



**Coastal**  
The Energy People

October 9, 2000

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

**ATTENTION: Ed Forsman**

Enclosed are the original and two copies (each) for the following APD's:

CIGE #251	CIGE #254
NBU #340	NBU #341
NBU #366	NBU #335
NBU #357	NBU #342

Also included are copies of the APD's submitted to UTDOGM for the CIGE #252 and the CIGE #253. These proposed locations are State Surface and Federal Minerals.

I would also like to withdraw the APD submitted for the NBU #345. This APD was submitted around the last week of September. This location was originally staked and surveyed as a "State" well. After a location move took place, the location of this well changed to "Federal". I will re-submit an APD for this location at a later date.

If you have questions or need additional information, please do not hesitate to call me, (435) 781-7023.

Sincerely,

Cheryl Cameron  
Sr. Regulatory Analyst

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DIVISION OF  
OIL, GAS AND MINING

cc w/ encl:

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

**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



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The Energy People

October 10, 2000

State of Utah  
Division of Oil Gas & Mining  
1594 West North Temple, Suite 1210  
P.O. Box 145801  
Salt Lake City, UT 84114

**ATTENTION: Lisha Cordova**

Dear Lisha,

The location for the CIGE #253 proposed well to be drilled in the SE/SW Sec. 21, T10S, R21E, Uintah County, Utah is 923' FSL & 2264' FWL of said Sec. 21. This location is not within 460 feet from the boundary of the Natural Buttes Unit, nor is it within 460 feet of any non-committed tract lying within the boundaries of the Unit.

If you have questions or need additional information, please do not hesitate to call me,  
(435) 781-7023.

Sincerely,

Cheryl Cameron  
Sr. Regulatory Analyst

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**Coastal Oil & Gas Corporation**

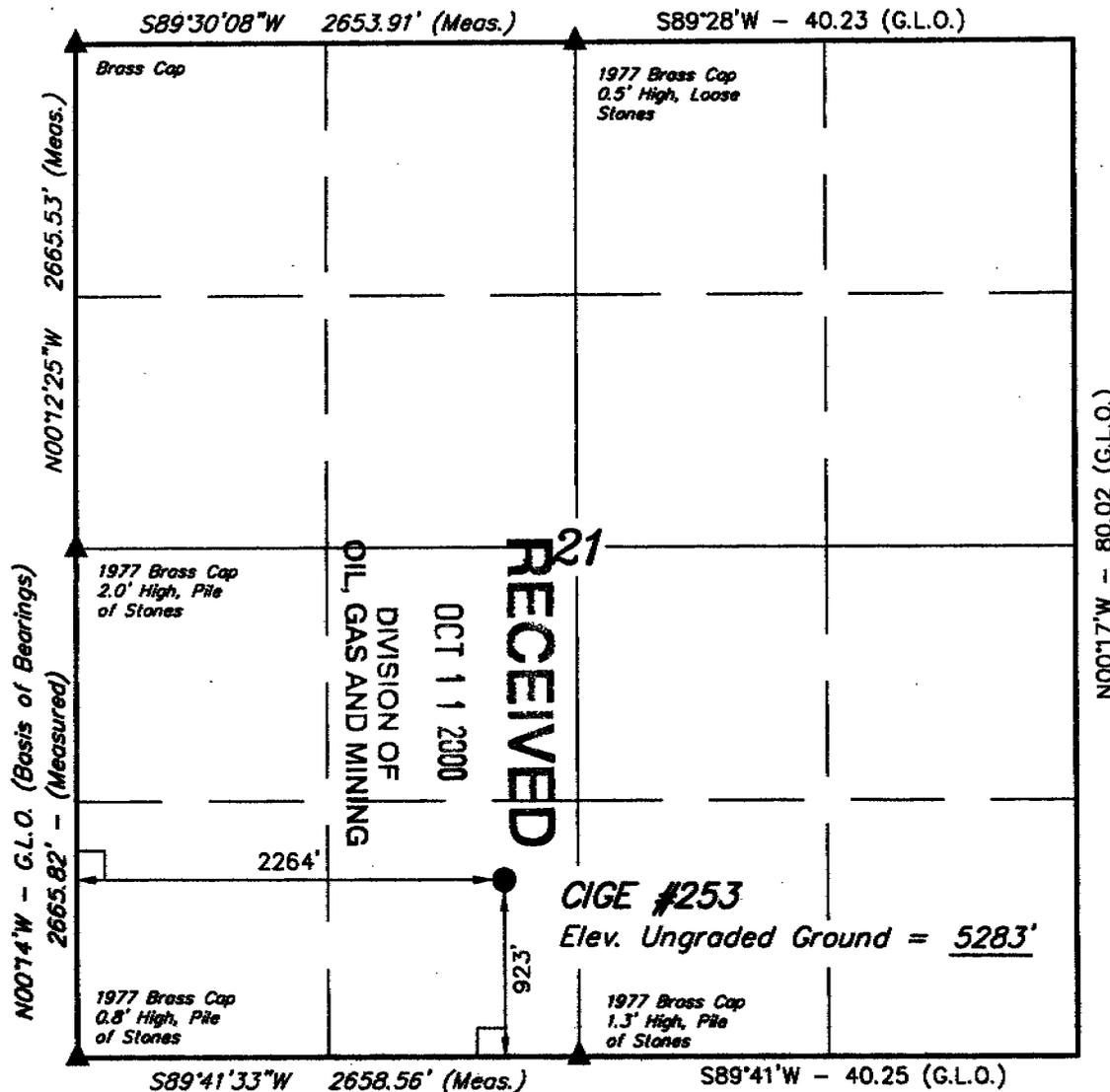
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T10S, R21E, S.L.B.&M.

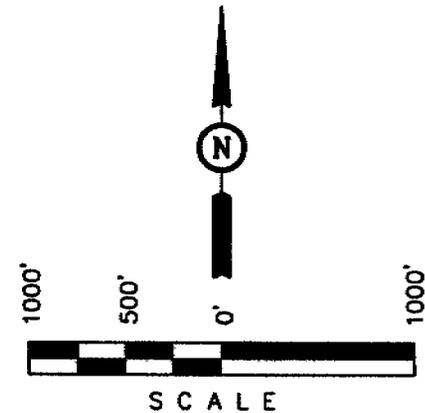
**COASTAL OIL & GAS CORP.**

Well location, NBU #253, located as shown in the SE 1/4 SW 1/4 of Section 21, T10S, R21E, S.L.B.&M., Uintah County, Utah.



**BASIS OF ELEVATION**

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.



**CERTIFICATE**

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

ROBERT L. ROBERTS  
 No. 161319  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 161319  
 STATE OF UTAH

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**CIGE #253**  
 Elev. Ungraded Ground = 5283'

**LEGEND:**

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

LATITUDE = 39°55'42"  
 LONGITUDE = 109°33'28"

<b>UNTAH ENGINEERING &amp; LAND SURVEYING</b> 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017		
SCALE 1" = 1000'	DATE SURVEYED: 07-20-00	DATE DRAWN: 07-25-00
PARTY B.B. T.A. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE COASTAL OIL & GAS CORP.	

# COASTAL OIL & GAS CORP.

**CIGE #253**

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 21, T10S, R21E, S.L.B.&M.

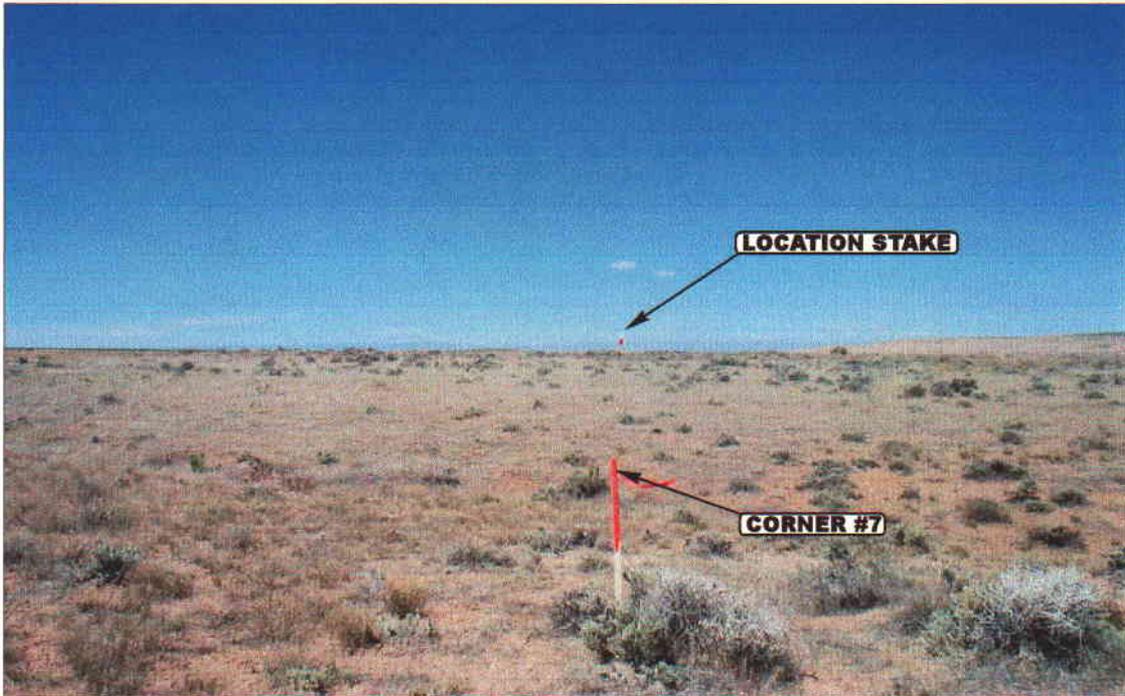


PHOTO: VIEW FROM CORNER #7 TO LOCATION STAKE

CAMERA ANGLE: EASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



- Since 1964 -

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

<b>LOCATION PHOTOS</b>	<b>7</b>	<b>21</b>	<b>00</b>	<b>PHOTO</b>
	MONTH	DAY	YEAR	
TAKEN BY: K.K.	DRAWN BY: C.G.		REVISED: 00-00-00	

**CIGE #253  
SE/SW Sec. 21, T10S-R21E  
Uintah County, UT  
U-02278**

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

***DRILLING PROGRAM***

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

<u>Formation</u>	<u>Depth</u>
KB	5275'
Green River	1145'
Wasatch	4325'
Mesaverde	7025'
L. Mesaverde	9750
Total Depth	9850'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1145'
Gas	Wasatch	4325'
Gas	Mesaverde	7025'
	Castlegate A	9750'
Water	N/A	
Other Minerals	N/A	
Total Depth		9850'

**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 3,000 psi.

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

Refer to the attached Cement & Casing Program.

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5. **Drilling Fluids Program:**

Refer to the attached Mud Program.

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

<u>Depth</u>	<u>Log Type</u>
SC-TD	Platform Express with Sonic

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated @ 9850' TD approximately equals 3,940 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1,773psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

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CIGE #253  
SE/SW Sec. 21, T10S-R21E  
Uintah County, UT  
U-02278

ONSHORE ORDER NO. 1

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

1. **Existing Roads:**

Refer to Topo Map A for directions to the location.

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

To reach the CIGE #253 location proceed in a westerly direction from Vernal, Utah along U.S. Highway 40 approximately 14.0 miles to the junction of State Hwy 88; exit left and proceed in a southerly direction approximately 17.0 miles on State Highway 88 to Ouray, Utah; proceed in a southerly direction from Ouray approximately 11.5 miles on the Seep Ridge road to the junction of this road and an existing oilfield service road to the east; turn left and proceed in a easterly direction approximately 4.3 miles to the junction of this road and an existing road to the southwest; proceed southwesterly direction approximately 0.9 miles to the beginning of the proposed access road to the southeast; follow road flags in a southeasterly direction approximately 300' to the proposed location.

Total distance to Vernal is approximately 47.7 miles.

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

***Improvements to existing access roads shall be determined at the on-site inspection.***

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:**

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

The upgraded and new portions of the access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet, ***unless modified at the on-site inspection.*** Appropriate water control will be installed to control erosion.

***Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, bridges, gates, cattle guards, fence cuts, or modifications to existing facilities shall be determined at the on-site.***

The access road was centerline flagged during time of staking.

Surfacing material may be necessary, depending upon weather conditions.

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.

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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 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 required color is Desert Brown, Munsell standard color number 10 YR 6/3.

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

The proposed pipeline will leave the wellpad in a southeasterly direction for an approximate distance of 900'. Refer to Topo D.

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

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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. *The need for a reserve pit liner will be determined at the on-site inspection.*

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 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). *This section is subject to modification as a result of the on-site inspection.*

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

If it is determined that a pit liner will be used at 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:

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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.

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.

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.

If a plastic, nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

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.

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

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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.

11. **Surface Ownership:**

State of Utah  
SITLA  
675 East 500 South  
Salt Lake City, UT 84102-2818

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.

A Class III archaeological survey has been conducted. A copy of this report is attached.

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

Cheryl Cameron  
Senior Regulatory 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

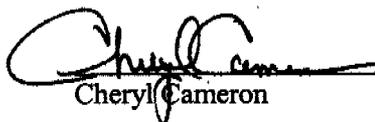
Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

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 terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Coastal Oil & Gas Corporation Bond #102103.

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

9/28/00

Date

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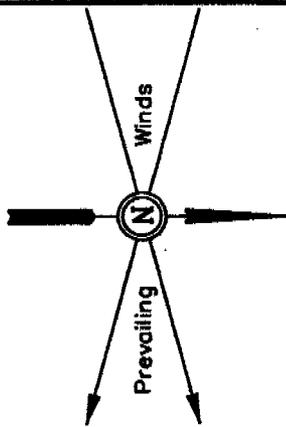
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LOCATION LAYOUT FOR

CIGE #253

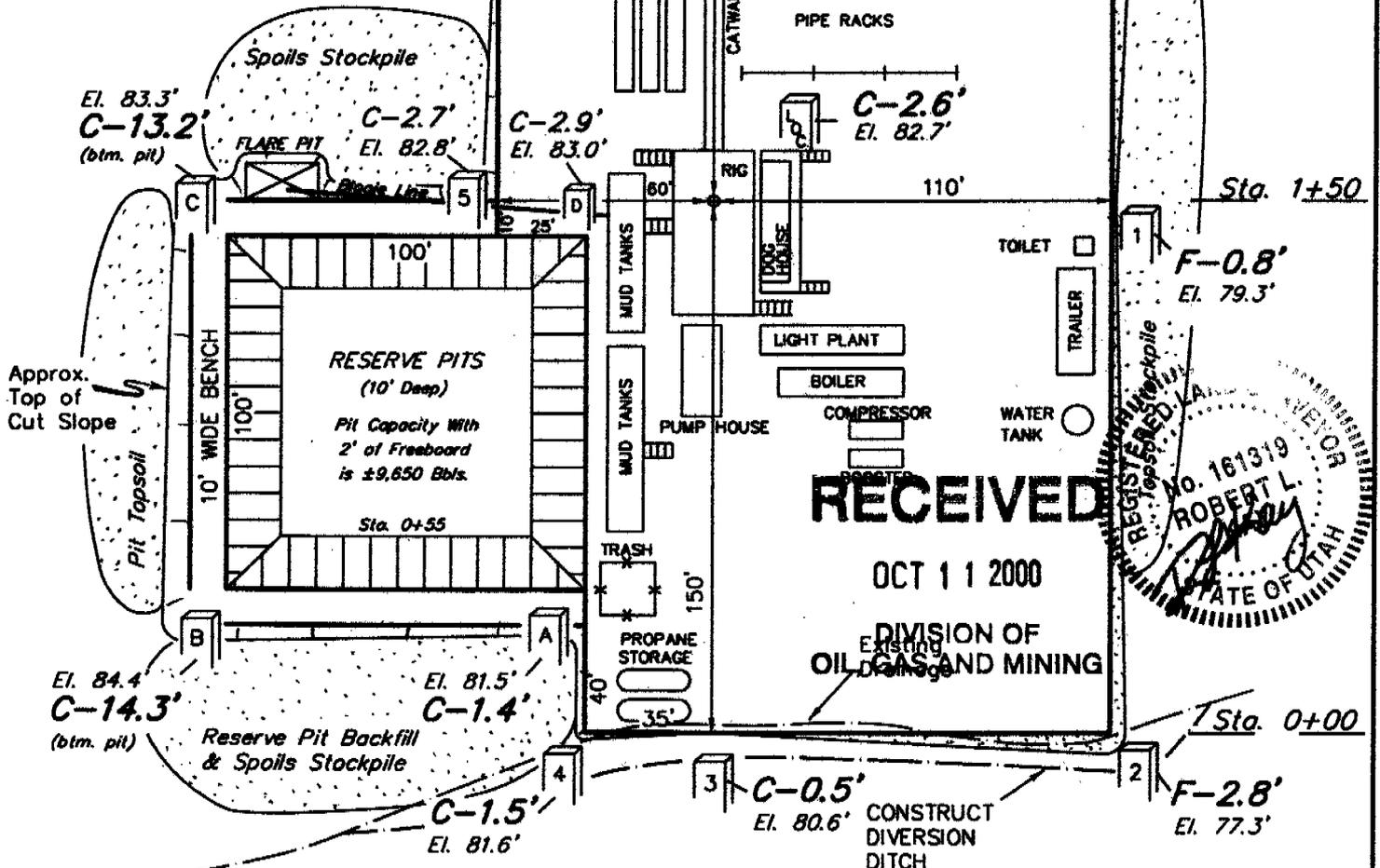
SECTION 21, T10S, R21E, S.L.B.&M.

923' FSL 2264' FWL



SCALE: 1" = 50'  
DATE: 07-25-00  
Drawn By: D.R.B.

