

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL

DEEPEN

b. TYPE OF WELL

OIL WELL

GAS WELL

OTHER

SINGLE ZONE

MULTIPLE ZONE

2. NAME OF OPERATOR

Coastal Oil & Gas Corporation

3. ADDRESS AND TELEPHONE NO.

P.O. Box 749, Denver, CO 80201-0749

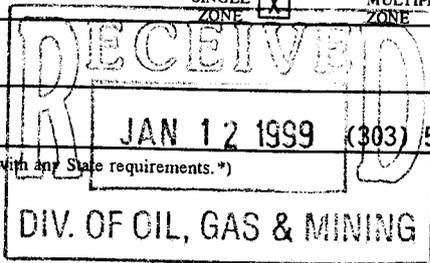
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. \*)

At surface  
655' FNL 1971<sup>60'</sup> FEL

At proposed prod. zone

Same as above

620118.94  
4436291.76



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) 655'

16. NO. OF ACRES IN LEASE

157.33

17. NO. OF ACRES ASSIGNED TO THIS WELL

77.93

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

See Topo Map C

19. PROPOSED DEPTH

9650'

20. ROTARY OR CABLE TOOLS

Rotary

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

4665' Ungraded GL

22. APPROX. DATE WORK WILL START\*

Upon Approval

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE     | GRADE SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|------------------|----------------------|-----------------|---------------|--------------------|
| See Attached     |                      |                 |               |                    |
| Drilling Program |                      |                 |               |                    |

Coastal Oil & Gas Corporation proposes to drill a well to the proposed TD as stated above. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

See the attached Drilling Program and Multi-point Surface Use & Operations Plan.

Coastal Oil & Gas Corporation is considered to be the operator of the subject well. It agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by: BLM Nationwide Bond #U605382-9, BIA Nationwide #114066-A, and State of Utah #102103.

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

24. SIGNED Sheila Bremer TITLE Environmental & Safety Analyst DATE 1/7/99

(This space for Federal or State office use)

PERMIT NO. 43-047-33286

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: **Federal Approval of this Action is Necessary**

APPROVED BY Bradley G. Hill TITLE RECLAMATION SPECIALIST III DATE 2/8/99

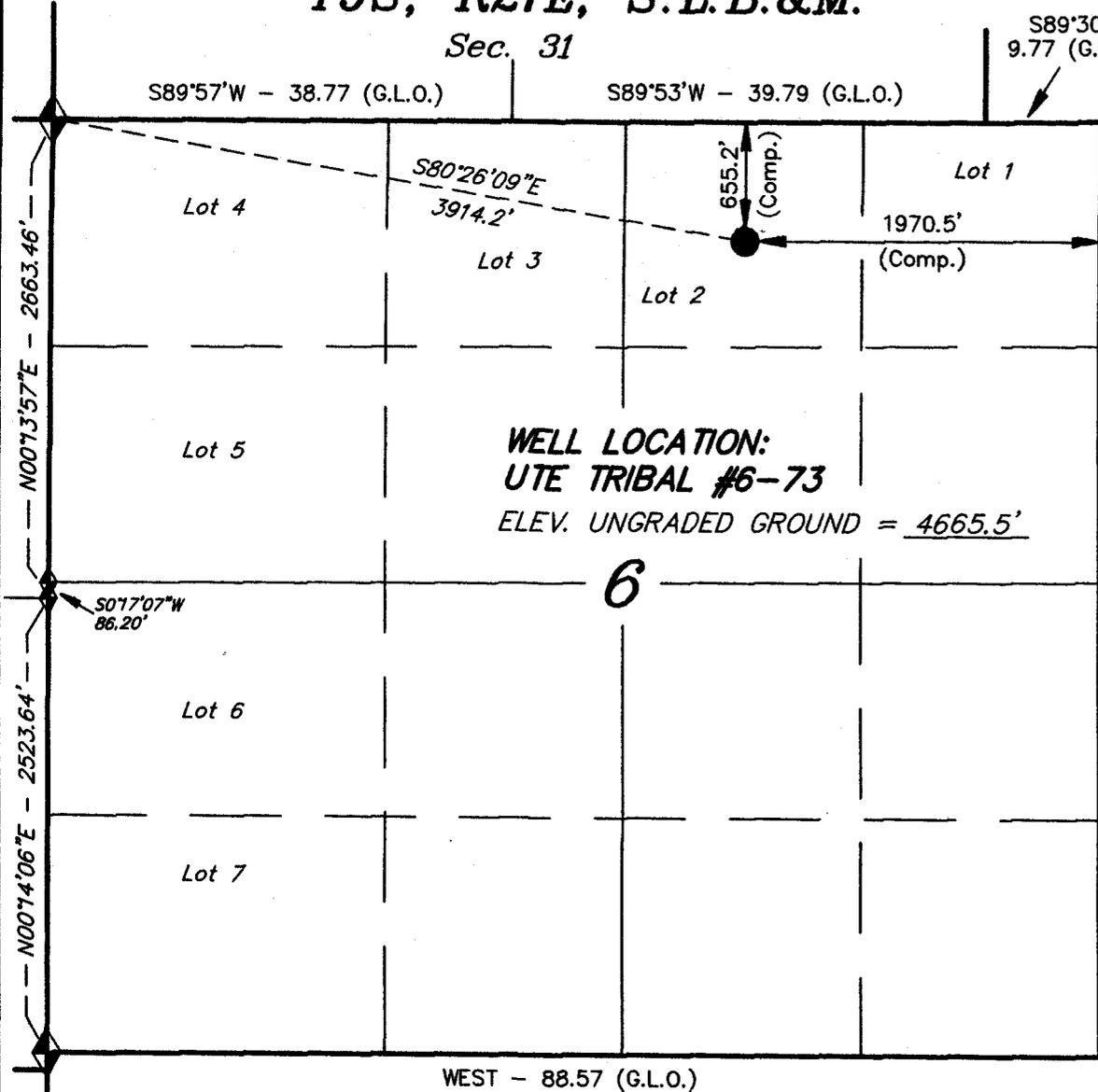
\*See Instructions On Reverse Side

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.

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

Sec. 31

**COASTAL OIL & GAS CORP.**



S89°30'W  
9.77 (G.L.O.)

S89°57'W - 38.77 (G.L.O.)

S89°53'W - 39.79 (G.L.O.)

WELL LOCATION, UTE TRIBAL #6-73, LOCATED AS SHOWN IN LOT #2 OF SECTION 6, T9S, R21E, S.L.B.&M. UTAH COUNTY, UTAH

**WELL LOCATION:  
UTE TRIBAL #6-73**  
ELEV. UNGRADED GROUND = 4665.5'

**6**

N0°03'W - 78.86 (G.L.O.)



THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OR 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  
**GENE STEWART**  
*Gene Stewart*  
REGISTERED LAND SURVEYOR  
REGISTRATION No. 144102  
STATE OF UTAH

WEST - 88.57 (G.L.O.)

◆ = SECTION CORNERS LOCATED

BASIS OF ELEV; U.S.G.S. 7-1/2 min QUAD (OURAY SE)

BASIS OF BEARINGS IS A GLOBAL POSITIONING SATELITE OBSERVATION

**TRI STATE LAND SURVEYING & CONSULTING**

38 WEST 100 NORTH - VERNAL, UTAH 84078  
(801) 781-2501

SCALE: 1" = 1000'

SURVEYED BY: D.S.

DATE: 10-19-98

WEATHER: FAIR

NOTES:

REVISIONS:

WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 01/12/1999

API NO. ASSIGNED: 43-047-33286

WELL NAME: OURAY 6-73  
 OPERATOR: COASTAL OIL & GAS CORP (N0230)  
 CONTACT: Skile Bremer (303) 573-4455

PROPOSED LOCATION:  
 NWNE 06 - T09S - R21E  
 SURFACE: 0655-FNL-1971-FEL  
 BOTTOM: 0655-FNL-1971-FEL  
 UINTAH COUNTY  
 NATURAL BUTTES FIELD (630)

|                        |          |        |
|------------------------|----------|--------|
| INSPECT LOCATN BY: / / |          |        |
| TECH REVIEW            | Initials | Date   |
| Engineering            | RSK      | 2-5-89 |
| Geology                |          |        |
| Surface                |          |        |

o.s. only

LEASE TYPE: IND  
 LEASE NUMBER: 14-20-H62-3022  
 SURFACE OWNER: Ute Tribe

PROPOSED FORMATION: MVRD

RECEIVED AND/OR REVIEWED:

Plat

Bond: Federal  State  Fee   
 (No. IND-114066-A)

Potash (Y/N)

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

Water Permit  
 (No. 43-8496)

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

N/A Fee Surf Agreement (Y/N)

LOCATION AND SITING:

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

\_\_\_ R649-3-2. General \_\_\_\_\_

\_\_\_ R649-3-3. Exception \_\_\_\_\_

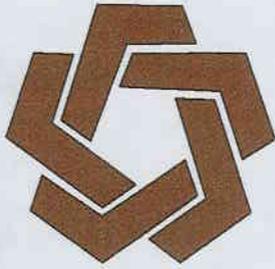
Drilling Unit  
 Board Cause No: 173-13  
 Date: 12-31-98

COMMENTS: \*SOP "NBK & Ouray Field", separate file.

STIPULATIONS <sup>(1)</sup>

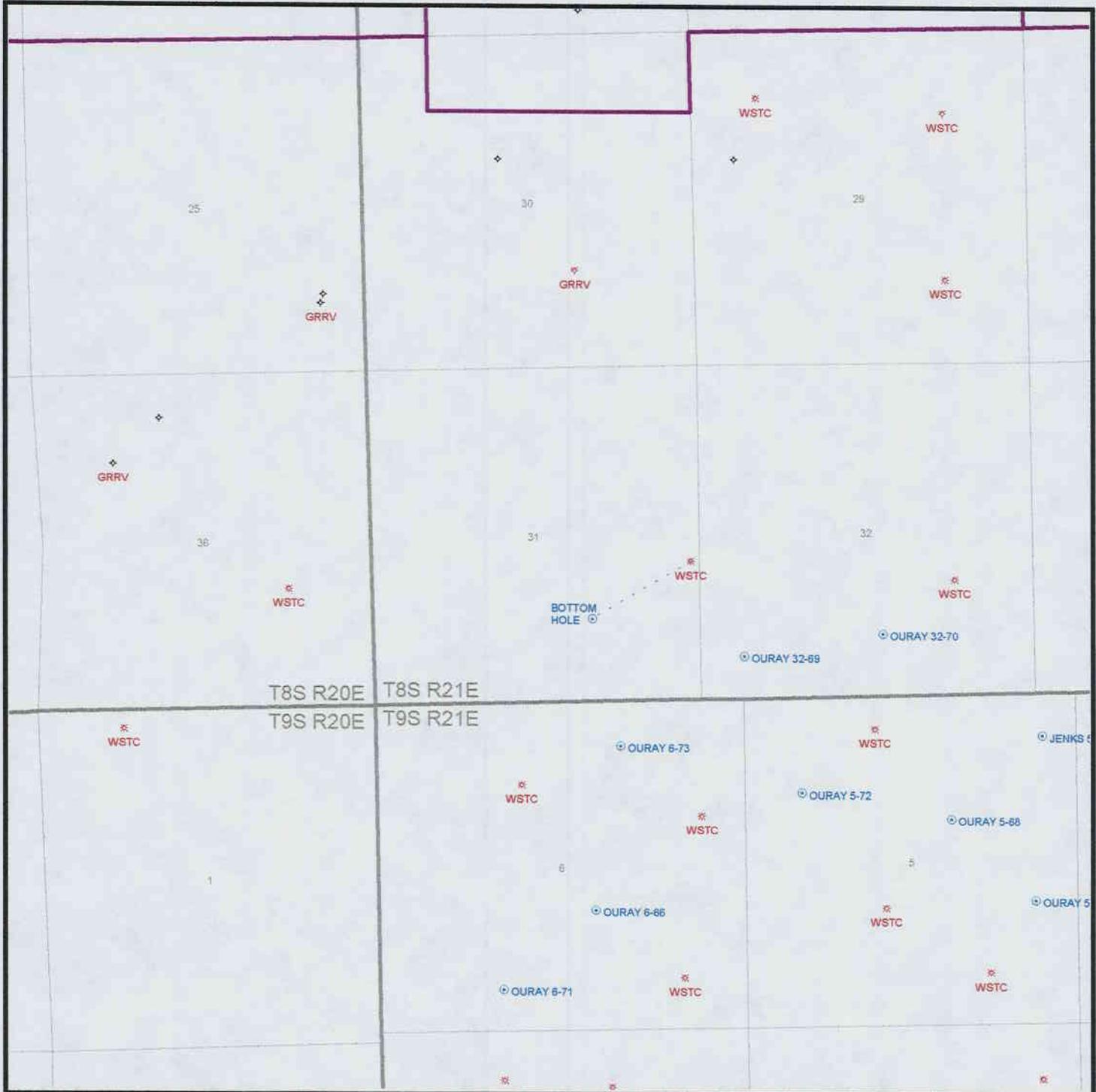
In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rule R649-3-31 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. For the proposed well this interval is approximately 1880 ' to 1994 ' below GL. The Operator shall report the actual depth the oil shale is encountered to the Division.

(2) FEDERAL APPROVAL



Department of Natural Resources  
Division of Oil, Gas & Mining

OPERATOR: COASTAL OIL & GAS CORP. (N0230)  
FIELD: NATURAL BUTTES (630)  
SEC. 31, TWP 8S, RNG 21E  
COUNTY: UINTAH  UNIT: NONE

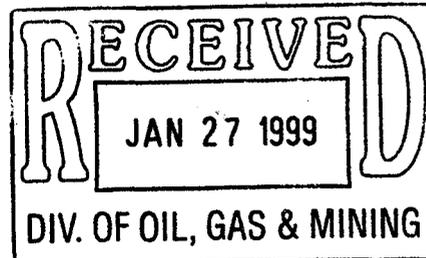


PREPARED  
DATE: 29-JAN-1999



**Coastal**  
The Energy People

January 22, 1999



Bureau of Land Management  
Vernal District Office  
170 South 500 East  
Vernal, Utah 84078

**ATTENTION: Ed Forsman**

Dear Ed,

Enclosed is the original and two copies of the Sundry Notice and Reports on Wells, requesting approval that the NBU SOP be amended to include the Ouray field, for all APD's Permitted.

If you have questions or need additional information, please do not hesitate to call me, (435) 789-4433.

Sincerely,

Cheryl Cameron

Environmental Analyst

**Coastal Oil & Gas Corporation**

A SUBSIDIARY OF THE COASTAL CORPORATION  
1776 S. 1500 E. • P.O. BOX 1149 • VERNAL, UTAH 84078 • TEL: 789-4433 • FAX: 801-739-4436

cc w/ encl: Mr. Ferron Secakuku  
Ute Tribe  
Energy & Minerals Resource Department  
P.O. Box 70  
Ft. Duchesne, UT 84026

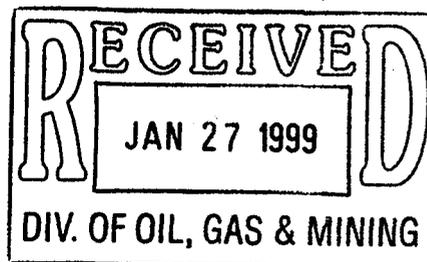
Mr. Charles H. Cameron  
Bureau of Indian Affairs  
Uintah & Ouray Agency  
Office of Minerals & Mining  
P.O. Box 130  
Ft. Duchesne, UT 84026

Ms. Lisha Cordova  
State of Utah  
Division of Oil Gas & Mining  
1594 West North Temple, Suite 1210  
Salt Lake City, UT 84114



January 21, 1999

Bureau of Land Management  
Vernal District Office  
170 South 500 East  
Vernal, Utah 84078



**ATTENTION: Ed Forsman**

**RE:** Ouray 5-67    Ouray 6-66    Ouray 5-68    Ouray 32-70    Ouray 6-71  
Ouray 5-72    Ouray 3-74    Ouray 2-81    Tribal 36-35    Jenks 5-41  
Ouray 6-73    Shoyo 3-59    Ouray 3-75    Ouray 34-79    Serawop 34-38  
Ouray 35-80    Ouray 32-69

Dear Ed,

Enclosed are the amendments to the **Drilling Program** for the surface casing, on the above referenced locations, for the APD's recently submitted. I apologize for any inconvenience this may cause.

Please do not hesitate to contact me if you have any questions or need additional information in the Vernal office, (435) 789-4433.

Sincerely,

  
Cheryl Cameron  
Environmental Analyst

**Coastal Oil & Gas Corporation**

A SUBSIDIARY OF THE COASTAL CORPORATION  
178 S. 100 E. • P.O. BOX 1133 • VERNAL, UT 84078 • TEL 789-4433 • FAX 801-789-4436

cc w/ encl: Mr. Ferron Secakuku  
Ute Tribe  
Energy & Minerals Resource Department  
P.O. Box 70  
Ft. Duchesne, UT 84026

Mr. Charles H. Cameron  
Bureau of Indian Affairs  
Uintah & Ouray Agency  
Office of Minerals & Mining  
P.O. Box 130  
Ft. Duchesne, UT 84026

Ms. Lisha Cordova  
State of Utah  
Division of Oil Gas & Mining  
1594 West North Temple, Suite 1210  
Salt Lake City, UT 84114

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or 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 (checked) Ouray field
2. Name of Operator: Coastal Oil & Gas Corporation (435) 789-4433
3. Address and Telephone No.: P.O. Box 1148, Vernal, UT 84078
4. Location of Well (Footage, Sec., T., R., M., or Survey Description): Future wells in Ouray field

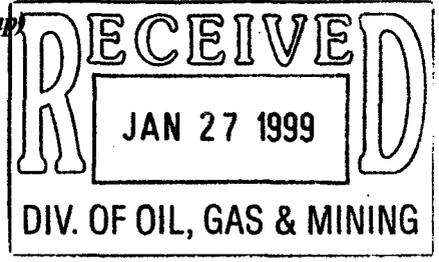
5. Lease Designation and Serial No.: Various
6. If Indian, Allottee or Tribe Name: Ute Tribe
7. If unit or CA, Agreement Designation
8. Well Name and No.: To be determined
9. API Well No.: To be determined
10. Field and Pool, or Exploratory Area: Ouray
11. County or Parish, State: Uintah

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA
TYPE OF SUBMISSION: Notice of Intent (checked), Subsequent Report, Final Abandonment Notice
TYPE OF ACTION: Abandonment, Recompletion, Plugging Back, Casing repair, Altering Casing, Other Standard Operating Procedure (checked), Change of Plans, New Construction, Non-Routine Fracturing, Water Shut-off, Conversion to Injection, Dispose Water

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)

Coastal Oil & Gas Corporation requests authorization to amend the approved NBU SOP to include the Ouray field. Coastal intends to utilize the NBU SOP for all APD permits submitted in the Ouray field. APD's for the Ouray field will be supplemented with site-specific information as required with the NBU SOP and any additional information pertaining to specific surface casing & cementing, kicker sand, and drilling fluids modifications (air mist/mud).

Section, Township, and Range, to be included are: (Refer to attached Topographic Map)
Sec. 1- 6, T9S, R21E
Sec. 1-4, T9S, R20E
Sec. 33-36, T8S, R20E
Sec. 31-36, T8S, R21E
Sec. 30 & 31, T8S, R22E
Sec. 6-T9S, R22E



14. I hereby certify that the foregoing is true and correct
Signed: Cheryl Cameron Title: Environmental Analyst Date: 1/20/99

(This space of Federal or State office use.)
Approved by: Title: Date:
Conditions of approval, if any:

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

\*See Instruction on Reverse Side

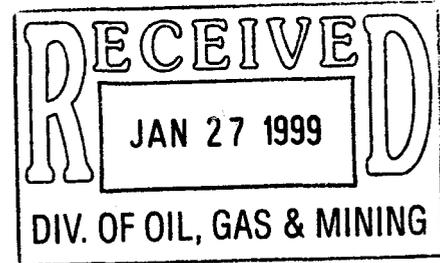
**OURAY 6-73  
655' FNL & 1971' FEL  
NW/NE SECTION 6-T9S-R21E  
UINTAH COUNTY, UTAH  
LEASE NUMBER: 14-20-H62-3022**

**ONSHORE ORDER NO. 1  
COASTAL OIL & GAS CORPORATION**

**DRILLING PROGRAM**

**1. Estimated Tops of Important Geologic Markers:**

| <u>Formation</u>     | <u>Depth</u> |
|----------------------|--------------|
| Duchesne River/Uinta | Surface      |
| Green River          | 2090'        |
| Wasatch              | 5535'        |
| Mesaverde            | 8840'        |
| Total Depth          | 9650'        |



**2. Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

| <u>Substance</u> | <u>Formation</u> | <u>Depth</u> |
|------------------|------------------|--------------|
| Oil/Gas          | Green River      | 2090'        |
|                  | Wasatch          | 5535'        |
|                  | Mesaverde        | 8840'        |
| Water            | N/A              |              |
| Other Minerals   | N/A              |              |

**3. Pressure Control Equipment:**

Please see the Natural Buttes Unit Standard Operating Procedure (SOP).

**4. Proposed Casing & Cementing Program:**

Please see the Natural Buttes Unit SOP.

Casing and Cementing Program changes from the Natural Buttes Unit SOP are as follows:

| <i>SURFACE CASING</i>   | <i>Depth</i> | <i>Hole Size</i> | <i>Csg Size</i> | <i>Wt/Ft</i> | <i>Grade</i> | <i>Type</i> |
|-------------------------|--------------|------------------|-----------------|--------------|--------------|-------------|
| Kicker Sand Not Present | 0-450'       | 11"              | 8-5/8"          | 24#          | K-55         | ST&C        |

| <i>Surface Casing</i>                  | <i>Fill</i>   | <i>Type &amp; Amount</i>   |
|--|---|--|
| Kicker Sand Not Present -- 0-450'      | 450'  | 135 sx Class "G" + 2% CaCl <sub>2</sub> , 15.6 ppg, 1.19 cf/sx (Cement will be circulated to surface, about 25% excess). |
| <i>Production Casing</i>               | <i>Type &amp; Amount</i>  |  |
| 500' above productive interval-surface | Lead: Extended, Lite, or Hi-Fill cement + additives, 11 ppg, 3.81 cf/sx.                        |  |
| TD-500' above productive interval      | Tail: Extended Class "G" or 50:50 Poz + additives, 14.3 ppg; or RFC, 14.0-14.5 ppg, 1.26 cf/sx. |  |

#### 5. **Drilling Fluids Program:**

Please see the Natural Buttes Unit SOP.

