

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

APPLICATION FOR PERMIT TO DRILL OR DEEPEN		5. Lease Designation and Serial Number: ML-3221	
		6. If Indian, Allocated or Tribe Name: NA	
1A. Type of Work: DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		7. Unit Agreement Name: Rockhouse Unit	
B. Type of Well: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER: SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		8. Farm or Lease Name: Rockhouse Unit	
2. Name of Operator: United Utilities Corporation		9. Well Number: 18	
3. Address and Telephone Number: 625 North 100 West Vernal, UT 84078 (801) 789-2772		10. Field and Pool, or Wildcat: Rockhouse Gas Field	
4. Location of Well (Footages) At Surface 501' FNL & 514' FEL, Section 16, T11S, R23E At Proposed Producing Zone: Same		11. Ctr/Qtr, Section, Township, Range, Meridian: NE $\frac{1}{4}$ /NE $\frac{1}{4}$ Sec. 16, T11S, R23E, S.L.B. & M	
14. Distance in miles and direction from nearest town or post office: Approximately 34 miles south of Bonanza, Utah		12. County: Uintah	13. State: UTAH
15. Distance to nearest property or lease line (feet): 501'	16. Number of acres in lease: 640	17. Number of acres assigned to this well: 160	
18. Distance to nearest well, drilling, completed, or applied for, on this lease (feet): 2,490'	19. Proposed Depth: 5,500'	20. Rotary or cable tools: Rotary	
21. Elevations (show whether DF, RT, GR, etc.): 5,952.9'		22. Approximate date work will start: June 30, 1996	

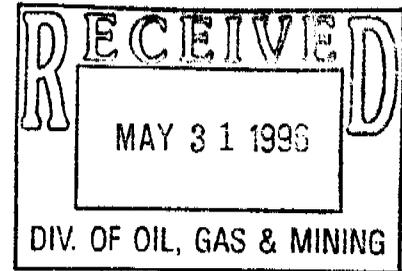
23. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4	K-55, 9 5/8	36	250'	150 sx to surface
7 7/8	M-50 4 1/2	10.5	5,500'	1,030 sx to surface

DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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.

Attachments to this APD:

1. Surveyor's location plat
2. Well Control Plan
3. Surface use and operating plan
4. Maps & diagrams
5. Self certification statement
6. Hazardous materials declaration



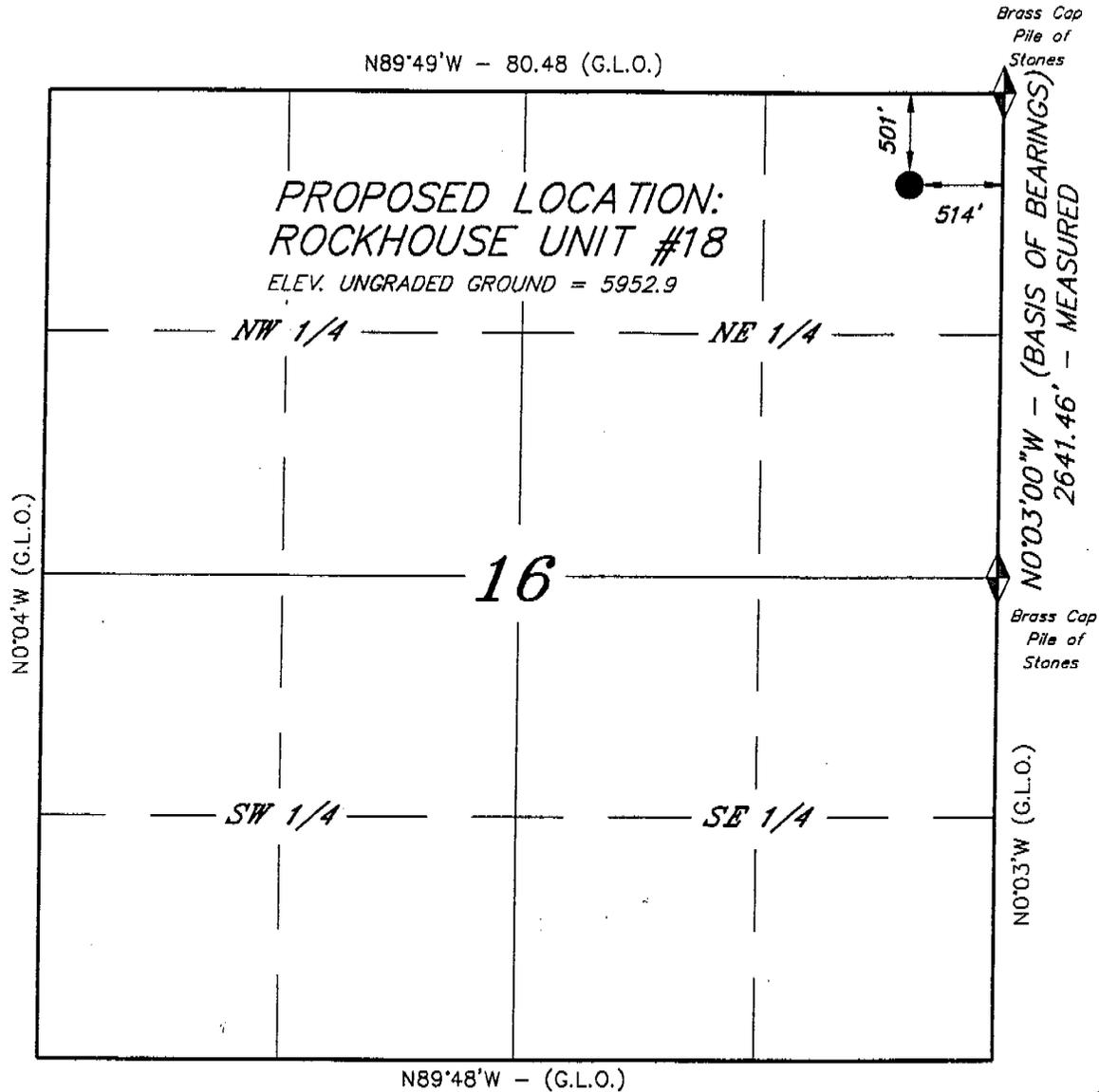
24. Name & Signature: Terry J. Cox Title: Agent-Consulting Engineer Date: 5/24/96

(This space for State use only) Matthews Approval: 7/3/96
API Number Assigned: 43-047-32762

UNITED UTILITIES INC.

WELL LOCATION, ROCKHOUSE UNIT #18 LOCATED
AS SHOWN IN THE NE 1/4 NE 1/4 OF SECTION 16,
T11S, R23E, S.L.B.&M., UINTAH COUNTY, UTAH.

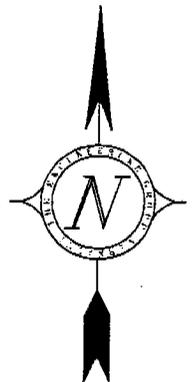
T 1 1 S, R 2 3 E, S. L. B. & M.



BASIS OF ELEVATION

SPOT ELEVATION FROM A BENCHMARK LOCATED ON THE NORTH LINE OF SECTION 17, T11S, R23E, S.L.B.&M. TAKEN FROM THE ARCHY BENCH SE QUADRANGLE PUBLISHED BY THE U.S.G.S. SAID ELEVATION IS MARKED AS BEING 6054 FEET.

- ◆ = SECTION CORNER LOCATED
- = PROPOSED LOCATION



THIS IS TO CERTIFY THAT THE PLAT HEREON WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY DIRECT SUPERVISION. THAT THE SAME HAS BEEN CORRECTLY SURVEYED AND STAKED ON THE GROUND AS SHOWN ON THIS PLAT AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Melvin L. Walker
MELVIN L. WALKER
REGISTERED LAND SURVEYOR
REGISTRATION NO. 174894
STATE OF UTAH



Preston Ostler Vernon & Associates, Inc. The Engineering Group		
P.O. Box 1776, 185 North Second Avenue, Suite 2, Panguitch, Utah 84650 Phone: (801) 789-0841 Fax: (801) 789-0400		Panguitch, Utah 84650 Phone: (801) 784-8212
DATE SURVEYED: 5-3-96	DRAWN BY: B.R.W.	
SURVEYED BY: D.P. T.V.	DATE DRAWN: 5-10-96	
WEATHER: COOL	NOTES:	
SCALE: 1" = 1000'	FILE: ROCKHOUSE 18	

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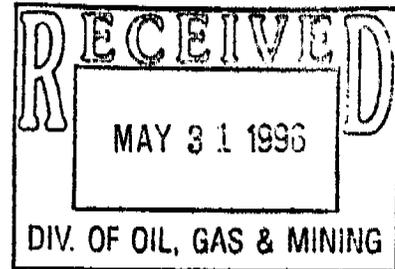
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3. Surface use and operating plan
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6. Hazardous materials declaration



24.

Name & Signature: *Ferry J. Cox* Title: Agent-Consulting Engineer Date: 5/27/96

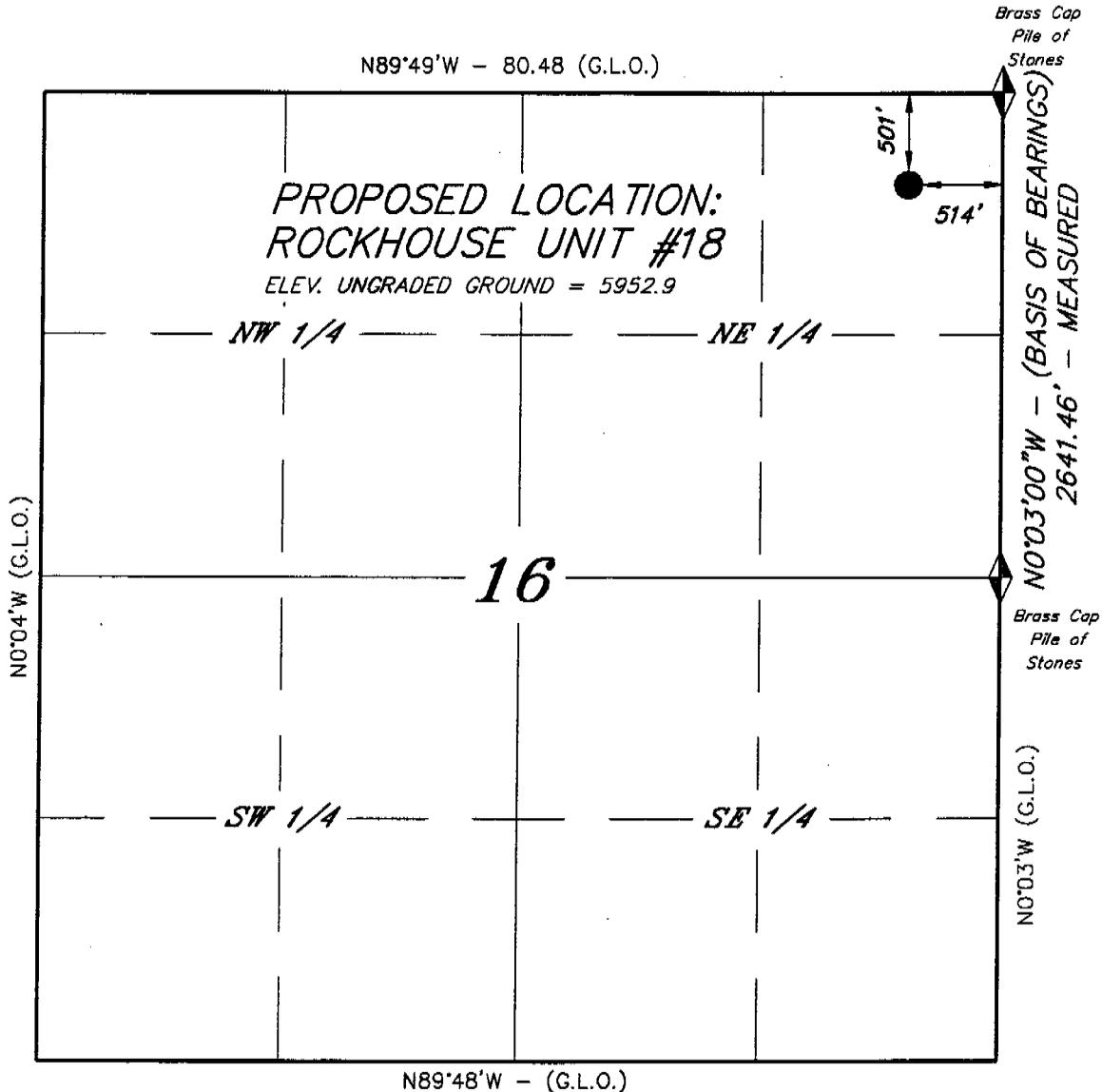
(This space for State use only) *J. Matthews* *Petroleum Engineer* 4/3/96

API Number Assigned: 43-047-32762 Approval:

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T 1 1 S, R 2 3 E, S. L. B. & M.

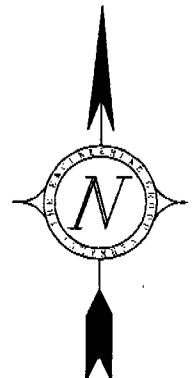


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STATE OF UTAH



Freston Ostler Vernon & Associates, Inc. The Engineering Group	
P.O. Box 1700, Salt Lake North Terminal Station, Suite 2, Salt Lake, Utah 84109	Tel: (801) 702-0001 Fax: (801) 702-0000
DATE SURVEYED: 5-3-96	DRAWN BY: B.R.W.
SURVEYED BY: D.P. T.V.	DATE DRAWN: 5-10-96
WEATHER: COOL	NOTES:
SCALE: 1" = 1000'	FILE: ROCKHOUSE 18

**APPLICATION FOR PERMIT TO DRILL
AND
SURFACE USE PROGRAM OF THE
APPLICATION FOR PERMIT TO DRILL**

Company/Operator: United Utilities Corporation
Well Name & Number: Rockhouse Unit #18
Lease Number: ML-3221
Location: 501' FNL & 514' FEL Section 16, T11S, R23E
Uintah County, Utah
Surface Ownership: State of Utah

NOTIFICATION REQUIREMENTS

Location Construction: Forty eight (48) hours prior to construction of access and roads and location.

Location Completion: Prior to moving in the drilling rig

Spud Notice: At least twenty four (24) hours prior to spudding the well

Casing String & Cementing: Twenty four (24) hours prior to running casing and cementing all strings.

BOP & Related Tests: Twenty four (24) hours prior to initiating pressure tests.

First Production Notice: Within five (5) business days after new well begins or production resumes after the well has been off production for more than ninety (90) days.

APPLICATION FOR PERMIT TO DRILL

UNITED UTILITIES CORPORATION

Lease ML-3221, Rockhouse Unit #18
501' FNL & 514' FEL Section 16, T11S, R23E
Uintah County, Utah

Drilling Prognosis

1. Estimated Tops of Important Geologic Markers

Uintah	Surface	Mesaverde	5,464'
Wasatch	3,494'	Total Depth	5,500'

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

Water:	Surface to T.D.		
Oil & Gas:	Green River		
	Wasatch	3,494' - 5,464'	Gas (Primary Objective)

If any shallow water zones are encountered, they will be adequately protected and reported. All potentially productive hydrocarbon zones will be cemented off.

3. Pressure Control Equipment - Schematic Attached

A. Type: Double Gate Hydraulic with Annular Preventer (Hydril).

The Blow-Out Preventer will be equipped as follows:

1. One (1) blind ram (above).
2. One (1) pipe ram (below).
3. Drilling spool with two (2) side outlets (choke side 3-inch minimum, kill side 2-inch minimum).
4. Kill line (2-inch minimum).
5. Two (2) kill line valves, one of which will be a check valve (2-inch minimum).
6. 3-inch (minimum) choke line.

7. Two (2) choke line valves (minimum).
8. Two (2) adjustable chokes.
9. Pressure gauge on choke manifold.
10. Upper kelly cock valve with handle available.
11. Safety valve and subs to fit all drill strings in use.
12. Fill up line above the uppermost preventer.

B. Pressure Rating:

The BOP and related equipment will meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc. for a 3,000 psi system and individual components will be operable as designed.

C. Testing Procedure:

Annular Preventer (Hydril)

At a minimum, the Annular Preventer will be pressure tested to 50% of the rated working pressure for a period of ten (10) minutes or until provisions of the test are met, whichever is longer.

At a minimum, the above pressure test will be performed:

1. When the annular preventer is initially installed;
2. Whenever any seal subject to test pressure is broken;
3. Following related repair; and
4. At thirty (30) day intervals.

In addition to the above, the annular preventer will be functionally operated at least weekly.

Blow-Out Preventer:

At a minimum, the BOP, choke manifold, and related equipment will be pressure tested to the approved working pressure of the BOP stack (if isolated from the surface casing by test plug) or to 70% of the internal yield strength of the surface casing (if the BOP is not isolated from the casing by a test plug). Pressure will be maintained for a period of at least ten (10) minutes or until the requirements of the test are met, whichever is longer.

At a minimum, the above pressure test will be performed:

1. When the BOP is initially installed;
2. Whenever any seal subject to test pressure is broken;
3. Following related repairs; and
4. At thirty (30) day intervals.

Chart recorders shall be used for all pressure tests. Test charts, with individual test results identified, shall be maintained on location while drilling and available for inspection. In addition to the above, the pipe and blind rams will be activated each trip, but not more than once each day.

All BOP drills and tests will be recorded in the LADC driller's log.

D. Choke Manifold Equipment:

All choke lines will be straight lines unless turns use tee blocks or are targeted with running tees, and will be anchored to prevent whip and vibration.

E. Accumulator:

The accumulator will have sufficient capacity to close all BOP's and retain 200 psi above precharge. Nitrogen bottles which meet the manufacturer's specifications will be used as the backup to the required independent power source. The accumulator precharge pressure test will be conducted prior to connecting the closing unit to the BOP stack and at least once every six (6) months thereafter. The accumulator pressure will be corrected if the measured precharge pressure is found to be above or below the maximum or minimum limits specified in Onshore Operating Order #2.

F. Miscellaneous Information:

The blow-out preventer and related pressure control equipment will be installed, tested, and maintained in compliance with the specifications in and requirements of Onshore Operating Order #2.

The choke manifold and BOP extension rods with hand wheels will be located outside the rig substructure. The hydraulic BOP closing unit will be located at least twenty five (25) feet from the well head but readily accessible to the driller. Exact locations and configurations of the hydraulic BOP closing unit will depend upon the particular rig contracted to drill the hole.

A flare line will be installed after the choke manifold, extending 100 feet (minimum) from the center of the drill hole to a separate flare pit.

4. The Proposed Casing and Cementing Program - All New

A. Casing Program

<u>Hole Size</u>	<u>Casing Size</u>	<u>Wt./Ft.</u>	<u>Grade Joint</u>	<u>Depth Set</u>
12-1/4"	9-5/8"	36.0#	K-55 ST&C	0 - 250'
7 7/8"	4-1/2"	10.5#	M-50 ST&C	0- 5,500'

The surface casing will have centralizers on the bottom joints, with a minimum of one (1) centralizer per joint.

All casing strings below the conductor will be pressure tested to 0.22 psi/foot, or 1,500 psi (not to exceed 70%) of the internal yield strength of the casing, whichever is greater, after cementing and prior to drilling out from under the casing shoe.

