

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS: WELL LOG ELECTRIC LOGS FILE X WATER SANDS LOCATION INSPECTED SUB. REPORT/abd.
 980917 APPND APP EXT TO 9/3/99; 991103 LA'D. eff 10-25-99!

DATE FILED **AUGUST 14, 1997**
 LAND: FEE & PATENTED STATE LEASE NO. PUBLIC LEASE NO. **U-0149078** INDIAN
 DRILLING APPROVED: **SEPTEMBER 3, 1997 APP EXT 9/3/99**
 SPUDDED IN:
 COMPLETED: PUT TO PRODUCING:
 INITIAL PRODUCTION:
 GRAVITY A.P.I.
 GOR:
 PRODUCING ZONES:
 TOTAL DEPTH:
 WELL ELEVATION:
 DATE ABANDONED: **10-25-99 LA'D**
 FIELD **NATURAL BUTTES**
 UNIT: **NATURAL BUTTES**
 COUNTY: **UINTAH**
 WELL NO. **CIGE 225-3-10-21** API NO. **43-047-32974**
 LOCATION **2385 FNL** FT. FROM (N) (S) LINE. **2182 FWL** FT. FROM (E) (W) LINE. **SE NW** 1/4 - 1/4 SEC. **3**

| TWP. | RGE. | SEC. | OPERATOR | TWP. | RGE. | SEC. | OPERATOR |
|------|------|------|----------|------|------|------|-------------------|
| | | | | 10S | 21E | 3 | COASTAL OIL & GAS |

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

SUBMIT IN TRIPL
(Other instructions on
reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
 DRILL DEEPEN

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

2. NAME OF OPERATOR
 Coastal Oil & Gas Corporation

3. ADDRESS AND TELEPHONE NO.
 P.O. Box 749, Denver, CO 80201-0749 (303) 573-4476

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. *)
 At surface ^{v26} 2385' FNL & 2182' FWL ⁶⁶⁴
 At proposed prod. zone
 same as above

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 Approximately 16 miles southeast of Ouray, UT

5. LEASE DESIGNATION AND SERIAL NO.
 U-0149078

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

7. UNIT AGREEMENT NAME
 Natural Buttes Unit

8. FARM OR LEASE NAME, WELL NO.
 CIGE #225-3-10-21

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT
 Natural Buttes Field

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Section 3, T10S-R21E

12. COUNTY OR PARISH
 Uintah

13. STATE
 Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 2000'

16. NO. OF ACRES IN LEASE
 648.44

17. NO. OF ACRES ASSIGNED TO THIS WELL
 N/A

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. See Topo Map C 7000'

19. PROPOSED DEPTH
 7000'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 5029' graded G.L.

22. APPROX. DATE WORK WILL START*
 Upon Approval

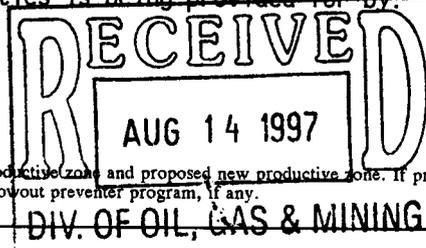
23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | GRADE, SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|----------------|-----------------------|-----------------|---------------|--------------------|
| 11" or 12-1/4" | 8-5/8" K-55 | 24# | 250' | approx. 85 sx |
| 7-7/8" | 4-1/2" N-80 | 11.6# | TD | See N.B. S.O.P. |

Coastal Oil & Gas Corporation proposes to drill a well to the proposed TD as stated above. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

See the attached Drilling Program and Multi-point Surface Use & Operations Plan.

Coastal Oil & Gas Corporation is considered to be the operator of the subject well. It agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided for by State of Utah Bond #102103 and BLM Nationwide Bond #U605382-9.



IN ABOVE SPACE 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.

24. SIGNED Bonnie Carson TITLE Senior Environmental Analyst DATE 8/12/97

(This space for Federal or State office use)

PERMIT NO. 43-047-32974 APPROVAL DATE _____

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

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY John R. Baja TITLE Associate Director DATE 9/3/97
 *See Instructions On Reverse Side

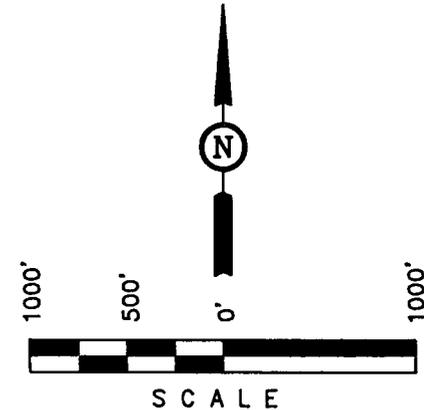
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

COASTAL OIL & GAS CORP.

Well location, CIGE #225-3-10-21, located as shown in the SE 1/4 NW 1/4 of Section 3, T10S, R21E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.



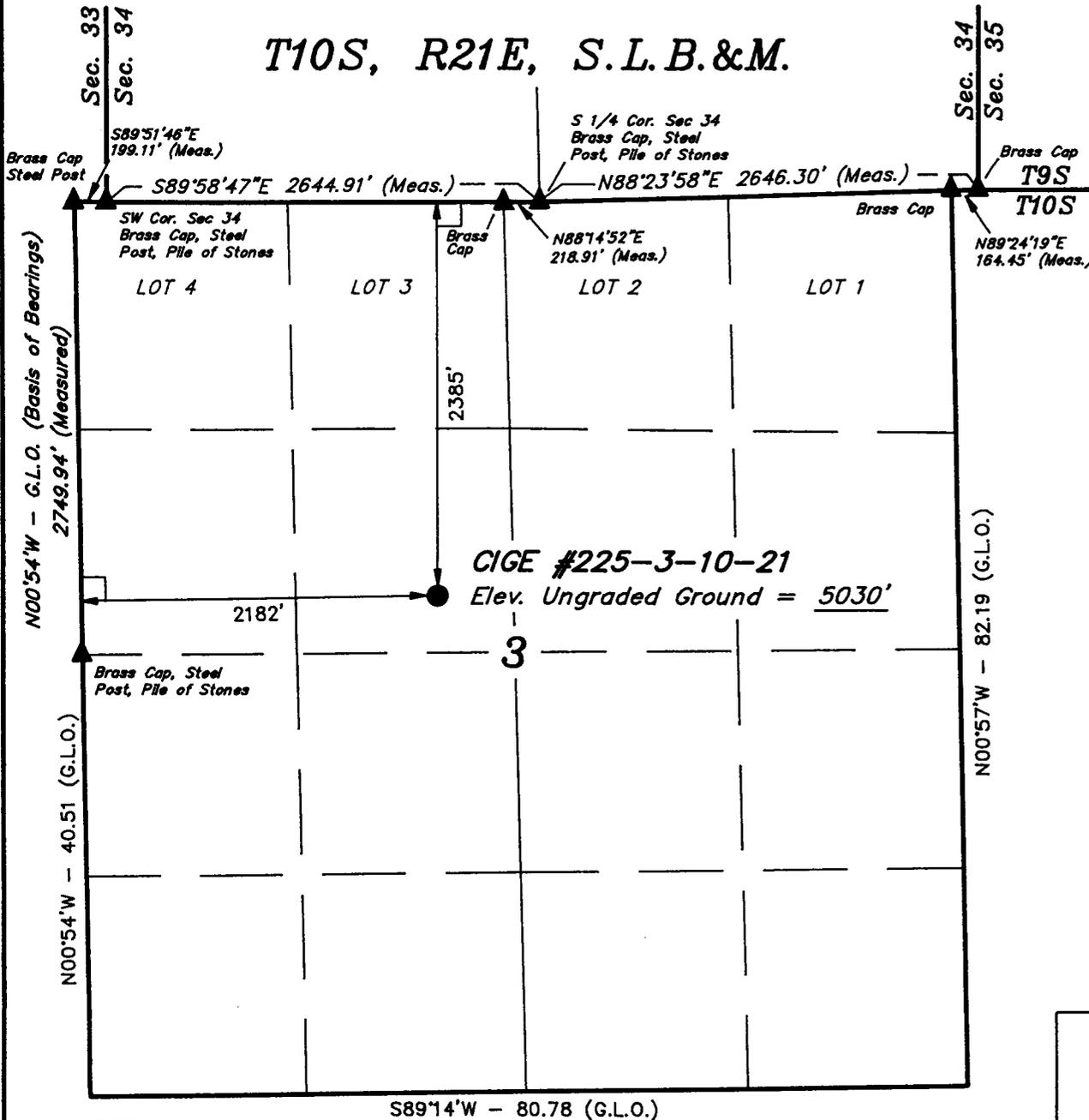
CERTIFICATE

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. Key
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

| | | |
|--|---------------------------|---------------------------------|
| UINTAH ENGINEERING & LAND SURVEYING | | |
| 85 SOUTH 200 EAST - VERNAL, UTAH 84078 | | |
| (801) 789-1017 | | |
| SCALE 1" = 1000' | DATE SURVEYED: 3-14-97 | DATE DRAWN: 03-24-97 |
| PARTY D.K. H.L. D.R.B. | | REFERENCES G.L.O. PLAT |
| WEATHER WARM | | FILE COASTAL OIL & GAS CORP. |

T10S, R21E, S.L.B.&M.



LEGEND:

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

**CIGE #225-3-10-21
2385' FNL & 2182' FWL
SE/NW, SECTION 3-T10S-R21E
UINTAH COUNTY, UTAH
LEASE NUMBER: U-0149078**

**ONSHORE ORDER NO. 1
COASTAL OIL & GAS CORPORATION**

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers:

| <u>Formation</u> | <u>Depth</u> |
|----------------------|--------------|
| Duchesne River/Uinta | Surface |
| Green River | 1,385' |
| Wasatch | 4,625' |
| Total Depth | 7,000' |

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

| <u>Substance</u> | <u>Formation</u> | <u>Depth</u> |
|------------------|------------------|--------------|
| Oil/Gas | Green River | 1,385' |
| | Wasatch | 4,625' |
| Water | N/A | |
| Other Minerals | N/A | |

3. Pressure Control Equipment:

Please see the Natural Buttes Unit Standard Operating Procedure (SOP).

