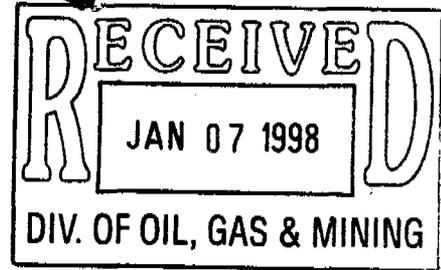




**Coastal**  
The Energy People



January 5, 1998

Bureau of Land Management  
Vernal District Office  
170 South 500 East  
Vernal, Utah 84078

Re: **NBU 277**  
**Sec. 19, T9S-R22E**  
**Uintah County, UT**

**NBU 297**  
**Sec. 11, T9S-R21E**  
**Uintah County, UT**

**NBU 298**  
**Sec. 15, T9S-R21E**  
**Uintah County, UT**

To whom it may concern:

Enclosed is the Application for Permit to Drill (APD), the Drilling Program, and the Surface Use and Operations Plan for the referenced wells. Please note that additional copies have been sent to the BIA and the Ute Tribe.

If you have any questions concerning the enclosed documents, please contact me at (303) 573-4476.

Sincerely,

Bonnie Carson  
Senior Environmental Analyst

Enc.

cc: Ute Tribe - Attn: Ferron Secakuku  
BIA - Attn: Dianne Mitchell  
Division of Oil, Gas, and Mining - SLC, UT

**Coastal Oil & Gas Corporation**

A SUBSIDIARY OF THE COASTAL CORPORATION  
600 17TH ST • STE 800 S • P O BOX 749 • DENVER CO 80201-0749 • 303-572-1121

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

**APPLICATION FOR PERMIT TO DRILL OR DEEPEN**

1a. TYPE OF WORK  
 DRILL  DEEPEN

b. TYPE OF WELL  
 OIL WELL  GAS WELL  OTHER

SINGLE ZONE  MULTIPLE ZONE

2. NAME OF OPERATOR  
 Coastal Oil & Gas Corporation

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

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)  
 At surface: 2452' FNL & 1115' FEL  
 At proposed prod. zone: 748 340

5. LEASE DESIGNATION AND SERIAL NO.  
 U-0284

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
 Ute Tribe

7. UNIT AGREEMENT NAME  
 Natural Buttes Unit

8. FARM OR LEASE NAME, WELL NO.  
 NBU 277

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT  
 Natural Buttes Field

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
 Sec. 19 T9S-R22E

12. COUNTY OR PARISH  
 Uintah

13. STATE  
 Utah

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

16. NO. OF ACRES IN LEASE  
 870.72

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

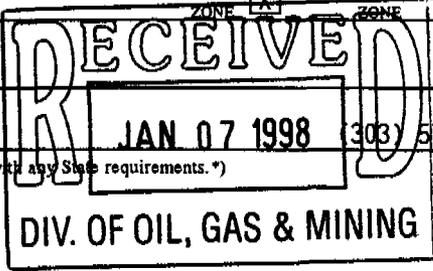
18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. See Topo Map C

19. PROPOSED DEPTH  
 6500'

20. ROTARY OR CABLE TOOLS  
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
 Ungraded GR - 4829.1'

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



23. PROPOSED CASING AND CEMENTING PROGRAM

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

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

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

Coastal Oil & Gas Corporation is considered to be the operator of the subject well. It agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided for by: State of Utah Bond #102103, BLM Nationwide Bond #U605382-9, and BIA Nationwide Bond #114066-A.

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

24. SIGNED Bonnie Carson TITLE Sr. Environmental Analyst DATE 1/5/98

(This space for Federal or State office use)

PERMIT NO. 43-047-33042 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: Federal Approval of this Action is Necessary

APPROVED BY Bradley G. Hill TITLE RECLAMATION SPECIALIST III DATE 6/2/98

\*See Instructions On Reverse Side

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

NE Cor. Sec. 18  
Set Marked Stone

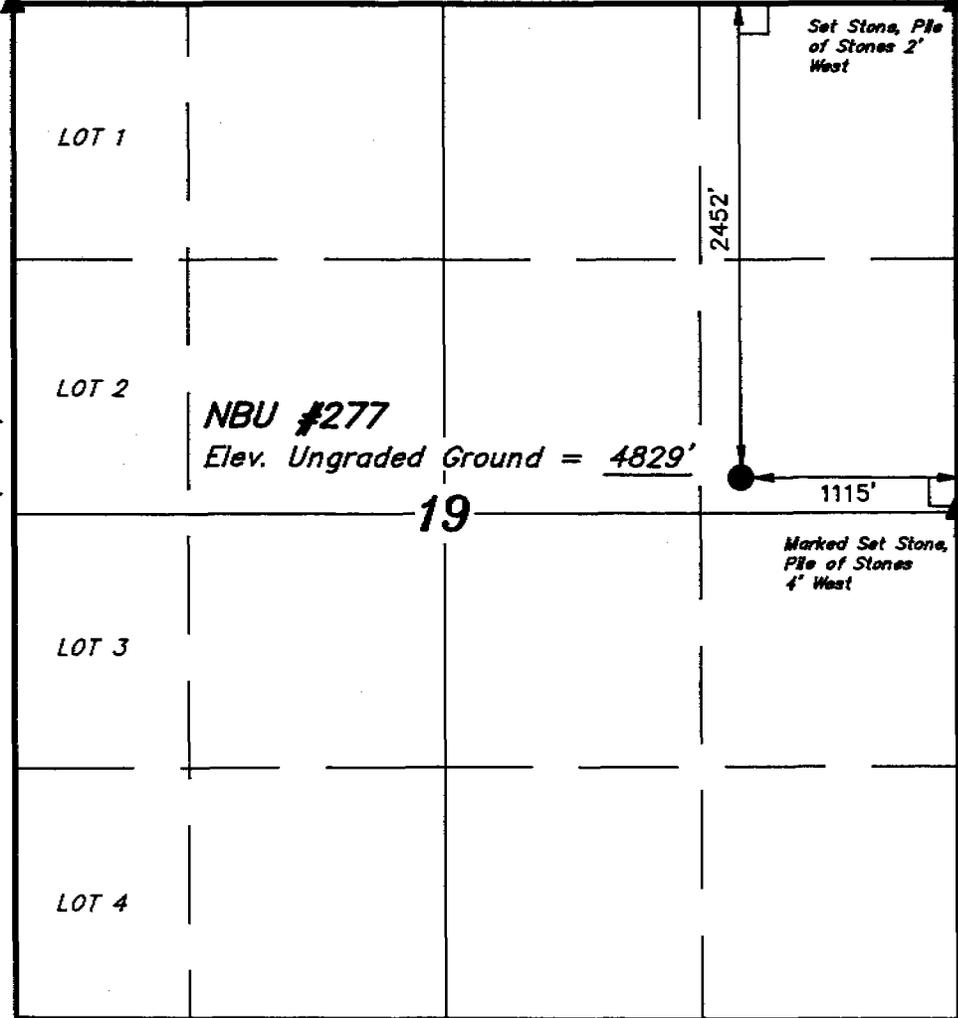
R 21 E T9S, R22E, S.L.B.&M.  
R 22 E

Utah County  
Cap 5/8" Rebar  
Set Marked Stone,  
Steel Post 3' NWly

N89°50'18"E 4869.22' (Meas.)

N00°03'W - G.L.O.  
(Basis of Bearings)  
5280.47' (Measured)

NORTH - (G.L.O.)



Set Stone, Pile of Stones 2' West

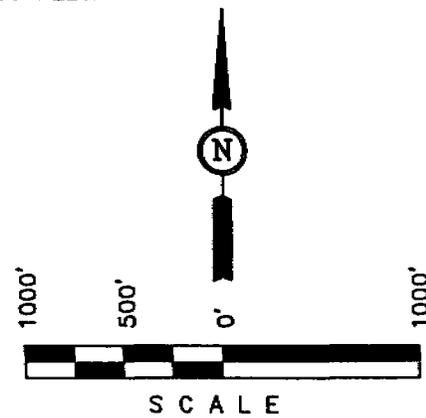
Marked Set Stone, Pile of Stones 4' West

**COASTAL OIL & GAS CORP.**

Well location, NBU #277, located as shown in the SE 1/4 NE 1/4 of Section 19, T9S, R22E, S.L.B.&M., Uintah County, Utah.

**BASIS OF ELEVATION**

SPOT ELEVATION AT THE NORTHWEST CORNER OF SECTION 19, T9S, R22E, S.L.B.&M. TAKEN FROM THE RED WASH SW QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4889 FEET.



**CERTIFICATE**

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

APPROVED AND CORRECTED  
ROBERT KAY  
REGISTERED LAND SURVEYOR  
REGISTRATION NO. 167319  
STATE OF UTAH

**UINTAH ENGINEERING & LAND SURVEYING**  
85 SOUTH 200 EAST - VERNAL, UTAH 84078  
(801) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 04-23-97	DATE DRAWN: 05-23-97
PARTY L.D.T. D.K. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE COASTAL OIL & GAS CORP.	

**LEGEND:**

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

N89°59'E - 73.88 (G.L.O.)

**NBU 277  
2452' FNL & 1115' FEL  
SE/NE, SECTION 19-T9S-R22E  
UINTAH COUNTY, UTAH  
LEASE NUMBER: U-0284**

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

***DRILLING PROGRAM***

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

<b>Formation</b>	<b>Depth</b>
Duchesne River/Uinta	Surface
Green River	1,415'
Wasatch	4,765'
Total Depth	6,500'

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

<b>Substance</b>	<b>Formation</b>	<b>Depth</b>
Oil/Gas	Green River	1,415'
	Wasatch	4,765'
Water	N/A	
Other Minerals	N/A	

**3. Pressure Control Equipment:**

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

**4. Proposed Casing & Cementing Program:**

*Please see the Natural Buttes Unit SOP.*

**5. Drilling Fluids Program:**

*Please see the Natural Buttes Unit SOP.*

**6. Evaluation Program:**

*Please see the Natural Buttes Unit SOP.*

**7. Abnormal Conditions:**

Maximum anticipated bottomhole pressure approximately equals 2600 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1,170 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

**8. Anticipated Starting Dates & Notification of Operations:**

*Please see the Natural Buttes Unit SOP.*

**9. Variances:**

*Please see the Natural Buttes Unit SOP.*

**10. Other Information:**

*Please see the Natural Buttes Unit SOP.*

**NBU #277  
2452' FNL & 1115' FEL  
SE/NE, SECTION 19, T9S-R22E  
Uintah County, Utah  
Lease Number: U-0284**

**ONSHORE ORDER NO. 1**

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

An onsite inspection was conducted for the NBU #297 on 12/18/97 at approximately 10:00 AM. Weather conditions were overcast with cold temperatures at the time of the onsite. In attendance at the inspection were the following individuals:

Bonnie Carson	Coastal Oil & Gas Corporation
Paul Breashears	Coastal Oil & Gas Corporation
Carroll Estes	Coastal Oil & Gas Corporation
Greg Darlington	BLM
Dale Hanberg	BIA
Alvin Ignacio	Ute Tribe
Harley Jackson	Jackson Construction
Jim Justice	J-West
John Faucett	Faucett Construction
Robert Kay	UELS

**1. Existing Roads:**

The proposed well site is approximately 49.3 miles SW of Vernal, Utah. Directions to the location from Vernal, Utah:

Proceed in a westerly direction from Vernal, Utah along U.S. Highway 40 approximately 14.0 miles to the junction of State Highway 88; exit left and proceed in a southerly direction approximately 17.0 miles to Ouray, Utah; proceed in a southerly direction approximately 6.9 miles on the Seep Ridge Road to the junction of this road and an existing road to the east; turn left and proceed in an easterly direction approximately 5.0 miles to the junction of this road and an existing road to the north; turn left and proceed in a northerly direction approximately 0.3 miles to the junction of this road and an existing road to the northeast; turn right and proceed in a northeasterly direction approximately 5.4 miles to the junction of this road and an existing road to the southeast; turn right and proceed in a southeasterly direction approximately 0.6 miles to the beginning of the proposed access road to the southeast; follow road flags in a southeasterly direction approximately 0.1 miles to the proposed location.

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

There will be no improvement to existing access roads.

**2. Planned Access Roads**

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

*Please see the Natural Buttes Unit Standard Operating Procedure.*

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

**4. Location of Existing and Proposed Facilities:**

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

**5. Location and Type of Water Supply**

*Please see the Natural Buttes Unit Standard Operating Procedure.*

**6. Source of Construction Materials**

*Please see the Natural Buttes Unit Standard Operating Procedure.*

**7. Methods of Handling Waste Materials**

*Please see the Natural Buttes Unit Standard Operating Procedure.*

**8. Ancillary Facilities**

*Please see the Natural Buttes Unit Standard Operating Procedure.*

**9. Well Site Layout: See Location Layout Diagram**

A Location Layout Diagram is attached. It describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

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

*The reserve pit will be lined.*

**10. Plans for Reclamation of the Surface**

*Please see the Natural Buttes Unit Standard Operating Procedure.*

**11. Surface Ownership**

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

Bureau of Indian Affairs  
Ute Ouray Agency  
Ft. Duchesne, Utah 84026  
(801) 722-4300

**12. Other Information**

A Class III archaeological survey was conducted by Metcalf Archaeological Consultants on May 1, 1997. A copy of this report was submitted directly to the appropriate agencies by Metcalf Archaeological Consultants. Cultural resource clearance was recommended for this location.

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

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

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

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

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

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist;

that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

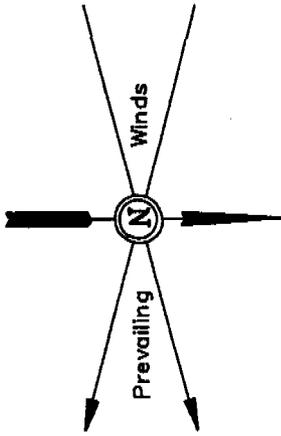
  
\_\_\_\_\_  
Bonnie Carson

1/5/98  
Date

COASTAL OIL & GAS CORP.

