

## UTAH OIL AND GAS CONSERVATION COMMISSION

DATE FILED **MAY 4, 1994**  
 STATE LEASE NO. \_\_\_\_\_ PUBLIC LEASE NO. **U-013792** INDIAN \_\_\_\_\_  
 DATE WELL ABANDONED \_\_\_\_\_  
 DATE WELL ABANDONED **MAY 23, 1994**  
 STATUS \_\_\_\_\_  
 COMPLETED \_\_\_\_\_ PUT TO PRODUCING \_\_\_\_\_  
 INITIAL PRODUCTION \_\_\_\_\_  
 GRAVITY API \_\_\_\_\_  
 GOR \_\_\_\_\_  
 PRODUCING ZONES \_\_\_\_\_ ~~CUT OFF~~  
 TOTAL DEPTH \_\_\_\_\_  
 WELL ELEVATION \_\_\_\_\_  
 DATE ABANDONED **LOCATION ABANDONED EFFECTIVE JUNE 19, 1995**  
 FIELD **NATURAL BUTTES FIELD**  
 UNIT **RIVER END UNIT**  
 COUNTY **UINTAH**  
 WELL NO. **RBU 8-14EO** API NO. **43-047-32514**  
 ELEVATION **2390' FNL** FT. FROM IN) (SI) **413' FEL** FT. FROM (E) (W) LINE **SE NE** 1-4 - 1-4 SEC **14**

TWP	RGE	SEC	OPERATOR	TWP	RGE	SEC	OPERATOR
10S	19E	14	CNG PRODUCING CO				

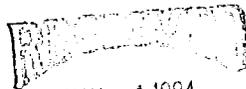
**CNG Producing  
Company**

A **CNG** COMPANY

1111  
1111  
1111  
1111

May 3, 1994

Mr. Ed Forsman  
U.S. Dept. of the Interior  
Bureau of Land Management  
Vernal District Office  
170 South 500 East  
Vernal, UT 84078



MAY 4 1994  
DIVISION OF  
OIL, GAS & MINING

RE: River Bend Unit  
Application for Permit To Drill  
RBU 8-14EO - Sec. 14-T10S-R19E

Dear Ed:

Enclosed please find an original and two copies of the above referenced applications. Attachment to this application includes the following:

Attachment No. 1 Location  
Attachment No. 2 Certification Statement  
Attachment No. 3 BOP Stack Schematic  
Attachment No. 4 Drilling Plan  
Attachment No. 5 13 Point Surface Use Plan  
Attachment No. 6 Water Source and Access Route  
Attachment No. 7 Water Permit

CNG Producing Company is requesting all information be held confidential.

Should you have any question please feel free to contact either myself at (504) 593-7260 or the project engineer, David Linger at (504) 593-7779.

Sincerely,

*Susan H. Sachitana*

Susan H. Sachitana  
Regulatory Specialist

Enclosure

cc: Utah Board of Oil, Gas & Mining

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK  
 DRILL  DEEPEN  PLUG BACK

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

2. NAME OF OPERATOR  
 CNG PRODUCING COMPANY

3. ADDRESS OF OPERATOR  
 CNG Tower, 1450 Poydras St., New Orleans, LA 70112-6000

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements <sup>A</sup>)  
 At surface 2,390' FNL & 413' FEL of Sec. 14-T10S-R19E

5. LEASE DESIGNATION AND SERIAL NO  
 U-013792

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME  
 River Bend Unit

8. FARM OR LEASE NAME  
 RBU

9. WELL NO.  
 8-14EO

10. FIELD AND POOL, OR WILDCAT  
 ISLAND

11. SECS., T., R., M., OR BLK.  
 AND SURVEY OR AREA  
 SE NE 14-T10S-R19E

At proposed prod. zone  
 Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE<sup>A</sup>  
 10 Miles SW of Ouray

12. COUNTY OR PARISH 13. STATE  
 Utah Utah

15. DISTANCE FROM PROPOSED <sup>A</sup> LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest dirg. unit line if on: 2,390')	15. NO. OF ACRES IN LEASE 1,882.20	17. NO. OF ACRES ASSIGNED TO THIS WELL 80
18. DISTANCE FROM PROPOSED LOCATION <sup>A</sup> TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE 1,100'	19. PROPOSED DEPTH 5,250'	20. ROTARY OR CABLE TOOLS Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5,126' GR		22. APPROX. DATE WORK WILL START

PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	+/- 350	Cement to Surface
7 7/8"	5 1/2"	17#	+/- 5,250	Cement Calc to Surface

- Drill a 12 1/4" hole with an air rig to +/- 350', run 8 5/8", H-40 casing and cement to surface.
- NU and pressure test BOP stack prior to drilling out below surface pipe.
- Operate pipe rams daily and blind rams as possible.
- Drill a 7 7/8" hole to 5,250' with a salt water mud system. Coring is possible. DST's will be run as needed to evaluate unexpected shows.
- Run logs, set 5 1/2", 17#, N 80 & K-55 casing as dictated by drilling shows, tests, and logs. Casing program may be modified to provide added burst strength if needed for frac program.
- Primary zones of interest are the Wasatch, Chapita Wells & Ute/land Buttes.
- All zones indicating potential for economically recoverable reserves will be tested in a normal, prudent manner.
- In the event of lost circulation, air or air assisted mud will be utilized.

FORMATION TOPS	DEPTHS
Wasatch Tongue	4,250'
Green River Tongue	4,600'
Wasatch	4,770'

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 RECEIVED  
 MAY 4 1984  
 DIVISION OF  
 OIL GAS & MINING

CNG Producing respectfully request that all information concerning this well be held confidential.

