

**White River Resource Management, Inc.**  
410 17<sup>th</sup> Street, Suite 925, Denver, Colorado 80202  
Phone (303) 628-1951 Fax: (303) 825-0321

# Memo

**To:** Lisha Cordova **From:** DAVE KOVAL

---

**Fax:** 801 359-3940 **Pages:** 2

---

**Phone:** 801 538-5296 **Date:** November 12, 1998

---

**Re:** Designation of Agent, William A. Ryan

---

**CC:**

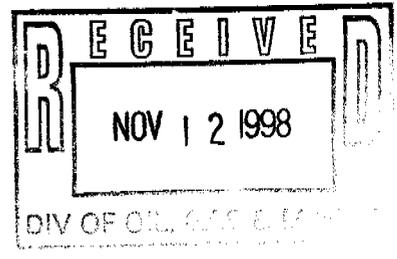
---

- Urgent**  
  **For Review**  
  **Please Comment**  
  **Please Reply**  
  **Please Recycle**
- 

• **Comments:**

Lisha -

Thanks for your help.



# WRRM

**White River Enterprises, LLC**  
Suite 925, 410 17<sup>th</sup> Street  
Denver, Colorado 80202

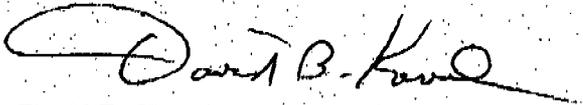
November 12, 1998

Lisha Cordova  
Utah Division of Oil, Gas and Mining  
1594 W., North Temple, Suite 121  
Salt Lake City, Utah 84114

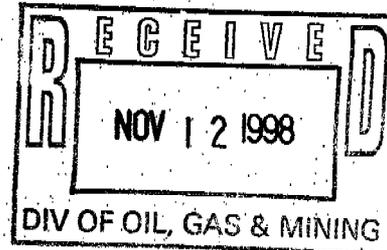
Dear Lisha,

Please be advised that William A. Ryan is designated as agent for White River Resource Management, Inc. and White River Enterprises, L.L.C.

Thank you for your assistance in this matter.



David B. Koval  
President, White River Resource Management, Inc



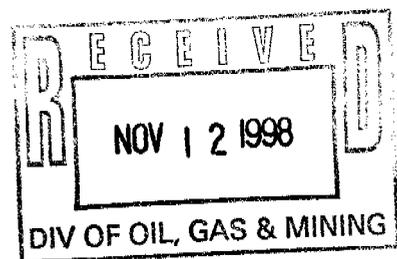
White River Enterprises, LLC

Suite 925, 410 17<sup>th</sup> Street  
Denver, Colorado 80202

# WRRM

November 11, 1998

Utah Division of Oil Gas and Mining  
1594 West North Temple, Suite 1210  
Post Office Box 145801  
Salt Lake City, Utah 84114-5801



RE: Well Federal M 44-22  
SE/SE, Section 22 T11S, R23E  
Lease No. UTU-66409

Dear Sir or Madam:

Lone Mountain Production Company has requested a spacing exception for the subject well. The well is located 574' FSL, 1029' FEL in Section 22, T11S, R23E on lease UTU-66409

White River is the 75% holder of Lease UTU-66409 in Section 22, T11S, R23E. White River has no objection to the proposed location. Yates Petroleum is a 25% holder.

If you have any additional Questions please contact our Agent at the following address.

William A. Ryan  
Rocky Mountain Consulting  
435-789-0968

Sincerely yours,

William A. Ryan  
Agent  
cc: WRRM

Telephone: (303) 628-1951

Fax: (303) 825-0321



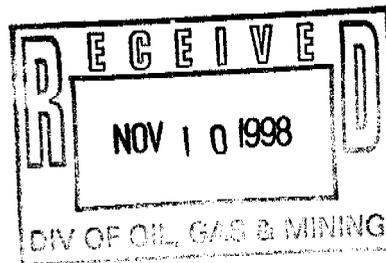
Office (435) 789-0968  
Cellular (435) 828-0968

350 S. 800 E.  
Vernal, UT 84078

November 9, 1998

Re: Well Fed M 44-22  
SE/SE, Sec. 22, T11S, R23E  
Lease No. UTU-66409

Utah Division of Oil Gas and Mining  
1594 West North Temple  
Suite 1210  
P.O. Box 145801  
Salt Lake City UT, 84114-5801



Dear Sirs:

Lone Mountain Production Company (Lone Mountain) respectfully requests a spacing exception for the subject well. The well was originally requested for the center of the SE ¼ of the SE ¼. The location was moved due to topographic considerations, major drainage and access conditions. The location was on sited with the BLM on July 7, 1998. Byran Tolman, Steve Matson and Steve Stong from the BLM and Bill Ryan Agent for Lone Mountain were present. All parties agreed with the site location.

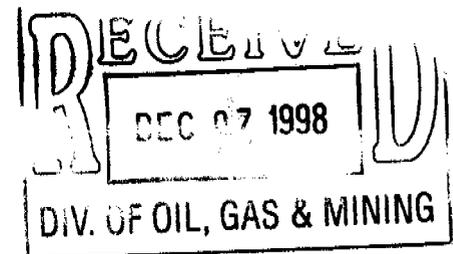
The well is located 574' FSL, 1,029' FEL in Sec. 22, T11S, R23E.

A 460' radius around the proposed location is within lease UTU-66409. Please see the attached map.

If you have additional questions please contact me.

Sincerely

William (Bill) Ryan  
Agent





350 S. 800 E.  
Vernal, UT 84078

**FAX TRANSMISSION**

TO Lesha

FROM: ROCKY MOUNTAIN CONSULTING

801-359-3940

OFFICE 435-789-0968

FAX 435-789-0970

DATE \_\_\_\_\_

PAGES TRANSMITTED \_\_\_\_\_

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

5. LEASE DESIGNATION AND SERIAL NO.

**UTU-86409**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

**NA**

7. UNIT AGREEMENT NAME

**Rock House Unit**

8. FARM OR LEASE NAME

**NA**

9. WELL NO.

**R. H. Fed M 44-22**

10. FIELD OR LEASE NAME

11. Sec., T., R., M., OR BLK

AND SURVEY OR AREA

**Sec. 22, T11S, R23E**

12. COUNTY OR PARISH

**Uintah**

**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

**Lone Mountain Production Company**

3. ADDRESS OF OPERATORS

**P.O. Box, 3394, Billings, MT. 59103 406-245-5077**

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirement)

at surface

**574' FSL, 1,029' FEL**

**SE/SE**

At proposed prod. Zone

*179*

*314*

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

**30.3 miles south of Bonanza Utah**

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

**574'**

16. NO. OF ACRES IN LEASE

**2,560**

17. NO. OF ACRES ASSIGNED TO THIS WELL

**40**

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING COMPLETED.

**NA**

19. PROPOSED DEPTH

**6,000'**

20. ROTARY OR CABLE TOOLS

**Rotary**

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

**6,179' GR**

22. APPROX. DATE WORK WILL START

**Oct. 1, 1998**

**PROPOSED CASING AND CEMENT PROGRAM**

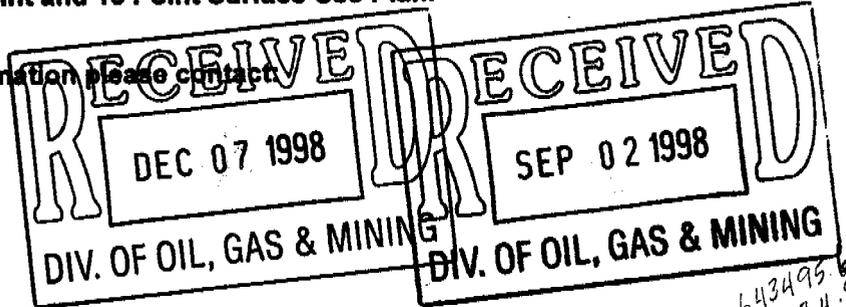
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
<b>12 1/4</b>	<b>9 5/8</b>	<b>36</b>	<b>300</b>	<b>To Surface</b>
<b>7 7/8</b>	<b>4 1/2</b>	<b>11.6</b>	<b>T.D.</b>	<b>Cement top to cover the oil shale</b>

**Operator requests permission to drill the subject well.**

**Please see the attached 10 Point and 13 Point Surface Use Plan.**

**If you require additional information please contact:**

**William Ryan  
350 S., 800E.  
Vernal, Utah  
435-789-0968**



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposed in to deepen or plug back, give data on proposed productive zone and proposed new 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

**Aug 23, 1998**

PERMIT NO.

**43-047-33186**

APPROVAL DATE

**BRADLEY G. HILL**

TITLE **RECLAMATION SPECIALIST III** DATE

**12/16/98**

APPROVED BY  
CONDITIONS OF APPROVAL, IF ANY:

**Federal Approval of this  
Action is Necessary**

**\*See Instructions on Reverse Side**

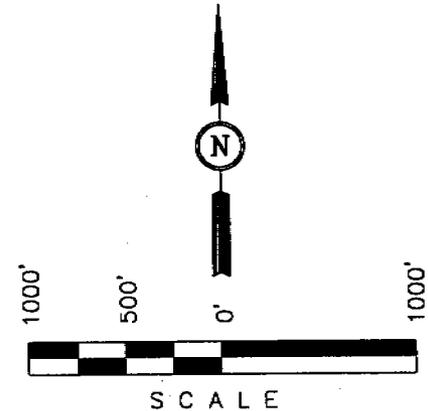
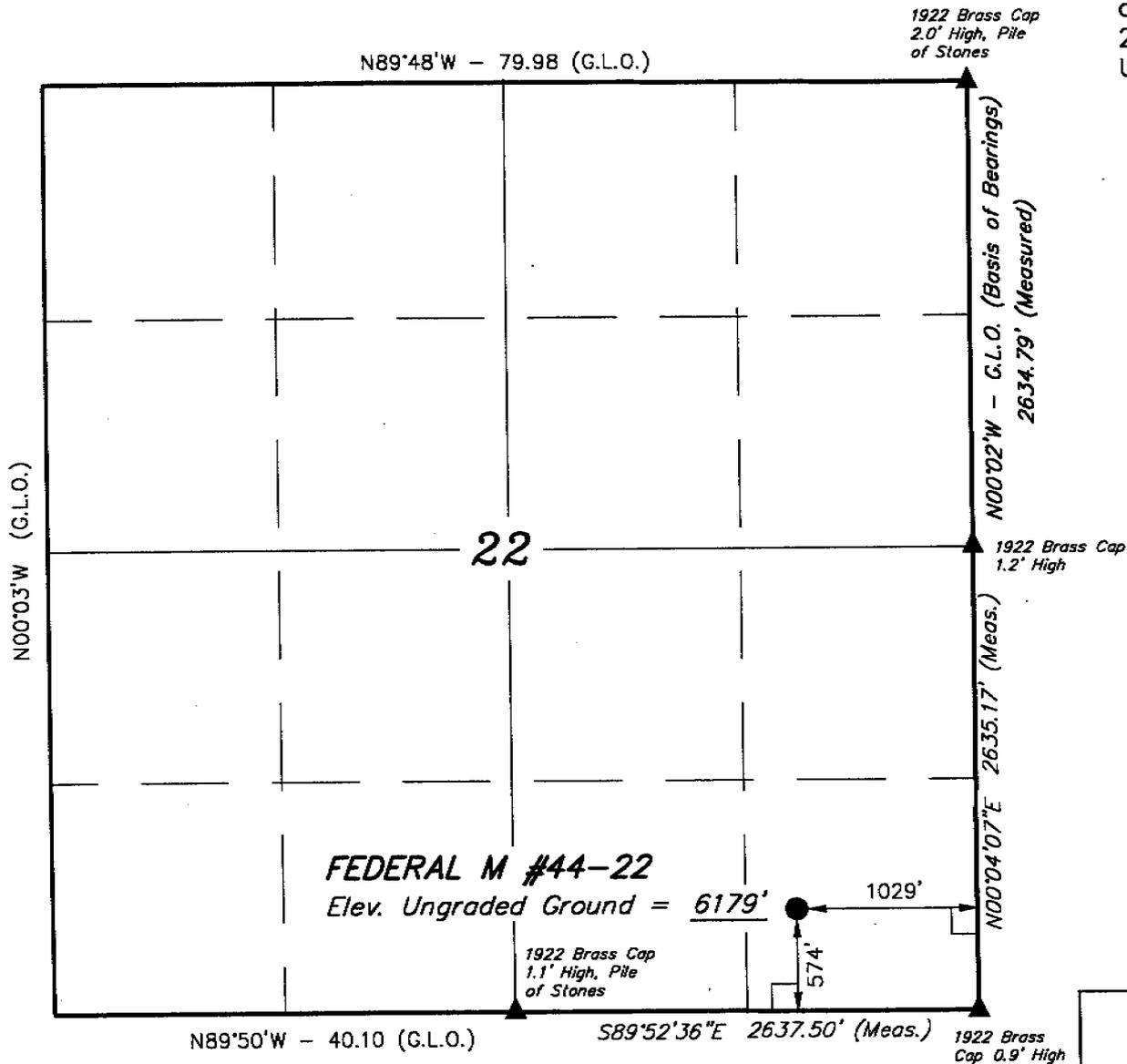
# T11S, R23E, S.L.B.&M.

## LONE MOUNTAIN PRODUCTION

Well location, FEDERAL M #44-22, located as shown in the SE 1/4 SE 1/4 of Section 22, T11S, R23E, S.L.B.&M. Uintah County, Utah.

### BASIS OF ELEVATION

SPOT ELEVATION LOCATED IN THE NW 1/4 OF SECTION 27, T11S, R23E, S.L.B.&M. TAKEN FROM THE ARCHY BENCH SE QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 6366 FEET.



### CERTIFICATE

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

61219  
**ROBERT L. KAY**  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 16131  
 STATE OF UTAH

### LEGEND:

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

Latitude = 39°50'21"  
 Longitude = 109°19'20"

### UINTAH ENGINEERING & LAND SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 6-15-98	DATE DRAWN: 6-16-98
PARTY B.B. D.R. C.B.T.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE LONE MOUNTAIN PRODUCTION	

**SELF-CERTIFICATION STATEMENT**

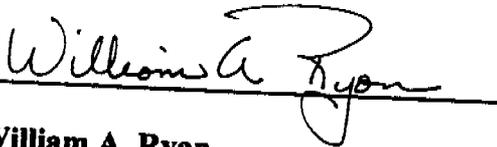
**The following self-certification statement is provided per Federal requirements dated June 15, 1988.**

**Please be advised that Lone Mountain Prod., Co. are considered to be the operator of the following well.**

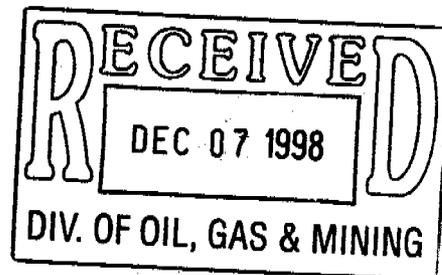
**R.H. Fed. M 44-22  
SE 1/4, SE 1/4, Section 22, T. 11, R. 23 E.  
Lease UTU-66409  
Uintah County, Utah**

**Lone Mountain Prod., Co. is responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.**

**State Wide Bond Coverage is provided by Bond Fed. UT-0719**



**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

Lone Mountain Prod., Co.

R.H. Fed. M 44-22

Surface Location SE 1/4, SE 1/4, Section 22 T. 11S, R. 23E.

## 1. Surface Formation:

Green River

## 2. Estimated Formation Tops and Datum:

<u>Formation</u>	<u>Depth</u>	<u>Datum</u>
Green River	Surface	+6,179' G.L.
Oil Shale	364	+5,815
Wasatch	2,439	+3,340
Mesaverda formation	4,589	+1,590
T.D.	6,000	+179

## 3. Producing Formation Depth:

Formation objective includes the Wasatch and its sub-members.

Off Set Well Information:

Off set well: Well # 22-22, SE/NW, Sec. 22, T11S, R23E, Producing gas well.

## 4. Proposed Casing:

<u>Hole Size</u>	<u>Casing Grade Size</u>	<u>Weight/Ft.</u>	<u>Setting &amp; Tread</u>	<u>Casing Depth</u>	<u>New/Used</u>
11	9 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>
9 5/8	Class "G" 2% Calcium 1/4 #/sk. Cello Flake	150 sks. +/-	1.16 cu. ft./sk.	15.82 lbs./gal.
4 1/2 Lead.	Class "G" 3% salt 16% gel (Bentonite) 2% WR15 .4 lbs./sk. FL 25	205 sks. +/-	3.91 cu. ft./sk.	11.0 lbs./gal.
Tail	Class "G" 10% salt 10% gel .1% R-3 .4 FL-25	540 sks. +/-	1.44 cu. ft./sk.	15.23 lbs./gal.

**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 9 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 H<sub>2</sub>S.

**10. Drilling Schedule:**

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

**LONE MOUNTAIN PRODUCTION COMPANY**

**13 POINT SURFACE USE PLAN**

**FOR WELL**

**ROCK HOUSE**

**H. R. FED. M 44-22**

**LOCATED IN**

**SE 1/4, SE 1/4**

**SECTION 22, T. 11 S., R. 23 E., U.S.B.&M.**

**UINTAH COUNTY, UTAH**

**LEASE NUMBER: UTU-66409**

**SURFACE OWNERSHIP: FEDERAL**

## 1. Existing Roads

To reach Lone Mountain Production Company's well, R.H. Fed. M 44-22 in Section 22, T 11 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 Rainbow sign. This is also called the Kings Wells road. Proceed 10.5 miles.

Turn north (right) proceed 3 miles, stay to the right at Y's in the road.

The proposed access road will start at this point.

All existing roads to the proposed location are State or County Class D roads.

Please see the attached map for additional details.

