

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

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

2. NAME OF OPERATOR
 Freedom Energy, Inc.

3. ADDRESS OF OPERATOR
 1050 - 17th St., Suite #710, Denver, Co 80265 303-592-3022

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface
 2048' FNL, 2014' FWL, SE1/4, NW1/4, Sec. 6, T12S, R24E
 At proposed prod. zone

5. LEASE DESIGNATION AND SERIAL NO.
 U-08424A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
 Cruiser Federal F

9. WELL NO.
 6-6

10. FIELD AND POOL, OR WILDCAT

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 SEC. 6, T 12 S, R 24 E

12. COUNTY OR PARISH 13. STATE
 Uintah UT

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
 16.9 MILES SOUTH OF BONANZA, UT

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 2014'

16. NO. OF ACRES IN LEASE 640

17. NO. OF ACRES ASSIGNED TO THIS WELL 40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2640'

19. PROPOSED DEPTH 4562'

20. ROTARY OR CABLE TOOLS
 ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 6080'

22. APPROX. DATE WORK WILL START*
 March 15, 1997

CONFIDENTIAL

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4	9 5/8	36	300	TO SURFACE
7 7/8	4 1/2	11.6	T.D.	CMT TOP TO COVER THE OIL SHALE

OPERATOR REQUESTS PERMISSION TO DRILL THE SUBJECT WELL
 PLEASE SEE THE ATTACHED 10 POINT AND THE 13 POINT SURFACE
 USE PLAN.

IF YOU REQUIRE ADDITIONAL INFORMATION PLEASE CONTACT:

WILLIAM A. RYAN
 350 S., 800 E.
 VERNAL, UTAH
 801-789-0968
 801-823-6152

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MAR 28 1997
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 DIV. OF OIL, GAS & MINERAL RESOURCES

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

24. SIGNED William A. Ryan TITLE PETROLEUM ENGINEER DATE Feb. 21, 1997

(This space for Federal or State office use)

PERMIT NO. H3-047-32856 APPROVAL DATE _____

APPROVED BY John R. Began TITLE Petroleum Engineer DATE 5/27/97

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

624
-14

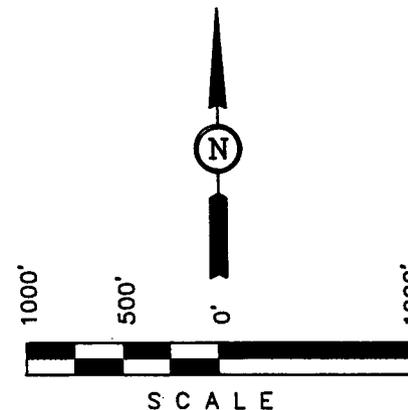
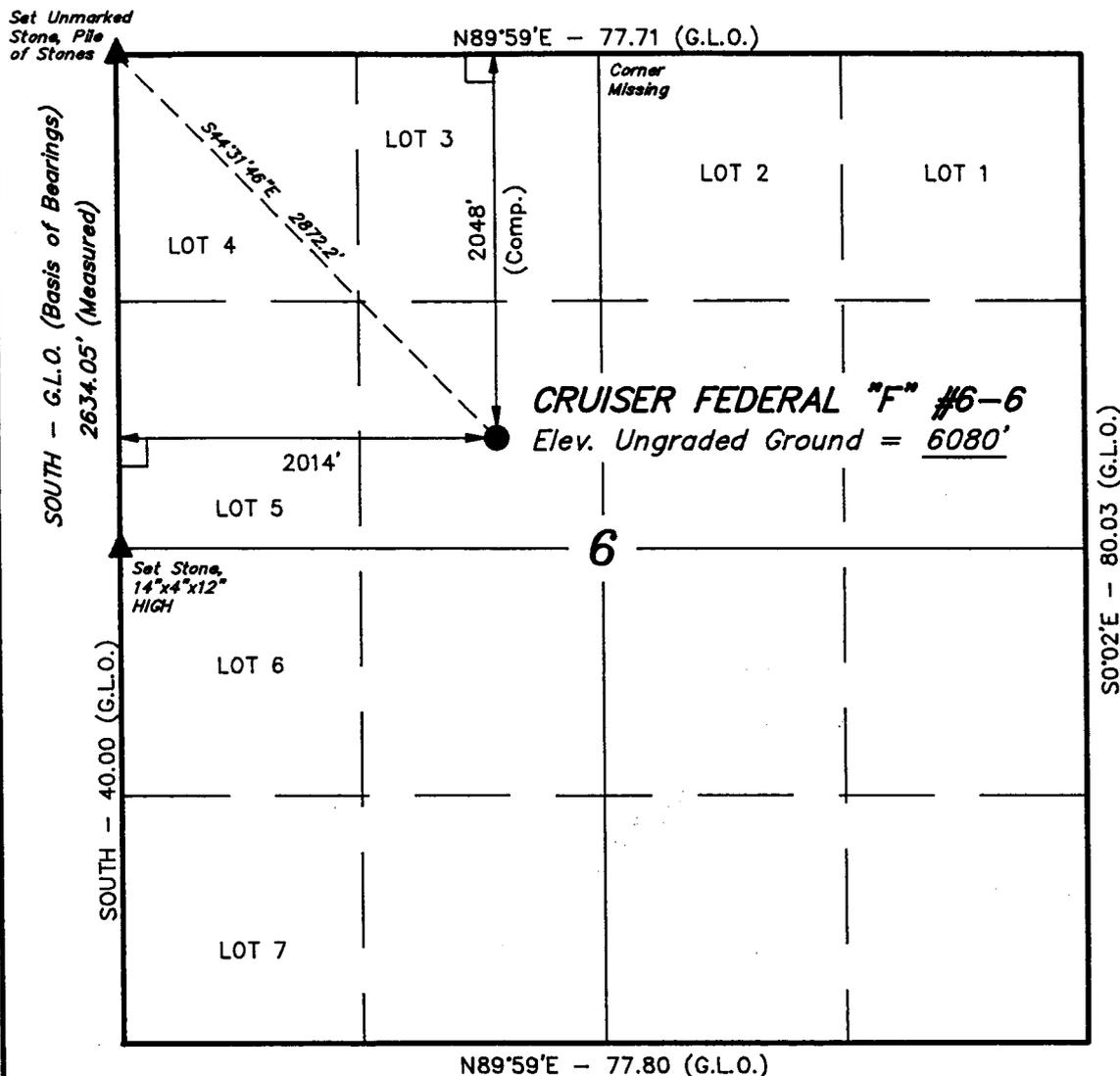
T12S, R24E, S.L.B.&M.

FREEDOM ENERGY, INC.

Well location, CRUISER FEDERAL "F" #6-6, located as shown in the SE 1/4 NW 1/4 of Section 6, T12S, R24E, S.L.B.&M. Uintah County Utah.

BASIS OF ELEVATION

SPOT ELEVATION LOCATED IN THE SW 1/4 OF SECTION 8, T12S, R24E, S.L.B.&M. TAKEN FROM THE ARCHY BENCH SE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 6250 FEET.



CERTIFICATE

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

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

LEGEND:

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

UINTAH ENGINEERING & LAND SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078

(801) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 1-10-97	DATE DRAWN: 1-20-97
PARTY L.D.T. B.G. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE FREEDOM ENERGY, INC.	

SELF-CERTIFICATION STATEMENT

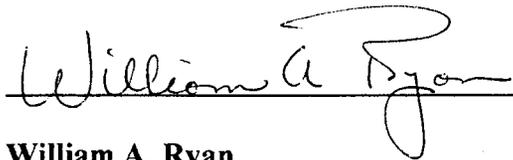
The following self-certification statement is provided per Federal requirements dated June 15, 1988.

Please be advised that Freedom Energy, Inc., is considered to be the operator of the following well.

Cruiser Federal F 6-6
SE 1/4, NW 1/4, Section 6, T. 12 S., R. 24 E.
Lease U-08424A
Uintah County, Utah

Freedom Energy, Inc., is responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage is provided by Certificate of Deposit, BLM Bond #UT-1030.

A handwritten signature in black ink that reads "William A. Ryan". The signature is written in a cursive style and is positioned above a horizontal line.

William A. Ryan
Agent
Rocky Mountain Consulting
350 S. 800 E.
Vernal UT 84078
801-789-0968 Office
801-823-6152 Cell
801-789-0970 Fax

Ten Point Plan

Freedom Energy, Inc.
Cruiser Federal F
6-6

Surface Location SE 1/4, NW 1/4, Section 6, T 12 S, R 23 E

1. Surface Formation:

Green River

2. Estimated Formation Tops and Datum:

<u>Formation</u>	<u>Depth</u>	<u>Datum</u>
Green River	Surface	6,080' G.L.
Oil Shale	500	6,030
Wasatch	2,562	3,518
Mesaverde formation	4,162	1918
T.D.	4,562	1518

3. Producing Formation Depth:

Formation objective include the Wasatch and its submembers.

