

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS: WELL LOG ELECTRIC LOGS FILE WATER SANDS LOCATION INSPE SUB. REPORT/abd.

961223 location abandoned

DATE FILED JUNE 20, 1994

LAND: FEE & PATENTED STATE LEASE NO. PUBLIC LEASE NO. U-9613 INDIAN

DRILLING APPROVED: DECEMBER 8, 1994

SPUDED IN:

COMPLETED: PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR:

PRODUCING ZONES:

TOTAL DEPTH:

WELL ELEVATION:

DATE ABANDONED: 12-23-96 LAID

FIELD: NATURAL BUTTES FIELD

UNIT: NA

COUNTY: UINTAH

WELL NO. DUNCAN #42 API NO. 43-047-32533

LOCATION 1407' FSL FT. FROM (N) (S) LINE. 876' FWL FT. FROM (E) (W) LINE. NW SW 1/4 - 1/4 SEC. 33

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
				8S	21E	33	CONOCO, INC.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

5. LEASE DESIGNATION AND SERIAL NO.
U-9613

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.
DUNCAN #42

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT
NATURAL BUTTES/WASATCH

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 33, T8S, R21E

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
CONOCO INC.

3. ADDRESS AND TELEPHONE NO.
800 WERNER COURT, CASPER, WY 82601 (307) 261 - 7800

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements*)
At surface: 1407' FSL, 876' FWL (NW/SW)
At proposed prod. zone:

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Approximately 7.3 miles Southeast of Ouray, Utah.

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 876'

16. NO. OF ACRES IN LEASE 200

17. NO. OF ACRES ASSIGNED TO THIS WELL 320

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2950'

19. PROPOSED DEPTH 7650'

20. ROTARY OR CABLE TOOLS ROTARY

21. ELEVATIONS (Show whether DF, RT, CR, etc.) 4683' Ungraded

22. APPROX. DATE WORK WILL START* 1 OCT 94

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	9 5/8" K-55, STC	36#	400'	220 SACKS
8 3/4"	5 1/2" K-55, LTC	15.5#	7650'	590 SACKS

It is proposed to drill this well as a Wasatch producer. All appropriate logs will be run, no cores or DSTs are planned.

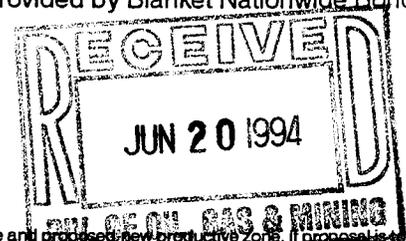
Conoco is responsible under the terms and conditions of the lease for the operations on the lease.

A subsequent report will be submitted upon completion of the well. A completion rig will be used for completion operations, and all conditions of this application will apply during such operations.

Please be advised that Conoc Inc. is considered to be the operator of Duncan #42, NW 1/4, SW 1/4, Section 33, Township 8S, Range 21E; Lease U-9613; 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 Blanket Nationwide Bond, No. 8015-16-69 (BLM #ES-0085).

Surface Ownership: Ute Indian Tribe

Conoco Contact: Ken Daraie
(307) 261-7959



BLM-VERNAL (3), UOGCC (2), AFE FILE-BIC, CENTRAL FILE, NEE, DAP

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

24. Signed E. Leon Grant Title: E. LEON GRANT, SHEAR DIRECTOR Date: 13 JUN 94
(This space for Federal or State office use)

APPROVED BY THE STATE

PERMIT NO. 43-047-32533

APPROVAL DATE OF UTAH DIVISION OF OIL, GAS AND MINING

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:

DATE: 12/21/94
BY: [Signature]

Approved by _____ Title _____

WELL SPACING: Case 173-9

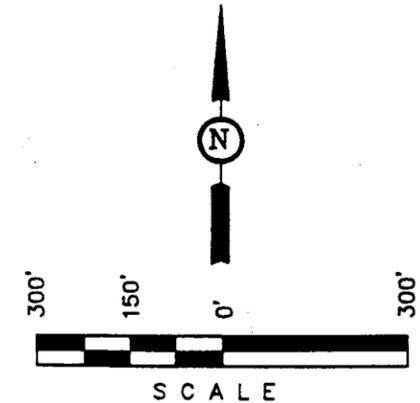
*See Instruction on Reverse Side

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

CONOCO, INC.

**PROPOSED PIPELINE
RIGHT-OF-WAY
ON UTE TRIBAL LANDS**

(For DUNCAN #42)
LOCATED IN
SECTION 33, T8S, R21E, S.L.B.&M.
UINTAH COUNTY, UTAH



PIPELINE RIGHT-OF-WAY DESCRIPTION

A 30' WIDE RIGHT-OF-WAY 15' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE.

BEGINNING AT A POINT IN THE SW 1/4 OF SECTION 33, T8S, R21E, S.L.B.&M. WHICH BEARS S38°00'53"E - 1678.12' FROM THE WEST 1/4 CORNER OF SAID SECTION, THENCE S55°11'06"E 63.85' TO A POINT IN THE SAID SW 1/4 WHICH BEARS N40°25'35"E - 1704.38' FROM THE SOUTHWEST CORNER OF SAID SECTION. THE SIDE LINES OF SAID DESCRIBED RIGHT-OF-WAY BEING SHORTENED OR ELONGATED TO MEET THE GRANTOR'S PROPERTY LINES. BASIS OF BEARINGS IS THE WEST LINE OF THE SAID SW 1/4 WHICH IS ASSUMED FROM G.L.O. INFORMATION TO BEAR N0°25'E. CONTAINS 0.044 ACRES MORE OR LESS.

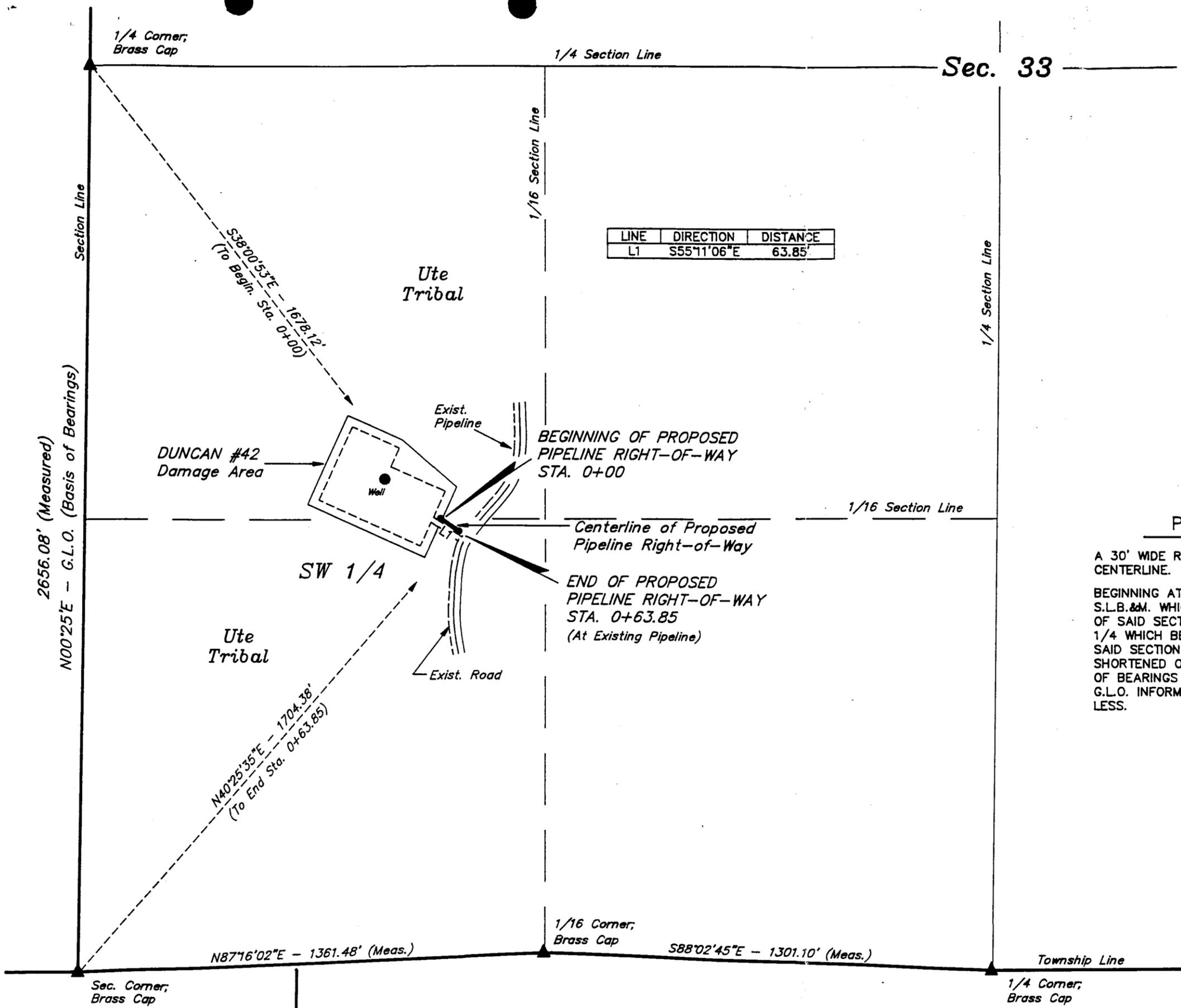
CERTIFICATE
THIS IS TO CERTIFY THAT THE ABOVE SHOWN MAP WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.
REG. NO. 161319
ROBERT L. KAY
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

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

SCALE 1" = 300'	DATE 4-17-94
PARTY G.S. B.B. J.R.S.	REFERENCES G.L.O. PLAT
WEATHER WARM	FILE 4 0 4 3 6

Sec. 33

LINE	DIRECTION	DISTANCE
L1	S55°11'06"E	63.85'



▲ = SECTION CORNERS LOCATED.

STATE OF UTAH

Operator: CONOCO INC.	Well Name: DUNCAN #42
Project ID: 43-047-32533	Location: SEC. 33 - T08S - R21E

Design Parameters:

Mud weight (9.00 ppg) : 0.468 psi/ft
 Shut in surface pressure : 3009 psi
 Internal gradient (burst) : 0.074 psi/ft
 Annular gradient (burst) : 0.000 psi/ft
 Tensile load is determined using buoyed weight
 Service rating is "Sweet"

Design Factors:

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

Length (feet)	Size (in.)	Weight (lb/ft)	Grade	Joint	Depth (feet)	Drift (in.)	Cost		
1	7,650	5.500	15.50	K-55	LT&C	7,650	4.825		
		<u>Collapse</u> Load Strgth (psi)	<u>S.F.</u>	<u>Burst</u> Load (psi)	<u>Min Int</u> Strgth (psi)	<u>Yield</u> S.F.	<u>Tension</u> Load Strgth (kips)	<u>S.F.</u>	
1	3577	4040	1.130	3577	4810	1.34	102.26	239	2.34 J

Prepared by : FRM, Salt Lake City, UT
 Date : 12-08-1994
 Remarks :

Minimum segment length for the 7,650 foot well is 1,000 feet.
 SICP is based on the ideal gas law, a gas gravity of 0.69, and a mean gas temperature of 112°F (Surface 74°F , BHT 150°F & temp. gradient 1.000°/100 ft.)
 The mud gradient and bottom hole pressures (for burst) are 0.468 psi/ft and 3,577 psi, respectively.

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

DRILLING PLAN

Duncan #42

April 20, 1994

Page 1

DRILLING PLAN

1. **Location:** Sec 33, T8S, R21E 876' FWL, 1407' FSL
2. **Geological Marker Tops:** (RKB: 4,698' est.)

Formation	Drilled Depth (RKB)	Datum	Estimated Pressure	Fluid/Mineral
Uinta	Surface	+4,683'		
Green River Marlstone	2,198'	+2,500'		
Green River "A" Sand	3,538'	+1,160'		Gas/Oil
Green River "A-1" Sand	3,688'	+1,010'		Gas/Oil
Green River "B" Sand	3,823'	+875'		Gas/Oil
Green River "D" Sand	4,943'	-245'		Gas/Oil
Green River "E" Sand	5,198'	-500'		Gas/Oil
Wasatch	5,598'	-900'	2,400 psi	Gas
Wasatch "A" Marker	5,728'	-1030'		Gas
TD	7,650'	-2,952	3,300 psi	Gas

3. **Casing Program** (all new):

Depth	Size	Weight	Type	Casing Properties		
				Collapse	Burst	Tension
0' to 400'	9-5/8"	36#	K-55, STC	2020	3520	423
0' to TD	5-1/2"	15.5#	K-55, LTC	4040	4810	239

4. **Cementing Program:**

<u>Casing</u>	<u>Coverage</u>	<u>Volume</u>	<u>Type & Additives</u>
Surface	0'-400'	220 sx	Class "G" + 2% CaCl ₂
Production	2500'-T.D.	175 sx 415 sx	Lead: Premium Lite + 3% salt Tail: 50/50 Poz + 2% gel + 10% salt

5. **Pressure Control Equipment:**

- A. BOP: 3000 psi w.p. Double ram blowout preventer with appropriate extension handwheels. The pipe rams will be on top and blind rams on the bottom (see attached schematic).
- B. A function test and visual inspection of the BOP will be performed daily.
- C. BOP equipment will be tested at least every 14 days. The BOP and casing tests will conform to Onshore order no. 2.

