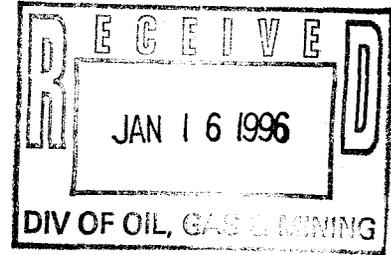




Coastal
The Energy People

January 15, 1996

Mr. Mike Hebertson
State of Utah
Department of Natural Resources
Division of Oil, Gas & Mining
355 Triad Center, Suite 350
Salt Lake City, UT 84180-1203



RE: Morgan State 2-36 Well
Section 36-T9S-R21E
Uintah County, Utah

Dear Mr. Hebertson:

Enclosed is the Application for Permit to Drill (APD), the Drilling Program, and the Surface Use and Operations Plan for the above referenced well. *Please note that the Surface Use and Operations Plan is subject to change pending completion of the on-site.* A copy of the revised Surface Use and Operations Plan, if changed, will be provided to you after the on-site inspection.

The location for the proposed Morgan State 2-36 well is 900' FNL and 804' FWL. The proposed location was moved 40 feet south of the legal location for topography reasons. We are requesting your approval of the permit which will include this exception location of siting requirements R649-3-2.

Please call me, at the number listed below, so that an on-site inspection for this well can be scheduled and appropriate parties invited to the on-site. We would prefer that the on-site inspections be scheduled for Tuesday, January 30.

If you have any questions concerning the enclosed documents, please contact me at (303) 573-4455.

Sincerely,

Sheila Bremer

Sheila Bremer
Environmental & Safety Analyst

Enclosures

cc: State of Utah
Division of State Land & Forestry
3 Triad Center, Suite 400
Salt Lake City, UT 84180-1204

Coastal Oil & Gas Corporation

A SUBSIDIARY OF THE COASTAL CORPORATION
600 17TH ST • STE 800 S • P O BOX 749 • DENVER CO 80201-0749 • 303/572-1121

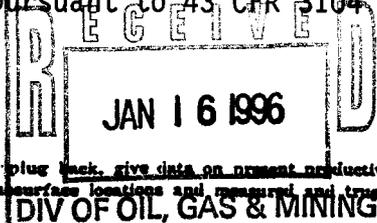
STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK			5. Lease Designation and Serial No. ML-22265
1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			6. If Indian, Allottee or Tribe Name N/A
b. Type of Well Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone <input type="checkbox"/>			7. Unit Agreement Name N/A
2. Name of Operator Coastal Oil & Gas Corporation			8. Farm or Lease Name Morgan State
3. Address of Operator P.O. Box 749, Denver, CO 80201-0749 (303) 573-4455			9. Well No. #2-36
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 900' FNL & 804' FWL At proposed prod. zone 274 m 245 m			10. Field and Pool, or Wildcat Natural Buttes Field
14. Distance in miles and direction from nearest town or post office* Approximately 48 miles south of Vernal, Utah.			11. Q. Sec., T., R., N., or S. & Survey or Area NW/NW Sec. 36-T9S-R21E
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest dirig. line, if any) 900'	16. No. of acres in lease 639.20 (Sec. 36)	17. No. of acres assigned to this well 40 acres	12. County or Parrish Uintah
18. Distance from proposed location* to nearest well, drilling, completed, or applied for, on this lease, ft. Approx. 850'	19. Proposed depth 9,450'	20. Rotary or cable tools Rotary	13. State Utah
21. Elevations (Show whether DF, RT, GR, etc.) 4996' Ungraded GR		22. Approx. date work will start* Upon Approval	
23. PROPOSED CASING AND CEMENTING PROGRAM			
Size of Hole	Size of Casing	Weight per Foot	Setting Depth
Please see attached drilling program.			

Coastal Oil & Gas Corporation proposes to drill a well to a proposed TD of 9,450' to test the Mesaverde Formation. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per State of Utah requirements.

See the Drilling Program and Multi-point Surface Use & Operations Plan, attached.

Coastal Oil & Gas Corporation is considered to be the operator of the subject well. It agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided for by Coastal's Bond #102103.



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. I hereby certify that this report is true and complete to the best of my knowledge.
 Sign: Sheila Bremer Title: Environmental & Safety Analyst Date: 1/12/96

(This space for Federal or State office use)

API No. 43-047-32585 Approval Date _____
 Approved by: [Signature] Title: Geotechnical Engineer Date: 2/9/96
 Conditions of approval, if any: _____

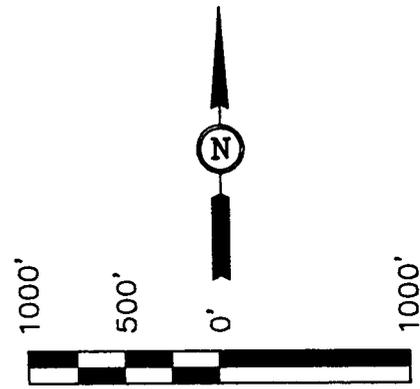
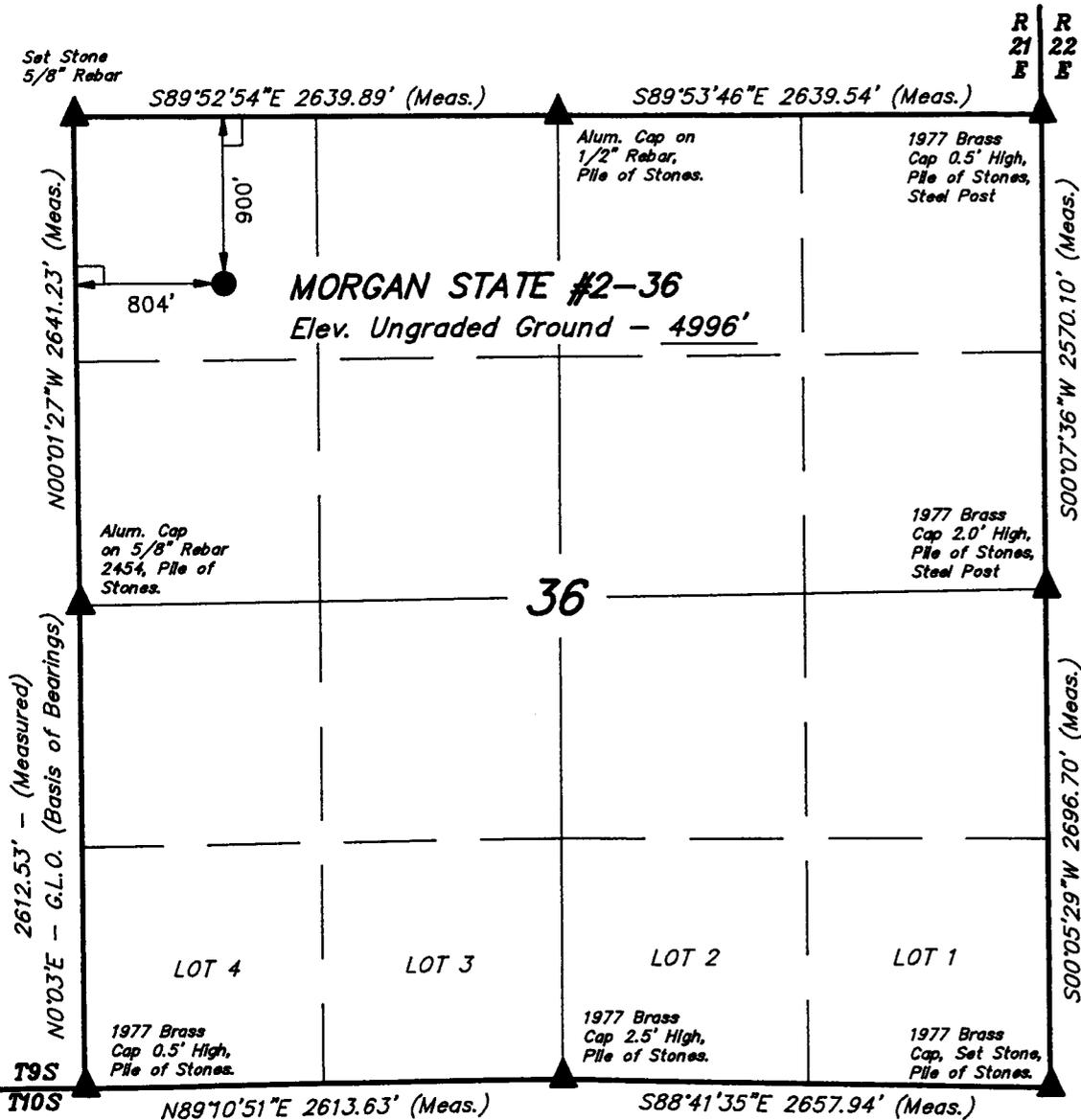
T9S, R21E, S.L.B.&M.

COASTAL OIL & GAS CORP.

Well location, MORGAN STATE #2-36, Located as shown in the NW 1/4 NW 1/4 of Section 36, T9S, R21E, S.L.B.&M. Uintah County, Utah.

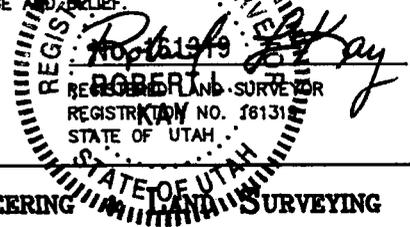
BASIS OF ELEVATION

TWO WATERS TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE 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 5238 FEET.



CERTIFICATE

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



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

LEGEND:

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- = SECTION CORNERS LOCATED.

SCALE 1" = 1000'	DATE SURVEYED: 1-2-96	DATE DRAWN: 1-4-96
PARTY L.O.T. B.B. D.J.S.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE COASTAL OIL & GAS CORP.	

**MORGAN STATE #2-36
900' FNL & 804' FWL
NW/NW, SECTION 36-T9S-R21E
UINTAH COUNTY, UTAH**

COASTAL OIL & GAS CORPORATION

DRILLING PROGRAM

The proposed wellsite is on **State of Utah surface/State of Utah minerals**.

1. **Estimated Tops of Important Geologic Markers:**

<u>Formation</u>	<u>Depth</u>
Duchesne River/Uinta	Surface
Wasatch	4,660'
Mesaverde	7,330'
Total Depth	9,450'

2. **Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Oil	Wasatch	4,660'
	Mesaverde	7,330'
Gas	Wasatch	4,660'
	Mesaverde	7,330'
Water	N/A	
Other Minerals	N/A	

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and adequately protected. Oil and gas shows will be tested to determine commercial potential.

3. **Pressure Control Equipment:** (Schematic Attached)

Coastal Oil & Gas Corporation's minimum specifications for pressure control equipment are as follows:

- Ram type: 11" Annular Preventer (Hydril), 11" Double Gate Hydraulic, Drilling Spool, 5,000 psi.
- Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70% of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10% in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

- Annular type preventers (if used) shall be tested to 50% of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.
- As a minimum, the above test will be performed when initially installed, whenever any seal subject to test pressure is broken, following related repairs, or at 30-day intervals.
- Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.
- When testing the kill line valve(s), the check valve shall be held open or the ball removed.
- Annular preventers (if used) shall be functionally operated at least weekly.
- Pipe and blind rams shall be activated each trip; however, this function need not be performed more than once a day.
- A BOPE pit level drill shall be conducted weekly for each drilling crew.
- Pressure tests shall apply to all related well control equipment.

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

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

4. **Proposed Casing and Cementing Program:**

- a. The proposed Casing Program will be as follows:

<u>Purpose</u>	<u>Depth</u>	<u>Hole Size</u>	<u>Csg Size</u>	<u>Wt/ft</u>	<u>Grade</u>	<u>Type</u>
Surface	0-2,500'	12-1/4"	8-5/8"	32#	K-55	ST&C
Production	0-TD	7-7/8"	5-1/2"	17#	N-80	LT&C

Casing design is subject to revision based on geologic conditions encountered.

- b. The Cement Program will be as follows:

<u>Surface</u>	<u>Fill</u>	<u>Type & Amount</u>
0-2,500'	1,400'	Lead: 500 sx Lite cement, 12 ppg, 2.06 ft. ³ /sx.
	1,100'	Tail: 600 sx Premium, 15.6 ppg, 1.19 ft. ³ /sx.
<u>Production</u>	<u>Fill</u>	<u>Type & Amount</u>
2,500'-4,000'	1,500'	Lead: Approx. 85 sx "Hi lift" Class "G" w/12% gel & 2% extender, yield 3.9 ft. ³ /sx, 11 ppg (325 ft. ³ total).
4,000'-TD	5,450'	Tail: Approx. 730 sx (1170 ft. ³) "Self-Stress II" Class "G" w/10% Gypsum, 1.61 yield, 14.2 ppg.

5. **Drilling Fluids Program:**

a.	<u>Interval</u>	<u>Type</u>	<u>Mud Wt.</u>
	0-7,000'	Air Mist/Aerated Water	
	7,000'-TD	LSND to Lightly Dispersed Mud	8.8-10

- b. No chromate additives will be used in the mud system without prior approval to ensure adequate protection of fresh water aquifers.

6. **Evaluation Program:**

- a. Logging Program:

DIL-SP-GR-Neutron-Density-Sonic:	2500'-TD
2 Man Mud Logging:	2500'-TD
Drill Stem Tests:	None anticipated.
Cores:	20 sidewalls planned in Mesaverde.

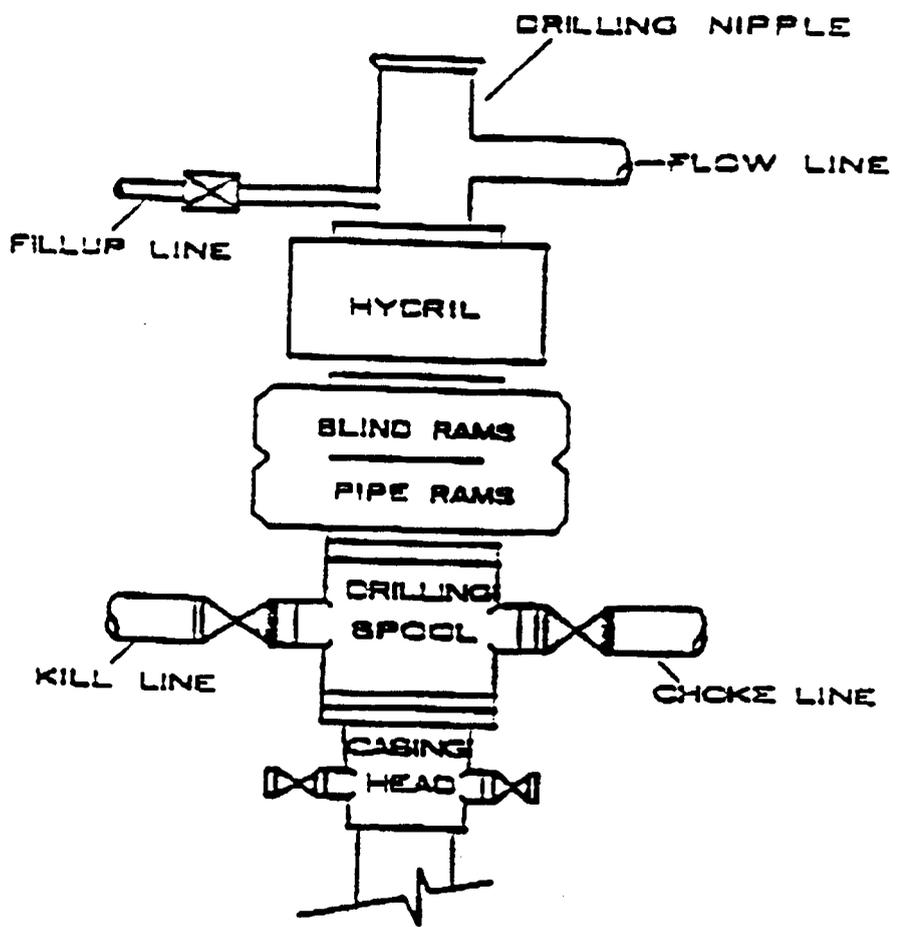
The Evaluation Program may change at the discretion of the well site geologist.

- b. No drill stem tests, stimulation, or frac treatment has been formulated for this well at this time; however, the drill site, as approved, will be of sufficient size to accommodate all completion activities. Any frac treatment program specifics will be submitted via sundry notices.

7. **Abnormal Conditions:**

No abnormal temperatures or pressures are anticipated. No hydrogen sulfide has been encountered in or is known to exist from previous drilling in the area at this depth. Maximum anticipated bottomhole pressure approximately equals 3,780 psi (calculated at 0.4 psi/foot) and maximum anticipated surface pressure equals approximately 1,701 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

BOP STACK



5,000 PSI

**MORGAN STATE #2-36
900' FNL & 804' FWL
NW/NW, SECTION 36-T9S-R21E
UINTAH COUNTY, UTAH**

**COASTAL OIL & GAS CORPORATION
*MULTI-POINT SURFACE USE & OPERATIONS PLAN***

This Surface Use and Operations Plan is subject to change pending completion of the on-site inspection.

1. **Existing Roads:**

The proposed wellsite is approximately 48.6 miles south of Vernal, Utah.

Directions to the location from Vernal, Utah, are:

Proceed westerly from Vernal on U.S. Highway 40 approximately 14.0 miles to the junction of State Highway 88, exit left and proceed south approximately 17.0 miles on State Highway 88 to Ouray, Utah; proceed south from Ouray approximately 6.9 miles on the Seep Ridge Road to the junction of this road and an existing oil field service road to the east; turn left and proceed in an easterly direction approximately 5.0 miles to the junction of this road and an existing road to the north; turn left and proceed in a northerly direction approximately 0.3 miles to the junction of this road and an existing road to the northeast; turn right and proceed in a northeasterly direction approximately 3.9 miles to the junction of this road and an existing road to the southeast; turn right and proceed in a southeasterly direction approximately 1.5 miles to the junction of this road and an existing road to the northwest; turn right and proceed in a northwesterly direction approximately 100' to the beginning of the proposed access road; follow road flags in a northwesterly direction approximately 50' to the proposed location.

Refer to Topo Maps A and B for location of access roads within a 2 mile radius.

Improvements to existing access roads shall be determined at the on-site inspection.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

2. **Planned Access Roads:**

Approximately 50' of new access will be required. The new access road will be crowned and ditched with a running surface if 18 feet and a maximum disturbed width of 30 feet, *unless modified at the on-site inspection*. Appropriate water control will be installed to control erosion.

Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities shall be determined at the on-site.

The access road was centerline flagged during time of staking.

Surfacing material may be necessary, depending upon weather conditions.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

3. **Location of Existing Wells Within a 1-Mile Radius:** (See Map C)

- a. Water wells - 0
- b. Producing wells - 11
- c. Drilling wells - 0
- d. Shut-in wells - 0
- e. Temporarily abandoned wells - 0
- f. Disposal wells - 0
- g. Abandoned wells - 0
- h. Injection wells - 0

4. **Location of Existing and Proposed Facilities:**

The following guidelines will apply if the well is productive.

- a. All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.
- b. A dike will be constructed completely around those production facilities which contain fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.
- c. All permanent (on-site six months or longer) above the ground 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 five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Desert Brown, Munsell standard color number 10 YR 6/3.

- d. Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.
- e. The proposed pipeline will leave the well pad in a westerly direction for an approximate distance of 250' to tie into the CIGE #54-35-9-21 pipeline. Please see Map D.

5. **Location and Type of Water Supply:**

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Section 32-T4S-R3E, Water User Claim #43-8496, Application #53617.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

6. **Source of Construction Materials:**

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

7. **Methods of Handling Waste Materials:**

- a. Drill cuttings will be contained and buried in the reserve pit.
- b. Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.
- c. The reserve pit will be constructed on the location and will not be located within natural drainages, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids. *The need for a reserve pit liner will be determined at the on-site inspection.*

If a plastic reinforced liner is used, it will be a minimum of 12 mil thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

- d. Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.
- e. A chemical porta-toilet will be furnished with the drilling rig.
- f. Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.
- g. All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

- h. No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

8. **Ancillary Facilities:**

None are anticipated.

9. **Well Site Layout:** (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s). *This section is subject to modification as a result of the on-site inspection.*

See the attached diagram to describe rig orientation, parking areas, and access roads.

- a. The reserve pit will be located on the northwest side of the location.
- b. The stockpiled topsoil (first six inches) will be stored on the northeast side of the location. All brush removed from the well pad during construction will be stockpiled separately from the topsoil.
- c. The flare pit will be located on the north side of the location, downwind from the prevailing wind direction and a minimum of 100 feet from the wellhead and 30 feet from the reserve pit fence.
- d. Access will be from the southeast.
- e. All pits will be fenced according to the following minimum standards:

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

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

10. **Plans for Reclamation of the Surface:**

- a. Producing Location:

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

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

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

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water(s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

- b. Dry Hole/Abandoned Location:

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and the re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

11. **Surface Ownership:**

- a. Access Roads - The proposed access road is located on lands owned by:
- State of Utah, Division of State Lands & Forestry

- b. Well Pad - The well is located on land owned by:
- State of Utah, Division of State Lands & Forestry
3 Triad Center, #400
Salt Lake City, Utah 84180-1204

12. **Other Information:**

- a. All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.
- b. The Operator will control noxious weeds along right-of-ways for roads, pipelines, well sites, or other applicable facilities.
- c. A Class III archeological survey was conducted by Metcalf Archaeological Consultants, Inc. A copy of this report is attached. This report was also sent directly to the Utah Preservation Office, Division of History, Salt Lake City, and Kenneth Wintch, Utah State Lands, Salt Lake City, by Metcalf Archaeological Consultants.

13. **Lessee's or Operators's Representative and Certification:**

Sheila Bremer
Environmental & Safety Analyst
Coastal Oil & Gas Corporation
P.O. Box 749
Denver, CO 80201-0749
(303) 573-4455

Ned Shiflett
Drilling Manager
(713) 877-6354

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the

operations proposed herein will be performed by the operator, its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.



Sheila Bremer

1/12/96

Date

**Coastal Oil & Gas Corporation's Morgan State 2-36 Well Pad
Section 36, T9S, R21E
Class III Inventory, Uintah County, Utah**

DENVER DISTRICT - E & S

Prepared by,
Dulaney Barclay
Metcalf Archaeological Consultants, Inc.
P. O. Box 899
Eagle, CO 81632

JAN 12 1996

BLC ___ TFS ___ TCY ___ CEL ___ ___
SAB ___ JRN ___ MDE ___ LPS ___ ___

Michael D. Metcalf
Principal Investigator

Prepared for,
Coastal Oil & Gas Corporation
Denver, Colorado

Utah State Project #U-95-MM-0713s

January 1996

INTRODUCTION

Metcalf Archaeological Consultants, Inc. (MAC), conducted a Class III cultural resource inventory of the proposed Morgan State #2-36 well pad location for Coastal Oil and Gas Corporation. The project consisted of the inventory of a ten acre block around the proposed well location. Access to the well pad and a pipeline are contained within the inventory block. The project area is located in the Bitter Creek Gas Field in Uintah County in the NW¼, NW¼ of section 36, T.9S, R.21E (Figure 1). The center stake for the proposed well is at 900' FNL, 804' FWL. The access to the proposed pad is from an existing improved road approximately 100 feet south of the pad. The associated pipeline runs approximately 200 feet south from the pad to an existing aboveground pipeline south the existing improved road. A single isolated find was recorded during this investigation.

This project is located on property administered by the State of Utah, Salt Lake City, Utah. The survey was conducted on January 3, 1996 by the author. The project was carried out under State of Utah permit #U-95-MM which expires on 1/30/96. All field notes and maps are on file at the MAC office in Eagle, Colorado.

STATEMENT OF OBJECTIVES

Following the mandated policies implementing the National Historic Preservation Act (NHPA [Public Law 89-665]), as amended, this project was inventoried to locate any cultural resources within the potential area of effect. Any discovered cultural resources were to be evaluated for eligibility to the National Register of Historic Places (Register). To be eligible for the Register, the resource must retain essential aspects of integrity and meet one or more of the Criteria for Eligibility (36 CFR §60.4). For archaeological resources, eligibility is typically recommended under Criterion d, on the basis of the information potential of surface artifacts and features, and intact sub-surface cultural deposits. Historical resources may be evaluated under any of the four Criteria on the basis of information potential or significant historic associations.

ENVIRONMENT

This project is located in the southern margin of the Uintah Basin just west of Sand Wash between the Green River and the White River. The project area is located in a dissected upland area consisting of a series of north-south trending benches and ridges separated by incised intermittent and ephemeral drainages. The area is underlain by sandstones and siltstones of the Tertiary-aged Uinta Formation which cap the benches and ridges and form narrow benches on their slopes. Localized areas are mantled with Quaternary gravel deposits, and low lying areas contain gravelly alluvial and small aeolian sand sheet deposits (Hintze 1980). The numerous intermittent and ephemeral drainages flow north and



Figure 1 Project location map, Section 36, T.9S, R.21E (Archy Bench and Big Pack Mountain NE 7.5' Quadrangles 1968 (PR 1987)).

northeast into the Green and White Rivers via a few north flowing creeks.

The pad is located on a low east-west trending ridge bounded by deflated areas to the north and south. The vegetation consists of greasewood, thorny horsebrush, cactus, rabbitbrush, and bunch grass. Vegetation cover was low with a maximum of 30% allowing for good to very good ground surface visibility. The soils at the project area were a mix of light tan, gravelly, silty residual soils with patches of alluvial deposits in deflated areas, and sandstone bedrock overlain by thin residual sandy soil and patches of thin aeolian sand deposits on the ridge top.

FILES SEARCH

A files search was conducted through the Utah State Division of History on December 28, 1995. Two linear projects have been conducted in section 36, T.9S, R.21E. A inventory of a small pipeline in 1981 by Brigham Young University (BYU) resulted in the recording of 42UN1204. The site consisted of a small lithic scatter (5 m x 5 m). It was determined to be ineligible and subsequently destroyed by road construction. A inventory of the Book Cliffs Highway by Archaeological Environmental Research Consultants (AERC) in 1990 located no cultural resources.

FIELD METHODS

The well pad area was covered intensively by a series of pedestrian transects spaced 15 m apart. Special attention was paid to areas of enhanced subsurface visibility, such as eroded areas, rodent backdirt piles, road cuts and animal trails. If cultural material was located, the area was examined closely until all surface manifestations had been identified and the resource adequately defined. The appropriate forms were then filled out, and in the case of sites a black and white overview picture taken and a site sketch map made using a Brunton Pocket Transit and pacing for distances. Sites were marked by white pvc pipe with a aluminum tag bearing the temporary number of the site.

RESULTS

The inventory of the Coastal Morgan State 2-36 well pad resulted in the recording of a single isolated find (IF 2-36-1). The isolate consists of three flakes in the deflated area south proposed pad. The flakes are all chert and rest on thin (3-8 cm thick) alluvial deposits overlying residual soils. The three flakes consist of two secondary flakes and one primary flake scattered over an area 8 m x 3 m. The isolated find is located approximately 50 feet from the south edge of the proposed pad and will not be impacted by construction. Isolated finds are by definition not eligible to the National Register.

RECOMMENDATIONS

Cultural resource clearance is recommended for the Coastal Morgan State 2-36 well pad. The single isolated find recorded is not eligible for the National Register by definition. No further work is necessary.

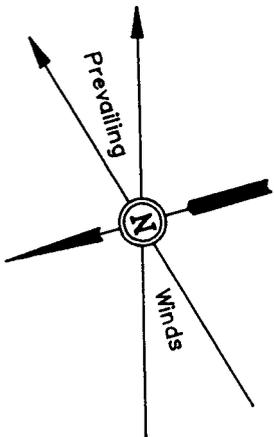
REFERENCES CITED

Hintze, Lehi F.

1980 *Geologic Map of Utah*. Utah Geological and Mineral Survey, Salt Lake City. UT.

COASTAL OIL & GAS CORP.

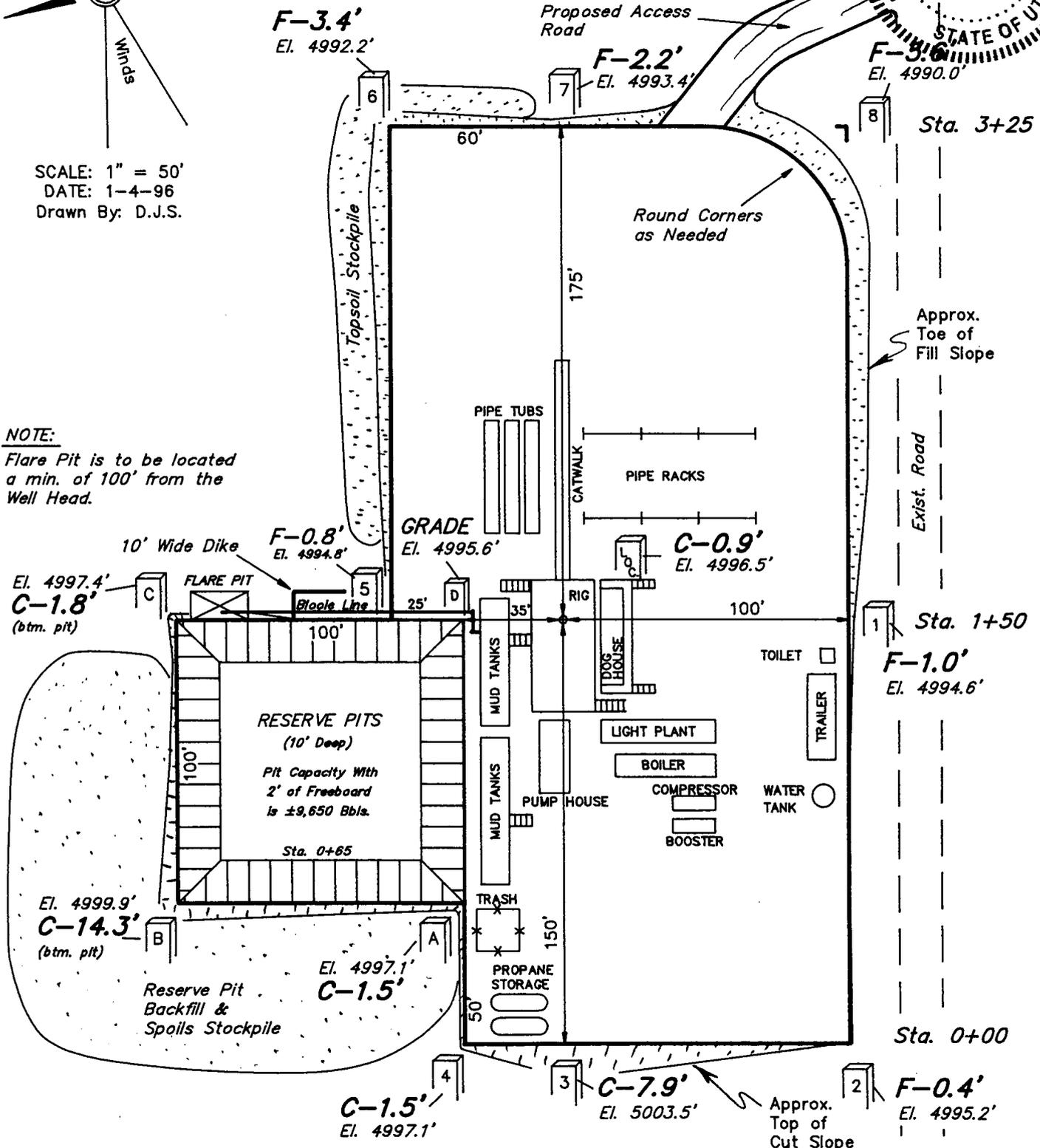
LOCATION LAYOUT FOR
 MORGAN STATE #2-36
 SECTION 36, T9S, R21E, S.L.B.&M.
 900' FNL 804' FWL



SCALE: 1" = 50'
 DATE: 1-4-96
 Drawn By: D.J.S.

NOTE:

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



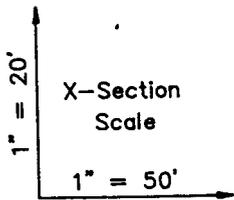
NOTES:

Elev. Ungraded Ground At Loc. Stake = **4996.5'**
 FINISHED GRADE ELEV. AT LOC. STAKE = **4995.6'**

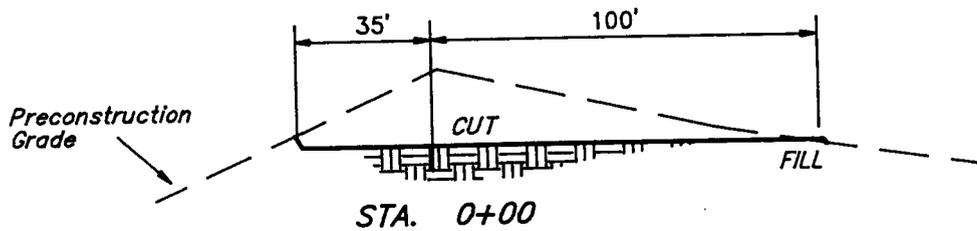
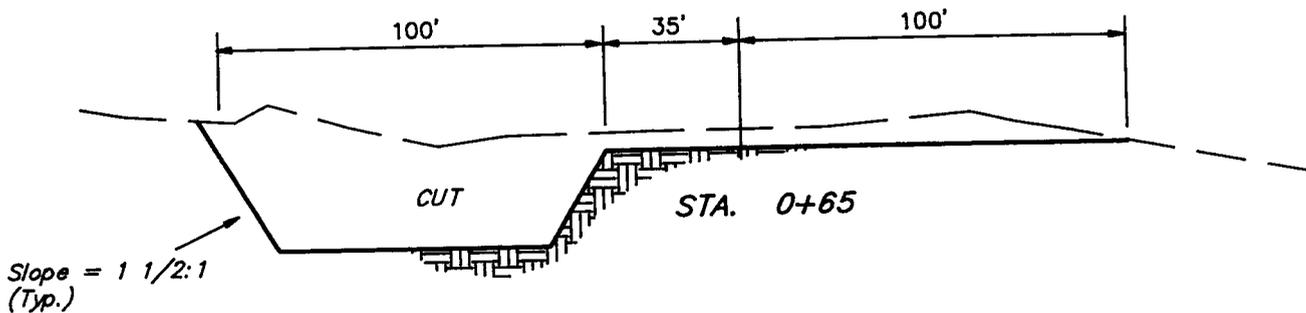
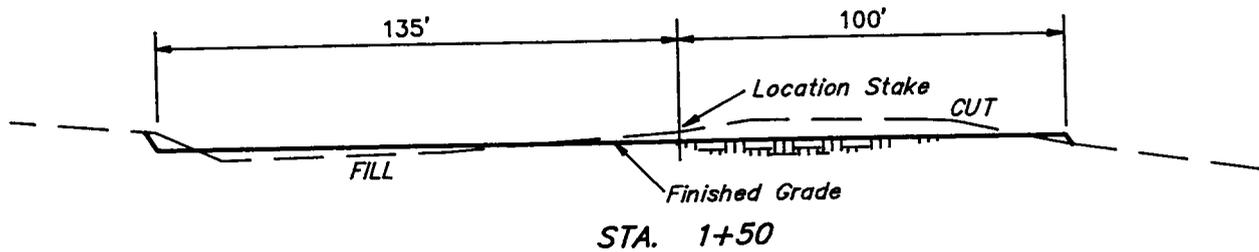
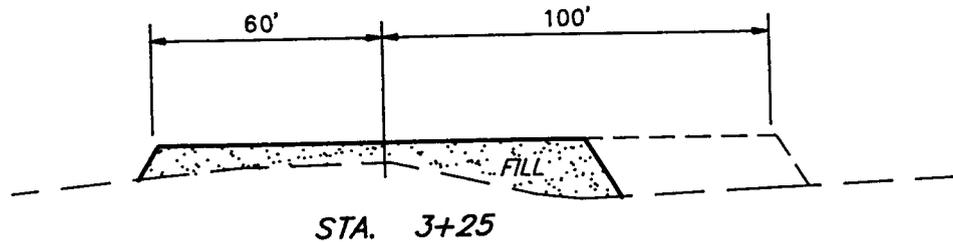
FIGURE #1

COASTAL OIL & GAS CORP.