4. Proposed Casing & Cementing Program:

Please see the Natural Buttes Unit SOP.

5. Drilling Fluids Program:

Please see the Natural Buttes Unit SOP.

6. Evaluation Program:

Please see the Natural Buttes Unit SOP.

7. Abnormal Conditions:

Maximum anticipated bottomhole pressure approximately equals 2,800 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1,260 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. Anticipated Starting Dates & Notification of Operations:

Please see the Natural Buttes Unit SOP.

9. Variations:

Please see the Natural Buttes Unit SOP.

10. Other Information:

Please see the Natural Buttes Unit SOP.

**CIGE # 225-3-10-22
2385' FNL & 2182' FWL
SE/NW, SECTION 3, T10S-R21E
Uintah County, Utah
Lease Number: U-0149078
ONSHORE ORDER NO. 1**

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

An onsite inspection was conducted for the CIGE #225 on 7/22/97 at approximately 3:30 p.m. Weather conditions were mostly cloudy with moderate temperatures at the time of the onsite. In attendance at the inspection were the following individuals:

| | |
|---|-------------------------------|
| Bonnie Carson | Coastal Oil & Gas Corporation |
| Bill Rawlins | Coastal Oil & Gas Corporation |
| Byron Tolman, Jean Sinclair, & Steve Madsen | BLM |
| Tracy Henline | U.E.L.S. |
| Harley Jackson | Jackson Construction |
| Jim Justice | J-West |
| John Faucett | John E. Faucett Construction |
| Cory Stubbs | Stubbs and Stubbs |

1. Existing Roads:

The proposed well site is approximately 14.3 miles southeast of Ouray, Utah.
Directions to the location from Vernal, Utah:

Proceed in a westerly direction from Vernal, Utah, along U.S. Highway 40 approximately 14.0 miles to the junction of State Highway 88; exit left and proceed in a southerly direction approximately 17.0 miles to Ouray, Utah; proceed in a southerly direction approximately 6.9 miles on the Seep Ridge Road to the junction of this road and an existing road to the east; turn left and proceed in an easterly direction approximately 5.0 miles to the junction of this road and an existing road to the north; turn left and proceed in a northerly direction approximately 0.3 miles to the junction of this road and an existing road to the northeast; turn right and proceed in a northeasterly direction approximately 2.1 miles to the junction of this road and an existing road to the south; turn right and proceed in a southerly direction approximately 1.1 miles to the junction of this road and an existing road to the southwest; turn right and proceed in a southwesterly direction approximately 0.7 miles to the junction of this road and an existing road to the southwest; turn right and proceed in a southwesterly direction approximately 0.5 miles to the junction of this road and existing road to the southeast; turn left and proceed in a southeasterly direction 400 feet to the intersection of this road and an existing road to the southwest;

turn right and proceed in a southwesterly direction approximately 0.8 miles to the beginning of the proposed access road; follow the road flags in a southeasterly direction approximately 0.3 miles to the proposed location.

Refer to Topo Maps A and B for location of access roads within a 2 mile radius.

There will be no improvement to existing access roads.

2. Planned Access Roads

Please see the Natural Buttes Unit Standard Operating Procedure.

Please see Map B to determine the location of the proposed access road.

3. Location of Existing Wells Within a 1-Mile Radius: See Map C

4. Location of Existing and Proposed Facilities:

Please see Map D to determine the location of the proposed pipeline.

5. Location and Type of Water Supply

Please see the Natural Buttes Unit Standard Operating Procedure.

6. Source of Construction Materials

Please see the Natural Buttes Unit Standard Operating Procedure.

7. Methods of Handling Waste Materials

Please see the Natural Buttes Unit Standard Operating Procedure.

8. Ancillary Facilities

Please see the Natural Buttes Unit Standard Operating Procedure.

9. Well Site Layout: See Location Layout Diagram

A Location Layout Diagram is attached. It describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking,

spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

The reserve pit will not be lined, unless construction of the pit makes a liner necessary.

10. Plans for Reclamation of the Surface

Please see the Natural Buttes Unit Standard Operating Procedure.

The following seed mixture will be used to reclaim the surface. A total of 12# per acre will be used. Per acre requirements are:

| | |
|--------------------|----|
| needle and thread | 4# |
| shadscale | 3# |
| globe mallow | 2# |
| curley grass | 1# |
| Nuttal's salt bush | 2# |

11. Surface Ownership

Well pad and access road: The well pad and access road are located on lands owned by:

United States of America
Bureau of Land Management
170 South 500 East
Vernal, Utah 84078
(801) 789-1362

12. Other Information

A Class III archaeological survey was conducted by Metcalf Archaeological Consultants on April 17, 1997. A copy of this report was submitted directly to the appropriate agencies by Metcalf Archaeological Consultants. Cultural resource clearance was recommended for this location.

Antelope stipulation: There will be no construction or drilling during the period from May 15 to June 20.

Critical Soils: Because of the presence of critical soils, there will be no construction

during those periods when the soil is wet or muddy.

The BLM surface representative (Byron Tolman) will be notified prior to construction of the water diversion dam.

13. Lessee's or Operators's Representative and Certification

Bonnie Carson
Senior Environmental Analyst
Coastal Oil & Gas Corporation
P.O. Box 749
Denver, CO 80201-0749
(303) 573-4476

Tom Young
Drilling Manager
Coastal Oil & Gas Corporation
9 Greenway Plaza, Suite 2770
Houston, TX 77046
(713) 877-7044

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

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

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



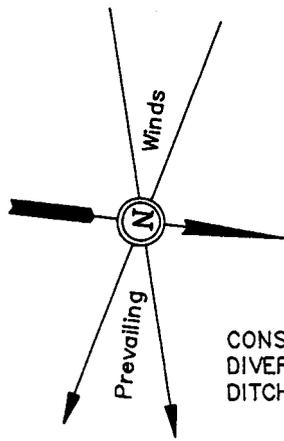
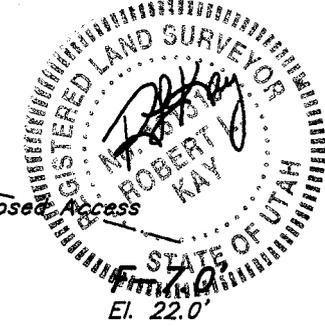
Bonnie Carson

Date 8/12/97

COASTAL OIL & GAS CORP.

LOCATION LAYOUT FOR

CIGE #225-3-10-21
SECTION 3, T10S, R21E, S.L.B.&M.
2385' FNL 2182' FWL

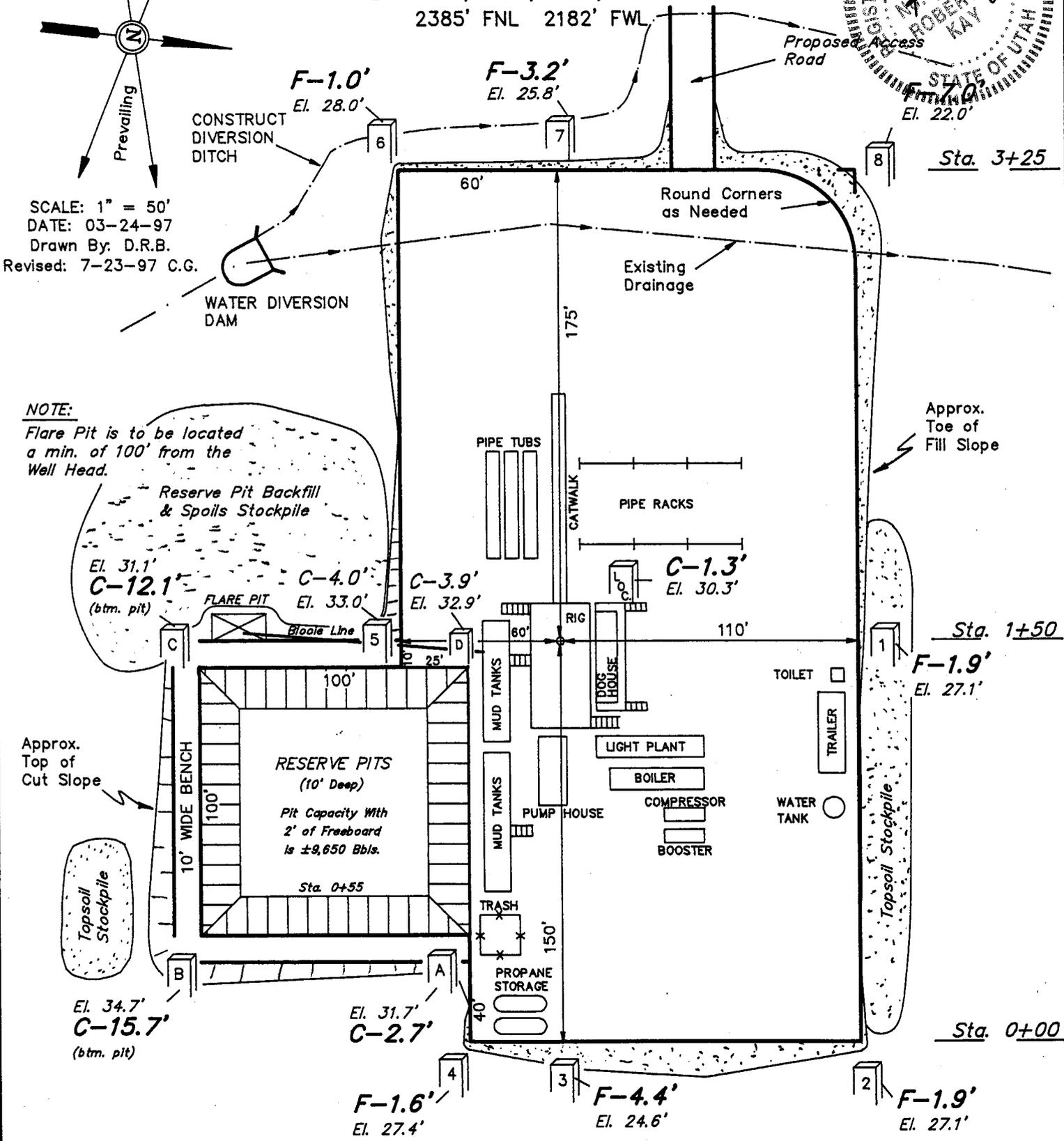


SCALE: 1" = 50'
DATE: 03-24-97
Drawn By: D.R.B.
Revised: 7-23-97 C.G.

