



**Coastal**  
The Energy People

August 23, 2000

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

**ATTENTION: Ed Forsman**

Dear Ed,

Enclosed are the original and two copies of the Application for Permit to Drill for the NBU #351, Kennedy Wash #3-1, Kennedy Wash #4-1, Kennedy Wash #14-1, Kennedy Wash #11-1 and the Kennedy Wash #6-1.

If you have questions or need additional information, please do not hesitate to call me, (435) 781-7022.

Sincerely,

Katy Dow  
Environmental Jr. Analyst

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**DIVISION OF  
OIL, GAS AND MINING**

**Coastal Oil & Gas Corporation**

A SUBSIDIARY OF THE COASTAL CORPORATION  
1368 S 1200 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

**APPLICATION FOR PERMIT TO DRILL OR REENTER**

1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>U-77290</b>
1b. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name <b>N/A</b>
2. Name of Operator <b>Coastal Oil &amp; Gas Corporation</b>		7. Unit or CA Agreement Name and No. <b>Kennedy Wash</b>
3a. Address <b>P.O. Box 1148, Vernal, UT 84078</b>		8. Lease Name and Well No. <b>Kennedy Wash Federal #4-1</b>
3b. Phone No. (include area code) <b>(435) -781-7023</b>		9. API Well No. <b>N/A 43047-33664</b>
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface <b>Lot 2</b> At proposed prod. zone <b>689' FNL &amp; 2145' FEL</b>		10. Field and Pool, or Exploratory <b>Kennedy Wash</b>
14. Distance in miles and direction from nearest town or post office* <b>25.6 Miles Southeast of Vernal, Utah</b>		11. Sec., T., R., M., or Blk. and Survey or Area <b>Sec 4-T8S-R23E</b>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) <b>689'</b>	16. No. of Acres in lease <b>1279.42</b>	17. Spacing Unit dedicated to this well <b>N/A</b>
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>14,600'</b>	19. Proposed Depth <b>10,000</b>	20. BLM/BIA Bond No. on file <b>U-605382-9</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>5423.2' Ungraded GR</b>	22. Approximate date work will start* <b>Upon Approval</b>	23. Estimated duration <b>To Be Determined</b>

**24. Attachments**

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- |   |   |
|---|---|
| <ol style="list-style-type: none"> <li>1. Well plat certified by a registered surveyor.</li> <li>2. A Drilling Plan</li> <li>3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).</li> </ol> | <ol style="list-style-type: none"> <li>4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).</li> <li>5. Operator certification.</li> <li>6. Such other site specific information and/or plans as may be required by the authorized officer.</li> </ol> |
|---|---|

25. Signature 	Name (Printed/Typed) <b>Cheryl Cameron</b>	Date <b>8/10/00</b>
-------------------	---	------------------------

Title <b>Sr. Environmental Analyst</b>		
Approved by (Signature) 	Name (Printed/Typed)	Date <b>8/30/00</b>
Title <b>BRADLEY G. HILL</b>	Office	
<b>RECLAMATION SPECIALIST III</b>		

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, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on Reverse)

**Federal Approval of this Action is Necessary**

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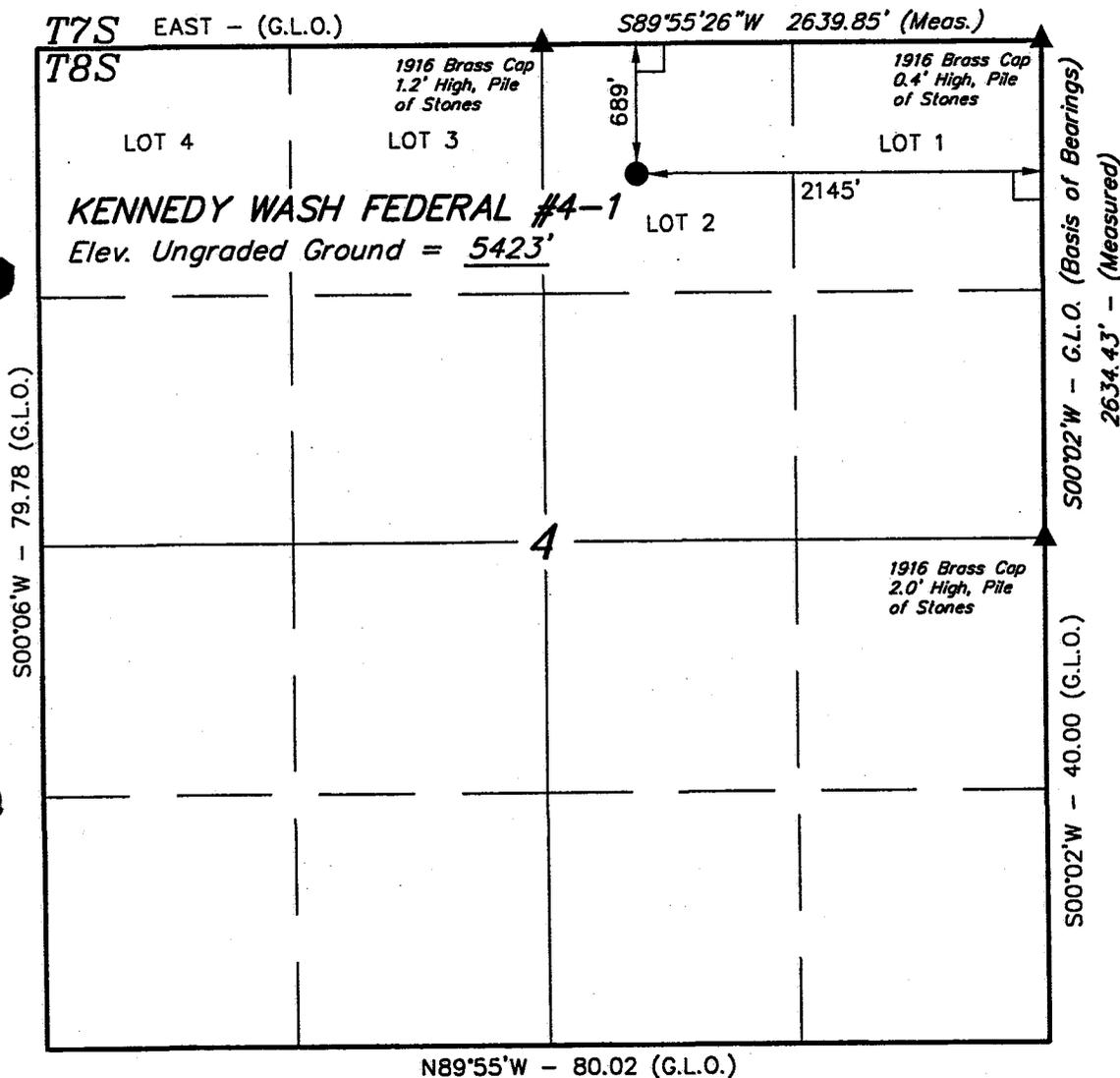
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T8S, R23E, S.L.B.&M.

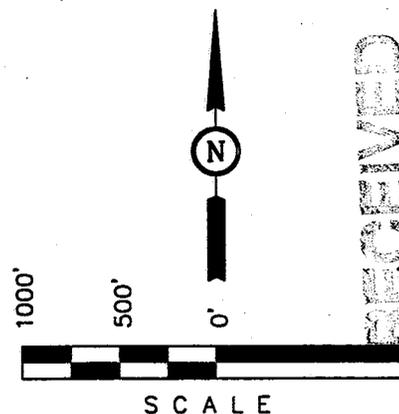
**COASTAL OIL & GAS CORP.**

Well location, KENNEDY WASH FEDERAL #4-1, located as shown in Lot 2 of Section 4, T8S, R23E, S.L.B.&M., Uintah County, Utah



**BASIS OF ELEVATION**

BENCH MARK (X26) LOCATED IN THE NW 1/4 OF SECTION 12, T8S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5405.275 FEET.



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**CERTIFICATE**

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

REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 15749  
 STATE OF UTAH

**LEGEND:**

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

LATITUDE = 40°09'25"  
 LONGITUDE = 109°19'46"

<b>UINTAH ENGINEERING &amp; LAND SURVEYING</b>		
85 SOUTH 200 EAST - VERNAL, UTAH 84078		
(435) 789-1017		
SCALE 1" = 1000'	DATE SURVEYED: 06-12-00	DATE DRAWN: 07-10-00
PARTY K.K. P.R. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE COASTAL OIL & GAS CORP.	

**COASTAL OIL & GAS CORP.**  
**KENNEDY WASH FEDERAL #4-1**  
 LOCATED IN UINTAH COUNTY, UTAH  
 SECTION 4, T8S, R23E, 6th P.M.



**PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE**

**CAMERA ANGLE: SOUTHEASTERLY**



**U E L S** Uintah Engineering & Land Surveying  
 85 South 200 East Vernal, Utah 84078  
 435-789-1017 uels@uelsinc.com

LOCATION PHOTOS	7	7	00	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: K.K.	DRAWN BY: J.L.G.	REVISED: 00-00-00		

- Since 1964 -

**KENNEDY WASH FEDERAL #4-1  
Lot 2 Sec 4, T8S, R23E  
UINTAH COUNTY, UTAH  
U-77290**

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

***DRILLING PROGRAM***

**1. Geologic Surface Formation:**

Duchesne River – 0' – 200'

**2. Estimated Tops/Depths of Important Geologic Markers/Anticipated Gas:**

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	KB	5433'
Gas	Green River	2683'
Gas	Wasatch	6083'
Gas	Mesaverde	8583'
	TD	9000'

**3. Pressure Control Equipment (Schematic Attached)**

The BOP stack will consist of one 11" 3,000 psi annular BOP, one 11" 3,000 psi double ram, and one 11' drilling spool. The lower ram will contain pipe rams, and the upper ram will contain blind rams.

The choke and kill lines and the choke manifold will have a 3,000 psi minimum pressure rating.

The hydrill will be tested to 1,500 psi. The rams, choke manifold, kelly safety valves, drill string safety valves, and inside BOP will be tested to 2,000 psi.

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

The Surface casing and the Production casing will be new.

Please refer to the attached Casing & Cementing Program.

**5. Drilling Fluids Program:**

Please refer to the attached Drilling Fluids Program.

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**6. Evaluation Program: (Logging)**

<u>Depth</u>	<u>Log Type</u>
SC-6200	DLL/Cal/GR/Density/Neutron/SP/Sonic
6200-TD	DLL/Cal/GR/Density/Neutron/SP/Sonic/DST
Various	SWC'S

**7. Abnormal Conditions:**

Maximum anticipated bottomhole pressure (TD @ 9000') approximately equals 3,600 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1,620 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

**8. Anticipated Starting Dates:**

Drilling is planned to commence immediately upon approval of this application.

**9. Variations:**

None anticipated.

**10. Other:**

A Class III Archaeological Study was conducted by AERC Archaeological Consultants, is attached.

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KENNEDY WASH FEDERAL #4-1  
Lot 2 SEC. 4, T8S, R23E  
UINTAH COUNTY, UTAH  
U-77290

ONSHORE ORDER NO. 1

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

1. **Existing Roads:**

To reach the proposed location: Proceed in a easterly, then southeasterly direction from Vernal, Utah along U.S Highway 40 approximately 3.9 miles to the junction of state highway 45; exit right and proceed in a southerly, then southwesterly direction approximately 19.2 miles on state highway 45 to the junction of this road and an existing road to the west; turn right and proceed in a westerly, then southwesterly direction approximately 2.2 miles to the beginning of the proposed access road to the southeast; follow road flags in an southeasterly direction approximately 0.3 miles to the proposed location.

Total distance to Vernal is approximately 25.6 miles.

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

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

2. **Planned Access Roads:**

0.3 miles of access road is proposed. Refer to Topo Map B.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

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

Please refer to Topo Map C.

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

*The following guidelines will apply if the well is productive.*

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky

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Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The requested color is Juniper Green as determined during the on-site inspection.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Refer to Topo D for the 7600' of proposed pipeline.

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

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec.32, T4S,R3E, Water User Claim #43-8496, Application #53617.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

6. **Source of Construction Materials:**

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

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

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

If a plastic reinforced liner is used, it will be a minimum of 12 mil thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and

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removed from the location immediately after removal of the drilling rig. Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

8. **Ancillary Facilities:**

None are anticipated.

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.

It was determined that a 12 mil will be used during the on-site inspection. The reserve pit will be lined, and when the reserve pit is closed, the pit liner will be buried below plow depth.

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

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Corners shall be rounded as needed in order to control drainage.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

Culvert(s) shall be installed where necessary.

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

*Producing Location:*

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

A plastic, nylon (12 mil) reinforced liner will be used, it shall be torn and perforated before backfilling of the reserve pit, as discussed during the on-site inspection.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water (s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

The topsoil shall be piled along the north side of location to the *drop off*, as discussed at the on-site inspection.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

*Dry Hole/Abandoned Location:*

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

The following seed mixture will be used to reclaim the surface. A total of 12 lbs/acre will be used if the seeds are drilled (24 lb/acre if the seeds are broadcast). The per acre requirements for drilled seed are:

Four wing Salt Brush	4 lb/acre
Indian Rice Grass	4 lb/acre
Needle & Thread	4 lb/acre

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11. **Surface Ownership:**

Bureau of Land Management  
170 South 500 East  
Vernal, UT 84078  
(435) 789-1362

12. **Other Information:**

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

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

Cheryl Cameron  
Environmental Analyst  
Coastal Oil & Gas Corporation  
P.O. Box 1148  
Vernal, UT 84078  
(435) 781-7023

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.

