

**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 (303) 573-4455

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements\*)  
At surface: 989' FSL 2400' FEL 3024  
At proposed prod. zone: Same as above 732E  
621391.02  
4436936.66

5. LEASE DESIGNATION AND SERIAL NO.  
14-20-H62-3024

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
Ute

7. UNIT AGREEMENT NAME  
N/A

8. FARM OR LEASE NAME, WELL NO.  
Ouray 32-70

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT  
Ouray Field

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
SW/SE Section 32-T8S-R21E

12. COUNTY OR PARISH  
Uintah

13. STATE  
Utah

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)  
989'

16. NO. OF ACRES IN LEASE  
80

17. NO. OF ACRES ASSIGNED TO THIS WELL  
80

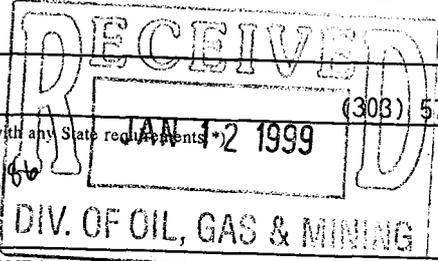
18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.  
See Topo Map C

19. PROPOSED DEPTH  
9600'

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. 43-047-33289 APPROVAL DATE \_\_\_\_\_

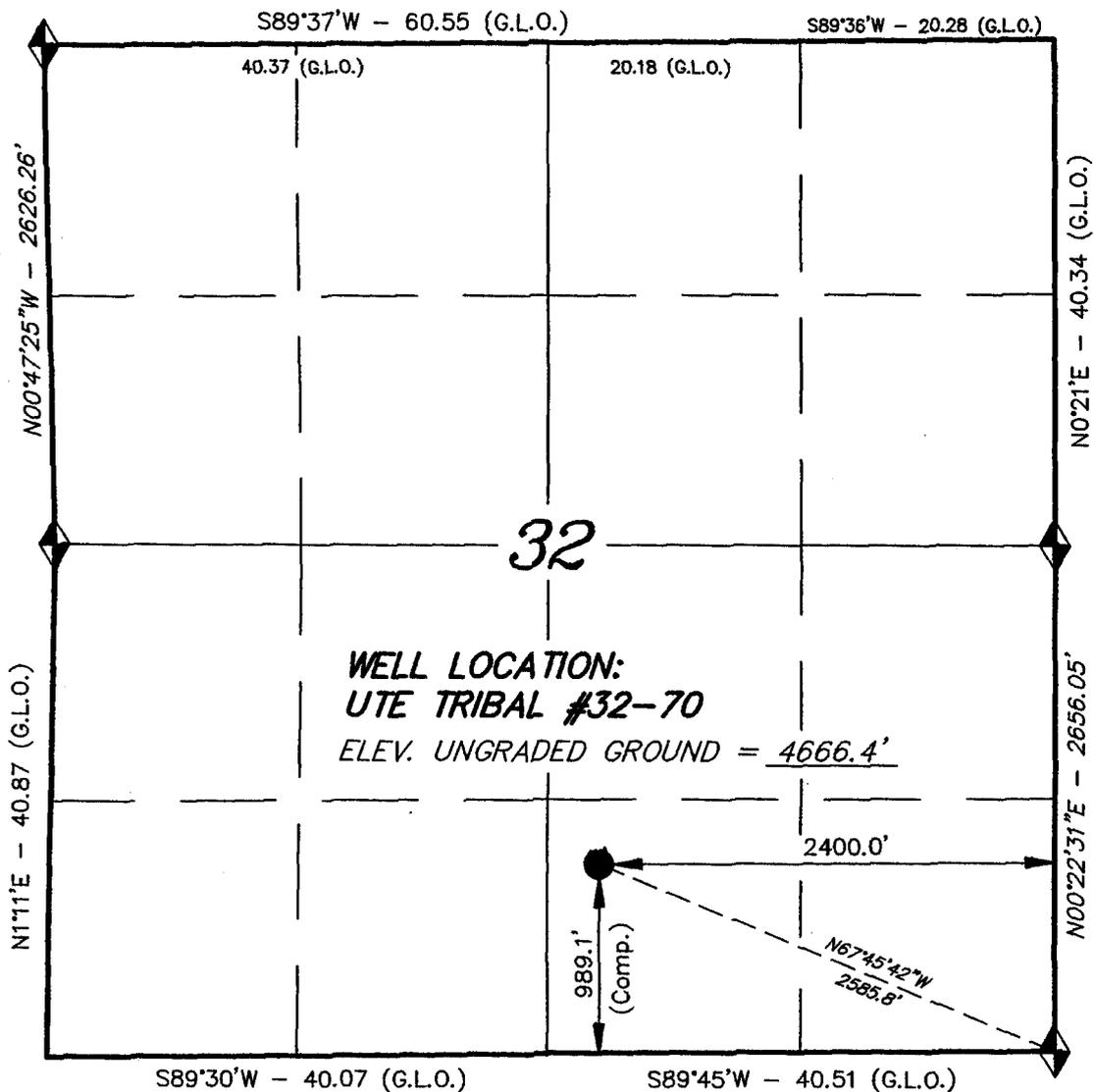
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
CONDITIONS OF APPROVAL, IF ANY: **Federal Approval of this Action is Necessary**

APPROVED BY Bradley G. Hill TITLE **BRADLEY G. HILL RECLAMATION SPECIALIST III** DATE 2/3/99  
\*See Instructions On Reverse Side

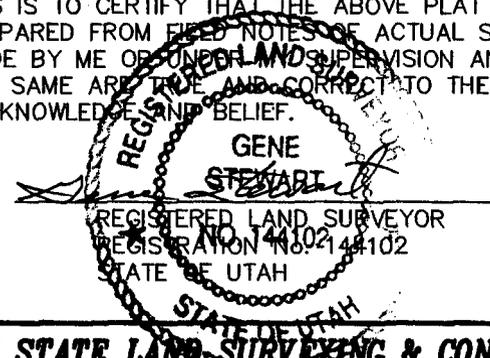
# T8S, R21E, S.L.B.&M.

**COASTAL OIL & GAS CORP.**

WELL LOCATION, UTE TRIBAL #32-70,  
LOCATED AS SHOWN IN THE SW 1/4 SE 1/4  
OF SECTION 32, T8S, R21E, S.L.B.&M UINTAH  
COUNTY, UTAH.



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



**TRI STATE LAND SURVEYING & CONSULTING**  
38 WEST 100 NORTH - VERNAL, UTAH 84078  
(801) 781-2501

◆ = 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

SCALE: 1" = 1000'

SURVEYED BY: D.S.

DATE: 10-16-98

WEATHER: FAIR

NOTES:

REVISIONS:

OURAY 32-70  
989' FSL & 2400' FEL  
SWNE, SECTION 32-T8S-R21E  
UINTAH COUNTY, UTAH  
LEASE NUMBER: 14-20-H62-3024

ONSHORE ORDER NO. 1

*MULTI-POINT SURFACE USE & OPERATIONS PLAN*

An onsite inspection was conducted for the Ouray 32-70 on 12/8/98 at approximately 10:50 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
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.

There will be no improvements made to existing access.

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 reserve pit will be lined. When the reserve pit is closed, the pit liner will be buried.

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

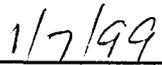
Tom Young  
Drilling Manager  
Coastal Oil & Gas Corporation  
9 Greenway Plaza, Suite 2770  
Houston, TX 77046  
(713) 418-4156

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.

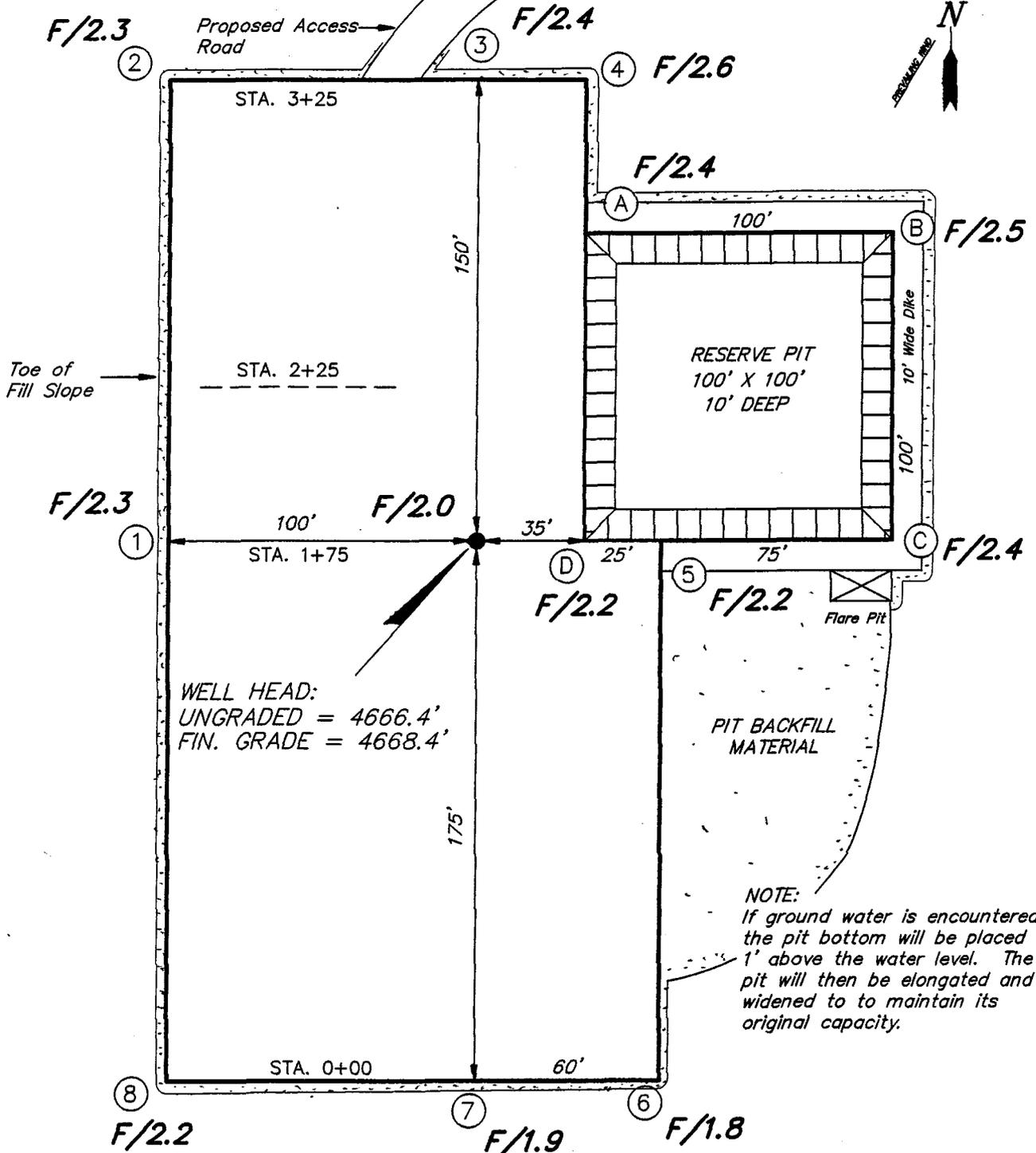
I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations 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

# CONOCO, INC.

UTE TRIBAL #32-70  
SEC. 32, T8S, R21E, S.L.B.&M.