Off Set Well Information:

Off set well:	Gas Well	Hanging Rock Fed. 1-16	Sec. 1, T 12 S, R 23 E
	Gas Well	Hanging Rock Fed. 6-15	Sec. 6, T 12 S, R 24 E
	Gas Well	Hanging Rock Fed. 7-6	Sec. 7, T 12 S, R 24 E
	Gas Well	Oil Springs Unit #10	Sec. 5, T 12 S, R 24 E

4. Proposed Casing :

<u>Hole</u>	<u>Casing</u>	<u>Grade</u>	<u>Setting</u>	<u>Casing</u>	
<u>Size</u>	<u>Size</u>	<u>Weight/Ft.</u>	<u>Depth</u>	<u>New/Used</u>	
12 1/2	9 5/8	36	J-55/STC	300	New
7 7/8	4 1/2	11.6	J-55/LTC	T.D.	Used/inspected

Cement Program:

<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amount</u>	<u>Cement Yield</u>	<u>Cement Weight</u>
9 5/8	Class "G" 2% Calcium 1/4 #/sk cello flake	200 sks.	1.18 cu. ft./sk.	15.6 lbs./gal.
4 1/2	Lead Class "G" 3 % salt 16% gell 10# Gilsonite/sk	200 sks	3.90 cu. ft./sk.	11.0 lbs./gal.
	Tail Class "G" 10% salt 10% gypsum 2% WR15 .4 lbs/sk FL 25	500 sks +/-	1.53 cu. ft./sk.	14.8 lbs./gal.

5. BOP and Pressure Containment Data:

The anticipated bottom hole pressure will be less than 2000 psi.

A 3000 psi WP BOP system as described in the BOP and Pressure Containment Data (attached) will be installed and maintained from the 9 5/8" surface casing. The BOP system including the casing will be pressure tested to the minimum standards set forth in "On Shore Order #2". The BOP will be mechanically checked daily during the drilling operation.

6. Mud Program:

<u>Interval</u>	<u>Mud weight lbs/gal.</u>	<u>Viscosity Sec./Qt.</u>	<u>Fluid Loss MI/30 Mins.</u>	<u>Mud Type</u>
0-300	Air/Clear Water	----	No Control	Water/Gel
300-2000	Clear Water	----	No Control	Water/Gel
2000-T.D.	8.4-8.6	30	No Control	Water/Gel

7. Auxiliary Equipment:

Upper Kelly cock, full opening stabbing valve, 2 1/2" choke manifold and pit level indicator.

8. Testing, Coring, Sampling and Logging:

- a) Test: None are anticipated.
- b) Coring: There is the possibility of sidewall coring.
- c) Sampling: Every 10' from 2000' to T.D.
- d) Logging:

Type	Interval
DLL/SFL W/GR and SP	T.D. to Surf. Csg
FDC/CNL W/GR and CAL	T.D. to Surf. Csg

9. Abnormalities (including sour gas):

No abnormal pressures, temperatures or other hazards are anticipated. Oil and gas shows are anticipated in the Wasatch Formation. Other wells drilled in the area have not encountered over pressured zones or H₂S.

10. Drilling Schedule:

The anticipated starting date is March 15, 1997. Duration of operations expected to be 30 days.

FREEDOM ENERGY, INC.

13 POINT SURFACE USE PLAN

FOR WELL

CRUISER FEDERAL F

6-6

LOCATED IN

SE 1/4, NW 1/4

SECTION 6, T. 12 S., R. 24 E., U.S.B.&M.

UINTAH COUNTY, UTAH

LEASE NUMBER: U-08424A

SURFACE OWNERSHIP: FEDERAL

1. Existing Roads

To reach the Freedom Energy Inc., Cruiser Federal F 6-6 well location, in Section 6, T 12 S, R 23 E, from Bonanza, Utah:

Starting in Bonanza, Utah proceed south on the paved road for 4 miles. Turn south (left) on the Book cliffs road (dirt road). Proceed south 3.9 miles to the Greeks Corrals. Turn west (right) at the fork in the road. Proceed 8.3 miles to the Asphalt Wash sign. Stay to the south (left) of the sign. Proceed .7 miles to the Rainbow sign. Stay to the west (right) of the sign. This is also called the Kings Wells road. Proceed 6 miles to the Cedair Corrals. Turn north (right) and proceed .2 miles to the proposed location and access road.

All roads to the Cedair Corrals are State or County maintained roads.

Please see the attached map for additional details.

2. Planned access road

Approximately 3000 feet of new road construction will be required.

The proposed road has been staked.

The road will be built to the following standards:

A) Approximate length	3696 Ft.
B) Right of Way width	30 Ft.
C) Running surface	18 Ft.
D) Surfacing material	Native soil
E) Maximum grade	5%
F) Fence crossing	None
G) Culvert	None
H) Turnouts	None
I) Major cuts and fills	None
J) Road flagged	Yes
K) Access road surface ownership	Federal
L) All new construction on lease	Yes

Newly constructed roads will be built using native soils from borrow pits on either or both sides of the road. The road will be crowned and ditched. Ditches will be constructed along either side where it is determined necessary to handle run off and minimize the possibility of erosion.

Please see the attached location plat for additional details.

No right of way will be required. Access from the Uintah County road will be on lease.

All travel will be confined to existing access road right of ways. A sign will be installed at the point of new construction. The sign will state the road is a dead end oil field access road.

Access road and surface disturbing activities will conform to standards outlined in the USGS publication (1978) surface operating standards for oil and gas development.

3. Location of existing wells

The following wells are located within one mile radius of the location site.

A) Producing wells

Gas well	Hanging Rock Fed. 1-16	Sec. 1, T12 S, R 23 E
Gas well	Hanging Rock Fed. 6-15	Sec. 6, T12 S, R 24 E
Gas well	Hanging Rock Fed. 7-6	Sec. 7, T12 S, R 24 E
Gas well	Oil Springs Unit #10	Sec. 5, T12 S, R 24 E

B) Water wells None

C) Abandoned wells None

D) Temporarily abandoned wells None

E) Disposal wells None

F) Drilling wells None

G) Shut in wells None

H) Injection wells None

I) Monitoring or observation wells None

Please see the attached map for additional details.

4. Location of tank batteries, production facilities, and production gathering service lines.

All production facilities are to be contained within the proposed location site. Please see the attached plat plan for a typical gas well separator installation and well site piping.

All permanent (on site for more than six months or longer) structures constructed or installed will be painted a desert brown color. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded. The required paint color is Desert Brown (10 YR 6/4).

All tanks will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank in the battery. The integrity of the dike will be maintained.

The operator will adhere to all site security guidelines and regulations identified in 43 cfr 3126.7.

All off lease storage, off lease measurement, comingling on lease or off lease, of production, will have prior written approval from the authorized officer.

A proposed surface gas line has been staked on the ground (yellow flagging). The proposed line is approximately .4 mile long. The line will be constructed south of the proposed location. The line will tie in to an existing tap in a 4" line. There will be no additional surface disturbances required for the installation of a gathering line. The line will be a 4" steel line. The line will be welded on the pad and pulled with a small cat to the tie in.

The gas meter run will be located within 500' of the well head. The gas line will be buried or anchored down from the well head to the meter. Meter runs will be housed and/or fenced.

The gas meter will be calibrated and the tank strapped in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The authorized officer will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration report will be submitted to the BLM's Vernal District office. All measurement facilities will conform with API and AGA standards for gas and liquid hydrocarbon measurement.

5. Location and type of water supply

Water for drilling and cementing the subject well will be hauled by truck from Evacuation Creek or United Utilities water station in Section 13, T11S, R23E. Water for completion will come from the same supply or Vernal City.

6. Source of construction materials

All construction material for this location site and access road shall be borrow material accumulated during construction of the location site and access road. Additional road gravels or pit lining material will be obtained from private sources.

7. Methods for handling waste disposal

A) Pit construction and liners:

The reserve pit will be approximately 10 ft. deep and most of the depth shall be below the surface of the existing ground. Please see the attached plat for details.

The reserve pit will not be lined unless the pit is blasted or soil conditions would warrant a pit liner.

The reserve pit will not be used to store water for drilling. A semi-closed system will be used to drill the well. All fresh water for drilling will come from a frac tank placed on location and from the rig tank. The pit will be used to hold non-flammable materials such as cuttings, salt, drilling fluids, chemicals, produced fluids, etc.

B) Produced fluids:

Produced water will be confined to the reserve pit, or if deemed necessary, a storage tank for a period not to exceed 90 days after initial production. During the 90 day period an application for approval for a permanent disposal method and location will be submitted to the authorized officer.

C) Garbage:

A trash cage fabricated from expanded metal will be used to hold trash on location and will be removed to an authorized land fill location.

D) Sewage:

A portable chemical toilet will be supplied for human waste.

E) Site clean-up

After the rig is moved off the location the well site area will be cleaned and all refuse removed.

8. Ancillary facilities

There are no ancillary facilities planned for at this time and none are foreseen for the future.

9. Well-site layout

Location dimensions are as follow:

A)	Pad length	325 ft.
B)	Pad width	155 ft.
C)	Pit depth	10 ft.
D)	Pit length	180 ft.
E)	Pit width	50 ft.
F)	Max cut	22.1 ft.
G)	Max fill	10.6 ft.
H)	Total cut yds	9,350 cu. yds.
I)	Pit location	east side
J)	Top soil location	north and west side
K)	Access road location	south side
L)	Flare pit	south east corner

Please see the attached location diagram for additional details.

Please note that the trees will be placed above the pit on the east side. Also note the pit spoil stock pile will be moved between points A and 4.

A silt catchmint dam will be constructed north and east of the location. The dirt contractor will contact the BLM before construction of the pit starts. The BLM will locate the dam site at that time. The dam site at that time. The dam will be 60-70' wide, 12' high, with the spill way on the left side.

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

- A) Thirty nine inch net wire shall be used with at least one strand of wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- B) The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C) Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- D) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 ft.
- E) All wire shall be stretched by using a stretching device before it is attached to the corner posts.

