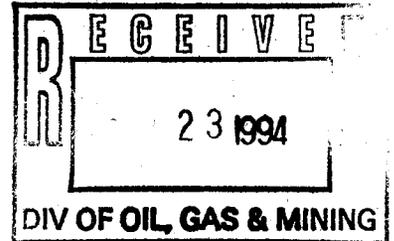




November 21, 1994

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

Attn: Frank Matthews



Re: **Trinity Petroleum Corp.**  
**Black Horse #31-9-15-24**  
**NW NE Sec. 9, T15S - R24E**  
**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.

A handwritten signature in cursive script that reads "Lisa L. Smith".

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-72068**  
6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
**N/A**

7. UNIT AGREEMENT NAME  
**N/A**  
8. FARM OR LEASE NAME  
**Black Horse**

9. WELL NO.  
**#31-9-15-24**  
10. FIELD AND POOL OR WILDCAT  
**Wildcat**  
11. SEC., T., R., M., OR BLK.  
AND SURVEY OR AREA  
**Sec. 9, T15S - R24E**  
12. COUNTY OR PARISH  
**Uintah**  
13. STATE  
**Utah**

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 **799' FNL and 1913' FEL**  
At proposed Prod. Zone **NW NE Sec. 9, T15S - R24E**

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

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)  
**799'**

UTAH DIV OF OIL, GAS & MINING

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

19. PROPOSED DEPTH  
**6000'**

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
**7585' GR**

20. ROTARY OR CABLE TOOLS  
**Rotary**  
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#	2,200'	983 sx - Circ. to Surf.
7-7/8"	4-1/2"	11.6#	6,000'	546 sx or suffic. to cover zones of interest.

Trinity Petroleum Exploration, Inc. proposes to a well to a depth of 6000' 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 **11/21/94**

PERMIT NO. **43-047-32592** APPROVAL DATE  
APPROVED BY *[Signature]* TITLE **Petroleum Engineer** DATE **7/6/95**

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.

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

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

**BLACK HORSE #31-9-15-24  
✓ 779' FNL and 1913' FEL  
NW NE Sec. 9, T15S - R24E  
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

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**Black Horse #31-9-15-24**

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**ONSHORE ORDER NO. 1**  
**TRINITY PETROLEUM EXPLORATION, INC.**  
**Black Horse #31-9-15-24**  
**779' FNL and 1913' FEL**  
**NW NE Sec. 9, T15S - R24E**  
**Uintah County, Utah**

Lease No. UTU-72068

**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	350'	+6210'
Mesa Verde	2166'	+5394'
Castlegate	4470'	+3090'
Mancos	4535'	+3025'
Mancos B	5252'	+2308'
T.D.	6000'	

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Gas	Mancos B	5252'
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. 1**  
**Amoco Production Company**  
**Black Horse #31-9-15-24**  
**779' FNL and 1913' FEL**  
**NW NE Sec. 9, T15S - R24E**  
**Uintah County, Utah**

**Lease No. UTU-72068**

**DRILLING PROGRAM**

**Page 2**

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

**Amoco Production Company'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.**



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**ONSHORE ORDER N 1**  
**TRINITY PETROLEUM EXPLORATION, INC.**  
**Black Horse #31-9-15-24**  
**779' FNL and 1913' FEL**  
**NW NE Sec. 9, T15S - R24E**  
**Uintah County, Utah**

**Lease No. UTU-72068**

**DRILLING PROGRAM**

**Page 3**

**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.**



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A Petroleum Permitting Company

**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	0-2200'	12-1/4"	8-5/8"	24#	K-55	ST&C	New
Produc.	0-6000'	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  
0-2200'

Type and Amount

+833 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 346 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>
0-2200'	Native	8.4-8.8	N/A	NC	9.0
2200-6000'	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. One 60' core is anticipated in the Mancos B formation from 5260-5320.
- 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 pending weather conditons.
- 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.**  
**Black Horse #31-9-15-24**  
**779' FNL and 1913' FEL**  
**NW NE Sec. 9, T15S - R24E**  
**Uintah County, Utah**

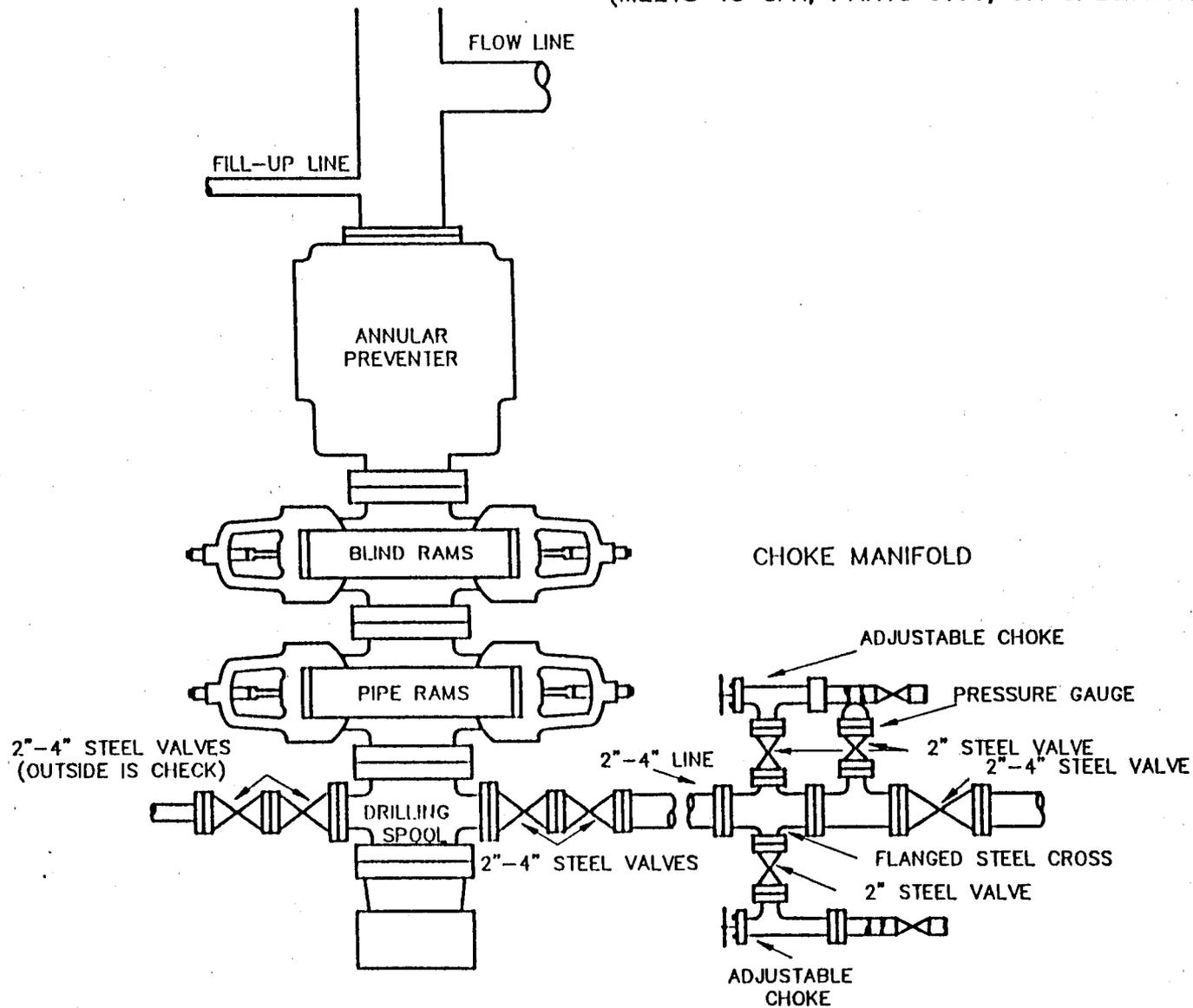
**Lease No. UTU-72068**

**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.

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.**  
**Black Horse #31-9-15-24**  
**779' FNL and 1913' FEL**  
**NW NE Sec. 9, T15S - R24E**  
**Uintah County, Utah**

Lease No. UTU-72068

**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 3:20 p.m. Weather conditions were cool and windy. In attendance at the onsite inspection were the following individuals:

**Robert Kay**  
**Lisa Smith**  
**Byron Tolman**  
**Harry Barber**  
**Russ Ivie**  
**Randy Jackson**  
**Bill Buniger**

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



**1. Existing Roads**

- a. **The proposed well site is located approximately 61 miles south of Ouray, Utah.**
- b. **Directions to the location from Ouray, Utah are as follows:**  
  
**Proceed in a southerly direction for approximately 55.1 miles on the Seep Ridge Road to the intersection of this road and a road to the northeast. Turn left and proceed northeasterly for 6.3 miles to the beginning of the proposed access road. Follow the road flags in a northeasterly direction approximately 0.3 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 0.3 miles of new construction will be required as shown on Map B.**
- b. **The maximum grade of the new construction will be approximately 6%.**
- c. **No turnouts are planned.**
- d. **No low water crossings will be necessary. There are no major cuts and fills. One culvert may be required where the new access leaves the existing road.**

- 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. No cattleguards will be necessary.
- 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.



**ONSHORE ORDER No. 1**  
**Trinity Petroleum Exploration, Inc.**  
**Black Horse #31-9-15-24**  
**779' FNL and 1913' FEL**  
**NW NE Sec. 9, T15S - R24E**  
**Uintah County, Utah**

Lease No. UTU-72068

**SURFACE USE PLAN**  
Page 4

1. A right of way will be necessary and will be submitted separately on SF-299.

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 - one
- 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) or other color as specified by the BLM. 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.



**Permitco Incorporated**  
A Petroleum Permitting Company

- b. **If storage facilities/tank batteries are constructed on this lease, the facility/battery or the wellpad shall be surrounded by a containment dike of sufficient capacity to contain at a minimum, the entire content of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.**
- 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 an Underground Water Well (operated by A-1 Tank Rental & Brine Service) located East 400 ft. North 200 ft. from S1/4 Cor. of Section 32, T4S - R3E in Ouray. (Permit No. 43-8496).
- 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. During construction of the access road and location, the operator will attempt to avoid taking out the larger trees when possible.**
- c. Since this area has been previously chained by the BLM, all dead trees and brush will be pushed off of the location and stockpiled as shown on the location layout. The topsoil will then be stripped and stockpiled separately.**
- d. The reserve pit will be located on the northeast side of the location.**
- e. 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.**
- f. The stockpiled topsoil (first six inches) will be stored on the south side of the location between points 6 & 8 and at Corner 8 as shown.**
- g. Access to the wellpad will be from the southwest between points 7 and 8.**
- h. See Location Layout for orientation of rig, cross section of drill pad and cuts and fills.**
- i. The location of mud tanks; reserve pit, trash cage; pipe racks; living facilities and soil stockpiles will be shown on the Location Layout.**

- j. During construction, all brush will be removed from the wellpad and access road and stockpiled separately from the topsoil.**
  
- k. 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.**
  
- l. 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** - The majority of the access will be along the Seep Ridge Road which is county or BLM maintained. The remainder of the access will be located on BLM, State and Private lands. All appropriate permits will be filed with the Utah Div. of State Land and Forestry. All necessary negotiations will be done with private landowners prior to crossing private land.

**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. No erosion control structures will be required by the Bureau of Land Management at this time.
- 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.