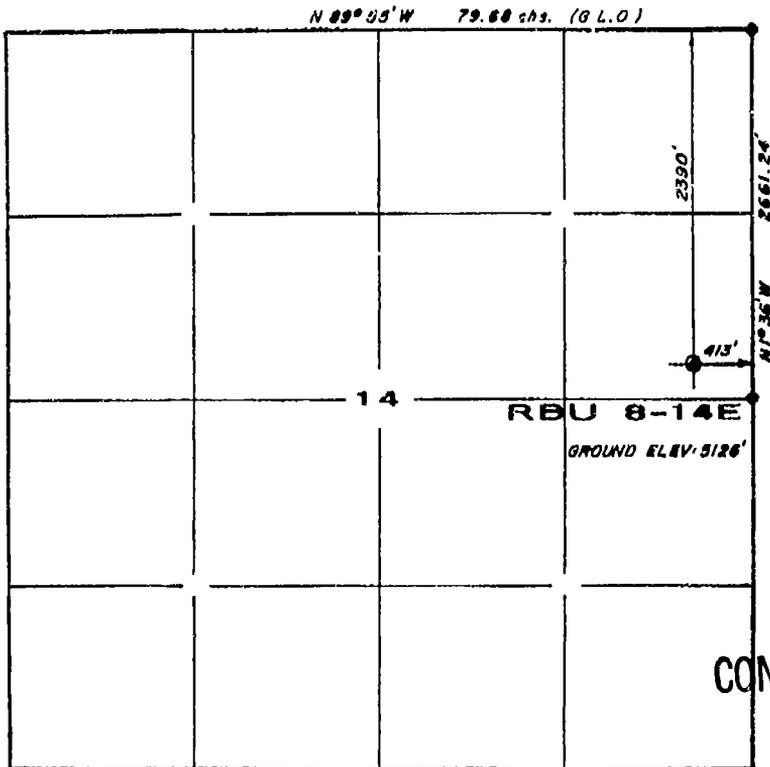
IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give date on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent date on subsurface locations and measured and true vertical depth. Give blowout preventer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

SIGNED David L. Linger #42 TITLE Senior Drilling Engineer DATE 5/3/94  
David L. Linger APPROVED BY THE STATE  
 OF UTAH DIVISION OF  
 OIL, GAS, AND MINING  
 PERMIT NO. 43-047-32514 APPROVAL DATE 5-23-94  
 APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE: \_\_\_\_\_  
 CONDITIONS OF APPROVAL, IF ANY: \_\_\_\_\_ BY: MA Mathews

\*See Instructions On Reverse Side WELL SPACING R649-2-3

**CNG PRODUCING CO.  
WELL LOCATION PLAT  
RBU 8-14E**

LOCATED IN THE SE $\frac{1}{4}$  OF THE NE $\frac{1}{4}$  OF  
SECTION 14, T10S, R19E, S.L.B.&M.



SCALE: 1" = 1000'

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**LEGEND & NOTES**

- ◆ Original corner monuments found and used by this survey.

The General Land Office (G.L.O.) plat was used for reference and calculations, and the U.S.G.S. quadrangle.



**SURVEYOR'S CERTIFICATE**

I HEREBY CERTIFY THAT THIS PLAT WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY PERFORMED BY ME, DURING WHICH THE SHOWN MONUMENTS WERE FOUND OR ESTABLISHED.

*Jerry D. Allred*  
 JERRY D. ALLRED, REGISTERED LAND SURVEYOR, CERT. NO. 148951 (UTAH)



**JERRY D. ALLRED & ASSOCIATES**  
 Surveying & Engineering Consultants

121 North Center Street  
 P.O. Box 975  
 DUCHESNE, UTAH 84021  
 (801) 738-6362

**SELF-CERTIFICATION STATEMENT**

Self-certification statement. Under the Federal regulation in effect as of June 15, 1988 designation of operator forms are no longer required when the operator is not the 100% record title holder. An operator is now required to submit a self-certification statement to the appropriate Bureau office stating that said operator has the right to operate upon the leasehold premises. Said notification may be in the following format:

"Please be advised that CNG Producing Company is considered to be the operator of Well No. 8-14EO SE 1/4 of NE 1/4 Section 14, Township 10S, Range 19E; Lease U-013792; Uintah County, Utah; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by American Casualty Company of Reading, PA, Bond #524 7050.

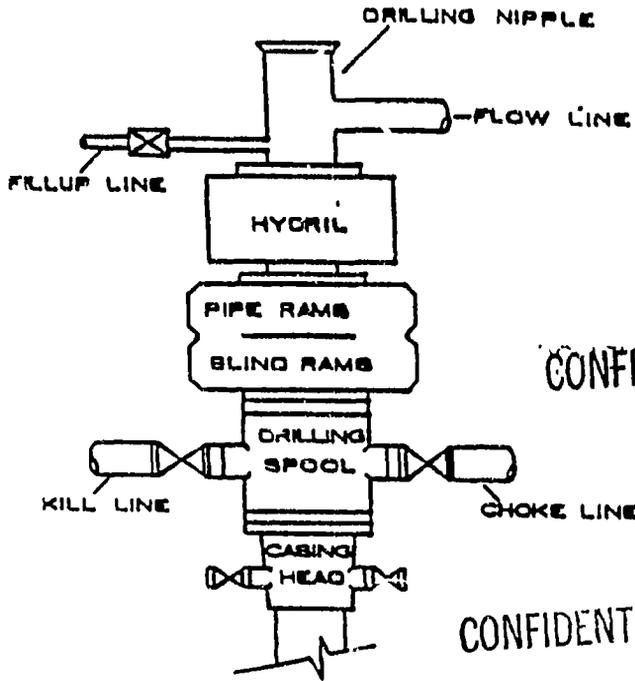
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*R. S. Gloger*

