

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

5. LEASE DESIGNATION AND SERIAL NO. UTU-73440		
6. IF INDIAN, ALLOTTEE OR TRIBE NAME NA		
7. UNIT AGREEMENT NAME NA		
8. FARM OR LEASE NAME NA		
9. WELL NO. Fed. Q 44-15		
10. FIELD OR LEASE NAME		
11. Sec., T., R., M., OR BLK AND SURVEY OR AREA Sec. 15, T12S, R21E		
12. COUNTY OR PARISH 13. STATE Uintah Utah		
15. DISTANCE FROM PROPOSED LOC. TO NEAREST PROP. OR LEASE LINE, FT. (Also to nearest drg. Unit line, if any) 860'	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. OR APPLIED FOR, ON THIS LEASE, FT. 3,000'	19. PROPOSED DEPTH 6,000'	20. ROTARY OR CABLE TOOLS Rotary
21. ELEVATION (SHOW WHETHER DF. RT, GR, etc.) 6,345' GR		22. APPROX. DATE WORK WILL START Oct. 1, 1998

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 **588' FSL, 860' FEL SE/SE**
 At proposed prod. Zone **179 262**

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
31.8 miles south of Bonanza Utah

15. DISTANCE FROM PROPOSED LOC. TO NEAREST PROP. OR LEASE LINE, FT. (Also to nearest drg. Unit line, if any)
860'

18. DISTANCE FROM PROPOSED LOCATION * TO NEAREST WELL, DRILLING COMPLETED. OR APPLIED FOR, ON THIS LEASE, FT.
3,000'

21. ELEVATION (SHOW WHETHER DF. RT, GR, etc.)
6,345' GR

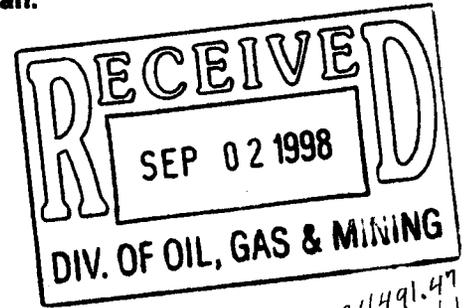
PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4	9 5/8	36	300	To Surface
7 7/8	4 1/2	11.6	T.D.	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**



*624491.47
44 02 796.61*

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 22, 1998

(This space for Federal or State Office use)

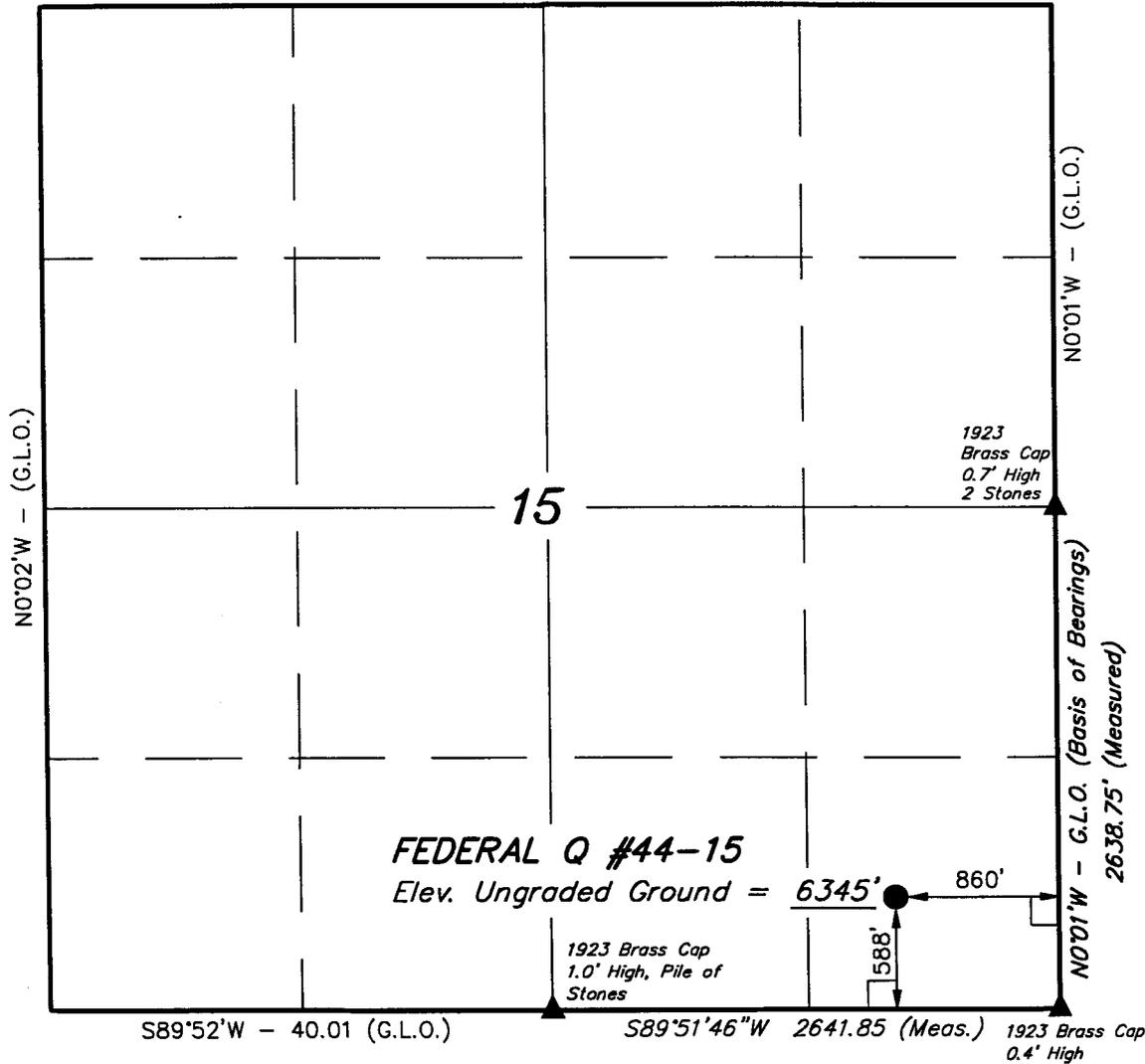
PERMIT NO. 43-047-33187 APPROVAL DATE BRADLEY G. HILL
 APPROVED BY [Signature] TITLE RECLAMATION SPECIALIST DATE 9/15/98
 CONDITIONS OF APPROVAL, IF ANY:

Federal Approval of this Action is Necessary

***See Instructions on Reverse Side**

T12S, R21E, S.L.B.&M.

S89°56'W - 79.96 (G.L.O.)



FEDERAL Q #44-15
Elev. Ungraded Ground = 6345'

1923 Brass Cap
1.0' High, Pile of
Stones

1923
Brass Cap
0.7' High
2 Stones

1923 Brass Cap
0.4' High

S89°52'W - 40.01 (G.L.O.)

S89°51'46"W 2641.85 (Meas.)

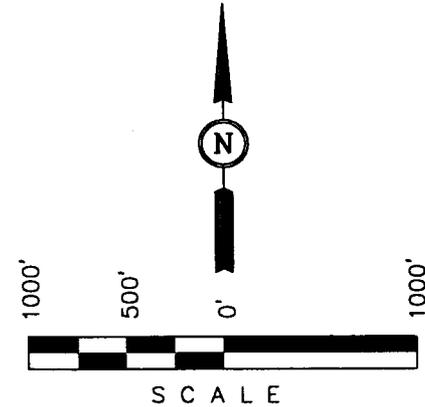
1923 Brass Cap
0.4' High

LONE MOUNTAIN PRODUCTION

Well location, FEDERAL Q #44-15 located as in the SE 1/4 SE 1/4 of Section 15, T12S, R21E, S.L.B.&M. Uintah, County Utah.

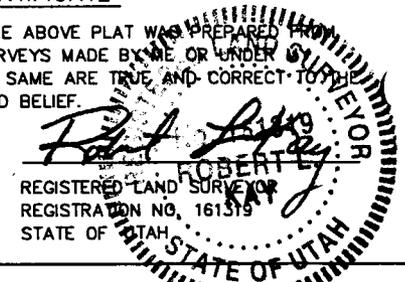
BASIS OF ELEVATION

SPOT ELEVATION AT THE SE 1/4 CORNER OF SECTION 22, T12S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN. SE. QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 6490 FEET.



CERTIFICATE

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



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

LEGEND:

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

LATITUDE = 39°46'05"
LONGITUDE = 109°32'48"

SCALE 1" = 1000'	DATE SURVEYED: 7-7-98	DATE DRAWN: 7-9-98
PARTY D.K. P.R. D.COX	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE LONE MOUNTAIN PRODUCTION	

SELF-CERTIFICATION STATEMENT

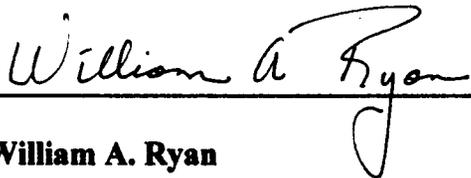
The following self-certification statement is provided per Federal requirements dated June 15, 1988.

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

**Fed. Q 44-15
SE 1/4, SE 1/4, Section 15, T. 12, R. 21 E.
Lease UTU-73440
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.

Fed. Q 44-15

Surface Location SE 1/4, SE 1/4, Section 15, T. 12 S., R. 21 E.

1. Surface Formation:

Green River

2. Estimated Formation Tops and Datum:

<u>Formation</u>	<u>Depth</u>	<u>Datum</u>
Green River	Surface	+6,345' G.L.
Oil Shale	530	+5,815
Wasatch	3,005	+3,340
Mesaverda formation	4,755	+1,590
T.D.	5,300	+1,045

3. Producing Formation Depth:

Formation objective includes the Wasatch and its sub-members.

Off Set Well Information:

Off set well: None

4. Proposed Casing:

<u>Hole Size</u>	<u>Casing Size</u>	<u>Grade Weight/Ft.</u>	<u>Setting & 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 H2S.

