

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
 DRILL DEEPEN

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

2. NAME OF OPERATOR
PETROGLYPH OPERATING COMPANY INC.

3. ADDRESS AND TELEPHONE NO.
P.O. BOX 607, ROOSEVELT, UT 84066

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: 760' ¹³⁷ FSL & 780' ¹³⁶ FWL SW/SW
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
1.15 MILES NORTHWEST OF OURAY, UTAH

16. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)
760'

16. NO. OF ACRES IN LEASE

17. NO. OF ACRES ASSIGNED TO THIS WELL

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

19. PROPOSED DEPTH
8026

20. ROTARY OR CABLE TOOLS
ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
4696 GRADED GROUND

22. APPROX. DATE WORK WILL START*
DECEMBER, 1997

23. PROPOSED CASING AND CEMENTING PROGRAM

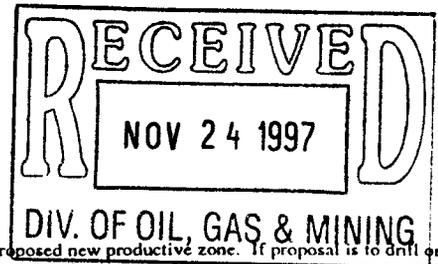
SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4	8 5/8 K-55	24.0#	240'	135 sx class "G" + 2% CaCl ₂ + 1/4 #/sx celloflake.
7 7/8	5 1/5 K-55	15.5#	6500'	
7 7/8	5 1/2 K-55	17.0#	8026	

50/50 POZMIX + % GEL + 10% SALT TO 400' ABOVE ALL ZONE OF INTEREST (+ 10% EXCESS). LIGHT CEMENT (11 PPG ±) + LCM TO 200' ABOVE OIL SHALE OR FRESH WATER INTERVALS (+ 5% EXCESS).

CONFIDENTIAL

PETROGLYPH OPERATING COMPANY INC. WILL BE THE DESIGNATED OPERATOR OF THE SUBJECT WELL UNDER BOND NO. BO 4556.

pc: Utah Division of Oil, Gas and Mining
Bureau of Indian Affairs, Fort Duchesne, Utah
Ute Indian Tribe, Fort Duchesne, Utah



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 [Signature] TITLE AGENT FOR PETROGLYPH DATE 11-14-97

(This space for Federal or State office use)

PERMIT NO. 43-047-33017 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 Associate Director Utah BLM DATE 12/23/97
*See Instructions On Reverse Side

T4S, R3E, U.S.B.&M.

PETROGLYPH OPERATING CO., INC.

Well Location, UTE TRIBAL #29-13D3E, located as shown in the SW 1/4 SW 1/4 of Section 29, T4S, R3E, U.S.B.&M. Uintah County, Utah.

Alum. Cap,
5/8" Rebar,
Marked Stone

S89°10'48"E
215.70' (Meas.)

N89°56'09"E 2570.91' (Meas.)

5/8" Rebar,
Pile of Stones

Alum. Cap,
5/8" Rebar

Lot 3

Lot 2

Lot 1

56.10 (G.L.O.)

INDIAN TREATY BOUNDARY

Lot 4

Lot 5

Lot 6

29 74.04 (G.L.O.)

Lot 10

Lot 9

Lot 8

Lot 7

80.40 (G.L.O.)

NORTH (G.L.O.)

780'

UTE TRIBAL #29-13D3E
Elev. Ungraded Ground - 4697'

760'

Alum. Cap,
5/8" Rebar,
Marked Stone

Alum. Cap,
5/8" Rebar,
Pile of Stones
WEST - G.L.O. (Basis of Bearings)
2636.08' - (Measured)

WEST - 40.00 (G.L.O.)

BASIS OF ELEVATION

BENCH MARK 31EAM LOCATED IN THE SW 1/4 OF SECTION 29, T4S, R3E, U.S.B.&M. TAKEN FROM THE OURAY 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 4697 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.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

Revised: 10-31-97 C.B.T.

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

LEGEND:

└─┘ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

SCALE 1" = 1000'	DATE SURVEYED: 9-29-97	DATE DRAWN: 10-21-97
PARTY G.S. K.R. C.B.T.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE PETROGLYPH OPERATING CO., INC.	

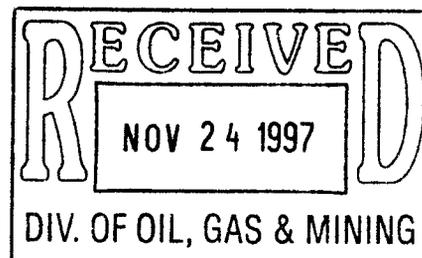
Petroglyph Operating Co., Inc.

P.O. Box 1839

Hutchinson, KS 67504-1839

November 14, 1997

Utah Division of Oil, Gas, & Mining
1594 West North Temple
Box 145801
Salt Lake City, UT 84114-5801



RE: APPLICATION FOR PERMIT TO DRILL
UTE TRIBAL #29-13D3E
SW/SW, SEC. 29, T4S, R3E
DUCHESNE COUNTY, UTAH
LEASE NO. E & D AGREEMENT NO.4750
UTE TRIBAL LANDS

Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Phone # (801) 789-4120
Fax # (801) 789-1420

Sincerely,

A handwritten signature in cursive script that reads "Ed Trotter".

Ed Trotter
Agent

Petroglyph Operating Co., Inc.

Attachments

/EHT/dmt

EIGHT POINT PLAN

UTE TRIBAL #29-13D3E
SW/SW, SEC. 29, T4S R3E
DUCHESNE COUNTY, UTAH

1. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS:

FORMATIONS	DEPTH
Mahogany OS	3288
"X" Marker	4717
Douglas Creek Mbr Tp	4921
Uteland Butte Mbr Tp	5919
Tw Tp	6057
Total Depth	8026

Anticipated BHP 2000 psi

2. ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS FORMATIONS:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Oil/Gas	Douglas Creek	4921
Oil/Gas	Wasatch	6057
Other mineral zones	N/A	

3. PRESSURE CONTROL EQUIPMENT : BOP Schematic Diagram attached.

4. CASING PROGRAM :

<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>LENGTH</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>MINIMUM SAFETY FACTOR</u>		
						<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSILE</u>
12 1/4	0' - 240'	240'	8 5/8	24.0 #	K-55	1370 PSI	2950 PSI	263,000#
7 7/8	0' - 6500'	6500'	5 1/2	15.5 #	K-55	4040 PSI	4810 PSI	186,000#
7 7/8	6500'- 8026'	1566'	5 1/2	17 #	K-55	4910 PSI	5320 PSI	272,000#

All casing will be new or inspected.

EIGHT POINT PLAN

UTE TRIBAL #29-13D3E
SW/SW, SEC. 29, T4S R3E
DUCHESNE COUNTY, UTAH

5. MUD PROGRAM

<u>INTERVAL</u>	<u>MUD TYPE</u>
0' - 250'	Air
250' - 4000'	Air/Mist & Aerated Water
4000' - TD	Air/3% KCL water or KCL substitute
TD	Gel/polyacrylamide polymer w/5-10% LCM

Sufficient mud inventory will be maintained on location during drilling to handle any adverse conditions that may arise.

6. VARIANCE REQUESTS:

- A. Petroglyph Operating Co., Inc. requests a variance to regulations requiring a straight run blooie line.
- B. Petroglyph Operating Co., Inc. requests a variance to regulations requiring an automatic ignitor or continuous pilot light on the blooie line.

7. EVALUATION PROGRAM:

Logs: Mud Logging	T.D. to base of surface csg.
Compensated Density-Compensated Neutron Log	T.D. to base of surface csg.
Dual Laterolog - Micro-SFL	T.D. to base of surface csg.
Numar (Magnetic Resonance Imaging Log)	@ Geologists discretion

Cores: None Programmed
DST: None Programmed

Completion: To be submitted at a later date.

8. ABNORMAL CONDITIONS:

None anticipated.

EIGHT POINT PLAN

UTE TRIBAL #29-13D3E
SW/SW, SEC. 29, T4S R3E
DUCHESNE COUNTY, UTAH

9. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

10. HAZARDOUS CHEMICALS:

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

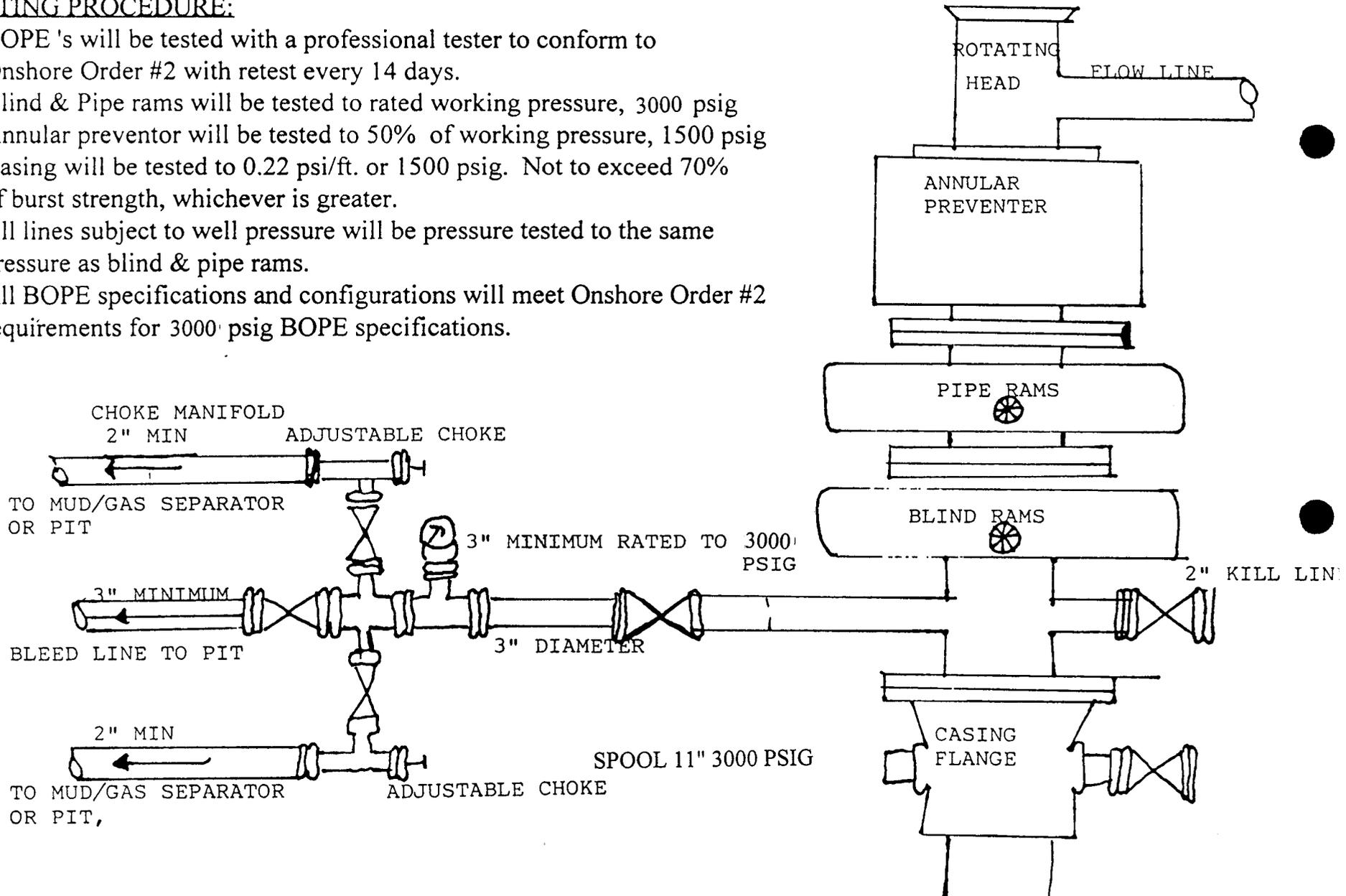
(Attachment: BOP Schematic Diagram)

3000 PSIG DIAGRAM

ANNULAR PREVENTOR AND BOTH RAMS ARE 3000 RATED.
 CASING FLANGE IS 11" 3000 PSIG RATED.
 BOPE 11" 3000 PSIG

TESTING PROCEDURE:

1. BOPE 's will be tested with a professional tester to conform to Onshore Order #2 with retest every 14 days.
2. Blind & Pipe rams will be tested to rated working pressure, 3000 psig
3. Annular preventor will be tested to 50% of working pressure, 1500 psig
4. Casing will be tested to 0.22 psi/ft. or 1500 psig. Not to exceed 70% of burst strength, whichever is greater.
5. All lines subject to well pressure will be pressure tested to the same pressure as blind & pipe rams.
6. All BOPE specifications and configurations will meet Onshore Order #2 requirements for 3000 psig BOPE specifications.



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

Company/Operator: Petroglyph Operating Co., Inc.
Well Name & Number: Ute Tribal #29-13D3E
Lease Number: BIA Exploration & Development Agreement No. 4750
Location: 660' FSL & 652' FWL, SW/SW, Sec. 29, T4S R3E
U.S.B.&M., Duchesne County, Utah
Surface Ownership: Ute Indian Tribe

NOTIFICATION REQUIREMENTS

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

Location Completion - prior to moving on the drilling rig.

Spud Notice - at least twenty-four (24) hours prior to spudding the well.

Casing String and Cementing - twenty-four (24) hours prior to running casing and cementing all casing strings.

BOP and related Equipment Tests - twenty-four (24) hours prior to running casing and tests.