TYPICAL CROSS SECTIONS FOR
MORGAN STATE #2-36
SECTION 36, T9S, R21E, S.L.B.&M.
900' FNL 804' FWL



DATE: 1-4-96
Drawn By: D.J.S.

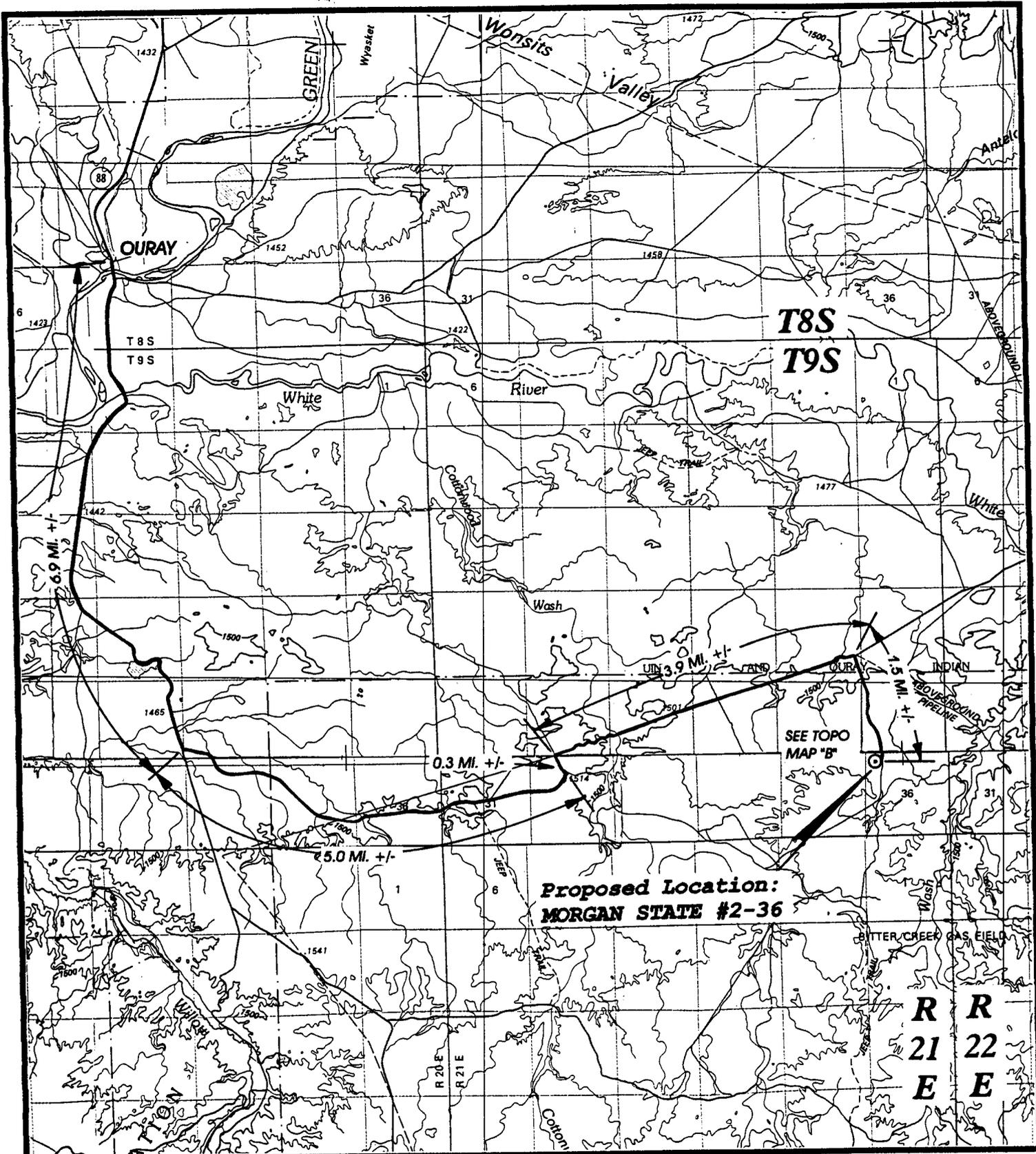


APPROXIMATE YARDAGES

CUT		
(6") Topsoil Stripping	=	1,080 Cu. Yds.
Remaining Location	=	4,700 Cu. Yds.
TOTAL CUT	=	5,780 CU.YDS.
FILL	=	3,180 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	=	2,430 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	2,430 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	=	0 Cu. Yds.

FIGURE #2



**Proposed Location:
MORGAN STATE #2-36**

SEE TOPO
MAP "B"

**R R
21 22
E E**

UELS

**TOPOGRAPHIC
MAP "A"**

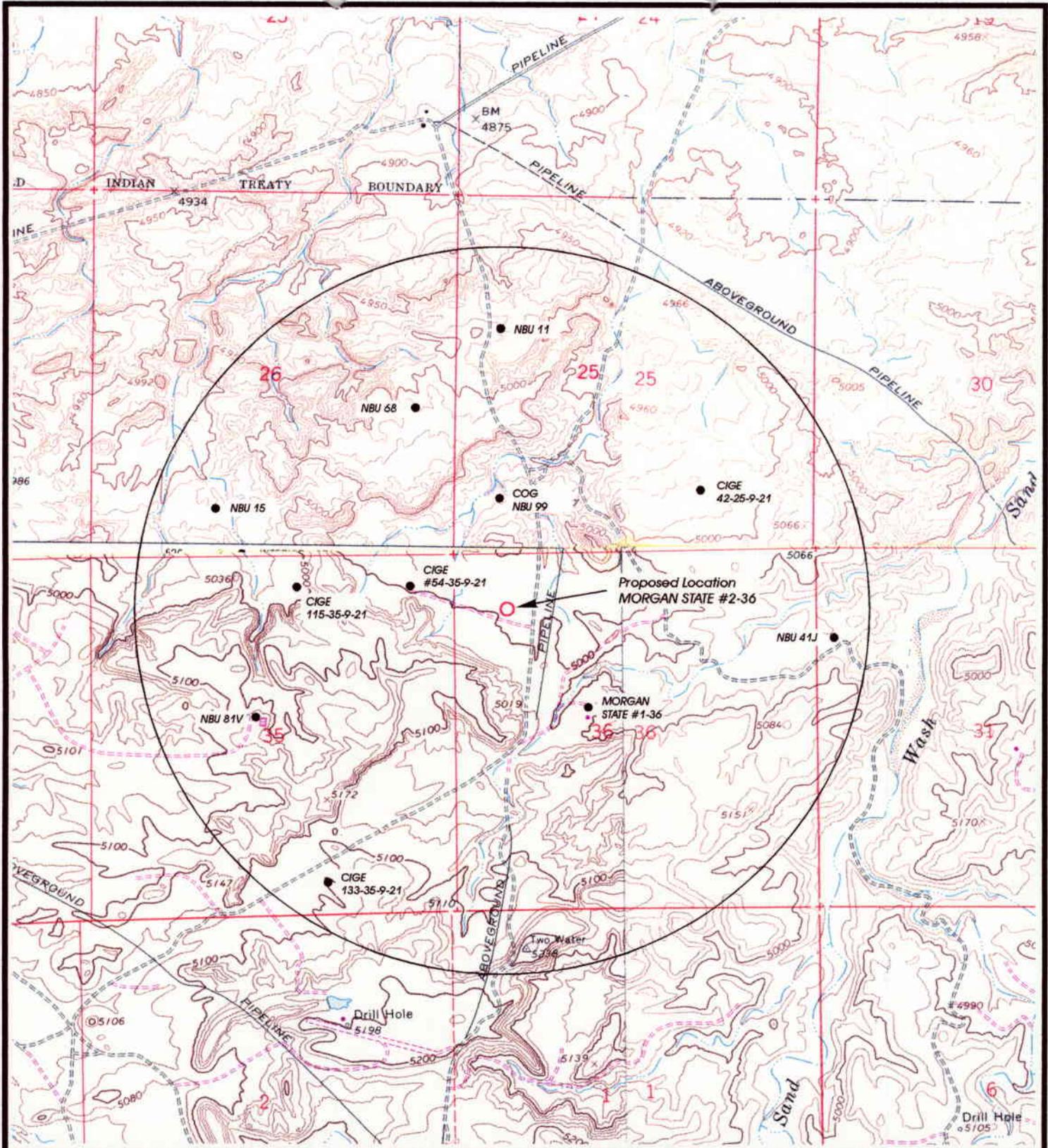
DATE: 1-4-96
Drawn by: D.R.B.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (801) 789-1017



COASTAL OIL & GAS CORP.

MORGAN STATE #2-36
SECTION 36, T9S, R21E, S.L.B.&M.
900' FNL 804' FWL



LEGEND

- WELLS**
- Water Wells
 - Abandoned Wells
 - Temporarily Abandoned Wells
 - Disposal Wells
 - Drilling Wells
 - Producing Wells
 - Shut-in Wells

UINTAH ENGINEERING & LAND SURVEYING
 85 So. 200 East * Vernal, Utah 84078 * (801) 789-1017



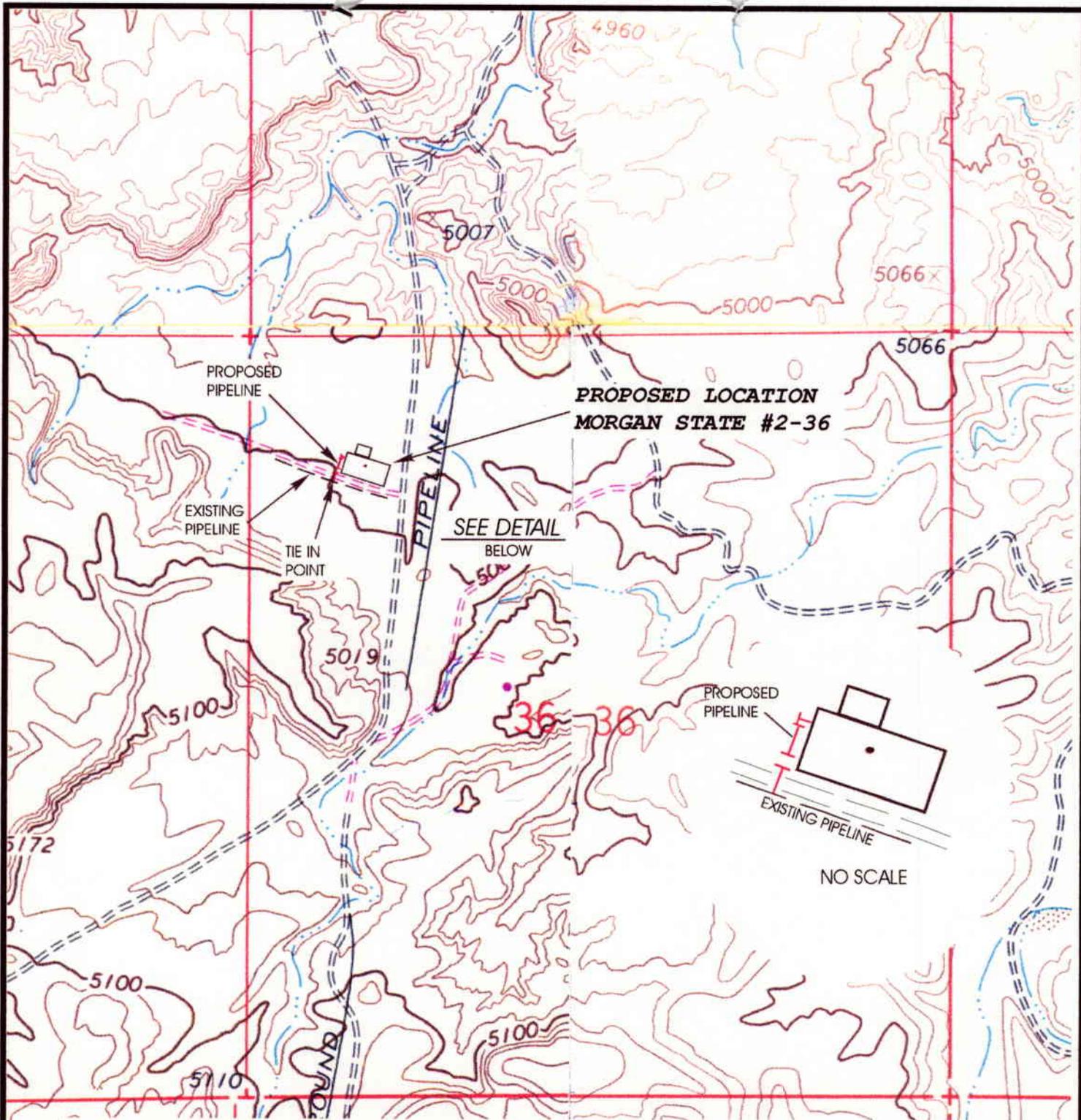
SCALE: 1" = 2000'

COASTAL OIL & GAS CORP.

MORGAN STATE #2-36
 SECTION 36, T9S, R21E, S.L.B.&M.

**TOPOGRAPHIC
 MAP "C"**

DATE: 1-4-96 Drawn by: D.J.S.



APPROXIMATE PIPELINE DISTANCE = 250' +/-

**TOPOGRAPHIC
MAP "D"**

UELS

----- Existing Pipeline
 HHHHHHHH Proposed Pipeline



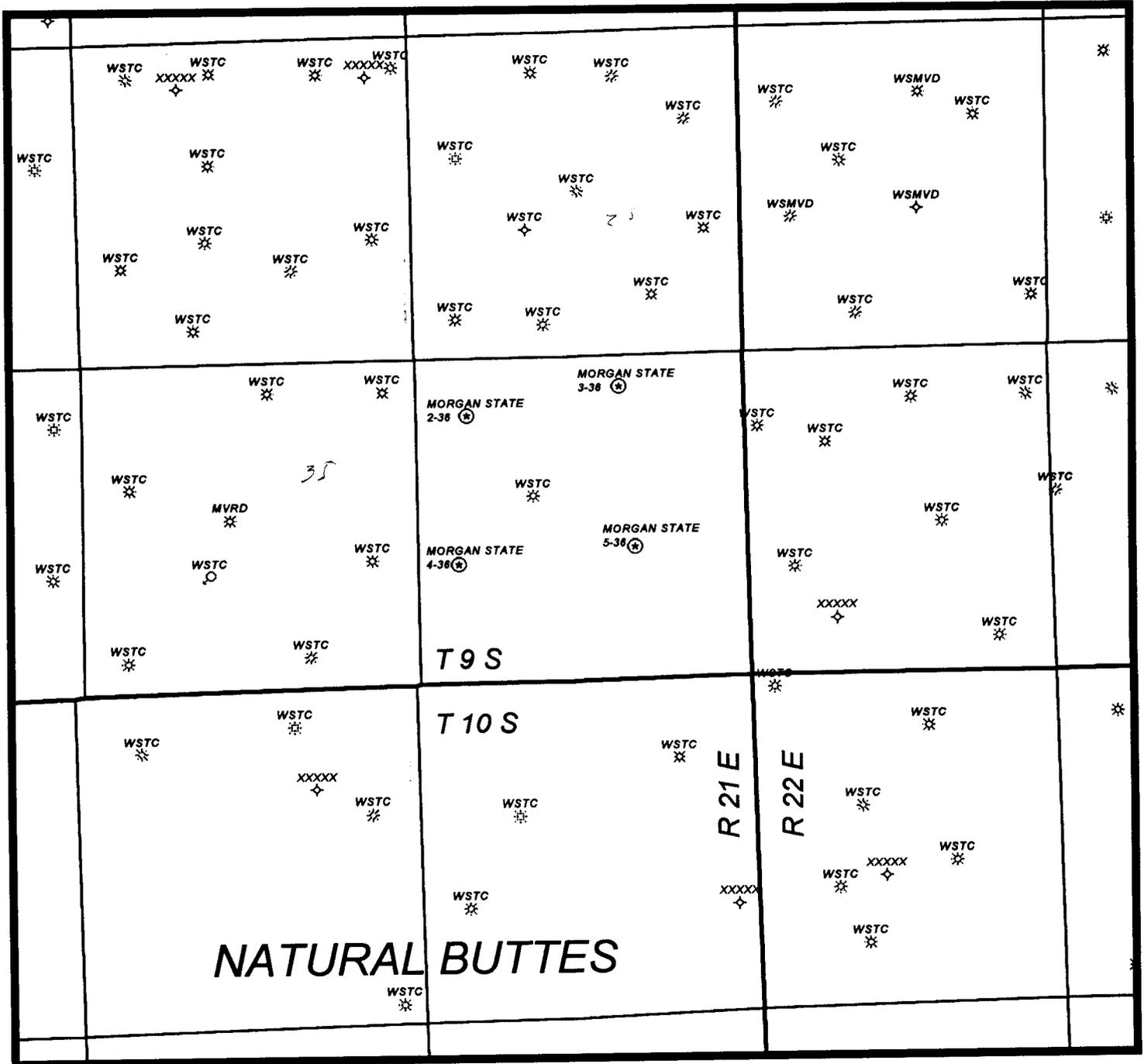
COASTAL OIL & GAS CORP.

MORGAN STATE #2-36
 SECTION 36, T9S, R21E, S.L.B.&M.

DATE: 1-4-96

Drawn by: D.R.B.

COASTAL OIL & GAS NATURAL BUTTES DEVELOPMENT SEC. 36, T9S, R21E, UINTAH CO. UAC 649-3-2 & R649-3-3



STATE SPACING
UAC R649-3-2 R649-3-3

PREPARED:
DATE: 1/16/96



**State of Utah
Division of Oil, Gas & Mining (OGM)**

***ON-SITE PREDRILL EVALUATION AND REVIEW
FOR
APPLICATION FOR PERMIT TO DRILL (APD)***

OPERATOR:

COASTAL OIL & GAS

WELL NO:

MORGAN STATE 2-36

LEASE NO:

ML - 22265

API No:

43-047-32585

LEASE TYPE:

State

Fee

PROPOSED LOCATION

1/4:1/4:

NW NW

SECTION:

36

TOWNSHIP:

9 S

RANGE:

21 E

COUNTY:

UINTAH

FIELD:

NATURAL BUTTES

SURFACE:

900 FNL 804 FWL

BOTTOM HOLE:

SAME AS ABOVE

GPS COORDINATES:

12627540 E 4428289 N

SURFACE OWNER:

STATE OF UTAH

SURFACE AGREEMENT: Yes No

CONFIDENTIAL: Yes No

LOCATING AND SITING:

UAC R649-2-3.

Unit

UAC R649-3-2. General

UAC R649-3-3. Exception

UCA 40-6-6. Drilling Unit

--

Cause No.

DRILLING PROGRAM:

The following information is included in the Application for Permit to Drill submitted.

1. Surface Formation and Estimated Tops/Geologic Markers
2. Estimated Depths and Names of Anticipated Water, Oil, Gas or other Mineral Bearing Formations

(All fresh water sands encountered during drilling shall be recorded and reported to the Division on Form 7.)
3. Well Control Equipment & Testing Procedures
4. Proposed Casing and Cementing Program
5. Mud Program, Circulating Medium, and Monitoring equipment
6. Coring, Testing, and Logging Program
7. Expected Bottom Hole Pressures and any anticipated Abnormal Pressures, Temperatures or Potential Hazards such as hydrogen sulfide, expectations and contingency plans for mitigating identified hazards
8. Any other information relative to the proposed operation.

Onsite Participants:

PAUL BRASHIERS AND SHIELA BRENNER (COGC), ROBERT KAY (UINTAH ENGINEERING AND LAND SURVEY), BILL SIERSMA (COLORADO INTERSTATE GAS CO.), HARLEY JACKSON (JACKSON CONSTRUCTION), JIM JUSTICE (J WEST), DAVID HACKFORD (DOGM).

Regional Setting/Topography:

SEMI-ARID DESERT HABITAT. PROPOSED LOCATION IS ON TOP OF A SLIGHT FLAT TOPPED KNOLL 10 ' HIGH, SLOPING GRADUALLY NORTH TOWARDS THE WHITE RIVER. A ROCKY RIDGE RUNNING NW TO SE IS 900' SW OF SITE. A SANDSTONE OUTCROPPING IS 50' SOUTH OF CENTER STAKE.

SURFACE USE PLAN:

Current Surface Use: DOMESTIC LIVESTOCK AND WILDLIFE GRAZING.

Proposed Surface Disturbance: LOCATION WILL BE 325' BY 235'.

1. Existing Roads A DIRT OILFIELD ROAD IS 50' FROM SITE. THE NATURAL BUTTES FIELD IS CRISSCROSSED WITH DIRT ROADS.
2. Planned Access Roads - include length of new road, length of existing road to be upgraded, maximum disturbed and travel surface widths, maximum grades, turnouts, surface materials, drainage, cattleguards 50' OF NEW ROAD WILL BE REQUIRED.
3. Location of existing wells within one-mile radius of proposed location, include water, injection, producing, drilling with present status of each well SEE THE ATTACHED MAP FROM THE GIS DATABASE.
4. Location of Production Facilities and Pipelines PIPELINES ARE ALREADY IN PLACE. PRODUCTION FACILITIES WILL BE ON LOCATION.
5. Location and Type of Water Supply (include Division of Water Rights approval or identifying number) WATER WILL BE SUPPLIED BY TRUCK TO THE LOCATION WHILE DRILLING OPERATIONS ARE UNDERWAY.
6. Source of Construction Material MATERIALS WILL BE BORROWED FROM LOCATION SPOIL.
7. Waste Management Plan _____
8. Ancillary Facilities NONE WILL BE REQUIRED.
9. Well Site Layout SEE ATTACHED PLAT.

10. Surface Restoration Plans AS REQUIRED BY DIVISION OF STATE LANDS.

ENVIRONMENTAL PARAMETERS:

Affected Floodplain and/or Wetlands:

A 404 dredge and fill permit may be required if this site is in or adjacent to a wetland or other established drainage or floodplain. (Contact the Army Corps of Engineers if there are concerns of this nature) NO

Flora/Fauna:

Briefly describe the flora found on the proposed site and the fauna evidenced or sighted on or near the proposed location VEGETATION COVER CONSISTS OF SHADSCALE COMMUNITY SPECIES, PREDOMINATELY GREASEWOOD, CHEATGRASS AND FOURWING SALTBRUSH. ANTELOPE, RABBIT, COYOTE, SMALL BIRDS, RAPTORS, AND REPTILES.

SURFACE GEOLOGY

Soil Type and Characteristics: LIGHT BROWN SAND WITH SOME CLAY LOAM.

Surface Formation & Characteristics: UINTAH FORMATION, SOUTH FLANK OF UINTAH MOUNTAINS.

Erosion/Sedimentation/Stability: VERY MINOR EROSION, MINOR SEDIMENTATION, NO STABILITY PROBLEMS ANTICIPATED.

Paleontological Potential Observed: NONE OBSERVED.

RESERVE PIT

Characteristics: 100' BY 100' AND 10' DEEP.

Lining (Site ranking form attached): A 12 MIL LINER WILL BE REQUIRED.

OTHER OBSERVATIONS

Cultural Resources/Archaeology (if proposed location is on State land, has an archaeology clearance been obtained?): AN ARCHAEOLOGY SURVEY HAS BEEN COMPLETED BY METCALF ARCHAEOLOGICAL CONSULTANTS, INC.

Comments: PRESITE WAS PERFORMED ON A COLD DAY WITH 4" SNOW COVER.

DAVID W. HACKFORD
OGM Representative

1/30/95 10:00 AM
Date and Time

STATEMENTS OF BASIS

OGM Review of Application for Permit to Drill (APD)

Company: COASTAL OIL & GAS

Well Name: MORGAN STATE 2-36

ENGINEERING/LOCATING and SITING:

The proposed location meets the location and siting requirements of R649-3-3. The application and proposed casing and drilling plan appear to be consistent with accepted industry standards of practice and sound engineering design. A casing design safety check is attached. Blow out prevention and monitoring/contingency plans are adequate.

Signature: F. R. Matthews Date: 02/08/96

GEOLOGY/GROUND WATER:

The base of moderately saline water is at a depth of approximately 2500 feet. The proposed casing and cement program will adequately protect any water encountered.

Signature: D. Jarvis Date: 2/8/96

SURFACE:

THE PRE-SITE INSPECTION OF THE SURFACE HAS BEEN PERFORMED BY FIELD PERSONNEL. ALL APPLICABLE MANAGEMENT AGENCIES AND LAND OWNERS HAVE BEEN NOTIFIED AND THEIR CONCERNS ACCOMODATED WHERE REASONABLE AND POSSIBLE.

Signature: DAVID W. HACKFORD Date: 1/31/95

STIPULATIONS for APD Approval:

1. A 12 MIL PIT LINER WILL BE REQUIRED IN RESERVE PIT.
2. RESERVE PIT SHALL BE CONSTRUCTED ON NORTH SIDE OF LOCATION.
3. NO OTHER ACCESS ROADS TO BE DEVELOPED WITHOUT APPROVAL BY STATE LANDS.
4. ANY CHANGES TO BE APPROVED BY DOGM.

ATTACHMENTS:

1. PHOTOGRAPHS OF SITE WILL BE PUT ON FILE.

**Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements**

Site-Specific Factors	Ranking Score	Final Ranking Score
Distance to Groundwater (feet) >200 100 to 200 75 to 100 25 to 75 <25 or recharge area	0 5 10 15 20	0
Distance to Surf. Water (feet) >1000 300 to 1000 200 to 300 100 to 200 < 100	0 2 10 15 20	0
Distance to Nearest Municipal Well (feet) >5280 1320 to 5280 500 to 1320 <500	0 5 10 20	0
Distance to Other Wells (feet) >1320 300 to 1320 <300	0 10 20	0
Native Soil Type Low permeability Mod. permeability High permeability	0 10 20	20

Fluid Type Air/mist Fresh Water TDS >5000 and <10000 TDS >10000 or Oil Base Mud Fluid containing significant levels of hazardous constituents	0 5 10 15 20	5
Drill Cuttings Normal Rock Salt or detrimental	0 10	0
Annual Precipitation (inches) <10 10 to 20 >20	0 5 10	0
Affected Populations <10 10 to 30 30 to 50 >50	0 6 8 10	0
Presence of Nearby Utility Conduits Not Present Unknown Present	0 10 15	0

Final Score	25
--------------------	----

The summation of all of the above ranking scores will yield one value which shall be used to determine the appropriate type of containment, on a case-by-case basis. The sensitivity levels are as follows:

Level I Sensitivity: For scores totaling ≥ 20
Level II Sensitivity: For scores totaling 15 to 19
Level III Sensitivity: For scores totaling < 15

Containment Requirements According to Sensitivity Level

Level I: Requires total containment by synthetic liner, concrete structure or other type of total containment structure or material.

Level II: Bentonite or other compatible lining is discretionary depending on the fluid to be contained and environmental sensitivity.

Level III: No specific lining requirements.

OTHER GUIDELINES FOR PITS

1. Unlined pits shall not be constructed on areas of fill materials.
2. A pit shall not be constructed in a drainage or floodplain of flowing or intermittent streams.
3. Synthetic liners used for lining reserve pits, shall be of 12 mil thickness or greater and shall be compatible with the fluid to be contained. Synthetic liners used for lining onsite pits with a longer expected life shall be a minimum of 30 mil thickness or as approved by the Division.
4. Synthetic liners shall be installed over smooth fill material which is free of pockets, loose rocks or other materials which could damage the liner.
5. Monitoring systems for pits or closed mud systems may be required for drilling in sensitive areas.



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

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

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

February 9, 1996

Coastal Oil & Gas Corporation
P.O. Box 749
Denver, Colorado 80201-0749

Re: Morgan State #2-36 Well, 900' FNL, 804' FWL, NW NW, Sec. 36, T. 9 S.,
R. 21 E., Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-32585.

Sincerely,


R. J. Firth
Associate Director

lwp

Enclosures

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

WAPD



Operator: Coastal Oil & Gas Corporation
Well Name & Number: Morgan State #2-36
API Number: 43-047-32585
Lease: ML-22265
Location: NW NW Sec. 36 T. 9 S. R. 21 E.

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division within 24 hours following spudding the well or commencing drilling operations. Contact Jimmie Thompson at (801)538-5340.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Frank Matthews or Mike Hebertson at (801)538-5340.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. On-site Pre-drill Evaluation and Review

Compliance with all requirements and stipulations developed during the onsite evaluation and review.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: COASTAL OIL & GAS CORP.

Well Name: MORGAN STATE 2-36

Api No. 43-047-32585

Section 36 Township 9S Range 21E County UINTAH

Drilling Contractor EXETER

Rig #: 8

SPUDDED:

Date: 5/14/96

Time: _____

How: DRY HOLE

Drilling will commence: _____

Reported by: D. HACKFORD-DOGM

Telephone #: _____

Date: 5/13/96 Signed: JLT

3

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

WELL NAME: MORGAN STATE 2-36 API NO: 43-047-32585

QTR/QTR: NW/NW SECTION: 36 TOWNSHIP: 36 RANGE 21E

COMPANY NAME: C.O.G.C. COMPANY MAN DON NICHOLS

INSPECTOR: DAVID W. HACKFORD DATE: 5/20/96

CASING INFORMATION: SURFACE CASING: YES

SIZE: 8 5/8" GRADE: J-55 32LB HOLE SIZE: 12 1/4 DEPTH: 2532'

PIPE CENTRALIZED: YES

CEMENTING COMPANY: SCHLUMBERGER DOWELL

CEMENTING STAGES: SINGLE

SLURRY INFORMATION:

1. CLASS: B ADDITIVES: 35/65/POZ, 8% BENTONITE, 10# SK GILSONITE, 0.2 % ANTIFOAM, 0.25 # SK CELLOFLAKE.

LEAD : 500 SACKS TAIL: 600 SACKS
YIELD 2.03 YIELD 1.15

2. SLURRY WEIGHT LBS. PER GALLON:

LEAD: 12.2 PPB TAIL: 15.8

3. WATER (GAL/SK)

LEAD: 10.5 GALLONS PER SACK TAIL: 4.97 GALLONS PER SK

CEMENT TO SURFACE: NO LOST RETURNS: YES

1 INCH INFORMATION: WEIGHT: 15.8 CEMENT TO SURFACE: Y

FEET: 30' SK: 90 CLASS: B CACLK: 3 RETURNS: NO

ADDITIONAL COMMENTS: NABORS RIG 908 ON WELL. THIS WAS PREVIOUSLY EXETER RIG #8. PLUG DOWN AT 3:00 AM WAITED TWO HOURS TO TOP OFF. PUMP TRUCK BROKE DOWN. NEW TRUCK ARRIVED AT 2:15 PM AND ANNULUS WAS CEMENTED TO SURFACE.

N

COGL

Morgan State 2-36

43-047-32589

Reserve Pit

Top Soil

Gas Sales
Line

Debi Heated
Separator

Digital
Recorder

Wellhead
+
Tree

400
Bbl
Production
Tank

400
Bbl
Prod.
Tank

Berm

Access

COASTAL OIL & GAS CORPORATION
600 17TH STREET, SUITE 800S
DENVER, COLORADO 80201

URGENT

DATE: 5/20/96

FACSIMILE TRANSMITTAL PAGE

THIS TRANSMISSION CONSISTS OF 2 PAGES (INCLUDING COVER)

TO: Frank Matthews / Mike Hebertson

COMPANY/FIRM: State of Utah

CITY/STATE: _____

FAX #: (801) 359-3940 CONFIRMATION #: _____

FROM: Sheila Boserup

TELEPHONE #: (303) 573-4455

INSTRUCTIONS: I will put original in overnight mail.
Please call if questions or problems. Thanks!

CONFIDENTIALITY NOTICE: This message is intended only for the use of the individual or entity designated above, is confidential, and may contain information that is legally privileged or exempt from disclosure under applicable law. You are hereby notified that any dissemination, distribution, copying, or use of or reliance upon the information contained in and transmitted with this facsimile transmission by or to anyone other than the recipient designated above by the sender is not authorized and strictly prohibited. If you have received this communication in error, please immediately notify the sender by telephone and return it to the sender by U.S. Mail or destroy it if authorization is granted by the sender. Thank you.

IF YOU HAVE ANY TROUBLE RECEIVING THE ABOVE SPECIFIED PAGES, PLEASE NOTIFY SENDER.

✓ DRF Sent Copy to
Oper 5-20-96
File
✓

FORM 8

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. Type of Well: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER:		5. Lease Designation and Serial Number: ML-22265
2. Name of Operator: Coastal Oil & Gas Corporation		6. If Indian, Allottee or Tribe Name: N/A
3. Address and Telephone Number: P.O. Box 749, Denver, CO 80201-0749 (303) 573-4455		7. Unit Agreement Name: N/A
4. Location of Well Footages: 900' FNL & 804' FWL QQ, Sec., T., R., M.: NW/NW Section 36-T9S-R21E		8. Well Name and Number: Morgan State #2-36
		9. API Well Number: 43-047-32585
		10. Field and Pool, or Wildcat: Natural Buttes Field
		County: Uintah State: Utah

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

NOTICE OF INTENT (Submit in Duplicate)	SUBSEQUENT REPORT (Submit Original Form Only)
<input type="checkbox"/> Abandon	<input type="checkbox"/> Abandon *
<input type="checkbox"/> Repair Casing	<input type="checkbox"/> Repair Casing
<input checked="" type="checkbox"/> Change of Plans	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Convert to Injection
<input type="checkbox"/> Fracture Treat or Acidize	<input type="checkbox"/> Fracture Treat or Acidize
<input type="checkbox"/> Multiple Completion	<input type="checkbox"/> Multiple Completion
<input type="checkbox"/> Other _____	<input type="checkbox"/> Other _____
<input type="checkbox"/> New Construction	<input type="checkbox"/> New Construction
<input type="checkbox"/> Pull or Alter Casing	<input type="checkbox"/> Pull or Alter Casing
<input type="checkbox"/> Recompletion	<input type="checkbox"/> Perforate
<input type="checkbox"/> Perforate	<input type="checkbox"/> Vent or Flare
<input type="checkbox"/> Vent or Flare	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Water Shut-Off	

Approximate date work will start 5/20/96

Date of work completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

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

Operator requests permission to change pressure control equipment to 3,000 psi Shaffer 11" annular preventer, 11" double gate hydraulic BOP and change to an 11" 3,000# wellhead since the rig substructure is not high enough to accommodate the 5,000 psi pressure control equipment. Per our Drilling Supervisor (Don Nichols), Dave Hackford and Frank Matthews, State of Utah, were consulted about these changes on Friday, May 17, 1996.