**REFERENCE POINTS**

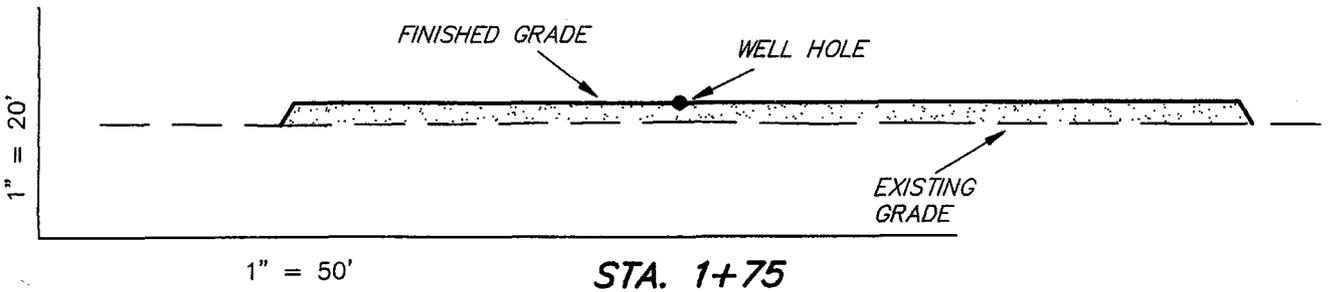
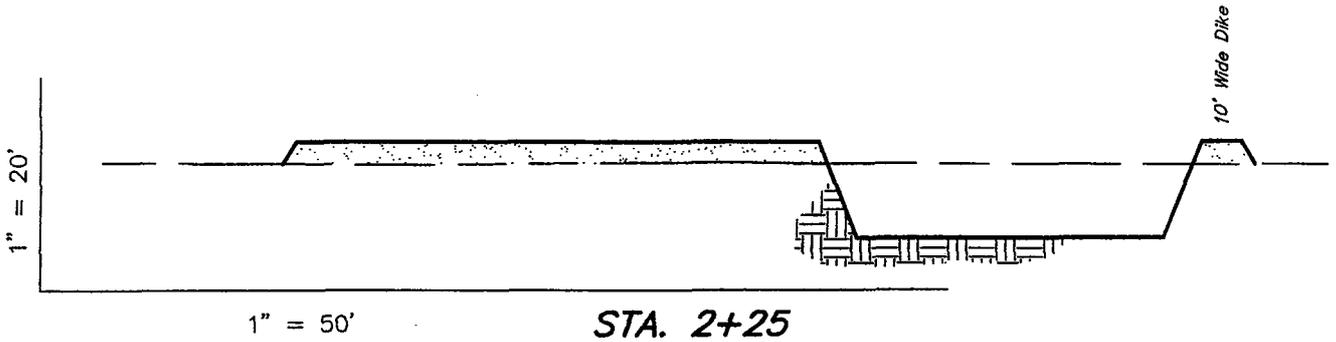
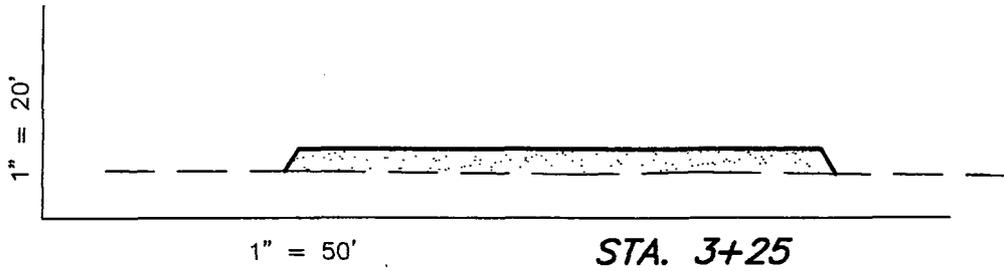
- 150' WEST = 4666.3'
- 200' WEST = 4666.4'
- 200' NORTH = 4665.6'
- 250' NORTH = 4665.7'

SURVEYED BY:	D.S.
DRAWN BY:	J.R.S.
DATE:	10-16-98
SCALE:	1" = 50'
FILE:	

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

CROSS SECTIONS

UTE TRIBAL #32-70



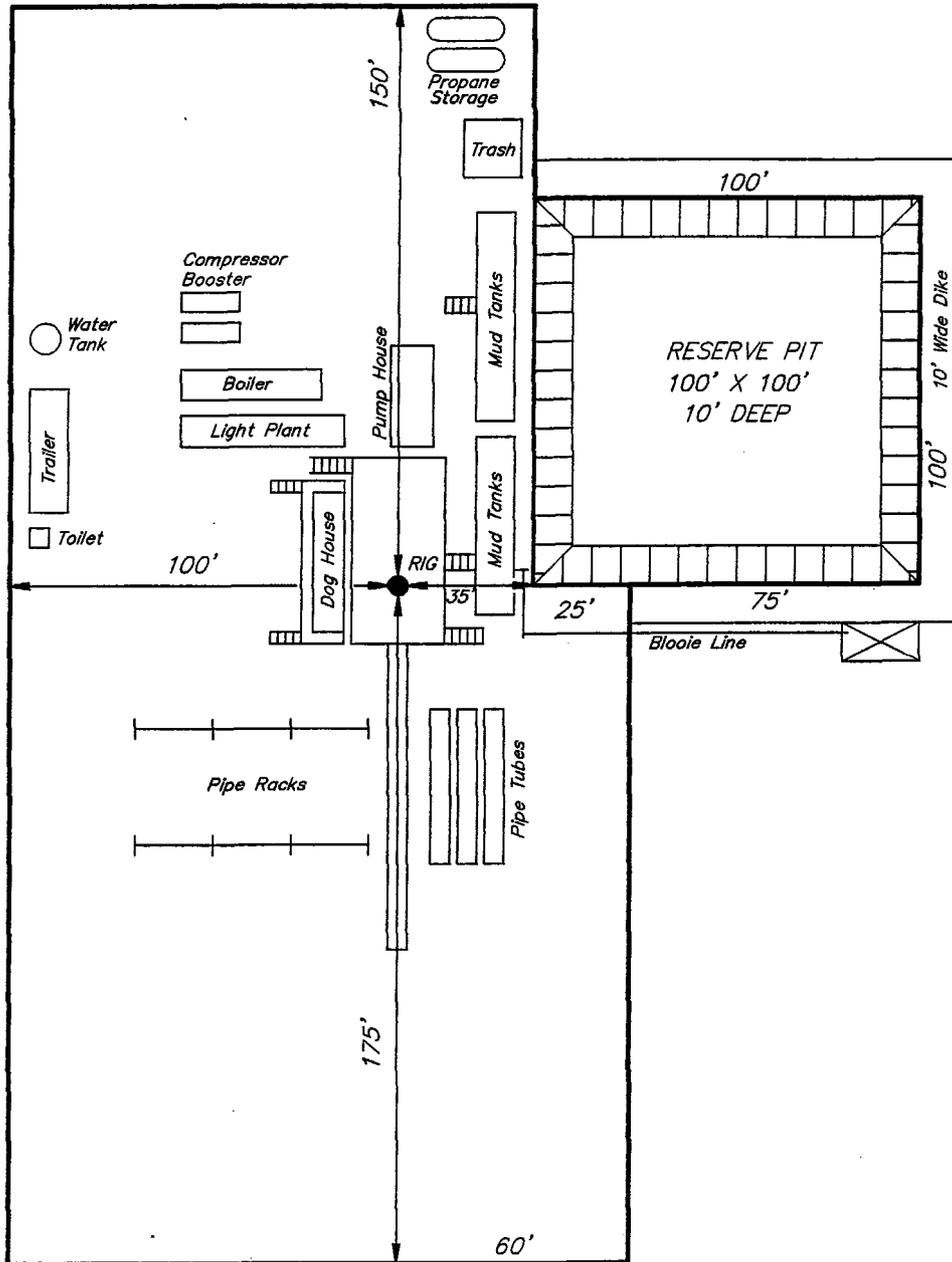
APPROXIMATE YARDAGES

CUT = 0 Cu. Yds.  
FILL = 4,380 Cu. Yds.  
PIT VOLUME BELOW  
EXISTING GROUND = 2,230 Cu. Yds.

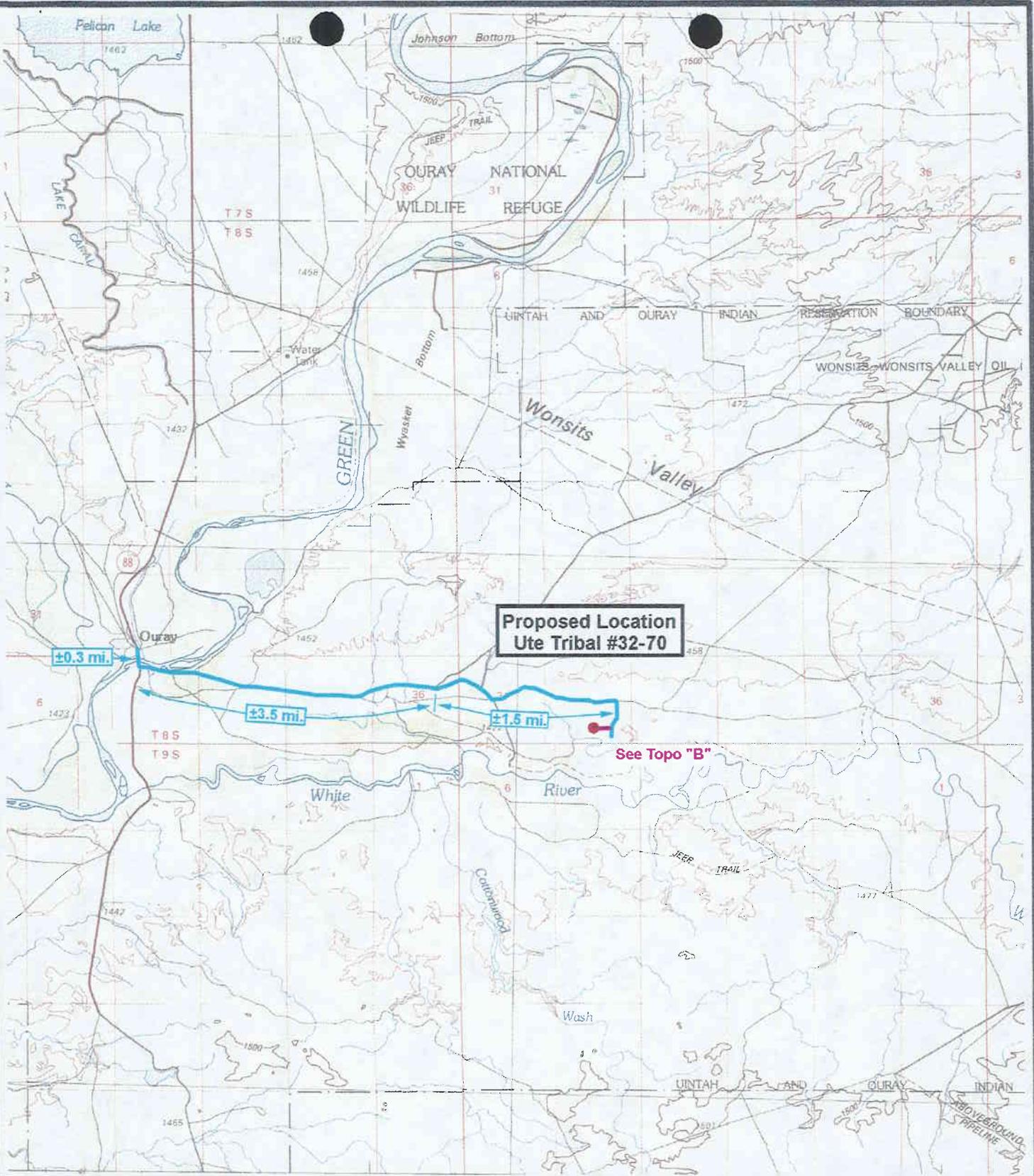
**Tri State**  
Land Surveying, Inc.  
(801) 781-2501  
38 WEST 100 NORTH VERNAL, UTAH 84078