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

FED Q 44-15

LOCATED IN

SE 1/4, SE 1/4

SECTION 15, T. 12 S., R. 21 E., U.S.B.&M.

UINTAH COUNTY, UTAH

LEASE NUMBER: UTU-73440

SURFACE OWNERSHIP: FEDERAL

1. Existing Roads

To reach the **Lone Mountain Production Co. well Fed. Q 44-15**, in **Section 15, T 12 S, R 21 E**, from **Bonanza, Utah**:

Starting in **Ouray, Utah**, proceed south on the paved and gravel road for **25.1 miles**.

Turn **East (left)** on the existing two track. Proceed **.3 miles**.

The proposed access road will start at this point.

All existing roads to the proposed location except the last **.5 miles** are **State or County Class D roads**.

Please see the attached map for additional details.

2. Planned access road

The proposed location will require approximately **.3 miles of up graded road and 1000 feet of new access road**.

The road will be built to the following standards:

A) Approximate length	.5 miles
B) Right of Way width	30 ft.
C) Running surface	18 ft.
D) Surfacing material	Native soil
E) Maximum grade	5%
F) Fence crossing	None
G) Culvert	None
H) Turnouts	None
I) Major cuts and fills	None
J) Road flagged	Yes
K) Access road surface ownership	Federal

- L) All new construction on lease **Yes**
M) Pipe line crossing **None**

Please see the attached location plat for additional details.

A BLM right of way will not be required. All new construction will be on lease.

3. Location of existing wells

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

- | | |
|-----------------------------------|--|
| A) Producing well | Sec. 15, T12S, R21E SW/NE
Sec. 22, T11S, R21E SW/NE |
| B) Water well | None |
| C) Abandoned well | None |
| D) Temp. abandoned well | None |
| E) Disposal well | None |
| F) Drilling/Permitted well | None |
| 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 access road. The line will then be boomed off the road. The approximate length will be 2,500 ft.

A BLM right-of-way will not be required. All construction will be on lease.

The gathering pipeline will be a 2" or 4" steel surface pipeline.

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 **BLM Vernal District Office, Vernal Utah**. 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 Willow Creek at the bottom of Buck Canyon. Water for completion will come from the same supply or Vernal City.

6. Source of construction materials

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

7. Methods for handling waste disposal

A) Pit construction and liners:

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

The reserve pit will not be lined.

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 of 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	350 ft.
B) Pad width	155 ft.
C) Pit depth	10 ft.
D) Pit length	180 ft.
E) Pit width	50 ft.
F) Max cut	10.1 ft.
G) Max fill	7.8 ft.
H) Total cut yd's	8,610 cu. yd's
I) Pit location	west side
J) Top soil location	south end
K) Access road location	north end
L) Flare pit	corner B

Please see the attached location diagram for additional details.

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

A) Thirty nine inch net wire shall be used with at least one strand of wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

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

10. Plans for restoration of the surface

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

Needle and Thread	3#/acre
Fourwing Saltbush	4#/acre
Shad Scale	2#/acre
Thickspike Wheat grass	3#/acre

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

The nearest water is Willow Creek Evacuation Creek located 3 miles to the west

11. Surface ownership:

Access road	Federal
Location	Federal
Pipeline	Federal

E) Chemicals:

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

12. Other information

F) Notification:

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.

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.

B) Dwellings:

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

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 **east side of the location**. All fluids will be removed from the pit within 48 hours of occurrence.

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:

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.

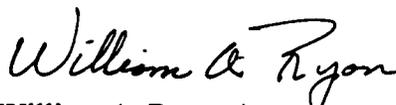
This drilling permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

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 August 24, 1998



William A. Ryan, Agent
Rocky Mountain Consulting

Statement of use of Hazardous Material

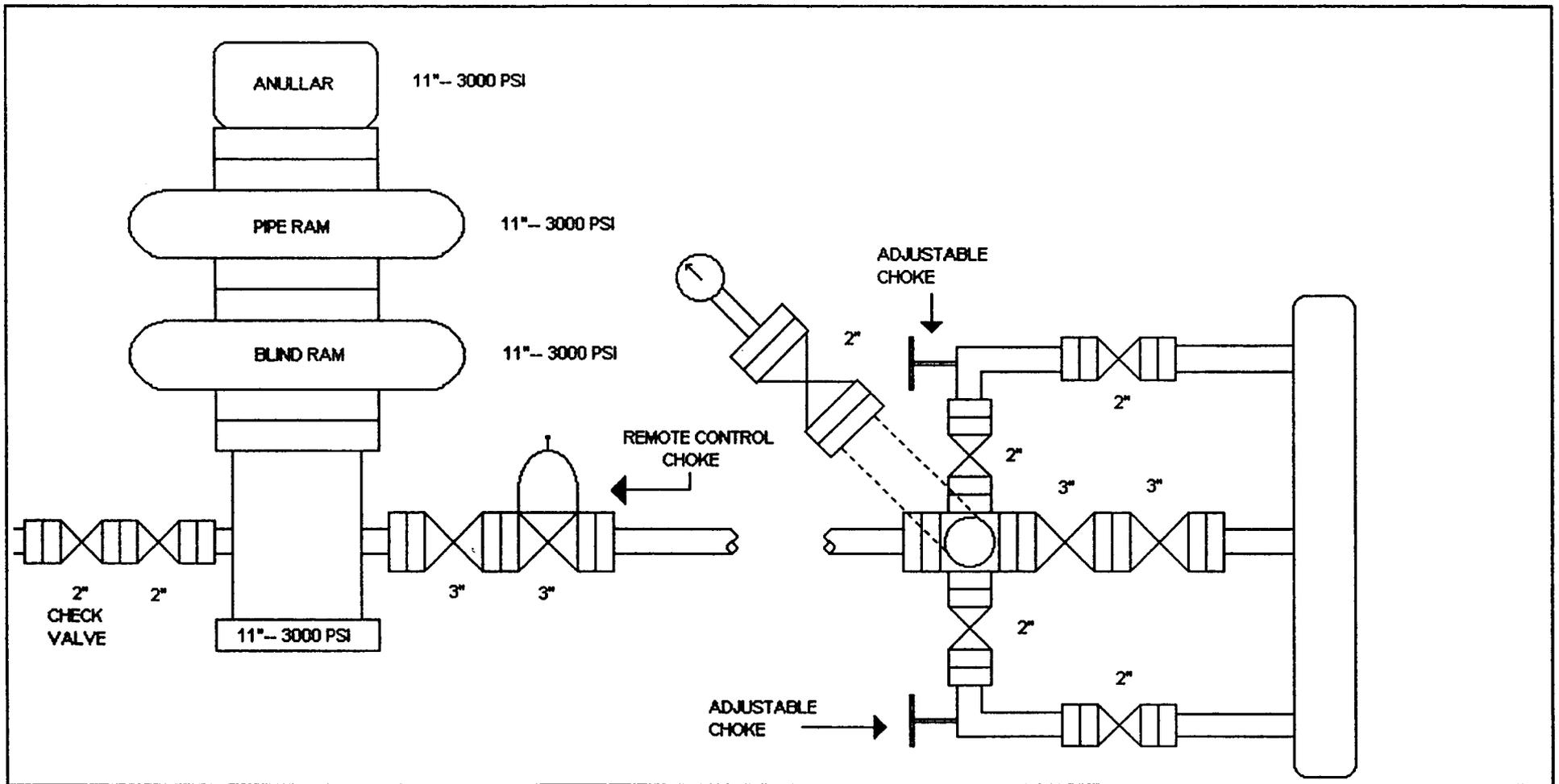
No chemical(s) from the EPA's Consolidated list of Chemicals subject to Reporting under Title III of the Superfund Amendments and Reauthorization, Act (SARA) of 1986.

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.

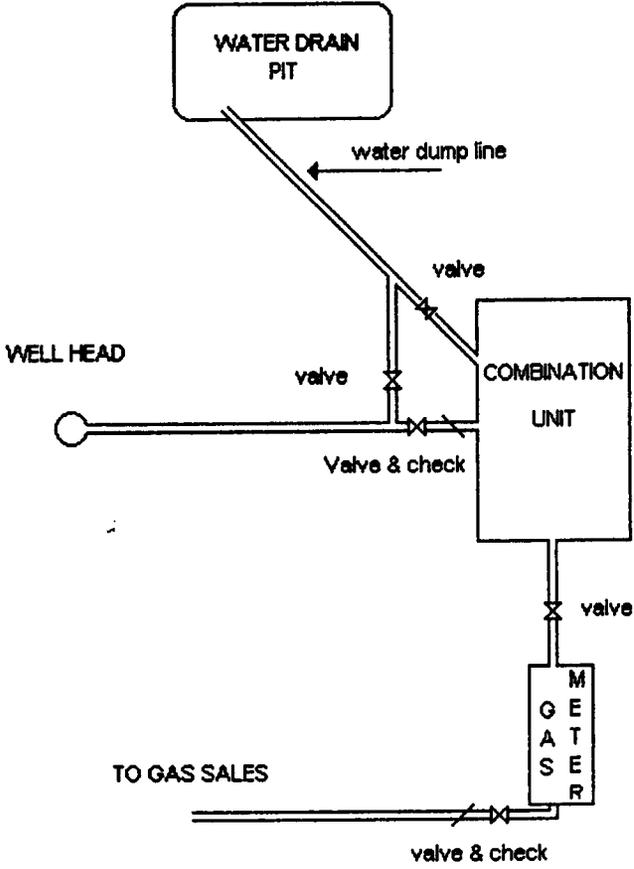
If you require additional information please contact:

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



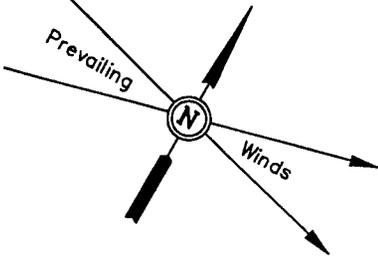
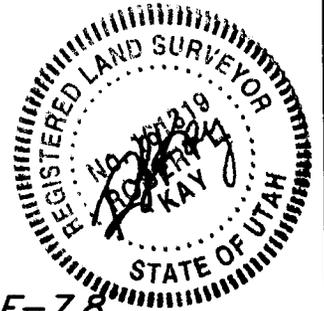
LONE MOUNTAIN
TYPICAL
GAS WELL



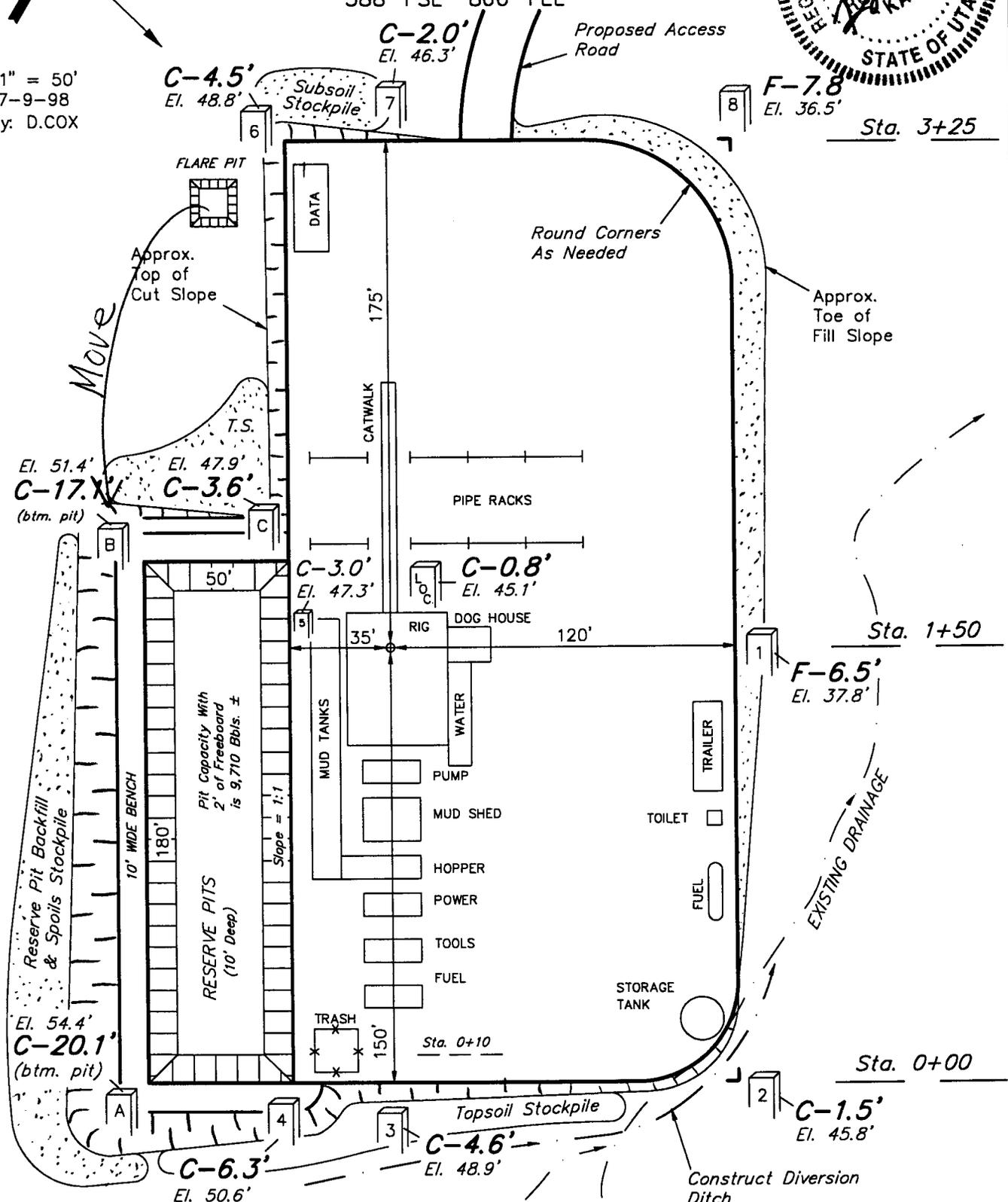
LONE MOUNTAIN PRODUCTION

LOCATION LAYOUT FOR

FEDERAL Q #44-15
SECTION 15, T12S, R21E, S.L.B.&M.
588' FSL 860' FEL



SCALE: 1" = 50'
DATE: 7-9-98
Drawn By: D.COX



Elev. Ungraded Ground at Location Stake = **6345.1'**
Elev. Graded Ground at Location Stake = **6344.3'**

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

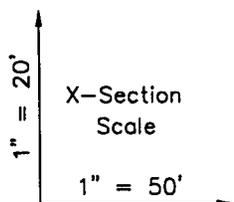
LONE MOUNTAIN PRODUCTION

TYPICAL CROSS SECTIONS FOR

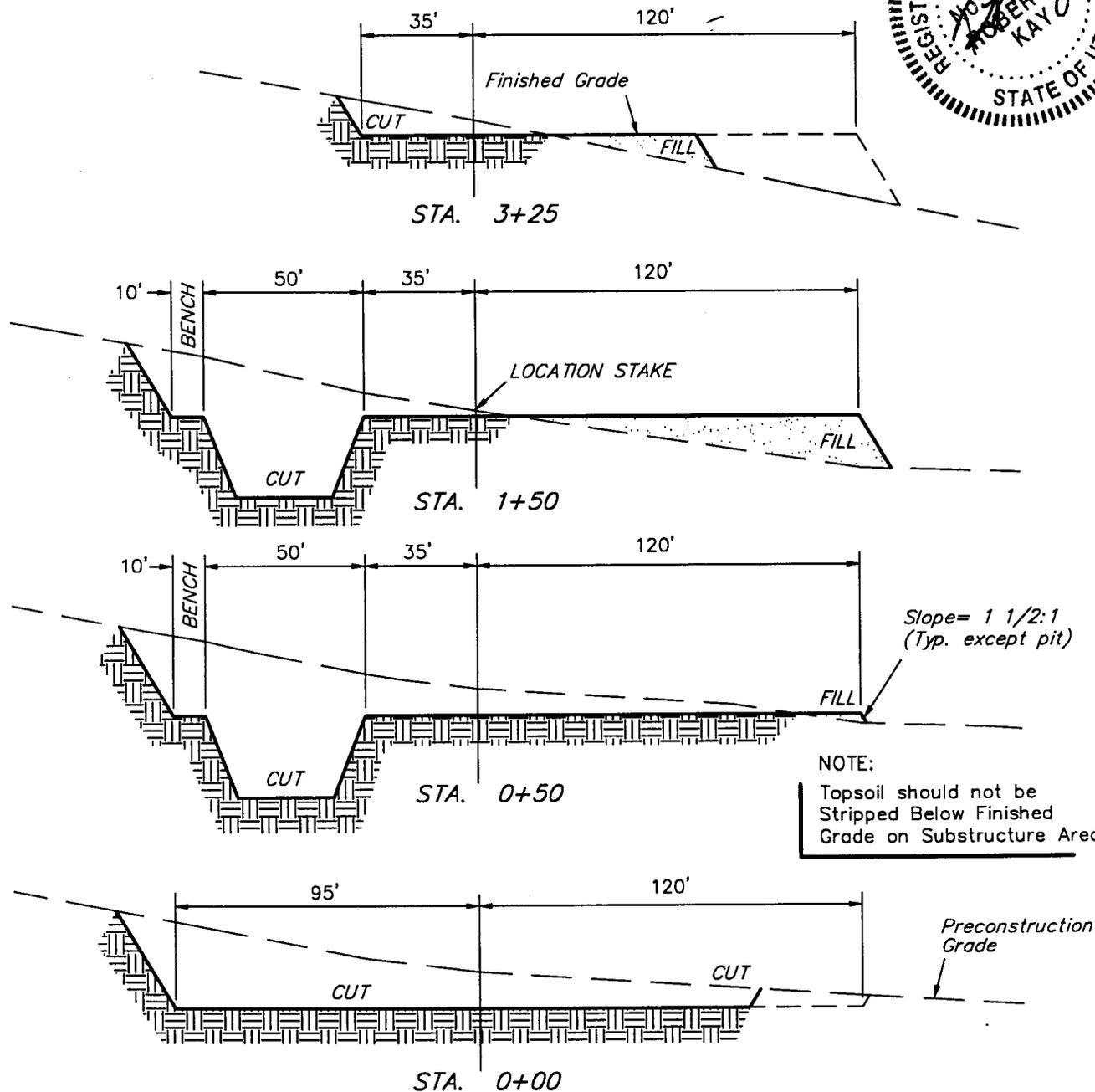
FEDERAL Q #44-15

SECTION 15, T12S, R21E, S.L.B.&M.