Pressure control equipment will be switched from the 5,000 psi equipment to the 3,000 psi equipment this afternoon (5/20/96). Dave Hackford, State of Utah, is currently on location and will witness the testing, etc.

13. Name & Signature: Sheila Bremer Title: Environmental & Safety Analyst Date: 05/20/96

(This space for State use only)

Frank Matthews Petroleum Engineer 5/20/96

SUNDRY NOTICES AND REPORTS ON WELLS

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

	5. Lease Designation and Serial Number: ML-22265
	6. If Indian, Allottee or Tribe Name: N/A
	7. Unit Agreement Name: N/A
1. Type of Well: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER:	8. Well Name and Number: Morgan State #2-36
2. Name of Operator: Coastal Oil & Gas Corporation	9. API Well Number: 43-047-32585
3. Address and Telephone Number: P.O. Box 749, Denver, CO 80201-0749 (303) 573-4455	10. Field and Pool, or Wildcat: Natural Buttes Field
4. Location of Well	
Footages: 900' FNL & 804' FWL	County: Uintah
QQ, Sec., T., R., M.: NW/NW Section 36-T9S-R21E	State: Utah

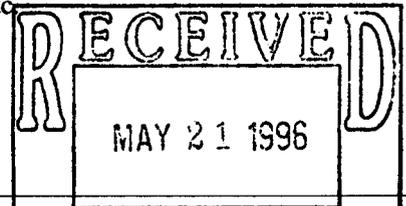
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT <small>(Submit In Duplicate)</small>	SUBSEQUENT REPORT <small>(Submit Original Form Only)</small>																										
<table style="width:100%;"> <tr> <td><input type="checkbox"/> Abandon</td> <td><input type="checkbox"/> New Construction</td> </tr> <tr> <td><input type="checkbox"/> Repair Casing</td> <td><input type="checkbox"/> Pull or Alter Casing</td> </tr> <tr> <td><input checked="" type="checkbox"/> Change of Plans</td> <td><input type="checkbox"/> Recompletion</td> </tr> <tr> <td><input type="checkbox"/> Convert to Injection</td> <td><input type="checkbox"/> Perforate</td> </tr> <tr> <td><input type="checkbox"/> Fracture Treat or Acidize</td> <td><input type="checkbox"/> Vent or Flare</td> </tr> <tr> <td><input type="checkbox"/> Multiple Completion</td> <td><input type="checkbox"/> Water Shut-Off</td> </tr> <tr> <td><input type="checkbox"/> Other _____</td> <td></td> </tr> </table> <p>Approximate date work will start <u>5/20/96</u></p>	<input type="checkbox"/> Abandon	<input type="checkbox"/> New Construction	<input type="checkbox"/> Repair Casing	<input type="checkbox"/> Pull or Alter Casing	<input checked="" type="checkbox"/> Change of Plans	<input type="checkbox"/> Recompletion	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Perforate	<input type="checkbox"/> Fracture Treat or Acidize	<input type="checkbox"/> Vent or Flare	<input type="checkbox"/> Multiple Completion	<input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> Other _____		<table style="width:100%;"> <tr> <td><input type="checkbox"/> Abandon *</td> <td><input type="checkbox"/> New Construction</td> </tr> <tr> <td><input type="checkbox"/> Repair Casing</td> <td><input type="checkbox"/> Pull or Alter Casing</td> </tr> <tr> <td><input type="checkbox"/> Change of Plans</td> <td><input type="checkbox"/> Perforate</td> </tr> <tr> <td><input type="checkbox"/> Convert to Injection</td> <td><input type="checkbox"/> Vent or Flare</td> </tr> <tr> <td><input type="checkbox"/> Fracture Treat or Acidize</td> <td><input type="checkbox"/> Water Shut-Off</td> </tr> <tr> <td><input type="checkbox"/> Other _____</td> <td></td> </tr> </table> <p>Date of work completion _____</p> <p><small>Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.</small></p> <p><small>* Must be accompanied by a cement verification report.</small></p>	<input type="checkbox"/> Abandon *	<input type="checkbox"/> New Construction	<input type="checkbox"/> Repair Casing	<input type="checkbox"/> Pull or Alter Casing	<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Perforate	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Vent or Flare	<input type="checkbox"/> Fracture Treat or Acidize	<input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> Other _____	
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12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Operator requests permission to change pressure control equipment to 3,000 psi Shaffer 11" annular preventer, 11" double gate hydraulic BOP and change to an 11" 3,000# wellhead since the rig substructure is not high enough to accommodate the 5,000 psi pressure control equipment. Per our Drilling Supervisor (Don Nichols), Dave Hackford and Frank Matthews, State of Utah, were consulted about these changes on Friday, May 17, 1996.

Pressure control equipment will be switched from the 5,000 psi equipment to the 3,000 psi equipment this afternoon (5/20/96). Dave Hackford, State of Utah, is currently on location and will witness the testing, etc.



13. Name & Signature: Sheila Bremer Title: Environmental & Safety Analyst Date: 05/20/96

(This space for State use only)

Frank Matthews Petroleum Engineer 5/21/96

STATE OF UTAH
 DIVISION OF OIL, GAS AND MINING
 ENTITY ACTION FORM - FORM 6

OPERATOR Coastal Oil & Gas Corporation
 ADDRESS P.O. Box 749
Denver, CO 80201-0749

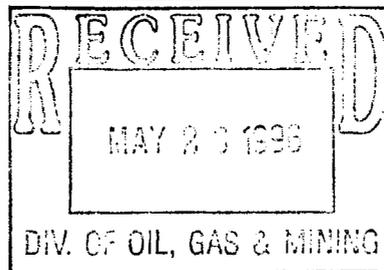
OPERATOR ACCT. NO. N0230

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999	11927	43-047-32585	Morgan State #2-36	NWNW	36	9S	21E	Uintah	5/14/96	5/14/96
WELL 1 COMMENTS: <i>Entity added 5-29-96. Jec</i>											
WELL 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.



Sheila Bremer
 Signature

Environmental & Safety Analyst 05/23/96
 Title Date

Phone No. (303) 573-4455

5-29-96
FORM 9

STATE OF UTAH
DIVISION OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial Number:

ML-22265

6. If Indian, Allottee or Tribe Name:

N/A

7. Unit Agreement Name:

N/A

8. Well Name and Number:

Morgan State #2-36

9. API Well Number:

43-047-32585

10. Field and Pool, or Wildcat:

Natural Buttes Field

1. Type of Well:

OIL GAS OTHER:

2. Name of Operator:

Coastal Oil & Gas Corporation

3. Address and Telephone Number:

P.O. Box 749, Denver, CO 80201-0749

(303) 573-4455

4. Location of Well

Footages:

900' FNL & 804' FWL

County: Uintah

QQ, Sec., T., R., M.:

NW/NW Section 36-T9S-R21E

State: Utah

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

NOTICE OF INTENT

(Submit in Duplicate)

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

Approximate date work will start _____

SUBSEQUENT REPORT

(Submit Original Form Only)

- | | |
|---|---|
| <input type="checkbox"/> Abandon * | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Perforate |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other Spud Notice | |

Date of work completion _____

Report results of **Multiple Completions** and **Recompletions** to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

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

MI Bill Jr.'s Rat Hole Drlg. Spud well @ 12:30 p.m. on 5/14/96. Drill 43' 24" hole. Prep to set 16".

MI Nabors' Rig #908 & RURT. Cut off conductor, weld on flange for rot hd & RU rot hd. NU flowline & RU for air. Drlg 12-1/4" surface hole w/air mist, 2400 CFM, 12-15 gal/min. Spudded @ 3:30 a.m. on 5/17/96.

13.

Name & Signature:

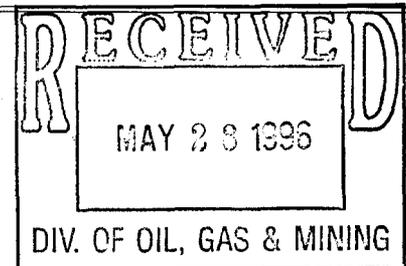
Sheila Bremer

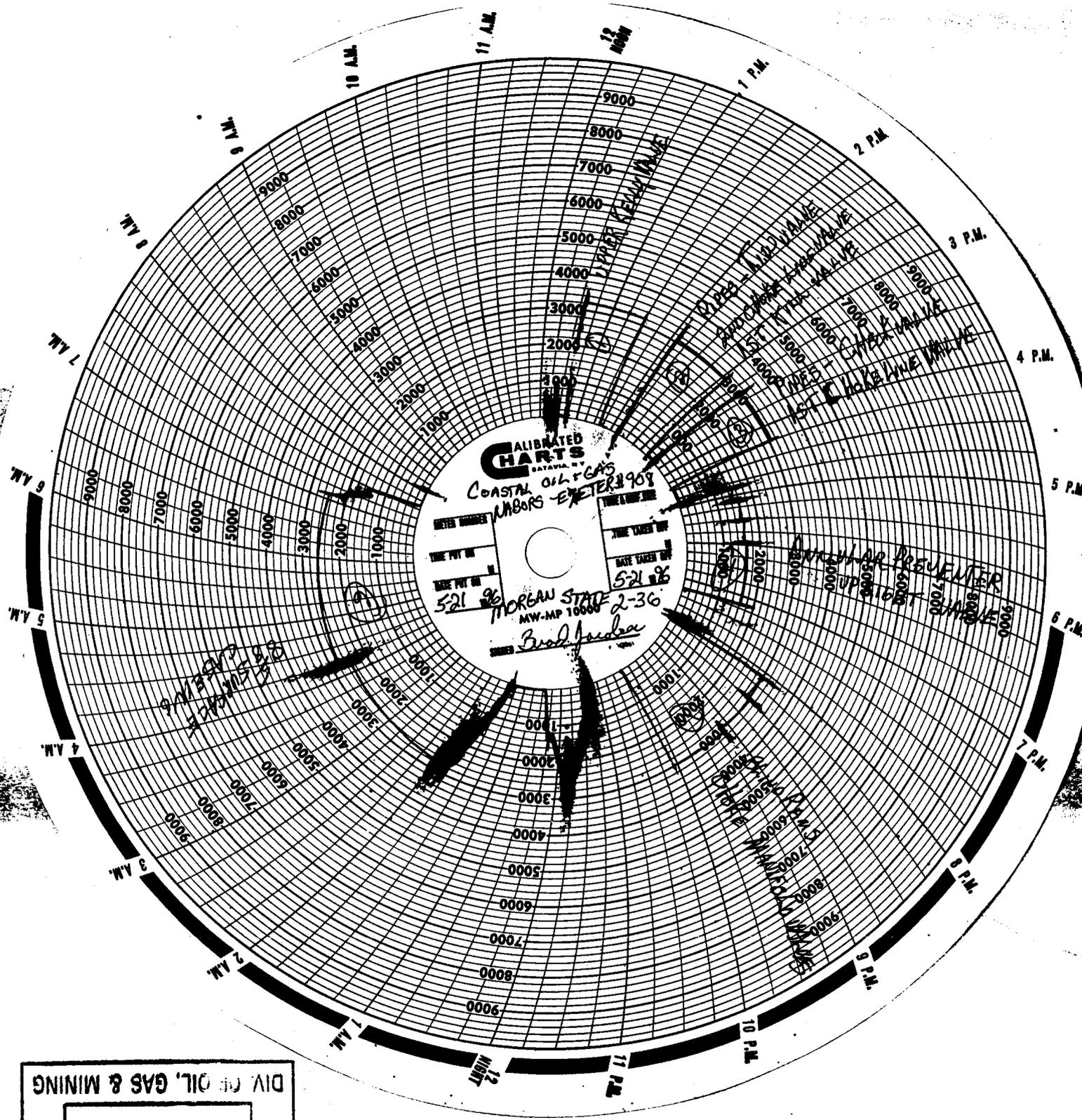
Sheila Bremer

Title: Environmental & Safety Analyst

Date: 05/23/96

(This space for State use only)





RECEIVED
 MAY 29 1996
 DIV. OF OIL, GAS & MINING

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

5. Lease Designation and Serial Number:

ML-22265

6. If Indian, Allottee or Tribe Name:

N/A

7. Unit Agreement Name:

N/A

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. Type of Well:

OIL GAS OTHER:

8. Well Name and Number:

Morgan State #2-36

2. Name of Operator:

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9. API Well Number:

43-047-32585

3. Address and Telephone Number:

P.O. Box 749, Denver, CO 80201-0749

(303) 573-4455

10. Field and Pool, or Wildcat:

Natural Buttes Field

4. Location of Well

Footages: 900' FNL & 804' FWL

County: Uintah

QQ, Sec., T., R., M.: NW/NW Section 36-T9S-R21E

State: Utah

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

NOTICE OF INTENT

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- | | |
|--|---|
| <input type="checkbox"/> Abandon | <input type="checkbox"/> New Construction |
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| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other _____ | |

Approximate date work will start _____

SUBSEQUENT REPORT

(Submit Original Form Only)

- | | |
|--|---|
| <input type="checkbox"/> Abandon * | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Perforate |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other <u>Drilling Operations</u> | |

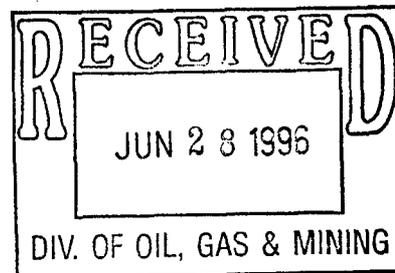
Date of work completion 6/11/96

Report results of **Multiple Completions and Recompletions** to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

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

Please see the attached chronological history for drilling operations performed on the subject well.



13.

Name & Signature:

Sheila Bremer

Sheila Bremer

Title: Environmental & Safety Analyst Date:

06/26/96

(This space for State use only)

COASTAL OIL & GAS USA, L.P.
CHRONOLOGICAL HISTORY

MORGAN STATE #2-36

SECTION 36-T9S-R21E

Natural Buttes Field

Uintah County, UT

CONTR: Nabors #908/Anchor

WI: 100% COGLP AFE: 26295

ATD: 9450' SD: 5/17/96

16" @ 55'; 8 $\frac{5}{8}$ " @ 2525'; 5 $\frac{1}{2}$ " @ 9475'

DHC(M\$): 464.0

- 5/14/96 **Build location. Prep to spud.** Build location. Drill pit; will shoot this morning & move in dry hole rig. Notified State of Utah of upcoming spud.
- 5/15/96 **Plan to set condr, drill rat & mouse hole.** MI Bill Jr.'s. Spud well at 12:30 p.m. on 5/14/96. Drill 43' of 24" hole. Prep to set 16" this morning. Dirt contractor shot & pushed pit. Costs pending location & rat & mouse hole.
DC: \$350 TC: \$350
- 05/16/96 **MI rotary rig.** Run 43' of 16" cond. Cmt w/Redi-mix to surface. Drill rat & mouse hole. Finish reserve pit. Prepare for pit liner.
DC: \$6,294 TC: \$6,294
- 05/17/96 **80' Drlg. 25' / 1 $\frac{1}{2}$ hrs.** MI Nabors Rig #908 & RURT. Cut off cond, weld on flange for rot hd & RU rot hd. NU flowline & RU for air. Drlg 12 $\frac{1}{4}$ " surface hole w/air mist, 2400 CFM, 12-15 GPM. **Spud well @ 3:30 a.m. MDT, 5/17/96.**
DC: \$2,143 TC: \$8,787
- 05/18/96 **1204' Drlg. 1124'/18 $\frac{1}{2}$ hrs.** Drlg w/air mist, RS. Change BHA, LD 3 - 6" DC & PU 3 - 8" DC. Drlg w/air mist. WL svy @ 318'. Drlg w/air mist. Unload hole & svy @ 764'. TFNB, 10' fill. Drlg w/air mist, unload hole. Drlg w/air mist, 2400 CFM, 12-15 gals H₂O/min w/250 psi. Air mist. Svys: $\frac{1}{4}$ ° @ 318'; $\frac{1}{2}$ ° @ 764'.
DC: \$40,008 TC: \$48,795
- 05/19/96 **1942' Drlg w/air + H₂O. 738'/17 $\frac{1}{4}$ hrs.** Unload hole. Drlg w/air mist. WL svy @ 1260'. Drlg w/air mist. RS, TNFB. Drlg w/air mist. Switch to air & wtr @ 1597'. Drlg w/air + H₂O. Chg rot hd rubber. Drlg w/air + H₂O. RS. Drlg w/air + H₂O. Unload hole. Drlg w/air + H₂O. Rig repair, work on rot table. Drlg w/air + H₂O. WL svy @ 1879'. Drlg w/air + H₂O. Aerated H₂O. Svys: $\frac{1}{4}$ ° @ 1260'; $\frac{3}{4}$ ° @ 1879'.
DC: \$22,911 TC: \$71,706
- 05/20/96 **2532' Running 8 $\frac{5}{8}$ " csg, 32#, J-55, LT&C. 590'/12 $\frac{1}{2}$ hrs.** Drlg w/air + H₂O. RS. Drlg w/air + H₂O. Circ for short trip. Short trip 20 stds to DC. W&R 2452'-2532'. Circ for csg. WL svy @ 2500'. POOH 3 stds, WL svy @ 2210'. POOH for csg & LD 3-8" DC. RU T&M csg crew. Running 8 $\frac{5}{8}$ " csg, 32#, J-55, LT&C equip w/shoe, float, & 12 cent. Weld shoe & float. MW 8.34, VIS 27, pH 9.8, ALK 2.4/5.3, CL 1000 ppm, Ca 28, w/1500-100 CFM. Svys: 4 $\frac{1}{4}$ ° @ 2500', 2 $\frac{3}{4}$ ° @ 2210'.
DC: \$22,923 TC: \$94,629
- 05/21/96 **2532' NU BOPs.** Finish running csg. Run 62 jts 8 $\frac{5}{8}$ ", 32#, J-55, LT&C. total 2529.34'. RU DS head & lines & circ csg btm. Cmt csg w/500 sx 35/65 Poz/G w/8% D20, 10#/sx D24, 0.25#/sx D29, 0.2% D46, wt 12.2, yld 2.09. Tail w/600 sx Class "G" w/2% S1, 0.25#/sx D29, wt 15.8, yld 1.15. Drop pull, displ w/151 bbls H₂O. Bump plug w/1240 psi @ 9 a.m., 5/20/96. ICP 780, float didn't hold press up & SI. Started cmt w/no circ. Had circ half way thru tail until 20 bbls in disp. WOC & run 100' 1" pipe & cmt w/100 sx Class "G" w/0.3% S1, good cmt returns. Cut off cond, 8 $\frac{5}{8}$ " csg, weld on head & press test 1000 psi - OK. NU BOPs & manifold. T&M Casers Inc., Vernal, UT. Clinton Goodrich go hurt when loading out tongs. MW 8.4, VIS 27, pH 10.0, CL 1200 ppm, Ca 32.
DC: \$50,179 TC: \$138,359
- 05/22/96 **3017' Drlg w/air & H₂O. 485'/ 8 hrs.** NU BOPs & manifold. Press test BOPs & valves, manifold valve, upper & lower Kelly cock to 3000 psi, 10 min; Hydril 1500 psi, 10 min;

- csg 2750 psi, 30 min. Bleed dwn 2500 psi. TIH w/motor & mag flux DC & LD 2 cracked DC pin & box. Circ & press test csg to 1500 psi, 10 min, OK. Drlg cmt, float & shoe. Drlg w/air & H₂O, 800 CFM. WL svy @ 2761'. Drlg w/air & H₂O, 1500 CFM. MW 8.4, VIS 27, pH 10.0, ALK 2.8/6.0, CL 1000 ppm, Ca 36, 1500 CFM. Svy: 2° @ 2761'.
DC: \$26,105 TC: \$164,464
- 05/23/96 **4258' Drlg w/air & H₂O. 1241'/23 hrs.** Drlg w/air & H₂O. RS & function BOPs. Drlg w/air & H₂O. WL svy @ 3504'. Drlg w/air & H₂O, WL svy @ 3752'. Drlg w/air & H₂O. Green River 100% sh, BG 80, CG 180. MW 8.4, VIS 27, pH 10.0, ALK 2.3/5.3, CL 2800 ppm, Ca 44, KCL: ¼%, 1000 CFM. Svys: 2½° @ 3504', 2° @ 3752'.
DC: \$36,565 TC: \$201,029
- 05/24/96 **4955' Drlg w/H₂O. 697'/22 hrs.** Drlg w/air & H₂O. WL svy @ 3752'. Drlg w/air & H₂O. RS & function BOPs. Drlg w/H₂O. Rig repair #2 pmp. Drlg w/H₂O. Rig repair - weld on flowline. Drlg w/H₂O. WL svy @ 4717'. Drlg w/H₂O. Top Wasatch 4452', 100% sh, BG 40, CG 800. KCL/H₂O. MW 8.4+, VIS 27, pH 10.0, ALK 1.9/4.3, CL 13,000 ppm, Ca 60, KCL 2.8. Svys: 2¾° @ 3752'; 2° @ 4717'.
DC: \$27,377 TC: \$228,406
- 05/25/96 **5538' Drlg w/H₂O. 583'/17¼ hrs.** Drlg w/H₂O. Svy & TFNB @ 5041'. Drlg w/H₂O. Top Wasatch 4652', 80% sh, 20% ss, BG 40, CG 400, TG 1500. KCL. MW 8.4+, VIS 27, pH 10.2, ALK 1.9/4.2, CL 12,500 ppm, Ca 40, KCL 2.6. Svy: 1¼° @ 5000'.
DC: \$19,902 TC: \$248,308
- 05/26/96 **6288' Drlg w/KCL H₂O. 750'/22¼ hrs.** Drlg w/KCL H₂O. RS. Drlg w/KCL H₂O. RS & function BOPs. Drlg w/KCL H₂O. WL svy @ 5554'. Drlg w/KCL H₂O. WL svy @ 6185'. Drlg w/KCL H₂O. Wasatch 90% sh, 10% ss, BG 200, CG 1400. MW 8.4+, VIS 27, pH 10.0, ALK 1.8/3.9, CL 13,000 ppm, Ca 44, KCL 2.7. Svys: 1¼° @ 5554'; 2° @ 6185'.
DC: \$22,919 TC: \$271,227
- 05/27/96 **6810' Drlg w/KCL H₂O. 522'/23 hrs.** Drlg w/KCL H₂O. RS & function BOPs. Drlg w/KCL H₂O. Rig repair - work on DP. Drlg w/KCL H₂O. WL svy @ 6734'. Drlg w/KCL H₂O. Wasatch 90% sh, 10% ss, BG 200, CG 1000. MW 8.4+, VIS 27, pH 10.0, ALK 1.4/3.5 CL 13,100 ppm, Ca 40, KCL 2.75. Svy: 1¼° @ 6734'.
DC: \$16,250 TC: \$287,477
- 05/28/96 **7230' Drlg w/KCL H₂O. 420'/23¼ hrs.** Drlg w/KCL H₂O. RS & function BOPs. Drlg w/KCL H₂O. Wasatch 90% sh, 10% ss, BG 400, CG 800-1500. MW 8.4+, VIS 27, pH 10.0, ALK 1.3/3.6, CL 13,500 ppm, Ca 36, KCL 2.8.
DC: \$13,451 TC: \$300,928
- 05/29/96 **7587' Drlg. 357'/13½ hrs.** Drlg w/KCL H₂O. Drop svy. POOH w/bit, well flwg. Trip in to 2500'. Displ hole w/10# Brine H₂O. POOH w/bit. RS & function BOPs. TIH w/bit & PU 5 DC & LD 5 jts DP. W&R 60' to btm. Drlg w/KCL H₂O. RS. Drlg w/mud. Started mud up @ 7447'. Est top of Mesaverde @ 7330', 70% sh, 30% ss, BG 1100, CG 1500, TG 4200. LSND. MW 8.5, VIS 27, pH 10.0, ALK 1.2/3.2, CL 15,000 ppm, Ca 36, KCL 3.15. Svy: 1½° @ 7282'.
DC: \$11,290 TC: \$312,218
- 05/30/96 **7912' Drlg. 325'/15¼ hrs.** Drlg. RS & function BOPs. Drlg. Rig repair - rot chain. Drlg. Pmp pill & drop svy @ 7904'. Motor locked up. POOH, LD motor. TIH BHA, cut DL. TIH w/bit. Drlg. Mesaverde 80% sh, 20% ss, BG 700, CG 1500, TG 2500. MW 9.2, VIS 36, FL 20, PV 6, YP 4, Solids 1%, pH 9.8, ALK 0.6/2.2, CL 50,000 ppm, Ca 100, Gels 1/1, wall cake 2/32ND, KCL 1. Svy: ¾° @ 7904'.
DC: \$14,922 TC: \$327,140

- 05/31/96 **8073'- TIH w/bit & motor. 161'/11½ hrs.** Drlg. Check surf equip & pmp flag loss, 300 psi. TIH for DP. Install rot hd. W&R 20' to btn, no fill. Drlg. RS & function BOPs. Drlg. Pmp pill. POOH for bit & motor. RS & functions BOPs. Rig repair - high clutch chain. TIH w/bit & motor. Mesaverde 70% sh, 30% ss, BG 200, CG 1200, TG 2500. MW 9.5+, VIS 36, FL 20, PV 4, YP 4, Solids 3%, pH 10.0, ALK 0.3/1.1, CL 82,000 ppm, Ca 52, Gels 1/2, wall cake 2/32ND.
DC: \$8,899 TC: \$336,039
- 06/01/96 **8640' Drlg. 567'/20¼ hrs.** Drlg. RS & function BOPs. Drlg. SI well & circ thru chk & gas buster & raise MW 10.8. Drlg. Mesaverde 10% ss, 90% sh, BG 1500, CG 2800. MW 10.8, VIS 40, FL 12.8, PV 6, YP 4, Solids 3%, pH 10.0, ALK 0.3/1.1, CL 130,000 ppm, Ca 80, Gels 1/1, wall cake 2/32ND, KCL 0.5.
DC: \$21,863 TC: \$357,902
- 06/02/96 **9015' Well SI & building volume. 375'/19¼ hrs.** Drlg. RS & function BOPs. Drlg. SI well to try to circ out gas. Lost returns & build volume w/860 psi on annulus, 50-200 psi on DP. Lost 400 bbls mud. Lost 60 bbls mud @ 8823'-8853'. Mesaverde 80% ss, 20% sh, BG 3000, CG 2500. MW 11.1, VIS 42, FL 11.4, PV 10, YP 9, Solids 10%, pH 10.0, ALK 0.2/0.4, CL 152,000 ppm, Ca 120, Gels 2/6, wall cake 2/32ND, KCL 0.25.
DC: \$16,411 TC: \$374,313
- 06/03/96 **9168' Drlg. 153'/12½ hrs.** Circ thru chk & buster & kill well w/25' flare & raise MW 11.3. Drlg. RS & function BOPs. Drlg. Circ thru chk & buster w/25' flare & raise MW 11.5. Drlg. lost returns @ 9068'. Pmp LCM pill & mix mud & build volume & circ. Drlg. RS. Drlg. Est lost 900 bbls mud. Mesaverde 20% ss, 80% sh, BG 100, CG 360. MW 11.5, VIS 45, FL 28, PV 11, YP 17, LCM 2%, Solids 11.5%, pH 9.0, ALK 0.1/0.6, CL 232,000 ppm, Ca 400, Gels 5/10, wall cake 2/32ND.
DC: \$17,873 TC: \$392,186
- 06/04/96 **9217' TIH w/bit. 49'/4¼ hrs.** Drlg. Circ & pmp pill. Drop svy. POOH w/bit & motor. RS & function BOPs. TIH w/bit & motor to 2500'. Cut DL. TIH w/bit & motor to 6000', try break circ, string plugged. POOH w/plugged string. LD plugged DC & motor w/LCM & bar. TIH w/bit & break circ @ 2000' & 6000'. Mesaverde 80% sh, 20% ss, BG 100, CG 200. MW 11.7, VIS 42, FL 28, PV 10, YP 19, LCM 0.5%, Solids 12%, pH 10.2, ALK 0.2/0.4, CL 232,000 ppm, Ca 400, Gels 6/12, wall cake 2/32ND. Svys: 2¼° @ 9217'.
DC: \$25,913 TC: \$418,099
- 06/05/96 **9388' Drlg. 171'/18 hrs.** Finish TIH w/bit. W&R 9060'-9067'. Circ out gas thru chk & buster, 25'-30' flare. W&R 9067'-9217'. Drlg. RS & function BOPs. Drlg. RS. Drlg. Mesaverde 80% sh, 20% ss, BG 100, CG 3000. MW 12.1, VIS 42, FL 18, PV 10, YP 10, LCM TR, Solids 11%, pH 9.0, ALK 0.1/0.8, CL 153,000 ppm, Ca 600, Gels 7/14, wall cake 2/32ND.
DC: \$12,782 TC: \$430,881
- 06/06/96 **9475' POOH for logs. 87'/12 hrs.** Drlg to 9450'. Circ up sample. Drlg to 9475', circ & pmp pill for short trip. Short trip 30 stds. C&C mud for logs. POOH for logs. Mesaverde 40% ss, 60% sh, BG 100, CG 3200, ST 4000. MW: 12.2, VIS 46, FL 10, PV 17, YP 16, Solids 11%, pH 9.5, ALK 0.1/0.5, CL 122,000 ppm, Ca 400, Gels 3/12, wall cake 2/32ND.
DC: \$11,223 TC: \$442,104
- 06/07/96 **9475' Running side wall cores.** Finish POOH for logs. RU Schlumberger & run DLL-DEN-NEU-CAL from TD to surf. Run sonic from TD to surf. Logger TD 9482' & BHT 180°. Run side wall cores 9364'-9235'. 1st run will be to 7354'. 2nd run will be 7354'-5556'. MW 12.2, VIS 46, FL 10, PV 17, YP 16, Solids 11%, pH 9.5, ALK 0.1/0.5, CL 122,000 ppm, Ca 400, Gels 3/16, wall cake 2/32ND.
DC: \$7,535 TC: \$449,639

- 06/08/96 **9475' Cutting DL.** Running side wall cores. 1st run 9364'-8880'. Core 20 & recovered 15 cores, tool quit. Run 2nd tool to 5020', test tool & stuck. WO fishing tools. Cut & thread & MU OS & PU fishing tools. TIH w/DP & WL & latch onto SWC tool @ 5020'. Pull line out rope socket. POH w/line & POOH w/fish. LD tools & SWC tool. TIH w/BHA. Cut DL. MW 12.1, VIS 40, FL 10, PV 17, YP 16, Solids 11%, pH 9.5, ALK 0.1/0.5, CL 122,000 ppm, Ca 400, Gels 3/16, wall cake 2/32ND.
DC: \$17,515 TC: \$467,154
- 06/09/96 **9475' Circ out gas thru chk @ 5595'.** TIH w/bit to 5000'. Break circ & build vol. TIH w/bit to 9475'. C&C mud for logs. POOH for logs. Hole didn't take the right disp. Driller came out of hole without telling me. RU Schlumberger & run SWCs 5605'-8734'. Core 12 & recovered 12 cores. RD Schlumberger. Well flwg. MU bit. TIH w/BHA & strip thru Hyd & install rot hd on DP. TIH to 5595'. Circ out gas thru chk w/40 stds, 400 psi on DP & 400-600 psi on csg. MW 12.2, VIS 46, FL 10.4, PV 18, YP 14, Solids 11%, pH 9.0, ALK 0.2/0.8, CL 145,000 ppm, Ca 600, Gels 4/14, wall cake 2/32ND.
DC: \$9,898 TC: \$477,052
- 06/10/96 **9475' Change rams for csg.** Circ out gas thru chk. Work stuck pipe @ 5595'. RU BJ & pmp 50 bbls diesel w/125 gals pipe free, 20 bbls annulus & 30 bbls DP. Work stuck pipe & pmp 2 bbls every hr. TIH w/bit. C&C mud & pmp pill. LD DP & DC & break kelly. Cut DL. Change rams for csg. Est loss 150 bbls mud. MW 12.2, VIS 43, FL 12.8, PV 14, YP 10, Solids 11%, pH 8.5, ALK 0.07/1.7, CL 91,000 ppm, Ca 800, Gels 4/17, wall cake 2/32ND.
DC: \$71,204 TC: \$548,256
- 06/11/96 **9475' Rig released & RDRT & MO rig.** PBTB: 9429'. Finish chg rams for csg. Pull wear bushing. Test rams 2500 psi, 10 min - OK. RU csg crew. Run 217 jts 5½" 17# N-80 LT&C, total 9495.53'. Equip w/shoe, float, 48 cent, 2 frac baffles + 1 baffle on top float for plug. Circ csg before cmtg. Cmt w/DS. Pmp 20 bbls flush, 360 sx Hilift G w/6% D20, 3% D79, 0.75% D112, 0.2% D46, 5% D44, 0.6% D13, wt 12#, yld 2.66. Tailed w/850 sx Self Stress II G w/10% D53, 0.5% D65, 0.75% D112, 0.2% D46, wt 14.2, yld 1.61. Drop plug. Displ w/219 bbls. Bmp plug w/4000 psi @ 8:45 pm on 6/10/96. ICP 3500 psi. Float didn't hold, SI csg head. Lost returns, finish drop plug & no reciprocate pipe. WOC w/csg SI. ND BOPs. PU & set csg slip w/145,000 wt. Cut off 5½" csg. Rig released @ 5:00 am on 6/11/96. **FINAL DRILLING REPORT.**
DC: \$86,882 TC: \$696,240

43-047-32585



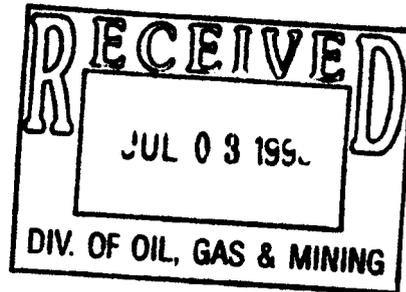
CORE LABORATORIES

CORE ANALYSIS RESULTS

for

**Coastal Oil & Gas Corp.
Morgan State #2-36**

**Uintah Co., Utah
57122-8015**





CORE LABORATORIES

June 20, 1996

Mr. Bob La Rocque
Coastal Oil & Gas Corp.
P.O. Box 749
Denver, CO 80201

Subject:

*Core Analysis Project
Morgan State #2-36
Uintah County, Utah
File Number: 57122-8015*

Dear Mr. La Rocque:

Core Laboratories was requested to analyze core material obtained from the subject well. The following tests were performed and the results are presented in a tabular format within this report:

1. Rotary Plug Analysis (CMS-300)

Thank you for the opportunity to perform this study for Coastal. Should you have any questions pertaining to these test results or if we may be of further assistance, please contact us at (307) 265-2731.

