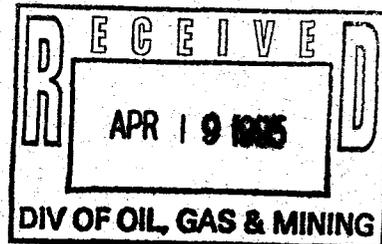




April 17, 1995

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



Attn: Frank Matthews

Re: **Valley Operating, Inc.**
Antelope Federal #20-2
NW NE Sec. 20, T10S - R24E
Uintah County, Utah

Dear Frank,

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

If you should have any questions regarding the enclosed information, please don't hesitate to contact me. Please forward the approved copies of this A.P.D. to Permitco Inc. at the address shown below. Your cooperation would be appreciated.

Sincerely,

PERMITCO INC.

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

Lisa L. Smith
Consultant for:
VALLEY OPERATING, INC.

Enc.

cc: **Valley Operating, Inc. - Denver, CO**
Gerrity Oil & Gas Corp. - Denver, CO

Permitco Incorporated
A Petroleum Permitting Company

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

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

CONFIDENTIAL - TIGHT HOLE

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. U-66420
1b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A
2. NAME OF OPERATOR Valley Operating, Inc. - 745 Gilpin St., Denver, CO 80218-3633		7. UNIT AGREEMENT NAME Antelope Unit
3. ADDRESS OF OPERATOR Permitco Inc. - Agent - 13585 Jackson Drive, Denver CO 80241		8. FARM OR LEASE NAME WELL NO Antelope Federal
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At Surface 695' FNL and 2496' FEL At proposed Prod. Zone NW NE Sec. 20, T10S - R24E		9. API WELL NO. #20-2
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 13.7 miles Southwest of Bonanza, Utah		10. FIELD AND POOL OR WILDCAT Wildcat
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 695'	16. NO. OF ACRES IN LEASE 960 acres	11. SEC. T., R., M., OR BLK. AND SURVEY OR AREA Sec. 20, T10S - R24E
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT. None	19. PROPOSED DEPTH 7100'	12. COUNTY OR PARISH Uintah
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5082' GR	17. NO. OF ACRES ASSIGNED TO THIS WELL 160	
20. ROTARY OR CABLE TOOLS Rotary		13. STATE Utah
22. APPROX. DATE WORK WILL START* Upon approval of this application.		

23. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	SIZE OF CASING	WEIGHT/FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	1250'	+/- 500 sx circ. to surf.
7-7/8"	3-1/2"	7.7#	7100'	+/- 950 sx circ. to 2900'

Valley Operating, Inc. proposes to drill a well to 7100' to test the Mesa Verde and Wasatch formations. If productive, casing will run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

CONFIDENTIAL - TIGHT HOLE

See Onshore Order No. 1 attached.

Please be advised that Valley Operating, Inc. is considered to be the Operator of the above mentioned well. Valley Operating, Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the leased lands.

Bond coverage for this well is provided by Valley Operating, Inc. under their Statewide BLM Bond No. UT-0832.

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. **Consultant for:**
SIGNED _____ TITLE **Valley Operating, Inc.** DATE **04/17/95**

(This space for Federal or State office use)

PERMIT NO. **43-047-32680** 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 *J. Matthews* TITLE *Petroleum Engineer* DATE *5-5-95*

*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.

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

Confidential - Tight Hole

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work
 DRILL DEEPEN PLUG BACK

b. Type of Well
 Oil Well Gas Well Other Single Zone Multiple Zone

2. Name of Operator 303/289-7720 745 Gilpin St.
Valley Operating, Inc. 303/355-3242 Denver, CO 80218-3633

3. Address of Operator 303/452-8888 13585 Jackson Drive
Permitco Inc. - Agent Denver, CO 80241

4. Location of Well (Report location clearly and in accordance with any State requirements.)*
 At surface **695' FNL and 2496' FEL**

At proposed prod. zone **NW NE Sec. 20, T10S - R24E**

14. Distance in miles and direction from nearest town or post office*
13.7 miles Southwest of Bonanza, UT

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg. line, if any) **695'**

16. No. of acres in lease **960 acres**

18. Distance from proposed location* to nearest well, drilling, completed, or applied for, on this lease, ft. **None**

19. Proposed depth **7100'**

21. Elevations (Show whether DF, RT, GR, etc.) **5082' GR**

23. **PROPOSED CASING AND CEMENTING PROGRAM**

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
12-1/4"	8-5/8"	24#	1250'	+/- 500 sx circ. to surf.
7-7/8"	3-1/2"	7.7#	7100'	+/- 950 sx circ. to 2900'

5. Lease Designation and Serial No. **U-66420**

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

7. Unit Agreement Name **Antelope Unit**

8. Farm or Lease Name **Antelope Federal**

9. Well No. **#20-2**

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

11. Sec., T., R., M., OR Blk. and Survey or Area **Sec. 20, T10S - R24E**

12. County or Parish **Uintah**

13. State **Utah**

Valley Operating, Inc. proposes to drill a well to 7100' to test the Mesa Verde and Wasatch formations. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

CONFIDENTIAL - TIGHT HOLE

See Onshore Order No. 1 attached.

Bond coverage for this well will be provided by Valley Operating, Inc. under their Statewide BLM Bond No. UT-0832.

The above mentioned location has been staked at non-standard spacing in accordance with the rules and regulations of the State of Utah, Division of Oil Gas & Mining. This location was selected based on geologic considerations and is within the Antelope Unit which is operated by Valley Operating, Inc.. We, therefore, request administrative approval of an exception to spacing.

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 _____ Title **Valley Operating, Inc.** Date **04/17/95**

Consultant for:

(This space for Federal or State office use)

Permit No. **43-047-32680** Approval Date _____

Approved by *J. Matthews* Title *Reservoir Engineer* Date **5-5-95**

Conditions of approval, if any: _____

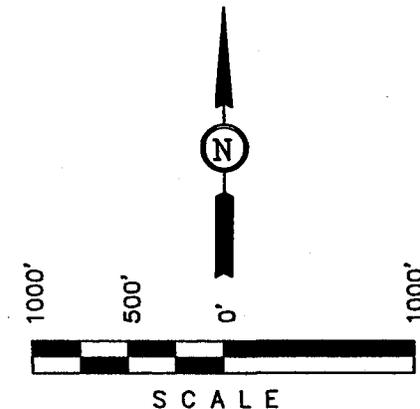
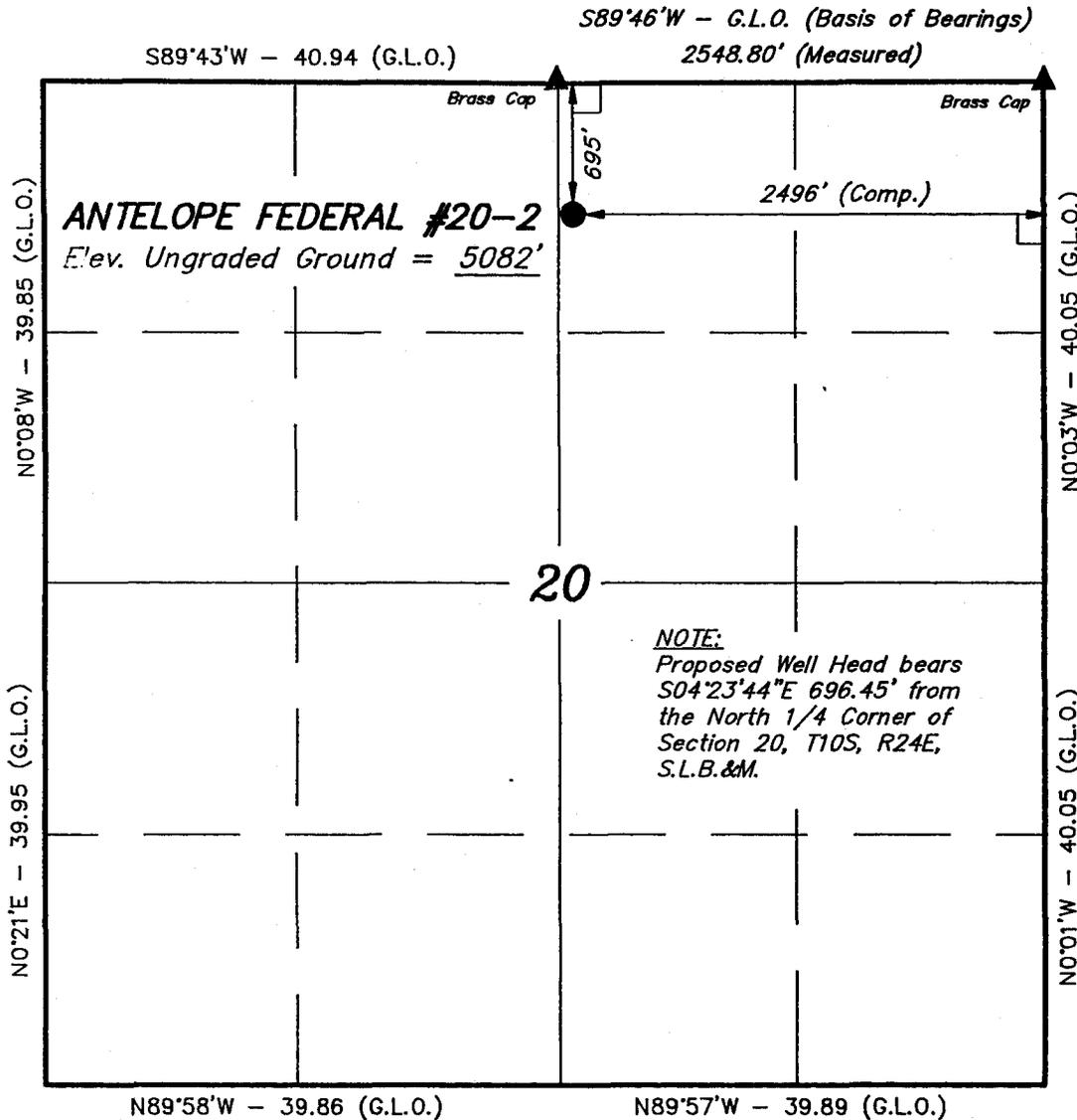
T10S, R24E, S.L.B.&M.

VALLEY OPERATING COMPANY, INC.

Well location, ANTELOPE FEDERAL #20-2, located as shown in the NW 1/4 NE 1/4 of Section 20, T10S, R24E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION LOCATED IN THE SE 1/4 OF SECTION 27, T10, R24E, S.L.B.&M. TAKEN FROM THE SOUTHAM CANYON, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5804 FEET.



CERTIFICATE

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

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

UINTAH ENGINEERING & LAND SURVEYING		
85 SOUTH 200 EAST - VERNAL, UTAH 84078		
(801) 789-1017		
SCALE 1" = 1000'	DATE SURVEYED: 3-29-95	DATE DRAWN: 3-30-95
PARTY D.A. B.B. D.J.S.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE VALLEY OPERATING COMPANY, INC.	

LEGEND:

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



M A C

Metcalf Archaeological Consultants, Inc.

April 12, 1995

Hal Smith
Vice President, Operations
Gerrity Oil & Gas Corporation
4100 East Mississippi Avenue, Suite 1200
Denver, CO 80222

Dear Hal;

Please find enclosed four copies of the report covering the cultural resource inventory for the Antelope Federal #20-2 well pad and access road. A single isolated find, two solder-dot cans, was located along the access road. This isolated find is recommended not eligible for inclusion on the NRHP. Therefore, cultural resource clearance is recommended for the proposed undertaking as it is currently staked.

I have also forwarded two copies of this report to Blaine Phillips, archaeologist for the BLM Vernal District, who will forward a copy to the Utah SHPO. If you have any questions or comments, please feel free to contact me.

Sincerely,

Kae McDonald
Staff Archaeologist



Valley Operating, Inc.

Office: (303) 355-3242 Fax: (303) 377-9798

745 Gilpin Street
Denver, Colorado 80218-3633

April 11, 1995

Re: Antelope #20-2
Uintah County, Utah

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

Attn: Minerals

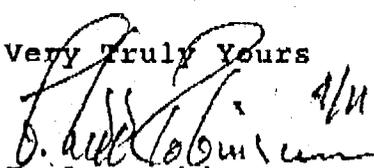
Ladies and Gentlemen:

This letter is to inform you that Permitco Inc. is authorized to act as Agent and to sign documents on behalf of Valley Operating Inc. ("Valley") when necessary for filing county, state and federal permits including Onshore Order No.1, Right of Way applications, etc for the Antelope #20-2 well and the Antelope Unit.

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

Valley agrees to accept full responsibility for operations conducted in order to drill, complete and produce the above mentioned well on the Antelope Unit.

Very Truly Yours


F. Lee Robinson
Vice President

cc: Permitco

CONFIDENTIAL - TIGHT HOLE

ONSHORE OIL & GAS ORDER NO. 1

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

**ANTELOPE FEDERAL #20-2
695' FNL and 2496' FEL
NW NE Sec. 20, T10S - R24E
Uintah County, Utah**

Prepared For:

VALLEY OPERATING, INC.

By:

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

Copies Sent To:

- 3 - BLM - Vernal, Utah**
- 1 - Utah Division of Oil, Gas & Mining - SLC, UT**
- 1 - Valley Operating, Inc. - Denver, CO**
- 5 - Gerrity Oil & Gas Corp. - Denver, CO**



Permitco Incorporated
A Petroleum Permitting Company

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695' FNL and 2496' FEL
NW NE Sec. 20, T10S - R24E
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Lease No. UTU-66420

DRILLING PROGRAM

Page 1

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

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

1. Estimated Tops of Important Geologic Markers:

<u>Formation</u>	<u>Depth</u>	<u>Subsea</u>
Green River	Surface	
Green River "H" Member	1242'	+3850'
Wasatch	2942'	+2150'
Mesa Verde	4598'	+ 494'
Neslin Sandstone	5990'	- 898'
Sego Sandstone	6642'	-1550'
Buck Tongue Shale	6786'	-1694'
Castlegate Sandstone	6864'	-1772'
T.D.	7100'	-2008'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Water	Green River	300-1242'
Oil Shale	Green River	550-1000'
Gas Sands	Wasatch	2942-4598'
Coals	Mesa Verde	5990-6975'
Gas Sands	Mesa Verde	5990-6975'

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



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Page 2

3. Pressure Control Equipment: (Schematic Attached)

Valley's minimum specifications for pressure control equipment are as follows:

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

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

Annular type preventers (if used) shall be tested to 50 percent of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

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

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

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

Annular preventers shall be functionally operated at least weekly.

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



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DRILLING PROGRAM

Page 3

A BOPE pit level drill shall be conducted weekly for each drilling crew.

Pressure tests shall apply to all related well control equipment.

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

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

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

- a. The size and rating of the BOP stack is shown on the attached diagram. Although a rig has not been chosen to drill this well, most of the equipment for this depth of hole in the area use a 3000 psi working pressure blowout preventor.
- b. A choke line and a kill line are to be properly installed. The kill line is not to be used as a fill-up line.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.



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4. Proposed Casing and Cementing Program:

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



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DRILLING PROGRAM

Page 5

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

m. The proposed casing program will be as follows:

<u>Purpose</u>	<u>Depth</u>	<u>Hole Size</u>	<u>O.D.</u>	<u>Weight</u>	<u>Grade</u>	<u>Type</u>	<u>New or Used</u>
Surface	0-1250'	12-1/4"	8-5/8"	24#	J-55	ST&C	New
Produc.	0-7100'	7-7/8"	3-1/2"	7.7#	M-75	LT&C	New

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

o. The cement program will be as follows:

<u>Surface</u> 0-1250'	<u>Type and Amount</u> ± 500 sx Class G with additives or sufficient to circulate to surface. Weight 15.6 ppg, Yield 1.19 cu. ft.
---------------------------	--



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DRILLING PROGRAM

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Production
2900-7100'

Type and Amount

± 900 sx Class "G" with additives or sufficient to bring cement to approximately 2900' (top of Wasatch). Weight 15.6 ppg, Yield 1.19. cu. ft.

- p. Anticipated cement tops will be reported as to depth; not the expected number of sacks of cement to be used. The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.
- q. After cementing but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the driller's log.
- r. The following reports shall be filed with the District Manager within 30 days after the work is completed.
1. Progress reports, Form 3160-5 (formerly 9-331) "Sundry Notices and Reports on Wells", must include complete information concerning:
 - a. Setting of each string of casing, showing the size, grade, weight of casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing, depth of cementing tools used, casing test method and results, and the date work was done. Show the spud date on the first reports submitted.
 - b. Temperature or bond logs must be submitted for each well where the casing cement was not circulated to the surface.
- s. Auxiliary equipment to be used is as follows:
1. Kelly cock
 2. No bit float is deemed necessary.



Permitco Incorporated
A Petroleum Permitting Company

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DRILLING PROGRAM

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3. A sub with a full opening valve.

5. Mud Program:

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

<u>Interval</u>	<u>Mud Type</u>	<u>Mud Wt.</u>	<u>Visc.</u>	<u>F/L</u>	<u>PH</u>
0-1250'	Water	---	---	--	--
1250-7100'	Bentonite Mud	9.3	45	--	--

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

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

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

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

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

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

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



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DRILLING PROGRAM

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6. Evaluation Program:

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

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

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

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

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

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

- b. The logging program will consist of a Dual Induction Log (or Laterolog) from 7100' to surface. A Compensated Neutron Log and Formation Density Log will be run from 7100' to 1200'. A Gamma Ray log will be run from 7100' to surface.
- c. No cores are anticipated.



