

UTAH OIL AND GAS CONSERVATION COMMISSION

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

981229 LA'D EFF 12-21-98!

DATE FILED SEPTEMBER 14, 1998

LAND: FEE & PATENTED STATE LEASE NO. PUBLIC LEASE NO. UTU-73908 INDIAN

DRILLING APPROVED: DECEMBER 16, 1998

SPUDED IN:
COMPLETED: PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR:

PRODUCING ZONES:

TOTAL DEPTH:

WELL ELEVATION:

DATE ABANDONED: LA'D 12-21-98

FIELD: UNDESIGNATED

UNIT:

COUNTY: UINTAH

WELL NO. FED. Q 22-9 API NO. 43-047-33189

LOCATION 1716 FNL FT. FROM (N) (S) LINE, 2312 FWL FT. FROM (E) (W) LINE. SE NW 1/4 - 1/4 SEC. 9

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
				12S	21E	9	LONE MOUNTAIN PROD.



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

350 S. 800 E.
Vernal, UT 84078

August 28, 1998

Re: Well Fed Q 22-9
SE/NW, Sec. 9, T12S, R21E
Lease No. UTU-73908

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 $\frac{1}{4}$ of the NW $\frac{1}{4}$. The location was moved due to topographic considerations, erosion potential, major and minor drainage's and access conditions. The location was on sited with the BLM on August 25, 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 1,716' FNL, 2,312' FWL in Sec. 9, T12S, R21E.

If you have additional questions please contact me.

Sincerely

A handwritten signature in cursive script that reads "William A. Ryan".

William (Bill) Ryan
Agent

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

5. LEASE DESIGNATION AND SERIAL NO.

UTU-73908

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

NA

7. UNIT AGREEMENT NAME

NA

8. FARM OR LEASE NAME

NA

9. WELL NO.

Fed. Q 22-9

10. FIELD OR LEASE NAME

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

AND SURVEY OR AREA

Sec. 9, T12S, R21E

12. COUNTY OR PARISH 13. STATE

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 **1,716' FNL, 2,312' FEL SE/NW**
At proposed prod. Zone **673 105 W**

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

20.5 miles south of Ouray, Utah

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

920'

16. NO. OF ACRES IN LEASE

1,320

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

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

NA'

19. PROPOSED DEPTH

6,000'

20. ROTARY OR CABLE TOOLS

Rotary

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

6,100' GR

22. APPROX. DATE WORK WILL START

Oct. 1, 1998

PROPOSED CASING AND CEMENT PROGRAM

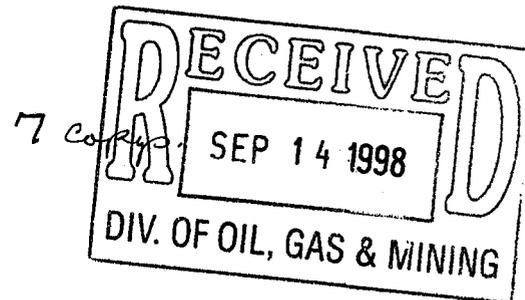
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4	9 5/8	36	300	To Surface
7 7/8	4 1/2	11.8	T.D.	Cement top to cover the oil shale

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

*622709.65
HH05274.20*

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 with proposed well 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
William A Ryan

TITLE

Agent

DATE

Aug 28, 1998

(This space for Federal or State Office use)

PERMIT NO.

43-047-33189

APPROVAL DATE

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

Bradley G Hill
**BRADLEY G. HILL
RECLAMATION SPECIALIST III**

DATE

12/16/98

**Federal Approval of this
Action is Necessary**

***See Instructions on Reverse Side**

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

LONE MOUNTAIN PRODUCTION

Well location, FEDERAL #22-9, located as shown in the SE 1/4 NW 1/4 of Section 9, T12S, R21E, S.L.B.&M. Uintah County Utah.

S89°52'W - G.L.O. (Basis of Bearings)
2632.00' (Measured)

S89°52'W - 39.90 (G.L.O.)

1923 Brass
Cap, 0.6' High,
Pile of Stones

1923 Brass
Cap, 2.1' High,
Pile of Stones

1716'

2312' (Comp.)

FEDERAL #22-9
Elev. Ungraded Ground = 6100'

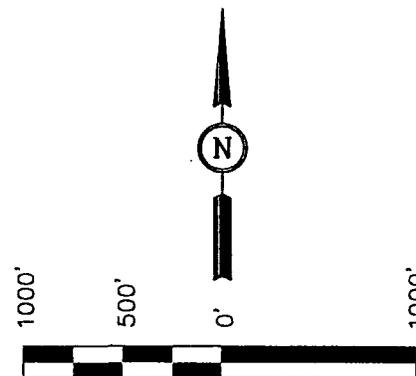
9

NOTE
THE PROPOSED WELL HEAD BEARS
S10°29'59"W 1745.84' FROM THE
NORTH 1/4 CORNER OF SECTION
9, T12S, R21E, S.L.B.&M.

S89°52'W - 79.88 (G.L.O.)

BASIS OF ELEVATION

SPOT ELEVATION LOCATED IN THE SE 1/4 OF SECTION 22, T12S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN. 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 6490 FEET.



SCALE

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.

Robert L. Kay
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

LEGEND:

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

LATITUDE = 39°47'26"
LONGITUDE = 109°34'21"

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

SCALE 1" = 1000'	DATE SURVEYED: 7-30-98	DATE DRAWN: 8-3-98
PARTY K.K. T.A. D.COX	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE LONE MOUNTAIN PRODUCTION	

SELF-CERTIFICATION STATEMENT

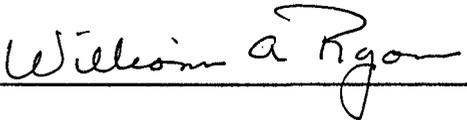
The following self-certification statement is provided per Federal requirements dated June 15, 1988.

