

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS: WELL LOG ELECTRIC LOGS FILE X WATER SANDS LOCATION INSPECTE SUB. REPORT/abd.
 981123 APD EXT 11/23/99; 991220 Conf St Rep; 2000 0214 LA'D, eff 2-7-2000;
 Conf Removal;

DATE FILED **SEPTEMBER 30, 1997**

LAND: FEE & PATENTED STATE LEASE NO. PUBLIC LEASE NO. **U-01190** INDIAN

DRILLING APPROVED: **JANUARY 29, 1998**

SPUDDED IN:

COMPLETED: PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR:

PRODUCING ZONES:

TOTAL DEPTH:

WELL ELEVATION:

DATE ABANDONED: **2-7-2000 LA'D**

FIELD: **NATURAL BUTTES FIELD**

UNIT:

COUNTY: **UINTAH COUNTY**

WELL NO. **NBU 269** API NO. **43-047-33002**

LOCATION **2404 FNL** FT. FROM (N) (S) LINE. **164 FWL** FT. FROM (E) (W) LINE. **SWNW** 1/4 - 1/4 SEC.

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
10S	21E	12	COASTAL OIL & GAS				

**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) 573-4455

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. *)
 At surface
 2404' FNL & 164' FWL
 At proposed prod. zone

5. LEASE DESIGNATION AND SERIAL NO.
 U-01190

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

7. UNIT AGREEMENT NAME
 Natural Buttes Unit

8. FARM OR LEASE NAME, WELL NO.
 NBU 269

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT
 Natural Buttes Field

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 SWNW Section 12 T10S-R21E

12. COUNTY OR PARISH
 Uintah

13. STATE
 Utah

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 Approximately 21.5 miles south of Ouray, Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any) 164'

16. NO. OF ACRES IN LEASE
 320

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
 6500'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 Ungraded GR - 5322.8'

22. APPROX. DATE WORK WILL START*
 Upon approval

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
See attached				
Drilling Program				

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 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 Coastal bonds: BLM Nationwide #U605382-9 and State of Utah #102103.

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. Sheila Bremer TITLE Environmental & Safety Analyst DATE 9/29/97

(This space for Federal or State office use)

CONDITIONS OF APPROVAL ATTACHED

PERMIT NO. _____

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 Howard B. Claug TITLE Assistant Field Manager Mineral Resources DATE JAN 20 1998

*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.

DOGMA

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Coastal Oil & Gas Corporation

Well Name & Number: NBU 269

API Number: 43-047-33002

Lease Number: U-01190

Location: SWNW Sec. 12 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 pile should be seeded immediately after the soil is piled by broadcasting the seed, then walking the topsoil pile with the dozer to plant the seed. The seed mix is provided in the APD. All poundages are in Pure Live Seed.

-Once the reserve pit is dry, it should be filled, recontoured, topsoil spread, and seeded in the same manner discussed above.

**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 <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. U-01190
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A
2. NAME OF OPERATOR Coastal Oil & Gas Corporation		7. UNIT AGREEMENT NAME Natural Buttes Unit
3. ADDRESS AND TELEPHONE NO. P.O. Box 749, Denver, CO 80201-0749 (303) 573-4455		8. FARM OR LEASE NAME, WELL NO. NBU 269
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. *) At surface <input checked="" type="checkbox"/> At proposed prod. zone <input type="checkbox"/> 2404' FNL & 164' FWL		9. API WELL NO.
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approximately 21.5 miles south of Ouray, Utah		10. FIELD AND POOL, OR WILDCAT Natural Buttes Field
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 164'	16. NO. OF ACRES IN LEASE 320	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SWNW Section 12 T10S-R21E
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. See Topo Map C	19. PROPOSED DEPTH 6500'	12. COUNTY OR PARISH Uintah
21. ELEVATIONS (Show whether DF, RT, GR, etc.) Ungraded GR - 5322.8'	20. ROTARY OR CABLE TOOLS Rotary	13. STATE Utah
		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
See attached				
Drilling Program				

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 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 Coastal bonds: BLM Nationwide #U605382-9 and State of Utah #102103.

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 Sheila Bremer TITLE Environmental & Safety Analyst DATE 9/29/97

(This space for Federal or State office use)

PERMIT NO. 43-047-33002 APPROVAL DATE _____

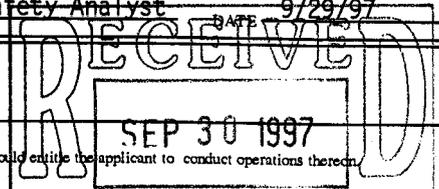
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY John R. Bay TITLE Associate Director Utah DOLM DATE 1/29/98

*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.

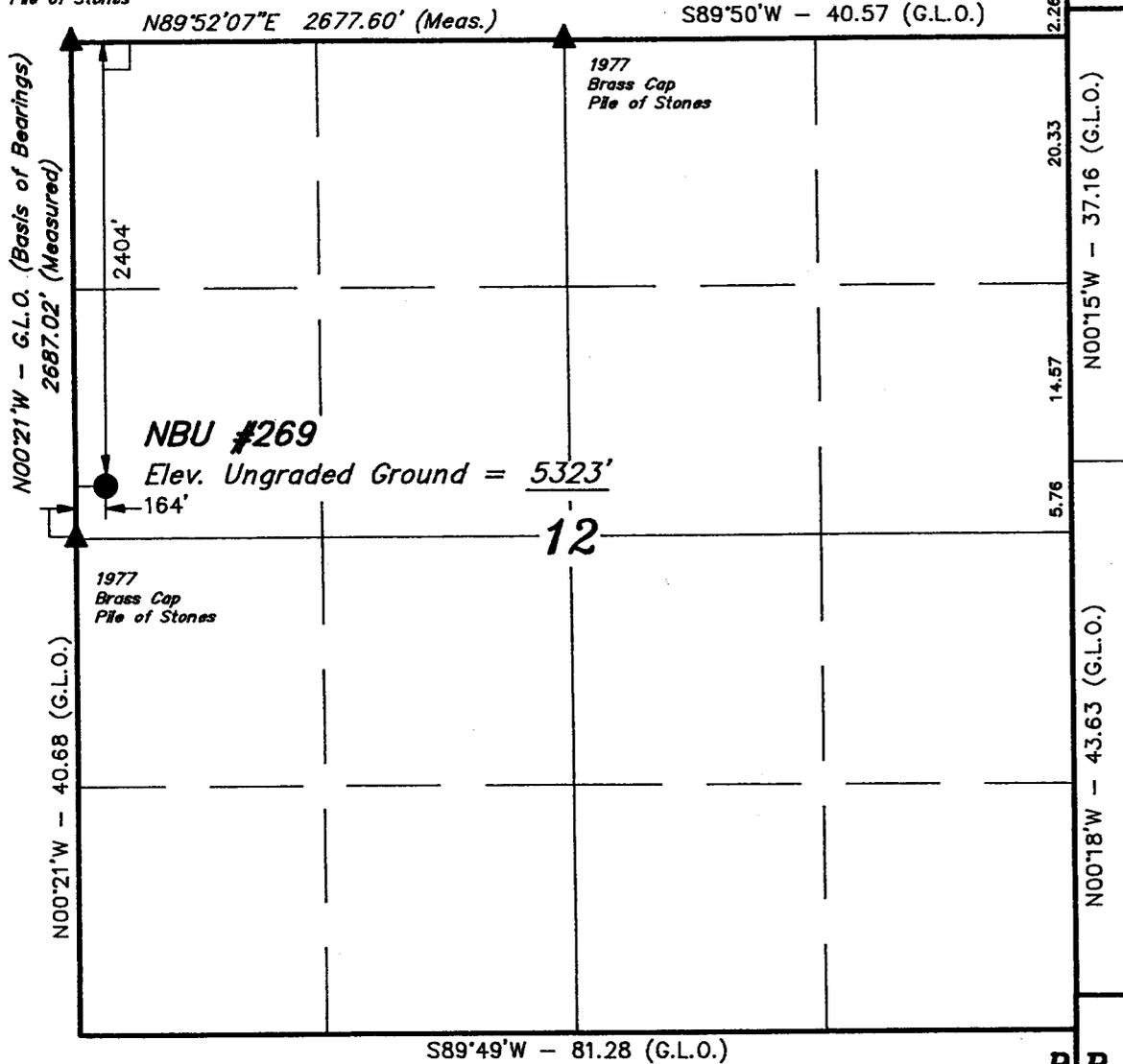


COASTAL OIL & GAS CORP.

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

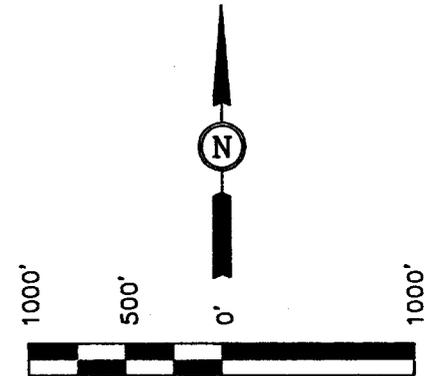
Well location, NBU #269, located as shown in the SW 1/4 NW 1/4 of Section 12, T10S, R21E, S.L.B.&M., Uintah County, Utah.