This well will be considered a candidate for disposal of its drilling fluids down the casing annulus. If this disposal method is considered viable by the Operator, a sundry shall be submitted to each appropriate regulatory agency for approval after drilling is completed. Regulatory approval will be obtained prior to execution. The following information shall be included in the sundry:

- Chemical constituency of the drilling fluid;
- Depths where the casing has been set;
- Depths of freshwater zones encountered during drilling;
- Procedure for protection of freshwater (potential drinking water) zones, if encountered;
- Presence of any lost circulation zones;
- Depth of target formation where drilling fluid will exit the wellbore;
- Water quality in the target formation prior to drilling fluid disposal;
- Explanation of target formation's suitability to accept drilling fluid;
- Preventative measures to be taken to ensure that drilling fluids will not re-enter the wellbore;
- Volume of fluids to be disposed of;
- Fluid pressure necessary to pump the drilling fluids.

#### 6. **Evaluation Program:**

Please see the Natural Buttes Unit SOP.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure approximately equals 3,860 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1,737 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates & Notification of Operations:**

*Please see the Natural Buttes Unit SOP.*

9. **Variations:**

*Please see the Natural Buttes Unit SOP.*

10. **Other Information:**

*Please see the Natural Buttes Unit SOP.*

**OURAY 6-73  
655' FNL & 1971' FEL  
NWNE, SECTION 6-T9S-R21E  
UINTAH COUNTY, UTAH  
LEASE NUMBER: 14-20-H62-3022**

**ONSHORE ORDER NO. 1**

***MULTI-POINT SURFACE USE & OPERATIONS PLAN***

An onsite inspection was conducted for the Ouray 6-73 on 12/8/98 at approximately 9:25 a.m. Weather conditions were cold at the time of the onsite. In attendance at the inspection were the following individuals:

|                 |                                     |
|-----------------|-------------------------------------|
| Sheila Bremer   | Coastal Oil & Gas Corporation       |
| Kenny Nielsen   | Coastal Oil & Gas Corporation       |
| Bill Rawlins    | Coastal Oil & Gas Corporation       |
| Carroll Wilson  | Coastal Oil & Gas Corporation       |
| Clinton Meyers  | Carrot Farm Ranch hand              |
| Greg Darlington | Bureau of Land Management           |
| Manuel Myore    | Bureau of Indian Affairs            |
| Alvin Ignacio   | Ute Tribe                           |
| Robert Kay      | Uintah Engineering & Land Surveying |
| Harley Jackson  | Jackson Construction                |
| Jim Justice     | J-West                              |
| John Faucett    | John E. Faucett Construction        |

**1. Existing Roads:**

Refer to Topo Map A for directions to the location.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

The corner of the existing road will be widened and a larger culvert installed.

**2. Planned Access Roads:**

*Please see the Natural Buttes Unit Standard Operating Procedure (SOP).*

Refer to Topo Map B for the location of the proposed access road.

**3. Location of Existing Wells Within a 1-Mile Radius:**

Please refer to Topo Map C.

**4. Location of Existing & Proposed Facilities:**

*Please see the Natural Buttes Unit SOP.*

Refer to Topo Map D for the location of the proposed pipeline. The proposed pipeline will be buried.

5. **Location and Type of Water Supply:**

*Please see the Natural Buttes Unit SOP.*

6. **Source of Construction Materials:**

*Please see the Natural Buttes Unit SOP.*

7. **Methods of Handling Waste Materials:**

*Please see the Natural Buttes Unit SOP.*

8. **Ancillary Facilities:**

*Please see the Natural Buttes Unit SOP.*

9. **Well Site Layout:** (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

As agreed to at the onsite, the location will be slick and then built up with approximately 1.5' of tundra if the well is productive. Also, the reserve pit will be lined. When the reserve pit is closed, the pit liner will be buried below plow depth.

10. **Plans for Reclamation of the Surface:**

*Please see the Natural Buttes Unit SOP.*

11. **Surface Ownership:**

The well pad and access road are located on lands owned by Ute Tribal allottee.

12. **Other Information:**

A Class III archaeological survey was conducted by Montgomery Archaeological Consultants. A copy of this report was submitted directly to the appropriate agencies by Montgomery Archaeological Consultants. Cultural resource clearance was recommended for this location.

**13. Lessee's or Operators's Representative & Certification:**

Sheila Bremer  
Environmental & Safety Analyst  
Coastal Oil & Gas Corporation  
P.O. Box 749  
Denver, CO 80201-0749  
(303) 573-4455

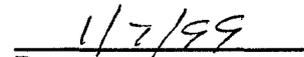
Tom Young  
Drilling Manager  
Coastal Oil & Gas Corporation  
9 Greenway Plaza, Suite 2770  
Houston, TX 77046  
(713) 418-4156

Certification: 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 approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

  
\_\_\_\_\_  
Sheila Bremer

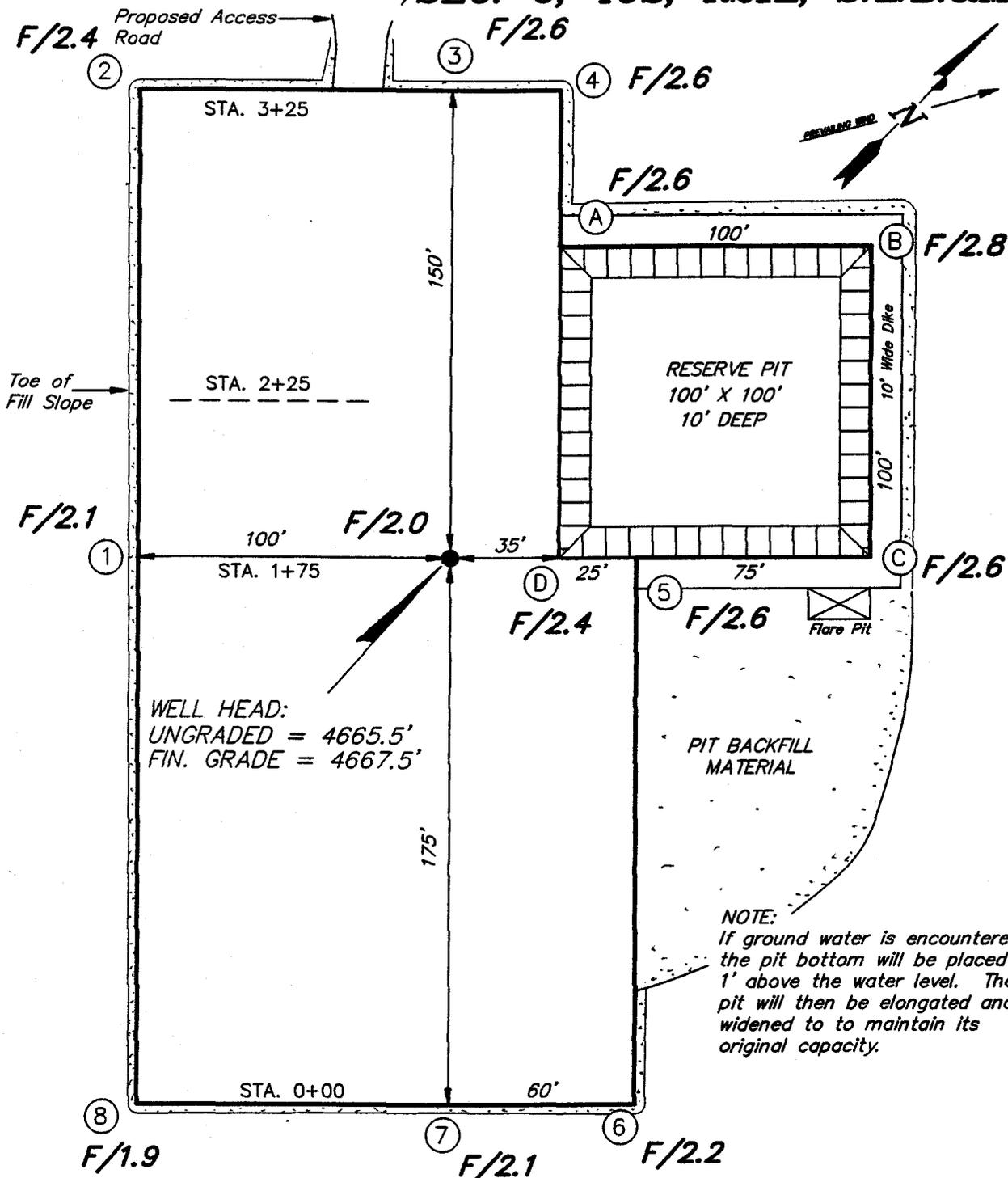
  
\_\_\_\_\_  
Date

# COASTAL OIL & GAS CORP.

UTE TRIBAL #6-73  
SEC. 6, T9S, R21E, S.L.B.&M.

Existing Road

Proposed Access Road



WELL HEAD:  
UNGRADED = 4665.5'  
FIN. GRADE = 4667.5'

NOTE:  
If ground water is encountered the pit bottom will be placed 1' above the water level. The pit will then be elongated and widened to maintain its original capacity.

## REFERENCE POINTS

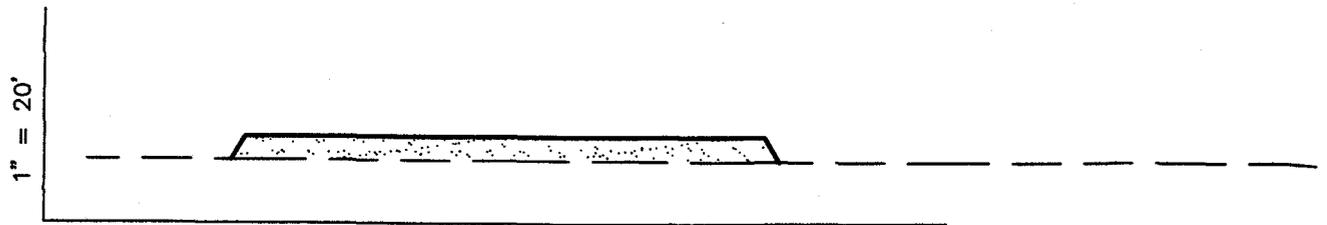
150' SOUTHWEST = 4665.5'  
200' SOUTHWEST = 4665.6'  
225' SOUTHEAST = 4665.4'  
275' SOUTHEAST = 4665.6'

|              |          |
|--------------|----------|
| SURVEYED BY: | D.S.     |
| DRAWN BY:    | J.R.S.   |
| DATE:        | 10-25-98 |
| SCALE:       | 1" = 50' |
| FILE:        |          |

**Tri State**  
Land Surveying, Inc.  
(801) 781-2501  
38 WEST 100 NORTH VERNAL, UTAH 84078

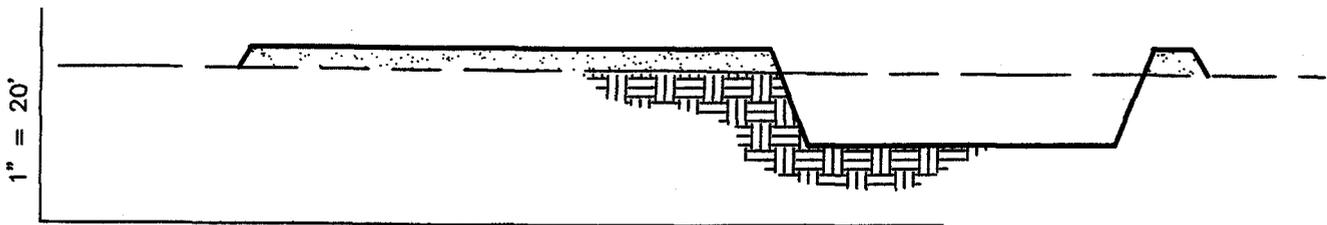
CROSS SECTIONS

UTE TRIBAL #6-73



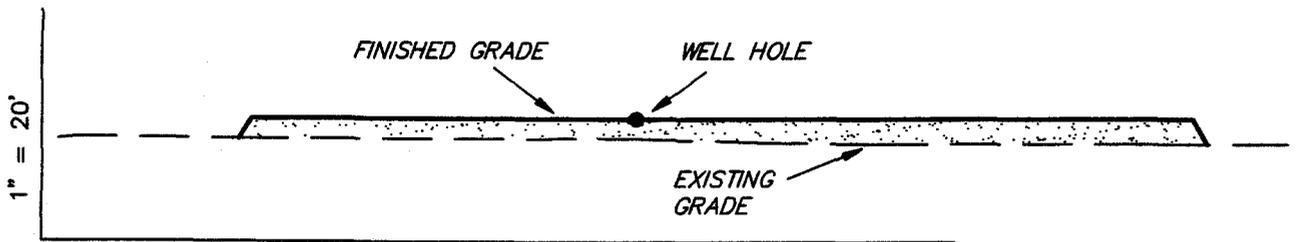
1" = 50'

STA. 3+25



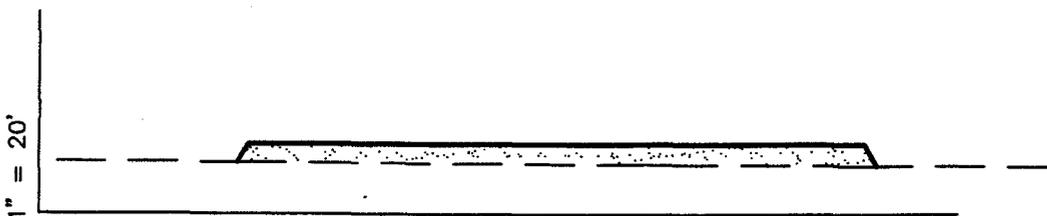
1" = 50'

STA. 2+25



1" = 50'

STA. 1+75



1" = 50'

STA. 0+00

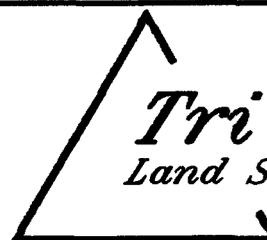
APPROXIMATE YARDAGES

CUT = 0 Cu. Yds.

FILL = 4,510 Cu. Yds.

PIT VOLUME BELOW

EXISTING GROUND = 2,140 Cu. Yds.



