

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

|   |                   |
|---|-------------------|
| 5. LEASE DESIGNATION AND SERIAL NO.<br>U-01196-C                                |                   |
| 6. IF INDIAN, ALLOTTEE OR TRIBE NAME<br>N/A                                     |                   |
| 7. UNIT AGREEMENT NAME<br>Natural Buttes Unit                                   |                   |
| 8. FARM OR LEASE NAME, WELL NO.<br>NBU 245                                      |                   |
| 9. API WELL NO.   |                   |
| 10. FIELD AND POOL, OR WILDCAT<br>Natural Buttes Field                          |                   |
| 11. SEC., T., R., M., OR BLK.<br>AND SURVEY OR AREA<br>SENE Section 8 T10S-R22E |                   |
| 12. COUNTY OR PARISH<br>Uintah  | 13. STATE<br>Utah |

**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  
6,70' 2037' FNL & 729' FEL  
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
Approximately 22.9 miles southeast of Ouray, Utah

|  |  |  |
|--|--|--|
| 15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)<br><u>729</u>    | 16. NO. OF ACRES IN LEASE<br><u>40</u> | 17. NO. OF ACRES ASSIGNED TO THIS WELL<br><u>N/A</u> |
| 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.<br><u>See Topo Map C</u> | 19. PROPOSED DEPTH<br><u>8,300'</u>    | 20. ROTARY OR CABLE TOOLS<br><u>Rotary</u>           |

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
Ungraded GR - 5137'

22. APPROX. DATE WORK WILL START\*  
Upon approval

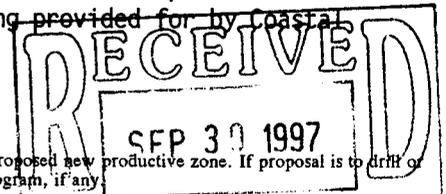
23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE            | GRADE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|-------------------------|-------|----------------|-----------------|---------------|--------------------|
| <u>See attached</u>     |       |                |                 |               |                    |
| <u>Drilling Program</u> |       |                |                 |               |                    |

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 9/26/97  
 SIGNED \_\_\_\_\_      DIV. OF OIL, GAS & MINING

(This space for Federal or State office use)

PERMIT NO. H3-047-33004      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:

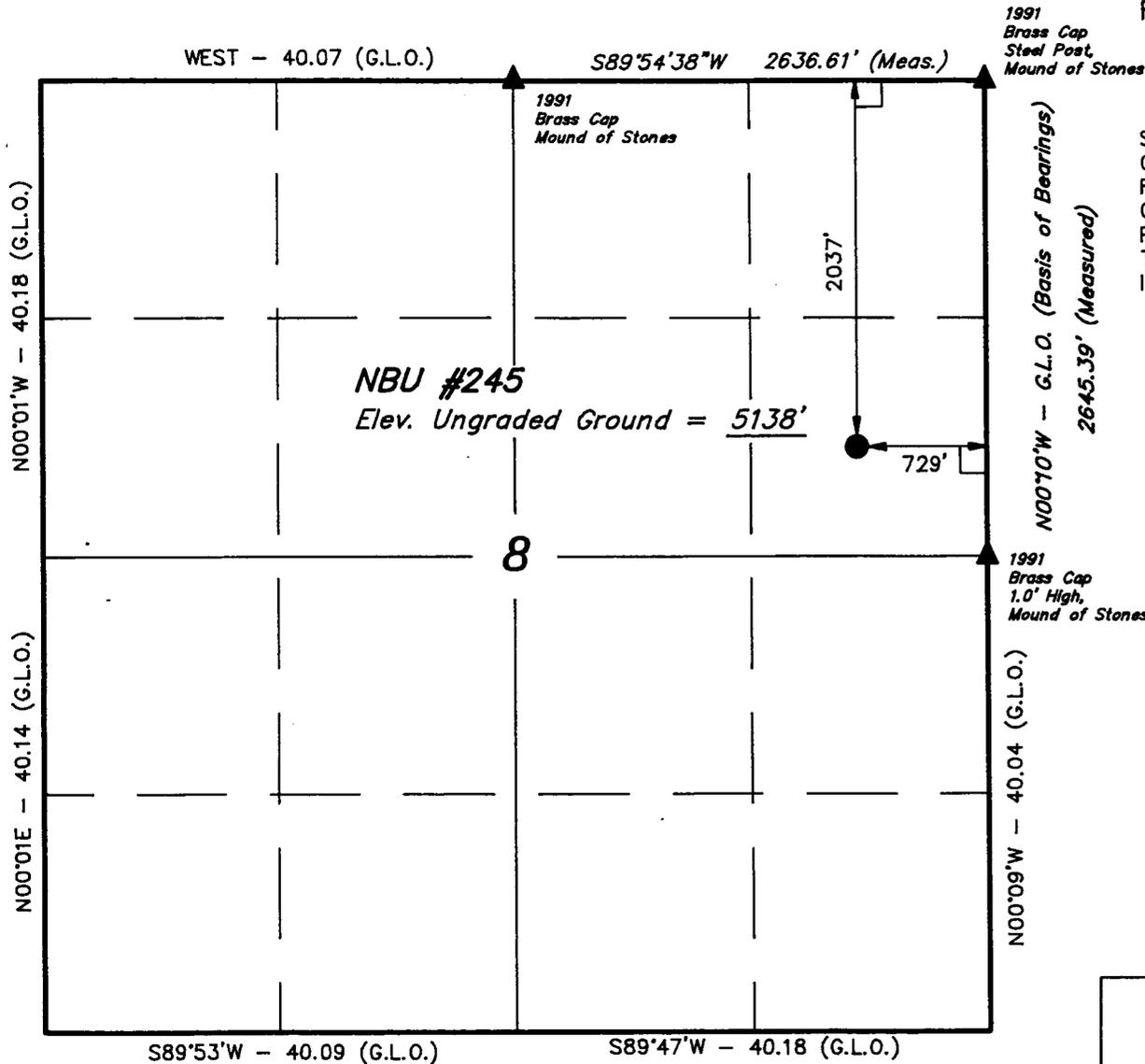
APPROVED BY John R. Bayn      TITLE Associate Director Utah DOGM      DATE 1/27/98  
 \*See Instructions On Reverse Side

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.

# T10S, R22E, S.L.B.&M.

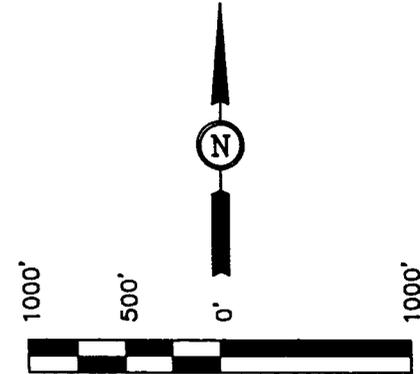
## COASTAL OIL & GAS CORP.

Well location, NBU #245, located as shown in the SE 1/4 NE 1/4 of Section 8, T10S, R22E, S.L.B.&M., Uintah County, Utah.



### BASIS OF ELEVATION

SPOT ELEVATION AT A RIDGE TOP NEAR THE WEST 1/4 CORNER OF SECTION 9, T10S, R22E, S.L.B.&M. TAKEN FROM THE ARCHY BENCH 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 5304 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. Taylor*  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 161319  
 STATE OF UTAH

### LEGEND:

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

|  |                            |                                 |
|--|----------------------------|---------------------------------|
| <b>UINTAH ENGINEERING &amp; LAND SURVEYING</b> |                            |                                 |
| 85 SOUTH 200 EAST - VERNAL, UTAH 84078         |                            |                                 |
| (801) 789-1017                                 |                            |                                 |
| SCALE<br>1" = 1000'                            | DATE SURVEYED:<br>11-12-96 | DATE DRAWN:<br>11-16-96         |
| PARTY<br>J.F. D.A. D.R.B.                      |                            | REFERENCES<br>G.L.O. PLAT       |
| WEATHER<br>COLD                                |                            | FILE<br>COASTAL OIL & GAS CORP. |

**NBU 245  
2037' FNL & 729' FEL  
SE/NE, SECTION 8-T10S-R22E  
UINTAH COUNTY, UTAH  
LEASE NUMBER: U-01196-C**

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

***DRILLING PROGRAM***

**1. Estimated Tops of Important Geologic Markers:**

| Formation            | Depth   |
|----------------------|---------|
| Duchesne River/Uinta | Surface |
| Green River          | 1,170'  |
| Wasatch              | 4,300'  |
| Mesaverde Sand       | 6,600'  |
| Total Depth          | 8,300'  |

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

| Substance      | Formation      | Depth  |
|----------------|----------------|--------|
| Oil/Gas        | Green River    | 1,170' |
|                | Wasatch        | 4,300' |
|                | Mesaverde Sand | 6,600' |
| 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 3,320 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1,494 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 245  
2037' FSL & 729' FEL  
SE/NE, SECTION 8-T10S-R22E  
UINTAH COUNTY, UTAH  
LEASE NUMBER: U-01196-C**

**ONSHORE ORDER NO. 1**

***MULTI-POINT SURFACE USE & OPERATIONS PLAN***

An onsite inspection was conducted for the NBU 245 on 9/16/97 at approximately 1:05 p.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 23.9 miles southeast of Ouray, Utah. Directions to the location from Ouray, Utah:

Proceed south from Ouray  $\pm 6.9$  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  $\pm 5.0$  miles to the junction of this road and an existing road to the north; turn left and proceed in a northerly direction  $\pm 0.3$  miles to the junction of this road and an existing road to the northeast; turn right and proceed  $\pm 4.7$  miles in a northeasterly direction to the junction of this road and an existing road to the south; turn right and proceed in a southerly then southeasterly direction  $\pm 6.8$  miles to the beginning of the proposed access road. Follow road flags in a northeasterly direction  $\pm 0.2$  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.

There will be one low water crossing.

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 not be required unless the pit is blasted during construction.

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:

|                     |        |
|---------------------|--------|
| Four Wing Salt Bush | 4 lbs. |
| Nuttal's Salt Bush  | 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

**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.

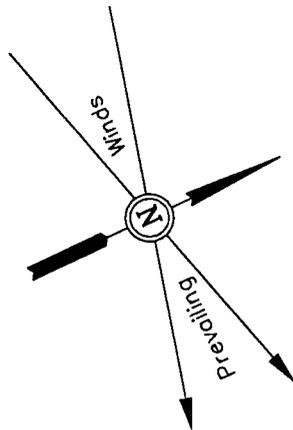
  
\_\_\_\_\_  
Sheila Bremer

9/26/97  
\_\_\_\_\_  
Date

# COASTAL OIL & GAS CORP.

## LOCATION LAYOUT FOR

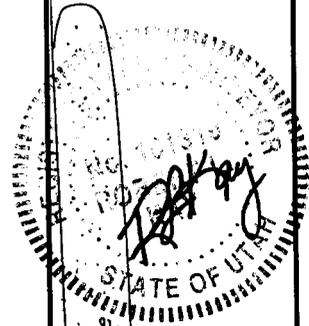
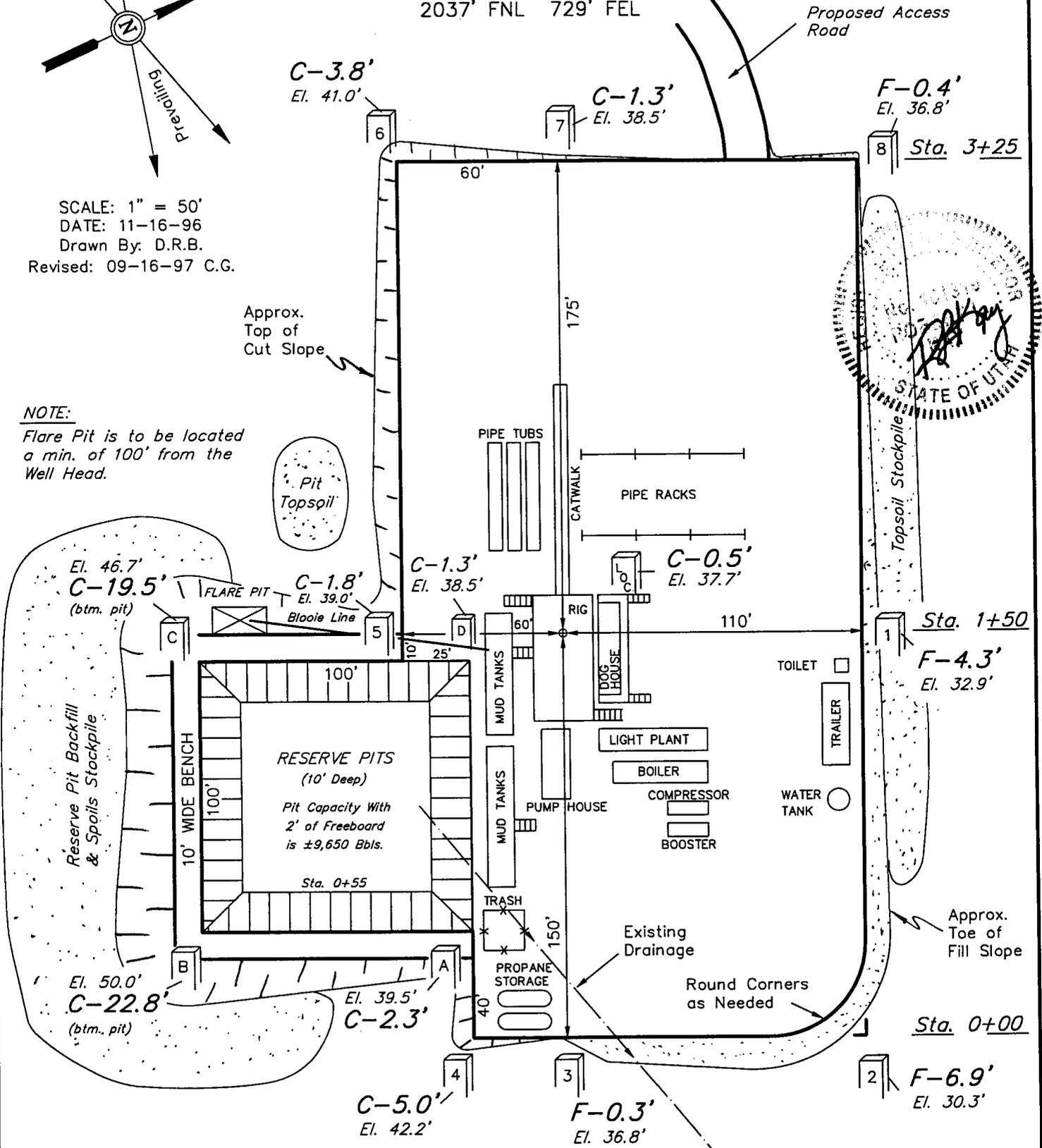
NBU #245  
SECTION 8, T10S, R22E, S.L.B.&M.  
2037' FNL 729' FEL



SCALE: 1" = 50'  
DATE: 11-16-96  
Drawn By: D.R.B.  
Revised: 09-16-97 C.G.

**NOTE:**

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



**NOTES:**

Elev. Ungraded Ground At Loc. Stake = 5137.7

FINISHED GRADE ELEV. AT LOC. STAKE = 5137.2'

**FIGURE #1**

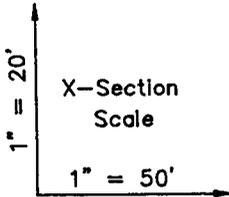
# COASTAL OIL & GAS CORP.

## TYPICAL CROSS SECTIONS FOR

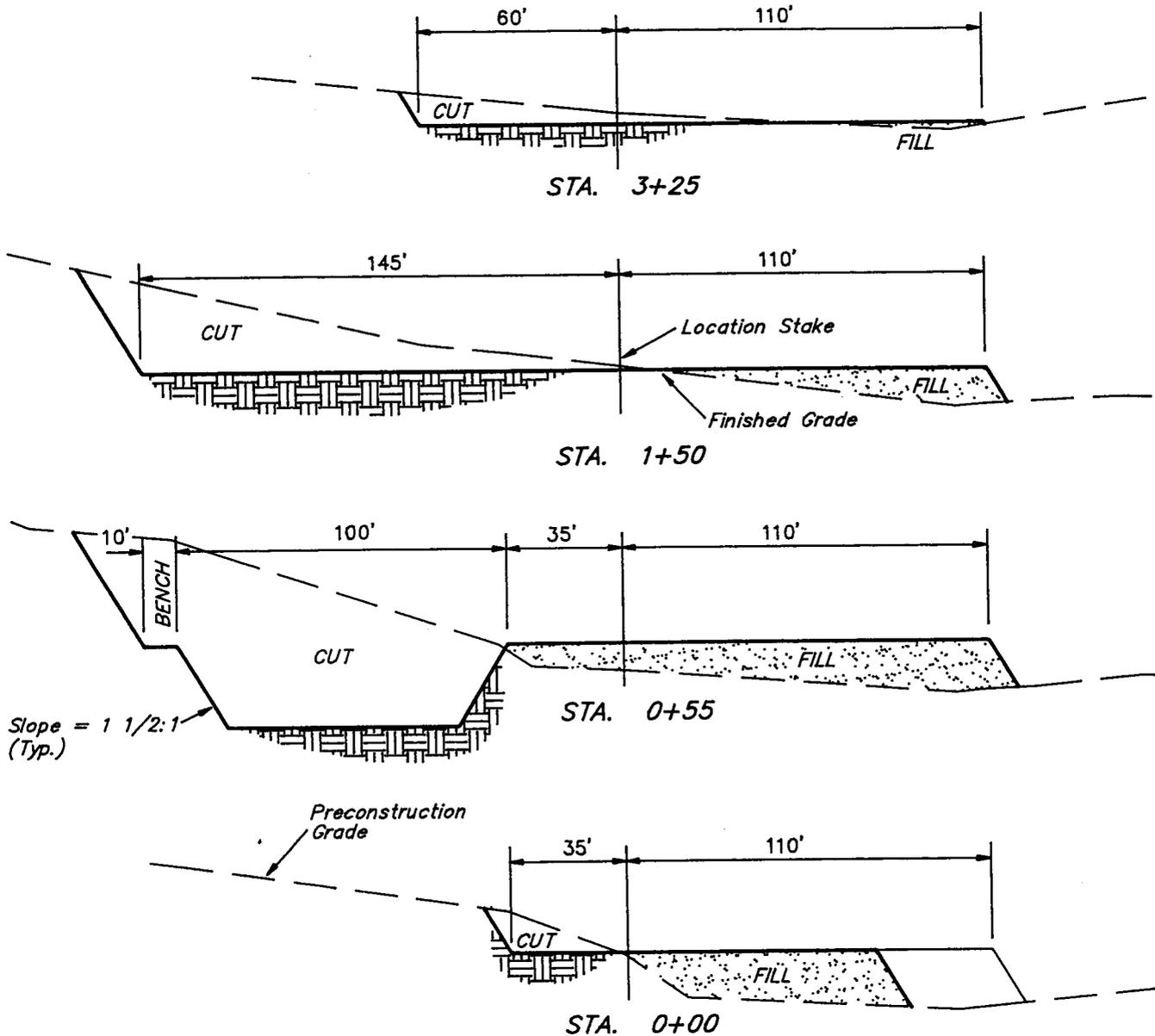
NBU #245

SECTION 8, T10S, R22E, S.L.B.&M.

2037' FNL 729' FEL



DATE: 11-16-96  
Drawn By: D.R.B.  
Revised: 03-18-97 D.R.B.

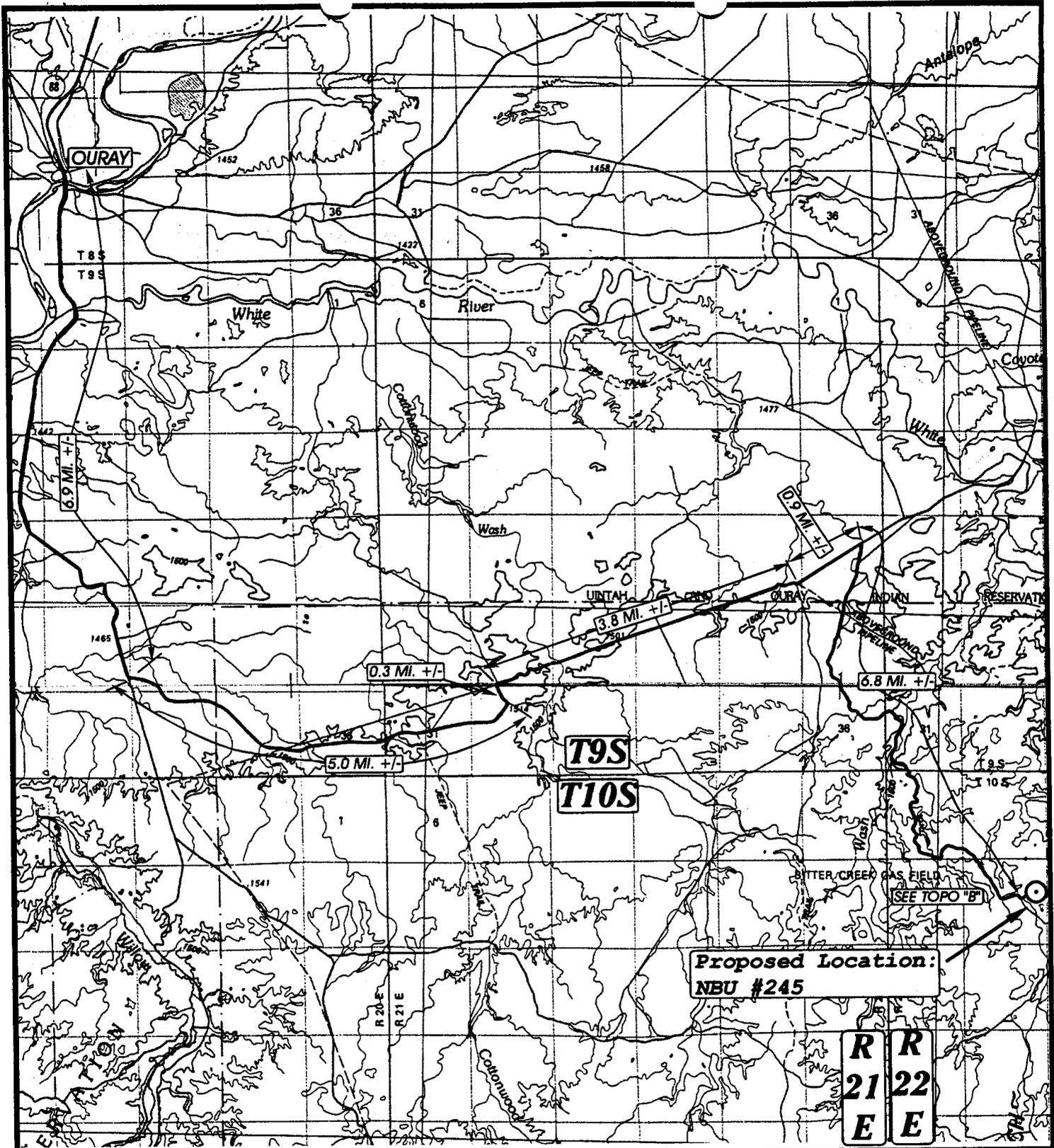


**FIGURE #2**

### APPROXIMATE YARDAGES

|                        |                        |
|------------------------|------------------------|
| CUT                    |                        |
| (6") Topsoil Stripping | = 1,140 Cu. Yds.       |
| Remaining Location     | = 6,930 Cu. Yds.       |
| <b>TOTAL CUT</b>       | <b>= 8,070 CU.YDS.</b> |
| <b>FILL</b>            | <b>= 4,960 CU.YDS.</b> |

|   |                  |
|---|------------------|
| EXCESS MATERIAL AFTER 5% COMPACTION     | = 2,850 Cu. Yds. |
| Topsoil & Pit Backfill (1/2 Pit Vol.)   | = 2,480 Cu. Yds. |
| EXCESS UNBALANCE (After Rehabilitation) | = 370 Cu. Yds.   |



**Proposed Location:  
NBU #245**

|           |           |
|-----------|-----------|
| <b>R</b>  | <b>R</b>  |
| <b>21</b> | <b>22</b> |
| <b>E</b>  | <b>E</b>  |

**UELS**

**TOPOGRAPHIC  
MAP "A"**

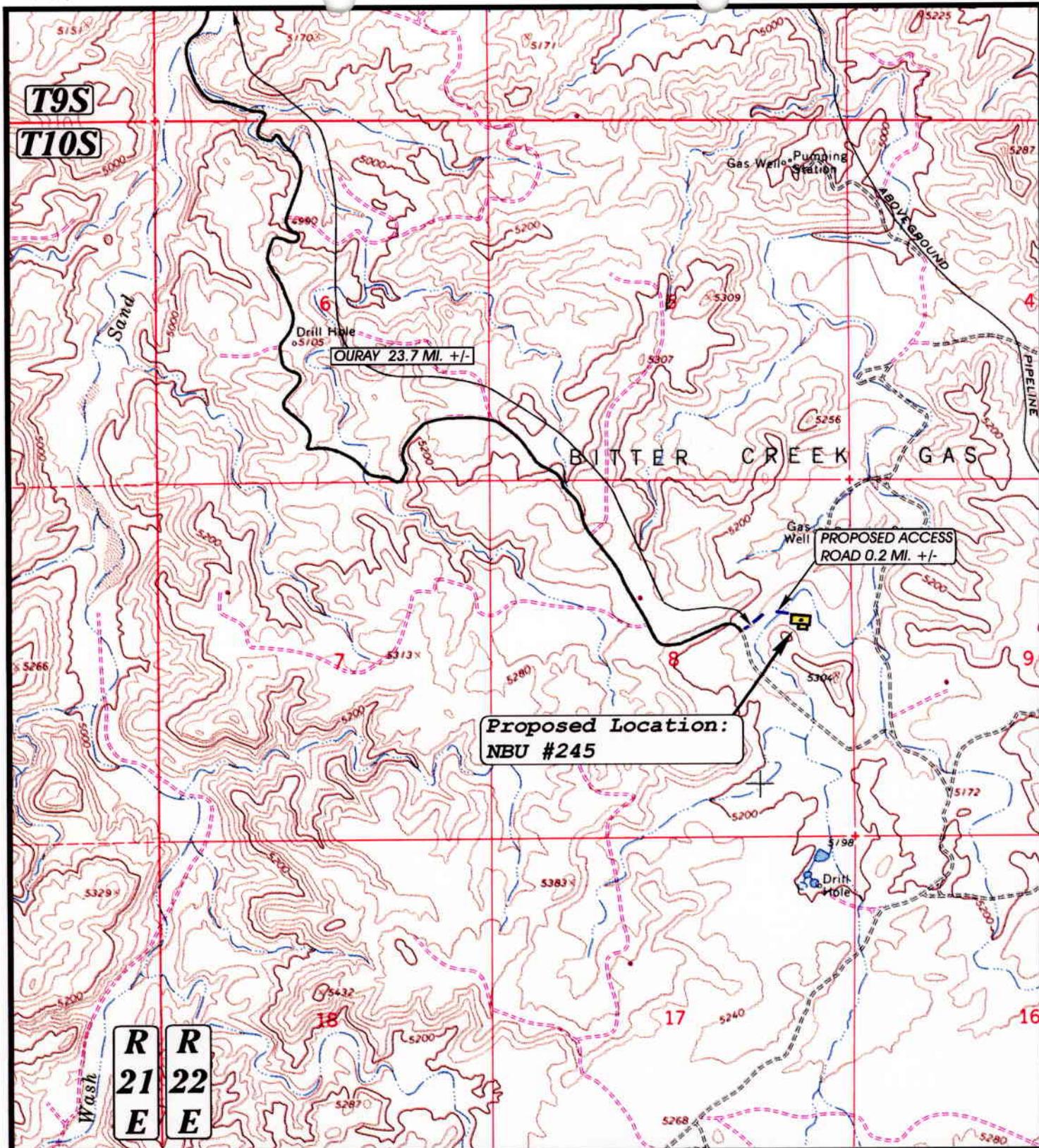
**DATE: 11-16-96  
Drawn by: D.R.B.**

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



**COASTAL OIL & GAS CORP.**

**NBU #245  
SECTION 8, T10S, R22E, S.L.B.&M.  
2037' FNL 729' FEL**



**UELS**

**TOPOGRAPHIC  
MAP "B"**

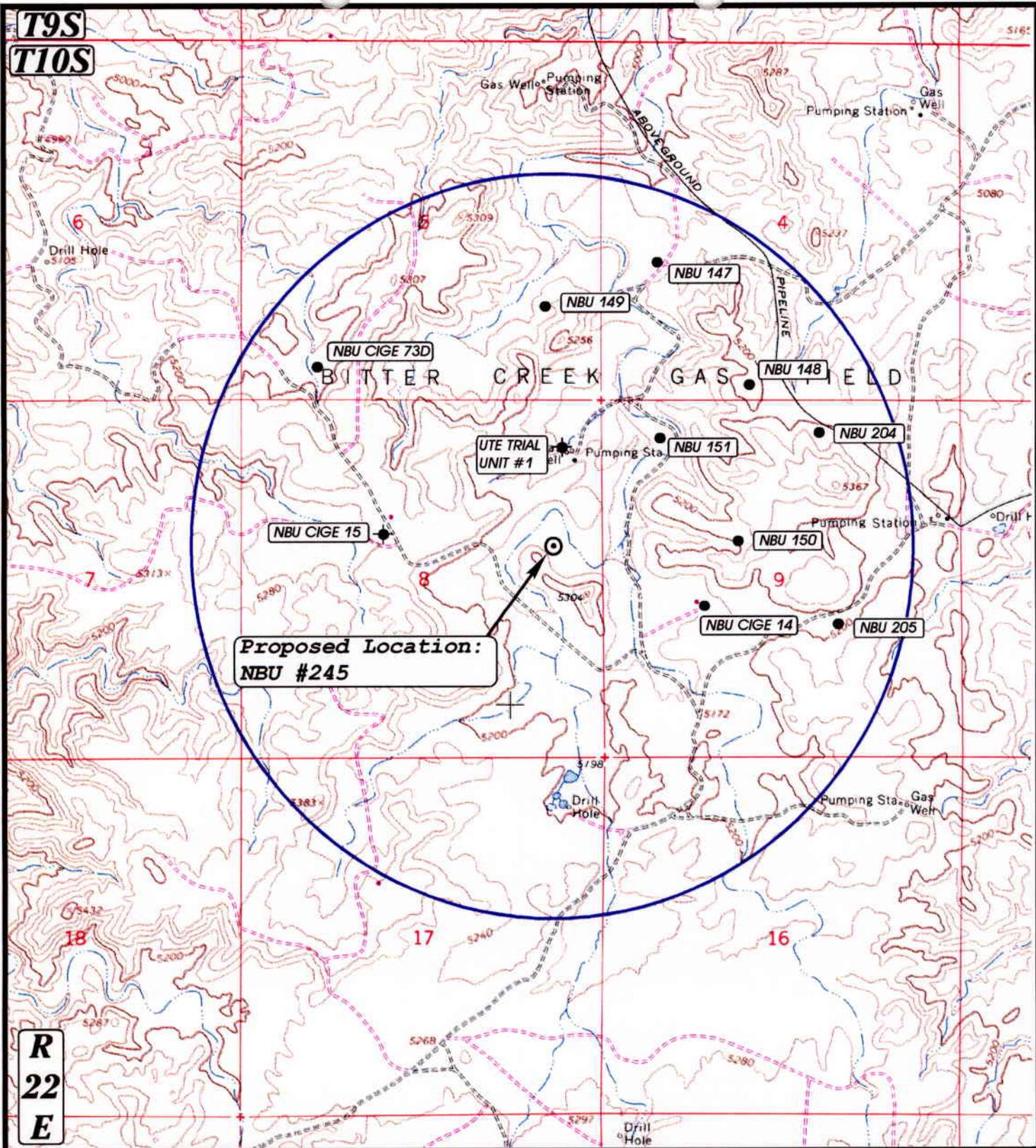
**DATE: 11-16-96**  
**Drawn by: D.R.B.**