1977
Brass Cap
Pile of Stones



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, UTAH 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.



SCALE

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. Gray
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: 12-30-96	DATE DRAWN: 01-09-97
PARTY D.A. D.R. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE COASTAL OIL & GAS CORP.	

**NBU 269
2404' FNL & 164' FWL
SW/NW, SECTION 12-T10S-R21E
UINTAH COUNTY, UTAH
LEASE NUMBER: U-01190**

**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	1,545'
Wasatch	4,685'
Total Depth	6,500'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Oil/Gas	Green River	1,545'
	Wasatch	4,685'
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 2,600 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1,170 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. **Variances:**

Please see the Natural Buttes Unit SOP.

10. **Other Information:**

Please see the Natural Buttes Unit SOP.

NBU 269
2404' FNL & 164' FWL
SW/NW, SECTION 12-T10S-R21E
UINTAH COUNTY, UTAH
LEASE NUMBER: U-01190

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

An onsite inspection was conducted for the NBU 269 on 9/16/97 at approximately 10:15 a.m. Weather conditions were sunny and clear with moderate temperatures at the time of the onsite. In attendance at the inspection were the following individuals:

Sheila Bremer	Coastal Oil & Gas Corporation
Bill Rawlings	Coastal Oil & Gas Corporation
Byron Tolman	Bureau of Land Management
Steve Strong	Bureau of Land Management
Robert Kay	Uintah Engineering & Land Surveying
Harley Jackson	Jackson Construction
Jim Justice	J-West
Danny Iorg	John E. Faucett Construction

1. Existing Roads:

The proposed well site is approximately 21.5 miles south of Ouray, Utah. Directions to the location from Ouray, Utah:

Proceed south from Ouray ± 6.9 miles on the Seep Ridge Road to the junction of this road and an existing oil field service road to the east; turn left and proceed in an easterly direction ± 5.0 miles to the junction of this road and an existing road to the north; turn left and proceed in a northerly direction ± 0.3 miles to the junction of this road and an existing road to the northeast; turn right and proceed in a northeasterly direction ± 3.9 miles to the junction of this road and an existing road to the south; turn right and proceed in a southwesterly direction ± 1.8 miles to the junction of this road and an existing road to the southwest; turn right and proceed in a southwesterly direction ± 1.5 miles to the junction of this road and an existing road to the southeast; turn left and proceed in a southeasterly direction ± 0.6 miles to the junction of this road and an existing road to the east; turn left and proceed in an easterly then southeasterly then southwesterly direction ± 1.0 mile to the beginning of the proposed access road to the west; follow road flags in a westerly then southeasterly direction ± 0.5 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 improvements made to existing access roads.

2. Planned Access Roads:

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

Refer to Topo Map B for the location of the proposed access road.

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

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities:

Please see the Natural Buttes Unit SOP.

Refer to Topo Map D for the location of the proposed pipeline.

5. Location and Type of Water Supply:

Please see the Natural Buttes Unit SOP.

6. Source of Construction Materials:

Please see the Natural Buttes Unit SOP.

7. Methods of Handling Waste Materials:

Please see the Natural Buttes Unit SOP.

8. Ancillary Facilities:

Please see the Natural Buttes Unit SOP.

9. Well Site Layout: (See Location Layout Diagram)

The attached Location Layout Diagram 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.

As per the onsite discussions, a reserve pit liner will be required.

10. Plans for Reclamation of the Surface:

Please see the Natural Buttes Unit SOP.

The following seed mixture will be used to reclaim the surface. A total of 12 lbs./acre will be used if the seeds are drilled (24 lbs./acre if the seeds are broadcast). The per acre requirements for *drilled* seed are:

Needle & Thread	4 lbs.
Black Sage	3 lbs.
Shadscale	3 lbs.
Galleta	2 lbs.

11. Surface Ownership:

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

The portion of the access road in Section 2-T10S-R21E is owned by the State of Utah. Per Dave Hackford and Barry Tripp with the State of Utah, it is not necessary for them to attend an onsite.

12. Other Information:

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

13. Lessee's or Operators's Representative & Certification:

Sheila Bremer
Environmental & Safety Analyst
Coastal Oil & Gas Corporation
P.O. Box 749
Denver, CO 80201-0749
(303) 573-4455

Tom Young
Drilling Manager
Coastal Oil & Gas Corporation
9 Greenway Plaza, Suite 2770
Houston, TX 77046
(713) 418-4156

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.

Sheila Bremer
Sheila Bremer

9/29/97
Date

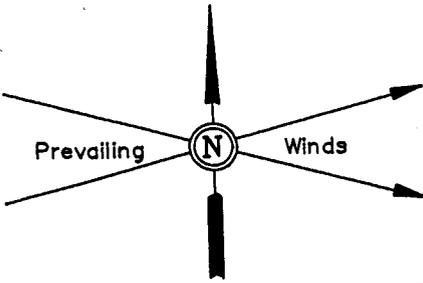
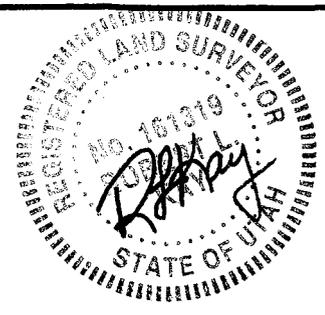
COASTAL OIL & GAS CORP.

LOCATION LAYOUT FOR

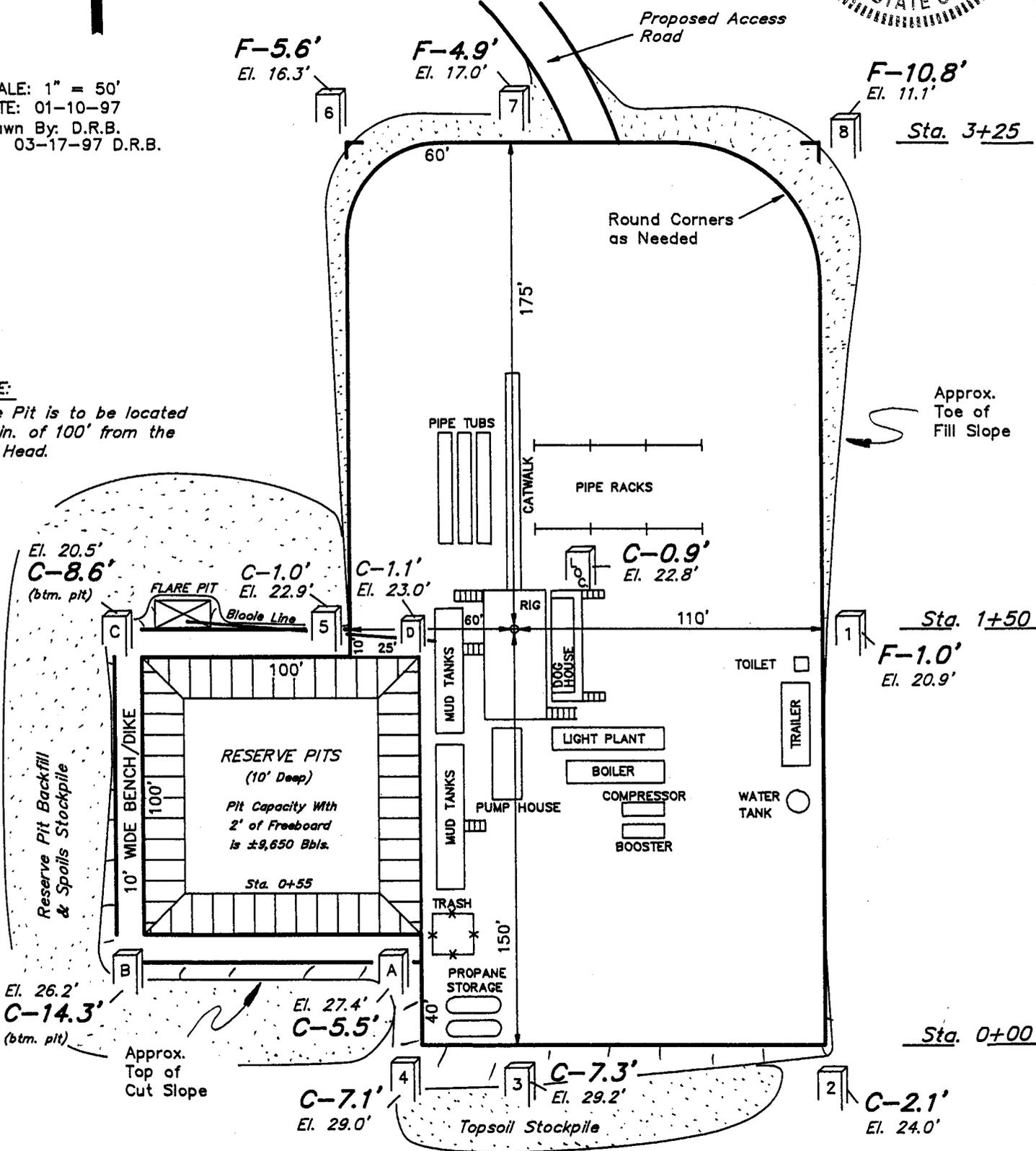
NBU #269

SECTION 12, T10S, R21E, S.L.B.&M.