LOCATION LAYOUT FOR

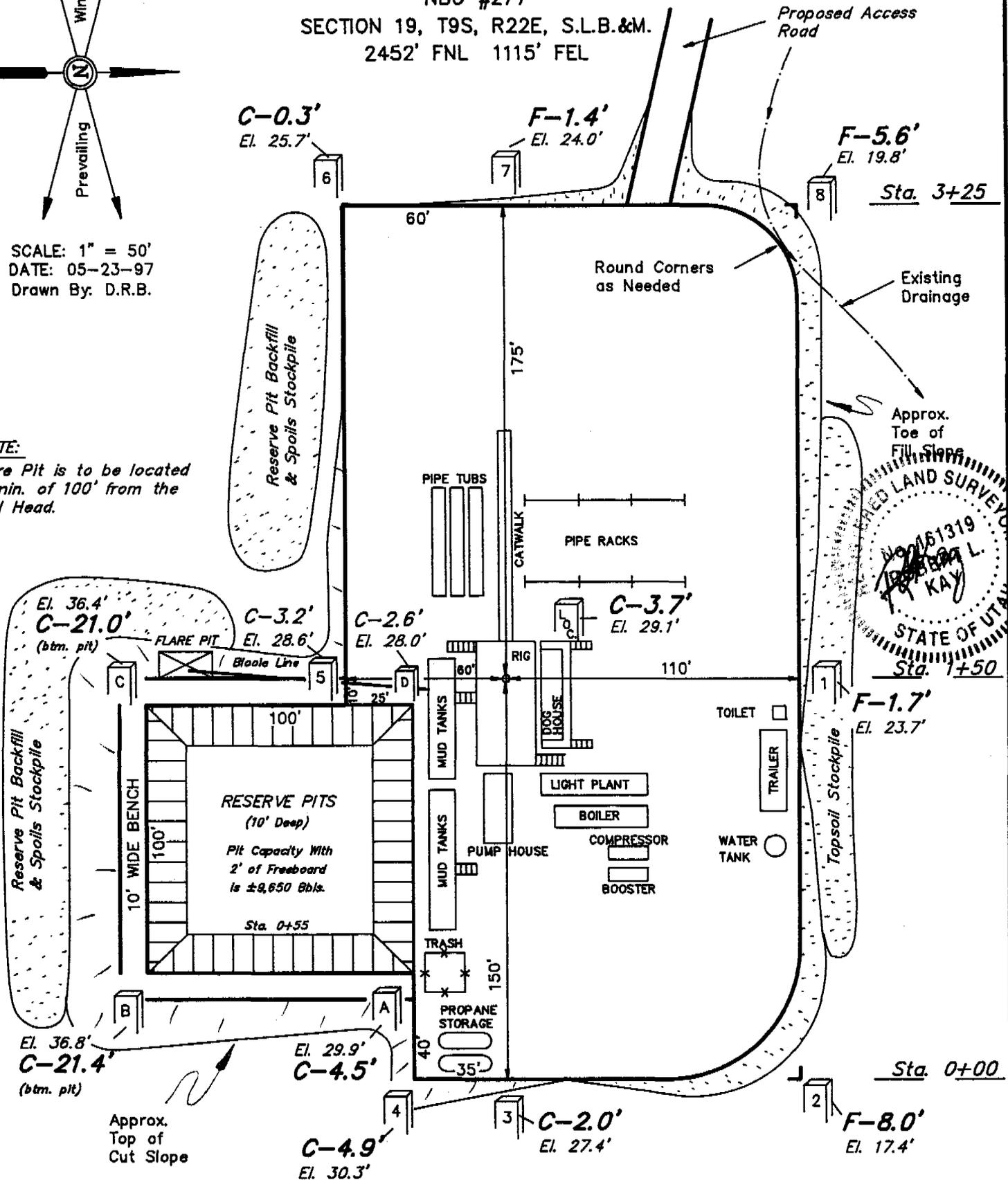
NBU #277  
SECTION 19, T9S, R22E, S.L.B.&M.  
2452' FNL 1115' FEL



SCALE: 1" = 50'  
DATE: 05-23-97  
Drawn By: D.R.B.

NOTE:

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



NOTES:

Elev. Ungraded Ground At Loc. Stake = 4829.1'  
FINISHED GRADE ELEV. AT LOC. STAKE = 4825.4'

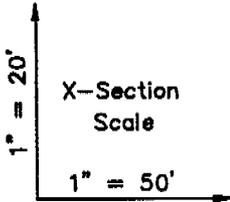
FIGURE #1

# COASTAL OIL & GAS CORP.

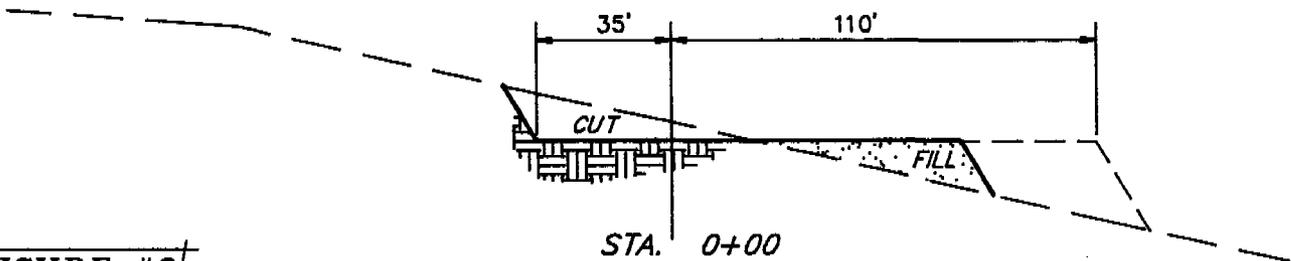
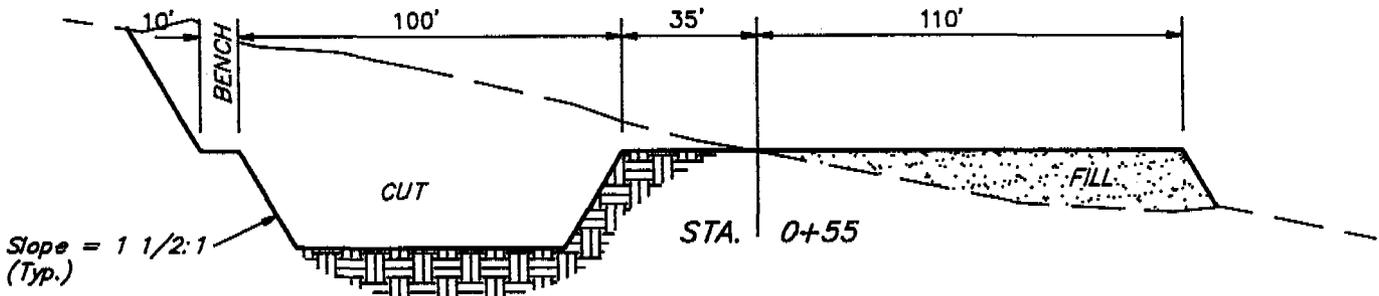
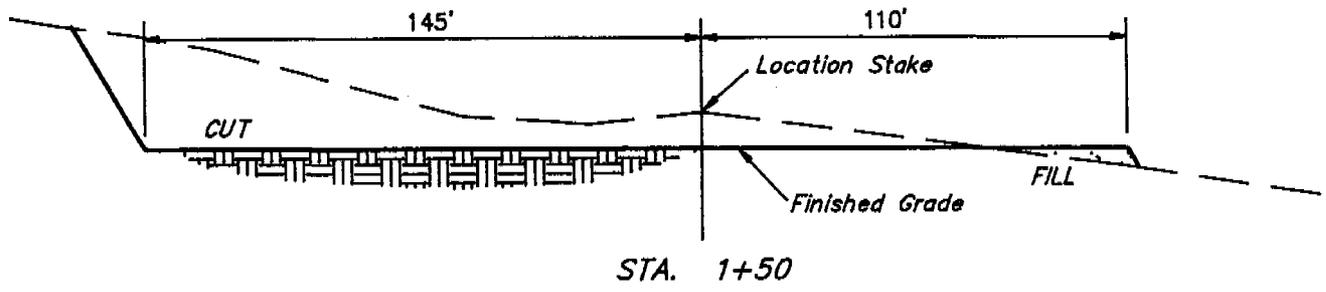
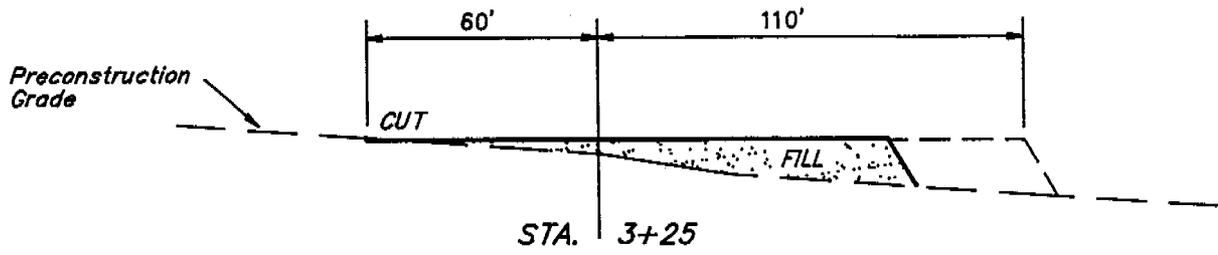
## TYPICAL CROSS SECTIONS FOR

NBU #277

SECTION 19, T9S, R22E, S.L.B.&M.  
2452' FNL 1115' FEL



DATE: 05-23-97  
Drawn By: D.R.B.



**FIGURE #2**

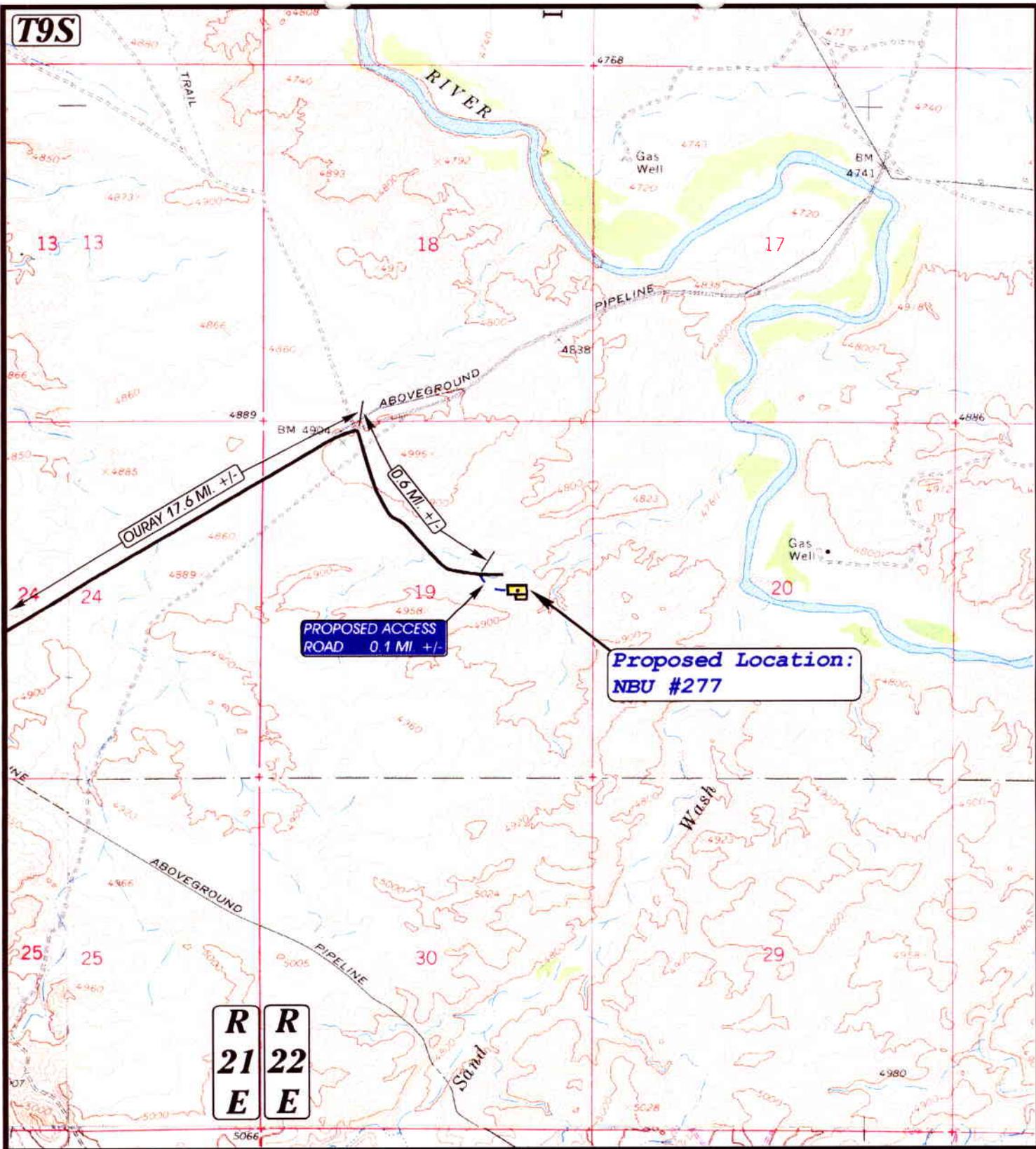
**APPROXIMATE YARDAGES**

<b>CUT</b>	
(12") Topsoil Stripping	= 2,280 Cu. Yds.
Remaining Location	= 7,170 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 9,450 CU.YDS.</b>
<b>FILL</b>	<b>= 5,540 CU.YDS.</b>

EXCESS MATERIAL AFTER 5% COMPACTION	= 3,620 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,620 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.



**T9S**



**UEIS**

**TOPOGRAPHIC  
MAP "B"**

DATE: 5-28-97  
Drawn by: J.L.G.

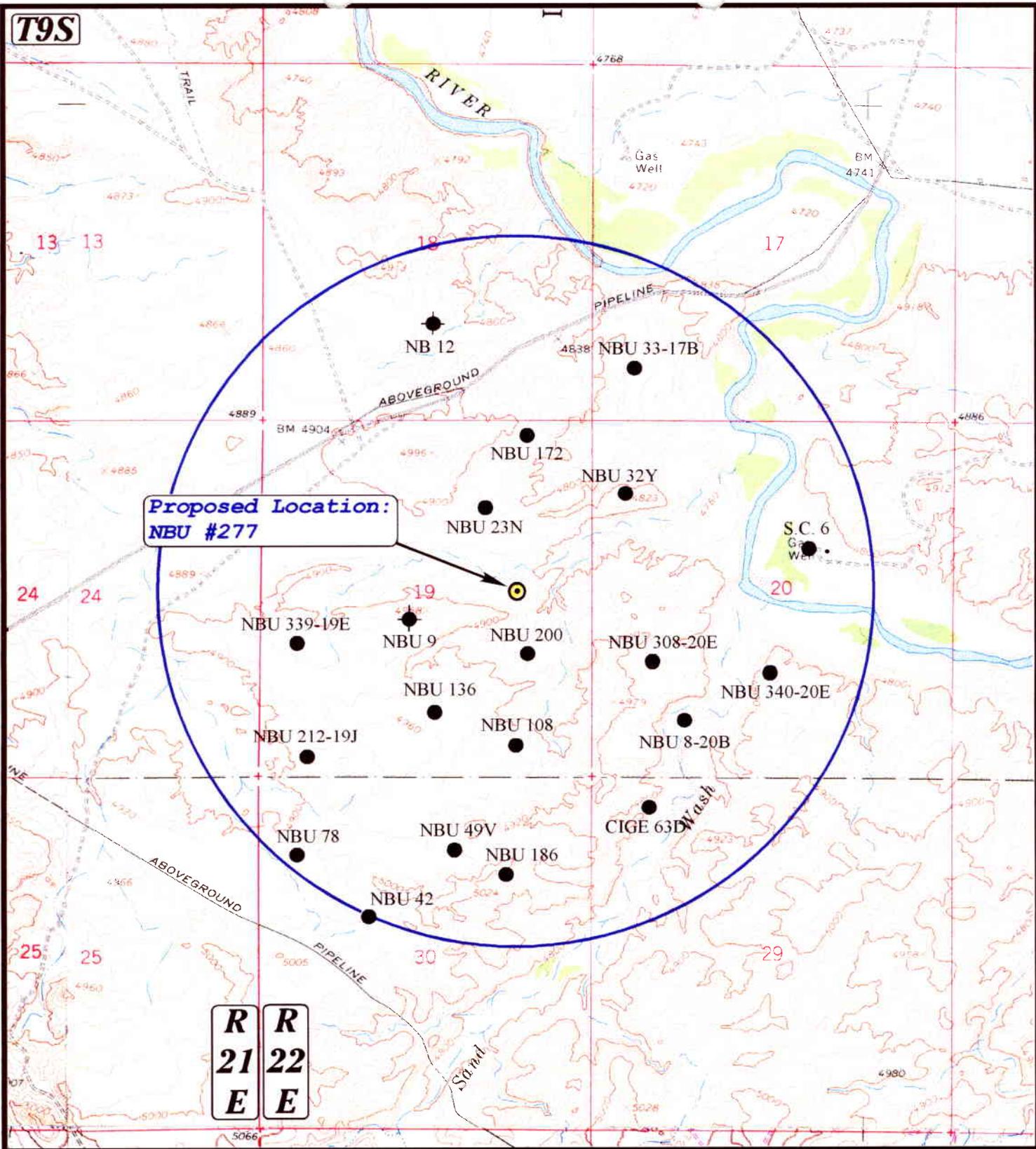
**COASTAL OIL & GAS CORP.**

**NBU #277  
SECTION 19, T9S, R22E, S.L.B.&M.  
2452' FNL 1115' FEL**



SCALE: 1" = 2000'