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



**SCALE: 1" = 2000'**

**COASTAL OIL & GAS CORP.**  
**NBU #245**  
**SECTION 8, T10S, R22E, S.L.B.&M.**  
**2037' FNL 729' FEL**



**T9S**  
**T10S**

**R**  
**22**  
**E**

**LEGEND:**

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

**U E I S**

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



SCALE: 1" = 2000'

**COASTAL OIL & GAS CORP.**

**NBU #245**

**SECTION 8, T10S, R22E, S.L.B.&M.**

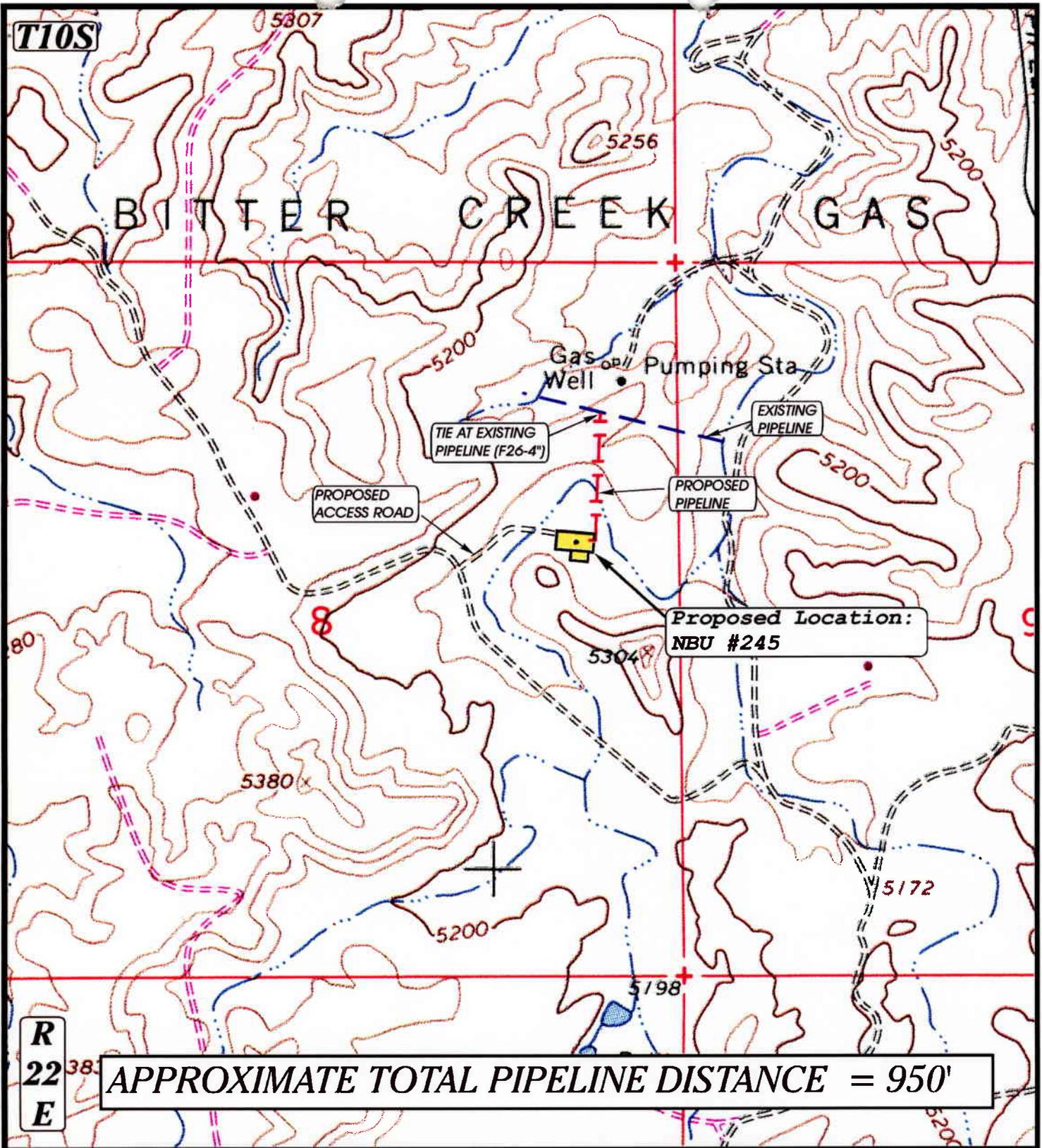
**TOPOGRAPHIC**

**MAP "C"**

DATE: 7-29-96  
DRAWN BY: D.R.B.

T10S

BITTER CREEK GAS



APPROXIMATE TOTAL PIPELINE DISTANCE = 950'

R  
22  
E

TOPOGRAPHIC  
MAP "D"



----- Existing Pipeline  
HHHHHHH Proposed Pipeline



**COASTAL OIL & GAS CORP.**

NBU #245  
SECTION 8, T10S, R22E, S.L.B.&M.  
2037' FNL 729' FEL

DATE: 11-16-96  
Drawn by: D.R.B.

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

Scale: 1" = 1000'

WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 09/30/97

API NO. ASSIGNED: 43-047-33004

WELL NAME: NBU 245  
OPERATOR: COASTAL OIL & GAS (N0230)

PROPOSED LOCATION:  
SENE 08 - T10S - R22E  
SURFACE: 2037-FNL-0729-FEL  
BOTTOM: 2037-FNL-0729-FEL  
UINTAH COUNTY  
NATURAL BUTTES FIELD (630)

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

LEASE TYPE: FED  
LEASE NUMBER: U - 01196-C

PROPOSED PRODUCING FORMATION: WSTC

RECEIVED AND/OR REVIEWED:

Plat

Bond: Federal  State  Fee   
(Number 4605328-9)

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: \_\_\_\_\_

\_\_\_\_\_

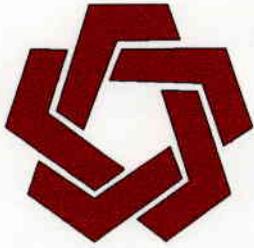
STIPULATIONS: 1. Oil shale - 4 1/2" casing

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



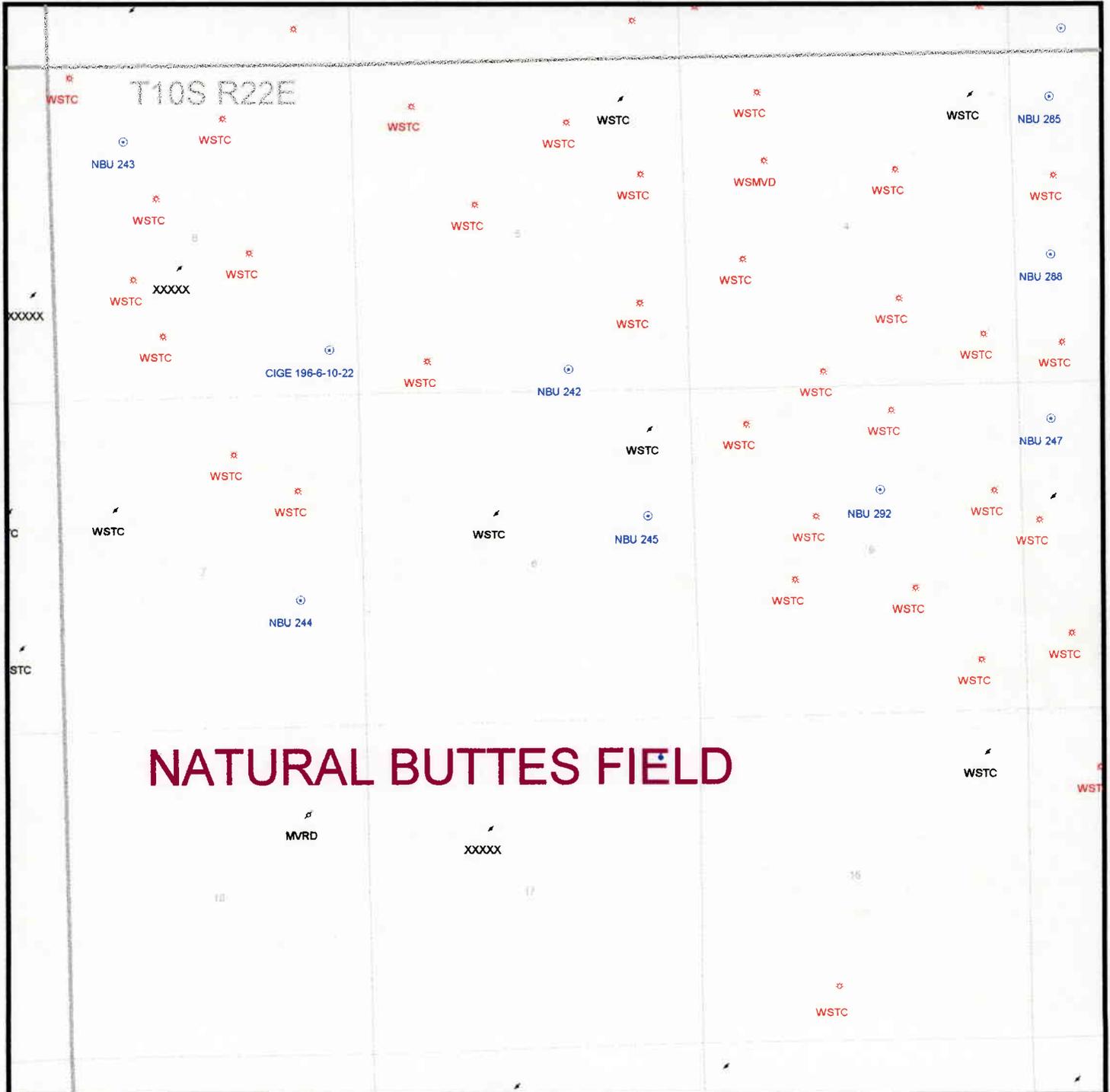
DIVISION OF OIL, GAS & MINING

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



DATE PREPARED:  
1-OCT-1997



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 27, 1998

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

Re: Natural Buttes Unit NBU 245, 2037' ENL, 729' FEL, SE NE,  
SEC. 8, T. 10 S., R.22 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 43-047-33004.

Sincerely,

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

John R. Baza  
Associate Director

ls

Enclosures

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

Operator: Coastal Oil & Gas Corporation  
Well Name & Number: Natural Buttes NBU 245  
API Number: 43-047-33004  
Lease: U-01196-C  
Location: SE NE Sec. 8 T. 10 S. R. 22 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

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 Coastal Oil & Gas Corporation

3. ADDRESS AND TELEPHONE NO.  
 P.O. Box 749, Denver, CO 80201-0749

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)  
 At surface: 2037' FNL & 729' FEL  
 At proposed prod. zone

5. LEASE DESIGNATION AND SERIAL NO.  
 U-01196-C

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

7. UNIT AGREEMENT NAME  
 Natural Buttes Unit

8. FARM OR LEASE NAME, WELL NO.  
 NBU 245

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT  
 Natural Buttes Field

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
 SENE Section 8 T10S-R22E

12. COUNTY OR PARISH  
 Uintah

13. STATE  
 Utah

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 Approximately 22.9 miles southeast of Ouray, Utah

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)  
 729

16. NO. OF ACRES IN LEASE  
 40

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

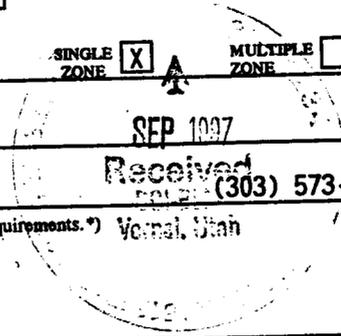
18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.  
 See Topo Map C

19. PROPOSED DEPTH  
 8,300'

20. ROTARY OR CABLE TOOLS  
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
 Ungraded GR - 5137'

22. APPROX. DATE WORK WILL START\*  
 Upon approval



23. PROPOSED CASING AND CEMENTING PROGRAM

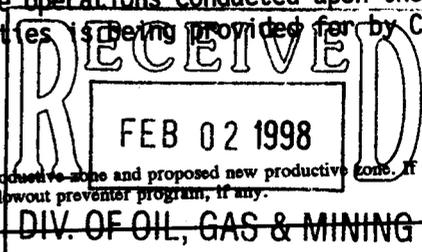
| SIZE OF HOLE     | GRADE, SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|------------------|-----------------------|-----------------|---------------|--------------------|
| See attached     |                       |                 |               |                    |
|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

RECEIVED  
SEP 29 1997

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: 9/26/97

NOTICE OF APPROVAL

PERMIT NO. \_\_\_\_\_ 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: [Signature] TITLE: Assistant Field Manager Mineral Resources DATE: JAN 20 1998

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.  
114080-2m-432

CONDITIONS OF APPROVAL  
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Coastal Oil & Gas Corporation

Well Name & Number: NBU 245

API Number: 43-047-33004

Lease Number: U-01196-C

Location: SENE Sec. 08 T. 10S R. 22E

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.

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a 3M system as stated in Coastal's Natural Buttes Standard Operating Procedure.

If conductor pipe is set it will be cemented to surface. If drive pipe is used it will be pulled prior to cementing surface casing.

As a minimum, the usable water shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the top of the Mahogany Oil Shale identified at  $\pm$  1812 ft.. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

A cement bond log (CBL) will be run from the production casing shoe to  $\pm$  1612 ft. and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

- Unused fracturing fluids or acids
- Gas plant cooling tower cleaning wastes
- Painting wastes
- Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spend solvents, spilled chemicals, and waste acids
- Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste
- Refinery wastes
- Liquid and solid wastes generated by crude oil and tank bottom reclaimers
- Used equipment lubrication oils
- Waste compressor oil, filters, and blowdown
- Used hydraulic fluids
- Waste solvents
- Waste in transportation pipeline-related pits
- Caustic or acid cleaners
- Boiler cleaning wastes
- Boiler refractory bricks
- Incinerator ash
- Laboratory wastes
- Sanitary wastes
- Pesticide wastes
- Radioactive tracer wastes
- Drums, insulation and miscellaneous solids.

**CONDITIONS OF APPROVAL**  
**FOR THE SURFACE USE PROGRAM OF THE**  
**APPLICATION FOR PERMIT TO DRILL**

- The reserve pit topsoil should be piled separately as shown on the cut sheet.
- The reserve pit should be lined if blasting is need to construct the pit.
- The location 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

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No.

U-01196-C

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

Natural Buttes Unit

8. Well Name and No.

NBU 245

9. API Well No.

43-047-33004

10. Field and Pool, or exploratory Area

Natural Buttes Field

11. County or Parish, State

Uintah Utah

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well  Gas Well  Other

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 (Footage, Sec., T., R., M., or Survey Description)

2037' FNL & 729' FEL  
SENE Section 8-T20S-R22E

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

TYPE OF SUBMISSION

Notice of Intent  
 Subsequent Report  
 Final Abandonment Notice

TYPE OF ACTION

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

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

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

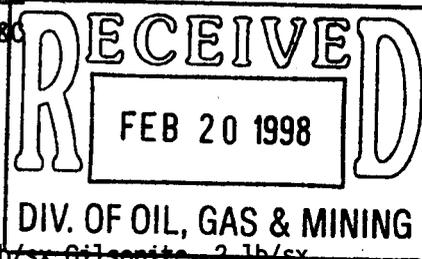
Operator requests permission to change the casing and cement program as follows:

CASING PROGRAM:

| Purpose | Depth    | Hole Size | Csg Size | Wt/ft | Grade | Type |
|---------|----------|-----------|----------|-------|-------|------|
| Surface | 0-2,000' | 12-1/4"   | 8-5/8"   | 24#   | K-55  | ST80 |

CEMENT PROGRAM:

| Surface  | Fill   | Type & Amount  |
|----------|--------|--|
| 0-2,000' | 1,500' | 560 sx Light, 1% Econolite, 0.25 lb/sx Flocele, 10 lb/sx Gilsontite, 2 lb/sx Granulite, & 3% Salt, wt. 12.1, yield 2.21. |
|          | 500'   | 360 sx Premium, 2% CaCl <sub>2</sub> , 0.25 lb/sx Flocele, wt. 15.6, yield 1.19.   |



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

Signed Sheila Bremer

Title Environmental & Safety Analyst

Date 2/19/98

(This space for Federal or State office use)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Conditions of approval, if any:

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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Use "APPLICATION FOR PERMIT -" for such proposals

5. Lease Designation and Serial No.

U-01196-C

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

Natural Buttes Unit

8. Well Name and No.

NBU 245

9. API Well No.

43-047-33004

10. Field and Pool, or exploratory Area

Natural Buttes Field

11. County or Parish, State

Uintah Utah

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well  Gas Well  Other

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 (Footage, Sec., T., R., M., or Survey Description)

2037' FNL & 729' FEL  
SENE Section 8-T10S-R22E

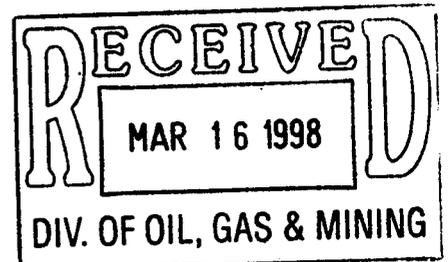
12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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

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

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

3/6/98: MIRU Bill Martin Drlg. Spud at 9:00 a.m. Drilled 30' of 18" hole w/bucket rig. Ran 30' of 14" condr pipe. Cmt w/Redimix.



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

Signed Sheila Bremer

Title Sheila Bremer

Environmental & Safety Analyst

Date 3/13/98

(This space for Federal or State office use)

Approved by \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

Conditions of approval, if any:

ENTITY ACTION FORM - FORM 6

OPERATOR Coastal Oil & Gas Corporation

OPERATOR ACCT. NO. N 0230

ADDRESS P.O. Box 749

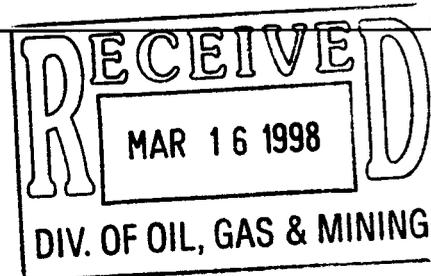
Denver, CO 80201-0749

| ACTION CODE   | CURRENT ENTITY NO. | NEW ENTITY NO. | API NUMBER   | WELL NAME | WELL LOCATION |    |     |     |        | SPUD DATE | EFFECTIVE DATE |
|---|--------------------|----------------|--------------|-----------|---------------|----|-----|-----|--------|-----------|----------------|
|   |                    |                |              |           | QQ            | SC | TP  | RG  | COUNTY |           |                |
| B   | 99999              | 02900          | 43-047-33004 | NBU #245  | SENE          | 8  | 10S | 22E | Uintah | 3/6/98    | 3/6/98         |
| WELL 1 COMMENTS: (Coastal) Entity added 3-20-98. <sup>Fee</sup> (Netl Buttes Unit - /wsmvrd P.A.) |                    |                |              |           |               |    |     |     |        |           |                |
| WELL 2 COMMENTS:  |                    |                |              |           |               |    |     |     |        |           |                |
| WELL 3 COMMENTS:  |                    |                |              |           |               |    |     |     |        |           |                |
| WELL 4 COMMENTS:  |                    |                |              |           |               |    |     |     |        |           |                |
| WELL 5 COMMENTS:  |                    |                |              |           |               |    |     |     |        |           |                |

ACTION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.



*Sheila Bremer*

Signature Sheila Bremer

Title Environmental/Safety Analyst Date 3/13/98

Phone No. (303) 573-4455

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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Use "APPLICATION FOR PERMIT - " for such proposals

5. Lease Designation and Serial No.  
**U-01196-C**

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

7. If Unit or CA, Agreement Designation  
**Natural Buttes Unit**

8. Well Name and No.  
**NBU 245**

9. API Well No.  
**43-047-33004**

10. Field and Pool, or exploratory Area  
**Natural Buttes Field**

11. County or Parish, State  
**Utah Utah**

**SUBMIT IN TRIPLICATE**

1. Type of Well  
 Oil Well     Gas Well     Other

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 (Footage, Sec., T., R., M., or Survey Description)  
**2037' FNL & 729' FEL  
 SENE Section 8-T10S-R22E**

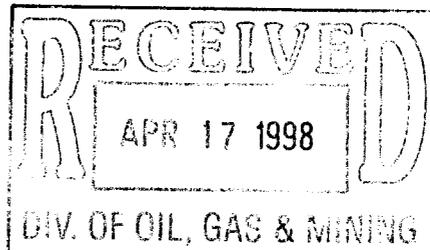
12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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

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

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

Please see the attached map for the location of a pipeline constructed to service the referenced location. The pipeline was constructed in accordance with the Natural Buttes Standard Operating Procedure. The pipeline was extended from the APD-approved pipeline to follow an existing pipeline (F103) in a westerly direction to tie into a to-be-constructed high pressure pipeline that parallels the F194 pipeline. An archaeological survey was conducted along the route, and clearance was recommended. A copy of the archaeological report is attached.



14. I hereby certify that the foregoing is true and correct  
 Signed Bonnie Carson Title Senior Environmental Analyst Date 4/14/98

(This space for Federal or State office use)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_  
 Conditions of approval, if any:

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

T10S

BITTER CREEK

GAS

Gas Well Pumping Sta

TIE AT EXISTING PIPELINE (F 103)

PROPOSED ACCESS ROAD

PROPOSED PIPELINE

EXISTING PIPELINE

Proposed Location: NBU #245

APPROXIMATE TOTAL PIPELINE DISTANCE = 950'

TOPOGRAPHIC MAP "D"

----- Existing Pipeline  
HHHHHHHH Proposed Pipeline



Scale: 1" = 1000'

COASTAL OIL & GAS CORP.

NBU #245  
SECTION 8, T10S, R22E, S.L.B.&M.  
2037 FNL 729' FEL

DATE: 11-16-96  
Drawn by: D.R.B.

UEIC

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



**M A C**  
**Metcalf Archaeological Consultants, Inc.**

---

March 31, 1998

Ms Bonnie Carson  
Coastal Oil & Gas Corporation  
P.O. Box 749  
Denver, CO 80201-0749

DENVER DISTRICT - E & S

APR 3 1998

BLC  RAD  SCP  CEL   
SAB  JRN  MDE  LPS

Dear Bonnie:

Enclosed please find one copy of the cultural resource inventory report that includes your proposed CIGE #193, CIGE #229, NBU #304, NBU #305, NBU #310, Wonsits 1-32 and Wonsits 2-32 pipeline reroutes and your already constructed pipelines CIGE #219, NBU #245, and NBU #262. These pipeline corridors are located on State and BLM land in Uintah County, Utah. The inventory resulted in two isolated finds (IFs) which are not significant and require no further work. Cultural resource clearance is recommended for all of the above pipelines as staked or already constructed at the time of the inventory. Copies of this report have been forwarded to Kenneth Wintch, James Dykman, and Blaine Phillips.

If you have any questions or concerns, please do not hesitate to call.

Sincerely

John M. Scott  
Staff Archaeologist

cc: James Dykman, Utah preservation Office  
Kenneth Wintch, Utah State Trust Lands  
Blaine Phillips, BLM, Vernal District

**Ten Coastal Well Pad Pipelines for Coastal Oil & Gas Corporation  
Class III Cultural Resource Inventory  
on State of Utah and BLM Lands, Uintah County, Utah**

Prepared by  
Dulaney Barclay

Michael D. Metcalf  
Principal Investigator

Prepared for  
Coastal Oil & Gas Corporation  
Denver, Colorado

Utah State Project #U-98-MM-0152 b,s

March 1998

## INTRODUCTION

Ten short well pad pipelines were inspected for cultural resources by Metcalf Archaeological Consultants, Inc. (MAC) for Coastal Oil & Gas Corporation (CIGE #193, CIGE #219, CIGE #229, NBU #245, NBU #262, NBU #304, NBU #305, NBU #310, Wonsits 1-32 State and the Wonsits 2-32 State). The NBU and CIGE locations are in the Natural Buttes area north and south of the White River while the Wonsits State pipelines are on Deadman Bench in the vicinity of Red Wash. All the pipelines are located in Uintah County, Utah (Appendix A).

The pipelines are being constructed as part of a upgrading and expansion of the existing facilities. These proposed aboveground pipelines extend from both unconstructed and existing well pads to existing aboveground pipelines or well pad facilities. The pipeline for the Wonsits #1-32 heads south from the well pad for roughly 2200 feet along the east side of an existing pipeline to the Wonsits 2-32 well pad. The pipeline for the Wonsits #2-32 heads runs south from the well pad along the west side of an improved oil field road at a 5 meter offset for approximately 6700 feet to its tie-in with an existing aboveground pipeline. The proposed NBU #310 pipeline exists the well pad on its east side and runs east for approximately 600 feet to an existing aboveground pipeline trending north-south. The proposed NBU #305 pipeline runs northeasterly for approximately 1000 feet out of the previous inventory block to a tie-in with an existing aboveground pipeline. The proposed pipeline for the CIGE #219 exists the east side of the well pad and runs roughly 500 feet to an existing aboveground pipeline. The proposed NBU #262 pipeline exists the southeast corner of the well pad and runs 1200 feet to a tie-in with an existing aboveground pipeline southeast of the NBU #221 well pad. Much of this pipeline was located in the access road inventory corridor. The proposed pipeline for the NBU #245 exists the north side of the well pad and runs for 650' to an existing east-west trending aboveground pipeline. The NBU #304 pipeline parallels the access road to the well pad for approximately 400 feet to its tie-in with an existing pipeline along the south side of an existing oil field road. The CIGE #229 pipeline runs northeasterly along a previously inventoried corridor out the northeast corner of the previous inventory block. It then parallels the existing CIGE #165 access road on the west side for approximately 1100 feet. The pipeline then crosses the road and continues along the east side of the existing access road for roughly 1500 feet to its tie-in with an existing aboveground pipeline.

Inventory was performed on eight of the ten pipelines as the other two lie within previous inventory areas (CIGE #229 and NBU #304 pipelines). Some had been inadvertently constructed without cultural resource clearance and were inventoried during the current investigation in order to determine if any resources were impacted by the construction (CIGE #219, NBU #245 and NBU #262 pipelines). In addition, cultural resource inventory was undertaken on four new pipelines (CIGE #193, NBU # 305, NBU #310, Wonsits #1-32, and Wonsits #2-32 pipelines). Table 1 enumerates the status of the pipelines and the actions taken at each during the current project. Corridors 100 feet wide were inventoried for those pipelines requiring new inventories. A total of approximately 31 acres was inventoried during this investigation. Of this, approximately 10.5 acres was on State of Utah Lands and 20.5 acres was on lands administered

by the Bureau of Land Management. Two isolated finds were recorded during this investigation.

The project was conducted on March 23-26, 1998 by MAC archaeologist John M. Scott. It was carried out under State of Utah Permit #U-97-MM that expires on 2/27/99 and BLM Cultural Use Permit #97UT54945 which expires 5/1/97. All field notes, maps, and photographs are on file at the MAC office in Eagle, Colorado.

**Table 1- Project pipelines**

| Pipeline      | Status                      | Action             | Location/7.5' Quad                               | Acres                | Ownership                                    |
|---------------|-----------------------------|--------------------|--|----------------------|--|
| CIGE #193     | new pipeline                | new inventory      | Section 35, T.9S, R.22E/<br>Archy Bench          | 1.8                  | BLM  |
| CIGE #219     | existing pipeline           | new inventory      | Section 29, T.9S, R.22E/<br>Red Wash SW          | 1.1                  | State  |
| NBU #245      | existing pipeline           | new inventory      | Section 8, T.10S, R.22E/<br>Archy Bench          | 1.5                  | BLM  |
| NBU #262      | existing pipeline           | new inventory      | Section 33 & 34, T.9S,<br>R.21E/Big Pack Mtn. NE | BLM-0.8<br>State-2.1 | BLM<br>(Section 33)<br>State<br>(Section 34) |
| NBU #304      | within previous survey area | no additional work | Section 27, T.9S, R.21E/<br>Ouray SE             | None                 | State  |
| NBU #305      | new pipeline                | new inventory      | Section 27, T.9S, R.21E/<br>Ouray SE             | 2.3                  | State  |
| NBU #310      | new pipeline                | new inventory      | Section 26, T.9S, R.21E/<br>Big Pack Mtn. NE     | 1.4                  | BLM  |
| Wonsits #1-32 | new pipeline                | new inventory      | Section 32, T.7S, R.22E/Red Wash NE              | 5.0                  | State  |
| Wonsits #2-32 | new pipeline                | new inventory      | Section 32, T.7S, R.22E/Red Wash NE              | 15.0                 | BLM  |
| CIGE #229     | within previous survey area | no additional work | Section 1, T.10S, R.20E/<br>Big Pack Mtn. NE     | None                 | BLM  |

## STATEMENT OF OBJECTIVES

Following the mandated policies implementing the National Historic Preservation Act (NHPA [Public Law 89-665]), as amended, this project was inventoried to locate any cultural resources within the potential area of effect. Any discovered cultural resources were to be evaluated for eligibility to the National Register of Historic Places (Register). To be eligible for the Register, the resource must retain essential aspects of integrity and meet one or more of the

Criteria for Eligibility (36 CFR §60.4). For archaeological resources, eligibility is typically recommended under Criterion d, on the basis of the information potential of surface artifacts and features, and intact sub-surface cultural deposits. Historical resources may be evaluated under any of the four Criteria on the basis of information potential or significant historic associations.

## **ENVIRONMENT**

This project is located in the dissected uplands surrounding the White River on the southern margins of the Uintah Basin and on top of Deadman Bench. A series of gently sloping benches carved on sandstone bedrock rises to the north toward the Uinta Mountains the bounds the Uintah Basin on the north. The topography is controlled by the differential erosion of nearly flat lying horizontal strata. It is very rugged in more dissected areas adjacent to the White River becoming more gently rolling to the north and south. The erosion and dissection of these gently sloping pediment surfaces has carved low ridges, knobs, and buttes from the underlying sandstone bedrock. The area is drained by the west flowing White River that joins the Green River at Ouray several miles away. A dendritic pattern of intermittent and ephemeral drainages empty into the White River from the north and south.

Local vegetation is predominately shadscale type community consisting of low sagebrush, saltbrush, rabbitbrush, greasewood, mixed forbs, prickly pear, and sparse mixed grasses. Ground surface visibility was good to excellent with an average of 20-30% cover. Thicker vegetation is located in sandy areas (40-50% cover) while rocky outcrops are devoid of vegetation (0% cover). Sediments in the area are generally thin, consisting of predominately of residual materials overlying bedrock. Aeolian and alluvial sand deposits are generally thin and isolated in nature. Aeolian sand deposits are found overlying residual sediments and bedrock on the tops of the benches and on the leeward side of prominent landforms. Alluvial deposits are mainly found in drainage bottoms and on the broad floodplains of the Green and White Rivers. Some localized deeper sand shadow and coppice dune deposits can be found throughout the project area especially on Deadman Bench. Colluvial deposits are found around the bases of steep slopes and on narrow ledges. The local bedrock is Tertiary aged Uinta and Duchesne River formations of sandstone and clay. Quarternary alluvial deposits are found in the modern White and Green River floodplains with outwash gravels and cobbles covering the sloping pediment surfaces (Hintze 1980). Overall, there is limited potential for buried cultural materials but small localized areas have slightly higher potentials.