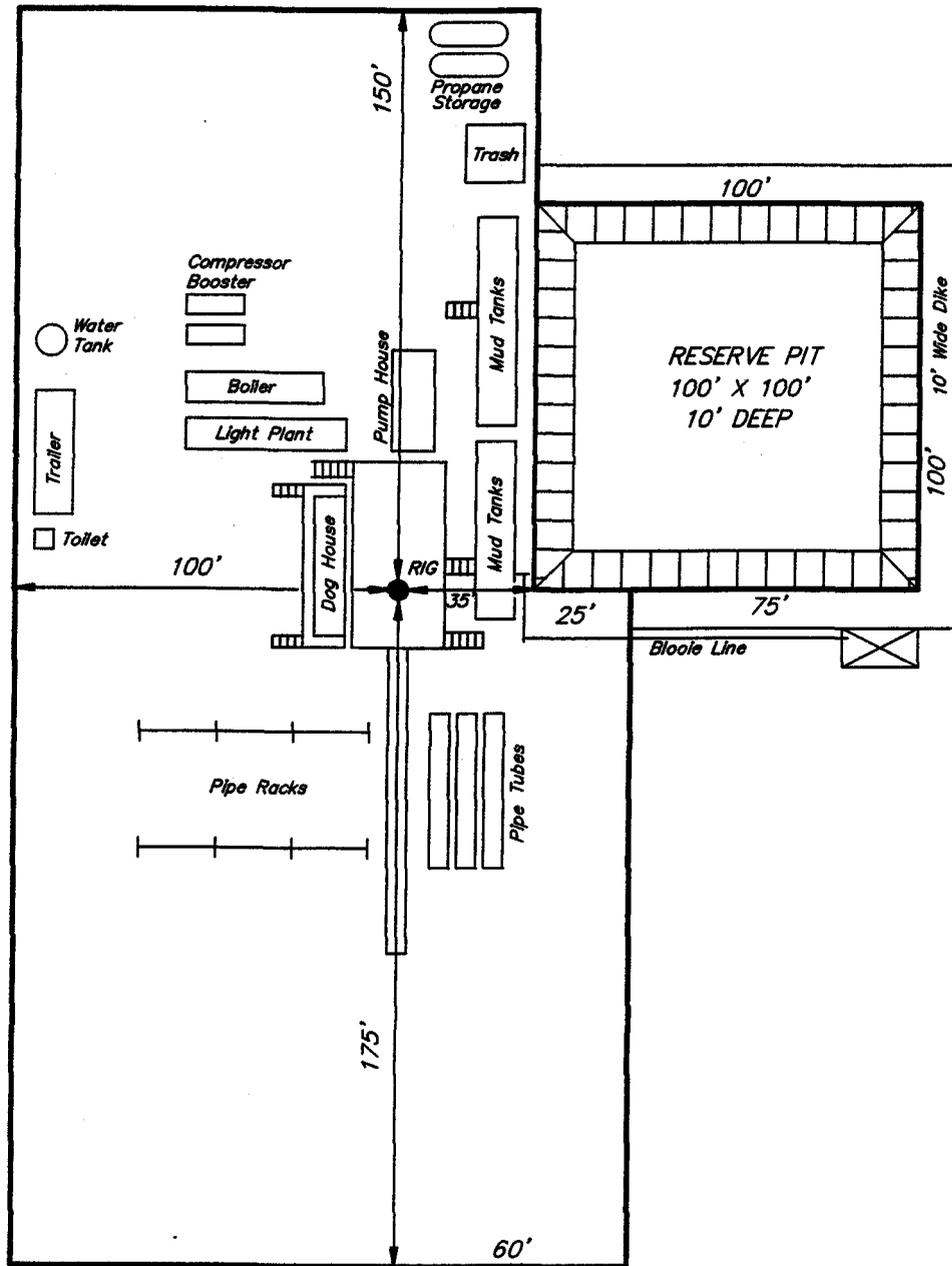
*Tri State*  
*Land Surveying, Inc.*

(801) 781-2501

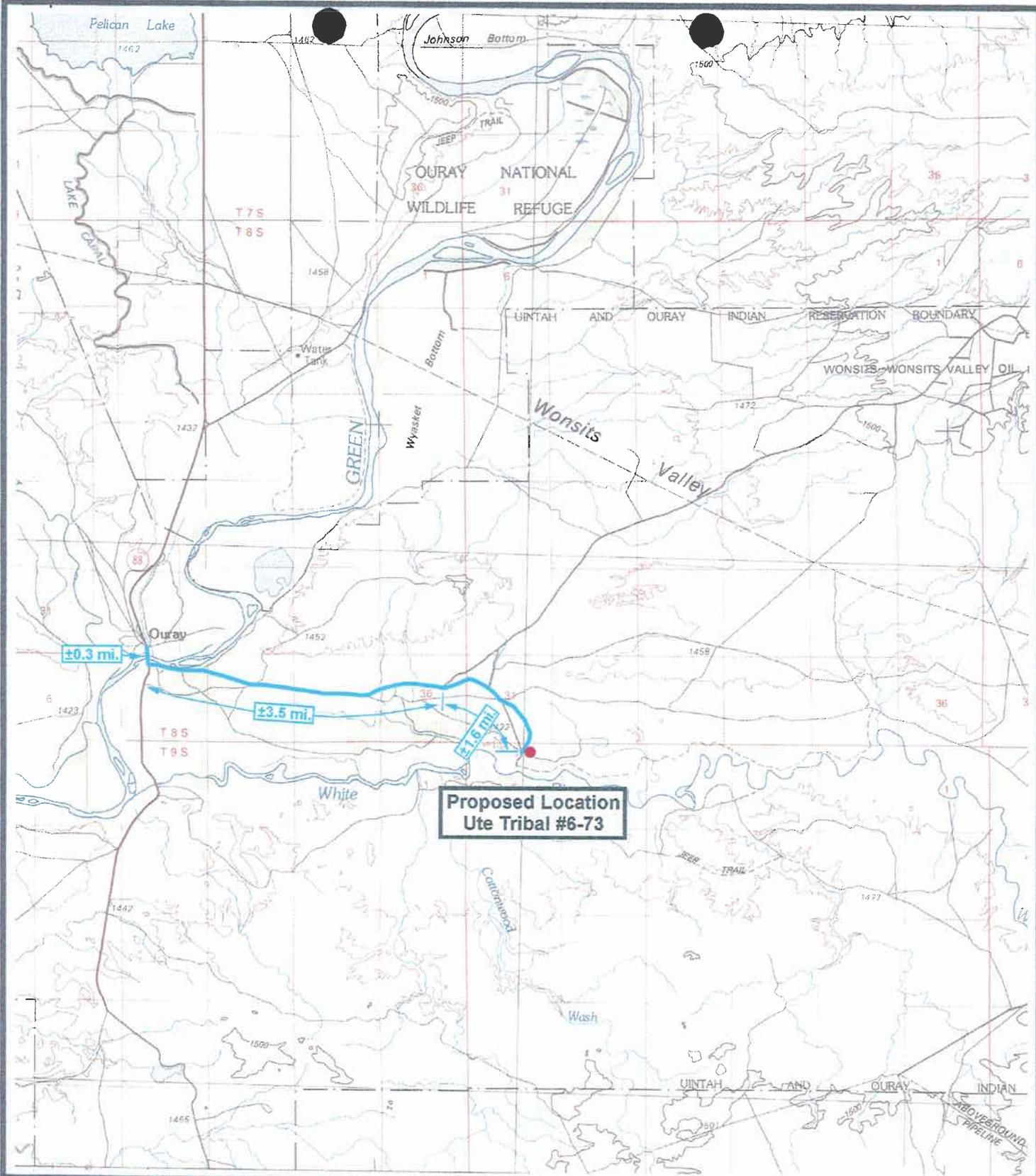
38 WEST 100 NORTH VERNAL, UTAH 84078

# TYPICAL RIG LAYOUT

## UTE TRIBAL #6-73



**Tri State**  
Land Surveying, Inc.  
(801) 781-2501  
38 WEST 100 NORTH, VERNAL, UTAH 84078



**Proposed Location  
Ute Tribal #6-73**



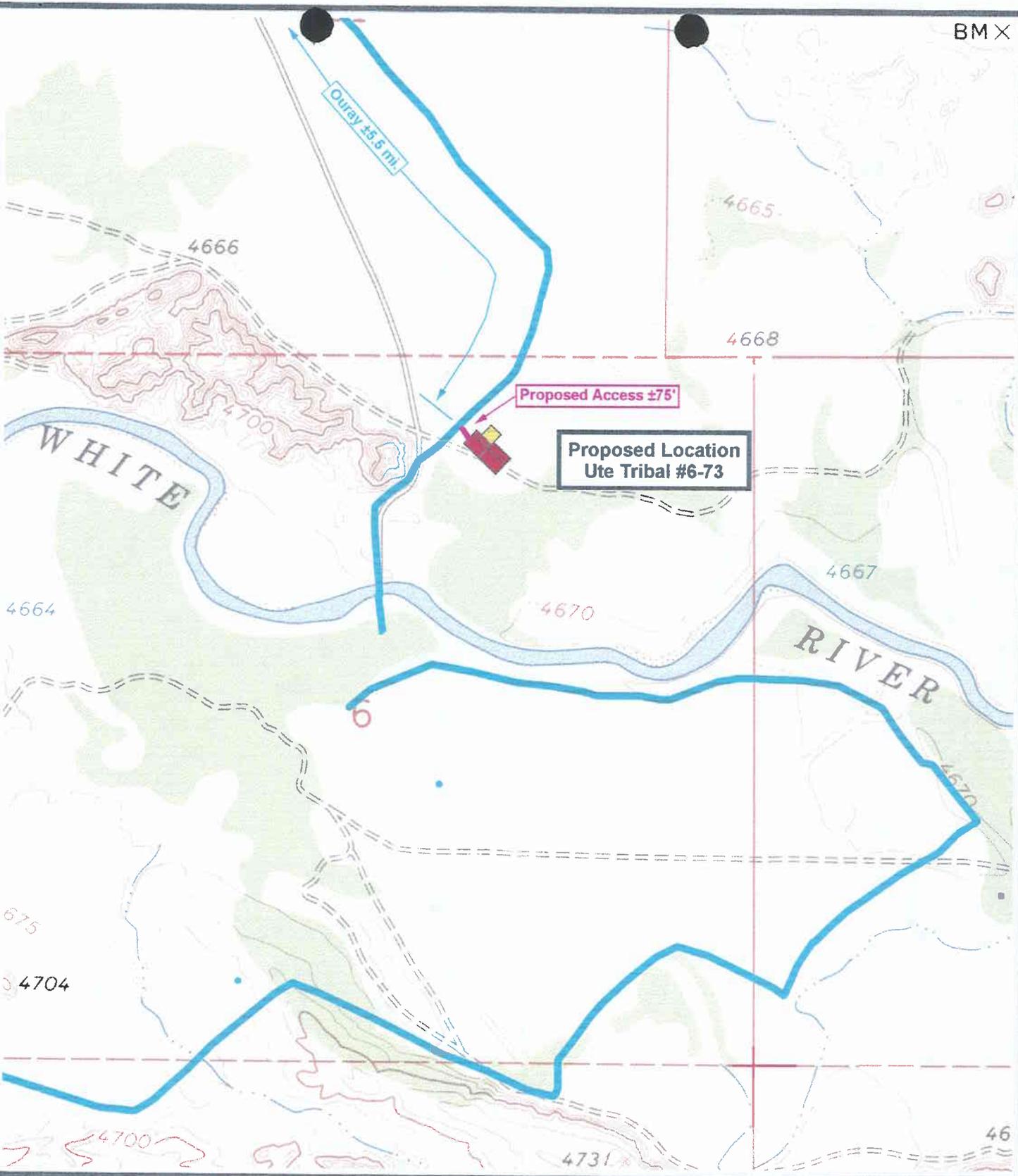
**UTE TRIBAL #6-73  
SEC. 6, T9S, R21E, S.L.B.&M.  
TOPOGRAPHIC MAP "A"**



|                    |           |
|--------------------|-----------|
| Drawn By: SS       | Revision: |
| Scale: 1 : 100,000 | File:     |
| Date: 10/15/98     |           |

**Tri-State Land Surveying Inc.  
P.O. Box 533, Vernal, UT 84078  
435-781-2501 Fax 434-781-2518**

BM X

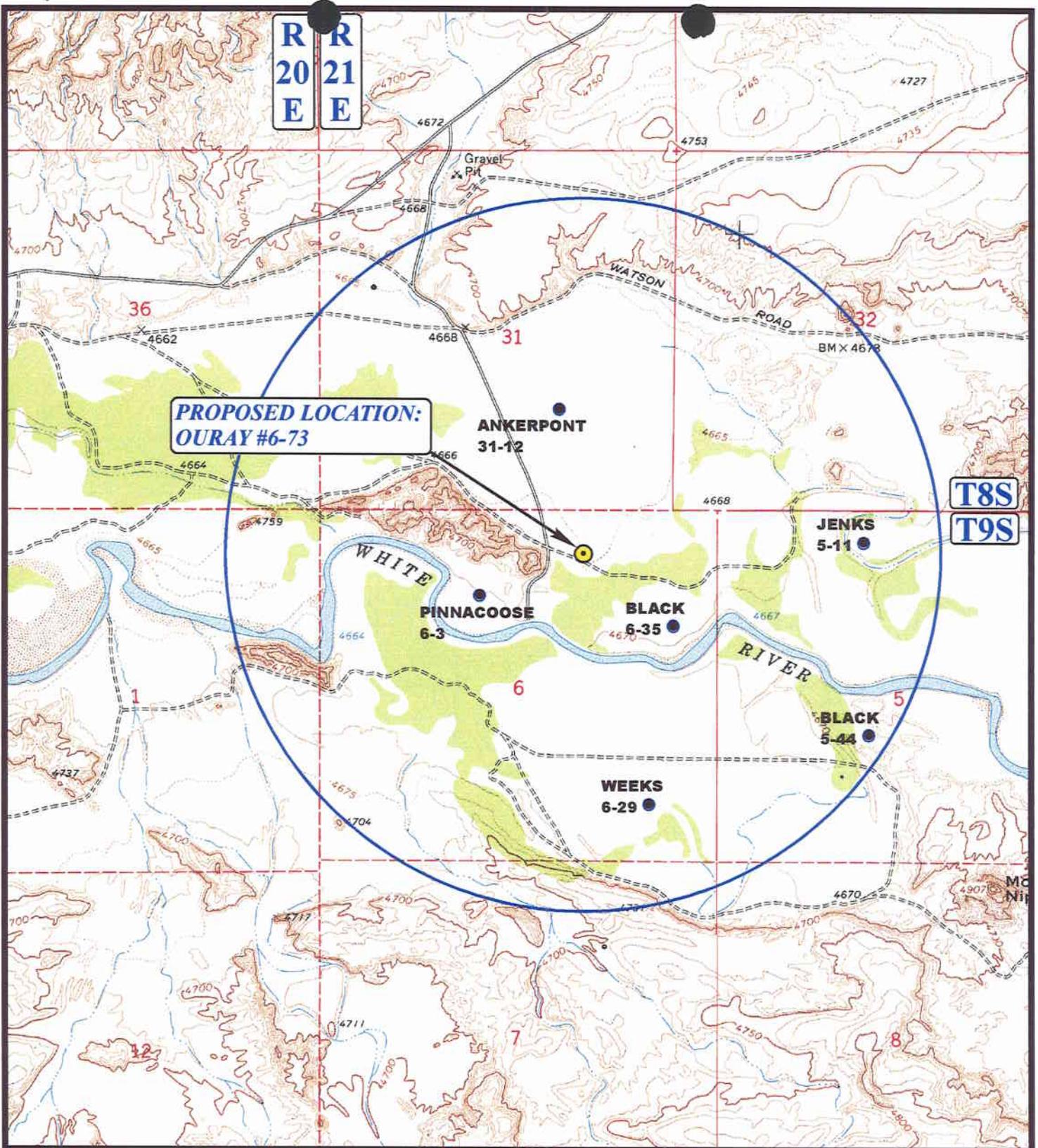


**UTE TRIBAL #6-73**  
**SEC. 6, T9S, R21E, S.L.B.&M.**  
**TOPOGRAPHIC MAP "B"**



|                   |           |
|-------------------|-----------|
| Drawn By: SS      | Revision: |
| Scale: 1" = 1000' | File:     |
| Date: 10/14/98    |           |

**Tri-State Land Surveying Inc.**  
**P.O. Box 533, Vernal, UT 84078**  
**435-781-2501 Fax 434-781-2518**



**PROPOSED LOCATION:  
OURAY #6-73**

**LEGEND:**

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



**COASTAL OIL & GAS CORP.**

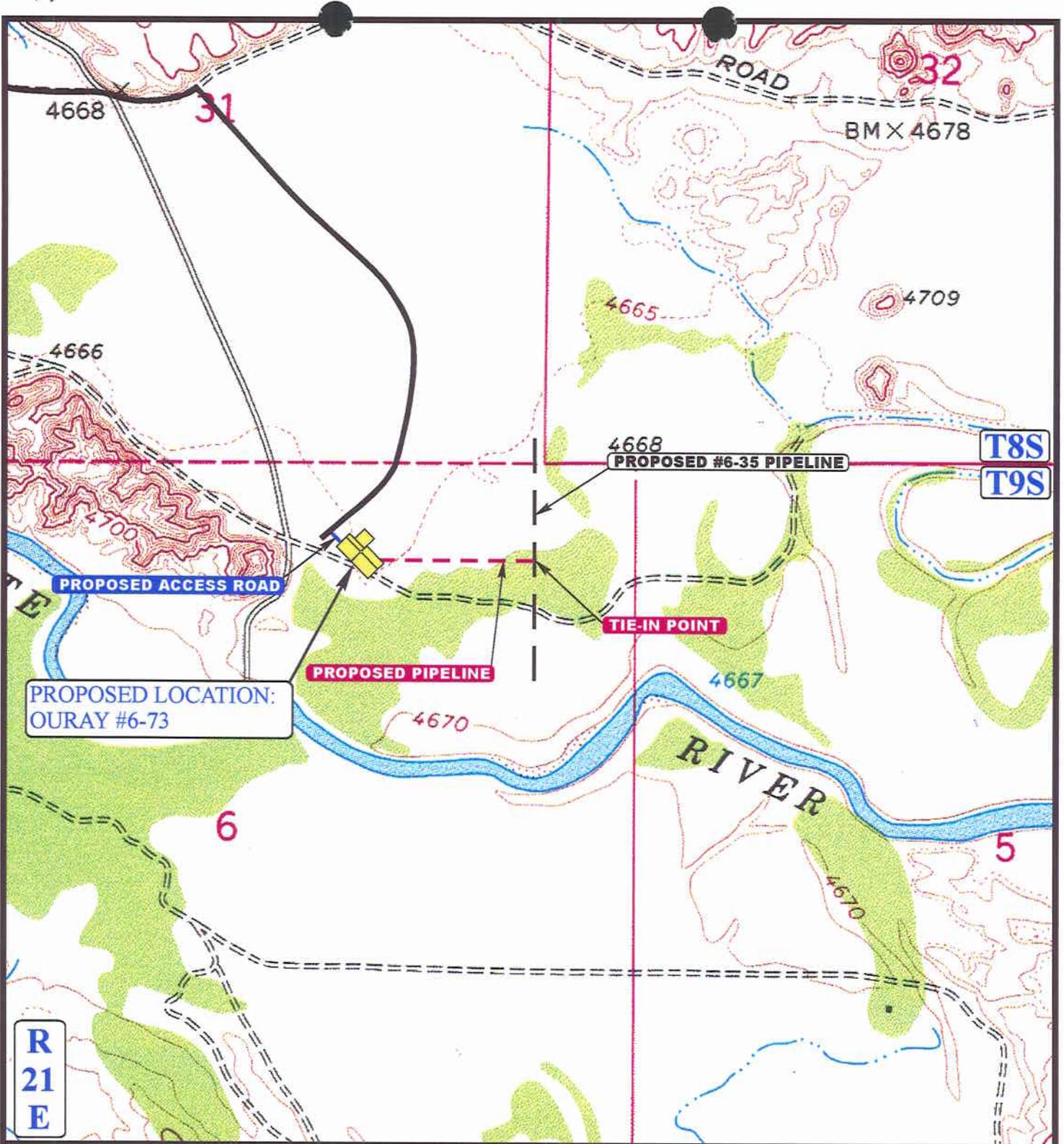
**OURAY #6-73  
SECTION 6, T9S, R21E, S.L.B.&M.  
655' FNL 1971' FEL**



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

**TOPOGRAPHIC** **1** **6** **99**  
**MAP** MONTH DAY YEAR  
SCALE: 1" = 2000' DRAWN BY: D.COX REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 1127' +/-

**LEGEND:**

-  EXISTING PIPELINE
-  PROPOSED PIPELINE
-  PROPOSED ACCESS



COASTAL OIL & GAS CORP.

OURAY #6-73  
SECTION 6, T9S, R21E, S.L.B.&M.  
655' FNL 1971' FEL



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

TOPOGRAPHIC 11 23 98  
MAP MONTH DAY YEAR

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





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)

February 8, 1999

Coastal Oil & Gas Corporation  
P.O. Box 749  
Denver, Colorado 80201-0749

Re: Ouray 6-73 Well, 655' FNL, 1971' FEL, NW NE, Sec. 6, T. 9 S., R. 21 E., Uintah  
County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-33286.

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: Coastal Oil & Gas Corporation

Well Name & Number: Ouray 6-73

API Number: 43-047-33286

Lease: Indian Surface Owner: Ute Tribe

Location: NW NE Sec. 6 T. 9 S. R. 21 E.

### Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours 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.

5. In accordance with the Order in Cause No. 190-5(b) dated October 28, 1982, the operator shall comply with the requirements of Rule R649-3-31 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. For the proposed well this interval is approximately 1,880' to 1,994' below G.L. The operator shall report the actual depth the oil shale is encountered to the Division.

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

DOGMA

**APPLICATION FOR PERMIT TO DRILL OR DEEPEN**

|   |  |  |               |
|---|--|--|---------------|
| 1a. TYPE OF WORK<br><b>DRILL</b> <input checked="" type="checkbox"/> <b>DEEPEEN</b> <input type="checkbox"/>  |  | 5. LEASE DESIGNATION AND SERIAL NO.<br><b>14-20-H62-3022</b> |               |
| b. TYPE OF WELL<br>OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>  |  | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME<br><b>Ute</b>           |               |
| 2. NAME OF OPERATOR<br><b>Coastal Oil &amp; Gas Corporation</b>   |  | 7. UNIT AGREEMENT NAME<br><b>N/A CA-9C-179</b>               |               |
| 3. ADDRESS AND TELEPHONE NO.<br><b>P.O. Box 749, Denver, CO 80201-0749 (303) 573-4455</b>   |  | 8. FARM OR LEASE NAME, WELL NO.<br><b>Ouray 6-73</b>         |               |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. *)<br>At surface<br><b>655' FNL 1971' FEL</b><br>At proposed prod. zone<br><b>Same as above</b> |  | 9. API WELL NO.  |               |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*<br><b>See Topo Map "A"</b>  |  | 10. FIELD AND POOL, OR WILDCAT<br><b>Ouray Field</b>         |               |
| 15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) <b>655'</b>   | 16. NO. OF ACRES IN LEASE<br><b>157.33</b> | 17. NO. OF ACRES ASSIGNED TO THIS WELL<br><b>77.93</b>       |               |
| 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. <b>See Topo Map C</b>   | 19. PROPOSED DEPTH<br><b>9650'</b>         | 20. ROTARY OR CABLE TOOLS<br><b>Rotary</b>                   |               |
| 21. ELEVATIONS (Show whether DF, RT, GR, etc.)<br><b>4665' Ungraded GL</b>  |  | 22. APPROX. DATE WORK WILL START*<br><b>Upon Approval</b>    |               |
| 23. PROPOSED CASING AND CEMENTING PROGRAM   |  |  |               |
| SIZE OF HOLE  | GRADE SIZE OF CASING                       | WEIGHT PER FOOT  | SETTING DEPTH |
| <b>See Attached</b>   |  |  |               |
| <b>Drilling Program</b>   |  |  |               |

Coastal Oil & Gas Corporation proposes to drill a well to the proposed TD as stated above. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

See the attached Drilling Program and Multi-point Surface Use & Operations Plan.

Coastal Oil & Gas Corporation is considered to be the operator of the subject well. It agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by: BLM Nationwide Bond #U605382-9, BIA Nationwide #114066-A, and State of Utah #102103.

RECEIVED  
FEB 26 1999  
RECEIVED  
JAN 11 1999

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

24. SIGNED Sheila Bremer TITLE Environmental & Safety Analyst DATE 1/7/99

(This space for Federal or State office use)

**NOTICE OF APPROVAL**

CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

PERMIT NO. \_\_\_\_\_ 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 Janey Kevan TITLE Acting Assistant Field Manager Mineral Resources DATE FEB 22 1999  
\*See Instructions On Reverse Side

CONDITIONS OF APPROVAL  
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Coastal Oil & Gas Corporation

Well Name & Number: 6-73

API Number: 43-047-33286

Lease Number: 14-20-H62-3022

Location: NWNE Sec. 06 T. 09S R. 21E

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

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

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

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

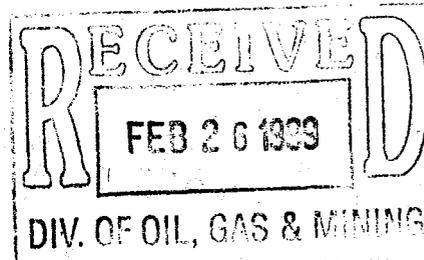
A. Drilling Program

1. Casing Program and Auxiliary Equipment

The hole size for the surface casing shall be a minimum of 12 1/4" diameter, to facilitate remedial cementing

2. Mud program and Circulating Medium

The request to consider disposing of drilling fluids down the casing annulus is denied.



**SURFACE CONDITIONS OF APPROVAL**  
Coastal Oil and Gas Company  
Well # 6-73 Ouray (Ute Tribal)  
Lease 14-20-H62-3022

The Ute Tribe Energy and Mineral Department is to be notified 48 hours in writing in advance of any construction activity. The Ute Tribal office days are Monday through Thursday. The Ute Tribe Energy and Minerals Department is to be notified in writing of any changes that are made to the original application and ROW. Approved changes will be provided in writing from the Ute Tribe. The Tribal Technician shall be notified and monitor backfilling of reserve pits.

Thirty foot wide Rights-Of-Way (ROWs) corridor shall be granted for the following:

Access roads which shall have constructed travel width limited to 18 feet, except as granted for sharp curves or intersections or where deep cuts are required for road construction. The new access will be about 75 feet in length and would be within the pad ROW grant.

A surface steel production flowline is planned for this project. The flowline shall be buried in the fields and the remaining portions will be above ground.

Surface pipelines will be constructed to lay on the soil surface, and the ROW for the pipeline will not be bladed or cleared of vegetation. The line shall either be constructed on the road and then lifted from the road to its intended location paralleling the road, or it shall be welded in place at a welding station located at the wellsite or on roads near the flowline right of way and then dragged into place with a suitable piece of equipment so it will not destroy the natural vegetation. If the flowline doesn't follow existing and APD proposed new access roads then traffic shall be restricted along pipeline ROWs so that they will not be used as an access road. The 1128 foot long route for the flowline is indicated in the APD on Map D.

Buried flowlines shall be a minimum of four feet below the surface. After the construction of the pipeline is completed the disturbed area of the ROW shall be contoured to blend into the natural landscape, and it shall be reseeded with desirable vegetation. Between September 15 and November 1 of the year following pipeline construction of the buried line all disturbed areas shall be reseeded with perennial vegetation according to BIA, or to Ute Tribe specifications.

As necessary one-foot gravel fill will be used for production facilities and access roads. When wellsites are plugged and abandoned gravel will be removed from the affected fields and reclamation will be according to BIA specifications.

Construction of wellsites will not occur during the period April 1 to July 15, due to potential flooding of the White River. During the drilling and production program a 2-foot high berm shall be constructed around the location and irrigation ditches will be rerouted around the location.

Coastal will assure the Ute Tribe that any/all contractors and subcontractors have acquired a current Tribal Business License and have access permits prior to construction.

Coastal employees, representatives, and subcontractors shall not carry firearms on their person or in their vehicles while working on the Uintah and Ouray Indian Reservation.

Coastal employees and/or authorized personnel (subcontractors) in the field will have applicable APD's and/or ROW permits/authorizations on their person(s) during all phases of construction.

All vehicular traffic, personnel movement, construction, and restoration activities shall be confined to the areas examined, as referenced in report, and to the existing roadways and/or evaluated access routes.

All personnel should refrain from collecting artifacts, any paleontological fossils, and from disturbing any significant cultural resources in the area.

The Ute Tribe Energy & Mineral Department shall be consulted if cultural remains (including paleontology fossils) from subsurface deposits are exposed or identified during construction or if the need arises to relocate or otherwise alter the location of the construction area. Prior to commencing constructing in the area where cultural resources are exposed the operator must obtain authorization from the BIA and the Ute Tribal Department of Cultural Rights and Protection.