**T9S**



**Proposed Location:  
NBU #277**

**R R**  
**21 22**  
**E E**

**LEGEND:**

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

**UEIS**

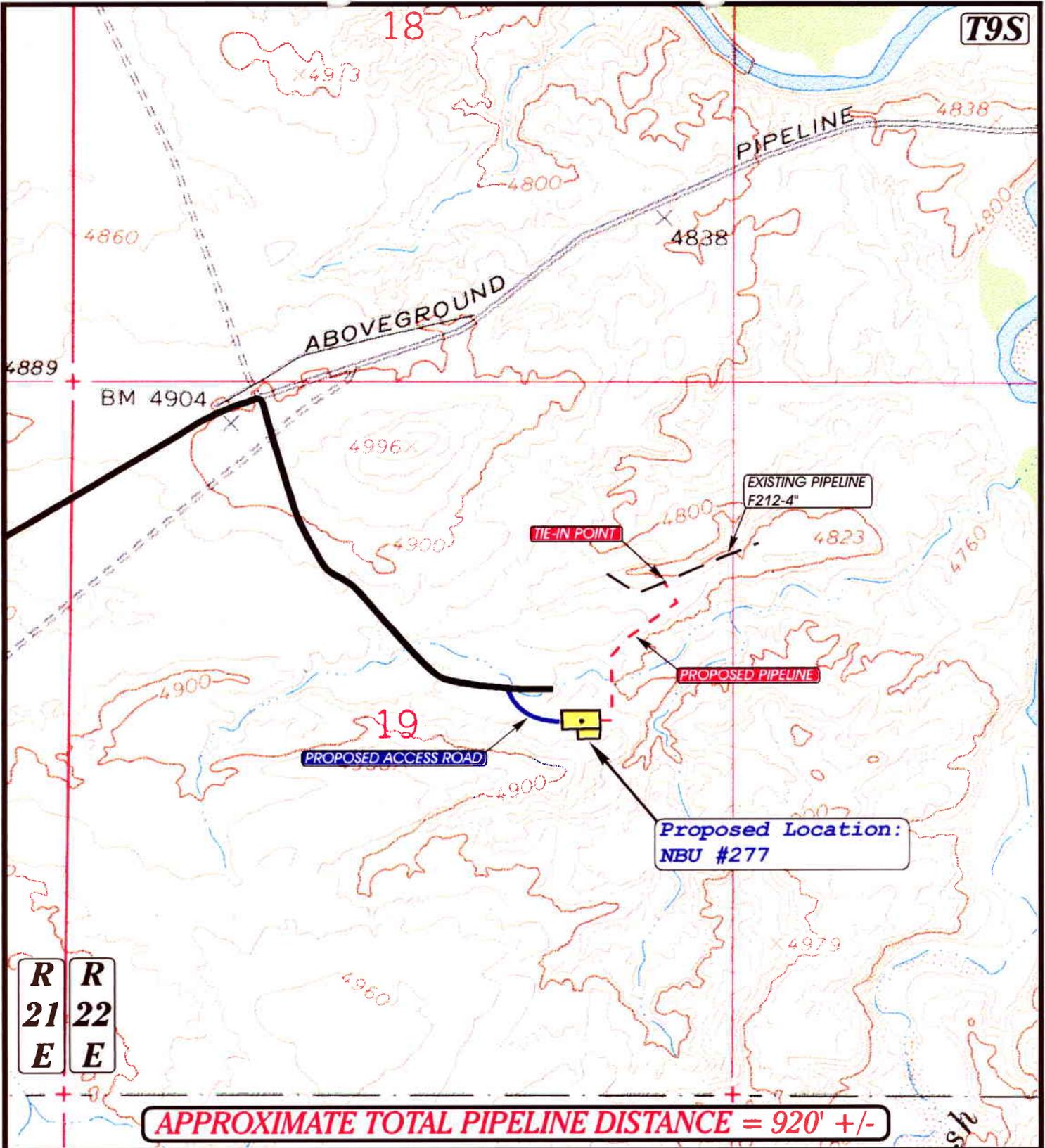
Uintah Engineering & Land Surveying  
85 So. 200 East • Vernal, Utah 84078 • (801) 789-1017



SCALE: 1" = 2000'

**COASTAL OIL & GAS CORP.**

**NBU #277**  
**SECTION 19, T9S, R22E, S.L.B.&M.**  
**TOPOGRAPHIC MAP "C"**  
DATE: 5-28-97  
Drawn by: J.L.G.



**APPROXIMATE TOTAL PIPELINE DISTANCE = 920' +/-**

**R 21 E**  
**R 22 E**

**UEIS**

**TOPOGRAPHIC MAP "D"**

--- Existing Pipeline  
- - - Proposed Pipeline



**COASTAL OIL & GAS CORP.**

**NBU #277**  
**SECTION 19, T9S, R22E, S.L.B.&M.**

**DATE: 5-28-97**  
**Drawn by: J.L.G.**

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

**SCALE: 1" = 1000'**

WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 01/07/98

API NO. ASSIGNED: 43-047-33042

WELL NAME: NBU 277  
 OPERATOR: COASTAL OIL & GAS CORP (N0230)

PROPOSED LOCATION:  
 SENE 19 - T09S - R22E  
 SURFACE: 2452-FNL-1115-FEL  
 BOTTOM: 2452-FNL-1115-FEL  
 UINTAH COUNTY  
 NATURAL BUTTES FIELD (630)

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

LEASE TYPE: FED  
 LEASE NUMBER: U - 0284

PROPOSED PRODUCING FORMATION: WSTC

RECEIVED AND/OR REVIEWED:

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

LOCATION AND SITING:

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

COMMENTS: OIL SHALE ~ 2260' 2600 (RSK)

STIPULATIONS: ① FEDERAL APPROVAL

① In accordance with the Order in Cause No. 190-5(b) dated October 28, 1982, the operator shall comply with the requirements of Rule R649-3-31 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the 4½" casing is cemented over the entire oil shale section as defined by Rule R649-3-31 (approximately ~~2,490'~~ to 2,588' G.L.). RSK 6-2-98

2,560' to 2,680'



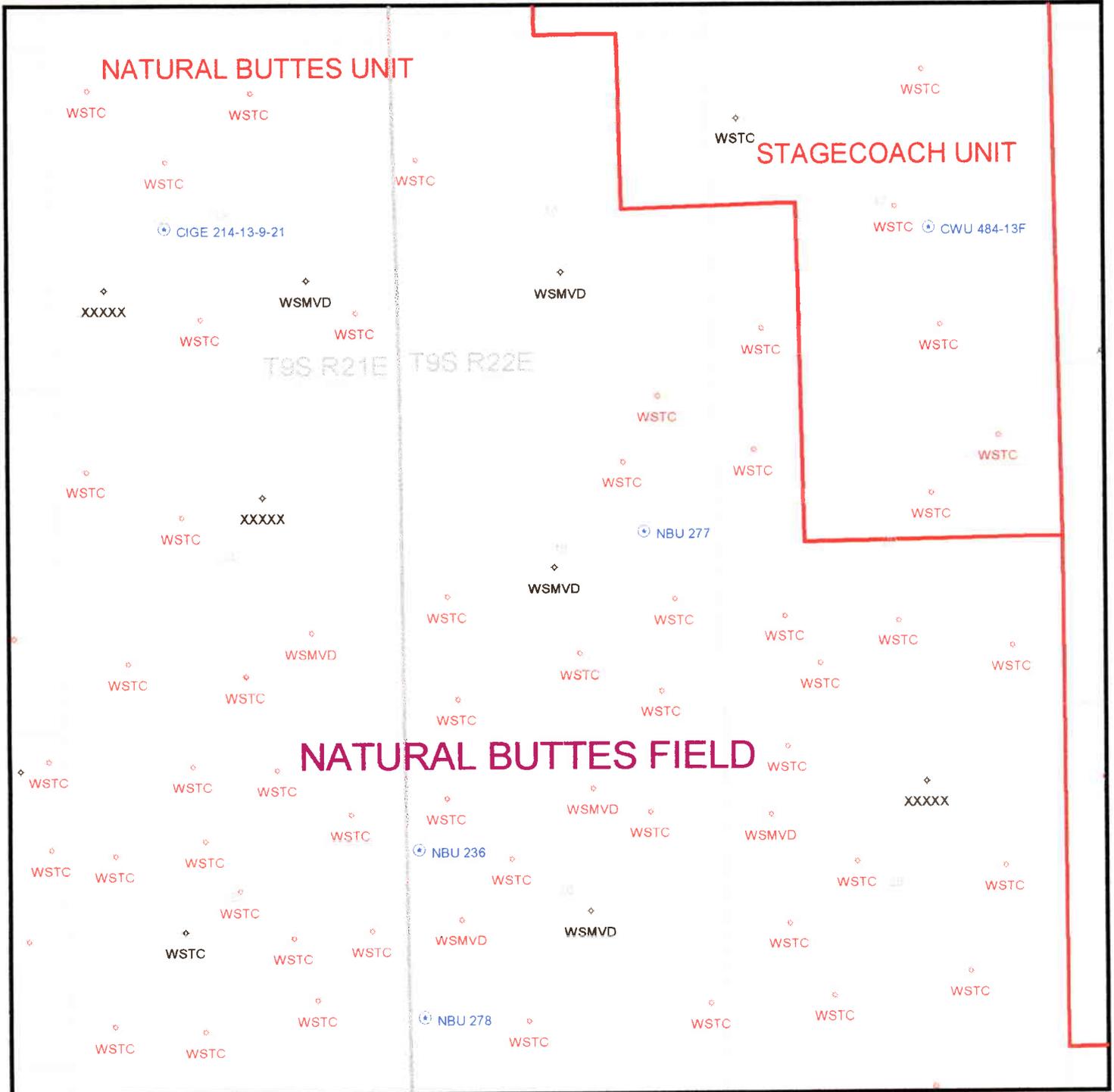
DIVISION OF OIL, GAS & MINING

OPERATOR: COASTAL OIL & GAS (N0230)

FIELD: NATURAL BUTTES (630)

SEC. TWP. RNG.: SEC. 19, T9S, R22E

COUNTY: UINTAH UAC: R649-2-3 NATURAL BUTTES UNIT



DATE PREPARED:  
9-JAN-1998

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

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

5. Lease Designation and Serial No.  
U-0284

6. If Indian, Allottee or Tribe Name  
Ute Tribe

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

8. Well Name and No.  
NBU 277

9. API Well No.

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

11. County or Parish, State  
Uintah Utah

SUBMIT IN TRIPLICATE

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
Coastal Oil & Gas Corporation

3. Address and Telephone No.  
P.O. Box 749, Denver, CO 80201-0749 (303) 573-4476

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
2452' FNL & 1115' FEL

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

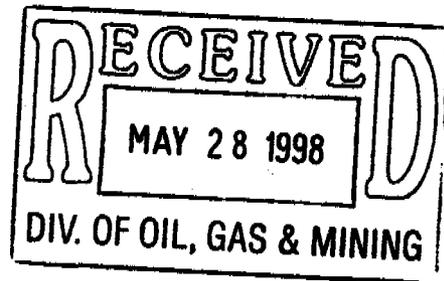
TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input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

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

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

The Operator proposes to change TD from the permitted depth of 6500' to 8300' in order to drill to the Mesaverde. Top of the Mesaverde is expected to be 7365'. The casing, cementing, and drilling fluids program will remain unchanged.

Federal Approval of this  
Action is Necessary



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

Signed Bonnie Carson Title Senior Environmental Analyst Date 5/26/98

(This space for Federal or State office use)

Approved by Bradley G. Hill Title BRADLEY G. HILL RECLAMATION SPECIALIST III Date 5/2/98

Conditions of approval, if any:

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

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

5. Lease Designation and Serial No.

U-0284

6. If Indian, Allottee or Tribe Name

Ute Tribe

7. If Unit or CA, Agreement Designation

Natural Buttes Unit

8. Well Name and No.

NBU 277

9. API Well No.

10. Field and Pool, or exploratory Area

Natural Buttes Field

11. County or Parish, State

Uintah Utah

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

Coastal Oil & Gas Corporation

3. Address and Telephone No.

P.O. Box 749, Denver, CO 80201-0749 (303) 573-4476

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

2452' FNL & 1115' FEL

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

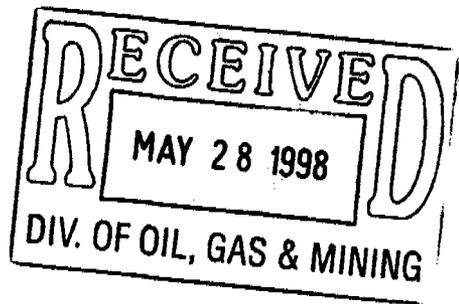
- Abandonment  
 Recompletion  
 Plugging Back  
 Casing Repair  
 Altering Casing  
 Other Construct Pipeline  
 Change of Plans  
 New Construction  
 Non-Routine Fracturing  
 Water Shut-Off  
 Conversion to Injection  
 Dispose Water

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

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

Operator intends to construct pipeline for referenced well. Please see attached map and archaeological report.

Federal Approval of this  
Action is Necessary



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

Signed Bonnie Carson

Title Bonnie Carson Senior Environmental Analyst

Date 5/26/98

(This space for Federal or State office use)

Approved by Bradley G Hill  
Conditions of approval, if any:

Title BRADLEY G. HILL RECLAMATION SPECIALIST III

Date 6/2/98

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

**Coastal Oil & Gas NBU #277 High Pressure Pipeline:  
Addendum to Coastal Oil & Gas NBU #277 Well Pad, Access and Pipeline,  
Inventory for Cultural Resources Section 19, T.9S, R.22E,  
Uintah County, Utah.**

By  
Dulaney Barclay  
Metcalf Archaeological Consultants, Inc.  
Eagle, Colorado

Michael D. Metcalf  
Principal Investigator

Prepared for,  
Coastal Oil & Gas Corporation  
Denver, Colorado

Project #U-97-MM-0205i

May 1998

## **Introduction**

Metcalf Archaeological Consultants, Inc. (MAC) of Eagle, Colorado was hired by Coastal Oil and Gas Corporation (Coastal) in 1997 to conduct a Class III cultural resource inventory of the proposed NBU #277 well pad location on Ute Tribal lands in Uintah County, Utah. The well pad is situated in section 19, T.9S, R.22E approximately one mile west of the White River (Figure 1). That inventory consisted of a ten acre block around the proposed well pad and of 100' foot wide corridors for approximately 600 feet of access road and 1200 feet of low pressure pipeline. That inventory was conducted on May 1, 1997 by MAC archaeologists John Scott and Dulaney Barclay. No cultural resources were recorded during that investigation and cultural resource clearance was recommended (Barclay 1997).

