

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL DEEPEN PLUG BACK

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

2. NAME OF OPERATOR
Wildrose Resources Corporation PH: 303-770-6566

3. ADDRESS OF OPERATOR
4949 South Albion Street, Littleton, CO 80121

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface ⁷¹³ 700' FNL & 600' FWL (NW $\frac{1}{2}$ NW $\frac{1}{4}$)
At proposed prod. zone ₁₅₃ Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
21 miles SE of Myton, Utah

10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any) 600'

16. NO. OF ACRES IN LEASE

17. NO. OF ACRES ASSIGNED TO THIS WELL 40

13. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. ---

19. PROPOSED DEPTH 5800'

20. ROTARY OR CABLE TOOLS Rotary

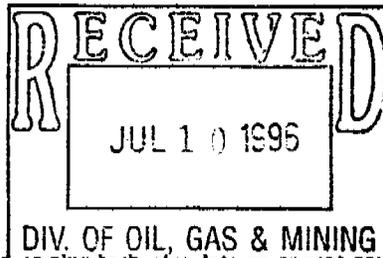
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4773' GR

22. APPROX. DATE WORK WILL START* September 1, 1996

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#, J-55	300'	225 sx
7-7/8"	5-1/2"	15.5#, J-55	6200'	800 sx

SEE ATTACHED EXHIBITS: A - Surveyors Plat E - Access Road Map
B - 10 Point Plan F - Production Facilities
C - BOP Diagram G - Existing Wells Map
D - 13 Point Surface Use Program H - Pit & Pad Layout, Cuts & Fills, Cross Sections, Rig Layout



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 Kay Keltner TITLE Vice President DATE July 8, 1996

(This space for Federal or State office use)

PERMIT NO. 43-047-32704

APPROVAL DATE

APPROVED BY [Signature]

TITLE Section Engineer

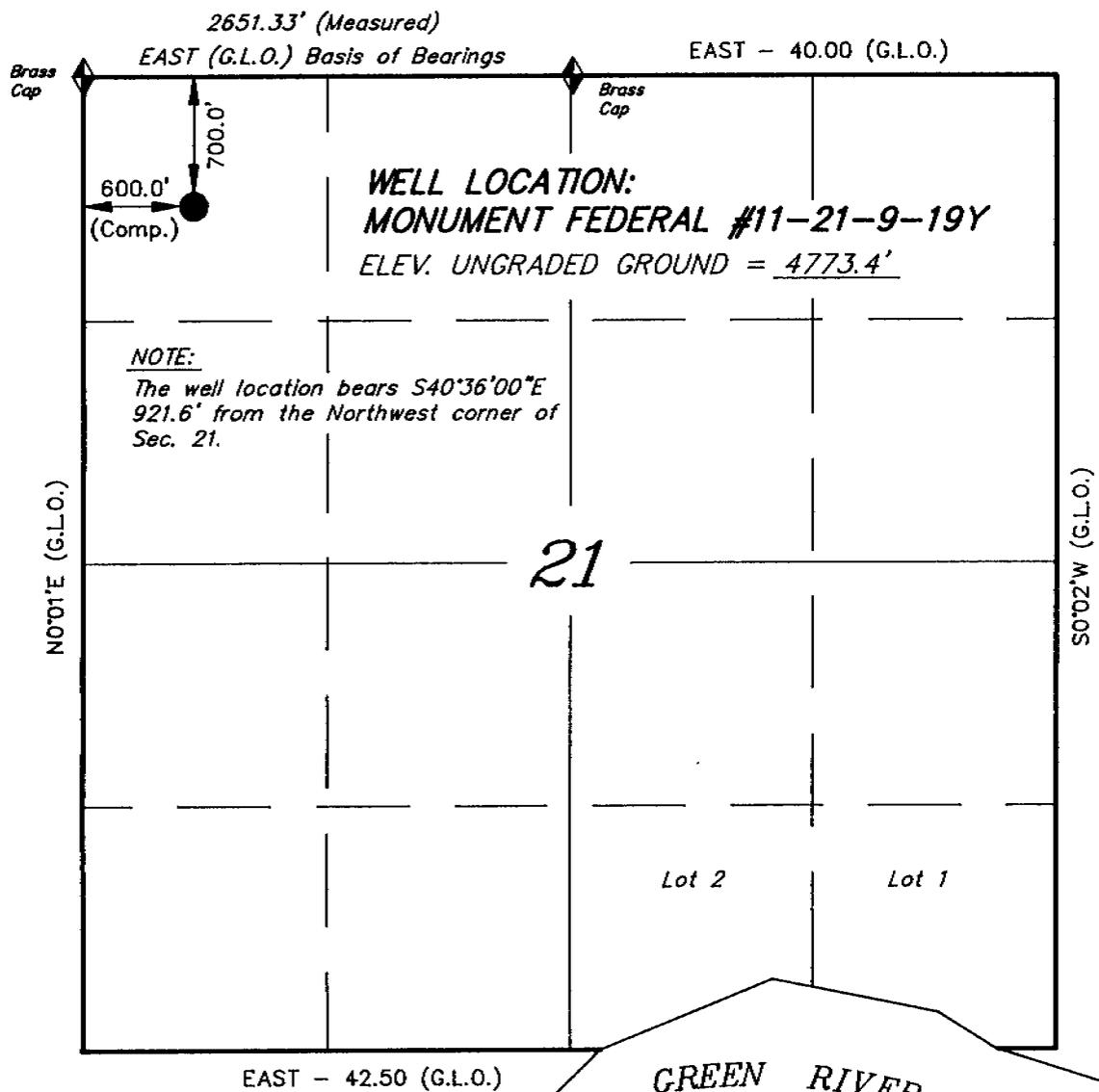
DATE 9/3/96

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

T9S, R19E, S.L.B.&M.

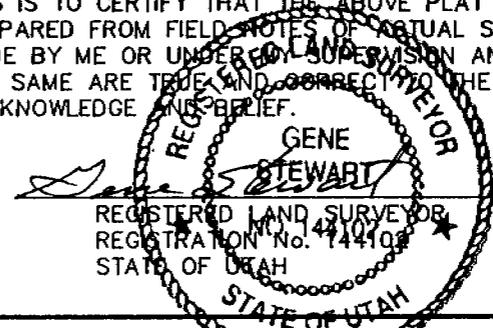
EQUITABLE RESOURCES ENERGY CO.



WELL LOCATION, MONUMENT FEDERAL #11-21-9-19Y, LOCATED AS SHOWN IN THE NW 1/4 NW 1/4 OF SECTION 21, T9S, R19E, S.L.B.&M. UINTAH COUNTY, UTAH.



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.



TRI STATE LAND SURVEYING & CONSULTING	
38 WEST 100 NORTH - VERNAL, UTAH 84078 (801) 781-2501	
SCALE: 1" = 1000'	SURVEYED BY: S.S. D.S.
DATE: 5-24-96	WEATHER: COOL
NOTES:	FILE #

◆ = SECTION CORNERS LOCATED
BASIS OF ELEV; U.S.G.S. 7-1/2 min QUAD (UTELAND BUTTE)

EXHIBIT B

WILDROSE RESOURCES CORPORATION
FEDERAL #11-21-9-19Y
LEASE #U-68624
NW/NW SECTION 21, T9S, R19E
UINTAH COUNTY, UTAH

TEN POINT COMPLIANCE PROGRAM OF APPROVAL OF OPERATIONS

1. The Geologic Surface Formation

The surface formation is the Uintah (Tertiary).

2. Estimated Tops of Important Geologic Markers

Green River	1300'
Wasatch Tongue of Green River	5600'
Total Depth	5800'

3. Estimated Depths of Anticipated Water, Oil, Gas or Minerals

No water bearing zones are anticipated

Green River 4000' - 5600' Oil

4. The Proposed Casing Program

<u>HOLE</u>	<u>INTERVAL</u>	<u>LENGTH</u>	<u>SIZE(OP)</u>	<u>WEIGHT, GRADE, JOINT</u>	<u>NEW OR USED</u>
12.25"	0 - 300'	300'	8-5/8"	24# K-55 ST&C	New
7-7/8"	0 - 5800'	5800'	5-1/2"	15.50# J-55 ST&C	New

Cement Program -

Surface Casing: 225 sacks Class "G" plus 2% CaCl₂

Production Casing: 200 sacks Lite Cement and 600 sacks Class "G" with additives

5. The Operator's Minimum Specifications for Pressure Control

EXHIBIT "C" is a schematic diagram of the blowout preventer equipment. A 2M system will be used. The blind rams and the pipe

9. Any Anticipated Abnormal Pressures or Temperatures

No abnormal pressures or temperatures have been noted or reported in wells drilled in the area nor at the depths anticipated in this well. Bottom hole pressure expected is 1500 psi + or -.

No hydrogen sulfide or other hazardous fluids or gases have been found, reported or known to exist at these depths in the area.

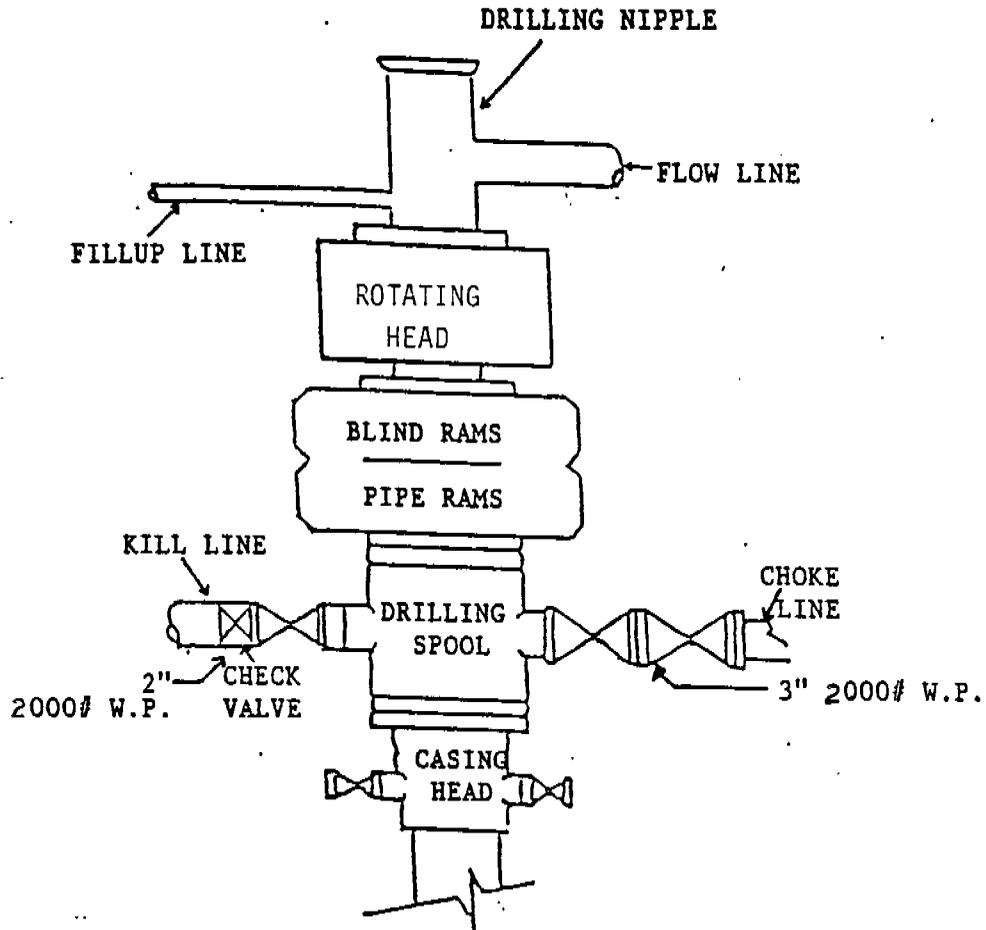
10. Anticipated Starting Date and Duration of the Operations.

The anticipated starting date is September 1, 1996. Operations will cover approximately 10 days for drilling and 14 days for completion.

Hazardous Chemicals

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.

EXHIBIT C
BOP DIAGRAM



NOTE: BOP side outlets may be used in place of drilling spool.

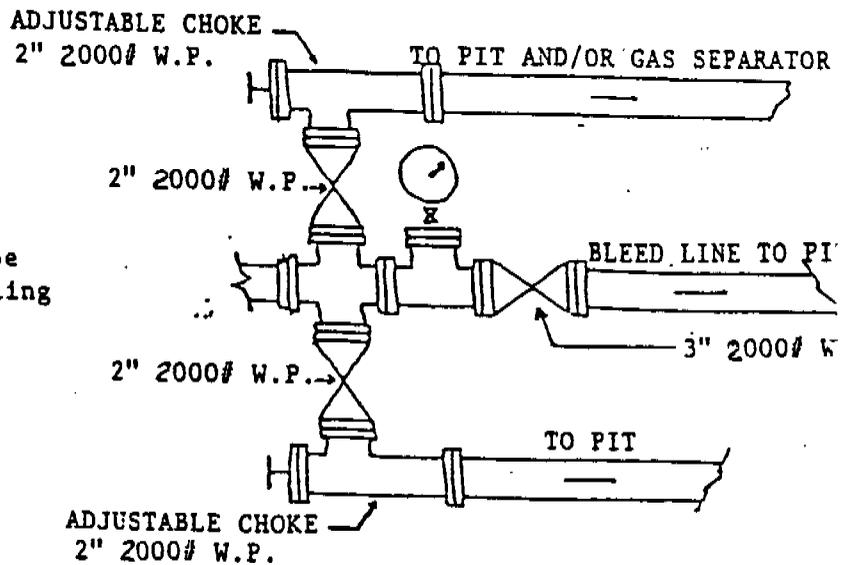


EXHIBIT D

WILDROSE RESOURCES CORPORATION
FEDERAL #11-21-9-19Y
LEASE #U-68624
NW/NW SECTION 21, T9S, R19E UINTAH COUNTY, UTAH

Thirteen Point Surface Use Program

Multipoint Requirements to Accompany APD

1. Existing Roads

- A. The proposed well site and elevation plat is shown on Exhibit A.
- B. From Myton, Utah, go west 1 mile. Turn south on Pleasant Valley road. Go south and east on Pleasant Valley/ Eight Mile Flat road for 19.5 miles. Turn south 1.3 miles to location.
- C. See Exhibit E for access roads.
- D. There are no plans for improvement of existing roads. Roads will be maintained in present condition.

2. Planned Access Roads - (Newly Constructed)

- A. Length - 0.6 miles.
- B. Width - 30' right of way with 18' running surface maximum.
- C. Maximum grades - 2%
- D. Turnouts - N/A
- E. Drainage design - Barrow ditches and water turnouts as required.
- F. Culverts, bridges, cuts and fills - None.
- G. Surfacing material (source) - from location and access road.
- H. Gates, cattle guards and fence cuts - None.

All travel will be confined to existing access road rights of way.

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).

The road shall be upgraded to meet the standards of the anticipated traffic flow and all weather road requirements. Construction/ upgrading shall include ditching, draining, graveling, crowning, 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 diversion 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.

A Right of Way application is needed.

3. Location of Existing Wells Within a 1 Mile Radius

See Exhibit G

- A. Water wells - none.
- B. Abandoned wells - four.
- C. Temporarily abandoned wells - none.
- D. Disposal wells - none.
- E. Drilling wells - none.
- F. Producing wells - one.
- G. Shut-in wells - none.
- H. Injection wells - none.

