

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

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK **DRILL** **DEEPEN**

b. TYPE OF WELL
OIL WELL GAS WELL OTHER
SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
Chandler & Associates, LLC

3. ADDRESS AND TELEPHONE NO.
475 Seventeenth Street, Suite 1000 Denver, CO 80202 (303) 295-0400

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. *)
At Surface **1400' FNL 799' FEL**

At proposed prod. zone **47' 244'**
*625 109.64
44 378 10.10*

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
See Topo Map "A"

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) **80'**

16. NO. OF ACRES IN LEASE **120'**

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. **-**

19. PROPOSED DEPTH **7225'**

20. ROTARY OR CABLE TOOLS **Rotary**

21. ELEVATIONS (Show whether DF, RT, GR, etc.) **4767 GR**

22. APPROX. DATE WORK WILL START* **A.S.A.P.**

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	9 5/8"	36#	400'	(See Attached Drilling Plan)
7 7/8"	4 1/2"	10.5#	7225'	(See Attached Drilling Plan)

1. M.I.R.U.
2. Drill to T.D.
3. Run 4 1/2" casing if commercial production is indicated.
4. If dry hole, well will be plugged and abandoned as instructed by the B.L.M.
5. Well will be drilled and Air/Air Mist to T.D.

I hereby certify that I am responsible by the terms and conditions of the Lease to conduct Lease Operations. Bond coverage pursuant to 43 CFR 3104 for Lease Activities is being provided by CNA in the form of a Federal Blanket Bond #124290364.

**Federal Approval of this
Action is Necessary**

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

24. SIGNED *[Signature]* TITLE Agent for Chandler DATE 1/6/99

(This space for Federal or State office use)
PERMIT NO. 43-047-33273 APPROVAL DATE _____

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

CONDITIONS OF APPROVAL, IF ANY:
APPROVED BY *[Signature]* TITLE **BRADLEY G. HILL** RECLAMATION SPECIALIST III DATE 3/16/99

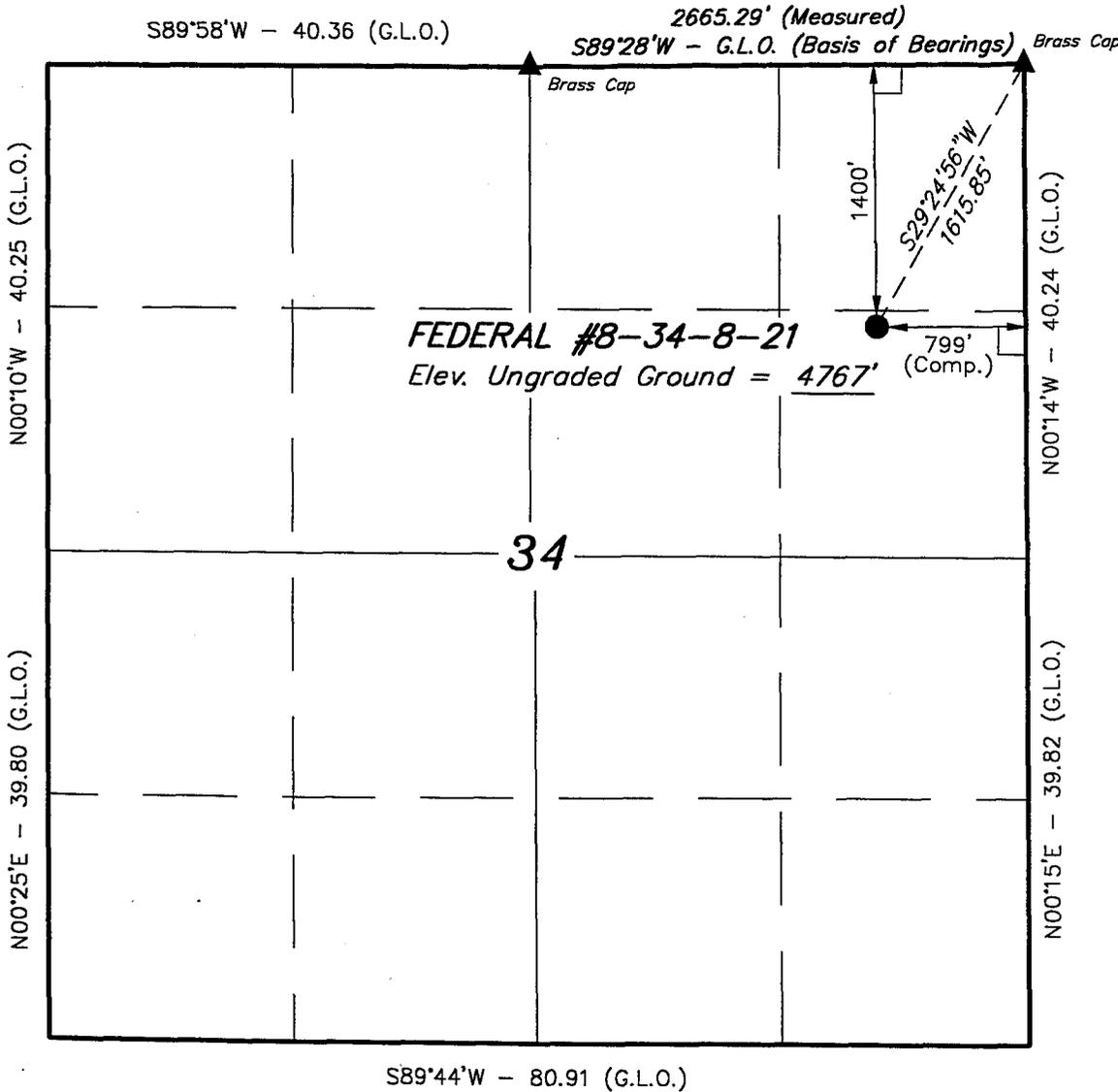
***See Instructions On Reverse Side**

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.

T8S, R21E, S.L.B.&M.

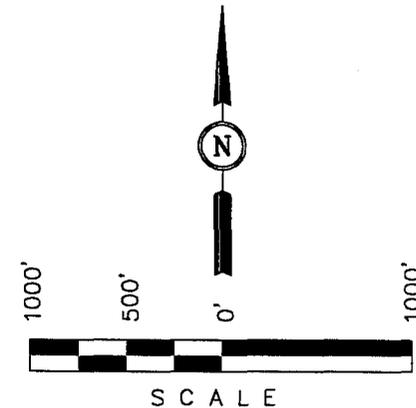
CHANDLER & ASSOCIATES, LLC

Well location, FEDERAL #8-34-8-21, located as shown in the SE 1/4 NE 1/4 of Section 34, T8S, R21E, S.L.B.&M. Uintah County, Utah.



BASIS OF ELEVATION

BENCH MARK (20EAM) LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY 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 4697 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.

REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

Revised: 11-11-98 C.B.T.

LEGEND:

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

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

SCALE 1" = 1000'	DATE SURVEYED: 9-17-98	DATE DRAWN: 9-24-98
PARTY L.D.T. D.R. C.B.T.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE CHANDLER & ASSOCIATES, LLC	

**CHANDLER & ASSOCIATES LLC
DRILLING PLAN FOR THE
FEDERAL #8-34-8-21**

I. DRILLING PLAN:

1. Geological Surface Formation: Uintah

2. Estimated Tops:

<u>Name</u>	<u>Top</u>	<u>Prod. Phase Anticipated</u>
Green River	2088'	Gas/Oil
"Kicker" Zone	3325'	Gas/Oil
Wasatch	5493'	Gas

3. CASING PROGRAM:

	<u>Depth</u>	<u>Hole Size</u>	<u>Csg. Size</u>	<u>Type</u>	<u>Weight</u>
Surface	400'	12-1/4"	9-5/8"	K-55 (ST&C)	36#/ft (new)
Prod.	7225'	7-7/8"	4-1/2"	K-55 (LT&C)	10.5#/ft (new)

4. Operator's Specification for Pressure Control Equipment:

- A. 2,000 psi W.P. Double Gate BOP or Single Gate BOP (Schematic attached).
- B. Functional test daily.
- C. All casing strings shall be pressure-tested (0.2 psi/foot or 1500 psi, whichever is greater) prior to drilling the plug after cementing; test pressure shall not exceed the internal yield pressure of the casing.
- D. All ram-type preventers and related control equipment shall be tested at the rated working pressure of the stack assembly or at 70 percent of the minimum internal yield pressure of the casing, whichever is less. Tests shall be done at the time of installation, prior to drilling out, and weekly. All tests shall be for a period of 15 minutes.

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5. Auxiliary Equipment:

- A. Kelly Cock - yes.
- B. Float at the bit - no.
- C. Monitoring equipment on the mud system - visually.
- D. Full opening safety valve on rig floor - yes.
- E. Rotating head - yes.
- F. The blooie line shall be a least 6" in diameter and extend at least 100' from the wellbore into the reserve/blooie pit.
- G. Blooie line ignition shall be provided by a continuous pilot (ignited when drilling below 500').
- H. Compressor shall be tied directly to the blooie line through a manifold.
- I. A mistor with a continuous stream of water shall be installed near the end of the blooie lines for dust suppression.

6. Proposed Circulating Medium:

<u>Depth</u>	<u>Mud Type</u>	<u>Density (lb./gal)</u>	<u>Viscosity</u>	<u>Water Loss</u>
400'- T.D.	AIR/AIR MIST			

7. Testing, Logging, and Coring Program:

- A. Cores - None anticipated.
- B. DST - none anticipated.
- C. Logging - CNL/FDC/PE/GR (TD to 1800').
DILL/SP/GR (TD to base of surface casing).

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- D. Formation and Completion Interval: Wasatch, final determination of completion will be made by analysis of logs. Stimulation - Stimulation will be designed for the particular area of interest as encountered.
- E. Frac gradient - approximately .80 psi/ft.

8. Cementing Program:

<u>Casing</u>	<u>Volume</u>	<u>Type & Additives</u>
Surface	215 sx	Class "G" w/2% CaCl ₂ (based on 100% access)
Production	1150 sx*	450 sx "Lite" followed by 700 sx 50/50 poz. mix.