Subsequently, Coastal decided to construct a new high pressure pipeline from the location to an existing high pressure pipeline. The proposed high pressure pipeline parallels the proposed access road on its south side for approximately 200 feet from the well pad along the base of a high ridge that bounds the deflated bench on which the well pad is situated. The proposed pipeline then turns to the southwest up the steep ridge slope to the top of the finger ridge, and proceeds along the edge of the disturbance of an abandoned well pad (Coastal Oil & Gas Corporation NBU #9) where it ties into an existing aboveground high pressure pipeline running on the south side of the abandoned well. A corridor 100 feet wide and roughly 1300 feet in length was inventoried for the proposed pipeline. The corridor was inventoried by zig-zag transects covering 50 feet (15 meters) on either side of the staked centerline. Total inventory area for the proposed high pressure pipeline was approximately 2.9 acres.

This inventory was conducted on May 13, 1998 by MAC archaeologist Dulaney Barclay under a Uintah and Ouray Ute Tribal Access Permit. Mr. Barclay was accompanied by Ute Tribal Technician Alvin Ignacio. All field notes and maps are on file at the MAC office in Eagle, Colorado.

## **Files Search**

A previous files search through the Utah Division of State History in Salt Lake City indicated that there had been two inventories in section 19. One well pad and access road inventory was conducted in the NE $\frac{1}{4}$  of the section and another had been conducted in the SE $\frac{1}{4}$  of the section. A search of the BLM, Vernal District files for the current investigation indicated that four previous inventories have been conducted section 19. One previous inventory was conducted north of the current project area (92-MM-071i) and three were conducted to the south (92-MM-361i, 91-MM-811i, and 87-AF-109i). None of these previous inventories cover the current project area and only one site has been recorded in the section. A single prehistoric site was recorded during investigation of a well pad location in the SE $\frac{1}{4}$  of the section (92-MM-361i). Site 42UN2038 consists of a small lithic scatter recommended as not eligible to the National Register located well to the south of the current project area (Truesdale 1992).



## Results and Recommendations

No cultural resources were recorded during inventory of the Coastal Oil & Gas NBU #277 high pressure pipeline. The sediments present at the location consist of very thin, residual silts with an abundance of sandstone rock fragments. Sandstone bedrock outcrops in several places on the deflated bench and forms the narrow benches and ledges on the ridge slope above. No cultural materials were observed around the abandoned well disturbance on top of the ridge where bedrock outcrops as isolated knobs. The lack of deposition throughout the project area make buried cultural remains extremely unlikely.

Some fragments of fossilized bone were noted along the proposed pipeline on the deflated bench where it parallels the access road. However, the location has already been inspected by a paleontologist and no significant fossil remains were found. Cultural resource clearance is therefore recommended for the proposed high pressure pipeline as staked at the time of inventory.

## References Cited

Barclay, Dulaney

1997 Coastal Oil & Gas NBU #277 Well Pad, Access and Pipeline, Inventory for Cultural Resources Section 19, T.9S, R.22E, Uintah County, Utah. State Project #U-97-MM-0205i. Prepared by Metcalf Archaeological Consultants, Inc. Eagle, Colorado. Ms on file at Division of State History, Salt Lake City.

Truesdale, James A.

1992 Results of a Class III Cultural Resource Inventory for Coastal Oil and Gas Company Proposed Well Location of NBU 200 its Access and Flow Lines. State Project #U-92-MM-361i. Prepared by Metcalf Archaeological Consultants, Inc., Eagle, Colorado. Ms on file at Division of State History, Salt Lake City.





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

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

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

June 2, 1998

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

Re: NBU 277 Well, 2452' FNL, 1115' FEL, SE NE, Sec. 19, T. 9 S.,  
R. 22 E., Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-33042.

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: Coastal Oil & Gas Corporation  
Well Name & Number: NBU 277  
API Number: 43-047-33042  
Lease: U-0284  
Location: SE NE Sec. 19 T. 9 S. R. 22 E.

### Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours prior to 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 Dan Jarvis at (801) 538-5338 or Robert Krueger at (801) 538-5274.

3. Reporting Requirements

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

4. State approval of this well does not supercede the required federal approval which must be obtained prior to drilling.

5. In accordance with the Order in Cause No. 190-5(b) dated October 28, 1982, the operator shall comply with the requirements of Rule R649-3-31 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the 4½" casing is cemented over the entire oil shale section as defined by Rule R649-3-31 (approximately 2,560' to 2,680' G.L.).

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK  
 DRILL  DEEPEN

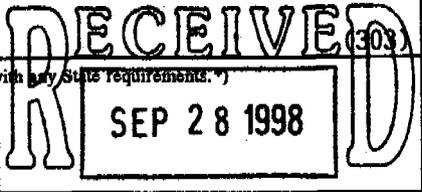
b. TYPE OF WELL  
 OIL WELL  GAS WELL  OTHER

SINGLE ZONE  MULTIPLE ZONE

2. NAME OF OPERATOR  
 Coastal Oil & Gas Corporation

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

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)  
 At surface: 2452' FNL & 1115' FEL  
 At proposed prod. zone



14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE  
 Approximately 49.3 miles southeast of Vernal, Utah

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

16. NO. OF ACRES IN LEASE 870.72

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

19. PROPOSED DEPTH 6500'

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
 Ungraded GR - 4829.1'

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

23. PROPOSED CASING AND CEMENTING PROGRAM

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

5. LEASE DESIGNATION AND SERIAL NO.  
 U-0284

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
 Ute Tribe

7. UNIT AGREEMENT NAME  
 Natural Buttes Unit

8. FARM OR LEASE NAME, WELL NO.  
 NBU 277

9. API WELL NO. 43-047-33042

10. FIELD AND POOL, OR WILDCAT  
 Natural Buttes Field

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
 Sec. 19 T9S-R22E

12. COUNTY OR PARISH  
 Uintah

13. STATE  
 Utah

JAN 08 1998

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

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

Coastal Oil & Gas Corporation is considered to be the operator of the subject well. It agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided for by: State of Utah Bond #102103, BLM Nationwide Bond #U605382-9, and BIA Nationwide Bond #114066-A.

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

24. SIGNED Bonnie Carson TITLE Sr. Environmental Analyst DATE 1/5/98

(This space for Federal or State office use) **NOTICE OF APPROVAL** CONFIDENTIAL - COPY TO OPERATIONS COPY

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY [Signature] TITLE Assistant Field Manager Mineral Resources DATE 9/21/98

\*See Instructions On Reverse Side

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

UNITED STATES GOVERNMENT  
**memorandum**

DATE: **September 11, 1998**

REPLY TO  
 ATTN OF: *Atkins* Superintendent, Uintah & Ouray Agency

SUBJECT: APD Concurrence for Coastal Oil & Gas

RECEIVED  
 SEP 16 1998

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

We recommend approval of the Application for Permit to Drill (APD) for a drillsite, access road, and pipeline, with required stipulations:

**NBU#277 SENE Sec. 19, 9S 21E**

Based on available information received on 07/21/98, the proposed location was cleared in the following areas of environmental impact.

YES	X	NO	Listed threatened or endangered species
YES	X	NO	Critical wildlife habitat
YES	X	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)

Enclosed is a copy of the BIA's Environmental Analysis (EA). Please refer to Item 6.0 for Mitigation Stipulations.

REMARKS: The Ute Tribe Energy & Minerals (E&M) Department also requires that all companies adhere to the following criteria, during and after, all phases of construction activities.

1. The Ute Tribe Energy and Minerals Department is to be notified 48 hours prior to construction, as a Tribal Technician is to monitor construction.
2. The constructed travel width of the access road shall be 18 feet, except in cases of sharp curves and/or intersections.
3. Tribal Technician to be notified during construction of reserve pits, and also during backfilling of pits. Tribal technician will inspect reserve pit before it is used. The Tribal technician will use his discretion whether pit has met liner specifications to prevent leakage and backfilled. Mud tanks are to have liners, and liners are to be reinforced.
4. Environmental Analysis will provide for raptor habitat.
5. Coastal will assure the Ute Tribe that any/all contractors and sub-contractors have acquired a 1998 Tribal Business License and have an access permits prior to construction.
6. All Coastal employees and/or authorized personnel (sub-contractors) in the field will have applicable APD's and/or ROW permits/authorizations on their person(s) during all phases of construction.

SITE SPECIFIC  
ENVIRONMENTAL ASSESSMENT

1.0 PROPOSED ACTION

Coastal Oil & Gas Corp. is proposing to drill an gas well NBU #277 and construct 520 feet of access road, and approximately 920 feet of surface pipeline.

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- Enron Oil & Gas Co.
- B. Date- 12-18-97
- C. Well number- NBU #277
- D. Right-of-way- Access road 520 feet, and pipeline r/w approximately 920 feet.
- E. Site location ~~WENE~~, Section 19, T9S, R22E, SLB&M.

JUNE.

4.0 SITE SPECIFIC SURVEY

A. SITE DESCRIPTION

- 1. Elevation (feet) 4829
- 2. Annual precipitation (inches)- 4 to 8
- 3. Topography - Rolling hills
- 4. Soil- The soil texture is (0 to 6") shallow loam over bedrock having moderately rapid water intake rate and permeability.

B. VEGETATION

- 1. Habitat type is ~~semi~~ desert scrub.
- 2. Percent Ground Cover- estimated to be 30%.
- 3. Vegetation consists of approximately 60% grasses, 30% scrubs, and 10% forbs. The main variety of grasses Indian ricegrass, galletta, squirrel tail and cheat grass. Forbs are annuals. Scrubs consist of big sagebrush, prickly pear, spiny hopsage, rabbit brush, fourwing salt bush, spiny horse brush, grease wood, and snake weed.

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 pad, and access road to near their original state. The disturbed area will be reseeded with desirable perennial vegetation.

2. Noxious weeds will be controlled on all well sites and rights-of-way. If noxious weeds spread from the well sites or rights-of-way 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. Approximately 17 rods of fence will be constructed around the reserve pit until it is back filled.

3. Loading of the soil and geological formations from pollutants from disposed water and other oil field by-products will be mitigated by requiring the oil company to:

a. Using an open drilling system. This means that 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.

b. A closed system will be used during production. This means that production fluids will be contained in leak proof tanks. All production fluids will be disposed of at approved disposal sites.

c. Production water, oil, and other by-products will not be applied to roads or well pads for the control of dust or weeds. Indiscriminate dumping of oil field by-products on tribal lands will not be

allowed.

#### 4. ACCESS ROADS

Although the access road right-of-way is 30 feet wide, the constructed travel width of the access road shall be limited to 18 feet, except it may be wider where sharp curves, deep cuts and fills occur, or where intersections with other roads are required.

#### 5. SURFACE PIPELINES

Surface pipelines will be constructed to lay on the soil surface, and the right-of-way will not be blades or cleared of vegetation without site specific authorization from BIA.

Where surface pipelines do not parallel roads but cross country between stations, they shall be welded in place at wellsites or on access roads and then they shall be pulled between stations with a suitable piece of equipment. Traffic will be restricted along these areas so that the pipeline right-of-way will not be used as an access road.

#### C. WILDLIFE/VEGETATION/THREATENED & ENDANGERED SPECIES

No Threatened & Endangered species have been identified associated with this project. Therefore, no stipulations have been developed for their protection.

The operator, their employees, sub-contractor, and representatives shall not carry firearms on their person or in their vehicles while working on the Uintah & Ouray Indian Reservation.

#### D. CULTURAL RESOURCES

1. All vehicular traffic, personnel movement, construction and restoration operations shall be confined to the flagged areas and corridors examined as referenced in the cultural resource survey.

All personnel and their sub-contractors shall refrain from collecting artifacts and from disturbing any cultural resources in the area.

Authorized officials and their sub-contractors shall immediately stop construction activities and shall consult with BIA and the Ute Indian Tribal

Department of Energy & Minerals should cultural remains from subsurface deposits be exposed during construction work or if the need arises to relocate or otherwise alter the location of the construction area. (Construction activities may resume in areas outside of the area where cultural resources are not exposed.) Prior to commencing constructing in the area where cultural resources are exposed the operator must obtain authorization from BIA and the Ute Tribal Department of Cultural Rights and Protection.

## 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 the well sites and access roads. 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, 12-29-97, 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	Flood-plains
<u>X</u>	Yes	_____	No	Wetlands
<u>X</u>	Yes	_____	No	Riparian Areas
<u>X</u>	yes	_____	No	Raptors

### 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.

12-29-97  
Date

*Dale J. Hansen*  
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).

12/31/99

Date



Superintendent,  
Uintah and Ouray Agency

## 13.0 CONSULTATION

### A. REPRESENTATIVES/ORGANIZATION

Greg Darlington- BLM  
Alvin Ignacio- UTEM  
Dale Hanberg- EIA  
Bonnie Carlson- Coastal  
Robert Key- Uintah Engineering  
Paul Bershers- Coastal  
Johnnie Faucett- Contractor  
Jim Morris- Contractor  
Harley Jackson- Contractor

EACoastal.NEU277

CONDITIONS OF APPROVAL  
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Coastal Oil & Gas Corporation

Well Name & Number: NBU 277

API Number: 43-047-33042

Lease Number: U-0284

Location: SENE Sec. 19 T. 09S R. 22E

### **CONDITIONS OF APPROVAL FOR NOTICE TO DRILL**

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

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

A. **DRILLING PROGRAM**

1. **Casing Program and Auxiliary Equipment**

As a minimum, the usable water resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the base of the usable water zone, identified at  $\pm 344$  ft.

## SURFACE CONDITIONS OF APPROVAL

The Ute Tribe Energy and Mineral Department is to be notified 48 hours prior to construction. The Tribal Technician shall be notified during construction of reserve pits and also during backfilling of pits. Mud tanks are to be positioned so that pit liners are used during drilling. The pit liners are to be reinforced to prevent failure of the liners near the mud tanks. Pits will be fenced and fences will be maintained as described in Coastal's Standard Operating Procedures for their APD's in the Natural Buttes Unit.

Thirty foot wide Rights-Of-Way (ROWs) corridor shall be granted for the following:

Access roads which shall have constructed travel width limited to 18 feet, except as granted for sharp curves or intersections or where deep cuts are required for road construction. The new access will be about 520 feet in length.

A surface steel production flowline is planned for this project. Surface pipelines will be constructed to lay on the soil surface, and the ROW for the pipeline will not be bladed or cleared of vegetation. The line shall either be constructed on the road and then lifted from the road to its intended location paralleling the road, or it shall be welded in place at a welding station located at the wellsite or on roads near the flowline right of way and then dragged into place with a suitable piece of equipment so it will not destroy the natural vegetation. If the flowline doesn't follow existing and APD proposed new access roads then traffic shall be restricted along pipeline ROWs so that they will not be used as an access road.

