL, OR INDICATE
-East Coyote Federal

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 9, T8S, R25E

12. COUNTY OR PARISH
Uintah

13. STATE
Utah

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1A. TYPE OF WORK
DRILL DEEPEN

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

2. NAME OF OPERATOR
Chandler & Associates, Inc.

3. ADDRESS AND TELEPHONE NO.
555 Seventeenth Street (303)295-0400
Anaconda Tower, Suite 1850 Denver, Colorado 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface
660' FNL 1980' FWL (NW 1/4 NE 1/4)
At proposed prod. zone
Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
See Topo Map "A"

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
660'

16. NO. OF ACRES IN LEASE
1680

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.
2950' +

19. PROPOSED DEPTH
4286'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
5468 GR.

22. APPROX. DATE WORK WILL START*
A.S.A.P.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	350'	(see attached drilling plan)
7 7/8"	5 1/2"	15.5#	4286'	(see attached drilling plan)

1. M.I.R.U.
2. Drill to T.D. 4286'
3. Run 5 1/2" casing if commercial production is indicated
4. If dry hole, well will be plugged and abandoned as instructed by B.L.M.
5. Well will be drilled with fresh water to 3900' then chem gel mud to T.D. mud will be in place to run 5 1/2" casing.

I hereby certify that I am responsible by the terms and conditions of the lease to conduct lease operations. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Chandler & Associates, Inc. B.L.M. Bond #2396118, with Reichart Silversmith.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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.

21. SIGNED *Fred McDonald* TITLE Petroleum Engineer DATE 3-21-94

(This space for Federal or State office use)

PERMIT NO. 43-047-32488 APPROVAL DATE _____

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

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY _____ TITLE _____ DATE _____

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

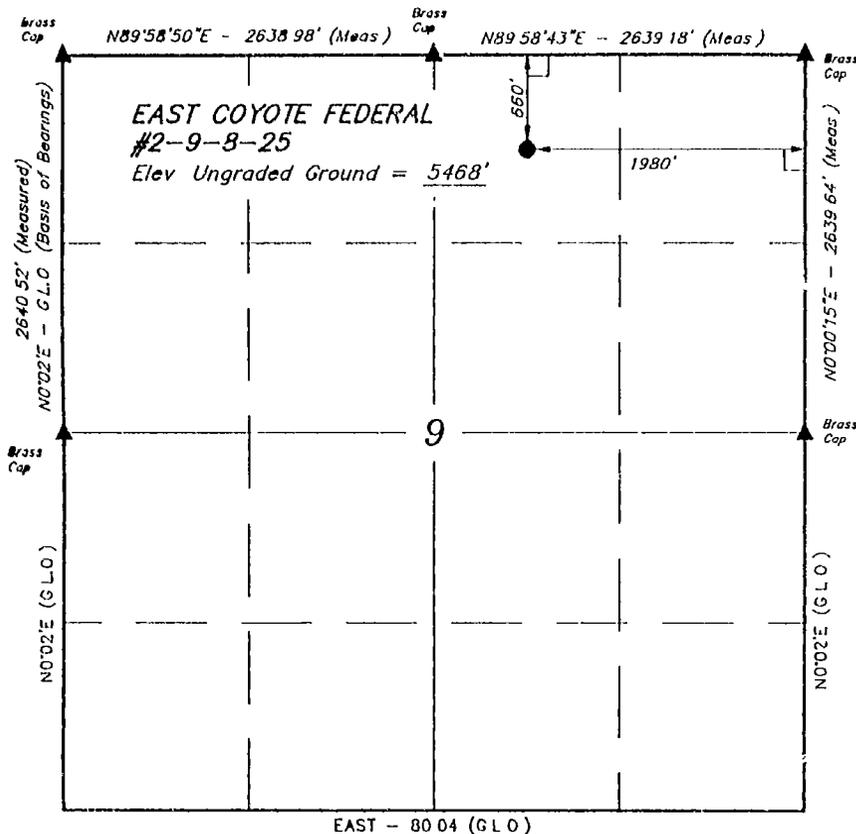
DATE: _____ BY: _____ WELL SPACING: 649-57-2

*See Instructions On Reverse Side

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

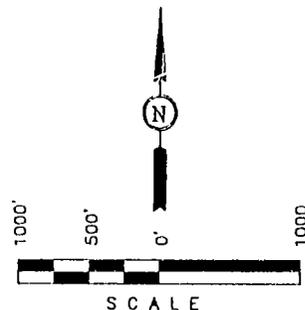
CHANDLER & ASSOCIATES, INC.

Well Location, EAST COYOTE FEDERAL #2-9-8-25, located as shown in the NW 1/4 NE 1/4 of Section 9, T8S, R25E, S.L.B.&M Utah County, Utah



BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 4, T8S, R25E, S.L.B.&M TAKEN FROM THE DINOSAUR QUADRANGLE, UTAH-COLORADO, 7 1/2 MINUTE QUAD (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY SAID ELEVATION IS MARKED AS BEING 5509 FEET



CERTIFICATE

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

Robert L Kay

REGISTERED LAND SURVEYOR
REGISTRATION NO 5709
STATE OF UTAH

LEGEND.

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

UTAH ENGINEERING & LAND SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078
(801) 780-1017

SCALE 1" = 1000'	DATE SURVEYED 3-10-94	DATE DRAWN 3-14-94
PARTY LDI D A J F T D H	REFERENCES GLO PLAT	
WEATHER COOL	FILE CHANDLER & ASSOCIATES, INC	

**CHANDLER & ASSOCIATES, INC.
DRILLING PLAN FOR THE
EAST COYOTE FEDERAL #2-9-8-25**

I. DRILLING PLAN:

1. Geological Surface Formation: Uintah

2. Estimated Tops:

<u>Name</u>	<u>Top</u>	<u>Prod. Phase Anticipated</u>
Green River	1440'	
X Marker	3085'	
Y Marker	3500'	
Z Marker	3856'	
Oil Zone	4041'	Oil
Wasatch	4242'	
TD	4286'	

3. CASING PROGRAM:

	<u>Depth</u>	<u>Hole Size</u>	<u>Csg. Size</u>	<u>Type</u>	<u>Weight</u>
Surface	350'	12-1/4"	8-5/8"	K-55	24#/ft
Prod.	4286'	7-7/8"	5-1/2"	K-55	15.5#/ft

4. Operator's Specification for Pressure Control Equipment:

- A. 2,000 psi W.P. Double Gate BOP or Single Gate BOP (Schematic attached).
- B. Functional test daily.
- C. All casing strings shall be pressure-tested (0.2 psi/foot or 1500 psi, whichever is greater) prior to drilling the plug after cementing; test pressure shall not exceed the internal yield pressure of the casing.
- D. All ram-type preventers and related control equipment shall be tested at the rated working pressure of the stack assembly or at 70 percent of the minimum internal yield pressure of the casing, whichever is less. Tests shall be done at the time of installation, prior to drilling out, and weekly. All tests shall be for a period of 15 minutes.

