

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS: WELL LOG _____ ELECTRIC LOGS _____ FILE X WATER SANDS _____ LOCATION INSPECTION _____ SUB. REPORT/abd. _____

980908L #10 Fee 8/27/98!

DATE FILED JULY 1, 1997

LAND: FEE & PATENTED _____ STATE LEASE NO. _____ PUBLIC LEASE NO. _____ INDIAN # _____

DRILLING APPROVED: AUGUST 11, 1997 14-20-H62-4648

SPOUDED IN: _____
COMPLETED: _____ PUT TO PRODUCING: _____

INITIAL PRODUCTION: _____
GRAVITY A.P.I. _____

GOR: _____
PRODUCING ZONES: _____

TOTAL DEPTH: _____
WELL ELEVATION: _____

DATE ABANDONED: LAND FEE 8/27/98
FIELD: UNDESIGNATED

UNIT: _____
COUNTY: UINTAH

WELL NO. UTE TRIBAL 23-P API NO. 43-047-32622

LOCATION 290 FSL FT. FROM (N) (S) LINE. 873 FEL FT. FROM (E) (W) LINE. SE SE 1/4 - 1/4 SEC. 23

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
				4S	1E	23	SNYDER OIL CORP.

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

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL DEEPEN
 1b. TYPE OF WELL
 OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

5. LEASE DESIGNATION AND SERIAL NO.
14-20-H62-4648

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
Ute

7. UNIT AGREEMENT NAME
N/A

8. FARM OR LEASE NAME WELL NO
Ute Tribal #23-P

9. API WELL NO.

10. FIELD AND POOL OR WILDCAT
Leland Bench

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA
SE/SE, Sec. 23, T4S - R1E

12. County
Uintah

13. STATE
Utah

2. NAME OF OPERATOR
Snyder Oil Corporation Atten. Joe Mazotti

3. ADDRESS OF OPERATOR
1625 Broadway, Suite 2200, Denver, CO 80202 Phone 303-592-4643

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At Surface **290' FSL, 873' FEL**
 At proposed Prod. Zone **Same** 266

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
14.1 miles south of Fort Duchesne, Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)	16. NO. OF ACRES IN LEASE 8800	17. NO. OF ACRES ASSIGNED TO THIS WELL 160
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18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT. 1200' Ute Tribal 23-1	19. PROPOSED DEPTH 6800'	20. ROTARY OR CABLE TOOLS Rotary
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21. ELEVATIONS (Show whether DF, RT, GR, etc.)
5105' GR

22. APPROX. DATE WORK WILL START*
August 28, 1997

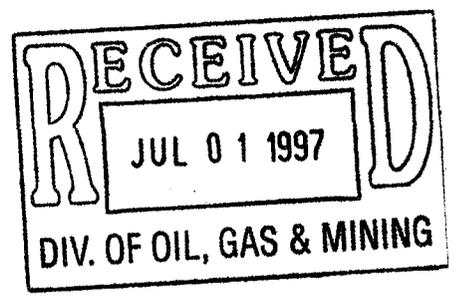
23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT/FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#, J-55	300'	200 sx Class G
7-7/8"	5-1/2"	17#, J-55	6800'	120 sx Prem. Lite + 320 sx Class G

Exhibits attached

Surface Use Plan
 10 point Drilling plan
 Exhibits A, B, C, D, E, F
 Application for Grant Corridor of right-of-way
 BOPE diagrams

BIA Bond No. 5736935
 BLM Bond No. 5736975



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] TITLE **Sr. Engineering Tech.** DATE **6/27/97**

(This space for Federal or State office use)

PERMIT NO. **43-047-32622** APPROVAL DATE _____
 Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
 CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY [Signature: John R. Baya] TITLE **Associate Director** DATE **8/11/97**

***See Instructions On Reverse Side**

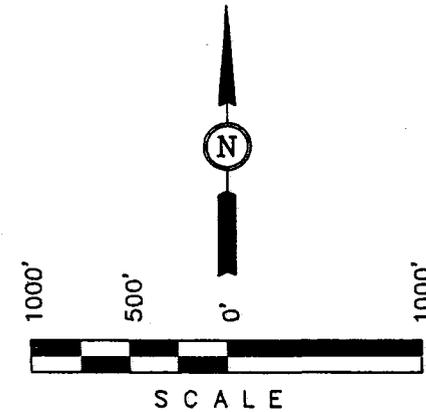
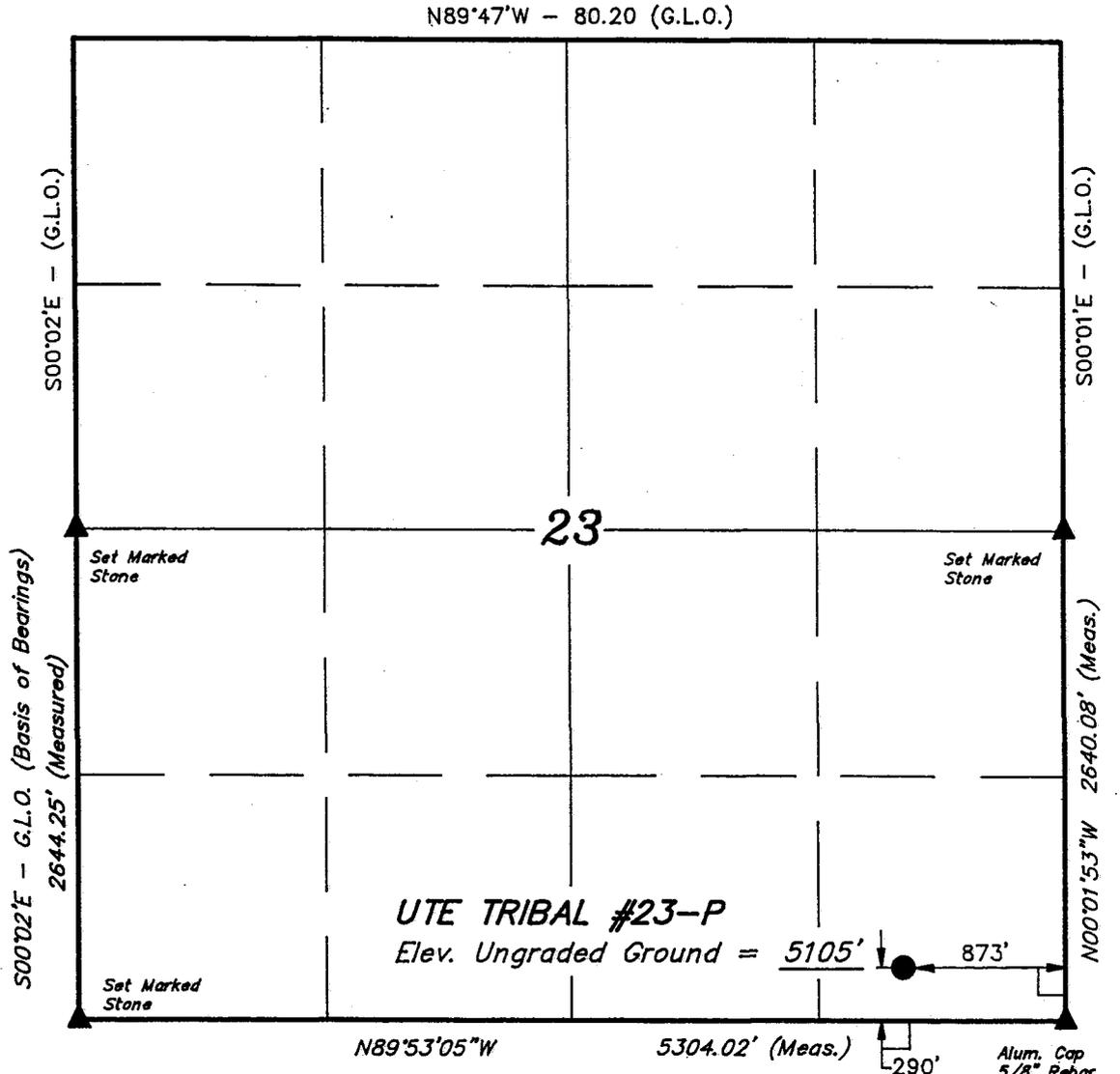
T4S, R1E, U.S.B.&M.

SNYDER OIL CORP.

Well location, UTE TRIBAL #23-P, located as shown in the SE 1/4 SE 1/4 of Section 23, T4S, R1E, U.S.B.&M. Uintah County, Utah.

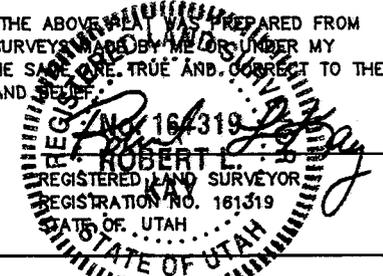
BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 23, T4S, R1E, U.S.B.&M. TAKEN FROM THE UTELAND BUTTE 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 5188 FEET.



CERTIFICATE

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



LEGEND:

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

UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (801) 789-1017		
SCALE 1" = 1000'	DATE SURVEYED: 06-04-97	DATE DRAWN: 06-05-97
PARTY B.B. D.R. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE SNYDER OIL CORP.	

SNYDER OIL CORPORATION
Ute Tribal #23-P
SE/SE, Section 23, T4S - R1E
Uintah County, Utah
Lease No. 14-20-H62-4648

DRILLING PLAN

1. **Geologic name of surface formation: Uinta**
2. **The estimated tops of important geologic markers:**

Formation	Depth(ft)	Hydrocarbon Bearing	Mineral Bearing Zones
Uinta	surface to 2140'	No	
Green River	2140'	No	
Garden Gulch	4740'	Yes	
Douglas Creek	5490'	Yes	
Uteland Butte	6610	No	
TD	6800'		

3. **Anticipated BHP: 2400 psi**
Anticipated Fracture Gradient: .70 psi/ft

All shows of fresh water and minerals will be reported and protected.

4. **The proposed casing program, including the size, grade weight per foot and condition of each string:**

Size	Top	Bottom	Weight	Grade	Thread	Cond.
8-5/8"	0	300'	24#	J-55	STC	New
5-1/2"	0	6800'	17#	J-55	LTC	New

All casing strings below the conductor shall be pressure tested to .52 psi/ft of casing string length or 3500 psi, which ever is greater but not to exceed 70% minimum internal yield.

CEMENT:

Approximate Volumes / Grades / Yields:

Surface String:

Cement will be circulated to surface; estimated volume (180% of theoretical value):
200 sx Class G @ 15.8 ppg, 1.14 ft³/sx yield.

Production String:

Top of lead cement will be @ 2800' to cover the top of the moderately saline ground water per the study "Base of Moderately Saline Ground Water in the Uinta Basin, Utah. Technical Publication No. 92, State of Utah Dept. Of Natural Resources.

The top of tail cement will be 200' above the top of the Garden Gulch member of the Green River formation.

Estimated volume is gauge hole + 30%:

Lead Cement: 120 sx Class G Prem. Lite w/28% POZ, 10% gel
@11.0 ppg, 3.42 ft³/sx yield

Tail Cement: 320 sx Class G w/ 10% gypsum, 3% salt @ 14.2 ppg, 1.63 ft³/sx yield

Actual volumes will be calculated and adjusted with caliper log and service company analysis prior to cementing. 10% excess will be pumped.

5. The minimum specifications for pressure control equipment which will be provided is included on the schematic diagram attached, showing size, pressure ratings testing procedures and testing frequency:

3000# BOP with 4-1/2" pipe rams
3000# BOP with blind rams
3000# Annular

Manifold includes appropriate valves, positive and adjustable chokes, kill line and gas separator to control abnormal pressures. BOP's will be pressure tested to full working pressure at installation and will be functionally cycled on each trip. After a period of one month and each following, assuming drilling operations are continuing, the BOP's will be tested.

All well control equipment shall be in accordance with onshore order #2, for 3M system.

Accumulator will have 160 gallon capacity with backup system to be run on rig air or bottled nitrogen. The accumulator will be hydraulically driven with primary power of gas or electric motor. Primary controls will be located off the drilling floor at ground level with backup controls on the accumulator.

Safety valve and subs will fit all drill string connections in use. One valve in kill line will be a check valve, in accordance with onshore order #2, for 3M systems.

Visual mud monitoring will be conducted during operations.

6. The type and characteristics of the proposed circulating medium to be employed for rotary drilling and the quantities and types of mud and weighing material to be maintained:

Top Int.	Bottom Int.	Type	Weight (ppg)	Visc	pH	Water Loss	Remarks
0	300'	Spud	8.4 - 9.0	30 - 45+	8.0	NC	Gel&Lime as reqd.
300'	4300'	Wtr	8.4 - 8.6	27 - 35	8.5 - 9	NC	Min. Wt.
4300'	TD	Mud	8.6 - 10.4*	35 - 45	9.0-11.0	10-15cc @TD	* Min Wt. to control formation pressure

(NC- no control)

Quantities of mud material will be maintained on site to increase mud weight if abnormal pressures are encountered.

7. The auxiliary equipment to be used:

- a) Upper and lower kelly cocks.
- b) An inside BOP on the floor with proper connections to fit the drill pipe and collars.