4. Location of Existing and/or Proposed Facilities

- A. On well pad - See Exhibit F for all production facilities to be used if well is completed as a producing oil well.
- B. Off well pad - N/A

If a tank battery is constructed on this lease, the battery or the well pad will be surrounded by a dike of sufficient capacity to contain, at a minimum, the entire content of the largest tank

within the battery, unless more stringent protective requirements are deemed necessary by the authorized officer.

Tank battery will be placed on the SE corner of the location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rock Mountain Five state Interagency Committee. All facilities will be painted within 6 months of installation. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is desert brown, 10YR.

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.

5. Location and Type of Water Supply

- A. Water supply will be from Water Permit #43-1721 (Joe Shields spring).
- B. Water will be trucked across existing roads to location.
- C. No water wells to be drilled on lease.

6. Source of Construction Materials

- A. Native materials on lease will be used.
 - B. From Federal land.
 - C. N/A.
- A minerals material application is not required.

7. Methods for Handling Waste Disposal

- A.
 - 1) Drill cuttings will be buried in the reserve pit.
 - 2) Portable toilets will be provided for sewage.

- 3) Trash and other waste material will be contained in a trash cage and hauled away to an approved disposal site at the completion of the drilling activities.
- 4) Salts - if any will be disposed of.
- 5) Chemicals - if any will be disposed of.

B. Drilling fluids will be handled in the reserve pit. Any fluids produced during testing operations will be collected in a test tank. If a test tank is not available during drilling, fluids will be handled in the reserve pit. Any oil in the reserve pit will be removed.

Burning will not be allowed. All trash must be contained in trash cage and hauled away to an approved disposal site at the completion of drilling activities.

The reserve pit shall be constructed so as not to leak, break, or allow discharge.

A plastic nylon reinforced liner will be used. The plastic liner will be a minimum of 12 mil thickness 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.

After first production, produced waste water will be confined to a lined pit or storage tank for a period not to exceed 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 required water analysis, shall be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.

8. Ancillary Facilities

- A. Camp facilities or airstrips will not be required.

9. Well Site Layout

- A. See Exhibit H.
- B. See Exhibit H.
- C. See Exhibit H.

The reserve pit will be located on the south side of the location.

The flare pit will be located downwind of the prevailing wind direction on the south side of the location a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

Topsoil - will be stored at the northwest corner of the location.

Access to the well pad will be from the west.

Fencing Requirements

All pits will be fenced according to the following minimum standards:

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

b. 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.

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

d. 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.

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

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

10. Plans for Restoration of Surfaces

A. Producing Location:

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

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

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

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.

The BLM will be contacted for required seed mixture.

B. Dry Hole/ Abandoned Location:

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

11. Surface Ownership

Access Road: Federal
Location: Federal

12. Other Additional Information

A. The operator is responsible for informing all persons in the area 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.

B. The operator will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.

C. 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.)

Additional Surface Stipulations

Reclamation of unused disturbed areas on the well pad/access road no longer needed for operations, such as cut slopes, and fill areas will be accomplished by grading, leveling and seeding as recommended by the Authorized Officer.

13. Lessee's or Operators Representative and Certification Representative

Kary J. Kaltenbacher
Wildrose Resources Corporation
4949 South Albion Street
Littleton, CO 80121
Telephone: 303-770-6566

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 sub-contractors. A copy of these conditions will be furnished to the field representative to insure compliance.

A complete copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

The operator or his/her contractor shall contact the BLM Office at (801) 789-1362 forty eight (48) hours prior to construction activities.

The BLM Office shall be notified upon site completion prior to

moving on the drilling rig.

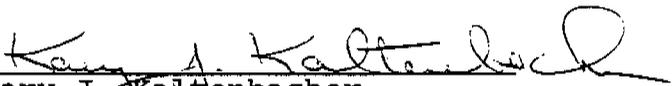
Self-Certification Statement:

Please be advised that Wildrose Resources Corporation is considered to be the operator of Federal Well No. 11-21-9-19Y, NW/4 NW/4 of Section 21, Township 9 South, Range 19 East; Lease Number U-68624; Uintah County, Utah; and is responsible for the operations conducted upon the leased lands. Bond coverage is provided by Statewide Oil and Gas Bond No. 229352, Allied Mutual Insurance Company, approved by the BLM effective October 26, 1987.

Certification

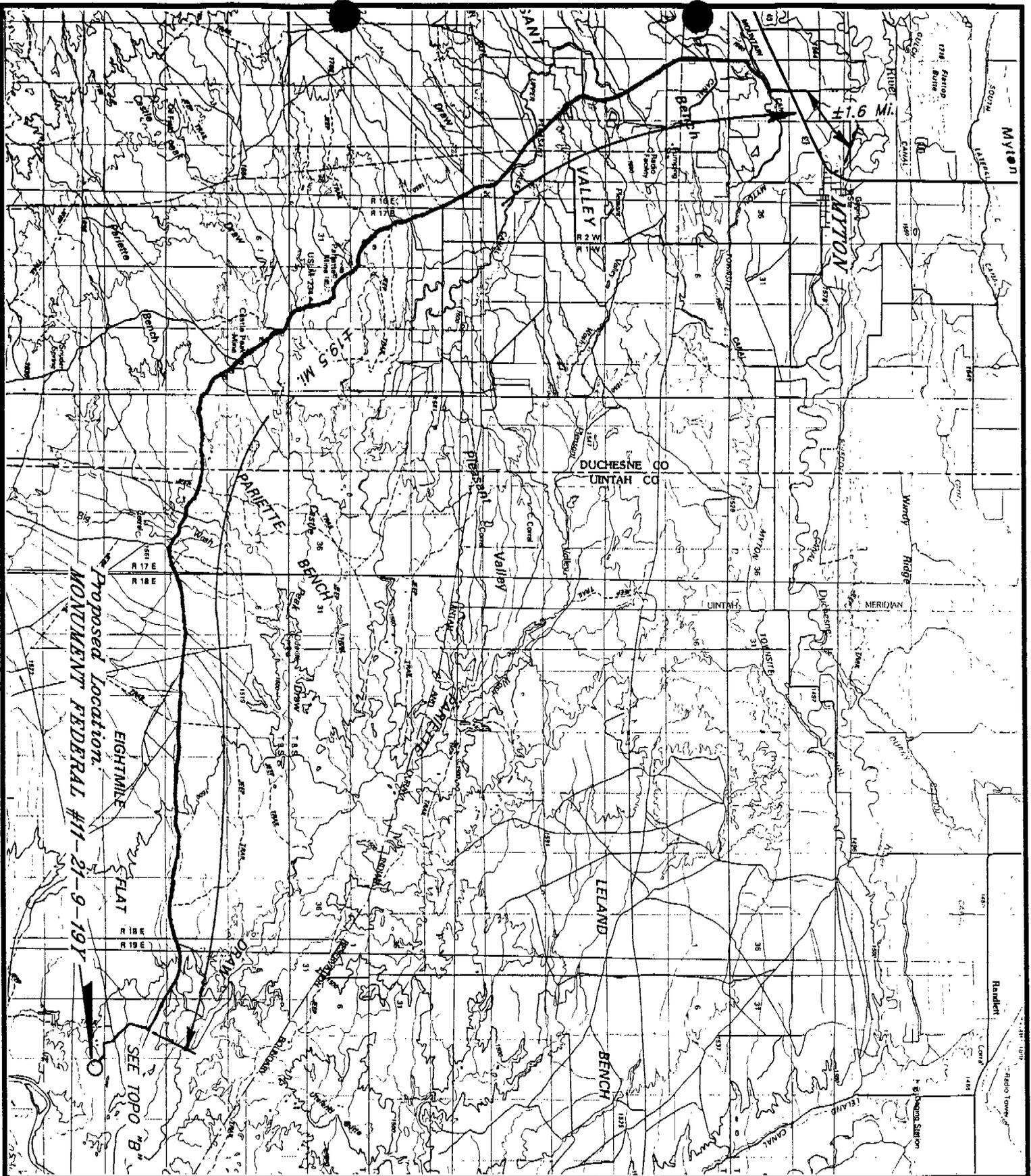
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are true and correct to the best of my knowledge; and, that the work associated with the operations proposed here will be performed by Wildrose Resources Corporation and its contractors and subcontractors in conformity with this 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.

Date July 8 1996


Kary J. Kaltenbacher
Vice President

CONFIDENTIAL STATEMENT

WILDROSE RESOURCES CORPORATION, AS OPERATOR, REQUESTS THAT ALL INFORMATION RELATED TO THIS WELL BE HELD TIGHT FOR THE MAXIMUM PERIOD ALLOWED BY FEDERAL AND STATE REGULATIONS.



Proposed location.
MONUMENT FEDERAL #11-21-9-19Y

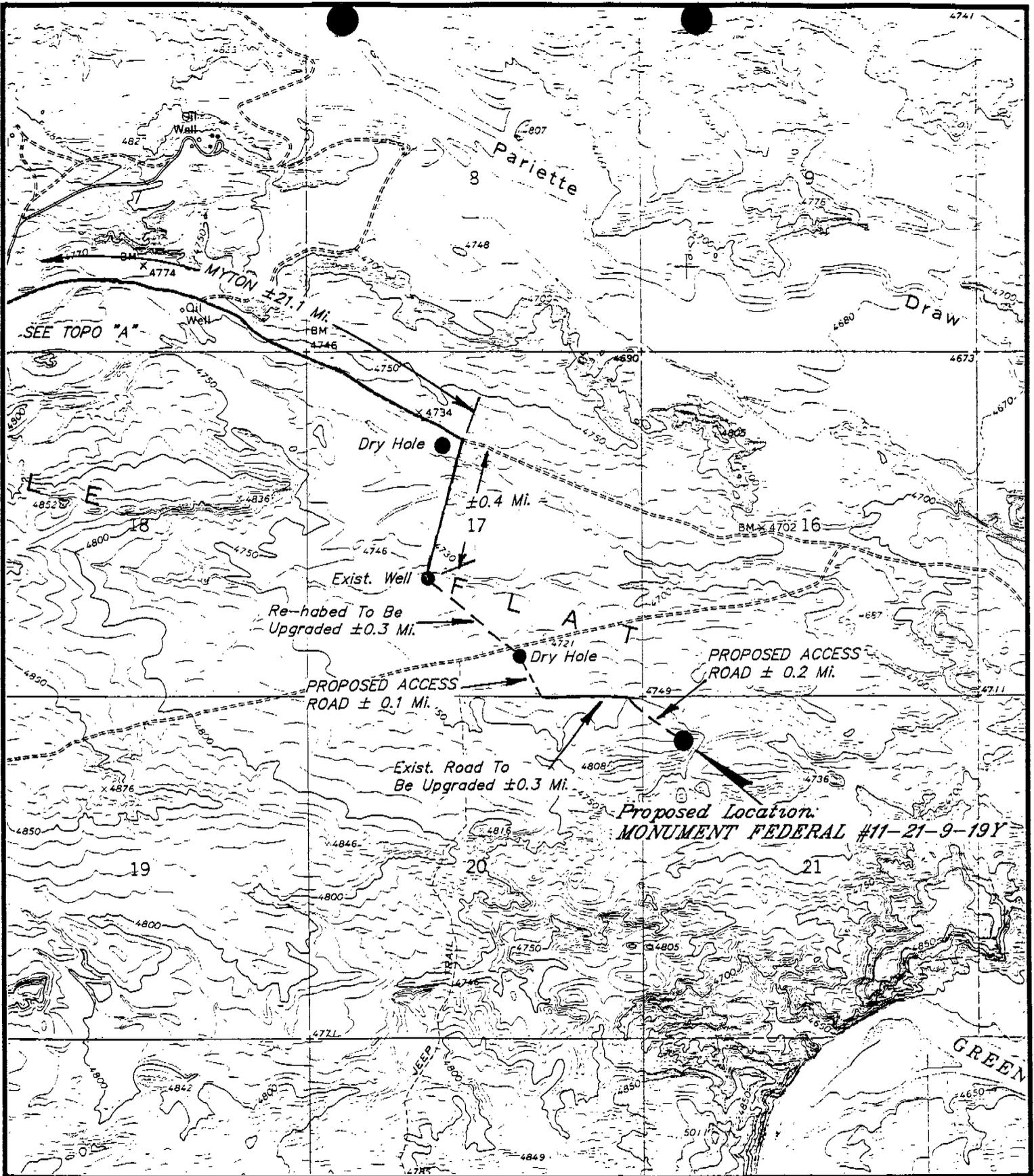
EQUITABLE RESOURCES CO.

MONUMENT FEDERAL #11-21-9-19Y
SECTION 21, T9S, R19E, S.L.B.&M.
TOPO "A"

Exhibit E-1



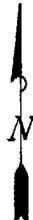
Tri State
Land Surveying, Inc.
(801) 781-2501
38 WEST 100 NORTH VERNAL, UTAH 84078



EQUITABLE RESOURCES CO.