# TYPICAL RIG LAYOUT

## UTE TRIBAL #32-70



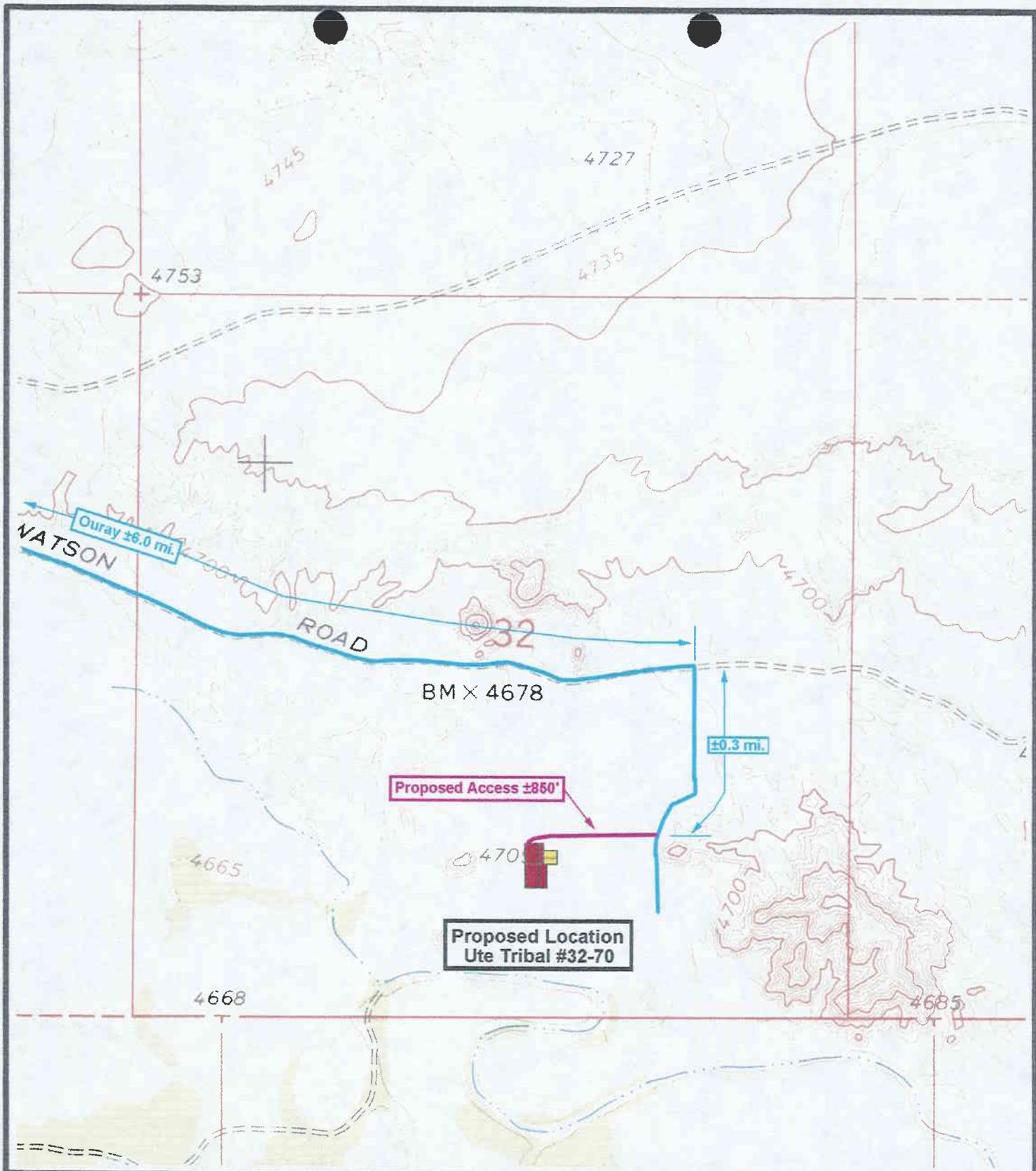
**Tri State**  
Land Surveying, Inc.  
(801) 781-2501  
38 WEST 100 NORTH, VERNAL, UTAH 84078



**UTE TRIBAL #32-70**  
**SEC. 32, T8S, R21E, S.L.B.&M.**  
**TOPOGRAPHIC MAP "A"**



Drawn By: SS	Revision:
Scale: 1 : 100,000	File:
Date: 10/21/98	
<b>Tri-State Land Surveying Inc.</b> <b>P.O. Box 533, Vernal, UT 84078</b> <b>435-781-2501 Fax 434-781-2518</b>	



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

**UTE TRIBAL #32-70**  
**SEC. 32, T8S, R21E, S.L.B.&M.**  
**TOPOGRAPHIC MAP "B"**



Drawn By: SS

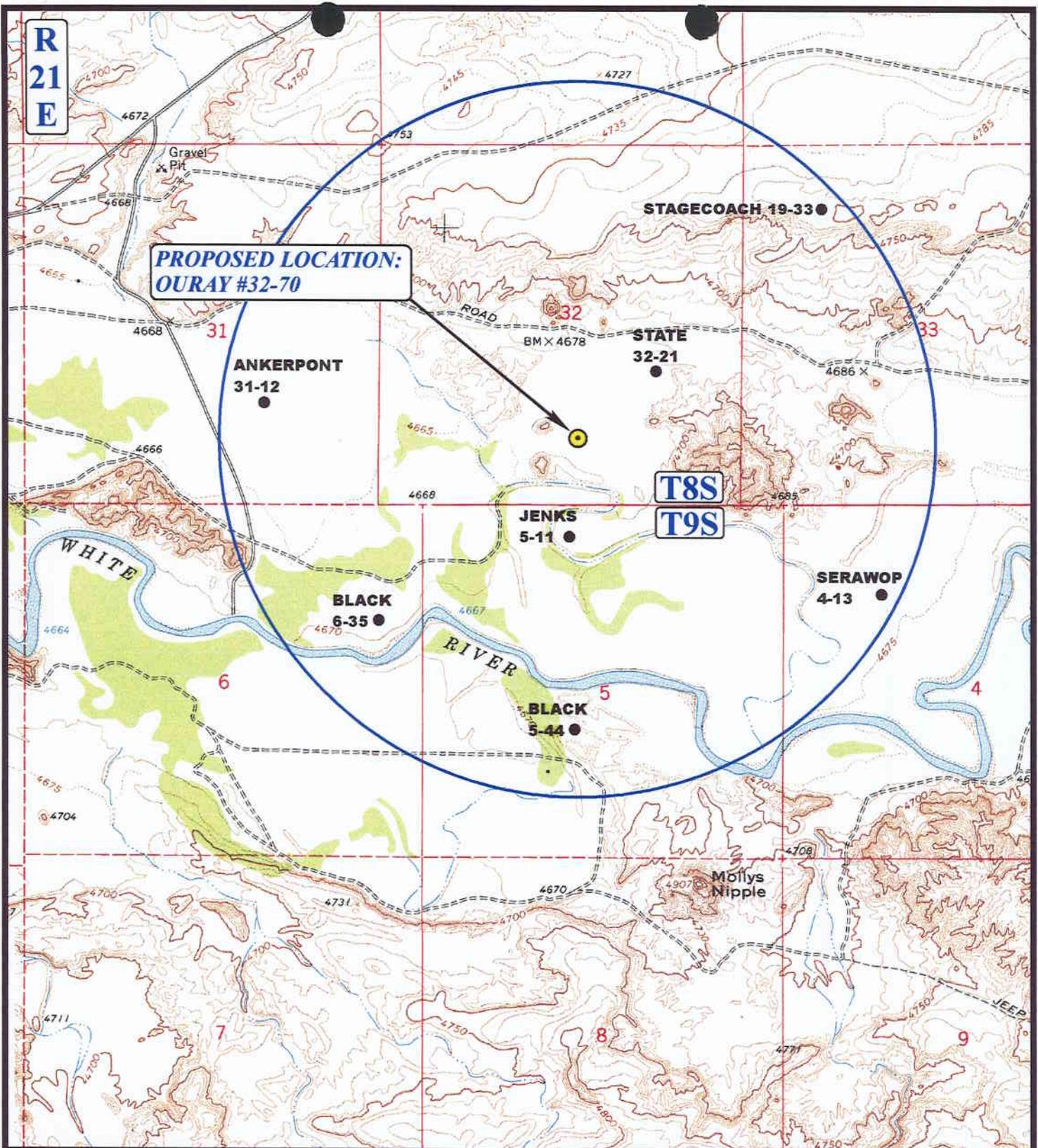
Revision:

Scale: 1" = 1000'

File:

Date: 10/21/98

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



**R  
21  
E**

**PROPOSED LOCATION:  
OURAY #32-70**

**STAGECOACH 19-33**

**ANKERPONT  
31-12**

**STATE  
32-21**

**T8S  
T9S**

**JENKS  
5-11**

**SERAWOP  
4-13**

**BLACK  
6-35**

**BLACK  
5-44**

**LEGEND:**

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



**COASTAL OIL & GAS CORP.**

**OURAY #32-70  
SECTION 32, T8S, R21E, S.L.B.&M.  
SW 1/4 SE 1/4**



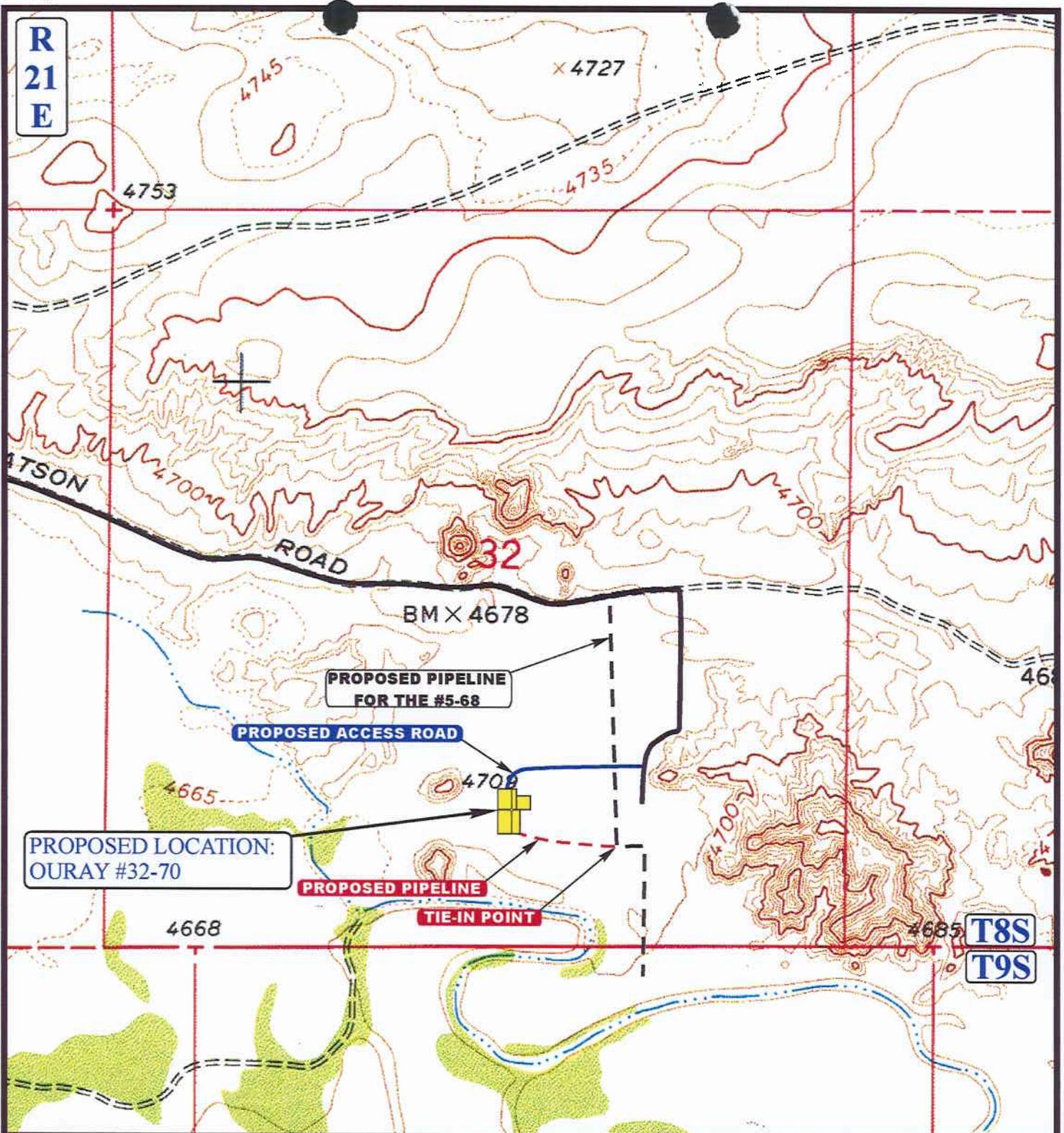
**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC  
MAP**