Permitco Incorporated
A Petroleum Permitting Company

ONSHORE ORDER NO. 1
VALLEY OPERATING COMPANY, INC.
Antelope Federal #20-2
695' FNL and 2496' FEL
NW NE Sec. 20, T10S - R24E
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. UTU-66420

DRILLING PROGRAM

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- d. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the authorized officer (AO).
- e. The anticipated completion program is as follows: Perforate zones of interest. Frac as necessary and place on production.
- f. Daily drilling and completion progress reports shall be submitted to the BLM in Vernal on a weekly basis.

7. Abnormal Temperatures or Pressures

- a. Abnormal pressures, lost circulation and gas kicks are anticipated. No H₂S has been encountered in or known to exist from previous wells drilled to similar depths in the general area.
- b. The maximum anticipated bottom hole pressure will be approximately 3000 psi at T.D.

8. Anticipated Starting Dates and Notification of Operations:

- a. Drilling will commence on approximately May 15, 1995.
- b. It is anticipated that the drilling of this well will take approximately 12 days.
- c. The Vernal District Office shall be notified, during regular work hours (7:45 a.m.-4:30 p.m, Monday through Friday except holidays), at least 24 hours prior to spudding the well.



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- d. Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.
- e. The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.
- f. Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.
- g. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.
- h. The spud date will be reported orally to the AO within 48 hours after spudding. If the spudding occurs on a weekend or holiday, the report will be submitted on the following regular work day. The oral report will be followed up with a Sundry Notice.



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- i. In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6 "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed with the Vernal BLM District Office, 170 South 500 East, Vernal, UT 84078.
- j. Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.
- k. If a replacement rig is contemplated for completion operations, a "Sundry Notice" Form 3160-5 to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.
- l. Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communications, not later than 5 days following the date on which the well is placed on production.
- m. Pursuant to Onshore Order No. 7, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.
- n. Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day or authorized test period.
- o. A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3 and 3162.7-4 shall be submitted to the appropriate District Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in 43 CFR 3162.7 shall be adhered to. All product



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lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.

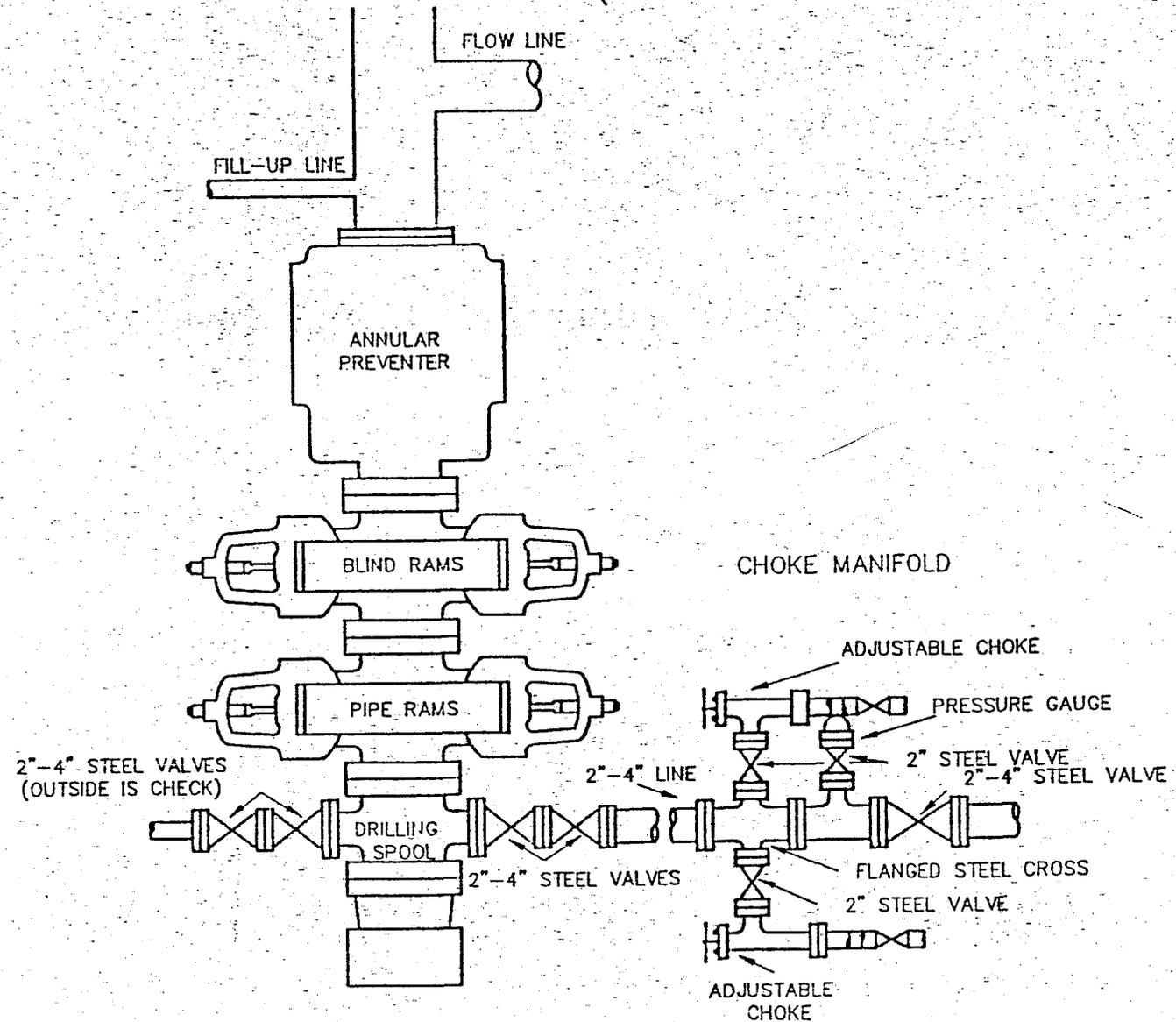
- p. A first production conference will be scheduled within 15 days after receipt of the first production notice.
- q. No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the SO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.
- r. Pursuant to Onshore Oil and Gas Order No. 1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in a manner which conforms with applicable Federal laws and regulations and with State and local laws and regulations to the extent that such State and local laws are applicable to operations on Federal or Indian lands.



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

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



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ONSHORE OIL & GAS ORDER NO. 1

Thirteen Point Surface Use Plan

NOTIFICATION REQUIREMENTS

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

The onsite inspection for the above mentioned well was conducted on Wednesday, April 5, 1995. Present at the onsite inspection were the following individuals:

Byron Tolman
Harry Barber
Kay McDonald
Glade Holmes
Harley Jackson
Hal Smith
Tom Majors
Waldo Ackerman

Natural Resource Protection
Wildlife Biologist
Archeologist
Dirt Contractor
Dirt Contractor
Vice President - Operations

BLM
BLM
Metcalf Archeology
Duray Construction
Jackson Construction
Gerrity Oil & Gas
Gerrity Oil & Gas
Gerrity Oil & Gas



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1. Existing Roads

The proposed well site is located approximately 13.7 miles southwest of Bonanza, Utah.

b. Directions to the location from Bonanza, Utah are as follows:

From Bonanza, Utah proceed south on Highway 45 for approximately 4.9 miles. Turn left onto an existing dirt road and proceed southerly then northwesterly for 7.4 miles to a fork in the road. Proceed northwesterly an additional 0.9 miles. Turn left onto the new access route and proceed southwesterly approximately 0.5 miles to the location.

c. For location of access roads within a 2-Mile radius, see Maps A & B.

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

e. Existing roads and newly constructed roads on surface under the jurisdiction of any Surface Managing Agency shall be maintained in accordance with the standards of the SMA.

2. Planned Access Roads

a. The last 0.5 miles of access road will be new construction. Drainage dips will be installed on side hill cuts on the access road. On the portion of the access road located within the draw, the road will be kept on the high side of the drainage as much as possible.

b. Prior to construction of the new portion of access road or wellpad, Byron Tolman with the BLM in Vernal, Utah will be contacted (801/789-1362). A pre-construction meeting will be conducted.

c. The maximum grade will be approximately 8%.

d. No turnouts will be installed at this time.



- e. No culverts and/or bridges will be required, however, appropriate drain dips or water turnouts will be installed as necessary to control erosion.
- f. The need for surfacing material is not anticipated at this time, however, may be necessary depending on weather conditions.
- g. No cattleguards will be necessary.
- h. Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.
- i. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).
- j. The road will be constructed to meet the standards of the anticipated traffic flow and all weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowing and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.
- k. All new access is located within the Antelope Unit. Therefore, a road right of way will not be required.



3. Location of Existing Wells Within a 1-Mile Radius of the Proposed Location.

- a. Water wells - none
- b. Injection wells - none
- c. Producing wells - none
- d. Drilling wells - none
- e. Shut-in wells - none
- f. Temporarily abandoned wells - none
- g. Disposal wells - none
- h. Dry Holes - none

4. Location of Tank Batteries and Production Facilities.

- a. All permanent structures (onsite for six months or longer) constructed or installed (including oil well pump jacks) will be painted Desert Tan (10YR6/3). All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required paint color is Desert Brown.
- b. If storage facilities/tank batteries are constructed on this lease, the facility/battery or the wellpad shall be surrounded by a containment dike of sufficient capacity to contain at a minimum, the entire content of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.
- c. A Sundry Notice will be submitted showing placement of all production facilities prior to construction.



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

5. Location and Type of Water Supply

- a. **All water needed for drilling purposes will be pumped from the White River. The point of diversion will be in the NW SE of Section 17, T10S - R24E. 1/2 acre foot of water will be required for this operation. A copy of the approved water permit will be submitted once it is received from the State of Utah, Division of Water Resources.**
- b. **Water will be pumped to the location as shown on Map B.**
- c. **We are requesting that you waive any archeological requirements since the water line will be temporary and will create only a minimal amount of surface disturbance.**
- d. **No water well is to be drilled on this lease.**



6. Source of Construction Material

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

7. Methods of Handling Waste Disposal

- a. The reserve pit will be constructed so as not to leak, break, or allow discharge.
- b. At the request of the BLM, the reserve pit will be lined with a plastic liner with a minimum of 10 mil thickness. If necessary a pit will be first lined with sufficient bedding (either straw or dirt) to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.
- c. Burning will not be allowed. All trash will be contained in a trash cage and its contents removed at the end of drilling operations and hauled to an approved disposal sight.
- d. After first production, produced waste water will be confined to a unlined pit or storage tank for a period not to exceed ninety (90) days. During the 90-day period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.



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

8. Ancillary Facilities

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

9. Well Site Layout

- a. The reserve pit will be located on the north side of the location.
- b. The flare pit will be located downwind of the prevailing wind direction on the northeast side, a minimum of 100 feet from the well head.
- c. The stockpiled topsoil (first six inches) will be stored in long narrow stockpiles as indicated on the location layout.
- d. Access to the wellpad will be from the southeast as shown on Map "B".
- e. See Location Layout for orientation of rig, cross section of drill pad and cuts and fills.
- f. The location of mud tanks; reserve pit, trash cage; pipe racks; living facilities and soil stockpiles will be shown on the Location Layout.

- g. During construction, any brush or trees removed from the wellpad or access road will be stockpiled separately from the topsoil.**
- h. All pits will be fenced according to the following minimum standards:**
 - 1. 39 inch net wire shall be used with at least one strand or barbed wire on top of the net wire (barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).**
 - 2. The net wire shall be no more than 2-inches above the ground. The barbed wire shall be 3-inches above the net wire. Total height of the fence shall be at least 42-inches.**
 - 3. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.**
 - 4. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.**
 - 5. All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.**
- i. The reserve pit will be fenced on three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until cleanup.**

10. Plans for Restoration of Surface

Producing Location

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



- b. Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.
- c. The plastic nylon reinforced liner shall be torn and perforated before backfilling of the reserve pit.
- d. The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 120 days from the date of well completion. Before any dirt work takes place, the reserve pit must have all fluids and hydrocarbons removed and all cans, barrels, pipe, etc., will be removed.
- e. The reclaimed portion of the production pad will be reseeded with a seed mix to be specified by the BLM.

The appropriate surface management agency should be contacted for the required seed mixture for final abandonment.

Dry Hole

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

11. Surface Ownership

Access Roads - All existing roads are maintained by the County Road Department or the BLM, or are located under Valley's existing ROW #UTU-71231.

Wellpad - The well pad is located on lands managed by the BLM and is within the Antelope Unit.

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12. Other Information

a. A Class III archeological survey was conducted by Metcalf Archaeological Consultants. No significant cultural resources were found and clearance has been recommended. A copy of this report will be submitted directly by Metcalf Archaeological Consultants.

b. The operator is responsible for informing all persons in the areas who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the operator as to:

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

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

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



- c. **The operator will control noxious weeds along right-of-ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.**
- d. **Drilling rigs and/or equipment used during drilling operations on this wellsite will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)**
- e. **All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.**
- f. **A complete copy of the approved APD shall be on location during construction of the location and drilling activities.**
- g. **This permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.**
- h. **The operator or his contractor shall contact the BLM Offices at 801/789-1362 48 hours prior to construction activities.**
- i. **The BLM Office shall be notified upon site completion prior to moving on the drilling rig.**



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Uintah County, Utah

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SURFACE USE PLAN
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13. Lessee's or Operator's Representative and Certification

Permit Matters

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

Drilling & Completion Matters

VALLEY OPERATING, INC.
745 Gilpin
Denver, CO 80218-3633
303/355-3242 - Office
303/394-4183 - F. Lee Robinson - Home
303/757-1110 - Office
303/940-8007 - Hal Smith - Home

Certification

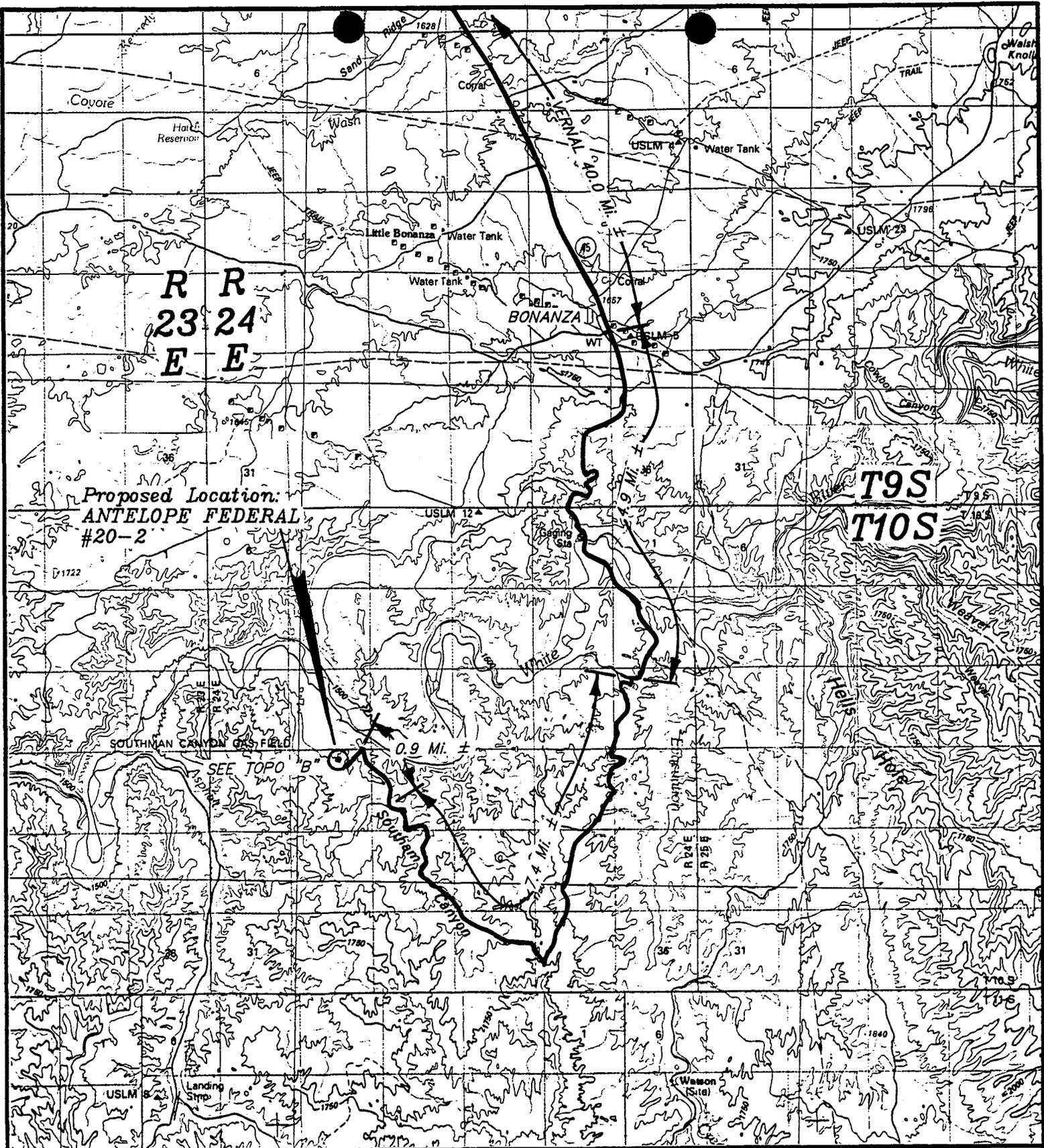
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated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

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

April 17, 1995
Date:



Lisa L. Smith - Permitco Inc.
Authorized Agent for:
Valley Operating, Inc.