Cement Characteristics:

Class "G" - yield = 1.18 cu.ft. per. sack
weight = 15.8 lb./gal
strength = 3200 psi in 72 hrs @135 degrees

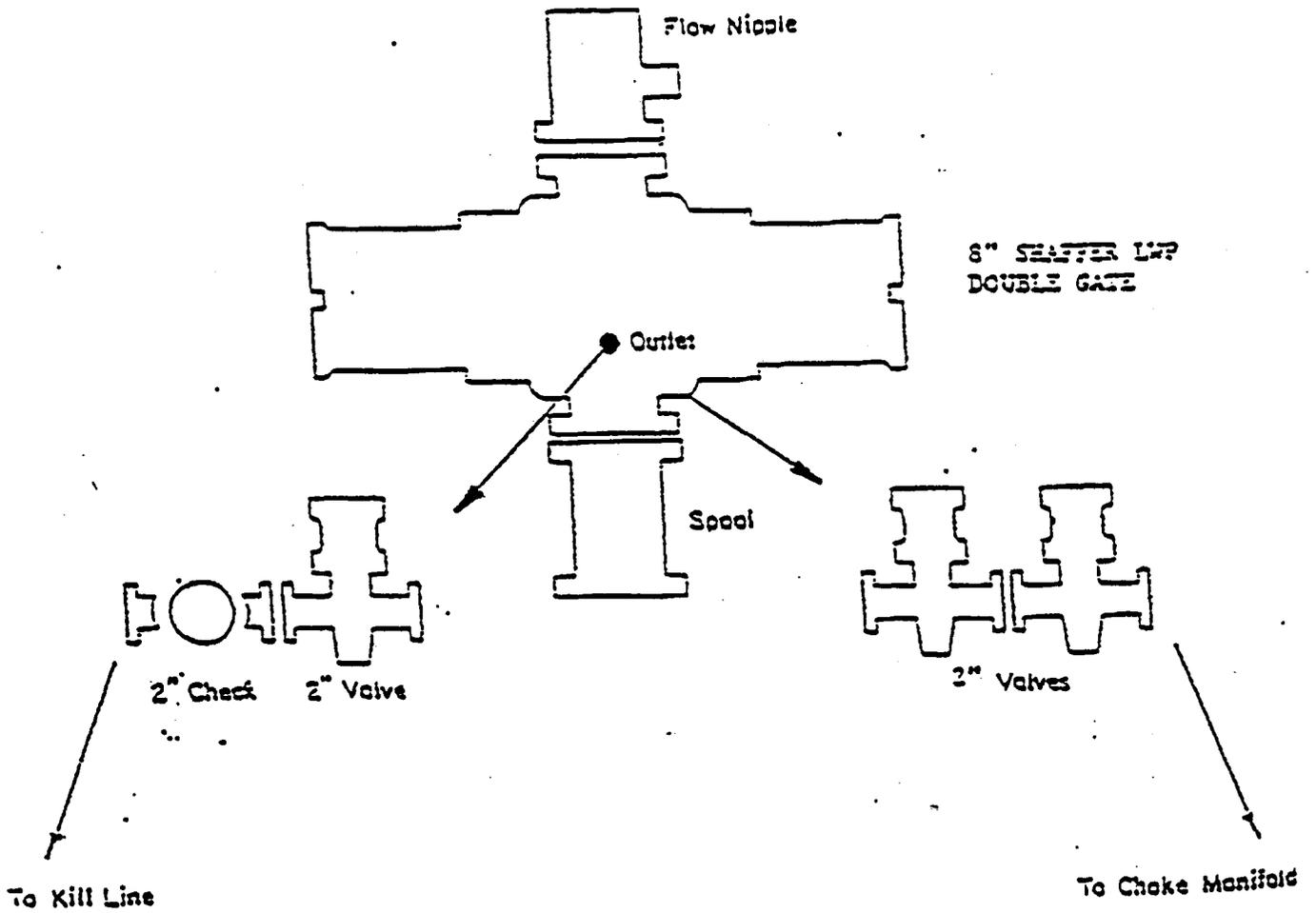
* Final cement volumes to be calculated from caliper log with an attempt to be made to circulate cement to the surface. A bond log will be run across the zone of interest and across zones as required by the authorized officer to insure protection of natural resources.

9. Anticipated Abnormal Pressures and Temperatures, Other Potential Hazards:

No abnormal temperatures or pressures are anticipated. No H₂S has been encountered in or known to exist from previous wells drilled to similar depths in the general area. Maximum anticipated bottom hole pressure equals approximately 1,600 psi (calculated at 0.221 psi/ft) and maximum anticipated surface pressure equals approximately 10 psi (bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/ft).

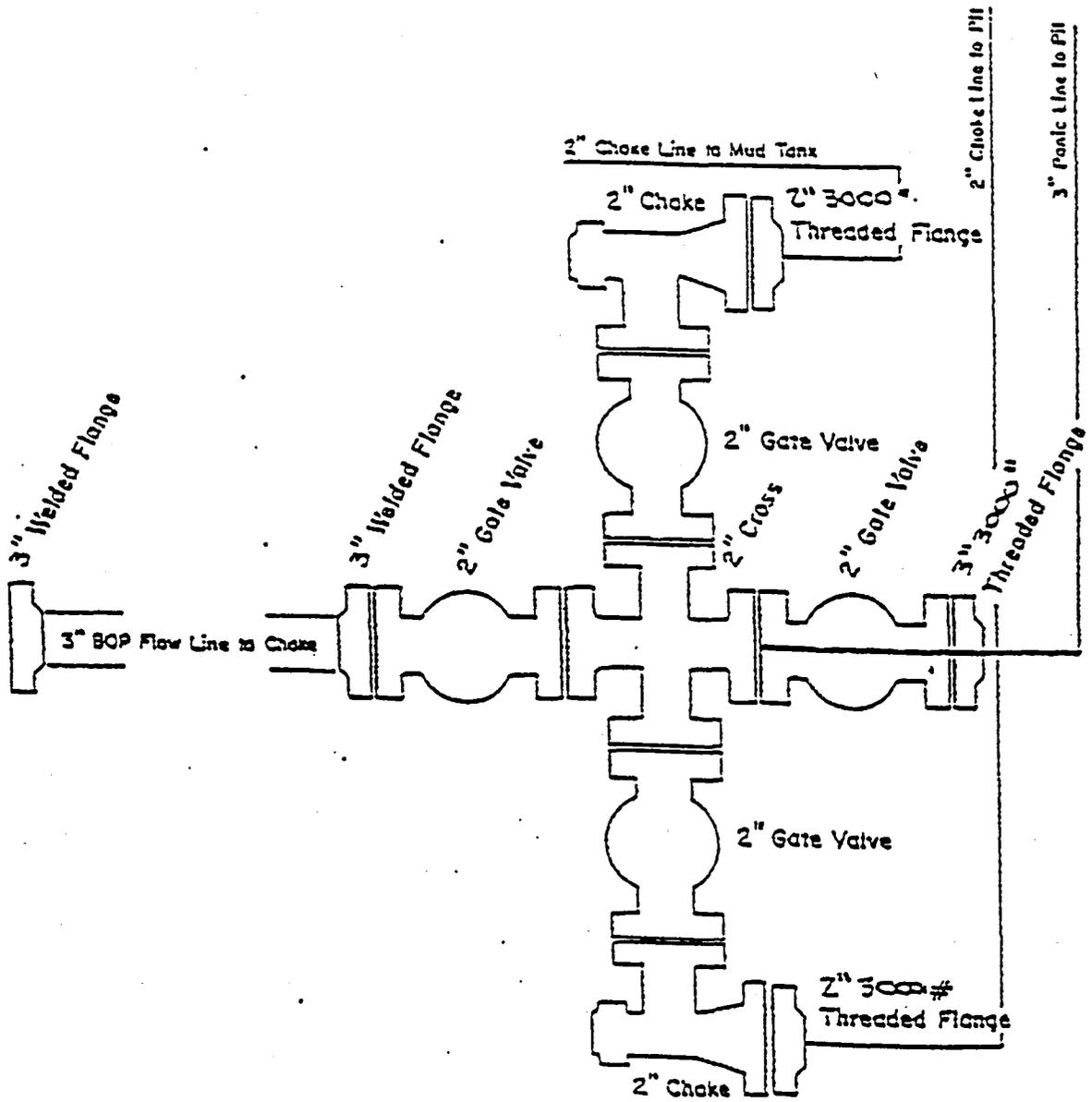
CHANDLER DRILLING

RIG NO. 7



CHANDLER DRILLING

RIG NO.7



**II. SURFACE USE PLAN
CHANDLER & ASSOCIATES LLC
FEDERAL #8-34-8-21**

1. Existing Road:

- A. Topo Map "A" is the vicinity map, showing the access routes from Vernal, Utah.
- B. Topo Map "B" shows the proposed access road to each individual well. It also shows existing roads in the immediate area.
- C. Occasional maintenance blading and storm repairs will keep roads in good condition.
- D. There shall be no mud blading on the access road. Vehicles may be towed through the mud provided they stay on the roadway.

2. Planned Access Roads:

The proposed access road, will be crowned, ditched, and dipped.

- A. Maximum grade will be 8% or less, unless otherwise stated.
- B. No turnouts will be required.
- C. Road surface material will be that native to the area.
- D. No cattle guard will be required.
- E. The proposed access road was flagged at the time the location was staked.
- F. The area authorized officer will be contacted at least 24 hours prior to commencing construction of the access road and well pad.
- G. The back slopes of the proposed access roads will be no steeper than vertical or 1/4:1 in rock; and 2:1, elsewhere.

The operator or his contractor will notify the areas authorized officer at least 48 hours prior to commencement of any work on these locations, roadways, or pipelines.

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3. Location of Existing Wells:

See Topo Map "C"

4. Location of Existing and/or Proposed Facilities:

- A. All Petroleum Production Facilities are to be contained within the proposed location sites.
- B. In the event that production of these wells is established, the following will be shown:
 - 1. Proposed location and attendant lines, by flagging, if off well pad.
 - 2. Dimensions of facilities.
 - 3. Construction methods and materials.
- C. The area used to contain the proposed production facilities will be built using native materials. If these materials are not acceptable, then other arrangements will be made to acquire them from private sources. These facilities will be constructed using bulldozers, graders, and workman crews to construct and place the proposed facilities.
- D. All permanent facilities placed on the locations shall be painted a non-reflective color which will blend with the natural environment.
- E. A dike shall be constructed around the tank battery, of sufficient capacity to adequately contain at least 110 percent of the storage capacity of the largest tank within the dike.
- F. All buried pipelines shall be covered to a depth of 3 feet except at road crossings where they shall be covered to a depth of 4 feet.
- G. Construction width of the right-of way/pipeline route shall be restricted to 30 feet of disturbance.
- H. Pipeline location warning signs shall be installed within 90 days upon completion of construction.

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5. Location and Type of Water Supply:

Water will be obtained from a water well located near Ouray, Utah which is owned by A-1 Tank Rental (Permit #43-8496) and transported by Dalbo Trucking Co. along the access roads which are shown on the attached maps.

6. Source of Construction Materials:

A. No construction materials are needed for drilling operations. In the event of production, the small amount of gravel needed for facilities will be hauled in by truck from a local gravel pit over existing access roads from the area. No special access other than for drilling operations and pipeline construction is needed.

B. All disturbance for this well site is located on Ute Tribal Lands and a Right-of-way has been applied for on the Tribal portion.

All Construction material for these location sites and access roads shall be borrow material accumulated during the construction of the location sites and access roads. No additional construction material from other sources is anticipated at this time, but if it is required, the appropriate actions will be taken to acquire it from private sources.

C. All well pad surface disturbance area is on Ute Tribal Lands.

7. Methods for Handling Waste Disposal:

A. Drill cuttings will be buried in the reserve pit when covered.

B. Drilling fluids will be contained in the reserve pit.

C. Any hydrocarbon liquids produced while production testing will be contained in a test tank. Any unavoidable spills of oil or other adverse substances or materials will be removed immediately during drilling progress or during completion operations.

D. Portable chemical toilets will be provided and serviced by a local commercial sanitary service.

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- E. Garbage and trash will be collected in a trash cage and its contents hauled to a sanitary landfill.

All wastes caused by the construction activities shall be promptly removed and disposed of in a sanitary landfill or as directed by the authorized officer.

- F. Prior to commencement of drilling, the reserve pit will be fenced on three sides using 39-inch net wire with at least one (1) strand of barbed wire. All wire is to be stretched before attaching to corner posts. When drilling activities are completed it will be fenced on the fourth side and allowed to dry (if liquids are present). After drying, the fences will be removed and the pit shall be buried. Reclamation will be undertaken no later than the fall of the year after all drilling activity has ceased.

8. Ancillary Facilities:

No air strips, camps, or other living facilities will be built off the location. Housing and office trailers will be on the location as seen on the location layout.

