

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS: WELL LOG ELECTRIC LOGS WATER SANDS LOCATION INSPECTED SUB. REPORT/abd.

000830 LA'D, etc 8-28-00'

DATE FILED JUNE 19, 1998

LAND: FEE & PATENTED STATE LEASE NO. ML-22446 PUBLIC LEASE NO. INDIAN

DRILLING APPROVED: JUNE 29, 1998

SPUDDED IN:

COMPLETED: PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR:

PRODUCING ZONES:

TOTAL DEPTH:

WELL ELEVATION:

DATE ABANDONED: 8-28-00 LA'D

FIELD: NATURAL BUTTES

UNIT: NATURAL BUTTES

COUNTY: UINTAH

WELL NO. NBU 495-31E API NO. 43-047-33134

LOCATION 724 FSL FT. FROM (N) (S) LINE. 2425 FWL FT. FROM (E) (W) LINE. SE SW 1/4 - 1/4 SEC. 31

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
				9S	21E	31	ENRON OIL & GAS

ENRON OIL & GAS COMPANY

**P.O. Box 250
Big Piney, WY 83113**

June 18, 1998

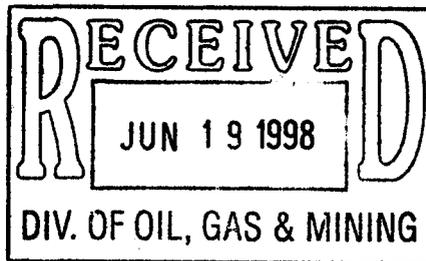
Utah Division of Oil, Gas, & Mining
1594 West North Temple
Box 145801
Salt Lake City, UT 84114-5801

**RE: APPLICATION FOR PERMIT TO DRILL
NATURAL BUTTES UNIT #495-31E
Lot 6, SEC. 31, T9S, R21E
UINTAH COUNTY, UTAH
LEASE NO. ML-22446
UTAH STATE LAND**

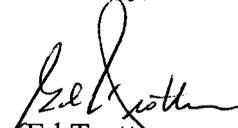
Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

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

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



Sincerely,


Ed Trotter
Agent

Enron Oil & Gas Company

Attachments

/EHT/dmt

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
 ENRON OIL & GAS COMPANY

3. ADDRESS AND TELEPHONE NO.
 P.O. BOX 1815, VERNAL, UTAH 84078

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface 724' FSL & 2425' FWL Lot 6
 At proposed prod. zone 27' 739'

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

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 724'

16. NO. OF ACRES IN LEASE 386.96

17. NO. OF ACRES ASSIGNED TO THIS WELL 80

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 6915'

19. PROPOSED DEPTH 6915'

20. ROTARY OR CABLE TOOLS ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4942' GRADED GROUND

22. APPROX. DATE WORK WILL START* JULY 1998

5. LEASE DESIGNATION AND SERIAL NO.
 ML-22446

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
 STATE OF UTAH LAND

7. UNIT AGREEMENT NAME
 NATURAL BUTTES UNIT

8. FARM OR LEASE NAME, WELL NO.
 NATURAL BUTTES UNIT

9. AP WELL NO.
 NBU#495-31E

10. FIELD AND POOL, OR WILDCAT
 NBU/WASATCH

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Sec. 31, T9S, R21E

12. COUNTY OR PARISH UINTAH

13. STATE UTAH

CONFIDENTIAL

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	8 5/8"	24#	200-220'	100-150 SX CLASS "G" + 2% CaCl ₂ + 1/4 #/SX CELLOFLAKE.
OR 12 1/4"	9 5/8"	32.30#	200-220'	50/50 POZMIX + 2% GEL + 10% SALT TO 400' ABOVE ALL ZONES OF INTEREST (+10% EXCESS). LIGHT CEMENT (11 PPG+) + LCM TO 200' ABOVE OIL SHALE OR FRESH WATER INTERVALS (+ 5% EXCESS).
7 7/8"	4 1/2"	10.50#	6915'	

SEE ATTACHMENTS FOR:

- 8 POINT PLAN
- BOP SCHEMATIC
- SURFACE USE AND OPERATING PLAN
- LOCATION PLAT
- LOCATION LAYOUT
- TOPOGRAPHIC MAPS "A", "B", AND "C"
- GAS SALES PIPELINE--MAP "D"
- FACILITY DIAGRAM,

ENRON OIL & GAS COMPANY WILL BE THE DESIGNATED OPERATOR OF THE SUBJECT WELL UNDER NATIONWIDE BOND #81307603

pc: UTAH DIVISION OF OIL, GAS, AND MINING

RECEIVED
 JUN 19 1998
 61992718
 4476981.0

24. 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.

SIGNED [Signature] TITLE AGENT DATE 6-17-1998

(This space for Federal or State office use)

PERMIT NO. 43-047-33134 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 RECLAMATION SPECIALIST III DATE 6/29/98

*See Instructions On Reverse Side

T9S, R21E, S.L.B.&M.

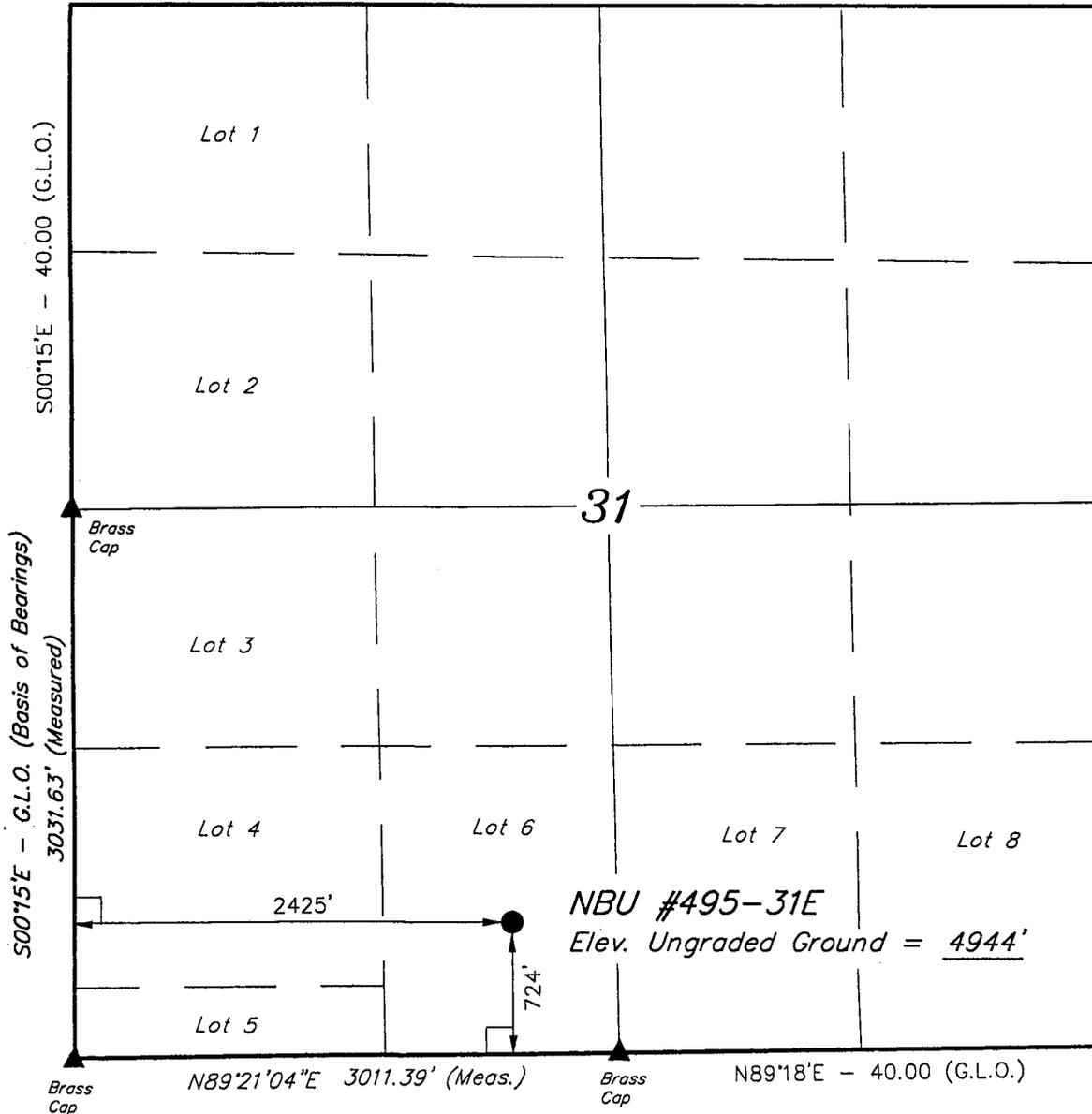
ENRON OIL & GAS CO.