R R
23 24
E E

Proposed Location:
**ANTELOPE FEDERAL
#20-2**

T9S
T10S

SOUTHMAN CANYON GAS FIELD
SEE TOPO "B"

0.9 Mi. ±

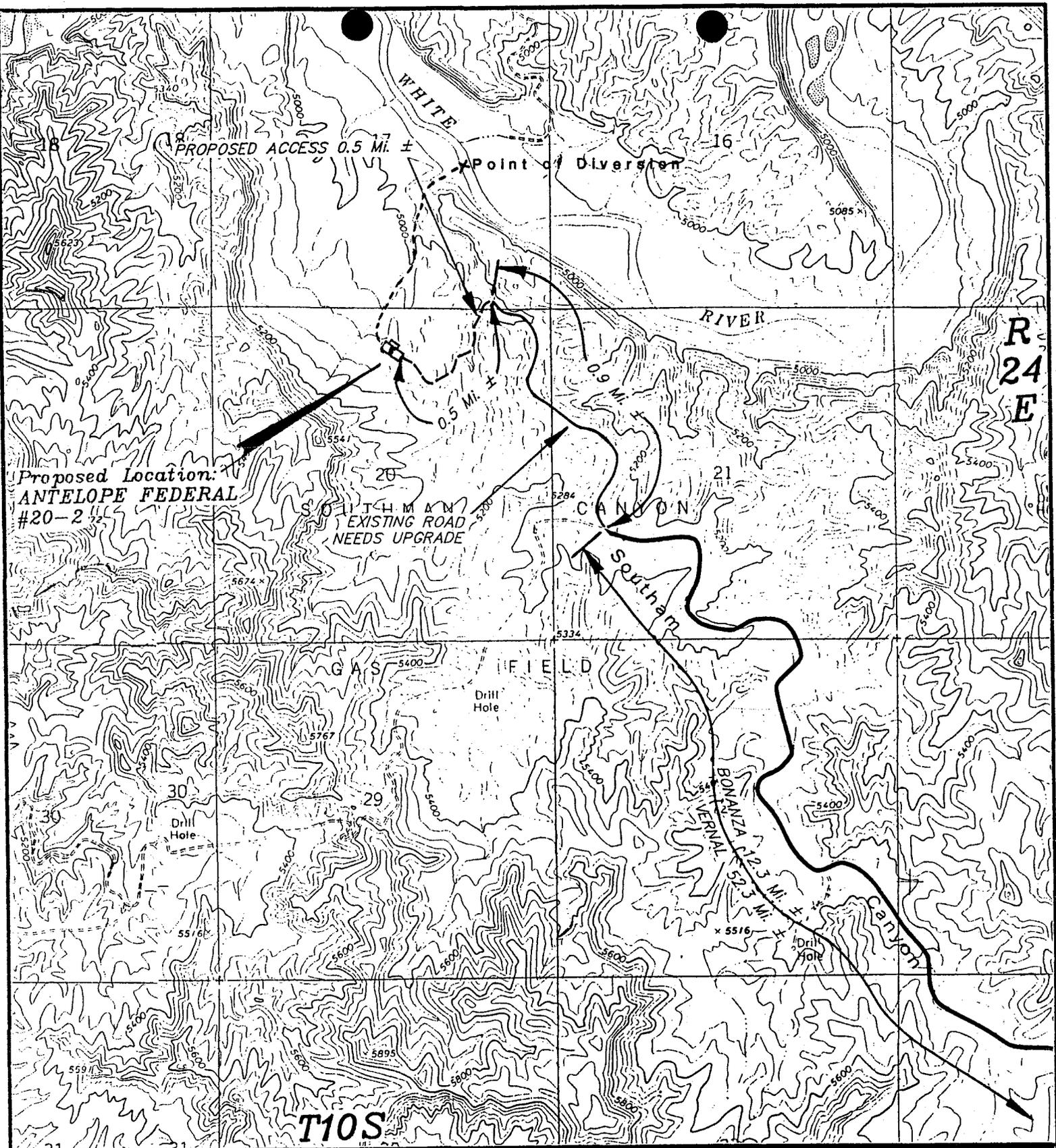
TOPOGRAPHIC
MAP "A"



VALLEY OPERATING COMPANY, INC.

ANTELOPE FEDERAL #20-2
SECTION 20, T10S, R24E, S.L.B.&M.
695' FNL 2496' FEL

DATE: 3/30/95 D.COX



--- Water Pump Route

**TOPOGRAPHIC
MAP "B"**

SCALE: 1"=2000'
REVISED: 4-7-95 D.J.S.
DATE: 3/30/95 D.COX



VALLEY OPERATING COMPANY, INC.

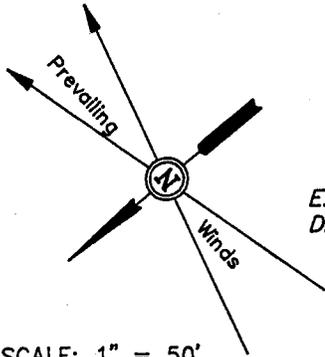
ANTELOPE FEDERAL #20-2
SECTION 20, T10S, R24E, S.L.B.&M.
695' FNL 2496' FEL

VALLEY OPERATING COMPANY, INC.

LOCATION LAYOUT FOR

ANTELOPE FEDERAL #20-2
SECTION 20, T10S, R24E, S.L.B.&M.

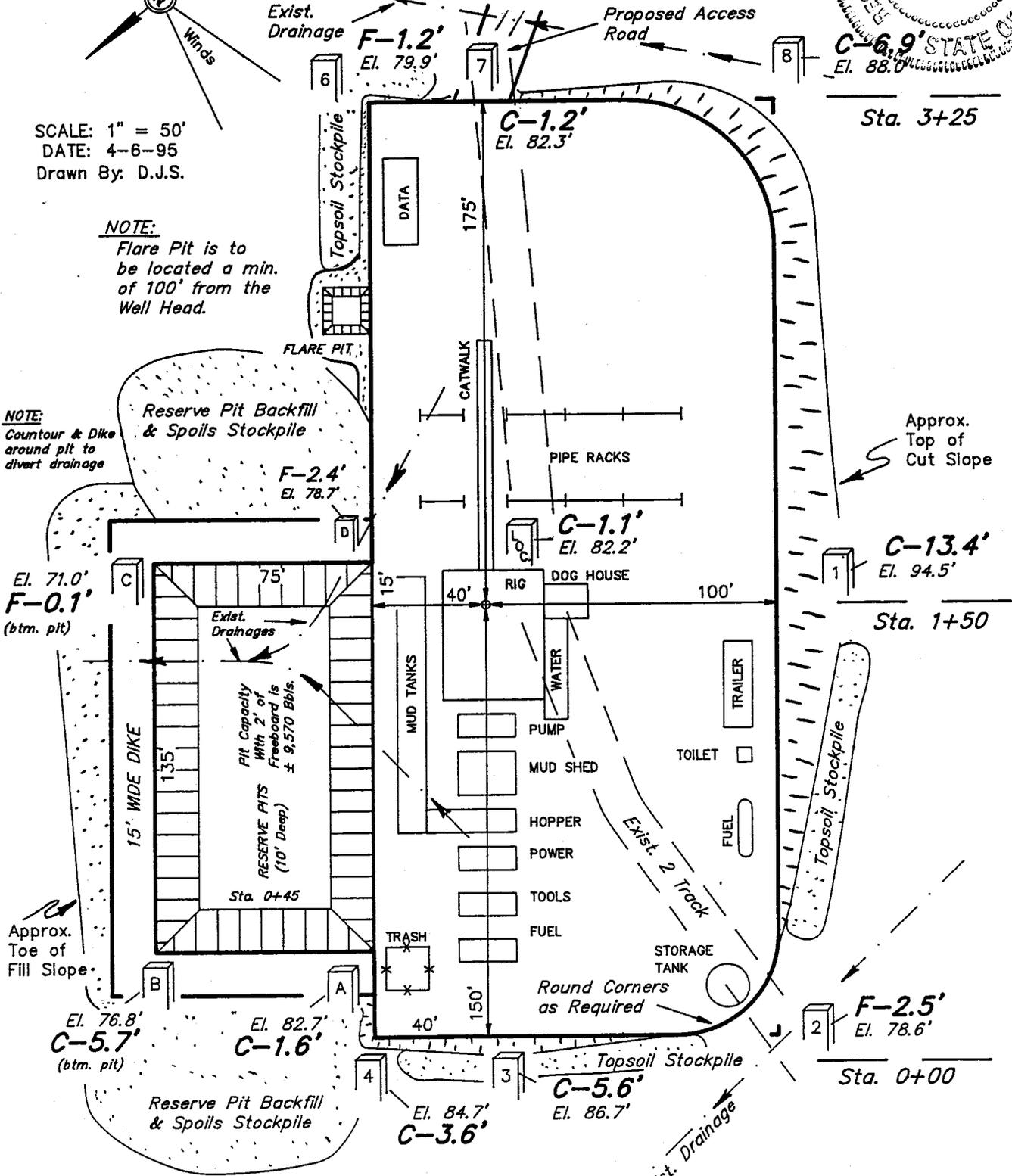
695' FNL 2496' FEL



SCALE: 1" = 50'
DATE: 4-6-95
Drawn By: D.J.S.

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

NOTE:
Countour & Dike around pit to divert drainage



Elev. Ungraded Ground at Location Stake = 5082.2'
Elev. Graded Ground at Location Stake = 5081.1'

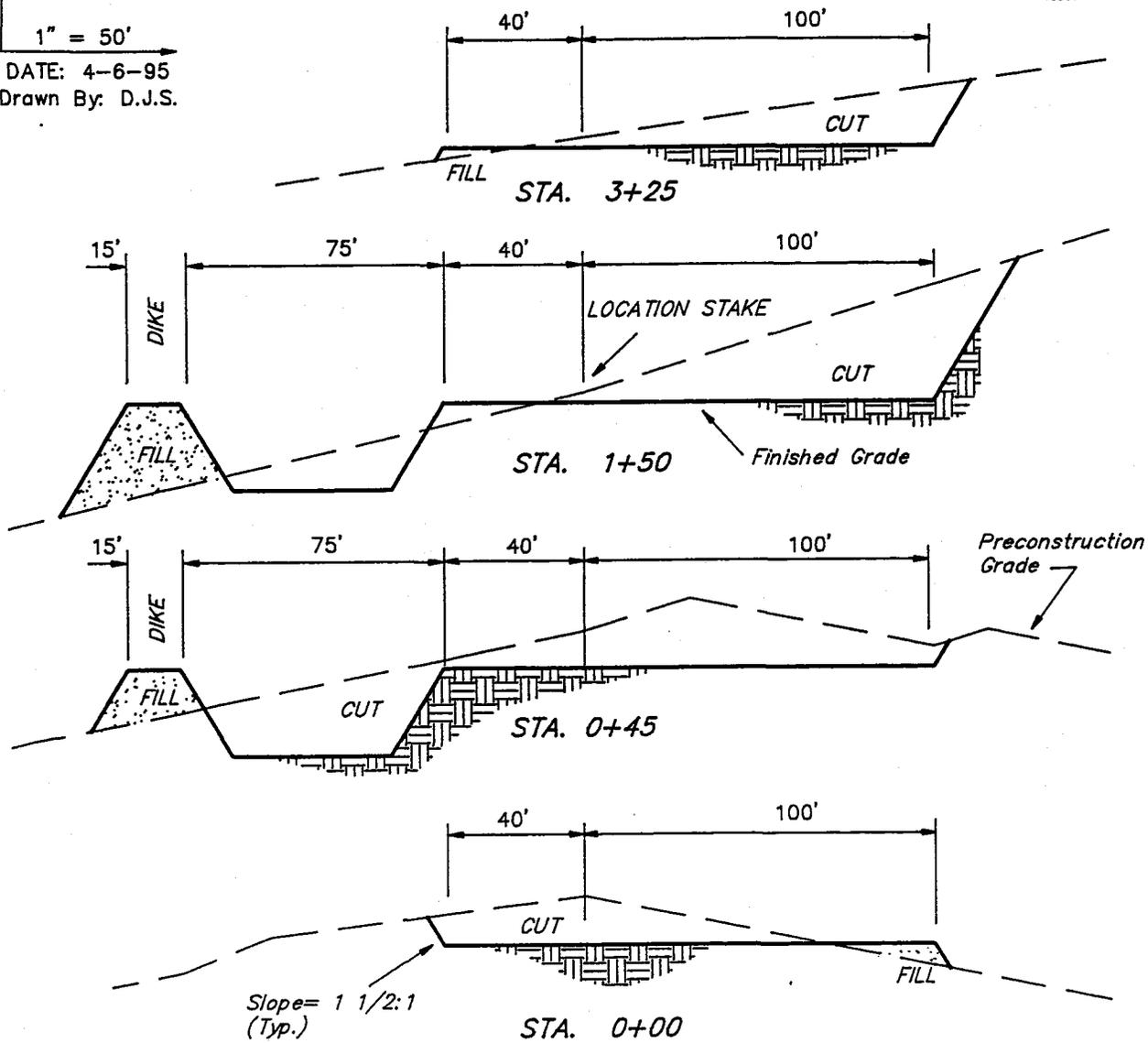
VALLEY OPERATING COMPANY, INC.

TYPICAL CROSS SECTIONS FOR

ANTELOPE FEDERAL #20-2
SECTION 20, T10S, R24E, S.L.B.&M.
695' FNL 2496' FEL



1" = 20'
X-Section Scale
1" = 50'
DATE: 4-6-95
Drawn By: D.J.S.



NOTE:

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

APPROXIMATE YARDAGES

(6") Topsoil Stripping	=	1,030 Cu. Yds.
Remaining Location	=	8,640 Cu. Yds.
TOTAL CUT	=	9,670 CU.YDS.
FILL	=	1,790 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	=	7,790 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	2,380 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	=	5,410 Cu. Yds.

Gerrity Oil & Gas Corporation, Antelope Federal #20-2
Well Pad and Access, Sections 17, 20, and 21,
T10S, R24E, Uintah County, Utah

by
Kae McDonald, Ph.D.

Michael D. Metcalf
Principal Investigator

Prepared for
Hal Smith
Vice President, Operations
Gerrity Oil & Gas Corporation
4100 East Mississippi Avenue, Suite 1200
Denver, Colorado 80222

Prepared by
Metcalf Archaeological Consultants, Inc.
P. O. Box 899
Eagle, CO 81631

Utah State Project Number U-95-mm-169b
BLM permit #94-UT-54945 (exp. 5/31/95)

April, 1995

INTRODUCTION

Metcalf Archaeological Consultants, Inc. (MAC), conducted a Class III cultural resource inventory of the Gerrity Oil & Gas Corporation, Antelope Federal #20-2 proposed well pad, and access road, Uintah County, Utah. A 10 acre block centered on the staked well location (695' FNL, 2496' FEL) was surveyed, and a total of 7,392 feet of 100 foot wide corridor (ca. 17 acres) was surveyed for the proposed access corridor outside the 10 acre block. The well pad was surveyed by pedestrian transects spaced not more than 20 meters apart, while the access road was surveyed by zig-zag transects along both sides of the centerline. The proposed well pad is located in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ and NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 20, T10S, R24E, Uintah County, Utah (Figure 1). Access to the well pad will be from an existing road in the NE $\frac{1}{4}$ of Section 20 and the W $\frac{1}{2}$ of Section 21. This road is approximately 0.9 miles long, and will need to be improved. The remaining 0.5 miles of access road, also located in the NE $\frac{1}{4}$ of Section 20, will need to be constructed. The total acreage covered for this project equaled approximately 27 acres.

This project is located on property administered by the Bureau of Land Management (BLM), Vernal District. The survey was conducted on April 5, 1995, by Kae McDonald under BLM permit #94-UT-54945 which expires on 5/31/95. An on-site meeting was held at this same time, and included Hal Smith of Gerrity Oil & Gas Corporation, Byron Tolman of the BLM, Harley Jackson and Glade Holmes of Ouray Construction, as well as McDonald. All field notes and maps are on file at the MAC office in Eagle, Colorado. No artifacts were collected.