On all exploratory wells, and on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe will be performed, if required by the State of Utah. The formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at a total depth of the well. This test shall be performed before drilling more than twenty (20) feet of new hole.

B. Cementing Program

Surface Casing: 150 sx Class "G" + 0.25#/sk Cello-Seal + 2.0% CaCl₂, circulated to surface.

Production Casing: Lead with 295 sx Class "G" + 16% gel (bentonite) + 3% salt + 10#/sk Gilsonite, followed by 735 sx Class "G" + 10% gypsum + 0.4% CF-14A + 0.2% WR-15 + 10% salt. Actual cement volumes will be determined from caliper log adding 5% excess to assure a cement top of at least 200 feet above the top of the Mahogany oil shale zone.

5. Mud Program - Visual Monitoring

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Viscosity</u>	<u>Fluid Loss</u>
0' - 2,500'	Fresh Water	8.4-9.0	27-30	No Control
2,500' - T.D.'	LSND	8.5-9.5	35- 45	8-10 cc's

Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blowout will be available at the well site during drilling operations.

6. Evaluation Program

Logs:	High Resolution Resistivity - GR	-	5,500' - 250'
	Caliper-SP	-	5,500' - 250'
	Spectral Density	-	5,500' - 3,500'
	Dual Spaced Neutron	-	5,500' - 3,500'
DST's:	None anticipated.		
Cores:	None anticipated		

Evaluation program may change at the discretion of the wellsite geologist, with approval of the Authorized Agent, State of Utah.

Stimulation: No stimulation or frac treatment has been formulated for this test at this time. The drill site, as approved, will be of sufficient size to accommodate all completion activities.

Whether the well is completed as a dry hole or as a producer, Well Completion and Recompletion report and Log (Form 8) will be submitted to the Division of Oil, Gas & Mining no later than thirty (30) days after the completion of the well or after completion operations being performed, in accordance with 43 CFR 3164. Two (2) copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample descriptions and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 8. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the Division of Oil, Gas & Mining.

7. Abnormal conditions

No abnormal temperatures or pressures are anticipated. No H₂S has been reported or is known to exist from previous drilling in this area at this depth.

Maximum anticipated bottom hole pressure equals approximately 2,387 psi (calculated at 0.434 psi/foot) and maximum anticipated surface pressure equals approximately 1,210 psi (anticipated bottom hole pressure minus partially evacuated hole pressure calculated at 0.22 psi/foot).

8. Anticipated Starting Dates and Notification of Operations

A. Anticipated Starting Dates:

Anticipated Commencement Date	:	June 30, 1996
Drilling Days	:	Approximately 8 days
Completion Days	:	Approximately 15 days

B. Notification of Operations:

The spud date will be reported orally to the Authorized Agent at least 24 hours prior to spudding, unless otherwise required in the site specific conditions of approval, and will be followed up with a report on Form 3160-5 confirming the date of spud.

All wells, whether drilling, producing, or abandoned shall be identified in accordance with 43 CFR 3162.6. This requires the name of the operator, the lease number, the well number, and the location of the well.

A progress report will be filed a minimum of once a month starting with the month in which the well was spudded and continuing until the well is completed. The report will be filed by the 25th day of each month on form 3160-5. The report will include the spud date, casing information such as size, grade, weight, hole size, and setting depth, amount and type of cement used, top of cement, depth of cementing tools, casing test method(s), intervals tested, perforated, acidized, fractured, and results obtained and the dates of all work done.

Spills, blowouts, fires, leaks, accidents, theft, or any other unusual occurrences will be promptly reported to the Resource Area Office in accordance with NTL-3A.

Any venting or flaring of gas during initial well evaluation will be subject to the

provisions of NTL-4A.

In the event abandonment of the hole is desired, an oral request may be granted by the Authorized Agent but must be followed with a "notice of Intention to Abandon" within fifteen (15) days of receiving oral permission to plug and abandon. A "Subsequent Report of Abandonment" will be submitted within thirty (30) days following the actual plugging of the well bore. This report will indicate where plugs were placed and the current status of surface restoration operations. If surface restoration has not been completed at that time, a follow up report on Form 3160-5 will be filed when all surface restoration work has been completed and the location is considered ready for final inspection. If the location is on private surface, a "Landowner Acceptance of Reclamation" letter will be attached to this "Sundry Notice."

Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6.

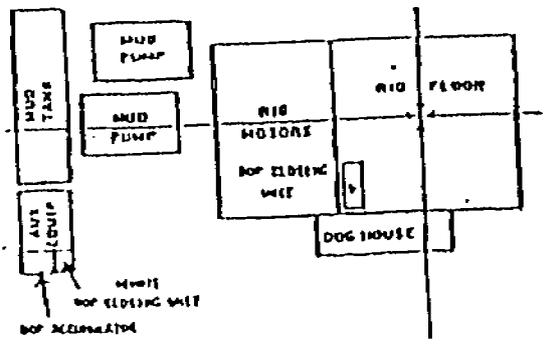
The following information will be permanently placed on the marker with a plate, cap, or beaded on with a welding torch: Company Name, Well Name and Number, Location by Quarter/Quarter, Section, Township, Range, and the Federal Lease Number.

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 ninety (90) days, the operator shall notify the Authorized Officer by letter or "Sundry Notice", of the date on which such production has begun or resumed. The notification shall provide as a minimum, the following information items;

- a. Operator name, address, and telephone number
- b. Well name and number
- c. Well location: 1/4, 1/4, Section, Township, Range, P.M.
- d. Date well was placed in a producing status
- e. The nature of the wells production, i.e.: crude oil casing gas, or natural gas and entrained liquid hydrocarbons
- f. The OCS, Federal or Indian lease prefix and number on which the well is located. Otherwise, the non-Federal or non-Indian land category, i.e.: state or private.
- g. As appropriate, the Communitization agreement number, the unit agreement name, number, and participating area name.

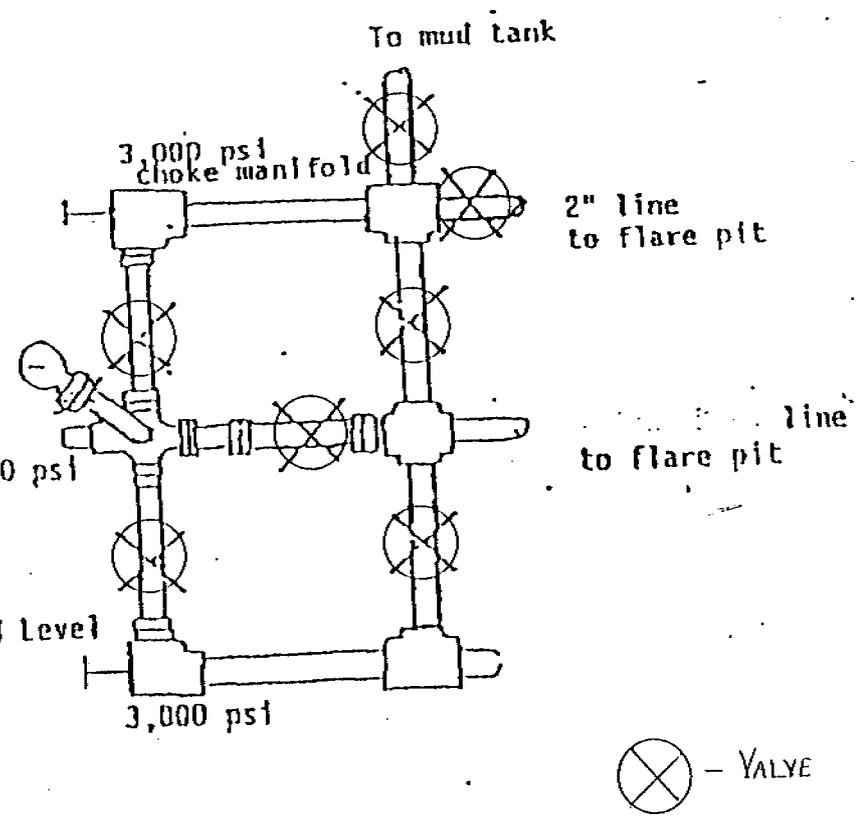
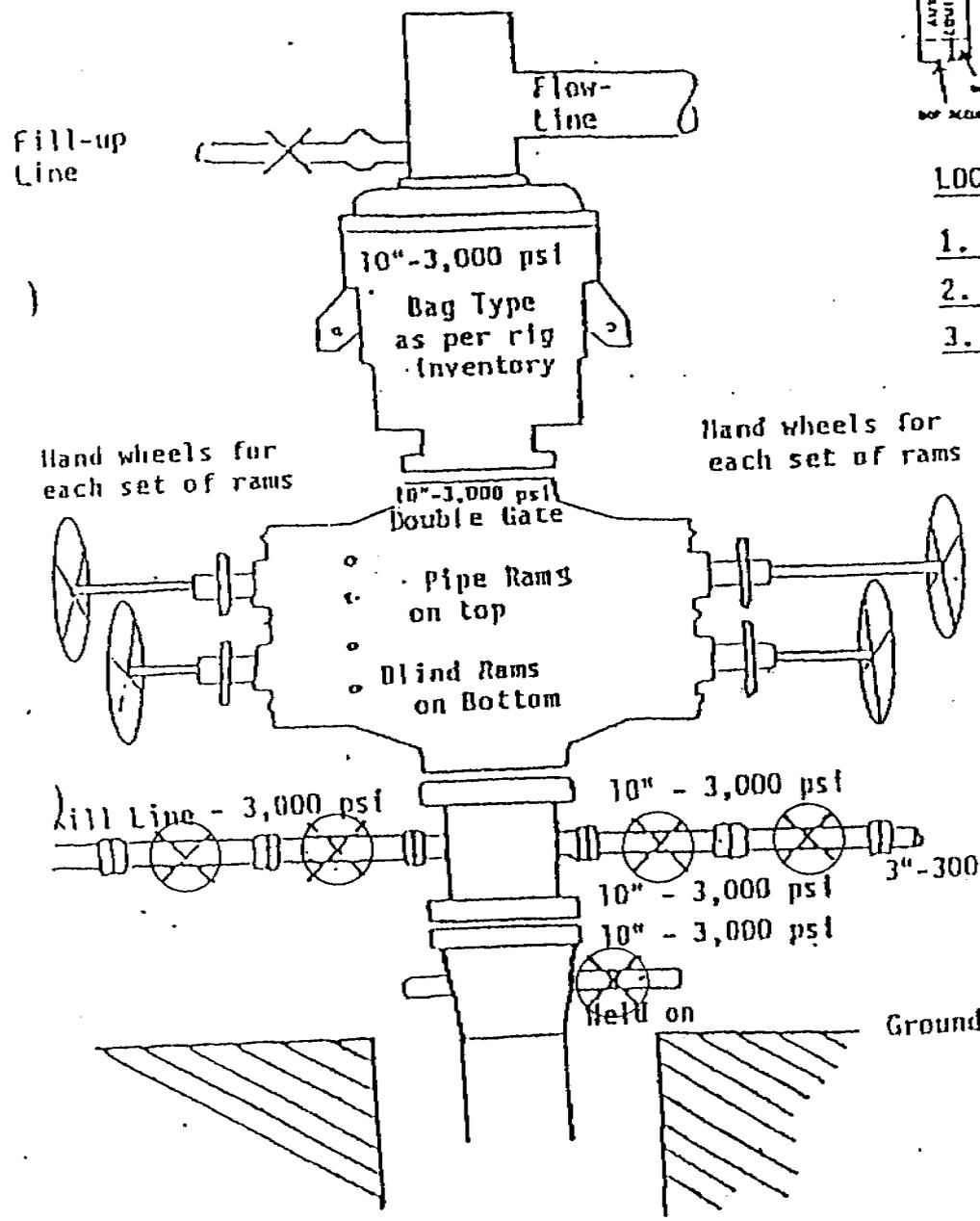
FIGURE No. 1
3000 psi

**DOUBLE GATE DAG TYPE BOP STACK
W/HYDRAULIC CONTROLS AND CHOKE
MANIFOLD FOR:**



LOCATION OF:

1. BOP controls on rig floor.
2. BOP remote controls.
3. BOP accumulator.



⊗ - VALVE

**SURFACE USE PROGRAM OF THE
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1. Existing Roads: Refer to Map "A" (shown in YELLOW)
 - A. The proposed well site is staked.
 - B. To reach the location continue south on HWY 45 to MILE marker "O". Turn left (Baxter Pass & other signs) onto the secondary road. Continue on the main road past the corrals at Hell's Canyon "Y" and turn right. Stay on the main road through Watson taking the left hand turn at Asphalt Wash and the right fork at the "Y" to Rainbow. Continue on the main road by Kings Well and the corral on the right hand side to a "Y". Continue on the right hand fork for +/- 0.3 mi. Take the left hand turn and proceed 5.9 mi. Staying to the right continue northward on the main road. After +/-5.9 mi. take the left fork and travel +/- 1.4

mi. Take the right turn and travel .9 mi. Take the right turn and travel 0.5 mi. to the well site.

- C. Access roads - refer to Maps "A".
- D. Access roads within a one mile radius - refer to Map "A".
- E. The existing roads will be maintained in the same or better condition as existed prior to the commencement of operations and said maintenance will continue until final abandonment and reclamation of the well location.

2. Planned Access Roads:

Approximately 0.05 mile of new road construction will be required for access to the proposed Rockhouse Unit #18 well location.

- A. Width - 18 foot running surface, crowned and ditched for drilling and completion operations with a 30' right-of-way.
- B. Maximum grade - 7%.
- C. Turnouts - none required.
- D. Drainage design - the access road will be upgraded and maintained as necessary to prevent soil erosion and accommodate year around traffic. Access road will be crowned, ditched, and water turnouts installed as necessary to provide for proper drainage along the access road route.
- E. Culverts, cuts, and fills - None.
- F. Surfacing material - none required for drilling operations. If production is established, surfacing materials for the access road will be purchased from a local contractor having a permitted source of materials in the area, if required by the Authorized Officer, Vernal Resource Area Office, Bureau of Land Management or the appropriate State of Utah agency.
- G. Gates, cattle guards or fence cuts - none required.
- H. The new access road route has been flagged.

3. Location of Existing Wells Within a Two Mile Radius:

- A. Water wells - None.
 - B. Abandoned wells - NW SW Section 4, T11S, R23E
NW SW Section 2, T11S, R23E
 - C. Temporarily abandoned wells - None
 - D. Disposal wells - None.
 - E. Drilling wells - None.
 - F. Producing wells - NE SE Section 3, T11S, R23E
SW SW Section 3, T11S, R23E
SE NW Section 9, T11S, R23E
SW SE Section 9, T11S, R23E
NE NW Section 9, T11S, R23E
SW SW Section 10, T11S, R23E
SE NW Section 10, T11S, R23E
NE SW Section 11, T11S, R23E
 - G. Shut-in wells - NE SW Section 8, T11S, R23E
SE SE Section 8, T11S, R23E
SE NE Section 8, T11S, R23E
SE SE Section 10, T11S, R23E
SW NE Section 16, T11S, R23E
SW NE Section 21, T11S, R23E
SE SE Section 15, T11S, R23E
SE NW Section 14, T11S, R23E
SE SE Section 14, T11S, R23E
SE NE Section 23, T11S, R23E
 - H. Injection wells - None.
 - I. Monitoring wells - None.
4. Location of Existing and/or Proposed Facilities Owned By United Utilities Corporation
Within a One Mile Radius:
- A. Existing

1. Tank batteries -
 - Rockhouse Unit #4 SE NW Section 9, T11S, R23E
 - Rockhouse Unit #12 SW SE Section 9, T11S, R23E
 - Rockhouse Unit #14 SW SW Section 10, T11S, R23E
 - Rockhouse Unit #13 SW NW Section 10, T11S, R23E
2. Production facilities -
 - Rockhouse Unit #4 SE NW Section 9, T11S, R23E
 - Rockhouse Unit #12 SW SE Section 9, T11S, R23E
 - Rockhouse Unit #14 SW SW Section 10, T11S, R23E
 - Rockhouse Unit #13 SW NW Section 10, T11S, R23E
3. Oil gathering lines - None.
4. Gas gathering lines -
 - SE 1/4 Section 9, T11S, R23E.
 - SW 1/2 Section 10, T11S, R23E
 - SE 1/4 Section 10, T11S, R23E

B. New Facilities Contemplated

1. All production facilities will be located on the disturbed (cut) portion of the well pad and at a minimum of fifteen (15) feet from the toe of the backout.
2. Production facilities will require an area approximately 300' X 150'. A diagram showing the proposed production facility layout will be submitted to the Authorized Officer via Sundry Notice (Form 3160-5) for approval prior to commencement of installation operations. All loading lines will be placed inside the berm surrounding the tank battery. All off lease storage, off lease measurement, or commingling on lease or off lease will have prior written approval from the AO. Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried or anchored down from the wellhead to the meter and within 500 feet downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced. The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted if required by the State of Utah. 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.

3. Production facilities will be accommodated on the well pad. Construction materials needed for installation of the production facilities will be obtained from the site; any additional materials needed will be purchased from a local supplier as required. A dike will be constructed completely around the production tanks. The dikes will be constructed of compacted subsoil, be impervious, hold the capacity of the largest tank plus one foot of free board, and be independent of the back cut.
4. All permanent above the ground structures, tank batteries, etc., that will remain longer than six months will be painted Juniper Green. The exception being that safety rules and regulations will be complied with where special safety colors are required.
5. The pipeline for Rockhouse Unit #18 will be laid to the south and west to tie into the gathering system in approximately the NW NE Section 16, T11S, R23E . Refer to Map "B".

C. Pit Fences

- a. All pits will be fenced "Sheep-Tight" with 39-inch woven wire and one (1) top stand of barbed wire.
- b. The net wire shall be no more than 2-inches above the ground. The barbed wire will be 3-inches above the net wire. Total height of the fence shall be at least 42 inches.
- c. Corner posts will be braced in such a manner to keep the fence tight at all times.
- d. Standard steel, wood, or pipe posts will be used between the corner braces. The maximum distance between any two posts will be no greater than 16 feet.
- e. All wire will be stretched before it is attached to the corner post by means of a stretching device.

D. During drilling and subsequent operations, all equipment and vehicles will be confined to the access road and any additional areas which may be specified in the approved Application for Permit to Drill.

E. Reclamation of disturbed areas no longer needed for operations will be accomplished by grading, leveling, and seeding with: Fourwing Saltbrush (6

lbs/acre); Beardless Bluebunch Wheatgrass (5 lbs/acre); Yellow Sweetclover (1 lbs/acre) Total of 12 lbs/acre.

5. Location and Type of Water Supply:

Water to be used for drilling this well will be hauled by truck over road marked in green on Map A.

- A. The primary water source will be under **State of Utah Water Right Number 49-1547 and Water Right Number 49-1548** from wells :

Rainbow Unit #2-A
NESW, S 18, T11S,R24E

Rainbow Unit #5
S/2, S 6, T11S,R24E

Rockhouse Unit #5-A
SWSE, S 13, T11S,R23E

- B. Secondary water source will be:

From Bitter Creek located approximately SW NW SW Section 25, T11S,R23E

- C. The tertiary water source will be:

Purchased from Vernal City water system and hauled to well site on the roads shown on Map A from Bonanza, Utah.