Coastal Oil & Gas Corporation is considered to be the operator of the subject well. Coastal Oil & Gas Corporation agrees to be responsible under the terms and the conditions of the lease for the operations conducted upon leased lands.

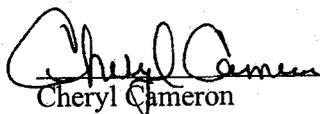
Bond coverage pursuant to 43 CFR 3104 for the lease activities is being provided by Coastal Oil & Gas Corporation Bond #102103, BLM Nationwide Bond #U-605382-9.

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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.

  
Cheryl Cameron

8/14/00  
Date

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**PROPOSED LOCATION:  
KENNEDY WASH FEDERAL #4-1**

R	R
22	23
E	E

**LEGEND:**

○ PROPOSED LOCATION



**COASTAL OIL & GAS CORP.**

**KENNEDY WASH FEDERAL #4-1  
SECTION 4, T8S, R23E, S.L.B.&M.  
689' FNL 2145' FEL**



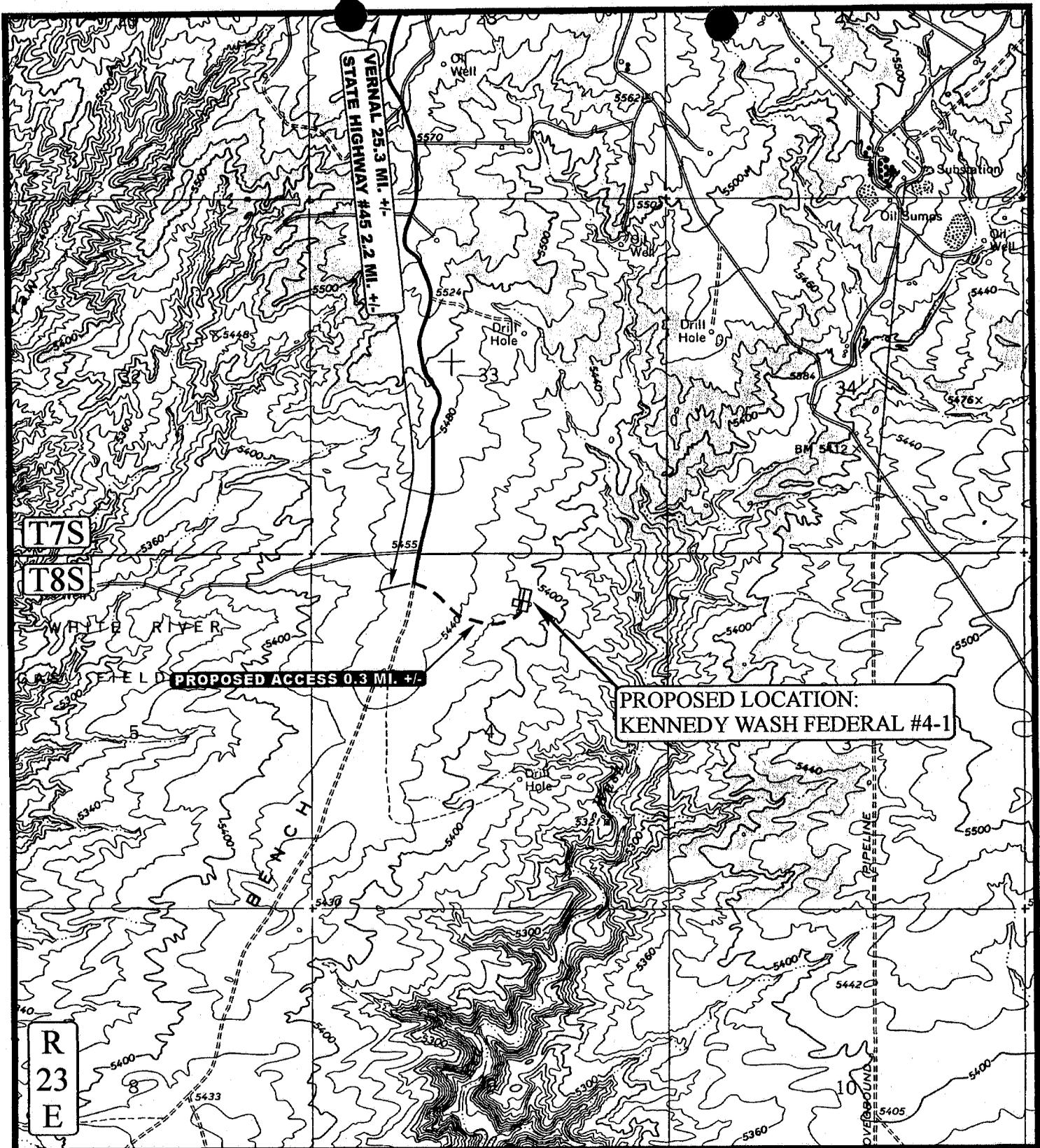
**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC  
MAP**

**7 5 00**  
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: J.L.G. REVISED: 00-00-00





**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING ROAD



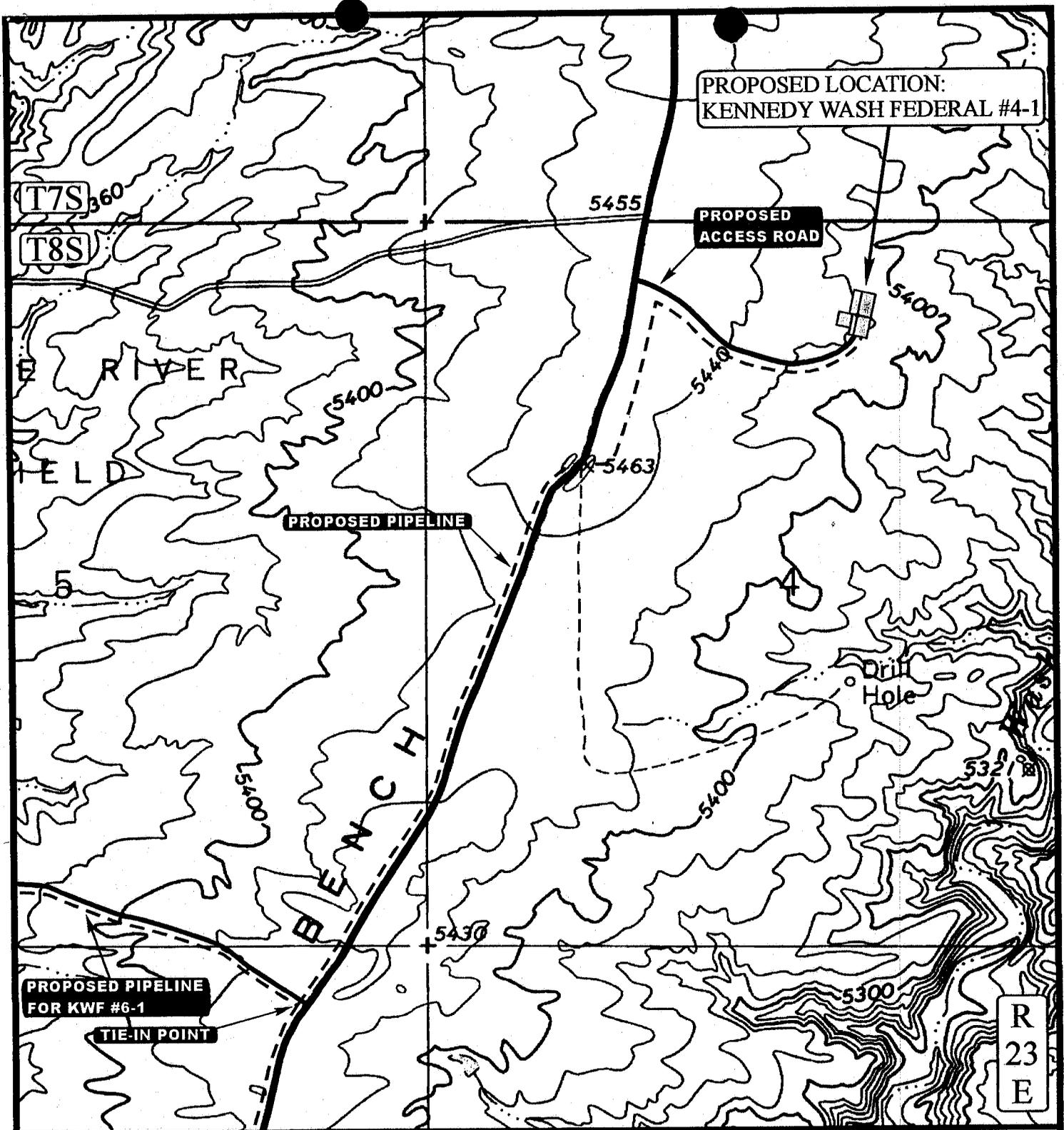
**COASTAL OIL & GAS CORP.**  
**KENNEDY WASH FEDERAL #4-1**  
 SECTION 4, T8S, R23E, S.L.B.&M.  
 689' FNL 2145' FEL

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

**TOPOGRAPHIC** 7 5 00  
**M A P** MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00

**B**  
 TOPO





APPROXIMATE TOTAL PIPELINE DISTANCE = 7600' +/-

LEGEND:

- EXISTING PIPELINE
- - - PROPOSED PIPELINE
- PROPOSED ACCESS



COASTAL OIL & GAS CORP.  
KENNEDY WASH FEDERAL #4-1  
SECTION 4, T8S, R23E, S.L.B.&M.  
689' FNL 2145' FEL



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

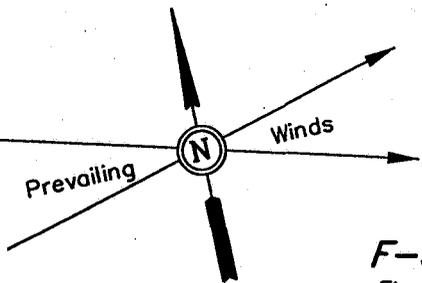
TOPOGRAPHIC MAP  
7 5 00  
MONTH DAY YEAR  
SCALE: 1" = 1000' DRAWN BY: J.L.G. REVISED: 00-00-00



# COASTAL OIL & GAS CORP.

## LOCATION LAYOUT FOR

KENNEDY WASH FEDERAL #4-1  
SECTION 4, T8S, R23E, S.L.B.&M.  
689' FNL 2145' FEL



SCALE: 1" = 50'  
DATE: 07-11-00  
Drawn By: D.R.B.

F-3.6'  
El. 14.9'

F-6.9'  
El. 11.6'

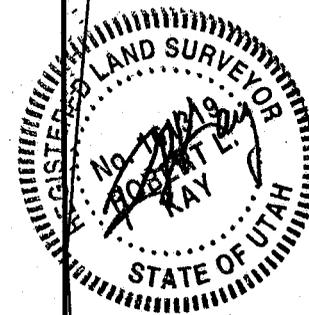
F-7.4'  
El. 11.1'

Sta. 3+25

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

Approx.  
Top of  
Cut Slope

Spoils Stockpile



Sta. 1+50

C-2.1'  
El. 20.6'

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Sta. 0+00

El. 26.6'  
C-18.1'  
(btm. pit)

C-6.1'  
El. 24.6'

C-5.3'  
El. 23.8'

C-4.7'  
El. 23.2'

FLARE PIT

Flow Line

100'

10' WIDE BENCH

100'

RESERVE PITS  
(10' Deep)  
Pit Capacity With  
2' of Freeboard  
is ±9,650 Bbls.

Sta. 0+55

El. 25.4'  
C-16.9'  
(btm. pit)

El. 18.2'  
F-0.3'

CONSTRUCT  
DIVERSION  
DITCH

C-1.5'  
El. 20.0'

C-1.0'  
El. 19.5'

F-6.4'  
El. 12.1'

Proposed Access  
Road

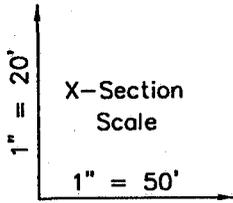
**NOTES:**

Elev. Ungraded Ground At Loc. Stake = 5423.2'  
FINISHED GRADE ELEV. AT LOC. STAKE = 5418.5'