STATEMENT OF OBJECTIVES

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

ENVIRONMENT

This project is located on a pleistocene terrace just south of the White River, along Southam Canyon. The area is a fairly open landscape, with steep ridges to the south, and a gentle slope leading to the White River. Elevation ranged between 5000 and 5120 feet asl. The currently-existing access road closely follows an ephemeral drainage, while a portion of the proposed access road will be in the bed of an ephemeral drainage. The well pad itself is

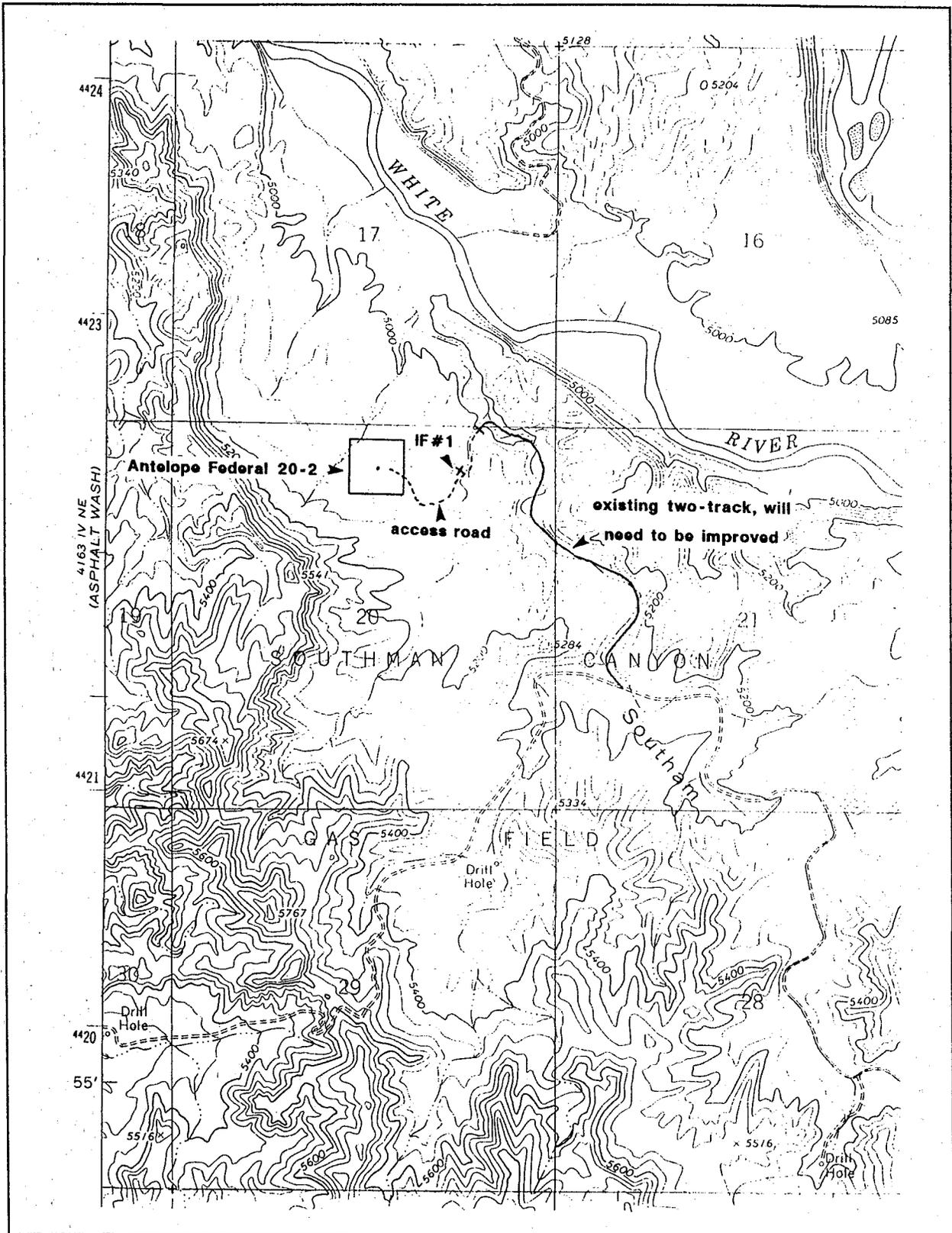


Figure 1 Project area location, T10S, R24E, Sections 17, 20, 21, USGS Southham Canyon, Utah 7.5', 1968.

situated on a small hill below a steep ridgeline. An ephemeral drainage cuts through the well pad along the northwestern corner of the surveyed area. Bedrock geology consists of the Uinta Formation (Hintze 1980); lag cobbles of both chert and quartzite were noted throughout the well pad survey area. Soils were mostly sandy, with some shale and clay constituents. Potential for buried deposits is low along the access road, and is low to moderate in the well pad area itself.

Vegetation was sparse, consisting mostly of grasses, rabbitbrush, and low sage. A few junipers dotted the edges of the well pad. Greasewood was heavy in spots along the access road. Visibility was excellent, averaging more than 90%.

FILE SEARCH

A files search was conducted through the Utah State Historical Division on April 4, 1995. The cultural resource files of the BLM, Vernal District were also consulted. The files searches indicated that the area encompassing both the well pad and access road was previously inventoried in 1975. This inventory included the oil shale lease areas U-a, U-b, and a surrounding one mile buffer zone (Berry and Berry 1976). A single site was located near the project area. This site, 42UN406, consisted of two bifaces and a hammerstone near some historic debris; no chipped stone debitage was noted. Both the bifaces and hammerstone were collected at that time. No NRHP recommendation was provided.

FIELD METHODS

The 10 acre area surrounding the well pad centerstake was surveyed by a series of parallel pedestrian transects walked at approximately 15-20 meter intervals. The portion of the access corridor that extends outside the 10 acre survey block was inspected using zigzag pedestrian transects on each side of the staked centerline. Each side of the centerline received total coverage amounting to 15 m (50 feet), for a total of 30 m (100 feet) survey corridor width.

If cultural material was located, the area was examined closely until all surface manifestations had been identified and the resource adequately defined. Appropriate IMACS forms and other documentation were then completed, including plotting the resource on the proper USGS quadrangle map. Sketch maps were prepared using a Brunton Pocket Transit and pacing for distances. Black and white photographs were taken of all the sites. Datums are white PVC pipe with a metal site tag embossed with the temporary site number.

RESULTS AND RECOMMENDATIONS

The proposed well pad location and access corridor is located in the pleistocene terraces south of the White River. There is little potential for deposition along the access corridor, as it follows several ephemeral

drainages and portions are staked within the drainage bed. Potential for depth in the well pad area is estimated at low to moderate. Two solder-dot cans (IF #1) were found along the access corridor as it rises out of the ephemeral drainage, and crosses the slope to the well pad location. The location was a sloping, shale surface with no potential for deposition, and no other cultural artifacts or features were found in the vicinity. This isolated find is recommended not eligible for nomination to the NRHP. 42UN406 falls outside the proposed pad area.

The proposed undertaking as staked will not affect any significant cultural resources, and cultural resource clearance is recommended.

REFERENCES CITED

Berry, Michael S., and Claudia F. Berry

1976 An Archaeological Reconnaissance of the White River Area, Northeastern Utah. *Antiquities Section Selected Papers 4*. Salt Lake City.

Hintze, L. F.

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

Appendix I
Site & Isolated Find Forms
(Limited Distribution)

There are no federal stipulations at this time.



Permitco Incorporated
A Petroleum Permitting Company

A Wastewater Permit Application will be filed with the Uintah Basin District Health Department in Vernal once the drilling contractor has been determined.



FILING FOR WATER IN THE STATE OF UTAH

Rec. by _____

Fee Rec. _____

Receipt # _____

Microfilmed _____

Roll # _____

APPLICATION TO APPROPRIATE WATER

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

* WATER RIGHT NO. _____

* APPLICATION NO. A

1. * PRIORITY OF RIGHT: _____ * FILING DATE: _____

2. OWNER INFORMATION

Name(s): Valley Operating Company, Inc. * Interest: _____ %

Address: 745 Gilpin Street

City: Denver State: CO Zip Code: 80218-3633

Is the land owned by the applicant? Yes _____ No X

(If "No", please explain in EXPLANATORY section.)

3. QUANTITY OF WATER: _____ cfs and/or 1 ac-ft

4. SOURCE: White River * DRAINAGE: _____

which is tributary to _____

which is tributary to _____

POINT(S) OF DIVERSION: _____ COUNTY: Uintah County, Utah

NW SE Sec. 17, T10S - R24E (As shown on Topo Map "B")

Description of Diverting Works: A pump and aluminum line will be installed as shown on

* COMMON DESCRIPTION: Map B. No disturbance will be done to the bottom or banks of the White River.

5. POINT(S) OF REDIVERSION N/A
The water will be rediverted from _____ at a point: _____

Description of Rediverting Works: _____

6. POINT(S) OF RETURN N/A
The amount of water consumed will be _____ cfs or _____ ac-ft
The amount of water returned will be _____ cfs or _____ ac-ft
The water will be returned to the natural stream/source at a point(s): _____

7. STORAGE N/A
Reservoir Name: _____ Storage Period: from _____ to _____
Capacity: _____ ac-ft. Inundated Area: _____ acres
Height of dam: _____ feet
Legal description of inundated area by 40 acre tract(s): _____

* These items are to be completed by the Division of Water Rights

Appropriate

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 04/19/95

API NO. ASSIGNED: 43-047-32680

WELL NAME: ANTELOPE FEDERAL 20-2
 OPERATOR: VALLEY OPERATING INC. (N8270)

PROPOSED LOCATION:
 NWNE 20 - T10S - R24E
 SURFACE: 0695-FNL-2496-FEL
 BOTTOM: 0695-FNL-2496-FEL
 UINTAH COUNTY
 NATURAL BUTTES FIELD (630)

LEASE TYPE: FED
 LEASE NUMBER: U-66420

PROPOSED PRODUCING FORMATION: MVRD

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

RECEIVED AND/OR REVIEWED:

Plat
 Bond: Federal State Fee
 (Number 47-0932)
 Potash (Y/N)
 Oil shale (Y/N)
 Water permit
 (Number BY SUNDAY)
 RDCC Review (Y/N)
 (Date: _____)

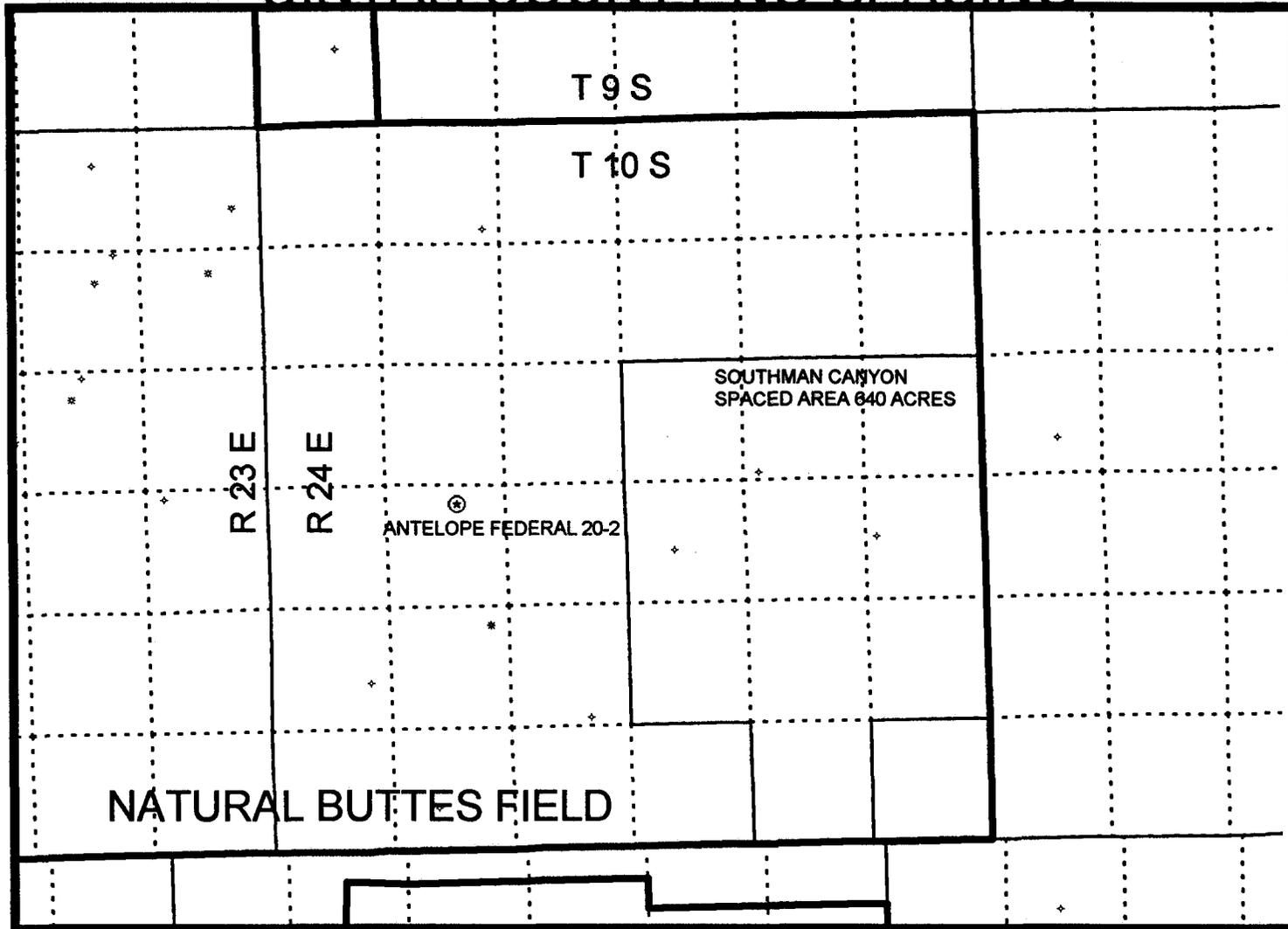
LOCATION AND SITING:

R649-2-3. Unit: UNIT 22 403 X
 R649-3-2. General.
 R649-3-3. Exception.
 Drilling Unit.
 Board Cause no: _____
 Date: _____

COMMENTS: *Casing is 3 1/2" tubg which does not work in the Lone Star program, but tubg specs show tubg will be sufficient for casing & depths required.*

STIPULATIONS:

VALLEY OPERATING CO.
ANTELOPE FED 20-2
SEC. 20, T10S, R24E
UINTAH COUNTY NO SPACING





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

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

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

May 5, 1995

Valley Operating, Inc.
745 Gilpin Street
Denver, Colorado 80218-3633

Re: Antelope Federal #20-2 Well, 695' FNL, 2496' FEL, NW NE, Sec. 20, T. 10 S., R. 24 E., Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-32680.

Sincerely,

R. J. Firth
Associate Director

ldc

Enclosures

cc: Uintah County Assessor

Bureau of Land Management, Vernal District Office

WAPD



Operator: Valley Operating, Inc.

Well Name & Number: Antelope Federal #20-2

API Number: 43-047-32680

Lease: Federal U-66420

Location: NW NE Sec. 20 T. 10 S. R. 24 E.

Conditions of Approval

1. General

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

2. Notification Requirements

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

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

3. Reporting Requirements

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

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

CONFIDENTIAL - TIGHT HOLE

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. U-66420
1b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A
2. NAME OF OPERATOR Valley Operating, Inc. - 745 Gilpin St., Denver, CO 80218-3633		7. UNIT AGREEMENT NAME Antelope Unit
3. ADDRESS OF OPERATOR Permitco Inc. - Agent - 13585 Jackson Drive, Denver CO 80241		8. FARM OR LEASE NAME WELL NO. Antelope Federal
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. *) At Surface 695' FNL and 2496' FEL At proposed Prod. Zone NW NE Sec. 20, T10S - R24E		9. API WELL NO. #20-2
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 13.7 miles Southwest of Bonanza, Utah		10. FIELD AND POOL OR WILDCAT Wildcat
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest dng. unit line, if any) 695'	16. NO. OF ACRES IN LEASE 960 acres	11. SEC. T., R., M., OR BLK. AND SURVEY OR AREA Sec. 20, T10S - R24E
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT. None	19. PROPOSED DEPTH 7100'	12. COUNTY OR PARISH Uintah
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5082' GR		13. STATE Utah
23. PROPOSED CASING AND CEMENTING PROGRAM		17. NO. OF ACRES ASSIGNED TO THIS WELL. 160
22. APPROX. DATE WORK WILL START* Upon approval of this application.		20. ROTARY OR CABLE TOOLS Rotary

**RECEIVED
APR 21 1995**

SIZE OF HOLE	SIZE OF CASING	WEIGHT/FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	1250'	+/- 500 sx circ. to surf.
7-7/8"	3-1/2"	7.7#	7100'	+/- 950 sx circ. to 2900'

Valley Operating, Inc. proposes to drill a well to 7100' to test the Mesa Verde and Wasatch formations. If productive, casing will run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

See Onshore Order No. 1 attached.

Please be advised that Valley Operating, Inc. is considered to be the Operator of the above mentioned well. Valley Operating, Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the leased lands.

Bond coverage for this well is provided by Valley Operating, Inc. under their Statewide BLM Bond No. UT-0832.

CONFIDENTIAL - TIGHT HOLE

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 *Gene L. Smith* TITLE Valley Operating, Inc. DATE 04/17/95
(This space for Federal or State office use)

PERMIT NO. 13-047-32680 APPROVAL DATE MAY 16 1995
 Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would enable the applicant to conduct operations thereon.
 CONDITIONS OF APPROVAL, IF ANY:
 APPROVED BY *David R. Leary* TITLE ASSISTANT DISTRICT MANAGER MINERALS DATE MAY 5 1995

**RECEIVED
MAY 16 1995**

*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.
NOTICE OF APPROVAL CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

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

Company/Operator: Valley Operating, Inc.

API Number 43-047-32680

Well Name & Number: Antelope Unit No. 20-2

Lease Number: U-66420

Location: NW NE Sec. 20 T.10 S. R.24 E.

Surface Ownership: BLM

Date NOS Received March 30, 1995

Date APD Received April 21, 1995

In order to protect the Threatened and Endangered fish resource in the White River the following stipulations will apply when diverting water for drilling:

1. When water is pumped from the river it must be taken from the main channel, not a back eddy.
2. A screen must be present on the end of the suction hose when water is being pumped from the river.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Company Valley Operating, Inc. Well No. Antelope Unit 20-2

Location NWNE Section 20, T10S, R24E Lease No. U - 66420

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

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

A. DRILLING PROGRAM

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

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

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 a 3M system for equipment and testing requirements, procedures, etc., 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.

3. Casing Program and Auxiliary Equipment

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the top of the Mahogany Oil Shale, identified at \pm 1,188 ft. or by setting the surface casing to 1450 ft. and having a cement top for the production casing at least 200 ft. above the base of the base of the usable water, identified at 5097 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.