WEST - 85.27 (G.L.O.)

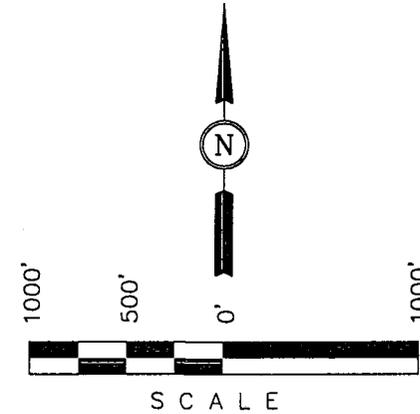
Well location, NBU #495-31E, located as shown in Lot 6 of Section 31, T9S, R21E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN. NE QUADRANGLE, UTAH, UINAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.

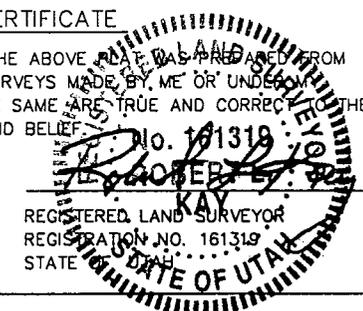


N00°10'W - 84.45 (G.L.O.)



CERTIFICATE

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



LEGEND:

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- = SECTION CORNERS LOCATED.

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

SCALE 1" = 1000'	DATE SURVEYED: 12-3-97	DATE DRAWN: 1-5-98
PARTY B.B. K.K. C.B.T.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE ENRON OIL & GAS CO.	

EIGHT POINT PLAN

NATURAL BUTTES UNIT #495-31E
Lot 6, SEC. 31, T9S R21E, SLB & M
UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS & WATER ZONES:

FORMATION	DEPTH	TYPE ZONES	MAXIMUM PRESSURE
Green River	1422		
Oil Shale	1422		
"H" Marker	3067		
"J" Marker	3485		
- Base "M" Marker	4415		
Wasatch	4849		
Peters Point	4849	GAS	2000
Chapita Wells	5459	GAS	2000
Buck Canyon	6099	GAS	2000
Island	7009		
EST. TD	6915	Anticipated BHP	3000 PSI

3. PRESSURE CONTROL EQUIPMENT :
 BOP Schematic Diagram attached.

4. CASING PROGRAM :

<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>LENGTH</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>MINIMUM SAFETY FACTOR</u>		
							<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSILE</u>
11"	0' - 220'	200'-220'	8 5/8	24#	J-55	ST&C	1370 PSI	2950 PSI	263,000#
or									
12 1/4"	0' - 220'	200'-220'	9 5/8	32.3#	H-40	ST&C	1370 PSI	2270 PSI	254,000#
7 7/8"	0' - 6915'	6915'	4 1/2	10.5#	J-55	ST&C	4010 PSI	4790 PSI	146,000#

All casing will be new or inspected.

5. MUD PROGRAM

<u>INTERVAL</u>	<u>MUD TYPE</u>
0' - 220'	Air
240' - 4000'	Air/Mist & Aerated Water
4000' - TD	Air/3% KCL water or KCL substitute
TD	Gel/polyacrylamide polymer w/5-10% LCM

Lost circulation probable from 1500' to 3000' +/-.

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

EIGHT POINT PLAN

NATURAL BUTTES UNIT #495-31E
Lot 6, SEC. 31, T9S R21E, SLB & M
UINTAH COUNTY, UTAH

6. VARIANCE REQUESTS:

- A. Enron requests a variance to regulations requiring a straight run blooie line (Where possible, a straight run blooie line will be used).
- B. Enron requests a variance to regulations requiring an automatic ignitor or continuous pilot light on the blooie line. (Not required on aerated water system).
- C. Enron requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be 75' in length.

7. EVALUATION PROGRAM:

Logs: SCHLUMBERGER WIRELINE From base of surface casing to TD.
Platform Express: AIT w/ Microlog & SP FDC/CNL/Cal/PE: 2800' to TD
AIT-GR-Cal: TD to surface casing

Cores: None Programmed
DST': None Programmed

Completion: To be submitted at a later date.

Note: If hole conditions prevent the running of open hole logs, a cased hole Dipole Sonic/Neutron/GR will be run in lieu of open hole logs.

8. ABNORMAL CONDITIONS:

None anticipated.

9. STANDARD REQUIRED EQUIPMENT:

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

10. HAZARDOUS CHEMICALS:

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

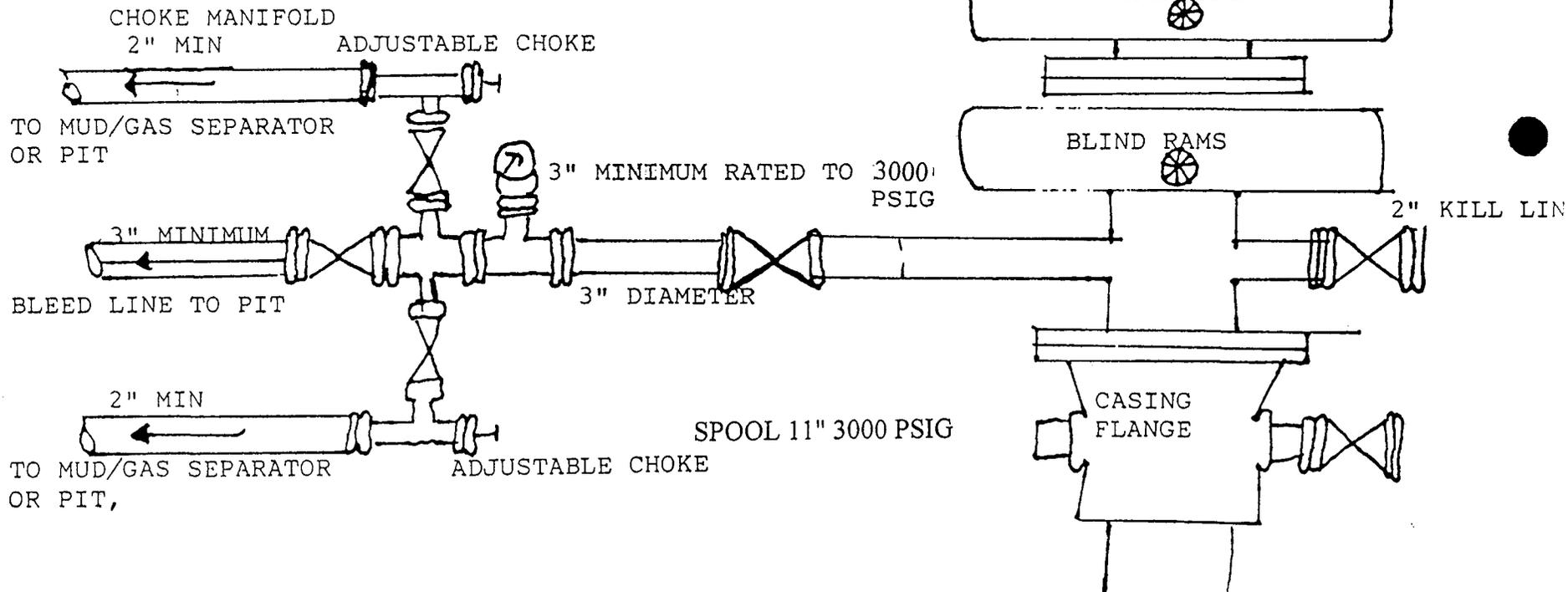
(Attachment: BOP Schematic Diagram)

3000 PSIG DIAGRAM

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

TESTING PROCEDURE:

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



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

Company/Operator: Enron Oil & Gas Company
Well Name & Number: Natural Buttes Unit #495-31E
Lease Number: ML-22446
Location: 724' FSL & 2425' FWL, Lot 6, Sec. 31, T9S, R21E
Surface Ownership: STATE OF UTAH

NOTIFICATION REQUIREMENTS

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

Location Completion - prior to moving on the drilling rig.

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

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

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

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

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

THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 11.2 miles southeast of Ouray, Utah - See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off-lease Right-of-Way will be required.

2. PLANNED ACCESS ROAD

- A. The access road will be approximately 400 feet in length. See attached TOPO Map "B"
- B. The access road has a 30 foot ROW w/18 foot running surface.
- C. Maximum grade on access road will be 8%
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges or major cuts & fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards or fences will be required or encountered.

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

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

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road.