9. Well Site Layout:

- A. See attached cutsheet.
- B. The areas authorized officer will be contacted at least 24 hours prior to commencing construction of the access road and well pad.
- C. The authorized officer will determine after the location is constructed whether the pit is to be lined, and if so, the type of material to be used.
- D. Topsoil shall be stripped to a depth of 12 inches and stockpiled as shown on the location layout plat.
- E. The back slopes of the locations will be no steeper than vertical or 1/4:1 in rock, and 2:1 elsewhere.
- F. The upper edges of all cut banks on the access roads and well pads will be rounded.

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10. Plans for Restoration:

- A. Immediately upon completion, the location and surrounding area will be cleared of all debris, materials, trash and junk not required for production.
- B. Before any dirt work to restore the location takes place, the reserve pit must be completely dry. The reserve pit will be reclaimed within 90 days from the date of well completion.
- C. The area officer shall be notified at least 48 hours prior to commencing reclamation work.
- D. All disturbed areas will be seeded with the a mixture which is found suitable by the Ute Indian Tribe
- E. The seed bed will be prepared by disking, following the natural contour. Drill seed on contour at a depth no greater than ½ inch. In areas that cannot be drilled, the seed will be broadcast at double the seeding rate and harrowed into soil. Certified seed is recommended.
- F. Fall seeding will be completed after September, and prior to prolonged ground frost.
- G. If the well is a producer, access roads will be upgraded and maintained as necessary to prevent soil erosion, and accommodate year round traffic. Areas unnecessary to operations will be reshaped, topsoil distributed, and seed distributed according to the above mixtures. Perennial vegetation must be established. Additional work shall be required in case of seeding failures, etc.

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- H. If the well is abandoned or is a dry hole, the access road and location will be restored to approximate the original contours. During reclamation of the site the fill material will be pushed into cuts and up over the backslope. No depressions will be left that would trap water or form ponds. Topsoil will be distributed evenly over the location and seeded according to the above mixture. The access road and the location shall be ripped or disked prior to seeding. Perennial vegetation must be established. Additional work shall be required in case of seeding failures, etc.
- I. Annual or noxious weeds shall be controlled on all disturbed areas. Method of control shall be by an approved mechanical method or an Environmental Protection Agency (EPA) registered herbicide. All herbicide application proposals must be approved. Application of herbicides must be under direct field supervision of an EPA certified pesticide applicator.

11. Other Information:

- A. The area is used by man for the primary purpose of grazing domestic livestock.

All activity shall cease when soils or road surfaces become saturated to a depth of three inches, unless otherwise approved by the Authorized Officer.

If any fossils are discovered during construction, the operator shall cease construction immediately and notify the Authorized Officer so as to determine the significance of the discovery.

- B. A Class III cultural resource inventory has been completed prior to disturbance by a qualified professional Archaeologist.
- C. The State considers the development of groundwater resources to be necessary and frequently indispensable to effective land management. Therefore, any groundwater intercepted by the party conducting mineral exploration shall be reported to the authorized officer immediately including approximate quantities and a sample in a sealed quart container. The State shall have the first opportunity to file State water rights for the intercepted groundwater. The undersigned may file for water rights only with a written waiver from the State.

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- D. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials and contact the authorized officer (AO). Within five working days the AO will inform the operator as to:

whether the materials appear eligible for the National Register of Historic Places;

the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and a time frame for the AO to complete an expedited review under 36 CFR 800-11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, an operator will then be allowed to resume construction.

- E. Less than 10,000 pounds of any chemical(s) from EPA's Consolidated list of Chemicals Subject to Reporting Under Title III of the Superfund Amendments and Reauthorization Act (SARA) of 1986, and less than threshold planning quantity (TPQ) of any extremely hazardous substances(s), as defined in 40 CFR, would be used, produced, transported, stored, disposed, or associated with the proposed action.

Chandler & Associates LLC
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12. Lessee's or Operator's Representative:

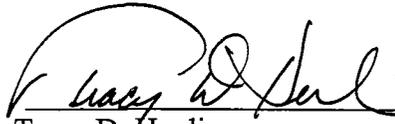
Mr. Terry J. Cox
Vice President of Operations/Production
Chandler & Associates LLC
475 Seventeenth Street
Suite 1000
Denver, Colorado 80202
Telephone #(303)295-0400

13. Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite(s) and access route(s); that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by **Chandler & Associates LLC**, and its contractors and subcontractors in conformity with the plan and the terms and conditions under which it is approved.

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

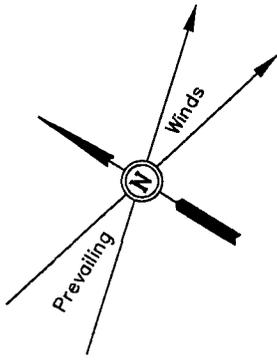
1-6-99
Date


Tracy D. Henline
Agent

CHANDLER & ASSOCIATES, LLC

LOCATION LAYOUT FOR

FEDERAL #8-34-8-21
SECTION 34, T8S, R21E, S.L.B.&M.
1400' FNL 799' FEL



SCALE: 1" = 50'
DATE: 11-11-98
Drawn By: C.B.T.

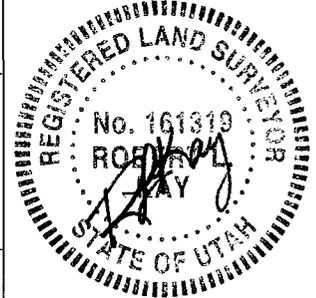
Proposed Access Road

C-1.7'
El. 67.0'

F-0.1'
El. 65.2'

F-4.4'
El. 60.9'

Sta. 3+25



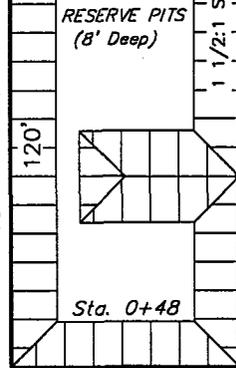
Approx. Top of Cut Slope

NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.

Flare Pit
El. 72.5'
C-15.2' (btm. pit)
C-4.6' El. 69.9'

Pit Capacity With 2' of Freeboard is ±4,380Bbls.



El. 72.1'
C-14.8' (btm. pit)

Reserve Pit Backfill & Spoils Stockpile

El. 69.1'
C-3.8' Subsoil Stockpile

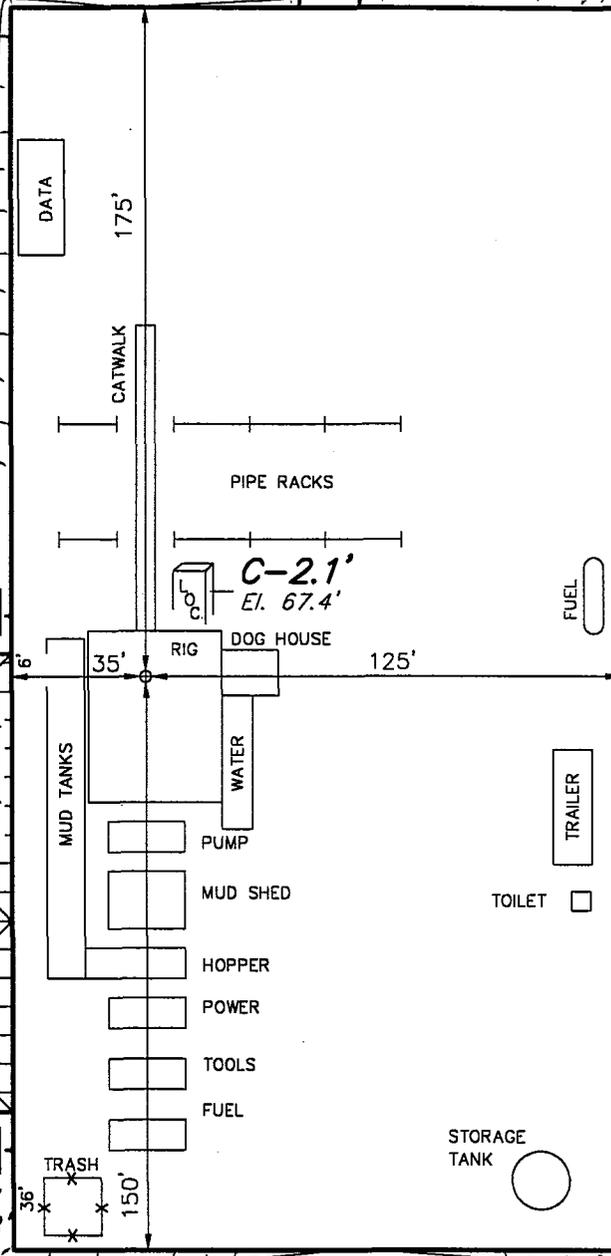
El. 70.5'
C-5.2'

C-3.9' El. 69.2'

Topsoil Stockpile

F-2.9' El. 62.4'

Sta. 0+00



F-4.5' El. 60.8'

Sta. 1+50

Approx. Toe of Fill Slope

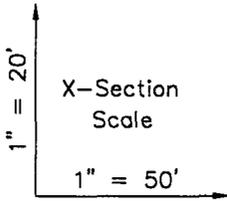
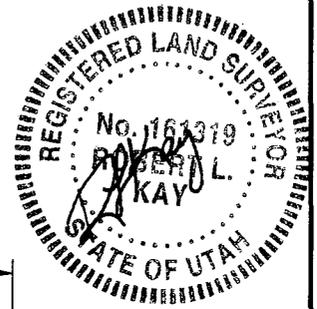
Elev. Ungraded Ground at Location Stake = 4767.4'

Elev. Graded Ground at Location Stake = 4765.3'

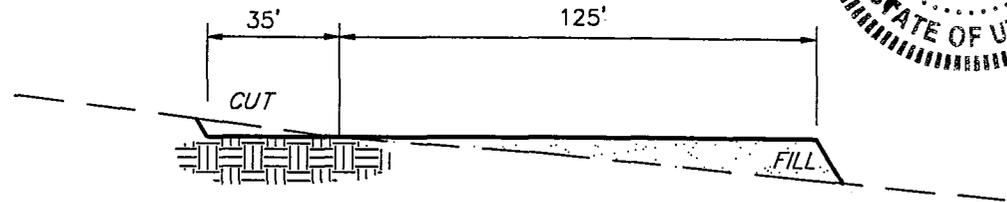
CHANDLER & ASSOCIATES, LLC

TYPICAL CROSS SECTIONS FOR

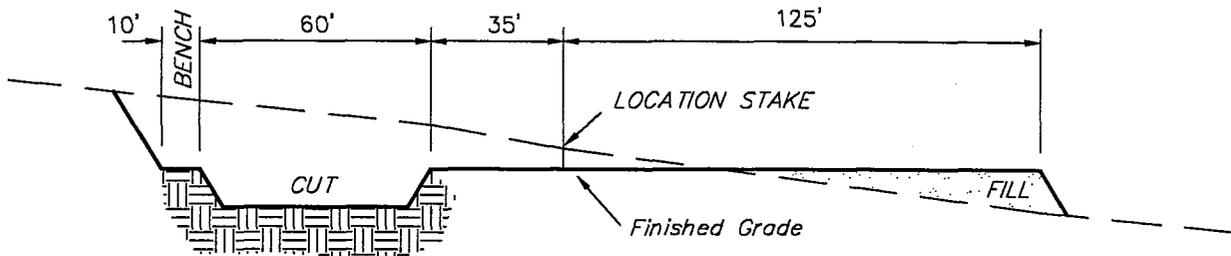
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SECTION 34, T8S, R21E, S.L.B.&M.
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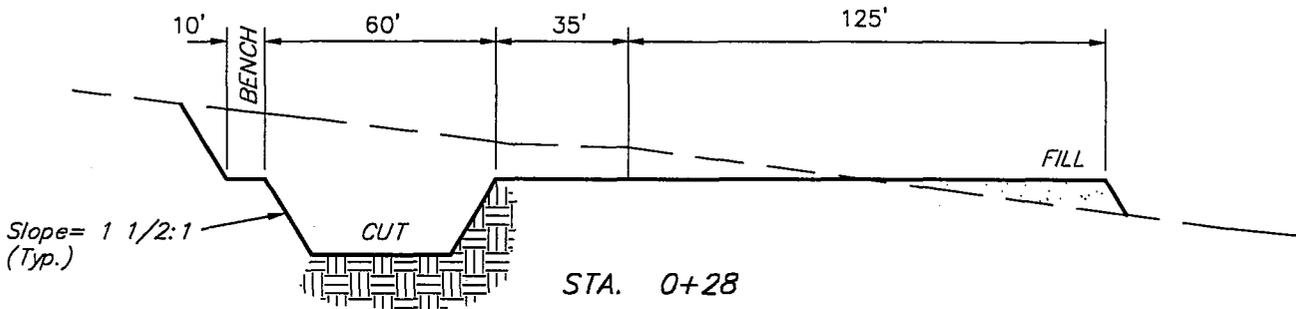
DATE: 11-11-98
Drawn By: C.B.T.