5. Coring, Logging and Testing Program

A cement bond log (CBL) will be run from the production casing shoe to \pm 988 ft., if the surface casing is set at 1200 ft. or the CBL will be run from the production shoe to 4897 ft., if the surface casing is set at 1450 ft. and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

6. 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.

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

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

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

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

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

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

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

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

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

Ed Forsman (801) 789-7077
Petroleum Engineer

Wayne Bankert (801) 789-4170
Petroleum Engineer

BLM FAX Machine (801) 781-4410

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

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

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

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

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

Refinery wastes

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

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
MAY 23 1995
DIV. OF OIL, GAS & MINING

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No.
U-65420

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation
Antelope Unit

8. Well Name and No.
Antelope Federal #20-02

9. API Well No.
43-047-32680

10. Field and Pool, or Exploratory Area
Wildcat

11. County or Parish, State

Utah Co., Utah

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

CONFIDENTIAL

2. Name of Operator

Valley Operating Co.

3. Address and Telephone No.

745 Gilpin Street, Denver CO 80218-3633, 303/355-3242

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

695' FNL & 2496' FEL Sec. 20-T10S-R24E

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 type="checkbox"/> Other
	<input checked="" type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

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

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

Per telephone conversation with Ed Foresman (Vernal BLM) May 17, 1995.

The 8 5/8" surface casing will have a setting depth of 300' and the 3 1/2" production casing will be cemented from 1450' to surface.

14. I hereby certify that the foregoing is true and correct
Signed [Signature] Title V. P. Operations Date 05/17/95
(AGENT FOR VALLEY OPERATING CO.)

(This space for Federal or State office use)
Approved by _____ Title _____
Conditions of approval, if any: _____

Accepted by the
Utah Division of
Oil, Gas and Mining

FOR RECORD ONLY

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

CONFIDENTIAL

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: VALLEY OPERATING

Well Name: ANTELOPE FEDERAL 20-2

Api No. 43-047-32680

Section 20 Township 10S Range 24E County UINTAH

Drilling Contractor _____

Rig # _____

SPUDDED: Date 5/29/95

Time _____

How DRY HOLE

Drilling will commence _____

Reported by D. HACKFORD-DOGM

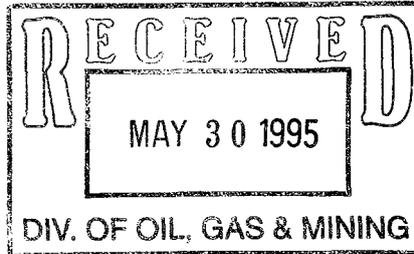
Telephone # _____

Date: 5/30/95 Signed: JLT

G E R R I T Y
O I L & G A S
C O R P O R A T I O N

May 25, 1995

Mr. Frank Matthews
State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite #350
Salt Lake City, Utah 84180-1203



Dear Mr. Matthews:

Per our discussion, enclosed is a copy of the Sundry Notice on the Antelope Federal 20-2., API 43-047-32680. BLM has given verbal approval on the change in surface casing setting depth. Please call me at (303) 757-1110 if there are any questions on our Utah operations.

Sincerely,

A handwritten signature in cursive script that reads "Hal Smith".

Hal Smith
Vice President, Operations

/rle

enclosure

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

MAY 30 1995

DIV. OF OIL, GAS & MINING

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

SUNDRY NOTICES AND REPORTS ON WELLS

5. Lease Designation and Serial No.

U-66420

Do not use this form for proposals to drill or to deepen or reentry a different reservoir

6. If Indian, Allottee or Tribe Name

Use "APPLICATION FOR PERMIT -" for such proposals

DIV. OF OIL, GAS & MINING

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

7. If Unit or CA, Agreement Designation

Antelope Unit

8. Well Name and No.

Antelope Federal #20-02

9. API Well No.

43-047-32680

2. Name of Operator

Valley Operating Co.

10. Field and Pool, or Exploratory Area

Wildcat

3. Address and Telephone No.

745 Gilpin Street, Denver CO 80218-3633, 303/355-3242

11. County or Parish, State

695' FNL & 2496' FEL Sec. 20-T10S-R24E

Uintah Co., Utah

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

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

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

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

Per telephone conversation with Ed Foresman (Vernal BLM) May 17, 1995.

The 8 5/8" surface casing will have a setting depth of 300' and the 3 1/2" production casing will be cemented from 1450' to surface.

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

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

(AGENT FOR VALLEY OPERATING CO.)

Signed

[Signature]

Title V. P. Operations

Date

05/17/95

(This space for Federal or State office use)

Approved by _____

Title _____

Date _____

Conditions of approval, if any:

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

*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
JUN 05 1995
DIV. OF OIL, GAS & MINING

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No.
U-66420

6. If Indian, Allottee or Tribe Name

7. If Unit or EA, Agreement Designation

Antelope Unit

8. Well Name and No.

Antelope Federal #20-02

9. API Well No.

43-047-32680

10. Field and Pool, or Exploratory Area

Wildcat

11. County or Parish, State

Uintah Co., Utah

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Valley Operating Co.

3. Address and Telephone No.

745 Gilpin Street, Denver CO 80218-3633, 303/355-3242

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

695' FNL & 2496' FEL Sec. 20-T10S-R24E

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

TYPE OF SUBMISSION

Notice of Intent
 Subsequent Report
 Final Abandonment Notice

TYPE OF ACTION

Abandonment
 Recompletion
 Plugging Back
 Casing Repair
 Altering Casing
 Other **Cement surface casing**

Change of Plans
 New Construction
 Non-Routine Fracturing
 Water Shut-Off
 Conversion to Injection
 Dispose Water

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

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

5/29/95: Drilled 325' of 12 1/4" hole with surface casing unit.

5/30/95: Ran 312' of 8 5/8", 24#, J-55 casing cemented to surface with 180 sx. cement. (75% Class G, 25% Poz, yield 1.1 cu.ft./sx.)

5/31/95: Moving in drilling rig.

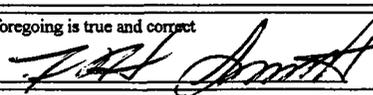
6/01/95: Rigged up Caza Drilling Co. Rig #16 on location. Tested BOP's and casing to 3000 psi.

6/02/95: Commenced drilling operations.

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

(AGENT FOR VALLEY OPERATING CO.)

Signed



Title **V. P. Operations**

Date

06/02/95

(This space for Federal or State office use)

Approved by

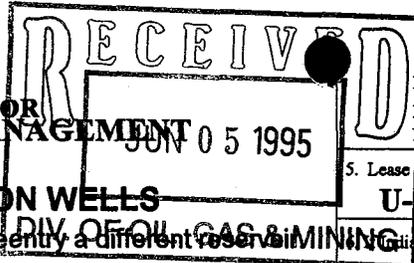
Title

Date

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***See Instructions on Reverse Side**



SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No.
U-66420
6. Well Name, Allottee or Tribe Name

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Valley Operating Co.

3. Address and Telephone No.

745 Gilpin Street, Denver CO 80218-3633, 303/355-3242

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

695' FNL & 2496' FEL Sec. 20-T10S-R24E

7. If Unit or CA, Agreement Designation

Antelope Unit

8. Well Name and No.

Antelope Federal #20-02

9. API Well No.

43-047-32680

10. Field and Pool, or Exploratory Area

Wildcat

11. County or Parish, State

Uintah Co., Utah

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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 type="checkbox"/> Other _____
	<input checked="" type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

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

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

Change proposed mud program to drill with an aerated KCL polymer mud system below the surface pipe. Returns from the hole will be routed through a gas buster and to the steel mud tanks/reserve pit. Air will be vented from the gas buster. An additional flare line will be routed from the gas buster to the flare pit to flare gas if necessary.

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

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

(AGENT FOR VALLEY OPERATING CO.)

Signed

Title **V. P. Operations**

Date

06/02/95

(This space for Federal or State office use)

Approved by

Title _____

Date _____

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
JUL 05 1995
DIV. OF OIL, GAS & MINING

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

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U-66420
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SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

CONFIDENTIAL

2. Name of Operator
Valley Operating Co.

3. Address and Telephone No.
745 Gilpin Street, Denver CO 80218-3633, 303/355-3242

4. Location of Well (Footage, Sec., T., R., m., or Survey Description)
695' FNL & 2496' FEL Sec. 20-T10S-R24E

7. If Unit or CA, Agreement Designation
Antelope Unit

8. Well Name and No.
Antelope Federal #20-02

9. API Well No.
43-047-32680

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Wildcat

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

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	<input type="checkbox"/> Other _____	<input type="checkbox"/> Dispose Water

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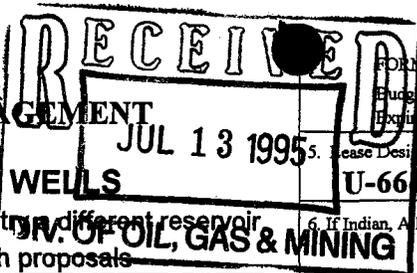
- 5/31/95-6/1/95: MIRU Caza Drilling. Test BOP and surface casing.
- 6/2/95-6/8/95: Drilled with 7 7/8" bit from surface casing to 5627'.
- 6/9/95-6/21/95: Set cement plugs to contain lost circulation zones. Washed and reamed tight hole. Conditioned hole to set 5 1/2" casing.
- 6/22/95-6/23/95: Set 5 1/2", 15.5#/ft., J-55, 8rd casing at 4396'. Cement with 335 sacks cement.
- 6/24/95-6/25/95: Drilling with 4 3/4" bit to 4410'.
- 6/26/95-6/27/95: Parted drill pipe. Fished drill pipe.
- 6/28/95-6/29/95: Drilling with 4 3/4" bit to 4530'.

14. I hereby certify that the foregoing is true and correct (AGENT FOR VALLEY OPERATING CO.)
 Signe Waldo Ashburn Title Petroleum Engineer Date 07/03/95

(This space for Federal or State office use)
 Approved by _____ Title _____ Date _____
 Conditions of approval, if any:

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

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

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Use "APPLICATION FOR PERMIT -" for such proposals

5. Lease Designation and Serial No.
U-66420

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

CONFIDENTIAL

2. Name of Operator

Valley Operating Co.

3. Address and Telephone No.

745 Gilpin Street, Denver CO 80218-3633, 303/355-3242

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

695' FNL & 2496' FEL Sec. 20-T10S-R24E

7. If Unit or CA, Agreement Designation

Antelope Unit

8. Well Name and No.

Antelope Federal #20-02

9. API Well No.

43-047-32680

10. Field and Pool, or Exploratory Area

Wildcat

11. County or Parish, State

Uintah Co., Utah

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	<input type="checkbox"/> Dispose Water

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

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6/30-7/1/95: Wash and ream from 4420'-4811'.

7/2/95: Condition hole to run casing. TOOH with drill pipe. Ran 3 1/2" casing and tagged at 4400'.

7/3/95: TOOH with casing. Installed 4 3/4" bit on bottom of 3 1/2" casing. TIH with casing and bit.

7/4/95: Run casing to 4778'. Cemented 3 1/2", 7.7# M-75 production casing with 200 sx. Class G cement (1.15 cu. ft./sx.).

7/5/95: Nipple down BOP. Land casing in wellhead. Release drilling rig.

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

(AGENT FOR VALLEY OPERATING CO.)

Signe Waldo Fehelma

Title Petroleum Engineer

Date 07/11/95

(This space for Federal or State office use)

Approved by _____

Title _____

Date _____

Conditions of approval, if any:

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United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
324 South State, Suite 301
Salt Lake City, Utah 84111-2303

IN REPLY REFER TO:

August 1, 1995

Gerrity Oil & Gas Corporation
4100 East Mississippi Avenue, Suite 1200
Denver, Colorado 80222

Re: Antelope Unit
Uintah County, Utah

Gentlemen:

On July 28, 1995, we received an indenture dated July 24, 1995, whereby Valley Operating Inc. resigned as Unit Operator and Gerrity Oil & Gas Corporation was designated as Successor Unit Operator for the Antelope Unit, Uintah County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective August 1, 1995. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Antelope Unit Agreement.

Your statewide (Utah) oil and gas bond No. 1014 will be used to cover all operations within the Antelope Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

R. A. McKee

for Robert A. Henricks
Chief, Branch of Fluid Minerals

Enclosure

UTAH STATE OFFICE
RECEIVED
ACCOUNTS UNIT

95 JUL 29 AM 11:08

RESIGNATION OF UNIT OPERATOR

DEPT. OF INTERIOR
BUR. OF LAND MGMT

Antelope Unit Area

County of Uintah

State of Utah

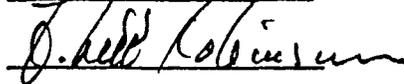
Unit Agreement No. UTU 72403X

Under and pursuant to the provisions of Section 5 of the Unit Agreement for the Development and Operation of the Antelope Unit Area, Uintah County, Utah, Valley Operating, Inc. the designated Unit Operator under said Unit Agreement, does hereby resign as Unit Operator, effective upon the selection and approval of a successor Unit Operator.

EXECUTED with effect as aforesaid the 24th day of July, 1995

ATTEST:

VALLEY OPERATING, INC.



DESIGNATION OF
SUCCESSOR UNIT OPERATOR

Antelope Unit Area

County of Uintah

State of Utah

Unit Agreement No. UTU 72403X

THIS INDENTURE, dated as of the 24th day of July, 1995, by and between Gerrity Oil & Gas Corporation, hereinafter designated as "First Party," and the owners of unitized working interests, hereinafter designated as "Second Parties,"

UTAH STATE OFFICE
RECEIVED
ACCOUNTS UNIT

SECOND PARTIES

95 JUL 28 AM 11:08

THERMO COGENERATION PARTNERSHIP, L.P. - 16.13%

DEPT. OF INTERIOR
BUR OF LAND MGMT

BY James Morrison
Execution Date: _____ Total 66.93%

BY _____
Execution Date: _____

UTAH STATE OFFICE
RECEIVED
ACCOUNTS UNIT

CORPORATE ACKNOWLEDGEMENT

95 JUL 28 AM 11:08

STATE OF COLORADO)
) ss.
COUNTY OF ARAPAHOE)

DEPT. OF INTERIOR
BUR OF LAND MGMT

The foregoing instrument was acknowledged before me this 25th day of July, 1995, by Terry L. Ray as Vice President of Gerrity Oil & Gas Corporation, a Delaware corporation, on behalf of said corporation.



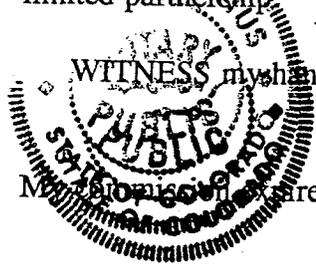
WITNESS my hand and official seal.

Kathryn Partus
Notary Public

My commission expires: 2/9/97

STATE OF COLORADO)
) ss.
COUNTY OF Arapahoe)

The foregoing instrument was acknowledged before me this 26th day of July, 1995, by James Monroe, III, President of Thermo Ft. Lupton I, Inc., General Partner of Thermo Fort Lupton, L.P. a partner on behalf of Thermo Cogeneration Partnership, L.P., a Colorado limited partnership.



WITNESS my hand and official seal.

Kathryn Partus
Notary Public

My commission expires: 2/9/97

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

RECEIVED
AUG 10 1995

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

DIV. OF OIL, GAS & MINING

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Valley Operating Co.

3. Address and Telephone No.
745 Gilpin Street, Denver, CO 80218-3633, 303-355-3242

4. Location of Well (Footage, Sec., T., R., m., or Survey Description)
695' FNL & 2496' FEL Sec. 20-T10S-R24E

5. Lease Designation and Serial No.
U-66420

6. Indian, Allottee or Tribe Name

7. Agreement Designation
Antelope Unit

8. Well Name and No.
Antelope Federal #20-02

9. API Well No.
43-47-32680

10. Field and Pool, or Exploratory Area
Wildcat

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

CONFIDENTIAL

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

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

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

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

We propose to perforate, acidize and test the Wasatch interval at 4602 - 4616.

Operator may, at its' option, isolate and perforate, acidize, fracture stimulate and test the following additional Wasatch intervals: 4514-4520, 4412-4430.

Intervals deemed productive will be fracture stimulated simultaneously.

All intervals have cement across them with a CBL for verification.

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

Signed Waldo Schuman

Title **Petroleum Engineer**

Date **07/31/95**

(This space for Federal or State office use)

Approved by _____

Title _____

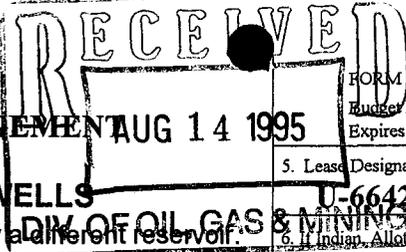
Date _____

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UNITED STATES
DEPARTMENT OF THE INTERIOR
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FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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5. Lease Designation and Serial No.

U-66420

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Gerrity Oil & Gas Corporation

3. Address and Telephone No.

4100 E. Mississippi Ave., #1200, Denver CO 80222

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

695' FNL & 2496' FEL Sec. 20-T10S-R24E

7. If Unit or CA, Agreement Designation

Antelope Unit

8. Well Name and No.

Antelope Federal #20-02

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43-047-32680

10. Field and Pool, or Exploratory Area

Wildcat

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	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other Install Pipeline
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
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We propose to install a surface pipeline from the Antelope Federal #20-02 to an existing pipeline in the NE/4 of Section 29. Proposed route is shown on the attached topographic map. Dimensions of the pipeline will be 4.5" OD, 4.188" ID, .156 wall and 7.24#/ft.