MONUMENT FEDERAL #11-21-9-19Y
 SECTION 21, T9S, R19E, S.L.B.&M.
 TOPO "B"

Exhibit E-2



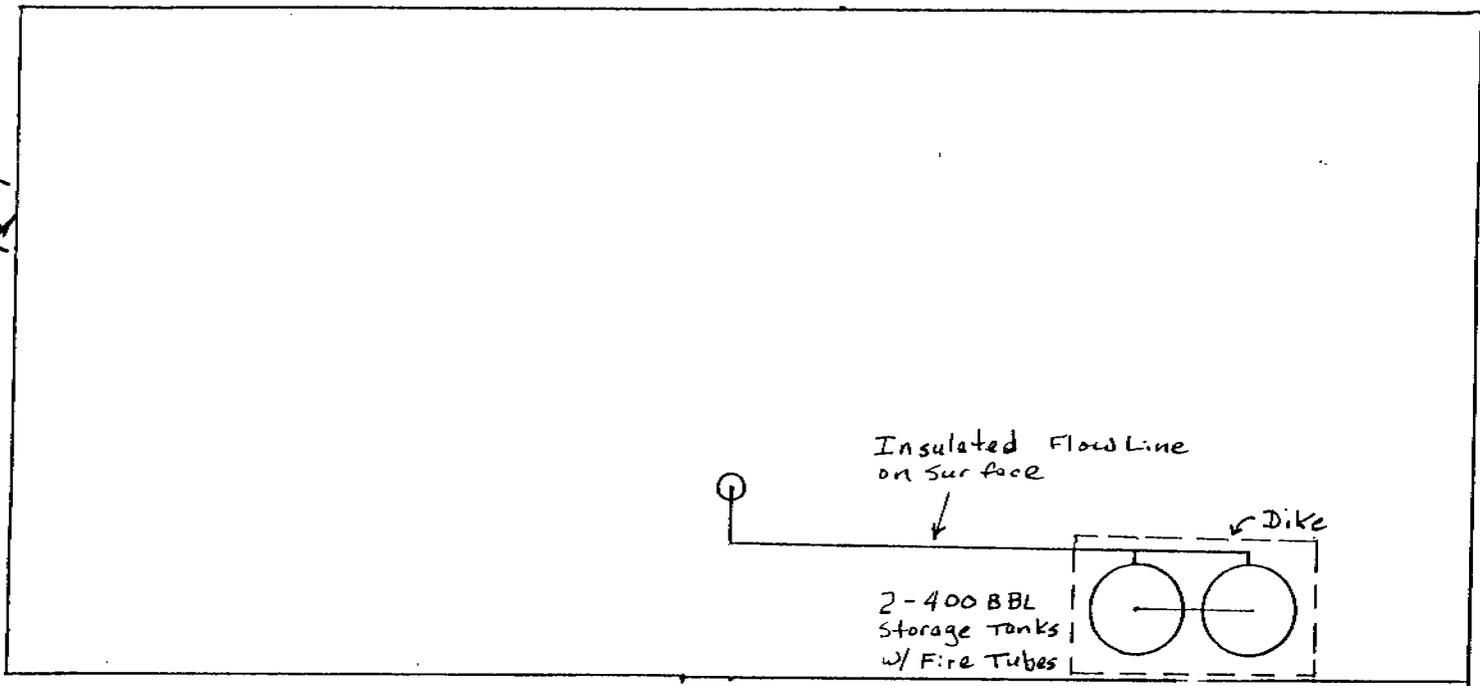
SCALE: 1" = 2000'

Tri State
 Land Surveying, Inc.
 (801) 781-2501

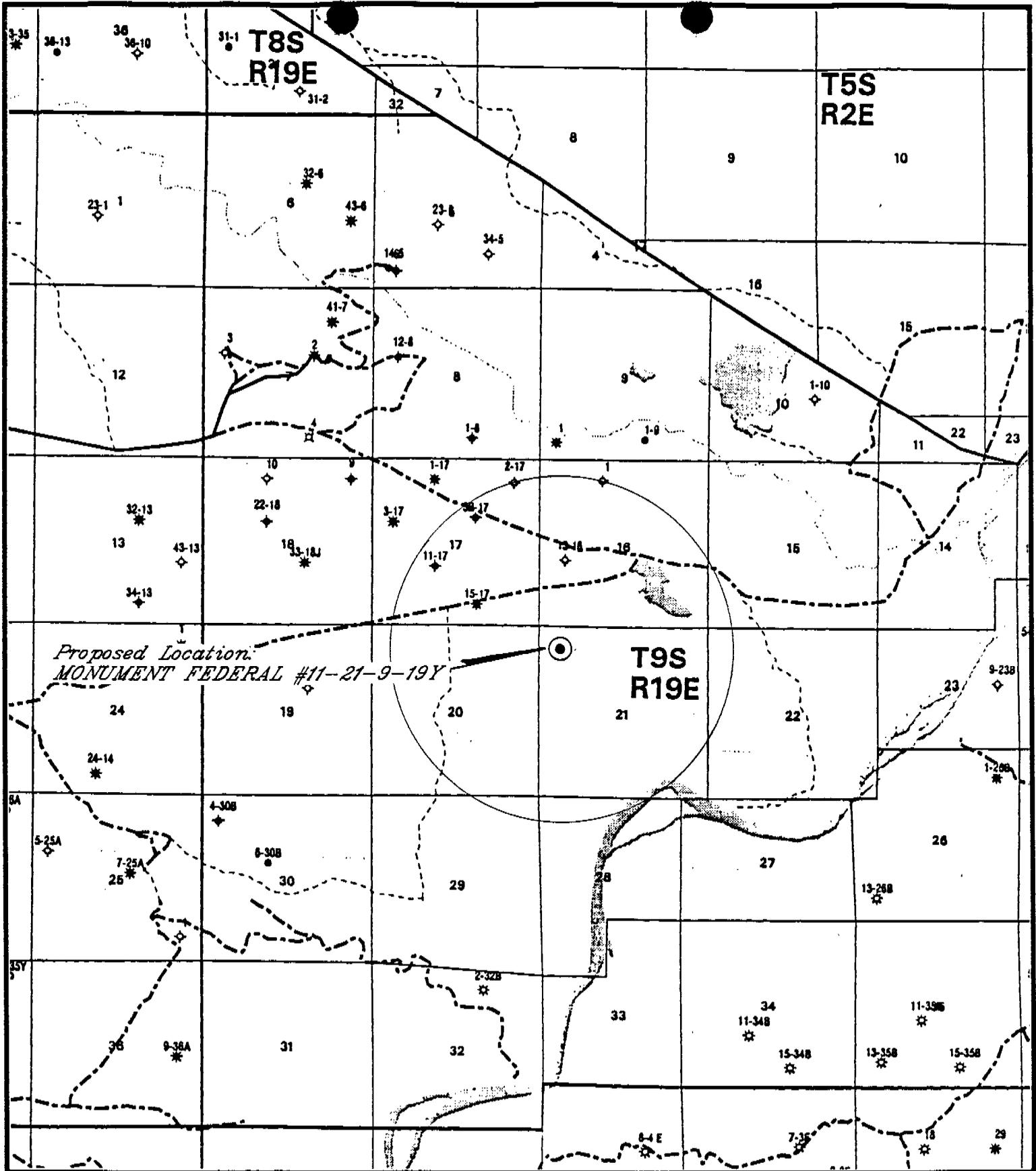
38 WEST 100 NORTH VERNAL, UTAH 84078

EXHIBIT F
PRODUCTION FACILITIES
SCALE: 1" = 40'

Access Road



Reserve Pit -
Back filled



Proposed Location:
 MONUMENT FEDERAL #11-21-9-19Y

T9S
 R19E

EQUITABLE RESOURCES CO.

MONUMENT FEDERAL #11-21-9-19Y
 SECTION 21, T9S, R19E, S.L.B.&M.

TOPO "C"

Exhibit 'G'



Tri State
 Land Surveying, Inc.
 (801) 781-2501

38 WEST 100 NORTH VERNAL, UTAH 84078

TYPICAL RIG LAYOUT

MONUMENT FEDERAL #11-21-9-19Y

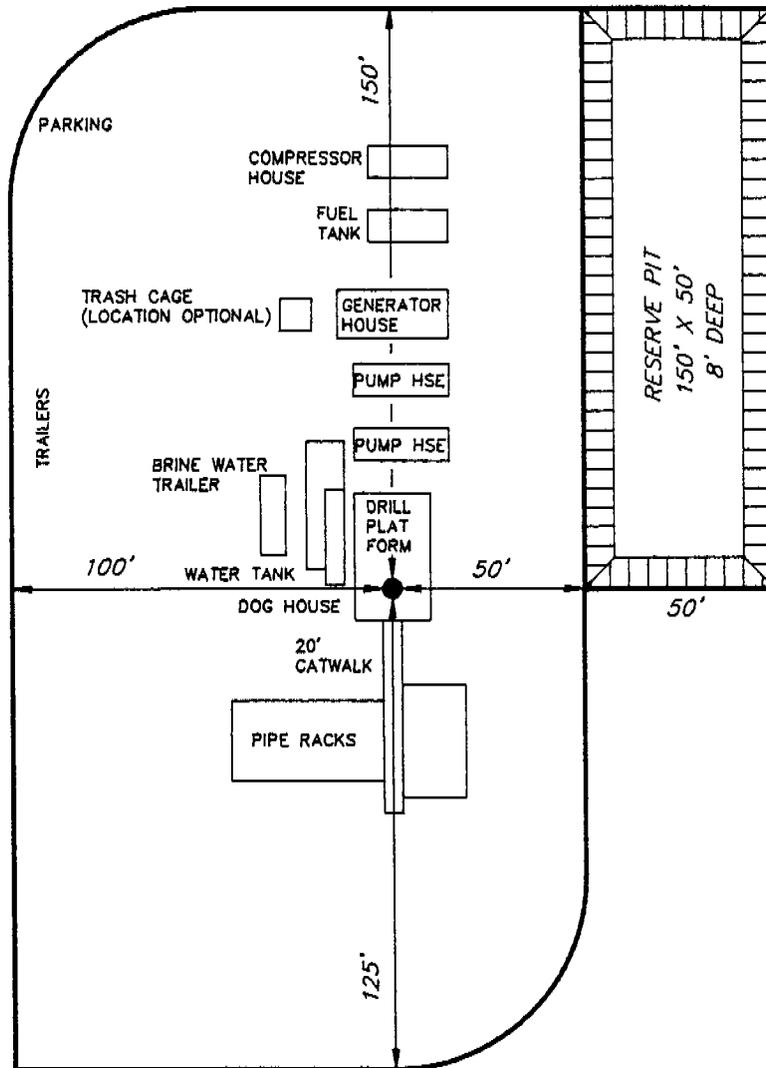
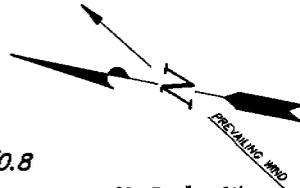


Exhibit "H-1"

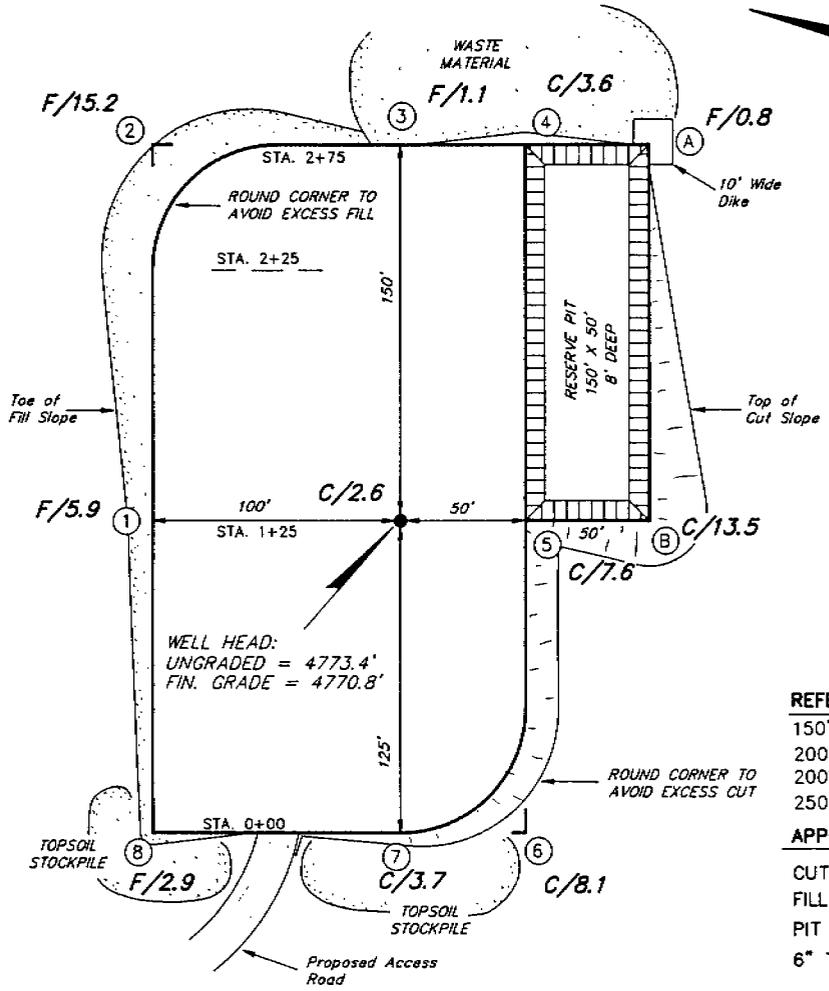
Tri State
Land Surveying, Inc.
(801) 781-2501
38 WEST 100 NORTH, VERNAL, UTAH 84078

EQUITABLE RESOURCES ENERGY CO.

MONUMENT FEDERAL #11-21-9-19Y
SEC. 21, T9S, R19E, S.L.B.&M.

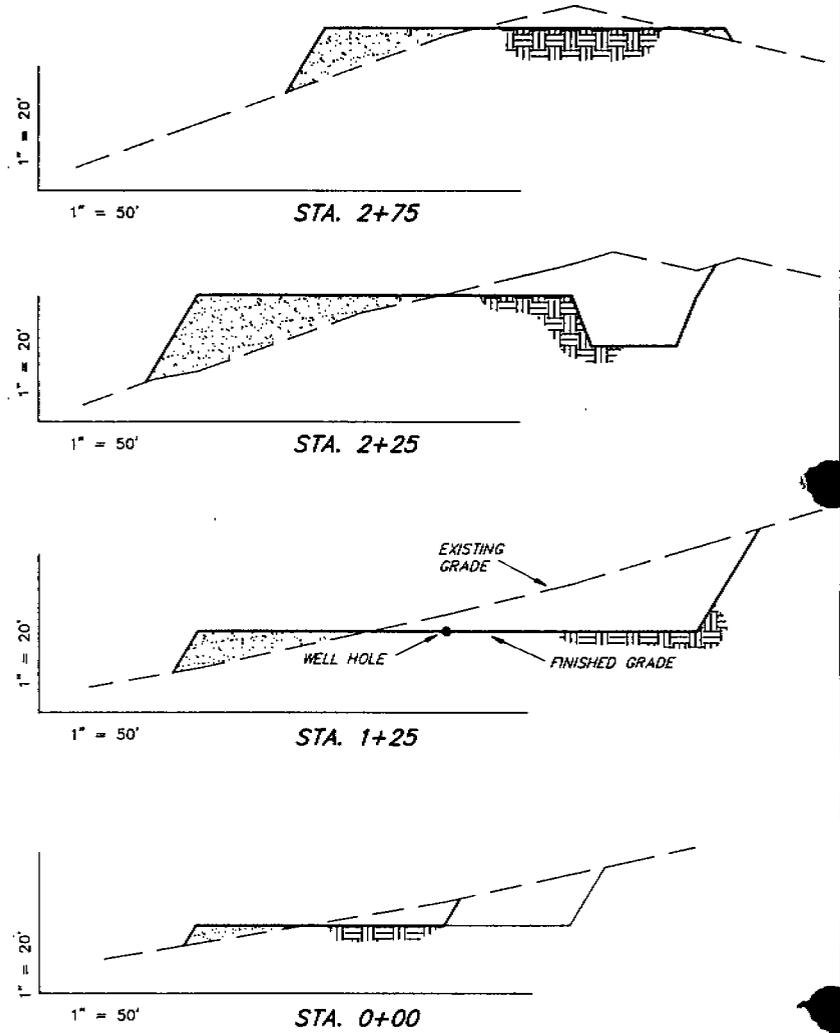


SCALE: 1" = 50'



WELL HEAD:
UNGRADED = 4773.4'
FIN. GRADE = 4770.8'

- REFERENCE POINTS**
 150' NORTH = 4761.4'
 200' NORTH = 4759.2'
 200' EAST = 4768.0'
 250' EAST = 4768.0'
- APPROXIMATE YARDAGES**
 CUT = 4,360 Cu. Yds.
 FILL = 4,350 Cu. Yds.
 PIT = 1,770 Cu. Yds.
 6" TOPSOIL = 910 Cu. Yds.