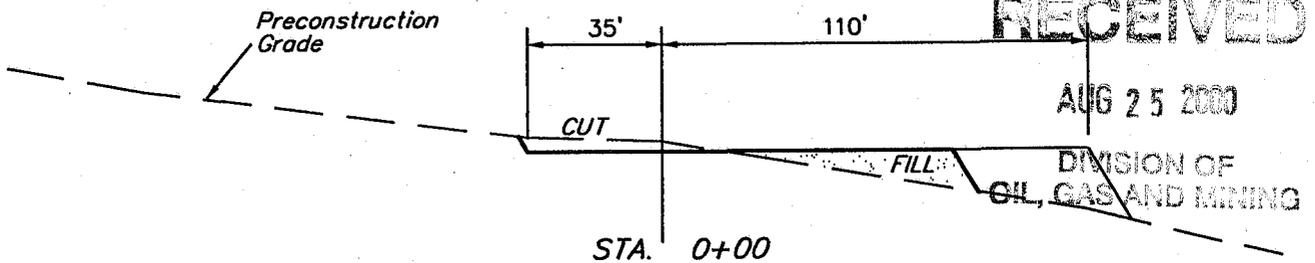
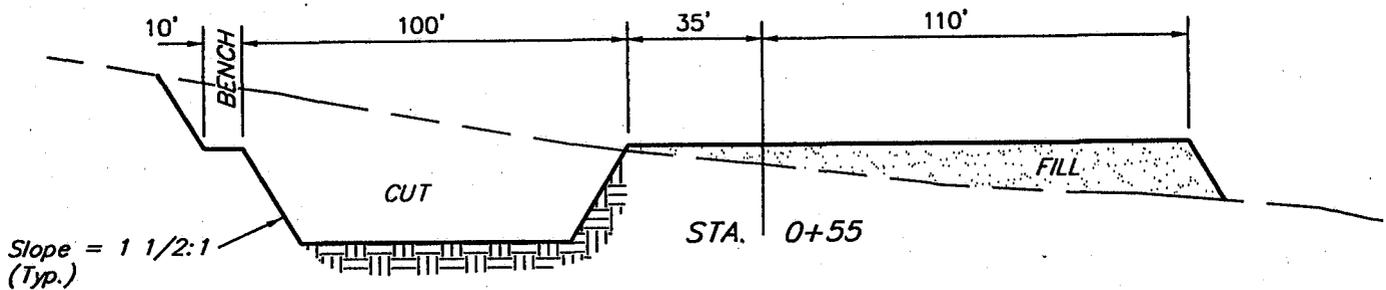
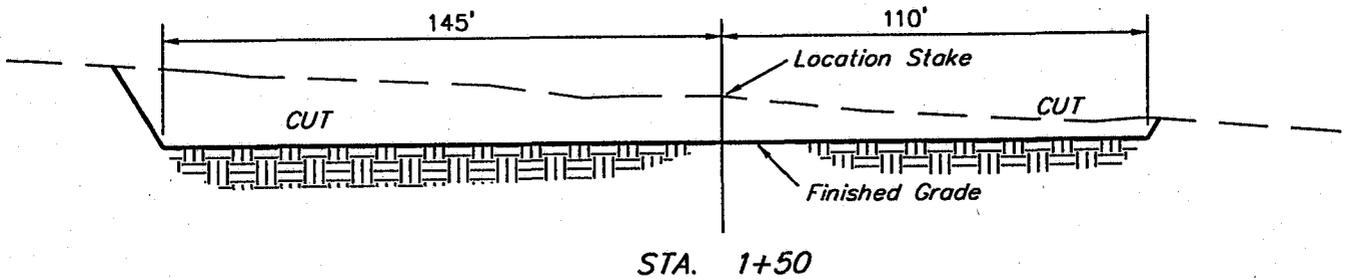
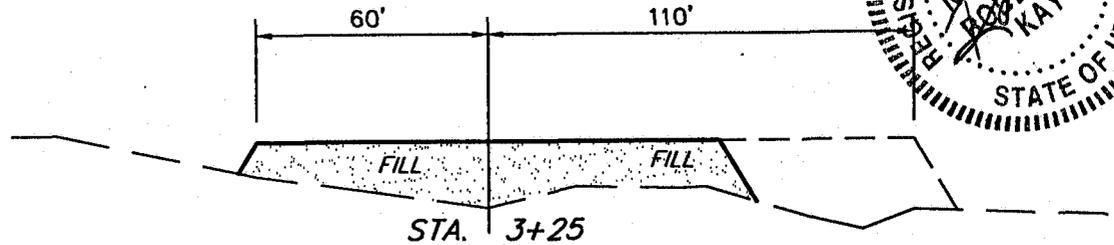
**FIGURE #1**

COASTAL OIL & GAS CORP.

TYPICAL CROSS SECTIONS FOR  
KENNEDY WASH FEDERAL #4-1  
SECTION 4, T8S, R23E, S.L.B.&M.  
689' FNL 2145' FEL



DATE: 07-11-00  
Drawn By: D.R.B.



**FIGURE #2**

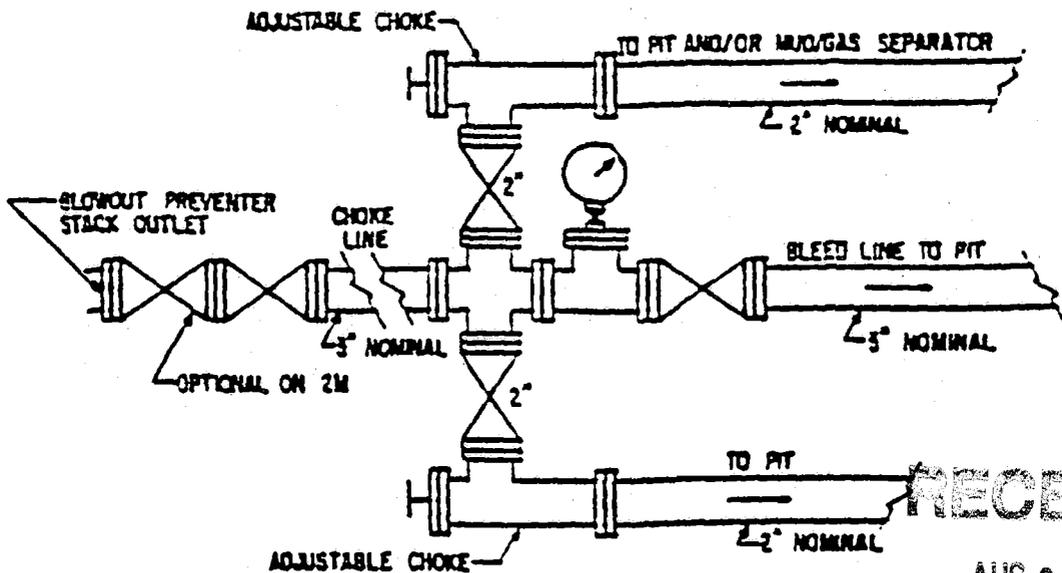
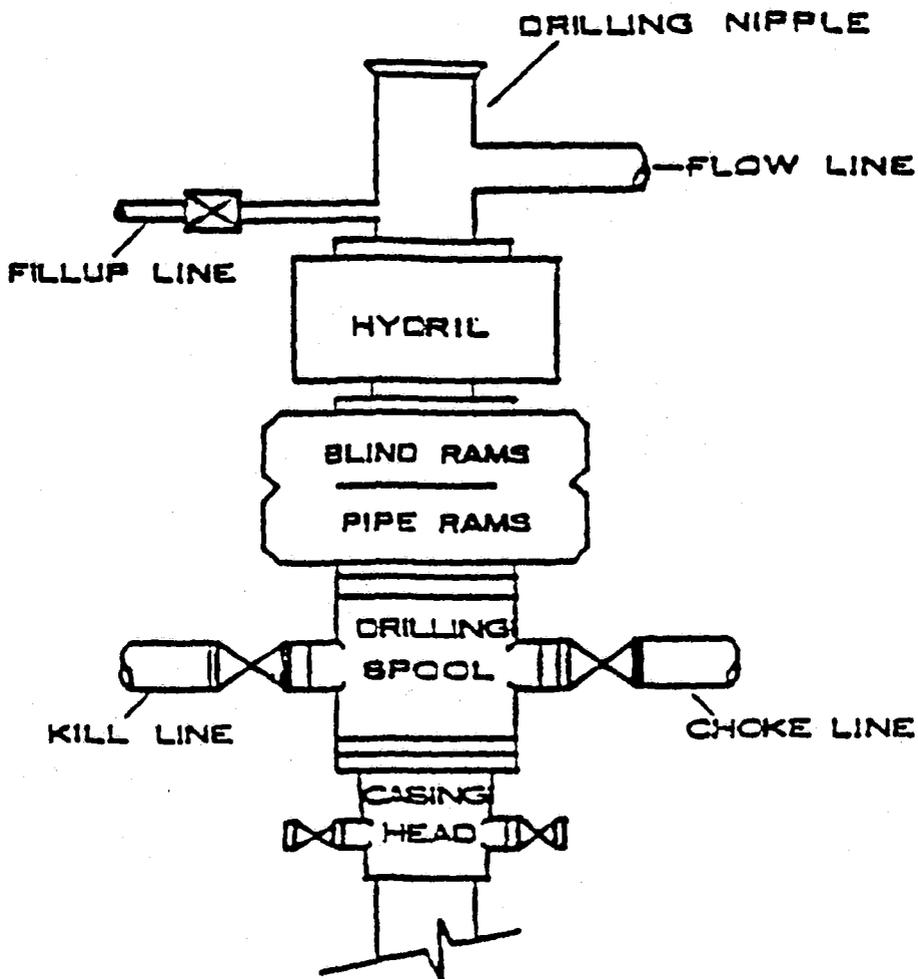
APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,200 Cu. Yds.
Remaining Location	= 6,050 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 7,250 CU.YDS.</b>
<b>FILL</b>	<b>= 4,470 CU.YDS.</b>

EXCESS MATERIAL AFTER 5% COMPACTION	= 2,540 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,540 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

3,000 PSI

# BOP STACK



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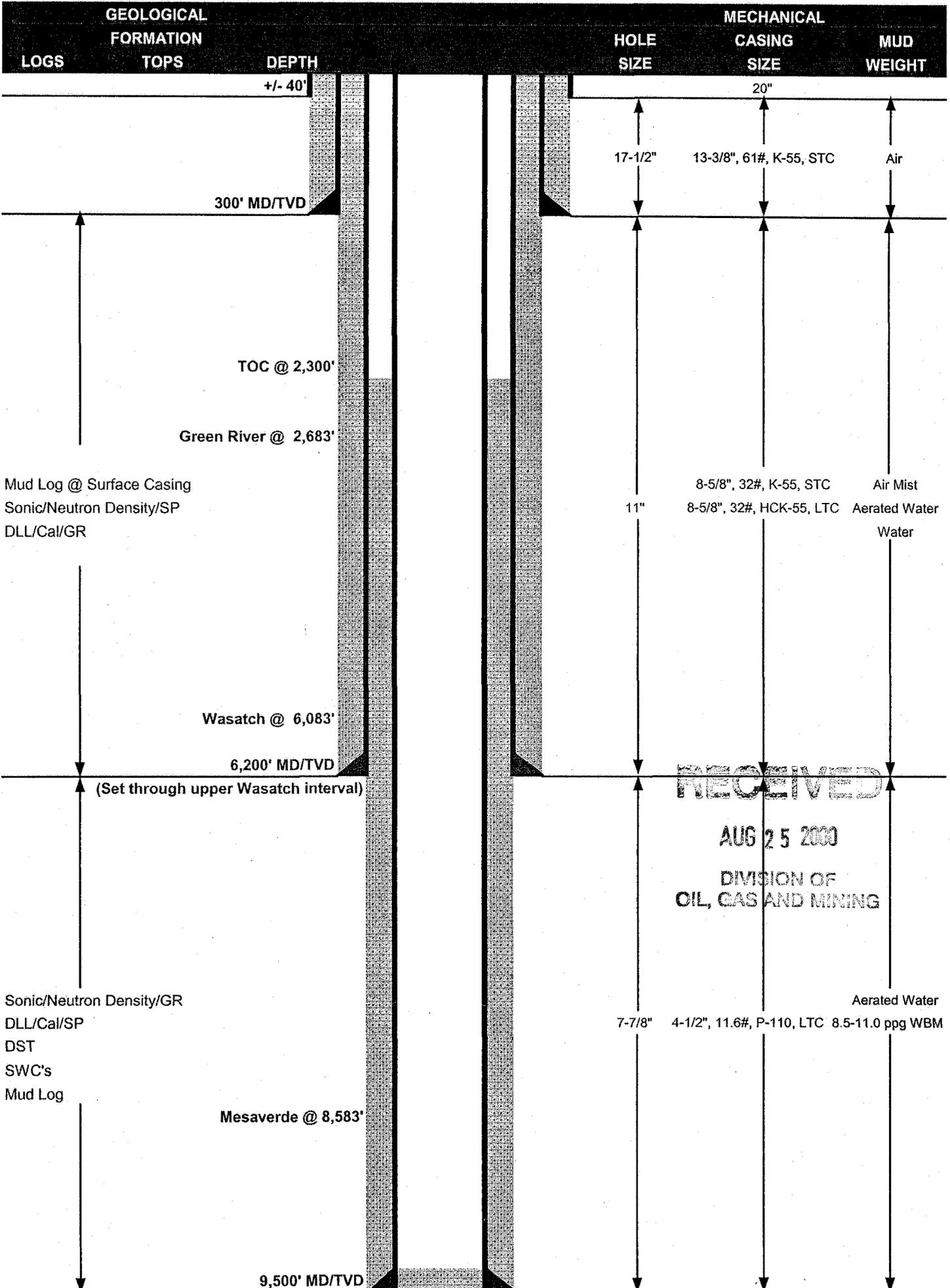
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# COASTAL OIL & GAS CORPORATION

## DRILLING PROGRAM

COMPANY NAME Coastal Oil & Gas Corporation DATE 8/17/00  
 WELL NAME KWFU #4-1 TD 9,500' MD/TVD  
 FIELD Kennedy Wash Federal Unit COUNTY Uintah STATE Utah ELEVATION 5,433'  
 SURFACE LOCATION 689' FNL & 2145' FEL of Sec 4, T8S - R 23E BHL Straight Hole  
 OBJECTIVE ZONE(S) Lower Green River, Wasatch, Mesaverde  
 ADDITIONAL INFO Set interediate casing through Upper Wasatch



## COASTAL OIL & GAS CORPORATION DRILLING PROGRAM

### CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	20"	0-40'				3,090	1,540	633,000
SURFACE	13-3/8"	0-300'	61#	K-55	STC	18.36	10.97	5.35
INTERMEDIATE	8-5/8"	0-6,200'	32#	HCK-55	STC	1.10	1.42	1.35
PRODUCTION	4-1/2"	0-TD	11.6#	P-110	LTC	3.19	1.18	1.33