588' FSL 860' FEL



DATE: 7-9-98
Drawn By: D.COX

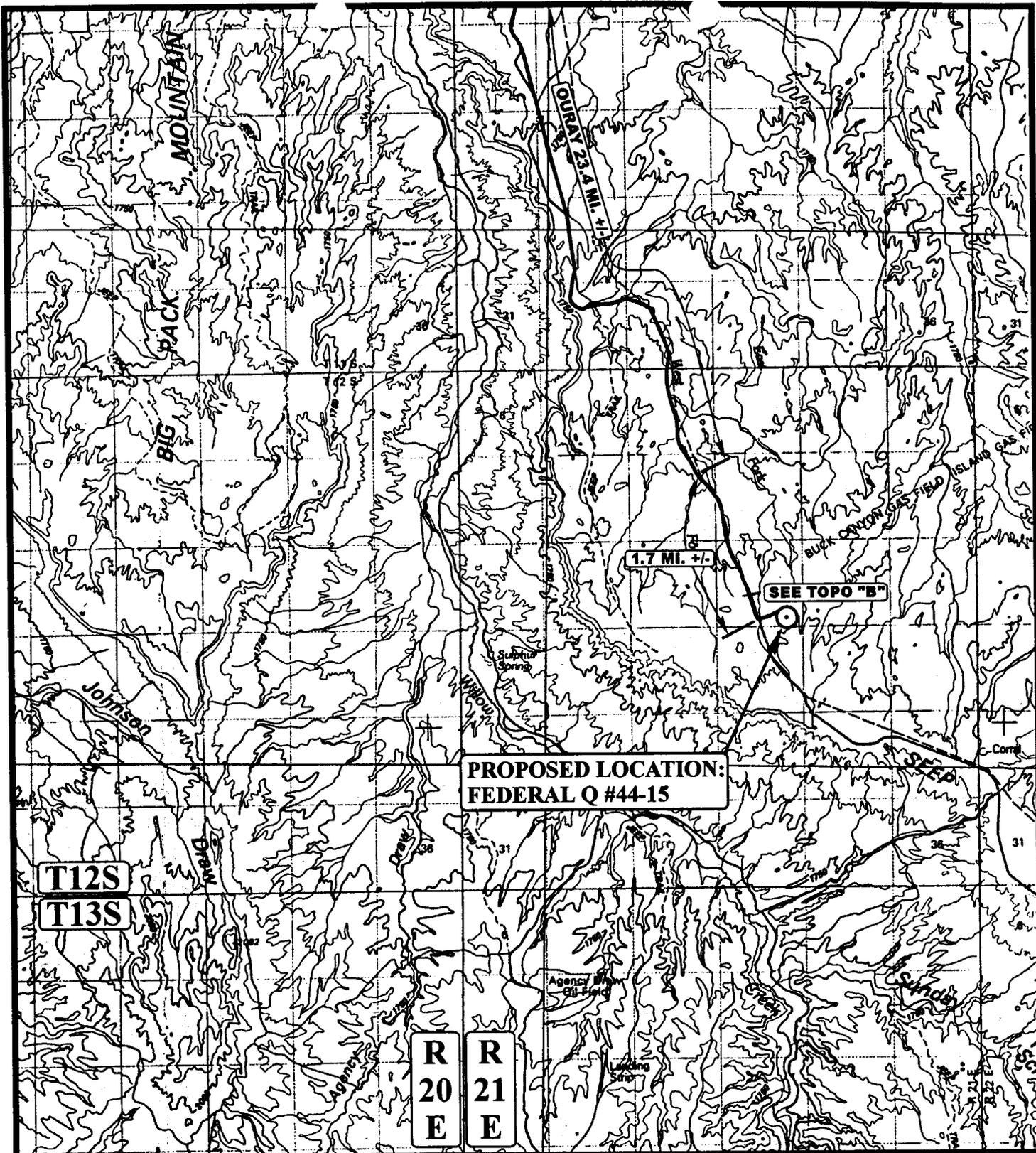


APPROXIMATE YARDAGES

(6") Topsoil Stripping	=	1,100 Cu. Yds.
Remaining Location	=	7,510 Cu. Yds.
TOTAL CUT	=	8,610 CU.YDS.
FILL	=	3,930 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	=	4,470 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	2,360 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	=	2,110 Cu. Yds.

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



**PROPOSED LOCATION:
FEDERAL Q #44-15**

**T12S
T13S**

**R 20 E
R 21 E**

LEGEND:

○ PROPOSED LOCATION

LONE MOUNTAIN PRODUCTION

**FEDERAL Q #44-15
SECTION 15, T12S, R21E, S.L.B.&M.
588' FSL 860' FEL**



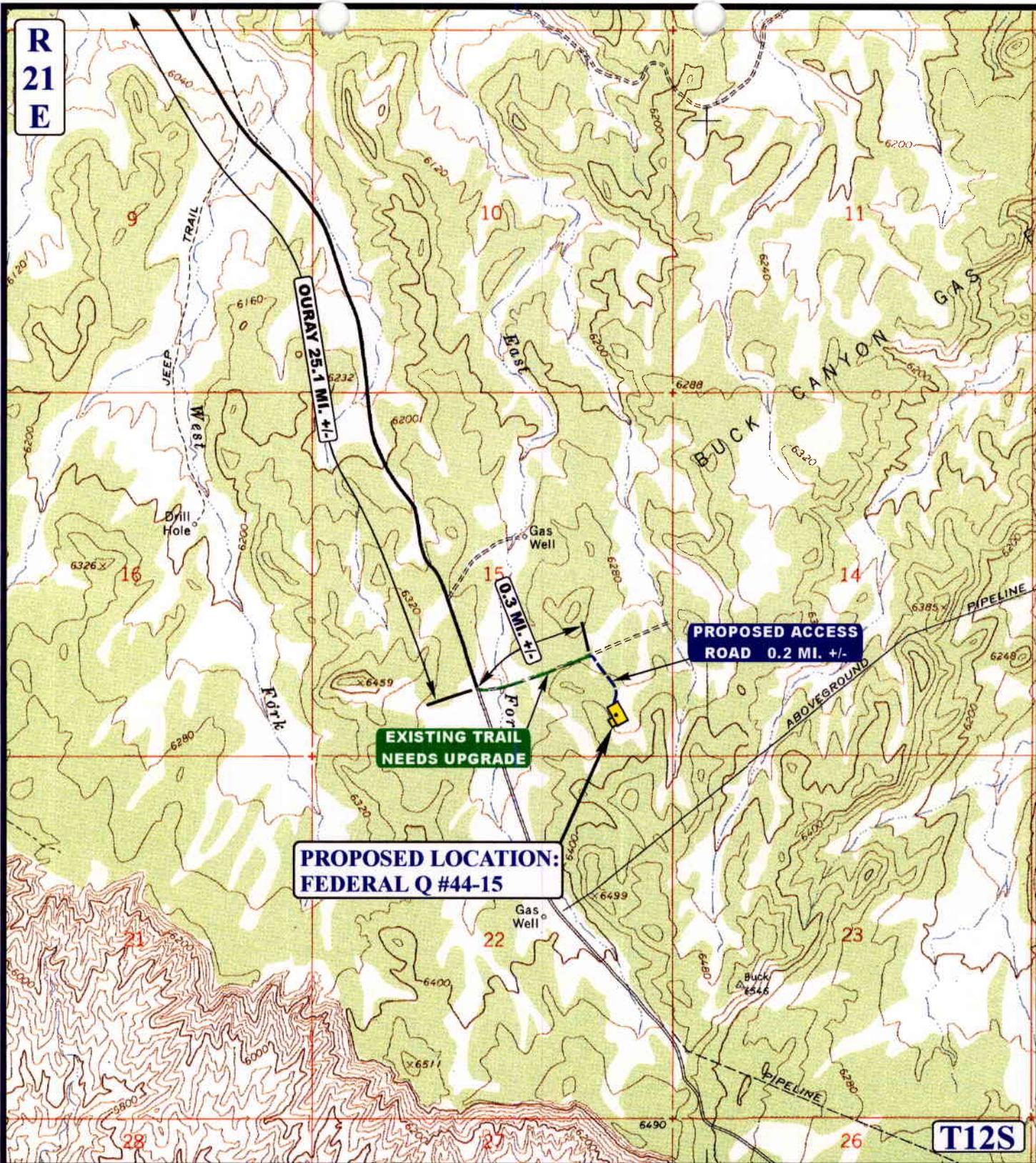
Uintah Engineering & Land Surveying
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Email: uels@easlink.com