Before the site is abandoned, the company will be required to restore the well site and ROWs to near their original state. The disturbed areas will be reseeded with desirable perennial vegetation.

Noxious weeds will be controlled on the well site and rights-of-way. If noxious weeds spread from the project area onto adjoining land, the company will also be responsible for their control.

When the reserve pit is dug: if groundwater is encountered then the pit bottom will be placed one foot above the water level. The pit will then be elongated and widened to maintain its original capacity. The Ute Tribe Energy and Minerals Department will be notified of the changes to be made so that a Tribal Technician can monitor the construction of the revised reserve pit.

Reserve pits will be lined with impervious synthetic liners. Liners will be constructed to lay under the mud tanks, and they will be reinforced to prevent the liner from developing holes where fluids flow from the mud tank into the reserve pit. Liners will be at least 10-mil thick minimum. Pits will be fenced and fences will be maintained as described in Coastal's Standard Operating Procedures for their APD's in the Natural Buttes Unit. Prior to backfilling the reserve pit all fluids will be pumped from the pit into trucks and hauled to approved disposal sites. When the pits are backfilled, the surplus oil and mud etc. will be buried a minimum depth of 3.0 feet below the surface of the soil. The flare pit will be adjacent to the reserve pit.

A closed production system will be used. Production fluids will be contained in leak proof tanks. Low profile tanks will be used to minimize problems with irrigation systems. All production fluids will be disposed of at approved disposal sites. The indiscriminate dumping of production fluids on roads, wellsites or other areas will not be allowed.

Upon completion of the project approved under this Application for Permit to Drill and Right-of-way, the Ute Tribe Energy & Minerals Resources Department will be notified by Coastal Oil and Gas Company so that a Tribal Technician can verify Affidavit of Completion's.

**DATE:** January 22, 1999

**REPLY TO  
 ATTN OF:**

Superintendent, Uintah & Ouray Agency

**SUBJECT:**

APD Concurrence for COASTAL OIL & GAS CORP.

RECEIVED

JAN 23 1999

**TO:** Bureau of Land Management, Vernal District Office  
 Attn: Minerals and Mining Division

We recommend approval of the Application for Permit to Drill (APD) for a drillsite, access road, and pipeline, with required stipulations:

Ouray 5-72, SWNW, Sec. 5, T9S, R21E, SLBM  
 Ouray 5-68, SWNE, Sec. 5, T9S, R21E, SLBM  
 Ouray 5-67, NWSW, Sec. 5, T9S, R21E, SLBM  
 Ouray 6-73, NWSE, Sec. 6, T9S, R21E, SLBM  
 Ouray 6-66, NWSE, Sec. 6, T9S, R21E, SLBM

Based on available information received on 12/08/98, the proposed location was cleared in the following areas of environmental impact.

|     |  |    |   |  |
|-----|--|----|---|--|
| YES |  | NO | X | Listed threatened or endangered species  |
| YES |  | NO | X | Critical wildlife habitat  |
| YES |  | NO | X | Archaeological or cultural resources   |
| YES |  | NO |   | Air quality aspects (to be used only if Project is in or adjacent to a Class I area) |

Enclosed is a copy of the BIA's Environmental Analysis (EA). Please refer to Item 6.0 for Mitigation Stipulations.

**REMARKS:** The Ute Tribe Energy & Minerals (E&M) Department also requires that all companies adhere to the following criteria, during and after, all phases of construction activities.

1. **The Ute Tribe Energy and Minerals Department is to be notified in writing of any changes that are made to original application and rights-of-way. Approved changes will be provided in writing from the Ute Tribe.**
2. **The Ute Tribe Energy and Minerals Department will be notified 48 hours, in writing in advance to any construction activity. The Ute Tribal office days are Monday to Thursday.**
3. 30-foot wide pipeline rights-of-way shall be granted and buried pipelines shall be a minimum of 4 feet below surface.
4. Pipeline ROW will not be used as an access road.
5. All access roads will be granted in accordance with BIA mitigative stipulations.
6. Reserve pit liners will be 10-mil thick minimum. Upon backfilling the liners will be buried a minimum of 4 feet deep. **Tribal technician to be notified and monitor back filling of reserve pits.**

**SITE SPECIFIC  
PRIVATE  
ENVIRONMENTAL ASSESSMENT**

RECEIVED  
JAN 22 1999

**1.0 - PROPOSED ACTION**

Coastal Oil & Gas is proposing to drill a well, the Ouray # 6-73, and to construct 0.0' feet of access road right-of-way within damaged area, and approximately 1127.45' feet of pipeline right of way. This project will be constructed along disturbed and undisturbed area a moderate amount of surface disturbance will occur. There will be some native vegetation which will encroach on the rights -of-way which will be bladed off the road, but left as is on the surrounding areas in order for the vegetation to grow back as close to natural. All pipelines must adhere to mitigation stipulated in 6.0, D-E

**2.0 - ALTERNATIVE ACTIONS**

- A. ALTERNATIVE CONSIDERED: The proposed action is the preferred alternative.
- B. NO ACTION: Under the no action alternative the proposed action would not be implemented.
- C. OTHER: NA

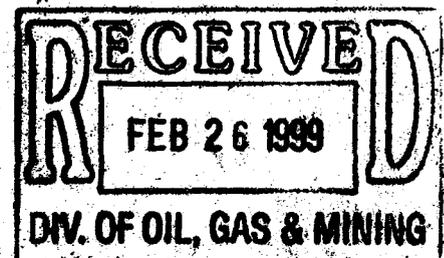
**3.0 - PERMITTEE/LOCATION**

|               |   |
|---------------|---|
| Permittee     | Coastal Oil & Gas   |
| Date          | 12-08-98  |
| Well number   | Ouray # 6-73  |
| Right-of-way  | Access Road R.O.W 0.0' feet, Pipeline R.O.W 1127.45' feet |
| Site location | NW/SE 1/4 Sec 6 T9S R21E S.L.B.&M                         |

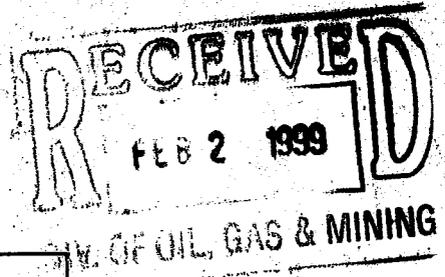
**4.0 - SITE SPECIFIC SURVEY**

**A. SITE DESCRIPTION**

|                                  |   |
|----------------------------------|---|
| 1. Elevation (feet)              | 4666  |
| 2. Annual precipitation (inches) | 4 to 6  |
| 3. Topography                    | Rolling hills   |
| 4. Soil                          | (0 to 6") sandy loam having a rapid water intake rate and permeability. |
| 5. Estimate Infiltration Rate    | Moderate  |



## 5.0 - ENVIRONMENTAL IMPACTS



### A. SURFACE ALTERATIONS:

|                          | Acres |
|--------------------------|-------|
| 1. Access road           | 0.0   |
| 2. Well site             | 2.54  |
| 3. Pipeline right-of-way | 0.77  |
| 4. Total area disturbed  | 3.31  |

### B. VEGETATION/LANDSCAPE

|  |      |
|--|------|
| 1. Production loss (AUM's)/year:                 | 0.22 |
| 2. Permanent scar on landscape (yes or no):      | Yes  |
| 3. Potential impacts to T&E species (yes or no): | No   |

### C. SOIL/RANGE/WATERSHED

There will be an increase in wind and water erosion as a result of removing vegetation and exposing the soil from construction of the wellsite and access road. This will increase water runoff and the soil will remain exposed causing erosion to continue for the life of the well, and until the site is rehabilitated.

Within 90 days after the well is completed excess fluids will be removed from the reserve pits and hauled to an approved disposal site, and the pits will be backfilled.

The area is presently used as rangeland and permits have been issued by BIA for grazing livestock. This project will reduce livestock grazing by approximately 0.22 AUM/ year.

The area is not used as irrigated cropland and a water right has not been designated for the area.

## 6.0 - MITIGATION STIPULATION

### A. VEGETATION/LANDSCAPE

1. Before the site is abandoned the company will be required to restore the well pad, and access road to near their original state. The disturbed area will be reseeded with desirable perennial vegetation.

2. Noxious weeds will be controlled on all well sites and rights-of-way. If noxious weeds spread from the well sites or rights-of-way onto adjoining land, the company will also be responsible for their control.

### B. SOILS/RANGE/WATERSHEDS

1. Soil erosion will be mitigated by reseeding all disturbed areas.

2. Approximately 17 rods of fence will be constructed around the reserve pit until it is back filled.

3. Loading of the soil and geological formations from pollutants from disposed water and other oil field by-products will be mitigated by requiring the oil company to:

- a) Using an open drilling system. This means that reserve pits will be lined with impervious synthetic liners. Prior to back-filling the reserve pit all fluids will be pumped from the pit into trucks and hauled to approved disposal sites. When the reserve pits are back-filled the surplus oil and mud, etc. will be buried a minimum of 3.0 feet below the surface of the soil.
- b) A closed system will be used during production. This means that production fluids will be contained in leak proof tanks. All production fluids will be disposed of at approved disposal sites.
- c) Production water, oil, and other by-products will not be applied to roads or well pads for the control of dust or weeds. Indiscriminate dumping of oil field by-products on tribal lands will not be allowed.

#### **C. ACCESS ROADS**

Although the access road right-of-way is 30 feet wide, the constructed travel width of the access road shall be limited to 18 feet, except it may be wider where sharp curves, deep cuts and fills occur, or where intersections with other roads are required.

#### **D. SURFACE PIPELINES**

Surface pipelines will be constructed to lay on the soil surface, and the right-of-way will not be blades or cleared of vegetation without site specific authorization from BIA.

Where surface pipelines do not parallel roads but cross country between stations, they shall be welded in place at wellsites or on access roads and then they shall be pulled between stations with a suitable piece of equipment. Traffic will be restricted along these areas so that the pipeline right-of-way will not be used as an access road.

#### **E. BURIED PIPELINES**

Buried pipelines shall be buried a minimum of 3.0 feet below the soil surface. After construction of the pipeline is completed the disturbed area of the right-of-way shall be contoured to blend into the natural landscape, and it shall be reseeded with desirable vegetation .

Between September 15 and November 1 of the year following pipeline construction all disturbed areas shall be reseeded with perennial vegetation according to BIA, or Ute Tribe specification.

#### **F. WILDLIFE/VEGETATION/THREATENED & ENDANGERED SPECIES**

No Threatened & Endangered species have been identified associated with this project. Therefore, no stipulations have been developed for their protection.

The operator, their employees, sub-contractor, and representatives shall not carry firearms on their person or in their vehicles while working on the Uintah & Ouray Indian Reservation.

#### **G. CULTURAL RESOURCES**

1. All vehicular traffic, personnel movement, construction and restoration operations shall be confined to the flagged areas and corridors examined as referenced in the cultural resource survey.

2. All personnel and their sub-contractors shall refrain from collecting artifacts and from disturbing any cultural resources in the area.

3. Authorized officials and their sub-contractors shall immediately stop construction activities and shall consult with BIA and the Ute Indian Tribal Department of Energy & Minerals should cultural remains from subsurface deposits be exposed during construction work or if the need arises to relocate or otherwise alter the location of the construction area. (Construction activities may resume in areas outside of the area where cultural resources are not exposed.) Prior to commencing constructing in the area where cultural resources are exposed the operator must obtain authorization from BIA and the Ute Tribal Department of Cultural Rights and Protection.

## 7.0 - UNAVOIDABLE ADVERSE IMPACTS

### A. SURFACE ALTERATIONS

None of the adverse impacts listed in 5.0 above can be avoided in a practical manner except those which are mitigated in item 6.0 above and those specified in BLM's 13 point surface use plan.

### B. RELATIONSHIP BETWEEN SHORT-TERM USE OF THE ENVIRONMENT VS LONG TERM PRODUCTIVITY.

1. Short Term: (Estimated 20 years) A total loss of production on the land and the associated environmental impacts will continue to influence the surrounding area for the productive life of the well.

2. Long Term: Standard policies provide for rehabilitation of the well sites and access roads. After the land is rehabilitated, it is not expected to return to its original productive capability. Normally, there will be a permanent scar left on the landscape.

### C. IRREVERSIBLE AND IRRETRIEVABLE COMMITMENT

Oil and Gas are non-renewable resources, once they have been removed they can never be replaced.

## 8.0 - CUMULATIVE IMPACTS

### A. FULL DEVELOPMENT

Each additional well drilled for development increases the soil erosion potential, reduces wildlife habitat and grazing, increases potential soil and geologic pollution resulting from salt loading, reduces the soil's potential to recover, and increases the potential of water pollution from produced waters and hydro-carbons. Therefore, strict conformance with the mitigation measures and recommendations in this document is emphasized to minimize the adverse environmental impacts.

## 9.0 - NEPA COMPLIANCE

### A. RESEARCH/DOCUMENTATION

Based on available information, 12-08-98, the proposed location in the following areas of environmental impacts has been cleared:

(Yes or No)

|  |    |
|--|----|
| Listed Threatened & Endangered species | No |
| Critical wildlife habitat              | No |
| Historical and cultural resources      | No |
| Flood Plains                           | No |
| Wetlands                               | No |
| Riparian Areas                         | No |

**10.0 - REMARKS**

**A. SURFACE PROTECTION/REHABILITATION**

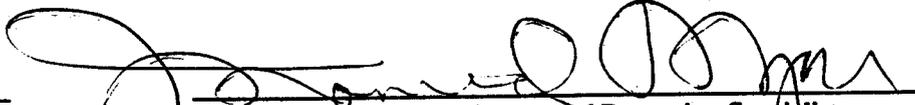
All essential surface protection and rehabilitation requirements are specified above.

**11.0 - RECOMMENDATIONS**

**A. APPROVAL/DISAPPROVAL**

We recommend approval of the proposed action as outlined in item 1.0 above.

Date: 1-19-99

  
\_\_\_\_\_  
Representative, BIA Environmental Protection Specialist  
Uintah and Ouray Agency

**12.0 - DECLARATION**

**A. APPROVAL**

It has been determined that the proposed action is not a federal action significantly affecting the quality of the environment as it would require the preparation of an environmental impact statement in accordance with Section 102 (2) (c) of the National Environmental Policy Act of 1969 (42 USC 4331) (2) (C).

Date: 1/21/99

  
\_\_\_\_\_  
Superintendent, Uintah and Ouray Agency

**13.0 - CONSULTATION**

**A. REPRESENTATIVES/ORGANIZATION**

Sheila Bremer - Coastal Oil & Gas.  
Greg Darlington- BLM.  
Robert Kay-UELS

Alvin Ignacio- UTEM  
Manuel Myore-BIA  
Carroll Wilson-Coastal Oil & Gas

Jim Justice-J&R Const.  
Harley Jackson-Jackson Const.  
John Fausett-Fausett Const.

EA.Coastal Oil & Gas Ouray # 6-73

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or 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

2. Name of Operator  
Coastal Oil & Gas Corporation

3. Address and Telephone No.  
P.O. Box 1148 Vernal, UT 84078 (435) 781-7023

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
NW/NE Sec. 6, T9S, R21E  
655' FNL & 1971' FEL

5. Lease Designation and Serial No.  
14-20-H62-3022

6. If Indian, Allottee or Tribe Name  
Ute

7. If unit or CA, Agreement Designation  
CA-9C-179

8. Well Name and No.  
Ouray #6-73

9. API Well No.  
43-047-33286

10. Field and Pool, or Exploratory Area  
Ouray Field

11. County or Parish, State  
Uintah County, UT

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

TYPE OF SUBMISSION

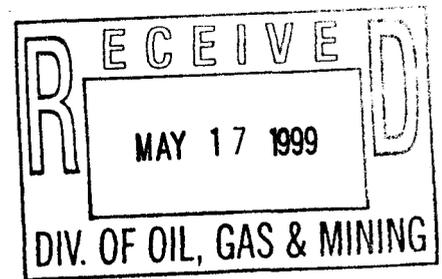
- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

TYPE OF ACTION

- |  |  |
|--|--|
| <input type="checkbox"/> Abandonment                                 | <input type="checkbox"/> Change of Plans         |
| <input type="checkbox"/> Recompletion                                | <input type="checkbox"/> New Construction        |
| <input type="checkbox"/> Plugging Back                               | <input type="checkbox"/> Non-Routine Fracturing  |
| <input type="checkbox"/> Casing repair                               | <input type="checkbox"/> Water Shut-off          |
| <input type="checkbox"/> Altering Casing                             | <input type="checkbox"/> Conversion to Injection |
| <input checked="" type="checkbox"/> Other <u>Amended Access Road</u> | <input type="checkbox"/> Dispose Water           |
- (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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

Attached is an amended location layout diagram and Topographic Map "B" with the new access route to the subject location.



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

Signed Cheryl Cameron  
Cheryl Cameron

Title Environmental Analyst

Date 5/14/99

(This space of Federal or State office use.)

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

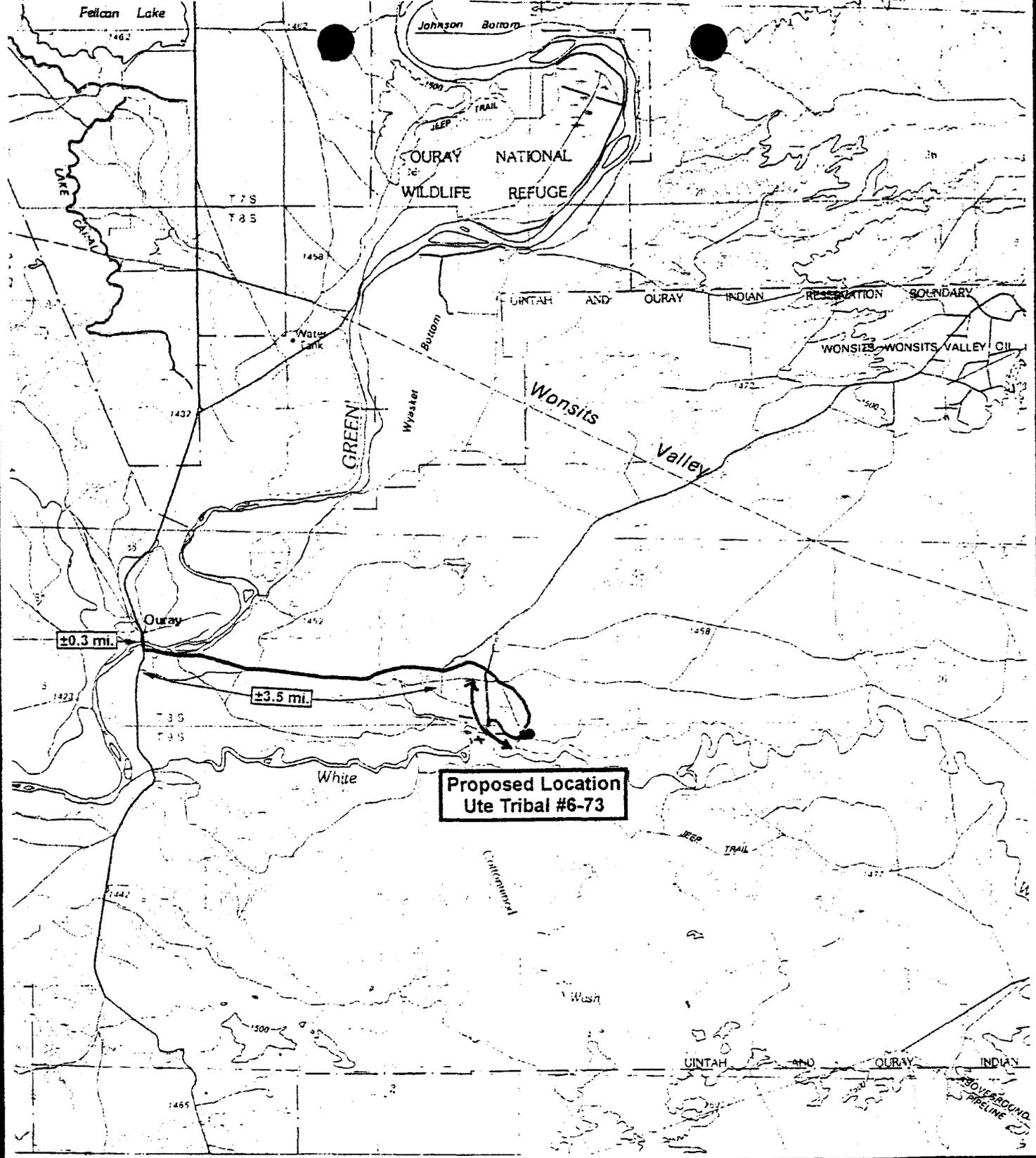
Title \_\_\_\_\_

Date \_\_\_\_\_

Conditions of approval, if any:

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

**\*See Instruction on Reverse Side**



**Coastal Oil & Gas Corporation**  
 A SUBSIDIARY OF THE COASTAL CORPORATION

**UTE TRIBAL #6-73**  
**SEC. 6, T9S, R21E, S.L.B.&M.**  
**TOPOGRAPHIC MAP "A"**



Drawn By: SS

Revision:

Scale: 1 : 100,000

File:

Date: 10/15/98

**Tri-State Land Surveying Inc.**  
**P.O. Box 533, Vernal, UT 84078**  
**435-781-2501 Fax 434-781-2518**

# COASTAL OIL & GAS CORP.

UTE TRIBAL #6-73  
SEC. 6, T9S, R21E, S.L.B.&M.

