



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 NBU #340 proposed well to be drilled in the SW/NE Sec. 6, T10S, R22E, Uintah County, Utah is 1887' FNL & 1556' FEL of said Sec. 6. 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

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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DIVISION OF
OIL, GAS AND MINING

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. U-01195 |
| 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 N/A |
| 2. Name of Operator Coastal Oil & Gas Corporation | | 7. Unit or CA Agreement Name and No. Natural Buttes Unit |
| 3a. Address P.O. Box 1148, Vernal, UT 84078 | | 8. Lease Name and Well No. NBU #340 |
| 3b. Phone No. (include area code) (435)-781-7023 | | 9. API Well No. N/A 43-047-33725 |
| 4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface SW NE At proposed prod. zone 1887'FNL & 1556'FEL | | 10. Field and Pool, or Exploratory Natural Buttes Field |
| 14. Distance in miles and direction from nearest town or post office* 21 Miles South of Ouray, Utah | | 11. Sec., T., R., M., or Blk. and Survey or Area Sec 6-T10S-R22E |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 1556' | 16. No. of Acres in lease 577.75 | 17. Spacing Unit dedicated to this well N/A |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. Refer to Topo "C" | 19. Proposed Depth 9850' | 20. BLM/BIA Bond No. on file U-605382-9 |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4998.2' Ungraded GR | 22. Approximate date work will start* Upon Approval | 23. Estimated duration To Be Determined |

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) Cheryl Cameron | Date 9/29/00 |
|-------------------|---|------------------------|

| | |
|--|--|
| Title Sr. Regulatory Analyst | |
| Approved by (Signature) | Name (Printed/Typed) BRADLEY G. HILL |
| Title RECLAMATION SPECIALIST III | Date 10/16/00 |

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

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

*(Instructions on Reverse)

Federal Approval of this
Action is Necessary

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OIL, GAS AND MINING

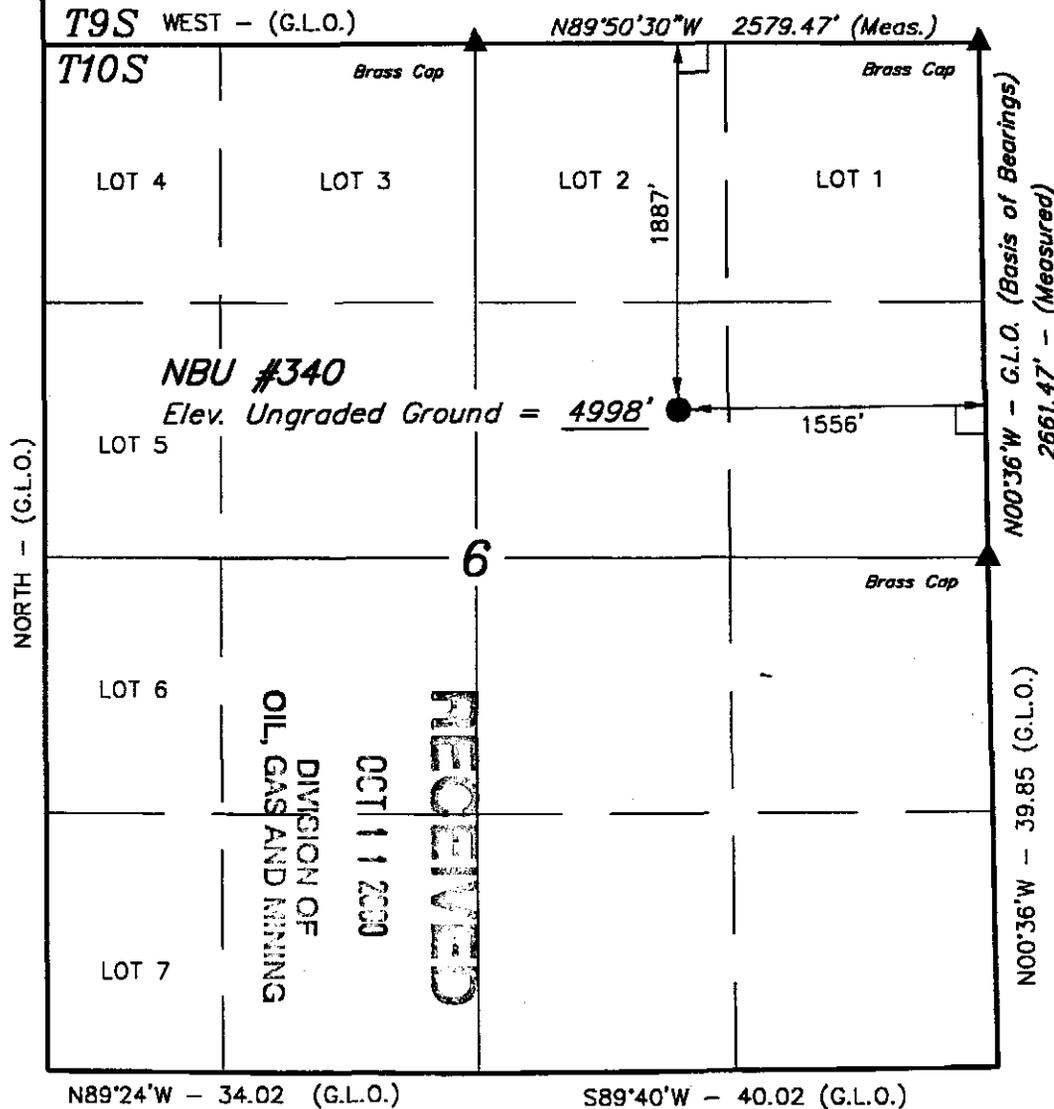
COASTAL OIL & GAS CORP.