NOTE:

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

Reserve Pit Backfill & Spoils Stockpile



Approx. Top of Cut Slope

Approx. Toe of Fill Slope

NOTES:

Elev. Ungraded Ground At Loc. Stake = 5030.3'
FINISHED GRADE ELEV. AT LOC. STAKE = 5029.0'

FIGURE #1

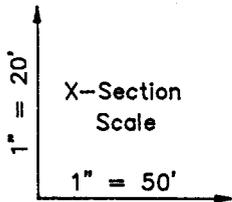
COASTAL OIL & GAS CORP.

TYPICAL CROSS SECTIONS FOR

CIGE #225-3-10-21

SECTION 3, T10S, R21E, S.L.B.&M.

2385' FNL 2182' FWL



DATE: 03-24-97
Drawn By: D.R.B.

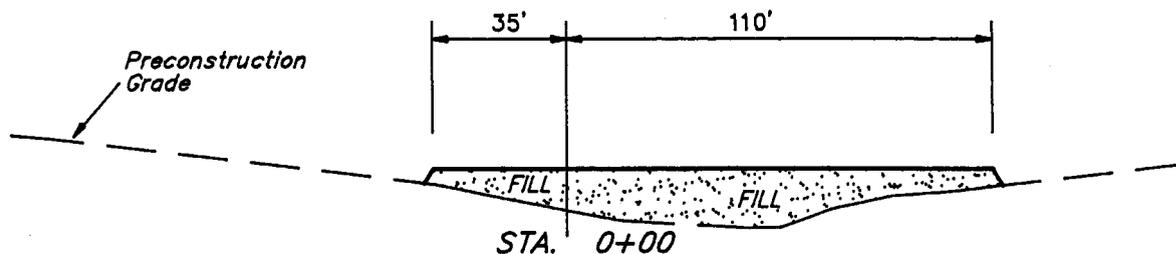
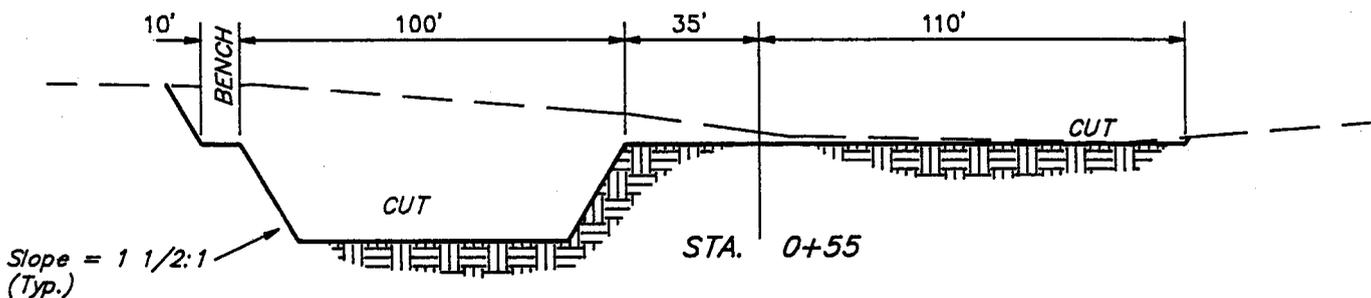
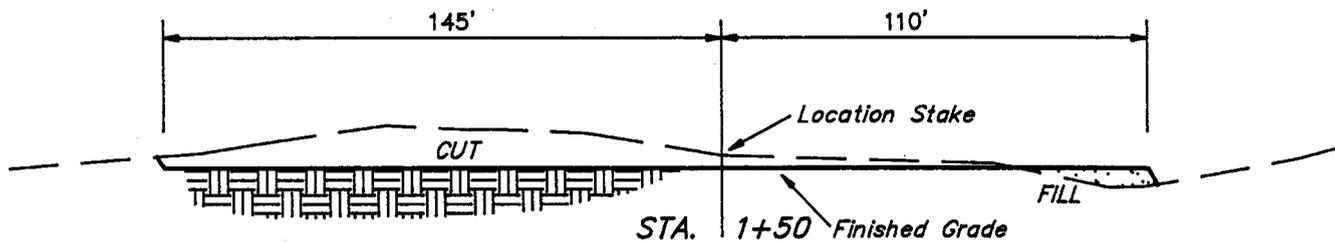
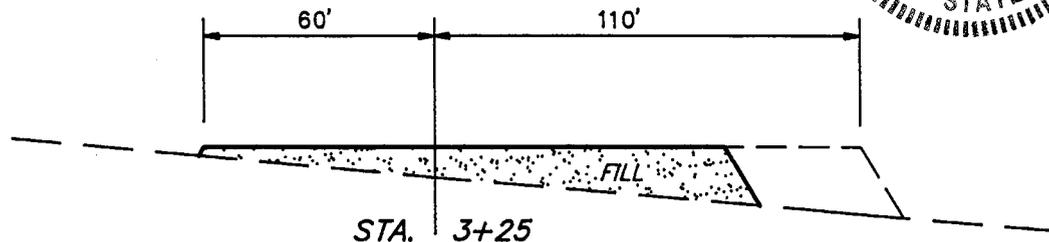
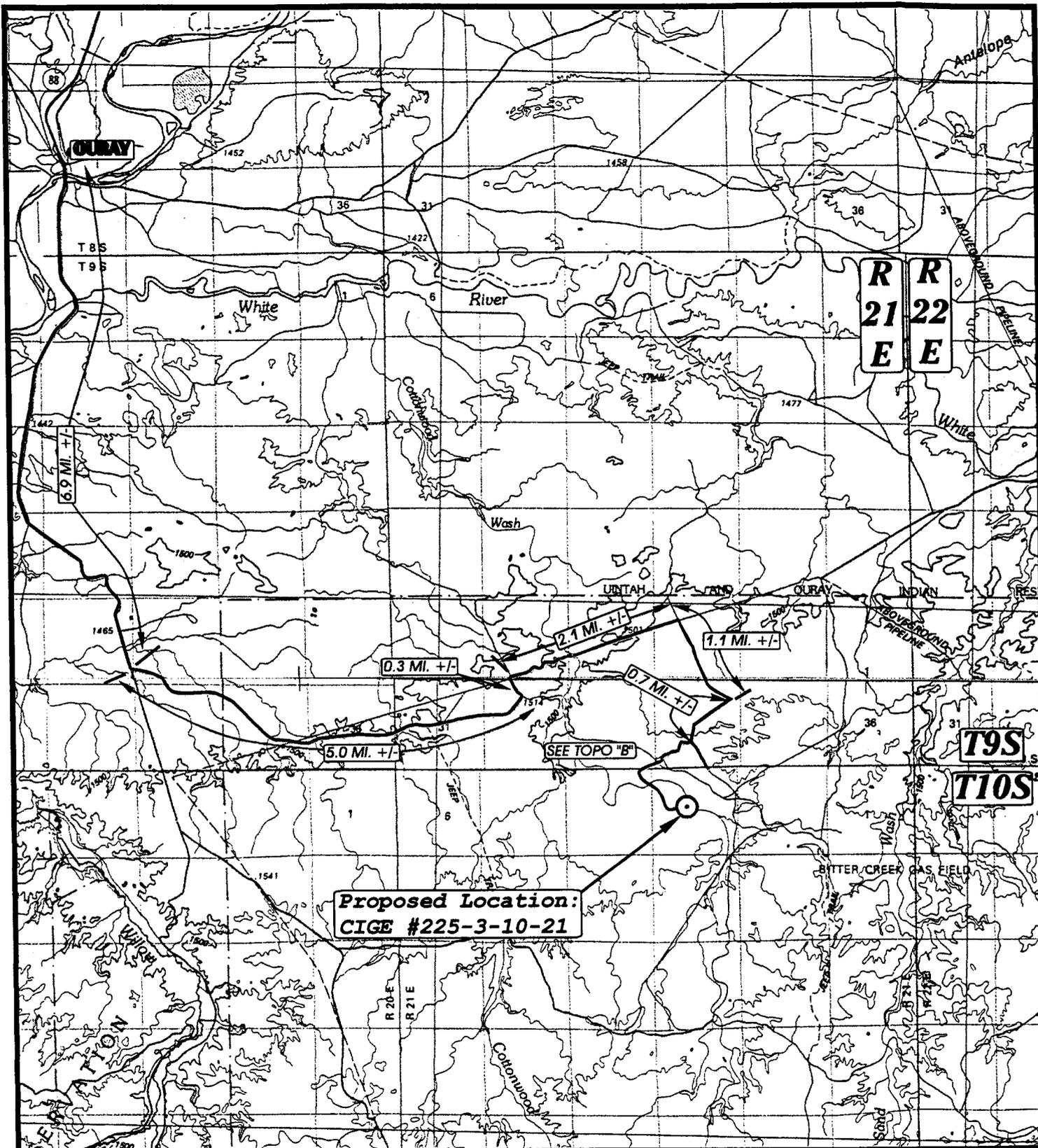