Very truly yours,

A handwritten signature in black ink, appearing to read "David A. Foster", with a stylized flourish at the end.

David A. Foster
Core Laboratories

CORE LABORATORIES

Company : Coastal Oil & Gas Corp.
Well : Morgan St. 2-36

Field :
Formation : As Noted

File No.: 57122-8015
Date : 9-Jun-1996

CORE ANALYSIS RESULTS

SAMPLE NUMBER	DEPTH ft	PERMEABILITY (HORIZONTAL) Kair md	POROSITY (HELIUM) %	SATURATION		GRAIN DENSITY gm/cc	GAS DETECTOR UNITS	DESCRIPTION
				(PORE VOLUME) OIL %	WATER %			
6	9067.0	0.07	9.2	0.0	46.5	2.67	0.	Sst gry f-m gr
7	9156.0	0.04	10.1	0.0	41.4	2.68	1.	Sst gry f gr
8	9181.0	0.05	10.2	0.0	42.5	2.68	1.	Sst gry f gr
9	9186.0	0.03	7.2	0.0	48.1	2.67	4.	Sst gry f gr
10	9235.0	0.04	10.5	0.0	30.8	2.69	3.	Sst gry vf-f gr dol
11	9316.0	0.04	10.4	0.0	37.8	2.68	0.	Sst gry f gr
12	9325.0	0.03	9.6	0.0	41.7	2.68	0.	Sst gry f gr
13	9340.0	0.03	10.1	0.0	40.4	2.69	1.	Sst gry f gr dol
14	9346.0	0.04	11.3	0.0	27.1	2.68	0.	Sst dk gry f gr sh clst
15	9364.0	0.04	10.6	0.0	23.7	2.68	0.	Sst dk gry f gr sh clst

CORE LABORATORIES

Company : Coastal Oil & Gas Corp.
 Well : Morgan St. 2-36
 Location : NW NW Sec. 36 T9S, R21E
 Co,State : Uintah, Utah

Field :
 Formation : As Noted
 Coring Fluid : Water Base Mud
 Elevation :

File No.: 57122-8015
 Date : 9-Jun-1996
 API No. :
 Analysts: DF

C O R E A N A L Y S I S R E S U L T S

SAMPLE NUMBER	DEPTH ft	PERMEABILITY (HORIZONTAL) K _{air} md	POROSITY (HELIUM) %	SATURATION		GRAIN DENSITY gm/cc	GAS DETECTOR UNITS	DESCRIPTION
				(PORE VOLUME) OIL %	WATER %			
Rotary Sidewalls								
Wasatch Fm.								
16	5605.0	0.42	12.0	4.6	57.2	2.65	5.	Sst gry/brn f gr
17	5626.0	0.54	10.6	13.3	49.7	2.64	10.	Sst gry/brn f gr
18	5713.0	0.11	8.8	0.0	52.5	2.66	0.	Sst gry f gr
19	5719.0	0.19	10.1	0.0	49.0	2.66	2.	Sst gry f gr
20	5950.0	0.02	8.9	0.0	52.6	2.67	2.	Sst dk gry f gr
21	5958.0		11.1	0.0	61.1	2.66	0.	Sst gry f gr(no perm, chipped sample)
22	6032.0	0.08	9.2	0.0	54.5	2.66	2.	Sst gry f gr
23	6038.0	0.07	8.4	0.0	52.2	2.65	0.	Sst gry f gr
Mesaverde Fm.								
24	8734.0	0.02	9.3	0.0	32.7	2.64	10.	Sst dk gry vf-f gr
25	8754.0	0.01	7.1	0.0	22.5	2.68	2.	Sst dk gry vf-f gr calc
26	8881.0	0.05	9.1	0.0	29.5	2.66	2.	Sst dk gry vf-f gr
27	8899.0	0.07	12.1	0.0	39.1	2.66	2.	Sst dk gry vf-f gr
1	9004.0	0.01	10.4	0.0	35.0	2.64	1.	Sst gry vf-f gr
2	9006.0	<.01	6.9	0.0	24.5	2.70	1.	Sst gry vf-f gr dol
3	9009.0	0.04	10.2	0.0	12.6	2.69	0.	Sst gry vf-f gr dol
4	9063.0	0.02	8.7	0.0	17.9	2.68	0.	Sst gry vf-f gr carb
5	9066.0	0.02	8.2	0.0	18.9	2.67	1.	Sst gry vf-f gr carb

CORE LABORATORIES

Company : Coastal Oil & Gas Corp.
Well : Morgan St. 2-36

Field :
Formation : WASATCH

File No.: 57122-8015
Date : 9-Jun-1996

TABLE I

SUMMARY OF CORE DATA

ZONE AND CUTOFF DATA	CHARACTERISTICS REMAINING AFTER CUTOFFS	
ZONE:	ZONE:	PERMEABILITY:
Identification ----- Wasatch	Number of Samples ----- 8	Flow Capacity ----- 1.4 md-ft
Top Depth ----- 5605.0 ft	Thickness Represented - 8.0 ft	Arithmetic Average ---- 0.21 md
Bottom Depth ----- 6039.0 ft		Geometric Average ---- 0.13 md
Number of Samples ----- 8	POROSITY:	Harmonic Average ----- 0.08 md
	Storage Capacity ----- 79.1 ϕ -ft	Minimum ----- 0.02 md
DATA TYPE:	Arithmetic Average ---- 9.9 %	Maximum ----- 0.54 md
Porosity ----- (HELIUM)	Minimum ----- 8.4 %	Median ----- 0.11 md
Permeability ----- (HORIZONTAL) Kair	Maximum ----- 12.0 %	Standard Dev. (Geom) -- $K \cdot 10^{\pm 0.476}$ md
	Median ----- 9.6 %	
CUTOFFS:	Standard Deviation ---- ± 1.3 %	HETEROGENEITY (Permeability):
Porosity (Minimum) ----- 0.0 %		Dykstra-Parsons Var. -- 0.596
Porosity (Maximum) ----- 100.0 %	GRAIN DENSITY:	Lorenz Coefficient ---- 0.447
Permeability (Minimum) --- 0.0000 md	Arithmetic Average ---- 2.66 gm/cc	
Permeability (Maximum) --- 100000. md	Minimum ----- 2.64 gm/cc	AVERAGE SATURATIONS (Pore Volume):
Water Saturation (Maximum) 100.0 %	Maximum ----- 2.67 gm/cc	Oil ----- 2.5 %
Oil Saturation (Minimum) - 0.0 %	Median ----- 2.66 gm/cc	Water ----- 53.8 %
Grain Density (Minimum) -- 2.00 gm/cc	Standard Deviation ---- ± 0.01 gm/cc	
Grain Density (Maximum) -- 3.00 gm/cc		
Lithology Excluded ----- NONE		

CORE LABORATORIES

Company : Coastal Oil & Gas Corp.
Well : Morgan St. 2-36

Field :
Formation : WASATCH

File No.: 57122-8015
Date : 9-Jun-1996

TABLE II

SUMMARY OF CORE DATA

ZONE AND CUTOFF DATA	CHARACTERISTICS REMAINING AFTER CUTOFFS	
ZONE:	ZONE:	PERMEABILITY:
Identification ----- Mesaverde	Number of Samples ----- 19	Flow Capacity ----- 0.7 md-ft
Top Depth ----- 8734.0 ft	Thickness Represented - 19.0 ft	Arithmetic Average ---- 0.04 md
Bottom Depth ----- 9365.0 ft		Geometric Average ----- 0.03 md
Number of Samples ----- 19		Harmonic Average ----- 0.02 md
	POROSITY:	Minimum ----- 0.00 md
DATA TYPE:	Storage Capacity ----- 181.2 ϕ -ft	Maximum ----- 0.07 md
Porosity ----- (HELIUM)	Arithmetic Average ---- 9.5 %	Median ----- 0.04 md
Permeability ----- (HORIZONTAL) Kair	Minimum ----- 6.9 %	Standard Dev. (Geom) -- $K \cdot 10^{\pm 0.352}$ md
	Maximum ----- 12.1 %	
CUTOFFS:	Median ----- 10.1 %	HETEROGENEITY (Permeability):
Porosity (Minimum) ----- 0.0 %	Standard Deviation ---- ± 1.4 %	Dykstra-Parsons Var. -- 0.390
Porosity (Maximum) ----- 100.0 %		Lorenz Coefficient ---- 0.244
Permeability (Minimum) --- 0.0000 md	GRAIN DENSITY:	
Permeability (Maximum) --- 100000. md	Arithmetic Average ---- 2.67 gm/cc	AVERAGE SATURATIONS (Pore Volume):
Water Saturation (Maximum) 100.0 %	Minimum ----- 2.64 gm/cc	Oil ----- 0.0 %
Oil Saturation (Minimum) - 0.0 %	Maximum ----- 2.70 gm/cc	Water ----- 32.5 %
Grain Density (Minimum) -- 2.00 gm/cc	Median ----- 2.68 gm/cc	
Grain Density (Maximum) -- 3.00 gm/cc	Standard Deviation ---- ± 0.02 gm/cc	
Lithology Excluded ----- NONE		

CORE LABORATORIES

Company : Coastal Oil & Gas Corp.
 Well : Morgan St. 2-36
 Location : NW NW Sec. 36 T9S, R21E
 Co,State : Uintah, Utah

Field :
 Formation : As Noted
 Coring Fluid : Water Base Mud
 Elevation :

File No.: 57122-8015
 Date : 9-Jun-1996
 API No. :
 Analysts: DF

C M S - 2 0 0 T E S T D A T A

SAMPLE NUMBER	DEPTH ft	NOB PRESSURE psi	PORE VOLUME cc	POROSITY %	K _∞ md	Kair(est) md	b (He) psi	BETA ft(-1)	ALPHA microns
16	5605.0	800.0			0.293	0.412	24.39	1.5717E12	1.46432E3
17	5626.0	800.0			0.379	0.544	25.65	6.0814E11	7.34651E2
18	5713.0	800.0			0.070	0.114	41.80	9.8000E12	2.15901E3
20	5950.0	800.0			0.012	0.023	73.80	3.4190E12	1.25947E2
22	6032.0	800.0			0.048	0.083	49.46	1.9883E13	3.00456E3
23	6038.0	800.0			0.039	0.068	52.19	3.6708E13	4.46234E3
24	8734.0	800.0			0.016	0.024	35.54	4.3432E15	2.22137E5
25	8754.0	800.0			0.005	0.012	129.27	3.6717E14	5.39253E3
26	8881.0	800.0			0.030	0.053	53.71	7.8890E13	7.53119E3
2	9006.0	800.0			<.001	0.002	172.52		
5	9066.0	800.0			0.010	0.023	91.50	4.2005E14	1.37528E4
6	9067.0	800.0			0.040	0.068	48.70	2.9735E13	3.74187E3
7	9156.0	800.0			0.023	0.043	61.12	2.0312E14	1.48456E4
9	9186.0	800.0			0.015	0.030	65.35	4.9825E15	9.75077E4

CORE LABORATORIES

Company : Coastal Oil & Gas Corp.
Well : Morgan St. 2-36

Field :
Formation : As Noted

File No.: 57122-8015
Date : 9-Jun-1996

C M S - 2 0 0 T E S T D A T A

SAMPLE NUMBER	DEPTH ft	NOB PRESSURE psi	PORE VOLUME cc	POROSITY %	K _∞ md	K _{air} (est) md	b (He) psi	BETA ft(-1)	ALPHA microns
11	9316.0	800.0			0.020	0.038	62.13	3.6008E14	2.31439E4
12	9325.0	800.0			0.016	0.029	60.56	8.6532E14	4.36125E4
13	9340.0	800.0			0.015	0.028	65.65	5.5090E14	2.63202E4
15	9364.0	800.0			0.020	0.038	70.04	6.4934E13	4.00548E3

CORE MEASUREMENT SYSTEM (CMS-300)

$$\text{Porosity} = \frac{\text{Directly Measured Pore Volume}}{\text{Bulk Volume}} \times 100$$

$$\text{Porosity} = \frac{\text{Helium Injected Into Pore Space By CMS}}{\text{CMS Pore Volume} + \text{Boyle's Law Grain Volume}}$$

NOTE: The second porosity equation corrects for bulk volume reduction as overburden pressure is applied.

k_{∞} = Equivalent, non-reactive, liquid permeability determined by the CMS at up to eight designated net overburden confining stresses. This is an improved flow capacity indicator since gas slippage effects present at low laboratory pore pressure (and not in the reservoir) have been eliminated.

k_{air} = A calculated air permeability approximating historical core analysis permeability data. k_{air} is an optimistic value. Low pore pressures in historical laboratory measurements result in gas slippage not present at reservoir conditions and create artificially high permeability values.

b = A term dependent on (1) pore geometry and (2) type of gas utilized in the permeability measurement that links k_{∞} and k_{air} as follows.

$$k_{\text{air}} = k_{\infty} \left(1 + \frac{b_{\text{air}}}{P_{\text{mean}}} \right)$$

P_{mean} = The mean pore pressure which is equivalent to the average of the upstream and downstream pressure of the core being tested. This value is lower in a typical laboratory determination than in the reservoir.

Beta = Forchheimer inertial term, needed to account for lost flow rate due to gas inertial and/or kinetic effects as gas flows through rock pores.

CORE LABORATORIES

Company : Coastal Oil & Gas Corp.
Well : Morgan St. 2-36

Field :
Formation : As Noted

File No.: 57122-8015
Date : 9-Jun-1996

ANALYTICAL PROCEDURES AND QUALITY ASSURANCE

HANDLING & CLEANING

Core Transportation : Hot Hot (Trucking)
Solvent : Solvent
Extraction Equipment : Dean Stark
Extraction Time : 6 Hours
Drying Equipment : Humidity Oven
Drying Time : 12 Hours
Drying Temperature : 48C(Wet) 63C(Dry)

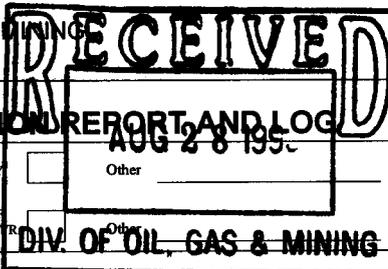
ANALYSIS

Grain volume measured by Boyle's Law in a matrix cup using He
Bulk volume by Archimedes Principle
Water saturations by Dean Stark
Oil saturations by weight difference in Dean Stark

REMARKS

Samples were returned to client.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING



WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NO. **ML-22265**

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

7. UNIT AGREEMENT NAME **N/A**

8. FARM OR LEASE NAME **Morgan State**

9. WELL NO. **#2-36**

10. FIELD AND POOL, OR WILDCAT **Natural Buttes Field**

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA **Section 36-T9S-R21E**

12. COUNTY **Uintah** 13. STATE **Utah**

14. API NO. **43-047-32585** DATE ISSUED **2/9/96**

15. DATE SPUNDED **5/17/96** 16. DATE T.D. REACHED **6/6/96** 17. DATE COMPL. (Ready to prod. or P&A) **8/1/96** 18. ELEVATIONS (DF, RKB, RT, GR, ETC.) **4,996' Ungrd GR, 5,008' KB** 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD **9,475'** 21. PLUG BACK T.D., MD & TVD **9,429'** 22. IF MULTIPLE COMPL., HOW MANY **N/A** 23. INTERVALS DRILLED BY **X** ROTARY TOOLS **X** CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD) **Mesaverde - 7,311'-7,940'; 8,498'-8,759'; 8,876'-9,366'** 25. WAS DIRECTIONAL SURVEY MADE **6-24-96**
Yes - Single Shot Sidewall Cores

26. TYPE ELECTRIC AND OTHER LOGS RUN **6-12-96**
DLL-DNN-NEU-CAL, GR-CBL **SONIC, mud** 27. WAS WELL CORED YES NO (Submit analysis) **Sidewall Cores**
DRILL STEM TEST YES NO (See reverse side)

CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
16"		55'		Cmt to surface w/Redi-mix.	
8-5/8"	32#	2,525'	12-1/4"	See attached chrono. hist.--5/21/96	
5-1/2"	17#	9,475'	7-7/8"	See attached chrono. hist.--6/11/96	

29. LINER RECORD				30. TUBING RECORD			
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

31. PERFORATION RECORD (Interval, size and number)	32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
	DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
8,876'-9,366', 4" gun, 1 spf	8,876'-9,366'	433.5 bbls 20# gel, 47,000# 20/40 sd
8,498'-8,759', 4" gun, 1 spf	8,498'-8,759'	49,000# sd, 30 ton CO2, 386 bbls 20# gel
7,311'-7,940', 4" gun, 1 spf	7,311'-7,940'	67,000# sd, 35 ton CO2, 378 bbls 20# gel

33. PRODUCTION

DATE FIRST PRODUCTION **7/13/96** PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump) **Flowing** WELL STATUS (Producing or shut-in) **Producing**

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N FOR TEST PERIOD	OIL--BBL.	GAS--MCF	WATER--BBL.	GAS-OIL RATIO
7/21/96	24	40/64"		0	830	0	
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL--BBL.	GAS--MCF	WATER--BBL.	OIL GRAVITY-API (CORR.)	
N/A	300 psi		0	830	0		

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) **Sold** TEST WITNESSED BY **Paul Breshears**

35. LIST OF ATTACHMENTS **Chronological History**

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

SIGNED Sheila Bremer TITLE **Environmental & Safety Analyst** DATE **08/26/96**

See Spaces for Additional Data on Reverse Side

INSTRUCTIONS

This form should be completed in compliance with the Utah Oil and Gas Conservation General Rules. If not filed prior to this time, all logs, tests, and directional surveys as required by Utah Rules should be attached and submitted with this report.

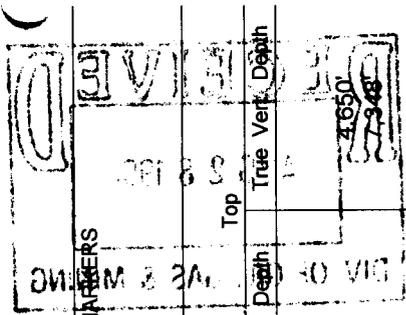
ITEM 18: Indicate which elevation is used as reference for depth measurements given in other spaces on this form and on any attachments.

ITEMS 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

ITEM 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

ITEM 33: Submit a separate completion report on this form for each interval to be separately produced (see instruction for items 22 and 24 above).

Formation	Top	Bottom	Description, contents, etc.	Name	Meas. Depth	Top True Vert. Depth
<p>37. SUMMARY OF POROUS ZONES: Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries.</p>				<p>38. GEOLOGIC MAPERS</p>		
				<p>Wasatch Mesaverde</p>		



COASTAL OIL & GAS USA, L.P.
CHRONOLOGICAL HISTORY

Page 1

MORGAN STATE #2-36
NWNW Section 36-T9S-R21E
900' FNL 804' FWL
Natural Buttes Field
Uintah County, UT
WI: 100% COGLP AFE: 26295
ATD: 9450' SD: 5/17/96
GL: 4996' KB: 5008'
16" @ 55'; 8% @ 2525'; 5½" @ 9475'
DHC(M\$): 464.0

5/14/96 **Build location. Prep to spud.** Build location. Drill pit; will shoot this morning & move in dry hole rig. Notified State of Utah of upcoming spud.

5/15/96 **Plan to set condr, drill rat & mouse hole.** MI Bill Jr.'s. Spud well at 12:30 p.m. on 5/14/96. Drill 43' of 24" hole. Prep to set 16" this morning. Dirt contractor shot & pushed pit. Costs pending location & rat & mouse hole.
DC: \$350 TC: \$350

05/16/96 **MI rotary rig.** Run 43' of 16" condr. Cmt w/Redi-mix to surface. Drill rat & mouse hole. Finish reserve pit. Prepare for pit liner.
DC: \$6,294 TC: \$6,294

05/17/96 **80' Drlg. 25' / 1½ hrs.** MI Nabors Rig #908 & RURT. Cut off condr, weld on flange for rot hd & RU rot hd. NU flowline & RU for air. Drlg 12¼" surface hole w/air mist, 2400 CFM, 12-15 GPM. Spud well @ 3:30 a.m. MDT, 5/17/96.
DC: \$2,143 TC: \$8,787

05/18/96 **1204' Drlg. 1124'/18½ hrs.** Drlg w/air mist, RS. Change BHA, LD 3 - 6" DC & PU 3 - 8" DC. Drlg w/air mist. WL svy @ 318'. Drlg w/air mist. Unload hole & svy @ 764'. TFNB, 10' fill. Drlg w/air mist, unload hole. Drlg w/air mist, 2400 CFM, 12-15 gals H₂O/min w/250 psi. Air mist. Svys: ¼° @ 318'; ½° @ 764'.
DC: \$40,008 TC: \$48,795

05/19/96 **1942' Drlg w/air + H₂O. 738'/17¼ hrs.** Unload hole. Drlg w/air mist. WL svy @ 1260'. Drlg w/air mist. RS, TNFB. Drlg w/air mist. Switch to air & wtr @ 1597'. Drlg w/air + H₂O. Chg rot hd rubber. Drlg w/air + H₂O. RS. Drlg w/air + H₂O. Unload hole. Drlg w/air + H₂O. Rig repair, work on rot table. Drlg w/air + H₂O. WL svy @ 1879'. Drlg w/air + H₂O. Aerated H₂O. Svys: ¼° @ 1260'; ¾° @ 1879'.
DC: \$22,911 TC: \$71,706

05/20/96 **2532' Running 8% csg, 32#, J-55, LT&C. 590'/12½ hrs.** Drlg w/air + H₂O. RS. Drlg w/air + H₂O. Circ for short trip. Short trip 20 stds to DC. W&R 2452'-2532'. Circ for csg. WL svy @ 2500'. POOH 3 stds, WL svy @ 2210'. POOH for csg & LD 3-8" DC. RU T&M csg crew. Running 8% csg, 32#, J-55, LT&C equip w/shoe, float, & 12 cent. Weld shoe & float. MW 8.34, VIS 27, pH 9.8, ALK 2.4/5.3, CL 1000 ppm, Ca 28, w/1500-100 CFM. Svys: 4¼° @ 2500', 2¼° @ 2210'.
DC: \$22,923 TC: \$94,629

05/21/96 **2532' NU BOPs.** Finish running csg. Run 62 jts 8%, 32#, J-55, LT&C. total 2529.34'. RU DS head & lines & circ csg btm. Cmt csg w/500 sx 35/65 Poz/G w/8% D20, 10#/sx D24, 0.25#/sx D29, 0.2% D46, wt 12.2, yld 2.09. Tail w/600 sx Class "G" w/2% S1, 0.25#/sx D29, wt 15.8, yld 1.15. Drop pull, displ w/151 bbls H₂O. Bump plug w/1240 psi @ 9 a.m., 5/20/96. ICP 780, float didn't hold press up & SI. Started cmt w/no circ. Had circ half way thru tail until 20 bbls in disp. WOC & run 100' 1" pipe & cmt w/100 sx Class "G" w/0.3% S1, good cmt returns. Cut off condr, 8% csg, weld on head & press test 1000 psi - OK. NU BOPs & manifold. T&M Casers Inc., Vernal, UT. Clinton Goodrich go hurt when loading out tongs. MW 8.4, VIS 27, pH 10.0, CL 1200 ppm, Ca 32.
DC: \$50,179 TC: \$138,359

- 05/22/96 **3017' Drlg w/air & H₂O. 485'/8 hrs.** NU BOPs & manifold. Press test BOPs & valves, manifold valve, upper & lower Kelly cock to 3000 psi, 10 min; Hydril 1500 psi, 10 min; csg 2750 psi, 30 min. Bleed dwn 2500 psi. TIH w/motor & mag flux DC & LD 2 cracked DC pin & box. Circ & press test csg to 1500 psi, 10 min. OK. Drlg cmt, float & shoe. Drlg w/air & H₂O, 800 CFM. WL svy @ 2761'. Drlg w/air & H₂O, 1500 CFM. MW 8.4, VIS 27, pH 10.0, ALK 2.8/6.0, CL 1000 ppm, Ca 36, 1500 CFM. Svy: 2° @ 2761'.
DC: \$26,105 TC: \$164,464
- 05/23/96 **4258' Drlg w/air & H₂O. 1241'/23 hrs.** Drlg w/air & H₂O. RS & function BOPs. Drlg w/air & H₂O. WL svy @ 3504'. Drlg w/air & H₂O, WL svy @ 3752'. Drlg w/air & H₂O. Green River 100% sh, BG 80, CG 180. MW 8.4, VIS 27, pH 10.0, ALK 2.3/5.3, CL 2800 ppm, Ca 44, KCL: ¼%, 1000 CFM. Svys: 2½° @ 3504', 2° @ 3752'.
DC: \$36,565 TC: \$201,029
- 05/24/96 **4955' Drlg w/H₂O. 697'/22 hrs.** Drlg w/air & H₂O. WL svy @ 3752'. Drlg w/air & H₂O. RS & function BOPs. Drlg w/H₂O. Rig repair #2 pmp. Drlg w/H₂O. Rig repair - weld on flowline. Drlg w/H₂O. WL svy @ 4717'. Drlg w/H₂O. Top Wasatch 4452'. 100% sh, BG 40, CG 800. KCL/H₂O. MW 8.4+, VIS 27, pH 10.0, ALK 1.9/4.3, CL 13,000 ppm, Ca 60, KCL 2.8. Svys: 2¾° @ 3752'; 2° @ 4717'.
DC: \$27,377 TC: \$228,406
- 05/25/96 **5538' Drlg w/H₂O. 583'/17¼ hrs.** Drlg w/H₂O. Svy & TFNB @ 5041'. Drlg w/H₂O. Top Wasatch 4652', 80% sh, 20% ss, BG 40, CG 400, TG 1500. KCL. MW 8.4+, VIS 27, pH 10.2, ALK 1.9/4.2, CL 12,500 ppm, Ca 40, KCL 2.6. Svy: 1¼° @ 5000'.
DC: \$19,902 TC: \$248,308
- 05/26/96 **6288' Drlg w/KCL H₂O. 750'/22¼ hrs.** Drlg w/KCL H₂O. RS. Drlg w/KCL H₂O. RS & function BOPs. Drlg w/KCL H₂O. WL svy @ 5554'. Drlg w/KCL H₂O. WL svy @ 6185'. Drlg w/KCL H₂O. Wasatch 90% sh, 10% ss, BG 200, CG 1400. MW 8.4+, VIS 27, pH 10.0, ALK 1.8/3.9, CL 13,000 ppm, Ca 44, KCL 2.7. Svys: 1¼° @ 5554'; 2° @ 6185'.
DC: \$22,919 TC: \$271,227
- 05/27/96 **6810' Drlg w/KCL H₂O. 522'/23 hrs.** Drlg w/KCL H₂O. RS & function BOPs. Drlg w/KCL H₂O. Rig repair - work on DP. Drlg w/KCL H₂O. WL svy @ 6734'. Drlg w/KCL H₂O. Wasatch 90% sh, 10% ss, BG 200, CG 1000. MW 8.4+, VIS 27, pH 10.0, ALK 1.4/3.5 CL 13,100 ppm, Ca 40, KCL 2.75. Svy: 1¼° @ 6734'.
DC: \$16,250 TC: \$287,477
- 05/28/96 **7230' Drlg w/KCL H₂O. 420'/23¼ hrs.** Drlg w/KCL H₂O. RS & function BOPs. Drlg w/KCL H₂O. Wasatch 90% sh, 10% ss, BG 400, CG 800-1500. MW 8.4+, VIS 27, pH 10.0, ALK 1.3/3.6, CL 13,500 ppm, Ca 36, KCL 2.8.
DC: \$13,451 TC: \$300,928
- 05/29/96 **7587' Drlg. 357'/13½ hrs.** Drlg w/KCL H₂O. Drop svy. POOH w/bit, well flwg. Trip in to 2500'. Displ hole w/10# Brine H₂O. POOH w/bit. RS & function BOPs. TIH w/bit & PU 5 DC & LD 5 jts DP. W&R 60' to btm. Drlg w/KCL H₂O. RS. Drlg w/mud. Started mud up @ 7447'. Est top of Mesaverde @ 7330', 70% sh, 30% ss, BG 1100, CG 1500, TG 4200. LSND. MW 8.5, VIS 27, pH 10.0, ALK 1.2/3.2, CL 15,000 ppm, Ca 36, KCL 3.15. Svy: 1½° @ 7282'.
DC: \$11,290 TC: \$312,218
- 05/30/96 **7912' Drlg. 325'/15¼ hrs.** Drlg. RS & function BOPs. Drlg. Rig repair - rot chain. Drlg. Pmp pill & drop svy @ 7904'. Motor locked up. POOH, LD motor. TIH BHA, cut DL. TIH w/bit. Drlg. Mesaverde 80% sh, 20% ss, BG 700, CG 1500, TG 2500. MW 9.2, VIS 36, FL 20, PV 6, YP 4, Solids 1%, pH 9.8, ALK 0.6/2.2, CL 50,000 ppm, Ca 100, Gels 1/1, wall cake 2/32ND, KCL 1. Svy: ¾° @ 7904'.
DC: \$14,922 TC: \$327,140

- 05/31/96 **8073'- TIH w/bit & motor. 161'/11½ hrs.** Drlg. Check surf equip & pmp flag loss, 300 psi. TIH for DP. Install rot hd. W&R 20' to btm, no fill. Drlg. RS & function BOPs. Drlg. Pmp pill. POOH for bit & motor. RS & functions BOPs. Rig repair - high clutch chain. TIH w/bit & motor. Mesaverde 70% sh, 30% ss, BG 200, CG 1200, TG 2500. MW 9.5+, VIS 36, FL 20, PV 4, YP 4, Solids 3%, pH 10.0, ALK 0.3/1.1, CL 82,000 ppm, Ca 52, Gels 1/2, wall cake 2/32ND.
DC: \$8,899 TC: \$336,039
- 06/01/96 **8640' Drlg. 567'/20¼ hrs.** Drlg. RS & function BOPs. Drlg. SI well & circ thru chk & gas buster & raise MW 10.8. Drlg. Mesaverde 10% ss, 90% sh, BG 1500, CG 2800. MW 10.8, VIS 40, FL 12.8, PV 6, YP 4, Solids 3%, pH 10.0, ALK 0.3/1.1, CL 130,000 ppm, Ca 80, Gels 1/1, wall cake 2/32ND, KCL 0.5.
DC: \$21,863 TC: \$357,902
- 06/02/96 **9015' Well SI & building volume. 375'/19¼ hrs.** Drlg. RS & function BOPs. Drlg. SI well to try to circ out gas. Lost returns & build volume w/860 psi on annulus, 50-200 psi on DP. Lost 400 bbls mud. Lost 60 bbls mud @ 8823'-8853'. Mesaverde 80% ss, 20% sh, BG 3000, CG 2500. MW 11.1, VIS 42, FL 11.4, PV 10, YP 9, Solids 10%, pH 10.0, ALK 0.2/0.4, CL 152,000 ppm, Ca 120, Gels 2/6, wall cake 2/32ND, KCL 0.25.
DC: \$16,411 TC: \$374,313
- 06/03/96 **9168' Drlg. 153'/12½ hrs.** Circ thru chk & buster & kill well w/25' flare & raise MW 11.3. Drlg. RS & function BOPs. Drlg. Circ thru chk & buster w/25' flare & raise MW 11.5. Drlg. lost returns @ 9068'. Pmp LCM pill & mix mud & build volume & circ. Drlg. RS. Drlg. Est lost 900 bbls mud. Mesaverde 20% ss, 80% sh, BG 100, CG 360. MW 11.5, VIS 45, FL 28, PV 11, YP 17, LCM 2%, Solids 11.5%, pH 9.0, ALK 0.1/0.6, CL 232,000 ppm, Ca 400, Gels 5/10, wall cake 2/32ND.
DC: \$17,873 TC: \$392,186
- 06/04/96 **9217' TIH w/bit. 49'/4¼ hrs.** Drlg. Circ & pmp pill. Drop svy. POOH w/bit & motor. RS & function BOPs. TIH w/bit & motor to 2500'. Cut DL. TIH w/bit & motor to 6000', try break circ, string plugged. POOH w/plugged string. LD plugged DC & motor w/LCM & bar. TIH w/bit & break circ @ 2000' & 6000'. Mesaverde 80% sh, 20% ss, BG 100, CG 200. MW 11.7, VIS 42, FL 28, PV 10, YP 19, LCM 0.5%, Solids 12%, pH 10.2, ALK 0.2/0.4, CL 232,000 ppm, Ca 400, Gels 6/12, wall cake 2/32ND. Svys: 2¼° @ 9217'.
DC: \$25,913 TC: \$418,099
- 06/05/96 **9388' Drlg. 171'/18 hrs.** Finish TIH w/bit. W&R 9060'-9067'. Circ out gas thru chk & buster, 25'-30' flare. W&R 9067'-9217'. Drlg. RS & function BOPs. Drlg. RS. Drlg. Mesaverde 80% sh, 20% ss, BG 100, CG 3000. MW 12.1, VIS 42, FL 18, PV 10, YP 10, LCM TR, Solids 11%, pH 9.0, ALK 0.1/0.8, CL 153,000 ppm, Ca 600, Gels 7/14, wall cake 2/32ND.
DC: \$12,782 TC: \$430,881
- 06/06/96 **9475' POOH for logs. 87'/12 hrs.** Drlg to 9450'. Circ up sample. Drlg to 9475', circ & pmp pill for short trip. Short trip 30 stds. C&C mud for logs. POOH for logs. Mesaverde 40% ss, 60% sh, BG 100, CG 3200, ST 4000. MW: 12.2, VIS 46, FL 10, PV 17, YP 16, Solids 11%, pH 9.5, ALK 0.1/0.5, CL 122,000 ppm, Ca 400, Gels 3/12, wall cake 2/32ND.
DC: \$11,223 TC: \$442,104
- 06/07/96 **9475' Running side wall cores.** Finish POOH for logs. RU Schlumberger & run DLL-DEN-NEU-CAL from TD to surf. Run sonic from TD to surf. Logger TD 9482' & BHT 180°. Run side wall cores 9364'-9235'. 1st run will be to 7354'. 2nd run will be 7354'-5556'. MW 12.2, VIS 46, FL 10, PV 17, YP 16, Solids 11%, pH 9.5, ALK 0.1/0.5, CL 122,000 ppm, Ca 400, Gels 3/16, wall cake 2/32ND.
DC: \$7,535 TC: \$449,639

06/08/96 **9475' Cutting DL.** Running side wall cores. 1st run 9364'-8880'. Core 20 & recovered 15 cores, tool quit. Run 2nd tool to 5020', test tool & stuck. WO fishing tools. Cut & thread & MU OS & PU fishing tools. TIH w/DP & WL & latch onto SWC tool @ 5020'. Pull line out rope socket. POH w/line & POOH w/fish. LD tools & SWC tool. TIH w/BHA. Cut DL. MW 12.1, VIS 40, FL 10, PV 17, YP 16, Solids 11%, pH 9.5, ALK 0.1/0.5, CL 122,000 ppm, Ca 400, Gels 3/16, wall cake 2/32ND.
DC: \$17,515 TC: \$467,154

06/09/96 **9475' Circ out gas thru chk @ 5595'.** TIH w/bit to 5000'. Break circ & build vol. TIH w/bit to 9475'. C&C mud for logs. POOH for logs. Hole didn't take the right disp. Driller came out of hole without telling me. RU Schlumberger & run SWCs 5605'-8734'. Core 12 & recovered 12 cores. RD Schlumberger. Well flwg. MU bit. TIH w/BHA & strip thru Hyd & install rot hd on DP. TIH to 5595'. Circ out gas thru chk w/40 stds, 400 psi on DP & 400-600 psi on csg. MW 12.2, VIS 46, FL 10.4, PV 18, YP 14, Solids 11%, pH 9.0, ALK 0.2/0.8, CL 145,000 ppm, Ca 600, Gels 4/14, wall cake 2/32ND.
DC: \$9,898 TC: \$477,052

06/10/96 **9475' Change rams for csg.** Circ out gas thru chk. Work stuck pipe @ 5595'. RU BJ & pmp 50 bbls diesel w/125 gals pipe free, 20 bbls annulus & 30 bbls DP. Work stuck pipe & pmp 2 bbls every hr. TIH w/bit. C&C mud & pmp pill. LD DP & DC & break kelly. Cut DL. Change rams for csg. Est loss 150 bbls mud. MW 12.2, VIS 43, FL 12.8, PV 14, YP 10, Solids 11%, pH 8.5, ALK 0.07/1.7, CL 91,000 ppm, Ca 800, Gels 4/17, wall cake 2/32ND.
DC: \$71,204 TC: \$548,256

06/11/96 **9475' Rig released & RDRT & MO rig.** PBTD: 9429'. Finish chg rams for csg. Pull wear bushing. Test rams 2500 psi, 10 min - OK. RU csg crew. Run 217 jts 5½" 17# N-80 LT&C, total 9495.53'. Equip w/shoe, float, 48 cent, 2 frac baffles + 1 baffle on top float for plug. Circ csg before cmtg. Cmt w/DS. Pmp 20 bbls flush, 360 sx Hilift G w/6% D20, 3% D79, 0.75% D112, 0.2% D46, 5% D44, 0.6% D13, wt 12#, yld 2.66. Tailed w/850 sx Self Stress II G w/10% D53, 0.5% D65, 0.75% D112, 0.2% D46, wt 14.2, yld 1.61. Drop plug. Displ w/219 bbls. Bmp plug w/4000 psi @ 8:45 pm on 6/10/96. ICP 3500 psi. Float didn't hold, SI csg head. Lost returns, finish drop plug & no reciprocate pipe. WOC w/csg SI. ND BOPs. PU & set csg slip w/145,000 wt. Cut off 5½" csg. Rig released @ 5:00 am on 6/11/96. **FINAL DRILLING REPORT**.
DC: \$86,882 TC: \$696,240

Completion

06/21/96 Clean & level location. Set anchors. MIRU Cutters WLS w/mast truck. RIH w/GR-CBL tool, could not go below 8935'. Ran GR-CBL from 8935' to 6800'. GR tool, quit. POOH repair tool. RIH w/3¾" GR, could not go below 8426'. POOH, rec cmt in junk basket. Finish running GR-CBL from 6800' to 5500'. Good bond. Top of cmt @ 6030' (log ran w/1000 psi on csg). RD & MO Cutters.
DC: \$5,560 TC: \$5,560

07/09/96 Remove 5000# tbg spools. Install 10,000# tbg spool & test flange. MI load 2¾" tbg.
DC: \$16,312 TC: \$21,872

07/10/96 MIRU Colorado Well Service Rig #26, pump & tank. PU & RIH 4¼" mill on 2¾" tbg to 4½". Tbg 256 jts, tag - PU & LD 2', RU power swivel & pmp. W&R down 263 jt to 8300±'. SDFN
DC: \$6,238 TC: \$28,110

07/11/96 W&R 9243'-9444' & circ out.

