

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO. 57455
6. IF INDIAN, ALLOTTEE OR TRIBE NAME
7. UNIT AGREEMENT NAME Hanging Rock
8. FARM OR LEASE NAME
9. WELL NO. I 15-5
10. FIELD OR LEASE NAME
11. Sec., T., R., M., OR BLK AND SURVEY OR AREA Sec. 15, T12S, R23E, S.L. B. & M
12. COUNTY OR PARISH Uintah
13. STATE Utah
17. NO. OF ACRES ASSIGNED TO THIS WELL 40
20. ROTARY OR CABLE TOOLS Rotary
22. APPROX. DATE WORK WILL START 1-May-98

1a TYPE OF WORK DRILL [X] DEEPEN [] PLUG BACK []

B TYPE OF WELL OIL WELL [] GAS WELL [X] OTHER [] SINGLE ZONE [] MULTIPLE ZONE [X]

2. NAME OF OPERATOR Rosewood Resources, Inc.
3. ADDRESS OF OPERATORS 100 Crescent Court, Suite 500, Dallas TX 7520 214-871-5729

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirement) at surface 1926' FNL, 573' FWL, SW/NW Sec. 15, T12S, R23E, S.L. B. & M

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 26.4 miles south of Bonanza, UT

15. DISTANCE FROM PROPOSED LOC. TO NEAREST PROP. OR LEASE LINE . FT. (Also to nearest drig. Unit line, if any) 573'
16. NO. OF ACRES IN LEASE 10,094.71
17. NO. OF ACRES ASSIGNED TO THIS WELL 40

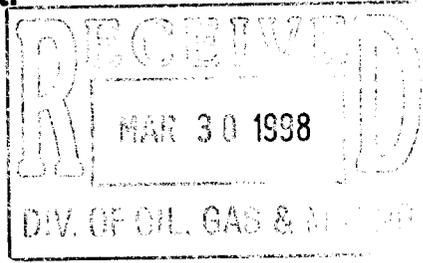
16. DISTANCE FROM PROPOSED LOCATION * TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 4,500'
19. PROPOSED DEPTH 4,700'
20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATION (SHOW WHETHER DF. RT, GR, etc.) 6037'
22. APPROX. DATE WORK WILL START 1-May-98

Table with 5 columns: SIZE OF HOLE, SIZE OF CASING, WEIGHT PER FOOT, SETTING DEPTH, QUANTITY OF CEMENT. Rows include 11" hole with 8 5/8" casing and 7 7/8" hole with 4 1/2" casing.

Operator requests permission to drill the subject well please see the attached 10 point surface use plan. If you require additional information please contact:

William (Bill) Ryan
350 S. 800 E.
Vernal, Utah
435-789-0968 Office
435-828-0968 Cellular



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposed is to deepen or plug back, give data on proposed productive zone and proposed ne productive zone. If proposal is to drill or deepen directional, give pertinent data on subsurface location and measure and true vertical depths. Give blowout preventer program, if any.

SIGNATURE William A. Ryan TITLE Agent DATE 3/11/98

(This space for Federal or State Office Use)

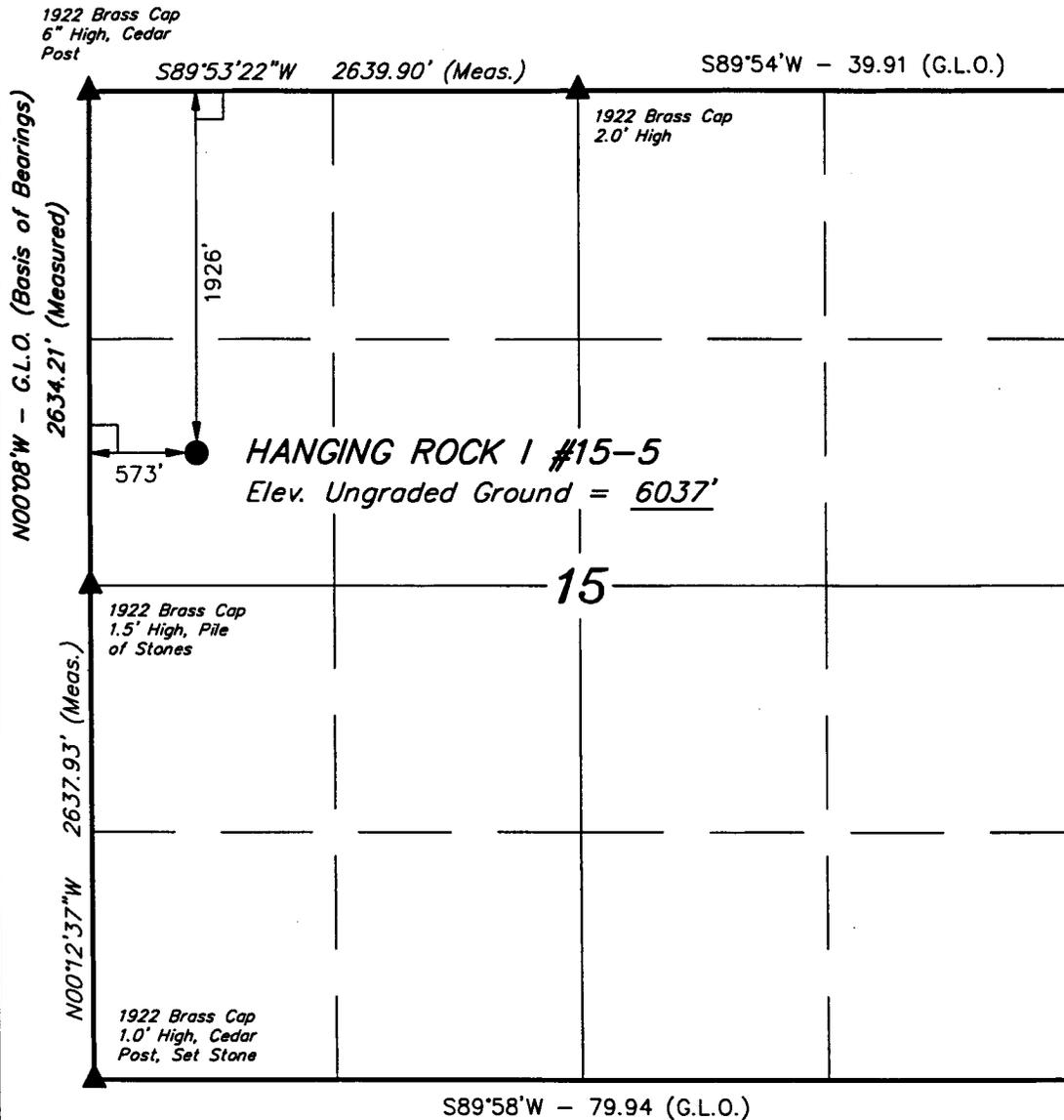
PERMIT NO. 43-047-33103 APPROVAL DATE 4/9/98
APPROVED BY BRADLEY G. HILL TITLE RECLAMATION SPECIALIST III DATE 4/9/98

Federal Approval of this Action is Necessary

*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.

T12S, R23E, S.L.B.&M.



LEGEND:

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

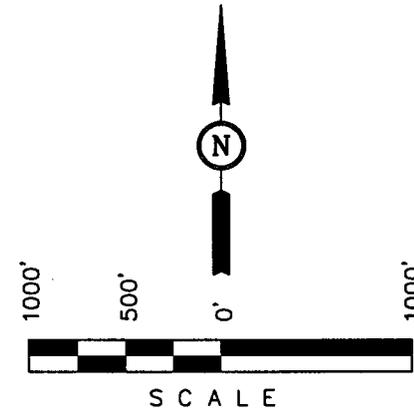
LATITUDE = 39°46'32"
 LONGITUDE = 109°20'09"

ROSEWOOD RESOURCES, INC.

Well location, HANGING ROCK I #15-5, located as shown in the SW 1/4 NW 1/4 of Section 15, T12S, R23E, S.L.B.&M. Uintah County Utah.

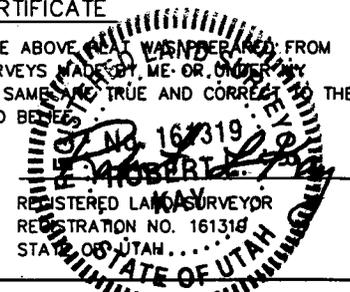
BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 15, T12S, R23E, S.L.B.&M. TAKEN FROM THE ARCHY BENCH SE. QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5994 FEET.



CERTIFICATE

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



UINTAH ENGINEERING & LAND SURVEYING		
85 SOUTH 200 EAST - VERNAL, UTAH 84078		
(435) 789-1017		
SCALE 1" = 1000'	DATE SURVEYED: 01-23-98	DATE DRAWN: 02-04-98
PARTY J.F. B.B. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE ROSEWOOD RESOURCES, INC.	

SELF-CERTIFICATION STATEMENT

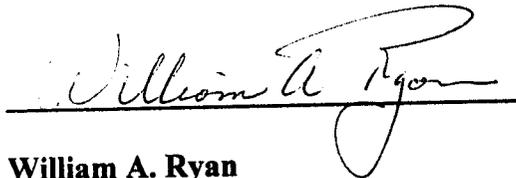
The following self-certification statement is provided per Federal requirements dated June 15, 1988.

Please be advised that Rosewood Resources, Inc., is considered to be the operator of the following well.

Hanging Rock I 15-5
SW 1/4, NW 1/4, Section 15, T. 12 S., R. 23 E.
Lease UTU-57455
Uintah County, Utah

Rosewood Resources, Inc., is responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage is provided by Certificate of Deposit, BLM Bond #MT-0627.



William A. Ryan
Agent
Rocky Mountain Consulting
350 S. 800 E.
Vernal UT 84078
435-789-0968 Office
435-828-0968 Cell
435-789-0970 Fax

Ten Point Plan

Rosewood Resources, Inc.

Hanging Rock I 15-5
Hanging Rock Unit

Surface Location SW 1/4, NW 1/4, Section 15, T. 12 S., R. 23 E.

1. Surface Formation:

Green River

2. Estimated Formation Tops and Datum:

<u>Formation</u>	<u>Depth</u>	<u>Datum</u>
Green River	Surface	+6,037' G.L.
Oil Shale	500	+5,537
Wasatch	2,595	+3,442
Mesaverde formation	4,295	+1,742
T.D.	5,000	+1,037

3. Producing Formation Depth:

Formation objective include the Wasatch and its submembers.

Off Set Well Information:

Off set well: None

4. Proposed Casing :

<u>Hole</u> <u>Size</u>	<u>Casing</u> <u>Size</u>	<u>Weight/Ft.</u>	<u>Grade</u> <u>& Tread</u>	<u>Setting</u> <u>Depth</u>	<u>Casing</u> <u>New/Used</u>
11	8 5/8	24	J-55/STC	300	New
7 7/8	4 1/2	11.6	J-55/LTC	T.D.	New

Cement Program:

<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amount</u>	<u>Cement Yield</u>	<u>Cement Weight</u>
8 5/8	Class "G" 2% Calcium 1/4 #/sk cello flake	150 sks.+/-	1.16 cu. ft./sk.	15.6 lbs./gal.
4 1/2	Stage 1 Class "G" 10% salt 10% gypsum .1% R-3 .4% FL-25 Stage 2 Class "G" 3% Salt 16% gel(Bentonite) 5# Gilsonite/sk .25#/sk Cello Flake	540 sks.+/-	1.44 cu. ft./sk.	15.23 lbs./gal.
		205 sks +/-	1.53 cu. ft./sk.	14.8 lbs./gal. 10% salt

5. BOP and Pressure Containment Data:

The anticipated bottom hole pressure will be less than 3000 psi.