6. **Auxiliary Equipment:**

- A. Kelly cock
- B. Drill pipe float
- C. Visual monitoring of the mud system.
- D. Rotating head

7. **Variance Requests:**

- A. Conoco requests a variance from the requirement to use a pilot or continuous ignition of the blooie line (not needed on aerated water system).
- B. Conoco requests a variance from the requirement to use a straight run blooie line. Where possible a straight blooie lines will be used. Where is is not possible, any tees or ells in the lines will be targeted.

8. **Drilling Fluids Program:**

Interval	Mud Type	Density (lb/gal)	Funnel Viscosity (Sec/Qt)	Water Loss
0' to 400'	Air	--	--	--
400' to 4000'	air mist and aerated water	--	--	--
4000' to TD*	1.7% DAP aerated water	8.5-9.0	30-40	15 cc
TD	1.7% DAP, Gel, Water	8.5-9.0	30-40	

* If mud up is necessary

9. **Testing, Logging and Coring:**

A. Logging - Open hole:

LDT/DLL/DSN/GR from TD to above 2,500' (GR/DLL to surface)

B. No cores or DST's planned

C. Formation Completion Interval - Wasatch.

Final determination of the completion interval will be made by analysis of logs.

D. Sand Fracturing - Yes - Will submit form 3160-3 for detailing actual work performed.

E. Directional control shall be maintained by running a drift shot survey after every 1,000' of drilling.

10. **Abnormal Pressure or Temperatures; Potential Hazards**

Lost circulation between 1500' and 3,000'.

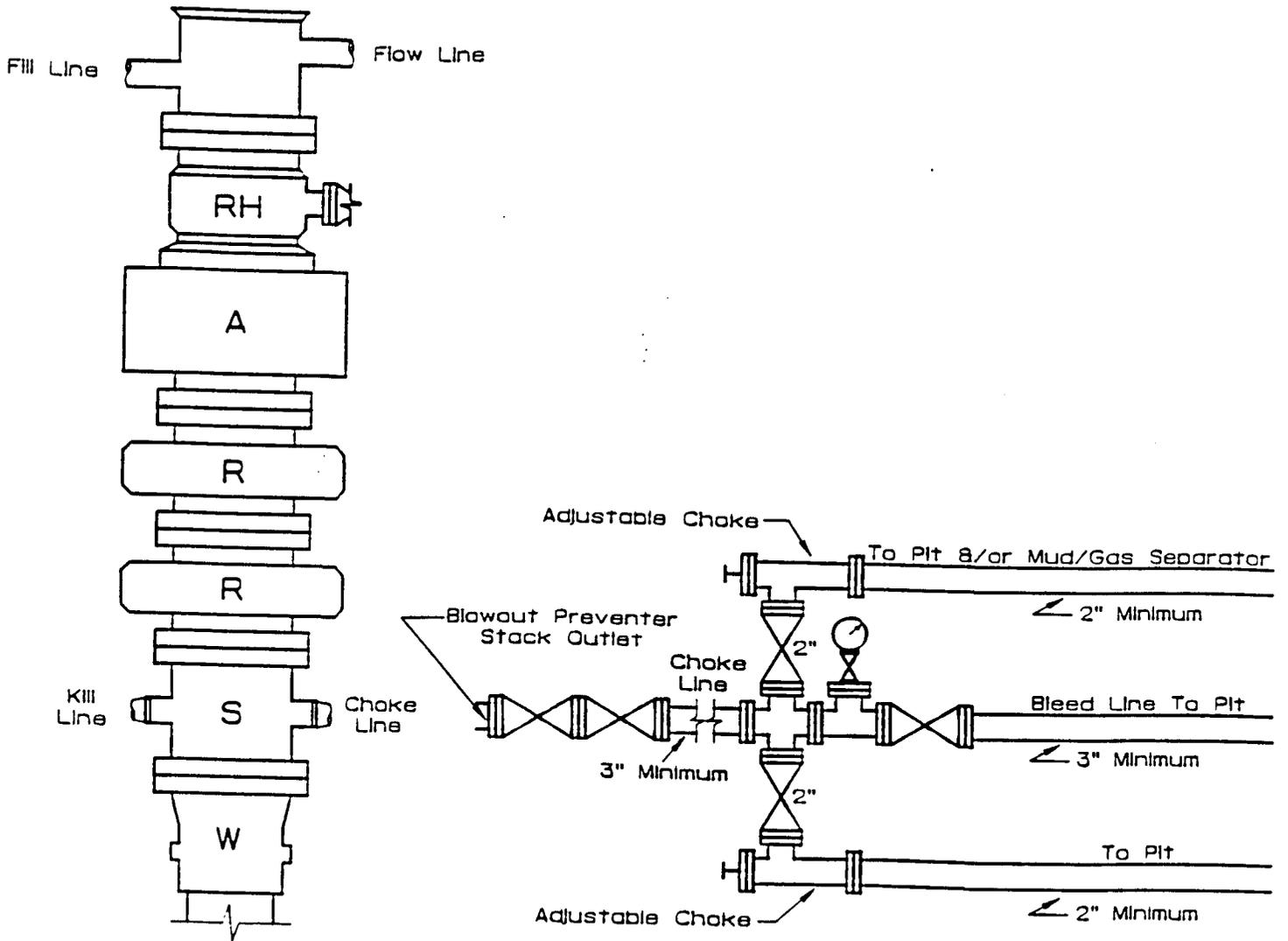
No H₂S is anticipated.

11. **Additional information**

It is Conoco's intention to bury the cuttings on location. However, if testing shows the cuttings to have levels of chlorides or other chemicals to high to allow burial, then the cuttings will be slurried and injected between the 9-5/8" and 5-1/2" casing. These cutting will enter the formation above the top of cement and below the 9-5/8" casing shoe.

DOUBLE RAM PIPE PREVENTERS WITH ROTATING HEAD

(3000 psi System)



Minimum BOP Stack	<u>3000</u> psi Working Pressure
One Pipe Ram	<u>3000</u> psi Working Pressure
One Blind Ram	<u>3000</u> psi Working Pressure
One Annular	<u>3000</u> psi Working Pressure
Well Head	<u>3000</u> psi Working Pressure
Manifold	<u>3000</u> psi Working Pressure
Rotating Head	<u>500</u> psi Working Pressure

13-POINT SURFACE USE PLAN

1. EXISTING ROADS

- A. Proposed location - 1407' FSL, 876' FWL, (NW/NW), Section 33, T8S, R21E, Uintah County, Utah.
- B. Proposed location is approximately 7.3 miles Southeast of Ouray, Utah.
- C. Access roads - refer maps "A" & "B"
- D. DIRECTIONS TO LOCATION: Proceed westerly out of Vernal, Utah along U.S. Highway 40, 14 miles to the junction of this road and Utah State Highway 209; proceed south along Utah State Highway 209, 7 miles more or less to the junction of this Highway and Utah Highway 88; proceed south along Utah State Highway 88, 10 miles to Ouray, Utah; proceed on south along a country road known as the Seep Ridge Road approximately 0.3 miles to its junction with an existing improved dirt service road to the east known as the Watson Road; proceed easterly along this improved road approximately 6.3 miles, turn south onto access road for approximately 0.2 miles onto well location.

The highways mentioned in the forgoing paragraph are bituminous surfaced roads to Ouray, Utah at which point the road is surfaced with native asphalt for the first 0.4 miles of road and then is gravel surface to the aforementioned service roads.

The aforementioned dirt oil field roads and other roads in the vicinity are constructed out of existing native materials that are prevalent to the existing areas they are located in and range from clays to sandy-clay shale material.

- E. The roads that are required for access during the drilling phase, completion phase, and production phase of this well will be maintained at the standards required by the BIA or other controlling agencies.

2. PLANNED ACCESS ROADS See Attached Maps

The proposed access road leaves the existing access road described in paragraph no. 1 in the NE 1/4 SW 1/4, Section 33, T8S, R21E, S.L.B. & M., and proceeds in a southwesterly direction approximately 1100 feet to the proposed location site.

In order to facilitate the anticipated traffic flow necessary to drill and produce this well, the following standards will be met:

- A. Width - The proposed access road will be an 18' crown road (9" either side of the centerline) with a drain ditch along the river side of the proposed road where it is determined necessary in order to handle any run-off from normal meteorological conditions that are prevalent to this area.
- B. Construction standard

2. **PLANNED ACCESS ROADS (Con't)**

Backslopes along the cut areas of the road will be 1 1/2 to 1 slopes and terraced.

The road will be centerline flagged prior to the commencement of construction.

Any fences that are encountered along this access road will be cut and replaced with a cattleguard with a minimum width of 18' and a loading factor large enough to facilitate the heavy trucks required in the drilling and production of this well.

A cattleguard will be located at the existing gate. It will be installed with the above requirements.

The access from the road to the gate will be of such a nature that there will be no impedance of traffic flow along the main access road and no difficulties encountered by traffic utilizing the gate either leaving or entering the proposed access road.

The road shall be upgraded to meet the standards of the anticipated traffic flow and all weather road requirements. 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' right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage 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.

3. **LOCATION OF EXISTING WELLS**

See Natural Buttes Field Map.

4. **LOCATION OF EXISTING AND/OR PROPOSED FACILITIES**

A. On well pad, if the well is successfully completed for production, all lines will be installed above ground and insulated with the exception of the produced water line which will be buried. If a tank battery is constructed, it will be located on a portion of the well pad elevated to meet BLM requirements. Tanks will be deadman anchored to withstand flood conditions.

B. Off well pad facilities are not anticipated at this time since the battery will be self-sustaining. If further facilities are required, Conoco Inc. will apply for approval of subsequent off well pad operations.

If a tank battery is constructed on this lease, the battery or the well pad will be surrounded by a dike of sufficient capacity to contain 1 1/2 times the storage capacity of the battery.

4. **LOCATION OF EXISTING AND/OR PROPOSED FACILITIES (Con't)**

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

5. **LOCATION AND TYPE OF WATER SUPPLY**

Water will be pumped from the White River and piped to the proposed location. If necessary, water will be hauled by an approved trucking company.

6. **SOURCE OF CONSTRUCTION MATERIALS**

All construction material needed for this location and access road will be obtained from an approved contractor.

7. **METHODS FOR HANDLING WASTE DISPOSAL**

Earthen reserve pits will be lined with a 12 mil plastic liner. Berms 6' tall or of sufficient height to withstand flood conditions will be constructed to protect the pit. Environmentally safe drilling fluids will be used. Fluids will be allowed to evaporate from the pit. If necessary, additional fluid will be pumped out with any remaining fluids and solids to be buried in the pit.

In the event that burying of the solids is not allowed, annular disposal will be deployed. This is a process that takes the cuttings, grinds them into very small particles, mixes them with water, and then disposes of them down the surface casing - production casing annulus. It is anticipated that the cuttings will enter into the Uinta or Green River formations from below the surface casing shoe to the top of the Green River Marlstone, well below the lowest level of ground water and above the top of the cement for the production casing.

A portable chemical toilet will be supplied for human waste.

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.

Produced waste water will be confined to a lined pit or storage tank for a period not to exceed 180 days after initial production. During the 180 day period an application for approval for a permanent disposal method and location, along with required water analysis will be submitted for the AO's approval.

**Attachment to Form 3160-3
Duncan #42**

8. Ancillary Facilities

Camp on location - Two trailers will be provided: one for the Conoco Drilling Foreman and one for the mud logger. These trailers will be removed as soon as the drilling and completion work is done.

9. WELLSITE LAYOUT

- A. Cross sections of drill sit with cuts and fills - See "Typical Cross Sections"
- B. Location of reserve pit, mud tanks, pipe racks and soil material stockpiles - See "Location Layout"
- C. Rig orientation, parking areas and access road - See "Location Layout"
- D. The reserve pit will be lined with a plastic liner sufficient to prevent seepage (12 mil). The plastic liner will be removed after the pit dries and the reserve pit backfilled.
- E. Prior to the commencement of drilling operations the reserve pit will be fenced on three (3) sides using three strands of barbed wire according to the following minimum standards:
 - 1. Corner posts shall be braced in such a manner to keep the fence tight at all times.
 - 2. Standard steel, wood, or pipe posts shall be used between the corner braces. The maximum distance between any two (2) posts shall be no greater that sixteen (16) feet.
 - 3. All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.The fourth side of the reserve pit will be fenced immediately upon removal of the drilling rig and the fencing will be maintained until the pit is backfilled.

10. PLANS FOR RESTORATION OF SURFACE

The B.L. M. will be contacted prior to commencement of any reclamation operations.

A. Production

- 1. Immediately upon well completion, the well location and surrounding area(s) will be cleared of all debris, materials, trash and junk not required for production.
- 2. Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.
- 3. The plastic pit liner shall be removed before backfilling of the reserve pit.
- 4. Before any dirt work to restore the location takes place, the reserve pit will be completely dry and all cans, barrels, pipe, etc. will be removed.
- 5. The reserve pit and that portion of the location and access road not needed for production facilities/operations will be reclaimed within ninety (90) days from the date of well completion, weather permitting.

10. PLANS FOR RESTORATION OF SURFACE (Con't)

6. If the well is a producer, Conoco will:
 - a. Upgrade and maintain access roads as necessary to prevent soil erosion, and accommodate year round traffic.
 - b. Reshape areas unnecessary to operations, distribute topsoil, disk and seed all disturbed areas outside the work area according to the specified seed mixture.
 - c. Perennial vegetation must be established. Additional work may be required in case of seeding failures, etc.