Existing Road

Proposed Access Road

F/2.4

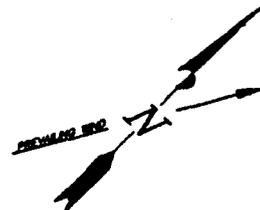
F/2.6

②

③

④

F/2.6



STA. 3+25

F/2.6

A

100'

B

F/2.8

Toe of Fill Slope

STA. 2+25

RESERVE PIT  
100' X 100'  
10' DEEP

10' Wide Dike  
100'

F/2.1

F/2.0

100'

35'

STA. 1+75

25'

75'

F/2.6

①

D F/2.4

⑤

F/2.6



Flare Pit

WELL HEAD:  
UNGRADED = 4665.5'  
FIN. GRADE = 4667.5'

PIT BACKFILL MATERIAL

NOTE:  
If ground water is encountered the pit bottom will be placed 1' above the water level. The pit will then be elongated and widened to maintain its original capacity.

STA. 0+00

60'

175'

⑧

F/1.9

⑦

F/2.1

⑥

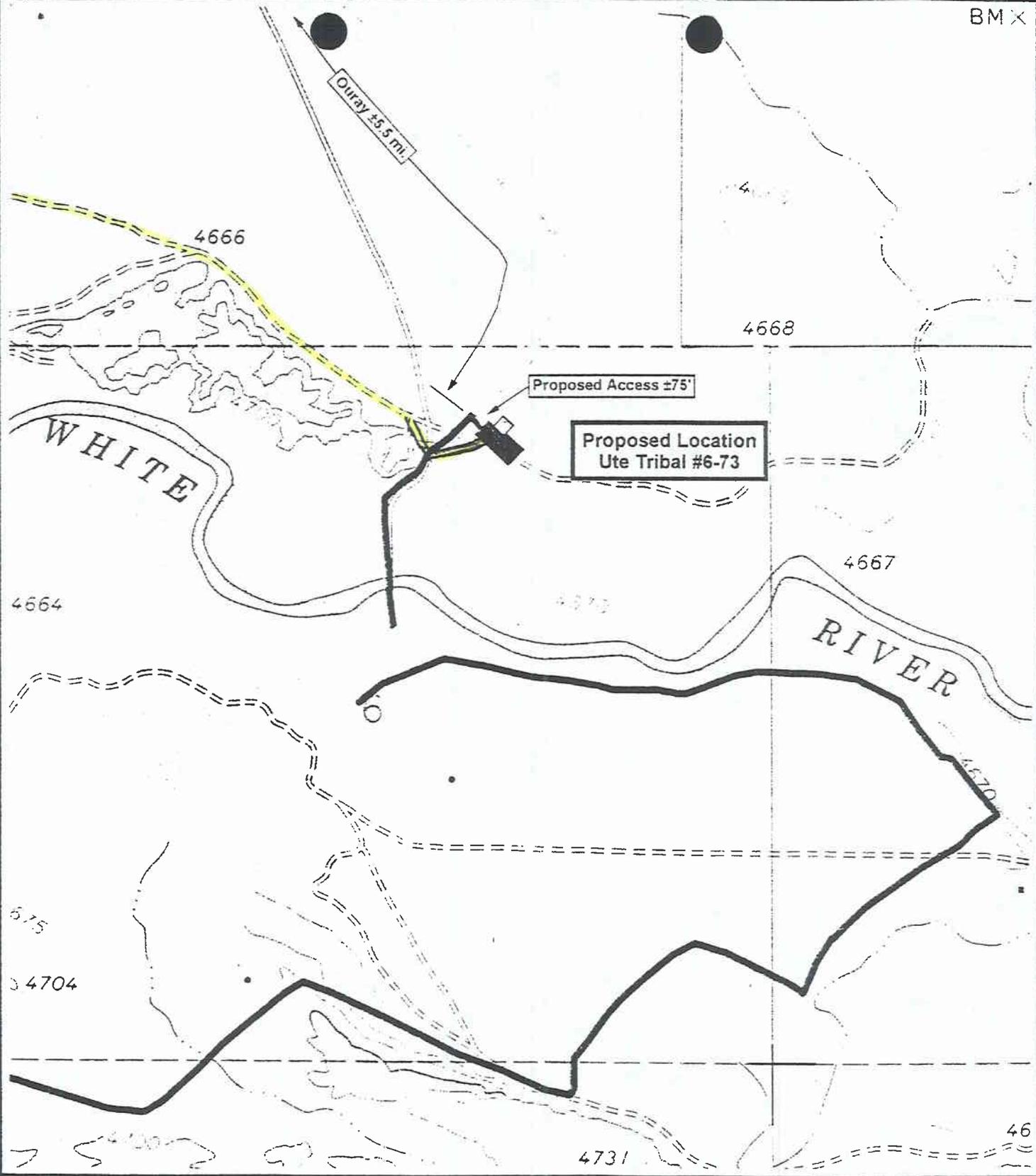
F/2.2

**REFERENCE POINTS**

- 150' SOUTHWEST = 4665.5'
- 200' SOUTHWEST = 4665.6'
- 225' SOUTHEAST = 4665.4'
- 275' SOUTHEAST = 4665.6'

|              |          |
|--------------|----------|
| SURVEYED BY: | D.S.     |
| DRAWN BY:    | J.R.S.   |
| DATE:        | 10-25-98 |
| SCALE:       | 1" = 50' |
| FILE:        |          |

**Tri State**  
Land Surveying, Inc.  
(801) 781-2501  
38 WEST 100 NORTH VERNAL, UTAH 84078



**Coastal Oil & Gas Corporation**  
A SUBSIDIARY OF THE COASTAL CORPORATION

**UTE TRIBAL #6-73**  
**SEC. 6, T9S, R21E, S.L.B.&M.**  
**TOPOGRAPHIC MAP "B"**



|   |           |
|---|-----------|
| Drawn By: SS  | Revision: |
| Scale: 1" = 1000'   | File:     |
| Date: 10/14/98  |           |
| <b>Tri-State Land Surveying Inc.</b><br>P.O. Box 533, Vernal, UT 84078<br>435-781-2501 Fax 434-781-2518 |           |

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

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires July 31, 1996

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

|  |  |   |
|--|--|---|
| 1. Type of Well<br><input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other |  | 5. Lease Serial No.<br><b>14-20-H62-3022</b>                  |
| 2. Name of Operator<br><b>Coastal Oil &amp; Gas Corporation</b>  |  | 6. If Indian, Allottee or Tribe Name<br><b>Ute</b>            |
| 3a. Address<br><b>P.O. Box 1148, Vernal UT 84078</b>   | 3b. PhoneNo. (include area code)<br><b>(435)781-7023</b> | 7. If Unit or CA/Agreement, Name and/or No<br><b>CA-9C-73</b> |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br><b>NW/NE Sec.6, T9S, R21E 655'FNL &amp; 1971'FEL</b>   |  | 8. Well Name and No.<br><b>Ouray #6-73</b>                    |
|  |  | 9. API Well No.<br><b>43-047-33286</b>                        |
|  |  | 10. Field and Pool, or Exploratory Area<br><b>Ouray Field</b> |
|  |  | 11. County or Parish, State<br><b>Uintah County      Utah</b> |

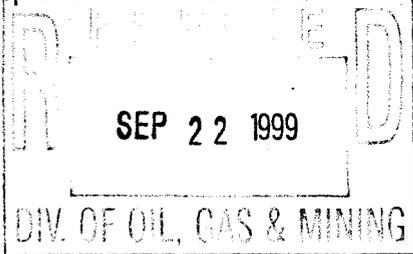
**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

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

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

MIRU w/ Malcoms Drlg. Drilled 80' of 18" hole & ran 80' of 14" conductor pipe. cmt pumped 120 sk P-AG w/2% CaCl2 wt.15.6 yield 1.18. Displaced w/ pit water.  
 MIRU w/Bill Martin Drlg. Drilled 500' of 12 1/4" hole & ran 11 jts 8 5/8 24# K-55 csg total 488.40 cmt pumped 20 Bbls gel water ahead of of 230 sk P-AG w/ 2% CaCl2 1/4#sk Flocele wt. 15.6 yield 1.18.  
 Drop plug & Displace w/28 Bbls water. Bumped plug no Cmt to surface. Ran 60' pipr & pumped 35 sk of same Cmt. Hole Stayed Full.

Spud @ 9:30 am on 9/5/99 w/ Malcoms Drilling



|  |   |
|--|---|
| 14. I hereby certify that the foregoing is true and correct<br>Name (Printed/Typed)<br><b>Sheila Upchego</b> | Title<br><b>Environmental Secretary</b> |
|  | Date <b>9/20/99</b>                     |

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

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

Title 18 U.S.C. Section 1001, 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.

STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

BLM APPROVED  
Budget Bureau No. 1004-0135  
Expires July 31, 1996

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.  
14-20-H62-3022

6. If Indian, Allottee or Tribe Name

Ute

7. If Unit or CA/Agreement, Name and/or No  
CA-9C-73

8. Well Name and No.  
Ouray #6-73

9. API Well No.  
43-047-33286

10. Field and Pool, or Exploratory Area  
Ouray Field

11. County or Parish, State  
Uintah County Utah

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
Coastal Oil & Gas Corporation

3a. Address  
P.O. Box 1148, Vernal UT 84078

3b. Phone No. (include area code)  
(435)781-7023

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
NW/NE Sec.6,T9S,R21E 655'FNL & 1971'FEL

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

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

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

MIRU w/ Malcoms Drlg. Drilled 80' of 18" hole & ran 60' of 14" conductor pipe. cmt pumped 120 sk P-AG w/2% CaCl2 wt.15.6 yield 1.18. Displaced w/ pit water.  
MIRU w/Bill Martin Drlg. Drilled 500' of 12 1/4" hole & ran 11 jts 8 5/8 24# K-55 csg total 488.40 cmt pumped 20 Bbls gel water ahead of of 230 sk P-AG w/ 2% CaCl2 1/4#sk Flocele wt. 15.6 yield 1.18.  
Drop plug & Displace w/28 Bbls water. Bumped plug no Cmt to surface. Ran 60' ppr & pumped 35 sk of same Cmt. Hole Stayed Full.

Spud @ 9:30 am on 9/5/99 w/ Malcoms Drilling

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

Sheila Upheyo

Title

Environmental Secretary

Date 9/20/99

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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

Office

Title 18 U.S.C. Section 1001, 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.

(Instructions on reverse)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

|  |   |  |
|--|---|--|
| 1. Type of Well<br><input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other     |   | 5. Lease Serial No.<br><b>14-20-H62-3022</b>                   |
| 2. Name of Operator<br><b>Coastal Oil &amp; Gas Coporation</b>   |   | 6. If Indian, Allottee or Tribe Name<br><b>Ute</b>             |
| 3a. Address<br><b>P.O. Box 1148, Vernal UT 84078</b>   | 3b. Phone No. (include area code)<br><b>(435)781-7023</b> | 7. If Unit or CA/Agreement, Name and/or No.<br><b>CA-9C-73</b> |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br><b>NW/NE Sec.6, T9S, R21E<br/>655' FNL &amp; 1971' FEL</b> |   | 8. Well Name and No.<br><b>Ouray #6-73</b>                     |
|  |   | 9. API Well No.<br><b>43-047-33286</b>                         |
|  |   | 10. Field and Pool, or Exploratory Area<br><b>Ouray Field</b>  |
|  |   | 11. County or Parish, State<br><b>Uintah UT</b>                |

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

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

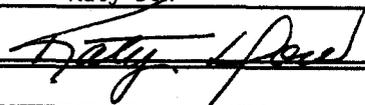
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Finished drilling from 500' to 9450' w/Patterson Rig #12. Ran 9432' of 5 1/2" LT&C n-80 Csg. Flush 10 Bbls water 760 sx 11.6 Lead & 1715 sx 14.35 Tail. Displace w/ 218 Bbls KCL. RDMOL.

**RECEIVED**

**JAN 10 2000**

**DIVISION OF OIL, GAS & MINING**

|  |   |
|--|---|
| 14. I hereby certify that the foregoing is true and correct<br>Name (Printed/Typed)<br><b>Katy Dow</b> | Title<br><b>Environmental Jr. Analyst</b> |
|                      | Date <b>1/6/00</b>                        |

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

|             |        |      |
|-------------|--------|------|
| Approved by | Title  | Date |
|             | Office |      |

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

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ENTITY ACTION FORM - FORM 6

ADDRESS P.O. Box 1148

Vernal UT 84078

| ACTION CODE  | CURRENT ENTITY NO. | NEW ENTITY NO. | API NUMBER   | WELL NAME   | WELL LOCATION |    |    |     |        | SPUD DATE | EFFECTIVE DATE |
|--|--------------------|----------------|--------------|-------------|---------------|----|----|-----|--------|-----------|----------------|
|  |                    |                |              |             | QQ            | SC | TP | RG  | COUNTY |           |                |
| A  | 99999              | 2900           | 43-047-33282 | Ouray #5-68 | SWNE          | 5  | 9S | 21E | Uintah | 5/15/99   | 5/15/99        |
| WELL 1 COMMENTS: Spud @ 5:00 am on 5/15/99 w/Bill Martin Drlg. <i>991027 entity added; (Nat Buttes U/W SMVD) KDR</i> |                    |                |              |             |               |    |    |     |        |           |                |
| A  | 99999              | 2900           | 43-047-33285 | Ouray #6-73 | NWNE          | 6  | 9S | 21E | Uintah | 9/5/99    | 9/5/99         |
| WELL 2 COMMENTS: Spud @ 9:30 am on 9/5/99 w/Malcoms Drlg. <i>991027 entity added; (Nat Buttes U/W SMVD)</i>          |                    |                |              |             |               |    |    |     |        |           |                |
| A  | 99999              | 12607          | 43-047-33341 | Hall #31-61 | NENE          | 31 | 8S | 22E | Uintah | 9/15/99   | 9/15/99        |
| WELL 3 COMMENTS: Spud @ 11:00 am on 9/15/99 w/ Malcoms Drlg. <i>991027 entity added. KDR</i>                         |                    |                |              |             |               |    |    |     |        |           |                |
| WELL 4 COMMENTS:   |                    |                |              |             |               |    |    |     |        |           |                |
| WELL 5 COMMENTS:   |                    |                |              |             |               |    |    |     |        |           |                |

ACTION CODES (See instructions on back of form)

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

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

*Sheila Upcheggo*

Signature Sheila Upcheggo

Environmental Secretary

10/1/99

Title

Date

Phone No. 435 781-7024

T-387 P. 05/05 F-716

+4357804436

From-COASTAL OIL AND GAS DOWNSTAIRS SECRETARY

Oct-15-99 09:34pm

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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14-20-H62-3022

6. If Indian, Allottee or Tribe Name

Ute

7. If Unit or CA/Agreement, Name and/or CA-9C-73

8. Well Name and No.

Ouray #6-73

9. API Well No.

43-047-33286

10. Field and Pool, or Exploratory Area

Ouray Field

11. County or Parish, State

Uintah County Utah

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

Coastal Oil & Gas Corporation

3a. Address

P.O. Box 1148, Vernal UT 84078

3b. Phone No. (include area code)

(435)781-7023

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

NW/NE Sec.6, T9S, R21E 655' FNL & 1971' FEL

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

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

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

Please refer to the attached Chronological Report. Put on production on 10/26/99.

RECEIVED  
JAN 10 2000  
DIVISION OF OIL, GAS & MINING

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

Name (Printed/Typed)

Katy Dow

Title

Environmental Jr. Analyst

Date

12/30/99

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

Approved by

Title

Date

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

Office

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, 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.

COASTAL OIL & GAS CORPORATION  
PRODUCTION REPORT

CHRONOLOGICAL HISTORY

**OURAY #6-73**

NW/NE SEC 6, T9S R21E  
OURAY FIELD  
UINTAH COUNTY, UT  
WI: 100% AFE: 11281  
PBSD: 9401'  
PERFS: 6255'-9176'  
CSG: 5.5 17# N-80@9450'  
CWC(M\$):

8/26/99 BUILD LOCATION  
9/13/99 TO 10/13/99 - DRILLING

**DRILL & COMPLETE**

- 10/15/99 F/PU & RIH W 2 3/8 TBG. ROAD RIG F/CIGE # 11 TO OURAY # 6-73 MI & RU K.E.S. # 26 PU ND W.H. & NU BOPS. RU FLOOR & TBG EQUIP. PU 4 3/4 MILL & 5 1/2 CSG SCRAPER. W.O. TBG F/J-WEST YARD. PU & RIH W 2 3/8" TBG. E.O.T. @ 2575'. SWIFN.  
(DAY 1) \$485,538
- 10/16/99 **PREP TO PERF.**  
RIH & TAG PBSD @ 9,400'. CIRC HOLE CLEAN. RUN CBL, CCL, & GR, FROM 9,387' TO 5,400'. RUN CBL, CCL, & GR FROM 500' TO SURF. W/1500#, TOC @ 140'. PRESS TST CSG & ANNULUS. HELD.  
(DAY 2) TC: \$491,718
- 10/17/99 **PREP TO FRAC ON TUESDAY.** PERF THE MESA VERDE FORMATION 9,172' - 9,176', ISPF, POOH. RIH & PERF MESA VERDE 8,865' - 8,869', ISPF, 8, 825', ISPF, 8,788' - 8,791'. ISPF & 8,771' - 8,775', ISPF. 0# PRESS. RIH W/ 2 3/8" TBG TO 9,176'. PICKLE TBG W/ 3 BBLS 15% HCL. SPOT 500 GALS 15% HCL ACROSS PERF INTERVAL 8,663' TO 9,176'. BRK DN PERFS W/3,145# @ 1.8 BPM W/1,000 GALS 15% HCL & 1.3 SG BS'S. ISIP: 2,332#, 5 MIN:2,062#. SURGE BALLS OFF & ESTABLISH INJ RATE OF 4.7 BPM @ 4,466#. ISIP: 2,085#. TL: 91 BBLS. POOH W/TBG. S.I. WO FRAC.  
(DAY 3) TC: \$507,914
- 10/18/99 S.I. WO FRAC. (DAY 4) TC: \$507,914
- 10/19/99 PREP TO FRAC THIS AM. (DAY 5) TC: \$507,914
- 10/20/99 MI & RU HALLIBURTON F/FRAC. HELD SAFTEY MEETING. PRESS TEST LINES 6000 PSI. SICP--1920 PSI FRAC MESAVERDE STAGE # 1 PERF (8771'-9176') PUMP 61300# 20/40 SD WEDGE. 20# DELTA FLUID GEL. ISIP-3225 PSI. MP-4300 PSI MR-57.2 BPM AP-3300 PSI AR-55 BPM TOTAL LOAD=727 BBL FG.80 R.I.H. W/51/2 BP SET @ 8720'. R.I.H. W/4" GUN 19 GRAM 0.47 EHD 90 DEG PHASING PERF @ 8632-38 4 SPF & 8294-98 2 SPF FRAC WASATCH STAGE # 2 PERF (8294'-8638') BKE W/5110 PSI @ 4.9 BPM PUMP 61000# 20/40 SD WEDGE. 25# DELTA FLUID GEL. ISIP-3036 PSI MP-5110 PSI MR-47.1 BPM AP-3315 PSI AR-44.4 BPM TOTAL LOAD=715 BBL FG.80 R.I.H. W/51/2 BP SET @ 7250'. R.I.H. W/4" GUN 19 GRAM 0.47 EHD 90 DEG PHASING PERF @ 7068'-72' 4 SPF FRAC WASATCH STAGE # 3 PERF (7068'-72') BKE W/2773 PSI @ 5.4 BPM PUMP 25400# 20/40 SD WEDGE. 25# DELTA FLUID GEL. ISIP-1600 PSI MP-2924 PSI MR-23.8 BPM AP-1624 PSI AR-22.1 BPM TOTAL LOAD=415 BBL FG.66 R.I.H. W/51/2 BP SET @ 6900'. R.I.H. W/4" GUN 19 GRAM 0.47 EHD 90 DEG PHASING. PERF @ 6818'-24' 4 SPF FRAC WASATCH STAGE # 4 PERF (6818'-24') BKE W/4034 PSI @ 8.7 BPM PUMP 28400# 20/40 SD WEDGE. 25# DELTA FLUID GEL. ISIP-1285 PSI MP-2924 PSI MR-25.4 BPM AP-1526 PSI AR-21.4 BPM TOTAL LOAD=433 BBL FG.62 R.I.H. W/51/2 BP SET @ 6700'. R.I.H. W/4" GUN 19 GRAM 0.47 EHD 90 DEG PHASING PERF @ 6550'-54' 4 SPF FRAC WASATCH STAGE # 5 PERF (6550'-54') BKE W/3300 PSI @ 7.6 BPM PUMP 41200# 20/40 SD WEDGE. 25# DELTA GEL ISIP-1542 PSI MP-1795 PSI MR-21.5 BPM AP-1533 PSI AR-17.9 BPM TOTAL LOAD=495 BBL FG.67 R.I.H. W/51/2 BP SET @ 6450' R.I.H. W4" GUN 19 GRAM 0.47 EHD 90 DEG PHASING PERF @ 6255'-61' FRAC WASATCH STAGE # 6 PERF (6255'-61') BKE W/3204 PSI @ 7.6 BPM PUMP 35200# 20/40 SD WEDGE. 25# DELTA FLUID GEL ISIP-1460 PSI MP-1698 PSI MR-19.2 BPM AP-1475 PSI AR-19.0 BPM TOTAL LOAD=487 BBL FG.67 R.I.H. W/51/2 BP SET @ 6150'. P.O.O.H. & RD CUTTERS. F/RD HES & MOVE OUT EQUIP. ND FRAC VALVE & NU BOPS. RU FLOOR & TBGEQUIP. PU 4 3/4 MILL TOOTH BIT & PUMP-OFF SUB. R.I.H. W/23/8 TBG. E.O.T. @ 6018' SWIFN NO RIG CREWS F/NIGHT SHIFT.  
(DAY 4) TC: \$660,827
- 10/21/99 **KILL WELL & POOH W/PARTED 2 3/8 TBG** F/R.I.H. W/23/8 TBG. TAG SD @ 6118'. RU SWIVEL & AIR FOAM UNIT. B/CIRC W/AIR FOAM. CO SD F/6118' & DRILL BP @ 6150'.