## 2. Planned access road

The proposed location will not require new road construction.

Please see the attached location plat for additional details.

A right-of-way will not be required to access the proposed location.

## 3. Location of existing wells

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

A) Producing well	R.H. 22-22 Sec. 22, T11S, R23E
B) Water well	None
C) Abandoned well	None
D) Temp. abandoned well	None
E) Disposal well	None
F) Drilling/Permitted well	R.H. Fed. M 24-22 R.H. Fed. M 42-22 Sec. 22, T11S, R23E
G) Shut in wells	None
H) Injection well	None
I) Monitoring or observation well	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.

**If the well is capable of production in paying quantities a surface pipeline will be required. The line will be welded on location and on the existing road then boomed off the road. The approximate length will be 3,500 feet and follow the proposed access road and traverse the same surface ownership. The line will be a 2" or 4" steel surface pipeline.**

**A right-of-way will not be required for the pipeline. All construction and operations will be on lease.**

Please see the attached location diagram for pipeline location. There will be no additional surface disturbances required for the installation of a gathering 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 schedule. A copy of the meter calibration report will be submitted to the **State of Utah, Division of Oil, Gas, and Mining**. All measurement facilities will conform to API (American Petroleum Institute) and AGA (American Gas Association) 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 be lined.**

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 days an application will be made to the authorized officer for approval for a permanent disposal method and location.

**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 at this time and none are foreseen for the future.

**9. Well-site layout**

Location dimensions are as follow:

A) Pad length	<b>350 ft.</b>
B) Pad width	<b>158 ft.</b>
C) Pit depth	<b>10 ft.</b>
D) Pit length	<b>180 ft.</b>
E) Pit width	<b>50 ft.</b>
F) Max cut	<b>14.7 ft.</b>
G) Max fill	<b>14.3 ft.</b>
H) Total cut yds.	<b>10,550 cu. yds.</b>
I) Pit location	<b>west side</b>
J) Top soil location	<b>north &amp; south end</b>
K) Access road location	<b>north &amp; south end</b>
L) Flare pit	<b>corner B</b>

**A sediment containment structure will be required. The structure will be built as indicated on the attached map. Please call Byran Tolman with the BLM to arrange a meeting in the field to locate and discuss construction of the structure**

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 topsoil removed and piled will amount to approximately 1,000 cubic yards of material. **Topsoil will be stockpiled in two distinct piles (location topsoil and pit topsoil).** Placement of the topsoil is noted on the attached location plat. **The topsoil pile from the location will be seeded as soon as the soil is stock piled** with a seed mix provided by the State of Utah. 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.

Changes to the drainage during the construction activities shall be restored to its original line of flow or as near as possible when the pit is back-filled

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 rainfall 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 topsoil is stock piled and when reclamation work is performed.

## B) Seed Mix

Please see the condition of approval for the seed mix to be used on the topsoil pile and the pit area.

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	NA
Location	Federal
Pipeline	Federal

## 12. Other information

### A) Vegetation:

The vegetation coverage is slight. The majority of the existing vegetation consists of sagebrush. 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.

### D) Water:

The nearest water is the White River located 6 miles to the north.

### E) Chemicals:

No pesticides, herbicides or other possible hazardous chemicals will be used without prior application.

### F) Notification:

- a) **Location construction**  
At least forty eight (48) hours prior to construction of location and access roads
- b) **Location completion**  
Prior to moving in the drilling rig.
- c) **Spud notice**  
At least twenty-four (24) hours prior to spudding the well.
- d) **Casing string and cementing**  
At least twenty-four (24) hours prior to running casing and cementing all casing strings.
- e) **BOP and related equipment tests**  
At least twenty-four (24) hours prior to initial pressure tests.
- f) **First production notice**  
Within five (5) business days after the new well begins, or production resumes after well has been off production for more than ninety 90 days.

### H) Flare pit:

The flare pit will be located in corner B of the reserve pit out side the pit

fence and 100 feet from the bore hole on the west side of the location. All fluids will be removed from the pit within 48 hours of occurrence.

**13. Lessees or Operator's representative and certification**

**A) Representative**

William A. Ryan

Rocky Mountain Consulting  
350 South 800 East  
Vernal, Utah 84078

Office 435-789-0968  
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.

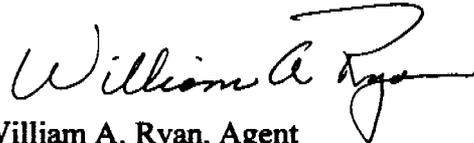
This drilling permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

**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 **Lone Mountain Production Company** 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 Aug 24, 1998



William A. Ryan, Agent  
Rocky Mountain Consulting

### **Statement of use of Hazardous Material**

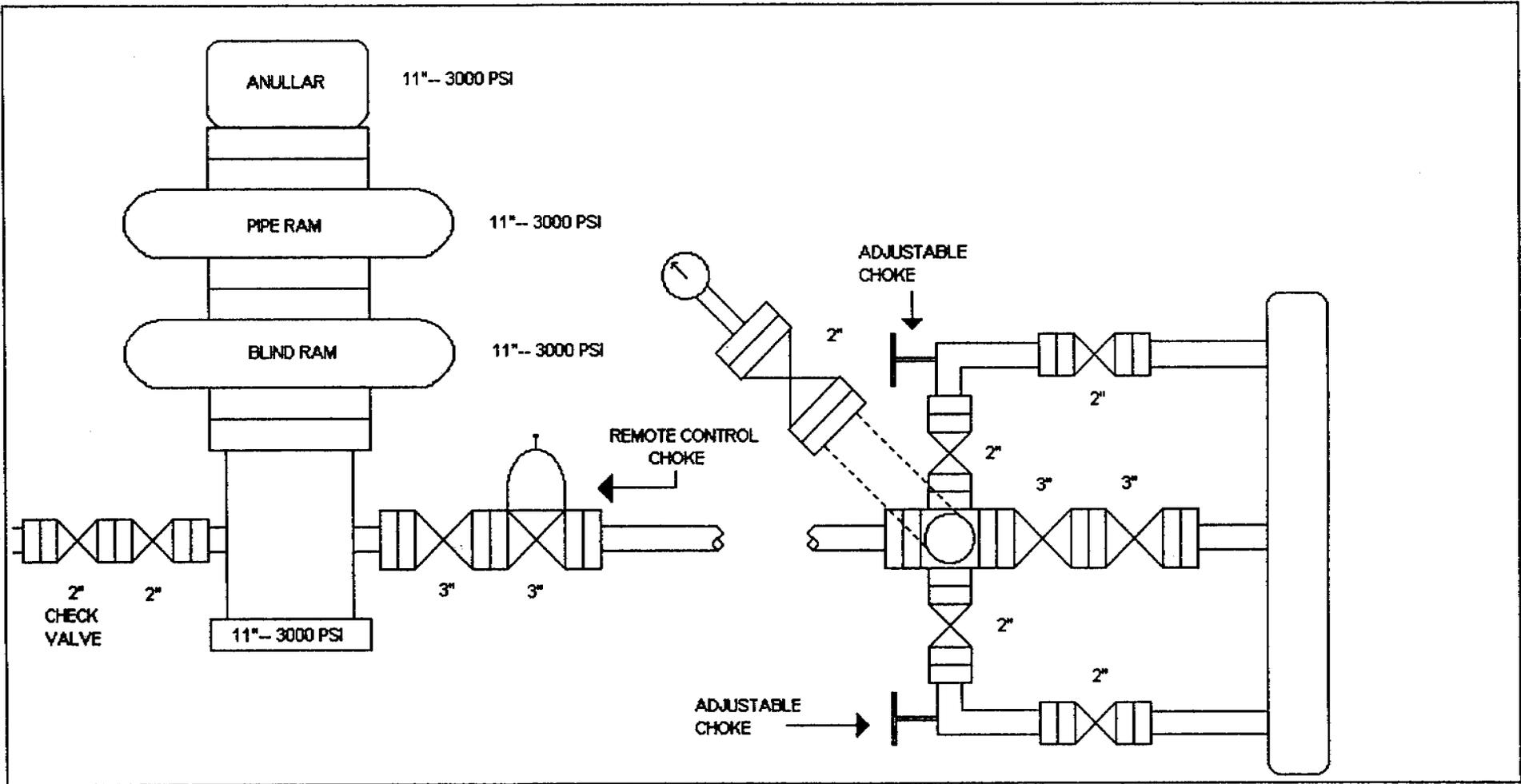
No chemical(s) from the EPA's Consolidated list of Chemicals subject to Reporting under Title III of the Superfund Amendments and Reauthorization Act (SARA) of 1986.

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.

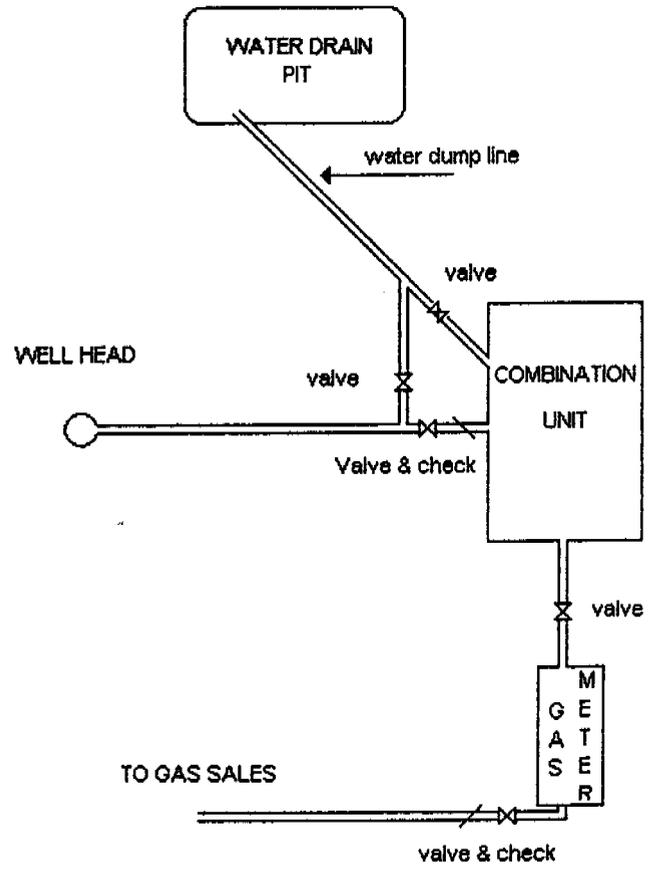
If you require additional information please contact:

William A Ryan  
Agent for Lone Mountain Production Company  
Rocky Mountain Consulting  
350 S. 800 E.  
Vernal Utah, 84078

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



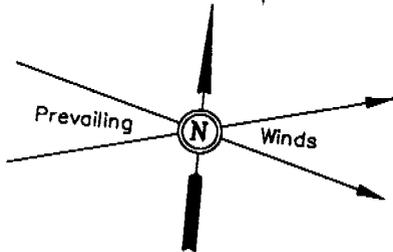
LONE MOUNTAIN  
TYPICAL  
GAS WELL



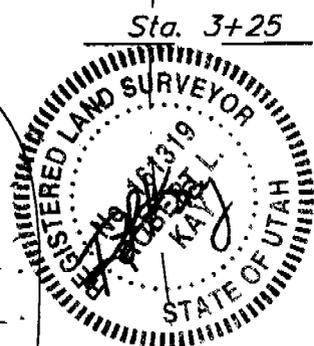
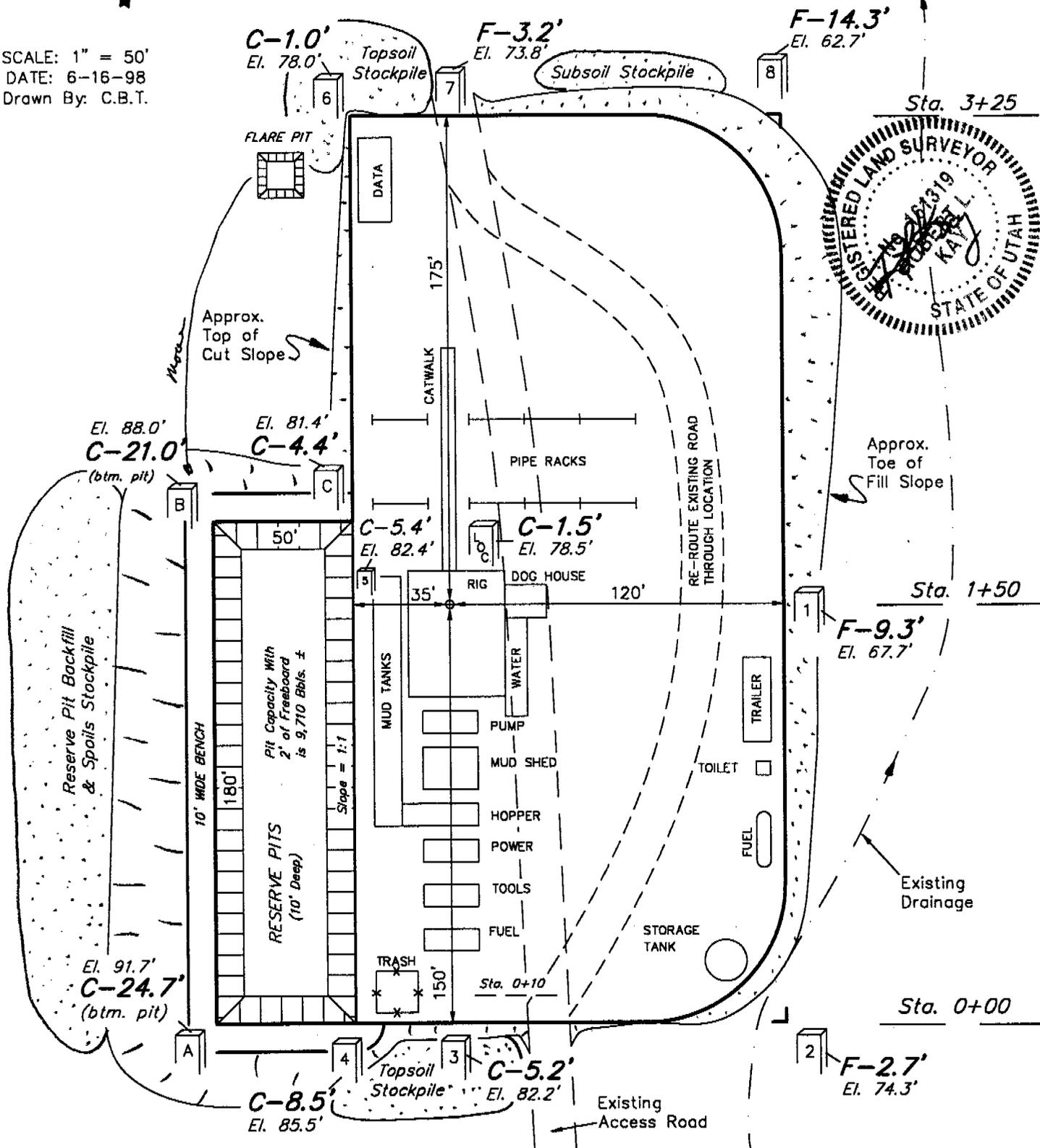
# LONE MOUNTAIN PRODUCTION

LOCATION LAYOUT FOR

FEDERAL M #44-22  
SECTION 22, T11S, R23E, S.L.B.&M.  
574' FSL 1029' FEL



SCALE: 1" = 50'  
DATE: 6-16-98  
Drawn By: C.B.T.



Elev. Ungraded Ground at Location Stake = **6178.5'**  
Elev. Graded Ground at Location Stake = **6177.0'**

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

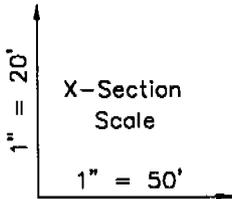
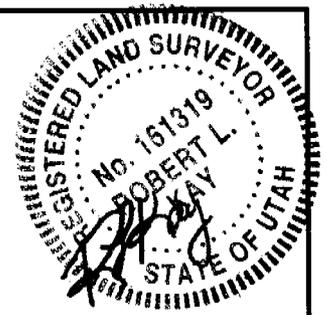
# LONE MOUNTAIN PRODUCTION

## TYPICAL CROSS SECTIONS FOR

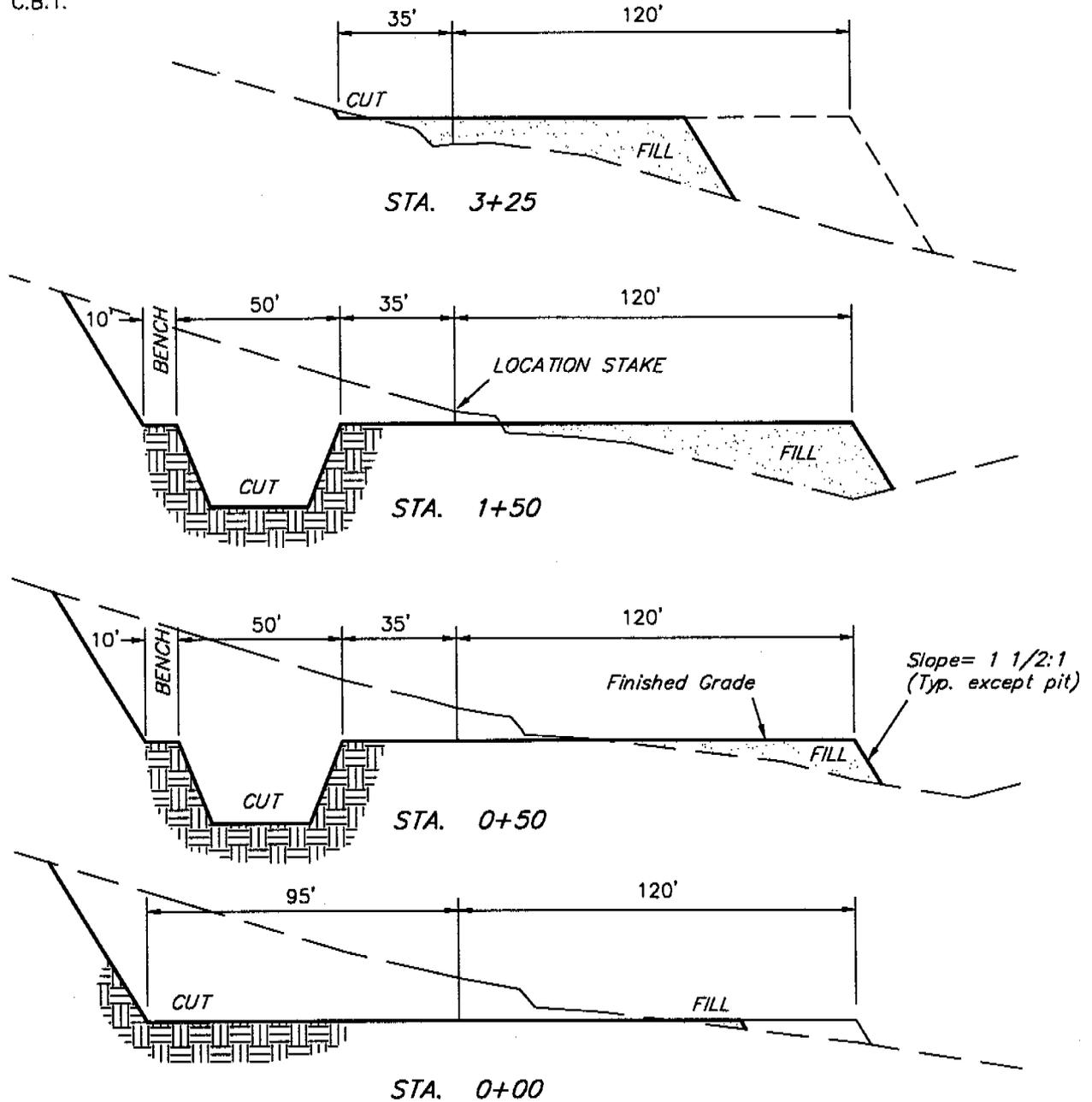
FEDERAL M #44-22

SECTION 22, T11S, R23E, S.L.B.&M.