## **FILES SEARCH**

Files searches were conducted through the Utah Division of State History in Salt Lake City on March 17, 1998 and at the BLM offices in Vernal, Utah on March 24 and 25, 1998. Portions of all of these pipelines lie within the inventory blocks for their associated well pads. Two of the pipelines lie completely within previous survey areas. No sites lie within the proposed pipeline corridors.

The CIGE #229 pipeline lies within three previously inventoried areas. The well pad inventory block covered the north end of the pipeline (Barclay 1997a). A portion falls within the adjacent CIGE #134 well pad inventory block (O'Brien et al. 1991), and the remainder lies within the access road inventory for the CIGE #165 (Scott 1991) and an unknown inventory conducted in the 1970's (Blaine Phillips, Personal Communication). Two prehistoric sites were recorded (42UN1832 & 42UN1833). Site 42UN1832 (significant) lies on the opposite side of the existing CIGE #165 access road from the current pipeline and 42UN1833 (unevaluated) lies approximately 400 feet west of the pipeline. The pipeline for the CIGE #304 lies completely within survey area of the well pad and access road (Scott 1997a). No cultural resources were recorded.

Portions of the remaining eight pipelines lie within previous project areas. The CIGE #193 well pad, access road and low pressure pipeline was inventoried in 1996 (Spath 1996a) and a high pressure pipeline was inventoried in 1997 (Barclay 1997b). No cultural resources were found either of these investigations. The NBU #245 well pad, access road, and low pressure pipeline were inventoried in 1996 (Spath 1996b). No cultural resources were found. The proposed NBU #262 pipeline parallels the existing access road for most of its extent. The pipeline was already constructed at the time of inventory. The NBU #262 well pad, access and pipeline were inventoried in 1996 (Spath 1996c). A single isolated find was discovered along the access corridor. The isolated find was not relocated during the current investigation. The NBU #221 well pad, access, and pipeline were inventoried in 1994 (O'Brien & Barclay 1994) and no cultural resources were found. The CIGE #219 was inventoried in 1997 (Spath 1997). No cultural resources were located during that inventory. The NBU #305 was inventoried in 1997 (Barclay 1997c). One isolated find was recorded in the northeast corner of the inventory block. The proposed pipeline lies close to the previously recorded isolated find. The isolated however was not encountered during this investigation and appears lie north of the proposed pipeline. The NBU #310 well pad, access, and pipeline were inventoried in 1997 (Scott 1997). Three sites (42UN1048, 42UN1049 and 42UN1043) were noted in the vicinity of the well pad, but found to outside the project boundaries. All three of these sites lie several hundred feet west of the current proposed pipeline, on the opposite side of the well pad. Lastly, the Wonsits State #1-32 & 2-32 were recently and no cultural resources were recorded (McKibbin 1998).

## **FIELD METHODS**

The portions of the pipelines that extend outside the previous inventory areas was inspected using zig-zag pedestrian transects that covered 50 feet (15 m) on either side of the staked centerline. Total corridor width was 100 feet (30 m). Special attention was paid to areas of enhanced subsurface visibility, such as eroded areas, rodent backdirt piles, road cuts and animal trails.

If cultural materials were located, the area was examined closely until all surface manifestations had been identified and the resource adequately defined. Appropriate site forms or isolated find forms and other documentation were then completed, including plotting the resource on the proper USGS Quadrangle. Sketch maps were prepared using a Brunton Pocket

Transit and pacing for distance. Site overview photographs were then taken of all sites. Datums are white PVC pipe with a metal site tag embossed with the temporary site number.

## **RESULTS**

Two isolated finds were recorded during this investigation (Appendix B). A medium sized projectile point with a missing base was found during inventory of the Wonsits State #2-32 pipeline (IF 2-32-1). The artifact was found on the west side of an existing oil field road approximately 15 meters (50 feet) from the pipeline centerline and will not be impacted by the pipeline construction. Another isolated find consisting of a single flake of chert was recorded during inventory of the NBU #305 pipeline. The isolate (IF MM30598) is located approximately 10.5 meters north of the pipeline outside the right-of-way corridor for the pipeline. Both recorded resources are considered non-significant. Isolated finds are by definition not eligible to the National Register.

## **RECOMMENDATIONS**

No further work is recommended and cultural resource clearance is recommended. No significant resources were found within the project areas and no significant resources will be impacted by the planned project.

## REFERENCES CITED

Barclay, Dulaney

1997a *Coastal Oil & Gas Corporation's CIGE #226 and CIGE#229 Well Pads, Pipelines, and Accesses, Class III Cultural Resource Inventory, Section 3, T.10S, R.21E & Section 1 T.10S, R.20E, Uintah County, Utah.* Prepared by Metcalf Archaeological Consultants, Inc., Eagle, Colorado. Ms on file at Division of State History, Salt Lake City. Project #U-97-MM-0157b

1997b *Coastal Oil & Gas Corporation's Natural Buttes High Pressure Pipeline System, Uintah County, Utah.* Prepared by Metcalf Archaeological Consultants, Inc. Eagle, Colorado. Ms on file at Division of State History, Salt Lake City. Project #U-97-MM-0169bs.

1997c *Coastal Oil & Gas Corporation's NBU #305 Well Pad, Pipeline and Access Class III Cultural Resource Inventory Section 27, T.9S, R.21E, Uintah County, Utah.* Prepared by Metcalf Archaeological Consultants, Inc. Eagle, Colorado. Ms on file at Division of State History, Salt Lake City. Project #U-97-MM-0141s.

O'Brien, Patrick K., Patrick M. Lubinski, and John M. Scott

1991 *Cultural Resource Inventory for 14 Proposed Coastal Oil & Gas Corporation Well and Access Locations on BLM Lands, Uintah County, Utah.* Prepared by Metcalf Archaeological Consultants, Inc., Eagle, Colorado. Ms on file at Division of State History, Salt Lake City. Project #U-91-MM-55b.

O'Brien, Patrick and Dulaney V. Barclay

1994 *Class III Cultural Resource Inventory of Coastal Oil & Gas Corporation's Proposed NBU #221 Well Pad, Access Road, and Pipeline, Uintah County, Utah.* Prepared by Metcalf Archaeological Consultants, Inc., Eagle, Colorado. Ms on file at Division of State History, Salt Lake City. Project #U-94-MM-116s.

McKibbin, Anne

1998 *Coastal Oil and Gas Production Corporation Proposed Wonsits State #1-32 & 2-32 Well Locations and Access: Cultural Resource Inventory, Uintah County, Utah.* Prepared by Metcalf Archaeological Consultants, Inc., Eagle, Colorado. Ms on file at Division of State History, Salt Lake City. Project #U-98-MM-0088s.

Scott, John M.

1997 *Coastal Oil & Gas Corporation's Proposed NBU #303, #304, & 310 Well Pads: Class III Cultural Resource Inventory, Pipeline and Access, Uintah County, Utah.* Prepared by Metcalf Archaeological Consultants, Inc., Eagle, Colorado. Ms on file at Division of State History, Salt Lake City. Project #U-94-MM-0126s.

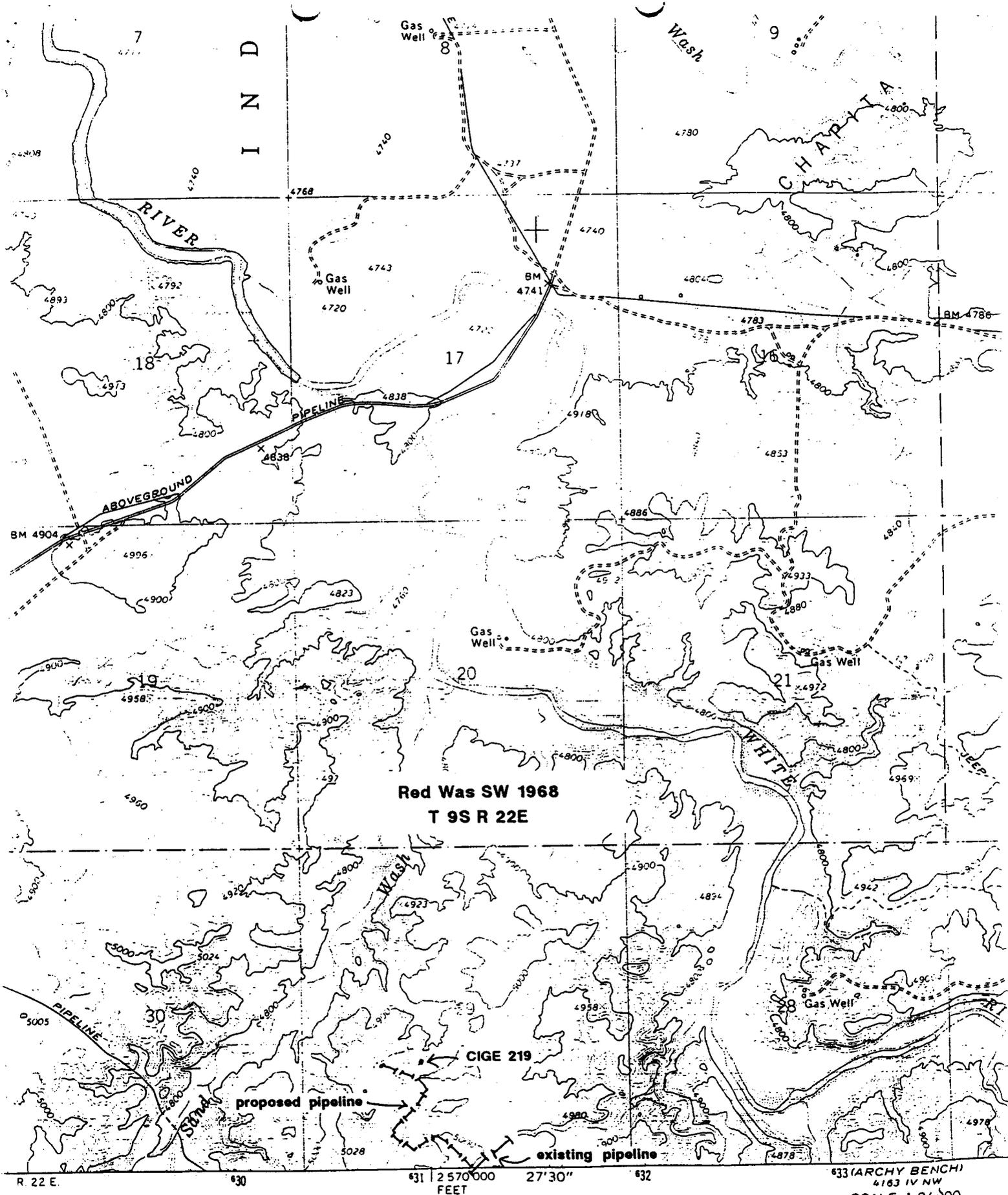
- 1991 *CIGE 165-1-10-20 Well Location and Access Cultural Resource Inventory for Coastal Oil & Gas Corporation, Uintah County, Utah. Prepared by Metcalf Archaeological Consultants, Inc., Eagle, Colorado. Ms on file at Division of State History, Salt Lake City. Project #U-91-MM-707b,s.*

Spath, Carl

- 1997 *Coastal Oil & Gas Corporation's CIGE #219, #235, and #236 Well Pads, Pipelines, and Access, Sections 25 and 34, T9S, R21E, and Section 29, T9S, R22E, Uintah County, Utah, Class III Cultural Resource Inventory. Prepared by Metcalf Archaeological Consultants, Inc., Eagle, Colorado. Ms on file at Division of State History, Salt Lake City. Project #U-91-MM-0084s*
- 1996a *Coastal Oil & Gas Corporation's Proposed CIGE #193, #194 and #196 Well Pads, Pipelines, and Access Sections 6 and 35, T9S, R22E, and Section 1, T10S, R22E, Uintah County, Utah Class III Cultural Resource Inventory. Prepared by Metcalf Archaeological Consultants, Inc., Eagle, Colorado. Ms on file at Division of State History, Salt Lake City. Project #U-96-MM-0648b.*
- 1996b *Coastal Oil & Gas Corporation's NBU #243, #244 and #245 Class III Cultural Resource Inventories, Uintah County, Utah. Prepared by Metcalf Archaeological Consultants, Inc., Eagle, Colorado. Ms on file at Division of State History, Salt Lake City. Project #U-96-MM-0645b.*
- 1996c *Coastal Oil & Gas Corporation's Proposed NBU #262 Well Pad, Access and Pipeline Corridor, Section 33, T9S, R21E, Uintah County, Utah Class III Cultural Resource Inventory. Prepared by Metcalf Archaeological Consultants, Inc., Eagle, Colorado. Ms on file at Division of State History, Salt Lake City. Project #U-96-MM-0656b.*

**Appendix A**  
**(Pipeline Location Maps)**

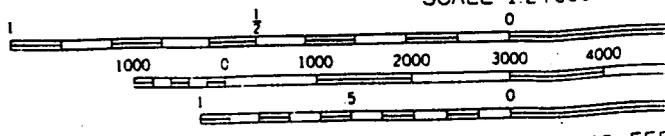
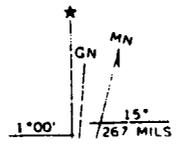




**Red Was SW 1968  
T 9S R 22E**

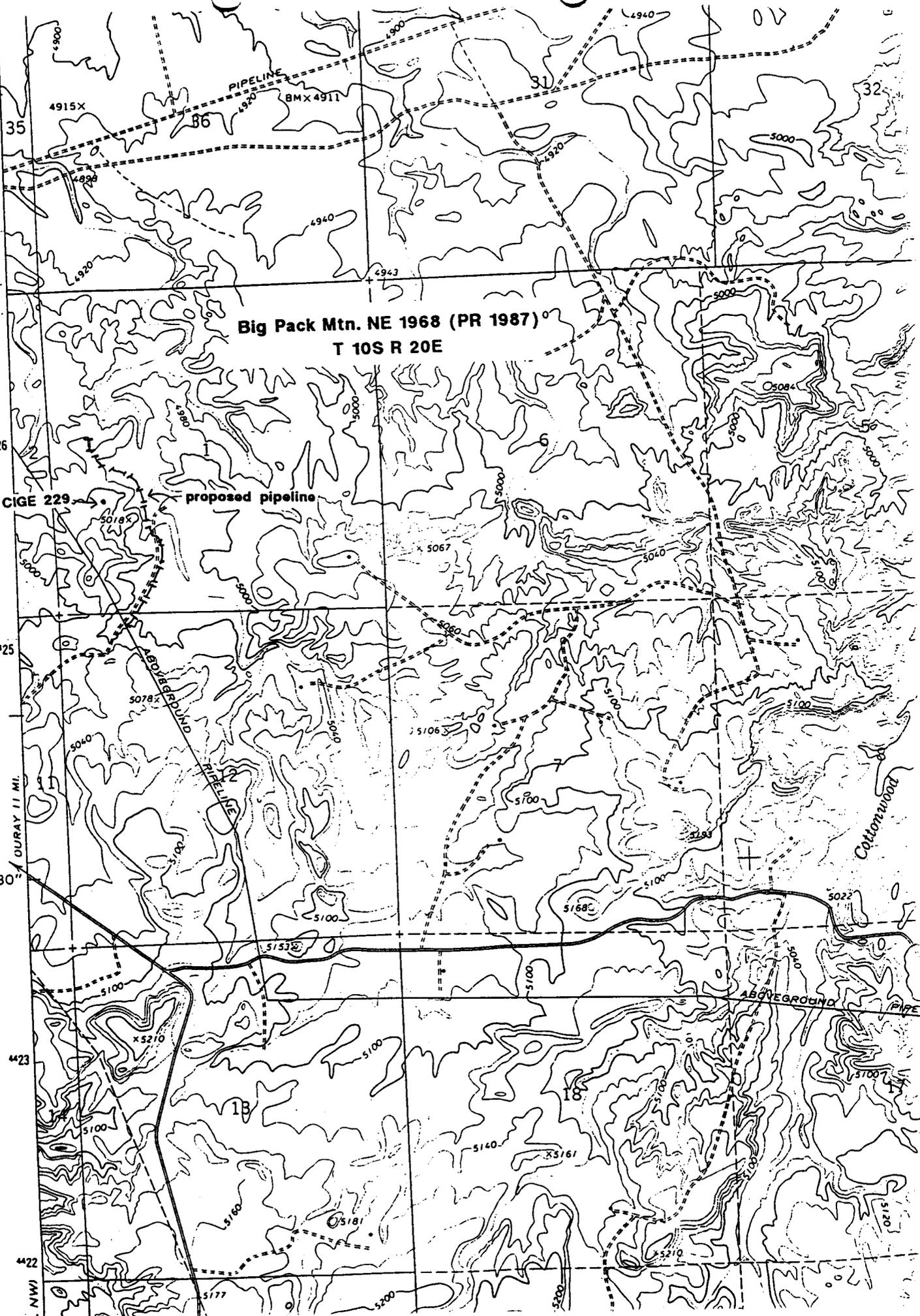
R 22 E. 630 631 2570000 FEET 27'30" 632 633 (ARCHY BENCH) 4163 IV NW

Published by the Geological Survey  
 U.S. Geological Survey  
 Metric methods from aerial  
 Field checked 1968  
 1977 North American datum  
 Utah coordinate system, central zone



CONTOUR INTERVAL 20 FEET

4428000m. N.



**Big Pack Mtn. NE 1968 (PR 1987)**  
**T 10S R 20E**

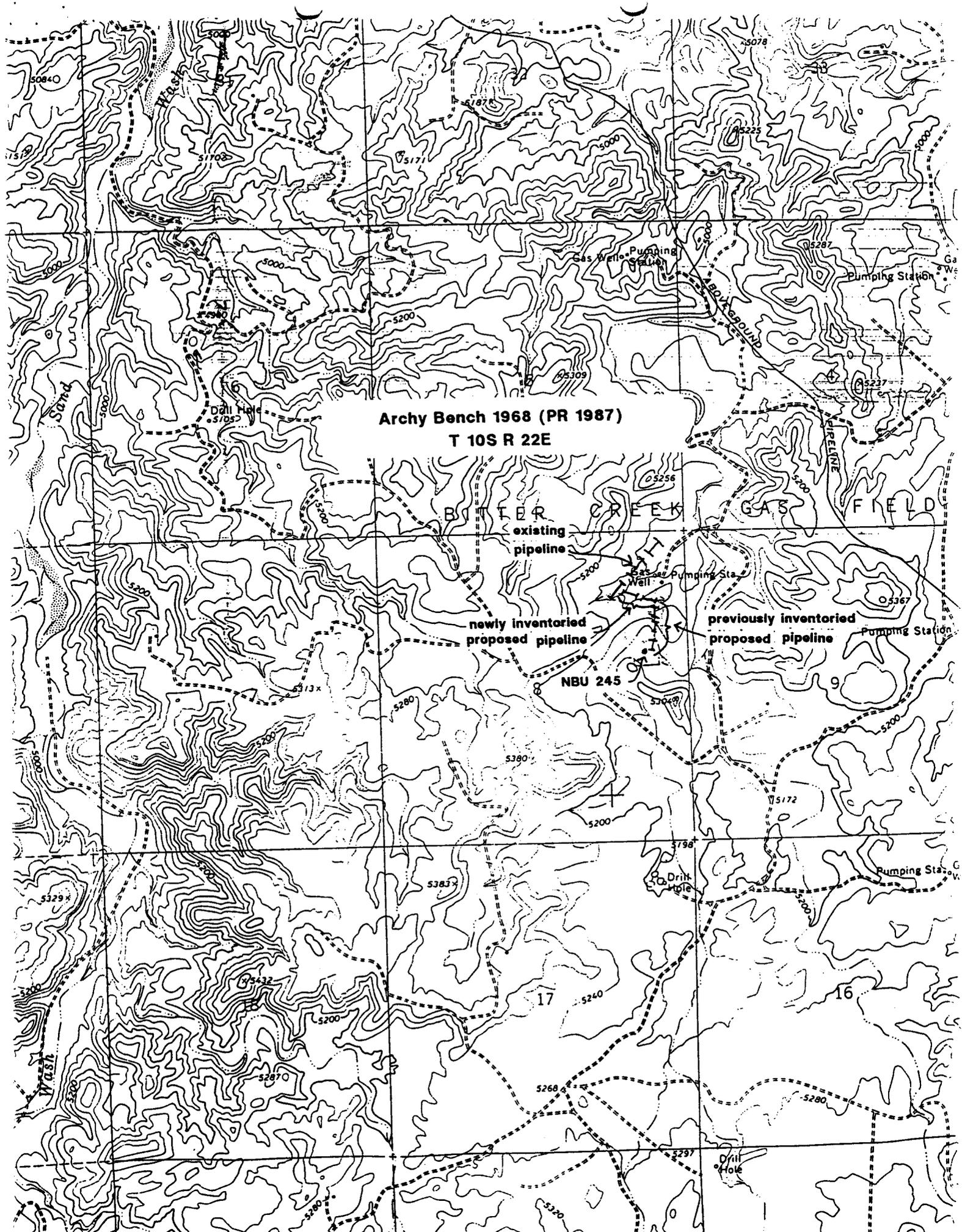
CIGE 229 → proposed pipeline

DURAY II MI  
 57°30' W

ABOVEGROUND PIPELINE

Cottonwood

4422  
 NWJ



**Archy Bench 1968 (PR 1987)**  
**T 10S R 22E**

**BUTTER CREEK GAS FIELD**

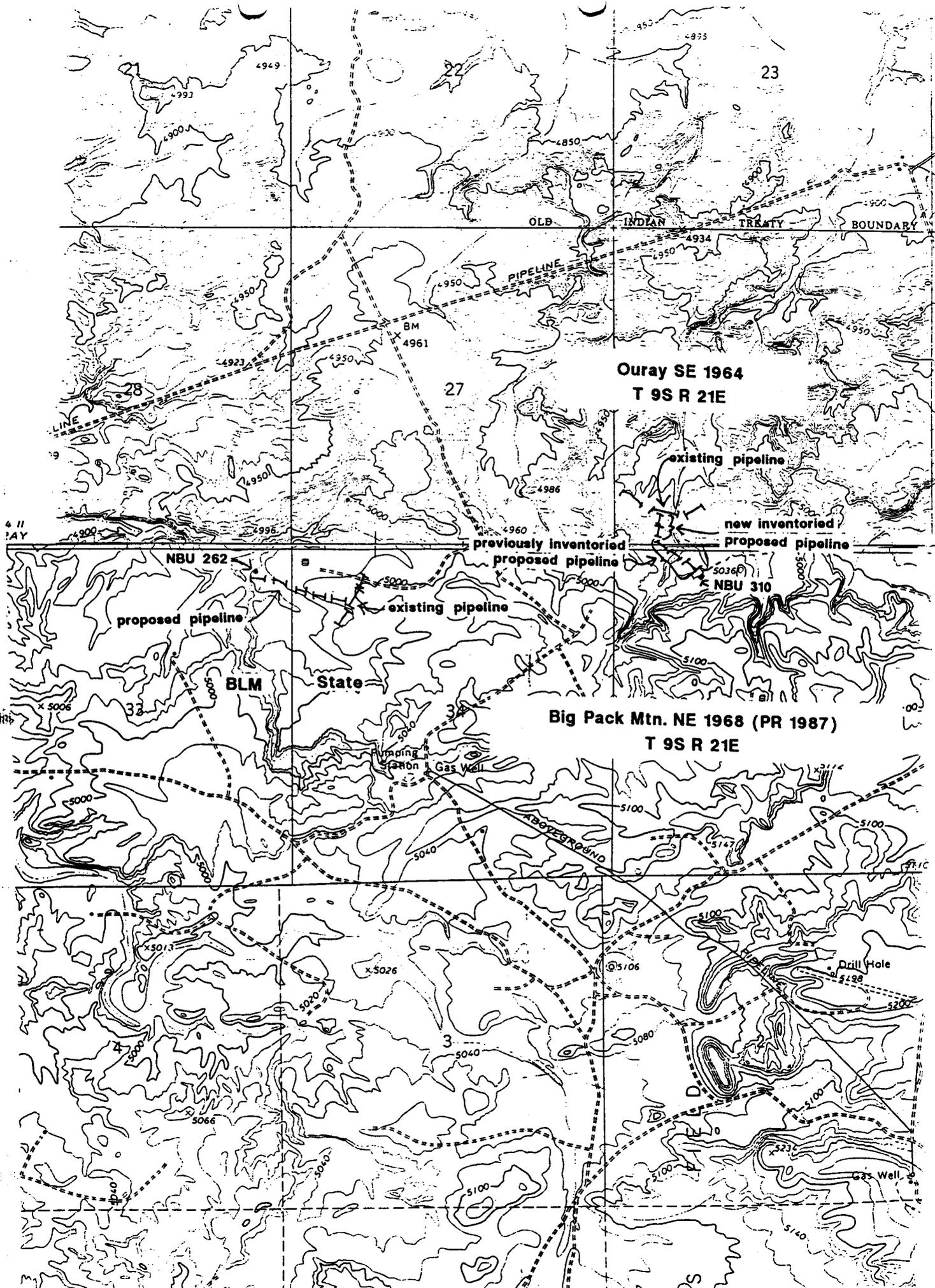
existing pipeline

newly inventoried proposed pipeline

previously inventoried proposed pipeline

NBU 245

Drill Hole



23

Ouray SE 1964  
T 9S R 21E

existing pipeline

new inventoried  
proposed pipeline

previously inventoried  
proposed pipeline

proposed pipeline

existing pipeline

BLM State

Big Pack Mtn. NE 1968 (PR 1987)  
T 9S R 21E

Pumping Station Gas Well

ABOVEGROUND

Drill Hole

Gas Well





**Appendix B**  
**(Isolate Find [IF] Forms)**



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No.

U-01196-C

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

Natural Buttes Unit

8. Well Name and No.

NBU 245

9. API Well No.

43-047-33004

10. Field and Pool, or exploratory Area

Natural Buttes Field

11. County or Parish, State

Utah Utah

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well  Gas Well  Other

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 (Footage, Sec., T., R., M., or Survey Description)

2037' FNL & 729' FEL  
SENE Section 8-T10S-R22E

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

TYPE OF SUBMISSION

Notice of Intent  
 Subsequent Report  
 Final Abandonment Notice

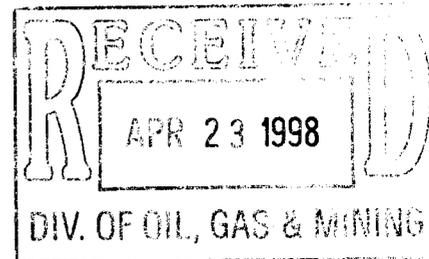
TYPE OF ACTION

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

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

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

Please see the attached chronological well history for work performed on the subject well



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

Signed

*Bonnie Carson*

Title

Bonnie Carson

Senior Environmental Analyst

Date 4/22/98

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

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

\* See Instruction on Reverse Side

**PERC****WELL CHRONOLOGY REPORT****WELL NAME : NBU #245**FIELD : NATURAL BUTTESCOUNTY & STATE : UINTAHWI% : AFE# : 27733

DHC : CWC :

DISTRICT : DRLG

LOCATION :

CONTRACTOR : COASTALDRIL

PLAN DEPTH :

FORMATION :

API# : 43-047-3304

AFE TOTAL :

SPUD DATE : 3/6/98

REPORT DATE : 3/11/98 MD : 1,040 TVD : 0 DAYS : 0 MW : VISC :  
 DAILY : DC : \$37,378 CC : \$0 TC : \$37,378 CUM : DC : \$37,378 CC : \$0 TC : \$37,378  
 DAILY DETAILS : 3-6-98 MI RU BILL MARTIN DRLG AND DRILLED 30' 18" HOLE WITH BUCKET RIG RAN 30' 14"  
 CONDUCTOR PIPE CMT WITH READY MIX 3/7/98 MIRU AIR RIG AND DRILLED 12.25" HOLE TO  
 1040' HIT WATER AND SHUT DOWN 3/9/98 SPUD 9 AM 3/6/98

REPORT DATE : 3/17/98 MD : 1,054 TVD : 0 DAYS : MW : VISC :  
 DAILY : DC : \$10,399 CC : \$0 TC : \$10,399 CUM : DC : \$47,777 CC : \$0 TC : \$47,777  
 DAILY DETAILS : MOVING RIG #1 FROM NBU #288 THIS MORNING

REPORT DATE : 3/18/98 MD : 1,054 TVD : 0 DAYS : MW : VISC :  
 DAILY : DC : \$12,777 CC : \$0 TC : \$12,777 CUM : DC : \$60,554 CC : \$0 TC : \$60,554  
 DAILY DETAILS : MI & RU PU BHA

REPORT DATE : 3/19/98 MD : 1,475 TVD : 0 DAYS : MW : 8.4 VISC : 27  
 DAILY : DC : \$27,009 CC : \$0 TC : \$27,009 CUM : DC : \$87,563 CC : \$0 TC : \$87,563  
 DAILY DETAILS : INSTALL ROTATING HEAD & DRIVE BUSHING & START UP AIR PACKAGE DRILLING SURVEYS  
 DRILLING SURVEYS DRILLING SURVEYS DRILLING RIG MAINTENANCE DRILLING

REPORT DATE : 3/20/98 MD : 1,985 TVD : 0 DAYS : MW : 8.4 VISC : 27  
 DAILY : DC : \$12,463 CC : \$0 TC : \$12,463 CUM : DC : \$100,026 CC : \$0 TC : \$100,026  
 DAILY DETAILS : DRILLING SURVEYS DRILLING WORK ON PMP DRILLING

REPORT DATE : 3/21/98 MD : 2,000 TVD : 0 DAYS : MW : 8.4 VISC : 27  
 DAILY : DC : \$62,802 CC : \$0 TC : \$62,802 CUM : DC : \$162,828 CC : \$0 TC : \$162,828  
 DAILY DETAILS : DRILLING SURVEYS SHORT TRIP MIX AND PUMP LCM PILL POOH WITH DP AND HWDP  
 AND DC'S RU FLAG DN 8 DC RUN CASING CIRC, CEMENT 8 5/8 CASING WOC FIRST TOP  
 JOB 100 SX WOC AND 2ND TOP JOB 100 SX WOC 3RD TOP JOB 50 SX WOC CLEAN  
 COLLAR AND NIPPLE DN RH CUT OFF AND WELD ON HEAD AND NIPPLE UP RAN 49 JTS 8 5/8  
 8RD K-55 24# NEW CASING (220 BBLE LEAD CMT. TAILED WITH 75 BBLs CEMENT NO RETURNS  
 TOTAL OF 250 SX ON 3 TOP JOBS WITH CEMENT TO TOP)

REPORT DATE : 3/22/98 MD : 2,000 TVD : 0 DAYS : MW : 8.4 VISC : 27  
 DAILY : DC : \$12,055 CC : \$0 TC : \$12,055 CUM : DC : \$174,883 CC : \$0 TC : \$174,883  
 DAILY DETAILS : CUT OFF 8 5/8 AND WELD HEAD ON NIPPLE UP BOPS TEST BOP TO 3000 PSI HELD OK  
 CASING AND HYDRILL TO 1500 OK DRLG 2 1/2' MOUSE HOLE GIH DROPPED PART OF  
 WISH BONE IN HOLE AND POOH PU MAGNET AND GIH WASH CMT STRINGERS OUT 46'  
 POOH WITH MAGNET GOT 5" ON WISH BONE OUT APP 7" STILL IN HOLE GIH WITH  
 GLOBE BASKET

**PERC****WELL CHRONOLOGY REPORT**

REPORT DATE : 3/23/98 MD : 2,646 TVD : 0 DAYS : MW : 8.4 VISC : 27  
 DAILY : DC : \$18,482 CC : \$0 TC : \$18,482 CUM : DC : \$193,365 CC : \$0 TC : \$193,365

