

November 17, 1994

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

Attn: Frank Matthews

Re: **Trinity Petroleum Corp.**  
**Dragon Canyon #32-27-12-25**  
**SW NE Sec. 27, T12S - R25E**  
**Uintah County, Utah**

Dear Frank,

Enclosed please find three copies of the Application for Permit to Drill on the above mentioned well along with one copy of the drilling program and surface use plan which has been filed with the BLM in Vernal, Utah.

Please forward the approved copies to me at the address shown below and I will forward them to Trinity. Thanks for your assistance in this matter. If you have any questions, please call.

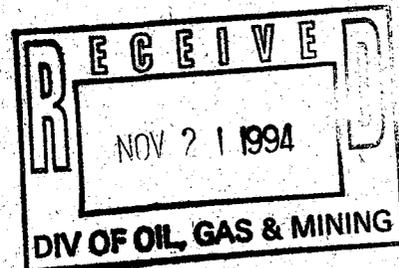
Sincerely,

PERMITCO INC.

Lisa L. Smith  
Consultant for:  
Trinity Petroleum Exploration, Inc.

Enc.

cc: Trinity Petroleum Exploration, Inc. - Denver, CO



Permitco Incorporated  
A Petroleum Permitting Company

13585 Jackson Drive Denver, Colorado 80241 (303) 452-8888

**UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT**

5. LEASE DESIGNATION AND SERIAL NO.  
**UTU-57474**

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

**APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK**

1a. TYPE OF WORK **DRILL**  **DEEPEN**  **PLUG BACK**

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

1b. TYPE OF WELL  
OIL WELL  GAS WELL  OTHER  SINGLE ZONE  MULTIPLE ZONE

8. FARM OR LEASE NAME  
**Dragon Canyon**

2. NAME OF OPERATOR **303/294-9942 1801 Broadway, Suite 600  
Trinity Petroleum Exploration, Inc. Denver, CO 80202**

9. WELL NO.  
**#32-27-12-25**

3. ADDRESS OF OPERATOR **303/452-8888 13585 Jackson Drive  
PERMITCO INC. - Agent Denver, CO 80241**

10. FIELD AND POOL OR WILDCAT  
**Wildcat**

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)  
At Surface **1779' FNL and 1499' FEL**  
At proposed Prod. Zone **SW NE Sec. 27, T12S - R25E**

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
**Sec. 27, T12S - R25E**

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
**20.7 miles south of Bonanza, UT**

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

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)  
**1499'**

16. NO. OF ACRES IN LEASE **2,560.00**

17. NO. OF ACRES ASSIGNED TO THIS WELL  
**160**

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT.  
**None**

19. PROPOSED DEPTH  
**6100'**

20. ROTARY OR CABLE TOOLS  
**Rotary**

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
**6310' GR**

22. APPROX. DATE WORK WILL START\*  
**Upon approval of this application.**

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT/FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	1,550'	710 sx - Circ. to Surf.
7-7/8"	4-1/2"	11.6#	6,100'	553 sx or suffic. to cover zones of interest.

Trinity Petroleum Exploration, Inc. proposes to a well to a depth of 6100' to test the Mancos B formation. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

See Onshore Order No. 1 attached.

Trinity Petroleum Exploration, Inc. has been designated by proper lease interest owners to conduct operations on the above mentioned lease. Bonding will be provided by Trinity Petroleum Exploration, Inc. under their Nationwide BLM Bond #CO-1145.

Trinity Petroleum Exploration, Inc. is considered to be the operator of the above mentioned well and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands.

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

24. SIGNED *Don L. Smith* Consultant for: **Trinity Petroleum Exploration, Inc.** TITLE **Trinity Petroleum Exploration, Inc.** 11/17/94

(This space for Federal or State office use)

PERMIT NO. 43-047-32587 APPROVAL DATE \_\_\_\_\_  
APPROVED BY *JH* TITLE **APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING**  
CONDITIONS OF APPROVAL, IF ANY: \_\_\_\_\_

DATE: 12/19/94  
BY: *JPT Matthews*  
WELL SPACING: 649-3-3

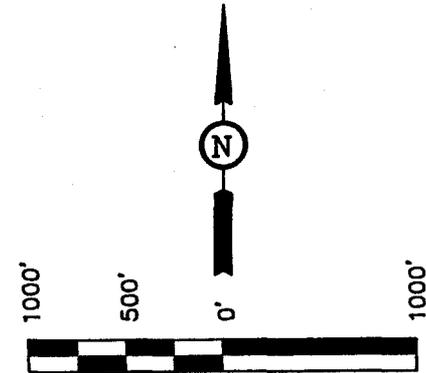
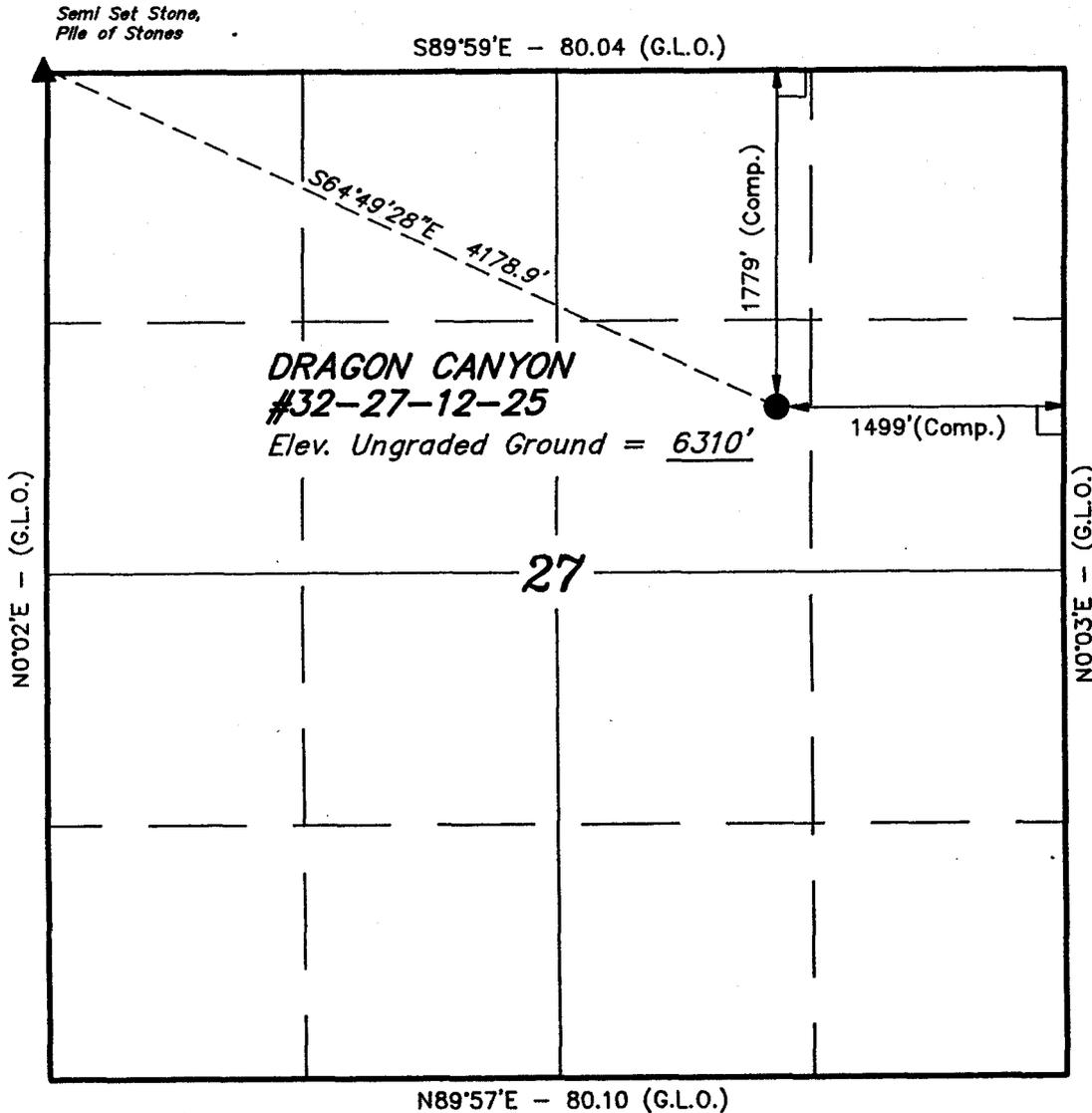
T12S, R25E, S.L.B.&M.

TRINITY PETROLEUM EXPLORATION, INC.

Well location, DRAGON CANYON #32-27-12-25, located as shown in the SW 1/4 NE 1/4 of Section 27, T12S, R25E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION IN THE NORTH 1/2 OF SECTION 22, T12S, R25E, S.L.B.&M. TAKEN FROM THE DRAGON, QUADRANGLE, UTAH - COLORADO, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 6611 FEET.



SCALE

CERTIFICATE

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

*Robert J. Key*  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 161318  
 STATE OF UTAH

LEGEND:

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

NOTE:

BASIS OF BEARINGS IS AN OBSERVATION ON THE SUN (SUN SHOT) MADE ON 10-26-94 & COMPUTED BY THE HOUR ANGLE METHOD.  
 AT: LATITUDE 39°45'24.8" N  
 LONGITUDE 109°06'17.5" W

<b>UINTAH ENGINEERING &amp; LAND SURVEYING</b>		
85 SOUTH 200 EAST - VERNAL, UTAH 84078		
(801) 789-1017		
SCALE 1" = 1000'	DATE SURVEYED: 10-26-94	DATE DRAWN: 11-4-94
PARTY G.S. J.K. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE TRINITY PETRO. EXPLR., INC.	

**ONSHORE OIL & GAS ORDER NO. 1**

**Approval of Operations on Onshore  
Federal and Indian Oil & Gas Leases**

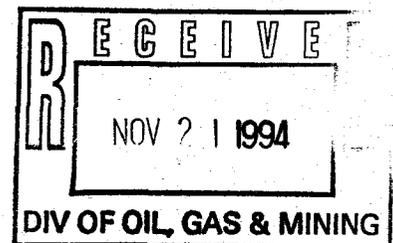
**DRAGON CANYON #32-27-12-25  
1779' FNL and 1499' FEL  
SW NE Sec. 27, T12S - R25E  
Uintah County, Utah**

**Prepared For:**

**TRINITY PETROLEUM EXPLORATION, INC.**

**By:**

**PERMITCO INC.  
13585 Jackson Drive  
Denver, Colorado 80241  
303/452-8888**



**Copies Sent To:**

- 3 - BLM - Vernal, Utah**
- 1 - Utah Division of Oil, Gas & Mining - SLC, UT**
- 3 - Trinity Petroleum Exploration, Inc. - Denver, CO**



**Permitco Incorporated**  
A Petroleum Permitting Company

**TRINITY PETROLEUM EXPLORATION, INC.**

1801 Broadway, Suite 600  
Denver, Colorado 80202  
(303) 294-9942

Bureau of Land Management  
170 South 500 East  
Vernal, Utah 84078

ATTN: Minerals

RE:

Gentlemen:

This letter is to inform you that Permitco Inc. is authorized to act as Agent and to sign documents on behalf of Trinity Petroleum Exploration, Inc. when necessary for filing county, state and federal permits including Onshore Order No. 1, Right of Way applications, etc., for the above mentioned well.

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

Trinity Petroleum Exploration, Inc. agrees to accept full responsibility for operations conducted in order to drill, complete and produce the above-mentioned well.

Sincerely,

**TRINITY PETROLEUM EXPLORATION, INC.**



Reginald S. Y. Lee  
President

RSYL:lg

**TABLE OF CONTENTS**  
**Dragon Canyon #32-27-12-25**

**DRILLING PROGRAM**

**Page No.**

1.	Formation Tops	1
2.	Anticipated Depth of Oil, Gas & Water	1
3.	Blow Out Preventor Requirements	2-3
4.	Casing and Cement Program	4-7
5.	Mud Program	7-8
6.	Testing, Logging and Coring	8-9
7.	Abnormal Pressures & H <sub>2</sub> S Gas	109
8.	Other Information & Notification Requirements	10-13

**SURFACE USE PLAN**

1.	Existing Roads	2
2.	Access Roads to be Constructed or Reconstructed	2-4
3.	Location of Wells Within 1-Mile	4-5
4.	Proposed Production Facilities	5-6
5.	Water Supply	6
6.	Construction Materials	7
7.	Waste Disposal	7-8
8.	Ancillary Facilities	8
9.	Wellsite Layout	8-9
10.	Reclamation	9-10
11.	Surface/Mineral Ownership	10-11
12.	Other Information	11-13
13.	Certification	14

**ONSHORE ORDER NO. 1**  
**TRINITY PETROLEUM EXPLORATION, INC.**  
**Dragon Canyon #32-27-12-25**  
**1779' FNL and 1499' FEL**  
**SW NE Sec. 27, T12S - R25E**  
**Uintah County, Utah**

Lease No. UTU-57474

**DRILLING PROGRAM**  
Page 1

**ONSHORE OIL & GAS ORDER NO. 1**  
**Approval of Operations on Onshore**  
**Federal and Indian Oil and Gas Leases**

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

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

<u>Formation</u>	<u>Depth</u>	<u>Subsea</u>
Green River	Surface	
Wasatch	1480'	+6160'
Mesa Verde	2639'	+5001'
Castlegate	4920'	+2720'
Mancos	4990'	+2650'
Mancos B	5730'	+1910'
T.D.	6100'	

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Gas	Mancos B	5730'
Water	N/A	
Other Mineral Zones	N/A	

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



**Permitco Incorporated**  
A Petroleum Permitting Company

3. Pressure Control Equipment: (Schematic Attached)

Trinity Petroleum Exploration, Inc.'s minimum specifications for pressure control equipment are as follows:

**Ram Type: 10" Hydraulic double with annular, 3000 psi w.p.**

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

Annular type preventers (if used) shall be tested to 50 percent 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 shall be performed:

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

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

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

Annular preventers 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.

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

The District Office should be notified, with sufficient lead time, in order to have the BLM representative on location during pressure testing.

- a. The size and rating of the BOP stack is shown on the attached diagram. Although a rig has not been chosen to drill this well, most of the equipment for this depth of hole in the area use a 2000 psi working pressure blowout preventor.
- b. A choke line and a kill line are to be properly installed. The kill line is not to be used as a fill-up line.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.



4. Proposed Casing and Cementing Program:

- a. The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation which will contain the maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors, including; presence/absence of hydrocarbons; fracture gradients; usable water zones; formation pressures; lost circulation zones; other minerals; or other unusual characteristics. All indications of usable water shall be reported.
- b. Casing design shall assume formation pressure gradients of 0.44 to 0.50 psi per foot for exploratory wells (lacking better data).
- c. Casing design shall assume fracture gradients from 0.70 to 1.00 psi per foot for exploratory wells (lacking better data)
- d. Casing collars shall have a minimum clearance of 0.422 inches of all sides in the hole/casing annulus, with recognition that variances can be granted for justified exceptions.
- e. All waiting on cement times shall be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.
- f. All casing except the conductor casing, shall be new or reconditioned and tested used casing that meets or exceeds API standards for new casing.
- g. The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing.
- h. All indications of usable water shall be reported to the authorized officer prior to running the next string of casing or before plugging orders are requested, whichever occurs first.



- i. Surface casing shall have centralizers on every fourth joint of casing starting with the shoe joint and up to the bottom of the cellar.
- j. Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method, etc. shall be utilized to help isolate the cement from contamination by the mud fluid being displaced ahead of the cement slurry.
- k. All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or 1500 psi, whichever is greater, but not to exceed 70 percent of the minimum internal yield. If pressure declines more than 10 percent in 30 minutes, corrective action shall be taken.
- l. On all exploratory wells, and on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.

m. The proposed casing program will be as follows:

<u>Purpose</u>	<u>Depth</u>	<u>Hole Size</u>	<u>O.D.</u>	<u>Weight</u>	<u>Grade</u>	<u>Type</u>	<u>New or Used</u>
Surface	0-1550'	12-1/4"	8-5/8"	24#	K-55	ST&C	New
Produc.	0-6100'	7-7/8"	4-1/2"	11.6#	N-80	LT&C	New*

n. Casing design subject to revision based on geologic conditions encountered. If used casing is utilized it will be tested to API standards for new or better casing.

- o. The cement program will be as follows:

Surface  
0-1550'

Type and Amount

+560 sx Lite (Yield - 1.97) with 2% Cacl, 1.4#/sk Celloflake, 6% gel followed by 150 sx Premium (Yield - 1.17) with 2% CaCl, 1/4#/sk celloflake or sufficient to circulate to surface.

Production

Type and Amount

Lead with 353 sacks Lite (Yield - 3.85) with 12% gel, 10% salt, 1/4#/sk celloflake followed by 200 sacks Premium (Yield - 1.20) with 50:50 poz, 2% gel, 5% salt, 1/4#/sk celloflake.

- \* Note: Actual volumes to be calculated from caliper log.
- p. Anticipated cement tops will be reported as to depth; not the expected number of sacks of cement to be used. The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.
- q. After cementing but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the driller's log.
- r. The following reports shall be filed with the District Manager within 30 days after the work is completed.
1. Progress reports, Form 3160-5 (formerly 9-331) "Sundry Notices and Reports on Wells", must include complete information concerning:



- a. Setting of each string of casing, showing the size, grade, weight of casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing, depth of cementing tools used, casing test method and results, and the date work was done. Show the spud date on the first reports submitted.
- b. Temperature or bond logs must be submitted for each well where the casing cement was not circulated to the surface.
- s. Auxiliary equipment to be used is as follows:
  - 1. Kelly cock
  - 2. No bit float is deemed necessary.
  - 3. A sub with a full opening valve.

5. Mud Program:

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

<u>Interval</u>	<u>Mud Type</u>	<u>Mud Wt.</u>	<u>Visc.</u>	<u>F/L</u>	<u>PH</u>
0-1550'	Native	8.4-8.8	N/A	NC	9.0
1550-6100'	Air &/or Air Mist	N/A	N/A	N/C	NA
At T.D.	LSND	8.4-8.8	36-38	10-15cc	9.0

Sufficient quantities of mud materials will be maintained or readily accessible for the purpose of assuring well control during the course of drilling operations.

A mud test shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, static filtration loss, and Ph.



- b. Mud monitoring equipment to be used is as follows:
  - 1. Periodic checks will be made each tour of the mud system. The mud level will be checked visually.
- c. No chromate additives will be used in the mud system on Federal and/or Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.
- d. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.
- e. The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

6. Evaluation Program:

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

- a. No drill stem tests are anticipated, however, if they are run the following will be adhered to:

Initial opening of drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer. However, DST's may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e. lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping shall not begin before daylight, unless prior approval is obtained from the authorized officer. Closed chamber DSTs may be accomplished day or night.

**A DST that flows to the surface with evidence of hydrocarbons shall be either reversed out of the testing string under controlled surface conditions. This would involve provided some means for reverse circulation.**

**Separation equipment required for the anticipated recovery shall be properly installed before a test starts.**

**All engines within 100 feet of the wellbore that are required to "run" during the test shall have spark arresters or water cooled exhausts.**

- b. The logging program will consist of a DIL-GR from T.D. to base of surface casing with the GR to surface. A CNL-FDC and FMI will be run from T.D. to 1000' (minimum run). A DSI-GR will be run from T.D. to base of surface casing.**
- c. No cores are anticipated.**
- d. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the authorized officer (AO).**
- e. The anticipated completion program is as follows:  
Perforate zones of interest and fracture as necessary after evaluation of logs.**
- f. Daily drilling and completion progress reports shall be submitted to the BLM in Vernal on a weekly basis.**



7. Abnormal Temperatures or Pressures

- a. No abnormal temperatures or pressures are anticipated. No H<sub>2</sub>S has been encountered in or known to exist from previous wells drilled to similar depths in the general area.
- b. The maximum anticipated bottom hole pressure will be approximately 900 psi at T.D.

8. Anticipated Starting Dates and Notification of Operations:

- a. Drilling will commence immediately upon approval of this application.
- b. It is anticipated that the drilling of this well will take approximately 10 days.
- c. The Vernal District Office shall be notified, during regular work hours (7:45 a.m.-4:30 p.m, Monday through Friday except holidays), at least 24 hours prior to spudding the well.
- d. Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.
- e. The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility , such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

- f. Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.
- g. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.
- h. The spud date will be reported orally to the AO within 48 hours after spudding. If the spudding occurs on a weekend or holiday, the report will be submitted on the following regular work day. The oral report will be followed up with a Sundry Notice.
- i. In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6 "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed with the Vernal BLM District Office, 170 South 500 East, Vernal, UT 84078.
- j. Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.
- k. If a replacement rig is contemplated for completion operations, a "Sundry Notice" Form 3160-5 to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.



- l. Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communications, not later than 5 days following the date on which the well is placed on production.**
- m. Pursuant to Onshore Order No. 7, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.**
- n. Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day or authorized test period.**
- o. A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3 and 3162.7-4 shall be submitted to the appropriate District Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in 43 CFR 3162.7 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.**
- p. A first production conference will be scheduled within 15 days after receipt of the first production notice.**
- q. No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the SO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.**



**ONSHORE ORDER NO. 1**  
**TRINITY PETROLEUM EXPLORATION, INC.**  
**Dragon Canyon #32-27-12-25**  
**1779' FNL and 1499' FEL**  
**SW NE Sec. 27, T12S - R25E**  
**Uintah County, Utah**

**Lease No. UTU-57474**

**DRILLING PROGRAM**

**Page 13**

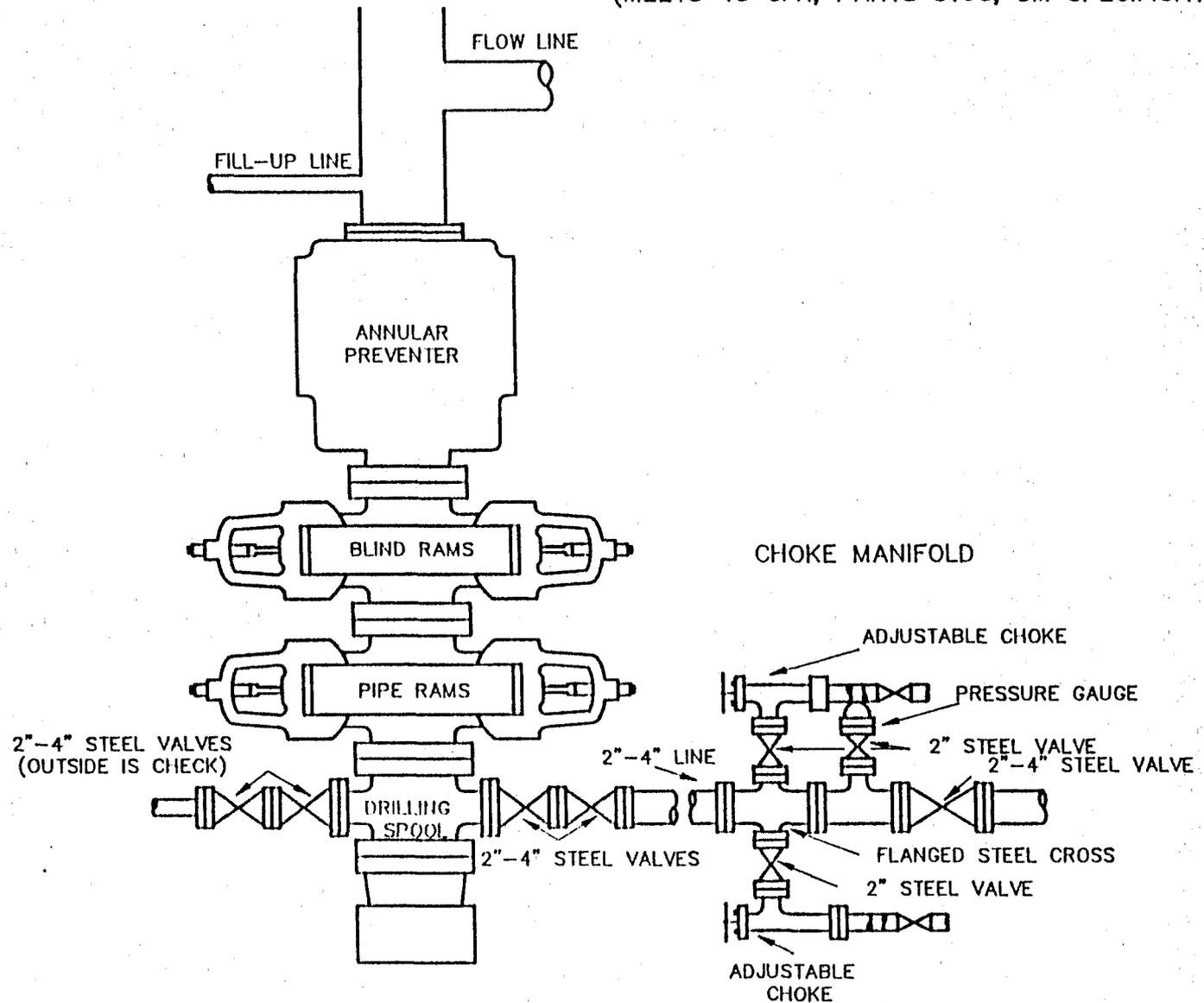
- r. Pursuant to Onshore Oil and Gas Order No. 1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in a manner which conforms with applicable Federal laws and regulations and with State and local laws and regulations to the extent that such State and local laws are applicable to operations on Federal or Indian lands.



**Permitco Incorporated**  
A Petroleum Permitting Company

Typical BOP Equipment. Actual Configuration May Vary Slightly But Will Conform With Onshore Order No. 2

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



**ONSHORE ORDER NO. 1**  
**Trinity Petroleum Exploration, Inc.**  
**Dragon Canyon #32-27-12-25**  
**1779' FNL and 1499' FEL**  
**SW NE Sec. 27, T12S - R25E**  
**Uintah County, Utah**

**Lease No. UTU-57474**

**SURFACE USE PLAN**  
**Page 1**

**ONSHORE OIL & GAS ORDER NO. 1**

**NOTIFICATION REQUIREMENTS**

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

**The onsite inspection for the subject well was conducted on Wednesday, November 9, 1994 at approximately 9:30 a.m. Weather conditions were cool and sunny. In attendance at the onsite inspection were the following individuals:**

**Robert Kay**  
**Lisa Smith**  
**Byron Tolman**  
**Harry Barber**  
**Russ Ivie**  
**Rand Jackson**  
**Bill Bunniger**

**Uintah Engineering and Land Surveying**  
**Permitco Inc.**  
**Bureau of Land Management**  
**Bureau of Land Management**  
**Well Site Management**  
**Jackson Construction**  
**Bunniger Construction**



**Permitco Incorporated**  
A Petroleum Permitting Company

**1. Existing Roads**

- a. **The proposed well site is located approximately 20.7 miles south of Bonanza, Utah.**
- b. **Directions to the location from Bonanza, Utah are as follows:**  
  
**Proceed in a southeasterly direction for approximately 8.7 miles to the Evacuation Creek Road. Turn left onto the Evacuation Creek road and continue in a southerly direction for approximately 12.0 miles. Turn right onto an existing two-track trail and proceed southwesterly approximately 3.4 miles to the proposed location.**
- c. **For location of access roads within a 2-Mile radius, see Maps A & B.**
- d. **Improvement to the existing access will not be necessary.**
- e. **All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.**
- f. **Existing roads and newly constructed roads on surface under the jurisdiction of any Surface Managing Agency shall be maintained in accordance with the standards of the SMA.**

**2. Planned Access Roads**

- a. **Approximately 3.4 miles of new construction will be required as shown on Map B.**
- b. **The maximum grade of the new construction will be approximately 4%.**
- c. **No turnouts are planned.**
- d. **No low water crossings will be necessary. There are no major cuts and fills. No culverts and/or bridges will be required.**



- e. The new access road was centerline flagged at the time of staking.
- f. The use of surfacing material is not anticipated, however it may be necessary depending on weather conditions.
- g. One cattleguards will be installed as requested by the Bureau of Land Management.
- h. Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.
- i. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).
- j. The road will be constructed/upgraded to meet the standards of the anticipated traffic flow and all weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowing and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.
- k. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.



- i. A right of way will be necessary for access roads located outside of Lease No. UTU-57474. Total length of the right of way will be approximately 6000 feet. An additional 4900' is located within the lease. Right of way may be issued to the wellhead if preferred by your office.**

**For location of right of way, please see Map "D" attached. The following BLM acreage will be affected:**

**T12S - R25E**

**Sec. 11: SE SE**

**Sec. 23: N/2 NW/4, SW NW, NW SW**

**There are no related structures or facilities planned at this time.**

**The right of way is requested for 30 years or the entire life of the producing well, whichever is longer.**

**The road will be used year-round for maintenance of production facilities. Only flatblading of the existing roadway will be required at this time. No temporary work areas will be needed.**

**Attached is the application and monitoring fee in the amount of \$175.00.**

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

- a. Water wells - none**
- b. Injection wells - none**
- c. Producing wells - none**
- d. Drilling wells - none**
- e. Shut-in wells - none**
- f. Temporarily abandoned wells - none**

- g. Disposal wells -none**
- h. Abandoned wells - none**
- i. Dry Holes - none**

**4. Location of Tank Batteries and Production Facilities.**

- a. All permanent structures (onsite for six months or longer) constructed or installed (including oil well pump jacks) will be painted Desert Tan (10YR6/3). 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.**
- b. If storage facilities/tank batteries are constructed on this lease, the facility/battery or the wellpad shall surrounded by a containment dike of sufficient capacity to contain at a minimum, the entire content of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.**
- c. A Sundry Notice will be submitted showing placement of all production facilities prior to construction.**
- d. All loading lines will be placed inside the berm surrounding the tank battery.**
- e. Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried or anchored down from the wellhead to the meter and 500 feet downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced.**
- f. The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial**



meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil and Gas Order No. 4 for liquid hydrocarbons and Onshore Oil and Gas Order No. 5 for natural gas measurement.

- g. If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.**
- h. Any necessary pits will be properly fenced to prevent any wildlife entry.**
- i. All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.**
- j. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager.**
- k. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic.**
- l. The road will be maintained in a safe useable condition.**

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

- a. All water needed for drilling purposes will be obtained from Evacuation Creek. A copy of the permit identifying the permit number and point of diversion will be submitted once it is received from the water hauler.**
- b. Water will be hauled to location over the roads marked on Maps A and B.**
- c. No water well is to be drilled on this lease.**



6. Source of Construction Material

- a. Surface and subsoil materials in the immediate area will be utilized.
- b. Any gravel used will be obtained from a commercial source.
- c. The use of materials under BLM jurisdiction will conform with 43 CFR 3610.2.3. Construction material will not be located on lease.
- d. No construction materials will be removed from Federal land.

7. Methods of Handling Waste Disposal

- a. The reserve pit will be constructed so as not to leak, break, or allow discharge.
- b. The use of a reserve pit liner is not anticipated, however, if fractured rock is encountered, a 12 mil plastic nylon reinforced liner will be utilized. The pit will be first lined with sufficient bedding (either straw or dirt) to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O. If a pit liner is deemed to be unnecessary, the pit must be inspected by a representative of the Bureau of Land Management prior to putting fluids in the pit.
- c. Burning will not be allowed. All trash will be contained in a trash cage and its contents removed at the end of drilling operations and hauled to an approved disposal sight.
- d. After first production, produced waste water will be confined to a unlined pit or storage tank for a period not to exceed ninety (90) days. During the 90-day period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.



- e. **Drill cuttings are to be contained and buried in the reserve pit.**
- f. **Any salts and/or chemicals which are an integral part of the drilling system will be disposed of in the same manner as the drilling fluid.**
- g. **A chemical porta-toilet will be furnished with the drilling rig.**
- h. **The produced fluids will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas salt water or other produced fluids will be cleaned up and removed.**

**8. Ancillary Facilities**

**There are no airstrips, camps, or other facilities planned during the drilling of the proposed well.**

**9. Well Site Layout**

- a. **The operator or his/her contractor shall contact the BLM Office at 801/789-1362 forty-eight (48) hours prior to construction activities.**
- b. **The reserve pit will be located on the east side of the location.**
- c. **The flare pit will be located downwind of the prevailing wind direction on the east side, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.**
- d. **The stockpiled topsoil (first six inches) will be stored on the north side of the location between points A & 3.**
- e. **Access to the wellpad will be from the north between points 2 and 3.**
- f. **See Location Layout for orientation of rig, cross section of drill pad and cuts and fills.**

- g. The location of mud tanks; reserve pit, trash cage; pipe racks; living facilities and soil stockpiles will be shown on the Location Layout.**
- h. During construction, all brush will be removed from the wellpad and access road and stockpiled separately from the topsoil.**
- i. All pits will be fenced according to the following minimum standards:**
  - 1. 39 inch net wire shall be used with at least one strand or 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).**
  - 2. The net wire shall be no more than 2-inches above the ground. The barbed wire shall be 3-inches above the net wire. Total height of the fence shall be at least 42-inches.**
  - 3. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.**
  - 4. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.**
  - 5. All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.**
- j. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until cleanup.**



**10. Plans for Restoration of Surface**

**Producing Location**

- a. **Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash and junk not required for production.**
- b. **Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.**
- c. **The plastic nylon reinforced liner shall be torn and perforated before backfilling of the reserve pit.**
- d. **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 120 days from the date of well completion. Before any dirt work takes place, the reserve pit must have all fluids and hydrocarbons removed and all cans, barrels, pipe, etc., will be removed.**
- e. **Reclamation of unused disturbed areas on the well pad/access road no longer needed for operations, such as cut slopes, and fill areas will be accomplished by grading, leveling and seeding as recommended by the Authorized Officer.**

**The seed mixture for reclamation work will be a sight specific mixture as recommended by the authorized officer of the BLM at the time of reclamation. Seeding will be performed in the fall after September 15 or until permanent ground freeze. Any other seeding period will require the approval of the authorized officer of the BLM.**

- f. **The topsoil stockpile and the dike of the erosion control pond will be seeded with Fourwing Saltbush at the rate of 5 lbs./acre**



Dry Hole

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

11. Surface Ownership

Access Roads - All roads are County maintained or managed by the Bureau of Land Management with the exception of the upgraded access road located in Sections 12, and 14 which is on private surface owned by American Gilsonite, P.O. Box 599, Denver, CO 80201.

Wellpad - The well pad is located on lands managed by the BLM.

12. Other Information

- a. A Class III archeological survey was conducted by Grand River Institute. No significant cultural resources were found and clearance has been recommended. A copy of this report will be submitted directly by Grand River Institute.
- b. The operator is responsible for informing all persons in the areas who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the operator as to:

-whether the materials appear eligible for the National Register of Historic Places;

-the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and



-a time frame for the AO to complete and expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate. If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

- c. The operator will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- d. Drilling rigs and/or equipment used during drilling operations on this wellsite will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure.
- e. One or two erosion control structures will be required by the Bureau of Land Management. The location of these structures will be determined prior to construction of the location.
- f. All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.