2404' FNL 164' FWL



SCALE: 1" = 50'
 DATE: 01-10-97
 Drawn By: D.R.B.
 Revised: 03-17-97 D.R.B.



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

Approx.
 Toe of
 Fill Slope

RESERVE PITS
 (10' Deep)
 Pit Capacity With
 2' of Freeboard
 is ±9,650 Bbls.
 Sta. 0+55

Approx.
 Top of
 Cut Slope

NOTES:

Elev. Ungraded Ground At Loc. Stake = 5322.8'
 FINISHED GRADE ELEV. AT LOC. STAKE = 5321.9'

FIGURE #1

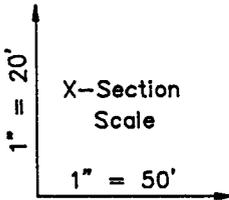
COASTAL OIL & GAS CORP.

TYPICAL CROSS SECTIONS FOR

NBU #269

SECTION 12, T10S, R21E, S.L.B.&M.

2404' FNL 164' FWL



DATE: 01-10-97
Drawn By: D.R.B.
Revised: 03-17-97 D.R.B.

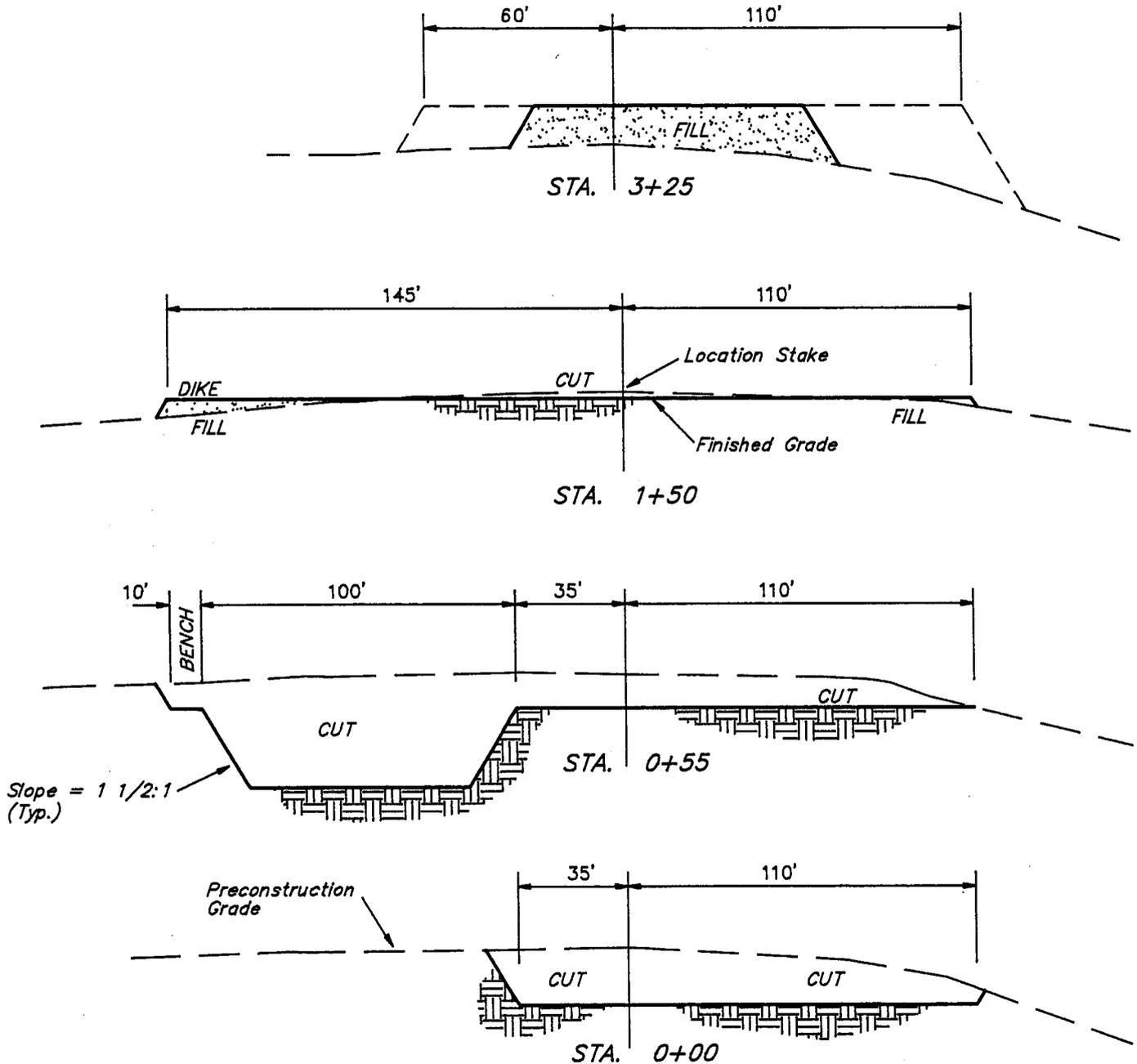
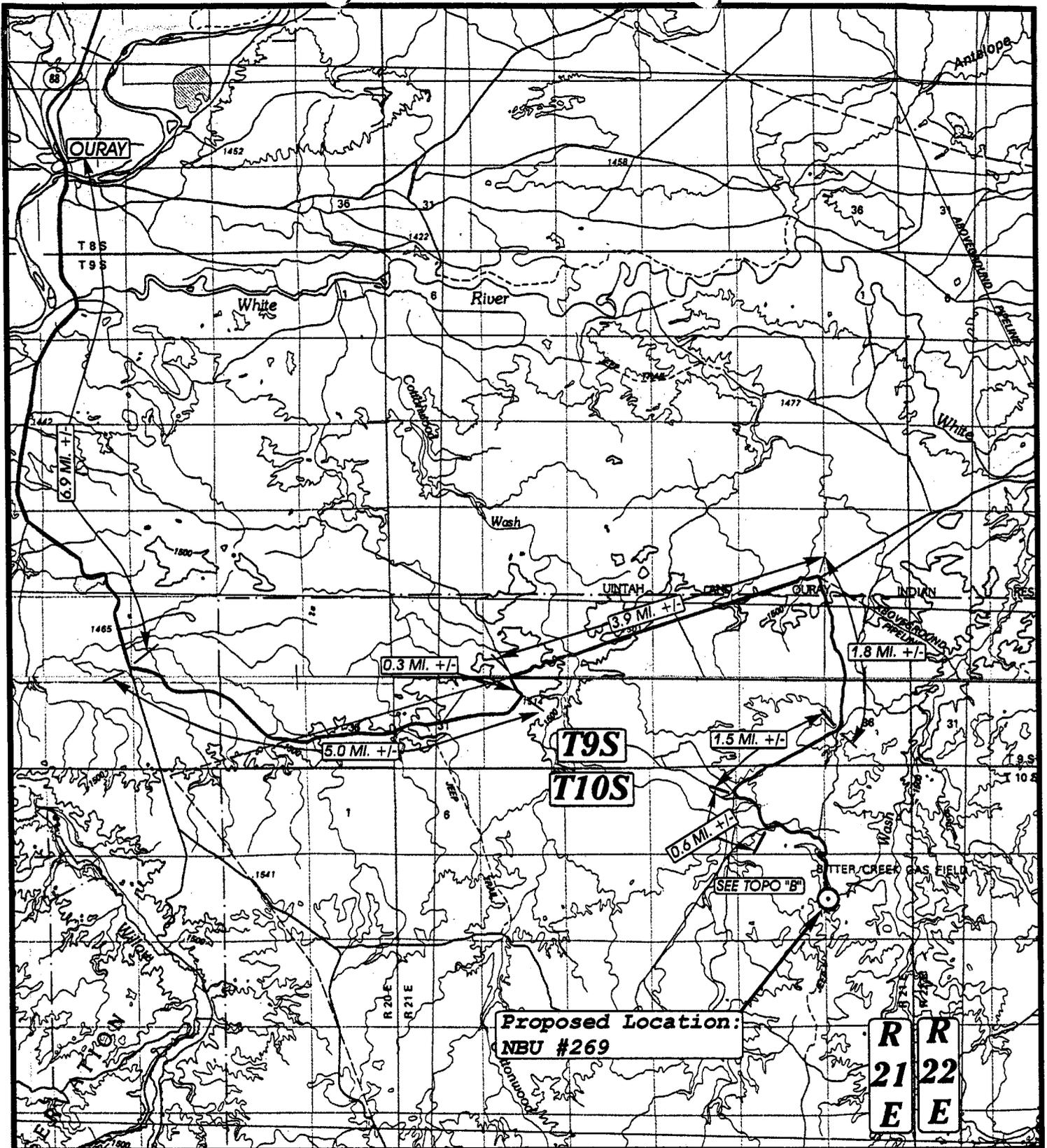


FIGURE #2

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,140 Cu. Yds.
Remaining Location	= 5,970 Cu. Yds.
TOTAL CUT	= 7,110 CU.YDS.
FILL	= 4,590 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.