DAILY DETAILS : WORK GLOBE BASKET POOH WITH FISH PRESS TEST CSG HELD OK REPLACE 2"  
 VALVES ON AIR MANIFOLD GIH TAG CMT AT 1958' START DIR COMP AND REPAIR VALVE ON  
 AIR LINE DRLG CMT WORK ON PUMP DRILLING SURVEYS DRILLING

REPORT DATE : 3/24/98 MD : 3,418 TVD : 0 DAYS : MW : 8.4 VISC : 27  
 DAILY : DC : \$10,989 CC : \$0 TC : \$10,989 CUM : DC : \$204,354 CC : \$0 TC : \$204,354

DAILY DETAILS : DRILLING SURVEYS DRILLING RIG MAINTENANCE DRILLING SURVEYS DRILLING

REPORT DATE : 3/25/98 MD : 4,174 TVD : 0 DAYS : MW : 8.4 VISC : 27  
 DAILY : DC : \$13,881 CC : \$0 TC : \$13,881 CUM : DC : \$218,235 CC : \$0 TC : \$218,235

DAILY DETAILS : DRILLING SURVEYS RIG MAINTENANCE DRILLING

REPORT DATE : 3/26/98 MD : 4,891 TVD : 0 DAYS : MW : 8.4 VISC : 27  
 DAILY : DC : \$17,366 CC : \$0 TC : \$17,366 CUM : DC : \$235,601 CC : \$0 TC : \$235,601

DAILY DETAILS : DRILLING SURVEYS DRILLING CIRC POOH GIH AND FILL PIPE DRILLING  
 REPLACE CHAIN IN DW DRILLING SURVEYS DRILLING

REPORT DATE : 3/27/98 MD : 5,972 TVD : 0 DAYS : MW : 8.5 VISC : 27  
 DAILY : DC : \$14,390 CC : \$0 TC : \$14,390 CUM : DC : \$249,991 CC : \$0 TC : \$249,991

DAILY DETAILS : DRLG 4891-5453' SURVEY AT 5409' DRLG 5453-5952' SURVEY AT 5908' DRLG 5952-5972'  
 DRLG BREAKS 4830-4839' 4907-4925' 4957-4971' 4991-5022' 5070-5085'

REPORT DATE : 3/28/98 MD : 6,782 TVD : 0 DAYS : MW : 8.5 VISC : 27  
 DAILY : DC : \$13,314 CC : \$0 TC : \$13,314 CUM : DC : \$263,305 CC : \$0 TC : \$263,305

DAILY DETAILS : DRLG 5972-6534' SURVEY AT 6490' DLG 6534-6628' CHANGE OUT ROTARY HEAD RUBBER  
 DRLG 6628-6782' DRLG BREAKS 5920-5932 6053-6070 6102-6124 6173-6221 6297-  
 6310 6379-6399 6463-6506 6628-6644 6690-6707

REPORT DATE : 3/29/98 MD : 7,043 TVD : 0 DAYS : MW : 8.5 VISC : 27  
 DAILY : DC : \$12,096 CC : \$0 TC : \$12,096 CUM : DC : \$275,401 CC : \$0 TC : \$275,401

DAILY DETAILS : DRLG TO 6782-7043' POOH (TWISTED OFF) WO FISHING TOOLS TOP AT 3479' PU JARS  
 AND OVERSHOT TIH WORK FISH AND POOH KILL WELL LAY DOWN TOOLS BREAK CIRC  
 AND TIH FILL PIPE AND WASH 30'

REPORT DATE : 3/30/98 MD : 7,290 TVD : 0 DAYS : MW : 8.5 VISC : 27  
 DAILY : DC : \$20,342 CC : \$0 TC : \$20,342 CUM : DC : \$295,743 CC : \$0 TC : \$295,743

DAILY DETAILS : DRLG 7043-7064' SURVEY AT 7020' DRLG 7064-7095' POOH FOR BIT LD FISHING TOOLS  
 TRIP IN HOLE POOH WITH PLUGGED BIT 15 STD BREAK CIRC AND RIH WASH AND  
 REAM 65' TO BOTTOM DRLG 7095-7290' DRLG BREAK 7212-7219'

**PERC****WELL CHRONOLOGY REPORT**

REPORT DATE : 3/31/98 MD : 7.721 TVD : 0 DAYS : MW : 8.5 VISC : 27  
 DAILY : DC : \$19,963 CC : \$0 TC : \$19,963 CUM : DC : \$315,706 CC : \$0 TC : \$315,706  
 DAILY DETAILS : DRLG 7240-7348' SWITCH LIGHT PLANTS BUILD VOLUME DRLG 7348-7376' RIG  
 MAINTENANCE DRLG 7376-7564' SURVEYS DRLG 7564-7721' DRLG BREAKS 7630-7638  
 7662-7665 7685-7714

REPORT DATE : 4/1/98 MD : 8.110 TVD : 0 DAYS : MW : 8.5 VISC : 27  
 DAILY : DC : \$11,337 CC : \$0 TC : \$11,337 CUM : DC : \$327,043 CC : \$0 TC : \$327,043  
 DAILY DETAILS : DRLG 7721-8036' RIG MAINTENANCE DRLG 8036-8110' CIRC SHORT TRIP 38 STDS  
 CIRC SPOT 10# BRINE (280 BBL) POOH FOR LOGS

REPORT DATE : 4/2/98 MD : 8.110 TVD : 0 DAYS : MW : 8.5 VISC : 27  
 DAILY : DC : \$33,888 CC : \$0 TC : \$33,888 CUM : DC : \$360,930 CC : \$0 TC : \$360,930  
 DAILY DETAILS : POOH FOR LOGS LOG WITH SCHLUMBERGER RIG DOWN PICK UP ROTATING HEAD TIH  
 WASH 70' TO BOTTOM CIRC OUT GAS SPOT 300 BBL 10# BRINE ON BOTTOM RIG UP  
 T&M LAY DOWN MACHINE LAY DOWN DRILL PIPE BREAK KELLY LAYING DOWN DC'S

REPORT DATE : 4/3/98 MD : 8.110 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$162,770 CC : \$0 TC : \$162,770 CUM : DC : \$523,700 CC : \$0 TC : \$523,700  
 DAILY DETAILS : RIG UP CSG CREW RUN 184 JTS 4.5 11.6# 8RD PROD CSG W/GEMECO FLOAT SHOE & FC. 1  
 STOP RING & 1 CENTRALIZER IN CENTER OF 1ST JT. RUN CENTRALIZERS ON EVERY OTHER  
 COLLAR FOR 28 CENTRALIZERS. 2 CENTRALIZERS RUN @ 1800'-1900' OVER TRONE ZONE.  
 TOTAL 30 CENT.  
 TOTAL STRING 8116'.16. SET 6' ABOVE KB & 14' SUB = 19' CUTOFF JT 8110' KB & 8096' GL. 18.72  
 MARKER JT RUN ON TOP OF JT #86 @ 4280.46 TO 4299.18' KB. FLOAT @ 8071'.35. FILL CSG  
 EVERY 2000'. CIRC & COND HOLE W/GOOD RETURNS FOR 2 HRS. RU DOWELL TO CMT.  
 PMP 10 BBLs 40# GEL, 80 BBLs W I/M F-75 N SURFACTANT.  
 MIX & PMP 156 BBLs LEAD SLURRY (330 SX HILIFT; G, 6% D-20, 2% D-79, 75% D-112, 2% D-46, 5%  
 D-44 (BWOW), 2% B-71, 2% D-65) @ WT OF 12 PPG & YD 2.66 CU FT/SX.  
 MIX & PMP 346 BBLs TAILIN SLURRY (1270 SX SELF STRESS II: G, 10% D-53, 75% B-14, 25% D-65,  
 2% D-46) WT 14.5 PPG & YD OF 1.53 CU FT/SX. PMP @ 8 BPM.  
 NOTE: HAD GOOD RETURNS WHILE MIXING CMT & GOOD RETURNS ON DISPL UNTIL LAST 15  
 BBLs. RECIP PIPE 15'. DROP PLUG, WASH OUT PMP & LINES AND DISPL W/2% KCL WTR.  
 BUMP PLUG TO 2500 PSI. FLOATS HELD. 1950 LIFT PRESSURE. PULL ROTATING HEAD & LWR  
 SLIPS & SET W/90,000# TENSION. CUT OFF & ND. CLEAN PITS RLS RIG AT 7 PM. RD & MOVE  
 RIG TO NBU 249. NOTIFIED ED FORSMAN W/BLM, DENNIS INGRAM W/STATE OF UTAH & TRI-  
 COUNTY HEALTH DEPT THAT WE ARE MOVING TO NBU 249.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No.

U-01196-C

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

Natural Buttes Unit

8. Well Name and No.

NBU 245

9. API Well No.

43-047-33004

10. Field and Pool, or exploratory Area

Natural Buttes Field

11. County or Parish, State

Uintah Utah

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well  Gas Well  Other

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 (Footage, Sec., T., R., M., or Survey Description)

2037' FNL & 729' FEL  
SENE Section 8-T10S-R22E

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

TYPE OF SUBMISSION

Notice of Intent  
 Subsequent Report  
 Final Abandonment Notice

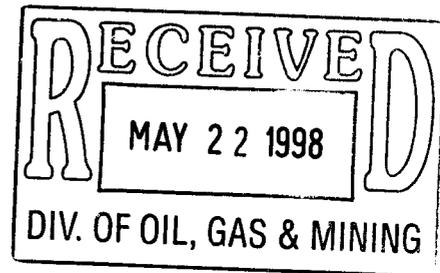
TYPE OF ACTION

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

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

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

Please see the attached chronological well history for work performed on the subject well



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

Signed Sheila Bremer

Sheila Bremer

Title Environmental and Safety Analyst

Date 5/20/98

(This space for Federal or State office use)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Conditions of approval, if any:

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

\* See Instruction on Reverse Side

**PERC****WELL CHRONOLOGY REPORT**

|                                    |                     |                               |   |
|------------------------------------|---------------------|-------------------------------|---|
| <b>WELL NAME : <u>NBU #245</u></b> |                     | <b>DISTRICT : <u>DRLG</u></b> |   |
| FIELD : <u>NATURAL BUTTES</u>      |                     | LOCATION :                    |   |
| COUNTY & STATE : <u>UINTAH</u>     |                     | <u>UT</u>                     |   |
| WI% :                              | AFE# : <u>27733</u> | API# : <u>43-047-3304</u>     | CONTRACTOR : <u>COASTALDRIL</u>                             |
| DHC :                              | CWC :               | AFE TOTAL :                   | PLAN DEPTH :                      SPUD DATE : <u>3/6/98</u> |
|                                    |                     |                               | FORMATION :   |

REPORT DATE : 4/14/98      MD : 8,062      TVD : 0      DAYS :      MW : 10.0      VISC :  
 DAILY : DC : \$0      CC : \$90,113      TC : \$90,113      CUM : DC : \$523,700      CC : \$90,113      TC : \$613,813

DAILY DETAILS : MIRU TEMPLES #1. RU & NU BOP'S. PU 3 7/8" MILL & SCRAPER. PU 259 JTS 2 3/8" N-80 TBG. TAG PBTD @ 8062'. DISPL HOLE W/170 BBL FILTERED 3% KCL. LD 2 JTS. EOT 8020'. SIFN. CONSTRUCTION COSTS OF \$79,365 ADDED IN THIS DAY.

REPORT DATE : 4/15/98      MD : 8,062      TVD : 0      DAYS :      MW : 10.0      VISC :  
 DAILY : DC : \$0      CC : \$12,069      TC : \$12,069      CUM : DC : \$523,700      CC : \$102,182      TC : \$625,882

DAILY DETAILS : EOT STILL @ 8020'. RU DOWELL. PMP 7 BBL 3% KCL. LEAD SPOT 6 BBL 15% HCL W/ADD ACROSS INTERVAL 7620-8006' TO BE PERF'D W/29 BBL DISPLACEMENT. RD DOWELL. POOH & ND BOP. NU FRAC VALVE. RU SCHL. RUN CBL/CCL/GR 8065-4200'. PULL UP TO 2000'. LOG UP TO 1300' W/ EST CMT TOP @ 1635'. POOH. TEST CSG TO 5000 PSI. PRES SUP ON 4 1/2-8 5/8 ANN TO 2500 DROPPED TO 2200 PSI IN 1 MIN ON DWNT O 2100 IN 1 MORE MIN (TWICE). PU 3 3/8 SELECT FIRE GUN CORR TO CNL/LDT. PERF MESA @ 7636, 7696, 7701, 7706, 7774, 7784, 8006'. ALL 2 SPF. POOH & SIFN.

REPORT DATE : 4/16/98      MD : 8,062      TVD : 0      DAYS :      MW : 10.0      VISC :  
 DAILY : DC : \$0      CC : \$2,400      TC : \$2,400      CUM : DC : \$523,700      CC : \$104,582      TC : \$628,282

DAILY DETAILS : MIRU DOWELL FRAC EQUIP. SICP 1200 PSI. HOLD SAFETY MEETING. PT LINES TO 6000 PSI. BRK DWN PERFS 7636'-8006' @ 2568 PSI. CALC ALL PERFS OPEN. FRAC W/22,300 GAL YF 120LGM + 34,000# 20/40 SAND RAMPED 2-3.7 PPG. DOWELL'S PCM UNIT BROKE DWN. FLUSH W/118 BBL 3% KCL WTR. AVG INJ RATE 30 BPM @ 3400 PSI, MAX PRESS 4300 PSI. ISIP 2500 PSI. FLOW BACK 125 BBL WTR 3 HRS ON 26/64" CK. SI WELL FOR 1 HR. RU SCHL. RIH TO CHECK PBTD. TAG FILL @ 8001'. START POOH. PULLED 2000# & LINE PARTED. LEFT COLLAR LOCATOR, 3 1/8" X 10' PERF GUN (NOT ARMED) & POSSIBLY 36' LINE IN HOLE. TOP OF FISH @ 7988', BTM @ 8001'. RD SCHL. NU BOP ON FRAC VALVE. FLOW WELL OVER NIGHT ON 32/64" CHOKE. BBL FLUID PMPD DAILY 663, BBL FLUID REC 400, BBL LTR 263.

FLOW BACK REPORT  
 TIME....CP....CH....WTR....SD  
 6:00.....1450....32.....START  
 7:00.....850....32....11...MED  
 8:00.....750....32....11...MED  
 9:00.....700....32....12...MED  
 10:00....600....32....9...MED  
 11:00....550....32....7...LT  
 12:00....700....32....7...LT  
 1:00.....750....32....7...LT  
 2:00.....750....32....7...TR  
 3:00.....750..32-16..0...TR  
 4:00.....700..32/16..-...TR  
 5:00.....650..32/16..-...TR  
 6:00.....400..OPEN.2...TR  
 GAS RATE 2500 MCF/D, TOTAL WTR 73 BBL, TOTAL LTR 180 BBL.

**PERC****WELL CHRONOLOGY REPORT**

REPORT DATE : 4/17/98 MD : 8,062 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$0 CC : \$16,575 TC : \$16,575 CUM : DC : \$523,700 CC : \$121,157 TC : \$644,857

DAILY DETAILS : FCP 500 PSI, 32/64" CHOKE, 2000 MCF/D, DRY GAS SHUT WELL IN. SICP 1700 PSI. MI & RU SCHL. SET ARROW RBP @ 7420'. RD SCHL. RIH W/TBG TO 7380'. RU DOWELL. LOAD HOLE W/108 BBLs 3% KCL WTR. PRESS TEST RBP TO 5000 PSI OK. SPOT 5 BBLs 15% HCL FROM 7230 TO 7057'. RD DOWELL. POOH W/TBG. RU SCHL. PERF MESAVERDE STAGE #2 W/ 3 1/8" SELECT FIRE GUN 3 SPF AS FOLLOWS: 7216, 7218, 7231, 7302, 7304, 7314, 7316, 7328, 7330, 7364, 7373. SICP 0 BEFORE PERF & 1350 PSI AFTER. POOH W/2ND PERF GUN. RD SCHL. ND BOP. SDFN. BBLs FLUID PMPD DAILY 108, BBLs FLUID REC 75, BBLs LEFT TO REC 33, CUM 285

REPORT DATE : 4/18/98 MD : 8,062 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$0 CC : \$5,920 TC : \$5,920 CUM : DC : \$523,700 CC : \$127,077 TC : \$650,777

DAILY DETAILS : SICP 2300 PSI. RU DOWELL FRAC EQUIP. HOLD SAFETY MEETING. PT LINE TO 6235 PSI. BRK DWN PERF (7216-7373') @ 5 BPM @ 2035 PSI. FRAC WELL W/82,000# 20/40 SD & 20,000# 20/40 RESIN COATED SAND W/899 BBLs GEL FLUID & PLACING 5 BBLs 15% HCL ACID & ADD ACROSS INTERVAL 6680-6980'. MAX PSI 3900, AVG 3000 PSI, MAX RATE 30 BPM ISIP 2756 PSI. STAGE #2 COMPLETE. RU SCHL. RIH W/3 1/8 SELECT FIRE GUN & 4 1/2 ARROW WL SET LONG STEM RBP. SET RBP @ 6980'. TESTED RBP TO 4000 PSI OK. RAN GUNS & TAG FILL @ 6919'. POOH W/GUNS. SAND ON TOP OF SETTING SLEEVE. RD WSCHL. RIH W/ NC & 2 3/8" TBG. TAG @ 6919' CORRELATED HOLE. ROTATE TBG. NU BOP. WASHED UP & DWN. SOLID. POOH W/2 3/8 TBG. RIHW/2 3/8 TBG W/ XN NIPPLE & RETRIEVING HEAD. CIRC HOLE & LATCH ON RBP. POOH RBP TO 6646'. RBP WAS HANGING UP & PULLING OFF BECAUSE OF PRESS BELOW. LEFT RBP @ 6646' & EOT @ 6585'. SDFN. BBLs FLUID PMPD DAILY 899, BBLs LTR 899, CUM 1185

## FLOW BACK REPORT

TIME....CP....CH....WTR....SD

3:30P..1350...12

4:30.....500....14....32....TR

5:30.....200....14....30....TR

6:30.....50....18....19....TR

7:30.....25....20....22....TR

8:30.....20....18....25....MASSIVE

9:30.....20....20....18....MASSIVE

10:30.....20....20....4....EXTRA HVY

11:30.....10....20....16....EXTRA HVY

12:30.....10....20....11....X HVY

1:30AM..50....20....14....HVY

2:30.....100....20....18....MD

3:30.....550....20....29....LT

4:30.....950....28....39....TR

5:30.....925....30....46....TR

6:30.....900....32....50....TR

GAS RATE 2000 MCF/D, TOTAL WTR 373 BBLs, TOTAL LTR 2505 BBLs.

**PERC****WELL CHRONOLOGY REPORT**

REPORT DATE : 4/19/98 MD : 8,062 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$0 CC : \$5,400 TC : \$5,400 CUM : DC : \$523,700 CC : \$132,477 TC : \$656,177

DAILY DETAILS : SICP 900 PSI, SITP 900 PSI. WELL BLOW DWN IN 2 MIN. LATCH ON RBP. CIRC AROUND RBP DWN CSG UP TBG. WORKED RBP TO TRY TO OPEN BY-PASS. RBP STILL HANGING & PULLING OFF. POOH W/2 3/8 TBG TO CHECK RETRIEVING HEAD & RBP. WAS ATTACH TO RETRIEVING HEAD. RIH W/4 1/2 X 2 3/8 RBP & 2 3/8 TBG. TAG FILL @ 6481'. POOH W/2 3/8 TBG & RBP. PMP 11 BBLs 3% KCL WTR DWN 4 1/2 CSG PRESS UP TO 2200 PSI. BROKE DWN TO 1800 PSI 1/2 BPM. PMP 1 MORE BBL. OPEN UP & FLOW TO PIT. RD FLOOR EQUIP & ND BOP. SWITCH WELL TO FLOW TANK ON 32/64 CK FOR FLOW BACK CREW. SDFN. BBLs FLUID PMPD 12, BBLs FLUID REC 80, BBLs LTR CUM 1105

FLOW BACK REPORT  
 TIME...CP....CH....WTR....SD  
 7PM...700...32.....HVY  
 8PM...175...32....21..TR....RUBBER  
 9PM...160...32....9...TR  
 10PM..150...32....11..TR  
 11PM..140...32....14..TR  
 12PM..100...32....15..TR  
 1AM.....50...32....1...NO  
 2AM.....40...32....2...NO  
 3AM...100...32....7...NO  
 4AM...100...32....4...NO  
 5AM...100...32....4...NO...SHUT IN.

GAS RATE 500 MCF/D, TOTAL WTR 88 BBLs, TOTAL LTR 1017 BBLs..

REPORT DATE : 4/20/98 MD : 8,062 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$0 CC : \$149,399 TC : \$149,399 CUM : DC : \$523,700 CC : \$281,876 TC : \$805,576

DAILY DETAILS : SICP 600 PSI. RU SCHL. SET ARROW RBP @ 6980'. BLED OFF PRESS. PT RBP TO 4000 PSI OK. PERF 3 SPF W/3 1/8" SELECT FIRE GUN AS FOLLOWS: 6776, 77, 78, 6786, 87, 88, 6907, 08, 09, 23, 24, 25, 40, 41, 42, 50, 51, 52. TOTAL 54 HOLES. SICP 0 BEFORE & AFTER PERF. RU DOWELL. BRK DWN STAGE 3 PERFS (6776-6952') @ 2069 PSI. FRAC W/40,200 GAL YF-125LGM + 110,000# 20/40 SAND. RAMPED 2-6 PPG + 20,000# 20/40 RESIN COATED SD @ 6 PPG. AVG INJ RATE 26 BPM @ 2500 PSI, MAX PRESS 3571 PSI, ISIP 200 PSI. RU SCHL. SET ARROW RBP @ 6530'. PT RBP TO 4000 PSI. OK. PERF 1 SPF W/3 1/8" SELECT FIRE GUN AS FOLLOWS: 5193, 5194, 5210, 5211, 5707, 5865, 6249, 6250, 6251, 6485. BRK DWN STAGE #4 PERFS (5193-6485) @ 1833 PSI. FRAC W/31,000 GAL YF-125 LGM + 75,160# 20/40 SD RAMPED 2-6 PPG + 25,000# 20/40 SD @ 6 PPG. AVG INJ RATE 27 BPM @ 3800 PSI. MP 4912 PSI, ISIP 2010 PSI, 5 MIN 1745 PSI, 10 MIN 1575 PSI, 15 MIN 1469 PSI, 30 MIN 1320 PSI. START FLOW BACK ON 12/64" CHOKE. NOTE: POSSIBLE CSG DAMAGE @ 6646' WHERE RBP HUNG UP 4/17/98.

REPORT DATE : 4/21/98 MD : 8,062 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$0 CC : \$3,955 TC : \$3,955 CUM : DC : \$523,700 CC : \$285,831 TC : \$809,531

DAILY DETAILS : FCP 900 PSI, 32/64" CK, 2000 MCF/D, 40 BW/HR, LT SD. BLW DWN & KILL WELL W/100 BBLs BRINE WTR. ND FRAC VALVE & NU BOP. RIH W/RET TOOL & 2 3/8" TBG. TAG SAND @ 6239'. B RK CIRC W/KCL WTR. CIRC OUT SD TO RBP @ 6530' & CIRC CLEAN. REL RBP. KILL TBG W/20 BBLs BRINE. POOH TO 4895' & KILL WELL W/70 BBLs BRINE. FIN POOH & LD RBP. RIH W/RET TOOL & TBG. TAG SAND @ 6950'. BRK CIRC W/KCL WTR. CIRC OUT SAND TO RBP 2 6980' & CIRC CLEAN. REL RBP. KILL TBG W/20 BBLs BRINE. POOH TO 4895' & KILL WELL W/70 BBLs BRINE. FIN POOH & LD RBP. SDFN. BBLs FLUID PMPD DAILY 130, BBLs FLUID REC 88, BBLs LTR DAILY 42, CUM 2754

FLOW BACK REPORT  
 TIME...CP....CH....WTR  
 10:00...10....CHOKE OPEN....7  
 11:00...5.....-....7  
 12:00...5.....-....2  
 1:00...10.....-....7  
 2:00...10.....-....5  
 3:00...500...32..100  
 4:00..1000...20..7....TR  
 5:00..1250...20..33....MED  
 6:00..1350...20..26....2 MMCF

**PERC****WELL CHRONOLOGY REPORT**

REPORT DATE : 4/22/98 MD : 8.062 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$0 CC : \$10,585 TC : \$10,585 CUM : DC : \$523,700 CC : \$296,416 TC : \$820,116

DAILY DETAILS : FCP 1450 PSI, 20/64" CH, 2000 MCF/D, 10 BW/HR. MED SD. BLW DWN & KILL WELL W/130 BBLS BRINE WTR. RIH W/RET TOOL FOR RBP & 2 3/8" TBG TO 7050'. WELL KICKED OFF. CIRC W/200 BBLS KCL WTR. KILLED TBG. RIH & TAG SAND @ 7360'. CIRC OUT SAND TO RBP @ 7420'. CIRC CLEAN & REL RBP. WELL KICKED. SHUT IN 30 MIN TO HOOK UP FLOW LINE FROM TBG TO FLOW BACK TANK. SITP 2600 PSI. BLOW DWN & KILL TBG W/20 BBLS BRINE WTR. POOH WRBP TO 5084'. FLOWED WELL OVERNIGHT ON 20/64" CHOKE. SDFN (TURNED OVER TO FLOW BACK CREW). BBLS FLUID PMPD DAILY 220, BBLS FLUID REC 354, BBLS LTR -134, CUM 2874.

## FLOW BACK REPORT

| TIME | CP  | TP   | CH    | WTR   |
|------|-----|------|-------|-------|
| 6:00 | 425 | 1750 | 20    | START |
| 7    | 450 | 1750 | 20    | 22    |
| 8    | 450 | 1650 | 20    | 18    |
| 9    | 500 | 1600 | 20    | 25    |
| 10   | 550 | 1600 | 20    | 23    |
| 11   | 600 | 1600 | 20    | 21    |
| 12   | 700 | 1600 | 20    | 21    |
| 1:00 | 725 | 1600 | 20    | 20    |
| 2    | 775 | 1600 | 20    | 19    |
| 3    | 800 | 1600 | TO 28 | 18    |
| 4    | 800 | 1300 | TO 30 | 33    |
| 5    | 800 | 1150 | TO 32 | 33    |
| 6:00 | 800 | 1050 | TO 32 | 32    |

GAS RATE 2500 MCF/D, TOTAL LTR 2304 BBLS.

REPORT DATE : 4/23/98 MD : 8.062 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$0 CC : \$22,865 TC : \$22,865 CUM : DC : \$523,700 CC : \$319,281 TC : \$842,981

DAILY DETAILS : FCP 1050 PSI, 32/64" CK, 3000 MCF/D, 30 BW/HR, TR SAND. BLEW DWN TO 900 PSI ON 32/64" + 20/64" CKS. KILL WELL W/140 BBLS BRINE WTR. FIN POOH & LD RBP & RET HD. RIH W/NC, 1 JT TBG, XN NIPPLE & 2 3/8" TBG TO 5084'. WELL KICKED. KILLED TBG W/24 BBLS BRINE WTR. RIH TO 7984'. DID NOT TAG. PU & LAND TBG @ 7805' - 250 JTS W/NC ON BTM & XN NIPPLE 1 JT UP @ 7772'. KILL TBG W/20 BBLS BRINE. ND BOP. NU WH. HOOK UP FLOW LINE TO FLOW BACK TANK. RDMO TWS RIG #1. FLOW WELL OVERNIGHT ON 20/64" CHOKE. BBLS FLUID PMPD DAILY 184, BBLS FLUID REC 570, BBLS LTR -386, CUM 2488 ,

## FLOW BACK REPORT

| TIME | CP   | TP   | CH | WTR         |
|------|------|------|----|-------------|
| 5PM  | 1580 | 0    | 20 | JUST OPENED |
| 6PM  | 1600 | 1750 | 20 | 2           |
| 7PM  | 1630 | 1425 | 20 | 14          |
| 8PM  | 1720 | 1425 | 20 | 12          |
| 9PM  | 1780 | 1425 | 20 | 12          |
| 10PM | 1860 | 1400 | 20 | 12          |
| 11PM | 1940 | 1400 | 20 | 14          |
| 12AM | 2000 | 1400 | 20 | 11          |
| 1AM  | 2000 | 1500 | 20 | 14          |
| 2AM  | 2050 | 1620 | 20 | 4           |
| 3AM  | 2050 | 1500 | 20 | 11          |
| 4AM  | 2050 | 1420 | 20 | 5           |
| 5AM  | 2050 | 1420 | 20 | 16          |
| 6AM  | 2050 | 1420 | 20 | 4           |

GAS RATE 2000 MCF/D, TOTAL WTR 210 BBLS, TOTAL LTR 2278 BBLS.

REPORT DATE : 4/24/98 MD : 8.062 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$0 CC : \$0 TC : \$0 CUM : DC : \$523,700 CC : \$319,281 TC : \$842,981

DAILY DETAILS : FLWG 1130 MCF, 80 BW, FTP 1800#, CP 2050#, 16/64" CK, 17 HRS. DN 7 HRS TO RU 2ND SEPARATOR.

**PERC****WELL CHRONOLOGY REPORT**

REPORT DATE : 4/25/98 MD : 8,062 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$0 CC : \$0 TC : \$0 CUM : DC : \$523,700 CC : \$319,281 TC : \$842,981  
 DAILY DETAILS : FLWG 2029 MCF, 10 BC, 200 BW, FTP 1550#, CP 1890#, 16/64" CK, 24 HRS.

REPORT DATE : 4/26/98 MD : 8,062 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$0 CC : \$0 TC : \$0 CUM : DC : \$523,700 CC : \$319,281 TC : \$842,981  
 DAILY DETAILS : FLWG 2345 MCF, 8 BC, 200 BW, FTP 1500#, CP 1800#, 20/64" CK, 24 HRS, LLTR 1788 BBLs.

REPORT DATE : 4/27/98 MD : 8,062 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$0 CC : \$0 TC : \$0 CUM : DC : \$523,700 CC : \$319,281 TC : \$842,981  
 DAILY DETAILS : FLWG 2498 MCF, 8 BC, 200 BW, FTP 1475#, CP 1750#, 24/64" CK, LLTR 1588 BBLs.

REPORT DATE : 4/28/98 MD : 8,062 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$0 CC : \$0 TC : \$0 CUM : DC : \$523,700 CC : \$319,281 TC : \$842,981  
 DAILY DETAILS : FLWG 2556 MCF, 12 BC, 200 BW, FTP 1450#, CP 1200#, 24/64" CK, LLTR 1388 BBLs.

REPORT DATE : 4/29/98 MD : 8,062 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$0 CC : \$0 TC : \$0 CUM : DC : \$523,700 CC : \$319,281 TC : \$842,981  
 DAILY DETAILS : FLWG 2564 MCF, 8 BC, 180 BW, FTP 1425#, CP 1675#, 24/64" CK.