- g. A complete copy of the approved APD shall be on location during construction of the location and drilling activities.**
- h. There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended or abandoned will be identified in accordance with 43 CFR 3162.**
- i. "Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.**
- j. This permit will be valid for a period of one year from the date of approval. An extension period may be granted, if requested, prior to the expiration of the original approval period. After permit termination, a new application will be filed for approval for any future operations.**
- k. The operator or his contractor shall contact the BLM Offices at 801/789-1362 48 hours prior to construction activities.**
- l. The BLM Office shall be notified upon site completion prior to moving on the drilling rig.**
- m. In the event after-hours approvals are necessary, please contact one of the following individuals:**

**Gerald E. Kencska**  
**Ed Forsman**  
**BLM Fax Machine**

**Petroleum Engineer**  
**Petroleum Engineer**

**801/781-1190**  
**801/789-7077**  
**801/789-3634**



ONSHORE ORDER NO.  
Trinity Petroleum Exploration, Inc.  
Dragon Canyon #32-27-12-25  
1779' FNL and 1499' FEL  
SW NE Sec. 27, T12S - R25E  
Uintah County, Utah

Lease No. UTU-57474

SURFACE USE PLAN

Page 14

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

Permit Matters

PERMITCO INC.  
Lisa L. Smith  
13585 Jackson Drive  
Denver, CO 80241  
303/452-8888

Drilling & Completion Matters

TRINITY PETROLEUM EXPLORATION, INC.  
1801 Broadway, Suite 600  
Denver, CO 80202  
303/294-9942 (O) - Regi Lee  
303/674-5995 (H)

Certification

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

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

November 17, 1994  
Date:

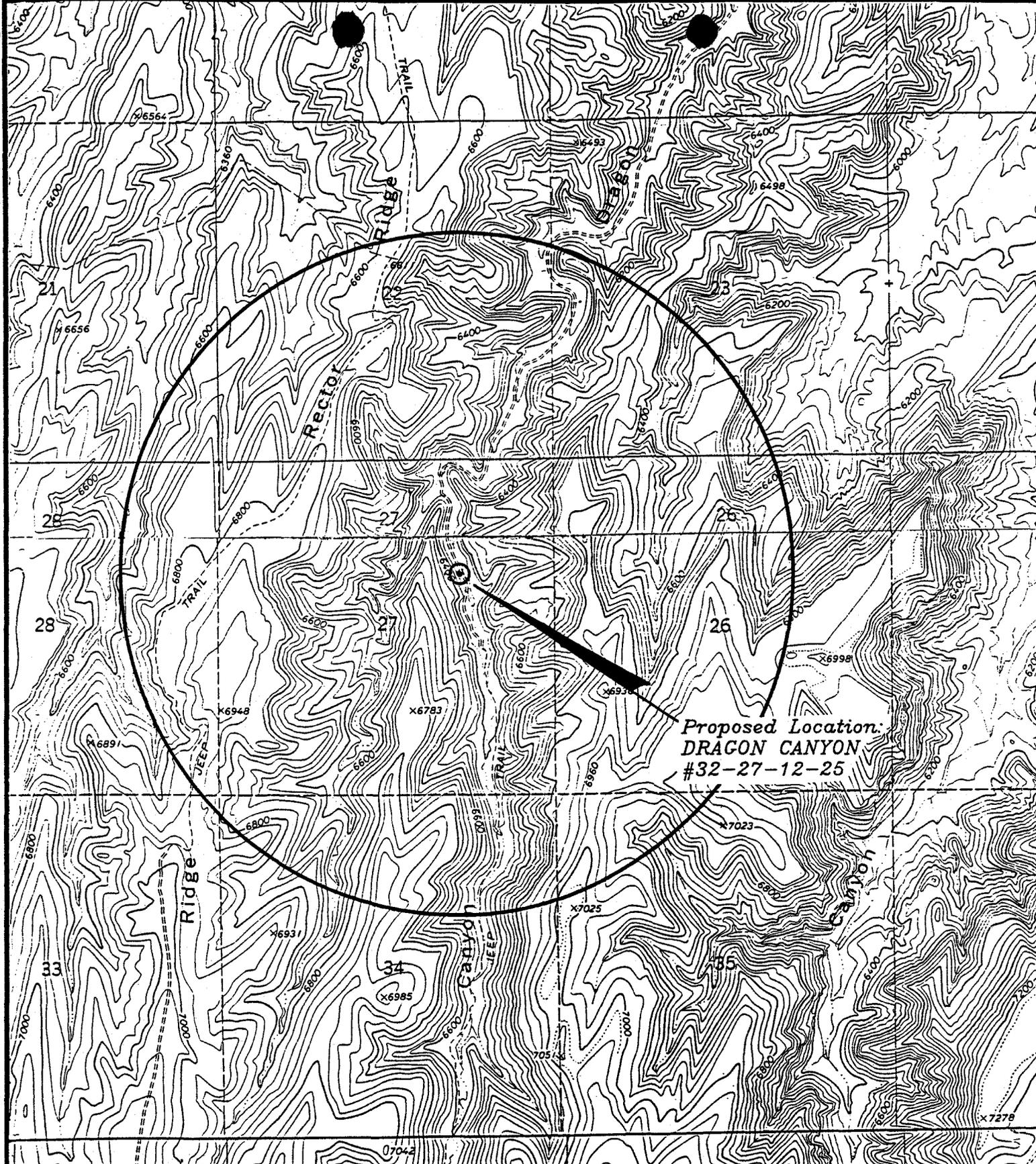
  
\_\_\_\_\_  
Lisa L. Smith - PERMITCO INC.  
Authorized Agent for:  
TRINITY PETROLEUM EXPLORATION INC.



Permitco Incorporated  
A Petroleum Permitting Company







Proposed Location.  
**DRAGON CANYON**  
 #32-27-12-25

**LEGEND:**

- ⊗ = Water Wells
- ⊕ = Abandoned Wells
- ⊖ = Temporarily Abandoned Wells
- ⊙ = Disposal Wells
- = Drilling Wells
- = Producing Wells
- = Shut-in Wells



**TRINITY PETROLEUM EXPLORATION, INC.**

DRAGON CANYON #32-27-12-25  
 SECTION 27, T12S, R25E, S.L.B.&M.

**T O P O M A P " C "**

DATE: 11-8-94 D.COX



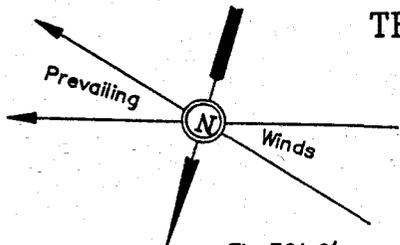
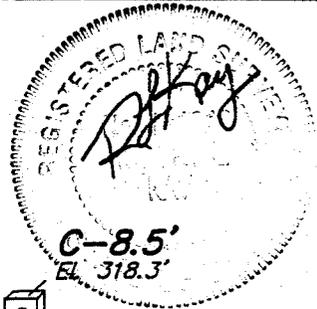
TRINITY PETROLEUM EXPLORATION, INC.

LOCATION LAYOUT FOR

DRAGON CANYON #32-27-12-25  
SECTION 27, T12S, R25E, S.L.B.&M.

1779' FNL 1499' FEL

C-8.7' Reserve Pit Backfill  
El. 318.5' & Spoils Stockpile



El. 321.6'  
C-22.8'  
(btm. pit)

C-8.5'  
El. 318.3'

Sta. 3+25

SCALE: 1" = 50'  
DATE: 11-4-94  
Drawn By: D.R.B.  
Revised: 11-9-94 D.R.B.

**NOTE:**

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

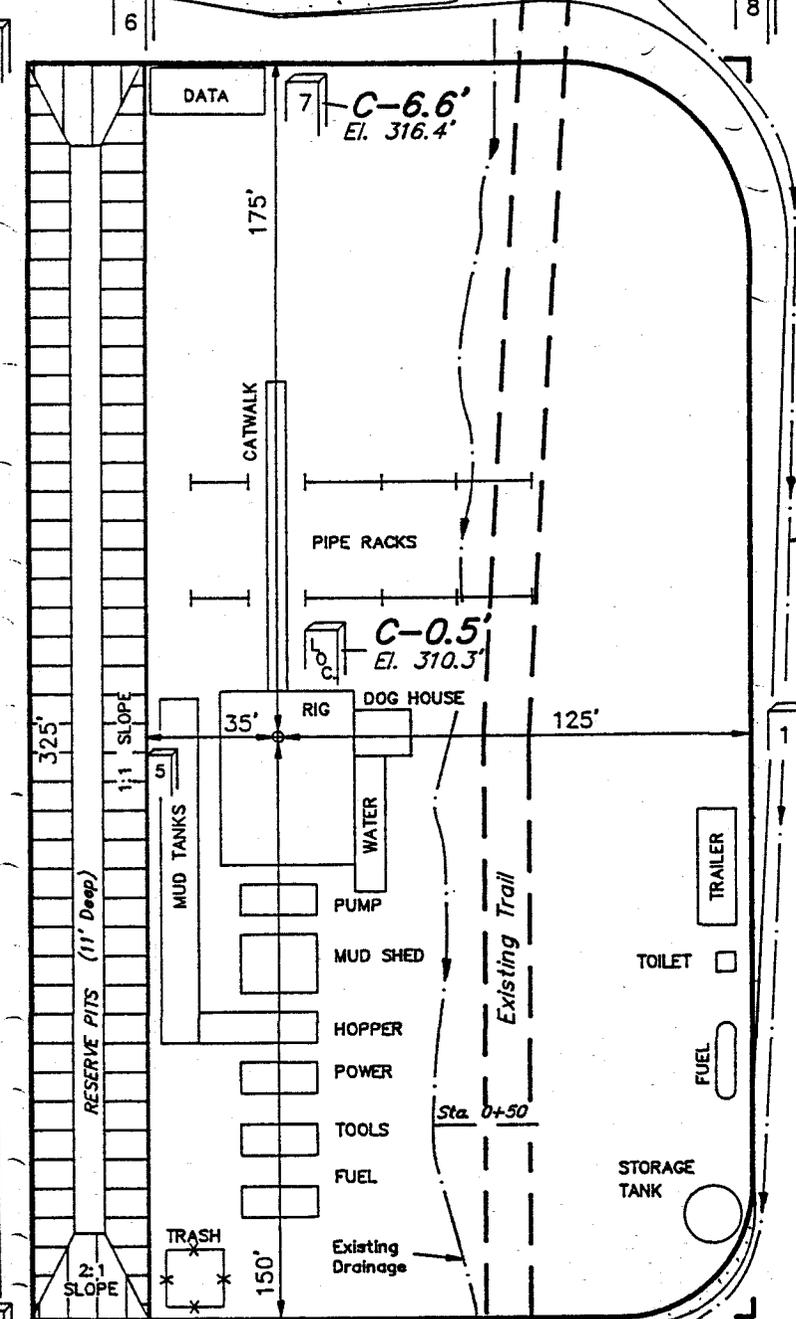


Pit Capacity With 2' of Freeboard is ± 8,170 Bbls.

El. 315.8'  
C-17.0'  
(btm. pit)

Approx. Top of Cut Slope

El. 314.8'  
C-15.0'  
(btm. pit)

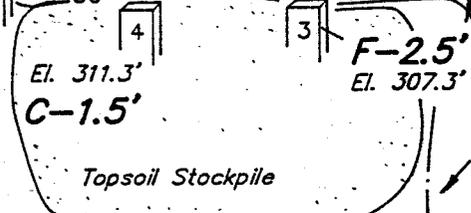


Sta. 1+50

C-4.2'  
El. 314.0'

Sta. 0+50

Sta. 0+00



El. 311.3'  
C-1.5'

F-2.5'  
El. 307.3'

F-1.2'  
El. 308.6'

Topsoil Stockpile

Approx. Toe of Fill Slope

Proposed Access Road

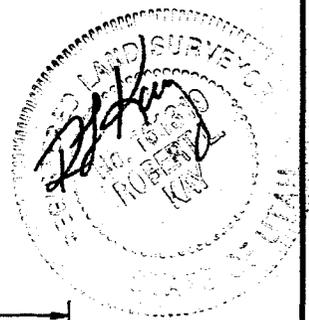
Elev. Ungraded Ground at Location Stake = 6310.3'  
Elev. Graded Ground at Location Stake = 6309.8'

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

# TRINITY PETROLEUM EXPLORATION, INC.

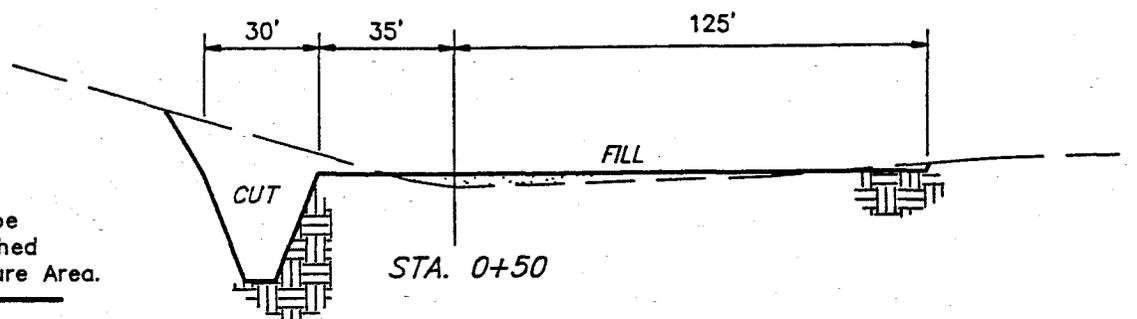
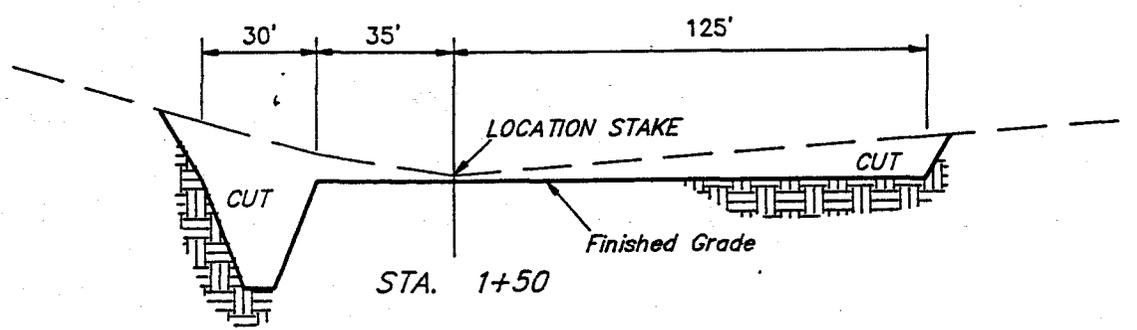
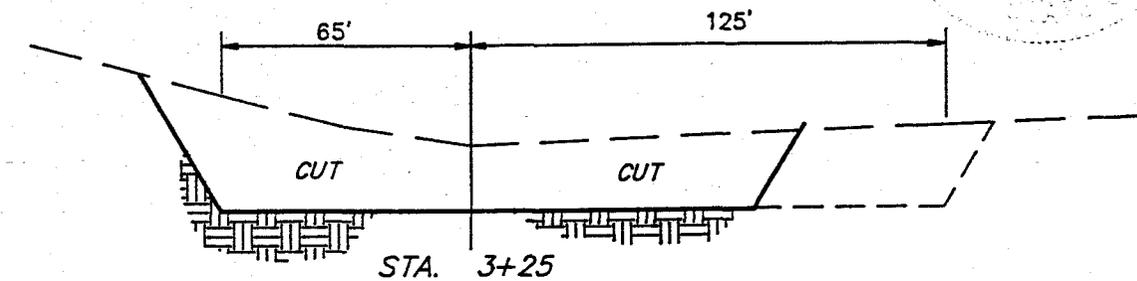
## TYPICAL CROSS SECTIONS FOR

DRAGON CANYON #32-27-12-25  
SECTION 27, T12S, R25E, S.L.B.&M.  
1779' FNL 1499' FEL

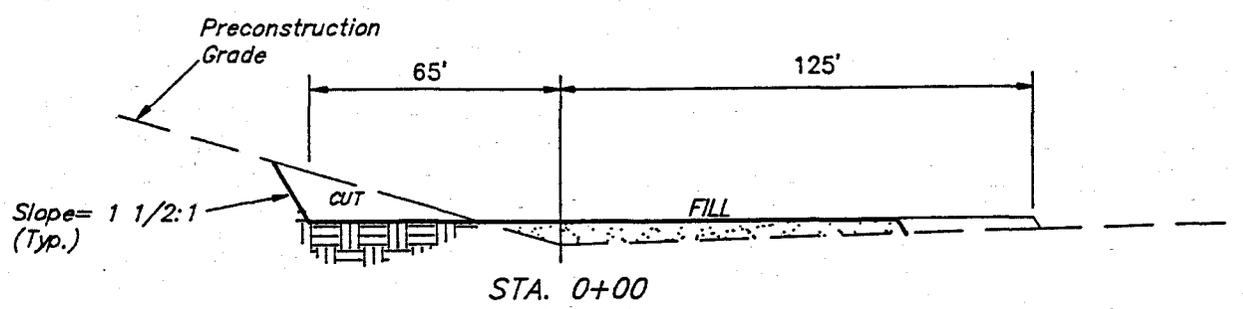


1" = 20'  
X-Section Scale  
1" = 50'

DATE: 11-4-94  
Drawn By: D.R.B.



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



APPROXIMATE YARDAGES	
(6") Topsoil Stripping	= 1,150 Cu. Yds.
Remaining Location	= 10,170 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 11,320 CU.YDS.</b>
<b>FILL</b>	<b>= 740 CU.YDS.</b>

EXCESS MATERIAL AFTER 5% COMPACTION	= 10,540 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,340 Cu. Yds.
<b>EXCESS UNBALANCE (After Rehabilitation)</b>	<b>= 8,200 Cu. Yds.</b>

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

**There are no federal stipulations at this time.**



**Permitco Incorporated**  
A Petroleum Permitting Company

**A Class III Archeological Survey has been conducted by Grand River Institute. No significant cultural resources were found and clearance has been recommended. A copy of this report will be submitted to the appropriate agencies by Grand River Institute.**



**Permitco Incorporated**  
A Petroleum Permitting Company

**A Wastewater Permit will be filed with the Uintah Basin District Health Department once a rig has been selected.**



**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 11/21/94

API NO. ASSIGNED: 43-047-32587

WELL NAME: DRAGON CANYON 32-27-12-25  
 OPERATOR: TRINITY PETROLEUM EXPL (N5145)

PROPOSED LOCATION:  
 SWNE 27 - T12S - R25E  
 SURFACE: 1779-FNL-1499-FEL  
 BOTTOM: 1779-FNL-1499-FEL  
 UINTAH COUNTY  
 WILDCAT FIELD (001)

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

LEASE TYPE: FED  
 LEASE NUMBER: UTU-57474

PROPOSED PRODUCING FORMATION: MNCSB

<p>RECEIVED AND/OR REVIEWED:</p> <p><u>Y</u> Plat</p> <p><u>Y</u> Bond: Federal [<input checked="" type="checkbox"/> State] Fee[]          (Number <u>CO-1145</u>)</p> <p><u>N</u> Potash (Y/N)</p> <p><u>N</u> Oil shale (Y/N)</p> <p><u>N</u> Water permit          (Number <u>PENDING</u>)</p> <p><u>N</u> RDCC Review (Y/N)          (Date: _____)</p>	<p>LOCATION AND SITING:</p> <p>_____ R649-2-3. Unit: _____</p> <p><u>1</u> R649-3-2. General.</p> <p><input checked="" type="checkbox"/> R649-3-3. Exception.</p> <p>_____ Drilling Unit.          Board Cause no: _____          Date: _____</p>
--	---

COMMENTS: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

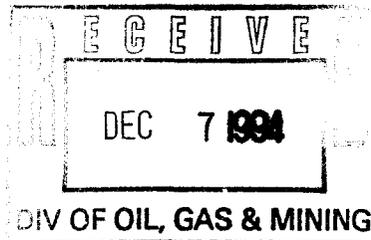
STIPULATIONS: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

# Wells Petroleum, Inc.

518 17th Street, Suite 1212, Denver, Colorado 80202 • 303-623-3311 • FAX 303-623-8639

December 5, 1994

Division of Oil, Gas and Mining  
Three Triad Center  
Suite 350  
Salt Lake City, Utah 84180-1203



Attention: Mr. Frank Mathews

Re: Request for Exception Location  
Dragon Canyon #32-27-12-25 43-047-32587  
T12S - R25E  
Section 27: SWNE  
Uintah County, Utah

Gentlemen:

Trinity Petroleum Exploration, Inc. proposes to drill a well located in the SWNE of Section 27, T12S-R25E, Uintah County, Utah. The exact footage location is 1,779' FNL and 1,499' FEL of Section 27. Wells Petroleum, Inc. is the lessee of record under federal lease UTU-57474 covering all of Sections 21, 22, 27 & 34. Wells Petroleum realizes that the well location is a non-standard location according to the Utah Spacing Rules but was necessary because of topography.

By this letter we request administrative approval of the location. The Application for a Permit to Drill has been previously submitted to your office.

Sincerely,  
Wells Petroleum, Inc.

A handwritten signature in cursive script, appearing to read "John M. Wells".

John M. Wells

cc: Trinity Petroleum Exploration, Inc.  
Permitco Inc





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

Michael O. Leavitt  
Governor

Ted Stewart  
Executive Director

James W. Carter  
Division Director

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

December 19, 1994

Trinity Petroleum Exploration, Inc.  
1801 Broadway, Suite 600  
Denver, Colorado 80202

Re: Dragon Canyon #32-27-12-25 Well, 1779' FNL, 1499' FEL, SW NE, Sec. 27, T. 12 S., R. 25 E., Uintah County, Utah

Gentlemen:

Pursuant to Utah Admin. R. 649-3-3, Location and Siting of Wells and Utah Admin. R. 649-3-4, Permitting of Wells to be Drilled, Deepened or Plugged-Back, approval to drill the referenced well is hereby granted.

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

1. Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules.
2. Notification to the Division within 24 hours after drilling operations commence.
3. Submittal of Entity Action Form, Form 6, within five working days following commencement of drilling operations and whenever a change in operations or interests necessitates an entity status change.
4. Submittal of the Report of Water Encountered During Drilling, Form 7.
5. Prompt notification prior to commencing operations, if necessary, to plug and abandon the well. Notify Frank R. Matthews, Petroleum Engineer, (Office) (801)538-5340, (Home) (801)476-8613, or K. Michael Hebertson, Reclamation Specialist, (Home) (801)269-9212.
6. Compliance with the requirements of Utah Admin. R. 649-3-20, Gas Flaring or Venting, if the well is completed for production.

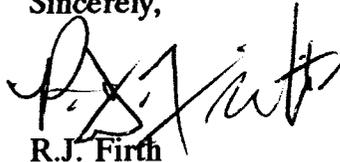


Page 2

Trinity Petroleum Exploration, Inc.  
Dragon Canyon #32-27-12-25 Well  
December 19, 1994

This approval shall expire one year after date of issuance unless substantial and continuous operation is underway or a request for an extension is made prior to the approval expiration date. The API number assigned to this well is 43-047-32587.

Sincerely,



R.J. Firth  
Associate Director

ldc

Enclosures

cc: Uintah County Assessor

Bureau of Land Management, Vernal District Office

WO11

SUBMIT IN TRIPLICATE  
(Other instructions on reverse side)

Form approved.  
Budget Bureau No. 1004-0136  
Expires August 31, 1985

**UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT**

RECEIVED  
DEC 30 1994

**APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK**

1a. TYPE OF WORK **DRILL**  **DEEPEN**  **PLUG BACK**

1b. TYPE OF WELL  
OIL WELL  GAS WELL  OTHER  SINGLE ZONE  MULTIPLE ZONE

2. NAME OF OPERATOR **303/294-9942 1801 Broadway, Suite 600**  
**Trinity Petroleum Exploration, Inc. Denver, CO 80202**

3. ADDRESS OF OPERATOR **303/452-8888 13585 Jackson Drive**  
**PERMITCO INC. - Agent Denver, CO 80241**

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
At Surface **1779' FNL and 1499' FEL**  
At proposed Prod. Zone **SW NE Sec. 27, T12S - R25E**

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
**20.7 miles south of Bonanza, UT**

15. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)  
**1499'**

16. NO. OF ACRES IN LEASE  
**2,560.00**

17. NO. OF ACRES ASSIGNED TO THIS WELL  
**160**

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT.  
**None**

19. PROPOSED DEPTH  
**6100'**

20. ROTARY OR CABLE TOOLS  
**Rotary**

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
**6310' GR**

22. APPROX. DATE WORK WILL START\*  
**Upon approval of this application.**

5. LEASE DESIGNATION AND SERIAL NO.  
**UTU-57474**

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

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

8. FARM OR LEASE NAME  
**Dragon Canyon**

9. WELL NO.  
**#32-27-12-25**

10. FIELD AND POOL OR WILDCAT  
**Wildcat**

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
**Sec. 27, T12S - R25E**

12. COUNTY OR PARISH  
**Uintah**

13. STATE  
**Utah**

23. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	SIZE OF CASING	WEIGHT/FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	1,550'	710 sx - Circ. to Surf.
7-7/8"	4-1/2"	11.6#	6,100'	553 sx or suffic. to cover zones of interest.

Trinity Petroleum Exploration, Inc. proposes to a well to a depth of 6100' to test the Mancos B formation. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

See Onshore Order No. 1 attached.

Trinity Petroleum Exploration, Inc. has been designated by proper lease interest owners to conduct operations on the above mentioned lease. Bonding will be provided by Trinity Petroleum Exploration, Inc. under their Nationwide BLM Bond #CO-1145.

Trinity Petroleum Exploration, Inc. is considered to be the operator of the above mentioned well and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands.

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

24. SIGNED *[Signature]* **Consultant for:** Trinity Petroleum Exploration, Inc. **TITLE** Trinity Petroleum Exploration, Inc. **DATE** 11/17/94

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY *[Signature]* **TITLE** ASSISTANT DISTRICT **DATE** DEC 27 1994  
MANAGER MINERALS

CONDITIONS OF APPROVAL, IF ANY: \_\_\_\_\_

**NOTICE OF APPROVAL**

CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

cc: Utah Div. of Oil, Gas & Mining  
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.

114000-50-000

**CONDITIONS OF APPROVAL**  
**APPLICATION FOR PERMIT TO DRILL**

Company/Operator: Trinity Petroleum Exploration, Inc.

Well Name & Number: Dragon Canyon 32-27-12-25

API Number: 43-047-32587

Lease Number: U-57474

Location: SWNE Sec. 27 T. 12 S R. 25 E

**NOTIFICATION REQUIREMENTS**

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

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

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

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

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

A. DRILLING PROGRAM

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

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

2. Pressure Control Equipment

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

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

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

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

3. Casing Program and Auxiliary Equipment

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

The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing.

In addition, to the cementing proposal for the surface casing, a minimum of 200 ft. of Class G neat cement shall be placed from 200 ft. to surface in the 8 5/8 in. X 12 1/4 in. annulus.

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the base of the Usable Water Zone at  $\pm$  4,025 ft. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

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

4. Mud Program and Circulating Medium

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

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

5. Coring, Logging and Testing Program

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

A cement bond log (CBL) will be run from the production casing shoe to **top of cement** and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

6. Notifications of Operations

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

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

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

Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

7. Other Information

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

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

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

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

A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9. d.), and shall be submitted to the appropriate District Office within sixty (60) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b. 4).

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

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

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

Well: Dragon Canyon 32-27-12-25

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

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

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

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

Wayne Bankert (801) 789-4170  
Petroleum Engineer

Ed Forsman (801) 789-7077  
Petroleum Engineer

BLM FAX Machine (801) 781-4410

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

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

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

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

Company/Operator: Trinity Petroleum Exploration, Inc.

API Number 43-047-32587

Well Name & Number: Dragon Canyon 32-27-12-25

Lease Number: U-57474

Location: SW NE Sec. 27 T.12 S. R.25 E.

Surface Ownership: BLM

Date NOS Received September 26, 1994

Date APD Received November 17, 1994

-Because of the important cultural sites in Dragon Canyon it is deemed necessary to install a fence and metal gate which can be locked at the mouth of Dragon Canyon. The location would be determined by BLM.

-A qualified permitted archaeologist should be on site while the existing two track trail is upgraded and any subsequent major maintenance actions.

RECEIVED  
JAN 12 1995  
DIV OF OIL, GAS & MINING

Form 3160-5  
(June 1990)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No.  
ATU-57474

6. If Indian, Allottee or Tribe Name  
NA

SUBMIT IN TRIPLICATE

7. If Unit or CA, Agreement Designation  
NA

8. Well Name and No.  
DRAGON CANYON 32-33-12-21

9. API Well No.  
49-047-32887

10. Field and Pool, or Exploratory Area  
WILDCAT

11. County or Parish, State  
UNITAH, UTAH

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
TRINITY PETROLEUM EXPLORATION INC.

3. Address and Telephone No.  
1801 BRADWAY, STE. 440, DENVER, CO. 80202 (303-294-9942)

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
1779' FNL & 1499' FEL  
SWNE, SEC. 27, T12S, R25E

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

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

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

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

TO CORRECT APD - SURFACE USE PLAN, PAGE 6, #5 - "LOCATION AND TYPE OF WATER SUPPLY".

(SEE ATTACHED STATE OF UTAH, APPLICATION TO APPROPRIATE WATER AS SUBMITTED BY JIM NEBEKER TRUCKING, BOX 2060, ROOSEVELT, UTAH, 84066.)

SOURCES: N-400FT., W.-1850 FT. FROM E 1/4 CORNER, SEC. 2, T10S, R24E  
N-1600FT., E-3100FT. FROM SW CORNER, SEC. 1, T12S, R25E

cc: DIVISION OIL GAS & MINING, SLC., ATTN: FRANK MATHEWS.

FAKED: 1/9/95 (HARD COPY TO FOLLOW)

14. I hereby certify that the foregoing is true and correct.  
Signed [Signature] Title CONSULTANT Date 1/9/95

(This space for Federal or State office use)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_  
Conditions of approval, if any:

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

\*See instruction on Reverse Side

Apr 13 1995 15:17 F.01

No of Pages: 1  
 Date: 1/4/95  
 Time: 08:35  
 Name: Dale Russell  
 Company: Jim Nebeker Trucking Co.  
 Location: Roosevelt UT  
 Phone: 801-727-9982  
 Fax: 801-727-9982  
 Other:  County  State  Other

# FILING FOR WATER IN THE STATE OF UTAH

## APPLICATION TO APPROPRIATE WATER

Fee by \_\_\_\_\_  
 Fee Rec. \_\_\_\_\_  
 Receipt # \_\_\_\_\_  
 Microfilm \_\_\_\_\_  
 Roll # \_\_\_\_\_

The purpose of acquiring the right to use a portion of the unappropriated water of the State of Utah, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements of Title 73, Chapter 3 of the Utah Code Annotated 1953, as amended.

WATER RIGHT NUMBER: 49 - 1552

TEMPORARY APPLICATION NUMBER: T68487

**1. OWNERSHIP INFORMATION:**

LAND OWNED?

A. NAME: Jim Nebeker Trucking  
 ADDRESS: Route 2, Box 2060, Roosevelt, UT 84066

INTEREST: 100%

B. PRIORITY DATE: January 6, 1994

FILING DATE: January 6, 1994

**2. SOURCE INFORMATION:**

A. QUANTITY OF WATER: 20.0 acre-feet

B. DIRECT SOURCE: White River and Missouri Creek COUNTY: Uintah

**C. POINTS OF DIVERSION -- SURFACE:**

- (1) N 400 feet W 1850 feet from E1 corner, Section 2, T 10S, R 24E, S10M  
 DIVERT WORKS: Pump into tanker truck  
 SOURCE: White River
- (2) N 1600 feet E 3100 feet from SW corner, Section 1, T 12S, R 25E, S10M  
 DIVERT WORKS: Pump into tanker truck  
 SOURCE: Missouri Creek

**3. WATER USE INFORMATION:**

OIL EXPIRATION: from Jan 1 to Dec 31. Oil Field exploration and Drilling.

**4. PLACE OF USE:** (which includes all or part of the following legal subdivisions:)

RANGE	TOWNSHIP	RANGE	SECTION	NORTH-EAST				NORTH-WEST				SOUTH-WEST				SOUTH-EAST			
				NE	NW	SW	SE												
17S	25E	24	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
			X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
13S	24E	24	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
			X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
13S	25E	12	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
			X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
14S	24E	36	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
			X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X

Appropriate

TEL. 1.2.

Apr 29.17 15:13 F.11

TEMPORARY APPLICATION for Water Right: 49 - 1552 continued\*\*\*

Page: 2

5. SIGNATURE OF APPLICANT(S):

The applicant(s) hereby acknowledge(s) that he/she/they are citizen(s) of the United States of America or intend(s) to become such a citizen(s). The quantity of water sought to be appropriated is limited to that which can be beneficially used for the purposes herein described. The undersigned hereby acknowledges that even though he/she/they may have been assisted in the preparation of the above-numbered application through the courtesy of the employees of the Division of Water Rights, all responsibility for the accuracy of information contained herein, at the time of filing, rests with the applicant(s).

  
\_\_\_\_\_  
Signature of Applicant(s)

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: TRINITY PETROLEUM

Well Name: DRAGON CANYON 32-27-12-25

Api No. 43-047-32587

Section 27 Township 12S Range 25E County UINTAH

Drilling Contractor CAZA DRILLING

Rig # 16

SPUDDED: Date 1/13/95

Time 11:00 AM

How ROTARY

Drilling will commence \_\_\_\_\_

Reported by SAM HARVER

Telephone # 1-801-790-0011

Date: 1/13/95 Signed: MKH

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING  
DRILLING INSPECTION FORM

OPERATOR: TRINITY PET. EXPL. COMPANY REP: SAM HARVEY

WELL NAME: DRAGON CANYON <sup>#1</sup> 32-27-12-25 API NO: 43-047-32507

QTR/QTR: SW/NE SECTION: 27 TWP: 12S RANGE: 25E

CONTRACTOR: CAZA DRILLING CO. RIG NUMBER: 7

INSPECTOR: DAVID W. HACKFORD TIME: 1:30 PM DATE: 1/16/95

SPUD DATE: DRY: 1/13/95 ROTARY: 1/13/95 PROJECTED T.D.: 6100'

OPERATIONS AT TIME OF VISIT: DRILLING 7 7/8 INCH HOLE AT 2537'.