SURVEYED BY: S.S. D.S.
DRAWN BY: J.R.S.
DATE: 5-24-96
SCALE: 1" = 50'
FILE:

Tri State
 Land Surveying, Inc.
 (801) 781-2501
 38 WEST 100 NORTH VERNAL, UTAH 84078

Exhibit "H-2"

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 07/10/96

API NO. ASSIGNED: 43-047-32704

WELL NAME: FEDERAL 11-21-9-19Y
 OPERATOR: WILDROSE RESOURCES (N9660)

PROPOSED LOCATION:
 NWNW 21 - T09S - R19E
 SURFACE: 0700-FNL-0600-FWL
 BOTTOM: 0700-FNL-0600-FWL
 Uintah County
 PARIETTE BENCH FIELD (640)

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

LEASE TYPE: FED
 LEASE NUMBER: U - 68624

PROPOSED PRODUCING FORMATION: WSTC

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Federal State Fee
 (Number 229352)
- Potash (Y/N)
- Oil shale (Y/N)
- Water permit
 (Number 43-1721)
- RDCC Review (Y/N)
 (Date: _____)

LOCATION AND SITING:

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

COMMENTS: _____

STIPULATIONS: _____

STATE OF UTAH, DIV OF OIL, GAS & MINERALS

Operator: WILDROSE RESOURCES	Well Name: FEDERAL 11-21-9-19Y
Project ID: 43-047-32704	Location: SEC. 21 - T9S - R19E

Design Parameters:

Mud weight (8.80 ppg) : 0.457 psi/ft
 Shut in surface pressure : 2278 psi
 Internal gradient (burst) : 0.064 psi/ft
 Annular gradient (burst) : 0.000 psi/ft
 Tensile load is determined using air weight
 Service rating is "Sweet"

Design Factors:

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

Length (feet)	Size (in.)	Weight (lb/ft)	Grade	Joint	Depth (feet)	Drift (in.)	Cost		
1	5,800	5.500	15.50	J-55	ST&C	5,800	4.825		
	Collapse Load (psi)	Strgth (psi)	S.F.	Burst Load (psi)	Min Int Strgth (psi)	Yield S.F.	Tension Load (kips)	Strgth (kips)	S.F.
1	2651	4040	1.524	2651	4810	1.81	89.90	202	2.25 J

Prepared by : MATTHEWS, Salt Lake City, Utah
 Date : 09-03-1996
 Remarks :

GREEN RIVER

WASATCH TONGUE OF GRRV

Minimum segment length for the 5,800 foot well is 1,500 feet.

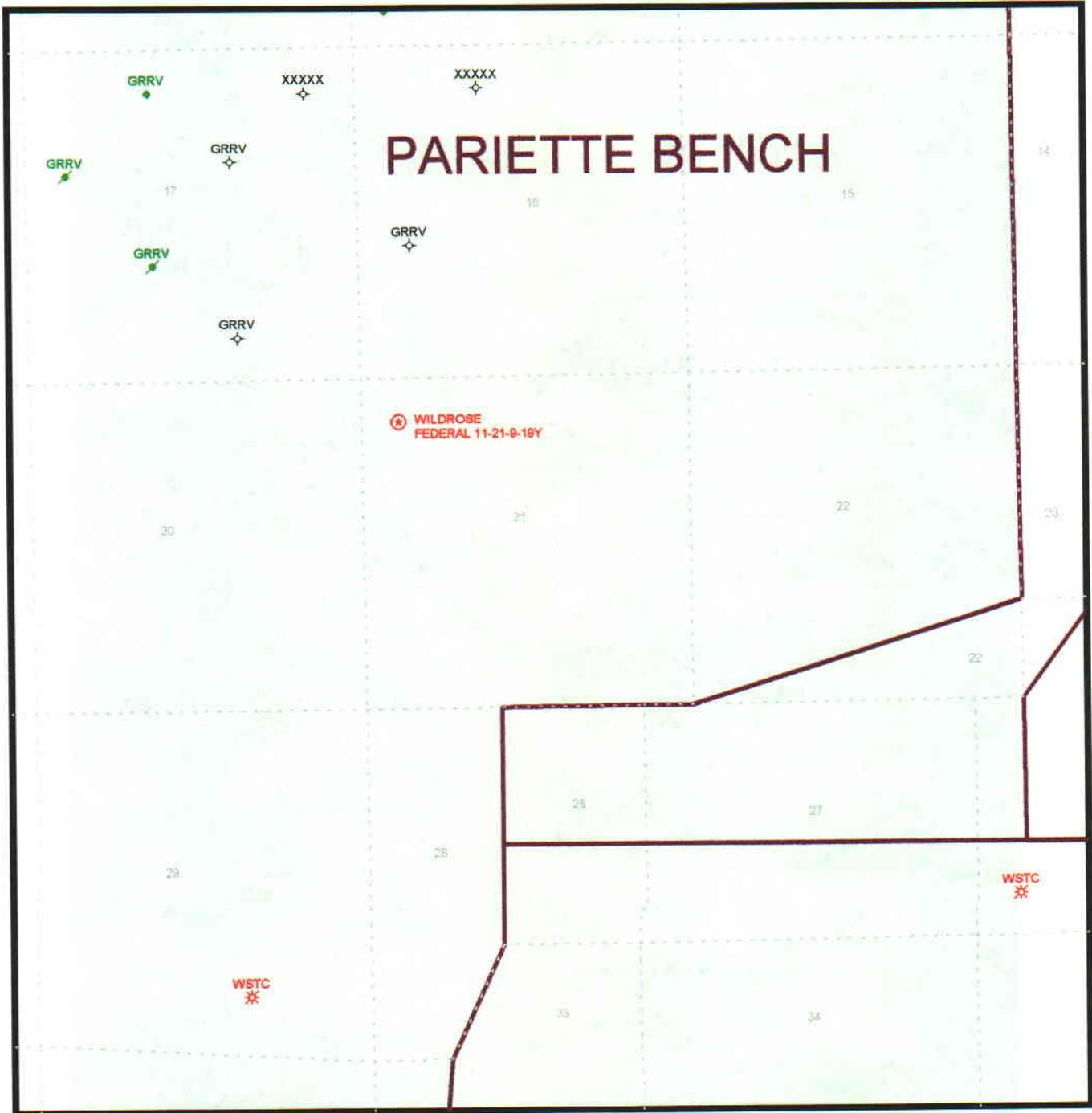
SICP is based on the ideal gas law, a gas gravity of 0.75, and a mean gas temperature of 115°F (Surface 74°F , BHT 155°F & temp. gradient 1.400°/100 ft.)

String type: Production

The mud gradient and bottom hole pressures (for burst) are 0.457 psi/ft and 2,651 psi, respectively.

NOTE: The design factors used in this casing string design are as shown above. As a general guideline, Lone Star Steel recommends using minimum design factors of 1.125 - collapse (with evacuated casing), 1.0 - (uniaxial) burst, 1.8 - API 8rd tension, 1.6 - buttress tension, 1.5 - body yield tension, and 1.6 - EUE 8rd tension. Collapse strength under axial tension was calculated based on the Westcott, Dunlop and Kemler curve. Engineering responsibility for use of this design will be that of the purchaser.
 Costs for this design are based on a 1987 pricing model. (Version 1.07)

OPERATOR: WILDROSE
FIELD: PARIETTE BENCH (640)
SEC. TWP, RNG: SEC. 21, T9S, R19E
COUNTY: UINTAH
UAC: R649-3-2



PREPARED:
DATE: 11-JULY-96



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)

September 3, 1996

Wildrose Resources Corporation
4949 South Albion Street
Littleton, Colorado 80121

Re: Federal 11-21-9-19Y Well, 700' FNL, 600' FWL, NW NW,
Sec. 21, T. 9 S., R. 19 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 43-047-32704.

Sincerely,

R. J. Firth
Associate Director

lwp

Enclosures

cc: Uintah County Assessor

Bureau of Land Management, Vernal District Office



Operator: Wildrose Resources Corporation
Well Name & Number: Federal 11-21-9-19Y
API Number: 43-047-32704
Lease: U-68624
Location: NW NW Sec. 21 T. 9 S. R. 19 E.

Conditions of Approval

1. General
Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.
2. Notification Requirements
Notify the Division within 24 hours following spudding the well or commencing drilling operations. Contact Jimmie Thompson at (801)538-5336.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Frank Matthews at (801)538-5334 or Mike Hebertson at (801)538-5333.
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

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
 Wildrose Resources Corporation PH: 303-770-6566

3. ADDRESS OF OPERATOR
 4949 South Albion Street, Littleton, CO 80121

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface 700' FNL & 600' FWL (NW $\frac{1}{4}$ NW $\frac{1}{4}$)
 At proposed prod. zone Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 21 miles SE of Myton, Utah

10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 600'

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. ---

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4773' 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#, J-55	300'	225 sx
7-7/8"	5-1/2"	15.5#, J-55	6200'	800 sx

5. LEASE DESIGNATION AND SERIAL NO.
U-68624

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Federal

9. WELL NO.
11-21-9-19Y

10. FIELD AND POOL, OR WILDCAT
Pariette Bench

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 21, T9S, R19E

12. COUNTY OR PARISH
Uintah

13. STATE
Utah

16. NO. OF ACRES IN LEASE

19. PROPOSED DEPTH
5800'

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

20. ROTARY OR CABLE TOOLS
Rotary

22. APPROX. DATE WORK WILL START*
September 1, 1996

- SEE ATTACHED EXHIBITS:
- A - Surveyors Plat
 - B - 10 Point Plan
 - C - BOP Diagram
 - D - 13 Point Surface Use Program
 - E - Access Road Map
 - F - Production Facilities
 - G - Existing Wells Map
 - H - Pit & Pad Layout, Cuts & Fills, Cross Sections, Rig Layout

JUL 20 1996
 Received
 DOI-BLM
 Vernal, Utah

RECEIVED
 SEP 13 1996
 DIV. OF OIL, GAS & MINING

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

24. SIGNED Kay Koltun TITLE Vice President DATE July 8, 1996

(This space for Federal or State office use)
NOTICE OF APPROVAL
 PERMIT NO. _____ APPROVAL DATE _____
 Assistant Field Manager
 APPROVED BY [Signature] TITLE Mineral Resources DATE SEP 04 1996
 CONDITIONS OF APPROVAL, IF ANY:

CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

U-080-600-168

*See Instructions On Reverse Side

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Wildrose Resources Corporation

Well Name & Number: Wildrose Federal 11-21-9-19Y

API Number: 43-047-32704

Lease Number: U - 68624

Location: NWNW Sec. 21 T. 9S R. 19E

NOTIFICATION REQUIREMENTS

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

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

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

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

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

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

A. DRILLING PROGRAM

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

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

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

2. Pressure Control Equipment

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

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

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

3. Casing Program and Auxiliary Equipment

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

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the base of the usable water zone, identified at 738 ft. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

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

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

5. Coring, Logging and Testing Program

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

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

A cement bond log (CBL) will be run from the production casing shoe to \pm 538 ft., and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

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

6. Notifications of Operations

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

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

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

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

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

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

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

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

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

7. Other Information

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

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

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).

The APD approval is valid only until September 30, 1996 unless production is established from another well within the lease prior to that date. If production in paying quantities is established prior to that date then the APD 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, if production in paying quantities has been established from another well from within the lease hold.

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

Ed Forsman (801) 789-7077
Petroleum Engineer

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

Jerry Kenczka (801) 781-1190

BLM FAX Machine (801) 781-4410

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

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

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

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

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

Refinery wastes

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

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

PLANS FOR RECLAMATION OF LOCATION

WHEN RECLAIMING THE RESERVE PIT, THE PIT LINER WILL BE TORN AND PERFORATED BEFORE BACKFILLING THE RESERVE PIT AND THE TORN LINER WILL BE BURIED A MINIMUM OF FOUR (4) FEET DEEP. IF THIS IS A PRODUCING WELL AND AFTER THE RECLAMATION OF THE RESERVE PIT, AND UNUSED DISTURBED AREAS, CONTACT THE AUTHORIZED OFFICE TO OBTAIN A SEED MIXTURE TO REVEGETATE THESE SPECIFIC AREAS.

AT TIME OF FINAL ABANDONMENT THE INTENT OF RECLAMATION WILL BE TO RETURN THE DISTURBED AREA TO NEAR NATURAL CONDITIONS. RECONTOUR THE SURFACE OF THE DISTURBED AREA TO BLEND ALL CUTS, FILLS, ROAD BERMS, AND BORROW DITCHES TO BE NATURAL IN APPEARANCE WITH THE SURROUNDING TERRAIN. AFTER RECONTOURING OF THE AREA ANY STOCKPILED TOPSOIL WILL BE SPREAD OVER THE SURFACE, AND THE AREA RESEEDED AND REVEGETATED TO THE SATISFACTION OF THE AUTHORIZED OFFICER OF THE BLM. CONTACT THE AUTHORIZED OFFICER OF THE BLM AT THE TIME OF RECLAMATION FOR THE REQUIRED SEED MIXTURE.

OTHER INFORMATION

IF THIS IS TO BE A PRODUCING WELL, THE PUMP UNIT IS REQUIRED TO HAVE A MULTICYLINDER ENGINE TO REDUCE NOISE IN THE AREA. THIS IS TO PROTECT THE REPRODUCTIVE BEHAVIOR OF RAPTOR SPECIES USING THE AREA AND WATERFOWL USE OF THE PARIETTE WETLANDS.

~~CONFIDENTIAL~~

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: WILDROSE RESOURCES

Well Name: FEDERAL 11-21-9-19Y

Api No. 43-047-32704

Section 21 Township 9S Range 19E County UINTAH

Drilling Contractor _____

Rig #: _____

SPUDDED:

Date: 9/25/96

Time: _____

How: DRY HOLE

Drilling will commence: _____

Reported by: K. KALTENBACHER

Telephone #: 1-303-770-6566

Date: 9/26/96 Signed: C. DANIELS

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE*

(See other In-
structions on
reverse side)

Form approved.
Budget Bureau No. 1004-0137
Expires August 31, 1985

5. LEASE DESIGNATION AND SERIAL NO.

U-68624

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Federal

9. WELL NO.

11-21-9-194

10. FIELD AND POOL, OR WILDCAT

Wildcat

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

Sec. 21, T9S, R19E

12. COUNTY OR PARISH
Utah

13. STATE
Utah

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL GAS WELL DRY Other _____

b. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP EN PLUG BACK DIFF. RENVR. Other _____

2. NAME OF OPERATOR
Wildrose Resources Corp.

3. ADDRESS OF OPERATOR
4949 S. Albion St., Littleton, CO 80121

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 700' FNL & 600' FWL (NW/NE)
At top prod. interval reported below Same
At total depth Same

CONFIDENTIAL

14. PERMIT NO. PIA DATE ISSUED
43-047-32704

15. DATE SPUDDED 9/25/96 16. DATE T.D. REACHED 11/18/96 17. DATE COMPL. (Ready to prod.) 11/20/96 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* 4773' GR 19. ELEV. CASINGHEAD -

20. TOTAL DEPTH, MD & TVD 5450' 21. PLUG, BACK T.D., MD & TVD P & A'd 22. IF MULTIPLE COMPL., HOW MANY* - 23. INTERVALS DRILLED BY - ROTARY TOOLS 0'-TD CABLE TOOLS -

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* - 25. WAS DIRECTIONAL SURVEY MADE No

26. TYPE ELECTRIC AND OTHER LOGS RUN DLL, FDC-CNL mud log 12-9-96 27. WAS WELL CORED No

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

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8	24	305	12 1/4	120 SK (To Surface)	None

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)

31. PERFORATION RECORD (Interval, size and depth)

CONFIDENTIAL

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED

33. PRODUCTION

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

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

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

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

35. LIST OF ATTACHMENTS
Logs, Daily Reports, Mud Log

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

SIGNED Kay Kalkanock TITLE V.P. DATE _____

RECEIVED
DEC 0 1996
TEST WITNESSED BY
DIV. OF OIL, GAS & MINING

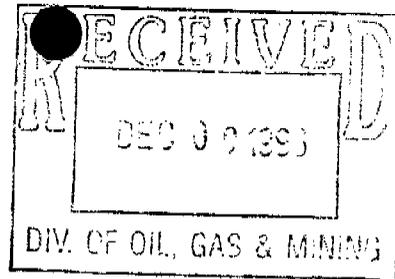
*(See Instructions and Spaces for Additional Data on Reverse Side)

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
				Green River	1023'	1023'
				Wasatch Tongue	5340'	5340'

DAILY DRILLING REPORT



Operator: Wildrose Resources Corporation
 Well: #11-21-9-19Y Lytham Federal
 T 9 S, R 19 E, Section 21
 NW NW (700' FNL & 600' FWL)
 Uintah County, Utah
 Projected TD - 5800'
 Elevation: GR: 4773', KB: 4783' estimated
 Contractor: Caza Rig #56

09/26/96 MI & RU Ross Well Service air rig. Spudded @ 1:00 PM 9/25/96. Drilled 130' of 12 1/4" hole. SDFN.