B. Dry Hole/Abandoned Location

If the well is abandoned/dry hole, Conoco will:

1. Restore the access road and location to approximately the original contours.
2. Push fill material into cuts and up over the backslope and leave no depression that will trap water or form ponds.
3. Distribute topsoil evenly over the location, and seed according to the prescribed seed mixture.
4. The access road and location shall be ripped or disked prior to seeding.
5. Perennial vegetation must be established. Additional work may be required in case of seeding failures, etc.
6. Re-establish irrigation systems where applicable.
7. Re-establish soil conditions in irrigated fields in such a way as to insure cultivation and harvesting of crops.
8. Insure revegetation of the disturbed areas to the specifications of the Ute Indian Tribe or the BIA at the time of abandonment.

Seedbed will be prepared by disking, then roller packing following the natural contours. Seed will be drilled on contours at a depth no greater than one-half inch (1/2"). In areas that cannot be drilled, seed will be broadcast at double the seeding rate and harrowed into the soil. Certified seed will be used whenever available.

11. SURFACE OWNERSHIP

The well site and access road are situated on surface lands owned by the Ute Tribe.

12. OTHER INFORMATION

An Environmental Assessment has been conducted and has been accepted.

If, during operations, any archaeological or historical sites, or any object of antiquity (subject to the Antiquities Act of June 8, 1906) are discovered, all operations which would affect such sites are to be suspended and the discovery reported promptly to the Surface Management Agency.

12. OTHER INFORMATION (Con't)

**Attachment to Form 3160-3
Duncan #42**

The operator will control noxious weeds along rights-of-way for roads, pipelines, well sites or other applicable facilities. A list of noxious weeds may be obtained from the BLM, BIA, FS, or the appropriate County Extension Office.

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 saleable timber (including firewood) without a duly granted wood permit from the BIA Forester.

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 from 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 wellsite 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 FOR BLM, BIA, FS, DWR, OR PRIVATE SURFACE LANDS

The operator or his contractor shall contact the BLM and BIA Offices at (801) 789-1362 (BLM) and (801) 722-2406 (BIA) between 24 and 48 hours prior to construction activities.

13. OPERATOR'S REPRESENTATIVE

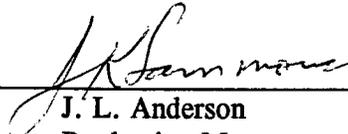
J.L. Anderson
Production Manager
Conoco Inc.
800 Werner Court
Casper, Wyoming 82601
Phone Number (307) 261-7800

CERTIFICATION

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are to the best of my knowledge true and correct; and that other work associated with the operations proposed herein will be performed by Conoco Inc. and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to provisions of 18. U.S.C.1001 for the filing of a false statement.

Date

6-16-94


J. L. Anderson
Production Manager

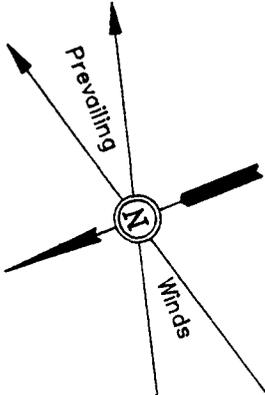
CONOCO, INC.

LOCATION LAYOUT FOR

DUNCAN #42
SECTION 33, T8S, R21E, S.L.B.&M.
1407' FSL 876' FWL

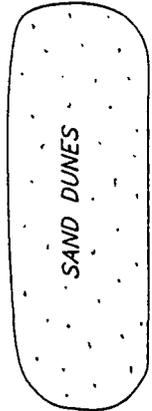
NOTE:

1. If Ground Water is Encountered the Pit Bottom Will Be Placed 1' Above the Water Level. The Pit Will Then Be Elongated and Widened to Maintain a Capacity of 6,250 Barrels.
2. Flare Pit Must Be a Min. of 100' From Well Head, and a Min. of 30' From Reserve Pit.



SCALE: 1" = 50'
DATE: 4-5-94
DRAWN BY: D.R.B.

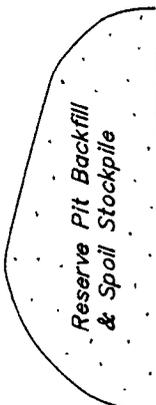
APPROX. TOP OF CUT SLOPE



Reserve Pit Backfill & Spoil Stockpile

C-0.8'
El. 83.3'

C-10.0'
El. 84.5'
(btm pit)



Pit Capacity With 2' of Freeboard is ± 6,520 Bbbls.

RESERVE PITS (8' Deep)

Sta. 0+12

C-8.4'
El. 82.9'
(btm pit)

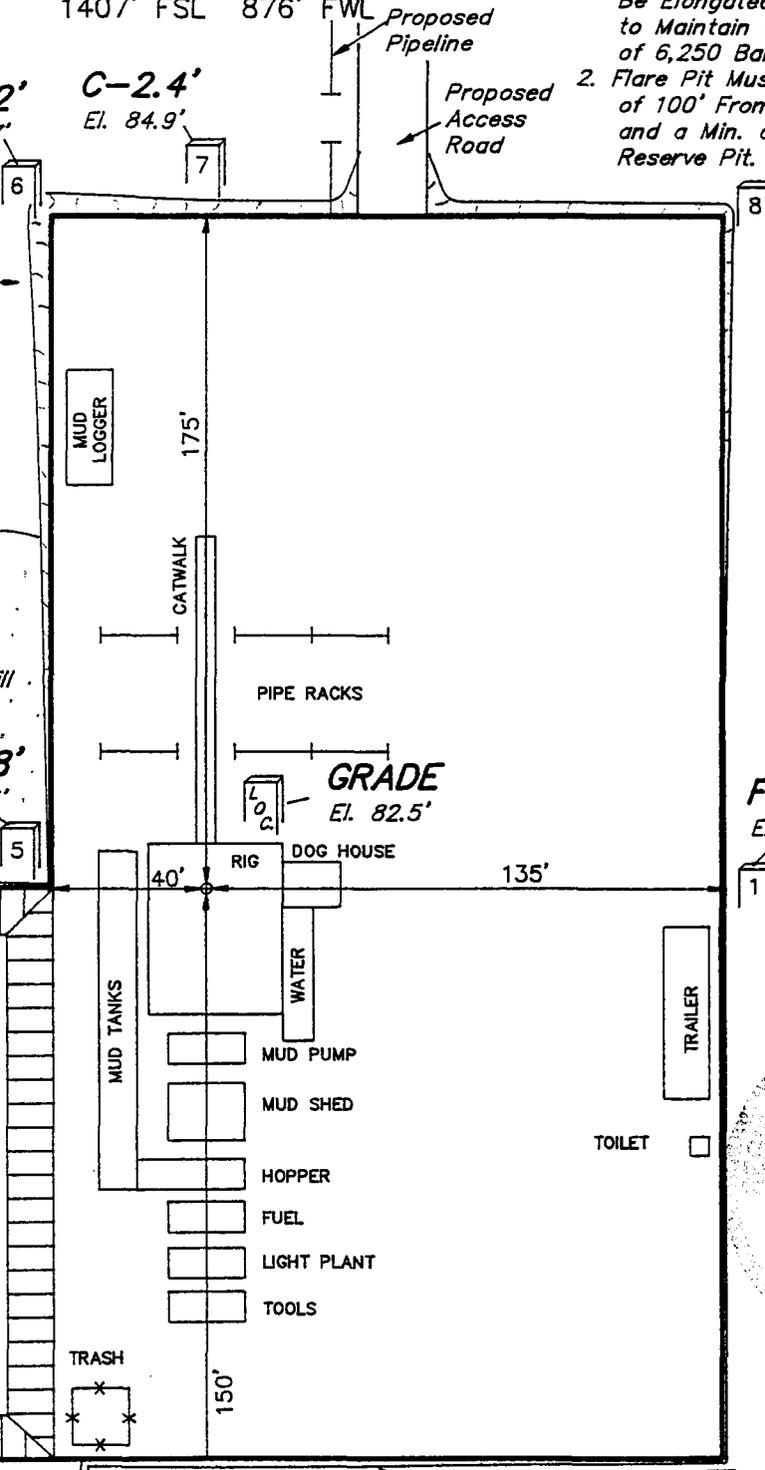
10' WIDE DIKE

F-0.9'
El. 81.6'

F-1.3'
El. 81.2'

APPROX. TOE OF FILL SLOPE

F-0.5'
El. 82.0'



Sta. 3+25

C-1.8'
El. 84.3'

F-0.3'
El. 82.2'

Sta. 1+50

Sta. 0+00

Elev. Ungraded Ground at Location Stake = 4682.5'

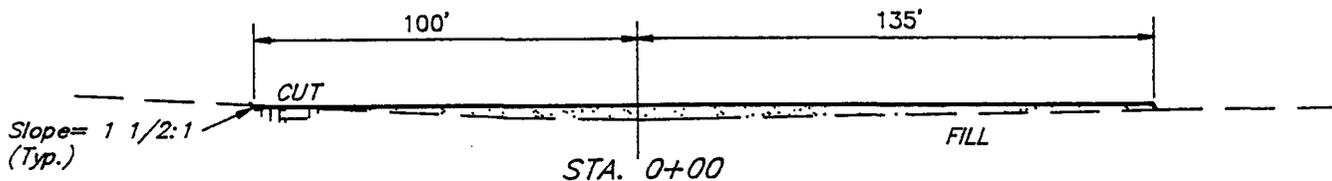
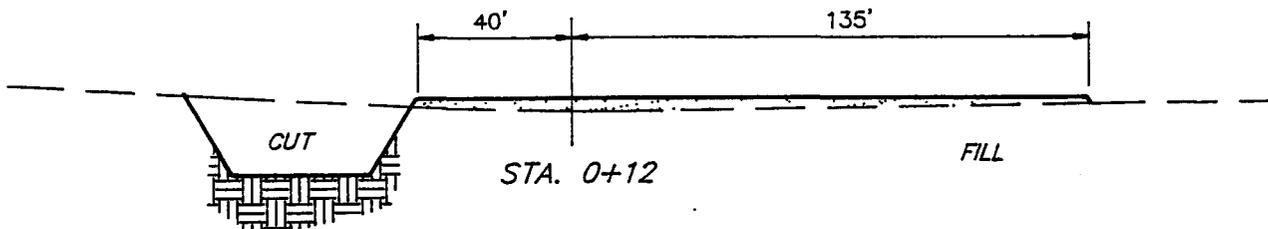
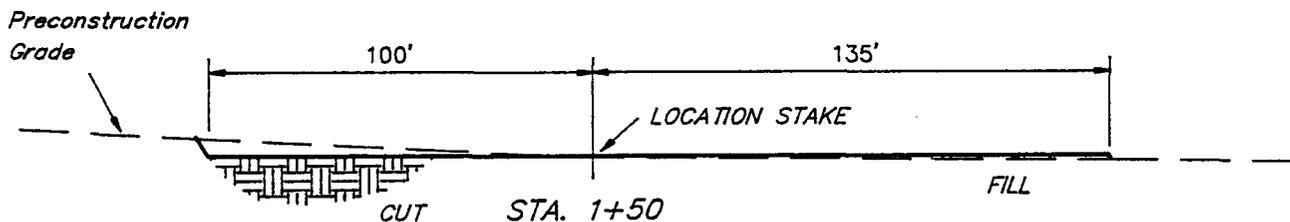
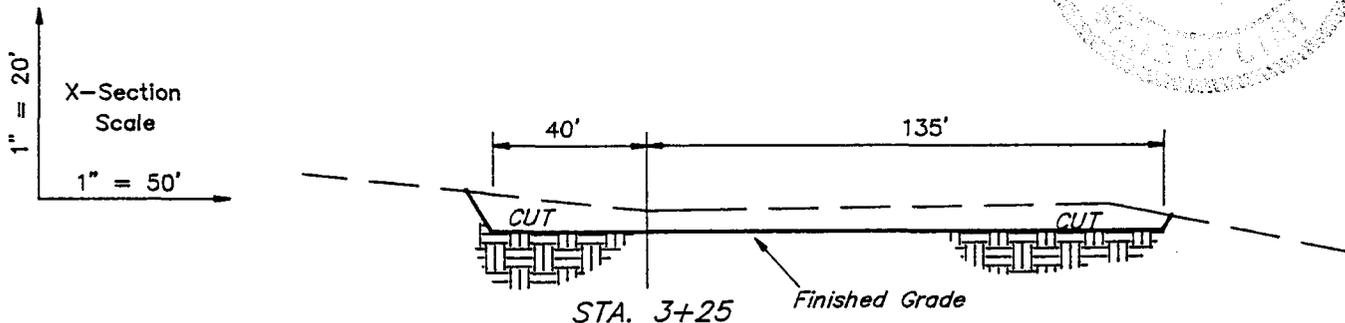
Elev. Graded Ground at Location Stake = 4682.5'

CONOCO, INC.

TYPICAL CROSS SECTIONS

DATE: 4-5-94
DRAWN BY: D.R.B.