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



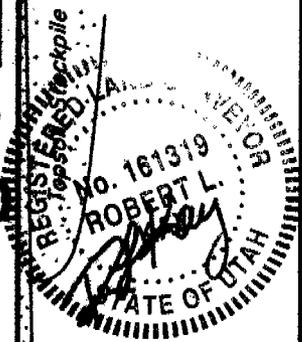
Approx. Top of Cut Slope

Approx. Toe of Fill Slope

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**NOTES:**

Elev. Ungraded Ground At Loc. Stake = 5282.7'  
FINISHED GRADE ELEV. AT LOC. STAKE = 5280.1'

**FIGURE #1**

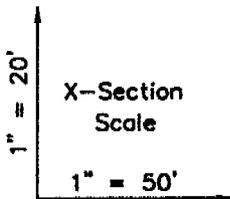
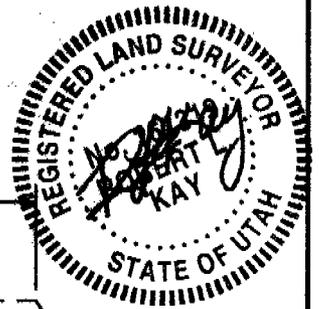
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TYPICAL CROSS SECTIONS FOR

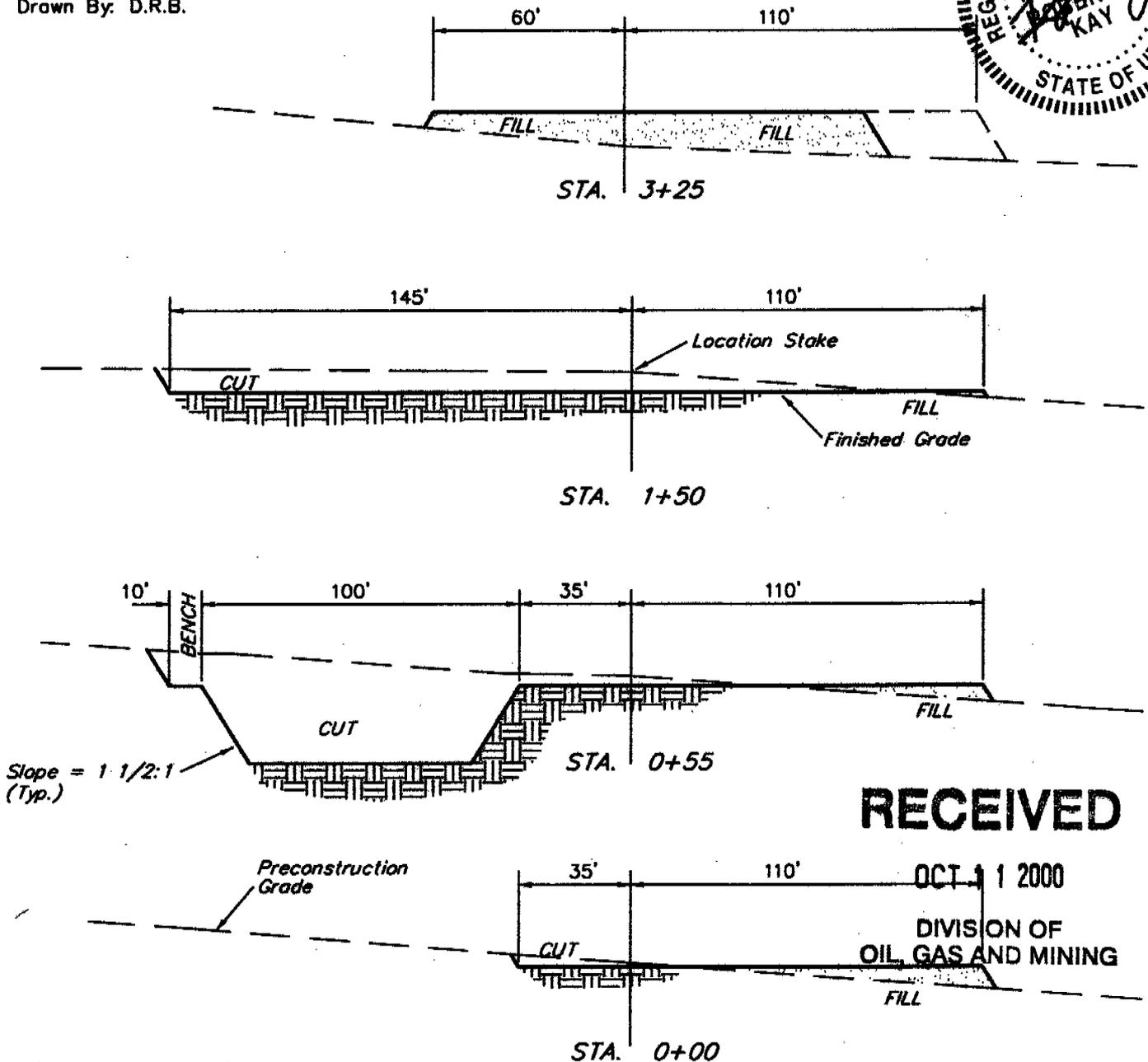
CIGE #253

SECTION 21, T10S, R21E, S.L.B.&M.

923' FSL 2264' FWL



DATE: 07-25-00  
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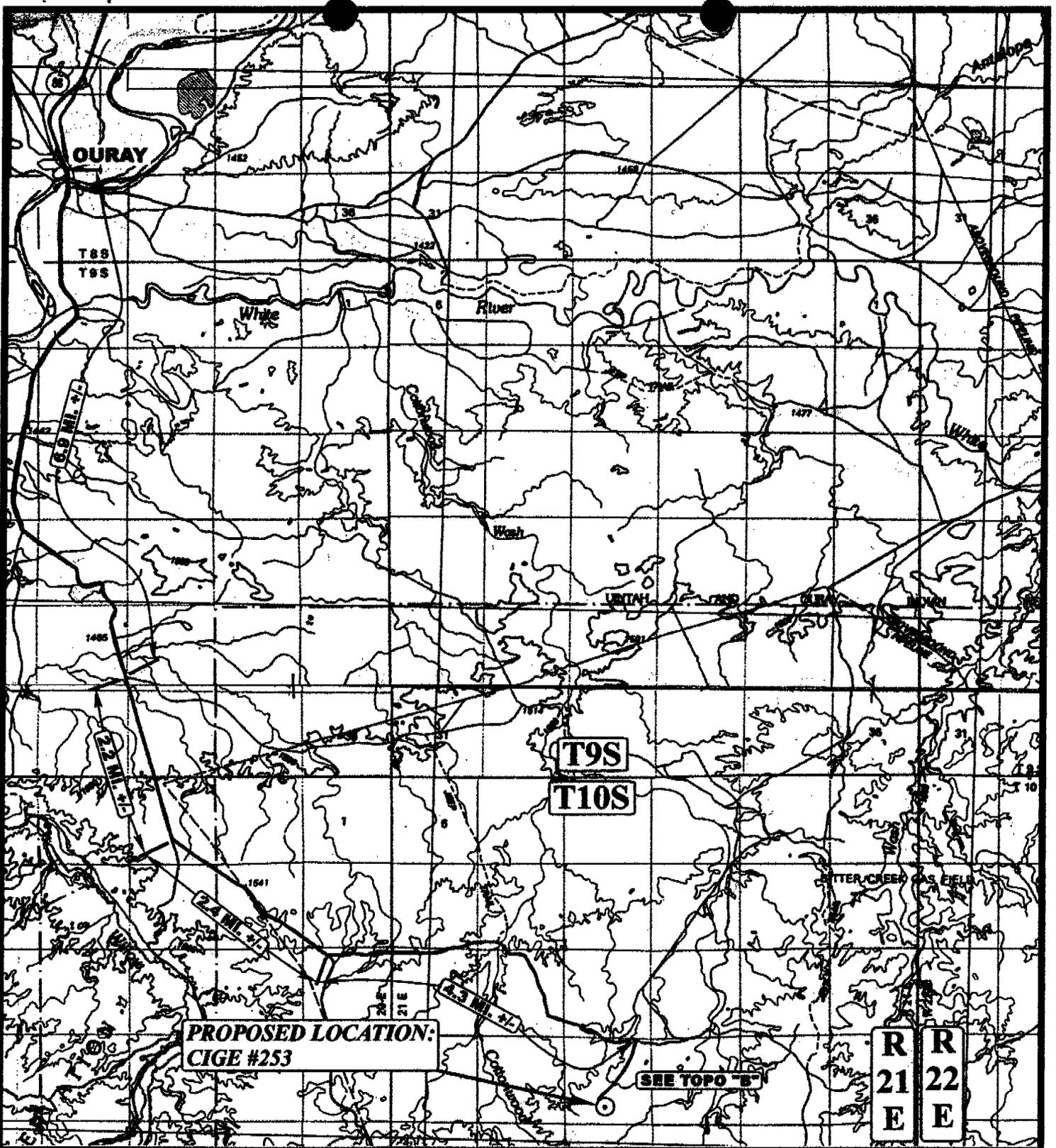
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FIGURE #2

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,200 Cu. Yds.
Remaining Location	= 4,650 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 5,850 CU.YDS.</b>
<b>FILL</b>	<b>= 3,140 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.



**LEGEND:**

⊙ PROPOSED LOCATION



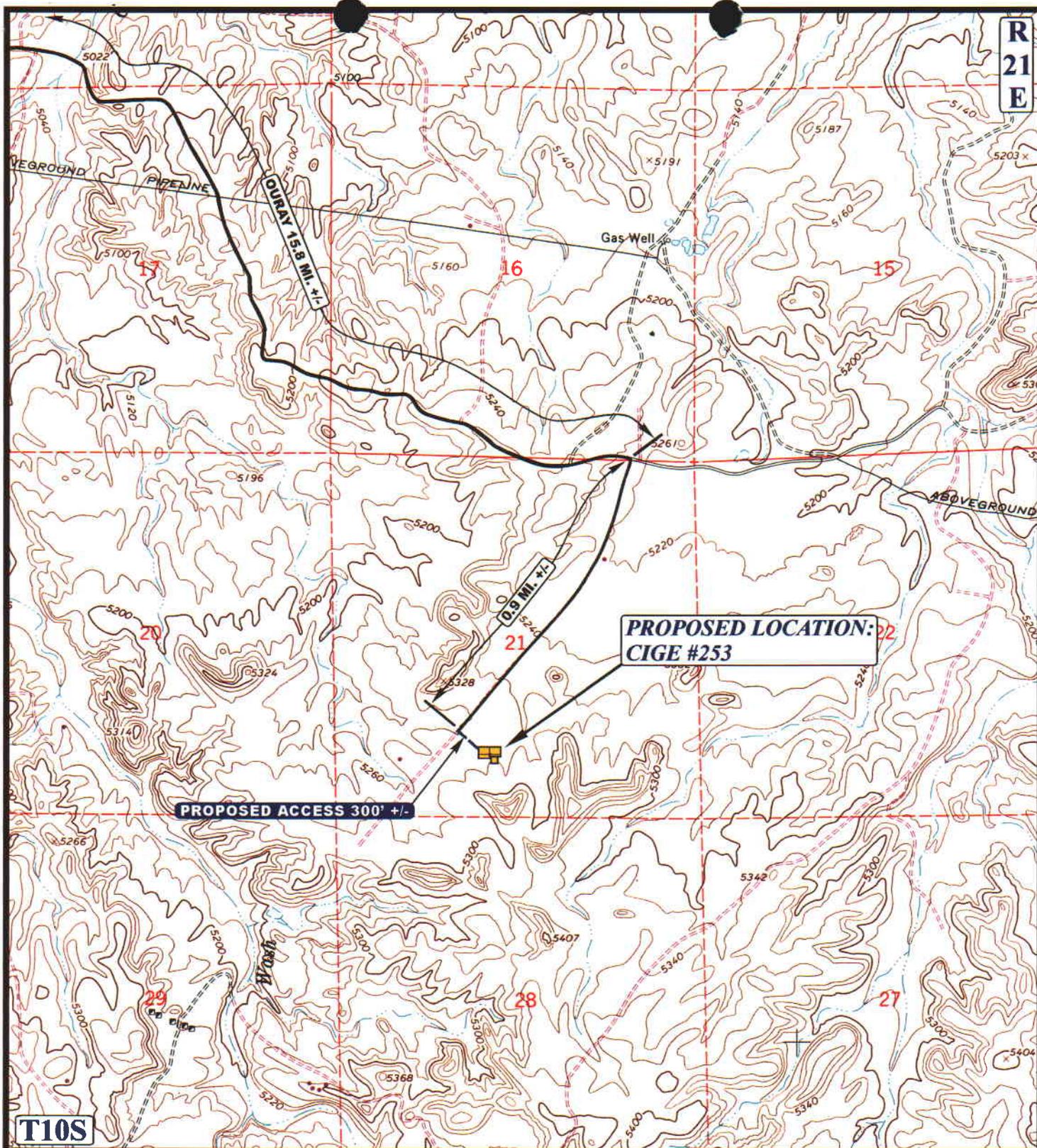
**COASTAL OIL & GAS CORP.**

**CIGE #253**  
**SECTION 21, T10S, R21E, S.L.B.&M.**  
**923' FSL 2264' FWL**

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

**TOPOGRAPHIC** **7 21 00**  
**MAP** MONTH DAY YEAR  
 SCALE: 1:100,000 DRAWN BY: C.G. REVISED: 00-00-00





**T10S**

**R  
21  
E**

**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING ROAD



**COASTAL OIL & GAS CORP.**

**CIGE #253**  
**SECTION 21, T10S, R21E, S.L.B.&M.**  
**923' FSL 2264' FWL**

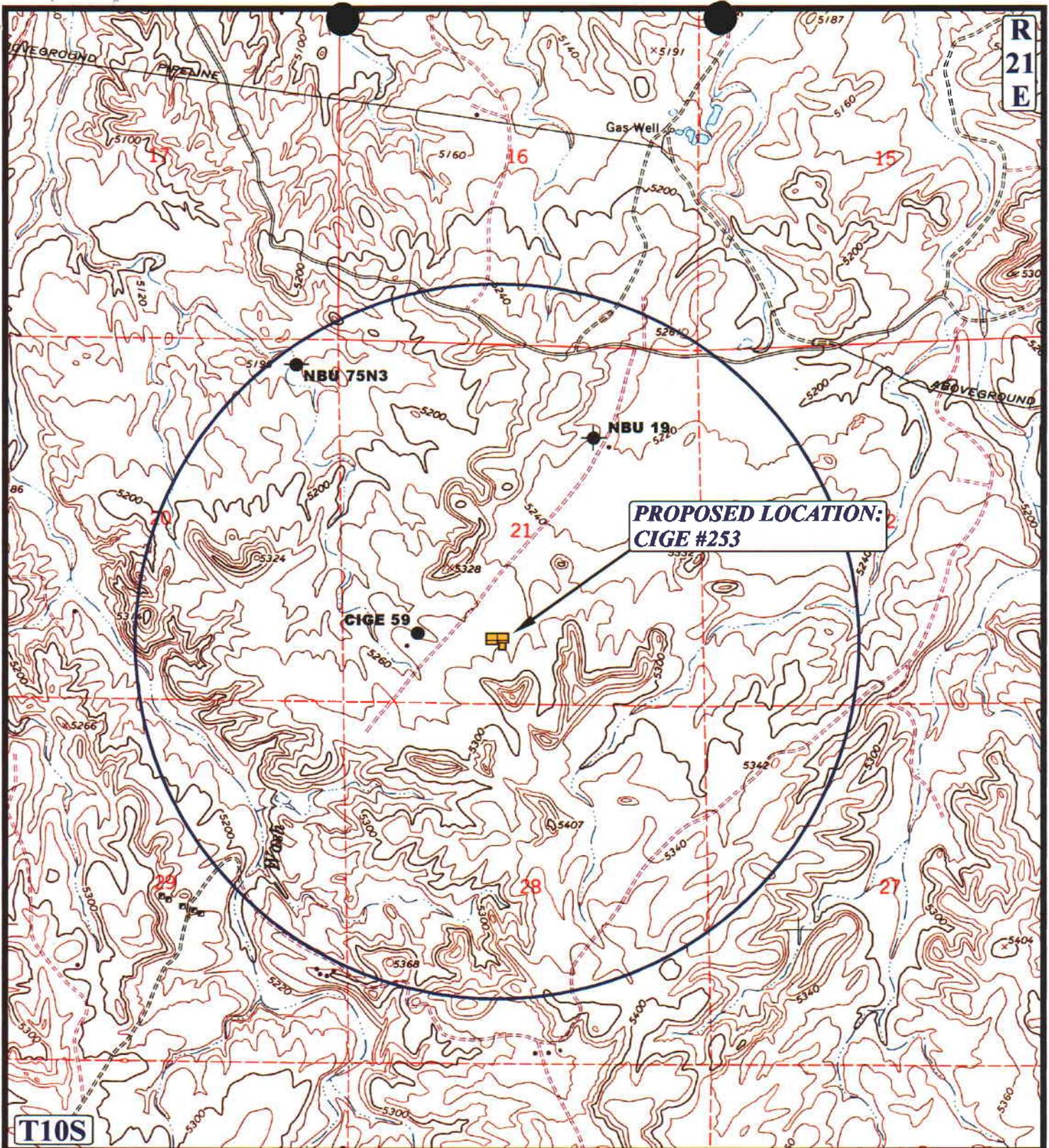


**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC** **7 21 00**  
**MAP** MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.G. REVISED: 00-00-00

**B**  
 TOPO



**T10S**

**R21E**

**LEGEND:**

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

**COASTAL OIL & GAS CORP.**

**CIGE #253**  
**SECTION 21, T10S, R21E, S.L.B.&M.**  
**923' FSL 2264' FWL**

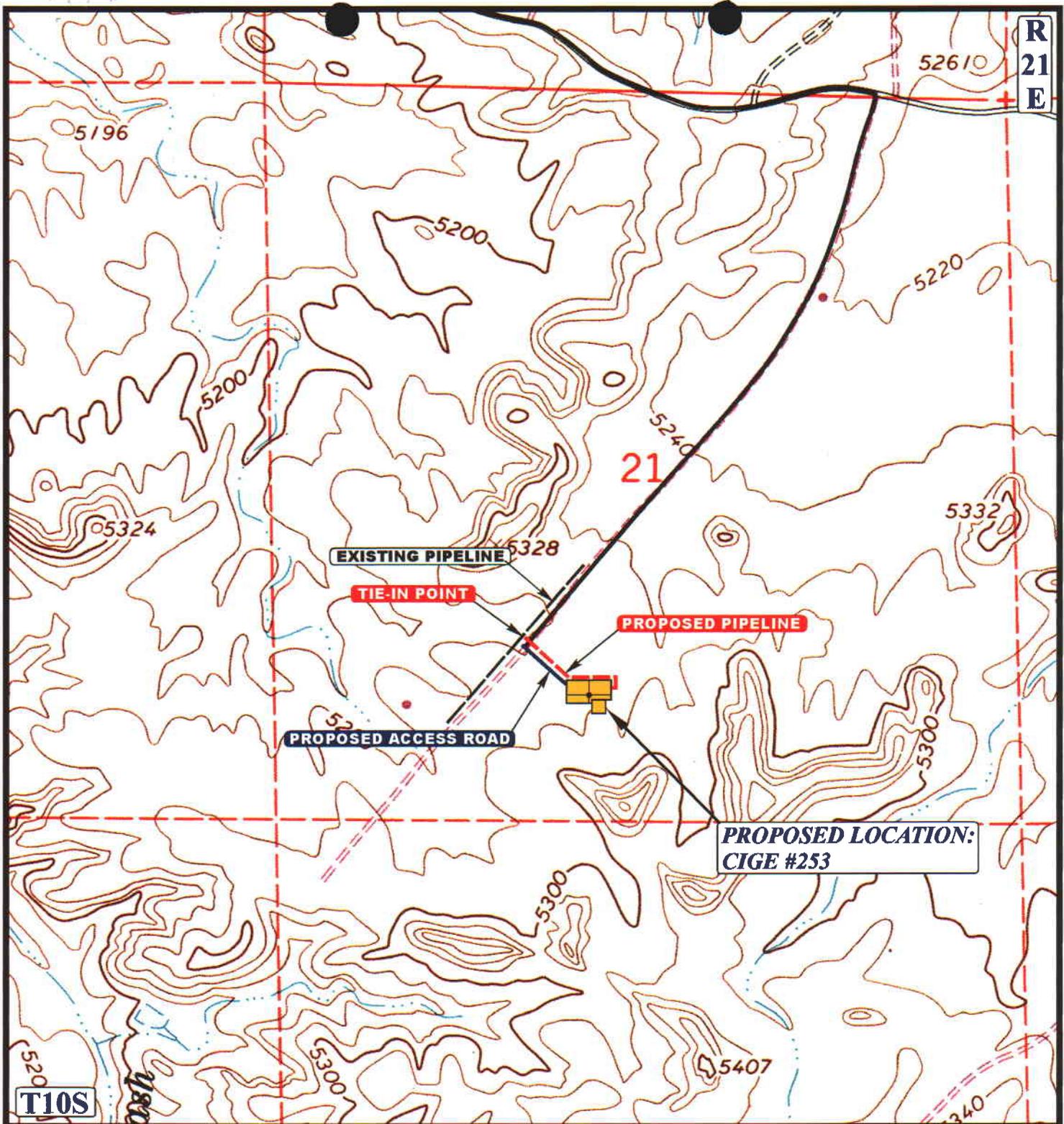


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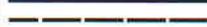
**TOPOGRAPHIC** **7 21 00**  
**MAP** MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: C.G. REVISED: 00-00-00