09/27/96 Drilled to 305'. SDFN.

09/28/96 Ran 10 jts (292') 8 5/8", 24#, J-55, STC csg w/ guide shoe. Set csg @ 303' KB. RU HOWCO. Pumped 10 bbl dye water & 10 bbl gel water. Pumped 120 sx Class "G" cement w/ 2% gel, 2% CaCl2 & 1/4#/sk Flocele. Dropped plug. Displaced w/ 16 bbl water. Had good cement to surface. SIFN.

09/29/96 Drilled mouse & rat hole. RD & MO.

11/12/96 Day 1: MI & RU Caza Rig #56. NUBOP's. Tested to 2000 psi. Now redrilling rat hole.

11/13/96 Day 2: TD-934'. TOH for mud motor, Drld 621' in 14 1/4 hrs w/ water. Ran Bit #1, 7 7/8", HTC ATJ28 @ 313'. Pulled Bit #1 @ 632'. Bit #1 drld 319' in 7 hrs. Ran Bit #2, 2 7/8", HTC ATJ22 @ 632'. Bit #2 has drld 302' in 7 1/4 hrs. Now TOH to replace bad mud motor. Surveys: 0 @ 237', 1/2 @ 804'.

11/14/96 Day 3: TD-2768' drlg. Drld 1834' in 20 1/2 hrs w/ water. Bit #2 has drld 2136' in 28 1/2 hrs. Surveys: 3/4 @ 1300', 1 @ 1826', 1 @ 2300'.

11/15/96 Day 4: TD-3390' drlg. Drld 359' in 17 1/2 hrs w/ water. Pulled Bit #2 @ 3031'. Bit #2 drld 2399' in 32 hrs. Ran Bit #3 (RR#1), 7 7/8" HTC, ATJ28 @ 3031'. No mud motor. Bit #3 has drld 359' in 14 hrs. Surveys: 1 1/2 @ 2909'.

11/16/96 Day 5: TD-3397' drlg. Drld 207' in 16 hrs w/ brine water. Bit #3 has drilled 566' in 32 hrs. Survey 1 3/4 @ 3409'. Took gas kick/water flow @ 3503". Wait on brine water. Circulated 480 bbls 10# brine water thru choke. Lost 200 bbls water. Opened BOPs. Still had 3" water flow but no gas. Went back to drilling. Added 200 bbls 10# brine fill, mud tanks. Drilled from 3503' to 3597' in 9 1/2 hrs - lost approx. 300 bbls water but still have 3" flow on connections. BGG - 200 units. MW down to 9.3. Now adding 8.6 pit water to mud tanks to keep drilling.

11/17/96 Day 6: TD - 4542'. Drlg. Drld 945' in 17 hrs w/ 8.9 ppg salt & KCl water. Pulled Bit #3 @ 3638'. Bit #3 drilled 607' in 33 hrs. Ran Bit #4 7 7/8, STC, F-3H w/ mud motor @ 3638'. Bit #4 has drld 904' in 16 hrs. Survey: Misrun @ 3638', 3 1/2 @ 3884', 2 3/4 @ 4196'.

11/18/96 Day 7: TD - 5450'. TOH to log. Drld 908' in 22 hrs w/ 8.9 ppg salt & KCl water. Pulling Bit #4. Bit #4 drld 1812' in 38 hrs.

11/19/96 Day 8: TD 5450'. Waiting on orders. Had 27 stds POH (@ 3763') when well started kicking gas. Ran 16 stds to 4760': SI BOP's. Put well thru choke. Circulated out gas for 3 hrs. Opened BOP's. Circulated thru flow line till brine water arrived. Mixed 200 bbls 10# brine water to bring MW up to 9.3 ppg. TIH w/ 11 stds to TD. Circulated for 1 1/2 hrs till MW evened out @ 9.3 ppg. Lost some fluid while circulating. Well dead. POH to log. RU Schlumberger. Log as follows:

DLL/ARI	5469' - 300'
FDC/CNL	5459' - 3000'

Loggers TD - 5477': Lost 30' of fluid per hour while logging. RD Schlumberger TIH w/ collars. Now W.O.O.

11/20/96 Day 9: TD - 5450'. Plugging. LD Collars. TIH W/ DP. Circ for 3/4 hr. LDDP to 4287'. RU HOWCO. Pump 10 BW, 80 sx Class 'G' w 2% CaCl2 & 2 BW. Displaced w/ 53 bbl drilling fluid.

Plug #1: 4287'-4070' (80sx). Pulled 10 stds. Circ for 3 1/2 hrs. Run 7 stds. Tag plug @ 4070'. Pull 2 stds. LDDP to 1857'.

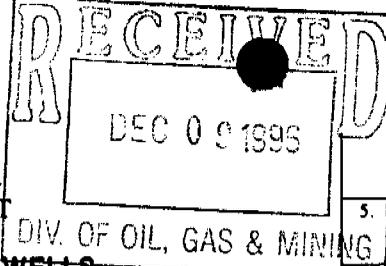
Plug #2: 1857'-1621'. Pumped 10 BW, 75 sx Class 'G' w/ 2% CaCl2, 2 BW. Displaced w/ 22 bbl drilling fluid. Lost returns while displacing. Pulled 5 stds. LD 10 jts. Filled hole - FL 150' down. WOC 3 hrs. Ran 10 stds to 1857' - no tag. Pump 10 BW, 75 sx Class 'G' w 2% CaCl2, 2 BW. Displaced w/ 22 bbl drilling fluid.

Plug #3: 1857'-1621' (75 sx). Pulled 7 stds, Now LDDP to pump surface plug.

11/21/96 Day 10: TD-5450'. P & A'd. LDDP. Ran DP to 403'. Pumped 140 sx Class 'G' w/ 2% CaCl2 - cement to surface. LDDP. Topped off cement w/ 20 sx.

Plug #4: 403'-0'. (160 sx). Released rig @ 11 AM 11/20/96.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT



FORM APPROVED
Budget Bureau No. 1004-0135
Expires: September 30, 1990

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-68624

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other **Dry**

8. Well Name and No.
Federal 11-21-9-194

2. Name of Operator
Wildrose Resources Corp. 303-770-6566

9. API Well No.
43-047-32704

3. Address and Telephone No.
4949 S. Albion St, Littleton, CO 80121

10. Field and Pool, or Exploratory Area
wildcat

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**700' FWL & 600' FWL (NW/NW)
Section 21, T9S, R19E**

11. County or Parish, State
Uintah County, Utah

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

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

(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.)*

This well was P & A'd on November 20, 1996 as follows:
 Plug #1: 4287' - 4070' : 80 sx class 'G' w/ 2% CaCl₂
 Tagged plug @ 4070' after 4 hrs.
 Plug #2: 1857' - 1621' : 75 sx class 'G' w/ 2% CaCl₂
 Lost returns while pumping Plug #2. WOC 3 hrs. Could not tag Plug #2.
 Plug #3: 1857' - 1621' : 75 sx class 'G' w/ 2% CaCl₂.
 Fluid level stayed at surface after pumping Plug #3.
 Plug #4: 403' - 0' : 160 sx class 'G' w/ 2% CaCl₂.
 Drilling fluid (9.3 ppg brine water) was used to displace plugs.
 Cement was found 75' down the next day. Filled with sack cement on Nov. 25, 1996.
 Weather permitting, rehab will begin this month and completed in the spring.

14. I hereby certify that the foregoing is true and correct
 Signed Kay Kattenbach Title V.P. Date _____

(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.

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

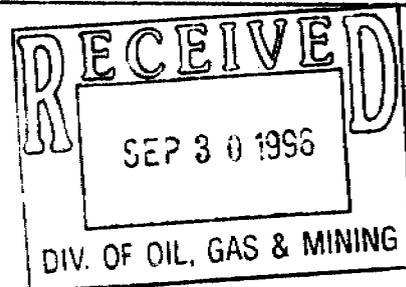
OPERATOR Wildrose Resources Corp. OPERATOR ACCT. NO. N 9660
 ADDRESS 4949 S. Albion St
Littleton, CO 80121

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999	12004	4304732704	Federal 11-21-9-194	NW/NW	21	95	19E	Uintah	9/25/96	
WELL 1 COMMENTS: Entity added 10-1-96. <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)



Kang Kalthenboe
 Signature
V.P.
 Title
9/26/96
 Date
 Phone No. (303) 770-6566

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

1a. Type of Work: <input type="checkbox"/> DRILL <input checked="" type="checkbox"/> REENTER		5. Lease Serial No. UTU-78433
b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name N/A
2. Name of Operator Pannonian Energy, Inc.		7. If Unit or CA Agreement, Name and No. N/A
3A. Address 14 Inverness Dr. E., Englewood, CO 80112	3b. Phone No. (include area code) (303) 483-0044	8. Lease Name and Well No. Federal 11-21-9-19
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 699' FNL & 599' FWL (NWNW) At proposed prod. Zone 4430652 N 603029 E		9. API Well No. 43-047-32704
14. Distance in miles and direction from nearest town or post office* Approximately 25.8 miles from Myton, Utah		10. Field and Pool, or Exploratory Riverbend
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 599'	16. No. of Acres in lease 996.37	11. Sec., T., R., M., or Blk, and Survey or Area Section 21-T9S-R19E
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. See Map C	19. Proposed Depth 9133'	12. County or Parish Uintah
20. BLM/BIA Bond No. on file Utah BLM Bond No. 4127759	13. State UT	17. Spacing Unit dedicated to this well 40
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4773' GL	22. Approximate date work will start* Upon Approval	23. Estimated duration 18 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- | | |
|--|---|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office. | 6. Such other site specific information and/or plans as may be required by the authorized office. |

25. Signature <i>Howard O Sharpe</i>	Name (Printed/Typed) Howard Sharpe	Date 7-5-01
Title Vice President		
Approved by (Signature) <i>Bradley G Hill</i>	Name (Printed/Typed) BRADLEY G. HILL	Date 08-06-01
Title RECLAMATION SPECIALIST III		

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, are attached.

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.

*(Instructions on reverse)

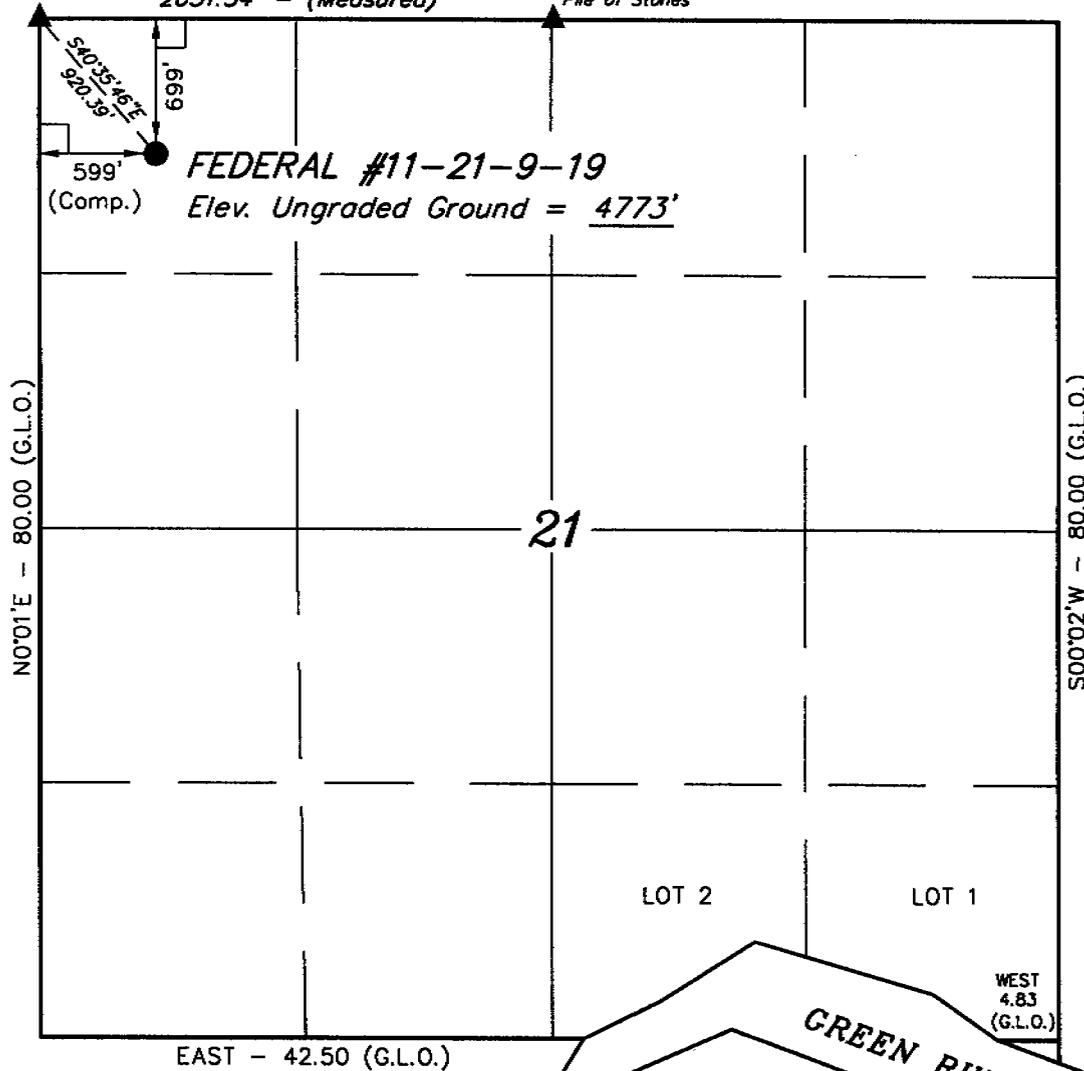
T9S, R19E, S.L.B.&M.

PANNONIAN ENERGY, INC.