**1 6 99**  
MONTH DAY YEAR

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





**APPROXIMATE TOTAL PIPELINE DISTANCE = 717' +/-**

**LEGEND:**

- EXISTING PIPELINE
- - - PROPOSED PIPELINE
- PROPOSED ACCESS

**COASTAL OIL & GAS CORP.**

**OURAY #32-70**  
**SECTION 32, T8S, R21E, S.L.B.&M.**  
**989' FSL 2400' FEL**

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



**TOPOGRAPHIC** **11** **20** **98**  
**MAP** MONTH DAY YEAR

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

**D**  
**TOPO**

WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 01/12/1999

API NO. ASSIGNED: 43-047-33289

WELL NAME: OURAY 32-70  
 OPERATOR: COASTAL OIL & GAS CORP (N0230)  
 CONTACT: Sheila Bremer (303) 573-4455

PROPOSED LOCATION:  
 SWSE 32 - T08S - R21E  
 SURFACE: 0989-FSL-2400-FEL  
 BOTTOM: 0989-FSL-2400-FEL  
 UINTAH COUNTY  
 NATURAL BUTTES FIELD (630)

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

LEASE TYPE: IND  
 LEASE NUMBER: 14-20-H62-3024  
 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: \_\_\_\_\_)

Fee Surf Agreement (Y/N)

LOCATION AND SITING:

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

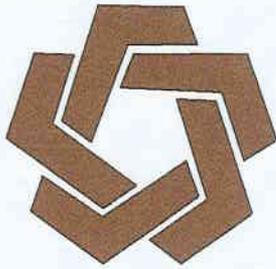
R649-3-2. General

R649-3-3. Exception

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

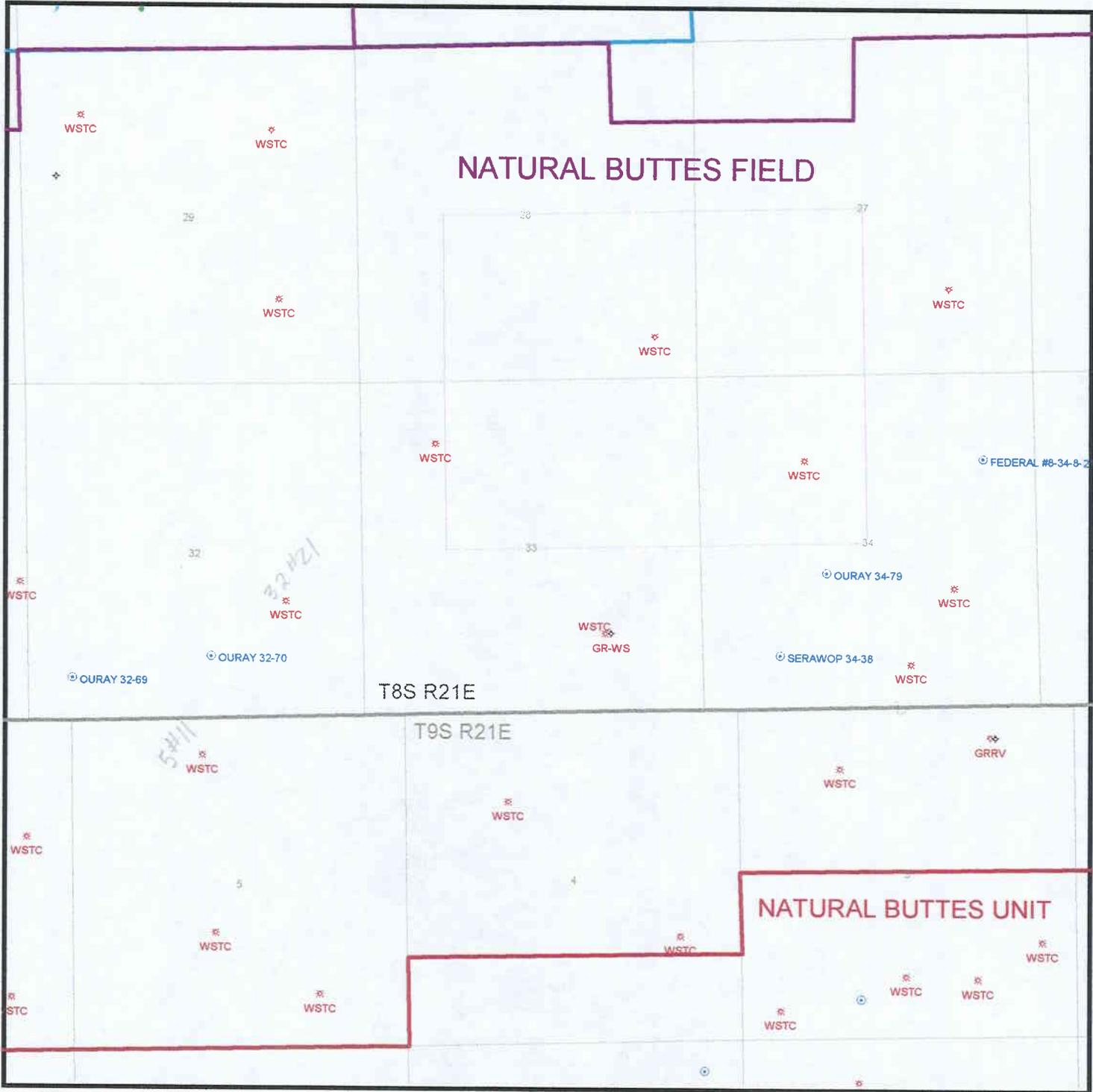
COMMENTS: \*SOP "NBU & Ouray Field", separate file.

STIPULATIONS: ① FEDERAL APPROVAL



Department of Natural Resources  
Division of Oil, Gas & Mining

OPERATOR: COASTAL OIL & GAS (N0230)  
FIELD: NATURAL BUTTES (630)  
SEC. 32 & 34, TWP 8S, RNG 21E  
COUNTY: UINTAH    □ UNIT: NONE

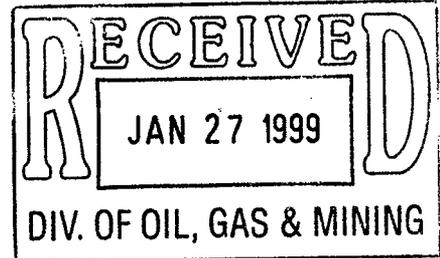


PREPARED  
DATE: 19-JAN-1999



**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  
1176 S 1300 E • P.O. BOX 1148 • VERNAL, UT 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

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

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

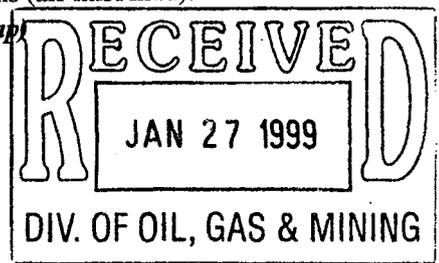
Table with columns: TYPE OF SUBMISSION, TYPE OF ACTION. Includes checkboxes for Notice of Intent, Subsequent Report, Final Abandonment Notice, Abandonment, Recompletion, Plugging Back, Casing repair, Altering Casing, Other (checked) Standard Operating Procedure, Change of Plans, New Construction, Non-Routine 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: 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.

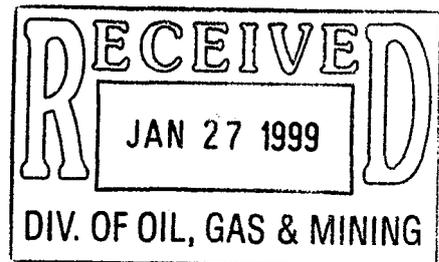
\*See Instruction on Reverse Side



**Coastal**  
The Energy People

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  
1100 S. 500 E. • P.O. BOX 1119 • VERNAL, UT 84078 • 801 789-4433 • 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

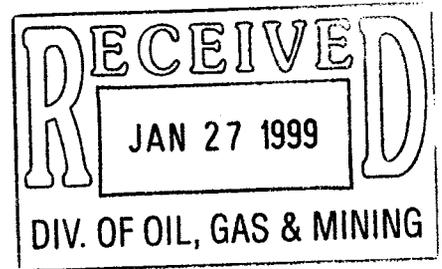
**OURAY 32-70  
989' FSL & 2400' FEL  
SW/NE, SECTION 32-T8S-R21E  
UINTAH COUNTY, UTAH  
LEASE NUMBER: 14-20-H62-3024**

**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	2160'
Wasatch	5600'
Mesaverde	8770'
Total Depth	9600'



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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Oil/Gas	Green River	2160'
	Wasatch	5600'
	Mesaverde	8770'
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 3,840 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1,728 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.*



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 3, 1999

Coastal Oil & Gas Corporation  
P.O. Box 1148  
Vernal, Utah 84078

Re: Ouray 32-70 Well, 989' FSL, 2400' FEL, SW SE, Sec. 32, T. 8 S., R. 21 E., Uintah  
County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-33289.

Sincerely,

A handwritten signature in black ink, appearing to read "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 32-70

API Number: 43-047-33289

Lease: Indian Surface Owner: Ute Tribe

Location: SW SE Sec. 32 T. 8 S. R. 21 E.

### Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well. Contact Carol Daniels at (801)538-5284.

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

3. Reporting Requirements

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

4. State approval of this well does not supersede the required federal approval which must be obtained prior to drilling.

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

**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 (303) 573-4455**

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. \*)  
 At surface  
**989' FSL 2400' FEL**  
 At proposed prod. zone  
**Same as above**

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) **989'**

16. NO. OF ACRES IN LEASE  
**80**

17. NO. OF ACRES ASSIGNED TO THIS WELL  
**80**

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

19. PROPOSED DEPTH  
**9600'**

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**

5. LEASE DESIGNATION AND SERIAL NO.  
**14-20-H62-3024**

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

7. UNIT AGREEMENT NAME  
**N/A** **9C-204**

8. FARM OR LEASE NAME, WELL NO.  
**Ouray** **32-70**

9. API WELL NO.  
**43-047-33289**

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

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
**SW/SE Section 32-T8S-R21E**

12. COUNTY OR PARISH  
**Uintah**

13. STATE  
**Utah**

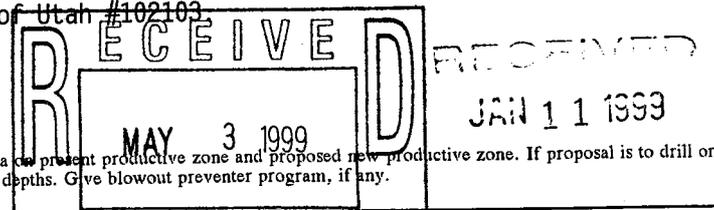
23. PROPOSED CASING AND CEMENTING PROGRAM

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 Brewer TITLE Environmental & Safety Analyst DATE 1/7/99

(This space for Federal or State office use)  
**NOTICE OF APPROVAL**  
PERMIT NO. \_\_\_\_\_

**CONDITIONS OF APPROVAL ATTACHED**  
APPROVAL DATE \_\_\_\_\_

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

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY [Signature] TITLE Assistant Field Manager Mineral Resources DATE APR 29 1999

\*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.