10. Plans for restoration of the surface

Prior to construction of the location, the top 6 inches of soil material will be stripped and stockpiled. This will amount to approximately 1,000 cubic yards of material. Placement of the top soil is noted on the attached location plat. When all drilling and completion activities have been completed the unused portion of the location (the area outside the dead men.) will be recontoured and the topsoil spread over the disturbed area.

The dirt contractor will be provided with an approved copy of the surface use plan prior to construction activities.

Any drainage rerouted during the construction activities shall be restored to its original line of flow or as near as possible.

All disturbed areas will be recontoured to the approximate natural contours. Prior to back filling the pit the fences around the reserve pit will be removed.

The reserve pit will be reclaimed within 90 days of well completion. If the reserve pit has not dried sufficiently to allow back filling, an extension on the time requirement for back filling the pit will be requested. Once reclamation activities have begun, they shall be completed within 30 days.

After the reserve pit has been reclaimed, no depressions in the soil covering the reserve pit will be allowed. The objective is to keep seasonal rain fall and run off

from seeping into the soil used to cover the reserve pit. Diversion ditches and water bars will be used to divert run off as needed.

When restoration activities have been completed, the location site and new access road cuts and shoulders shall be reseeded. Prior to reseeding, all disturbed areas will be scarified and left with a rough surface.

A) Seeding dates:

After September 15, and before the ground freezes.

Seed will be broadcast or drilled at the time specified by the BLM. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage and the seed mixture will be proportionately larger (double the lbs. per acre).

At such time as the well is plugged and abandoned the operator will submit a surface reclamation plan to the surface management agency for prescribed seed mixture and reseeding requirements.

11. Surface ownership:

Access road	Federal
Location	Federal
Pipe line	Federal

12. Other information

A) Vegetation:

The vegetation coverage is slight. The majority of the existing vegetation consists of sage brush. Rabbit brush, bitter brush and indian rice grass are also found on the location.

B) Dwellings:

There are no dwellings, or other facilities within a one mile radius of the location.

C) Archeology:

The location has been surveyed and there are no archaeological, historical, or cultural sites near the proposed site. Please see the attached archaeological clearance map.

If, during operations, any archaeological or historical sites, or any objects of antiquity (subject to the antiquities act of June 8, 1906) are discovered, all operations which would affect such sites will be suspended and the discovery reported promptly to the surface management agency.

D) Water:

The nearest water is in the bottom of Asphalt Wash located 2 miles to the north.

E) Chemicals:

No pesticides, herbicides or other possible hazardous chemicals will be used without prior application.

F) Notification:

a) Location construction

At least forty eight (48) hours prior to construction of location and access roads

b) Location completion

Prior to moving on the drilling rig.

c) Spud notice

At least twenty-four (24) hours prior to spudding the well.

d) Casing string and cementing

At least twenty-four (24) hours prior to running casing and cementing all casing strings.

e) BOP and related equipment tests

At least twenty-four (24) hours prior to initialing pressure tests.

f) First production notice

With in five (5) business days after the new well begins, or production resumes after well has been off production for more than ninety 90 days.

H) Flare pit

The flare pit will be located a minimum of 30 feet from the reserve pit fence and 100 feet from the bore hole on the south and east side of the location, between points 5 and 6 on the location plat. All fluids will be removed from the pit within 48 hours of occurrence.

12. Lessees or Operator's representative and certification

A) Representative

Name: William A. Ryan

Address: Rocky Mountain Consulting
350 South, 800 East
Vernal, Utah 84078

Telephone:

Office 801-789-0968

Fax 801-789-0970

Cellular 801-823-6152

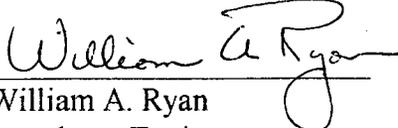
All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, onshore oil and gas orders, the applicable laws, regulations, and any applicable notices to lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

This drilling permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

B) Certification

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 presently exist, that the statements made in this plan are, to the best of my knowledge and belief, true and correct, and that the work associated with the operation proposed herein will be performed by Freedom Energy, Inc. and its contractors and subcontractors in conformity with this plan and terms and conditions with this plan and the terms and conditions under which it is approved.

Date Feb. 21, 1997


William A. Ryan
Petroleum Engineer
Rocky Mountain Consulting

Onsite Date:

January 28, 1997

Participant on joint inspection:

William Ryan

Rocky Mountain Consulting

Byron Tolman

BLM

Steve Madsen

BLM

Steve Strong

BLM

Statement of use of Hazardous Material

No chemical(s) from the EPA's Consolidated list of Chemicals subject to Reporting Under Title III of the Superfund Amendments and Reauthorization, Act (SARA) of 1986. will be used, produced, transported, stored, disposed, or associated with the proposed action, No extremely hazardous substances, as defined in 40 cfr 355, will be used, produced, stored, transported, disposed, or associated with the proposed action.

If you require additional information please contact:

William A Ryan
Agent for Freedom Energy
Rocky Mountain Consulting
350 S. 800 E.
Vernal Utah, 84078

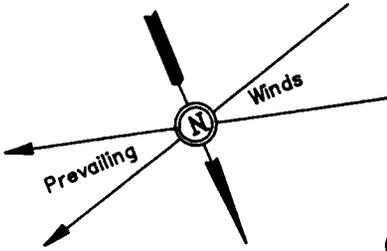
Telephone
(801) 789-0968 office
(801) 823-6152 cellular
(801) 789-0970 fax

FREEDOM ENERGY, INC.

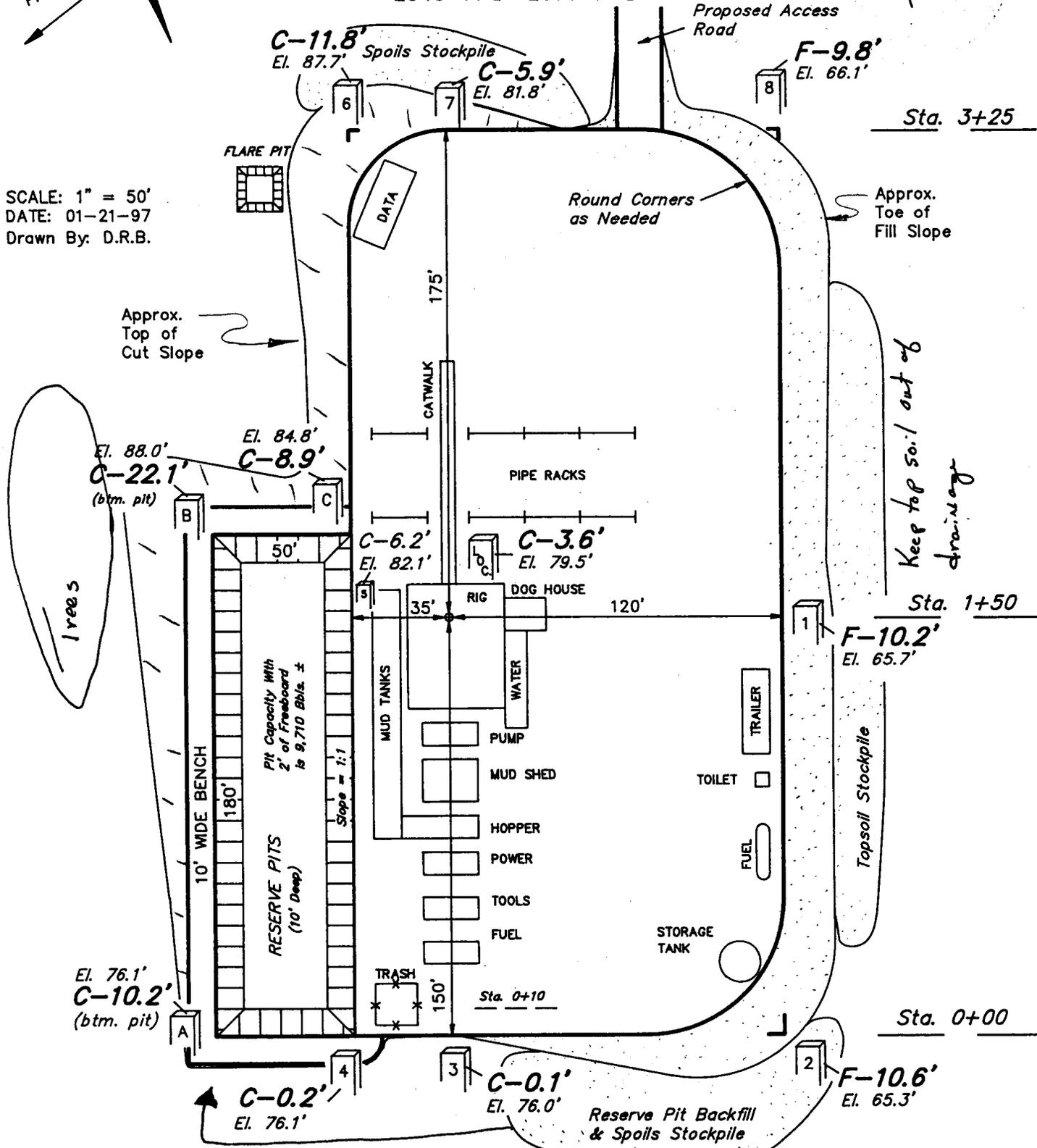
LOCATION LAYOUT FOR

CRUISER FEDERAL "F" #6-6
SECTION 6, T12S, R24E, S.L.B.&M.
2048' FNL 2014' FWL

Handwritten signature



SCALE: 1" = 50'
DATE: 01-21-97
Drawn By: D.R.B.