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

**Fed. Q 22-9
SE 1/4, NW 1/4, Section 9, T. 12, R. 21 E.
Lease UTU-73908
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 on Federal Lands 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 22-9

Surface Location SE 1/4, NW 1/4, Section 9, 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	+6,100' G.L.
Oil Shale	285	+5,815
Wasatch	2,760	+3,340
Mesaverda formation	4,510	+1,590
T.D.	6,000	+100

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 MI/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:

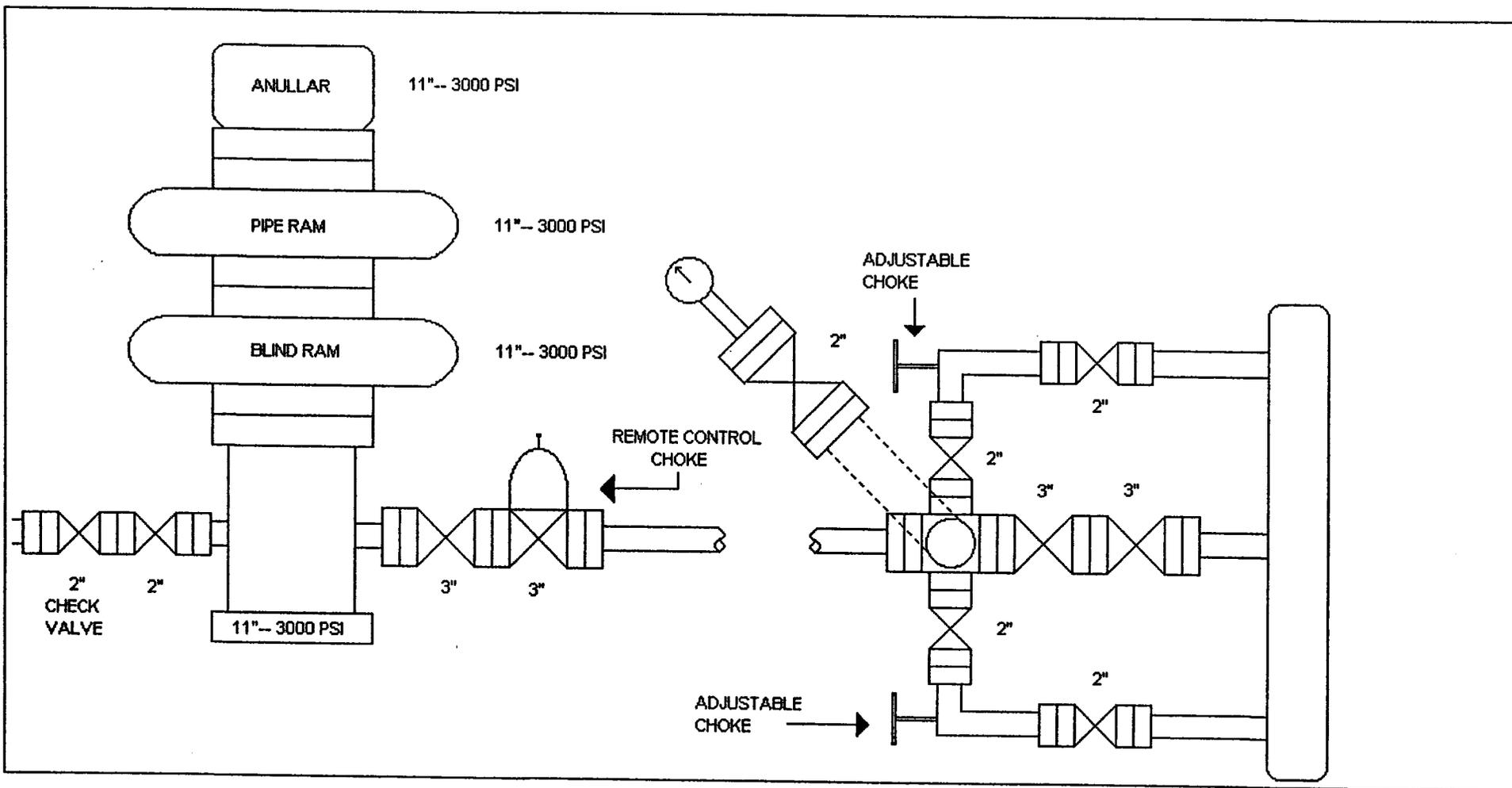
Type	Interval
DLL/SFL W/GR and SP	T.D. to Surf. Csg
FDC/CNL W/GR and CAL	T.D. to Surf. Csg

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 22-9

LOCATED IN

SE 1/4, NW 1/4

SECTION 9, T. 12 S., R. 21 E., U.S.B.&M.

UINTAH COUNTY, UTAH

LEASE NUMBER: UTU-73908

SURFACE OWNERSHIP: FEDERAL

1. Existing Roads

To reach the **Lone Mountain Production Co. well Fed. Q 22-9, in Section 9, T 12 S, R 21 E**, from Ouray, Utah, proceed south on the paved and gravel road for 20.5 miles.

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 require approximately 2,640 feet of new access road.

The road will be built to the following standards:

A) Approximate length	2,640 ft
B) Right of Way width	30 ft.
C) Running surface	18 ft.
D) Surfacing material	Native soil
E) Maximum grade	5%
F) Fence crossing	None
G) Culvert	None
H) Turnouts	None
I) Major cuts and fills	None
J) Road flagged	Yes
K) Access road surface ownership	Federal
L) All new construction on lease	No
M) Pipe line crossing	None

Please see the attached location plat for additional details.

A BLM right of way will be required. The segment of road in Sec. 4, T12S, R22E will require an of lease right-of-way. The remaining road 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	None
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 pulled to the tie in. The line will then be boomed off the road. The approximate length will be 3,300 ft.

A BLM right-of-way will be required for the pipeline. The segment of line in Sec. 9, T12S, R22E will require a right-of-way. All other pipeline 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 or a water well at the old Geokanetics mine location. 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 at the operators discretion.