**APPROXIMATE TOTAL PIPELINE DISTANCE = 900' +/-**

**LEGEND:**

-  EXISTING PIPELINE
-  PROPOSED PIPELINE
-  PROPOSED ACCESS

**COASTAL OIL & GAS CORP.**

**CIGE #253**  
**SECTION 21, T10S, R21E, S.L.B.&M.**  
**923' FSL 2264' FWL**



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**TOPOGRAPHIC**  
**MAP**

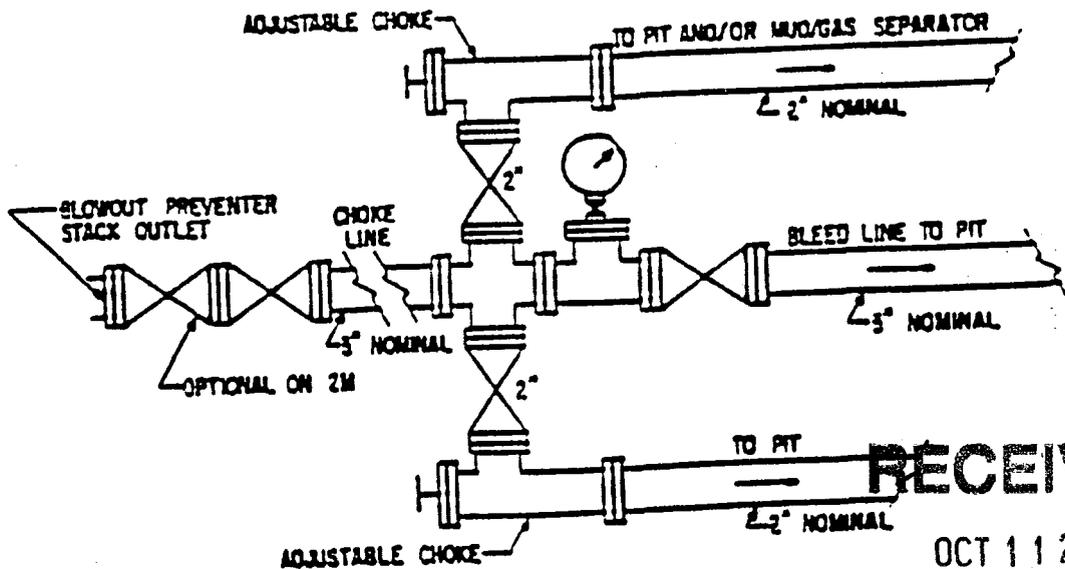
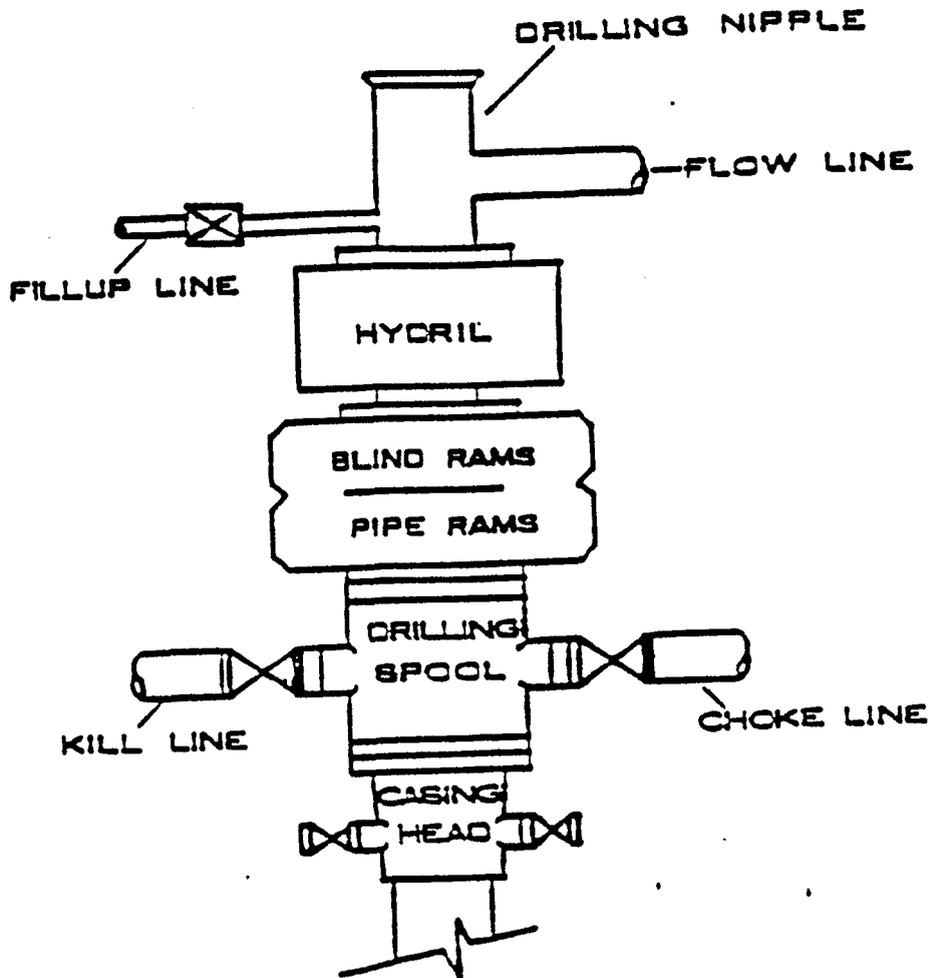
**8 21 00**  
 MONTH DAY YEAR

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

**D**  
 TOPO

3,000 PSI

# BOP STACK



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# CULTURAL RESOURCE EVALUATIONS OF FOUR PROPOSED COASTAL WELL LOCATIONS (CIGE UNITS NO. 251, 252, 253, & 254) IN THE COTTONWOOD WASH LOCALITY OF UINTAH COUNTY, UTAH

Report Prepared for Coastal Oil & Gas Corporation

Department of Interior Permit No. A-54937

Utah State Permit No.: Uf004-5050

AERC Project # 1655 (COGOC-2)

Author of Report:

F. Richard Hauck, Ph.D



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September 11, 2000

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## ABSTRACT

An intensive cultural resource evaluation has been conducted for Coastal Oil & Gas Corporation of four well locations (CIGE Units No. 251, 252, 253, and 254) and the related pipeline and access corridors in the Cottonwood Wash locality (see Maps 1 through 3) of Uintah County, Utah. About 55 acres of public lands in the locality were examined by AERC archaeologists during an evaluation conducted on September 5, 2000.

No previously recorded cultural resources will be adversely affected by the proposed developments. Known cultural sites situated in the general region are not endangered by direct adverse effect relative to these developments because of their distance from the present project areas.

No paleontological loci were observed.

No newly identified cultural resource sites were recorded during the examination. An isolated projectile point (AERC1655G/1) was recovered from the proposed CIGE Unit No. 253 well pad.

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

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**LIST OF MAPS OF THE PROJECT AREA**

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## GENERAL INFORMATION

The Coastal Oil & Gas 2000 development program involves the construction of four well locations situated on federal lands in the Cottonwood Wash locality (see Maps 1 through 3) of Uintah County, Utah. These units are designated as CIGE Units No. 251, 252, 253 and 254. About 55 acres of public lands in the locality were examined by AERC archaeologists F.J. Hauck and Greg Stoehr during an evaluation conducted on September 5, 2000. The project area is on federal land administrated by the Vernal Office of the Bureau of Land Management in Vernal, Utah. The project was conducted under Department of Interior Permit No. 54937 which expires on January 31, 2001.

The purpose of the field study and this report is to identify and document cultural site presence and determine cultural resource National Register eligibility relative to established criteria (cf., 36 CFR 60.6). Federal regulations require an environmental assessment of the potential development area. One aspect of such an assessment involves a Class I (record search) and Class III (intensive survey) archaeological evaluation of the development area. Such investigations are accomplished in compliance with the Antiquities Act of 1906, the Historic Sites Act of 1935, 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.

To accomplish this investigation, a total of 55 acres were examined by the archaeologists walking a series of 10 to 15 meter-wide transects within the various staked areas.

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

### Project Location

The project area is about 35 miles south of Vernal, Utah. The developments are located in the Cottonwood Wash locality south of the White River region. Well locations are identifiable on the Big Pack Mountain NE topographic quad. The proposed development area is located as follows:

CIGE Unit No. 251 (see Map 2) is located in the SW of the NW quarter of Section 15, Township 10 South, Range 21 East, Salt Lake Base & Meridian. The access for this location begins in the SE quarter of the NE quarter of adjacent section 16 and extends to the eastern location. The pipeline for the location extends from the northern periphery of the well pad to the north and northwest to terminate at an existing pipeline in the NE quarter of the NE quarter of Section 16.

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MAP 1  
GENERAL PROJECT AREA IN  
UTAH COUNTY, UTAH



PROJECT: COG00-22  
SCALE: 1: 200,650  
DATE: 9/11/00



UTAH GEOLOGICAL AND MINERAL SURVEY  
1977  
PHYSIOGRAPHIC SUBDIVISIONS OF UTAH  
BY W.L. STOKES

**PROJECT AREA**

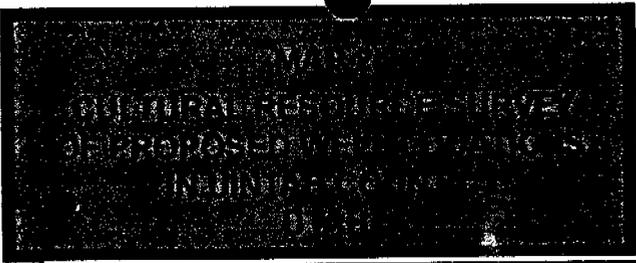
TOWNSHIP: ~~multiple~~  
RANGE: ~~multiple~~  
MERIDIAN: ~~multiple~~

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

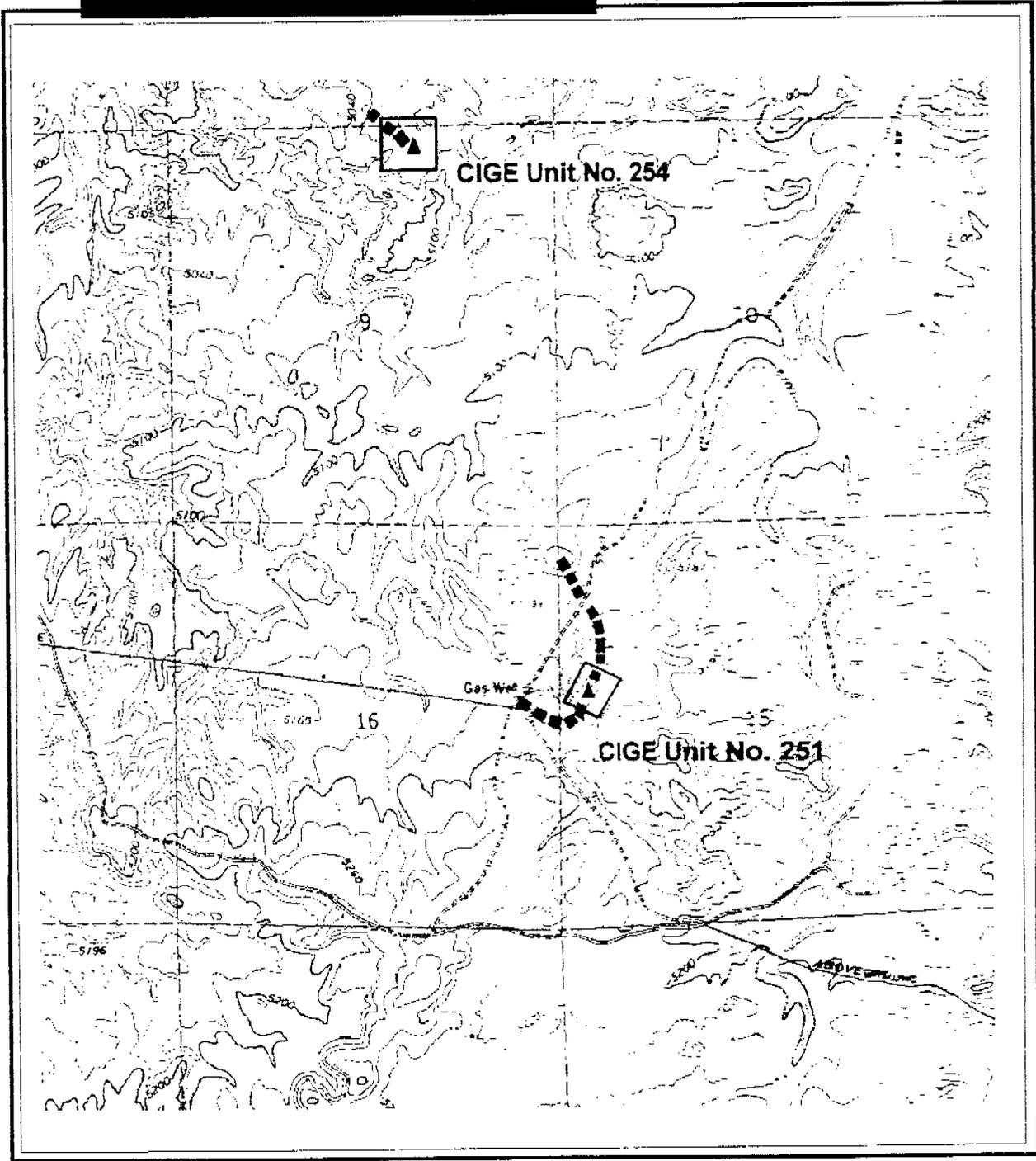
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PROJECT: COG00-22  
SCALE: 1:24,000  
QUAD: Big Pack Mtn. NE  
DATE: September 11, 2000



TOWNSHIP: 10 South  
RANGE: 21 East  
MERIDIAN: Salt Lake  
B. & M.

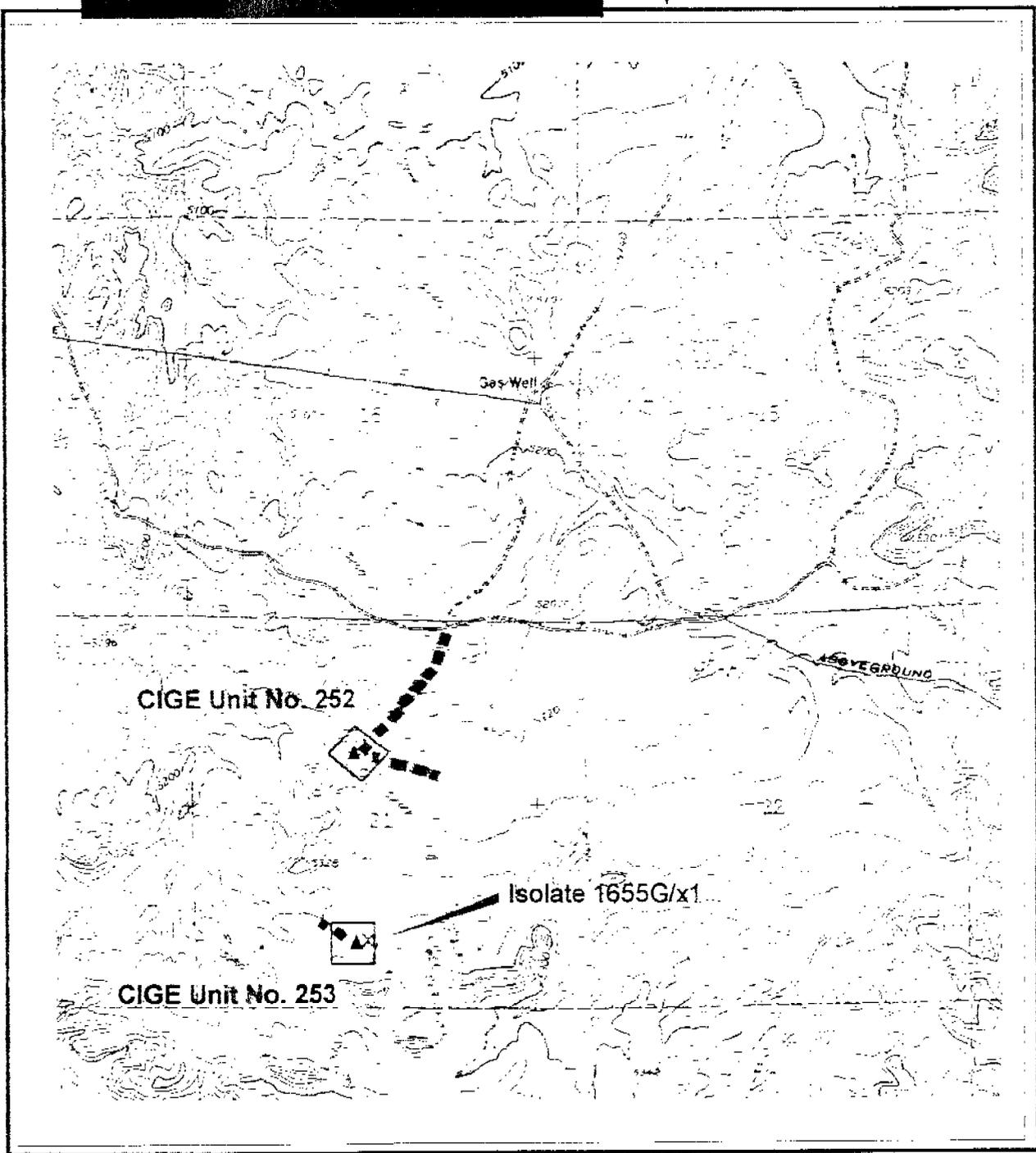
LEGEND

-  Well Location
-  Survey Area
-  Access Route
-  Pipeline Corridor

**MAP 3**  
**CULTURAL RESOURCE SURVEY**  
**OF PROPOSED WELL LOCATIONS**  
**IN UTAH CO. NE**  
**UTAH**



**PROJECT:** COG00-22  
**SCALE:** 1:24,000  
**QUAD:** Big Pack Mtn. NE  
**DATE:** September 11, 2000



**TOWNSHIP:** 10 South  
**RANGE:** 21 East  
**MERIDIAN:** Salt Lake  
 B. & M.

**LEGEND**

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

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CIGE Unit No. 252 (see Map 3) is located in the SE of the NW quarter of Section 21, Township 10 South, Range 21 East, Salt Lake Base & Meridian. The access for this location begins in the NW quarter of the NE quarter of section 21 and extends to the south along a two-track trail to the location. The pipeline for the location extends from the northeastern periphery of the well pad to the east to terminate at an existing pipeline in the SW quarter of the NE quarter of Section 21.

CIGE Unit No. 253 (see Map 3) is located in the SE of the SW quarter of Section 21, Township 10 South, Range 21 East, Salt Lake Base & Meridian. The short access pipeline corridor for this location begins just to the west of the locations' western boundary.

CIGE Unit No. 254 (see Map 2) is located in the NW of the NE quarter of Section 9, Township 10 South, Range 21 East, Salt Lake Base & Meridian. The access for this location begins in the SW quarter of the SE quarter of adjacent section 4 and extends to the southeast for a short distance to the location. The short pipeline for the location extends from the eastern periphery of the well pad to the east to terminate at an existing pipeline in the NW quarter of the NE quarter of Section 9.

### Environment

The elevations for the proposed well locations range from 5050 to 5350 feet above sea level. Ephemeral drainages in the project area are associated with tributaries that drain into the Cottonwood Wash to the west of the project area and from there northward into the White River.

The vegetation of the project locality is primarily associated with the sage rangeland environment. Vegetation species commonly found in this general area include *Artemisia tridentata*, *Crotophaga nauseosus*, *Atriplex* spp., *Sarcobatus vermiculatus*, *Opuntia polyacantha*, *Ephedra* spp. and various 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.