Elev. Ungraded Ground at Location Stake = 6079.5'

Elev. Graded Ground at Location Stake = 6075.9'

FREEDOM ENERGY, INC.

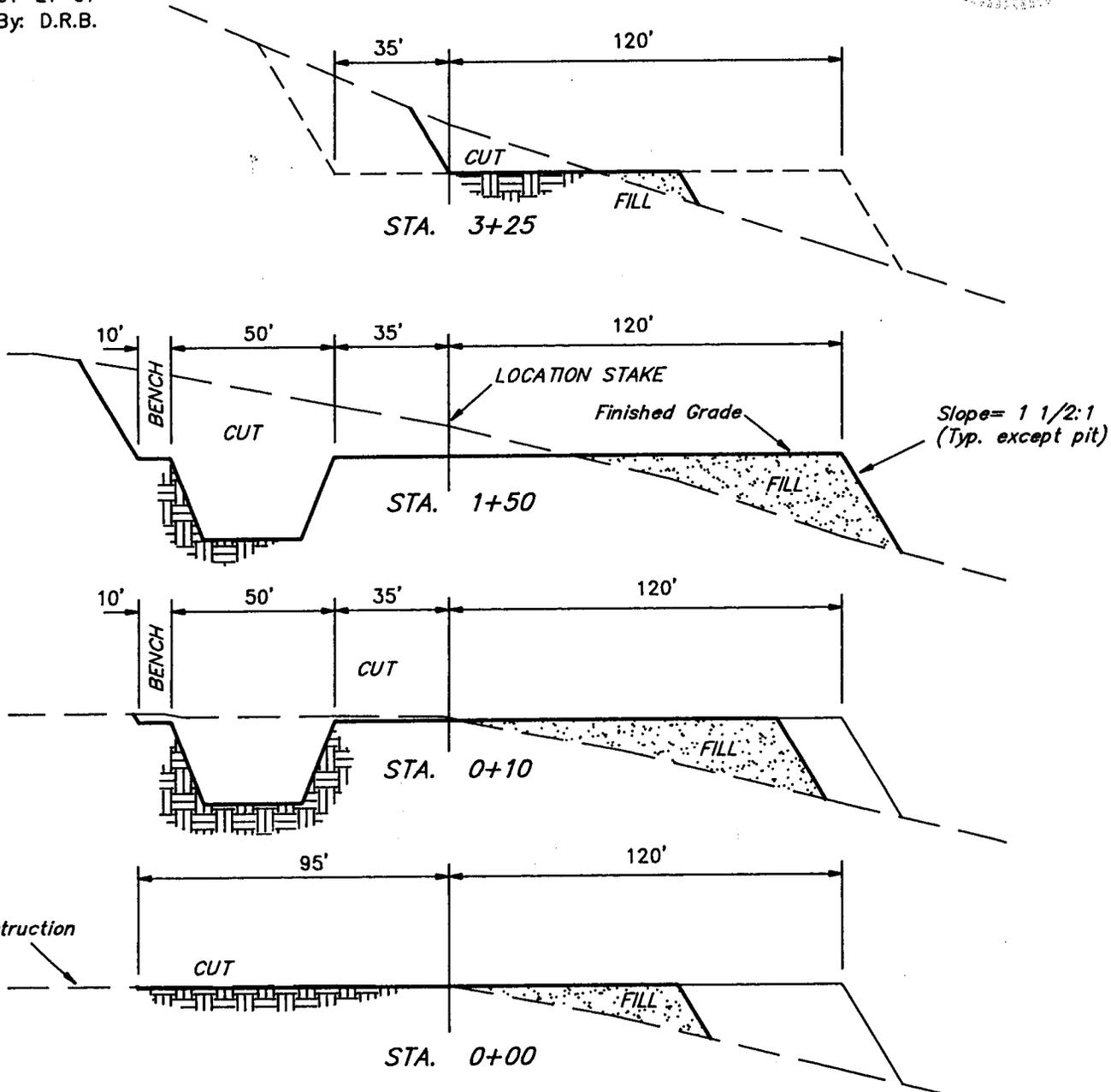
TYPICAL CROSS SECTIONS FOR

CRUISER FEDERAL "F" #6-6
SECTION 6, T12S, R24E, S.L.B.&M.
2048' FNL 2014' FWL



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

DATE: 01-21-97
Drawn By: D.R.B.

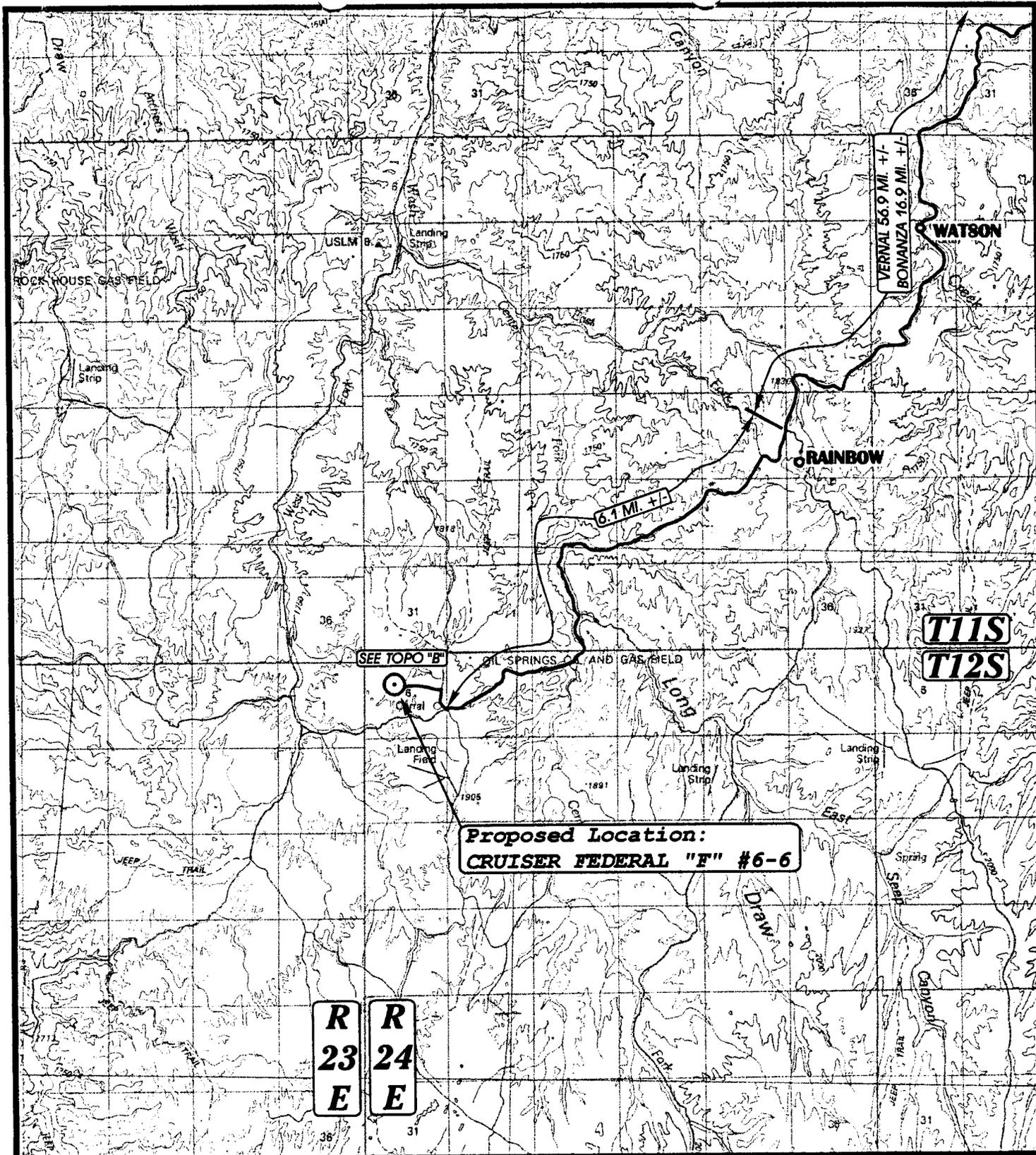


APPROXIMATE YARDAGES

(6") Topsoil Stripping	= 1,100 Cu. Yds.
Remaining Location	= 8,250 Cu. Yds.
TOTAL CUT	= 9,350 CU.YDS.
FILL	= 6,640 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 2,360 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,360 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