6. Source of Construction Materials:

- A. No construction materials will be needed for well pad construction; surface and subsurface soils will be sufficient. Refer to Item #2F regarding construction materials which may be required on the access road.
- B. No construction materials will be taken from State, Federal and/or Indian lands without prior approval from the appropriate Surface Management Agency.
- C. If production is established, any construction materials required for surfacing of the access road and installation of production facilities will be purchased from a

local supplier having an approved (permitted) source of materials in the area.

D. No new access roads for construction materials will be required.

7. Methods of Handling Waste Materials:

A. Cuttings - the cuttings will be deposited in the reserve pit.

B. Drilling fluids - including salts and chemicals will be contained in the reserve pit and allowed to evaporate. The reserve pit will be designed to prevent the collection of surface runoff and will be constructed with a minimum of one half (1/2) the total depth below the original ground level at the lowest point in the pit.

C. Produced fluids - hydrocarbons produced during completion operations will be placed in test tanks on the location. Water produced during completion operations will be put into the reserve pit according to Onshore Operating Order #7 (formerly NTL-2B). At first production, produced water will be confined to the reserve pit or storage tanks for a period not to exceed ninety (90) days. During that 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, will be submitted to the AO for approval. Any spills of oil, gas, salt water, or other potentially hazardous materials will be cleaned up and immediately removed to an approved disposal site.

D. Sewage - portable, self contained chemical toilets will be provided for human waste disposal. The toilet holding tanks will be pumped as necessary, and the contents thereof disposed of at an approved sewage disposal facility under permit #91-0120 from Uintah District Health Department.

E. Garbage and other waste material - garbage, trash, and other waste material will be collected in a portable, self contained and fully enclosed trash cage during drilling and completion operations. Upon completion of operations (or as needed) the accumulated trash will be disposed of at an authorized sanitary landfill. No trash will be placed in the reserve pit. No burning will be allowed.

F. Immediately after removal of the drilling rig, all debris and waste materials not contained in the trash cage will be cleaned up and removed from the well location. No adverse materials will be left on the location. Any open pits will be fenced during drilling operations and the fencing maintained until such time as the pits are backfilled.

8. Ancillary Facilities:

None anticipated.

9. Wellsite Layout:

- A. Figure #1 shows the drill site layout as staked. Cross sections have been drafted to visualize the planned cuts and fills across the location (refer to Figure #2). A minimum of six (6) inches of topsoil will be stripped from the location (including areas of cut, fill, and/or subsoil storage) and stockpiled for future reclamation of the well site. Refer to Figure #1 for the location of the topsoil stockpiles.
- B. Figure #1 is a diagram showing the rig layout. No permanent living facilities are planned. There will be approximately four (4) trailers on location: one each for the drilling engineer, geologist, mud logger, and toolpusher.
- C. A diagram showing the proposed production facility layout will be submitted to the Authorized officer via Sundry Notice (Form 3160-5) for approval prior to the commencement of installation operations (Refer to Item #4B for additional information in this regard).
- D. If porous soil or fractured rock is encountered during the excavation of the reserve pit, an inspection will be requested in order to ascertain the necessity of the installation of a pit liner. In the event of competent soils, a pit liner will not be installed.
- E. No silt catchment dams or basins will be required.

10. Plans for Reclamation of the Surface:

- A. If production is established, the unneeded areas of the location will be reclaimed as soon as the reserve pit has dried or no later than 6 months, whichever is sooner. If a plastic reinforced liner is used, it will be torn and perforated before backfilling of the reserve pit. The reserve pit will be cleaned of any cans, barrels, pipe, etc. prior to reclaiming. All waste materials will be disposed of immediately upon termination of drilling and completion activities. The reserve pit and portion of the location not needed for production facilities or operations will be recontoured to the approximate natural contours.

- B. Upon completion of backfilling, leveling and recontouring all disturbed surfaces (including the access road and well pad areas) will be scarified (ripped) and the stockpiled topsoil will be evenly spread over the reclaimed area(s). The seed bed will be prepared by disking on the contour to an approximate depth of four (4) to six (6) inches, leaving no depressions that would trap water or form ponds.
- C. All disturbed surfaces (including the well pad and access road) will be reseeded using the seed mixture referenced in Paragraph #4 E.

Seed will be drilled on the contour with the seed drill set at a depth of one half (1/2) inch. Fall seeding will be completed after September 1 and prior to ground frost. Spring seeding, to be effective, will be completed after the frost has left the ground and prior to May 15.

- D. Three sides of the reserve pit will be fenced "sheep tight" prior to commencement of drilling operations and the fourth side will be fenced immediately upon removal of the drilling rig. Said fencing will consist of 39-inch woven wire with one (1) top strand of barbed wire. Corner braces will be installed to assure tight fencing in order to protect livestock and wildlife. Please refer to item #4C for additional information regarding the actual fencing specifications.
- E. Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordances with 43 CFR 3162.7-1.
- F. Reclamation operations will begin after the drilling rig has been removed. Removal of oil or other adverse substances will begin immediately or the affected area(s) will be flagged and/or fenced. Other clean up will be done as needed. Reseeding activities are considered best in the Fall, 1996, unless requested otherwise.

11. Surface Ownership:

The well site and proposed access road route are situated on surface estate owned by the State of Utah.

12. Other Information:

- A. Topography: Rolling hills and shallow valleys.
- B. Soil characteristics: Rocky and sandy shale.

- C. Flora: +/- 30% coverage of land with sage brush, bunch grass, prickly pear cactus, etc.
- D. Fauna: Domestic sheep. Mule deer, elk, rabbits, coyotes and rodents.
- E. Surface use: Wildlife management and livestock grazing.
- F. Surface ownership: Location and roads State.
- G. Proximity of Water, Occupied Dwellings, Archaeological, Historical, or Cultural Sites:
 - 1. The closest source of permanent water is the White River, located approximately 3 miles to the north.
 - 2. Occupied dwellings: None.
 - 3. There are no known archaeological, historical, or cultural sites, which are potentially eligible for inclusion in the National Register of Historical Places, that will be disturbed by this proposed drilling operation.

United Utilities Corporation will be responsible for informing all persons associated with this project that they shall be subject to prosecution for damaging, altering, excavating or removing any archaeological, historical, or vertebrate fossil objects or site(s).

If archaeological, historical, or vertebrate fossil materials are discovered, United Utilities Corporation will suspend all operations that further disturb such materials and immediately contact the Authorized Officer, Bureau of Land Management and the appropriate State of Utah agency.

Within five (5) working days, the Authorized Officer will evaluate the discovery and inform United Utilities Corporation of actions that will be necessary to prevent loss of significant cultural or scientific values. United Utilities Corporation will, at any time, have the option to relocate activities to avoid the expense of mitigation and/or the delays associated with this process at which time, the Administrative Officer will assume responsibility for whatever recordation and stabilization of the exposed materials which may be required. Otherwise, United Utilities Corporation 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 the required mitigation has been completed, United Utilities Corporation will be allowed to resume operations.

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

Representative:

Durrell Karren, Field Superintendent
625 North 100 West
Vernal, Utah 84078
Phone (801) 789-2772 (801) 828-8516

Terry J. Cox, Consulting Engineer
1050 17th Street, Suite 1120
Denver, Colorado 80265
Phone (303) 892-9120 (303) 906-4342 or (801) 828-8771

Contact the above for any additional information which may be required for approval of this Application for Permit to Drill.

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.

United Utilities Corporation will be fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative(s) to ensure compliance.

The dirt contractor will be provided with a copy of the Surface Use and Operations Plan from the approved Application for Permit to Drill.

SELF CERTIFICATION FOR APPLICATION FOR PERMIT TO DRILL

I hereby certify that United Utilities Corporation is authorized by the proper Lease Interest Owners to conduct lease operations associated with the Application for Permit to Drill the Rockhouse Unit #18 NE 1/4 NE 1/4 Section 16, T11S, R23E, lease ML-3221. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by United Utilities Corporation under Statewide Bond #UT-1028 and United

Utilities Corporation will be responsible for compliance with all terms and conditions of that portion of the lease associated with this Application for Permit to Drill.

HAZARDOUS MATERIAL DECLARATION FOR APPLICATION FOR PERMIT TO DRILL

No chemical subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, stored, transported, or disposed of annually in association with the drilling of the Rockhouse Unit #18. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

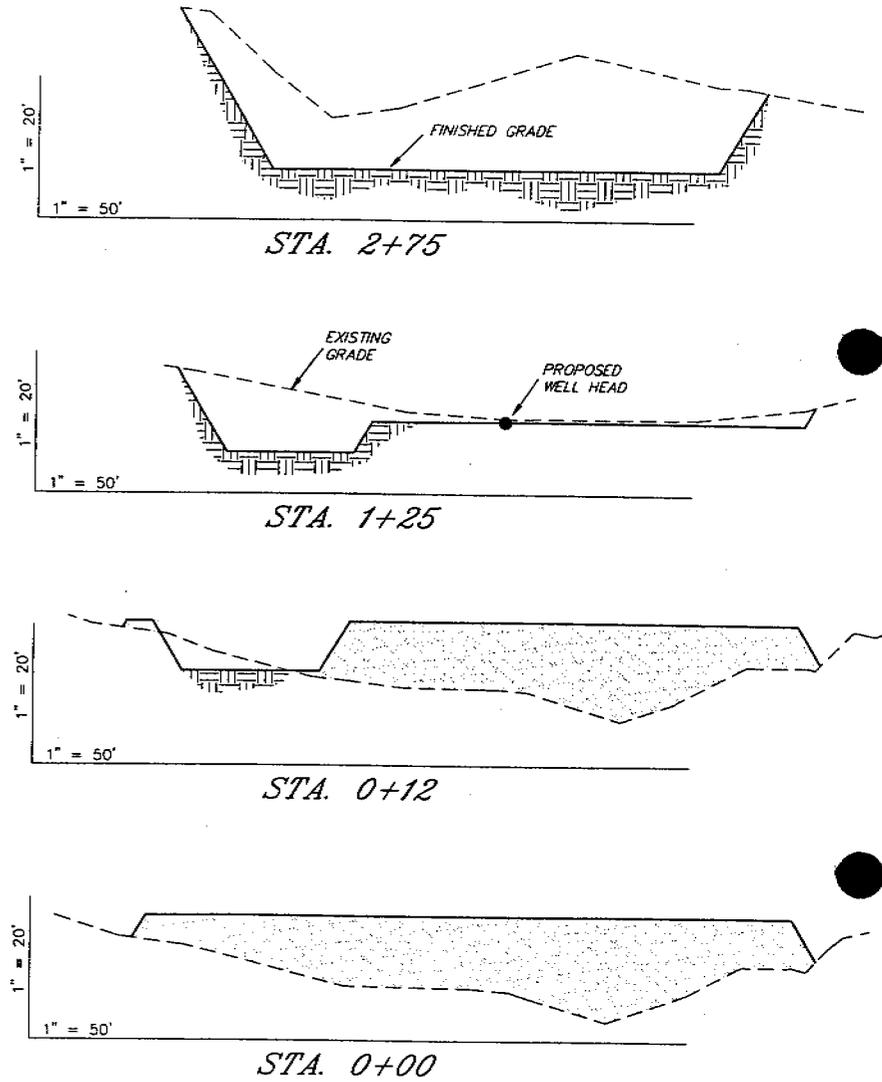
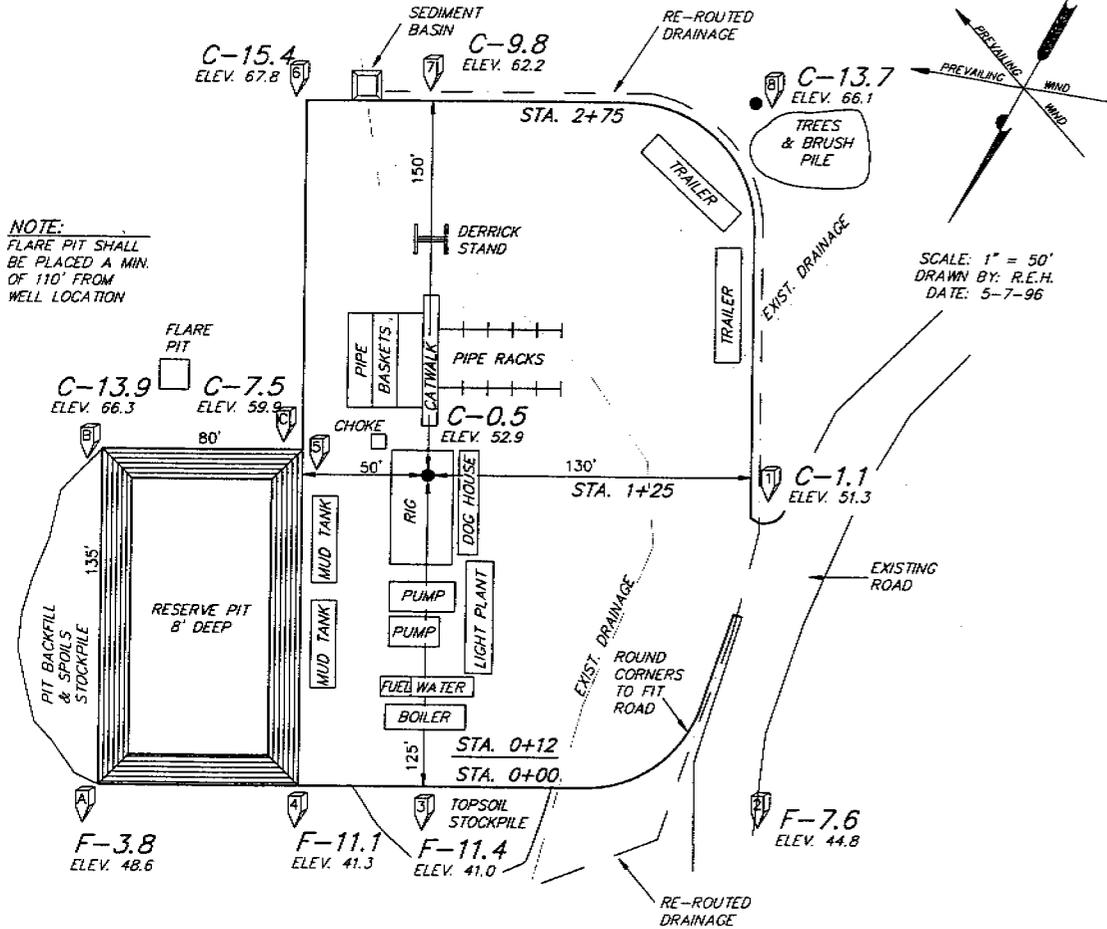
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by United Utilities Corporation, their 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

Terry J. Cox
Agent for United Utilities Corporation

UNITED UTILITIES CORP.

ROCKHOUSE #18
SECTION 16, T11S, R23E, S.L.B.&M.
501' FNL 514' FEL



REFERENCE POINTS

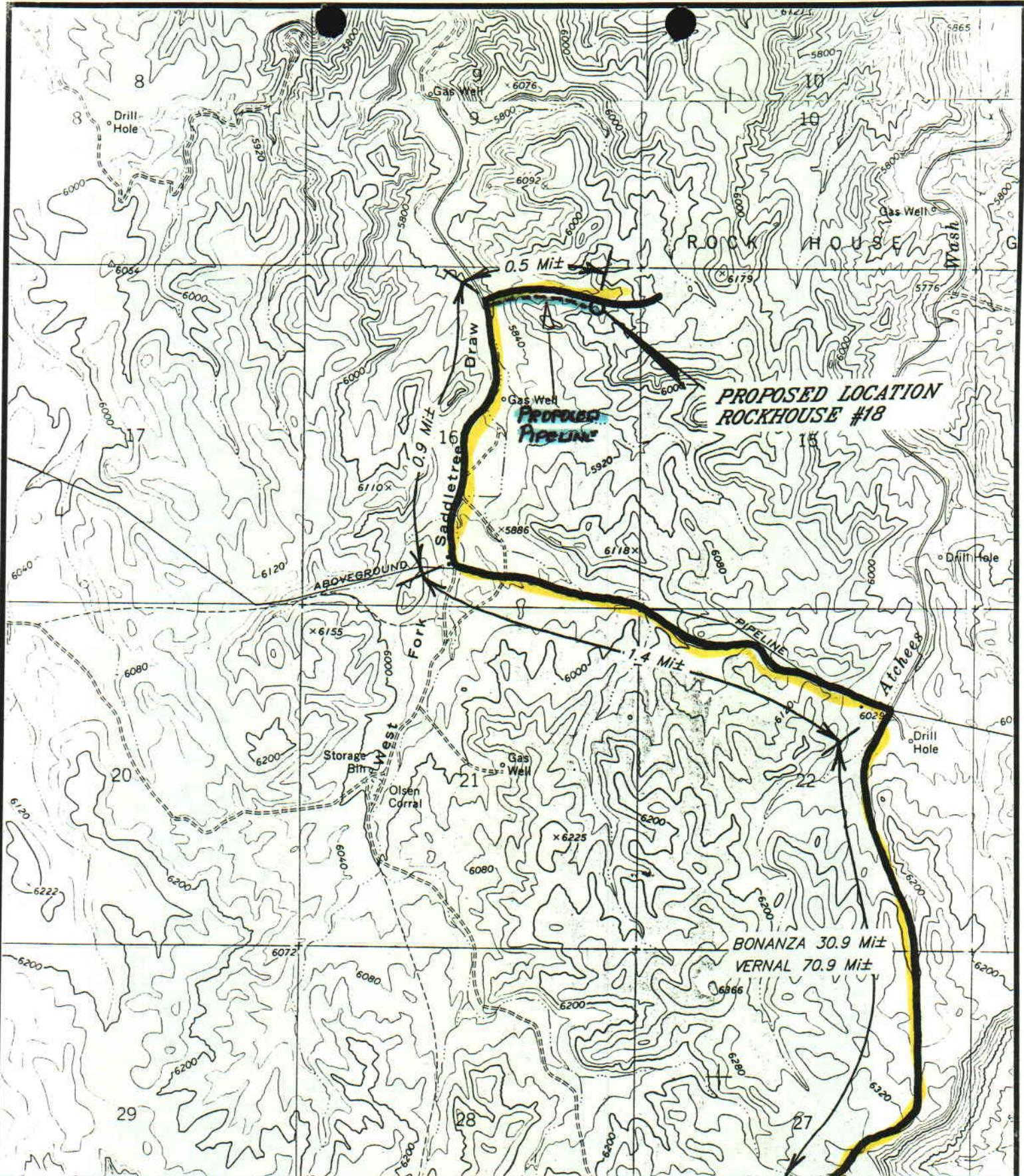
- RP 180' 5957.1
- RP 230' 5963.8
- RP 175' 5935.1
- RP 225' 5938.3

APPROXIMATE YARDAGES

- 6" TOPSOIL = 1120 CU. YDS.
- RESERVE PIT YARDAGE = 2480 CU. YDS.
- TOTAL CUT = 9450 CU. YDS.
- TOTAL FILL = 6300 CU. YDS.
- EXCESS MATERIAL = 3150 CU. YDS.

ELEV. UNGRADED GROUND = 5952.9
ELEV. FINISHED GRADE = 5952.4

PREPARED BY:
FOA Preston Geller Varson & Associates, Inc.
The Engineering Group
TE



UNITED UTILITIES CORP.