### File Search

Records searches were conducted Vernal District office on August 30, 2000 and at the Antiquities Section in Salt Lake City on August 29, 2000. Earlier projects conducted in this general area include the following: 78-AF-0348, 78-AF-0351, 78-AF-0352, 89-AF-687, 90-AF-133, 91-AF-301, and 98-MM-0020.

Other archaeological consultants in addition to the local BLM archaeologists, who have worked in the general region include personnel from Montgomery Archaeological Consultants, Alpine Archaeological Consultants, Nickens and Associates, Grand River Institute, Merzif and Associates, and the Archeological-Environmental Research Corporation.

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Previous **evaluations** and area **inventories** indicate the **occupation** of the **general** project area **has** included **prehistoric** occupations **containing** cultural **affiliations** ranging **from** Paleoindian **through** **Shoshonean**. For a **comprehensive** treatment of the **prehistory** and **history** of this **general** cultural area see Archaeological Evaluations in the Northern Colorado Plateau Cultural Area (Hauck 1991).

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

## **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 project.

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** on the **evaluation** of these **well** locations. The **project** was **completed** on **September 5, 2000**.

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

Previous **archaeological** **evaluations** in this **general** region have **resulted** in the **identification** and **recording** of **prehistoric** and **historic** resources in the **Cottonwood Wash-Seep Ridge** region. Such **prehistoric** **sites** as have been **recorded** demonstrate a **definitive** selection of **environmental** community and **water** resources.

## **FIELD EVALUATIONS**

### **Methodology**

To **accomplish** an **intensive** **evaluation** of the **project** areas as shown on **Maps 2** and **3**, the **archaeologists** **walked** a series of **10 to 15** meter-wide **transects** within each **ten acre** staked location and along the **30** meter-wide **access/pipeline** corridors. All together, a **100%** pedestrian survey was

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conducted of about 55 acres.

When cultural materials are discovered, the archaeologists conduct a careful search of the vicinity to locate and evaluate features, artifact types and concentrations, site spatial associations, and temporal identifications. Sites and isolates are then recorded on the appropriate forms, locations sketched, perimeters marked on a topographic map, and photographs taken. Copies of these reports 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

The various criteria relative to establishing the eligibility of prehistoric and historic cultural sites preparatory to their potential 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 still retains its integrity and can contribute to our current state of knowledge concerning 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 meet **one of the above criteria** to be considered eligible for nomination to the National Record of Historic

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**Places.**

**Results of the Inventory**

During the **survey** of the various **corridors** and well **locations** referenced in this report, no **cultural resource loci** were encountered. One isolated find, a fragmented projectile **point**, was **recovered** from the **proposed** well pad for CIGE Unit No. 253. This **artifact** (AERC 1655Gx1) is **a side-notched arrow point** manufactured from mottled white chert. It is either a late Formative point **similar** to those manufactured in the Southwest during the Early Pueblo III period or an early Numic **arrow point** manufactured during the same period of time.

No **previously** recorded cultural **resources** will be **adversely** affected by the **proposed** **developments**. **Known** cultural sites situated in the general region are not endangered by **direct** **adverse** effect relative to these **developments** because of their distance **from** the present project areas.

Other than **tortoise** shell fragments, no **paleontological** loci were observed.

No newly **identified** cultural resource sites were recorded during the examinations.

**CONCLUSION AND RECOMMENDATIONS**

AERC **recommends** that a cultural resource clearance be granted to Coastal Oil & Gas Corporation relative to the development of CIGE Units No. 251, 252, 253, and 254 based upon **adherence** to the following stipulations:

1. All **vehicle** traffic, **personnel** movement, and construction should be confined to the **flagged** location, pipeline corridor or access route examined as referenced in this report, **or** to existing routes;
2. All **personnel** should refrain from collecting artifacts or from disturbing any 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 development area.



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

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**BIBLIOGRAPHY**

**Hauck, F. Richard**

1991 Archaeological Evaluations on the Northern Colorado Plateau Cultural Area, **AERC** Paper No. 45, Archeological-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. Richard, Dennis G. Weder and Sam Kennette**

1979 Final Report on the Natural Buttes Cultural Mitigation Study. **AERC Paper No. 13**. Archeological-Environmental Research Corporation, Bountiful.

**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)  
Summary Report of  
Inspection for Cultural Resources

Project  
Authorization No. UT-00-~~AE~~-0505b

Report Acceptable Yes \_\_\_ No \_\_\_  
Mitigation Acceptable Yes \_\_\_ No \_\_\_  
Comments: \_\_\_\_\_

**Cultural Resource Evaluation of Four Proposed Well Locations (CIGE Units No. 251, 252, 253, and 254) in the Cottonwood Wash Locality of Uintah County, Utah**

1. Report Title . . . . .
2. Development Company Coastal Oil & Gas Corporation
3. Report Date . . 9/11/00 . . . . . 4. Antiquities Permit No. UT-00-54937
5. Responsible Institution . . AERC COG00-12 . . . . . County Uintah
6. Fieldwork Location: TWN . . 10 S . RNG . . 21 E . Sections 9, 15, 16, 21
7. Resource Area BC.
8. Description of Examination Procedures: The archeologists, F. E. Hauck and Greg Stoehr, intensively examined the four 10 acre parcels and associated access/pipeline route (100 feet-wide) by walking a series of 15 to 20 meter-wide transects.
9. Linear Miles Surveyed . . . . . I Inventory Type I  
and/or  
Definable Acres Surveyed . . . . . I = Reconnaissance  
and/or I = Intensive  
Legally Undefinable S = Statistical Sample  
Acres Surveyed 55
11. Description of Findings: Isolated point (AERC 1655G/x1) was recovered from the pad for CIGE Unit No. 253.
12. Number Sites Found 0 . . (No sites = 0)
13. Collection: Y (Y = Yes, N = No)

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 08-29-00 Ver. BLM 08-30-00

16. Conclusion/ Recommendations:  
AERC recommends that a cultural resource clearance be granted to Dominion Exploration & Production for this proposed development based on the following stipulations:

- All vehicular traffic, personnel movement, construction and restoration operations should be confined to the existing roadways and/or evaluated corridors.
- All personnel should refrain from collecting artifacts and from disturbing any significant cultural resources in the area.
- 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 development.

17. Signature of Administrator & Field Supervisor:

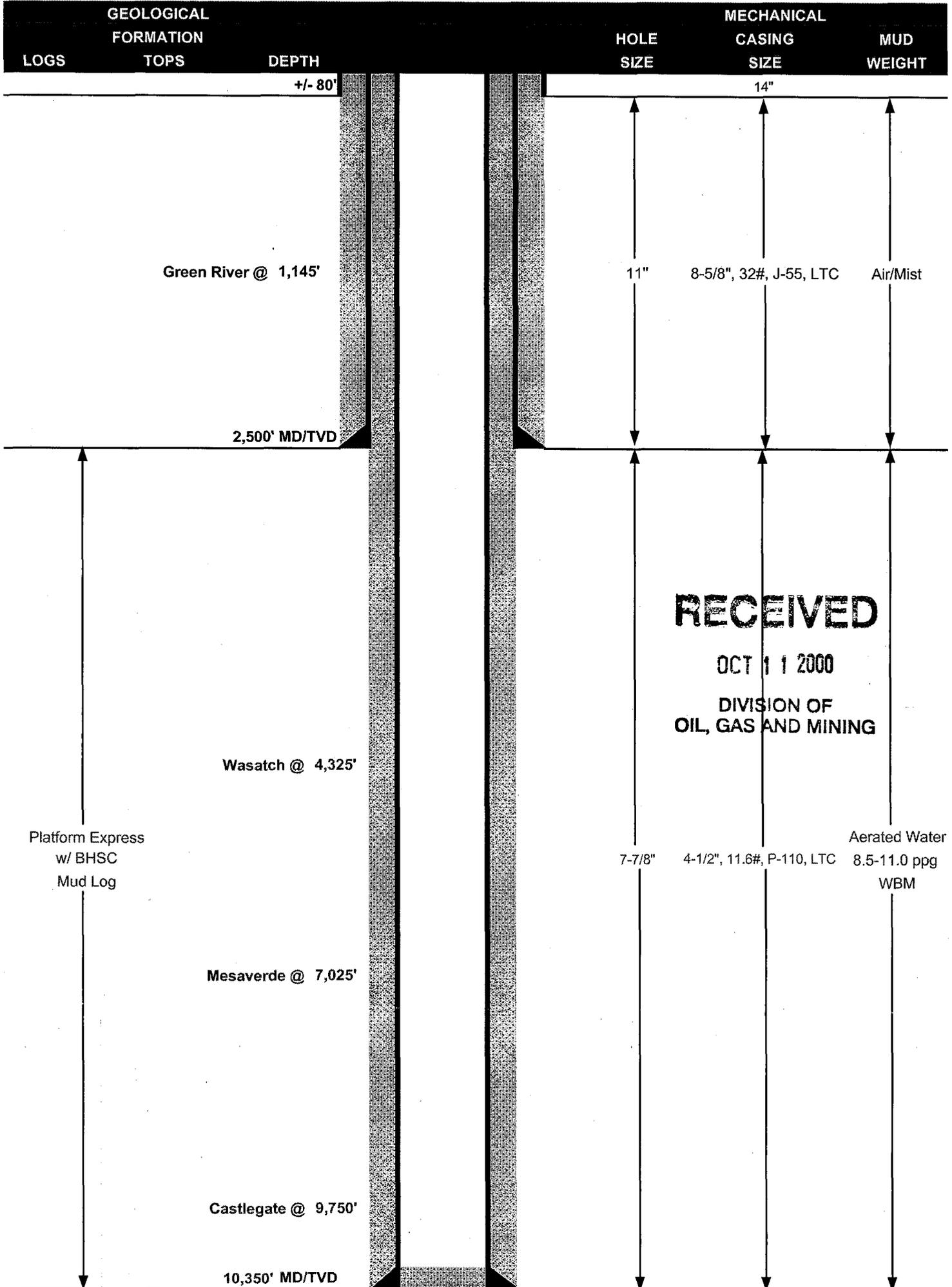
Administrator: \_\_\_\_\_  
Field Supervisor: \_\_\_\_\_  
*F. E. Hauck*

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# COASTAL OIL & GAS CORPORATION

## DRILLING PROGRAM

COMPANY NAME Coastal Oil & Gas Corporation DATE 9/27/00  
 WELL NAME CIGE #253 TD 10,350' MD/TVD  
 FIELD NBU COUNTY Uintah STATE Utah ELEVATION 5,275' KB  
 SURFACE LOCATION 923' FSL & 2264' FWL Sec 21 T10S-R21E BHL Straight Hole  
 OBJECTIVE ZONE(S) Wasatch, Mesaverde  
 ADDITIONAL INFO \_\_\_\_\_



## COASTAL OIL & GAS CORPORATION DRILLING PROGRAM

**CASING PROGRAM**

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
SURFACE	8-5/8"	0-2,500'	32#	J-55	LTC	3,930 2.80	2,530 2.16	417,000 2.32
PRODUCTION	4-1/2"	0-TD	11.6#	P-110	LTC	10,690 2.26	7,560 1.28	279,000 1.27

- 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 = 11 ppg Max MW)  
 (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing, 100,000 lbs overpull)

**CEMENT PROGRAM**

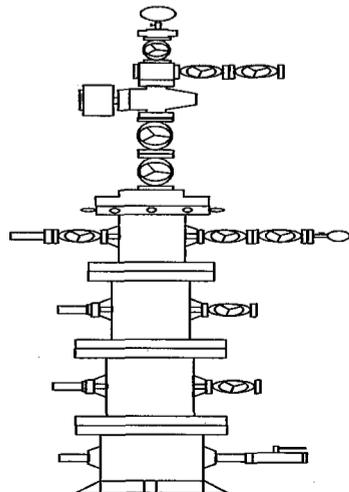
		FT. OF FILL	DESCRIPTION	SACKS	EXCESS*	WEIGHT	YIELD
SURFACE	LEAD	2,000'	Lite Class G + 2% CaCl2 + 0.25 lb/sk Flocele	420	50%	12.70	1.82
	TAIL	500'	Lite Class G + 2% CaCl2 + 0.25 lb/sk Flocele	200	75%	15.60	1.19
PRODUCTION	LEAD	4,025'	HiFill-Mod + 0.6% EX-1 + 0.25 lb/sk Flocele + 0.2% FWCA + 10 lb/sk Gilsonite + 16% Gel + 1% HR-7 + 3% Salt	490	100%	11.60	3.81
	TAIL	6,325'	50/50 Poz + 0.25 lb/sk Flocele + 0.4% HALAD-322 + 2% Gel + 2% Microbond HT + 0.1% HR-5 + 5% Salt	1980	75%	14.40	1.28

\* or 15% over caliper

**FLOAT EQUIPMENT & CENTRALIZERS**

SURFACE	Guide shoe, 1 joint, float collar. Centralize first 3 joints & every other collar to surface. Thread lock FE up to and including pin end of float collar.
PRODUCTION	Guide shoe, 1 joint, float collar. Install 2 bow spring centralizers on the shoe joint and 1 on the next two joints. Then 1 centralizer every third joint to top of tail cement. Thread lock FE up to and including pin end of FC.

**WELLHEAD EQUIPMENT**



TREE	2-1/16" 5M
TUBING HEAD	11" 5M X 7-1/16" 10M
CASING SPOOL	
CASING SPOOL	13-5/8" 3M X 11" 5M
CASING HEAD	8-5/8" SOW X 11" 5M

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## COASTAL OIL & GAS CORPORATION DRILLING PROGRAM

**BIT PROGRAM**

ROCK BIT & PDC BIT PROGRAM						
INTERVAL	HOLE	BIT MFG & MODEL	GPM	SERIAL	NZLS	COMMENTS
Surface Hole	11"	STC F27 or Equiv.	Air	NEW	3 - 18's	Air / Air Mist
Production Hole	7-7/8"	Various Inserts / PDC's	350-400	NEW	3 - 18's	Air / Air Mist / Water

**GEOLOGICAL DATA**

**LOGGING:**

Depth	Log Type
SC - TD	Platform Express with Sonic

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

SC - TD  
As per Geology

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**MUD PROGRAM**

DEPTH	TYPE	MUD WT	WATER		TREATMENT
			LOSS	VISCOSITY	
0'-2,500'	Air Mist	NA	NA		
SC-TD	Mist/Water/Mud	8.5-11.0	NC - <10 cc's	30-45	Champion Corrosion Chemicals Polymer, Lime, Brine, 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. 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 & tour 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:**

\_\_\_\_\_  
Darrell Molnar

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

**WORKSHEET**  
**APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 10/11/2000

API NO. ASSIGNED: 43-047-33722
--------------------------------

WELL NAME: CIGE 253  
 OPERATOR: COASTAL OIL & GAS CORP ( N0230 )  
 CONTACT: CHERYL CAMERON

PHONE NUMBER: 435-781-7023

PROPOSED LOCATION:  
 SESW 21 100S 210E  
 SURFACE: 0923 FSL 2264 FWL  
 BOTTOM: 0923 FSL 2264 FWL  
 UINTAH  
 NATURAL BUTTES ( 630 )

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

LEASE TYPE: 1-Federal  
 LEASE NUMBER: U-02278  
 SURFACE OWNER: 3-State

PROPOSED FORMATION: CSLGT

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 Natural Buttes  
 R649-3-2. General  
 Siting: \_\_\_\_\_

R649-3-3. Exception  
 Drilling Unit  
 Board Cause No: 173-14  
 Eff Date: 12-2-99  
 Siting: 400' to Unit Boundary & Uncomm. Tract.

R649-3-11. Directional Drill

COMMENTS: NBU SOF, separate file.  
Need Presite. (Conducted 10-31-2000)

STIPULATIONS: ① STATEMENT OF BASIS  
② OIL SHALE  
③ FEDERAL APPROVAL



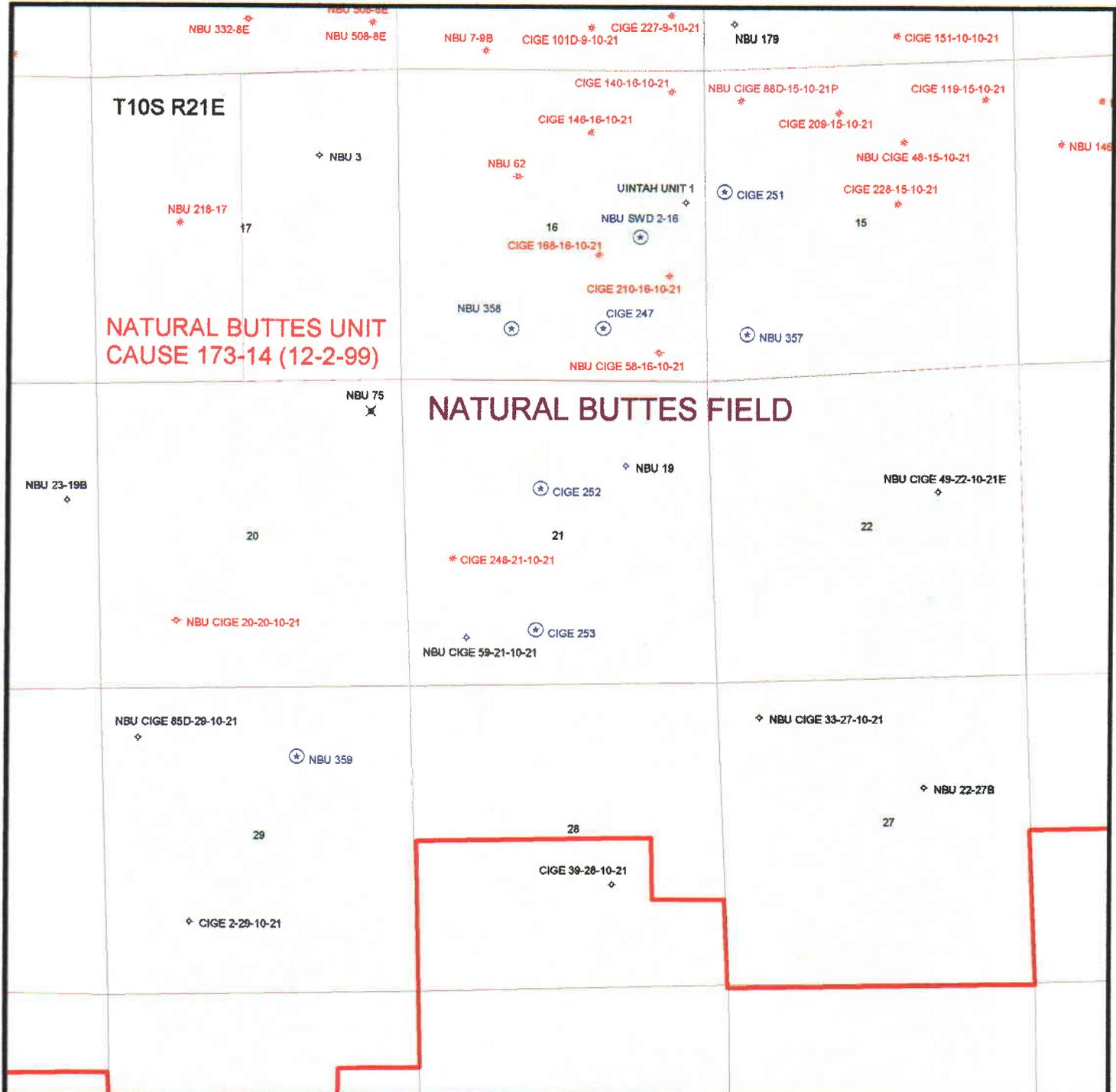
Utah Oil Gas and Mining

OPERATOR: COASTAL O&G CORP (N0230)

FIELD: NATURAL BUTTES (630)

SEC. 21, T10S, R21E,

COUNTY: UINTAH UNIT: NATURAL BUTTES  
CAUSE: 173-14



PREPARED BY: LCORDOVA  
DATE: 12-OCTOBER-2000

# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO:  
3160  
(UT-922)

October 13, 2000

### Memorandum

To: Assistant District Manager Minerals, Vernal District  
From: Michael Coulthard, Petroleum Engineer  
Subject: 2000 Plan of Development Natural Buttes Unit,  
Uintah County, Utah.