Well location, NBU #340, located as shown in the SW 1/4 NE 1/4 of Section 6, T10S, R22E, S.L.B.&M., Uintah County, Utah.

R
21
E

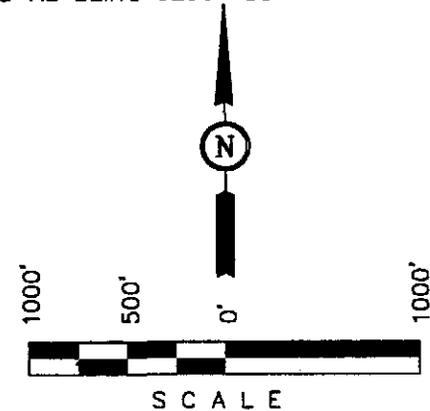
R
22
E

T10S, R22E, S.L.B.&M.



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, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.



CERTIFICATE

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

REG. NO. 161319

Robert L. [Signature]

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

| | | |
|--|---------------------------------|-------------------------|
| UINTAH ENGINEERING & LAND SURVEYING | | |
| 85 SOUTH 200 EAST - VERNAL, UTAH 84078 | | |
| (435) 789-1017 | | |
| SCALE 1" = 1000' | DATE SURVEYED: 09-01-98 | DATE DRAWN: 09-04-98 |
| PARTY D.K. M.A. D.R.B. | REFERENCES G.L.O. PLAT | |
| WEATHER WARM | FILE COASTAL OIL & GAS CORP. | |

LEGEND:

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



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 • PO BOX 1148 • VERNAL UT 84078 • 435/789-4433 • FAX 435/789-4436

Natural Buttes Unit #340
SW/NE Sec. 6, T10S,R22E
UINTAH COUNTY, UTAH
U-01195

ONSHORE ORDER NO. 1
COASTAL OIL & GAS CORPORATION

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers:

| <u>Formation</u> | <u>Depth</u> |
|------------------|--------------|
| KB | 5125' |
| Green River | 1355' |
| Wasatch | 4435' |
| Mesaverde | 6935' |
| Lower Mesaverde | 9235' |
| TD | 9350' |

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

| <u>Substance</u> | <u>Formation</u> | <u>Depth</u> |
|------------------|------------------|--------------|
| | Green River | 1355' |
| Gas | Wasatch | 4435' |
| Gas | Mesaverde | 6935' |
| | Lower Mesaverde | 9235' |
| Water | N/A | |
| Other Minerals | N/A | |

3. Pressure Control Equipment (Schematic Attached)

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

4. Proposed Casing & Cementing Program:

Please see the Natural Buttes Unit SOP.

5. Drilling Fluids Program:

Please see the Natural Buttes Unit SOP.

6. Evaluation Program:

Please see the Natural Buttes Unit SOP.