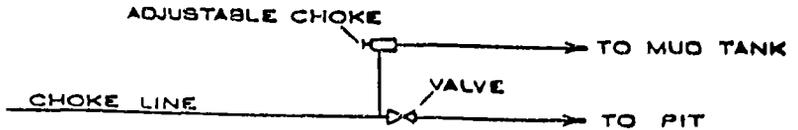
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R. S. Gloger  
Drilling Manager

# BOP STACK



# CHOKER MANIFOLD



DRILLING PLAN  
APPROVAL OF OPERATIONS

May 3, 1994

Attachment for Permit to Drill

Name of Operator: CNG PRODUCING COMPANY  
Address: CNG TOWER - 1450 FOYDRAS STREET  
NEW ORLEANS, LA 70112-6000

WELL LOCATION: Well No. 8-14EO

Uintah, Utah

1. GEOLOGIC SURFACE FORMATION

Uintah

2. ESTIMATE IMPORTANT GEOLOGIC MARKERS

<u>Formation</u>	<u>Depth</u>
Wasatch Tongue	4250'
Green River Tongue	4600'
Wasatch	4770'

3. ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS

<u>Formation</u>	<u>Depth</u>	<u>Remarks</u>
Wasatch Tongue	4250'	Oil Zone
Green River Tongue	4600'	Oil Zone
Wasatch	4770'	Gas Zone

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4. PROPOSED CASING PROGRAM

8-5/8", 24#/ft, H-40, 0'-350' - Cemented to Surface  
5 1/2", 17#/ft, N-80 & K-55, 0'- 5250' - Cemented to Surface

5. OPERATOR'S MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL

BOP stack has a 3000 psi working pressure. BOP will be pressure tested to 3,000 psi before drilling casing cement plug. Pipe ram, will be operated daily and blind rams as possible.

6. The well is to be drilled with a KCL mud system maintaining a weight of approximately 9#/gal.

7. AUXILIARY EQUIPMENT TO BE USED

1. Kelly Cock.
2. Full opening valve on floor with DP connection for use when Kelly is not in string.

8. TESTING, LOGGING, AND CORING PROGRAMS TO BE FOLLOWED

A mud logger will be used from 3,000' to TD. Possible DST in Wasatch Tongue. The logging program will include Dual Lateral/GR log TD to Surface, Density/Neutron - TD - 3,500' possible dipmeter and rotary cores over selected intervals.

9. ANTICIPATED ABNORMAL PRESSURES OR TEMPERATURES EXPECTED

No normal pressures are anticipated nor is the area known for abnormal temperatures. The formations to be penetrated do not contain H<sub>2</sub>S gas. The anticipated bottom hole pressure is 2,610 PSI.

10. WATER SUPPLY

- A. Water to be used for drilling will be hauled from CNG's OSC #1 well located in Section 17-T10S-R20E. Application #54801 User's Claim - Code #49, Serial #801.
- B. No pipelines are anticipated. Hauling will be on the road(s) shown in Attachment No. 3.
- C. No water well is anticipated to be drilled at this time.

11. CEMENT SYSTEMS

SURFACE

+/-224 sks 25:75 Poz G cement, 2% S-I CaCl<sub>2</sub>, .25#/sk D-29 Flake

PRODUCTION

Lead Slurry - +/-195 sk DS Hi-Lift, 3% D-44 Salt, 10#/sk D-42 Kolite, .25#/sk D-29 Celloflake.

Tail Slurry - +/-335 sk RFC 10-0 (thixotropic).

12. ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS

Starting Date:  
Duration: 20 Days

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## SURFACE CASING CEMENT PROGRAM

Set 8 5/8" casing in 12 1/4" open hole cement to surface. Volume calculated using 75 % excess.

### SPACER:

Pump 20 BBLs lightly gelled water followed by 5 BBLs fresh H<sub>2</sub>O ahead of cement to water wet the well bore after air drilling. Displace with fresh water.

### CEMENT SYSTEM

± - 224 SK 25.75 Poz G "Tail-In" Cement, 2% S-1 CaCl<sub>2</sub>, .25#/sk D-29 Celloflake.

Weight	15.40 lb/gal
Yield	1.11 ft <sup>3</sup> /sk
Water	4.71 gal/sk

Thickening Time at 118° 1:42min.

Compressive Strength at 80°  
8 hrs. 750 psi  
16 hrs. 1800 psi  
24 hrs. 2400 psi

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### CASING HARDWARE:

- 1 Cement Guide Shoe
- 1 Insert Float
- 3 Centralizers
- 1 Stop Ring
- 1 Thread Lock
- 1 Top Wood Plug

**NOTE -** DS will at no charge (unless used), in addition to the casing cement, have 100 sk of cement, CaCl<sub>2</sub> for 2% by volume, and 80' to 100' of 1" tubing on location for top out job should cement not be returned to surface.

## LONGSTRING CEMENT

Set 5 1/2" casing in a 7 7/8" open hole.

Lead cement slurry to fill from 750' above top pay zone to surface.

Tail cement slurry to fill from TD to 750' above the pay zone

Both volumes are calculated using 15% excess.

### SPACER:

(DAP Mud System) 20 BBL CW-100 (Sodium Silicate); 20 BBL Water

(KCL Mud System) 10 BBL water

Displace with 3% KCL water using 2% L-55 Clay Stabilizer in the first 50 bbl of displacement.