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	9.7 ft.
G) Max fill	11.5 ft.
H) Total cut yd's	8,350 cu. yd's
I) Pit location	west side
J) Top soil location	east side
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.

C) **Seed Mix**

Needle and Thread (Stipe Comata)	3#/acre
Fourwing Saltbush (Atriplex Canescens)	4#/acre
Shad Scale (Antriplex Cenfertifolia)	2#/acre
Thickspike Wheat Grass (Agropyron Dasystachum)	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

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:

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 **east 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.

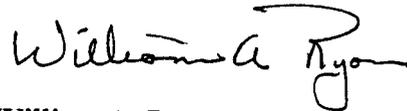
This drilling permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

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 28, 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.

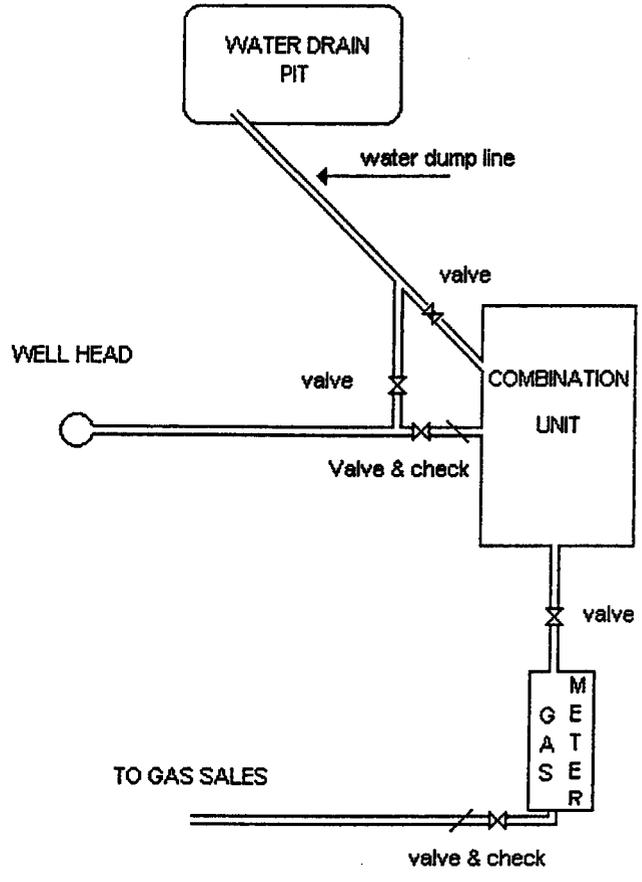
Will be used, produced, transported, stored, disposed, or associated with the proposed action, No extremely hazardous substances, as defined in 40 cfr 355, will be used, produced, stored, transported, disposed, or associated with the proposed action.

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



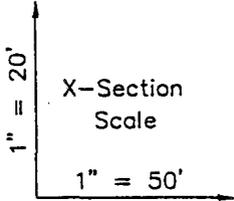
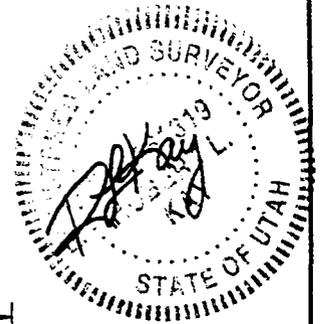
LONE MOUNTAIN PRODUCTION