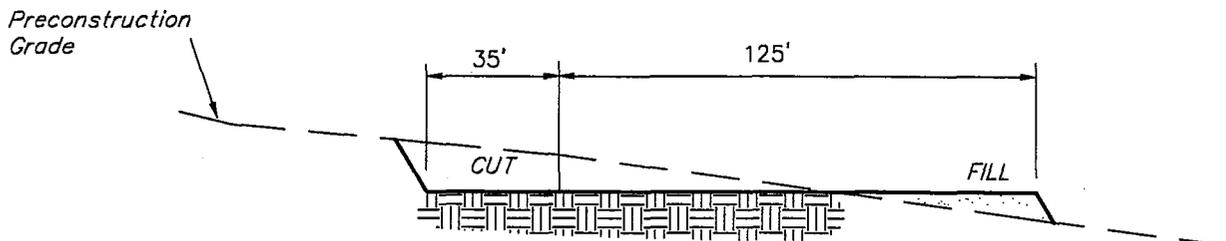
STA. 3+00



STA. 1+50



STA. 0+28

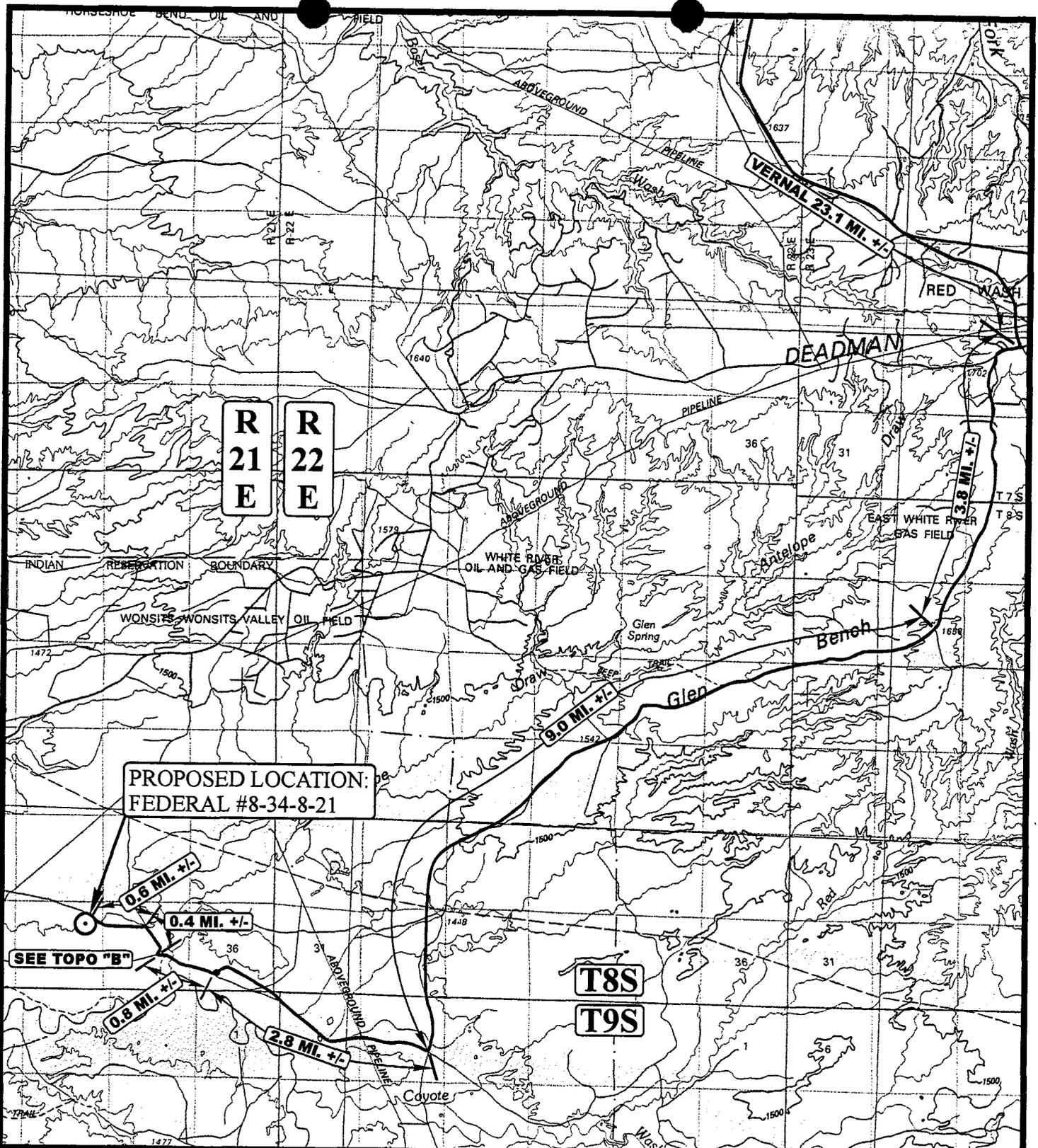


STA. 0+00

APPROXIMATE YARDAGES

(12") Topsoil Stripping	=	2,190 Cu. Yds.
Remaining Location	=	4,490 Cu. Yds.
TOTAL CUT	=	6,680 CU.YDS.
FILL	=	3,600 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	=	2,890 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	2,890 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	=	0 Cu. Yds.



LEGEND:

○ PROPOSED LOCATION



CHANDLER & ASSOCIATES, L.L.C.

FEDERAL #8-34-8-21
SECTION 34, T8S, R21E, S.L.B.&M.
1400' FNL 799' FEL

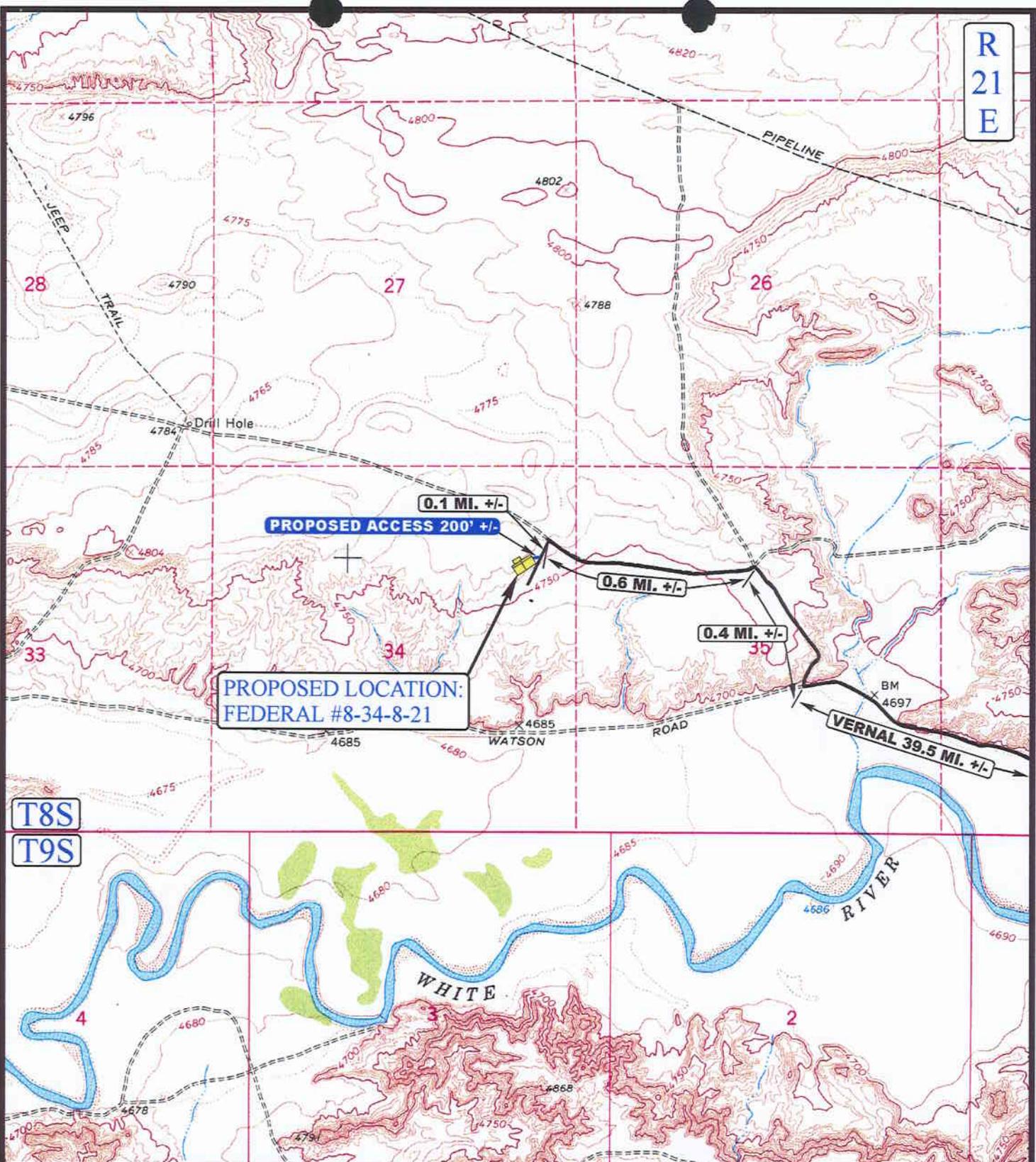


Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP
9 23 98
MONTH DAY YEAR
SCALE: 1:100,000 DRAWN BY: J.L.G. REV: C.G. 11-10-98



R
21
E



**PROPOSED LOCATION:
FEDERAL #8-34-8-21**

T8S
T9S

LEGEND:
 - - - - - PROPOSED ACCESS ROAD
 ———— EXISTING ROAD



CHANDLER & ASSOCIATES, L.L.C.