UELS

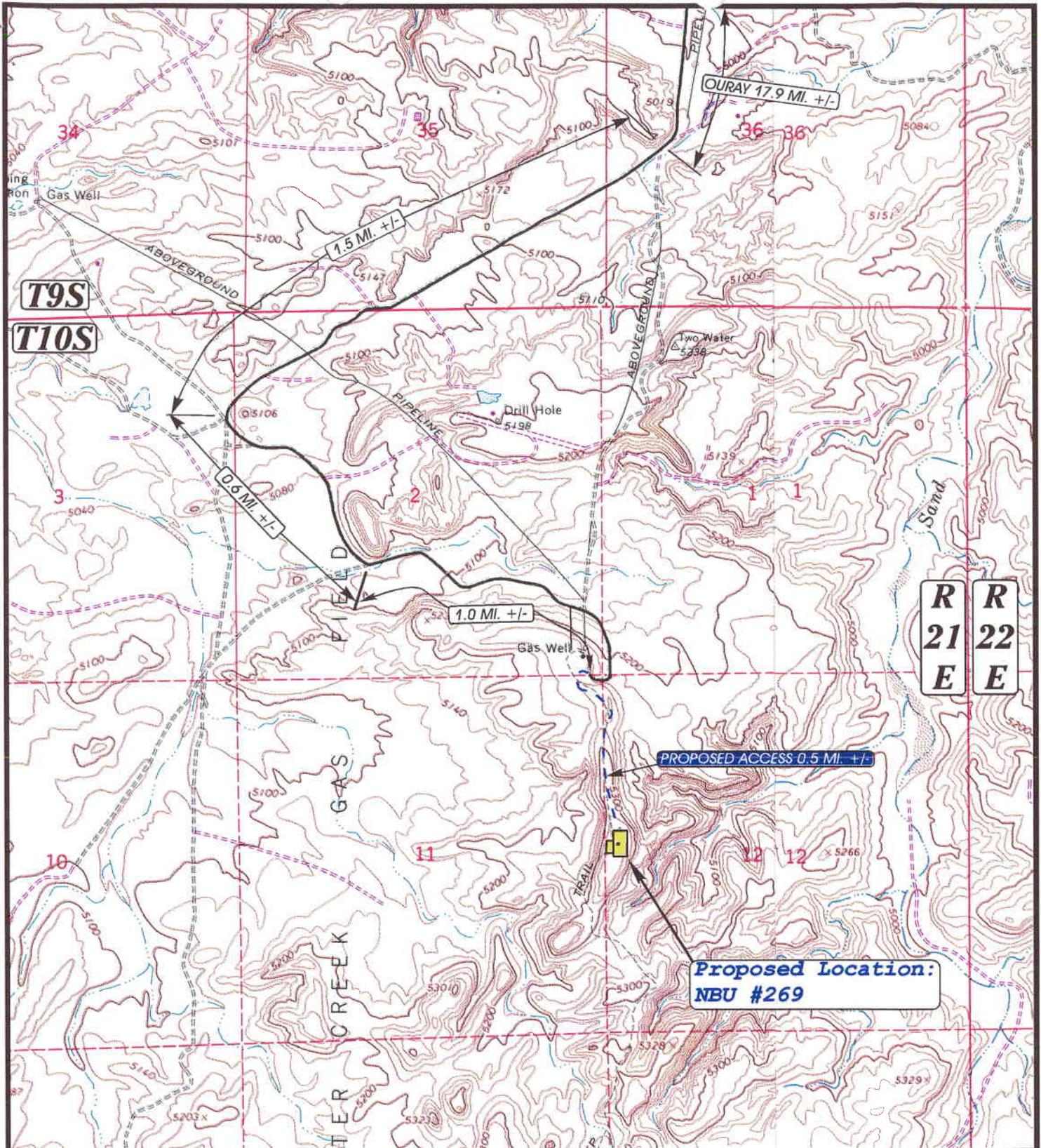
**TOPOGRAPHIC
MAP "A"**

DATE: 12-31-96
Drawn by: D. COX



COASTAL OIL & GAS CORP.

**NBU #269
SECTION 12, T10S, R21E, S.L.B.&M.
2404' FNL 164' FWL**



UEIS

**TOPOGRAPHIC
MAP "B"**

**DATE: 12-31-96
Drawn by: D.COX**

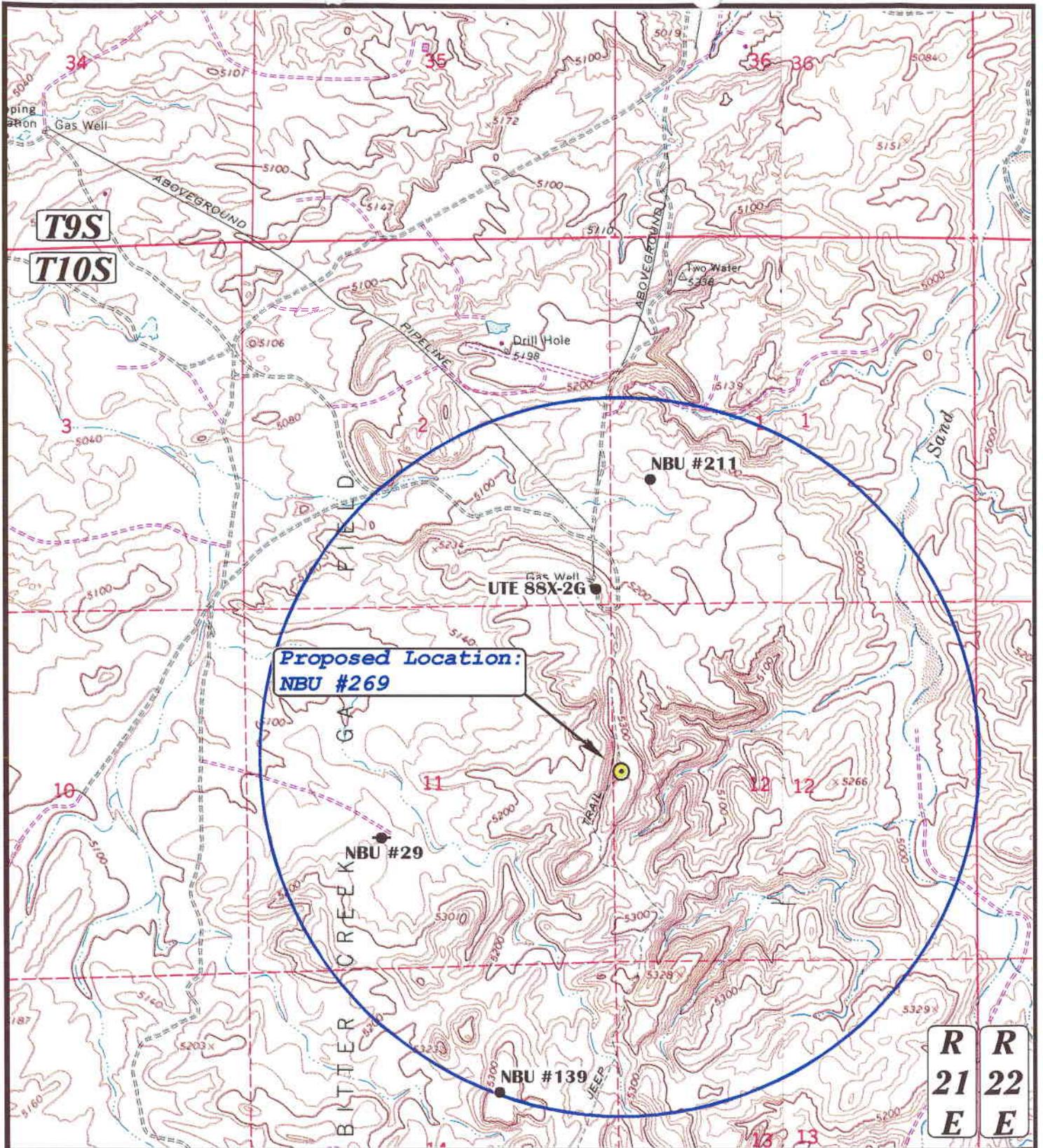


COASTAL OIL & GAS CORP.