A 3000 psi WP BOP system as described in the BOP and Pressure Containment Data (attached) will be installed and maintained from the 8 5/8" surface casing. The BOP system including the casing will be pressure tested to the minimum standards set forth in "On Shore Order #2". The BOP will be mechanically checked daily during the drilling operation.

6. Mud Program:

<u>Interval</u>	<u>Mud weight lbs/gal.</u>	<u>Viscosity Sec./Qt.</u>	<u>Fluid Loss Ml/30 Mins.</u>	<u>Mud Type</u>
0-300	Air/Clear Water	----	No Control	Water/Gel
300-2500	Clear Water	----	No Control	Water/Gel
2500-T.D.	8.4-8.6	30	8-10	Water/Gel

7. Auxiliary Equipment:

Upper Kelly cock, full opening stabbing valve, 2 1/2" choke manifold and pit level indicator.

8. Testing, Coring, Sampling and Logging:

- a) Test: None are anticipated.
- b) Coring: There is the possibility of sidewall coring.
- c) Sampling: Every 10' from 2000' to T.D.
- d) Logging:

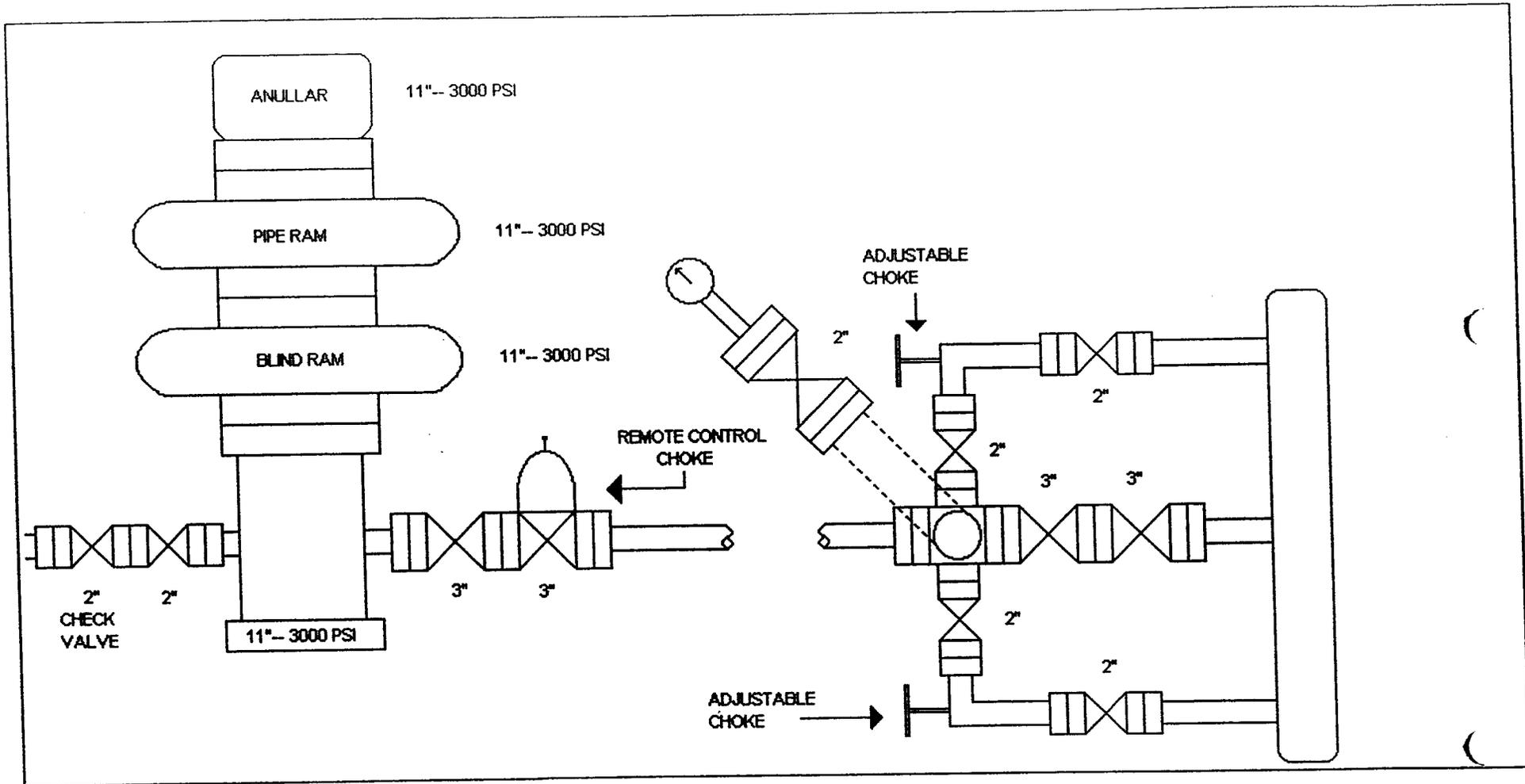
Type	Interval
DLL/SFL W/GR and SP	T.D. to Surf. Csg
FDC/CNL W/GR and CAL	T.D. to Surf. Csg

9. Abnormalities (including sour gas):

No abnormal pressures, temperatures or other hazards are anticipated. Oil and gas shows are anticipated in the Wasatch Formation. Other wells drilled in the area have not encountered over pressured zones or H₂S.

10. Drilling Schedule:

The anticipated starting date is May 1, 1998. Duration of operations expected to be 30 days.



ROSEWOOD RESOURCES, INC.

13 POINT SURFACE USE PLAN

FOR WELL

HANGING ROCK I 15-5

HANGING ROCK UNIT

LOCATED IN

SW 1/4, NW 1/4

SECTION 15, T. 12 S., R. 23 E., U.S.B.&M.

UINTAH COUNTY, UTAH

LEASE NUMBER: UTU-57455

SURFACE OWNERSHIP: FEDERAL

1. Existing Roads

To reach the Rosewood Resources Inc., Hanging Rock I 15-5 well location, in Section 15, T 12 S, R 23 E, from Bonanza, Utah:

Starting in Bonanza, Utah proceed south on the paved road for 4 miles. Turn south (left) on the Book cliffs road (dirt road). Proceed south 3.9 miles to the Greeks Corrals. Turn west (right) at the fork in the road. Proceed 8.3 miles to the Asphalt Wash sign. Stay to the south (left) of the sign. Proceed .7 miles to the Rainbow sign. Stay to the west (right) of the sign. This is also called the Kings Wells road. Proceed 7.8 miles. Turn south (left) proceed 2 miles the proposed access road will start at this point. Follow the existing two track 1.5 miles.

All existing roads to the proposed location are State or County Class D roads except for the last 7,920 feet.

Please see the attached map for additional details.

2. Planned access road

The proposed location will require approximately 7,920 feet of upgraded road construction.

The road will be built to the following standards:

A) Approximate length	7,920 Ft.
B) Right of Way width	30 Ft.
C) Running surface	18 Ft.
D) Surfacing material	Native soil
E) Maximum grade	5%
F) Fence crossing	None
G) Culvert	None
H) Turnouts	None
I) Major cuts and fills	None
J) Road flagged	Yes
K) Access road surface ownership	Federal
L) All new construction on lease	Yes
M) Pipe line crossing	One

Please see the attached location plat for additional details.

No right of way will be required. All surface disturbance for the road and location will be within the Unit boundary.

3. Location of existing wells

The following wells are located within one mile radius of the location site.

A) Producing wells	None	
B) Water wells	None	
C) Abandoned wells	None	
D) Temporarily abandoned wells	None	
E) Disposal wells	None	
F) Drilling/Permitted wells	15-7 10-13	Sec. 15, T. 12 S., R. 23 E. Sec. 10, T. 12 S., R. 23 E.
G) Shut in wells	None	
H) Injection wells	None	
I) Monitoring or observation wells	None	

Please see the attached map for additional details.

4. Location of tank batteries, production facilities, and production gathering service lines.

All production facilities are to be contained within the proposed location site. Please see the attached plat plan for a typical gas well separator installation and well site piping.

All permanent (on site for more than six months or longer) structures constructed or installed will be painted a **Juniper Green** color. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded. The required paint color is **Juniper Green**.

All tanks will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank in the battery. The integrity of the dike will be maintained.

The operator will adhere to all site security guidelines and regulations identified in 43 cfr 3126.7.

All off lease storage, off lease measurement, commingling on lease or off lease, of production, will have prior written approval from the authorized officer.

A proposed surface gas line will be constructed and tie into an existing 4" line. The existing line is adjacent to the location. Please see the attached location diagrams for pipe line location. There will be no additional surface disturbances required for the installation of a gathering line. The line will be a 2" or 4" steel line.

The gas meter run will be located within 500' of the well head. The gas line will be buried or anchored down from the well head to the meter. Meter runs will be housed and/or fenced.

The gas meter will be calibrated and the tank strapped in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The authorized officer will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration report will be submitted to the BLM's Vernal District office. All measurement facilities will conform with API and AGA standards for gas and liquid hydrocarbon measurement.

5. Location and type of water supply

Water for drilling and cementing the subject well will be hauled by truck from Rosewoods water station in Section 13, T11S, R23E. A second location may be used, it would be Evacuation Creek permit # 49-1595. The Evacuation Creek distribution point is in Section 7, T11S, R25E. Water for completion will come from the same supply or Vernal City.

6. Source of construction materials

All construction material for this location site and access road shall be borrow material accumulated during construction of the location site and access road. Additional road gravels or pit lining material will be obtained from private sources.

7. Methods for handling waste disposal

A) Pit construction and liners:

The reserve pit will be approximately 10 ft. deep and most of the depth shall be below the surface of the existing ground. Please see the attached plat for details.

The reserve pit will not be lined unless the pit is blasted or soil conditions would warrant a pit liner.

The reserve pit will not be used to store water for drilling. A semi-closed system will be used to drill the well. All fresh water for drilling will come from a frac tank placed on location and from the rig tank. The pit will be used to hold non-flammable materials such as cuttings, salt, drilling fluids, chemicals, produced fluids, etc.

B) Produced fluids:

Produced water will be confined to the reserve pit, or if deemed necessary, a storage tank for a period not to exceed 90 days after initial production. During the 90 day period an application for approval for a permanent disposal method and location will be submitted to the authorized officer.

C) Garbage:

A trash cage fabricated from expanded metal will be used to hold trash on location and will be removed to an authorized land fill location.

D) Sewage:

A portable chemical toilet will be supplied for human waste.

E) Site clean-up

After the rig is moved off the location the well site area will be cleaned and all refuse removed.

8. Ancillary facilities

There are no ancillary facilities planned for at this time and none are foreseen for the future.

9. Well-site layout

Location dimensions are as follow:

A)	Pad length	325 ft.
B)	Pad width	155 ft.
C)	Pit depth	10 ft.
D)	Pit length	180 ft.
E)	Pit width	50 ft.
F)	Max cut	8.6 ft.
G)	Max fill	10.4 ft.
H)	Total cut yds	9,120 cu. yds.
I)	Pit location	north side
J)	Top soil location	south side
K)	Access road location	east end
L)	Flare pit	corner B

Please see the attached location diagram for additional details.