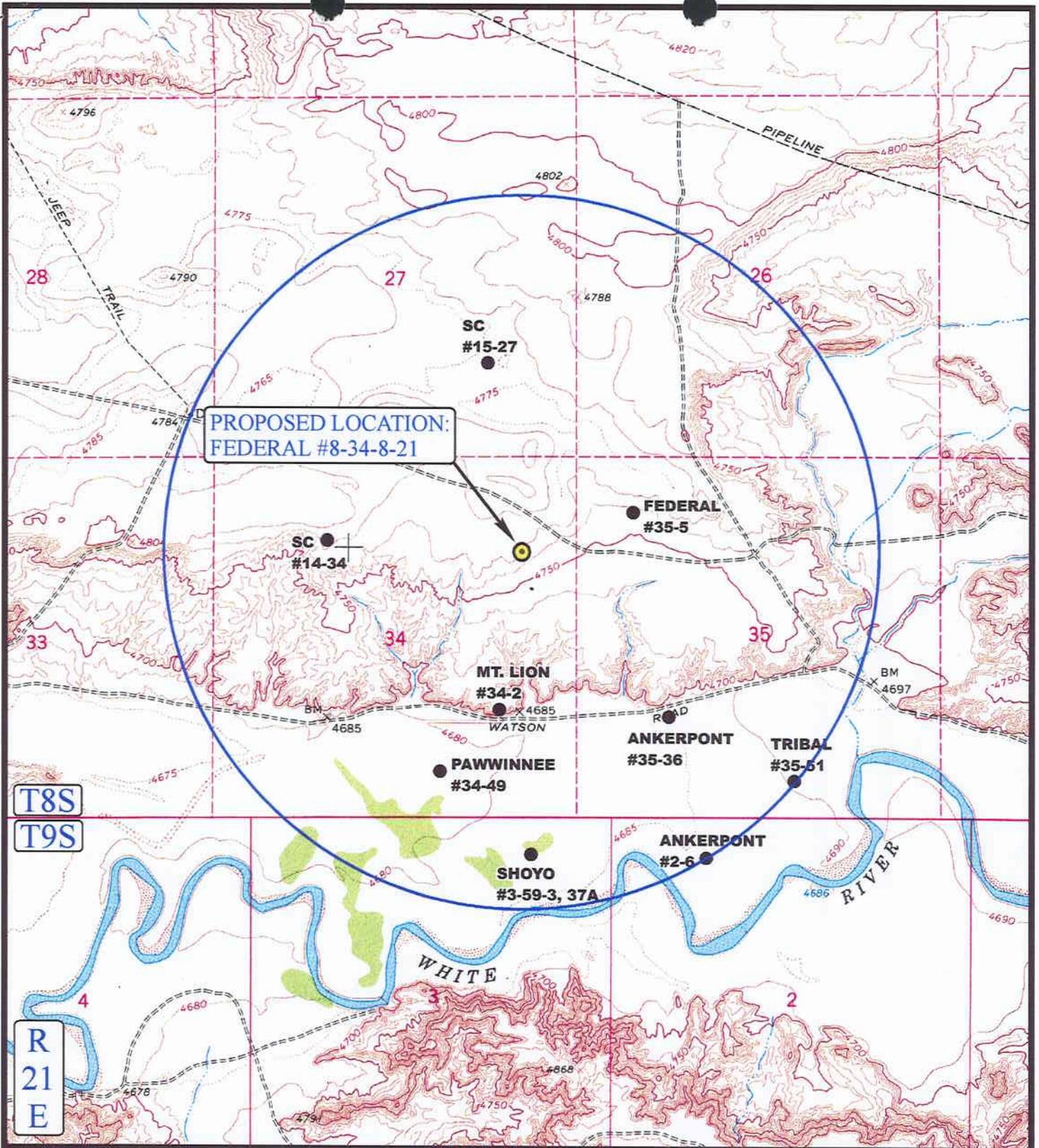
FEDERAL #8-34-8-21
 SECTION 34, T8S, R21E, S.L.B.&M.
 1400' FNL 799' FEL



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

TOPOGRAPHIC 9 23 98
MAP MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: J.L.G. REV: C.G. 11-10-98





LEGEND:

- | | |
|-------------------|-------------------------|
| ⊗ DISPOSAL WELLS | ⊗ WATER WELLS |
| ● PRODUCING WELLS | ● ABANDONED WELLS |
| ⊖ SHUT IN WELLS | ● TEMPORARILY ABANDONED |

CHANDLER & ASSOCIATES, L.L.C.

FEDERAL #8-34-8-21
SECTION 34, T8S, R21E, S.L.B.&M.
1400' FNL 799' FEL

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

TOPOGRAPHIC MAP **9 23 98**
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: J.L.G. REV: C.G. 11-10-98 **C TOPO**



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 01/08/99

API NO. ASSIGNED: 43-047-33273

WELL NAME: FEDERAL 8-34-8-21
 OPERATOR: CHANDLER & ASSOCIATES INC (N3320)
 CONTACT: Tracy Hentline (303) 295-0400

PROPOSED LOCATION:
 SENE 34 - T08S - R21E
 SURFACE: 1400-FNL-0799-FEL
 BOTTOM: 1400-FNL-0799-FEL
 UINTAH COUNTY
 NATURAL BUTTES FIELD (630)

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

LEASE TYPE: FED
 LEASE NUMBER: U-9809
 SURFACE OWNER: Ute Tribe

PROPOSED FORMATION: WSTC

RECEIVED AND/OR REVIEWED:

Plat

Bond: Federal State Fee
 (No. 124290364)

Potash (Y/N)

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

Water Permit
 (No. 43-8496)

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

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: 173-9-5
 Date: 8-1-91

COMMENTS: * Need add'l info. "Except. Fee" (Rec'd 3-11-99)
* CA NPM-1765 N2 Sec. 34 "Enron O&G"

STIPULATIONS: ① FEDERAL APPROVAL



CHANDLER & ASSOCIATES, LLC

475 17TH ST. • SUITE 1000 • DENVER, COLORADO 80202 • 303 295-0400
OIL & GAS EXPLORATION AND PRODUCTION FAX 303 295-0222

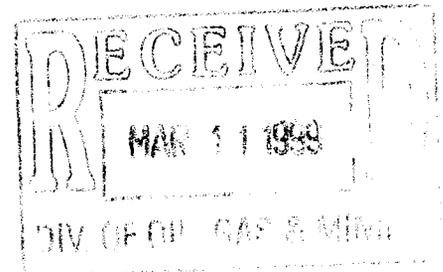
February 8, 1999

ENRON OIL & GAS COMPANY

Attn: Toni Lei Miller
600 17th Street, Suite 1100 N
Denver, Colorado 80202

COASTAL OIL & GAS CORPORATION

Attn: Donald H. Spicer
Nine Greenway Plaza East
Coastal Tower, Suite 780
Houston, Texas 77046



Re: Proposed Federal #8-34-8-21 Well
Township 8 South, Range 21 East, SLM
Section 34:
Uintah County, Utah

Ladies/Gentlemen:

As you are aware, Chandler & Associates, LLC ("Chandler") has proposed drilling the Federal #8-34-8-21 Well (the "Subject Well") in the SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 34, Township 8 South, Range 21 East, SLM, Uintah County, Utah. The exact well location is 1,400 feet from the north line and 799 feet from the east line of said Section 34. The Subject Well will be completed in the Wasatch Formation, and therefore, is subject to that certain Findings of Fact and Order dated August 1, 1991 (the "Order"), issued by the Utah Board of Oil, Gas and Mining (the "Board") in Docket No. 91-027, Cause No. 173-9-S, which provided for two wells to be drilled in the 320-acre drilling unit comprising the N $\frac{1}{2}$ of Section 34. The Order provides that the wells "shall be located in the center of the offsetting quarter section within such 320-acre drilling and spacing unit, with a tolerance of 660 feet in any direction, but not less than 2,640 feet from other wells completed and producing from the Wasatch/Mesaverde formation." The location for the Subject Well is less than the requisite 2,640 feet from two offsetting wells the Mt. Lion #34-2 Well and the Federal #35-5 Well, both operated by Coastal Oil & Gas Corporation ("Coastal"). Therefore, the Utah Division of Oil, Gas and Mining (the "Division") will not approve Chandler's APD for the Subject Well.

C&A, INC.-LAND DEPT.

MAR 04 1999 *me*

The two wells named above that are the nearest to the proposed Federal #8-34-8-21 are in an area recently spaced for one well per 40 acre spacing unit with a minimum distance between wells of 920 feet. Our proposed well would be approximately 2,175 feet from the nearest well.

Enron and Coastal own oil and gas interests in the drilling units that are also subject to the Order and that offset the drilling unit containing the proposed location for the Subject Well. We also understand that Enron and Coastal are the only "Owners," as that term is defined in Utah's Oil and Gas Conservation Act and the Board's General Rules, in those offsetting drilling units. Rule R649-3-3 of the Board's General Rules authorizes the Division to grant an exception well location in circumstances such as these, upon proper application, if all of the "Owners" of directly or diagonally offsetting drilling units consent, in writing, to the proposed exception well location.

Accordingly, Chandler hereby requests that Enron and Coastal consent to the proposed exception well location for the Subject Well. Please date, sign and return three original copies to the undersigned in the enclosed envelope. Thank you for your cooperation.

Sincerely,

CHANDLER & ASSOCIATES, LLC



Keaton Barker
Land Manager

By signature below, the undersigned hereby consent to the proposed exception well location for the Subject Well as described herein.

ENRON OIL & GAS COMPANY

By _____
Its _____

COASTAL OIL & GAS CORPORATION

By  _____
Its W. L. Donnelly, Vice President 

("BLM") were Robert Henricks and Assad Rafoul, Petroleum Engineers with the Utah State Office; and Jerry Kenska, Petroleum Engineer in the Vernal District Office.

Appearing as attorney for Conoco, Inc. was Robert G. Pruitt, Jr. of Pruitt, Gushee & Bachtell. Testifying on behalf of Conoco, Inc. were Julie D. Crumpler, Landman; Jack R. Uresk, Staff Geologist; and Fred Phillips, Production Engineer. There were no appearances or communications in opposition to the Order to Show Cause.

Based upon the testimony and evidence presented by Conoco, Inc. at the hearing, the Board makes and enters the following Findings of Fact and Order:

FINDINGS OF FACT

1. Due and proper notice was given to all interested parties, and the Board has jurisdiction to hear this matter and to make the findings and order set forth herein.
2. On February 22, 1978 the Board in Cause No. 173-1 established 320-acre drilling and spacing units for the Wasatch/Mesaverde formation for all or parts of 27 sections comprising the Ouray field in Uintah County, Utah. Most of said 27 sections are communitized on the basis of 320 acres each and the wells are operated by Conoco, Inc.
3. In 1984 (Cause Nos. 173-6 and 173-7) and 1989 (Cause No. 173-8), Conoco requested an optional second well for certain 320-acre drilling units, testifying at the respective hearing that one well did not appear to drain a full 320 acre unit because of complex geologic factors. The Board in each instance granted the requested optional

second well, but in the Order dated June 28, 1989 (Cause No. 173-8), the Board required Conoco to report back to it after the additional well had been drilled and show cause why the Board should not allow an additional optional well for all 320-acre drilling units established by Order in Cause No. 173-1.

4. By Notice dated July 8, 1991, the Board ordered Conoco to appear at a formal hearing on August 1, 1991 to report on the findings of the additional wells drilled to date, and show cause why an additional optional well should not be allowed for all of the 320-acre drilling units originally established by Order in Cause No. 173-1.

5. Conoco reported that the first optional additional well was the Black 6 #35, spudded March 31, 1990 in the N $\frac{1}{2}$ of Sec. 6, T9S, R21E. This well offsets the #6-3 and #6-29 wells in Sec. 6. Another optional additional well proposed for the NE $\frac{1}{4}$ of Sec. 3, T9S, R21E, was never drilled. The second optional additional well drilled was the Ankerpont #35-36 well in the SW $\frac{1}{4}$ of Sec. 35, T8S, R21E, which offsets the #35-5 and #35-19 wells in Sec. 35.

6. Due to delays involving surface permitting across Ute Indian lands for both well locations and for the production pipeline rights-of-way, only limited testing and production had been accomplished as of the August 1 date of the hearing. Information from both wells confirms the erratic, unconnected nature of the sandstone beds from which production in the Wasatch/Mesaverde formation is obtained. Geology, tests and

production data obtained from these additional wells supports the premise that one well is not generally capable of adequately draining a 320-acre drilling unit in the Wasatch/Mesaverde formation, due mainly to erratic geologic factors.