TYPICAL CROSS SECTIONS FOR

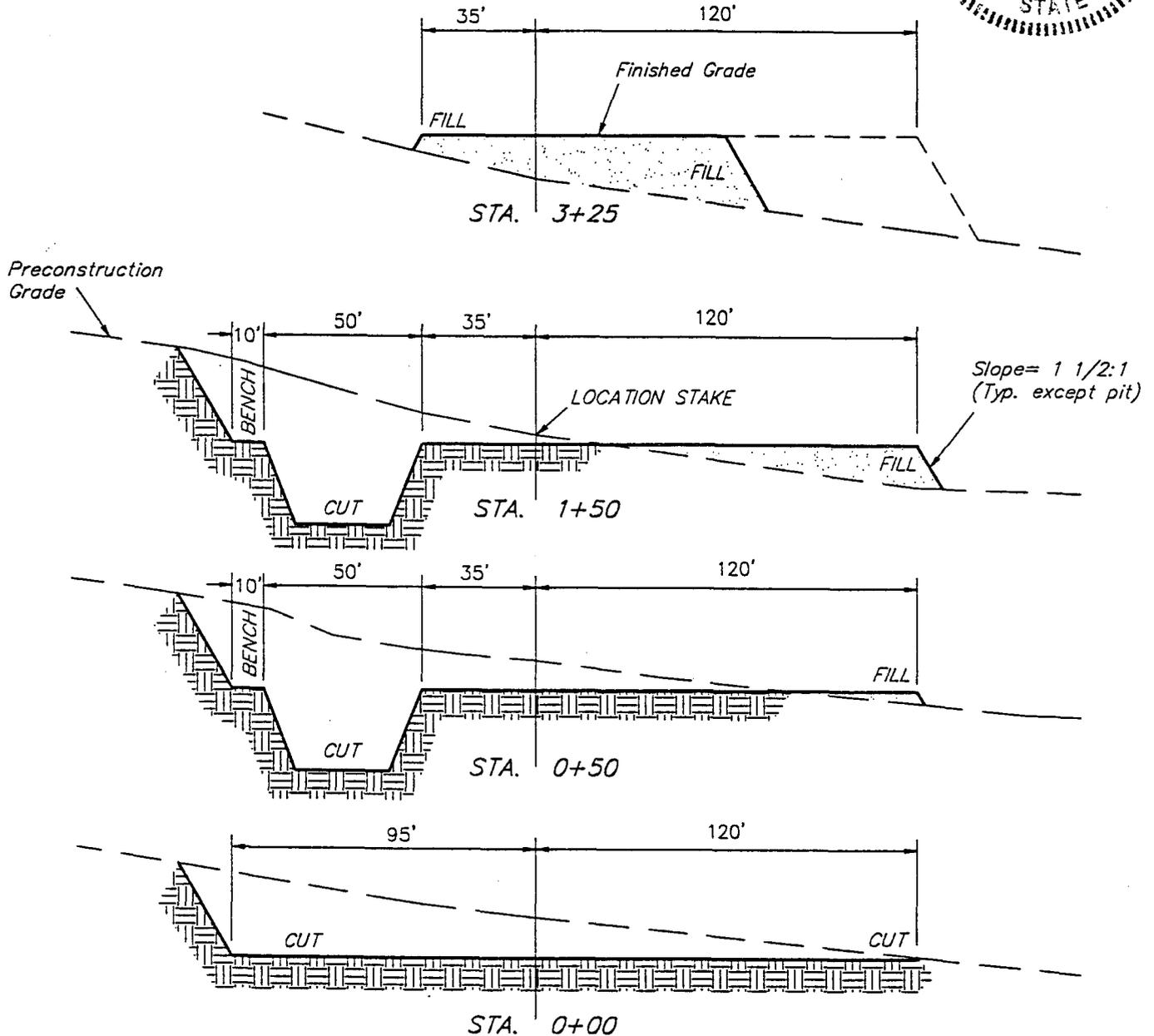
FEDERAL #22-9

SECTION 9, T12S, R21E, S.L.B.&M.

1716' FNL 2312' FWL



DATE: 8-3-98
Drawn By: D.COX

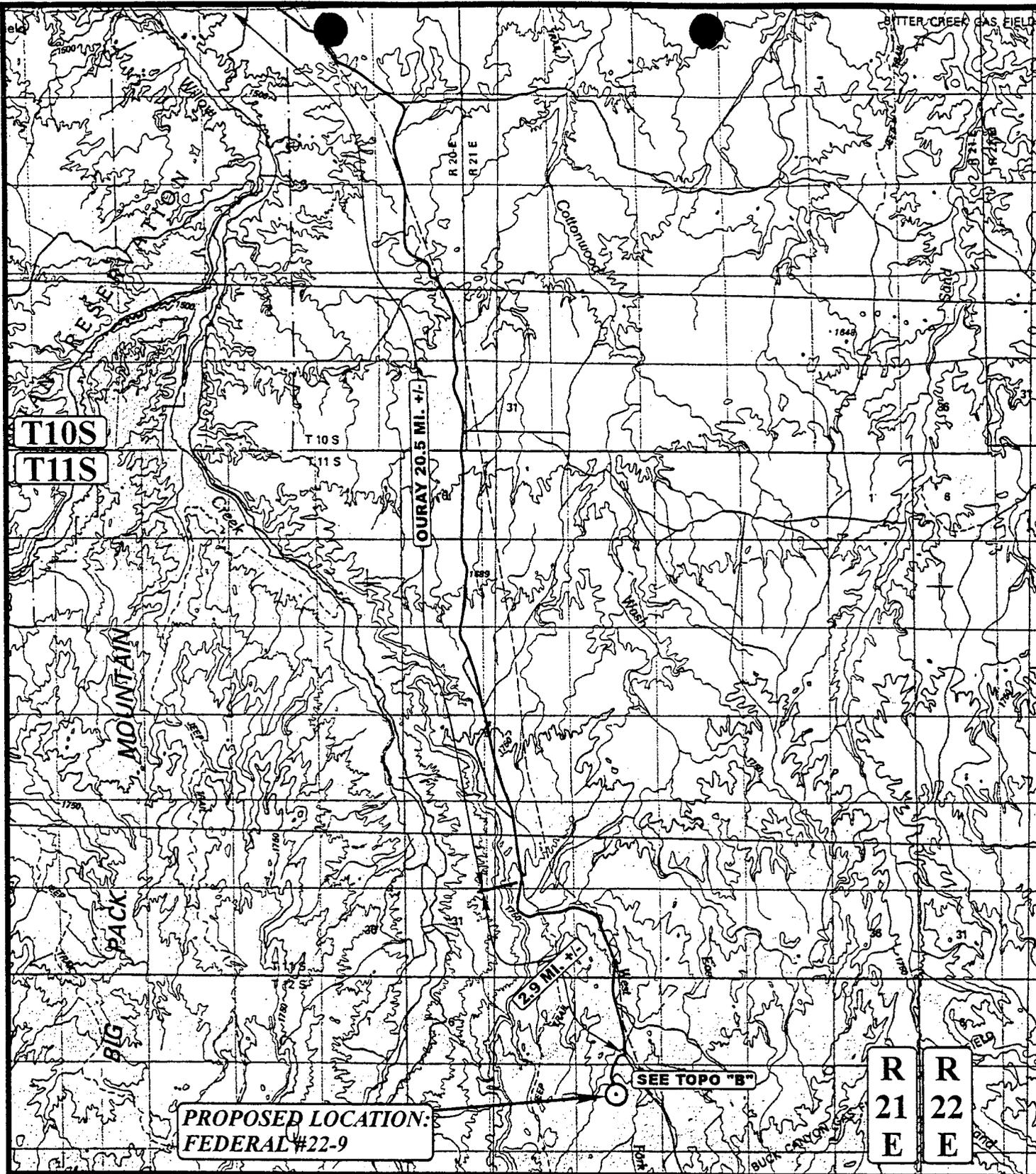


APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,100 Cu. Yds.
Remaining Location	= 7,250 Cu. Yds.
TOTAL CUT	= 8,350 CU.YDS.
FILL	= 5,680 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 2,370 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,360 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 10 Cu. Yds.