FIGURE #2

APPROXIMATE YARDAGES

| | |
|------------------------|------------------------|
| CUT | |
| (6") Topsoil Stripping | = 1,140 Cu. Yds. |
| Remaining Location | = 5,320 Cu. Yds. |
| TOTAL CUT | = 6,460 CU.YDS. |
| FILL | = 3,780 CU.YDS. |

| | |
|---|------------------|
| EXCESS MATERIAL AFTER 5% COMPACTION | = 2,480 Cu. Yds. |
| Topsoil & Pit Backfill (1/2 Pit Vol.) | = 2,480 Cu. Yds. |
| EXCESS UNBALANCE (After Rehabilitation) | = 0 Cu. Yds. |



UEIS

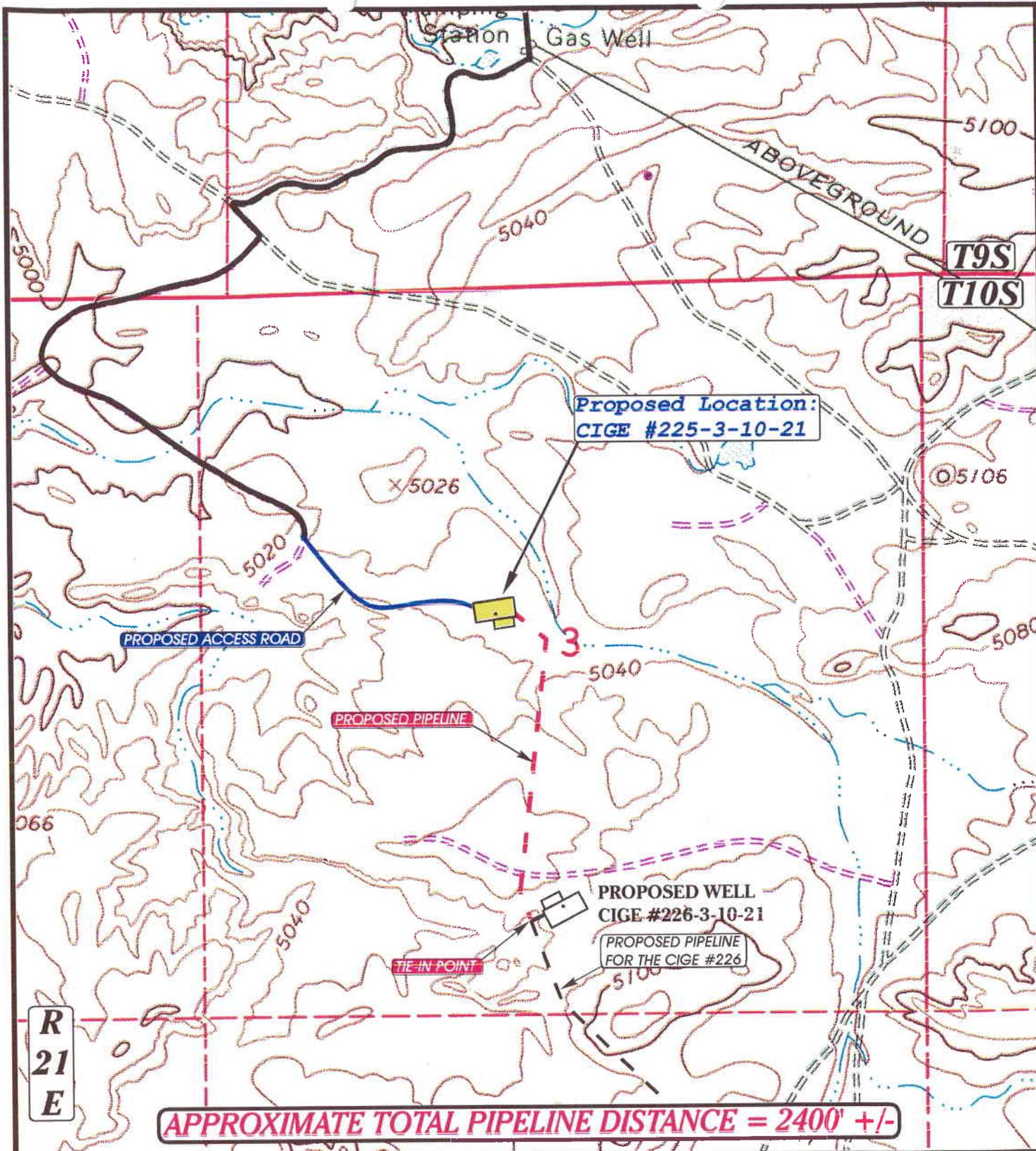
**TOPOGRAPHIC
MAP "A"**

DATE: 3-27-97
Drawn by: D.COX



COASTAL OIL & GAS CORP.
CIGE #225-3-10-21
SECTION 3, T10S, R21E, S.L.B.&M.
2385' FNL 2182' FWL

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



R
21
E

APPROXIMATE TOTAL PIPELINE DISTANCE = 2400' +/-

UELS

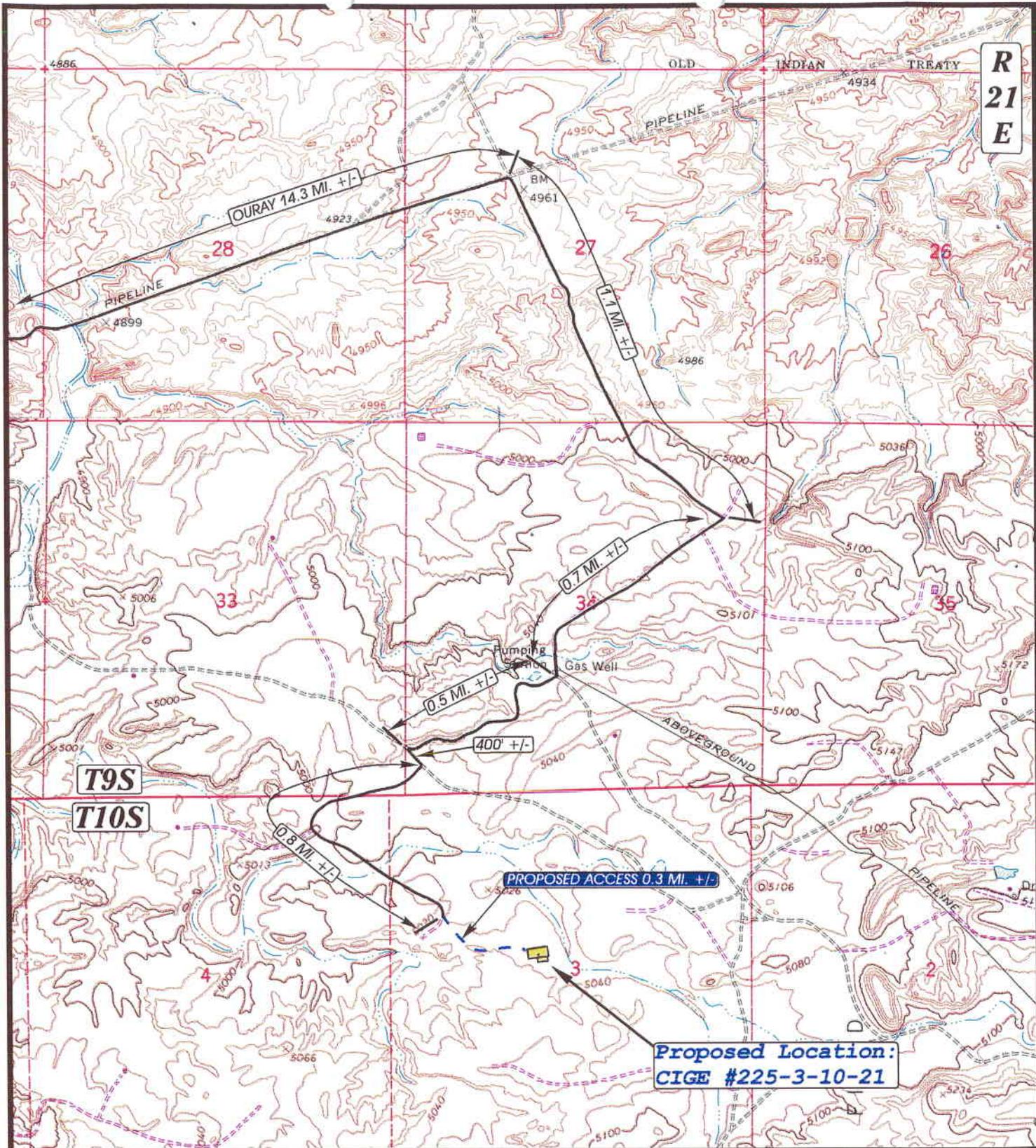
TOPOGRAPHIC
MAP "D"

- — — Existing Pipeline
- - - Proposed Pipeline



COASTAL OIL & GAS CORP.
CIGE #225-3-10-21
SECTION 3, T10S, R21E, S.L.B.&M.