**ONSHORE ORDER NO. 1**  
**Amoco Production Company**  
**Black Horse #31-9-15-24**  
**779' FNL and 1913' FEL**  
**NW NE Sec. 9, T15S - R24E**  
**Uintah County, Utah**

**Lease No. UTU-72068**

**SURFACE USE PLAN**

**Page 13**

- 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**

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

**Permit, Drilling & Completion Matters**

**AMOCO PRODUCTION COMPANY**  
**1670 Broadway**  
**P.O. Box 800**  
**Denver, CO 80201**

**Attn: Julie Acevedo**  
**303/830-6003**



**Permitco Incorporated**  
**A Petroleum Permitting Company**

**ONSHORE ORDER NO. 1**  
**Amoco Production Company**  
**Black Horse #31-9-15-24**  
**779' FNL and 1913' FEL**  
**NW NE Sec. 9, T15S - R24E**  
**Uintah County, Utah**

**Lease No. UTU-72068**

**SURFACE USE PLAN**

**Page 14**

**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 Amoco Production Company and its contractors and subcontractors in conformity with the plan and the terms and conditions under which it is approved.**

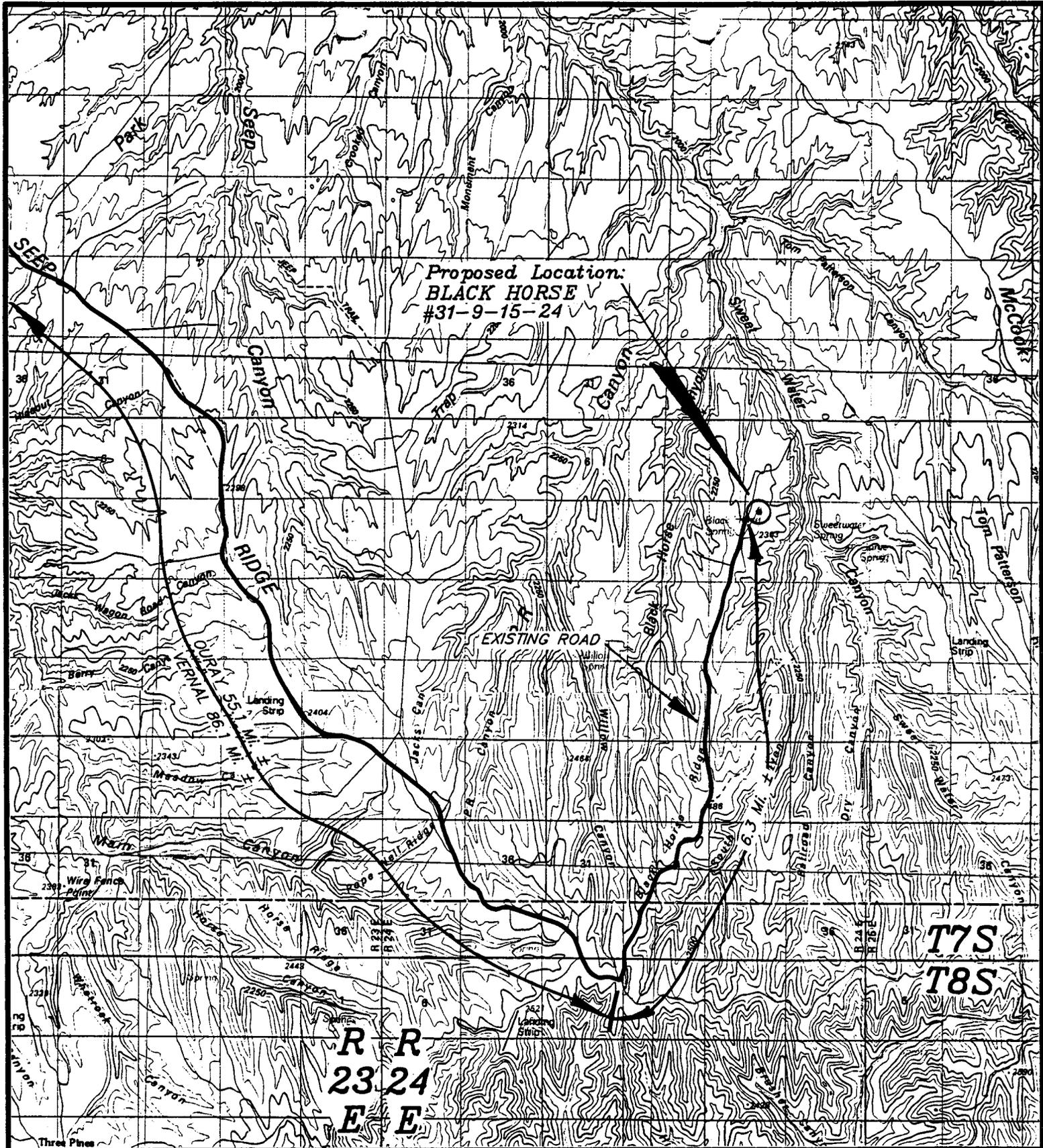
**This statement is subject to the provisions of 18.U.S.C. 1001 for the filing of a false statement.**

**February 20, 1995**  
**Date:**

  
\_\_\_\_\_  
**Julie Acevedo**  
**Sr. Staff Assistant for:**  
**AMOCO PRODUCTION COMPANY**



**Permitco Incorporated**  
A Petroleum Permitting Company



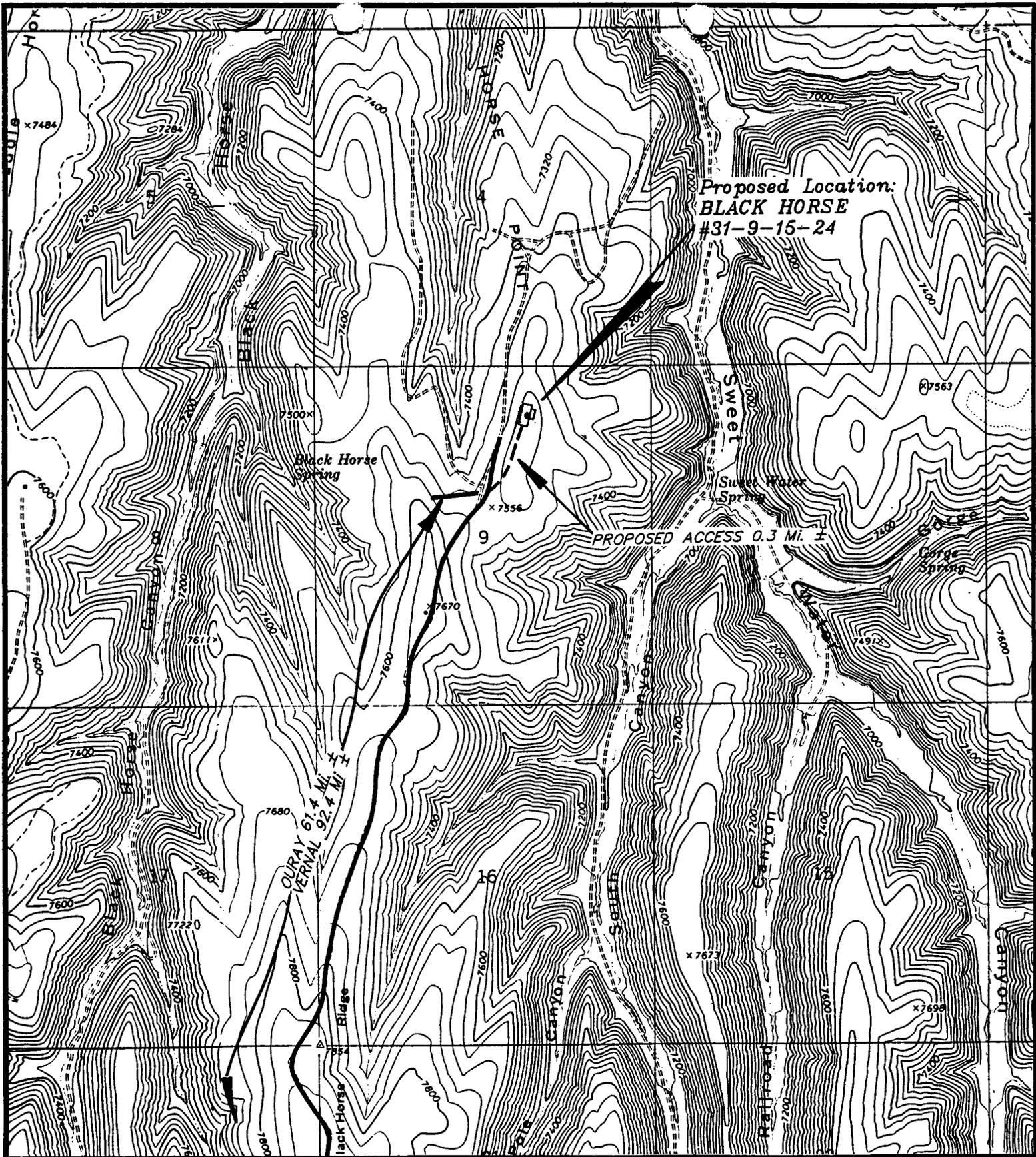
TOPOGRAPHIC  
 MAP "A"

DATE: 11/9/94 D.COX



**TRINITY PETROLEUM EXPLORATION, INC.**

BLACK HORSE #31-9-15-24  
 SECTION 5, T7S, R24E, S.L.B.&M.  
 779' FNL 1913' FEL



TOPOGRAPHIC  
MAP "B"

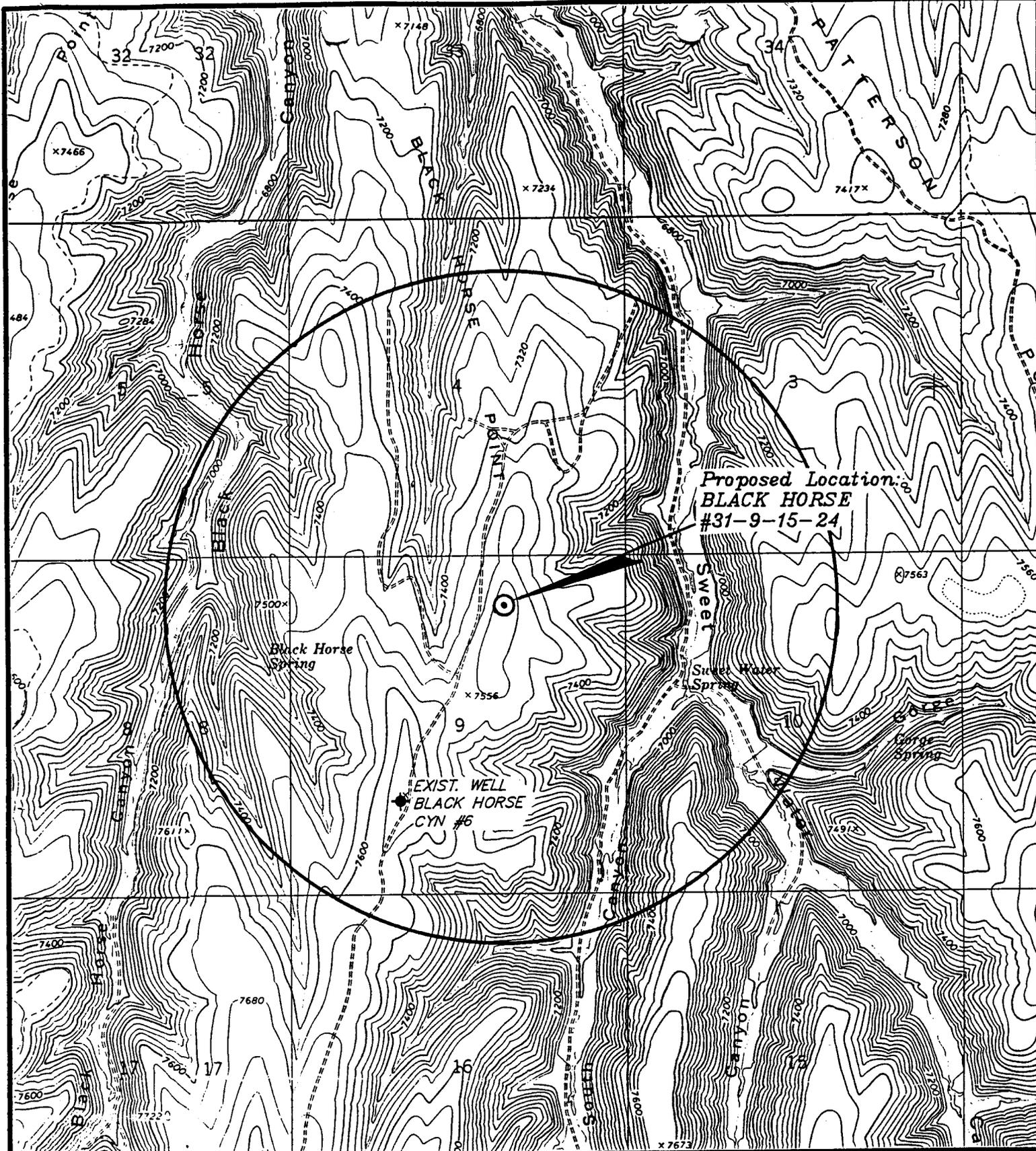
SCALE: 1"=2000'

DATE: 11/2/94 D.COX



TRINITY PETROLEUM EXPLORATION, INC.