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

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

THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing road.
- B. The proposed well site is located approximately 1.15 miles northwest of Ouray, Utah - See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

2. PLANNED ACCESS ROAD

- A. The access road will be approximately 200 feet in length. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/18 foot running surface.
- C. Maximum grade on access road will be 8%
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges or major cuts & fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards or fences will be required or encountered.

New or reconstructed roads will be centerline - flagged at time of location staking.

All travel will be confined to existing access road Right-of-Way. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service Publication: Surface Operating Standards For Oil & Gas Exploration and Development, (1989).

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the

roadbed as necessary to provide a well-constructed safe road.

Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of- Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, Petroglyph Operating Co., Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

3. LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION

- A. Water wells - None
- B. Abandoned wells - None
- C. Temporarily abandoned wells - None.
- D. Disposal wells - None.
- E. Drilling wells - None.
- F. Producing wells - None
- G. Shut in wells - None
- H. Injection wells - None

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

A. ON WELL PAD

- 1. Tank batteries - None
- 2. Production facilities-To be submitted later
- 3. Oil gathering lines - None
- 4. Gas gathering lines-None

5. Injection lines - None
6. Disposal lines - None
7. Surface pits - None

B. OFF WELL PAD

1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
2. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.

The production facilities will be placed on the Southwest side of the location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities required will be painted within 6 months of installation. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is Desert Brown.

5. LOCATION & TYPE OF WATER SUPPLY

- A. Water supply will be from the Ouray Brine Plant at Ouray, Utah, and/or Target Trucking Inc's water source in the SW/SW Sec, 35, T9S, R22E Uintah County, Utah (State water right #49-1501). All water will come from a non-depletable source.
- B. Water will be hauled by a Licensed Trucking Company.
- C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIAL

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of location.
- B. All construction material will come from Ute Tribal Land.
- C. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at an approved waste disposal facility.
- 4. Produced waste water will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. During the 90 day period, an application for approval of a permanent disposal method and location, together with the required water analysis, will be submitted for the AO's approval.
- 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on drilling rig to avoid leakage of oil to pit.

- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to reserve pit will be avoided by flaring them off in flare pit at time of recovery.

Burning of trash will not be allowed. All trash must be contained in a trash cage and hauled away to an approved disposal site at the completion of the drilling activities.

On BIA administered land:

All reserve pits will be lined with either native clay, commercial bentonite or plastic sufficient to prevent seepage. (If a plastic nylon reinforced liner is used, it shall be torn and perforated after the pit dries and before backfilling of the reserve pit).

A 12 mill liner shall be installed in the reserve pit.

To protect the environment:

If the reserve pit is lined the operator will provide the BIA with a chemical analysis of the fluids in that pit no later than 90 days after the well completion to determine the method for final reclamation of the reserve pit. If the elemental concentrations shown by the chemical analysis exceeds the requirements described by part II, Standards of Quality for Waters of the State, Wastewater Disposal Regulations, State of Utah Division of Health, the contents and liner will be removed and disposed of at an authorized disposal site.

To protect the environment (without a chemical analysis)
reserve pits will be constructed so as not to leak, break, or allow discharge of liquids.

Storage tanks will be used if drill sites are located on tribal irrigable land, flood plains, or on lands under crop production.
After first production, produced waste water will be confined to a lined pit or storage tank for a period not to exceed ninety (90) days. During the 90 day period, in accordance with NTL-2B, an application for approval of a permanent disposal method and location, along with required water analysis, shall be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.

8. ANCILLARY FACILITIES

- A. No airstrips or camps are planned for this well.

9. WELL SITE LAYOUT

- A. Refer to attached well site plat for related topography cuts and fills & cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation parking areas, and access road.

The reserve pit will be located on the North side of the location.

The flare pit will be located downwind of the prevailing wind direction on the North side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled topsoil will be stored on the .

Access to the well pad will be from the .

N/A Diversion ditch(es) shall be constructed on the _____ side of the location (above/below) the cut slope, draining to the _____

N/A Soil compacted earthen berm(s) shall be placed on the _____ side(s) of the location between the _____

N/A The drainage(s) shall be diverted around the sides of the well pad location.

N/A The reserve pit and/or pad locations shall be constructed long and narrow for topographic reasons _____

X Corner No. 8 will be rounded off to minimize excavation.

FENCING REQUIREMENTS

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

- A. 39 inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the

entire fence).

- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16'.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and upon completion of construction the fence shall be repaired to BIA or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is to be regularly travelled. If the well is a producer, the cattleguards (shall/ shall not) be permanently mounted on concrete bases. Prior to a new road, crossing any fence located on federal land, or any fence between federal land and private land, the operator will contact the BIA, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RESTORATION OF SURFACE

A. PRODUCING LOCATION

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 120 days from the date of well completion (weather permitting). Before any dirt work takes place, the reserve pit will be completely dry and all cans, barrels, pipe, fluid, and hydrocarbons, will be removed.

Contact appropriate surface management agency for required seed mixture.

B. DRY HOLE/ABANDONED LOCATION

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and BIA will attach the appropriate surface rehabilitation conditions of approval.

ON BIA Administered lands:

Abandoned well sites, roads, or other disturbed areas will be restored to near their original condition. This procedure will include: (a) reestablishing irrigation systems where applicable, (b) reestablishing soil conditions in irrigated fields in such a way as to ensure cultivation and harvesting of crops and, (c) ensuring revegetation of the disturbed areas to the specifications of the Ute Indian Tribe or the BIA at the time of abandonment.

11. SURFACE OWNERSHIP

Access road: Ute Indian Tribe

Location: Ute Indian Tribe

12. OTHER INFORMATION

A. Petroglyph Operating Co., Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for

knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the AO. Within five working days the AO will inform the operator as to:
-whether the materials appear eligible for the National Register of historic Places;

the mitigation measures the operator will likely have to undertake before the site can be used.

-a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, Petroglyph Operating Co., Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BIA, or the appropriate County Extension Office. On BIA administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on Tribal Lands after the conclusion of drilling operations or at any other time without

BIA authorization. However, if BIA authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities.

On BIA administered land:

Operator's employees, including subcontractors, will not gather firewood along roads constructed by operators. If wood cutting is required, a permit will be obtained from the Forestry Department of the BIA pursuant to 25 CFR 169.13 "Assessed Damages Incident to Right-of-Way authorization". All operators, subcontractors, vendors, and their employees or agents may not disturb saleable timber (including firewood) without a duly granted wood permit from the BIA Forester.

If the surface rights are owned by the Ute Indian Tribe and mineral rights are owned by another entity, an approved right-of-way will be obtained from the BIA before the operator begins any construction activities. If the surface is owned by another entity and the mineral rights are owned by the Ute Indian Tribe, rights-of-way will be obtained from the other entity.

All roads constructed by operators on the Uintah and Ouray Indian Reservation will have appropriate signs. Signs will be neat and of sound construction. They will state: (a) that the land is owned by the Ute Indian Tribe, (b) the name of the operator, (c) that firearms are prohibited to all non-Ute Tribal members (d) that permits must be obtained from the BIA before cutting firewood or other timber products, and (e) only authorized personnel permitted. All well site locations on the Uintah and Ouray Indian Reservation will have an appropriate sign indicating the name of the operator, the lease serial number, the well name and number, the survey description of the well (either footage or the quarter-quarter section, the section, township, and range).

Additional Surface Stipulations

N/A No construction or drilling activities shall be conducted between

_____ and _____ because of _____

N/A No surface occupancy will be allowed within 1,000 feet of any sage grouse strutting ground.

N/A No construction or exploration activities are permitted within 1.5 mile radius of sage grouse strutting grounds from April 1 to June 30.

N/A There shall be no surface disturbance within 600 feet of live water (includes stock tanks, springs, and guzzlers).

N/A No cottonwood trees will be removed or damaged.

N/A Pond will be constructed according to BLM specifications approximately _____ ft. _____ of the location, as flagged on onsite.

LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

PERMITTING

Ed Trotter
1620 West 750 North
Vernal UT 84078
Telephone # (801)789-4120
Fax # (801) 789-1420

OPERATIONS

Vince Guinn
P.O. Box 607
Roosevelt, UT 84066
(801) 722-2531
Fax # (801) 722-9145

All lease/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 approval plan of operations, and any applicable Notice to Lessees. Petroglyph Operating Co., Inc. is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

The BIA Office shall be notified upon site completion prior to moving on the drilling rig.

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in the Plan are to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Petroglyph Operating Co., Inc. and its contractors and sub-contractors in conformity with this Plan and the terms and conditions under which it is approved.

11-14-97

Date

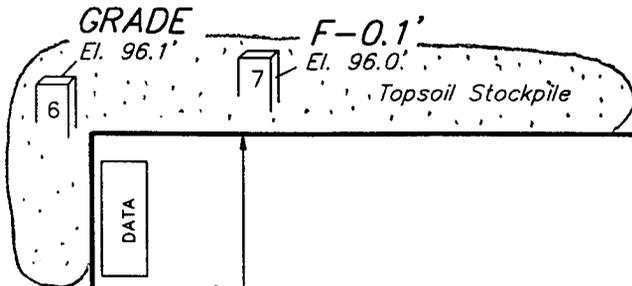
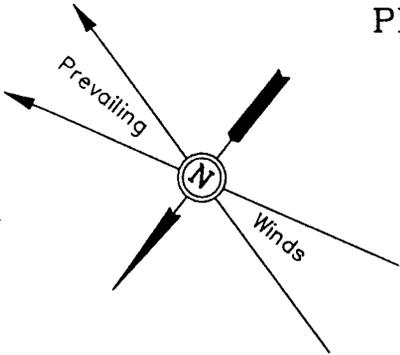
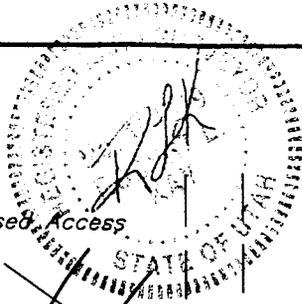


PETROGLYPH OPERATING CO., INC.

LOCATION LAYOUT FOR

UTE TRIBAL #29-13D3E
SECTION 29, T4S, R3E, U.S.B.&M.
760' FSL 780' FWL

Proposed Access Road



C-0.2' El. 96.3'
Sta. 3+15

Existing Road

Sta. 1+65

C-0.5' El. 96.6'

Sta. 0+00

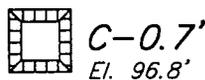
C-0.9' El. 97.0'

SCALE: 1" = 50'
DATE: 10-31-97
Drawn By: C.B.T.

NOTE:

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

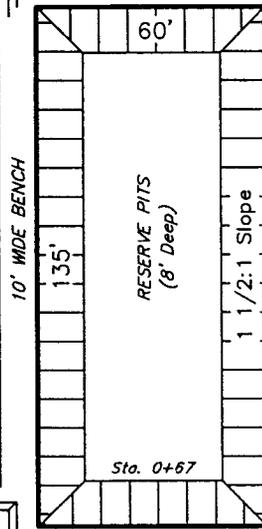
FLARE PIT



El. 96.9'
C-8.8' (btm. pit)

NOTE: Pit Capacity W/2' of Freeboard is ±5,800 Bbls.

Approx. Top of Cut Slope

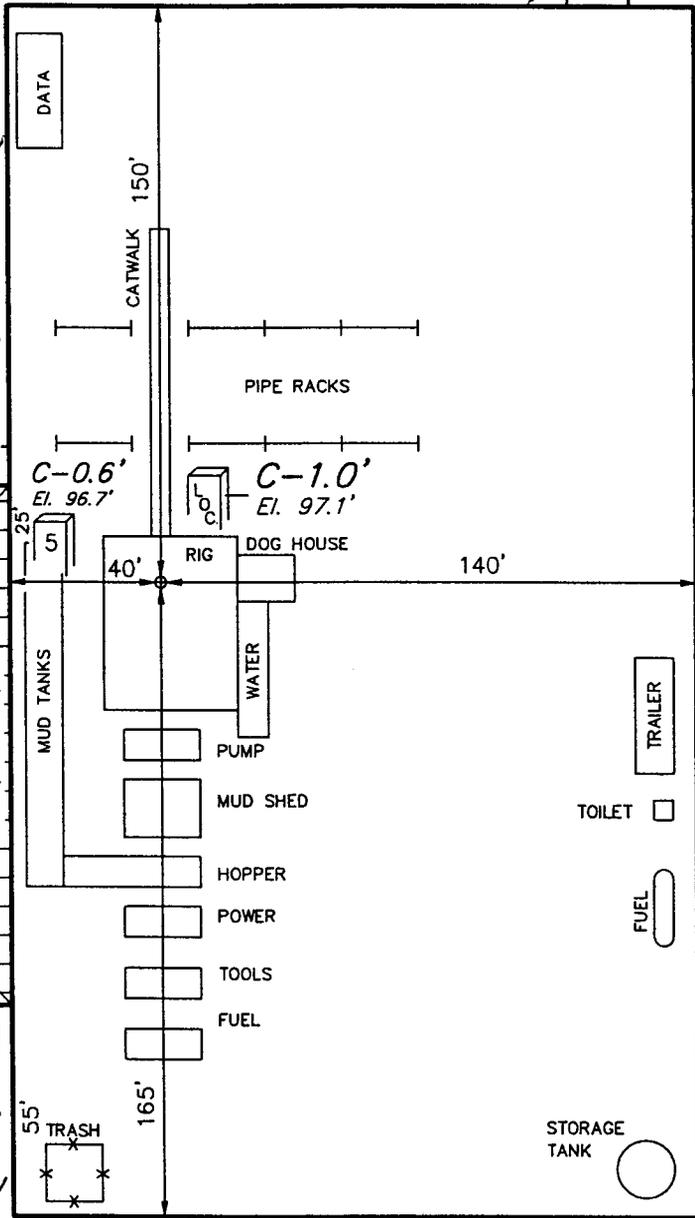


El. 96.5'
C-8.4' (btm. pit)