DATE: 3-27-97
 Drawn by: D.COX



UELS

**TOPOGRAPHIC
MAP "B"**

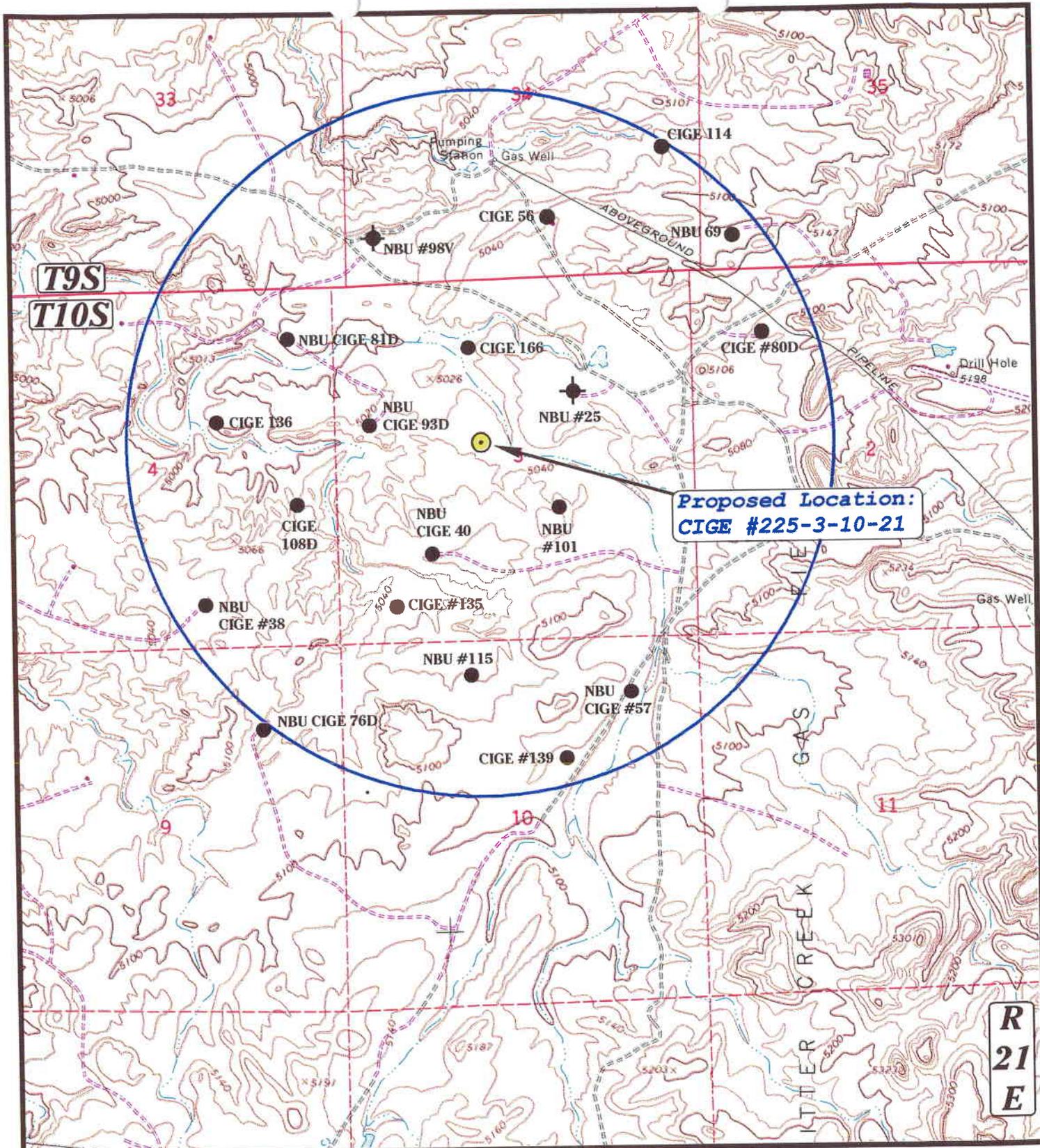
DATE: 3-27-97
Drawn by: D.COX



COASTAL OIL & GAS CORP.
CIGE #225-3-10-21
SECTION 3, T10S, R21E, S.L.B.&M.
2385' FNL 2182' FWL

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

SCALE: 1" = 2000'



Proposed Location:
CIGE #225-3-10-21

LEGEND:

WELLS

- Water Wells
- Abandoned Wells
- Temporarily Abandoned Wells
- Disposal Wells
- Drilling Wells
- Producing Wells
- Shut-In Wells



Uintah Engineering & Land Surveying
 85 So. 200 East • Vernal, Utah 84078 • (801) 789-1017

SCALE: 1" = 2000'

COASTAL OIL & GAS CORP.

CIGE #225-3-10-21

SECTION 3, T10S, R21E, S.L.B.&M.

TOPOGRAPHIC MAP "C"

DATE: 03-27-97

Drawn by: D.COX

**R
21
E**

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 08/14/97

API NO. ASSIGNED: 43-047-32974

WELL NAME: CIGE #225-3-10-21
OPERATOR: COASTAL OIL & GAS (N0230)

PROPOSED LOCATION:
SENW 03 - T10S - R21E
SURFACE: 2385-FNL-2182-FWL
BOTTOM: 2385-FNL-2182-FWL
UINTAH COUNTY
NATURAL BUTTES FIELD (630)

LEASE TYPE: FED
LEASE NUMBER: U - 0149078

PROPOSED PRODUCING FORMATION: WSTC

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

RECEIVED AND/OR REVIEWED:

Plat
 Bond: Federal State Fee
(Number 4605382-9)
 Potash (Y/N)
 Oil shale (Y/N)
 Water permit
(Number 43-8496)
 RDCC Review (Y/N)
(Date: _____)

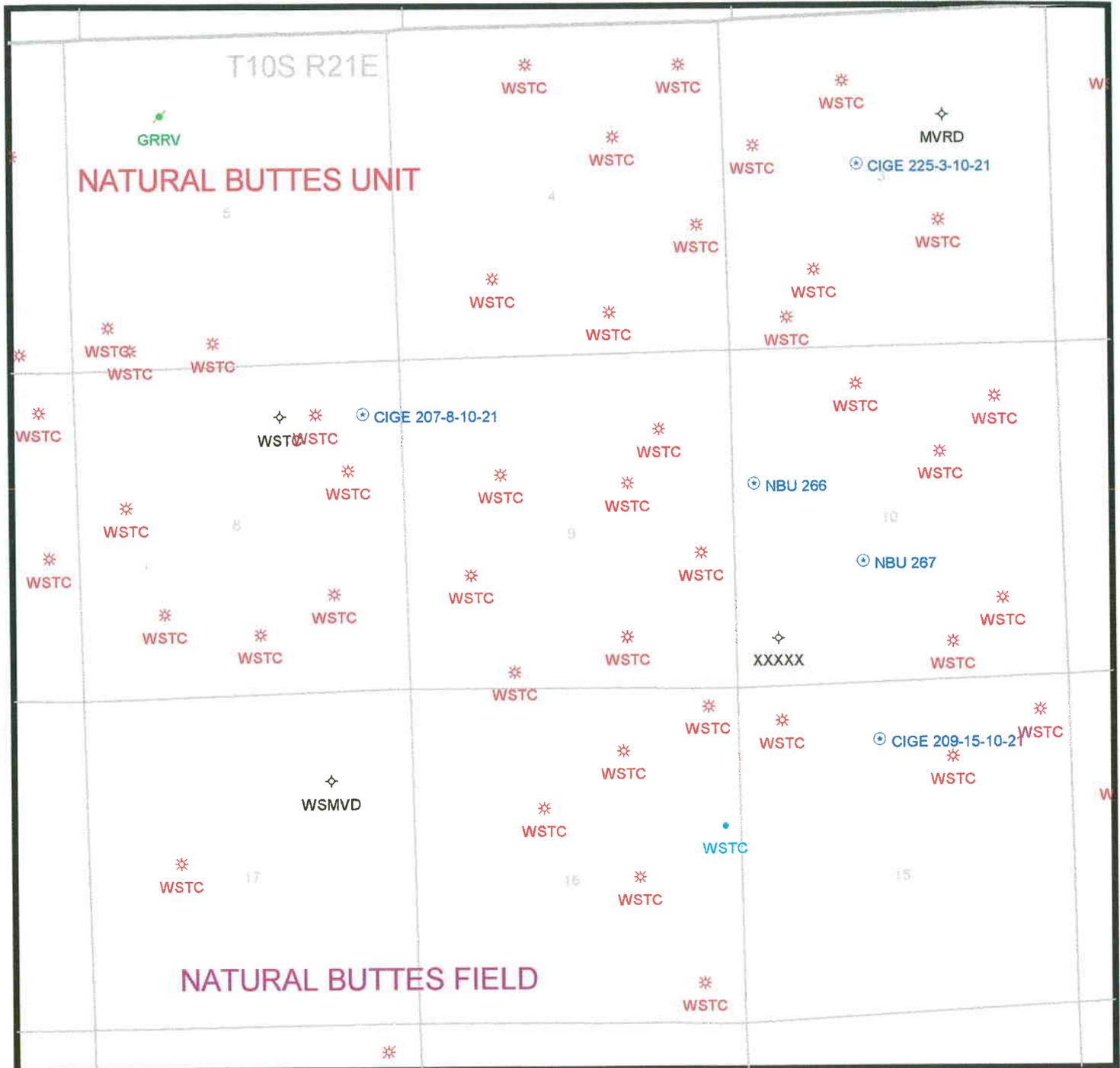
LOCATION AND SITING:

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

COMMENTS:

STIPULATIONS: 1. Oil shale

OPERATOR: COASTAL OIL & GAS (N0230)
 FIELD: NATURAL BUTTES (630)
 SEC, TWP, RNG: SEC. 3 & 8, T10S, R21E
 COUNTY: UINTAH UAC: R649-2-3 NATURAL BUTTES



PREPARED:
 DATE: 18-AUG-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)

September 3, 1997

Coastal Oil & Gas Corp.
P.O. Box 749
Denver, Colorado 80201-0749

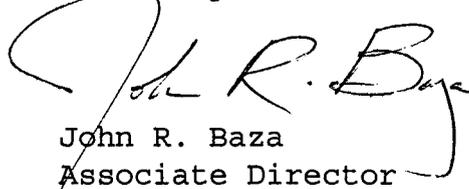
Re: CIGE 225-3-10-21 Well, 2385' FNL, 2182' FWL, SE NW, Sec. 3,
T. 10 S., R. 21 E., Uintah County, Utah

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 43-047-32974.

Sincerely,



John R. Baza
Associate Director

lwp

Enclosures

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

Operator: Coastal Oil & Gas Corp.
Well Name & Number: CIGE 225-3-10-21
API Number: 43-047-32974
Lease: U-0149078
Location: SE NW Sec. 3 T. 10 S. R. 21 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 Jim Thompson at (801)538-5336.