WELL SIGN: Y MUD WEIGHT NA LBS/GAL DOPE: Y

BLOOIE LINE: Y FLARE PIT: Y H2S POTENTIAL: N

ENVIRONMENTAL:

RESERVE PIT: Y FENCED: Y LINED: Y PLASTIC: Y

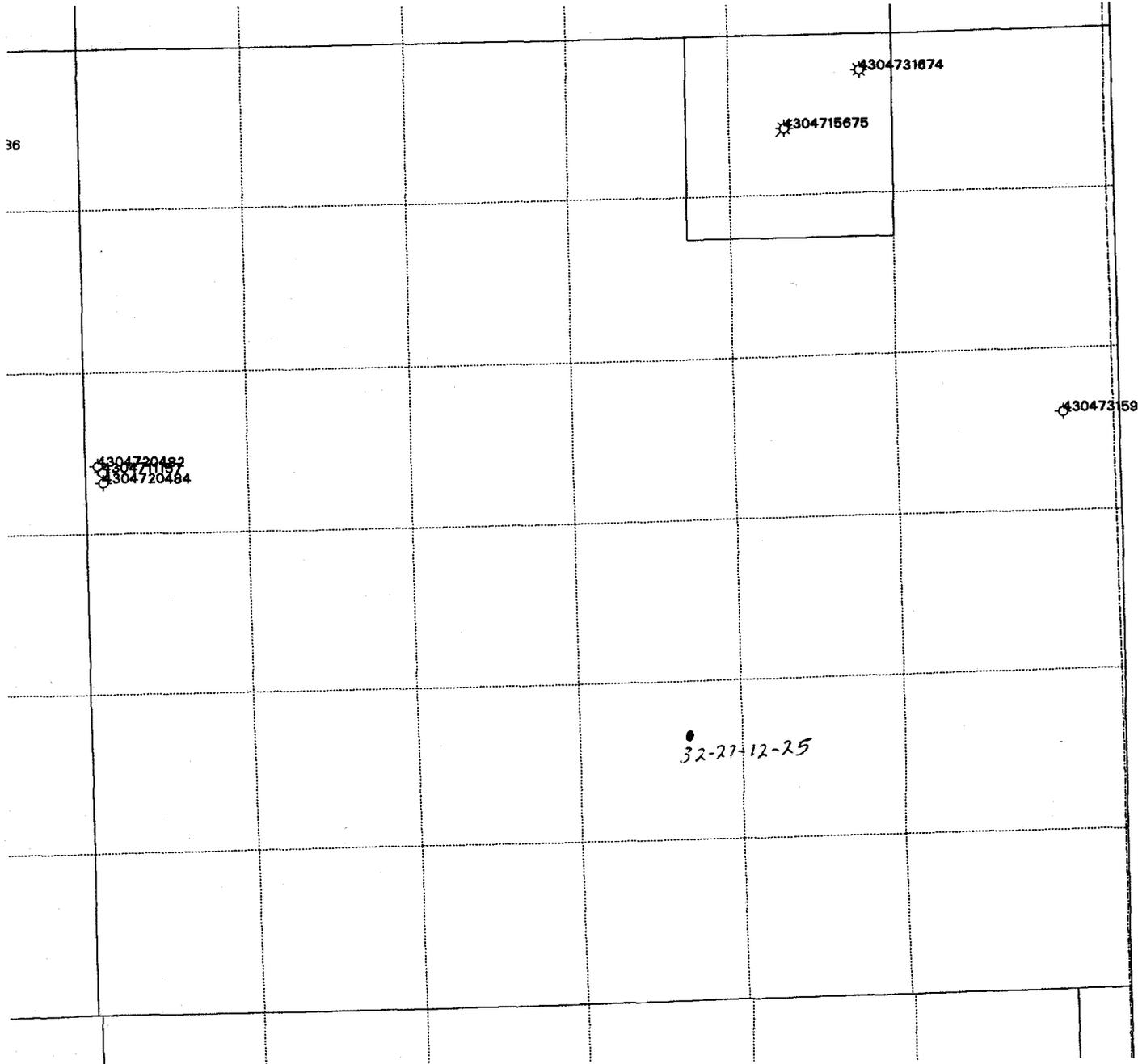
RUBBER: N BENTONITE: N SANITATION: Y

DOPE TEST RECORDED IN THE RIG DAILY TOUR BOOK: Y

REMARKS:

RIG HAS SET 1492' OF 8 5/8 INCH SURFACE CASING. SURVEY AT 2226'  
WAS 1 1/2 DEGREES. DRILLING WITH AIR-MIST. NIPPLED UP WITH  
DOUBLEGATE, ANNULAR, AND ROTATING HEAD.

TRINITY PETROLEUM CORP.  
DRAGON CANYON 32-27-12-25  
SECTION 27, T12S, R25E  
UINTAH COUNTY



Form 3160-5  
(June 1990)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No.

UTU-57474

6. If Indian, Allottee or Tribe Name

NA

7. If Utah or CA. Agreement Designation

NA

8. Well Name and No.

DRAGON CANYON 32-27-12-25

9. AP Well No.

49-047-32587

10. Field and Pool, or Exploratory Area

WILLOCAT

11. County or Parish, State

UINTAH, UTAH

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

TRINITY PETROLEUM EXPLORATION INC.

3. Address and Telephone No.

1801 BROADWAY STE 140 DENVER, CO. 80202 (303-724-9947)

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

1779' FNL & 1499' FEL

SWNE, SEC. 27, T12S, R25E

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

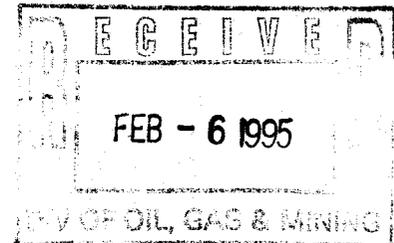
TYPE OF ACTION

- Abandonment
- Recompletion
- Plugging Back
- Casing Repair
- Altering Casing
- Other CHANGE OF CEMENT
- 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 markers and zones pertinent to this work.)\*

VERBAL APPROVAL RECEIVED FROM WAYNE BANKERT OF VARIANCE IN LEAD CEMENT FOR SURFACE CASING. CEMENT PUMPED AND PLACED IN ANNULAR SECTION WAS 11.0 DPG. WITH A YIELD OF 3.82 CUBIC FEET PER SACK.



MAILED 1/17/95

HARDCOPY TO FOLLOW

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

Signed

[Signature]

Title

CONSULTANT

Date

1/17/95

(This space for Federal or State office use)

Approved by

Conditions of approval, if any:

Title

Date

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 or any State or local government or representations as to any matter within its jurisdiction.

\*See instruction on Reverse Side

Accepted by the  
Utah Division of  
Oil, Gas and Mining  
FOR RECORD ONLY

Form 3160-S  
(June 1990)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

5. Lease Designation and Serial No.  
UTU-57474

6. If Indian, Allottee or Tribe Name  
NA

7. If Unit or CA, Agreement Designation  
NA

8. Well Name and No.  
DRAGON CANYON  
72-21-12-23

9. API Well No.  
49-047-32587

10. Field and Pool, or Exploratory Area  
WILLOCAT

11. County or Parish, State  
UINTAH, UTAH

**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  
TRINITY PETROLEUM EXPLORATION, INC.

3. Address and Telephone No.  
1801 BROADWAY, STE. 440, DENVER, CO, 80202 (303-394-9912)

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
1779' FNL & 1499' FEL  
SWNE, SEC. 27, T12S, R25E

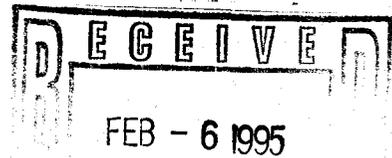
12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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

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

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

RECEIVED VERBAL APPROVAL FROM EO FORSMAN - BLM, VERNAL - AT 2:29 PM 1/21/95 VIA TELEPHONE TO ALTER CASING DESIGN FROM 4 1/2" 11.6# N80 LTC TO SETTING 5 1/2" 17# N80 LTC AT 4650' (+/-) AS INTERMEDIATE CASING AND DRILLING 4 3/4" HOLE TO TD OF 6250' (+/-) AND SETTING 3 1/2" FLUSH JOINT 9.5# J55 FL45 (USED - WHITE BAND) WITH A MINIMUM OF 200' OVERLAP INTO THE 5 1/2" CSG.



FAKED 1/21/95  
HARDCOPY TO FOLLOW

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

Signed [Signature] Title CONSULTANT Date 1/21/95

(This space for Federal or State office use)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_  
Conditions of approval, if any:

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

\*See instruction on Reverse Side

Accepted by the  
Utah Division of  
Oil, Gas and Mining  
FOR RECORD ONLY



# ROCKY MOUNTAIN GEO-ENGINEERING CORP.

Well Logging • Consulting Geology • Coal Bed Methane Services • Analytical Laboratory Services

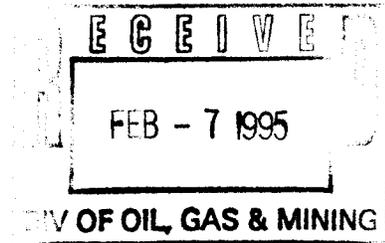
2450 INDUSTRIAL BLVD. • GRAND JUNCTION, CO 81505

(303) 243-3044 • FAX: 241-1085

February 2, 1995

Attn: Dwight A. Ingram  
Trinity Petroleum Exploration, Inc.  
1801 Broadway, Ste. 640  
Denver, CO 80202

re: Dragon Canyon 32-27-12-25<sup>X1</sup>  
Sec. 27, T12S, R25E  
Uintah County, Utah 43-047-32587



Dear Mr. Ingram:

Enclosed are the final logs/geology report for the above referenced well.

We appreciate the opportunity to be of service and look forward to working with you again in the near future.

If you have further questions, please contact us.

Respectfully,

Bill Nagel  
Senior Geologist

BN/dn

Enc. 5 Final Computer Colored Logs/5 Geology Reports

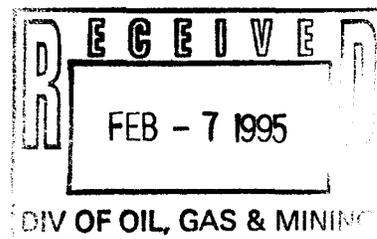
cc 1 Final Computer Colored Log/Geology Report; Wellsite Management; Wm. R. Foster ; Casper WY  
2 Final Computer Colored Logs/2 Geology Reports; U. S. Dept. of the Interior, BLM/Vernal Utah Dist. Office; Vernal UT  
1 Final Computer Colored Log/Geology Report; State of Utah; Vicky Carney; Salt Lake City, UT

TRINITY PETROLEUM EXPLORATION INC.

DRAGON CANYON 32-27-12-25

SECTION 17, T21S, R25E

UNITAH COUNTY, UTAH



GEOLOGY REPORT

BY

JACK PALUGA

ROCKY MOUNTAIN GEO-ENGINEERING CORP.

**TABLE OF CONTENTS**

**WELL SUMMARY.....3**

**WELL CHRONOLOGY..... 4**

**FORMATION TOPS..... 6**

**GEOLOGIC SUMMARY..... 7**

TRINITY PETROLEUM EXPLORATION INC.  
DRAGON CANYON 32-27-12-25  
WELL SUMMARY

Well site Geology: Jack Paluga, Rocky Mountain Geo-Engineering Corp

Location: 1779' FNL & 1499' SECTION 17, T12S, R25E

County: Uintah

State: Utah

Drilling Rig: Caza #16

Spud Date: 1/13/95

Elevation: GR: 6310' KB: 6326'

Total Depth: 5421'

TD Date: 1/29/95

Primary Objective: Mancos "B"

Secondary Objective: Mesa Verde

Hole and Casing Program:	Depth	Casing Size
	116'	16" Conductor Pipe
	1492'	8 5/8" Surface Casing
	4646'	5 1/5" Intermediate Casing

Dates Logged: 1/12/95 to 1/30/95

Depths Logged: 133' to 5421'

Cores: None

Samples Intervals: Cutting samples taken by wellsite Geologist at 30 foot intervals from under conductor pipe to TD. Additional samples were taken for geologic control by the wellsite Geologist.

Cuttings Samples: One set of dry cuts.

TRINITY PETROLEUM EXPLORATION INC  
DRAGON CANYON 32-27 -12-25

DATE DEPTH/SURVEY DAILY OPERATIONS

1/12/95			RMGE FID FIEDL UNIT #37 ON LOCATION AND RIGGED UP 16" CONDUCTOR PIPE SET @ 116' KB BIT #1 12 1/4" REED HP12J
1/13/95	184' 283 462	1/2 deg 1/2 deg 1/2 deg	START LOGGING OUT FROM UNDER CONDUCTOR AT 1100 HRS
1/14/95	583 829	1/2 deg 3/4 deg	DEPTH 583' DRILLING AHEAD
1/15/95	706 985	1/2 deg 1 1/2 deg	DEPTH 1292' DRILLING AHEAD
1/16/95	1109 1262	1 1/4 deg 1 1/2 deg	DRILLED TO 1492' RUN 8 5/8" SURFACE CASING TO 1492 KB WAIT ON CEMENT RIG UP TO DRILL WITH AIR/MIST BIT #2 7 7/8" HTC ATJ 22S BIT #1 TOTAL FTG 1392' TOTAL HRS 37
1/17/95			NIPPLE UP - TEST
1/18/95	1418 1731'	1 1/4 deg 1 deg	DEPTH 1948' TAG CEMENT @ 1430' DRILL CEMENT AND SHOE DRILLING WITH AIR/MIST 1300 CFM 10-12 BBL PER HOUR
1/19/95	2226'	1 1/2 deg	DEPTH 2723' 2723' RIG UP TEST LINE - TEST WELL WITH 1 1/4 ORIFICE 2 MIN 100# 15 MIN 200# RIG UP TO DRILL WITH MUD
1/20/95			DEPTH 2969' TRIP FOR BIT #3 7 7/8 HTC ATJ-11 BIT #2 TOTAL FTG 1476' TOTAL HRS 37 1/2 TRIP GAS 353 UNITS
1/21/95	3786'	1 1/4 deg	DEPTH 3551' DRILLING AHEAD WITH MUD SYSTEM
1/22/95			DEPTH 4034'
1/23/95			DEPTH 4354' TRIP FOR BIT #4 7 7/8" RR HTC ATJ-22 BIT #3 TOTAL FTG 1386' TOTAL HRS 59 LOST 2 NOSE CONES TRIP IN WITH JUNK BASKET WORK PAST NOSE CONES, REAM 100' TO BOTTOM DRILLING AHEAD
1/24/95	4646	3 deg	DEPTH 4492' DRILLING AHEAD

DATE	DEPTH/SURVEY	DAILY OPERATIONS
------	--------------	------------------

1/25/95		DRILL TO 4646' CIRCULATE BOTTOMS UP - SHORT TRIP 10 STANDS - RIG UP TO RUN E-LOGS - TRIP IN HOLE - COME OUT LAYING DOWN 4 1/2 DRILL PIPE - BIT #4 TOTAL FTG 292' TOTAL HRS 18 1/2
1/26/95		RUN 5 1/2 " CASING WAIT ON CEMENT
1/27/95		NIPPLE UP - PICK UP 3 1/2 DRILL PIPE - BIT #5 4 3/4" VAREL START TRIPPING IN HOLE TO DRILL CEMENT-DV TOOL-SHOE
1/28/95		TRIP IN HOLE WITH DRILL PIPE - DRILL OUT CEMENT - DRY UP HOLE - DRILLING WITH AIR - DRILL 4646 TO 4711- DRILL 65' OF FORMATION - TRIP OUT OF HOLE FOR BIT #6 4 3/4 HTC ATJ BIT #5 TOATAL HRS 4 - TOTAL FOOTAGE 65' TRIP BACK IN HOLE - DRILLING WITH AIR/MIST SAMPLE QUALITY VERY POOR
1/29/95		DEPTH 4776' DRILLING WITH AIR - RTD 5421' SHORT TRIP - LOAD HOLE WITH MUD FOR E-LOG TRIP OUT OF HOLE FOR E-LOGS BIT #6 TOTAL HRS 22 - TOTAL FTG 710' RTD 5421' SHORT TRIP - LOAD HOLE WITH MUD FOR E-LOG
1/30/95		TRIP OUT OF HOLE FOR E-LOGS BIT #6 TOTAL HRS 22 - TOTAL FTG 710' RTD 5421' SHORT TRIP - LOAD HOLE WITH MUD FOR E-LOG TRIP OUT OF HOLE FOR E-LOGS , RUN E-LOGS

# FORMATION TOPS

TRINITY PETROLEUM EXPLORATION, INC.  
DRAGON CANYON 32-27-12-25  
DRAGON CANYON FIELD  
UINTAH COUNTY, UTAH  
SECTION 27, T12S, R25E

FORMATION	SAMPLE	DATUM	E-LOG	DATUM
WASATCH	654	(+5672)		
MESA VERDE	1332	(+4994)		
SEGO	3552	(+2774)	3548	(+2778)
UPPER CASTLEGATE	3804	(+2522)	3798	(+2528)
LOWER CASTLEGATE	3944	(+2382)	3952	(+2374)
MANCOS	4040	(+2286)	4030	(+2296)
MANCOS "B"	4902	(+1424)	4905	(+1421)
BASE MANCOS "B"	5298	(+1028)	5290	(+1036)
TOTAL DEPTH	5421	(+905)	5413	(+013)

1/12/95

Conductor was drilled to a depth of 116' (kb). During drilling of conductor there was no geograph was rigged up. Geograph was rigged up at a depth of 133 feet.

1/13/95

Start logging 1/13/95 at 1100 hrs.

Bit #1 12 1/4" Reed HP12J used to drill from under conductor for setting surface at 1492' (kb).

WOB 120  
PP 500  
SPM 120

Rigged up and drill surface with mud, Vis 40.

219 feet: run test gas and calibrate equipment.

250 feet: catching 30 foot lagged samples.

250 to 280 feet: Predominantly Sandstone, white, occasionally light green, dense, argillaceous, occasional clay fillings, slightly glauconitic, calcareous, micaceous, very fine-fine grain, well sorted, moderately-well cemented, subangular-angular.

Siltstone: red brown, occasionally light brown, very sandy, calcareous, subblocky and grading to Sandstone, very silty in part.

280 to 310 feet: Shale, light green, very silty, slightly sandy, calcareous, micaceous, trace of pyrite, moderately hard-firm, subblocky-subplaty, interbedded with Sandstone.

310 to 340 feet: Predominantly Limestone, dark brown, tan, cream, occasionally white, dense, chalky in part, firm-hard, very argillaceous, very crystalline, hard-firm, subblocky, trace of intercrystalline porosity, trace dull yellow white mineral fluorescence, grading to very calcareous Shale in part.

Background Gas: 4 to 11 units

340 to 370 feet: Predominately Limestone, light brown, tan, creme, mottled, dens, chalky in part, firm to moderately hard, trace of fossils, trace pyrite fracture fillings, very fine to microcrystalline, trace of intercrystalline porosity, trace dull yellow gold fluorescence, trace dull yellow white residue ring cut.

With Shale, medium to light brown, very calcareous, silty, trace pyrite, trace mica, moderately hard to firm, subblocky-subplaty, grading to very argillaceous Limestone in part

Gas increased to 64 units.

370 to 400 feet: Limestone, Limestone, tan, creme, light brown, dense, slightly chalky, trace pyrite fracture fillings, very argillaceous, occasionally mottled, very fine to fine crystalline, trace of intercrystalline porosity, trace dull yellow white fluorescence, trace-weak, dull yellow white residue ring cut, grading to very calcareous Shale in part.

Sandstone, white, clear, frosted-translucent, moderately dense, trace clay fillings, trace glauconite, calcite fracture fillings, trace pyrite, with trace of asphaltic residue, trace free oil, predominantly medium grain to coarse grain in part, poorly sorted, moderately cemented occasionally friable, subangular-angular, with trace to very poor intergranular porosity, moderately bright yellow gold fluorescence, with fair to poor streaming cut.

Gas increased to 70 units.

400 to 430 feet: Predominantly Sandstone, white, clear, frosted-translucent, moderately dense, trace clay fillings, trace glauconite, calcite fracture fillings, trace pyrite, with trace of asphaltic residue, trace free oil, predominantly medium grain to coarse grain in part, poorly sorted, moderately cemented occasionally friable, subangular-angular, with trace to very poor intergranular porosity, moderately bright yellow gold fluorescence, with fair to poor streaming cut.

Background gas 27 units.

430 to 460 feet: Predominantly Sandstone, white clear, translucent, moderately dense, trace clay fillings, trace glauconite, occasional calcite fracture fillings, fine to medium grain, moderately sorted in part, moderately cemented, friable, subangular-angular, with trace of intergranular porosity, trace moderately bright, yellow gold fluorescence, very weak streaming cut and residue ring.

Background gas 17 to 15 units.

460 to 490 feet: Siltstone, light green, very sandy in part, glauconitic, trace pyrite, trace mica, calcareous, moderately hard, subblocky-subplaty, grading to very silty Sandstone.

Background gas 11 units.

490 to 550 feet: Predominantly Limestone, white, tan, creme, occasionally light brown, dense, fossils, trace calcite fracture fillings, occasionally mottled, very argillaceous in part, chalky in part, microcrystalline, trace intercrystalline porosity, grading to very calcareous Shale in part,

Shale, red brown, brown, occasionally light gray, very silty in part, very calcareous, moderately hard, subblocky, grading to very argillaceous Limestone.

Background gas 4 to 7 units.

1/15/95

550 to 610 feet: Predominantly Limestone, white, creme, tan, dense, argillaceous, slightly chalky, occasional fossil, calcite fracture fillings, mottled, micro-very fine crystalline, trace intercrystalline porosity, trace dull yellow gold fluorescence, trace residue ring cut.

Background gas increased to 17 units.

WASATCH 654 (+5672)

610 to 670 feet: Predominantly Sandstone, light gray, light green, occasionally white, translucent, dense, clay fillings, calcareous, pyrite, mica, very fine grain, well sorted, moderately cemented, friable, subangular, trace of intergranular porosity.

Background gas 10 to 22 units.

670 to 720 Shale, red brown, brown, purple, maroon, silty, occasionally sandy, subblocky, subwaxy, firm.

Background gas 27 to 10 units,

720 to 750 feet: Predominantly Sandstone, clear, white occasionally frosted-translucent, dense, argillaceous to silty, calcareous, slightly glauconitic, micaceous, trace pyrite, subrounded-subangular, trace intergranular porosity. Interbedded with Shale as above

Background gas 20 units.

750 to 820 feet: Predominantly, Shale, red brown, brown, light green gray, firm, subblocky, interbedded with Sandstone, light gray, clear, occasionally translucent, mica and coal inclusions, calcareous, very fine to fine grain, well sorted, moderately cemented, subangular, with trace intergranular porosity, Occasional Limestone, creme to buff, cryptocrystalline, dense, blocky, argillaceous, no visible porosity,

Background gas 20 units.

820 to 870 feet: Shale, light to dark gray, silty, calcareous, occasional carbonaceous inclusions, subblocky, interbedded with Sandstone as above.

Background gas 20 units.

870 to 910 feet: Sandstone, light gray, white, clear, frosted-translucent, moderately dense, silty-argillaceous, slightly calcareous, very fine grain, well sorted, moderately cement, subangular, trace intergranular porosity, no fluorescence, no cut.

Background gas increased to 145 units.

910 to 950 feet: Predominantly Siltstone, light to medium gray, very sandy in part, argillaceous, slightly calcareous, grading to very silty Sandstone in part.

Background gas 20 units.

950 to 1000 feet: Predominantly Siltstone as above interbedded with Sandstone, light gray, white clear, dense, silty to argillaceous, very fine grain, well sorted, moderately cemented, subangular, grading to very sandy Siltstone.

Background gas increased to 45 units, from 990 to 1000 feet through Sandstone, NFSOC.

1000 to 1030 feet: Predominantly Siltstone and interbedded Sandstone as above.

Background gas 20 units.

1030 to 1070 feet: Predominantly Siltstone interbedded with Limestone, creme to buff, cryptocrystalline, dense, blocky, firm to moderately hard, no visible porosity.

Background gas 10 to 20 units.

1070 to 1110 feet: Predominantly Shale, light to medium gray, light green gray, very silty in part, sandy in part, calcareous, subblocky, interbedded with Limestone as above

Background gas 15 units.

1110 to 1150 feet: Predominantly Shale as above, interbedded with Limestone, tan, creme, buff, cryptocrystalline, dense, occasionally fossil, very argillaceous, subblocky, no visible porosity.

Background gas 15 units.

1150 to 1210 feet: Shale, light green, light green gray, silty, slightly sandy, calcareous, moderately hard, subblocky, interbedded predominantly with Limestone, light gray, mottled, occasional fossil, calcite fracture fillings, dense occasionally sucrosic, occasional quartz grains, micro-very fine crystalline, hard, blocky, trace intercrystalline porosity, NFSOC.

Background gas 15 to 20 units.

1210 to 1300 feet: Predominantly Shale, light to medium brown, light gray, light green gray, very silty in part, calcareous, sandy in part, moderately hard to firm, subblocky to subplaty, grading to Siltstone, increasingly sandy in part. Interbedded with Sandstone, light brown, white, dense, silty, argillaceous, white clay fillings, shaley inclusions, calcareous, with trace carb/coal inclusion/fragments, very fine to fine grain, well sorted, moderately cemented, subangular, with trace of intergranular porosity, NFSOC.

Background gas 15 to 20 units.

1300 to 1330 feet: Predominantly Shale as above with Sandstone, light brown, occasionally, white occasionally translucent, dense, silty, argillaceous with white clay fillings, slightly calcareous, trace shaley inclusions, trace carb/coal fragments/inclusions, very fine-fine grain, occasionally medium grain, moderately sorted, moderately cemented, subangular, trace intergranular porosity, trace dull yellow white fluorescence, NO SHOW OR CUT

Background gas 10 to 15 units,

1/15/95  
MESA VERDE 1332 (+4994)

1330 to 1370 feet: Sandstone, white clear, occasionally frosted-translucent, moderately dense, white clay fillings, carb/coal fragment/inclusions, very fine grain, well sorted, moderately cemented friable, subangular, trace intergranular porosity, with weak dull yellow white mineral fluorescence.

Background gas 10 to 12 units.

1370 to 1410 feet: Sandstone as above, interbedded with Coal, moderately bright to occasionally dull, slightly earthy to argillaceous, moderately hard, subblocky, occasional conchoidal fracturing trace of cleeting, trace visible bleeding gas.

1375 feet: increase in gas to 56 units.

1410 to 1492 feet: Predominantly Shale, dark brown, occasionally light gray, slightly sandy, very silty, calcareous, carb/coal fragment/laminations, moderately hard to firm, subblocky, increasingly sandy and grading to Siltstone. Interbedded with Sandstone, white, clear, frosted-translucent, dense, argillaceous, calcite fracture fillings, with coal/carb inclusions/fragments, fine to medium grain, poorly sorted in part, moderately cemented, occasionally friable, with fair intergranular porosity, NFSOC.

Background gas 50 to 20 units.

Rig TD at 1492' (kb), to run surface casing, rig up to drill with air/mist.

8 5/8 surface casing set at a depth of 1492 (kb). Drilling out from under surface with Bit #2 7 7/8"  
HTC

1/16/95

1/17/95

Bit #2 7 7/8" HTC ATJ22S

BIT #3 Total footage 1392' Total hrs. 37

1500 to 1542 feet: rig crew cut geolograph line

1500 to 1540 feet: Sandstone, white, clear, translucent, moderately dense, trace white clay fillings, carb/coal fragments/inclusions, slightly calcareous, fine to medium grain, moderately sorted, well cemented, subangular, trace intergranular porosity, NFSOC.

Background gas 12 to 15 units.

1540 to 1600 feet: Predominantly Shale, light to dark gray, very silty, increasingly sandy in part, carbonaceous, with carb laminations/fragments, calcareous, moderately hard-firm, subblocky, grading to Siltstone in part.

Background gas 12 to 15 units.

1600 to 1700 feet: Predominantly Shale, light gray, occasionally dark gray, very silty, increasingly sandy in part, carbonaceous, carb/coal laminations/fragments, calcareous, moderately hard to firm, subblocky, grading to Siltstone, interbedded with Sandstone, light gray, white, clear, frosted-translucent, dense, argillaceous-silty, carb/coal fragments/inclusions, very fine to fine grain, well sorted, moderately cemented, subangular, trace intergranular porosity, grading to very sandy Siltstone in part NFSOC.

Background gas 12 to 15 units.

1700 to 1800 feet: Predominantly Siltstone, light gray, very sandy, carbonaceous laminations, calcareous, moderately hard to firm, subblocky grading to very silty Sandstone.

Background gas 15 to 20 units.

1800 to 1900 feet: Siltstone, medium to dark gray, very sandy in part, calcareous, carbonaceous, with carb and trace coal laminations/fragments, subblocky-subplaty, grading to very silty sandstone.

Background gas 20 to 25 units.

1900 to 2000 feet: Predominantly Siltstone as above, interbedded with sand stringers, Sandstone, light-medium gray, occasionally white, occasionally translucent, dense, silty-argillaceous, trace white clay fillings, shaley inclusions, carb inclusions, slightly calcareous, very fine to fine grain, well sorted, moderately cemented, trace intergranular porosity, NFSOC.

Background gas 20 to 25 units.

2000 to 2100 feet: Shale, medium to light brown, silty, carbonaceous laminations/fragments, calcareous, moderately hard to firm, subblocky-subplaty, increasingly sandy grading to Siltstone in part.

Background gas 20 to 25 units,

2100 to 2200 feet: Shale as above with interbedded sand stringers, Sandstone, white, clear, occasionally frosted, translucent, dense, silty, argillaceous, trace white clay fillings, occasional shaley-carb inclusions, slightly calcareous, very fine to fine grain, well sorted, moderately cemented, subangular, NFSOC, grading to very sandy Siltstone in part.

Background gas 15 to 20 units.

2200 to 2300 feet: Shale and Sandstone stringers as above. Increase in background gas to 30 to 40 units, also increase in connection gas.

2300 to 2400 feet: Predominantly Shale, light to medium gray, occasionally light gray brown, very silty, slightly sandy in part, firm, subblocky-subplaty, grading to Siltstone in part, interbedded with Sandstone, light to medium gray dense, silty, argillaceous, clay fillings, very fine grain, subangular, no visible intergranular porosity, NFSOC.

Background gas 30 to 35 units.

2400 to 2500 feet: Shale as above with Sandstone stringers as above.

Increase in connection and down time gas, connection/downtime gas 130 to 180 units.

2500 to 2600 feet: Predominantly Shale, medium to dark gray, silty, slightly calcareous, moderately hard to firm, subblocky grading to Siltstone with interbedded Sandstone, clear, white, translucent, predominantly unconsolidated quartz grains, subangular-angular, moderately sorted, poorly cemented, NFSOC.

Background gas 30 units, connection gas 120 to 150 units.

2600 to 2700 feet: Shale and Sandstone as above.

Background gas 20 units, connection gas 120 to 130 units.

2600 to 2700 feet: Predominantly Shale as above with Sandstone, white to light gray, clear, translucent, argillaceous, white clay fillings, coal/carb inclusions/fragments, subangular-angular, very fine-fine grain, poorly sorted in part, moderately cemented, trace intergranular porosity, NFSOC.

2700 to 2710 feet: Sandstone, light gray, white, clear, moderately dense, slightly silty, argillaceous, clay fillings, fine-very fine grain, moderately sorted, moderately cemented, subangular, poor intergranular porosity, NFSOC, Peak gas increase 2660 units, also gauged through 1 1/4" choke: 5 min. 100#, 15 min. 200#.

1/19/95

Rigged up to drill with mud at 2723'.

Mud Report:	WT	VIS	WL	PH	CK	CHL	SLD
	8.7	39	8.4	9.0	1	150	3%

2710 to 2800 feet: Predominantly Shale, medium-dark gray, gray brown, brown, slightly silty, slightly calcareous, moderately hard-firm, subblocky, increasingly sandy, grading to Siltstone in part.

2750 to 2760 feet: Sandstone, white, clear, translucent, argillaceous-occasionally white clay fillings, very fine-fine grain, moderately-well sorted, moderately cemented, subrounded-subangular, trace intergranular porosity, NFSOC.

Background gas decreased to 5 to 10 units after mudding up.

2800 to 2900 feet: Predominantly Shale, medium-dark gray, gray brown, brown, silty, slightly calcareous, moderately hard-firm, subblocky, increasingly sandy, grading to Siltstone in part, interbedded with Sandstone, clear, translucent, occasionally argillaceous, clay fillings, carb/coal inclusions/fragments, very fine-fine grain, moderately-well sorted, moderately cemented, trace intergranular porosity, NFSOC

Background gas 15 to 20 units.

2900 to 3000 feet: Siltstone, medium gray, occasionally light gray, very sandy in part, slightly calcareous, moderately hard-firm, subblocky.

2960 to 2970 feet: Sandstone, white, clear, occasionally frosted-translucent, moderately dense, trace shaley inclusions, trace carb/coal inclusions/fragments, slightly calcareous, very fine grain, well sorted, moderately cemented, occasionally friable, subangular, trace intergranular porosity, interbedded with Coal, moderately bright, earthy-argillaceous, banded with silicate fracture fillings, trace cleeting, moderately hard, subblocky-blocky, no visible bleeding gas.

Gas increased to 700 units.

Trip for bit at 2968' Bit #3 7 7/8" HTC ATJ-11

Bit #2 Total footage 1746

Total hours 37 1/2

Trip gas 353 units.

1/20/95

3000 to 3100 feet: Predominantly Shale, dark gray, gray brown, brown, very silty, slightly calcareous, firm-moderately hard, carbonaceous, trace pyrite, subplaty, increasingly sandy, grading to Siltstone. Siltstone, dark brown, very sandy in part, slightly calcareous, moderately hard-firm, subplaty, grading to very silty Sandstone in part. Interbedded with Sandstone, white occasionally clear, translucent, dense, silty-argillaceous, clay fillings, slightly calcareous, shaley inclusions, very fine grain, well sorted, moderately cemented, subangular, trace intergranular porosity, NFSOC.

Background gas 38 to 47 units.

3090 to 3094 feet: gas increased to 147 units in Sandstone.

3100 to 3200 feet: Predominantly Siltstone, brown, gray brown, tan, argillaceous, slightly calcareous, carbonaceous, moderately hard-firm, slightly calcareous, grading to very silty Shale in part.

3100 to 3120 feet: Sandstone, white translucent, argillaceous, clay fillings, slightly calcareous, very fine-fine grain, well sorted, moderately cemented, subangular, interbedded with Coal.

3150 to 3154 feet: Sandstone as above, gas increased to 102 units.

Background gas, 44 to 60 units.

3200 to 3300 feet: Predominantly Shale, dark gray, dark brown, carbonaceous, with carb/coal laminations/fragments, moderately hard-firm, slightly calcareous, very silty in part, grading to Siltstone.

3222 to 3234 feet: Shale as above interbedded with Coal, moderately bright, earthy-argillaceous, occasionally banded, moderately hard, subblocky, trace cleeting, no visible bleeding gas. Gas increased to 303 units, background gas 47 to 67 units.

3300 to 3400 feet: Predominantly Siltstone, medium to dark brown, very sandy in part, slightly calcareous, agrillaceous, moderately hard-firm, subblocky-subplaty, grading to very silty Shale.

Background gas 65 to 70 units.

3300 to 3314 feet: Sandstone, light gray, light brown, white, clear, occasionally translucent, dense, silty-argillaceous, trace carb fragments, slightly calcareous, very fine-fine grain, well sorted, moderately cemented, subangular, no visible porosity, NFSOC. Slight increase in background gas.

3380 to 3382 feet: Sandstone, white, clear, frosted-translucent, moderately dense, occasionally argillaceous, carb inclusions/fragments, very fine-fine grain, well sorted, moderately cemented, subangular, trace of intergranular porosity, NFSOC. No increased in background gas.

3400 to 3500 feet: Predominantly Shale, medium-light gray, light-medium gray brown, medium-light brown, very silty in part, slightly calcareous, carbonaceous with carb laminations, subblocky, increasingly sandy, grading to Siltstone in part.