## CEMENT SYSTEMS

### Lead Slurry

± - 195 sk DS Hi-Lift, 3% D-44 Salt, 10#/sk D-42 Kolite, .25#/sk D-29 Celloflake.

Weight	10.80 lb/gal
Yield	3.91 ft <sup>3</sup> /sk
Water	24.40 gal/sk

Thickening Time at 180°	4hrs +
Compressive Strengths in 24 hrs.	375 psi
Fluid Loss	240 cc/30 min.

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### Tail Slurry

± - 335 sk RFC 10-0 (thixotropic).

Weight	14.20 lb/gal
Yield	1.61 ft <sup>3</sup> /sk
Water	7.91 gal/sk

Thickening Time at 165 deg. BHCT	min.
Compressive Strength in 12 hrs	845 psi
24 hrs	1470 psi

Revised November 1990

Date NOS Received: \_\_\_\_\_

CONDITIONS OF APPROVAL  
FOR THE SURFACE USE PROGRAM OF THE  
APPLICATION FOR PERMIT TO DRILL

Company/Operator: CNG PRODUCING COMPANY

Well Name & Number: RBU 8-14EO

Lease Number: U-013792

Location: SE/4 of NE/4 Sec. 14 T. 10S R. 19E

Surface Ownership: Bureau of Land Management

**NOTIFICATION REQUIREMENTS**

Location Construction - forty-eight (48) hours prior to construction of location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice - at least twenty-four (24) hours prior to spudding the well.

Casing String and - twenty-four (24) hours prior to running casing and  
Cementing cementing all casing strings.

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

First Production - within five (5) business days after new well begins  
Notice 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.

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B. THIRTEEN POINT SURFACE USE PROGRAM:

Multipoint Requirement to Accompany APD

1. Existing Roads - describe the following and provide a legible map, labeled and showing:
  - a. Proposed wellsite as staked and access route to location, including distances from point where access route exists establish roads. (Actual staking should include tow directional reference stakes.)
  - b. Route and distance from nearest town or locatable reference point, such as a highway or county road, to where well access route leaves main road.
  - c. Access road(s) to location color-coded or labeled.
  - d. Plans for improvement and/or maintenance of existing roads. (Appropriate rights-of-way for off lease roads should be attached.)
  
2. Planned Access Roads--describe the following and provide a map of suitable scale indicating all necessary access roads (permanent and temporary) to be constructed or reconstructed, showing:
  - a. Length - 500'
  - b. Width - 30 foot right-of-way with 18 foot running surface maximum.
  - c. Maximum grades - 8%
  - d. Turnouts -
  - e. Drainage design - Bar Pits
  - f. Location and size of culverts and/or bridges, and brief description of any major cuts and fills -
  - g. Surfacing material (source) - Native
  - h. Necessary gates, cattleguards, or fence cuts and/or modification to existing facilities -

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(New or reconstructed roads are to be centerline-flagged at time of location staking.)

All travel will be confined to existing access road rights-of-way.

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/ungraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading 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.

\_\_\_\_ Right-of-Way Application needed.

\_\_\_\_ The operator/lessee or his/her successor shall be responsible for all maintenance on cattleguards or gates associated with this oil and/or gas operation.

3. Location of Existing Wells - describe the following and provide a map or plat of all wells within a 1 mile radius of the proposed well location showing and identifying existing:

- a. Water wells - None
- b. Abandoned wells - None
- c. Temporarily abandoned wells - None
- d. Disposal wells - None
- e. Drilling wells - None
- f. Producing wells - RBU 5-14E, RBU 7-14F, RBU 3-14E, RBU 1-14E, RBU 11-14E, RBU 13-14E, RBU 16-14E, RBU 9-14E, RBU 5-23E, RBU 3-23E, RBU 1-23E, RBU 7-23E, RBU 9-23E, RBU 5-24E, RBU 3-24E, RBU 15-13E, RBU 9-13E, RBU 7-13E, RBU 13-13E, RBU 5-13E, RBU 11-13E
- g. Shut-in wells - None
- h. Injection wells - None

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4. Location of Existing and/or Proposed Facilities

a. On well pad: Show the following existing area facilities and dimensions to be utilized if the well is successfully completed for production (detail painting plans and color if applicable):

- (1) Tank batteries
- (2) Production facilities
- (3) Oil gathering lines
- (4) Gas gathering lines
- (5) Injection lines
- (6) Disposal lines
- (7) Surface pits (separate application per NTL-2B requirements)

(Indicate if any of the above lines are buried.)

b. Off well pad: Same as above. Off lease flowlines may require rights-of-way or special use permits, check with the District Office Realty Specialist. (Include a diagram of the proposed attendant lines, i.e., flowlines, powerlines, etc., if off well pad location.)

- (1) Proposed location and attendant lines shall be flagged off of well pad prior to archaeological clearance.
- (2) Dimensions of facilities
- (3) Construction methods and materials
- (4) Protective measures and devices to protect livestock and wildlife

Note: Operator has option of submitting information under 4A and B, after well is completed for production, by applying for approval of subsequent operations.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire content of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.

Tank batteries will be placed on the East

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All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match on of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is Desert Tan.

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

5. Location and Type of Water Supply

- a. Show location and type of water supply, either by 1/4, 1/4 section on a map or by written description OSC #1 located in 17-T10S-R19E
- b. State method of transporting water, and show any roads or pipelines needed.
- c. If water well is to be drilled on lease, so state. \_\_\_\_\_

\*The operator will be responsible for acquiring the necessary permit to obtain water to be used for drilling activities.