El. 96.7'
C-0.6'

Reserve Pit Backfill & Spoils Stockpile

El. 96.7'
C-0.6'



STORAGE TANK

Proposed Alt. Access Road

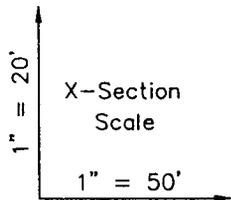
Elev. Ungraded Ground at Location Stake = 4697.1'

Elev. Graded Ground at Location Stake = 4696.1'

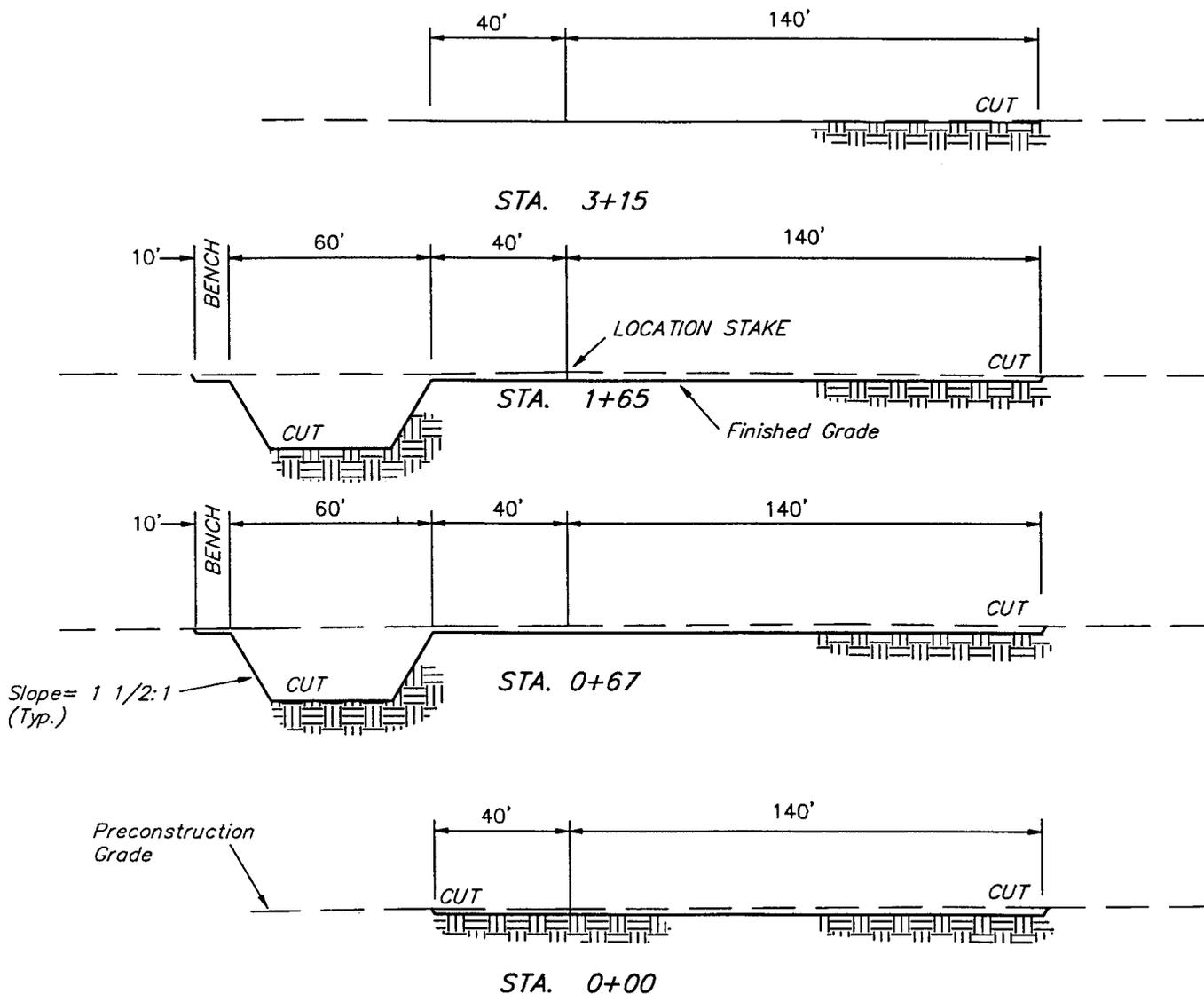
PETROGLYPH OPERATING CO., INC.

TYPICAL CROSS SECTIONS FOR

UTE TRIBAL #29-13D3E
SECTION 29, T4S, R3E, U.S.B.&M.
760' FSL 780' FWL



DATE: 10-31-97
Drawn By: C.B.T.

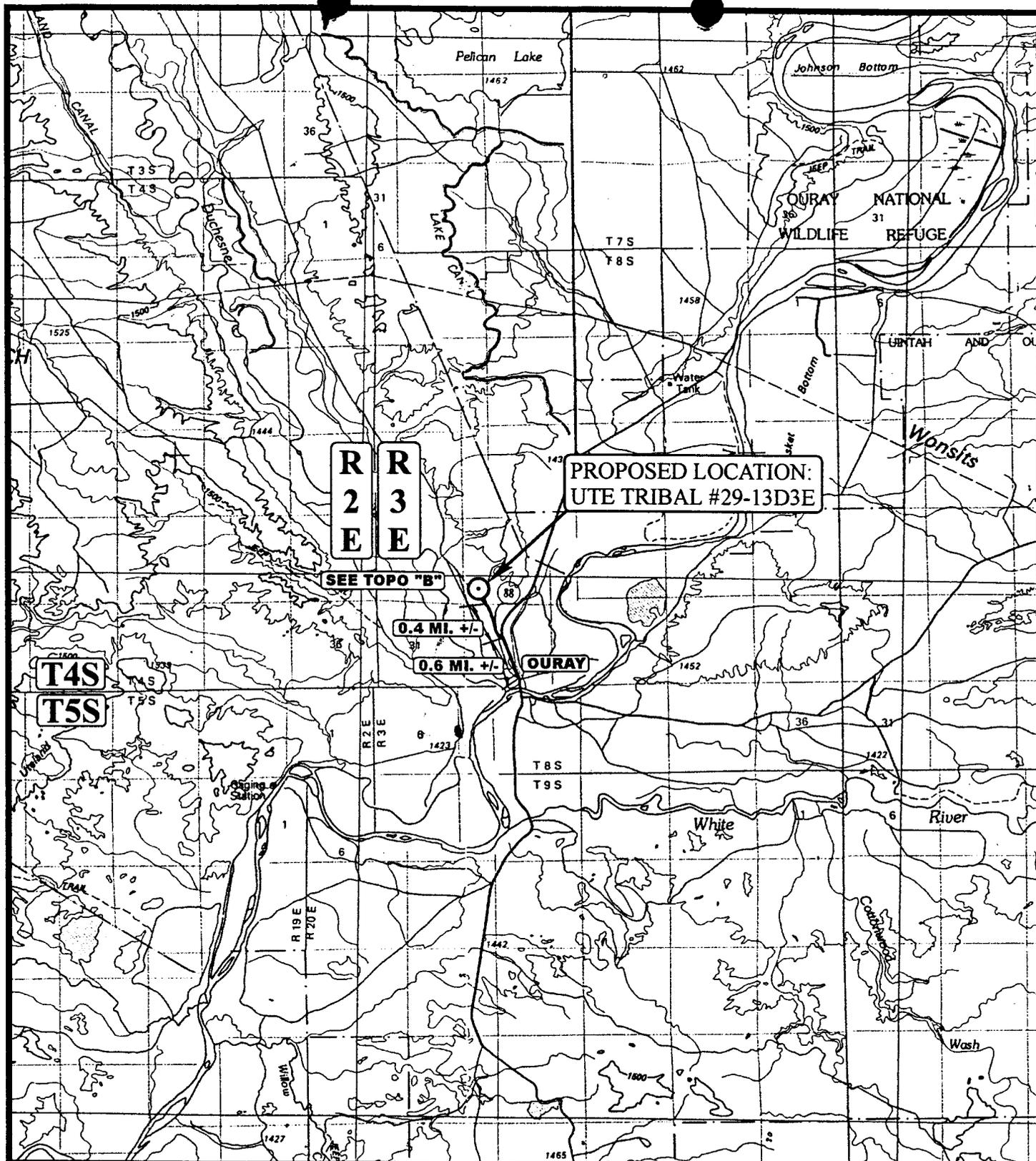


APPROXIMATE YARDAGES

(12") Topsoil Stripping	=	2,400 Cu. Yds.
Remaining Location	=	1,650 Cu. Yds.
TOTAL CUT	=	4,050 CU.YDS.
FILL	=	730 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	=	3,280 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	3,280 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	=	0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017



LEGEND:

○ PROPOSED LOCATION



PETROGLYPH OPERATING CO., INC.

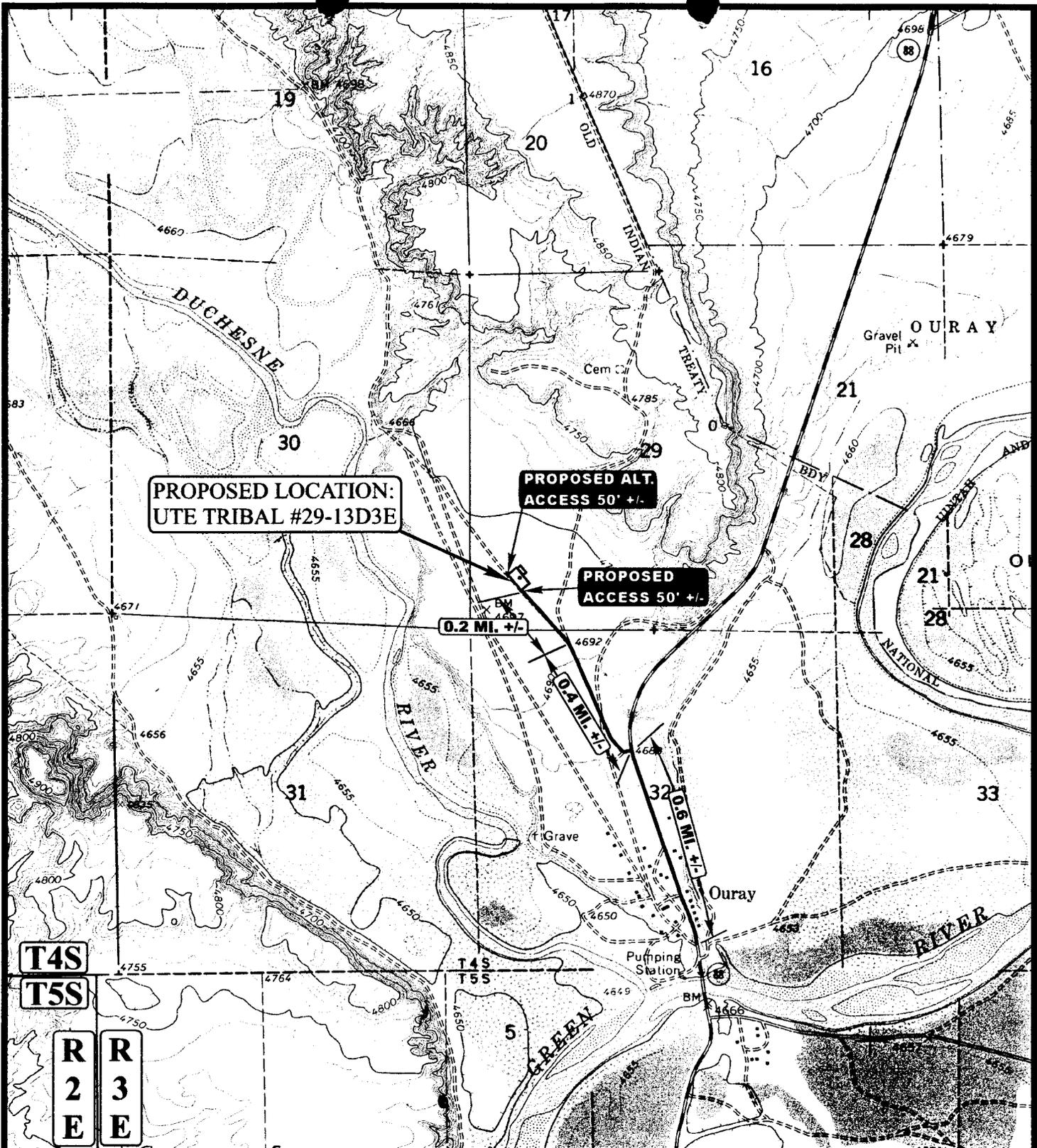
**UTE TRIBAL #29-13D3E
SECTION 29, T4S, R3E, U.S.B.&M.
760' FSL 780' FWL**



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(801) 789-1017 * FAX (801) 789-1813
Email: uels@easilink.com

TOPOGRAPHIC **10 17 97**
MAP **MONTH DAY YEAR**
SCALE: 1:100,000 DRAWN BY: J.L.G. REVISED: 11-3-97





**PROPOSED LOCATION:
UTE TRIBAL #29-13D3E**

**PROPOSED ALT.
ACCESS 50' +/-**

**PROPOSED
ACCESS 50' +/-**

0.2 MI. +/-

0.4 MI. +/-

0.6 MI. +/-

T4S

T5S

**R
2
E**

**R
3
E**

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD



PETROGLYPH OPERATING CO., INC.