On September 10, 1998 Coastal received a revised valid flowline ROW from BIA. A sundry notice was filed in May expressing that an alternate route was favored by Coastal and surveyed in May 1998. This line would be about 1723 feet in length in a direction different from the 920 foot line in the APD. An archaeological report and an updated map were included with the May sundry notice.

Coastal will assure the Ute Tribe that any/all contractors and subcontractors have acquired a 1998 Tribal Business License and have access permits prior to construction.

Coastal employees, representatives, and subcontractors shall not carry firearms on their person or in their vehicles while working on the Uintah and Ouray Indian Reservation.

Coastal employees and/or authorized personnel (subcontractors) in the field will have applicable APD's and/or ROW permits/authorizations on their person(s) during all phases of construction.

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

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

The Ute Tribe Energy & Mineral Department shall be consulted if cultural remains (including paleontology fossils) from subsurface deposits are exposed or identified during construction or if the need arises to relocate or otherwise alter the location of the construction area. Prior to commencing constructing in the area where cultural resources are exposed the operator must obtain authorization from the BIA and the Ute Tribal Department of Cultural Rights and Protection.

Before the site is abandoned, the company will be required to restore the well site and ROWs to near their 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. Liners will be constructed to lay under the mud tanks, and they will be reinforced to prevent the liner from developing holes where fluids flow from the mud tank into the reserve pit. Prior to backfilling the reserve pit all fluids will be pumped from the pit into trucks and hauled to approved disposal sites. When the pits are backfilled, the surplus oil and mud etc. will be buried a minimum depth of 3.0 feet below the surface of the soil.

The flare pit will be adjacent to the reserve pit.

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.

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 Coastal Oil and Gas Company so that a Tribal Technician can verify Affidavit of Completion's.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

5. Lease Serial No.

U-0284

6. If Indian, Allottee or Tribe Name

Ute Tribe

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

Natural Buttes Unit

8. Well Name and No.

NBU 277

9. API Well No.

43-047-33042

10. Field and Pool, or Exploratory Area

Natural Buttes Field

11. County or Parish, State

Uintah Utah

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

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

Coastal Oil & Gas Corporation

3a. Address

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

3b. Phone No. (include area code)

(303) 573-4455

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

2452' FNL & 1115' FEL  
SENE, Section 19-T9S-R22E

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

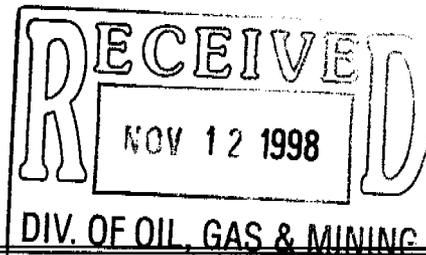
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/>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

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

11/1/98: MI & RU Bill Martin Drilling; drill 280' of 11" hole; run 7 jts 8 5/8" 24# J-55 csg w/Halco shoe & 3 centralizers; total 273.55; cement w/Halliburton; pump 20 bbl gelled water ahead of 100 sx PAG cement w/2% CaCl2 & 1/4 #/sx Flocele @ 15.6 ppg; yield 1.18 cu ft/sx. Drop plug & displace w/14.8 bbl/H2O +/- 5 bbl; cement in csg 40' +/-; good returns; hole standing full.

Notified Ed Forsman with BLM; Dennis Ingram - State of Utah

Spud 8:30 AM 11/1/98.



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

Sheila Bremer

Title

Environmental & Safety Analyst

Date 11/6/98

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

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

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

(Instructions on reverse)

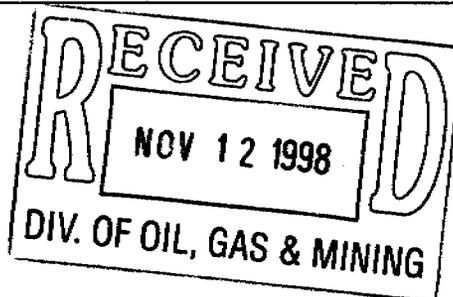
**ENTITY ACTION FORM - FORM 6**

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
B	99999	02900	43-047-33042	NBU #277	SENE	19	9S	22E	Uintah	11/1/98	11/1/98
WELL 1 COMMENTS: <i>981113 entity added; (nat buttes UNRESMVD) KDR</i>											
WELL 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

**ACTION CODES (See instructions on back of form)**

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

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



*Sheila Foremer*

Signature Sheila Bremer

**Environ. & Safety Analyst** 11/16/98

Title

Date

Phone No. (303) 573-4455

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

5. Lease Serial No.  
**U-0284**

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

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

8. Well Name and No.  
**NBU 277**

9. API Well No.  
**43-047-33042**

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

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
**Coastal Oil & Gas Corporation**

3a. Address  
**P.O. Box 749, Denver, CO 80201-0749**

3b. Phone No. (include area code)  
**(303) 573-4455**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**2452' FNL & 1115' FEL  
SENE, Section 19-T9S-R22E**

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

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

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

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

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

Name (Printed/Typed) **Sheila Bremer** *Sheila Bremer* Title **Environmental & Safety Analyst**

Date **12/1/98**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

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

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

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

**PERC****WELL CHRONOLOGY REPORT****WELL NAME : NBU #277**FIELD : NATURAL BUTTESCOUNTY & STATE : UINTAHWI% : AFE# : 28007DHC : CWC :DISTRICT : DRLG

LOCATION :

CONTRACTOR : COASTALDRIL

PLAN DEPTH :

SPUD DATE : 11/1/98

AFE TOTAL :

FORMATION :

**REPORT DATE : 11/1/98** MD : 280 TVD : 0 DAYS : 0 MW : VISC :  
 DAILY : DC : \$16,185 CC : \$0 TC : \$16,185 CUM : DC : \$16,185 CC : \$0 TC : \$16,185

DAILY DETAILS : 11/1/98: MIRU BILL MARTIN DRLG ; DRILL 280' OF 11" HOLE; RUN 7 JTS 8-5/8" 24# J-55 CSG WITH HALCO SHOE AND 3 CENTRALIZERS; TOTAL 273.55 CMT WITH HALLIBURTON; PUMP 20 BBL GELLED WATER AHEAD OF 100 SX; PAG CMT WITH 2% CACL2 AND 1/4 #/SK FLOCELE AT 15.6 PPG YLD 1.18 CU FT/SK; DROP PLUG & DISPLACE WITH 14.8 BBL H2O +/- 5 BBL CMT IN CSG 40 +/- GOOD RETURNS; HOLE STANDING FULL NOTIFIED ED FORSMAN WITH BLM; DENNIS INGRAM; STATE OF UTAH SPUD 8:30 11/1/98

**REPORT DATE : 11/6/98** MD : 280 TVD : 0 DAYS : VISC :  
 DAILY : DC : \$10,736 CC : \$0 TC : \$10,736 CUM : DC : \$26,921 CC : \$0 TC : \$26,921

DAILY DETAILS : RIG DOWN; MOVE RIG TO NBU 277; RIG UP TEST BOPS; CHOKE MANIFOLD AND CASING; PU DC'S AND BIT DRLG AT 280'

**REPORT DATE : 11/7/98** MD : 1,250 TVD : 0 DAYS : 1 MW : VISC :  
 DAILY : DC : \$22,875 CC : \$0 TC : \$22,875 CUM : DC : \$49,796 CC : \$0 TC : \$49,796

DAILY DETAILS : START AIR PACKAGE DRLG CMT AND SHOE TRIP FOR PLUGGED BIT DRLG 280-547' SURVEY AT 503 1 DEGR DRLG 547-1037' SURVEY AT 943' 1 DEGR DRLG 1037-1250' 3 SCREW COMPRESSORS AT 700/2100 CAL 2 BOOSTERS VERY LITTLE WATER AT 1000'

**REPORT DATE : 11/8/98** MD : 1,910 TVD : 0 DAYS : 2 MW : VISC :  
 DAILY : DC : \$10,912 CC : \$0 TC : \$10,912 CUM : DC : \$60,708 CC : \$0 TC : \$60,708

DAILY DETAILS : DRLG 1250-1563' SURVEY AT 1519' 2-1/4 DEGR DRLG 1563-1695' SWAP OUT AIR HOSES TO AIR PACKAGE DRLG 1695-1711' REPLACE FRIED MIST PUMP BELT DRLG 1711-1779' TRIP FOR BIT #2; FUNCTION TEST BOPS DRLG 1779-1910'

**REPORT DATE : 11/9/98** MD : 2,954 TVD : 0 DAYS : 3 MW : 8.3 VISC : 26  
 DAILY : DC : \$17,512 CC : \$0 TC : \$17,512 CUM : DC : \$78,220 CC : \$0 TC : \$78,220

DAILY DETAILS : DRLG 1910-2054' SURVEY AT 2010' 2 DEGR DRLG 2054-2427' RIG MAINTENANCE DRLG 2427-2549' SURVEY AT 2505' 3-1/2 DEGR DRLG 2549-2954' FUNCTION TEST BOPS; BOILER - 24 HR

**REPORT DATE : 11/10/98** MD : 3,949 TVD : 0 DAYS : 4 MW : 8.3 VISC : 26  
 DAILY : DC : \$14,680 CC : \$0 TC : \$14,680 CUM : DC : \$92,899 CC : \$0 TC : \$92,899

DAILY DETAILS : DRLG 2954-3048' SURVEY AT 3004' MISS RUN DRLG 3048-3111' SURVEY AT 3067' 2-1/2 DEGR DRLG 3111-3609' SURVEY AT 3565' 2 DEGR RIG MAINTENANCE DRLG 3609-3949'

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

REPORT DATE : 11/11/98 MD : 4.653 TVD : 0 DAYS : 5 MW : 9.6 VISC : 26  
 DAILY : DC : \$65,513 CC : \$0 TC : \$65,513 CUM : DC : \$158,412 CC : \$0 TC : \$158,412  
 DAILY DETAILS : DRLG 3949-4138' SURVEY AT 4094' 1 DEGR RIG MAINTENANCE DRLG 4138-4570'  
 SURVEY AT 4526' 1 DEGR DRLG 4570-4653'

REPORT DATE : 11/12/98 MD : 5.222 TVD : 0 DAYS : 6 MW : 8.6 VISC : 27  
 DAILY : DC : \$13,382 CC : \$0 TC : \$13,382 CUM : DC : \$171,793 CC : \$0 TC : \$171,793  
 DAILY DETAILS : DRLG 4653-4757' RIG MAINTENANCE DRLG 4757-4914' CIRC PUMP SWEEP; DROP  
 SURVEY; TRIP OUT FOR BIT #3 TRIP IN BHA; FUNCTION TEST BOPS CUT AND SLIP 125';  
 DRLG LINE TIH; FILL PIPE WASH AND REAM 30' TO BOTTOM DRLG 4914-5222'

REPORT DATE : 11/13/98 MD : 6.493 TVD : 0 DAYS : 7 MW : 8.6 VISC : 27  
 DAILY : DC : \$22,462 CC : \$0 TC : \$22,462 CUM : DC : \$194,255 CC : \$0 TC : \$194,255  
 DAILY DETAILS : DRLG 5222-5473' SURVEY AT 5429' 2 DEGR DRLG 5473-5997' SURVEY AT 5953' 1-3/4  
 DEGR DRLG 5997-6493'

REPORT DATE : 11/14/98 MD : 6.927 TVD : 0 DAYS : 8 MW : 8.6 VISC : 27  
 DAILY : DC : \$13,908 CC : \$0 TC : \$13,908 CUM : DC : \$208,164 CC : \$0 TC : \$208,164  
 DAILY DETAILS : SURVEY AT 6450'; 2 DEGR DRLG 6455-6802' (LOST PUMP PRESSURE) PUMP FLAG; TRIP  
 FOR HOLE AT TOP OF JT; 15TH STAND KELLY UP AND BREAK CIRC; CLEAR BIT TIH DRLG  
 6802-6927' DRLG BREAKS 5199-5212' 5245-5300 5318-5332 5480-5505 5665-5679  
 5701-5715 6148-6170 6205-6224 6655-6658 6732-6739 6744-6752 6760-6774 6806-  
 6810 6836-6841 6862-6865 6877-6884 6887-6908

REPORT DATE : 11/15/98 MD : 7.083 TVD : 0 DAYS : 9 MW : 8.6 VISC : 27  
 DAILY : DC : \$11,105 CC : \$0 TC : \$11,105 CUM : DC : \$219,268 CC : \$0 TC : \$219,268  
 DAILY DETAILS : DRLG 6927-6989' SURVEYS DRLG 6989-7083' RIG MAINTENANCE TRIP FOR BIT WORK  
 PLUGGED BIT TRIP FOR PLUGGED STRING; UNPLUG SAME; PLUGGED IN DC WITH SCH OUT  
 OF DP

REPORT DATE : 11/16/98 MD : 7.380 TVD : 0 DAYS : 10 MW : 8.6 VISC : 27  
 DAILY : DC : \$11,352 CC : \$0 TC : \$11,352 CUM : DC : \$230,620 CC : \$0 TC : \$230,620  
 DAILY DETAILS : GIH WASH AND REAM 45' TO BOTTOM DRLG 7083-7205 RIG MAINTENANCE DRLG

REPORT DATE : 11/17/98 MD : 7.800 TVD : 0 DAYS : 11 MW : 8.6 VISC : 27  
 DAILY : DC : \$13,030 CC : \$0 TC : \$13,030 CUM : DC : \$243,650 CC : \$0 TC : \$243,650  
 DAILY DETAILS : DRLG 7380-7546' SURVEY AND SERV RIG DRLG 7546-7800

REPORT DATE : 11/18/98 MD : 8.100 TVD : 0 DAYS : 12 MW : 8.6 VISC : 26  
 DAILY : DC : \$16,138 CC : \$0 TC : \$16,138 CUM : DC : \$259,788 CC : \$0 TC : \$259,788  
 DAILY DETAILS : DRLG 7800-8100' SHORT TRIP 30 STDS CIRC AND SPOT 10# GEL BRINE POOH SLM FOR  
 LOGS WELL FLOWING 81 GALS PER MIN; PULL 10 STDS WELL FLOWING 35 GALS PER MIN GIH  
 TO CIRC OUT DRLG BREAKS 7794-7808 7922-7930 7842-7856 7974-7995

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

**REPORT DATE : 11/19/98**    MD : 8.100    TVD : 0    DAYS : 13    MW : 8.9    VISC : 26  
 DAILY : DC : \$0    CC : \$28,045    TC : \$28,045    CUM : DC : \$259,788    CC : \$28,045    TC : \$287,832  
 DAILY DETAILS : MONITOR WELL FLOW AND WO 10# BRINE PUMP 180 BBLs 10# BRINE POOH; SLM 8096.38  
 NO CORR RIG AND LOG LOG DEPTH 8082' GIH WITH BHA AND 39 STDS RU AND LD DP  
 GIH LD DP AND BHA RU AND RUN 4-1/2" CSG

**REPORT DATE : 11/20/98**    MD : 8.100    TVD : 0    DAYS : 14    MW :    VISC :  
 DAILY : DC : \$0    CC : \$135,032    TC : \$135,032    CUM : DC : \$259,788    CC : \$163,076    TC : \$422,864  
 DAILY DETAILS : RUN 4-1/2" CSG WASH 25' TO BTM; CIRC AND CMT 4-1/2" CSG; LEAD 690 SX M-HILIFT "G", 6%  
 D20; .2% D79; .75% D112; .2% D46; 5% D44 (BWOW) .2% B71; .2% D65; TAIL WITH 1610 SX 50/50  
 POZ .2% D20; 0.5% B14; 0.2% D46; 10% D44 (BWOW) FULL RETURNS TO 10 BBLs FROM DROP  
 PLUG & DISPL 125 BBLs. PUMP PLUG & HELD OK. ND SPOT SLIPS AND CLEAN MUD TANKS  
 RIG RELEASED AT 6PM 11-19-98 RIG DOWN ROTARY TOOLS RUN 185 JTS 11.60# J-55;  
 8RD; NEW CASING SET AT 8096.21'

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

5. Lease Serial No.

U-0284

6. If Indian, Allottee or Tribe Name

Ute Tribe

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

Natural Buttes Unit

8. Well Name and No.

NBU 277

9. API Well No.

43-047-33042

10. Field and Pool, or Exploratory Area

Natural Buttes Field

11. County or Parish, State

Uintah Utah

*SUBMIT IN TRIPLICATE - Other instructions on reverse side*

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

Coastal Oil & Gas Corporation

3a. Address

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

3b. Phone No. (include area code)

(303) 573-4455

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

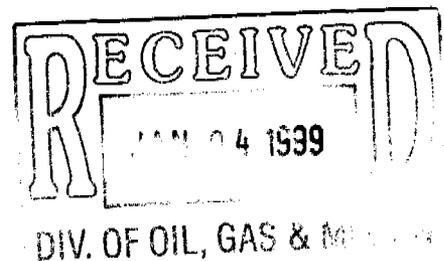
2452' FNL & 1115' FEL  
SENE, Section 19-T9S-R22E

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

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

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First production for the above subject well occurred on 12/4/98.