**NBU #269
SECTION 12, T10S, R21E, S.L.B.&M.
2404' FNL 164' FWL**

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

SCALE: 1" = 2000'



**Proposed Location:
NBU #269**

R	R
21	22
E	E

LEGEND:

UEIS

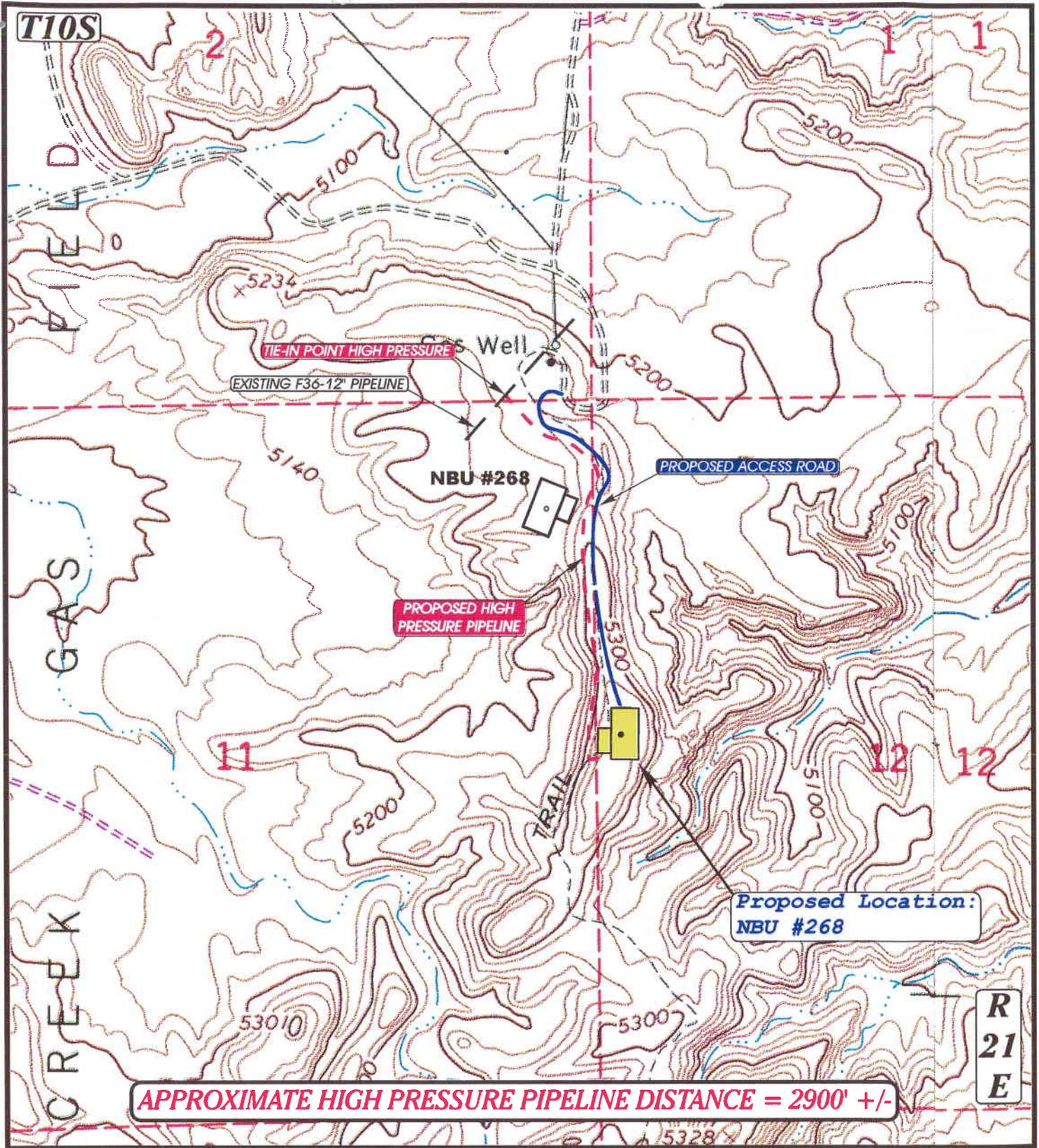
- Water Wells
- Abandoned Wells
- Temporarily Abandoned Wells
- Disposal Wells
- Drilling Wells
- Producing Wells
- Shut-in Wells

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



SCALE: 1" = 2000'

COASTAL OIL & GAS CORP.
NBU #269
SECTION 12, T10S, R21E, S.L.B.&M.
TOPOGRAPHIC MAP "C"
 DATE: 12-31-96
 Drawn by: D.COX



**U
E
E
L
S**

**TOPOGRAPHIC
MAP "D"**

- — — — —** Existing Pipeline
- - - - -** Proposed Pipeline



SCALE: 1" = 1000'

COASTAL OIL & GAS CORP.

**NBU #269
SECTION 12, T10S, R21E, S.L.B.&M.**

DATE: 3-10-97

Drawn by: D.COX

REVISED: 8-10-97 D.COX

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

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 09/30/97

API NO. ASSIGNED: 43-047-33002

WELL NAME: NBU 269
OPERATOR: COASTAL OIL & GAS (N0230)

PROPOSED LOCATION:
SWNW 12 - T10S - R21E
SURFACE: 2404-FNL-0164-FWL
BOTTOM: 2404-FNL-0164-FWL
UINTAH COUNTY
NATURAL BUTTES FIELD (630)

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

LEASE TYPE: FED
LEASE NUMBER: U - 01190

PROPOSED PRODUCING FORMATION: WSTC

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.

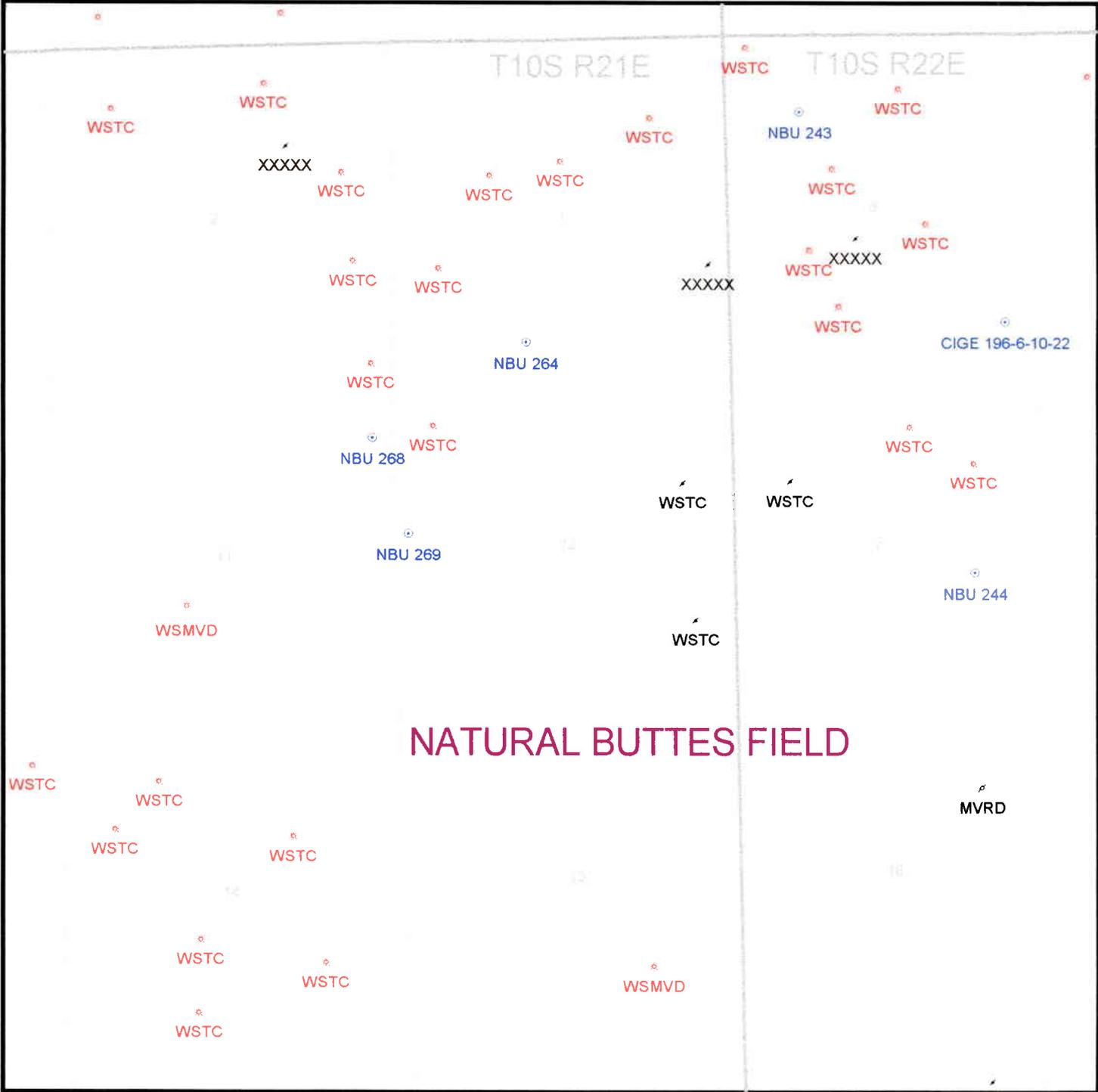
R649-3-3. Exception.

Drilling Unit.
Board Cause no: _____
Date: _____

COMMENTS: _____

STIPULATIONS: 1. Oil shale - 4 1/2" casing

OPERATOR: COASTAL OIL & GAS (N0230)
FIELD: NATURAL BUTTES (630)
SEC. TWP, RNG:1,11,12, T10S, R21E
COUNTY: UINTAH UAC: R649-2-3 NATURAL BUTTES UNIT





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

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
Lowell P. Braxton
Division Director

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

January 29, 1998

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

Re: Natural Buttes Unit NBU 269, 2404' FNL, 164' FWL, SW NW
SEC. 12, 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 43-047-33002.

Sincerely,

A handwritten signature in black ink that reads "John R. Baza".