8. The testing, logging and coring program to be followed:

Logs: DIL/GR;	TD to surface casing
CNL/LDT/GR/CAL;	TD to 3000'
Sonic	TD to surface casing

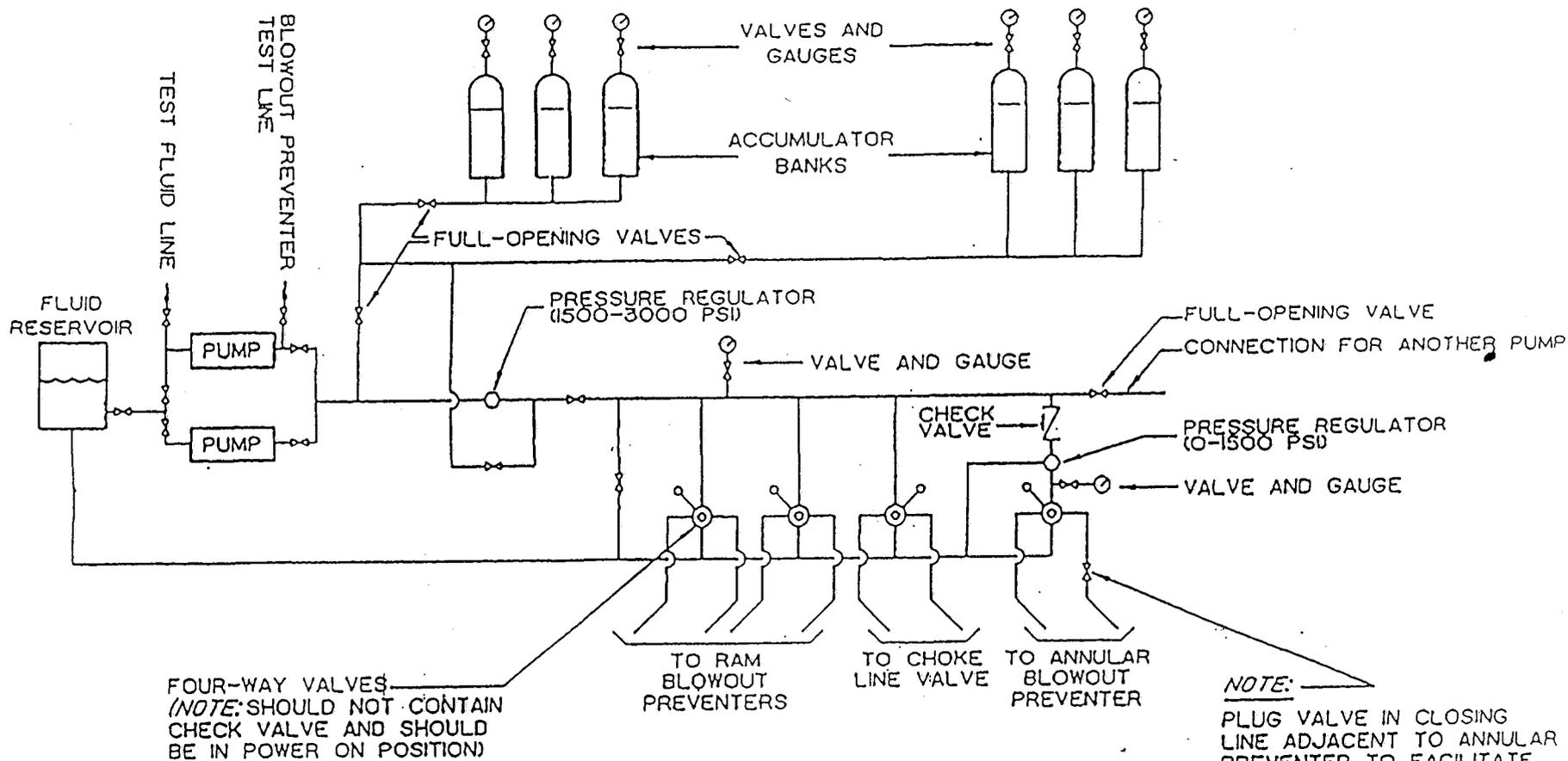
9. No anticipated abnormal pressures or temperatures expected to be encountered:

Anticipated bottom-hole pressures to range from .29 psi/ft to .35 psi/ft.
No hydrogen sulfide expected.

10. The anticipated starting date and duration of the operation:

Starting Date: August 28, 1997
Duration: 15 days

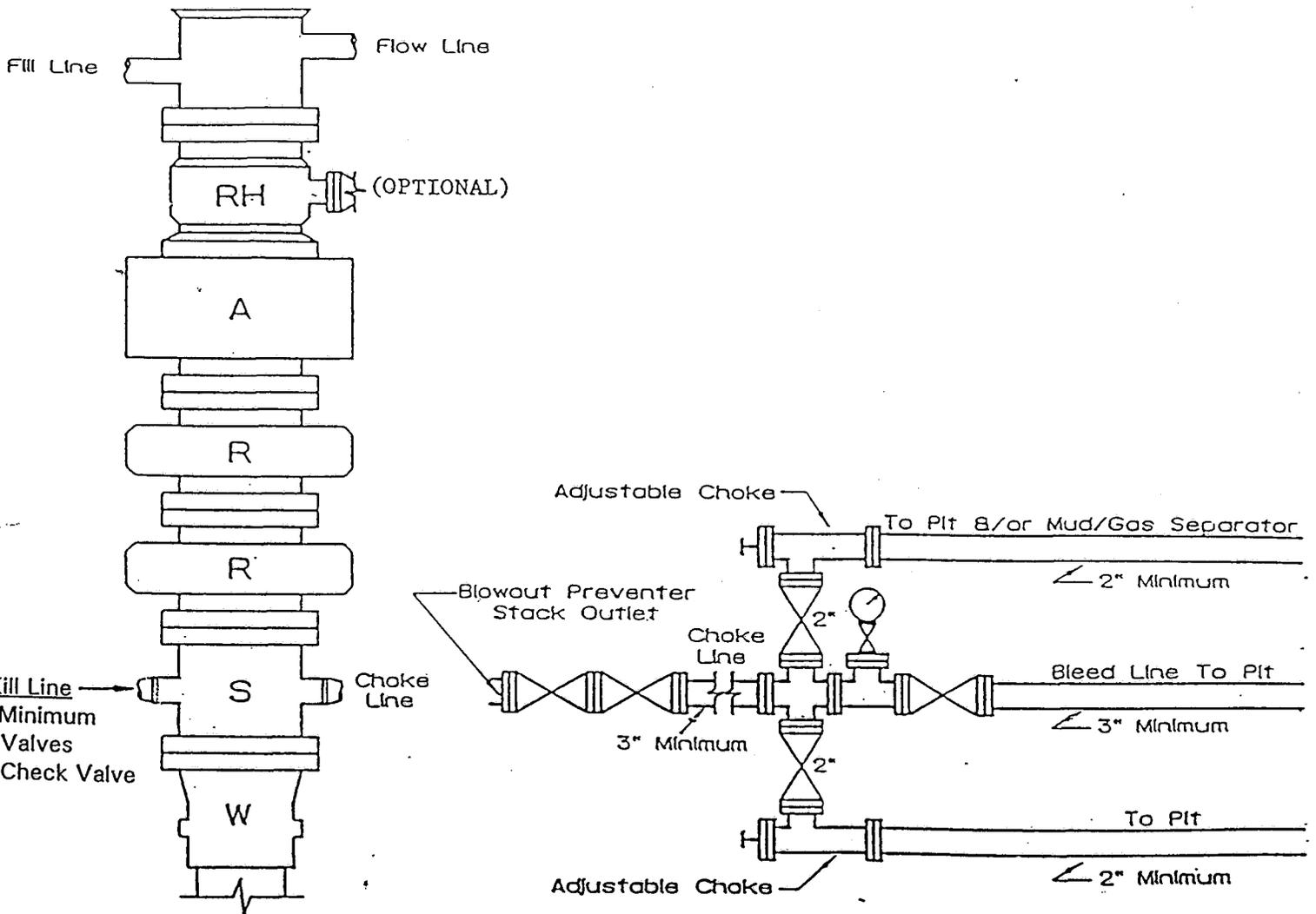
TYPICAL BLOWOUT PREVENTER CLOSING UNIT ARRANGEMENT



NOTE:
PLUG VALVE IN CLOSING
LINE ADJACENT TO ANNULAR
PREVENTER TO FACILITATE
LOCKING CLOSING PRESSURE
ON PREVENTER.

DOUBLE RAM TYPE PREVENTERS (WITH ROTATING HEAD*)

(3000 psi System)



* Note: Kill line shall be 2" minimum diameter and have two valves, one of which shall be a check valve (both valves - 2" minimum)

Minimum BOP Stack	3000 psi Working Pressure
One Pipe Ram	3000 psi Working Pressure
One Blind Ram	3000 psi Working Pressure
One Annular	3000 psi Working Pressure
Well Head	3000 psi Working Pressure
Manifold	3000 psi Working Pressure
Rotating Head *	psi Working Pressure

Surface Use Plan

Company: Snyder Oil Corporation
1625 Broadway, Suite 2200
Denver, Colorado 80202
Attn: Joe Mazotti
303-592-4643

Well Name: Ute Tribal # 23-P
Location: SE/SE, Sec. 23, T4S - R1E
Uintah County, Utah
Lease: ML - 14-20-H62-4648

1. Existing Roads

- A. The existing access road extends 2 miles south of Utah State Highway # 88-A (Randelett Hwy). See Exhibits A&B
- B. The existing roads will be maintained is as good or better condition than now exists, meeting standards listed in BLM Manual Section 9113 for a resource road.
- C. If the access road is dry during construction, drilling, and completion activities water the access road to help road compaction and minimize soil loss due to blowing dust.

2. Access Roads to be Constructed

- A. The new road will be completed as a single lane 16 foot subgrade road with no turnouts. (See Exhibit B)
- B. Construct the access road and associated drainage structures in accordance with BLM roading guidelines as stated in the BLM/USFS publication: Surface Standards for Oil and Gas Exploration and Development, Third Edition, January 1989.
- C. If the access road is dry during construction, drilling, and completion activities water the access road to help road compaction and minimize soil loss due to blowing dust.
- D. Road construction is to be monitored by a qualified individual agreed to by the authorized officer and the operator. Compaction of the subgrade with water and heavy equipment to a density higher than the surrounding subsurface is required during construction.
- E. Cattleguard: No cattleguard will be required.
- F. Maintenance:

Operator shall regularly maintain the road in a safe, usable condition. A regular maintenance program shall include, but not be limited to, blading, ditching, culvert installation, drainage installation, surfacing, and cattleguards, as needed. Design, construction, and maintenance of the road will be in compliance with the standards contained in BLM Manual, Section 9113 (Roads), and in the "Gold Book", Oil and Gas Surface Operating Standards for Oil and Gas Exploration and Development, Third Edition.

3. Location of existing wells: See Exhibit C

4. Location of Existing and/or Proposed Production Facilities

A. Existing facilities: See Exhibit C

B. New production facilities well be utilized:

Production Unit

Treaterr

Meter Run

400 bbl Oil Tank

400 bbl Water Tank

55 Gallon Ethylene Glycol tank

Pumping Unit

Lines are to be 3" schedule 80 welded flowline in insulated bundle with 2 - 1.5" Glycol heat trace lines and a 1" fuel line.

C. Facilities are limited to existing drilling pad (Exhibit D).

D. Containment berms will be installed to the following minimums: 18" wide on top, 36" wide at the base, and 24" tall. Width and length of berm will be sufficient to contain 110% of maximum stored volume. All produced water will be disposed of via truck transport to the Murrays disposal, La Pointe, Utah. An "as built" drawing will be submitted with site security diagram.

E. All above ground permanent structures (permanent means on-site for longer than 90 days) not subject to safety requirements shall be painted Desert Tan.

5. LOCATION AND TYPE OF WATER SUPPLY

A. Location: Water will be hauled from the Duchesne River, the water will be extracted from the river at the Fort Duchesne Bridge.

All required state permits have been applied for and will be forward upon approval.

B. Method of transportation: Water is to be hauled by an approved commercial water hauler.

C. Water well to be drilled: None.

D. Water Pipeline - None

6. SOURCE OF CONSTRUCTION MATERIALS

A. Location: Native materials obtained during construction.

B. From Federal or Indian lands: Indian lands.

C. Where materials will be used: On location and access road.

D. Access roads on Federal or Indian lands: Indian lands.

7. Methods of Handling Waste Disposal

All state and local laws and regulations pertaining to disposal of human and solid waste will be complied with.

- A/B. **Cuttings and drilling fluids:** Cuttings and drilling fluids will be contained in the reserve pit.
- C. **Produced fluids:** Tanks will be used for storage of produced fluids during testing. Fracture stimulation fluids will be flowed back into the reserve pit for evaporation.
- D. **Sewage:** Sewage will be contained in above ground storage tanks (Exhibit D). All applicable permits will be secured prior to installation. Upon completion of the project, sewage will be hauled to an approved sewage treatment facility for disposal.
- E. **Burnable waste** will be contained in a portable trash cage. This waste will be transported to a State approved waste disposal site upon completion of operations.
- F. **Proper clean up of well site:** Upon completion of drilling, all trash and litter will be picked up and placed in the trash cage. The reserve pit will be fenced on 3 sides during drilling and the 4th side will be fenced when drilling is completed. The reserve pit will remain fenced until dry, at which time it will be backfilled to depth of at least 5 feet of soil material.
- G. **Hazardous Materials** as listed in the Vernal, Utah Production office will be transported and utilized during the life of the well. Any spills will be handled as set out in SOCO's SPPC plan on file in the Vernal, Utah production office.

8. **Ancillary Facilities:** None

9. **Wellsite Layout**

- A. **Drill pad cross sections, cuts and fills** (see Exhibits E).
- B. **Location of pits and stockpiles:** See diagram (Exhibit D) for location of mud tanks, reserve pit, burn and trash pit, pipe racks, living facilities and soil material stockpiles.
- C. **Pad orientation:** See rig layout diagram (Exhibit D) for rig orientation, parking areas and access roads.
- D. **O.S.H.A. requirements:** Area needed to conduct the fracturing operations, if necessary, in a safe manner and in accordance with O.S.H.A. standards will be within the areas already disturbed or agreed upon at the presite examination.
- E. **Surface Runoff:** In order to divert surface runoff, a drainage ditch will be constructed around the upslope side of the well site.
- F. **Construction activity** will not be conducted using frozen or saturated soil material or during periods when watershed damage is likely to occur.
- G. **Confine all equipment and vehicles** to the access road, pad and spoil and topsoil storage areas.
- H. **Strip eight inches of topsoil** from the wellpad and spoil storage area prior to any other construction activity.
- I. **Compact the fill section** of the pad that supports the drill rig and any other heavy equipment.

Flagging and Staking

Centerline road flagging: The proposed route of the new access road is flagged as shown on map (Exhibit B). Slope, grade and other control stakes will be placed as necessary to ensure construction in accordance with the road specifications. The cut and fill slopes and spoil storage areas will be marked with a stake as necessary. The tops of the stakes or laths shall be painted or flagged in a distinctive color. All boundary stakes and/or laths shall be maintained in place until final construction cleanup is completed. If stakes are disturbed, they shall be replaced before proceeding with construction.

Fences

Prior to the onset of drilling, a "stock tight" fence shall be installed on three sides of the reserve pit. This fence will be either (1) woven wire at least 28 inches high and within four inches of ground surface with two strands of barbed wire above the woven wire with 10-inch spacing, or (2) at least five strands of barbed wire spaced, starting from the ground, at approximately 6-, 8-, 10-, and 12-inch intervals. The fourth side of the reserve pit will be fenced after the drilling rig moves off the location.

Syphons

Install syphons, catchments, and absorbent pads to keep hydrocarbons produced by the drill rig from entering the reserve pit. Ensure that hydrocarbons and contaminated pads are disposed of in accordance with Utah DEQ requirements.

Reserve Pits

The reserve pit will be examined by the operator and the authorized officer after construction and prior to the addition of any fluids to determine if the materials are permeable and potentially capable of allowing transfer of pit contents to the groundwater. If permeable, supplemental pit lining will be required, such as bentonite clay or a membrane liner. The type of lining use will be mutually agreed to by the operator and the authorized officer.

Backfill reserve pit as soon as dry after drilling and completion operations are finished. If natural evaporation of the reserve pit is not feasible, alternative methods of drying, removal of fluids, or other treatment must be developed. If fluids will be disposed of by any method other than evaporation or hauling to a DEQ approved disposal pit, prior approval by the BLM is required. NOTE: If disposal involves proposed discharge or transport, Utah DEQ approval is necessary.