- 1) Maximum Anticipated Surface Pressure (MASP) (Conductor and Surface Casings) = (Frac Gradient at Shoe - Gas Gradient (0.115 psi/ft))(TVD)
  - 2) MASP (Int Casing) = Pore Pressure at Next Casing Point - (Gas Gradient x TVD of Next Casing Point x 0.67) - (Mud Weight x TVD x 0.052 x 0.33)
  - 3) MASP (Prod Casing) = Pore Pressure - (Gas Gradient x TVD of Production Interval)
- (Burst Assumptions: FG @ 8-5/8" shoe = 13.0 ppg, Max Pore Pressure = 9.0 ppg EMW)  
 (Collapse Assumption: Fully Evacuated Casing, Max MW)      (Tension Assumptions: Air Weight of Casing, 100,000 lbs overpull)

### CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE		300	Class G + 2% CaCl <sub>2</sub>	270	35%	15.60	1.19
INTERMEDIATE	LEAD	2200	Hyfill Premium + 0.2% Econolite + 0.25 lb/sk Flocele + 0.2% FWCA + 10 lb/sk Gilsonite + 16% Gel + 1% HR-7 + 3% Salt	290	100%	11.00	3.90
	TAIL	4000	50/50 Poz + 0.25 lb/sk Flocele + 0.4% HALAD-322 + 2% Gel + 0.1% HR-5 + 5% Salt	1710	100%	14.40	1.20
PRODUCTION	LEAD	3340	Hyfill Premium + 0.8% Econolite + 0.25 lb/sk Flocele + 0.2% FWCA + 10 lb/sk Gilsonite + 16% Gel + 0.7% HR-7 + 3% Salt	210	0%	11.00	3.81
	TAIL	3800	Premium + 2% Microbond + 10% Salt + 0.4% HALAD-322 + 0.2% Gel	1080	75%	14.30	1.26

\* or 15% over caliper log

### FLOAT EQUIPMENT & CENTRALIZERS

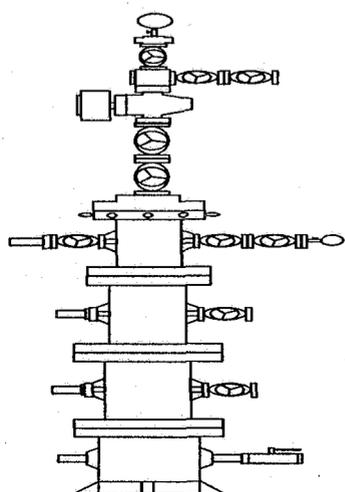
SURFACE	Guide shoe, 1 joint, float collar. Centralize 5' above shoe & every other collar to surface. Thread lock FE & bottom joint.
INTERMEDIATE	Float shoe, 1 joints, float collar. Centralize as per production department. Thread lock FE and bottom 3 joints.
PRODUCTION	Specified by Production Department

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### WELLHEAD EQUIPMENT



TREE	7-1/16" 5M X 2-1/16" 5M
TUBING HEAD	11" 5M X 7-1/16" 5M
CASING SPOOL	
CASING SPOOL	13-5/8" 3M X 11" 5M
CASING HEAD	13-3/8" SOW X 13-5/8" 3M

## COASTAL OIL & GAS CORPORATION DRILLING PROGRAM

**BIT PROGRAM**

ROCK BIT & PDC BIT PROGRAM						
INTERVAL	HOLE	BIT MFG & MODEL	GPM	SERIAL	NZLS	COMMENTS
Surface Hole	17-1/2"	Various				Pre-set
300'-6,200'	11"	Various	350	New	3 - 18's	Air / Mist
6,200'-8500'	7-7/8"	Various (PDC)	400	Rental	0.5 TFA	MM Application
8500'-TD	7-7/8"	F45H or equivalent	400	New	3 - 18's	MM Application

**GEOLOGICAL DATA**

**LOGGING:**

Depth	Log Type
SC - 6200	DLL/Cal/GR/Density/Neutron/SP/Sonic
6200 - TD	DLL/Cal/GR/Density/Neutron/SP/Sonic/DST
Various	SWC's

**MUD LOGGER:**  
**SAMPLES:**  
**CORING:**  
**DST:**

SC - TD  
As per Geology  
As per Geology  
As per Geology

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**MUD PROGRAM**

DEPTH	TYPE	MUD WT	WATER LOSS	VISCOSITY	TREATMENT
0-Trona	Air Mist	NA	NA		Treat with corrosion chemicals
Trona-Intm	Aerated Water Water	NA	NC	NA	Treat with corrosion chemicals Polymer, Lime, LCM
Intm-TD	Aerated Water Water/Mud	NA 8.5-11.0	NC 15-10cc	NA 30-45	Treat with corrosion chemicals Polymer, Lime, LCM, Barite

**ADDITIONAL INFORMATION**

Test casing head to 750 psi after installing. Test surface casing to 1,000 psi prior to drilling out. Test int. csg. to 1,500 psi prior to drilling out. BOPE to intermediate: 13-5/8" 3M with one 3M annular and 2 rams. Test to 3,000 psi (annular to 1,500 psi) prior to drilling out. BOPE to TD: 11" 5M with one 5M annular and 2 rams. Test to 5,000 psi (annular to 3,000 psi) prior to drilling out. Record on chart recorder & four sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves. Corrosion treatment while drilling with air - RU160 then pump O<sub>2</sub> scavenger and proceed with scale inhibitor only. Run Totco survey every 1500' from surface casing shoe to TD. Maximum allowable hole angle is 5 degrees.

**PROJECT ENGINEER:**

\_\_\_\_\_  
Christa Yin

**DATE:** \_\_\_\_\_

**PROJECT MANAGER:**

\_\_\_\_\_  
Tom Young

**DATE:** \_\_\_\_\_

# CULTURAL RESOURCE EVALUATIONS OF FIVE PROPOSED COASTAL OIL & GAS WELLS (UNITS 3-1, 4-1, 6-1, 11-1, & 14-1) IN THE KENNEDY WASH LOCALITY OF UINTAH COUNTY, UTAH

Report Prepared for Coastal Oil & Gas Corporation

Department of Interior Permit No.: Ut-54937

Utah State Permit No.: UT00AF00467b

AERC Project 1651 (COG00-19)

Author of Report:  
E. Richard Hauck, Ph.D



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August 8, 2000

## **ABSTRACT**

An intensive cultural resource evaluation has been conducted for Coastal Oil & Gas Corporation of five proposed well locations including Kennedy Wash Federal #4-1, #14-1, #11-1, #6-1 and #3-1 and their associated 150 foot-wide access and pipeline corridors. This unit is situated on Bureau of Land Management (BLM) lands in the Glen Bench locality of Uintah County, Utah. This evaluation was conducted by AERC archaeologists F.R. Hauck, Alan Hutchinson, and Michael Hauck on July 28, 2000. A total of 66.1 acres was involved in this project.

No previously recorded significant or National Register eligible cultural resources will be adversely affected by the proposed developments. Non-significant site 42UN1427, a historic trash scatter, is situated within the ten acre survey area for Unit 3-1. AERC does not recommend avoidance or mitigation of this site.

No diagnostic isolated artifacts were observed or collected during the evaluations.

No newly identified cultural resource activity loci were discovered during the examinations. An isolated projectile point fragment was recovered from the well pad location for Unit 6-1.

AERC recommends project clearance based on adherence to the stipulations noted in the final section of this report.

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## GENERAL INFORMATION

On July 28, 2000, AERC archaeologists F. Richard Hauck, Alan Hutchinson, and Michael Hauck conducted an intensive cultural resource evaluation for Coastal Oil & Gas Corporation of Vernal, Utah. This examination involved the proposed well locations in Kennedy Wash Federal units 4-1, 14-1, 11-1, 6-1, and 3-1 and their associated access/pipeline corridors. These units are situated on BLM land in the Glen Bench locality of Uintah County, Utah (see Maps 1 - 4). About 66.1 acres of public lands in the locality were examined by the above-mentioned AERC archaeologists during an on-site evaluation conducted the same date. Pipeline corridors for three of the five proposed well locations were included in the 150 foot corridor evaluations conducted for the access routes. These linear evaluations include a total of 1.44 miles of access/pipeline corridor relative to the three locations or 0.37 miles for unit 4-1, 0.12 miles for unit 11-1, and 0.95 miles for unit 6-1. Units 14-1 and 3-1 were directly accessible by road and did not require corridor access evaluation.

The purpose of the field study and this report is to identify and document cultural site presence and assess National Register potential significance relative to established criteria (cf., Title 36 CFR 60.6). The proposed development of these well locations and associated access/pipeline corridors requires an archaeological evaluation in compliance with U.C.A. 9-8-404, the Federal Antiquities Act of 1906, the Reservoir Salvage Act of 1960-as amended by P.L. 93-291, Section 106 of the National Historic Preservation Act of 1966-as amended, the National Environmental Policy Act of 1969, the Federal Land Policy and Management Act of 1976, the Archaeological Resources Protection Act of 1979, the Native American Religious Freedom Act of 1978, the Historic Preservation Act of 1980 and Executive Order 11593.

In addition to documenting cultural identity and significance, mitigation recommendations relative to the preservation of cultural data and materials can be directed to the Vernal Office of the BLM [and to the Utah State Antiquities Section]. This work was done under U. S. Department of Interior Permit for Utah UT-00-54937, which expires on January 31, 2001.

The investigation of the approximate 66.1 acres at the sites was accomplished by walking a series of 10 to 20 meter-wide transects within the staked area and within the 50 meter-wide access/pipeline corridors.

All field notes and report information concerning this project are filed at the AERC office, Bountiful, UT.

### Project Location

The project area is about 27 miles southeast of Vernal, UT. The development is located in the Kennedy Wash locality of the Glen Bench region. Well locations are identifiable on the Red Wash and Red Wash NW topographic quads. The proposed development area is located as follows:

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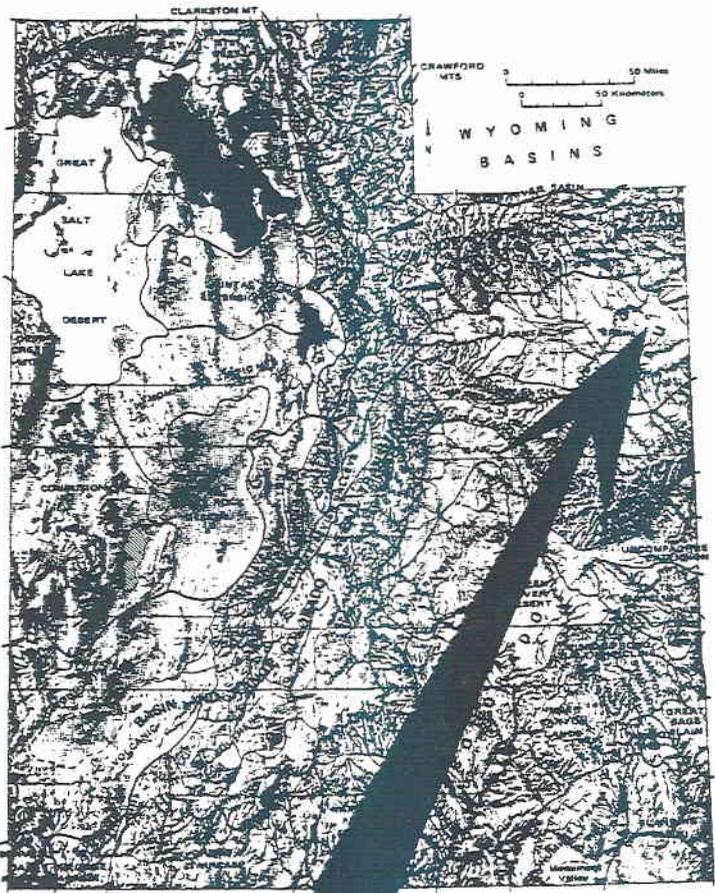
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**MAP 1  
GENERAL PROJECT AREA IN  
UINTAH COUNTY, UTAH**