John R. Baza
Associate Director

ls

Enclosures

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

Operator: Coastal Oil & Gas Corporation
Well Name & Number: Natural Buttes NBU 269
API Number: 43-047-33002
Lease: U-01190
Location: SW NW Sec. 12 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 ~~3~~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

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-01190

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.

NBU 269

9. API Well No.

43-047-33002

10. Field and Pool, or Exploratory Area

Natural Buttes Field

11. County or Parish, State

Uintah Utah

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

3a. Address

P.O. Box 749, Denver, CO 80201-0749

3b. Phone No. (include area code)

(303) 573-4455

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

2404' FNL & 164' FWL
SWNW Section 12, T10S-R21E

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>Extend APD</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	

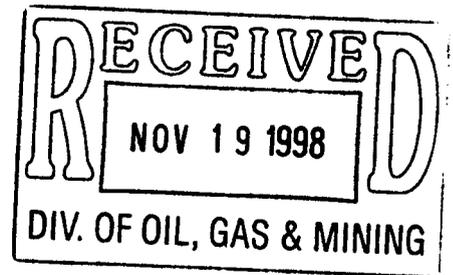
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths 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 January 20, 1998. 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: 11/23/98
By: *[Signature]*

COPY SENT TO OPERATOR
Date: 11-23-98
Initials: CHD



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

Sheila Bremer

Title

Environmental & Safety Analyst

Date 11/17/98

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-01190

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.

NBU #269

9. API Well No.

43-047-33002

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

11. County or Parish, State

Uintah Utah

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 n

3a. Address

P.O. Box 1148, Vernal UT 84078

3b. PhoneNo. (include area code)

(435)-781-7023

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

SW/NW Sec.12,T10S,R21E 2404'FNL & 164'FWL

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

- Acidize Deepen Production (Start/Resume) Water Shut-Off
 Alter Casing Fracture Treat Reclamation Well Integrity
 Casing Repair New Construction Recomplete Other TD Change
 Change Plans Plug and Abandon Temporarily Abandon
 Convert to Injection Plug Back Water Disposal

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximated 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.)

Coastal Oil & Gas Corporation proposes to change the TD 4339' to 8000', in order to drill the Mesaverde formation. Please refer to the attached Drilling Program

(from 6500/wst)

Federal Approval of this Action is Necessary

RECEIVED
SEP 20 1999
DIV. OF OIL, GAS & MINING

Approved by the Utah Division of Oil, Gas and Mining

Date: 10/6/99
By: [Signature]

COPY SENT TO OPERATOR
re: 10-8-99
atics: CRO

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

Sheila Upchego

[Signature]

Title

Environmental Secretary

Date September 16, 1999

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.

(Instructions on reverse)

**Coastal Oil & Gas Corporation
Natural Buttes Unit #269
SW/NW Sec.12,T10S,R21E
Uintah County, Utah**

GEOLOGICAL SURFACE FORMATION:

SW/NW Sec.12,T10S,R21E - 2404'FNL & 164'FEL

ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS:

<u>Formation</u>	<u>Estimated Top</u>
KB	4339'
GREENRIVER	1360'
WASATCH	4500'
MESAVERDE	7400'
TD	8000'

PROPOSED CASING PROGRAM:

See Attached Drilling Program

DRILLING FLUIDS PROGRAM:

See Attached Drilling Program

TESTING LOGGING AND CORING:

See Attached Drilling Program

CEMENTING PROGRAM:

<u>Casing</u>	<u>Coverage</u>	<u>Volume</u>	<u>Type & Activities</u>
---------------	-----------------	---------------	------------------------------

See Attached Drilling Program

Intermediate

See Attached Drilling Program

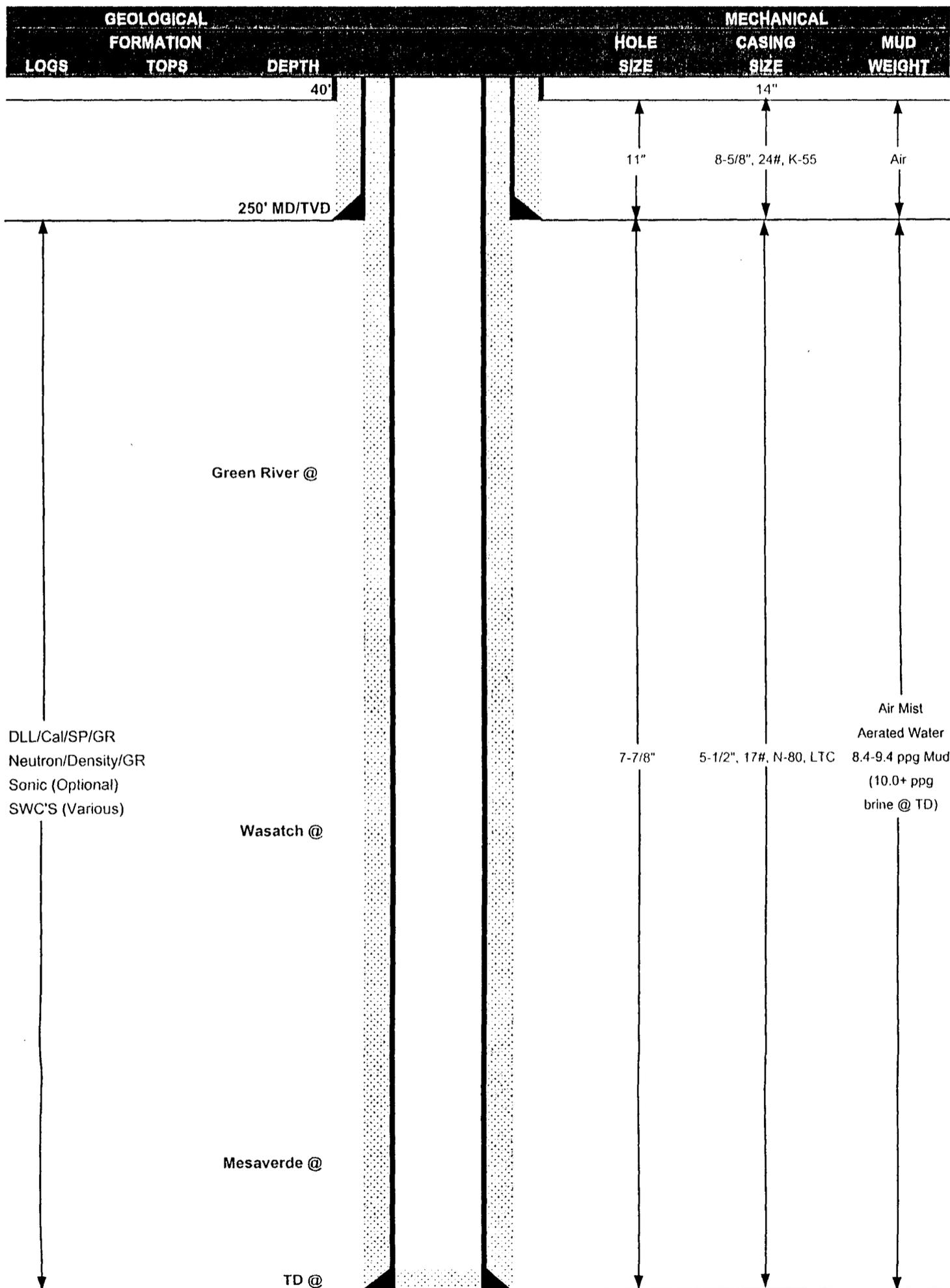
Production

See Attached Drilling Program

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

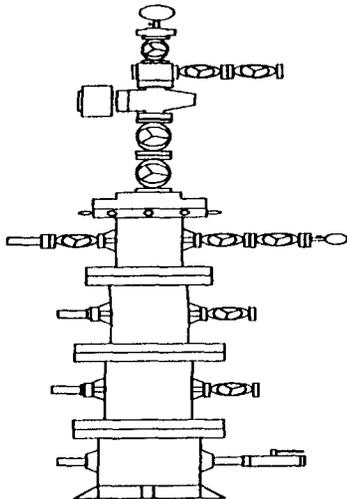
	FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	250' MD/TVD	Neat + 2% CaCl ₂	95	25%	15.60	1.19
PRODUCTION	LEAD 500' Above Prod Int-Surf	Hifill + 0.6% EX-1 + 0.25 lb/sk Flocele + 0.2% FWCA + 10 lb/sk Gilsonite + 16% Gel + 1% HR-7 + 3% Salt	*TBD		11.60	3.12
	TAIL TD-500' Above Productive Int.	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 & four 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: _____ **DATE:** _____
Blaine Yeary

PROJECT MANAGER: _____ **DATE:** _____
Tom Young

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

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-01190
2. Name of Operator Coastal Oil & Gas Corporation n		6. If Indian, Allottee or Tribe Name N/A
3a. Address P.O. Box 1148, Vernal UT 84078	3b. Phone No. (include area code) (435)-781-7023	7. If Unit or CA/Agreement, Name and/or Natural Buttes Unit Natural Buttes Unit
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) SW/NW Sec.12, T10S, R21E 2404'FNL & 164'FWL		8. Well Name and No. NBU #269
		9. API Well No. 43-047-33002
		10. Field and Pool, or Exploratory Area Natural Buttes Field
		11. County or Parish, State Uintah Utah

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 <u>TD</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Castlegate</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 recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zone. 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 day 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 has verbal approval per Jan Jarvis w/ DOGM on 11/15/99 to drill to the Castlegate formation, TD @ 10900'.