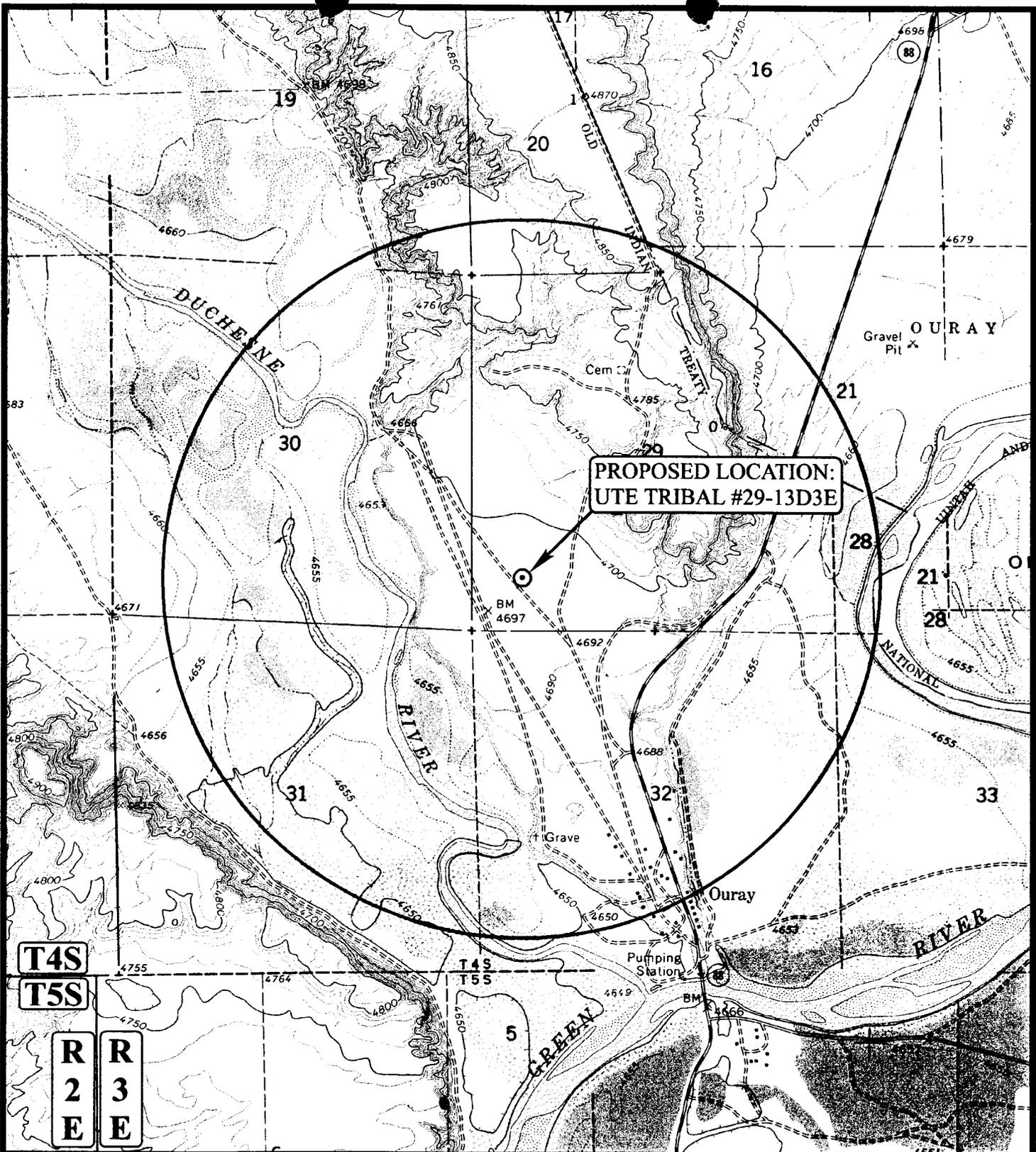
**UTE TRIBAL #29-13D3E
SECTION 29, T4S, R3E, U.S.B.&M.
760' FSL 780' FWL**



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
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Email: uels@easilink.com

TOPOGRAPHIC **10 17 97**
MAP MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 11-3-97

B
TOPO



**PROPOSED LOCATION:
UTE TRIBAL #29-13D3E**

T4S

T5S

**R
2
E**

**R
3
E**

LEGEND:

- | | |
|-------------------|-------------------------|
| ⊘ DISPOSAL WELLS | ⊘ WATER WELLS |
| ● PRODUCING WELLS | ● ABANDONED WELLS |
| ⬮ SHUT IN WELLS | ⬮ TEMPORARILY ABANDONED |

PETROGLYPH OPERATING CO., INC.

**UTE TRIBAL #29-13D3E
SECTION 29, T4S, R3E, U.S.B.&M.
760' FSL 780' FWL**



UELS
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (801) 789-1017 * FAX (801) 789-1813
 Email: uels@easlink.com

TOPOGRAPHIC **10 17 97**
MAP MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 11-3-97

C
TOPO

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 11/24/97

API NO. ASSIGNED: 43-047-33017

WELL NAME: UTE TRIBAL 29-13-D3E
 OPERATOR: PETROGLYPH OPERATING (N3800)

PROPOSED LOCATION:
 SWSW 29 - T04S - R03E
 SURFACE: 0760-FSL-0780-FWL
 BOTTOM: 0760-FSL-0780-FWL
 UINTAH COUNTY
 UNDESIGNATED FIELD (002)

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

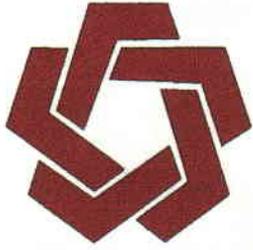
LEASE TYPE: IND
 LEASE NUMBER: BIA AGMT #4750

PROPOSED PRODUCING FORMATION: GRRV

<p>RECEIVED AND/OR REVIEWED:</p> <p><input checked="" type="checkbox"/> Plat</p> <p><input checked="" type="checkbox"/> Bond: Federal <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> (Number <u>80 4556</u>)</p> <p><input checked="" type="checkbox"/> Potash (Y/N)</p> <p><input checked="" type="checkbox"/> Oil shale (Y/N)</p> <p><input checked="" type="checkbox"/> Water permit (Number <u>49-1501</u>)</p> <p><input checked="" type="checkbox"/> RDCC Review (Y/N) (Date: _____)</p>	<p>LOCATION AND SITING:</p> <p><input type="checkbox"/> R649-2-3. Unit: _____</p> <p><input checked="" type="checkbox"/> R649-3-2. General.</p> <p><input type="checkbox"/> R649-3-3. Exception.</p> <p><input type="checkbox"/> Drilling Unit. Board Cause no: _____ Date: _____</p>
--	---

COMMENTS: _____

STIPULATIONS: _____



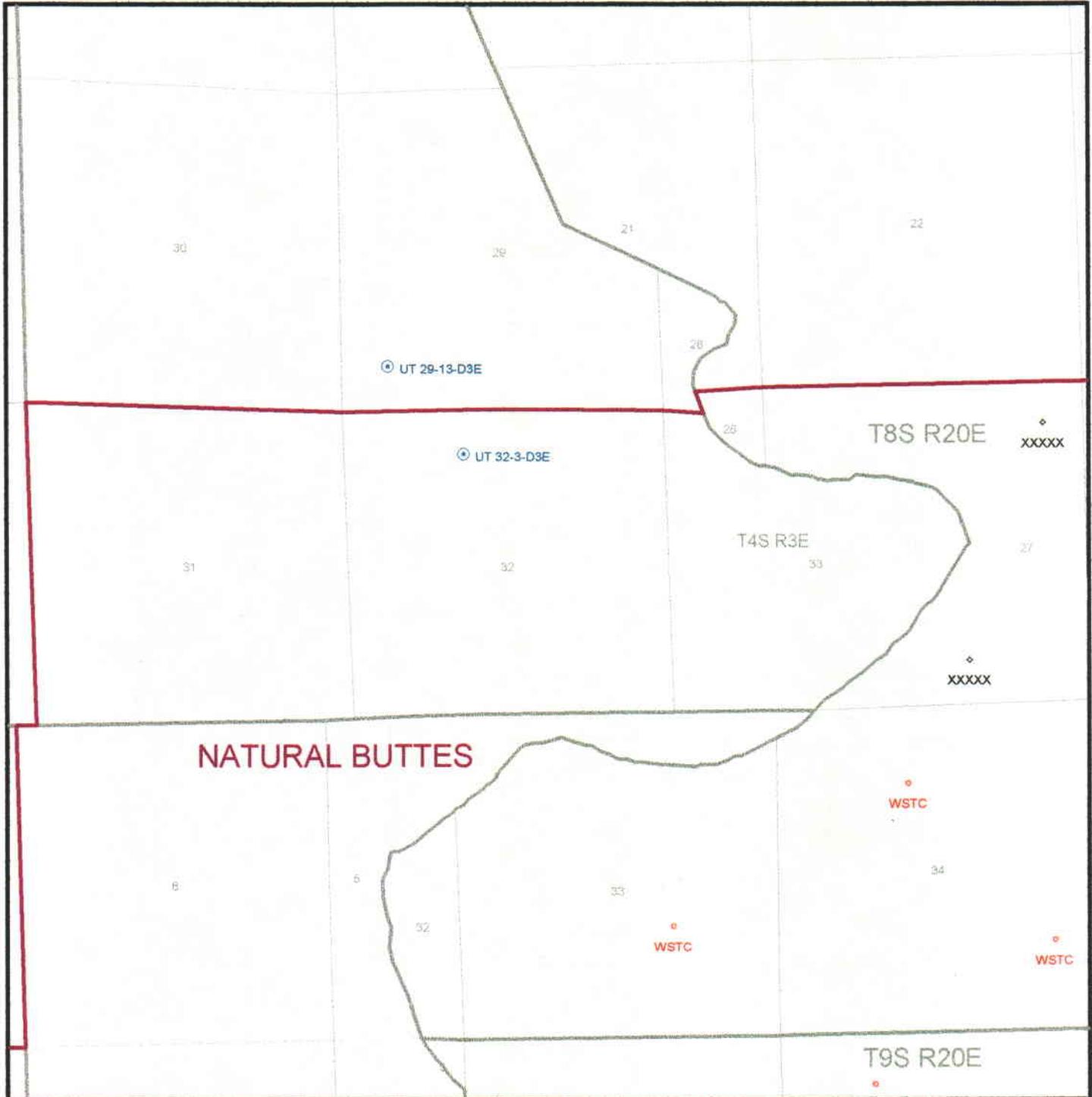
DIVISION OF OIL, GAS & MINING

OPERATOR: PETROGLYPH (N3800)

FIELD: UNDESIGNATED (002) NATURAL BUTTES (630)

SEC. TWP. RNG.: SEC. 29 & 32, T4S, R3E

COUNTY: UINTAH □ UAC: R649-3-2



DATE PREPARED:
25-NOV-1997



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

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

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

December 23, 1997

Petroglyph Operating Company
P.O. Box 607
Roosevelt, Utah 84066

Re: Ute Tribal 29-13 D3E Well, 760' FSL, 780' FWL, SW SW,
Sec. 29, T. 4 S., R. 3 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 43-047-33017.

Sincerely,

A handwritten signature in cursive script that reads "John R. Baza".

John R. Baza
Associate Director

lwp

Enclosures

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

Operator: Petroglyph Operating Company
Well Name & Number: Ute Tribal 29-13 D3E
API Number: 43-047-33017
Lease: BIA E & D AGMT #4750
Location: SW SW Sec. 29 T. 4 S. R. 3 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.

DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

SPUDDING INFORMATION

Name of Company: PETROGLYPH OPERATING

Well Name: UTE TRIBAL 29-13-D3E

Api No. 43-047-333017

Section: 29 Township: 4S Range: 3E County: UINTAH

Drilling Contractor: _____

Rig # _____

SPUDDED:

Date: 12/26/97

Time: _____

How: DRY HOLE

Drilling will commence: _____

Reported by: D. HACKFORD

Telephone NO.: _____

Date: 12/30/97 Signed: JLT

✓

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

DOGMA

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
PETROGLYPH OPERATING COMPANY INC.

3. ADDRESS AND TELEPHONE NO.
P.O. BOX 607, ROOSEVELT, UT 84066

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface
 760' FSL & 780' FWL SW/SW
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
1.15 MILES NORTHWEST OF OURAY, UTAH

16. NO. OF ACRES IN LEASE
760'

19. PROPOSED DEPTH
8026

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
4696 GRADED GROUND

5. LEASE DESIGNATION AND SERIAL NO.
BIA E & D AGMT NO. 4750

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
UTE INDIAN TRIBE

7. UNIT AGREEMENT NAME
N/A

8. FARM OR LEASE NAME, WELL NO.
UTE TRIBAL

9. AP WELL NO. 43-047-33017
#29-13 D3E

10. FIELD AND POOL, OR WILDCAT

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Sec. 29, T4S, R3E

12. COUNTY OR PARISH
UINTAH

13. STATE
UTAH

17. NO. OF ACRES ASSIGNED TO THIS WELL

20. ROTARY OR CABLE TOOLS
ROTARY

22. APPROX. DATE WORK WILL START*
DECEMBER, 1997

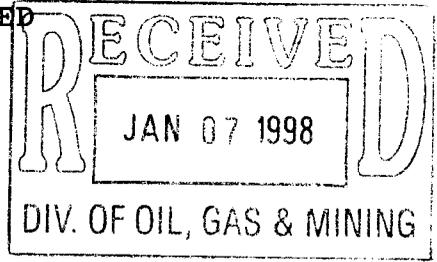
23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4	8 5/8 K-55	24.0#	240'	135 sx class "G" + 2% CaCl ₂
7 7/8	5 1/5 K-55	15.5#	6500'	+ 1/4 #/sx celloflake.
7 7/8	5 1/2 K-55	17.0#	8026	

50/50 POZMIX + % GEL + 10% SALT TO 400' ABOVE ALL ZONE OF INTEREST (+ 10% EXCESS). LIGHT CEMENT (11 PPG ±) + LCM TO 200' ABOVE OIL SHALE OR FRESH WATER INTERVALS (+ 5% EXCESS).