The reserve pit bottom and side walls shall be void of any sharp rocks that could puncture the liner.

If liner is required, then: Line the reserve pit prior to putting any fluids into it. The pit liner must have a mullen burst strength that is equal to or exceeds 300 pounds, a puncture strength that is equal to or exceeds 160 pounds, and grab tensile strengths that are equal to or exceeds 150 pounds. These are to be verified test results run according to ASTM test standards. In addition, the liner must be totally resistant to deterioration by hydrocarbons.

Liners must be installed over smooth fill subgrade which is free of pockets, loose rocks, or other materials which could damage the liner. Sand, sifted dirt, or bentonite are suggested.

Testing

If drilling fluids are transferred from this well to the next well in the drilling plan, then the fluids will be tested at the well logging stage of drilling operations using Utah DEQ Guideline parameters. This water analysis standard is incorporated in a packet submitted by Western Environmental Services and Testing Inc. as part of their water analysis packages. Any other company doing water testing will also have to test for the elements listed in the Utah DEQ Guideline parameters.

In order to ensure timely review of the water quality data, the operator is required to have a Utah DEQ approved firm contracted to conduct water samples, send a copy of water quality test results to the Vernal BLM office at the same time that they are sent to the operator.

10. Plans for Reclamation of the Surface

- A. Rat and mouse holes shall be filled and compacted from bottom to top immediately upon release of the drilling rig from the location.
- B. Spread topsoil from the berms and/or storage piles along the road's cut and fill slopes. Do not block drainage ditches or culverts with topsoil and associated organic matter. Seed the topsoiled areas as stated below.
- C. Recontour the unused area of the pad, spread topsoil six inches deep, rip the area on the contour one ft. deep using ripper teeth set on one ft. centers. Seed the reclaimed area of the well pad and the access road cut and fill slopes as stated below.

Seeding

Seed mixture and application rates contained in the condition of approval will be applied. Seed all disturbed areas using a drill equipped with a depth regulator. All seed must be drilled on the contour. Plant the seed between one-quarter and one-half inches deep. Seed all disturbed areas using a drill equipped with a depth regulator. All seed must be drilled on the contour. Plant the seed between one-quarter and one-half inches deep. Where drilling is not possible (too steep or rocky), broadcast the seed and rake or chain the area to cover the seed. If the seed mixture is broadcast, double the rate listed below. The seeding shall be repeated until a satisfactory stand, as determined by the Authorized Officer, is obtained. The first evaluation of growth will be made following completion of the first growing season after seeding.

Pure live seed (PLS) formula: % of purity of seed mixture times % germination of seed mixture = portion of seed mixture that is PLS.

Seeding will take place after September 1 and prior to ground frost.

11. LESSEE OR OPERATOR'S FIELD REPRESENTATIVE

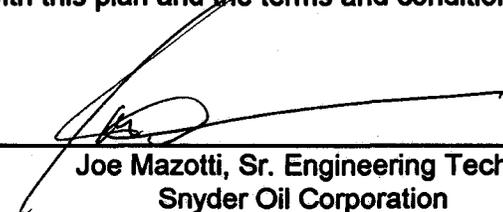
Operator

Joe Mazotti
Snyder Oil Corporation
1625 Broadway, Suite 2200
Denver, CO 80202
(303) 592-4643

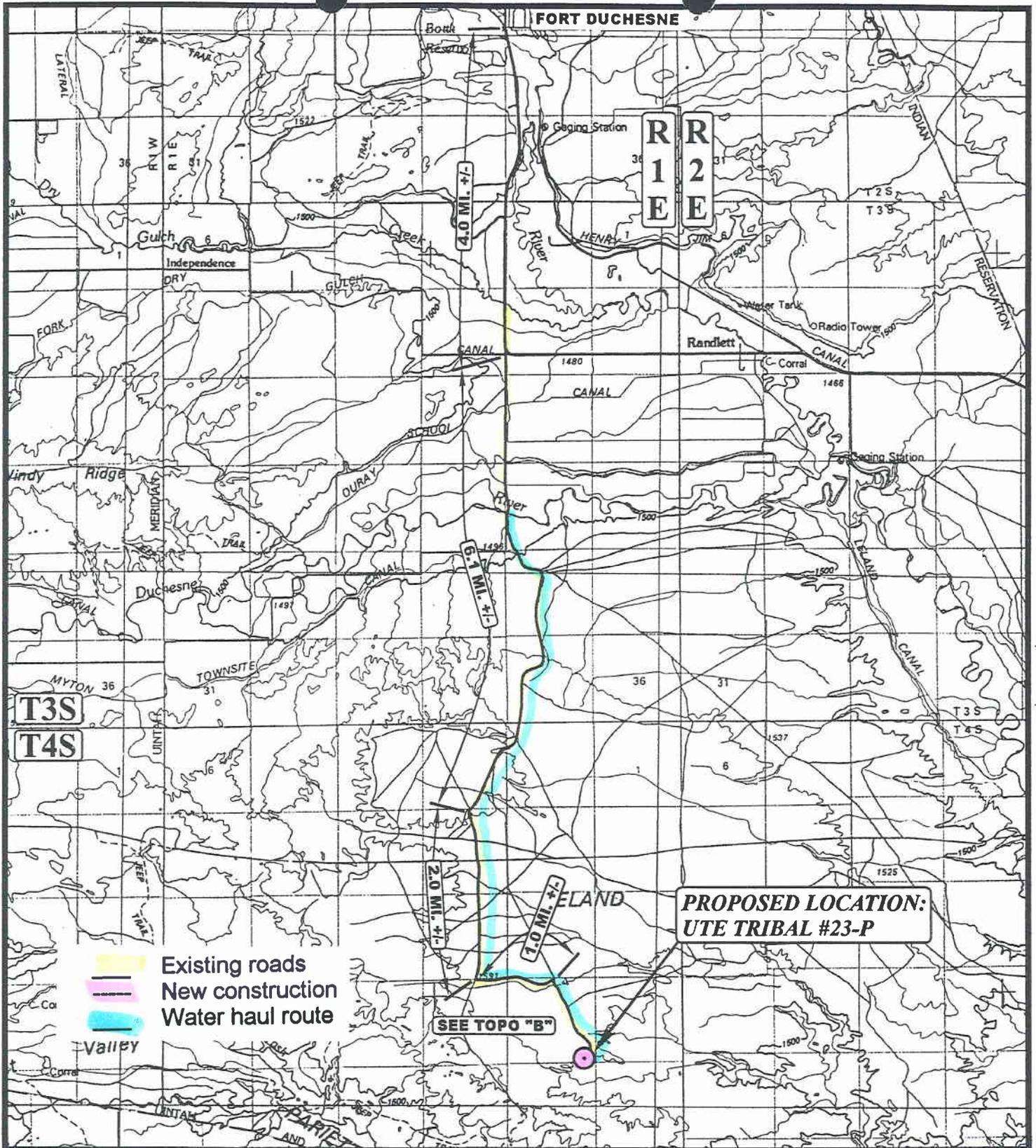
12. CERTIFICATION

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 the 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 Snyder Oil Company, and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

8/27/87
Date



Joe Mazotti, Sr. Engineering Tech.
Snyder Oil Corporation



**PROPOSED LOCATION:
UTE TRIBAL #23-P**

SEE TOPO "B"

- Existing roads
- New construction
- Water haul route

LEGEND:

 PROPOSED LOCATION



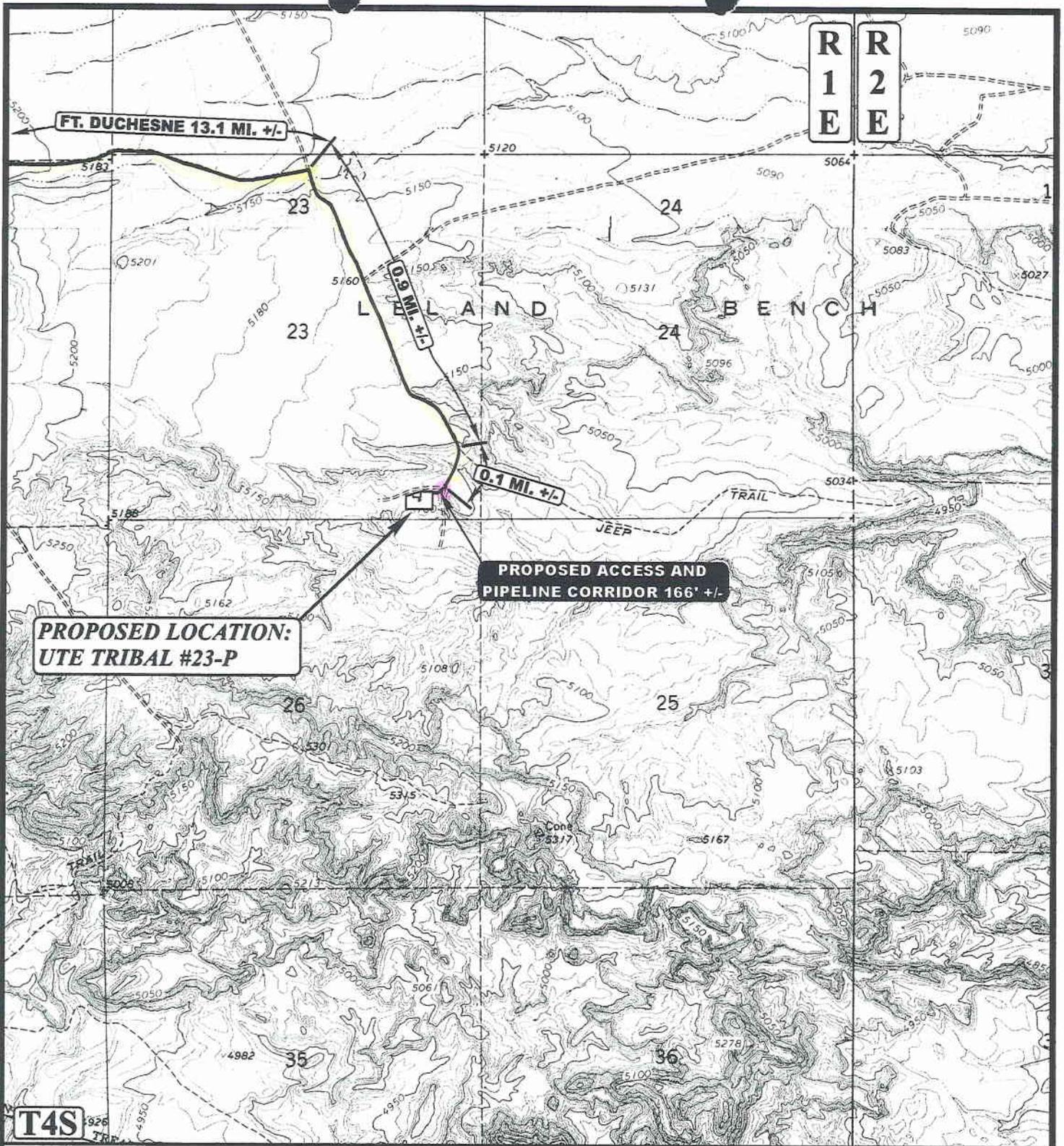
SNYDER OIL CORP.

**UTE TRIBAL #23-P
SECTION 23, T4S, R1E, U.S.B.&M.
290' FSL 873' FEL**

U E L S Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(801) 789-1017 * FAX (801) 789-1018
Email: uels@easllink.com

TOPOGRAPHIC 6 5 97
MAP MONTH DAY YEAR
SCALE: 1 : 100,000 | DRAWN BY: D.COX | REVISED: 00-00-00





**R
1
E** **R
2
E**

**PROPOSED LOCATION:
UTE TRIBAL #23-P**

**PROPOSED ACCESS AND
PIPELINE CORRIDOR 166' +/-**

APPROXIMATE CORRIDOR DISTANCE = 166' +/-

LEGEND:

- PROPOSED CORRIDOR
- EXISTING ROAD



SNYDER OIL CORP.

**UTE TRIBAL #23-P
SECTION 23, T4S, R1E, U.S.B.&M.
290' FSL 873' FEL**



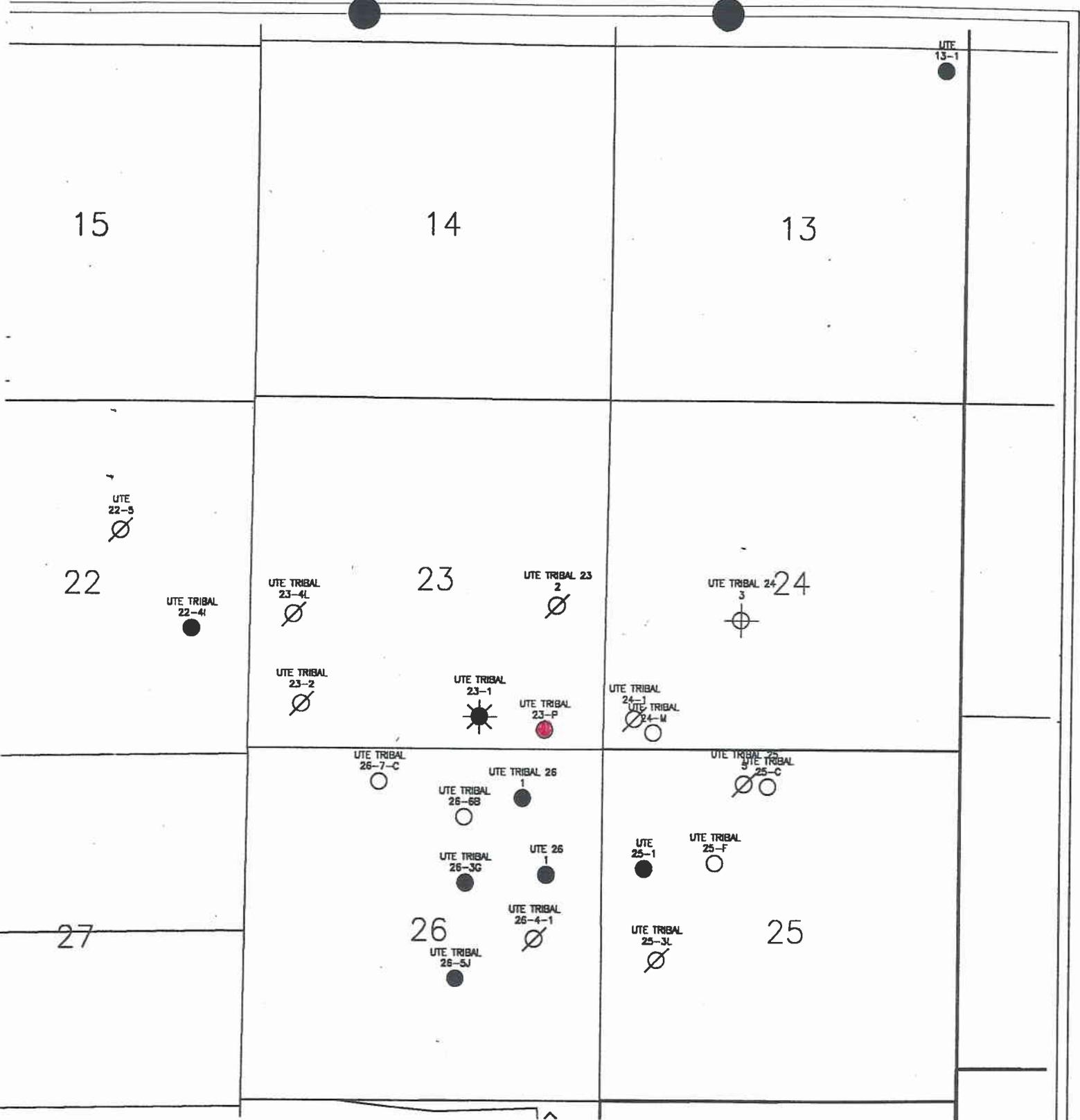
Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(801) 789-1017 * FAX (801) 789-1018
Email: uels@easilink.com