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

- A) Thirty nine inch net wire shall be used with at least one strand of wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- B) The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C) Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- D) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 ft.
- E) All wire shall be stretched by using a stretching device before it is attached to the corner posts.

10. Plans for restoration of the surface

Prior to construction of the location, the top 6 inches of soil material will be stripped off the location and the pit area. The top soil will amount to approximately 1,000

cubic yards of material. **The top soil will be stockpiled in one distinct piles.** Placement of the top soil is noted on the attached location plat. **The top soil pile from the location will be seeded as soon as the soil is stock piled** with the seed mix listed. When all drilling and completion activities have been completed and the pit backfilled the top soil from the pit area spread on the pit area. **The pit area will be seeded when the soil has been spread.** The unused portion of the location (the area outside the dead men.) will be recontoured

The dirt contractor will be provided with an approved copy of the surface use plan prior to construction activities.

All disturbed areas will be recontoured to the approximate natural contours. Prior to back filling the pit the fences around the reserve pit will be removed.

The reserve pit will be reclaimed within 90 days of well completion. If the reserve pit has not dried sufficiently to allow back filling, an extension on the time requirement for back filling the pit will be requested. Once reclamation activities have begun, they shall be completed within 30 days.

After the reserve pit has been reclaimed, no depressions in the soil covering the reserve pit will be allowed. The objective is to keep seasonal rain fall and run off from seeping into the soil used to cover the reserve pit. Diversion ditches and water bars will be used to divert run off as needed.

When restoration activities have been completed, the location site and new access road cuts and shoulders shall be reseeded. Prior to reseeding, all disturbed areas will be scarified and left with a rough surface.

A) Seeding dates:

Seed will be spread when the top soil is stock piled and when reclamation work is performed.

The seed mix and quantity listed will be used whether the seed is broadcast or drilled.

Seed Mix

Four wing salt brush	4#/acre
Needle & thread	3#/acres
Shad scale	3#/acre
Western wheat grass	2#/acre

At such time as the well is plugged and abandoned the operator will submit a surface reclamation plan to the surface management agency for prescribed seed mixture and reseeding requirements.

11. Surface ownership:

Access road	Federal
Location	Federal
Pipe line	Federal

12. Other information

A) Vegetation:

The vegetation coverage is slight. The majority of the existing vegetation consists of sage brush. Rabbit brush, bitter brush and Indian rice grass are also found on the location.

B) Dwellings:

There are no dwellings, or other facilities within a one mile radius of the location.

C) Archeology:

The location has not been surveyed. A copy of that survey will be forwarded to your office.

If, during operations, any archaeological or historical sites, or any objects of antiquity (subject to the antiquities act of June 8, 1906) are discovered, all operations which would effect such sites will be suspended and the discovery reported promptly to the surface management agency.

Telephone: 435-789-0968
Office 435-789-0970
Fax 435-789-0970
Cellular 435-828-0968

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 applicable laws, regulations, and any applicable notices to lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

This drilling permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

B) Certification

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

Date _____

William A. Ryan
Agent
Rocky Mountain Consulting

Onsite Date:
Participant on joint inspection:
Danny Widner
Byron Tolman
Steve Matson
Steve Strong

February 11, 1998
Rosewood Resources
BLM
BLM
BLM

Statement of use of Hazardous Material

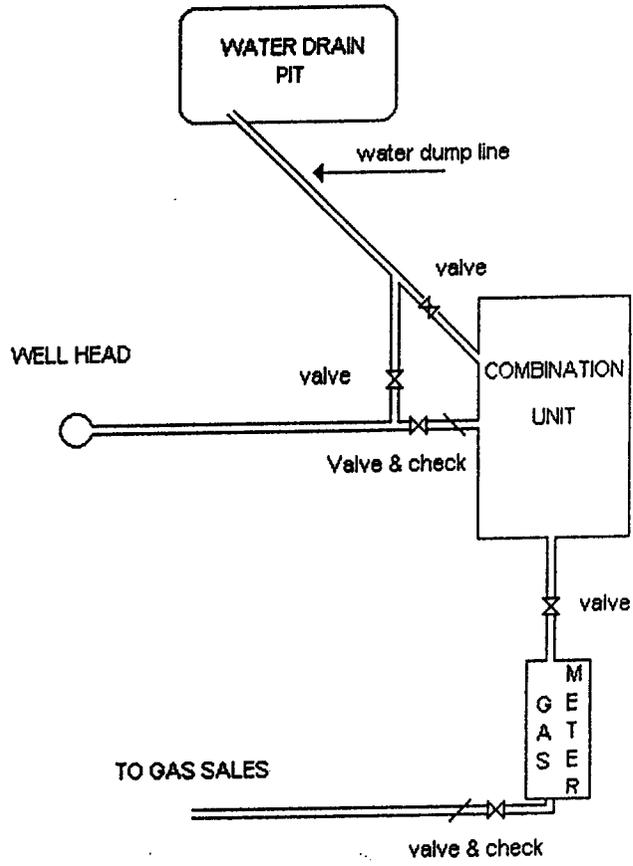
No chemical(s) from the EPA's Consolidated list of Chemicals subject to Reporting Under Title III of the Superfund Amendments and Reauthorization, Act (SARA) of 1986. will be used, produced, transported, stored, disposed, or associated with the proposed action, No extremely hazardous substances, as defined in 40 cfr 355, will be used, produced, stored, transported, disposed, or associated with the proposed action.

If you require additional information please contact:

William A Ryan
Agent for Rosewood Resources, Inc.
Rocky Mountain Consulting
350 S. 800 E.
Vernal Utah, 84078

Telephone
(435) 789-0968 office
(435) 828-0968 cellular
(435) 789-0970 fax

ROSEWOOD RESOURCES, INC
TYPICAL
GAS WELL

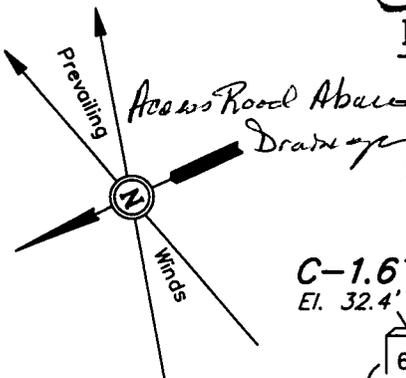


ROSEWOOD RESOURCES, INC.

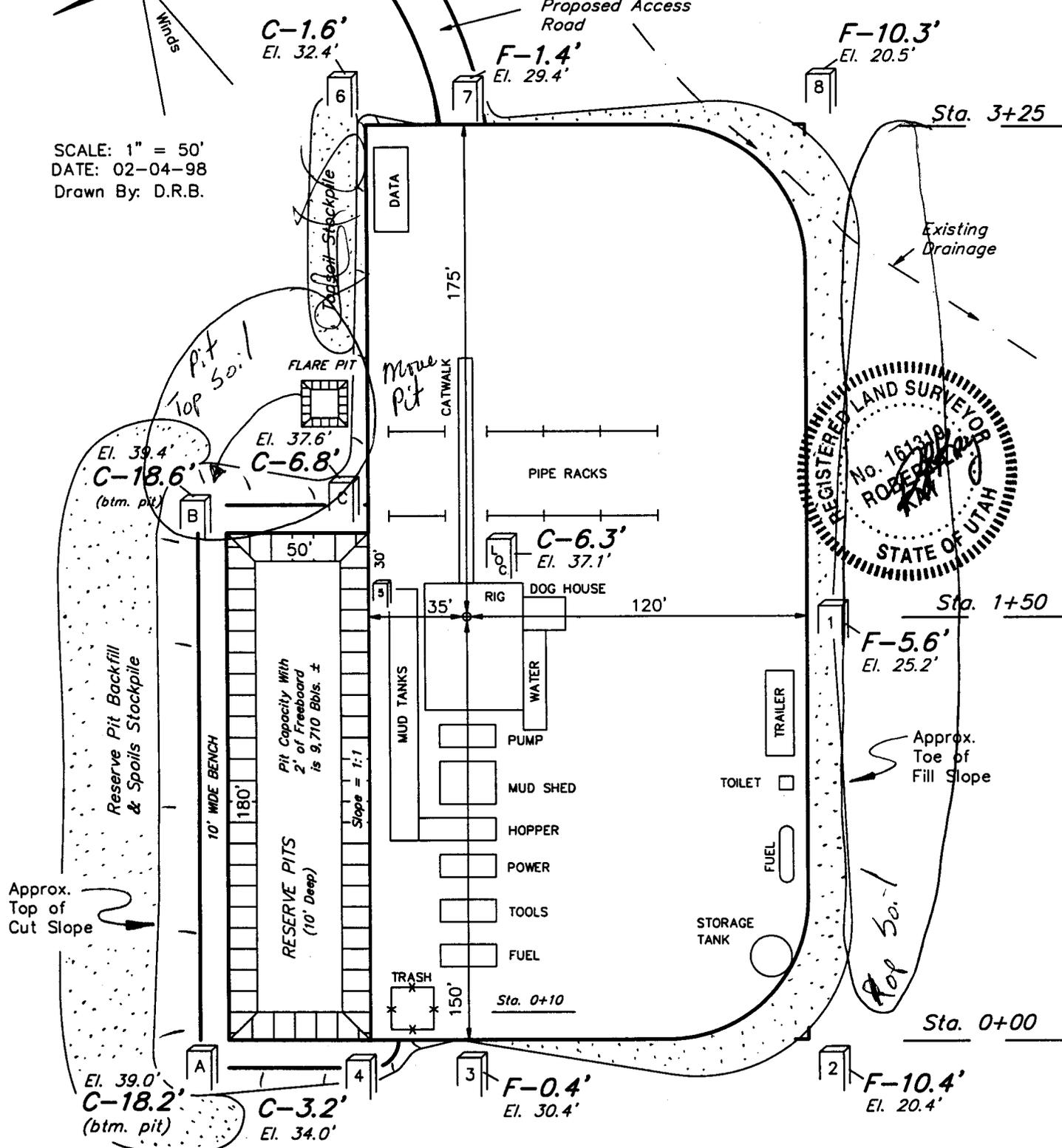
LOCATION LAYOUT FOR

HANGING ROCK I #15-5
SECTION 15, T12S, R23E, S.L.B.&M.

1926' FNL 573' FWL
Proposed Access Road



SCALE: 1" = 50'
DATE: 02-04-98
Drawn By: D.R.B.