3410 to 3430 feet: Sandstone, white, clear, frosted-translucent, moderately dense, slightly argillaceous, carb inclusions, very fine-fine grain, occasionally medium grain, moderately sorted, moderately cemented, subangular, poor-fair intergranular porosity, NFSOC. No increase in gas.

1/21/95

3442 to 3450 feet: Sandstone as above with no increase in background gas.

3474 to 3486 feet: Sandstone as above interbedded with Coal, moderately bright-dull earthy-argillaceous, blocky, moderately hard, occasionally conchoidal fracture, trace banding, trace cleeting, no visible bleeding gas, slight increase in gas to 70 units.

Background gas 47 units.

3500 to 3600 feet: Predominantly Shale, medium-light gray, medium-light brown, very silty in part, slightly calcareous, carbonaceous, carb lamination/fragments, moderately hard-firm, subplaty, grading to Siltstone in part.

Background gas 47 to 51 units.

SEGO 3552 (+2774)

3553 to 3570 feet: Shale as above interbedded with Sandstone, light gray, light brown, occasionally white, dense, silty-argillaceous, white clay fillings, shaley inclusions, occasionally pyrite, slightly calcareous, very fine-fine grain, well sorted, moderately cemented, subangular, trace intergranular porosity, NFSOC. No increase in background gas.

Connection gas slight increase over background gas.

3600 to 3700 feet: Predominantly Shale, light-dark brown, light-medium gray, gray brown, very silty in part, slightly calcareous, occasionally carbonaceous, with carb laminations, subplaty-platy, firm-moderately hard, grading to Siltstone in part.

Background gas 34 to 46 units, with slight increase in connection gas.

3700 to 3900 feet: Predominantly Siltstone, brown, light gray, slightly sandy, slightly calcareous, moderately hard-firm, subblocky, grading to very silty Shale in part.

Background gas 47 to 57 units.

#### UPPER CASTLEGATE 3804 (+2522)

3805 to 3820 feet: Sandstone, clear, translucent, silty-argillaceous, white clay fillings, trace shaley inclusions, with carbonaceous inclusions/fragments, slightly calcareous, very fine grain in part, well sorted, moderately cemented, occasionally friable, subangular, trace to very poor intergranular porosity, NFSOC. No increase in background gas.

3831 to 3838 feet: Sandstone as above. No increase in background gas.

3838 to 3850 feet: Shale, dark brown, brown, dark gray to black, silty carbonaceous with carb laminations, trace coal fragment, slightly calcareous, subblocky, occasionally grading to Siltstone.

#### LOWER CASTLEGATE 3944 (+2382)

3900 to 4000 feet: Shale, medium-dark brown, occasionally light brown, very silty in part, slightly calcareous, carbonaceous with carb lamination, occasional coal fragments, soft-firm, subplaty, grading to Siltstone in part.

3886 to 3888 feet: Coal, moderately bright-dull, earthy-argillaceous, pyrite banding, moderately hard, subblocky, trace cleeting, no visible bleeding gas. No increase in background gas.

Background gas 35 to 39 units.

#### MANCOS 4040 (+2286)

4000 to 4100 feet: Shale, medium-dark gray, dark gray brown, occasionally light brown, very silty, slightly calcareous, carbonaceous, with carb lamination, moderately hard-firm, subblocky-subplaty, grading to Siltstone in part.

Background gas 55 to 60 units.

Connection gas 100 units.

4100 to 4200 feet: Shale as above, interbedded with Sandstone, white, light gray, moderately dense, slightly calcareous, very fine-fine grain, well sorted, moderately cemented, friable, subangular, NFSOC.

Mud Report:	WT	VIS	WL	PH	CK	SLD	CHL
	9.3	38	6.8	9.0	1	8.5	150

Background gas 55 to 60 units,

Connection gas 100 units.

4200 to 4300 feet: Shale, dark brown, dark gray brown, very silty in part, slightly calcareous, carbonaceous, with carb/coal laminations, moderately hard to firm, subblocky-subplaty, grading to Siltstone in part.

Background gas 41 to 53 units.

Connection gas 70 to 90 units.

4300 to 4400 feet: Shale, dark brown, dark gray brown, occasionally light gray, very silty, slightly calcareous, moderately hard-firm, subblocky-subplaty, carbonaceous, with carb/coal laminations/fragments, grading to Siltstone in part.

Background gas 32 units.

1/23/95

4354 feet: Trip for bit. Bit #4 RR #2 7 7/8" HTC ATJ-11  
Bit #3 Total footage 1386 Total hours 59

Trip gas 200 units.

4343 to 4348 feet: Sandstone, light gray, light brown, occasionally white, dense, sitly-argillaceous, clay fillings, carb fragment/inclusions, slightly calcareous, very fine grain, well sorted, well cemented, subangular-subrounded, no visible porosity, NFSOC. Gas increased to 122 units.

Background gas 41 to 58 units.

4400 to 4500 feet: Shale, medium-light gray, light-medium brown, occasionally dark brown, slightly calcareous, very silty in part, moderately hard-firm, carbonaceous, carb/occasionally coal laminations/fragments, subblocky-subplaty, grading to Siltstone in part, trace of interbedded coal.

Background gas 43 units, connection gas 120 units.

1/24/95

4500 to 4600 feet: Predominantly Siltstone, medium-light brown, occasionally light gray, occasionally dark brown, very sandy in part, carbonaceous, very calcareous, moderately hard-firm, subblocky-subplaty, increasingly sandy, grading to Siltstone in part.

Background gas 43 to 50 units, connection gas 110 units.

Rig TD at 4646' to run 5 1/2"

1/25/95 Short trip, trip out of hole, run E-Log

1/26/95 Run casing waiting on cement

1/27/95 trip in hole with 3 1/2 " drill pipe, pickup new kelly, rig up to drill with air.

1/28/95 trip in hole with drill pipe drill from 4646 to 4711, trip for bit.  
Rigged up and drilling with air. Sample quality very poor.

4700 to 4800 feet: Predominantly Shale, medium-dark brown, dark gray, dark gray brown, very silty, calcareous, moderately hard to firm, subblocky, increasingly sandy, grading to Siltstone. Siltstone, medium-dark brown, brown gray, very sandy in part, calcareous, firm, subblocky-subplaty, grading to very silty Sandstone in part, interbedded with Sandstone, light brown, light gray, dense silty, slightly calcareous, trace carbonaceous fragment/inclusions, very fine grain, well sorted, moderately-well cemented, subangular, no visible porosity, grading to very Siltstone in part.

Background gas 3 to 5 units.

1/29/95

4800 to 4900 feet: Shale, medium-light gray, very silty, slightly sandy, calcareous, moderately hard-firm, subblocky, increasingly sandy, grading to Siltstone. Interbedded with Sandstone, light brown, dense, very silty, slightly calcareous, trace carbonaceous fragments/inclusions, very fine grain, well sorted, moderately-well cemented, subangular, trace intergranular porosity, grading to very sandy Siltstone.

Background gas 5 units.

4900 feet run test gas.

MANCOS "B" 4902 (+1424)

4902 to 4924 feet: Sandstone, light gray, occasionally white, occasionally clear, dense, silty-occasionally argillaceous, carbonaceous fragment/inclusions, slightly calcareous, very fine grain, well sorted, well cemented, subangular, trace intergranular porosity. NFSOC

Background gas increased to 10 units.

4924 to 4958 feet: Shale, medium-light gray, very silty, slightly sandy, calcareous, moderately hard-firm, subblocky, grading to Siltstone in part.

4958 to 4992 feet: Sandstone, clear, translucent, slightly silty, slightly argillaceous, trace clay fillings, slightly calcareous, silicate cement, very fine-fine grain, well sorted, well cemented, subangular, trace intergranular porosity, NFSOC

Background increased to 10 units.

4992 to 5100 feet: Predominantly Shale, medium to dark gray, very silty in part, occasionally sandy, calcareous, moderately hard, subblocky, grading to Siltstone in part.

5050 to 5060 feet: Sandstone, white, clear, occasionally frosted-translucent, slightly argillaceous, with clay fillings, trace carbonaceous fragment/inclusions, slightly calcareous, very fine grain, well sorted, well cemented, subangular, with trace of intergranular porosity, NFSOC.

Background gas 7 to 10 units.

5100 to 5200 feet: Shale, medium-dark gray, very silty in part, calcareous, firm, subblocky, occasionally interbedded with Sandstone, light gray, clear, dense, trace clay fillings, trace carbonaceous inclusions, calcareous, very fine grain, well sorted, well cemented, subangular, no visible porosity.

Background gas 3 to 7 units.

BASE MANCOS "B" 5298 (+1028)

5200 to 5298 feet: Predominantly Shale, dark gray, silty, calcareous, slightly sandy, moderately hard-firm, subblocky, grading to Siltstone in part, interbedded with Sandstone, light gray, clear, dense, silty, trace carbonaceous inclusions, trace shaley inclusions, slightly calcareous, very fine grain, well sorted, well cemented, subrounded-subangular, trace intergranular porosity.

Background gas 3 to 5 units.

5298 to 5400 feet: Shale, medium to light gray, silty, calcareous, firm, trace pyrite, trace mica, slightly carbonaceous, subplaty-platy, grading to Siltstone, medium to dark gray, occasionally, medium gray brown, carb, pyrite, calcareous, moderately hard-firm, subblocky-subplaty. Interbedded with Sandstone, light-medium gray, dense, slightly argillaceous, trace carbonaceous fragment, slightly calcareous, very fine grain, well sorted, well cemented, predominantly subangular-angular, no visible porosity.

Background gas 2 to 5 units.

5400 to 5421 feet: Shale, medium-light gray, calcareous, silty, trace pyrite, trace mica, moderately hard-firm, subplaty-platy, grading to Siltstone in part.

Background gas 3 to 5 units.

RTD 5421' 1/29/95 AT 2100 HRS. SHORT TRIP AND LOAD HOLE WITH MUD TO RUN E-LOGS

ETD 5413'

No short trip gas. By passing possum belly and shaker during circulation of mud through system.

Form 3160-5  
(June 1990)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED FEB 17 1995  
JAN 30 1995

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

DIV OF OIL, GAS & MINNIE 1-57474

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

7. If Unit or CA, Agreement Designation  
NA

8. Well Name and No.  
NA

9. AM Well No. 32587

49-047-32587

10. Field and Pool, or Exploratory Area  
WILLOCAT

11. County or Parish, State  
UINTAH, UTAH

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
TRINITY PETROLEUM EXPLORATION, INC.

3. Address and Telephone No.  
1801 BROADWAY, STELLINO, DENVER, CO, 80202 (303-724-9942)

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
1779' FNL & 1499' FEL  
SWNE, SEC. 27, T12S, R25E

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

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

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

RECEIVED VERBAL APPROVAL FROM BO FORSMAN - BLM, VERNAL - AT 2:29 PM 1/21/95 VIA TELEPHONE TO ALTER CASING DESIGN FROM 4 1/2" 11.6# N80 LTC TO SETTING 5 1/2" 17# N80 LTC AT 4650' (+/-) AS INTERMEDIATE CASING AND DRILLING 4 3/4" HOLE TO TD OF 5250' (+/-) AND SETTING 3 1/2" FLUSH JOINT 9.3# J55 FL45 (USED - WHITE BAND) WITH A MINIMUM OF 200' OVERLAP INTO THE 5 1/2" CSG.

FAXED 1/21/95  
HARDCOPY TO FOLLOW

RECEIVED  
JAN 21 1995  
VERBAL

14. I hereby certify that the foregoing is true and correct.  
Signed [Signature] Title CONSULTANT Date 1/21/95

Approved by NOTED Title \_\_\_\_\_ Date FEB 06 1995  
Conditions of approval, if any:

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

\*See Instruction on Reverse Side

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**REGISTRATION**

FEB 21 1995

DIVISION OF OIL, GAS & MINING

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 reenter **different reservoirs or formations**.  
Use "APPLICATION FOR PERMIT -" for such proposals

5. Lease Designation and Serial No.  
**UTU-57474**

Allottee or Tribe Name  
**N/A**

**SUBMIT IN TRIPLICATE**

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator      **303/294-9942      1801 Broadway, Suite 640**  
**Trinity Petroleum Exploration, Inc.**      **Denver, CO 80202**

3. Address and Telephone No.      **303/452-8888      13585 Jackson Drive**  
**PERMITCO INC. - Agent**      **Denver, CO 80241**

4. Location of Well (Footage, Sec., T., R., m., or Survey Description)  
**1779' FNL and 1499' FEL**  
**SW NE Sec. 27, T12S - R25E**

7. If Unit or CA, Agreement Designation  
**N/A**

8. Well Name and No.  
**Dragon Canyon #32-27-12-25**

9. API Well No.  
**43-047-32587**

10. Field and Pool, or Exploratory Area  
**Wildcat**

11. County or Parish, State  
**Uintah County, Utah**

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

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

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

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

**Please be advised that effective February 28, 1995, Trinity Petroleum Exploration, Inc. will turn over operations of the subject well to Amoco Production Company.**

**All future correspondence pertaining to this well should be sent to Amoco at the following address:**

**Amoco Production Company**  
**1670 Broadway**  
**P.O. Box 800**  
**Denver, CO 80201**  
**Attn: Julie Acevedo**  
**303/830-6003**

**If you should have any questions, please contact Mr. Reginald S.Y. Lee, President - Trinity Petroleum Exploration, Inc. at 303/294-9942.**

- cc: **3 - BLM - Vernal, Utah**  
**2 - Utah Div. of Oil, Gas & Mining - SLC, UT**  
**1 - Trinity Petroleum Exploration, Inc. - Denver, CO**  
**1 - Amoco Production Company - Denver, CO**

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

Signed *Don L. Smith*      Consultant for: Trinity Petroleum Exploration, Inc.      Title Trinity Petroleum Exploration, Inc.      Date 02/20/95

(This space for Federal or State office use)

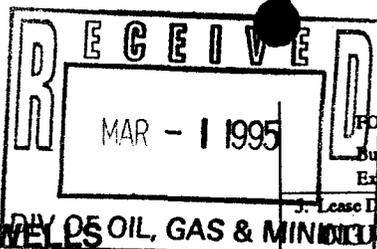
Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Conditions of approval, if any: \_\_\_\_\_

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

**\*See Instruction on Reverse Side**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT



FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993  
Lease Designation and Serial No.

**SUNDRY NOTICES AND REPORTS ON WELLS**  
DIV OF OIL, GAS & MINING 57474

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

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

**SUBMIT IN TRIPLICATE**

7. If Unit or CA, Agreement Designation  
N/A

1. Type of Well

Oil Well  Gas Well  Other

8. Well Name and No.  
**Dragon Canyon #32-27-12-25**

2. Name of Operator **303/830-6003 1670 Broadway, P.O. Box 800**  
**Amoco Production Company Denver, CO 80201**

9. API Well No.  
**43-047-32587**

3. Address and Telephone No. **303/452-8888 13585 Jackson Drive**  
**PERMITCO INC. - Agent Denver, CO 80241**

10. Field and Pool, or Exploratory Area  
**Wildcat**

4. Location of Well (Footage, Sec., T., R., m., or Survey Description)  
**1779' FNL and 1499' FEL**  
**SW NE Sec. 27, T12S - R 25E**

11. County or Parish, State  
**Uintah County, Utah**

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

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

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

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

Please be advised that effective February 28, 1995, Amoco Production Company will take over operations of the subject well.

Amoco Production Company agrees to be responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by Bond No. 35583. The principal is Amoco Production Company via surety consent as provided for in 43 CFR 3104.2.

It is understood that the BLM will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2, continuing responsibility are met.

All future correspondence pertaining to this well should be directed to: Amoco Production Company, 1670 Broadway, P.O. Box 800, Denver, CO 80201, Atten: Julie Acevedo, 303/830-6003.

- cc: 3 - BLM - Vernal, Utah  
2 - Utah Div. of Oil, Gas & Mining - SLC, UT  
1 - Trinity Petroleum Exploration, Inc. - Denver, CO  
1 - Amoco Production Company - Denver, CO

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

Amoco Production Company

Signed Julie Acevedo

Title Sr. Staff Assistant

Date 2-27-95

(This space for Federal or State office use)

Approved by \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

Conditions of approval, if any:

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

\*See Instruction on Reverse Side

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

MAR 16 1995

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 a different reservoir.

Use "APPLICATION FOR PERMIT -" for such proposals

5. Lease Designation and Serial No.  
**UTU 57474**

6. Tribal, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

N/A

**SUBMIT IN TRIPLICATE**

1. Type of Well

Oil Well     Gas Well     Other

8. Well Name and No.

**Dragon Canyon #32-27-12-25**

2. Name of Operator

**303/830-6003      1670 Broadway, P.O. Box 800  
Amoco Production Company      Denver, CO 80201**

9. API Well No.

**43-047-32587**

3. Address and Telephone No.

**303/452-8888      13585 Jackson Drive  
PERMITCO INC. - Agent      Denver, CO 80241**

10. Field and Pool, or Exploratory Area

**Wildcat**

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

**1779' FNL and 1499' FEL  
SW NE Sec. 27, T12S - R 25E**

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 Operator

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 markers and zones pertinent to this work.)\*

Please be advised that effective February 28, 1995, Amoco Production Company will take over operations of the subject well.

Amoco Production Company agrees to be responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by Bond No. 35583. The principal is Amoco Production Company via surety consent as provided for in 43 CFR 3104.2.

It is understood that the BLM will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2, continuing responsibility are met.

All future correspondence pertaining to this well should be directed to: Amoco Production Company, 1670 Broadway, P.O. Box 800, Denver, CO 80201, Atten: Julie Acevedo, 303/830-6003.

cc: 3 - BLM - Vernal, Utah  
2 - Utah Div. of Oil, Gas & Mining - SLC, UT  
1 - Trinity Petroleum Exploration, Inc. - Denver, CO  
1 - Amoco Production Company - Denver, CO

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

Signed Julie Acevedo Title Sr. Staff Assistant Date 2-27-95

(This space for Federal or State office use)

Approved by Howard B. Cleavinger II Title ASSISTANT DISTRICT MANAGER MINE Date MAR 14 1995

Conditions of approval, if any:

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

\*See Instruction on Reverse Side

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET**

Routing:	
1-IEC	✓
2-LWP 7-PL	✓
3- <del>DES</del> 8-SJ	✓
4-VLC 9-SILE	✓
5-RJF	✓
6-LWP	✓

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

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

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 2-28-95)

TO (new operator)	<u>AMOCO PRODUCTION COMPANY</u>	FROM (former operator)	<u>TRINITY PETRO EXPLOR INC</u>
(address)	<u>1670 BROADWAY</u>	(address)	<u>1801 BROADWAY STE 640</u>
	<u>PO BOX 800</u>		<u>DENVER CO 80202</u>
	<u>DENVER CO 80201</u>		
	phone (303) <u>830-6003</u>		phone (303) <u>294-9942</u>
	account no. <u>N 0050</u>		account no. <u>N5145</u>

Well(s) (attach additional page if needed):

Name: <b>** SEE ATTACHED **</b>	API: <u>047-32587</u>	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____

**OPERATOR CHANGE DOCUMENTATION**

- See 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). *(Rec'd 2-24-95)*
- See 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). *(Rec'd 3-1-95)*
- N/A 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes)/no \_\_\_\_ If yes, show company file number: # 024135.
- See 4. (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of Federal and Indian well operator changes should take place prior to completion of steps 5 through 9 below.
- See 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. *(3-16-95)*
- See 6. Cardex file has been updated for each well listed above. *3-20-95*
- See 7. Well file labels have been updated for each well listed above. *3-20-95*
- See 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. *(3-16-95)*
- See 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

- Yes* 1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) no (If entity assignments were changed, attach copies of Form 6, Entity Action Form).
- N/A* 2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

BOND VERIFICATION (~~Fee wells only~~) *\*Trust Lands / Amoco Surety # 86-67-68 / 25,000 "Seaboard Surety Co."*

- Yes* 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.
- N/A* 2. A copy of this form has been placed in the new and former operators' bond files.
- N/A* 3. The former operator has requested a release of liability from their bond (yes/no) no. Today's date \_\_\_\_\_ 19\_\_\_\_. If yes, division response was made by letter dated \_\_\_\_\_ 19\_\_\_\_.

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

- N/A* 1. (Rule R615-2-10) The former operator/lessee of any fee lease well listed above has been notified by letter dated \_\_\_\_\_ 19\_\_\_\_, of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested.
- DTS* 2. Copies of documents have been sent to State Lands for changes involving State leases.  
*3/21/95 to Ed Bonner*

FILMING

- Yes* 1. All attachments to this form have been microfilmed. Date: March 27 1995. *Oct 10, 1996 (VBB Drilling)*

FILING

1. Copies of all attachments to this form have been filed in each well file.
2. The original of this form and the original attachments have been filed in the Operator Change file.

COMMENTS

- 950314 Amoco / Gula Acivedo "Continued mailing address for mo. prod. rpts."*
- 950316 BLM / Vernal Apr. 3-14-95 aff. 2-28-95.*

UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

RECEIVED  
AUG 18 1995

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No.  
UTU-57474

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.  
Dragon Canyon 27-12-25 #1

9. API Well No.  
43-047-32587

10. Field and Pool, or Exploratory Area  
Wildcat

11. County or Parish, State  
Uintah Utah

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
Amoco Production Company

Attention:  
E. R. Nicholson

3. Address and Telephone No.  
P.O. Box 800, Denver, Colorado 80201 (303) 830-5014

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
1779' FNL 1499' FEL Sec. 27 T 12S R 25E

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

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

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

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

Amoco Production Company intends to change the subject well name:  
From: Dragon Canyon #32-27-12-25  
To: Dragon Canyon 27-12-25 #1

14. I hereby certify that the foregoing is true and correct  
Signed E. R. Nicholson Title Business Analyst Date 07-20-1995

(This space for Federal or State office use)  
Approved by [Signature] Title acting ASSISTANT DISTRICT MANAGER MINERALS Date AUG 23 1995  
Conditions of approval, if any:

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

\* See Instructions on Reverse Side

OPERATOR

**UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT**

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

6. Lease Designation and Serial No.	UTU-57474
8. If Indian, Allottee or Tribe Name	
7. If Unit or CA, Agreement Designation	
8. Well Name and No.	Dragon Canyon 27-12-25
9. API Well No.	4304732587
10. Field and Pool, or Exploratory Area	Wildcat
11. County or Parish, State	

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	Attendant: Gail M. Jefferson, Rm 1295C
2. Name of Operator Amoco Production Company	
3. Address and Telephone No.	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1779'SNL    1499'FEL    Sec. 27 T 12S R 25E	

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

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

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

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

Amoco Production Company requests permission to plug and abandon the above referenced well per the attached procedures.

If you have any technical questions please contact Mark Glover at (303) 830-4895 or Gail Jefferson for any administrative concerns..

RECEIVED  
JUN 14 1996

RECEIVED  
JUL 2 1996  
SRBU PERMITTING

**CONDITIONS OF APPROVAL ATTACHED**

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

Signed <u>Gail M. Jefferson</u>	Title <u>Sr. Admin. Staff Asst.</u>	Date <u>06-13-1996</u>
(This space for Federal or State office use)		
Approved by <u>[Signature]</u>	Title <u>Assistant Field Manager Mineral Resources</u>	Date <u>JUN 13 1996</u>
Conditions of approval, if any:		

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

**OPERATOR**

\* See Instructions on Reverse Side

Amoco plans to plug and abandon the Dragon Canyon 27-12-25 Well #1 using the following procedure.

Because of unavoidable timing restrictions, we respectfully request your approval as soon as possible.

Note that this well has 8.625" 24# casing set at 1452' that was cemented to surface. 5.5" 17# casing was run to 4646' and was cemented in two stages with DV tool at 2831'. A 3.5" 9.3# liner was run to 5418' with the liner top at 4413'. A CBL was run inside the 5.5" casing and indicated cement below the 8.625" shoe and between the 8.625" and 5.5" casing strings, therefore, adequate isolation at the surface casing shoe exists.

Recommended Procedure:

1. RIH with work string and set cement retainer at 4375'. 3.5" liner top at 4413'.
2. Establish circulation into Mancos perforations, top perf at 4695' and bottom perf at 5290'. Mix and pump 10 barrels of cement. Once squeeze pressures out, dump remaining cement, at least 10-20', on top of retainer. Casing volume from retainer to bottom perf is 8.5 barrels.
3. Place 9ppg brine between the Mancos squeeze in step 2 and the balanced plug across water flows experienced while drilling, step 4.
4. Water flows were encountered while drilling from 1538' to 1645'. Place a 300' (7 barrels) balanced plug of cement from 1450' to 1750' inside the 5.5" casing across these water flows.
5. Place 9ppg brine between the balanced plug in step 4 and the next balanced plug covering the Mahogany oil shale zone, if it was penetrated in this well, or the surface cement plug.
6. If it is determined that this well penetrated the Mahogany oil shale, place a balanced plug across this zone. Design plug to extend from 50' below the zone to 50' above the zone.
7. Place 9ppg brine between the balanced plug in step 6 and the surface plug.
8. Place a 50' cement plug at the surface.
9. Install required P&A marker.
10. Reclaim location per APD.

**CONDITIONS OF APPROVAL FOR WELL ABANDONMENT**

Company: AMOCO PRODUCTION

Location SWNE S27 T12S R25E

Well No. 27-12-25

Lease No. U-57474

**A COPY OF THESE CONDITIONS SHOULD BE GIVEN TO  
YOUR FIELD REPRESENTATIVE TO ENSURE COMPLIANCE**

1. This office will be notified sufficiently in advance of actual plugging work so that a representative may have an opportunity to witness the operation. If time permits, please try to notify this office at least 24 hours in advance of rigging up.
2. Upon completion of the approved plugging program, erect the regulation marker in accordance with 43 CFR 3162.6(b) and clean up the site. The marker should not be less than 4 inches in diameter and extend approximately 4 feet above recontoured surface level. Heap up the dirt around the base of the marker about 18 inches to take care of any settling of the cellar. The top of the marker will be closed or capped, and the bottom of the marker will be placed in the top cement plug or welded to or through a 1/4 inch steel plate which is welded onto the cut-off surface casing. Pits must be fenced unless approved otherwise by the authorized officer.
3. The following minimum information will be permanently and legibly placed on the marker with a plate, cap or welded bead:
  - A. Name of the operator.
  - B. Lease serial number.
  - C. Well number.
  - D. Surveyed description of the well; section, township and range and either footages or quarter-quarter section.
4. Within 30 days after well bore plugging operations have been completed, Form 3160-5 (formerly Form 9-331), Subsequent Report of Abandonment, will be submitted to this office. The report must show the location of all plugs or any mechanical setting device, quantity and type of cement and additives in each plug, amount of casing or any tubulars left in the hole, methods used to test plugs and test results, and the status of the surface restoration. If a temporary delay in the removal of equipment or surface cleanup is deemed necessary, so justify in your report. This abandonment report will be approved by this office by this office with surface stipulations. Liability for the well shall not be released until the surface management agency approves the actual site rehabilitation.

WELL NO: 27-12-25  
Lease UTU-57474  
Uintah County, Utah

**DOWNHOLE REQUIREMENTS**  
**CONDITIONS OF APPROVAL**

We have reviewed your proposal for technical adequacy and concur with the downhole portion providing the following stipulations are included in the procedure.

---

1. Prior to perforating any casing string, adequate BOPs, lubricators, and controls will be installed and function tested.
2. If paraffin or scale deposits are detected while pulling the tubing or any other production equipment out of the wellbore, hot water treatments and/or scraper runs will be conducted before placing any cement plugs.
3. All cement used for plugs shall meet the minimum physical requirements specified in API Specification 10 unless prior approval is obtained from the authorized officer.
4. A minimum of 100' of cement will need to be spotted on top of the CICR at 4375' after squeezing below.
5. It will be left to the discretion of the BLM representative on location while plugging as to whether or not any of the plugs will need to be tagged.
6. Notify this office at least 24 hours prior to commencing plugging operations.

5. If not previously filed, submit in duplicate, Form 3160-4 (formerly Form 9-330), Well completion or Recompletion Report and Log, well history, electric logs, any other surveys, and, if taken, core analysis. This completion report must be filed within 30 days after the culmination of downhole plugging operations.

6. The Bureau of Land Management District Office address is:

Bureau of Land Management  
170 South 500 East  
Vernal, Utah 84078

(801) 781-4400

7. For downhole concerns or approvals contact:

Wayne Bankert  
Petroleum Engineer  
Work: (801) 781-4486  
Home: (801) 789-4170

Ed Forsman  
Petroleum Engineer  
Work: (801) 781-4490  
Home: (801) 789-7077

8. For surface concerns contact the respective Resource Area Minerals Staff specified in the Surface Rehabilitation Conditions of Approval.

OPERATOR Amoco Production Company

OPERATOR ACCT. NO. 110050

ADDRESS P. O. Box 800

Denver, Colo. 80201

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	→	11963	4304732602	Atchee Ridge 24-13-25 #1		24	13S	25E	Uintah	3/26/95	
WELL 1 COMMENTS: New Well <i>Entity previously added 8-8-96. Lc</i>											
A	→	11962	4304732659	Atchee Ridge 15-13-25 #1		15	13S	25E	Uintah	6/27/95	
WELL 2 COMMENTS: New Well <i>Entity previously added 8-8-96. Lc</i>											
A	99999	11966	4304732657	Atchee Ridge <sup>32-</sup> 35-13-25 #1		35	13S	25E	Uintah	6/28/95	
WELL 3 COMMENTS: New Well <i>Entity added 8-14-96. Lc</i>											
A	99999	11967	<del>4304732857</del> <sup>32587</sup>	Dragon Canyon <sup>32-</sup> 27-12-25		27	12S	25E	Uintah	1/13/95	
WELL 4 COMMENTS: New Well <i>Entity added 8-14-96. Lc</i>											
A	99999	11968	4304732661	Atchee Ridge <sup>25-</sup> 22-32-12 #1		32	12S	25E	Uintah		
WELL 5 COMMENTS: New Well (API # issued but well was not drilled) <i>Entity added 8-14-96. Lc</i>											

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.

(3/89)

*Gail M. Jefferson*  
Signature Gail M. Jefferson

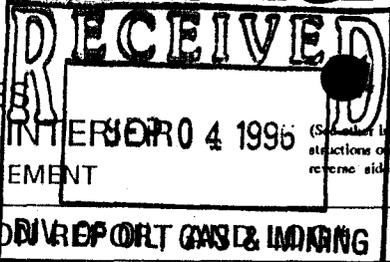
Sr. Admin. Staff Asst. 8/13/96  
Title Date

Phone No. (303) 830-6157





UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT



FOR APPROVED  
OMB NO. 1004-0137  
Expires: December 31, 1991

WELL COMPLETION OR RECOMPLETION REPORT GAS & LIQUID

5. LEASE DESIGNATION AND SERIAL NO. UTU-57474

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO. #1 Dragon Canyon 22-27-12-25

9. API WELL NO. 32587  
4304732857

10. FIELD AND POOL, OR WILDCAT Mancos "B"

11. SEC., T., R., M., OR BLOCK. AND SURVEY OR AREA  
Section 27  
Township 12S Range 25E

12. COUNTY OR PARISH Uintah

13. STATE Utah

14. PERMIT NO. DATE ISSUED

15. DATE SPURRED 01/13/95

16. DATE T.D. REACHED 02/01/95

17. DATE COMPL. (Ready to prod.) 6/24/96

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)\* GL 6310' 6326 KB

19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 5421'

21. PLUG, BACK T.D., MD & TVD 5378'

22. IF MULTIPLE COMPL., HOW MANY\*

23. INTERVALS DRILLED BY ROTARY TOOLS YES CABLE TOOLS NO

24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)\*  
Mancos B

25. WAS DIRECTIONAL SURVEY MADE No

26. TYPE ELECTRIC AND OTHER LOGS RUN Litho Density, Compensated Neutron, Gamma Ray  
Formation Density, Accelerator Porosity Log, Phaser Induction, Gamma Ray

27. WAS WELL CORED N

28. Array Induction Log, CBL CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
8-5/8" J-55	24#	149'	12-1/4"	300 sxs CI G tail w/150 sxs, top out w/130 sxs CI G	
5-1/2" N-80	17#	4646'	7-7/8"	70 sxs CI G tail w/270 sxs CI G 2nd stg w/660 sxs CI G	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
3-1/2"	4413'	5420'	60 sxs CI G	Circ 2 bbls	1.90"	5185'	

30. TUBING RECORD

31. PERFORATION RECORD (Interval, size and number)  
5202' to 5290' w/2jspl, .260 inch diameter, total 176 shots fired.  
4695' to 4942' w/4jspl, .290 inch diameter, total 200 shots fired.

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
5202' 5290'	152,340# 16/30 sand 57,120 gal N2 foam. avg. rate 50 bbls/min.
4695' 4942'	172,600# 20/40 sand, 14,490 gal N2 foam. avg rate 30 bbls/min.

33.\* PRODUCTION

DATE FIRST PRODUCTION PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump) WELL STATUS (Producing or shut-in) Shut-in

DATE OF TEST HOURS TESTED CHOKE SIZE PROD'N FOR TEST PERIOD OIL - BBL. GAS - MCF. WATER - BBL. GAS-OIL RATIO

FLOW TUBING PRESS CASING PRESSURE CALCULATED 24-HOUR RATE OIL - BBL. GAS - MCF. WATER - BBL. OIL GRAVITY - API (CORR.)

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

35. LIST OF ATTACHMENTS

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

SIGNED Gail M. Jefferson TITLE Sr. Admin. Staff Asst. DATE 7/16/96

\*(See Instructions and Spaces for Additional Data on Reverse Side)  
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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):

38.

GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
L. Segi /sabd	3545'					
Castlegate	3797'					
Mancos Shale	4198'					
Mancos "B"	4862'					

**Facsimile Transmission**

		Addresser's Teletypewriter Phone (801) 359-3940	Date 8/13/96	Page 1 of 4
To: Lisa Cordova	Company State of Utah	Location		Mail Code/Room
From: Gail Jefferson	Company Amoco Production Co.	Location Denver, Colorado		Mail Code/Room 1295C
Initiated By	Department/Region	Charge (Cost Center Code)	Approved By	
Typed By	Ext. 6157	Mail Code/Room	<input type="checkbox"/> Call Sender for Pickup of Originals <input type="checkbox"/> Call _____ for Pickup at Receiving Location	

Ms. Cordova:

Attached are the Entity Action Forms needed to set these Amoco operated wells up in your system. I trust this is all the information you need. If you need additional information please don't hesitate to call me.

I am sending you a signed copy of these forms in the mail for your records.