**Chandler & Associates, Inc.
East Coyote Federal #2-9-8-25**

5. Auxiliary Equipment:

- A. Kelly Cock - yes.
- B. Float at the bit - no.
- C. Monitoring equipment on the mud system - visually.
- D. Full opening safety valve on rig floor - yes.
- E. Rotating head - no. (* yes - see below)
- F. The blooie line shall be a least 6" in diameter and extend at least 100' from the wellbore into the reserve/blooie pit. (* see below)
- G. Blooie line ignit'on shall be provided by a continuous pilot (ignited when drilling below 500'). (* see below)
- H. Compressor shall be tied directly to the blooie line through a manifold. (* see below)
- I. A mistor with a continuous stream of water shall be installed near the end of the blooie lines for dust suppression. (* see below)

6. Proposed Circulating Medium:

<u>Depth</u>	<u>Mud Type</u>	<u>Density (lb./gal)</u>	<u>Viscosity</u>	<u>Water Loss</u>
0'-350'	Fresh Water with LCM	8.4	30	No control
350'-3900'	Fresh Water with LCM	8.4 - 8.6	30-35	No control
3900'-TD	Chem Gel Mud	8.8	30-35	10 cc or less

* Because of potential severe lost circulation in this area a portion of this hole may have to be drilled with aerated fluid and the blooie pit will be utilized.

Chandler & Associates, Inc.
East Coyote Federal #2-9-8-25

7. Testing, Logging, and Coring Program:

- A. Cores - None anticipated.
- B. DST - 1 anticipated.
- C. Logging - DIL-GR (TD to surface).
CNL/Litho Density (base of surface to TD)
Mud Logger (base of surface to TD)
- D. Formation and Completion Interval: Green River interval, final determination of completion will be made by analysis of logs.
Stimulation - Stimulation will be designed for the particular area of interest as encountered.
- E. Frac gradient - approximately .80 psi/ft.

8. Cementing Program:

<u>Casing</u>	<u>Volume</u>	<u>Type & Additives</u>
Surface	265 sx	Class "G" w/2% CaCl2 1/4#/sk cello seal (based on 100% access)
Production	630 sx *	330 sx Super "G" containing 47#/sk Class "G" plus 20#/sk Poz"A" plus 17#/sk CSE plus 3% salt plus 2% Gel followed by 300 sx Class "G" containing 0.15% WR-15 (Retarder)

Cement Characteristics:

Class "G" - yeild = 1.18 cu.ft. per. sack
weight = 15.8 lb./gal
strength = 3200 psi in 72 hrs @ 135 degrees

Super "G" - yeild = 2.76 cu.ft. per. sack
weight = 11.08 lb./gal
strength = 630 psi in 72 hrs @ 135 degrees

* Final cement volume to be calculated from caliper log with an attempt to be made to circulate cement to surface.

Chandler & Associates, Inc.
East Coyote Federal #2-9-8-25

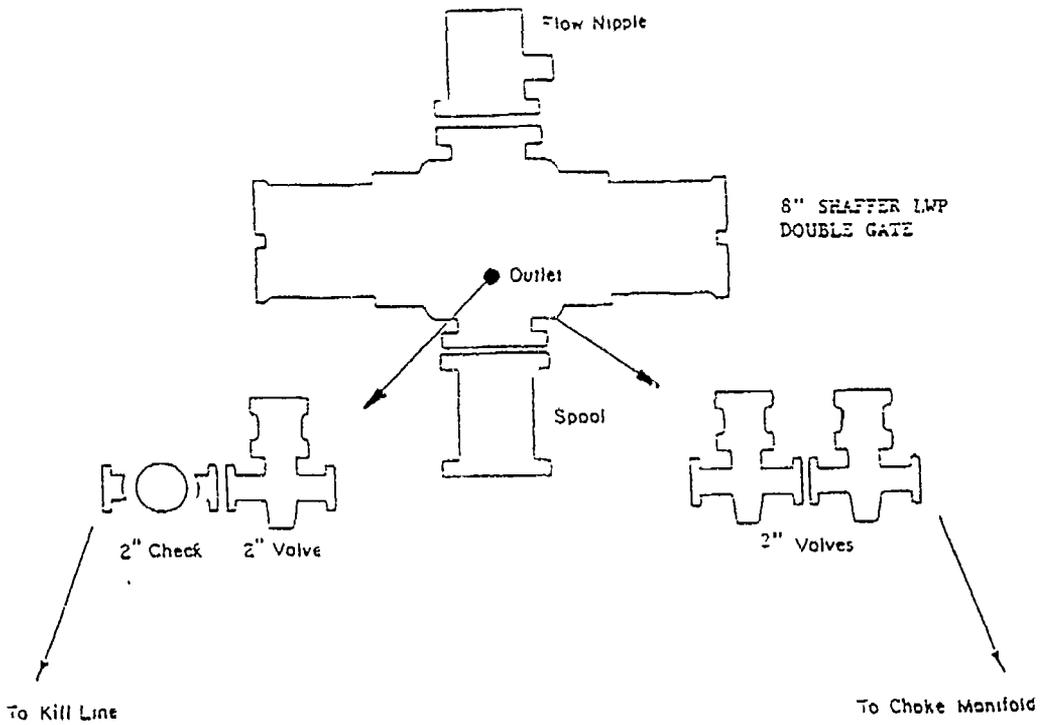
A bond log will be run across the zone of interest and across zones as required by the authorized officer to insure protection of natural resources.

9. Anticipated Abnormal Pressures and Temperatures, Other Potential Hazards:

No abnormal temperatures or pressures are anticipated. No H₂S has been encountered in or known to exist from previous wells drilled to similar depths in the general area. Maximum anticipated bottom hole pressure equals approximately 1,600 psi (calculated at 0.396 psi/ft) and maximum anticipated surface pressure equals approximately 711 psi (bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/ft).