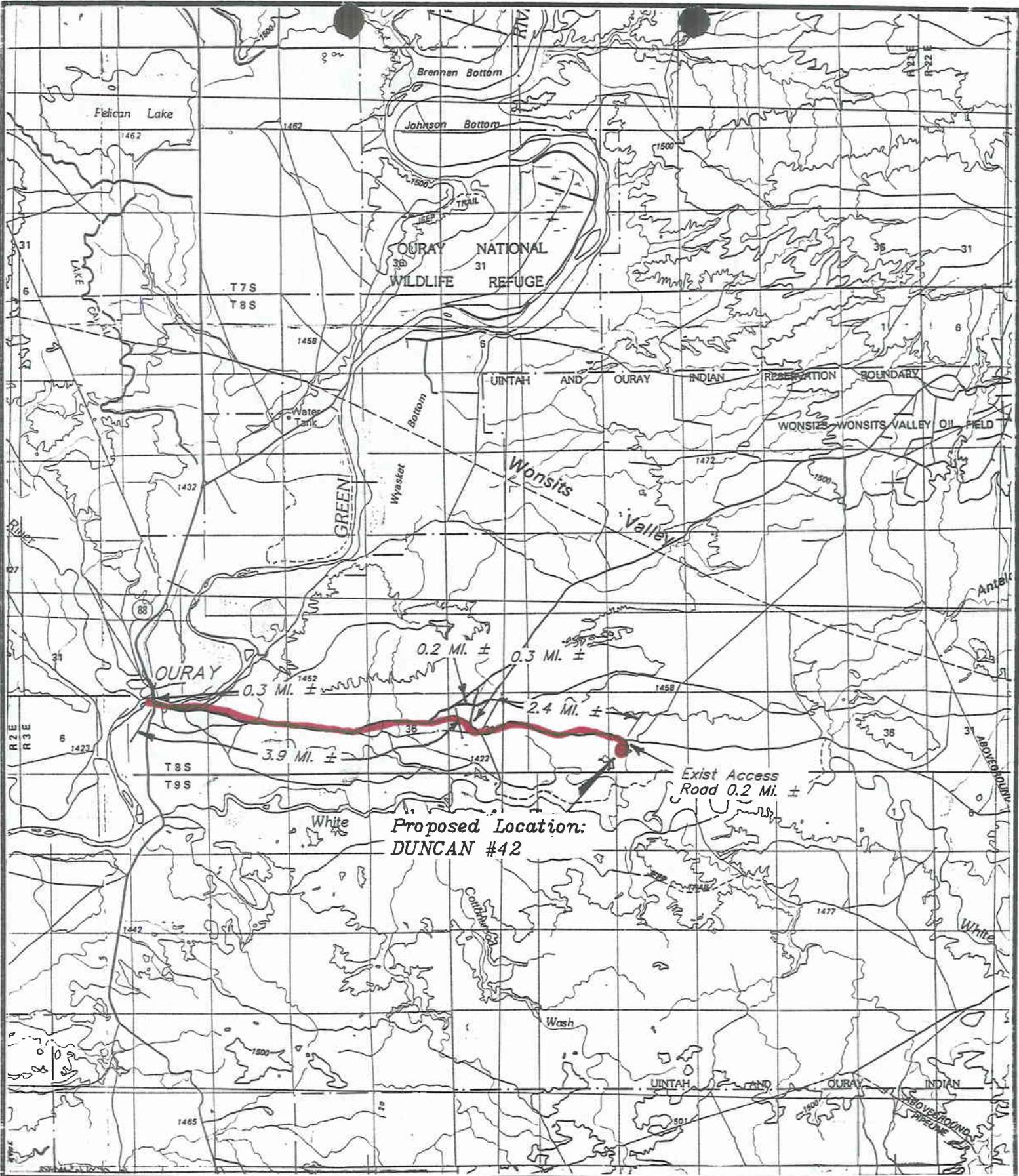
DUNCAN #42
SECTION 33, T8S, R21E, S.L.B.&M.
1407' FSL 876' FWL



APPROXIMATE YARDAGES

TOTAL CUT = 3,800 Cu. Yds.
FILL = 630 Cu. Yds.

EXCESS MATERIAL AFTER
5% COMPACTION = 3,140 Cu. Yds.



TOPOGRAPHIC
MAP "A"

DATE 11-13-91 MDA

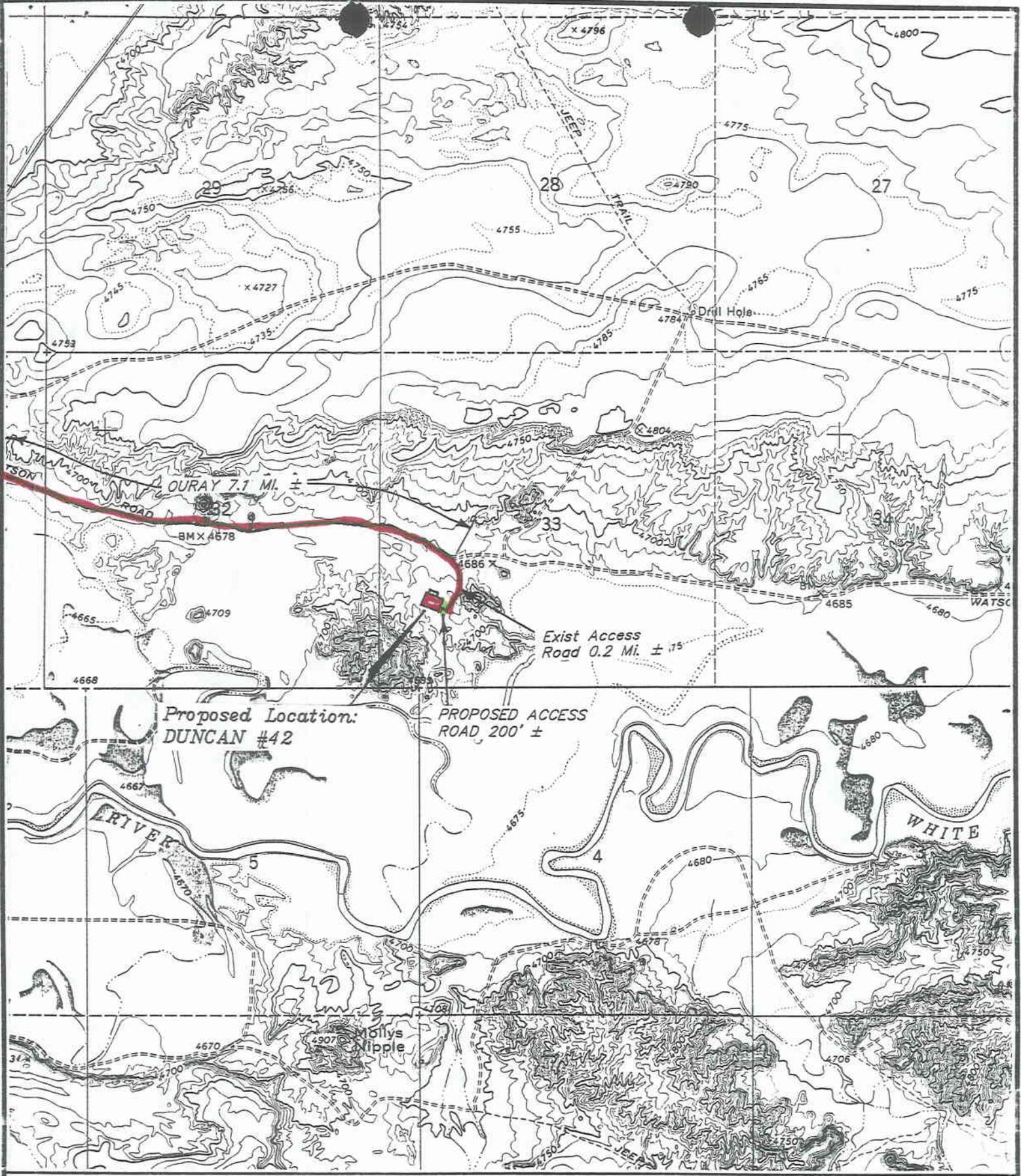


CONOCO, INC.

DUNCAN #42

SECTION 33, T8S, R21E, S.L.B.&M.

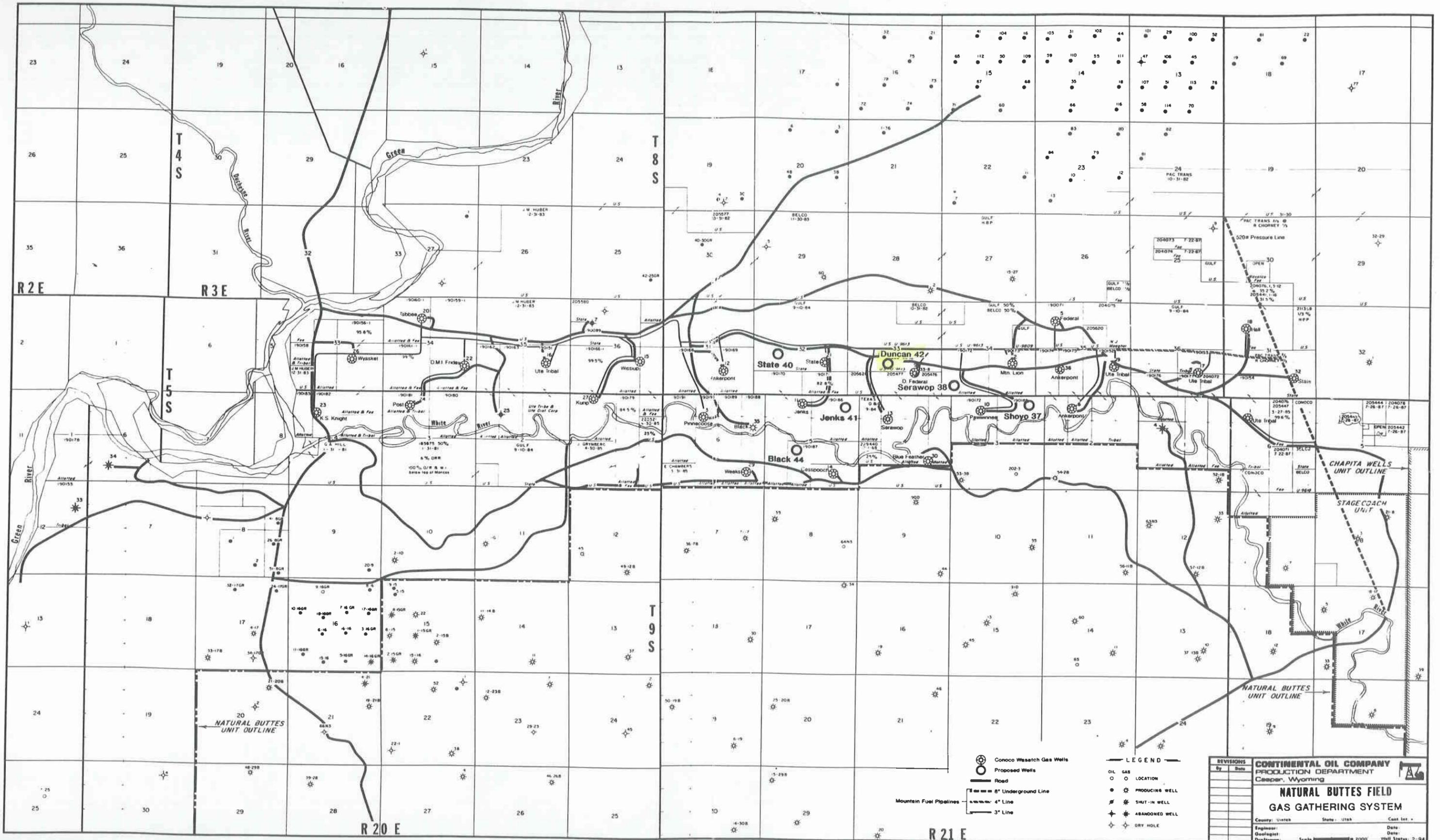
REVISED: 1-27-92 R.E.H.



TOPOGRAPHIC
 MAP "B"
 SCALE: 1" = 2000'
 DATE 11-13-91 MDA



CONOCO, INC.
 DUNCAN #42
 SECTION 33, T8S, R21E, S.L.B.&M.
 REVISED: 1-27-92 R.E.H.



Conoco Washatch Gas Wells
Proposed Wells

Road
8" Underground Line
4" Line
3" Line
Mountain Fuel Pipelines

LEGEND
OIL GAS LOCATION
● PRODUCING WELL
✱ SHUT-IN WELL
✱ ABANDONED WELL
✱ DRY HOLE

REVISIONS	
By	Date

CONTINENTAL OIL COMPANY
PRODUCTION DEPARTMENT
Casper, Wyoming

NATURAL BUTTES FIELD
GAS GATHERING SYSTEM

County: Uintah State: Utah Cont. Int. #
Engineer: _____ Date: _____
Geologist: _____
Draftsman: _____ Scale: _____ Well Status: 2-94

CONOCO, INC.
DUNCAN #42
PIPELINE RIGHT-OF-WAY
SECTION 33, T8S, R21E, S.L.B.&M.

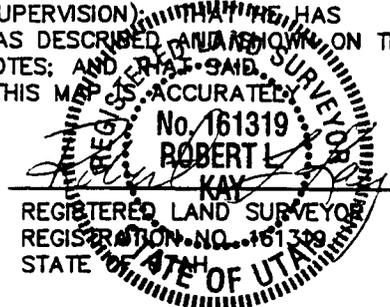
TOTAL PIPELINE RIGHT-OF-WAY ON UTE TRIBAL LANDS

TOTAL LENGTH OF RIGHT-OF-WAY IS 63.85', 3.87 RODS OR 0.012 MILES. WIDTH OF RIGHT-OF-WAY IS 30' (15' PERPENDICULAR ON EACH SIDE OF THE CENTERLINE). CONTAINS 0.044 ACRES MORE OR LESS.

ENGINEER'S AFFIDAVIT

STATE OF UTAH)
COUNTY OF UTAH) SS

ROBERT L. KAY, BEING FIRST DULY SWORN DEPOSES AND STATES THAT HE IS THE REGISTERED LAND SURVEYOR, FOR CONOCO, INC., THAT THESE SURVEYS WERE MADE BY HIM (OR UNDER HIS SUPERVISION); THAT HE HAS EXAMINED THE FIELD NOTES OF THE SURVEYS OF THE PIPELINE RIGHT-OF-WAY AS DESCRIBED AND SHOWN ON THIS MAP, THAT THIS MAP WAS PREPARED UNDER HIS DIRECTION FROM SAID FIELD NOTES; AND THAT SAID RIGHT-OF-WAY, 0.012 MILES IN LENGTH BEGINNING AND ENDING AS SHOWN ON THIS MAP IS ACCURATELY REPRESENTED.