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



LEGEND:

⊙ PROPOSED LOCATION



LONE MOUNTAIN PRODUCTION

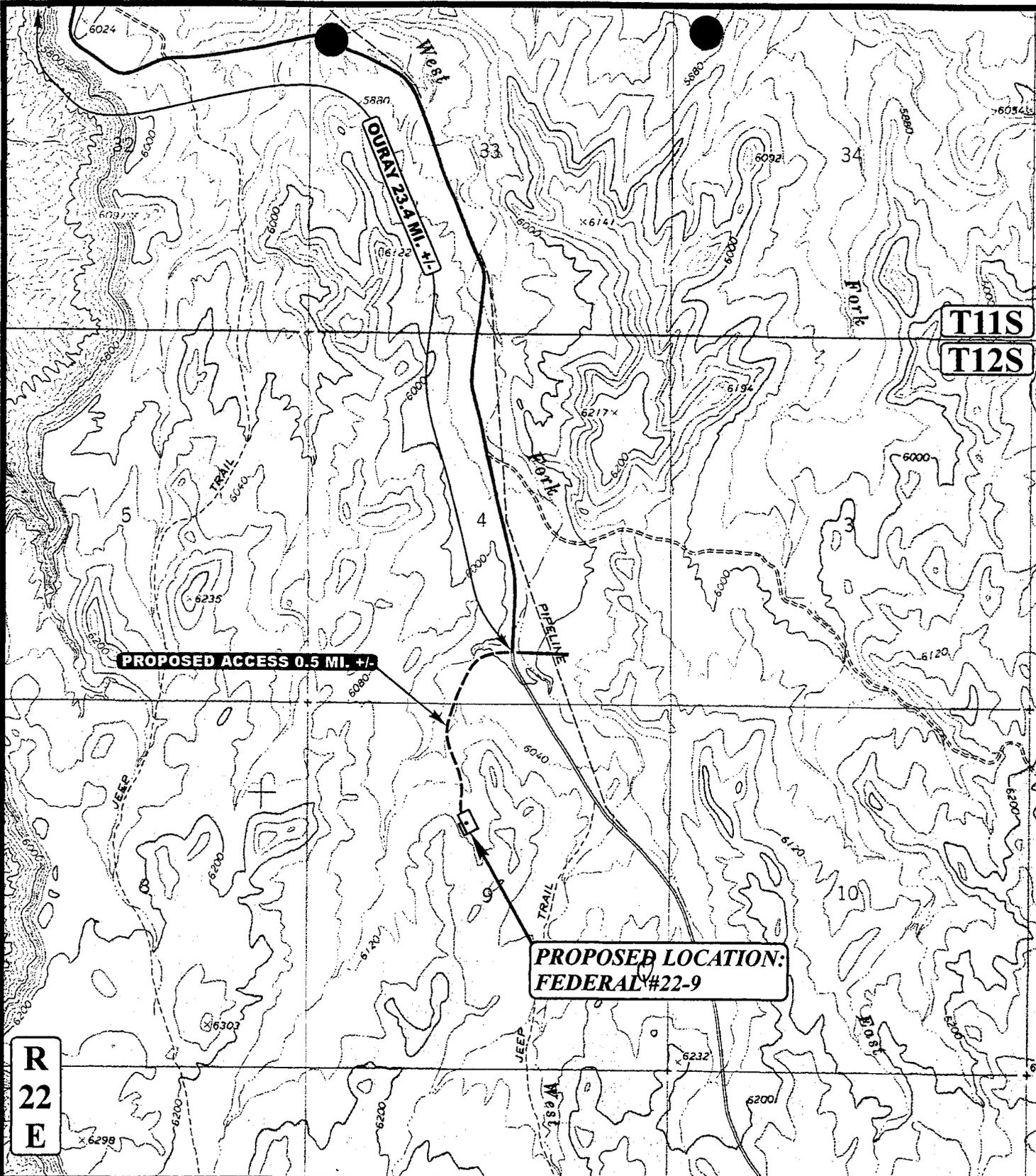
FEDERAL #22-9
 SECTION 9, T12S, R21E, S.L.B.&M.
 1716' FNL 2312' FWL