**TOPOGRAPHIC
MAP**

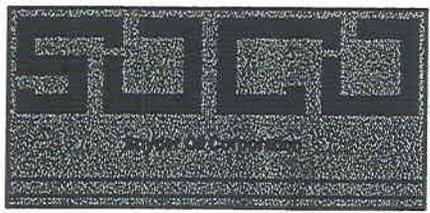
6	5	97
MONTH	DAY	YEAR

SCALE: 1" = 2000' DRAWN BY: D.COX REVISED: 00-00-00





SOCO Acreage



SNYDER OIL CORPORATION		
LELAND BENCH Uintah Co., Utah EXHIBIT C		
Plot Guide		02607
Scale	1" = 24000'	02607.plt

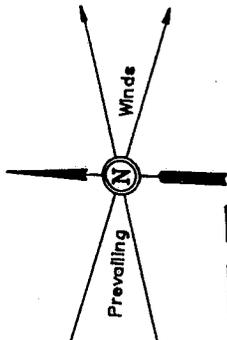
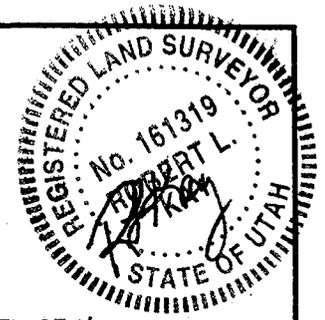
SNYDER OIL CORP.

LOCATION LAYOUT FOR

**UTE TRIBAL #23-P
SECTION 23, T4S, R1E, U.S.B.&M.**

290' FSL 873' FEL

Proposed Access Road



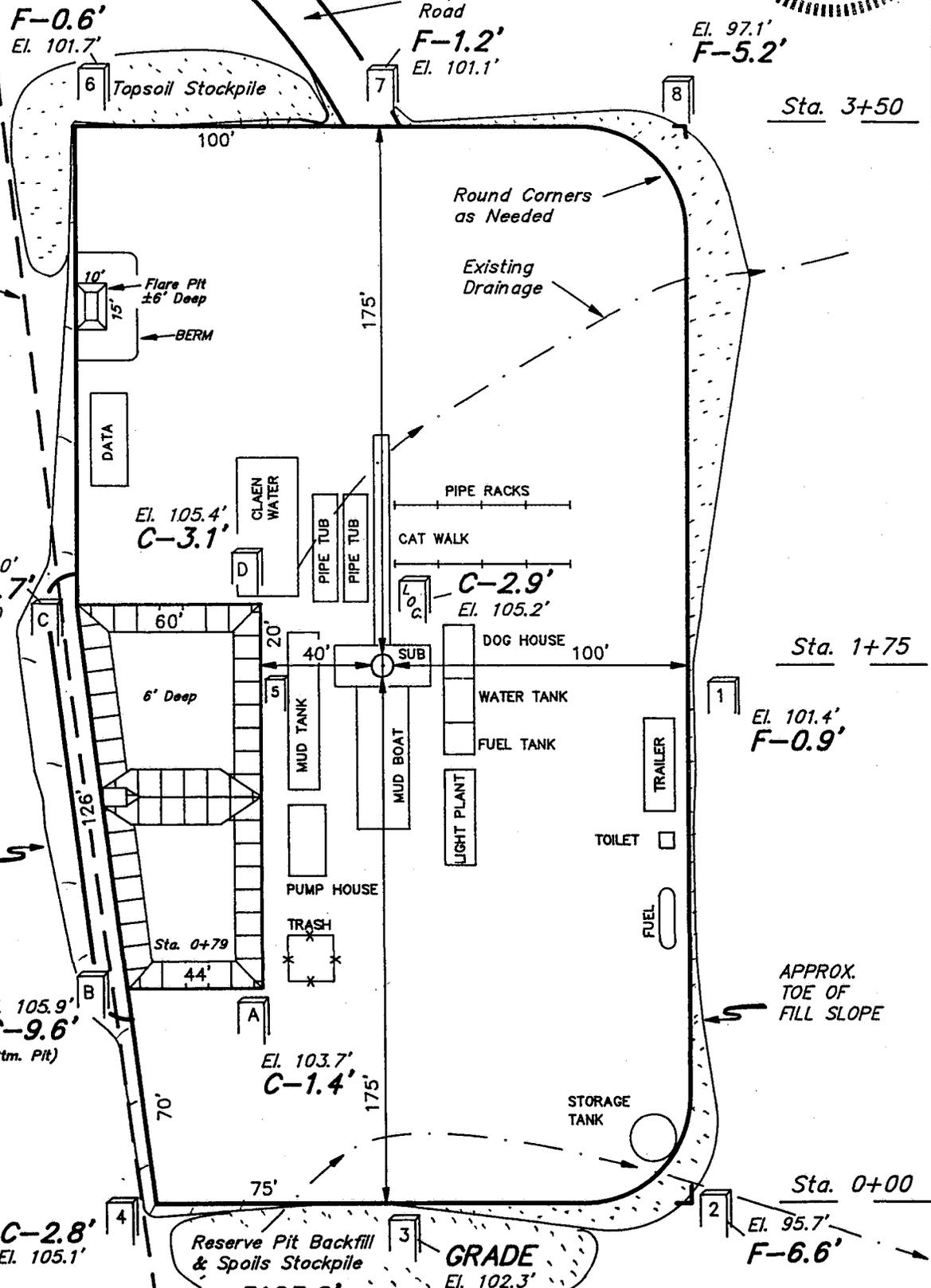
SCALE: 1" = 50'
DATE: 06-05-97
Drawn By: D.R.B.

Exhibit D

NOTE:

FLARE PIT IS TO BE LOCATED A MINIMUM OF 100' FROM THE WELL HEAD.

Pit Capacity With 2' of Freeboard is ± 3,230 Bbls.



Elev. Ungraded Ground at Location Stake = **5105.2'**
Elev. Graded Ground at Location Stake = **5102.3'**

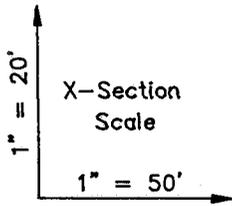
UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (801) 789-1017

SNYDER OIL CORP.

TYPICAL CROSS SECTIONS FOR

UTE TRIBAL #23-P
SECTION 23, T4S, R1E, U.S.B.&M.

290' FSL 873' FEL



DATE: 06-05-97
Drawn By: D.R.B.

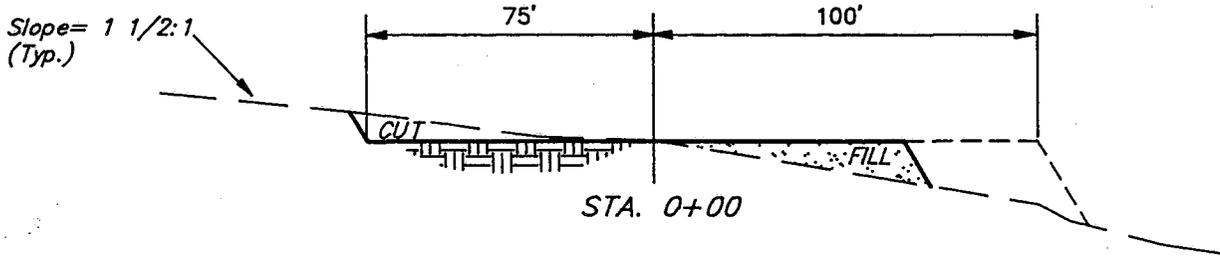
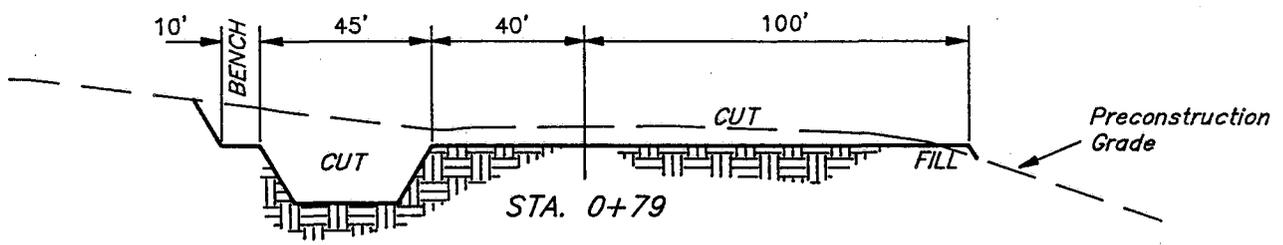
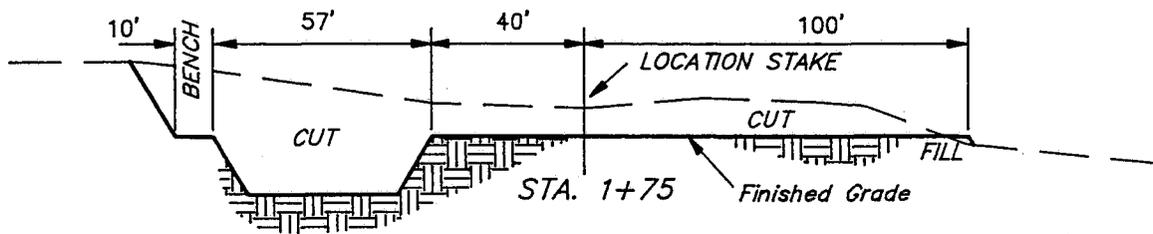
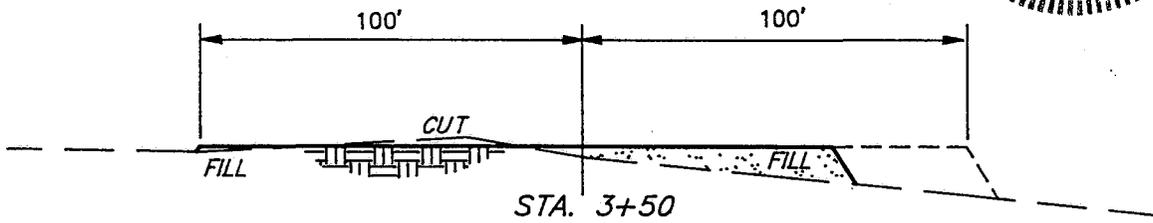


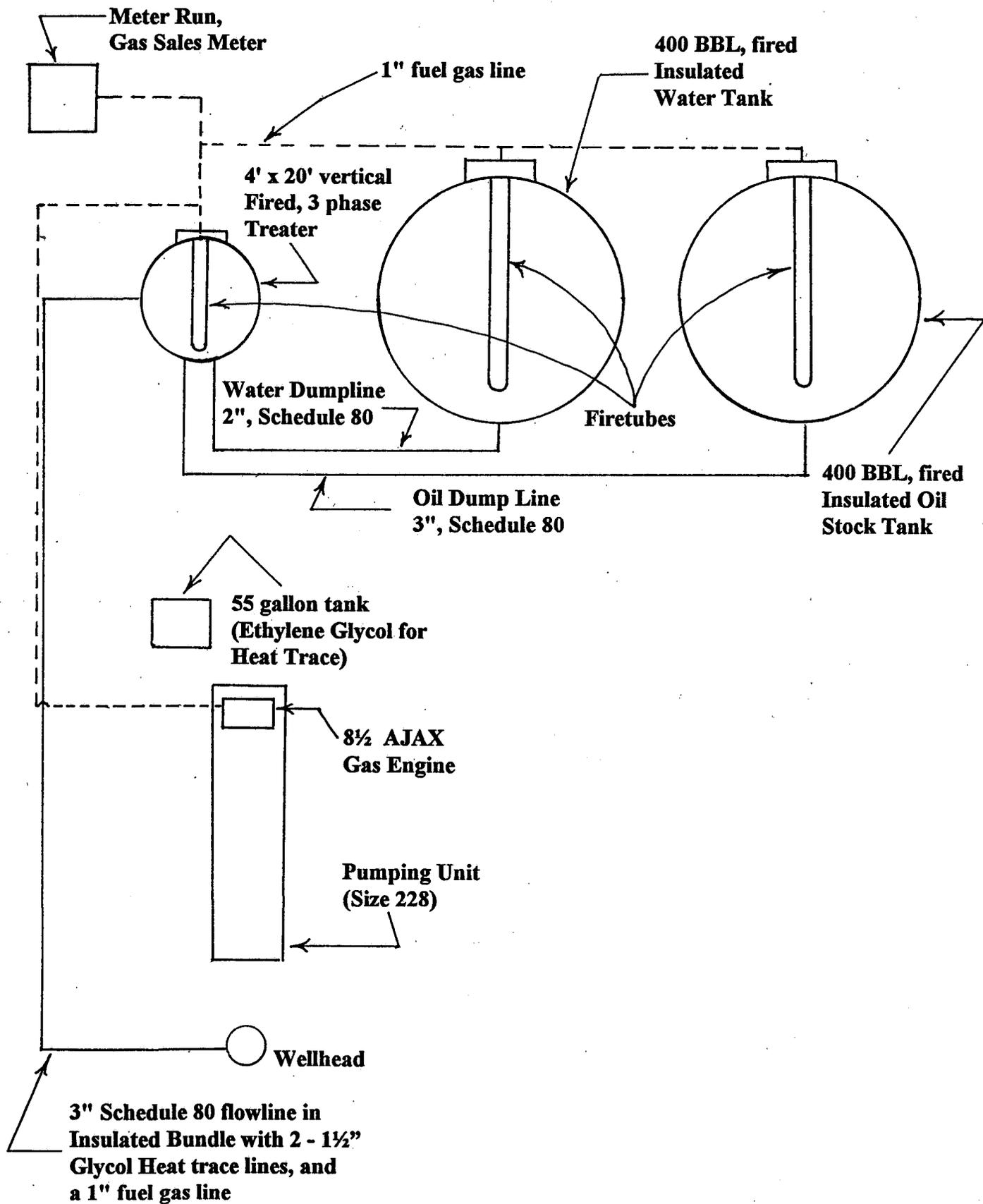
Exhibit E

APPROXIMATE YARDAGES

CUT	
(12") Topsoil Stripping	= 2,500 Cu. Yds.
Remaining Location	= 4,160 Cu. Yds.
TOTAL CUT	= 6,660 CU.YDS.
FILL	= 3,420 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 3,060 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,060 Cu. Yds.
EXCESS CUT MATERIAL	= 0 Cu. Yds.