BLACK HORSE #31-9-15-24  
SECTION 9, T15S, R24E, S.L.B.&M.  
779' FNL 1913' FEL



**LEGEND:**

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



**TRINITY PETROLEUM EXPLORATION, INC.**

BLACK HORSE #31-9-15-24  
 SECTION 9, T15S, R24E, S.L.B.&M.  
**TOP O M A P " C "**

DATE: 11-7-94 D.COX



# TRINITY PETROLEUM EXPLORATION, INC.

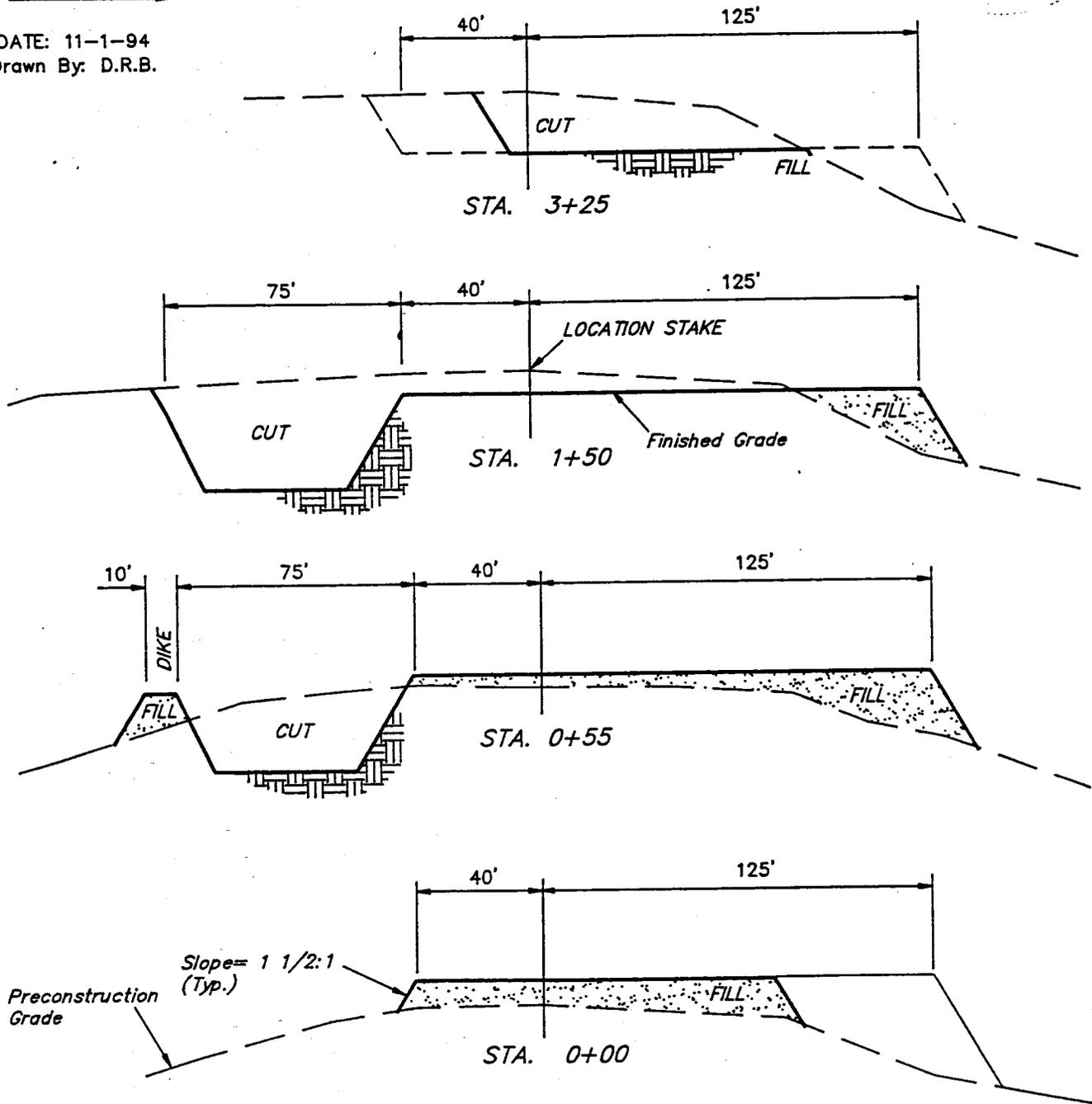
## TYPICAL CROSS SECTIONS FOR

BLACK HORSE #31-9-15-24  
SECTION 9, T15S, R24E, S.L.B.&M.  
779' FNL 1913' FEL



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

DATE: 11-1-94  
Drawn By: D.R.B.



APPROXIMATE YARDAGES	
(6") Topsoil Stripping	= 1,160 Cu. Yds.
Remaining Location	= 6,230 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 7,390 CU.YDS.</b>
<b>FILL</b>	<b>= 4,750 CU.YDS.</b>

EXCESS MATERIAL AFTER 5% COMPACTION	= 2,390 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,390 Cu. Yds.
<b>EXCESS UNBALANCE (After Rehabilitation)</b>	<b>= 0 Cu. Yds.</b>

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

STIPULATIONS

TIMING LIMITATION - CRUCIAL ELK CALVING AND DEER FAWNING HABITAT

No surface use is allowed during the following time period. This stipulation does not apply to operation and maintenance of production facilities.  
May 15 through June 29.

On the lands described below:  
T. 15 S., R. 24 E., SLM, Utah  
Sec. 11, SWSW.

For the purpose of (reasons):  
Protection of crucial elk calving and deer fawning habitat as discussed in the Book Cliffs Resource Management Plan and EIS (p. 112). This stipulation may be waived, excepted, or modified by the authorized officer if either the resource values change or the lessee/operator demonstrates that adverse impacts can be mitigated.

TIMING LIMITATION - MONUMENT RIDGE DEER MIGRATORY ROUTE

No surface use is allowed during the following time period. This stipulation does not apply to operation and maintenance of production facilities.  
May 10 through May 31.

On the lands described below:  
T. 15 S., R. 24 E., SLM, Utah  
Sec. 5, SW.

For the purpose of (reasons):  
Protection of the Monument Ridge deer migration corridor as discussed in the Book Cliffs Resource Management Plan and EIS (p. 112). This stipulation may be waived, excepted, or modified by the authorized officer if either the resource values change or the lessee/operator demonstrates that adverse impacts can be mitigated.

CONTROLLED SURFACE USE - 100 YEAR FLOODPLAINS

Surface occupancy or use is subject to the following special operating constraint:

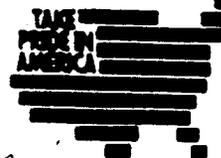
No surface use will be allowed within the 100 year floodplain of Sweetwater Creek.

On the lands described below:  
T. 15 S., R. 24 E., SLM, Utah  
Sec. 5, S2;  
Sec. 9, E2SE;  
Sec. 10, lots 7-10, NE, S2.



United States Department of Interior

BUREAU OF LAND MANAGEMENT  
UTAH STATE OFFICE  
324 SOUTH STATE, SUITE 301  
SALT LAKE CITY, UTAH 84111-2303



LI#2

IN REPLY REFER TO

3000  
(U-942)

NOTICE TO LESSEE

Provisions of the Mineral Leasing Act (MLA) of 1920, as amended by the Federal Coal Leasing Amendments Act of 1976, affect an entity's qualifications to obtain an oil and gas lease. Section 2(a)(2)(A) of the MLA, 30 U.S.C. 201(a)(2)(A), requires that any entity that holds and has held a Federal coal lease for 10 years beginning on or after August 4, 1976, and which is not producing coal in commercial quantities from each such lease, cannot qualify for the issuance of any other lease granted under the MLA. Compliance by coal lessees with Section 2(a)(2)(A) is explained in 43 CFR 3472.

In accordance with the terms of this oil and gas lease with respect to compliance by the initial lessee with qualifications concerning Federal coal lease holdings, all assignees and transferees are hereby notified that this oil and gas lease is subject to cancellation if: (1) the initial lessee as assignor or as transferor has falsely certified compliance with Section 2(a)(2)(A) or (2) because of a denial or disapproval by a State Office of a pending coal action, i.e., arms-length assignment, relinquishment, or logical mining unit, the initial lessee as assignor or as transferor is no longer in compliance with Section 2(a)(2)(A). The assignee or transferee does not qualify as a bona fide purchaser and, thus, has no rights to bona fide purchaser protection in the event of cancellation of this lease due to noncompliance with Section 2(a)(2)(A).

Information regarding assignor or transferor compliance with Section 2(a)(2)(A) is contained in the lease case file as well as in other Bureau of Land Management records available through the State Office issuing this lease.

For the purpose of:

Protection of floodplains and wetlands as discussed in the Book Cliffs Resource Management Plan and EIS (p. 78). This stipulation may be waived, excepted, or modified by the authorized officer if either the resource values change or the lessee/operator demonstrates that adverse impacts can be mitigated.

CONTROLLED SURFACE USE - VISUAL RESOURCES ON SLOPES EXCEEDING 40 PERCENT

Surface occupancy or use is subject to the following special operating constraints:

No surface use will be allowed on slopes in excess of 40 percent without written permission of the authorized officer.

On the lands described below:

- T. 15 S., R. 24 E., SLM, Utah
- Sec. 9, E2NE, SESW, SE;
- Sec. 10, S2NE, S2;
- Sec. 11, SWNW, W2SW.

For the purpose of:

Protection of visual resources as discussed in the Book Cliffs Resource Management Plan and EIS (p. 123). This stipulation may be waived, excepted, or modified by the authorized officer if either the resource values change or the lessee/operator demonstrates that adverse impacts can be mitigated.

Oil and Gas  
UTU-72068

NOTICES

The lessee/operator is given notice that the S2NE, SE Sec. 10; W2W2 Sec. 11, T. 15 S., R. 24 E., SLM, Utah, have been identified as having critical to severe soil erosion conditions. The authorized officer may prohibit surface disturbing activities during wet and muddy periods to minimize watershed damage. Modifications to the Surface Use Plan of Operations may also be required. This limitation does not apply to operation and maintenance of producing wells. This notice may be waived, excepted, or modified by the authorized officer if either the resource values change or the lessee/operator demonstrates that adverse impacts can be mitigated.

The lessee/operator is given notice that the area is known to have severe winter conditions. The authorized officer may require modifications to the Surface Use Plan of Operations to protect the environment during severe winter conditions. This notice may be waived, excepted, or modified by the authorized officer if either the resource values change or the lessee/operator demonstrates that adverse impacts can be mitigated.

The lessee/operator is given notice that the E2NE, SESW, SE Sec. 9; S2NE, S2 Sec. 10; SWNW, W2SW Sec. 11, T. 15 S., R. 24 E., SLM, Utah, are considered to have high quality visual resources. Modifications to the Surface Use Plan of Operations may be required to protect the visual resources. This notice may be waived, excepted, or modified by the authorized officer if either the resource values change or the lessee/operator demonstrates that adverse impacts can be mitigated.

Lands in Sections 10 and 11 have been identified as containing riparian areas associated with Gorge Spring. Modifications to the Surface Use Plan of Operations may be required for the protection of the riparian resources. This notice may be waived, excepted, or modified by the authorized officer if either the resource values change or the lessee/operator demonstrates that adverse impacts can be mitigated.

**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.**

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





**APPLICATION FOR TRANSPORTATION AND  
 UTILITY SYSTEMS AND FACILITIES  
 ON FEDERAL LANDS**

FORM APPROVED  
 OMB NO. 1004-0060  
 Expires: June 30, 1995

**NOTE:** Before completing and filing the application, the applicant should completely review this package and schedule a preapplication meeting with representatives of the agency responsible for processing the application. Each agency may have specific and unique requirements to be met in preparing and processing the application. Many times, with the help of the agency representative, the application can be completed at the preapplication meeting.

**FOR AGENCY USE ONLY**

Application Number \_\_\_\_\_  
 Date filed \_\_\_\_\_

1. Name and address of applicant (include zip code) <b>Trinity Petroleum Exploration, Inc.</b> <b>1801 Broadway, Suite 600</b> <b>Denver, CO 80202</b>	2. Name, Title, and address of authorized agent if different from Item 1 (include zip code) <b>Permitco Inc.</b> <b>13585 Jackson Drive</b> <b>Denver, CO 80241</b>	3. TELEPHONE (area code) Applicant <b>303/294-9942</b> Authorized Agent <b>303/452-8888</b>
---	--	---

4. As applicant are you? (check one) a. <input type="checkbox"/> Individual b. <input checked="" type="checkbox"/> Corporation * c. <input type="checkbox"/> Partnership/Association * d. <input type="checkbox"/> State Government/State Agency e. <input type="checkbox"/> Local Government f. <input type="checkbox"/> Federal Agency * If checked, complete supplemental page	5. a. <input checked="" type="checkbox"/> New authorization b. <input type="checkbox"/> Renew existing authorization No. _____ c. <input type="checkbox"/> Amend existing authorization No. _____ d. <input type="checkbox"/> Assign existing authorization No. _____ e. <input type="checkbox"/> Existing use for which no authorization has been received * f. <input type="checkbox"/> Other * * If checked, provide details under Item 7
--	---

6. If an individual, or partnership are you a citizen(s) of the United States?  Yes  No N/A

7. Project description (describe in detail): (a) Type of system or facility, (e.g., canal, pipeline, road); (b) related structures and facilities; (c) physical specifications (length, width, grading, etc.); (d) term of years needed; (e) time of year of use or operation; (f) Volume or amount of product to be transported; (g) duration and timing of construction; and (h) temporary work areas needed for construction. (Attach additional sheets, if additional space is needed.)

a. Trinity Petroleum Exploration, Inc. proposes to utilize existing roads to obtain access to a proposed a drillsite located on Federal lands (Black Horse #31-9-15-24) and a drillsite located on State lands (TPC State #23-36- The Black Horse drillsite is located in the NW NE of Section 9, T15S - R24E. Approximately 3.3 miles of BLM will be required.