6. Source of Construction Materials

- a. Show information either on map or by written description - \_\_\_\_\_.
- b. Identify if from Federal or Indian (tribal or allotted) land.
- c. Describe where materials such as sand, gravel, stone, and soil material are to be obtained and used.

\*If fill materials are needed to construct roads or well sites, proper permits must be obtained from the Surface Management Agency, unless materials are obtained from a private source.

\*A mineral materials application (is/is not) required.

7. Methods of Handling Waste Disposal

- a. Describe methods and location of proposed safe containment and disposal of each type of waste material, including:
  - (1) Cuttings - bury in pit
  - (2) Sewage - haul to sewer lagoon
  - (3) Garbage (trash) and other waste material - haul to disposal
  - (4) Salts - not used
  - (5) Chemicals - non-toxic only; evaporate in pits
- b. Provide a plan for eventual disposal of drilling fluids and any produced oil or water recovered during testing operations. evaporate in pit

\*Burning will not be allowed. All trash must be contained in a trash cage and hauled away to an approved disposal site at the completion of the drilling activities.

Or, ELM administered lands:

The reserve pit shall be constructed so as not to leak, break, or allow discharge.

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The reserve pit (shall/shall not) be lined if necessary to conserve water.

"If a plastic 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 NTL-2B, 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.

On BIA administered lands:

All reserve pits will be lined with either native clay, commercial bentonite or plastic sufficient to prevent seepage. (If a plastic nylon reinforced liner is used, it shall be torn and perforated after the pit dries and before backfilling of the reserve pit.)

~~CONFIDENTIAL~~

\_\_\_ To protect the environment.  
If the reserve pit is lined the operator will provide the BLM a chemical analysis of the fluids in that pit no later than 90 days after the well completion to determine the method for final reclamation of the reserve pit. If the elemental concentrations shown by the chemical analysis exceeds the requirements described by Part II, Standards of Quality for Waters of the State, Wastewater Disposal Regulations, State of Utah Division of Health, the contents and liner will be removed and disposed of at an authorized disposal site.

X To protect the environment (without a chemical analysis).

Reserve pits will be constructed so as not to leak, break, or allow discharge of liquids.

\_\_\_ Storage tanks will be used if drill sites are located on tribal irrigable land, flood plains, or on lands under crop production.

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 NTL-2B, 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.

8. Ancillary Facilities

Camp facilities or airstrips will not be allowed unless otherwise approved.

9. Well Site Layout--provide a plat (not less than 1" = 50') showing:

- a. Cross-sections of proposed drill pad with approximate cuts and fills and the relation to topography.
- b. Location of mud tanks, reserve, and flare pits, pipe racks, living facilities, and soil material stockpiles, etc. (Approval as used in this section means field approval of location.)
- c. Rig orientation, parking area, and access roads, etc.

The reserve pit will be located on the : Southeast

The flare pit will be located downwind of the prevailing wind direction on the West a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled topsoil (first four inches) will be stored on the: Northwest

Access to the well pad will be from the: North **CONFIDENTIAL**

     Diversion ditch(es) shall be constructed on the                      side of the location (above / below) the cut slope, draining to the                     .

X Soil compacted earthen berm(s) shall be placed on the southeast & west side(s) end.

X The drainage(s) shall be diverted around both side(s) of the well pad location.

     The reserve pit and/or pad location shall be constructed                     .

X The northeast corners of the well pad will be rounded off to avoid the wash.

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 stand 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 when pit is shrunk for production pit.
- 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.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and upon completion of construction the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is to be regularly travelled. If the well is a producer, the cattleguard (shall/shall not) be permanently mounted on concrete bases. Prior to a new road, crossing any fence located on federal land, or any fence between federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. Plans for Restoration of Surface

**CONFIDENTIAL**

a. Producing Location

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

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.

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

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 6 months from the date of well completion. Before any dirt work takes place, the reserve pit must be completely dry and all cans, barrels, pipe, etc., will be removed.

Contact appropriate surface management agency for required seed mixture.

b. Dry Hole/Abandoned Location

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

On BIA administered lands:

Abandoned well sites, roads, or other disturbed areas will be restored to near their original condition. This procedure will include: (a) re-establishing irrigation systems where applicable, (b) re-establishing soil conditions in irrigated fields in such a way as to ensure cultivation and harvesting of crops and, (c) ensuring revegetation of the disturbed areas to the specifications of the Ute Indian Tribe or the BIA at the time of abandonment.

11. Surface Ownership:

Access Road: Bureau of Land Management

Location: Bureau of Land Management

"If the access road and/or location involves private or state agency owned surface, a copy of the surface owners agreement is required prior to approval of the APD."

12. Other Additional Information

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a. 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 time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

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

- b. The operator will control noxious weeds along right-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- c. Drilling rigs and/or equipment used during drilling operations on this well site 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.)
- d. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold panning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

On BIA administered land:

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Operator's employees, including subcontractors, will not gather firewood along roads constructed by operators. If wood cutting is required, a permit will be obtained from the Forestry Department of the BIA pursuant to 25 CFR 169.13 "Assessed Damages Incident to Right-of-Way Authorization". All operators, subcontractors, vendors and their employees or agents may not disturb salable timber (including firewood) without a duly granted wood permit from the BIA Forester.

If the surface rights are owned by the Ute Indian Tribe and mineral rights are owned by another entity, an approved rights-of-way will be obtained from the BIA before the operator begins any construction activities. If the surface is owned by another entity and the mineral rights are owned by the Ute Indian Tribe, rights-of-way will be obtained from the other entity.