574' FSL 1029' FEL



DATE: 6-16-98  
Drawn By: C.B.T.

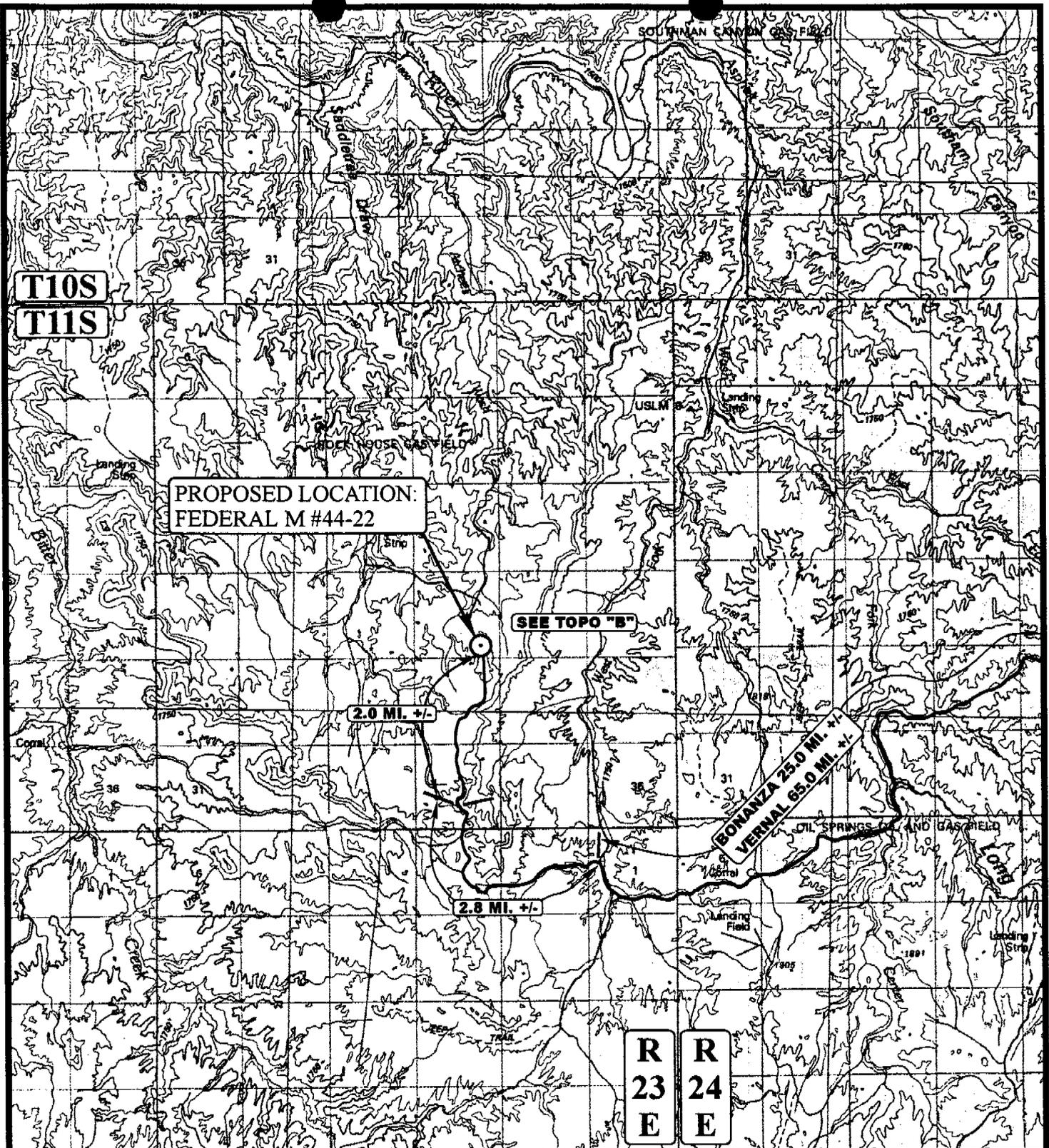


### APPROXIMATE YARDAGES

(6") Topsoil Stripping	=	1,100 Cu. Yds.
Remaining Location	=	9,450 Cu. Yds.
<b>TOTAL CUT</b>	<b>=</b>	<b>10,550 CU.YDS.</b>
<b>FILL</b>	<b>=</b>	<b>7,780 CU.YDS.</b>

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:  
FEDERAL M #44-22

SEE TOPO "B"

2.0 MI. +/-

2.8 MI. +/-

BONANZA 25.0 MI. +/-  
VERNAL 65.0 MI. +/-

R  
23  
E

R  
24  
E

**LEGEND:**

○ PROPOSED LOCATION



**LONE MOUNTAIN PRODUCTION**

FEDERAL M #44-22  
SECTION 22, T11S, R23E, S.L.B.&M.  
574' FSL 1029' FEL



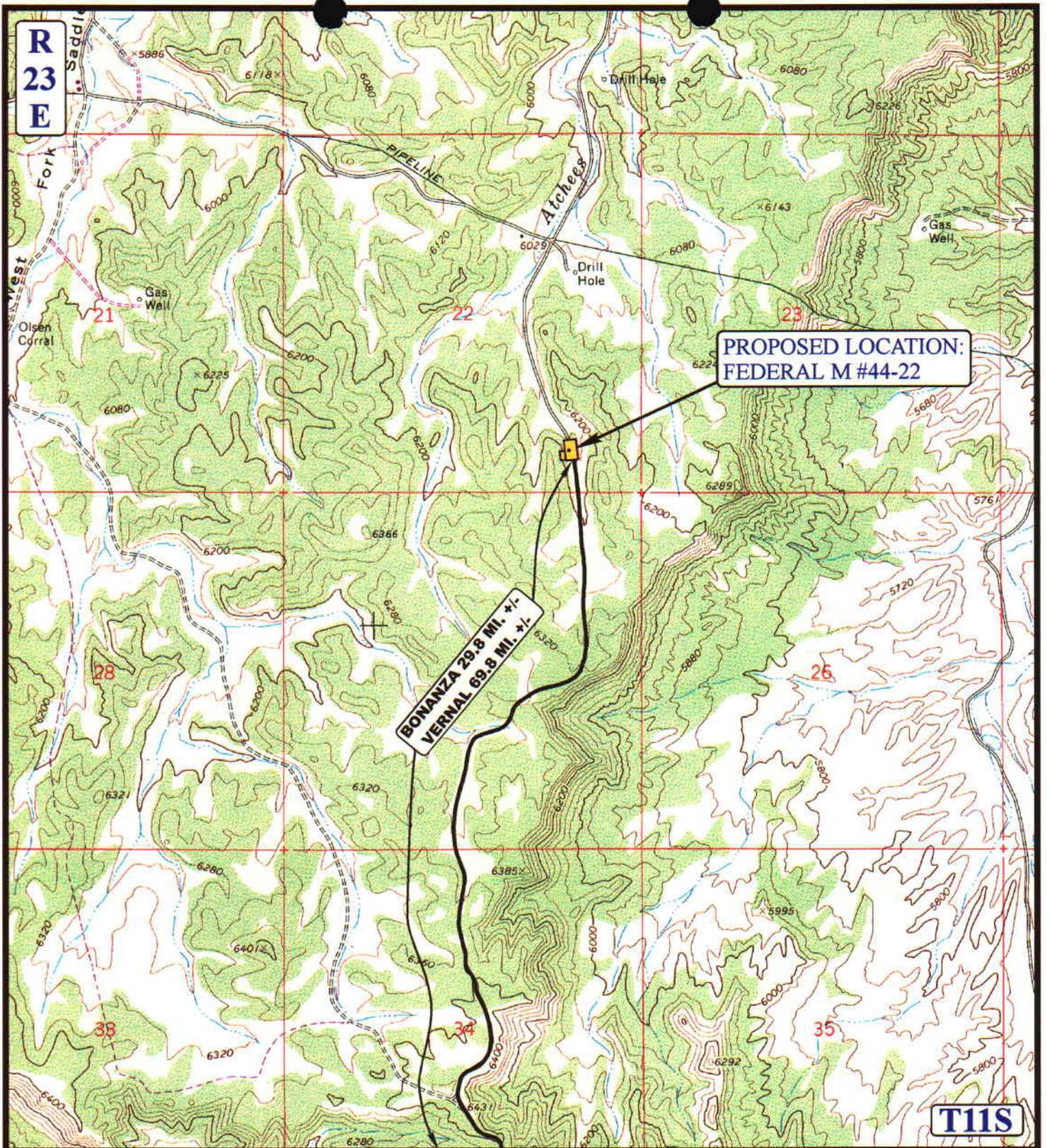
Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

TOPOGRAPHIC  
MAP

6 16 98  
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: C.G. REVISED: 00-00-00





**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING ROAD



**LONE MOUNTAIN PRODUCTION**

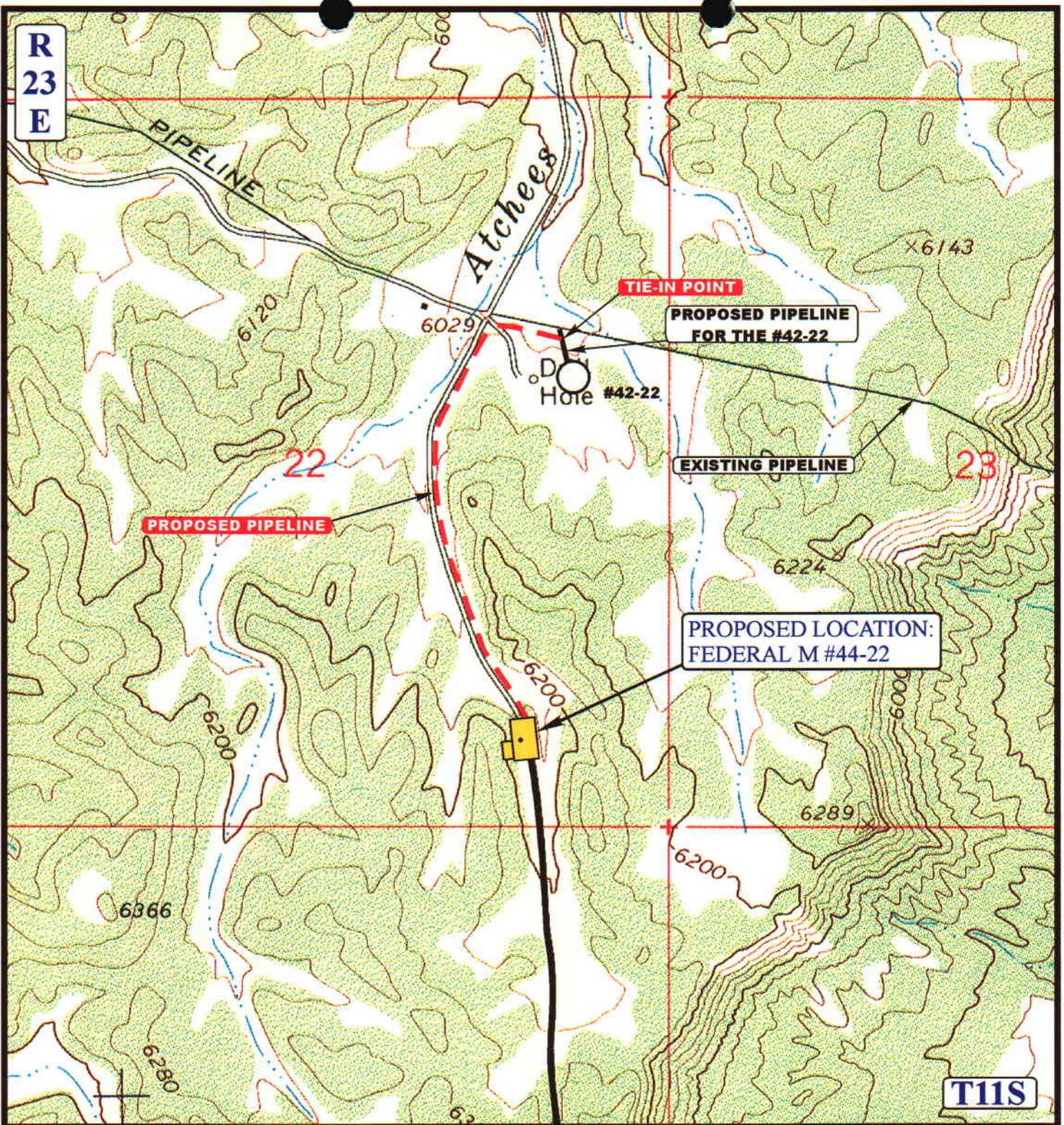
**FEDERAL M #44-22**  
**SECTION 22, T11S, R23E, S.L.B.&M.**  
**574' FSL 1029' FEL**



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

**TOPOGRAPHIC MAP**  
 6 MONTH 16 DAY 98 YEAR  
 SCALE: 1" = 2000' DRAWN BY: C.G. REVISED: 00-00-00





**APPROXIMATE TOTAL PIPELINE DISTANCE = 3500' +/-**

**LEGEND:**

- EXISTING PIPELINE
- PROPOSED PIPELINE
- PROPOSED ACCESS



**LONE MOUNTAIN PRODUCTION**

**FEDERAL M #44-22**  
**SECTION 22, T11S, R23E, S.L.B.&M.**  
**574' FSL 1029' FEL**



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

**TOPOGRAPHIC MAP**  
 SCALE: 1" = 1000' DRAWN BY: C.G. REVISED: 00-00-00

**6 16 98**  
 MONTH DAY YEAR  
**C TOPO**

WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 09/02/98

API NO. ASSIGNED: 43-047-33186

WELL NAME: R.H. FED M 44-22  
 OPERATOR: LONE MOUNTAIN PROD. CO. (N7210)  
 CONTACT: William Ryan (435) 789-0968

PROPOSED LOCATION:  
 SESE 22 - T11S - R23E  
 SURFACE: 0574-FSL-1029-FEL  
 BOTTOM: 0574-FSL-1029-FEL  
 UINTAH COUNTY  
 ROCK HOUSE FIELD (670)

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

LEASE TYPE: FED  
 LEASE NUMBER: UTU-66409  
 SURFACE OWNER: Federal

PROPOSED FORMATION: WSTC

RECEIVED AND/OR REVIEWED:

Plat

Bond: Federal  State  Fee   
 (No. UT-0719)

Potash (Y/N)

Oil Shale (Y/N) \*190-5(B)

Water Permit  
 (No. Rosewoods Wtr. Station & 49-1595)

RDCC Review (Y/N)  
 (Date: \_\_\_\_\_)

N/A St/Fee Surf Agreement (Y/N)

LOCATION AND SITING:

R649-2-3. Unit \_\_\_\_\_

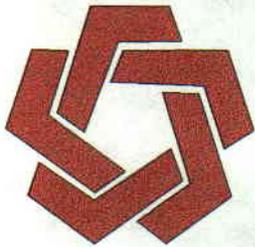
R649-3-2. General

R649-3-3. Exception

Drilling Unit  
 Board Cause No: \_\_\_\_\_  
 Date: \_\_\_\_\_

COMMENTS: \*Need add'l info. "Except. Loc." (rec'd 11-10-98)