ACKNOWLEDGEMENT

SUBSCRIBED AND SWORN BEFORE ME THIS 19 DAY OF Apr. 1994.

MY COMMISSION EXPIRES Sept. 16, 1996.

John R. Slough
NOTARY PUBLIC
VERNAL, UTAH

APPLICANT'S CERTIFICATE

I, Jeffrey Anderson, DO HEREBY CERTIFY THAT I AM THE AGENT FOR CONOCO, INC., HEREINAFTER DESIGNATED THE APPLICANT; THAT ROBERT L. KAY WHO SUBSCRIBED TO THE FOREGOING AFFIDAVIT, IS EMPLOYED BY THE APPLICANT AS A LAND SURVEYOR AND THAT HE WAS DIRECTED BY THE APPLICANT TO SURVEY THE LOCATION OF THIS PIPELINE RIGHT-OF-WAY, 0.012 MILES IN LENGTH BEGINNING AT STA. 0+00 AND ENDING AT STA. 0+63.85, THAT SAID PIPELINE RIGHT-OF-WAY IS ACCURATELY REPRESENTED ON THIS MAP; THAT SUCH SURVEY AS REPRESENTED ON THIS MAP HAS BEEN ADOPTED BY THE APPLICANT AS THE DEFINITE LOCATION OF THE RIGHT-OF-WAY THEREBY SHOWN; AND THAT THIS MAP HAS BEEN PREPARED TO BE FILED WITH THE SECRETARY OF THE INTERIOR OR HIS DULY AUTHORIZED REPRESENTATIVE AS PART OF THE APPLICATION FOR SAID RIGHT-OF-WAY TO BE GRANTED THE APPLICANT, ITS SUCCESSORS AND ASSIGNS, WITH THE RIGHT TO CONSTRUCT, MAINTAIN, AND REPAIR IMPROVEMENTS, THEREON AND THEREOVER, FOR SUCH PURPOSES, AND WITH THE FURTHER RIGHT IN THE APPLICANT, ITS SUCCESSORS AND ASSIGNS TO TRANSFER THIS RIGHT-OF-WAY BY ASSIGNMENT, GRANT, OR OTHERWISE.

J. L. Anderson
J.L. Anderson
APPLICANT

Production Manager
TITLE

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 06/20/94

API NO. ASSIGNED: 43-047-32533

WELL NAME: DUNCAN 42
OPERATOR: CONOCO INC (N0260)

PROPOSED LOCATION:
NWSW 33 - T08S - R21E
SURFACE: 1407-FSL-0876-FWL
BOTTOM: 1407-FSL-0876-FWL
UINTAH COUNTY
NATURAL BUTTES FIELD (630)

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

LEASE TYPE: FED
LEASE NUMBER: U-9613

PROPOSED PRODUCING FORMATION: WSTC

RECEIVED AND/OR REVIEWED:

Y Plat

Y Bond: Federal [Y State [] Fee []
(Number 8015-16-69)

N Potash (Y/N)

Y Oil shale (Y/N)

N Water permit
(Number _____)

H 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: 173-9
Date: 8/1/1991

COMMENTS: _____

STIPULATIONS: _____



Exploration Production
Casper Division

Conoco Inc.
800 Werner Court
Casper, WY 82601-1311

21 Jun 94

State of Utah
Division of Oil, Gas & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

DUNCAN 42
Sec 33 T8S R21E

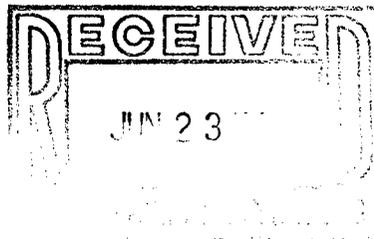
Enclosed are survey plats for the Rights-of-ways to go with the Applications to Drill for six (6) wells in the Natural Buttes Field, Uintah County, Utah.

The engineers for the project are: Ken Daraie (307) 261-7959
 Ted Kelly (307) 261-7862

If you have any non-engineering questions please feel free to contact me at (307) 261-7961.

Sincerely,

Norm Elton
Staff Assistant



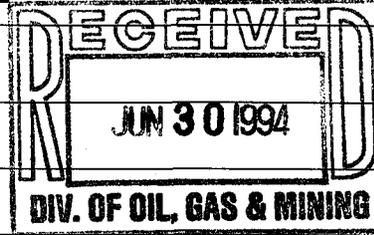
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE



1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
 CONOCO INC.

3. Address and Telephone No.
 800 WERNER COURT CASPER, WY 82601 (307) 261-7800

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 SURFACE: 1407' FSL, 876' FWL (NW/SW)
 TD: SEC. 33, T8S, R21E

5. Lease Designation and Serial No.
 U-9613

6. If Indian, Allottee or Tribe Name
 Uintah & Ouray

7. If Unit or CA, Agreement Designator

8. Well Name and No.
 DUNCAN #42

9. API Well No.
 Not Yet Assigned

10. Field and Pool, or Exploratory Area
 Natural Buttes/Wasatch

11. County or Parish, State
 Uintah County, Utah

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

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

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

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

THE FOLLOWING HAZARDOUS MATERIALS DECLARATION WAS INADVERTENTLY LEFT OFF THE APPLICATION TO DRILL FOR THE SUBJECT WELL.

No chemical subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, stored, produced, 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 planning quantities will be used, produced, stored or transported, or disposed of in association with the drilling of this well.

A change is required in the Surface Use Plan for this well.

Item 5 states that water will be pumped from the White River and piped to the location.

Item 5 should read: Water will be purchased from an approved vendor and hauled to the well location.

BLM-VERNAL (3), UOFC (2), BIC-AFE FILE, CF, NEE, DAP

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

E. Leon Grant

Signed E. Leon Grant

Title SHEAR DIRECTOR

Date 24 Jun 94

(This space for Federal or State office use)

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

Approved by _____
Conditions of approval, if any:

Title

Date

DATE: 12/8/94

BY: *[Signature]*

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

*See Instructions for Reporting: *Final 173-9*

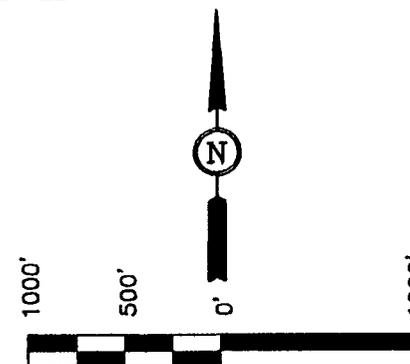
T8S, R21E, S.L.B.&M.

CONOCO, INC.

Well location, DUNCAN #42, located as shown in the NW 1/4 SW 1/4 of Section 33, T8S, R21E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 18 EAM LOCATED NEAR THE CENTER OF SECTION 32, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4678 FEET.



SCALE

CERTIFICATE

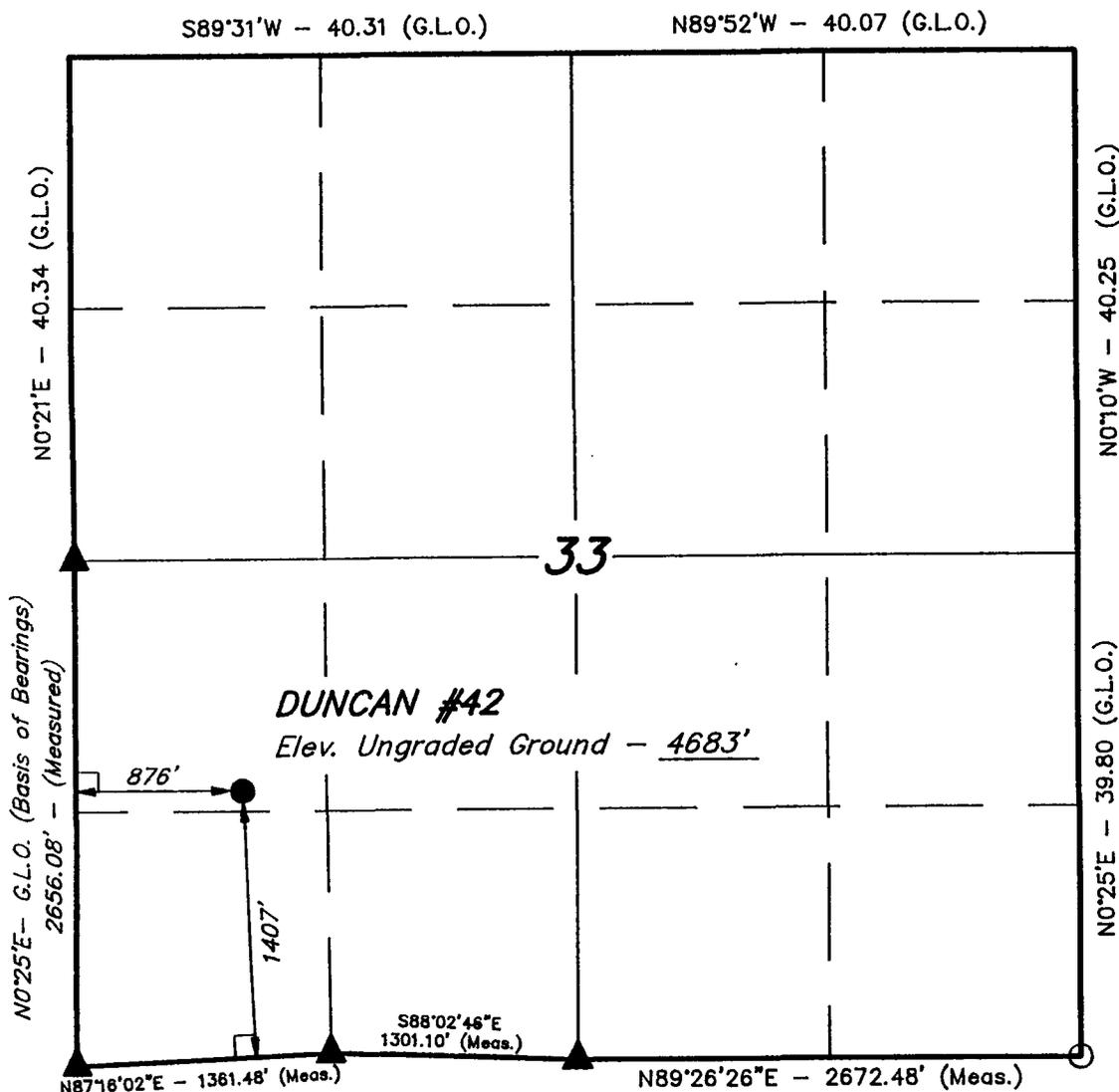
THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

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

REVISED: 1-27-92 R.E.H.

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

SCALE 1" = 1000'	DATE 11-14-91
PARTY G.S. B.B. MDA	REFERENCES G.L.O. PLAT
WEATHER COOL	FILE CONOCO, INC.



LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED (Brass Caps)
- = SECTION CORNERS RE-ESTABLISHED NOT SET ON GROUND.



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

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

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

December 8, 1994

Conoco Inc.
800 Werner Court
Casper, Wyoming 82601

Re: Duncan #42 Well, 1407' FSL, 876' FWL, NW SW, Sec. 33, T. 8 S., R. 21 E.,
Uintah County, Utah

Gentlemen:

Pursuant to the order issued by the Board of Oil, Gas and Mining in Cause No. 173-9 dated August 1, 1991, 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.



Page 2
Conoco Inc.
Duncan #42 Well
December 8, 1994

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

This approval shall expire one year after date of issuance unless substantial and continuous operation is underway or a request for an extension is made prior to the approval expiration date. The API number assigned to this well is 43-047-32533.

Sincerely,



R.J. Firth
Associate Director

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT INITIAL DATE
(Other instructions on
reverse side)

DEC 12 1994

NRM 1705
Form approved.
Budget Bureau No. 1004-0136
Expires: December 31, 1991

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
DRILL DEEPEN DIV OF OIL, GAS & MINING

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

2. NAME OF OPERATOR
CONOCO INC.

3. ADDRESS AND TELEPHONE NO.
800 WERNER COURT, CASPER, WY 82601 (307) 261 - 7800

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface: 1407' FSL, 876' FWL (NW/SW)
At proposed prod. zone:

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Approximately 7.3 miles Southeast of Ouray, Utah.

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 876'
16. NO. OF ACRES IN LEASE 200
17. NO. OF ACRES ASSIGNED TO THIS WELL 320

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2950'
19. PROPOSED DEPTH 7650'
20. ROTARY OR CABLE TOOLS ROTARY

21. ELEVATIONS (Show whether DF, RT, CR, etc.) 4683' Ungraded
22. APPROX. DATE WORK WILL START* 1 OCT 94

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	9 5/8" K-55, STC	36#	400'	220 SACKS
8 3/4"	5 1/2" K-55, LTC	15.5#	7650'	590 SACKS

It is proposed to drill this well as a Wasatch producer. All appropriate logs will be run, no cores or DSTs are planned.

Conoco is responsible under the terms and conditions of the lease for the operations on the lease.

A subsequent report will be submitted upon completion of the well. A completion rig will be used for completion operations, and all conditions of this application will apply during such operations.

Please be advised that Conoc Inc. is considered to be the operator of Duncan #42, NW 1/4, SW 1/4, Section 33, Township 8S, Range 21E; Lease U-9613; 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 Blanket Nationwide Bond, No. 8015-16-69 (BLM #ES-0085).