PETROGLYPH OPERATING COMPANY INC. WILL BE THE DESIGNATED OPERATOR OF THE SUBJECT WELL UNDER BOND NO. BO 4556.

pc: Utah Division of Oil, Gas and Mining
Bureau of Indian Affairs, Fort Duchesne, Utah
Ute Indian Tribe, Fort Duchesne, Utah



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 [Signature] TITLE AGENT FOR PETROGLYPH DATE 11-14-97

(This space for Federal or State office use)

PERMIT NO. **NOTICE OF APPROVAL** APPROVAL DATE _____

CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

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] ACTING Assistant Field Manager
 TITLE Mineral Resources DATE DEC 23 1997

*See Instructions On Reverse Side

memorandum

DATE: December 15, 1997

REPLY TO
ATTN OF:

Superintendent, Uintah & Ouray Agency

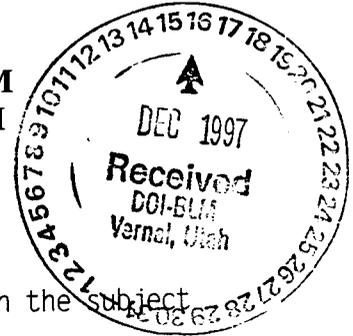


SUBJECT:

Concurrence Letter for PETROGLYPH OPERATING
UTE TRIBAL 32-03D3E, NENW, SEC. 32, T4S, R3E, USBM
UTE TRIBAL 29-13D3E, SWSW, SEC. 29, T4S, R3E, USBM

TO:

Bureau of Land Management, Vernal District Office
 Attention: Minerals and Mining Division



We recommend approval of the Application for Permit to Drill on the subject well.

Based on available information received on December 15, 1997 we cleared the proposed location in the following areas of environmental impact.

- YES NO Listed threatened or endangered species
- YES NO Critical wildlife habitat
- YES NO Archaeological or cultural resources
- YES NO Air quality aspects (to be used only if Project is in or adjacent to a Class I area)

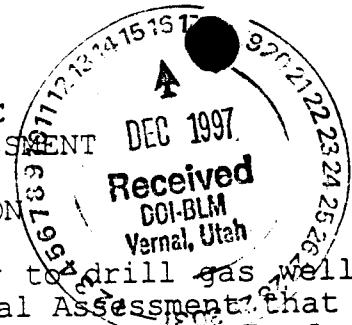
REMARKS: The Ute Tribe Energy and Minerals Department is recommending the following criteria to be adhered during all phases of construction.

1. Tribal Technician shall monitor construction. A qualified Archaeologist will be in attendance at all times. The Ute Tribe Cultural Rights personnel will also be on location at their discretion.
2. PETROGLYPH OPERATING COMPANY will assure the Ute Tribe that all contractor and sub-contractors have in their possession a valid Ute Tribal business license and have Access permits from the Ute Tribe, prior to construction.
3. All vehicular traffic, personnel movement, construction, and restoration operations should be confined to the area examined, as referenced in report, and to the existing roadways and/or evaluated access routes.
4. All recommendations of the Bureau of Indian Affairs, combined site specific Environmental Analysis report will be strictly adhered.
5. All personnel should refrain from collecting artifacts and from disturbing any significant cultural resources in the area.
6. The personnel from the Ute Tribe Energy & Minerals Department should be consulted should cultural remains from subsurface deposits be exposed during construction work.
7. Upon completion of Application for Right-of-way, the Ute Tribe Energy & Minerals Department will be notified by Petroglyph Operating Company, so that a Tribal Technician can verify Affidavits of Completions.

SITE SPECIFIC
ENVIRONMENTAL ASSESSMENT

1.0 PROPOSED ACTION

Petroglyph Operating Co., Inc. is proposing to drill gas well #29-13 D3E. This is a site specific Environmental Assessment that tiers to a categorical exclusion dated November 19, 1997 for two reconnaissance natural gas wells. The two wells are Ute Tribal #32-03 D3E, and Ute Tribal #29-13 D3E.



2.0 ALTERNATIVE ACTIONS

- A. ALTERNATIVE CONSIDERED: The proposed action is the preferred alternative.
- B. NO ACTION: Under the no action alternative the proposed action would not be implemented.
- C. OTHER: NA

3.0 PERMITTEE/LOCATION

- A. Permittee- Petroglyph Operating Co., Inc.
- B. Date 10-29-97
- C. Well number- Ute Tribal #29-13 D3E
- D. Right-of-way- none
- E. Site location- SWSW, Section 29, T4S, R3E, USB&M.

4.0 SITE SPECIFIC SURVEY

A. SITE DESCRIPTION

- 1. Elevation (feet) 4696
- 2. Annual precipitation (inches)- 6-8
- 3. Topography- rolling hills
- 4. Soil- The soil texture is (0 to 6") shallow loam over gravel.

B. VEGETATION

- 1. Habitat type is semi-desert shrub.
- 2. Percent Ground Cover- estimated to be 30%.
- 3. Vegetation consists of approximately 30% grasses, 60% shrubs, 10% forbs. The main variety of grasses are squirrel tail, Indian ricegrass, needle & thread, galleta. Forbs are astragalus, mustard, lambs quarter, globemallow, aster, Indian paint brush, mustard, tumble weed & other annuals. Shrubs consist of sagebrush, shadscale, snakeweed, greasewood, rabbit brush.

4. Observed Threatened & Endangered species: There are no T&E Species on the proposed wellsite. The Uintah Basin hookless cacti (Scherocactus glaucus) is located approximately ¼ mile west of the wellsite, but the gravely soils which are typical habitat for the cacti are not present on the wellsite. The Hookless Cactus will not be impacted by this project.

5. Potential For Threatened & Endangered species: Slight

7. Observed Noxious Weeds: None

8. AFFECTED ENVIRONMENTAL

There are no surface damages as a result of the initial survey.

The wellsite will be located approximately ¾ mile north of the community of Ouray, Utah. During the operation of oil wells it is common practice to place gas operated pumps on the wells to pump the oil. These pumps make a significant noise which may be heard at the Ouray community. This well will most likely be a gas well which will not require a pump, but if the well happens to be an oil well an electric pump will be placed on the well to control noise.

4.1 WILDLIFE

A. POTENTIAL SITE UTILIZATION

1. Big Game- The area is used throughout the year by antelope. Mule deer and elk are found along the flood-plain area of both the Green River and Duchesne River. Occasionally Mule deer and elk may also use this area.

2. Small Game-The area is used by cottontail rabbit.

3. Raptor- Various species of raptors use this area for habitat. Raptors which are observed using the area are Golden eagles, Redtail hawk, Kestrel, & Ferruginous hawk.

5. Non-Game Wildlife- Animal species which have been observed using this area are black tail jack rabbit, coyote, fox, badger, and various species of reptiles, and song birds.

6. Threatened & Endangered Species: The Bald Eagle (Haliaeetus leucocephalus) are frequently found along the Green River and Duchesne River flood-plains during the winter months from November through March. The Duchesne River flood-plain is located approximately 0.4 mile west of the wellsite. Therefore, the project

would have no impact on the Bald Eagle.

4.1A T&E FISHES

The flood-plain of the Green River and Duchesne River have been designated by the U.S. Fish & Wildlife Service as critical habitat for four fishes endemic to the Colorado River. These fishes include the Razorback Sucker (Xyrauchen texanus), Bony-tail Chub (Gila elegans), Humpback Chub (Gila Sypa), and the Colorado Squawfish (Ptychoccheilus lucius). The flood-plain of the Duchesne River and the Green River are located more than ¼ mile away from the wellsite. Water used for drilling the well will not be taken from these rivers. The reserve pit for the wells will be lined with impervious synthetic liners and produced water from the well will be contained in tanks and transported to state approved disposal wells or pits. There will be no point source contamination to the rivers from these wells, therefore, T&E Fishes will not be impacted by this project.

4.2 PRESENT SITE USE

A. USAGE

	<u>acres</u>
Rangeland	1.73
Irrigable land	0
Woodland	0
Non-Irrigable land	1.73
Commercial timber	0
Floodplain	0
Wetland	0
Riparian	0
Other:	0

4.3 CULTURAL RESOURCES

A. CULTURAL SURVEY

Cultural Resource Surveys were performed by James A. Truesdale, an Independent Archaeologist.

5.0 ENVIRONMENTAL IMPACTS

A. SURFACE ALTERATIONS

	<u>acres</u>
1. Access road	0.00
2. Well site	1.74
3. Pipeline right-of-way	0.00
4. Corridor right-of-way	0.00
5. Total area disturbed	1.73

B. VEGETATION/LANDSCAPE

1. Production loss (AUM's)/year: 0.12
2. Permanent scar on landscape: Yes x No
3. Potential impacts to Threatened & Endangered species:
Yes No X

C. SOIL/RANGE/WATERSHED

There will be an increase in soil erosion from wind and water. There will be no point source of water pollution.

The area is presently used as rangeland. Grazing permits have been issued for the area. This project will reduce livestock grazing by approximately 0.12 AUM/year.

The area is not used as irrigated cropland and a water right has not been designated for the area.

D. WILDLIFE/THREATENED & ENDANGERED SPECIES

There will be an insignificant reduction of wildlife habitat and grazing for livestock. There will also be an increase in wildlife disturbance and poaching resulting from the additional traffic and people using the area.

There are no known impacts to Threatened or Endangered species.

6.0 MITIGATION STIPULATIONS

A. VEGETATION/LANDSCAPE

1. Before the site is abandoned the company will be required to restore the well site and right-of-ways to near their original state. The disturbed area will be reseeded with desirable perennial vegetation.
2. Noxious weeds will be controlled on the well site and rights-of-way. If noxious weeds spread from the project area onto adjoining land, the company will also be responsible for their control.

B. SOILS/RANGE/WATERSHEDS

1. Soil erosion will be mitigated by reseeded all disturbed areas.

2. DRILLING SYSTEM

An open drilling system will be used. Reserve pits will be lined with impervious synthetic liners. Prior to

back-filling the reserve pit all fluids will be pumped from the pit into trucks and hauled to approved disposal sites. When the reserve pits are back-filled the surplus oil and mud, etc. will be buried a minimum of 3.0 feet below the surface of the soil.

3. PRODUCTION SYSTEM

A closed production system will be used. Production fluids will be contained in leak proof tanks. All production fluids will be disposed of at approved disposal sites. The indiscriminate dumping of production fluids on roads, wellsites or other areas will not be allowed.

4. MOVE THE WELLSITE

The wellsite shall be moved east to where it lines up with the existing access road.

C. WILDLIFE/VEGETATION/THREATENED & ENDANGERED SPECIES

The operator, their employees, sub-contractor, and representatives shall not carry firearms on their person or in their vehicles while working on Indian lands.

D. CULTURAL RESOURCES

Cultural resource surveys were performed by James A. Truesdale. The consultant recommends clearance of the project as it is presently staked with the following stipulations:

1. The wellsite shall be tested by criteria established by James A. Truesdale, Betsie Chapoose, and the Phoenix Area Archaeologist.
2. The site shall be monitored by a qualified archeologist during the initial construction phase of the project.
3. If any cultural resources are found during construction, construction shall be stopped and BIA and the Ute Tribal Cultural Rights and Protection Officer shall be contacted immediately. Construction shall not resume until the Ute Tribe and BIA authorize continued construction of the project.
4. Prior to testing the site for cultural resources or construction of the wellsite and access road Petroglyph must receive an ARPA permit from the BIA.

E. UTE TRIBAL REGULATIONS

1. Prior to commencing surveys or construction on the U&O Indian Reservation the operator, and any of its sub-contractors, shall acquire access permits and business permits from the Ute Indian Tribe.
2. Prior to the commencement of construction, the operator shall notify the Ute Tribal Department of Energy and Minerals of the date construction shall begin.

F. OTHER

If this well turns out to be an oil well, and electric pump shall be installed in the well to reduce noise.

7.0 UNAVOIDABLE ADVERSE IMPACTS

A. SURFACE ALTERATIONS

None of the adverse impacts listed in 5.0 above can be avoided in a practical manner except those which are mitigated in item 6.0 above and those specified in BLM's 13 point surface use plan.

B. RELATIONSHIP BETWEEN SHORT-TERM USE OF THE ENVIRONMENT VS LONG TERM PRODUCTIVITY.

1. Short Term: (Estimated 20 years) A total loss of production on the land and the associated environmental impacts will continue to influence the surrounding area for the productive life of the well.
2. Long Term: Standard policies provide for rehabilitation of wellsite and rights-of-ways. After the land is rehabilitated, it is not expected to return to its original productive capability. Normally, there will be a permanent scar left on the landscape.