All roads constructed by operators on the Uintah and Ouray Indian Reservation will have appropriate signs. Signs will be neat and of sound construction. They will state: (a) that the land is owned by the Ute Indian Tribe, (b) the name of the operator, (c) that firearms are prohibited to all non-Ute Tribal members, (d) that permits must be obtained from the BIA before cutting firewood or other timber products and (e) only authorized personnel permitted.

All well site locations on the Uintah and Ouray Indian Reservation will have an appropriate sign indicating the name of the operator, the lease serial number, the well name and number, the survey description of the well (either footages or the quarter-quarter section, the section, township, and range).

Additional Surface Stipulations

- \_\_\_ No construction or drilling activities shall be conducted between \_\_\_\_\_ and \_\_\_\_\_ because of \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- \_\_\_ No surface occupancy will be allowed within 1,000 feet of any sage grouse strutting ground.
- \_\_\_ No construction or exploration activities are permitted within 1.5 mile radius of sage grouse strutting grounds from April 1 to June 30.
- \_\_\_ There shall be no surface disturbance within 600 feet of live water (includes stock tanks, springs, and guzzlers).
- \_\_\_ No cottonwood trees will be removed or damaged.
- .X A silt catchment dam and basin will be constructed according to BLM specifications approximately 300 ft. north of the location, where flagged.
- \_\_\_ \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**CONFIDENTIAL**

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

Representative

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone No: \_\_\_\_\_







APPLICATION TO APPROPRIATE WATER  
STATE OF UTAH

NOTE: The information given in the following is to be free from explanatory matter, but when necessary, supplementary statements should be made on the following page under the heading "Explanatory."

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

1. Irrigation  Domestic  Stockwatering  Municipal  Power  Mining  Other
2. The name of the applicant is MAPCO, Inc. Production Co.
3. The Post Office address of the applicant is P.O. Box 1360, Blanding, Utah 84005
4. The quantity of water to be appropriated, 015 second feet and/or \_\_\_\_\_
5. The water is to be used for Oil Well Drilling (Major Purpose) from January 1 (Month) to December (Month) and stored each year (if stored) from January 1 (Month) to December (Month) and other use period \_\_\_\_\_ (Major Purpose) from \_\_\_\_\_ (Month) (Day) (Month) TO \_\_\_\_\_ (Month) (Day) (Month)
6. The drainage area to which the direct source of supply belongs is \_\_\_\_\_ (Leave Blank)
7. The direct source of supply is Underground water from Green River Formation (Name of stream or other source) which is tributary to \_\_\_\_\_ tributary to \_\_\_\_\_

\*Note: Where water is to be diverted from a well, a tunnel, or drain, the source should be designated as "Underground Water" and the remaining space should be left blank. If the source is a stream, a spring, a spring area, or a drain, so indicate in space given in same, if named, and in the remaining space, designate the stream channel to which it is tributary, even though may divert, evaporate, or be diverted before reaching said channel. If water from a spring flows in a natural surface channel be diverted, the direct source should be designated as a stream and not a spring.

8. The point of diversion from the source is in Utah County, situated at Center SE of NW Section 17, T10S, R90E  
9. 1200' W. 1/4 Sec. 17  
8 miles S. Camp

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

9. The diverting and carrying works will consist of A 7 5/8" well and 2500' deep
10. If water is to be stored, give capacity of reservoir in acre feet 1 height of dam area inundated in acres 1/4 legal subdivision of area inundated SEC 17 T10S R90E
11. If application is for irrigation purposes, the legal subdivisions of the area irrigated are as follows \_\_\_\_\_

Total \_\_\_\_\_

12. Is the land owned by the applicant? Yes \_\_\_\_\_ No X. If "No," explain on page 2.
13. Is this water to be used supplementally with other water rights? Yes \_\_\_\_\_ No X. If "yes," identify other water rights on page 2.
14. If application is for power purposes, describe type of plant, size and rated capacity. \_\_\_\_\_
15. If application is for mining, the water will be used in \_\_\_\_\_ Mining District the \_\_\_\_\_ mine, where the following ores are mined \_\_\_\_\_
16. If application is for stockwatering purposes, number and kind of stock watered 1000 head of sheep
17. If application is for domestic purposes, number of persons \_\_\_\_\_, or families \_\_\_\_\_
18. If application is for municipal purposes, name of municipality. \_\_\_\_\_
19. If application is for other uses, include general description of proposed uses Drilling Six Unit well by MAPCO, T9+10S R19+90E
20. Give place of use by legal subdivision of the United States Land Survey for all uses described graphs 14 to 19, incl. \_\_\_\_\_

21. The use of water as set forth in this application will consume 0000 c/d/s second feet of water and 0000 second feet and/or acre feet will be returned stream or source at a point described as follows. \_\_\_\_\_

MAY 4 1994  
 DIVISION OF  
 OIL GAS & MINING

... set forth in order to define more clearly the full purpose of the proposed application:  
The land leased from the Federal Government is administered by the Bureau of Land Management and has their approval.

The BLM will use the excess water for wild life + stock watering

(Use page 4 if additional explanatory is needed)

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

*Darwin Kulland from Maple*  
Signature of Applicant

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

DECLARATION OF CITIZENSHIP

STATE OF UTAH  
County of *Wasatch*

On the *16* day of *June* 19*80*, personally appeared before me, a notary public for the State of Utah, the above applicant who, on oath, declared that he is a citizen of the United States, or has declared his intention to become such a citizen.