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

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

As operator, Enron Oil & Gas Company shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

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

- A. Water wells - None
- B. Abandoned wells - 2*
- C. Temporarily abandoned wells - None.
- D. Disposal wells - None.
- E. Drilling wells - None.
- F. Producing wells - 6*
- G. Shut in wells - None
- H. Injection wells - None

(*See attached TOPO map "C" for location)

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

A. ON WELL PAD

- 1. Tank batteries - None

2. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of well head valves, combination separator/dehy with meter run, 300 barrel vertical or 200 barrel low profile condensate tank, and attaching piping. See attached facility diagram.
3. Oil gathering lines - None
4. Gas gathering lines- A 3" nominal gathering line will be buried from dehy to the edge of location.
5. Injection lines - None
6. Disposal lines - None
7. Surface pits - None

B. OFF WELL PAD

1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
2. A 3" nominal steel above ground natural gas pipeline will be laid approximately 473' from proposed location to a point in the SW/SE of Section 31, T9S, R21E, where it will tie into CIGE's existing line. Proposed pipeline crosses State of Utah administered lands within the Natural Buttes Unit, thus no Right-of-Way grant will be required.
3. Proposed pipeline will be a 3" nominal steel, welded line laid on the surface.
4. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

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

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

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

If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), the state of Utah will process a change in authorization to the appropriate rental or other financial obligation as determined by the authorized officer.

5. LOCATION & TYPE OF WATER SUPPLY

- A. Water supply will be from Ouray Brine Plant at Ouray, Utah, and/or Target Trucking Inc.'s water source in the SW/SW Sec. 35, T9S, R22E Uintah County, Utah (State water right #49-1501).
- B. Water will be hauled by an approved Enron Oil & Gas Company contractor.
- C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIAL

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

7. METHODS OF HANDLING WASTE DISPOSAL

A. METHODS AND LOCATION

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

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

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

On State of Utah administered land:

The reserve pit will be constructed so as not to leak, break, or allow discharge.

The reserve pit shall not be lined.

After first production, produced waste water will be confined to a lined pit or storage tank for a period not to exceed ninety (90) days.

During the 90 day period, in accordance with Onshore Order No.7, an application for approval of a permanent disposal method and location, along with required water analysis, shall be submitted for the AO's approval.

Failure to file an application within the time allowed will be considered an incident of noncompliance.

8. ANCILLARY FACILITIES

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

9. WELL SITE LAYOUT

A. Refer to attached well site plat for related topography cuts and fills & cross sections.

B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.

C. Refer to attached well site plat for rig orientation parking areas, and access road.

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

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

The stockpiled topsoil will be stored on the Southeast side of the location.

Access to the well pad will be from the East.

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

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

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

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

N/A Corner No. will be rounded off to minimize excavation.

FENCING REQUIREMENTS

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

- A. 39 inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16'.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

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

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and upon completion of construction the fence shall be repaired to State of Utah or SMA specifications.

A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is to be regularly travelled. If the well is a producer, the cattleguards (shall/ shall not) be permanently mounted on concrete bases. Prior to a new road, crossing any fence located on state land, or any fence between state land and private land, the operator will contact the State of Utah, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RESTORATION OF SURFACE

A. PRODUCING LOCATION

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

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

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

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 12 months from the date of well completion. Before any dirt work takes place, the reserve pit will be completely dry and all cans, barrels, pipe, fluid, and hydrocarbons, will be removed.

Contact appropriate surface management agency for required seed mixture.

B. DRY HOLE/ABANDONED LOCATION

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

11. SURFACE OWNERSHIP

Access road: State of Utah

Location: State of Utah

12. OTHER INFORMATION

A. Enron Oil & Gas Company will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the AO. Within five working days the AO will inform the operator as to:

-whether the materials appear eligible for the National Register of historic Places;

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

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

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs.

The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, Enron Oil & Gas Company will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the State of Utah, or the appropriate County Extension Office. On State of Utah administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.

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

Additional Surface Stipulations

N/A No construction or drilling activities shall be conducted between _____ and _____ because of _____

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

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

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

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

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

LESSEE'S OR OPERATOR'S REPRESENTATIVES AND CERTIFICATION

<u>OPERATIONS</u>		<u>PERMITTING</u>
Enron Oil & Gas Company	Enron Oil & Gas Company	Ed Trotter
P.O. Box 250	P.O. Box 1815	P.O. Box 1910
Big Piney, WY 83113	Vernal, UT 84078	Vernal, UT 84078
Dennis Brabec	George McBride	Telephone (801) 789-4120
Telephone (307) 276-3331	Telephone (801) 789-0790	Fax # (801) 789-1420

- All lease/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. Enron Oil & Gas Company is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

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

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

Certification:

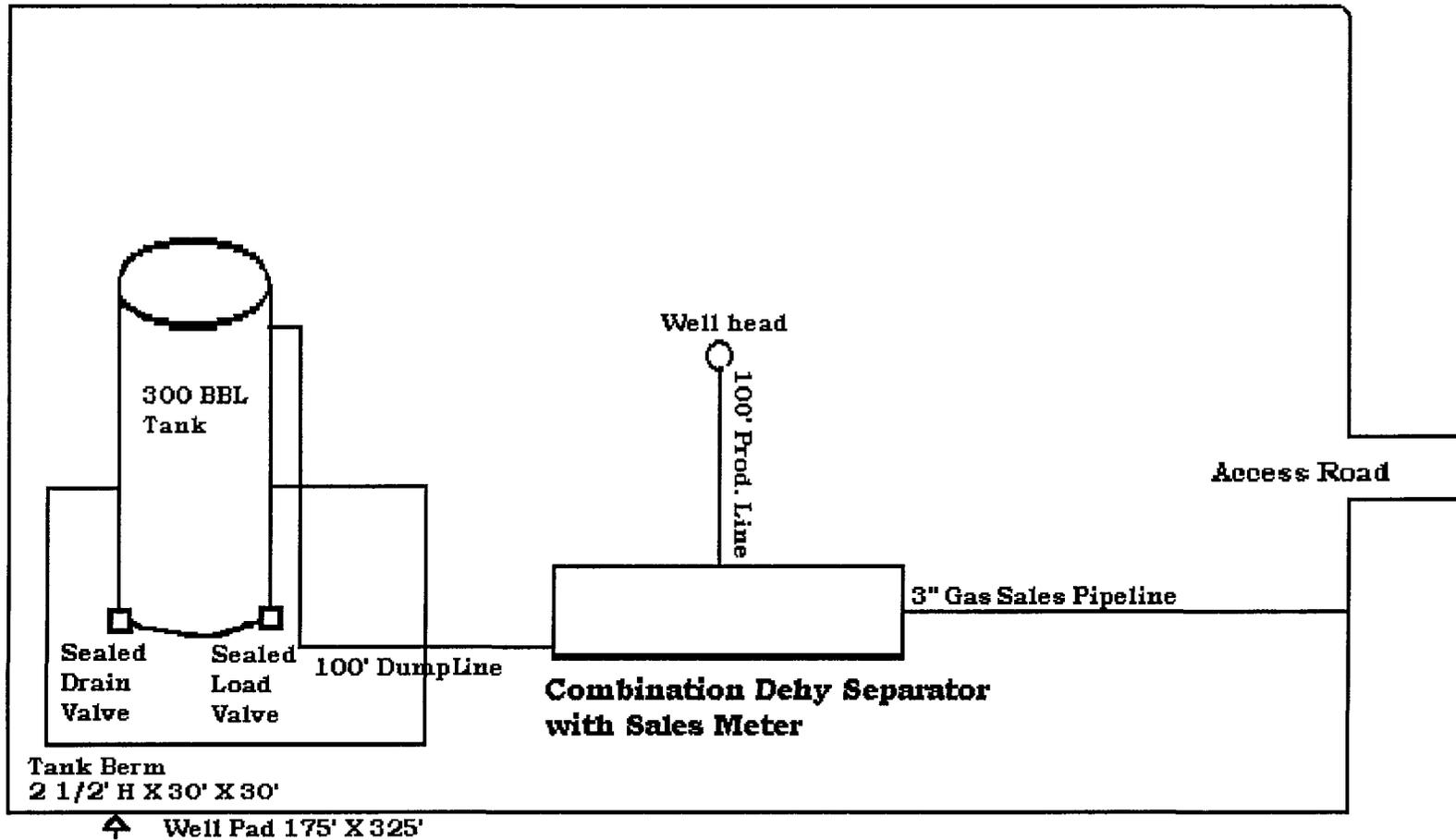
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in the Plan are to the best of my knowledge, true and correct; and that the work associated with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

6-17-1998
Date


Ed Trotter

SITE FACILITY DIAGRAM
NATURAL BUTTES UNIT #495-31E
SEC. 31, T9S, R21E, Lot 6
UINTAH COUNTY, UTAH
STATE LEASE NO. ML-22446

(Site Security Plan is on file at Enron's Vernal Office)