7. There does not appear sufficient cause why an optional additional well should not be authorized for each of the existing 320-acre spacing units for the Wasatch/Mesaverde formation as originally established by the Board's Order in Cause No. 173-1, provided that the operator of such drilling unit exercises the option to drill an additional well, based upon economic and geologic factors pertaining to each proposed location.

ORDER

Now, therefore, based upon the report of Conoco, Inc., and in the absence of any cause why an optional additional well should not be routinely authorized, the Board enters the following Order:

1. The Board's Order in Cause No. 173-1 is amended to authorize an optional additional well to be drilled in each 320-acre drilling and spacing unit for the Wasatch/Mesaverde formation within the following described lands:

Township 8 South, Range 20 East, SLM

Secs. 33-36: All

Township 9 South, Range 20 East, SLM

Secs. 1-4: All

Township 8 South, Range 21 East, SLM

Secs. 29-36: All

Township 9 South, Range 21 East, SLM

Secs. 1, 4-6: All

Secs. 2 and 3: N½

Township 8 South, Range 22 East, SLM

Secs. 30 and 31: All

Township 9 South, Range 22 East, SLM

Secs. 4-6: All

The option to drill such additional well shall be exercised by the operator of the 320-acre drilling and spacing unit, based upon said operator's evaluation of financial and geologic factors applicable to said proposed drill site.

2. The Wasatch/Mesaverde formation is defined as that interval below the stratigraphic equivalent of 4,772 feet down to and including the stratigraphic equivalent of 9,740 feet, as shown on the induction electrical log of the Chapita Wells Unit Well #5 located in the NE¼SW¼ of Sec. 22, T9S, R22E, SLM in Uintah County, Utah.

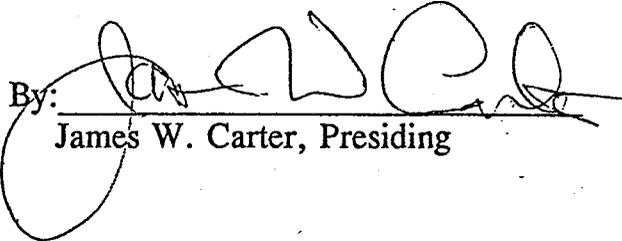
3. Each optional additional well shall be located in the center of the offsetting quarter section within such 320-acre drilling and spacing unit, with a tolerance of 660 feet

in any direction, but not less than 2,640 feet from other wells completed and producing from the Wasatch/Mesaverde formation.

4. This Board retains continuing jurisdiction over the matters covered by this Order, and over all parties affected thereby.

Entered this 1st day of August, 1991.

BOARD OF OIL, GAS AND MINING

By: 

James W. Carter, Presiding



CHANDLER & ASSOCIATES, LLC

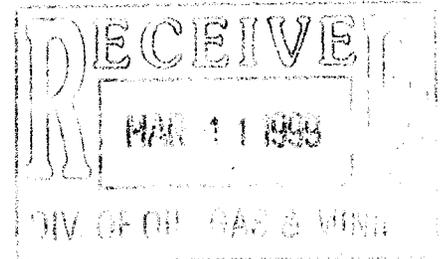
475 17TH ST. • SUITE 1000 • DENVER, COLORADO 80202 • 303 295-0400
OIL & GAS EXPLORATION AND PRODUCTION FAX 303 295-0222

February 8, 1999

ENRON OIL & GAS COMPANY
Attn: Toni Lei Miller
600 17th Street, Suite 1100 N
Denver, Colorado 80202

COASTAL OIL & GAS CORPORATION
Attn: Donald H. Spicer
Nine Greenway Plaza East
Coastal Tower, Suite 780
Houston, Texas 77046

Re: Proposed Federal #8-34-8-21 Well
Township 8 South, Range 21 East, SLM
Section 34:
Uintah County, Utah



Ladies/Gentlemen:

As you are aware, Chandler & Associates, LLC ("Chandler") has proposed drilling the Federal #8-34-8-21 Well (the "Subject Well") in the SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 34, Township 8 South, Range 21 East, SLM, Uintah County, Utah. The exact well location is 1,400 feet from the north line and 799 feet from the east line of said Section 34. The Subject Well will be completed in the Wasatch Formation, and therefore, is subject to that certain Findings of Fact and Order dated August 1, 1991 (the "Order"), issued by the Utah Board of Oil, Gas and Mining (the "Board") in Docket No. 91-027, Cause No. 173-9-S, which provided for two wells to be drilled in the 320-acre drilling unit comprising the N $\frac{1}{2}$ of Section 34. The Order provides that the wells "shall be located in the center of the offsetting quarter section within such 320-acre drilling and spacing unit, with a tolerance of 660 feet in any direction, but not less than 2,640 feet from other wells completed and producing from the Wasatch/Mesaverde formation." The location for the Subject Well is less than the requisite 2,640 feet from two offsetting wells the Mt. Lion #34-2 Well and the Federal #35-5 Well, both operated by Coastal Oil & Gas Corporation ("Coastal"). Therefore, the Utah Division of Oil, Gas and Mining (the "Division") will not approve Chandler's APD for the Subject Well.

C&A, INC.-LAND DEPT.

FEB 19 1999 *me*

The two wells named above that are the nearest to the proposed Federal #8-34-8-21 are in an area recently spaced for one well per 40 acre spacing unit with a minimum distance between wells of 920 feet. Our proposed well would be approximately 2,175 feet from the nearest well.

Enron and Coastal own oil and gas interests in the drilling units that are also subject to the Order and that offset the drilling unit containing the proposed location for the Subject Well. We also understand that Enron and Coastal are the only "Owners," as that term is defined in Utah's Oil and Gas Conservation Act and the Board's General Rules, in those offsetting drilling units. Rule R649-3-3 of the Board's General Rules authorizes the Division to grant an exception well location in circumstances such as these, upon proper application, if all of the "Owners" of directly or diagonally offsetting drilling units consent, in writing, to the proposed exception well location.

Accordingly, Chandler hereby requests that Enron and Coastal consent to the proposed exception well location for the Subject Well. Please date, sign and return three original copies to the undersigned in the enclosed envelope. Thank you for your cooperation.

Sincerely,

CHANDLER & ASSOCIATES, LLC



Keaton Barker
Land Manager

By signature below, the undersigned hereby consent to the proposed exception well location for the Subject Well as described herein.

ENRON OIL & GAS COMPANY

By 
Its Andrew C. Morris
Agent and Attorney-in-Fact 

COASTAL OIL & GAS CORPORATION

By _____
Its _____

LAW OFFICES OF
VAN COTT, BAGLEY, CORNWALL & McCARTHY

A PROFESSIONAL CORPORATION
ESTABLISHED 1874

50 SOUTH MAIN STREET, SUITE 1600
POST OFFICE BOX 45340
SALT LAKE CITY, UTAH 84145-0340
TELEPHONE (801) 532-3333
FACSIMILE (801) 534-0058

BENNETT, HARKNESS & KIRKPATRICK
1874-1890
BENNETT, MARSHALL & BRADLEY
1890-1896
BENNETT, HARKNESS, HOWAT
SUTHERLAND & VAN COTT
1896-1902
SUTHERLAND, VAN COTT & ALLISON
1902-1907
VAN COTT, ALLISON & RITER
1907-1917
VAN COTT, RITER & FARNSWORTH
1917-1947

SUITE 900
2404 WASHINGTON BOULEVARD
OGDEN, UTAH 84401
(801) 394-5783
FACSIMILE (801) 627-2522

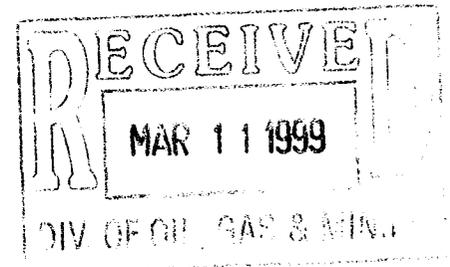
BUILDING C, SUITE 200-A
2200 PARK AVENUE
PARK CITY, UTAH 84060
(435) 649-3889
FACSIMILE (435) 649-3373

(801) 237-0352

March 11, 1999

VIA HAND DELIVERY

Mr. John Baza
Associate Director, Oil and Gas
Utah Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84180



Re: *Chandler & Associates, LLC*
Federal #8-34-8-21 Well
Section 34, Township 8 South, Range 21 East
Uintah County, Utah

Dear Mr. Baza:

As you are aware, this firm represents Chandler & Associates, LLC ("Chandler"). On behalf of Chandler, and pursuant to Rule R649-3-3 of the Utah Board of Oil, Gas and Mining's (the "Board") General Rules, I am requesting that the Division of Oil, Gas and Mining (the "Division") grant an exception well location for the above-referenced well. An exception well location is necessary for the following reasons.

Chandler recently filed with the Division an Application for Permit to Drill or Deepen ("APD") for the Federal #8-34-8-21 Well (the "Subject Well") to be located in the SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 34, Township 8 South, Range 21 East, Uintah County, Utah. The exact well location is 1,400 feet from the north line and 799 feet from the east line of subject Section 34. For the technical information required under Rule R649-3-3, please refer to the well location plat and other technical materials that were submitted to the Division in connection with the APD.

The Subject Well will be completed in the Wasatch Formation, and therefore, is subject to that certain Findings of Fact and Order dated August 1, 1991 (the "Order"), issued by the Board in Docket No. 91-027, Cause No. 173-9-S, which provided for two wells to be drilled in the 320-acre drilling unit comprising the N $\frac{1}{2}$ of Section 34. The Order provides that the wells "shall be located in the center of the offsetting quarter section within such 320-acre drilling and

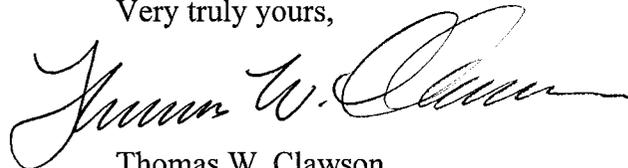
Mr. John Baza
March 11, 1999
Page 2

spacing unit, with a tolerance of 660 feet in any direction, but not less than 2,640 feet from other wells completed and producing from the Wasatch/Mesaverde formation." The location for the Subject Well is less than the requisite 2,640 feet from two offsetting wells, the Mt. Lion #34-2 Well and the Federal #35-5 Well, both operated by Coastal Oil & Gas Corporation ("Coastal"). Therefore, the Division did not approve Chandler's APD for the Subject Well. The Mt. Lion #34-2 and Federal #35-5 Wells are located within the area recently (December 1998) spaced by the Board in Docket No. 98-023, Cause No. 173-13, to allow eight wells within a 320-acre drilling unit, with a minimum distance between wells of 920 feet. The Subject Well will be approximately 2,175 feet from the nearest well.

Under Rule R649-3-3(1.3), written consent from all owners of directly or diagonally offsetting drilling units is required when an exception is to an order by the Board establishing such units. Enron Oil & Gas Company ("Enron") and Coastal are the only "owners," as that term is defined in the Utah Oil and Gas Conservation Act and the Board's General Rules, in the drilling units that are directly or diagonally adjacent to the proposed location for the Subject Well. Both Enron and Coastal have executed written consents to the proposed exception well location for the Subject Well. I have attached original versions of those consents, which are self explanatory, to this letter.

Thank you for your consideration of this request. If you have any questions or need further information, please do not hesitate to contact me.