EXHIBIT F



APPLICATION FOR GRANT CORRIDOR OF RIGHT-OF-WAY

SNYDER OIL CORPORATION having a resident or principal place of business at **1625 BROADWAY SUITE 2200 DENVER, COLORADO 80202**, hereby files an application with the Bureau of Indian Affairs, pursuant to the terms and provisions of the Act of February 5, 1948 (62 Stat. 17; 25 U.S.C. 323), and to the regulations of the Department of the Interior contained in Title 25, Code of Federal Regulations, Part 169, for the grant of a Right-of-Way for the following purposes and reasons:

To construct Drillsite & Access Road & Pipeline as needed for the UTE TRIBAL #23-P

Across the following described Indian Land SE 1/4 OF SECTION 23, T4S, R1E, U.S.B. & M.

Drillsite	= 2.225 Ac.	
Corridor R-O-W (Access Road & Pipeline)	= 0.190 Ac	Total = 2.415 Ac.

Said Right-of-Way to be approximately 165.52 feet in length, 50 feet in width, and 0.190 Acres, and more particularly described and shown on the map of definite location to be attached and made a part hereof.

The applicant understands and hereby expressly agrees to the following stipulations:

- (a) To construct and maintain the Right-of-Way in a workmanlike manner.
- (b) To pay promptly all damages and compensation, in addition to the deposit made pursuant to 169.4 determined by the Secretary to be due the landowners and authorized users and occupants of the land on account of the survey, granting, construction and maintenance of the Right-of-Way.
- (c) To indemnify the landowners and authorized users and occupants against any liability for loss of life, personal injury and property damage arising from the construction, maintenance, occupancy or use of the lands by the applicant, his employees, contractors and their employees or subcontractors and their employees.
- (d) To restore the lands as nearly as may be possible to their original condition upon the completion of the construction to the extent compatible with the purpose for which the Right-of-Way was granted.
- (e) To clear and keep clear the lands within the Right-of-Way to the extent compatible with the purpose of the Right-of-Way; and to dispose of all vegetative and other material cut, uprooted, or otherwise accumulated during the construction and maintenance of the project.
- (f) To take soil and resource conservation and protection measures, including weed control, on the land covered by the Right-of-Way.
- (g) To do everything reasonable within its power to prevent and suppress fires on or near the lands to be occupied under the Right-of-Way.

- (h) To build and repair such roads, fences, and trails as may be destroyed or injured by construction work and to build and maintain necessary and suitable crossings for all roads and trails that intersect the works constructed, maintained, or operated under the Right-of-Way.
- (i) That upon revocation or termination of the Right-of-Way, the applicant shall, so far as is reasonably possible, restore the land to its original condition.
- (j) To at all times keep the Secretary informed of its address, and in case of corporations of the address of its principal officers.
- (k) That the applicant will not interfere with the use of the lands by or under the authority of the landowners for any purpose not inconsistent with the primary purpose for which the Right-of-Way is granted.

IN WITNESS THEREOF, SNYDER OIL CORPORATION, has caused this instrument to

be executed this 13 day of JUNE, 1997.

Chris Anderson

WITNESS

SNYDER OIL CORPORATION.

APPLICANT

James N. Cox

WITNESS

William D. Nyland

William Nyland/Production Foreman

P.O. Box 695

Vernal, Utah 84078

Phone:(801)789-0323

SUPPORTING DOCUMENTS:

- () Written consent of the landowners.
- () Evidence of good faith and financial responsibility.
- (x) \$0 as per the terms of the Cooperative Plan of Development.
- () State certified copy of corporate charter or articles of corporation.
- () Certified copy of resolution or bylaws of the corporation authorizing the filing of the stipulations.
- () State certification that the applicant is authorized to do business in the State where the land is located.
- () Certified copy of the articles of partnership or association.
- (x) Map of definite location.
- () Other:

SNYDER OIL CORP.
UTE TRIBAL #23-P
CORRIDOR RIGHT-OF-WAY & DAMAGE AREA
SECTION 23, T4S, R1E, U.S.B.&M.

TOTAL CORRIDOR RIGHT-OF-WAY ON UTE TRIBAL LANDS

TOTAL LENGTH OF RIGHT-OF-WAY IS 165.52' OR 0.031 MILES. WIDTH OF RIGHT-OF-WAY IS 50' (25' PERPENDICULAR ON EACH SIDE OF THE CENTERLINE). CONTAINS 0.190 ACRES MORE OR LESS.

ENGINEER'S AFFIDAVIT

STATE OF UTAH)
) SS
COUNTY OF UINTAH)

ROBERT L. KAY, BEING FIRST DULY SWORN DEPOSES AND STATES THAT HE IS THE REGISTERED LAND SURVEYOR, FOR SNYDER OIL CORP., THAT THESE SURVEYS WERE MADE BY HIM (OR UNDER HIS SUPERVISION), THAT HE HAS EXAMINED THE FIELD NOTES OF THE SURVEYS OF THE DAMAGE AREA & CORRIDOR RIGHT-OF-WAY AS DESCRIBED AND SHOWN ON THIS MAP, THAT THIS MAP WAS PREPARED UNDER HIS DIRECTION FROM SAID FIELD NOTES, AND THAT SAID RIGHT-OF-WAY, 0.031 MILES IN LENGTH BEGINNING AND ENDING AS SHOWN ON THIS MAP IS ACCURATELY REPRESENTED.

REG. NO. 161319
Robert L. Kay
ROBERT L. KAY
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

ACKNOWLEDGEMENT

SUBSCRIBED AND SWORN BEFORE ME THIS 9 DAY OF June 1997

MY COMMISSION EXPIRES Aug 17, 1998

NOTARY PUBLIC
Gracy D. Herline
GRACY D. HERLINE
379 E. 1500 SOUTH
Vernal, Utah 84476
Commission Expires 8/17/98
VERNAL, UTAH STATE OF UTAH

APPLICANT'S CERTIFICATE

I, WILLIAM NYLAND, DO HEREBY CERTIFY THAT I AM THE AGENT FOR SNYDER OIL CORP., HEREINAFTER DESIGNATED THE APPLICANT; THAT ROBERT L. KAY WHO SUBSCRIBED TO THE FOREGOING AFFIDAVIT, IS EMPLOYED BY THE APPLICANT AS A LAND SURVEYOR AND THAT HE WAS DIRECTED BY THE APPLICANT TO SURVEY THE LOCATION OF THIS DAMAGE AREA & CORRIDOR RIGHT-OF-WAY, 0.031 MILES IN LENGTH BEGINNING AT STA. 0+00 AND ENDING AT STA. 1+65.52, THAT SAID DAMAGE AREA & CORRIDOR RIGHT-OF-WAY ARE ACCURATELY REPRESENTED ON THIS MAP; THAT SUCH SURVEY AS REPRESENTED ON THIS MAP HAS BEEN ADOPTED BY THE APPLICANT AS THE DEFINITE LOCATION OF THE RIGHT-OF-WAY THEREBY SHOWN; AND THAT THE MAP HAS BEEN PREPARED TO BE FILED WITH THE SECRETARY OF THE INTERIOR OR HIS DULY AUTHORIZED REPRESENTATIVE AS PART OF THE APPLICATION FOR SAID RIGHT-OF-WAY TO BE GRANTED THE APPLICANT, ITS SUCCESSORS AND ASSIGNS, WITH THE RIGHT TO CONSTRUCT, MAINTAIN, AND REPAIR IMPROVEMENTS, THEREON AND THEREOVER, FOR SUCH PURPOSES, AND WITH THE FURTHER RIGHT IN THE APPLICANT, ITS SUCCESSORS AND ASSIGNS TO TRANSFER THIS RIGHT-OF-WAY BY ASSIGNMENT, GRANT, OR OTHERWISE.

William D. Nyland
APPLICANT

PRODUCTION FOREMAN

TITLE

SNYDER OIL CORP.

LOCATION DAMAGE AREA & CORRIDOR RIGHT-OF-WAY ON UTE TRIBAL LANDS

(For UTE TRIBAL #23-P)
LOCATED IN
SECTION 23, T4S, R1E, U.S.B.&M.
DUCHESE COUNTY, UTAH

Sec. 23

1/4 Section Line

Set Marked Stone

CORRIDOR RIGHT-OF-WAY DESCRIPTION

A 50' WIDE RIGHT-OF-WAY 25' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE.

BEGINNING AT A POINT IN THE SE 1/4 SE 1/4 OF SECTION 23, T4S, R1E, U.S.B.&M. WHICH BEARS N51°37'06"W 716.90' FROM THE SOUTHEAST CORNER OF SAID SECTION 23, THENCE S42°39'00"W 165.52' TO A POINT IN THE SE 1/4 SE 1/4 OF SECTION 23, WHICH BEARS N64°22'20"W 747.66' FROM THE SOUTHEAST CORNER SAID SECTION 23. THE SIDE LINES OF SAID DESCRIBED RIGHT-OF-WAY BEING SHORTENED OR ELONGATED TO MEET THE GRANTOR'S PROPERTY LINES. BASIS OF BEARINGS IS THE WEST LINE OF THE SW 1/4 OF SECTION 23, T4S, R1E, U.S.B.&M. WHICH IS ASSUMED FROM G.L.O. INFORMATION TO BEAR S00°02'E. CONTAINS 0.190 ACRES MORE OR LESS.

NOTE:

BEGINNING STA. 0+00 BEARS N51°37'06"W 716.90' FROM THE SOUTHEAST CORNER OF SECTION 23, T4S, R1E, U.S.B.&M.

ENDING STA. 1+65.52 BEARS N64°22'20"W 747.66' FROM THE SOUTHEAST CORNER OF SECTION 23, T4S, R1E, U.S.B.&M.

LINE	DIRECTION	DISTANCE
L1	S01°43'39"E	150.36'
L2	S01°43'39"E	99.64'

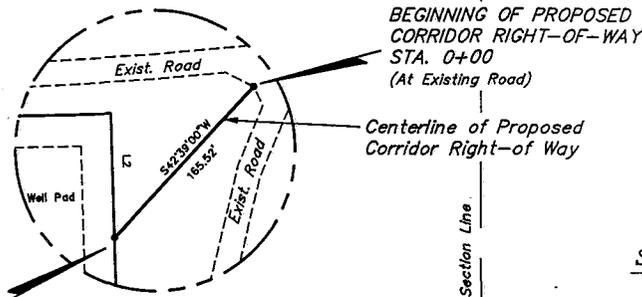
1/4 Section Line

Section Line

2640.08' (Meas.)

1/16 Section Line

SE 1/4



Ute Tribal

END OF PROPOSED CORRIDOR RIGHT-OF-WAY STA. 1+65.52

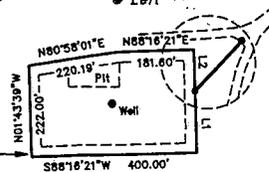
Detail

No Scale

1/16 Section Line

See Detail

Left

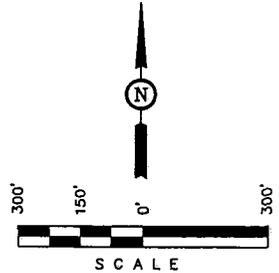


DAMAGE AREA UTE TRIBAL #23-P

Contains 2.225 Acres

Section Line

N00°01'53"W

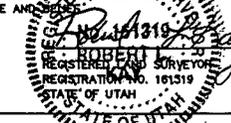


DAMAGE AREA DESCRIPTION

BEGINNING AT A POINT IN THE SE 1/4 SE 1/4 OF SECTION 23, T4S, R1E, U.S.B.&M. WHICH BEARS N64°22'20"W 747.66' FROM THE SOUTHEAST CORNER OF SAID SECTION 23, THENCE S01°43'39"E 150.36'; THENCE S88°16'21"W 400.00'; THENCE N01°43'39"W 222.00'; THENCE N80°58'01"E 220.19'; THENCE N88°16'21"E 181.60'; THENCE S01°43'39"E 99.64' TO THE POINT OF BEGINNING. BASIS OF BEARINGS IS THE WEST LINE OF THE SW 1/4 OF SECTION 23, T4S, R1E, U.S.B.&M. WHICH IS ASSUMED FROM G.L.O. INFORMATION TO BEAR S00°02'E. CONTAINS 2.225 ACRES MORE OR LESS.

CERTIFICATE

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



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

SCALE 1" = 300'	DATE 06-06-97
PARTY B.B. D.R. D.R.B.	REFERENCES G.L.O. PLAT
WEATHER WARM	FILE 4 0 9 8 1

SW Cor Sec 23
Set Marked Stone

N89°53'05"W

5304.02' (Meas.)

Alum. Cap
5/8" Rebar,
Pie of Stones

▲ = SECTION CORNERS LOCATED.

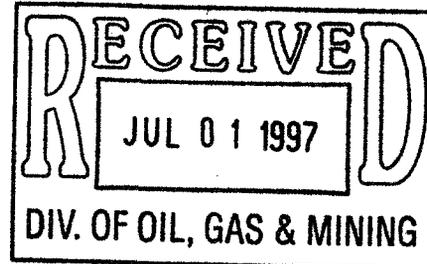


Snyder Oil Corporation

1625 Broadway
Suite 2200
Denver, CO 80202
303/592-8500
Fax 303/592-8600

June 30, 1996

Mr. Mike Hebertson
Utah Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84114



RE: **Application for Location Exception:**
Ute Tribal #23P
SE/SE. Sec. 23, T4S - R1E
Uintah County, Utah
Lease No. 14-20-H62-4648

Dear Mr. Cleavenger;

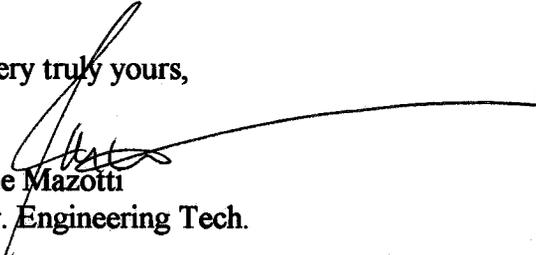
Snyder Oil Corporation hereby requests administrative approval for a location exception to Rule R649-3-2, which governs the location of wells in the state of Utah.