Surface Ownership: Ute Indian Tribe

Conoco Contact: Ken Daraie
(307) 261-7959

RECEIVED
JUN 20 1994

BLM-VERNAL (3), UOGCC (2), AFE FILE-BIC, CENTRAL FILE, NEE, DAP
IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back; give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. Signed E. Leon Grant Title: E. LEON GRANT, SHEAR DIRECTOR Date: 13 JUN 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 would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

Approved by [Signature] Title: ASSISTANT DISTRICT MANAGER MINERALS Date: DEC 08 1994

*See Instruction on Reverse Side

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

U+080-4M-122

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Conoco Inc.

Well Name & Number: Serawop 42

API Number: _____

Lease Number: UTU-9613

Location: NWSW Sec. 33 T. 8S R. 21E

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

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.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Orders, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

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 equipment and testing requirements, procedures, etc., for a 3M system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

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

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.

The Vernal District Office shall be notified, at least 24 hours prior to initiating the pressure tests, in order to have a BLM representative on location during pressure testing.

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 zone identified at \pm 2736 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 2536 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) 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, spent solvents, spilled chemicals, and waste acids
- Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste
- Refinery wastes
- Liquid and solid wastes generated by crude oil and tank bottom reclaimers
- Used equipment lubrication oils
- Waste compressor oil, filters, and blowdown
- Used hydraulic fluids
- Waste solvents
- Waste in transportation pipeline-related pits
- Caustic or acid cleaners
- Boiler cleaning wastes
- Boiler refractory bricks
- Incinerator ash
- Laboratory wastes
- Sanitary wastes
- Pesticide wastes
- Radioactive tracer wastes
- Drums, insulation and miscellaneous solids.

SURFACE USE PLAN OF OPERATION
Conditions of Approval (COAs)

Ute Tribe Energy & Minerals Department is recommending the following criteria to be adhered during all phases of construction activities.

1. All vehicular traffic, personnel movement, construction and restoration operations should be confined to the areas examined, as referenced in report, and to the existing roadways and/or evaluated access routes.
2. All recommendations of the Bureau of Indian Affairs, confined site specific Environmental Analysis report shall be strictly adhered, during and after construction.
3. All personnel should refrain from collecting artifacts and from disturbing any significant cultural resources in the area.
4. The personnel from the Ute Tribe Energy & Minerals Department should be consulted should cultural remains from subsurface deposits be exposed during construction work.

VEGETATION/LANDSCAPE

1. Landscape disturbance cannot be effectively mitigated at this time. However, before the site is abandoned the company will be required to restore the well pad, access roads, and pipeline rights-of-way to near their original state. The disturbed area will be reseeded with desirable perennial vegetation and the seed will be covered with a weed free organic mulch.
2. Noxious weeds will be controlled on well sites and rights-of-way. If noxious weeds spread from the well sites or rights-of-way onto adjoining land, the company will be responsible for their control.
3. After the pipeline has been constructed and the right-of-way re-seeded, vehicular travel over the right-of-way will be limited to that which is absolutely necessary for the maintenance of the pipeline.
4. Surface pipelines will be constructed by using the following procedures:
 - A) Staging areas will be set up along roads or wellsites. The pipeline is welded in place at the staging area.
 - B) As the pipeline is welded it will be pulled to the next staging area by a suitable piece of equipment. Except for unusual conditions only one trip across the right-of-way with equipment is all that will be required.
 - C) Right-of-way will not be bladed and vegetation will not be removed from the right-of-way except under approval from BIA.

5. Paleontology - To protect paleontology resources, surface pipeline construction will not occur when the soil is muddy. It will occur when the soil is either frozen, or dry.
6. Cultural Resources:
 - A) All vehicular traffic, personnel movement, construction and restoration operations should be confined to the flagged areas and corridors, and to the existing roadways and access roads.
 - B) All personnel should refrain from collecting artifacts and from disturbing any significant cultural resources in the area.
 - C) The Ute Tribal Cultural Rights & Protection Office, the Ute Tribal Energy & Minerals Office of the Bureau of Indian Affairs should be consulted should cultural remains from subsurface deposits be exposed during construction work or if the need arises to relocate or otherwise alter the location of the exploration area.

SOILS/RANGE/WATERSHEDS

Soil erosion will be mitigated by reseeding all disturbed areas and by deepening the barrow pit on the existing access road to intercept drainage water and to direct the flow of water away from the well site.

Salt and pollution loading of the soil and geological formations will be mitigated by requiring the oil company to:

Line reserve pits with impervious synthetic liners.

Use a closed production system to prevent pollution of ground water from production fluids. All production fluids will be disposed of through injection in approved disposal sites.

Use a synthetic liner or man made container.

Production water, oil, and other by-products will not be applied to roads or well pads for the control of dust or weeds. Indiscriminate dumping of oil field by-products on tribal lands will not be allowed.

When the well is plugged and/or abandoned the gravel and road base hauled in to construct the well pad and access roads will be incorporated into the soil.

Reserve pit must be installed so the bottom is 1' above the watertable. Production tanks will be constructed and installed so they will not float or capsized.

Drilling will take place in months other than March, April, May and June.

All well sites, access roads, and pipeline rights-of-way will be cleared by a qualified archaeologist/paleontologist so that cultural sites will be avoided or salvaged.

memorandum

NOV 30 1994

DATE:

REPLY TO
ATTN OF:*for* Superintendent, Uintah and Ouray Agency

SUBJECT:

Concurrence Letter for CONOCO, Inc.
DUNCAN #42, NWSW, Section 33, Township 8 South, Range 21 East
Uintah County, Utah

TO:

Bureau of Land Management, Vernal District Office
Attention: Minerals & Mining Department

DEC 9 1994

We recommend approval of the Application for Permit to Drill on the Subject well Based on available information received on November 23, 1994 the proposed location in the following areas of environmental impacts has been cleared:

YES NO Listed Threatened & Endangered species
 YES NO Critical wildlife habitat
 YES NO Historical and cultural resources
 YES NO Air Quality aspects (to be used only if project is in or adjacent to a Class I area of attainment.)
 YES NO Other (if necessary)

REMARKS: The Ute Tribe Energy & Minerals Department is recommending the following criteria to be adhered during all phases of construction activities.

1. All vehicular traffic, personnel movement, construction and restoration operations should be confined to the area examined, as referenced in report, and to the existing roadways and/or evaluated access routes.
2. All recommendations of the Bureau of Indian Affairs, confined site specific Environmental Analysis report shall be strictly adhered, during and after construction.
3. All personnel should refrain from collecting artifacts and from disturbing any significant cultural resources in the area.
4. The personnel from the Ute Tribe Energy & Minerals Department should be consulted, should cultural remains from subsurface deposits be exposed during construction work.



Attachment - BIA Environmental Analysis,

**COMBINED
SITE SPECIFIC
ENVIRONMENTAL ANALYSIS**

1.0 PROPOSED ACTION

Conoco, Inc. is proposing to drill a well

2.0 ALTERNATIVE ACTIONS

- A. ALTERNATIVE CONSIDERED: The proposed action is the preferred alternative.
- B. NO ACTION: Under the no action alternative the proposed action would not be implemented.
- C. OTHER: NA

3.0 PERMITTEE/LOCATION

- A. Permittee Conoco, Inc.
- B. Date 03-16-94
- C. Well number Duncan #42
- D. Right-of-way _____
- E. Site location NWSW Section 33 T 8S R 21E Meridian SLB&M

4.0 SITE SPECIFIC SURVEY

A. SITE DESCRIPTION

- 1. Elevation (feet) 4683
- 2. Annual precipitation (inches) 4-8
- 3. Topography Rolling hillss
- 4. Soil texture (0 to 6") clay
- 5. Estimated infiltration rate: Slow x Moderate _____ High _____

B. VEGETATION

1. Habitat Type:

- | | |
|--|--|
| <input type="checkbox"/> Semi-desert shrub | <input type="checkbox"/> Upland Pinion/Juniper |
| <input type="checkbox"/> Upland shrub | <input type="checkbox"/> Mountain |

Other: _____

- 4. Observed Threatened & Endangered species: None
- 5. Potential For Threatened & Endangered species: x Slight _____ Moderate _____ High _____
- 6. If moderate or high describe: NA

7. Observed Noxious Weeds: 1) None 2) _____ 3) _____ 4) _____

C. AFFECTED ENVIRONMENTAL

Initial survey:

1. Surface damages as a result of the initial survey: ___ yes x no
2. If answer to (1) is yes describe: NA

4.1 WILDLIFE

A. POTENTIAL SITE UTILIZATION

- | | | |
|-------------------|-------------------|-----------------------|
| 1. Big Game | 2. Small Game | 3. Raptor/Bird |
| <u>x</u> Deer | <u>x</u> Rabbit | <u>x</u> Bald eagle |
| <u>x</u> Elk | ___ Pheasant | <u>x</u> Golden eagle |
| ___ Moose | <u>x</u> Dove | ___ Ferruginous hawk |
| ___ Bear | ___ Sage grouse | ___ Swanson hawk |
| <u>x</u> Antelope | ___ Ruffed grouse | <u>x</u> Redtail hawk |
| ___ | ___ Blue grouse | ___ Perigrine falcon |
| ___ | ___ Chuckar | ___ Prairie falcon |
| | ___ partridge | <u>x</u> Songbird |

- | | |
|-----------------|----------------------|
| 4. Other | 5. Non-Game Wildlife |
| <u>x</u> Horses | <u>x</u> Reptile |
| <u>x</u> Cattle | ___ Prairie dog |
| ___ Sheep | <u>x</u> Rodent |
| ___ | <u>x</u> Coyote |
| ___ | <u>x</u> Fox |

6. Threatened & Endangered Species
 - a. Observed Threatened & Endangered species: 1) None 2) _____ 3) _____
 - b. Potential for Threatened & Endangered species:
x Slight ___ Moderate ___ High
 - c. If moderate or high, describe: Bald eagles use the Whiteriver area during the winter months.

4.2 PRESENT SITE USE

A. USAGE

- | | |
|--------------------|---------------------------------|
| <u>x</u> Rangeland | Acres <u>2.7</u> Irrigable land |
| ___ Woodland | Acres ___ Non-Irrigable land |
| ___ Commercial | ___ Floodplain |
| ___ timber | ___ Wetland |
| ___ Riparian | Other: _____ |

4.3 CULTURAL RESOURCES

A. CULTURAL SURVEY

The well site x , access road x , and pipeline right-of-way have been cleared by a qualified archaeologist/paleontologist. Name & Organization: F. Richard Hauck, Ph.D., Archaeological - Environmental Research Corporation.

5.0 ENVIRONMENTAL IMPACTS

A. SURFACE ALTERATIONS

1. Access road .72 acres
2. Well site 2.0 acres
3. Right-of-way acres
4. Total disturbed 2.7 acres

B. VEGETATION/LANDSCAPE

1. Production loss (AUM's): 0.4 year
2. Permanent scar on landscape: Yes x No
3. Potential impacts to Threatened & Endangered species: Yes x No

C. SOIL/RANGE/WATERSHED

1. Increased soil erosion, Wind x Yes No
2. Increased soil erosion, Water x Yes No
4. Increased salt loading potential x Yes No
5. Reduced rangeland x Yes No
6. Reduced irrigated cropland Yes x No
7. Increased run-off in watershed x Yes No
8. Potential point source water pollution x Yes No
9. If answer to (8) is Yes Describe:

D. WILDLIFE/THREATENED & ENDANGERED SPECIES

1. Decreased wildlife habitat/grazing x Yes No
2. Potential increase in wildlife disturbance and poaching x Yes No
3. Potential impacts to Threatened Endangered species: Yes x No
4. Potential threat to critical wild life habitat Yes x No
 - a. If answer to (4) is yes, describe: _____

6.0 MITIGATION STIPULATIONS

A. VEGETATION/LANDSCAPE

1. Landscape disturbance cannot be effectively mitigated at this time. However, before the site is abandoned the company will be required to restore the well pad, access roads, and pipeline right-of-way to near the original state. The disturbed area will be reseeded with desirable perinial vegetation and the seed will be covered with a weed free organic mulch.
2. Noxious weeds will be controlled on all well sites and rights-of-way. If noxious weeds spread from the well sites or rights-of-way onto adjoining land, the company will also be responsible for their control.

B. SOILS/RANGE/WATERSHEDS

1. Soil erosion will be mitigated by reseeded all disturbed areas and by installing the following practices:
 - a. Diversion ditches ___ Yes x No ___ feet
 - c. Desilting ponds ___ Yes x No ___ number
 - d. Drop structure ___ Yes x No ___ number
 - e. Gully plugs ___ Yes x No ___ number
 - f. Low water crossing ___ Yes x No ___ number
 - g. Culverts ___ Yes x No ___ number
 - h. Water bars ___ Yes x No ___ number
 - i. Fencing ___ Yes x No ___ rods
 - j. Cattleguards ___ Yes x No ___ number
 - k. Other, describe: The barrow pit on the existing access road will be deepened to intercept drainage water and to direct the flow of water away from the well site.
2. Salt and pollution loading of the soil and geological formations will be mitigated by requiring the oil company to:
 - a. Line reserve pits with impervious synthetic liners x yes ___ no
 - b. Use a closed drilling system ___ yes x no
 1. Reason(s): _____
 - c. Use a closed production system x yes ___ no
 1. Reason(s): A closed production system will be used to prevent pollution of groundwater from production fluids. All production fluids will be disposed of through injection in approved disposal sites.
 - d. Use an unlined emergency pit ___ yes x no
 1. Use a synthetic liner x yes ___ no
 2. Use a man made container x yes ___ no

e. Production water, oil, and other by-products will not be applied to roads or well pads for the control of dust or weeds. Indiscriminate dumping of oil field by-products on tribal lands will not be allowed.