C. IRREVERSIBLE AND IRRETRIEVABLE COMMITMENT

Oil and Gas are non-renewable resources, once they have been removed they can never be replaced.

8.0 CUMULATIVE IMPACTS

A. FULL DEVELOPMENT

Each additional well drilled for development increases the soil erosion potential, reduces wildlife habitat and grazing, increases potential soil and geologic pollution resulting from salt loading, reduces the soil's

potential to recover, and increases the potential of water pollution from produced waters and hydro-carbons. Therefore, strict conformance with the mitigation measures and recommendations in this document is emphasized to minimize the adverse environmental impacts.

9.0 NEPA COMPLIANCE

A. RESEARCH/DOCUMENTATION

Based on available information, 11-21-97, the proposed location in the following areas of environmental impacts has been cleared:

<u>X</u>	Yes	_____	No	Listed Threatened & Endangered species
<u>X</u>	Yes	_____	No	Critical wildlife habitat
<u>X</u>	Yes	_____	No	Historical and cultural resources
<u>X</u>	Yes	_____	No	Floodplain
<u>X</u>	Yes	_____	No	Wetlands
<u>X</u>	Yes	_____	No	Riparian

10.0 REMARKS

A. SURFACE PROTECTION/REHABILITATION

All essential surface protection and rehabilitation requirements are specified above.

11.0 RECOMMENDATIONS

A. APPROVAL/DISAPPROVAL

We recommend approval of the proposed action as outlined in item 1.0 above.

11-26-97

Date

Dale A. Henberg
Representative - BIA Land
Operations, Uintah and
Ouray Agency

12.0 DECLARATION

A. APPROVAL

It has been determined that the proposed action is not a federal action significantly affecting the quality of the environment as it would require the preparation of an environmental impact statement in accordance with Section 102 (2) (c) of the National Environmental Policy Act of 1969 (42 USC 4331) (2) (C).

1/26/97
Date

Charles H. Cameron
Superintendent,
Uintah and Ouray Agency

14.0 CONSULTATION

A. REPRESENTATIVES/ORGANIZATION

Dale Hanberg- BIA
Ed Trotter-Petroglyphs
Alvin Ignacio-UTEM
Greg Darlington-BLM
Logan McMillian
Roger Allinger
Betsie Chappoose-Ute Tribal Cultural Rights Officer
James A. Truesdale-Archaeologist

B:\EAPet29.05D

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Petroglyph Operating Company

Well Name & Number: Ute Tribal 29-13-D3E

API Number: 43-⁰⁴⁷013-33017

Lease Number: 14-20-H62-4750 E&D Agreement

Location: SWSW Sec. 29 T. 4S R. 3E

NOTIFICATION REQUIREMENTS

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

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

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

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

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

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

A. DRILLING PROGRAM

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

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

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

2. Pressure Control Equipment

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

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

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

3. Casing Program and Auxiliary Equipment

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

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 shallowest potential productive zone. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

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

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

5. Coring, Logging and Testing Program

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

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

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

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

6. Notifications of Operations

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

The Vernal District Office shall be notified, during regular work hours (7:45 a.m.-4:30 p.m., Monday through Friday except holidays), at least 24 hours prior to spudding the well.

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

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

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

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

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

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

A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9. d.), and shall be submitted to the appropriate District Office within sixty (60) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b. 4).

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

7. Other Information

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

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

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

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

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

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

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

be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

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

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

In the event after-hours approval or notification is necessary, please contact one of the following individuals:

Wayne Bankert (801) 789-4170
Petroleum Engineer

Ed Forsman (801) 789-7077
Petroleum Engineer

Jerry Kenczka (801) 789-1190
Petroleum Engineer

BLM FAX Machine (801) 781-4410

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

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

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

SURFACE CONDITIONS OF APPROVAL

The Surface Use Conditions of Approval all come from the Bureau of Indian Affairs Concurrence Memorandum and Site Specific Environmental Analysis.

The Ute Tribe Energy and Mineral Department is to be notified 48 hours prior to construction. A Tribal Technician is to monitor construction. Ute Tribe Cultural Rights personnel may also be on location at their discretion to observe construction.

Petroglyph will assure the Ute Tribe that any/all contractors and subcontractors have acquired a Tribal Business License and have access permits and business permits prior to commencing surveys or construction on the Uintah and Ouray Reservation.

Petroglyph, their employees, subcontractor, and representatives shall not carry firearms on their person or in their vehicles while working on Indian Lands.

All Vehicular traffic, personnel movement, construction, and restoration activities shall be confined to the areas examined, as referenced in the cultural resources survey report, and to the existing roadways and/or evaluated access routes.

The wellsite shall be tested by criteria established by James A. Truesdale, Betsie Champoos and the Phoenix Area Archeologist. Prior to testing the site for cultural resources or well site construction, Petroglyph must receive an ARPA permit from the BIA. The site shall be monitored by a qualified archeologist during the initial construction phase of the project.

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

The Ute Tribe Energy and Mineral Department shall be consulted if cultural remains from subsurface deposits are exposed or identified during construction. If any cultural resources are found during construction, construction shall be stopped and BIA and the Ute Tribal Cultural Rights and Protection Officer shall be contacted immediately. Construction shall not resume until the Ute Tribe and BIA authorize the project to continue.

Before the site is abandoned, the company will be required to restore the well site and ROW's to near the original state. The disturbed areas will be reseeded with desirable perennial vegetation.

Noxious weeds will be controlled on the well site and rights-of-way. If noxious weeds spread from the project area onto adjoining land, the company will also be responsible for their control.

Reserve pits will be lined with impervious synthetic liners. Prior to backfilling the reserve pit all fluids will be pumped from the pit into trucks and hauled to approved disposal sites. When the reserve pits are backfilled the cuttings and mud, etc. left in them to be buried will be buried a minimum of three feet below the surface of the soil.

A closed production system will be used. Production fluids will be contained in leak proof tanks. All production fluids will be disposed of at approved disposal sites. The indiscriminate dumping of production fluids on roads, well sites or other areas will not be allowed.

The wellsite shall be moved east to where it lines up with the existing access road. This is described by the revised layout of the location submitted in the APD to correct the one used at the onsite. It would reduce the length of the planned new access roads from 800 feet to about 200 feet by moving the location about 162 feet (128 feet east and 100 feet north).

If this well is developed as a producing oil well, an electric pump shall be installed in the well to reduce noise.

Upon completion of the project approved under this Application for Permit to Drill and Right-of-Way, the Ute Tribe Energy & Minerals Resources Department will be notified by Petroglyph Operating Company so that a Tribal Technician can verify Affidavit of Completion's

FORM 7

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

REPORT OF WATER ENCOUNTERED DURING DRILLING

1. Well name and number: Ute Tribal 29-1303E

API number: 43-047-330M

2. Well Location: QOSW Section 29 Township 4S Range 3E County Uintah

3. Well operator: Petroglyph Operating Company, Inc.

Address: P.O. Box 607
Roosevelt, UT 84066

Phone: 435-722-2531

4. Drilling contractor: Utopia 17 Drilling

Address: P. O. Drawer 40
Buckhannon, WV 26201

Phone: 304-472-4610

5. Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
KB	533	NO WATER	- -
533	1295	NO WATER	- -
1295	1883	1" STREAM	- -

6. Formation tops: _____

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

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

Date: 1/5/98
Title: Operations Coordinator

Name & Signature: Jessie K. Bell

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

1. Type of Well:

OIL GAS OTHER:

2. Name of Operator

Sego Resources Corp.

3. Address and Telephone Number

P.O. Box 1066, 266 W. 100 N. Ste. #1, Vernal, Utah 84078
Telephone (435) 789-7250 Fax (435) 789-7261

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

760' FSL 780' FWL, SW/SW, Sec. 29, T4S, R3E U.S.B.& M.

FORM APPROVED

Budget Bureau No. 1004-0135

Expires March 31, 1993

5. Lease Designation and Serial No.

BIA E&D Agmt. #4750

6. If Indian, Allottee or Tribe Name

Ute Indian Tribe

7. If Unit or CA, Agreement Designation

N/A

8. Well Name and No.

Ute Tribal #29-13-D3E

9. API Well No.

43047-33017

10. Field and Pool, or Exploratory Area

Exploratory

11. County of Parish, State

Uintah, Utah

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

TYPE OF SUBMISSION

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

TYPE OF ACTION

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

(Note: Report results of multiple completions 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 be advised that Sego Resources Corp. is considered to be the operator of the Ute Tribal well #29-13 D3E; SW/4, SW/4, Section 29, T4S, R3E; Uintah County, Utah; and is responsible under the terms and conditions of the E&D Agreement for the operations conducted upon the property. Bond coverage is provided by American Casualty Company Bond # 141797300.

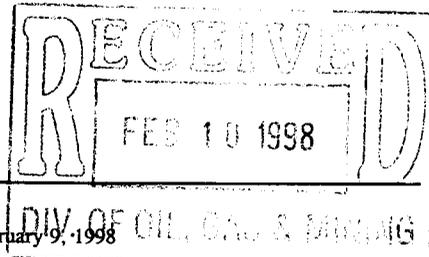
If additional information is needed, please contact the undersigned at (435) 789-7250, FAX (435) 789-7261

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

Name/Signature: Roger L. Alinger

Roger L. Alinger

Title: CEO Date: February 9, 1998



(This space for Federal or State office use)

Approved by _____

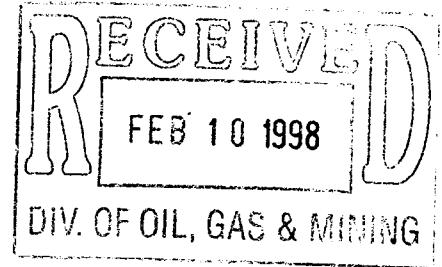
Title _____

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

SEGO RESOURCES



February 9, 1998

U.S. Department of the Interior
Bureau of Land Management
Vernal District Office
170 South 500 East
Vernal, Utah 84078

Attn: Mr. Ed Forsman

Re: Change of Operator
Ute Tribal 32-03 D3E - NE/NW Sec. 32-T4S-R3E 43-047-33016
Ute Tribal 29-13 D3E - SW/SW Sec. 29-T4S-R3E 43-047-33017
Lease: BIA E&D Agreement No. 4750
Uintah County, Utah

Dear Mr. Forsman:

Enclosed are Sundry Notices changing the operator of the subject wells from Petroglyph Operating Company Inc. to Sego Resources Corp.

Please contact me at (435) 789-7250 if additional information is needed.

Regards,

Roger
Roger L. Alinger

Cc: DNR/DOGM
POCI-Roosevelt

UNITED STATES GOVERNMENT
memorandum

DATE: March 12, 1998
REPLY TO
ATTN OF: Superintendent, Uintah and Ouray Agency
SUBJECT: Change of Operator
TO: Bureau of Land Management, Vernal District Office
Attention: Margie Herrmann, Division of Minerals and Mining

We have received copies of Sundry Notices and Reports on Wells (Form 3160-5), requiring BIA Action, informing this office of a change of operator for the following well(s).

OPERATOR - FROM: Petroglyph Operating Company
TO: Sege Resources Corporation

Well Name	Well Location	Lease No.
Ute Tribal 29-13-D3E	SWSW	14-20-H62-4750
Ute Tribal 32-03-D3E	Lot 3	14-20-H62-4750

This office recommends approval for the Change of Operator for the well(s) that involve allotted/tribal property.

All operations will be covered under Sege Resources Corp. Bond filed with this office, for those wells on trust property.

If you have any questions, please contact this office at (801) 722-4310.

Charles H. Kerner

cc: Jerry Kenczka, BLM/Vernal
Energy & Minerals, Ute Tribe
Ute Distribution Corporation, Roosevelt, UT
Lisha Cordova, State of Utah
Theresa Thompson, BLM/State Office



United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

Uintah and Ouray Agency

P. O. Box 130

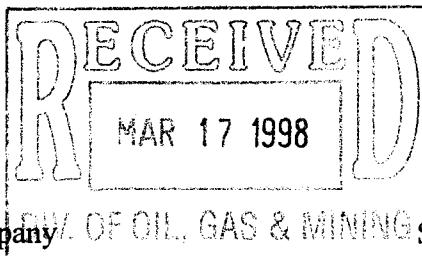
988 South 7500 East

Fort Duchesne, Utah 84026-0130

Phone: (435) 722-4300

Fax: (435) 722-2323

**IN REPLY REFER TO:
Minerals and Mining
Phone: (435) 722-4310
Fax: (435) 722-2809**



March 12, 1998

**Petroglyph Operating Company
Attn: Vince Guinn
P. O. Box 607
Roosevelt, UT 84026**

**BUREAU OF OIL, GAS & MINING
Sego Resources Corp.
Attn: Roger L., Alinger
P. O. Box 1066
Vernal, UT 84078**

Gentlemen:

We have received copies of Sundry Notices and Reports on Wells (Form 3160-5), requiring BIA Action, informing this office of a change of operator for the following well(s).

**OPERATOR - FROM: Petroglyph Operating Company
TO: Sego Resources Corporation**

Well Name	Well Location	Lease No.
Ute Tribal 29-13-D3E	SWSW	14-20-H62-4750
Ute Tribal 32-03-D3E	Lot 3	14-20-H62-4750

This office recommended approval to BLM for the Changes of Operator for the wells listed above that are on allotted/tribal property. All operations will be covered under Sego Resources Corp. Bond filed with this office.