STIPULATIONS: ① FEDERAL APPROVAL



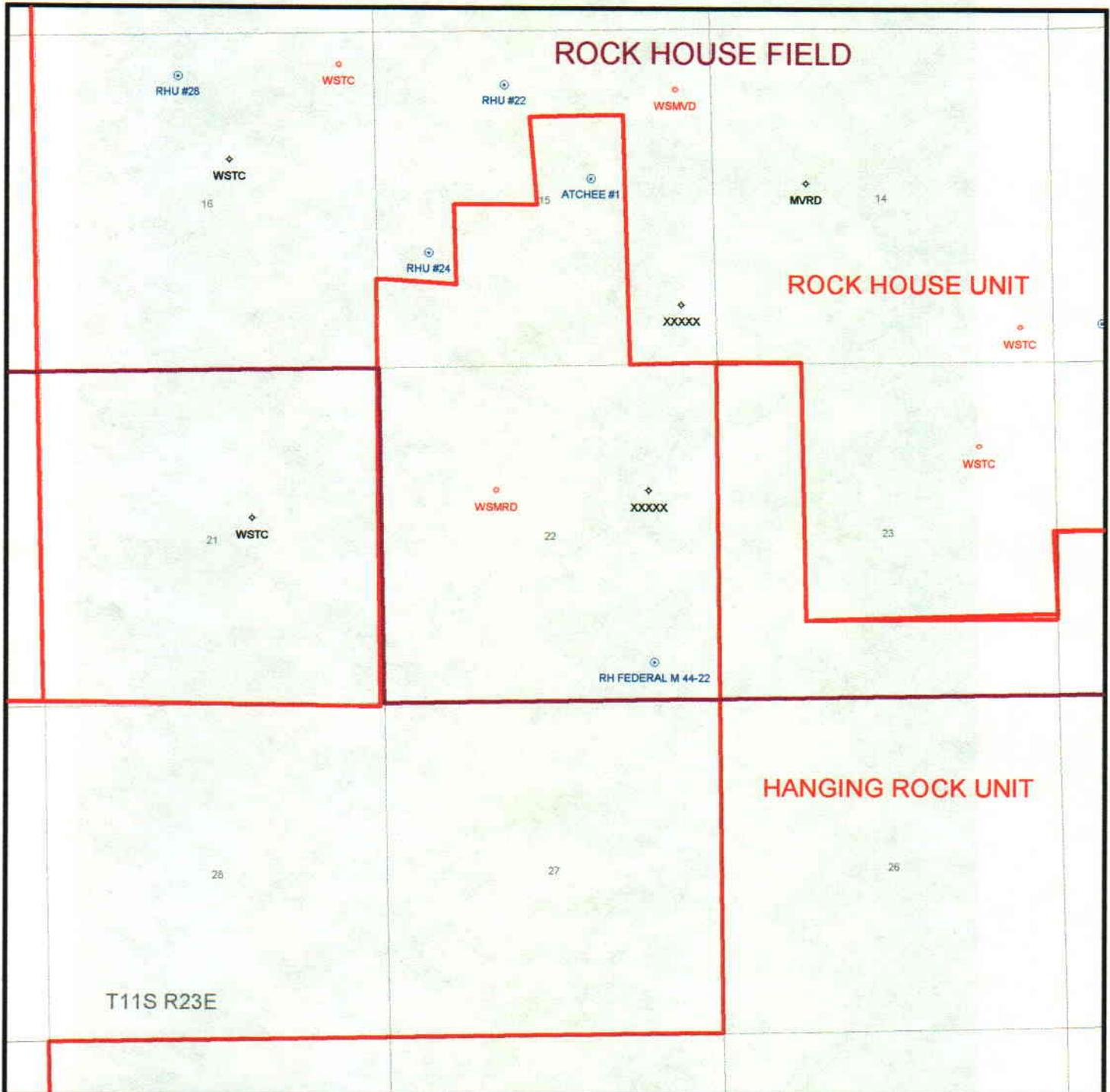
DIVISION OF OIL, GAS & MINING

OPERATOR: LONE MOUNTAIN PRODUCTION (N7210)

FIELD: ROCK HOUSE (670)

SEC. 22, TWP 11S, RNG 23E

COUNTY: UINTAH UNIT: NONE



DATE PREPARED:  
14-SEP-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)

December 16, 1998

Lone Mountain Production Company  
P.O. Box 3394  
Billings, Montana 59103

Re: R. H. Fed. M 44-22 Well, 574' FSL, 1029' FEL, SE SE, Sec. 22, T. 11 S., R. 23 E.,  
Uintah County, Utah

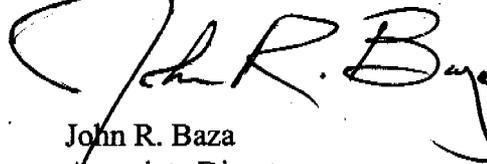
Gentlemen:

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.

Appropriate information has been submitted to DOGM by the operator and administrative approval of the requested exception location is hereby 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 43-047-33186.

Sincerely,



John R. Baza  
Associate Director

lwp

Enclosures

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

Operator: Lone Mountain Production Company

Well Name & Number: R. H. Fed. M 44-22

API Number: 43-047-33186

Lease: Federal Surface Owner: Federal

Location: SE SE Sec. 22 T. 11 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 of spudding the well. Contact Carol Daniels at (801)538-5284.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Dan Jarvis at (801) 538-5338 or Robert Krueger at (801) 538-5274.

3. Reporting Requirements

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

4. State approval of this well does not supersede 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. UTU-88409

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL [X] DEEPEN [ ] PLUG BACK [ ]

B. TYPE OF WELL

OIL WELL [ ] GAS WELL [X] SINGLE ZONE [ ] MULTIPLE ZONE [X]

6. IF INDIAN, ALLOTTEE OR TRIBE NAME NA

7. UNIT AGREEMENT NAME Rock House Unit

8. FARM OR LEASE NAME NA

2. NAME OF OPERATOR

Lone Mountain Production Company

9. WELL NO.

R. H. Fed M 44-22

3. ADDRESS OF OPERATORS

P.O. Box, 3394, Billings, MT. 59103 406-245-5077

10. FIELD OR LEASE NAME

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirement)

at surface 574' FSL, 1,029' FEL SE/SE

11. Sec., T., R., M., OR BLK

AND SURVEY OR AREA Sec. 22, T11S, R23E

At proposed prod. Zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE

30.3 miles south of Bonanza Utah

12. COUNTY OR PARISH

Utah

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

574'

16. NO. OF ACRES IN LEASE

2,560

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION \* TO NEAREST WELL, DRILLING COMPLETED.

NA

19. PROPOSED DEPTH

6,000'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATION (SHOW WHETHER OF. RT. GR. etc.)

6,179' GR

22. APPROX. DATE WORK WILL START

Oct. 1, 1998

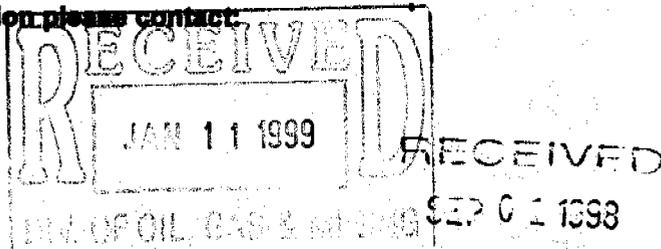
PROPOSED CASING AND CEMENT PROGRAM

Table with 5 columns: SIZE OF HOLE, SIZE OF CASING, WEIGHT PER FOOT, SETTING DEPTH, QUANTITY OF CEMENT. Rows include 12 1/4 inch hole with 9 5/8 inch casing, 7 7/8 inch hole with 4 1/2 inch casing, and cement quantities 'To Surface' and 'Cement top to cover the oil shale'.

Operator requests permission to drill the subject well. Please see the attached 10 Point and 13 Point Surface Use Plan.

If you require additional information please contact:

William Ryan 350 S., 800E. Vernal, Utah 435-789-0968



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposed in to deepen or plug back, give data on proposed productive zone and proposed new 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 Aug 23, 1998

(This space for Federal or State Office Use)

PERMIT NO. APPROVED BY [Signature] TITLE Assistant Field Manager Mineral Resources DATE JAN 05 1999

CONDITIONS OF APPROVAL, IF ANY:

NOTICE OF APPROVAL

ADDITIONAL 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.

Handwritten notes at bottom left corner.

CONDITIONS OF APPROVAL  
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Lone Mountain Production Co.

Well Name & Number: R. H. Fed. M 44-22

API Number: 43-047-33186

Lease Number: U-66409

Location: SESE Sec. 22 T. 11 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  $\pm$  1198 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  $\pm$  998 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 Petroleum Engineer	(435) 789-4170
Ed Forsman Petroleum Engineer	(435) 789-7077
Jerry Kenczka Petroleum Engineer	(435) 789-1190
BLM FAX Machine	(435) 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, spend solvents, spilled chemicals, and waste acids
- Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste
- Refinery wastes
- Liquid and solid wastes generated by crude oil and tank bottom reclaimers
- Used equipment lubrication oils
- Waste compressor oil, filters, and blowdown
- Used hydraulic fluids
- Waste solvents
- Waste in transportation pipeline-related pits
- Caustic or acid cleaners
- Boiler cleaning wastes
- Boiler refractory bricks
- Incinerator ash
- Laboratory wastes
- Sanitary wastes
- Pesticide wastes
- Radioactive tracer wastes
- Drums, insulation and miscellaneous solids.

### 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 pit spoils should be piled on both ends of the pit rather than on the up hill side as shown on the cut sheet.

-The trees cleared from the location should be piled on the south side of the location to the south of the spoils pile.

-The seed mix to be used for seeding topsoil, the reserve pit, and final reclamation will be:

Thickspike Wheatgrass	Agropyron dasytachum	3 lbs./acre
Fourwing Saltbush	Atriplex canescens	4 lbs./acre
Shadscale	Atriplex confertifolia	2 lbs./acre
Needle and Threadgrass	Stipa comata	3 lbs./acre

-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).

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-73440

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Federal M #44-22

9. API Well No.

43-047-33186

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

LONE MOUNTAIN PRODUCTION COMPANY

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)

574' FSL 1029' FEL SE/SE SECTION 22 T11S 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 WEEKLY  
 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.)\*

Rosewood Resources Inc. reports that the above referenced well was TD'D on 7/22/99 w/Chandler rig #1. The rig was released on 7/25/99. See attached rig reports for casing & cementing details.  
Current Status: WO Completion rig.

If you require additional information please feel free to contact Rosewood Resources @ 435-789-0414.  
Lucy Nemecc  
Agent for Lone Mountain Production Company

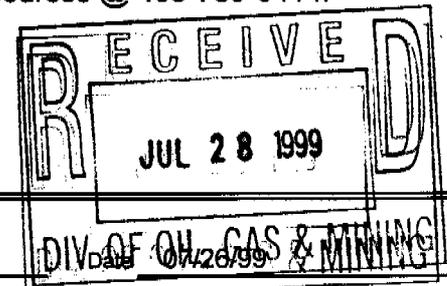
COPIES: ORIG. & 2-BLM; DIV. OG&M; J MCQUILLEN

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

Signed

*Lucy Nemecc*

Title AGENT



(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:



# ROSEWOOD RESOURCES, INC.

# DAILY DRILLING REPORT

LEASE: ROSEWOOD FEDERAL      DATE: 7/13/99  
 WELL: "H" #22-16  
 RIG: CHANDLER RIG #1  
 PRESENT OPERATION: TESTING BOP'S & CSG

CURRENT DEPTH 2520'  
 PROPOSED TD 7600'  
 FOOTAGE PAST 24 HRS 0'  
 ENGINEER D.WIDNER  
 CONSULTANT BO SHERMAN

FROM	TO	ACTIVITY PAST 24 HRS:
0600	0630	LAY DOWN 8" DC'S
0630	0930	RUN 9 5/8" CASING (LANDED @ 2520'KB)
0930	1030	CIRCULATE
1030	1200	CEMENT W/ 500sx HOWCO LITE, .25#/sk FLOCELE, 2% MICROBOND & 3% SALT IN LEAD SLURRY. TAIL SLURRY 215sx PREMIUM "G" W/ .25#/sk FLOCELE. LOST RETURNS W/ 5 BBLs LEFT ON DISPLACEMENT.
1200	1630	WAIT ON CEMENT
1630	1830	N/D 13" STACK
1830	1900	RUN 1" PIPE BETWEEN 9 5/8" & 13 3/8" CSG. PUMP 45sx PREMIUM "G" CEMENT. CEMENTED TO SURFACE.
1900	2230	CUT OFF CSG. INSTALL & TEST CASINGHEAD
2230	0200	N/U BOP'S
0200	0600	PRESSURE TEST BOP'S & SURFACE CASING

**MUD PROPERTIES:**

WT	9.0	% OIL		Ca+	40
VIS	45	%SAND	1/2	cake	2/32
WL	12.8	%SOLID	4.9	pH	10
HTHP		ALK	.4/9	DAILY MUD COST	979
PV	9	Cl-	400	CUM. MUD COST	3722
YP	10				

**DAILY COSTS:**

SURFACE RIG	
DAYWORK	6350
LOCATION	
MUD	979
RIG MOVE	
SURVEYOR	
LOGGING	
MUD LOG	750
CEMENTING	13342
FISHING	
WATER	
WELLHEAD	
CSG CREW	5592
RENTALS	2400
CASING	
SUPERVISION	500
CASING HEAD	
TOTAL DAILY	29913
COST FORWARD	79995
CUM. TO DATE	109908

**PUMP DATA:**

	1	2
MAKE	GD	EMSCO
MODEL	PZ8	
LINER	6 1/2"	5 1/2"
SPM	115	40
PSI	1100	

**HYDRAULICS:**

WOB	50
RPM	80
GPM	560

**BIT RECORD:**

Bit #	1	2
Ser#	TC2447	
Size	12 1/4	
Make	REED	
Type	HP51	
Jets	3/22	
In @	325	
Out @	2520	
Feet	2195	
Hrs	18.5	
Ft/Hr	54.1	
CUM	40 1/2	
Grade		

**SURVEY DATA:**

DEPTH	DEGREES
351'	1/4
841'	1/2
1338'	1/2
1858'	1 1/4

**ADDL COMMENTS:**

**CASING DETAIL**  
 55 JTS 9 5/8" 36# J-55 STC CSG  
 INSERT FLOAT  
 1 JT 9 5/8" CSG  
 GUIDE SHOE









STATE OF UTAH  
 DIVISION OF OIL, GAS AND MINING  
 ENTITY ACTION FORM - FORM 6

OPERATOR ROSEWOOD RESOURCES, INC.  
 ADDRESS P.O. BOX 1668  
VERNAL, UT 84078

OPERATOR ACCT. NO. N7510

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999	12558	4304733186	FEDERAL "M" #44-22	SESE	22	11S	23E	UINTAH	7/7/99	7/7/99
WELL 1 COMMENTS: 990716 entity added. KDR											
WELL 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

RECEIVE  
 JUL 14 1999  
 DIV. OF OIL, GAS & MINING

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

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

(3/89)

Lucy Nemes  
 Signature  
 Admin. Assistant  
 Title  
 Date 7-12-99  
 Phone No. 435 ) 789-0414

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-73440

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

7. If Unit or CA, Agreement Designation

8. Well Name and No.  
Federal M #44-22

9. API Well No.  
43-047-33186

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. (Lone mtn.)

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)  
~~738 FSL 565 FEL SE/SE SECTION 22 T12S R24E~~ *per Telecom July 7-14-99 LHO*  
574 FSL 1029 FEL T11S R23E

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

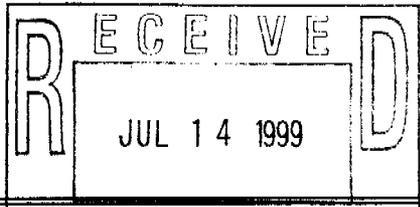
TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input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

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

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

Rosewood Resources Inc. reports that the above referenced well was spud @ 6:30 p.m. on 7/7/99 w/Bill Martin Jr's Rathole rig. Drilled 17 1/2" hole to 325'. RIH w/ 7 jts of 13 3/8" 48# H-40 STC casing to 310'. Cemented casing w/380 sx Class "G" w/2% CaCl & 1/4# sk Flocele. Had good returns and cement at surface.

Status: WO Chandler Rig #1.



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

14. I hereby certify that the foregoing is true and correct  
Signed Lucy Nema Title Administrative Assistant Date 07/10/99

(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.

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-66409

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

7. If Unit or CA, Agreement Designation

**SUBMIT IN TRIPLICATE**

1. Type of Well

Oil Well  Gas Well  Other

8. Well Name and No.  
Federal M #44-22

2. Name of Operator  
ROSEWOOD RESOURCES, INC.

9. API Well No.  
43-047-33186

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

10. Field and Pool, or Exploratory Area

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
574' FSL 1029' FEL SE/SE SECTION 22 T11S R23E

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

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

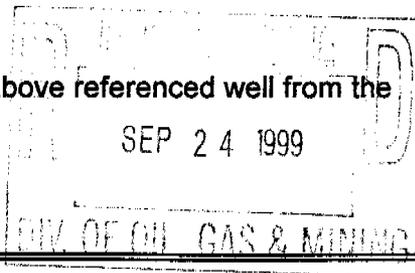
Abandonment  
 Recompletion  
 Plugging Back  
 Casing Repair  
 Altering Casing  
 Other Change or Operator  
 Change of Plans  
 New Construction  
 Non-Routine Fracturing  
 Water Shut-Off  
 Conversion to Injection  
 Dispose Water

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

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

Please be advised that effective 8/1/99, Rosewood Resources, Inc. is considered to be the operator of the Federal M #44-22, referenced above; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by Certificate of Deposit, BLM Bond #MT-0627.

Rosewood Resources Inc. requests approval to change the name of the above referenced well from the Federal M #44-22 to the Rosewood Federal H #22-16.