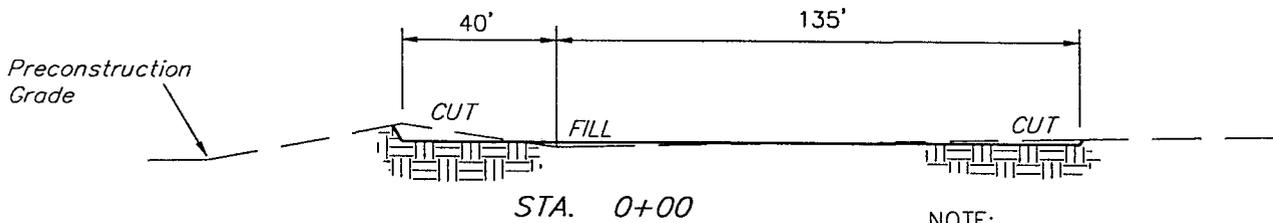
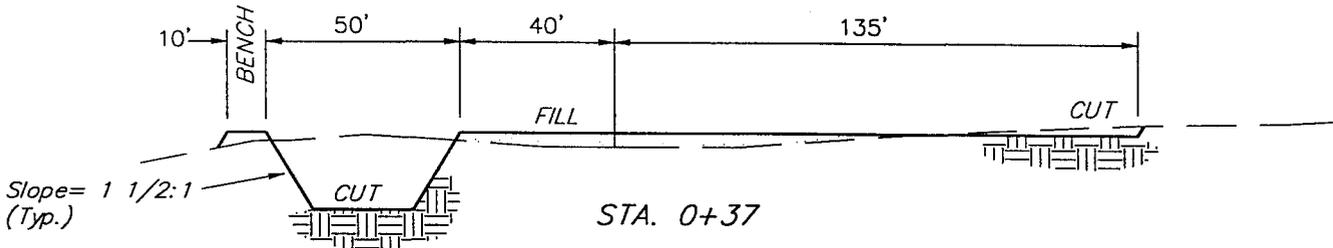
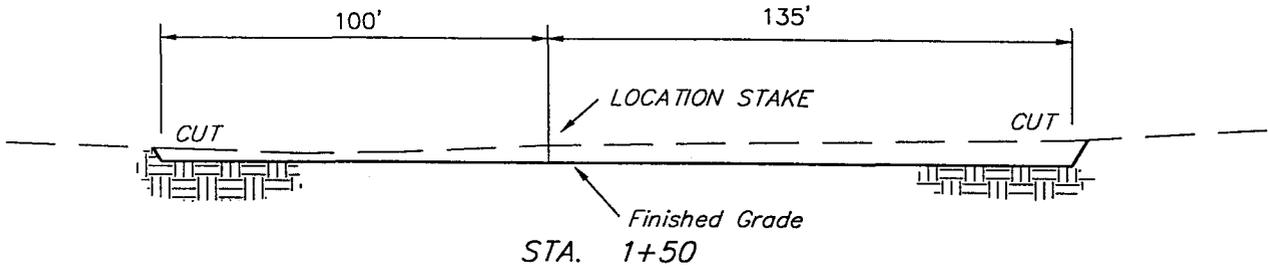
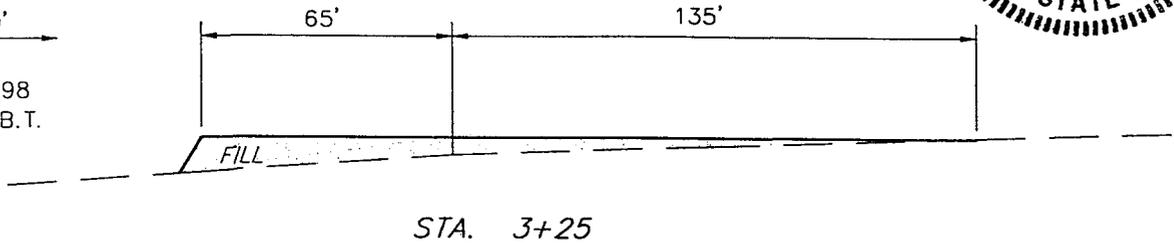


ENRON OIL & GAS CO.
TYPICAL CROSS SECTIONS FOR
NBU #495-31E
SECTION 31, T9S, R21E, S.L.B.&M.
724' FSL 2425' FWL



1" = 20'
 X-Section Scale
 1" = 50'

DATE: 1-5-98
 Drawn By: C.B.T.

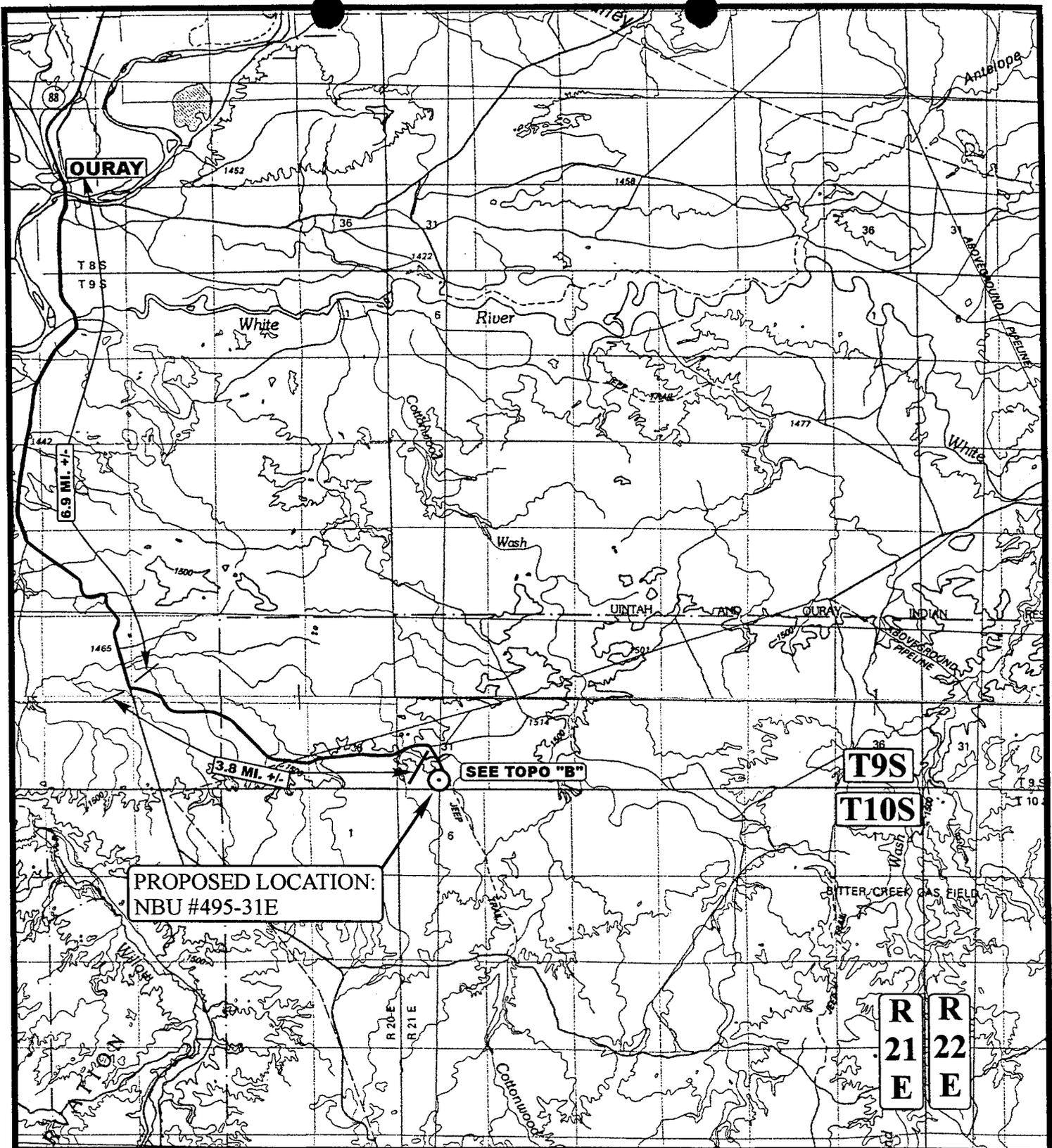


NOTE:
 Topsoil should not be Stripped Below Finished Grade on Substructure Area.

APPROXIMATE YARDAGES

(6") Topsoil Stripping	=	1,250 Cu. Yds.
Remaining Location	=	2,080 Cu. Yds.
TOTAL CUT	=	3,330 CU.YDS.
FILL	=	1,350 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	=	1,910 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	1,900 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	=	10 Cu. Yds.