TOPOGRAPHIC **7** **9** **98**
MAP MONTH DAY YEAR
SCALE: 1 : 100,000 DRAWN BY: D.COX REVISED: 00-00-00



R
21
E



PROPOSED ACCESS ROAD 0.2 MI. +/-

EXISTING TRAIL NEEDS UPGRADE

PROPOSED LOCATION: FEDERAL Q #44-15

T12S

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD



LONE MOUNTAIN PRODUCTION

FEDERAL Q #44-15
SECTION 15, T12S, R21E, S.L.B.&M.
588' FSL 860' FEL



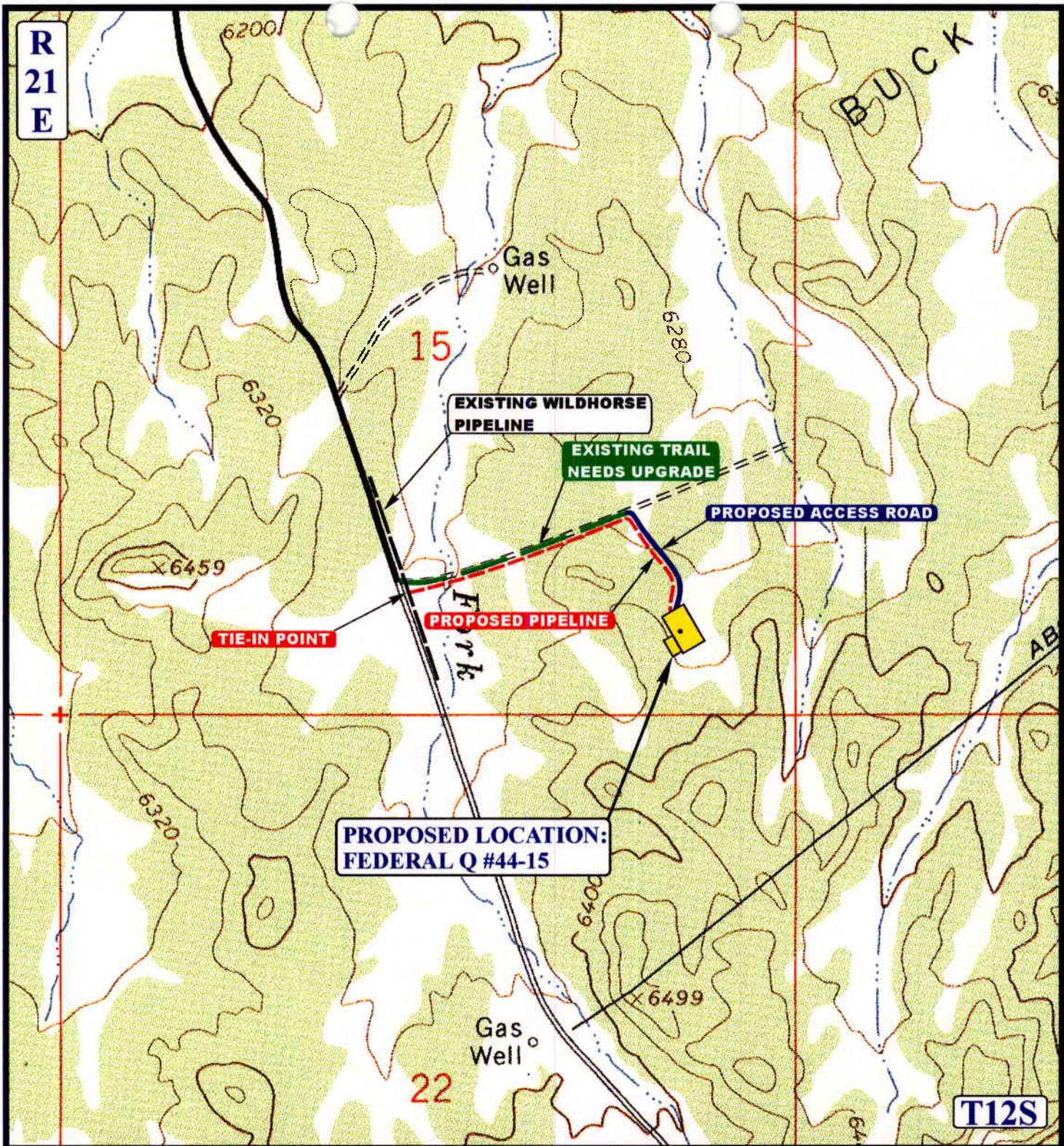
Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

7 MONTH
9 DAY
98 YEAR

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





APPROXIMATE TOTAL PIPELINE DISTANCE = 2500' +/-

LEGEND:

- EXISTING PIPELINE
- PROPOSED PIPELINE
- PROPOSED ACCESS



LONE MOUNTAIN PRODUCTION

FEDERAL Q #44-15
SECTION 15, T12S, R21E, S.L.B.&M.
588' FSL 860' FEL

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

TOPOGRAPHIC MAP **7 9 98**
 MONTH DAY YEAR
 SCALE: 1" = 1000' DRAWN BY: D.COX REVISED: 00-00-00 **C TOPO**

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 09/02/98

API NO. ASSIGNED: 43-047-33187

WELL NAME: FED Q 44-15
 OPERATOR: LONE MOUNTAIN PROD. CO. (N7210)
 CONTACT: William Ryan (435) 789-0968

PROPOSED LOCATION:
 SESE 15 - T12S - R21E
 SURFACE: 0588-FSL-0860-FEL
 BOTTOM: 0588-FSL-0860-FEL
 UINTAH COUNTY
 BUCK CANYON FIELD (565)

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

LEASE TYPE: FED
 LEASE NUMBER: UTU-73440
 SURFACE OWNER: Federal

PROPOSED FORMATION: WSTC

RECEIVED AND/OR REVIEWED:

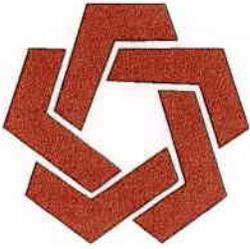
Plat
 Bond: Federal State[] Fee[]
 (No. WT-0719)
 Potash (Y/N)
 Oil Shale (Y/N) *190-5(B)
 Water Permit
 (No. Willow Creek)
 RDCC Review (Y/N)
 (Date: _____)
 St/Fee Surf Agreement (Y/N)

LOCATION AND SITING:

___ R649-2-3. Unit _____
 ___ R649-3-2. General
 ___ R649-3-3. Exception
 Drilling Unit
 Board Cause No: 119-1 (646'6)
 Date: 2-17-66

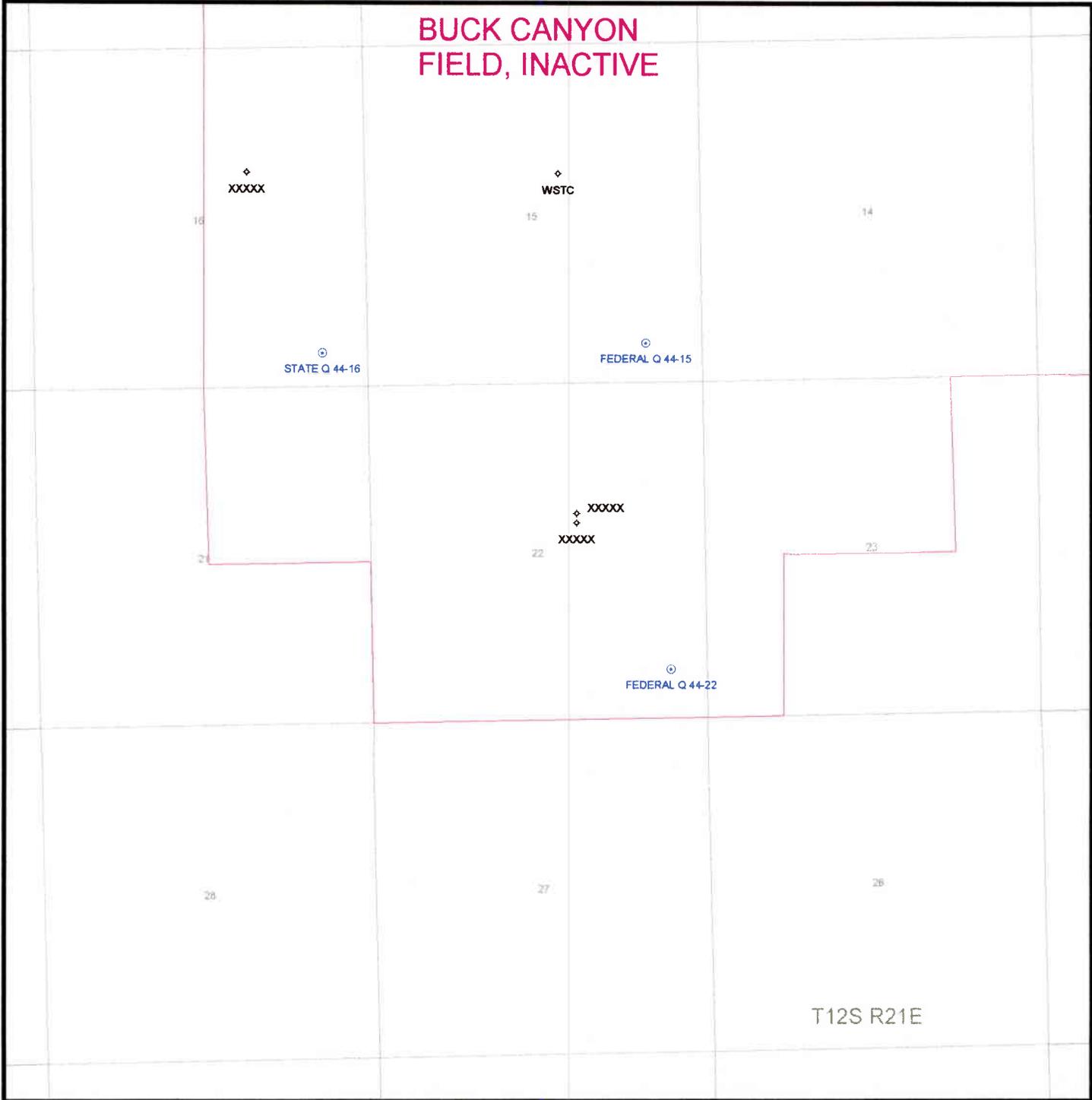
COMMENTS: _____

STIPULATIONS: ① FEDERAL APPROVAL



DIVISION OF OIL, GAS & MINING

OPERATOR: LONE MOUNTAIN PRODUCTION (N7210)
FIELD: BUCK CANYON (565)
SEC. 15 & 22, TWP 12S, RNG 21E
COUNTY: UINTAH UNIT: NONE



DATE PREPARED:
14-SEP-1998



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

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

Michael O. Leavitt
Governor

Lowell P. Braxton
Division Director

September 15, 1998

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

Re: Fed. O 44-15 Well, 588' FSL, 860' FEL, SE SE, Sec. 15,
T. 12 S., R. 21 E., Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-33187.

Sincerely,

A handwritten signature in black ink that reads "John R. Baza".

John R. Baza
Associate Director

lwp

Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal

Operator: Lone Mountain Production Company
Well Name & Number: Fed. O 44-15
API Number: 43-047-33187
Lease: UTU-73440
Location: SE SE Sec. 15 T. 12 S. R. 21 E.

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours prior to spudding the well. Contact Jim Thompson at (801)538-5336.

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

3. Reporting Requirements

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

4. State approval of this well does not 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-73440

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

NA

1a TYPE OF WORK

DRILL **DEEPEN** **PLUG BACK**

7. UNIT AGREEMENT NAME

NA

B TYPE OF WELL

OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

8. FARM OR LEASE NAME

NA

2. NAME OF OPERATOR

Lone Mountain Production Company

9. WELL NO.

Fed. Q 44-15

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 **588' FSL, 860' FEL SE/SE 43-047-33187**
At proposed prod. Zone

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

AND SURVEY OR AREA
Sec. 15, T12S, R21E

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

31.8 miles south of Bonanza Utah

12. COUNTY OR PARISH | 13. STATE

Uintah | Utah

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

860'

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. OR APPLIED FOR, ON THIS LEASE, FT.