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

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

Signed *Lucy Nemes* Title Administrative Assistant Date 09/23/99

(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**

SUBMIT IN  
TRIPLICATE\*  
(Other Instructions on  
reverse side)

Form Approved.  
Budget Bureau No. 1004-0135  
Expires : March 31, 1993

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NO. <b>UTU-66409</b>
Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT-" for such proposals		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
<b>SUBMIT IN TRIPLICATE</b>		7. IF UNIT OR CA. AGREEMENT DESIGNATION
b. TYPE OF WELL OIL <input type="checkbox"/> GAS <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> WELL <input type="checkbox"/> WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> ZONE <input type="checkbox"/> ZONE <input type="checkbox"/>		8. WELL NAME and No. <b>Federal No. M 44-22</b>
2. NAME OF OPERATOR <b>Lone Mountain Production Company</b>		9. API WELL NO. <b>43-047-33186</b>
3. ADDRESS OF OPERATOR <b>P. O. Box 3394, Billings, Montana 59103      (406) 245-5077</b>		10. Field and Pool, or Exploratory Area <b>Rock House</b>
4. LOCATION OF WELL (Footage, Sec, T., R., M., or Survey Description) <b>574' FSL, 1029' FEL Section 22-T11S-R23E (SESE)</b>		11. County or Parish, State <b>Uintah County, Utah</b>

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> Notice of Intent  <input type="checkbox"/> Subsequent Report  <input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Abandonment <input type="checkbox"/> Recompletion <input type="checkbox"/> Plugging Back <input type="checkbox"/> Casing Repair <input type="checkbox"/> Altering Casing <input checked="" type="checkbox"/> Other <u>Change of Operator</u> ....	<input type="checkbox"/> Change of Plans <input type="checkbox"/> New Construction <input type="checkbox"/> Non-Routine Fracturing <input type="checkbox"/> Water Shut-Off <input type="checkbox"/> Conversion to Injection <input type="checkbox"/> Dispose of Water <small>(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log Form)</small>

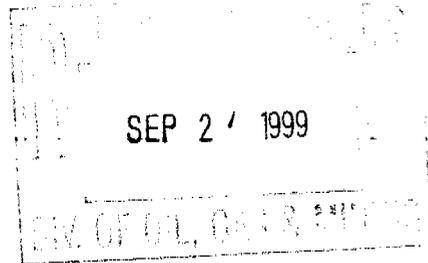
13. Describe the Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If a well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent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

**Please be advised Rosewood Resources Inc. assumed operation of the subject well, effective August 1, 1999. All operations are covered under Rosewood's Nationwide Drilling Bond No. MT-0627.**

All future correspondence should be directed to:

**Rosewood Resources Inc.  
265 East 100 South  
Vernal, Utah 84078**

Attn: Danny Widner



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

Signed: *John D. Parker*

Title: **President**

Date: **September 24, 1999**

(This space for Federal or State office use)

APPROVED BY: \_\_\_\_\_ TITLE: \_\_\_\_\_ DATE: \_\_\_\_\_  
CONDITIONS OF APPROVAL IF ANY

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
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-66409

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

7. If Unit or CA, Agreement Designation

8. Well Name and No.  
Federal M #44-22

9. API Well No.  
43-047-33186

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)  
574' FSL 1029' FEL SE/SE SECTION 22 T11S 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.)\*

Rosewood Resources requests approval to deviate from the APD by drilling a 17 1/2" hole to 325' with Bill Martin Jr. Rathole and running 300' of 13 3/8" 48# H-40 STC surface casing. Chandler Rig #1 will then move in and drill a 12 1/4" hole to 2500' and run 9 5/8" 36# K-55 casing. Rosewood proposes to run 1" pipe between the 9 5/8" and 13 3/8" casing and cement to surface with Premium "G" cement.

Accepted by the  
Utah Division of  
Oil, Gas and Mining

SEP 30 1999

Date: 10-7-99

By: RJK

Federal Approval Of This  
Action is Necessary

COPY SENT TO OPERATOR  
Date: 10-9-99  
initials: CAP

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

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

Signed Ruby Neme Title Administrative Assistant Date 09/27/99

(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.



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Vernal Field Office

170 South 500 East

Vernal, Utah 84078-2799

<http://www.blm.gov/utah/vernal>

Phone: (435) 781-4400

Fax: (435) 781-4410

IN REPLY REFER TO:

3162.3

UT08300

December 16, 1999

Rosewood Resources, Inc.  
Attn: Lucy Nemeč  
P O Box 1668  
Vernal UT 84078

Re: Well No. Federal M 44-22  
NENE, Sec. 22, T11S, R23E  
Lease U-66409  
Uintah County, Utah

Dear Lucy:

This correspondence is in regard to the self-certification statement submitted requesting a change in operator for the referenced well. After a review by this office, the change in operator request is approved. Effective immediately, Rosewood Resources, Inc. is responsible for all operations performed on the referenced well. All liability will now fall under your bond, BLM Bord No. **MT0627**, for all operations conducted on the referenced well on the leased land.

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

Sincerely,

Wayne P. Bankert  
Petroleum Engineer  
Minerals Resources

cc: Lone Mountain Production Company  
Division of Oil, Gas & Mining  
White River Enterprises  
Yates Petroleum Corp.

RECEIVED

DEC 29 1999

DIVISION OF OIL, GAS & MINING

ROUTING:

1- <del>OWH</del>	4-KAS ✓
2- <del>CBW</del>	5- <del>STW</del> ✓
3-JLT	6-FILE

**OPERATOR CHANGE WORKSHEET**

Check each listed item when completed. Write N/A if item is not applicable.

- Change of Operator (Well Sold)       Designation of Agent  
 Operator Name Change Only       Merger

The operator of the well(s) listed below has changed, effective: 8-1-99

<b>TO:(New Operator)</b> <u>ROSEWOOD RESOURCES INC.</u>	<b>FROM:(Old Operator)</b> <u>LONE MTN. PRODUCTION CO.</u>
Address: <u>2711 N. HASKELL AVE.</u>	Address: <u>P. O. BOX 3394</u>
<u>STE 2800 LB # 22</u>	<u>BILLINGS, MT 59103-3394</u>
<u>DALLAS, TX 75204-2944</u>	
Phone: <u>1-(435) 789-0414</u>	Phone: <u>1-(406)-245-5077</u>
Account No. <u>N7510</u>	Account No. <u>N7210</u>

WELL(S):	CA No.	N/A	or	Unit
Name: R H FEDERAL M #44-22	API: 43-047-33186	Entity: 12558	S 22 T 11S R 23E	Lease: U-66409
Name: _____	API: _____	Entity: _____	S T R	Lease: _____
Name: _____	API: _____	Entity: _____	S T R	Lease: _____
Name: _____	API: _____	Entity: _____	S T R	Lease: _____
Name: _____	API: _____	Entity: _____	S T R	Lease: _____
Name: _____	API: _____	Entity: _____	S T R	Lease: _____
Name: _____	API: _____	Entity: _____	S T R	Lease: _____
Name: _____	API: _____	Entity: _____	S T R	Lease: _____

**OPERATOR CHANGE DOCUMENTATION**

- YES 1. A pending operator change file has been set up.
- YES 2. (R649-8-10) Sundry or other legal documentation has been received from the **FORMER** operator on 9-2-99.
- YES 3. (R649-8-10) Sundry or other legal documentation has been received from the **NEW** operator on 9-24-99.
- YES 4. The new company has been looked up in the **Department of Commerce, Division of Corporations Database** if the new operator above is not currently operating any wells in Utah. Is the operator registered with the State?  
 Yes/No If yes, the company file number is 180808 if no, Division letter was mailed to the new operator on \_\_\_\_\_.
- YES 5. **Federal and Indian Lease Wells.** The BLM or the BIA has approved the merger, name change or operator change for all wells listed above involving Federal or Indian leases on 12-16-99.
- N/A 6. **Federal and Indian Units.** The BLM or the BIA has approved the successor of unit operator for all wells listed above involving unit operations on \_\_\_\_\_.
- N/A 7. **Federal and Indian Communitization Agreements ("CA").** The BLM or the BIA has approved the operator change for all wells listed above involved in the CA on \_\_\_\_\_.



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

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

**1a. TYPE OF WORK**

**1b. TYPE OF WELL**

Oil Well  Gas Well  Dry  Other \_\_\_\_\_

New Well  Work Over  Deep-EN  Plug Back  Diff. Resvr.  Other \_\_\_\_\_

**2. NAME OF OPERATOR**  
**ROSEWOOD RESOURCES, INC.**

**3. ADDRESS AND TELEPHONE NO.**  
**P.O. Box 1668, Vernal, Utah 435-789-0414**

**5. LEASE DESIGNATION AND SERIAL NO.**  
**UTU-66409**

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

**7. UNIT AGREEMENT NAME**  
**NONE**

**8. FARM OR LEASE NAME, WELL NO.**  
**Federal M #44-22**

**9. API WELL NO.**  
**43-047-33186**

**10. FIELD AND POOL OR WILDCAT**

**11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA**  
**Sec. : 22 T.: 11S  
R. : 23E M.: SLBM  
Block & Survey:**

**4. LOCATION OF WELL (Report locations clearly and in accordance with any State requirements.)\***

At Surface  
**574 FSL 1029' FEL SE/SE SECTION 22, T11S, R23E UINTAH CO., UTAH**

At top prod. Interval reported below

At total depth

**14. PERMIT NO.** \_\_\_\_\_ **DATE ISSUED** **1/5/99**

**12. COUNTY OR PARISH** **Uintah** **13. STATE** **Utah**

**15. DATE SPUNDED** **7/7/99** **16. DATE T.D. REACHED** **7/23/99** **17. DATE COMPL. (Ready to prod.)** **N/A 7-25-99** **18. ELEVATIONS (DF, RKB, RT, GR, ETC.)\*** **6194' KB** **19. ELEV. CASINGHEAD** **6179'**

**20. TOTAL DEPTH, MD & TVD** **7445'** MD **7385'** MD **21. PLUG, BACK T.D., MD & TVD** **7385'** MD **22. IF MULTIPLE COMPL., HOW MANY\*** \_\_\_\_\_ **23. INTERVALS DRILLED BY** **Chandler Rig #1**

**24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)\***  
**6859'- 68', 6844'- 48' & 6772'- 92' WSTC PL - BGR**

**25. WAS DIRECTIONAL SURVEY MADE**  
**Yes**

**26. TYPE ELECTRIC AND OTHER LOGS RUN** **MUD LOG, PEMIGR, PCAR, LOG, CAR APR 8-2-99**  
**CNL Density, Array Induction, CMR, CBL w/ GR & CCL 8-2-99**

**27. WAS WELL CORED**  
**No**

**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
13 3/8"	48#	310'	17 1/2"	Surface, 380sx "G"	None
9 5/8"	36#	2520'	12 1/4"	Surface, 760sx Lite & "G"	None
4 1/2"	11.6#	7445'	7 7/8"	1970', 900sx Premium 300	None

**29. LINER RECORD** **30. TUBING RECORD**

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

**31. PERFORATION RECORD (Interval, size and number)**

INTERVAL	SIZE	NUMBER
6859'- 68'	0.37	36
6844'- 48'	0.37	16
6772'- 92'	0.37	80

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
6844'- 68'	N2 Frac w/ 182 bbls fluid, 55,100# 20/40

**33.\* PRODUCTION**

**DATE FIRST PRODUCTION** **N/A** **PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)** **?** **WELL STATUS (Producing or shut-in)** \_\_\_\_\_

**DATE OF TEST** **10/15/99** **HOURS TESTED** **12** **CHOKE SIZE** **12/64** **PROD'N. FOR TEST PERIOD** **→** **OIL—BBL.S.** **0** **GAS—MCF.** **53** **WATER—BBL.** **13** **GAS-OIL RATIO** \_\_\_\_\_

**FLOW. TUBING PRESS.** **1-40#** **CASING PRESSURE** **280#** **CALCULATED 24-HOUR RATE** **→** **OIL—BBL.** **0** **GAS—MCF.** **107** **WATER—BBL.** **25** **OIL GRAVITY-API (CORR.)** **N/A**

**34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)**  
**Vented** **TEST WITNESSED BY** **R.D. Miller**

**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 R.D. Miller TITLE **Drilling Supt.** DATE **4/26/00**

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

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

38. GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	TOP	
				NAME	TRUE VERT. DEPTH
				WASATCH MESA VERDE	3327' 5044'

**RECEIVED**  
 APR 28 2000  
 DIVISION OF  
 OIL, GAS AND MINING

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-66409

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

7. If Unit or CA, Agreement Designation

8. Well Name and No.  
FEDERAL M #44-22

9. API Well No.  
43-047-33186

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)  
574' FSL, 1,029' FEL SE/SE SEC 22, T11S, R23E

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

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

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

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

Rosewood Resources Inc. requests approval to change the name of the above referenced well from the Federal M 44-22 to Rosewood Federal H #22-16.

Thank You,  
Jill Henrie  
(435) 789-0414 x.10

**RECEIVED**

AUG 17 2000

DIVISION OF  
OIL, GAS AND MINING

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

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

Signed Jerry Widmer Title District Manager Date 08/11/00

(This space for Federal or State office use)

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

Conditions of approval, if any:

COPY SENT TO OPERATOR  
Date: 8-18-00  
Initials: CHD

**Accepted by the  
Utah Division of  
Oil, Gas and Mining  
FOR RECORD ONLY**

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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: See Attached
2. NAME OF OPERATOR: MCELVAIN OIL & GAS PROPERTIES, INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1050 17th Street City Denver STATE CO ZIP 80265		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE:  QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		8. WELL NAME and NUMBER:  9. API NUMBER:  10. FIELD AND POOL, OR WILDCAT:  COUNTY:  STATE: UTAH
5. PHONE NUMBER: (303) 893-0933		

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 5/1/2002	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

McElvain Oil & Gas Properties, Inc. will take over as operator of the attached wells from Rosewood - effective 5/1/2002.

Bond # RLB0004154

Operator # N2100

**RECEIVED**

APR 29 2002

DIVISION OF  
OIL, GAS AND MINING

Name Gary Taraba

Title Vice President Rosewood Resources, Inc

Signature Gary Taraba

Date 4/23/02

NAME (PLEASE PRINT) John D. Steuble

TITLE Engineering Manager Mcelvain O & G Properties

SIGNATURE John D. Steuble

DATE 4/12/02

(This space for State use only)

API #	FED #	POOL #	COUNTY	LEGAL	WELL NAME
43-047-32871	UTU-57455	OIL SPRINGS	UNITAH	1 12S 23E SESW	HANGING ROCK FED I # 1-14 WS
43-047-32855	UTU-57455	OIL SPRINGS	UNITAH	1 12S 23E NWNW	HANGING ROCK I # 1-4 WS
43-047-32679	UTU-57455	OIL SPRINGS	UNITAH	1 12S 23E SESE	HANGING ROCK FED I # 1-16
43-047-33098	UTU-57455	OIL SPRINGS	UNITAH	10 12S 23E NESW	HANGING ROCK I # 10-13 WS
43-047-32935	UTU-57455	OIL SPRINGS	UNITAH	11 12S 23E SENE	HANGING ROCK I # 11-8 (WSMVD)
43-047-32936	UTU-57455	OIL SPRINGS	UNITAH	12 12S 23E NWNE	HANGING ROCK I # 12-2
43-047-33096	UTU-57455	OIL SPRINGS	UNITAH	12 12S 23E NWSW	HANGING ROCK I # 12-12 WS
43-047-33101	UTU-57455	OIL SPRINGS	UNITAH	12 12S 23E NESE	HANGING ROCK I # 12-9 WS
43-047-32748	UTU-57455	OIL SPRINGS	UNITAH	12 12S 23E NWNW	HANGING ROCK I # 12-4
43-047-33099	UTU-57455	OIL SPRINGS	UNITAH	15 12S 23 E SWNE	HANGING ROCK I # 15-7
43-047-33100	UTU-66426	OIL SPRINGS	UNITAH	7 12S 24E NWSE	HANGING ROCK F # 7-10
43-047-32937	UTU-66426	OIL SPRINGS	UNITAH	7 12S 24E SENE	HANGING ROCK F # 7-8
43-047-32751	UTU-66426	OIL SPRINGS	UNITAH	7 12S 24E SENW	HANGING ROCK F # 7-6
43-047-32872	UTU-70239	OIL SPRINGS	UNITAH	8 12S 24E NWNW	TUCKER FEDERAL F # 8-4
43-047-32993	UTU-70239	OIL SPRINGS	UNITAH	8 12S 24E NWNE	TUCKER FEDERAL F # 8-2
43-047-33132	UTU-73019	BUCK CANYON	UNITAH	5 12S 22E SENW	ROSEWOOD # 5-6
43-047-32604	UTU-66761	ASPHALT WASH	UNITAH	23 11S 24E SESE	THIMBLE ROCK FED # 23-15
43-047-32757	UTU-08424-A	OIL SPRINGS	UNITAH	6 12S 24E SWSE	TOBY FEDERAL F # 6-15
43-047-32840	UTU-65355	BUCK CANYON	UNITAH	19 11S 22E NESE	ROSEWOOD FED # 28-8
43-047-32603	UTU-66408	ROCK HOUSE	UNITAH	24 11S 23E SWSW	HANGING ROCK # 24-13
43-047-32750	UTU-75206	OIL SPRINGS	UNITAH	17 12S 24E NWNW	CENTER FORK FED # 17-4
43-047-33186	UTU-66409	ROCK HOUSE	UNITAH	22 11S 23E SESE	ROSEWOOD FED H # 22-16



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Vernal Field Office  
170 South 500 East  
Vernal, Utah 84078-2799  
<http://www.blm.gov/utah/vernal>

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

IN REPLY REFER TO:  
3162.3  
UT08300

June 24, 2002

McElvain Oil & Gas Properties, Inc.  
1050 17<sup>th</sup> Street, Suite 1800  
Denver, Colorado 80265

Re: Well No. Rosewood Fed. H 22-16  
SESE, Sec. 22, T11S, R23E  
Uintah County, Utah  
Lease No. UTU-66409

Gentlemen:

This correspondence is in regard to the self-certification statement submitted requesting a change in operator for the referenced well. After a review by this office, the change in operator request is approved. Effective immediately, McElvain O&G Properties, Inc. is responsible for all operations performed on the referenced well. All liability will now fall under your bond, BLM Bond No. UT1268, for all operations conducted on the referenced well on the leased land.