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



**Proposed Location:
CRUISER FEDERAL "F" #6-6**

R 23 E
R 24 E

T11S
T12S

UELS

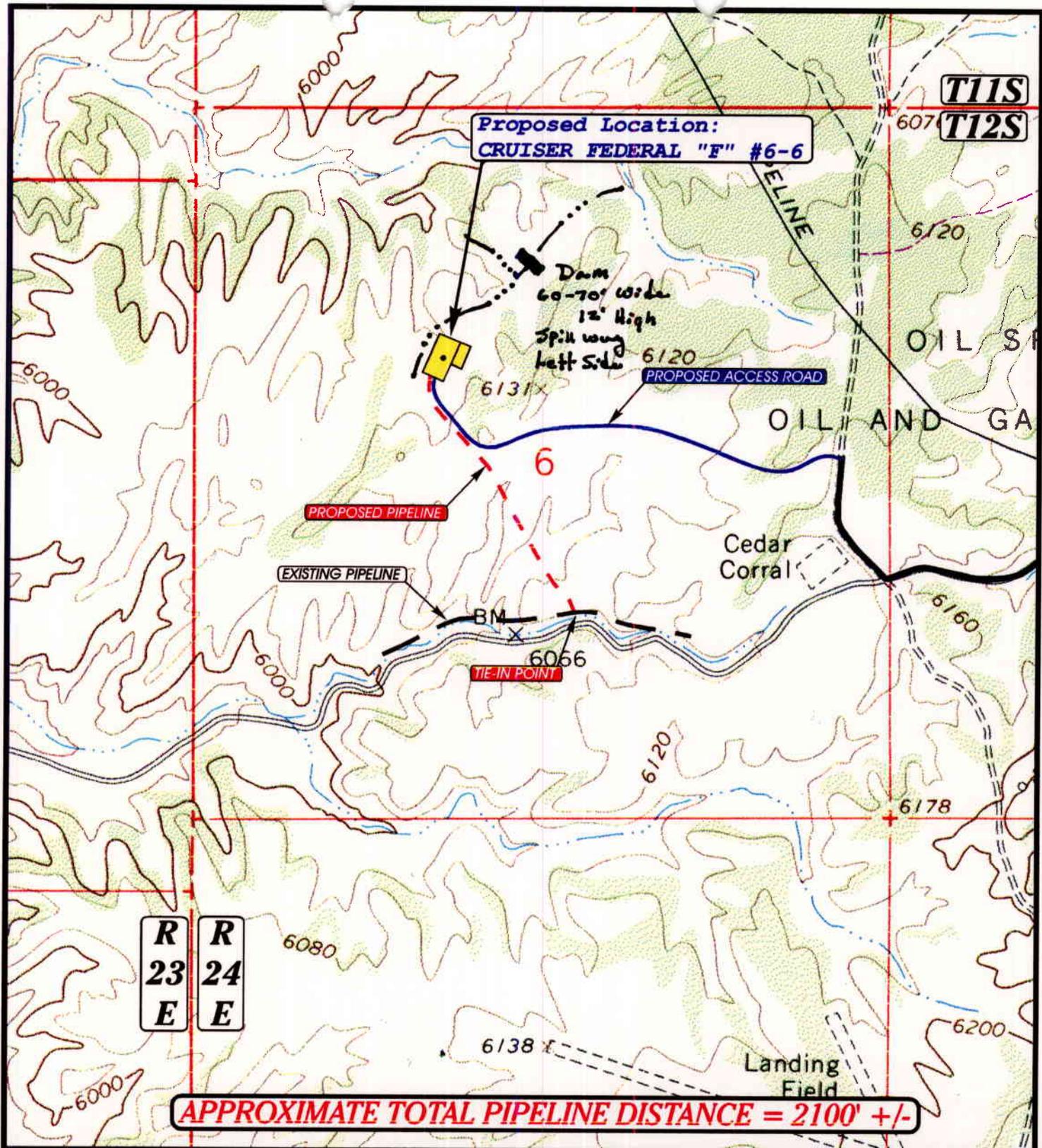
**TOPOGRAPHIC
MAP "A"**

DATE: 1-15-97
Drawn by: D.COX



FREEDOM ENERGY, INC.

CRUISER FEDERAL "F" #6-6
SECTION 6, T12S, R24E, S.L.B.&M.
2048' FNL 2014' FWL



U E L S

TOPOGRAPHIC MAP "C"

--- Existing Pipeline
- - - Proposed Pipeline

FREEDOM ENERGY, INC.
CRUISER FEDERAL "F" #6-6
SECTION 6, T12S, R24E, S.L.B.&M.

DATE: 1-16-97
Drawn by: D.COX

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

SCALE: 1" = 1000'

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 03/28/97

API NO. ASSIGNED: 43-047-32856

WELL NAME: CRUISER FEDERAL F 6-6
 OPERATOR: FREEDOM ENERGY INC. (N3285)

PROPOSED LOCATION:
 SENW 06 - T12S - R23E
 SURFACE: 2048-FNL-2014-FWL
 BOTTOM: 2048-FNL-2014-FWL
 UINTAH COUNTY
 UNDESIGNATED FIELD (002)

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

LEASE TYPE: FED
 LEASE NUMBER: U - 08424 - A

PROPOSED PRODUCING FORMATION: WSTC

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Federal State Fee
 (Number UT-1030)
- Potash (Y/N)
- Oil shale (Y/N)
- Water permit
 (Number 49-1595)
- RDCC Review (Y/N)
 (Date: _____)

LOCATION AND SITING:

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

COMMENTS: _____

STIPULATIONS: _____

OPERATOR: FREEDOM ENERGY (N3285)
FIELD: UNDESIGNATED (N002)
SEC, TWP, RNG: 25,35,31,1 T11 & 12S, R23 & 24 E
COUNTY: UINTAH
UAC: R649-3-2



PREPARED:
DATE: 31 -MAR-97



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

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

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

May 27, 1997

Freedom Energy, Inc.
1050 17th Street, Suite 710
Denver, Colorado 80265

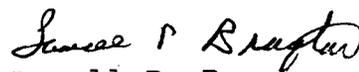
Re: Cruiser Federal F 6-6 Well, 2048' FNL, 2014' FWL, SE NW,
Sec. 6, T. 12 S., R. 24 E., Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-32856.

Sincerely,


Lowell P. Braxton
Deputy Director

lwp

Enclosures

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

Operator: Freedom Energy, Inc.
Well Name & Number: Cruiser Federal F 6-6
API Number: 43-047-32856
Lease: U-08424A
Location: SE NW Sec. 6 T. 12 S. R. 24 E.

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours following spudding the well or commencing drilling operations. Contact Jimmie Thompson at (801)538-5336.

Notify the Division prior to commencing operations to plug and abandon the well. Contact John R. Baza (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.

DOGMA

RECEIVED
MAY 27 1997
DIV. OF OIL & GAS

SUBMIT IN TRIPlicate
(Other instructions reverse side)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. TYPE OF WORK
a. TYPE OF WELL
OIL WELL GAS WELL OTHER

b. TYPE OF WELL
SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
Freedom Energy, Inc.

3. ADDRESS OF OPERATOR
1050 - 17th St., Suite #710, Denver, Co 80265 303-592-3022

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface
2048' FNL, 2014' FWL, SE1/4, NW1/4, Sec. 6, T12S, R24E
At proposed prod. zone
43-047-32856

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
16.9 MILES SOUTH OF BONANZA, UT

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 2014'

16. NO. OF ACRES IN LEASE 640

17. NO. OF ACRES ASSIGNED TO THIS WELL 40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2640'

19. PROPOSED DEPTH 4562'

20. ROTARY OR CABLE TOOLS ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6080'

22. APPROX. DATE WORK WILL START* March 15, 1997

5. LEASE DESIGNATION AND SERIAL NO. U-08424A
6. IF INDIAN, ALLOTTEE OR TRIBE NAME
7. UNIT AGREEMENT NAME
8. FARM OR LEASE NAME Cruiser Federal F
9. WELL NO. 6-6
10. FIELD AND POOL, OR WILDCAT
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SEC. 6, T 12 S, R 24 E
12. COUNTY OR PARISH UINTAH 13. STATE UT

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4	9 5/8	36	300	TO SURFACE
7 7/8	4 1/2	11.6	T.D.	CMT TOP TO COVER THE OIL SHALE

OPERATOR REQUESTS PERMISSION TO DRILL THE SUBJECT WELL
PLEASE SEE THE ATTACHED 10 POINT AND THE 13 POINT SURFACE
USE PLAN.

IF YOU REQUIRE ADDITIONAL INFORMATION PLEASE CONTACT:

WILLIAM A. RYAN
350 S., 800 E.
VERNAL, UTAH
801-789-0968
801-823-6152

RECEIVED
FEB 25 1997

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

24. SIGNED William A Ryan TITLE PETROLEUM ENGINEER DATE Feb. 21, 1997

(This space for Federal or State office use)

PERMIT NO. NOTICE OF APPROVAL APPROVAL DATE MAY 22 1997
Assistant Field Manager

APPROVED BY [Signature] TITLE Mineral Resources DATE MAY 22 1997
CONDITIONS OF APPROVAL, IF ANY:

CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

*See Instructions On Reverse Side

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Freedom Energy, Inc.

Well Name & Number: Cruiser Federal F 6-6

API Number: 43-047-32856

Lease Number: U - 08424-A

Location: SENW Sec. 06 T.12S R. 24E

NOTIFICATION REQUIREMENTS

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

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

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

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

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

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

A. DRILLING PROGRAM

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

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

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

2. Pressure Control Equipment

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

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

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

3. Casing Program and Auxiliary Equipment

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

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the top of the Mahogany oil shale zone, identified at 1,070 ft. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

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

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

5. Coring, Logging and Testing Program

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

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

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

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

6. Notifications of Operations

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

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

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

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

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

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

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

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

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

7. Other Information

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

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

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

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

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

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

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

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

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

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

Ed Forsman (801) 789-7077
Petroleum Engineer

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

Jerry Kenczka (801) 781-1190
Petroleum Engineer

BLM FAX Machine (801) 781-4410

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

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

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

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

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

Refinery wastes

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

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.

SURFACE USE PROGRAM

Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).

The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, and crowning (2 to 3%). Graveling or capping the roadbed will be required as necessary to provide a well constructed safe road. Prior to construction/upgrading, the proposed road surface or existing road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Should mud holes develop, they shall be filled in to prevent detours. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. When snow is removed from the road during the winter months, the snow should be pushed outside of the burrow ditches and the turn outs should be kept clear so that when the snow melts the water will be channeled away from the road.