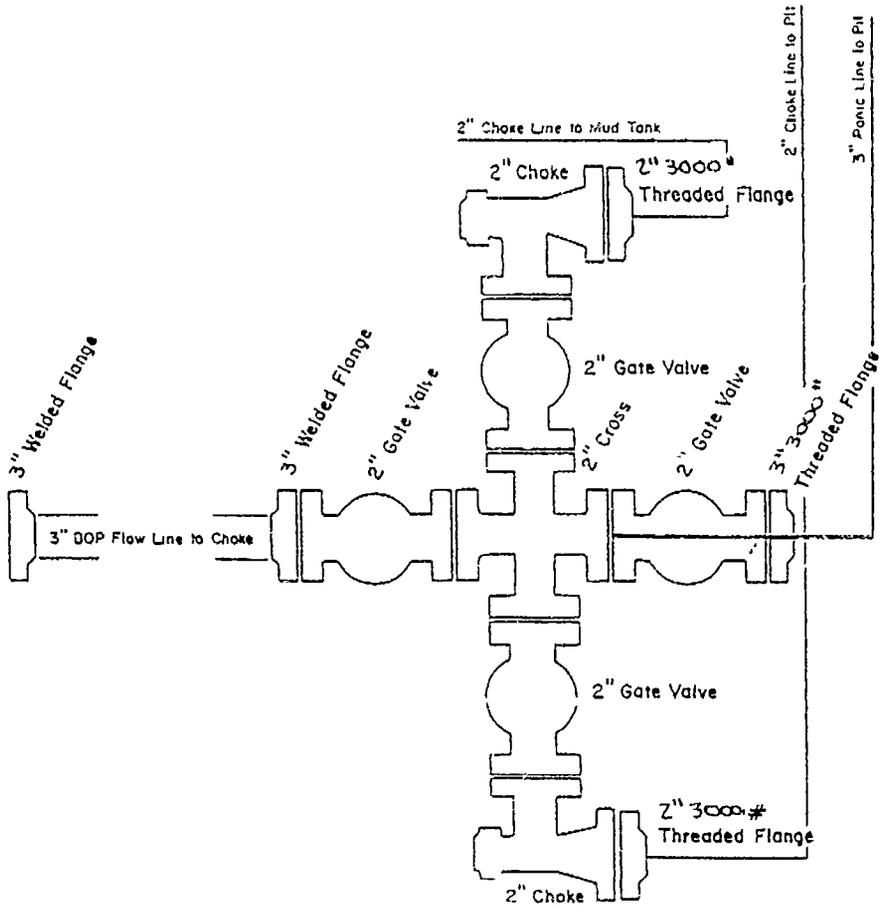
CHANDLER DRILLING

RIG NO.7



CHANDLER DRILLING

RIG NO.7



**II. SURFACE USE PLAN
CHANDLER & ASSOCIATES, INC.
EAST COYOTE FEDERAL #2-9-8-25**

1. Existing Road:

- A. Topo Map "A" is the vicinity map, showing the access routes from Vernal, Utah.
- B. Topo Map "B" shows the proposed access road to each individual well. It also shows existing roads in the immediate area.
- C. The existing and proposed access road, unless otherwise stated, shall be crowned, ditched, and dipped from the nearest improved road.
- D. Occasional maintenance blading and storm repairs will keep roads in good condition.
- E. There shall be no mud blading on the access road. Vehicles may be towed through the mud provided they stay on the roadway.
- F. Application for off lease road right-of-way is hereby requested for the portion of road which is shown on attached Topo Map "B". (Highlighted)

2. Planned Access Roads:

The proposed access road, will be crowned, ditched, and dipped.

- A. Maximum grade will be 8% or less, unless otherwise stated.
- B. No turnouts will be required.
- C. Low water crossings to be placed in Proposed Access road during drilling process and culverts may be installed at a later date.
- D. Road surface material will be that native to the area. (except for bottom of low water crossings were a more appropriate material shall be used).

Chandler & Associates, Inc.
East Coyote Federal #2-9-8-25

- E. No cattleguard will be required.
- F. The proposed access road was flagged at the time the location was staked.
- G. The Vernal District Area Manager will be contacted at least 24 hours prior to commencing construction of the access road and well pad.
- H. The backslopes of the proposed access roads will be no steeper than vertical or 1/4:1 in rock; and 2:1, elsewhere.

The operator or his contractor will notify the BLM office in Vernal, Utah (phone #(801)789-1362) at least 48 hours prior to commencement of any work on these locations, roadways, or pipelines.

3. Location of Existing Wells:

See Topo Map "C".

4. Location of Existing and/or Proposed Facilities:

- A. All Petroleum Production Facilities are to be contained within the proposed location sites.
- B. In the event that production of these wells is established, the following will be shown:
 - 1. Proposed location and attendant lines, by flagging, if off well pad.
 - 2. Dimensions of facilities.
 - 3. Construction methods and materials.

**Chandler & Associates, Inc.
East Coyote Federal #2-9-8-25**

- C. The area used to contain the proposed production facilities will be built using native materials. If these materials are not acceptable, then other arrangements will be made to acquire them from private sources. These facilities will be constructed using bulldozers, graders, and workman crews to construct and place the proposed facilities.
 - D. All permanent facilities placed on the locations shall be painted Desert Tan to blend with the natural environment.
 - E. A dike shall be constructed around the tank battery, of sufficient capacity to adequately contain at least 110 percent of the storage capacity of the largest tank within the dike.
 - F. All buried pipelines shall be covered to a depth of 3 feet except at road crossings where they shall be covered to a depth of 4 feet.
 - G. Construction width of the right-of way/pipeline route shall be restricted to 50 feet of disturbance.
 - H. Pipeline location warning signs shall be installed within 90 days upon completion of construction.
5. Location and Type of Water Supply:

Water to be used for the drilling of these wells will be hauled by truck over the roads described in item #1 and item #2, from the Vernal City water supply - A-1 Tank Rental permit #53617-43-8496 - (which is approximately 37 miles northwest of the proposed locations). However in coordination with the B.L.M., Fish and Wildlife and or any other regulatory body a closer source will be sought out. If found a sundry notice and permit will be executed stating such source prior to drilling.

No water wells are to be drilled.

Chandler & Associates, Inc.
East Coyote Federal #2-9-8-25

6. Source of Construction Materials:

- A. No construction materials are needed for drilling operations. In the event of production, the small amount of gravel needed for facilities will be hauled in by truck from a local gravel pit over existing access roads from the area. No special access other than for drilling operations and pipeline construction is needed.
- B. All access roads crossing Federal Land are described under item #2 and shown on Map #1.

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

- C. All surface disturbance area is on BLM lands

7. Methods for Handling Waste Disposal:

- A. Drill cuttings will be buried in the reserve pit when covered.
- B. Drilling fluids will be contained in the reserve pit.
- C. Any hydrocarbon liquids produced while production testing will be contained in a test tank. Any unavoidable spills of oil or other adverse substances or materials will be removed immediately during drilling progress or during completion operations.
- D. Portable chemical toilets will be provided and serviced by a local commercial sanitary service.

Chandler & Associates, Inc.
East Coyote Federal #2-9-8-25

- E. Garbage and trash will be collected in a trash cage and its contents hauled to a sanitary landfill.

All wastes caused by the construction activities shall be promptly removed and disposed of in a sanitary landfill or as directed by the authorized officer.

- F. Prior to commencement of drilling, the reserve pit will be fenced on three sides using three strands of barbed wire. When drilling activities are completed it will be fenced on the fourth side and allowed to dry (if liquids are present). After drying, the fences will be removed and the pit shall be buried. Reclamation will be undertaken no later than the fall of the year after all drilling activity has ceased.

8. Ancillary Facilities:

No air strips, camps, or other living facilities will be built off the location. Housing and office trailers will be on the location as seen on the location layout.

9. Well Site Layout:

- A. See attached cutsheet.
- B. The Vernal District Area Manager will be contacted at least 24 hours prior to commencing construction of the access road and well pad.
- C. The authorized officer will determine after the location is constructed whether the pit is to be lined, and if so, the type of material to be used.
- D. Topsoil shall be stripped to a depth of 4 to 6 inches and stockpiled as shown on the location layout plat.
- E. The backslopes of the locations will be no steeper than vertical or 1/4:1 in rock, and 2:1 elsewhere.
- F. The upper edges of all cut banks on the access roads and well pads will be rounded.

**Chandler & Associates, Inc.
East Coyote Federal #2-9-8-25**

10. Plans for Restoration:

- A. Immediately upon completion, the location and surrounding area will be cleared of all debris, materials, trash and junk not required for production.
- B. Before any dirt work to restore the location takes place, the reserve pit must be completely dry. The reserve pit will be reclaimed within 90 days from the date of well completion.
- C. The Vernal District Area Manager shall be notified at least 48 hours prior to commencing reclamation work.
- D. All disturbed areas will be seeded with the following mixture:

Seed Mixture #2

<u>Species</u>	<u>Lbs. PLS/Acre</u>
Western Wheatgrass (Rosanna)	2
Crested Wheatgrass (Fairway or Hycrest)	3
Fourwing Saltbrush (Wytana/Rincon)	6
Yellow Sweet Clover	1

- E. The seed bed will be prepared by disking, following the natural contour. Drill seed on contour at a depth no greater than 1/2 inch. In areas that cannot be drilled, the seed will be broadcast at double the seeding rate and harrowed into soil. Certified seed is recommended.
- F. Fall seeding will be completed after September, and prior to prolonged ground frost.
- G. If the well is a producer, access roads will be upgraded and maintained as necessary to prevent soil erosion, and accommodate year round traffic. Areas unnecessary to operations will be reshaped, topsoil distributed, and seed distributed according to the above mixtures. Perennial vegetation must be established. Additional work shall be required in case of seeding failures, etc.