Pursuant to email between Lisha Cordova, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management. The following wells are planned for calendar year 2000 within the Natural Buttes Unit, Uintah County, Utah.

Api Number	Well	Location
43-047-33720	CIGE 251	Sec. 15, T10S, R21E 2235 FNL 0325 FWL (MVRD)
43-047-33721	CIGE 252	Sec. 21, T10S, R21E 1906 FNL 2341 FWL (CSLGT)
43-047-33722	CIGE 253	Sec. 21, T10S, R21E 0923 FSL 2264 FWL (CSLGT)
43-047-33723	CIGE 254	Sec. 09, T10S, R21E 0406 FNL 2004 FEL (MVRD)
43-047-33728	NBU 357	Sec. 15, T10S, R21E 0653 FSL 0735 FWL (MVRD)
43-047-33729	NBU 366	Sec. 10, T10S, R21E 0680 FNL 0944 FWL (MVRD)

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Natural Buttes Unit  
Division of Oil Gas and Mining  
Agr. Sec. Chron  
Fluid Chron

MCoulthard:mc:10-13-0



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)

November 7, 2000

Coastal Oil and Gas Corporation  
PO Box 1148  
Vernal, UT 84078

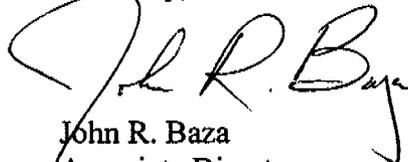
Re: CIGE 252 Well, 1906' FNL, 2341' FWL, SE NW, Sec. 21, T. 10 South, R. 21 East,  
Uintah County, Utah

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 43-047-33721.

Sincerely,



John R. Baza  
Associate Director

er

Enclosures

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

Operator: Coastal Oil and Gas Corporation

Well Name & Number CIGE 252

API Number: 43-047-33721

Lease: U-02278

Location: SE NW      Sec. 21      T. 10 South      R. 21 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

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. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

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

6. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

**DIVISION OF OIL, GAS AND MINING  
APPLICATION FOR PERMIT TO DRILL  
STATEMENT OF BASIS**

Operator Name: COASTAL OIL & GAS CORP.  
Well Name & Number: CIGE 252  
API Number: 43-047-33721  
Location: 1/4,1/4 SE/NW Sec. 21 T. 10S R. 21E

**Geology/Ground Water:**

**Coastal proposes to set 1145' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 4,000'. A search of Division of Water Rights records shows 2 water wells within a 10,000 foot radius of the center of section 21. These are listed as being used for drilling water (1 mile) and domestic use (nearly 2 miles). The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. Production casing cement should be brought to above the base of the moderately saline groundwater in order to isolate it from fresher waters uphole.**

Reviewer: Brad Hill  
Date: 11/7/2000

**Surface:**

**The pre-drill investigation of the surface was performed on 10/31/2000. Surface owner is State of Utah. Mineral rights belong to USA. SITLA and DWR were notified of this investigation on 10/20/2000. Neither had a representative present. This site appears to be the best spot for a location in the immediate area. Because of the steep canyon adjacent to site and the presence of sandstone outcroppings, a 12 mil liner will be required for the reserve pit. COGC held a previous pre-drill investigation for this site on 9/14/2000. A BLM representative was present at that time.**

Reviewer: David W. Hackford  
Date: 10/31/2000

**Conditions of Approval/Application for Permit to Drill:**

1. A synthetic liner with a minimum thickness of 12 mils shall be properly installed in the reserve pit.

**ON-SITE PREDRILL EVALUATION**  
**Division of Oil, Gas and Mining**

**OPERATOR:** COASTAL OIL & GAS CORP.  
**WELL NAME & NUMBER:** CIGE 252  
**API NUMBER:** 43-047-33721  
**LEASE:** USA **FIELD/UNIT:** NATURAL BUTTES  
**LOCATION:** 1/4,1/4 SE/NW SEC: 21 TWP:10S RNG: 21E  
2341' F W L1906' F N L  
**LEGAL WELL SITING:** Board Spaced area requiring  
460 Setback and 460 From uncommitted tract.  
**GPS COORD (UTM):** 12623208E 4421581N  
**SURFACE OWNER:** STATE OF UTAH

**PARTICIPANTS:**

DON DE HERRERA, CARROLL WILSON, CARROLL ESTES, DEBBIE HARRIS,  
(COGC); ROBERT KAY, (UELS); DAVID HACKFORD, (DOGM); THREE DIRT  
CONTRACTORS.

**REGIONAL/LOCAL SETTING & TOPOGRAPHY:**

SITE IS 16 MILES SOUTHEAST OF OURAY, UTAH AND FIVE MILES EAST OF  
THE SEEP RIDGE ROAD IN AN AREA OF ROLLING HILLS AND SHALLOW DRAWS  
WITH OCCASIONAL SANDSTONE OUTCROPPINGS. DRAINAGE IS TO THE NORTH.

**SURFACE USE PLAN:**

CURRENT SURFACE USE: WILDLIFE AND LIVESTOCK GRAZING.  
HUNTING.

PROPOSED SURFACE DISTURBANCE: LOCATION WOULD BE 325' BY 245'  
AND ACCESS ROAD WOULD BE 0.4 MILES.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: SEE  
ATTACHED MAP FROM GIS DATABASE

LOCATION OF PRODUCTION FACILITIES AND PIPELINES:  
ALL PRODUCTION FACILITIES WILL BE ON LOCATION AND ADDED  
AFTER DRILLING WELL. PIPELINE WILL RUN TO THE EAST AND TIE  
INTO EXISTING LINE 1200' AWAY.

SOURCE OF CONSTRUCTION MATERIAL: ALL CONSTRUCTION MATERIAL  
WILL BE BORROWED FROM SITE DURING CONSTRUCTION OF LOCATION.

ANCILLARY FACILITIES: NONE WILL BE REQUIRED.

**WASTE MANAGEMENT PLAN:**

DRILLED CUTTINGS WILL BE SETTLED INTO RESERVE PIT. LIQUIDS FROM PIT WILL BE ALLOWED TO EVAPORATE. FORMATION WATER WILL BE CONFINED TO STORAGE TANKS. SEWAGE FACILITIES, STORAGE AND DISPOSAL WILL BE HANDLED BY COMMERCIAL CONTRACTOR. TRASH WILL BE CONTAINED IN TRASH BASKETS AND HAULED TO AN APPROVED LAND FILL.

**ENVIRONMENTAL PARAMETERS:**

AFFECTED FLOODPLAINS AND/OR WETLANDS: NONE

FLORA/FAUNA: NATIVE GRASSES, SALTBRUSH, PRICKLY PEAR, HORSE BRUSH, SHADSCALE: RODENTS, COYOTES, SONGBIRDS, RAPTORS, PRONGHORN.

SOIL TYPE AND CHARACTERISTICS: LIGHT BROWN SANDY CLAY WITH BROKEN GRAY SHALE ROCKS.

EROSION/SEDIMENTATION/STABILITY: VERY LITTLE NATURAL EROSION. SEDIMENTATION AND STABILITY ARE NOT A PROBLEM AND LOCATION CONSTRUCTION SHOULDN'T CAUSE ANY INCREASE IN STABILITY OR EROSION PROBLEMS.

PALEONTOLOGICAL POTENTIAL: NONE OBSERVED.

**RESERVE PIT:**

CHARACTERISTICS: 100' BY 100' AND 10' DEEP.

LINER REQUIREMENTS (Site Ranking Form attached): A 12 MIL LINER WILL BE REQUIRED FOR RESERVE PIT.

**SURFACE RESTORATION/RECLAMATION PLAN:**

AS PER S.I.T.L.A.

**SURFACE AGREEMENT: AS PER S.I.T.L.A.**

**CULTURAL RESOURCES/ARCHAEOLOGY: SITE WAS INSPECTED BY A.E.R.C. ARCHAEOLOGICAL CONSULTANTS. A REPORT OF THIS INVESTIGATION WILL BE PLACED ON FILE.**

OTHER OBSERVATIONS/COMMENTS:

THE PRE-DRILL INVESTIGATION TOOK PLACE ON A COOL RAINY DAY.

ATTACHMENTS:

PHOTOS OF SITE WILL BE PLACED ON FILE.

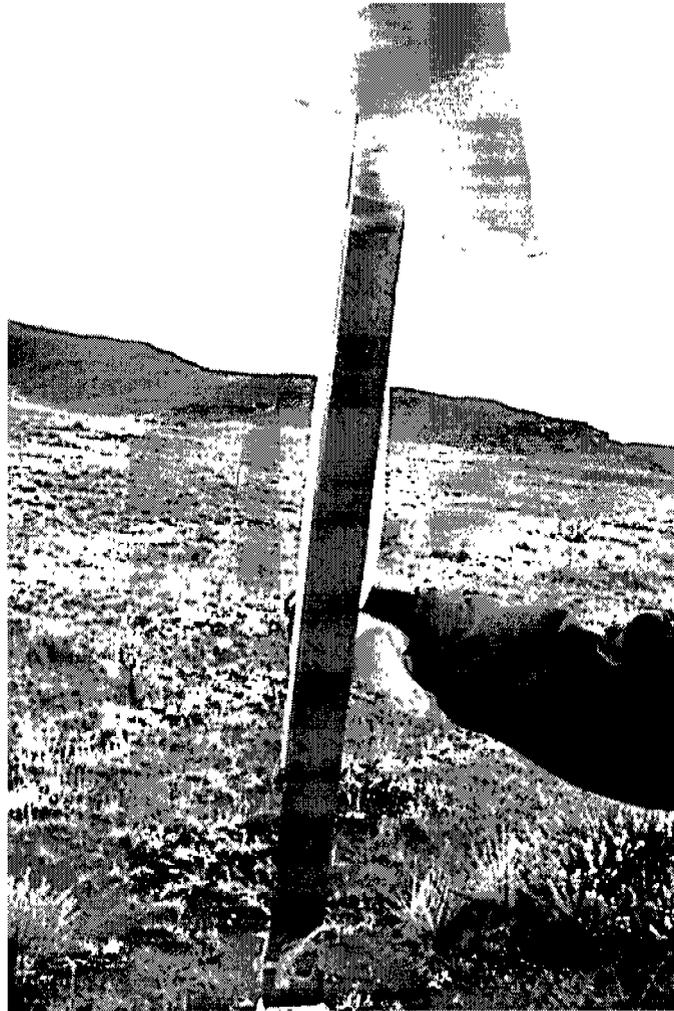
DAVID W. HACKFORD  
DOGM REPRESENTATIVE

10/31/00-10:30 AM  
DATE/TIME

**Evaluation Ranking Criteria and Ranking Score  
For Reserve and On-site Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
<b>Distance to Groundwater (feet)</b>		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>5</u>
<b>Distance to Surf. Water (feet)</b>		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
<b>Distance to Nearest Municipal Well (feet)</b>		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	15	<u>0</u>
<b>Distance to Other Wells (feet)</b>		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
<b>Native Soil Type</b>		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>20</u>
<b>Fluid Type</b>		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	15	
TDS >10000 or Oil Base	20	
Mud Fluid containing high levels of hazardous constituents		<u>5</u>
<b>Drill Cuttings</b>		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
<b>Annual Precipitation (inches)</b>		
<10	0	
10 to 20	5	
>20	10	<u>0</u>
<b>Affected Populations</b>		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
<b>Presence of Nearby Utility</b>		
<b>Conduits</b>		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>
<b>Final Score</b>		<u>30</u>









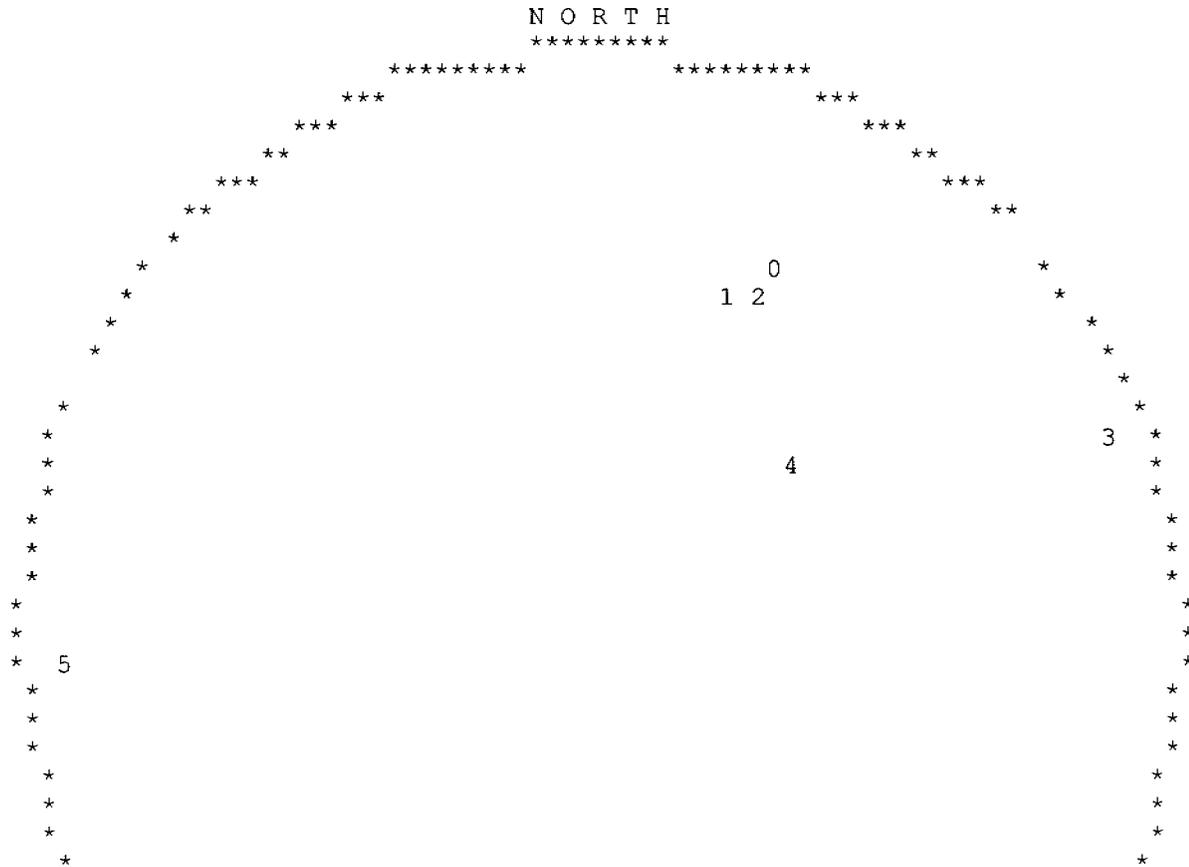


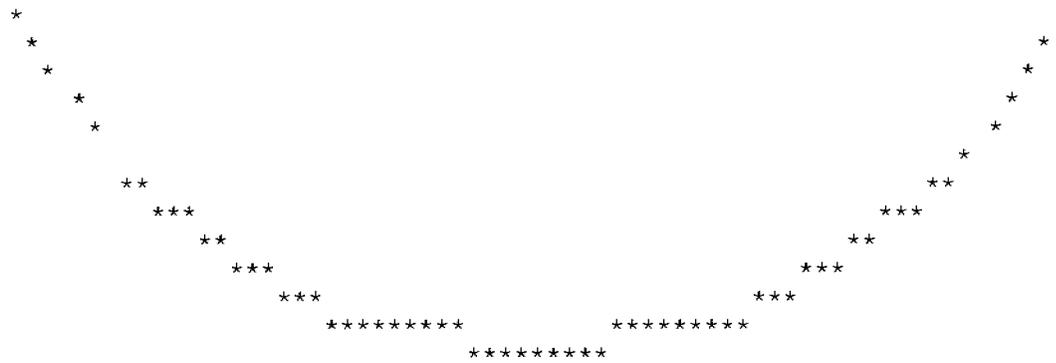


UTAH DIVISION OF WATER RIGHTS  
WATER RIGHT POINT OF DIVERSION PLOT CREATED TUE, NOV 7, 2000, 2:54 PM  
PLOT SHOWS LOCATION OF 8 POINTS OF DIVERSION

PLOT OF AN AREA WITH A RADIUS OF 10000 FEET FROM A POINT  
FEET, FEET OF THE CT CORNER,  
SECTION 21 TOWNSHIP 10S RANGE 21E SL BASE AND MERIDIAN

PLOT SCALE IS APPROXIMATELY 1 INCH = 4000 FEET





UTAH DIVISION OF WATER RIGHTS  
 NWPLAT POINT OF DIVERSION LOCATION PROGRAM

MAP CHAR	WATER RIGHT	QUANTITY CFS	AND/OR AC-FT	SOURCE DESCRIPTION or WELL INFO	POINT OF DIVERSION DESCRIPTION
				DIAMETER DEPTH YEAR LOG NORTH EAST	CNR SEC TWN RNG B&M
0	49 614	.0000	.25	Bitter Creek Gas Field Res. #1	S 1900 E 300 NW 15 10S 21E SL
				WATER USE(S): STOCKWATERING OTHER USA Bureau of Land Management	PRIORITY DATE: 00/00/186 Salt Lake City
1	49 986	.0150	.00	Underground Water Well	S 2200 W 400 NE 16 10S 21E SL
				WATER USE(S): OTHER Curry Leasing	PRIORITY DATE: 03/09/198 Altamont,
1	49 991	.0150	.00	Underground Water Well	S 2200 W 400 NE 16 10S 21E SL
				WATER USE(S): OTHER Target Trucking Inc.	PRIORITY DATE: 03/30/198 Vernal
1	49 1399	.0150	.00	8	S 2200 W 400 NE 16 10S 21E SL
				WATER USE(S): OTHER Dalbo Incorporated	PRIORITY DATE: 08/15/198 Vernal
2	49 615	.0000	.25	Bitter Creek Field Reservoir #	S 2200 E 100 NW 15 10S 21E SL

		WATER USE(S): STOCKWATERING OTHER							PRIORITY DATE: 00/00/186
		USA Bureau of Land Management	2370 South 2300 West						Salt Lake City
3	<u>49 347</u>	.0000	1.00 Tributary to Cottonwood Wash						
		WATER USE(S): STOCKWATERING							PRIORITY DATE: 04/07/197
		USA Bureau of Land Management	(Vernal Di 170 South 500 East						Vernal
4	<u>49 616</u>	.0000	.25 Bitter Creek Gas Field Res. #3	N 100 E 700	SW 15 10S 21E SL				
		WATER USE(S): STOCKWATERING OTHER							PRIORITY DATE: 00/00/186
		USA Bureau of Land Management	2370 South 2300 West						Salt Lake City
5	<u>49 392</u>	.1700	.00 16 2200 - 3300	S 2900 W 1300	NE 19 10S 21E SL				
		WATER USE(S): DOMESTIC OTHER							PRIORITY DATE: 02/20/198
		Magic Circle Energy Corp. (C/O Synfuels E 1667 Cole Blvd. Bldg. #19, Suite 400							Golden

---

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0136  
Expires: November 30, 2000

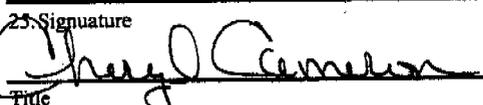
APPLICATION FOR PERMIT TO DRILL OR REENTER

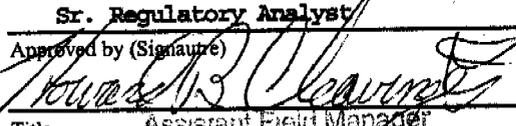
1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>U-02278</b>
1b. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> 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>Natural Buttes Unit</b>
3a. Address <b>P.O. Box 1148, Vernal, UT 84078</b>		8. Lease Name and Well No. <b>CIGS #253</b>
3b. Phone No. (include area code) <b>(435)-781-7023</b>		9. API Well No. <b>N/A</b>
4. Location of Well (Report location clearly and in accordance with any State requirements) At surface <b>SE SW</b> At proposed prod. zone <b>923' FSL &amp; 2264' FWL</b>		10. Field and Pool, or Exploratory <b>Natural Buttes Field</b>
14. Distance in miles and direction from nearest town or post office* <b>16.7 Miles Southeast of Ouray, Utah</b>		11. Sec., T., R., M., or Blk. and Survey or Area <b>Sec 21-T-110S-R21E</b>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) <b>923'</b>	16. No. of Acres in lease <b>1440.00</b>	12. County or Parish <b>Uintah</b>
17. Spacing Unit dedicated to this well <b>N/A</b>	13. State <b>Utah</b>	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>Refer to Topo "C"</b>	19. Proposed Depth <b>10350'</b>	20. BLM/BIA Bond No. on file <b>U-605382-9</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>5282.7' 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:

- |   |  |
|---|--|
| 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>9/28/00</b>
---	---	------------------------

Approved by (Signature) 	Name (Printed/Typed) <b>Assistant Field Manager</b>	Date <b>11/28/00</b>
Title <b>Assistant Field Manager Mineral Resources</b>	Office <b>NOTICE OF APPROVAL</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)

**CONDITIONS OF APPROVAL ATTACHED**  
**RECEIVED**

DEC 04 2000

DIVISION OF  
OIL, GAS AND MINING

CONDITIONS OF APPROVAL  
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Coastal Oil & Gas Corporation

Well Name & Number: CIGE #253

API Number: 43-047-33722

Lease Number: UTU - 02278

Location: SESW Sec. 21 T. 10S R. 21E

Agreement: NATURAL BUTTES 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.