BLM acreage to be affected outside of Lease No. UTU-72068 is as follows:

<u>T15S - R24E</u>		<u>T15-1/2S - R24E</u>	
Sec. 9:	On Lease	Sec. 34:	W/2 W/2, NE NW
Sec. 17:	SE SE		
Sec. 20:	E/2 E/2	<u>T16N - R24E</u>	
Sec. 21:	W/2 NW/4	Sec. 3:	W/2 NW/4
Sec. 28:	SW NW, NW SW		
Sec. 29:	E/2 E/2		

The TPC State will be located in the NE SW of Sec. 36, T14S - R24E

(CONTINUED ON PAGE TWO)

8. Attach map covering area and show location of project proposal	See two right of way maps attached.
9. State or local government approval: <input type="checkbox"/> Attached <input checked="" type="checkbox"/> Applied for <input type="checkbox"/> Not required	
10. Nonreturnable applicator fee: <input checked="" type="checkbox"/> Attached <input type="checkbox"/> Not required	\$175.00 monitoring and application fee
11. Does project cross international boundary or affect international waterways? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (If "yes," indicate on map)	
12. Give statement of your technical and financial capability to construct, operate, maintain, and terminate system for which authorization is being requested.	

Trinity Petroleum Exploration, Inc. is technically and financially capable to construct, operate, maintain and terminate the proposed access route.

The length of the requested road right of way is approximately 6.8 miles. BLM lands to be affected are as follows:

T14S - R25E

Sec. 31: SW SW

T15-1/2S - R25E

Sec. 33: NE NW

T15S - R25E

Sec. 6: W/2 W/2

Sec. 7: E/2 W/2

Sec. 18: E/2 W/2

Sec. 19: NE NW, W/2 NE/4, NW SE, SE SW

Sec. 30: E/2 W/2

Sec. 31: E/2 W/2

T16S - R25E

Sec. 4: NE NW

- b. Their are no related structures or facilities proposed at this time.
- c. The type of system is an existing access road (lengths described as above).

The use of surfacing material is not anticipated, however, should surfacing material be required, it will be purchased from a commercial source. Gravel will not be placed on the access roads unless weather conditions dictate. Additional drainage is not anticipated since this is an existing improved road.

The estimated grade is approximately 8% or less. No turnouts are planned. No low water crossings or culverts will be installed at this time.

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

The road will be maintained in a safe useable condition.

- d. The term of years needed is 30 years or the entire life of the producing wells, whichever is longer unless notification is given to the BLM for cancellation of this Right-of-Way.
- e. The road will be used year round for maintenance of the production facilities.
- f. Anticipated production is unknown at this time.

November 21, 1994  
Trinity Petroleum Exploration, Inc.  
Black Horse Federal #31-9-15-24  
TPC State #23-36-14-24  
Uintah County, Utah  
Right of Way Application  
Page 2

- g. No new construction will be required except for short distances located on lease.
- h. No temporary work areas will be required.

13a. Describe other reasonable alternative routes and modes considered.

b. Why were these alternatives not selected?

c. Give explanation as to why it is necessary to cross Federal lands.

14. List authorizations and pending applications filed for similar projects which may provide information to the authorizing agency. (Specify number, date, code, or name.)

15. Provide statement of need for project, including the economic feasibility and items such as: (a) cost of proposal (construction, operation, and maintenance); (b) estimated cost of next best alternative; and (c) expected public benefits.

16. Describe probable effects on the population in the area, including the social and economic aspects, and the rural lifestyles.

17. Describe likely environmental effects that the proposed project will have on: (a) air quality; (b) visual impact; (c) surface and ground water quality and quantity; (d) the control or structural change on any stream or other body of water; (e) existing noise levels; and (f) the surface of the land, including vegetation, permafrost, soil and soil stability.

18. Describe the probable effects that the proposed project will have on (a) populations of fish, plant, wildlife, and marine life, including threatened and endangered species; and (b) marine mammals, including hunting, capturing, collecting, or killing these animals.

19. State whether any hazardous substance, as defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. 9601 (14), or any hazardous or solid waste, as defined in the Resource Conservation and Recovery Act of 1976, as amended, 42 U.S.C. 6903 (5), (27), will be used in the construction of, or at any time transported within, the right-of-way.  
No hazardous substance as defined by CERCLA or any hazardous solid waste as defined by RCRA will be used in the construction or, or at any time transported within the right-of-way.

20. Name all the Department(s)/Agency(ies) where this application is being filed.  
Bureau of Land Management  
170 S. 500 E.  
Vernal, UT 84078  
Attn: Cindy McKee

I HEREBY CERTIFY, That I am of legal age and authorized to do business in the State and that I have personally examined the information contained in the application and believe that the information submitted is correct to the best of my knowledge.

Signature of Applicant

Lisa L. Smith - Agent for Trinity Petroleum Exploration, Inc.

Date

11/21/94

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.



**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 11/23/94

API NO. ASSIGNED: 43-047-32592

WELL NAME: BLACK HORSE 31-9-15-24  
 OPERATOR: ~~TRINITY PETROLEUM EXPL (N5145)~~ *N0050*  
*Amoco Production Company*

PROPOSED LOCATION:  
 NWNE 09 - T15S - R24E  
 SURFACE: 0759-FNL-1913-FEL  
 BOTTOM: 0759-FNL-1913-FEL  
 UINTAH COUNTY  
 WILDCAT FIELD (001)

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

LEASE TYPE: FED  
 LEASE NUMBER: UTU-72068

PROPOSED PRODUCING FORMATION: MNCSB

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Federal  State  Fee   
 (Number CO-1145)
- Potash (Y/N)
- Oil shale (Y/N)
- Water permit  
 (Number 43-8496)
- RDCC Review (Y/N)  
 (Date: SENT 11/29/94)

LOCATION AND SITING:

- R649-2-3. Unit: \_\_\_\_\_
- R649-3-2. General.
- R649-3-3. Exception.
- Drilling Unit.  
 Board Cause no: \_\_\_\_\_  
 Date: \_\_\_\_\_

COMMENTS: NEEDS EXPL

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

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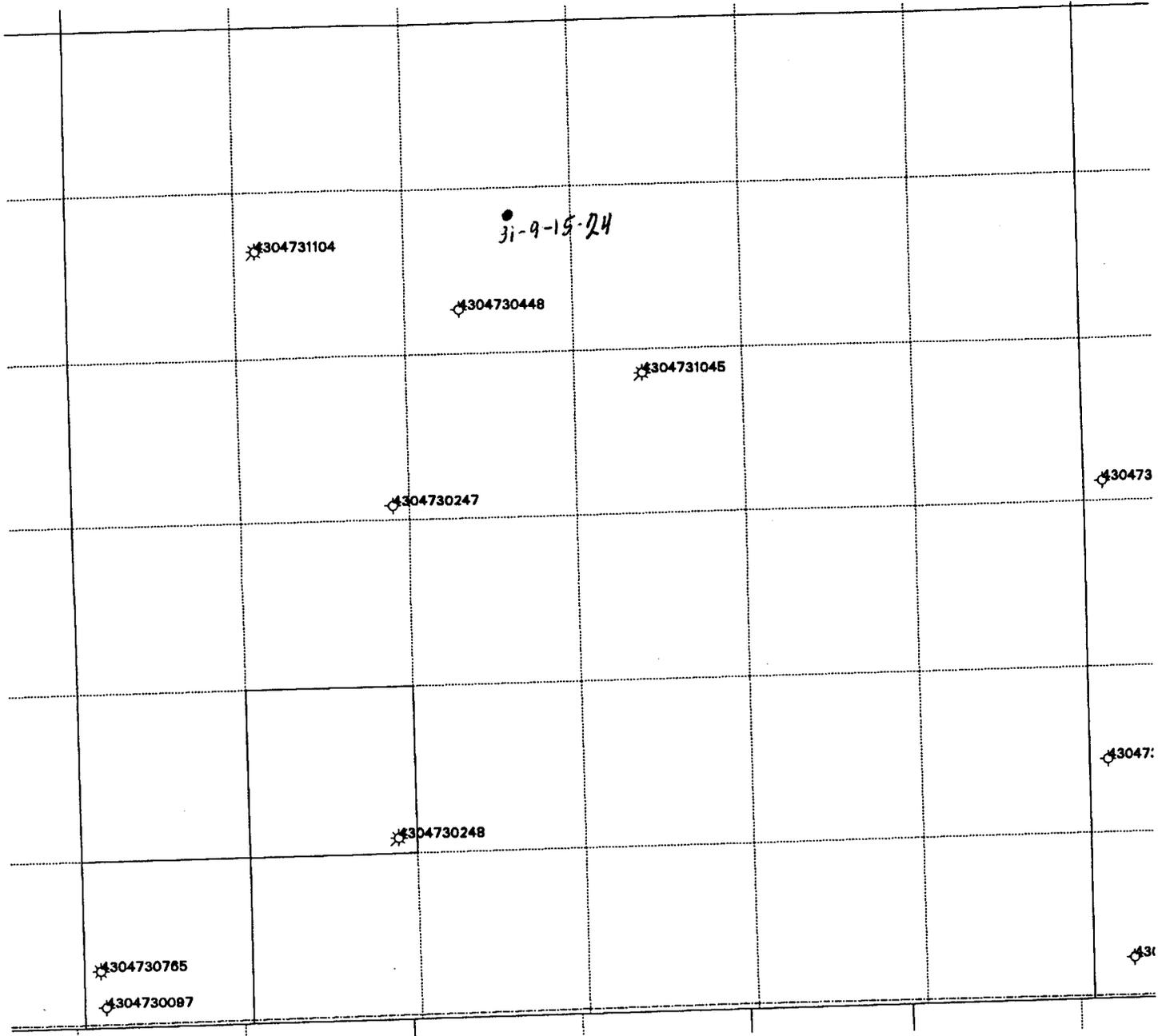


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TRINITY PETROLEUM CORP.  
BLACK HORSE #31-9-15-24  
SEC. 9, T15S, 24E UINTAH COUNTY



**STATE OF UTAH**

<b>Operator: TRINITY PETROLLEUM EXP</b>	<b>Well Name: BLACK HORSE 31-9-15-</b>
<b>Project ID: 43-047-32592</b>	<b>Location: SEC. 09 - T158 - R24E</b>

Design Parameters:

Mud weight ( 8.80 ppg) : 0.457 psi/ft  
 Shut in surface pressure : 2362 psi  
 Internal gradient (burst) : 0.064 psi/ft  
 Annular gradient (burst) : 0.000 psi/ft  
 Tensile load is determined using buoyed weight  
 Service rating is "Sweet"

Design Factors:

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

Length (feet)	Size (in.)	Weight (lb/ft)	Grade	Joint	Depth (feet)	Drift (in.)	Cost		
1	6,000	4.500	11.60	N-80	LT&C	6,000	3.875		
	<b>Load (psi)</b>	<b>Collapse Strgth (psi)</b>	<b>S.F.</b>	<b>Burst Load (psi)</b>	<b>Min Int Strgth (psi)</b>	<b>Yield S.F.</b>	<b>Tension Load (kips)</b>	<b>Strgth (kips)</b>	<b>S.F.</b>
1	2743	6350	2.315	2743	7780	2.84	60.24	223	3.70 J

Prepared by : MATTHEWS, Salt Lake City, UT  
 Date : 07-06-1995  
 Remarks :

Minimum segment length for the 6,000 foot well is 1,000 feet.  
 SICP is based on the ideal gas law, a gas gravity of 0.75, and a mean gas temperature of 104°F (Surface 74°F , BHT 134°F & temp. gradient 1.000°/100 ft.)  
 The mud gradient and bottom hole pressures (for burst) are 0.457 psi/ft and 2,743 psi, respectively.

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

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

MAR - 1 1995

LEASE DESIGNATION AND SERIAL NO.  
**UTU-72068**  
INDIAN, ALLOTTEE OR TRIBE NAME

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

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		7. UNIT AGREEMENT NAME N/A
1b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		8. FARM OR LEASE NAME Black Horse
2. NAME OF OPERATOR Amoco Production Company 303/830-6003 1670 Broadway, P.O. Box 800 Denver, CO 80201		9. WELL NO. #31-9-15-24
3. ADDRESS OF OPERATOR PERMITCO INC. - Agent 303/452-8888 13585 Jackson Drive 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 799' FNL and 1913' FEL At proposed Prod. Zone NW NE Sec. 9, T15S - R24E		11. SEC. T., R., M. OR BLK. AND SURVEY OR AREA Sec. 9, T15S - R24E
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 61 miles south of Ouray, UT		12. COUNTY OR PARISH Uintah
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 799'		13. STATE Utah
16. NO. OF ACRES IN LEASE 2,351.30'	17. NO. OF ACRES ASSIGNED TO THIS WELL 40	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT. None	19. PROPOSED DEPTH 6000'	20. ROTARY OR CABLE TOOLS Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 7585' 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#	2,200'	983 sx - Circ. to Surf.
7-7/8"	4-1/2"	11.6#	6,000'	546 sx or suffic. to cover zones of interest.