Sincerely,

*Gail M. Jefferson*

Gail M. Jefferson  
(303) 830-6157

*P.S. I wasn't sure any of our wells were in your system so I have included all of the wells in the Piceance Basin that was drilled in the state of Utah*

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**  
ot use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT --" for such proposals

Type of Well Oil <input type="checkbox"/> Well Gas <input type="checkbox"/> Well <input checked="" type="checkbox"/> Other	5. Lease Designation and Serial No. UTU-76293
Name of Operator <b>Medallion Exploration</b>	6. If Indian Allottee or Tribal Name N/A
Address and Telephone No. <b>6975 Union Park Center Ste 310, Midvale Utah 84047 (801) 566-7400</b>	7. If Unit or Ca, Agreement Designation N/A
Location of Well (Footage, Sec., T., R., M., or survey Description) 1,778' FNL & 1,499' FEL SW/NE	8. Well Name and No. DRAGON CANYON 27-12-25 #1
	9. API Well No. 43-047-32587
	10. Field and Pool, or Exploratory Area WILDCAT
	11. County or Parish, State UINTAH, UTAH

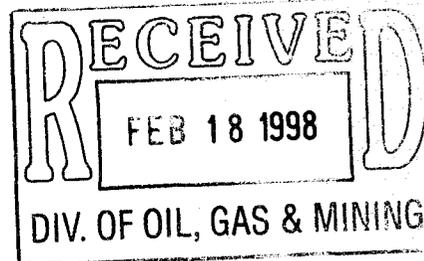
CHECK APPROPRIATE BOX(S) TO INDICATE NATURE, REPORT OR OTHER DATA

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

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

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

"Please be advised that Medallion Exploration is considered to be the operator of Well No. 27-12-25 #1; SW 1/4 NE 1/4 Section 27, Township 12 S, Range 25 E; Lease UTU-76293; County, Uintah; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by UT 1066



I hereby certify that the foregoing is true and correct

Signed \_\_\_\_\_ Title Office Manager Date 2/10/98

(THIS SPACE FOR FEDERAL OR STATE OFFICE USE.)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_  
Conditions of approval, if any

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

\*See Instructions on reverse Side

**TABLE OF CONTENTS**  
**Dragon Canyon #27-12-25**

**DRILLING PROGRAM**

**Page No.**

1.	Formation Tops	1
2.	Anticipated Depth of Oil, Gas & Water	1
3.	Blow Out Preventor Requirements	2-3
4.	Casing and Cement Program	3-4
5.	Mud Program	5
6.	Testing, Logging and Coring	5-6
7.	Abnormal Pressures & H2S	7
8.	Other Information & Notification Requirements	7-10

**SURFACE USE PLAN**

1.	Existing Roads	2
2.	Access Roads to be Constructed or Reconstructed	2-3
3.	Location of Wells Within 1-Mile	4
4.	Proposed Production Facilities	4-5
5.	Water Supply	5-6
6.	Construction Materials	6
7.	Waster Disposal	6-7
8.	Ancillary Facilities	7
9.	Wellsite Layout	7-8
10.	Reclamation	8-9
11.	Surface/Mineral Ownership	9
12.	Other Information	9-11
13.	Certification	12

**ONSHORE ORDER NO  
MEDALLION EXPLORATION, INC.**  
Dragon Canyon #27-12-25  
1778' FNL and 1499' FEL  
SW NE Sec 27, T12S - R25E  
Uintah County, Utah

Lease No. UTU-76293

**DRILLING PROGRAM**

**ONSHORE OIL & GAS ORDER NO. 1  
Approval of Operations on Onshore  
Federal and Indian Oil and Gas Leases**

All Lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

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

<u>Formation</u>	<u>Depth</u>	<u>Subsea</u>
Green River	Surface	
Wasatch	1480'	+6160'
Mesa Verde	2639'	+5001'
Castlegate	4920'	+2720'
Mancos	4990'	+2650'
Mancos B	5202'	+2438'
T.D.	5421'	

2. **Estimated Depths of Anticipated Water, Oil, Gas or Minerals Formation**

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Gas	Mesa Verde	2639'
Gas	Mancos B	4730'
Water	N/A	
Other Mineral Zones	N/A	

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

**ONSHORE ORDER NO  
MEDALLION EXPLORATION, INC.  
Dragon Canyon #27-12-25  
1778' FNL and 1499' FEL  
SW NE Sec 27, T12S - R25E  
Uintah County, Utah**

**Lease No. UTU-76293**

**DRILLING PROGRAM**

**3. Pressure Control Equipment: (No Schematic is required)**

Medallion Exploration minimum specifications for pressure control equipment are as follows:

Ram Type: 7 1/16" Hydraulic double , 5000 psi w.p.

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

No Annular type preventers will be used for this re-entry.

No pressure testing nor BOP diagram is required because the casing has been set and cemented.

As a minimum, a test shall be performed:

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

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

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

Pressure tests shall apply to all related well control equipment.

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

**ONSHORE ORDER NO  
MEDALLION EXPLORATION, INC.  
Dragon Canyon #27-12-25  
1778' FNL and 1499' FEL  
SW NE Sec 27, T12S - R25E  
Uintah County, Utah**

Lease No. UTU-76293

**DRILLING PROGRAM**

Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will not be pressure tested before drilling casing cement plugs.

- a. The size and rating of the BOP stack need not be shown on a diagram., most of the equipment for this depth of hole in the area use a 2000 psi working pressure blowout preventor.
- b. The accumulator system shall have a pressure capacity to provide for repeated operations of hydraulic preventers.
- c. 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. All indications of usable water shall be reported.
- b. All indications of usable water shall be reported to the authorized officer prior to running the next string of casing or before plugging orders are requested, whichever occurs first.
- c. All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or 1500 psi, whichever is greater, but not exceed 70 percent of the minimum internal yield. If pressure declines more than 1- percent in 30 minutes, corrective action shall be taken.
- d. The casing in the well was run as follows:

<u>Purpose</u>	<u>Depth</u>	<u>Hole Size</u>	<u>O.D.</u>	<u>Weight</u>	<u>Grade</u>	<u>Type</u>	<u>NEW Or Used</u>
Surface	0-149'	12-1/4"	8-5/8"	24#	J-55	ST&C	New
Intermediate	0-4646'	7-7/8"	5-1/2"	17#	N-80	LT&C	New
Produc.	4413-5420'	4-3/4"	3-1/2"	9.3#	J-55	LT&C	New*

**ONSHORE ORDER NO  
MEDALLION EXPLORATION, INC.  
Dragon Canyon #27-12-25  
1778' FNL and 1499' FEL  
SW NE Sec 27, T12S - R25E  
Uintah County, Utah**

**Lease No. UTU-76293**

**DRILLING PROGRAM**

e. The cement program was pumped as follows:

<b><u>Surface</u></b> 0-149'	<b><u>Type and Amount</u></b> 300sxs CI G, tail w/150sxs, top out w/130 sxs CI G.
<b><u>Intermediate</u></b>	<b><u>Type and Amount</u></b> Stage #1 70 sxs CI G, tail w/ 270 sxs CI G. Stage #2 w/ 550 sxs CI G DV tool @ 2821'
<b><u>Production</u></b>	<b><u>Type and Amount</u></b> 60 sxs CI G

f. The following reports shall be filed with the District Manager within 30 days after the work is completed.

1. Progress reports, Form 3160-5 (formerly 9-331) "Sundry Notices and Reports on Wells", must include complete information concerning:
  - a. Weekly progress report. Show the spud date on the first reports submitted.

g. Auxiliary equipment to be used is as follows:

1. Kelly cock
2. No bit float is deemed necessary.
3. A sub with a full opening valve.

**ONSHORE ORDER NO  
MEDALLION EXPLORATION, INC.**  
Dragon Canyon #27-12-25  
1778' FNL and 1499' FEL  
SW NE Sec 27, T12S - R25E  
Uintah County, Utah

Lease No. UTU-76293

**DRILLING PROGRAM**5. **Mud Program:**

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

<u>Interval</u>	<u>Mud Type</u>	<u>Mud Wt.</u>	<u>Visc.</u>	<u>F/L</u>	<u>PH</u>
0-5418'	3% KCL	8.4-8.6	N/C	NC	N/C

Sufficient quantities of mud materials will be maintained or readily accessible for the purpose of assuring well control during the course of drilling operations.

- b. Mud monitoring equipment to be used is as follows:

1. Periodic checks will be made each tour of the mud system. The mud level will be checked visually.

- c. No chromate additives will be used in the mud system on Federal and/or Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.
- d. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.
- e. The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

6. **Evaluation Program:**

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

- a. No drill stem tests are anticipated, however, if they are run the following will be adhered to:

Initial opening of drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer. However, DST's may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e. lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping shall not begin before daylight, unless prior approval is obtained from the authorized officer. Closed chamber DST's may be accomplished day or night.

**ONSHORE ORDER NO  
MEDALLION EXPLORATION, INC.  
Dragon Canyon #27-12-25  
1778' FNL and 1499' FEL  
SW NE Sec 27, T12S - R25E  
Uintah County, Utah**

**Lease No. UTU-76293**

**DRILLING PROGRAM**

A DST that flows to the surface with evidence of hydrocarbons shall be either reversed out of the testing string under controlled surface conditions. This would involve provided some means for reverse circulation.

Separation equipment required for the anticipated recovery shall be properly installed before a test starts.

All engines within 100 feet of the wellbore that are required to "run" during the test shall have spark arresters or water cooled exhausts.

- b. The logging program consisted of a DIL-GR from T.D. to base of surface casing with the GR to surface. A CNL-FDC and FMI will be run from T.D. to 1000' (minimum run). A DSI-GR will be run for T.D. to base of surface casing.
- c. No cores will be taken.
- d. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Lot" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the authorized officer (AO).
- e. The anticipated completion program is as follows:  

The Castlegate, Mesa Verde and the Wasatch formations will be perforated, tested and sand fraced if necessary in sequence until a paying zone has been establish.
- f. Daily drilling and completion progress reports shall be submitted to the BLM in Vernal on a weekly basis.

**ONSHORE ORDER NO  
MEDALLION EXPLORATION, INC.  
Dragon Canyon #27-12-25  
1778' FNL and 1499' FEL  
SW NE Sec 27, T12S - R25E  
Uintah County, Utah**

Lease No. UTU-76293

**DRILLING PROGRAM**

**7. Abnormal Temperatures of Pressures**

- a. No abnormal temperatures or pressures are anticipated. No H2S has been encountered in or known to exist from previous wells drilled to similar depths in the general area.
- b. The maximum anticipated bottom hole pressure will be approximately 900 psi at T.D.

**8. Anticipated Starting Dates and Notification of Operations:**

- a. Drilling will commence immediately upon approval of this application.
- b. It is anticipated that the re-entry of this well will take approximately 5 days.
- c. The Vernal District Office shall be notified, during regular work hours (7:45 a.m. - 4:30 p.m., Monday through Friday except holidays), at least 24 hours prior to spudding the well.
- d. Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.
- e. The date on which productions is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

**ONSHORE ORDER NO  
MEDALLION EXPLORATION, INC.  
Dragon Canyon #27-12-25  
1778' FNL and 1499' FEL  
SW NE Sec 27, T12S - R25E  
Uintah County, Utah**

**Lease No. UTU-76293**

**DRILLING PROGRAM**

- f. Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operation may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.
- g. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the A.O. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.
- h. The spud date will be reported orally to the AO within 48 hours after spudding. If the spudding occurs on a weekend or holiday, the report will be submitted on the following regular work day. The oral report will be followed up with a Sundry Notice.
- i. In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6 "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed with the Vernal BLM District Office, 170 South 500 East, Vernal, UT 84078.
- j. Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.
- k. If a replacement rig is contemplated for completion operations, a "Sundry Notice" Form 3160-5 to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

**ONSHORE ORDER NO  
MEDALLION EXPLORATION, INC.  
Dragon Canyon #27-12-25  
1778' FNL and 1499' FEL  
SW NE Sec 27, T12S - R25E  
Uintah County, Utah**

**Lease No. UTU-76293**

**DRILLING PROGRAM**

- l. Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communications, not later than 5 days following the date on which the well is placed on production.
- m. Pursuant to Onshore Order No. 7, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.
- n. Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day or authorized test period.
- o. A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3 and 3162.7-4 shall be submitted to the appropriate District Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in 43 CFR 3162.7 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.
- p. A first production conference will be scheduled within 15 days after receipt of the first production notice.
- q. No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

**ONSHORE ORDER NO  
MEDALLION EXPLORATION, INC.**

Dragon Canyon #27-12-25  
1778' FNL and 1499' FEL  
SW NE Sec 27, T12S - R25E  
Uintah County, Utah

Lease No. UTU-76293

**DRILLING PROGRAM**

- r. Pursuant to Onshore Oil and Gas Order No. 1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in a manner which conforms with applicable Federal laws and regulations and with State and local laws and regulations to the extent that such State and local laws are applicable to operations on Federal or Indian lands.

**Medallion Exploration**  
**Dragon Canyon #27-12-25**  
**1778' FNL and 1499' FEL**  
**SW NE Sec. 27, T12S - R25E**

**Lease No. UTU-76293**

**SURFACE USE PLAN**

**ONSHORE OIL & GAS ORDER NO. 1**

**NOTIFICATION REQUIREMENTS**

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

The onsite inspection for the subject well was conducted on Thursday, March, 5, 1998 at approximately 9:30 a.m. Weather conditions were cool and sunny. In attendance at the onsite inspection were the following individuals:

Byron Tolman  
Ron Trogstad  
Steve Strong  
Steven Lamb  
John E. Fausett

Bureau of Land Management  
Bureau of Land Management  
Bureau of Land Management  
Medallion Exploration  
Fausett INC. Construction

**Medallion Exploration**  
**Dragon Canyon #27-12-25**  
**1778' FNL and 1499' FEL**  
**SW NE Sec. 27, T12S - R25E**

**Lease No. UTU-76293**

**SURFACE USE PLAN**

1. **Existing Roads**

- a. The proposed well site is located approximately 20.7 miles south of Bonanza, Utah.
- b. Directions to the location from Bonanza, Utah is as follows:  
  
Proceed in a southeasterly direction for approximately 8.7 miles to the Evacuation Creed Road. Turn left onto the Evacuation Creek road and continue on a southerly direction for approximately 12.0 miles. Turn right onto an existing two-track trail and proceed southwesterly approximately 3.4 miles to the proposed location.
- c. For location of access roads within a 2-Mile radius, see Maps A & B.
- d. Improvement to the existing access will not be necessary.
- e. All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.
- f. Existing roads and newly constructed roads on surface under the jurisdiction of any Surface Managing Agency shall be maintained in accordance with the standards of the SMA.

2. **Planned Access Roads**

- a. Approximately 3.4 miles of new construction will be required as shown on Map A.
- b. The maximum grade of the new construction will be approximately 4%.
- c. No turnouts are planned.
- d. Some low water crossings will be necessary. There are no major cuts and fills. No culverts and/or bridges will be required.
- e. If well is completed and put on production then another on site may be necessary to up grade the 3.4 miles of access road.
- f. The use of surfacing material is not anticipated, however it may be necessary depending on weather conditions.
- g. No cattle guards will be installed.

Medallion Exploration  
Dragon Canyon #27-12-25  
 1778' FNL and 1499' FEL  
 SW NE Sec. 27, T12S - R25E

Lease No. UTU-76293

SURFACE USE PLAN

- h. Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.
- i. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development. (1989).
- j. The road will be constructed/upgraded to meet the standards of the anticipated traffic flow and all weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowing and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainage's be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.
- k. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produce, stored, transported, or disposed of in association with the drilling of this well.
- l. A right of way will be necessary for access roads located outside of Lease No. UTU-76293. Total length of the right of way will be approximately 6000 feet. An additional 4900' is located within the lease. Right of Way may be issued to the wellhead if preferred by your office.

For location of right of way, please see Map "D" attached. The following BLM acreage will be affected:

T12S-R25E

Sec. 11: SE SE  
 Sec. 23: N/2 NW/4, SW NW, NW SW

There are no related structures or facilities planned at this time.

The right of way is requested for 30 years or the entire life of the producing well, whichever is longer.

The road will be used year-round for maintenance of production facilities. Only flat blading of the existing roadway will be required at this time. No temporary work areas will be needed.

Attached is the application and monitoring fee in the amount of \$175.00.

Medallion Exploration  
Dragon Canyon #27-12-25  
1778' FNL and 1499' FEL  
SW NE Sec. 27, T12S - R25E

Lease No. UTU-76293

**SURFACE USE PLAN**

3. **Location of Existing Wells Within a 1-Mile Radius of the Proposed Location.**  
**(See Map #C).**
- a. Water wells – none.
  - b. Injection wells – none
  - c. Producing wells – none
  - d. Drilling wells – none
  - e. Shut-in wells – none
  - g. Disposal wells – none
  - h. Abandoned wells – none
  - i. Dry Holes
4. **Location of Tank Batteries and Production Facilities.**
- a. All permanent structures (onsite for six months or longer) constructed or installed (including oil well pump jacks) will be painted Desert Tan (10YR6/3). 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.
  - b. If storage facilities/tank batteries are constructed on this lease, the facility .battery or the well pad shall surrounded by a containment dike of sufficient capacity to contain at a minimum, the entire content of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.
  - c. A Sundry Notice will be submitted showing placement of all production facilities prior to construction.
  - d. All loading lines will be placed inside the berm surrounding the tank battery.

**Medallion Exploration**  
**Dragon Canyon #27-12-25**  
**1778' FNL and 1499' FEL**  
**SW NE Sec. 27, T12S - R25E**

**Lease No. UTU-76293**

**SURFACE USE PLAN**

- e. Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flow line will be buried or anchored down from the wellhead to the meter and 500 feet downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced.
- f. The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil and Gas Order No. 4 for liquid hydrocarbons and Onshore Oil and Gas Order No. 5 for natural gas measurement.
- g. If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.
- h. Any necessary pits will be properly fenced to prevent any wildlife entry.
- i. All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.
- j. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manger.
- k. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic.
- l. The road will be maintained in a safe useable condition.

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

- a. All water needed for re-entry purposes will be obtained from Browns permit # 43-9077. Located in Sec. 32, T6S, R20E. A copy of the permit identifying the permit number and point of diversion is attached.

**Medallion Exploration**  
**Dragon Canyon #27-12-25**  
**1778' FNL and 1499' FEL**  
**SW NE Sec. 27, T12S – R25E**

**Lease No. UTU-76293**

**SURFACE USE PLAN**

- b. Water will be hauled to location over the roads marked on Maps A and B.
- c. No water well is to be drilled on this lease.

**6. Source of Construction Material**

- a. Surface and subsoil materials in the immediate area will be utilized.
- b. Any gravel used will be obtained from a commercial source.
- c. The use of materials under BLM jurisdiction will conform with 43 CFR 3610.2.3, Construction material will not be located on lease.
- d. No construction materials will be removed from Federal land.

**7. Methods of Handling Waste Disposal**

- a. No reserve pit will be constructed for this re-entry.
- b. Burning will not be allowed. All trash will be contained in a trash cage and its contents removed at the end of drilling operations and hauled to an approved disposal sight.
- c. After first production, produced waste water will be confined to a unlined pit or storage tank for a period not to exceed ninety (90) days. During the 90-day period, in accordance with Onshore Order No.7, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.
- d. Drill cuttings are to be contained and buried in the flare pit.
- e. Any salts and/or chemicals which are an integral part of the drilling system will be disposed of in the same manner as the drilling fluid.

Medallion Exploration  
Dragon Canyon #27-12-25  
1778' FNL and 1499' FEL  
SW NE Sec. 27, T12S - R25E

Lease No. UTU-76293

SURFACE USE PLAN

- f. A chemical porta-toilet will be furnished with the drilling rig.
- g. The produced fluids will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas, salt water or other produced fluids will be cleaned up and removed.

8. Ancillary Facilities

There are no airstrips, camps or other facilities planned during the drilling of the proposed well.

9. Well Site Layout

- a. The operator or his/her contractor shall contact the BLM Office at 435-789-1362 forty-eight (48) hours prior to construction activities.
- b. The flare pit will be located on the south east side of the location.
- c. The flare pit will be located downwind of the prevailing wind direction on the south east side of location, a minimum of 100 feet from the well head.
- d. The stockpiled topsoil (first six inches) will be stored in a windrow fashion on the north side of the location between points 6 & 8. It will also have 4 lbs/acre Thickspike Wheatgrass, 3 lbs/acre Pauite Orchardgrass, 3 lbs/acre Fourwing Saltbush and 2 lbs/acre Small Burnett spread over topsoil stockpile and tracked in with dozer. And the spoils stockpile will be located on the west side between points 4 & 6.
- e. Access to the well pad will be from the north between points 2 and 3.
- f. See Location Layout for orientation of rig, cross section of drill pad and cuts and fills.
- g. The location of mud tanks; flare pit, trash cage; pipe racks and soil stockpiles will be show on the Location Layout.
- h. During construction, all brush will be removed form the well pad and access road and stockpiled separately from the topsoil.

**Medallion Exploration**  
**Dragon Canyon #27-12-25**  
**1778' FNL and 1499' FEL**  
**SW NE Sec. 27, T12S - R25E**

**Lease No. UTU-76293**

**SURFACE USE PLAN**

- i. All pits will be fence according to the following minimum standards:
  1. 39 inch net wire shall be used with at least one strand or 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).
  2. The net wire shall be no more than 2-inches above the ground. The barbed wire shall be 3-inches above the net wire. Total height of the fence shall be at least 42-inches.
  3. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
  4. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
  5. All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.
- j. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until cleanup.

**10. Plans for Restoration of Surface**

**Producing Location**

- a. Immediately upon well completion the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash and junk not required for production.
- b. Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.
- c. Reclamation of unused disturbed areas on the well pad/access road no longer needed for operations, such as cut slopes, and fill areas will be accomplished by grading, leveling and seeding as recommended by the Authorized Officer.

**Medallion Exploration**  
**Dragon Canyon #27-12-25**  
**1778' FNL and 1499' FEL**  
**SW NE Sec. 27, T12S - R25E**

**Lease No. UTU-76293**

**SURFACE USE PLAN**

- d. The seed mixture for reclamation work will be a sight specific mixture as recommended by the authorized officer of the BLM at the time of reclamation. Seeding will be performed in the fall after September 15 or until permanent ground freeze. Any other seeding period will require the approval of the authorized officer of the BLM.
- e. The topsoil stock pile will be seeded as noted above.

**Dry Hole**

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

**11. Surface Ownership**

Access Roads – All roads are County maintained or managed by the Bureau of Land Management with the exception of the upgraded access road located in Sections 12, and 14 which is on private surface owned by American Gilsonite, P.O. Box 599, Denver, CO 80201.

Well pad – The well pad is located on lands managed by the BLM.

**12. Other Information**

- a. A Class III archeological survey was conducted by Grand River Institute. No significant cultural resources were found and clearance has been recommended. A copy of this report was submitted directly by Grand River Institute.
- b. The operator is responsible for informing all persons in the areas who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archeological sites, or for collecting artifacts. If historic or archeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the Operator as to:
  - whether the materials appear eligible for the National Register of Historic Places;
  - the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and
  - at a time frame for the AO to complete and expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the

**Medallion Exploration**  
**Dragon Canyon #27-12-25**  
**1778' FNL and 1499' FEL**  
**SW NE Sec. 27, T12S - R25E**

**Lease No. UTU-76293**

**SURFACE USE PLAN**

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

- c. The operator will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- d. Drilling rig and/or equipment used during drilling operations on this well site will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure.
- e. No erosion control structures will be required by the Bureau of Land Management. The location of these structures will be determined prior to construction of the location.
- f. All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.
- g. A complete copy of the approved APD shall be on location during construction of the location and drilling activities.
- h. There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended or abandoned will be identified in accordance with 43 CFR 3162.
- i. "Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

**Medallion Exploration**  
**Dragon Canyon #27-12-25**  
**1778' FNL and 1499' FEL**  
**SW NE Sec. 27, T12S - R25E**

**Lease No. UTU-76293**

**SURFACE USE PLAN**

- j. This permit will be valid for a period of one year from the date of approval. An extension period may be granted, if requested, prior to the expirations of the original approval period. After permit termination, a new application will be filed for approval for any future operations.
  
- k. The operator or his contractor shall contact the BLM Offices at 435-789-1362 48 hours prior to construction activities.
  
- l. The BLM Office shall be notified upon site completion prior to moving on the drilling rig.
  
- m. In the event after-hours approvals are necessary, please contact one of the following individuals:  

Gerald E. Keneska	Petroleum Engineer	435-781-1190
Ed Forsman	Petroleum Engineer	435-789-7077
BLM Fax Machine		435-789-3634



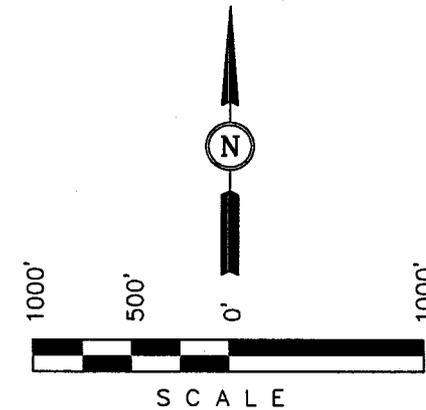
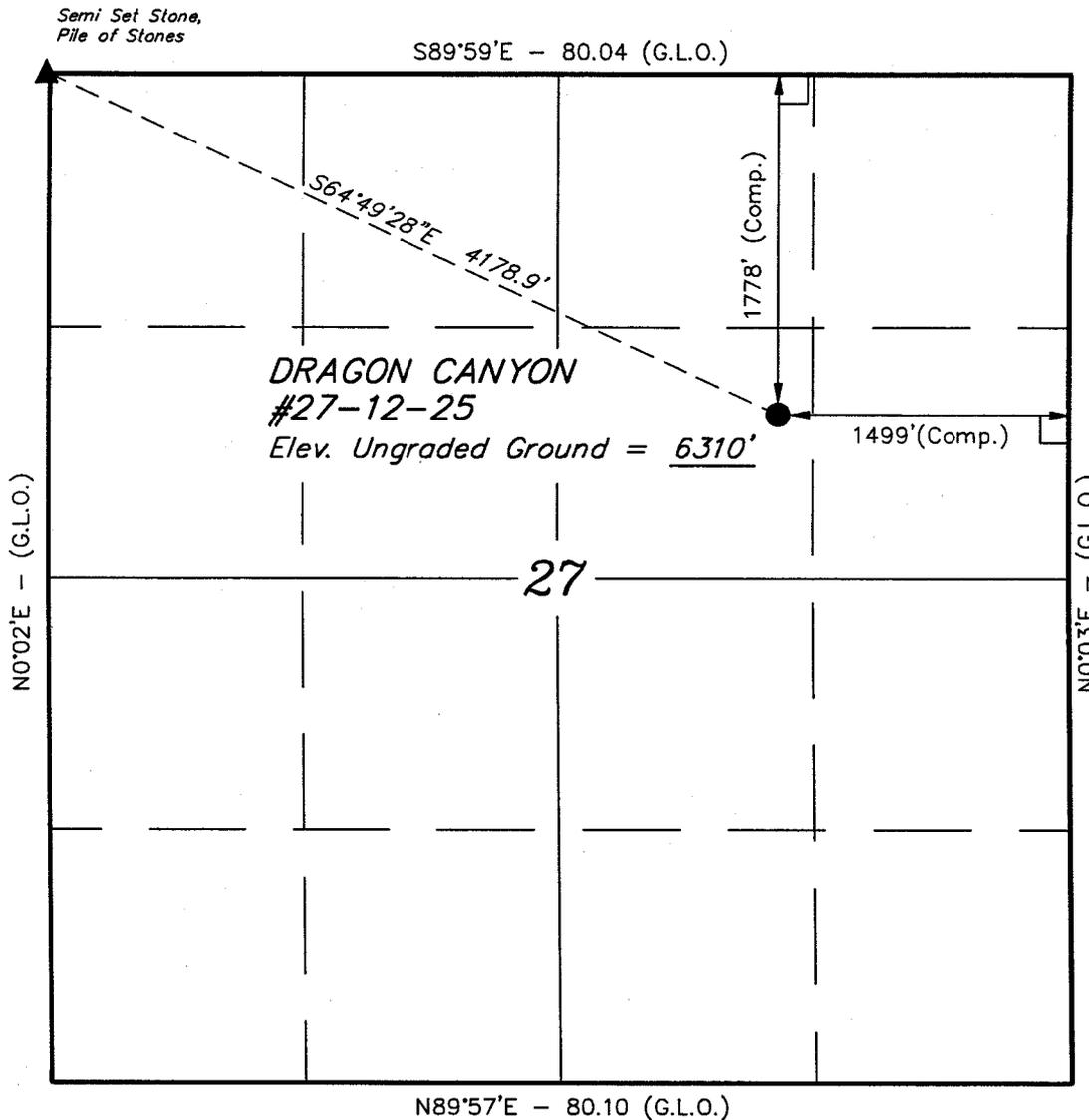
# T12S, R25E, S.L.B.&M.

## MEDALLION EXPLORATION

Well location, DRAGON CANYON #27-12-25, located as shown in the SW 1/4 NE 1/4 of Section 27, T12S, R25E, S.L.B.&M. Uintah County, Utah.

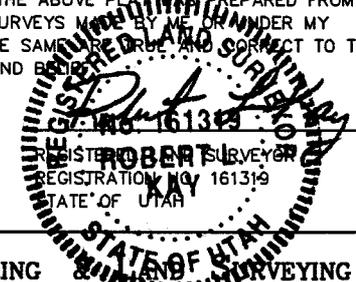
### BASIS OF ELEVATION

SPOT ELEVATION IN THE NORTH 1/2 OF SECTION 22, T12S, R25E, S.L.B.&M. TAKEN FROM THE DRAGON, QUADRANGLE, UTAH - COLORADO, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 6611 FEET.



### CERTIFICATE

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



### LEGEND:

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

### NOTE:

BASIS OF BEARINGS IS AN OBSERVATION ON THE SUN (SUN SHOT) MADE ON 10-26-94 & COMPUTED BY THE HOUR ANGLE METHOD.  
 AT: LATITUDE 39°45'24.8" N  
 LONGITUDE 109°06'17.5" W

**UINTAH ENGINEERING & SURVEYING**  
 85 SOUTH 200 EAST - VERNAL, UTAH 84078  
 (435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 1-21-98	DATE DRAWN: 2-4-98
PARTY D.K. D.H. C.B.T.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE MEDALLION EXPLORATION	

WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 03/18/98

API NO. ASSIGNED: 43-047-32587

WELL NAME: DRAGON CYN 27-12-25 #1 REENTRY  
 OPERATOR: MEDALLION EXPLORATION (N5050)  
 CONTACT: \_\_\_\_\_

PROPOSED LOCATION:  
 SWNE 27 - T12S - R25E  
 SURFACE: 1778-FNL-1499-FEL  
 BOTTOM: 1778-FNL-1499-FEL  
 UINTAH COUNTY  
 WILDCAT FIELD (001)

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

LEASE TYPE: FED  
 LEASE NUMBER: UTU-57474  
 SURFACE OWNER: \_\_\_\_\_

PROPOSED FORMATION: MVRD

RECEIVED AND/OR REVIEWED:

Plat  
 Bond: Federal  State  Fee   
 (No. KT 1010)

N Potash (Y/N)  
N Oil Shale (Y/N) \*190-5(B)  
 Water Permit  
 (No. 43-9077)  
N RDCC Review (Y/N)  
 (Date: \_\_\_\_\_)

N/A St/Fee Surf Agreement (Y/N)

LOCATION AND SITING:

\_\_\_ R649-2-3. Unit \_\_\_\_\_  
 \_\_\_ R649-3-2. General  
 R649-3-3. Exception

\_\_\_ Drilling Unit  
 Board Cause No: \_\_\_\_\_  
 Date: \_\_\_\_\_

COMMENTS: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

STIPULATIONS: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 03/18/98

API NO. ASSIGNED: 43-047-32587

WELL NAME: DRAGON CANYON 27-12-25 #1 RE  
 OPERATOR: ~~AMOCO PRODUCTION COMPANY~~ (N0050)  
 CONTACT: \_\_\_\_\_

PROPOSED LOCATION:  
 SWNE 27 - T12S - R25E  
 SURFACE: 177~~8~~-FNL-1499-FEL  
 BOTTOM: 177~~8~~-FNL-1499-FEL  
 UINTAH COUNTY  
 WILDCAT FIELD (001)

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

LEASE TYPE: FED  
 LEASE NUMBER: UTU-57474  
 SURFACE OWNER: \_\_\_\_\_

PROPOSED FORMATION: MVRD

RECEIVED AND/OR REVIEWED:

Plat

Bond: Federal  State  Fee   
 (No. 1171066)

Potash (Y/N)

Oil Shale (Y/N) \*190-5(B)

Water Permit  
 (No. 43-9077)

RDCC Review (Y/N)  
 (Date: \_\_\_\_\_)

St/Fee Surf Agreement (Y/N)

LOCATION AND SITING:

R649-2-3. Unit \_\_\_\_\_

R649-3-2. General

R649-3-3. Exception

Drilling Unit  
 Board Cause No: \_\_\_\_\_  
 Date: \_\_\_\_\_

COMMENTS: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

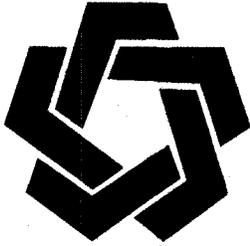
STIPULATIONS: EXCEPTION LOCATION GRANTED

① FEDERAL APPROVAL

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



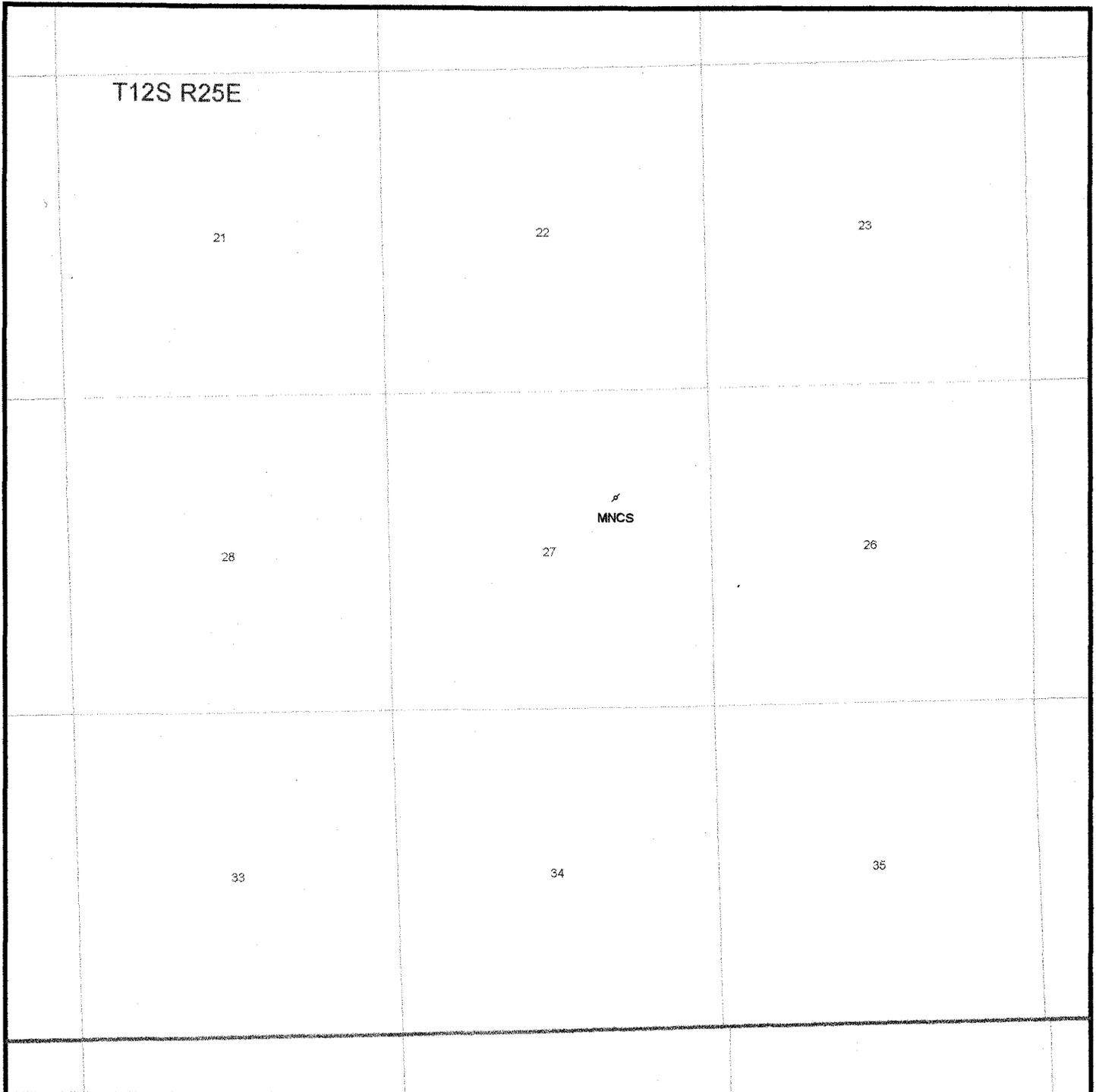
DIVISION OF OIL, GAS & MINING

OPERATOR: MEDALLIONI EXPL. (N5050)

FIELD: WILDCAT AREA (001)

SEC. 27, TWP. 12S, RNG. 25E,

COUNTY: UINTAH UAC: R649-3-3 EXCEPTION SPACING



DATE PREPARED:  
26-MAR-1998

Medallion Exploration  
Dragon Canyon #27-12-25  
1778' FNL and 1499' FEL  
SW NE Sec. 27, T12S - R25E

Lease No. UTU-76293

SURFACE USE PLAN

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

Permit Matters

Drilling & Completion Matters

Medallion Exploration  
P.O. Box 1328  
Roosevelt, Utah, 84066  
435-722-4600 (O) Steve Lamb  
435-646-3441 (H)  
435-722-7500 (M)

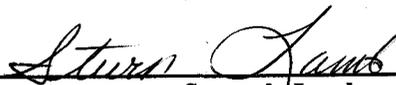
MEDALLION EXPLORATION  
P.O. Box 1328  
Roosevelt, Utah 84066  
435/722-4600 (O) Steve Lamb  
435/646/3441 (H)  
435/722-7500 (M)

Certification

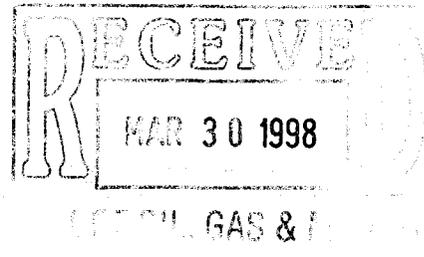
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Medallion Exploration and its contractors and sub contractors in conformity with the plan and the terms and conditions under which it is approved.