CONDITIONS OF APPROVAL  
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Coastal Oil & Gas Corporation

Well Name & Number: OURAY 32-70

API Number: 43-047-33289

Lease Number: 14-20-H62-3024

Location: SWSE Sec. 32 T. 08S R. 21E

Agreement: C.A. 9C-204

## 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.

**NOTE:** The target formation for this well is the Mesaverde Formation, therefore, the BOPE and related equipment must meet the requirements of a **3M** system as identified in the approved Ouray/Natural Buttes Unit's Standard Operating Plan.

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

### A. DRILLING PROGRAM

#### 1. Casing Program and Auxiliary Equipment

**The hole size for the surface casing shall be a minimum of 12.25 inches in diameter, to facilitate remedial cementing of the surface casing.**

As a minimum, the usable water and other mineral resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the top of the Green River Formation, identified at  $\pm 1,909$  ft.

#### 2. Mud Program and Circulating Medium

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

### **SURFACE USE PROGRAM Conditions of Approval (COAs)**

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 926 feet in length and existing roads would be upgraded to serve the production operations. Culverts will be installed or extended where required to improve the existing roads.

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 717 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, in potential floodplain areas due to potential flooding of the White River.

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 shall 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.

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.

ENTITY ACTION FORM - FORM 6

ADDRESS P.O. Box 1148

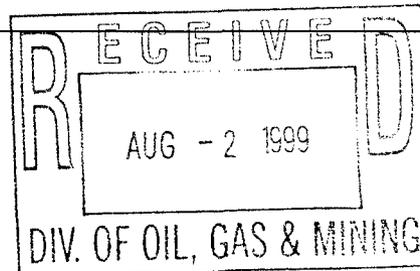
Vernal UT 84078

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
	<del>99999</del> 12559		43-047-33309	Ouray #6-82	NWSW	6	9S	21E	Uintah	7/4/99	7/4/99
WELL 1 COMMENTS: Spud @ 10:00 a.m. on 7/4/99 w/ Bill Martin <i>entity already added.</i>											
<b>CONFIDENTIAL</b>											
A	99999	12561	43-047-33336	McCook #1-66	NWNW	1	9S	21E	Uintah	7/24/99	7/24/99
WELL 2 COMMENTS: Spud @ 8:00 a.m. on 7/24/99 w/ Bill Martin <i>990803 entity added. KDR</i>											
A	99999	12562	43-047-33289	Ouray #32-70	SWSE	32	8S	21E	Uintah	7/25/99	7/25/99
WELL 3 COMMENTS: Spud @ 12:30 p.m. on 7/25/99 w/ Bill Martin <i>990803 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.



*Cheryl Cameron*  
 Signature Cheryl Cameron  
 Title Environmental Analyst Date 7/29/99  
 Phone No. (435) 781-7023

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.*

5. Lease Serial No.

14-20-H62-3024

6. If Indian, Allottee or Tribe Name

Ute

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

8. Well Name and No.

Ouray #32-70

9. API Well No.

43-047-33289

10. Field and Pool, or Exploratory Area

Ouray

11. County or Parish, State

Uintah, UT

*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)

SW/SE Sec.32, T8S, R21E

989' FSL & 2400' FEL

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

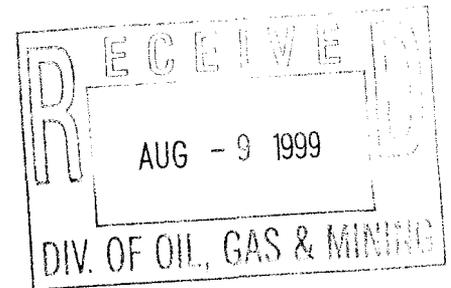
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> 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>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 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 Malcom's Drilling & drilled 45' of 18" hole. Run 45' of 14" conductor. Cmt w/80 sk P-AG w/ 2% CaCl. Wt 15.6 Yield 1.18.

MIRU Bill Martin & drill 457' of 12 1/4" hole. Run 10 jts 8 5/8 24# K-55. Cmt w/250 sks P-AG w 2% CaCl + 1/4# sk flocele. Wt.15.6 Yield 1.18. Displace w/26 B W. Hole stayed full.

Spud @ 12:30 p.m. on 7/25/99.



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

Name (Printed/Typed)

Katy Dow

Title

Environmental Secretary

Date

8/2/99

*Katy Dow*

**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.

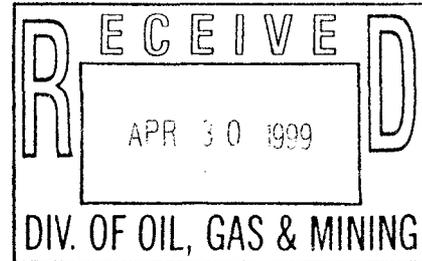
(Instructions on reverse)



**Coastal**  
The Energy People

April 28, 1999

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



**ATTENTION: Ed Forsman / Wayne Bankert / Greg Darlington**

Gentleman,

*43-047-33289 Sec. 32, 85, 21E*

Enclosed are the original and two copies of the Revised APD cover sheet for the Ouray #6-82, the Site Specific Private Environmental assessment for the Ouray # 32-70 and the Pipeline ROW Tribal #6-64.

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

Sincerely,

Katy Dow  
Environmental Secretary

**Coastal Oil & Gas Corporation**

A SUBSIDIARY OF THE COASTAL CORPORATION  
1176 S 1500 E • P O BOX 1148 • VERNAL UT 84078 • 435/789-4433 • FAX 435/789-4436

Mr. Ferron Secakuka  
Ute Tribe  
Energy & Minerals Resource Department  
PO Box 70  
Ft. Duchesne, UT 84026

Mr Charles H Cameron  
Bureau of Indian Affairs  
Uintah & Ouray Agency  
Office of Mineral & Mining  
PO 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

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 <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. <b>14-20-H62-3024</b>
2. Name of Operator <b>Coastal Oil &amp; Gas Corporation</b>		6. If Indian, Allottee or Tribe Name <b>Ute</b>
3a. Address <b>P.O. Box 1148, Vernal UT 84078</b>	3b. Phone No. (include area code) <b>(435)781-7023</b>	7. If Unit or CA/Agreement, Name and/or No. <b>N/A'</b>
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>SW/SE Sec.32, T8S, R21E 989' FSL &amp; 2400' FEL</b>		8. Well Name and No. <b>Ouray #32-70</b>
		9. API Well No. <b>43-047-33289</b>
		10. Field and Pool, or Exploratory Area <b>Ouray</b>
		11. County or Parish, State <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 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>Drilling</u>
			<u>Summary</u>

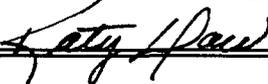
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths 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.)

Finished drilling from 457' to 9400'. Ran 213 jts 5 1/2" 17# N-80 Csg. Cmt w/655 sks HiFill Mod, 11.6 ppg, 3.12 yield lead, followed by 1575 sks Premium-300 Tail, 14.3 ppg, 1.24 yield. Drop plug. Displace w/217 Bbls 3% KCL. Cmt to surface. Cleaned pits. Released rig @ 2400 hrs on 9/24/99.

**RECEIVED**

**JAN 18 2000**

**DIVISION OF  
OIL, GAS AND MINING**

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) <b>Katy Dow</b>	Title <b>Environmental Jr. Analyst</b>
	Date <b>1/12/00</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, 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  
CHRONOLOGICAL HISTORY

**OURAY #32-70**

OURAY FIELD  
UINTAH COUNTY, UT  
WI: 50% AFE: 11267  
TD: PBSD: 9,363'  
PERFS: 6186' - 9024'  
CSG: 5 1/2" @ 9,412'  
CWC(M\$):

**RECEIVED**

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**DIVISION OF  
OIL, GAS AND MINING**

8/23/99 TO 9/24/99 - DRILLING

**NEW WELL COMPLETION**

9/28/99 **PREP TO CO WELLBORE, LOG & PERF.** PU 4 3/4" MILL TOOTH BIT & SCRAPER. SIH EOT - 1,200'. (DAY 1) TC:\$781,497

9/29/99 **PREP TO CO WELLBORE & SPOT ACID.** SIH W/2 3/8" TBG TO 3,000'. COMPRESSOR ON RIG BROKE DOWN. INSTALL NEW COMPRESSOR. RIH TO 8,194'. (DAY 2) TC:\$790,115

9/30/99 **PREP TO BREAK DOWN.** RIH TO 9,251'. REVERSE HOLE CLEAN. SPOT 3 BBLS 15% HCL ACROSS PERF INTERVAL 9,024' TO 8,864'. RUN GR/CCL/CBL F/9,312' TO 5,387'. LOG F/1,036' TO SURF W/1,000# ON CSG. TOC @ SURF. PERF THE MESA VERDE, 1 SPF, F/8,864' TO 8,871', (7 HOLES), 8,882' TO 8,888' (6 HOLES), 8,947' TO 8,954' (7 HOLES), & 9,015' TO 9,024' (9 HOLES). 0# PRESS. SIH W/2 3/8" TBG. EOT - 1,237'. (DAY 3) TC:\$795,455

10/1/99 - **PREP TO FRAC.** FINISH RIH W/TBG TO 8,714'. BREAK DWN PERFS 9,024' - 8,864' W/3,926#. ACIDIZE W/1,000 GALS 15% HCL & 49 - 1.1 BS'S. EST INJ RATE OF 4.5 BPM @ 2,825#. POOH W/TBG. PREP TO FRAC IN A.M. PREP TO PLACE ON SALES (DAY 4) TC: \$810,308

10/2/99 - **DRILLING OUT CBP'S.** FRAC MESA VEDE W/64,000# 20/40 SAND @ 3,740# @ 52.5 BPM. ISIP - 2,907#. SET CBP @ 7,170'. PERF WASATCH 7,120' - 7,136', 4 SPF. FRAC W/41,200# 20/40 SAND @ 1,392# @ 25.5 BPM. ISIP - 1,328#. SET CBP @ 6,930'. PERF WASATCH 6,880' - 6,886', 2 SPF, 6,838' - 6,844', 2 SPF, & 6,760' - 6,766', 4 SPF. FRAC W/82,000# 20/40 SAND @ 1,163# @ 50.8 BPM. ISIP - 864#. SET CBP @ 6,640'. PERF WASATCH 6,592' - 6,600', 4 SPF. FRAC W/31,500# 20/40 SAND @ 1,270# @ 19 BPM. ISIP - 1,334#. SET CBP @ 6,490'. PERF WASATCH 6,450' - 6,458', 4 SPF. FRAC W/40,500# 20/40 SAND @ 1,713# @ 23 BPM. ISIP - 1,430#. SET CBP @ 6,240'. PERF WASATCH 6,186' - 6,196', 4 SPF. FRAC W/60,900# 20/40 SAND @ 1,710# @ 22.5 BPM. ISIP - 1,704#. SET CBP @ 6,090'. ND FRAC VALVE, NU BOP'S. RIH W/BIT & PUMP-OFF BIT SUB ON 2 3/8" TBG. EOT - 3,058'. (DAY 5) TC:\$1,021,829

10/3/99- **FLOW WELL F/CLEAN UP.** MIRU AIR/FOAM UNIT. DRILL OUT CBP'S @ 6,090', 6,490', 6,680', 6,930' & 7,170'. TAG @ 9,200'. PUH & LAND TBG @ 8,569'. ND BOP'S, NU WH. DROP BALL & PUMP OFF BIT. FLOW WELL ON 24/64 CK W/740# FTP, 1,280# CP. TRACE OF SAND, 15 BWPH. LLTR - 1,677 BBLS. (DAY 6) TC:\$1,072,559

10/4/99 - **PREP TO PLACE ON SALES.** FLOWED 23 HRS ON 24/64 CK. FTP - 720# TO 860#, CP - 1,370# TO 1,160#, 15 BWPH TO 5 BWPH, TRACE SAND TO CLEAN SAND. REC 296 BLW, LLTR - 1,381 BBLS. PLAN TO TURN TO SALES 10/4/99.