Well location, FEDERAL #11-21-9-19, located as shown in the NW 1/4 NW 1/4 of Section 21, T9S, R19E, S.L.B.&M. Uintah County, Utah.

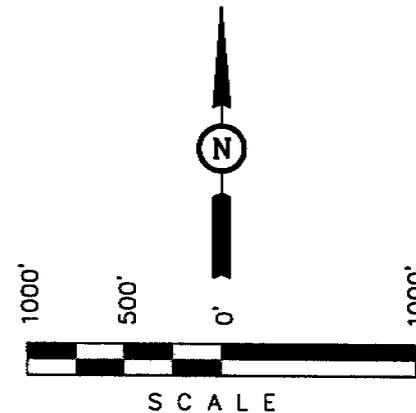
1910 Brass
Cap 2.0" High, EAST - G.L.O. (Basis of Bearings)
Pile of Stones
2651.34' - (Measured)

1910 Brass
Broke Off,
Pile of Stones



BASIS OF ELEVATION

SPOT ELEVATION AT THE NORTHWEST CORNER OF SECTION 21, T9S, R19E, S.L.B.&M. TAKEN FROM THE UTELAND BUTTE QUADRANGLE, UTAH, UINTAH COUNTY 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4749 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. Hayes
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

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

LEGEND:

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

LATITUDE = $40^{\circ}01'18''$
 LONGITUDE = $109^{\circ}47'31''$

SCALE 1" = 1000'	DATE SURVEYED: 6-2-01	DATE DRAWN: 6-11-01
PARTY D.A. P.M. D.COX	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE PANNONIAN ENERGY, INC.	

PANNONIAN ENERGY, INC.

**Federal 11-21-9-19
NWNW, Section 21-T9S-R19E
Uintah County, Utah
Lease No. UTU-78433**

DRILLING PLAN

1. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS & ANTICIPATED WATER, OIL, GAS OR MINERAL FORMATIONS:

Formation	Depth (ft)	Hydrocarbon/Water Bearing Zones
Uintah	Surface	
Green River	1933'	Gas/Oil
Wasatch	5483'	Gas
TD	9133'	

All usable (<10,000 ppm TDS) water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling will be recorded by depth and adequately protected. All significant oil and gas shows will be tested to determine commercial potential. This information shall be reported to the Vernal BLM Office.

2. PRESSURE CONTROL EQUIPMENT:

All well control equipment shall be in accordance with Onshore Order #2 for 5M systems.

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

5000# BOP With 4-1/2" Pipe Rams
5000# BOP With Blind Rams
5000# Annular

Auxiliary equipment to be used:

- Upper kelly cocks with handle available.

The manifold includes appropriate valves and adjustable chokes. The kill line will have one check valve. Ram type preventers will be pressure tested to full working pressure (utilizing a test plug) at:

- initial installation;
- whenever any seal subject to test pressure is broken;
- following related repairs;
- at 30 day intervals

The annular preventer will be pressure tested to 50 percent of the rated working pressure. All pressure tests shall be maintained at least ten minutes or until provisions of test are met, whichever is longer.

Annular preventers shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip.

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

All tests and drills will be recorded in the drilling log.

The accumulator will have sufficient capacity to open the HCR valve, close all rams plus the annular preventer, and retain 200 psi above pre-charge pressure without the use of closing unit pumps. The system will have two independent power sources to close the preventers in accordance with 5M system requirements outlined in Onshore Order #2.

Remote controls shall be readily accessible to the driller. Master controls shall be at the accumulator.

3. CASING & CEMENTING PROGRAM:

A. The proposed casing program will be as follows:

Depth	Hole Size	Size	Grade	Weight	Thread	Condition
0-TD	7-7/8"	4-1/2"	N-80	11.6#	LT&C	New

Re-entry into the existing wellbore will include welding a new stub onto the existing surface casing, drilling out plugs, and proceeding with drilling to TD.

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 casing, except conductor casing, shall be new or reconditioned and tested. Used casing shall meet or exceed API standards for new casing.

The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing. If drive pipe is used, it may be left in place if its total length is less than twenty feet below the surface. If the total length of the drive pipe is equal to or greater than twenty feet, it will be pulled prior to cementing surface casing, or it will be cemented in place.

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 being displaced ahead of the cement slurry.

All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or to 1500 psi, whichever is greater, but not to exceed 70% of the minimum internal yield. If pressure declines more than 10% in 30 minutes, corrective action shall be taken.

The bottom three joints of the surface casing will have one centralizer per joint and one centralizer every fourth joint thereafter.

Casing design subject to revision based on geologic conditions encountered.

B. The proposed cementing program will be as follows:

Production String: Estimated volume (gauge hole + 15%):

Lead: 450 sx Hifill @ 11.0 ppg, 3.84 ft³/sx.

Tail: 1400 sx 50/50 POZ @ 14.35 ppg, 1.26 ft³/sx.

Actual volumes will be calculated and adjusted with caliper log prior to cementing. Ten percent excess will be pumped.

For surface casing, waiting on cement time will be adequate to achieve 500 psi compressive strength at the casing shoe prior to drilling out.

Anticipated cement tops will be reported as to depth, not the expected number of sacks of cement to be used. The Vernal District BLM Office will be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.

After cementing the surface pipe and/or any intermediate strings, 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.

4. DRILLING FLUIDS PROGRAM:

Interval	Type	Weight (ppg)	Viscosity	pH	Water Loss	Remarks
0-400'	Spud	8.4 -9.0	30-45+	8.0	NC	Gel & lime as required.
400'-Top of Wasatch	Wtr/gel	8.4-8.8	27-35	8.5-9.0	NC	Min. Wt.
Top of Wasatch-TD	KCL Mud	8.5-8.8*	35-45	9.0-11.0	10-15cc @ TD	* Min Wt. to control formation pressure.

NC = no control

Sufficient quantities of mud material will be maintained on site or be readily accessible for the purpose of assuring well control. SPR will be recorded on daily drilling report after mudding up. Visual mud monitoring will be conducted during operations.

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.

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, testing, or completing 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, testing, or completing of this well.

5. EVALUATION PROGRAM:

Logs: DLLT/GR: TD to base surface casing
 SDL/DSN/GR/CAL: TD to 300' above Green River
 MRIL: TD to 100' above Wasatch
 (at operators discretion)

Cores: None anticipated.

DST's: None anticipated.

When cement has not been circulated to surface, the cement top will be determined by either a temperature survey or cement bond log. Should a temperature survey fail to locate the cement top, a cement bond log will be run. A field copy will be submitted to the Vernal BLM office.

Drill stem tests, if they are run, will adhere to the following requirements:

Initial opening of the drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the Authorized Officer. However, DST's may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vapor-proof for safe operations). Packers can

be released, but tripping shall not begin before daylight, unless prior approval is obtained from the Authorized Officer. Closed chamber DST's may be performed day or night.

Some means of reverse circulation shall be provided in case of flow to the surface showing evidence of hydrocarbons.

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 be operational during the test shall have spark arresters or water-cooled exhausts.

6. ABNORMAL CONDITIONS:

No anticipated abnormal pressures or temperatures are expected to be encountered. No hydrogen sulfide is expected.

Anticipated bottom-hole pressure is 3955 psi.

7. OTHER INFORMATION:

The anticipated starting date and duration of the operation will be as follows:

Starting Date:	Upon Approval
Duration:	11 Drilling Days & 7 Completion Days

If the well is completed as a dry hole or as a producer, Well Completion or Recompletion Report and Log (Form 3160-4) will be submitted within 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3160. Copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample descriptions, daily drilling reports, daily completion reports, and all other surveys or data obtained and compiled during the drilling, completion, and/or workover operations, will be submitted directly to the Authorized Officer or filed with Form 3160-4.

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

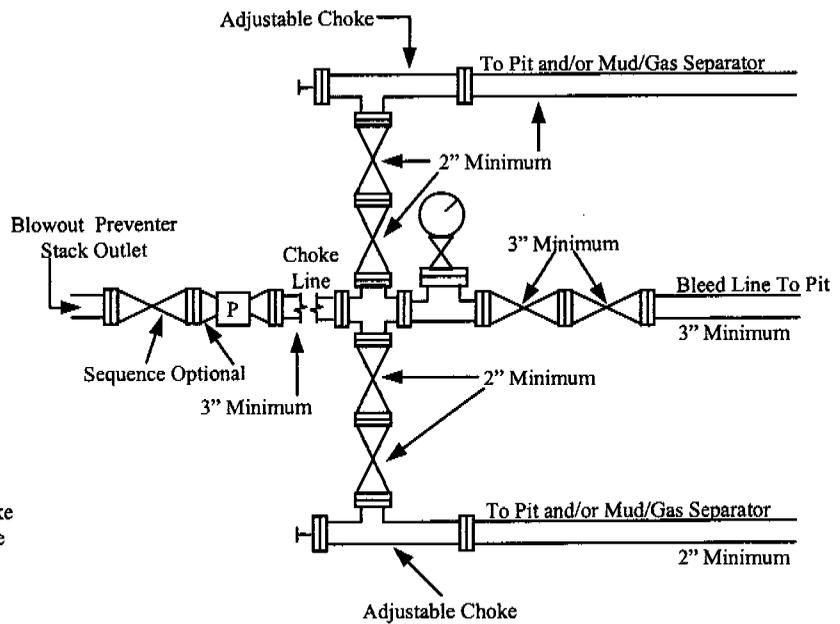
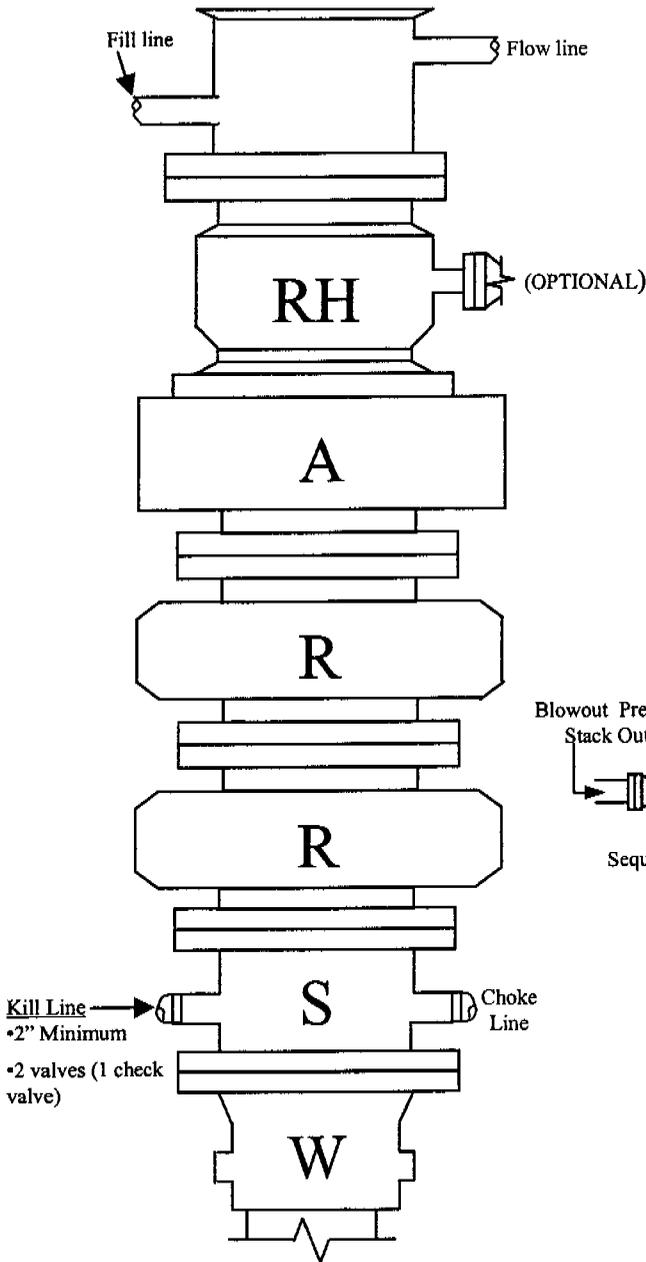
Deviations from the proposed drilling and/or workover program will be approved by the Authorized Officer. Safe drilling and operating practices will be observed. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.

"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.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Orders No. 1 and No. 2, and the approved Plan of Operations. The Operator is fully responsible for the actions of its subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

DOUBLE RAM TYPE PREVENTERS WITH AN OPTIONAL ROTATING HEAD

5000 psi system



* Note: Kill line shall be 2" minimum diameter and have two valves, one of which shall be a check valve. Both valves: 2" minimum.

Minimum BOP Stack

One Pipe Ram

One Blind Ram

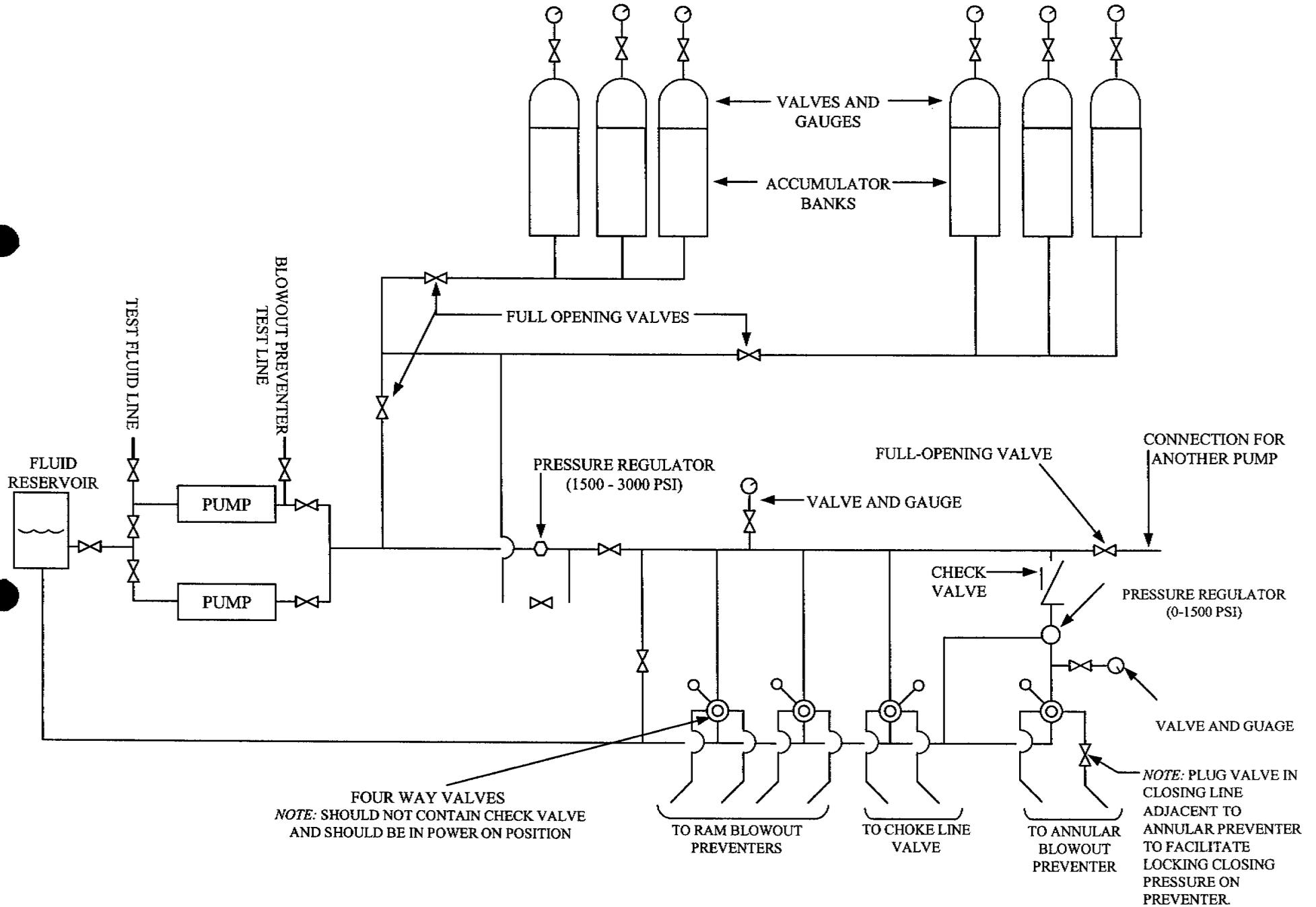
One Annular

Well Head

Manifold

5000 psi Working Pressure

**TYPICAL BLOWOUT PREVENTER
CLOSING UNIT ARRANGEMENT**



PANNONIAN ENERGY, INC.