This statement is subject to the provisions of 18.U.S.C. 100 for the filing of a false statement.

March 12, 1998



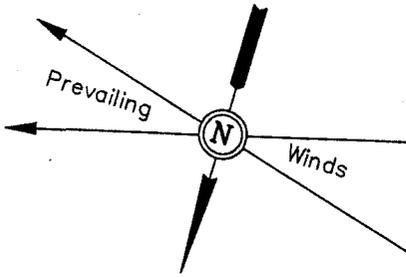
Steven b. Lamb  
Field Supt.  
Medallion Exploration.



# MEDALLION EXPLORATION

LOCATION LAYOUT FOR

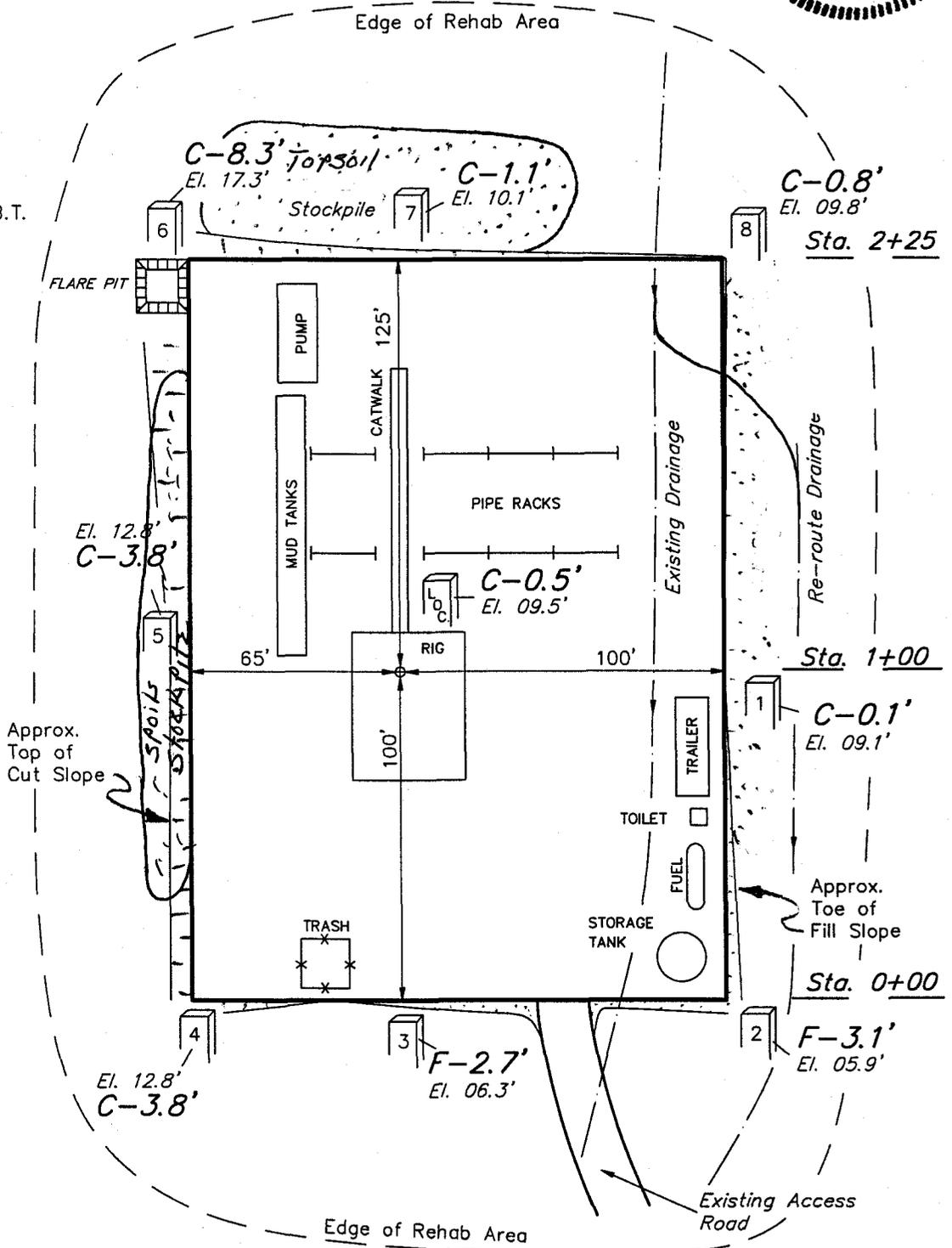
DRAGON CANYON #27-12-25  
SECTION 27, T12S, R25E, S.L.B.&M.  
1778' FNL 1499' FEL



SCALE: 1" = 50'  
DATE: 2-4-98  
Drawn By: C.B.T.  
Revised: 2-10-98 C.B.T.

**NOTE:**

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

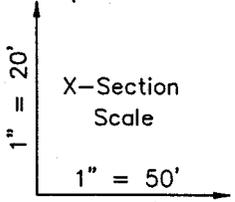


Elev. Ungraded Ground at Location Stake = 6309.5'

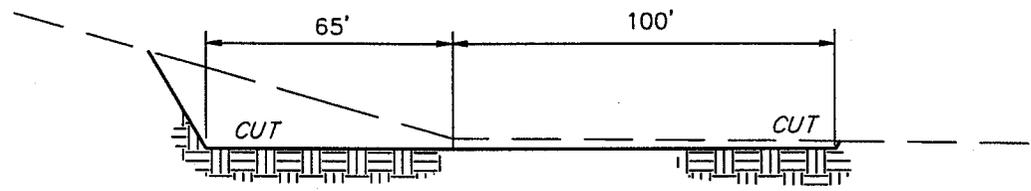
Elev. Graded Ground at Location Stake = 6309.0'

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

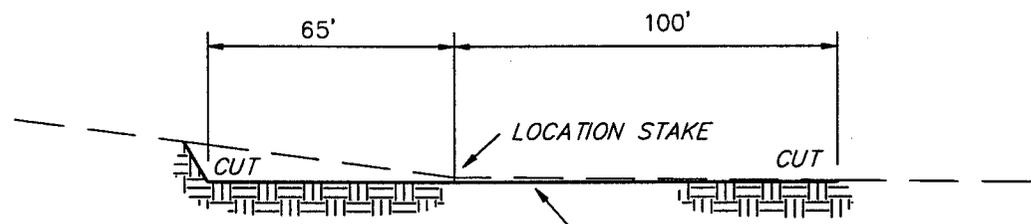
**MEDALLION EXPLORATION**  
**TYPICAL CROSS SECTIONS FOR**  
**DRAGON CANYON #27-12-25**  
**SECTION 27, T12S, R25E, S.L.B.&M.**  
**1778' FNL 1499' FEL**



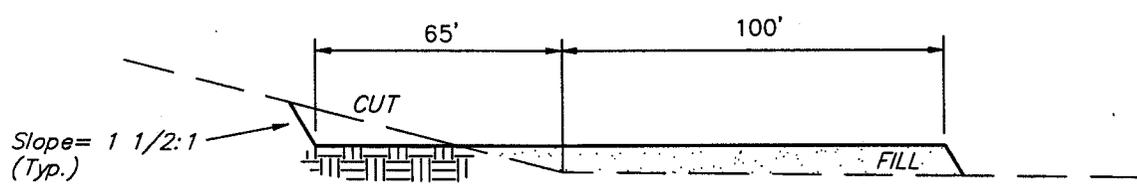
DATE: 2-4-98  
 Drawn By: C.B.T.



STA. 2+25



STA. 1+00



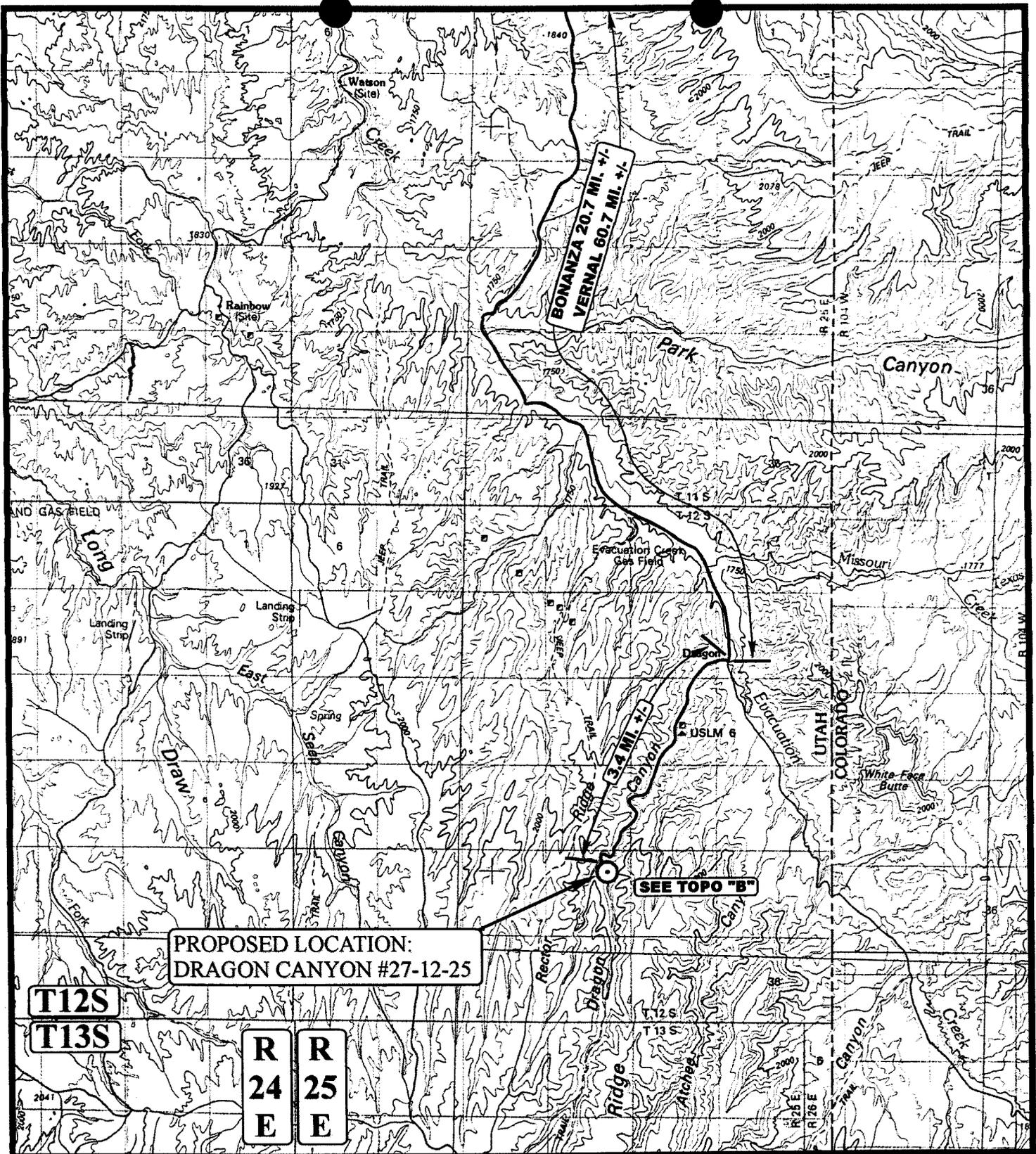
STA. 0+00

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

**APPROXIMATE YARDAGES**

(6") Topsoil Stripping	=	310 Cu. Yds.
Remaining Location	=	1,560 Cu. Yds.
<b>TOTAL CUT</b>	<b>=</b>	<b>1,870 CU.YDS.</b>
<b>FILL</b>	<b>=</b>	<b>790 CU.YDS.</b>

EXCESS MATERIAL AFTER 5% COMPACTION	=	1,040 Cu. Yds.
Topsoil Rehab	=	310 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	=	730 Cu. Yds.



PROPOSED LOCATION:  
DRAGON CANYON #27-12-25

T12S

T13S

R  
24  
E

R  
25  
E

SEE TOPO "B"

**MEDALLION EXPLORATION**

**DRAGON CANYON #27-12-25**  
**SECTION 27, T12S, R25E, S.L.B.&M.**  
**1778' FNL 1499' FEL**

**LEGEND:**

⊙ PROPOSED LOCATION



**Utah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

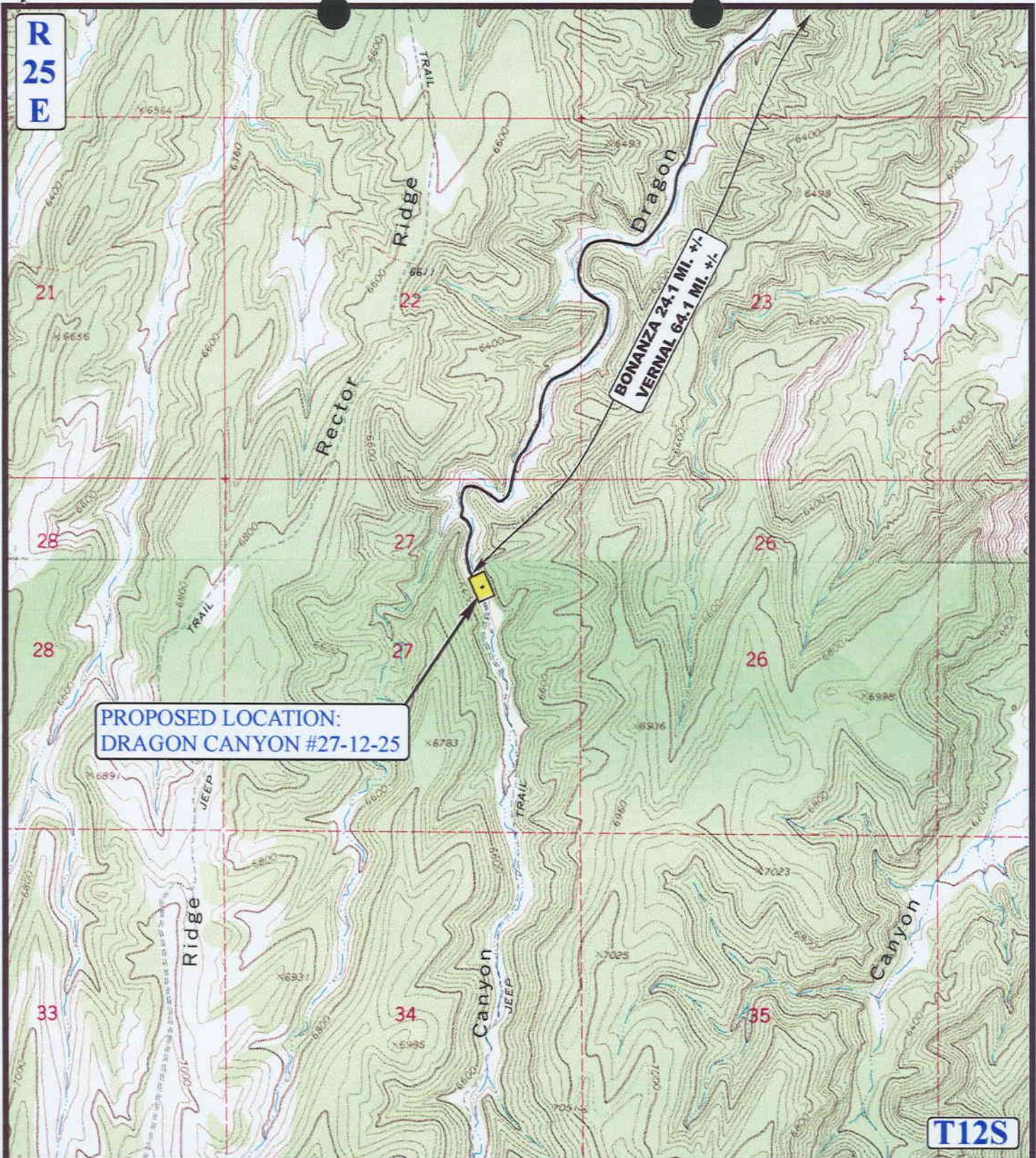
**TOPOGRAPHIC**  
**MAP**

**1 26 98**  
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: C.G. REVISED: 00-00-00



R  
25  
E



PROPOSED LOCATION:  
DRAGON CANYON #27-12-25

BONANZA 24.1 MI. +/-  
VERNAL 64.1 MI. +/-

T12S

**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING ROAD



**MEDALLION EXPLORATION**

**DRAGON CANYON #27-12-25**  
**SECTION 27, T12S, R25E, S.L.B.&M.**  
**1778' FNL 1499' FEL**



**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

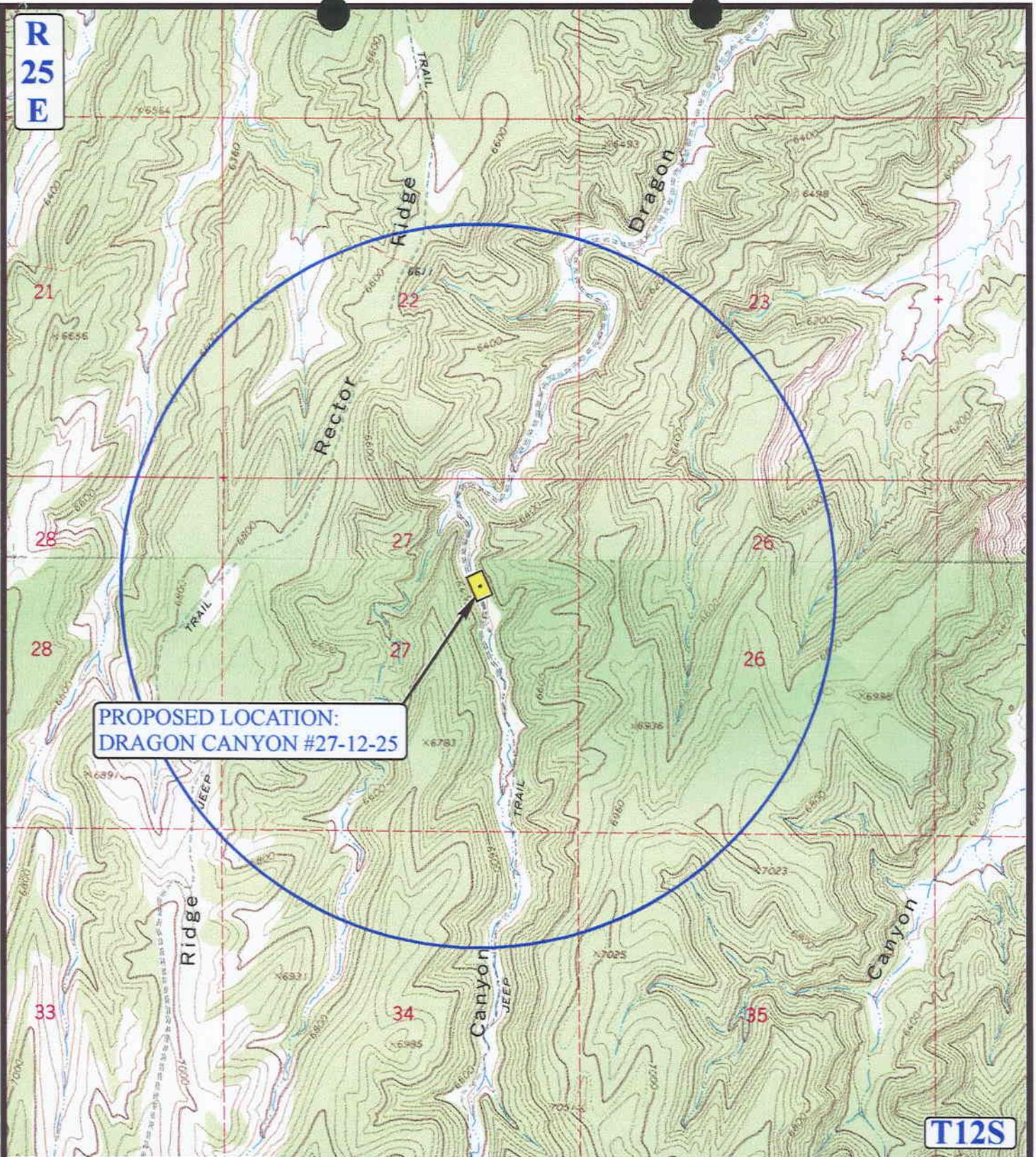
**TOPOGRAPHIC**  
**MAP**

**1 26 98**  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.G. REVISED: 00-00-00



R  
25  
E



PROPOSED LOCATION:  
DRAGON CANYON #27-12-25

T12S

**LEGEND:**

- ⊗ DISPOSAL WELLS
- PRODUCING WELLS
- ⊖ SHUT IN WELLS
- ⊗ WATER WELLS
- ABANDONED WELLS
- ⊖ TEMPORARILY ABANDONED



**MEDALLION EXPLORATION**

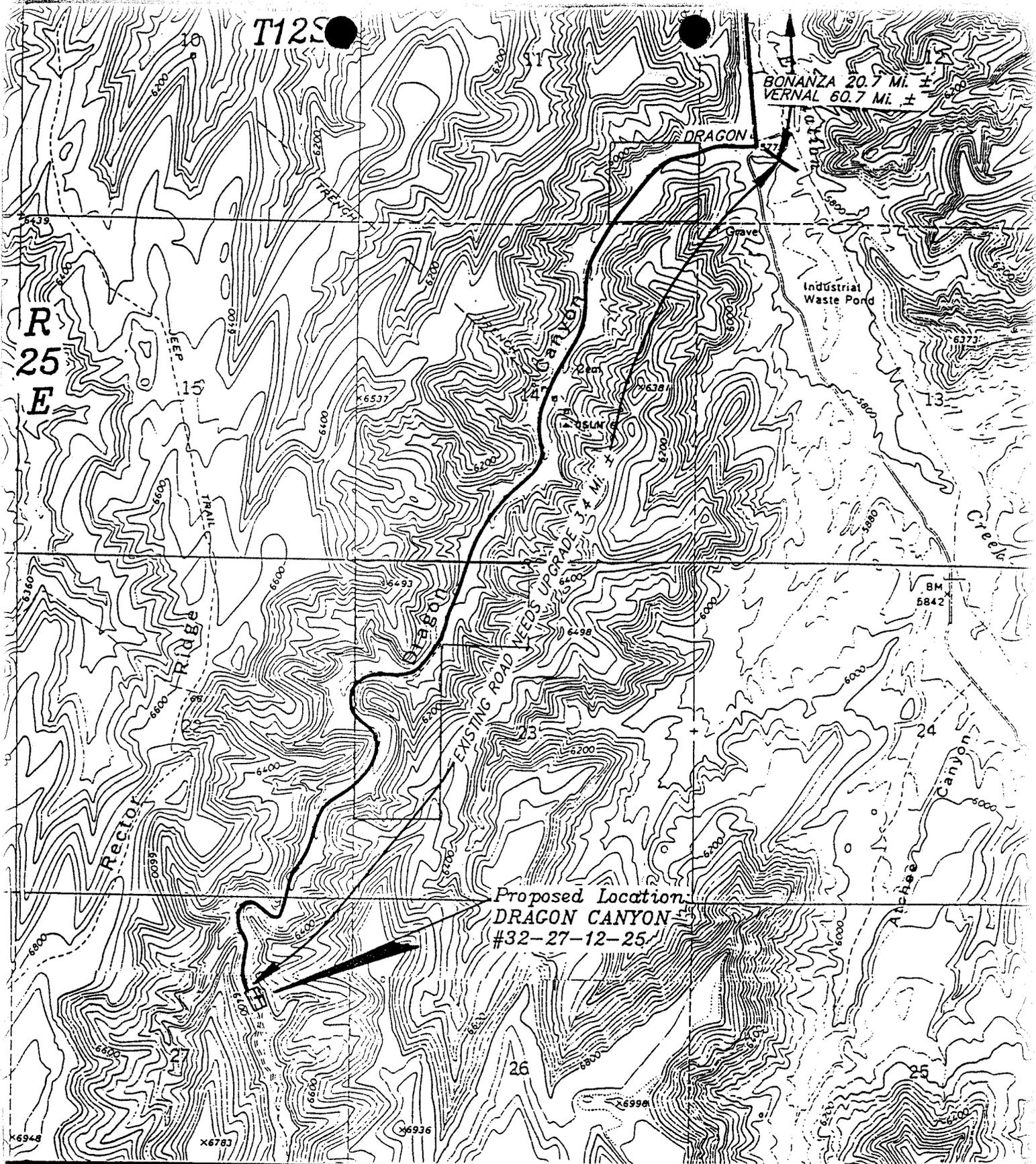
**DRAGON CANYON #27-12-25**  
**SECTION 27, T12S, R25E, S.L.B.&M.**  
**1778' FNL 1499' FEL**



**Utah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC** **1 26 98**  
**MAP** MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: C.G. REVISED: 00-00-00





-----ROW Requested

TOPOGRAPHIC  
MAP D

SCALE: 1"=2000'

DATE: 11/4/94 D.COX



TRINITY PETROLEUM EXPLORATION, INC.

DRAGON CANYON #32-27-12-25  
SECTION 27, T12S, R25E, S.L.B.&M.  
1779' FNL 1499' FEL

# APPLICATION FOR TEMPORARY CHANGE OF WATER

## STATE OF UTAH

Rec. by \_\_\_\_\_  
 Fee Paid \$ \_\_\_\_\_  
 Receipt # \_\_\_\_\_  
 Microfilmed \_\_\_\_\_  
 Roll # \_\_\_\_\_

For the purpose of obtaining permission to make a temporary change of water in the State of Utah, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements of Section 73-3-3 Utah Code Annotated 1953, as amended.

CHANGE APPLICATION NUMBER: t21552

WATER RIGHT NUMBER: 43 - 9077

\*\*\*\*\*  
 This Change Application proposes to change the POINT(S) OF DIVERSION, PLACE OF USE, and NATURE OF USE.  
 \*\*\*\*\*

### 1. OWNERSHIP INFORMATION.

A. NAME: William E. Brown  
 ADDRESS: HC 69 Box 160, Randlett, UT 84063

INTEREST: 100%

B. PRIORITY OF CHANGE: September 19, 1997

FILING DATE: September 19, 1997

C. EVIDENCED BY:  
 43-9077 (A56977)

-----  
 \* DESCRIPTION OF CURRENT WATER RIGHT: \*  
 -----

### 2. SOURCE INFORMATION.

A. QUANTITY OF WATER: 0.015 cfs

B. SOURCE: Unnamed Spring Area

COUNTY: Uintah

C. POINT OF DIVERSION -- SURFACE:

(1) S 1320 feet W 1320 feet from NE corner, Section 32, T 6S, R 20E, S1EM

DIVERT WORKS: Collection box

SOURCE: Unnamed Spring Area

### 3. WATER USE INFORMATION.

STOCKWATERING: from Jan 1 to Dec 31.

EQUIVALENT LIVESTOCK UNITS: 120.

Temporary Change

FORM 9

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

SUNDRY NOTICES AND REPORTS OIL 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

6. Lease Designation and Serial Number UTU-76293
7. Indian Allottee or Tribe Name
8. Unit of Communitization Agreement
9. Well Name and Number DRAGON CANYON 27-12-25 #1
10. API Well Number 43-047-32587
11. Field and Pool, or Wildcat WILDCAT

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

2. Name of Operator  
MEDALLION EXPLORATION

3. Address of Operator  
P.O. Box 1328 Roosevelt, Utah 84066

5. Location of Well  
Footage 1778' FNL AND 1499' FEL  
CO. Sec. T.R.M. SW/NE SEC. 27, T12S, R25E

(435) 722-4800

COUNTY:  
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 type="checkbox"/> Other	

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 Plans	<input type="checkbox"/> Shoot or Acidize
<input type="checkbox"/> Conversion to injection	<input type="checkbox"/> Vent of Flare
<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Other	

Approximate Date Work Will Start: 05-04-98

Date of Work Completion

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

\*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.)

Medallion Exploration is the sole Interest owners in Sec. 27, T12, R25E.

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

Name & Signature: ReShelle Richens

Title: Field Office Manager

Date: 04-24-98

State Use Only

See Instructions on Reverse Side

\*980416 BLM appr. today.  
 \*980409 msg. Amoco  
 \*980421 PA info. routed.  
 BLM/Vernal msg.  
 PA'd well - (Pat)  
 (ReEntry need'd by BLM)

GG Martinezy Craig Night  
 303 (830) 4781 44498 msg.  
 \*mailing PA info. today.

**UTAH DIVISION OF OIL, GAS AND MINING  
OIL AND GAS WELL INSPECTION RECORD**

Operator: Amold Lease Number: UTU-57474  
 Well Name: Dragon Canyon 32-27-12-25 API Number: 43-047-32587  
 Sec: 27 Twp: 12S Rng: 25E County: Craig Field: Wildcat  
 Well Status: PA

GENERAL	Inspected (✓)
1. Well Identification	✓
2. Well Equipment	✓
3. Environmental Protection	✓
4. Temporary/Emergency Pits	✓
5. Spills, Discharges, Seepage	✓
Remarks: <u>well has been PA'd. correct information on marker. location has been reclaimed and contoured. NO leaks or spills.</u>	
OIL PRODUCTION	Inspected (✓)
1. Method of Measurement: Tank Gauge <input type="checkbox"/> LACT Unit <input type="checkbox"/> Other	
2. Storage Facilities	
3. Lines Leaving Storage Facilities Sealed/Locked	
4. Oil Handling/Treatment Equipment	
Remarks:	
GAS PRODUCTION	Inspected (✓)
1. Type of Gas Production: Gas Well <input type="checkbox"/> Casinghead <input type="checkbox"/>	
2. Gas Disposition: Sold <input type="checkbox"/> Flared/Vented <input type="checkbox"/> Used on Lease <input type="checkbox"/> Other <input type="checkbox"/>	
3. Method of Measurement: Orifice Meter <input type="checkbox"/> Turbine Meter <input type="checkbox"/> Estimated <input type="checkbox"/> Other <input type="checkbox"/>	
4. Gas Handling/Treatment Equipment	
Remarks:	
PRODUCED WATER DISPOSAL	Inspected (✓)
1. Disposal Method: Unlined Pit <input type="checkbox"/> Lined Pit <input type="checkbox"/> Subsurface <input type="checkbox"/> Other <input type="checkbox"/>	
2. If Disposal by Pits, Are Pits Satisfactory? Yes <input type="checkbox"/> No <input type="checkbox"/>	
3. Other E & P Waste Disposal	
Remarks:	

Inspector: David W. Haeffel Date: 8/7/96

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No.  
**UTU-57474**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.  
**Dragon Canyon # -27-12-25**

9. API Well No.  
**4304732867**

10. Field and Pool, or Exploratory Area  
**Wildcat**

11. County or Parish, State  
**Uintah Utah**

RECEIVED  
JUL 17 1996

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
**Amoco Production Company** Attention: **Gail M. Jefferson**

3. Address and Telephone No.  
**P.O. Box 800, Denver, Colorado 80201** (303) 830-6157

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**1779FNL 1499FEL Sec. 27 T 12S R 25E**

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

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

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

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

**MIRUSU 6/20/96. NDWH, NUBOP. TOH w/2.375" tbg. PU and RIH 5.5" tbg set cement retainer. Set retainer at 4381'. Circulate 9#/gal KCL wtr down tubing landed at 4378' to fill casing. Sting into cmt retainer at 4381'. Pressure up to 3000#. Flow back tbg to pit. Pressure up tubing to 4000#. Flow back to pit. Swab tubing dry, no flow out tubing. Load tubing with fresh str, pressure to 4000#.**

**TOH, install stinger with wash tool. TIH, wash on retainer at 4381'. Retrieve wash tool with sand line. Received okay from Wayne Bankert (Vernal BLM) to put plug on top of retainer.**

**Pumped 85 bbls of 9#/gal KCL wtr down tbg. Spot 55 sxs Type 5 "G" neat cement mixed at 15.6#/gal on top of retainer. TOH laying down 2.375" tbg to 1769'. Pumped 35 sxs Type 5 "G" neat cement mixed at 15.6 #/gal at 1769'. TOH to 60', pumped 15 sxs of Type 5 "G" neat cement at 15.6#/gal with calcium chloride at 60'.**

**NDBOP, cut 8-5/8" surface casing and 5 1/2" long string casing below bradenhead. Weld plat over 5.5" casing. Weld P&A marker on 8-5/8" stub.**

**RD MOSU 6/24/96.**

RECEIVED  
AUG 6 0 1996  
SRBU PERMITTING

RECEIVED  
APR 17 1998  
DIV. OF OIL, GAS & MINING

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

Signed Gail M. Jefferson Title Sr. Admin. Staff Asst. Date 07-16-1996

(This space for Federal or State official use)

NOTED

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date AUG 02 1996

Conditions of approval, if any: \_\_\_\_\_

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

OPERATOR

\* See Instructions on Reverse Side

SUBSEQUENT REPORT OF ABANDONMENT  
CONDITIONS OF APPROVAL

1. The required seed mixture on the Dragon Canyon 32-27-12-25 will be:

<u>Seed</u>	<u>Lbs. per Acre</u>
<u>Western wheatgrass</u>	<u>6</u>
<u>Alfalfa var. Nomad or Rambler</u>	<u>1</u>
<u>Fourwing Saltbrush</u>	<u>5</u>
<u>Total lbs per acre</u>	<u>12</u>

-If the seed is broadcast, the mixture will be double the lbs. per acre, and a harrow or some other implement will be dragged over the seeded area to assure seed coverage.