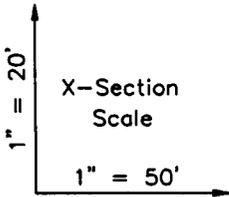
Elev. Ungraded Ground at Location Stake = 6037.1'
Elev. Graded Ground at Location Stake = 6030.8'

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

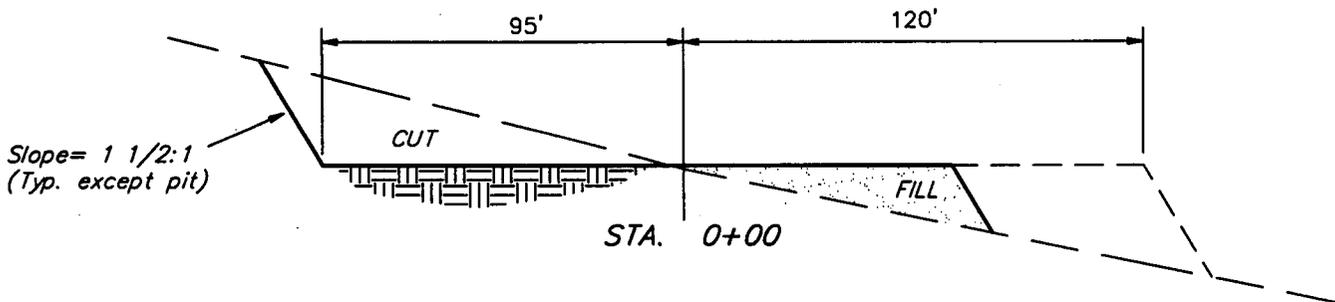
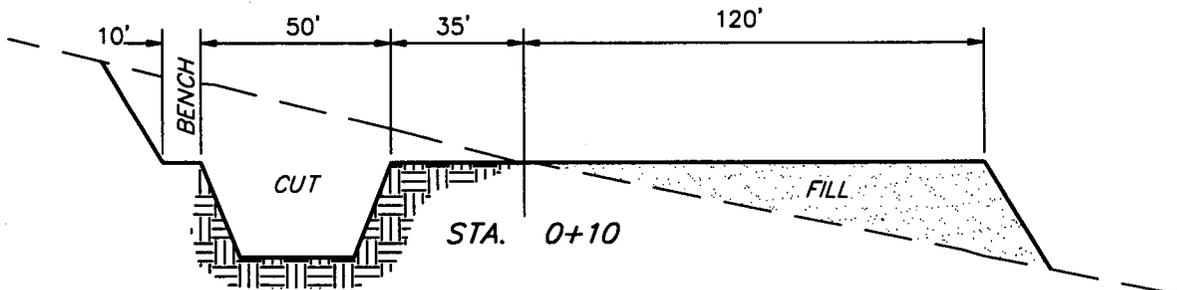
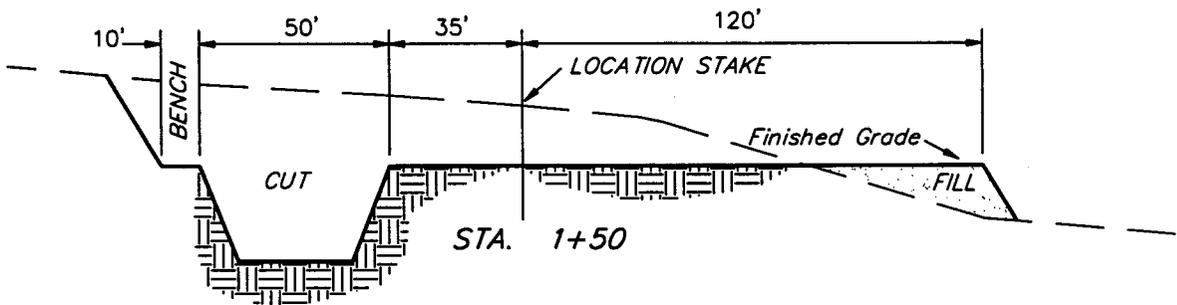
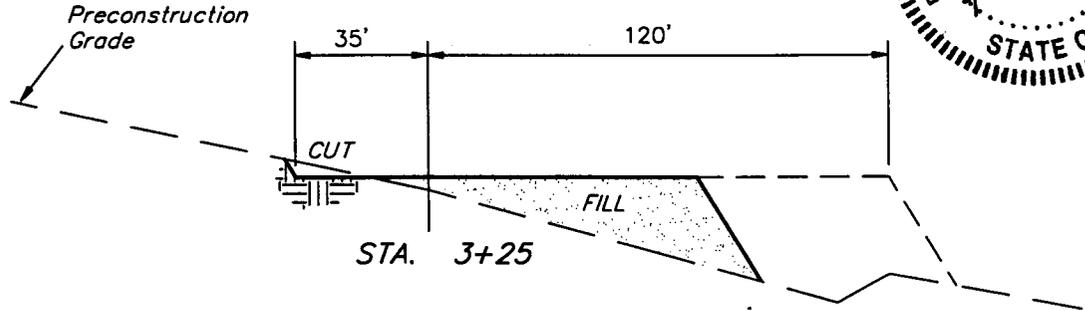
ROSEWOOD RESOURCES, INC.

TYPICAL CROSS SECTIONS FOR

**HANGING ROCK I #15-5
SECTION 15, T12S, R23E, S.L.B.&M.
1926' FNL 573' FWL**



DATE: 02-04-98
Drawn By: D.R.B.

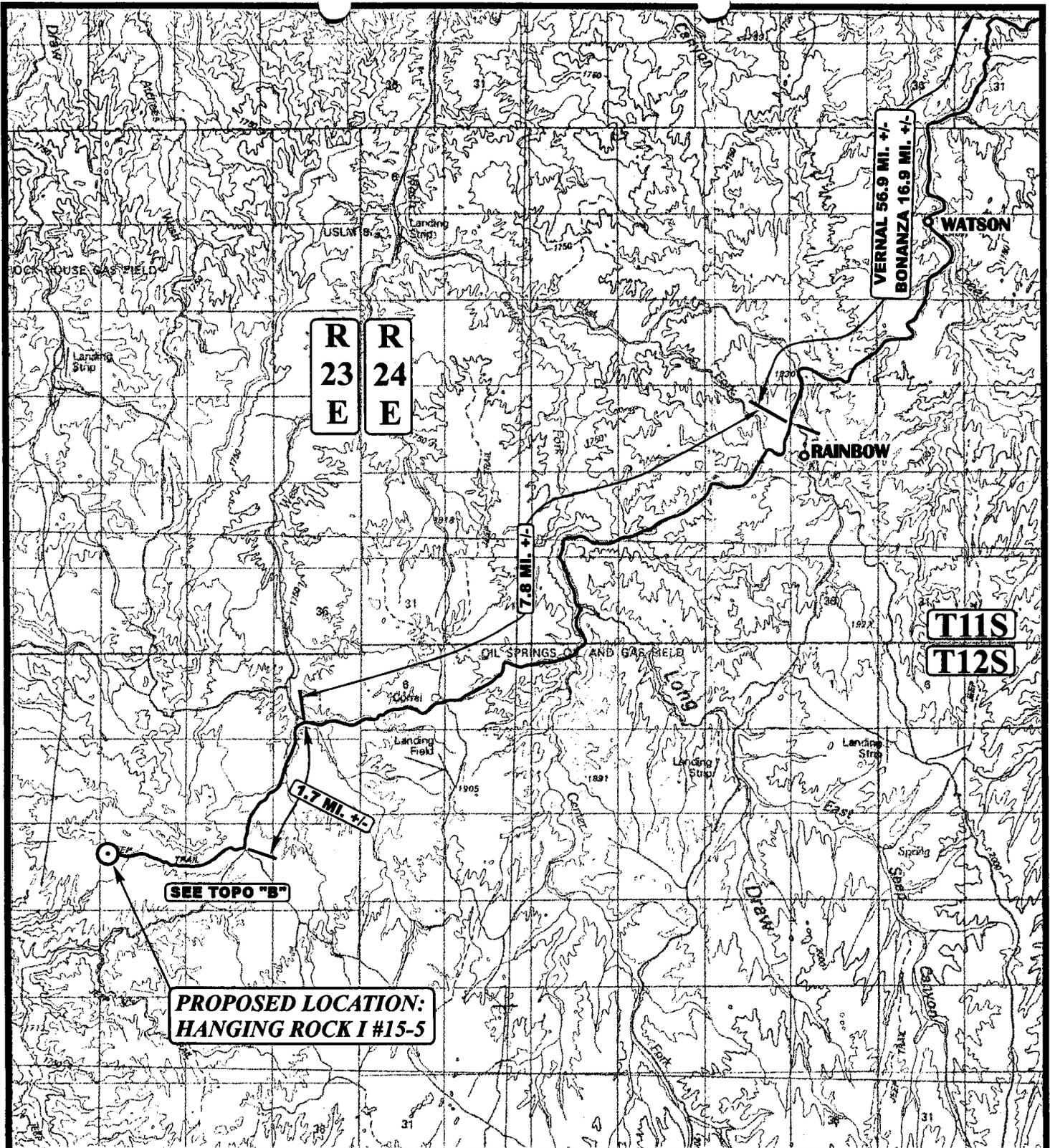


APPROXIMATE YARDAGES

(6") Topsoil Stripping	= 1,100 Cu. Yds.
Remaining Location	= 8,020 Cu. Yds.
TOTAL CUT	= 9,120 CU.YDS.
FILL	= 6,420 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 2,360 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,360 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

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



**PROPOSED LOCATION:
HANGING ROCK I #15-5**

LEGEND:

⊙ PROPOSED LOCATION



ROSEWOOD RESOURCES, INC.