LEGEND:

⊙ PROPOSED LOCATION

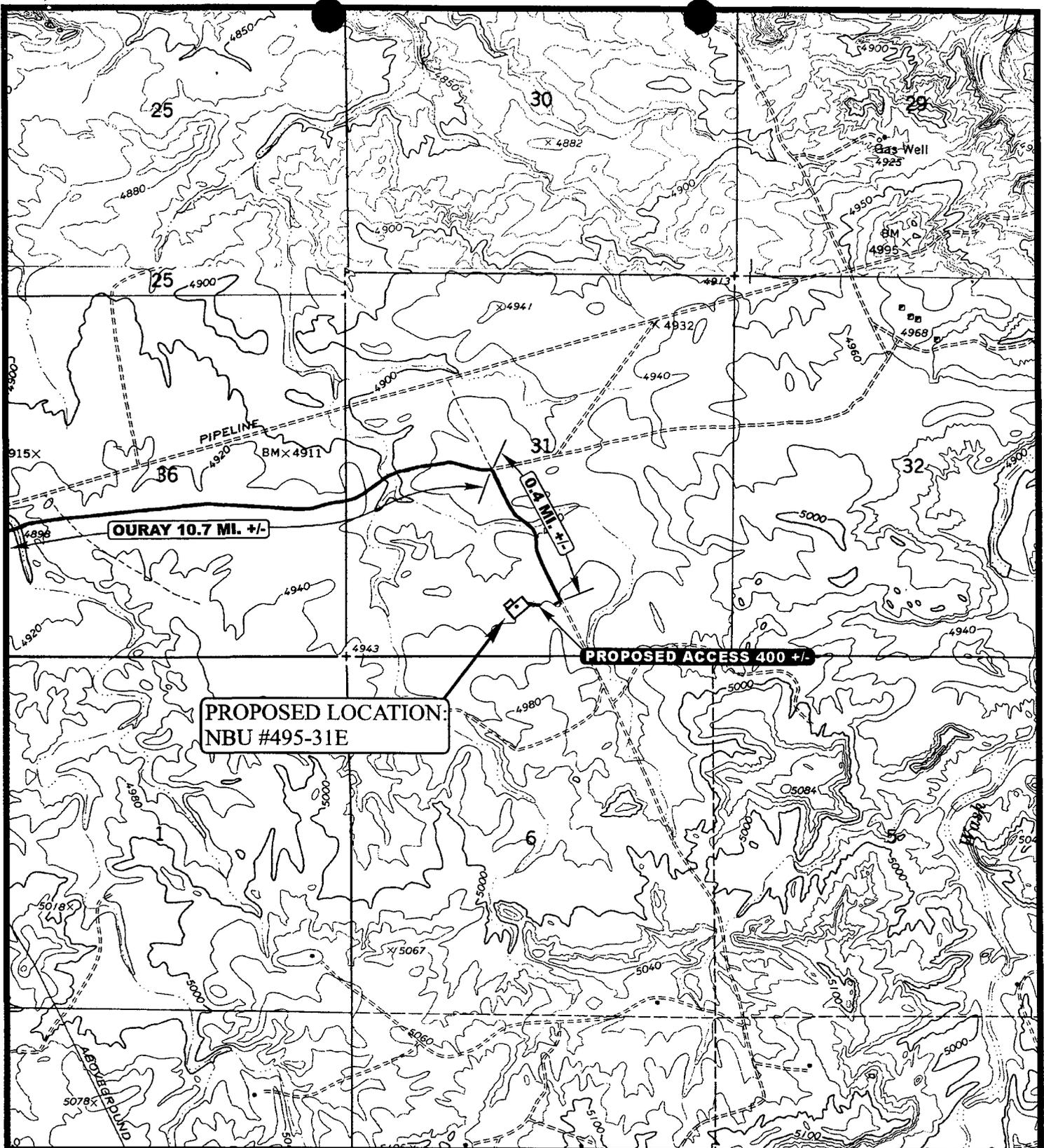


ENRON OIL & GAS COMPANY

NBU #495-31E
 SECTION 31, T9S, R21E, S.L.B.&M.
 724' FSL 2425' FWL

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

TOPOGRAPHIC MAP 1 5 98
 MONTH DAY YEAR
 SCALE: 1:100,000 DRAWN BY: J.L.G. REVISED: 00-00-00 **A TOPO**



LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD



ENRON OIL & GAS COMPANY

NBU #495-31E
SECTION 31, T9S, R21E, S.L.B.&M.
724' FSL 2425' FWL



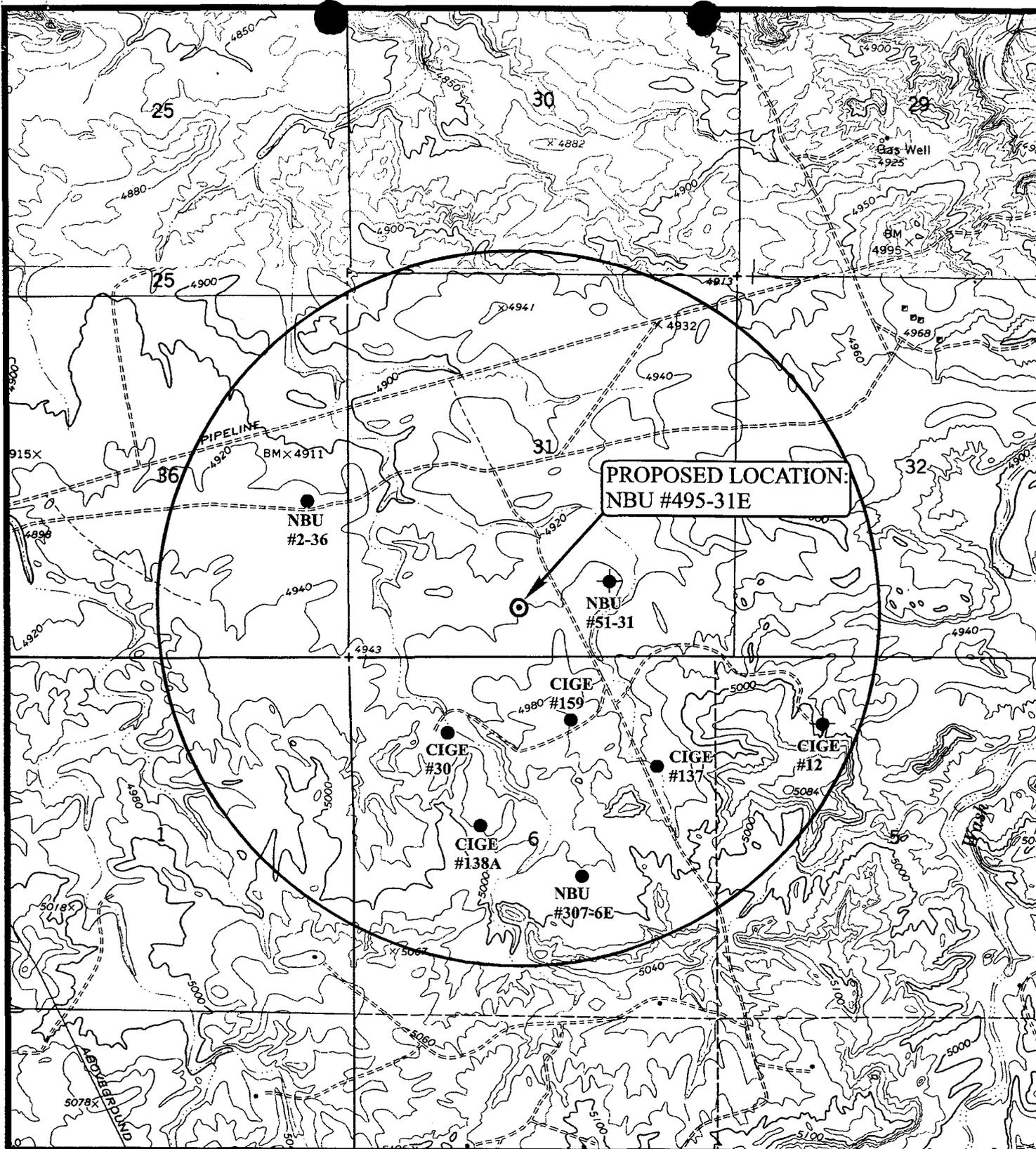
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

1 5 98
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00





LEGEND:

- ⊗ DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- ⊗ WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