3,000'

19. PROPOSED DEPTH

6,000'

20. ROTARY OR CABLE TOOLS

Rotary

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

6,345' GR

22. APPROX. DATE WORK WILL START

Oct. 1, 1998

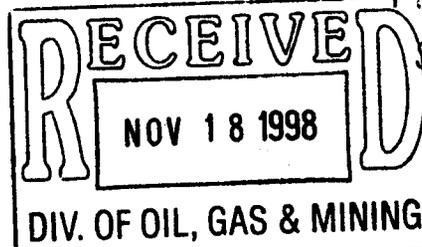
PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4	9 5/8	36	300	To Surface
7 7/8	4 1/2	11.6	T.D.	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 flow 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 22, 1998

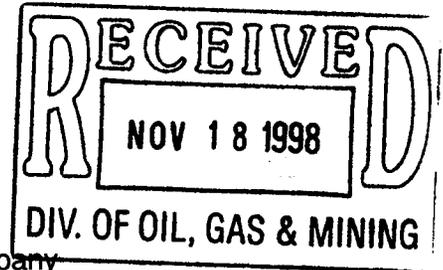
(This space for Federal or State Office use)

PERMIT NO. NOTICE OF APPROVAL APPROVAL DATE _____
APPROVED BY [Signature] TITLE Assistant Field Manager DATE 11/12/98
CONDITIONS OF APPROVAL, IF ANY: Mineral Resources

CONDITIONS OF APPROVAL TO OPERATIONS COPY

***See Instructions on Reverse Side**

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL



Company/Operator: Lone Mountain Production Company

Well Name & Number: Federal Q 44-15

API Number: 43-047-33187

Lease Number: U - 73440

Location: SESE Sec. 15 T.12S R. 21E

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 the field representative 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 or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

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

2. Pressure Control Equipment

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

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

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

3. Casing Program and Auxiliary Equipment

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

As a minimum, the usable water and oil shale resources 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 845 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 the top of the cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

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

6. Notifications of Operations

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

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(d) shall be submitted to the appropriate Field Office within 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 (1).

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 onlease 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 on initial meter installations 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).

The APD approval is 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 approvals are necessary, please contact one of the following individuals:

Ed Forsman (435) 789-7077
Petroleum Engineer

Wayne P. Bankert (435) 789-4170
Petroleum Engineer

Jerry Kenczka (435) 781-1190
Petroleum Engineer

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, spent solvents, spilled chemicals, and waste acids

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.

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

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

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

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

-The reserve pit will be lined if blasting is required. The liner will be a minimum of 12 mils thick with sufficient bedding (either straw or dirt) to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.

-No surface use will be allowed during the Red-tail hawk nesting season (April 1 and July 15).

-The APD mentions that the topsoil will be seeded with a seed mix provided by the state of Utah. This is in error. The topsoil as well as all reclamation, will be seeded with the seed mix provided in the APD.

-The reserve pit spoils will be piled on both ends of the pit and the pit topsoil will be piled above the cut slope instead of as indicated on the cut sheet.

-The cleared trees will be piled north of the reserve pit along the east side of the location.

-The location topsoil will be windrowed from stake No. 1 around corner 8 to where the access road enters the location, not as shown on the cut sheet.

February 23, 1999

State of Utah
Department of Natural Resources
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT

RE: **REQUEST FOR EXCEPTION LOCATION**
Lone Mtn Production Co. Fed Q #44-22 Well
API No. 43-047-33185
Township 12 South, Range 21 East, SLM
Section 22: 728' FSL, 565' FEL (SESE)
Uintah County, Utah

Ladies and Gentlemen:

We have received an approved permit for the captioned well, which is an obligation well that the undersigned plans to drill in the near future in accordance with the terms and conditions of the recently approved Buck Canyon Unit Agreement, No. UTU77378X.

Subsequent to the aforementioned unit agreement becoming effective, and after we received a valid drilling permit, it was pointed out to us that Section 22, T2S, R21E, where the captioned well is to be located, is currently subject to an existing spacing order, being Cause No. 119-1. Paragraph 2 of this order discusses that no more than 1 well may be drilled in each section and such well shall be located in any quarter quarter section nearest the center of each section.

Our proposed well, located 728' FSL, 565' FEL (SESE), does not conform to the location parameters addressed in Cause No. 119-1, and as a result, we are hereby submitting our request for an exception location.

In accordance with R649-3 of the Rules and Regulations of the Department of Natural Resources, the purpose for our request is for topographic considerations.

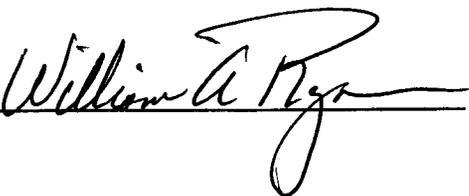
In addition, R649-3 requires that written consent is required from all owners within a 460 foot radius of the well location. Please be advised that the only owner within this boundary is White River Enterprises, LLC, and by executing this letter at the space provided below, White River Enterprises, LLC, is hereby consenting to this exception location.

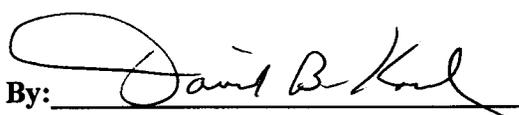
Please provide us with written confirmation that this exception location is being granted. Thank you in advance for your consideration and please don't hesitate to call if you have any questions or comments.

Very Truly Yours,

LONE MOUNTAIN PRODUCTION CO.

WHITE RIVER ENTERPRISES, LLC

By: 

By: 

Suite 1090, 410 17th Street, Denver, CO 80202
Telephone (303) 628-1951 Fax (303) 825-0321



Fax

To: Lisa Cordova From: Dave Kozl

Fax: 1-801-359-9940 Pages: 3

Phone: 801-538-5296 Date: 10-12-00

Re: White River Enterprises LLC CC:

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

• Comments: [Click here and type comments]

For your information per your telephone conversation with Dave Kozl.

OCT 12 2000

White River Resource Management, Inc.410 17th Street, Suite 1990, Denver, Colorado 80202

Phone (303) 628-1951 Fax: (303) 825-0321

Fax

To: Carolyn (Lone Mtn.) **From:** Dave Koval

Fax: 406 248-6321 **Pages:** 2 (Including this cover sheet)

Phone: 406 245-5077 **Date:** October 11, 2000

Re: Four permit extensions **CC:**

Urgent For Review Please Comment Please Reply Please Recycle

Carolyn -

Per our conversation today, would you please file the following three permit extensions, and also, we need to supply a sundry to the State on our Q44-15 well. Following is what I believe are the important specifics on each well.

FEDERAL Q 44-15 (UTU-73440) SESE SEC 15, T12S-R21E 43-047-33187

This is the well we set surface casing on back in May (I think??). Carolyn, we do not have any of the daily reports on this, and apparently neither does DOGAM. I spoke with Lisha Cordova and she did not have any information as to the fact we set surface pipe on this well. Since the surface pipe has been set, the permit issue is now 'moot'. Could you please get a copy of this information forwarded both to our office and Lisha Cordovas' attention at the Division of Oil Gas and Mining. I am assuming Nettl has this information in Junction?

STATE N 31-16 (ML-47080) NWNE SEC 16, T11S-R24E 43-047-33175 Expires 12-6-2000**STATE Q 44-16 (ML-47085) SESE SEC 16, T12S-R21E** 43-047-33176 Expires 12-6-2000

Both of the above permits expire the first part of November, and both are on State lands. Because these permits are on State lands, they can be extended again for another year. Please file the extensions on both of these permits.

FED T 31-11 (UTU 55425) NWNE SEC 11, T12S-R24E 43-047-33183

I spoke with both you and Lisha on this particular permit. This permit is inside the EIS, which is currently underway in our area. While we received the approved permit from the State, (DOGAM), the BLM has never issued us the final permit. (Actually, if we get ready to drill this location, based on what is currently happening in the area, I believe Vernal will issue this permit at this point in time.) I

October 11, 2000

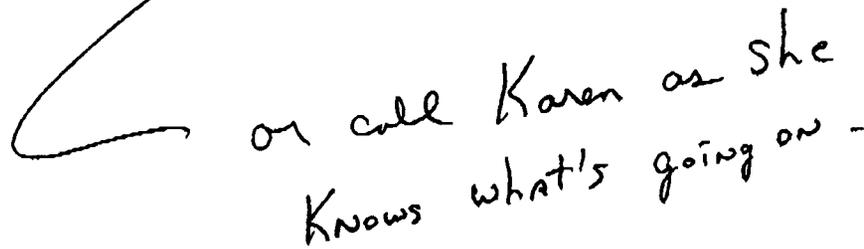
discussed this with Lisha, and she has some information in her files, which reflects what is going on (i.e. she understands the issue). I told Lisha we would go ahead and file an extension request, and she believes this will be fine.

When you file the above paperwork on the above four permits, would you please put them to the attention of Lisha Cordova, as she understands the Issues Involved in these permits.

Thanks, Carolyn. I will be out for a few days, but Karen know how to reach me if you need anything additional.

A handwritten signature in black ink that reads "Dave Koval". The signature is stylized, with a large loop at the beginning and a horizontal line at the end.

Dave Koval

A handwritten note in black ink that says "or call Karen as she knows what's going on -". The note is written in a casual, cursive style and is positioned to the right of the signature.

LONE MOUNTAIN PRODUCTION COMPANY

Mailing Address:
P.O. Box 3394
Billings, MT 59103-3394

(406) 245-5077
FAX 248-6321

Shipping Address:
100 North 27th Street
Suite 650
Billings, MT 59101

October 12, 2000

State of Utah
Division of Oil, Gas & Mining
1594 W. Temple, Suite 1210
P. O. Box 145801
Salt Lake City, Utah 84114-5801

Attn: Leisha Cordova

RE: APD EXTENSIONS
VARIOUS WELLS
UINTAH COUNTY, UTAH

43-047-33187 Sec. 15, 12S, 21E

Dear Leisha:

Enclosed in duplicate are three sundry notices requesting the approval by your office for an additional one year APD extension for each of the referenced wells.