All permanent (on site for more than six months or longer) structures constructed or installed will be painted a juniper green color instead of desert brown as mentioned in the APD.

A sign should be installed at the junction of the well access road stating that the road is a well service road and ends in 0.7 mile. The sign can be a simple carsonite post type sign.

The reserve pit spoils should be stockpiled on the north and south side of the pit instead of as shown on the cut sheet. The trees should be stripped first and piled on the east side of the reserve pit.

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

Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)



December 17, 1997

Bureau of Land Management
324 South State Street
Salt Lake City, Utah 84111

Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

Re: Release and Waiver of Confidentiality

Gentlemen:

Please be advised that Brent A. Bohman and other members of the law firm of Pruitt, Gushee & Bachtell are hereby authorized to review and copy any records in your possession pertaining to Freedom Energy, Inc.'s interests within Township 11 South, Ranges 22, 23, and 24 East, and Township 12 South, Ranges 23 and 24 East, in Uintah County. For purposes of this release and waiver of confidentiality, an executed facsimile copy of this letter should be treated in all respects as an original.

Should you have any questions or concerns, please do not hesitate to contact me at (303)592-3022, ext. 303.

Very truly yours,

FREEDOM ENERGY, INC.

Paul Franks

Paul Franks
Vice President

STATE OF COLORADO)
)
) ss.
COUNTY OF Denver)

On the 17th day of December, 1997, personally appeared before me, Paul Franks, and after being by me duly sworn did say that he is the Vice President of Freedom Energy, Inc. and that said instrument was signed on behalf of said corporation by authority of its by-laws and said Paul Franks duly acknowledged to me that said corporation executed the same.



Clayton F. Chessman
Notary Public
Residing at: Denver, CO

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

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

FREEDOM ENERGY, INC.

3. Address and Telephone No.

1050 17TH. ST. STE. 710 DENVER, CO. 80265 (303) 592-3022

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

2048' FNL, 2014' FWL, SE/NW SEC.6-T12S-R24E

5. Lease Designation and Serial No.
U-08424A

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

7. If Unit or CA, Agreement Designation
N/A

8. Well Name and No.
CRUISER FEDERAL F 6-6

9. API Well No.
43-047-32856

10. Field and Pool, or Exploratory Area
Wildcat

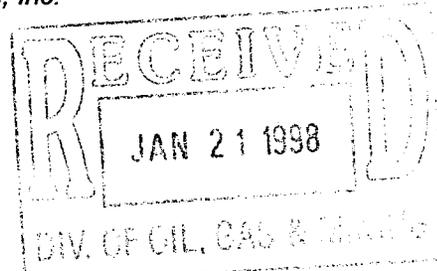
11. County or Parish, State
Uintah County, Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent <input type="checkbox"/> Subsequent Report <input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Abandonment <input type="checkbox"/> Recompletion <input type="checkbox"/> Plugging Back <input type="checkbox"/> Casing Repair <input type="checkbox"/> Altering Casing <input checked="" type="checkbox"/> Other <u>CHANGE OF OPERATOR</u> <small>(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)</small>
	<input type="checkbox"/> Change of Plans <input type="checkbox"/> New Construction <input type="checkbox"/> Non-Routine Fracturing <input type="checkbox"/> Water Shut-Off <input type="checkbox"/> Conversion to Injection <input type="checkbox"/> Dispose Water

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

Please be advised that Rosewood Resources, Inc., Ste. 500, 100 Crescent Court, Dallas, Texas, 75201, is considered to be the operator of the Cruiser Federal F 6-6, SE.NW Sec.6-T12S-R24E; Lease # U-08424A; Uintah County, Utah; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by Rosewood Resources, Inc. Bond # UT-0627



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

Signed Paul Frank Title Vice-President Date 01/01/98

(This space for Federal or State office use)

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

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

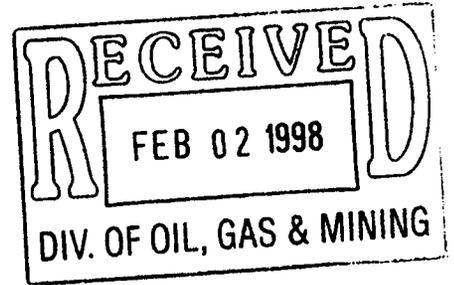
*See Instructions on Reverse Side



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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



IN REPLY REFER TO
UT-931

January 30, 1998

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

Re: Hanging Rock Unit
Uintah County, Utah

Gentlemen:

On January 28, 1998, we received an indenture dated January 21, 1998, whereby Freedom Energy, Inc. resigned as Unit Operator and Rosewood Resources, Inc. was designated as Successor Unit Operator for the Hanging Rock 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 January 30, 1998. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under Hanging Rock Unit Agreement.

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

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

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks
Chief, Branch of Fluid Minerals

Enclosure

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

U-931:TAThompson:tt:1/30/98

Well Status Report
Utah State Office
Bureau of Land Management

Lease	Api Number	Well Name	QTR	Section	Township	Range	Well Status	Operator
** Inspection Item: UTU73518A								
UTU66408	4304732603	HANGING ROCK 24-13	SWSW	24	T11S	R23E PGW		FREEDOM ENERGY INCORPORATED
** Inspection Item: UTU735188								
UTU57455	4304732748	HANGING ROCK 12-4	NWNW	12	T12S	R23E PGW		FREEDOM ENERGY INCORPORATED
UTU66426	4304732751	HANGING ROCK 7-6	SESW	7	T12S	R24E PGW		FREEDOM ENERGY INCORPORATED
UTU57455	4304732679	HANGING ROCK I 1-16	SESE	1	T12S	R23E PGW		FREEDOM ENERGY INCORPORATED
UTU57455	4304732871	I 1-14	SESW	1	T12S	R23E PGW		FREEDOM ENERGY INCORPORATED
** Inspection Item: UTU73518X								
UTU01252A	4304732854	HANGING ROCK 31-11	NESW	31	T11S	R24E ABD		FREEDOM ENERGY INCORPORATED Paid 5/97

*980204 Change includes wells in drilling status (see attached list). BLM does not list them on this form. however change applies to these wells also. (per Terese Thompson/BLM). J
Jee

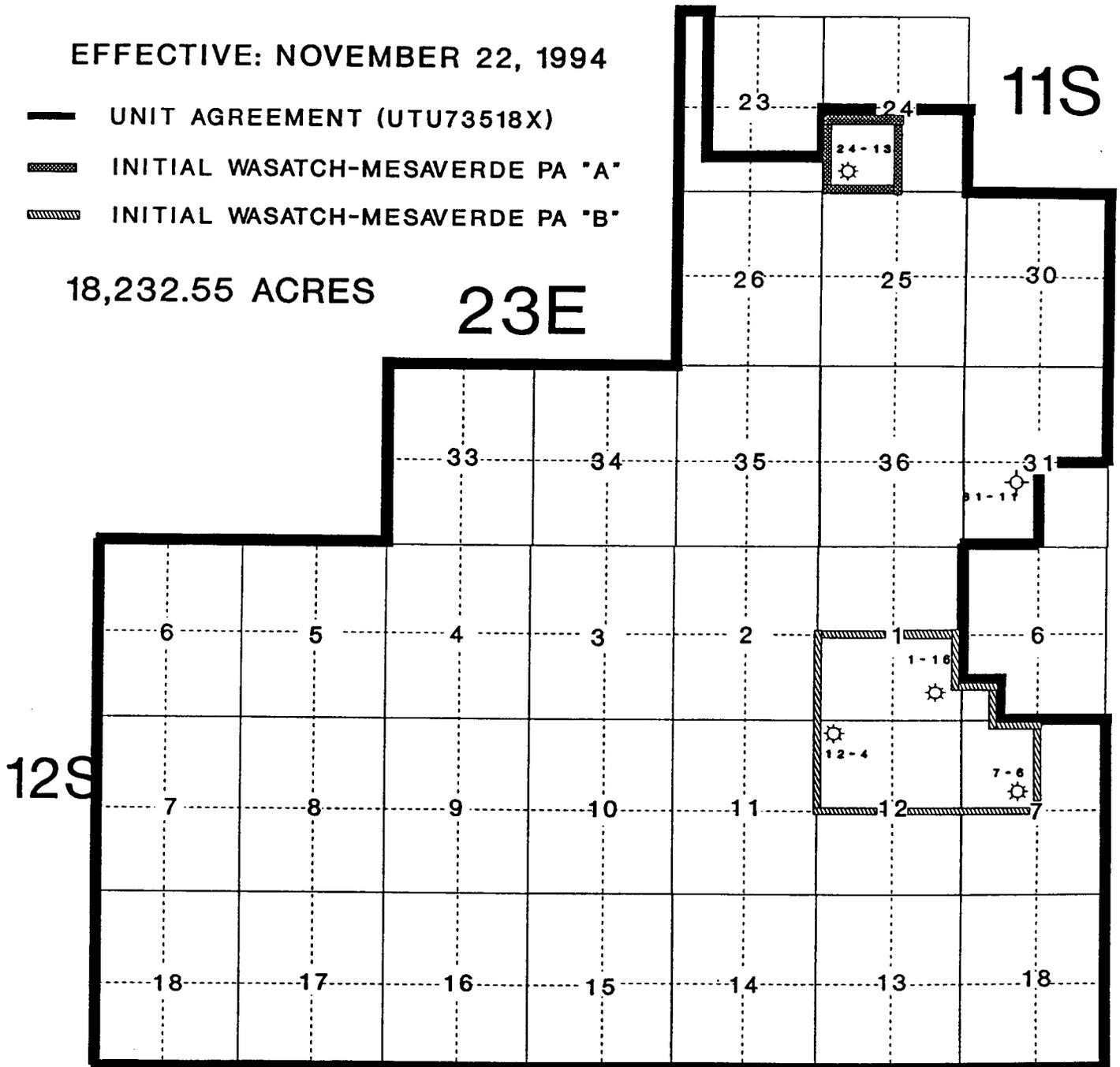
HANGING ROCK UNIT

Uintah County, Utah

EFFECTIVE: NOVEMBER 22, 1994

-  UNIT AGREEMENT (UTU73518X)
-  INITIAL WASATCH-MESAVERDE PA "A"
-  INITIAL WASATCH-MESAVERDE PA "B"