3. When the well is plugged and/or abandoned the gravel and road base hauled in to construct the well pad and access roads will be:
 - a. Hauled off yes no
 - b. Incorporated into the soil yes no
4. Reserve pit must be installed so the bottom is 1' above the watertable. Production tanks will be constructed and installed so they will not float or capsize.

C. WILDLIFE/VEGETATION/THREATENED & ENDANGERED SPECIES

1. Upon Identification of Threatened & Endangered species, the following measures will be applied: _____
2. Modifications to surface use will be implemented to protect the specific wildlife species encountered.
3. Drilling will take place on months other than March, April, May and June.

D. CULTURAL RESOURCES

All well sites, access roads, and pipeline rights-of-way will be cleared by a qualified archaeologist/paleontologist so that cultural sites will be avoided or salvaged.

7.0 UNAVOIDABLE ADVERSE IMPACTS

A. SURFACE ALTERATIONS

None of the adverse impacts listed in 5.0 above can be avoided in a practical manner except those which are mitigated in item 6.0 above and those specified in BLM's 13 point surface use plan.

B. RELATIONSHIP BETWEEN SHORT-TERM USE OF THE ENVIRONMENT VS LONG TERM PRODUCTIVITY.

1. Short Term: (Estimated 20 years) A total loss of production on the land and the associated environmental impacts will continue to influence the surrounding area for the productive life of the well.
2. Long Term: Standard policies provide for rehabilitation of the well sites and access roads. After the land is rehabilitated, it is not expected to return to its original productive capability. Normally, there will be a permanent scar left on the landscape.

C. IRREVERSIBLE AND IRRETRIEVABLE COMMITMENT

Oil and Gas are non-renewable resources, once they have been removed they can never be replaced.

8.0 CUMULATIVE IMPACTS

A. FULL DEVELOPMENT

Each additional well drilled for development increases the soil erosion potential, reduces wildlife habitat and grazing, increases potential soil and geologic pollution resulting from salt loading, reduces the soil's potential to recover, and increases the potential of water pollution from produced waters and hydro-carbons. Therefore, strict conformance with the mitigation measures and recommendations in this document is emphasized to minimize the adverse environmental impacts.

9.0 NEPA COMPLIANCE

A. RESEARCH/DOCUMENTATION

Based on available information, 03-16-94, the proposed location in the following areas of environmental impacts has been cleared:

- Yes No Listed Threatened & Endangered species
- Yes No Critical wildlife habitat
- Yes No Historical and cultural resources

10.0 REMARKS

A. SURFACE PROTECTION/REHABILITATION

All essential surface protection and rehabilitation requirements are specified above.

11.0 RECOMMENDATIONS

A. APPROVAL/DISAPPROVAL

We recommend approval disapproval of the proposed action as outlined in item 1.0 above.

6-15-94
Date

Dale A. Hamblet
Representative - BIA Land Operations,
Uintah and Ouray Agency

12.0 REVIEWING OFFICIAL

A. CONCURRENCE

We concur with the approval Y disapproval of the proposed action as outlined in item 1.0 above.

June 16, 1994
Date

Wendy A. Montgomery
Environmental Coordinator,
Uintah and Ouray Agency

13.0 DECLARATION

A. APPROVAL

It has been determined that the proposed action is not a federal action significantly affecting the quality of the environment as it would require the preparation of an environmental impact statement in accordance with Section 102 (2) (c) of the National Environmental Policy Act of 1969 (42 USC 4331) (2) (C).

6/16/94
Date

Mary Osce
Acting Superintendent,
Uintah and Ouray Agency

14.0 CONSULTATION

A. REPRESENTATIVES/ORGANIZATION

1. Greg Darlington, Bureau of Land Management
2. Dale Hanberg & Dale Thomas, Bureau of Indian Affairs
3. Larry Johnson, Ken Dariaro, Norm Etton, Conoco Oil Company
4. Gary Giarhart, Conoco Oil Company
5. Brandon Youthorp, Uintah Engineering
6. Charles Cameron, Bureau of Indian Affairs
7. Jonas Grant, Ute Indian Tribal Resources
8. Ferron Secakuku & Alvin Ignacio Ute Indian Tribal Energy & Minerals
9. Kathy Trott, Army Corp. of Engineers
10. Henry Maddox, U.S. Fish & Wildlife Service

**COMBINED
SITE SPECIFIC
ENVIRONMENTAL ANALYSIS**

1.0 PROPOSED ACTION

Conoco, Inc., is proposing to construct 64 feet of surface steel pipeline.

2.0 ALTERNATIVE ACTIONS

- A. ALTERNATIVE CONSIDERED: The proposed action is the preferred alternative.
- B. NO ACTION: Under the no action alternative the proposed action would not be implemented.
- C. OTHER: NA

3.0 PERMITTEE/LOCATION

- A. Permittee Conoco, Inc.,
- B. Date 10-13-94
- C. Well number Duncan #42
- D. Right-of-way Pipeline
- E. Site location SWSW Section 33 T 8S R 21E Meridian SLB&M

4.0 SITE SPECIFIC SURVEY

A. SITE DESCRIPTION

1. Elevation (feet) 4683
2. Annual precipitation (inches) 6-8
3. Topography Rolling hills
4. Soil texture (0 to 6") Clay loam with gravel pavement
5. Estimated infiltration rate:
Slow x Moderate _____ High _____

B. VEGETATION

1. Habitat Type:
x Semi-desert shrub ___ Upland Pinion/Juniper
____ Upland shrub ___ Mountain Other: _____

4. Observed Threatened & Endangered species: None
5. Potential For Threatened & Endangered species: x Slight ___ Moderate High

6. If moderate or high describe: NA
7. Observed Noxious Weeds: 1) None 2) _____ 3) _____ 4) _____

C. AFFECTED ENVIRONMENTAL

Initial survey:

1. Surface damages as a result of the initial survey: ___ yes x no
2. If answer to (1) is yes describe: NA

4.1 WILDLIFE

A. POTENTIAL SITE UTILIZATION

- | | | |
|-------------------|-------------------|-----------------------|
| 1. Big Game | 2. Small Game | 3. Raptor/Bird |
| <u>x</u> Deer | <u>x</u> Rabbit | <u>x</u> Bald eagle |
| <u>x</u> Elk | ___ Pheasant | <u>x</u> Golden eagle |
| ___ Moose | <u>x</u> Dove | ___ Ferruginous hawk |
| ___ Bear | ___ Sage grouse | ___ Swanson hawk |
| <u>x</u> Antelope | ___ Ruffed grouse | <u>x</u> Redtail hawk |
| ___ | ___ Blue grouse | ___ Perigrine falcon |
| ___ | ___ Chuckar | ___ Prairie falcon |
| | ___ partridge | <u>x</u> Songbird |
-
- | | |
|-----------------|----------------------|
| 4. Other | 5. Non-Game Wildlife |
| <u>x</u> Horses | <u>x</u> Reptile |
| <u>x</u> Cattle | ___ Prairie dog |
| ___ Sheep | <u>x</u> Rodent |
| ___ | <u>x</u> Coyote |
| ___ | <u>x</u> Fox |

6. Threatened & Endangered Species

a. Observed Threatened & Endangered species:
 1) _____ 2) _____ 3) _____

b. Potential for Threatened & Endangered species:
 ___ Slight ___ Moderate x High

c. If moderate or high, describe: Bald eagles use this area during winter months.

4.2 PRESENT SITE USE

A. USAGE

Rangeland Acres Irrigable land
 Woodland Acres 1.03 Non-Irrigable land
 Commercial Floodplain
 timber Wetland
 Riparian Other: NA

4.3 CULTURAL RESOURCES

A. CULTURAL SURVEY

The well site x, access road x, and pipeline right-of-way x have been cleared by a qualified archaeologist/paleontologist. Name & Organization: Archaeological - Environmental Research Corporation - F. Richard Hauck, PH.D.

5.0 ENVIRONMENTAL IMPACTS

A. SURFACE ALTERATIONS

1. Access road _____ acres
2. Well site _____ acres
3. Right-of-way 0.04 acres
4. Total disturbed 0.04 acres

B. VEGETATION/LANDSCAPE

1. Production loss (AUM's): 0.00 year
2. Permanent scar on landscape: Yes No
3. Potential impacts to Threatened & Endangered species:
 Yes No

C. SOIL/RANGE/WATERSHED

1. Increased soil erosion, Wind Yes No
2. Increased soil erosion, Water Yes No
4. Increased salt loading potential Yes No
5. Reduced rangeland Yes No
6. Reduced irrigated cropland Yes No
7. Increased run-off in watershed Yes No
8. Potential point source water pollution Yes No
9. If answer to (8) is Yes Describe: _____

D. WILDLIFE/THREATENED & ENDANGERED SPECIES

- 1. Decreased wildlife habitat/grazing ___Yes x No
- 2. Potential increase in wildlife disturbance and poaching x Yes ___ No
- 3. Potential impacts to Threatened Endangered species: ___Yes x No
- 4. Potential threat to critical wild life habitat ___Yes x No
 - a. If answer to (4) is yes, describe: _____

6.0 MITIGATION STIPULATIONS

A. VEGETATION/LANDSCAPE

- 1. Before the site is abandoned the company will be required to restore the well pad, access roads, and pipeline rights-of-way to near their original state. The disturbed area will be reseeded with desirable perennial vegetation.
- 2. Noxious weeds will be controlled on all well sites and rights-of-way. If noxious weeds spread from the well sites or rights-of-way onto adjoining land, the company will also be responsible for their control.
- 3. After the pipeline has been constructed and the right-of-way re-seeded, vehicular travel over the right-of-way will be limited to that which is absolutely necessary for the maintenance of the pipeline.
- 4. Surface pipelines will be constructed by using the following procedures:
 - A) Staging areas will be set up along roads or wellsites. The pipeline will be welded in place at the staging area.
 - B) As the pipeline is welded it will be pulled to the next staging area by a suitable piece of equipment. Except for unusual conditions only on trip across the right-of-way with equipment is all that will be required.
 - C) Right-of-way will not be bladed and vegetation will not be removed from the right-of-way except under approval from BIA
- 5. Paleontology - To protect paleontology resources, surface pipeline construction will not occur when the soil is muddy. It will occur when the soil is either frozen, or dry.

6. Cultural Resources:

- A) All vehicular traffic, personnel movement, construction and restoration operations should be confined to the flagged areas and corridors, and to the existing roadways and access roads.
- B) All personnel should refrain from collecting artifacts and from disturbing any significant cultural resources in the area.
- C) The Ute Tribal Cultural Rights & Protection Office, the Ute Tribal Energy & Minerals Office or the Bureau of Indian Affairs should be consulted should cultural remains from subsurface deposits be exposed during construction work or if the need arises to relocate or otherwise alter the location of the exploration area.

B. SOILS/RANGE/WATERSHEDS

1. Soil erosion will be mitigated by reseeding all disturbed areas and by installing the following practices:

- a. Diversion ditches ___ Yes x No ___ feet
- c. Desilting ponds ___ Yes x No ___ number
- d. Drop structure ___ Yes x No ___ number
- e. Gully plugs ___ Yes x No ___ number
- f. Low water crossing ___ Yes x No ___ number
- g. Culverts ___ Yes x No ___ number
- h. Water bars ___ Yes x No ___ number
- i. Fencing ___ Yes x No ___ rods
- j. Cattleguards ___ Yes x No ___ number
- k. Other, describe: NA

C. WILDLIFE/VEGETATION/THREATENED & ENDANGERED SPECIES

- 1. Upon Identification of Threatened & Endangered species, the following measures will be applied: NA
- 2. Modifications to surface use will be implemented to protect the specific wildlife species encountered.

D. CULTURAL RESOURCES

All well sites, access roads, and pipeline rights-of-way will be cleared by a qualified archaeologist/paleontologist so that cultural sites will be avoided or salvaged.

7.0 UNAVOIDABLE ADVERSE IMPACTS

A. SURFACE ALTERATIONS

None of the adverse impacts listed in 5.0 above can be avoided in a practical manner except those which are mitigated in item 6.0 above and those specified in BLM's 13 point surface use plan.

B. RELATIONSHIP BETWEEN SHORT-TERM USE OF THE ENVIRONMENT VS LONG TERM PRODUCTIVITY.

1. Short Term: (Estimated 20 years) A total loss of production on the land and the associated environmental impacts will continue to influence the surrounding area for the productive life of the well.
2. Long Term: Standard policies provide for rehabilitation of the well sites, pipelines, and access roads. After the land is rehabilitated, it is not expected to return to its original productive capability. Normally, there will be a permanent scar left on the landscape.

C. IRREVERSIBLE AND IRRETRIEVABLE COMMITMENT

Oil and Gas are non-renewable resources, once they have been removed they can never be replaced.

8.0 CUMULATIVE IMPACTS

A. FULL DEVELOPMENT

Each additional well drilled for development increases the soil erosion potential, reduces wildlife habitat and grazing, increases potential soil and geologic pollution resulting from salt loading, reduces the soil's potential to recover, and increases the potential of water pollution from produced waters and hydro-carbons. Therefore, strict conformance with the mitigation measures and recommendations in this document is emphasized to minimize the adverse environmental impacts.

9.0 NEPA COMPLIANCE

A. RESEARCH/DOCUMENTATION

Based on available information, 10-17-94, the proposed location in the following areas of environmental impacts has been cleared:

- Yes No Listed Threatened & Endangered species
- Yes No Critical wildlife habitat
- Yes No Historical and cultural resources

10.0 REMARKS

A. SURFACE PROTECTION/REHABILITATION

All essential surface protection and rehabilitation requirements are specified above.