Amoco Production Company proposes to a well to a depth of 6000' 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.

Amoco Production Company has been designated by proper lease interest owners to conduct operations on the above mentioned lease. Bonding will be provided by Amoco Production Company under their Nationwide BLM Bond #35583.

Amoco Production Company 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 Jubia L. Acemah Sr. Staff Assistant TITLE Amoco Production Company DATE 2-27-95

(This space for Federal or State office use)

PERMIT NO. 43-047-32592 APPROVAL DATE \_\_\_\_\_

APPROVED BY [Signature] TITLE Associate Director DATE 7/6/95

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

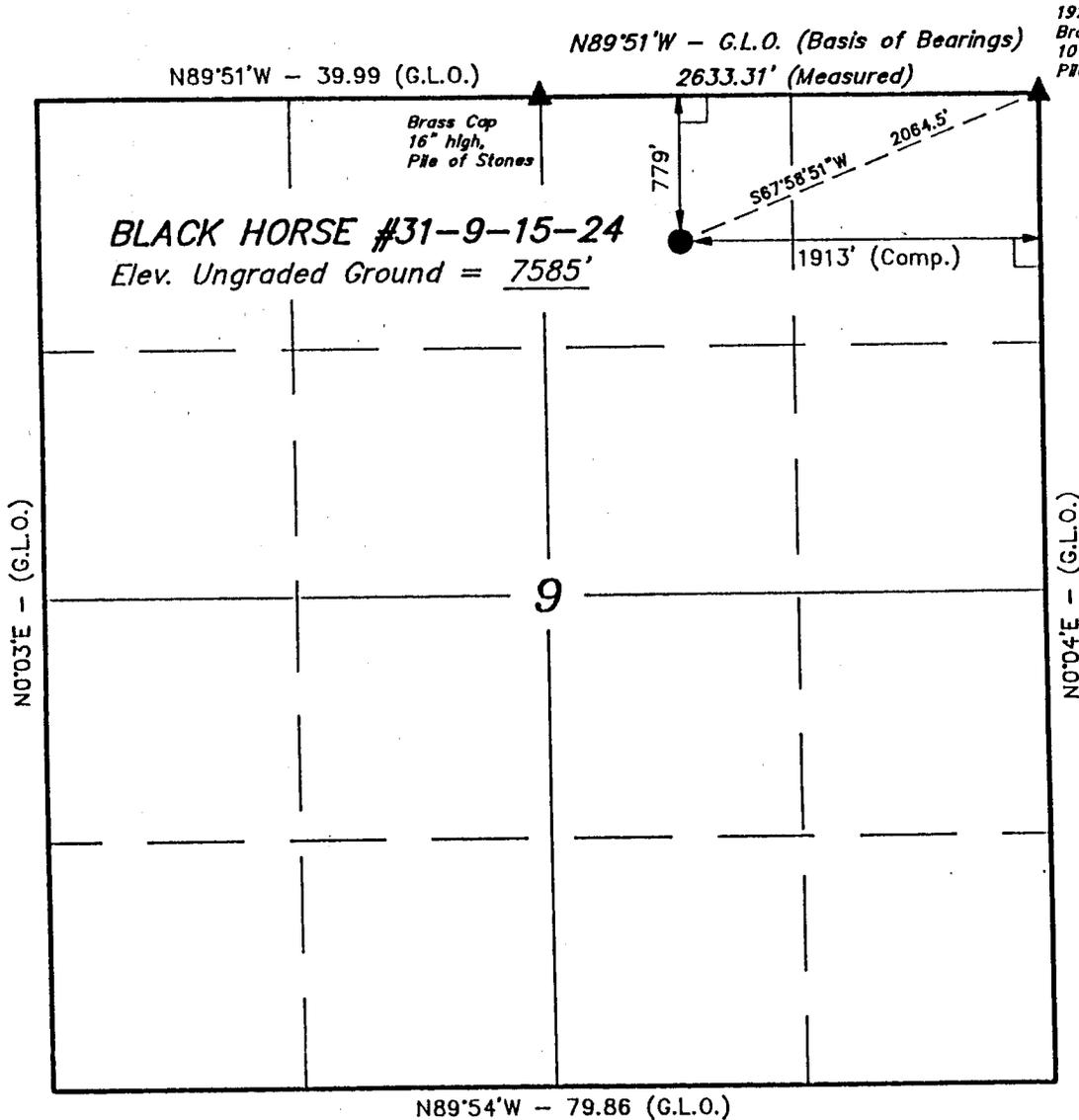
T15S, R24E, S.L.B.&M.

TRINITY PETROLEUM EXPLORATION, INC.

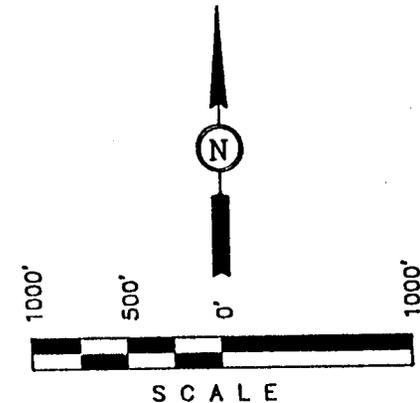
Well location, BLACK HORSE #31-9-15-24, located as shown in the NW 1/4 NE 1/4 of Section 9, T15S, R24E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHEAST CORNER OF SECTION 17, T15S, R24E, S.L.B.&M. TAKEN FROM THE TOM PATTERSON CANYON, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 7854 FEET.



1922  
Brass Cap  
10" High,  
Pile of Stones



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.

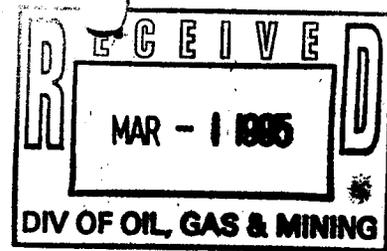
*Robert J. Kelly*  
REGISTERED LAND SURVEYOR  
REGISTRATION NO. 161319  
STATE OF UTAH

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

LEGEND:

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

SCALE 1" = 1000'	DATE SURVEYED: 10-25-94	DATE DRAWN: 11-1-94
PARTY D.A. G.B. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE TRINITY PETRO. EXPLR. INC.	



February 20, 1995

Bureau of Land Management  
170 S. 500 E.  
Vernal, UT 84078

Attn: Margie Herrmann

Re: Trinity Petroleum Exploration, Inc.  
Black Horse #31-9-15-24  
NW NE Sec. 9, T15S - R24E  
Uintah County, Utah  
Lease No. UTU-72068

Dear Margie,

Effective February 28, 1995, Trinity Petroleum Exploration, Inc. will turn over operations of the subject well to Amoco Production Company.

Since the A.P.D. for this well has not been approved, pending further wildlife evaluation, I am enclosing three copies each of the revised Form 3160-3 stating Amoco's address and bonding information. In addition, I have revised page two of the drilling program and pages 13 and 14 of the surface use plan and have also enclosed three copies.

If you should have any questions, please don't hesitate to contact me.

Sincerely,

PERMITCO INC.

A handwritten signature in cursive script, appearing to read "Lisa L. Smith".

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

Enc.

cc: Trinity Petroleum Exploration, Inc.  
Amoco Production Company, Inc.  
Utah Div. of Oil, Gas & Mining - SLC, Utah  
Attn: Frank Matthews

Permitco Incorporated  
A Petroleum Permitting Company

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

KMK

STATE ACTIONS

Mail to:  
RDCC Coordinator  
116 State Capitol  
Salt Lake City, Utah 84114

1. ADMINISTERING STATE AGENCY  
OIL, GAS AND MINING  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203

2. STATE APPLICATION IDENTIFIER NUMBER:  
(assigned by State Clearinghouse)

3. APPROXIMATE DATE PROJECT WILL START:  
Upon approval

4. AREAWIDE CLEARING HOUSE(S) RECEIVING STATE ACTIONS:  
(to be sent out by agency in block 1)  
Uintah Basin Association of Governments

5. TYPE OF ACTION:  Lease  Permit  License  Land Acquisition  
 Land Sale  Land Exchange  Other \_\_\_\_\_

6. TITLE OF PROPOSED ACTION:  
Application for Permit to Drill

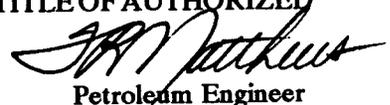
7. Trinity Petroleum Exploration, Inc. proposes to drill the Black Horse #31-9-15-24 well (wildcat) on federal lease UTU-72068 in Uintah County, Utah. This action is being presented to RDCC for consideration of resource issues affecting state interests. The U.S. Bureau of Land Management is the primary administrative agency in this action and must issue approval before operations commence.

8. LAND AFFECTED (site location map required) (indicate county)  
NW NE, Section 9, Township 15 South, Range 24 East, Uintah County, Utah

9. HAS THE LOCAL GOVERNMENT(S) BEEN CONTACTED?

10. POSSIBLE SIGNIFICANT IMPACTS LIKELY TO OCCUR:  
See Attachment

11. NAME AND PHONE NUMBER OF DISTRICT REPRESENTATIVE FROM YOUR AGENCY  
NEAR PROJECT SITE, IF APPLICABLE:

12. FOR FURTHER INFORMATION, CONTACT: 13. SIGNATURE AND TITLE OF AUTHORIZED  
OFFICIAL:  
Frank R. Matthews  
PHONE: 538-5340  
DATE: 11-29-94  
  
Petroleum Engineer



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

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

355 West North Temple  
3 Third Center, Suite 350  
Salt Lake City, Utah 84180-1203  
801-538-5340  
801-358-3840 (Fax)  
801-538-5319 (TDD)

July 6, 1995

Amoco Production Company  
1670 Broadway, P. O. Box 800  
Denver, Colorado 80201

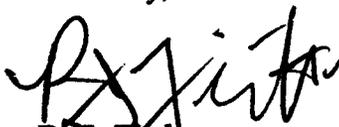
Re: Black Horse #31-9-15-24 Well, 779' FNL, 1913' FEL, NW NE, Sec. 9, T. 15 S.,  
R. 24 E., Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-32592.

Sincerely,

  
R. J. Firth  
Associate Director

ldc

Enclosures

cc: Uintah County Assessor

Bureau of Land Management, Vernal District Office

WAPD



**Operator:** Amoco Production Company  
**Well Name & Number:** Black Horse #31-9-15-24  
**API Number:** 43-047-32592  
**Lease:** Federal UTU-72068  
**Location:** NW NE Sec. 9 T. 15 S., R. 24 E.

### Conditions of Approval

**1. General**

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

**2. Notification Requirements**

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

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

**3. Reporting Requirements**

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



**UNITED STATES  
DEPARTMENT OF THE INTERIOR 1995  
BUREAU OF LAND MANAGEMENT**

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

**APPLICATION FOR PERMIT TO DRILL OR 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 **3037830-6003 1670 Broadway, P.O. Box 800**  
**Amoco Production Company Denver, CO 80201**

3. ADDRESS OF OPERATOR **3037452-8888 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 **7.9' FNL and 1913' FEL**  
 At proposed Prod. Zone **NW NE Sec. 9, T15S - R24E**

5. LEASE DESIGNATION AND SERIAL NO.  
**UTU-72068**

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

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

8. FARM OR LEASE NAME  
**Black Horse**

9. WELL NO.  
**#31-9-15-24**

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

11. SEC. T., R., M., OR BLK. AND SURVEY OR AREA  
**Sec. 9, T15S - R24E**

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

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest dtg. unit line, if any)  
**799'**

16. NO. OF ACRES IN LEASE  
**2,351.30'**

17. NO. OF ACRES ASSIGNED TO THIS WELL  
**40**

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

19. PROPOSED DEPTH  
**6000'**

20. ROTARY OR CABLE TOOLS  
**Rotary**

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
**7585' 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
<b>12-1/4"</b>	<b>8-5/8"</b>	<b>24#</b>	<b>2,200'</b>	<b>983 sx - Circ. to Surf.</b>
<b>7-7/8"</b>	<b>4-1/2"</b>	<b>11.6#</b>	<b>6,000'</b>	<b>546 sx or suffic. to cover zones</b>

of interest.

Amoco Production Company proposes to a well to a depth of 6000' 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.

Amoco Production Company has been designated by proper lease interest owners to conduct operations on the above mentioned lease. Bonding will be provided by Amoco Production Company under their Nationwide BLM Bond #35583.