Chandler & Associates, Inc.
East Coyote Federal #2-9-8-25

- H. If the well is abandoned or is a dry hole, the access road and location will be restored to approximate the original contours. During reclamation of the site the fill material will be pushed into cuts and up over the backslope. No depressions will be left that would trap water or form ponds. Topsoil will be distributed evenly over the location and seeded according to the above mixture. The access road and the location shall be ripped or disked prior to seeding. Perennial vegetation must be established. Additional work shall be required in case of seeding failures, etc.
- I. Annual or noxious weeds shall be controlled on all disturbed areas as directed by the White River Resource Area Manager. Method of control shall be by an approved mechanical method or an Environmental Protection Agency (EPA) registered herbicide. All herbicide application proposals must be approved by the B.L.M. Application proposals must be approved by the B.L.M. Application of herbicides must be under direct field supervision of an EPA certified pesticide applicator.

11. Other Information:

- A. The area is used by man for the primary purpose of grazing domestic livestock.

All activity shall cease when soils or road surfaces become saturated to a depth of three inches, unless otherwise approved by the Authorized Officer.

If any fossils are discovered during construction, the operator shall cease construction immediately and notify the Authorized Officer so as to determine the significance of the discovery.

Chandler & Associates, Inc.
East Coyote Federal #2-9-8-25

- B. A Class III cultural resource inventory shall be completed prior to disturbance by a qualified professional Archaeologist.
- C. The United States of America considers the development of groundwater resources to be necessary and frequently indispensable to effective land management. Therefore, any groundwater intercepted by the party conducting mineral exploration shall be reported to the District Manager immediately including approximate quantities and a sample in a sealed quart container. The United States shall have the first opportunity to file State water rights for the intercepted groundwater. The undersigned may file for water rights only with a written waiver from the District Manager.
- D. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials and contact the authorized officer (AO). Within five working days the AO will inform the operator as to:

whether the materials appear eligible for the National Register of Historic Places;
the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary);
and a timeframe for the AO to complete an expedited review under 36 CFR 800-11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

Chandler & Associates, Inc.
East Coyote Federal #2-9-8-25

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

E. Construction & Drilling activities shall cease on or before May 15 and may begin again on June 21 of each calendar year due to Antelope Kidding.

12. Lessee's or Operator's Representative:

Mr. Todd McDonald
Petroleum Engineer
Chandler & Associates, Inc.
555 Seventeenth Street
Anaconda Tower, Suite 1850
Denver, Colorado 80202
Telephone #(303)295-0400

13. Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite(s) and access route(s); that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by **Chandler & Associates, Inc.**, and its contractors and subcontractors in conformity with the plan and the terms and conditions under which it is approved.

This statement is subject to the provision of 18 U.S.C. 1001 for the filing of a false statement.

3-21-94

Date



Todd McDonald

CHANDLER & ASSOCIATES, INC.

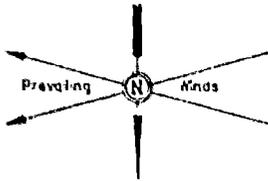
LOCATION LAYOUT FOR

EAST COYOTE FEDERAL #2-9-8-25

SECTION 9, T8S, R25E, S.L.B.&M.

660' FNL 1980' FCL

Ref Key



SCALE 1" = 50'
DATE: 3-14-94
Drawn By T.D.H.
Revised 3-19-94 TDH

F-1.9'
El 65.3

F-1.7'
El 66.1

Approx
Toe of
Fill Slope

F-3.0'
El 64.8

Sta. 3+25

FLARE PIT



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

Pit Capacity With
2' of Freeboard
is ±4,480 Bbls.

C-1.3'
El 69.1

El 68.4'
C-8.6'
(atm pit)

C-0.7'
El 68.5'

F-0.3'
El 67.5'

Topsail Stockpile

Sta. 1+50

El 69.5'
C-9.7'
(atm pit)

RESERVE PITS
(8' Deep)

Sta 1+00

Reserve Pit Backfill
& Spoils Stockpile

TRAILER
TOILET
FUEL

Approx
Top of
Cut Slope

C-4.2'
El 72.0'

Sta 0+00

El 71.3'
C-3.5'

C-2.9'
El 70.7'

Proposed Access
Road

Elev Ungraded Ground at Location Stake = 5468.5'

Elev Graded Ground at Location Stake = 5467.8'

CHANDLER & ASSOCIATES, INC.

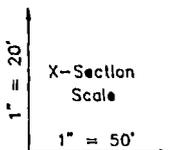
LOCATION LAYOUT FOR

EAST COYOTE FEDERAL #2--9--8--25

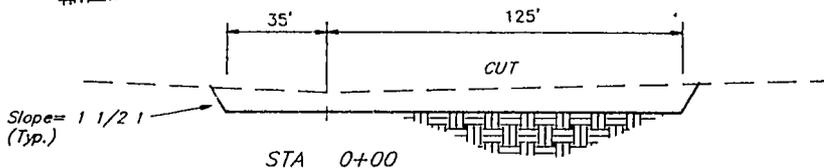
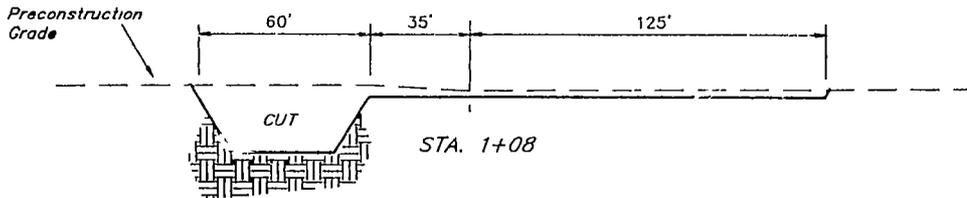
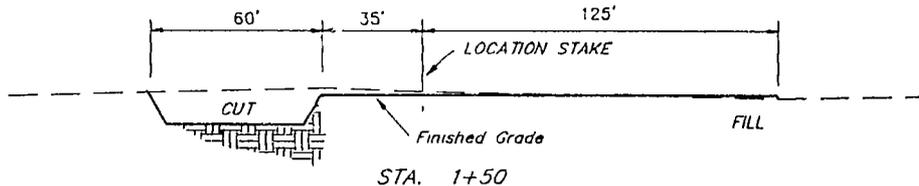
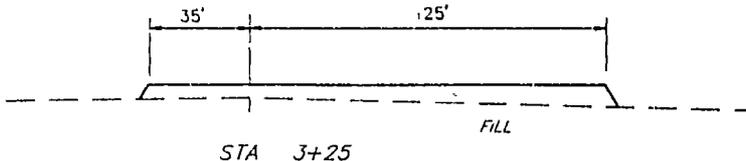
SECTION 9, T8S, R25E, S.L.B.&M.

660' FNL 1980' FEL

R. Kelly



DATE 3-14-94
Drawn By T.D.H.
Revised. 3-19-94 T.D.H.