REPORT DATE : 4/30/98 MD : 8,062 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$0 CC : \$0 TC : \$0 CUM : DC : \$523,700 CC : \$319,281 TC : \$842,981  
 DAILY DETAILS : FLWG 2555 MCF, 10 BC, 180 BW, FTP 1395#, CP 1650#, 30/64" CK, 24 HRS. IP DATE: 4/29/98 -  
 FLWG 2564 MCF, 8 BC, 180 BW, FTP 1425#, CP 1675#, 24/64" CK, 24 HRS. -- FINAL REPORT --

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

SUBMIT IN DUPLICATE\*

(See other instructions on reverse side)

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

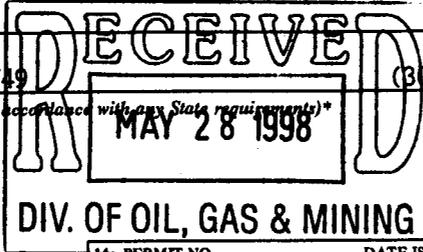
**WELL COMPLETION OR RECOMPLETION REPORT AND LOG\***

1a. TYPE OF WELL: OIL WELL  GAS WELL  DRY  Other \_\_\_\_\_  
 b. TYPE OF COMPLETION: NEW WELL  WORK OVER  DEEP-EN  PLUG BACK  DIFF. RESVR.  Other \_\_\_\_\_

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: 2037' FNL & 729' FEL  
 At top prod. interval reported below: Same as above  
 At total depth: Same as above



14. PERMIT NO. 43-047-33004 DATE ISSUED 1/27/98

15. DATE SPUDDED 3/6/98 16. DATE T.D. REACHED 4/1/98 17. DATE COMPL. (Ready to prod.) 4/25/98 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)\* 5137' GR

20. TOTAL DEPTH, MD & TVD 8110' 21. PLUG, BACK T.D., MD & TVD 8062' 22. IF MULTIPLE COMPL., HOW MANY\* \_\_\_\_\_ 23. INTERVALS DRILLED BY \_\_\_\_\_ ROTARY TOOLS YES \_\_\_\_\_ CABLE TOOLS \_\_\_\_\_

24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)\*  
7636' - 8006' - Mesaverde; 7216' - 7373' - Mesaverde; 6776' - 6952' - Mesaverde; 5193' - 6485' - Wasatch

26. TYPE ELECTRIC AND OTHER LOGS RUN  
HALS/LDT/CNL/GR/CAL, CBL/CCL/GR 1-08-98

27. WAS WELL CORED  
NO

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

| CASING SIZE/GRADE | WEIGHT, LB./FT. | DEPTH SET (MD) | HOLE SIZE | TOP OF CEMENT, CEMENTING RECORD | AMOUNT PULLED |
|-------------------|-----------------|----------------|-----------|---------------------------------|---------------|
| 14"               |                 | 30'            | 18"       | See chrono 3/9/98               |               |
| 8 5/8" K-55       | 24#             | 2000'          | 11"       | See chrono 3/21/98              |               |
| 4 1/2" N-80       | 11.6#           | 8110'          | 7 7/8"    | See chrono 4/3/98               |               |

29. LINER RECORD

| SIZE | TOP (MD) | BOTTOM (MD) | SACKS CEMENT* | SCREEN (MD) | SIZE   | DEPTH SET (MD) | PACKER SET (MD) |
|------|----------|-------------|---------------|-------------|--------|----------------|-----------------|
|      |          |             |               |             | 2 3/8" | 7805'          |                 |

31. PERFORATION RECORD (Interval, size and number)

| PERFORATION  | DEPTH INTERVAL (MD) | AMOUNT AND KIND OF MATERIAL USED |
|--|---------------------|----------------------------------|
| 2SPF @ 7636, 7696, 7701, 7706, 7774, 7784, 8006-14 holes | 7636' - 8006'       | See chrono 4/16/98               |
| 3SPF @ 7216' - 7373' - 33 holes (See chrono 4/17/98)     | 7216' - 7373'       | See chrono 4/18/98               |
| 3SPF @ 6776' - 6952' - 54 holes (See chrono 4/20/98)     | 6776' - 6952'       | See chrono 4/20/98               |
| 1SPF @ 5193' - 6485' - 10 holes (See chrono 4/20/98)     | 5193' - 6485'       | See chrono 4/20/98               |

33.\* PRODUCTION

DATE FIRST PRODUCTION 4/16/98 PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump) Flowing WELL STATUS (Producing or shut-in) Producing

| DATE OF TEST        | HOURS TESTED    | CHOKE SIZE              | PROD'N. FOR TEST PERIOD | OIL - BBL. | GAS - MCF.   | WATER - BBL.              | GAS - OIL RATIO |
|---------------------|-----------------|-------------------------|-------------------------|------------|--------------|---------------------------|-----------------|
| 4/29/98             | 24              | 24/64                   |                         | 8          | 2564         | 180                       |                 |
| FLOW. TUBING PRESS. | CASING PRESSURE | CALCULATED 24-HOUR RATE | OIL - BBL.              | GAS - MCF. | WATER - BBL. | OIL GRAVITY - API (CORR.) |                 |
| 1425#               | 1675#           |                         | 8                       | 2564       | 180          | 180                       |                 |

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Sold TEST WITNESSED BY \_\_\_\_\_

35. LIST OF ATTACHMENTS  
Chronological History

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records  
 SIGNED Bonnie Carson TITLE Senior Environmental Analyst DATE 5/26/98

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

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

38. GEOLOGIC MARKERS

| FORMATION | TOP | BOTTOM | DESCRIPTION, CONTENTS, ETC. | TOP       |              |                  |
|-----------|-----|--------|-----------------------------|-----------|--------------|------------------|
|           |     |        |                             | NAME      | MEAS. DEPTH  | TRUE VERT. DEPTH |
|           |     |        |                             | Wasatch   | 4315 (+857)  |                  |
|           |     |        |                             | Mesaverde | 6762 (-1610) |                  |

**PERC****WELL CHRONOLOGY REPORT****WELL NAME : NBU #245**FIELD : NATURAL BUTTESDISTRICT : DRLGCOUNTY & STATE : UINTAH UT

LOCATION :

WI% : AFE# : 27733API# : 43-047-3304CONTRACTOR : COASTALDRIL

DHC :

CWC :

AFE TOTAL :

PLAN DEPTH :

SPUD DATE : 3/6/98

FORMATION :

**REPORT DATE : 3/9/98**MD : 1,040TVD : 0DAYS : 0

MW :

VISC :

DAILY : DC : \$37,378CC : \$0TC : \$37,378CUM : DC : \$37,378CC : \$0TC : \$37,378

DAILY DETAILS : 3-6-98 MI RU BILL MARTIN DRLG AND DRILLED 30' 18" HOLE WITH BUCKET RIG RAN 30' 14" CONDUCTOR PIPE CMT WITH READY MIX 3/7/98 MIRU AIR RIG AND DRILLED 12.25" HOLE TO 1040' HIT WATER AND SHUT DOWN 3/9/98 SPUD 9 AM 3/6/98

**REPORT DATE : 3/17/98**MD : 1,054TVD : 0

DAYS :

MW :

VISC :

DAILY : DC : \$10,399CC : \$0TC : \$10,399CUM : DC : \$47,777CC : \$0TC : \$47,777

DAILY DETAILS : MOVING RIG #1 FROM NBU #288 THIS MORNING

**REPORT DATE : 3/18/98**MD : 1,054TVD : 0

DAYS :

MW :

VISC :

DAILY : DC : \$12,777CC : \$0TC : \$12,777CUM : DC : \$60,554CC : \$0TC : \$60,554

DAILY DETAILS : MI & RU PU BHA

**REPORT DATE : 3/19/98**MD : 1,475TVD : 0

DAYS :

MW : 8.4VISC : 27DAILY : DC : \$27,009CC : \$0TC : \$27,009CUM : DC : \$87,563CC : \$0TC : \$87,563

DAILY DETAILS : INSTALL ROTATING HEAD & DRIVE BUSHING & START UP AIR PACKAGE DRILLING SURVEYS  
DRILLING SURVEYS DRILLING SURVEYS DRILLING RIG MAINTENANCE DRILLING

**REPORT DATE : 3/20/98**MD : 1,985TVD : 0

DAYS :

MW : 8.4VISC : 27DAILY : DC : \$12,463CC : \$0TC : \$12,463CUM : DC : \$100,026CC : \$0TC : \$100,026

DAILY DETAILS : DRILLING SURVEYS DRILLING WORK ON PMP DRILLING

**REPORT DATE : 3/21/98**MD : 2,000TVD : 0

DAYS :

MW : 8.4VISC : 27DAILY : DC : \$62,802CC : \$0TC : \$62,802CUM : DC : \$162,828CC : \$0TC : \$162,828

DAILY DETAILS : DRILLING SURVEYS SHORT TRIP MIX AND PUMP LCM PILL POOH WITH DP AND HWDP AND DC'S RU & LD 8 DC'S. RUN CASING @ 2000'. CIRC, CEMENT 8 5/8 CASING WOC FIRST TOP JOB 100 SX WOC AND 2ND TOP JOB 100 SX WOC 3RD TOP JOB 50 SX WOC CLEAN COLLAR AND NIPPLE DN RH CUT OFF AND WELD ON HEAD AND NIPPLE UP RAN 49 JTS 8 5/8 8RD K-55 24# NEW CASING (220 BBLE LEAD CMT. TAILED WITH 75 BBLs CEMENT NO RETURNS TOTAL OF 250 SX ON 3 TOP JOBS WITH CEMENT TO TOP)

**REPORT DATE : 3/22/98**MD : 2,000TVD : 0

DAYS :

MW : 8.4VISC : 27DAILY : DC : \$12,055CC : \$0TC : \$12,055CUM : DC : \$174,883CC : \$0TC : \$174,883

DAILY DETAILS : CUT OFF 8 5/8 AND WELD HEAD ON NIPPLE UP BOPS TEST BOP TO 3000 PSI HELD OK CASING AND HYDRILL TO 1500 OK DRLG 2 1/2" MOUSE HOLE GIH DROPPED PART OF WISH BONE IN HOLE AND POOH PU MAGNET AND GIH WASH CMT STRINGERS OUT 46' POOH WITH MAGNET GOT 5" ON WISH BONE OUT APP 7" STILL IN HOLE GIH WITH GLOBE BASKET

**PERC****WELL CHRONOLOGY REPORT**

REPORT DATE : 3/23/98 MD : 2,646 TVD : 0 DAYS : MW : 8.4 VISC : 27  
 DAILY : DC : \$18,482 CC : \$0 TC : \$18,482 CUM : DC : \$193,365 CC : \$0 TC : \$193,365  
 DAILY DETAILS : WORK GLOBE BASKET POOH WITH FISH PRESS TEST CSG HELD OK REPLACE 2"  
 VALVES ON AIR MANIFOLD GIH TAG CMT AT 1958' START DIR COMP AND REPAIR VALVE ON  
 AIR LINE DRLG CMT WORK ON PUMP DRILLING SURVEYS DRILLING

REPORT DATE : 3/24/98 MD : 3,418 TVD : 0 DAYS : MW : 8.4 VISC : 27  
 DAILY : DC : \$10,989 CC : \$0 TC : \$10,989 CUM : DC : \$204,354 CC : \$0 TC : \$204,354  
 DAILY DETAILS : DRILLING SURVEYS DRILLING RIG MAINTENANCE DRILLING SURVEYS DRILLING

REPORT DATE : 3/25/98 MD : 4,174 TVD : 0 DAYS : MW : 8.4 VISC : 27  
 DAILY : DC : \$13,881 CC : \$0 TC : \$13,881 CUM : DC : \$218,235 CC : \$0 TC : \$218,235  
 DAILY DETAILS : DRILLING SURVEYS RIG MAINTENANCE DRILLING

REPORT DATE : 3/26/98 MD : 4,891 TVD : 0 DAYS : MW : 8.4 VISC : 27  
 DAILY : DC : \$17,366 CC : \$0 TC : \$17,366 CUM : DC : \$235,601 CC : \$0 TC : \$235,601  
 DAILY DETAILS : DRILLING SURVEYS DRILLING CIRC POOH GIH AND FILL PIPE DRILLING  
 REPLACE CHAIN IN DW DRILLING SURVEYS DRILLING

REPORT DATE : 3/27/98 MD : 5,972 TVD : 0 DAYS : MW : 8.5 VISC : 27  
 DAILY : DC : \$14,390 CC : \$0 TC : \$14,390 CUM : DC : \$249,991 CC : \$0 TC : \$249,991  
 DAILY DETAILS : DRLG 4891-5453' SURVEY AT 5409' DRLG 5453-5952' SURVEY AT 5908' DRLG 5952-5972'  
 DRLG BREAKS 4830-4839' 4907-4925' 4957-4971' 4991-5022' 5070-5085'

REPORT DATE : 3/28/98 MD : 6,782 TVD : 0 DAYS : MW : 8.5 VISC : 27  
 DAILY : DC : \$13,314 CC : \$0 TC : \$13,314 CUM : DC : \$263,305 CC : \$0 TC : \$263,305  
 DAILY DETAILS : DRLG 5972-6534' SURVEY AT 6490' DLG 6534-6628' CHANGE OUT ROTARY HEAD RUBBER  
 DRLG 6628-6782' DRLG BREAKS 5920-5932 6053-6070 6102-6124 6173-6221 6297-  
 6310 6379-6399 6463-6506 6628-6644 6690-6707

REPORT DATE : 3/29/98 MD : 7,043 TVD : 0 DAYS : MW : 8.5 VISC : 27  
 DAILY : DC : \$12,096 CC : \$0 TC : \$12,096 CUM : DC : \$275,401 CC : \$0 TC : \$275,401  
 DAILY DETAILS : DRLG TO 6782-7043' POOH (TWISTED OFF) WO FISHING TOOLS TOP AT 3479' PU JARS  
 AND OVERSHOT TIH WORK FISH AND POOH KILL WELL LAY DOWN TOOLS BREAK CIRC  
 AND TIH FILL PIPE AND WASH 30'

REPORT DATE : 3/30/98 MD : 7,290 TVD : 0 DAYS : MW : 8.5 VISC : 27  
 DAILY : DC : \$20,342 CC : \$0 TC : \$20,342 CUM : DC : \$295,743 CC : \$0 TC : \$295,743  
 DAILY DETAILS : DRLG 7043-7064' SURVEY AT 7020' DRLG 7064-7095' POOH FOR BIT LD FISHING TOOLS  
 TRIP IN HOLE POOH WITH PLUGGED BIT 15 STD BREAK CIRC AND RIH WASH AND  
 REAM 65' TO BOTTOM DRLG 7095-7290' DRLG BREAK 7212-7219'

**PERC****WELL CHRONOLOGY REPORT**

REPORT DATE : 3/31/98 MD : 7.721 TVD : 0 DAYS : MW : 8.5 VISC : 27  
 DAILY : DC : \$19,963 CC : \$0 TC : \$19,963 CUM : DC : \$315,706 CC : \$0 TC : \$315,706  
 DAILY DETAILS : DRLG 7240-7348' SWITCH LIGHT PLANTS BUILD VOLUME DRLG 7348-7376' RIG  
 MAINTENANCE DRLG 7376-7564' SURVEYS DRLG 7564-7721' DRLG BREAKS 7630-7638  
 7662-7665 7685-7714

REPORT DATE : 4/1/98 MD : 8.110 TVD : 0 DAYS : MW : 8.5 VISC : 27  
 DAILY : DC : \$11,337 CC : \$0 TC : \$11,337 CUM : DC : \$327,043 CC : \$0 TC : \$327,043  
 DAILY DETAILS : DRLG 7721-8036' RIG MAINTENANCE DRLG 8036-8110' CIRC SHORT TRIP 38 STDS  
 CIRC SPOT 10# BRINE (480 BBLs) POOH FOR LOGS

REPORT DATE : 4/2/98 MD : 8.110 TVD : 0 DAYS : MW : 8.5 VISC : 27  
 DAILY : DC : \$33,888 CC : \$0 TC : \$33,888 CUM : DC : \$360,930 CC : \$0 TC : \$360,930  
 DAILY DETAILS : POOH FOR LOGS LOG WITH SCHLUMBERGER RIG DOWN PICK UP ROTATING HEAD TIH  
 WASH 70' TO BOTTOM CIRC OUT GAS SPOT 300 BBL 10# BRINE ON BOTTOM RIG UP  
 T&M LAY DOWN MACHINE LAY DOWN DRILL PIPE BREAK KELLY LAYING DOWN DC'S

REPORT DATE : 4/3/98 MD : 8.110 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$162,770 CC : \$0 TC : \$162,770 CUM : DC : \$523,700 CC : \$0 TC : \$523,700  
 DAILY DETAILS : RIG UP CSG CREW RUN 184 JTS 4.5 11.6# 8RD PROD CSG W/GEMECO FLOAT SHOE & FC. 1  
 STOP RING & 1 CENTRALIZER IN CENTER OF 1ST JT. RUN CENTRALIZERS ON EVERY OTHER  
 COLLAR FOR 28 CENTRALIZERS. 2 CENTRALIZERS RUN @ 1800'-1900' OVER TRONA ZONE.  
 TOTAL 30 CENT.  
 TOTAL STRING 8116'.16. SET 6' ABOVE KB & 14' SUB = 19' CUTOFF JT 8110' KB & 8096' GL. 18.72  
 MARKER JT RUN ON TOP OF JT #86 @ 4280.46' TO 4299.18' KB. FLOAT @ 8071.35'. FILL CSG  
 EVERY 2000'. CIRC & COND HOLE W/GOOD RETURNS FOR 2 HRS. RU DOWELL TO CMT.  
 PMP 10 BBLs 40# GEL, 80 BBLs W I/M F-75 N SURFACTANT.  
 MIX & PMP 156 BBLs LEAD SLURRY (330 SX HILIFT; G, 6% D-20, 2% D-79, 75% D-112, 2% D-46, 5%  
 D-44 (BWOW), 2% B-71, 2% D-65) @ WT OF 12 PPG & YD 2.66 CU FT/SX.  
 MIX & PMP 346 BBLs TAILIN SLURRY (1270 SX SELF STRESS II: G, 10% D-53, 75% B-14, 25% D-65,  
 2% D-46) WT 14.5 PPG & YD OF 1.53 CU FT/SX. PMP @ 8 BPM.  
 NOTE: HAD GOOD RETURNS WHILE MIXING CMT & GOOD RETURNS ON DISPL UNTIL LAST 15  
 BBLs. RECIP PIPE 15'. DROP PLUG, WASH OUT PMP & LINES AND DISPL W/2% KCL WTR.  
 BUMP PLUG TO 2500 PSI. FLOATS HELD. 1950 LIFT PRESSURE. PULL ROTATING HEAD & LWR  
 SLIPS & SET W/90,000# TENSION. CUT OFF & ND. CLEAN PITS RLS RIG AT 7 PM. RD & MOVE  
 RIG TO NBU 249. NOTIFIED ED FORSMAN W/BLM, DENNIS INGRAM W/STATE OF UTAH & TRI-  
 COUNTY HEALTH DEPT THAT WE ARE MOVING TO NBU 249.

REPORT DATE : 4/4/98 MD : 8.110 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$0 CC : \$0 TC : \$0 CUM : DC : \$523,700 CC : \$0 TC : \$523,700  
 DAILY DETAILS : 4/4/98 TO 4/13/98 WAITING ON COMPLETION.

REPORT DATE : 4/14/98 MD : 8.062 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$0 CC : \$90,113 TC : \$90,113 CUM : DC : \$523,700 CC : \$90,113 TC : \$613,813  
 DAILY DETAILS : MIRU TEMPLES #1. RU & NU BOP'S. PU 3 7/8" MILL & SCRAPER. PU 259 JTS 2 3/8" N-80 TBG.  
 TAG PBTD @ 8062'. DISPL HOLE W/170 BBL FILTERED 3% KCL. LD 2 JTS. EOT 8020'. SIFN.  
 CONSTRUCTION COSTS OF \$79,365 ADDED IN THIS DAY.

**PERC****WELL CHRONOLOGY REPORT**

REPORT DATE : 4/15/98 MD : 8,062 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$0 CC : \$12,069 TC : \$12,069 CUM : DC : \$523,700 CC : \$102,182 TC : \$625,882

DAILY DETAILS : EOT STILL @ 8020'. RU DOWELL. PMP 7 BBL 3% KCL. LEAD SPOT 6 BBL 15% HCL W/ADD  
 ACROSS INTERVAL 7620-8006' TO BE PERF'D W/29 BBL DISPLACEMENT. RD DOWELL. POOH &  
 ND BOP. NU FRAC VALVE. RU SCHL. RUN CBL/CCL/GR 8065-4200'. PULL UP TO 2000'. LOG UP  
 TO 1300' W/ EST CMT TOP @ 1635'. POOH. TEST CSG TO 5000 PSI. PRES SUP ON 4 1/2-8 5/8  
 ANN TO 2500 DROPPED TO 2200 PSI IN 1 MIN ON DWNT O 2100 IN 1 MORE MIN (TWICE). PU 3 3/8  
 SELECT FIRE GUN CORR TO CNL/LDT. PERF MESA @ 7636, 7696, 7701, 7706, 7774, 7784, 8006'.  
 ALL 2 SPF. POOH & SIFN.

REPORT DATE : 4/16/98 MD : 8,062 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$0 CC : \$2,400 TC : \$2,400 CUM : DC : \$523,700 CC : \$104,582 TC : \$628,282

DAILY DETAILS : MIRU DOWELL FRAC EQUIP. SICP 1200 PSI. HOLD SAFETY MEETING. PT LINES TO 6000 PSI.  
 BRK DWN PERFS 7636'-8006' @ 2568 PSI. CALC ALL PERFS OPEN. FRAC W/22,300 GAL YF  
 120LGM + 34,000# 20/40 SAND RAMPED 2-3.7 PPG. DOWELL'S PCM UNIT BROKE DWN. FLUSH  
 W/118 BBL 3% KCL WTR. AVG INJ RATE 30 BPM @ 3400 PSI, MAX PRESS 4300 PSI. ISIP 2500  
 PSI. FLOW BACK 125 BBL WTR 3 HRS ON 26/64" CK. SI WELL FOR 1 HR. RU SCHL. RIH TO  
 CHECK PBD. TAG FILL @ 8001'. START POOH. PULLED 2000# & LINE PARTED. LEFT COLLAR  
 LOCATOR, 3 1/8" X 10' PERF GUN (NOT ARMED) & POSSIBLY 36' LINE IN HOLE. TOP OF FISH @  
 7988', BTM @ 8001'. RD SCHL. NU BOP ON FRAC VALVE. FLOW WELL OVER NIGHT ON 32/64"  
 CHOKE. BBL FLUID PMPD DAILY 663, BBL FLUID REC 400, BBL LTR 263.

## FLOW BACK REPORT

TIME....CP....CH....WTR....SD

6:00.....1450.....32.....START

7:00.....850.....32.....11...MED

8:00.....750.....32.....11...MED

9:00.....700.....32.....12...MED

10:00.....600.....32.....9...MED

11:00.....550.....32.....7...LT

12:00.....700.....32.....7...LT

1:00.....750.....32.....7...LT

2:00.....750.....32.....7...TR

3:00.....750.....32-16..0...TR

4:00.....700.....32/16..-...TR

5:00.....650.....32/16..-...TR

6:00.....400.....OPEN..2...TR

GAS RATE 2500 MCF/D, TOTAL WTR 73 BBL, TOTAL LTR 180 BBL.

REPORT DATE : 4/17/98 MD : 8,062 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$0 CC : \$16,575 TC : \$16,575 CUM : DC : \$523,700 CC : \$121,157 TC : \$644,857

DAILY DETAILS : FCP 500 PSI, 32/64" CHOKE, 2000 MCF/D, DRY GAS SHUT WELL IN. SICP 1700 PSI. MI & RU  
 SCHL. SET ARROW RBP @ 7420'. RD SCHL. RIH W/TBG TO 7380'. RU DOWELL. LOAD HOLE  
 W/108 BBL 3% KCL WTR. PRESS TEST RBP TO 5000 PSI OK. SPOT 5 BBL 15% HCL FROM 7230  
 TO 7057'. RD DOWELL. POOH W/TBG. RU SCHL. PERF MESAVERDE STAGE #2 W/ 3 1/8"  
 SELECT FIRE GUN 3 SPF AS FOLLOWS: 7216, 7218, 7231, 7302, 7304, 7314, 7316, 7328, 7330,  
 7364, 7373. SICP 0 BEFORE PERF & 1350 PSI AFTER. POOH W/2ND PERF GUN. RD SCHL. ND  
 BOP. SDFN. BBL FLUID PMPD DAILY 108, BBL FLUID REC 75, BBL LEFT TO REC 33, CUM 285

**PERC****WELL CHRONOLOGY REPORT**

REPORT DATE : 4/18/98 MD : 8.062 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$0 CC : \$5,920 TC : \$5,920 CUM : DC : \$523,700 CC : \$127,077 TC : \$650,777

DAILY DETAILS : SICP 2300 PSI. RU DOWELL FRAC EQUIP. HOLD SAFETY MEETING. PT LINE TO 6235 PSI. BRK DWN PERF (7216-7373') @ 5 BPM @ 2035 PSI. FRAC WELL W/82,000# 20/40 SD & 20,000# 20/40 RESIN COATED SAND W/899 BBLS GEL FLUID & PLACING 5 BBLS 15% HCL ACID & ADD ACROSS INTERVAL 6680-6980'. MAX PSI 3900, AVG 3000 PSI, MAX RATE 30 BPM ISIP 2756 PSI. STAGE #2 COMPLETE. RU SCHL. RIH W/3 1/8 SELECT FIRE GUN & 4 1/2 ARROW WL SET LONG STEM RBP. SET RBP @ 6980'. TESTED RBP TO 4000 PSI OK. RAN GUNS & TAG FILL @ 6919'. POOH W/GUNS. SAND ON TOP OF SETTING SLEEVE. RD WSCHL. RIH W/ NC & 2 3/8" TBG. TAG @ 6919' CORRELATED HOLE. ROTATE TBG. NU BOP. WASHED UP & DWN. SOLID. POOH W/2 3/8 TBG. RIHW/2 3/8 TBG W/ XN NIPPLE & RETRIEVING HEAD. CIRC HOLE & LATCH ON RBP. POOH RBP TO 6646'. RBP WAS HANGING UP & PULLING OFF BECAUSE OF PRESS BELOW. LEFT RBP @ 6646' & EOT @ 6585'. SDFN. BBLS FLUID PMPD DAILY 899, BBLS LTR 899, CUM 1185

FLOW BACK REPORT  
 TIME...CP...CH...WTR...SD

3:30P..1350...12  
 4:30.....500....14....32....TR  
 5:30.....200....14....30....TR  
 6:30.....50....18....19....TR  
 7:30.....25....20....22....TR  
 8:30.....20....18....25....MASSIVE  
 9:30.....20....20....18....MASSIVE  
 10:30.....20....20....4....EXTRA HVY  
 11:30.....10....20....16....EXTRA HVY  
 12:30.....10....20....11....X HVY  
 1:30AM...50....20....14....HVY  
 2:30.....100....20....18....MD  
 3:30.....550....20....29....LT  
 4:30.....950....28....39....TR  
 5:30.....925....30....46....TR  
 6:30.....900....32....50....TR

GAS RATE 2000 MCF/D, TOTAL WTR 373 BBLS, TOTAL LTR 2505 BBLS.

REPORT DATE : 4/19/98 MD : 8.062 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$0 CC : \$5,400 TC : \$5,400 CUM : DC : \$523,700 CC : \$132,477 TC : \$656,177

DAILY DETAILS : SICP 900 PSI, SITP 900 PSI. WELL BLOW DWN IN 2 MIN. LATCH ON RBP. CIRC AROUND RBP DWN CSG UP TBG. WORKED RBP TO TRY TO OPEN BY-PASS. RBP STILL HANGING & PULLING OFF. POOH W/2 3/8 TBG TO CHECK RETRIEVING HEAD & RBP. WAS ATTACH TO RETRIEVING HEAD. RIH W/4 1/2 X 2 3/8 RBP & 2 3/8 TBG. TAG FILL @ 6481'. POOH W/2 3/8 TBG & RBP. PMP 11 BBLS 3% KCL WTR DWN 4 1/2 CSG PRESS UP TO 2200 PSI. BROKE DWN TO 1800 PSI 1/2 BPM. PMP 1 MORE BBL. OPEN UP & FLOW TO PIT. RD FLOOR EQUIP & ND BOP. SWITCH WELL TO FLOW TANK ON 32/64 CK FOR FLOW BACK CREW. SDFN. BBLS FLUID PMPD 12, BBLS FLUID REC 80, BBLS LTR CUM 1105

FLOW BACK REPORT  
 TIME...CP...CH...WTR...SD

7PM...700...32...-...HVY  
 8PM...175...32...21...TR...RUBBER  
 9PM...160...32...9...TR  
 10PM...150...32...11...TR  
 11PM...140...32...14...TR  
 12PM...100...32...15...TR  
 1AM...50...32...1...NO  
 2AM...40...32...2...NO  
 3AM...100...32...7...NO  
 4AM...100...32...4...NO  
 5AM...100...32...4...NO...SHUT IN.

GAS RATE 500 MCF/D, TOTAL WTR 88 BBLS, TOTAL LTR 1017 BBLS..

**PERC****WELL CHRONOLOGY REPORT**

REPORT DATE : 4/20/98 MD : 8,062 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$0 CC : \$149,399 TC : \$149,399 CUM : DC : \$523,700 CC : \$281,876 TC : \$805,576

DAILY DETAILS : SICP 600 PSI. RU SCHL. SET ARROW RBP @ 6980'. BLED OFF PRESS. PT RBP TO 4000 PSI OK. PERF 3 SPF W/3 1/8" SELECT FIRE GUN AS FOLLOWS: 6776, 77, 78, 6786, 87, 88, 6907, 08, 09, 23, 24, 25, 40, 41, 42, 50, 51, 52. TOTAL 54 HOLES. SICP 0 BEFORE & AFTER PERF. RU DOWELL. BRK DWN STAGE 3 PERFS (6776-6952') @ 2069 PSI. FRAC W/40,200 GAL YF-125LGM + 110,000# 20/40 SAND. RAMPED 2-6 PPG + 20,000# 20/40 RESIN COATED SD @ 6 PPG. AVG INJ RATE 26 BPM @ 2500 PSI, MAX PRESS 3571 PSI, ISIP 200 PSI. RU SCHL. SET ARROW RBP @ 6530'. PT RBP TO 4000 PSI. OK. PERF 1 SPF W/3 1/8" SELECT FIRE GUN AS FOLLOWS: 5193, 5194, 5210, 5211, 5707, 5865, 6249, 6250, 6251, 6485. BRK DWN STAGE #4 PERFS (5193-6485) @ 1833 PSI. FRAC W/31,000 GAL YF-125 LGM + 75,160# 20/40 SD RAMPED 2-6 PPG + 25,000# 20/40 SD @ 6 PPG. AVG INJ RATE 27 BPM @ 3800 PSI. MP 4912 PSI, ISIP 2010 PSI, 5 MIN 1745 PSI, 10 MIN 1575 PSI, 15 MIN 1469 PSI, 30 MIN 1320 PSI. START FLOW BACK ON 12/64" CHOKE. NOTE: POSSIBLE CSG DAMAGE @ 6646' WHERE RBP HUNG UP 4/17/98.