ENRON OIL & GAS COMPANY

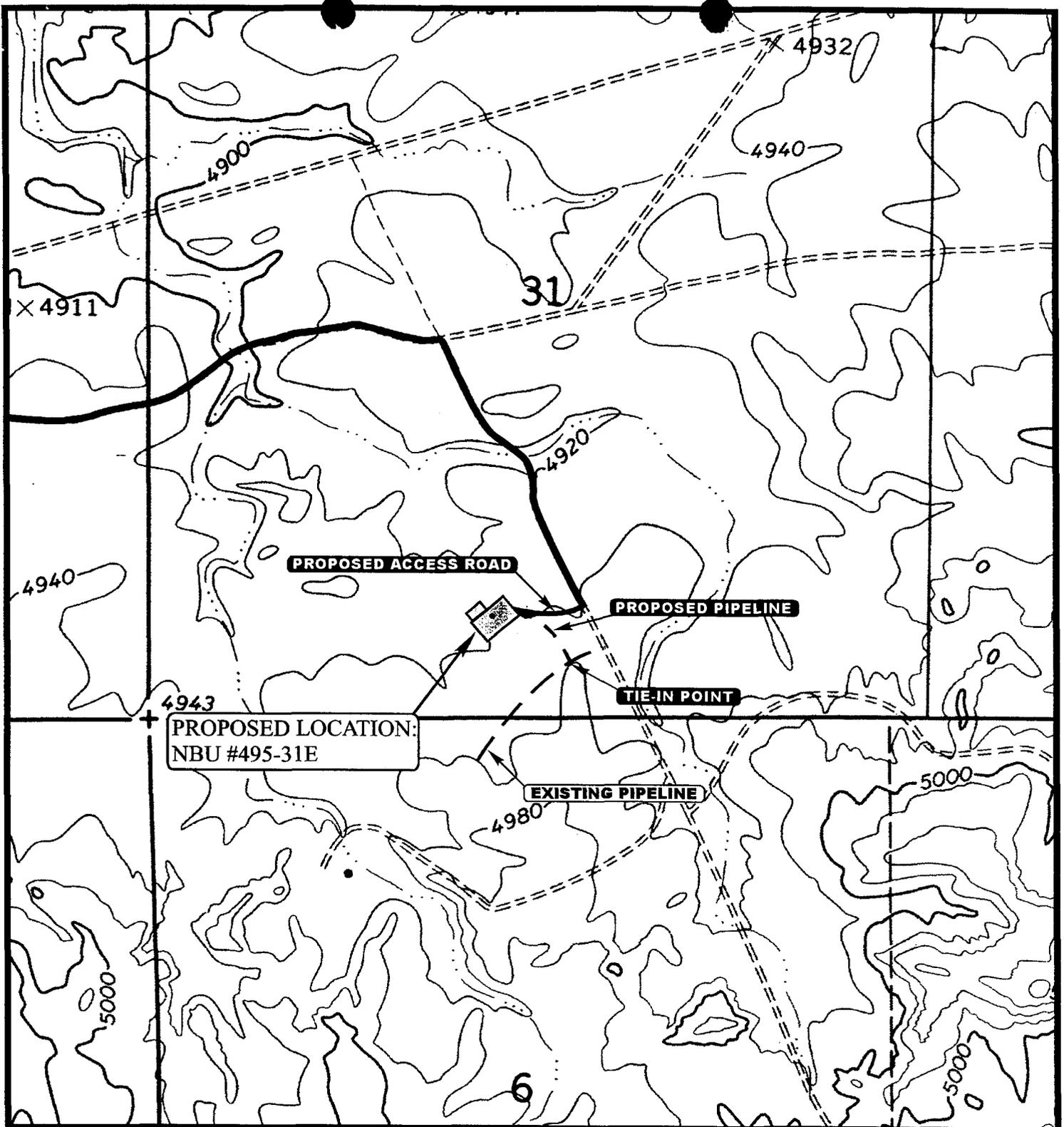
NBU #495-31E
SECTION 31, T9S, R21E, S.L.B.&M.
724' FSL 2425' FWL



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

TOPOGRAPHIC **1 5 98**
MAP MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 473' +/-

LEGEND:

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



ENRON OIL & GAS COMPANY

NBU #495-31E

SECTION 31, T9S, R21E, S.L.B.&M.

724' FSL 2425' FWL



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

TOPOGRAPHIC **1 5 98**
 M A P MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 06/19/98

API NO. ASSIGNED: 43-047-33134

WELL NAME: NBU 495-31E
 OPERATOR: ENRON OIL & GAS COMPANY (N0401)
 CONTACT: Ed Trolten (435) 789-4120

PROPOSED LOCATION:
 SESW 31 - T09S - R21E
 SURFACE: 0724-FSL-2425-FWL
 BOTTOM: 0724-FSL-2425-FWL
 UINTAH COUNTY
 NATURAL BUTTES FIELD (630)

INSPECT LOCATION BY: 07/04/98		
TECH REVIEW	Initials	Date
Engineering	PTK	6/26/98
Geology		
Surface		

LEASE TYPE: STA
 LEASE NUMBER: ML-22446
 SURFACE OWNER: State

PROPOSED FORMATION: WSTC

RECEIVED AND/OR REVIEWED:

Plat
 Bond: Federal State Fee
 (No. 98-0921)
 Potash (Y/N)
 Oil Shale (Y/N) *190-5(B)
 Water Permit
 (No. 49-1501)
 RDCC Review (Y/N)
 (Date: _____)
 _____ St/Fee Surf Agreement (Y/N)

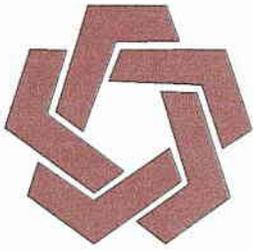
LOCATION AND SITING:

R649-2-3. Unit Natural Buttes
 _____ R649-3-2. General
 _____ R649-3-3. Exception
 _____ Drilling Unit
 Board Cause No: _____
 Date: _____

COMMENTS: *Unit operator "Coastal" need desig. of agent aprv. by BLM.
*Need presite.

STIPULATIONS: Ⓢ STATEMENT OF BASIS

Ⓢ 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 2765' to 2850' _____ G.L.).



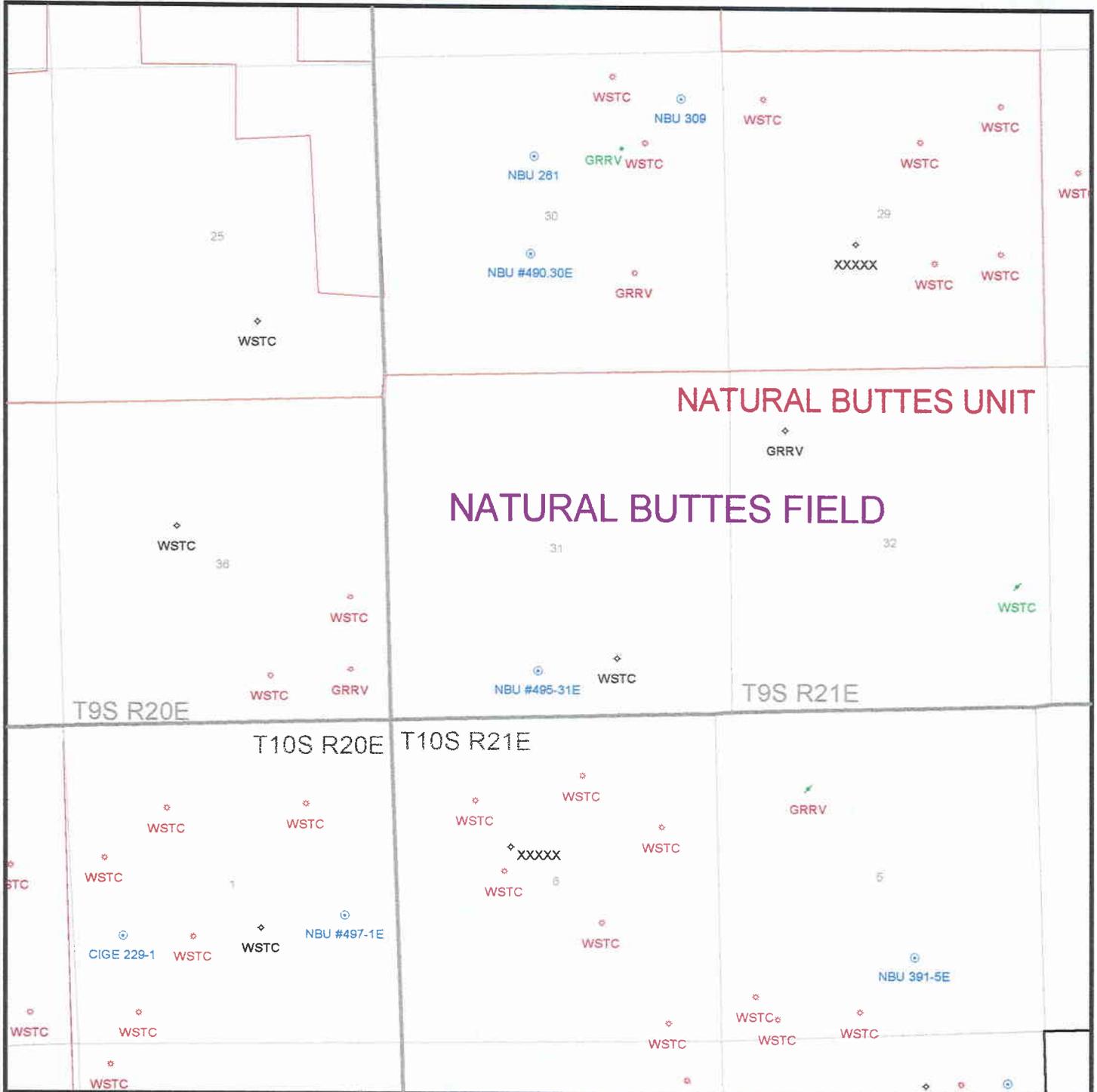
DIVISION OF OIL, GAS & MINING

OPERATOR: ENRON OIL & GAS CO. (N0401)

FIELD: NATURAL BUTTES (630)

SEC. 30 & 31, TWP 9S, RNG 21E

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



DATE PREPARED:
23-JUNE-1998

DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS

Operator Name: ENRON OIL & GAS CO.