NOTE.

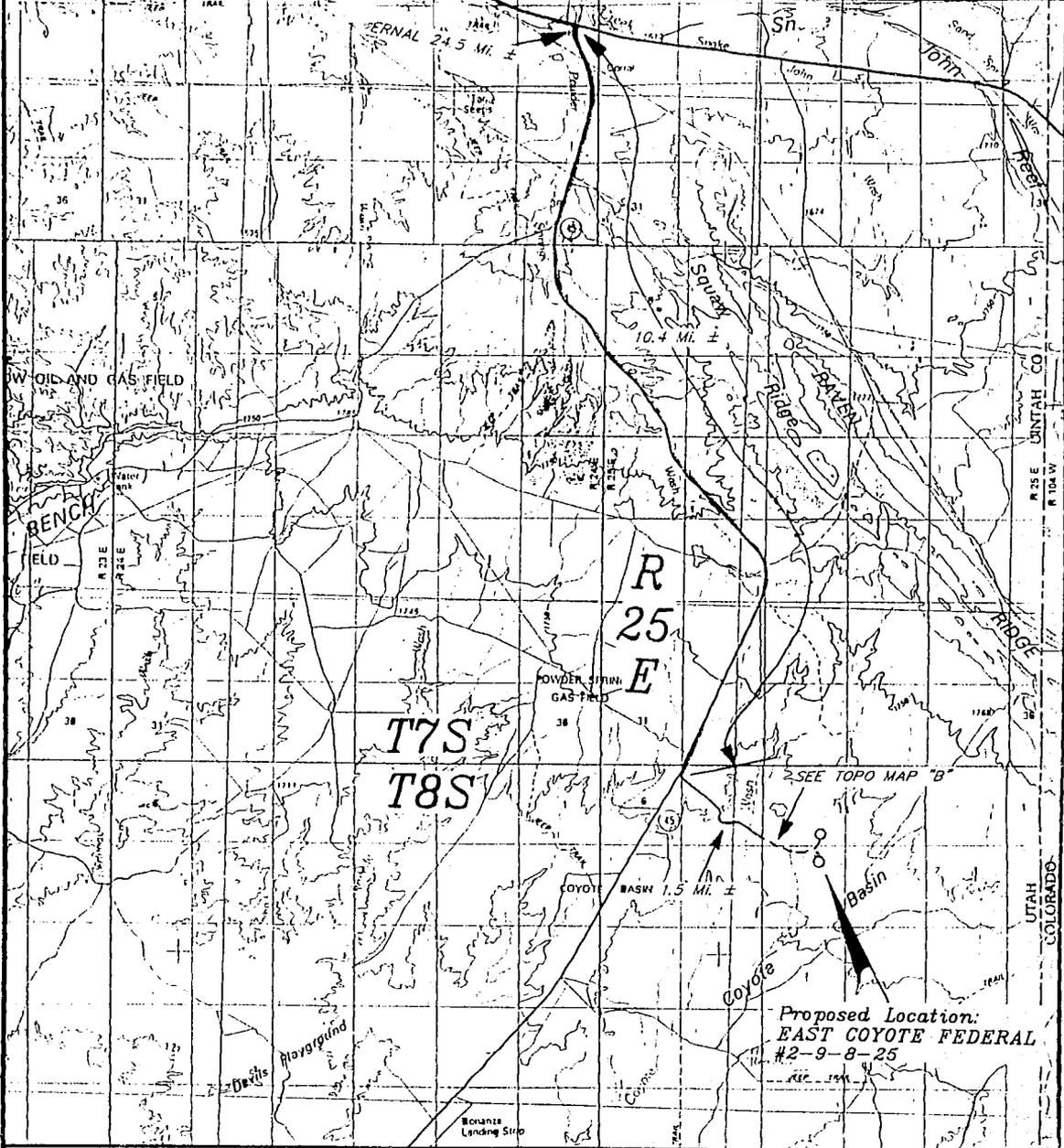
Topsoil should not be Stripped Below Finished Grade on Substructure Area

APPROXIMATE YARDAGES

(6") Topsoil Stripping	= 1,070 Cu Yds
Remaining Location	= 2,600 Cu Yds
TOTAL CUT	= 3,670 CU YDS.
FILL	= 1,650 CU YDS

EXCESS MATERIAL AFTER 5% COMPACTION

Topsoil & Pit Backfill (1/2 Pit Vol)	= 1,700 Cu Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 230 Cu Yds.



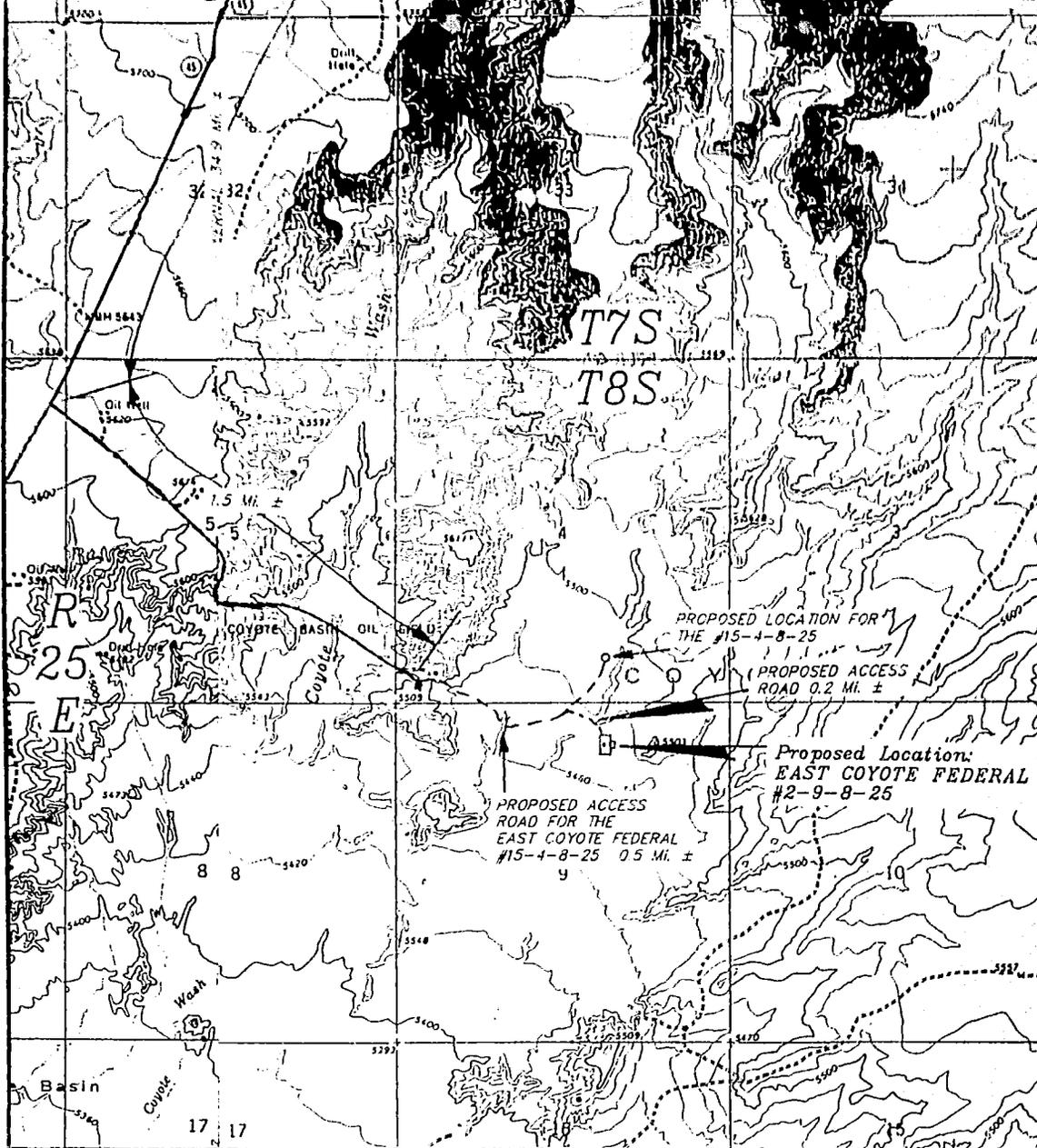
TOPOGRAPHIC
MAP "A"

DATE: 3-15-94 C.B.I.