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

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

Signed Waldo A. Sherman Title Petroleum Engineer

Date 08/09/95

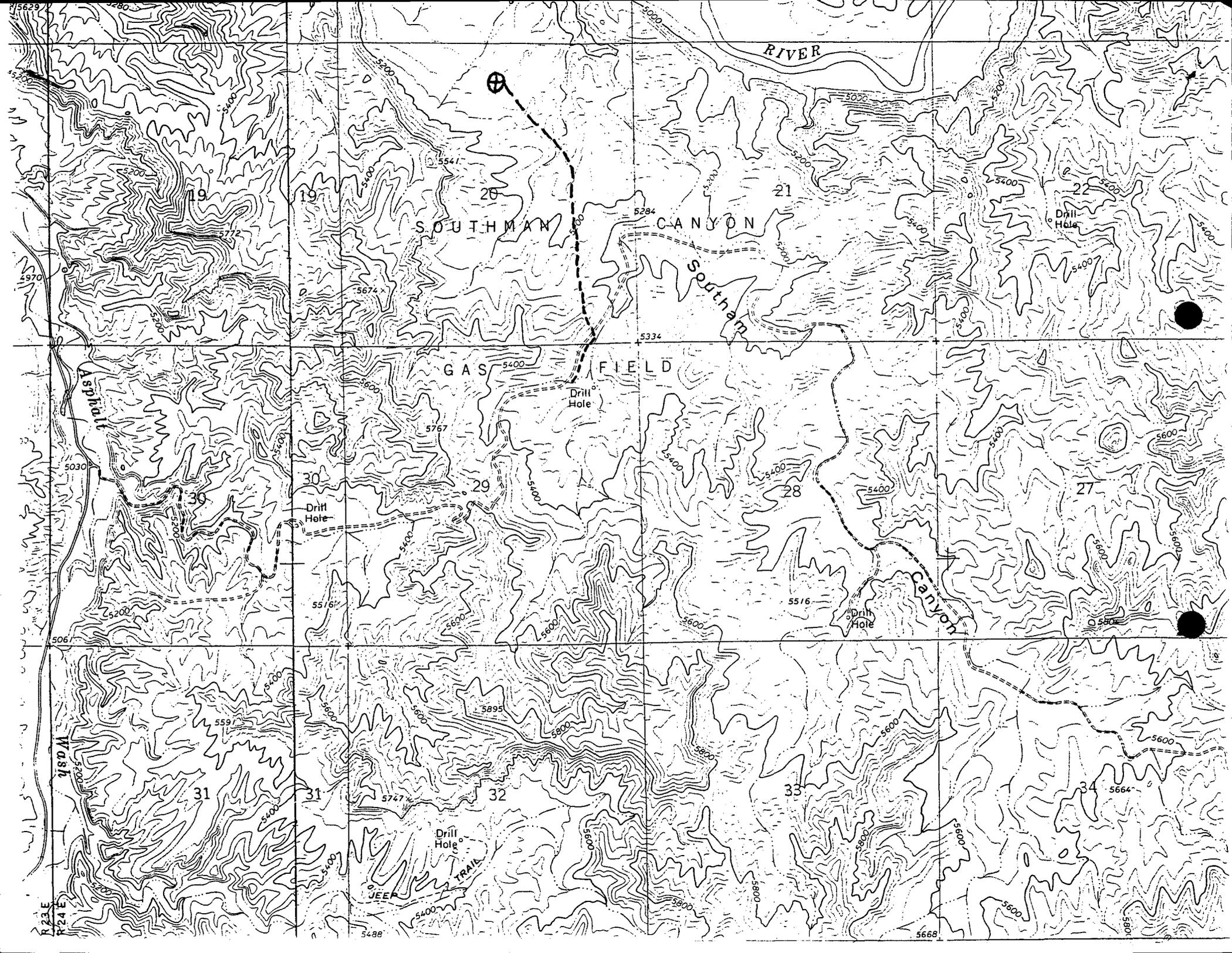
(This space for Federal or State office use)

Approved by _____ Title _____

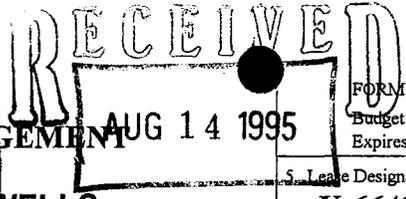
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FORM APPROVED
Budget Bureau No. 1004-0135
Expires March 31, 1993

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

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 Oil Well Gas Well Other

7. If Unit or CA, Agreement Designation
Antelope Unit

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Gerrity Oil & Gas Corporation

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Wildcat

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Uintah Co., Utah

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	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

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

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

We propose to install a surface pipeline from the Antelope Federal #20-02 to an existing pipeline in the NE/4 of Section 29. Proposed route is shown on the attached topographic map. Dimensions of the pipeline will be 4.5" OD, 4.188" ID, .156 wall and 7.24#/ft.

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

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

Signed Waldo Akerman Title Petroleum Engineer Date 08/09/95

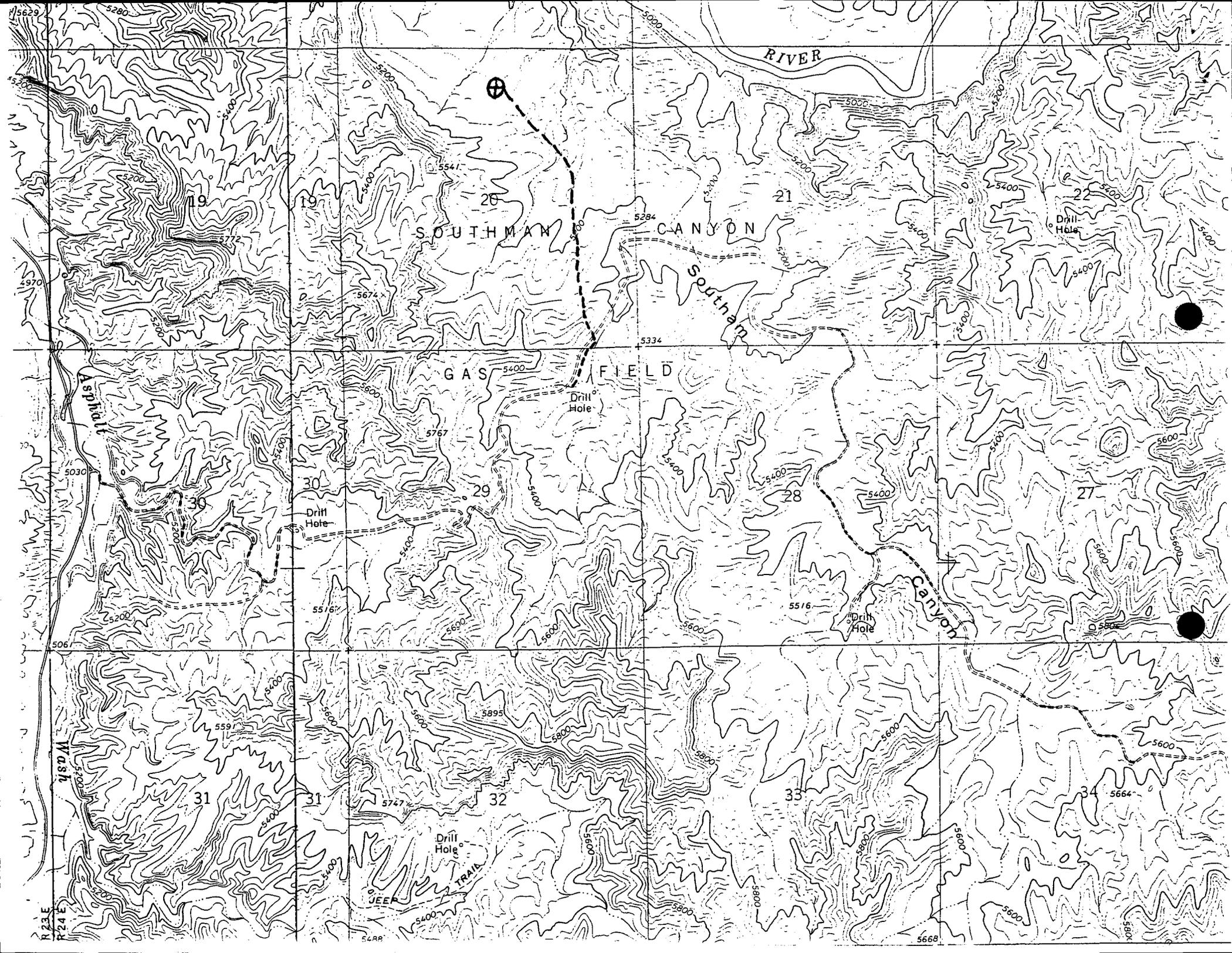
(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

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

***See Instructions on Reverse Side**



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No.
U-66420

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

Antelope Unit

8. Well Name and No.
Antelope Fed. #20-02

9. API Well No.
43-047-32680

10. Field and Pool, or Exploratory Area
Wildcat

11. County or Parish, State

Uintah Co., Utah

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Gerrity Oil & Gas Corporation

3. Address and Telephone No.

4100 E. Mississippi Ave., #1200, Denver CO 80222, 303/757-1110

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

695' FNL & 2496' FEL Sec. 20-T10S-R24E

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

TYPE OF SUBMISSION

Notice of Intent
 Subsequent Report
 Final Abandonment Notice

TYPE OF ACTION

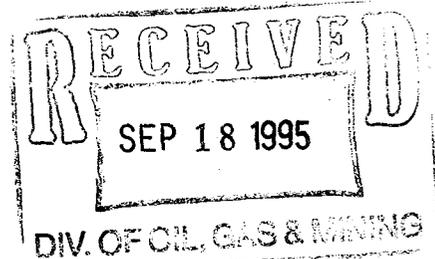
Abandonment
 Recompletion
 Plugging Back
 Casing Repair
 Altering Casing
 Other **Change of Operator**

Change of Plans
 New Construction
 Non-Routine Fracturing
 Water Shut-Off
 Conversion to Injection
 Dispose Water

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

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

Please be advised that Gerrity Oil & Gas Corporation is considered to be the operator of the Antelope Federal #20-02, NWNE Section 20, Township 10 South, Range 24 East, Uintah County, Utah; and responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by the United States Fire Insurance Company.



14. I hereby certify that the foregoing is true and correct
Signed *[Signature]*

Title Valley Operating, Inc.
[Signature] Date 09/11/95

14. I hereby certify that the foregoing is true and correct
Signed *[Signature]*

Title Gerrity Oil & Gas Corporation
Vice President Date 09/11/95

(This space for Federal or State office use)

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

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

Routing:

1-DEC 7-PL	✓
2-LWP 8-SJ	✓
3-DT 9-FILE	✓
4-VLC	✓
5-RJF	✓
6-LWP	✓

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

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

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 8-1-95)

TO (new operator) GERRITY OIL & GAS CORP.
 (address) 4100 E MISSISSIPPI #1200
DENVER CO 80222
TERRY RUBY
 phone (303) 757-1110
 account no. N 6355

FROM (former operator) VALLEY OPERATING INC
 (address) 745 GILPIN ST
DENVER CO 80218-3633
LEE ROBINSON
 phone (303) 289-7720
 account no. N 8270

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

***ANTELOPE UNIT**

Name: <u>ANTELOPE FEDERAL 20-2</u>	API: <u>43-047-32680</u>	Entity: <u>99999</u>	Sec <u>20</u>	Twp <u>10S</u>	Rng <u>24E</u>	Lease Type: <u>U66420</u>
Name: <u>ANTELOPE 1-29/WSTC</u>	API: <u>43-047-32452</u>	Entity: <u>11609</u>	Sec <u>29</u>	Twp <u>10S</u>	Rng <u>24E</u>	Lease Type: <u>U66421</u>
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____

OPERATOR CHANGE DOCUMENTATION

- 1c 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). *(Reg. 8-4-95) (Rec'd 9-18-95)*
- 2c 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). *(Rec'd 9-18-94)*
- 3c 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) ____ If yes, show company file number: #177035. (4-20-95)
- 4c 4. (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of Federal and Indian well operator changes should take place prior to completion of steps 5 through 9 below.
- 5c 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. *(9-18-95)*
- 6c 6. Cardex file has been updated for each well listed above. *9-18-95*
- 7c 7. Well file labels have been updated for each well listed above. *9-18-95*
- 8c 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. *(9-18-95)*
- 9c 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

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

BOND VERIFICATION (Fee wells only)

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

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

- N/A* 1. (Rule R615-2-10) The former operator/lessee of any **fee lease** well listed above has been notified by letter dated _____ 19____, of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested.
- OTS*
3/19/15
- N/A* 2. Copies of documents have been sent to State Lands for changes involving **State leases**.

FILMING

1. All attachments to this form have been microfilmed. Date: _____ 19____.

FILING

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

COMMENTS

950803 BLM/SL Appr. eff. 8-1-95.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONFIDENTIAL

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

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator
Gerrity Oil & Gas Corporation

3. Address and Telephone No.
4100 E. Mississippi Ave., #1200, Denver CO 80222

4. Location of Well (Footage, Sec., T., R., m., or Survey Description)
695' FNL & 2496' FEL Sec. 20-T10S-R24E

5. Lease Designation and Serial No.
U-66420

6. If Indian, Allottee or Tribe Name

7. Unit or CA, Agreement Designation
Antelope Unit

8. Well Name and No.
Antelope Federal #20-02

9. AP Well No.
43-047-32680

10. Field and Pool, or Exploratory Area
Wildcat

11. County or Parish, State

Uintah Co., Utah

RECEIVED
SEP 25 1995
DIV. OF OIL, GAS & MINING

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

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

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

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

Initial Production on the Antelope #20-02 was on Monday, September 18, 1995. Gas Sales will be to Lone Mountain Production Company.

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

Signed Waldo Abraham Title Petroleum Engineer

Date 09/21/95

(This space for Federal or State office use)

Approved by _____

Title _____

Date _____

Conditions of approval, if any:

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

*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No.
U-66420

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation
Antelope Unit

8. Well Name and No.
Antelope Federal #20-02

9. API Well No.
43-047-32680

10. Field and Pool, or Exploratory Area
Wildcat

11. County or Parish, State

Uintah Co., Utah

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

CONFIDENTIAL

2. Name of Operator

Gerrity Oil & Gas Corporation

3. Address and Telephone No.

4100 E. Mississippi Ave., #1200, Denver CO 80222

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

695' FNL & 2496' FEL Sec. 20-T10S-R24E

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

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

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

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

We propose that the water produced from the Antelope Federal 20-02 be disposed of at Gerrity's Federal #14-10 disposal well.

RECEIVED
OCT 2 1995
DIV. OF OIL, GAS & MINING

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

Signed Waldo Asherman Title Petroleum Engineer Date 09/27/95

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

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

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

*See Instructions on Reverse Side

FOR RECORD ONLY

CONFIDENTIAL
UNITED STATES

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE*
(See other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0137

Expires: February 28, 1995

RECEIVED
OCT 06 1995
Other: NO. OF OIL GAS & N...

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WORK OIL WELL GAS WELL DRY WELL
 1b. TYPE OF WELL NEW WORK DEEP-PLUG DIFF. WELL OVER EN BACK RESVR

5. LEASE DESIGNATION AND SERIAL NO. **U-66420**
 6. IF INDIAN ALLOTTEE OR TRIBE NAME
 UNIT AGREEMENT NAME **Antelope Unit**
 8. FARM OR LEASE NAME, WELL NO. **Antelope Fed. #20-02**

2. NAME OF OPERATOR **Gerrity Oil & Gas Corporation**
 9. API WELL NO. **43-047-32680**

3. ADDRESS AND TELEPHONE NO. **4100 East Mississippi Ave., #1200 Denver CO 80222 303/757-1110**
 10. FIELD AND POOL OR WILDCAT **Wildcat Natural Buttes**

4. LOCATION OF WELL (Report locations clearly and in accordance with any State requirements.)*
 At Surface **695' FNL & 2496' FEL Sec. 20**
 At top prod. Interval reported below **same**
 At total depth **same**
 11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA **NWNE 20-T10S-R24E**

14. PERMIT NO. DATE ISSUED **5/5/95**
 12. COUNTY OR PARISH **Uintah** 13. STATE **UT**

15. DATE SPUDDED **05/29/95** 16. DATE T.D. REACHED **6/30/95** 17. DATE COMPL. (Ready to prod.) **9/19/95** 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* **5082' GR** 19. ELEV. CASINGHEAD **5098'**

20. TOTAL DEPTH, MD & TVD **4811' MD** 21. PLUG, BACK T.D., MD & TVD **4728' MD** 22. IF MULTIPLE COMPL., HOW MANY* **1** 23. INTERVALS DRILLED BY **---** ROTARY TOOLS **0'-4811'** CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD)*
4414-4430 Wasatch 4413-4438 per Waldo Ackerman 10-17-95 JF
 25. WAS DIRECTIONAL SURVEY MADE **No**
 26. TYPE ELECTRIC AND OTHER LOGS RUN **GR, CNL, PDK 10-16-95** 27. WAS WELL CORED **No**

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

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
8 5/8", J-55	24#	313'	12 1/4"	Surface	None
5 1/2", J-55	15.5#	4402'	7 7/8"	590'	None
3 1/2" M-75	7.7#	4776'	4 3/4"	3690'	

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2 1/16"	4361'	CIBP @ 4500'

31. PERFORMANCE RECORD (Interval, size and number)

INTERVAL	SIZE	NUMBER
4413'-4430'	.31"	23
4516' & 4519'	.31"	2
4602'-4612'	.31"	7

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
4413'-4430'	62,000# 20/40 sd., 615 BW, 1000 gal. acid
4516' & 4519'	200 gal. 15% MSR acid
4602'-4612'	500 gal. 15% acid & 11 ball sealers

33.* PRODUCTION

DATE FIRST PRODUCTION **09/18/95** PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump) **Flowing** WELL STATUS (Producing or shut-in) **Producing**

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL--BBL.	GAS--MCF.	WATER--BBL.	GAS-OIL RATIO
8/18/95	24	16/64"	---	0	760	83	

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL--BBL.	GAS--MCF.	WATER--BBL.	OIL GRAVITY-API (CORR.)
700		---	0	760	83	

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

35. LIST OF ATTACHMENTS **GR, CNL, PDK logs**

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

SIGNED Waldo Ackerman TITLE **Petroleum Engineer** DATE **10/04/95**

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

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37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals, and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

38.

GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
Basal Green River Limestone	2810'					
Wasatch	2960'					

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

OPERATOR Gerrity Oil & Gas Corp.
ADDRESS 4100 E. Mississippi Ave., #1200
Denver CO 80222

OPERATOR ACCT. NO. U 6355

P. 02/03
FAX NO. 801 359 3940
UTAH OIL GAS & MINING
OCT-26-95 THU 10:58 AM

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
B	99999	11609	43-047-32630	Antelope Fed. #20-02	NWNE	20	10S	24E	Uintah	5/29/95	8/18/95
WELL 1 COMMENTS: Entity added 10-30-95. (Antelope Unit) <i>Lee</i>											
WELL 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

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

NOTE: Use COMMENT section to explain why each Action Code was selected.
(3/89)

Waldo Ackerman
Signature Waldo Ackerman
Petro. Engineer 10/30/95
Title Date
Phone No. 303 757-1110

OCT-30-95 MON 15:09

P. 02

FORM 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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Use "APPLICATION FOR PERMIT -" for such proposals

5. Lease Designation and Serial No.
U-66420

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

Antelope Unit

8. Well Name and No.
Antelope Fed. #20-02

9. API Well No.
43-047-32680

10. Field and Pool, or Exploratory Area
Wildcat

11. County or Parish, State

Uintah Co., Utah

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

CONFIDENTIAL

2. Name of Operator

Gerrity Oil & Gas Corporation

3. Address and Telephone No.

4100 E. Mississippi Ave., #1200, Denver CO 80222, 303/757-1110

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

695' FNL & 2496' FEL Sec. 20-T10S-R24E

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

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

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

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

We request to utilize electronic gas measurement on this well for measurement of gas sales from this well to the gathering pipeline. Attached is the spec sheet for the electronic gas measurement equipment on this location.

Accepted by the
Oil, Gas and Mining
Division of
FOR RECORD ONLY
Date 04/26/96

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

Signed Waldo Ackerman

Gerrity Oil & Gas Corporation
Title Petroleum Engineer

(This space for Federal or State office use)

Approved by _____

Title _____

Conditions of approval, if any: _____

Date _____

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*See Instructions on Reverse Side

LONE MOUNTAIN PRODUCTION COMPANY

Mailing Address:
P.O. Box 3394
Billings, MT 59103-3394

(406) 245-5077
FAX 248-6321

Shipping Address:
100 North 27th Street
Suite 650
Billings, MT 59101

July 25, 1996

Ron Firth
Utah Division of Oil, Gas, & Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Re: CHANGE OF OPERATOR SUNDRY NOTICES
UINTAH COUNTY, UTAH

Dear Ron:

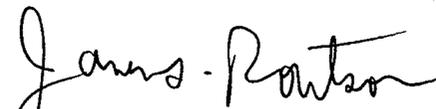
Enclosed in triplicate are Sundry Notices for two wells on State Lands for which Lone Mountain Production Company has assumed operations effective July 22, 1996. Also enclosed for your information are Sundry Notices for twelve wells on BLM lands we are also now operating.

Please contact Joe Dyk in our Grand Junction office in regard to field operations. Day to day operations of these wells will be handled by Dick White, who will be based in Rangely, Colorado. We will furnish you with his phone and cell phone numbers when he is moved to Rangely.

If any further information is needed please advise.

Sincerely,

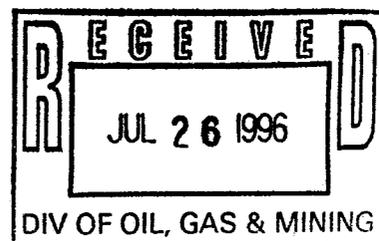
Lone Mountain Production Company



James G. Routson
President

Enclosures

xc: Joe Dyk



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

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Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Lone Mountain Production Co.

3. Address and Telephone No.
P. O. Box 3394 Billings MT 59103

4. Location of Well (Footage, Sec., T., R., m., or Survey Description)
695' FNL & 2496' FEL Sec. 20-T10S-R24E

5. Lease Designation and Serial No.
U-66420

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation
Antelope Unit

8. Well Name and No.
Antelope Fed. #20-02

9. API Well No.
43-047-32680

10. Field and Pool, or Exploratory Area
Wildcat

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

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

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

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

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

Please be advised that Lone Mountain Production Co. is considered to be the operator of the Antelope Federal #20-02, NWNE Section 20, Township 10 South, Range 24 East, Uintah County, Utah; and responsible under the terms and conditions of the lease for the operations conducted upon the leased lands.

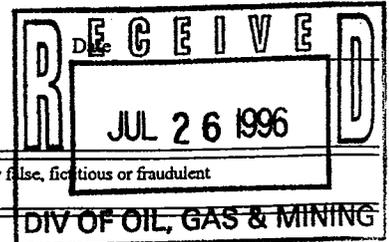
Bond coverage is provided by Lone Mountain Production Co.'s statewide oil and gas bond - UT0719. Field operations will be handled by Lone Mountain's Grand Junction, CO office.

14. I hereby certify that the foregoing is true and correct
 Signed James E. Routson Title Lone Mountain Production Co. President Date 7/22/96

14. I hereby certify that the foregoing is true and correct
 Signed Terry L. Ruby Title Gerrity Oil & Gas Corporation Vice President Date 7/22/96

(This space for Federal or State office use)

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



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

*See Instructions on Reverse Side

MONTHLY OIL AND GAS PRODUCTION REPORT

OPERATOR NAME AND ADDRESS:

JENNIFER CARTER
 GERRITY OIL & GAS CORP
 1625 BROADWAY STE 2000
 DENVER CO 80202-4720

UTAH ACCOUNT NUMBER: N6355

REPORT PERIOD (MONTH/YEAR): 12 / 96

AMENDED REPORT (Highlight Changes)

Well Name			Producing Zone	Well Status	Days Oper	Production Volumes		
API Number	Entity	Location				OIL(BBL)	GAS(MCF)	WATER(BBL)
4304730339	06195	09S 24E 9	WSTC					
4304730124	06200	09S 24E 18	WSTC					
4304731507	09585	09S 24E 27	WSTC					
4304731617	09586	09S 24E 29	MVRD					
4304730100	10096	08S 25E 32	DGCRK					
4304731726	10697	09S 24E 15	WSMVD					
4304732452	11609	10S 24E 29	WSTC		- 466421			
4304732680	11609	10S 24E 20	WSTC		- 466420			
TOTALS								

COMMENTS: _____

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

Name and Signature: _____ Telephone Number: _____

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No 1032-0113
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No
U-74480

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
Antelope Fed. #20-02

9. API Well No.
43-047-32680

10. Field and Pool, or Exploratory Area
Wildcat

11. County or Parish, State
Uintah County, Utah

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Lone Mountain Production Company

3. Address and Telephone No.
P. O. Box 3394, Billings, Montana 59103 (406) 245-5077

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**695' FNL 2496' FEL Sec. 20: T10S-R24E
(NW $\frac{1}{4}$ NE $\frac{1}{4}$)**

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 type="checkbox"/> Other _____
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Dispose Water

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

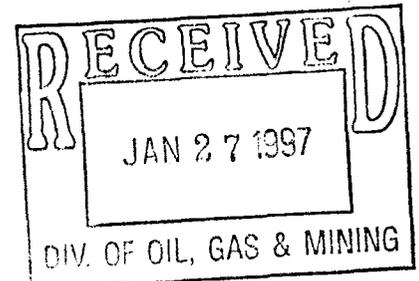
13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to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

Lone Mountain Production Company requests approval to haul water from the above referenced well to the Federal #14-10 saltwater disposal well located in SW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 10-Township 9 South-Range 24 East, Uintah County, Utah.

Attached is a map showing the intended route.

Please notify Lands and add to Right-of-Way #U-71248

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



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

Signed Jon A. Porter Title Petroleum Engineer Date 1/23/97

(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.

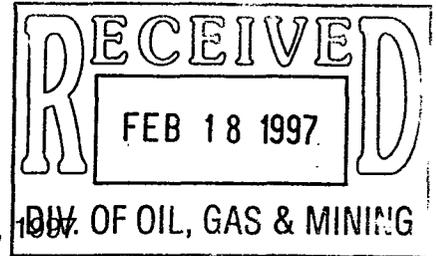


United States Department of the Interior

COPY

BUREAU OF LAND MANAGEMENT

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



February 11, 1997

Lone Mountain Production Company
c/o UnitSource Incorporated
11184 Huron Street, Suite 10
Denver, Colorado 80234

Re: Antelope Unit
Uintah County, Utah

Gentlemen:

On February 5, 1997, we received an indenture dated June 1, 1996, whereby Gerrity Oil & Gas Corporation resigned as Unit Operator and Lone Mountain Production Company was designated as Successor Unit Operator for the Antelope Unit, Uintah County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective February 11, 1997.

Your nationwide (MT) oil and gas bond No. 0627 will be used to cover all operations within the Antelope Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks
Chief, Branch of Fluid Minerals

Enclosure

bcc: District Manager - Vernal (w/enclosure)
~~Division of Oil, Gas & Mining~~
Minerals Adjudication Group
File - Antelope Unit (w/enclosure)
MMS - Data Management Division (Attn: Rose Davalos)
Agr. Sec. Chron
Fluid Chron

U-931:TAThompson:tt:02-12-97

OPERATOR CHANGE WORKSHEET

1- <input checked="" type="checkbox"/> VLD	6- <input checked="" type="checkbox"/> VLD
2-GLH	7- <input checked="" type="checkbox"/> KDR Film
3-DTS <i>DCS</i>	8-SI <input checked="" type="checkbox"/>
4-VLD <input checked="" type="checkbox"/>	9-FILE <input checked="" type="checkbox"/>
5-RIF <input checked="" type="checkbox"/>	

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

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

The operator of the well(s) listed below has changed, effective: 2-11-97

TO: (new operator)	<u>LONE MTN PRODUCTION CO</u>	FROM: (old operator)	<u>GERRITY OIL & GAS CORP.</u>
(address)	<u>PO BOX 3394</u>	(address)	<u>4100 E MISSISSIPPI #1200</u>
	<u>BILLINGS MT 59103-5077</u>		<u>DENVER CO 80222</u>
	<u>JAMES ROUTSON</u>		<u>TERRY RUBY</u>
	Phone: <u>(406) 245-5077</u>		Phone: <u>(303) 757-1110</u>
	Account no. <u>N7210</u>		Account no. <u>N6355</u>

WELL(S) attach additional page if needed:

ANTELOPE UNIT

Name: <u>ANTELOPE 1-29/WSTC</u>	API: <u>43-047-32452</u>	Entity: <u>11609</u>	S	<u>29</u>	T	<u>10S</u>	R	<u>24E</u>	Lease: <u>U66421</u>
* Name: <u>ANTELOPE 20-2/WSTC</u>	API: <u>43-047-32680</u>	Entity: <u>11609</u>	S	<u>20</u>	T	<u>10S</u>	R	<u>24E</u>	Lease: <u>U66420</u>
Name: _____	API: _____	Entity: _____	S	_____	T	_____	R	_____	Lease: _____
Name: _____	API: _____	Entity: _____	S	_____	T	_____	R	_____	Lease: _____
Name: _____	API: _____	Entity: _____	S	_____	T	_____	R	_____	Lease: _____
Name: _____	API: _____	Entity: _____	S	_____	T	_____	R	_____	Lease: _____

OPERATOR CHANGE DOCUMENTATION

- Lee* 1. (r649-8-10) Sundry or other legal documentation has been received from the **FORMER** operator (attach to this form). *(Rec'd 7-26-96)*
- Lee* 2. (r649-8-10) Sundry or other legal documentation has been received from the **NEW** operator (Attach to this form). *(Rec'd 7-26-96)*
- N/A* 3. The **Department of Commerce** has been contacted if the new operator above is not currently operating any wells in Utah. Is the company **registered with the state?** (yes/no) ____ If yes, show company file number: _____
- Lee* 4. **FOR INDIAN AND FEDERAL WELLS ONLY.** The BLM has been contacted regarding this change. Make note of BLM status in comments section of this form. BLM approval of **Federal** and **Indian** well operator changes should ordinarily take place prior to the division's approval, and before the completion of steps 5 through 9 below.
- Lee* 5. Changes have been entered in the **Oil and Gas Information System** (3270) for each well listed above. *(2-19-97)*
- Lee* 6. **Cardex** file has been updated for each well listed above. *(2-19-97)*
- Lee* 7. Well **file labels** have been updated for each well listed above. *(2-19-97)*
- Lee* 8. Changes have been included on the monthly "Operator, Address, and Account Changes" **memo** for distribution to Trust Lands, Sovereign Lands, UGS, Tax Commission, etc. *(2-19-97)*
- Lee* 9. A folder has been set up for the **Operator Change file**, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

- 1. (r649-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) no If entity assignments were changed, attach copies of Form 6, Entity Action Form.
- 2. Trust Lands, Sovereign Lands, Tax Commission, etc., have been notified through normal procedures of entity changes.

BOND VERIFICATION - (FEE WELLS ONLY)

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

LEASE INTEREST OWNER NOTIFICATION OF RESPONSIBILITY

- 1. Copies of documents have been sent on 2/21/97 to _____ at Trust Lands for changes involving State leases, in order to remind that agency of their responsibility to review for proper bonding.
- 2. (r649-2-10) The former operator of any fee lease wells listed above has been contacted and informed by letter dated _____ 19 ____, of their responsibility to notify all interest owners of this change.

FILMING

- 1. All attachments to this form have been microfilmed. Today's date: 3-10-97.

FILING

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

COMMENTS

970219 B/m/SL Aprv. e.H. 2-11-97.

OPERATOR LONE MTN PRODUCTION CO

OPERATOR ACCT. NO. N7210

ADDRESS _____

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
D	11609	12103	43-047-32680	ANTELOPE FED 20-2	NWNE	20	10S	24E	UINTAH	5-29-95	5-25-95
WELL 1 COMMENTS: *NEW WSTC "A" P.A. APPROVED BY BLM 4-3-97 EFF 5-25-95; INVOLVES ONLY THE 1-29 WELL WHICH WILL REMAIN ENTITY 11609. ENTITY 12103 WILL BE ADDED AS A UNIT ENTITY/NON P.A. "ANTELOPE UNIT" ON 4-15-97. OPERATOR NOTIFIED!											
WELL 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)

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

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

L. CORDOVA (DOGM)

Signature

ADMIN. ANALYST

Title

4-15-97

Date

Phone No. () _____

LONE MOUNTAIN PRODUCTION COMPANY

Mailing Address:
P.O. Box 3394
Billings, MT 59103-3394

(406) 245-5077
FAX 248-6321

Shipping Address:
100 North 27th Street
Suite 650
Billings, MT 59101

December 18, 2000

State of Utah
Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
P. O. Box 145801
Salt Lake City, Utah 84114-5801

Attn: Jimmie Thompson

RE: RESIGNATION OF OPERATOR
VARIOUS WELLS
UINTAH COUNTY, UTAH

Dear Mr. Thompson:

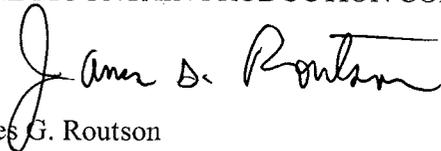
Please be advised Lone Mountain Production Company resigns as Operator of the attached list of wells in the referenced county, effective January 1, 2001.

All future correspondence should be directed to Dominion Exploration & Production Inc., 1450 Poydras Street, 8th Floor, New Orleans, Louisiana 70112-6000.

Should you have any questions or need further information, please contact our office at the letterhead address or phone number.