7. Abnormal Conditions:

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Maximum anticipated bottomhole pressure calculated at 9350' TD, approximately equals 3,740 psi (calculated at 0.4 psi/foot). Maximum anticipated surface pressure equals approximately 1,683 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

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

9. **Variations:**

Please see Natural Buttes Unit SOP.

10. **Other Information:**

Please see Natural Buttes Unit SOP.

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**Natural Buttes Unit #340
SW/NE Sec. 6,T10S,R22E
UINTAH COUNTY, UTAH
U-01195**

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

An onsite inspection was conducted for the NBU #340 on 9/22/00, for the subject well.

1. Existing Roads:

The proposed well site is approximately 21 miles southeast of Ouray, Utah. Directions to the location from Ouray, Utah:

Proceed in a westerly direction from Vernal, Utah, along U.S. Highway 40 approximately 14.0 miles to the junction of state highway 88; exit left and proceed in a southerly direction approximately 17.0 miles to Ouray, Utah; proceed in a southerly direction approximately 6.9 miles on the Seep Ridge Road to the junction of this road and an existing road to the east; turn left and proceed in an easterly direction approximately 5.0 miles to the junction of this road and an existing road to the north; turn left and proceed in a northerly direction approximately 0.3 miles to the junction of this road and an existing road to the northeast; turn right and proceed in a northeasterly direction approximately 4.8 miles the junction of this road and an existing road to the south; turn right and proceed in a southerly then southeasterly direction approximately 3.7 miles to the junction of this road and an existing road to the east; proceed in an easterly then southeasterly direction approximately 0.3 miles to the proposed location.

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

2. Planned Access Roads:

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

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

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

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities:

Please see the Natural Buttes Unit SOP.

Refer to Topo Map D for the location of the proposed pipeline.

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5. Location and Type of Water Supply:

Please see the Natural Buttes SOP.

6. Source of Construction Materials:

Please see the Natural Buttes SOP.

7. Methods of Handling Waste Materials:

Please see the Natural Buttes SOP.

8. Ancillary Facilities:

Please see the Natural Buttes SOP.

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

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

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

As per previous onsite discussions, a reserve pit liner will be required.

10. Plans for Reclamation of the Surface:

Please see the Natural Buttes SOP.

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

| | |
|--------------------|--------|
| Gardena Salt Brush | 6 lbs. |
| Shad Scale | 6 lbs. |

11. Surface Ownership:

The well pad and access road are located on lands owned by:

United States of America
Bureau of Land Management
170 South 500 East
Vernal, UT 84078
(435)781-4400

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12. Other Information:

A Class III archaeological survey was conducted by Metcalf Archaeological Consultants. A copy of this report is attached.

13. Lessee's or Operator's Representative & Certification:

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

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

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

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

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

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


Cheryl Cameron

9/29/00
Date

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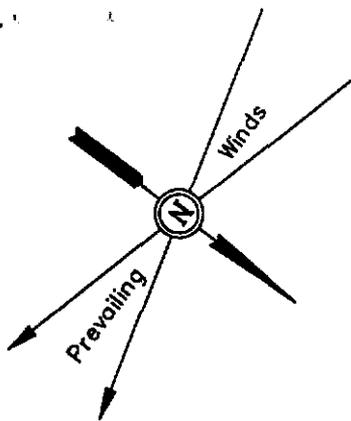
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COASTAL OIL & GAS CORP.