***Federal 11-21-9-19
NWNW, Section 21-T9S-R19E
Uintah County, Utah
Lease No. UTU-78433***

SURFACE USE PLAN

An onsite inspection for the subject well was conducted on June 26, 2001. Weather conditions at the time of the onsite inspection were overcast and windy. In attendance were the following individuals:

Stan Olmstead – Bureau of Land Management
Robert Kay – Uintah Engineering & Land Surveying
Robin Dean – Pannonian Energy, Inc.
Kelly Olds – Halliburton Integrated Solutions
Sheila Bremer – Halliburton Integrated Solutions

1. EXISTING ROADS:

Refer to Topo Maps A and B for location of existing access roads.

See Topo Map A for directions to the proposed location from Myton, Utah.

The existing roads will be maintained and kept in good repair.

2. ACCESS ROADS TO BE CONSTRUCTED:

Approximately 0.5 miles of an 2-track and 0.6 miles of a reclaimed road will be required to access the proposed location.

The proposed access road was centerline staked.

The new road will be completed as a single lane 18-foot subgrade road with no CMPs (see Topo Map B).

Maximum grade will be less than eight percent.

There are no major cuts or fills, turnouts, or bridges anticipated along the proposed access route.

No gates, cattleguards, fence cuts, or modifications to existing facilities will be required on or along the proposed access route.

The access road will be constructed and maintained as necessary to prevent soil erosion and accommodate all-weather traffic. The road will be crowned and ditched with water turnouts installed as necessary to provide for proper drainage along the access road route.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

The access road and associated drainage structures will be constructed and maintained in accordance with roading guidelines contained in the joint BLM/USFS publication: *Surface Operating Standards for Oil and Gas Exploration and Development*, Third Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

If the access road is dry during construction, drilling, and completion activities, water will be applied to the access road to help facilitate road compaction (during construction) and to minimize soil loss as a result of wind erosion.

3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS:

See Topo Map C.

Water wells – 0
Abandoned wells – 1
Temporarily Abandoned wells – 0
Disposal wells – 0
Drilling/Proposed wells – 0
Producing wells – 4
Shut-in wells – 0
Injection wells – 0
Monitoring wells - 0

4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope.

Containment berms will be constructed completely around production facilities designed to hold fluids (i.e., production tanks, produced water tanks, and/or heater/treater). The containment berms will be constructed of compacted subsoil, be sufficiently impervious, hold 110 percent of the capacity of the largest tank, and be independent of the back cut.

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

All permanent (on site six months or longer) aboveground structures constructed or installed on location and not subject to safety requirements will be painted Carlsbad Canyon (Munsell standard color 2.5y 6/2).

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

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 Authorized Officer 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 Field Office. All meter measurement facilities will conform with Onshore Oil and Gas Order No. 4 for liquid hydrocarbons and Onshore Oil and Gas Order No. 5 for natural gas measurement.

All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.

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

5. LOCATION AND TYPE OF WATER SUPPLY:

Water for drilling will be obtained from the Dalbo Ouray Water Facility located in Section 32-T4S-R3E, Water Use Claim #43-8496, Application #53617. No water supply well will be drilled.

The water will be transported to location via truck by an approved commercial water hauler over the access roads shown on Topo Maps A and B.

6. SOURCE OF CONSTRUCTION MATERIALS:

Surface and subsoil materials in the immediate area will be utilized. Any construction materials that may be required for surfacing of the drill pad and access road will be obtained from a contractor having a permitted source of materials within the general area.

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

No construction materials will be removed from Federal lands without prior approval.

7. METHODS OF HANDLING WASTE DISPOSAL:

Cuttings and drilling fluids will be contained in the reserve pit.

Tanks will be used for storage of produced fluids during testing. Fracture stimulation fluids will be flowed back into the reserve pit for evaporation.

Portable, self-contained chemical toilets will be provided for human waste disposal. Upon completion of operations, or as required, the toilet holding tanks will be pumped and the contents thereof disposed of in an approved sewage disposal facility. All state and local laws and regulations pertaining to disposal of human and solid waste will be complied with.

All garbage and non-flammable waste materials will be contained in a self-contained, portable dumpster or trash cage. Upon completion of operations, or as needed, the accumulated trash will be transported to a state approved waste disposal site. No trash will be placed in the reserve pit.

Immediately after removal of the drilling rig, all debris and other waste materials not contained in the trash cage will be cleaned up and removed from the location. No potentially adverse materials or substances will be left on the location. Any open pits will be fenced

during drilling operations and said fencing will be maintained until such time as the pits have been backfilled.

After first production, produced wastewater will be confined to the approved pit or storage tank for a period not to exceed 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 will be submitted for the Authorized Officer's approval.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

Operator maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

8. ANCILLARY FACILITIES:

None anticipated.

9. WELL SITE LAYOUT:

A. General Information:

See the attached *Location Layout* and *Typical Cross Sections* diagrams showing the proposed drill pad cross sections and cut and fills in relation to topographic features as well as access onto the pad and soil stockpiles.

See the attached *Typical Rig Layout* diagram showing the location of the reserve pit, flare pit, living facilities, and rig orientation with respect to the pad and other facilities.

If necessary, in order to divert surface runoff, a drainage ditch will be constructed around the upslope side of the well site.

All equipment and vehicles will be confined to the approved disturbed areas of this APD (i.e., access road, well pad, and spoil and topsoil storage areas).

The fill section of the pad that supports the drilling rig and any other heavy equipment will be compacted.

B. Reserve Pit:

The reserve pit will be constructed in a way that minimizes the accumulation of surface precipitation runoff into the pit. This may be accomplished by appropriate placement of subsoil/topsoil storage areas and/or construction of berms or ditches.

The reserve pit will be fenced on three sides during drilling operations and the fourth side will be fenced after the drilling rig moves off the location. Thirty-nine (39) inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire will not be used if pipe or some type of reinforcement rod is attached to the top of the entire fence. The net wire will be no more than two inches above the ground. The barbed wire will be three inches over the net wire. Total height of the fence will be at least 42 inches. Corner posts will be cemented and/or braced in such a manner to keep the fence tight at all times. Standard steel, wood, or pipe posts will be used between the corner braces. Maximum distance between any 2 fence posts will not be greater than 16 feet. All wire will be stretched using a stretching device before it is attached to the corner posts.

Siphons, catchments, and/or absorbent pads will be installed to keep hydrocarbons produced by the drilling rig from entering the reserve pit. Hydrocarbons and contaminated pads will be disposed of in accordance with DEQ requirements.

The reserve pit will be backfilled as soon as dry after drilling and completion operations are finished. If natural evaporation of the reserve pit is not feasible, alternative methods of drying, removal of fluids, or other treatment will be developed. If fluids will be disposed of by any method other than evaporation or hauling to a DEQ approved disposal pit, prior approval from the Authorized Officer will be obtained.

If a liner is required, then the reserve pit will be lined with a synthetic liner. The reserve pit bottom and side walls shall be void of any sharp rocks that could puncture the liner. The liner will be installed over smooth fill subgrade that is free of pockets, loose rocks, or other materials (i.e. sand, sifted dirt, or bentonite) that could damage the liner. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place.

10. PLANS FOR RECLAMATION OF THE SURFACE:

Producing Location:

- Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.
- If a synthetic, nylon reinforced, liner is used, the excess liner will be cut off and removed and the remaining liner will be torn and perforated while backfilling the reserve pit. Alternatively, the pit will be pumped dry, the liner folded into the pit, and the pit backfilled.
- Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

- The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 120 days from the date of well completion, weather permitting. This will be completed by backfilling and crowning the pit to prevent water from standing.
- Seeding will be performed immediately after the location has been reclaimed and the pit has been backfilled, regardless of the time of year. The Bureau of Land Management will specify a seed mixture. Seed will be broadcast and walked in with a dozer. The topsoil stockpile will be seeded as soon as the location has been constructed with the same recommended seed mix.

Dry Hole/Abandoned Location:

- On lands administered by the BLM, abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions may include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and the re-establishment of vegetation as specified.
- All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

11. SURFACE OWNERSHIP:

Surface ownership of the proposed location is as follows:

Well Site & Access Road: Bureau of Land Management

12. OTHER INFORMATION:

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

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 be submitted and approved prior to the application of herbicides or other pesticides or possibly hazardous chemicals.

Drilling rigs and/or equipment used during drilling operations on this location will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. If BLM authorization is obtained, such storage is only a temporary measure.

The Operator is responsible for informing all persons in the area who are associated with this project that they may be subject to prosecution for knowingly disturbing historic or archaeological sites or for collecting artifacts. All vehicular traffic, personnel movement, construction, and restoration activities shall be confined to the areas examined, as referenced in the archaeological report, and to the existing roadways and/or evaluated access routes. 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. Within five working days, the Authorized Officer will inform the Operator as to:

- whether the materials appear eligible for the National Historic 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 Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer 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 Authorized Officer 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 Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the Operator will then be allowed to resume construction.

A Class III archeological survey has been conducted by Metcalf Archeological Consultants. No significant cultural resources were found and clearance is recommended. Metcalf Archeological Consultants will submit a copy of this report to the appropriate agencies.

13. LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

Mike Decker
Pannonian Energy, Inc.
14 Inverness Drive East
Suite H-236
Englewood, Colorado 80112-5625
(303) 204-3880

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently 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 Pannonian Energy, Inc., and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

7-5-01
Date


Howard Sharpe, Vice President

PANNONIAN ENERGY, INC.

FEDERAL #11-21-9-19

LOCATED IN UINTAH COUNTY, UTAH

SECTION 21, T9S, R19E, S.L.B.&M.

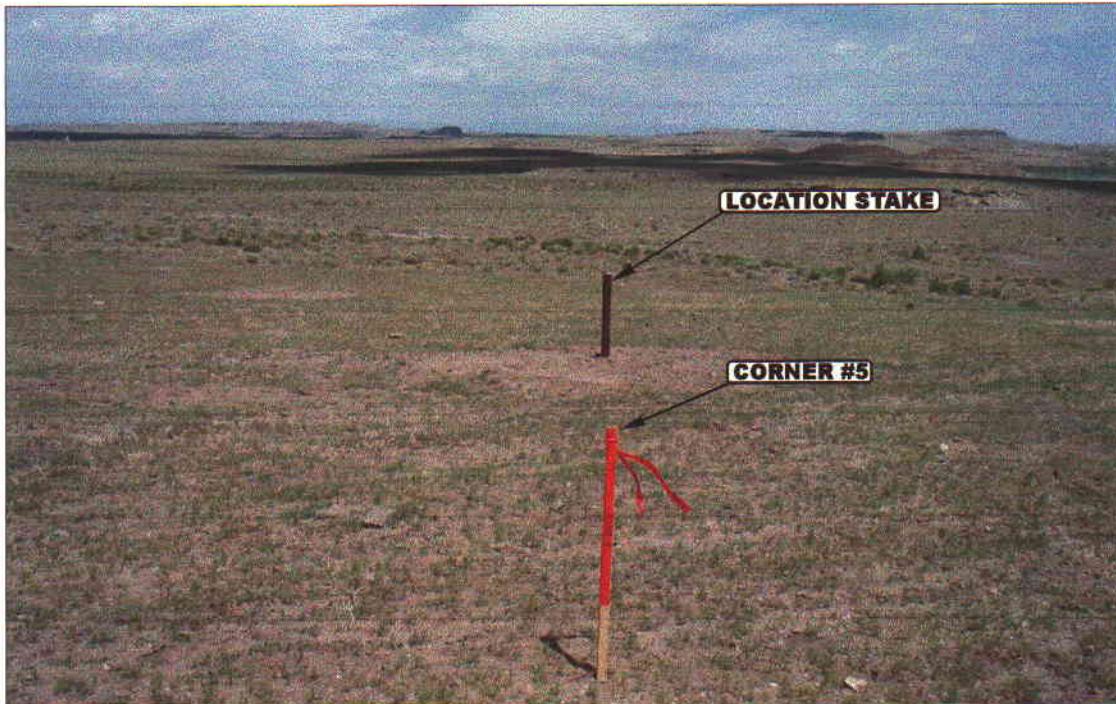


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF RECLAIMED ROAD

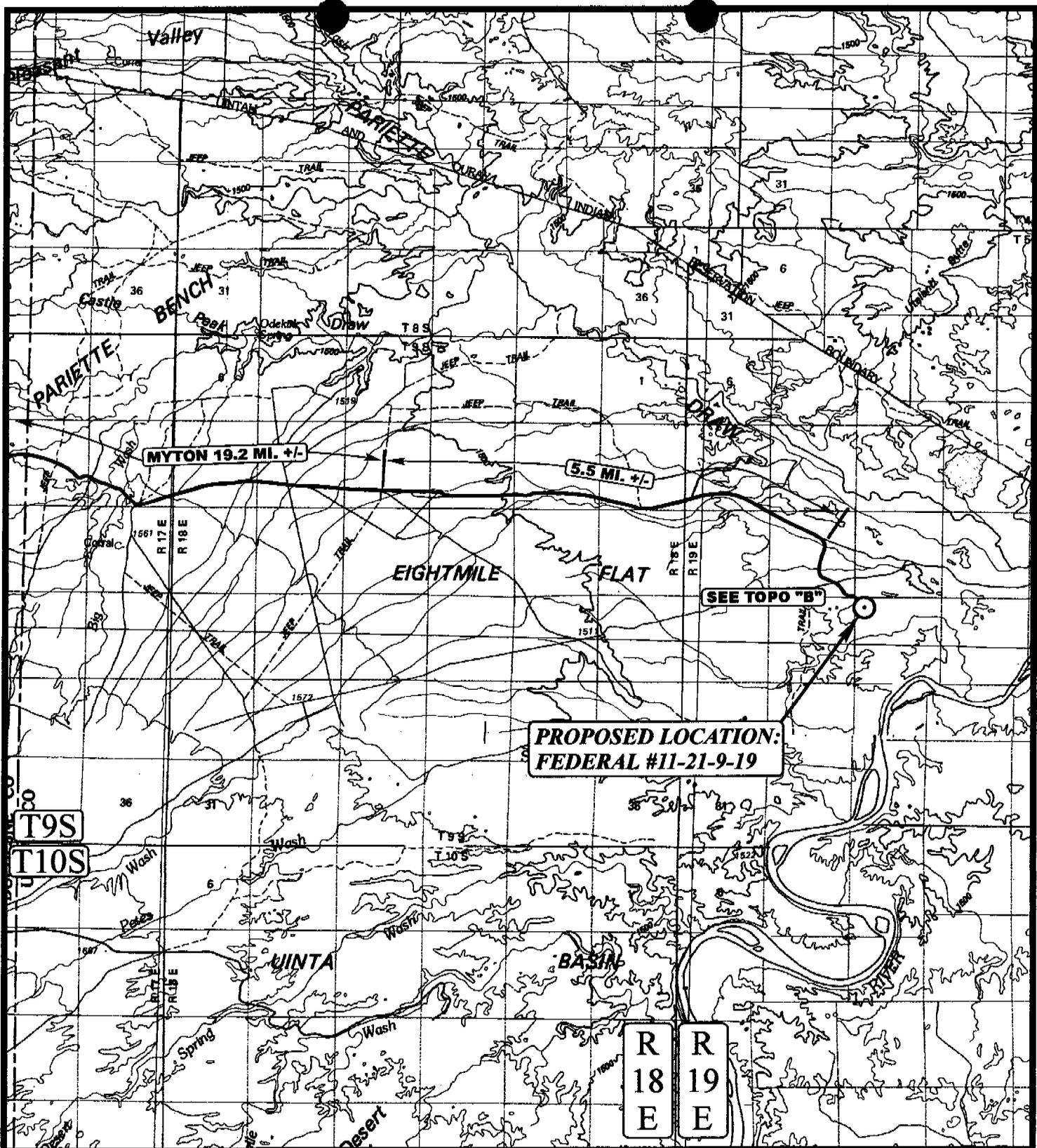
CAMERA ANGLE: SOUTHEASTERLY



- Since 1964 -

UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS	6	12	01	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: S.H.	DRAWN BY: K.G.		REVISED: 00-00-00	



LEGEND:

○ PROPOSED LOCATION



PANNONIAN ENERGY, INC.