**RECEIVED**

DEC 04 2000

DIVISION OF  
OIL, GAS AND MINING

## 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 **5M** 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.

In addition, to the cementing proposal for the surface casing, a minimum of 200 ft. of Class G neat cement shall be placed from 200 ft. to surface in the 8 5/8" X 11" - 14" annulus.

RECEIVED

DEC 04 2000

DIVISION OF  
OIL, GAS AND MINERAL

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the top of the Green River Formation, identified at 1,618 ft. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

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 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).

RECEIVED

DEC 04 2003

DIVISION OF  
OIL, GAS AND MINING

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 District 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).

DEC 04 2003

DIVISION OF  
OIL, GAS AND MINING

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 (HOME) (435) 646-1685 (PAGER)  
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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DEC 04 2000

DIVISION OF  
OIL, GAS AND MINING

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 to re-enter 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.  
**U-02278**

6. If Indian, Allottee or Tribe Name

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

8. Lease Name and Well No.  
**CIGE #253**

9. API Well No.  
**4304733722**

10. Field and Pool, or Exploratory  
**NATURAL BUTTES FIELD**

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

**1. Type of Well:**  
 Oil Well  Gas Well  Other

**2. Name of Operator** **COASTAL OIL & GAS CORPORATION**  
**CONTACT: CHERYL CAMERON OPERATIONS**  
**EMAIL: Cheryl.Cameron@CoastalCorp.com**

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

**3b. Phone No. (include area code)**  
**TEL: 435.781.7023 EXT:**  
**FAX: 435.789.4436**

**4. Location of Well (Footage, Sec., T., R., M., or Survey Description)**  
**Sec 21 T10S R21E SESW.923FSL 2264FWL**

**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"/> CHANGE TO ORIGINAL APD
	<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 the 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 the BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of involved operations. If the operation results in 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.)

**COASTAL OIL & GAS CORPORATION REQUESTS AUTHORIZATION TO AMEND THE TD FROM 10350' TO 7300'.**

**PLEASE REFER TO THE ATTACHED DRILLING PROGRAM.**

Federal Approval of this  
Action is Necessary

Approved by the  
Utah Division of  
Oil, Gas and Mining  
Date: 04-11-01  
By: [Signature]

COPY SENT TO OPERATOR  
Date: 04-11-01  
Initials: CHD

**RECEIVED**  
APR 10 2001  
DIVISION OF  
OIL, GAS AND MINING

Name (Printed/Typed) \_\_\_\_\_ Title \_\_\_\_\_  
Signature [Signature] Date 4/3/01

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_  
Office \_\_\_\_\_

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

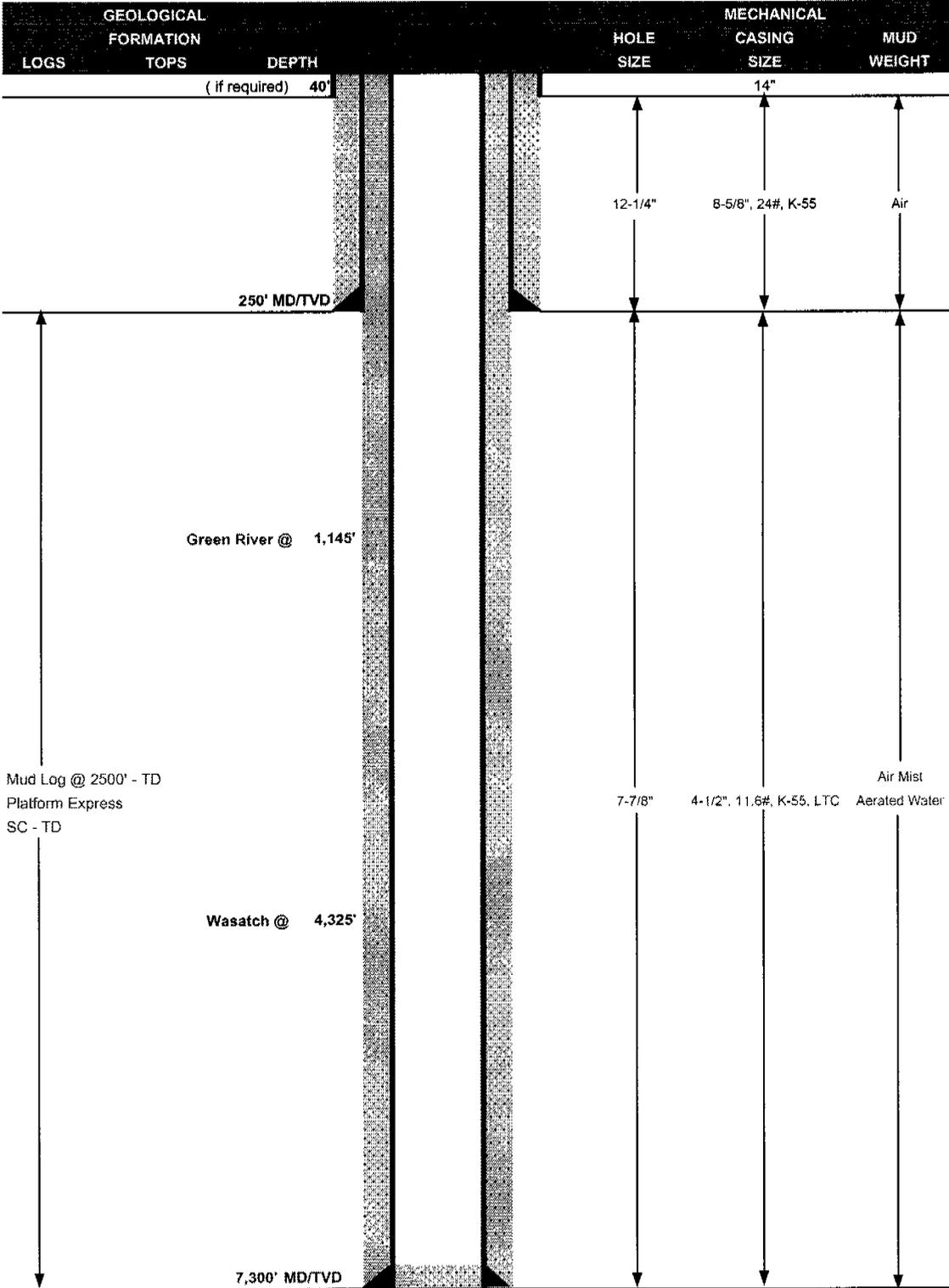
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

**ELECTRONIC SUBMISSION #3409 VERIFIED BY THE BLM WELL INFORMATION SYSTEM FOR COASTAL OIL & GAS CORPORATION SENT TO THE VERNAL FIELD OFFICE**

# COASTAL OIL & GAS CORPORATION

## DRILLING PROGRAM FOR SUNDRY

COMPANY NAME Coastal Oil & Gas Corporation DATE March 22, 2001  
 WELL NAME CIGE #253 TD 7,300' MD/TVD  
 FIELD NBU COUNTY Uintah STATE Utah ELEVATION 5,295' KB  
 SURFACE LOCATION 923' FSL & 2264' FWL, SE/SW, Sec. 21, T10S, R21E BHL Straight Hole  
 OBJECTIVE ZONE(S) Wasatch  
 ADDITIONAL INFO Objective zone changed therefore casing and cement design needs to be sundried.



## COASTAL OIL & GAS CORPORATION DRILLING PROGRAM

### CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				2950	1370	263000
SURFACE	8-5/8"	0-250'	24.00	K-55	STC	21.03	11.71	4.70
PRODUCTION*	4-1/2"	0-TD	11.60	K-55	LTC	2.08	1.31	1.34

- 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, 50,000 lbs overpull)

### CEMENT PROGRAM

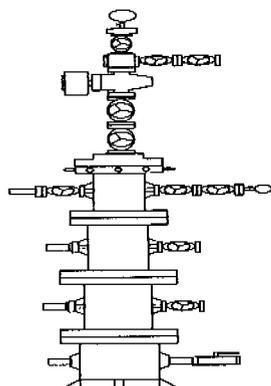
		FT. OF FILL	DESCRIPTION	SACKS	EXCESS*	WEIGHT	YIELD
SURFACE		250	Class G + 2% CaCl <sub>2</sub> + 0.25 lb/sk Cello Flake	90	35%	15.80	1.17
PRODUCTION	LEAD	3,825'	Hifill Mod. +16% gel + 3% salt + 10#/sk gilsonite + 1% HR7 + 0.6% Econolite + 0.2% FWCA + 0.25 lb/sk Flocele	420	50%	11.60	3.12
	TAIL	3,475'	50/50 POZ + 2% gel + 2% Microbond + 5% salt + 0.2% Super CBL + 0.6% HALAD 322 + 0.25 #/sk Flocele	960	50%	14.35	1.25

\* or 15% over caliper log

### FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, float collar. Centralize first 3 joints & every other joint to surface with bow spring centralizers. Thread lock FE up to & including pin end of FC.
PRODUCTION	Guide shoe, 1 jt, float collar. Centralize first 3 joints & every other joint to top of tail cement with bow spring centralizers.

### WELLHEAD EQUIPMENT

	TREE	2-1/16" 5M
	TUBING HEAD	11" 3M X 7-1/16" 5M
	CASING SPOOL	
	CASING SPOOL	
	CASING HEAD	8-5/8" SOW X 11" 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	12-1/4"	Various				
Surf Csg - TD	7-7/8"	SEC XS44	Air/Mist Aerated	New	16-16-16	

If the air is discontinued, use a SEC 2665rv or a HTC DP363 on a mud motor to TD  
 If a second bit is required and the air is needed use another XS44.

**GEOLOGICAL DATA**

LOGGING:

Depth	Log Type
SC - TD	Platform Express

MUD LOGGER:

SC - TD

SAMPLES:

As per Geology

CORING:

NA

DST:

NA

**MUD PROGRAM**

DEPTH	TYPE	MUD WT	WATER LOSS	VISCOSITY	TREATMENT
0-Trona (0 - +/-2,000')	Air/Mist	NA	NA		Polymer, Gel Gyp, Lime
Trona-TD (+/- 2,000' - TD)	Aerated Water	NA	NC	NA	Polymer, Gyp, Lime

After reaching TD, circulate hole until clean, then make a wiper trip. Report any bridges or fill encountered on trip.

After a successful wiper trip, chain out of the hole to log.

**REPORT ALL LOSSES, INCLUDING SEEPAGE**

**ADDITIONAL INFORMATION**

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 3M with one annular and 2 rams. Test to 3,000 psi (annular to 1,500 psi) prior to drilling out. Record on chart recorder & tour 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.

Run Tolco survey every 500' from surface casing shoe to TD. Maximum allowable hole angle is 5 degrees.

Treat for corrosion as per plan.

DRILLING ENGINEER:

Christa Yin

DATE:

DRILLING MANAGER:

Darrell Molnar

DATE:

DRILLING DIRECTOR:

Steve Hayes

DATE:

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

OPERATOR COASTAL OIL & GAS CORP.  
ADDRESS P.O. BOX 1148  
VERNAL, UT 84078

OPERATOR ACCT. NO. N 0230

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
B	99999	2900	43-047-33722	CIGE #253	SBSW	21	10S	21E	UINTAH	6/6/01	6/6/01

WELL 1 COMMENTS:

SPUD W/ BILL MARTIN AIR RIG

6-11-01

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		

WELL 2 COMMENTS:

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		

WELL 3 COMMENTS:

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		

WELL 4 COMMENTS:

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		

WELL 5 COMMENTS:

ACTION CODES (See instructions on back of form)

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

NOTE: Use COMMENT section to explain why each Action Code was selected (3/89)

Post-It® Fax Note	7671	Date	6/9	# of pages	1
To	Jim Thompson	From	Cheryl Cameron		
Co./Dept.	UT DOGM	Co.	-7023		
Phone #	801-359-3940	Phone #	(435) 781-7023		
Fax #		Fax #	(435) 789-4436		

*Cheryl Cameron*  
Signature

REGULATORY ANALYST 06/08/01  
Title Date

Phone No. (435) 781-7023

JUN-08-2001 FRI 10:00 AM COASTAL OIL&GAS D. S. SEC FAX NO. 435 789 4436 P. 01

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-02278

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 <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. CIGE 253
2. Name of Operator COASTAL OIL & GAS CORPORATION		9. API Well No. 43-047-33722
3a. Address P.O. BOX 1148 VERNAL, UT 84078		10. Field and Pool, or Exploratory NBU
3b. Phone No. (include area code) Ph: 435.781.7023 Fx: 435.789.4436		11. County or Parish, and State UINTAH COUNTY, UT
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 21 T10S R21E Mer SESW		

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

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

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompletable 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 recompletable 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.)

MIRU BILL MARTIN AIR RIG. DRILLED 283' OF 12 1/4" HOLE.  
RAN 273.5' OF 8 5/8" 24# J-55 CSG. CMT W/ 210 SX TYPE G W/  
2% CALC, .125# SK CELLO FLAKE.

SPUD @ 7:00 AM 6/6/01.

**RECEIVED**

JUN 18 2001

DIVISION OF  
OIL, GAS AND MINING

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

**Electronic Submission #4881 verified by the BLM Well Information System  
For COASTAL OIL & GAS CORPORATION, sent to the Vernal**

Name (Printed/Typed) CHERYL CAMERON	Title OPERATIONS
Signature 	Date 06/08/2001

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

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

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:

Exhibit "A"

9. API NUMBER:

10. FIELD AND POOL, OR WILDCAT:

1. TYPE OF WELL OIL WELL  GAS WELL  OTHER \_\_\_\_\_

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

3. ADDRESS OF OPERATOR: 8 South 1200 East CITY Vernal STATE Utah ZIP 84078 PHONE NUMBER: 435-789-4433

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

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

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

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

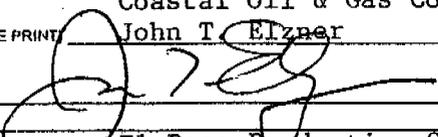
As a result of the merger between The Coastal Corporation and a wholly owned subsidiary of El Paso Energy Corporation, the name of Coastal Oil & Gas Corporation has been changed to El Paso Production Oil & Gas Company effective March 9, 2001.

See Exhibit "A"

Bond # 400JU0708

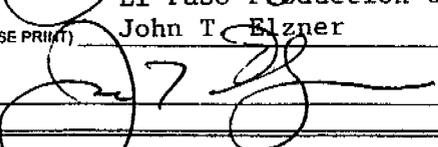
Coastal Oil & Gas Corporation

NAME (PLEASE PRINT) John T. Elzner TITLE Vice President

SIGNATURE  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)

RECEIVED

JUN 19 2001

DIVISION OF OIL, GAS AND MINING

State of Delaware  
Office of the Secretary of State

---

PAGE 1

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

RECEIVED

MAR 2001

DIVISION OF  
OIL, GAS AND MINING



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

0610204 8100

AUTHENTICATION: 1061007

010162788

DATE: 04-03-01

CERTIFICATE OF AMENDMENT

OF

CERTIFICATE OF INCORPORATION

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

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

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

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

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

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

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

COASTAL OIL & GAS CORPORATION

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

Attest:

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

RECEIVED

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

JUN 19 2001

DIVISION OF  
OIL, GAS AND MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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-02278

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
CIGE 253

9. API Well No.  
43-047-33722

10. Field and Pool, or Exploratory  
NATURAL BUTTES

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
COASTAL OIL & GAS CORPORATION  
Contact: CHERYL CAMERON  
E-Mail: Cheryl.Cameron@CoastalCorp.com

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 21 T10S R21E Mer SESW

**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 checked="" type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input 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 recompleate 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 recompleation 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.)

Finished drlg f/ 283'-6590' w/ Coastal Drill #1. RIH w/ 6578' of 4 1/2" 11.6# K-55 csg. Cmt w/ 435 sx Lead @ 11.0 ppg, yield 3.91 cu ft/sk; tail w/ 935 sx, 14.2 ppg, yield 1.27 cu ft/sk.

Released rig @ 1:00 am 6/26/01.

RECEIVED  
JUN 29 2001  
DIVISION OF  
OIL, GAS AND MINING

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #5334 verified by the BLM Well Information System For COASTAL OIL & GAS CORPORATION, sent to the Vernal**

Name (Printed/Typed) CHERYL CAMERON Title OPERATIONS

Signature *Cheryl Cameron* Date 06/27/2001

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

Approved By \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

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

Office \_\_\_\_\_

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



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

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

# RECEIVED

JUL 12 2001

DIVISION OF  
OIL, GAS AND MINING

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

JUL 10 2001

### NOTICE

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

#### Name Change Recognized

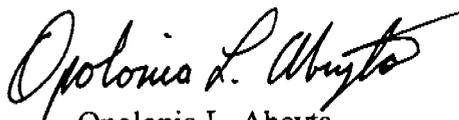
Acceptable evidence has been received in this office concerning the name change of Coastal Oil & Gas Corporation into El Paso Production Oil & Gas Company with El Paso Production Oil & Gas Company being the surviving entity.

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

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

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

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



Opolonia L. Abeyta  
Acting Chief, Branch of  
Minerals Adjudication

Enclosure

1. Exhibit of Leases (1 pp)

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

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	

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 to re-enter 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.  
U-02278

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.  
NBU

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
CIGE 253

2. Name of Operator  
COASTAL OIL & GAS CORPORATION

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

API Well No.  
43-047-33722

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  
NATURAL BUTTES

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 21 T10S R21E Mer SESW 923FSL 2264FWL

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 type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> STARTUP
	<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 recomple 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 recomple 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 subject well was connected to sales @ 11:30 am on 7/14/01.

Refer to the attached Chronological History Report.