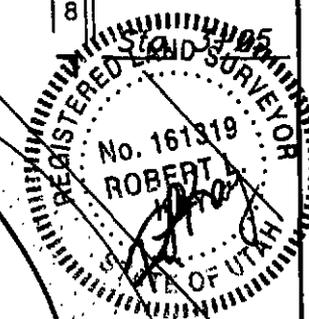
LOCATION LAYOUT FOR

NBU #340
SECTION 6, T10S, R22E, S.L.B.&M.
1887' FNL 1556' FEL

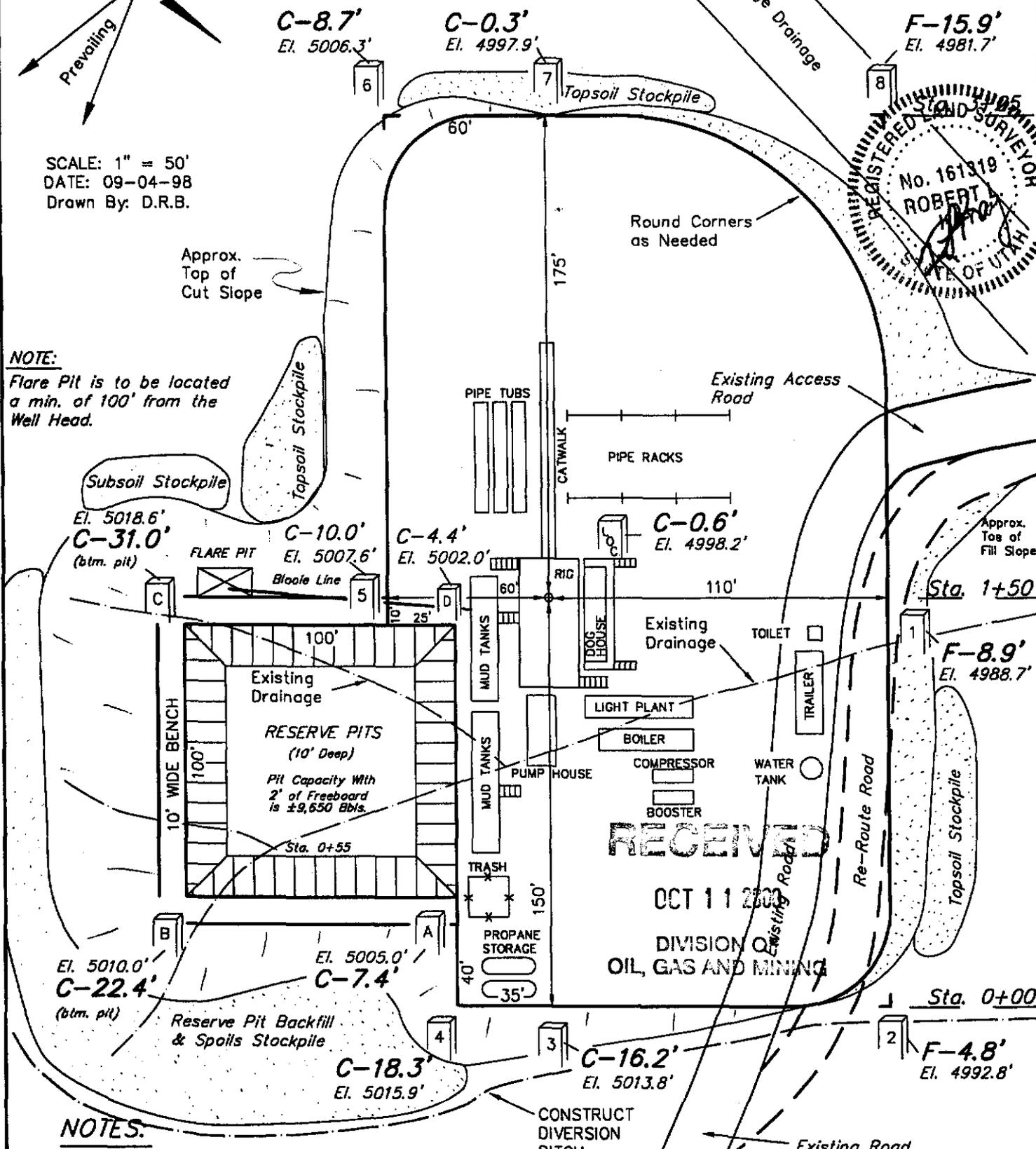
FIGURE #1



SCALE: 1" = 50'
DATE: 09-04-98
Drawn By: D.R.B.