Please refer to the enclosed attachments for the revised casing, cementing & drilling fluids program.

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

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 12/7/99
By: [Signature]

RECEIVED
DEC - 7 1999
DIVISION OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Katy Dow	Title Environmental Jr. Analyst
<u>[Signature]</u>	Date 11/29/99

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

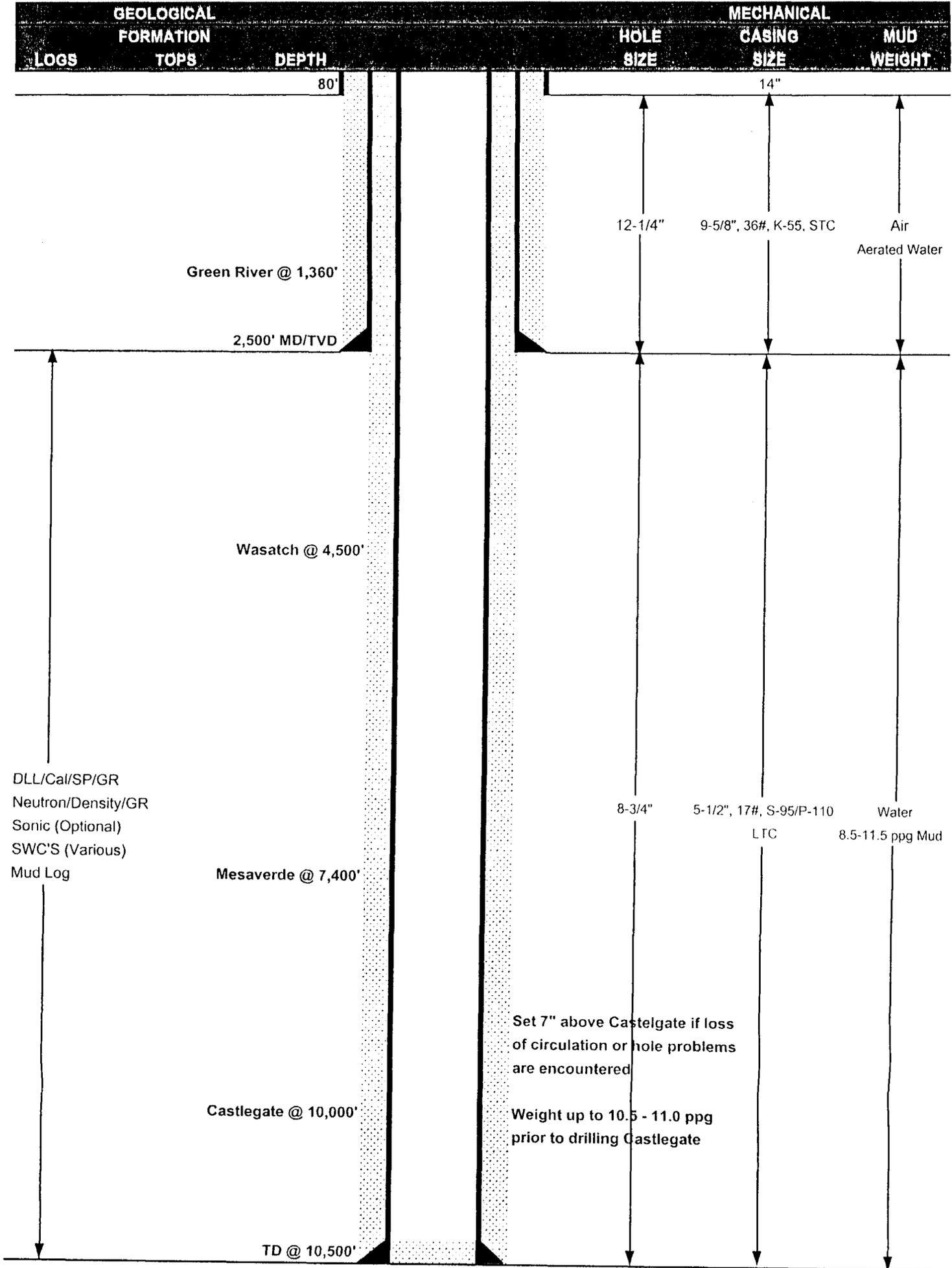
Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

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

COASTAL OIL & GAS CORPORATION

DRILLING PROGRAM

COMPANY NAME Coastal Oil & Gas Corporation DATE 11/22/99
 WELL NAME NBU #269 TD 10,500
 FIELD Ouray COUNTY Uintah STATE Utah ELEVATION 4,339' KB
 SURFACE LOCATION 2,404' FNL & 164' FWL Sec 12 T10S-R21E BHL Straight Hole
 OBJECTIVE ZONE(S) Lower Green River, Wasatch, Mesaverde, Castlegate
 ADDITIONAL INFO _____



CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'						
SURFACE	9-5/8"	0-2,500'	36#	K-55	STC	2.53	1.73	2.23
PRODUCTION	5-1/2"	0-TD	17#	S-95/P-110	LTC	SPECIFIED BY PROD DEPT		
TUBING								

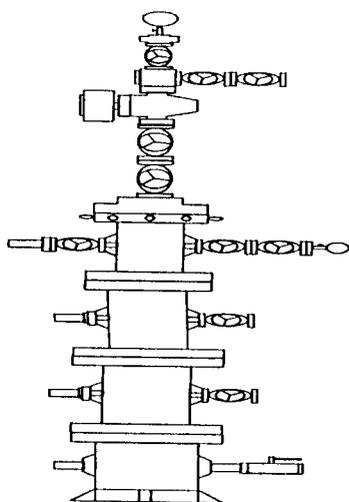
CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	0-2,000'	Lite + 2% CaCl2 + 0.25 lb/sk Flocele	520	50%	12.70	1.82
	TAIL	2,000'-2,500'	Class G + 2% CaCl2 + 0.25 lb/sk Flocele	220	50%	15.60	1.19
PRODUCTION	LEAD	0-4,000' (4,000')	Lead + 0.6% Econolite + 0.25 lb/sk Flocele + 0.2% FWCA + 10 lb/sk Gilsonite + 16% Gel + 1% HR-7 + 3% KCl	340	25%	11.00	3.80
	TAIL	4,000'-10,500' (6,500')	50/50 Poz + 0.25 lb/sk Flocele + 0.6% HALAD-322 + 2% Gel + 2% MicroBond HT + 5% Salt	1,670	25%	14.35	1.24

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Float shoe, 1 jt, float collar. Centralize first 3 joints & every fourth joint to surface. Thread lock FE & casing up to & including box end of FC.
PRODUCTION	Float shoe, 2 jts, float collar. Centralize first 3 joints & every other joint across pay zones. Thread lock FE & casing up to & including box end of FC.

WELLHEAD EQUIPMENT



TREE	2-1/16" 10M
TUBING HEAD	11" 5M X 7-1/16" 10M
CASING SPOOL	
CASING SPOOL	
CASING HEAD	9-5/8" SOW X 11" 5M

BIT PROGRAM

INTERVAL	SIZE	BIT MFG & MODEL	GPM	SER	NZLS	COMMENTS
Surface Hole	4-1/4"	Various	Air			
SC - Top of Wasatch	8-3/4"	Various	450-350			(No air below surf csg)
Wasatch	8-3/4"	Various (PDC)	450-350		0.5 TFA	
Mesaverde/Castlegate	8-3/4"	Various	400-300			

GEOLOGICAL DATA

LOGGING:

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

MUD LOGGER:

2,500' - TD

SAMPLES:

As per Geology

CORING:

SWC's at selective intervals.

DST:

As per Geology

MUD PROGRAM

DEPTH	TYPE	MUD WT	WATER LOSS	VISCOSITY	TREATMENT
0-2,500'	Air/Mist/ Aerated Water	NA	NA		KCL
2,500'-TD	Water/Mud	8.5-11.5	NC - <10	30-45	KCL, Gel, LCM, Polymer

ADDITIONAL INFORMATION

Test casing head to 1,000 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

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

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 n

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)

SW/NW Sec.12, T10S, R21E 2404' FNL & 164' FWL

5. Lease Serial No.

U-01190

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA/Agreement, Name and/or Natural Buttes Unit

8. Well Name and No.

NBU #269

9. API Well No.

43-047-33002

10. Field and Pool, or Exploratory Area

Natural Buttes Field

11. County or Parish, State

Uintah Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>TD</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Castlegate</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 recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zone. 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 day 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.)

(Fr. 10,900)

Coastal Oil & Gas Corporation requests authorization to drill to the Castlegate formation, @ 10,500'.

Please refer to the enclosed attachments for the revised casing, cementing & drilling fluids program.