**PROJECT: COG00-19  
SCALE: 1: 200,650  
DATE: 8/05/00**



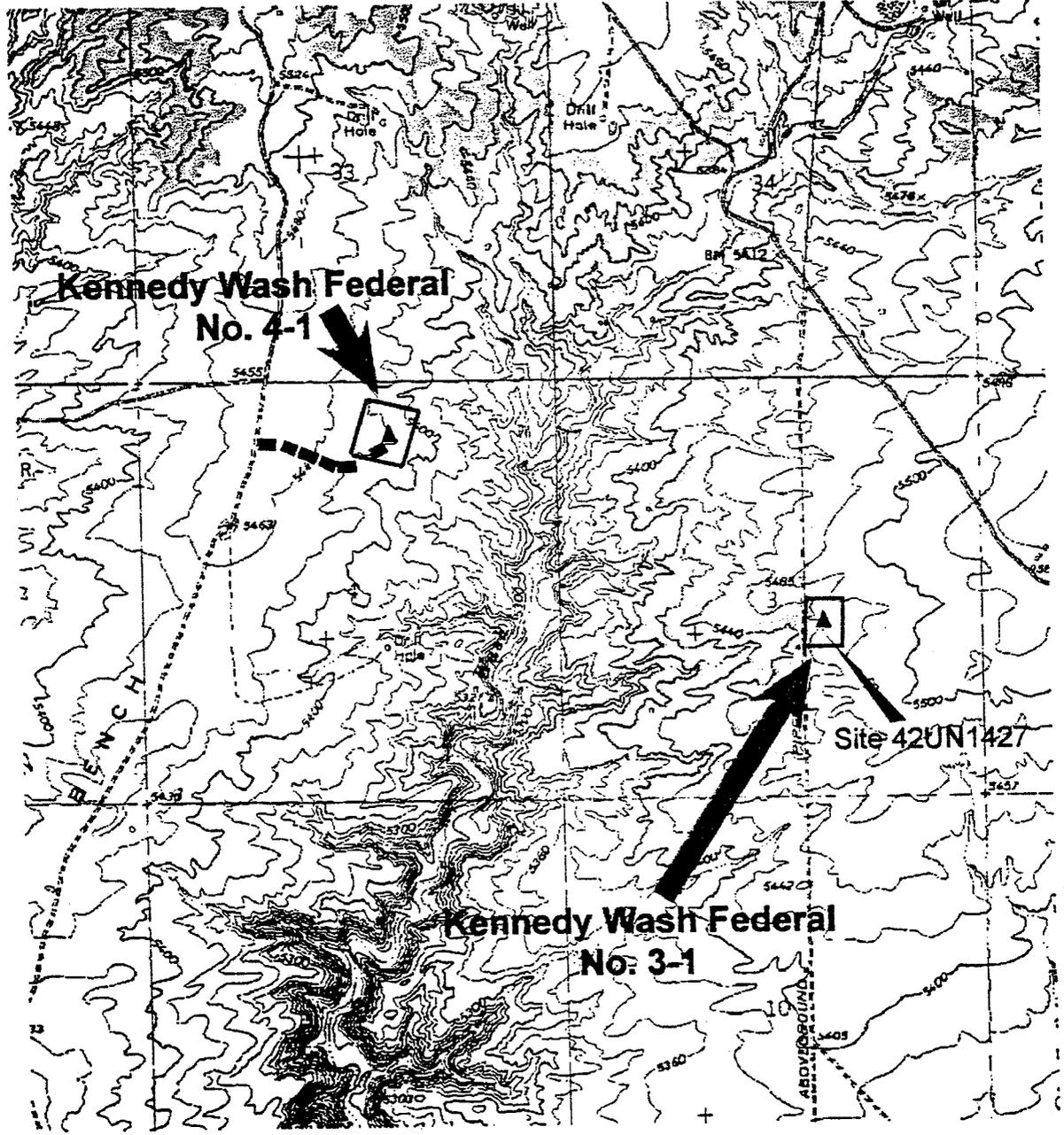
**PROJECT AREA**

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**TOWNSHIP: multiple  
RANGE: multiple  
MERIDIAN: multiple**

Utah Geological and Mineral Survey  
Map 43 1977  
Physiographic Subdivisions of Utah  
by W.L. Stokes

PROJECT: COG00-19  
SCALE: 1:24,000  
QUAD: Red Wash  
DATE: August 8, 2000

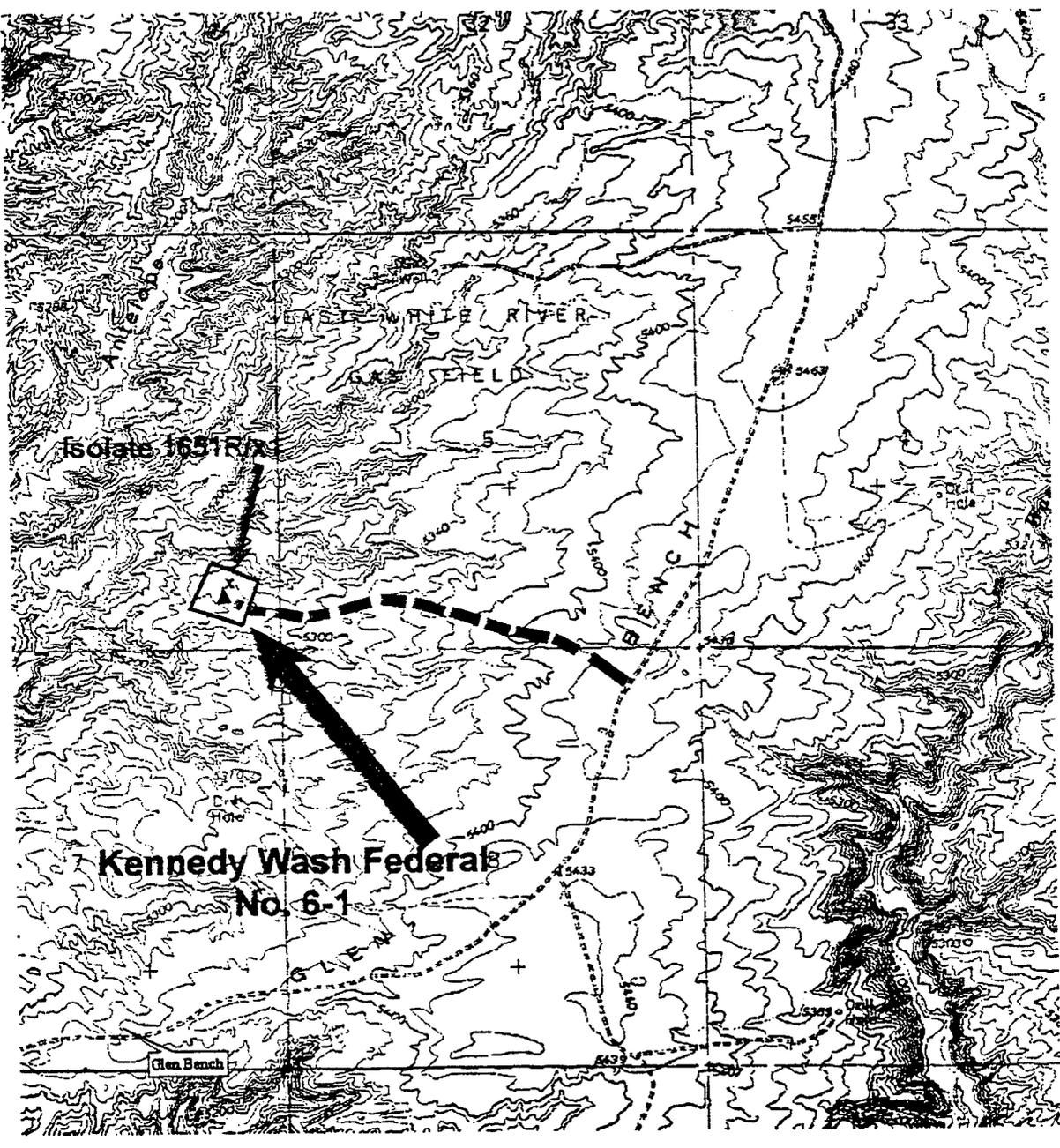


TOWNSHIP: 8 South  
RANGE: 23 East  
MERIDIAN: Salt Lake B. & M.

LEGEND

-  Well Location
-  Survey Area
-  Access Route
-  Prehistoric Site

PROJECT: COG00-19  
SCALE: 1:24,000  
QUAD: Red Wash, Utah  
DATE: August 5, 2000

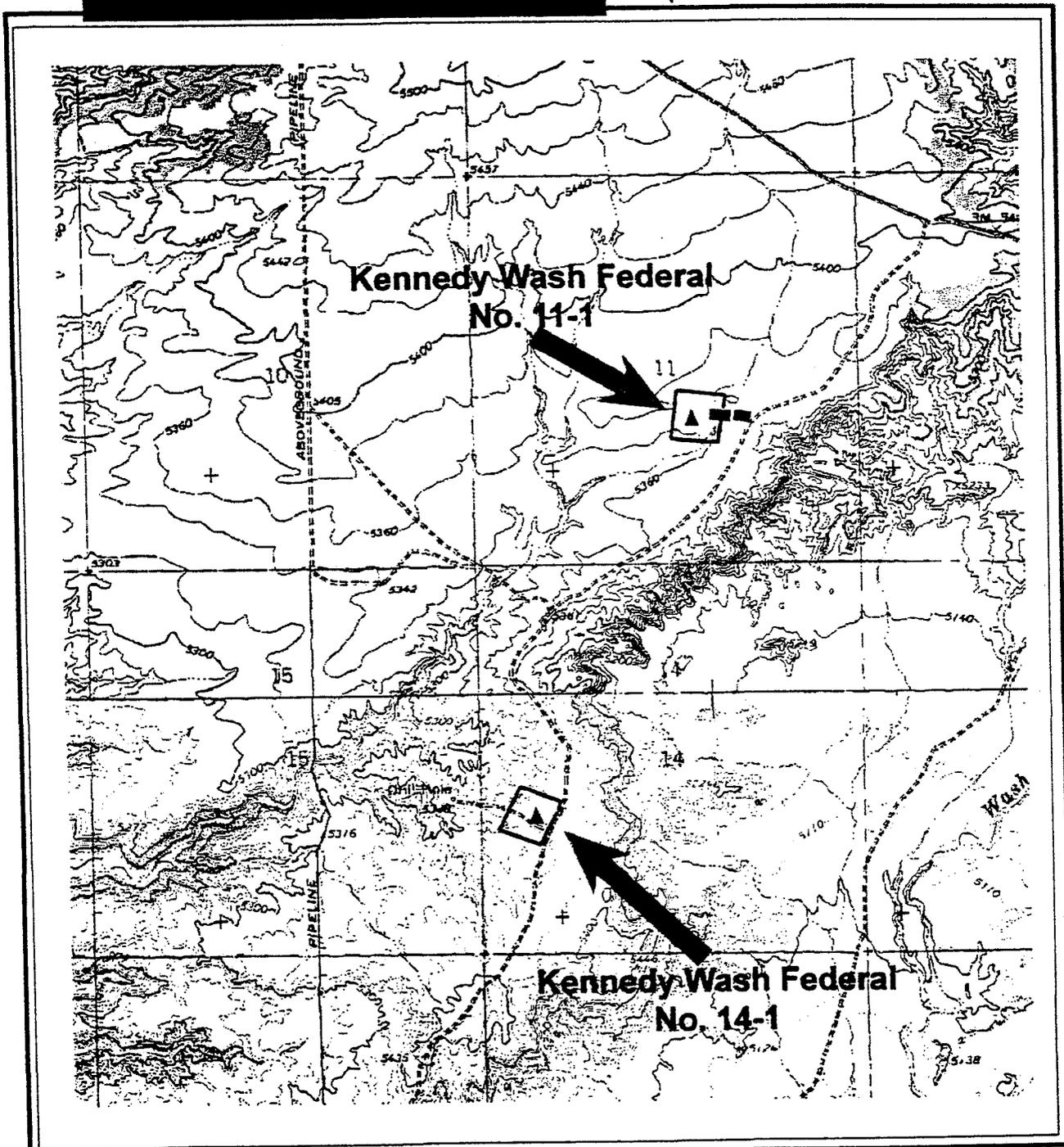
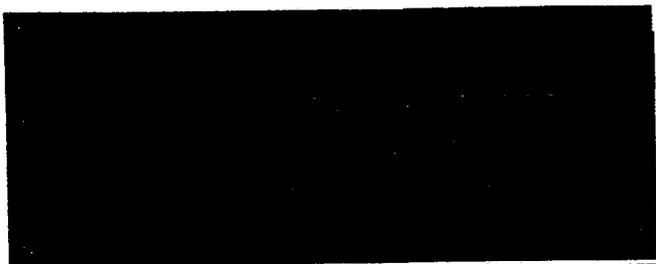


TOWNSHIP: 8 South  
 RANGE: 23 East  
 MERIDIAN: Salt Lake B. & M.

**LEGEND**

-  Well Location
-  Survey Area
-  Access Route
-  Isolated Artifact

PROJECT: COG00-19  
SCALE: 1:24,000  
QUAD: Red Wash, &  
Red Wash SE, Utah  
DATE: August 5, 2000



TOWNSHIP: 8 South  
RANGE: 23 East  
MERIDIAN: Salt Lake B. & M.

LEGEND

-  Well Location
-  Survey Area
-  Access Route

**Federal Well Unit 3-1** (see Map 2) is located in the northwest quarter of the southeast quarter of Section 3, Township 8 South, Range 23 East (Uintah B. & M.). This unit is directly accessible by an existing roadway connection with State Highway #45.

**Federal Well Unit 4-1** (see Map 2) is located in the northwest quarter of the northeast quarter of Section 4, Township 8 South, Range 23 East (Uintah B. & M.). This unit is accessible by a pipeline corridor that is 1,938 feet (0.37 mile) from the State Highway #45.

**Federal Well Unit 6-1** (see Map 3) is located in the southeast quarter of the southeast quarter of Section 6, Township 8 South, Range 23 East (Uintah B. & M.). This unit is accessible via 5,000 foot-long (0.95 mile) proposed access/pipeline corridor.

**Federal Well Unit 11-1** (see Map 4) is located in the northwest quarter of the southeast quarter of Section 11, Township 8 South, Range 23 East (Uintah B. & M.). This unit is accessible via a 625 foot-long (0.12 mile) proposed access/pipeline corridor.

**Federal Well Unit 14-1** (see Map 4) is located in the northwest quarter of the southwest quarter of Section 14, Township 8 South, Range 23 East (Uintah B. & M.). This unit is directly accessible by State Highway #45.

### Environmental Description

The project area is within the 5300 to 5450 foot elevation zone above sea level. Ephemeral drainages in the project area are associated with tributaries that drain westward into the Green River or the White River.

The vegetation in the project area is primarily associated with the sage rangeland environment. Vegetation species commonly include *Chrysothamnus nauseosus*, *Artemisia tridentata*, *Opuntia polyacantha*, *Sarcobatus vermiculatus*, *Ephedra* spp., *Atriplex* spp. and a variety of grasses including *Hordeum jubatum* and *Bromus tectorum*. Surrounding vegetation consists of *Artemisia tridentata* and *Ephedra* spp.