**HANGING ROCK I #15-5
SECTION 15, T12S, R23E, S.L.B.&M.
1926' FNL 573' FWL**



Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

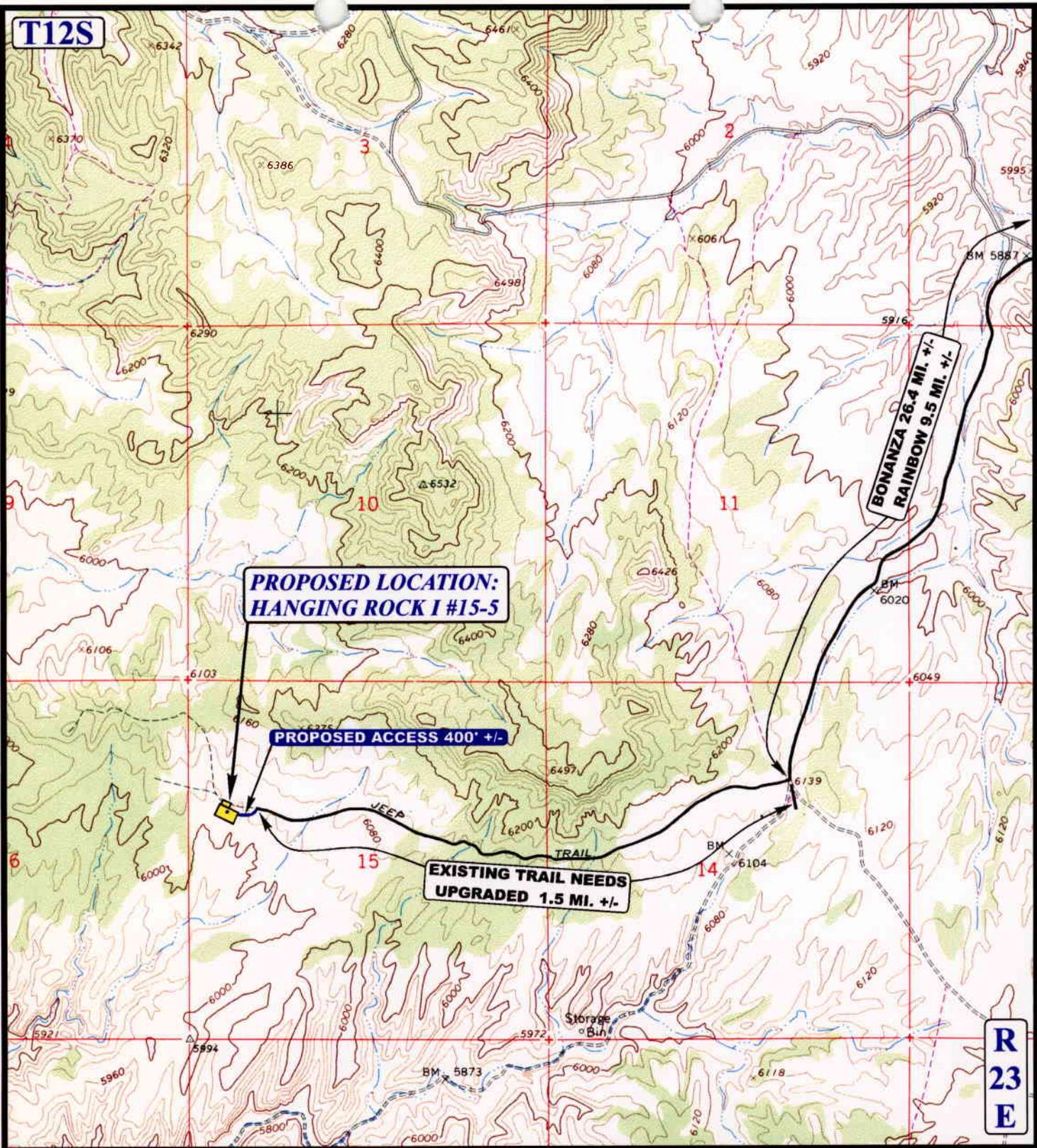
**TOPOGRAPHIC
MAP**

2 2 98
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: D.COX [REVISED: 00-00-00]



T12S



**PROPOSED LOCATION:
HANGING ROCK I #15-5**

PROPOSED ACCESS 400' +/-

**EXISTING TRAIL NEEDS
UPGRADED 1.5 MI. +/-**

**BONANZA 26.4 MI. +/-
RAINBOW 9.5 MI. +/-**

**R
23
E**

LEGEND:

- - - - - PROPOSED ACCESS ROAD
- EXISTING ROAD

ROSEWOOD RESOURCES, INC.

**HANGING ROCK I #15-5
SECTION 15, T12S, R23E, S.L.B.&M.
1926' FNL 573' FWL**



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

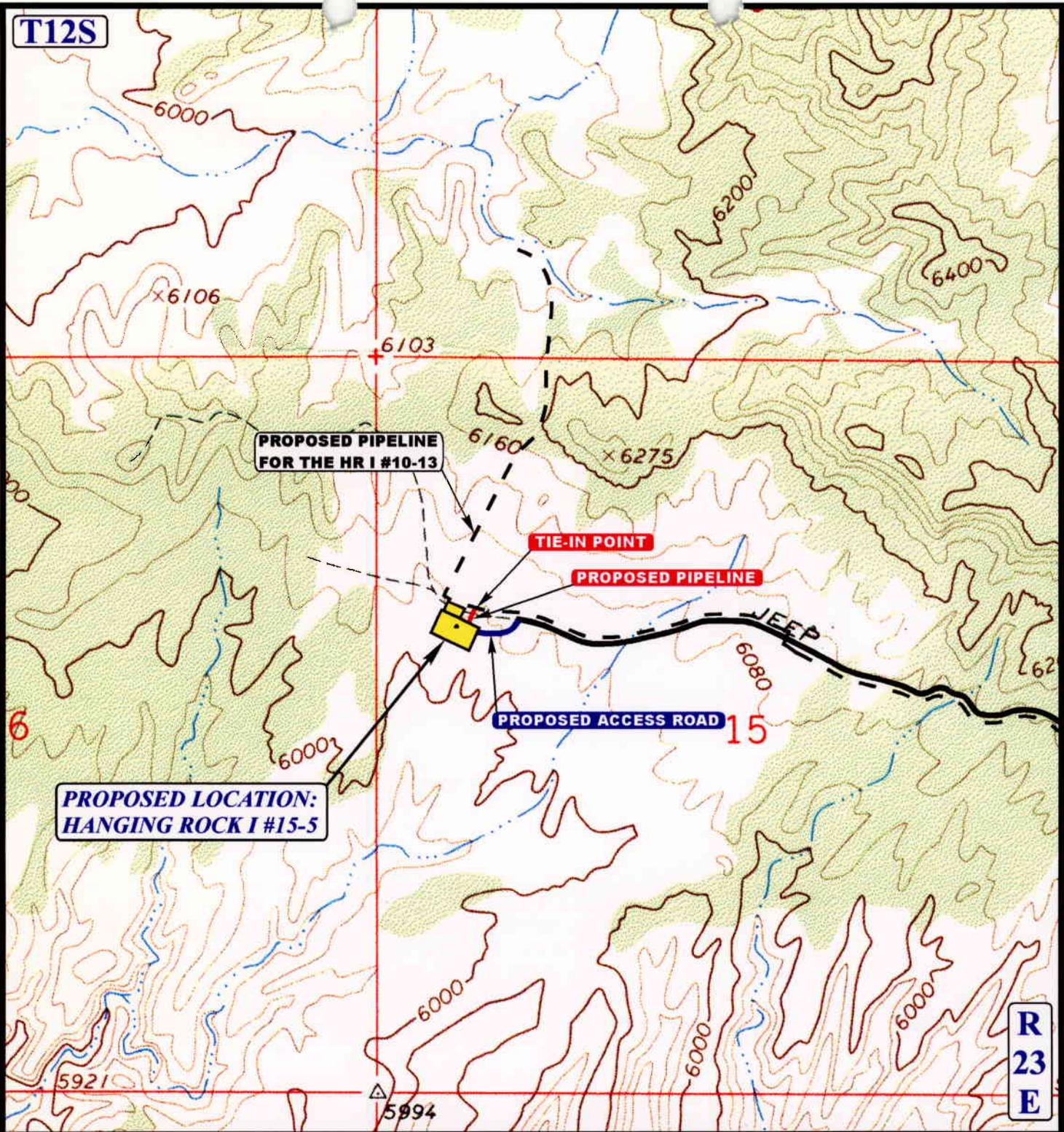


**TOPOGRAPHIC
MAP**

2 2 98
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: D.COX REVISED: 00-00-00

**B
TOPO**



APPROXIMATE TOTAL PIPELINE DISTANCE = 150' +/-

LEGEND:

- — — — — EXISTING PIPELINE
- - - - - PROPOSED PIPELINE
- — — — — PROPOSED ACCESS

ROSEWOOD RESOURCES, INC.

HANGING ROCK I #15-5
SECTION 15, T12S, R23E, S.L.B.&M.
1926' FNL 573' FWL



U&L S Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP **2 4 98**
 MONTH DAY YEAR
 SCALE: 1" = 1000' DRAWN BY: D.COX REVISED: 00-00-00

C
TOPO

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 03/30/98

API NO. ASSIGNED: 43-047-33103

WELL NAME: HANGING ROCK I 15-5
 OPERATOR: ROSEWOOD RESOURCES INC (N7510)
 CONTACT: Bill Ryan (435) 789-0968

PROPOSED LOCATION:
 SWNW 15 - T12S - R23E
 SURFACE: 1926-FNL-0573-FWL
 BOTTOM: 1926-FNL-0573-FWL
 UINTAH COUNTY
 UNDESIGNATED FIELD (002)

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

LEASE TYPE: FED
 LEASE NUMBER: UTU-57455
 SURFACE OWNER: BLM

PROPOSED FORMATION: WSTC

RECEIVED AND/OR REVIEWED:

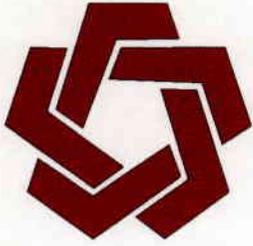
Plat
 Bond: Federal State Fee
 (No. MT-0627)
 Potash (Y/N)
 Oil Shale (Y/N) *190-5(B)
 Water Permit
 (No. Rosewood Wtr. Station e. 49-1595)
 RDCC Review (Y/N)
 (Date: _____)
 St/Fee Surf Agreement (Y/N)

LOCATION AND SITING:

R649-2-3. Unit Hanging Rock
 R649-3-2. General
 R649-3-3. Exception
 Drilling Unit
 Board Cause No: _____
 Date: _____

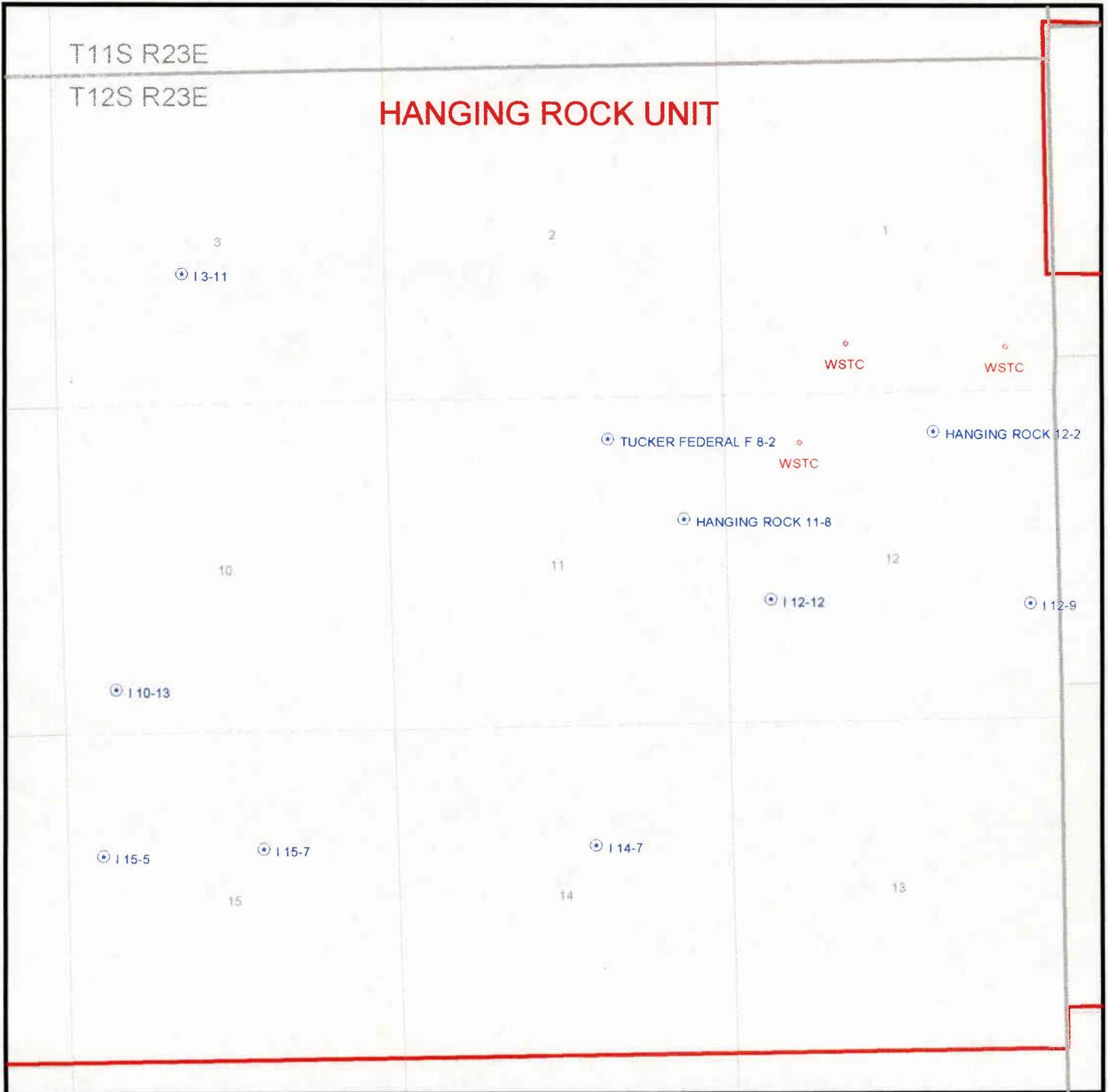
COMMENTS: _____

STIPULATIONS: ① FEDERAL APPROVAL



DIVISION OF OIL, GAS & MINING

OPERATOR: ROSEWOOD RESOURCES (N7510)
FIELD: UNDESIGNATED (002)
SEC. 3,10,12,14,15, TWP. 12S, RNG. 23E,
COUNTY: UINTAH UAC: R649-2-3 HANGING ROCK UINT



DATE PREPARED:
6-APR-1998



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)

April 9, 1998

Rosewood Resources, Inc.
100 Crescent Court, Suite 500
Dallas, Texas 75201

Re: Hanging Rock I 15-5 Well, 1926' FNL, 573' FWL, SW NW,
Sec. 15, T. 12 S., R. 23 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 43-047-33103.