The location of wells under Rule No. R649-3-2 should be in the center of the 40 acre quarter/quarter section with a 200 foot tolerance. SOCO's proposed well is planned to be drilled on the northwest quarter at 290' FSL, 873' FEL of Section 23, T4S-R1E. This location was chosen to be in conformance with the 3-D Seismic indicators.

SOCO is the only working interest owner within the 460 foot radius. Attached is an Affidavit to that affect and map (Exhibit A) identifying the 460' radius. Exhibits B shows the said location in relation to Rule R649-3-2 drilling window. Exhibit C is a 9-section plat identifying all current well status and showing SOCO as the only working interest owner in the area.

Should you have any questions or concerns, please feel free to call me at 303-592-4643.

Very truly yours,


Joe Mazotti
Sr. Engineering Tech.

Attachments

CC: Bureau of Land Management, Vernal District Office
Bureau of Indian Affairs, Uintah & Ouray Agency
Ute Indian Tribe, Ft. Duchesne, UT

AFFIDAVIT

STATE OF COLORADO)

: ss.

COUNTY OF DENVER)

Paul G. Brooke, upon oath, states as follows:

- 1. I am the Senior Landman for Snyder Oil Corporation.
- 2. I am familiar with the matters set forth in the Application for Exception Location.
- 3. On behalf of Snyder Oil Corporation, I caused to be conducted a search of the pertinent land records of Uintah County, Utah, the Bureau of Land Management, and the Bureau of Indian Affairs involving the lands described in the Application for Exception Location and the lands within a one-half mile radius thereof.
- 4. Snyder Oil Corporation is the only lessee within the area of review and the Ute Tribe and Ute Distribution Corp. are the only mineral owners. All lands are subject to Exploration and Development Agreements between Snyder Oil Corporation and the Ute Tribe and Ute Distribution Corp.

FURTHER AFFIANT SAITH NOT.

DATED this 27 day of June, 1997.

Paul G. Brooke

Paul G. Brooke

On the 27~~th~~ day of June, 1997, personally appeared before me Paul G. Brooke, who duly acknowledged to me under oath that the statements contained in the foregoing instrument are true and correct to the best of his knowledge and belief.

My Commission Expires:

April 4, 2000

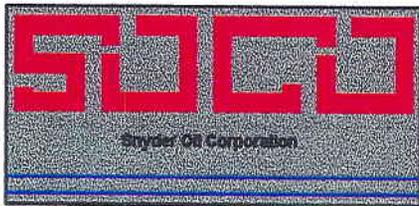
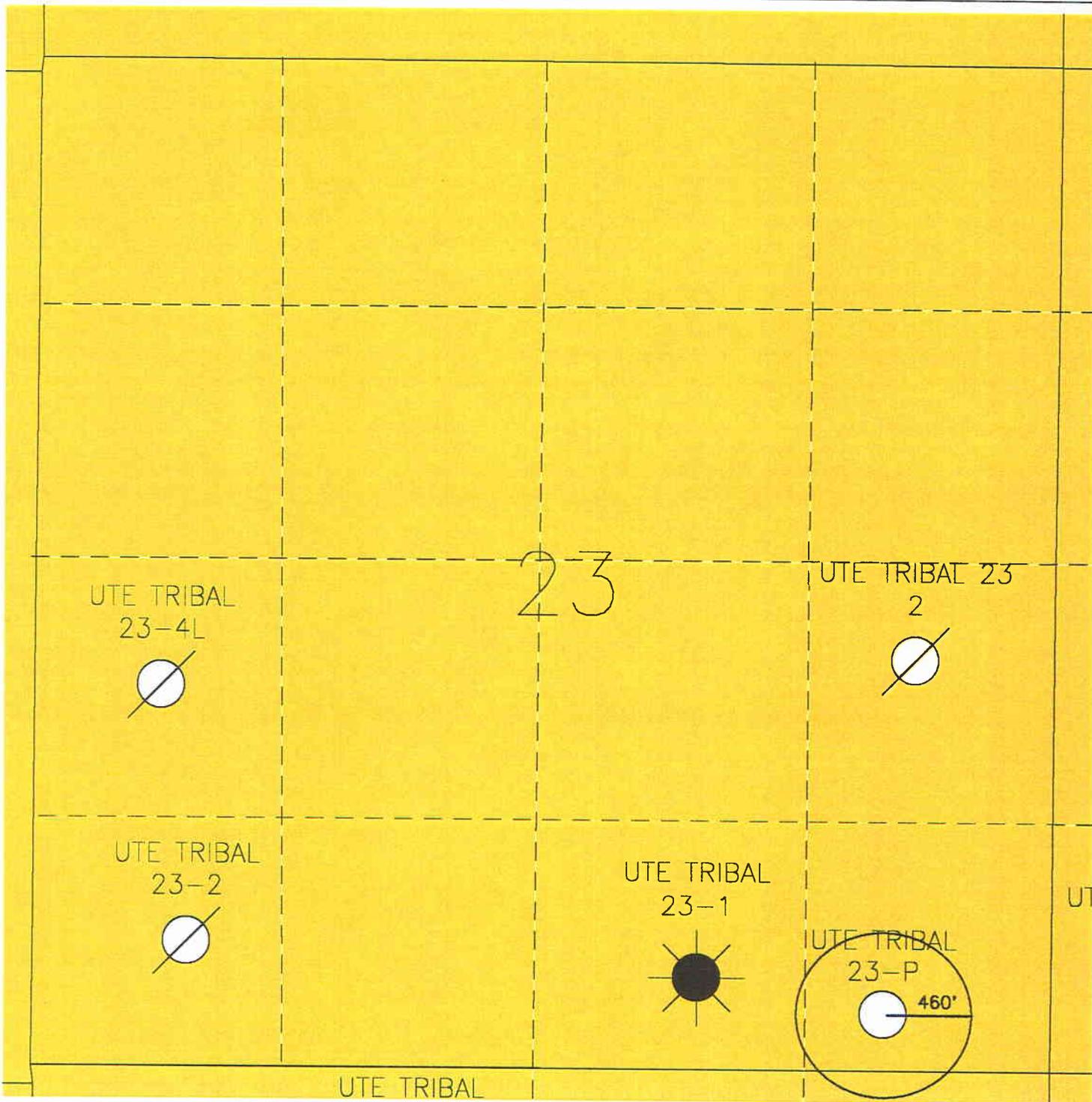


Carol S. Johnson

Notary Public

Residing at: 1625 Broadway Suite 2200

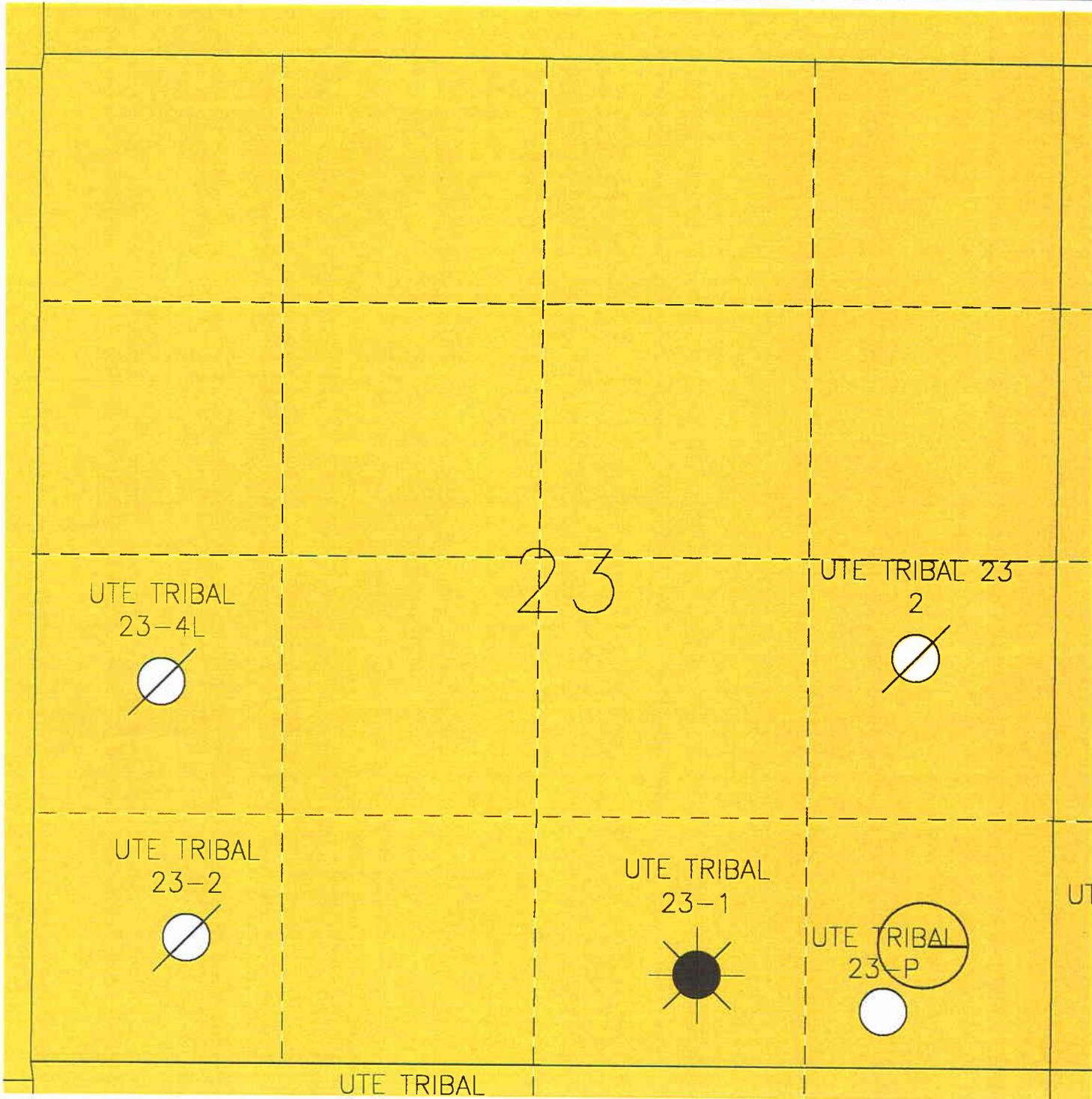
Denver, Co. 80202



 SOCO Acreage

SNYDER OIL CORPORATION		
LELAND BENCH Uintah Co., Utah Exception Locations		
Rod Guise		6/19/97
kam		excepted gpl

Exhibit A



 **SOCO Acreage**

SNYDER OIL CORPORATION		
LELAND BENCH Uintah Co., Utah Exception Locations		
Rod Guide		6/13/07
km		000001.gpx

Exhibit B

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 07/01/97

API NO. ASSIGNED: 43-047-32622

WELL NAME: UTE TRIBAL 23-P
 OPERATOR: SNYDER OIL CORP (N1305)

PROPOSED LOCATION:
 SESE 23 - T04S - R01E
 SURFACE: 0290-FSL-0873-FEL
 BOTTOM: 0290-FSL-0873-FEL
 UINTAH COUNTY
 UNDESIGNATED FIELD (002)

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

LEASE TYPE: IND
 LEASE NUMBER: 14-20-H62-4648

PROPOSED PRODUCING FORMATION: GRRV

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Federal State Fee
 (Number 5736935)
- Potash (Y/N)
- Oil shale (Y/N)
- Water permit
 (Number APPLIED FOR)
- RDCC Review (Y/N)
 (Date: _____)

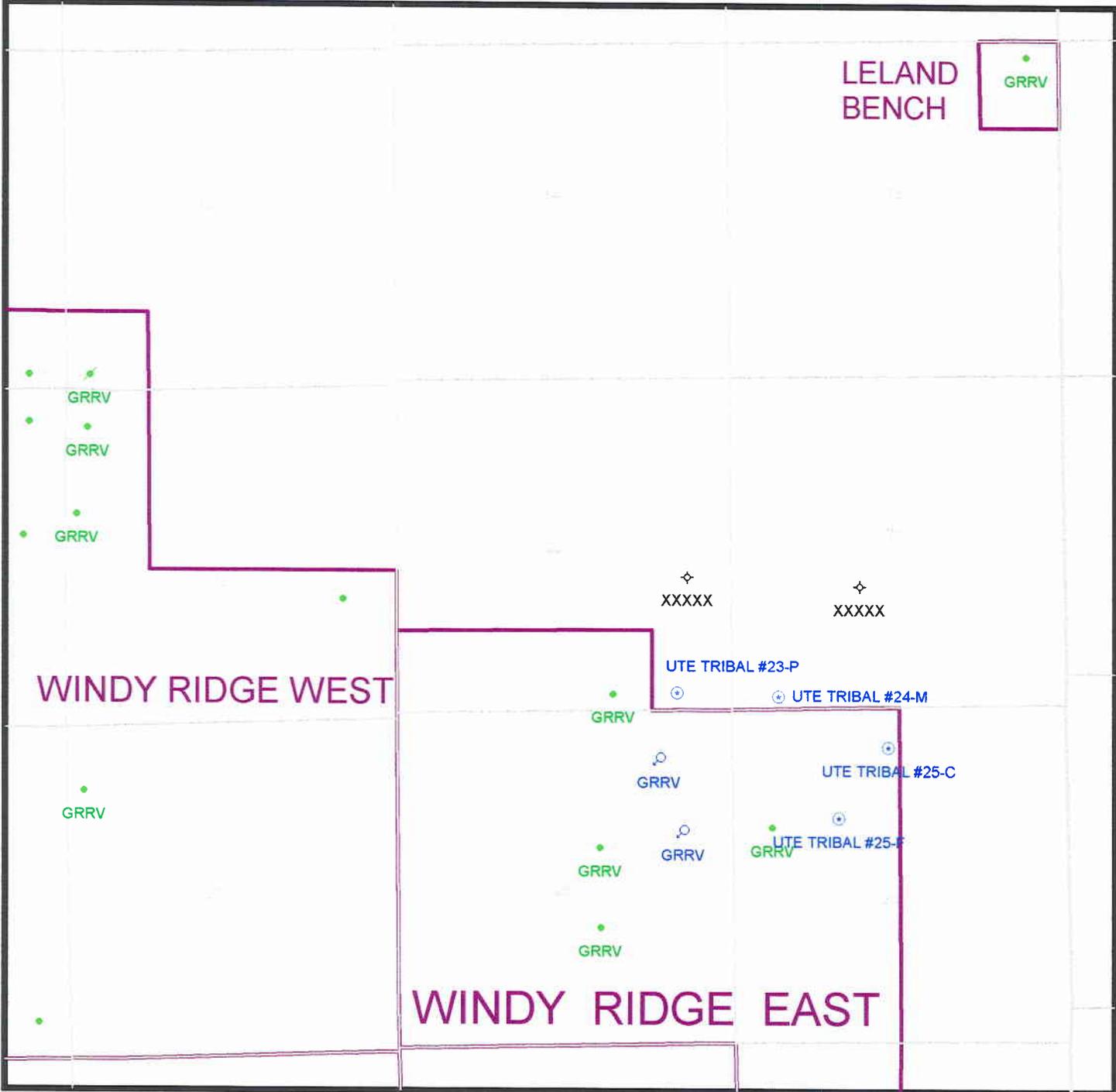
LOCATION AND SITING:

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

COMMENTS: _____

STIPULATIONS: _____

OPERATOR: SNYDER OIL CORP (N1305)
FIELD: WINDY RIDGE EAST (753)
SEC, TWP, RNG: SEC. 23,24,25, T4S, R1E
COUNTY: DUCHESNE UAC: R649-3-3



PREPARED:
DATE: 8-JULY-97

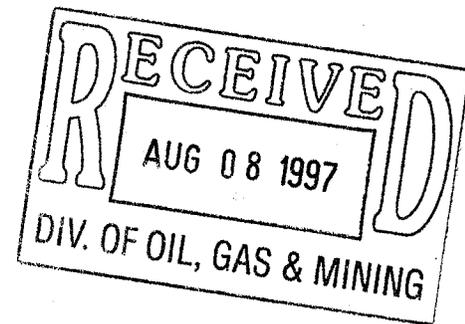


United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

UINTAH AND OURAY AGENCY
FORT DUCHESNE, UTAH 84028

(801) 722-XXXX 4310



IN REPLY REFER TO:

Minerals & Mining

08/06/97

Snyder Oil Corporation
265 E 100 South
Vernal, UT 84078

Dear Sirs:

This is your authority to proceed with construction of two (2) wellsites, access road and surface pipeline for the following locations.