18,232.55 ACRES



<p>WSTC-MSVD "A" ALLOCATION</p> <p>FEDERAL 100% 160.00 Acres</p>
--

<p>WSTC-MSVD "B" ALLOCATION</p> <p>FEDERAL 100% 826.76 Acres</p>
--

24E

**ROSEWOOD
RESOURCES**

February 5, 1998

Lisha Cordova
Utah Dept. of Natural Resources
Division of Oil, Gas, and Mining
P. O. Box 145801
Salt Lake City, UT 84114-5801

Re: Transfer of Operations from Freedom Energy, Inc. to Rosewood
Uintah County, Utah

Dear Ms. Cordova:

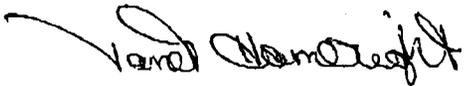
This letter will confirm that Rosewood Resources, Inc. has taken over operations from Freedom Energy, Inc. of the following undrilled wells with existing drilling permits.

<u>Well Name</u>	<u>Property Location</u>
	<u>All In Uintah Co. Utah</u>
1. Hanging Rock "H" #25-13	SW SW Sec. 25-11S-23E
2. Hanging Rock "H" #35-15	SW SE Sec. 35-11S-23E
3. Hanging Rock "I" #1-4	NW NW Sec. 01-12S-23E
4. Cruiser Federal "F" #6-6	SE NW Sec. 06-12S-24E
5. Hanging Rock "I" #11-8	SE NE Sec. 11-12S-23E
6. Hanging Rock "I" #12-2	NW NE Sec. 12-12S-23E
7. Hanging Rock "F" #7-8	SE NE Sec. 07-12S-24E
8. Hanging Rock "I" 11-6	SE NW Sec. 11-12S-23E

Thank you for updating your records accordingly. Please let me know if you need any further information. If you need to send any requests to me by fax, my fax number is (214) 999-5757.

Sincerely,

ROSEWOOD RESOURCES, INC.



Janet Hambright
Paralegal (214) 871-5718

OPERATOR CHANGE WORKSHEET

Routing	
1-LEC ✓	6-VTC ✓
2-GLH	7-KAS
3-DPS	8-SI
4-VLD ✓	9-FILE
5-JRB ✓	

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: 1-30-98

TO: (new operator)	<u>ROSEWOOD RESOURCES INC</u>	FROM: (old operator)	<u>FREEDOM ENERGY INC</u>
(address)	<u>100 CRESCENT COURT #500</u>	(address)	<u>1050 17TH ST STE 710</u>
	<u>DALLAS TX 75201</u>		<u>DENVER CO 80265</u>
Phone:	<u>(214)871-5718</u>	Phone:	<u>(303)592-3022</u>
Account no.	<u>N7510</u>	Account no.	<u>N3285</u>

WELL(S) attach additional page if needed: **HANGING ROCK UNIT & THIMBLE ROCK UNIT**

Name: **SEE ATTACHED**	API: <u>43-047-32856</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 1-21-98)*
- LEC 2. (r649-8-10) Sundry or other legal documentation has been received from the **NEW** operator (Attach to this form). *(Ref. 1-21-98) (Ref. 2-3-98) (rec'd 2-5-98)*
- 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. *(2-3-98)*
- LEC 6. **Cardex** file has been updated for each well listed above. *(2-4-98)*
- LEC 7. **Well file labels** have been updated for each well listed above. *(2-4-98)*
- 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. *(2-3-98)*
- 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

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

BOND VERIFICATION - (FEE WELLS ONLY)

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

LEASE INTEREST OWNER NOTIFICATION OF RESPONSIBILITY

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

FILMING

1. All attachments to this form have been **microfilmed**. Today's date: .

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

980202 BLM/SL Oprv. eff. 1-30-98; includes wells in "Drilling Status" on separate list.

(DRILLING STATUS;APPROVED BUT HAVE NOT COMPLETED)

2-3-98

Record#	OPERATOR	API_NUMBER	WELL_NAME	SECTION	TOWNSHIP	RANGE	DATEAPPRVD	SPUD_DATE
3206	FREEDOM ENERGY INC	43-047-32852	HANGING ROCK FEDERAL H 25-13	25	11S	23E	04/03/97	/ /
3205	FREEDOM ENERGY INC	43-047-32853	HANGING ROCK FEDERAL H 35-15	35	11S	23E	04/25/97	/ /
3203	FREEDOM ENERGY INC	43-047-32855	HANGING ROCK FEDERAL I 1-4	01	12S	23E	05/06/97	/ /
3202	FREEDOM ENERGY INC	43-047-32856	CRUISER FEDERAL F 6-6	06	12S	24E	05/27/97	/ /
3210	FREEDOM ENERGY INC	43-047-32870	HANGING ROCK STATE H 36-9	36	11S	23E	/ /	/ /
3402	FREEDOM ENERGY INC	43-047-32935	HANGING ROCK I 11-8	11	12S	23E	07/16/97	/ /
3401	FREEDOM ENERGY INC	43-047-32936	HANGING ROCK I 12-2	12	12S	23E	07/16/97	/ /
3400	FREEDOM ENERGY INC	43-047-32937	HANGING ROCK FEDERAL F 7-8	07	12S	24E	07/16/97	/ /
3504	FREEDOM ENERGY INC	43-047-32992	HANGING ROCK I 11-6	11	12S	23E	10/02/97	/ /
3503	FREEDOM ENERGY INC	43-047-32993	TUCKER FEDERAL F 8-2	08	12S	24E	/ /	/ /

99999
↓

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
MAR 16 1998

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

SUNDRY NOTICES AND REPORTS ON WELLS OIL, GAS & MINING

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

SUBMIT IN TRIPLICATE

RECEIVED
FEB 03 1998

1. Type of Well
 Oil Well Well Other

2. Name of Operator

Rosewood Resources, Inc.

3. Address and Telephone No.
100 Crescent Court, Suite 500, Dallas TX. 75201 214-871-5729

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

2048' FNL 2014, FWL, SE 1/4, NW 1/4, Sec. 6, T12S, R24E

5. Lease Designation and Serial No.

U-73694

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Cruiser Federal F 6-6

9. API Well No.

43-047-32556

10. Field and Pool, or Exploratory Area

11. County or Parish, State

Uintah, Utah

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

TYPE OF SUBMISSION

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

TYPE OF ACTION

- Abandonment
- Recompletion
- Plugging Back
- Casing Repair
- Altering Casing
- Other

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

APD Extension

(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.)*

Operator respectfully requests permission for an extension of 12 months on the APD for the subject well. The APD was approved on May 22, 1997. The operator anticipates drilling the subject well in 1998.

*APD extended 1 yr.
by BLM
per Margie Hermann,
BLM - Vernal. Extend
to 5/27/99.
DTS
3/23/98*

If you require additional detail please feel free to contact:

CONFIDENTIAL

William (Bill) Ryan
Agent for Rosewood Resources, Inc.
Rocky Mountain Consulting

(801) 789-0968 Office
(801) 828-0968 Cell
(801) 789-0970 Fax

MINERAL DIV.
DATE: 3/27/98
BY: [Signature]
S.S.
[Signature]
I.T.A.

COPY

I hereby certify that the foregoing is true and correct

Signed William Ryan Title Agent Date 2/2/98

(This space for Federal or State official use)

Approved by [Signature] Title Assistant Field Manager Date MAR 10 1998
Conditions of approval, if any. Mineral Resources

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



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

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

IN REPLY REFER TO:

3162.3
UT08300

March 19, 1998

Rosewood Resources, Inc.
Attn: Lucy Nemeč
P O Box 1668
Vernal UT 84078

Re: Well No. Toby Federal F6-6
SENW, Sec. 6, T12S, R24E
Lease U-08424-A
Uintah County, Utah

Dear Lucy:

This correspondence is in regard to the self-certification statement submitted requesting a change in operator for the referenced well. After a review by this office, the change in operator request is approved. Effective immediately, Rosewood Resources, Inc. is responsible for all operations performed on the referenced well. All liability will now fall under your bond, BLM Bond No. **MT0627**, for all operations conducted on the referenced well on the leased land.

If you have any other questions concerning this matter, please contact Margie Herrmann or Pat Sutton of this office at (435) 781-4400.