07/12/96	Circ hole w/clean 220 bbls 2% KCl wtr. MIRU Dowell Schlumberger. Break circ. PT to 3000 psi, pmp 2 bbls 3% KCl, 200 gal zylene, 500 gal 15% HCl, 37 bbls 3% KCl. Reverse pmp 17 bbls, reverse pmp 187 bbls dn tbg to clean hole. Hole full of 3% KCl filtered. RD & rls DS. POH 2 1/2" tbg. Still in derrick - 300 stds, LD 6'. MIRU Cutter. RIH, CCL, CBL & GR. Log 9440' to 8800'. POH, RD 6000# BOPs - RU 10,000 BOPS. PU 4" select fire gun. RIH, perf @ 9366', 9364', 9067', 9064', 9009', 9002', 8901', 8899', 8881', 8876'. POH - RD & rls Cutter - 15 min after last shot, 1600# on csg @ surface. SDFN DC: \$11,479 TC: \$739,422																																																																																				
07/13/96	SICP 1800 psi - Install pit liner & positive chk on 20/64. Open to pit @ 2pm 1100 FCP - 20/64. Rate 2666 MCF. Install tree on top of BOPs to run btm hole Bombs. MIRU Delsco. RIH w/Tandem BHP bombs. Set @ 9380' - cont flow until 7:00 PM, 3.5 hrs on btm. Well flowing @ 1000 psi on 20/64" chk. Ran 4 hrs. SDFN DC: \$3,386 TC: \$742,808																																																																																				
07/14/96	SICP 3500 psi. 3 PM. POH to change clocks to 72 hrs - change charts. RIH & land on EOL @ 7380'. 4:45 pm 3700 psi SIP. SDFN DC: \$1,180 TC: \$743,988																																																																																				
07/15/96	8 AM SICP 4100 psi - 6 PM SICP 4150 psi. Moving wtr from pit to disposal well. DC: \$7,480 TC: \$751,468																																																																																				
07/16/96	8 AM SICP 4200 psi - 3 PM SICP 4250 psi. POH recorders, read charts. RIH 3 hrs charts to do gradient. 0', 1000', 2000', 4000', 6000', 7000', 8000', 8500', 9000' - 9350'. Btm hole press start of 72 hrs 4649 psi - after 71 hrs 5230 psi. 8.18# per hr, .558 psi/ft gradient in hole. DC: \$3,401 TC: \$754,869																																																																																				
07/17/96	8 AM - SICP 4275 psi. Filter frac wtr. 4 PM SICP 4300 psi. DC: \$1,949 TC: \$756,818																																																																																				
07/18/96	Installed separator & dehyd. Piping same. Set tanks.																																																																																				
07/19/96	12 Noon SICP 4375#. Install temp flow line - crews work on prod equip & gas sales line. 4pm SICP 4400 psi. First gas sales 6pm.																																																																																				
	<table border="1"> <thead> <tr> <th>Time</th> <th>Csg Press</th> <th>Choke</th> <th>LP</th> <th>MMCF</th> <th>Cond</th> </tr> </thead> <tbody> <tr><td>6:00</td><td>4390</td><td>8</td><td>260</td><td>1.166</td><td></td></tr> <tr><td>7:00</td><td>3810</td><td>9</td><td>270</td><td>1.744</td><td>0</td></tr> <tr><td>8:00</td><td>3320</td><td>10</td><td>267</td><td>1.528</td><td>0</td></tr> <tr><td>9:00</td><td>2910</td><td>10</td><td>278</td><td>2.046</td><td>0</td></tr> <tr><td>10:00</td><td>2490</td><td>12</td><td>281</td><td>2.155</td><td>trace</td></tr> <tr><td>11:00</td><td>2150</td><td>13</td><td>283</td><td>2.205</td><td>trace</td></tr> <tr><td>12:00</td><td>1810</td><td>14</td><td>283</td><td>2.176</td><td>trace</td></tr> <tr><td>1:00</td><td>1550</td><td>15</td><td>292</td><td>2.398</td><td>trace</td></tr> <tr><td>2:00</td><td>1400</td><td>15</td><td>277</td><td>2.000</td><td>trace</td></tr> <tr><td>3:00</td><td>1300</td><td>15</td><td>273</td><td>1.713</td><td>trace</td></tr> <tr><td>4:00</td><td>1050</td><td>16</td><td>277</td><td>1.835</td><td>trace</td></tr> <tr><td>5:00</td><td>1000</td><td>16</td><td>272</td><td>1.621</td><td>trace</td></tr> <tr><td>6:00</td><td>905</td><td>16</td><td>268</td><td>1.506</td><td>trace</td></tr> </tbody> </table>	Time	Csg Press	Choke	LP	MMCF	Cond	6:00	4390	8	260	1.166		7:00	3810	9	270	1.744	0	8:00	3320	10	267	1.528	0	9:00	2910	10	278	2.046	0	10:00	2490	12	281	2.155	trace	11:00	2150	13	283	2.205	trace	12:00	1810	14	283	2.176	trace	1:00	1550	15	292	2.398	trace	2:00	1400	15	277	2.000	trace	3:00	1300	15	273	1.713	trace	4:00	1050	16	277	1.835	trace	5:00	1000	16	272	1.621	trace	6:00	905	16	268	1.506	trace
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07/21/96	Flowing 830 MCFD, 0 BC, 300 psi FCP, on 40/64" chk, 256 psi LP DC: \$7,602 TC: \$765,130																																																																																				

07/22/96 Flowing 726 MCFD, 300 FCP, on 40-50/64" chk.

07/23-24/96 Flowing 746 MCFD, 285 FCP, on 40/64" chk. Flowing 667 MCFD, 280 FCP, on 48/64" chk. Change rams from tbg to blind - 2 sets blind rams in BOPs. RD tree from top of BOPs - Instl change over to top of BOPs. Move in Sd & CO₂ for frac. Frac time to 6 AM. 7/24/96.
DC: \$2,370 TC: \$767,500

07/25/96 MIRU DS Frac equip w/CO₂ - pit liner - Start frac - btm zones @ 7:30. Frac w/433.5 bbls 20# gel 47,000 #20/40 sand AIR 15 BPM. Open to pit @ 8 AM, 4400 psi, 10/64" chk. MIRU Camco Coil Tubing. Start in hole 1½" CT @ 9 AM. Well @ 2050 psi, 10/64" - spot 2 sd plugs, will not stay in place. Spot 15% HCl, 1500 gals, from 8865' to 7300±. POH RD Camco. RU Cutter WL. Flow well to pit overnight on 16/64" chk.

Time	Csg Press	Choke	
6:00 PM	580	16	Fluid to pit
10:00 PM	1250	16	
12:00Mid	1390	16	
2:00 AM	1500	16	
3:00 AM	1590	16	

SI @ 3 AM.
DC: \$2,489

TC: \$769,989

07/26/96 SICP 2490 psi. RIH w/plastic plug on Cutter WL. Could not get past 8727', sd in hole, work tools out of hole in 5 hrs to POOH. LD bad plastic BP, pmp 87 bbls 3% to 5000'. RIH w/3" sinker bar, tag 8350'. POOH - RIH w/1½" CT, tag sand @ 8105', CO sd to 8810', circ to hole clean. POOH to 4000' SDFN, left 2000 psi on well.
DC: \$65,514 TC: \$769,112

07/27/96 SICP 2900 psi. RIH w/CT & tag @ 8200'. Spot 24 bbls 15% from 8650' up. POOH CT, RIH w/plastic drillable BP & set @ 8850'. Test to 5000 psi, OK. RIH & perf 8759', 8755', 8749', 8732', 8664', 8656', 8637', 8620', 8606', 8598', 8515', 8502', 8498', with 1 SPF. RU Dowell. Frac zone 8759'-8498' w/49,000# sd. 30 ton CO₂ & 386 bbls 20# GEL. AIR 30 BPM. @ 3500 psi, ISIP 2499 psi, 2389 psi 5 min, 2330 psi 10 min, 2284 psi 15 min. RIH w/Howco BP. Collar locator quit. POOH. Caught BP in BOP, cut BP in half. RU CT, tag @ 110'. Could not push in hole. POOH. Blow part of BP out of hole. SDFN.
DC: \$32,850 TC: \$868,353

07/28/96 SICP 2900 psi. RIH w/CT, tag @ 1804', push BP to 8153', had trouble getting loose from BP. POOH, RD WL. RIH, set BP @ 8000', POOH, RIH w/4" csg gun & perf 7940', 7935', 7930', 7840', 7833', 7828', 7568', 7558', 7553', 7385', 7374', 7367', 7311', w/1 SPF. RD WL, RU CT. RIH to 7940', spot 36 bbls 15% HCl. RD CT, RU & frac 7311'-7940' w/67,000# 20/40 sd, 35 tons CO₂ & 378 bbls 20# GEL ARO 3300 psi @ 25 BPM. ISTP 2360 psi force close well.

Time	Csg Press	Choke	Water	Sand
8:00	2100	10	18	none
9:00	1750	12	18	none
10:00	1490	14	19	none
11:00	1300	14	19	none
12:00	1250	16	16	none
1:00	1300	18	10	sand
2:00	1300	18	have mist	sand
3:00	1300	20	have mist	sand
4:00	1310	24	have mist	sand
5:00	1250	24	have mist	sand
6:00	1200	24		

Test BP to 5000 psi, tag w/IR192 40 MC.
DC: \$60,690

TC: \$929,042

07/29/96 Flow to pit 1200 psi, 24/64". RU CT w/motor & mill. RIH & tag @ 7970' CT measure. Start drill & mill for 10 min. Make app .75'. Well start to kick hard. Lifting on tbg. Open chk to 32/64", pull up to 7940'. 7:40 AM well flowing hard 32/64", 1800 psi. Sd, Wtr & CO₂. Drill stuck, flow 2 hrs. 10:30 AM work pipe, no luck on moving. Pump 500 SCF N² & wtr to mill. Start work pipe move up to 7818'- pulling 30,000 to 25,00# - pipe parted. POH to end of CT. Parted @ 17' in hole area of BOPs. Close top ram on BOP - continue flow well on 32/64" thru night.

Time	Csg Press	Choke	Water	Sand	MCF
12:00	1500	32	20	N/A	9000
1:00	1425	32	20	N/A	8000
2:00	1300	32	20	N/A	
3:00	1050	32	20	N/A	
4:00	900	32	20	N/A	
6:00	720	32	20	N/A	
8:00	650	32			
10:00	550	32			
12:00 Mid	520	32			
2:00 AM	490	32			
4:00	490	32			
6:00	450	32			

Misty Water - est rate 3.0 MMCF
 DC: \$55,911 TC: \$984,954

07/30/96 12 Noon 32/64", 400 psi. 1 PM 32/64", 400 psi FCP, est rate 2.488 MMCF. No sign of sand. Small amount of mist water.
 DC: \$1,610 TC: \$986,564

07/31/96 At 8:00 AM, FCP 390 psi on 32/64" chk. 1:00 PM - same. SI, install temp FL & put on sales @ 2 PM. Flowing 1290 MMCF, 35 BW, TP, 350 CP, on 27-30/64" chk. Ran 16 hrs.
 DC: \$820 TC: \$987,384

08/01/96 MIRU Line Well Snubbing. PU x mech hanger on 1 jt 2 3/8" tbg - Snub into well + land in tbg spool, RD & rls snubbers, RD BOPs - Install Co owned 5000# WP 3 valve tree. RU lubricator & remove plug from x-mech hanger 6" nipple & clr on btm of hanger, 8.5" long from btm. RU to LD tbg out of derrick on trailers - all pipe out of derrick & brake apart @ 4:30 PM. Will send to pipe yard 8/1/96. **Final Report**
 DC: -\$65,984 TC: \$926,327

08/02/96 Flowing 1075 MCF, 61.79 BW, - TP, 310 CP, on 30/64" chk.

08/03/96 Flowing 1075 MCF, 38.41 BW, - TP, 280 CP, on 30/64" chk.

08/04/96 Flowing 980 MCF, 40 BW, - TP, 310 CP, on 30/64" chk.

08/05/96 Flowing 909 MCF, 35.07 BW, - TP, 300 CP, on 30/64" chk.

08/06/96 Flowing 860 MCF, 26.72 BW, - TP, 300 CP, on 30/64" chk.

08/07/96 Flowing 813 MCF, 31.73 BW, - TP, 290 CP, on 30/64" chk.

08/08/96 Flowing 781 MCF, 38.73 BW, - TP, 290 CP, on 30/64" chk.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

FORM 57

5. Lease Designation and Serial Number:
ML-22265

6. If Indian, Allottee or Tribe Name:
N/A

7. Unit Agreement Name:
N/A

8. Well Name and Number:
Morgan State #2-36

9. API Well Number:
43-047-32585

10. Field and Pool, or Wildcat:
Natural Buttes Field

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. Type of Well: OIL GAS OTHER:

2. Name of Operator:
Coastal Oil & Gas Corporation

3. Address and Telephone Number:
P.O. Box 749, Denver, CO 80201-0749 (303) 573-4455

4. Location of Well
Footages: 900' FNL & 804' FWL County: Uintah
QQ, Sec., T., R., M.: NW/NW Section 36-T9S-R21E State: Utah

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

NOTICE OF INTENT
(Submit in Duplicate)

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

Approximate date work will start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

- | | |
|--|---|
| <input type="checkbox"/> Abandon * | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Perforate |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other <u>Completion Operations</u> | |

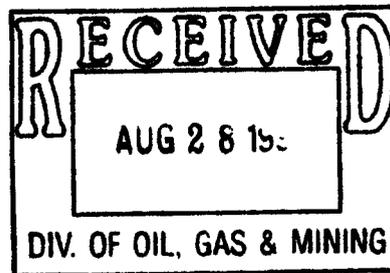
Date of work completion 8/8/96

Report results of **Multiple Completions and Recompletions** to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

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

Please see the attached chronological history for completion operations performed on the subject well.



13. Name & Signature: Sheila Bremer Title Environmental & Safety Analyst Date 08/26/96

(This space for State use only)

Completion

06/21/96 Clean & level location. Set anchors. MIRU Cutters WLS w/mast truck. RIH w/GR-CBL tool, could not go below 8935'. Ran GR-CBL from 8935' to 6800'. GR tool, quit. POOH repair tool. RIH w/3/4" GR, could not go below 8426'. POOH, rec cmt in junk basket. Finish running GR-CBL from 6800' to 5500'. Good bond. Top of cmt @ 6030' (log ran w/1000 psi on csg). RD & MO Cutters.
DC: \$5,560 TC: \$5,560

07/09/96 Remove 5000# tbg spools. Install 10,000# tbg spool & test flange. MI load 2 3/8" tbg.
DC: \$16,312 TC: \$21,872

07/10/96 MIRU Colorado Well Service Rig #26, pump & tank. PU & RIH 4 3/4" mill on 2 3/8" tbg to 4 1/2". Tbg 256 jts, tag - PU & LD 2', RU power swivel & pmp. W&R down 263 jt to 8300±'. SDFN
DC: \$6,238 TC: \$28,110

07/11/96 W&R 9243'-9444' & circ out.

- 07/12/96 Circ hole w/clean 220 bbls 2% KCl wtr. MIRU Dowell Schlumberger. Break circ. PT to 3000 psi, pmp 2 bbls 3% KCl, 200 gal zylene, 500 gal 15% HCl, 37 bbls 3% KCl. Reverse pmp 17 bbls, reverse pmp 187 bbls dn tbq to clean hole. Hole full of 3% KCl filtered. RD & rls DS. POH 2 3/4" tbq. Still in derrick - 300 stds, LD 6'. MIRU Cutter. RIH, CCL, CBL & GR. Log 9440' to 8800'. POH, RD 6000# BOPs - RU 10,000 BOPS. PU 4" select fire gun. RIH, perf @ 9366', 9364', 9067', 9064', 9009', 9002', 8901', 8899', 8881', 8876'. POH - RD & rls Cutter - 15 min after last shot, 1600# on csg @ surface. SDFN
DC: \$11,479 TC: \$739,422
- 07/13/96 SICP 1800 psi - Install pit liner & positive chk on 20/64. Open to pit @ 2pm 1100 FCP - 20/64. Rate 2666 MCF. Install tree on top of BOPs to run btm hole Bombs. MIRU Delsco. RIH w/Tandem BHP bombs. Set @ 9380' - cont flow until 7:00 PM, 3.5 hrs on btm. Well flowing @ 1000 psi on 20/64" chk. Ran 4 hrs. SDFN
DC: \$3,386 TC: \$742,808
- 07/14/96 SICP 3500 psi. 3 PM. POH to change clocks to 72 hrs - change charts. RIH & land on EOL @ 7380'. 4:45 pm 3700 psi SIP. SDFN
DC: \$1,180 TC: \$743,988
- 07/15/96 8 AM SICP 4100 psi - 6 PM SICP 4150 psi. Moving wtr from pit to disposal well.
DC: \$7,480 TC: \$751,468
- 07/16/96 8 AM SICP 4200 psi - 3 PM SICP 4250 psi. POH recorders, read charts. RIH 3 hrs charts to do gradient. 0', 1000', 2000', 4000', 6000', 7000', 8000', 8500', 9000' - 9350'. Btm hole press start of 72 hrs 4649 psi - after 71 hrs 5230 psi. 8.18# per hr, .558 psi/ft gradient in hole.
DC: \$3,401 TC: \$754,869
- 07/17/96 8 AM - SICP 4275 psi. Filter frac wtr. 4 PM SICP 4300 psi.
DC: \$1,949 TC: \$756,818
- 07/18/96 Installed separator & dehyd. Piping same. Set tanks.
- 07/19/96 12 Noon SICP 4375#. Install temp flow line - crews work on prod equip & gas sales line. 4pm SICP 4400 psi. First gas sales 6pm.

Time	Csg Press	Choke	LP	MMCF	Cond
6:00	4390	8	260	1.166	
7:00	3810	9	270	1.744	0
8:00	3320	10	267	1.528	0
9:00	2910	10	278	2.046	0
10:00	2490	12	281	2.155	trace
11:00	2150	13	283	2.205	trace
12:00	1810	14	283	2.176	trace
1:00	1550	15	292	2.398	trace
2:00	1400	15	277	2.000	trace
3:00	1300	15	273	1.713	trace
4:00	1050	16	277	1.835	trace
5:00	1000	16	272	1.621	trace
6:00	905	16	268	1.506	trace

Less than 1 BC. 12 Noon - 400 psi CP, 40/64" chk, rate 1.500 MMCF

DC: \$710

TC: \$757,528

- 07/20/96 6am - 300 psi CP, 40/64" chk, rate .870 MMCF. MIRU Well Info Services - RIH w/Temp svy & gas entry log - 8600' - 9430'. Temp & gas entry equip shows 92% gas from perfs @ 9002' & 9009', complete report to be faxed to Denver. Well on production @ 874 MCFD rate. RD & rls Well Info Services. Flowing 870 MCFD, 3 BC, 3400 CP, on 40/64" chk.

- 07/21/96 Flowing 830 MCFD, 0 BC, 300 psi FCP, on 40/64" chk, 256 psi LP

DC: \$7,602

TC: \$765,130

07/22/96 Flowing 726 MCFD, 300 FCP, on 40-50/64" chk.

07/23-24/96 Flowing 746 MCFD, 285 FCP, on 40/64" chk. Flowing 667 MCFD, 280 FCP, on 48/64" chk. Change rams from tbg to blind - 2 sets blind rams in BOPs. RD tree from top of BOPs - Instl change over to top of BOPs. Move in Sd & CO₂ for frac. Frac time to 6 AM. 7/24/96.
DC: \$2,370 TC: \$767,500

07/25/96 MIRU DS Frac equip w/CO₂ - pit liner - Start frac - btm zones @ 7:30. Frac w/433.5 bbls 20# gel 47,000 #20/40 sand AIR 15 BPM. Open to pit @ 8 AM, 4400 psi, 10/64" chk. MIRU Camco Coil Tubing. Start in hole 1½" CT @ 9 AM. Well @ 2050 psi, 10/64" - spot 2 sd plugs, will not stay in place. Spot 15% HCl, 1500 gals, from 8865' to 7300±. POH RD Camco. RU Cutter WL. Flow well to pit overnight on 16/64" chk.

Time	Csg Press	Choke	
6:00 PM	580	16	Fluid to pit
10:00 PM	1250	16	
12:00Mid	1390	16	
2:00 AM	1500	16	
3:00 AM	1590	16	

SI @ 3 AM.

DC: \$2,489

TC: \$769,989

07/26/96 SICP 2490 psi. RIH w/plastic plug on Cutter WL. Could not get past 8727', sd in hole, work tools out of hole in 5 hrs to POOH. LD bad plastic BP, pmp 87 bbls 3% to 5000'. RIH w/3" sinker bar, tag 8350'. POOH - RIH w/1½" CT, tag sand @ 8105', CO sd to 8810', circ to hole clean. POOH to 4000' SDFN, left 2000 psi on well.
DC: \$65,514 TC: \$769,112

07/27/96 SICP 2900 psi. RIH w/CT & tag @ 8200'. Spot 24 bbls 15% from 8650' up. POOH CT, RIH w/plastic drillable BP & set @ 8850'. Test to 5000 psi, OK. RIH & perf 8759', 8755', 8749', 8732', 8664', 8656', 8637', 8620', 8606', 8598', 8515', 8502', 8498', with 1 SPF. RU Dowell. Frac zone 8759'-8498' w/49,000# sd, 30 ton CO₂ & 386 bbls 20# GEL. AIR 30 BPM. @ 3500 psi, ISIP 2499 psi, 2389 psi 5 min, 2330 psi 10 min, 2284 psi 15 min. RIH w/Howco BP. Collar locator quit. POOH. Caught BP in BOP, cut BP in half. RU CT, tag @ 110'. Could not push in hole. POOH. Blow part of BP out of hole. SDFN.
DC: \$32,850 TC: \$868,353

07/28/96 SICP 2900 psi. RIH w/CT, tag @ 1804', push BP to 8153', had trouble getting loose from BP. POOH, RD WL. RIH, set BP @ 8000', POOH, RIH w/4" csg gun & perf 7940', 7935', 7930', 7840', 7833', 7828', 7568', 7558', 7553', 7385', 7374', 7367', 7311', w/1 SPF. RD WL, RU CT. RIH to 7940', spot 36 bbls 15% HCl. RD CT, RU & frac 7311'-7940' w/67,000# 20/40 sd, 35 tons CO₂ & 378 bbls 20# GEL ARO 3300 psi @ 25 BPM. ISTP 2360 psi force close well.

Time	Csg Press	Choke	Water	Sand
8:00	2100	10	18	none
9:00	1750	12	18	none
10:00	1490	14	19	none
11:00	1300	14	19	none
12:00	1250	16	16	none
1:00	1300	18	10	sand
2:00	1300	18	have mist	sand
3:00	1300	20	have mist	sand
4:00	1310	24	have mist	sand
5:00	1250	24	have mist	sand
6:00	1200	24		

Test BP to 5000 psi, tag w/IR192 40 MC.

DC: \$60,690

TC: \$929,042

07/29/96 Flow to pit 1200 psi, 24/64". RU CT w/motor & mill. RIH & tag @ 7970' CT measure. Start drill & mill for 10 min. Make app .75'. Well start to kick hard. Lifting on tbg. Open chk to 32/64", pull up to 7940'. 7:40 AM well flowing hard 32/64", 1800 psi. Sd, Wtr & CO₂. Drill stuck, flow 2 hrs. 10:30 AM work pipe, no luck on moving. Pump 500 SCF N₂ & wtr to mill. Start work pipe move up to 7818'- pulling 30,000 to 25,00# - pipe parted. POH to end of CT. Parted @ 17' in hole area of BOPs. Close top ram on BOP - continue flow well on 32/64" thru night.

Time	Csg Press	Choke	Water	Sand	MCF
12:00	1500	32	20	N/A	9000
1:00	1425	32	20	N/A	8000
2:00	1300	32	20	N/A	
3:00	1050	32	20	N/A	
4:00	900	32	20	N/A	
6:00	720	32	20	N/A	
8:00	650	32			
10:00	550	32			
12:00 Mid	520	32			
2:00 AM	490	32			
4:00	490	32			
6:00	450	32			

Misty Water - est rate 3.0 MMCF

DC: \$55,911

TC: \$984,954

07/30/96 12 Noon 32/64", 400 psi. 1 PM 32/64", 400 psi FCP, est rate 2.488 MMCF. No sign of sand. Small amount of mist water.
DC: \$1,610 TC: \$986,564

07/31/96 At 8:00 AM, FCP 390 psi on 32/64" chk. 1:00 PM - same. SI, install temp FL & put on sales @ 2 PM. Flowing 1290 MMCF, 35 BW, TP, 350 CP, on 27-30/64" chk. Ran 16 hrs.
DC: \$820 TC: \$987,384

08/01/96 MIRU Line Well Snubbing. PU x mech hanger on 1 jt 2 3/8" tbg - Snub into well + land in tbg spool, RD & rls snubbers, RD BOPs - Install Co owned 5000# WP 3 valve tree. RU lubricator & remove plug from x-mech hanger 6" nipple & clr on btm of hanger, 8.5" long from btm. RU to LD tbg out of derrick on trailers - all pipe out of derrick & brake apart @ 4:30 PM. Will send to pipe yard 8/1/96. **Final Report**
DC: -\$65,984 TC: \$926,327

08/02/96 Flowing 1075 MCF, 61.79 BW, - TP, 310 CP, on 30/64" chk.

08/03/96 Flowing 1075 MCF, 38.41 BW, - TP, 280 CP, on 30/64" chk.

08/04/96 Flowing 980 MCF, 40 BW, - TP, 310 CP, on 30/64" chk.

08/05/96 Flowing 909 MCF, 35.07 BW, - TP, 300 CP, on 30/64" chk.

08/06/96 Flowing 860 MCF, 26.72 BW, - TP, 300 CP, on 30/64" chk.

08/07/96 Flowing 813 MCF, 31.73 BW, - TP, 290 CP, on 30/64" chk.

08/08/96 Flowing 781 MCF, 38.73 BW, - TP, 290 CP, on 30/64" chk.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

5. Lease Designation and Serial Number:
ML-22265

SUNDRY NOTICES AND REPORTS ON WELLS

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

6. If Indian, Allottee or Tribe Name:
N/A

7. Unit Agreement Name:
N/A

1. Type of Well:
OIL GAS OTHER:

8. Well Name and Number:
Morgan State #2-36

2. Name of Operator:
Coastal Oil & Gas Corporation

9. API Well Number:
43-047-32585

3. Address and Telephone Number:
P.O. Box 749, Denver, CO 80201-0749 (303) 573-4455

10. Field and Pool, or Wildcat:
Natural Buttes Field

4. Location of Well
Footages: 900' FNL & 804' FWL
QQ, Sec., T., R., M.: NW/NW Section 36-T9S-R21E

County: Uintah
State: Utah

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

NOTICE OF INTENT
(Submit in Duplicate)

- Abandon
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Multiple Completion
- Other CO
- New Construction
- Pull or Alter Casing
- Recompletion
- Perforate
- Vent or Flare
- Water Shut-Off

Approximate date work will start _____ Upon approval.

SUBSEQUENT REPORT
(Submit Original Form Only)

- Abandon *
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Other _____
- New Construction
- Pull or Alter Casing
- Perforate
- Vent or Flare
- Water Shut-Off

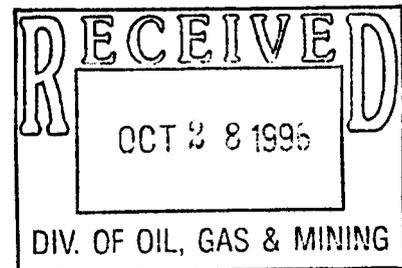
Date of work completion _____

Report results of **Multiple Completions and Recompletions** to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

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

Please see the attached procedure for work to be performed on the subject well.



13. Name & Signature: Bonnie Carson Title Senior Environmental Analyst Date 10/23/96

(This space for State use only)
J. Matthews Perforation Engineer 10/28/96

Clean-out Procedure

Morgan State #2-36

Section 36 - T9S - R21E

Uintah County, Utah

August 6, 1996

PROCEDURE

- 1.) MIRU well servicing unit. Kill well with 10 ppg saltwater. ND WH. NU BOP's. POOH with landing joint and hanger.
- 2.) RIH with 3 5/8"OD X 1 1/2" full open skirted packed-off overshot with cut-lip guide on 2 3/8" tubing and engage 1 1/2" coiled tubing fish ($\pm 17'$ to $\pm 250'$). Attempt to break circulation. Latch fish and pull tension (not to exceed yield) to check for pipe movement or stuck point.
 - A.) If 1 1/2" CT is free, POOH utilizing work window and crimp connectors. Notify Denver District Office for further instructions.
 - B.) If 1 1/2" CT is stuck, Pull tension. RU WL service. RIH with 1"OD chemical cutter to stuck point. Shoot CT off. POOH with chemical cutter. POOH with 1 1/2" CT utilizing work window and crimp connectors. Notify Denver District Office for further instructions.
- 3.) Further fishing operations will depend on the type and character of fishing stub looking up. Appropriate fishing instructions will follow after notification to the Denver District Office and consultation with the Workover Foreman assigned to the job. Please note that this wellbore cleanout procedure will entail retrieving a 2.868" OD mud motor and 4.700" OD bit and composite bridge plug @ 7818', a partially severed composite bridge plug @ 8153' and a third composite bridge plug @ 8850'. PBTD is at 9444'. Caution should be exercised due to 20-40 mesh sand bridges and high pressure (± 12.0 ppg) gas pockets that may exist in the wellbore.

**RECOMMENDED FISHING PROCEDURE
MORGAN STATE # 24-36**

1. **MIRU** servicing rig.
2. Rig up CCTS fluid pump to tubing and kill well w/2% KCL.
3. Nipple down tree , nipple up One, 7" 5000 psi. dbl. BOP stack with 2-3/8" tubing and Blind rams, and One single with 1-1/2" tubing rams.
4. Install a Weatherford 7" Access Window on top of the BOP's.
5. Rig up sand line W/4-3/4" impression block, tag top of fish, record depth.
 - If fish is still close to surface, assume that tubing is still stuck. If fish has fallen to bottom, fish may no longer be stuck.
6. TIH with 2-3/8 tubing and Bowen Coil Tubing overshot with a 4-11/16 guide shoe and latch onto the 1-1/2" Coil Tubing.
7. Pick up a maximum of 25000 lbs on the tubing to determine if fish is still stuck. (Assuming it is still stuck)
8. Rig up CCTS fluid pump to tubing and try to establish circulation w/2% KCL.

IF CIRCULATION CAN BE ESTABLISHED.

- Pump a minimum of 20 bbl's of H₂O to completely fill tubing.
- Drop a 7/8 steel ball to try to disconnect from the drill.

If Hydraulic Disconnect cannot be activated.

- Rig up slick line unit, and try to beat the piston in the disconnect down with weighted bars, or run a 1" chemical cutter.