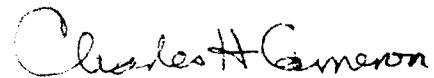
Please be advised that approval of the Change of Operator does not replace Petroglyph Gas Partners, LP, the current Lessee of Record, nor does it relieve the Lessee of Record of their responsibilities according to lease terms and conditions.

As a reminder, Petroglyph will need to request for issuance of a new lease earned under the Exploration and Development Agreement in accordance with Article 3.2.D – Approval of Leases, and Article 4.1 – Obligation of Company to Drill Exploration Wells.

Page 2

If you have any questions regarding the above, please contact this office at (801) 722-4310.

Sincerely,

A handwritten signature in black ink that reads "Charles H. Cameron". The signature is written in a cursive style with a large initial "C".

Acting Superintendent

cc: Jerry Kenczka, BLM/Vernal
Energy & Minerals, Ute Tribe
Ute Distribution Corporation, Roosevelt, UT
Lisha Cordova, State of Utah
Theresa Thompson, BLM/State Office

Form 3160-5
(June 1990)

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 deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT" for such proposals

SUBMIT IN TRIPLICATE

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

5. Lessee Designation and Serial No.
BIA E & D AGRMT NO. 4750

6. If Indian, Allottee or Tribe Name
Ute Indian Tribe

7. If Unit or CA, Agreement Designation

8. Well Name and No.
Ute Tribal 29-13D3E

9. API Well No.
43-047-33017

10. Field and Pool, or Exploratory Area

11. County or Parish, State
Uintah County

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Petroglyph Operating Company, Inc.

3. Address and Telephone No.
P.O. Box 607, Roosevelt, UT 84066 (435) 722-2531

4. Location of Well (Footage, Sec., T., R., or Survey Description)
760' FSL 780' FWL
SWSW Sec. 29-T4S-R3E

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <i>Change of operatorship</i>
	<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 (am.))

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.)

Petroglyph Operating Company, Inc. resigns operatorship of the above referenced well to Sego Resources effective after 5-1/2" production casing was cemented.

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

Signed *Deanna Bell*

Title Operations Coordinator

Date 3/18/98

(This space for Federal or State official 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 in its jurisdiction.

*See Instruction on Reverse Side



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

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

IN REPLY REFER TO:

3162.3
UT08300

March 19, 1998

Sego Resources Corp.
Attn: Roger L. Alinger
P O Box 1066
Vernal, UT 84078

Re: ^{13-047-33017 (Dr.)}
Well No. Ute Tribal 29-13-D3E
SWSW, Sec. 29, T4S, R3E
E&D Agreement 14-20-H62-4750
Duchesne County, Utah

Gentlemen:

This correspondence is in regard to the Sundry Notice submitted requesting a change in operator for the referenced well. After a review by this office, the change in operator request is approved. Effective immediately, Sego Resources Corporation is responsible for all operations performed on the referenced well. All liability will now fall under your bond for all operations conducted on the referenced well on the leased land.

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

Sincerely,


Howard B. Cleavinger II
Assistant Field Manager
Minerals Resources

cc: Petroglyph Operating Company
BIA
Division 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 new wells or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT TO DRILL --" for such proposals

SUBMIT IN TRIPLICATE

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

1. Type of Well:
OIL GAS OTHER:

2. Name of Operator
Sego Resources Corp.

3. Address and Telephone Number
P.O. Box 1066, 266 W. 100 N. Ste. #1, Vernal, Utah 84078
Telephone (435) 789-7250 Fax (435) 789-7261

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
660' FNL 1980" FWL Lot #3, Sec. 32, T4S, R3E U.S.B. & M.

5. Lease Designation and Serial No.
BIA E&D Agmt. #4750

6. If Indian, Allottee or Tribe Name
Ute Indian Tribe

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

8. Well Name and No.
Ute Tribal #29-13-D3E

9. API Well No.
43-047-33017

10. Field and Pool, or Exploratory Area
Natural Buttes

11. County of Parish, State
Uintah, Utah

RECEIVED

JUL 20 1998

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

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

(Note: Report results of multiple completions 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 be advised that Sego Resources Corp. is transferring operatorship of the Ute Tribal well #29-13 D3E; SW/4 SW/4, Section 29, T4S, R3E; Uintah County, Utah to Petroglyph Operating Company. Petroglyph is responsible under the terms and conditions of the E&D Agreement for the operations conducted upon the property.

BIA ACTION REQUIRED

If additional information is needed, please contact the undersigned at (303) 799-0322, FAX (303) 799-0333

Signed by *Morgie*

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

Name/Signature: Logan MacMillan

Logan MacMillan

Title: President Date: July 16, 1998

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

*See Instructions On Reverse Side

OPERATOR CHANGE WORKSHEET

Routing	
1-LEP ✓	6-LEP ✓
2-GLH	7-KAS ✓
3-DTS	8-SI
4-VLD ✓	9-FILE
5-JRB ✓	

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

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

The operator of the well(s) listed below has changed, effective: 3-12-98

TO: (new operator)	<u>SEGO RESOURCES CORP</u>	FROM: (old operator)	<u>PETROGLYPH OPERATING CO</u>
(address)	<u>266 W 100 N STE 1</u>	(address)	<u>PO BOX 607</u>
	<u>VERNAL UT 84078</u>		<u>ROOSEVELT UT 84066</u>
Phone:	<u>(435) 789-7250</u>	Phone:	<u>(435) 722-2531</u>
Account no.	<u>N6095</u>	Account no.	<u>N3800</u>

WELL(S) attach additional page if needed:

Name: <u>UTE TRBL 32-03 D3E/DRL</u>	API: <u>43-047-33016</u>	Entity: <u>12294</u>	S	<u>32</u>	T	<u>4S</u>	R	<u>3E</u>	Lease: <u>INDIAN</u>
Name: <u>UTE TRBL 29-13 D3E/DRL</u>	API: <u>43-047-33017</u>	Entity: <u>12295</u>	S	<u>29</u>	T	<u>4S</u>	R	<u>3E</u>	Lease: <u>INDIAN</u>
Name: _____	API: _____	Entity: _____	S	_____	T	_____	R	_____	Lease: _____
Name: _____	API: _____	Entity: _____	S	_____	T	_____	R	_____	Lease: _____
Name: _____	API: _____	Entity: _____	S	_____	T	_____	R	_____	Lease: _____
Name: _____	API: _____	Entity: _____	S	_____	T	_____	R	_____	Lease: _____

OPERATOR CHANGE DOCUMENTATION

1. (r649-8-10) Sundry or other legal documentation has been received from the **FORMER** operator (attach to this form). *(Reg. 2-10-98) (Reg. 3-17-98) (Rec'd 3-18-98)*
2. (r649-8-10) Sundry or other legal documentation has been received from the **NEW** operator (Attach to this form). *(Rec'd 2-10-98)*
3. The **Department of Commerce** has been contacted if the new operator above is not currently operating any wells in Utah. Is the company **registered with the state?** (yes/no) _____ If yes, show company file number: _____
4. **FOR INDIAN AND FEDERAL WELLS ONLY.** The BLM has been contacted regarding this change. Make note of BLM status in comments section of this form. BLM approval of **Federal** and **Indian** well operator changes should ordinarily take place prior to the division's approval, and before the completion of **steps 5 through 9** below.
5. Changes have been entered in the **Oil and Gas Information System** (3270) for each well listed above. *(3-18-98)*
6. **Cardex** file has been updated for each well listed above. *(3-18-98)*
7. Well **file labels** have been updated for each well listed above. *(3-18-98)*
8. Changes have been included on the monthly "Operator, Address, and Account Changes" **memo** for distribution to Trust Lands, Sovereign Lands, UGS, Tax Commission, etc. *(3-18-98)*
9. A folder has been set up for the **Operator Change file**, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

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

BOND VERIFICATION - (FEE WELLS ONLY)

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

LEASE INTEREST OWNER NOTIFICATION OF RESPONSIBILITY

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

FILMING

- VB* 1. All attachments to this form have been microfilmed. Today's date: 5.10.99.

FILING

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

COMMENTS

980317 BIA/Apr. 3-12-98.

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

SUBMIT IN TRIPLICATE

1. Type of Well
 Well Gas Well Other

2. Name of Operator
 Petroglyph Operating Company, Inc.

3. Address and Telephone No.
 P.O. Box 607, Roosevelt, UT 84066 (435) 722-2531

4. Location of Well (Footage, Sec., T., R., or Survey Description)
 760' FSL 780' FWL
 SWSW Sec. 29-T4S-R3E

5. Lease Designation and Serial No.
 BIA E & D AGRMT NO. 4750

6. If Indian, Allottee or Tribe Name
 Ute Indian Tribe

7. If Unit or CA, Agreement Designation

8. Well Name and No.
 Ute Tribal 29-13D3E

9. API Well No.
 43-047-33017

10. Field and Pool, or Exploratory Area

11. County or Parish, State
 Uintah County

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 <i>Change of operator</i>
	<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.)*

RECEIVED
FEB 01 1999

Please be advised that Sego Resources Corp. transferred operatorship of the above referenced well to Petroglyph Operating Company, Inc., effective 07/13/98.

Petroglyph is responsible under the terms and conditions of the E&D Agreement for the operations conducted upon this property.

BIA ACTION REQUIRED

Signed by Margie

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

Signed Anna Bell Title Operations Coordinator Date 1/29/99

(This space for Federal or State official 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 in its jurisdiction.

*See instruction on Reverse Side

PHONE CONVERSATION DOCUMENTATION FORM

✓ Copy?

Conversation Pertains to:

WELL

OTHER

Ute Tribal 29-13-D3E

Section 29 Township 4S Range 3E

API Number 43-047-33017

Topic of Conversation: Well Completion Report / Operator Change

Date of Phone Call: 4/6/99

Time: 10:30 Am

DOGMA Employee (name):

Don Staley

✓ Initiated Call?

Spoke with:

Name: Roger Alinger

✓ Initiated Call?

Of (company/organization): Sego Resources Phone: 303-777-0324

Highlights of Conversation:

DTS Requested WCR for well.

Mr. Alinger said he would submit one.

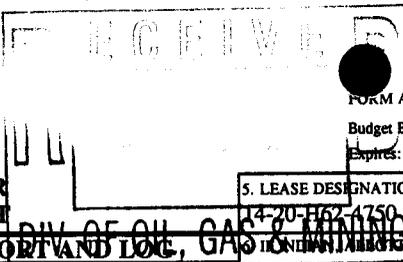
He isn't sure how much information he has.

He said this well was sold BACK to Petroglyph,

and it is producing.

Along with whatever he can find for the WCR, he will
also send in paperwork for the operator change.

He said the exchange was approved by the feds.



FORM APPROVED
Budget Bureau No 1004-0137
Expires: August 31, 1985

FORM 3160-4
(November 1983)
(Formerly 9-330)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

5. LEASE DESIGNATION AND SERIAL No.
14-20-H62-4750
6. INDIAN RESERVE OR TRIBAL NAME
Ute Indian Tribe

WELL COMPLETION OR RECOMPLETION REPORT AND LOG, GAS & MINING

1 a. TYPE OF WELL OIL WELL GAS WELL OTHER
b. TYPE OF COMPLETION NEW WELL WORK OVER
 DEEPEN DIFF. RESERV. OTHER:

2. NAME OF OPERATOR
Sego Resources Corp.
3. ADDRESS OF OPERATOR
P.O. Box 1066, Vernal, Utah 84078
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At Surface ~~660~~ FSL, ~~652~~ FWL, Sec. 29, T4S, R3E USB&M
760 780
At Proposed Producing Zone Same
At Total Depth: Same

7. UNIT AGREEMENT NAME
8. FARM OR LEASE NAME
Ute Tribal
9. WELL NAME
29-13 D3E
10. FIELD AND POOL, OR WILDCAT
Wildcat
11. QQ, SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
Sec. 29, T4S, R3E USB&M

14. PERMIT NO. 43-047-33017 DATE ASSIGNED 12/23/97
12. COUNTY Uintah 13. STATE Utah

15. SPUD DATE 12/26/97 16. DATE TD REACHED 1/21/98
17. DATE COMPL. (Ready to prod.) N/A 1-21-98 18. ELEVATIONS (DF, RKB, RT, GL, ETC.)* 4711' KB
19. ELEV. CASINGHEAD 4696' GL

20. TOTAL DEPTH, MD & TVD 8062' 21. PLUG BACK TD, MD & TVD 7718'
22. IF MULTIPLE COMPL., HOW MANY? *
23. INTERVAL DRILLED BY Rotary? 8062' Cable Tools?

24. PRODUCING INTERVAL(S), OF THIS COMPLETION -- TOP, BOTTOM, NAME (MD & TVD)
N/A WSTC/R Alinger
25. WAS DIRECTIONAL SURVEY MADE? yes

26. TYPE ELECTRIC AND OTHER LOGS RUN
Induction, Neutron-Density, CMR CBL/GR 4-2-98
27. WAS WELL CORED? () Yes (X) No (Submit Analysis)
DRILL STEM TEST? () Yes (X) No (See Reverse Side)

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

SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9 5/8"	32.30	508'	12 1/4"	250 sks "G" w/2% CaCl	
5 1/2"	15.50 & 17.00	7945'	7 7/8"	200 sks Hi Fill, 295 sx thixotropic (Green River)	
				510 sx 50:50 POZ (Wasatch)	

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	ACKS CEMENT	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

31. PERFORATION RECORD (Interval, size, and number)
7400' - 7440', 0.54", 80 holes

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
7400' - 7440'	1000 gal 7 1/2% HCL

33. PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump)	WELL STATUS (Producing or shut-in)					
N/A		Shut -in: Developing completion procedure					
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N FOR TEST PERIOD	OIL--BBL.	GAS--MCF	WATER--BBL.	GAS - OIL RATIO
FLOW. TBG PRESSURE	CSG PRESSURE	CALCULATED 24-HOUR RATE	OIL--BBL.	GAS--MCF	WATER--BBL.	OIL GRAVITY - API (CORR.)	