REPORT DATE : 4/21/98 MD : 8,062 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$0 CC : \$3,955 TC : \$3,955 CUM : DC : \$523,700 CC : \$285,831 TC : \$809,531

DAILY DETAILS : FCP 900 PSI, 32/64" CK, 2000 MCF/D, 40 BW/HR, LT SD. BLW DWN & KILL WELL W/100 BBLS BRINE WTR. ND FRAC VALVE & NU BOP. RIH W/RET TOOL & 2 3/8" TBG. TAG SAND @ 6239'. B RK CIRC W/KCL WTR. CIRC OUT SD TO RBP @ 6530' & CIRC CLEAN. REL RBP. KILL TBG W/20 BBLS BRINE. POOH TO 4895' & KILL WELL W/70 BBLS BRINE. FIN POOH & LD RBP. RIH W/RET TOOL & TBG. TAG SAND @ 6950'. BRK CIRC W/KCL WTR. CIRC OUT SAND TO RBP 2 6980' & CIRC CLEAN. REL RBP. KILL TBG W/20 BBLS BRINE. POOH TO 4895' & KILL WELL W/70 BBLS BRINE. FIN POOH & LD RBP. SDFN. BBLS FLUID PMPD DAILY 130, BBLS FLUID REC 88, BBLS LTR DAILY 42, CUM 2754

FLOW BACK REPORT  
 TIME....CP....CH....WTR  
 10:00...10....CHOKE OPEN....7  
 11:00....5.....-....7  
 12:00....5.....-....2  
 1:00....10.....-....7  
 2:00....10.....-....5  
 3:00....500....32..100  
 4:00..1000....20..7....TR  
 5:00..1250....20..33....MED  
 6:00..1350....20..26....2 MMCF

**PERC****WELL CHRONOLOGY REPORT**

REPORT DATE : 4/22/98 MD : 8,062 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$0 CC : \$12,585 TC : \$10,585 CUM : DC : \$523,700 CC : \$296,416 TC : \$820,116

DAILY DETAILS : FCP 1450 PSI, 20/64" CH, 2000 MCF/D, 10 BW/HR. MED SD. BLW DWN & KILL WELL W/130 BBLs BRINE WTR. RIH W/RET TOOL FOR RBP & 2 3/8" TBG TO 7050'. WELL KICKED OFF. CIRC W/200 BBLs KCL WTR. KILLED TBG. RIH & TAG SAND @ 7360'. CIRC OUT SAND TO RBP @ 7420'. CIRC CLEAN & REL RBP. WELL KICKED. SHUT IN 30 MIN TO HOOK UP FLOW LINE FROM TBG TO FLOW BACK TANK. SITP 2600 PSI. BLOW DWN & KILL TBG W/20 BBLs BRINE WTR. POOH W/RBP TO 5084'. FLOWED WELL OVERNIGHT ON 20/64" CHOKE. SDFN (TURNED OVER TO FLOW BACK CREW). BBLs FLUID PMPD DAILY 220, BBLs FLUID REC 354, BBLs LTR -134, CUM 2874.

## FLOW BACK REPORT

| TIME | CP  | TP   | CH    | WTR        |
|------|-----|------|-------|------------|
| 6:00 | 425 | 1750 | 20    | START      |
| 7    | 450 | 1750 | 20    | 22 NO SAND |
| 8    | 450 | 1650 | 20    | 18         |
| 9    | 500 | 1600 | 20    | 25         |
| 10   | 550 | 1600 | 20    | 23         |
| 11   | 600 | 1600 | 20    | 21         |
| 12   | 700 | 1600 | 20    | 21         |
| 1:00 | 725 | 1600 | 20    | 20         |
| 2    | 775 | 1600 | 20    | 19         |
| 3    | 800 | 1600 | TO 28 | 18         |
| 4    | 800 | 1300 | TO 30 | 33         |
| 5    | 800 | 1150 | TO 32 | 33         |
| 6:00 | 800 | 1050 | TO 32 | 32         |

GAS RATE 2500 MCF/D, TOTAL LTR 2304 BBLs.

REPORT DATE : 4/23/98 MD : 8,062 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$0 CC : \$22,865 TC : \$22,865 CUM : DC : \$523,700 CC : \$319,281 TC : \$842,981

DAILY DETAILS : FCP 1050 PSI, 32/64" CK, 3000 MCF/D, 30 BW/HR, TR SAND. BLEW DWN TO 900 PSI ON 32/64" + 20/64" CKS. KILL WELL W/140 BBLs BRINE WTR. FIN POOH & LD RBP & RET HD. RIH W/NC, 1 JT TBG, XN NIPPLE & 2 3/8" TBG TO 5084'. WELL KICKED. KILLED TBG W/24 BBLs BRINE WTR. RIH TO 7984'. DID NOT TAG. PU & LAND TBG @ 7805' - 250 JTS W/NC ON BTM & XN NIPPLE 1 JT UP @ 7772'. KILL TBG W/20 BBLs BRINE. ND BOP. NU WH. HOOK UP FLOW LINE TO FLOW BACK TANK. RDMO TWS RIG #1. FLOW WELL OVERNIGHT ON 20/64" CHOKE. BBLs FLUID PMPD DAILY 184, BBLs FLUID REC 570, BBLs LTR -386, CUM 2488.

## FLOW BACK REPORT

| TIME | CP   | TP   | CH | WTR         |
|------|------|------|----|-------------|
| 5PM  | 1580 | 0    | 20 | JUST OPENED |
| 6PM  | 1600 | 1750 | 20 | 2           |
| 7PM  | 1630 | 1425 | 20 | 14          |
| 8PM  | 1720 | 1425 | 20 | 12          |
| 9PM  | 1780 | 1425 | 20 | 12          |
| 10PM | 1860 | 1400 | 20 | 12          |
| 11PM | 1940 | 1400 | 20 | 14          |
| 12AM | 2000 | 1400 | 20 | 11          |
| 1AM  | 2000 | 1500 | 20 | 14          |
| 2AM  | 2050 | 1620 | 20 | 4           |
| 3AM  | 2050 | 1500 | 20 | 11          |
| 4AM  | 2050 | 1420 | 20 | 5           |
| 5AM  | 2050 | 1420 | 20 | 16          |
| 6AM  | 2050 | 1420 | 20 | 4           |

GAS RATE 2000 MCF/D, TOTAL WTR 210 BBLs, TOTAL LTR 2278 BBLs.

REPORT DATE : 4/24/98 MD : 8,062 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$0 CC : \$0 TC : \$0 CUM : DC : \$523,700 CC : \$319,281 TC : \$842,981

DAILY DETAILS : FLWG 1130 MCF, 80 BW, FTP 1800#, CP 2050#, 16/64" CK, 17 HRS. DN 7 HRS TO RU 2ND SEPARATOR.

**PERC****WELL CHRONOLOGY REPORT**

REPORT DATE : 4/25/98 MD : 8,062 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$0 CC : \$0 TC : \$0 CUM : DC : \$523,700 CC : \$319,281 TC : \$842,981  
 DAILY DETAILS : FLWG 2029 MCF, 10 BC, 200 BW, FTP 1550#, CP 1890#, 16/64" CK, 24 HRS.

REPORT DATE : 4/26/98 MD : 8,062 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$0 CC : \$0 TC : \$0 CUM : DC : \$523,700 CC : \$319,281 TC : \$842,981  
 DAILY DETAILS : FLWG 2345 MCF, 8 BC, 200 BW, FTP 1500#, CP 1800#, 20/64" CK, 24 HRS, LLTR 1788 BBLs.

REPORT DATE : 4/27/98 MD : 8,062 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$0 CC : \$0 TC : \$0 CUM : DC : \$523,700 CC : \$319,281 TC : \$842,981  
 DAILY DETAILS : FLWG 2498 MCF, 8 BC, 200 BW, FTP 1475#, CP 1750#, 24/64" CK, LLTR 1588 BBLs.

REPORT DATE : 4/28/98 MD : 8,062 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$0 CC : \$0 TC : \$0 CUM : DC : \$523,700 CC : \$319,281 TC : \$842,981  
 DAILY DETAILS : FLWG 2556 MCF, 12 BC, 200 BW, FTP 1450#, CP 1200#, 24/64" CK, LLTR 1388 BBLs.

REPORT DATE : 4/29/98 MD : 8,062 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$0 CC : \$0 TC : \$0 CUM : DC : \$523,700 CC : \$319,281 TC : \$842,981  
 DAILY DETAILS : FLWG 2564 MCF, 8 BC, 180 BW, FTP 1425#, CP 1675#, 24/64" CK.

REPORT DATE : 4/30/98 MD : 8,062 TVD : 0 DAYS : MW : 10.0 VISC :  
 DAILY : DC : \$0 CC : \$0 TC : \$0 CUM : DC : \$523,700 CC : \$319,281 TC : \$842,981  
 DAILY DETAILS : FLWG 2555 MCF, 10 BC, 180 BW, FTP 1395#, CP 1650#, 30/64" CK, 24 HRS. IP DATE: 4/29/98 -  
 FLWG 2564 MCF, 8 BC, 180 BW, FTP 1425#, CP 1675#, 24/64" CK, 24 HRS. -- FINAL REPORT --

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

SUBMIT IN DUPLICATE

(See other instructions on reverse side)

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

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG\***

1a. TYPE OF WELL: OIL WELL  GAS WELL  DRY  Other \_\_\_\_\_  
 b. TYPE OF COMPLETION: NEW WELL  WORK OVER  DEEP-EN  PLUG BACK  DIFF. RESRV.  Other Repair

5. LEASE DESIGNATION AND SERIAL NO.  
**U-01196-C**  
6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
**N/A**

7. UNIT AGREEMENT NAME  
**Natural Buttes Unit**

2. NAME OF OPERATOR  
**Coastal Oil & Gas Corporation**  
3. ADDRESS AND TELEPHONE NO.  
**P.O. Box 1148, Vernal UT 84078 (435)-781-7023**

8. FARM OR LEASE NAME, WELL NO.  
**NBU #245**

9. API WELL NO.  
**43-047-33004**

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\*  
At surface  
**SENE**  
At top prod. interval reported below  
**2037'FNL & 729'FEL**  
At total depth

10. FIELD AND POOL, OR WILDCAT  
**Natural Buttes Field**

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
**Sec. 8, T10S, R22E**

|                                       |                               |  |                          |
|---------------------------------------|-------------------------------|--|--------------------------|
| 14. PERMIT NO.<br><b>43-047-33004</b> | DATE ISSUED<br><b>1/27/98</b> | 12. COUNTY OR PARISH<br><b>Uintah County</b> | 13. STATE<br><b>Utah</b> |
|---------------------------------------|-------------------------------|--|--------------------------|

|                                   |  |   |   |                      |
|-----------------------------------|--|---|---|----------------------|
| 15. DATE SPUDDED<br><b>3/6/98</b> | 16. DATE T.D. REACHED<br><b>4/1/98</b> | 17. DATE COMPL. (Ready to prod.)<br><b>12/19/99</b> | 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*<br><b>5137'GR</b> | 19. ELEV. CASINGHEAD |
|-----------------------------------|--|---|---|----------------------|

|   |   |                                   |                                      |                          |             |
|---|---|-----------------------------------|--------------------------------------|--------------------------|-------------|
| 20. TOTAL DEPTH, MD & TVD<br><b>8110'</b> | 21. PLUG, BACK T.D., MD & TVD<br><b>8062'</b> | 22. IF MULTIPLE COMPL., HOW MANY* | 23. INTERVALS DRILLED BY<br><b>X</b> | ROTARY TOOLS<br><b>X</b> | CABLE TOOLS |
|---|---|-----------------------------------|--------------------------------------|--------------------------|-------------|

24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)\*  
**Wasatch 6427-51', 6243-6253'w/40Hls, 3 1/8"Csg gun 4SPF 5065-5072'w/28Hls, 4674-4684'w/40Hls**

25. WAS DIRECTIONAL SURVEY MADE  
**No**

26. TYPE ELECTRIC AND OTHER LOGS RUN

27. WAS WELL CORED  
**No**

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

| CASING SIZE/GRADE | WEIGHT, LB./FT. | DEPTH SET (MD) | HOLE SIZE | TOP OF CEMENT, CEMENTING RECORD | AMOUNT PULLED |
|-------------------|-----------------|----------------|-----------|---------------------------------|---------------|
| 14" Conductor     | Pipe            | 30'            | 18"       | Ready Mix                       |               |
| 8 5/8"            | 24#             | 2000'          | 11"       | 1st 100sx, 2nd 100sx 3rd 50 sx  |               |
| 4 1/2"            | 11.6#           | 8110'          | 7 7/8"    | 330 sx Hi Lift G Tailed by      |               |
|                   |                 |                |           | 1270 sx Self Stress II          |               |

| 29. LINER RECORD |          |             |               | 30. TUBING RECORD |        |                |                 |
|------------------|----------|-------------|---------------|-------------------|--------|----------------|-----------------|
| SIZE             | TOP (MD) | BOTTOM (MD) | SACKS CEMENT* | SCREEN (MD)       | SIZE   | DEPTH SET (MD) | PACKER SET (MD) |
|                  |          |             |               |                   | 2 3/8" | 6325'          | 6296'           |

31. PERFORATION RECORD (Interval, size and number)  
**Wasatch 6249'-51, 6243'-6253' w/40 holes,  
 3 1/8" Csg gun 4 SPF 5065'-5072' w/ 80 Holes,  
 4674'-4684' w/ 40 holes.**

32. ACID, SHOT, FRACTURE, CEMENT, GUN SIZE, ETC.  
 DEPTH INTERVAL (MD) AMOUNT AND KIND OF MATERIAL USED  
**Refer to Item #37**  
**JAN 31 2000**  
**DIVISION OF OIL, GAS AND MINING**

33. PRODUCTION

|  |   |  |                                     |                          |                            |                                       |                             |
|--|---|--|-------------------------------------|--------------------------|----------------------------|---------------------------------------|-----------------------------|
| DATE FIRST PRODUCTION<br><b>12/19/99</b> | PRODUCTION METHOD <u>Flowing, gas lift, pumping - size and type of pump</u><br><b>Flowing</b> | WELL STATUS (Producing or shut-in)<br><b>Producing</b> |                                     |                          |                            |                                       |                             |
| DATE OF TEST<br><b>12/20/99</b>          | HOURS TESTED<br><b>24</b>   | CHOKE SIZE<br><b>64/64</b>                             | PROD'N. FOR TEST PERIOD<br><b>X</b> | OIL - BBL.<br><b>0</b>   | GAS - MCF.<br><b>556</b>   | WATER - BBL.<br><b>105</b>            | GAS - OIL RATIO<br><b>0</b> |
| FLOW. TUBING PRESS.<br><b>320#</b>       | CASING PRESSURE<br><b>650#</b>  | CALCULATED 24-HOUR RATE<br><b>X</b>                    | OIL - BBL.<br><b>0</b>              | GAS - MCF.<br><b>556</b> | WATER - BBL.<br><b>105</b> | OIL GRAVITY - API (CORR.)<br><b>0</b> |                             |

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

TEST WITNESSED BY

35. LIST OF ATTACHMENTS  
**Chronological Well History**

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records  
 SIGNED Sheila Upchego TITLE Environmental Jr. Analyst DATE 1/21/00

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

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

38. GEOLOGIC MARKERS

| FORMATION | TOP | BOTTOM   | DESCRIPTION, CONTENTS, ETC.  | NAME    | MEAS. DEPTH | TRUE VERT. DEPTH |
|-----------|-----|----------|--|---------|-------------|------------------|
|           |     |          |  | Wasatch | 4684'       |                  |
|           |     | 12/07/99 | <p>RU CUTTERS SET BP &amp; REPERF. SICP-600 PSI BLOW WELL DN. PUMP 50 BBL 2% DN CSG. PU 4 1/2 RBP &amp; PKR. R.L.H. W/23/8 TBG &amp; KILL WELL W/30 BBL DN TBG. SET RBP @ 6325' &amp; PKR @ 6296'. PRESS TEST TOOL 3100 PSI W/18 BBL. RELEASE PKR &amp; PUH SET PKR @ 6185'. PUMP INTO PERF F/6249' 51' W/4900 PSI @ 5 BPM ISIP-4400 PSI 5 MIN 1140 PSI 10 MIN 885 PSI 15 MIN 777 PSI. RD HES &amp; RELEASE PKR @ 6185'. R.L.H. W/TBG LATCH ON RBP &amp; RELEASE @ 6325'. KILL WEL W/40 BBL. P.O.O.H. W/23/8 TBG &amp; LD PKR &amp; RBP. SWIFN &amp; DRIAN UP PUMP &amp; LINES.</p>  |         |             |                  |
|           |     | 12/8/99  | <p>W/O FRAC CREW 07:00 AM 600# ON WELL MIRU CUTTERS RIH W/ 4.5 COMPOSITE BPSET @ 6325' POOH PU 3 3/8" GUN LOAD W/ 4SPF 90 DEGREE PHASING RIH PERF F/ 6243 - 6253' 40 HOLE NO CHANGE IN PSI POOH RIG DOWN CUTTERS 10:30 AM W/O TBG 12:00 PM PU 4.5 PKR ON 2 3/8" N-80 TBG RIH 5113' 04:00 PM SDFN W/O FRAC CREW</p>   |         |             |                  |
|           |     | 12/15/99 | <p>BRK DWN &amp; FRAC WAS. SICP - 900# SITP - 600# POOH &amp; LD 2 3/8" N-80 TBG, FISHING TOLLS &amp; PKR, ND BOP NU FRAC VALVE, RU CUTTERS WLS, RIH, &amp; SET CBP @ 5165' POOH, RIH &amp; PERF W/ 3 1/8" CSG GUN 90 DEG PHASING 4 SPF F/ 5065' TO 5072' (28HOLES) O-# POOH SWI. SDFN.</p>  |         |             |                  |
|           |     | 12/16/99 | <p>07:00 AM RU DOWELL &amp; FRAC WAS PERF'S 5065' TO 72' W/ 20/40 SAND WEDGE, 25# DELTA FLUID/GEL W/ 500 GALS 28% HCL F/ NXT PERF'S DWN CSG. STAGE #2 SICP-100#, 2803# BRK @ 5 BPM, MP- 2962#, AP- 2300#, MR- 25.7BPM, AR-25.6BPM, ISIP-2202#, FG .86, TTL LOAD 638 BBLs, 56,000# SAND, CBP @ 4960', PERFD WAS W/ 3 1/8" CSG GUN 4 SPF, PHASING AS FOLLOWS 4674' TO 4684' (40 HOLES) 0- PSI, STAGE #3 PERFS LISTED ABOVE, 1355# BRK @ 6BPM, MP- 3300#, AP- 2800#, BPM, AR- 25 BPM, ISIP- 2673#, FG 1, TTL LOAD 458 BBLs, SAND, RIH &amp; SET CBP @ 4550', RD WLS &amp; HES, ND FRAC NU BOP, RIH W/ 3 7/8" TOOTH BIT, PMP OFF SUB, 1 JT, XN &amp; 2 3/8" TBG, EOT @ 3062', RU AIR FOAM UNIT. SWI05:30 PM. SDFN.</p> |         |             |                  |

THE COASTAL CORPORATION  
PRODUCTION REPORT

CHRONOLOGICAL HISTORY

**NBU #245**

SEC 8, T10S, R22E, SE/NE  
NATURAL BUTTES UNIT  
UINTAH COUNTY, UTAH  
PERFS: 4315'-8007' WAS & MV  
PBSD: 8065' AFE: PENDING  
CSG: 4.5 11.6 N-80 @8110'

Page 1

(PREVIOUS WORK DONE IN 1998) NO CHRONO FROM THE DENVER SERVER

**WASATCH RECOMPLETION**

- 12/04/99 PU MILL 4 1/2 CSG SCRAPER & RIH W/ TBG. ROAD RIG F/ ALTAMONT TO NBU #245 MI & RU DUCO #2 P.U. SICP - 400#, FTP 250#. BLOW WELL DN, ND W.H. & BOPS. RU FLOOR & TBG EQUIP. POOH W/ 2 3/8" TBG & SLM OUT. SWIFN.  
(DAY 1) TC: \$3,666
- 12/5/99 PU RBP & PKR RIH W/2 3/8 TBG MONDAY 7.00 AM SICP-600 PSI BLOW WELL DN & PUMP 40 BBL 2% DN CSG. PU MILL & 4 1/2 CSG SCRAPER. R.I.H. W/23/8 TBG. TAG FILL @ 7825'. P.O.O.H. W/23/8 TBG & LD SCRAPER & MILL. 2:00 PM SWIFD.  
(DAY 2) TC: \$6,924
- 12/07/99 RU CUTTERS SET BP & REPERF. SICP-600 PSI BLOW WELL DN. PUMP 50 BBL 2% DN CSG. PU 4 1/2 RBP & PKR. R.I.H. W/23/8 TBG & KILL WELL W/30 BBL DN TBG. SET RBP @ 6325' & PKR @ 6296'. PRESS TEST TOOL 3100 PSI W/18 BBL. RELEASE PKR & PUH SET PKR @ 6185'. PUMP INTO PERF F/6249'-51' W/4900 PSI @ .5 BPM ISIP-4400 PSI 5 MIN 1140 PSI 10 MIN 885 PSI 15 MIN 777 PSI. RD HES & RELEASE PKR @ 6185'. R.I.H. W/TBG LATCH ON RBP & RELEASE @ 6325'. KILL WEL W/40 BBL. P.O.O.H. W/23/8 TBG & LD PKR & RBP. SWIFN & DRIAN UP PUMP & LINES.  
(DAY 2) TC: \$15,532
- 12/8/99 W/O FRAC CREW 07:00 AM 600# ON WELL MIRU CUTTERS RIH W/ 4.5 COMPOSITE BPSET @ 6325' POOH PU 3,3/8" GUN LOAD W/ 4SPF 90 DEGREE PHASING RIH PERF F/ 6243'-6253' 40 HOLE NO CHANGE IN PSI POOH RIG DOWN CUTTERS 10:30 AM W/O TBG 12:00 PM PU 4.5 PKR ON 2,3/8 N-80 TBG RIH 5113' 04:00 PM SDFN W/O FRAC CREW  
(DAY 3) TC: \$27,420
- 12/9/99 W/O FRAC CREWS RIG SHUT DN & WO FRAC CREWS  
(DAY 4) TC: \$29,630
- 12/10/99 W.O. FRAC CREWS RIG SHUT DN & WO FRAC CREWS.  
(DAY) TC: \$31,000
- 12/12/99 F/ POOH W/ 23/8 TBG & PU FISHING TOOLS. SICP - 500#, FTP - 0#, PUMP 30 BBL 2% KCL DN CSG. ATTEMP RELEASE PKR @ 6090'. PUMP 20 BBL 2% KDL DN TBG. WORK STUCK PKR & WO CUTTERS. RU CUTTERS & RIH 17/16 FREE PINT 6048 4% FREE, 6025 4% FREE FREE POINT QUIT. RIH W/ 1716 FREE PINT 6059' 100 FREE, 60/83' 4% FREE. RIH W/ 111/16 CHEM CUTTER & CUT TBG @ 6056' 2' BELOW XN NIPPLE POOH & RD CUTTERS. POOH W/ 23/8 TBG. EOT @ 5432'. DRAIN UP PUMP & LINES. SWIFN.  
(DAY) TC: \$81,136
- 12/13/99 RIH W/ 2 3/8" TBG & CK F/ FILL. SICP & SITP - 1300# BLOW DWN, POOH W/ 2 3/8" TBG, RIH W/ 3 7/8" SHOE, 1 JT 3 3/4" WASHPIPE, TOP SUB, BS, JARS, 4- 3 1/8" DC'S, ACC & 2 3/8" TBG W/ EOT @ 6050', RU PWR SWVL & AIR FOAM UNIT, BRK CIRC, C/O TO 6085' CIRC CLEAN, PMP 10 BBL 2% KCL DWN TBG, POOH W/ 5 STDS W/ EOT @ 5709. SDFN.  
(DAY) TC: \$97,507
- 12/14/99 POOH & LD TBG FISHING TOOLS & FISH. SICP-900#, SITP- 700#, BLOW DWN, RIH W/ 2 3/8" TBG TO PKR @ 6085', POOH W/ 2 3/8" TBG, FISHING TOOLS, WASH PIPE & SHOE, RIH W/ 3 7/8" OS W/ 2 3/8" GRPL, BS, JARS, 4 3 1/8" DC, ACC & 2 3/8" TBG LATCH ON FISH @ 6056', JAR & RLS PKR @ 6085', FOR 3 HRS, CAME LOOSE, POOH & LD 2 3/8" N-80 TBG W/ EOT @ 4262', SWI. SDFN.  
(DAY) TC: \$109,173
- 12/15/99 BRK DWN & FRAC WAS. SICP - 900#, SITP - 600#, POOH & LD 2 3/8" N-80 TBG, FISHING TOLLS & PKR, ND BOP NU FRAC VALVE, RU CUTTERS WLS, RIH & SET CBP @ 5165' POOH, RIH & PERF W/ 3 1/8" CSG GUN 90 DEG PHASING 4 SPF F/ 5065' TO 5072' (28HOLES) O-# POOH SWI. SDFN.  
(DAY) TC: \$113,248
- 12/16/99 07:00 AM RU DOWELL & FRAC WAS PERF'S 5065' TO 72' W/ 20/40 SAND WEDGE, 25# DELTA FLUID/ GEL W/ 500 GALS 28% HCL F/ NXT PERF'S DWN CSG. STAGE #2 SICP-100#, 2803# BRK @ 5 BPM, MP- 2962#, AP- 2300#, MR- 25.7BPM, AR-25.6BPM, ISIP-2202#, FG .86, TTL LOAD 638 BBL 56,000# SAND, CBP @ 4960', PERF'D WAS W/ 3 1/8" CSG GUN 4 SPF, PHASING AS FOLLOWS 4674' TO 4684' (40 HOLES) 0- PSI, STAGE #3 PERFS LISTED ABOVE, 1355# BRK @ 6BPM, MP- 3300#, AP- 2800#, BPM, AR- 25 BPM, ISIP- 2673#, FG 1, TTL LOAD 458 BBL 56,000# SAND, RIH & SET CBP @ 4550', RD WLS & HES, ND FRAC NU BOP, RIH W/ 3 7/8" TOOTH BIT, PMP OFF SUB, 1 JT, XN & 2 3/8" TBG, EOT @ 3062', RU AIR FOAM UNIT, SWI05:30 PM. SDFN.  
(DAY) TC: \$193,264

- 12/17/99 **FLWG BACK.** CO SD & CBP'S @ 4545', 4960', 5165', & 6325' W/ AIR FOAM. CO TO 7825'. PU & LAND TBG @ 7201', SN @ 7169'. OPEN TO FLAT TNK @ 12:00 MIDNIGHT. FLW BACK 6 HRS ON 18/64" CK. FTP : 150#, CP 300#, 14 BWPH TO 5 BWPH. TRACE OF SD. LLTR 1939 BBLs. EST PROD RATE: 225 MCFPD. (DAY) TC: \$202,593
- 12/18/99 **FLOW WELL AFTER FRAC PERF (4315'-8007').** 7.00 AM FLOW WELL ON 18/64 CH SICIP-320 PSI FTP-180 PSI REC-5 BBL TR SD. 8.00 AM FLOW WELL ON 18/64 CH SICIP-350 PSI FTP-200 PSI REC-9 BBL. TR SD. 9.00 AM FLOW WELL ON 18/64 CH SICIP-380 PSI FTP-240 PSI REC-5 BBL TR SD. 10.00 AM FLOW WELL ON 18/64 CH SICIP-400 PSI FTP-280 PSI REC-5 BBL. TR SD. 11.00 AM FLOW WELL ON 18/64 CH SICIP-470 PSI FTP-300 PSI REC-5 BBL. TR SD. 12.00 PM FLOW WELL ON 18/64 CH SICIP-480 PSI FTP-300 PSI REC-5 BBL CLEAN SD. 1.00 PM FLOW WELL ON 20/64 CH SICIP-480 PSI FTP-300 PSI REC-5 BBL CLEAN SD. 2.00 PM. FLOW WELL ON 20/64 CH SICIP-520 PSI FTP-280 PSI REC-5 BBL. CLEAN SD. 3.00 PM FLOW WELL ON 20/64 CH SICIP-550 PSI FTP-300 PSI REC-0 BBL. CLEAN SD. 4.00 PM. FLOW WELL ON 24/64 CH SICIP-560 PSI FTP-290 PSI REC-0 BBL. CLEAN SD. (DAY) TC: \$206,535  
 PROG: FLWD 518 MCF, 93 BW, FTP: 370#, CP: 700#, 64/64" CK, 24 HRS, LP: 318#.
- 12/19/99 **WELL ON PROD.** RD & MO DUCO #2 PU & PUT WELL ON PROD. (DAY) TC: \$206,885  
 PROG: FLWD 514 MCF, 95 BW, FTP: 350#, CP: 700#, 64/64" CK, 24 HRS, LP: 325#.
- 12/20/99 **WELL ON PROD.** FLWD 556 MCF, 105 BW, FTP: 320#, CP: 650#, 64/64" CK, 24 HRS, LP: 282#, LLTR: 1646 BBLs. **FINAL REPORT.** PRIOR PROD: 398 MCFPD.
- 12/20/99 FINAL REPORT. PRIOR PROD: 398 MCFPD.**
-

Form 3160-5  
(August 1999)

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

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

|   |  |  |
|---|--|--|
| 1. Type of Well:<br><input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other           |  | 5. Lease Serial No.<br>U-01196-C                     |
| 2. Name of Operator <b>COASTAL OIL &amp; GAS CORPORATION</b><br>CONTACT: CHERYL CAMERON OPERATIONS<br>EMAIL: Cheryl.Cameron@CoastalCorp.com |  | 6. If Indian, Allottee or Tribe Name                 |
| 3a. Address <b>P.O. BOX 1148<br/>VERNAL, UT 84078</b>   | 3b. Phone No. (include area code)<br>TEL: 435.781.7023 EXT:<br>FAX: 435.789.4436 | 7. If Unit or CA Agreement, Name and No.             |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br><br>Sec 8 T10S R22E SENE 2037FNL 729FEL                           |  | 8. Lease Name and Well No.<br>NBU #245               |
|   |  | 9. API Well No.<br>4304733004                        |
|   |  | 10. Field and Pool, or Exploratory<br>NATURAL BUTTES |
|   |  | 11. County or Parish, State<br>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 checked="" 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 type="checkbox"/>                |  |
|   | <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 recompleat horizontally, give the 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 the BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of involved operations. If the operation results in multiple completion or recompleat 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 site is ready for final inspection.)

Please refer to the attached Chronological Well History for the Acidization completed for the subject well. Back on production on 4/19/01.