Also enclosed is a letter from the BLM, dated June 4, 1999, regarding its decision to rescinded the APD on the Federal No. T 31-11 well. Following a telephone conversation with you yesterday, Dave Koval of White River requested that Lone Mountain Production Company file a one year APD extension for the said well.

Dave requested that Lone Mountain send applicable copies of the sundry notice and daily drilling reports for the setting of pipe in May 2000 on the location of the ~~Federal No. Q 44-15~~. Joe Dyk of our Loma office has been notified to send copies of the pertinent information which I will forward to you as soon as they reach our office.

Should you have any questions or need further information please me at the letterhead address or phone number.

Sincerely,

LONE MOUNTAIN PRODUCTION COMPANY



Carolyn George
Land Department

Enclosure

cc: Dave Koval - White River

RECEIVED

OCT 16 2000

DIVISION OF
OIL, GAS AND MINING

OPERATOR Lone Mountain Production Company

OPERATOR ACCT. NO. N 7210

ADDRESS P. O. Box 3394

Billings, MT 59103

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	12944	43-047-33187	Federal No. Q 44-15	SESE	15	12S	21E	Uintah	5/1/2000	
WELL 1 COMMENTS: 11-8-00											
WELL 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)

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

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

(3/89)

RECEIVED

NOV 08 2000

DIVISION OF
OIL, GAS AND MINING

J. Anderson
Signature
President
Title
11/6/00
Date
Phone No. (406) 245-5077

LONE MOUNTAIN PRODUCTION COMPANY

Mailing Address:
P.O. Box 3394
Billings, MT 59103-3394

(406) 245-5077
FAX 248-6321

Shipping Address:
100 North 27th Street
Suite 650
Billings, MT 59101

November 7, 2000

State of Utah
Division of Oil, Gas & Mining
1594 W. Temple, Suite 1210
P. O. Box 145801
Salt Lake City, Utah 84114-5801

Attn: Leisha Cordova

RE: NOTICE OF SPUD
FEDERAL NO. Q 44-15
SENV SECTION 15: T12S-R21E
UINTAH COUNTY, UTAH

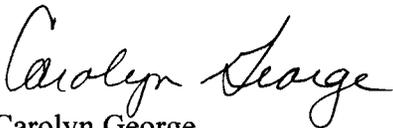
Dear Leisha:

Per your earlier request, enclosed in duplicate is one sundry notice notifying your office of the spudding of the referenced well at 6:00 p.m. on April 26, 2000.

Should you have any questions or need further information please contact our office at the letterhead address or phone number or Dave Koval at White River Resource Management at (303) 628-1951.

Sincerely,

LONE MOUNTAIN PRODUCTION COMPANY



Carolyn George
Land Department

enclosure

cc: Dave Koval - White River

RECEIVED

NOV 13 2000

DIVISION OF
OIL, GAS AND MINING

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

<p>SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT-" for such proposals</p> <p align="center">SUBMIT IN TRIPLICATE</p>		<p>5. LEASE DESIGNATION AND SERIAL NO. UTU-73440</p>
<p>b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/></p>		<p>6. IF INDIAN, ALLOTEE OR TRIBE NAME</p> <p>7. IF UNIT OR CA. AGREEMENT DESIGNATION</p> <p>8. WELL NAME and No. Federal No. Q 44-15</p>
<p>2. NAME OF OPERATOR Lone Mountain Production Company</p>		<p>9. API WELL NO. 43-047-33187</p>
<p>3. ADDRESS OF OPERATOR P. O. Box 3394, Billings, Montana 59103 (406) 245-5077</p>		<p>10. Field and Pool, or Exploratory Area</p>
<p>4. LOCATION OF WELL (Footage, Sec, T., R., M., or Survey Description) 558' FSL, 860' FEL Section 15-T12S-R21E (SENW)</p>		<p>11. County or Parish, State Uintah County, Utah</p>

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent <input checked="" 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>Notice of 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 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.)*

The Federal No. Q 44-15 well was spud at 6:00 p.m. on April 26, 2000.

Drilled 12¼" surface hole to 325'. Set 9 5/8", 36#, J-55 STC casing to 326' GL. Cemented casing down with 150 sx of Class "G", 2% CaCl₂, and ¼#/sx celloflake. Circulated 90 sx to pit.

Witnessed by Ed Forsman, BLM, Vernal.

RECEIVED

NOV 13 2000

DIVISION OF
OIL, GAS AND MINING

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

Signed: *James - R... [Signature]*

Title: **President**

Date: **November 7, 2000**

(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.

***See Instructions of Reverse Side**

LONE MOUNTAIN PRODUCTION COMPANY

Mailing Address:
P.O. Box 3394
Billings, MT 59103-3394

(406) 245-5077
FAX 248-6321

Shipping Address:
100 North 27th Street
Suite 650
Billings, MT 59101

December 18, 2000

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

Attn: Jimmie Thompson

RE: RESIGNATION OF OPERATOR
VARIOUS WELLS
UINTAH COUNTY, UTAH

Dear Mr. Thompson:

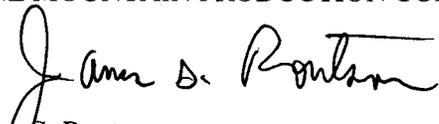
Please be advised Lone Mountain Production Company resigns as Operator of the attached list of wells in the referenced county, effective January 1, 2001.

All future correspondence should be directed to Dominion Exploration & Production Inc., 1450 Poydras Street, 8th Floor, New Orleans, Louisiana 70112-6000.

Should you have any questions or need further information, please contact our office at the letterhead address or phone number.

Sincerely,

LONE MOUNTAIN PRODUCTION COMPANY


James G. Routson
President

attachment

RECEIVED

DEC 26 2000

DIVISION OF
OIL, GAS AND MINING

**RESIGNATION OF OPERATOR
LONE MOUNTAIN PRODUCTION COMPANY
UINTAH COUNTY, UTAH**

<u>Well Name</u>	<u>API No.</u>
\ Conoco State 32-2	43-047-30100
\ Antelope Federal 20-02	43-047-32680
Antelope Federal 1-29	43-047-32452
\ Federal 12-11	43-047-32557
\ Federal 21-27	43-047-32560
\ Federal 22-22	43-047-32559
\ Black Dragon 31-34	43-047-33019
\ Federal 34-30	43-047-32558
\ Federal 28-01	43-047-30098
\ L. S. Federal 44-10	43-047-32681
\ End of Rainbow 21-01	43-047-31897
State S 42-2	43-047-32940
State M 42-2	43-047-33169
State S 22-2	43-047-32845
State G 22-32	43-047-33129
State N 31-16	43-047-33175
State Q 44-16	43-047-33176
Federal L 44-31	43-047-33261
\ Federal K 12-22	43-047-33299
Federal H 41-28	43-047-33184
\ Federal Q 44-15	43-047-33187
Federal Q 24-22	43-047-33246
Federal Q 22-15	43-047-33248
Federal M 22-27	43-047-33253
\ Federal R 44-9	43-047-33192
Federal R 13-30	43-047-33188
Federal M 44-29	43-047-33260
\ Federal H 42-20	43-047-33170
Federal M 42-22	43-047-33258
Federal M 24-22	43-047-33255

RECEIVED

DEC 26 2000

DIVISION OF
OIL, GAS AND MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
DOMINION EXPLORATION & PRODUCTION, INC.

3a. Address
16945 Northchase Drive, Suite 1750 Houston, TX 77060

3b. Phone No. (include area code)
(281) 873-3692

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

5. Lease Serial No.

Various

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

VARIOUS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UTAH

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

TYPE OF SUBMISSION

TYPE OF ACTION

Notice of Intent

Subsequent Report

Final Abandonment Notice

Acidize

Alter Casing

Casing Repair

Change Plans

Convert to Injection

Deepen

Fracture Treat

New Construction

Plug and Abandon

Plug Back

Production (Start/Resume)

Reclamation

Recomplete

Temporarily Abandon

Water Disposal

Water Shut-Off

Well Integrity

Other Change of

Operator

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

Dominion Exploration & Production, Inc. has assumed operation of multiple leases from Lone Mountain Production Company, effective January 1, 2001. Bond coverage is provided by Dominion's nationwide BLM Bond No. 76S 63050 0330. Field operations will be handled out of Dominion's Roosevelt office. The contact person will be Mitch Hall.

Dominion will assume responsibility under the terms and conditions of each lease for the operations conducted upon lease lands. The lease designation and serial numbers that are now operated by Dominion are as follows:

UTU-65356; UTU-75098; UTU-66421; UTU-73440; UTU-66409; UTU-73908; UTU-65359; UTU-74480; UTU-66425; UTU-66422; U-66410; U-016257; U-54224 and UTU-69430.

RECEIVED

CONFIDENTIAL

FEB 22 2001

DIVISION OF
OIL, GAS AND MINING

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

DIANN FLOWERS

Title **REGULATORY SPECIALIST**

Signature

Diann Flowers

Date **02/17/2001**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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

Date

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 District Office

170 South 500 East

Vernal, Utah 84078-2799

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

Phone: (801) 781-4400

Fax: (801) 781-4410

IN REPLY REFER TO:

3162.3

UT08300

February 26, 2001

Dominion Expl. & Prod., Inc.
16945 N Chase Dr., Ste. 1750
Houston, Texas 77060

Re: Well No. Federal Q 44-15
SENW, Sec. 15, T12S, R21E
Lease No. U-73440
Uintah County, Utah

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, Dominion Expl. & Prod., Inc. is responsible for all operations performed on the referenced well. All liability will now fall under your bond, BLM Bond No. WY3322, for all operations conducted on the referenced well on the leased land.

If you have any other questions concerning this matter, please contact Leslie Crinklaw or Pat Sutton of this office at (801) 781-4400.