CIRC & R.I.H. W/TBG. TAG SD @ 6393'. CO SD F/6393 & DRILL BP @ 6450'. CIRC & R.I.H. W/TBG. TAG SD @ 6662'. CO SD F/6662 & DRILL BP @ 6700'. CIRC & R.I.H. W/TBG. TAG SD @ 6857 & DRILL BP @ 6900'. CIRC & R.I.H. W/TBG. TAG SD @ 7216'. CO SD F/7216' & DRILL BP @ 7250' W/40 BBL 2% KCL. CIRC & R.I.H. W/TBG. TAG SD @ 8684'. CO SD F/8684' & DRILL BP @ 8720' W/50 BBL 2% KCL. CIRC & R.I.H. W/TBG. TAG SD @ 9265'. CO F/9265' TO 9400' PBTD. CIRC HOLE CLEAN. SWIVEL TORQUE UP. WORK STUCK PIPE TO 60K. PUMP 10 BBL 2% KCL PRESS UP 2800 PSI. WORK PIPE F/48 K TO 60K. TBG PARTED. EST TBG PARTED @ 3000'. RD SWIVEL & SWI. SDFN & LEAVE FLOWING ON 48/64 CH W/FCP-340 PSI (DAY 5) TC: \$686,182

10/22/99 POOH W /PRTD TBG. PART 13.50' DN ON 107TH JT. RIH W/OS. LATCH FISH @ 3,400'. RUN FREE POINT. UNABLE TO GET DEEPER THAN 8,345'. 100% FREE @ 8,300'. RIH W/SINKER BAR. SPUD ON BRIDGE @ 8,345'. RIH & CUT TBG @ 8,310'. SOH W/TBG. EOT @ 4,823'. FLOW BACK OVERNIGHT. CP: 200# TO 110#, FULL OPEN CK, 20 BWPH, LIGHT SD. EST PROD RATE: 900 MCFPD, LLTR: 1,839 BBLs. (DAY 6) TC: \$700,044

FLOW BACK REPORT - FLOW FOR 10 HRS, CSG 0# TO 110#, TBG 0#, 48/64 CK, TOTAL WTR REC 282 BBLs. LIGHT TRACE SAND.

10/23/99 FLOW WELL AFTER FRAC (6255'-8298') 7.00 AM FLOW WELL ON 48/64 CH FCP-60 PSI REC-25 BBL. BLOW WELL DN. KILL WELL W/60 BBL 2% DN CSG. F/P.O.O.H. W/23/8 TBG. LD 20' CUT OFF JT. LEFT 1086' FISH W/9'SUB 34 JTS TBG PUMP OFF SUB & BIT. KILL WELL W/100 BBL 2% KCL. PU NC & R.I.H. W/23/8 TBG. TAG FISH TOP @ 8310'. LD 4 JTS TBG. PU HANGER LAND W/259 JTS 4.7 J-55 USED TBG. E.O.T. @ 8206' & SN @ 8173'. RD FLOOR & TBG EQUIP. ND BOPS & NU W.H. HOOK UP AIR FOAM TO TBG & CIRC. HOOK UP FLOWLINE TO TANK. 1.30 PM FLOW WELL ON 48/64 CH SICIP-300 PSI FTP-200 PSI. RD & MO K.E.S. # 26 P.U. 2.00 PM FLOW WELL ON 48/64 CH SICIP-500 PSI FTP-400 PSI REC-108 BBL 3.00 PM FLOW WELL ON 32/64 CH SICIP-580 PSI FTP-480 PSI REC-25 BBL LEAVE WELL FLOWING W/FLOW BACK CREW. (DAY 7) TC: \$725,887

FLOW BACK REPORT: FLOW FOR 14 HRS, CSG 700# TO 950#, TBG 300# TO 480#, 32/64 TO 24/64 CK, TOTAL WTR REC. 225 BBLs. TRACE SAND. SCHEMATIC: SEE WELL FILE

10/24/99 - ACT: FLWG TO SALES. PROG: PLACE ON SALES @ 12:15 PM ON 10/23/99. FTP: 975#, CP: 1,200#, 16/64" CK, LP: 392#, SPOT PROD RATE: 1,500 MCFPD.

10/25/99 - PROG: FLWD 854 MCF, 93 BW, FTP: 678#, CP: 1,058#, 16/64" CK, 18 HRS, LP: 392#. (OPEN CK TO 24/64"), LLTR: 1,523 BBLs.

10/26/99 PROG: FLWD 1,114 MCF, 112 BW, FTP: 540#, CP: 920#, 24/64" CK, 24 HRS, LP: 395#, OPEN CK TO 48/64", LLTR: 1,411 BBLs.

10/27/99 PROG: FLWD 1123 MCF, 83 BW, FTP: 520#, CP: 875#, 48/64" CK, 24 HRS, LP: 388#, OPEN CK TO 64/64", LLTR: 1,328 BBLs.

10/28/99 PROG: FLWG: 1,110 MCF, 76 BW, FTP: 510#, CP: 850#, 64/64" CK, 24 HRS, LP: 393#, LLTR: 1,252 BBLs. FINAL REPORT.

IP DATE: 10/26/99. FLWG: 1,123, 83 BW, FTP: 520#, CP: 875#, 48/64" CK, 24 HRS, LP: 388#.

10/28/99 FINAL REPORT

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

SUBMIT IN DUPLICATE\*

(See other instructions on reverse side)

FORM APPROVED  
OMB NO. 1004-0137  
Expires: February 28, 1995

**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  DEEP-EN  PLUG BACK  DIFF. RESVR.  Other \_\_\_\_\_

2. NAME OF OPERATOR  
**Coastal Oil & Gas Corporation**

3. ADDRESS AND TELEPHONE NO.  
P.O. Box 1148, Vernal UT 84078 (435)-781-7023

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\*  
At surface: **NWNE**  
At top prod. interval reported below: **655' FNL & 1971' FEL**  
At total depth: \_\_\_\_\_

**RECEIVED**

**DIVISION OF  
OIL, GAS AND MINING**

14. PERMIT NO. **43-047-33286** DATE ISSUED **2-22-99**

5. LEASE DESIGNATION AND SERIAL NO.  
**14-20-H62-3022**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
**Ute**

7. UNIT AGREEMENT NAME  
**CA-9C-179**

8. FARM OR LEASE NAME, WELL NO.  
**Ouray #6-73**

9. API WELL NO.  
**43-047-33286**

10. FIELD AND POOL, OR WILDCAT  
**Ouray**

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
**Sec. 6, T9S, R21E**

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

15. DATE SPUDDED **9/5/99** 16. DATE T.D. REACHED **10/12/99** 17. DATE COMPL. (Ready to prod.) **10/24/99** 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)\* **4665' Ungraded GL** 19. ELEV. CASINGHEAD \_\_\_\_\_

20. TOTAL DEPTH, MD & TVD **9450'** 21. PLUG, BACK T.D., MD & TVD **9401'** 22. IF MULTIPLE COMPL., HOW MANY\* \_\_\_\_\_ 23. INTERVALS DRILLED BY \_\_\_\_\_ ROTARY TOOLS **X** CABLE TOOLS \_\_\_\_\_

24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)\*  
**Mesaverde/Wasatch 9172' -6261'** 25. WAS DIRECTIONAL SURVEY MADE **No**

26. TYPE ELECTRIC AND OTHER LOGS RUN  
**CBL/CCL/GR/CBL** 27. WAS WELL CORED **No**

**CASING RECORD (Report all strings set in well)**

| CASING SIZE/GRADE | WEIGHT, LB./FT. | DEPTH SET (MD) | HOLE SIZE | TOP OF CEMENT, CEMENTING RECORD | AMOUNT PULLED |
|-------------------|-----------------|----------------|-----------|---------------------------------|---------------|
| 8 5/8"            | 24#             | 488'           | 12 1/4"   | 230sx P-AG w/2% CaCl+1/4#       | Flocele       |
| 5 1/2"            | 17#             | 9432'          | 7 7/8"    | 760 sx Lead                     |               |
|                   |                 |                |           | 1715 sx Tail                    |               |

**LINER RECORD**

| SIZE | TOP (MD) | BOTTOM (MD) | SACKS CEMENT* | SCREEN (MD) |
|------|----------|-------------|---------------|-------------|
|      |          |             |               |             |

**TUBING RECORD**

| SIZE   | DEPTH SET (MD) | PACKER SET (MD) |
|--------|----------------|-----------------|
| 2 3/8" | 6018'          |                 |

31. PERFORATION RECORD (Interval, size and number)  
**Mesaverde/Wasatch 9172' -76', 8865' -69', 8788' -91', 8771' -75', 8632' -38', 8294' -8638', 7068' -72', 6550' -54', 6255' -61'**

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.  
DEPTH INTERVAL (MD) AMOUNT AND KIND OF MATERIAL USED  
**Refer to Item #37**

33.\* **PRODUCTION**  
DATE FIRST PRODUCTION **10/23/99** PRODUCTION METHOD **Flowing, gas lift, pumping - size and type of pump** **Flowing** WELL STATUS (Producing or shut-in) **Producing**

DATE OF TEST **10/26/99** HOURS TESTED **24** CHOKE SIZE **48/64** PROD'N. FOR TEST PERIOD **0** OIL - BBL. **-** GAS - MCF. **1123** WATER - BBL. **83** GAS - OIL RATIO **0**

FLOW. TUBING PRESS. **520#** CASING PRESSURE **875#** CALCULATED 24-HOUR RATE **0** OIL - BBL. **0** GAS - MCF. **1123** WATER - BBL. **83** OIL GRAVITY - API (CORR.) **0**

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) **Sold Used for Fuel** TEST WITNESSED BY \_\_\_\_\_

35. LIST OF ATTACHMENTS  
**Chronological Well History**

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records  
SIGNED Sheila Upchego TITLE **Environmental Jr. Analyst** DATE **1/11/00**

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

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

38.

GEOLOGIC MARKERS

| FORMATION   | TOP   | BOTTOM | DESCRIPTION, CONTENTS, ETC.  | NAME | TOP         |                  |
|-------------|-------|--------|--|------|-------------|------------------|
|             |       |        |  |      | MEAS. DEPTH | TRUE VERT. DEPTH |
| Green River | 2065' | 5278'  |  |      |             |                  |
| Wasatch     | 5526' | 8740'  | Gas  |      |             |                  |
| Mesaverde   | 8740' |        | Gas  |      |             |                  |
|             |       |        | <p>MI &amp; RU HALLIBURTON F/FRAC. HELD SAFTEY MEETING. PRESS TEST LINES 6000 PSI. SICP-1920 PSI FRAC MESAVERDE STAGE # 1 PERF (8771'-9176') PUMP 61300# 20/40 SD WEDGE. 20# DELTA FLUID GEL. ISIP-3225 PSI. MP-4300 PSI MR-57.2 BPM AP-3300 PSI AR-55 BPM TOTAL LOAD=727 BBL FG.80 R.I.H. W/51/2 BP SET @ 8720'. R.I.H. W/4" GUN 19 GRAM 0.47 EHD 90 DEG PHASING PERF @ 8632-38 4 SPF &amp; 8294-98 2 SPF FRAC WASATCH STAGE # 2 PERF (8294'-8638') BKE W/5110 PSI @ 4.9 BPM PUMP 61000# 20/40 SD WEDGE. 25# DELTA FLUID GEL. ISIP-3036 PSI MP-5110 PSI MR-47.1 BPM AP-3315 PSI AR-44.4 BPM TOTAL LOAD=715 BBL FG.80 R.I.H. W/51/2 BP SET @ 7250'. R.I.H. W/4" GUN 19 GRAM 0.47 EHD 90 DEG PHASING PERF @ 7068'-72' 4 SPF FRAC WASATCH STAGE # 3 PERF (7068'-72') BKE W/2773 PSI @ 5.4 BPM PUMP 25400# 20/40 SD WEDGE. 25# DELTA FLUID GEL. ISIP-1600 PSI MP-2924 PSI MR-23.8 BPM AP-1624 PSI AR-22.1 BPM TOTAL LOAD=415 BBL FG.66 R.I.H. W/51/2 BP SET @ 6900'. R.I.H. W/4" GUN 19 GRAM 0.47 EHD 90 DEG PHASING. PERF @ 6818'-24' 4 SPF FRAC WASATCH STAGE # 4 PERF (6818'-24') BKE W/4034 PSI @ 8.7 BPM PUMP 28400# 20/40 SD WEDGE. 25# DELTA FLUID GEL. ISIP-1285 PSI MP-2924 PSI MR-25.4 BPM AP-1526 PSI AR-21.4 BPM TOTAL LOAD=433 BBL FG.62 R.I.H. W/51/2 BP SET @ 6700'. R.I.H. W/4" GUN 19 GRAM 0.47 EHD 90 DEG PHASING PERF @ 6550'-54' 4 SPF FRAC WASATCH STAGE # 5 PERF (6550'-54') BKE W/3300 PSI @ 7.6 BPM PUMP 41200# 20/40 SD WEDGE. 25# DELTA GEL ISIP-1542 PSI MP-1795 PSI MR-21.5 BPM AP-1533 PSI AR-17.9 BPM TOTAL LOAD=495 BBL FG.67 R.I.H. W/51/2 BP SET @ 6450' R.I.H. W/4" GUN 19 GRAM 0.47 EHD 90 DEG PHASING PERF @ 6255'-61' FRAC WASATCH STAGE # 6 PERF (6255'-61') BKE W/3204 PSI @ 7.6 BPM PUMP 35200# 20/40 SD WEDGE. 25# DELTA FLUID GEL ISIP-1460 PSI MP-1698 PSI MR-19.2 BPM AP-1475 PSI AR-19.0 BPM TOTAL LOAD=487 BBL FG.67 R.I.H. W/51/2 BP SET @ 6150'. P.O.O.H. &amp; RD CUTTERS. F/RD HES &amp; MOVE OUT EQUIP. ND FRAC VALVE &amp; NU BOPS. RU FLOOR &amp; TBGEQUIP. PU 43/4 MILL TOOTH BIT &amp; PUMP-OFF SUB. R.I.H. W/23/8 TBG. E.O.T. @ 6018' SWIFN NO RIG CREWS F/NIGHT SHIFT.</p> |      |             |                  |

COASTAL OIL & GAS CORPORATION  
PRODUCTION REPORT

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- 10/18/99** S.I. WO FRAC. (DAY 4) TC: \$507,914
- 10/19/99** PREP TO FRAC THIS AM. (DAY 5) TC: \$507,914
- 10/20/99** MI & RU HALLIBURTON F/FRAC. HELD SAFTEY MEETING. PRESS TEST LINES 6000 PSI. SICP--1920 PSI FRAC MESAVERDE STAGE # 1 PERF (8771'-9176') PUMP 61300# 20/40 SD WEDGE. 20# DELTA FLUID GEL. ISIP-3225 PSI. MP-4300 PSI MR-57.2 BPM AP-3300 PSI AR-55 BPM TOTAL LOAD=727 BBL FG.80 R.I.H. W/51/2 BP SET @ 8720'. R.I.H. W/4" GUN 19 GRAM 0.47 EHD 90 DEG PHASING PERF @ 8632-38 4 SPF & 8294-98 2 SPF FRAC WASATCH STAGE # 2 PERF (8294'-8638') BKE W/5110 PSI @ 4.9 BPM PUMP 61000# 20/40 SD WEDGE. 25# DELTA FLUID GEL. ISIP-3036 PSI MP-5110 PSI MR-47.1 BPM AP-3315 PSI AR-44.4 BPM TOTAL LOAD=715 BBL FG.80 R.I.H. W/51/2 BP SET @ 7250'. R.I.H. W/4" GUN 19 GRAM 0.47 EHD 90 DEG PHASING PERF @ 7068'-72' 4 SPF FRAC WASATCH STAGE # 3 PERF (7068'-72') BKE W/2773 PSI @ 5.4 BPM PUMP 25400# 20/40 SD WEDGE. 25# DELTA FLUID GEL. ISIP-1600 PSI MP-2924 PSI MR-23.8 BPM AP-1624 PSI AR-22.1 BPM TOTAL LOAD=415 BBL FG.66 R.I.H. W/51/2 BP SET @ 6900'. R.I.H. W/4" GUN 19 GRAM 0.47 EHD 90 DEG PHASING. PERF @ 6818'-24' 4 SPF FRAC WASATCH STAGE # 4 PERF (6818'-24') BKE W/4034 PSI @ 8.7 BPM PUMP 28400# 20/40 SD WEDGE. 25# DELTA FLUID GEL. ISIP-1285 PSI MP-2924 PSI MR-25.4 BPM AP-1526 PSI AR-21.4 BPM TOTAL LOAD=433 BBL FG.62 R.I.H. W/51/2 BP SET @ 6700'. R.I.H. W/4" GUN 19 GRAM 0.47 EHD 90 DEG PHASING PERF @ 6550'-54' 4 SPF FRAC WASATCH STAGE # 5 PERF (6550'-54') BKE W/3300 PSI @ 7.6 BPM PUMP 41200# 20/40 SD WEDGE. 25# DELTA GEL ISIP-1542 PSI MP-1795 PSI MR-21.5 BPM AP-1533 PSI AR-17.9 BPM TOTAL LOAD=495 BBL FG.67 R.I.H. W/51/2 BP SET @ 6450' R.I.H. W/4" GUN 19 GRAM 0.47 EHD 90 DEG PHASING PERF @ 6255'-61' FRAC WASATCH STAGE # 6 PERF (6255'-61') BKE W/3204 PSI @ 7.6 BPM PUMP 35200# 20/40 SD WEDGE. 25# DELTA FLUID GEL ISIP-1460 PSI MP-1698 PSI MR-19.2 BPM AP-1475 PSI AR-19.0 BPM TOTAL LOAD=487 BBL FG.67 R.I.H. W/51/2 BP SET @ 6150'. P.O.O.H. & RD CUTTERS. F/RD HES & MOVE OUT EQUIP. ND FRAC VALVE & NU BOPS. RU FLOOR & TBGEQUIP. PU 43/4 MILL TOOTH BIT & PUMP-OFF SUB. R.I.H. W/23/8 TBG. E.O.T. @ 6018' SWIFN NO RIG CREWS F/NIGHT SHIFT. (DAY4) TC: \$660,827
- 10/21/99** **KILL WELL & POOH W/PARTED 2 3/8 TBG** F/R.I.H. W/23/8 TBG. TAG SD @ 6118'. RU SWIVEL & AIR FOAM UNIT. B/CIRC W/AIR FOAM. CO SD F/6118' & DRILL BP @ 6150'. CIRC & R.I.H. W/TBG. TAG SD @ 6393'. CO SD F/6393 & DRILL BP @ 6450'. CIRC & R.I.H. W/TBG. TAG SD @ 6662'. CO SD F/6662 & DRILL BP @ 6700'. CIRC & R.I.H. W/TBG. TAG SD @ 6857 & DRILL BP @ 6900'. CIRC & R.I.H. W/TBG. TAG SD @ 7216'. CO SD F/7216' & DRILL BP @ 7250' W/40 BBL 2% KCL. CIRC & R.I.H. W/TBG. TAG SD @ 8684'. CO SD F/8684'

& DRILL BP @ 8720' W/50 BBL 2% KCL. CIRC & R.I.H W/TBG. TAG SD @ 9265'. CO F/9265' TO 9400' PBT. CIRC HOLE CLEAN. SWIVEL TORQUE UP. WORK STUCK PIPE TO 60K. PUMP 10 BBL 2% KCL PRESS UP 2800 PSI. WORK PIPE F/48 K TO 60K. TBG PARTED. EST TBG PARTED @ 3000'. RD SWIVEL & SWI. SDFN & LEAVE FLOWING ON 48/64 CH W/FCP-340 PSI (DAY 5) TC: \$686,182

10/22/99 POOH W /PRTD TBG. PART 13.50' DN ON 107TH JT. RIH W/OS. LATCH FISH @ 3,400'. RUN FREE POINT. UNABLE TO GET DEEPER THAN 8,345'. 100% FREE @ 8,300'. RIH W/SINKER BAR. SPUD ON BRIDGE @ 8,345'. RIH & CUT TBG @ 8,310'. SOH W/TBG. EOT @ 4,823'. FLOW BACK OVERNIGHT. CP: 200# TO 110#, FULL OPEN CK, 20 BWPH, LIGHT SD. EST PROD RATE: 900 MCFPD, LLTR: 1,839 BBLs. (DAY 6) TC: \$700,044

FLOW BACK REPORT - FLOW FOR 10 HRS, CSG 0# TO 110#, TBG 0#, 48/64 CK, TOTAL WTR REC 282 BBLs. LIGHT TRACE SAND.

10/23/99 FLOW WELL AFTER FRAC (6255'-8298') 7.00 AM FLOW WELL ON 48/64 CH FCP-60 PSI REC-25 BBL. BLOW WELL DN. KILL WELL W/60 BBL 2% DN CSG. F/P.O.O.H. W/23/8 TBG. LD 20' CUT OFF JT. LEFT 1086' FISH W/9'SUB 34 JTS TBG PUMP OFF SUB & BIT. KILL WELL W/100 BBL 2% KCL. PU NC & R.I.H. W/23/8 TBG. TAG FISH TOP @ 8310'. LD 4 JTS TBG. PU HANGER LAND W/259 JTS 4.7 J-55 USED TBG. E.O.T. @ 8206' & SN @ 8173'. RD FLOOR & TBG EQUIP. ND BOPS & NU W.H. HOOK UP AIR FOAM TO TBG & CIRC. HOOK UP FLOWLINE TO TANK. 1.30 PM FLOW WELL ON 48/64 CH SICP-300 PSI FTP-200 PSI. RD & MO K.E.S. # 26 P.U. 2.00 PM FLOW WELL ON 48/64 CH SICP-500 PSI FTP-400 PSI REC-108 BBL 3.00 PM FLOW WELL ON 32/64 CH SICP-580 PSI FTP-480 PSI REC-25 BBL LEAVE WELL FLOWING W/FLOW BACK CREW. (DAY 7) TC: \$725,887

FLOW BACK REPORT: FLOW FOR 14 HRS, CSG 700# TO 950#, TBG 300# TO 480#, 32/64 TO 24/64 CK, TOTAL WTR REC. 225 BBLs. TRACE SAND.  
SCHEMATIC: SEE WELL FILE

10/24/99 - ACT: FLWG TO SALES.  
PROG: PLACE ON SALES @ 12:15 PM ON 10/23/99. FTP: 975#, CP: 1,200#, 16/64" CK, LP: 392#, SPOT PROD RATE: 1,500 MCFPD.