Very truly yours,



Thomas W. Clawson

TWC:cw
Enclosures
cc: Mr. Keaton Barker



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

Michael O. Leavitt
Governor
Kathleen Clarke
Executive Director
Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

March 16, 1999

Chandler & Associates, Inc.
475 Seventeenth Street, Suite 1000
Denver, Colorado 80202

Re: Federal 8-34-8-21 Well, 1400' FNL, 799' FEL, SE NE, Sec. 34, T.8 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 43-047-33273.

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: Chandler & Associates, Inc.

Well Name & Number: Federal 8-34-8-21

API Number: 43-047-33273

Lease: Federal Surface Owner: Ute Tribe

Location: SE NE Sec. 34 T. 8 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

FORM APPROVED
Bureau No. 1004-0135
Expires September 30, 1990

SUNDRY NOTICE 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
SUBMIT IN TRIPLICATE

1. Type of Well

Oil Gas
 WELL Well Other

2. Name of Operator

EOG Resources, Inc.

3. Address and Telephone No.

P.O. BOX 250, BIG PINEY, WY 83113 (307) 276-3331

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

1400' FNL - 799' FEL (SE/NE)
SECITON 34, T8S, R21E

CONFIDENTIAL

5. Lease Designation and Serial No.

U 9809

6. If Indian, Allottee or Tribe Name

UTE INDIAN TRIBE

7. If Unit or C.A., Agreement Designation

8. Well Name and No.

FEDERAL 8-34-8-21

9. API Well No.

43-047-33273

10. Field and Pool or Exploratory Area

NORTH CHAPITA/WASATCH

11. County

UINTAH,

State

UTAH

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

TYPE OF SUBMISSION

TYPE OF ACTION

NOTICE OF INTENT
 SUBSEQUENT REPORT
 FINAL ABANDONMENT NOTICE

ABANDONMENT
 RECOMPLETION
 PLUGGING BACK
 CASING REPAIR
 ALTERING CASING
 OTHER

CHANGE OF PLANS
 NEW CONSTRUCTION
 NON-ROUTINE FRACTURING
 WATER SHUT-OFF
 CONVERSION TO INJECTION

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

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

EOG Resources, Inc. requests authorization to make the following changes to the drilling program for the referenced well:

1. Set 240-260'± 8-5/8", 24.0# K-55 casing and cement to surface w/125 sx Class "G" cement.
2. Minimum length of blooie line will be 75'. Eliminate automatic ignitor and mistor on blooie line since drilling will be done with aerated water system.
4. Depending on wellbore conditions, a cased hole Dipole Sonic/GR/CCL may be run in lieu of open hole logs.

COPY SENT TO OPERATOR
Date: 11-2-99
Initials: CUP

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

RECEIVED
OCT 28 1999
DIV. OF OIL, GAS & MINING

*NOTE: Enron will be using Nationwide Bond #NM 2308

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

SIGNED Judy Carlson TITLE Regulatory Analyst DATE 10/26/99

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: FEDERAL 8-34-8-21

Api No. 43-047-33273 Lease Type: FEDERAL

Section 34 Township 08S Range 21E County UINTAH

Drilling Contractor BILL MARTIN R IG #

SPUDDED:

Date 10/28/1999

Time 3:00 PM

How DRY

Drilling will commence

Reported by ED TROTTER

Telephone # 1-435-789-4120

Date 10/28/1999 Signed: CHD

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

FORM APPROVED
Budget No. 1004-0135
Expires September 30, 1990

SUNDRY NOTICE 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

SUBMIT IN TRIPLICATE

1. Type of Well

Oil WELL Gas Well Other Well

CONFIDENTIAL

2. Name of Operator

EOG Resources, Inc.

3. Address and Telephone No.

P.O. BOX 250, BIG PINEY, WY 83113 (307) 276-3331

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

**1400' FNL - 799' FEL (SE/NE)
SECITON 34, T8S, R21E**

5. Lease Designation and Serial No.

U 9809

6. If Indian, Allottee or Tribe Name

UTE INDIAN TRIBE

7. If Unit or C.A., Agreement Designation

8. Well Name and No.

FEDERAL 8-34-8-21

9. API Well No.

43-047-33273

10. Field and Pool or Exploratory Area

NORTH CHAPITA/WASATCH

11. County State

UINTAH, 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

ABANDONMENT
 RECOMPLETION
 PLUGGING BACK
 CASING REPAIR
 ALTERING CASING
 OTHER

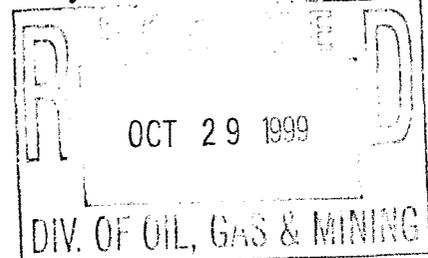
CHANGE OF PLANS
 NEW CONSTRUCTION
 NON-ROUTINE FRACTURING
 WATER SHUT-OFF
 CONVERSION TO INJECTION

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

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

EOG Resources, Inc. requests authorization to make the following changes to the drilling program for the referenced well:

- 1. Set 240-260'± 8-5/8", 24.0# K-55 casing and cement to surface w/125 sx Class "G" cement.**
- 2. Minimum length of blooie line will be 75'.**
- 3. Eliminate automatic ignitor and mistor on blooie line since drilling will be done with aerated water system.**
- 4. Depending on wellbore conditions, a cased hole Dipole Sonic/GR/CCL may be run in lieu of open hole logs.**



*NOTE: Enron will be using Nationwide Bond #NM 2308

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

SIGNED *Ruby Carlson* TITLE Regulatory Analyst DATE 10/26/99

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

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

FORM APPROVED
Budget Bureau No. 1004-0135
Expires September 30, 1990

SUNDRY NOTICE 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
SUBMIT IN TRIPLICATE

1. Type of Well		CONFIDENTIAL
<input type="checkbox"/> Oil Well	<input checked="" type="checkbox"/> Gas Well	
2. Name of Operator EOG Resources, Inc.		
3. Address and Telephone No. P.O. BOX 250, BIG PINEY, WY 83113 (307) 276-3331		
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1400' FNL - 799' FEL (SE/NE) SECTION 34, T8S, R21E		

5. Lease Designation and Serial No. U 9809
6. If Indian, Allottee or Tribe Name
7. If Unit or C.A., Agreement Designation
8. Well Name and No. FEDERAL 8-34-8-21
9. API Well No. 43-047-33273
10. Field and Pool or Exploratory Area CHAPITA WELLS/WASATCH
11. County State UINTAH, UTAH

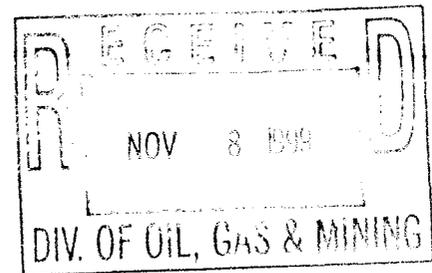
12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> NOTICE OF INTENT	<input type="checkbox"/> ABANDONMENT
<input checked="" type="checkbox"/> SUBSEQUENT REPORT	<input type="checkbox"/> RECOMPLETION
<input type="checkbox"/> FINAL ABANDONMENT NOTICE	<input type="checkbox"/> PLUGGING BACK
	<input type="checkbox"/> CASING REPAIR
	<input type="checkbox"/> ALTERING CASING
	<input checked="" type="checkbox"/> OTHER
	<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
	SPUD DATE

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

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

Enron Oil & Gas Company spudded 11" surface hole at the subject location 11/01/99. The contractor was Bill Martin Drilling. Ed Forsman of the Vernal BLM District office and Dave Hackford of the Utah Division of Oil, Gas & Mining were notified of spud 11/01/99.



***NOTE: Enron will be using Nationwide Bond #NM 2308**

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

SIGNED	<i>Doty Carlson</i>	TITLE	<i>Regulatory Analyst</i>	DATE	<i>11/05/99</i>
--------	---------------------	-------	---------------------------	------	-----------------

(This space for Federal or State office use)

APPROVED BY	TITLE	DATE
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CONDITIONS OF APPROVAL, IF ANY:

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

OPERATOR EOG Resources, Inc.
 ADDRESS P.O. BOX 250
BIG PINEY, WYOMING 83113

OPERATOR ACCT. NO. 9550

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION				COUNTY	SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG			
A	99999	12659	43-047-33406	NORTH CHAPITA 106-32	SENW	32	88	22E	UINTAH	10/29/99	
WELL 1 COMMENTS: <i>991130 entity added, KDR</i>											
A	99999	12660	43-047-33273	FEDERAL 8-34-B-21	SENE	34	8S	21E	UINTAH	11/01/99	
WELL 2 COMMENTS: <i>991130 entity added, KDR</i>											
A	99999	12661	43-047-33402	N. DUCK CREEK 100-22	SESE	22	8S	21E	UINTAH	11/05/99	
WELL 3 COMMENTS: <i>991130 entity added, KDR</i>											
B	4905								UINTAH		
WELL 4 COMMENTS:											
B	4905								UINTAH		
WELL 5 COMMENTS:											

N0401

- 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 COMMENTS section to explain why each Action Code was selected.

(3/89)

Katy Carlson
 Signature
 REGULATORY ANALYST 11/19/99
 Title Date
 Phone No. (307) 276-3331

Nov-22-99 10:24am From=EOG - BIG PINEY, WY. 3072763335 T-198 P.01/01 F-027

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

SUNDRY NOTICE 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

SUBMIT IN TRIPLICATE

FORM APPROVED
Bureau No. 1004-0135
Expires September 30, 1990

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator
EOG Resources, Inc.

3. Address and Telephone No.
P.O. BOX 250, BIG PINEY, WY 83113 (307) 276-3331

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**1400' FNL - 799' FEL (SE/NE)
SECITON 34, T8S, R21E**

5. Lease Designation and Serial No.
U 9809

6. If Indian, Allottee or Tribe Name
UTE INDIAN TRIBE

7. If Unit or C.A., Agreement Designation

8. Well Name and No.
FEDERAL 8-34-8-21

9. API Well No.
43-049-33273

10. Field and Pool or Exploratory Area
NORTH CHAPITA/WASATCH

11. County State
UINTAH, UTAH

CONFIDENTIAL

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"/> ABANDONMENT
<input type="checkbox"/> SUBSEQUENT REPORT	<input type="checkbox"/> RECOMPLETION
<input type="checkbox"/> FINAL ABANDONMENT NOTICE	<input type="checkbox"/> PLUGGING BACK
	<input type="checkbox"/> CASING REPAIR
	<input type="checkbox"/> ALTERING CASING
	<input type="checkbox"/> OTHER
	<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"/> DISPOSAL OF PRODUCED WATER

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

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

Enron Oil & Gas Company requests authorization for disposal of produced water from the referenced well to any of the following locations:

1. Natural Buttes Unit 21-20B SWD
2. Ace Disposal
3. Enron Oil & Gas Company drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit)
4. Water will be stored in tanks until transported to one of above facilities.