Sincerely,

LONE MOUNTAIN PRODUCTION COMPANY



James G. Routson
President

attachment

RECEIVED

DEC 26 2000

DIVISION OF
OIL, GAS AND MINING

**RESIGNATION OF OPERATOR
LONE MOUNTAIN PRODUCTION COMPANY
UINTAH COUNTY, UTAH**

<u>Well Name</u>	<u>API No.</u>
\ Conoco State 32-2	43-047-30100
\ Antelope Federal 20-02	43-047-32680
Antelope Federal 1-29	43-047-32452
\ Federal 12-11	43-047-32557
\ Federal 21-27	43-047-32560
\ Federal 22-22	43-047-32559
\ Black Dragon 31-34	43-047-33019
\ Federal 34-30	43-047-32558
\ Federal 28-01	43-047-30098
\ L. S. Federal 44-10	43-047-32681
\ End of Rainbow 21-01	43-047-31897
State S 42-2	43-047-32940
State M 42-2	43-047-33169
State S 22-2	43-047-32845
State G 22-32	43-047-33129
State N 31-16	43-047-33175
State Q 44-16	43-047-33176
Federal L 44-31	43-047-33261
\ Federal K 12-22	43-047-33299
Federal H 41-28	43-047-33184
\ Federal Q 44-15	43-047-33187
Federal Q 24-22	43-047-33246
Federal Q 22-15	43-047-33248
Federal M 22-27	43-047-33253
\ Federal R 44-9	43-047-33192
Federal R 13-30	43-047-33188
Federal M 44-29	43-047-33260
\ Federal H 42-20	43-047-33170
Federal M 42-22	43-047-33258
Federal M 24-22	43-047-33255

RECEIVED

DEC 26 2000

DIVISION OF
OIL, GAS AND MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. Various
2. Name of Operator DOMINION EXPLORATION & PRODUCTION, INC.		6. If Indian, Allottee or Tribe Name
3a. Address 16945 Northchase Drive, Suite 1750 Houston, TX 77060	3b. Phone No. (include area code) (281) 873-3692	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)		8. Well Name and No. VARIOUS
		9. API Well No.
		10. Field and Pool, or Exploratory Area
		11. County or Parish, State UINTAH COUNTY, UTAH

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

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

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

Dominion Exploration & Production, Inc. has assumed operation of multiple leases from Lone Mountain Production Company, effective January 1, 2001. Bond coverage is provided by Dominion's nationwide BLM Bond No. 76S 63050 0330. Field operations will be handled out of Dominion's Roosevelt office. The contact person will be Mitch Hall.

Dominion will assume responsibility under the terms and conditions of each lease for the operations conducted upon lease lands. The lease designation and serial numbers that are now operated by Dominion are as follows:

UTU-65356; UTU-75098; UTU-66421; UTU-73440; UTU-66409; UTU-73908; UTU-65359; UTU-74480; UTU-66425; UTU-66422; U-66410; U-016257; U-54224 and UTU-69430.

RECEIVED
CONFIDENTIAL
FEB 27 2001
DIVISION OF
OIL, GAS AND MINING

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) DIANN FLOWERS	Title REGULATORY SPECIALIST
Signature <i>Diann Flowers</i>	Date 02/17/2001

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

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



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal District Office

170 South 500 East

Vernal, Utah 84078-2799

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

Phone: (801) 781-4400

Fax: (801) 781-4410

IN REPLY REFER TO:

3162.3

UT08300

February 26, 2001

Dominion Expl. & Prod., Inc.
16945 N Chase Dr., Ste. 1750
Houston, Texas 77060

Re: Well No. Antelope 20-02
NWNE, Sec. 20, T10S, R24E
Lease No. U-74480
Uintah County, Utah

Gentlemen:

This correspondence is in regard to the self-certification statement submitted requesting a change in operator for the referenced well. After a review by this office, the change in operator request is approved. Effective immediately, Dominion Expl. & Prod., Inc. is responsible for all operations performed on the referenced well. All liability will now fall under your bond, BLM Bond No. WY3322, for all operations conducted on the referenced well on the leased land.

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

Sincerely,

Edwin I. Forsman
Petroleum Engineer

cc: DOGM - Jim Thompson

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN
TRIPLICATE*
(Other Instructions on
reverse side)

Form Approved.
Budget Bureau No. 1004-0135
Expires : March 31, 1993

<p align="center">SUNDRY NOTICES AND REPORTS ON WELLS</p> <p align="center">Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT--" for such proposals</p> <p align="center">SUBMIT IN TRIPLICATE</p>		<p>5. LEASE DESIGNATION AND SERIAL NO. UTU-74480</p>
<p>d. TYPE OF WELL</p> <p>OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/></p> <p>SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/></p>		<p>6. IF INDIAN, ALLOTTEE OR TRIBE NAME</p> <p>7. IF UNIT OR CA, AGREEMENT DESIGNATION</p>
<p>2. NAME OF OPERATOR Dominion Exploration & Production, Inc.</p>		<p>8. WELL NAME and No. Antelope No. 20-02</p>
<p>3. ADDRESS OF OPERATOR 1450 Poydras, 8th Floor, New Orleans, Louisiana 70112-6000</p>		<p>9. API WELL NO. 43-047-32680</p>
<p>4. LOCATION OF WELL (Footage, Sec. T., R., M., or Survey Description) 695' FNL, 2496' FEL Section 20-T10S-R24E (NWNE)</p>		<p>10. Field and Pool, or Exploratory Area Wildcat</p> <p>11. County or Parish, State Uintah County, Utah</p>

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

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

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

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

Dominion Exploration & Production, Inc. has assumed operation of the above referenced well, effective January 1, 2001. The former operator was Lone Mountain Production Company.

Bond coverage is provided by Dominion's Nationwide Bond No. 76S630500330.

Field operations will be handled by the Roosevelt office. The contact person is Mitch Hall.

RECEIVED

MAR 01 2001

DIVISION OF
OIL, GAS AND MINING

RECEIVED

JAN 29 2001

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

Signed: Donna J. Mullen Title: Agent, Attorney-in-fact for DEPI Date: 12/20/00
Donna J. Mullen

(This space for Federal or State office use)

APPROVED BY: John A. [Signature] TITLE: Petroleum Engineer DATE: FEB 26 2001
CONDITIONS OF APPROVAL IF ANY

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

OPERATOR CHANGE WORKSHEET

ROUTING

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

Enter date after each listed item is completed

X Change of Operator (Well Sold)

Designation of Agent

Operator Name Change (Only)

Merger

The operator of the well(s) listed below has changed, effective: **1/1/2001**

FROM: (Old Operator):
LONE MOUNTAIN PRODUCTION COMPANY
Address: P. O. BOX 3394
BILLINGS, MT 59103-3394
Phone: 1-(406)-245-5077
Account No. N7210

TO: (New Operator):
DOMINION EXPLORATION & PRODUCTION INC
Address: 1450 POYDRAS STREET 8TH FLOOR
NEW ORLEANS, LA 70112-6000
Phone: 1-(281)-873-3692
Account No. N1095

CA No.

Unit:

WELL(S)

NAME	API NO.	ENTITY NO.	SEC. TWN RNG	LEASE TYPE	WELL TYPE	WELL STATUS
A FEDERAL H 42-20	43-047-33170	99999	20-10S-24E	FEDERAL	GW	APD
ANTELOPE FEDERAL 20-02	43-047-32680	12103	20-10S-24E	FEDERAL	GW	S
FEDERAL K 12-22	43-047-33299	99999	22-11S-24E	FEDERAL	GW	APD
FEDERAL R 44-9	43-047-33192	99999	09-12S-22E	FEDERAL	GW	APD
FEDERAL Q 44-15	43-047-33187	99999	15-12S-21E	FEDERAL	GW	APD

OPERATOR CHANGES DOCUMENTATION

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 12/26/2000
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 01/01/2001
- The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 03/01/2001
- Is the new operator registered in the State of Utah: YES Business Number: 852894-0143
- If **NO**, the operator was contacted on: N/A
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the (merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 02/26/2001
- Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: N/A

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

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

DATA ENTRY:

- 1. Changes entered in the **Oil and Gas Database** on: 03/01/2001
- 2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 03/01/2001
- 3. Bond information entered in RBDMS on: N/A
- 4. Fee wells attached to bond in RBDMS on: N/A

STATE BOND VERIFICATION:

- 1. State well(s) covered by Bond No.: 76S63050361

FEE WELLS - BOND VERIFICATION/LEASE INTEREST OWNER NOTIFICATION:

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

FILMING:

- 1. All attachments to this form have been **MICROFILMED** on: 3-16-01

FILING:

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

COMMENTS:

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

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Serial No.
UTU74480

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
ANTELOPE FED 20-02

2. Name of Operator
Dominion Exploration & Production, Inc.

9. API Well No.
43-047-32680

3. Address and Telephone No. **(435)722-4521**
P.O. Box 1360 Roosevelt, Utah 84066

10. Field and Pool, or Exploratory Area

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**NWNE
SECTION 20, T10S, R24E**

11. County or Parish, State
UINTAH COUNTY, UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> NOTICE OF INTENT	<input type="checkbox"/> Acidize
<input type="checkbox"/> SUBSEQUENT REPORT	<input type="checkbox"/> Alter Casing
<input type="checkbox"/> FINAL ABANDONMENT NOTICE	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Change Plans
	<input type="checkbox"/> Convert to Injection
	<input type="checkbox"/> Deepen
	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Plug Back
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Recomplete
	<input checked="" type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Well Integrity
	<input type="checkbox"/> Other

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

Operator requests authority to temporarily abandon the subject well.

THIS SUNDRY IS BEING RETURNED; INSUFFICIENT DATA WAS SUBMITTED TO APPROVE THE REQUESTED ACTION.

The well has been nonactive or nonproductive for 6 years 7 months. In accordance with R649-3-36, a sundry notice shall be filed indicating the reasons and length of time for the well shut-in or temporary abandonment and a demonstration of the well's integrity; evidence that the well is not a risk to public health and safety or the environment.

RECEIVED

NOV 04 2002

Don R. Dent
November 4, 2002
Utah Division of Oil, Gas and Mining

DIVISION OF
OIL, GAS AND MINING

COPY SENT TO OPERATOR
Date: 11-05-02
Initials: CHD

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed) **Ed Trotter**

Title Agent

Signature *Ed Trotter*

Date **11-1-2002**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

TITLE DATE
Office

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
U-74480

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

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

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
ANTELOPE FEDERAL 20-2

2. Name of Operator
DOMINION EXPL. & PROD., INC. Contact: CARLA CHRISTIAN
E-Mail: Carla_M_Christian@dom.com

9. API Well No.
43-047-32680

3a. Address
14000 QUAIL SPRINGS PARKWAY, SUITE 600
OKLAHOMA CITY, OK 73134

3b. Phone No. (include area code)
Ph: 405.749.5263
Fx: 405.749.6690

10. Field and Pool, or Exploratory
NATURAL BUTTES

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 20 T10S R24E NWNE 695FNL 2496FEL

11. County or Parish, and State
UINTAH COUNTY, UT

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

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

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

Dominion request permission to P&A the Antelope Federal #20-2, per the attached schematic.

COPY SENT TO OPERATOR
Date: 6-28-04
Initials: CLK

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #31904 verified by the BLM Well Information System For DOMINION EXPL. & PROD., INC., sent to the Vernal

Name (Printed/Typed) CARLA CHRISTIAN Title AUTHORIZED REPRESENTATIVE

Signature *Carla Christian* (Electronic Submission) Date 06/14/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____

Accepted by the Utah Division of Oil, Gas and Mining
Office 6/28/04
Date 6/28/04

Federal Approval Of This Action Is Necessary

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

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

JUN 16 2004

DOMINION EXPLORATION & PRODUCTION

ANTELOPE FEDERAL 20-2

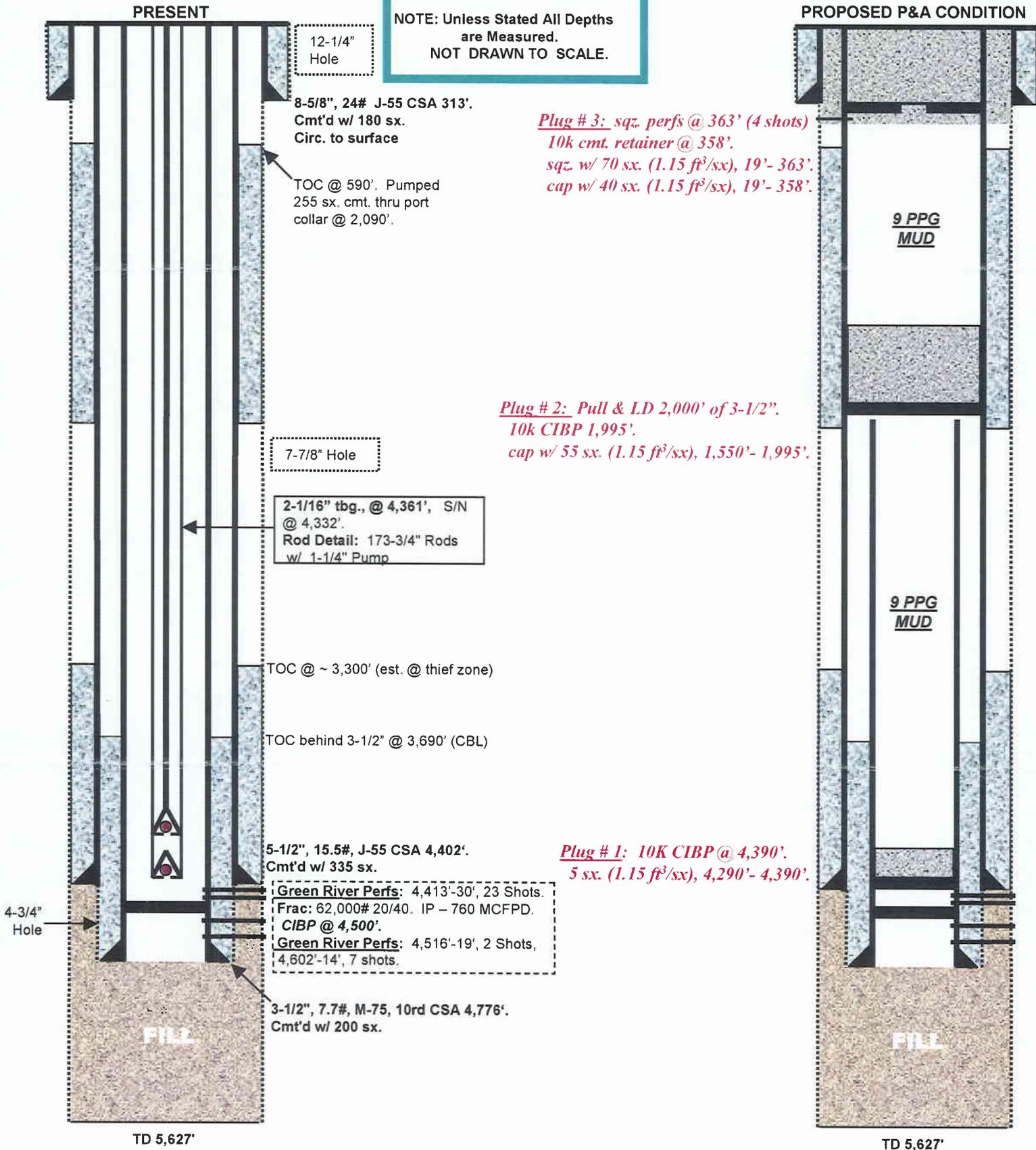
695' FNL & 2,496' FEL, SEC. 20, T-10-S, R-24-E

Uintah County, Utah

API: 43-047-32680

SPUD: 05/29/95
COMPLETED: 09/19/95

GL: 5,082'
KB: 5,098' (16' AGL)



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU-74480

6. If Indian, Allottee or Tribe Name _____

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

8. Well Name and No.
Antelope Federal 20-2

9. API Well No.
43-047-32680

10. Field and Pool, or Exploratory Area
Natural Buttes

11. County or Parish, State
Uintah

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
DOMINION EXPLORATION & PRODUCTION, INC.

3a. Address **Suite 600**
14000 QUAIL SPGS PKWY, OKLA CITY, OK 73134

3b. Phone No. (include area code)
405-749-1300

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
695' FNL & 2496' FEL, (NW NE) Sec. 20-10S-24E

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<p>RECEIVED FEB 14 2005 DIV. OF OIL, GAS & MINING</p>
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

11/20/04 set 3 1/2" CIBP @ 4390', spotted 25 sks of "G" cmt on CIBP. 11/22/04 set CIBP @ 1995', pump 55 sks of "G" cmt, 15.8# on CIBP f/1995' to 1500'. RIH & Perf 1', 4 spf, 4 holes @ 363'. RIH w/cmt retainer & set @ 343'. Pump 170 sks of "G" cmt in annulus w/no returns. 11/23/04 Vernal BLM rep on site, Jamie Sparger. TIH w/stinger, latch into CIBP, establish circulation through retainer, up 8.625 csg, pump 120 sks Trixtopic cmt. @ 14.9 ppg & 1.48 yld, pumped @ 2 BPM, 200 psi w/good returns for 22 bbls, then lost returns. Pump 200 sks Class V, 15.6 ppg, 1.18 yld. Pump 20 bbls @ 2 bpm w/no returns @ 60 psi. Shut dwn for 15 mins to stage it, back into it @ 2 bpm for 8 bbls. Building press to 100 psi, then fell off, SD for 30 min, back into it @ 2 bpm for 8 bbls, building to 200 psi. Annular would blow but no returns, SD for 30 min., back into it @ 2 bpm for 6 bbls, built pressure to 220 psi w/returns. Displace tbg w/5 bbls @ 220 psi & cmt. to surface. unsting, pump tbg and annular volume, WOC 3 hrs., sting into CIBP. Mix & pump 100 sks Class V mixed @ 15.6 ppg, 1.18 yld., cmt to surface full returns. Pump 38 sks Class V, 15.6 ppg, 1.18 yield dwn tbg to fill 5.5 csg., to surface. Cut off well head. Top off 5.5 csg & 8.625 csg. Weld on dry hole marker. Cleaned location.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Carla Christian

Title **Regulatory Specialist DIV. OF OIL, GAS & MINING**

Signature *Carla Christian*

Date **2/10/2005**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date _____

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

Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, 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.