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

Sheila Bremer

*Sheila Bremer*

Title

Environmental & Safety Analyst

Date 12/31/98

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

Date

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Office

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(Instructions on reverse)

Expires: February 25, 1995

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

5. LEASE DESIGNATION AND SERIAL NO.

U-0284

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

Ute

7. UNIT AGREEMENT NAME

Natural Buttes Unit

WELL COMPLETION OR RECOMPLETION REPORT AND LOG\*

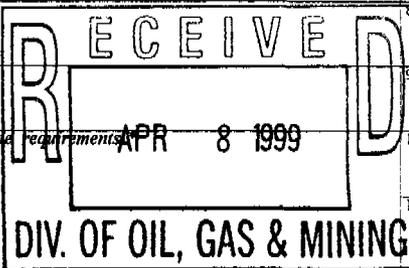
1a. TYPE OF WELL: OIL WELL  GAS WELL  DRY  Other \_\_\_\_\_

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

2. NAME OF OPERATOR  
Coastal Oil & Gas Corporation

3. ADDRESS AND TELEPHONE NO.  
P.O. Box 1148 Vernal, UT 84078 (435) 781-7023

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)  
At surface SE/NE 2452' FNL & 1115' FEL  
At top prod. interval reported below  
At total depth



FARM OR LEASE NAME, WELL NO.

NBU 277

API WELL NO.

43-047-33042

FIELD AND POOL, OR WILDCAT

Natural Buttes Field

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

Section 19-T9S-R22E

14. PERMIT NO. 43-047-33042 DATE ISSUED 9/21/98 12. COUNTY OR PARISH Uintah County 13. STATE Utah

15. DATE SPUNDED 11/1/98 16. DATE T.D. REACHED 11/18/98 17. DATE COMPL. (Ready to prod.) 12/5/98 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)\* 4829.1' Ungraded GR 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 8100' 21. PLUG BACK T.D., MD & TVD 8035' 22. IF MULTIPLE COMPL., HOW MANY\* --- 23. INTERVALS DRILLED BY ROTARY TOOLS X CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD)\* Wasatch/Mesaverde: 5321'-5332', 6207'-6557', 7404'-7833' 25. WAS DIRECTIONAL SURVEY MADE Single Shot

26. TYPE ELECTRIC AND OTHER LOGS RUN HALS/LDT/CNL/GR/CAL; CBL/CCL/GR 1-5-99 27. WAS WELL CORED No

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

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
8-5/8"	24#	273'	11"	See att. chrono. hist.--11/1/98	
4-1/2"	11.6#	8096'	7-7/8"	See att. chrono. hist.--11/20 & 12/16/98	

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-3/8"	7823'	

31. PERFORATION RECORD (Interval, size and number)  
7833--3 spf, 3 holes; 7800, 7788, 7783, 7773. 7566, 7562, 7558, 7422, 7413, 7404--1 spf, 10 holes  
5321, 5326, 5332--1 spf, 3 holes  
6207, 6551, 6557--3 spf, 9 holes

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
7404'-7833'	See att. morning rpt--12/3/98
5321'-5332'	See att. morning rpt--12/3/98
6207'-6557'	See att. morning rpt--12/3/98

33.\* PRODUCTION

DATE FIRST PRODUCTION 12/4/98 PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump) Flowing WELL STATUS (Producing or shut-in) Producing

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL--BBL.	GAS--MCF	WATER--BBL.	GAS-OIL RATIO
12/20/98	24	26/64		0	1120	10	

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL--BBL.	GAS--MCF	WATER--BBL.	OIL GRAVITY-API (CORR.)
346#	520#		0	1120	10	

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

35. LIST OF ATTACHMENTS  
Chronological History & Morning Reports

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

SIGNED Cheryl Cameron TITLE Environmental Analyst DATE 04/06/99

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

38. GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
				Wasatch	4722' (+120)	
				Mesaverde	7328' (-2486)	

**PERC****WELL CHRONOLOGY REPORT****WELL NAME : NBU #277**FIELD : NATURAL BUTTESDISTRICT : DRLGCOUNTY & STATE : UINTAHUT

LOCATION :

CONTRACTOR : COASTALDRIL

WI% : AFE# :

API# : 43-047-33042

PLAN DEPTH :

SPUD DATE : 11/6/98

DHC : CWC :

AFE TOTAL :

FORMATION :

**REPORT DATE : 11/1/98**MD : 280TVD : 0DAYS : 0

MW :

VISC :

DAILY : DC : \$16,185CC : \$0TC : \$16,185CUM : DC : \$16,185CC : \$0TC : \$16,185

DAILY DETAILS : 11/1/98: MI AND RU BILL MARTIN DRLG ; DRILL 280' OF 11" HOLE; RUN 7 JTS 8-5/8" 24# J-55 CSG WITH HALCO SHOE AND 3 CENTRALIZERS; TOTAL 273.55 CMT WITH HALLIBURTON; PUMP 20 BBL GELLED WATER AHEAD OF 100 SK; PAG CMT WITH 2% CACL2 AND 1/4 #/SK FLOCELE AT 15.6 PPG YLD 1.18 UT FT/SK; DROP PLUG AND DISPLACE WITH 14.8 BBL H2O +/- 5 BBL CMT INC CSG 40 +/- GOOD RETURNS; HOLE STANDING FULL NOTIFIED ED FORESMAN WITH BLM; DENNIS FUGRAM; STATE OF UTAH SPUD 8:30 11/1/98

**REPORT DATE : 11/6/98**MD : 280TVD : 0

DAYS :

MW :

VISC :

DAILY : DC : \$10,736CC : \$0TC : \$10,736CUM : DC : \$26,921CC : \$0TC : \$26,921

DAILY DETAILS : RIG DOWN; MOVE RIG TO NBU 277; RIG UP TEST BOPS; CHOKE MANIFOLD AND CASING; PU DC'S AND BIT DRLG AT 280'

**REPORT DATE : 11/7/98**MD : 1,250TVD : 0DAYS : 1

MW :

VISC :

DAILY : DC : \$22,875CC : \$0TC : \$22,875CUM : DC : \$49,796CC : \$0TC : \$49,796

DAILY DETAILS : START AIR PACKAGE DRLG CMT AND SHOE TRIP FOR PLUGGED BIT DRLG 280-547' SURVEY AT 503 1 DEGR DRLG 547-1037' SURVEY AT 943 1 DEGR DRLG 1037-1250' 3 BREW COMPRESSORES AT 700/2100 CAL 2 BOOSTERS VERY LITTLE WATER AT 1000'

**REPORT DATE : 11/8/98**MD : 1,910TVD : 0DAYS : 2

MW :

VISC :

DAILY : DC : \$10,912CC : \$0TC : \$10,912CUM : DC : \$60,708CC : \$0TC : \$60,708

DAILY DETAILS : DRLG 1250-1563' SURVEY AT 1519' 2-1/4 DEGR DRLG 1563-1695' SWAP OUT AIR HOSES TO AIR PACKAGE DRLG 1695-1711' REPLACE FRIED MIST PUMP BELT DRLG 1711-1779' TRIP FOR BIT #2; FUNCTION TEST BOPS DRLG 1779-1910'

**REPORT DATE : 11/9/98**MD : 2,954TVD : 0DAYS : 3MW : 8.3VISC : 26DAILY : DC : \$17,512CC : \$0TC : \$17,512CUM : DC : \$78,220CC : \$0TC : \$78,220

DAILY DETAILS : DRLG 1910-2054' SURVEY AT 2010' 2 DEGR DRLG 2054-2427' RIG MAINTENANCE DRLG 2427-2549' SURVEY AT 2505' 3-1/2 DEGR DRLG 2549-2954' FUNCTION TEST BOPS; BOILER - 24 HR

**REPORT DATE : 11/10/98**MD : 3,949TVD : 0DAYS : 4MW : 8.3VISC : 26DAILY : DC : \$14,680CC : \$0TC : \$14,680CUM : DC : \$92,899CC : \$0TC : \$92,899

DAILY DETAILS : DRLG 2954-3048' SURVEY AT 3004' MISS RUN DRLG 3048-3111' SURVEY AT 3067' 2-1/2 DEGR DRLG 3111-3609' SURVEY AT 3565' 2 DEGR RIG MAINTENANCE DRLG 3609-3949'

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

REPORT DATE : 11/11/98 MD : 4.653 TVD : 0 DAYS : 5 MW : 9.6 VISC : 26  
 DAILY : DC : \$65,513 CC : \$0 TC : \$65,513 CUM : DC : \$158,412 CC : \$0 TC : \$158,412  
 DAILY DETAILS : DRLG 3949-4138' SURVEY AT 4094' 1 DEGR RIG MAINTENANCE DRLG 4138-4570'  
 SURVEY AT 4526' 1 DEGR DRLG 4570-4653'

REPORT DATE : 11/12/98 MD : 5.222 TVD : 0 DAYS : 6 MW : 8.6 VISC : 27  
 DAILY : DC : \$13,382 CC : \$0 TC : \$13,382 CUM : DC : \$171,793 CC : \$0 TC : \$171,793  
 DAILY DETAILS : DRLG 4653-4757' RIG MAINTENANCE DRLG 4757-4914' CIRC PUMP SWEEP; DROP  
 SURVEY; TRIP OUT FOR BIT #3 TTRIP IN BHA; FUNCTION TEST BOPS CUT AND SLIP 125';  
 DRLG LINE TIH; FILL PIPE WASH AND REAM 30' TO BOTTOM DRLG 4914-5222'

REPORT DATE : 11/13/98 MD : 6.493 TVD : 0 DAYS : 7 MW : 8.6 VISC : 27  
 DAILY : DC : \$22,462 CC : \$0 TC : \$22,462 CUM : DC : \$194,255 CC : \$0 TC : \$194,255  
 DAILY DETAILS : DRLG 5222-5473' SURVEY AT 5429' 2 DEGR DRLG 5473-5997' SURVEY AT 5953' 1-3/4  
 DEGR DRLG 5997-6493'

REPORT DATE : 11/14/98 MD : 6.927 TVD : 0 DAYS : 8 MW : 8.6 VISC : 27  
 DAILY : DC : \$13,908 CC : \$0 TC : \$13,908 CUM : DC : \$208,164 CC : \$0 TC : \$208,164  
 DAILY DETAILS : SURVEY AT 6450'; 2 DEGR DRLG 6455-6802' (LOST PUMP PRESSURE) PUMP FLAG; TRIP  
 FOR HOLE AT TOP OF JT; 15TH STAND KELLY UP AND BREAK CIRC; CLEAR BIT TIH DRLG  
 6802-6927' DRLG BREAKS 5199-5212' 5245-5300

REPORT DATE : 11/15/98 MD : 7.083 TVD : 0 DAYS : 9 MW : 8.6 VISC : 27  
 DAILY : DC : \$12,644 CC : \$0 TC : \$12,644 CUM : DC : \$220,808 CC : \$0 TC : \$220,808  
 DAILY DETAILS : DRLG 6927-6989' SURVEYS DRLG 6989-7083' RIG MAINTENANCE TRIP FOR BIT WORK  
 PLUGGED BIT TRIP FOR PLUGGED STRING; UNPLUG SAME; PLUGGED IN DC WITH SCH OUT  
 OF DP

REPORT DATE : 11/16/98 MD : 7.380 TVD : 0 DAYS : 10 MW : 8.6 VISC : 27  
 DAILY : DC : \$11,352 CC : \$0 TC : \$11,352 CUM : DC : \$232,160 CC : \$0 TC : \$232,160  
 DAILY DETAILS : GIH WASH AND REAM 45' TO BOTTOM DRLG 7083-7205 RIG MAINTENANCE DRLG

REPORT DATE : 11/17/98 MD : 7.800 TVD : 0 DAYS : 11 MW : 8.6 VISC : 27  
 DAILY : DC : \$13,030 CC : \$0 TC : \$13,030 CUM : DC : \$245,189 CC : \$0 TC : \$245,189  
 DAILY DETAILS : DRLG 7380-7546' SURVEY AND SER RIG DRLG 7546-7800

REPORT DATE : 11/18/98 MD : 8.100 TVD : 0 DAYS : 12 MW : 8.6 VISC : 26  
 DAILY : DC : \$16,138 CC : \$0 TC : \$16,138 CUM : DC : \$261,327 CC : \$0 TC : \$261,327  
 DAILY DETAILS : DRLG 7800-8100' SHORT TRIP 30 STDS CIRC AND SPOT 10# GEL BRINE POOH SLM FOR  
 LOGS WELL FLOWING 81 GALS PER MIN; PULL 10 STDS WELL FLOWING 35 GALS PER MIN GIH  
 TO CIRC OUT DRLG BREAKS 7794-7808 7922-7930 7842-7856 7974-7995

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

REPORT DATE : 11/19/98 MD : 8,100 TVD : 0 DAYS : 13 MW : 8.9 VISC : 26  
 DAILY : DC : \$0 CC : \$28,045 TC : \$28,045 CUM : DC : \$261,327 CC : \$28,045 TC : \$289,372  
 DAILY DETAILS : MONITOR WELL FLOW AND WO 10# BRINE PUMP 180 BBL 10# BRINE POOH; SLM 8096.38  
 NO CORR RIG AND LOG LOG DEPTH 8082' GIH WITH BHA AND 39 STDS RU AND LD DP  
 GIH LD DP AND BHA RU AND RUN 4-1/2" CSG

REPORT DATE : 11/20/98 MD : 8,100 TVD : 0 DAYS : 14 MW : VISC :  
 DAILY : DC : \$0 CC : \$135,032 TC : \$135,032 CUM : DC : \$261,327 CC : \$163,076 TC : \$424,404  
 DAILY DETAILS : RUN 4-1/2" CSG WASH 25' TO BOTTOM; CIRC AND CMT 4-1/2" CSG; LEAD 690 SK M HILIFT "G"  
 6% D20; .2% D79; .75% D112; .2% D46; 5% D44 (BWOW) .2% B71; .2% D65; TAIL WITH 1610 SK  
 50/50 POZ .2% D20; 0.5% B14; 0.2% D46; 10% D44 (BWOW) FULL RETURNS TO 10 BBL FROM  
 DROP PLUG AND DISPLACEMENT 125 BBL PUMP PLUG AND HELD OK ND SPOT SLIPS AND  
 CLEAN MUD TANKS RIG RELEASED AT 6PM 11-19-98 RIG DOWN ROTARY TOOLS RUN 185  
 JTS 11.60# J-55; 8RD; NEW CASING SET AT 8096 21'

REPORT DATE : 12/1/98 MD : 8,058 TVD : 0 DAYS : 15 MW : VISC :  
 DAILY : DC : \$0 CC : \$12,685 TC : \$12,685 CUM : DC : \$261,327 CC : \$175,761 TC : \$437,089  
 DAILY DETAILS : MI & RU CWS #26. NU FRAC VALVE STRAP & PU 3 7/8 MILL, 4 1/2 CSG SCRAPER, 2 3/8 J55 TBG.  
 TAG @ 8035'. DISPL HOLE W/125 BBL FILTERED 3% KCL. LD 5 JTS. LAND TBG @ 7848'. SIFN.