CHANDLER & ASSOCIATES, INC.

EAST COYOTE FEDERAL #2-9-8-25
SECTION 4, T8S, R25E, S.L.B.&M.
660' FNL 1980' FEL



TOPOGRAPHIC

MAP "B"

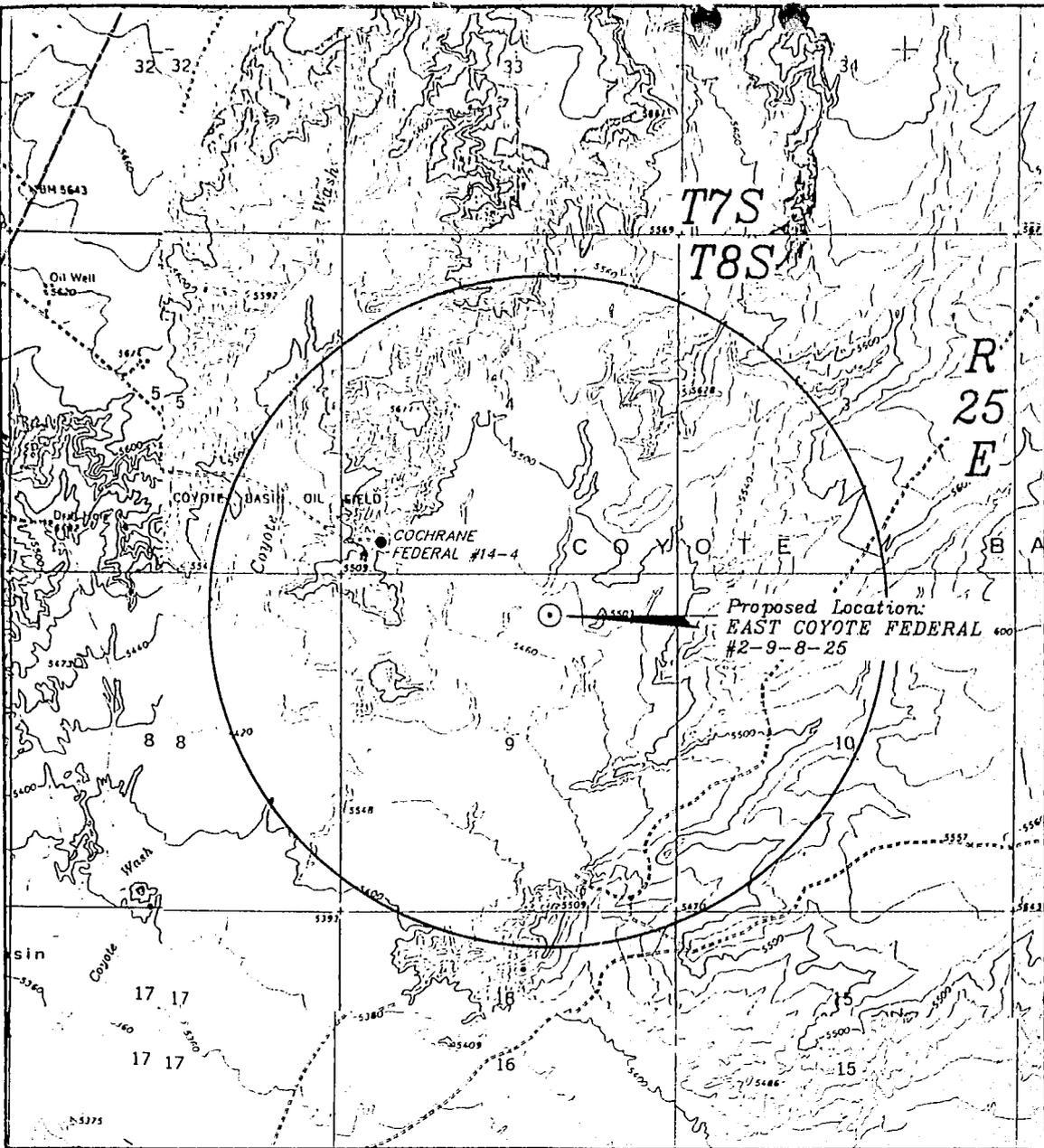
SCALE: 1" = 2000'

DATE: 3-15-94 C.B.T.



CHANDLER & ASSOCIATES, INC.

EAST COYOTE FEDERAL #2-9-8-25
SECTION 9, T8S, R25E, S.L.B.&M.
660' FNL 1980' FEL



T7S
T8S

R
25
E

Proposed Location:
EAST COYOTE FEDERAL #2-9-8-25

LEGEND:

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



CHANDLER & ASSOCIATES, INC.
EAST COYOTE FEDERAL #2-9-8-25
SECTION 9, T8S, R25E, S.L.B.&M.
T O P O M A P " C "

DATE: 3-15-94 C.B.T.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
 DRILL DEEPEN

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

2. NAME OF OPERATOR
 Chandler & Associates, Inc.

3. ADDRESS AND TELEPHONE NO.
 555 Seventeenth Street (303)295-0400
 Anaconda Tower, Suite 1850 Denver, Colorado 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface
 660' FNL 1980' FWL (NW 1/4 NE 1/4)
 At proposed prod. zone
 Same
 -13 047-32488

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 See Topo Map "A"

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit if any)
 660'

16. NO. OF ACRES IN LEASE
 1680

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.
 2950' ± 4286'

19. PROPOSED DEPTH
 4286'

20. ROTARY OR CABLE TOOL
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 5468 GR.

22. APPROX. DATE WORK WILL START*
 A.S.A.P.

5. LEASE DESIGNATION AND SERIAL NO.
 U-65735

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

7. UNIT AGREEMENT NAME
 N/A

8. FARMOR LEASE NAME, WELL NO.
 East Coyote Federal

9. AP WELL NO.
 #2-9-8-25

10. FIELD AND POOL, OR WILDCAT
 East Coyote Federal

11. SEC., T., R., M., OR SUB. AND SURVEY OR AREA
 Sec. 9, T8S, R25E

12. COUNTY OR PARISH
 Uintah

13. STATE
 Utah

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	350'	(see attached drilling plan)
7 7/8"	5 1/2"	15.5#	4286'	(see attached drilling plan)

- M.I.R.U.
- Drill to T.D. 4286'
- Run 5 1/2" casing if commercial production is indicated
- If dry hole, well will be plugged and abandoned as instructed by B.L.M.
- Well will be drilled with fresh water to 3900' then chem gel mud to T.D. mud will be in place to run 5 1/2" casing.