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

TOPOGRAPHIC MAP
 8 3 98
 MONTH DAY YEAR
 SCALE: 1:100,000 DRAWN BY: D.COX REVISED: 00-00-00





LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD

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

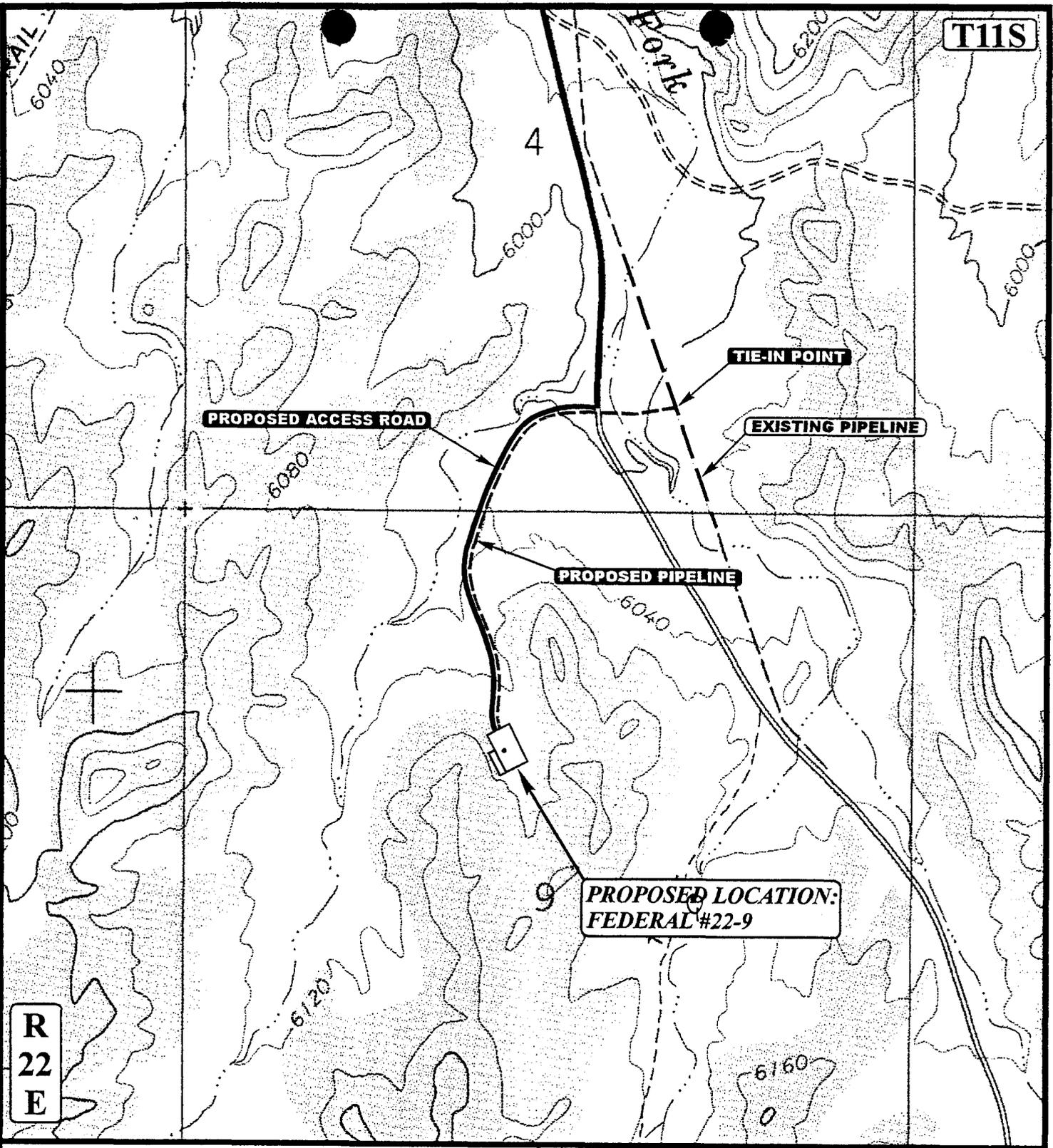


LONE MOUNTAIN PRODUCTION

FEDERAL #22-9
 SECTION 9, T12S, R21E, S.L.B.&M.
 1716' FNL 2312' FWL

TOPOGRAPHIC 8 3 98
 MAP MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: D.COX REVISED: 00-00-00

B
 TOPO



APPROXIMATE TOTAL PIPELINE DISTANCE = 3,300' +/-

LEGEND:

- EXISTING PIPELINE
- - - PROPOSED PIPELINE
- PROPOSED ACCESS

LONE MOUNTAIN PRODUCTION

FEDERAL #22-9
SECTION 9, T12S, R21E, S.L.B.&M.
1716' FNL 2312' FWL



Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
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TOPOGRAPHIC
MAP

8	3	98
MONTH	DAY	YEAR

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



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 09/14/98

API NO. ASSIGNED: 43-047-33189

WELL NAME: FED Q 22-9
 OPERATOR: LONE MOUNTAIN PROD CO (N7210)
 CONTACT: William Ryan (435) 789-0968

PROPOSED LOCATION:
 SENW 09 - T12S - R21E
 SURFACE: 1716-FNL-2312-FWL
 BOTTOM: 1716-FNL-2312-FWL
 UINTAH COUNTY
 UNDESIGNATED FIELD (002)

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

LEASE TYPE: FED
 LEASE NUMBER: UTU-73908
 SURFACE OWNER: Federal

PROPOSED FORMATION: WSTC

RECEIVED AND/OR REVIEWED:

Plat

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

Potash (Y/N)

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

Water Permit
 (No. Willow Creek #49-1625)

RDCC Review (Y/N)
 (Date: _____)

St/Fee Surf Agreement (Y/N)

LOCATION AND SITING:

R649-2-3. Unit _____

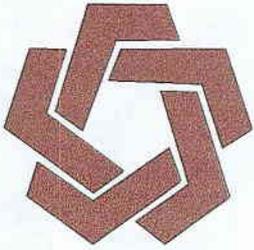
R649-3-2. General

R649-3-3. Exception

Drilling Unit
 Board Cause No: _____
 Date: _____

COMMENTS: *Need add'l info. "Except. Loc." (Rec'd 11-12-98)