IF CIRCULATION CANNOT BE ESTABLISHED.

- Rig up slick line unit, and try to beat the piston in the disconnect down with weighted bars, or run a chemical cutter.
9. After Fish has been disconnected from the drill, rig up CCTS Coil Tubing Unit on top of the access window and reconnect tubing ends together with a Dbl. Crimp-on connector.
 10. Pull Coil Tubing out of the hole and blow tubing dry with N₂.
 11. Rig Down.

22-141 50 SHEETS
22-142 100 SHEETS
22-144 200 SHEETS

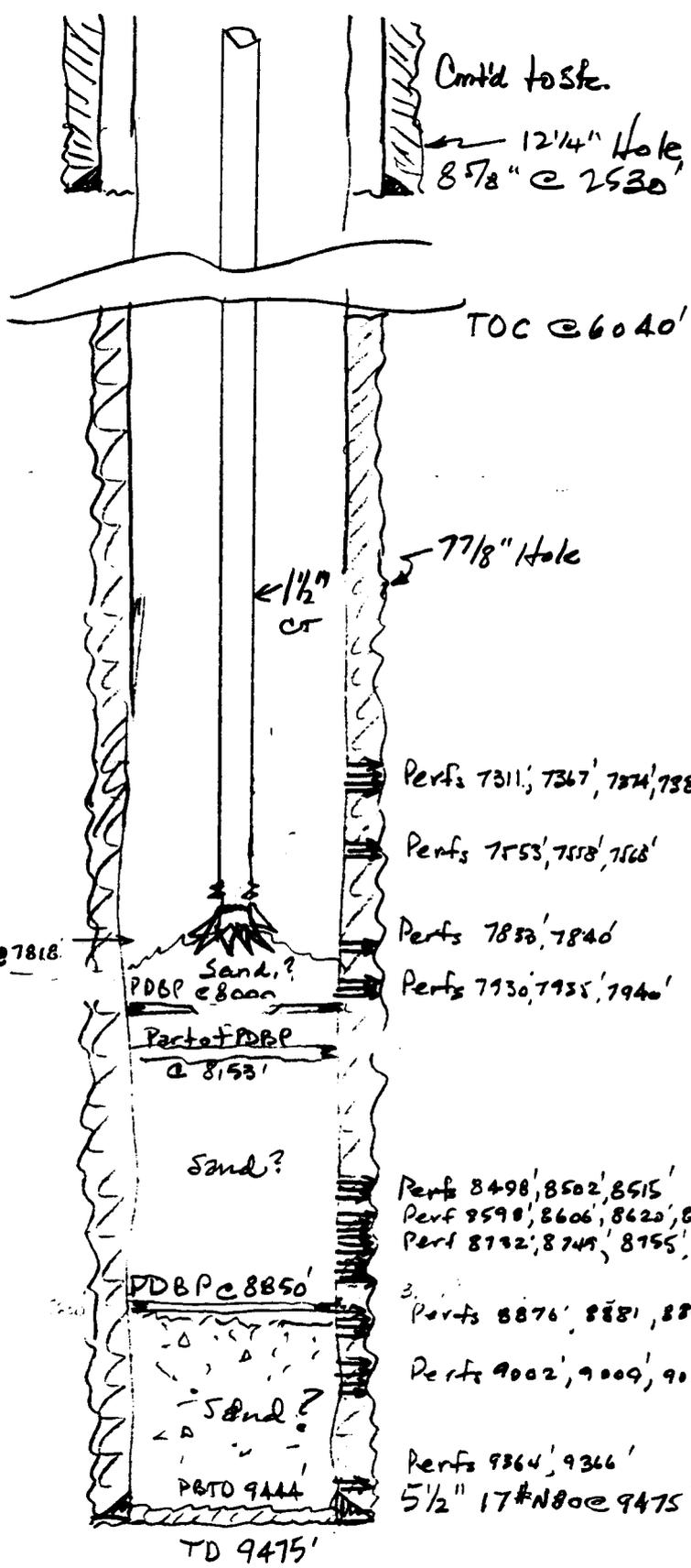


6000

7000

8000

9000



Bit. & mill @ 7818'

7970
75
8045

PBTD 9444'

CORE LABORATORIES

Company : Coastal Oil & Gas Corp.
 Well : Morgan St. 2-36
 Location : NW NW Sec. 36 T9S, R21E
 Co,State : Uintah, Utah

Field :
 Formation : As Noted
 Coring Fluid : Water Base Mud
 Elevation :

File No.: 57122-8015
 Date : 9-Jun-1996
 API No. :
 Analysts: DF

C O R E A N A L Y S I S R E S U L T S

SAMPLE NUMBER	DEPTH ft	PERMEABILITY (HORIZONTAL) Kair md	POROSITY (HELIUM) %	SATURATION		GRAIN DENSITY gm/cc	GAS DETECTOR UNITS	DESCRIPTION
				(PORE VOLUME) OIL %	WATER %			
Rotary Sidewalls								
Wasatch Fm.								
16	5605.0	0.42	12.0	4.6	57.2	2.65	5.	Sst gry/brn f gr
17	5626.0	0.54	10.6	13.3	49.7	2.64	10.	Sst gry/brn f gr
18	5713.0	0.11	8.8	0.0	52.5	2.66	0.	Sst gry f gr
19	5719.0	0.19	10.1	0.0	49.0	2.66	2.	Sst gry f gr
20	5950.0	0.02	8.9	0.0	52.6	2.67	2.	Sst dk gry f gr
21	5958.0		11.1	0.0	61.1	2.66	0.	Sst gry f gr(no perm, chipped sample)
22	6032.0	0.08	9.2	0.0	54.5	2.66	2.	Sst gry f gr
23	6038.0	0.07	8.4	0.0	52.2	2.65	0.	Sst gry f gr
Mesaverde Fm.								
24	8734.0	0.02	9.3	0.0	32.7	2.64	10.	Sst dk gry vf-f gr
25	8754.0	0.01	7.1	0.0	22.5	2.68	2.	Sst dk gry vf-f gr calc
26	8881.0	0.05	9.1	0.0	29.5	2.66	2.	Sst dk gry vf-f gr
27	8899.0	0.07	12.1	0.0	39.1	2.66	2.	Sst dk gry vf-f gr
1	9004.0	0.01	10.4	0.0	35.0	2.64	1.	Sst gry vf-f gr
2	9006.0	<.01	6.9	0.0	24.5	2.70	1.	Sst gry vf-f gr dol
3	9009.0	0.04	10.2	0.0	12.6	2.69	0.	Sst gry vf-f gr dol
4	9063.0	0.02	8.7	0.0	17.9	2.68	0.	Sst gry vf-f gr carb
5	9066.0	0.02	8.2	0.0	18.9	2.67	1.	Sst gry vf-f gr carb

CORE LABORATORIES

Company : Coastal Oil & Gas Corp.
Well : Morgan St. 2-36

Field :
Formation : As Noted

File No.: 57122-8015
Date : 9-Jun-1996

CORE ANALYSIS RESULTS

SAMPLE NUMBER	DEPTH ft	PERMEABILITY (HORIZONTAL) K _{air} md	POROSITY (HELIUM) %	SATURATION		GRAIN DENSITY gm/cc	GAS DETECTOR UNITS	DESCRIPTION
				(PORE VOLUME) OIL %	WATER %			
6	9067.0	0.07	9.2	0.0	46.5	2.67	0.	Sst gry f-m gr
7	9156.0	0.04	10.1	0.0	41.4	2.68	1.	Sst gry f gr
8	9181.0	0.05	10.2	0.0	42.5	2.68	1.	Sst gry f gr
9	9186.0	0.03	7.2	0.0	48.1	2.67	4.	Sst gry f gr
10	9235.0	0.04	10.5	0.0	30.8	2.69	3.	Sst gry vf-f gr dol
11	9316.0	0.04	10.4	0.0	37.8	2.68	0.	Sst gry f gr
12	9325.0	0.03	9.6	0.0	41.7	2.68	0.	Sst gry f gr
13	9340.0	0.03	10.1	0.0	40.4	2.69	1.	Sst gry f gr dol
14	9346.0	0.04	11.3	0.0	27.1	2.68	0.	Sst dk gry f gr sh clst
15	9364.0	0.04	10.6	0.0	23.7	2.68	0.	Sst dk gry f gr sh clst

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

5. Lease Designation and Serial Number
ML-22265

6. Indian, Allottee or Tribe Name:
N/A

7. Unit Agreement Name:
N/A

8. Well Name and Number:
Morgan State #2-36

9. API Well Number:
43-047-32585

10. Field and Pool, or Wildcat
Natural Buttes Field

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. Type of Well: OIL GAS OTHER:

2. Name of Operator
Coastal Oil & Gas Corporation

3. Address and Telephone Number.
P.O. Box 749, Denver, CO 80201-0749 (303) 573-4455

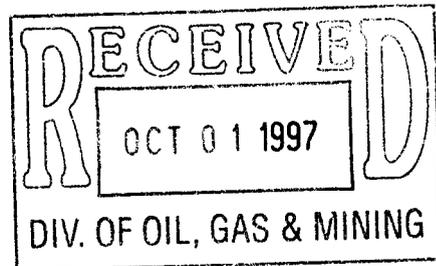
4. Location of Well
Footages: **900' FNL & 804' FWL** County: **Uintah**
QQ,Sec., T., R., M.: **NWNW Section 36 T9S-R21E** State: **Utah**

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

NOTICE OF INTENT (Submit in Duplicate)		SUBSEQUENT REPORT (Submit Original Form Only)	
<input type="checkbox"/> Abandon	<input type="checkbox"/> New Construction	<input type="checkbox"/> Abandon*	<input type="checkbox"/> New Construction
<input type="checkbox"/> Repair Casing	<input type="checkbox"/> Pull or Alter Casing	<input type="checkbox"/> Repair Casing	<input type="checkbox"/> Pull or Alter Casing
<input type="checkbox"/> Change of Plans	<input checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Perforate
<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Perforate	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Vent or Flare
<input type="checkbox"/> Fracture Treat or Acidize	<input type="checkbox"/> Vent or Flare	<input type="checkbox"/> Fracture Treat or Acidize	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Multiple Completion	<input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> Other _____	
<input checked="" type="checkbox"/> Other <u>Cmt sqz was commingle w/ Mvde</u>		Date of work completion _____	
Approximate date work will start <u>Upon approval</u>		Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.	
		* Must be accompanied by a cement verification report.	

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

Please see the attached procedure for work to be performed on the subject well.



13. Name & Signature Sheila Bremer Title Environmental & Safety Analyst Date 9/29/97

(This space for State use only)

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

DATE: 10/2/97
J. R. Day

Morgan-State #2-36 - Workover Procedure

Section 36-9S-21E
Uintah County, UT
September 25, 1997

ELEVATION: 4996' GL; 5008' KB
TOTAL DEPTH: 9482' PBD: 9440'
CASING: 8-5/8" 32# J-55 at 2529'
5-1/2", 17#, N-80 to 9495'
TUBING: 2-3/8" 4.7# set at 7253' (to be set at 5530')
PERFORATIONS: Current: 7311-9366' (Mesaverde)
Proposed: New 5604-6098' (Wasatch) + existing Mesaverde

PROCEDURE

Materials Required: 1750 useable bbls, ±222,000 lbs 20/40 and a variety of chokes

1. MIRU pulling unit. Control well w/filtered 2% KCl w/Cla-Sta and Surfactant. ND wellhead/NU BOPs. POOH w/2-3/8" tbg f/7253'.
2. RU perforating company. Set 5-1/2" 17# CIBP ~~w/choke valve~~ @ 6150'. Dump bail 100 lbs sand on CIBP (8' fillup in casing). Perforate 5840' w/4 squeeze holes.
3. Open 5-1/2" x 8-5/8" casing annulus valve. Close blind rams & pump down 5-1/2" casing. Check if well will circulate up the 5-1/2" x 8-5/8" annulus.
4. **Cement Squeeze:**
Squeeze System - Class G with 0.7% B14 (FLC), 1% S1 (CaCl), 0.1% D65 (dispersant)
1.15 ft³/sk yield, 15.8 ppg, Fluid Loss 78 ml/30 min, TT 1:35 to 70 BC
 - **If hole will circulate to surface:** RD E/L. PU CICR and TIH. Set retainer @ ±5810'. Sting into retainer and pressure test retainer and tbg/csg annulus to ±5000 psi. Cement w/625 sx. Unsting f/retainer. P/U one stand and reverse circulate excess cement to surface.
 - **If hole will not circulate to surface:** Perforate casing at 5500' w/4 squeeze holes. RD E/L. PU CICR and TIH. Set retainer @ ±5810'. Sting into retainer. Pump down tubing. Establish injection rate into perfs. Check for returns on 2-3/8" x 5-1/2" annulus. If no returns, establish injection rate into perforations at 5500'.
 - If able to circulate f/holes 5840 to 5500'**, cement w/105 sx. Unsting f/retainer and PU to 5450'. Reverse circulate excess cement to surface. POOH.
 - If unable to circulate f/holes 5840-5500'**, squeeze each set individually with 50 sx. Squeeze to 5000 psi or until 45 sx are away - whichever comes first. Squeeze holes @ 5840' under the retainer then unsting and reverse circulate excess to surface. Then, if the hole is standing full, squeeze holes 5500' w/the bradenhead method. Otherwise, PU a pkr and squeeze. Reverse circulate excess to surface, POOH.
5. WOC 48 hrs. PU 4-3/4" bit and assy and DO to 5550'. Test squeeze holes at 5500' to 5000 psi. Resqueeze if necessary. Finish CO to top of CIBP. Pressure test csg and CIBP to 5000 psi. POOH and L/D bit and assy.

Single frac pumped in 4-stages diverted w/ball sealers:

6. RU E/L. Perforate the following depths w/4" guns, 180° phasing, 2 spf:

6094-98' 6032-38' 5952-58' 5716-22' 5604-10' 28' 56 holes

7. TIH w/pkr. Spot 250 gal acid f/6100-5600' (do not risk getting acid across squeeze holes at 5500'). Set pkr at 5575'. Open pkr bypass and spot 750 gal 15% HCl down tbg. Close bypass and breakdown perforations with an additional 1000 gal 15% w/56 7/8", 1.3 sg ball sealers evenly spaced. Flowback to clean-up well.

8. Control well, unset pkr, & POOH. LD assy.

9. TIH and land tubing w/SN at 5500', EOT @ 5530'. RDMO pulling unit.

10. RU frac equipment on annulus w/ball dropper. Pump four stages (down annulus w/tbg as dead string) per the attached pump schedule w/each stage diverted w/13 7/8" 1.3 sg ball sealers. Estimated total sand volume is 185,000# 20/40 and 40,000# CR4000 to be pumped in four equal "stages" ramped 2-6 ppa proppant. Tag stage 2 w/iridium, 3 w/scandium, and 4 w/antimony. Pump at lower rate than normal (± 15 bpm) to minimize perforation friction and minimize the chance of stimulating multiple zones simultaneously. In the event of screen-out, circulate excess slurry to pit.

11. Note ISIP/5/10/15/30 min SICP. Commence flowback on 18/64" choke.

12. Consult w/Denver to run production & tracer logs.

Lowering the tubing will be covered under separate AFE.

TWH

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

5. Lease Designation and Serial Number
ML-22265

6. Indian, Allottee or Tribe Name:
N/A

7. Unit Agreement Name:
N/A

8. Well Name and Number:
Morgan State #2-36

9. API Well Number:
43-047-32585

10. Field and Pool, or Wildcat
Natural Buttes Field

SUNDRY NOTICES AND REPORTS ON WELLS

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1. Type of Well: OIL GAS OTHER:

2. Name of Operator
Coastal Oil & Gas Corporation

3. Address and Telephone Number.
P.O. Box 749, Denver, CO 80201-0749 (303) 573-4455

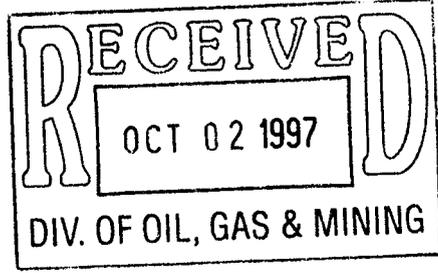
4. Location of Well
Footages: **900' FNL & 804' FWL** County: **Uintah**
QQ,Sec., T., R., M.: **NWNW Section 36 T9S-R21E** State: **Utah**

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

NOTICE OF INTENT (Submit in Duplicate)		SUBSEQUENT REPORT (Submit Original Form Only)	
<input type="checkbox"/> Abandon	<input type="checkbox"/> New Construction	<input type="checkbox"/> Abandon*	<input type="checkbox"/> New Construction
<input type="checkbox"/> Repair Casing	<input type="checkbox"/> Pull or Alter Casing	<input type="checkbox"/> Repair Casing	<input type="checkbox"/> Pull or Alter Casing
<input checked="" type="checkbox"/> Change of Plans	<input checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Perforate
<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Perforate	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Vent or Flare
<input type="checkbox"/> Fracture Treat or Acidize	<input type="checkbox"/> Vent or Flare	<input type="checkbox"/> Fracture Treat or Acidize	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Multiple Completion	<input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> Other _____	
<input checked="" type="checkbox"/> Other <u>Cmt sqz Was. commingle w/ Mvde</u>		Date of work completion _____	
Approximate date work will start <u>Upon approval</u>		Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.	
		* Must be accompanied by a cement verification report.	

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

The proposed perms of 5604-10' (submitted previously in sundry dated 9/29/97) have been changed to 5604-07' and 5623-26'.



13. Name & Signature Sheila Bremer Title Environmental & Safety Analyst Date 9/30/97

(This space for State use only)

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

DATE: 10/7/97
John R. By

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

43-047-32585

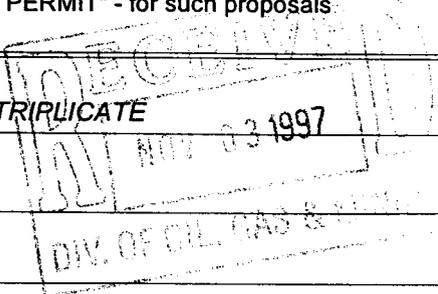
FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

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

Coastal Oil & Gas Corporation

3. Address and Telephone No.

P. O. Box 749, Denver, CO 80201-0749

(303) 573-4476

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

See attached spreadsheet

5. Lease Designation and Serial No.

See attached spreadsheet

6. If Indian, Alottee or Tribe Name

See attached spreadsheet

7. If Unit or CA, Agreement Designation

Natural Buttes Unit

8. Well Name and No.

See attached spreadsheet

9. API Well No.

See attached spreadsheet

10. Field and Pool, Or Exploratory Area

Natural Buttes

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

- 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

(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 markets and zones pertinent to this work.)

The Operator requests approval to empty produced water into tanks on the listed locations. The produced water will then be transported by truck to the underground injection well NBU #159, located at NE/SW Section 35, T9S-R21E, for disposal. Furthermore, the Operator requests approval for the presence of small unlined pits, approximate dimensions of 7' x 7' x 4' deep, to be located immediately adjacent to the stock tanks on the listed locations. The small pits may be necessary to drain off water from the stock tanks at the time of condensate sales. The water will be emptied from the small pit and trucked to the NBU #159 disposal well. The volume of water to be disposed of at each facility will not exceed an average of 5 barrels per day on a monthly basis, in conformance with the requirements of Onshore Order #7.

The listed locations include all wells listed in a Request to Dispose Water sundry dated 10/11/96, as well as all wells drilled to date in the Operator's 1997 drilling program in the Natural Buttes field.

Accepted by the State
of Utah Division of
Oil, Gas and Mining

303-600-3077

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

Signed Bonnie Carson Title Senior Environmental Analyst Date: 12-1-97 By: [Signature] 10/28/97

(This space for Federal or State office use)

APPROVED BY _____ Title _____ Date _____
Conditions of approval, if any:

must meet all mining guidelines

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.

Well Name & No.	API No.	Lease Designation & Serial Number	If Indian, Allottee or Tribe Name	Footages	Qtr/Qtr	Section	Township	Range	Field	County
CIGE #105D-1-10-22E	43-047-31758	U-011336	N/A	842' FNL & 2095' FWL	NENW	1	10	22	Natural Buttes	Uintah
CIGE #114-34-9-21	43-047-31915	ST U-01194-A	N/A	1931' FSL & 535' FEL	NESE	34	9	21	Natural Buttes	Uintah
CIGE #118-35-9-22	43-047-32025	U-010954-A	N/A	2116' FSL & 615' FEL	NESE	35	9	22	Natural Buttes	Uintah
CIGE #124-9-9-21	43-047-32045	U-01188	Ute Tribe Surface	1854' FSL & 1819' FEL	NWSE	9	9	21	Natural Buttes	Uintah
CIGE #129-18-9-21	43-047-32043	U-0581	Ute Tribe Surface	928' FNL & 1837' FWL	NENW	18	9	21	Natural Buttes	Uintah
CIGE #130-19-9-21	43-047-32030	U-0581	Ute Tribe Surface	772' FNL & 714' FEL	NENE	19	9	21	Natural Buttes	Uintah
CIGE #140-16-10-21	43-047-31977	ST ML-10755	N/A	380' FNL & 591' FEL	NENE	16	10	21	Natural Buttes	Uintah
CIGE #144-2-10-22	43-047-32022	ST ML-22651	N/A	1501' FNL & 1719' FEL	SWNE	2	10	22	Natural Buttes	Uintah
CIGE #149-8-10-21	43-047-32056	U-01791	N/A	833' FNL & 2011' FEL	NWNE	8	10	21	Natural Buttes	Uintah
CIGE #161-2-10-22	43-047-32168	ST ML-22651	N/A	297' FSL & 1033' FEL	SESE	2	10	22	Natural Buttes	Uintah
CIGE #164-34-9-22	43-047-32353	U-0149077	N/A	660' FNL & 1739' FWL	NENW	34	9	22	Natural Buttes	Uintah
CIGE #178-5-10-22	43-047-32330	U-01195	N/A	926' FWL & 685' FNL	NWNW	5	10	22	Natural Buttes	Uintah
CIGE #180-16-9-21	43-047-32478	ST ML-3141	N/A	333' FSL & 2557' FWL	SESW	16	9	21	Natural Buttes	Uintah
CIGE #183-20-9-21	43-047-32656	U-0575	Ute Tribe Surface	1725' FSL & 2386' FEL	SWSE	20	9	21	Natural Buttes	Uintah
CIGE #187-13-10-20	43-047-32607	U-4485	N/A	900' FNL & 2200' FWL	NENW	13	10	20	Natural Buttes	Uintah
CIGE #189-29-9-22	43-047-32813	USA U-462	N/A	1574' FNL & 720' FWL	SWNW	29	9	22	Natural Buttes	Uintah
CIGE #194-1-10-22	43-047-32932	USA U-011336	N/A	2017' FNL & 61' FWL	SWNW	1	10	22	Natural Buttes	Uintah
CIGE #197-7-9-21	43-07-32798	U-0149747	N/A	854' FNL & 2178' FEL	NWNE	7	9	21	Natural Buttes	Uintah
CIGE #198-9-9-21	43-047-32799	U-01188	Ute Tribe Surface	2502' FSL & 772' FEL	NESE	9	9	21	Natural Buttes	Uintah
CIGE #199-14-9-21	43-047-32801	U-01193	Ute Tribe Surface	959' FNL & 1760' FWL	NENW	14	9	21	Natural Buttes	Uintah
CIGE #200-16-9-21	43-047-32802	U-38409	Ute Tribe Surface	1950' FNL & 2500' FWL	SESW	16	9	21	Natural Buttes	Uintah
CIGE #201-18-9-21	43-047-32804	U-0575	Ute Tribe Surface	1814' FNL & 944' FEL	SENE	18	9	21	Natural Buttes	Uintah
CIGE #202-21-9-21	43-047-32805	U-0575	Ute Tribe Surface	785' FSL & 471' FEL	SESE	21	9	21	Natural Buttes	Uintah
CIGE #204-35-9-21	43-047-32794	ML-22582	N/A	2055' FNL & 1604' FEL	SWNE	35	9	21	Natural Buttes	Uintah
CIGE #205-1-10-21	43-047-32795	ML-23612	N/A	2110' FNL & 2607' FEL	SWNE	1	10	21	Natural Buttes	Uintah
CIGE #221-36-9-22	43-047-32868	ML-22650	N/A	550' FSL & 514' FEL	NESW	13	9	21	Natural Buttes	Uintah
CIGE #235-25-9-21	43-047-32858	U-01194-ST	N/A	1900' FSL & 1800' FEL	NWSE	25	9	21	Natural Buttes	Uintah
CIGE #236-34-9-21	43-047-32861	U-01194-A-ST	N/A	428' FSL & 882' FEL	SESE	34	9	21	Natural Buttes	Uintah
CIGE #23-7-10-22	43-047-30333	ST ML-23609	N/A	1573' FNL & 1024' FEL	SENE	7	10	22	Natural Buttes	Uintah
CIGE #25-34-9-22	43-047-30737	U-0149077	N/A	2037' FNL & 1608' FWL	SESW	34	9	22	Natural Buttes	Uintah
CIGE #3-32-9-22	43-047-30320	ST ML-22649	N/A	2270' FNL & 900' FEL	SENE	32	9	22	Natural Buttes	Uintah
CIGE #43-14-10-22	43-047-30491	U-01197-A-ST	N/A	1437' FWL & 1416' FNL	NW	14	10	22	Natural Buttes	Uintah
CIGE #59-21-10-21	43-047-30548	U-02278	N/A	809' FSL & 1081' FWL	SWSW	21	10	21	Natural Buttes	Uintah
CIGE #6-19-9-21 (GR)	43-047-30356	U-0581	N/A	1122' FSL & 1542' FEL	SWSE	19	9	21	Natural Buttes	Uintah
CIGE #63D-29-9-22P	43-047-30949	U-462	N/A	521' FNL & 977' FWL	NWNW	29	9	22	Natural Buttes	Uintah
CIGE #9-36-9-22	43-047-30419	ST ML-22650	N/A	2090' FSL & 1852' FEL	NWSE	36	9	22	Natural Buttes	Uintah
CIGE #97D-31-9-22	43-047-31729	U-01530-A-ST	N/A	548' FSL & 907' FEL	SESE	31	9	22	Natural Buttes	Uintah
Morgan State #10-36	43-047-32816	ML-22265	N/A	1794' FNL & 649' FEL	SENE	36	9	21	Natural Buttes	Uintah
Morgan State #11-36	43-047-32813	ML-22265	N/A	1943' FSL & 1843' FEL	NESW	36	9	21	Natural Buttes	Uintah
Morgan State #12-36	43-047-32814	ML-22265	N/A	1992' FSL & 722' FEL	NESE	36	9	21	Natural Buttes	Uintah
Morgan State #13-36	43-047-32817	ML-22265	N/A	540' FSL & 815' FEL	SESE	36	9	21	Natural Buttes	Uintah
Morgan State #2-36	43-047-32585	ST ML-22265	N/A	900' FNL & 804' FWL	NWNW	36	9	21	Natural Buttes	Uintah
Morgan State #4-36	43-047-32729	ST ML-22265	N/A	1912' FSL & 649' FWL	NWSW	36	9	21	Natural Buttes	Uintah
Morgan State #5-36	43-047-32735	ST ML-22265	N/A	2100' FSL & 1800' FEL	NWSE	36	9	21	Natural Buttes	Uintah
Morgan State #8-36	43-047-32812	ML-22265	N/A	650' FNL & 690' FEL	NENE	36	9	21	Natural Buttes	Uintah
Morgan State #9-36	43-047-32815	ML-22265	N/A	1894' FNL & 1978' FEL	SWNE	36	9	21	Natural Buttes	Uintah
NBU #105	43-047-32302	U-0575	N/A	1026' FSL & 1011' FWL	SWSW	17	9	21	Natural Buttes	Uintah
NBU #113	43-047-31931	U-0149077	N/A	580' FSL & 854' FEL	SESE	34	9	22	Natural Buttes	Uintah
NBU #118	43-047-31969	U-5077-B	Ute Tribe Surface	1700' FNL & 660' FEL	SENE	22	9	20	Natural Buttes	Uintah
NBU #12	43-047-30119	U-461	N/A	1563' FSL & 2328' FEL	NWSE	18	9	22	Natural Buttes	Uintah

NBU #121	43-047-32086	UTU-01193	Ute Tribe Surface	819' FNL & 2163' FEL	NWNE	13	9	21	Natural Buttes	Uintah
NBU #123	43-047-31974	U-01188	N/A	827' FNL & 916' FWL	NWNW	15	9	21	Natural Buttes	Uintah
NBU #131	43-047-31966	U-0149075	Ute Tribe Surface	1699' FSL & 800' FWL	NWSW	23	9	21	Natural Buttes	Uintah
NBU #134	43-047-32011	U-0576	N/A	138' FSL & 836' FWL	SWSW	28	9	21	Natural Buttes	Uintah
NBU #140	43-047-31947	U-01191-A	N/A	1031' FNL & 1879' FEL	NWNE	5	10	22	Natural Buttes	Uintah
NBU #148	43-047-31983	U-01191	N/A	279' FSL & 2127' FWL	SESW	4	10	22	Natural Buttes	Uintah
NBU #150	43-047-31992	U-01196-B	N/A	2042' FNL & 2002' FWL	SENE	9	10	22	Natural Buttes	Uintah
NBU #152	43-047-31990	U-01196-D	N/A	815' FSL & 754' FEL	SESE	9	10	22	Natural Buttes	Uintah
NBU #153	43-047-31975	ST U-01197-A	N/A	2500' FNL & 974' FWL	SWNW	11	10	22	Natural Buttes	Uintah
NBU #18	43-047-30221	U-025187	N/A	2401' FWL & 2337' FSL	SWNE	10	10	22	Natural Buttes	Uintah
NBU #180	43-047-32113	U-025187	N/A	843' FSL & 2075' FEL	SWSE	10	10	22	Natural Buttes	Uintah
NBU #182	43-047-32162	U-0141315	N/A	1809' FNL & 1519' FWL	SENE	11	9	21	Natural Buttes	Uintah
NBU #185	43-047-32171	U-01191-A	N/A	2132' FNL & 2126' FEL	SWNE	3	10	22	Natural Buttes	Uintah
NBU #187	43-047-32230	U-0149077	N/A	1057' FSL & 2321' FWL	SESW	34	9	22	Natural Buttes	Uintah
NBU #188	43-047-32234	U-01196-C	N/A	699' FWL & 1248' FSL	SWSW	10	10	22	Natural Buttes	Uintah
NBU #189	43-047-32236	U-0149075	Ute Tribe Surface	1551' FWL & 1064' FSL	SESW	23	9	21	Natural Buttes	Uintah
NBU #198	43-047-32357	U-010950-A	N/A	2041' FEL & 2107' FSL	NWSE	22	9	21	Natural Buttes	Uintah
NBU #201	43-047-32364	U-0149767	Ute Tribe Surface	2310' FNL & 500' FWL	SWNW	9	9	21	Natural Buttes	Uintah
NBU #206	43-047-32341	U-01196-C	N/A	2209' FNL & 303' FWL	SWNW	10	10	22	Natural Buttes	Uintah
NBU #207	43-047-32329	ST U-01197	N/A	912' FNL & 1685' FWL	NENW	10	10	22	Natural Buttes	Uintah
NBU #208	43-047-32343	U-01191	N/A	790' FSL & 569' FEL	SESE	4	10	22	Natural Buttes	Uintah
NBU #210	43-047-32340	U-01196-C	N/A	1956' FSL & 2060' FWL	NESW	10	10	22	Natural Buttes	Uintah
NBU #216	43-047-32487	U-010950-A	Ute Tribe Surface	1875' FSL & 1665' FWL	NESW	15	9	21	Natural Buttes	Uintah
NBU #223	43-047-32517	U-01194-ST	N/A	514' FNL & 2174' FWL	NENW	26	9	21	Natural Buttes	Uintah
NBU #228	43-047-32636	U-0575	Ute Tribe Surface	660' FSL & 1843' FEL	SWSE	17	9	21	Natural Buttes	Uintah
NBU #229	43-47-32594	U-01191-A	N/A	1019' FNL & 1712' FEL	NWNE	3	10	22	Natural Buttes	Uintah
NBU #230A	43-047-32908	U-01191-A	N/A	1849' FNL & 677' FEL	SENE	3	10	22	Natural Buttes	Uintah
NBU #231	43-047-32561	U-01191-A-ST	N/A	966' FNL & 1539' FEL	NWNE	10	10	22	Natural Buttes	Uintah
NBU #252	43-047-32800	U-0141315	Ute Tribal Surface	641' FNL & 1845' FWL	NENW	10	9	21	Natural Buttes	Uintah
NBU #254	43-047-32803	U-0575	Ute Tribal Surface	1840' FNL & 2014' FWL	NESW	17	9	21	Natural Buttes	Uintah
NBU #255	43-047-32806	U-0575	Ute Tribal Surface	642' FSL & 1235' FWL	SESW	21	9	21	Natural Buttes	Uintah
NBU #256	43-047-32807	U-0147566	Ute Tribal Surface	2213' FNL & 2312' FWL	SENE	22	9	21	Natural Buttes	Uintah
NBU #257	43-047-32790	ST U-01194	N/A	1756' FNL & 2150' FWL	SENE	25	9	21	Natural Buttes	Uintah
NBU #258	43-047-32791	ST U-01194	N/A	1880' FNL & 211' FEL	SENE	26	9	21	Natural Buttes	Uintah
NBU #259	43-047-32792	ST U-01194	N/A	2300' FNL & 1850' FEL	SWNE	26	9	21	Natural Buttes	Uintah
NBU #263	43-047-32793	ST U-01194-A	N/A	1641' FNL & 1832' FWL	SENE	34	9	21	Natural Buttes	Uintah
NBU #265	43-047-32796	ML-13826	N/A	1953' FSL & 632' FEL	NESE	2	10	21	Natural Buttes	Uintah
NBU #270	43-047-32862	ML-23608	N/A	1963' FNL & 801' FWL	SWNW	13	10	21	Natural Buttes	Uintah
NBU #280	43-047-32865	ML-32935-A	N/A	2596' FSL & 1459' FWL	NESW	31	9	22	Natural Buttes	Uintah
NBU #289	43-047-32910	U-01191	N/A	463' FSL & 2023' FWL	SESW	3	10	22	Natural Buttes	Uintah
NBU #291	43-047-32911	U-1196-D	N/A	457' FNL & 570' FEL	NENE	9	10	22	Natural Buttes	Uintah
NBU #38N2	43-047-30536	U-08512-ST	N/A	1752' FWL & 1768' FSL	CSW	13	10	22	Natural Buttes	Uintah
NBU #80V	43-047-31240	U-0149077	N/A	2042' FSL & 984' FWL	NWSW	34	9	22	Natural Buttes	Uintah
NBU #86J	43-047-31251	U-01191-A	N/A	492' FNL & 722' FEL	NENE	3	10	22	Natural Buttes	Uintah

FORM 8

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

COPY

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial Number:
See attached spreadsheet

6. If Indian, Alutian or Tribe Name:
N/A

7. Unit Agreement Name:
N/A

8. Well Name and Number:
See attached spreadsheet

9. API Well Number: 43,047,32585
See attached spreadsheet

10. Field and Pool, or Wildcat:
Natural Buttes

1. Type of Well:
OIL GAS OTHER:

2. Name of Operator:
Coastal Oil & Gas Corporation

3. Address and Telephone Number:
P.O. Box 749, Denver, CO 80201-0749 (303) 573-4476

4. Location of Well
Footages: See attached spreadsheet
County: Uintah
State: Utah
OO, Sec., T., R., M.:

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

NOTICE OF INTENT
(Submit in Duplicate)

- Abandon
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Multiple Completion
- Other Dispose water
- New Construction
- Pull or Alter Casing
- Recompletion
- Perforate
- Vent or Flare
- Water Shut-Off

Approximate date work will start Upon approval

SUBSEQUENT REPORT
(Submit Original Form Only)

- Abandon *
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Other _____
- New Construction
- Pull or Alter Casing
- Perforate
- Vent or Flare
- Water Shut-Off

Date of work completion _____

Report results of b) Multiple Completions C and b) Recompletions C to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

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

The Operator requests permission to dispose of produced water from the subject wells to the NBU #159 salt water disposal well. The water will be produced into tanks and transported by truck to the NBU #159. The subject wells are not part of the Natural Buttes Unit; however, the NBU #159 is a Unit well, located NW/SW Section 35, T9S-R21E.