Name & Number: NBU #495-31E

API Number: 43-047-33134

Location: 1/4,1/4 SE/SW Sec. 31 T. 9S R. 21E

Geology/Ground Water:

The base of moderately saline water is at approximately 3900 feet in this area. This would be located in the lower Green River Formation. This well is in a designated oil shale area. The oil shale is at a depth of approximately 2700-2800 feet. High quality ground water may be encountered in sands throughout the Uinta Formation. These sands are generally discontinuous and not subject to direct recharge. The proposed casing and cement program should adequately isolate any water zones and protect the oil shale.

Reviewer: Brad Hill

Date: 6/29/98

Surface:

The pre-site investigation of the surface was performed by field personnel on 6/12/98. All applicable surface management agencies and landowners have been notified and their concerns accommodated where reasonable and possible. Ed Bonner with State Trust Land and Jack Lytle with D.W.R. were notified of this pre-site on 5/28/98. Neither attended.

Reviewer: David W. Hackford

Date: 6/19/98

Engineering:

BOP, Mud, Casing and Cement programs are adequate.

Reviewer: Robert J. Krueger

Date: 6/26/98

Conditions of Approval/Application for Permit to Drill:

1. Reserve pit shall be constructed west of the wellbore.

ON-SITE PREDRILL EVALUATION

Division of Oil, Gas and Mining

OPERATOR: ENRON OIL & GAS CO.
WELL NAME & NUMBER: NBU #495-31E
API NUMBER: 43-047-33134
LEASE: ML-22446 FIELD/UNIT: NATURAL BUTTES FIELD.
LOCATION: 1/4, 1/4 SE/SW Sec: 31 TWP: 9S RNG: 21E 724' FSL 2425' FWL
GPS COORD (UTM) 12619875E 4426932N
SURFACE OWNER: STATE TRUST LANDS

PARTICIPANTS

ED TROTTER, (ENRON); DAVID W. HACKFORD (DOGM).

REGIONAL/LOCAL SETTING & TOPOGRAPHY

SITE IS LOCATED IN AN AREA THAT IS NEARLY FLAT FOR 0.25 MILES IN ALL DIRECTIONS. DRAINAGE IS TO THE WEST.

SURFACE USE PLAN

CURRENT SURFACE USE: LIVESTOCK AND WILDLIFE GRAZING.

PROPOSED SURFACE DISTURBANCE: LOCATION WILL BE 325' X 225.
ACCESS ROAD WILL BE 400 FEET.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: SEE ATTACHED MAP FROM GIS DATABASE.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES:
ALL PRODUCTION FACILITIES WILL BE ON LOCATION AND ADDED AFTER DRILLING WELL. AN EXISTING PIPELINE IS 400 FEET TO THE SOUTHEAST AND PROPOSED PIPELINE WILL TIE IN TO THIS PIPELINE.

SOURCE OF CONSTRUCTION MATERIAL: ALL CONSTRUCTION MATERIAL WILL BE BORROWED FROM THIS SITE DURING CONSTRUCTION AND IS NATIVE.

ANCILLARY FACILITIES: NONE WILL BE REQUIRED.

WASTE MANAGEMENT PLAN:

DRILLED CUTTINGS WILL BE SETTLED INTO RESERVE PIT. LIQUIDS FROM PIT WILL BE ALLOWED TO EVAPORATE. FORMATION WATER WILL BE CONFINED TO STORAGE TANKS. SEWAGE FACILITIES, STORAGE AND DISPOSAL WILL BE HANDLED BY COMMERCIAL CONTRACTOR. TRASH WILL BE CONTAINED IN TRASH

BASKETS AND HAULED TO AN APPROVED LAND FILL.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: NONE

FLORA/FAUNA: GREASEWOOD, NATIVE GRASSES, SALTBRUSH, PRICKLY PEAR, THORNY HORSEBRUSH, SAGE: PRONGHORN, RODENTS, COYOTES, BIRDS.

SOIL TYPE AND CHARACTERISTICS: NEARLY WHITE SANDY CLAY.

SURFACE FORMATION & CHARACTERISTICS: LOCAL BEDROCK IS PREDOMINANTLY UPPER EOCENE SANDSTONE, SILTSTONE AND MARLSTONE OF THE DUCHESNE RIVER AND UINTA FORMATIONS.

EROSION/SEDIMENTATION/STABILITY: MINOR EROSION, MINOR SEDIMENTATION, NO STABILITY PROBLEMS ANTICIPATED.

PALEONTOLOGICAL POTENTIAL: NONE OBSERVED.

RESERVE PIT

CHARACTERISTICS: 125' BY 50' AND 8' DEEP.

LINER REQUIREMENTS (Site Ranking Form attached): A LINER WILL NOT BE REQUIRED.

SURFACE RESTORATION/RECLAMATION PLAN

AS PER STATE LANDS.

SURFACE AGREEMENT: STATE TRUST LANDS.

CULTURAL RESOURCES/ARCHAEOLOGY: SITE WAS INSPECTED BY JIM TRUESDALE, AN INDEPENDENT ARCHAEOLOGICAL CONSULTANT, A REPORT OF THIS INVESTIGATION WILL BE PLACED ON FILE.

OTHER OBSERVATIONS/COMMENTS

INVESTIGATION WAS DONE ON A WARM DAY WITH NO SNOW COVER.

ATTACHMENTS:

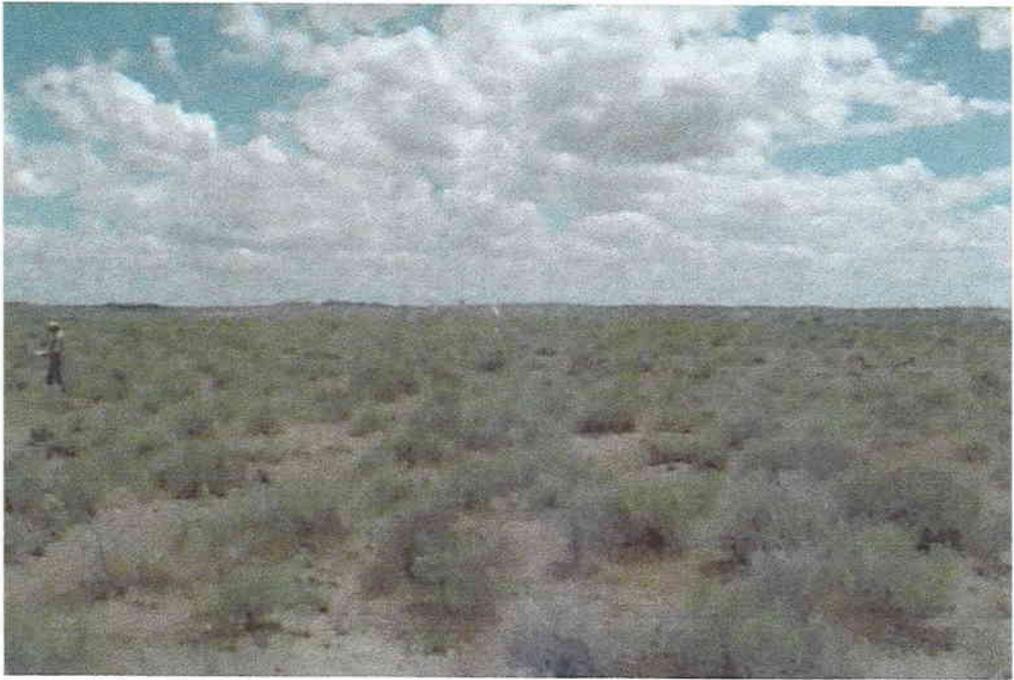
PHOTOS OF PROPOSED SITE WILL BE PLACED ON FILE.