STIPULATIONS: ① FEDERAL APPROVAL



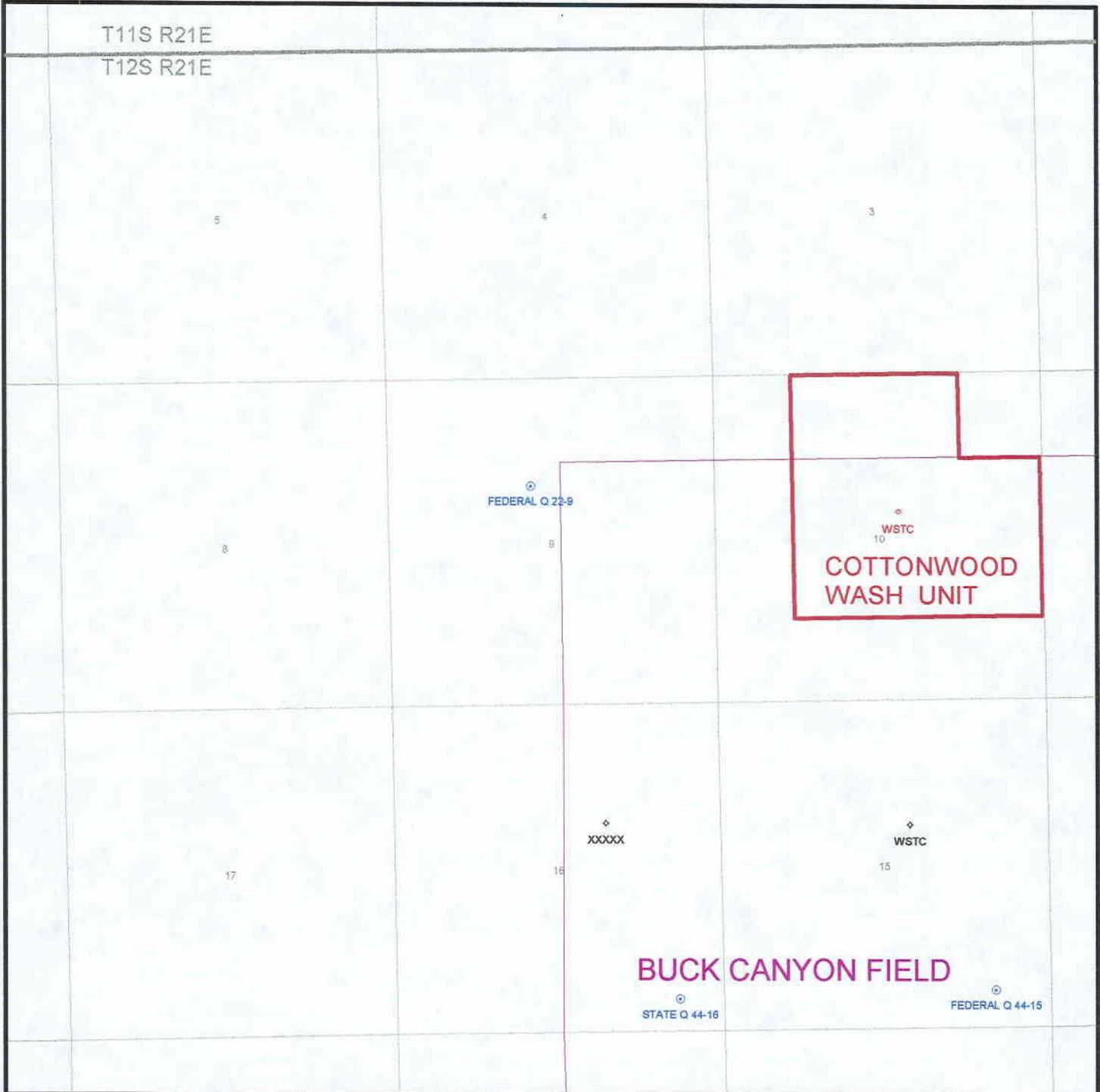
DIVISION OF OIL, GAS & MINING

OPERATOR: LONE MOUNTAIN PRODUCTION (N7210)

FIELD: UNDESIGNATED (002)

SEC. 9, TWP 12S, RNG 21E

COUNTY: UINTAH UNIT: NONE



DATE PREPARED:
-18SEP-1998



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

350 S. 800 E.
Vernal, UT 84078

August 28, 1998

Re: Well Fed Q 22-9
SE/NW, Sec. 9, T12S, R21E
Lease No. UTU-73016

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:

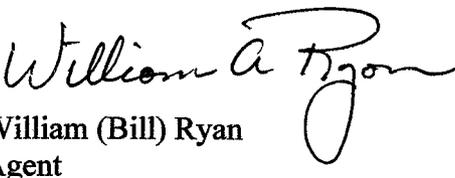
Lone Mountain Production Company (Lone Mountain) respectfully requests a spacing exception for the subject well. The well was originally requested for the center of the SE $\frac{1}{4}$ of the NW $\frac{1}{4}$. The location was moved due to topographic considerations, erosion potential, major and minor drainage's and access conditions. The location was on sited with the BLM on August 25, 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.

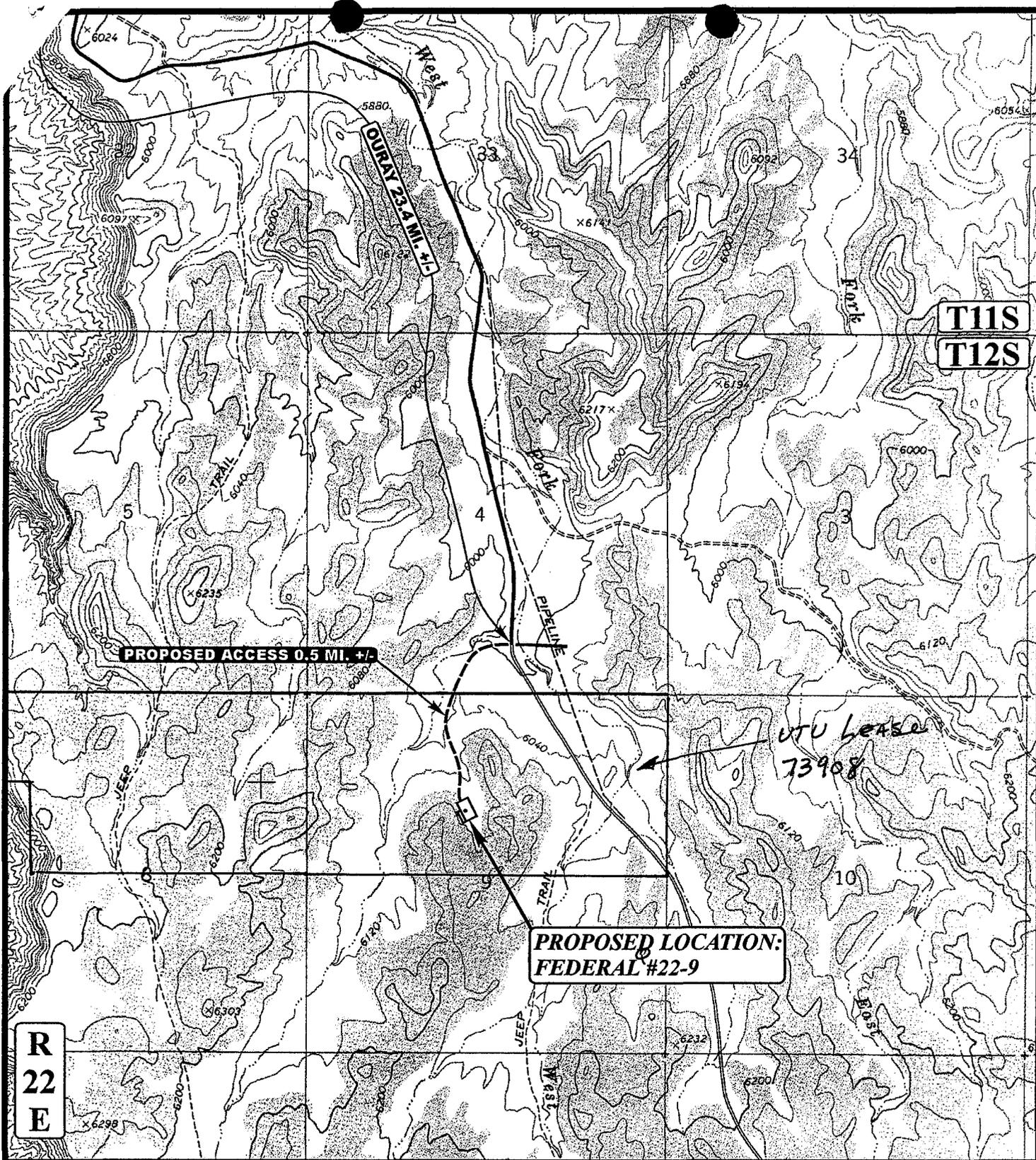
The well is located 1,716' FNL, 2,312' FWL in Sec. 9, T12S, R21E.