Ute Tribal #23-P, Section 23, SESE, T4S, R1E, USBM
Ute Tribal #25-F, Section 25, SENW, T4S, R1E, USBM

Enclosed is a copy of the Bureau of Indian Affairs Environmental Analysis Item 6.0 for Mitigation Stipulations for each well. The Ute Tribe Energy & Minerals Department requires that Snyder Oil Corporation adhere to the following criteria during all phases of construction activities, during and after.

1. Should the aforementioned wells proved to be sufficiently economic so as to be placed into a production status, it is required that the lease be included into the acreage of Unit Agreement #14-20-H62-4730, causing expansion of the unit area.
2. Tribal Technician to monitor all construction activity of all the wells.
3. Mitigative stipulative for Wildlife/ Vegetation / Threatened & Endangered Species:
 - a. Five short-spined sub-species of the Uintah Basin Hookless cacti identified access roadway for Wellsite #25-F. Plants shall be fenced and flagged during construction of entire construction phase.
 - b. Contractors shall be advised by Snyder Oil Corporation(SOCO) of their location, as not to disturb them. SOCO shall be responsible for the protection and care of cacti plants. This responsibility will include their employees, sub-contractors and any individual that identifies themselves working for Snyder Oil Corporation.

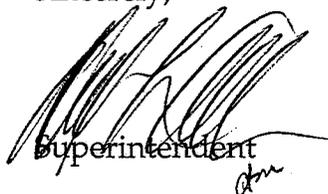
- c. Plants shall be covered during construction, with a white cloth to protect them from dust. The cloth may be removed when no construction is being done, at the end of the day.
4. All vehicular traffic, personnel movement, construction and restoration operations should be confined to the flagged area and corridors.
5. All Snyder Oil Corporation personnel and their sub-contractors shall refrain from collecting artifacts and from disturbing any cultural resources in the area.
6. Snyder Oil Corporation authorized officials and their sub-contracts shall consult with the Bureau of Indian Affairs and the Ute Tribe Energy & Minerals Department should cultural remains from subsurface deposits be exposed during construction work. Should the need arise, the Ute Tribe Energy & Minerals reserves the right to relocate or otherwise alter the location of the construction area.
7. All mitigative stipulation's contained in the Bureau of Indian Affairs site specific Environmental Analysis (EA) will be strictly adhered.
8. Upon completion of Application for Permit to Drill and Rights-of-way the Ute Tribe Energy and Minerals Department will be notified by Snyder Oil Corporation so that a Tribal Technician can verify Affidavits of Completion.

Enclosed are two (2) approved Minerals Access Agreements for your files. Upon completion of construction, please submit the following:

- a. Affidavits of Completion of Construction
- b. "As-Built" maps, with accompanying Certification of Right-of-way

If you have any questions in regards to the above, please call us at (801) 722-4310.

Sincerely,



Superintendent
dm

Enclosures
cc: Agency
UIT EM
file

memorandum

DATE: AUGUST 06, 1997

REPLY TO
ATTN OF:

Superintendent, Uintah & Ouray Agency

SUBJECT:

Concurrence letter for SNYDER OIL CORPORATION

Ute Tribal #23-P, Sec. 23, SESE, T4S, R1E., USBM

TO: Ute Tribal #25-F, Sec. 25, SENW, T4S, R1E., USBM

Bureau of Land Management, Vernal District Office

ATTENTION: Minerals and Mining Division

We recommend approval of the Application for Permit to Drill on the subject well.

Based on available information received on August 05, 1997, we cleared the proposed location in the following area of environmental impact.

YES ___ NO ___ Listed threatened or endangered species
 YES ___ NO ___ Critical wildlife habitat
 YES ___ NO ___ Archeological or cultural resources
 YES ___ NO ___ Air quality aspects (to be used only if
 project is in or adjacent to a Class I area

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

1. Should the aforementioned wells prove to be sufficiently economic so as to be placed into a production status, it is required that the lease be included into the acreage of unit Agreement #14-20-H62-4730, causing expansion of the unit area.
2. Tribal Technician to monitor all construction activity of all the wells.
3. Mitigative stipulation for Wildlife/Vegetation/Threatened & Endangered Species:
 - a. Five short-spined sub-species of the Uintah Basin Hookless cacti identified at access roadway for Wellsite #25F. Plants shall be fenced and flagged during construction of entire construction phase.
 - b. Contractors shall be advised by Snyder Oil Corporation (SOCO) of their location so as not to disturb them. SOCO shall be responsible for the protection and care of cacti plants. This responsibility will include their employees, sub-contractors and any individual that identifies themselves as working for Snyder Oil Corporation.
 - c. Plants shall be covered during construction, with a white cloth to protect them from dust. The cloth may be removed when no construction is being done, at the end of the day.
4. All vehicular traffic, personnel movement, construction and restoration operations should be confined to the flagged area and corridors.
5. All Snyder Oil Corporation personnel and their sub-contractors shall refrain from collecting artifacts and from disturbing any cultural resources in the area.
6. Snyder Oil Corporation authorized officials and their sub-contractors shall consult with the Bureau of Indian Affairs and the Ute Tribe Energy & Minerals Department should cultural remains from subsurface deposits be exposed during construction work. Should the need arise, the Ute Tribe Energy & Minerals reserves the right to relocate or otherwise alter the location of the construction area.

7. All mitigative stipulations contained in the Bureau of Indian Affairs site specific Environmental Analysis (EA) will be strictly adhered.
8. Upon completion of Application for Permit to Drill and Rights-of-way, the Ute Tribe Energy & Minerals Department will be notified by Snyder Oil Corporation, so that a Tribal Technician can verify Affidavits of Completion's.

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the end, positioned to the right of the text.



United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

UINTAH AND OURAY AGENCY
FORT DUCHESNE, UTAH 84026
(801) 722-2406 51/52/54

IN REPLY REFER TO:

Minerals and Mining

MINERAL ACCESS AGREEMENT ON INDIAN OWNED LANDS

Wellsite, access road and surface pipelines Well No. #23-P

The purpose of this agreement is to regulate the surface development of Indian Lands which have been leased for oil and gas development. An approved agreement must be obtained prior to the commencement of any surface disturbing activity and will be in effect for the term of the lease and the agreed upon contractual provisions referenced therein, in not revoked under the terms in Item 4 of this agreement.

- The authorized officer for the Bureau of Indian Affairs, in conjunction with the Indian Surface owner and Tribe hereby grants permission to:
 - Snyder Oil Corporation
 - 265 E 100 South
 - Vernal, UT 84078

To improve and/or construct and maintain a development corridor which may contain an access road, pipelines, powerlines, communication lines and well pads on the following trust land (reference lease number and legal description):
#14-20-H62-4730 - Ute Tribal #23-P, Sec. 23, SESE, T4S, R1E

- In consideration of the approval of this agreement, the above company agrees to adhere to all lease provisions, A.P.D. stipulations and regulations of the Secretary of the Interior now or hereafter in force relative to such leases.
- The Company herewith submits an estimated surface damage fee in the amount of \$ -0- , for _____ acres Pending Agency appraisal and the Affidavit of Completion. per COOP agreement
- This agreement will remain in effect unless revoked upon 30 days written notice by the Superintendent or the appropriate official, depending upon circumstances.
- The permittee will submit a certified survey map of the proposed access road and/or well pad with this permit. The map must adhere to all specifications and requirements of the Branch of Minerals and Mining, Uintah and Ouray Agency, Bureau of Indian Affairs. Upon completion of construction, an Affidavit of Completion will be submitted by the company to certify that the construction completed was in accordance to the specifications certified to on the survey map accompanying this agreement.
- The Company agrees to furnish a bond in the amount of \$ -0- , or to utilize said company's existing Nationwide Oil and Gas Bond No. _____ to guarantee performance of this permit. On file U&O Agency
- The Company agrees to contact immediately the Bureau of Indian Affairs (BIA) and the Bureau of Land Management (BLM), if cultural resources discovered during construction or anytime during the course of daily operations.

8. ADDITIONAL STIPULATIONS:

Signed on this 27th day of August, 19 77

WITNESS: Thomasina Apple

William M. ...
 AUTHORIZED AGENT
 SNYDER OIL CORPORATION
 COMPANY NAME
 265 E. 100 South
 ADDRESS
 Vernal, UT 84078
 CITY/STATE ZIP CODE

APPROVED: [Signature]
Superintendent

8/26/77
Date

**SITE SPECIFIC
ENVIRONMENTAL ANALYSIS**

1.0 PROPOSED ACTION

Snyder Oil Corp is proposing to drill a Ute Tribal Well #23-P and construct an access road and surface pipeline in a 166 foot corridor right-of-way.

2.0 ALTERNATIVE ACTIONS

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

3.0 PERMITTEE/LOCATION

- A. Permittee- Snyder Oil Corp.
- B. Date 7-2-97
- C. Well number- Ute Tribal #23-P
- D. Corridor right-of-way Approximately 166 feet
- E. Site location- SESE, Section 23, T4S, R1E, USBM.

4.0 SITE SPECIFIC SURVEY

A. SITE DESCRIPTION

- 1. Elevation (feet) 5105
- 2. Annual precipitation (inch.) 4-8
- 3. Topography- rolling hills
- 4. Soil- (0 to 6") clay loam with gravel pavement.

B. VEGETATION

- 1. Habitat type is semi-desert scrub.
- 2. Percent Ground Cover- estimated to be 20%.
- 3. Vegetation consists of approximately 50% grasses, 40% shrubs, 10% forbs. The main variety of grasses are galleta, Indian rice, & cheat grass. Forbs are astragalus, sunflower, mustard, garlic, globe mallow, perennial kosha, & other annuals. Shrubs consist of shadscale, snakeweed, rabbit brush, nuttle saltbush, black sage, spiny horsebrush.
- 4. Observed Threatened & Endangered species: Sclerocactus brevispinus. Six individual short shined sub-species of the Uintah Basin Hookless cacti were

located around the wellsite.

5. Potential For Threatened & Endangered species: There is a high potential for Sclerocactus brevispinus, the short shined subspecies of the Uintah Basin Hookless Cactus.

7. Observed Noxious Weeds: None

8. AFFECTED ENVIRONMENTAL

1. There are no surface damages as a result of the initial survey.

4.1 WILDLIFE

A. POTENTIAL SITE UTILIZATION

1. Big Game-The area is rarely used by big game.
2. Small Game-The area is used by cottontail rabbit.
3. Raptor- Various species of raptors use this area for habitat. Raptors which are observed using the area are Golden eagles, Redtail hawk, Ferruginous hawk, Marsh hawk, Kestrel, Prairie falcon.
5. Non-Game Wildlife- Animal species which have been observed using this area are horses, black tail jack rabbit, coyote, fox, badger, and various species of reptiles, and song birds.
6. Threatened & Endangered Species: No T&E species are reported using the area of this project.

4.2 PRESENT SITE USE

A. USAGE

	<u>acres</u>
Rangeland	1.65
Irrigable land	0
Woodland	0
Non-Irrigable land	1.65
Commercial timber	0
Floodplain	0
Wetland	0
Riparian	0
Other:	0

4.3 CULTURAL RESOURCES

A. CULTURAL SURVEY

Cultural Resource Surveys were performed by John A. Senulis,

dated June 19, 1997.

5.0 ENVIRONMENTAL IMPACTS

A. SURFACE ALTERATIONS

	<u>acres</u>
1. Access road	0.00
2. Well site	1.54
3. Pipeline right-of-way	0.00
4. Corridor right-of-way	0.11
5. Total area disturbed	1.65

B. VEGETATION/LANDSCAPE

1. Production loss (AUM's)/year: 0.11
2. Permanent scar on landscape: Yes x No
3. Potential impacts to Threatened & Endangered species:
Yes X No

C. SOIL/RANGE/WATERSHED

There will be an increase in soil erosion from wind and water. There will be no point source water pollution.

The area is presently used as rangeland. This project will reduce livestock grazing by approximately 0.11 AUM/year.

The area is not used as irrigated cropland and a water right has not been designated for the area.

D. WILDLIFE/THREATENED & ENDANGERED SPECIES

There will be an insignificant reduction of wildlife habitat and grazing for livestock. There will also be an increase in wildlife disturbance and poaching resulting from the additional traffic and people using the area.

6.0 MITIGATION STIPULATIONS

A. VEGETATION/LANDSCAPE

1. Before the site is abandoned the company will be required to restore the well site and right-of-ways to near their original state. The disturbed area will be reseeded with desirable perennial vegetation.
2. Noxious weeds will be controlled on the well site and rights-of-way. If noxious weeds spread from the project area onto adjoining land, the company will also be responsible for their control.

B. SOILS/RANGE/WATERSHEDS

1. Soil erosion will be mitigated by reseeding all disturbed areas.
2. CORRIDOR RIGHT-OF-WAY

To reduce surface damages the access road shall be limited to 18 feet travel surface, and the steel surface pipeline shall be constructed to parallel the access road. Except for the access road construction, vegetation will not be cleared from the right-of-way.