Amoco Production Company 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 zones 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 *Julie A. Acers* Sr. Staff Assistant  
 TITLE **Amoco Production Company** DATE **2-27-95**

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

APPROVED BY *Edwin L. Johnson* ASSISTANT DISTRICT MANAGER MINERALS DATE **JUL 6 1995**

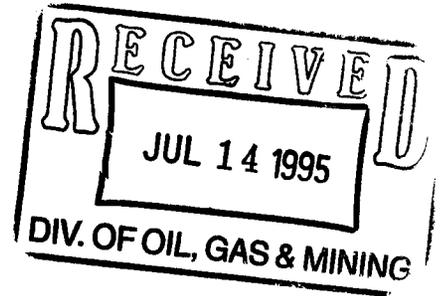
CONDITIONS OF APPROVAL, IF ANY: \_\_\_\_\_

**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.

CONDITIONS OF APPROVAL  
APPLICATION FOR PERMIT TO DRILL



Company/Operator: Amoco Production Company

Well Name & Number: Black Horse 31-9-15-24

API Number: 43-047-32592

Lease Number: U-72068

Location: NWNE Sec. 09 T. 15 S R. 24 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  $\pm$  3,500 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.

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: Amoco Oil and Gas Comp.

API Number \_\_\_\_\_

Well Name & Number: Black Horse 31-9-15-24

Lease Number: U-72068

Location: NW NE Sec. 9 T.15 S. R.24 E.

Surface Ownership: BLM

Date NOS Received 9-26-94

Date APD Received 11-23-94

-No standing trees should be removed along the road ROW.

-All disturbed areas that won't be needed for the production facilities will be reseeded with a mixture of True Mountain Mahogany- 2 lbs/acre, Serviceberry- 2 lbs/acre, Bitterbrush- 2 lbs/acre, Indian Ricegrass- 3 lbs/acre, and Intermediate wheatgrass- 3 lbs/acre, if the well becomes a producing well. If the well is plugged and abandoned, the same seed mix would be used for rehabilitation.

-No construction or drilling will be allowed from March 15 to June 15 to protect nesting owls.

-If the well becomes a producing well, wire mesh cones will be attached to the vent stacks of any equipment on location to protect bats and passerines.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: AMOCO PRODUCTION

Well Name: BLACK HORSE 31-9-15-24

Api No. 43-047-32592

Section 9 Township 15S Range 24E County UINTAH

Drilling Contractor NABORS

Rig # 181

SPUDDED: Date 8/5/95

Time \_\_\_\_\_

How ROTARY

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

Reported by D. HACKFORD-DOGM

Telephone # \_\_\_\_\_

Date: 8/7/95 Signed: JLT

**Facsimile Transmission**

Addressee's Teletypewriter Phone  
(801) 359-3940

Date  
8/13/96

Page  
1 of 4

To: Lisa Cordova	Company State of Utah	Location	Mail Code/Floor
From: Gail Jefferson	Company Amoco Production Co.	Location Denver, Colorado	Mail Code/Floor 1295C
Initiated By	Department/Region	Charge (Cost Center Code)	Approved By
Typed By	Ext. 6157	Mail Code/Floor	<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*



# ROCKY MOUNTAIN GEO-ENGINEERING CORP.

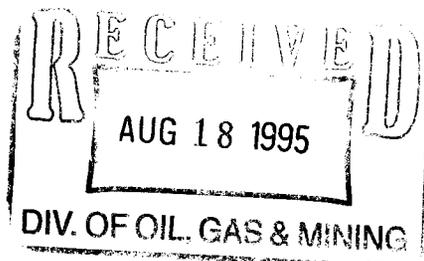
Well Logging • Consulting Geology • Coal Bed Methane Services • Computerized Logging Equipment & Software

2450 INDUSTRIAL BLVD. • GRAND JUNCTION, CO 81505  
(970) 243-3044 • FAX: 241-1085

August 16, 1995

Mr. Tom Feldkamp  
Amoco Production Company  
1670 Broadway  
Denver, CO 80202

Re: Black Horse 31-9-15-24  
Sec. 9, T15S, R24E  
Uintah County, Utah



Dear Mr. Feldkamp:

Enclosed are 3 final colored and 2 final black and white logs, bit record, data disk and vellum.

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.: 3 Final Computer colored Logs/2 Black & White Logs/Bit Record/Data Disk/Vellum

cc 1 Final Log Computer Colored Log/Bit Record; Amoco; George Joseph; Grand Junction, CO  
1 Final Log Computer Colored Logs/Bit Record; Amoco; P. Patterson, M. Kendrick; Rangely, CO  
1 Final Log/Black & White/Bit Record; State of Utah; Dept. of Nat. Res.; Salt Lake City, UT  
2 Final Logs/Black & White/Bit Record; Bureau of Land Mgt. Vernal Dist. Office; Vernal, UT

\*Dry Cuts Shipped to: Amoco Production Warehouse; B. Oliver (1 Set) 8/14/95



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**

AUG 18 1995

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 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)  
 779' FNL 1913' FEL Sec. 9 T 15S R 24E

5. Lease Designation and Serial No.  
 UTU-72068

6. If Indian, Alletas or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.  
 Black Horse 9-15-24 #1

9. API Well No.  
 43-047-32592

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 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: Black Horse #31-9-15-24  
  
To: Black Horse 9-15-24 #1

14. I hereby certify that the foregoing is true and correct  
 Signed E.R. Nicholson Title Business Analyst Date 07-21-1995

(This space for Federal or State office use)  
 Approved by [Signature] Title Assistant District Manager Minerals Date AUG 23 1995

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

OPERATOR Amoco Production Company

OPERATOR ACCT. NO. 11 0050

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	99999	11969	4304732660	Seep Canyon State <sup>34-</sup> 19-12-25		19	12S	25E	Uintah	6/23/95	
WELL 1 COMMENTS: New Well <i>Entity added 8-14-96. Lec</i>											
A	99999	11970	4304732618	Davis Canyon <sup>42-</sup> 12-13-25 #1		12	13S	25E	Uintah	1/19/95	
WELL 2 COMMENTS: New Well <i>Entity added 8-14-96. Lec</i>											
A	99999	11971	4304732705	Rat Hole Canyon 23-14-25		23	14S	25E	Uintah	9/12/95	
WELL 3 COMMENTS: New Well <i>Entity added 8-14-96. Lec</i>											
A	99999	11972	4304732593	TPC State <sup>23-</sup> 36-14-24		36	14S	24E	Uintah	4/16/95	
WELL 4 COMMENTS: New Well <i>Entity added 8-14-96. Lec</i>											
A	99999	11973	4304732592	Black Horse <sup>34</sup> 9-15-24 #1		9	15S	24E	Uintah	7/30/95	
WELL 5 COMMENTS: New Well <i>Entity added 8-14-96. Lec</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)

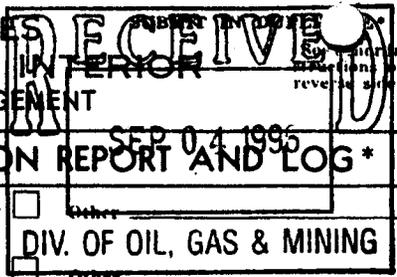
NOTE: Use COMMENT section to explain why each Action Code was selected.

(3/89)

*Gail M. Jefferson*  
Signature Gail M. Jefferson  
Sr. Admin. Staff Asst. 8/13/96  
Title Date  
Phone No. (303) 830-6157

3169-4  
(2/7/1992)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT



FORM APPROVED OMB NO. 1004-0137 Expires: February 28, 1995

WELL COMPLETION OR RECOMPLETION REPORT AND LOG \*

1a. TYPE OF WELL: OIL WELL [ ] GAS WELL [X] DRY [ ]
b. TYPE OF COMPLETION: NEW WELL [X] WORK OVER [ ] DEEP-EN [ ] PLUG BACK [ ] DIFF. REVR. [ ] OTHER [ ]

2. NAME OF OPERATOR: Amoco Production Company Gail M. Jefferson, Room 12950

3. ADDRESS AND TELEPHONE NO.: P. O. Box 800, Denver, Colo. 80201 (303) 830-6157

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\*
At surface 779' FNL 1913' FEL
At top prod. interval reported below
At total depth

14. PERMIT NO. DATE ISSUED

15. DATE SPUDDED 7/30/95 16. DATE T.D. REACHED 8/14/95 17. DATE COMPL. (Ready to prod.) 6/16/96 18. ELEVATIONS (DF, RKB, RT, OR, ETC.)\* GL 7585' - KB 7600'

20. TOTAL DEPTH, MD & TVD 6192' 21. PLUG, BACK T.D., MD & TVD 5550' 22. IF MULTIPLE COMPL., HOW MANY? 23. INTERVALS DRILLED BY 24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD)\* Mancos "B" 5303'-5550' OPENHOLE

26. TYPE ELECTRIC AND OTHER LOGS RUN Spectral Density DSEN Dual Induction MUD LOG #21-96

29. CASING RECORD (Report all strings set in well)

Table with 6 columns: CASING SIZE/GRADE, WEIGHT, LB./FT., DEPTH SET (MD), HOLE SIZE, TOP OF CEMENT, CEMENTING RECORD, AMOUNT PULLED. Data includes 9.625" 36# K-55 370' 12.25" 175 sxs Type V and 7" 23# CF-95 5303' 8.75" 246 bbls Type V.

29. LINER RECORD and 30. TUBING RECORD tables with columns for SIZE, TOP (MD), BOTTOM (MD), SACKS CEMENT, SCREEN (MD), SIZE, DEPTH SET (MD), PACKER SET (MD).

31. PREPARATION RECORD (Interval, size and number) OPENHOLE and 32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC. table with DEPTH INTERVAL (MD) 5303'-5550' and AMOUNT AND KIND OF MATERIAL USED 3,153,882 scf of N2.

33. PRODUCTION table with columns: DATE FIRST PRODUCTION, PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump), WELL STATUS (Producing or shut-in) SI-WOPL.

Table with columns: DATE OF TEST, HOURS TESTED, CHOKE SIZE, PROD'N. FOR TEST PERIOD, OIL--BBL., GAS--MCF., WATER--BBL., GAS-OIL RATIO. Data includes 5/17/96, 24, 16/64", 40.

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 8/28/96

\*(See Instructions and Spaces for Additional Data on Reverse Side)

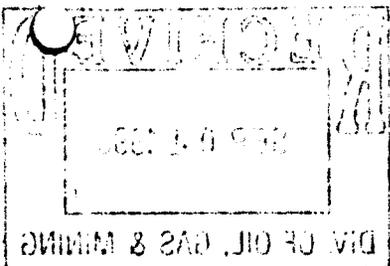
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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);

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
L. Segó Sand	4395'					
Castlegate	4575'					
Mancos Shale	4915'					
Mancos "B"	5368'					

38. GEOLOGIC MARKERS

NAME	MEAS. DEPTH	TRUE VERT. DEPTH



**Black Horse 9-15-24 #1 - Subsequent**

MIRUSU 10/18/95. BP Set drillable at 5570'. Dumped 20' cmt on BP. PU sawtooth collar, seat nipple and 2.375" tbg. Land tbg at 5330'. Pressure test BOP, rig down release service unit.

Frac, breakdown open hole from 5342' to 5550' with N2 at a rate of 9531 scfm. Total N2 pumped on fracture stage 3,153,882 scf. Opened well to pit and flowed back to pit.

Land 2.375" tubing at 5465'. NDBOP, NUWH. Release service unit 11/11/95.

Flow tst'd well through separator from May 7, 1996 to June 6, 1996. Well did produce some light condensate. Shut well in. REQUEST LONG TERM SHUT-IN.

## MONTHLY OIL AND GAS PRODUCTION REPORT

OPERATOR NAME AND ADDRESS:

DEMETRIA MARTINEZ  
 AMOCO PRODUCTION COMPANY  
 PO BOX 800  
 DENVER CO 80201

UTAH ACCOUNT NUMBER: N0050

REPORT PERIOD (MONTH/YEAR): 9 / 97

AMENDED REPORT  (Highlight Changes)

Well Name			Producing Zone	Well Status	Days Oper	Production Volumes		
API Number	Entity	Location				OIL(BBL)	GAS(MCF)	WATER(BBL)
DRAGON CANYON 27-12-25 #1								
4304732587	11967	12S 25E 27	MNCSB					
SEEP CANYON STATE 19-12-25 #1								
4304732660	11969	12S 25E 19	MNCSB					
DAVIS CANYON 12-13-25 #1								
4304732618	11970	13S 25E 12	MNCSB			UTU 70247		
RAT HOLE CANYON 23-14-25 #1								
4304732705	11971	14S 25E 23	MNCSB			U 73714		
TPC STATE 36-14-24 #1								
4304732593	11972	14S 24E 36	MNCSB					
BLACK HORSE 9-15-24 #1								
4304732592	11973	15S 24E 9	MNCSB			UTU 72068		
EVACUATION CREEK 24-12-25 #1								
4304732605	11974	12S 25E 24	MNCSB			UTU 73029		
ATCHEE RIDGE 32-35-13-25								
4304732657	11966	13S 25E 35	DPL			U 72039		
<b>TOTALS</b>								

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

I hereby certify that this report is true and complete to the best of my knowledge.