-All seeding will be done from September 15 until the ground freezes. However, if the location is rehabilitated during the winter, it would be preferable to seed the location immediately after the dirt work is done. If you would like to seed in the spring, an inspection will have to be made of the site prior to seeding to determine if the conditions are right.

-If the seeding is unsuccessful, reseeding may be required.

2. The reclamation plan outlined in the approved APD will be adhered to. AMOCO will notify the Bureau of Land Management 7 days prior to beginning surface rehabilitation operations to discuss seeding methodology and to allow us time to schedule a field examination, if necessary.

3. You or your authorized representative should inspect the abandoned location prior to notification to this office by Form 3160-5 that the location is ready for final inspection, and note especially that:

A. The regulation dry-hole marker bears the correct information as required.

B. The rathole and mousehole are filled, not just bridged, and pits are filled and leveled.

C. All material and junk are gone. This includes deadmen protruding above ground.

D. Reseeding or other required rehabilitation work has been completed.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

RECEIVED

JUL 17 1996

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
Amoco Production Company

Attention:  
Gail M. Jefferson, Rm 1295C

3. Address and Telephone No.  
P.O. Box 800, Denver, Colorado 80201

(303) 830-6157

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

1779FNL 1499FEL Sec. 27 T 12S R 25E

5. Lease Designation and Serial No.

UTU-57474

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Dragon Canyon ~~17~~-27-12-25

9. API Well No.

4304732 <sup>587</sup>

10. Field and Pool, or Exploratory Area

Wildcat

11. County or Parish, State

Uintah Utah

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

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

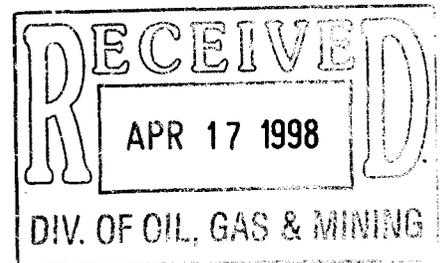
(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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

MIRUSU 7/31/95. Removed wellhead and install BOP. TOH w/2.375" tbg. TIH w/5/5" cement retainer. Set retainer at 2633'. Pressure test annulus to 1000#. Pressure test tubing to 2500#. Pump down tubing with wtr, establish rate of 2.5 bpm at 900#. Mix 75 sxs of 15.2#/gal cement. Establish average rate of 2 bpm at 1300#. Displace cement with 10.2 bbls of wtr at an avg rate of 2 bpm at 1800#. Sting out of retainer. Pull 2 jts of tbg, pump down annulus and reverse tbg. TOH w/tbg. PU mill. TIH to 2500'. Tag cmt at 2600'. Tag cmt retainer at 2633'. Fall out of cmt at 2715'. Pressure test squeeze to 500# for 15 minutes. Held okay. Circulate clean to BP at 2900'.

Equalize BP, no pressure, TOH w/BP. TIH and land tbg at 3151'. NDBOP. NUWH.

RD MOSU 8/7/95.



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

Signed Gail M. Jefferson

Title Sr. Admin. Staff Asst.

Date 07-16-1996

(This space for Federal or State office use)

**NOTED**

Approved by \_\_\_\_\_  
Conditions of approval, if any:

Title \_\_\_\_\_

Date \_\_\_\_\_

**JUL 25 1996**

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.

**OPERATOR**

\* See Instructions on Reverse Side



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

Michael O. Leavitt  
Governor  
Ted Stewart  
Executive Director  
Lowell P. Braxton  
Division Director

1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
801-538-5340  
801-359-3940 (Fax)  
801-538-7223 (TDD)

April 27, 1998

Medallion Exploration  
P.O. Box 1328  
Roosevelt, Utah 84066

Re: Dragon Canyon 27-12-25 #1 Well, 1778' FNL, 1499' FEL, SW NE,  
Sec. 27, T. 12 S., R. 25 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.

Appropriate information has been submitted to DOGM by CNG Producing Company and administrative approval of the requested exception location is hereby 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 43-047-32587.

Sincerely,

A handwritten signature in cursive script that reads "John R. Baza".

John R. Baza  
Associate Director

lwp

Enclosures

cc: Uintah County Assessor

Bureau of Land Management, Vernal District Office

Operator: Medallion Exploration  
Well Name & Number: Dragon Canyon 27-12-25 #1  
API Number: 43-047-32587  
Lease: UTU-76293  
Location: SW NE Sec. 27 T. 12 S. R. 25 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 Jim Thompson at (801)538-5336.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Dan Jarvis at (801) 538-5338 or John R. Baza at (801)538-5334.

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. State approval of this well does not supercede the required federal approval which must be obtained prior to drilling.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO.  
UTU-76293

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
Dragon Canyon

9. WELL NO.  
27-12-25 #1

10. FIELD AND POOL OR WILDCAT  
Wildcat

11. SEC., T., R., M., or BLK.  
AND SURVEY OR AREA  
Sec. 27, T12S, R25E

12. COUNTY OR PARISH  
Utah

13. STATE  
Utah

1a. TYPE OF WORK DRILL  DEEPEN  PLUG BACK

1b. TYPE OF WELL  
OIL WELL  GAS WELL  OTHER   
SINGLE ZONE  MULTIPLE ZONE

2. NAME OF OPERATOR  
Medallion Exploration

3. ADDRESS OF OPERATOR  
P.O. Box 1328 Roosevelt, Utah 84066 435-722-4600

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. \*)  
At Surface 1778' FNL AND 1499' FEL  
SW/NE Sec. 27, T12S, R25E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
20.7 miles south of Bonanza, UT

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)  
1499'

16. NO. OF ACRES IN LEASE  
2560

17. NO. OF ACRES ASSIGNED TO THIS WELL  
160

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT.  
None

19. PROPOSED DEPTH  
5420'

20. ROTARY OR CABLE TOOLS  
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
6310' GR

22. APPROX. DATE WORK WILL START\*  
Upon approval of this application

RECEIVED  
MAR 1 0 1998

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT/FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 - 1/4"	8 - 5/8"	24 #	1491'	300 sxs CI G, tail w/ 150 sxs, top out w/ 130 sxs
7 - 7/8"	5 - 1/2"	17 #	4646'	70 sxs CI G, tail w/ 270 sxs CI G. 2nd stg w/ 660 sxs
Liner 4 - 3/4"	3 - 1/2"	9.3 #	4413' to 5420'	60 sxs CI G, circ 2 bbls

Medallion Exploration proposes to re-enter this well by drilling out cmt plugs @ surface to 60' and 1390' to 1769'. Circ wellbore clean down to third plug at approx. 3800'. Perforate and test the Upper and Lower Castlegate formation. If non productive then plug back the Castlegate and test zones in the Mesa Verde formation.  
Exact interval depths and procedures will be send for approval before completion work begins.

See Onshore Order No. 1 attached.

RECEIVED  
APR 27 1998  
DIV. OF OIL, GAS & MINING

MAR 1998  
Received  
DOI-BLM  
Vernal, UT

cc: Utah Div. Of oil, gas & mining.

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

24. SIGNED Steven Lamb TITLE FIELD SUPERINTENDENT DAT ### 4/12/98

(THIS SPACE FOR FEDERAL OR STATE OFFICE USE)

PERMIT NO. 43-047-30587 APPROVAL DATE  
APPROVED Thomas R. Leavings TITLE Assistant Field Manager DATE 4/16/98  
CONDITIONS OF APPROVAL, IF ANY

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

CONDITIONS OF APPROVAL REFERENCED TO OPERATOR'S COPY

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL  
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Medallion Exploration

Well Name & Number: Dragon 27-12-25 No. 1

API Number: 43-047-32587

Lease Number: U-76293

Location: SWNE Sec. 27 T. 12S R. 25E

**NOTIFICATION REQUIREMENTS**

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

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

## CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

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

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

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

### A. DRILLING PROGRAM

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

Report **ALL** water shows and water-bearing sands to Tim Ingwell of this office **prior to setting the next casing string or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

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

#### 2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment for a 2M system and individual components shall be operable as designed.

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

#### 3. Mud Program and Circulating Medium

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

5. Coring, Logging and Testing Program

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

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

6. Notifications of Operations

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

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

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

A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9. d.), and shall be submitted to the appropriate District Office within sixty (60) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b. 4).

7. Other Information

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

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

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

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

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

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

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

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

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

In the event after-hours approval or notification is necessary, please contact one of the following individuals:

Wayne Bankert (801) 789-4170  
Petroleum Engineer

Ed Forsman (801) 789-7077  
Petroleum Engineer

Jerry Kenczka (801) 789-1190  
Petroleum Engineer

BLM FAX Machine (801) 781-4410

### EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

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

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

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

- If the well becomes a producing well, the production equipment would be painted Juniper Green instead of Desert Tan as mentioned in the APD.
- The topsoil shall be windrowed on the south end of the location as shown on the cut sheet rather than on the north side as mentioned in the APD.
- The spoils shall be piled on the east side of the location as shown on the cut sheet rather than on the west side as mentioned in the APD.
- The vegetation and topsoil should be piled together instead of separately as described in the APD.
- The well will be drilled without the use of a reserve pit. The APD mentions that a reserve pit would be used.
- If the well becomes a producing well, it will be necessary to install a locked gate at the bottom end of the canyon as discussed at the onsite to reduce the disturbance to the old Dragon town site and cemetery.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. Type of Well Oil <input type="checkbox"/> Gas <input type="checkbox"/> <input type="checkbox"/> Well <input checked="" type="checkbox"/> Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. UTU-76293
2. Name of Operator MEDALLION EXPLORATION	6. If Indian Allottee or Tribal Name
3. Address and Telephone No. P.O BOX 1328, ROOSEVELT, UTAH, 84066, 435-722-4600	7. If Unit or Co, Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or survey Description) 1778 FNL, 1499 FEL SWNE SEC. 27, T.12 S, R.25E	8. Well Name and No. DRAGON CANYON, 27-12-25
	9. API Well No. ;43-047-32587
	10. Field and Pool, or Exploratory Area WILDCAT
	11. County or Parish, State Uintah, Utah

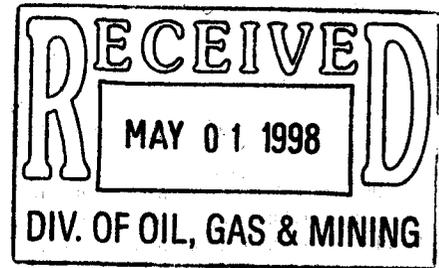
12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE, REPORT OR OTHER DATA

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

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

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

Medallion Exploration proposes to start work on access road and location pad April 22, 1998.  
Rig up workover unit and spud well on May 1, 1998.



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

Signed *Steven Lamb* Title Field Supt. Date April 20, 1998

(THIS SPACE FOR FEDERAL OR STATE OFFICE USE.)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Conditions of approval, if any:

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

\*See Instructions on reverse Side

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. Type of Well  
Oil Gas  
 Well  Well  Other

2. Name of Operator  
MEDALLION EXPLORATION

3. Address and Telephone No.  
P.O BOX 1328, ROOSEVELT, UTAH, 84066, 435-722-4600

4. Location of Well (Footage, Sec., T., R., M., or survey Description)  
1778 FNL, 1499 FEL  
SWNE SEC. 27, T.12 S, R.25E

5. Lease Designation and Serial No.  
UTU-76293

6. If Indian Allottee or Tribal Name

7. If Unit or Ca, Agreement Designation

8. Well Name and No.  
DRAGON CANYON, 27-12-25

9. API Well No.  
43-047-32587

10. Field and Pool, or Exploratory Area  
WILDCAT

11. County or Parish, State  
Uintah, Utah

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

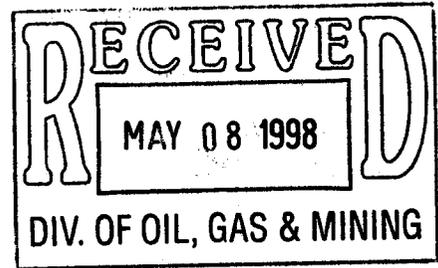
TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input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

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

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

Medallion Exploration welded on casing spool and nipple up tubing spool and 5 M BOPE. Pressure tested stack to 3000 psi.  
May 2 1998 drilled out cement plugges down to 3,919' steel line measurement.  
Will perforate the upper Castlegate from 3,800' to 3,806' using 3 3/8" expendable gun with 2 shot per foot.  
Will report completion test on a completion, recompletion form.

cc: Utah Div. of Oil, Gas and Mining.



14. I hereby certify that the foregoing is true and correct  
Signed [Signature] Title Field Supt. Date May 3, 1998

(THIS SPACE FOR FEDERAL OR STATE OFFICE USE.)  
Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_  
Conditions of approval, if any:

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

\*See Instructions on reverse Side

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. Type of Well  
Oil Gas  
 Well  Well  Other

2. Name of Operator  
MEDALLION EXPLORATION

3. Address and Telephone No.  
P.O BOX 1328, ROOSEVELT, UTAH, 84066, 435-722-4600

4. Location of Well (Footage, Sec., T., R., M., or survey Description)  
1778' FNL, 1499 FEL  
SWNE SEC. 27, T.12 S, R.25E

5. Lease Designation and Serial No.  
UTU-76293

6. If Indian Allottee or Tribal Name

7. If Unit or Ca, Agreement Designation

8. Well Name and No.  
DRAGON CANYON, 27-12-25

9. API Well No.  
43-047-32587

10. Field and Pool, or Exploratory Area  
WILDCAT

11. County or Parish, State  
Uintah, Utah

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

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

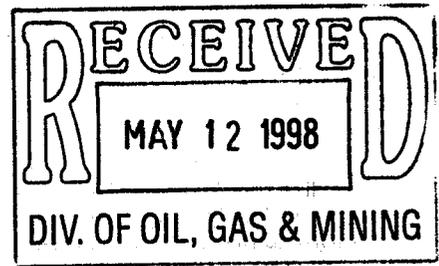
Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.

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

Medallion Exploration perforated the upper Castlegate from 3800' to 3806' and the swab test results were as follows 1.25 bbls water with a trace of gas per hour.

Medallion request permission to plug back the Castlegate with a 5 1/2" 10 M CIBP set @ 3,760' and dump bail 4 sxs cmt (36") on plug.

Perforate Mesa Verde zone 3256'-66' with 3 1/2", 34 gram charge expendable gun, two shots per foot, 120 degree phasing.



cc: Utah Div. of Oil, Gas and Mining.

14. I hereby certify that the foregoing is true and correct  
Signed [Signature] Title Field Supt. Date May 6, 1998

(THIS SPACE FOR FEDERAL OR STATE OFFICE USE.)  
Approved by **Accepted by the State**  
Conditions of Approval **of Utah Division of**

Title 18 U. S. Code, Section 1001, prohibits 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.

Date: 5-18-98 \*See Instructions on reverse Side  
By: [Signature]

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
Bureau of Land Management

SUBMIT IN DUPLICATE\*

Form approved.  
Budget Bureau No. 1004-0137  
Expires August 31, 1985

(See other in-  
structions on  
reverse side)

5. LEASE DESIGNATION AND SERIAL NO.

UTU-76293

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

WELL COMPLETION OR RECOMPLETION REPORT AND LOG \*

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

DRAGON CANYON

9. WELL NO.

27-12-25 #1

10. FIELD AND POOL, OR WILDCAT

WILDCAT

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

SEC 27, T12S, R25E

1a. TYPE OF WELL: OIL WELL  GAS WELL  DRY  OTHER \_\_\_\_\_

b. TYPE OF COMPLETION: NEW WELL  WORK OVER  DEEP-EN  PLUG BACK  DIFF RESVR  OTHER (SEE 210)

2. NAME OF OPERATOR

Medallion Exploration

3. ADDRESS OF OPERATOR

P.O BOX 1328, Roosevelt, Utah, 84066, 435-722-4600

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)

At Surface 1778' FNL AND 1499' FEL, SW/NE, SEC 27, T12S, R25E

At top prod. Interval reported below

At total depth

14. PERMIT NO. DATE ISSUED

43-047-32587

4/27/98

12. COUNTY OR PARISH

UINTAH

13. STATE

UTAH

15. DATE SPUDDED

5/2/98

16. DATE T.D. REACHED

5/2/98

17. DATE COMPL. (Ready to prod.)

5.4.98

18. ELEVATIONS (DF, RKB, RT, GR. ETC.)\*

6310' GL, 6326' KB

19. ELEV. CASINGHEAD

6308'

20. TOTAL DEPTH, MD & TVD

5421'

21. PLUG, BACK T.D., MD & TVD

3919'

22. IF MULTIPLE COMPL., HOW MANY\*

23. INTERVALS DRILLED BY

ROTARY TOOLS

CABLE TOOLS

24. PRODUCING INTERVAL,(S), OF THIS COMPLETION-TOP, BOTTOM, NAME (MD AND TVD)\*

NON PRODUCTIVE CASTLEGATE 3800-3806'

25. WAS DIRECTIONAL SURVEY MADE

no

26. TYPE ELECTRIC AND OTHER LOGS RUN

NONE,

27. WAS WELL CORED

no

28. CASING RECORD ( Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 3/4"	24#	1497'	12 1/4"	300 SXS CL G, TAIL W/ 180 SXS, TOP OUT W/130 SXS CL G	
5 1/2"	17#	4646'	7 7/8"	70 SXS CL G, TAIL W/270 SXS CL G 2nd STG 680 SXS CL G	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)
3 1/2"	4413'	4646'	60 SXS CL G	Circ 2 bbls

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	3770'	3773'

31. PERFORATION RECORD (Interval, size and number)

3800-06' 6 net feet, 12 shots, Dia. .46"

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
Set CIPB @ 3760 w/36' of cement on top	4.5 sxs

33.\* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump)	WELL STATUS (Producing or shut-in)					
	Plug Back	testing Mesa Verde					
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N FOR TEST PERIOD	OIL - BBL.	GAS - MCF.	WATER - BBL.	GAS - OIL RATIO
5-May-98	12	Swab	→	0	0	1.25 bbls/Hr	
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL - BBL.	GAS - MCF.	WATER - BBL.	OIL GRAVITY - API (Corr)	
0	0	→	0	0	30		

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

N/A

TEST WITNESSED BY

Steven Lamb

35. LIST OF ATTACHMENTS

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

SIGNED

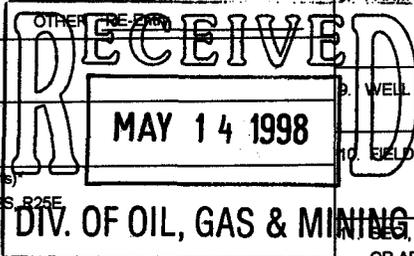
*Steven Lamb*

TITLE Field Supt.

DATE May 05, 1998

\*(See Instructions and Spaces for Additional Data on Reverse Side)

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



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 to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT --" for such proposals

1. Type of Well Oil <input type="checkbox"/> Gas <input type="checkbox"/> <input type="checkbox"/> Well <input checked="" type="checkbox"/> Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. UTU-76293
2. Name of Operator MEDALLION EXPLORATION	6. If Indian Allottee or Tribal Name
3. Address and Telephone No. P.O BOX 1328, ROOSEVELT, UTAH, 84066, 435-722-4600	7. If Unit or Ca, Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or survey Description) 1778' FNL, 1499 FEL SWNE SEC. 27, T.12 S, R.25E	8. Well Name and No. DRAGON CANYON, 27-12-25
	9. API Well No. ;43-047-32587
	10. Field and Pool, or Exploratory Area WILDCAT
	11. County or Parish, State Uintah, Utah

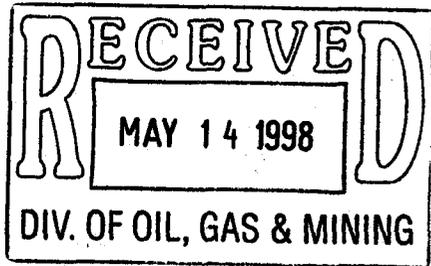
12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE, REPORT OR OTHER DATA

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

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

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

Medallion plugged back the Castlegate with a 5 1/2" 10 M CIBP set @ 3,760' and dump bail 4 sxs cmt (36') on plug.  
Perforated Mesa Verde zone 3256'-66' with 3 1/2", 34 gram charge expendable gun, two shots per foot, 120 degree phasing.  
Swab test showed 7 BBLS water per hour entry with no gas nor oil.  
We will continue to test other Mesa Verde zones.



cc: Utah Div. of Oil, Gas and Mining.

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

Signed *Stuart Lamb* Title Field Supt. Date May 6, 1998

(THIS SPACE FOR FEDERAL OR STATE OFFICE USE.)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Conditions of approval, if any: \_\_\_\_\_

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

\*See Instructions on reverse Side

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

SUNDRY NOTICES AND REPORTS OIL 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

6. Lease Designation and Serial Number  
UTU-76293

7. Indian Allottee or Tribe Name

8. Unit of Communitization Agreement

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

9. Well Name and Number  
DRAGON CANYON 27-12-25 #1

2. Name of Operator  
MEDALLION EXPLORATION

10. API Well Number  
043-047-32587

3. Address of Operator  
P.O. Box 1328 Roosevelt, Utah 84066 (435) 722-4600

11. Field and Pool, or Wildcat  
WILDCAT

5. Location of Well  
Footage 1778' FNL AND 1499' FEL  
CO., Sec., T., R., M. SW/NE SEC. 27, T12S, R25E

COUNTY:  
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 Fare         |
| <input type="checkbox"/> Multiple Completion     | <input type="checkbox"/> Water Shut-Off       |
| <input type="checkbox"/> Other                   |   |

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 Plans                   | <input type="checkbox"/> Shoot or Acidize     |
| <input type="checkbox"/> Conversion to injection        | <input type="checkbox"/> Vent of Flare        |
| <input type="checkbox"/> Fracture Treat                 | <input type="checkbox"/> Water Shut-Off       |
| <input checked="" type="checkbox"/> Other - Well Update |   |

Approximate Date Work Will Start

Date of Work Completion

Report results or 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.)

Well Update  
See attachment

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

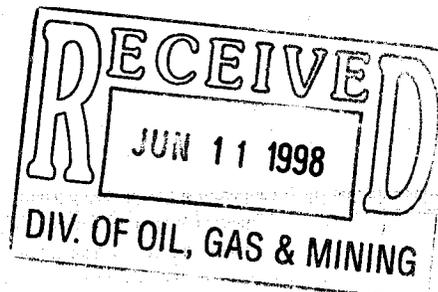
Name & Signature RaSchelle Richens

Title: Office Manager

Date: 06/07/98

State Use Only

See Instructions on Reverse Side



**Medallion Exploration**  
Dragon Canyon 27-12-25 SW/NE Sec. 27, T12S, R25E, Uintah, Co, Utah  
API # 43-047-32587, Lease # UTU 76293

Well Summary

Upper Castlegate

Interval: 3800-06', 6 net feet, 12 shots, broke down zones with 2% KCL water.

Swab test zone 3800-06', 1.25 bbls water per hour entry with no gas entry.  
Set a 5 1/2" 10K CIBP @ 3760' and dump bailed 4 sxs glass "G" cmt on plug.

Mesa Verde

Interval: 3256-66', 10 net feet, 20 shots, with 3 1/2", 34 gram charge gun  
Swab test zone 3256-66', 7 bbls water per hour entry with no gas or oil show.

Mesa Verde

Interval: 2829-34', 5 net feet, 10 shots with 3 1/2" 34 gram charge gun. Broke down zone with 20 bbls 2% KCL water  
Swab test zone 2829-34', No entry of gas, water or oil.  
Set 5 1/2" 10K CIBP @ 2815' with 2 sxs cmt, 14' of cmt on plug.

Mesa Verde

Interval: 2698-704', 6 net feet, 6 shots, with 3 1/2" 34 gram charge gun. Broke down with 500 gals 15% HCL acid

Swab and flow test 92 Hrs: Avg after 92 hrs flow testing 265 MCFD and 85 BWPD, on a 10/64 choke, FTP = 410 to 470 psi.  
Frac zone with 10,000 # 20/40 sand at 10.2 BPM.  
Flow tested 63 Hrs. Ending rates were 340 MCFD, 144 BWPD, O BOPD on 22/64 choke with 300 FTP.

Set Retrievable plug @ 2688'.

Mesa Verde

Interval: 2674-79', 5 net feet, 11 shots, Swab test 24 Hrs and recovered 19 BW per hr with a trace of gas.

Set Retrievable plug @ 2525'

Mesa Verde

Interval: 2064'-70', 6 net feet, 12 shots, 39 gram charge in 4" expendable csg gun. Swab test 20 hrs recovered 3.75 BW per hr with no gas.

SUBMIT IN DUPLICATE\*

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
Bureau of Land Management

(See other in-  
structions on  
reverse side)

5. LEASE DESIGNATION AND SERIAL NO.

UTU-76293

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

WELL COMPLETION OR RECOMPLETION REPORT AND LOG \*

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

DRAGON CANYON

9. WELL NO.

27-12-25 #1

10. FIELD AND POOL, OR WILDCAT

WILDCAT

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

SEC 27, T12S, R25E

12. COUNTY OR PARISH

UINTAH

13. STATE

UTAH

1a. TYPE OF WELL: OIL WELL  GAS WELL  DRY  OTHER \_\_\_\_\_

b. TYPE OF COMPLETION: NEW WELL  WORK OVER  DEEP-EN  PLUG BACK  DIFF RESVR  OTHER RE-Entry \_\_\_\_\_

2. NAME OF OPERATOR

Medallion Exploration

3. ADDRESS OF OPERATOR

P.O BOX 1328, Roosevelt, Utah, 84066, 435-722-4600

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\*

At Surface 1778' FNL AND 1499' FEL, SW/NE, SEC 27, T12S, R25E

At top prod. Interval reported below

At total depth

14. PERMIT NO.

DATE ISSUED

43-047-32587

4/27/98

12. COUNTY OR PARISH

UINTAH

13. STATE

UTAH

15. DATE SPUNDED

5/2/98

16. DATE T.D. REACHED

5/2/98

17. DATE COMPL. (Ready to prod.)

5-4-98

18. ELEVATIONS (DF, RKB, RT, GR. ETC.)\*

6310' GL, 6326' KB

19. ELEV. CASINGHEAD

6309'

20. TOTAL DEPTH, MD & TVD

5421'

21. PLUG, BACK T.D., MD & TVD

1152'

22. IF MULTIPLE COMPL., HOW MANY\*

23. INTERVALS DRILLED BY

ROTARY TOOLS

CABLE TOOLS

YES

24. PRODUCING INTERVAL(S), OF THIS COMPLETION-TOP, BOTTOM, NAME (MD AND TVD)\*

NON PRODUCTIVE CASTLEGATE 3800-3808'

25. WAS DIRECTIONAL SURVEY MADE

no

26. TYPE ELECTRIC AND OTHER LOGS RUN

Compensated Neutron

27. WAS WELL CORED

no

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8"	24#	1497'	12 1/4"	300 SXS CL G, TAIL W/ 180 SXS, TOP OUT W/130 SXS CL G	
5 1/2"	17#	4646'	7 7/8"	70 SXS CL G, TAIL W/270 SXS CL G 2nd STG 680 SXS CL G	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
3 1/2"	4413'	4646'	60 SXS CL G	Circ 2 bbls	2 3/8"	3770'	3773'

31. PERFORATION RECORD (Interval, size and number)

980'-92' 2 spf 24 holes, .41 dia.  
880'-96' 2 spf 32 holes, .41 dia.  
376'-94' 2 spf 36 holes, .41 dia.  
356'-66' 2 spf 20 holes, .41 dia.  
336'-52' 2 spf 32 holes, .41 dia.

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
P&A well	

33.\* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump)	WELL STATUS (Producing or shut-in)					
6/15/98	P&A	P&A					
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL - BBL.	GAS - MCF.	WATER - BBL.	GAS - OIL RATIO
6-15 to 6-30-98		Swab	→	0	0	2.25 bbls/Hr	
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL - BBL.	GAS - MCF.	WATER - BBL.	OIL GRAVITY - API (Corr)	
0	0	→	0	0	54		

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

N/A

TEST WITNESSED BY

Steven Lamb

35. LIST OF ATTACHMENTS

Comp Neutron log, Daily reports, Sub- P&A Sundry

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

SIGNED *Steven Lamb* Field Supt.

July 5 98

\*(See Instructions and Spaces for Additional Data on Reverse Side)

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. Type of Well  
Oil  Gas   
 Well  Well  Other

2. Name of Operator  
**MEDALLION EXPLORATION**

3. Address and Telephone No.  
**P.O BOX 1328, ROOSEVELT, UTAH, 84066, 435-722-4600**

4. Location of Well (Footage, Sec., T., R., M., or survey Description)  
1778' FNL, 1499 FEL  
SWNE SEC. 27, T.12 S, R.25E

5. Lease Designation and Serial No.  
UTU-76293

6. If Indian, Allottee or Tribal Name

7. If Unit or Ca, Agreement Designation

8. Well Name and No.  
DRAGON CANYON, 27-12-25

9. API Well No.  
;43-047-32587

10. Field and Pool, or Exploratory Area  
WILDCAT

11. County or Parish, State  
Uintah, Utah

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

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

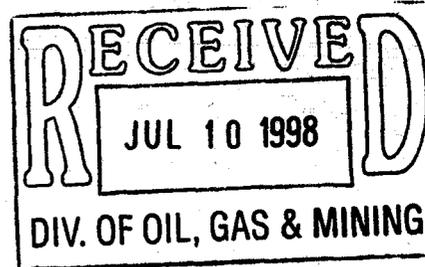
Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.

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

Medallion Exploration plugged back the Mesa Verde formation by setting a 5 1/2" cmt retainer at 1203'.  
Pumped 44 sks of class ( G ) cmt ..  
Btm of cmt approx 1586'. Pulled out of retainer, left 6sks of cmt on top retainer. 54'  
Top of cmt at 1150.6'.

Perforate Wasatch intervals 880'-96 and 980-92.

cc: Utah Div. of Oil, Gas and Mining.



14. I hereby certify that the foregoing is true and correct  
Signed Gene Caldwell Title Tool Pusher Field Supt. Date June 15, 1998

(THIS SPACE FOR FEDERAL OR STATE OFFICE USE.)  
Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_  
Conditions of approval, if any:

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

\*See Instructions on reverse Side

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 to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT --" for such proposals

1. Type of Well Oil <input type="checkbox"/> Gas <input type="checkbox"/> <input type="checkbox"/> Well <input checked="" type="checkbox"/> Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. UTU-76293
2. Name of Operator MEDALLION EXPLORATION	6. If Indian Allottee or Tribal Name
3. Address and Telephone No. P.O BOX 1328, ROOSEVELT, UTAH, 84066, 435-722-4600	7. If Unit or Ca, Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or survey Description) 1778 FNL, 1499 FEL SWNE SEC. 27, T.12 S, R.25E	8. Well Name and No. DRAGON CANYON, 27-12-25
	9. API Well No. ;43-047-32587
	10. Field and Pool, or Exploratory Area WILDCAT
	11. County or Parish, State Uintah, Utah

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

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

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

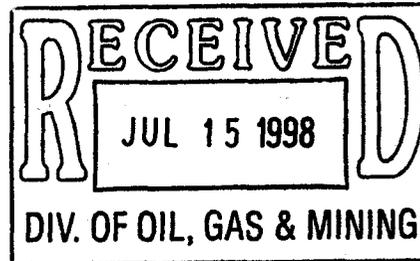
13 Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to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

July 2, 1998 Rigged up Halliburton, Tagged CIBP @ 842' pumped 50 sks class AG cement. laid down 16 jts tbg and pumped 35 sks class AG cement. Lay down tbg and nipple down BOPE. Top off 5 1/2" csg with 2 sks class AG cement. Wiat 30 mins to see if cement would drop. Cut off csg spool and 5 1/2" csg.

July 3, 1998 Weld on Dry hole marker plate.  
Will reclaim location as per A.O recommendations  
No csg was pulled and there should be cement from 842' to surface.

cc: Utah Div. of Oil, Gas and Mining.