The project area is situated in the Colorado Plateau physiographic province.

### PREVIOUS RESEARCH IN THE LOCALITY

#### File Search

Records searches of the site files and maps were conducted at the Vernal District Area office on July 28, 2000 and at the Antiquities Section of the State Historic Preservation Office in Salt Lake City on August 8, 2000. Earlier projects conducted in this general area include the

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following: 79NH278, 79NH297, 81DB0620, 83BC420, 82Wk0527, 88MM506, 90AF133, 91AF301 and 91AF133.

Other archaeological consultants, in addition to the local BLM archaeologists, who have worked in the project area include personnel from Montgomery Archaeological Consultants, Alpine Archaeological Consultants, Nickens and Associates and Grand River Institute.

Previous evaluations and area inventories indicate the occupation of the general project area has included prehistoric occupations (cultural affiliation unknown). For a comprehensive treatment of the prehistory and history of this general cultural area, see the following citations listed among the references: Hauck, 1991; Hauck 1993b; Hauck, et al., 1997b.

The National Register of Historic Places has been consulted and no registered historic or prehistoric properties will be affected by the proposed developments.

### **STUDY OBJECTIVES AND EXPECTED RESULTS**

The purpose of this evaluation was:

- ▶ to identify, evaluate and record any cultural resources encountered within the proposed Coastal Oil & Gas development area;
- ▶ to determine the significance of identified resources; and
- ▶ to recommend appropriate mitigation measures relative to the preservation of resources found to be endangered by the projects.

These objectives were accomplished by seeking surface indications of cultural resource presence. Cultural resource sites would be identified by the presence of three or more associated artifacts and/or features that demonstrate the presence of patterned human activity and then recorded on the appropriate IMACS forms.

The previous identification of prehistoric and historic cultural resources in the general area indicated a possibility that additional resources could be discovered during these evaluations.

No constraints, e.g., snow cover, dense vegetation, difficult weather were imposed during the evaluation of these well locations. The field phase of the project was completed on July 28, 2000.

### **Site Potential in the Project Development Zone**

Previous archaeological evaluations in the general project area have resulted in the identification and recording of a limited archaeological resources on Glen Bench. Such prehistoric sites as have been recorded demonstrate a definitive selection of environmental community and water resource.

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## FIELD EVALUATIONS

### Methodology

To accomplish an intensive evaluation of the project areas shown on Maps 2-4 the archaeologists walked a series of 10 to 20 meter wide transects within each ten acre staked location and along the 50 meter-wide access/pipeline corridors. All together, a 100% pedestrian survey was conducted of about 66.1 acres.

Observation of cultural materials resulted in intensive examinations to determine the nature of the resource. This included a careful search of the vicinity to locate and evaluate features, artifact types and concentrations, site spatial associations and temporal identifications. Sites and isolates were then recorded on the appropriate forms, locations sketched, perimeters marked on a topographic map and photographs taken. Copies of these findings are provided to the appropriate State and Federal offices as attachments to the final report.

In certain instances, the cultural sites are then evaluated for depth potential utilizing AERC's portable Ground Penetrating Radar (GPR) computerized system (SIR-2 manufactured by Geophysical Survey Systems, Inc. [GSSI] of North Salem, New Hampshire). GPR was not used during this project.

Cultural sites are then evaluated for significance utilizing the standards described below and mitigation recommendations are considered as a means of preserving significant resources which may be situated within the development zone.

### Site Significance Criteria

Prehistoric and historic cultural sites which can be considered as eligible for nomination to the National Register of Historic Places have been outlined as follows in the National Register's Criteria for Evaluation as established in Title 36 CFR 60.6:

*The quality of significance in American ... archaeology ... and culture is present in ... sites ... that possess integrity of location, design, setting, materials, workmanship, feeling, and association and:*

- a. That are associated with events that have made a significant contribution to the broad patterns of our history; or*
- b. that are associated with the lives of persons significant in our past; or*
- c. that embody the distinctive characteristics of a type, period, or method of construction ... ; or*
- d. that have yielded, or may be likely to yield, information important in prehistory or history.*

In addition to satisfying one or more of these general conditions, a significant cultural

resource site in Utah will generally be considered as being eligible for inclusion in the National Register if it should advance our current state of knowledge relating to chronology, cultural relationships, origins, and cultural life ways of prehistoric or historic groups in the area.

In a final review of any site's cultural significance, the site must possess integrity and at least one of the above criteria to be considered eligible for nomination to the National Record of Historic Places.

### Results of the Inventory

During the surveys of the various corridors and well locations referenced in this report, cultural resources were encountered as sites or isolated finds.

No previously recorded significant cultural resources will be adversely affected by the proposed developments. Site 42UN1427, a non-significant historic trash scatter, is situated within the ten acre survey area for Unit 3-1. AERC does not recommend avoidance or mitigation of this site. Other known cultural sites in the vicinity of various well locations include 42UN1165, 42UN1351, 42UN1351, and 42UN1428. These sites are not endangered by direct adverse effect relative to these developments because they are outside the development areas.

One isolated diagnostic artifact was observed and collected during the survey. This artifact consists of a Paleoindian projectile point midsection recorded as 1651R/x1. It consists of Parachute Creek chert prepared in a parallel matrix. Tool exhibits no evidence of fluting and therefore may be a Midland variety related to early Paleoindian occupations (Llano) in the region. It was recovered from the proposed well pad for Unit 6-1 (see Map 3). A careful search in the vicinity failed to identify any additional artifacts or features. The soils at this location consist of stabilized aeolian deposits and have a potential for containing depth. The lack of any debitage in the adjacent rodent burrows and depressions indicates this artifact is probably not associated with an occupation but was lost during hunting activities, and as such, consists of an isolated point fragment. For this reason, AERC is not recommending a cultural monitoring of the construction and blading activities at this location.

No previously unidentified cultural resource loci were identified during the examinations.

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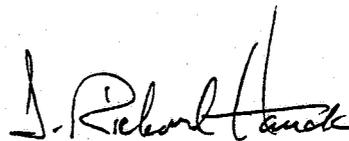
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## CONCLUSION AND RECOMMENDATIONS

AERC recommends that a cultural resource clearance be granted to Coastal Oil & Gas Corporation relative to the development of Kennedy Wash Units 3-1, 4-1, 6-1, 11-1, and 14-1 based upon adherence to the following stipulations:

1. All vehicular traffic, personnel movement and construction should be confined to the flagged location, pipeline corridors or access routes examined as referenced in this report and to the existing roadways;
2. all personnel should refrain from collecting artifacts and from disturbing any significant cultural resources in the area; and
3. the principal authority should be consulted should cultural remains from subsurface deposits be exposed during exploratory and developmental work or if the need arises to relocate or otherwise alter the location of the development area.



F. Richard Hauck, Ph.D.  
President and Principal  
Investigator

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## **REFERENCES**

### **Billat, Scott and Lorna Billat**

1983 Archaeological Survey of the Vernal-Bonanza 138 kv Line. (Ut-83-BC-420b).

### **Chandler, Scott and Paul Nickens**

1979 Archaeological Investigations of Coal Development Areas & Coal Transport Corridors for the Moon Lake Project. Nickens and Associates (Ut-79-NH-278), Montrose.

### **Christensen, Diana**

1981 Archaeological Survey of the Bonanza-Castle Peak-Upalco Transmission Line, Bonanza Power Plant / Moon Lake Project 1981. Report Prepared for Nickens and Associates, Montrose, Colorado.

### **Hauck, F. Richard**

1991 Archaeological Evaluations on the Northern Colorado Plateau Cultural Area, AERC Paper No. 45, Archeological-Environmental Research Corporation, Bountiful.

1992a Cultural Resource Evaluation of a Proposed Pipeline Corridor and Three Well Locations in the Wild Horse Bench Locality of Uintah County, Utah (UT-92-AF-192b). Report Prepared for CNG Producing Company by Archaeological-Environmental Research Corporation, Bountiful.

1992b Cultural Resource Evaluation of None Proposed Well Locatiions in the Wild Horse Bench and Seep Ridge Road Localities of Uintah County, Utah (UT-92-AF-226b). Report Prepared for CNG Producing Company by Archaeological-Environmental Research Corporation, Bountiful.

1992c Cultural Resource Evaluation of 13 Proposed Well Locatiions in the Wild Horse Bench and Seep Ridge Road Localities of Uintah County, Utah (UT-92-AF-326b). Report Prepared for CNG Producing Company by Archaeological-Environmental Research Corporation, Bountiful.

1993a Cultural Resource Evaluation of Proposed CNG Well Unit No. 5-25B in the Willow Creek Locality of Uintah County, Utah (UT-93-AF-642b). Report Prepared for CNG Producing Company by Archaeological-Environmental Research Corporation, Bountiful.

1993b Cultural Resource Evaluation of Proposed CNG Wells (Unit No. 6-25B & 11-25B) in the Willow Creek Locality of Uintah County, Utah (UT-93-AF-707b). Report Prepared for CNG Producing Company by Archaeological-Environmental Research Corporation, Bountiful.

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- 1997a Cultural Resource Evaluation of Three Proposed CNG Units (8-23F, 3-14F, and 12-23F) in the Willow Creek Locality of Uintah County, Utah (UT-97-AF-0145b). Report Prepared for CNG Producing Company by Archaeological-Environmental Research Corporation, Bountiful.
- 1997b Cultural Resource Evaluation of Six Proposed Wells Locations and Associated Access Corridors (Units 1-15F, 9-15F, 3-15F, 12-15F, 15-16F, and 1-21F) in the Willow Creek Locality of Uintah County, Utah (UT-97-AF-0191i). Report Prepared for CNG Producing Company by Archaeological-Environmental Research Corporation, Bountiful.
- 1997c Cultural Resource Evaluation of Two Proposed CNG Units (9-18F and 14-19F) in the Willow Creek Locality of Uintah County, Utah (UT-97-AF-0190b). Report Prepared for CNG Producing Company by Archaeological-Environmental Research Corporation, Bountiful.
- 1997d Cultural Resource Evaluation of Three Proposed CNG Units (13-10E, 13-18F2 and 6-19F) in the Wild Horse Bench Locality of Uintah County, Utah (UT-97-AF-0504b). Report Prepared for CNG Producing Company by Archaeological-Environmental Research Corporation, Bountiful.
- 1998a Cultural Resource Evaluation of Five Proposed CNG Units (1-10F, 15-15F, 8-22F, 11-22F, and 16-22F) in the Willow Creek Locality of Uintah County, Utah (UT-98-AF-0052i,b). Report Prepared for CNG Producing Company by Archaeological-Environmental Research Corporation, Bountiful.
- 1998b Cultural Resource Evaluation of a Proposed Well Location and Access Route in the Willow Creek Locality of Uintah County, Utah (UT-98-AF-0546i). Report Prepared for CNG Producing Company by Archaeological-Environmental Research Corporation, Bountiful.
- 1999a Cultural Resource Evaluation of Four Proposed Drilling Locations on Ute Tribal Lands in the Willow Creek Locality of Uintah County, Utah (UT-99-AF-0268i). Report Prepared for CNG Producing Company by Archaeological-Environmental Research Corporation, Bountiful.
- 1999b Cultural Resource Evaluation of Five Proposed Drilling Locations on Federal (BLM) Lands in the Willow Creek - Wild Horse Bench Locality of Uintah County, Utah (UT-99-AF-0268b). Report Prepared for CNG Producing Company by Archaeological-Environmental Research Corporation, Bountiful.
- 1999c Cultural Resource Evaluation of River Bend Unit 5-20F in Uintah County, Utah (UT-99-AF-0739b). Report Prepared for CNG Producing Company by Archaeological-Environmental Research Corporation, Bountiful.
- 2000a Cultural Resource Evaluation of Three Proposed Units in the Kennedy Wash Locality (State Unit 16-1, Federal Unit 13-1, and Federal Unit 8-1) in Uintah County, Utah (UT-00-AF-00267bs). Report Prepared for Coastal Oil & Gas Corporation by

Archaeological-Environmental Research Corporation, Bountiful.

2000b Cultural Resource Evaluation of Five Proposed Units in the Kennedy Wash Locality (Kennedy Wash Nos. 4-1, 14-1, 11-1, 6-1, and 3-1) in Uintah County, Utah (UT-00-AF-00461b). Report Prepared for Coastal Oil & Gas Corporation by Archaeological-Environmental Research Corporation, Bountiful.

Hauck, F.R. and Garth Norman

1980 Final Report on the Mapco River Bend Cultural Mitigation Study. AERC Paper No. 18, of the Archeological-Environmental Research Corporation, Bountiful.

Hauck, F.R. and Dennis Weder

1989 Pariette Overlook: A Paleoindian Quarry Site in the Pariette Draw Locality of Uintah County, Utah. AERC Paper No. 42, of the Archeological-Environmental Research Corporation, Bountiful.

Larralde, Sigma and Paul Nickens

1981 Archaeological Inventory in the Red Wash Cultural Study Tract of Uintah County, Utah. Nickens and Associates (Ut-79-NH-287), Montrose.

Stokes, W.L.