FOA Preston Ostler Vernon & Associates, Inc.
The Engineering Group

P.O. Box 1708 100 North Pearl Avenue, Suite 2 Tropic, Utah 84779
Telephone (801) 792-0861 Fax (801) 792-6488 Telex (801) 792-0212



ROCKHOUSE UNIT #18
SECTION 16, T11S, R23E, S.L.B.&M.
501' FNL 217' FEL



TOPO MAP "B"
SCALE: 1" = 2000'

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 05/31/96

API NO. ASSIGNED: 43-047-32762

WELL NAME: ROCKHOUSE UNIT 18
 OPERATOR: UNITED UTILITIES CORP (N6360)

PROPOSED LOCATION:
 NENE 16 - T11S - R23E
 SURFACE: 0501-FNL-0514-FEL
 BOTTOM: 0501-FNL-0514-FEL
 UINTAH COUNTY
 ROCKHOUSE FIELD (670)

INSPECT LOCATION BY: 06/15/96		
TECH REVIEW	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: STA
 LEASE NUMBER: ML - 3221

PROPOSED PRODUCING FORMATION: WSTC

RECEIVED AND/OR REVIEWED:

Plat

Bond: Federal State Fee
 (Number UT 1028)

Potash (Y/N)

Oil shale (Y/N)

Water permit
 (Number 49-1548)

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

LOCATION AND SITING:

R649-2-3. Unit: _____

R649-3-2. General.

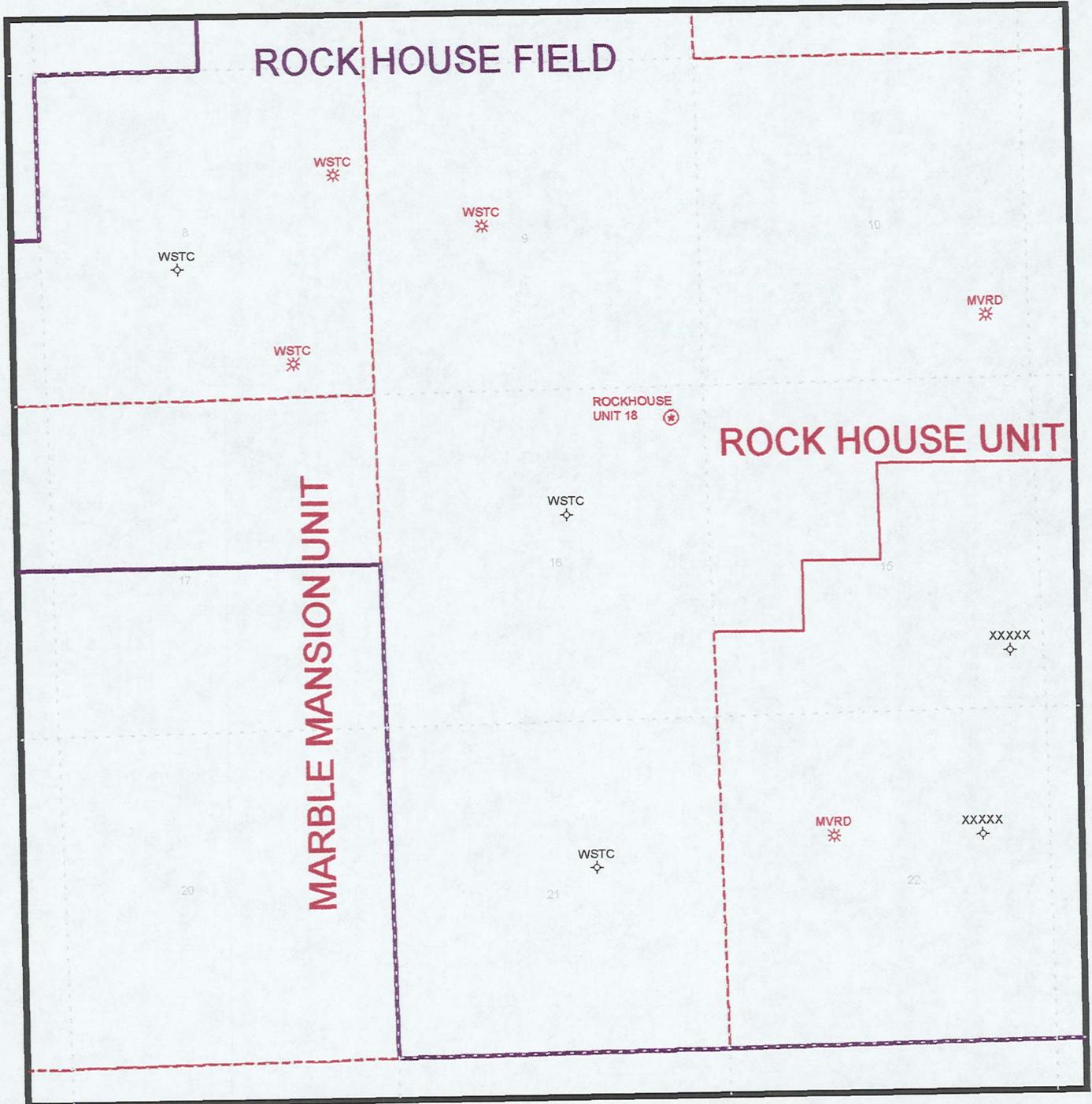
R649-3-3. Exception.

Drilling Unit.
 Board Cause no: _____
 Date: _____

COMMENTS: _____

STIPULATIONS: _____

UNITED UTILITIES
ROCKHOUSE UNIT INFILL
SEC. 16, T11S, R23E
UINTAH COUNTY, R649-2-3



PREPARED:
DATE: 3-JUN-96

handled by commercial contractors, and trash will be contained in trash baskets, then hauled to an approved landfill.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: None.

FLORA/FAUNA: Sage, greasewood, cheatgrass, prickley pear, pinion & juniper trees, rabbit, small birds, rodents, deer antelope, coyote, elk during the winter months.

SOIL TYPE AND CHARACTERISTICS: Light brown sandy shale.

SURFACE FORMATION & CHARACTERISTICS: Uintah Formation, South flank of the Uintah Mountains.

EROSION/SEDIMENTATION/STABILITY: Minor erosion, minor sedimentation, no stability problems are anticipated.

PALEONTOLOGICAL POTENTIAL: None observed.

RESERVE PIT

CHARACTERISTICS: 135' X 90' X 9'

LINER REQUIREMENTS (Site Ranking Form attached): No liner.

SURFACE RESTORATION/RECLAMATION PLAN

State Lands requires that the surface be restored to original grade.

SURFACE AGREEMENT: State lease acts as the agreement.

CULTURAL RESOURCES/ARCHAEOLOGY: No survey has been included as part of the ADP.

OTHER OBSERVATIONS/COMMENTS

A shallow gully entering the location from the Northwest will be routed to the west side of the site while the well is being drilled and completed and will be restored when the reserve pit is reclaimed.

ATTACHMENTS:

Photos were taken and will be placed on file.

David W. Hackford
DOGM REPRESENTATIVE

6/12/96 3:00 PM
DATE/TIME

**Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>0</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>10</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud	15	
Fluid containing significant levels of hazardous constituents	20	<u>5</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u> </u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>
Final Score Level II (Sensitivity)		<u>15</u>

**CULTURAL RESOURCE EVALUATION
TWO PROPOSED WELL LOCATIONS
IN THE SADDLETREE DRAW LOCALITY
OF UINTAH COUNTY, UTAH**

Report Prepared for United Utilities Corporation

F. Richard Hauck



**ARCHEOLOGICAL-ENVIRONMENTAL RESEARCH
CORPORATION**

**CULTURAL RESOURCE EVALUATION
OF TWO PROPOSED WELL LOCATIONS
IN THE SADDLETREE DRAW LOCALITY
OF UINTAH COUNTY, UTAH**

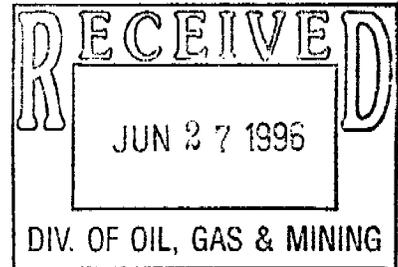
Report Prepared for United Utilities Corporation
[Rockhouse Units No. 17 & 18]

Dept. of Interior Permit No.: UT-96-54937
AERC Project 1533 (UUC-96-3)

Utah State Project No.: UT-96-AF-300b

Principal Investigator
F. Richard Hauck, Ph.D.

Author of the Report
F. Richard Hauck



**ARCHEOLOGICAL-ENVIRONMENTAL RESEARCH
CORPORATION (AERC)**

181 North 200 West, Suite 5
Bountiful, Utah 84011-0853

June 17, 1996

ABSTRACT

An intensive cultural resource evaluation has been conducted for United Utilities Corporation of two proposed well locations and associated access routes [Rockhouse Units No. 17 & 18) situated on Bureau of Land Management administered lands located in the Saddletree Draw locality of Uintah County, Utah (see Maps 1 through 3). This evaluation involved a total of 24 acres which include two 10 acre parcels associated with the two proposed well sites and ca. four acres associated with the access route into the Rockhouse 17 location. The access into Rockhouse Unit No. 18 is associated with an existing roadway. This evaluation was conducted by F.R. Hauck and Glade Hadden of AERC on June 12 and 14, 1996.

No previously recorded significant or National Register eligible cultural resources will be adversely affected by the proposed developments.

Three newly identified prehistoric cultural resource activity loci were discovered and recorded during the examinations. These sites include 42UN 2280, 42UN 2281, and 42UN 2282. Site 42UN 2280 is not considered to be a significant resource; sites 42UN 2281 and 42UN 2282 are potentially eligible for inclusion on the National Register of Historic Places (NRHP). Sites 42UN 2280 and 42UN 2281 will be directly affected by the proposed development of the access route into Rockhouse Unit No. 17.

No isolated artifacts were identified during the evaluations.

AERC recommends project clearance based on adherence to the stipulations noted in the final section of this report.

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GENERAL INFORMATION

On June 12 and 14, 1996, AERC archaeologists F.R. Hauck and Glade Hadden conducted an intensive cultural resource evaluation for United Utilities Corporation. This examination involved two ten acre parcels associated with Rockhouse Units No. 17 & 18 and the .3 mile-long (100 foot-wide) access route (24 acres total survey) in the Saddletree Draw locality south of Vernal, Utah (see Maps 1 - 3). The entire project area is situated on Public lands administered by the Bureau of Land Management, Vernal District Office.

The purpose of the field study and this report is to identify and document cultural site presence and assess National Register potential significance relative to established criteria (cf., Title 36 CFR 60.6). The proposed development of the two proposed well locations and associated access route requires archaeological evaluations in compliance with U.C.A. 9-8-404, the Federal Antiquities Act of 1906, the Reservoir Salvage Act of 1960-as amended by P.L. 93-291, Section 106 of the National Historic Preservation Act of 1966-as amended, the National Environmental Policy Act of 1969, the Federal Land Policy and Management Act of 1979, the Archaeological Resources Protection Act of 1979, the Native American Religious Freedom Act of 1978, the Historic Preservation Act of 1980, and Executive Order 11593.

In addition to documenting cultural identity and significance, mitigation recommendations relative to the preservation of cultural data and materials can be directed to the Bureau of Land Management, Vernal District Office, and to the Utah State Antiquities Section. This work was done under U.S. Department of Interior Permit for Utah UT-96-54937 which expires on January 31, 1997.

Project Location

The project location is in the Saddletree Draw locality of Uintah County, Utah. It is situated on the Archy Bench SE and Asphalt Wash 7.5 minute topographic quads (see Maps 2 and 3).

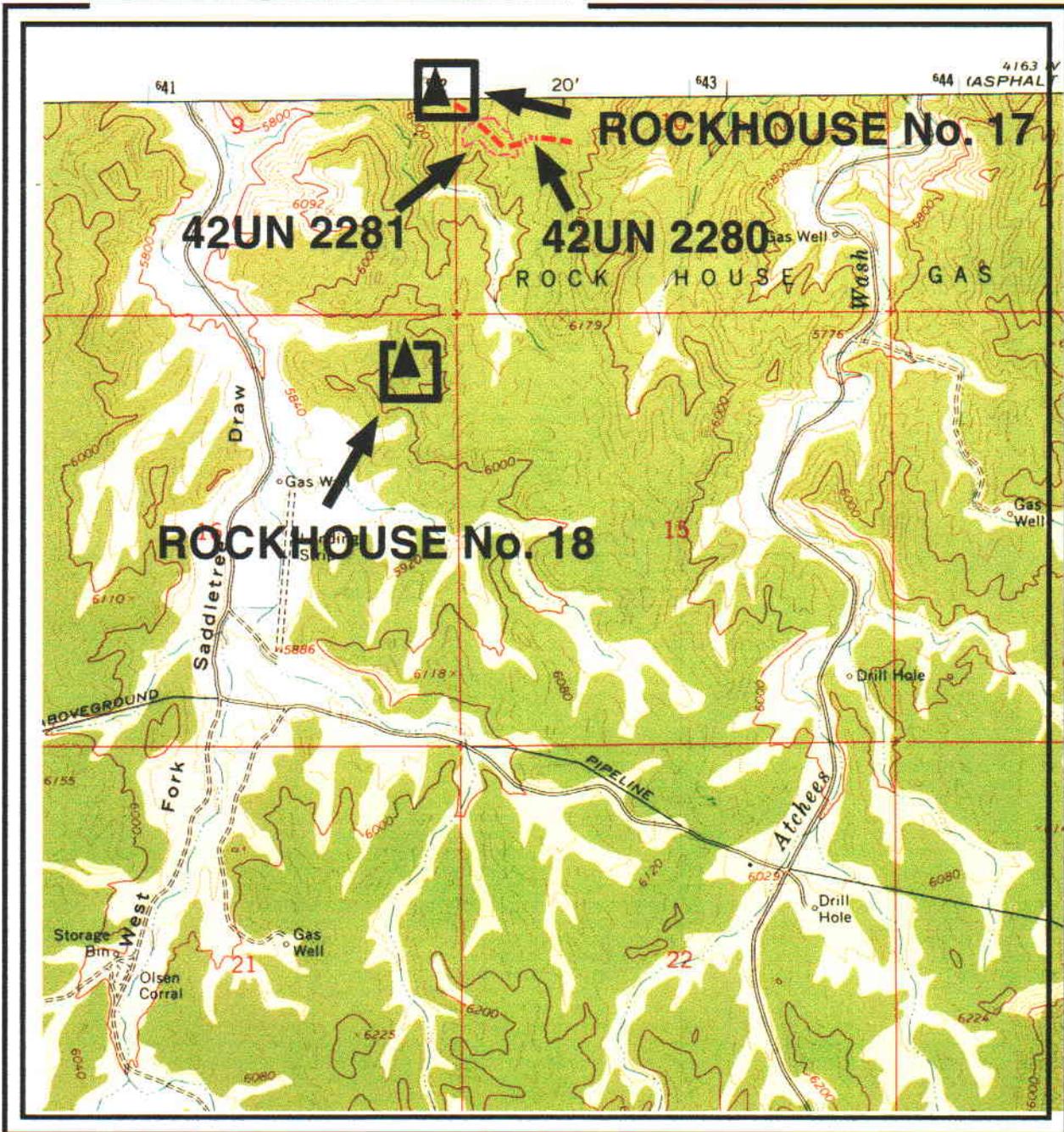
Rockhouse Unit No. 17 (see Maps 2 and 3) is situated on the high ridge flanked by Saddletree Draw on the west and Atchees Wash on the east. It is located in the northeast quarter of Section 9, Township 11 South, Range 23 East, Salt Lake B. & M. The .3 mile-long access for this location begins at a recently constructed roadway (cf., Hauck and Hadden 1996) to the east of the location.

Rockhouse Unit No. 18 (see Map 2) is situated in the canyon associated with the east slope of Saddletree Draw. It is located in the northeast quarter of Section 16, Township 11 South, Range 24 East, Salt Lake B. & M. The access for this location is associated with an existing roadway (cf., Hauck and Hadden 1996).

**MAP 2: CULTURAL RESOURCE SURVEY
OF PROPOSED WELL LOCATIONS IN
THE SADDLETREE DRAW
LOCALITY OF UINTAH COUNTY,
UTAH**



PROJECT: UUC - 96 - 3
SCALE: 1:24,000
QUAD: Archy Bench SE, Utah
DATE: June 15, 1996



TOWNSHIP: 11 South
RANGE: 23 East
MERIDIAN: Salt Lake B. & M.

LEGEND

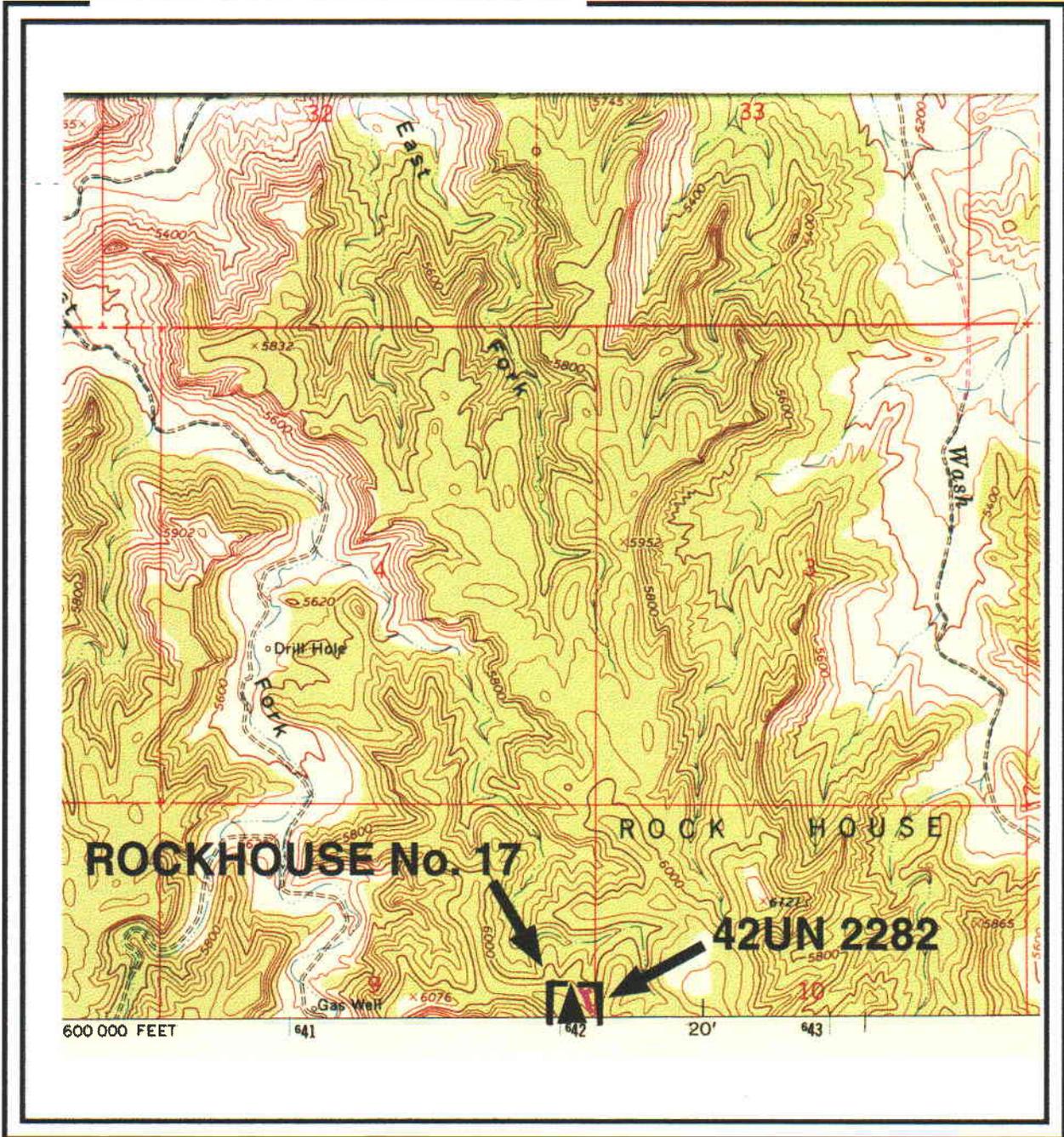
Well Location ▲
Access Route & Pipeline Corridor 

Survey Area 
CULTURAL SITE 

**MAP 3: CULTURAL RESOURCE SURVEY
OF PROPOSED WELL LOCATIONS IN
THE SADDLETREE DRAW
LOCALITY OF UINTAH COUNTY,
UTAH**



PROJECT: UUC - 96 - 3
SCALE: 1: 24,000
QUAD: Asphalt Wash, Utah
DATE: June 15, 1996



TOWNSHIP: 11 South
RANGE: 23 East
MERIDIAN: Salt Lake B. & M.