Sincerely,


for John R. Baza
Associate Director

lwp

Enclosures

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

Operator: Rosewood Resources, Inc.
Well Name & Number: Hanging Rock I 15-5
API Number: 43-047-33103
Lease: UTU-57455
Location: SW NW Sec. 15 T. 12 S. R. 23 E.

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours following spudding the well or commencing drilling operations. Contact Jim Thompson at (801)538-5336.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Dan Jarvis at (801) 538-5338 or John R. Baza at (801)538-5334.

3. Reporting Requirements

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

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

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

5. LEASE DESIGNATION AND SERIAL NO.
57455

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
Hanging Rock

8. FARM OR LEASE NAME

9. WELL NO.
I 15-5

10. FIELD OR LEASE NAME

11. Sec., T., R., M., OR BLK AND SURVEY OR AREA
Sec. 15, T12S, R23E, S.L. B. &M

12. COUNTY OR PARISH
Uintah

13. STATE
Utah

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a TYPE OF WORK
 DRILL DEEPEN PLUG BACK

B TYPE OF WELL
 OIL WELL GAS WELL OTHER
 SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
Rosewood Resources, Inc.

3. ADDRESS OF OPERATORS
100 Crescent Court, Suite 500, Dallas TX 7520 214-871-5729

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirement)
 at surface **1926' FNL, 573' FWL, SW/NW Sec. 15, T12S, R23E, S.L. B. &M**

At proposed prod. Zone
 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
28.4 miles south of Bonanza, UT

15. DISTANCE FROM PROPOSED LOC. TO NEAREST PROP. OR LEASE LINE, FT. (Also to nearest drig. Unit line, if any) **573'**

16. NO. OF ACRES IN LEASE
10,094.71

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

16. DISTANCE FROM PROPOSED LOCATION * TO NEAREST WELL, DRILLING COMPLETED. OR APPLIED FOR, ON THIS LEASE, FT. **4,500'**

19. PROPOSED DEPTH
4,700'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATION (SHOW WHETHER DF, RT, GR, etc.)
6037'

22. APPROX. DATE WORK WILL START
1-May-98

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	8 5/8"	24	300'	To Surface
7 7/8"	4 1/2"	11.6	T.D.	Cmt top to cover oil shale

**Operator requests permission to drill the subject well please see the attached 10 point surface use plan.
If you require additional information please contact:**

**William (Bill) Ryan
350 S. 800 E.
Vernal, Utah
435-789-0968 Office
435-828-0968 Cellular**

RECEIVED
MAR 26 1998

**RECEIVED
MAY 26 1998
DIV. OF OIL, GAS & MINING**

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposed is to deepen or plug back, give data on proposed productive zone and proposed ne productive zone. If proposal is to drill or deepen directional, give pertinent data on subsurface location and measure and true vertical depths. Give blowout preventer program, if any.

24
 SIGNATURE William A. Ryan TITLE Agent DATE 3/11/98

(This space for Federal or State Office Use)

PERMIT NO. _____ APPROVAL DATE _____
 APPROVED BY Thomas B. Clearing TITLE Assistant Field Manager DATE 5/21/98
 CONDITIONS OF APPROVAL, IF ANY: Mineral Resources

NOTICE OF APPROVAL CONDITIONS OF APPROVAL ATTACHED

***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.

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Rosewood Resources, Inc.

Well Name & Number: Hanging Rock I 15-5

API Number: 43-047-33103

Lease Number: U-57455

Location: SWNW Sec. 15 T. 12 S. R. 23 E

NOTIFICATION REQUIREMENTS

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

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

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

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

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

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

A. DRILLING PROGRAM

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

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

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

2. Pressure Control Equipment

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

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

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

3. Casing Program and Auxiliary Equipment

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

As a minimum, the usable water shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the top of the Mahogany Oil Shale identified at \pm 882 ft.. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

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

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

5. Coring, Logging and Testing Program

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

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

A cement bond log (CBL) will be run from the production casing shoe to \pm 682 ft. and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

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

6. Notifications of Operations

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

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

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

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

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

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

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

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

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

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

7. Other Information

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

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

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

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

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

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

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

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

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

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

Wayne Bankert (801) 789-4170
Petroleum Engineer

Ed Forsman (801) 789-7077
Petroleum Engineer

Jerry Kenczka (801) 789-1190
Petroleum Engineer

BLM FAX Machine (801) 781-4410

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

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

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

SURFACE USE PROGRAM

-Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).

-The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, and crowning (2 to 3%). Graveling or capping the roadbed will be required as necessary to provide a well constructed safe road. Prior to construction/upgrading, the proposed road surface or existing road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Should mud holes develop, they shall be filled in to prevent detours. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. When snow is removed from the road during the winter months, the snow should be pushed outside of the burrow ditches and the turn outs should be kept clear so that when the snow melts the water will be channeled away from the road.

-The operator will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.

-Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs).

-The location topsoil pile should be seeded immediately after the soil is piled by broadcasting the seed mix identified in the APD, then walking the topsoil pile with the dozer to plant the seed.

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

BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reenter a different reservoir.

Use "APPLICATION FOR PERMIT -" for such proposals

5. Lease Designation and Serial No.

UTU-57455

6. If Indian, Allottee or Tribe Name

NA

7. If Unit or CA, Agreement Designation

HANGING ROCK

8. Well Name and No.

HANGING ROCK I #15-5

9. API Well No.

43-047-33103

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH CO., UTAH

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

ROSEWOOD RESOURCES, INC.

3. Address and Telephone No.

P.O. Box 1668, Vernal, UT 435-789-0414

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

1926' FNL, 573' FWL SWNW SECTION 15, T12S R23E S.L.B. & M.

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

TYPE OF SUBMISSION

Notice of Intent
 Subsequent Report
 Final Abandonment Notice

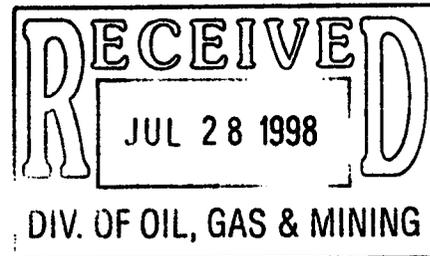
TYPE OF ACTION

Abandonment
 Recompletion
 Plugging Back
 Casing Repair
 Altering Casing
 Other Spud
 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 reports the above referenced well was spud on 7/21/98 @ 8:00 a.m. by Bill Jr's Rathole Service. (See attached report for setting of surface casing.)



COPIES: ORIG. & 2-BLM; DIV. OG&M; J MCQUILLEN

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

Signed

Lily Nemes

Title Administrative Assistant

Date 07/23/98

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

ROSEWOOD RESOURCES, INC.

DAILY DRILLING REPORT

LEASE: HANGING ROCK
WELL: #115-5

DATE: 7/29/98

CURRENT DEPTH 4700' TD
PROPOSED TD 4700'
FOOTAGE PAST 24 HRS 380'
ENGINEER D.WIDNER
CONSULTANT BO SHERMAN

PRESENT OPERATION: RIG UP SCHLUMBERGER TO LOG

FROM TO ACTIVITY PAST 24 HRS:

600	1100	DRILLING 4320' to 4441'
1100	1115	RIG SERVICE (FUNCTION TEST BOP'S)
1115	1900	DRILLING 4411' - 4658'
1900	1915	RIG SERVICE
1915	2130	DRILLING 4658' - 4700'
2130	2230	CIRC
2230	0115	TRIP OUT 1500 - TRIP IN (NO DRAG NO FILL)
0115	0215	CIRC & CONDITION FOR LOGS
0215	0230	DROP SURVEY
0230	0530	TRIP OUT FOR LOGS, SLM, STRAP = 4700'
0530	0600	RIG UP SCHLUMBERGER TO LOG

MUD PROPERTIES:

WT	9.7	% OIL		Ca+	40
VIS	45	%SAND	TR	cake	2/32
WL	8.4	%SOLID	9.9	pH	9.5
HTHP		ALK	.5	DAILY MUD COST	1405
PV	17	Cl-	450	CUM. MUD COST	4197
YP	11				

DAILY COSTS:

FOOTAGE	6878
DAYWORK	
LOCATION	
MUD	1405
RIG MOVE	
SURVEYOR	
LOGGING	
MUD LOG	500
CEMENTING	
FISHING	
WATER	
WELLHEAD	
CSG CREW	
RENTALS	450
CASING	
SUPERVISION	500
CASING HEAD	

PUMP DATA:

	1	2
MAKE	Omega	Emsco
MODEL	750	500
LINER	8X6.5	7X6
SPM	106	
PSI	750/1250	

HYDRAULICS:

WOB	15/20
RPM	55/105
GPM	340

BIT RECORD:

Bit #	2
Ser#	5984575
Size	7 7/8
Make	SEC
Type	FM 2565
Jets	3x12.5x13
In @	1434
Out @	4700
Feet	3266
Hrs	58 1/4
Ft/Hr	56
CUM	69 1/4
Grade	

SURVEY DATA:

DEPTH	DEGREES
3547	3
4067	3 3/4
4700	2 3/4

TOTAL DAILY 9733
COST FORWARD 126092
CUM. TO DATE 135825

ADDITIONAL COMMENTS: UNITS
SHOW #9 4580' TO 4593' 2808
SMALLER SHOPS AFTER MUD LOGGERS LEFT AT
0400 - DID NOT LEAVE SHOW REPORT

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No.
UTU-57455

6. If Indian, Allottee or Tribe Name
NA

7. If Unit or CA, Agreement Designation
HANGING ROCK

8. Well Name and No.
HANGING ROCK I #15-5

9. API Well No.
43-047-33103

10. Field and Pool, or Exploratory Area

11. County or Parish, State
UINTAH CO., UTAH

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

ROSEWOOD RESOURCES, INC.