APR 02 2001  
DIVISION OF  
OIL, GAS AND MINING

|                                 |              |
|---------------------------------|--------------|
| Name (Printed/Typed)            | Title        |
| Signature <i>Cheryl Cameron</i> | Date 4/27/01 |

|   |        |      |
|---|--------|------|
| 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, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

**ELECTRONIC SUBMISSION #3851 VERIFIED BY THE BLM WELL INFORMATION SYSTEM FOR COASTAL OIL & GAS CORPORATION SENT TO THE VERNAL FIELD OFFICE**

**THE COASTAL CORPORATION  
PRODUCTION REPORT**

CHRONOLOGICAL HISTORY

**NBU #245**

SEC 8, T10S, R22E, SE/NE  
NATURAL BUTTES UNIT  
UINTAH COUNTY, UTAH  
PERFS: 4315'-8007' WAS & MV  
PBSD: 8065' AFE: PENDING  
CSG: 4.5 11.6 N-80 @8110'  
WI: 100.0%  
PBSD: 8,001'  
PERFS: 5,193' - 8,007'  
CSG: 4 1/2" 11.6# N-80 @ 8110' 8/8THS

**AFE DESCRIP. ACIDIZE, AFE: 053224**

- 4/16/01 CLEAN OUT TO PBSD**  
4/13/01 PROG: MIRU. LEFT WELL FLOWING.
- 4/17/01 CLEAN OUT TO PBSD W/AIR FOAM**  
PROG: SICP: 600#, FTP: 120#. BLOW WELL DN. NDWH. NUBOP. WAIT ON TBG FROM J-WEST. RIH W/ 6 JTS 2 3/8" TBG & TAG PBSD @ 7987' (FISH TOP @ 7987') POOH W 3/8" PROD BHA. SLM. NOTE: DN HOLE DESIGN SHOWS 250 JTS TBG, EOT @ 7805'. SLM: 231 JTS TBG, EOT @ 7154'. ACTUAL PBSD W/237 JTS: 7331', NOT 7985'. 654' HIGH, TP @ 5193'. RIH W/3 7/8" MILL TOOTH BIT & 231 JTS TBG. SWI. SDFD. EOT @ 7154'.
- 4/18/01 SPOT 1500 GALS 15% HCL**  
PROG: SICP & SITP: 500#. BLEW WELL DN. EST CIRC W/AIR FOAM. TAGGED @ 7331'. DRILLING BRIDGES OF SCALE TO 7842' & HARD SCALE FROM 7842'-7847'. POOH W/BIT. RIH W/NC, 1 JT TBG, SN, & 117 JTS OF 2 3/8" TBG.
- 4/19/01 SWAB ACID**  
PROG: EOT @ 3717', SICP & SITP: 450#. BLOW DN. PMP 10 BBL 2% DN TBG. RIH W/2 3/8" PROD BHA. EOT @ 7835'. MIRU DOWELL ACID EQUIP. HELD SAFETY MEETING. TST LINES 2500#. PMP 20 BBL 2% KCL. PMP 1500 GAL 15% HCL W/ADDITIVES. FLUSH W/20 BBL 2% KCL. RDMO DOWELL. POOH W/TBG. LAY DN 17 JTS TBG. LAND TBG. EOT @ 7311', +45SN @ 7282'. RU SWAB EQUIP. BROAC TBG TO SN @ 7282' W/1.90" OD BROACH. RD SWAB EQUIP & 2 3/8" TBG EQUIP. NDBOP. NUWH. SDFD. LET ACID SOAK FOR 24 HRS.
- 4/20/01 PRODUCING TO SALES**  
PROG: SICP: & SITP: 650#. BLEW WELL DN IN 20 MIN. IFL: 2000'. MADE 12 RUNS, REC 48 BBLs. WELL KICKED OFF. PUT TO SALES @ 4:30 PM.
- 4/23/01 PLACED ON SALES**  
4/21/01 PROG: FLWD 10 MCF, 7 BW, FTP: 5#, CP: 464#, 64/64 CHK, 1 HR, LP:110#  
4/22/01 PROG: FLWD 207MCF, 48 BW, FTP: 339#, CP: 503#, 64/64 CHK, 24 HRS, LP: 102#  
4/23/01 PROG: FLWD 258 MCF, 47 BW, FTP: 299#, CP: 443#, 64/64 CHK, 24 HRS, LP: 47#

**FINAL REPORT: PRIOR PROD: 150 MCFPD.**

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL: OIL WELL  GAS WELL  OTHER \_\_\_\_\_

2. NAME OF OPERATOR: El Paso Production Oil & Gas Company

3. ADDRESS OF OPERATOR: 8 South 1200 East CITY Vernal STATE Utah ZIP 84078 PHONE NUMBER: 435-789-4433

4. LOCATION OF WELL: FOOTAGES AT SURFACE: \_\_\_\_\_ COUNTY: \_\_\_\_\_ QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: \_\_\_\_\_ STATE: UTAH

5. LEASE DESIGNATION AND SERIAL NUMBER: \_\_\_\_\_

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: \_\_\_\_\_

7. UNIT or CA AGREEMENT NAME: \_\_\_\_\_

8. WELL NAME and NUMBER: Exhibit "A"

9. API NUMBER: \_\_\_\_\_

10. FIELD AND POOL, OR WILDCAT: \_\_\_\_\_

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

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

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

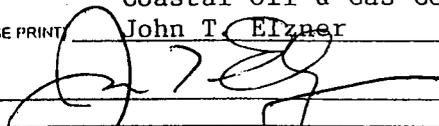
As a result of the merger between The Coastal Corporation and a wholly owned subsidiary of El Paso Energy Corporation, the name of Coastal Oil & Gas Corporation has been changed to El Paso Production Oil & Gas Company effective March 9, 2001.

See Exhibit "A"

Bond # 400JU0708

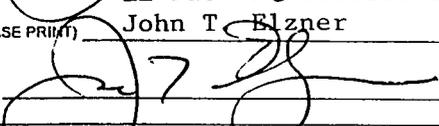
Coastal Oil & Gas Corporation

NAME (PLEASE PRINT) John T. Elzner TITLE Vice President

SIGNATURE  DATE 06-15-01

El Paso Production Oil & Gas Company

NAME (PLEASE PRINT) John T. Elzner TITLE Vice President

SIGNATURE  DATE 06-15-01

(This space for State use only)

**RECEIVED**  
JUN 19 2001

State of Delaware  
Office of the Secretary of State

PAGE 1

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "COASTAL OIL & GAS CORPORATION", CHANGING ITS NAME FROM "COASTAL OIL & GAS CORPORATION" TO "EL PASO PRODUCTION OIL & GAS COMPANY", FILED IN THIS OFFICE ON THE NINTH DAY OF MARCH, A.D. 2001, AT 11 O'CLOCK A.M.

RECEIVED

MAR 9 2001

DIVISION OF  
OIL, GAS AND MINING



*Harriet Smith Windsor*  
Harriet Smith Windsor, Secretary of State

0610204 8100

AUTHENTICATION: 1061007

010162788

DATE: 04-03-01

**CERTIFICATE OF AMENDMENT**

**OF**

**CERTIFICATE OF INCORPORATION**

COASTAL OIL & GAS CORPORATION (the "Company"), a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware, DOES HEREBY CERTIFY:

FIRST: That the Board of Directors of the Company, by the unanimous written consent of its members, filed with the minutes of the Board, adopted a resolution proposing and declaring advisable the following amendment to the Certificate of Incorporation of the Company:

RESOLVED that it is deemed advisable that the Certificate of Incorporation of this Company be amended, and that said Certificate of Incorporation be so amended, by changing the Article thereof numbered "FIRST." so that, as amended, said Article shall be and read as follows:

"FIRST. The name of the corporation is El Paso Production Oil & Gas Company."

SECOND: That in lieu of a meeting and vote of stockholders, the stockholders entitled to vote have given unanimous written consent to said amendment in accordance with the provisions of Section 228 of the General Corporation Law of the State of Delaware.

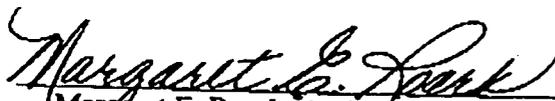
THIRD: That the aforesaid amendment was duly adopted in accordance with the applicable provisions of Sections 242 and 228 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, said COASTAL OIL & GAS CORPORATION has caused this certificate to be signed on its behalf by a Vice President and attested by an Assistant Secretary, this 9th day of March 2001.

COASTAL OIL & GAS CORPORATION

  
\_\_\_\_\_  
David L. Siddall  
Vice President

Attest:

  
\_\_\_\_\_  
Margaret E. Roark, Assistant Secretary

**RECEIVED**

STATE OF DELAWARE  
SECRETARY OF STATE  
DIVISION OF CORPORATIONS  
FILED 11:00 AM 03/09/2001  
010118394 - 0610204

JUN 19 2001

DIVISION OF  
OIL, GAS AND MINING



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

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

**RECEIVED**

JUL 12 2001

**DIVISION OF  
OIL, GAS AND MINING**

In Reply Refer To:  
3106  
UTSL-065841  
(UT-924)

JUL 10 2001

### NOTICE

El Paso Production Oil & Gas Company : Oil and Gas  
Nine Greenway Plaza :  
Houston TX 77046-0095 :

#### Name Change Recognized

Acceptable evidence has been received in this office concerning the name change of Coastal Oil & Gas Corporation into El Paso Production Oil & Gas Company with El Paso Production Oil & Gas Company being the surviving entity.

For our purposes, the name change is recognized effective March 9, 2001.

The oil and gas lease files identified on the enclosed exhibit have been noted as to the name change. The exhibit was compiled from a list of leases obtained from our computer program. We have not abstracted the lease files to determine if the entities affected by this name change hold an interest in the leases identified nor have we attempted to identify leases where the entities are the operator on the ground maintaining no vested recorded title or operating rights interests. We will be notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

If you identify additional leases in which the entities maintain an interest, please contact this office and we will appropriately document those files with a copy of this Notice.

Due to the name change, the name of the principal/obligor on the bond is required to be changed from Coastal Oil & Gas Corporation to El Paso Production Oil & Gas Company. You may accomplish this either by consent of surety rider on the original bond or a rider to the original bond. The bonds are held in Wyoming and Colorado.



Opolonia L. Abeyta  
Acting Chief, Branch of  
Minerals Adjudication

Enclosure

1. Exhibit of Leases (1 pp)

cc: Moab Field Office  
Vernal Field Office  
MMS, Reference Data Branch, MS3130, PO Box 5860, Denver CO 80217  
~~State of Utah, DOGM~~, Attn: Jim Thompson (Ste. 1210), Box 145801, SLC UT 84114  
Teresa Thompson (UT-922)  
Joe Incardine (UT-921)

### Exhibit of Leases

|               |             |             |           |
|---------------|-------------|-------------|-----------|
| UTUSL-065841A | UTU-47172   | UTU-74415   | UTU-53860 |
| UTU-28652     | UTU-50687   | UTU-74416   | UTU-66401 |
| UTU-37943     | UTU-52298   | UTU-75091   | UTU-67868 |
| UTU-44089     | UTU-0109054 | UTU-75096   | UTU-65389 |
| UTU-44090A    | UTU-0143511 | UTU-75097   | UTU-77084 |
| UTU-61263     | UTU-0143512 | UTU-75673   | UTU-61430 |
| UTU-00343     | UTU-38401   | UTU-76259   | UTU-72633 |
| UTU-02651     | UTU-38411   | UTU-76260   | UTU-72650 |
| UTU-02651B    | UTU-38418   | UTU-76261   | UTU-49692 |
| UTU-0142175   | UTU-38419   | UTU-76493   | UTU-57894 |
| UTU-70235     | UTU-38420   | UTU-76495   | UTU-76829 |
| UTU-70406     | UTU-38421   | UTU-76503   | UTU-76830 |
| UTU-74954     | UTU-38423   | UTU-78228   | UTU-76831 |
| UTU-75132     | UTU-38424   | UTU-78714   |           |
| UTU-75699     | UTU-38425   | UTU-78727   |           |
| UTU-76242     | UTU-38426   | UTU-78734   |           |
| UTU-78032     | UTU-38427   | UTU-79012   |           |
| UTU-4377      | UTU-38428   | UTU-79011   |           |
| UTU-4378      | UTU-53861   | UTU-71694   |           |
| UTU-7386      | UTU-58097   | UTU-00576   |           |
| UTU-8344A     | UTU-64376   | UTU-00647   |           |
| UTU-8345      | UTU-65222   | UTU-01470D  |           |
| UTU-8347      | UTU-65223   | UTU-0136484 |           |
| UTU-8621      | UTU-66746   | UTU-8344    |           |
| UTU-14646     | UTU-67178   | UTU-8346    |           |
| UTU-15855     | UTU-67549   | UTU-8648    |           |
| UTU-25880     | UTU-72028   | UTU-28212   |           |
| UTU-28213     | UTU-72632   | UTU-30289   |           |
| UTU-29535     | UTU-73009   | UTU-31260   |           |
| UTU-29797     | UTU-73010   | UTU-33433   |           |
| UTU-31736     | UTU-73013   | UTU-34711   |           |
| UTU-34350     | UTU-73175   | UTU-46699   |           |
| UTU-34705     | UTU-73434   | UTU-78852   |           |
| UTU-37116     | UTU-73435   | UTU-78853   |           |
| UTU-37355     | UTU-73444   | UTU-78854   |           |
| UTU-37573     | UTU-73450   | UTU-075939  |           |
| UTU-38261     | UTU-73900   | UTU-0149767 |           |
| UTU-39223     | UTU-74409   | UTU-2078    |           |
| UTU-40729     | UTU-74410   | UTU-44426   |           |
| UTU-40736     | UTU-74413   | UTU-49530   |           |
| UTU-42469     | UTU-74414   | UTU-51026   |           |

**OPERATOR CHANGE WORKSHEET**

**ROUTING**

|          |  |        |
|----------|--|--------|
| 1. GLH / |  | 4-KAS  |
| 2. CDW / |  | 5-LP ✓ |
| 3. JLT   |  | 6-FILE |

Enter date after each listed item is completed

Change of Operator (Well Sold)

Designation of Agent

Operator Name Change (Only)

**X Merger**

The operator of the well(s) listed below has changed, effective: **3-09-2001**

|                                    |
|------------------------------------|
| <b>FROM: (Old Operator):</b>       |
| COASTAL OIL & GAS CORPORATION      |
| Address: 9 GREENWAY PLAZA STE 2721 |
| HOUSTON, TX 77046-0995             |
| Phone: 1-(713)-418-4635            |
| Account N0230                      |

|   |
|---|
| <b>TO: ( New Operator):</b>                 |
| EL PASO PRODUCTION OIL & GAS COMPANY        |
| Address: 9 GREENWAY PLAZA STE 2721 RM 2975B |
| HOUSTON, TX 77046-0995                      |
| Phone: 1-(832)-676-4721                     |
| Account N1845                               |

**CA No.**

**Unit: NATURAL BUTTES**

**WELL(S)**

| NAME                | API NO              | ENTITY NO   | SEC TWN RNG       | LEASE TYPE     | WELL TYPE | WELL STATUS |
|---------------------|---------------------|-------------|-------------------|----------------|-----------|-------------|
| NBU 141             | 43-047-32017        | 2900        | 06-10S-22E        | FEDERAL        | GW        | P           |
| CIGE 179-6-10-22    | 43-047-32400        | 2900        | 06-10S-22E        | FEDERAL        | GW        | P           |
| NBU 243             | 43-047-32930        | 2900        | 06-10S-22E        | FEDERAL        | GW        | P           |
| CIGE 196-6-10-22    | 43-047-33003        | 2900        | 06-10S-22E        | FEDERAL        | GW        | P           |
| NBU 340X            | 43-047-34015        | 2900        | 06-10S-22E        | FEDERAL        | GW        | P           |
| NBU 341             | 43-047-33726        | 2900        | 06-10S-22E        | FEDERAL        | GW        | P           |
| NBU 244             | 43-047-32931        | 2900        | 07-10S-22E        | FEDERAL        | GW        | P           |
| NBU 342             | 43-047-33727        | 2900        | 07-10S-22E        | FEDERAL        | GW        | P           |
| <b>NBU 245</b>      | <b>43-047-33004</b> | <b>2900</b> | <b>08-10S-22E</b> | <b>FEDERAL</b> | <b>GW</b> | <b>P</b>    |
| NBU 343             | 43-047-33719        | 2900        | 08-10S-22E        | FEDERAL        | GW        | P           |
| CIGE 250            | 43-047-33743        | 2900        | 08-10S-22E        | FEDERAL        | GW        | P           |
| UTE TRAIL U 83X-9H  | 43-047-15388        | 2900        | 09-10S-22E        | FEDERAL        | GW        | P           |
| NBU CIGE 14-9-10-22 | 43-047-30484        | 2900        | 09-10S-22E        | FEDERAL        | GW        | P           |
| NBU 152             | 43-047-31990        | 2900        | 09-10S-22E        | FEDERAL        | GW        | P           |
| NBU 151             | 43-047-31991        | 2900        | 09-10S-22E        | FEDERAL        | GW        | P           |
| NBU 150             | 43-047-31992        | 2900        | 09-10S-22E        | FEDERAL        | GW        | P           |
| NBU 204             | 43-047-32342        | 2900        | 09-10S-22E        | FEDERAL        | GW        | P           |
| NBU 205             | 43-047-32344        | 2900        | 09-10S-22E        | FEDERAL        | GW        | P           |
| NBU 291             | 43-047-32911        | 2900        | 09-10S-22E        | FEDERAL        | GW        | P           |
| NBU 292             | 43-047-33474        | 2900        | 09-10S-22E        | FEDERAL        | GW        | P           |

**OPERATOR CHANGES DOCUMENTATION**

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 06/19/2001
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 06/19/2001
3. The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 06/21/2001
4. Is the new operator registered in the State of Utah: YES Business Number: 608186-0143



JAN. 17. 2003 3:34PM

WESTPORT

NO. 173 P. 2

**WESTPORT OIL AND GAS COMPANY, L.P.**

410 Seventeenth Street #2300 Denver Colorado 80202-4436  
Telephone: 303 573 5404 Fax: 303 573 5609

**February 1, 2002**

Department of the Interior  
Bureau of Land Management  
2850 Youngfield Street  
Lakewood, CO 80215-7093  
Attention: Ms. Martha Maxwell

**RE: BLM Bond CO-1203  
BLM Nationwide Bond 158626364  
Surety - Continental Casualty Company  
Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.  
Conversion of Westport Oil and Gas Company, Inc., into Westport Oil and Gas Company, L.P.  
Assumption Rider - Westport Oil and Gas Company, L.P.**

**Dear Ms. Maxwell:**

Pursuant to our recent conversations, please find the following list of enclosures for the BLM's consideration and approval:

Two (2) Assumption Riders, fully executed originals.  
Copies of Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.  
Copies of Westport Oil and Gas Company, Inc., conversion into Westport Oil and Gas Company, L.P.  
List of all Federal/BIA/State Leases - Belco/Westport's leases - in all states.

Please inform us of any additional information needed to complete the change to Westport Oil and Gas Company, L.P., as operator of record.

I thank you for your assistance and cooperation in this matter. Please do not hesitate contacting the undersigned, should a question arise.

Sincerely,  
Westport Oil and Gas Company, L.P.

Debby J. Black  
Engineer Technician

Encl:



United States Department of the Interior **RECEIVED**

BUREAU OF LAND MANAGEMENT

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

FEB 22 2002

DIVISION OF  
OIL, GAS AND MINING

In Reply Refer To:  
3106  
UTU-25566 et al  
(UT-924)

FEB 21 2002

NOTICE

Westport Oil and Gas Company L.P. : Oil and Gas  
410 Seventeenth Street, #2300 :  
Denver Colorado 80215-7093 :

Name Change Recognized

Acceptable evidence has been received in this office concerning the name change of Westport Oil and Gas Company, Inc. into Westport Oil and Gas Company, L.P. with Westport Oil and Gas Company, L.P. being the surviving entity.

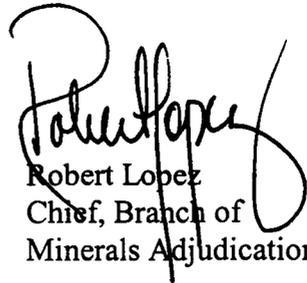
For our purposes, the name change is recognized effective December 31, 2001.

The oil and gas lease files identified have been noted as to the name change. The exhibit was compiled from a list of leases obtained from our computer program. We have not abstracted the lease files to determine if the entities affected by this name change hold an interest in the leases identified nor have we attempted to identify leases where the entities are the operator on the ground maintaining no vested recorded title or operating rights interests. We will be notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

If you identify additional leases in which the entities maintain an interest, please contact this office and we will appropriately document those files with a copy of this Notice.

Due to the name change, the name of the principal/obligor on the bond is required to be changed from Westport Oil and Gas Company, Inc. to Westport Oil and Gas Company, L.P.. You may accomplish this either by consent of surety rider on the original bond or a rider to the original bond. The bonds are held in Colorado.

UTU-03405  
UTU-20895  
UTU-25566  
UTU-43156  
UTU-49518  
UTU-49519  
UTU-49522  
UTU-49523



Robert Lopez  
Chief, Branch of  
Minerals Adjudication

cc: Moab Field Office  
Vernal Field Office  
MMS, Reference Data Branch, MS3130, PO Box 5860, Denver CO 80217  
State of Utah, DOGM, Attn: Jim Thompson (Ste. 1210), Box 145801, SLC UT 84114  
Teresa Thompson (UT-922)  
Joe Incardine (UT-921)

# memorandum

Branch of Real Estate Services  
Uintah & Ouray Agency

Date: 5 December, 2002  
Reply to  
Attn of: Supervisory Petroleum Engineer  
Subject: Modification of Utah Division of Oil, Gas and Mining Regulations  
To: Director, Utah Division of Oil, Gas and Mining Division: John Baza

We have been advised of changes occurring with the operation of your database for Change of Operator. You will be modifying your records to reflect Change of Operator once you have received all necessary documentation from the companies involved, and perhaps in advance of our Notice of Concurrence/Approval of Change of Operator where Indian leases are involved.

We have no objection.

With further comment to Rulemaking, I wish to comment concerning the provision of Exhibits for upcoming Hearings. I would like to see the Uintah & Ouray Agency, BIA, and the Ute Indian Tribe, Energy & Mineral Resources Department added to the list of those parties that receive advance Exhibits so as to allow us to have research time prior to Hearing dates. We will be able to provide a more informed recommendation to the Oil, Gas and Mining Board. It would be best if we would receive only those Exhibits that concern Indian lands, specifically on or adjacent to Indian lands. This may be a difficult situation to attain, as it is not always clear where 'on or adjacent' occurs.

I am aware that you have gone to extra effort to correct this matter already, and I fully appreciate it. My request is intended only to allow the addition of Uintah & Ouray Agency and Ute Indian Tribe to the official listing.

We appreciate your concern, and hope that these comments are timely enough for consideration in the revision process.

CC: Minerals & Mining Section of RES  
Ute Energy & Mineral Resources Department: Executive Director  
chrono





IN REPLY REFER TO:  
Real Estate Services

## United States Department of the Interior

**BUREAU OF INDIAN AFFAIRS**

Washington, D.C. 20240

FEB 10 2003

Carroll A. Wilson  
Principal Landman  
Westport Oil and Gas Company, L.P.  
1368 South 1200 East  
Vernal, Utah 84078

Dear Mr. Wilson:

This is in response to your request for approval of RLI Insurance Company's Nationwide Oil and Gas Lease Bond No. RLB0005239 executed effective December 17, 2002, (\$150,000 coverage) with Westport Oil and Gas Company, L. P., as principal.

This bond is hereby approved as of the date of this correspondence and will be retained in the Bureau of Indian Affairs' Division of Real Estate Services, 1849 C Street, NW, MS-4512-MIB, Washington, D.C. 20240. All Bureau oil and gas regional offices and the surety are being informed of this action.

In cases where you have existing individual and/or collective bonds on file with one or more of our regional offices, you may now request those offices, directly, to terminate in lieu of coverage under this Nationwide Bond.

Enclosed is a copy of the approved bond for your files. If we may be of further assistance in this matter, please advise.

Sincerely,

Director, Office of Trust Responsibilities

**ACTING**

Enclosure



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO  
UT-922

February 27, 2003

Westport Oil and Gas Company, L.P.  
Attn: Gary D. Williamson  
1670 Broadway, Suite 2800  
Denver, Colorado 80202

Re: Natural Buttes Unit  
Uintah County, Utah

Gentlemen:

On February 27, 2003, we received an indenture dated December 17, 2002, whereby El Paso Production Oil & Gas Company resigned as Unit Operator and Westport Oil and Gas Company, L.P., was designated as Successor Unit Operator for the Natural Buttes Unit, Uintah County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective February 27, 2003. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Natural Buttes Unit Agreement.

Your nationwide (Colorado) oil and gas bond No. 1203 will be used to cover all operations within the Natural Buttes Unit.

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

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks  
Chief, Branch of Fluid Minerals

Enclosure

bcc: Field Manager - Vernal (w/enclosure)  
SITLA  
Division of Oil, Gas & Mining  
Minerals Adjudication Group  
File - Natural Buttes Unit (w/enclosure)  
Agr. Sec. Chron  
Fluid Chron

UT922:TAThompson:tt:02/27/2003

RECEIVED

FEB 28 2003

DIV. OF OIL, GAS & MINING

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

FORM 9

|  |  |  |
|--|--|--|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b>   |  | 5. LEASE DESIGNATION AND SERIAL NUMBER:        |
| Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. |  | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME:          |
| 1. TYPE OF WELL<br>OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____   |  | 7. UNIT or CA AGREEMENT NAME:                  |
| 2. NAME OF OPERATOR:<br><b>El Paso Production Oil &amp; Gas Company</b>  |  | 8. WELL NAME and NUMBER:<br><b>Exhibit "A"</b> |
| 3. ADDRESS OF OPERATOR:<br><b>9 Greenway Plaza Houston TX 77064-0995</b>   |  | 9. API NUMBER:                                 |
| PHONE NUMBER:<br><b>(832) 676-5933</b>   |  | 10. FIELD AND POOL, OR WILDCAT:                |
| 4. LOCATION OF WELL<br>FOOTAGES AT SURFACE: _____ COUNTY: _____<br>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: _____ STATE: <b>UTAH</b>   |  |  |

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

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

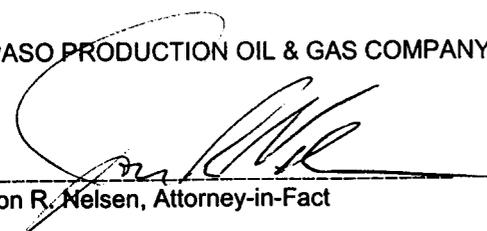
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Operator change to Westport Oil and Gas Company, L.P., 1670 Broadway, Suite 2800, Denver, CO. 80202-4800, effective December 17, 2002.

BOND # \_\_\_\_\_

State Surety Bond No. RLB0005236  
Fee Bond No. RLB0005238

EL PASO PRODUCTION OIL & GAS COMPANY

By:   
Jon R. Nelsen, Attorney-in-Fact

RECEIVED

FEB 28 2003

DIV. OF OIL, GAS & MINING

|   |   |
|---|---|
| NAME (PLEASE PRINT) <b>WESTPORT OIL AND GAS COMPANY, L.P.</b><br><b>David R. Dix</b>          | TITLE <b>Agent and Attorney-in-Fact</b> |
| SIGNATURE  | DATE <b>12/17/02</b>                    |

(This space for State use only)

Form 3160-5  
(August 1999)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS  
Do not use this form for proposals to drill or reenter an  
abandoned well. Use Form 3160-3 (APD) for such proposals.

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

- 5. Lease Serial No.  
**SEE ATTACHED EXHIBIT "A"**
- 6. If Indian, Allottee or Tribe Name
- 7. If Unit or CA/Agreement, Name and/or No.
- 8. Well Name and No.  
**SEE ATTACHED EXHIBIT "A"**
- 9. API Well No.  
**SEE ATTACHED EXHIBIT "A"**
- 10. Field and Pool, or Exploratory Area
- 11. County or Parish, State  
**UINTAH COUNTY, UT**

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
**WESTPORT OIL & GAS COMPANY, L.P.**

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)

**SEE ATTACHED EXHIBIT "A"**

**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 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                                   |
|   | <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal                                       |

**SUCCESSOR OF OPERATOR**

13. Describe Proposed or Completed Operations (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 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 when testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator determined that the site is ready for final inspection.

WESTPORT OIL & GAS COMPANY, L.P., IS CONSIDERED TO BE THE OPERATOR ON THE ATTACHED DESCRIBED LANDS AND IS RESPONSIBLE UNDER THE TERMS AND CONDITIONS OF THE LEASE FOR THE OPERATIONS CONDUCTED ON THE LEASED LANDS OR PORTIONS THEREOF, BOND COVERAGE FOR THIS WELL IS PROVIDED BY FEDERAL NATIONWIDE BOND NO. 158626364, EFFECTIVE FEBRUARY 1, 2002, AND BIA NATIONWIDE BOND NO. RLB0005239, EFFECTIVE FEBRUARY 10, 2003.

RECEIVED  
MAR 04 2003

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

Name (Printed/Typed)

**CHERYL CAMERON**

Title

**OPERATIONS**

Signature

Date

**March 4, 2003**

**THIS SPACE FOR FEDERAL OR STATE 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, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

BUREAU OF OIL, GAS & MINING

**OPERATOR CHANGE WORKSHEET**

**ROUTING**

|          |
|----------|
| 1. GLH   |
| 2. CDW ✓ |
| 3. FILE  |

**X Change of Operator (Well Sold)**

Designation of Agent/Operator

Operator Name Change

Merger

|  |                               |
|--|-------------------------------|
| The operator of the well(s) listed below has changed, effective: <b>12-17-02</b> |                               |
| <b>FROM: (Old Operator):</b>   | <b>TO: ( New Operator):</b>   |
| EL PASO PRODUCTION OIL & GAS COMPANY   | WESTPORT OIL & GAS COMPANY LP |
| Address: 9 GREENWAY PLAZA  | Address: P O BOX 1148         |
| HOUSTON, TX 77064-0995   | VERNAL, UT 84078              |
| Phone: 1-(832)-676-5933  | Phone: 1-(435)-781-7023       |
| Account No. N1845  | Account No. N2115             |

**CA No. Unit: NATURAL BUTTES**

| <b>WELL(S)</b>        |                |              |              |               |              |                |
|-----------------------|----------------|--------------|--------------|---------------|--------------|----------------|
| NAME                  | SEC TWN<br>RNG | API NO       | ENTITY<br>NO | LEASE<br>TYPE | WELL<br>TYPE | WELL<br>STATUS |
| NBU 141               | 06-10S-22E     | 43-047-32017 | 2900         | FEDERAL       | GW           | P              |
| CIGE 179-6-10-22      | 06-10S-22E     | 43-047-32400 | 2900         | FEDERAL       | GW           | P              |
| NBU 243               | 06-10S-22E     | 43-047-32930 | 2900         | FEDERAL       | GW           | P              |
| NBU 116               | 06-10S-22E     | 43-047-31925 | 2900         | FEDERAL       | GW           | P              |
| NBU CIGE 74D-6-10-22P | 06-10S-22E     | 43-047-30953 | 2900         | FEDERAL       | GW           | S              |
| CIGE 196-6-10-22P     | 06-10S-22E     | 43-047-33003 | 2900         | FEDERAL       | GW           | P              |
| NBU 341               | 06-10S-22E     | 43-047-33726 | 2900         | FEDERAL       | GW           | P              |
| NBU 340               | 06-10S-22E     | 43-047-33725 | 2900         | FEDERAL       | GW           | PA             |
| NBU 340X              | 06-10S-22E     | 43-047-34015 | 2900         | FEDERAL       | GW           | P              |
| NBU CIGE 53-6-10-22   | 06-10S-22E     | 43-047-30533 | 2900         | FEDERAL       | GW           | PA             |
| NBU 84V               | 06-10S-22E     | 43-047-31245 | 2900         | FEDERAL       | GW           | PA             |
| NBU 344               | 07-10S-22E     | 43-047-32931 | 2900         | FEDERAL       | GW           | P              |
| CIGE 282              | 07-10S-22E     | 43-047-34436 | 2900         | STATE         | GW           | P              |
| NBU CIGE 23-7-10-22   | 07-10S-22E     | 43-047-30333 | 2900         | STATE         | GW           | P              |
| NBU CIGE 83D-7-10-22  | 07-10S-22E     | 43-047-30865 | 2900         | STATE         | GW           | PA             |
| CIGE 141-7-10-22      | 07-10S-22E     | 43-047-31970 | 2900         | FEDERAL       | GW           | PA             |
| NBU 470               | 07-10S-22E     | 43-047-34833 | 99999        | STATE         | GW           | APD            |
| NBU 343               | 08-10S-22E     | 43-047-33719 | 2900         | FEDERAL       | GW           | P              |
| CIGE 250              | 08-10S-22E     | 43-047-33743 | 2900         | FEDERAL       | GW           | P              |
| NBU 245               | 08-10S-22E     | 43-047-33004 | 2900         | FEDERAL       | GW           | P              |

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 02/28/2003
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 03/04/2003
3. The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 03/06/2003
4. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
5. If **NO**, the operator was contacted contacted on: \_\_\_\_\_

6. (R649-9-2) Waste Management Plan has been received on: IN PLACE

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM-12/31/2003 BIA-12/5/02

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: 02/27/2003

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: N/A

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

**DATA ENTRY:**

1. Changes entered in the **Oil and Gas Database** on: 03/24/2003

2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 03/24/2003

3. Bond information entered in RBDMS on: N/A

4. Fee wells attached to bond in RBDMS on: N/A

**STATE WELL(S) BOND VERIFICATION:**

1. State well(s) covered by Bond Number: RLB 0005236

**FEDERAL WELL(S) BOND VERIFICATION:**

1. Federal well(s) covered by Bond Number: 158626364

**INDIAN WELL(S) BOND VERIFICATION:**

1. Indian well(s) covered by Bond Number: RLB 0005239

**FEE WELL(S) BOND VERIFICATION:**

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB 0005238

2. The **FORMER** operator has requested a release of liability from their bond on: N/A

The Division sent response by letter on: N/A

**LEASE INTEREST OWNER NOTIFICATION:**

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

**COMMENTS:**

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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 reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.  
Multiple Wells - see attached

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
891008900A

8. Well Name and No.  
Multiple Wells - see attached

9. API Well No.  
Multiple Wells - see attached

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

11. County or Parish, State  
Uintah County, UT

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator  
WESTPORT OIL & GAS COMPANY, L.P.