LEGEND

Well Location ▲
Access Route & Pipeline Corridor - - -

Survey Area □
CULTURAL SITE ■

Environmental Description

The project area is within the 5800 and 6120 foot elevation zones above sea level. Open rangeland and canyon slope terrain is associated with the project area.

The vegetation in the project area includes *Chrysothamnus* spp., *Artemisia* spp., *Eriogonum* spp., *Sarcobatus vermiculatus*, *Ephedra viridis*, *Atriplex canescens*, *Juniperous* spp., *Pinus edulis*, and a variety of grasses. Thick ground cover consisting of greasewood (*Sarcobatus vermiculatus*) and cheatgrass (*Bromus tectorium*) is found on the drainage bottoms, while the better drained slopes and higher side canyons produce a more xeric vegetation of the saltbush biome. Pinyon-Juniper woodland is common to the higher elevations.

The geological associations within the project area consist of fluvial and lake deposits which correlate with the Uinta Formation which is of Tertiary age. In the canyon bottoms, the basal formation is mostly covered with sand, gravel and silt deposits of Quaternary derivation.

PREVIOUS RESEARCH IN THE LOCALITY

File Search

A records search has been conducted in the site files and maps at the Vernal District BLM office on June 12, 1996. A similar search in the records of the Antiquities Section of the State Historic Preservation Office in Salt Lake City was conducted on June 6, 1996. The National Register of Historic Places has been consulted and no registered historic or prehistoric properties will be affected by the proposed developments.

A variety of known cultural sites are situated in the general Rainbow - Asphalt Wash - Saddletree Draw locality south of White River. Many of these prehistoric resources were identified and recorded by AERC during previous inventories in the area (see Hauck 1991, Hauck and Hadden 1995 and 1996). Other sites have been located and recorded by other archaeological consultants during oil and gas exploration inventories including segments of the historic narrow gauge Uintah Railroad in Evacuation Creek canyon. Within the immediate project area, several cultural resource evaluations have been conducted, and its archaeological contexts are gradually being identified and recorded.

Prehistory and History of the Cultural Region

Currently available information indicates that the Northern Colorado Plateau Cultural Region has been occupied by a variety of cultures beginning perhaps as early as 10,000 B.C. These cultures, as identified by their material remains, demonstrate a cultural developmental process that begins with the earliest identified Paleoindian peoples (10,000 -- 7,000 B.C.) and extends through the Archaic (ca. 7,000 B.C. -- A.D. 300), and Formative (ca. A.D. 400 -- 1100) Stages, and the Late

Prehistoric-Protohistoric periods (ca. A.D. 1200 -- 1850) to conclude in the Historic-Modern period which was initiated with the incursion of the Euro-American trappers, explorers, and settlers. Basically, each cultural stage -- with the possible exception of the Late Prehistoric hunting and gathering Shoshonean bands -- features a more complex life-way and social order than occurred during the earlier stage of development (Hauck 1991:53). For a more comprehensive treatment of the prehistory and history of this region see Archaeological Evaluations in the Northern Colorado Plateau Cultural Area (Hauck 1991).

Site Potential in the Project Development Zone

Previous archaeological evaluations in the general project area have resulted in the identification and recording of a variety of cultural resource sites having eligibility for potential nomination to the National Register of Historic Places (NRHP). These sites include both historic loci associated with the gilsonite mining industry and cattle/sheep industry and prehistoric sites involving resource procurement loci, ceramic scatters and lithic scatters containing cobble reduction materials. Many of these quarry sites are associated with the Parachute Creek member of the Green River Formation and are of the "Tap and Test" variety extending for many meters. Open occupations are also frequently being identified in this locality. Sites associated with the open rangeland generally appear to have been occupied during the Middle Plains Archaic Stage with occasional indications of Paleoindian activity based on the recovery of isolated Plano style projectile points. The north-south drainage canyons appear to contain the majority of Late Prehistoric (Numa) sites probably because those canyon floors were transportation corridors and convenient pastures for the Ute horse herds. Evidence of Formative Stage occupation, i.e., Fremont, is rarely observed in the rangeland environment but is common within the Green River and White River canyons and their primary tributary canyons.

Site density in certain portions of the region appears to range from one to four sites per section. These densities increase in the canyon bottoms due to rock art loci and formative period occupations. Recent evaluations indicate that the site densities may reach 8 to 12 sites per section in certain localities on the upper benches which were apparently favored for hunting, lithic resource procurement, and camping. Prehistoric sites on the rangeland benches appear to be associated with water courses and aeolian deposits.

FIELD EVALUATIONS

Methodology

Intensive evaluations consisted of the archaeologists walking parallel 15 - 20 meter wide transects within the staked right-of-way center lines associated with the 100 foot-wide access corridor and within the ten acre parcels associated with the two well locations. Thus, ca. 24 acres associated with these proposed wells were examined for cultural resource presence.

Observation of cultural materials results in intensive examinations to determine the nature of the resource (isolate or activity locus). The analysis of each specific cultural site results in its subsequently being sketched, photographed, and appropriately recorded on standard IMACS forms. Cultural sites are then evaluated for significance utilizing the standards described below and mitigation recommendations are considered as a means of preserving significant resources which may be situated within the development zone.

Site Significance Criteria

Prehistoric and historic cultural sites which can be considered as eligible for nomination to the National Register of Historic Places have been outlined as follows in the National Register's Criteria for Evaluation as established in Title 36 CFR 60.6:

The quality of significance in American ... archaeology ... and culture is present in ... sites ... that possess integrity of location, design, setting, materials, workmanship, feeling, and association and:

- a. That are associated with events that have made a significant contribution to the broad patterns of our history; or*
- b. that are associated with the lives of persons significant in our past; or*
- c. that embody the distinctive characteristics of a type, period, or method of construction ... ; or*
- d. that have yielded, or may be likely to yield, information important in prehistory or history.*

In addition to satisfying one or more of these general conditions, a significant cultural resource site in Utah will generally be considered as being eligible for inclusion in the National Register if it should advance our current state of knowledge relating to chronology, cultural relationships, origins, and cultural life ways of prehistoric or historic groups in the area.

In a final review of any site's cultural significance, the site must possess integrity and at least one of the above criteria to be considered eligible for nomination to the National Record of Historic Places.

Results of the Inventory

Two significant and one non-significant cultural resource loci of prehistoric association were identified and recorded in association with the proposed Rockhouse Unit No. 17 well location and its access corridor. No cultural resources were identified in association with proposed Rockhouse Unit No. 18. These sites associated with Unit No. 17 include 42UN 2280, 42Un 2281, and 42UN 2282. A brief description of the three sites follows:

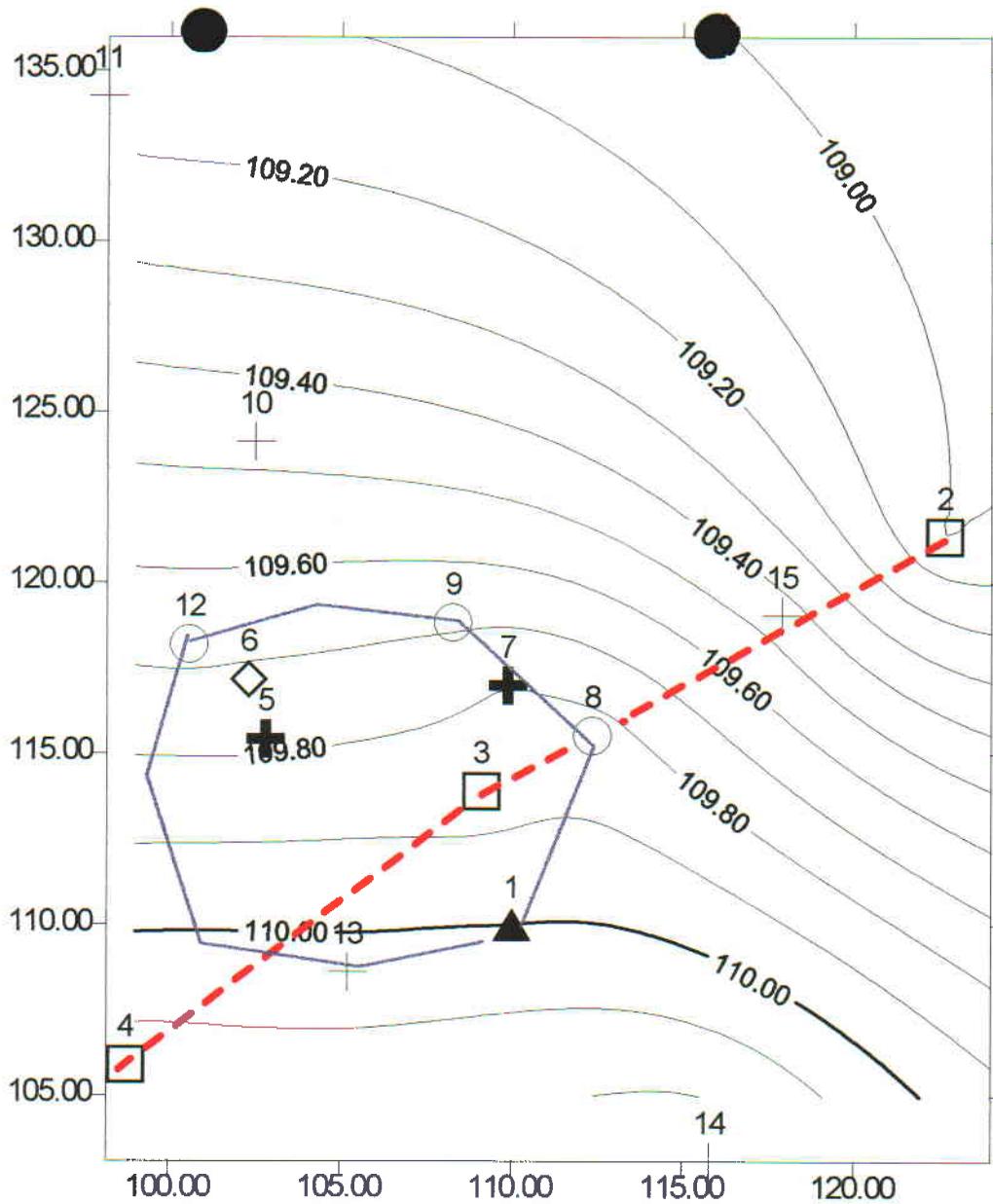
Site 42UN 2280 (see Maps 2 and 4)

Site 42UN 2280 consists of a small lithic scatter on the top of the bluff. The site dimensions are 10 x 10 meters. Cultural materials consist of biface reduction flakes composed of the local tan mudstone that is readily available in a large quarry site ca. 100 meters to the SW of this site (cf., 42UN 2281). Several general concentrations of oxidized sandstone fragments may indicate the presence of deflated and badly eroded hearths or could just be the remnants of natural fire activities on the top of the ridge. These possible features lacked any cultural indicators that could substantiate their identification as cultural features.

Nat. Register Status: This site lacks depth potential and because of this, and its limited size and materials it does not satisfy any of the criteria for eligibility under Title 36 CFR 60.6.

Potential for Disturbance: The planned access road for Rockhouse Unit No. 17 has been flagged through the site.

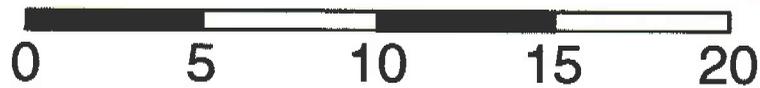
Recommendation for Mitigating Disturbance to this Resource: No recommendations -- site probably does not warrant additional documentation.



MAP 4: SITE MAP FOR 42UN 2280

SCALE

(in Meters)



LEGEND

Primary Datum



Proposed
Access
Route



Possible Hearth
Feature



Lithic
Concentration



Site
Periphery





**PHOTOGRAPH 1: Site 42UN 2280 -- General Site Area
Looking Northwest (Roll 1533R-1 (1))**



**PHOTOGRAPH 2: Site 42UN 2280 -- Debitage Concentration
Looking Southeast (Roll 1533R-1 (5))**

Site 42UN 2281 (see Maps 2 and 5)

Site 42UN 2281 consists of a large quarry and lithic scatter on the top, slopes, and under the ledges associated with a narrow ridge that acts as a natural bridge linking two adjacent mesas. The site dimensions are 150 x 400 meters. Cultural materials consist of cores, core shatter, and biface reduction flakes composed of the local tan mudstone that is readily available in the Uinta Formation ledges on the site. A shallow shelter under the ledge on the south side of the bridge contains a collapsed windbreak constructed of coursed sandstone slabs and small boulders and the remnants of a hearth which still contains charcoal in sufficient quantities for radiometric dating.

Nat. Register Status: This site has limited depth potential only in the rock shelter area. Its integrity, existing occupation, extensive size, and abundance of debitage satisfy criterion d for eligibility under Title 36 CFR 60.6.

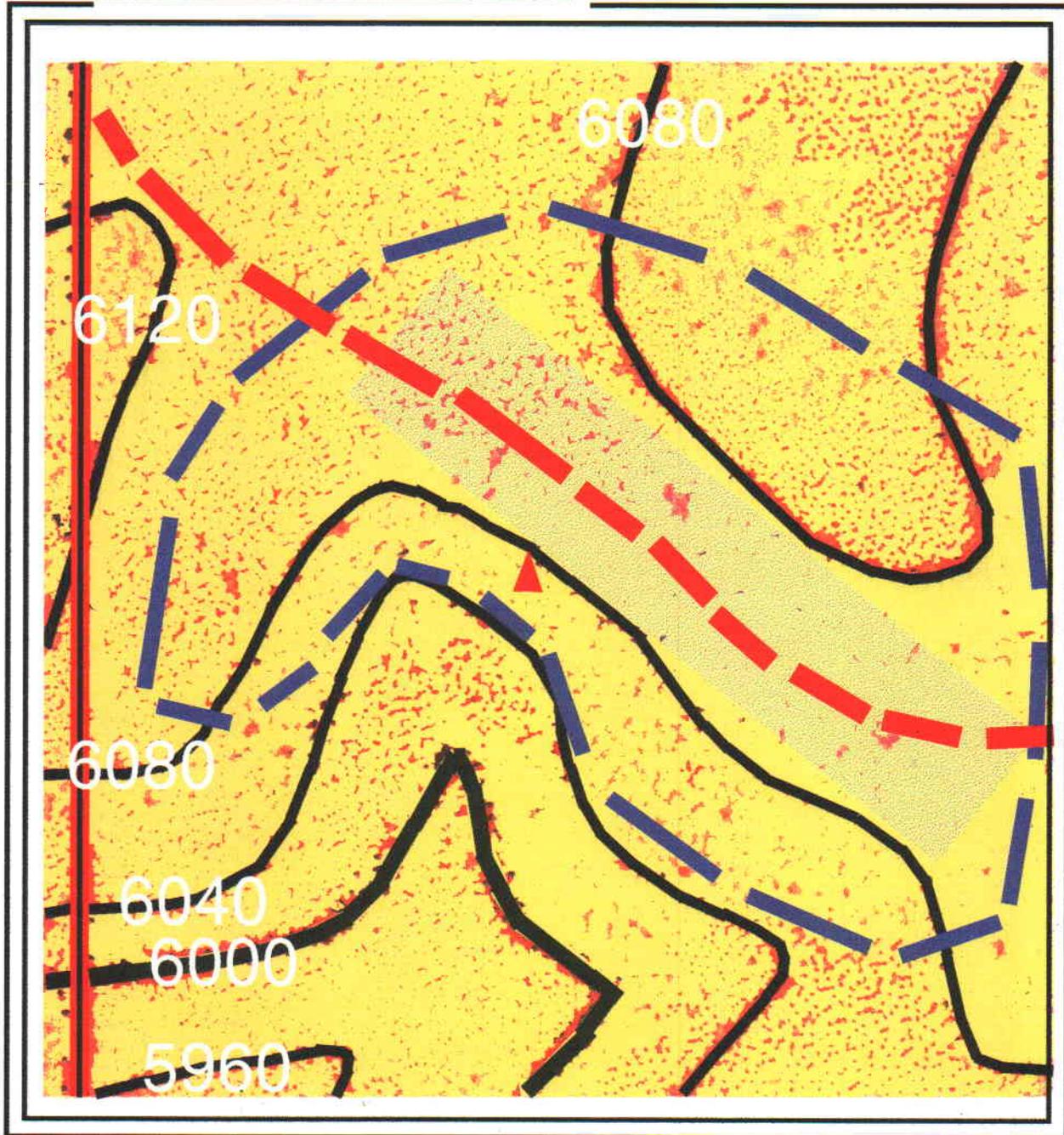
Potential for Disturbance: The planned access road for Rockhouse Unit No. 17 has been flagged through the debitage scatters on the site. Topographic conditions preclude moving the roadway out of the site to avoid this resource.

Recommendation for Mitigating Disturbance to this Resource: Site warrants additional documentation if the client desires to develop the access route into Rockhouse Unit No. 17 as currently flagged. Lack of depth in the quarry zone precludes the use of excavation throughout the actual disturbance area. Artifacts should be point-plotted in order to develop definitive maps of the debitage distribution patterns. Minimal collection of artifacts should be conducted within the actual disturbance zone. Carbon should be extracted from the hearth and submitted for radiometric dating in order to obtain a date for the occupation.

MAP 5: SITE MAP FOR 42UN 2281



PROJECT: UUC - 96 - 3
 SCALE: 7 Cm. = 100 Meters
 QUAD: Archy Bench SE, Utah
 DATE: June 17, 1996



TOWNSHIP: 11 South
 RANGE: 23 East
 MERIDIAN: Salt Lake B. & M.