RECEIVED

JUL 23 2001

DIVISION OF  
OIL, GAS AND MINERAL

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

Electronic Submission #5727 verified by the BLM Well Information System  
For COASTAL OIL & GAS CORPORATION, sent to the Vernal

Name (Printed/Typed) CHERYL CAMERON

Title OPERATIONS

Signature 

Date 07/17/2001

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

Approved By \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

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

Office \_\_\_\_\_

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

EL PASO  
PRODUCTION REPORT

CHRONOLOGICAL HISTORY

CIGE 253  
NATURAL BUTTES  
UINTAH COUNTY, UT  
WT:  
PBTD: PERFS:  
CSG:  
SPUD DATE:

Page 1

AFE DESCR., AFE:  
FORMATION:  
CWC(MS):

**DRILLING REPORT:**

Natural Buttes Uintah, UT Rig: CoastalDri1 #1 WI: xxx% AFE: xxxxxx ATD: 6800'  
SD: 06/15/01 Target: Wasatch @ 4325' DHC: xxx /CWC: xxx /DC: 67 /CC: 199 8 5/8"  
@ 274'

6/18/01 TD: 3661' MW: 8.4#/ Air 784'/ 22 hrs. TIH with new bit. Drilling.

6/19/01 TD: 4355' MW: 8.4#/ Air 694'/ 23 hrs. Drilling.

6/20/01 TD: 4884' MW: 8.4#/ Air 529'/ 23 ½ hrs. Drilling.

6/21/01 TD: 5368' MW: 8.4#/ Air 484'/ 23 ½ hrs. Drilling.

6/22/01 TD: 5717' MW: 8.4#/ Air 349'/ 16 ½ hrs. Drilled to 5717'. POH. Repair cathod. TIH / new bit.

6/25/01 TD: 6590' MW: 10.0# 0'/0 hrs. TIH with new bit. W&R bridge at 6300'. W&R to TD, 90' fill. (new engine on drawworks will not crank; rec'd approval to TD well at current depth.) Spot 10.0# brine & POH. Logged. TIH & POH LDDP.

6/26/01 TD: 6590' MW: 10.0# 0'/0 hrs. Finish LDDP. Ran & cemented casing. ND BOP's & set slips. Cut casing & make up/test tubinghead. Clean pits & release rig at 1:00 AM 6/26/01. Trucks scheduled to arrive 6/28/01 to move to CIGE 252.

**AFE#**  
**AFE DESCRIPTION:**

7/9/01 PREP TO LOG & PERF  
MIRU. RIH W/3 7/8" MILL TO 6527'. PICKLE TBG W/3 BBLs 15% HCL. POOH W/TBG.

7/10/01 PREP TO FRAC  
RUN CBL-GR-CCL FROM PBTD @ 6530' TO 1100'. TOC @ 1295'. TEST 4 ½" CSG TO 5000# - HELD. INJECT INTO 4 ½" X 8 5/8" CSG ANNULUS @ 3 BPM. PERF WASATCH 6345'-6355', 4 SPF, 40 HOLES. 0 PRESS. BRK DN PERFS W/1800# @ 1 BPM - ISIP: 1300#, FG: 0.64.

7/11/01 PREP TO DO CBP'S  
STAGE 1: BRK DN WASATCH PERFS 6345'-6355' - ISIP: 1300#, FG: 0.64. FRAC W/47,600# 20/40 SD W/PROP NET IN LAST 10% SD & 525 BBLs YF113ST LIQ GEL. ISIP: 2454#, FG: 0.82, NET PRESS INC: 1154#, MTP: 4217#, ATP: 2769#, MTR: 26.1 BPM, ATR: 23.5 BPM. PU & RIH W/CBP & PERF GUN. SET CBP @ 6290'.  
STAGE 2: PERF WASATCH 6219'-6225', 4 SPF, 24 HOLES. UNABLE TO BRK DN W/5000#. REPERF W/6' GUN 4 SPF W/CP OF 4000#. UNABLE TO BRK DN W/4900#. DUMP 10 GALS 15% HCL ACROSS PERFS. BRK DN W/3178# @ 2 BPM - ISIP: 2141#, FG: 0.78. FRAC W/35,000# 20/40 SD W/PROP NET IN LAST 10% SD & 424 BBLs YF113ST LIQ GEL. ISIP: 2680#, FG: 0.86, NET PRESS INC: 539#, MTP: 3674#, ATP: 2881#, MTR: 25.5 BPM, ATR: 23.6 BPM. PU & RIH W/CBP & PERF GUN. SET CBP @ 6170'.  
STAGE 3: PERF WASATCH 5940'-5950', 4 SPF, 40 HOLES. BRK DN PERFS W/1664# @ 2.1 BPM - ISIP: 1000#, FG: 0.60. FRAC W/43,000# 20/40 SD W/PROP NET IN LAST 10% SD & 555 BBLs YF113ST LIQ GEL. ISIP: 2237#, FG: 0.81, NET PRESS INC: 1237#, MTP: 2929#, ATP: 2426#, MTR: 26.3 BPM, ATR: 22.3 BPM. PU & RIH W/CBP & PERF GUN. SET CBP @ 5890'. NOTE: SD MASTER MALFUNCTIONED. WENT TO FLUSH 22,000# SHORT.  
STAGE 4: PERF WASATCH 5257'-5263', 4 SPF, 24 HOLES. BRK DN W/2400# @ 4.8 BPM - ISIP: 2400#, FG: 0.89. FRAC W/31,500# 20/40 SD W/PROP NET IN LAST 10% SD AND 403'

BBLs YF113ST LIQ GEL. ISIP: 3643#, FG: 1.12, NET PRESS INC: 1243#, MTP: 4589#, ATP: 3606#, MTR: 36.2 BPM, ATR: 26.5 BPM. PU & RIH W/CBP & SET @ 5200'. PU & SIH W/3 7/8" MILL TOOTH BIT. EOT @ 5160'.

7/12/01

RIH TO KNOCK-OFF BIT

BROKE CIRC W/AIR FOAM. DRILLED OUT CBPS @ 5200', 5890', 6170' & 6290'. FINISHED RIH & CO TO 6527' (PBTD). PUH TO 6295' & LANDED TBG. NDBOP & NU TREE. PUMPED OFF THE BIT. FLOWED WELL FROM 6 PM TO MIDNIGHT. CP: 800#-1175#, TP: 50#-0#, CHK: 48/64", BWPH: 5-0, SD: CLEAN. WELL DIED @ MIDNIGHT. IT APPEARS THE BIT DID NOT PUMP OFF. @ 6:00 AM TODAY: CP: 1300#. TLTR: 2102 BBLs, TLR: 765 BBLs, LLTR: 1337 BBLs.

7/13/01

PREP TO RAISE TBG

SICP: 1300#, FTP: 0. RIH W/1 1/2" SINKER BAR TO 6500' (EOT @ 6294'). MADE 14 SWAB TRIPS. IFL: SURF, FFL: 1000'. REC 118 BLW. TLTR: 2102 BBLs, TLR: 883 BBLs, LLTR: 1219 BBLs.

7/16/01

PROD TO SALES

7/14/01 SICP: 1500#, SITP: 400#. PU & LAND TBG @ 5490', SN @ 5455'. MADE 1 SWAB TRIP. IFL @ 800'. PULL FROM 4000'. REC 14 BLW & WELL STARTED TO FLOW. FLOW BACK 20 HRS ON 48/64" CHK. FTP: 25#-100#-30#, CP: 300#-480#-420#, 28 BWPH TO 4 BWPH, NO SD. TLTR: 2102 BBLs, TLR: 1057 BBLs, LLTR: 1045 BBLs.  
7/15/01 CONNECT TO SALES @ 11:30 AM 7/14/01. SPOT PROD DATA: FTP: 110#, CP: 600#, 64/64" CHK, 4 BWPH, 500 MCFPD.  
7/16/01 FLWD 342 MCF, 72 BW, FTP: 95#, CP: 360#, 64/64" CHK, 17 HRS, LP: 80#. TLTR: 2102 BBLs, TLR: 1129 BBLs, LLTR: 973 BBLs.

**OPERATOR CHANGE WORKSHEET**

**ROUTING**

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

Enter date after each listed item is completed

Change of Operator (Well Sold)

Designation of Agent

Operator Name Change (Only)

**X Merger**

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

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

<b>TO:</b> ( New Operator):
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: NATURAL BUTTES**

**WELL(S)**

NAME	API NO	ENTITY NO	SEC TWN RNG	LEASE TYPE	WELL TYPE	WELL STATUS
NBU 269 (CA NW-127)	43-047-33473	2900	12-10S-21E	FEDERAL	GW	P
NBU CIGE 47-14-10-21	43-047-30510	2900	14-10S-21E	FEDERAL	GW	P
NBU CIGE 95D-14-10-21J	43-047-31166	2900	14-10S-21E	FEDERAL	GW	P
NBU 139	43-047-31948	2900	14-10S-21E	FEDERAL	GW	P
NBU 146	43-047-31985	2900	14-10S-21E	FEDERAL	GW	P
NBU 163	43-047-32069	2900	14-10S-21E	FEDERAL	GW	P
CIGE 160-14-10-21	43-047-32124	2900	14-10S-21E	FEDERAL	GW	P
NBU CIGE 48-15-10-21	43-047-30506	2900	15-10S-21E	FEDERAL	GW	P
NBU CIGE 88D-15-10-21P	43-047-30958	2900	15-10S-21E	FEDERAL	GW	P
CIGE 119-15-10-21	43-047-31927	2900	15-10S-21E	FEDERAL	GW	P
CIGE 209-15-10-21	43-047-32943	2900	15-10S-21E	FEDERAL	GW	P
CIGE 228-15-10-21	43-047-32999	2900	15-10S-21E	FEDERAL	GW	P
CIGE 251	43-047-33720	2900	15-10S-21E	FEDERAL	GW	DRL
NBU 357	43-047-33728	2900	15-10S-21E	FEDERAL	GW	P
NBU 218-17	43-047-31310	2900	17-10S-21E	FEDERAL	GW	P
NBU 17-18B	43-047-30317	2900	18-10S-21E	FEDERAL	GW	S
CIGE 248-21-10-21	43-047-33226	2900	21-10S-21E	FEDERAL	GW	P
CIGE 252	43-047-33721	2900	21-10S-21E	FEDERAL	GW	DRL
<b>CIGE 253</b>	43-047-33722	2900	21-10S-21E	FEDERAL	GW	DRL
CIGE 66-23-10-21	43-047-30542	2900	23-10S-21E	FEDERAL	GW	S

**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

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

---

**DATA ENTRY:**

1. Changes entered in the **Oil and Gas Database** on: 08/07/2001
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 08/07/2001
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

---

**STATE BOND VERIFICATION:**

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

---

**FEDERAL BOND VERIFICATION:**

1. Federal well(s) covered by Bond No.: WY 2793

---

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

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

---

**FILMING:**

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

---

**FILING:**

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

---

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

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UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0137  
Expires: November 30, 2000

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.  
U-02278

1a. Type of Well  Oil Well  Gas  Dry Other  
b. Type of Completion:  New  Work Over  Deepen  Plug Back  Diff. Resvr.  
Other \_\_\_\_\_

6. If Indian, Allottee or Tribe Name

2. Name of Operator  
Coastal Oil & Gas Corporation

7. Unit or CA Agreement Name and No.  
Natural Buttes Unit

3. Address 1368 South 1200 East Vernal, Utah 84078  
3a. Phone No. (include area code) (435)-781-7023

8. Lease Name and Well No.  
CIGE #253

4. Location of Well (Report locations clearly and in accordance with Federal requirements)\*

At surface SESW 923'FSL & 2264'FWL

9. API Well No.  
43-047-33722

At top prod. interval reported below

10. Field and Pool, or Exploratory  
Natural Buttes

At total depth

11. Sec., T., R., M., or Block and Survey or Area Sec.21-T10S-R21E

14. Date Spudded 06/06/01  
15. Date T.D. Reached 06/24/01  
16. Date Completed  D & A  Ready to Prod. 7-14-01

12. County or Parish Uintah  
13. State Utah

17. Elevations (DF, RKB, RT, GL)\*  
5282.7' Ungraded GL

18. Total Depth: MD 6590' TVD  
19. Plug Back T.D.: MD 6530' TVD  
20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)  
DL/MSFL 2" I" - 6-28-01, SD/OSN/DL/MSFL - 6-28-01  
CBL/CCL/GR - 7-16-01

22. Was well cored?  No  Yes (Submit copy)  
Was DST run?  No  Yes (Submit copy)  
Directional Survey?  No  Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12 1/4"	8 5/8"	JSS 24#	0'	274'	274'	210 G			
7 7/8"	4 1/2"	K3 11.6#	0'	6578'	6578'	1370			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Set (MD)
2 3/8"	5490'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Wasatch			See Attached			
B)						
C)						
D)						

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and type of Material
Wasatch	See Attached

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AUG 16 2001

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
07/14/01	07/16/01	24	→		445	68			Flowing
Choke Size	Tbg. Press. Flwg. SI	Csg. Press. SI	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
64/64	85	320	→		445	68			Producing

DIVISION OF  
OIL, GAS AND MINING

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press. SI	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
			→						

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

Sold

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
Green River	1154'	4349'			
Wasatch	4349'				

32. Additional remarks (include plugging procedure):

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DIVISION OF  
OIL, GAS AND MINING

33. Circle enclosed attachments:

- 1. Electrical/Mechanical Logs (1 full set req'd.)
- 2. Geologic Report
- 3. DST Report
- 4. Directional Survey
- 5. Sundry Notice for plugging and cement verification
- 5. Core Analysis
- 7. Other:

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)\*

Name (please print) Cheryl Cameron

Title Sr. Regulatory Analyst

Signature 

Date 8/15/01

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.

**CIGE #253**  
SESW Section 21-T10S-R21E  
Lease #U-02278  
API #43-047-33722

Producing Intervals: **WASATCH**

<u>Intervals:</u>	<u>Size:</u>	<u>Number:</u>
6345'-6355'	4 SPF	40
6219'-6225'	4 SPF	24
5940'-5950'	4 SPF	40
5257'-5263'	4 SPF	24

<u>Depth Intervals:</u>	<u>Amount and Type of Material:</u>
6345'-6355'	47,600# 20/40 SD
6219'-6225'	35,000# 20/40 SD
5940'-5950'	43,000# 20/40 SD
5257'-5263'	31,500# 20/40 SD

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DIVISION OF  
OIL, GAS AND MINING

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 to re-enter 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.  
U-02278

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
NBU 253

API Well No.  
E-Mail: Cheryl.Cameron@CoastalCorp.com 43-047-33722

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

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
EL PASO PRODUCTION

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  
NATURAL BUTTES

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 21 T10S R21E Mer SESW 923FSL 2264FWL

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 type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input 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 checked="" type="checkbox"/> Water Disposal	

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

Any produced water from the subject well will be contained in a water tank and will be hauled by truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S, R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E.

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

**RECEIVED**

AUG 27 2001

DIVISION OF  
OIL, GAS AND MINING

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

Electronic Submission #6673 verified by the BLM Well Information System  
For EL PASO PRODUCTION, sent to the Vernal

Name (Printed/Typed) CHERYL CAMERON	Title OPERATIONS
Signature <i>Cheryl Cameron</i>	Date 08/22/2001

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

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

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

JAN. 17. 2003 3:34PM

WESTPORT

NO. 173 P. 2

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

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

February 1, 2002

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

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

Dear Ms. Maxwell:

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

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

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

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

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

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

Encl:



United States Department of the Interior **RECEIVED**

BUREAU OF LAND MANAGEMENT

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

FEB 22 2002

DIVISION OF  
OIL, GAS AND MINING

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

FEB 21 2002

NOTICE

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

Name Change Recognized

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

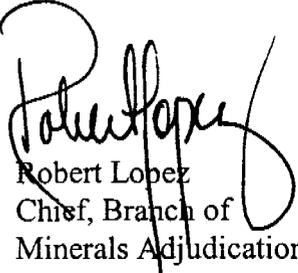
For our purposes, the name change is recognized effective December 31, 2001.

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

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

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

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



Robert Lopez  
Chief, Branch of  
Minerals Adjudication

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



EL PASO PRODUCTION  
WORKOVER

1

**NBU #253**

SW/NW SEC. 10, T9S-R21E  
NATURAL BUTTES UNIT  
UINTAH COUNTY, UTAH  
WI: 100.0% AFE: 28870  
PBSD: 13250' PERFS:  
CSG: 4.5 X 15.1# @ 13,340'  
SPUD DATE: 10/10/99

5/14/02

**MIRU**

RD RIG FROM 35-22 TO LOCATION. PREP TO RU IN AM. SDFD.

5/15/02

**POOH W/PROD TBG**

HELD SAFETY MEETING (H2S & COMBUSTABLES). SLIDE ROTOFLEX BACK. MIRU. BLEED WELL OFF. US PUMP @ 9013'. POOH. SINGLE DN RDS ON TRAILER. WELL FLOWING UP CSG WHILE POOH. X-OVER TO TBG EQUIP. CSG STILL FLOWING GAS & WTR. MIRU HOT. PMP 55 BBLS DN CSG. PRESS TO 400#. SD PUMPING. RETURN LINE TO PIT. WELL FLOWED BACK 55 BBLS & CONT TO FLOW GAS & WTR. WELL WOULD NOT DIE. CALL OUT FLOW BACK CREW. LET WELL FLOW OVER NIGHT. SDFN.

5/16/02

**RDMO**

WELL FLOWING WTR & GAS. NUBOP. NU SPACER SPOOL & WASHINGTON HEAD. STRIP TBG HANGER OUT OF HOLE. CONT TO POOH. LD 285 JTS, 2 7/8" TBG. LD BHA. NOTE: 5" PBGA PLUGGED W/SD & SILT. MIRU CUTTERS. PU 7 5/8" CIBP & RIH. TAG 4 1/4" LT @ 9089'. PU SET CIBP @ 9085'. POOH. PU DMP BAILER & LOAD W/2 SKS CMT & RIH. DMP BAIL CMT ON CIBP. CMT TOP @ 9079'. POOH. RDMO CUTTERS. NDBOP. NUWH. RDMO. SDFN.

**RECEIVED**

**JUN 03 2002**

**DIVISION OF  
OIL, GAS AND MINING**

# 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  
chron



# United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

Washington, D.C. 20240

FEB 10 2003

IN REPLY REFER TO:  
Real Estate Services

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

Dear Mr. Wilson:

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

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

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

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

Sincerely,

Director, Office of Trust Responsibilities

ACTING

Enclosure



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO  
UT-922

February 27, 2003

Westport Oil and Gas Company, L.P.  
Attn: Gary D. Williamson  
1670 Broadway, Suite 2800  
Denver, Colorado 80202

Re: Natural Buttes Unit  
Uintah County, Utah

Gentlemen:

On February 27, 2003, we received an indenture dated December 17, 2002, whereby El Paso Production Oil & Gas Company resigned as Unit Operator and Westport Oil and Gas Company, L.P., was designated as Successor Unit Operator for the Natural Buttes Unit, Uintah County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective February 27, 2003. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Natural Buttes Unit Agreement.

Your nationwide (Colorado) oil and gas bond No. 1203 will be used to cover all operations within the Natural Buttes Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks  
Chief, Branch of Fluid Minerals

Enclosure

bcc: Field Manager - Vernal (w/enclosure)  
SITLA  
Division of Oil, Gas & Mining  
Minerals Adjudication Group  
File - Natural Buttes Unit (w/enclosure)  
Agr. Sec. Chron  
Fluid Chron

UT922:TAThompson:tt:02/27/2003

RECEIVED

FEB 28 2003

DIV. OF OIL, GAS & MINING

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER:
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: El Paso Production Oil & Gas Company		8. WELL NAME and NUMBER: Exhibit "A"
3. ADDRESS OF OPERATOR: 9 Greenway Plaza Houston TX 77064-0995		9. API NUMBER:
4. LOCATION OF WELL FOOTAGES AT SURFACE: COUNTY: QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: STATE: UTAH		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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

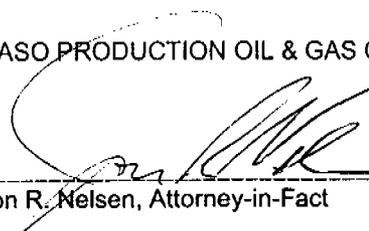
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

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

BOND # \_\_\_\_\_

State Surety Bond No. RLB0005236  
Fee Bond No. RLB0005238

EL PASO PRODUCTION OIL & GAS COMPANY

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

RECEIVED

FEB 28 2003

DIV. OF OIL, GAS & MINING

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.