The pipeline shall be constructed on the soil surface. The pipeline shall either be constructed on the access road and then lifted from the access road to its location parallelling the road, or it shall be welded in place at a welding station at the wellsite or access road and dragged into its location paralleling the access road with a suitable piece of equipment so it will not destroy the natural vegetation.

3. DRILLING SYSTEM

An open drilling system will be used. Reserve pits will be lined with impervious synthetic liners. Liners will be constructed to lay under the mud tanks, and they will be re-enforced to prevent the liner from developing holes where fluids flow from the mud tank into the reserve pit. Prior to backfilling the reserve pit all fluids will be pumped from the pit into trucks and hauled to approved disposal sites. When the reserve pits are backfilled the surplus oil and mud, etc will be buried a minimum of 3.0 feet below the surface of the soil.

4. A closed production system will be used. Production fluids will be contained in leak proof tanks. All production fluids will be disposed of at approved disposal sites. The indiscriminate dumping of production fluids on roads, wellsites or other areas will not be allowed.

C. WILDLIFE/VEGETATION/THREATENED & ENDANGERED SPECIES

Because six individual Sclerocactus brevispinus plants were identified in association with the wellsite the following stipulations have been required for their protection:

1. The wellsite shall be re-designed and moved so that it will not be constructed within 20 feet of any of the Sclerocactus brevispinus plants.
2. Sclerocactus brevispinus plants shall be fenced and flagged during the construction phase of the project.

Fence posts shall not be installed closer than 6.0 feet from the cacti plants. The contractor shall be advised by Snyder Oil Corp. of the location of the plants so as not to disturb them. After construction of the wellsite is completed the fence around the plants shall be removed.

4. Plant #4, 5, 6, shall be covered during construction periods with a white cloth to protect them from dust. Plant #1, 2, 3, shall be left uncovered. The white cloth shall be placed over the plants each day when construction begins, and it shall be removed each day when construction ends.

5. Snyder Oil Corp. shall be responsible for the protection of the cacti plants and complying with the above stipulations to protect the plants, and for any damage to the plants by themselves, their employees, or sub-contractors.

6. Snyder Oil Corp. shall instruct the contractor on protection of the plants prior to construction of the projects.

7. A technician from the Ute Tribal Department of Energy & Minerals shall monitor the project at regular intervals during construction to determine if the operator is complying with the stipulations for the protection of the cacti plants.

D. CULTURAL RESOURCES

Cultural resource surveys were performed by John A. Senulis. It is consultant recommended that clearance of the project as it is presently staked.

All vehicular traffic, personnel movement, construction and restoration operations shall be confined to the flagged areas and corridors.

All Snyder personnel and their sub-contractors shall refrain from collecting artifacts and from disturbing any cultural resources in the area.

Snyders authorized officials and their sub-contractors shall consult with BIA and the Ute Indian Tribal Department of Energy & Minerals should cultural remains from subsurface deposits be exposed during construction work or if the need arises to relocate or otherwise alter the location of the construction area.

E. UTE TRIBAL REGULATIONS

(1). Prior to commencing surveys or construction on the

U&O Indian Reservation the operator, and any of its sub-contractors, shall acquire access permits and business permits from the Ute Indian Tribe.

(2). A Minimum of forty eight hours prior to the commencement of construction, the operator shall notify the Ute Tribal Department of Energy and Minerals of the date construction shall begin.

7.0 UNAVOIDABLE ADVERSE IMPACTS

A. SURFACE ALTERATIONS

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

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

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

C. IRREVERSIBLE AND IRRETRIEVABLE COMMITMENT

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

8.0 CUMULATIVE IMPACTS

A. FULL DEVELOPMENT

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

9.0 NEPA COMPLIANCE

A. RESEARCH/DOCUMENTATION

Based on available information, 7-10-97, the proposed location in the following areas of environmental impacts has been cleared:

<u>X</u>	Yes	_____	No	Listed Threatened & Endangered species
<u>X</u>	Yes	_____	No	Critical wildlife habitat
<u>X</u>	Yes	_____	No	Historical and cultural resources

10.0 REMARKS

A. SURFACE PROTECTION/REHABILITATION

All essential surface protection and rehabilitation requirements are specified above.

11.0 RECOMMENDATIONS

A. APPROVAL/DISAPPROVAL

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

8/5/97
Date

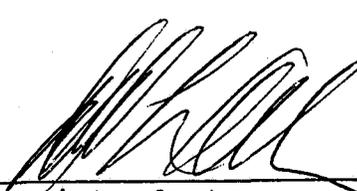

Representative - BIA Land Operations, Uintah and Ouray Agency

12.0 DECLARATION

A. APPROVAL

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

8/5/97
Date


Superintendent,
Uintah and Ouray Agency

14.0 CONSULTATION

A. REPRESENTATIVES/ORGANIZATION

Dale Hanberg- BIA
Rod Guice-Snyder
Bill Nyland-Snyder
Joe Maxotti-Snyder
Elliott Ridley-UTEM

A:\EASNY.23P



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

1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

August 11, 1997

Snyder Oil Corporation
1625 Broadway, Suite 2200
Denver, Colorado 80202

Re: Ute Tribal 23-P Well, 290' FSL, 873' FEL, SE SE, Sec. 23,
T. 4 S., R. 1 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 43-047-32622.

Sincerely,

A handwritten signature in cursive script, appearing to read "John R. Baza".

John R. Baza
Associate Director

lwp

Enclosures

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

Operator: Snyder Oil Corporation
Well Name & Number: Ute Tribal 23-P
API Number: 43-047-32622
Lease: 14-20-H62-4648
Location: SE SE Sec. 23 T. 4 S. R. 1 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)538-5336.

Notify the Division prior to commencing operations to plug and abandon the well. Contact John R. Baza (801)538-5334.

3. Reporting Requirements

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No.
14-20-H62-4648

6. If Indian, Allottee or Tribe Name
Uintah and Ouray Ute

7. If Unit or CA, Agreement Designation

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
Ute Tribal #23-P

9. API Well No.

2. Name of Operator
SNYDER OIL CORPORATION

10. Field and Pool, or Exploratory Area
Unnamed

3. Address and Telephone No.
P. O. Box 695, Vernal, UT 84078 801/789-0323

11. County or Parish, State

4. Location of Well (Footage, Sec., T., R., m., or Survey Description)
292' FSL 819' FEL' SE/SE Sec. 23, T4S, R1E, U.S.B. & M.

Uintah, Utah

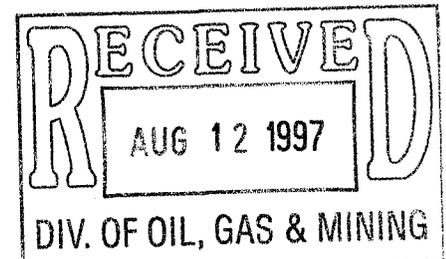
12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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 Confidential Status
	<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 Completion or Recompletion Report and Log for

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.)*

Snyder Oil Corporation hereby requests the above referenced well be placed on Confidential Status for one year.



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

Signed

Lucy Nemeo
Lucy Nemeo

Title **Senior Clerk**

Date **Aug. 8, 1987**

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

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

***See Instruction on Reverse Side**

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

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. 14-20-H62-4648	
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"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME Ute	
2. NAME OF OPERATOR Snyder Oil Corporation Atten. Joe Mazotti		7. UNIT AGREEMENT NAME N/A	
3. ADDRESS OF OPERATOR 1625 Broadway, Suite 2200, Denver, CO 80202 Phone 303-592-4643		8. FARM OR LEASE NAME WELL NO Ute Tribal #23-P	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At Surface 292' 290' FSL, 873' FEL At proposed Prod. Zone Same 819'		9. API WELL NO.	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 14.1 miles south of Fort Duchesne, Utah		10. FIELD AND POOL OR WILDCAT Leland Bench	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SE/SE, Sec. 23, T4S - R1E	
16. NO. OF ACRES IN LEASE 8800		12. County Uintah	
17. NO. OF ACRES ASSIGNED TO THIS WELL 160		13. STATE Utah	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT. 1200' Ute Tribal 23-1		19. PROPOSED DEPTH 6800'	
20. ROTARY OR CABLE TOOLS Rotary		21. APPROX. DATE WORK WILL START* August 28, 1997	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5105' GR		22. APPROX. DATE WORK WILL START*	

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#, J-55	300'	200 sx Class G
7-7/8"	5-1/2"	17#, J-55	6800'	120 sx Prem. Lite + 320 sx Class G

Exhibits attached

- Surface Use Plan
- 10 point Drilling plan
- Exhibits A, B, C, D, E, F
- Application for Grant Corridor of right-of-way
- BOPE diagrams

BIA Bond No. 5736935
BLM Bond No. 5736975

RECEIVED
JUN 30 1997

RECEIVED
AUG 14 1997
DIV. OF OIL, GAS & MINING

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] TITLE Sr. Engineering Tech. DATE 6/27/97

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY [Signature] TITLE Acting Assistant Field Manager Mineral Resources DATE AUG 12 1997

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED

*See Instructions 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.

9064
71080-700-334

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Snyder Oil Corporation

Well Name & Number: Ute Tribal 23-P

API Number: 43-047-32622

Lease Number: 14-20-H62-4648

Location: SESE Sec. 23 T. 4S R. 1E

NOTIFICATION REQUIREMENTS

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

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

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

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

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

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

A. DRILLING PROGRAM

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

Report ALL water shows and water-bearing sands to Tim Ingwell of this office **prior to setting the next casing string or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

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

2. Pressure Control Equipment

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

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

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

3. Casing Program and Auxiliary Equipment

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

As a minimum, the usable water 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, identified at 920 ft. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

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

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

5. Coring, Logging and Testing Program

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

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

A cement bond log (CBL) will be run from the production casing shoe to the 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.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

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

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

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

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3, and 3162.7-4 shall be submitted to the appropriate District Office within thirty (30) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

7. Other Information

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

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

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

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

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

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

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

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

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

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

Ed Forsman (801) 789-7077
Petroleum Engineer

Wayne P. Bankert (801) 789-4170
Petroleum Engineer

Jerry Kenczka (801) 789-1190
Petroleum Engineer

BLM FAX Machine (801) 781-4410

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

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

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.

SURFACE USE PROGRAM
Conditions of Approval (COAs)

The Ute Tribe Energy and Mineral Department is to be notified 48 hours prior to construction. A Tribal Technician is to monitor construction.

Rights-Of-Way (ROWS) corridor shall be granted for the following:

Access roads which shall have constructed travel width limited to 18 feet.

Surface pipelines will be constructed to lay on the soil surface parallel to the access road, and the ROW for the pipeline will not be bladed or cleared of vegetation. The pipeline shall be either constructed on the access road and then lifted to its location paralleling the access road or welded in place at a welding station at the wellsite or along the access road and dragged into place with a suitable piece of equipment so the construction process will not destroy the natural vegetation.

Snyder Oil Corporation will assure the Ute Tribe that any/all contractors and subcontractors have acquired a Tribal Business License and have access permits prior to construction.

All vehicular traffic, personnel movement, construction, and restoration activities shall be confined to the areas examined, as referenced in report, and to the existing roadways and/or evaluated access routes. Traffic shall be confined to the designated road right-of-way and pipeline construction to the designated corridor and existing or authorized pads and roads.

All personnel should refrain from collecting artifacts and from disturbing any significant cultural resources in the area.

The Ute Tribe Energy & Mineral Department shall be consulted if cultural remains from subsurface deposits are exposed or identified during construction.

Before the site is abandoned, the company will be required to restore the well site and ROWs to near their original state. The disturbed areas will be reseeded with desirable perennial vegetation.

Noxious weeds will be controlled on the well site and rights-of-way. If noxious weeds spread from the project area onto adjoining land, the company will also be responsible for their control.

Reserve pits will be lined with impervious synthetic liners. Liners will be constructed to lay under the mud tanks and shall be reinforced to prevent the liner from developing holes where fluids flow from the mud tank into the reserve pit. Prior to backfilling the reserve pit all fluids will be pumped from the pit into trucks and hauled to approved disposal sites. When the reserve pits are backfilled the surplus oil and mud, etc will be buried to a minimum of 3.0 feet below the surface of the soil.

A closed production system will be used. Production fluids will be contained in leak proof tanks. All production fluids will be disposed of at approved disposal sites. The indiscriminate dumping of production fluids on roads, wellsites or other areas will not be allowed.

Because five individual *Sclerocactus brevispinus* plants were identified along the access road the following stipulations have been required for their protection:

The access road shall not be constructed within a distance of less than 20 feet from the cacti plants.

The disturbed width of the access road shall not exceed 24 feet, and the travel width shall not exceed 18 feet.

The plants shall be fenced and flagged during the construction phase of the project. After the road construction is completed the fence shall be removed. Fence posts shall not be placed closer than 6.0 feet from the individual cacti plants.

Three of the plants shall be covered with a white cloth during construction periods to protect them from dust. The other plants shall be left uncovered. The white cloth shall be placed over the plants each day when construction begins and removed each day when construction ends for that day.

Snyder Oil Corporation shall be responsible for the protection of the plants and complying with the stipulations to protect the plants and for any damage to the plants by themselves, their employees, or their subcontractors.

A technician from the Ute Tribal Department of Energy and Minerals shall monitor the project at regular intervals during construction to determine if the operator is complying with the stipulations for the protection of the cacti plants.

Upon completion of the project approved under this Application for Permit to Drill and Right-of-way, the Ute Tribe Energy & Minerals Resources Department will be notified by Snyder Oil Corporation so that a Tribal Technician can verify Affidavit of Completion's.

9/1/98



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

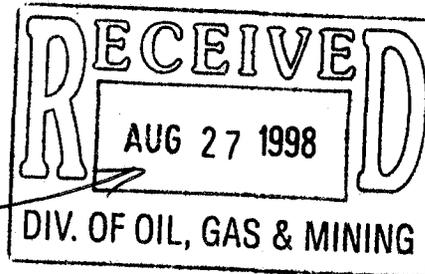
Vernal Field Office
170 South 500 East
Vernal, Utah 84078-2799

Phone: (435) 781-4400
Fax: (435) 781-4410

IN REPLY REFER TO:
3162
UT08438

August 26, 1998

*DOE M
'LA'
DATE*



Snyder Oil Corporation
1625 Broadway, Suite 2200
Denver, CO 80202

Re: Notification of Expiration
Well No. Ute Tribal 23-P
Section 23, T4S, R1E
Lease No. 14-20-H62-4648
Uintah County, Utah

43-047-32622

Gentlemen:

The Application for Permit to Drill the above-referenced well was approved on August 12, 1997. Since that date no known activity has transpired at the approved location. Applications for Permit to Drill are effective for a period of one year. In view of the foregoing, this office is notifying you the approval of the referenced application has expired. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

Margie Herrmann
Legal Instruments Examiner

cc: State Div. OG&M
Snyder, Vernal Office
BIA/Ute Tribe