I hereby certify that I am responsible by the terms and conditions of the lease to conduct lease operations. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Chandler & Associates, Inc. B.L.M. Bond #2396118, with Reichart Silversmith.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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 Edd McDonald TITLE Petroleum Engineer DATE 3-21-94
 (This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease ~~which are necessary to~~ which are necessary to conduct operations thereon.

CONDITIONS OF APPROVAL TO OPERATOR'S COPY

APPROVED BY [Signature] TITLE ASSISTANT DISTRICT MANAGER MINERALS DATE APR 1 1994

*See Instructions On Reverse Side

WELL LOCATION INFORMATION

Company/Operator Chandler and Associates, Inc
Well Name & Number East Coyote Federal 2-9-8-25
Lease Number U-65735
Location NWNE Sec 9 T 8 S R 25 E
Surface Ownership Federal
Date NOS Received February 25 1994
Date APD Received March 4, 1994

NOTIFICATION REQUIREMENTS

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

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

3 Casing Program and Auxiliary Equipment

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

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft above the base of the oil shale zone, identified at $\pm 2,010$ ft. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

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

4 Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

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

5 Coring, Logging and Testing Program

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

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the AO. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vaporproof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the AO.

A cement bond log (CBL) will be run from the production casing shoe to $\pm 1,810$ ft and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

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

6 Notifications of Operations

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

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

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

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

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

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

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

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

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

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

7

Other Information

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

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

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

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

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

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

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

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

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

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

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

Ed Forsman (801) 781-7077
Petroleum Engineer

Wayne P. Bankert (801) 789-4170
Petroleum Engineer

BLM FAX Machine (801) 781-4410

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

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

- Unused fracturing fluids or acids
- Gas plant cooling tower cleaning wastes
- Painting wastes
- Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids
- Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste
- Refinery wastes
- Liquid and solid wastes generated by crude oil and tank bottom reclaimers
- Used equipment lubrication oils
- Waste compressor oil, filters, and blowdown
- Used hydraulic fluids
- Waste solvents
- Waste in transportation pipeline-related pits
- Caustic or acid cleaners
- Boiler cleaning wastes
- Boiler refractory bricks
- Incinerator ash
- Laboratory wastes
- Sanitary wastes
- Pesticide wastes
- Radioactive tracer wastes
- *Drums, insulation and miscellaneous solids*

SURFACE USE PROGRAM

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

The road shall be constructed to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30-foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

The reserve pit shall not be lined unless porous materials are encountered or blasting is required during pit construction. If the pit requires a liner and a nylon reinforced liner is used, it will be a minimum of 10 mil thickness with sufficient bedding (either straw or dirt) to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A O "

After first production, produced waste water will be confined to a lined pit or storage tank for a period not to exceed ninety (90) days. During the 90 day period, in accordance with Onshore Order #7, an application for approval of a permanent disposal method and location, along with required water analysis, shall be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.

Fencing Requirements

All pits will be fenced according to the following minimum standards.

- a 39-inch net wire shall be used with at least one strand of barbed wire on top of the net wire (barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence)
- b The net wire shall be no more than 2-inches above the ground. The barbed wire shall be 3-inches above the net wire. Total height of the fence shall be at least 42-inches.
- c Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- d Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- e All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.

The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit

Drilling rigs and/or equipment used during drilling operations on this wellsite will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

If the operator wishes to do so, the access road can be flat bladed during the drilling phase. If the well becomes a producer, then the road would require upgrading.

A BLM representative will be present during the road construction to show the dirt contractor where to go to avoid prairie dog holes.

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 03/23/94

API NO. ASSIGNED: 43-047-32488

WELL NAME: EAST COYOTE FEDERAL 2-9-8-25
OPERATOR: CHANDLER & ASSOCIATES INC (N3320)

PROPOSED LOCATION:
NWNE 09 - T08S - R25E
SURFACE: 0660-FNL-1980-FWL
BOTTOM: 0660-FNL-1980-FWL
UINTAH COUNTY
COYOTE BASIN FIELD (570)

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

LEASE TYPE: FED
LEASE NUMBER: U-65735

RECEIVED AND OR REVIEWED:

Plat
 Bond: Federal State Fee
 (Number 2396118)

Potash (Y/N)
 Oil shale (Y/N)
 Water permit
 (Number 55411-43-8-196)

RDCC Review (Y/N)
 (Date: _____)

LOCATION AND SITING:

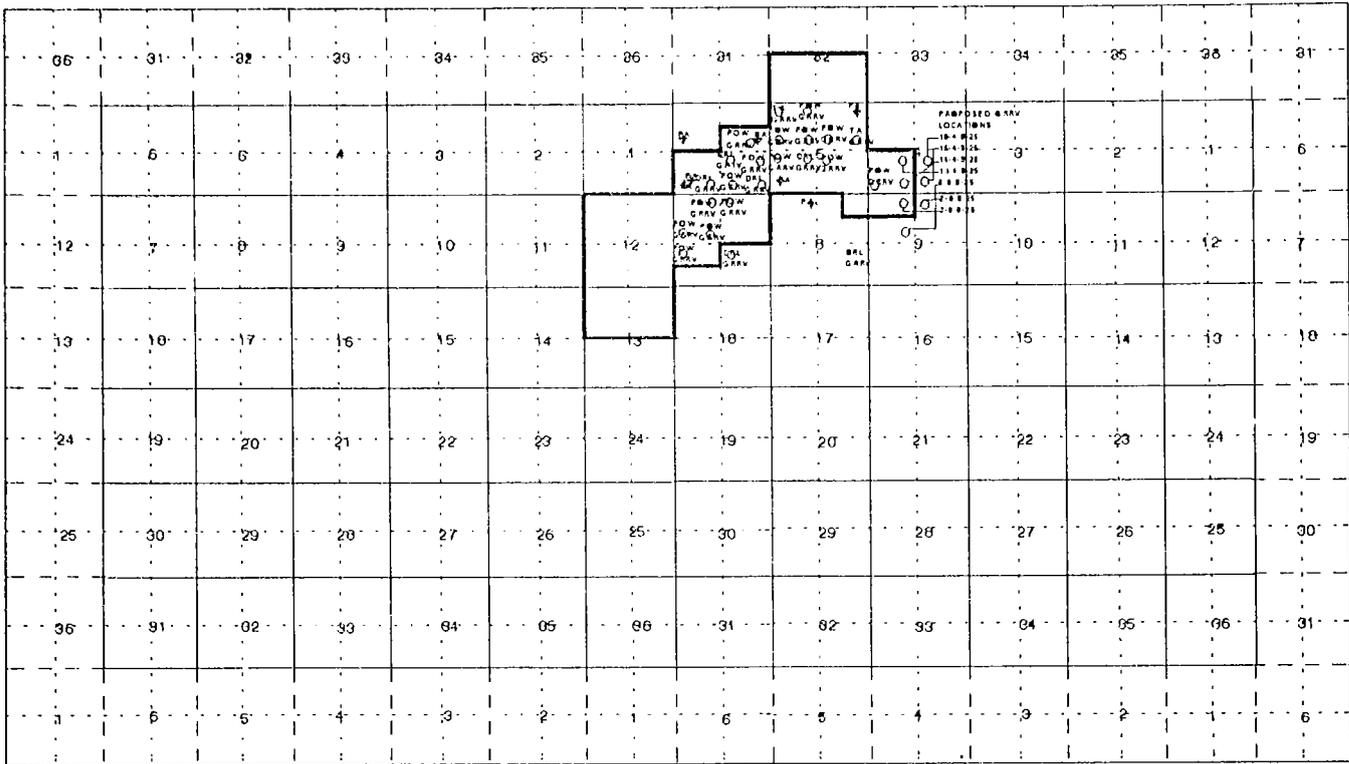
R649-2-3. Unit:
 R649-3-2-2
 R649-3-2. General.