FEDERAL #11-21-9-19
SECTION 21, T9S, R19E, S.L.B.&M.
699' FNL 599' FWL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

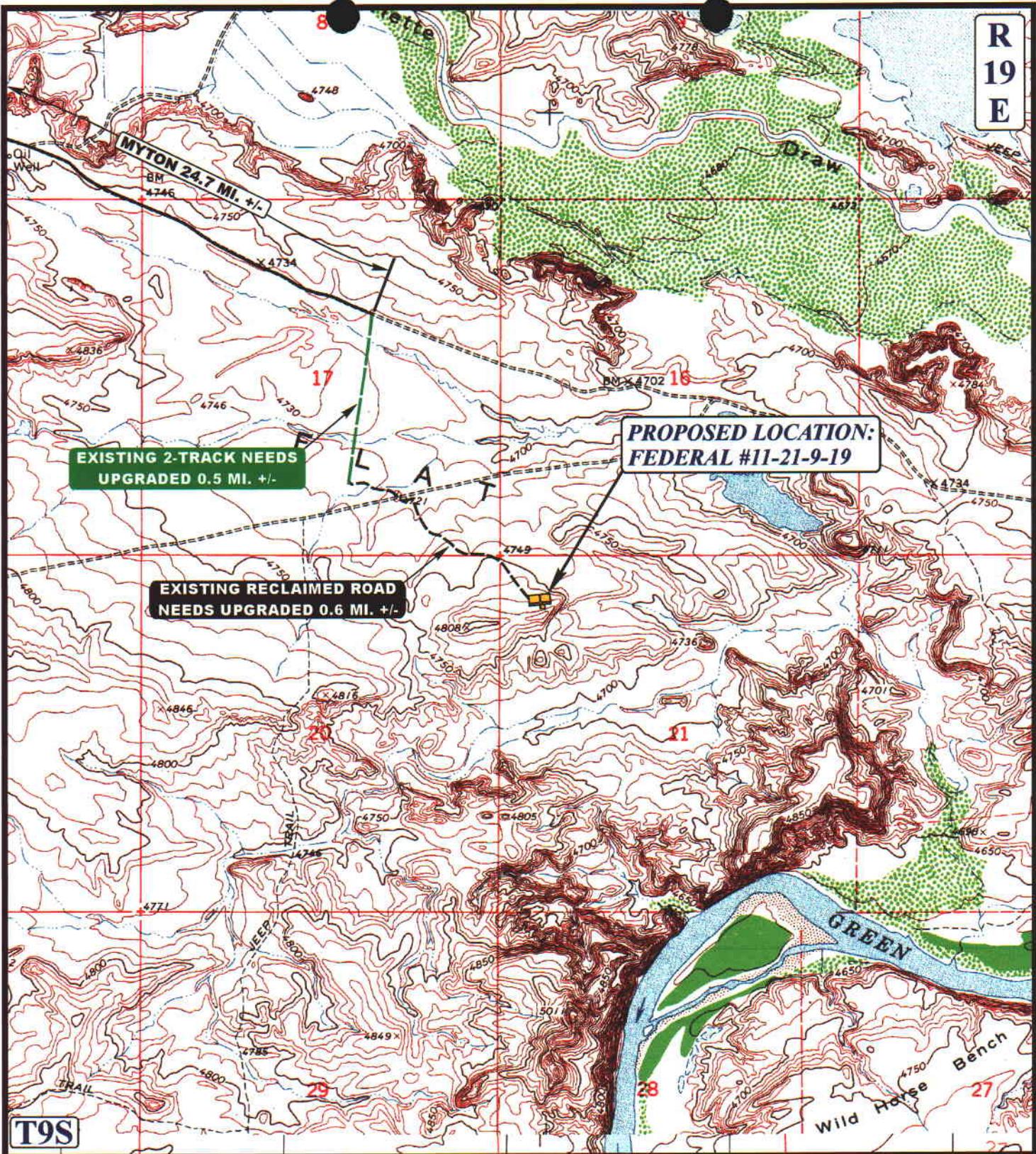
TOPOGRAPHIC
MAP

6	12	01
MONTH	DAY	YEAR



SCALE: 1: 100,000 DRAWN BY: K.G. REVISED: 00-00-00

R
19
E



T9S

LEGEND:

----- PROPOSED ACCESS ROAD
 _____ EXISTING ROAD

PANNONION ENERGY, INC.
 FEDERAL #11-21-9-19
 SECTION 21, T9S, R19E, S.L.B.&M.
 699' FNL 599' FWL



UEIS
 Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP 6 12 01
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: K.G. REVISED: 00-00-00 **B**
 TOPO

PANNONIAN ENERGY, INC.

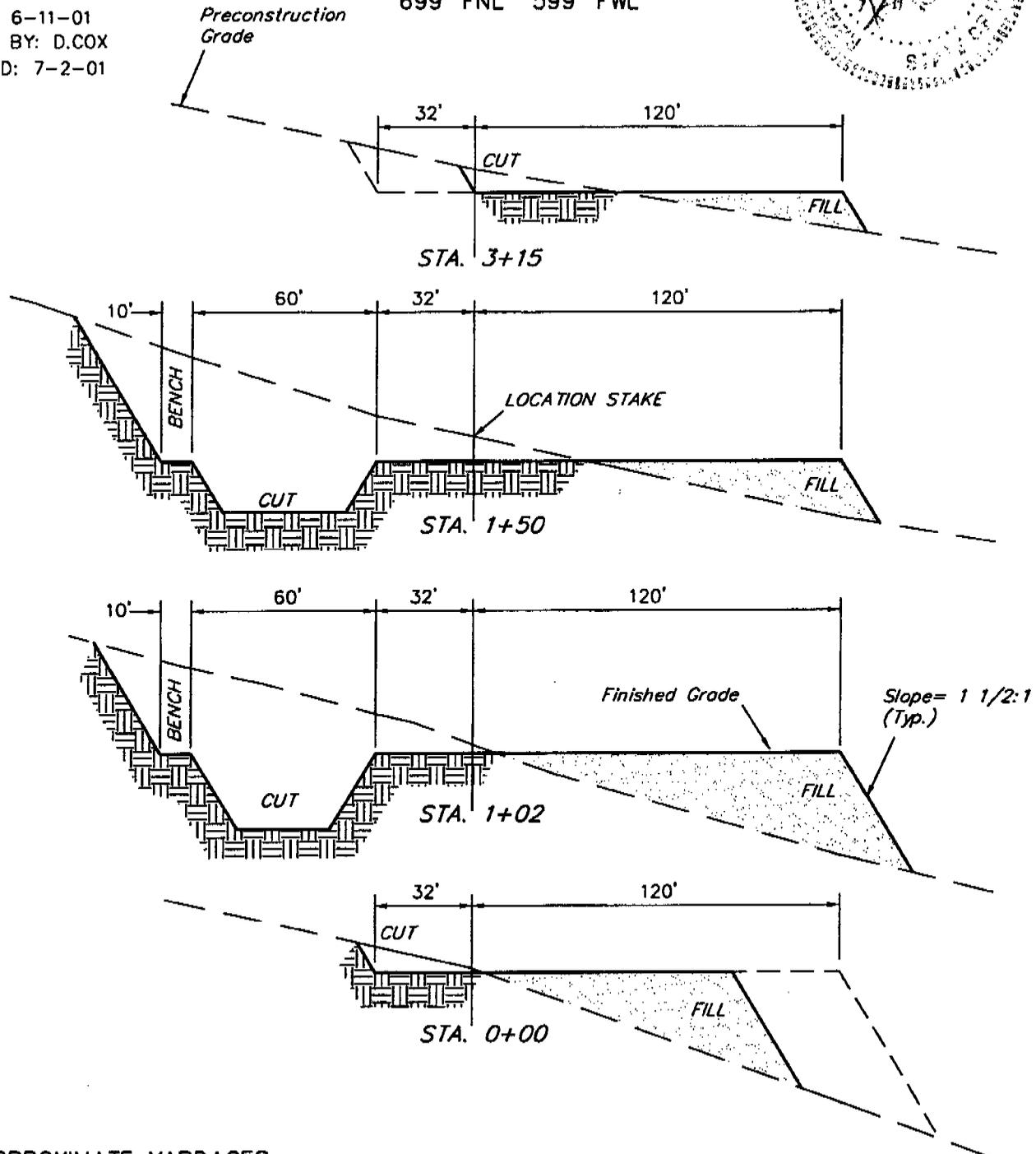
TYPICAL CROSS SECTION FOR

FEDERAL #11-21-9-19
SECTION 21, T9S, R19E, S.L.B.&M.
699' FNL 599' FWL



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

DATE: 6-11-01
DRAWN BY: D.COX
REVISED: 7-2-01



APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,070 Cu. Yds.
Remaining Location	= 7,930 Cu. Yds.
TOTAL CUT	= 7,530 CU.YDS.
FILL	= 9,000 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 1,960 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 1,960 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 07/10/1996 / 7-11-2001

API NO. ASSIGNED: 43-047-32704

WELL NAME: FED 11-21-9-19
 OPERATOR: PANNONIAN ENERGY INC (N1815)
 CONTACT: HOWARD SHARPE

PHONE NUMBER: 303-483-0044

PROPOSED LOCATION:
 NWNW 21 090S 190E
 SURFACE: 0699 FNL 0599 FWL
 BOTTOM: 0699 FNL 0599 FWL
 UINTAH
 PARIETTE BENCH (640)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal
 LEASE NUMBER: U-68624
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSTC

RECEIVED AND/OR REVIEWED:

Plat
 Bond: Fed[1] Ind[] Sta[] Fee[]
 (No. 4127759)

Potash (Y/N)
 Oil Shale 190-5 (B) or 190-3 or 190-13
 Water Permit
 (No. 43-1721)

RDCC Review (Y/N)
 (Date: _____)

Fee Surf Agreement (Y/N)

LOCATION AND SITING:

R649-2-3. Unit _____
 R649-3-2. General
 Siting: 460 From Qtr/Qtr & 920' Between Wells
 R649-3-3. Exception

Drilling Unit
 Board Cause No: _____
 Eff Date: _____
 Siting: _____

R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1- Fed. Appl.
2- Spacing Stip.



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

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

August 6, 2001

Pannonian Energy, Inc.
14 Inverness Dr. E
Englewood, CO 80112

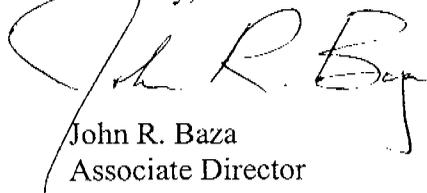
Re: Federal 11-21-9-19 Well, 699' FNL, 599' FWL, NW NW, Sec. 21, T. 9 South, R. 19 East,
Uintah County, Utah

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 43-047-32704.

Sincerely,



John R. Baza
Associate Director

cc:

Enclosures

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

Operator: Pannonian Energy, Inc.
Well Name & Number Federal 11-21-9-19
API Number: 43-047-32704
Lease: UTU 78433

Location: NW NW **Sec.** 21 **T.** 9 South **R.** 19 East

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 of spudding the well.
 - Contact Carol Daniels at (801) 538-5284.
Notify the Division prior to commencing operations to plug and abandon the well.
 - Contact Dan Jarvis at (801) 538-5338

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

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU - 78433

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

7. UNIT or CA AGREEMENT NAME:
N/A

8. WELL NAME and NUMBER:
Federal 11-21-9-19

9. API NUMBER:
43-047-32704

10. FIELD AND POOL, OR WILDCAT:
River bend

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL GAS WELL OTHER _____

2. NAME OF OPERATOR:
Pannonian Energy (a wholly owned subsidiary of Gasco Energy, Inc.)

3. ADDRESS OF OPERATOR:
14 Inverness Dr. East Englewood CO 80112 PHONE NUMBER:
(303) 483-0044

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 577' FNL & 522, FWL COUNTY: Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 21 T9S R19 E STATE: UTAH

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

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

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

Please **rescind** the previously submitted August 2001 APD. The mechanics of the existing hole prevented re-entry. Pannonian Energy has elected to move a few feet away from the existing hole and drill a new well. The new APD was sent to you last week.

RECEIVED
MAY 23 2002
DIVISION OF
OIL, GAS AND MINING

NAME (PLEASE PRINT) Howard Sharpe TITLE Vice President & Secretary
SIGNATURE *Howard O Sharpe* DATE 5-20-02

(This space for State use only)



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Robert Morgan
Executive Director
Lowell P. Braxton
Division Director

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

June 5, 2002

Howard Sharpe
Pannonian Energy Inc.
14 Iverness Dr. East
Englewood, Colorado 80112

Re: APD Rescinded – Federal 11-21-9-19, Sec.21, T.9S, R.19E – Uintah County,
Utah API No. 43-047-32704

Dear Mr. Sharpe:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining on August 6, 2001. The division received a sundry notice dated May 23, 2002 requesting that the division rescind the approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby **rescinded**, effective May 23, 2002.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason
Engineering Technician

cc: Well File
Gil Hunt, Technical Services Manager
Bureau of Land Management, Vernal