My commission expires  
*Aug 11 1982*

(SEAL)

*Robert J. Hill*  
Notary Public

WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 05/04/94

API NO. ASSIGNED: 43-047-32514

WELL NAME: RBU 8-14EO  
OPERATOR: CNG PRODUCING COMPANY (N0605)

PROPOSED LOCATION:  
SENE 14 - T10S - R19E  
SURFACE: 2390-FNL-0413-FEL  
BOTTOM: 2390-FNL-0413-FEL  
UINTAH COUNTY  
NATURAL BUTTES FIELD (630)

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

LEASE TYPE: FED  
LEASE NUMBER: U-013792

PROPOSED PRODUCING FORMATION: WSTC

RECEIVED AND/OR REVIEWED:

- Y Plat
- Y Bond: Federal [ State [] Fee []  
(Number 524-7050)
- N Potash (Y/N)
- N Oil shale (Y/N)
- Water permit  
(Number 44-801)
- N RDCC 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: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



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

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

355 West North Temple  
3 Trid Center, Suite 350  
Salt Lake City, Utah 84100 1203  
801 538 5340  
801-359 3940 (Fax)  
801 538 5319 (TDD)

May 23, 1994

CNG Producing Company  
CNG Tower, 1450 Poydras Street  
New Orleans, Louisiana 70112-6000

Re: RBU 8-14EO Well, 2390' FNL, 413' FEL, SE NE, Sec 14, T. 10 S., R. 19 E.,  
Utah 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.

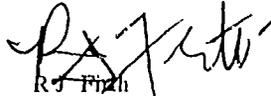
In addition, the following specific actions are necessary to fully comply with this approval:

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. 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  
CNG Producing Company  
RBU 8-14EO Well  
May 23, 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 43-047-32514.

Sincerely,

A handwritten signature in black ink, appearing to read "R. J. Firth". The signature is stylized and written over a faint, rectangular stamp or watermark.

Associate Director

ldc  
Enclosures  
cc: Uintah County Assessor  
Bureau of Land Management, Vernal District Office  
WO11

UNIT TITLES  
 DEPARTMENT OF THE INTERIOR  
 BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

a TYPE OF WORK  
 DRILL  DEEPEN  PLUG BACK

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

2 NAME OF OPERATOR  
 CNG PRODUCING COMPANY

3 ADDRESS OF OPERATOR  
 CNG Tower, 1450 Poydras St, New Orleans, LA 70112-6000

4 LOCATION OF WELL (Report location clearly and in accordance with any State requirements\*)  
 At surface 2,390' FNL & 413' FEL of Sec 14-T10S-R19E SECTION 19

At proposed prod zone  
 Same

14 DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 10 Miles SW of Ouray

15 DISTANCE FROM PROPOSED\*  
 LOCATION TO NEAREST  
 PROPERTY OR LEASE LINE, FT  
 (Also to nearest dily unit line if any)  
 2,390'

16 NO OF ACRES IN LEASE  
 1,882 20

17 NO OF ACRES ASSIGNED  
 TO THIS WELL  
 80

18 DISTANCE FROM PROPOSED LOCATION\*  
 TO NEAREST WELL, DRILLING, COMPLETED,  
 OR APPLIED FOR, ON THIS LEASE  
 1,100'

19 PROPOSED DEPTH  
 5,250'

20 ROTARY OR CABLE TOOLS  
 Rotary

21 ELEVATIONS (Show whether DF, RT, GR, etc.)  
 5,126' GR

22 APPROX DATE WORK WILL START

PROPOSED CASING AND CEMENTING PROGRAM				QUANTITY OF CEMENT
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	
12 1/4"	8 5/8"	24#	+/- 350	Cement to Surface
7 7/8"	5 1/2"	17#	+/- 5,250	Cement Calc to Surface

- 1 Drill a 12 1/4" hole with an air rig to +/- 350', run 8 5/8", H-40 casing and cement to surface
- 2 NU and pressure test BOP stack prior to drilling out below surface pipe
- 3 Operate pipe rams daily and blind rams as possible
- 4 Drill a 7 7/8" hole to 5,250' with a salt water mud system. Coring is possible. DST's will be run as needed to evaluate unexpected shows
- 5 Run logs, set 5 1/2", 17#, N 80 & K-55 casing as dictated by drilling shows, tests, and logs. Casing program may be modified to provide added burst strength if needed for frac program
- 6 Primary zones of interest are the Wasatch, Chapta Wells & Ute/land Buttes
- 7 All zones indicating potential for economically recoverable reserves will be tested in a normal, prudent manner.
- 8 In the event of lost circulation, air or air assisted mud will be utilized

FORMATION TOPS	DEPTHS
Wasatch Tongue	4,250'
Green River Tongue	4,600'
Wasatch	4,770'

CNG Producing respectfully request that all information concerning this well be held confidential

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 verticle depth. Give blowout preventer program, if any

SIGNED David L. Linger TITLE Senior Drilling Engineer DATE 5/3/94

(This space for Federal or State office use)  
 PERMIT NO \_\_\_\_\_ APPROVAL DATE MAY 24 1994

APPROVED BY [Signature] TITLE ASSISTANT DISTRICT DATE May 24 1994  
 CONDITIONS OF APPROVAL, IF ANY **NOTICE OF APPROVAL** CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

Ut080-441-098 See Instructions On Reverse Side  
 Title 16 USC Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any

MAY 04 1994

SE NE 14-T10S-R\*9E

12 COUNTY OR PARISH Utah 13 STATE Utah

**CONFIDENTIAL**  
 MAY 25 1994

DIV. OF OIL, GAS & MINING

**CONFIDENTIAL**

## WELL LOCATION INFORMATION

Company/Operator: CNG Producing Company

API Number 43-047-32514

Well Name & Number: RBU 8-14EO

Lease Number: U-013792

Location: SENE Sec 14 T 10 S R 19 E

Surface Ownership BLM

Date NOS Received March 14, 1994

Date APD Received May 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.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Company CNG Producing Company Well No. RBU 8-14EO

Location SENE, Section 14, T10S, R19E Lease No. U - 013792

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

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

A. DRILLING PROGRAM

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

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

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

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

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

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

3. Casing Program and Auxiliary Equipment

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

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the top of the Mahogany oil shale, identified at  $\pm$  2,030 ft. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

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

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

5. Coring, Logging and Testing Program

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

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

A cement bond log (CBL) will be run from the production casing shoe to  $\pm$  1,830 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.