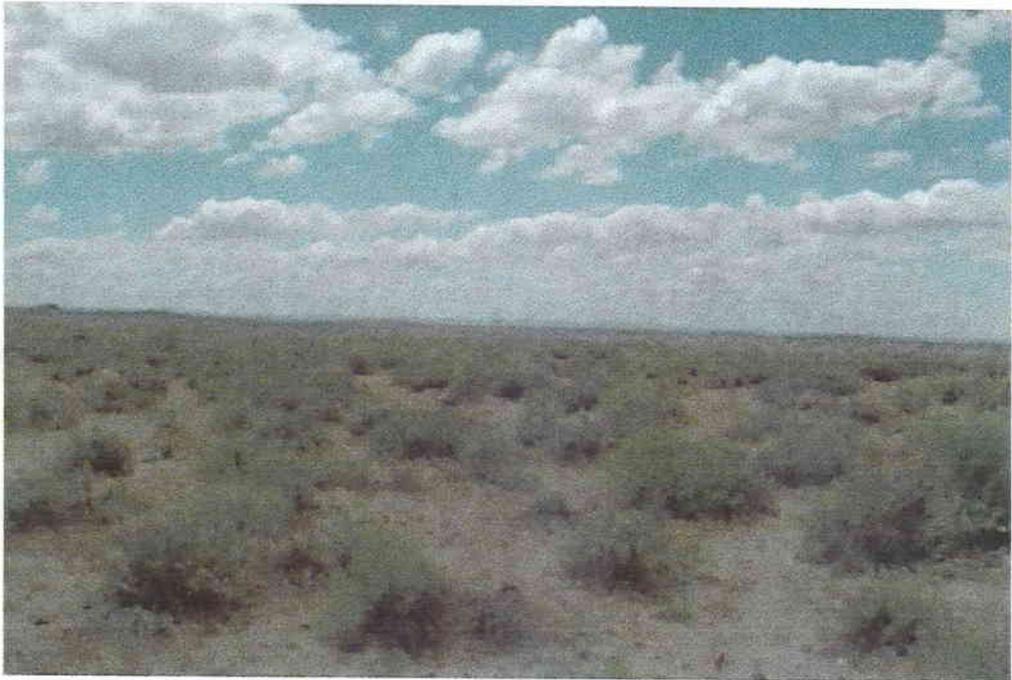
DAVID W. HACKFORD
DOGM REPRESENTATIVE

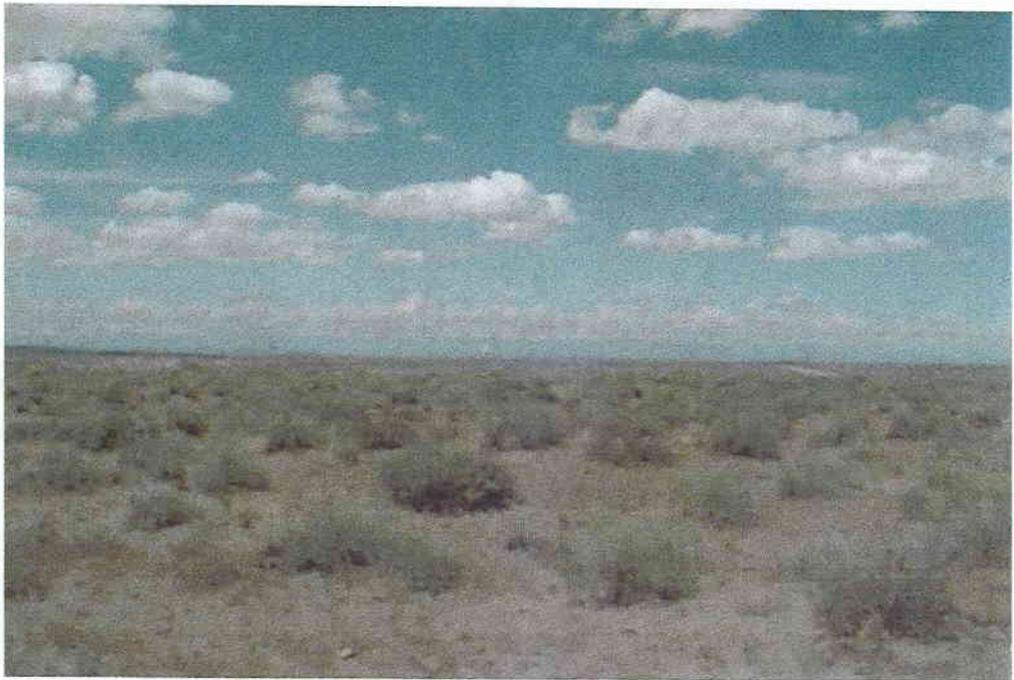
6/12/98 2:00 PM
DATE/TIME

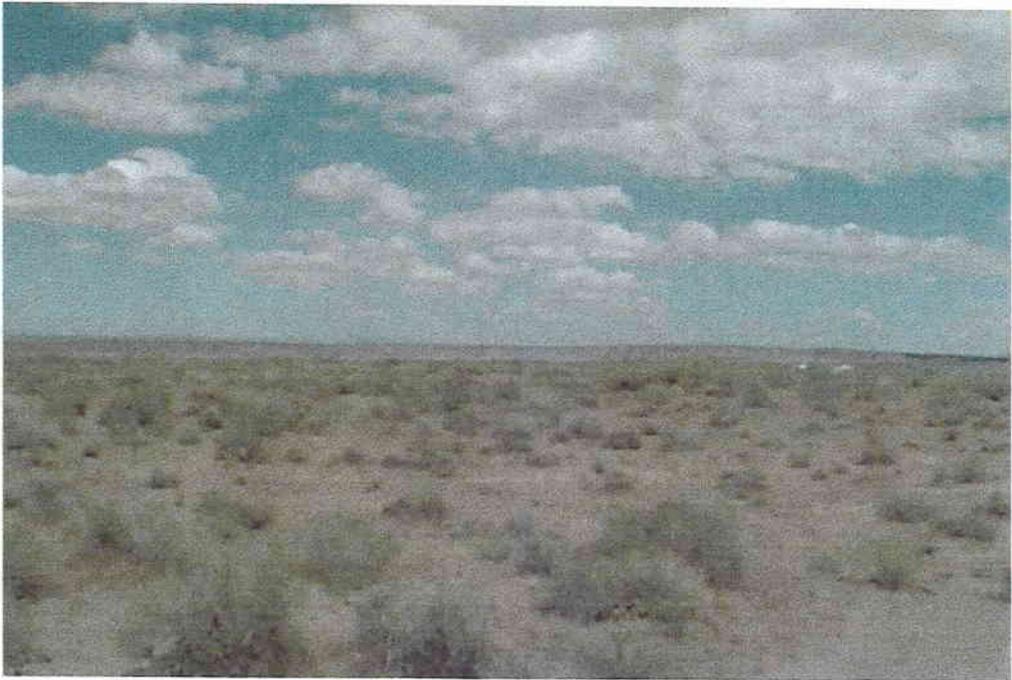
**Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>5</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	15	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>0</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	15	
TDS >10000 or Oil Base	20	
Mud Fluid containing high levels of hazardous constituents		<u>5</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>0</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility		
Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>
Final Score (Level II Sensitivity)		<u>10</u>











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

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)

Michael O. Leavitt
Governor
Lowell P. Braxton
Division Director

June 29, 1998

Enron Oil & Gas Company
P.O. Box 1815
Vernal, Utah 84078

Re: NBU 495-31E Well, 724' FSL, 2425' FWL, SE SW, Sec. 31,
T. 9 S., R. 21 E., Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-33134.

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: Enron Oil & Gas Company
Well Name & Number: NBU 495-31E
API Number: 43-047-33134
Lease: ML-22446
Location: SE SW Sec. 31 T. 9 S. R. 21 E.

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours 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. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

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 2,765' to 2,850' G.L.).



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

Michael O. Leavitt
Governor

Kathleen Clarke
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)

August 28, 2000

Mr. Ed Trotter
EOG Resources, Inc.
P.O. Box 1910
Vernal, Utah 84078

Re: APD Rescinded -- NBU 495-31E Well, Sec. 31, T. 9.0S, R. 21.0E, Uintah County, Utah,
API No. 43-047-33134

Gentlemen:

The Application for Permit to Drill for the subject well was approved by the Division of Oil, Gas and Mining on June 29, 1998. No drilling activity at this location has been reported to the division. Due to the excessive time delay in commencing drilling operations, approval to drill the well is hereby rescinded, effective immediately.

Please note that a new Application for Permit to Drill must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division of Oil, Gas and Mining immediately.

Sincerely,

A handwritten signature in cursive script that reads "Don Staley".

Don Staley
Information Services Manager
Oil and Gas

cc: L.E. Cordova
Well File