LEGEND

Access Route



Site Periphery



Features



Debitage
 Density
 Zone

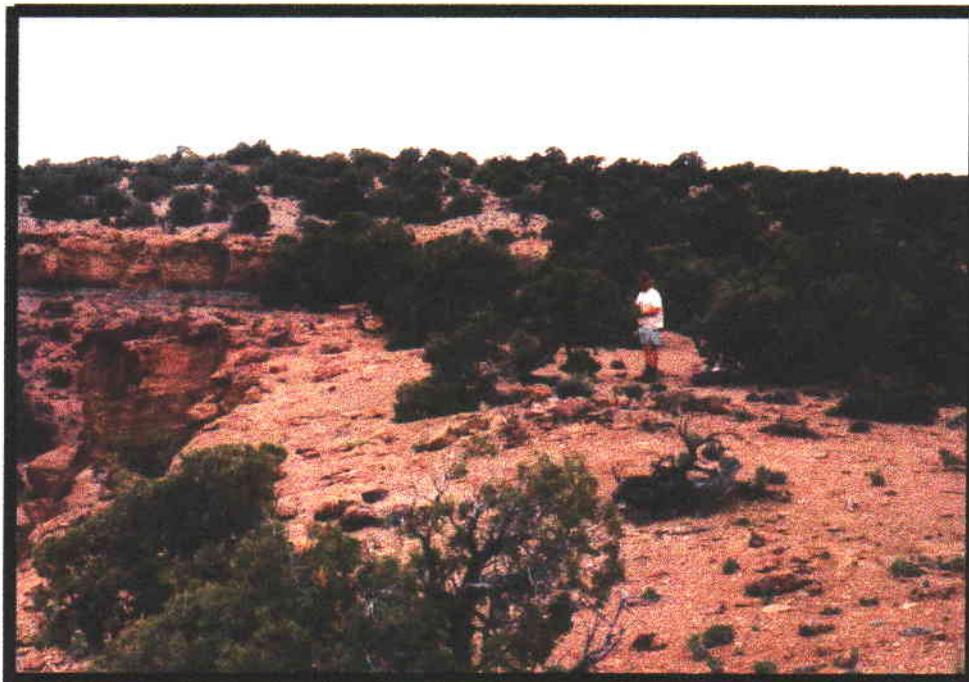


Section
 Line





**PHOTOGRAPH 3: Site 42UN 2281 -- Debitage Concentration
Looking Southeast from Western Portion of Site (Roll 1533R-1 8)**



**PHOTOGRAPH 4: Site 42UN 2281 -- Debitage Concentration
Looking Northwest from Eastern Portion of Site (Roll 1533R-1 9)**

Site 42UN 2282 (see Maps 2, 3, and 6)

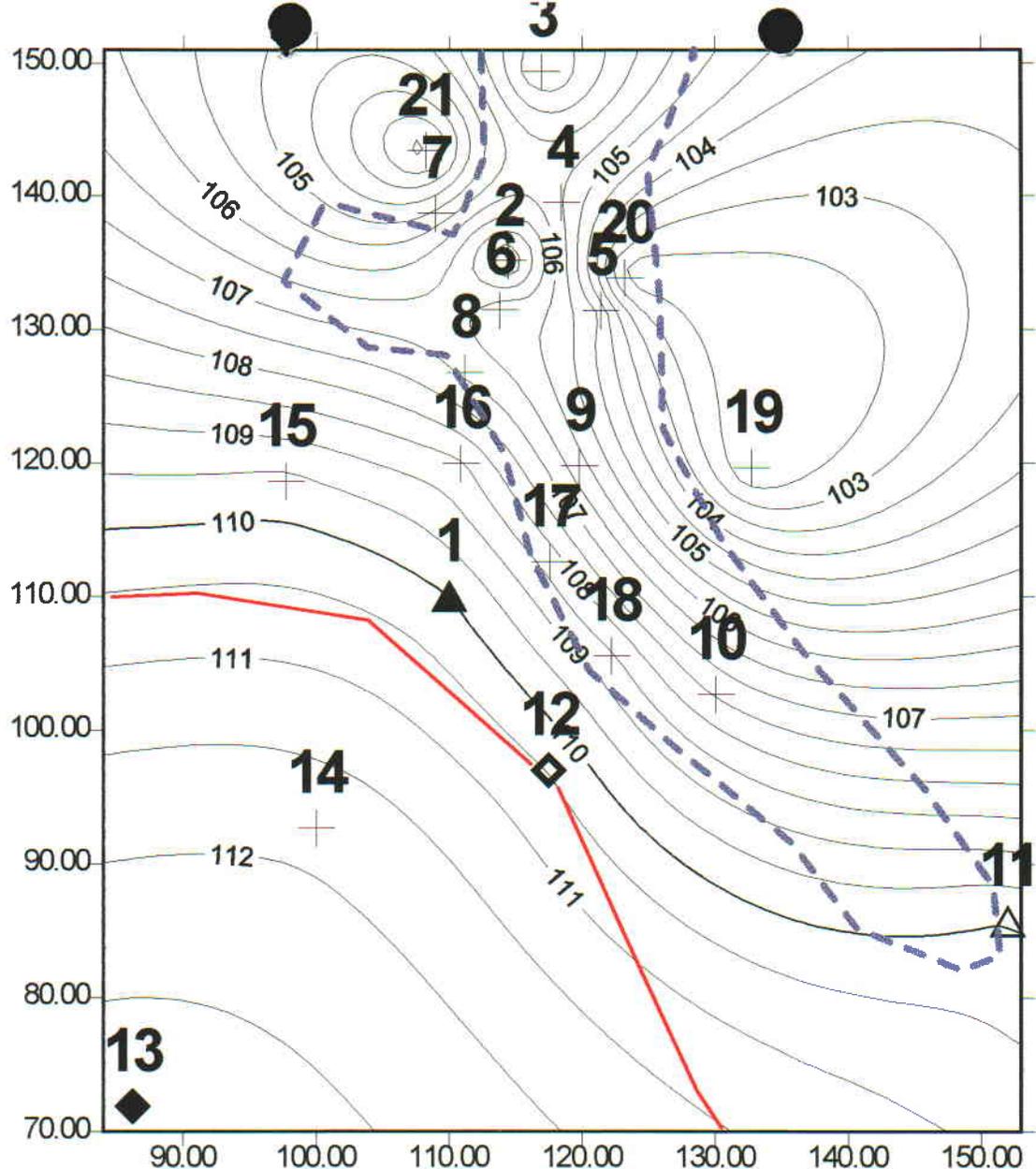
Site 42UN 2282 consists of a quarry and lithic scatter on the east slope of the plateau just outside and below the staked well pad for Rockhouse Unit No. 17. The site dimensions are ca. 100 x 100 meters counting the extent of debitage spread down the steep slope below the sandstone ledge where the mudstone/chert nodules naturally occur. Cultural materials consist of cores, core shatter, and biface reduction flakes composed of the local tan mudstone that is readily available in this quarry zone and at adjacent site 42UN 2281. The sandstone ledge where the mudstone/chert is naturally present appears to be an ancient delta associated with the Uinta Formation.

Nat. Register Status: This site lacks depth potential but because of its integrity, size, and abundance of materials it does satisfy criterion d for eligibility under Title 36 CFR 60.6.

Potential for Disturbance: Rockhouse Unit No. 17 has been flagged on the top of the mesa above the site.

Recommendation for Mitigating Disturbance to this Resource: AERC recommends that all blading activity adjacent to the site area be confined to the existing pad zone.

No isolated artifacts were observed, nor were any paleontological loci identified during the archaeological examinations.



MAP 6: SITE MAP FOR 42UN 2282



LEGEND

- | | | | |
|------------------------------------|---|--------------------|-------|
| Primary Datum | ▲ | Section 1/4 Corner | △ |
| Well Pad Center (Rockhouse No. 17) | ◆ | Well Pad Periphery | — |
| Pit Corner B | ◇ | Site Periphery | - - - |



**PHOTOGRAPH 5: Site 42UN 2282 -- Debitage Concentration
Looking Northeast (Roll 1533R-1 (6))**



**PHOTOGRAPH 6: Site 42UN 2282 -- Chert/Mudstone Nodules
Exposed in the Ledge (Roll 1533R-1 (7))**

CONCLUSION AND RECOMMENDATIONS

No cultural resource sites of significance are situated in association with the Rockhouse Unit No. 18. Three sites (42UN 2280, 42UN 2281, and 42UN 2282) were identified in association with the proposed roadway and well pad for Rockhouse Unit No. 17 as reported in this document.

AERC recommends that a cultural resource clearance be granted to United Utilities Corporation relative to the proposed development of this project based upon adherence to the following stipulations:

1. Artifacts should be point-plotted within the disturbance zone on site 42UN 2281 in order to develop definitive maps of the debitage distribution patterns. Minimal collection of artifacts should be conducted within the actual disturbance zone. Carbon should be extracted from the hearth and submitted for radiometric dating in order to obtain a date for the occupation.
2. All blading activity conducted on proposed Rockhouse Unit No. 17 that is adjacent to the site area should be confined to the existing pad zone.
3. All vehicular traffic, personnel movement, construction and restoration operations should be confined to the flagged well locations and access corridors examined as referenced in this report, and to the existing roadways.
4. All personnel should refrain from collecting artifacts and from disturbing any significant cultural resources in the area.
5. The authorized official should be consulted should cultural remains from subsurface deposits be exposed during construction work or if the need arises to relocate or otherwise alter the location of the exploration area.



F. Richard Hauck, Ph.D.
President and Principal
Investigator

REFERENCES

Hauck, F. Richard

- 1991 Archaeological Evaluations on the Northern Colorado Plateau Cultural Area, AERC Paper No. 45, Archeological-Environmental Research Corporation, Bountiful.
- 1996a Cultural Resource Evaluation of a Proposed Gas Pipeline Corridor in the Evacuation Creek Locality of Uintah County, Utah. Report Prepared for United Utilities Corporation, AERC Project 1521 (UUC-96-1), Archeological-Environmental Research Corporation, Bountiful.
- 1996b Cultural Resource Evaluation of Two Proposed Well Locations in the Asphalt Wash - Atchees Wash Locality of Uintah County, Utah. Report Prepared for United Utilities Corporation, AERC Project 1529 (UUC-96-2), Archeological-Environmental Research Corporation, Bountiful.
- 1996c Cultural Resource Evaluation of Two Proposed Well Locations in the Saddletree Draw Locality of Uintah County, Utah. Report Prepared for United Utilities Corporation, AERC Project 1533 (UUC-96-3), Archeological-Environmental Research Corporation, Bountiful.

Hauck, F. Richard and Glade V Hadden

- 1995 Cultural Resource Evaluation of Three Proposed Rainbow and Rockhouse Wells in the White River Locality of Uintah County, Utah. Report Prepared for United Utilities Corporation, AERC Project 1487 (UUC-95-1), Archeological-Environmental Research Corporation, Bountiful.
- 1996 Cultural Resource Evaluation of Four Proposed Well Locations and Associated Access and Pipeline Corridors in the Atchee Wash Locality of Uintah County, Utah. Report Prepared for United Utilities Corporation, AERC Project 1487 (UUC-95-3), Archeological-Environmental Research Corporation, Bountiful.

Hauck, F.R. and G. Norman

- 1980 Final Report on the Mapco River Bend Cultural Mitigation Study. AERC Paper No. 18, of the Archeological-Environmental Research Corporation, Bountiful.

Larralde, Signa L. and Paul R. Nickens

- 1980 Sample Inventories of Oil & Gas Fields in Eastern Utah 1978-1979. Archaeological Inventory in the Red Wash Cultural Study Tract, Uintah County, Utah. (In) Cultural Resource Series, No. 5, Bureau of Land Management, Salt Lake City.

Larralde, Signa L. and Susan M. Chandler

1981 Archaeological Inventory in the Seep Ridge Cultural Study Tract, Uintah County, Northeastern Utah. (In) Cultural Resource Series, No. 11, Bureau of Land Management, Salt Lake City.

Report Acceptable Yes ___ No ___

Mitigation Acceptable Yes ___ No ___
Comments: _____

Summary Report of
Inspection for Cultural Resources

TWO WELL LOCATIONS IN THE SADDLE
TREE DRAW LOCALITY UINTAH COUNTY

1. Report Title United Utilities Company

2. Development Company _____

3. Report Date 0 6 17 1 9 9 6 UT-96-54937

4. Antiquities Permit No. _____
A E R C UUC - 96 - 3 Uintah

5. Responsible Institution County _____

6. Fieldwork

Location: TWN .1.1.S. . RNG .2.3.E. . Section.09, 10
TWN .1.1.S. . RNG .2.3.E. . Section 16

7. Resource Area .SM.

8. Description of Examination Procedures: The archeologists F. R. Hauck & Glade Hadden intensively examined the proposed well locations and associated access corridor by walking 10 to 15 meter-wide transects in the ten acre parcels and within the 100 foot-wide access corridor on either side of the flagged center-line.

9. Linear Miles Surveyed . 3 I
and/or
Definable Acres Surveyed R = Reconnaissance
and/or I = Intensive
Legally Undefinable 2 4 S = Statistical Sample
Acres Surveyed

11. Description of Findings: 12. Number Sites Found .3.
Three archaeological sites (No sites = 0)
were identified and recorded during this survey (42UN 2280, 2281, & 2282). 13. Collection: .N.
(Y = Yes, N = No)

14. Actual/Potential National Register Properties Affected:
The National Register of Historic Places (NRHP) has been consulted and no registered properties will be affected by the proposed development.

15. Literature Search, Location/ Date: Utah SHPO 6-6-96 Vernal BLM 6-12-96

16. Conclusion/ Recommendations:

AERC recommends that a cultural resource clearance be granted to United Utilities Company or these proposed developments based on the following stipulations: (see reverse)

1. Artifacts should be point-plotted within the access route disturbance zone on site 42UN 2281 in order to develop definitive maps of the debitage distribution patterns. Minimal collection of artifacts should be conducted within the actual disturbance zone. Carbon should be extracted from the hearth and submitted for radiometric dating in order to obtain a date for the occupation.

2. All blading activity conducted on proposed Rockhouse Unit No. 17 that is adjacent to the site area should be confined to the existing pad zone.

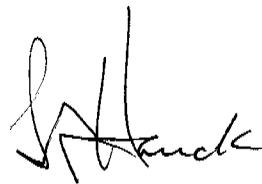
3. All vehicular traffic, personnel movement, construction and restoration operations should be confined to the flagged areas, well pads and corridors examined as referenced in this report, and to the existing roadways and/or evaluated access routes.

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

5. The authorized official should be consulted should cultural remains from subsurface deposits be exposed during construction work or if the need arises to relocate or otherwise alter the location of the exploration area.

17. Signature of Administrator & Field Supervisor

Administrator:



Field
Supervisor:

UT 8100-3 (2/85)

**DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS**

Operator Name: United Utilities Corp.

Name & Number: Rockhouse Unit #18

API Number: 43-047-32762

Location: 1/4,1/4 NE NE Sec. 16 T. 11 S R. 23 E

Geology/Ground Water:

There are no high quality zones of water in the area of the proposed well. The proposed casing and cement program will adequately protect any water encountered.

Reviewer: D. Jarvis

Date: 07/02/96

Surface:

The presite of the surface has been performed by field personnel of DOGM. All applicable management agencies and land owners have been notified and their concerns accommodated where reasonable and possible.

Reviewer: David W. Hackford

Date: 13-June-1996

Conditions of Approval/Application for Permit to Drill:

1. Gully entering site from the southeast will be routed to west side of the location while the well is being drilled and completed, and will be re-routed to the east side of the location after the reserve pit is reclaimed.

ON-SITE PREDRILL EVALUATION

Division of Oil, Gas and Mining

OPERATOR: United Utilities Corp.

WELL NAME & NUMBER: Rockhouse Unit #18

API NUMBER: 43-047-32762

LEASE: ML - 3221 FIELD/UNIT: Rockhouse Unit

LOCATION: 1/4,1/4 NE NE Sec: 16 TWP: 11 S RNG: 23 E 501 FNL 514 FEL

LEGAL WELL SITING: F SEC. LINE; F 1/4,1/4 LINE; F ANOTHER WELL.

GPS COORD (UTM): 12641960 E 4414616 N

SURFACE OWNER: State of Utah Surface access is included in the Lease

PARTICIPANTS

David W. Hackford (DOGM), Durrell Karen (United), John DeShapo
(United), Tony Pamell (Stubbs & Stubbs)

REGIONAL/LOCAL SETTING & TOPOGRAPHY

Site is in an area of rolling hills and shallow valleys with rock
faces and cliffs exposed in the hillsides.

SURFACE USE PLAN

CURRENT SURFACE USE: Minimal livestock and wildlife grazing.

PROPOSED SURFACE DISTURBANCE: The location will be 260' X 275'

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: See the attached
map from the GIS Database.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: All production
equipment will be on the existing well pad. The pipeline will be laid
to the southwest and tie into the existing gathering system in the NW
NW of section 16, T11S, R23E.

SOURCE OF CONSTRUCTION MATERIAL: All construction material will come
from the site. Gravel will be purchased from a commercial supplier is
needed.

ANCILLARY FACILITIES: None will be needed.

WASTE MANAGEMENT PLAN:

Drilled cuttings will be settled into the reserve pit. Liquids from
the pit will be allowed to evaporate. Produced water will be confined
to storage tanks. Sewage facilities, storage and disposal will be

STATE OF UTAH, DIV OF OIL, GAS & MINERALS

Operator: UNITED UTILITIES CORP	Well Name: ROCKHOUSE UNIT 18
Project ID: 43-047-32762	Location: SEC. 16 - T11S - R23E

Design Parameters:

Mud weight (9.50 ppg) : 0.494 psi/ft
 Shut in surface pressure : 2376 psi
 Internal gradient (burst) : 0.061 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	5,500	4.500	10.50	M-50	ST&C	5,500	3.960		
	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	2714	3600	1.326	2714	4580	1.69	57.75	124	2.15 J

Prepared by : MATTHEWS, Salt Lake City, Utah
 Date : 07-03-1996
 Remarks :

Minimum segment length for the 5,500 foot well is 1,500 feet.
 SICP is based on the ideal gas law, a gas gravity of 0.69, and a mean gas temperature of 112°F (Surface 74°F , BHT 151°F & temp. gradient 1.400°/100 ft.)
 String type: Production
 The mud gradient and bottom hole pressures (for burst) are 0.494 psi/ft and 2,714 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)

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
CEMENTING OPERATIONS

WELL NAME: ROCKHOUSE #18 API NO: 43-047-32762

QTR/QTR: NE/NE SECTION: 16 TOWNSHIP: 118 RANGE 23E

COMPANY NAME: UNITED UTILITIES COMPANY MAN DURRELL KAREN

INSPECTOR: DAVID HACKFORD DATE: 7/11/98

CASING INFORMATION: SURFACE CASING: YES

SIZE: 9 5/8" GRADE: K-55 40LB HOLE SIZE: 12 1/4 DEPTH: 260'

PIPE CENTRALIZED: FOUR, THREE ON BOTTOM, ONE NEXT TO LAST.