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

3. Reporting Requirements

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

4. In accordance with the Order in Cause No. 190-5(b) dated October 28, 1982, the operator shall comply with the requirements of Rule R649-3-31 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the 4½" casing is cemented over the entire oil shale section as defined by Rule R649-3-31.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
DRILL **DEEPEN**

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

2. NAME OF OPERATOR
Coastal Oil & Gas Corporation

3. ADDRESS AND TELEPHONE NO.
P.O. Box 749, Denver, CO 80201-0749 (303) 573-4476

5. LEASE DESIGNATION AND SERIAL NO.
U-0149078

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

7. UNIT AGREEMENT NAME
Natural Buttes Unit

8. FARM OR LEASE NAME, WELL NO.
CIGE #225-3-10-21

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT
Natural Buttes Field

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Section 3, T10S-R21E

12. COUNTY OR PARISH
Uintah

13. STATE
Utah

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface
2385' FNL & 2182' FWL
 At proposed prod. zone
same as above

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Approximately 16 miles southeast of Ouray, UT

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) **2000'**

16. NO. OF ACRES IN LEASE
648.44

17. NO. OF ACRES ASSIGNED TO THIS WELL
N/A

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

19. PROPOSED DEPTH
7000'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
5029' graded G.L.

22. APPROX. DATE WORK WILL START*
Upon Approval

RECEIVED
AUG 14 1997

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | GRADE, SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|----------------|-----------------------|-----------------|---------------|--------------------|
| 11" or 12-1/4" | 8-5/8" K-55 | 24# | 250' | approx. 85 sx |
| 7-7/8" | 4-1/2" N-80 | 11.6# | TD | See N.B. S.O.P. |

Coastal Oil & Gas Corporation proposes to drill a well to the proposed TD as stated above. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

See the attached Drilling Program and Multi-point Surface Use & Operations Plan.

Coastal Oil & Gas Corporation is considered to be the operator of the subject well. It agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided for by: State of Utah Bond #102103 and BLM Nationwide Bond #U605382-9.

RECEIVED
SEP 08 1997
DIV. OF OIL, GAS & MINING

IN ABOVE SPACE 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 prevention program, if any.

24. SIGNED Bonnie Carson TITLE Senior Environmental Analyst DATE 8/12/97

CONDITIONS OF APPROVAL ATTACHED

(This space for Federal or State office use)
 PERMIT NO. NOTICE OF APPROVAL APPROVAL DATE _____

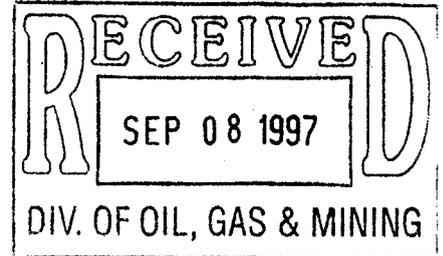
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
 CONDITIONS OF APPROVAL, IF ANY:
 APPROVED BY Byron K. Johnson ACTING Assistant Field Manager
 TITLE Mineral Resources DATE SEP 2 1997

DOG-M

*See Instructions On Reverse Side

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

114980-7M-294



CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Coastal Oil & Gas Corporation

Well Name & Number: CIGE 225-3-10-21

API Number: 43-047-32974

Lease Number: U-0149078

Location: SENW Sec. 03 T. 10S R. 21E

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.

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. Casing Program and Auxiliary Equipment

As a minimum, the usable water resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the shallowest potential productive zone.

SURFACE USE PROGRAM
Conditions of Approval (COAs)

-The topsoil shall be stripped from the reserve pit and piled separately as shown on the cut sheet.

-Once the reserve pit is dry, it shall be filled in and recontoured, then the pit topsoil shall be respread and the pit seeded with the following seed mix:

| | | |
|-------------------|------------------------|------------|
| Fourwing saltbush | Atriplex canescens | 3 lbs/acre |
| Needle and Tread | Stipa comata | 3 lbs/acre |
| Indian Ricegrass | Oryzopsis hymenoides | 3 lbs/acre |
| Shadscale | Atriplex Confertifolia | 3 lbs/acre |

All poundages are in Pure Live Seed. If the seed mixture is applied aerially, then the rates shall be doubled. Reseeding will be done immediately after the topsoil is spread.

-The location topsoil shall be windrowed along the entire north side of the location between corners 2 and 8. This topsoil pile shall also be seeded immediately after the topsoil is windrowed in the same manner as above with the same seed mix.

-The antelope stipulation outlined in the APD is waived.

-A water diversion dam shall be constructed as shown on the cut sheet.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

COPY SENT TO OF OR
Date: 9-18-98
Initials: C.H.P.

FORM APPROVED
Budget Bureau No. 1004-0135
Expires July 31, 1996

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side

| | | |
|---|--|---|
| 1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. U-0149078 |
| 2. Name of Operator Coastal Oil & Gas Corporation | | 6. If Indian, Allottee or Tribe Name N/A |
| 3a. Address P.O. Box 749, Denver, CO 80201-0749 | 3b. Phone No. (include area code) (303) 573-4455 | 7. If Unit or CA/Agreement, Name and/or No. Natural Buttes Unit |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2385' FNL & 2182' FWL SE NW Section 3, T10S-R21E | | 8. Well Name and No. CIGE 225-3-10-21 |
| | | 9. API Well No. 43-047-32974 |
| | | 10. Field and Pool, or Exploratory Area Natural Buttes Field |
| | | 11. County or Parish, State Uintah UT |

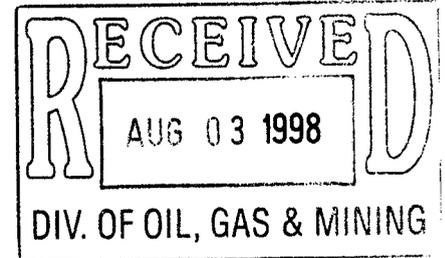
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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

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

The APD for the referenced well was approved on September 2, 1997. The operator requests that the APD be extended for an additional year so that drilling may be completed.

Approved by the
Utah Division of
Oil, Gas and Mining
Date: 9/17/98
By: *[Signature]*



| | |
|---|--|
| 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Sheila Bremer | Title Environmental & Safety Analyst |
| | Date 7/29/98 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

Title 18 U.S.C. Section 1001, 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 July 31, 1996

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Serial No.
U- 0149078

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

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

8. Well Name and No.
Cige #225

9. API Well No.
43-047-32974

10. Field and Pool, or Exploratory Area
Natural Buttes Field

11. County or Parish, State
Uintah UT

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Coastal Oil & Gas Corporation

3a. Address
P.O. Box 1148, Vernal UT 84078

3b. Phone No. (include area code)
(435) 781-7023

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**SE/NW Sec.3, T10S, R21E
2385' FN1 & 2182' FWL**

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

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

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

Coastal Oil & Gas Corporation proposes to change the TD to 8102', in order to drill to the Mesaverde formation.

Please refer to attached Drilling Program.

(From 7000/wste)

COPY SENT TO OPERATOR
Date: 10-9-99
Initials: CHD

RECEIVED
SEP 22 1999
DIV. OF OIL, GAS & MINING

Federal Approval of this Action is Necessary

Approved by the Utah Division of Oil, Gas and Mining
Date: 10/6/99
By: [Signature]

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

Name (Printed/Typed) **Katy Dow** Title **Environmental Secretary**

[Signature] Date **9/17/99**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date _____

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

Title 18 U.S.C. Section 1001, 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.

Coastal Oil & Gas Corporation
Cige #225
SE/NW Sec.3, T10S, R21E
Uintah County, UT

GEOLOGIC SURFACE FORMATION:

SE/NW Sec. 3, T10S, R21E – 2385' FNL & 2182' FWL

ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS:

| <u>Formation</u> | <u>Estimated Top</u> |
|------------------|----------------------|
| KB | 5030' |
| Green River | 1432' |
| Wasatch | 4642' |
| Mesaverde | 7502' |

PROPOSED CASING PROGRAM

See Attached

DRILLING FLUIDS PROGRAM

See Attached

TESTING, LOGGING AND CORING:

See Attached

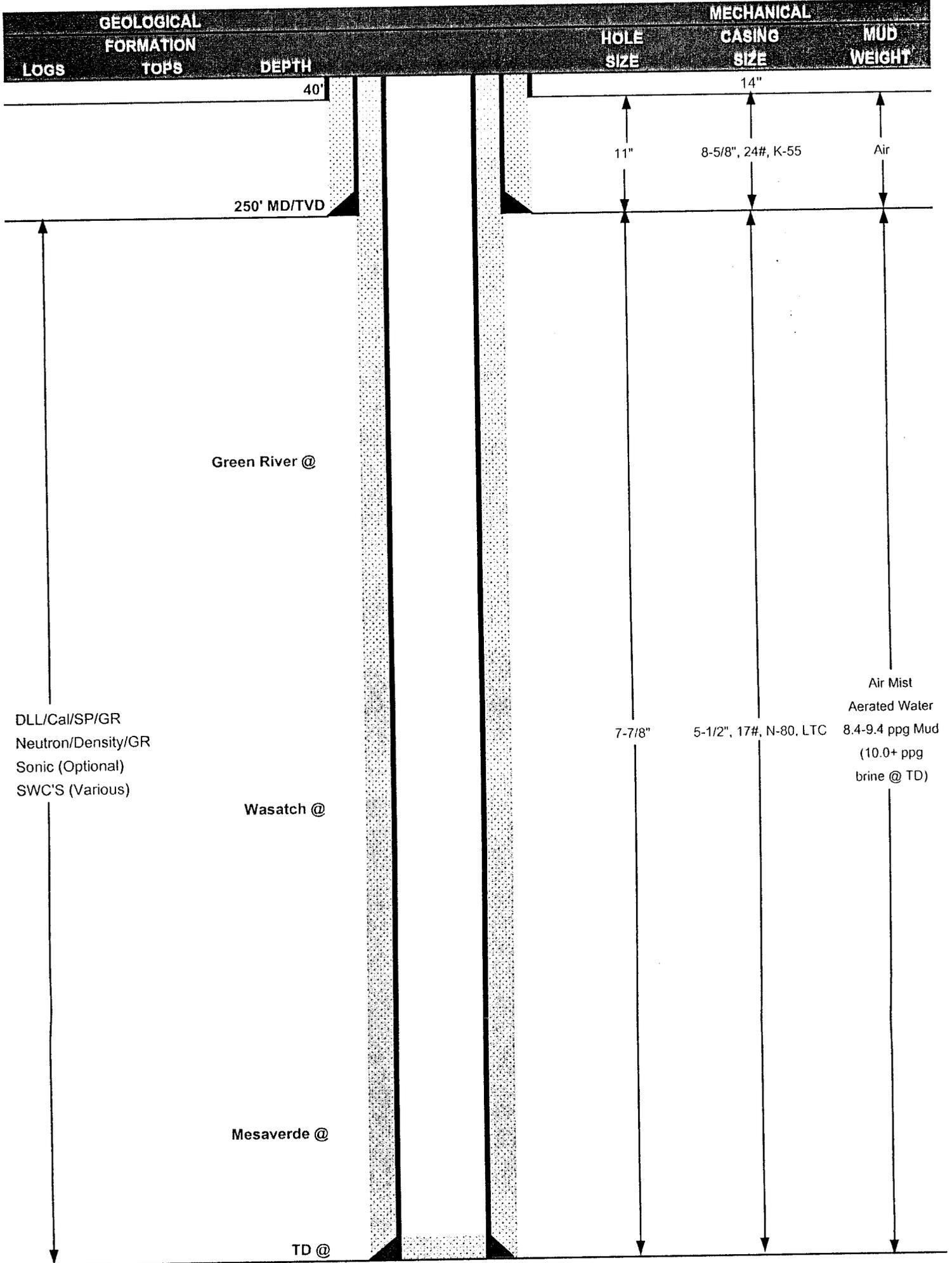
CEMENTING PROGRAM:

See Attached

COASTAL OIL & GAS CORPORATION

DRILLING PROGRAM

COMPANY NAME Coastal Oil & Gas Corporation DATE 9/15/99
 WELL NAME Generic Natural Buttes Well TD _____
 FIELD Ouray COUNTY Uintah STATE Utah ELEVATION _____
 SURFACE LOCATION _____ BHL Straight Hole
 OBJECTIVE ZONE(S) Lower Green River, Wasatch, Mesaverde
 ADDITIONAL INFO _____



CASING PROGRAM

| | SIZE | INTERVAL | WT. | GR. | CPLG. | DESIGN FACTORS | | |
|------------|--------|----------|-----|------|-------|------------------------|----------|---------|
| | | | | | | BURST | COLLAPSE | TENSION |
| CONDUCTOR | 14" | 0-40' | | | | | | |
| SURFACE | 8-5/8" | 0-250' | 24# | K-55 | STC | >10 | >10 | >10 |
| PRODUCTION | 5-1/2" | 0-TD | 17# | N-80 | LTC | SPECIFIED BY PROD DEPT | | |
| TUBING | | | | | | | | |

CEMENT PROGRAM

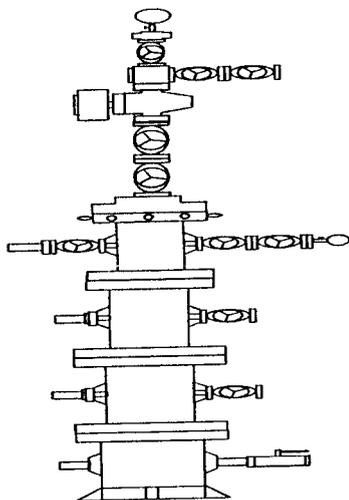
| | FT. OF FILL | DESCRIPTION | SACKS | EXCESS | WEIGHT | YIELD |
|------------|--|--|-------|--------|--------|-------|
| SURFACE | 250' MD/TVD | Neat + 2% CaCl ₂ | 95 | 25% | 15.60 | 1.19 |
| PRODUCTION | LEAD 500' Above Prod Int-Surf | Hifill + 0.6% EX-1 + 0.25 lb/sk Flocele + 0.2% FWCA + 10 lb/sk Gilsonite + 16% Gel + 1% HR-7 + 3% Salt | | *TBD | 11.60 | 3.12 |
| | TAIL TD-500' Above Productive Int. | 50/50 POZ + 0.25 lb/sk Flocele + 0.4% Halad-322 + 2% Gel + 0.1% HR-5 + 2% Microbond M +5% Salt | | *TBD | 14.4 | 1.24 |

* 15% over caliper log

FLOAT EQUIPMENT & CENTRALIZERS

| | |
|------------|---|
| SURFACE | Guide shoe, 1 jt, float collar. Centralize 5' above shoe & every other collar to surface. |
| PRODUCTION | Specified by Production Department (every other joint across pay zones). |

WELLHEAD EQUIPMENT



| | |
|--------------|---------------------|
| TREE | 2-1/16" 5M |
| TUBING HEAD | 11" 3M X 7-1/16" 5M |
| CASING SPOOL | |
| CASING SPOOL | |
| CASING HEAD | 8-5/8" SOW X 11" 3M |

BIT PROGRAM

| INTERVAL | HO | BIT MFG & MODEL | GPM | SERIAL | ZLS | COMMENTS |
|---------------------|--------|-----------------|-----|--------|-----|----------|
| Surface Hole | 11" | Various | | | | |
| SC - Top of Wasatch | 7-7/8" | Various | | | | |
| Wasatch | 7-7/8" | Various (PDC) | | | | |
| Mesaverde | 7-7/8" | Various | | | | |

GEOLOGICAL DATA

LOGGING:

| Depth | Log Type |
|----------|--------------------|
| SC - TD | DLL/Cal/SP/GR |
| SC - TD | Neutron/Density/GR |
| Optional | Sonic |
| Various | SWC's |

MUD LOGGER: As per Geology
SAMPLES: As per Geology
CORING: As per Geology
DST: As per Geology

MUD PROGRAM

| DEPTH | TYPE | MUD WT | WATER LOSS | VISCOSITY | TREATMENT |
|----------|----------------------------|---------------|------------|-------------|------------------------|
| 0-Trona | Air Mist | NA | NA | | |
| Trona-TD | Aerated Water Water/Mud | NA 8.4-9.4 | NC 15cc | NA 30-40 | KCL, Gel, LCM, Polymer |
| At TD | Brine | 10-12 ppg | NC | NC | |

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.
BOPE: 11" 3M with one annular and 2 rams. Test to 3,000 psi (annular to 1,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.
Run Totco survey every 500' from surface casing shoe to TD. Maximum allowable hole angle is 5 degrees.

PROJECT ENGINEER: _____
Blaine Yeary

PROJECT MANAGER: _____
Tom Young

DATE: _____
DATE: _____

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires July 31, 1996

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
 Coastal Oil & Gas Corporation

3a. Address
 P.O. Box 1148, Vernal UT 84078

3b. Phone No. (include area code)
 (435) 781-7023

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 SE/NW Sec.3, T10S, R21E
 2385' FNI & 2182' FWL

5. Lease Serial No.
 U- 0149078

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

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

8. Well Name and No.
 Cige #225

9. API Well No.
 43-047-32974

10. Field and Pool, or Exploratory Area
 Natural Buttes Field

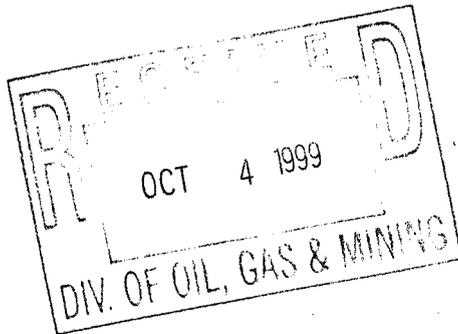
11. County or Parish, State
 Uintah UT

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

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

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

Coastal Oil & Gas Corporation requests authorization to revise the previous Sundry Notice, requesting TD change from 8102' to 8302'. Cmt, Csg, Drilling fluids program will remain unchanged.



Approved by the
Utah Division of
Oil, Gas and Mining

Date: 10/7/99
By: [Signature]

COPY SENT TO OPERATOR
Date: 10-12-99
Initials: CBO

14. I hereby certify that the foregoing is true and correct
 Name (Printed/Typed) Katy Dow
 Title Environmental Secretary
 Date 9/30/99