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

Sincerely,

Edwin I. Forsman  
Petroleum Engineer

cc: UDOGM – Jim Thompson  
Dominion Expl. & Prod. Inc.  
Yates Petro Corp.

**RECEIVED**

JUL 01 2002

DIVISION OF  
OIL, GAS AND MINING

**OPERATOR CHANGE WORKSHEET**

1. GLH
2. CDW
3. FILE

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

Designation of Agent

Operator Name Change

Merger

The operator of the well(s) listed below has changed, effective: **05-01-2002**

<b>FROM:</b> (Old Operator):	<b>TO:</b> ( New Operator):
ROSEWOOD RESOURCES INC	MCELVAIN OIL & GAS PROPERTIES INC
Address: P O BOX 1668	Address: 1050 17TH STREET, STE 1800
VERNAL, UT 84078	DENVER, CO 80265-1801
Phone: 1-(435)-789-0414	Phone: 1-(303)-893-0933
Account No. N7510	Account No. N2100

**CA No.**

**Unit:**

**WELL(S)**

NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
ROSEWOOD FEDERAL 28-8	19-11S-22E	43-047-32840	12442	FEDERAL	GW	P
ROSEWOOD FEDERAL H 22-16	22-11S-23E	43-047-33186	12558	FEDERAL	GW	TA
ROSEWOOD 5-6	05-12S-22E	43-047-33132	12450	FEDERAL	GW	P
HANGING ROCK FEDERAL I 1-4	01-12S-23E	43-047-32855	12389	FEDERAL	GW	P
HANGING ROCK FEDERAL I 10-13	10-12S-23E	43-047-33098	12429	FEDERAL	GW	S
HANGING ROCK FEDERAL I 12-12	12-12S-23E	43-047-33096	12427	FEDERAL	GW	S
HANGING ROCK I 12-9	12-12S-23E	43-047-33101	12396	FEDERAL	GW	S
HANGING ROCK I 15-7	15-12S-23E	43-047-33099	12428	FEDERAL	GW	S
TOBY FEDERAL F 6-15	06-12S-24E	43-047-32757	12037	FEDERAL	GW	P
TUCKER FEDERAL F 8-2	08-12S-24E	43-047-32993	12386	FEDERAL	GW	P
TUCKER FEDERAL F 8-4	08-12S-24E	43-047-32872	12125	FEDERAL	GW	P
CENTER FORK FEDERAL 17-4	17-12S-24E	43-047-32750	12038	FEDERAL	GW	S

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 04/29/2002
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 04/29/2002
- The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 07/03/2002
- Is the new operator registered in the State of Utah: YES Business Number: 5078926-0143
- If **NO**, the operator was contacted on: N/A
- (R649-9-2) Waste Management Plan received on: IN PLACE

6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: 06/18/2002

**7. Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: 06/18/2002

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

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

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

**DATA ENTRY:**

- 1. Changes entered in the Oil and Gas Database on: 07/05/2002
- 2. Changes have been entered on the Monthly Operator Change Spread Sheet on: 07/05/2002
- 3. Bond information entered in RBDMS on: N/A
- 4. Fee wells attached to bond in RBDMS on: N/A

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

1. State well(s) covered by Bond Number: N/A

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

1. Federal well(s) covered by Bond Number: UT 1268

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

1. Indian well(s) covered by Bond Number: N/A

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

- 1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number N/A
- 2. The **FORMER** operator has requested a release of liability from their bond on: N/A  
The Division sent response by letter on: N/A

**LEASE INTEREST OWNER NOTIFICATION:**

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

**COMMENTS:**

---

---

---

---

---

---

---

---

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

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

5. Lease Serial No.  
UTU-66409

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

**SUBMIT IN TRIPLICATE – Other instructions on page 2.**

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator  
McElvain Oil & Gas Properties, Inc.

3a. Address  
1050 17th Street, Suite 1800

3b. Phone No. (include area code)  
(303) 893-0933

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
574' FSL & 1029' FEL, SESE Sec. 22, T11S-R23E

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

8. Well Name and No.  
Rosewood Federal H 22-16

9. API Well No.  
43-047-33186

10. Field and Pool or Exploratory Area  
Oil Springs

11. Country or Parish, State  
Utah, Utah

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

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

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

McElvain Oil & Gas Properties, Inc. proposes to run a Bottom Hole Survey and Swab Test on the Rosewood Federal H 22-16 (API# 43-047-33186) located SESE of Sec. 22 T11S-R23E. Once the Survey and Test has been completed we request a 30 day evaluation period. At the end of the 30 days we will submit a notice of intent to re-establish production or to plug and abandon the well. Attach is the procedure. We anticipate the work begin in June 2007.

Accepted by the  
Utah Division of  
Oil, Gas and Mining

Federal Approval Of This  
Action Is Necessary

Date: 5/14/07  
By: *[Signature]*

RECEIVED  
MAY 03 2007  
DIV. OF OIL, GAS & MINING

COPY SENT TO OPERATOR  
Date: 5/21/07  
Initials: *[Signature]*

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

Name (Printed/Typed)  
Barbara Martin

Title Engineer

Signature *[Signature]*

Date 05/01/2007

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

Approved by

Title

Date

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

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**McELVAIN OIL & GAS PROPERTIES, INC.**

**Rosewood Federal "H" #22-16  
SESE Sec. 22, T11S-R23E  
574' FSL & 1029' FEL  
Uintah County, Utah  
API # 43-047-33186**

**BHP Survey & Swab Test Proposal  
April 30, 2007**

DRILL TD: 7445' ORIGINAL PBTD: 7385' CURRENT PBTD: 7385' KB: 15'

**FORMATION TOPS:**

Wasatch: 3292'  
Mesaverde: 4984'

**CASING:**

13 3/8", 48#, H-40 STC @ 310' GL 17 1/2" hole  
380 sks Halliburton Class "G" Cement. Good Returns & Cement to Surface.

9 5/8", 36#, J-55 STC @ 2520' KB 17 1/2" hole

Cemented with Halliburton:

Lead: 500 sks HOWCO LITE, 0.25#/sk Flocele, 2% Microbond & 3 % Salt

Tail: 215 sks Premium "G", 0.25#/sk Flocele

Lost returns with 5 Bbls left on displacement. Ran 1" & Pumped 45 sks "G" cement to surface.

4 1/2", 11.6#, N-80 LT&C 8rd @ 7445' KB in 7 7/8" hole.

Cemented with Halliburton:

Lead: 400 sxs Premium 300 w/35% POZ w/2% MicoBond (Density: 12.4 ppg)

Tail: 600 sxs Premium 300 w/2% MicroBond (Density: 14.5 ppg).

**TOC 1970 ft (CBL)**

**CURRENT PERFORATIONS:**

Castle Gate: 6772' - 6792'; 4 spf, 80 total holes. Broke down w/ 3% KCL, ISIP: 1300 psi

Castle Gate: 6844' - 6848' & 6859' - 6868' @ 1spf, 15 total holes. Broke down w/ 3% KCL, ISIP: 1800 psi.  
2<sup>nd</sup> Brake Down w/ 3% KCl & 30 Ball Sealers, ISIP: 1850 psi.  
Frac'd w/Viking I-25 & 70Q N<sub>2</sub>

**POSSIBLE PERFORATIONS:**

None

**CURRENT TUBING/BHA: (as of 10-11-1999)**

220 jts 2 3/8", 4.7# J-55 EUE tbg, 'X' @ 6760', 1 jt, 'XN' @ 6792', 4' Pup jt, w/NC @ 6797'.

## HISTORY:

*Logs: Platform Express Microlog, Array Induction, Compensated Neutron/Density & CMR*

- 7-9-99 MIRU Bill Martin Jr Rathole Rig & Pre Set 13 3/8" Surface Casing @ 310' GL in 17 1/2" hole
- 7-10-99 Spud 12 1/4" production hole
- 7-13-99 Ran 55 jts 9 5/8", 36#, J-55 STC Csg, insert float, 1 jt 9 5/8", 36#, J-55 STC Csg, Guide shoe.
- 7-23-99 Reached TD at 7445 ft w/9.2 ppg mud. Max deviation of 4 degrees @ 6571'
- 7-25-99 Ran Shoe, 1 Shoe jt (44.70'), Float Collar, 169 jts 4 1/2" 11.6#, N-80 LT&C 8rd.
- 9-23-99 RU Schlumberger. Run CBL from 7385' to 1800'. Logger TD=7385'. TOC @ 1970'.
- 9-24-99 RU Schlumberger 3 3/8" Guns Perfs: 6844' – 6848' & 6859' – 6868' @ 1spf, 15 total holes. Saw no pressure. RIH w/ Packer @ 6799'. Swab IFL @ 4800'. Made 4 consecutive runs & 1 Hourly run. Recovered 9 Bbls water w/ small gas show. Last hourly run was dry.
- 9-25-99 SITP: 110 psi. Well blew dead in 15 min. RU Swab, Fluid Level @ 6200'. Made 1 swab run and recovered 2 Bbls of water. Made 2 more hourly runs w/no fluid entry. RU Rig Pump & Breakdown w/ 3 % KCL. Zones Broke @ 2200 psi. Pumped 5 Bbls into perfs. Avg 2 bpm @ 2100 psi. ISIP: 1800 psi 5 min 1350 psi, 10 min 1100 psi, 15 min 1000 psi (0.70 Frac Grad). Used 30 Bbls total fluid. RU & swab. Made 8 consecutive runs & 2 hourly runs. Recovered 29 Bbls water. Last 2 hourly runs were dry. Steady Gas Blow after swabbing Tbg dry. Est. 5-10 MCFD flow rate.
- 9-26-99 SITP: 200 psi. Well blew dead in 15 min. Swab. Made 2 runs w/ no fluid entry. RU Slickline RIH wi/ Tandem Bottom Hole Pressure Bombs & Hang Mid-perfs. Install surface pressure recorder & Shut Down until Monday AM.
- 9-28-99 SITP: 780 psi. POOH w/ Pressure Bombs. Max Bottom Hole Pressure 1070 psi, Max recorded Temp: 163°F (Zones still building pressure). Swab, Fluid Level @ 6600'. Recovered 1 Bbl of water on first swab run. Made 4 hourly runs with no fluid entry. Well flowing on 8/64" choke between run Est. 10 -15 MCFD Flow Rate.
- 9-29-99 SITP: 440 psi, Swab well, no Fluid. RU BJ Services, Breakdown perfs w/ 1000 gals treated 3% KCl water & 30 ball sealers. Avg Rate: 5.1 bpm, Avg Press: 3980 psi. Balled out w/10 Bbls into perfs. Surged Balls off & pumped remainder of the treatment @ 5.1 bpm & 3920 psi. ISIP: 1850 psi (0.71 frac grad) 5 min 1670 psi, 10min, 1590 psi. RU Swab, made 6 consecutive & 3 hourly runs. Recovered 34.5 Bbls of water. Have 15 Bbls to recover from treatment. Last 2 hourly swab runs were dry.
- 9-30-99 SITP: 1420 psi. RU Swab, FL @ 4400'. Made 2 consecutive runs & recovered 4 Bbls water.

Made 5 more hourly runs & recovered no fluid. Have 11.5 Bbbls LTR.

- 10-1-99 SITP: 1020 psi.
- 10-5-99 SITP: 2450 psi. RU BJ Services & Frac 6844' – 68' w/ Viking I-25 Gel & 70Q N<sub>2</sub>. Avg. Rate: 23 Bpm, Avg Press: 4250 psi. Max Press: 4528 psi. Used 55,100# 20/40 Resin Coated Sand & 182 Bbbls Fluid. Have 282 Bbbls to Recover from treatment. ISIP: 4020 psi, 5 min 3762 psi, 10 min 3772 psi, 15 min 3782 psi. Shut Well in for 1 ½ hrs. Start Flow back on 12/64" choke. SICP 3400 psi. Flowed to tank for 1 hr & recovered 14 Bbbls Water. FCP @ 2450 psi. Install 18/64" choke & flow 2 ½ hrs & recovered 54 Bbbls water. Install 22/64" choke & continue flowing well to tank w/night crew. Recovered 68 Bbbls at report time. Have 214 Bbbls LTR.
- 10-6-99 Flowed well w/ 22/64" choke, recovered more load. Swabbed. Recovered 85 Bbbls Total today. Have 129 Bbbls left to recover.
- 10-7-99 SITP & SICP: 1400 psi. Flowed well and recovered 12 Bbbls water. Blew well down. Swabbed & recovered no fluid. Swabbed more and recovered 1 Bbl very Gas cut fluid. Recovered a Total of 23 Bbbls today. 106 Bbbls left to recover from frac.
- 10-8-99 SITP & SICP: 1300 psi. Well blew down in 30 min, recovered 2 Bbbls water. RU Schlumberger RIH w/ RBP @ 6820'. Test Plug to 2500 psi. Perf: 6772' – 6792' @ 4 spf, 80 Total Holes. Saw no pressure increase. TIH w/retrieving tool & packer. Set packer @ 6707'. Land Tbg @ 6715'. Test packer to 2500 psi. Held OK. RU & swab well FL @ 4800'. Made 3 runs & recovered 5 Bbbls water.
- 10-9-99 SICP: 0 psi. Swab, Made 1 run no fluid recovery. RU & Breakdown perfs 6772-92' w/ rig Pump w/ 3% KCl water. Perfs Broke @ 1600 psi. Avg Rate: 2 Bpm @ 1600 psi. ISIP 1300 psi. (0.63 Frac Grad) 5 min 900 psi, 10min 500 psi, 15 min 300 psi. Used 22 Bbbls to fill Tbg & pumped 5 Bbbls into perfs. 27 Bbbls LTR. Swab well made 6 consecutive runs & 4 hourly runs recovered 24 Bbbls water w/light gas blow between hourly runs. Last hourly runs dry. Have 3 Bbbls left to be recovered from breakdown. Shut in for Build up test. If run, no test results reported.
- 10-10-99 SICP: 680 psi. Open well to tank, Well blew down in 15 min. RU & Swab. FL @ 6200' Made 2 consecutive & 5 hourly runs. Recovered 2 Bbbls on first run & all others were dry. Well Blowing w/ light gas show (TSTM).
- 10-11-99 SITP: 190 psi. Well blew down in 10 min. Released packer and RBP. POOH w/ Tbg & tools. PU notched color, 4' Pup jt, XN Nipple, 1 jt Tbg, X Nipple & RIH w/ 220 jts. Land Tbg on hanger @ 6797' (X Nipple @ 6760' & XN Nipple @ 6792'). ND BOP's & NU Well head. RU Swab, made 1 run & recovered 3 Bbbls water.
- 10-12-99 SITP: 1460 psi, SICP: 1340 psi. Open well & flow to tank on 30/64" choke for 3 hrs. Recover 19 BW. FTP @ 10 psi & SICP: 300 psi. Swab 1 run. FL @ 5500'. Recovered 4 BW. Install

12/64" choke & put well flowing thru separator. Recovered 6 Bbls water in 5 hrs. FTP: 220 psi & SICP: 450 psi. (Est. 168 MCFD flow rate) Install chart recorder & continue flow test.

10-15-99 FTP: 160 psi, SICP: 340 psi. Flowing thru separator. 12/64" Choke. Est. 107 MCFD  
10-26-99 Flowing thru separator. 12/64" choke. FTP: 50 psi & SICP: 300 psi. Recovered 6.68 BW.  
10-27-99 Well SI. SITP & SICP: 1020 psi  
12-12-99 Well SI. SITP & SICP: 2380 psi. Last report

### **PROCEDURE:**

1. MIRU Slickline
2. Run static BHP survey to mid perf (6820 ft). Take gradient readings every 100' to 5500' (Est. TOF 5900') then every 1000' to surface.
3. RDMO Slickline
4. MIRU return tank. Install inline choke and flow test well to tank.
5. MIRU swab rig. Swab test & obtain water samples.
6. RDMO Swab Rig.

### **Remarks:**

Estimated load remaining to be recovered = 85 BW.

Get Tree Cap information for slickline lubricator connection

For swab operations, have a drift or near drift tubing broach available

Bring at least 8 sample bottles

Obtain at least 4 fluid samples & determine 2 labs capable of an overnight turn around

Label samples, including load recovery position.

Analysis should include Standard Water Analysis including Rw, and frac residue determination.