REPORT DATE : 12/2/98 MD : 8,058 TVD : 0 DAYS : 16 MW : VISC :  
 DAILY : DC : \$0 CC : \$11,558 TC : \$11,558 CUM : DC : \$261,327 CC : \$187,319 TC : \$448,647  
 DAILY DETAILS : MI & RU DOWELL. SPOT 300 GAL 15% HCL ACROSS ZONE TO BE PERF 7404-7833'. POOH  
 W/TBG. RU SCHL. RIH & RUN GR/CCL/CBL FROM 8036' UP TO 4000'. PULL UP LOG FROM 1530'  
 TO 1300' W/TOC @ 1430'. TEST CSG TO 4500 PSI. PMP 10 BBL DWN 8 5/8- 4 1/2 ANN @ 2 BPM 150  
 PSI. PU 3 1/8 GUN. RIH CORR TO CNL/LDT PERF MESAVERDE @ 7833 (3 SPF), 7800-7788-7783-  
 7773-7566-7562-7558-7422-7413-7404 (1 SPF). NO PRESS AFTER PERF HOLE STAYED FULL.  
 SIFN.

REPORT DATE : 12/3/98 MD : 8,058 TVD : 0 DAYS : 17 MW : VISC :  
 DAILY : DC : \$0 CC : \$78,342 TC : \$78,342 CUM : DC : \$261,327 CC : \$265,661 TC : \$526,989  
 DAILY DETAILS : MI & RU DOWELL. HELD SAFETY MEETING. TEST LINES TO 5550 PSI. SPEARHEADED 250 GAL  
 15% HCL. PMPD 32 BBL @ 25 BPM @ 3900 PSI. BROKE @ 2129. SHUT DWN. DETERMINE ALL  
 PERFS OPENED. RESTART PAD (YF125). PMP 181 BBL RAMPED 136,009# 20/40 PROP F/2 TO 6 LB  
 W/THE LAST 20,000# RESIN COATED. DISPL W/10 BBL WF120 10 BBL 15% HCL 94 MORE WF120.  
 ALL MOST SCREENED OFF ONPAD DWNT 0 1.6 BPM. MAX PRESS 4700 PSI, MAX RATE WAS 32  
 BPM, AVG RATE 23 BPM, AVG PRESS 3571 PSI. PU 3 1/8 GUN W/RBP ON BTM. RIH CORR TO  
 CNL/LDT. SET PLUG 2 6600' PERF WASATCH 5321-5326-5332 (1 SPF) 7 6207-6551-6557' (3 SPF).  
 LOST 500 PSI RIGHT AFTER SHOT 6207 & CAME ON DWN TO 70 PSI. POOH & RD SCHL.  
 SPEARHEAD 12 BBL 15% BROKE 2 1204. PMPD 42 BBL. DETERMINE 8 HOLES OPENED.  
 RESTART PAD (YF125). SAW MORE OPEN AS ACID HIT FRAC W/74,060# 20/40 PROP, RAMP  
 FROM 2 TO 6# W/THE LAST 20,800# RESIN COATED. MAX 4470 PSI, AVG PRESS 2735 W/AVG &  
 MAX RATE 30 BPM, ISIP 1460, 5 MIN 1249, 10 MIN 1213 & 15 MIN 1189. START FLOW ON 18  
 CHOKE @ NOON. 1:00PM 275 PSI, REC 77 BBL. PRESS FELL ON OFF REC 30 MORE. ND FRAC  
 VALVE. NU BOP'S. RU FLOOR. PU RETRIEVING TOOL. RIH TO 3483'. CIRC HOLE & TBG CLEAN.  
 HEAVY SAND. SIFN. BBL FLUID PMPD DAILY 1533, BBL FLUID REC 107, BBL LEFT TO REC  
 DAILY 1426, CUM 1426

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

**REPORT DATE : 12/5/98**    MD : 8,058    TVD : 0    DAYS : 18    MW :    VISC :  
 DAILY : DC : \$0    CC : \$78,342    TC : \$78,342    CUM : DC : \$261,327    CC : \$344,003    TC : \$605,331  
 DAILY DETAILS : FLOW BACK REPORT    TIME....CP....TP....CH....WTR....SD    6AM....1530....1400....18....PUT WELL  
 TO FLOW    7AM....6AM TO 1PM MADE 55 BBLs    9AM....1620....1420....18....27.5....TR    1:00PM....  
 1685....1460....27.5....TR    3 PM....1680....1460....18....12.5....TR    4....1680....1460....5.5....TR  
 5....1680....1460....18....5.5....TR    6....1660....1440....18....5.5....TR    7....1640....1440....18....3....TR  
 8....1640....1440....18....5.5....TR

**REPORT DATE : 12/16/98**    MD : 8,058    TVD : 0    DAYS : 19    MW :    VISC :  
 DAILY : DC : \$0    CC : \$5,827    TC : \$5,827    CUM : DC : \$261,327    CC : \$349,830    TC : \$611,158  
 DAILY DETAILS : RU DOWELL TO 8 5/8-4 1/2 CSG ANN F/TOP DWN JOB. PMP 20 BBL LCM PILL. LEAD W/65 SX CL  
 G W/ADD, WT 11.5, Y 3.18. TAIL W/69 SX CL G W/ADD, WT 11.5, Y 3.16. SHUT DWN W/580 PSI.  
 FLUSH W/1/2 BBL H2O. ISIP 480 PSI. MP 680 PSI @ 1/2 BPM, AP 175 PSI @ 2 1/2 BPM. RD  
 DOWELL & OPEN CSG VALVE ON VACUUM



April 6, 1999

Bureau of Land Management  
Vernal District Office  
170 South 500 East  
Vernal, Utah 84078

**ATTENTION: Ed Forsman/Wayne Bankert**

Gentlemen:

Enclosed are the original and two copies of the Well Completion Report and Log,  
For the NBU #268 and the NBU #277.

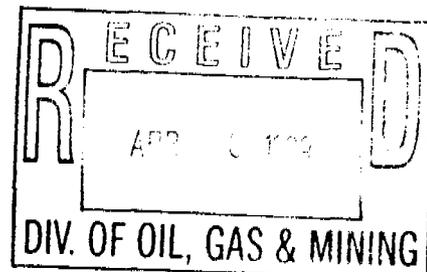
If you have questions or need additional information, please do not hesitate to call me,  
(435) 781-7023.

Sincerely,

  
Cheryl Cameron  
Environmental Analyst

cc w/ encl:

Vicky Dyson  
State of Utah  
Division of Oil Gas & Mining  
1594 West North Temple, Suite 1210  
Salt Lake City, UT 84114



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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NUMBER:  
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:  
7. UNIT or CA AGREEMENT NAME:  
8. WELL NAME and NUMBER:  
Exhibit "A"  
9. API NUMBER:  
10. FIELD AND POOL, OR WILDCAT:

1. TYPE OF WELL  
OIL WELL  GAS WELL  OTHER \_\_\_\_\_  
2. NAME OF OPERATOR:  
El Paso Production Oil & Gas Company  
3. ADDRESS OF OPERATOR:  
8 South 1200 East CITY Vernal STATE Utah ZIP 84078  
PHONE NUMBER: 435-789-4433

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

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

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

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  
As a result of the merger between The Coastal Corporation and a wholly owned subsidiary of El Paso Energy Corporation, the name of Coastal Oil & Gas Corporation has been changed to El Paso Production Oil & Gas Company effective March 9, 2001.  
See Exhibit "A"

Bond # 400JU0708

Coastal Oil & Gas Corporation  
NAME (PLEASE PRINT) John T. Elzner TITLE Vice President  
SIGNATURE [Signature] DATE 06-15-01  
El Paso Production Oil & Gas Company  
NAME (PLEASE PRINT) John T. Elzner TITLE Vice President  
SIGNATURE [Signature] DATE 06-15-01

(This space for State use only)

**RECEIVED**  
JUN 19 2001  
DIVISION OF  
OIL, GAS AND MINING

State of Delaware  
Office of the Secretary of State

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PAGE 1

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

RECEIVED

MAR 14 2001

DIVISION OF  
OIL, GAS AND MINING



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

0610204 8100

AUTHENTICATION: 1061007

010162788

DATE: 04-03-01

CERTIFICATE OF AMENDMENT  
OF  
CERTIFICATE OF INCORPORATION

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

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

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

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

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

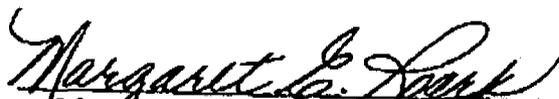
THIRD: That the aforesaid amendment was duly adopted in accordance with the applicable provisions of Sections 242 and 228 of the General Corporation Law of the State of Delaware.

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

COASTAL OIL & GAS CORPORATION

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

Attest:

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

RECEIVED

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

JUN 19 2001

DIVISION OF  
OIL, GAS AND MINING



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

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

**RECEIVED**

JUL 12 2001

DIVISION OF  
OIL, GAS AND MINING

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

JUL 10 2001

### NOTICE

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

#### Name Change Recognized

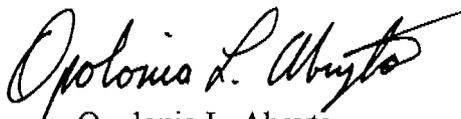
Acceptable evidence has been received in this office concerning the name change of Coastal Oil & Gas Corporation into El Paso Production Oil & Gas Company with El Paso Production Oil & Gas Company being the surviving entity.

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

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

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

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



Opolonia L. Abeyta  
Acting Chief, Branch of  
Minerals Adjudication

Enclosure

1. Exhibit of Leases (1 pp)

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

## Exhibit of Leases

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

**OPERATOR CHANGE WORKSHEET**

**ROUTING**

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

Enter date after each listed item is completed

Change of Operator (Well Sold)

Designation of Agent

Operator Name Change (Only)

**X** Merger

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

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

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

**CA No.**

**Unit: NATURAL BUTTES**

**WELL(S)**

NAME	API NO	ENTITY NO	SEC TWN RNG	LEASE TYPE	WELL TYPE	WELL STATUS
CIGE 114-34-9-21	43-047-31915	2900	34-09S-21E	FEDERAL	GW	S
CIGE 143-34-9-21	43-047-31995	2900	34-09S-21E	FEDERAL	GW	P
CIGE 115-35-9-21	43-047-31918	2900	35-09S-21E	FEDERAL	GW	P
NBU 156	43-047-32005	2900	35-09S-21E	FEDERAL	GW	P
NBU 33-17B	43-047-30396	2900	17-09S-22E	FEDERAL	GW	P
NBU 48	43-047-30538	2900	18-09S-22E	FEDERAL	GW	P
NBU 23	43-047-30868	2900	19-09S-22E	FEDERAL	GW	P
NBU 212-19	43-047-31267	2900	19-09S-22E	FEDERAL	GW	P
NBU 108	43-047-31958	2900	19-09S-22E	FEDERAL	GW	P
NBU 136	43-047-31968	2900	19-09S-22E	FEDERAL	GW	P
NBU 172	43-047-32194	2900	19-09S-22E	FEDERAL	GW	P
NBU 339-19E	43-047-32281	2900	19-09S-22E	FEDERAL	GW	P
NBU 200	43-047-32359	2900	19-09S-22E	FEDERAL	GW	P
NBU 277	43-047-33042	2900	19-09S-22E	FEDERAL	GW	P
NBU 388-19E	43-047-33057	2900	19-09S-22E	FEDERAL	GW	P
NBU 8-20B	43-047-30275	2900	20-09S-22E	FEDERAL	GW	S
NBU 32Y	43-047-30514	2900	20-09S-22E	FEDERAL	GW	P
NBU 211-20	43-047-31156	2900	20-09S-22E	FEDERAL	GW	P
NBU 308-20E	43-047-32202	2900	20-09S-22E	FEDERAL	GW	P
NBU 340-20E	43-047-32327	2900	20-09S-22E	FEDERAL	GW	P

**OPERATOR CHANGES DOCUMENTATION**

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

5. If **NO**, the operator was contacted contacted on: N/A
6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the (merger, name change, or operator change for all wells listed on Federal or Indian leases on: 07/10/2001
7. **Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: 07/10/2001
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: 07/10/2001
9. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

---

**DATA ENTRY:**

1. Changes entered in the **Oil and Gas Database** on: 08/01/2001
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 08/01/2001
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

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**FEDERAL BOND VERIFICATION:**

1. Federal well(s) covered by Bond No.: WY 2793

---

**FEE WELLS - BOND VERIFICATION/LEASE INTEREST OWNER NOTIFICATION:**

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by 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: \_\_\_\_\_

---

**FILMING:**

1. All attachments to this form have been **MICROFILMED** on: \_\_\_\_\_

---

**FILING:**

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

---

**COMMENTS: Master list of all wells involved in operator change from Coastal Oil & Gas Corporation to El Paso Production Oil and Gas Company shall be retained in the "Operator Change File".**

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JAN. 17. 2003 3:34PM

WESTPORT

NO. 173 P. 2

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

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

February 1, 2002

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

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

Dear Ms. Maxwell:

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

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

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

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

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

Debby J. Black  
Engineer Technician

Encl:



United States Department of the Interior **RECEIVED**

BUREAU OF LAND MANAGEMENT

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

FEB 22 2002

DIVISION OF  
OIL, GAS AND MINING

In Reply Refer To:

3106

UTU-25566 et al

(UT-924)

FEB 21 2002

NOTICE

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

Name Change Recognized

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

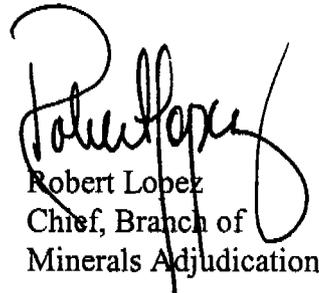
For our purposes, the name change is recognized effective December 31, 2001.