3a. Address  
P.O. BOX 1148 VERNAL, UT 84078

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Multiple Wells - see attached

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 type="checkbox"/> Other _____    |
|  | <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 Operations (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 site is ready for final inspection.

Westport Oil & Gas requests a variance to Onshore Order No. 4, Part IIIC.a. requiring each sales tank be equipped with a pressure-vacuum thief hatch and/or vent line valve. The variance is requested as an economic analysis shows the value of the shrunk condensate will not payout the incremental cost of purchasing and maintaining the valve resulting in a loss of value over the producing life of the well.

The volume lost to shrinkage by dropping the tank pressure from 6 ozs. to 0 psig is shown to be 0.3% of the tank volume. This was determined by lab analysis of a representative sample from the field. The sample shrunk from 98.82% of original volume to 98.52% when the pressure was dropped. The average NBU well produces approximately 6 bbls condensate per month. The resulting shrinkage would amount to 0.56 bbls per month lost volume due to shrinkage. The value of the shrunk and lost condensate does not recoup or payout the cost of installing and maintaining the valves and other devices that hold the positive tank pressure. An economic run based on the loss and costs is attached. Westport Oil & gas requests approval of this variance in order to increase the value of the well to the operator and the mineral royalty owners.

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

Name (Printed/Typed) J.T. Conley    Title Operations Manager    Date 9-2-2003

Signature *J.T. Conley*    Initials *JTC*    Date 9-2-2003

SEP 10 2003  
DIV. OF OIL, GAS & MINING

THIS SPACE FOR FEDERAL OR STATE USE

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Office \_\_\_\_\_ Date: 9/16/03

Accepted by the Utah Division of Oil, Gas and Mining  
Federal Approval of This Action is Necessary

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.

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

**Westport Oil & Gas, L.P.**

**Project Economics Worksheet**

**Instructions:**

Fill in blue boxed areas with before and after project data. The evaluation results are shown below and graphed automatically at the bottom of the page. This sheet is protected to prevent accidental alteration of the formulas. See JTC for changes. OPX entered as annual costs and/or as unit OPX costs for \$/BF and \$/MCF

Project Name:

**Condensate Shrinkage Economics**

Is this job a well pull or production rig job ???  N  (Y or N)

|                         | BEFORE<br>\$/Year | AFTER<br>\$/Year | DIFFERENCE<br>\$/Year |
|-------------------------|-------------------|------------------|-----------------------|
| Gross Oil Revenue       | \$1,088           | \$1,099          | \$11                  |
| Gross Gas Revenue       | \$0               | \$0              | \$0                   |
| NGL Revenue             | \$0               | \$0              | \$0                   |
| PULING UNIT SERVICE     |                   |                  | \$0                   |
| WIRELINE SERVICE        |                   |                  | \$0                   |
| SUBSURF EQUIP REPAIRS   |                   |                  | \$0                   |
| COMPANY LABOR           |                   |                  | \$0                   |
| CONTRACT LABOR          | \$0               | \$200            | \$200                 |
| CONTR SERVICE           |                   |                  | \$0                   |
| LEASE FUEL GAS          | \$0               | \$0              | \$0                   |
| UTILITIES - ELECTRICITY | \$0               | \$0              | \$0                   |
| CHEMICAL TREATING       |                   |                  | \$0                   |
| MATERIAL & SUPPLY       | \$0               | \$150            | \$150                 |
| WATER & HAULING         |                   |                  | \$0                   |
| ADMINISTRATIVE COSTS    |                   |                  | \$0                   |
| GAS PLANT PROCESSING    |                   |                  | \$0                   |
| <b>Totals</b>           | <b>\$0</b>        | <b>\$350</b>     | <b>\$350</b>          |

Increased OPX Per Year

**Investment Breakdown:**

|            | Cap/Exp<br>Code | Cost, \$ |
|------------|-----------------|----------|
| Capital \$ | 820/830/840     | \$1,200  |
| Expense \$ | 830/840         | \$0      |
| Total \$   |                 | \$1,200  |

|               |          |              |
|---------------|----------|--------------|
| Oil Price     | \$ 23.00 | \$/BO        |
| Gas Price     | \$ 3.10  | \$/MCF       |
| Electric Cost | \$ -     | \$/ HP / day |
| OPX/BF        | \$ 2.00  | \$/BF        |
| OPX/MCF       | \$ 0.62  | \$/MCF       |

**Production & OPX Detail:**

|                 | Before |       | After |       | Difference |       |
|-----------------|--------|-------|-------|-------|------------|-------|
| Oil Production  | 0.192  | BOPD  | 0.194 | BOPD  | 0.002      | BOPD  |
| Gas Production  | 0      | MCFPD | 0     | MCFPD | 0          | MCFPD |
| Wtr Production  | 0      | BWPD  | 0     | BWPD  | 0          | BWPD  |
| Horse Power     |        | HP    |       | HP    | 0          | HP    |
| Fuel Gas Burned |        | MCFPD |       | MCFPD | 0          | MCFPD |

**Project Life:**

Life =  Years  
(Life no longer than 20 years)

**Internal Rate of Return:**

After Tax IROR =

**AT Cum Cashflow:**

Operating Cashflow =  (Discounted @ 10%)

**Payout Calculation:**

Payout =  $\frac{\text{Total Investment}}{\text{Sum(OPX + Incremental Revenue)}} = 1$

Payout occurs when total AT cashflow equals investment  
See graph below, note years when cashflow reaches zero

Payout =  Years or  Days

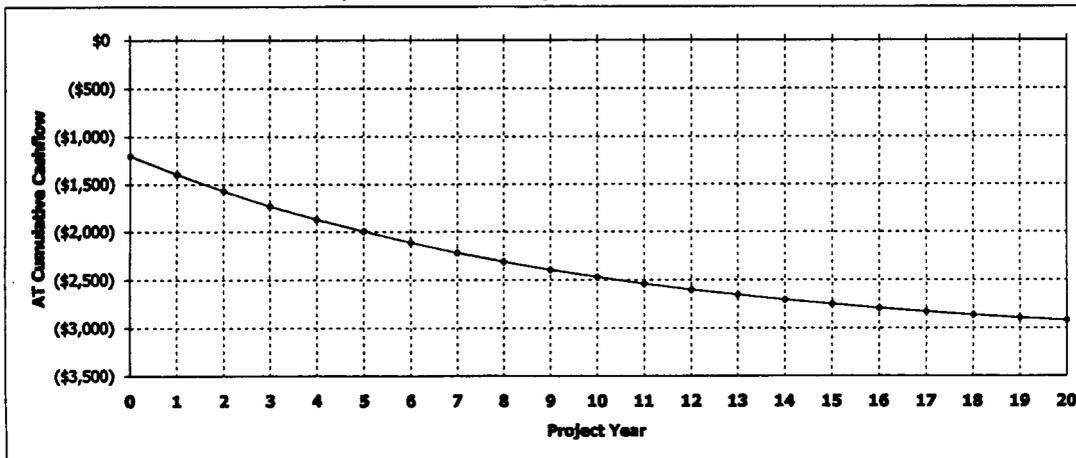
**Gross Reserves:**

Oil Reserves = 6 BO  
Gas Reserves = 0 MCF  
Gas Equiv Reserves = 38 MCFE

**Notes/Assumptions:**

An average NBW well produces 0.192 Bcpd with no tank pressure. The production is increased to 0.194 Bcpd if 6 ozs of pressure are placed on the tank. The increased production does not payout the valve cost or the estimated annual maintenance costs.

Project: Condensate Shrinkage Economics



**Westport Oil and Gas, Inc.**

**NBU/Ouray Field**

RFL 2003-022

**COMPARISON OF FLASH BACK PRESSURES**

Calculated by Characterized Equation-of-State

| Flash Conditions |    | Gas/Oil Ratio<br>(scf/STbbl)<br>(A) | Specific Gravity of<br>Flashed Gas<br>(Air=1.000) | Separator<br>Volume<br>Factor<br>(B) | Separator<br>Volume<br>Percent<br>(C) |
|------------------|----|-------------------------------------|---|--------------------------------------|---------------------------------------|
| psig             | °F |                                     |   |                                      |                                       |

**Calculated at Laboratory Flash Conditions**

|    |     |      |       |       |         |
|----|-----|------|-------|-------|---------|
| 80 | 70  |      |       | 1.019 |         |
| 0  | 122 | 30.4 | 0.993 | 1.033 | 101.37% |
| 0  | 60  | 0.0  | —     | 1.000 | 98.14%  |

**Calculated Flash with Backpressure using Tuned EOS**

|        |    |      |       |       |        |
|--------|----|------|-------|-------|--------|
| 80     | 70 |      |       | 1.015 |        |
| 6.0 oz | 65 | 24.6 | 0.777 | 1.003 | 98.82% |
| 0      | 60 | 0.0  | —     | 1.000 | 98.52% |
| 80     | 70 |      |       | 1.015 |        |
| 4.0 oz | 65 | 24.7 | 0.778 | 1.003 | 98.82% |
| 0      | 60 | 0.0  | —     | 1.000 | 98.52% |
| 80     | 70 |      |       | 1.015 |        |
| 2.0 oz | 65 | 24.7 | 0.779 | 1.003 | 98.82% |
| 0      | 60 | 0.0  | —     | 1.000 | 98.52% |
| 80     | 70 |      |       | 1.015 |        |
| 0      | 65 | 24.8 | 0.780 | 1.003 | 98.82% |
| 0      | 60 | 0.0  | —     | 1.000 | 98.52% |

(A) Cubic Feet of gas at 14.696 psia and 60 °F per Barrel of Stock Tank Oil at 60 °F.

(B) Barrels of oil at indicated pressure and temperature per Barrel of Stock Tank Oil at 60 °F.

(C) Oil volume at indicated pressure and temperature as a percentage of original saturated oil volume.

Note: Bubblepoint of sample in original sample container was 80 psig at 70° F with 1 cc water

| WELL       | LEGALS        | STFLEASENO | CANUMBER   | APINO            |
|------------|---------------|------------|------------|------------------|
| NBU 245    | 8-10-22 SENE  | UTU01196C  | 891008900A | 430473300400S1   |
| NBU 247    | 10-10-22 NWNW | U01196C    | 891008900A | 430473297700S1   |
| NBU 248    | 10-10-22 SENW | UTU025187  | 891008900A | 430473407900S1   |
| NBU 249    | 10-10-22 SESW | U01196C    | 891008900A | 430473297800S1   |
| NBU 252    | 10-9-21 NENW  | U0141315   | 891008900A | 430473280000S1   |
| NBU 253    | 10-9-21 SWNW  | U0141315   | 891008900A | 430473291700S1   |
| NBU 254    | 17-9-21 NESW  | UTU0575    | 891008900A | 430473280300S1   |
| NBU 255    | 21-9-21 SESW  | UTU0576    | 891008900A | 430473280600S1   |
| NBU 256    | 22-9-21 SENW  | UTU0147566 | 891008900A | 430473280700S1   |
| NBU 257    | 25-9-21 SENW  | U01194     | 891008900A | 430473279000S1 ✓ |
| NBU 258    | 26-9-21 SENE  | U01194     | 891008900A | 430473279100S1 ✓ |
| NBU 259    | 26-9-21 SWNE  | U01194     | 891008900A | 430473279200S1 ✓ |
| NBU 260    | 28-9-21 SENE  | U05676     | 891008900A | 430473300900S1   |
| NBU 261    | 30-9-21 SENW  | UTU0581    | 891008900A | 430473292800S1 ✓ |
| NBU 262    | 33-9-21 NENE  | UTU0576    | 891008900A | 430473292900S1   |
| NBU 263    | 34-9-21 SENW  | U01194     | 891008900A | 430473279300S1 ✓ |
| NBU 264    | 1-10-21 SESW  | U02842B    | 891008900A | 430473300000S1   |
| NBU 265    | 2-10-21 NESE  | ML13826    | 891008900A | 430473279600S1 ✓ |
| NBU 266    | 10-10-21 SWNW | UTU0149079 | 891008900A | 430473294100S1   |
| NBU 267    | 10-10-21 NESW | UTU01416A  | 891008900A | 430473294200S1   |
| NBU 268    | 11-10-21 NENE | U01190     | 891008900A | 430473300100S1   |
| NBU 269    | 12-10-21 SWNW | UTU1196D   | 891008900A | 430473347300S1   |
| NBU 270    | 13-10-21 SWNW | ML23608    | 891008900A | 430473286200S1 ✓ |
| NBU 271    | 24-10-20 SWNW | UTU4485    | 891008900A | 430473288700S1   |
| NBU 272    | 11-10-22 SWNE | U01197A    | 891008900A | 430473288900S1 ✓ |
| NBU 273    | 22-9-21 NWNW  | UTU0147566 | 891008900A | 430473290600S1   |
| NBU 274    | 23-9-21 NESW  | UTU149075  | 891008900A | 430473290700S1   |
| NBU 275    | 9-9-21 NWSW   | UTU01188   | 891008900A | 430473290500S1   |
| NBU 277    | 19-9-22 SENE  | UTU0284    | 891008900A | 430473304200S1   |
| NBU 278    | 30-9-22 SWSW  | U463       | 891008900A | 430473301100S1   |
| NBU 280    | 31-9-22 NESW  | ML22935A   | 891008900A | 430473286500S1 ✓ |
| NBU 281    | 32-9-22 SWSW  | ML22849    | 891008900A | 430473286600S1 ✓ |
| NBU 282    | 32-9-22 NESE  | ML22849    | 891008900A | 430473286700S1   |
| NBU 285    | 3-10-22 NWNW  | UTU01191   | 891008900A | 430473297600S1   |
| NBU 286    | 3-10-22 SENW  | UTU01191   | 891008900A | 430473298400S1   |
| NBU 287    | 3-10-22 NESE  | UTU01191A  | 891008900A | 430473298500S1   |
| NBU 288    | 3-10-22 NWSW  | UTU01191   | 891008900A | 430473298600S1   |
| NBU 289    | 3-10-22 SESW  | UTU01191   | 891008900A | 430473291000S1   |
| NBU 290    | 3-10-22 SWSE  | UTU01191A  | 891008900A | 430473298700S1   |
| NBU 291    | 9-10-22 NENE  | UTU01196D  | 891008900A | 430473291100S1   |
| NBU 292    | 9-10-22 SWNE  | UTU1196D   | 891008900A | 430473347400S1   |
| NBU 293    | 10-10-22 SENE | UTU025187  | 891008900A | 430473318200S1   |
| NBU 294X   | 22-9-20 NENW  | UTU0577B   | 891008900A | 430473346500S1   |
| NBU 295    | 12-10-20 SWSW | UTU4478    | 891008900A | 430473293900S1   |
| NBU 296    | 24-10-20 NWNE | UTU4485    | 891008900A | 430473288600S1   |
| NBU 297    | 11-9-21 SWNW  | UTU0141315 | 891008900A | 430473304000S1   |
| NBU 298    | 15-9-21 NESW  | UTU01188   | 891008900A | 430473304100S1   |
| NBU 299    | 16-9-21 SWNE  | ML3282     | 891008900A | 430473301200S1   |
| NBU 300    | 21-9-21 NWNW  | UTU0576    | 891008900A | 430473302300S1   |
| NBU 301    | 25-9-21 NWSW  | U01194     | 891008900A | 430473285900S1 ✓ |
| NBU 302    | 26-9-21 SWNW  | U01194     | 891008900A | 430473287700S1 ✓ |
| NBU 303    | 26-9-21 SESE  | ML22934    | 891008900A | 430473287800S1 ✓ |
| NBU 304    | 27-9-21 SESE  | U01194A    | 891008900A | 430473287900S1 ✓ |
| NBU 305    | 27-9-21 SWSE  | U01194A    | 891008900A | 430473288000S1 ✓ |
| NBU 306    | 27-9-21 NWNW  | U01194A    | 891008900A | 430473286000S1 ✓ |
| NBU 307    | 28-9-21 NWNE  | U05676     | 891008900A | 430473300700S1   |
| NBU 308    | 28-9-21 SENW  | U05676     | 891008900A | 430473314300S1   |
| NBU 309    | 30-9-21 NENE  | UTU0581    | 891008900A | 430473301000S1   |
| NBU 310    | 35-9-21 NENW  | U01194     | 891008900A | 430473288200S1 ✓ |
| NBU 311    | 4-10-22 NESE  | UTU01191   | 891008900A | 430473283700S1   |
| NBU 312-E2 | 2-9-21 SWSE   | UTU21510   | 891008900A | 430473228800S1 ✓ |
| NBU 313    | 4-10-22 NENW  | UTU01191A  | 891008900A | 430473283800S1   |

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET**

|                |
|----------------|
| <b>ROUTING</b> |
| 1. DJJ         |
| 2. CDW         |

**X Change of Operator (Well Sold)**

Operator Name Change/Merger

|   |  |                 |
|---|--|-----------------|
| The operator of the well(s) listed below has changed, effective:  |  | <b>1/6/2006</b> |
| <b>FROM:</b> (Old Operator):<br>N2115-Westport Oil & Gas Co., LP<br>1368 South 1200 East<br>Vernal, UT 84078<br>Phone: 1-(435) 781-7024 | <b>TO:</b> ( New Operator):<br>N2995-Kerr-McGee Oil & Gas Onshore, LP<br>1368 South 1200 East<br>Vernal, UT 84078<br>Phone: 1-(435) 781-7024 |                 |

| WELL NAME | CA No. | Unit: | NATURAL BUTTES UNIT |        |           |            |           |             |
|-----------|--------|-------|---------------------|--------|-----------|------------|-----------|-------------|
|           | SEC    | TWN   | RNG                 | API NO | ENTITY NO | LEASE TYPE | WELL TYPE | WELL STATUS |

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/10/2006
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/10/2006
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/7/2006
- a. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- b. If **NO**, the operator was contacted on:
- 5a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- 5b. Inspections of LA PA state/fee well sites complete on: n/a 3 LA wells & all PA wells transferred
- 5c. Reports current for Production/Disposition & Sundries on: ok
- 6. Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 3/27/2006 BIA not yet
- 7. Federal and Indian Units:**  
The BLM or BIA has approved the successor of unit operator for wells listed on: 3/27/2006
- 8. Federal and Indian Communization Agreements ("CA"):**  
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- 9. Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on:

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 5/15/2006
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 5/15/2006
- Bond information entered in RBDMS on: 5/15/2006
- Fee/State wells attached to bond in RBDMS on: 5/16/2006
- Injection Projects to new operator in RBDMS on: \_\_\_\_\_
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a Name Change Only

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: CO1203
- Indian well(s) covered by Bond Number: RLB0005239
- (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB0005236
- a. The **FORMER** operator has requested a release of liability from their bond on: n/a rider added KMG  
The Division sent response by letter on: \_\_\_\_\_

**LEASE INTEREST OWNER NOTIFICATION:**

- (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 5/16/2006

**COMMENTS:**

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 reenter 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  
**KERR-McGEE OIL & GAS ONSHORE LP**

3a. Address  
**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)  
**(435) 781-7024**

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

5. Lease Serial No.  
**MULTIPLE LEASES**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**MUTIPLE WELLS**

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

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

| TYPE OF SUBMISSION                                    | TYPE OF ACTION                                |   |  |   |
|---|---|---|--|---|
| <input 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 <b>CHANGE OF OPERATOR</b> |
|   | <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 Operations (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 site is ready for final inspection.

PLEASE BE ADVISED THAT KERR-McGEE OIL & GAS ONSHORE LP, IS CONSIDERED TO BE THE OPERATOR OF THE ATTACHED WELL LOCATIONS. EFFECTIVE JANUARY 6, 2006. KERR-McGEE OIL & GAS ONSHORE LP, IS RESPONSIBLE UNDER TERMS AND CONDITIONS OF THE LEASE(S) FOR THE OPERATIONS CONDUCTED UPON LEASE LANDS. BOND COVERAGE IS PROVIDED BY STATE OF UTAH NATIONWIDE BOND NO. RLB0005237.

**RECEIVED**

**MAY 10 2006**

DIV. OF OIL, GAS & MINING

*BLM BOND = C01203  
BIA BOND = RLB0005239*

**APPROVED 5/16/06**

*Earlene Russell*  
**Division of Oil, Gas and Mining**  
**Earlene Russell, Engineering Technician**

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

|  |                                  |
|--|----------------------------------|
| Name (Printed/Typed)<br><b>RANDY BAYNE</b> | Title<br><b>DRILLING MANAGER</b> |
| Signature<br><i>Randy Bayne</i>            | Date<br><b>May 9, 2006</b>       |

**THIS SPACE FOR FEDERAL OR STATE 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, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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 reenter 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  
**WESTPORT OIL & GAS COMPANY L.P.**

3a. Address  
**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)  
**(435) 781-7024**

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

5. Lease Serial No.  
**MULTIPLE LEASES**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**MUTIPLE WELLS**

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

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

| TYPE OF SUBMISSION                                    | TYPE OF ACTION                                |   |   |
|---|---|---|---|
| <input type="checkbox"/> Notice of Intent             | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume)                  |
| <input checked="" 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 <b>CHANGE OF OPERATOR</b> |

13. Describe Proposed or Completed Operations (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 site is ready for final inspection.

EFFECTIVE JANUARY 6, 2006, WESTPORT OIL & GAS COMPANY L.P., HAS RELINQUISHED THE OPERATORSHIP OF THE ATTACHED WELL LOCATIONS TO KERR-McGEE OIL & GAS ONSHORE LP.

**APPROVED** 5/16/06  
*Earlene Russell*  
 Division of Oil, Gas and Mining  
 Earlene Russell, Engineering Technician

RECEIVED  
 MAY 10 2006

DIV OF OIL, GAS & MINING

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

|   |  |
|---|--|
| Name (Printed/Typed)<br><b>BRAD LANEY</b> | Title<br><b>ENGINEERING SPECIALIST</b> |
| Signature                                 | Date<br><b>May 9, 2006</b>             |

THIS SPACE FOR FEDERAL OR STATE USE

|   |        |                       |
|---|--------|-----------------------|
| Approved by<br><i>Brad Laney</i>  | Title  | Date<br><b>5-9-06</b> |
| 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, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



## United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
Colorado State Office  
2850 Youngfield Street  
Lakewood, Colorado 80215-7076

IN REPLY REFER TO:

CO922 (MM)  
3106  
COC017387 et. al.

March 23, 2006

### NOTICE

Kerr-McGee Oil & Gas Onshore L.P. :  
1999 Broadway, Suite 3700 : Oil & Gas  
Denver, CO 80202 :

#### Merger/Name Change - Recognized

On February 28, 2006 this office received acceptable evidence of the following mergers and name conversion:

Kerr-McGee Oil & Gas Onshore L.P., a Delaware Limited Partnership, and Kerr-McGee Oil & Gas Onshore LLC, a Delaware Limited Partnership merger with and into Westport Oil and Gas Company L.P., a Delaware Limited Partnership, and subsequent Westport Oil & Gas Company L.P. name conversion to Kerr-McGee Oil & Gas Onshore L.P.

For our purposes the merger and name conversion was effective January 4, 2006, the date the Secretary of State of Delaware authenticated the mergers and name conversion.

Kerr-McGee Oil & Gas Onshore L.P. provided a list of oil and gas leases held by the merging parties with the request that the Bureau of Land Management change all their lease records from the named entities to the new entity, Kerr-McGee Oil & Gas Onshore L.P. In response to this request each state is asked to retrieve their own list of leases in the names of these entities from the Bureau of Land Management's (BLM) automated LR2000 data base.

The oil and gas lease files identified on the list provided by Kerr-McGee Oil & Gas Onshore L.P. have been updated as to the merger and name conversion. We have not abstracted the lease files to determine if the entities affected by the acceptance of these documents holds an interest in the lease, nor have we attempt to identify leases where the entity is the operator on the ground that maintains vested record title or operating rights interests. If additional documentation, for change of operator, is required you will be contacted directly by the appropriate Field Office. The Mineral Management Services (MMS) and other applicable BLM offices were notified of the merger with a copy of this notice

Please contact this office if you identify additional leases where the merging party maintains an interest, under our jurisdiction, and we will document the case files with a copy of this notice. If the leases are under the jurisdiction of another State Office that information will be forwarded to them for their action.

Three riders accompanied the merger/name conversion documents which will add Kerr-McGee Oil and Gas Onshore LLC as a principal to the 3 Kerr-McGee bonds maintained by the Wyoming State Office. These riders will be forward to them for their acceptance.

The Nationwide Oil & Gas Continental Casualty Company Bond #158626364 (BLM Bond #CO1203), maintained by the Colorado State Office, will remain in full force and effect until an assumption rider is accepted by the Wyoming State Office that conditions their Nationwide Safeco bond to accept all outstanding liability on the oil and gas leases attached to the Colorado bond.

If you have questions about this action you may call me at 303.239.3768.

/s/Martha L. Maxwell  
Martha L. Maxwell  
Land Law Examiner  
Fluid Minerals Adjudication

**Attachment:**

List of OG Leases to each of the following offices:

MMS MRM, MS 357B-1

WY, UT, NM/OK/TX, MT/ND, WY State Offices

CO Field Offices

Wyoming State Office

Rider #1 to Bond WY2357

Rider #2 to Bond WY1865

Rider #3 to Bond WY1127



# United States Department of the Interior



BUREAU OF LAND MANAGEMENT  
Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155  
<http://www.blm.gov>

IN REPLY REFER TO:  
3106  
(UT-922)

March 27, 2006

## Memorandum

To: Vernal Field Office

From: Chief, Branch of Fluid Minerals

Subject: Merger Approval

Attached is an approved copy of the merger recognized by the Bureau of Land Management, Colorado State Office. We have updated our records to reflect the merger from Westport Oil and Gas Company L.P. into Kerr-McGee Onshore Oil and Gas Company. The merger was approved effective January 4, 2006.

Chief, Branch of  
Fluid Minerals

## Enclosure

Approval letter from BLM COSO (2 pp)

cc: MMS, Reference Data Branch, James Sykes, PO Box 25165, Denver CO 80225  
State of Utah, DOGM, Attn: Earlene Russell, PO Box 145801, SLC UT 84114  
Teresa Thompson  
Joe Incardine  
Connie Seare  
Dave Mascarenas  
Susan Bauman

RECEIVED

MAR 28 2006

DIV. OF OIL, GAS & MINERAL

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 reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

5. Lease Serial No.  
**U-01196-C**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
**NATURAL BUTTES UNIT**

8. Well Name and No.  
**NBU 245**

9. API Well No.  
**43-047-33004**

10. Field and Pool, or Exploratory Area  
**NATURAL BUTTES**

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  
**WESTPORT OIL & GAS COMPANY L.P.**

3a. Address  
**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)  
**(435) 781-7024**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**SENE SECTION 8-T10S-R22E 2037'FNL & 729'FEL**

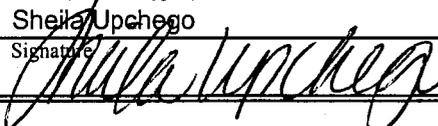
**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

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

13. Describe Proposed or Completed Operations (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 site is ready for final inspection.

4/14/05: PMP 2 DRUMS OF 15% HCL HCL ACID.

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

|  |                                    |
|--|------------------------------------|
| Name (Printed/Typed)<br><b>Sheila Upcheg</b>   | Title<br><b>Regulatory Analyst</b> |
| Signature<br> | Date<br><b>April 25, 2005</b>      |

**THIS SPACE FOR FEDERAL OR STATE 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, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

**RECEIVED**  
**MAY 03 2005**  
DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

5. Lease Serial No.

U-01196-C

6. If Indian, Allottee or Tribe Name

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

UNIT #891008900A  
NATURAL BUTTES UNIT

8. Well Name and No.

**NBU 245**

9. API Well No.

4304733004

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

**SUBMIT IN TRIPLICATE – Other instructions on reverse side**

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

**KERR-McGEE OIL & GAS ONSHORE LP**

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

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

**SENE SEC. 8, T10S, R22E 2037'FNL, 729'FEL**

**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 <b>MAINTENANCE</b> |  |
|   | <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 Operations (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 recomplate 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 site is ready for final inspection.

12/15/2006: TBG PRESS 250 PSI CSG PRESS 400 PSI PRESS BLED DN TO 25# ON TBG HOOK UP CSG. PMP 10 GAL 9021 OXY SCAVENGER & 10 GAL 6160 BIOCIDE FLUSH W/3 BBL WTR HOOK UP TBG PMP 1 BBL WTR 10 GAL 9021 & 10 GAL 6106 FLUSH W/3 BBL WTR SI ND WH NU BOPS PMP 10 BBL DN TBG & CSG PULL & TALLY TBG. TBG STARTED GETTING SCALEY 2100' & PROG GOT WORSE FOUND HOLE IN JT #129. PICK UP 67 JTS J-55 YB OFF FLOAT PULLED & STOOD IN DERRICK STARTED LD ALL TBG 2100' GOT 54 JTS LD RIG BROKE DN  
12/18/2006: TBG & CSG HAD 150 PSI BLEED OFF PRESS START LD TBG. TBG VERY SCALY FULL OF HOLES. WELL STARTED GASSING CHECK FOR H2S READ 100 PPM CALLED FOR BIOCIDE TREAT PMP 5 GAL OXY SCAVENGER & 5 GAL BIOCIDE DN TBG 10 GAL OXY SCAV. 10 GAL BIOCIDE DN CSG. FLUSHED BOTH W/3 BBL WTR FINISH LD TBG 156 JTS LD LAST 40 JTS PULLED WET MAKE UP 3 7/8" MILL ON POBS STRING FILL TBG & PRESS TST TO 1200 PSI RELEASE PRESS RIH RETRIEVE TOOL PULL STANDING VALVE RIH W/34 STANDS OUT OF DERRICK TALLY TOP LAYER ON FLOAT EOT 4253' SDFN. 12/19/2006: OPEN WELL 300 PSI BLEED PRESS CHECK H2S OK RIH PU 2 3/8" TBG TAG @7818' POOH 2 3/8" TBG LD MILL & POBS PU R-NIPPLE RIH W/2 3/8" TBG EOT @2000' RDMO.

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

Name (Printed/Typed)

SHEILA UPCHEGO

Title

SENIOR LAND ADMIN SPECIALIST

Signature



Date

January 17, 2007

**THIS SPACE FOR FEDERAL OR STATE 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, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**RECEIVED**

(Instructions on reverse)

JAN 22 2007

DIV. OF OIL, GAS & MINING