Date: \_\_\_\_\_

Name and Signature: \_\_\_\_\_

Telephone Number: \_\_\_\_\_



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

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

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

IN REPLY REFER TO:  
3162.3  
UT08300

October 7, 1997

Retamco Operating Inc.  
Joe Glennon  
HCR Box 1010  
Roberts MT 59070

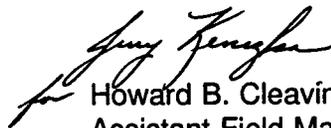
Re: Well No 9-15-24 #1  
NWNE, Sec. 9, T15S, R24E  
Lease U-72068  
Uintah County, Utah

Dear Mr. Glennon:

This correspondence is in regard to the self-certification statement submitted requesting a change in operator for the referenced well. After a review by this office, the change in operator request is approved. Effective immediately, Retamco Operating Inc. is responsible for all operations performed on the referenced well. All liability will now fall under your bond, BLM Bond No. UT1088, for all operations conducted on the referenced well on the leased land.

If you have any other questions concerning this matter, please contact Margie Herrmann or Pat Sutton of this office at (801) 789-1362.

Sincerely,

  
Howard B. Cleavinger II  
Assistant Field Manager,  
Minerals Resources

cc: Amoco Production Company  
Division of Oil, Gas & Mining



Facsimile Transmission  
16-717-C (3-92)

Date: 10/28/97 Time Sent

This transmission consists of 1 pages

Notes:

**T** Lisha Cordova  
State of Utah  
Dir of Oil & Gas  
FAX Number  
FAX Operator's Number for Confirmation  
801-359-3940

**FROM** Pat Archuleta  
APC  
FAX Telephone Number  
Voice Telephone Number  
303-830-5217



## Memorandum

DATE: October 27, 1997  
TO: Lisha Cordova  
FROM: Pat Archuleta  
RE: Sale of Properties to Retamco Operating Inc.,

Amoco Production Company has sold it's wellbore interst in the following wells to Retamco Operating Inc. HCR Box 1010 , Roberts, MT. 59070 as of 9/01/97.

- Atchee Ridge 15-13-25 #1
- Atchee Ridge 24-13-25 #1
- Atchee Ridge 35-13-25 #1
- Black Horse 9-15-24 #1
- Davis Canyon 12-13-25 #1
- Evacuation Creek 24-12-25

**OPERATOR CHANGE WORKSHEET**

1-LEC ✓	6-LEC ✓
7-GLH ✓	7-KAS ✓
3-DEB DTS ✓	8-SI ✓
4-VLD ✓	9-FILE ✓
5-IRB ✓	

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: 9-1-97

<b>TO:</b> (new operator)	<u>RETAMCO OPERATING INC</u>	<b>FROM:</b> (old operator)	<u>AMOCO PRODUCTION COMPANY</u>
(address)	<u>HCR BOX 1010</u>	(address)	<u>PO BOX 800</u>
	<u>ROBERTS MT 59070</u>		<u>DENVER CO 80201</u>
	<u>JOE GLENNON</u>		
	Phone: <u>(406)445-2641</u>		Phone: <u>(303)830-4127</u>
	Account no. <u>N6020 (10-27-97)</u>		Account no. <u>N0050</u>

**WELL(S)** attach additional page if needed:

Name: <u>ATCHEE RDGE 15-13-25#1</u>	API: <u>43-047-32659</u>	Entity: <u>11962</u>	S <u>15</u>	T <u>13S</u>	R <u>25E</u>	Lease: <u>U70248</u>
Name: <u>ATCHEE RDGE 24-13-25#1</u>	API: <u>43-047-32602</u>	Entity: <u>11963</u>	S <u>24</u>	T <u>13S</u>	R <u>25E</u>	Lease: <u>UTU72075</u>
Name: <u>DAVIS CYN 12-13-25#1</u>	API: <u>43-047-32618</u>	Entity: <u>11970</u>	S <u>12</u>	T <u>13S</u>	R <u>25E</u>	Lease: <u>UTU70247</u>
Name: <u>RAT HOLE CYN 23-14-25#1</u>	API: <u>43-047-32705</u>	Entity: <u>11971</u>	S <u>23</u>	T <u>14S</u>	R <u>25E</u>	Lease: <u>U73714</u>
Name: <u>BLACK HORSE 9-15-24#1</u>	API: <u>43-047-32592</u>	Entity: <u>11973</u>	S <u>9</u>	T <u>15S</u>	R <u>24E</u>	Lease: <u>UTU72068</u>
Name: <u>ATCHEE RDGE 32-35-13-25#1</u>	API: <u>43-047-32657</u>	Entity: <u>11966</u>	S <u>35</u>	T <u>13S</u>	R <u>25E</u>	Lease: <u>U72039</u>
Name: <u>EVACUATION 24-12-25#1</u>	API: <u>43-047-32605</u>	Entity: <u>11974</u>	S <u>24</u>	T <u>12S</u>	R <u>25E</u>	Lease: <u>UTU73029</u>

**OPERATOR CHANGE DOCUMENTATION**

1. (r649-8-10) Sundry or other legal documentation has been received from the **FORMER** operator (attach to this form). (Ref. 10-27-97) (Rec'd 10-28-97)
2. (r649-8-10) Sundry or other legal documentation has been received from the **NEW** operator (Attach to this form). (Rec'd 10-23-97)
3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is the company registered with the state? (yes/no) yes If yes, show company file number: #1996661. (Eff. 4-15-97)
4. **FOR INDIAN AND FEDERAL WELLS ONLY.** The BLM has been contacted regarding this change. Make note of BLM status in comments section of this form. BLM approval of Federal and Indian well operator changes should ordinarily take place prior to the division's approval, and before the completion of steps 5 through 9 below.
5. Changes have been entered in the Oil and Gas Information System (3270) for each well listed above. (10-28-97)
6. Cardex file has been updated for each well listed above. (10-28-97)
7. Well file labels have been updated for each well listed above. (10-28-97)
8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to Trust Lands, Sovereign Lands, UGS, Tax Commission, etc. (10-28-97)
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. (r649-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no)    If entity assignments were changed, attach copies of Form 6, Entity Action Form.
- N/A 2. Trust Lands, Sovereign Lands, Tax Commission, etc., have been notified through normal procedures of entity changes.

**BOND VERIFICATION - (FEE WELLS ONLY)**

- N/A 1. (r649-3-1) The NEW operator of any fee lease well listed above has furnished a proper bond.
- Yes 2. A copy of this form has been placed in the new and former operator's bond files.
- 3. The FORMER operator has requested a release of liability from their bond (yes/no)   , as of today's date   . If yes, division response was made to this request by letter dated   .

**LEASE INTEREST OWNER NOTIFICATION OF RESPONSIBILITY**

- N/A 1. Copies of documents have been sent on    to    at Trust Lands for changes involving State leases, in order to remind that agency of their responsibility to review for proper bonding.
- N/A 2. (r649-2-10) The former operator of any fee lease wells listed above has been contacted and informed by letter dated    19   , of their responsibility to notify all interest owners of this change.

**FILMING**

- Yes 1. All attachments to this form have been microfilmed. Today's date: NOV 13 1997.

**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 are now being filed in the Operator Change file.

**COMMENTS**

971027 BLM/Vernal Appr. 10-7-97

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. Type of Well: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER:	5. Lease Designation and Serial Number: UTU 72068
2. Name of Operator: Retamco Operating Inc.	6. If Indian, Alutotee or Tribe Name:
3. Address and Telephone Number: 671 Garnet Billings, MT 59105 Joe Glennon 406/248-5594.	7. Unit Agreement Name:
4. Location of Well Footages: 779' FNL 1913' FEL Sec 9 T15S,R24E NWNE	8. Well Name and Number: Black Horse 9-15-24 #1
County: Uintah State: Utah	9. API Well Number: 43-047-32592
	10. Field and Pool, or Wildcat: Wildcat

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

NOTICE OF INTENT  
(Submit in Duplicate)

- Abandon
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Multiple Completion
- Other Well Status Report
- New Construction
- Pull or Alter Casing
- Recomplete
- Reperforate
- Vent or Flare
- Water Shut-Off

Approximate date work will start \_\_\_\_\_

SUBSEQUENT REPORT  
(Submit Original Form Only)

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

Date of work completion \_\_\_\_\_

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

\* Must be accompanied by a cement verification report.

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

Well drilled to 5570'. Set 9 5/8" K55 LTC 36# casing at 361', Set 7" casing CF95 LTC 23# casing at 5303' with 4 1/2" liner to 6000'. Set CIBP at 5570'. Well tested gas in the Mancos "B" at 5550' shut-in waiting on pipe line. The pit was closed, location has been maintained and wellhead secured. Upon BLM approval Retamco plans to complete the Wasatch and Mesa Verde zones behind pipe. Log comparison indicate similar success should be encountered in this well as in the Seep Canyon State 19-12-25 well completed by Retamco in 1998 which tested 1.5 MMCF/GPD on extended tests. Minimum pressures were noted from this well during a site inspection in Aug. of 1998. In addition to the above the lease on this land is in its primary term with with over 4 years remaining. Retamco sees great value in this well and request the well remain in shut-in status to allow time for Retamco to secure necessary federal approval to sell gas from this well and to begin its development program in this area.

13. Name & Signature: Joe Glennon *Joe Glennon* Title: Agent Date: 3/29/99

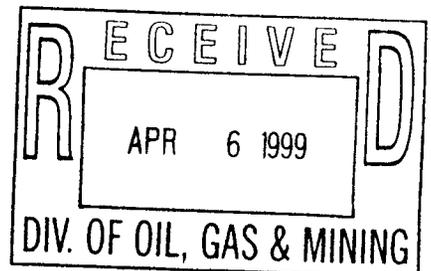
(This space for State use only)

Accepted by the  
Utah Division of  
Oil, Gas and Mining

COPY SENT TO OPERATOR  
Date: 4-6-99  
Initials: LAD

(See Instructions on Reverse Side)

Date: 4-6-99  
By: RSE



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires July 31, 1996

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

- 5. Lease Serial No.
- 6. If Indian, Allottee or Tribe Name
- 7. If Unit or CA/Agreement, Name and/or No.
- 8. Well Name and No.  
See Exhibit "A"
- 9. API Well No.  
See Exhibit "A"
- 10. Field and Pool, or Exploratory Area
- 11. County or Parish, State  
See Exhibit "A"

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
 Retamco Operating Inc. *Joe Glennon AIF*

3a. Address  
 671 Garnet Ave. Billings, MT 59105

3b. Phone No. (include area code)  
 (406) 248-5594

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

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

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

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

Retamco is selling its interest in the wells described in the attached Exhibit "A" list of wells to CDX Rockies LLC, of 5845 Beltline Road, Suite 280 Dallas, Texas 75240-7656

**RECEIVED**

MAY 10 2001

DIVISION OF  
OIL, GAS AND MINING

CDX Rockies LLC Bond # RLB0003065

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

Name (Printed/Typed) <i>Perry E. Robertson</i>	Title <i>VP CDX Rockies LLC</i>
Signature <i>[Signature]</i>	Date <i>5-03-01</i>

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office

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

(Instructions on reverse)

Exhibit "A"  
Utah Well List

Operator	Well Name:	Location:	County:	State:	Lease #	API Number:
ROI	Atchee Ridge 15-13-25 #1	SE Sec 15 - T13S,R25E	Uintah	Utah	U-70248	43-047-32659
ROI	Atchee Ridge 24-13-25	SW Sec 24 - T13S,R25E	Uintah	Utah	U-72075	43-047-32602
ROI	Davis Canyon 12-13-25	NE Sec 12 - T13S,R25E	Uintah	Utah	U-70247	43-047-32618
ROI	Rat Hole Canon 23-14-25	SW Sec 23 - T14S,R25E	Uintah	Utah	U-73714	43-047-32705
ROI	Black Horse 9-15-24 #1	NE Sec 9 - T15S,R24E	Uintah	Utah	U-72068	43-047-32592
ROI	Federal 1-33 (Gusher)	SE Sec 33 - T5S,R19E	Uintah	Utah	NRM1319	43-047-30300
					U-3575 +	
ROI	TPC State 36-14-24	NESW Sec 36 - T14S,R24E	Uintah	Utah	ML 46436	43-047-32593
7 Wells						
ROI	Atchee Ridge 35-13-25 location	NE Sec 35 - T13S,R25E	Uintah	Utah	U-72039	43-047-32657
ROI	Atchee Ridge 11-27-13-25 location	NW Sec 27 - T13S,R25E	Uintah	Utah	U-73189	
ROI	Walker Hallow 13-31 location	SW Sec 31 - T6S,R23E	Uintah	Utah	U-76280	



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Vernal District Office

170 South 500 East

Vernal, Utah 84078-2799

<http://www.blm.gov/utah/vernal>

Phone: (801) 781-4400

Fax: (801) 781-4410

IN REPLY REFER TO:

3162.3

UT08300

July 12, 2001

CDX Rockies, LLC  
5845 Beltline Road, Suite 280  
Dallas, Texas 75240

*43-047-32592*

Re: Well No. Black Horse 9-15-24 #1  
NWNE, Sec. 9, T15S, R24E  
Lease No. U-72068  
Uintah County, Utah

Gentlemen:

This correspondence is in regard to the self-certification statement submitted requesting a change in operator for the referenced well. After a review by this office, the change in operator request is approved. Effective immediately, CDX Rockies, LLC is responsible for all operations performed on the referenced well. All liability will now fall under your bond, BLM Bond No. UT1225, for all operations conducted on the referenced well on the leased land.