10/5/99 - **TURNUED TO SALES AT 10:30 AM.** SPOT READINGS: FTP: 940#, CP: 1340#, 18/64" CK, 5 BWPH, 1595 MCFPD, 24 HRS, LLTR:1371 BBLS. (DAY 7) TC:\$1,075,777

10/6/99 - FLOWED 1364 MCF, 100 BW, FTP: 850#, CP: 1180#, 24/64" CK., 22-1/2 HRS, LP: 380#, LLTR: 1271 BBLS.

10/7/99 - FLOWED 1546 MCF, 110 BW, FTP: 720#, CP: 1060#, 24/64" CK., 24 HRS, LP: 378#, LLTR: 1161 BBLS.

10/8/99 - **PLACED ON SALES 10/4/99 @ 10:30 AM** FLOWED 1736 MCF, 101 BW, FTP: 520#, CP: 900#, 64/64" CK., 24 HRS, LP: 384#, LLTR: 1060 BBLS.

10/9/99 - FLOWED 1709 MCF, 0 BW, FTP: 510#, CP: 860#, 64/64" CK., 24 HRS, LP: 383#, LLTR: 1060 BBLS.

10/10/99 - FLOWED 1683 MCF, 72 BW, FTP: 490#, CP: 840#, 64/64" CK., 24 HRS, LP: 380#, LLTR: 1988 BBLS.

10/11/99 - FLOWED 1660 MCF, 78 BW, FTP: 480#, CP: 820#, 64/64" CK., 24 HRS, LP: 379#, LLTR: 1605 BBLS.

**IP DATE: 10/7/99 - FLWD 1,736 MCF, 101 BW, FTP 520#, CP 900#, 64/64" CK, 24 HRS, LP 384#**

10/11/99 **FINAL REPORT**

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 <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. 14-20-H62-3024
2. Name of Operator Coastal Oil & Gas Corporation		6. If Indian, Allottee or Tribe Name ute
3a. Address P.O. Box 1148, Vernal UT 84078	3b. Phone No. (include area code) (435) 781-7023	7. If Unit or CA/Agreement, Name and/or No. N/A
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) SW/SE Sec.32, T8S, R21E 989' FSL & 2400' FEL		8. Well Name and No. Ouray #32-70
		9. API Well No. 43-047-33289
		10. Field and Pool, or Exploratory Area Ouray
		11. County or Parish, State Uintah UT

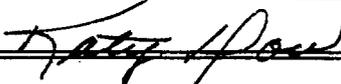
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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>Completion</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Report</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.)

Subject well placed on production on 10/8/99.

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JAN 18 2000  
DIVISION OF  
OIL, GAS AND MINING

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Katy Dow	Title Environmental Jr. Analyst
	Date 1/12/00

**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	



January 19, 2000

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

**Attention: Ed Forsman/Wayne Bankert/Greg Darlington:**

Gentlemen:

Enclosed are the original and two copies of the Well Completions for the following well locations:

Hells Hole #9103, Federal #31-57, NBU #222, Hall #31-61, CIGE #223, CIGE #240, Tribal #31-60, Ouray #5-68, Ouray #32-70, Jenks #5-41..

If you should have any questions or need additional information, please do not hesitate to call me (435)-781-7024.

Sincerely,

  
Sheila Upchego  
Environmental Jr. Analyst

CC: : State of Utah  
Division of Oil & Gas & Mining  
Attention: Carroll Daniels  
1594 West North Temple, Suite 1210  
Salt Lake City, Utah 84114

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DIVISION OF  
OIL, GAS AND MINING

**Coastal Oil & Gas Corporation**

A SUBSIDIARY OF THE COASTAL CORPORATION  
1368 S 1200 E • PO BOX 1148 • VERNAL UT 84078 • 435/789-4433 • FAX 435/789-4436

**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  
**SWSE**  
 At top prod. interval reported below  
**899'FSL & 2400'FEL**  
 At total depth

14. PERMIT NO. **43-047-33289** DATE ISSUED **2/3/99**

5. LEASE DESIGNATION AND SERIAL NO.  
**14-20-H62-3024**  
 6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
**Ute**  
 7. UNIT AGREEMENT NAME  
**N/A**  
 8. FARM OR LEASE NAME, WELL NO.  
**Ouray #32-70**  
 9. API WELL NO.  
**43-047-33289**  
 10. FIELD AND POOL, OR WILDCAT  
**Ouray**  
 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
**Sec. 32, T8S, R21E**

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

15. DATE SPUDDED **7/25/99** 16. DATE T.D. REACHED **9/24/99** 17. DATE COMPL. (Ready to prod.) **10/4/99** 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)\* **4665' Ungraded GL** 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD **9400'** 21. PLUG, BACK T.D., MD & TVD **9363'** 22. IF MULTIPLE COMPL., HOW MANY\* 23. INTERVALS DRILLED BY **X** ROTARY TOOLS **X** CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)\*  
**Mesaverde 8864'-9024' (29 holes): Wasatch 7120'-6458' (20 SPF)** 25. WAS DIRECTIONAL SURVEY MADE  
**No**

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

28. 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
14" Conductor	Pipe	45'	18"	80 sx P-AG 2% CaCl	
8 5/8"	24#	457'	12 1/4"	250 sx PAG w/2% CaCl+1/4#	Flocele
5 1/2"	17#	9400'	7 7/8"	655 sx Hi Fill Followed by 1575 sx Prem 300 tail	

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2 3/8"	3000'	

31. PERFORATION RECORD (Interval, size and number)  
**Mesaverde 1SPF 8864-8871' (7) 8882-8888' (6) 8947-8954' (7) 9015-9024' (9) (29 holes): Wasatch 7120-7136 (4SPF) 6880-6886 (2SPF) 6838-6844 (2SPF) 6760-6766 (4SPF) 6592-6600 (4SPF) 6450-6458 (4SPF) (16SPF)**

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 **10/4/99** PRODUCTION METHOD **Flowing, gas lift, pumping - size and type of pump** **Flowing** WELL STATUS (Producing or shut-in) **Producing**

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL - BBL.	GAS - MCF.	WATER - BBL.	GAS - OIL RATIO
10/7/99	24	64/64		0	1736	101	0

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL - BBL.	GAS - MCF.	WATER - BBL.	OIL GRAVITY - API (CORR.)
520#	900#		0	1736	101	0

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)  
**Sold Used for fuel**

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**

DIVISION DATE **1/17/00**  
OIL, GAS AND MINING

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

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

38.

GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
Green River	2160'	5596'	<p>Item #37</p> <p>9/30/99 PREP TO BREAK DOWN. R/H TO 9.251'. REVERSE HOLE CLEAN. SPOT 3 BBLs 15% HCL ACROSS PERF INTERVAL 9.024' TO 8.864'. RUN GR/CCL/CBL F/9.312' TO 5.387'. LOG F/1.036' TO SURF W/1.000# ON CSG. TOC @ SURF. PERF THE MESA VERDE, 1 SPF. F/8.864' TO 8.871'. (7 HOLES), 8.882' TO 8.888' (6 HOLES), 8.947' TO 8.954' (7 HOLES), &amp; 9.015' TO 9.024' (9 HOLES). 0# PRESS. SHI W/2 3/8" TBG. EOT - 1,237.</p> <p>10/1/99 - PREP TO FRAC. FINISH R/H W/TBG TO 8.714'. BREAK DWN PERFS 9.024' - 8.864' W/2.926# ACIDIZE W/1,000 GALS 15% HCL &amp; 49 - 1.1 BS'S. EST INJ RATE OF 4.5 BPM @ 2.825# POOH W/TBG. PREP TO FRAC IN A.M. PREP TO PLACE ON SALES</p> <p>10/2/99 - DRILLING OUT CBP'S. FRAC MESA VEDE W/64,000# 20/40 SAND @ 3.740# @ 32.5 BPM. ISIP - 2,907#. SET CBP @ 7.170'. PERF WASATCH 7.120' - 7.136', 4 SPF. FRAC W/41,200# 20/40 SAND @ 1.392# @ 25.5 BPM. ISIP - 1,328#. SET CBP @ 6.930'. PERF WASATCH 6.880' - 6.886'. 2 SPF. 6.838' - 6.844', 2 SPF. &amp; 6.760' - 6.766', 4 SPF. FRAC W/82,000# 20/40 SAND @ 1.163# @ 50.8 BPM. ISIP - 864#. SET CBP @ 6.640'. PERF WASATCH 6.592' - 6.600', 4 SPF. FRAC W/31,500# 20/40 SAND @ 1.270# @ 19 BPM. ISIP - 1,334#. SET CBP @ 6.490'. PERF WASATCH 6.450' - 6.458', 4 SPF. FRAC W/40,500# 20/40 SAND @ 1.713# @ 23 BPM. ISIP - 1,430#. SET CBP @ 6.240'. PERF WASATCH 6.186' - 6.196', 4 SPF. FRAC W/60,900# 20/40 SAND @ 1.710# @ 22.5 BPM. ISIP - 1,704#. SET CBP @ 6.090'. ND FRAC VALVE, NU ROP'S. R/H W/BIT &amp; PUMP-OFF BIT SUB ON 2 3/8" TBG. EOT - 3,058'.</p>			
Wasatch	5596'	8838'				
Mesaverde	8838'					

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 OIL, GAS AND MINING

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 (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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)

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JUN 19 2001

DIVISION OF OIL, GAS AND MINING

State of Delaware  
Office of the Secretary of State

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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

MAR 9 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
Vice President

Attest:

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)

File 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
UTE TRIBAL 35-113 (9C-184)	43-047-33396	13271	35-08S-20E	INDIAN	GW	DRL
WISSIUP 36 15 (CR 1219)	43-047-30700	105	36-08S-20E	INDIAN	GW	P
WISSIUP 36-114 (CR 1219)	43-047-33416	12855	36-08S-20E	INDIAN	GW	P
ANKERPONT 31 12 (9C-209)	43-047-30699	155	31-08S-21E	INDIAN	GW	P
ANKERPONT 31 39 (9C-209)	43-047-33339	12675	31-08S-21E	INDIAN	GW	P
ANKERPONT 31 87 (9C-209)	43-047-33378	12775	31-08S-21E	INDIAN	GW	P
ANKERPONT 31 85 (9C-209)	43-047-33383	12725	31-08S-21E	INDIAN	GW	P
ANKERPONT 31 86 (9C-209)	43-047-33384	12694	31-08S-21E	INDIAN	GW	P
ANKERPONT 31 175 (9C-209)	43-047-33873	13205	31-08S-21E	INDIAN	GW	DRL
ANKERPONT 31 156 (9C-209)	43-047-33926	99999	31-08S-21E	INDIAN	GW	APD
ANKERPONT 31 159 (9C-209)	43-047-33927	13159	31-08S-21E	INDIAN	GW	DRL
OURAY 32-69 (9C-204)	43-047-33288	12567	32-08S-21E	INDIAN	GW	P
OURAY 32-70 (9C-204)	43-047-33289	12562	32-08S-21E	INDIAN	GW	P
OURAY 32-145 (9C-204)	43-047-33622	13082	32-08S-21E	INDIAN	GW	P
OURAY 32-147 (9C-204)	43-047-33624	13083	32-08S-21E	INDIAN	GW	P
DUNCAN FEDERAL 33 9 (9C-204)	43-047-30643	80	33-08S-21E	INDIAN	GW	P
OURAY 33-90 (NRM-1705)	43-047-33381	12748	33-08S-21E	INDIAN	GW	P
MTN LION ETAL 34 2 (NRM-1765)	43-047-30338	60	34-08S-21E	INDIAN	GW	P
PAWINNEE 34 WELL 49 (9C-178)	43-047-32694	11826	34-08S-21E	INDIAN	GW	P
SERAWOP 34-38 (9C-178)	43-047-33290	12555	34-08S-21E	INDIAN	GW	P

**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



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  
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.