Attached; Daily reports, Compensated Neutron log dated 8-june-98



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

Signed Steven Kamb Title Field Supt. Date July 6, 1998

(THIS SPACE FOR FEDERAL OR STATE OFFICE USE.)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Conditions of approval, if any:

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

\*See Instructions on reverse Side

FR SAW  
to PA

MURD

OIL AND GAS	
JRB	
RJK	
SLS	
GLH	
DTS	✓
1 KOT	4 BSH
2 LEC	5 KDR
3 <del>ESH</del>	
6	MICROFILM ✓
7	FILE

Medallion Exploration  
Dragon Canyon #1  
Sec27-T12S-R25E  
Uintah Co., Utah  
Daily Workover Report

04/29/98 (Day 1) 10:30. Spot Tee seal and Service rig, raised and guyed same. L/D hardline F/pump to well. Measured collars and tools. Measured top layer of 2-3/8" tbg, 44 jts.  
Daily Cost:\$1,342

04/30/98 (Day 2) 7:AM. Nipple down 2-9/16, 5000# gate valve off side of BOP. Installed on 11" x 3000# by 7" x 5000 csg spool. Cut off top of 8-5/8, cut 5-1/2 csg, cut 8-5/8 to weld. Weld 1' section. Put on 11" x 3000# x 8-5/8 weld, not enough 5-1/2" sticking up. Unable to pick up on 5-1/2 csg. Unable to move. Cut 3" off 8-5/8 stub. Install 11" x 3000# x 8-5/8 weld. Welded same. Nipple up 11" X 3000# x 7" x 5000# csg spool. Nipple up BOP. Test csg spool, ok. Test weld to 1500#. No visual leaks. R/D floor. Spot Power Swivel and R/U same. R/U line to STD pipe Tagged up 8.5' w/out K.B. Made a total of 37'. Put on Washington stripping head and rubber. POOH w/std, 1 jt, x-over, 1 d/c, x-over 5-1/2" casing scraper, and 4-3/4" bit. SDFN.  
Daily Cost:\$4,356 Cum Cost:\$5,698

05/01/98 (Day 3) 7:AM. P/U std. RIH. Tagged up at 45.5. Broke circ. Begin drilling. Drilled 23', fell through w/64' in hole. P/U 4 jts of 2-3/8". Stood back 4 jts and L/D 1 jt. Pick up 3-3/1/2 D/collars. RIH w/5 jts of tbg. Start to pick tbg up off rack. P/U 38 jts of tbg. Ragged up again at 1,475' w/7-1/2" out on jt 43. Rig back up Power swivel. Begin drilling at 1,495'. Drill to 1,646'. Circ Btms up 1-1/2 times. Left swivel 60' high. Load tools out. SDFN.  
Daily Cost:\$5,576 Cum Cost:\$11,274

05/04/98 (Day 4) 7:AM. Cont to drill Cmt 1,646' to 1,765' of hard cmt F/1,765' to 1,838' stringers. Circ hole over 2 times to clean hole. Circ down tbg and up csg with 86 bbls of 2% KCL. Rack swivel back. 54 jts in hole plus BHA of 4 collars. Pick up 66 jts of 2-3/8" J-55 tbg of pipe rack. Tagged up at 3,932' w/ 4 jts out with. POOH w/121 jts of 2-3/8" tbg, x-over. L/D 4 - 3-1/2". Drill collars, x-over 2-3/8" if x 2-7/8" reg 5-1/2". Casing scraper with 4-3/4" drill bit. N/D Washington head. Load tools out. SDFN.  
Daily Cost:\$4,386 Cum Cost:\$15,660

05/05/98 (Day 5) 7:AM. R/U Weatherford Electricline to run CBL from 2,900' to 1,500' correlated from Compensate Neutron log date 1/25/95. RIH w/3-3/8" expandable gun. Perforate the following intervals: 3,800 - 3,806', 6' 12 shot, 90° phasing with .32 gram charge. R/D Weatherford Electric line. M/U 5-1/2", 17# full bore pkr, x-over 2-7/8" x 2-3/8", s-nipple, 120 jts of 2-3/8" J-55 tbg. Set pkr w/10,000# comp. R/U to swab well down. Made 15 runs with swab. Rec 74.25 bbls of fluid. F/level at 3,000'. Pick up and pulled 18,000# tension. Hooked up to swab. Made 3 runs. Rec 5.25 bbls of fluid. 79.5 bbls today. Stood back swab. SDFN.  
Daily Cost:\$9,008 Cum Cost:\$74,668

05/06/98 (Day 6) 7:AM. 13-1/2 hrs. SITP 25#. RIH w/swab. I.F.L. at 700'. Fluid rose to 700'. Rec 7.5 bbls on 1<sup>st</sup> run. Fluid rise of 3,000# in 13-1/2 hrs, 222' per hr. Made 3 runs w/swab. Rec 11.25 bbls of fluid. Runs 4 - pulled from seat nipple. Made 18 runs with swab. Run 19 and 20 rec 6.25 and 5.0 then made a total of 32 runs with swab. Rec 53.75 bbls of fluid. 54 bbls over volume. Small amt of gas at end of runs from run 6 - 32. Final fluid level at 3,450', pulled F/3,762' on 29 runs. Load tools out. SDFN.  
Daily Cost:\$2,468 Cum Cost:\$27,136

Medallion Exploration  
Dragon Canyon #1  
Sec27-T12S-R25E  
Uintah Co., Utah  
Daily Workover Report

05/07/98 (Day 7) 7:AM. 15 hrs. Tbg on vac. RIH w/swab. IFL at 750' pulled F/3,700. Rec 7.5 bbls of fluid. L/D swab. Released fullbore pkr at 3,762'. Pulled out of hole w/120 jts, s-nipple, pkr. R/U Schlumberger to set Arrow 5-1/2", 17# CIBP at 3,760'. R/U to pump 2 sks of cmt. Cmt to lumpy, wouldn't dump. Beat cmt out of bailer. Made up another 2 sks of cmt. RIH w/bailer. 2<sup>nd</sup> run bailer dumped. Wait on cmt from Vernal. Made 3<sup>rd</sup> run w/Bailer. M/U 3-3/8" expendable gun. RIH and shot 1 int: 3,256'-62', 6', 12 holes. All shots fired. No blow after shooting. R/D Schlumberger. RIH w/Baker 5-1/2" 11# fullbore pkr. Set pkr at 3,224' w/25,000# of tension. R/U to swab tbg. Made 2 runs. 1<sup>st</sup> run F/level at 1,800' pulled back 6 bbls of fluid. 2<sup>nd</sup> level 2,900'. Rec 1 bbls of fluid. Stood back swab. Load tools out. SDFN.  
Daily Cost:\$7,331 Cum Cost:\$34,467

05/08/98 (Day 8) 7:AM. 14 hrs. No pressure. RIH w/swab. I.F.L. at 1,000' pulled from 3,224'. Rec 10 bbls of fluid. Cont to swab tbg. Made 9 runs with swab. Rec 24-35 bbls of dirty form H2O. Went to 1/2 hour runs. From run 9 - 24 rec 63 bbls. F/level stayed between 2,000' and 2,400'. Fluid level is 2,100'. Rec 1.875 bbls. Stood back swab. No gas on runs. Load tools out. SDFN.  
Daily Cost:\$2,620 Cum Cost:\$37,087

05/09/98 (Day 9) 7:AM. 14 hrs. SITP 25#. SICP 0#. RIH w/swab. IFL at 500' pulled F/3,200'. Rec 8.75 bbls of fluid. Fluid rose 193' per hour over night. Cont to swab. Made 3 runs with swab. Rec 16.25 bbls of fluid. Went to 1/2 hour runs. Fluid level between 2,100 to 2,400'. Rec 105.25 bbls of fluid. F/level on last run is 2,200' pulled F/3,224' or S-nipple. Rec today 35.25 bbls of brn color H2O. Rec to date from interval 3,256' - 62' 105.25 bbls of fluid w/no gas. Stood back swab. Load tools out. SDFN.  
Daily Cost:\$1,899 Cum Cost:\$38,986

05/11/98 (Day 10) 7:AM. 42 hrs. SITP 15#. RIH w/swab. IFL at 300' pulled form 2,800'. Rec 5 bbls of fluid. Fluid rise in 42 hrs is 77' per hour. Made 3 runs. Rec 9.5 bbls of fluid. Went to 1/2 hour runs. 4<sup>th</sup> run f/level at 2,200' pulled F/seat-nipple. Rec 1.875 bbls of brn drilling H2O. Cont to swab on. Made 12 swab runs. Rec 28.25 bbls of brn dirty H2O. Rec a total of 133.25 bbls with no gas F/intervals 3,256' - 3,262'. Stood back swab. Load tools out. SDFN.  
Daily Cost:\$2,062 Cum Cost:\$41,048

05/12/98 (Day 11) 7:AM. 18 hrs. SITP 25#. SICP 0#. RIH w/swab. I.F.L. at 700' pulled from 2,100'. Rec 7.5 bbls of fluid. Fluid rise of 2,525', 140' per hour. 2<sup>nd</sup> run F/level at 2,600'. Rec 3 bbls of dirty H2O. L/down swab. P/U jt release 5-1/2", 17#, full bore pkr. POOH w/51 stds. L/D 2 jts, s-nipple and fullbore pkr. R/U Schlumberger. RIH w/3-3/8" expendable gun. RIH and shot 1 interval, 2,829-36', 7', 2 SPF, correlated to C.B.L. log. RIH w/5-1/2", 17#, model "C" cup type plug. Set plug at 2,880' pulled up and set. Full bore at 2,789' w/28,000# of tension. Hooked up to get inj rate. Load tbg with 6.5 bbls. Inj rate 1.75 bbls at 300#. Broke back to 1,800#. R/U to swab. IFL at surface pulled from 2,100'. Rec 7.5 bbls of fluid. 2<sup>nd</sup> run F/level at 1,500'. Rec 3.75 bbls of fluid. 3<sup>rd</sup> run. No fluid rec. Wait 1/2 hr. 4<sup>th</sup> run. F/level at 2,700'. No fluid rec. Wait 1 hour. RIH. No fluid detected stood back swab. Load tools out. SDFN.  
Daily Cost:\$3,658 Cum Cost:\$44,706

Medallion Exploration  
Dragon Canyon #1  
Sec27-T12S-R25E  
Uintah Co., Utah  
Daily Workover Report

05/13/98 (Day 12) 7:AM. 17 hrs. SITP 0#. SICP 0#. RIH w/swab. IFL at 1,900' pulled F/2,750'. Rec 3 bbls of dirty H2O. Fluid level rise of 900' or 52' per hr. Release 5-1/2", 17# fullbore pkr. RIH w/1 jt of tbg. Hooked back up to swab. Made 6 runs. Rec 10 bbls of fluid. L/D swab. RIH w/3 jts of tbg. Latch and release plug at 2,880'. POOH w/89 jts of 2-3/8" tbg, s-nipple, pkr, ret tool, "model" RBP. R/U Schlumberger. RIH w.5-1/2", 17# Alpha CIBP. Set plug at 2,815'. R/U cmt bailer. Put 2 sks of cmt on top of same. Approx 20' cmt. RIH w/3-3/8" expandable gun. Perforate 1 interval f/2,698-2,704', 6' 12 holes. Re - cock setting tool to run 5-1/2", 17# max pkr. Unable to do so. L/D same. R/D Schlumberger. Wait on pkr f/Vernal. RIH. L/D 30 jts of tbg. M/U Baker 5-1/2", 17# Lok - set pkr, wire line entry guide on btm, x-over 2-7/8" x 2-3/8" 687 type "F" profile on and off tool with 85 jts in hole. Set lok - set pkr at 2,660' w/15,000# compression on pkr. Tbg started gassing. Hooked up hardline. Bleed down to flat tank. Open tbg w/640# psi at 4:40 pm. Clean and load tools out. SDFN.  
Daily Cost:\$7,122 Cum Cost:\$51,828

05/14/98 (Day 13) 7:AM. 14 hrs. SITP 850#. SICP 0#. Hooked up hardline to test unit starting pressure at 850#. 7:45. MCFD running 440 mcf on an 8/64 choke setting. 8:30 - 400 on a tbg, no H2O rec. MCF running 215 cont to monitor. Pressures taking readings. Monitor until 4 P.M. Started bringing back H2O. Drain 2 bbls out of test unit. Avg MCF for 8 hrs is 315. Load tools out. SDFN.  
Daily Cost:\$5,591 Cum Cost:\$57,419

05/15/98 (Day 14) 7:AM. 15 hrs. SITP 650#. SICP 0#. Bled down through test unit for 1-1/2 hrs. R/U BJ Service to acidize perf 2,698 - 2,704', 6' 12 holes. Acidize with 500 gals of 15% HCL acid with 25 1.1 RCN ball sealers. Max press 1,520#. Avg press 1,400#. Min press 1,360#. Avg inj rate 2.7, max inj rate 3.3 BPM. ISIP was 700#, 5- min 240, 10 min 120#. Open up and bleed off same. R/D BJ Services. Rack tongs back. R/U floor, nipple down B.O.P. P/U broke out 8' pup jt. Put on landing donut and landed w/7,000# compression on pkr. R/U to swab tbg. 1<sup>st</sup> run, f/level at 100' pulled F/2,575'. Rec 10 bbls, 2% KCL. Cont to swab. Make 19 runs w/swab. Rec a total of 45 bbls fluid. 19 bbls over load. FFI 2,300' pulled F/pkr on all runs. SDFN.  
Daily Cost:\$8,082 Cum Cost:\$65,501

05/16/98 (Day 15) 7:AM. 14 hrs. SITP 925#. SICP 0#. Flow test well. Put on 5/64 at 8:30 AM. TP # 810. 12:00 - 785# with 25 psi drop. Avg mcf 197. 1:00 PM changed to 6/64. 2:00 PM changed to 7/64. 2:30 PM changed to 8/64. 3:00 PM 9/64. 5:00 PM tbg psi 545#, csg psi 600#. Avg mcf was 238. Total bbls of H2O 4.36. 23.36 bbls over load. NOTE: Refer to flow report for more details. SDFN.  
Daily Cost:\$1630 Cum Cost:\$67,131

05/18/98 (Day 16) 7:AM. 38.5 hrs. SITP 900#. SICP 550#. Open tbg to test unit. When open mcf run 312. Tbg psi 900#, csg psi 550#. Open on a 8/64 choke setting. Pressure decrease to 675#. 9:AM tbg psi 690#, csg 550#. 10.7 p/h, 258 daily. 9:30 700# tbg, 550# csg. 7/64 9.9 p/h, 240 daily. See gas sheet for more details. Monitored tbg and csg pressures till midnight. 8.0 rec bbls of fluid. Mcf for 16 hrs is 234 mcf. SDFN.  
Daily Cost:\$1,960 Cum Cost:\$69,091

05/19/98 (Day 17) 12 Midnight. Flow test well on a 7/64 choke setting. Avg MCF for 1<sup>st</sup> hour is 211. Monitored tbg and csg pressures taking readings off charts. Rec 3.0 bbls of fluid as of 8:AM. A total of 3.0 bbls at 12:00 noon. Open choke to a 10/64 choke setting. Left on a 10/64 till midnight. Avg MCF for 1<sup>st</sup> 12 hours on a 7/64 choke setting is 217 mcf. Went to a 10/64 choke setting. 5 bbls rec by noon. 24 hrs flow test. 13.5 bbl of water, 253 mcf, FTP = 700 to 475, SICP = 550 psi. SDFN.  
Daily Cost:\$2,529 Cum Cost:\$71,409

Medallion Exploration  
Dragon Canyon #1  
Sec27-T12S-R25E  
Uintah Co., Utah  
Daily Workover Report

05/20/98 (Day 18) 12 midnight. Flow testing well. From 1:AM to 6:AM. MCF jumped up to 449 – 539. Rec a total of 10.5 bbls of water. Avg MCF for 24 hour period is 351. At 7:AM mcf dropped back to 306, stayed consistent. 24 hrs test. 351 MCFD, 10.55 BWPD, 0 BOPD.  
Daily Cost:\$2,374 Cum Cost:\$73,783

05/21/98 (Day 19) 12 midnight. Press on tbg 460 psi. Press on csg 550 psi. Avg MCF for 1<sup>st</sup> 8 hrs is 272. Rec 5 bbls of fluid or .62 BPH. Open choke F/ 10/64 to a 12/64 to unload tbg for 10 mins then dropped back to a 12/64 choke setting. Tbg press 295 psi. Monitored tbg and csg pressures for 1 hour, went back to a 10/64 choke setting. Monitored pressures on tbg. Csg bled to 50 psi. Hooked tbg back up to test unit. Monitored tbg and csg pressures. Rec 8.68 bbls of fluid. A total of 44 bbls avg MCF for 23 hrs, 276 MCFD.  
Daily Cost:\$2,328 Cum Cost:\$76,111

05/22/98 (Day 20) 12 midnight. Press on tbg 460 psi. Press on csg 0#. Avg mcf for 1<sup>st</sup> 8 hrs is 231. Rec 3.75 bbls in 10 hrs time. 9:00 and 10:00 mcf dropped. Open choke up to a 15/64 to get H2O off same. Left open for 40 mins. Rec 6.25 bbls of fluid. Open tbg back up to a 8/64 choke setting to see what tbg pressure would build up to in 1-1/2 hrs on a 8/64 choke. MCF built up to 475#. MCFD is 220, Rec today 10 bbls of fluid. Avg MCF for 10 hr test is 228. 54 total bbls rec 0 bbls of oil. SDFN.  
Daily Cost:\$1,638 Cum Cost:\$77,750

05/26/98 (Day 21) 7:AM. 90 hrs. SITP 640#. SICP 0#. R/U BJ Services to frac intervals 2,698 – 2,704' pkr set at 2,660' in compression. Wait on 2 loads of 2% KCL due to KCL on location being heavily saturated w/500 PPM Iron. Test lines to 4,500# psi. Held safety meeting. Frac with Viking I-30, 10,000# of 20/40 Mesh sand, s-gals x-side, 207 xlec -9, BGTC 12 X.W. 32, 7 gals Flo back 20, 3- clay 5C, 6 enzymes "G", 15 gals GBW5, 15 gals GBW 330. Min pressure 2,250#, Avg press 2,550, Max pressure 3,200#. Min rate 10.1, max 10.2#. Frac gradient .977. ISIP 1,450#, 5-min 1,235#, 10-min 1,130#. 15-min 1,020#. Hooked up to blow down into flat tank. Tbg on vacuum. R/U to swab tbg. Made 17 runs with swab. Rec 83 bbls of fluid. Tbg started flowing. Change 2 in line ceramic chokes, starting with a 18/64 choke. 24/64 flowing. Rec 20 bbls 1<sup>st</sup> ½ hour. Total 103. Cont to flow tbg on a 24/64 choke. 18/64 rec 131.25 bbls. Run to test unit at 8:00 pm. 7.5 bbls over load. 14/64 choke. Pressure drop in 1 hour, 10/64 until 12:PM. Total H2O 1,585. 24.5 bbls over load.  
Daily Cost:\$21,162 Cum Cost:\$97,912

05/27/98 (Day 22) 12 midnight. Tbg pressure 500#. Flow test9ing well on a 17/64 choke setting. First 8 hours rec 505 bbls of fluid, 6.31 BPH. Went to a 10/64 C/S F/9:AM to 11:30. Rec 18.75 bbls of fluid. At 11:30 went to 14/64 C/S. ½ hours time rec 2.5 bbls at 12:00 noon. Cont to flow test well. Cont to open choke to get fluid out. Started with a 12/64 choke, then a 10, went from a 14.64 to a 18/64, then to a 24/64. Tripled MCF and added 3 bbls per hour water entry. Rec today 155 bbls of H2O and 184.5 bbls over load. Flow test to midnight. 24 hour test: Avg MF = 318, bbls over load = 184.5, BWPD = 155, Total bbls 318.5.  
Daily Cost:\$3,351 Cum Cost:\$101,263

Medallion Exploration  
Dragon Canyon #1  
Sec27-T12S-R25E  
Uintah Co., Utah  
Daily Workover Report

05/28/98 (Day 23) 12 midnight. Flow testing well on a 26/64 choke setting. Tbg pressure 330-300 psi. Avg MCF 1<sup>st</sup> 8 hours is 636. Rec 56 bbls of H2O. 7 B.P.H.. Cont to flow test well. Flowed well on a 24/64 choke setting until 1:PM, then opened to a 24/64 choke setting. Rec 6.25 bbls of fluid in 25 minutes time. Closed choke back to a 24/64 choke setting. Cont to flow well. Went to a 32/64 choke setting back to a 24.64, then a 20/64 until midnight. Rec 146.25 bbls of fluid today, a total of 464.25 bbls, 330.25 bbls over load. 24 hour test: Avg MCF = 489, BWPD = 146.25, TBW = 464.25, BOPD = 0.  
Daily Cost:\$2,328 Cum Cost:\$103,591

05/29/98 (Day 24) 12 midnight. Flow testing well. Pressure on tbg 245 to 250# on a 20/64 choke setting. 1 AM to 8 AM rec 41.25 bbls of H2O. Avg mcf for 1<sup>st</sup> 8 hours is 262 MCFD. Shut tbg in. Ran line straight to flare pit and open same. Let blow for 35 mins. Rec approx 10 bbls of H2O. Hooked back up to test unit. Open tbg 450# on same. Flow test well on a 14/64 choke setting. Flowed until 11:00. Load tools out. Got sample. Rec today 58.25. Rec to date 523, 389 bbls over load.  
Daily Cost:\$1,484 Cum Cost:\$105,435

06/01/98 (Day 25) SITP 550psi. Bleed pressure off in 30 minutes. NOTE: Tbg must be full of water. N/D wellhead, N/U BOPS. Release pkr @ 2,660'. RIH and tag fill @ 2,704'. POOH and lay down pkr. RIH s 4-3/4' rack bit and clean out sand to 2,765' & hit cmt. (lost 100 bbls of water). Drill out 15' cmt w/tongs to 2,780' and lost another 100 bbls of water. NOTE: We will not have enough water to clean out to 2,810' so that we could shoot zone 2,784-90'. POOH w/tbg & bit. R/U Weatherford and shoot zone 2,674-79, 11 shots w/4" 39 gram charge. 39" penetration. Perf correlated to CBL form comp Neutron date Jan 24, 1995. (2' correction). FL @ 550'. RIH w/5-1/2" retrievable plug & pkr. Set plug w/8.50' out on jt 86 @ a depth of 2,688'. POOH and set pkr w/84 jt @ 2,631'. Made \*\*\* runs from seat nipple @ 2,600'. IFL @ 1,200'. FFL @ 1,400'. Recovered 17.5 bbls water.  
Daily Cost:\$4,193 Cum Cost:\$109,081

06/02/98 (Day 26) CSG and TBG on slight suck. Made 1 swab run. FL @ 1,300'. Fill csg w/7 bbls H2O and test to 700 psi. OK. Made 2 swab runs w/fl @ 1,500' and recovering a lot of frac sand. Appears plug is leaking or we are communicating w/perf 2,698-704'. Release pkr and circulate 2' of sand off plug @ 2,688'. POOH and change out plug and pkr. Set plug @ 2,698' and pkr @ 2,682'. Test plug, wouldn't test. Move tools 2,684' and 2,678'. Tools would test. Perfs are to close to get tools to test. Ran out of water. Left plug @ 2,678' slm and pkr @ 2,631'. RU and swab well. Made 15 runs. IFL @ 500'. EFL @ 1,500'. Recovered 70 bbls water.  
Daily Cost:\$5,103 Cum Cost:\$114,184

06/03/98 (Day 27) Swab test zone 2,674-79' w/pkr @ 2,631 and plug 2,677' slm. SITP 70psi. SICP 0 psi. Made 50 runs. IFL @ 1.300'. FFL @ 1m700'. Recovered 177 bbls water today. Total recovered 247 bbls, some gas.  
Daily Cost:\$2,684 Cum Cost:\$116,518

Medallion Exploration  
Dragon Canyon #1  
Sec27-T12S-R25E  
Uintah Co., Utah  
Daily Workover Report

06/04/98 (Day 28) SITP 250 psi. SICP 0 psi. Swab zone 2,674-79' w pkr @ 2,631 and plug @ 2,677' slm. Made 22 runs. IFL @ 1,500'. FFL @ 1,600'. Recovered 69 bbls water (Gas Cut). Total = 317 bbls. Avg rater per hr = 19 bbls water. Release pkr @ 2,631'. RIH and set pkr @ 2,660', 2,666' and 2,672' slm and test pkr to 1,000 psi on prf setting above. Tagged plug @ 2,677'. Plug was in perms so the first setting @ 2,687' appears to be the right depth. So it appears that perms 2,674-79 and perms 2,698-704 are communicating due to the fact that we were recovering frac sand when the plug was set @ 2,688'. Set plug @ 2,555' on the 82<sup>nd</sup> jt. RU and swab fluid level down from 1,000' to 1,800'. POOH w/pkr. RU Weatherford and perf zone 2,064-70' form Comp Neutron Density log dated 24, Jan 1995. Shot 12 shots w/4" gun w 39 gram charges. NOTE: 2' correction CBL. RIH w/5-1/2" fullbore pkr and set @ 2,023' (65<sup>th</sup> jt.) RU and make 2 swab runs. IFL = 1,800', FFL = 1,800'. BBLs recovered = 1.5 bbls. Will break down zones in AM. NOTE: Had slight blow after perforating.  
Daily Cost:\$4,296 Cum Cost:\$120,814

06/05/98 (Day 29) Swab test zone 2,064-70, 6' 12 shots. 14 hr SITP 50 psi, SICP 0 PSI. Made 16 swab runs. IFL @ 300'. FFL @ 1,500' on hourly runs. Recovered 21.5 bbls today. Total = 23 bbls. Had slight blow after runs. NOTE: Broke zone down w/10 bbls water. 1,900 psi to 1,700 psi @ 205 BPM. ISIP = 1,500 psi. 5 min = 1,200 psi. 10 min = 1,200 psi. 15 min = 1,100 psi.  
Daily Cost:\$2,038 Cum Cost:\$122,852

06/08/98 (Day 30) 7:AM. 65 hrs. SITP 50#. SICP 0#. RIH w/swab. IFL at 400' pulled F/seat nipple. Rec 7.5 bbls. Cont to swab. Made 2<sup>nd</sup> run, F/level at 1,700' pulled from 2,045. Rec 6.25 bbls. L/D swab. Hooked up tbg tongs. P/U 1 jt. Released fullbore pkr. POOH with 41 bbls of H2O. F/level in well 1,775'. R/U Schlumberger to run Neutron Density log. Run log F/1,500' to surface. R/D Schlumberger. M/U Ret tool, btm of stand. RIH w/41 stds of tbg, latch onto plug and release. Pulled up 9 stds and reset at 2,005'. Ck 6to see if plug was on. No plug. R/U to swab IFL at 7,100'. Made 8 runs with swab. FFL at 1,800'. Rec 18.5 bbls of H2O. L/D swab. POOH w/32 stds. Load tools out. SDFN.  
Daily Cost:\$4,905 Cum Cost:\$127,757

06/10/98 (Day 31) 7:AM. No pressure on csg. R/U Weatherford to perforate 1-interbal 1,364-74', 10' 2 SPF, 20 holes, 90 degree phasing. .39 gram charge. Blow after perforating. Perforate the following intervals: 1,378-84, 6', 2 SPF, 90 degree phasing w/.32 and .39 gram charges. Both intervals were shot from Compensated Neutron Gamma Ray log dated 6/8/98. R/D Weatherford. M/U ret tool, btm of stand. RIH with a total of 23 stds of tbg. E.O.T. at 1,469'. R/U to get inj rate. Load hole w/29 bbls. Inj 2.5 bbls for 2 mins down casing. Max pressure 2,500#. Broke to 1,200#. I.S.I.P. 1,300#. 5 mins 750#. 10 mins 6.25#, 500# at 15 ins. R/U to swab. Made 15 runs. Rec 29 bbls of H2O. Run 16 and 17 dry runs. I.F.L. at surface. F.F.L. at 1,200'. Stood back swab. 7 bbls left to rec. Frac gradient 1.37. SDFN.  
Daily Cost:\$5,628 Cum Cost:\$133,385

06/11/98 (Day 32) 7:AM. 15 hrs. SITP 20#. SICP 5#. IFL at 1,390. Made 12 runs w/swab. Rec 5.25 bbls. Went to 1/2 hour runs. Rec .25 bbl from 10:45 to 2:45 were hourly runs. At 2:PM rec 55 bbls of H2O. Stood back swab. SDFN.  
Daily Cost:\$2,203 Cum Cost:\$135,589

06/12/98 (Day 33) 7:AM. 16 hrs. SITP 20#. SICP 5#. No fluid level detected on 1<sup>st</sup> run. Stroke swab on 2<sup>nd</sup> run. No fluid rec. Made 2, 1 hour runs with no fluid rec. L/D swab. RIH and release Baker 5-1/2", 17# cup type plug. RIH w/9 stds. Laid down 44 jts of 2-3/8" tbg pulled back 18 stds of tbg. L/down plug and retrieving tool. Load tools out. SDFN.  
Daily Cost:\$1,734 Cum Cost:\$137,097

Medallion Exploration  
Dragon Canyon #1  
Sec27-T12S-R25E  
Uintah Co., Utah  
Daily Workover Report

06/15/98 (Day 34) 7:AM. 67 hrs. 200# on csg. Bled gas off well. M/U Baker 5-1/2", 17# Cmt Retainer. RIH w/38 jts of 2-3/8" tbg. Set retainer load csg w/12 bbls of fluid. F/level approx 600'. Test tbg to 2,500#. Pump cmt job. Pumped 44 sks of cmt below retainer at 1,203'. Stung out of retainer. Left 6 sks of cmt on top of retainer. Pulled 4 jts. L/D same. Reversed out. R/U to swab. Swabbed 19.5 bbls of fluid out. F/level at 930'. POOH w/17 stds of tbg. R/U Weatherford to shoot 2 intervals 980-992', 12' 24 holes, 2 SPF, .39 gram charge. 2<sup>nd</sup> interval 880-96', 16', 32 holes, 2 SPF, .39 gram charge. F/level rose 120' after shooting 1<sup>st</sup> interval. Rose 80 more feet after shooting 2<sup>nd</sup> gun. R/D Weatherford. M/U 5-1/2", 17# Baker fullbore pkr. RIH w/29 jts. Set pkr at 932' w/22,000# of tension. R/U to swab. IFL at 150'. Made 7 runs. Load rec perfs 980-992 were giving up 13 BPH. Release pkr. POOH w/pkr and p/u plug. Push plug to 940'. Set same pulled up and set pkr at 840'. Swab interval 980-992', 12', 24 holes.

06/16/98 (Day 35) 7:AM. 12 hrs. SITP 0#. SICP 0#. Made run. IFL at 200'. Rec 2.5 bbls. Load tbg w/3 bbls. Inj rate 2,500#. Broke back to 2,000# and again to 1,800', 2.1 BPM to 2.6 BPM. ISIP 1,000#. 5 min 750#, 10 min 650#. Bleed off. Frac gradient. 1.5. R/U to swab. IFL at surface. Rec 3 bbls. Cont to swab. Made 6 runs. Rec 5.75 bbls of load. Went to 1/2 runs and stroking swab for 5 runs. Went to hourly runs at noon. For 4 hours tbg had a strong gas blow after runs. Made 17 runs, rec 10 bbls of fluid, 2 bbls overload, gas blow on 5 runs.  
Daily Cost:2,316 Cum Cost:\$148,472

06/17/98 (Day 36) 7:AM. 15 hrs. SITP 150#. SICP 0#. Bleed gas off tbg. Bled off fast. RIH w/swab. IFL at 400'. Pulled back 1 bbl. Made 5 runs w/swab. Rec 3.75 bbls, went to 1/2 hour runs. Made 21 runs with swab. Light blow on tbg from 11:AM - 2PM. Rec today 16.75 BWPD. Rec todate 26.75 bbls. 1.86 BWPH rec today. Stood back swab. Load tools out. SDFN.  
Daily Cost:\$2,344 Cum Cost:\$150,816

06/18/98 (Day 27) 7:AM. No pressure. Made 2 swab runs. Rec 2.5 bbls w/no gas on run. Rec 29.25 bbls fluid. Top int 880-96'. 21.25 overload. Stood back swab. Release fullbore at 840'. Latch onto plug at 940' and released. RIH and reset Baker model "c" plug at 1,041' pulled up and reset fullbore pkr at 932'. R/U to swab interval 980-92. Made 47 runs w/swab. Rec a total of 65.5 bbls of H2O from interval 980-92'. Stood back swab. SDFN.  
Daily Cost:\$2,645 Cum Cost:\$153,461

06/19/98 (Day 38) 7:AM. 15 hrs. SITP 0#. SICP 0#. Made 21 runs with swab. Rec 35.5 bbls of fluid. Rec 8.8 bbls per hour. 101 total bbls from interval 980-92. Stood back swab, without no gas blow.  
Daily Cost:\$1,640 Cum Cost:\$155,101

06/23/98 (Day 39) 7:AM. 92 hrs. SITP 0#. SICP 50#. RIH w/swab. IFL at 932'. RIH and latch and release R.B.P. at 1,041'. L/D 7 jts. POOH w/pkr, ret tool and model "C" cup type plug. R/U Weatherford. RIH w/5-1/2", 17# CIBP. Set CIBP at 840', correlated to Compensated Neutron Gamma Ray Log dated 6/8/98. Perforate 3 intervals also correlated to Compensated Neutron Gamma Ray Log dated 6/8/98. Intervals shot are: 376-94', 18', 2 SPF with a 4" .39 gram charge, 2<sup>nd</sup> run shot 356-366', 10' 2 spf with a 3-3/8" expendable. 10', 2 spf with a 3-3/8" expendable. 3<sup>rd</sup> shot interval 336-52', 16', 2 spf w/3-3/8" expendable. Small amount of gas after runs. RIH w/pkr, s/n, 9 jts of tbg. Set pkr at 302'. Hook up to get injection rate. 2.3 BPM at 2,000#. Broke back to 1,600# and 2.5 BPM. ISIP 1,100#, 5-min 0#. Made 8 runs w swab. Rec 1 bbl of fluid, went to hourly runs. Rec a total of 2.25 bbls of the 5 bbls pumped. Stood back swab. Load tools out. SDFN.  
Daily Cost:\$8,508 Cum Cost:\$163,609

Medallion Exploration  
Dragon Canyon #1  
Sec27-T12S-R25E  
Uintah Co., Utah  
Daily Workover Report

06/24/98 (Day 40) 7:AM. 15 hrs. SITP 0#. RIH w/swab. No fluid Rec. Stroke swab. No fluid entry overnight. Released pkr at 302'. Dropped down to 490'. R/B up to swab. F/level 400'. Rec 3/10 of a bbl of brn color H2O. 2<sup>nd</sup> run, black colored H2O. Wait 1 hour. 10:AM. Run rec 100' of blackish color H2O. 11:AM rec 50' of fluid. A total of 1.125 bbl today. Rec to date 35 bbls. 1.5 bbl left to rec from load. Stood back swab. SDFN.  
Daily Cost:\$2,013 Cum Cost:\$165,622

06/30/98 (Day 41) 7:AM. 139 hours. SITP 0#. SICIP 0#. RIH w/swab. IFL at 300', pulled F/475', pulled 3 stds of tbg. Reset pkr at 302' w/15,000# of tension. R/U BJ Services. Pumped 24 bbls of diesel w/100 1.1 ball sealers spaced out evenly through out job. Flush w/3 bbls. Load to rec is 27 bbls of fluid. ISIP 760#, 5-min 440 psi and 10 min 370 psi. R/D BJ Services. SITP 200# at 8:30 AM. Open at 11:AM. R/U to swab diesel out of tbg and to rec F/well. Rec 1 bbl. Went to ½ hour runs. Made 5, ½ hr runs. Rec a total of 2 bbls of diesel. 25 bbls left to rec. SDFN.  
Daily Cost:\$5,802 Cum Cost:\$172,302

07/01/98 (Day 42) 7:AM. 17 hrs. SITP 0#. SICIP 0#. RIH w/swab. IFL at 200'. Rec .25 of a bbl of diesel. No gas. Went to ½ hour runs. No fluid entry. Went to hourly runs. Made 4 hourly runs. No fluid rec. POOH w/9 jts of 2-3/8" tbg, s/nipple, fullbore pkr, and ret tool. RIH w/26 jts of 2-3/8" tagged plug at 842'. Circ diesel out of hole. Load out equipment not needed. R?D test unit. SDFN.  
Daily Cost:\$2,195 Cum Cost:\$174,497

07/02/98 (Day 43) 7:AM. R/U Halliburton Service to plug and abandon Dragon Canyon 27-12-25. Stage 1 pumped 50 sks of premium plug Ag cmt. L/D 16 jts of 2-3/8" tbg. Stage 2 pumped 35 sks. L/D 10 jts of 2-3/8" tbg. Rack out tongs and slips. R/U floor, nipple down 7-1/16" BOP. Pumped 2 sks cmt. Let set ½ hour to see if cmt would drop. OK. Nipple down 7-1/16" 5,000 x 11" 3,000# csg spool. Cut 11" x 3,000# x 8-5/8 weld off. Cut off 5-1/2" csg stub. Rack out pump and lines. Load out equipment. SDFN.  
Daily Cost:\$7,067 Cum Cost:\$181,564

07/03/98 (Day 44) 7:AM. Finished racking out equipment. RDSU. Weld dry hole plate on 8-5/8" csg. Final Report.  
Daily Cost:\$1,490 Cum Cost:\$183,055