Attached is an analysis of the injection zone water of the NBU #159, as well as a composite analysis of the water produced from three of the Section 36 wells.

13.

Name & Signature:

Bonnie Carson

Bonnie Carson

Title: Senior Environmental Analyst

Date

12/01/97

(This space for State use only)

Accepted by the State
of Utah Division of
Oil, Gas and Mining

Date: 12-2-97

By: [Signature]

Well Name	Location	Lease #	API #
Morgan State #1-36	2215' FNL & 1876' FWL Sec. 36 T9S-R21E	ML-22265	43-047-30600
Morgan State #2-36	900' FNL & 804' FWL Sec. 36 T9S-R21E	ML-22265	43-047-32585
Morgan State #3-36	521' FNL & 1940' FEL Sec. 36 T9S-R21E	ML-22265	43-047-32589
Morgan State #4-36	1912' FNL & 649' FWL Sec. 36 T9S-R21E	ML-22265	43-047-32729
Morgan State #5-36	2100' FSL & 1800' FEL Sec. 36 T9S-R21E	ML-22265	43-047-32735
Morgan State #6-36	1790' FNL & 712' FWL Sec. 36 T9S-R21E	ML-22265	43-047-32810
Morgan State #7-36	660' FNL & 1980' FWL Sec. 36 T9S-R21E	ML-22265	43-047-32811
Morgan State #8-36	650' FNL & 690' FEL Sec. 36 T9S-R21E	ML-22265	43-047-32812
Morgan State #9-36	1894' FNL & 1978' FEL Sec. 36 T9S-R21E	ML-22265	43-047-32815
Morgan State #10-36	1794' FNL & 649' FEL Sec. 36 T9S-R21E	ML-22265	43-047-32816
Morgan State #11-36	1943' FSL & 1843' FEL Sec. 36 T9S-R21E	ML-22265	43-047-32813
Morgan State #12-36	1992' FSL & 722' FEL Sec. 36 T9S-R21E	ML-22265	43-047-32814
Morgan State #13-36	540' FSL & 815' FEL Sec. 36 T9S-R21E	ML-22265	43-047-32817

EVERGREEN ANALYTICAL, INC.
4036 Youngfield St. Wheat Ridge, CO 80033
(303)425-6021

NBU-159

SWD

Miscellaneous Analyses

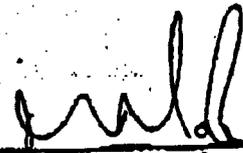
Date Sampled : 6/12/93
Date Received : 6/23/93
Client Sample ID.: NBU UINTAH
Lab Sample No. : X72532

Client Project ID. : NBU UIC
Lab Project No. : INJECTION PROJ
Matrix : 93-2120
Liquid phase

<u>Analysis</u>	<u>Result</u>	<u>Date Prepared</u>	<u>Date Analyzed</u>	<u>Method</u>
pH	7.84	6/23/93	6/23/93	EPA 150.1
Total Dissolved Solids (mg/L)	65200 (6.5%)	6/28/93	6/28/93	EPA 160.1
Specific Gravity @ 60°F	1.0451	6/29/93	6/29/93	ASTM D1217



Analyst



Approved
212001.10

EXHIBIT "G2"

NBU #159

EVERGREEN ANALYTICAL, INC.
4036 Youngfield St. Wheat Ridge, CO 80033
(303) 425-6021

SWD

INORGANIC ANALYSIS DATA SHEET

Date Sampled : 6/12/93
Date Received : 6/23/93
Date Prepared : 6/24/93
Date Analyzed : 6/29/93

NEU UIC
Client Project : INJECTION PROJ.
Lab Project No. : 93-2120
Method : 600/4-79-020
Matrix : Water

Units: mg/L

Basis: Dissolved Metals

Client Sample# NBU UINTAR

Evergreen Sample# X72532

Detection Limits

Ca	26
K	95
Mg	12
Na	23000

0.1
1.5
0.02
0.3

DC
Analyst

WKF
Approved

EVERGREEN ANALYTICAL, INC.
 4036 Youngfield Street Wheat Ridge, CO 80033
 (303) 425-6021

NBU #759
 SWD

Anions

Date Sampled : 6/12/93
 Date Received : 6/23/93
 Date Prepared : 6/23/93
 Date Analyzed : 6/23/93

Client Project ID : NBU UIC INJECTION PROJ
 Lab Project No. : 93-2120
 Method : EPA Method 300.0

Client Sample ID	NBU UICINAH	_____	_____	_____	_____	_____
Evergreen Sample #	X72532	_____	_____	_____	_____	_____
Matrix	Liquid Waste	_____	_____	_____	_____	_____
Chloride (mg/L)	42800(4.3%)	_____	_____	_____	_____	_____
Nitrite-N (mg/L)*	<38.0	_____	_____	_____	_____	_____
Sulfate (mg/L)	3.13	_____	_____	_____	_____	_____

To: <i>For Shell</i>	FROM: <i>Evergreen</i>
At: <i>Control</i>	Phone: <i>716 1020</i>
Dist.:	Page 2
File # <i>573-4477</i>	

PAGE 20

* Sample received after holding time expired. Detection limit raised due to matrix interference.

[Signature]
 Analyst

[Signature]
 Approved

2120ml.24

EXHIBIT "G3"

FROM : COASTAL OIL & GAS 303 573 4418 1997 09:29 #077 P.05/07

DEC 1 '97 10:15 FR BJ SERVICES-VERNAL 801 789 4530 TO 789-4436

P.01

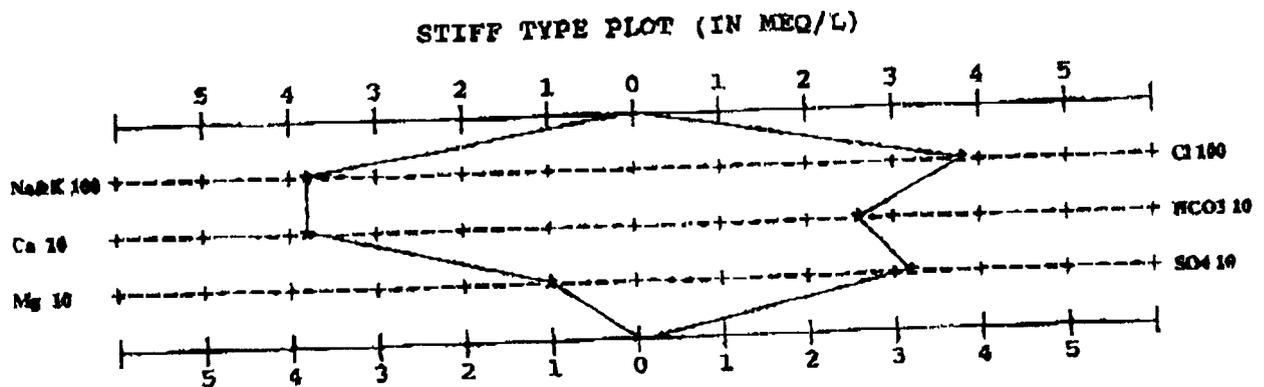
FW01W273

BJ SERVICES COMPANY
WATER ANALYSIS #FW01W273
VERNAL LAB

Morgan State
3-36, 5-36, 13-36

GENERAL INFORMATION	
OPERATOR:	COASTAL
WELL:	MORGAN STATES-36, 13-36, 3 ³⁶
FIELD:	NATURAL BUTTE
SUBMITTED BY:	TROY HINEMAN
WORKED BY	: TROY HINEMAN
PHONE NUMBER:	789-4436
DEPTH:	
DATE SAMPLED:	11/19/97
DATE RECEIVED:	11/20/97
COUNTY:	UINTAH
FORMATION:	WASATCH
STATE:	UT

SAMPLE DESCRIPTION	
FILTERED WITH A DARK TINT.	
PHYSICAL AND CHEMICAL DETERMINATIONS	
SPECIFIC GRAVITY:	1.030 @ 68°F PH: 7.00
RESISTIVITY (CALCULATED):	0.155 ohms @ 75°F
IRON (FE++) :	50 ppm
CALCIUM:	777 ppm
MAGNESIUM:	118 ppm
CHLORIDE:	13,201 ppm
SODIUM+POTASS:	11,839 ppm
IODINE:	
SULFATE:	1,553 ppm
TOTAL HARDNESS	2,429 ppm
BICARBONATE:	1,540 ppm
SODIUM CHLORIDE (calc)	21,715 ppm
TOT. DISSOLVED SOLIDS:	30,562 ppm
POTASSIUM CHLORIDE:	
REMARKS	
CARBOHYDRATES .204	



ANALYST TROY HINEMAN

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

5. Lease Designation and Serial Number
ML - 22265

6. Indian, Allottee or Tribe Name:
N/A

7. Unit Agreement Name:
N/A

8. Well Name and Number:
Morgan State #2-36

9. API Well Number:
43-047-32585

10. Field and Pool, or Wildcat
Natural Buttes Field

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. Type of Well: OIL GAS OTHER:

2. Name of Operator
Coastal Oil & Gas Corporation

3. Address and Telephone Number.
P.O. Box 749, Denver, CO 80201-0749 (303) 573-4455

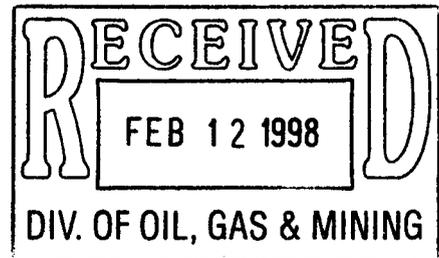
4. Location of Well
Footages: **900' FNL & 804' FWL** County: **Uintah**
QQ,Sec., T., R., M.: **NWNW Section 36 T9S-R21E** State: **Utah**

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

NOTICE OF INTENT (Submit in Duplicate)		SUBSEQUENT REPORT (Submit Original Form Only)	
<input type="checkbox"/> Abandon	<input type="checkbox"/> New Construction	<input type="checkbox"/> Abandon*	<input type="checkbox"/> New Construction
<input type="checkbox"/> Repair Casing	<input type="checkbox"/> Pull or Alter Casing	<input type="checkbox"/> Repair Casing	<input type="checkbox"/> Pull or Alter Casing
<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Perforate
<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Perforate	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Vent or Flare
<input type="checkbox"/> Fracture Treat or Acidize	<input type="checkbox"/> Vent or Flare	<input type="checkbox"/> Fracture Treat or Acidize	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Multiple Completion	<input type="checkbox"/> Water Shut-Off	<input checked="" type="checkbox"/> Other <u>Cmt. sqz. Was. commingle w/Mvde</u>	
<input type="checkbox"/> Other _____			
Approximate date work will start _____		Date of work completion <u>1/1/98</u>	
		Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.	
		* Must be accompanied by a cement verification report.	

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

Please see the attached chronological history for work performed on the subject well.



13. Name & Signature Sheila Bremer Title Environmental & Safety Analyst Date 2/11/98

(This space for State use only)

*WTC
12-22-98
RHK*

Recompletion

- 10/9/97 Run prod log w/Well Information Service.
- 10/13/97 RU CWS #26. Rig on location. Doing repairs to tubing board.
- 10/14/97 **RIH, set circ. Try to circ.** ITP 300, ICP 500, blew down & kill w/100 bbl 2% KCL. ND well head, NU BOP. RU floor, lay down 45 jts tbg. Stand back the rest. Rig up cutters, run & set CIBP @ 6150'. Run in, set 100# sand on BP w/dump bailer. RI shot 4 squeeze holes @ 5840. Pull WL, fill hole, close blind rams. Try to circ. Pressure up, run in shot 4 more squeeze holes @ 5500'. RD release Cutters. PU CICR. RIH, stop above perfs @ 5021'. SIFN.
DC: \$11,729 TC: \$11,729
- 10/15/97 **Cut tbg w/radial jet torch.** SICP 500 psi. SITP 300 psi. Finish RIH w/CICR & 2-3/8" tbg. Set CICR @ 5,805'. RU Dowell. Pressure test lines & tbg to 5000 psi. Try to est circ through perfs, break @ 1800 psi @ 2-3 BPM @ 1000 psi. No circ. Mix & pump 50 sx cmt. Stage cmt. Sting out of ret, reverse circ, circ gas out. Sting in pressure up 5000 psi #1 squeeze holding. Inj test @ 2BPM @ 1500 psi on top perfs EOT @ 5465'. Mix & pump 60 sx class G D407 cmt. Stage cmt. Reverse circ. Try to pull tbg. Tbg stuck. RD Dowell. RU Cutters. Run free point 1-7/16 tool, tag @ 4980'. Free to 4980'. RIH w/1-7/16 chemical cut tool. Tag @ 4839. Could not get through. POOH w/tool. SI well. SDFN.
DC: \$7,800 TC: \$19,529
- 10/16/97 **Finish RIH w/2 3/8tbg/ washover & cut tbg.** SICP 0 psi. STTP 0 psi. RIH w/1-1/2 RCT cutting tool to 4,835', incomplete cut, POOH W/cutting tool. RIH w/1-11/16 gauge to 4,750'. Stop solid, POOH 1-11/16 gauge. RIH w/ 1-11/16 chemical cut tool & cut 2-3/8 tbg @ 4728', tbg free. RD Cutters. Circ hole clean. POOH w 2-3/8 tbg, recover 141-1/2 jts. Rig repair. PU & RIH w/4-11/16" tbg cutter w/10 jts 4-1/2 " wash pipe & 10 stands of 2-3/8" tbg. SI well.
DC: \$8,135 TC: \$27,664
- 10/17/97 **RIH/cut tbg.** SICP 0 psi SITP 0 psi. RIH w/2-3/8 tbg & cutter. Cut tbg @ 5000'. POOH w/2-3/8 tbg and WP. No tbg recovery. Cutting knives were all broken. Redress cutting tool. Started in hole w/2-3/8 tbg, WP & external tbg cutter. SD. Left tbg @ 4438'. SI well. SDFN.
DC: \$4,840 TC: \$32,504
- 10/18/97 **RIH w/cutting tool & tbg. Cut tbg.** CP 0 psi, TP 0 psi. Finish RIH w/WP & 2-3/8 tbg. Cut tbg @ 5000'. POOH w/2-3/8 tbg, WP & cutters. Recover 7 jts 2-3/8 tbg. RIH w/shoe, 10 jts WP, jars, bumper sub & 2-3/8 tbg. Tag & clean out from 5005 to 5301'. Circ hole clean. POOH w/2-3/8 tbg, WP & shoe. SI well. SDFN.
DC: \$5,615 TC: \$38,119
- 10/19/97 **PU power swivel & wash over fish.** TP 0 CP 0. Dress tbg cutter @ TIH PU power swivel & cut tbg off at 5212. LD power swivel & TOO. Recovered 7 jts 2-3/8" tbg. RIH w/shoe, 10 jts, wash pipe, jars, bumper sub, 4 3-1/2" DC, 1- intensifier & 2-3/8" tbg to 5301. Circ 45 min to clean up hole. Pull above fish 3 stds. SDFN.
DC: \$9,115 TC: \$47,234
- 10/20/97 **Prep to jar on fish.** Finish TIH to 5301. PU power swivel break circ, wash cement stringer f/5397 to 5431. Drlg solid cement f/5431 to 5468'. Mill on setting tool f/1 hr. Circ bottoms up. TOO to PU overshot. PU overshot TIH w/overshot, jars, bumper jars 4 3-1/2" DC, ACC, 2-3/8" tbg. Latch on to fish @ 5216 jar on fish f/1hr. Release overshot. POOH 10 stds. SDFN.
DC: 8,415 TC: \$48,149
- 10/21/97 **PU hyd cutter. TIH.** TIH 10 stds, latch onto fish. Jar on fish. Jars quit. Release overshot. TOO. PU tbg cutter, 10 jts wash pipe & TIH. PU power swivel, break circ. Wash to 5456 pull up 15 ft & cut off tbg at 5441. TOO. Did not make a cut. Tore up cutter body. SDFN.
DC: 5,815 TC: \$53,984

- 10/22/97 **Wash over fish.** PU tbg cutter, 10 jts wash pipe. TIH. PU power swivel. Cut off tbg @ 5431'. LD power swivel. POOH. Rec 7 jts 2-3/8" tbg. LD 8 jts, wash pipe. PU shoe, 2 jts, wash pipe, bumper sub, jars, 4 3-1/2" DC, ACC. TIH. PU power swivel, wash down to top of fish @ 5457. Washed over fish f/5457 to 5461. LD power swivel. POOH 3 STDS. SDFN.
DC: \$10,490 TC: \$71,954
- 10/23/97 **PU mill & TIH.** TIH 3 stds, PU power swivel. Finish washing over fish @ 5461 to 5464. TOO. LD shoe & 2 jts wash pipe. PU overshot & TIH. Latch onto fish. TOO. LD fish & fishing tools. SDFN.
DC: \$14,065 TC: \$86,019
- 10/24/97 **RIH set CICR & cmt.** 0 psi tbg & csg. RIH w 4-3/4 mill. Tag cmt @ 5480'. PU swivel. Drill cmt f/5460 to 5560 stringer. Last 60 ft test csg. Brk dn @ 3400 psi. Inj rate 2000 psi @ 2.5 BPM. Well trying to circ up 8-5/8. POOH. LD mill. PU CICR & RIH to 4500'.
DC: \$4,941 TC: \$90,980
- 10/25/97 **WOC. Will drill out Monday.** RIH. Set CICR 5404'. PT lines & tbg to 5000 psi. OK. Sting out, rev out to make sure no dry cmt in tbg. Sting in, pump 60 bbl water w/surfactant. 200 sx cmt at 2600 psi @ 2.4 BPM. Displace w/2% KCL 1/2 to 1/3 BPM last few bbls. Sting out w/1 bbl still in tbg. Rev out. Left 10' cmt on retainer. POOH. LD stinger. PU 4-3/4 mill & RIH to 2500'. SI well. WOC.
DC: \$9,144 TC: \$100,104
- 10/27/97 **F/RIH w/tbg & mill & drlg CICR.** F/RIH w/2 3/8 tbg & mill. Tag cmt @ 5395'. RU swivel & brk circ w/wtr. Drlg cmt f/5395' to 5405'. Drlg on CICR @ 5405'. RD swivel & POOH w/tbg & mill. Chg mill & RIH w/tbg & mill. EOT @ 5250'. SWIFN @ 5:00PM.
DC: \$3,010 TC: \$103,114
- 10/28/97 **RIH w/tbg & mill & f/drlg CICR.** F/RIH w/2 3/8 tbg & mill. Tag CICR @ 5405'. RU swivel b/circ w/wtr. Drlg CICR @ 5405' & drlg cmt to 5530'. Press test csg @ 5580' to 3500 psi. Bleed dn to 2500 psi in 2 mins, 1600 psi in 10 min, 1100 psi in 1 hr. PU & RIH tbg & mill to 5810'. Drlg on CICR @ 5810' circ hole. RD swivel & POOH w/tbg & mill f/above perf. EOT @ 5410' & SWIFN @ 5:00 PM.
DC: \$2,390 TC: \$106,404
- 10/29/97 **F/RIH w/pkr & spot acid.** F/RIH w/2 3/8 tbg & mill. Tag CICR @ 5810. RU swivel & b/circ w/wtr. Drlg out CICR @ 5810' & cmt to 5882'. Circ hole @ 5913' & press test csg 2800 psi. Shut dn. Drop 2000 psi, drop 1300 psi in 2 mins, 1200 psi in 15 mins. PU & RIH tbg & mill to 6150 CIBP. Circ hole clean. RD swivel & POOH w/tbg & mill. RU Cutters WL. RIH w/4" gun, 180 phasing 2 spf & perf f/6098-5958' FL 400' press 0 psi. RIH w/4" gun, 180 phasing 2 spf & perf f/5716-5604' FL 400' press 0 psi. RD Cutters WL. PU 5-1/2 HD prk & RIH w/tbg. EOT @ 4500' & SWIFN @ 6:00PM.
DC: \$6,489 TC: \$112,893
- 10/30/97 **RU Dowell & frac.** SICP 0 psi, SITP 0 psi. F/RIH w/tbg & pkr to 6102'. RU Dowell & spot 250 gals 15% HCL acid f/perf 6098-5804'. Disp w/22 bbls 2% KCL. LD 17 jts 2-3/8" tbg. Set pkr @ 5564'. RU Dowell. Open bypass & spot 750 gals 15% HCL dn tbg. Close bypass. Break down perf w/1000 gal 15% HCL w/ 58 7/8" 1.3 BS. Inj rate 685 psi @ 3 BPM. Avg press 2000 psi @ 6 BPM, max press, 2900 psi @ 6 BPM. Poor ball act. Disp acid w/43 bbls 2% KCL. ISIP 1400 psi, 5 min 1147 psi. Total load 91 bbls. Csg press stay @ 100 psi. RD Dowell & RU & swab. IFL surface made 1 run rec 8 bbls wtr. Sand line parted on 2nd run. POOH w/tbg & pkr. Recover 3200' sandline. RIH w/tbg & pkr to 5584'. Pump 100 bbls 2% KCL dn csg to clear pkr. Set pkr @ 5584'. RU & swab, IFL 1300' made 5 runs, rec 22 bbls wtr. FFL 2300'. RD. Swab & SWIFN @ 5:30PM.
DC: \$14,425 TC: \$127,316

- 10/31/97 **Well dead. POOH w/tbg & pkr.** SICP 250 psi. SITP 1400 psi. Blow well dn. RU Dowell to frac. Pkr set @ 5564'. PT csg to 1500 psi & PT lines 6000 psi & safety meeting. Start frac dn tbg w/1000 psi on csg. Pump four stages w/219080# SD & 20# gel & w/2-6 propanat w/39 7/8" 1.3 sg ball. Tag stage #2 w/iridium 3rd w/scandium & 4 w/antimony. Ave press 5300 psi @ 12 bpm max press 5500 psi 13.5 bpm. Total load 1587 bbl. ISIP 1460 psi 5 min 1245 psi 10 min, 1145 psi 15 min 1067 psi 30 min 1030 psi & job comp @ 11:31 PM. RD Dowell & hook up flowline. Open well to pit w/700 psi on 18/64 ch. 200 psi on 18/64 ch. Well dead.
DC: \$64,053 TC: \$191,371
- 11/1/97 **Well flowing to pit.** SICP 200 psi. STIP 0 psi. Release pkr @ 5564'. Reverse circ 26 bbls to pit. POOH w/tbg & pkr. PU NC 1 jt tbg. SN & RIH w/tbg to 5580'. PU & RIH w/tbg, tag SD @ 5925'. RU swivel & b/circ w/air foam. CO f/5925' to 6150' CIBP. Circ hole clean w/air. RD swivel & LD 20 jts tbg. EOT @ 5530'. Hook up flowline f/tbg to pit. Well flowing to pit on 18/64 ch & 350 psi. Flowback 50 mcf, 85 bw, FTP 150#, FCP 1250#, shut in f/build up. LLTR 1764 bbls.
DC: \$17,884 TC: \$209,255
- 11/2/97 **Well flowing to pit.** SICP 1300 psi. SITP 250 psi. Blow well dn. Pump 10 bbls dn tbg. PU hanger & land tbg w/176 jts 2-3/8 4.7# J-55. EOT 5539' SN @ 5506'. RD floor & tbg equip. ND BOPS & NU WH. Hook up flowline F/WH to pit. RD & MO. PU @ 11:30 AM. MI & RU Delsco rig #1 & swab. Made 5 runs, rec 30 bbls. IFL 500', FFL 800', FCP 830 psi. FTP 140 psi. Flow well to pit on 32/64 ch. Flowback 250 mcf, 140 bw, FTP 75#, FCP 630#, 32/64" ck, LLTR 1479 bbls.
DC: \$2,011 TC: \$211,266
- 11/3/97 Flwg to pit 580 MCF, FTP 100#, CP 575#, 32/64" ck, 10 BW/hr.
- 11/4/97 Flwg 260 MCFPD, 20 BW/hr, FTP 75#, CP 500#, 32/64" ck, 24 hrs, LLTR 759 bbls.
- 11/5/97 Flwg 200 MCFPD, 15 BWPD, FTP 320#, CP 575#, 64/64"ck, LLTR 744 bbls. Well died after turning to sales @ 2:40 pm. Install PLE. Return to sales.
- 11/6/97 Flwg 71 MCF, 33 BW, FTP 467#, CP 682#, 40/64" ck, 24 hrs.
- 11/7/97 Flwg 117 MCF, 67 BW, FTP 490#, CP 687#, 40/64" ck, 24 hrs.
- 11/8/97 Flwg 117 MCF, 33 BW, FTP 418#, CP 652#, 40/64" ck, 24 hrs.
- 11/9/97 Flwg 134 MCF, 46 BW, FTP 332#, CP 547#, 40/64" ck, 24 hrs.
- 11/10-12/17/97 Flow tested well.
- 12/18/97 **RIH w/2-3/8" tbg f/CO.** MIRU. FTP 167#, SICP 376#. Blow dwn. PMP 40 bbls 2% KCL dwn tbg. ND WH, NU BOP. POOH w/2-3/8" tbg, SN, 1 jt 2-3/8" tbg & NC. RIH w/ 4-3/4" mill, POS, 1 jt 2-3/8" tbg, XN nipple & 2-3/8" tbg. EOT @ 3000'. SWI.
DC: \$4,124 TC: \$215,390
- 12/19/97 **WO foam unit.** SICP 725#, SITP 700#. Blow dwn. Pmp 20 bbls 2% KCL dwn tbg. RIH w 2-3/8" tbg. Tag @ 5860', 310 of fill to CIBP. POOH w 2-3/8" tbg. EOT @ 5538'. SI csg, RU swab, 1 run, 6 bbls wtr. Well started flowing, flowed to pit f/2-1/2 hrs, 30 bbls wtr. Leave flowing to pit on 20/64 choke. SDFN.
DC: \$2,471 TC: \$217,861
- 12/22/97 **RIH w/ tbg & f/drlg CIBP.** SICP 200 psi. FTP 100 psi. Pump 20 bbls 2% KCL dn tbg. RIH w/tbg. Tag SD @ 5860'. RU swivel & CO f/5860' to 6160'. Drlg on CIBP @ 6160'. Circ hole to let press equalize. RD swivel & POOH to float valve. Pump 10 bbls 2% KCL dn tbg. F/POOH w/tbg f/above perf. EOT @ 5800'. SWIFN @ 5:00 PM.
DC: \$7,280 TC: \$225,141

12/23/97 **RIH, check PBTD.** ITP 750 psi, ICP 1100 psi. Open casing to pit on 3/4 choke. Kill tbg w/20 bbl 2%KCL. RIH, tag @ 6150. PU swivel. Break circ, knocked plug free. RD swivel, kill tbg w/20 more, pull string float. RIH & tag fill 9400, trying to brk circ. Lost drive line in air foam unit. LD swivel. Pull above perms. EOT @ 5600'. SIFN.
DC: \$6,232 TC: \$231,373

12/24/97 **Will RIH Friday, check for fill.** ITP 1100 psi, ICP 1550 psi. Flow csg on 3/4 choke. Kill tbg w/20 bbls 2%. RIH & tag at 9371'. Drill on CIBP. Drill and push to PBTD 9440'. Circ clean, pull 63 std to get above perms. EOT @ 5600'. SIFN.
DC: \$6,439 TC: \$237,812

12/26/97 ITP 1150 psi. ICP 1500 psi. Flow casing on 3/4 choke. Kill tbg w/40 bbls 2% KCL. RIH, tag fill at 9425'. Pick up land at 9292', nipple down BOP, nipple up well head. Drop ball pump 66 bbl to pump off bit sub. Hook up air foam unit. Blow KCL out of tbg and up csg. Landed w/top part of pump of 1 jt XN nipple 296 jts hanger. (4 3/4 mill & pump off sub on fill @ 9425). RDMO. Let well blow till 4PM. SIFN.
DC: \$13,956 TC: \$251,768

12/27/97 **Swabbing.** ITP 0, SICP 1020. 2 runs 8 bbls. IFL 6000, sand. FTP 0, FCP 1020, FFL 6000, SIFN. Tried to blow, called for swabbers.
DC: \$695 TC: \$252,463

12/28/97 **Swabbing.** FTP 200 psi. ICP 1000 psi. IFL 6000'. Blew well down, start to swab. Make 12 runs, rec 50 bbls & lots of sand. FTP 0 psi. FCP 1100 psi. FFL 6500'.
DC: \$1092 TC: \$253,555

12/29/97 **Producing.** ITP 200 psi, ICP 1060 psi. Start to swab. IFL 600' made 5 runs & rec 30 bbls fluid. Flowed to tank 1 hr & put on line.
DC: \$635 TC: \$254,190

12/30/97 Flwg 1165 MCF, 89 BW, FTP 265#, CP 472#, 64/64" ck, 20 hrs. Dn 4 hrs - swabbing

12/31/97 Flwg 1191 MCF, 37 BW, FTP 220#, CP 569#, 30/64" ck, 24 hrs.

1/01/98 Flwg 1102 MCF, 38 BW, FTP 309#, CP 585#, 30/64" ck, 24 hrs.
Prior prod: Flwg 364 MCF, 10 BW, FTP 264", CP 497#, 40/64" ck, 24 hrs
Final Report.

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL: OIL WELL GAS WELL OTHER _____

2. NAME OF OPERATOR: El Paso Production Oil & Gas Company

3. ADDRESS OF OPERATOR: 18 South 1200 East CITY Vernal STATE Utah ZIP 84078 PHONE NUMBER: 435-789-4433

5. LEASE DESIGNATION AND SERIAL NUMBER: _____

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: _____

7. UNIT or CA AGREEMENT NAME: _____

8. WELL NAME and NUMBER: Exhibit "A"

9. API NUMBER: _____

10. FIELD AND POOL, OR WILDCAT: _____

4. LOCATION OF WELL

FOOTAGES AT SURFACE: _____ COUNTY: _____

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: _____ STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Name Change</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

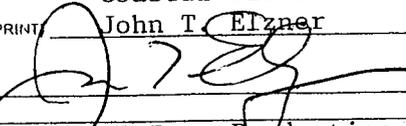
As a result of the merger between The Coastal Corporation and a wholly owned subsidiary of El Paso Energy Corporation, the name of Coastal Oil & Gas Corporation has been changed to El Paso Production Oil & Gas Company effective March 9, 2001.

See Exhibit "A"

Bond # 400JU0708

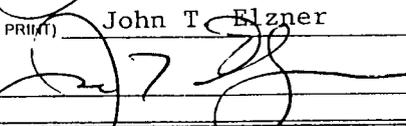
Coastal Oil & Gas Corporation

NAME (PLEASE PRINT) John T. Elzner TITLE Vice President

SIGNATURE  DATE 06-15-01

El Paso Production Oil & Gas Company

NAME (PLEASE PRINT) John T. Elzner TITLE Vice President

SIGNATURE  DATE 06-15-01

(This space for State use only)

RECEIVED
JUN 19 2001
DIVISION OF
OIL, GAS AND MINING

State of Delaware
Office of the Secretary of State

PAGE 1

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "COASTAL OIL & GAS CORPORATION", CHANGING ITS NAME FROM "COASTAL OIL & GAS CORPORATION" TO "EL PASO PRODUCTION OIL & GAS COMPANY", FILED IN THIS OFFICE ON THE NINTH DAY OF MARCH, A.D. 2001, AT 11 O'CLOCK A.M.

RECEIVED

MAR 9 2001

DIVISION OF
OIL, GAS AND MINING



Harriet Smith Windsor
Harriet Smith Windsor, Secretary of State

0610204 8100

AUTHENTICATION: 1061007

010162788

DATE: 04-03-01

CERTIFICATE OF AMENDMENT

OF

CERTIFICATE OF INCORPORATION

COASTAL OIL & GAS CORPORATION (the "Company"), a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware, DOES HEREBY CERTIFY:

FIRST: That the Board of Directors of the Company, by the unanimous written consent of its members, filed with the minutes of the Board, adopted a resolution proposing and declaring advisable the following amendment to the Certificate of Incorporation of the Company:

RESOLVED that it is deemed advisable that the Certificate of Incorporation of this Company be amended, and that said Certificate of Incorporation be so amended, by changing the Article thereof numbered "FIRST." so that, as amended, said Article shall be and read as follows:

"FIRST. The name of the corporation is El Paso Production Oil & Gas Company."

SECOND: That in lieu of a meeting and vote of stockholders, the stockholders entitled to vote have given unanimous written consent to said amendment in accordance with the provisions of Section 228 of the General Corporation Law of the State of Delaware.

THIRD: That the aforesaid amendment was duly adopted in accordance with the applicable provisions of Sections 242 and 228 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, said COASTAL OIL & GAS CORPORATION has caused this certificate to be signed on its behalf by a Vice President and attested by an Assistant Secretary, this 9th day of March 2001.

COASTAL OIL & GAS CORPORATION

David L. Siddall
David L. Siddall
Vice President

Attest:

Margaret E. Roark
Margaret E. Roark, Assistant Secretary

RECEIVED

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 11:00 AM 03/09/2001
010118394 - 0610204

JUN 19 2001

DIVISION OF
OIL, GAS AND MINING

OPERATOR CHANGE WORKSHEET

ROUTING

1. GLH		4-KAS
2. CDW	<input checked="" type="checkbox"/>	5-LP <input checked="" type="checkbox"/>
3. JLT		6-FILE

Enter date after each listed item is completed

Change of Operator (Well Sold)

Designation of Agent

Operator Name Change (Only)

X Merger

The operator of the well(s) listed below has changed, effective: **3-09-2001**

FROM: (Old Operator):
COASTAL OIL & GAS CORPORATION
Address: 9 GREENWAY PLAZA STE 2721
HOUSTON, TX 77046-0995
Phone: 1-(713)-418-4635
Account N0230

TO: (New Operator):
EL PASO PRODUCTION OIL & GAS COMPANY
Address: 9 GREENWAY PLAZA STE 2721 RM 2975B
HOUSTON, TX 77046-0995
Phone: 1-(832)-676-4721
Account N1845

CA No.