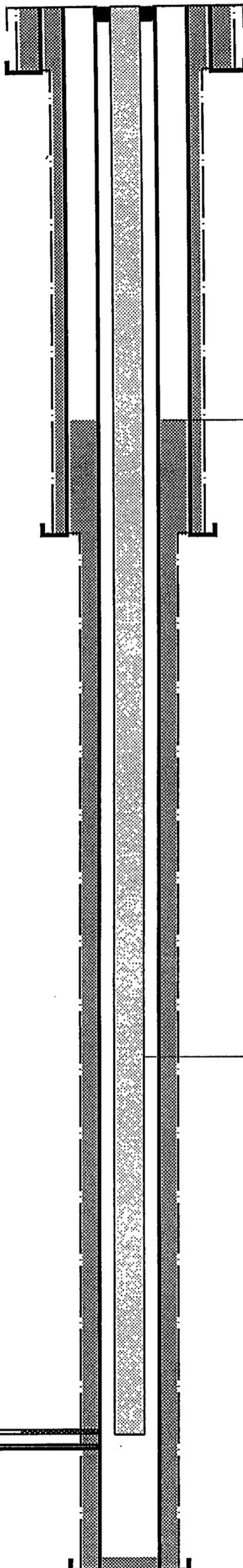
Rosewood Fed H 22-16

SESE Sec22 T11S R23E

Uintah County Utah

API# 43-047-33186

Wellbore asof 10-11-99



SURFACE CASING in 17 1/2" hole  
13 3/8" 48# H40 @ 310'  
HES 380 sks Class G + Adda  
Cement to Surface

TOC 1970' CBL

INTERMEDIATE CASING in 12 1/4" hole  
9 5/8" 36# J55 @ 2520'  
HES Lead: 500 sks HowcoLite + Adda  
Tail: 215 sks Prem G 45sks Top Out  
Cemented to Surface

2 3/8" 4.7# J55 @ 6797'  
Notched Collar @ 6797' 4' Pup jt  
XN Nipple @ 6792 1 jt X Nipple @  
6760' 220 jts Tubing Hanger

BD w 3% KC1 Perfs 6772-6792  
BD 3% KC1 & Frac Perfs 6844-6848  
BD 3% KC1 & Frac Perfs 6859-6868

PRODUCTION CASING in 7 7/8" hole  
4 1/2" 11.6# N80 @ 7445'  
HES Lead: 400 sks Prem 300 + Adda  
Tail: 600 sks Prem 300 + Adda

PBT: 7385'

TD: 7445'

Diagram: 0' to 7445'  
VERT Scale: 1"=602'

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

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

5. Lease Serial No.  
UTU-66409

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

**SUBMIT IN TRIPLICATE – Other instructions on page 2.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		7. If Unit of CA/Agreement, Name and/or No. N/A
2. Name of Operator McElvain Oil & Gas Properties, Inc.		8. Well Name and No. Rosewood Federal H #22-16
3a. Address 1050 17th Street, Suite 1800, Denver, CO 80265	3b. Phone No. (include area code) (303) 893-0933	9. API Well No. 43-047-33186
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 574' FSL & 1029' FEL, SESE Sec. 22 T11S-R23E		10. Field and Pool or Exploratory Area Oil Springs
		11. Country or Parish, State Utah County, Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Requesting a 12</u> month TA Status
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

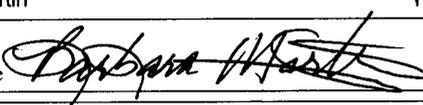
13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths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

McElvain Oil & Gas Properties, Inc has been required to submit plans for plugging or re-establish production for Rosewood Federal H #22-16 (API# 43-047-33186). We are requesting a 12 month TA status. We would like to convert this well into a Salt Water Disposal well.

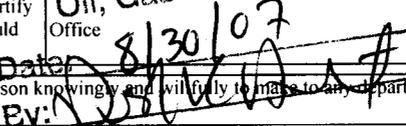
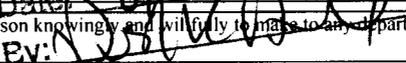
RECEIVED  
AUG 01 2007

COPY SENT TO OPERATOR  
Date: 8/31/07  
Initials: CHG

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Barbara Martin		Title Engineer
Signature 		Date 07/30/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Accepted by the Utah Division of Oil, Gas and Mining Office	Federal Approval Of This Action Is Necessary Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Date <u>8/30/07</u> 	
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. By: 		

**UTAH DIVISION OF OIL, GAS AND MINING**  
**NOTICE OF REPORTING PROBLEMS**

Operator: McElvain Oil & Gas Properties, Inc. Account: N2100 Today's Date: 09/16/2008

Problems:

- Late Report(s)
- Inaccurate Report(s)
- Incomplete Report(s)
- Other: No Subsequent Report

Failure to submit reports in a timely, accurate, and complete manner may result in the issuance of a Notice of Violation by the Division of Oil, Gas and Mining, and may result in the Division pursuing enforcement action as outlined in Rule R649-10, Administrative Procedures, and Section 40-6-11 of the Utah Code.

**To avoid compliance action, these reporting problems should be resolved within 7 days.**

Send reports to:

Utah Division of Oil, Gas and Mining  
 1594 West North Temple, Suite 1210  
 P.O. Box 145801  
 Salt Lake City, Utah 84114-5801

Fax to:

(801) 359-3940 *43 047 33186*  
*Rosewood Fed H 22-16*  
*11S 23E 22*

Type of Report	Month(s) of Problem Report		
<input type="checkbox"/> Production – Form 10 <input type="checkbox"/> Disposition – Form 11 <input type="checkbox"/> Gas Plant – Form 13 <input type="checkbox"/> Enhanced Recovery – UIC Form 2 <input type="checkbox"/> Injection – UIC Form 3 <input type="checkbox"/> Other _____			
Type of Report	Well Name(s)	API Number(s)	Drilling Commenced
<input type="checkbox"/> Spud Notice – Form 9 <input type="checkbox"/> Drilling Reports – Form 9 <input type="checkbox"/> Well Completion Report – Form 8 <input checked="" type="checkbox"/> Other <u>Subsequent Sundry</u>	<input checked="" type="checkbox"/> List Attached		

Description of Problem:

Operator has submitted sundry of intents on the following wells that have been approved by DOGM. Per Rule 649-3-23, a subsequent report shall be submitted on Form 9, Sundry Notice, with in 30 days after completion. The report should show workover results, well status, work completion date, new perforation depths, etc.

If you have questions or concerns regarding this matter, please contact Rachel Medina at (801) 538-5260 .

cc: Compliance File  
 RAM  
 Well File  
 CHD



**UTAH DIVISION OF OIL, GAS AND MINING**  
**NOTICE OF REPORTING PROBLEMS**

Operator: McElvain Oil & Gas Properties, Inc. Account: N2100 Today's Date: 09/16/2008

Problems:

- Late Report(s)
- Inaccurate Report(s)
- Incomplete Report(s)
- Other: No Subsequent Report

Failure to submit reports in a timely, accurate, and complete manner may result in the issuance of a Notice of Violation by the Division of Oil, Gas and Mining, and may result in the Division pursuing enforcement action as outlined in Rule R649-10, Administrative Procedures, and Section 40-6-11 of the Utah Code.

**To avoid compliance action, these reporting problems should be resolved within 7 days.**

Send reports to:

Utah Division of Oil, Gas and Mining  
 1594 West North Temple, Suite 1210  
 P.O. Box 145801  
 Salt Lake City, Utah 84114-5801

Fax to:

(801) 359-3940 *43 047 33186*  
*Rosewood Fed H 22-16*  
*11S 23E 22*

Type of Report	Month(s) of Problem Report		
<input type="checkbox"/> Production – Form 10 <input type="checkbox"/> Disposition – Form 11 <input type="checkbox"/> Gas Plant – Form 13 <input type="checkbox"/> Enhanced Recovery – UIC Form 2 <input type="checkbox"/> Injection – UIC Form 3 <input type="checkbox"/> Other _____			
Type of Report	Well Name(s)	API Number(s)	Drilling Commenced
<input type="checkbox"/> Spud Notice – Form 9 <input type="checkbox"/> Drilling Reports – Form 9 <input type="checkbox"/> Well Completion Report – Form 8 <input checked="" type="checkbox"/> Other <u>Subsequent Sundry</u>	<input checked="" type="checkbox"/> List Attached		

Description of Problem:

Operator has submitted sundry of intents on the following wells that have been approved by DOGM. Per Rule 649-3-23, a subsequent report shall be submitted on Form 9, Sundry Notice, with in 30 days after completion. The report should show workover results, well status, work completion date, new perforation depths, etc.

If you have questions or concerns regarding this matter, please contact Rachel Medina at (801) 538-5260 .

cc: Compliance File  
 RAM  
 Well File  
 CHD



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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		6. LEASE DESIGNATION AND SERIAL NUMBER: <b>UTU-66409</b>
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: <b>na</b>
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		7. UNIT or CA AGREEMENT NAME: <b>na</b>
		8. WELL NAME and NUMBER: <b>Rosewood Federal 'H' # 22-16</b>
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	9. API NUMBER: <b>4304733186</b>	
2. NAME OF OPERATOR: <b>McElvain Oil &amp; Gas Properties, Inc.</b>	10. FIELD AND POOL, OR WILDCAT: <b>Rock House</b>	
3. ADDRESS OF OPERATOR: <b>1050-17th St., Ste. 1800</b> CITY <b>Denver</b> STATE <b>CO</b> ZIP <b>80265</b>	PHONE NUMBER: <b>(303) 893-0933</b>	
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>574' FSL &amp; 1029' FEL</b>		COUNTY: <b>Uintah</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>SESE 22 11S 23E</b>		STATE: <b>UTAH</b>

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: <b>5/23/2007</b>	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <b>Run BHP Survey &amp; Swab Test</b>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

The well had been inactive for months and periodic readings of the shut-in casing (SICP) and shut-in tubing (SITP) pressures indicate no change in either pressure. The well has remained static. On May 18, 2007 Production Logging Services (PLS) was rigged up & ran a static pressure survey with gradient stops to a mid-perf depth of 6820'. The initial surface SITP = 2,670 psi, and the maximum recorded bottom hole pressure was 3,144 psi at 6820'. From the gradient stops there appeared to be a liquid level below 6700'. Following this 1 hour pressure survey, the PLS slickline unit was rigged down and moved off. On May 22, 2007 a Professional Well Service pulling unit with steel flow-back tank was rigged up over the well-bore and the well was flow tested up tubing through a 30/64" choke to the tank. The initial SITP/SICP of 2650/2650 psi fell to a flowing tubing pressure (FTP)/SICP of 50/540 psi after 2.5 hours of flow testing which recovered 3 barrels of water (BW). The well was left flowing to the tank overnight & after 13.5 hours of overnight flow the FTP/SICP had fallen to 0/300 psi. An additional 48 BW was recovered overnight. On the morning of May 23, 2007 a swab run located an initial fluid level of 4,800'. The well was swabbed with a total of 4 runs throughout the day causing the well to kick off flowing after each run and with each flow period dying off after approximately 1.5 hours of flow at less than 10 psi FTP through a 30/64" choke. Approximately 1200' of scattered fluid was pulled during each swab run and on the 4th swab run the fluid level had fallen to 5500'. SICP fluctuated between 240 psi and 400 psi throughout the day. The swab/flow test concluded @ 1600 hours on May 23, 2007 before the pulling unit was rigged down and both the rig and tank moved off. During this 2 day flow/swab test the well recovered a total of 85 BW. The well was left SI pending further evaluation.

NAME (PLEASE PRINT) <u>E. Reed Fischer</u>	TITLE <u>Senior Operations Engineer</u>
SIGNATURE 	DATE <u>12/30/2008</u>

(This space for State use only)

RECEIVED  
DEC 31 2008

# PRODUCTION LOGGING SERVICES, INC.

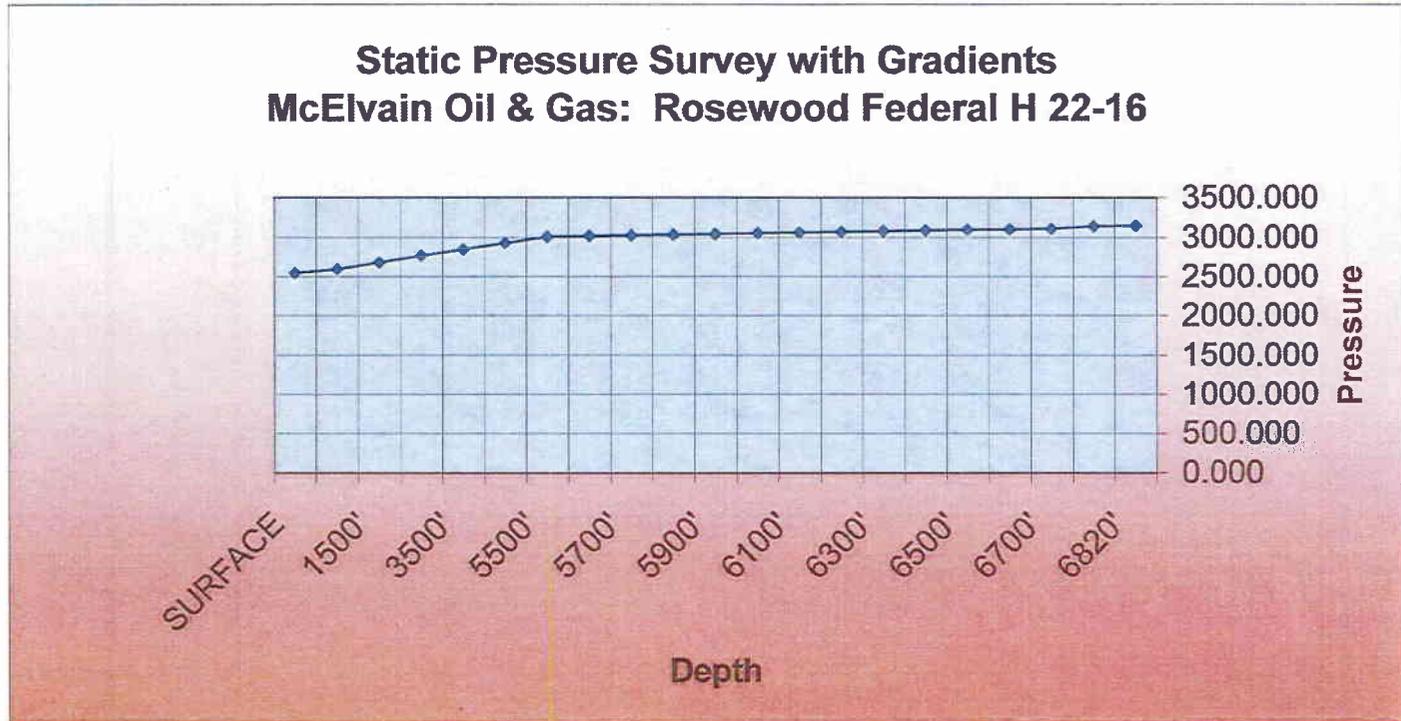
## SURVEY RESULTS REPORT

**COMPANY NAME:** McELVAIN OIL & GAS  
**WELL NAME:** ROSEWOOD FEDERAL H 22-16  
**TYPE OF SURVEY:** STATIC PRESSURE W/ GRADIENTS  
**DATE:** 5/18/2007  
**TUBING PRESSURE:** 2670 PSI  
**TIME ENGAGE BATTERY:** 9:28:12  
**TIME PRESSURE UP LUBE:** 14:05:10  
**MID-PERF:** 6820'

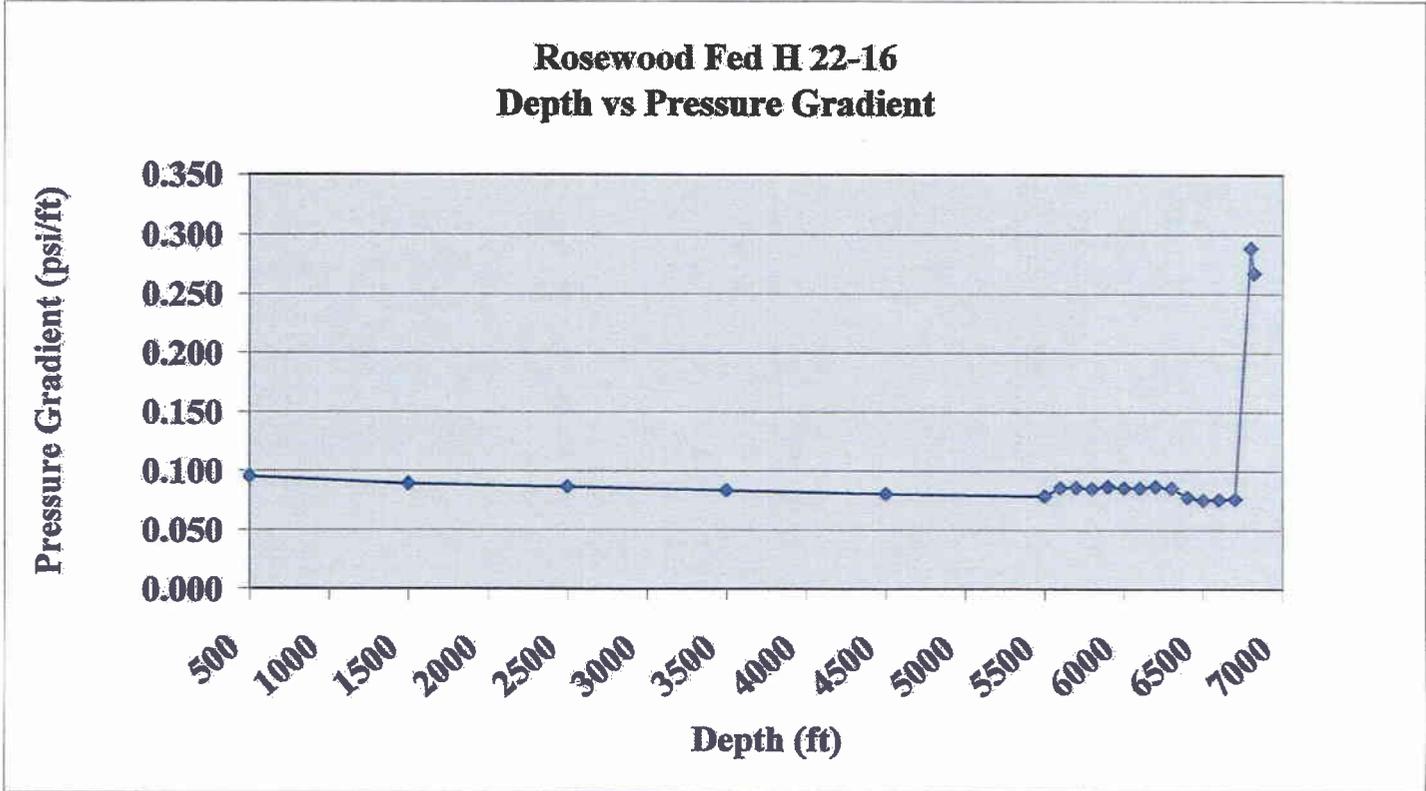
STOPS	DURATION	START TIME	END TIME	AVERAGE PRESSURE	MEDIAN PRESSURE	Values STOPS (ft)	Values AVERAGE PRESSURE	Values MEDIAN PRESSURE	Calc Average PRESSURE GRADIENT
6820'	15 MINUTES	14:18:50	14:33:50	3144.214	3144.347	6820	3144.21409	3144.34695	0.267
6800'	2 MINUTES	14:34:00	14:36:00	3138.867	3138.869	6800	3138.867188	3138.86905	0.289
6700'	2 MINUTES	14:36:20	14:38:20	3110.015	3110.019	6700	3110.014592	3110.01885	0.076
6600'	2 MINUTES	14:38:39	14:40:39	3102.396	3102.373	6600	3102.395742	3102.37305	0.076
6500'	2 MINUTES	14:41:00	14:43:00	3094.827	3094.838	6500	3094.826996	3094.8383	0.075
6400'	2 MINUTES	14:43:20	14:45:20	3087.307	3087.296	6400	3087.306608	3087.29585	0.078
6300'	2 MINUTES	14:45:38	14:47:38	3079.533	3079.509	6300	3079.532854	3079.50925	0.085
6200'	2 MINUTES	14:48:00	14:50:00	3070.999	3070.945	6200	3070.999404	3070.94485	0.087
6100'	2 MINUTES	14:50:18	14:52:18	3062.335	3062.293	6100	3062.334725	3062.29265	0.085
6000'	2 MINUTES	14:52:38	14:54:38	3053.792	3053.728	6000	3053.791808	3053.7282	0.085
5900'	2 MINUTES	14:55:00	14:57:00	3045.253	3045.246	5900	3045.253046	3045.2458	0.087
5800'	2 MINUTES	14:57:28	14:59:28	3036.587	3036.514	5800	3036.586854	3036.51425	0.085
5700'	2 MINUTES	14:59:45	15:01:45	3028.090	3028.039	5700	3028.090188	3028.03935	0.086
5600'	2 MINUTES	15:02:05	15:04:05	3019.503	3019.502	5600	3019.503158	3019.5024	0.086
5500'	2 MINUTES	15:04:25	15:06:24	3010.938	3010.939	5500	3010.937621	3010.9391	0.079
4500'	2 MINUTES	15:07:46	15:09:46	2932.356	2932.361	4500	2932.356238	2932.36145	0.080
3500'	2 MINUTES	15:11:03	15:13:03	2851.952	2851.945	3500	2851.951546	2851.9448	0.083
2500'	2 MINUTES	15:14:20	15:16:20	2768.561	2768.518	2500	2768.56135	2768.5179	0.086
1500'	2 MINUTES	15:17:32	15:19:32	2682.079	2681.934	1500	2682.079338	2681.9339	0.089
500'	2 MINUTES	15:20:50	15:22:50	2592.954	2592.943	500	2592.954154	2592.94315	0.095
SURFACE	2 MINUTES	15:24:20	15:26:20	2545.296	2545.327	0	2545.296263	2545.3267	