COPY SENT TO OPERATOR

Date: 12-10-99
Initials: CHP

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 12/14/99
By: [Signature]

RECEIVED

DEC 13 1999

DIVISION OF OIL, GAS & MINING

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

Name (Printed/Typed)

Katy Dow

Title

Environmental Jr. Analyst

Date

12/8/99

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.

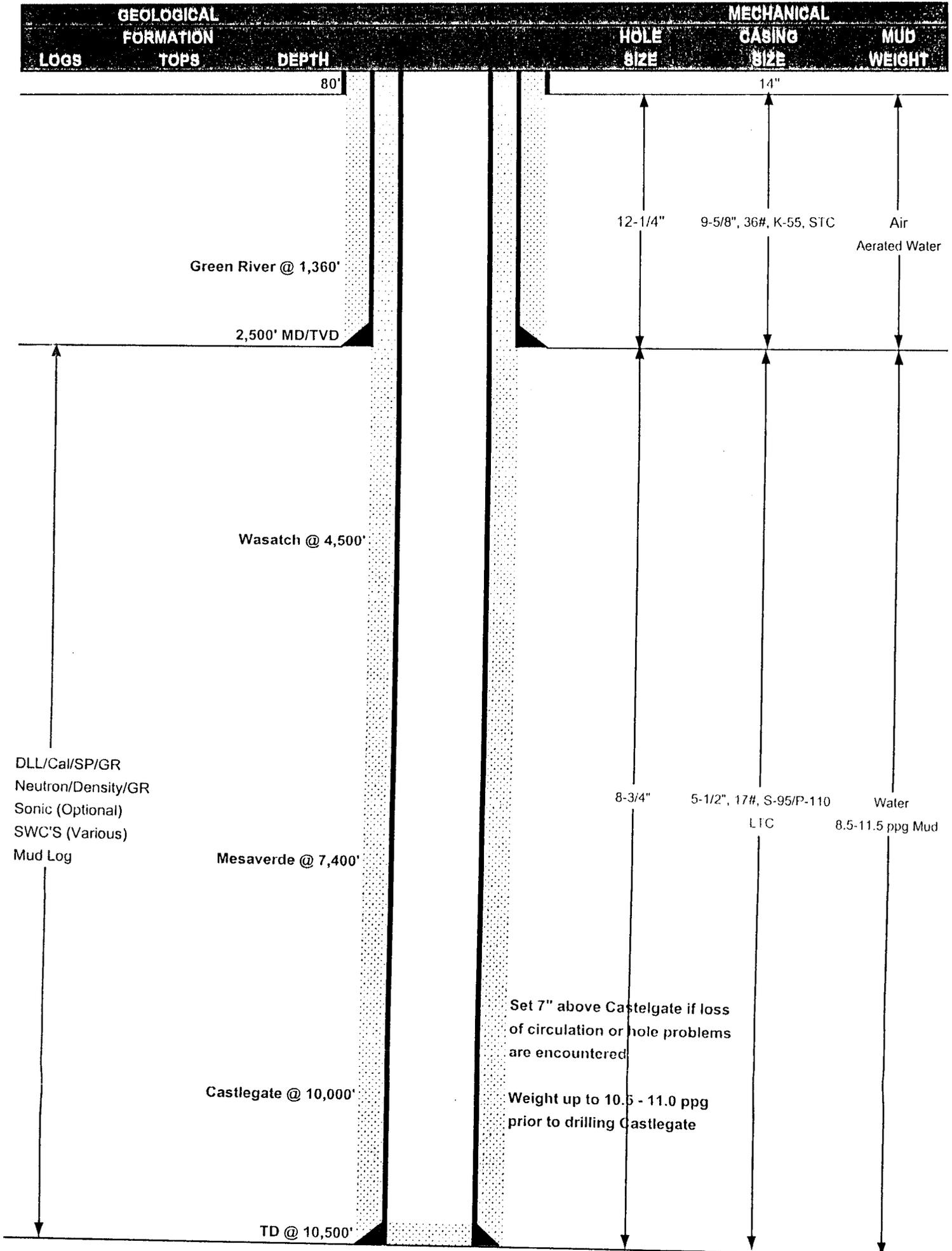
Office

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

COASTAL OIL & GAS CORPORATION

DRILLING PROGRAM

COMPANY NAME Coastal Oil & Gas Corporation DATE 11/22/99
 WELL NAME NBU #269 TD 10,500
 FIELD Ouray COUNTY Uintah STATE Utah ELEVATION 4,339' KB
 SURFACE LOCATION 2,404' FNL & 164' FWL Sec 12 T10S-R21E BHL Straight Hole
 OBJECTIVE ZONE(S) Lower Green River, Wasatch, Mesaverde, Castlegate
 ADDITIONAL INFO _____



CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLD.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'						
SURFACE	9-5/8"	0-2,500'	36#	K-55	STC	2.53	1.73	2.23
PRODUCTION	5-1/2"	0-TD	17#	S-95/P-110	LTC	SPECIFIED BY PROD DEPT		
TUBING								

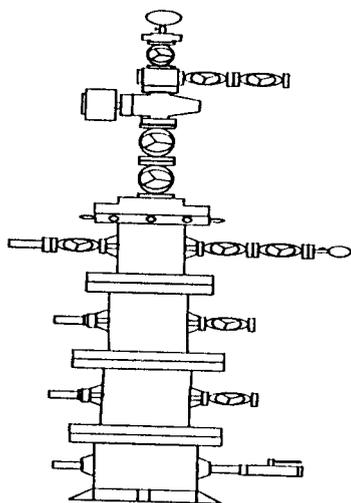
CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	BACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	0-2,000'	Lite + 2% CaCl2 + 0.25 lb/sk Flocele	520	50%	12.70	1.82
	TAIL	2,000'-2,500'	Class G + 2% CaCl2 + 0.25 lb/sk Flocele	220	50%	15.60	1.19
PRODUCTION	LEAD	0-4,000' (4,000')	Lead + 0.6% Econolite + 0.25 lb/sk Flocele + 0.2% FWCA + 10 lb/sk Gilsonite + 16% Gel + 1% HR-7 + 3% KCl	340	25%	11.00	3.80
	TAIL	4,000'-10,500' (6,500')	50/50 Poz + 0.25 lb/sk Flocele + 0.6% HALAD-322 + 2% Gel + 2% MicroBond HT + 5% Salt	1,670	25%	14.35	1.24

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Float shoe, 1 jt, float collar. Centralize first 3 joints & every fourth joint to surface. Thread lock FE & casing up to & including box end of FC.
PRODUCTION	Float shoe, 2 jts, float collar. Centralize first 3 joints & every other joint across pay zones. Thread lock FE & casing up to & including box end of FC.

WELLHEAD EQUIPMENT



TREE	2-1/16" 10M
TUBING HEAD	11" 5M X 7-1/16" 10M
CASING SPOOL	
CASING SPOOL	
CASING HEAD	9-5/8" SOW X 11" 5M

BIT PROGRAM

INTERVAL	SIZE	BIT MFG & MODEL	GPM	SER	NZLS	COMMENTS
Surface Hole	12-1/4"	Various	Air			
SC - Top of Wasatch	8-3/4"	Various	450-350			(No air below surf csg)
Wasatch	8-3/4"	Various (PDC)	450-350		0.5 TFA	
Mesaverde/Castlegate	8-3/4"	Various	400-300			

GEOLOGICAL DATA

LOGGING:

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

MUD LOGGER: 2,500' - TD
SAMPLES: As per Geology
CORING: SWC's at selective intervals.
DST: As per Geology

MUD PROGRAM

DEPTH	TYPE	MUD WT	WATER LOSS	VISCOBITY	TREATMENT
0-2,500'	Air/Mist/ Aerated Water	NA	NA		KCL
2,500'-TD	Water/Mud	8.5-11.5	NC - <10	30-45	KCL, Gel, LCM, Polymer

ADDITIONAL INFORMATION

Test casing head to 1,000 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 Tolco 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
OMB NO. 1004-0135
Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side

CONFIDENTIAL

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
 Coastal Oil & Gas Corporation n

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)
 SW/NW Sec.12, T10S, R21E 2404' FNL & 164' FWL

5. Lease Serial No.
 U-01190

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

7. If Unit or CA/Agreement, Name and/or Natural Buttes Unit
 Natural Buttes Unit

8. Well Name and No.
 NBU #269

9. API Well No.
 43-047-33002

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

11. County or Parish, State
 Uintah Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Confidential</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Status</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 recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zone. 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 day 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 that the subject well be placed on Confidential Status.

RECEIVED

DEC 20 1999

DIVISION OF OIL, GAS & MINING

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

Katy Dow

Title

Environmental Jr. Analyst

Date 12/17/99

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



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

February 3, 2000

RECEIVED

FEB 07 2000

DIVISION OF
OIL, GAS AND MINING

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

CONFIDENTIAL

Re: Notification of Expiration
Well No. NBU 269 43-04733002
SWNW, Section 12, T10S, R21E
Lease No. U-01190
Uintah County, Utah

Dear Cheryl:

The Application for Permit to Drill the above-referenced well was approved on January 20, 1998. A one (1) year extension of the original APD was requested. The request was reviewed and the extension approved until January 20, 2000. 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

Margie Herrmann
Legal Instruments Examiner

cc: State Div. OG&M