Unit:

WELL(S)

NAME	API NO	ENTITY NO	SEC TWN RNG	LEASE TYPE	WELL TYPE	WELL STATUS
WONSITS STATE 8-32	43-047-33681	99999	32-07S-22E	STATE	GW	APD
STATE 32 21 (CA 9C-204)	43-047-30754	120	32-08S-21E	STATE	GW	P
OURAY 32-88 (CA 9C-204)	43-047-33391	12870	32-08S-21E	STATE	GW	P
OURAY 32-89 (CA 9C-204)	43-047-33392	12754	32-08S-21E	STATE	GW	P
OURAY 32-146 (CA 9C-204)	43-047-33623	12862	32-08S-21E	STATE	GW	P
GLEN BENCH ST 12-36-8-21 (CA 9C-205)	43-047-33287	12549	36-08S-21E	STATE	GW	P
TRIBAL 31-60 (CA 84688C)	43-047-33340	12563	31-08S-22E	STATE	GW	P
STATE 31 32 (CA 84688C)	43-047-30906	175	31-08S-22E	STATE	GW	P
TRIBAL 31-98 (CA 84688C)	43-047-33375	12685	31-08S-22E	STATE	GW	P
TRIBAL 31-128 (CA 84688C)	43-047-33460	12722	31-08S-22E	STATE	GW	P
TRIBAL 31-129 (CA 84688C)	43-047-33461	12739	31-08S-22E	STATE	GW	P
TRIBAL 31-132 (CA 84688C)	43-047-33462	12776	31-08S-22E	STATE	GW	P
MORGAN STATE 1-36	43-047-30600	5445	36-09S-21E	STATE	GW	P
MORGAN STATE 2-36	43-047-32585	11927	36-09S-21E	STATE	GW	P
MORGAN STATE 3-36	43-047-32589	12002	36-09S-21E	STATE	GW	P
MORGAN STATE 4-36	43-047-32729	12068	36-09S-21E	STATE	GW	P
MORGAN STATE 5-36	43-047-32735	12069	36-09S-21E	STATE	GW	P
MORGAN STATE 15-36	43-047-33094	12384	36-09S-21E	STATE	GW	S
MORGAN STATE 16-36	43-047-33093	12407	36-09S-21E	STATE	GW	P
HELLS HOLE 9103	43-047-31870	11027	36-10S-25E	STATE	GW	P

OPERATOR CHANGES DOCUMENTATION

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 06/19/2001
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 06/19/2001
3. The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 06/21/2001
4. Is the new operator registered in the State of Utah: YES Business Number: 608186-0143

JAN. 17. 2003 3:34PM WESTPORT

NO. 173 P. 2

**WESTPORT OIL AND GAS COMPANY, L.P.**

410 Seventeenth Street #2300 Denver Colorado 80202-4436
Telephone: 303 573 5404 Fax: 303 573 5609

February 1, 2002

Department of the Interior
Bureau of Land Management
2850 Youngfield Street
Lakewood, CO 80215-7093
Attention: Ms. Martha Maxwell

RE: BLM Bond CO-1203
BLM Nationwide Bond 158626364
Surety - Continental Casualty Company
Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.
Conversion of Westport Oil and Gas Company, Inc., into Westport Oil and Gas Company, L.P.
Assumption Rider - Westport Oil and Gas Company, L.P.

Dear Ms. Maxwell:

Pursuant to our recent conversations, please find the following list of enclosures for the BLM's consideration and approval:

Two (2) Assumption Riders, fully executed originals.
Copies of Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.
Copies of Westport Oil and Gas Company, Inc., conversion into Westport Oil and Gas Company, L.P.
List of all Federal/BIA/State Leases - Belco/Westport's leases - in all states.

Please inform us of any additional information needed to complete the change to Westport Oil and Gas Company, L.P., as operator of record.

I thank you for your assistance and cooperation in this matter. Please do not hesitate contacting the undersigned, should a question arise.

Sincerely,
Westport Oil and Gas Company, L.P.

Debby J. Black
Engineer Technician

Encl:



United States Department of the Interior **RECEIVED**

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

FEB 22 2002

DIVISION OF
OIL, GAS AND MINING

In Reply Refer To:

3106

UTU-25566 et al

(UT-924)

FEB 21 2002

NOTICE

Westport Oil and Gas Company L.P. : Oil and Gas
410 Seventeenth Street, #2300 :
Denver Colorado 80215-7093 :

Name Change Recognized

Acceptable evidence has been received in this office concerning the name change of Westport Oil and Gas Company, Inc. into Westport Oil and Gas Company, L.P. with Westport Oil and Gas Company, L.P. being the surviving entity.

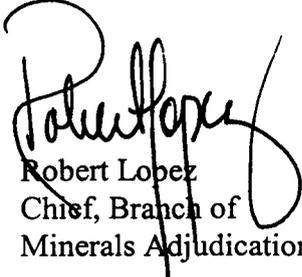
For our purposes, the name change is recognized effective December 31, 2001.

The oil and gas lease files identified have been noted as to the name change. The exhibit was compiled from a list of leases obtained from our computer program. We have not abstracted the lease files to determine if the entities affected by this name change hold an interest in the leases identified nor have we attempted to identify leases where the entities are the operator on the ground maintaining no vested recorded title or operating rights interests. We will be notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

If you identify additional leases in which the entities maintain an interest, please contact this office and we will appropriately document those files with a copy of this Notice.

Due to the name change, the name of the principal/obligor on the bond is required to be changed from Westport Oil and Gas Company, Inc. to Westport Oil and Gas Company, L.P.. You may accomplish this either by consent of surety rider on the original bond or a rider to the original bond. The bonds are held in Colorado.

UTU-03405
UTU-20895
UTU-25566
UTU-43156
UTU-49518
UTU-49519
UTU-49522
UTU-49523



Robert Lopez
Chief, Branch of
Minerals Adjudication

cc: Moab Field Office
Vernal Field Office
MMS, Reference Data Branch, MS3130, PO Box 5860, Denver CO 80217
State of Utah, DOGM, Attn: Jim Thompson (Ste. 1210), Box 145801, SLC UT 84114
Teresa Thompson (UT-922)
Joe Incardine (UT-921)

memorandum

Branch of Real Estate Services
Uintah & Ouray Agency

Date: 5 December, 2002

Reply to
Attn of: Supervisory Petroleum Engineer

Subject: Modification of Utah Division of Oil, Gas and Mining Regulations

To: Director, Utah Division of Oil, Gas and Mining Division: John Baza

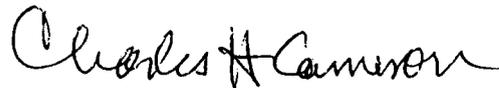
We have been advised of changes occurring with the operation of your database for Change of Operator. You will be modifying your records to reflect Change of Operator once you have received all necessary documentation from the companies involved, and perhaps in advance of our Notice of Concurrence/Approval of Change of Operator where Indian leases are involved.

We have no objection.

With further comment to Rulemaking, I wish to comment concerning the provision of Exhibits for upcoming Hearings. I would like to see the Uintah & Ouray Agency, BIA, and the Ute Indian Tribe, Energy & Mineral Resources Department added to the list of those parties that receive advance Exhibits so as to allow us to have research time prior to Hearing dates. We will be able to provide a more informed recommendation to the Oil, Gas and Mining Board. It would be best if we would receive only those Exhibits that concern Indian lands, specifically on or adjacent to Indian lands. This may be a difficult situation to attain, as it is not always clear where 'on or adjacent' occurs.

I am aware that you have gone to extra effort to correct this matter already, and I fully appreciate it. My request is intended only to allow the addition of Uintah & Ouray Agency and Ute Indian Tribe to the official listing.

We appreciate your concern, and hope that these comments are timely enough for consideration in the revision process.



CC: Minerals & Mining Section of RES
Ute Energy & Mineral Resources Department: Executive Director
chrono



IN REPLY REFER TO:
Real Estate Services

United States Department of the Interior

BUREAU OF INDIAN AFFAIRS
Washington, D.C. 20240

FEB 10 2003

Carroll A. Wilson
Principal Landman
Westport Oil and Gas Company, L.P.
1368 South 1200 East
Vernal, Utah 84078

Dear Mr. Wilson:

This is in response to your request for approval of RLI Insurance Company's Nationwide Oil and Gas Lease Bond No. RLB0005239 executed effective December 17, 2002, (\$150,000 coverage) with Westport Oil and Gas Company, L. P., as principal.

This bond is hereby approved as of the date of this correspondence and will be retained in the Bureau of Indian Affairs' Division of Real Estate Services, 1849 C Street, NW, MS-4512-MIB, Washington, D.C. 20240. All Bureau oil and gas regional offices and the surety are being informed of this action.

In cases where you have existing individual and/or collective bonds on file with one or more of our regional offices, you may now request those offices, directly, to terminate in lieu of coverage under this Nationwide Bond.

Enclosed is a copy of the approved bond for your files. If we may be of further assistance in this matter, please advise.

Sincerely,

Director, Office of Trust Responsibilities

ACTING

Enclosure

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER:
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: El Paso Production Oil & Gas Company		8. WELL NAME and NUMBER: Exhibit "A"
3. ADDRESS OF OPERATOR: 9 Greenway Plaza Houston TX 77064-0995		9. API NUMBER:
PHONE NUMBER: (832) 676-5933		10. FIELD AND POOL, OR WILDCAT:
4. LOCATION OF WELL FOOTAGES AT SURFACE: _____ COUNTY: _____ QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: _____ STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

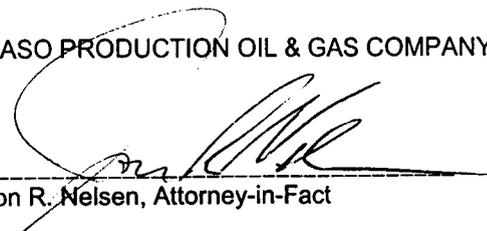
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Operator change to Westport Oil and Gas Company, L.P., 1670 Broadway, Suite 2800, Denver, CO. 80202-4800, effective December 17, 2002.

BOND # _____

State Surety Bond No. RLB0005236
Fee Bond No. RLB0005238

EL PASO PRODUCTION OIL & GAS COMPANY

By: 
Jon R. Nelsen, Attorney-in-Fact

RECEIVED

FEB 28 2003

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) WESTPORT OIL AND GAS COMPANY, L.P. David R. Dix		TITLE Agent and Attorney-in-Fact
SIGNATURE 		DATE 12/17/02

(This space for State use only)

Form 3160-5
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

5. Lease Serial No.
SEE ATTACHED EXHIBIT "A"

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
SEE ATTACHED EXHIBIT "A"

9. API Well No.
SEE ATTACHED EXHIBIT "A"

10. Field and Pool, or Exploratory Area

11. County or Parish, State
UINTAH COUNTY, UT

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

WESTPORT OIL & GAS COMPANY, L.P.

3a. Address

P.O. BOX 1148 VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7023

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

SEE ATTACHED EXHIBIT "A"

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	SUCCESSOR OF OPERATOR
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompletes horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zc. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed if testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator determined that the site is ready for final inspection.

WESTPORT OIL & GAS COMPANY, L.P., IS CONSIDERED TO BE THE OPERATOR ON THE ATTACHED DESCRIBED LANDS AND IS RESPONSIBLE UNDER THE TERMS AND CONDITIONS OF THE LEASE FOR THE OPERATIONS CONDUCTED ON THE LEASED LANDS OR PORTIONS THEREOF. BOND COVERAGE FOR THIS WELL IS PROVIDED BY FEDERAL NATIONWIDE BOND NO. 158626364, EFFECTIVE FEBRUARY 1, 2002, AND BIA NATIONWIDE BOND NO. RLB0005239, EFFECTIVE FEBRUARY 10, 2003.

RECEIVED

MAR 04 2003

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

Name (Printed/Typed)

CHERYL CAMERON

Title

OPERATIONS

Signature

Date

March 4, 2003

DIV. OF OIL, GAS & MINING

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice 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.

Office

Title 18 U.S.C. Section 1001, make 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.

(Instructions on reverse)

OPERATOR CHANGE WORKSHEET

ROUTING

1. GLH
2. CDW ✓
3. FILE

X Change of Operator (Well Sold)

Designation of Agent/Operator

Operator Name Change

Merger

The operator of the well(s) listed below has changed, effective: **12-17-02**

FROM: (Old Operator):	TO: (New Operator):
EL PASO PRODUCTION OIL & GAS COMPANY	WESTPORT OIL & GAS COMPANY LP
Address: 9 GREENWAY PLAZA	Address: P O BOX 1148
HOUSTON, TX 77064-0995	VERNAL, UT 84078
Phone: 1-(832)-676-5933	Phone: 1-(435)-781-7023
Account No. N1845	Account No. N2115

CA No.

Unit:

WELL(S) NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
OURAY 6-66 (CR-144)	06-09S-21E	43-047-33284	12544	INDIAN	GW	P
OURAY 6-71 (CR-144)	06-09S-21E	43-047-33285	12552	INDIAN	GW	P
OURAY 6-73	06-09S-21E	43-047-33286	12681	INDIAN	GW	P
OURAY 6-82 (CR-144)	06-09S-21E	43-047-33309	12559	INDIAN	GW	P
OURAY 6-84	06-09S-21E	43-047-34026	99999	INDIAN	GW	APD
OURAY 6-166	06-09S-21E	43-047-33999	99999	INDIAN	GW	APD
OURAY 6-225	06-09S-21E	43-047-34741	99999	INDIAN	GW	APD
OURAY 6-194	06-09S-21E	43-047-34049	99999	INDIAN	GW	APD
PINNACOOSE 6 3	06-09S-21E	43-047-30428	55	INDIAN	GW	P
NBU 11	14-09S-21E	43-047-30118	9240	FEDERAL	GW	PA
CIGE 215X	15-09S-21E	43-047-33690	12996	FEDERAL	GW	P
UTE TRAIL U 13	15-09S-21E	43-047-15385	99998	FEDERAL	GW	PA
COG 6-18-9-21 GR	18-09S-21E	43-047-32513	11655	FEDERAL	GW	P
COG 8-19-9-21 GR	19-09S-21E	43-047-32469	11652	FEDERAL	GW	P
NBU CIGE 6-19-9-21	19-09S-21E	43-047-30356	11618	FEDERAL	GW	P
HORSESHOE BEND FED 26-3	26-09S-21E	43-047-33872	13128	FEDERAL	GW	S
COG NBU 10-30-9-21 GR	30-09S-21E	43-047-32470	11633	FEDERAL	GW	P
UTE TRAIL U ST 10	34-09S-21E	43-047-15382	99998	FEDERAL	GW	PA
MORGAN STATE 1-36	36-09S-21E	43-047-30600	5445	STATE	GW	P
MORGAN STATE 2-36	36-09S-21E	43-047-32585	11927	STATE	GW	P

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 02/28/2003
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 03/04/2003
3. The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 03/06/2003
4. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
5. If **NO**, the operator was contacted on: _____

6. (R649-9-2)Waste Management Plan has been received on: IN PLACE

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM-12/31/2003 BIA-12/5/02

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: 02/27/2003

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: 01/09/2003

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

DATA ENTRY:

1. Changes entered in the Oil and Gas Database on: 03/27/2003

2. Changes have been entered on the Monthly Operator Change Spread Sheet on: 03/27/2003

3. Bond information entered in RBDMS on: N/A

4. Fee wells attached to bond in RBDMS on: N/A

STATE WELL(S) BOND VERIFICATION:

1. State well(s) covered by Bond Number: RLB 0005236

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: 158626364

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: RLB 0005239

FEE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB 0005238

2. The **FORMER** operator has requested a release of liability from their bond on: N/A
The Division sent response by letter on: N/A

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

COMMENTS:

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

6. Lease Designation and Serial Number
MULTIPLE WELLS- SEE ATTACHED

7. Indian Allottee or Tribe Name

8. Unit or Communitization Agreement
MULTIPLE WELLS- SEE ATTACHED

9. Well Name and Number
MULTIPLE WELLS- SEE ATTACHED

10. API Well Number
MULTIPLE WELLS- SEE ATTACHED

11. Field and Pool, or Wildcat
MULTIPLE WELLS- SEE ATTACHED

SUNDRY NOTICES AND REPORTS ON WELLS
 Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
 Use APPLICATION FOR PERMIT -- for such proposals

1. Type of Well
 Oil Well Gas Well Other (specify)

2. Name of Operator
WESTPORT OIL & GAS COMPANY, L.P.

3. Address of Operator
1368 SOUTH 1200 EAST, VERNAL, UTAH 84078

5. Location of Well
 Footage : **MULTIPLE WELLS- SEE ATTACHED** County : **UINTAH**
 QQ, Sec, T., R., M : **MULTIPLE WELLS- SEE ATTACHED** State : **UTAH**

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

NOTICE OF INTENT
 (Submit in Duplicate)

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

Approximate Date Work Will Start _____

SUBSEQUENT REPORT
 (Submit Original Form Only)

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

Date of Work Completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

* Must be accompanied by a cement verification report.

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

Westport Oil & Gas requests a variance to Onshore Order No. 4, Part III C. a. requiring each sales tank be equipped with a pressure-vacuum thief hatch and/or vent line valve. The variance is requested as an economic analysis shows the value of the shrunk condensate will not payout the incremental cost of purchasing and maintaining the valve resulting in a loss of value over the producing life of the well.

The volume lost to shrinkage by dropping the tank pressure from 6 ozs. to 0 psig is shown to be 0.3% of the tank volume. This was determined by lab analysis of a representative sample from the field. The sample shrunk from 98.82% of original volume to 98.52% when the pressure was dropped. The average well produces approximately 6 bbls condensate per month. The resulting shrinkage would amount to 0.56 bbls per month lost volume due to shrinkage. The value of the shrunk and lost condensate does not recoup or payout the cost of installing and maintaining the valves and other devices that hold the positive tank pressure. An economic run based on the loss and costs is attached. Westport Oil & Gas requests approval of this variance in order to increase the value of the well to the operator and the mineral royalty owners.

COPY SENT TO OPERATOR
 Date: 7-16-04
 Initials: CHD

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

Name & Signature Debra Domenici Title Environmental Assistant Date 07/12/04

(State Use Only) **Utah Division of Oil, Gas and Mining**

Federal Approval Of This Action Is Necessary

RECEIVED
JUL 14 2004

Date: 7/15/04
 By: [Signature]

WELL	LEGALS	STF LEASE NO	CA NUMBER	API NO
ARCHY BENCH STATE 1-2	NENE SEC 2, T11S, R22E	ML22348A		4304731489
BAYLESS STATE 02-01	SWSE SEC 2, T9S, R20E	ML47044		4304734540
BONANZA 1023-2A	NENE SEC. 2, T10S, R23E	ML47062		4304735347
BONANZA 1023-2C	NENW SEC. 2, T10S, R23E	ML47062		4304735346
BONANZA 1023-2E	SWNW SEC. 2, T10S, R23E	ML47062		4304735345
KENNEDY WASH STATE 16-1	NWNW SEC 16, T8S, R23E	ML47212		4304733589
MORGAN STATE 01-36	SENE SEC 36, T9S, R21E	ML22265		4304730600
MORGAN STATE 02-36	NWNE SEC 36, T9S, R21E	ML22265		4304732585
MORGAN STATE 03-36	NWNE SEC 36, T9S, R21E	ML22265		4304732589
MORGAN STATE 04-36	NWSW SEC 36, T9S, R21E	ML22265		4304732729
MORGAN STATE 05-36	NWSE SEC 36, T9S, R21E	ML22265		4304732735
MORGAN STATE 06-36	SWNW SEC 36, T9S, R21E	ML22265		4304732810
MORGAN STATE 07-36	NENW SEC 36, T9S, R21E	ML22265		4304732811
MORGAN STATE 08-36	NENE SEC 36, T9S, R21E	ML22265		4304732812
MORGAN STATE 09-36	SWNE SEC 36, T9S, R21E	ML22265		4304732815
MORGAN STATE 10-36	SENE SEC 36, T9S, R21E	ML22265		4304732816
MORGAN STATE 11-36	NESW SEC 36, T9S, R21E	ML22265		4304732813
MORGAN STATE 12-36	NESE SEC 36, T9S, R21E	ML22265		4304732814
MORGAN STATE 13-36	SESE SEC 36, T9S, R21E	ML22265		4304732817
MORGAN STATE 14-36	SWSW SEC 36, T9S, R21E	ML22265		4304733092
MORGAN STATE 15-36	SESW SEC 36, T9S, R21E	ML22265		4304733094
MORGAN STATE 16-36	SWSE SEC 36, T9S, R21E	ML22265		4304733093
STATE 01-32	NESW SEC 32, T10S, R22E	ML22798	891008900A	4304734317
STATE 02-32	SESW SEC 32, T10S, R22E	ML22798		4304734831
STATE 03-32	NWSW SEC 32, T10S, R22E	ML22798		4304734832
STATE 1022-32A	NENE SEC. 32, T10S, R22E	ML22798		4304735096
STATE 1022-32J	NWSE SEC 32, T10S, R22E	ML22798		4304735095
STATE 1022-32M	SWSW SEC 32, T10S, R22E	ML-22798		
STATE 1022-32O	SWSE SEC. 32, T10S, R22E	ML22798		4304735315
STATE 11-36	NESW SEC 36, T8S, R21E	ML22051	9C-205	4304734505
STATE 14-16	SWSW SEC 16, T7S, R21E	ML40904		4304731417
STATE 31-32	SESE SEC 31, T8S, R22E	ML28048	VR49I-84688C	4304730906
STATE 32-21	NESE SEC 32, T8S, R21E	ML22052	9C-204	4304730754
STIRRUP STATE 32-1	NWNE SEC 32, T6S, R21E	ML22036	UTU76783X	4304731557
STIRRUP STATE 32-1-J	NWSE SEC 32, T6S, R21E	ML40226		4304731646
STIRRUP STATE 32-2	SENE SEC 32, T6S, R21E	ML22036	UTU76783X	4304731626
STIRRUP STATE 32-6 SWD	NENE SEC 32, T6S, R21E	ML22036	UTU76783X	4304732784
UTE TRIBAL 31-060	NESW SEC 31, T8S, R22E	ML28048	VR49I-84688C	4304733340
WONSITS STATE 01-32	SWNE SEC 32, T7S, R22E	ML47780		4304732820
WONSITS STATE 02-32	SWSE SEC 32, T7S, R22E	ML47780		4304732819
WONSITS STATE 05-32	SENE SEC 32, T7S, R22E	ML47780		4304733678
WONSITS STATE 09-32	NESW SEC 32, T7S, R22E	ML47780		4304734060

Westport Oil & Gas, L.P.

Project Economics Worksheet

Instructions: Fill in blue boxed areas with before and after project data. The evaluation results are shown below and graphed automatically at the bottom of the page. This sheet is protected to prevent accidental alteration of the formulas. See JTC for changes. OPX entered as annual costs and/or as unit OPX costs for \$/BF and \$/MCF

Project Name: **Condensate Shrinkage Economics**

Is this job a well pull or production rig job ??? N (Y or N)

	BEFORE \$/Year	AFTER \$/Year	DIFFERENCE \$/Year
Gross Oil Revenue	\$1,088	\$1,099	\$11
Gross Gas Revenue	\$0	\$0	\$0
NGL Revenue	\$0	\$0	\$0
PULING UNIT SERVICE			\$0
WIRESERVICE			\$0
SUBSURF EQUIP REPAIRS			\$0
COMPANY LABOR			\$0
CONTRACT LABOR	\$0	\$200	\$200
CONTR SERVICE			\$0
LEASE FUEL GAS	\$0	\$0	\$0
UTILITIES - ELECTRICITY	\$0	\$0	\$0
CHEMICAL TREATING			\$0
MATERIAL & SUPPLY	\$0	\$150	\$150
WATER & HAULING			\$0
ADMINISTRATIVE COSTS			\$0
GAS PLANT PROCESSING			\$0
Totals	\$0	\$350	\$350

Increased OPX Per Year

Investment Breakdown:

	Cap/Exp Code	Cost, \$
Capital \$	820/830/840	\$1,200
Expense \$	830/860	\$0
Total \$		\$1,200

Oil Price	\$ 23.00	\$/BO
Gas Price	\$ 3.10	\$/MCF
Electric Cost	\$ -	\$/ HP / day
OPX/BF	\$ 2.00	\$/BF
OPX/MCF	\$ 0.62	\$/MCF

Production & OPX Detail:

	Before	After	Difference
Oil Production	0.192 BOPD	0.194 BOPD	0.002 BOPD
Gas Production	0 MCFPD	0 MCFPD	0 MCFPD
Wtr Production	0 BWPD	0 BWPD	0 BWPD
Horse Power	0 HP	0 HP	0 HP
Fuel Gas Burned	0 MCFPD	0 MCFPD	0 MCFPD

Project Life:

Life = Years
(Life no longer than 20 years)

Internal Rate of Return:

After Tax IROR =

AT Cum Cashflow:

Operating Cashflow = (Discounted @ 10%)

Payout Calculation:

$$\text{Payout} = \frac{\text{Total Investment}}{\text{Sum(OPX + Incremental Revenue)}} = 1$$

Payout occurs when total AT cashflow equals investment
See graph below, note years when cashflow reaches zero

Payout = Years or Days

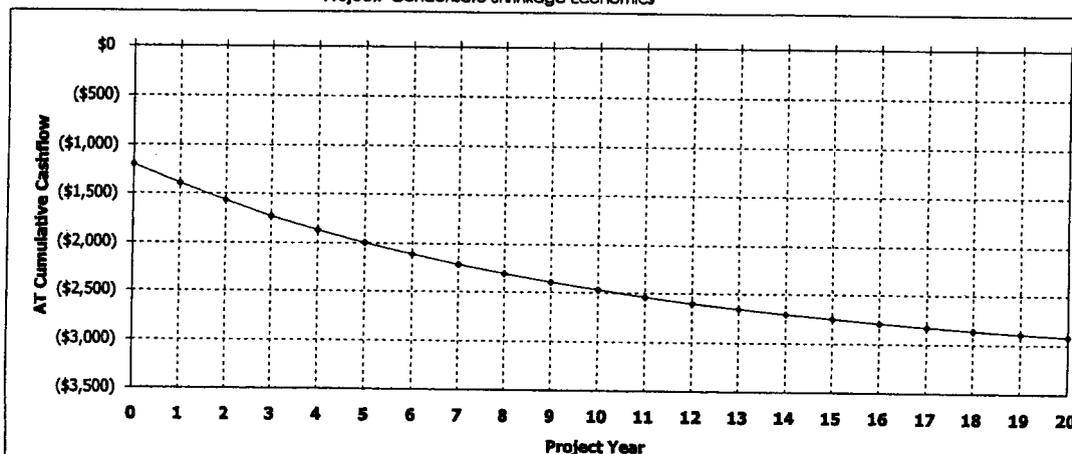
Gross Reserves:

Oil Reserves = 6 BO
Gas Reserves = 0 MCF
Gas Equiv Reserves = 38 MCFE

Notes/Assumptions:

An average NBV well produces 0.192 Bopd with no tank pressure. The production is increased to 0.196 Bopd if 4 ozs of pressure are placed on the tank. The increased production does not payout the valve cost or the estimated annual maintenance costs.

Project: Condensate Shrinkage Economics



Westport Oil and Gas, Inc.
NBU/Ouray Field
RFL 2003-022

COMPARISON OF FLASH BACK PRESSURES

Calculated by Characterized Equation-of-State

Flash Conditions		Gas/Oil Ratio (scf/STbbl) (A)	Specific Gravity of Flashed Gas (Air=1.000)	Separator Volume Factor (B)	Separator Volume Percent (C)
psig	°F				

Calculated at Laboratory Flash Conditions

80	70			1.019	
0	122	30.4	0.993	1.033	101.37%
0	60	0.0	—	1.000	98.14%

Calculated Flash with Backpressure using Tuned EOS

80	70			1.015	
6.0 oz	65	24.6	0.777	1.003	98.82%
0	60	0.0	—	1.000	98.52%
80	70			1.015	
4.0 oz	65	24.7	0.778	1.003	98.82%
0	60	0.0	—	1.000	98.52%
80	70			1.015	
2.0 oz	65	24.7	0.779	1.003	98.82%
0	60	0.0	—	1.000	98.52%
80	70			1.015	
0	65	24.8	0.780	1.003	98.82%
0	60	0.0	—	1.000	98.52%

(A) Cubic Feet of gas at 14.696 psia and 60 °F per Barrel of Stock Tank Oil at 60 °F.

(B) Barrels of oil at indicated pressure and temperature per Barrel of Stock Tank Oil at 60 °F.

(C) Oil volume at indicated pressure and temperature as a percentage of original saturated oil volume.

Note: Bubblepoint of sample in original sample container was 80 psig at 70° F with 1 cc water

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22265
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: MORGAN STATE 2-36
2. NAME OF OPERATOR: WESTPORT OIL & GAS COMPANY L.P.		9. API NUMBER: 4304732585
3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
3. ADDRESS OF OPERATOR: (continued) PHONE NUMBER: (435) 781-7024		
4. LOCATION OF WELL		
FOOTAGES AT SURFACE: 900'FNL & 804'FWL		COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 36 9S 21E		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 7/9/04	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: MAINTENANCE
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

7/6/04: RU RIG SPOT EQUIP OPEN WELL TO SEP.
 7/7/04: WELL FLOWING TO SEP. PMP 40 BBLS DN CSG & KILL WELL. NDWH. NUBOP. UNLAND 2 3/8" TBG. RIH W/6 JTS. 2 3/8" TBG. TAG FILL. POOH W/2 3/8" TBG TALLYING. EOT @9302'. TAGED FILL @9425'. PU MULE SHOE, R-NIPPLE. RIH W/2 3/8" TBG STACK OUT @8918'. WORK TBG. UNABLE TO GET DN. POOH W/20 STDS.
 7/8/04: OPEN WELL. BLOW WELL DN. PMP 50 BBLS DN CSG. POOH W/2 3/8" TBG X-NIPPLE, MULE SHOE. PU 4 3/4" BIT, POBS, X-NIPPLE. RIH W/2 3/8" TBG EOT @5000'.
 7/9/04" OPEN WELL. CSG BLOWING GAS. RIH W/2 3/8" TBG. TAG @8918'. RU SWVL & FOAM UNIT. BROKE CONV. CIRC DRL FROM 8918' TO 8930'. FELL THROUGH. RIH TAG @9030'. DRL OUT SEVERAL SMALL BRIDGES DN TO 9300'. RIH TAG PBD @9425'. CIRC WELL CLEAN W/FOAM UNIT. POOH LD EXCESS TBG. LAND TBG W/296 JTS 2 3/8" TBG IN WELL W/EOT @9267.04' NDBOP NUWH. DROP BALL POBS RU FLOW LINES TO SEP.

RECEIVED

OCT 05 2004

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE REGULATORY ANALYST
SIGNATURE 	DATE 9/21/2004

(This space for State use only)

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

ROUTING

1. DJJ
2. CDW

X Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

1/6/2006

FROM: (Old Operator): N2115-Westport Oil & Gas Co., LP 1368 South 1200 East Vernal, UT 84078 Phone: 1-(435) 781-7024	TO: (New Operator): N2995-Kerr-McGee Oil & Gas Onshore, LP 1368 South 1200 East Vernal, UT 84078 Phone: 1-(435) 781-7024
---	--

CA No.

Unit:

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
-----------	-----	-----	-----	--------	-----------	------------	-----------	-------------

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/10/2006
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/10/2006
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/7/2006
- a. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- b. If **NO**, the operator was contacted on: _____
- a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- b. Inspections of LA PA state/fee well sites complete on: n/a
- c. Reports current for Production/Disposition & Sundries on: ok

6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 3/27/2006 BIA not yet

7. Federal and Indian Units:

The BLM or BIA has approved the successor of unit operator for wells listed on: 3/27/2006

8. Federal and Indian Communization Agreements ("CA"):

The BLM or BIA has approved the operator for all wells listed within a CA on: n/a

9. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: _____

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 5/15/2006
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 5/15/2006
- Bond information entered in RBDMS on: 5/15/2006
- Fee/State wells attached to bond in RBDMS on: 5/16/2006
- Injection Projects to new operator in RBDMS on: _____
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a Name Change Only

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: CO1203
- Indian well(s) covered by Bond Number: RLB0005239
- (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB0005236
- a. The **FORMER** operator has requested a release of liability from their bond on: n/a rider added KMG
The Division sent response by letter on: _____

LEASE INTEREST OWNER NOTIFICATION:

- (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 5/16/2006

COMMENTS:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State
UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
KERR-McGEE OIL & GAS ONSHORE LP

3a. Address
1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)
(435) 781-7024

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

SEE ATTACHED

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input checked="" type="checkbox"/> Other CHANGE OF OPERATOR

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

PLEASE BE ADVISED THAT KERR-McGEE OIL & GAS ONSHORE LP, IS CONSIDERED TO BE THE OPERATOR OF THE ATTACHED WELL LOCATIONS. EFFECTIVE JANUARY 6, 2006.
KERR-McGEE OIL & GAS ONSHORE LP, IS RESPONSIBLE UNDER TERMS AND CONDITIONS OF THE LEASE(S) FOR THE OPERATIONS CONDUCTED UPON LEASE LANDS. BOND COVERAGE IS PROVIDED BY STATE OF UTAH NATIONWIDE BOND NO. RLB0005237.

RECEIVED
MAY 10 2006

BLM BOND = C01203
BIA BOND = RLB0005239
APPROVED 5/16/06

Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

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

Name (Printed/Typed) RANDY BAYNE	Title DRILLING MANAGER
Signature <i>Randy Bayne</i>	Date May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice 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.	Office	

Title 18 U.S.C. Section 1001, make 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.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

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5. Lease Serial No.
MULTIPLE LEASES

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7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State
UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
WESTPORT OIL & GAS COMPANY L.P.

3a. Address
1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)
(435) 781-7024

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

SEE ATTACHED

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other CHANGE OF OPERATOR
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

EFFECTIVE JANUARY 6, 2006, WESTPORT OIL & GAS COMPANY L.P., HAS RELINQUISHED THE OPERATORSHIP OF THE ATTACHED WELL LOCATIONS TO KERR-McGEE OIL & GAS ONSHORE LP.

APPROVED 5/16/06
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

RECEIVED
MAY 10 2006

DIV OF OIL, GAS & MINING

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

Name (Printed/Typed) BRAD LANEY	Title ENGINEERING SPECIALIST
Signature	Date May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by <i>Brad Laney</i>	Title	Date 5-9-06
Conditions of approval, if any, are attached. Approval of this notice 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.	Office	

Title 18 U.S.C. Section 1001, make 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.