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

35. LIST OF ATTACHMENTS

36. I hereby certify that this report is true and complete to the best of my knowledge
Signed: R.L. Alinger *R.L. Alinger* Title: District Operations Manager

See Spaces for Additional data on Reverse Side

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

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof: and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries): Ute Tribal 29-13

FORMATIONS	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.

38. GEOLOGIC MARKERS

NAME	TOPS	
	MEASURED DEPTH	TRUE VERTICAL DEPTH
Uinta/Green River Wasatch	Surface 6060'	same



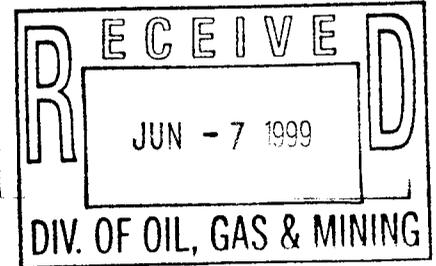
Petroglyph Operating Company, Inc.
A wholly owned subsidiary of
Petroglyph Energy, Inc.

P.O. Box 1839
Hutchinson, KS 67504-1839

316 665-8500
316 665-8577 fax

June 2, 1999

Carol Daniels
State of Utah
Division of Oil, Gas & Mining
1594 W. North Temple, Ste. 1210
Salt Lake City, UT 84114



Carol:

Enclosed please find the logs listed below for the wells located in Uintah County, Utah.

Well Name

Ute Tribal 29-13D3E

43-042-33017

7.45 R.3E Sec 29

Log

CNLD & Azimuthal Laterolog

Please hold these in confidence as permitted in division guidelines. If you need further information, please do not hesitate to call me at 316-665-8500.

Sincerely,

Brooke Kirmer
Geological Technician
Petroglyph Operating Company, Inc.
1302 N. Grand
Hutchinson, KS 67501
Phone: (316) 665-8500
Fax: (316) 665-8577
E-mail: brooke@petroglyph.net

Sapient Energy Corp.

Telephone 303-675-0007
Facsimile 303-675-0008

621 17th Street, Suite 1800
Denver, CO 80293

August 21, 2000

Mr. Ed Forsman
Bureau of Land Management
170 South 500 East
Vernal, Utah 84078

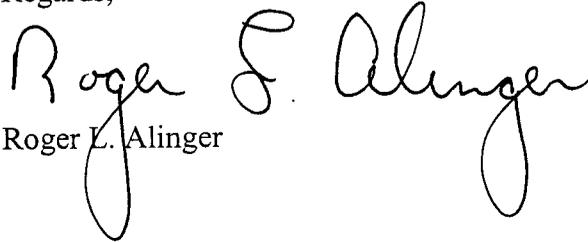
Re: Change of Operator

Dear Mr. Forsman:

In July of 1998 Sege Resources submitted a sundry notice transferring operatorship of the Ute Tribal well #29-13 D3E to Petroglyph Operating Company (copy attached). We believe the MMS records have been revised to show the change but are uncertain as to whether any other agencies have record of the change.

Any help you can provide would be appreciated. If there is anything you need from me please contact me at 303-675-0007 ext. 111.

Regards,


Roger L. Alinger

Cc: Utah DOGM w/attachments

RECEIVED

AUG 24 2000

DIVISION OF
OIL, GAS AND MINING

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
SUNDRY NOTICES AND REPORTS ON WELLS

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

FORM APPROVED

Budget Bureau No. 1004-0135

Expires March 31, 1993

SUBMIT IN TRIPLICATE

1. Type of Well:
OIL GAS OTHER:

2. Name of Operator
Sego Resources Corp.

3. Address and Telephone Number
P.O. Box 1066, 266 W. 100 N. Ste. #1, Vernal, Utah 84078
Telephone (435) 789-7250 Fax (435) 789-7261

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
660' FNL 1980* FWL Lot #3, Sec. 32, T4S, R3E U.S.B. & M.

5. Lease Designation and Serial No.
BIA E&D Agmt. #4750

6. If Indian, Allottee or Tribe Name
Ute Indian Tribe

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

8. Well Name and No.
Ute Tribal #29-13-D3E

9. API Well No.
43-047-33017

10. Field and Pool, or Exploratory Area
Natural Buttes

11. County of Parish, State
Uintah, Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION
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<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
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	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Other: Request for extension
	<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 completions 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 be advised that Sego Resources Corp. is transferring operatorship of the Ute Tribal well #29-13 D3E: SW/4 SW/4, Section 29, T4S, R3E; Uintah County, Utah to Petroglyph Operating Company. Petroglyph is responsible under the terms and conditions of the E&D Agreement for the operations conducted upon the property.

RECEIVED

AUG 14 1998

DIVISION OF
OIL, GAS AND MINING

If additional information is needed, please contact the undersigned at (303) 799-0322, FAX (303) 799-0333

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

Name/Signature: Logan MacMillan

Title: President Date: July 16, 1998

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

9137 East Mineral Circle
Suite 250
Englewood, CO 80112-3423

Ph (303) 799-0326
Fax (303) 799-0333

SEGO RESOURCES

To: Ken Smith Fax: 316-665-8577
From: MacMillan Date: 04/05/99
Re: Transfer of 29-13 D3E Pages: 5
CC:

Urgent For Review Please Comment Please Reply Please Recycle

Notes: Ken: attached is the report from MMS noting change of operatorship. This was the result of a report received earlier in March, in which the operatorship had NOT been made from Seggo to Petroglyph. I think this should finally take care of the necessary forms, but if not, let me know.
Hope things are going well. Logan

RECEIVED

DIVISION OF
OIL, GAS AND MINING



United States Department of the Interior

MINERALS MANAGEMENT SERVICE

Royalty Management Program
P.O. Box 17110
Denver, Colorado 80217-0110

IN REPLY REFER TO:

ARD/RB
Mail Stop 3132

Dear Operator:

The enclosed confirmation report(s) reflects changes made to our database regarding the oil and gas leases or facilities you operate. Please use the report(s) to verify information and to update your records.

Well Confirmation Report

- Affects your production reporting, such as: change of operator; adding new wells to a lease; moving a well from a lease to an agreement; etc.

ANCR Confirmation Report

- Identifies a change to an existing API well number.

FMIF Confirmation Report

- May affect your production reporting, such as: requiring additional reports for facilities with commingling code 3; adding or removing lease-to-FMP (facility/measurement point) relationships, etc.

Facility Measurement Point Listing for Oil and Gas Report

- Generated quarterly, it identifies those FMP's assigned to you as the FMP operator. A Copy of the complete report or another operator's FMPs can be obtained by contacting Ms. Vicky Stafford at 1-800-525-7922, extension 3388.

Thank you for using these reports to maintain accurate records. For assistance, please contact your MMS representative at 1-800-525-7922.

RECEIVED

DIVISION OF
OIL, GAS AND MINING

REPORT ID: RWE170R1
 RUN DATE : 03/19/99
 RUN TIME : 23:53:13

UNITED STATES DEPARTMENT OF THE INTERIOR
 MINERALS MANAGEMENT SERVICE
 ROYALTY MANAGEMENT PROGRAM
 PRODUCTION ACCOUNTING & AUDITING SYSTEM

WELL FORM

DOC-ID: WELL52580548
 DATE ACCEPTED: 03/19/1999
 SORT OPERATOR: K2023

WELL SOURCE INDICATOR: MMS	AGENCY OPERATOR NAME: PETROGLYPH OP CO	MMS OPERATOR NUMBER: K1257	MMS LEASE/AGRMT NUM: 5090048370
OPERATOR(O) OR LSE/AGRMT(L) OR BOTH(B): O	AGENCY LEASE/AGRMT NAME:	AGENCY LEASE/AGRMT NUM: 1420H624837	EFFECTIVE DATE: 10/1998
COMMENTS: PER SEGO AND COMMENTS IN AFMSS--WELL TRANS TO K1257		END DATE:	BLM INSPECTION OFFICE: VE

ACT CODE	API WELL NUMBER	PROD INT	AGENCY WELL NAME	RESERVOIR FORMATION	AGENCY WELL STAT	LEASE NUMBER WHEN IN AGREEMENT		END DATE	
						AGENCY ASSIGNED NUMBER	MMS		
LINE NUM	OPERATOR WELL NUM		PREVIOUS OPER NUM	FIRST PROD DATE	PAAS WELL STAT	WELL LOCATION		PREVIOUS LEASE/AGRMT NUM	
C 0001	430473301700 29-13-D3E	SO1	UTE TRIBAL K2023	WASATCH	PGW 11	4S	3E	29SWSW	
COMMENTS:									

** ENTIRE DOCUMENT IS SHOWN **

OIL GAS AND MINES

RECEIVED

memorandum

DATE: October 7, 1998

REPLY TO
ATTN OF: Minerals and Mining, Uintah and Ouray Agency

SUBJECT: Approved Oil and Gas Lease(s)

TO:

Bureau of Land Management, Vernal District Office
Attn: Minerals Division

Minerals Management Service, Reference Data Branch
Attn: Andy Sandoval

RECEIVED
OCT 18 1998

In accordance with Exploration and Development Agreement No. 14-20-H62-4750, Article 3, Paragraph 3.2.D - Approval of Leases; and Article 4, Paragraph 4.1, we are enclosing your copy of an approved Oil & Gas Exploration and Development Lease between the Ute Indian Tribe, the Ute Distribution Corporation and Barrett Resources.

This agreement lease was approved on October 6, 1998, but effective on January 1, 1998. A copy of the Well Completion Report was received in this office on October 5, 1998.

Lease No.	Well Name	Legal	Acres	Lessee	Operator
14-20-H62-4837	UT 29-13D3E	29-T4S-R3E	614.21	Petroglyph	Sego Resources

If you have any questions, please contact this office at (801) 722-4310.

Diane Mitchell

Enclosures

92321
D
OIL, C

OPERATOR CHANGE WORKSHEET

ROUTING

1. GLH		4-KAS ✓
2. CDW ✓		5- STP ✓
3. JLT		6-FILE

Enter date after each listed item is completed

X Change of Operator (Well Sold)

Designation of Agent

Operator Name Change (Only)

Merger

The operator of the well(s) listed below has changed, effective: **10/6/1998**

FROM: (Old Operator):
SEGO RESOURCES CORPORATION
Address: 621 17TH STE 1800
DENVER, CO 80293-0621
Phone: 1-(303)-675-50007
Account No. N6095

TO: (New Operator):
PETROGLYPH OPERATING COMPANY
Address: P. O. BOX 607
ROOSEVELT, UT 84066
Phone: 1-(435)-722-2531
Account No. N3800

CA No.

Unit:

WELL(S)

NAME	API NO.	ENTITY NO.	SEC. TWN RNG ⁰³	LEASE TYPE	WELL TYPE	WELL STATUS
UTE TRIBAL 29-13D3E	43-047-33017	12295	29-04S- 20E	INDIAN	GW	P

OPERATOR CHANGES DOCUMENTATION

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 08/24/2000
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 08/24/2000
- The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 02/26/2001
- Is the new operator registered in the State of Utah: YES Business Number: 1264078-0143
- If **NO**, the operator was contacted on: N/A
- 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: BIA 10/07/1998

7. **Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: N/A
8. **Federal and Indian Communization Agreements ("CA"):** The BLM or the BIA has approved the operator change for all wells listed involved in a CA on: N/A
9. **Underground Injection Control ("UIC") Prog:** 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: 02/26/2001
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 02/26/2001
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

STATE BOND VERIFICATION:

1. State well(s) covered by Bond No.: N/A

FEE WELLS - BOND VERIFICATION/LEASE INTEREST OWNER NOTIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed has furnished a bond No: N/A
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
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

FILMING:

1. All attachments to this form have been **MICROFILMED** on: 3-19-01

FILING:

1. **ORIGINALS/COPIES** of all attachments pertaining to each individual well have been filed in each well file on: _____

COMMENTS:

UNITED STATES GOVERNMENT
memorandum

DATE: September 17, 2001
REPLY TO
ATTN OF: Superintendent, Uintah and Ouray Agency
SUBJECT: Change of Operator
TO: Bureau of Land Management, Vernal District Office
Attention: Margie Herrmann, Division of Minerals and Mining

We have received a copy of a Sundry Notice, dated July 16, 1998, informing this office of a change of operator for the following wells:

OPERATOR - FROM: Sego Resources Corp.
TO: Petroglyph Operating Company

Legal Description	Lease No.	Well No.	Location
Sec. 29-T4S-R3E	14-20-H62-4750	Ute Tribal 29-13-D3E	SWSW

-4837

This office concurs with the change of operator. All operations will be covered under Petroglyph's Bond filed with this office, for those wells on trust property.

If you have any questions, please contact this office at (435) 722-4310.

Charles H. Cameron

cc: Jerry Kenczka, BLM/Vernal
Energy & Minerals, Ute Tribe
Ute Distribution Corporation, Roosevelt, UT
Lisha Cordova, State of Utah
Theresa Thompson, BLM/State Office

*Ute Tribal 29-13-D3E
43-047-33017*