CEMENTING COMPANY: DJ SERVICES

CEMENTING STAGES: SINGLE

SLURRY INFORMATION:

1. CLASS: G ADDITIVES: 2% CACL, 1/4 LB PER SACK
1/4 LB PER SACK CELLOFLAKE

LEAD : 160 SACKS TAIL: _____

2. SLURRY WEIGHT LBS. PER GALLON:

LEAD: 15.8 PPG TAIL: _____

3. WATER (GAL/SX)

LEAD: 5.0 GALLONS PER SACK TAIL: 1.16 YIELD

CEMENT TO SURFACE: YES LOST RETURNS: NO

1 INCH INFORMATION: WEIGHT: _____ CEMENT TO SURFACE: _____

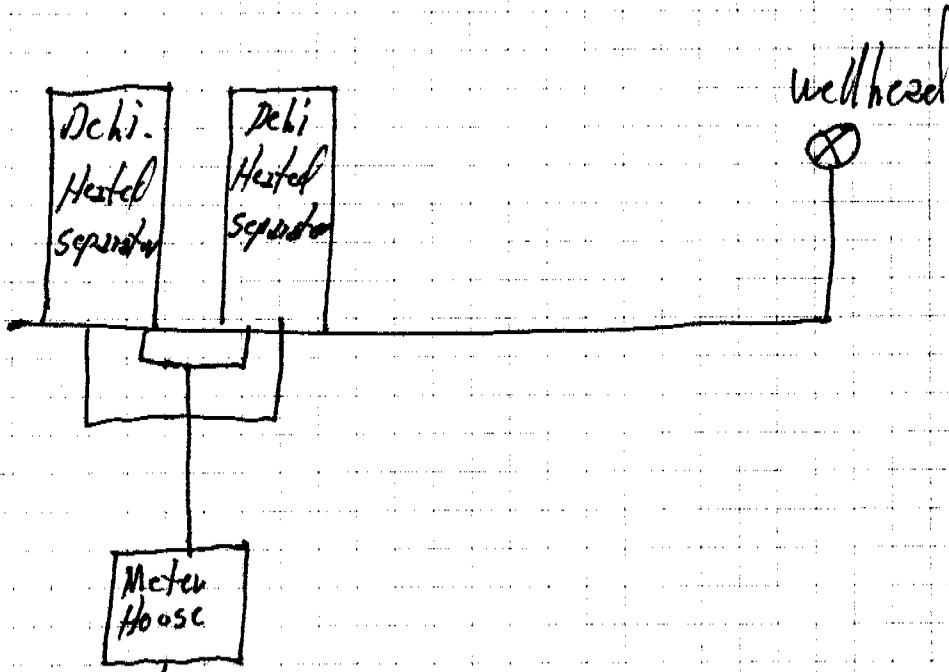
FEET: _____ SX: _____ CLASS: _____ CACLX: _____ RETURNS: _____

ADDITIONAL COMMENTS: HOLE CIRCULATED THROUGHOUT CEMENT JOB.
BUMPED ALUMINUM PLUG AT 5:00 PM. WATCHED 20 MINUTES AND HOLE
STAYED FULL. HOLE DEPTH 260', CASING RAN TO 254'.

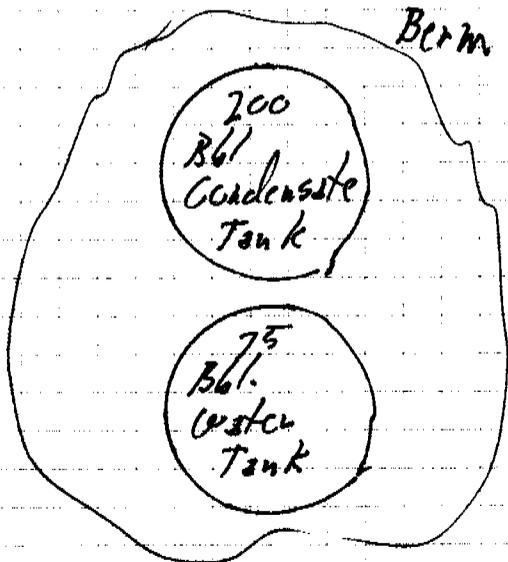
Backhouse 18



Reserve Pit



Gas Sides Line



Berm

200
Bbl.
Condensate
Tank

75
Bbl.
Water
Tank

Top Soil

Access



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)

July 3, 1996

United Utilities Corporation
625 North 100 West
Vernal, Utah 84078

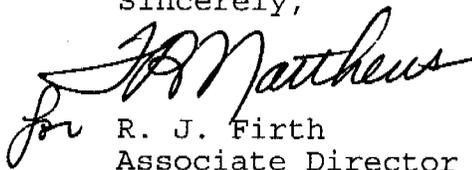
Re: Rockhouse Unit 18 Well, 501' FNL, 514' FEL, NE NE, Sec. 16,
T. 11 S., R. 23 E., Uintah County, Utah

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 43-047-32762.

Sincerely,


For R. J. Firth
Associate Director

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

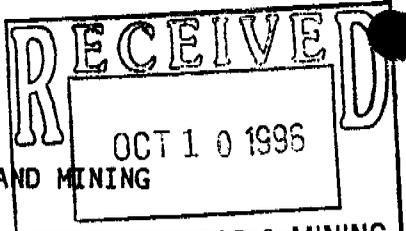
Operator: United Utilities Corporation
Well Name & Number: Rockhouse Unit 18
API Number: 43-047-32762
Lease: ML-3221
Location: NE NE Sec. 16 T. 11 S. R. 23 E.

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 (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.
4. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis dated July 2, 1996 (copy attached).

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING



WELL COMPLETION OR RECOMPLETION REPORT AND LOG

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

2. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP-EN PLUG BACK DIFF. RESVR. Other _____

3. NAME OF OPERATOR
United Utilities Corporation

4. ADDRESS OF OPERATOR
625 North 100 West Vernal, UT 84078

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
At surface 501' FNL & 514' FEL Sec. 16, T11S, R23E
At top prod. interval reported below Same
At total depth Same

6. LEASE DESIGNATION AND SERIAL NO.
ML-3221

7. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

8. UNIT AGREEMENT NAME
Rockhouse Unit

9. FARM OR LEASE NAME

10. WELL NO.
18

11. FIELD AND POOL, OR WILDCAT
Rockhouse (Wasatch)

12. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
Sec. 16, T11S, R23E
S.L.B.&M.

13. API NO. 43-047-32762 DATE ISSUED 7/3/96

14. COUNTY Uintah 15. STATE Utah

16. DATE SPUNDED 7/1/96 17. DATE T.D. REACHED 7/18/96 18. DATE COMPL. (Ready to prod.) 9/5/96 (Plug & Abd.)

19. ELEVATIONS (OF. RES. AT. CR. ETC.) 5964' KB 20. ELEV. CASINGHEAD 5952'

21. TOTAL DEPTH, MD & TVD 5504' 22. PLUG BACK T.D., MD & TVD 5463.6'

23. IF MULTIPLE COMPL., HOW MANY _____ 24. INTERVALS DRILLED BY 10-TD

25. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD) 3888'-5076' Wasatch

26. WAS DIRECTIONAL SURVEY MADE No

27. TYPE ELECTRIC AND OTHER LOGS RUN
CNL/FDC- Induction 11-12-96

28. WAS WELL CORED YES NO (Submit analysis)

29. DRILL STEM TEST YES NO (See reverse side)

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

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9 5/8"	40#	268	12 1/4"	160sx to surface	None
4 1/2"	10.5#	5503	7 7/8"	731 sx to surface	None

31. LINER RECORD

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

32. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	3848'	

33. PERFORATION RECORD (Interval, size and number)

INTERVAL (MD)	SIZE	HOLES	REMARKS
5070'-5076'	0.53"	24	holes
4974'-4980'	0.53"	24	holes squeezed
4615'-4621'	0.53"	24	holes
4576'-4582'	0.53"	24	holes
4060'-4066'	0.53"	24	holes
3888'-3894'	0.53"	24	holes

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
5070-5076	85,000# 20/40
4576-4621	170,000# 20/40
4060-4066	85,000# 20/40
3888-3894	85,000# 16/30

35. PRODUCTION

DATE FIRST PRODUCTION 9/5/96 PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) Flowing WELL STATUS (Producing or shut-in) Producing

DATE OF TEST	HOURS TESTED	CHOKER SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
9/6/96	24	Open		0	4,200	100	--

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)
470	1020		0	4,200	100	--

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

37. LIST OF ATTACHMENTS
Logs under separate cover

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

SIGNED Terry J. [Signature] TITLE Agent-Consulting Eng DATE 10/2/96

See Spaces for Additional Data on Reverse Side

INSTRUCTIONS

This form should be completed in compliance with the Utah Oil and Gas Conservation General Rules. If not filed prior to this time, all logs, tests, and directional surveys as required by Utah Rules should be attached and submitted with this report.

ITEM 18: Indicate which elevation is used as reference for depth measurements given in other spaces on this form and on any attachments.

ITEMS 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

ITEM 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

ITEM 33: Submit a separate completion report on this form for each interval to be separately produced (see instruction for items 22 and 24 above).

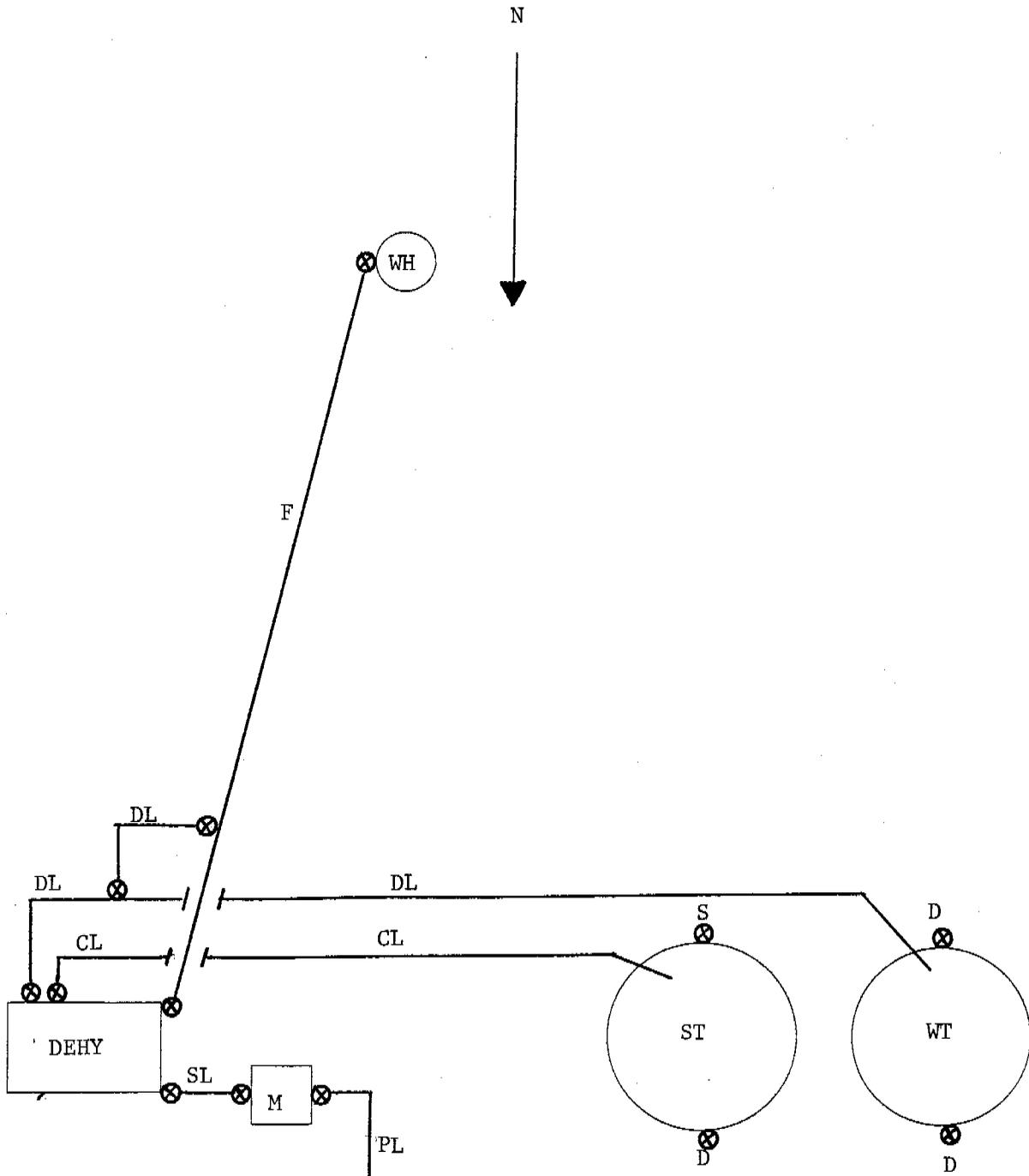
37. SUMMARY OF POROUS ZONES: Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries.		38. GEOLOGIC MARKERS	
Formation	Top	Bottom	Description, contents, etc.
			Name
			Meas. Depth
			True Vert. Depth
Wasatch	3482	5462	Gas
Mesaverde	5462	TD	

ROSEWOOD RESOURCES, INC.

VERNAL, UTAH

43,047-37762
ROCK HOUSE UNIT FEDERAL #18
ROCK HOUSE UNIT
AGREEMENT # UTU 63030C
NE/NE SEC. 16 T11S R23E
UINTAH COUNTY, UT

Site Security Plan is located in
the Vernal Office.



LEGEND

F	FLOWLINE
DL	DUMP\BLOWDOWN LINE
CL	CONDENSATE LINE
SL	SALES LINE
PL	WILDHORSE PIPELINE
WH	WELLHEAD
SEP	SEPARATER
ST	STORAGE TANK
WT	WATER TANK
⊗	VALVE
A ⊗	SEALED CL VALVE
B ⊗	SEALED SALES VALVE
D ⊗	SEALED DRAIN VALVE
M	GAS METER
PU	PUMPING UNIT
DEHY	GAS DEHYDRATER
COMP	GAS COMPRESSOR
C ⊗	EQUALIZER LINE

ATTACHMENT TO PRECEDING SITE FACILITY DIAGRAMS

General sealing of valves - sales are by tank gauging.

Production Phase: All drain valves (D) and sales valves (B) are sealed closed. The fill valve (A) and equalizer valve (C) are open and unsealed on the producing tank. The equalizer valve (C) on another tank is open and unsealed to allow production to flow to a spare tank in the event of an upset.

Sales Phase: The tank from which sales are being made will be isolated by sealing close the fill line (A), equalizer line (C), and drain valve (D) prior to shipping. After these valves are sealed closed, the top gauge will be taken. The sales valve (B) on the isolated sales tank will be broken and opened for sales. After sales, the sales valve (B) is sealed closed and the closing gauge is taken. The fill valve (A) and equalizer valve (C) seals are broken and the valves opened, when production is turned back into this tank.

Draining Phase: The tank being drained will be isolated by sealing closed the sales valve (B) and the other drain valves (D) on the other tanks. The top gauge will be taken prior to opening the drain valve (D). The water is drained off and the drain valve (D) is sealed closed and the top gauge is retaken.

<u>Sealed Valves</u>	<u>Producing</u>	<u>Shipping</u>	<u>Draining</u>
A-Fill Valve	open	closed	open
B-Shipping Valve	closed	open	closed
C-Equalizer Valve	open	closed	open
D-Drain Valve	closed	closed	open
E-Hot-oil Valve	closed	closed	closed

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: UNITED UTILITIES

Well Name: UNITED UTILITIES ROCKHOUSE 18

Api No. 43-047-32762

Section 16 Township 11S Range 25E County UINTAH

Drilling Contractor NABORS

Rig #: 908

SPUDDED:

Date: 7/10/96

Time: _____

How: ROTARY

Drilling will commence: _____

Reported by: D. HACKFORD-DOGM

Telephone #: _____

Date: 7/11/96 Signed: JLT

OPERATOR UNITED UTILITIES CORP

OPERATOR ACCT. NO. N 6360

ADDRESS 7670 WOODWAY SUITE 340

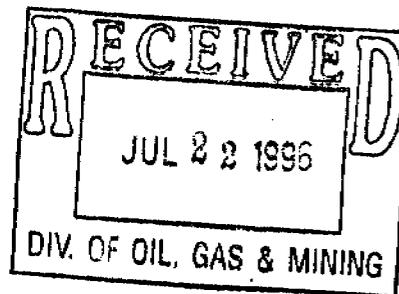
HOUSTON, TX 77063-1520

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION				COUNTY	SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG			
B	02025	99998	43-047-32761	ROCKHOUSE FEDERAL UNIT # 16	NW NW	15	11S	23E	UINTAH	6-18-96	
WELL 1 COMMENTS: ROCKHOUSE UNIT WELL-PLUG AND ABANDON PA'd 6-28-96. <i>LC</i>											
A	99999	11949	43-047-32753	ROCKHOUSE #13-A	SW NW	10	11S	23E	UINTAH	7-5-96	
WELL 2 COMMENTS: Entity added 7-23-96. <i>LC</i>											
B	02025	→	43-047-32762	(STATE) ROCKHOUSE UNIT #18	NE NE	16	11S	23E	UINTAH	7-11-96	
WELL 3 COMMENTS: ROCKHOUSE UNIT Entity added 7-23-96. <i>LC</i>											
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)



J. Alexander Walker
Signature _____
Date 7-17-96
Title _____
Phone No. (801) 789-2772

MONTHLY OIL AND GAS PRODUCTION REPORT

OPERATOR NAME AND ADDRESS:

TAMARA SEITER
 UNITED UTILITIES CORP
 7670 WOODWAY STE 340
 HOUSTON TX 77063

UTAH ACCOUNT NUMBER: N6360

REPORT PERIOD (MONTH/YEAR): 12 / 96

AMENDED REPORT (Highlight Changes)

Well Name API Number	Entry	Location	Producing Zone	Well Status	Days Oper	Production Volumes		
						OIL(BBL)	GAS(MCF)	WATER(BBL)
ROCKHOUSE UNIT 14 4304732521	02025	11S 23E 10	WSTC			- UTK 0779		
ROCKHOUSE UNIT 13 4304732522	02025	11S 23E 10	WSTC			- UTK 0779		
ROCKHOUSE UNIT 12 4304732719	02025	11S 23E 9	WSTC			- UTK 0779		
ROCKHOUSE UNIT 15 4304732734	02025	11S 23E 9	WSTC			- "		
ROCKHOUSE UNIT 17 4304732760	02025	11S 23E 9	WSTC			- "		
ROCKHOUSE UNIT 14 4304732762	02025	11S 23E 16	WSTC			- mL 3221		
ROCKHOUSE UNIT 15 4304715809	10876	11S 23E 10	MVRD			- UTK 0779		
LAPAGLIA #1 4304732634	11834	11S 23E 3	WSTC			- UTK 66407	Upper Rockhouse	Not a Fed. Unit
ACOSTA #1 4304732584	11906	11S 23E 3	WSTC			- UTK 66407	Upper Rockhouse	Not a Fed. Unit
ROCKHOUSE 13-A 4304732753	11949	11S 23E 10	GRRV			- UTK 0779		
TOTALS								