R649-3-3. Exception.

Drilling Unit.
 Board Cause no: _____
 Date: _____

COMMENTS: The location and siting of # 2-9-8-75 also
conforms w/ Cause no. 174-1 (80 acre stand-up w/
well in NE 1/4 & SW 1/4) however, the patterned
siting of wells in the area is 40 acres due to
 STIPULATIONS proximity to the Coyote Basin (Green River) Unit.

COYOTE BASIN



R 24 E

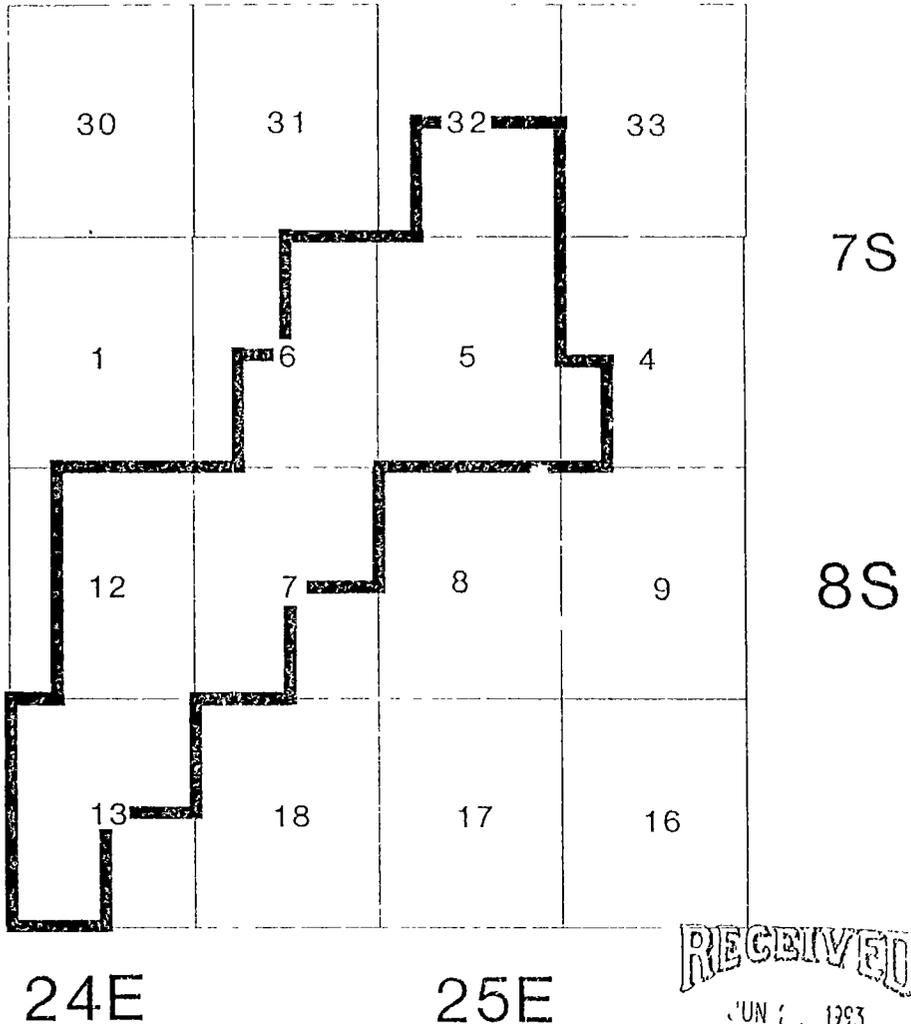
R 25 E

GREEN RIVER POOL
 UINTAH COUNTY
 FIELD 570 ACTIVE

T 8 S

COYOTE BASIN (GREEN RIVER) UNIT

UINTAH COUNTY, UTAH



RECEIVED

JUN 10 1993

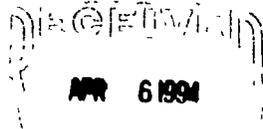
DIVISION OF
LAND & MINING

Engineering
Wellsite Supervision
Lease Operating

COCHRANE RESOURCES, INC.

P O Box 1656
Roosevelt, Utah 84066
Phone (801) 722-5081

April 4, 1994



Balcron Oil Company
P.O. Box 21017
1601 Lewis Avenue Building
Billings, Montana 59104

Attn: Ron Santi

Re: Spacing order
Coyote Basin Field

Dear Ron:

The spacing order for the Coyote Basin Field is stand up 80 acres established in 1967 by Board Order Cause No. 129-1. Since that time there have been at least nine exceptions granted to this spacing order including approximately 5 to Bacron before the unit was formed.

Cochrane Resources has formed out acreage in sections 3, 4, 8, and 9, of 8 South 25 East and the Fairmee would like to drill a well in the SE - SW Sec 4, 8 S, R 25 E. Because the spacing order designates the well to be in the NE of SW, we are seeking an exception to the spacing order.

The State advises me that before granting an exception to the spacing order they would like to hear from the offset lease holders. Therefore I would like to request a letter from Balcron Oil Co., as unit operator, hopefully supporting this location. As working interest owners in the unit, Cochrane and McDonald have no objections.

Please advise if you have any questions.

Yours truly,

Ken Allen

A handwritten signature in cursive script, appearing to read "Ken Allen".

CC: Ron Firth: State of Utah



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

April 12, 1994

Chandler & Associates, Inc
555 17th Street
Anaconda Tower, Suite 1850
Denver, Colorado 80202

Re: East Coyote Federal #2-9-8-25 Well, 660' FNL, 1980' FWL, NW NE, Sec 9, T 8
S, R 25 E, Uintah County, Utah

Gentlemen:

Pursuant to Utah Admin R 649-3-2-2, 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

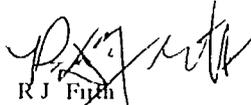
In addition, the following specific actions are necessary to fully comply with this approval

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

Page 2
Chandler & Associates, Inc
East Coyote Federal #2-9-8-25 Well
April 12, 1994

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 43-047-32488

Sincerely,



R J Firth
Associate Director

ldc
Enclosures
cc Utah County Assessor
Bureau of Land Management, Vernal District Office
W011



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO

3162
UT08438

April 27, 1995

RECEIVED

MAY 01 1995

**DIVISION OF
OIL, GAS & MINING**

Chandler & Associates, Inc
555 Seventeenth Street
Anaconda Tower, Suite 1850
Denver, CO 80202

Re Notification of Expiration
Well No. 2-9-8-25 *43-047-32488*
Section 9, T8S, R25E
Lease No U-65735
Uintah County, Utah

Gentlemen.

The Application for Permit to Drill the above-referenced well was approved on April 12, 1994. Since that date, no known activity has transpired at the approved location. Applications for Permit to Drill are effective for a period of one year. In view of the foregoing, this office is notifying you the approval of the referenced application has expired. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

Margie Herrmann
Legal Instruments Examiner

cc: State Div OG&M