3. Address and Telephone No.

P.O. Box 1668, Vernal, UT 435-789-0414

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

1926' FNL, 573' FWL SWNW SECTION 15, T12S R23E S.L.B. & M.

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

TYPE OF SUBMISSION

Notice of Intent
 Subsequent Report
 Final Abandonment Notice

TYPE OF ACTION

Abandonment
 Recompletion
 Plugging Back
 Casing Repair
 Altering Casing
 Other Well placed on prod.
 Change of Plans
 New Construction
 Non-Routine Fracturing
 Water Shut-Off
 Conversion to Injection
 Dispose Water

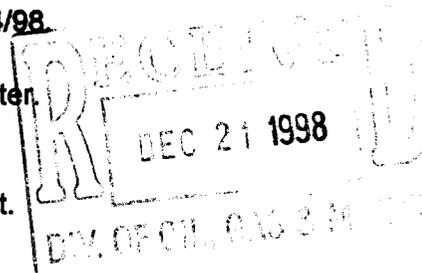
(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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 reports the above well was placed on production @ 9:15 p.m. on 12/4/98.

12/6/98 - Initial 24 hr. production: 1218 MCF/D; 0 bbls. condensate; 0 bbls. water.
24/64" choke.

Future production will be reported on the MMS-3160 Monthly Production Report.



COPIES: ORIG. & 2-BLM; DIV. OG&M; J MCQUILLEN

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

Signed

Lucy Neman

Title **Administrative Assistant**

Date **12/15/98**

(This space for Federal or State office use)

Approved by _____

Title _____

Date _____

Conditions of approval, if any:

ROSEWOOD RESOURCES, INC.**Daily Completion Report**

WELL NAME:HANGING ROCK 15-5

DATE: 12/14/98

DEPTH: 4700'
 PBTB 4647
 PERFS: 4577' - 81'
 2702' - 08'

Lease #: UTU-57455
 Location: SWNW SEC 15,T12S, R23E
 County: UINTAH

PACKER: 2640'
 RBP: 2989'
 CIBP:
 EOT: 2640'

Engineer D. Widner
 Consultant C. EMERSON

11/24/98

MIRU Rky Mtn Well Service. ND Tree. NU BOP & Manifold. Spot pump, tanks & circulating equip.
 Unload, Rack & Tally Tbg. PU 3 7/8" bit, 4 1/2" Casing Scraper & 153 Joints 2 3/8" 4.7# J-55 EUE 8rd. Tag @
 4647.34'KB. PU & Displace H2O from well w/ 75bbl 3% KCl H2O. Drainup. LD 5 Jts. Pull 10 stands. SISDFN

Daily cost \$26,280 cum. cost \$226,494

11/25/98

TOOH. RU Schlumb. Run CBL-CCL-GR From 4646' to 200' w/ 1000psi on casing. Correlate to OH log Dated 7-29-98. Log showed excellent bond w/ TOC @ 300'. Test Casing,BOP& Manifold to 2500psi f/ 15 Min. Held OK. RIH w/ 3 1/2" HD Gun. Correlate to CNL-LDL-GR Dated 7-29-98. Perf Mesa Verde 4577'- 4581' 4jspf, 90deg phasing, 16 holes, .46EHD. No surface blow. RD Schlumb. RIH w/ 1- 2 3/8"XN' Nipple& Collar(1.65'), 1- 2 3/8" J-55 Pup Jt(7.96'), 1- 2 3/8"x 4 1/2" ArrowSet IX 10K Packer(6.17'), 2 3/8" On/Off Tool w/ 'X' Profile(1.75'), 1- Jt 2 3/8" Tbg(30.98'), 1- 2 3/8" 'X' Nipple (.95'), 148- Joints 2 3/8" 4.7# J-55 EUE 8rd Tbg(4491.76'), KB & Slack Off(12.00'). Total 149 Jts Set @ 4550.22'. Pkr Elem@ 4537.44'. Set Pkr w/ 10K# compression. Could not install tubing hanger due to bore restriction. Test annulus to 2500psi. Install Frac valve. RU Swab. IFL @ Surf. Made 4 runs recovered 18 bbl load. Had strong blow after last run. TLTR: Obbls. SISDFN

Daily cost \$13,233 cum. cost \$239,727

11/26/98

Check Pressures. SITP:1800psi, SICP: SitVac.14 hor SI. RU Hard Line to Manifold. Open on 16/64" choke. After 1 1/2 hours FTP:125psi. Open to full 2". After 30 min tbg down to medium blow. RU Swab. Ran to SN. No fluid in wellbore. SI 1hour. SITP:600psi. Open on 12/64" choke f/ 4hours. FTP stabilized @ 110psi last 2 hours. SI until 11/30/98 for Thanksgiving Holiday.

11-26-98 SITP 1740 PSI
 11-27-98 SITP 1760 PSI
 11-28-98 SITP 1780 PSI
 11-29-98 SITP 1800 PSI

Daily cost \$2,100 cum. cost \$241,827

12/1/98

Check Pressures. SITP:1800psi, SICP: 0psi. Open Tbg on 12/64" choke. FTP decreased to 120psi after 3 hours. FTP gradually decreased to 100psi over next 4 hours. Open tbg to full 2" & flow decreased to strong blow in 30 min. RU swab. Make swab run to pkr. No fluid. POOH. SWI. SITP after 2 hours 600psi. SISDFN

Daily cost \$2,300 cum. cost \$244,127

12/2/98

Check Pressures. SITP: 1640psi, SICP: 0psi. Blew down tbg in 1 hour. Load tbg w/ 16bbl 3% KCl H₂O. Release Packer. Install TbgHanger & Reset Pkr w/10K compression. EOT@ 4553.22' & Pkr@ 4540.44'. ND BOP. NU Tree. Test Annulus to 2500psi. Held OK. Bled to 1200psi. RU HOWCO. Test lines to 5300psi. Set annular relief @ 2500psi & Held Safety Meeting. Frac Mesa Verde 4577'- 81' w/ 20# Gel Water DeltaFrac w/9000# 20/40 Ottawa Sand. Broke @3500psi/2.5bpm. Pad on Fm 7.3bpm 3050psi. Ramp sand from 2-4#. ATP: 3000psi, MTP:3500psi ATR: 7.8bpm. ISDP:2171psi, 5min:1986psi, 10min:1892psi, 15min:1787psi. SWI. RD Howco. TLTR: 106bbl. SI 2 hours. SITP:900psi. Open on 8/64"choke. Flowed 6bbl in 1st 1/2Hr. FTP: 320psi. Open to 48/64" choke. Flowed Total 18 bbl in 1st 1 1/2hrs w/sand appearing in samples from 8bbl rec to 20bbl(2bbl over bottoms up) then cleaned up to trace. RU Swab. Swabbed 44bbl load in 3 hours. Had slight gas show after last 3 runs. Final FL:2300'. TLTR: 44bbl. SISDFN

Daily cost \$19,460 cum. cost \$263,587

12/3/98

Check Pressures. SITP: 510psi, SICP: 0psi. Open on 48/64" choke. Bled to 0psi in 5min. RU swab. FL: 850'. Made 20 consecutive runs & 9-30 min runs & recovered 45 bbls load water w/ fair to good gas show. Fluid entry 2 BPH. Have 17 BLTR. SDFN

Daily cost \$2,620 cum. cost \$266,207

Check Pressures. SITP: 1410psi, SICP: 0psi. Open on 16/64" choke.Made 2bbl Load H₂O in 1st 1/2hour then dried up. TLTR: 15bbl. Flow stabilized @ 70 psi after 1 1/2 Hours. Pull choke & blowdown well. RU swab. FL: 3500'. Load tbg w/ 15bbl 3% KCL. Released Packer & POOH. TIH w/ Arrow 4 1/2" TS RBP & 98 JTs 2 3/8" Tbg & set @ 2988.76'. Load csg & pressure test to 2500 psi.POOH. RU Schlumb. RIH w/ 3 1/2" HSD Gun. Correlate to CNL-LDL-GR log dated 7-29-98. Perforate Wasatch 2702'- 2708' 4 jspf, 24 holes, 90 deg phasing, .46"EHD. No surface blow. RD Schlum. TIH w/ 1- 2 3/8" 'XN' Nipple & Collar(1.65'), 1- 2 3/8" J-55 Pup Jt(7.96'), 1-2 3/8"x 4 1/2" ArrowSet IX-10K Packer(6.17'), 1 2 3/8" On/Off Tool w/ 'X' Profile(1.75'), 1- Jt 2 3/8" Tbg(30.98'), 1- 2 3/8" 'X' Nipple, 85- Joints 2 3/8" 4.7# J-55 EUE 8rd Tubing(2589.21'), Slack-off & KB(14.00'). Tbg set @ 2652.67', Pkr set @ 2639.89'. Set Pkr w/ 10K# compression. Tbg starting to unload. SI. Pressure test annulus to 2500psi. Held OK. ND BOP. SITP: 125psi in 30 min. Blew down in 5 min. NU Tree. RU Swab. IFL: Surf. Swabbed 10 bbl Load H₂O. Well started flowing. RD Swab. SITP: 600psi & climbing. Open on 16/64" choke. After 30min FTP:315psi & climbing slowly. Drain up. SISDFN

Daily cost \$6,022 cum. cost \$272,229

12/5/98

Check pressures. SITP: 1080psi, SICP: 0psi. 14 Hrs SI. Open on 16/64" choke. After 1 hour FTP:390psi. FTP gradually increased over next 2hrs to 440psi. Well made fine mist H2O f/ 1st 2 hours then cleaned up to 100% dry gas. Open to 24/64" choke. After 1 hour FTP: 270psi then gradually increased to 315psi over next 3 1/2 hours. SI to tie in flowline to separator. After 30min SITP: 1080psi. Turn to sales @ 1915 hrs 12-4-98. Set on 24/64" choke. Initial Rate 1140 Mcf/d. Left Producing

Daily cost \$2,550 cum. cost \$274,779

12/6/98

Producing. FTP: 330psi, SICP: 0psi. Flowed 624 Mcf in 12 3/4Hrs on 24/64" choke. H2O: 0bbl, Oil:0bbl. Spot Rate 1.2MMcf.

Daily cost cum. cost \$274,779

12/7/98

Producing. FTP: 360psi, SICP: 0psi. Flowed 1218 Mcf in 24Hrs on 24/64" choke. H2O: 0bbl, Oil:0bbl.

Daily cost cum. cost \$274,779

12/8/98

Producing. FTP: 340psi, SICP: 0psi. Flowed 1,212 MMcf in 24Hrs on 24/64" choke. H2O: 0bbl, Oil:0bbl. RD Circulating Equipt. Clean Tank. RD & Release Rky Mtn Well Service. Will Move Rig & Equipt 12-8-98.

Daily cost cum. cost \$274,779

12/9/98

Producing. FTP: 330psi, SICP: 0psi. Flowed 1.181 MMcf in 24Hrs on 24/64" choke. H2O: 0bbl, Oil:0bbl.

Daily cost cum. cost \$274,779

12/10/98

Producing. FTP: 330psi, SICP: 0psi. Flowed 1.151 MMcf in 24Hrs on 24/64" choke. H2O: 0bbl, Oil:0bbl.