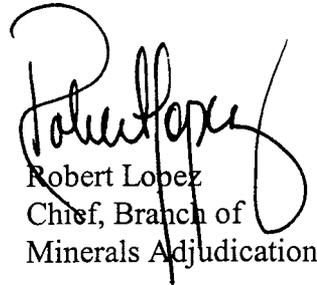
For our purposes, the name change is recognized effective December 31, 2001.

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

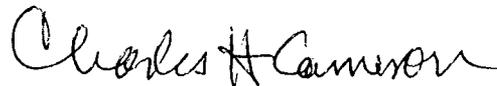
We have been advised of changes occurring with the operation of your database for Change of Operator. You will be modifying your records to reflect Change of Operator once you have received all necessary documentation from the companies involved, and perhaps in advance of our Notice of Concurrence/Approval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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER:
2. NAME OF OPERATOR: El Paso Production Oil & Gas Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 9 Greenway Plaza CITY Houston STATE TX ZIP 77064-0995		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: (832) 676-5933		8. WELL NAME and NUMBER: Exhibit "A"
4. LOCATION OF WELL		9. API NUMBER:
FOOTAGES AT SURFACE:		10. FIELD AND POOL, OR WILDCAT:
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		COUNTY:
		STATE: <b>UTAH</b>

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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	

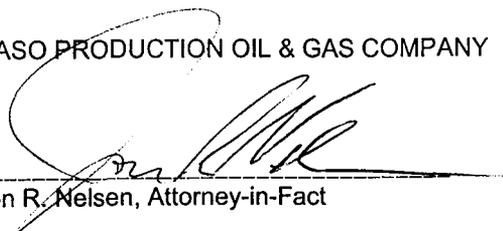
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

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. 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"/> Deepen	<input type="checkbox"/> Production (Start/Resume)
<input 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>SUCCESSOR 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 recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and 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 recompleation in a new interval, a Form 3160-4 shall be filed when 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  Date **March 4, 2003**

DIV. OF OIL, GAS & MINING

THIS SPACE FOR FEDERAL OR STATE 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.

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)

**OPERATOR CHANGE WORKSHEET**

**ROUTING**

1. GLH
2. CDW ✓
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)**

NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
OURAY 32-69	32-08S-21E	43-047-33288	12567	INDIAN	GW	P
OURAY 32-70	32-08S-21E	43-047-33289	12562	INDIAN	GW	P
STATE 32 21	32-08S-21E	43-047-30754	120	STATE	GW	P
DUNCAN FED 33-9 (NRM-1705)	33-08S-21E	43-047-30643	80	INDIAN	GW	P
OURAY 33-90 (NRM-1705)	33-08S-21E	43-047-33381	12748	INDIAN	GW	P
FEDERAL 33-92 (NRM-1705)	33-08S-21E	43-047-33385	12726	FEDERAL	GW	TA
FEDERAL 33-93 (NRM-1705)	33-08S-21E	43-047-33386	12727	FEDERAL	GW	P
FEDERAL 33-176	33-08S-21E	43-047-33928	99999	FEDERAL	GW	APD
FEDERAL 33-177 (NRM-1705)	33-08S-21E	43-047-33874	13405	FEDERAL	GW	P
OURAY 33-200	33-08S-21E	43-047-34432	99999	INDIAN	GW	APD
SERAWOP 34-161	34-08S-21E	43-047-33875	13435	INDIAN	GW	P
PAWWINNEE 34-171	34-08S-21E	43-047-33876	13078	INDIAN	GW	P
MOUNTAIN LION 34-178	34-08S-21E	43-047-33975	13398	INDIAN	GW	P
MTN LION ETAL 34-2	34-08S-21E	43-047-30338	60	INDIAN	GW	P
SERAWOP 34-189	34-08S-21E	43-047-33976	13248	INDIAN	GW	P
SERAWOP 34-38	34-08S-21E	43-047-33290	12555	INDIAN	GW	P
OURAY 34-79	34-08S-21E	43-047-33291	12551	INDIAN	GW	P
PAWWINNEE 34-49	34-08S-21E	43-047-32694	11826	INDIAN	GW	P
FEDERAL 35 5 (NRM-1604)	35-08S-21E	43-047-30563	70	FEDERAL	GW	P
UTE TRIBAL 35 19	35-08S-21E	43-047-30665	145	INDIAN	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 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: 03/26/2003

2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 03/26/2003

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:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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.*

5. Lease Serial No.  
**MULTIPLE WELLS- SEE ATTACHED**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
**MULTIPLE WELLS- SEE ATTACHED**

8. Well Name and No.  
**MULTIPLE WELLS- SEE ATTACHED**

9. API Well No.  
**MULTIPLE WELLS- SEE ATTACHED**

10. Field and Pool, or Exploratory Area  
**OURAY**

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

3a. Address **1368 SOUTH 1200 EAST, VERNAL, UTAH 84078** 3b. Phone No. (include area code) **435-781-7060**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**MULTIPLE WELLS- SEE ATTACHED**

**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>VARIANCE</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 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.

Westport Oil & Gas requests a variance to Onshore Order No. 4, Part III C. a. requiring each sales tank be equipped with a pressure- vacuum thief hatch and/or vent line valve. The variance is requested as an economic analysis shows the value of the shrunk condensate will not payout the incremental cost of purchasing and maintaining the valve resulting in a loss of value over the producing life of the well.

The volume lost to shrinkage by dropping the tank pressure from 6 ozs. To 0 psig is shown to be 0.3% of the tank volume. This was determined by lab analysis of a representative sample from the field. The sample shrunk from 98.82% of original volume to 98.52% when the pressure was dropped. The average well produces approximately 6 bbls condensate per month. The resulting shrinkage would amount to 0.56 bbls per month lost volume due to shrinkage. The value of the shrunk and lost condensate does not recoup or payout the cost of installing and maintaining the valves and other devices that hold the positive tank pressure. An economic run based on the loss and costs is attached. Westport Oil & Gas requests approval of this variance in order to increase the value of the well to the operator and the mineral royalty owners.

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

Name (Printed/Typed) <b>DEBRA DOMENICI</b>	Title <b>ENVIRONMENTAL ASSISTANT</b>
Signature <i>Debra Domenici</i>	Date <b>July 9, 2004</b>

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by	Title <b>Accepted by the Utah Division of Oil, Gas and Mining</b>	Date	Federal Approval Of This Action Is Necessary
-------------	--	------	--

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

Title 18 U.S.C. Section 1001, 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 date within its jurisdiction.

(Instructions on reverse)

**COPY SENT TO OPERATOR**  
Date: 2-16-04  
Initials: CHD

By: *[Signature]*

**RECEIVED**  
**JUL 14 2004**

# ALL WELLS ROCKY MOUNTAIN GAS- OURAY ENARDO VARIANCE

WELL	LEGALS	STF LEASE NO	CA NUMBER	API NO
SERAWOP 34-038	SWSW SEC 34, T8S, R21E	14-20-H62-3009	9C-178	4304733290
TABBEE 03-120	SWNE SEC 3, T9S, R20E	14-20-H62-3016	9C-210	4304733682
TABBEE 34-020	NENW SEC 34, T08S, R20E	14-20-H62-2998	9C-207	4304730734
TABBEE 34-108	SWNE SEC 34, T8S, R20E	14-20-H62-2997	9C-207	4304733410
TABBEE 34-109	NESW SEC 34, T8S, R20E	14-20-H62-2999	9C-208	4304733411
TABBEE 34-110	SWSE SEC 34, T8S, R20E	14-20-H62-2997	9C-208	4304733412
TRIBAL 35-210	SWSW SEC 35, T8S, R20E	14-20-H62-3000	9C-184	4304734476
TRIBAL 36-148	SWSE SEC. 36, T8S, R21E	14-20-H62-3014	9C-205	4304734507
UTE TRIBAL 02-050	NWNE LOT 2, SEC 2 T09S, R21E	14-20-H62-2888	9C-187	4304732698
UTE TRIBAL 02-102	SENE SEC 2, T9S, R21E	14-20-H62-2888	9C-187	4304733379
UTE TRIBAL 02-206	SWNE SEC 2, T9S, R21E	14-20-H62-2888	9C-187	4304734478
UTE TRIBAL 04-123	NWNE SEC 4, T9S, R20E	14-20-H62-2942	9C-191	4304734086
UTE TRIBAL 06-01	NENW SEC 6, T9S, R22E	14-20-H62-2890	CR-12	4304730667
UTE TRIBAL 32-03 D3E	NENW LOT 3 SEC 32, T4S, R3E	14-20-H62-4836		4304733160
UTE TRIBAL 35-016	NWSE SEC 35, T8S, R20E	14-20-H62-2870	9C-184	4304730666
UTE TRIBAL 35-019	NESE SEC. 35, T8S, R21E	14-20-H62-2888	9C-182	4304730665
UTE TRIBAL 35-112X	NWSW SEC 35, T8S, R20E	14-20-H62-3000	9C-184	4304734473
UTE TRIBAL 35-113	SESW SEC 35, T8S, R20E	14-20-H62-3001	9C-184	4304733396
UTE TRIBAL 36-017	NWSE SEC 36, T8S, R21E	14-20-H62-2889	9C-205	4304730682
UTE TRIBAL 36-065	NESE SEC 36, T8S, R21E	14-20-H62-2889	9C-205	4304733293
WEEKS 06-154	NESE SEC 6, T9S, R21E	14-20-H62-3021	CR-144	4304733924
WISSIUP 36-015	NWSE SEC 36, T8S, R20E	14-20-H62-3003	CR-I-219	4304730700
WYASKET 33-026	NWSE SEC 33, T8S, R20E	14-20-H62-2994	CR-172	4304730907
WYASKET 33-106	SESE SEC 33, T8S, R20E	14-20-H62-2994	CR-172	4304733409
WYASKET 33-219	SWSE SEC 33, T8S, R20E	14-20-H62-2994	CR-172	4304734477

**Westport Oil & Gas, L.P.**  
**Project Economics Worksheet**

**Instructions:** Fill in blue boxed areas with before and after project data. The evaluation results are shown below and graphed automatically at the bottom of the page. This sheet is protected to prevent accidental alteration of the formulas. See JTC for changes. OPX entered as annual costs and/or as unit OPX costs for \$/BF and \$/MCF

Project Name: **Condensate Shrinkage Economics**

Is this job a well pull or production rig job ??? **N** (Y or N)

	BEFORE \$/Year	AFTER \$/Year	DIFFERENCE \$/Year
Gross Oil Revenue	\$1,088	\$1,099	\$11
Gross Gas Revenue	\$0	\$0	\$0
NGL Revenue	\$0	\$0	\$0
PULING UNIT SERVICE			\$0
WIRELINE SERVICE			\$0
SUBSURF EQUIP REPAIRS			\$0
COMPANY LABOR			\$0
CONTRACT LABOR	\$0	\$200	\$200
CONTR SERVICE			\$0
LEASE FUEL GAS	\$0	\$0	\$0
UTILITIES - ELECTRICITY	\$0	\$0	\$0
CHEMICAL TREATING			\$0
MATERIAL & SUPPLY	\$0	\$150	\$150
WATER & HAULING			\$0
ADMINISTRATIVE COSTS			\$0
GAS PLANT PROCESSING			\$0
<b>Totals</b>	<b>\$0</b>	<b>\$350</b>	<b>\$350</b>