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date _____
 Office _____

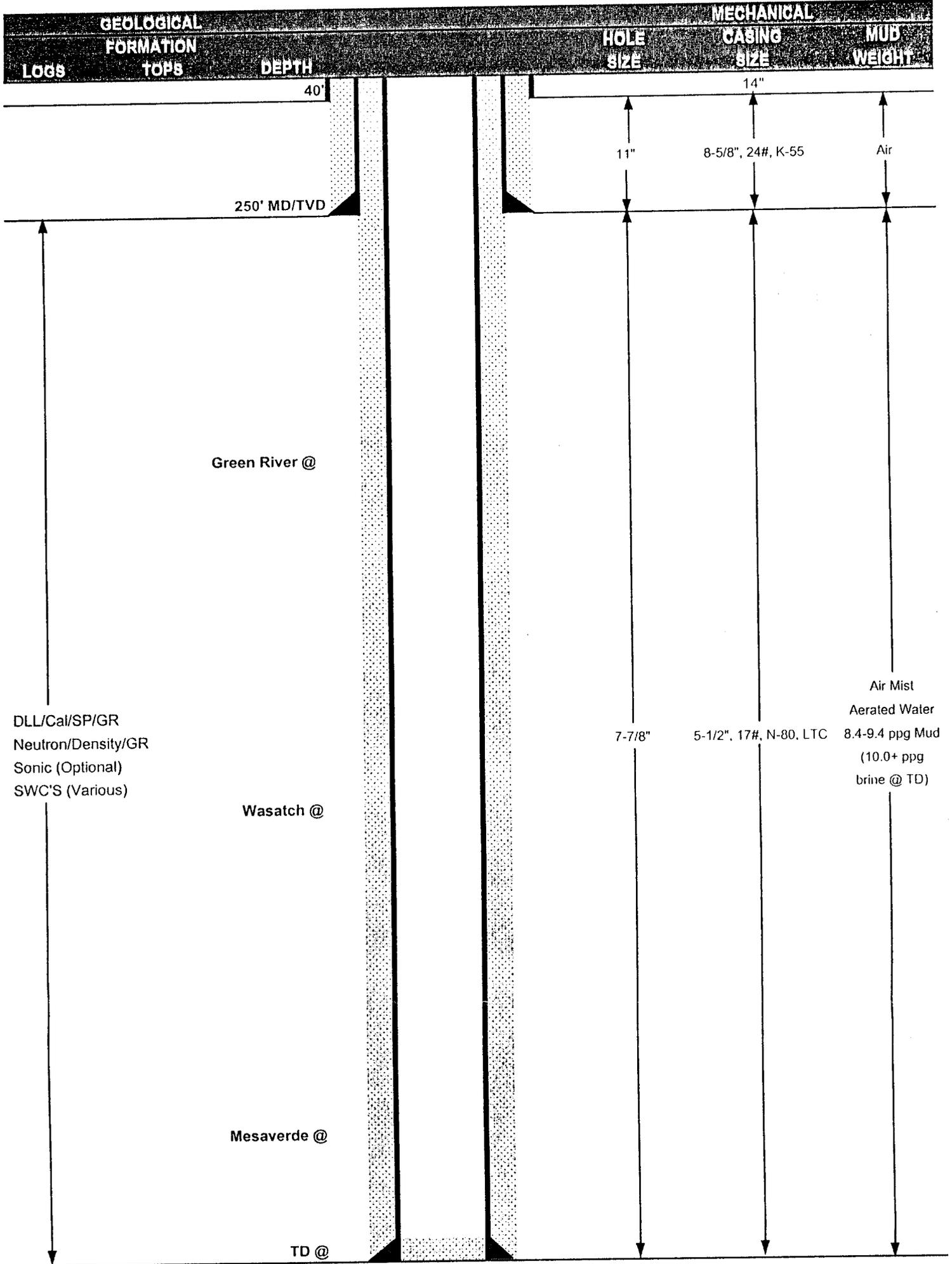
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COASTAL OIL & GAS CORPORATION

DRILLING PROGRAM

COMPANY NAME Coastal Oil & Gas Corporation DATE 9/15/99
 WELL NAME Generic Natural Buttes Well TD _____
 FIELD Ouray COUNTY Uintah STATE Utah ELEVATION _____
 SURFACE LOCATION _____ BHL Straight Hole
 OBJECTIVE ZONE(S) Lower Green River, Wasatch, Mesaverde
 ADDITIONAL INFO _____



CASING PROGRAM

| | SIZE | INTERVAL | WT. | GR. | CPLG. | DESIGN FACTORS | | |
|------------|--------|----------|-----|------|-------|------------------------|----------|---------|
| | | | | | | BURST | COLLAPSE | TENSION |
| CONDUCTOR | 14" | 0-40' | | | | | | |
| SURFACE | 8-5/8" | 0-250' | 24# | K-55 | STC | >10 | >10 | >10 |
| PRODUCTION | 5-1/2" | 0-TD | 17# | N-80 | LTC | SPECIFIED BY PROD DEPT | | |
| TUBING | | | | | | | | |

CEMENT PROGRAM

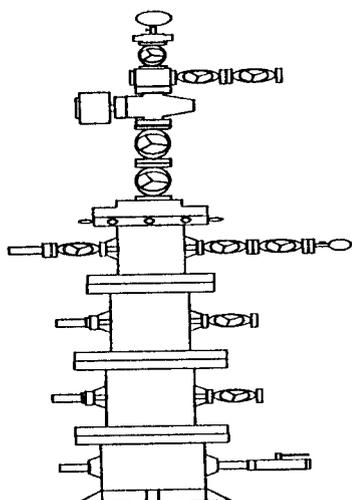
| | FT. OF FILL | DESCRIPTION | SACKS | EXCESS | WEIGHT | YIELD |
|------------|--|--|-------|--------|--------|-------|
| SURFACE | 250' MD/TVD | Neat + 2% CaCl ₂ | 95 | 25% | 15.60 | 1.19 |
| PRODUCTION | LEAD 500' Above Prod Int-Surf | Hifill + 0.6% EX-1 + 0.25 lb/sk Flocele + 0.2% FWCA + 10 lb/sk Gilsonite + 16% Gel + 1% HR-7 + 3% Salt | | *TBD | 11.60 | 3.12 |
| | TAIL TD-500' Above Productive Int. | 50/50 POZ + 0.25 lb/sk Flocele + 0.4% Halad-322 + 2% Gel + 0.1% HR-5 + 2% Microbond M +5% Salt | | *TBD | 14.4 | 1.24 |

* 15% over caliper log

FLOAT EQUIPMENT & CENTRALIZERS

| | |
|------------|---|
| SURFACE | Guide shoe, 1 jt, float collar. Centralize 5' above shoe & every other collar to surface. |
| PRODUCTION | Specified by Production Department (every other joint across pay zones). |

WELLHEAD EQUIPMENT



| | |
|--------------|---------------------|
| TREE | 2-1/16" 5M |
| TUBING HEAD | 11" 3M X 7-1/16" 5M |
| CASING SPOOL | |
| CASING SPOOL | |
| CASING HEAD | 8-5/8" SOW X 11" 3M |

BIT PROGRAM

ROCK BIT & PDC BIT PROGRAM

| INTERVAL | SIZE | BIT MFG & MODEL | GPM | SERIAL | NZLS | COMMENTS |
|---------------------|--------|-----------------|-----|--------|------|----------|
| Surface Hole | 11" | Various | | | | |
| SC - Top of Wasatch | 7-7/8" | Various | | | | |
| Wasatch | 7-7/8" | Various (PDC) | | | | |
| Mesaverde | 7-7/8" | Various | | | | |

GEOLOGICAL DATA

LOGGING:

| Depth | Log Type |
|----------|--------------------|
| SC - TD | DLL/Cal/SP/GR |
| SC - TD | Neutron/Density/GR |
| Optional | Sonic |
| Various | SWC's |

MUD LOGGER:

As per Geology

SAMPLES:

As per Geology

CORING:

As per Geology

DST:

As per Geology

MUD PROGRAM

| DEPTH | TYPE | MUD WT | WATER LOSS | VISCOSITY | TREATMENT |
|----------|----------------------------|---------------|------------|-------------|------------------------|
| 0-Trona | Air Mist | NA | NA | | |
| Trona-TD | Aerated Water Water/Mud | NA 8.4-9.4 | NC 15cc | NA 30-40 | KCL, Gel, LCM, Polymer |
| At TD | Brine | 10-12 ppg | NC | NC | |

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 3M with one annular and 2 rams. Test to 3,000 psi (annular to 1,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.

Run Totco survey every 500' from surface casing shoe to TD. Maximum allowable hole angle is 5 degrees.

PROJECT ENGINEER:

Blaine Yeary

DATE:

PROJECT MANAGER:

Tom Young

DATE:



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal District Office
170 South 500 East
Vernal, Utah 84078-2799
<http://www.blm.gov/utah/vernal>

Phone: (801) 781-4400
Fax: (801) 781-4410

IN REPLY REFER TO:
3160
UT08300

October 18, 1999

Coastal Oil & Gas Corporation
P. O. Box 1148
Vernal, UT 84078

Re: Notification of Expiration
Well No. CIGE 225-3-10-21
Section 3, T10S, R21E
Lease No. U-0149078
Uintah County, Utah

43-047-32974

Dear Cheryl:

The Application for Permit to Drill the above-referenced well was approved on September 2, 1997. A one (1) year extension of the original APD was requested. The request was reviewed and the extension approved until September 3, 1999. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you the approval of the referenced application has expired. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

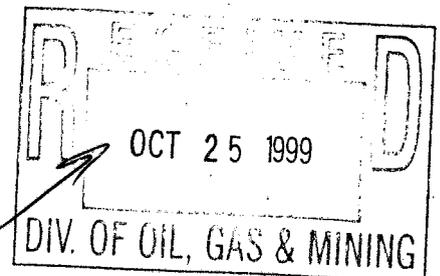
This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter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

Sincerely,

Margie Herrmann
Legal Instruments Examiner

cc: State Div. OG&M

DOG M
'LA'
DATE





United States Department of the Interior

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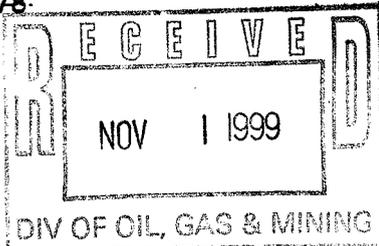
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Sincerely,

Margie Herrmann

Legal Instruments Examiner

cc: State Div. OG&M

Previously
LAI'd
effective
10/25/99
DTS



Coastal
The Energy People

FACSIMILE COVER PAGE

THIS TRANSMISSION CONSISTS OF _____ PAGES INCLUDING COVER SHEET

TO: Jisna Cordova @ FAX # 801-359-3940

FROM: Sheila Upcheggo @ FAX # 435-789-4436

If you have any problem receiving the above specified pages, please notify Coastal Oil & Gas Corp office @ 435-789-4433.

Confidentiality Notice:

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Thank you