If you have any other questions concerning this matter, please contact Leslie Crinklaw or Pat Sutton of this office at (801) 781-4400.

Sincerely,

Edwin I. Forsman  
Petroleum Engineer

cc: DOGM - Jim Thompson  
Retamco Operating Inc.

**RECEIVED**

JUL 15 2001

DIVISION OF  
OIL, GAS AND MINING

**OPERATOR CHANGE WORKSHEET**

**ROUTING**

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

Enter date after each listed item is completed

**X Change of Operator (Well Sold)**

Designation of Agent

Operator Name Change (Only)

Merger

The operator of the well(s) listed below has changed, effective: **5-03-2001**

<b>FROM: (Old Operator):</b>
RETAMCO OPERATING INC
Address: 671 GARNET AVE
BILLINGS, MT 59105
Phone: 1-(406)-248-5594
Account N6020

<b>TO: ( New Operator):</b>
CDX ROCKIES LLC
Address: 679 EAST 2ND STE 3
DURANGO, CO 81301
Phone: 1-(970)-247-4126
Account N1860

CA No.

Unit:

**WELL(S)**

NAME	API NO.	ENTITY NO.	SEC. TWN RNG	LEASE TYPE	WELL TYPE	WELL STATUS
FEDERAL 1-33	43-047-30300	575	33-05S-19E	FEDERAL	OW	S
WALKER HOLLOW 13-31	43-047-33763	99999	31-06S-23E	FEDERAL	GW	APD
DAVIS CANYON 12-13-25 1	43-047-32618	11970	12-13S-25E	FEDERAL	GW	S
ATCHEE RIDGE 15-13-25 1	43-047-32659	11962	15-13S-25E	FEDERAL	GW	S
ATCHEE RIDGE 24-13-25 1	43-047-32602	11963	24-13S-25E	FEDERAL	GW	S
ATCHEE RIDGE 11-27-13-25	43-047-33369	99999	27-13S-25E	FEDERAL	GW	APD
ATCHEE RIDGE 35-13-25 1	43-047-32657	11966	35-13S-25E	FEDERAL	GW	S
RAT HOLE CANYON 23-14-25 1	43-047-32705	11971	23-14S-25E	FEDERAL	GW	S
BLACK HORSE 9-15-24 1	43-047-32592	11973	09-15S-24E	FEDERAL	GW	S

**OPERATOR CHANGES DOCUMENTATION**

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 05/10/2001
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 05/10/2001
- The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 07/11/2001
- Is the new operator registered in the State of Utah: YES Business Number: 4880191-0161
- If **NO**, the operator was contacted on: N/A
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the (merger, name change, or operator change for all wells listed on Federal or Indian leases on: 07/12/2001
- Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: N/A

8. **Federal and Indian Communization Agreements ("CA"):** The BLM or the BIA has approved the operator change for all wells listed involved in a CA on: N/A

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

---

**DATA ENTRY:**

1. Changes entered in the **Oil and Gas Database** on: 07/17/2001
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 07/17/2001
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

---

**STATE BOND VERIFICATION:**

1. State well(s) covered by Bond No.: N/A

---

**FEE WELLS - BOND VERIFICATION/LEASE INTEREST OWNER NOTIFICATION:**

1. (R649-3-1) The **NEW** operator of any fee well(s) listed has furnished a bond: N/A

---

**FEDERAL BOND VERIFICATION:**

1. Federal well(s) covered by Bond No.: RLB 0003065
2. The **FORMER** operator has requested a release of liability from their bond on: N/A  
The Division sent response by letter on: N/A
3. (R649-2-10) The **FORMER** operator of the Fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

---

**FILMING:**

1. All attachments to this form have been **MICROFILMED** on:

---

**FILING:**

1. **ORIGINALS/COPIES** of all attachments pertaining to each individual well have been filled in each well file on: \_\_\_\_\_

---

**COMMENTS:**

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**DESIGNATION OF AGENT OR OPERATOR**

The undersigned is, on record, the holder of oil and gas lease

**LEASE NAME:** \_\_\_\_\_

**LEASE NUMBER:** UTU 72068

and hereby designates

**NAME:** Retamco Operating, Inc.

**ADDRESS:** HCR Box 1010

city Roberts

state MT

zip 59070

as his (check one) agent G / operator G, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the Division Director or Authorized Agent may serve written or oral instructions in securing compliance with the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah with respect to:

(Describe acreage to which this designation is applicable. Identify each oil and gas well by API number and name. Attach additional pages as needed.)

NE/4 Sec 9 T15S R24E API#43-047-3259<sup>2</sup> Black Horse 9-15-24

**RECEIVED**

SEP 19 2002

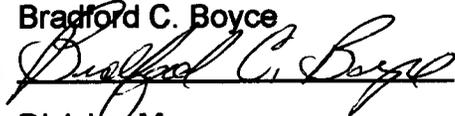
DIVISION OF

It is understood that this designation of agent/operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah. It is also understood that this designation of agent or operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated agent/operator, the lessee will make full and prompt compliance with all rules, lease terms or orders of the Board of Oil, Gas and Mining of the State of Utah or its authorized representative.

The lessee agrees to promptly notify the Division Director or Authorized Agent of any change in this designation.

**Effective Date of Designation:** 6/1/2002

**BY:** (Name) Bradford C. Boyce  
(Signature)   
(Title) Division Manager  
(Phone) 970-247-4126

**OF:** (Company) CDX Rockies, LLC  
(Address) 679 East 2nd Ave., Ste 3  
city Durango  
state CO zip 81122

**RETAMCO OPERATING INC.**

3301 Stonewall Lane  
Billings, MT 59102  
(406) 248-5594  
(406) 248-6068 fax

November 7, 2002

Connie Sear  
Bureau of Land Management  
PO Box 45155  
Salt Lake City, Utah 84145-0155

Re: Sundry Notice

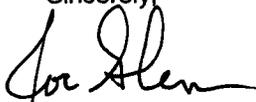
Dear Mrs. Sear,

Please find enclosed three executed Sundry Notice – Change of Operator for the following wells and locations in Utah:

Rat Hole Canyon 3-14-25 API #43-074-32075, Black Horse 9-15-24 API #43-074-32592, Atchee Ridge 35-13-25 API #43-074-32657, Athcee Ridge 11-27-13-25 API #43-074-33369 and the Walker Hallow 13-31 API #43-074-33763.

Thank you for your assistance in this matter and if you have additional information please contact me at (406) 248-5594.

Sincerely,

  
Joe Glennon

**RECEIVED**

NOV 14 2003 2002

DIVISION OF  
OIL, GAS AND MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

**CDX Rockies, LLC**

*N1860*

3a. Address

**5485 Beltline Road, Suite 190 Dallas, TX 75254**

3b. Phone No. (include area code)

**(972) 392-1880**

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

**See Exhibit "A"**

5. Lease Serial No.

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

**See Exhibit "A"**

9. API Well No.

**See Exhibit "A"**

10. Field and Pool, or Exploratory Area

11. County or Parish, State

**See Exhibit "A"**

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

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

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

**CDX Rockies, LLC is selling its interest in the wells described in Exhibit "A" to Retamco Operating, Inc., whose address is HCR Box 1010 Roberts, Montana 59070, (406) 248-5594.**

**RECEIVED**

NOV 14 2005 2002

DIVISION OF  
OIL, GAS AND MINING

**Retamco Operating, Inc BLM Bond #UT1088**

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

Name (Printed/Typed)

*Gary L. Trotter*

Title

*President*

Signature

*Gary L. Trotter*

Date

*03/07/02*

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Exhibit "A"

Said wells being described as following:

	Well Name and Well Location/County/State	Lease No.	API No.
I.	Rat Hole Canon 23-14-25 SW-Sec 23-T14S-R25E Uintah County, UT	UTU-73714	43- <del>074</del> -32705 047 1860
II.	Black Horse 9-15-24 NE-Sec 9-T15S-R24E Uintah County, UT	UTU-72068	43- <del>074</del> -32592 047 1860
<del>III.</del>	<del>Federal Gusher 1-33 SE-NW-Sec 33-T5S-R19E Uintah County, UT</del>	<del>UTU-3575</del>	<del>43-<del>074</del>-303000 047</del>
IV.	Atchee Ridge 35-13-25 NE-Sec 35-R13S-T25E Uintah County, UT	UTU-72039	43- <del>074</del> -32657 047 1860
V.	Atchee Ridge 11-27-13-25 NW-Sec 27-T13S-R25E Uintah County, UT	UTU-73189	43- <del>074</del> -33369 047 1860
VI.	Walker Hallow 13-31 SW-Sec 31-T6S-R23E Uintah County, UT	UTU-76280	43- <del>074</del> -33763 047 1860

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NOV 14-~~2003~~ 2002

DIVISION OF  
OIL, GAS AND MINING



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Vernal Field Office  
170 South 500 East

Vernal, Utah 84078-2799

<http://www.blm.gov/utah/vernal>

Phone: (435) 781-4400

Fax: (435) 781-4410

IN REPLY REFER TO:

3162.3

UT08300

May 1, 2003

Joe Glennon  
Retamco Operating Inc.  
3301 Stonewall Lane  
Billings, Montana 59102

Re: Well No. Black Horse 9-15-24 #1  
NWNE, Sec. 9, T15S, R24E  
Uintah County, Utah  
Lease No. UTU-72068

Dear Mr. Glennon:

This correspondence is in regard to the self-certification statement submitted requesting a change in operator for the referenced well. After a review by this office, the change in operator request is approved. Effective immediately, Retamco Operating, Inc. is responsible for all operations performed on the referenced well. All liability will now fall under your bond, BLM Bond No. UT1088, for all operations conducted on the referenced well on the leased land.

If you have any other questions concerning this matter, please contact Leslie Walker of this office at (435) 781-4497.

Sincerely,

Kirk Fleetwood  
Petroleum Engineer

cc: UDOGM  
CDX Rockies, LLC

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MAY 12 2003

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires July 31, 1996

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

**RECEIVED**  
 MAR 17 2003

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <i>N 6020</i>	5. Lease Serial No. <b>UTU 72068</b>
2. Name of Operator <b>Retamco Operating Inc.</b>	6. If Indian, Allottee or Tribe Name
3a. Address <b>3301 Stonewall Lane Bldgs, MT 59102</b>	7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) <b>(406) 248-5594</b>	8. Well Name and No. <b>Black Horse 9-15-24 #1</b>
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>NE Sec 9 T15S, R24E</b>	9. API Well No. <b>43-047-32592</b>
10. Field and Pool, or Exploratory Area	11. County or Parish, State <b>Uintah County, UT</b>

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

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

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

Please be advised that effective July 15, 2002 Retamco Operating Inc. will take over operations of the subject wells.

Retamco Operating Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted on the leased lands. Bond coverage for these wells is provided for by Retamco Operating Inc. Statewide Bond No. UT1088.

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

Name (Printed/Typed) <b>Joe Glennon</b>	Title <b>Attorney In Fact</b>
Signature 	Date <b>3/11/03</b>

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by 	Petroleum Engineer	Date <b>4/30/03</b>
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would enable the applicant to conduct operations thereon.		
Office		

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 fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

**RECEIVED**  
 MAY 12 2003  
 DIV. OF OIL, GAS & MINING



7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 4/30/2003 BIA

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: n/a

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

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

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

**DATA ENTRY:**

- 1. Changes entered in the Oil and Gas Database on: 7/31/2003
- 2. Changes have been entered on the Monthly Operator Change Spread Sheet on: 7/31/2003
- 3. Bond information entered in RBDMS on: N/A
- 4. Fee wells attached to bond in RBDMS on: N/A

**STATE WELL(S) BOND VERIFICATION:**

1. State well(s) covered by Bond Number: n/a

**FEDERAL WELL(S) BOND VERIFICATION:**

1. Federal well(s) covered by Bond Number: UT1088

**INDIAN WELL(S) BOND VERIFICATION:**

1. Indian well(s) covered by Bond Number: n/a

**FEE WELL(S) BOND VERIFICATION:**

- 1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number n/a
- 2. The **FORMER** operator has requested a release of liability from their bond on: N/A  
The Division sent response by letter on: N/A

**LEASE INTEREST OWNER NOTIFICATION:**

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

**COMMENTS:**

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