**Increased OPX Per Year**

**Investment Breakdown:**

	Cap/Exp Code	Cost, \$
Capital \$	820/830/840	\$1,200
Expense \$	830/860	\$0
Total \$		\$1,200

Oil Price	\$ 23.00	\$/BO
Gas Price	\$ 3.10	\$/MCF
Electric Cost	\$ -	\$/ HP / day
OPX/BF	\$ 2.00	\$/BF
OPX/MCF	\$ 0.62	\$/MCF

**Production & OPX Detail:**

	Before	After	Difference
Oil Production	0.192 BOPD	0.194 BOPD	0.002 BOPD
Gas Production	0 MCFPD	0 MCFPD	0 MCFPD
Wir Production	0 BWPD	0 BWPD	0 BWPD
Horse Power	HP	HP	0 HP
Fuel Gas Burned	MCFPD	MCFPD	0 MCFPD

**Project Life:**

Life = **20.0** Years  
 (Life no longer than 20 years)

**Internal Rate of Return:**

After Tax IROR = **#DIV/0!**

**AT Cum Cashflow:**

Operating Cashflow = **(\$2,917)** (Discounted @ 10%)

**Gross Reserves:**

Oil Reserves = **6 BO**  
 Gas Reserves = **0 MCF**  
 Gas Equiv Reserves = **38 MCFE**

**Payout Calculation:**

$$\text{Payout} = \frac{\text{Total Investment}}{\text{Sum(OPX + Incremental Revenue)}} = 1$$

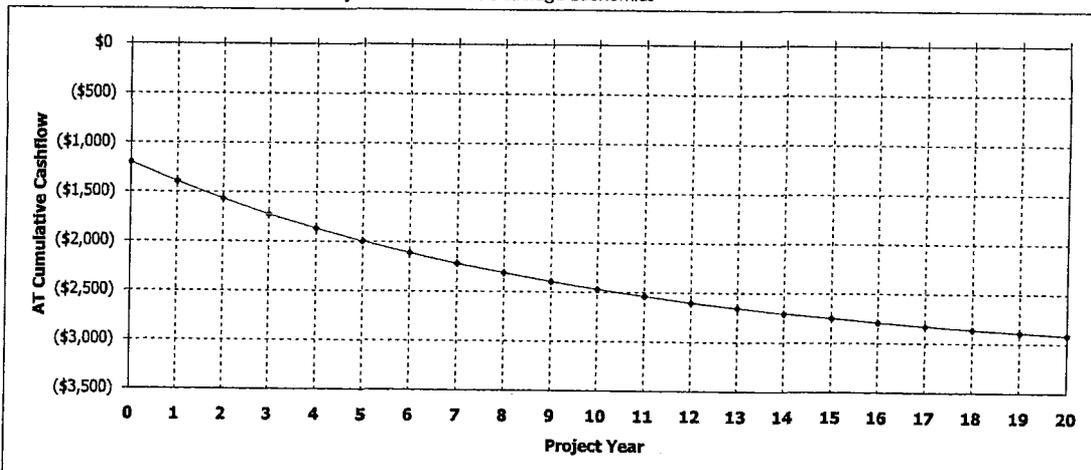
Payout occurs when total AT cashflow equals investment  
 See graph below, note years when cashflow reaches zero

Payout = **NEVER** Years or **#VALUE!** Days

**Notes/Assumptions:**

**An average NBU well produces 0.192 bcopd with no tank pressure. The production is increased to 0.194 Bcpd if 6 ozs of pressure are placed on the tank. The increased production does not payout the valve cost or the estimated annual maintenance costs.**

Project: Condensate Shrinkage Economics



**Westport Oil and Gas, Inc.**

**NBU/Ouray Field**

RFL 2003-022

**COMPARISON OF FLASH BACK PRESSURES**

Calculated by Characterized Equation-of-State

Flash Conditions		Gas/Oil Ratio (scf/STbbl) (A)	Specific Gravity of Flashed Gas (Air=1.000)	Separator Volume Factor (B)	Separator Volume Percent (C)
psig	°F				

**Calculated at Laboratory Flash Conditions**

80	70			1.019	
0	122	30.4	0.993	1.033	101.37%
0	60	0.0	—	1.000	98.14%

**Calculated Flash with Backpressure using Tuned EOS**

80	70			1.015	
6.0 oz	65	24.6	0.777	1.003	98.82%
0	60	0.0	—	1.000	98.52%
80	70			1.015	
4.0 oz	65	24.7	0.778	1.003	98.82%
0	60	0.0	—	1.000	98.52%
80	70			1.015	
2.0 oz	65	24.7	0.779	1.003	98.82%
0	60	0.0	—	1.000	98.52%
80	70			1.015	
0	65	24.8	0.780	1.003	98.82%
0	60	0.0	—	1.000	98.52%

(A) Cubic Feet of gas at 14.696 psia and 60 °F per Barrel of Stock Tank Oil at 60 °F.

(B) Barrels of oil at indicated pressure and temperature per Barrel of Stock Tank Oil at 60 °F.

(C) Oil volume at indicated pressure and temperature as a percentage of original saturated oil volume.

Note: Bubblepoint of sample in original sample container was 80 psig at 70° F with 1 cc water

# ALL WELLS ROCKY MOUNTAIN GAS- OURAY ENARDO VARIANCE

WELL	LEGALS	STF LEASE NO	CA NUMBER	API NO
ANKERPONT 31-012	SWSE SEC 31, T8S, R21E	14-20-H62-3007	9C-209	4304730699
ANKERPONT 31-039	LOT 3 SEC 31, T8S, R21E	14-20-H62-3006	9C-209	4304733339
ANKERPONT 31-086	SESW SEC 31, T8S, R21E	14-20-H62-3006	9C-209	4304733384
ANKERPONT 35-036	NESW SEC 35, T8S, R21E	14-20-H62-3012	9C-182	4304731960
ANKERPONT ETAL 02-06	LOT 3 SEC 2, T9S, R21E	14-20-H62-3012	9C-187	4304730572
ARCHEE 01-117	NWNE SEC 1, T9S, R20E	14-20-H62-3015	CR-168	4304733388
BLACK 05-044	NESW SEC 5, T9S, R21E	14-20-H62-3020	CR-4	4304732537
BLACK 06-035	SENE SEC 6, T9S, R21E	14-20-H62-3021	9C-179	4304731872
BLACK 06-155	NENE SEC 6, T9S, R21E	14-20-H62-3021	9C-000179	4304734960
BLUEFEATHER 04-30	NESE SEC 4, T9S, R21E	14-20-H62-3650	UT080P49-84C721	4304731000
CTB-E1S	NESW SEC 1, T9S, R21 E			
CTB-E2S	NWSE SEC 2, T9S, R21 E			
CTB-E30S	SESW SEC 30, T8S, R22E			
CTB-E31N	SENE SEC 31, T8S, R22E			
CTB-E34S	SWSE SEC 34, T8S, R21E			
CTB-E35N	SWNE SEC 35, T8S, R21E			
CTB-E35S	NWSE SEC 35, T8S, R21E			
CTB-E36S	SWSW SEC 36, T8S, R21E			
CTB-E6N	NENW SEC 6, T9S, R22E			
CTB-W1S	SWSE SEC 1, T9S, R20E			
CTB-W31N	SENE SEC 31, T8S, R21E			
CTB-W32SE	NWSE SEC 32, T8S, R21E			
CTB-W33S	NWSE SEC 33, T8S, R21E			
CTB-W34N	SENE SEC 34, T8S, R20E			
CTB-W35N	SWNE SEC 35, T8S, R20E			
CTB-W36S	NESE SEC 36, T8S, R20E			
CTB-W4S	NESE SEC 4, T9S, R21E			
CTB-W5S	SWSE SEC 5, T9S, R21E			
CTB-W6S	SWSW SEC 6, T9S, R21E			
DM ICE FRIDAY 34-22	NESE SEC 34, T8S, R20E	14-20-H62-2997	9C-208	4304730753
DUNCAN FED 33-09	SWSE SEC 33, T8S, R21E	14-20-H62-3701	NRM-1705	4304730643
FEDERAL 33-93	SWSW SEC 33, T8S, R21E	UTU9809	NRM-1705	4304733386
FEDERAL 35-05	NWNW SEC 35, T8S, R21E	UTU8621	NRM-1604	4304730563
HALL ETAL 31-018	NWNW SEC 31, T8S, R22E	FEE	NRM-1887	4304730664
IGNACIO 33-107	SESW SEC 33, T8S, R20E	14-20-H62-2995	CR-172	4304733674
IGNACIO 33-221	NESW SEC 33, T8S, R20E	14-20-H62-2995	CR-172	4304734475
JENKS 05-011	LOT 3 SEC 5, T9S, R21E	14-20-H62-3008	9C-183	4304730726
K SNOW KNIGHT 04-23	NENW SEC 4, T9S, R20E	14-20-H62-2942	9C-191	4304730749
KNIGHT 4-124	LOT 5 SEC 4, T9S, R20E	14-20-H62-3017	9C-191	4304733675
KURIP 01-027	NENW SEC 1, T9S, R20E	14-20-H62-3004	CR-168	4304730962
McCOOK 01-170	SWNW SEC 1, T9S, R21E	14-20-H62-4729	UTU76246	4304733997
MTN LION ETAL 34-2	NESE SEC 34, T8S, R21E	14-20-H-62-3010	9C178	4304730338
OURAY 06-066	NWSE SEC 6, T9S, R21E	14-20-H62-3022	CR-144	4304733284
OURAY 06-071	SESW SEC 6, T9S, R21E	14-20-H62-3028	CR-144	4304733285
OURAY 06-084	SWNW LOT 5 SEC 6, T9S, R21E	14-20-H62-3023	CR-144	4304734026
<b>OURAY 32-070</b>	<b>SWSE SEC 32, T8S, R21E</b>	<b>14-20-H62-3024</b>	<b>9C-204</b>	<b>4304733289</b>
OURAY 33-090	SESE SEC 33, T8S, R21E	14-20-H62-3650	NRM-1705	4304733381
OURAY 34-079	NESW SEC 34, T8S, R21E	14-20-H62-3009	9C-178	4304733291
OURAY 35-174	NENE SEC 35 T8S R21E	FEE	NRM-1604	4304733248
OURAY SWD 1	NENE SEC. 1, T9S, R21E	UTU-76246		4304733449
PAWWINNEE 34-049	SWSE SEC 34, T8S, R21E	14-20-H62-3010	9C-178	4304732694
PAWWINNEE ETAL 03-10	LOT 3 SEC 3, T9S, R21E	14-20-H62-3009	9C-186	4304730662
PINNACOOSE 06-03	SENE SEC 6, T9S, R21E	14-20-H62-3028	9C-179	4304730428
POST 03-024	NENW SEC 3, T9S, R20E	14-20-H62-3026	9C-210	4304730804
SANTIO 4-233	SWNW SEC. 4, T9S, R21E	14-20-H62-3894	UT080491-84C725	4304734776
SERAWOP 04-013	SENE SEC 4, T9S, R21E	14-20-H62-3701	UT080491-84C725	4304730663

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

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

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

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:		<b>1/6/2006</b>
<b>FROM:</b> (Old Operator): N2115-Westport Oil & Gas Co., LP 1368 South 1200 East Vernal, UT 84078 Phone: 1-(435) 781-7024	<b>TO:</b> ( New Operator): N2995-Kerr-McGee Oil & Gas Onshore, LP 1368 South 1200 East Vernal, UT 84078 Phone: 1-(435) 781-7024	

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

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**

**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**

**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) <b>RANDY BAYNE</b>	Title <b>DRILLING MANAGER</b>
Signature <i>Randy Bayne</i>	Date <b>May 9, 2006</b>

**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 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.

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.