10/25/99 - PROG: FLWD 854 MCF, 93 BW, FTP: 678#, CP: 1,058#, 16/64" CK, 18 HRS, LP: 392#. (OPEN CK TO 24/64"), LLTR: 1,523 BBLs.

10/26/99 PROG: FLWD 1,114 MCF, 112 BW, FTP: 540#, CP: 920#, 24/64" CK, 24 HRS, LP: 395#, OPEN CK TO 48/64", LLTR: 1,411 BBLs.

10/27/99 PROG: FLWD 1123 MCF, 83 BW, FTP: 520#, CP: 875#, 48/64" CK, 24 HRS, LP: 388#, OPEN CK TO 64/64", LLTR: 1,328 BBLs.

10/28/99 PROG: FLWG: 1,110 MCF, 76 BW, FTP: 510#, CP: 850#, 64/64" CK, 24 HRS, LP: 393#, LLTR: 1,252 BBLs. FINAL REPORT.

IP DATE: 10/26/99. FLWG: 1,123, 83 BW, FTP: 520#, CP: 875#, 48/64" CK, 24 HRS, LP: 388#.  
10/28/99 FINAL REPORT

---

ENTITY ACTION FORM - FORM 6

ADDRESS \_\_\_\_\_

\_\_\_\_\_

| ACTION CODE   | CURRENT ENTITY NO. | NEW ENTITY NO. | API NUMBER   | WELL NAME  | WELL LOCATION |    |    |     |        | SPUD DATE | EFFECTIVE DATE |
|---|--------------------|----------------|--------------|------------|---------------|----|----|-----|--------|-----------|----------------|
|   |                    |                |              |            | QQ            | SC | TP | RG  | COUNTY |           |                |
| D   | 2900               | 12681          | 43-047-33286 | OURAY 6-73 | NWNE          | 6  | 9S | 21E | UINTAH |           | 01-31-00       |
| WELL 1 COMMENTS: <b>NOT IN NATURAL BUTTES UNIT; ASSIGNED NEW ENTITY NUMBER.</b> |                    |                |              |            |               |    |    |     |        |           |                |
|   |                    |                |              |            |               |    |    |     |        |           |                |
| WELL 2 COMMENTS:  |                    |                |              |            |               |    |    |     |        |           |                |
|   |                    |                |              |            |               |    |    |     |        |           |                |
| WELL 3 COMMENTS:  |                    |                |              |            |               |    |    |     |        |           |                |
|   |                    |                |              |            |               |    |    |     |        |           |                |
| WELL 4 COMMENTS:  |                    |                |              |            |               |    |    |     |        |           |                |
|   |                    |                |              |            |               |    |    |     |        |           |                |
| WELL 5 COMMENTS:  |                    |                |              |            |               |    |    |     |        |           |                |
|   |                    |                |              |            |               |    |    |     |        |           |                |

ACTION CODES (See instructions on back of form)

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

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

DOGM (KDR)  
Signature \_\_\_\_\_  
Title \_\_\_\_\_ Date 1-31-00  
Phone No. ( ) \_\_\_\_\_

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

|  |   |  |
|--|---|--|
| 1. Type of Well<br><input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other |   | 5. Lease Serial No.<br>Various                         |
| 2. Name of Operator<br>Coastal Oil & Gas Corporation   |   | 6. If Indian, Allottee or Tribe Name                   |
| 3a. Address<br>P.O. Box 1148, Vernal UT 84078  | 3b. Phone No. (include area code)<br>(435)-781-7023 | 7. If Unit or CA/Agreement, Name and/or No.<br>Various |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br>N/A  |   | 8. Well Name and No.<br>See Attached                   |
|  |   | 9. API Well No.<br>N/A                                 |
|  |   | 10. Field and Pool, or Exploratory Area<br>Ouray       |
|  |   | 11. County or Parish, State<br>Uintah Utah             |

43,047,33286

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

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

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

Coastal Oil & Gas Corporation requests approval to commingle the overflow condensate in the condensate overflow tank connected to the water tanks.

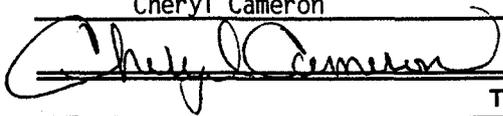
The proposed method of allocation for the overflow condensate when a sufficient volume is present will be based on the percentage of gas sold since the last sale based on MMBTU times the volume of condensate sold from the overflow tank.

Please see attachment.

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JUN 06 2000

**DIVISION OF  
OIL, GAS AND MINING**

|   |                                |
|---|--------------------------------|
| 14. I hereby certify that the foregoing is true and correct<br>Name (Printed/Typed)<br>Cheryl Cameron | Title<br>Environmental Analyst |
|                     | Date 5/31/00                   |

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

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

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, 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.

| Lease Name | Well Number | API No.      | Location                                   | Field | County State | Lease No.      | CA No. |
|------------|-------------|--------------|--|-------|--------------|----------------|--------|
| Ankerpont  | #31-39      | 43-047-33339 | 1700'FSL & 900'FWL ( NWSW Sec.31,T8S,R21E) | Ouray | Uintah, UT   | 14-20-H62-3006 | 9C-209 |
| Ouray      | #5-72       | 43-047-33283 | 1500'FNL & 905'FWL ( SWNW Sec.5,T9S,R21E)  | Ouray | Uintah, UT   | 14-20-H62-3008 | 9C-183 |
| Ouray      | #32-69      | 43-047-33288 | 672'FSL & 683'FWL (SWSW Sec.32,T8S,R21E)   | Ouray | Uintah, UT   | 14-20-H62-3008 | 9C-204 |
| Ouray      | #6-73       | 43-047-33286 | 655'FNL & 1971'FEL ( NWNE Sec.6,T9S,R21E)  | Ouray | Uintah, UT   | 14-20-H62-3022 | 9C-73  |
| Ankerpont  | #31-86      | 43-047-33384 | 699'FSL & 2034'FWL (SESW Sec.31,T8S,R21E)  | Ouray | Uintah, UT   | 14-20-H62-3006 | 9C-209 |

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DIVISION OF  
OIL, GAS AND MINING

EXAMPLE OF ALLOCATION METHOD  
MONTHLY CONDENSATE PRODUCTION

| WELL REFERENCE   | MMBTU<br>SOLD | % OF<br>TOTAL<br>MMBTU<br>SOLD | ESTIMATED<br>CONDENSATE<br>ALLOCATION |
|------------------|---------------|--------------------------------|---------------------------------------|
| ANKERPONT #31-39 | 35821         | 35%                            | 34 Bbls                               |
| ANKERPONT #31-86 | 4429          | 5%                             | 4 Bbls                                |
| OURAY #6-73      | 19791         | 19%                            | 19 Bbls                               |
| OURAY #5-72      | 22506         | 22%                            | 21 Bbls                               |
| OURAY #32-69     | 19765         | 19%                            | 19 Bbls                               |
| TOTALS           | 102312        | 100%                           | 97                                    |

**RECEIVED**

JUN 06 2000

DIVISION OF  
OIL, GAS AND MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

|  |   |  |
|--|---|--|
| 1. Type of Well<br><input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other |   | 5. Lease Serial No.<br>Various                         |
| 2. Name of Operator<br>Coastal Oil & Gas Corporation   |   | 6. If Indian, Allottee or Tribe Name                   |
| 3a. Address<br>P.O. Box 1148, Vernal UT 84078  | 3b. Phone No. (include area code)<br>(435) 781-7023 | 7. If Unit or CA/Agreement, Name and/or No.<br>Various |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br>N/A  |   | 8. Well Name and No.<br>See Attached                   |
|  |   | 9. API Well No.<br>N/A 43-0A7-33286                    |
|  |   | 10. Field and Pool, or Exploratory Area                |
|  |   | 11. County or Parish, State<br>Uintah Utah             |

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

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

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

Coastal Oil & Gas Corporation requests approval to commingle the overflow in the condensate overflow tank connected to the water tanks.

The proposed method of allocation for the overflow condensate will be as follows:

When a tank of condensate is collected, sufficient for sales, the allocation percentage will be based on the ratio of the MMBTU of all of the natural gas measured since the last condensate overflow sales. This ratio will be applied to the total overflow condensate volume sold. The allocated condensate volume will then be reported in the oil sold column on the 3160-6 report for the month the sales occurred.

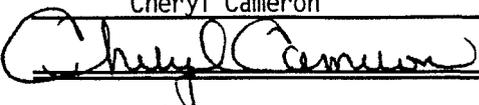
In order to account for the existing inventory, the overflow tank will be stripped before and after each sale.

Please see attachments.

**RECEIVED**

JUN 19 2000

DIVISION OF  
OIL, GAS AND MINING

|   |                                |
|---|--------------------------------|
| 14. I hereby certify that the foregoing is true and correct<br>Name (Printed/Typed)<br>Cheryl Cameron | Title<br>Environmental Analyst |
|                     | Date 6/9/00                    |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

| Lease Name | Well Number | API No.      | Location                                   | Field | County State | Lease No.      | CA No. |
|------------|-------------|--------------|--|-------|--------------|----------------|--------|
| Ankerpont  | #31-39      | 43-047-33339 | 1700'FSL & 900'FWL ( NWSW Sec.31,T8S,R21E) | Ouray | Uintah, UT   | 14-20-H62-3006 | 9C-209 |
| Ouray      | #5-72       | 43-047-33283 | 1500'FNL & 905'FWL ( SWNW Sec.5,T9S,R21E)  | Ouray | Uintah, UT   | 14-20-H62-3008 | 9C-183 |
| Ouray      | #32-69      | 43-047-33288 | 672'FSL & 683'FWL (SWSW Sec.32,T8S,R21E)   | Ouray | Uintah, UT   | 14-20-H62-3008 | 9C-204 |
| Ouray      | #6-73       | 43-047-33286 | 655'FNL & 1971'FEL ( NWNE Sec.6,T9S,R21E)  | Ouray | Uintah, UT   | 14-20-H62-3022 | 9C-73  |
| Ankerpont  | #31-86      | 43-047-33384 | 699'FSL & 2034'FWL (SESW Sec.31,T8S,R21E)  | Ouray | Uintah, UT   | 14-20-H62-3006 | 9C-209 |

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JUN 19 2000

DIVISION OF  
OIL, GAS AND MINING

EXAMPLE OF ALLOCATION METHOD  
MONTHLY CONDENSATE PRODUCTION

| WELL REFERENCE   | MMBTU SOLD | % OF TOTAL MMBTU SOLD | ESTIMATED CONDENSATE ALLOCATION |
|------------------|------------|-----------------------|---------------------------------|
| ANKERPONT #31-39 | 35821      | 35%                   | 34 Bbls                         |
| ANKERPONT #31-86 | 4429       | 5%                    | 4 Bbls                          |
| OURAY #6-73      | 19791      | 19%                   | 19 Bbls                         |
| OURAY #5-72      | 22506      | 22%                   | 21 Bbls                         |
| OURAY #32-69     | 19765      | 19%                   | 19 Bbls                         |
| TOTALS           | 102312     | 100%                  | 97                              |

**RECEIVED**

JUN 19 2000

DIVISION OF  
OIL, GAS AND MINING

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NUMBER:  
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:  
7. UNIT or CA AGREEMENT NAME:  
8. WELL NAME and NUMBER:  
Exhibit "A"  
9. API NUMBER:  
10. FIELD AND POOL, OR WILDCAT:

1. TYPE OF WELL  
OIL WELL  GAS WELL  OTHER \_\_\_\_\_  
2. NAME OF OPERATOR:  
El Paso Production Oil & Gas Company  
3. ADDRESS OF OPERATOR:  
8 South 1200 East CITY Vernal STATE Utah ZIP 84078  
PHONE NUMBER: 435-789-4433

4. LOCATION OF WELL  
FOOTAGES AT SURFACE: \_\_\_\_\_ COUNTY: \_\_\_\_\_  
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: \_\_\_\_\_ STATE: UTAH

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

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

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  
As a result of the merger between The Coastal Corporation and a wholly owned subsidiary of El Paso Energy Corporation, the name of Coastal Oil & Gas Corporation has been changed to El Paso Production Oil & Gas Company effective March 9, 2001.  
See Exhibit "A"

Bond # 400JU0708

Coastal Oil & Gas Corporation  
NAME (PLEASE PRINT) John T. Elzner TITLE Vice President  
SIGNATURE [Signature] DATE 06-15-01  
El Paso Production Oil & Gas Company  
NAME (PLEASE PRINT) John T. Elzner TITLE Vice President  
SIGNATURE [Signature] DATE 06-15-01

(This space for State use only)

**RECEIVED**  
JUN 19 2001  
DIVISION OF  
OIL, GAS AND MINING

State of Delaware  
Office of the Secretary of State

PAGE 1

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "COASTAL OIL & GAS CORPORATION", CHANGING ITS NAME FROM "COASTAL OIL & GAS CORPORATION" TO "EL PASO PRODUCTION OIL & GAS COMPANY", FILED IN THIS OFFICE ON THE NINTH DAY OF MARCH, A.D. 2001, AT 11 O'CLOCK A.M.

RECEIVED

JUN 14 2001

DIVISION OF  
OIL, GAS AND MINING



*Harriet Smith Windsor*  
Harriet Smith Windsor, Secretary of State

0610204 8100

AUTHENTICATION: 1061007

010162788

DATE: 04-03-01

CERTIFICATE OF AMENDMENT  
OF  
CERTIFICATE OF INCORPORATION

COASTAL OIL & GAS CORPORATION (the "Company"), a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware, DOES HEREBY CERTIFY:

FIRST: That the Board of Directors of the Company, by the unanimous written consent of its members, filed with the minutes of the Board, adopted a resolution proposing and declaring advisable the following amendment to the Certificate of Incorporation of the Company:

RESOLVED that it is deemed advisable that the Certificate of Incorporation of this Company be amended, and that said Certificate of Incorporation be so amended, by changing the Article thereof numbered "FIRST." so that, as amended, said Article shall be and read as follows:

"FIRST. The name of the corporation is El Paso Production Oil & Gas Company."

SECOND: That in lieu of a meeting and vote of stockholders, the stockholders entitled to vote have given unanimous written consent to said amendment in accordance with the provisions of Section 228 of the General Corporation Law of the State of Delaware.

THIRD: That the aforesaid amendment was duly adopted in accordance with the applicable provisions of Sections 242 and 228 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, said COASTAL OIL & GAS CORPORATION has caused this certificate to be signed on its behalf by a Vice President and attested by an Assistant Secretary, this 9th day of March 2001.

COASTAL OIL & GAS CORPORATION

*David L. Siddall*  
\_\_\_\_\_  
David L. Siddall  
Vice President

Attest:

*Margaret E. Roark*  
\_\_\_\_\_  
Margaret E. Roark, Assistant Secretary

RECEIVED

STATE OF DELAWARE  
SECRETARY OF STATE  
DIVISION OF CORPORATIONS  
FILED 11:00 AM 03/09/2001  
010118394 - 0610204

JUN 19 2001

DIVISION OF  
OIL, GAS AND MINING



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155

# RECEIVED

JUL 12 2001

DIVISION OF  
OIL, GAS AND MINING

In Reply Refer To:  
3106  
UTSL-065841  
(UT-924)

JUL 10 2001

### NOTICE

El Paso Production Oil & Gas Company : Oil and Gas  
Nine Greenway Plaza :  
Houston TX 77046-0095 :

#### Name Change Recognized

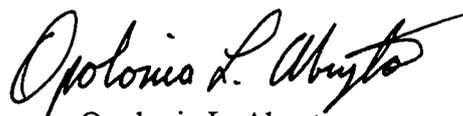
Acceptable evidence has been received in this office concerning the name change of Coastal Oil & Gas Corporation into El Paso Production Oil & Gas Company with El Paso Production Oil & Gas Company being the surviving entity.

For our purposes, the name change is recognized effective March 9, 2001.

The oil and gas lease files identified on the enclosed exhibit have been noted as to the name change. The exhibit was compiled from a list of leases obtained from our computer program. We have not abstracted the lease files to determine if the entities affected by this name change hold an interest in the leases identified nor have we attempted to identify leases where the entities are the operator on the ground maintaining no vested recorded title or operating rights interests. We will be notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

If you identify additional leases in which the entities maintain an interest, please contact this office and we will appropriately document those files with a copy of this Notice.

Due to the name change, the name of the principal/obligor on the bond is required to be changed from Coastal Oil & Gas Corporation to El Paso Production Oil & Gas Company. You may accomplish this either by consent of surety rider on the original bond or a rider to the original bond. The bonds are held in Wyoming and Colorado.



Opolonia L. Abeyta  
Acting Chief, Branch of  
Minerals Adjudication

Enclosure

1. Exhibit of Leases (1 pp)

cc: Moab Field Office  
Vernal Field Office  
MMS, Reference Data Branch, MS3130, PO Box 5860, Denver CO 80217  
~~State of Utah, DOGM,~~ Attn: Jim Thompson (Ste. 1210), Box 145801, SLC UT 84114  
Teresa Thompson (UT-922)  
Joe Incardine (UT-921)

1112 copy



**United States Department of the Interior  
BUREAU OF INDIAN AFFAIRS**

**Uintah and Ouray Agency  
P. O. Box 130  
988 South 7500 East  
Fort Duchesne, Utah 84026-0130  
Phone: (435) 722-4300 Fax: (435) 722-2323**

**IN REPLY REFER TO:  
Minerals and Mining  
Phone: (435) 722-4310  
Fax: (435) 722-2809**

August 16, 2001

El Paso Production Company  
Attn: Elizabeth R. Williams  
Nine Greenway Plaza  
Houston, TX 77046-0995

Dear Mrs. Williams:

We are in receipt of the corporate documentation for the name change from Coastal Oil & Gas Corporation to El Paso Production Oil and Gas Company.

All documents appear to be in order, and the approval is hereby authorized to change all records, including change of operator of certain oil and gas wells, Rights-of-Way, Communitization Agreements, Oil and Gas Leases, Exploration and Development Agreements, etc. from Coastal Oil & Gas Corporation to "El Paso Production Oil and Gas Company".

Approval of this name change is August 16, 2001, but effective on March 9, 2001. If you have any questions, please do not hesitate to contact this office.

Respectfully,

Acting Superintendent

**RECEIVED**

AUG 22 2001

DIVISION OF  
OIL, GAS AND MINING

**OPERATOR CHANGE WORKSHEET**

**ROUTING**

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

Enter date after each listed item is completed

Change of Operator (Well Sold)

Designation of Agent

Operator Name Change (Only)

**X** Merger

The operator of the well(s) listed below has changed, effective: **3-09-2001**

|                                    |
|------------------------------------|
| <b>FROM: (Old Operator):</b>       |
| COASTAL OIL & GAS CORPORATION      |
| Address: 9 GREENWAY PLAZA STE 2721 |
| HOUSTON, TX 77046-0995             |
| Phone: 1-(713)-418-4635            |
| Account N0230                      |

|   |
|---|
| <b>TO: (New Operator):</b>                  |
| EL PASO PRODUCTION OIL & GAS COMPANY        |
| Address: 9 GREENWAY PLAZA STE 2721 RM 2975B |
| HOUSTON, TX 77046-0995                      |
| Phone: 1-(832)-676-4721                     |
| Account N1845                               |

**CA No.**

**Unit:**

**WELL(S)**

| NAME            | API NO   | ENTITY NO    | SEC TWN RNG | LEASE TYPE | WELL TYPE | WELL STATUS |
|-----------------|----------|--------------|-------------|------------|-----------|-------------|
| SERAWOP 4-46    | (84C725) | 43-047-33504 | 99999       | 04-09S-21E | INDIAN GW | NEW         |
| JENKS ETAL 5 11 | (9C-179) | 43-047-30726 | 100         | 05-09S-21E | INDIAN GW | P           |
| BLACK 44        | (CR-4)   | 43-047-32537 | 11715       | 05-09S-21E | INDIAN GW | P           |
| OURAY 5-83      | (CR-4)   | 43-047-33166 | 13076       | 05-09S-21E | INDIAN GW | DRL         |
| JENKS 5-41      | (9C-183) | 43-047-33280 | 12556       | 05-09S-21E | INDIAN GW | P           |
| OURAY 5-67      | (9C-183) | 43-047-33281 | 12543       | 05-09S-21E | INDIAN GW | P           |
| OURAY 5-68      | (9C-183) | 43-047-33282 | 12670       | 05-09S-21E | INDIAN GW | P           |
| OURAY 5-72      | (9C-183) | 43-047-33283 | 12554       | 05-09S-21E | INDIAN GW | P           |
| BLACK 5-104     | (CR-4)   | 43-047-33380 | 12802       | 05-09S-21E | INDIAN GW | P           |
| JENKS 5-153     | (9C-183) | 43-047-33869 | 13206       | 05-09S-21E | INDIAN GW | DRL         |
| OURAY 5-160     | (9C-183) | 43-047-33923 | 99999       | 05-09S-21E | INDIAN GW | APD         |
| PINNACOOSE 6 3  | (9C-179) | 43-047-30428 | 55          | 06-09S-21E | INDIAN GW | P           |
| WEEKS 6 29      | (CR-144) | 43-047-30961 | 160         | 06-09S-21E | INDIAN GW | P           |
| BLACK 6-35      | (9C-179) | 43-047-31872 | 11073       | 06-09S-21E | INDIAN GW | P           |
| OURAY 6-66      | (CR-144) | 43-047-33284 | 12544       | 06-09S-21E | INDIAN GW | P           |
| OURAY 6-71      | (CR-144) | 43-047-33285 | 12552       | 06-09S-21E | INDIAN GW | P           |
| OURAY 6-73      | (9C-179) | 43-047-33286 | 12681       | 06-09S-21E | INDIAN GW | P           |
| OURAY 6-82      | (C5-144) | 43-047-33309 | 12559       | 06-09S-21E | INDIAN GW | P           |
| WEEKS 6-154     | (CR-144) | 43-047-33924 | 99999       | 06-09S-21E | INDIAN GW | APD         |
| BLACK 6-155     | (9C-179) | 43-047-33925 | 99999       | 06-09S-21E | INDIAN GW | APD         |

**OPERATOR CHANGES DOCUMENTATION**

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 06/19/2001
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 06/19/2001
3. The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 06/21/2001
4. Is the new operator registered in the State of Utah: YES Business Number: 608186-0143

5. If **NO**, the operator was contacted on: N/A
6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the (merger, name change, or operator change for all wells listed on Federal or Indian leases on: 08/16/2001
7. **Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: 07/10/2001
8. **Federal and Indian Communitization Agreements ("CA"):** The BLM or the BIA has approved the operator change for all wells listed involved in a CA on: 08/16/2001
9. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

---

**DATA ENTRY:**

1. Changes entered in the **Oil and Gas Database** on: 09/04/2001
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 09/04/2001
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

---

**STATE BOND VERIFICATION:**

1. State well(s) covered by Bond No.: N/A

---

**FEDERAL BOND VERIFICATION:**

1. Federal well(s) covered by Bond No.: N/A

---

**INDIAN BOND VERIFICATION:**

1. Indian well(s) covered by Bond No.: 103601473

---

**FEE WELLS - BOND VERIFICATION/LEASE INTEREST OWNER NOTIFICATION:**

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

---

**FILMING:**

1. All attachments to this form have been **MICROFILMED** on: \_\_\_\_\_

---

**FILING:**

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

---

**COMMENTS: Master list of all wells involved in operator change from Coastal Oil & Gas Corporation to El Paso Production Oil and Gas Company shall be retained in the "Operator Change File".**

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JAN. 17. 2003 3:34PM WESTPORT

NO. 173 P. 2

**WESTPORT OIL AND GAS COMPANY, L.P.**

410 Seventeenth Street #2300 Denver Colorado 80202-4436  
Telephone: 303 573 5404 Fax: 303 573 5609

February 1, 2002

Department of the Interior  
Bureau of Land Management  
2850 Youngfield Street  
Lakewood, CO 80215-7093  
Attention: Ms. Martha Maxwell

RE: BLM Bond CO-1203  
BLM Nationwide Bond 158626364  
Surety - Continental Casualty Company  
Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.  
Conversion of Westport Oil and Gas Company, Inc., into Westport Oil and Gas Company, L.P.  
Assumption Rider - Westport Oil and Gas Company, L.P.