11.0 RECOMMENDATIONS

A. APPROVAL/DISAPPROVAL

We recommend approval disapproval of the proposed action as outlined in item 1.0 above.

10-24-94
Date

Rob D. Hamber
Representative - BIA Land Operations,
Uintah and Ouray Agency

12.0 REVIEWING OFFICIAL

A. CONCURRENCE

We concur with the approval disapproval of the proposed action as outlined in item 1.0 above.

October 24, 1994
Date

Dennis A. Montgomery
Environmental Coordinator,
Uintah and Ouray Agency

13.0 DECLARATION

A. APPROVAL

It has been determined that the proposed action is not a federal action significantly affecting the quality of the environment as it would require the preparation of an environmental impact statement in accordance with Section 102 (2) (c) of the National Environmental Policy Act of 1969 (42 USC 4331) (2) (C).

10-28-91
Date



Superintendent,
Uintah and Ouray Agency

14.0 CONSULTATION

A. REPRESENTATIVES/ORGANIZATION

- 1. Steve Greer, Conoco
- 2. Butch Stewart, Conoco
- 3. Alvin Ignacio, UTEM
- 4. Dale Hanberg, BIA
- 5. Gary Gierhart, Conoco
- 6. _____
- 7. _____
- 8. _____
- 9. _____
- 10. _____

BEFORE THE BOARD OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH

IN THE MATTER OF THE APPLICATION)	
OF CONOCO INC. FOR AN AMEND-)	FINDINGS OF FACT
MENT TO THE 320-ACRE SPACING)	AND ORDER
ORDER IN CAUSES NOS. 173-1 AND)	
173-2, TO PERMIT AN OPTIONAL SEC-)	DOCKET NO. 91-027
OND WELL IN CERTAIN LANDS IN THE)	
OURAY FIELD OF UINTAH COUNTY,)	CAUSE NO. 173-9- <i>S</i>
UTAH)	
)	
)	
)	
)	

This Cause was Noticed by the Utah Board of Oil, Gas and Mining ("Board") for a hearing on August 1, 1991 in order for Conoco Inc. to give a report on recently drilled second wells and to show cause why additional optional wells should not be allowed for all 320-acre drilling and spacing units originally established by the Board's Order in Cause No. 173-1 dated February 22, 1978. Sitting for the Board were James W. Carter, presiding, Judy F. Lever, Kent G. Stringham, Jay L. Christensen, E. Steele McIntyre, John M. Garr and Raymond Murray, together with Thomas A. Mitchell, Utah Assistant Attorney General assigned to the Board. Also participating were Dr. Dianne R. Nielson, Director of the Utah Division of Oil, Gas and Mining; Ronald J. Firth, Associate Director for Oil and Gas; Frank R. Matthews, Petroleum Engineer; and Brad G. Hill, Petroleum Geologist. In attendance on behalf of the Bureau of Land Management

("BLM") were Robert Henricks and Assad Rafoul, Petroleum Engineers with the Utah State Office; and Jerry Kenska, Petroleum Engineer in the Vernal District Office.

Appearing as attorney for Conoco, Inc. was Robert G. Pruitt, Jr. of Pruitt, Gushee & Bachtell. Testifying on behalf of Conoco, Inc. were Julie D. Crumpler, Landman; Jack R. Uresk, Staff Geologist; and Fred Phillips, Production Engineer. There were no appearances or communications in opposition to the Order to Show Cause.

Based upon the testimony and evidence presented by Conoco, Inc. at the hearing, the Board makes and enters the following Findings of Fact and Order:

FINDINGS OF FACT

1. Due and proper notice was given to all interested parties, and the Board has jurisdiction to hear this matter and to make the findings and order set forth herein.
2. On February 22, 1978 the Board in Cause No. 173-1 established 320-acre drilling and spacing units for the Wasatch/Mesaverde formation for all or parts of 27 sections comprising the Ouray field in Uintah County, Utah. Most of said 27 sections are communitized on the basis of 320 acres each and the wells are operated by Conoco, Inc.
3. In 1984 (Cause Nos. 173-6 and 173-7) and 1989 (Cause No. 173-8), Conoco requested an optional second well for certain 320-acre drilling units, testifying at the respective hearing that one well did not appear to drain a full 320 acre unit because of complex geologic factors. The Board in each instance granted the requested optional

second well, but in the Order dated June 28, 1989 (Cause No. 173-8), the Board required Conoco to report back to it after the additional well had been drilled and show cause why the Board should not allow an additional optional well for all 320-acre drilling units established by Order in Cause No. 173-1.

4. By Notice dated July 8, 1991, the Board ordered Conoco to appear at a formal hearing on August 1, 1991 to report on the findings of the additional wells drilled to date, and show cause why an additional optional well should not be allowed for all of the 320-acre drilling units originally established by Order in Cause No. 173-1.

5. Conoco reported that the first optional additional well was the Black 6 #35, spudded March 31, 1990 in the N $\frac{1}{2}$ of Sec. 6, T9S, R21E. This well offsets the #6-3 and #6-29 wells in Sec. 6. Another optional additional well proposed for the NE $\frac{1}{4}$ of Sec. 3, T9S, R21E, was never drilled. The second optional additional well drilled was the Ankerpont #35-36 well in the SW $\frac{1}{4}$ of Sec. 35, T8S, R21E, which offsets the #35-5 and #35-19 wells in Sec. 35.

6. Due to delays involving surface permitting across Ute Indian lands for both well locations and for the production pipeline rights-of-way, only limited testing and production had been accomplished as of the August 1 date of the hearing. Information from both wells confirms the erratic, unconnected nature of the sandstone beds from which production in the Wasatch/Mesaverde formation is obtained. Geology, tests and

production data obtained from these additional wells supports the premise that one well is not generally capable of adequately draining a 320-acre drilling unit in the Wasatch/Mesaverde formation, due mainly to erratic geologic factors.

7. There does not appear sufficient cause why an optional additional well should not be authorized for each of the existing 320-acre spacing units for the Wasatch/Mesaverde formation as originally established by the Board's Order in Cause No. 173-1, provided that the operator of such drilling unit exercises the option to drill an additional well, based upon economic and geologic factors pertaining to each proposed location.

ORDER

Now, therefore, based upon the report of Conoco, Inc., and in the absence of any cause why an optional additional well should not be routinely authorized, the Board enters the following Order:

1. The Board's Order in Cause No. 173-1 is amended to authorize an optional additional well to be drilled in each 320-acre drilling and spacing unit for the Wasatch/Mesaverde formation within the following described lands:

Township 8 South, Range 20 East, SLM

Secs. 33-36: All

Township 9 South, Range 20 East, SLM

Secs. 1-4: All

Township 8 South, Range 21 East, SLM

Secs. 29-36: All

Township 9 South, Range 21 East, SLM

Secs. 1, 4-6: All
Secs. 2 and 3: N½

Township 8 South, Range 22 East, SLM

Secs. 30 and 31: All

Township 9 South, Range 22 East, SLM

Secs. 4-6: All

The option to drill such additional well shall be exercised by the operator of the 320-acre drilling and spacing unit, based upon said operator's evaluation of financial and geologic factors applicable to said proposed drill site.

2. The Wasatch/Mesaverde formation is defined as that interval below the stratigraphic equivalent of 4,772 feet down to and including the stratigraphic equivalent of 9,740 feet, as shown on the induction electrical log of the Chapita Wells Unit Well #5 located in the NE ¼SW ¼ of Sec. 22, T9S, R22E, SLM in Uintah County, Utah.

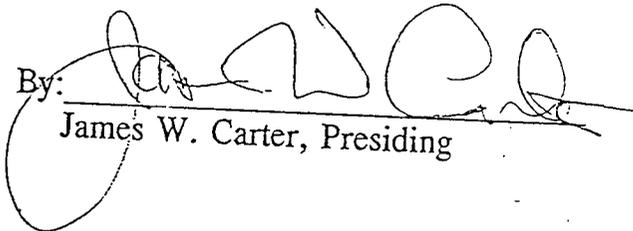
3. Each optional additional well shall be located in the center of the offsetting quarter section within such 320-acre drilling and spacing unit, with a tolerance of 660 feet

in any direction, but not less than 2,640 feet from other wells completed and producing from the Wasatch/Mesaverde formation.

4. This Board retains continuing jurisdiction over the matters covered by this Order, and over all parties affected thereby.

Entered this 1st day of August, 1991.

BOARD OF OIL, GAS AND MINING

By: 

James W. Carter, Presiding

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
 OCT 4 1995
 DIV. OF OIL, GAS & MINING

Budget Bureau No. 1004-0135
Expires: March 31, 1993
5. Lease Designation and Serial No.
U - 9613

SUNDRY NOTICES AND REPORTS ON WELLS, GAS & MINING

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

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

CONOCO INC.

3. Address and Telephone No.

10 DESTA DR. STE 100W, MIDLAND, TX. 79705 (915) 686 - 5424

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

SURFACE: 1407' FSL, & 876' FWL (NW/SW), SEC. 33, T 8S, R 21E, S.L.B.&M
TD:

6. If Indian, Alkotee or Tribe Name

7. If Unit or CA, Agreement Designation

NRM - 1705

8. Well Name and No.

DUNCAN
WELL # 42

9. API Well No.

43-047-32533

10. Field and Pool, or Exploratory Area

WASATCH

11. County or Parish, State

Uintah County, Utah

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

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

EXTENSION OF APD

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

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

CONOCO IS REQUESTING A 1 YEAR EXTENSION OF THE APPROVED APD FOR THE ABOVE LISTED WELL.
THE ORIGINAL APD WAS APPROVED ON DEC. 8, 1994.

BLM-VERNAL (3), UOFC (2), DAP, BRK WELL FILE

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

Signed Bill R. Keathly Title Sr. Regulatory Specialist
(This space for Federal or State office use)

Date 10-2-95

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

**Accepted by the
Utah Division of**

**Oil, Gas and Mining
FOR RECORD ONLY**

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

*See Instruction on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Budget Bureau No. 1004-0135

Expires: March 31, 1993

5. Lease Designation and Serial No.

U - 9613

6. If Indian, Allottee or Tribe Name

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

7. If Unit or CA, Agreement Designator

NRM - 1705

1. Type of Well

Oil Well Gas Well Other

8. Well Name and No.

DUNCAN
WELL # 42

2. Name of Operator

CONOCO INC.

9. API Well No.

43-047-32533

3. Address and Telephone No.

10 DESTA DR. STE 100W, MIDLAND, TX. 79705 (915) 686 - 5424

10. Field and Pool, or Exploratory Area

WASATCH

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

SURFACE: 1407' FSL, & 876' FWL (NW/SW), SEC. 33, T 8S, R 21E, S.L.B.&M
TD:

11. County or Parish, State

Utah County, Utah

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

TYPE OF SUBMISSION

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

TYPE OF ACTION

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

EXTENSION OF APD

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

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

CONOCO IS REQUESTING A 1 YEAR EXTENSION OF THE APPROVED APD FOR THE ABOVE LISTED WELL.
THE ORIGINAL APD WAS APPROVED ON DEC. 8, 1994.

CONDITIONS OF APPROVAL ATTACHED

RECEIVED
NOV 06 1995

RECEIVED
OCT - 4 1995

BLM-VERNAL (3), UOFC (2), DAP, BRK WELL FILE

DIV. OF OIL, GAS & MINING

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

Signed Bill R. Keathly Title

Bill R. Keathly
Sr. Regulatory Specialist

Date 10-2-95

(This space for Federal or State office use)

ASSISTANT DISTRICT
MANAGER MINERALS

Date NOV 3 1995

Approved by HOWARD B. CLEAVINGER II
Conditions of approval, if any:

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

Re: APD Extension
Duncan 42
NWSW Sec. 33, T08S, R21E
Lease: U-9613

CONDITIONS OF APPROVAL

This correspondence is in regard to the request by Conoco Inc. for a one year extension of the Application for Permit to Drill (APD) for the above well. We have reviewed your request and concur with the following conditions.

1. The APD is extended for one year from the expiration date or **December 8, 1996.**
2. No other APD extension will be granted for this well after the extension expiration date.

12/21/96



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

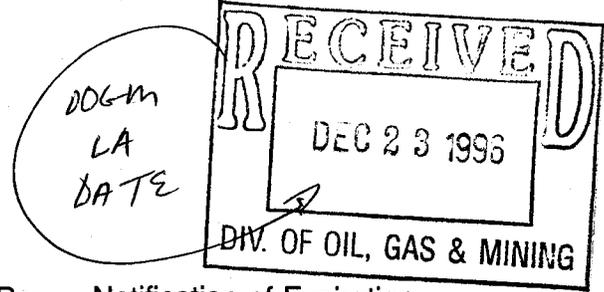
Vernal District Office
170 South 500 East
Vernal, Utah 84078-2799

Phone: (801) 781-4400
Fax: (801) 781-4410

IN REPLY REFER TO:
3160
UT08300

December 18, 1996

Conoco Inc.
Attn: Bill Keathly
10 Desta Drive #100W
Midland, TX 79705



Re: Notification of Expiration
Well No. Duncan 42
Section 33, T8S, R21E
Lease No. U-9613
Uintah County, Utah
43-047-32533

Dear Mr. Keathly:

The Application for Permit to Drill the above-referenced well was approved on December 8, 1994. A one (1) year extension of the original APD was requested. The request was reviewed and the extension approved until December 8, 1996. According to our records, no known activity has transpired at the approved location. 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