A 460' radius around the proposed location is within lease UTU-73016. Please see the attached map.

If you have additional questions please contact me.

Sincerely


William (Bill) Ryan
Agent



R
22
E

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD

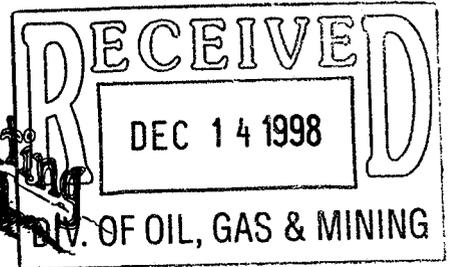
U E L S
 Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



LONE MOUNTAIN PRODUCTION

FEDERAL #22-9
 SECTION 9, T12S, R21E, S.L.B.&M.
 1716' FNL 2312' FWL

TOPOGRAPHIC MAP	8	3	98	B TOPO
	MONTH	DAY	YEAR	
SCALE: 1" = 2000'		DRAWN BY: D.COX		REVISED: 00-00-00



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

350 S. 800 E.
Vernal, UT 84078

December 3, 1998

Re: Water permit numbers

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

Dear Lisha:

Lone Mountain Production Company (Lone Mountain) Would like to add the following information the APD submitted to your office recently.

One or both of the water trucking company's listed will truck water. The water will be used for drilling and completions.

Location	Leagel discription	Permit holder	Permit #
Willow Creek	Sec. 29, T12S, R21E	Dalbo Trucking	49-1625
Rose Wood 5a well	Sec.13, T11S, R24E	Rose Wood Resources	49-1547
Bananza Bridge	Sec. 2, T10S, R24E	Dalbo Trucking	43-1616
Bananza Bridge	Sec. 2, T10S, R24E	Target Trucking	49-1554
Ouray	Sec. 32, T8S, R20E	Dalbo Trucking	43-8496
Ouray	Sec. 32, T8S, R20E	Target Trucking	43-8290

If you have additional questions please contact me.

Sincerely

William (Bill) Ryan
Agent



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: Fed. Q 22-9 Well, 1716' FNL, 2312' FWL, SE NW, Sec. 9, 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.

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 43-047-33189.

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 District Office

Operator: Lone Mountain Production Company

Well Name & Number: Fed. Q 22-9

API Number: 43-047-33189

Lease: Federal **Surface Owner:** Federal

Location: SE NW **Sec.** 9 **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 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

Vernal Field Office
170 South 500 East
Vernal, Utah 84078-2799

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

IN REPLY REFER TO:

3160
UT08300

December 16, 1998

Lone Mountain Production Co.
P O Box 59103
Billings Mt 59103

Re: Well No. Federal Q 22-9 /43-047-33189
Section 9, T12S, R21E
Lease No. U-43908
Uintah County, Utah

Gentlemen:

The Application for Permit to Drill (APD) the above referenced well is being returned without prejudice per your request. If your drilling plans change and you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

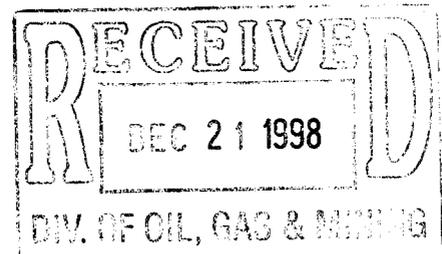
If you have any questions concerning APD processing, please contact me at (435) 781-4491.

Sincerely,

Sally Ostler
Legal Instruments Examiner

cc: State Div. OG&M
Bill Ryan
White River Resources

bcc: NRPS
Well File
Reading File



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

5. LEASE DESIGNATION AND SERIAL NO.
UTU-73908

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

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

7. UNIT AGREEMENT NAME
NA

8. FARM OR LEASE NAME
NA

2. NAME OF OPERATOR
Lone Mountain Production Company

9. WELL NO.
Fed. Q 22-9

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 **1,716' FNL, 2,312' FNL SE/NW**
 At proposed prod. Zone

11. Sec., T., R., M., OR BLK AND SURVEY OR AREA
Sec. 9, T12S, R21E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
20.5 miles south of Ouray, Utah

12. COUNTY OR PARISH 13. STATE
Uintah Utah

15. DISTANCE FROM PROPOSED LOC. TO NEAREST PROP. OR LEASE LINE, FT. (Also to nearest drig. Unit line, if any)
920'

18. NO. OF ACRES IN LEASE
1,320

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

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

19. PROPOSED DEPTH
6,000'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATION (SHOW WHETHER DF. RT. GR, etc.)
6,100' 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**

7 copies.

RECEIVED
SEP 05 1998

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposed in to deepen or plug back, give data on proposed productive zone and its approximate horizontal 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 28, 1998

(This space for Federal or State Office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

***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.