Sincerely,

Edwin I. Forsman
Petroleum Engineer

cc: DOGM - Jim Thompson
Rosewood Resources

**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

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT--" for such proposals		5. LEASE DESIGNATION AND SERIAL NO. UTU-73440
SUBMIT IN TRIPLICATE		6. IF INDIAN, ALLOTEE OR TRIBE NAME
		7. IF UNIT OR CA. AGREEMENT DESIGNATION
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		8. WELL NAME and No. Federal No. Q 44-15
2. NAME OF OPERATOR Dominion Exploration & Production, Inc.		9. API WELL NO. 43-047-33187
3. ADDRESS OF OPERATOR 1450 Poydras Street, 8th Floor, New Orleans, Louisiana 70112-6000		10. Field and Pool, or Exploratory Area
4. LOCATION OF WELL (Footage, Sec. T., R., M., or Survey Description) 558' FSL, 860' FEL Section 15-T12S-R21E (SENW)		11. County or Parish, State Uintah County, Utah

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 Change of Operator	<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.)*

Dominion Exploration & Production, Inc. has assumed operation of the above referenced well effective January 1, 2001. The former operator was Lone Mountain Production Company.

Bond coverage is provided by Dominion's Nationwide BLM Bond No. 76S630500330.

Field operations will be handled by the Roosevelt office. The contact person is Mitch Hall.

RECEIVED

MAR 01 2001

DIVISION OF
OIL, GAS AND MINING

RECEIVED
JAN 29 2001

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

Signed: *Donna J. Mullen* Title: Agent, Attorney-in-fact for DEPI Date: 12/20/00
Donna J. Mullen

(This space for Federal or State office use)

APPROVED BY: *Ernie J. ...* TITLE: Petroleum Engineer DATE: FEB 26 2001
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.

OPERATOR CHANGE WORKSHEET

ROUTING

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

Enter date after each listed item is completed

X Change of Operator (Well Sold)

Designation of Agent

Operator Name Change (Only)

Merger

The operator of the well(s) listed below has changed, effective: 1/1/2001

FROM: (Old Operator):
LONE MOUNTAIN PRODUCTION COMPANY
Address: P. O. BOX 3394
BILLINGS, MT 59103-3394
Phone: 1-(406)-245-5077
Account No. N7210

TO: (New Operator):
DOMINION EXPLORATION & PRODUCTION INC
Address: 1450 POYDRAS STREET 8TH FLOOR
NEW ORLEANS, LA 70112-6000
Phone: 1-(281)-873-3692
Account No. N1095

CA No.

Unit:

WELL(S)

NAME	API NO.	ENTITY NO.	SEC. TWN RNG	LEASE TYPE	WELL TYPE	WELL STATUS
A FEDERAL H 42-20	43-047-33170	99999	20-10S-24E	FEDERAL	GW	APD
ANTELOPE FEDERAL 20-02	43-047-32680	12103	20-10S-24E	FEDERAL	GW	S
FEDERAL K 12-22	43-047-33299	99999	22-11S-24E	FEDERAL	GW	APD
FEDERAL R 44-9	43-047-33192	99999	09-12S-22E	FEDERAL	GW	APD
FEDERAL Q 44-15	43-047-33187	99999	15-12S-21E	FEDERAL	GW	APD

OPERATOR CHANGES DOCUMENTATION

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 12/26/2000
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 01/01/2001
- The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 03/01/2001
- Is the new operator registered in the State of Utah: YES Business Number: 852894-0143
- If **NO**, the operator was contacted on: N/A
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the (merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 02/26/2001
- Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: N/A

8. **Federal and Indian Communization Agreements ("CA"):** The BLM or the BIA has approved the operator change for all wells listed involved in a CA on: N/A

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

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 03/01/2001
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 03/01/2001
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

STATE BOND VERIFICATION:

1. State well(s) covered by Bond No.: 76S63050361

FEE WELLS - BOND VERIFICATION/LEASE INTEREST OWNER NOTIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed has furnished a bond No: N/A
2. The **FORMER** operator has requested a release of liability from their bond on: N/A
The Division sent response by letter on: N/A
3. (R649-2-10) The **FORMER** operator of the Fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

FILMING:

1. All attachments to this form have been **MICROFILMED** on: 3-16-01

FILING:

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

COMMENTS:

Form 3160-5
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONFIDENTIAL

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

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. U-73440
2. Name of Operator DOMINION EXPLORATION & PRODUCTION, INC.		6. If Indian, Allottee or Tribe Name
3a. Address 16945 NORTHCHASE DRIVE, SUITE 1750 HOUSTON, TEXAS 77060		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) (281) 873-3692		8. Well Name and No. FEDERAL Q 44-15
4. Location of Well (Postmark, Sec. T, R, M., or Survey Description) 398 FSL & 863 FEL SE SE, Sec. 15, T12S, R21E		9. API Well No. 43-047-33187
588 FSL 860 FEL		10. Field and Pool, or Exploratory Area
		11. County or Parish, State UTAH COUNTY, UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans <input checked="" 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 completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

May 18, 2001: Notified Ed Forsman of BLM regarding plug and abandonment procedures. Received verbal approval from BLM. Ran drill string into well and blew water out of pipe from a depth of 100'. Poured six yards of ready mix down casing filling entire string.

May 22, 2001: Cut off surface casing 3' below ground level.

Note: surface location will move a total of 3' further west and 10' further north in order to utilize a better surface casing program.

RECEIVED

MAY 22 2001

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) DIANN FLOWERS		Title REGULATORY SPECIALIST	DIVISION OF GAS AND MINING
Signature <i>Diann Flowers</i>		Date 05/22/2001	
THIS SPACE FOR FEDERAL OR STATE OFFICE USE			
Approved by 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	Date
		Office	

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONFIDENTIAL

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

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

5. Lease Serial No.
U-73440

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
FEDERAL Q 44-15*

9. API Well No.
33187
43-047-3494

10. Field and Pool, or Exploratory Area

11. County or Parish, State
UINTAH COUNTY, UTAH

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
DOMINION EXPLORATION & PRODUCTION, INC.

3a. Address
**16945 NORTHCHASE DRIVE, SUITE 1750
HOUSTON, TEXAS 77060**

3b. Phone No. (include area code)
(281) 873-3692

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**598' FSL & 863' FEL
SE SE, Sec. 15, T12S, R21E**

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

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

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

Drilling Operations: 06/03/2001 through 06/18/2001.

Drilled to 8500'. C&C hole for logs. Pull DLL,, DEN, NEU, GR to surface. Set plug from 7200' - 7400' with 122 sacks Class G cement. Replace broken drive chain. Set 122 sack class G plug from 4655' - 4855'. Set 97 sack class G plug from 3290' - 3490'. Set 137 sack class G plug from 2725' - 2925'.

P&A job witnessed by BLM representative Carol Scott on 6/8/2001.

Set plug from 200' to surface with 76 sacks G cement. Rig released at 12:45 pm on 6/9/2001. Cleaned up location, found cement between 12 1/4 & 8 5/8" casing, 15' below ground level. found cement 8 5/8", 5'2" below ground level. Cut off casing 3' below ground level and filled 12 1/4" and 8 5/8" with cement. Left on location: installed 2' x 2' x 1/2" plate with legs. Location is being reclaimed.

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JUN 25 2001

DIVISION OF
OIL, GAS AND MINING

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

Signature *Diann Flowers*

Title **REGULATORY SPECIALIST**

Date **06/19/2001**

Approved by

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

Office

Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONFIDENTIAL

FORM APPROVED
OMB NO. 1004-0137
Expires: November 30, 2000

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
UTU-73440

1a. Type of Well: Oil Well Gas Well Dry Other
 b. Type of Completion New Well Work Over Deepen Plug Back Diff. Resvr.
 Other _____

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

8. Lease Name and Well No.

FEDERAL Q 44-15

9. API Well No.

..43-047-33187

10. Field and Pool, or Exploratory

WILDCAT

11. Sec., T., R., M., on Block and

Survey or Area **Sec. 15, T12S, R21E**

12. County or Parish

UINTAH

13. State

UTAH

2. Name of Operator

DOMINION EXPL. & PROD., INC.

3. Address **16945 NORTHCHASE DRIVE, SUITE 1750**

HOUSTON, TEXAS 77060

3a. Phone No. (include area code)

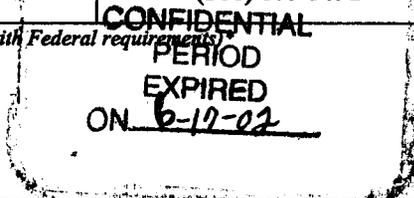
(281) 873-3692

4. Location of Well (Report location clearly and in accordance with Federal requirements)

At surface **588' FSL & 860' FEL (SE NW)**

At top prod. interval reported below

At total depth



14. Date Spudded
4-26-00

15. Date T.D. Reached
4-26-00

16. Date Completed **5-17-01**
 D & A Ready to Prod.

17. Elevations (DF, RKB, RT, GL)*
GL: 6345'

18. Total Depth: **MD 325'**
TVD

19. Plug Back T.D.: **MD 325'**
TVD

20. Depth Bridge Plug Set: **MD**
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
NA

22. Was well cored? No Yes (Submit analysis)
 Was DST run? No Yes (Submit report)
 Directional Survey? No Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12-1/4"	9-5/8" J-55	36#	Surface	325'		150 sx G		Circ.	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A)						
B)						
C)						
D)						

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material

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DIVISION OF OIL, GAS AND MINING

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	Plugged and Abandoned

28a. Production - Interval B

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth

32. Additional remarks (include plugging procedure):

On 5/17/2001, operator notified BLM, State of Utah and Tri-County Health Dept of P&A procedures. Original wellbore plugged with eight yards of ready mix which was dumped at 250' in the 8-5/8" casing. P&A work by Brent Stubbs. Surface casing was cut at 3' below ground level and location is being reclaimed.

33. Circle enclosed attachments:

- 1. Electrical/Mechanical Logs (1 full set req'd.)
- 2. Geologic Report
- 3. DST Report
- 4. Directional Survey
- 5. Sundry Notice for plugging and cement verification
- 6. Core Analysis
- 7. Other

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) Diann Flowers Title Regulatory Specialist

Signature  Date 07/02/2001

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.