Depth	Pressure
6820'	3144.347
6800'	3138.869
6700'	3110.019
6600'	3102.373
6500'	3094.838
6400'	3087.296
6300'	3079.509
6200'	3070.945
6100'	3062.293
6000'	3053.728
5900'	3045.246
5800'	3036.514
5700'	3028.039
5600'	3019.502
5500'	3010.939
4500'	2932.361
3500'	2851.945
2500'	2768.518
1500'	2681.934
500'	2592.943
SURFACE	2545.327

### Static Pressure Survey with Gradients McElvain Oil & Gas: Rosewood Federal H 22-16



<i>Depth (ft)</i>	<i>Pressure Gradient</i>
6820	0.267
6800	0.289
6700	0.076
6600	0.076
6500	0.075
6400	0.078
6300	0.085
6200	0.087
6100	0.085
6000	0.085
5900	0.087
5800	0.085
5700	0.086
5600	0.086
5500	0.079
4500	0.080
3500	0.083
2500	0.086
1500	0.089
500	0.095





## McElvain Oil & Gas Properties, Inc.

### Completion Report

<b>Well Name:</b>	Rosewood Fed. H # 22-16	<b>Date:</b>	5/23/2007	Wednesday	<b>Report No.</b>	2
<b>Location</b>	se/se Sec. 22, T11S, R23W	<b>County</b>	Uintah	<b>State</b>	Utah	
<b>API #</b>	# 43-047-33186	<b>Lease #</b>		GL;KB	15'	
<b>Latitude</b>		<b>Longitude</b>				
<b>TD</b>	7445'	<b>PBSD</b>	7385'	<b>Rig #, op.</b>	#5,	<b>Company:</b> Professional Well Service
<b>Casing Size</b>	4 1/2	<b>Depth Set</b>	7445'	<b>Liner Size</b>	N/A	<b>From</b>
<b>Tubing Size</b>	2 3/8	<b>Depth Set</b>	6797'	<b>X.N.</b>	6760'	<b>TAC</b> N/A
<b>Perforations</b>	6772'-6792', 6844'-6848'					

**Summary of Operations.** Swab/Flow Test well.

**Present Operations :** Well SI.

#### Description of Operations

Time	Hours	Description of Operations																				
8:00 to 8:30	0.50	Held safety Meeting, Checked pressures, SICP 300 PSI. FTP 0 PSI.( light blow.) Recovered 51 Bbls. Well open 15.5 Hours.																				
8:30 to 10:00	1.50	RU & RIH w/ swab tools IFL 4800 ' made 1 run, recovered 4 Bbls. Well kicked off flowing. After run SICP 400 PSI. Flowed well 45 Min. Thru 2" and Recovered 2 Bbls.																				
10:00 to 10:30	0.50	Well died to light blow. Made 1 swab run recovered 2 Bbl. Well kicked off SICP 250 PSI.																				
10:30 to 12:30	2.00	NU 30/64 Choke and flowed well to tank.																				
		<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">TIME</th> <th style="width: 15%;">SICP</th> <th style="width: 15%;">FTP</th> <th style="width: 15%;">Fluid</th> </tr> </thead> <tbody> <tr> <td>11:00</td> <td></td> <td>240</td> <td>10 Light mist</td> </tr> <tr> <td>11:30</td> <td></td> <td>260</td> <td>10 0</td> </tr> <tr> <td>12:00</td> <td></td> <td>320</td> <td>5 0</td> </tr> <tr> <td>12:30</td> <td></td> <td>400</td> <td>0 0</td> </tr> </tbody> </table>	TIME	SICP	FTP	Fluid	11:00		240	10 Light mist	11:30		260	10 0	12:00		320	5 0	12:30		400	0 0
TIME	SICP	FTP	Fluid																			
11:00		240	10 Light mist																			
11:30		260	10 0																			
12:00		320	5 0																			
12:30		400	0 0																			
12:30 to 13:00	0.50	Made one swab run FL 4800' Recovered 4 Bbls. Well kicked off, RU 30/64 choke.																				
		<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">TIME</th> <th style="width: 15%;">SICP</th> <th style="width: 15%;">FTP</th> <th style="width: 15%;">Fluid</th> </tr> </thead> <tbody> <tr> <td>13:00</td> <td></td> <td>250</td> <td>25 Light Mist</td> </tr> <tr> <td>13:30</td> <td></td> <td>260</td> <td>10 0</td> </tr> <tr> <td>14:00</td> <td></td> <td>300</td> <td>0 0</td> </tr> </tbody> </table>	TIME	SICP	FTP	Fluid	13:00		250	25 Light Mist	13:30		260	10 0	14:00		300	0 0				
TIME	SICP	FTP	Fluid																			
13:00		250	25 Light Mist																			
13:30		260	10 0																			
14:00		300	0 0																			
14:00 to 16:00	2.00	Made one swab run FL 5500' Recovered 4 Bbls. Well kicked off, RU 30/64 choke.																				
		<table style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td>14:30</td> <td></td> <td>250</td> <td>30 Light mist</td> </tr> <tr> <td>15:00</td> <td></td> <td>260</td> <td>10 0</td> </tr> <tr> <td>15:30</td> <td></td> <td>300</td> <td>5 0</td> </tr> <tr> <td>16:00</td> <td></td> <td>320</td> <td>0 0</td> </tr> </tbody> </table>	14:30		250	30 Light mist	15:00		260	10 0	15:30		300	5 0	16:00		320	0 0				
14:30		250	30 Light mist																			
15:00		260	10 0																			
15:30		300	5 0																			
16:00		320	0 0																			
16:00 to 18:00	2.00	Shut well in. RDSUMO. Moved to HRF I #15-7																				
		<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;"><b>Total Fluid Recovered ( 2 Days )</b></td> <td style="text-align: right;"><b>67 Bbls.</b></td> </tr> <tr> <td>Total load on Formation</td> <td style="text-align: right;">85 Bbls.</td> </tr> <tr> <td><b>Load to Recover</b></td> <td style="text-align: right;"><b>18 Bbls.</b></td> </tr> </table>	<b>Total Fluid Recovered ( 2 Days )</b>	<b>67 Bbls.</b>	Total load on Formation	85 Bbls.	<b>Load to Recover</b>	<b>18 Bbls.</b>														
<b>Total Fluid Recovered ( 2 Days )</b>	<b>67 Bbls.</b>																					
Total load on Formation	85 Bbls.																					
<b>Load to Recover</b>	<b>18 Bbls.</b>																					
		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">Costs</th> <th style="width: 35%;">To Day</th> <th style="width: 35%;">Cumm</th> </tr> </thead> <tbody> <tr> <td>Tangible</td> <td style="text-align: right;">\$0</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>Intangible</td> <td style="text-align: right;">\$3,500</td> <td style="text-align: right;">\$6,500</td> </tr> <tr> <td><b>Total</b></td> <td style="text-align: right;"><b>\$3,500</b></td> <td style="text-align: right;"><b>\$6,500</b></td> </tr> </tbody> </table>	Costs	To Day	Cumm	Tangible	\$0	\$0	Intangible	\$3,500	\$6,500	<b>Total</b>	<b>\$3,500</b>	<b>\$6,500</b>								
Costs	To Day	Cumm																				
Tangible	\$0	\$0																				
Intangible	\$3,500	\$6,500																				
<b>Total</b>	<b>\$3,500</b>	<b>\$6,500</b>																				

<b>Total</b>	9	<b>Supervisor:</b> Marcus Wolfe
--------------	---	---------------------------------

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

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

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

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective: **9/1/2008**

<b>FROM:</b> (Old Operator): N2100-McElvain Oil & Gas Properties, Inc. 1050 17th St, Suite 1800 Denver, CO 80265  Phone: 1 (303) 893-0933 x 302	<b>TO:</b> ( New Operator): N7510-Rosewood Resources, Inc. 2711 N Haskell Ave, Suite 2800 Dallas, TX 75204-2944  Phone: 1 (214) 756-6628
--	---

WELL NAME	CA No.			API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
	SEC	TWN	RNG					
ROSEWOOD FEDERAL H 22-16	22	110S	230E	4304733186	12558	Federal	GW	TA

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 12/8/2008
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 11/19/2008
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/4/2008
- Is the new operator registered in the State of Utah: \_\_\_\_\_ Business Number: 1267059-0143
- (R649-9-2) Waste Management Plan has been received on: IN PLACE
- Inspections of LA PA state/fee well sites complete on: n/a
- Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM not yet BIA
- Federal and Indian Units:**  
The BLM or BIA has approved the successor of unit operator for wells listed on: n/a
- Federal and Indian Communization Agreements ("CA"):**  
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 12/31/2008
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 12/31/2008
- Bond information entered in RBDMS on: n/a
- Fee/State wells attached to bond in RBDMS on: n/a
- Injection Projects to new operator in RBDMS on: n/a
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: MT0627
- Indian well(s) covered by Bond Number: n/a
- (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number n/a
- The **FORMER** operator has requested a release of liability from their bond on: n/a

**LEASE INTEREST OWNER NOTIFICATION:**

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

**COMMENTS:**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

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

5. Lease Serial No.  
UTU-66409

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE** - Other instructions on page 2.

1. Type of Well  
 Oil Well  Gas Well  Other

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

2. Name of Operator  
Rosewood Resources, Inc. **N7510**

8. Well Name and No.  
Rosewood Fed H 22-16

3a. Address  
2711 N Haskell Ave, Suite 2800, Dallas, Texas 75204-2944

3b. Phone No. (include area code)  
214-756-6628

9. API Well No.  
43-047-33186

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
574' FSL, 1029' FEL SESE Sec 22 11S 23E

10. Field and Pool or Exploratory Area  
Rock House

11. Country or Parish, State  
Unitah, Utah

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

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

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

Rosewood Resources, Inc.- is authorized to take over as operator of this property from McElvain Oil & Gas Properties, Inc. effective Sept. 1, 2008  
Rosewood's Nationwide bond #MT-0627.

**APPROVED** 12/31/08  
*Earlene Russell*  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)  
Jill Henrie Title Administrative Asst.

Signature *Jill Henrie* Date 11/17/08

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

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

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

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**RECEIVED**

**NOV 19 2008**

**DIV. OF OIL, GAS & MINING**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

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

5. Lease Serial No.  
UTU-66409

6. If Indian, Allottee or Tribe Name  
na

**SUBMIT IN TRIPLICATE – Other instructions on page 2.**

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator  
McElvain Oil & Gas Properties, Inc.    *N2100*

3a. Address  
1050 - 17th Street, Suite 1800 Denver, Colorado 80265

3b. Phone No. (include area code)  
(303) 893-0933 xtn 302

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
574' FSL & 1029' FEL, SESE Section 22, T11S-R23E

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

8. Well Name and No.  
Rosewood Federal 'H' # 22-16

9. API Well No.  
43-047-33186

10. Field and Pool or Exploratory Area  
Rock House

11. Country or Parish, State  
Utah County, Utah

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

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

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

Via Sundry Notice of Intent dated July 31, 2008, McElvain Oil & Gas Properties, Inc. had notified the BLM of an existing well partner's intent to assume operation of the well in order to conduct additional testing. Rosewood Resources, Inc. is now prepared to assume operations. All transfer and assignment paperwork should now be in place with the BLM and this Sundry Notice is intended as confirmation of McElvain's consent to relinquish operations to Rosewood.

**RECEIVED**  
**DEC 08 2008**

**APPROVED** *12/31/08*  
*Earlene Russell*  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

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

Title VP - Engineering

Signature *John D. Steuble*

Date 12/01/2008

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

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

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

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Vernal Field Office

170 South 500 East

Vernal, UT 84078

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

<http://www.blm.gov/ut/st/en/fo/vernal/html>



IN REPLY REFER TO:

3160

LLUTG01100

December 3, 2008

Jill Henrie  
Rosewood Resources, Inc.  
2711 N Haskell Ave, Suite 2800  
Dallas, TX 75204-2944

4304733186

Re: Change of Operator  
Well No. Rosewood Federal H 22-16  
SESE, Sec. 22, T11S, R23E  
Uintah County, Utah  
Lease No. UTU-66409

Dear Ms. Henrie:

This correspondence is in regard to the self-certification statement submitted requesting a change of operator for the referenced well. After a review by this office, the change of operator request is approved. Effective September 1, 2008, Rosewood Resources, Inc., is responsible for all operations performed on the above referenced well. All liability will now fall under your bond, BLM Bond No. MT0627, for all operations conducted on the referenced well on the leased land.

If you have any other questions regarding this matter, please contact Cindy Severson of this office at (435) 781-4455.

Sincerely,

Benna R. Muth  
I & E Specialist

Enclosure

cc: UDOGM  
XTO Energy Inc.  
Yates Petro Corp.  
McElvain Oil & Gas Properties, Inc.

RECEIVED

DEC 18 2008

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

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

RECEIVED  
VERNAL FIELD OFFICE

5. Lease Serial No.  
UTU-66409

6. If Indian, Allottee or Tribe Name

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

**SUBMIT IN TRIPLICATE** - Other instructions on page 2.

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator  
Rosewood Resources, Inc.

3a. Address  
2711 N Haskell Ave, Suite 2800, Dallas, Texas 75204-2944

3b. Phone No. (include area code)  
214-756-6628

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
574' FSL, 1029' FEL SESE Sec 22 11S 23E

8. Well Name and No.  
Rosewood Fed H 22-16

9. API Well No.  
43-047-33186

10. Field and Pool or Exploratory Area  
Rock House

11. Country or Parish, State  
Unitah, Utah

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

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

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

Rosewood Resources, Inc. - is authorized to take over as operator of this property from McElvain Oil & Gas Properties, Inc. effective Sept. 1, 2008

Rosewood's Nationwide bond #MT-0627.

RECEIVED  
DEC 18 2008

DIV. OF OIL, GAS & MINING

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

Title Administrative Asst.

Signature *Jill Henrie*

Date 11/17/08

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

Approved by *Berna Brnuth*

Title *EE Specialist* Date *12-3-08*

Office **VERNAL FIELD OFFICE**

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

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)



# Rosewood Federal # H 22-16

## SELF CERTIFICATION

Please be advised that Rosewood Resources, Inc. is to be considered the operator of the Rosewood Federal H 22-16 well located at SESE SEC 22 T11S R23E Lease #UTU-66409 in Uintah County. Rosewood Resources, Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Nationwide Bond no. MT-0627. The principal is Rosewood Resources, Inc. via surety consent as provided for in 43 CFR 3104.2.

## 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 this 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 Rosewood Resources, Inc. and its contractors and subcontractors in conformity with the plan and the terms and conditions under which it is approved.

This statement is subject to the provisions of 18.U.S.C. 1001 for the filing of a false statement.

Date

11/17/08



Jill Henrie  
Administrative Assistant  
Rosewood Resources, Inc.

RECEIVED

DEC 18 2008

DIV. OF OIL, GAS & MINING