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)(j) 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) 789-7077  
Petroleum Engineer

Wayne 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, spend 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.

CONDITIONS OF APPROVAL  
SURFACE USE PLAN OF OPERATIONS

Additional Surface Stipulations

No construction or drilling activities shall be conducted between May 1 and June 30 because of need to avoid impacts to a raptor nest.

Well has been moved 294 feet east and 228 feet south of the original staking to better fit existing topography and avoid an archaeological site

If blasting is required to construct the reserve pit, then the pit will be lined with a liner of at least 12 mil thickness. Otherwise the pit will be leak tested and lined to conserve water as described in the APD. If the operator chooses to line it, in order to control leakage and conserve water

A muffler will be placed on the pump jack engine to control noise and limit impacts on raptors in the area.

6/14/95



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

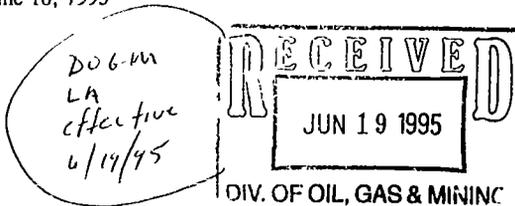
Vernal District Office  
170 South 500 East  
Vernal Utah 84078-2799

IN REPLY REFER TO

3162  
UT08438

June 16, 1995

CNG Producing Company  
Attn Susan Sachitana  
CNG Tower, 1450 Poydras Street  
New Orleans, LA 70112-6000



Re Notification of Expiration  
Well No 11-25B  
Section 25, T9S, R19E  
Lease No U-39221

13-097-22514 Wells 8-14EO & 16-14EO  
Section 14, T10S, R19E  
Lease No U-013792

Dear Ms Sachitana

The Applications for Permit to Drill the above-referenced wells were approved on May 24, 1994. Since that date, no known activity has transpired at the approved locations. 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 applications has expired. If you intend to drill at these locations at a future date, new Applications for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for these drill sites. Any surface disturbance associated with the approved location of these wells 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

**CNG Producing  
Company**

**A CNG COMPANY**

CNG Producing Company  
1140 Poynter Street  
New Orleans, Louisiana 70119  
(504) 938-1111

June 22, 1995

**URGENT**

JUN 26 1995

Ms. Margie Herrmann  
U. S. Department of the Interior  
Bureau of Land Management  
Vernal District Office  
170 South 500 East  
Vernal, Utah 84078-2799

**DIVISION OF  
OIL, GAS & MINING**

RE: RBU 11-25B  
RBU 8-14EO 43-047-32514 Sec 14, T10S, R19E  
RBU 16-14EO

Dear Margie:

Per your request of June 16, 1995, please be advised that there was no surface disturbance for the above referenced wells.

If you have any questions or need any further information, please feel free to contact me at (504) 593-7260.

Sincerely,

CNG PRODUCING COMPANY

*Susan H. Sachitana*

Susan H. Sachitana  
Regulatory Specialist

cc: Utah Board of Oil Gas & Mining  
Nelda Decker  
David Linger  
Brian Coffin

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FO APPROVED BUDGET BUREAU NO 1004-0135 EXPIRES, MARCH 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

1 Type of Well [X] Oil Well [ ] Gas Well [ ] Other
2 Name of Operator CNG PRODUCING COMPANY
3 Address and Telephone No CNG Tower - 1450 Poydras Street, New Orleans, LA 70112-6000
4 Location of Well (Footage, Sec, T, R, M, or Survey Description) Surface 2,390' FNL & 413' FEL of Sec 14-T10S-R19E
7 If Unit or CA, Agreement Designation River Bend Unit
8 Well Name and No B-14EO
9 API Well No.
10 Field and Pool, or Exploratory Area Field
11 County or Parish, State Uintah, Utah

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

Table with 2 columns: TYPE OF SUBMISSION and TYPE OF ACTION. Includes options for Abandonment, Recompletion, Plugging Back, Casing Repair, Altering Casing, Other - Variance, Change of Plans, New Construction, Non-Routine Fracturing, Water Shut-Off, Conversion to Injection, and Dispose Water.

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 the work)\*

Under Onshore Order #2, casing and cementing requirements, it states " All casing, except the conductor casing, shall be new or reconditioned and tested used casing that meets or exceeds API standards for new casing" the 8 5/8" 24# H-40 surface casing designed for this well and other wells in the River Bend Unit meets all of the above criteria for the order. The 8 5/8" casing is a limited service pipe which means it does not meet API standards. However, the pipe is new and was Hydro statically tested to 2,700 PSI which equals API standards for 8 5/8" 24# K-55 casing

We respectfully submit this sundry and attached letter from the company the pipe was purchased from

If any additional information is needed, please advise

CONFIDENTIAL

14 I hereby certify that the foregoing is true and correct

Signed David L Linger Title Senior Drilg Engineer

(This space for Federal or State office use)

Approved by Title Conditions of approval, if any

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

DATE: 5-23-94 BY: [Signature] WELL SPACING: 649-2-3

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