Dear Ms. Maxwell:

Pursuant to our recent conversations, please find the following list of enclosures for the BLM's consideration and approval:

Two (2) Assumption Riders, fully executed originals.  
Copies of Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.  
Copies of Westport Oil and Gas Company, Inc., conversion into Westport Oil and Gas Company, L.P.  
List of all Federal/BIA/State Leases - Belco/Westport's leases - in all states.

Please inform us of any additional information needed to complete the change to Westport Oil and Gas Company, L.P., as operator of record.

I thank you for your assistance and cooperation in this matter. Please do not hesitate contacting the undersigned, should a question arise.

Sincerely,  
Westport Oil and Gas Company, L.P.

*Debby J. Black*  
Debby J. Black  
Engineer Technician

Encl:



United States Department of the Interior

RECEIVED

BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155

FEB 22 2002

DIVISION OF  
OIL, GAS AND MINING

In Reply Refer To:  
3106  
UTU-25566 et al  
(UT-924)

FEB 21 2002

NOTICE

Westport Oil and Gas Company L.P. : Oil and Gas  
410 Seventeenth Street, #2300 :  
Denver Colorado 80215-7093 :

Name Change Recognized

Acceptable evidence has been received in this office concerning the name change of Westport Oil and Gas Company, Inc. into Westport Oil and Gas Company, L.P. with Westport Oil and Gas Company, L.P. being the surviving entity.

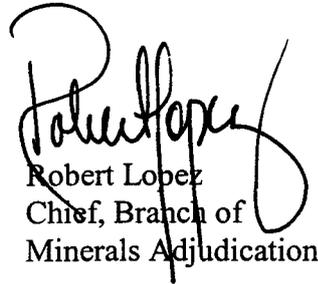
For our purposes, the name change is recognized effective December 31, 2001.

The oil and gas lease files identified have been noted as to the name change. The exhibit was compiled from a list of leases obtained from our computer program. We have not abstracted the lease files to determine if the entities affected by this name change hold an interest in the leases identified nor have we attempted to identify leases where the entities are the operator on the ground maintaining no vested recorded title or operating rights interests. We will be notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

If you identify additional leases in which the entities maintain an interest, please contact this office and we will appropriately document those files with a copy of this Notice.

Due to the name change, the name of the principal/obligor on the bond is required to be changed from Westport Oil and Gas Company, Inc. to Westport Oil and Gas Company, L.P.. You may accomplish this either by consent of surety rider on the original bond or a rider to the original bond. The bonds are held in Colorado.

UTU-03405  
UTU-20895  
UTU-25566  
UTU-43156  
UTU-49518  
UTU-49519  
UTU-49522  
UTU-49523



Robert Lopez  
Chief, Branch of  
Minerals Adjudication

cc: Moab Field Office  
Vernal Field Office  
MMS, Reference Data Branch, MS3130, PO Box 5860, Denver CO 80217  
State of Utah, DOGM, Attn: Jim Thompson (Ste. 1210), Box 145801, SLC UT 84114  
Teresa Thompson (UT-922)  
Joe Incardine (UT-921)

# memorandum

Branch of Real Estate Services  
Uintah & Ouray Agency

Date: 5 December, 2002

Reply to:  
Attn of: Supervisory Petroleum Engineer

Subject: Modification of Utah Division of Oil, Gas and Mining Regulations

To: Director, Utah Division of Oil, Gas and Mining Division: John Baza

We have been advised of changes occurring with the operation of your database for Change of Operator. You will be modifying your records to reflect Change of Operator once you have received all necessary documentation from the companies involved, and perhaps in advance of our Notice of Concurrence/Approval of Change of Operator where Indian leases are involved.

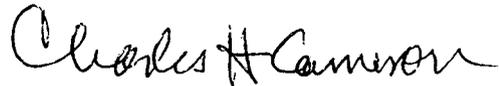
We have no objection.

With further comment to Rulemaking, I wish to comment concerning the provision of Exhibits for upcoming Hearings. I would like to see the Uintah & Ouray Agency, BIA, and the Ute Indian Tribe, Energy & Mineral Resources Department added to the list of those parties that receive advance Exhibits so as to allow us to have research time prior to Hearing dates. We will be able to provide a more informed recommendation to the Oil, Gas and Mining Board. It would be best if we would receive only those Exhibits that concern Indian lands, specifically on or adjacent to Indian lands. This may be a difficult situation to attain, as it is not always clear where 'on or adjacent' occurs.

I am aware that you have gone to extra effort to correct this matter already, and I fully appreciate it. My request is intended only to allow the addition of Uintah & Ouray Agency and Ute Indian Tribe to the official listing.

We appreciate your concern, and hope that these comments are timely enough for consideration in the revision process.

CC: Minerals & Mining Section of RES  
Ute Energy & Mineral Resources Department: Executive Director  
chrono





# United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

Washington, D.C. 20240

FEB 10 2003

IN REPLY REFER TO:  
Real Estate Services

Carroll A. Wilson  
Principal Landman  
Westport Oil and Gas Company, L.P.  
1368 South 1200 East  
Vernal, Utah 84078

Dear Mr. Wilson:

This is in response to your request for approval of RLI Insurance Company's Nationwide Oil and Gas Lease Bond No. RLB0005239 executed effective December 17, 2002, (\$150,000 coverage) with Westport Oil and Gas Company, L. P., as principal.

This bond is hereby approved as of the date of this correspondence and will be retained in the Bureau of Indian Affairs' Division of Real Estate Services, 1849 C Street, NW, MS-4512-MIB, Washington, D.C. 20240. All Bureau oil and gas regional offices and the surety are being informed of this action.

In cases where you have existing individual and/or collective bonds on file with one or more of our regional offices, you may now request those offices, directly, to terminate in lieu of coverage under this Nationwide Bond.

Enclosed is a copy of the approved bond for your files. If we may be of further assistance in this matter, please advise.

Sincerely,

Director, Office of Trust Responsibilities

ACTING

Enclosure

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

FORM 9

|  |  |   |
|--|--|---|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b>   |  | 5. LEASE DESIGNATION AND SERIAL NUMBER: |
| Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. |  | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME:   |
| 1. TYPE OF WELL<br>OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____   |  | 7. UNIT or CA AGREEMENT NAME:           |
| 2. NAME OF OPERATOR:<br>El Paso Production Oil & Gas Company   |  | 8. WELL NAME and NUMBER:<br>Exhibit "A" |
| 3. ADDRESS OF OPERATOR:<br>9 Greenway Plaza City Houston STATE TX ZIP 77064-0995   |  | 9. API NUMBER:                          |
| PHONE NUMBER:<br>(832) 676-5933  |  | 10. FIELD AND POOL, OR WILDCAT:         |
| 4. LOCATION OF WELL<br>FOOTAGES AT SURFACE: COUNTY:<br>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: STATE: UTAH  |  |   |

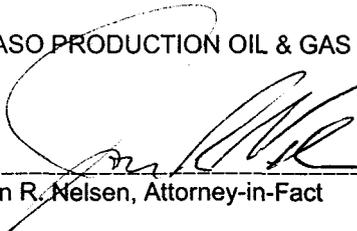
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA                                  |   |   |  |
|--|---|---|--|
| TYPE OF SUBMISSION   | TYPE OF ACTION  |   |  |
| <input type="checkbox"/> NOTICE OF INTENT<br>(Submit in Duplicate)<br>Approximate date work will start:<br>_____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

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

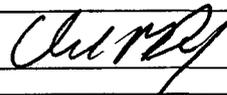
Operator change to Westport Oil and Gas Company, L.P., 1670 Broadway, Suite 2800, Denver, CO. 80202-4800, effective December 17, 2002.

BOND # \_\_\_\_\_  
State Surety Bond No. RLB0005236  
Fee Bond No. RLB0005238

EL PASO PRODUCTION OIL & GAS COMPANY

By:   
Jon R. Nelsen, Attorney-in-Fact

RECEIVED  
FEB 28 2003  
DIV. OF OIL, GAS & MINING

|   |                                  |
|---|----------------------------------|
| NAME (PLEASE PRINT) WESTPORT OIL AND GAS COMPANY, L.P.<br>David R. Dix                        | TITLE Agent and Attorney-in-Fact |
| SIGNATURE  | DATE 12/17/02                    |

(This space for State use only)

Form 3160-5  
(August 1999)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

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

5. Lease Serial No.  
**SEE ATTACHED EXHIBIT "A"**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**SEE ATTACHED EXHIBIT "A"**

9. API Well No.  
**SEE ATTACHED EXHIBIT "A"**

10. Field and Pool, or Exploratory Area

11. County or Parish, State  
**UINTAH COUNTY, UT**

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
**WESTPORT OIL & GAS COMPANY, L.P.**

3a. Address  
**P.O. BOX 1148 VERNAL, UT 84078**

3b. Phone No. (include area code)  
**(435) 781-7023**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**SEE ATTACHED EXHIBIT "A"**

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

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

**SUCCESSOR OF OPERATOR**

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

WESTPORT OIL & GAS COMPANY, L.P., IS CONSIDERED TO BE THE OPERATOR ON THE ATTACHED DESCRIBED LANDS AND IS RESPONSIBLE UNDER THE TERMS AND CONDITIONS OF THE LEASE FOR THE OPERATIONS CONDUCTED ON THE LEASED LANDS OR PORTIONS THEREOF, BOND COVERAGE FOR THIS WELL IS PROVIDED BY FEDERAL NATIONWIDE BOND NO. 158626364, EFFECTIVE FEBRUARY 1, 2002, AND BIA NATIONWIDE BOND NO. RLB0005239, EFFECTIVE FEBRUARY 10, 2003.

RECEIVED  
MAR 04 2003

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

Name (Printed/Typed)  
**CHERYL CAMERON**

Title  
**OPERATIONS**

Signature  
*Cheryl Cameron*

Date  
**March 4, 2003**

THIS SPACE FOR FEDERAL OR STATE USE

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

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

(Instructions on reverse)

DIV. OF OIL, GAS & MINING

**OPERATOR CHANGE WORKSHEET**

|  |
|--|
| 1. GLH                                     |
| 2. CDW <input checked="" type="checkbox"/> |
| 3. FILE                                    |

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

Designation of Agent/Operator

Operator Name Change

Merger

The operator of the well(s) listed below has changed, effective: **12-17-02**

|                                      |                               |
|--------------------------------------|-------------------------------|
| <b>FROM: (Old Operator):</b>         | <b>TO: (New Operator):</b>    |
| EL PASO PRODUCTION OIL & GAS COMPANY | WESTPORT OIL & GAS COMPANY LP |
| Address: 9 GREENWAY PLAZA            | Address: P O BOX 1148         |
| HOUSTON, TX 77064-0995               | VERNAL, UT 84078              |
| Phone: 1-(832)-676-5933              | Phone: 1-(435)-781-7023       |
| Account No. N1845                    | Account No. N2115             |

**CA No. Unit:**

| WELL(S)                 | SEC TWN<br>RNG | API NO       | ENTITY<br>NO | LEASE<br>TYPE | WELL<br>TYPE | WELL<br>STATUS |
|-------------------------|----------------|--------------|--------------|---------------|--------------|----------------|
| OURAY 6-66 (CR-144)     | 06-09S-21E     | 43-047-33284 | 12544        | INDIAN        | GW           | P              |
| OURAY 6-71 (CR-144)     | 06-09S-21E     | 43-047-33285 | 12552        | INDIAN        | GW           | P              |
| OURAY 6-73              | 06-09S-21E     | 43-047-33286 | 12681        | INDIAN        | GW           | P              |
| OURAY 6-82 (CR-144)     | 06-09S-21E     | 43-047-33309 | 12559        | INDIAN        | GW           | P              |
| OURAY 6-84              | 06-09S-21E     | 43-047-34026 | 99999        | INDIAN        | GW           | APD            |
| OURAY 6-166             | 06-09S-21E     | 43-047-33999 | 99999        | INDIAN        | GW           | APD            |
| OURAY 6-225             | 06-09S-21E     | 43-047-34741 | 99999        | INDIAN        | GW           | APD            |
| OURAY 6-194             | 06-09S-21E     | 43-047-34049 | 99999        | INDIAN        | GW           | APD            |
| PINNACOOSE 63           | 06-09S-21E     | 43-047-30428 | 55           | INDIAN        | GW           | P              |
| NBU 11                  | 14-09S-21E     | 43-047-30118 | 9240         | FEDERAL       | GW           | PA             |
| CIGE 215X               | 15-09S-21E     | 43-047-33690 | 12996        | FEDERAL       | GW           | P              |
| UTE TRAIL U 13          | 15-09S-21E     | 43-047-15385 | 99998        | FEDERAL       | GW           | PA             |
| COG 6-18-9-21 GR        | 18-09S-21E     | 43-047-32513 | 11655        | FEDERAL       | GW           | P              |
| COG 8-19-9-21 GR        | 19-09S-21E     | 43-047-32469 | 11652        | FEDERAL       | GW           | P              |
| NBU CIGE 6-19-9-21      | 19-09S-21E     | 43-047-30356 | 11618        | FEDERAL       | GW           | P              |
| HORSESHOE BEND FED 26-3 | 26-09S-21E     | 43-047-33872 | 13128        | FEDERAL       | GW           | S              |
| COG NBU 10-30-9-21 GR   | 30-09S-21E     | 43-047-32470 | 11633        | FEDERAL       | GW           | P              |
| UTE TRAIL U ST 10       | 34-09S-21E     | 43-047-15382 | 99998        | FEDERAL       | GW           | PA             |
| MORGAN STATE 1-36       | 36-09S-21E     | 43-047-30600 | 5445         | STATE         | GW           | P              |
| MORGAN STATE 2-36       | 36-09S-21E     | 43-047-32585 | 11927        | STATE         | GW           | P              |

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 02/28/2003
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 03/04/2003
- The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 03/06/2003
- Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- If **NO**, the operator was contacted on: \_\_\_\_\_

6. (R649-9-2)Waste Management Plan has been received on: IN PLACE

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM-12/31/2003 BIA-12/5/02

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: 02/27/2003

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

The BLM or BIA has approved the operator for all wells listed within a CA on: 01/09/2003

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

**DATA ENTRY:**

1. Changes entered in the **Oil and Gas Database** on: 03/27/2003
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 03/27/2003
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

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

1. State well(s) covered by Bond Number: RLB 0005236

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

1. Federal well(s) covered by Bond Number: 158626364

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

1. Indian well(s) covered by Bond Number: RLB 0005239

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

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB 0005238

2. The **FORMER** operator has requested a release of liability from their bond on: N/A

The Division sent response by letter on: N/A

**LEASE INTEREST OWNER NOTIFICATION:**

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

**COMMENTS:**

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

**ROUTING**

|        |
|--------|
| 1. DJJ |
| 2. CDW |

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

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective: **1/6/2006**

|   |  |
|---|--|
| <b>FROM:</b> (Old Operator):<br>N2115-Westport Oil & Gas Co., LP<br>1368 South 1200 East<br>Vernal, UT 84078<br>Phone: 1-(435) 781-7024 | <b>TO:</b> ( New Operator):<br>N2995-Kerr-McGee Oil & Gas Onshore, LP<br>1368 South 1200 East<br>Vernal, UT 84078<br>Phone: 1-(435) 781-7024 |
|---|--|

| CA No.    |     | Unit: |     |        |           |            |           |             |
|-----------|-----|-------|-----|--------|-----------|------------|-----------|-------------|
| WELL NAME | SEC | TWN   | RNG | API NO | ENTITY NO | LEASE TYPE | WELL TYPE | WELL STATUS |

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/10/2006
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/10/2006
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/7/2006
- a. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- b. If **NO**, the operator was contacted on: \_\_\_\_\_
- 5a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- 5b. Inspections of LA PA state/fee well sites complete on: n/a
- 5c. Reports current for Production/Disposition & Sundries on: ok

6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 3/27/2006 BIA not yet

7. **Federal and Indian Units:**  
The BLM or BIA has approved the successor of unit operator for wells listed on: 3/27/2006

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

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

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 5/15/2006
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 5/15/2006
- Bond information entered in RBDMS on: 5/15/2006
- Fee/State wells attached to bond in RBDMS on: 5/16/2006
- Injection Projects to new operator in RBDMS on: \_\_\_\_\_
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a Name Change Only

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: CO1203
- Indian well(s) covered by Bond Number: RLB0005239
- (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB0005236
- a. The **FORMER** operator has requested a release of liability from their bond on: n/a rider added KMG  
The Division sent response by letter on: \_\_\_\_\_

**LEASE INTEREST OWNER NOTIFICATION:**

- (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 5/16/2006

**COMMENTS:**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

5. Lease Serial No.

**MULTIPLE LEASES**

6. If Indian, Allottee or Tribe Name

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

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

**KERR-McGEE OIL & GAS ONSHORE LP**

3a. Address

**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)

**(435) 781-7024**

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

**SEE ATTACHED**

8. Well Name and No.

**MUTIPLE WELLS**

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

**UINTAH COUNTY, UTAH**

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

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

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

PLEASE BE ADVISED THAT KERR-McGEE OIL & GAS ONSHORE LP, IS CONSIDERED TO BE THE OPERATOR OF THE ATTACHED WELL LOCATIONS. EFFECTIVE JANUARY 6, 2006. KERR-McGEE OIL & GAS ONSHORE LP, IS RESPONSIBLE UNDER TERMS AND CONDITIONS OF THE LEASE(S) FOR THE OPERATIONS CONDUCTED UPON LEASE LANDS. BOND COVERAGE IS PROVIDED BY STATE OF UTAH NATIONWIDE BOND NO. RLB0005237.

**RECEIVED**

**MAY 10 2006**

DIV. OF OIL, GAS & MINING

**BLM BOND = C01203**  
**BIA BOND = RLB0005239**

**APPROVED 5/16/06**

*Earlene Russell*  
**Division of Oil, Gas and Mining**  
**Earlene Russell, Engineering Technician**

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

Name (Printed/Typed)

**RANDY BAYNE**

Signature

*Randy Bayne*

Title

**DRILLING MANAGER**

Date

**May 9, 2006**

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by

Title

Date

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

Office

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
**MULTIPLE LEASES**

6. If Indian, Allottee or Tribe Name

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

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.

**MUTIPLE WELLS**

2. Name of Operator

**WESTPORT OIL & GAS COMPANY L.P.**

9. API Well No.

3a. Address

**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)

**(435) 781-7024**

10. Field and Pool, or Exploratory Area

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

**SEE ATTACHED**

11. County or Parish, State

**UINTAH COUNTY, UTAH**

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

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

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

EFFECTIVE JANUARY 6, 2006, WESTPORT OIL & GAS COMPANY L.P., HAS RELINQUISHED THE OPERATORSHIP OF THE ATTACHED WELL LOCATIONS TO KERR-McGEE OIL & GAS ONSHORE LP.

**APPROVED** 5/16/06  
*Earlene Russell*  
**Division of Oil, Gas and Mining**  
**Earlene Russell, Engineering Technician**

**RECEIVED**  
**MAY 10 2006**

DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed)

**BRAD LANEY**

Title

**ENGINEERING SPECIALIST**

Signature

Date

**May 9, 2006**

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by

*Brad Laney*

Title

Date

**5-9-06**

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

Office

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