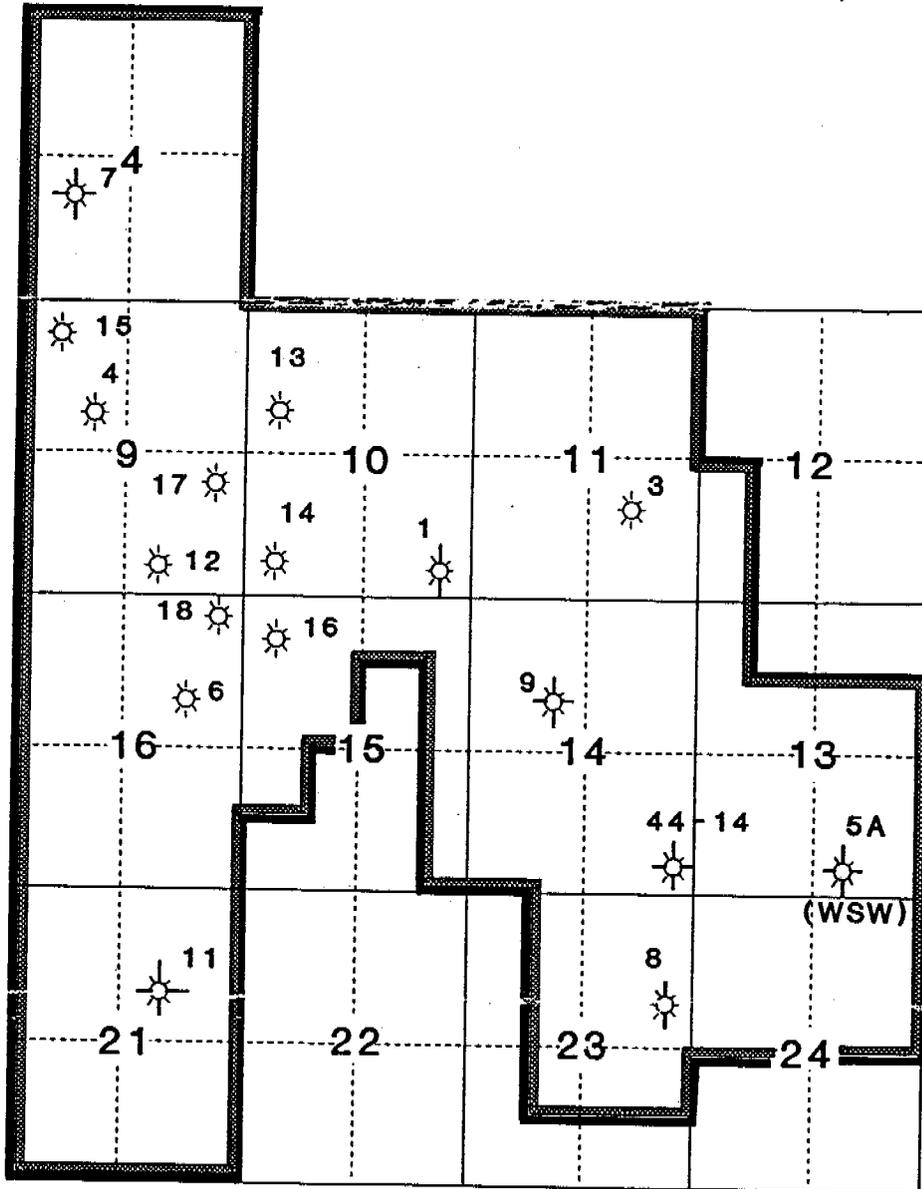
COMMENTS: * Upper Rockhouse "Lapaglia #1 & Acosta #1" separate chg.

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

Name and Signature: _____ Telephone Number: _____

ROCK HOUSE UNIT
Uintah County, Utah
EFFECTIVE: JANUARY 11, 1961

RECEIVED
 JAN 17 1967
 DIV. OF OIL, GAS & MINING



11S

23E

— UNIT AGREEMENT (UTU63030X)
 — WASATCH - MESAVERDE PA

AS CONTRACTED FEBRUARY 2, 1966

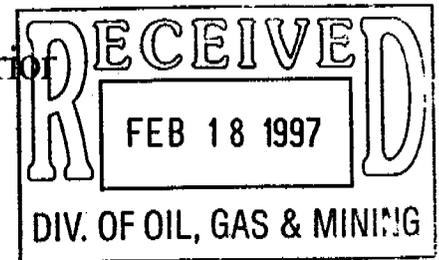
6,230.45 ACRES

**WSTC-MSVD PA
 ALLOCATION**
FEDERAL 89.7279%
STATE 10.2721%
6,230.45 Acres



United States Department of the Interior

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



COPY

February 12, 1997

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

United Utilities Incorporated
Attn: John Lapaglia
7670 Woodway, Suite 340
Houston, Texas 77063

Re: Rock House Unit
Uintah County, Utah

Gentlemen:

We are in receipt of your notice of intent to resign as Unit Operator of the Rock House Unit, effective March 3, 1997.

Please be advised that the resignation shall not become effective for a period of 6 months after notice of intention to resign has been served by the Unit Operator on all working interest owners and this office (February 10), unless a new unit operator is selected, approved and has taken over and assumed the duties and obligations of unit operator prior to the expiration of the six month period. The resignation of the unit operator shall not release United Utilities Incorporated from any liability for any default by it occurring prior to the effective date of resignation.

Until a successor of unit operator is selected and approved, the working interest owners shall be jointly responsible for performance of the duties of Unit Operator, and shall no later than 30 days before such resignation or removal becomes effective (6 months after working interest notification) appoint a common agent to represent them in any action to be taken under the agreement.

If no successor of unit operator is selected and qualified as provided in Section 6 of the unit agreement, this office may at its election declare the unit agreement terminated.

Please provide all interested parties, copies of this correspondence. If you have any questions, please contact Teresa Thompson (801) 539-4047 or Mickey Coulthard (801) 539-4042.

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks
Chief, Branch of Fluid Minerals

bcc: District Manager - Vernal
~~Division Oil, Gas & Mining~~
File - Rock House Unit
Agr. Sec. Chron
Fluid Chron

UT931:TAThompson:tt:02-12-97

UNITED

UTILITIES INCORPORATED

April 8, 1997

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

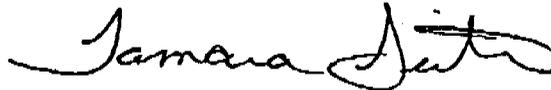
Re: Resignation of Unit Operator (Rainbow, Rockhouse & Upper Rockhouse)

Dear Lisha Cordova,

Per our conversation on April 7, 1997 United Utilities Corporation has resigned as Unit Operator effective February 1, 1997 and Rosewood Resources Inc. is now the new Operator effective February 1, 1997. Please find the Monthly Oil and Gas Production Report showing Well Name, API # and Location of the Wells so that you can properly update United Utilities and Rosewoods Accounts.

Thanks in advance and have a great day.

Sincerely,
United Utilities Corporation



Tamara Seiter
Senior Accountant
Revenue & Joint Interest Billing

ts

FAX

To:

Attn:

Jesha Cadova

Time Sent:

3:28 pm

From:

Sammy

Date:

4/8/97

Number of Pages:

4

Fax Number:

(801) 359-3940

(includes this page)

Remarks:

Jesha, I'm faxing you a letter
where United is Resigning as
unit operator effective 2/1/97

Please call with any
questions,

Thanks, Sammy

The information contained in this facsimile message is privileged and confidential information, intended for the use of the individual or entity indicated above. Any dissemination, distribution or copy of this communication is strictly prohibited. If you have received this communication in error, please immediately notify us by telephone and return the original message to us via the U. S. Postal Service. Thank you.

UUC

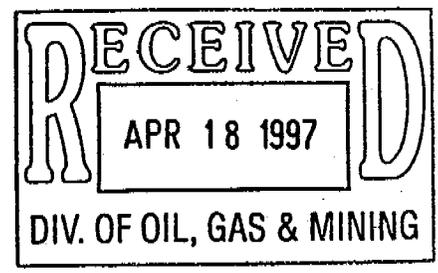
UNITED UTILITIES CORPORATION
7670 Woodway Dr., Suite 340
Houston, Texas 77063
Phone: (713) 782-9093
Fax: (713) 782-9095

COPY



United States Department of the Interior

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



IN REPLY REFER TO
UT-931

April 16, 1997

Rosewood Resources, Inc.
100 Crescent Court, Suite 500
Dallas, Texas 75201

Re: Rock House Unit
Uintah County, Utah

Gentlemen:

On April 10, 1997, we received an indenture dated March 1, 1997, whereby United Utilities Corporation resigned as Unit Operator and Rosewood Resources, Inc. was designated as Successor Unit Operator for the Rock House Unit, Uintah County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective April 16, 1997.

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

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

Sincerely,

/s/ James A. Fouts

for Robert A. Henricks
Chief, Branch of Fluid Minerals

Enclosure

bcc: District Manager - Vernal (w/enclosure)
~~Division of Oil, Gas & Mining~~
Minerals Adjudication Group U-932
File - Rock House Unit (w/enclosure)
MMS - Data Management Division
Agr. Sec. Chron
Fluid Chron

U-931:TAThompson:tt:April 16, 1997

WELL STATUS REPORTS
UTAH STATE OFFICE

INSPECTION ITEM	API NO.	WELL NUMBER	QTQT	SEC	TWN	RNG	WELL STATUS	LEASE NAME	OPERATOR
** INSPECTION ITEM 891007314C		ROCK HOUSE WS MV							
✓ 891007314C	430471580900S1	1	SESE	10	11S	23E	TA	UTU0779	UNITED UTILITIES CORPORAT
✓ 891007314C	430473271900S1	12	SWSE	9	11S	23E	PGW	UTU0779	UNITED UTILITIES CORPORAT
✓ 891007314C	430473252200S1	13	SWNW	10	11S	23E	PGW	UTU0779	UNITED UTILITIES CORPORAT
✓ 891007314C	430473252100S1	14	SWSW	10	11S	23E	PGW	UTU0779	UNITED UTILITIES CORPORAT
✓ 891007314C	430473273400S1	15	NWNW	9	11S	23E	PGW	UTU0779	UNITED UTILITIES CORPORAT
891007314C	430473276100X1	16	NWNW	15	11S	23E	ABD	UTU0780	UNITED UTILITIES CORPORAT
✓ 891007314C	430473276000S1	17	NESE	9	11S	23E	PGW	UTU0779	UNITED UTILITIES CORPORAT
→ 891007314C	430473276200S1	18	NENE	16	11S	23E	PGW	STATE	UNITED UTILITIES CORPORAT
✓ 891007314C	430471581000S1	3	NWSE	11	11S	23E	PGW	UTU0778	UNITED UTILITIES CORPORAT
✓ 891007314C	430471581100S1	4	SENW	9	11S	23E	PGW	UTU0779	UNITED UTILITIES CORPORAT
✓ 891007314C	430473180600S1	44-14	SESE	14	11S	23E	ABD	UTU0779	UNITED UTILITIES CORPORAT
891007314C	430471581200S1	5A	SWSE	13	11S	23E	WSW	UTU0779	UNITED UTILITIES CORPORAT
✓ 891007314C	430471581500S1	8	SENE	23	11S	23E	TA	UTU0780	UNITED UTILITIES CORPORAT
** INSPECTION ITEM 891007314X		ROCK HOUSE X							
✓ 891007314X	430473275300S1	13-A	SWNW	10	11S	23E	POW	UTU0779	UNITED UTILITIES CORPORAT

add rehab Ref. by BLN

Referred Op. to Water Rights

DOGM SPEED LETTER

To: Ed Bonner

From: Don Staley

School & Institutional Trust

Division of Oil, Gas & Mining

Lands Administration

Subject: Operator Change

MESSAGE

Date 5/9 19 97

Ed,

For your information, attached are copies of documents regarding an operator change on a state lease(s)

These companies have complied with our requirements. Our records have been updated. Bonding should be reviewed by your agency ASAP.

Former Operator: United Utilities Corp. (N6360)

New Operator: Rosewood Resources Inc (N7510)

Well(s):	API:	Entity:	S-T-R:	Lease:
Rockhouse Unit 18	43-047-32762	02025	16-11S-23E	ML3221

cc: Operator File

Signed Don Staley

REPLY

Date _____ 19 _____

Signed _____

OPERATOR CHANGE WORKSHEET

1- WAC	6- WAC
2- GLH	7- KDR KAS
3- DPSOTS	8- SI
4- VLD	9- FILE
5- RIF GEB	

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

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

The operator of the well(s) listed below has changed, effective: 2-1-97

TO: (new operator)	<u>ROSEWOOD RESOURCES INC</u>	FROM: (old operator)	<u>UNITED UTILITIES CORP.</u>
(address)	<u>100 CRESCENT COURT #500</u>	(address)	<u>7670 WOODWAY STE 340</u>
	<u>DALLAS TX 75201</u>		<u>HOUSTON TX 77063</u>
			<u>TAMARA SEITER</u>
	Phone: <u>(214)871-5710</u>		Phone: <u>(713)782-9093</u>
	Account no. <u>N7510</u>		Account no. <u>N6360</u>

WELL(S) attach additional page if needed: **ROCK HOUSE UNIT**

Name: **SEE ATTACHED**	API: <u>43-047-32762</u>	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____

OPERATOR CHANGE DOCUMENTATION

- Lec 1. (r649-8-10) Sundry or other legal documentation has been received from the **FORMER** operator (attach to this form). *(Rec'd 4-8-97)*
- Lec 2. (r649-8-10) Sundry or other legal documentation has been received from the **NEW** operator (Attach to this form). *(X BLM Apprv. 4-16-97)*
- N/A 3. The **Department of Commerce** has been contacted if the new operator above is not currently operating any wells in Utah. Is the company registered with the state? (yes/no) _____ If yes, show company file number: _____
- Lec 4. **FOR INDIAN AND FEDERAL WELLS ONLY.** The BLM has been contacted regarding this change. Make note of BLM status in comments section of this form. BLM approval of **Federal** and **Indian** well operator changes should ordinarily take place prior to the division's approval, and before the completion of steps 5 through 9 below.
- Lec 5. Changes have been entered in the **Oil and Gas Information System (3270)** for each well listed above. *(4-30-97)*
- Lec 6. **Cardex** file has been updated for each well listed above. *(5-5-97)*
- Lec 7. **Well file labels** have been updated for each well listed above. *(5-5-97)*
- Lec 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to Trust Lands, Sovereign Lands, UGS, Tax Commission, etc. *(4-30-97)*
- Lec 9. A folder has been set up for the **Operator Change** file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

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

BOND VERIFICATION - (FEE WELLS ONLY) *Trust Lands 80,000 Surety # 5836732 "Selico Ins. Co."*

- EC 1. (r649-3-1) The NEW operator of any fee lease well listed above has furnished a proper bond.
- EC/N/A 2. A copy of this form has been placed in the new and former operator's bond files.
- EC 3. The FORMER operator has requested a release of liability from their bond (yes/no) no, as of today's date 4-22-97. If yes, division response was made to this request by letter dated _____.

LEASE INTEREST OWNER NOTIFICATION OF RESPONSIBILITY

- BTS 1. Copies of documents have been sent on 5/9/97 to Ed Bonner at Trust Lands for changes involving State leases, in order to remind that agency of their responsibility to review for proper bonding.
- N/A 2. (r649-2-10) The former operator of any fee lease wells listed above has been contacted and informed by letter dated _____ 19 __, of their responsibility to notify all interest owners of this change.

FILMING

- B 1. All attachments to this form have been microfilmed. Today's date: 6-6-97.

FILING

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

COMMENTS

970418 Bfm/SP. Apprv. 4-16-97 off. same.

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas well Other

2. Name of Operator
ROSEWOOD RESOURCES, INC.

3. Address and Telephone No.
P.O. BOX 1668, VERNAL, UTAH 84078 435-789-0414

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
501' FNL 514' FEL NE/NE SECTION 16, T11S, R23E

5. Lease Designation and Serial No.
UTU-63030C

6. If Indian, Allottee or Tribe Name

7. If unit or CA, Agreement Designation
ROCK HOUSE UNIT

8. Well Name and No.
ROCK HOUSE FED #18

9. API Well No.
43-047-32762

10. Field and Pool, or Exploratory Area

11. County or Parish, State
UINTAH CO.

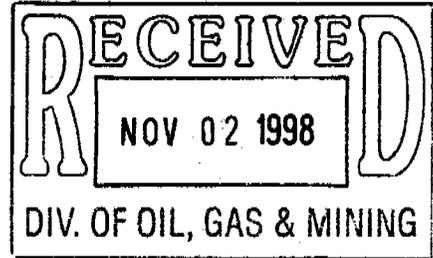
12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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

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

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

Produced water will be tanked on location and then trucked to the state approved TU & FRUM Disposal Facility located in Section 12, T5S, R19E, Uintah County. Produced water will be reported on the Monthly MMS-3160 form.



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

Signed *Ruby Neman* Title Administrative Assistant Date 10/28/98

(This space of 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 to make to any department of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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

*Federal Approval of this
Action is Necessary*

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No.
UTU-0780

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation
ROCKHOUSE

8. Well Name and No.
#17

9. API Well No.
43-047-32762

10. Field and Pool, or Exploratory Area

11. County or Parish, State
Uintah, UT

SUBMIT IN TRIPLICATE RECEIVED
JAN 19 2005

DIV. OF OIL, GAS & MINING

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator
ROSEWOOD RESOURCES, INC.

3. Address and Telephone No.
P.O. Box 1668 Vernal, Utah 84078 (435)789-0414

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2635' FSL 217' FEL SE NE SEC 9, T11S R23E

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

TYPE OF SUBMISSION

Notice of Intent
 Subsequent Report
 Final Abandonment Notice

TYPE OF ACTION

Abandonment
 Recompletion
 Plugging Back
 Casing Repair
 Altering Casing
 Other Disposal Method
 Change of Plans
 New Construction
 Non-Routine Fracturing
 Water Shut-Off
 Conversion to Injection
 Dispose Water

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

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

Rosewood Resources, Inc. requests approval that any produced water from the above mentioned well be disposed of by method of trucking to our Atchee SWD located at SWNE T11S R23E SEC 15 Well EPA Permit Number UT2871-04527 and disposing of water per regulation.

Please call with any concerns.

Thank You,

Jill Henrie

Rosewood Resources, Inc.

(435) 789-0414 x 10

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

COPIES: ORIG. & 2-BLM; DIV. OG&M

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

Signed Jill Henrie

Title Administrative Assistant Date 01/17/05

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
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.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3221
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL Gas Well		7. UNIT or CA AGREEMENT NAME: ROCK HOUSE
2. NAME OF OPERATOR: ROSEWOOD RESOURCES INC		8. WELL NAME and NUMBER: ROCK HOUSE U 18
3. ADDRESS OF OPERATOR: PO Box 1668 , Vernal , UT, 84078		9. API NUMBER: 43047327620000
PHONE NUMBER: 435 789-0414 Ext		9. FIELD and POOL or WILDCAT: ROCK HOUSE
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0501 FNL 0514 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 16 Township: 11.0S Range: 23.0E Meridian: S		COUNTY: UINTAH
		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 Approximate date work will start: 11/21/2015	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input checked="" type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input type="text"/>

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

Please change this well to shut in status. It was shut in due to economic instability on 11/21/2015. Thank you, Jill

**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
January 06, 2016**

NAME (PLEASE PRINT) Jill Henrie	PHONE NUMBER 435 789-0414	TITLE Administravtive Assistant
SIGNATURE N/A	DATE 1/5/2016	