Sincerely,

Howard B. Cleavinger II
Assistant Field Manager
Minerals Resources

cc: Freedom Energy Inc.
Division of Oil, Gas & Mining
The Termo Company

DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

SPUDDING INFORMATION

Name of Company: ROSEWOOD RESOURCES

Well Name: CRUISER FEDERAL F 6-6

Api No. 43-047-32856

Section 6 Township 12S Range 24E County UINTAH

Drilling Contractor _____

Rig # _____

SPUDDED:

Date 6/5/98

Time _____

How DRY HOLE

Drilling will commence _____

Reported by LUCY

Telephone # _____

Date: 6/17/98 Signed: JLT

✓

OPERATOR ROSEWOOD RESOURCES, INC.
 ADDRESS P.O. Box 1668
Vernal, UT 84078

OPERATOR ACCT. NO. H 7510

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
B	99999	12133	4304733052	OIL SPRINGS #13	SWSE	5	12S	24E	Uintah	5/26/98	5/26/98

WELL 1 COMMENTS:

Add to Oil Springs Unit / w/ste B-Gas Zone

Entities added 6-23-98. *lc*

B	99999	12385	4304732852	HANGING ROCK H 25-13	SWSW	25	11S	23E	Uintah	5/30/98	5/30/98
---	-------	-------	------------	----------------------	------	----	-----	-----	--------	---------	---------

WELL 2 COMMENTS:

Add to Hanging Rock Unit / Non P.A.

CONFIDENTIAL

A	99999	12386	4304732993	TUCKER FEDERAL #8-2	NWNE	8	12S	24E	Uintah	5/29/98	5/29/98
---	-------	-------	------------	---------------------	------	---	-----	-----	--------	---------	---------

WELL 3 COMMENTS:

CONFIDENTIAL

A	99999	12387	4304732856	CRUISER FEDERAL F 6-6	SENW	6	12S	24E	Uintah	6/5/98	6/5/98
---	-------	-------	------------	-----------------------	------	---	-----	-----	--------	--------	--------

WELL 4 COMMENTS:

CONFIDENTIAL

B	99999	12388	4304733102	HANGING ROCK I #3-11	NESW	3	12S	23E	Uintah	6/6/98	6/6/98
---	-------	-------	------------	----------------------	------	---	-----	-----	--------	--------	--------

WELL 5 COMMENTS:

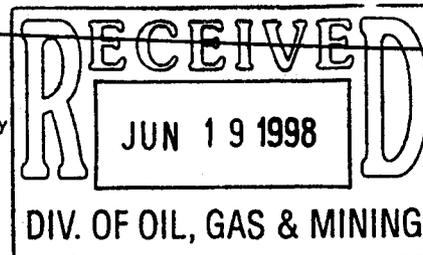
Add to Hanging Rock Unit / Non P.A.

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)



Lucy Nemer
 Signature
 Admin. Assistant 6/17/98
 Title Date
 Phone No. (435) 789-0414

OPERATOR ROSEWOOD RESOURCES, INC.
 ADDRESS P.O. Box 1668
Vernal, UT 84078

OPERATOR ACCT. NO. H 7510

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
B	99999	12389	4304732855	HANGING ROCK FED I 1-4	NWNW	1	12S	23E	Uintah	5/25/98	5/25/98
WELL 1 COMMENTS: Add to Hanging Rock Unit / Non P.A. CONFIDENTIAL											
WELL 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

RECEIVED
 JUN 19 1998
 DIV. OF OIL, GAS & MINING

- 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)

Ruby Nemes
 Signature
 Admin. Assistant 6/17/98
 Title Date
 Phone No. (435) 789-0414

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No.

U-73694

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Cruiser Federal F 6-6

9. API Well No.

43-047-32856

10. Field and Pool, or Exploratory Area

11. County or Parish, State

Uintah, Utah

SUBMIT IN TRIPLICATE

RECEIVED

FEB 08 1998

1. Type of Well
 Oil Well Well Other

2. Name of Operator
Rosewood Resources, Inc.

3. Address and Telephone No.
100 Crescent Court, Suite 500, Dallas TX. 75201 214-871-5729

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2048' FNL 2014, FWL, SE 1/4, NW 1/4, Sec. 6, T12S, R24E

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

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

APD Extension

(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.)*

Operator respectfully requests permission for an extension of 12 months on the APD for the subject well. The APD was approved on May 22, 1997. The operator anticipates drilling the subject well in 1998.

Spudded 6/5/98.
DTS 7/14/98

If you require additional detail please feel free to contact:

CONFIDENTIAL

William (Bill) Ryan
Agent for Rosewood Resources, Inc.
Rocky Mountain Consulting

(801) 789-0968 Office
(801) 828-0968 Cell
(801) 789-0970 Fax

INTERNAL DIST.
ENG. LAD 3/7/98
GEOL. _____
S.A. _____
MET. _____
ATK. _____

RECEIVED
JUL 01 1998
DIV. OF OIL, GAS & MINING

COPY

14. I hereby certify that the foregoing is true and correct.
Signed William Ryan Title Agent Date 2/2/98

(This space for Federal or State Office use)
Approved by [Signature] Title Assistant Field Manager Date MAR 10 1998
Conditions of approval, if any. Mineral Resources

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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.
U-08424A

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

7. If Unit or CA, Agreement Designation
N/A

8. Well Name and No.
CRUISER FEDERAL F #6-6

9. API Well No.
43-047-32856

10. Field and Pool, or Exploratory Area

11. County or Parish, State
UINTAH CO., UTAH

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

CONFIDENTIAL

2. Name of Operator
ROSEWOOD RESOURCES, INC.

3. Address and Telephone No.
P.O. Box 1668, Vernal, UT 435-789-0414

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SENW T12S, R24E, SECTION 6

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

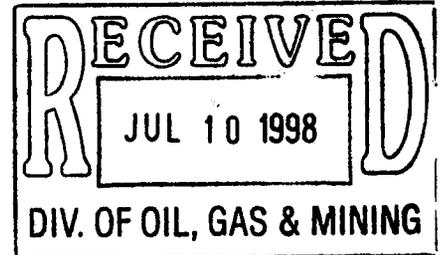
(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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.)*

WEEKLY STATUS - DRILLED TO TD @ 4562'; P & A'd 6/19/98. SEE ATTACHED RIG REPORTS FOR PLUGGING INFORMATION. CAZA RIG RELEASED @ 10:00 A.M. 6/20/98.

CURRENT STATUS - P & A

CONFIDENTIAL



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

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

Signed Lucy Neman Title Administrative Assistant Date 07/01/98

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

5. LEASE DESIGNATION AND SERIAL NO.
U-08424A

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WORK

WELL GAS WELL DRY Other

1b. TYPE OF WELL

NEW WELL OVER DEEP-EN FLUG BACK DIFF RESVR. Other

7. UNIT AGREEMENT NAME

NA

8. FARM OR LEASE NAME, WELL NO.

CRUISER FED F 6-6

2. NAME OF OPERATOR

ROSEWOOD RESOURCES, INC.

3. ADDRESS AND TELEPHONE NO.

P.O. BOX 1668, VERNAL, UT 84078

435-789-0414

9. API WELL NO.

43-047-32856

10. FIELD AND POOL OR WILDCAT

WILDCAT

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

At Surface

2048' FNL 2014' FWL

SE/NW

At top prod. Interval reported below

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

SEC. 6, T12S, R24E

Block & Survey: S.L.B. & M

At total depth

14. PERMIT NO.

UT080-7M-162

DATE ISSUED

5/22/98

12. COUNTY OR PARISH

UINTAH

13. STATE

UTAH

15. DATE SPURRED

6/5/98

16. DATE T.D. REACHED

6/17/98

17. DATE COMPL. (Ready to prod.)

P & A 6-19-98

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*

6080' GR

19. ELEV. CASINGHEAD

6094' KB

20. TOTAL DEPTH, MD & TVD

4562' MD

TVD

21. PLUG, BACK T.D., MD & TVD

TD

MD

TVD

22. IF MULTIPLE COMPL., HOW MANY*

→

23. INTERVALS DRILLED BY

→

ROTARY TOOLS

500' - 4562'

CABLE TOOLS

NA

24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD)*

P & A

CONFIDENTIAL

26. TYPE ELECTRIC AND OTHER LOGS RUN

AI/LC/GR, CNLD/GR, ML/GR, PLATFORM EXPRESS, MUD LOG

25. WAS DIRECTIONAL SURVEY MADE

NO

27. WAS WELL CORED

NO

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

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
9-5/8" J-55	36#	531' GL	12 1/4"	SURF-300 SX Class "G" + ADD	NONE

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
						#	

30. TUBING RECORD

31. PERFORATION RECORD (Interval, size and number)

INTERVAL
4125' - 3854' 95 SKS "G"
2495' - 2695' 70 SKS "G"
420' - 620' 85 SKS "G"
60- SURF - 25 SKS "G"

SIZE

NUMBER

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

DEPTH, INTERVAL, (MD) AMOUNT AND KIND OF MATERIAL USED

33.* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump)	WELL STATUS (Producing or shut-in)					
P & A 6-19-98	→	P & A					
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PRODN FOR TEST PERIOD	OIL-BBL.	GAS-MCF	WATER-BBL.	GAS-OIL RATIO
			→			#	
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL-BBL.	GAS-MCF.	WATER-BBL.	OIL GRAVITY-API (CORR.)	
		→			#		

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

TEST WITNESSED BY

35. LIST OF ATTACHMENTS

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

SIGNED

Lucy Nemes

TITLE

ADMINISTRATIVE ASISTANT

DATE

9/18/98

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

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

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

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.

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38. GEOLOGIC MARKERS

NAME	MEAS. DEPTH	TOP	TRUE VERT. DEPTH
WASATCH	2620'		
MESA VERDE	4162'		