1977 Physiographic Subdivisions of Utah. Map 43, Utah Geological and Mineral Survey, Salt Lake City.

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U.S. Department of the Interior Bureau of Land Management Utah State Office (AERC FORMAT)

Project Authorization U.O.O.A.F.0.4.6.1.b. Report Acceptable Yes \_\_\_ No \_\_\_ Mitigation Acceptable Yes \_\_\_ No \_\_\_ Comments: \_\_\_\_\_

Summary Report of Inspection for Cultural Resources

5 COASTAL WELL LOCATION IN THE KENNEDY WASH LOCALITY OF UINTAH CO.

1. Report Title Coastal Oil & Gas Corporation

2. Development Company

08 8 2000 UT-00-54937

3. Report Date AERC 4. Antiquities Permit No. COG00 - 19

5. Responsible Institution County Uintah

6. Fieldwork

Location: TWN .0.8.S. . RNG .2.3 E. . Sections 3, 4, 5, 6, 8, 11, 14

7. Resource Area .BC.

8. Description of Examination Procedures: The archeologists, F.R. Hauck, Alan Hutchinson, & Michael Hauck examined the proposed well locations and those access routes by walking 10 to 20 meter-wide transects in the ten acre parcels and along the 150 foot-wide access corridors centered on the flagged center-line.

9. Linear Miles Surveyed and/or Definable Acres Surveyed and/or Legally Undefinable Acres Surveyed 66.1 10. Inventory Type I R = Reconnaissance I = Intensive S = Statistical Sample

11. Description of Findings: One archaeological site (42UN1427) consisting of a previously recorded, historic, non-significant trash scatter is situated within the survey area for Unit 3-1. Avoidance of this site is not recommended.

12. Number Sites Found 0 (No sites = 0) 13. Collection: Y. (Y = Yes, N = No) Isolated find 1651R/x1, a Paleoindian Projectile point midsection was collected from the pad locality of Unit 6-1.

14. Actual/Potential National Register Properties Affected: The National Register of Historic Places (NRHP) has been consulted and no registered properties will be affected by the proposed development.

15. Literature Search, Location/ Date: Utah SHPO 8-8-00 Vernal BLM 7-28-00

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16. Conclusion/ Recommendations:

AERC recommends that a cultural resource clearance be granted to Coastal Oil & Gas Company for the proposed developments based on the following stipulations:

1. All vehicular traffic, personnel movement, construction and restoration operations should be confined to the flagged areas, well pads and corridors examined as referenced in this report, and to the existing roadways and/or evaluated access routes.
2. All personnel should refrain from collecting artifacts and from disturbing any significant cultural resources in the area.
3. The authorized official should be consulted should cultural remains from subsurface deposits be exposed during construction work or if the need arises to relocate or otherwise alter the location of the exploration area.

---

17. Signature of Administrator & Field Supervisor

Administrator:

*J. R. Hauck*

Field  
Supervisor:

UT 8100-3 (2/85)

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**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 08/25/2000

API NO. ASSIGNED: 43-047-33664
--------------------------------

WELL NAME: KENNEDY WASH FED 4-1  
 OPERATOR: COASTAL OIL & GAS CORP ( N0230 )  
 CONTACT: CHERYL CAMERON

PHONE NUMBER: 435-781-7023

PROPOSED LOCATION:

NWNE 04 080S 230E  
 SURFACE: 0689 FNL 2145 FEL  
 BOTTOM: 0689 FNL 2145 FEL  
 UINTAH  
 UNDESIGNATED ( 2 )

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1-Federal  
 LEASE NUMBER: U-77290  
 SURFACE OWNER: 1-Federal

PROPOSED FORMATION: MVRD

RECEIVED AND/OR REVIEWED:

Plat  
 Bond: Fed[1] Ind[] Sta[] Fee[]  
 (No. U-605382-9 )  
 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  
 Siting: \_\_\_\_\_  
 R649-3-3. Exception  
 Drilling Unit  
 Board Cause No: \_\_\_\_\_  
 Eff Date: \_\_\_\_\_  
 Siting: \_\_\_\_\_  
 R649-3-11. Directional Drill

COMMENTS:

\_\_\_\_\_

\_\_\_\_\_

STIPULATIONS:

① FEDERAL APPROVAL

\_\_\_\_\_

\_\_\_\_\_





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

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

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

August 30, 2000

Coastal Oil & Gas Corporation  
PO Box 1148  
Vernal UT 84078

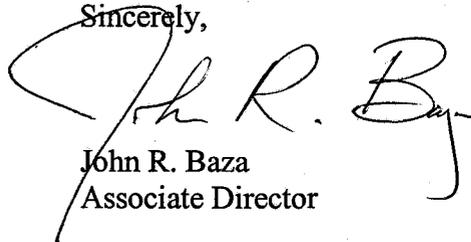
Re: Kennedy Wash Federal 4-1 Well, 689' FNL, 2145' FEL, NW NE, Sec. 4, T. 8 South,  
R. 23 East, Uintah County, Utah

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 43-047-33664.

Sincerely,



John R. Baza  
Associate Director

er  
Enclosures

cc: Uintah County Assessor  
Bureau of Land Management, Vernal District Office

Operator: Coastal Oil & Gas Corporation  
Well Name & Number Kennedy Wash Federal 4-1  
API Number: 43-047-33664  
Lease: U-77290

Location: NW NE Sec. 4 T. 8 South R. 23 East

### 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
- Contact Robert Krueger at (801) 538-5274.

#### 3. Reporting Requirements

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

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
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.*

5. Lease Serial No.  
U-77290

6. If Indian, Allottee or Tribe Name

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
KENNEDY WASH 4-1

2. Name of Operator  
EL PASO PRODUCTION

Contact: CHERYL CAMERON  
E-Mail: Cheryl.Cameron@CoastalCorp.com

9. API Well No.  
43-047-33664

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

3b. Phone No. (include area code)  
Ph: 435.781.7023  
Fx: 435.789.4436

10. Field and Pool, or Exploratory  
KENNEDY WASH

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 4 T8S R23E Mer NWNE 689FNL 2145FEL

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

**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
	<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/BLA. 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.)

El Paso Production requests that a one year APD extension be granted for the subject well.

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**CONDITIONS OF APPROVAL ATTACHED**

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

**Electronic Submission #7166 verified by the BLM Well Information System  
For EL PASO PRODUCTION, sent to the Vernal  
Committed to AFMSS for processing by LESLIE CRINKLAW on 09/21/2001 ()**

Name (Printed/Typed) CHERYL CAMERON	Title OPERATIONS
Signature	Date 09/12/2001

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

Approved By <i>Kirk Johnson</i>	Title Petroleum Engineer	Date 10/03/01
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, 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.

**\*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\***

006M

El Paso Production  
APD Extension

Well: Kennedy Wash 4-1

Location: NWNE Sec. 4, T8S, R23E

Lease: 1420-H62-4904

**Conditions of Approval**

An extension for the referenced APD is granted with the following condition(s):

1. The extension will expire 10/19/02.
2. No other extensions beyond that time frame will be granted or allowed.

If you have any other questions concerning this matter, please contact Kirk Fleetwood at (435) 781-4486.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

1105 7/13/00  
FORM APPROVED  
OMB NO. 1004-0136  
Expires: November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>U-77290</b>
1b. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name <b>N/A</b>
2. Name of Operator <b>Coastal Oil &amp; Gas Corporation</b>		7. Unit or CA Agreement Name and No. <b>Kennedy Wash</b>
3a. Address <b>P.O. Box 1148, Vernal, UT 84078</b>	3b. Phone No. (include area code) <b>(435) -781-7023</b>	8. Lease Name and Well No. <b>Kennedy Wash Federal #4-1</b>
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface <b>Lot 2</b>  At proposed prod. zone <b>689'FNL &amp; 2145'FEL</b>		9. API Well No. <b>N/A</b>
14. Distance in miles and direction from nearest town or post office* <b>25.6 Miles Southeast of Vernal, Utah</b>		10. Field and Pool, or Exploratory <b>Kennedy Wash</b>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) <b>689'</b>	16. No. of Acres in lease <b>1279.42</b>	11. Sec., T., R., M., or Blk. and Survey or Area <b>Sec 4-T8S-R23E</b>
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>14,600'</b>	19. Proposed Depth <b>9500</b> <del>10,000</del>	12. County or Parish <b>Uintah</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>5423.2' Ungraded GR</b>	22. Approximate date work will start* <b>Upon Approval</b>	13. State <b>Utah</b>
20. BLM/BIA Bond No. on file <b>U-605382-9</b>		17. Spacing Unit dedicated to this well <b>N/A</b>
23. Estimated duration <b>To Be Determined</b>		

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24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- |   |  |
|---|--|
| 1. Well plat certified by a registered surveyor.  | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).    |
| 2. A Drilling Plan  | 5. Operator certification.   |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature 	Name (Printed/Typed) <b>Cheryl Cameron</b>	Date <b>8/10/00</b>
-------------------	---	------------------------

Sr. Environmental Analyst	
Approved by (Signature) 	Name (Printed/Typed) <b>Assistant Field Manager Mineral Resources</b>
	Date <b>10/19/00</b>

**NOTICE OF APPROVAL      CONDITIONS OF APPROVAL ATTACHED**

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, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on Reverse)

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OIL, GAS AND MINING

DOG/M  
00P50627A

CONDITIONS OF APPROVAL  
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Coastal Oil & Gas Corporation  
Well Name & Number: Kennedy Wash Federal #4-1  
API Number: 43-047-33664  
Lease Number: U - 77290  
Location: LOT 2 (NWNE) Sec. 04 T. 08S R. 23E  
Agreement: Kennedy Wash Unit

**NOTIFICATION REQUIREMENTS**

- Location Construction - at least forty-eight (48) hours prior to construction of location and access roads.
- Location Completion - prior to moving on the drilling rig.
- Spud Notice - at least twenty-four (24) hours prior to spudding the well.
- Casing String and Cementing - at least twenty-four (24) hours prior to running casing and cementing all casing strings.
- BOP and Related Equipment Tests - at least twenty-four (24) hours prior to initiating pressure tests.
- First Production - within five (5) business days after new well begins, or Notice production resumes after well has been off production for more than ninety (90) days.

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## CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

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

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

### A. DRILLING PROGRAM

#### 1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report ALL water shows and water-bearing sands to Tim Ingwell of this office **prior to setting the next casing string or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

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

#### 2. Pressure Control Equipment

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

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

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

#### 3. Casing Program and Auxiliary Equipment

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

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the intermediate casing at least 200 ft. above the top of the Green River Formation, identified at 2,607 ft. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

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4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

A cement bond log (CBL) will be run from the intermediate casing shoe to the top of the cement and shall be utilized to determine the bond quality for the intermediate casing. A cement bond log (CBL) will be run from the production casing shoe to the top of the cement for the production casing and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

6. Notifications of Operations

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-5(d) shall be submitted to the appropriate Field Office within 60 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (1).

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No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling onlease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted on initial meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal Field Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, please contact one of the following individuals:

Ed Forsman (435) 789-7077  
Petroleum Engineer

Jerry Kenczka (435) 781-1190  
Petroleum Engineer

BLM FAX Machine (435) 781-4410

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DIVISION OF  
OIL, GAS AND MINING

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids.

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

Refinery wastes

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

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.

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**SURFACE USE PROGRAM  
CONDITIONS OF APPROVAL (COAs)**

-The access road will be crowned (2 to 3%), ditched, and constructed with a running surface of 18 feet and a maximum disturbed width of 30 feet. Graveling or capping the roadbed will be performed as necessary to provide a well constructed, safe road. Prior to construction or upgrading, the proposed road shall be cleared of any snow and allowed to dry completely.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance. All construction shall be in conformance with the standards outlined in the BLM and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, 1989.

The road surface and shoulders will be kept in a safe and usable condition and will be maintained in accordance with the original construction standards. All drainage ditches will be kept clear and free-flowing and will be maintained according to original construction standards. The access road surface will be kept free of trash during operations. All traffic will be confined to the approved disturbed surface. Road drainage crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the road bed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Should mud holes develop, they shall be filled in and detours around them avoided. When snow is removed from the road during the winter months, the snow shall be pushed outside of the borrow ditches, and the turnouts kept clear so that snowmelt will be channeled away from the road.

-The reserve pit topsoil shall be piled separately as shown on the cut sheet.

-The location topsoil shall be seeded immediately after the soil is piled by broadcasting the seed, then walking the topsoil pile with the dozer to plant the seed. The seed mixture identified in the APD shall be used.

-Once the reserve pit is dry, it shall be filled, recontoured, topsoil spread, and seeded in the same manner discussed above.

-All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a Carlsbad Canyon rather than the Juniper Green identified in the APD.

**-No topsoil will be used for the construction of tank dikes.**

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

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

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DIVISION OF  
OIL, GAS AND MINING

(2) the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and

(3) a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

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

-Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities.

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DIVISION OF  
OIL, GAS AND MINING

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

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: 8 South 1200 East CITY Vernal STATE Utah ZIP 84078		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: _____ COUNTY: _____ QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: _____ STATE: UTAH		8. WELL NAME and NUMBER: Exhibit "A"
PHONE NUMBER: 435-789-4433		9. API NUMBER:
		10. FIELD AND POOL, OR WILDCAT:

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

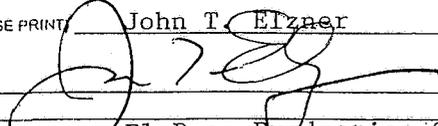
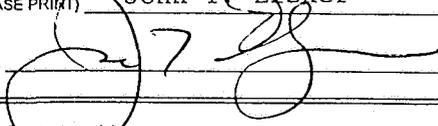
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input 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 	DATE 06-15-01
El Paso Production Oil & Gas Company	
NAME (PLEASE PRINT) John T. Elzner	TITLE Vice President
SIGNATURE 	DATE 06-15-01

(This space for State use only)

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JUN 19 2001

DIVISION OF  
OIL, GAS AND MINING

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.