RECEIVED
JAN 21 2000
DIVISION OF
OIL, GAS AND MINING

*NOTE: Enron will be using Nationwide Bond #NM 2308

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

SIGNED *Raty Corke* TITLE Regulatory Analyst DATE 1/18/2000

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

CONFIDENTIAL
Expires August 31, 1985

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

5. LEASE DESIGNATION AND SERIAL NO.
U 9809
6. IF INDIAN, ALLOTTEE OR TRIBE NAME
UTE INDIAN TRIBE
7. UNIT AGREEMENT NAME
CA - NRM 1765

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WELL:
OIL WELL GAS WELL DRY OTHER
b. TYPE OF COMPLETION:
NEW WELL WORK OVER DEEPEN PLUG BACK DIFF. RES. OTHER

8. FARM OR LEASE NAME
FEDERAL
9. WELL NO.
8-34-8-21
10. FIELD AND POOL, OR WILDCAT
NATURAL BUTTES/WASATCH
11. SEC., T., R., M., OR BLOCK AND SURVEY

2. NAME OF OPERATOR
EOG Resources, Inc.

12. COUNTY OR PARISH
JUNTAH, UTAH
13. STATE
UTAH

3. ADDRESS OF OPERATOR
P.O. BOX 250 BIG PINEY, WYOMING 83103
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 1400' FNL - 799' FEL (SE/NE)
At top prod. interval reported below SAME
At total depth SAME

14. HERMIT NO.
43-047-33273
DATE PERMIT ISSUED

15. DATE SPUDDED 10/29/99
16. DATE T.D. REACHED 11/16/99
17. DATE COMPL. (Ready to prod.) 1/11/2000
18. ELEVATIONS (OF RKB, RT, GR, ETC.)* 4783' KB
19. ELEV. CASINGHEAD 4767' PREP. GL.

20. TOTAL DEPTH, MD & TVD 7580'
21. PLUG, BACK T.D., MD & TVD 7563'
22. IF MULTIPLE COMPLETIONS, HOW MANY? 1
23. ROTARY TOOLS ROTARY
CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION-TOP, BOTTOM, NAME (MD AND TVD)*
WASATCH 6883' - 7438'
25. WAS DIRECTIONAL SURVEY MADE? NO

26. TYPE ELECTRIC AND OTHER LOGS RUN
Cement Bond Log, Collar Locator, GR
Dipole Sonic Imager Log Quality Control, Dipole Sonic Imager, Compensated Neutron, GR,
12-8-99
27. WAS WELL CORED? NO

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT USED
8-5/8"	24.0# J-55	291'	12-1/4"	100 sx Class "G" cement.	NONE
4-1/2"	10.5# J-55	7580'	7-7/8"	400 sx Hi-Lift & 700 sx 50/50 Pozmix	NONE

RECEIVED
JAN 21 2000

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-3/8"	7468'	

31. PERFORATION RECORD (Interval, size and number)

Interval	Size	SPF
Wasatch B-7 7427-38'		w/3 SPF
7337-39'		w/2 SPF
C-13 6883-83', 6889-93', 6905-09', 6917-20' & 6929-32'		w/2 SPF
P-8 5969-73', 5991-94', 6047-49', 6054-56', 6246-68' & 6257-67'		w/3 SPF

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
7427-7438'	15,162 gals gelled water & 61,000# 20/40 sand.
6883-7339'	20,622 gals gelled water & 97,900# 20/40 sand.
6246-6267'	16,884 gals gelled water, 72,80# 20/40 sand & 10,600# 20/40 RC sand.
5969-6056'	17,012 gals gelled water, 72,000# 20/40 sand & 10,000# 20/40 RC sand.

33. PRODUCTION

DATE FIRST PRODUCTION 1/11/2000
PRODUCTION METHOD (Flowing, gas lift, pumping-size and type of pump) FLOWING
WELL STATUS (Producing or shut-in) PRODUCING

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N FOR	OIL-BBL.	GAS-MCF.	WATER-BBL.	GAS-OIL RATIO
1/13/2000	24			8 BO	1366 MCFD	2 BW	

FLOW-TUBING PRESS.	CASING PRESSURE	CALCULATED	OIL-BBL.	GAS-MCF.	WATER-BBL.	OIL GRAVITY-API (CORR.)
FTP 2060 psig	CP 2080 psig		8 BO	1366 MCFD	2 BW	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) SOLD
TEST WITNESSED BY JAY ORR

35. LIST OF ATTACHMENTS

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

SIGNED Daty Carlos TITLE Regulatory Analyst DATE 1/18/2000

*(See Instructions and Spaces for Additional Data on Reverse Side)
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within

INSTRUCTIONS

General: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 33, below regarding separate reports for separate completions.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments.

Items 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

Item 29: *ent:* Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

Item 33: Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

PRIVACY ACT

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et. seq., 25 U.S.C. et. seq., 43 CFR 3160

PRINCIPLE PURPOSE: The information is to be used to evaluate the actual operations performed in the drilling of an oil or gas well on a Federal or Indian lease.

ROUTINE USES: (1) Evaluate the equipment and procedures used during the drilling of the well. (2) The review of geologic zones and formation encountered during drilling. (3) Analyze future applications to drill in light of data obtained and methods used. (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this report and disclosure of hte information is mandatory once an oil or gas well is drilled.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501, et. seq.) requires us to inform you that:

This information is being collected to allow evaluation of the technical, safety, and environmental factors involved with drilling and producing oil and gas on Federal and indian oil and gas leases.

This information will be used to analyze operations and compare equipment and procedures actually used with the proposals applied for.

Response to this request is mandatory once an oil or gas well is drilled.

SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof, cored intervals, and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):				38. GEOLOGIC MARKERS		
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	TOP		
				NAME	MEAS. DEPTH	TRUE VERT. DEPTH
				Green River	2204'	
				Base "M" Marker	5160'	
				"N" Limestone	5425'	
				Wasatch		
				Peter's Point	5587'	
				P-8	5966'	
				Chapita Wells	6300'	
				C-13	6883'	
				Buck Canyon	7060'	
				B-7	7332'	



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, UT 84145-0155

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



MAR 23 2012

RECEIVED

MAR 28 2012

DIV. OF OIL, GAS & MINING

IN REPLY REFER TO:

3180

UT922100

Debbie Spears, Sr. Land Associate
EOG Resources, Inc.
600 Seventeenth Street, Suite 1000N
Denver, CO 80202

43047.33273

Re: Amendment to
Communitization Agreement NRM-1765
UTU-60808

Uintah County, Utah

(n2) 34 85 21e

Dear Debbie Spears:

Your proposed amendment to Communitization Agreement NRM-1765 is hereby approved effective December 1, 2008. The necessary consents to amend the agreement have been obtained. Section 1 of the communitization agreement is amended as follows:

1. The lands covered by this agreement (hereafter referred to as "communitized area") are described as follows:

Township 8 South, Range 21 East, SLB&M

Section 34: N $\frac{1}{2}$.

Uintah County, Utah

The North half (N $\frac{1}{2}$) of Section 34, Township 8 South, Range 21 East, SLB&M, Uintah County, State of Utah, more fully described in Exhibit B attached hereto and made a part hereof by this reference. Containing 320.00 acres, more or less, and this agreement shall include only the Wasatch and Mesaverde Formations including the Blackhawk and Mancos "B" sands underlying said lands and the natural gas and associated oil hydrocarbons, hereinafter referred to as "communitized substances," producible from such formations.

Copies of the amendment are being distributed to the appropriate Federal Offices and one copy is returned herewith. It is requested that you notify all other interested parties of this approval.

If you have any questions concerning this approval, please contact Judy Nordstrom at (801) 539-4108.

Sincerely,

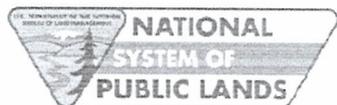
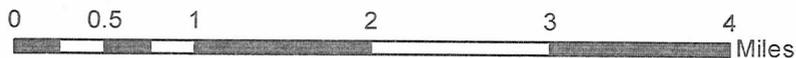
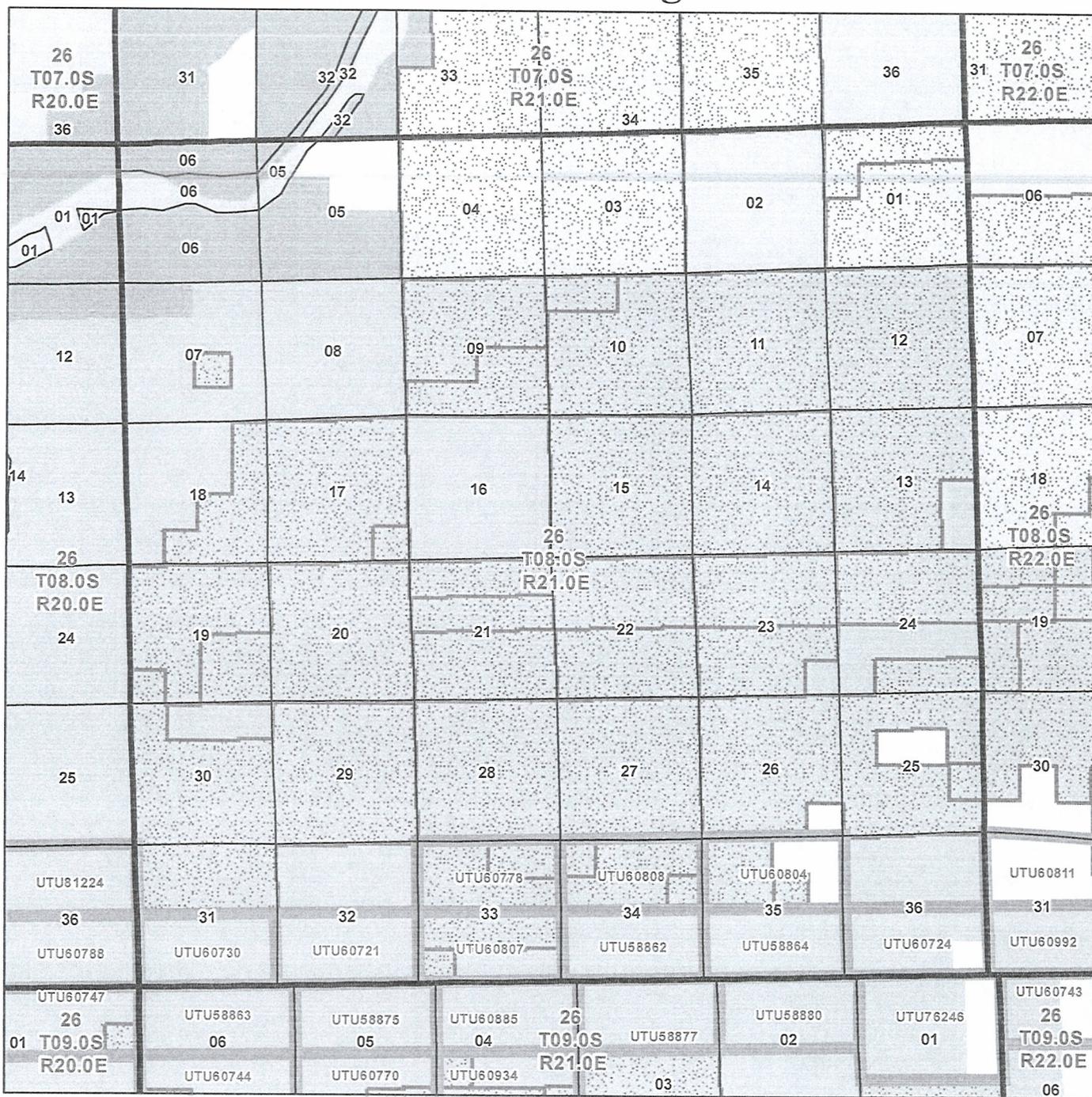


Roger L. Bankert
Chief, Branch of Minerals

Enclosure

cc: UDOGM
SITLA
ONRR w/Exhibit "B" (Attn: Leona Reilly)
BLM FOM - Price w/enclosure

T 8S R 21E SLB&M Communitization Agreements



- Oil and Gas Communitization Agreements STATUS**
- AUTHORIZED
 - PENDING
 - PRODUCING
- Utah Oil & Gas Lease Parcels**
- Authorized
 - Pending

Locator Map