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

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

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

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



Robert Lopez  
Chief, Branch of  
Minerals Adjudication

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

# memorandum

Branch of Real Estate Services  
Uintah & Ouray Agency

Date: 5 December, 2002

Reply to  
Attn of: Supervisory Petroleum Engineer

Subject: Modification of Utah Division of Oil, Gas and Mining Regulations

To: Director, Utah Division of Oil, Gas and Mining Division: John Baza

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

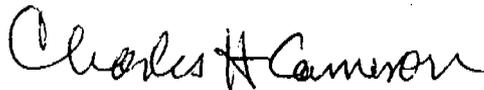
We have no objection.

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

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

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

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





United States Department of the Interior

BUREAU OF INDIAN AFFAIRS  
Washington, D.C. 20240

FEB 1 0 2003

IN REPLY REFER TO:  
Real Estate Services

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

Dear Mr. Wilson:

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

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

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

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

Sincerely,

Director, Office of Trust Responsibilities

ACTING

Enclosure



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO  
UT-922

February 27, 2003

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

Re: Natural Buttes Unit  
Uintah County, Utah

Gentlemen:

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

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

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

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

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks  
Chief, Branch of Fluid Minerals

Enclosure

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

UT922:TAThompson:tt:02/27/2003

RECEIVED

FEB 28 2003

DIV. OF OIL, GAS & MINING

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

FORM 9

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

4. LOCATION OF WELL

FOOTAGES AT SURFACE: \_\_\_\_\_ COUNTY: \_\_\_\_\_

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: \_\_\_\_\_ STATE: **UTAH**

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

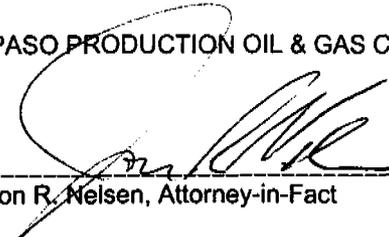
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> <b>NOTICE OF INTENT</b> (Submit in Duplicate)  Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING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

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

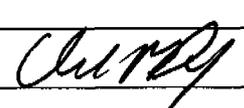
Operator change to Westport Oil and Gas Company, L.P., 1670 Broadway, Suite 2800, Denver, CO. 80202-4800, effective December 17, 2002.

BOND # \_\_\_\_\_  
State Surety Bond No. RLB0005236  
Fee Bond No. RLB0005238

EL PASO PRODUCTION OIL & GAS COMPANY

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

**RECEIVED**  
**FEB 28 2003**  
DIV. OF OIL, GAS & MINING

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

(This space for State use only)

Form 3160-5  
(August 1999)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

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

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

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

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

5. Lease Serial No.  
 SEE ATTACHED EXHIBIT "A"

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
 SEE ATTACHED EXHIBIT "A"

9. API Well No.  
 SEE ATTACHED EXHIBIT "A"

10. Field and Pool, or Exploratory Area

11. County or Parish, State  
 UTAH COUNTY, UT

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

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

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

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

RECEIVED  
MAR 04 2003

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

Name (Printed/Typed) CHERYL CAMERON	Title OPERATIONS
Signature <i>Cheryl Cameron</i>	Date March 4, 2003

THIS SPACE FOR FEDERAL OR STATE USE

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

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

(Instructions on reverse)



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

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

8. **Federal and Indian Units:**

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

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

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

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

**DATA ENTRY:**

1. Changes entered in the Oil and Gas Database on: 03/18/2003
2. Changes have been entered on the Monthly Operator Change Spread Sheet on: 03/18/2003
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

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

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

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

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

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

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

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

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

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

**LEASE INTEREST OWNER NOTIFICATION:**

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

**COMMENTS:**

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UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

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

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

WESTPORT OIL & GAS COMPANY, L.P.

3a. Address

P.O. BOX 1148 VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-

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

Multiple Wells - see attached

5. Lease Serial No.

Multiple Wells - see attached

6. If Indian, Allottee or Tribe Name

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

891008900A

8. Well Name and No.

Multiple Wells - see attached

9. API Well No.

Multiple Wells - see attached

10. Field and Pool, or Exploratory Area

Natural Buttes Unit

11. County or Parish, State

Uintah County, UT

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

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

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

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

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

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

Name (Printed/Typed)

J.T. Conley

Title

Operations Manager

SEP 10 2003

Signature

COPY SENT TO OPERATOR

Date: 9-2-03

Initials: JTC Date: 9-2-2003

DIV. OF OIL GAS & MINING

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Accepted by the

Date

Federal Approval of This Action is Necessary

Utah Division of Oil, Gas and Mining

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

Office

Date: 9/16/03

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

(Instruction on reverse)

NBU 260	28-9-21 SENE	U05676	891008900A	430473300900S1
NBU 261	30-9-21 SENW	UTU0581	891008900A	430473292800S1 ✓
NBU 262	33-9-21 NENE	UTU0578	891008900A	430473292900S1
NBU 263	34-9-21 SENW	U01194	891008900A	430473279300S1 ✓
NBU 264	1-10-21 SESW	U02842B	891008900A	430473300000S1
NBU 265	2-10-21 NESE	ML13826	891008900A	430473279600S1 ✓
NBU 266	10-10-21 SWNW	UTU0149079	891008900A	430473294100S1
NBU 267	10-10-21 NESW	UTU01416A	891008900A	430473294200S1
NBU 268	11-10-21 NENE	U01190	891008900A	430473300100S1
NBU 269	12-10-21 SWNW	UTU1196D	891008900A	430473347300S1
NBU 270	13-10-21 SWNW	ML23608	891008900A	430473286200S1 ✓
NBU 271	24-10-20 SWNW	UTU4485	891008900A	430473288700S1
NBU 272	11-10-22 SWNE	U01197A	891008900A	430473288900S1 ✓
NBU 273	22-9-21 NWNW	UTU0147566	891008900A	430473290800S1
NBU 274	23-9-21 NESW	UTU149075	891008900A	430473290700S1
NBU 275	9-9-21 NWSW	UTU01188	891008900A	430473290500S1
NBU 277	19-9-22 SENE	UTU0284	891008900A	430473304200S1
NBU 278	30-9-22 SWSW	U463	891008900A	430473301100S1
NBU 280	31-9-22 NESW	ML22935A	891008900A	430473286500S1 ✓
NBU 281	32-9-22 SWSW	ML22649	891008900A	430473286600S1 ✓
NBU 282	32-9-22 NESE	ML22649	891008900A	430473286700S1
NBU 285	3-10-22 NWNW	UTU01191	891008900A	430473297800S1
NBU 286	3-10-22 SENW	UTU01191	891008900A	430473298400S1
NBU 287	3-10-22 NESE	UTU01191A	891008900A	430473298500S1
NBU 288	3-10-22 NWSW	UTU01191	891008900A	430473298600S1
NBU 289	3-10-22 SESW	UTU01191	891008900A	430473281000S1
NBU 290	3-10-22 SWSE	UTU01191A	891008900A	430473298700S1
NBU 291	9-10-22 NENE	UTU01196D	891008900A	430473291100S1
NBU 292	9-10-22 SWNE	UTU1196D	891008900A	430473347400S1
NBU 293	10-10-22 SENE	UTU025187	891008900A	430473318200S1
NBU 294X	22-9-20 NENW	UTU0577B	891008900A	430473346500S1
NBU 295	12-10-20 SWSW	UTU4478	891008900A	430473293900S1
NBU 296	24-10-20 NWNE	UTU4485	891008900A	430473288600S1
NBU 297	11-9-21 SWNW	UTU0141315	891008900A	430473304000S1
NBU 298	15-9-21 NESW	UTU01188	891008900A	430473304100S1
NBU 299	16-9-21 SWNE	ML3282	891008900A	430473301200S1
NBU 300	21-9-21 NWNW	UTU0578	891008900A	430473302300S1
NBU 301	25-9-21 NWSW	U01194	891008900A	430473285900S1 ✓
NBU 302	26-9-21 SWNW	U01194	891008900A	430473287700S1 ✓
NBU 303	26-9-21 SESE	ML22934	891008900A	430473287800S1 ✓
NBU 304	27-9-21 SESE	U01194A	891008900A	430473287900S1 ✓
NBU 305	27-9-21 SWSE	U01194A	891008900A	430473288000S1 ✓
NBU 306	27-9-21 NWNW	U01194A	891008900A	430473286000S1 ✓
NBU 307	28-9-21 NWNE	U05676	891008900A	430473300700S1
NBU 308	28-9-21 SENW	U05676	891008900A	430473314300S1
NBU 309	30-9-21 NENE	UTU0581	891008900A	430473301000S1
NBU 310	35-9-21 NENW	U01194	891008900A	430473288200S1 ✓
NBU 311	4-10-22 NESE	UTU01191	891008900A	430473283700S1
NBU 312-E2	2-9-21 SWSE	UTU21510	891008900A	430473228800S1 ✓
NBU 313	4-10-22 NENW	UTU01191A	891008900A	430473283800S1
NBU 315	11-9-21 SENE	UTU0141317	891008900A	430473387900S1
NBU 316	11-9-21 SWNE	UTU0141317	891008900A	4304733441300S1
NBU 317	13-9-21 NENE	U-01193	891008900A	430473392100S1
NBU 318	13-9-21 SWNE	UTU01193	891008900A	430473388000S1
NBU 320	25-9-21 NWNW	U01189	891008900A	430473320100S1
NBU 321	26-9-21 SWSW	U01194	891008900A	430473320200S1 ✓
NBU 322	34-9-21 SESW	U01994	891008900A	430473320300S1 ✓
NBU 323	30-9-22 NENE	U-463	891008900A	430473405000S1
NBU 326	31-9-22 NESW	ML22935A	891008900A	430473320400S1 ✓
NBU 327	33-9-22 SWSE	UTU01191	891008900A	430473373500S1
NBU 329	1-10-21 NESW	UTU02842B	891008900A	430473322700S1
NBU 330	3-10-21 NENE	UTU0149078	891008900A	430473322800S1
NBU 331	3-10-21 NWNE	UTU0149078	891008900A	430473322900S1

**Westport Oil & Gas, L.P.**  
**Project Economics Worksheet**

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

Project Name: **Condensate Shrinkage Economics**

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

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

Increased OPX Per Year

**Investment Breakdown:**

	Cap/Exp Code	Cost, \$
Capital \$	830/830/840	\$1,200
Expense \$	830/840	\$0
Total \$		\$1,200

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

**Production & OPX Detail:**

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

**Project Life:**

Life = **20.0** Years  
 (Life no longer than 20 years)

**Internal Rate of Return:**

After Tax IROR = **#DIV/0!**

**AT Cum Cashflow:**

Operating Cashflow = **(\$2,917)** (Discounted @ 10%)

**Payout Calculation:**

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

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

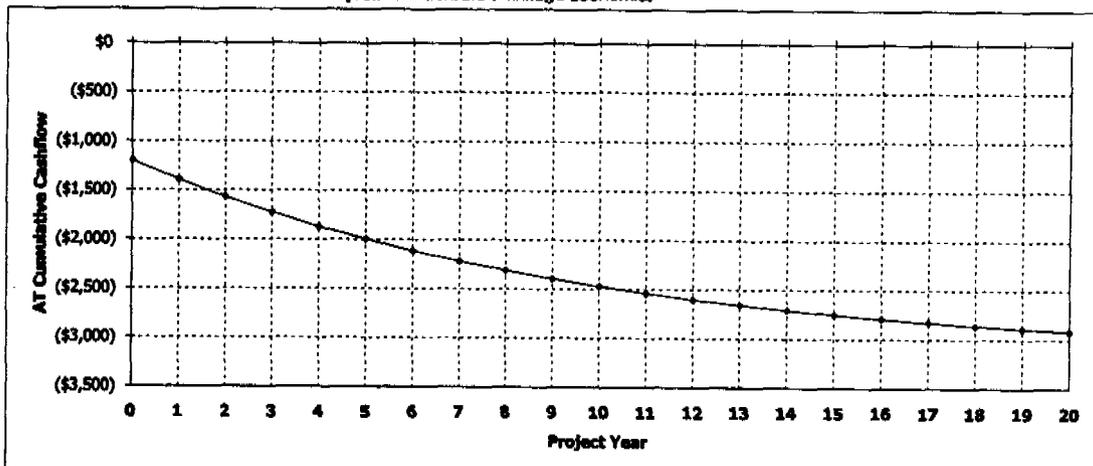
Payout = **NEVER** Years or **#VALUE!** Days

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

**Notes/Assumptions:**

An average NGL well produces 0.192 Bopd with no tank pressure. The production is increased to 0.194 Bopd if 4 ozs of pressure are added on the tank. The increased production does not pay for the valve cost or the estimated annual maintenance cost.

Project: Condensate Shrinkage Economics



**Westport Oil and Gas, Inc.**  
**NBU/Ouray Field**  
RFL 2003-022

**COMPARISON OF FLASH BACK PRESSURES**

Calculated by Characterized Equation-of-State

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

**Calculated at Laboratory Flash Conditions**

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

**Calculated Flash with Backpressure using Tuned EOS**

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

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

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

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

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

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

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

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

Operator Name Change/Merger

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

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

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

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

**DATA ENTRY:**

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

**BOND VERIFICATION:**

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

**LEASE INTEREST OWNER NOTIFICATION:**

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

**COMMENTS:**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
**KERR-McGEE OIL & GAS ONSHORE LP**

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

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

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

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

6. If Indian, Allottee or Tribe Name

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

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

9. API Well No.

10. Field and Pool, or Exploratory Area

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

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

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

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

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

**RECEIVED**

**MAY 10 2006**

DIV. OF OIL, GAS & MINING

*BLM BOND = C01203  
BIA BOND = RLB0005239*

**APPROVED 5/16/06**

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

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

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

**THIS SPACE FOR FEDERAL OR STATE USE**

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

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

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

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

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

6. If Indian, Allottee or Tribe Name

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

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

9. API Well No.

10. Field and Pool, or Exploratory Area

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

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

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

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

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

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

RECEIVED  
 MAY 10 2006

DIV OF OIL, GAS & MINING

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

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

THIS SPACE FOR FEDERAL OR STATE USE

Approved by <i>Brad Laney</i>	Title	Date <b>5-9-06</b>
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

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



## United States Department of the Interior

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

IN REPLY REFER TO:

CO922 (MM)  
3106  
COC017387 et. al.

March 23, 2006

### NOTICE

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

#### Merger/Name Change - Recognized

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

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

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

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

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

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

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

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

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

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

**Attachment:**

List of OG Leases to each of the following offices:

MMS MRM, MS 357B-1

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

CO Field Offices

Wyoming State Office

Rider #1 to Bond WY2357

Rider #2 to Bond WY1865

Rider #3 to Bond WY1127



# United States Department of the Interior



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

IN REPLY REFER TO:  
3106  
(UT-922)

March 27, 2006

## Memorandum

To: Vernal Field Office

From: Chief, Branch of Fluid Minerals

Subject: Merger Approval

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

Chief, Branch of  
Fluid Minerals

## Enclosure

Approval letter from BLM COSO (2 pp)

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

RECEIVED

MAR 28 2006

DIV. OF OIL, GAS & MINERAL