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JUN 14 2001

DIVISION OF  
OIL, GAS AND MINING



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

0610204 8100

010162788

AUTHENTICATION: 1061007

DATE: 04-03-01

CERTIFICATE OF AMENDMENT

OF

CERTIFICATE OF INCORPORATION

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

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

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

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

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

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

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

COASTAL OIL & GAS CORPORATION

*David L. Siddall*  
David L. Siddall  
Vice President

Attest:

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

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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

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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

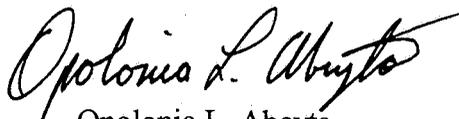
Acceptable evidence has been received in this office concerning the name change of Coastal Oil & Gas Corporation into El Paso Production Oil & Gas Company with El Paso Production Oil & Gas Company being the surviving entity.

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)

## Exhibit of Leases

UTUSL-065841A	UTU-47172	UTU-74415	UTU-53860
UTU-28652	UTU-50687	UTU-74416	UTU-66401
UTU-37943	UTU-52298	UTU-75091	UTU-67868
UTU-44089	UTU-0109054	UTU-75096	UTU-65389
UTU-44090A	UTU-0143511	UTU-75097	UTU-77084
UTU-61263	UTU-0143512	UTU-75673	UTU-61430
UTU-00343	UTU-38401	UTU-76259	UTU-72633
UTU-02651	UTU-38411	UTU-76260	UTU-72650
UTU-02651B	UTU-38418	UTU-76261	UTU-49692
UTU-0142175	UTU-38419	UTU-76493	UTU-57894
UTU-70235	UTU-38420	UTU-76495	UTU-76829
UTU-70406	UTU-38421	UTU-76503	UTU-76830
UTU-74954	UTU-38423	UTU-78228	UTU-76831
UTU-75132	UTU-38424	UTU-78714	
UTU-75699	UTU-38425	UTU-78727	
UTU-76242	UTU-38426	UTU-78734	
UTU-78032	UTU-38427	UTU-79012	
UTU-4377	UTU-38428	UTU-79011	
UTU-4378	UTU-53861	UTU-71694	
UTU-7386	UTU-58097	UTU-00576	
UTU-8344A	UTU-64376	UTU-00647	
UTU-8345	UTU-65222	UTU-01470D	
UTU-8347	UTU-65223	UTU-0136484	
UTU-8621	UTU-66746	UTU-8344	
UTU-14646	UTU-67178	UTU-8346	
UTU-15855	UTU-67549	UTU-8648	
UTU-25880	UTU-72028	UTU-28212	
UTU-28213	UTU-72632	UTU-30289	
UTU-29535	UTU-73009	UTU-31260	
UTU-29797	UTU-73010	UTU-33433	
UTU-31736	UTU-73013	UTU-34711	
UTU-34350	UTU-73175	UTU-46699	
UTU-34705	UTU-73434	UTU-78852	
UTU-37116	UTU-73435	UTU-78853	
UTU-37355	UTU-73444	UTU-78854	
UTU-37573	UTU-73450	UTU-075939	
UTU-38261	UTU-73900	UTU-0149767	
UTU-39223	UTU-74409	UTU-2078	
UTU-40729	UTU-74410	UTU-44426	
UTU-40736	UTU-74413	UTU-49530	
UTU-42469	UTU-74414	UTU-51026	

**OPERATOR CHANGE WORKSHEET**

**ROUTING**

1. GLH	<input checked="" type="checkbox"/>	4-KAS	<input checked="" type="checkbox"/>
2. CDW	<input checked="" type="checkbox"/>	5-LP	<input checked="" type="checkbox"/>
3. JLT	<input type="checkbox"/>	6-FILE	<input type="checkbox"/>

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
BASER 6-2	43-047-31859	10967	06-07S-22E	FEDERAL	GW	P
WALKER HOLLOW MCLISH 3	43-047-30027	12504	08-07S-23E	FEDERAL	GW	S
FEDERAL 33-92 (CA NRM-1705)	43-047-33385	12726	33-08S-21E	FEDERAL	GW	P
FEDERAL 33-93 (CA NRM-1705)	43-047-33386	12727	33-08S-21E	FEDERAL	GW	P
FEDERAL 33-176 (CA NRM-1705)	43-047-33928	99999	33-08S-21E	FEDERAL	GW	APD
FEDERAL 33-177 (CA NRM-1705)	43-047-33874	99999	33-08S-21E	FEDERAL	GW	APD
FEDERAL 35 5 (CA NRM-1604)	43-047-30563	70	35-08S-21E	FEDERAL	GW	P
FEDERAL 35-96 (CA NRM-1604)	43-047-33377	12715	35-08S-21E	FEDERAL	GW	P
ANKERPONT 35 36 (CA 9C-182)	43-047-31960	11248	35-08S-21E	FEDERAL	GW	P
FEDERAL 35-179 (CA NRM-1604)	43-047-33877	99999	35-08S-21E	FEDERAL	GW	APD
FEDERAL 35-190 (CA NRM-1604)	43-047-33918	99999	35-08S-21E	FEDERAL	GW	APD
WONSIT FEDERAL 1-5	43-047-33692	13081	05-08S-22E	FEDERAL	GW	DRL
GLEN BENCH 23-21	43-047-31007	6054	21-08S-22E	FEDERAL	GW	P
GLEN BENCH FEDERAL 21-2	43-047-34091	99999	21-08S-22E	FEDERAL	GW	APD
GLEN BENCH FEDERAL 22-2	43-047-34092	99999	22-08S-22E	FEDERAL	GW	APD
GLEN BENCH FEDERAL 22-3	43-047-34093	99999	22-08S-22E	FEDERAL	GW	APD
GLEN BENCH 34-27	43-047-31022	10880	27-08S-22E	FEDERAL	GW	P
HALL 31-61 (CA NRM-1887)	43-047-33341	12607	31-08S-22E	FEDERAL	GW	P
FEDERAL 31-57 (CA NRM-1887)	43-047-32716	11833	31-08S-22E	FEDERAL	GW	P
KENNEDY WASH 4-1	43-047-33664	99999	04-08S-23E	FEDERAL	GW	APD

**OPERATOR CHANGES DOCUMENTATION**

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 06/19/2001
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 06/19/2001
- The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 06/21/2001
- 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.

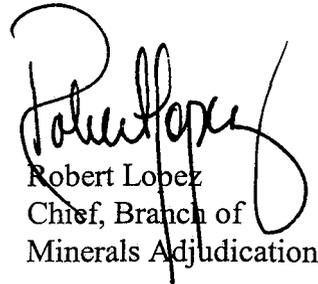
For our purposes, the name change is recognized effective December 31, 2001.

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)



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

1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
(801) 538-5340 telephone  
(801) 359-3940 fax  
(801) 538-7223 TTY  
www.nr.utah.gov

Michael O. Leavitt  
Governor  
Robert L. Morgan  
Executive Director  
Lowell P. Braxton  
Division Director

October 8, 2002

Cheryl Cameron  
El Paso Production Oil & Gas Company  
P. O. Box 1148  
Vernal, Utah 84078

Re: APD Rescinded – Kennedy Wash Fed 4-1, Sec.4 T.8S, R.23E –Uintah County, Utah, API No. 43-047-33664

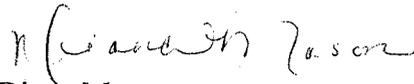
Dear Ms. Cameron:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining on August 30, 2000. On September 18, 2001, the Division granted a one-year APD extension. On October 8, 2002, you requested that the division rescind the approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective October 8, 2002.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

  
Diana Mason  
Engineering Technician

cc: Well File  
Bureau of Land Management, Vernal

# 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

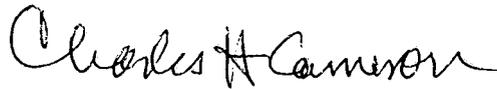
We have been advised of changes occurring with the operation of your database for Change of Operator. You will be modifying your records to reflect Change of Operator once you have received all necessary documentation from the companies involved, and perhaps in advance of our Notice of Concurrence/Approval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

Vernal Field Office

170 South 500 East

Vernal, Utah 84078-2799

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

Phone: (435) 781-4400

Fax: (435) 781-4410

IN REPLY REFER TO:

3160

UT08300

December 9, 2002

Cheryl Cameron  
El Paso Production Oil & Gas Co.  
P. O. Box 1148  
Vernal, UT 84078

Re: Notification of Expiration  
Well No. Kennedy Wash Fed. 4-1  
NWNE, Sec. 4, T8S, R23E  
Uintah County, Utah  
Lease No. U-77290

Dear Cheryl:

The Application for Permit to Drill the above-referenced well was approved on October 19, 2000. A one (1) year extension of the original APD was requested. The request was reviewed and the extension approved until October 19, 2002. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you that the approval of the referenced application has expired. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

Leslie Walker  
Legal Instruments Examiner

cc: UDOGM – Diana Mason

RECEIVED

DEC 23 2002

DIV. OF OIL, GAS & MINING



# United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

Washington, D.C. 20240

FEB 1 0 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**

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:

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  GAS WELL  OTHER \_\_\_\_\_

2. NAME OF OPERATOR:  
El Paso Production Oil & Gas Company

3. ADDRESS OF OPERATOR:  
9 Greenway Plaza CITY Houston STATE TX ZIP 77064-0995 PHONE NUMBER: (832) 676-5933

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 checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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	

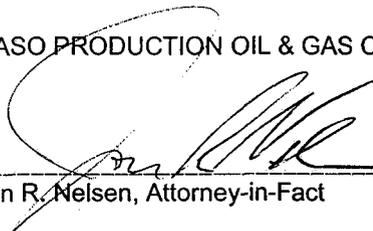
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

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

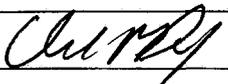
FEB 28 2003

DIV. OF OIL, GAS & MINING

WESTPORT OIL AND GAS COMPANY, L.P.

NAME (PLEASE PRINT) 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.

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

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

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

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

10. Field and Pool, or Exploratory Area

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

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

**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"/> 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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<b>SUCCESSOR OF OPERATOR</b>
	<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 zc 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 following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed if testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator determined that the site is ready for final inspection.

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

RECEIVED  
MAR 04 2003

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

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

Title  
**OPERATIONS**

Signature

Date  
**March 4, 2003**

DIV. OF OIL, GAS & MINING

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

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

Office

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

(Instructions on reverse)

**OPERATOR CHANGE WORKSHEET**

**ROUTING**

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

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

Designation of Agent/Operator

Operator Name Change

Merger

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

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

**CA No.**

**Unit:**

**WELL(S)**

NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
TRIBAL 31-98 (NRM-1887)	31-08S-22E	43-047-33375	12685	STATE	GW	P
HALL 31-99 (NRM-1887)	31-08S-22E	43-047-33390	12756	FEE	GW	P
TRIBAL 31-128	31-08S-22E	43-047-33460	12722	STATE	GW	P
TRIBAL 31-129	31-08S-22E	43-047-33461	12739	STATE	GW	P
HALL 31-130 (NRM-1887)	31-08S-22E	43-047-33427	12738	FEE	GW	P
HALL 31-131 (NRM-1887)	31-08S-22E	43-047-33438	12728	FEE	GW	P
TRIBAL 31-132	31-08S-22E	43-047-33462	12776	STATE	GW	P
HALL 31-133 (NRM-1887)	31-08S-22E	43-047-33439	12723	FEE	GW	P
HALL 31-134 (NRM-1887)	31-08S-22E	43-047-33428	12698	FEE	GW	P
HALL ETAL 31-18 (NRM-1887)	31-08S-22E	43-047-30664	95	FEE	GW	P
STATE 31 32	31-08S-22E	43-047-30906	175	STATE	GW	P
TRIBAL 31-62	31-08S-22E	43-047-33325	12575	INDIAN	GW	P
KENNEDY WASH 3-1	03-08S-23E	43-047-33663	12929	FEDERAL	GW	P
KENNEDY WASH 4-1	04-08S-23E	43-047-33664	99999	FEDERAL	GW	APD
KENNEDY WASH 6-1	06-08S-23E	43-047-33665	13047	FEDERAL	GW	PA
KENNEDY WASH 8-1	08-08S-23E	43-047-33614	12917	FEDERAL	GW	DRL
KENNEDY WASH 10-1	10-08S-23E	43-047-33919	99999	FEDERAL	GW	APD
KENNEDY WASH FED 11-1	11-08S-23E	43-047-33666	12988	FEDERAL	GW	P
KENNEDY WASH FED 13-2	13-08S-23E	43-047-33920	99999	FEDERAL	GW	APD
KENNEDY WASH FED 14-1	14-08S-23E	43-047-33667	13028	FEDERAL	GW	S

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

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

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

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

8. **Federal and Indian Units:**

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

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

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

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

**DATA ENTRY:**

1. Changes entered in the Oil and Gas Database on: 03/26/2003

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

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.  
**U-77290**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**KENNEDY WASH 4-1**

9. API Well No.  
**4304733664**

10. Field and Pool, or Exploratory Area  
**KENNEDY WASH**

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)  
**NW/NE LOT 2, SEC. 4, T8S, R23E 689'FNL, 2145'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 checked="" type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input 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.

THE OPERATOR HAS RECLAIMED THE SUBJECT WELL LOCATION ON 03/21/2007. THE LOCATION IS READY FOR THE FINAL INSPECTION. THE WELL LOCATION WAS PLUG AND ABANDON ON 10/08/2002.

RECEIVED

APR 02 2007

DEPT. OF OIL, GAS & MINING

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

Name (Printed/Typed) <b>SHEILA UPCHEGO</b>	Title <b>SENIOR LAND ADMIN SPECIALIST</b>
Signature 	Date <b>March 29, 2007</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.