Daily cost cum. cost \$274,779

12/11/98

Producing. FTP: 320psi, SICP: 0psi. Flowed 1.098 MMcf in 24Hrs on 24/64" choke. H2O: 0bbl, Oil:0bbl.

Daily cost cum. cost \$274,779

12/12/98

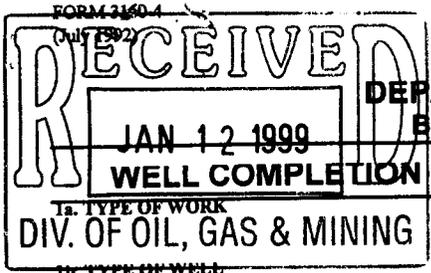
Producing. FTP: 300psi, SICP: 0psi. Flowed 1.058 MMcf in 24Hrs on 24/64" choke. H2O: 0bbl, Oil:0bbl.

Daily cost cum. cost \$274,779

12/13/98

Producing. FTP: 300psi, SICP: 0psi. Flowed 1.020 MMcf in 24Hrs on 24/64" choke. H2O: 0bbl, Oil:0bbl. FINAL REPORT

Daily cost cum. cost \$274,779



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

SUBMIT IN DUPLICATE*
(See other instructions on reverse side)

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1A. TYPE OF WORK
DIV. OF OIL, GAS & MINING

1B. TYPE OF WELL

OIL WELL GAS WELL DRY Other _____

NEW WELL WORK OVER WELL-EN PLUG BACK DIFF. RESVR. Other _____

5. LEASE DESIGNATION AND SERIAL NO.
UTU-57455

6. FIELD, POOL OR WILDCAT NAME

7. UNIT AGREEMENT NAME
HANGING ROCK

2. NAME OF OPERATOR
ROSEWOOD RESOURCES, INC.

8. FARM OR LEASE NAME, WELL NO.
HANGING ROCK I #15-5

3. ADDRESS AND TELEPHONE NO.
P.O. BOX 1668, VERNAL, UT 84078 435-789-0414

9. API WELL NO.
43-047-33103

10. FIELD AND POOL OR WILDCAT
WILDCAT

4. LOCATION OF WELL (Report locations clearly and in accordance with any State requirements.)*
At Surface
1926' FNL 573' FWL SW/NW
At top prod. Interval reported below

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
SEC. 15, T12S, R23E

Block & Survey: **S.L.B. & M**

14. PERMIT NO. _____ DATE ISSUED **5/21/98**

12. COUNTY OR PARISH
UINTAH

13. STATE
UTAH

15. DATE SPUNDED **7/21/98** 16. DATE T.D. REACHED **7/28/98** 17. DATE COMPL. (Ready to prod.) **12/4/98** 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* **6037' GL** 19. ELEV. CASINGHEAD **6151' KB**

20. TOTAL DEPTH, MD & TVD **4700' MD TVD 4647'** 21. PLUG, BACK T.D., MD & TVD **RBP @ 2989'** 22. IF MULTIPLE COMPL., HOW MANY* _____ 23. INTERVALS DRILLED BY **→** ROTARY TOOLS **505' - 4700'** CABLE TOOLS **NA**

24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD)*
WASATCH 2702' -08'

25. WAS DIRECTIONAL SURVEY MADE **NO**

26. TYPE ELECTRIC AND OTHER LOGS RUN
AJLC/GR, CNLD/GR, ML/GR, MUD LOG, (CBL)

23. 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
9-5/8" J-55	36#	508' KB	12 1/4"	SURF-300 sx "G" CMT	NONE
4-1/2" M-65	11.6#	4703.3'	7 7/8"	300' - LEAD W/280 SKS HALCO-LIT NONE TAIL W/500 SKS PREMIUM CEMENT	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2 3/8"	2653'	2640'

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	2653'	2640'

31. PERFORATION RECORD (Interval, size and number)

INTERVAL	SIZE	NUMBER
4577' - 81'	0.47	16
2702' - 08'	0.47	24

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
4577' - 48'	FRAC W/20# GEL WTR + 9000#
	20/40 SD

PRODUCTION

DATE FIRST PRODUCTION **12/04/98** PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump) **FLOWING** WELL STATUS (Producing or shut-in) **PROD**

DATE OF TEST **12/6/98** HOURS TESTED **24** CHOKER SIZE **24/64** PROD. FOR TEST PERIOD **→** OIL-BBLS. **0** GAS-MCF. **1218** WATER-BBL. **0** GAS-OIL RATIO

FLOW. TUBING PRESS. **360#** CASING PRESSURE **0** CALCULATED 24-HOUR RATE **→** OIL-BBL. **0** GAS-MCF. **1218** WATER-BBL. **0 0** OIL GRAVITY-API (CORR.)

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) **SALES/FUEL** TEST WITNESSED BY **Ivan Sadlier**

35. LIST OF ATTACHMENTS

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

SIGNED *Kerry Nelson* TITLE **ADMINISTRATIVE ASSISTANT** DATE **1/7/99**

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

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

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof, cored intervals, and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries);	38. GEOLOGIC MARKERS				
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	TOP	
				MEAS. DEPTH	TRUE VERT. DEPTH
				2724' 4422'	

WASATCH
MESA VERDE

COPIES: BLM - VERNAL/ORIG. & 2 COPIES; DIV. OG&M - DALLAS 1 COPY;

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

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No.
UTU-57455

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

7. If Unit or CA, Agreement Designation
HANGING ROCK

8. Well Name and No.
HANGING ROCK "I" #15-5

9. API Well No.
43-047-33103

10. Field and Pool, or Exploratory Area

11. County or Parish, State
UINTAH CO., UTAH

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator
ROSEWOOD RESOURCES, INC.

3. Address and Telephone No.
P.O. Box 1668, Vernal, UT 435-789-0414

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1926' FNL 573' FWL, SW/NW Section 15, T12S, R23E

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

TYPE OF SUBMISSION

Notice of Intent
 Subsequent Report
 Final Abandonment Notice

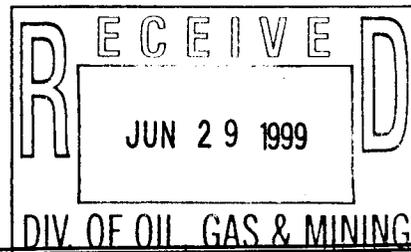
TYPE OF ACTION

Abandonment Change of Plans
 Recompletion New Construction
 Plugging Back Non-Routine Fracturing
 Casing Repair Water Shut-Off
 Altering Casing Conversion to Injection
 Other _____ 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 proposes to plug the above mentioned well. CIBP to be set @ 4500' +/- to cover perfs 4577' -81" w/35' cement to be dump bailed on plug. CIBP to be set @ 2650'+/- to cover perfs @ 2702'-08' w/35' cement dump bailed on plug. Spot plug in 4-1/2" csg from 610' to 410'. Perforate csg @ 150'. Circulate cement in & out to surface. Marker to be installed. Location to be recontoured & seeded.



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

Signed *Lucy Neman* Title Administrative Assistant Date 06/25/99

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No.

UTU-57455

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

HANGING ROCK

8. Well Name and No.

HANGING ROCK "I" #15-5

9. API Well No.

43-047-33103

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH CO., UTAH

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

ROSEWOOD RESOURCES, INC.

3. Address and Telephone No.

P.O. Box 1668, Vernal, UT 435-789-0414

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

1926' FNL 573' FWL, SW/NW Section 15, T12S, R23E

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

TYPE OF SUBMISSION

Notice of Intent
 Subsequent Report
 Final Abandonment Notice

TYPE OF ACTION

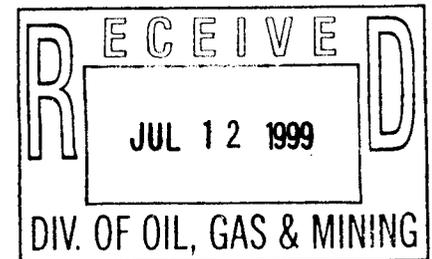
Abandonment
 Recompletion
 Plugging Back
 Casing Repair
 Altering Casing
 Other _____
 Change of Plans
 New Construction
 Non-Routine Fracturing
 Water Shut-Off
 Conversion to Injection
 Dispose Water

(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.)*

The above referenced well was P & A'd 7/7/99. See attached rig reports for plugging details.

Current status: P & A



COPIES: ORIG. & 2-BLM; DIV. OG&M; J MCQUILLEN

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

Signed *Lucy Venson* Title Administrative Assistant Date 07/09/99

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

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

*See Instructions on Reverse Side

ROSEWOOD RESOURCES, INC.

DAILY WORKOVER REPORT

DATE 7/7/99

PROSPECT HANGING ROCK "I"	WELL NAME & NUMBER #15-5	SEC. 15	TWP. 12S	RNG. 23E	COUNTY UINTAH	STATE UTAH
-------------------------------------	------------------------------------	-------------------	--------------------	--------------------	-------------------------	----------------------

PBTD FC 4647'	TODAYS OPERATION SET CIBP'S & PUMP CEMENT PLUGS TO ABANDON WELL					
-------------------------	---	--	--	--	--	--

DAYS 1	PERFS 2702' - 4581'	TBG 2 3/8"	PKR / ANCHOR	CSG 4 1/2" @ 4693'	CONTRACTOR K&S RIG #1
------------------	-------------------------------	----------------------	--------------	------------------------------	-------------------------------------

YESTERDAYS OPERATIONS

MIRU K&S WELL SERVICE RIG #1. N/D WELLHEAD & N/U BOP'S. RELEASE PKR @ 2640'. POOH W/ 2 3/8" TBG & TOOLS. P/U RET. TOOL & RIH W/ 98 JTS 2 3/8" TBG. RELEASE RBP @ 2989'. POOH W/ TBG & TOOLS. SION

COST DETAIL	Daily	Cumulative	COST DETAIL	Daily	Cumulative
LOCATIONS & ROADS			CASING		
RIG	1210	1,210	TUBING		
DOWNHOLE EQUIPMENT	500	500	WELLHEAD		
WATER	1100	1100	PRODUCTION EQUIPMENT		
TANKS			HOT OILER		
SUPERVISION	500	500	SNUBBING UNIT & N ₂		
BOP RENTAL	175	175	SLICKLINE		
WIRELINE			FISHING TOOLS & OPER.		
TRUCKING	1170	1170	ROSEWOOD RENTAL		
TREATMENT			COMPLETION COSTS		4,675
SURF. EQUIP. RENTAL	20	20	DRILLING COSTS		
CEMENT			TOTAL COSTS	4,675	4,675

WELL SITE REPRESENTATIVE SALTY MILLER	DATE 7-7-99 WEDNESDAY
---	---------------------------------

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof, cored intervals, and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries);		38. GEOLOGIC MARKERS				
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	MEAS. DEPTH	TRUE VERT. DEPTH
			PLUGGING INFORMATION Set CIBP @ 4510' Dumpbail 35' cement on plug RIH & set CIBP @ 2650' Dumpbail 35' cement on plug Break Circ w/23 bbls fresh water. Spot 50 sx cement on plug from 1040'-340' Perforate 4 holes @ 150' Break Circ w/4 bbls fresh water. Pump 67sx cement plug in & out to surface	WASATCH MESA VERDE	2777' 4429'	

COPIES: BLM - VERNAL/ORIG. & 2 COPIES; DIV. OG&M - DALLAS 1 COPY;