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

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

10. Field and Pool, or Exploratory Area

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

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

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

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

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

**SUCCESSOR OF OPERATOR**

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

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

RECEIVED  
MAR 04 2003

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

Name (Printed/Typed)

**CHERYL CAMERON**

Title

**OPERATIONS**

Signature

Date

**March 4, 2003**

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

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

Office

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

(Instructions on reverse)

DIV. OF OIL, GAS & MINING

**OPERATOR CHANGE WORKSHEET**

1. GLH
2. CDW /
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: NATURAL BUTTES

**WELL(S)**

NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
NBU 398	18-10S-21E	43-047-34366	99999	FEDERAL	GW	APD
CIGE 69-19-10-21	19-10S-21E	43-047-30635	2900	STATE	GW	PA
NBU CIGE 20-20-10-21	20-10S-21E	43-047-30485	2900	STATE	GW	P
NBU 75N3	20-10S-21E	43-047-31103	2900	STATE	GW	P
NBU 420	20-10S-21E	43-047-34377	99999	FEDERAL	GW	APD
NBU 421	20-10S-21E	43-047-34378	99999	FEDERAL	GW	APD
CIGE 252	21-10S-21E	43-047-33721	2900	FEDERAL	GW	P
<b>CIGE 253</b>	21-10S-21E	43-047-33722	2900	FEDERAL	GW	P
CIGE 248-21-10-21	21-10S-21E	43-047-33226	2900	FEDERAL	GW	P
CIGE 276	21-10S-21E	43-047-34417	99999	FEDERAL	GW	APD
CIGE 277	21-10S-21E	43-047-34800	99999	FEDERAL	GW	APD
NBU 19	21-10S-21E	43-047-30227	2900	FEDERAL	GW	PA
NBU 419	21-10S-21E	43-047-34376	99999	FEDERAL	GW	APD
NBU CIGE 59-21-10-21	21-10S-21E	43-047-30548	2900	FEDERAL	GW	PA
NBU 388	22-10S-21E	43-047-34240	99999	FEDERAL	GW	APD
NBU CIGE 49-22-10-21E	22-10S-21E	43-047-30507	2900	FEDERAL	GW	PA
CIGE 66-23-10-21	23-10S-21E	43-047-30542	2900	FEDERAL	GW	S
NBU 401	23-10S-21E	43-047-34801	99999	FEDERAL	GW	APD
NBU 387	23-10S-21E	43-047-34239	99999	FEDERAL	GW	APD
UINTAH UNIT 4	23-10S-21E	43-047-15376	2900	FEDERAL	WS	PA

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 02/28/2003
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 03/04/2003
3. The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 03/06/2003
4. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
5. 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: N/A

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: 03/21/2003

2. Changes have been entered on the Monthly Operator Change Spread Sheet on: 03/21/2003

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.

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

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. Multiple Wells - see attached
2. Name of Operator WESTPORT OIL & GAS COMPANY, L.P.		6. If Indian, Allottee or Tribe Name
3a. Address P.O. BOX 1148 VERNAL, UT 84078	3b. Phone No. (include area code) (435) 781-	7. If Unit or CA/Agreement, Name and/or No. 891008900A
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Multiple Wells - see attached		8. Well Name and No. Multiple Wells - see attached
		9. API Well No. Multiple Wells - see attached
		10. Field and Pool, or Exploratory Area Natural Buttes Unit
		11. County or Parish, 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 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 recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

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

The volume lost to shrinkage by dropping the tank pressure from 6 ozs. to 0 psig is shown to be 0.3% of the tank volume. This was determined by lab analysis of a representative sample from the field. The sample shrunk from 98.82% of original volume to 98.52% when the pressure was dropped.

The average NBU well produces approximately 6 bbls condensate per month. The resulting shrinkage would amount to 0.56 bbls per month lost volume due to shrinkage. The value of the shrunk and lost condensate does not recoup or payout the cost of installing and maintaining the valves and other devices that hold the positive tank pressure. An economic run based on the loss and costs is attached.

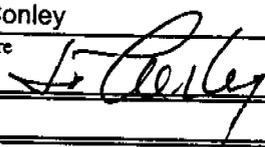
Westport Oil & gas requests approval of this variance in order to increase the value of the well to the operator and the mineral royalty owners.

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

Name (Printed/Typed)

J.T. Conley

Signature



COPY SENT TO OPERATOR  
Date: 9-2-2003  
Initials: JTC Date: 9-2-2003

Operations Manager

SEP 10 2003

DIV OF OIL GAS & MINING

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Accepted by the

Date

Utah Division of  
Oil, Gas and Mining

Federal Approval of This  
Action is Necessary

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

Office

Date: 9/16/03

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.

**Westport Oil & Gas, L.P.**

**Project Economics Worksheet**

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

Project Name: **Condensate Shrinkage Economics**

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

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

**Increased OPX Per Year**

**Investment Breakdown:**

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

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

**Production & OPX Detail:**

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

**Project Life:**

Life =  Years  
(Life no longer than 20 years)

**Internal Rate of Return:**

After Tax IROR =

**AT Cum Cashflow:**

Operating Cashflow =  (Discounted @ 10%)

**Payout Calculation:**

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

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

Payout =  Years or  Days

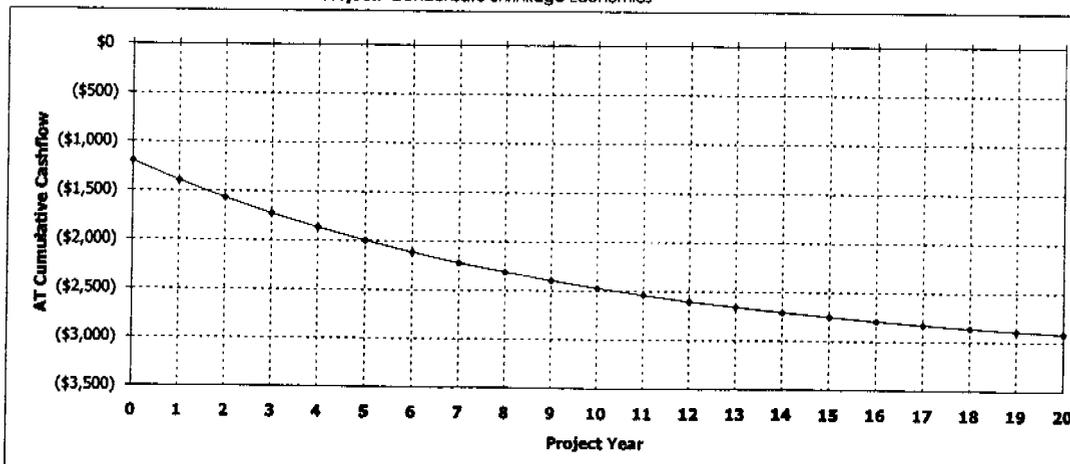
**Gross Reserves:**

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

**Notes/Assumptions:**

An average NBU well produces 0.192 Bcpd with no tank pressure. The production is increased to 0.196 Bcpd if 6 ozs of pressure are placed on the tank. The increased production does not payout the valve cost or the estimated annual maintenance costs.

**Project: Condensate Shrinkage Economics**



**Westport Oil and Gas, Inc.**

NBU/Ouray Field

RFL 2003-022

**COMPARISON OF FLASH BACK PRESSURES**

Calculated by Characterized Equation-of-State

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

**Calculated at Laboratory Flash Conditions**

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

**Calculated Flash with Backpressure using Tuned EOS**

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

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

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

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

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

CIGE 194	1-10-22 SWNW	U011336	891008900A	430473293200S1
CIGE 195	2-9-22 NWNE	ML22651	891008900A	430473279700S1 ✓
CIGE 196	6-9-22 SESE	UTU01195	891008900A	430473300300S1
CIGE 197	7-9-21 NWNE	UTU0149767	891008900A	430473279800S1
CIGE 198	9-9-21 NESE	UTU01188	891008900A	430473279900S1
CIGE 199	14-9-21 NENW	UTU01193	891008900A	430473280100S1
CIGE 200	16-9-21 SENW	UTU38409	891008900A	430473280200S1
CIGE 201	18-9-21 SENE	UTU0575	891008900A	430473280400S1
CIGE 202	21-9-21 SESE	UTU0576	891008900A	430473280500S1
CIGE 203	34-9-21 NWNE	UTU01194A	891008900A	430473288100S1 ✓
CIGE 204	35-9-21 SWNE	ML22582	891008900A	430473279400S1 ✓
CIGE 205	1-10-21 SWNE	ML23612	891008900A	430473279500S1 ✓
CIGE 206	4-10-21 SESE	U01416	891008900A	430473299600S1
CIGE 207	8-10-21 NENE	UTU01791	891008900A	430473297500S1
CIGE 208	8-10-21 SWNE	UTU01791	891008900A	430473299700S1
CIGE 209	15-10-21 NENW	UTU01791A	891008900A	430473294300S1
CIGE 210	16-10-21 NESE	ML10755	891008900A	430473288800S1
CIGE 212	34-9-22 NENE	UTU0149077	891008900A	430473293800S1
CIGE 213	33-9-22 SENW	UTU01191A	891008900A	430473293300S1
CIGE 214	13-9-21 NESW	U01193	891008900A	430473291800S1
CIGE 215X	15-9-21 NENE	UTU01188	891008900A	430473369000S1
CIGE 216	15-9-21 SWNE	UTU01193	891008900A	430473292000S1
CIGE 217	16-9-21 NWSW	ML3141	891008900A	430473289800S1
CIGE 218	19-9-21 NWNE	U0581	891008900A	430473292100S1
CIGE 219	29-9-22 NESW	U01207	891008900A	430473286400S1 ✓
CIGE 220	31-9-22 SWNE	U10530A	891008900A	430473288400S1 ✓
CIGE 221	36-9-22 SWSW	ML22650	891008900A	430473286800S1 ✓
CIGE 222	36-9-22 NESW	ML22650	891008900A	430473286900S1 ✓
CIGE 223	1-10-22 NWNW	U011336	891008900A	430473298300S1
CIGE 224	2-10-21 SWNE	ML2252	891008900A	430473288300S1 ✓
CIGE 225	3-10-21 SENW	UTU0149078	891008900A	430473489500S1
CIGE 226	3-10-21 SESW	U0149078	891008900A	430473299500S1
CIGE 227	9-10-21 SESE	UTU01791	891008900A	430473299800S1
CIGE 228	15-10-21 SWNE	UTU01416A	891008900A	430473299900S1
CIGE 229	1-10-20 NWSW	UTU02270A	891008900A	430473300600S1
CIGE 230	13-10-20 SENE	UTU02270A	891008900A	430473288500S1
CIGE 231	7-9-21 SENE	UTU0575B	891008900A	430473302100S1
CIGE 232	9-9-21 NENE	UTU01188A	891008900A	430473283600S1
CIGE 233	21-9-21 NWNE	UTU0576	891008900A	430473302200S1
CIGE 234	25-9-21 SWNE	U01189	891008900A	430473287300S1 ✓
CIGE 235	25-9-21 NWSE	U01194	891008900A	430473285800S1 ✓
CIGE 236	34-9-21 SESE	U01194A	891008900A	430473286100S1 ✓
CIGE 237	15-9-21 NWSE	UTU010950A	891008900A	430473387800S1
CIGE 239	35-9-21 SENE	ML22582	891008900A	430473320600S1 ✓
CIGE 240	29-9-22 SENW	ML22935	891008900A	430473320700S1
CIGE 241	32-9-22 NENW	ML22649	891008900A	430473320800S1
CIGE 242	33-9-22 NWNW	UTU01191A	891008900A	430473402200S1
CIGE 244	1-10-21 NENW	ML23612	891008900A	430473320900S1 ✓
CIGE 245	1-10-21 SENE	ML23612	891008900A	430473321000S1 ✓
CIGE 246	2-10-21 NENW	ML-22652	891008900A	430473368700S1
CIGE 247	16-10-21 SWSE	ML10755	891008900A	430473363900S1
CIGE 248	21-10-21 NWSW	U02278	891008900A	430473322600S1
CIGE 249	8-10-22 NWNW	UTU466	891008900A	430473402300S1
CIGE 250	8-10-22 NESE	UTU01196E	891008900A	430473374300S1
CIGE 251	15-10-21 SWNW	UTU01791A	891008900A	430473372000S1
CIGE 252	21-10-21 SENW	UTU02278	891008900A	430473372100S1
CIGE 253	21-10-21 SESW	UTU02278	891008900A	430473372200S1
CIGE 254	9-10-21 NWNE	UTU01416	891008900A	430473372300S1
CIGE 255	7-9-21 SESE	UTU0575B	891008900A	430473397000S1
CIGE 256	9-9-21 SWNE	UTU01188A	891008900A	430473397100S1
CIGE 257	18-9-21 LOT 2	U0581	891008900A	430473466600S1 ✓

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

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

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

Operator Name Change/Merger

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

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

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/10/2006
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/10/2006
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/7/2006
- a. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- b. If **NO**, the operator was contacted on:
- 5a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- 5b. Inspections of LA PA state/fee well sites complete on: n/a 3 LA wells & all PA wells transferred
- 5c. Reports current for Production/Disposition & Sundries on: ok
- 6. Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 3/27/2006 BIA not yet
- 7. Federal and Indian Units:**  
The BLM or BIA has approved the successor of unit operator for wells listed on: 3/27/2006
- 8. Federal and Indian Communization Agreements ("CA"):**  
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- 9. Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on:

**DATA ENTRY:**

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

**BOND VERIFICATION:**

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

**LEASE INTEREST OWNER NOTIFICATION:**

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

**COMMENTS:**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
**KERR-McGEE OIL & GAS ONSHORE LP**

3a. Address  
**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)  
**(435) 781-7024**

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

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

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**MUTIPLE WELLS**

9. API Well No.

10. Field and Pool, or Exploratory Area

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

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

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

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

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

**RECEIVED**

**MAY 10 2006**

DIV. OF OIL, GAS & MINING

*BLM BOND = C01203  
BIA BOND = RLB0005239*

**APPROVED 5/16/06**

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

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

Name (Printed/Typed) <b>RANDY BAYNE</b>	Title <b>DRILLING MANAGER</b>
Signature <i>Randy Bayne</i>	Date <b>May 9, 2006</b>

**THIS SPACE FOR FEDERAL OR STATE USE**

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

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

3a. Address  
**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)  
**(435) 781-7024**

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

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

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**MUTIPLE WELLS**

9. API Well No.

10. Field and Pool, or Exploratory Area

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

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

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

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

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

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

RECEIVED  
 MAY 10 2006

DIV OF OIL, GAS & MINING

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

Name (Printed/Typed) <b>BRAD LANEY</b>	Title <b>ENGINEERING SPECIALIST</b>
Signature	Date <b>May 9, 2006</b>

THIS SPACE FOR FEDERAL OR STATE USE

Approved by <i>Brad Laney</i>	Title	Date <b>5-9-06</b>
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

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



## United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
Colorado State Office  
2850 Youngfield Street  
Lakewood, Colorado 80215-7076

IN REPLY REFER TO:

CO922 (MM)  
3106  
COC017387 et. al.

March 23, 2006

### NOTICE

Kerr-McGee Oil & Gas Onshore L.P. :  
1999 Broadway, Suite 3700 : Oil & Gas  
Denver, CO 80202 :

#### Merger/Name Change - Recognized

On February 28, 2006 this office received acceptable evidence of the following mergers and name conversion:

Kerr-McGee Oil & Gas Onshore L.P., a Delaware Limited Partnership, and Kerr-McGee Oil & Gas Onshore LLC, a Delaware Limited Partnership merger with and into Westport Oil and Gas Company L.P., a Delaware Limited Partnership, and subsequent Westport Oil & Gas Company L.P. name conversion to Kerr-McGee Oil & Gas Onshore L.P.

For our purposes the merger and name conversion was effective January 4, 2006, the date the Secretary of State of Delaware authenticated the mergers and name conversion.

Kerr-McGee Oil & Gas Onshore L.P. provided a list of oil and gas leases held by the merging parties with the request that the Bureau of Land Management change all their lease records from the named entities to the new entity, Kerr-McGee Oil & Gas Onshore L.P. In response to this request each state is asked to retrieve their own list of leases in the names of these entities from the Bureau of Land Management's (BLM) automated LR2000 data base.

The oil and gas lease files identified on the list provided by Kerr-McGee Oil & Gas Onshore L.P. have been updated as to the merger and name conversion. We have not abstracted the lease files to determine if the entities affected by the acceptance of these documents holds an interest in the lease, nor have we attempt to identify leases where the entity is the operator on the ground that maintains vested record title or operating rights interests. If additional documentation, for change of operator, is required you will be contacted directly by the appropriate Field Office. The Mineral Management Services (MMS) and other applicable BLM offices were notified of the merger with a copy of this notice

Please contact this office if you identify additional leases where the merging party maintains an interest, under our jurisdiction, and we will document the case files with a copy of this notice. If the leases are under the jurisdiction of another State Office that information will be forwarded to them for their action.

Three riders accompanied the merger/name conversion documents which will add Kerr-McGee Oil and Gas Onshore LLC as a principal to the 3 Kerr-McGee bonds maintained by the Wyoming State Office. These riders will be forward to them for their acceptance.

The Nationwide Oil & Gas Continental Casualty Company Bond #158626364 (BLM Bond #CO1203), maintained by the Colorado State Office, will remain in full force and effect until an assumption rider is accepted by the Wyoming State Office that conditions their Nationwide Safeco bond to accept all outstanding liability on the oil and gas leases attached to the Colorado bond.

If you have questions about this action you may call me at 303.239.3768.

/s/Martha L. Maxwell  
Martha L. Maxwell  
Land Law Examiner  
Fluid Minerals Adjudication

**Attachment:**

List of OG Leases to each of the following offices:

MMS MRM, MS 357B-1

WY, UT, NM/OK/TX, MT/ND, WY State Offices

CO Field Offices

Wyoming State Office

Rider #1 to Bond WY2357

Rider #2 to Bond WY1865

Rider #3 to Bond WY1127



# United States Department of the Interior



BUREAU OF LAND MANAGEMENT  
Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155  
<http://www.blm.gov>

IN REPLY REFER TO:  
3106  
(UT-922)

March 27, 2006

## Memorandum

To: Vernal Field Office

From: Chief, Branch of Fluid Minerals

Subject: Merger Approval

Attached is an approved copy of the merger recognized by the Bureau of Land Management, Colorado State Office. We have updated our records to reflect the merger from Westport Oil and Gas Company L.P. into Kerr-McGee Onshore Oil and Gas Company. The merger was approved effective January 4, 2006.

Chief, Branch of  
Fluid Minerals

## Enclosure

Approval letter from BLM COSO (2 pp)

cc: MMS, Reference Data Branch, James Sykes, PO Box 25165, Denver CO 80225  
State of Utah, DOGM, Attn: Earlene Russell, PO Box 145801, SLC UT 84114  
Teresa Thompson  
Joe Incardine  
Connie Seare  
Dave Mascarenas  
Susan Bauman

RECEIVED

MAR 28 2006

DIV. OF OIL, GAS & MINERAL