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



NOTES:

Elev. Ungraded Ground At Loc. Stake = 4998.2'
FINISHED GRADE ELEV. AT LOC. STAKE = 4897.6'

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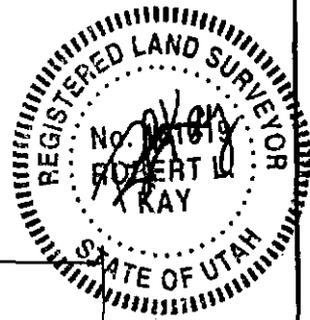
COASTAL OIL & GAS CORP

TYPICAL CROSS SECTIONS FOR

NBU #340

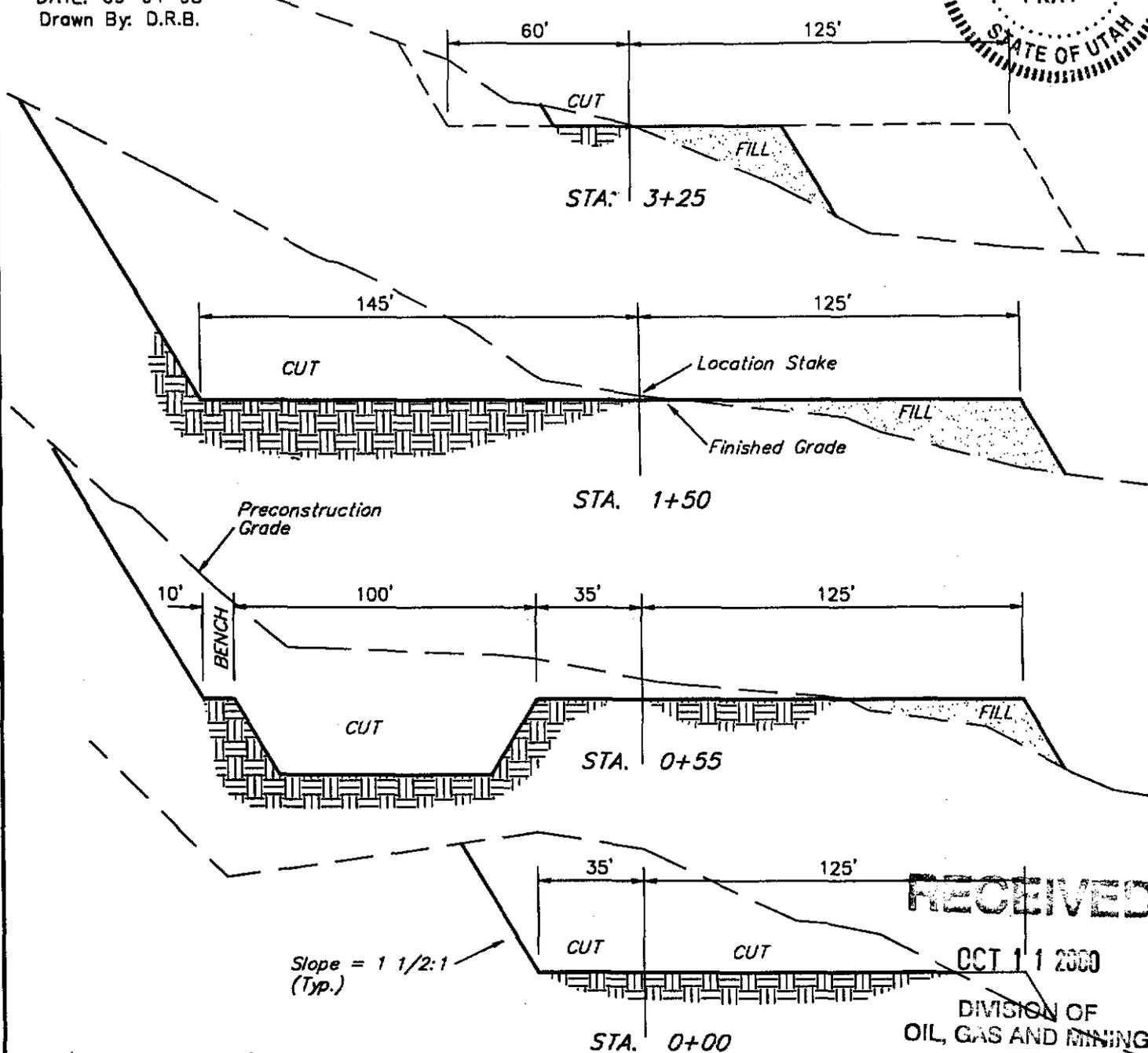
SECTION 6, T10S, R22E, S.L.B.&M.

1887' FNL 1556' FEL



1" = 20'
X-Section Scale
1" = 50'

DATE: 09-04-98
Drawn By: D.R.B.



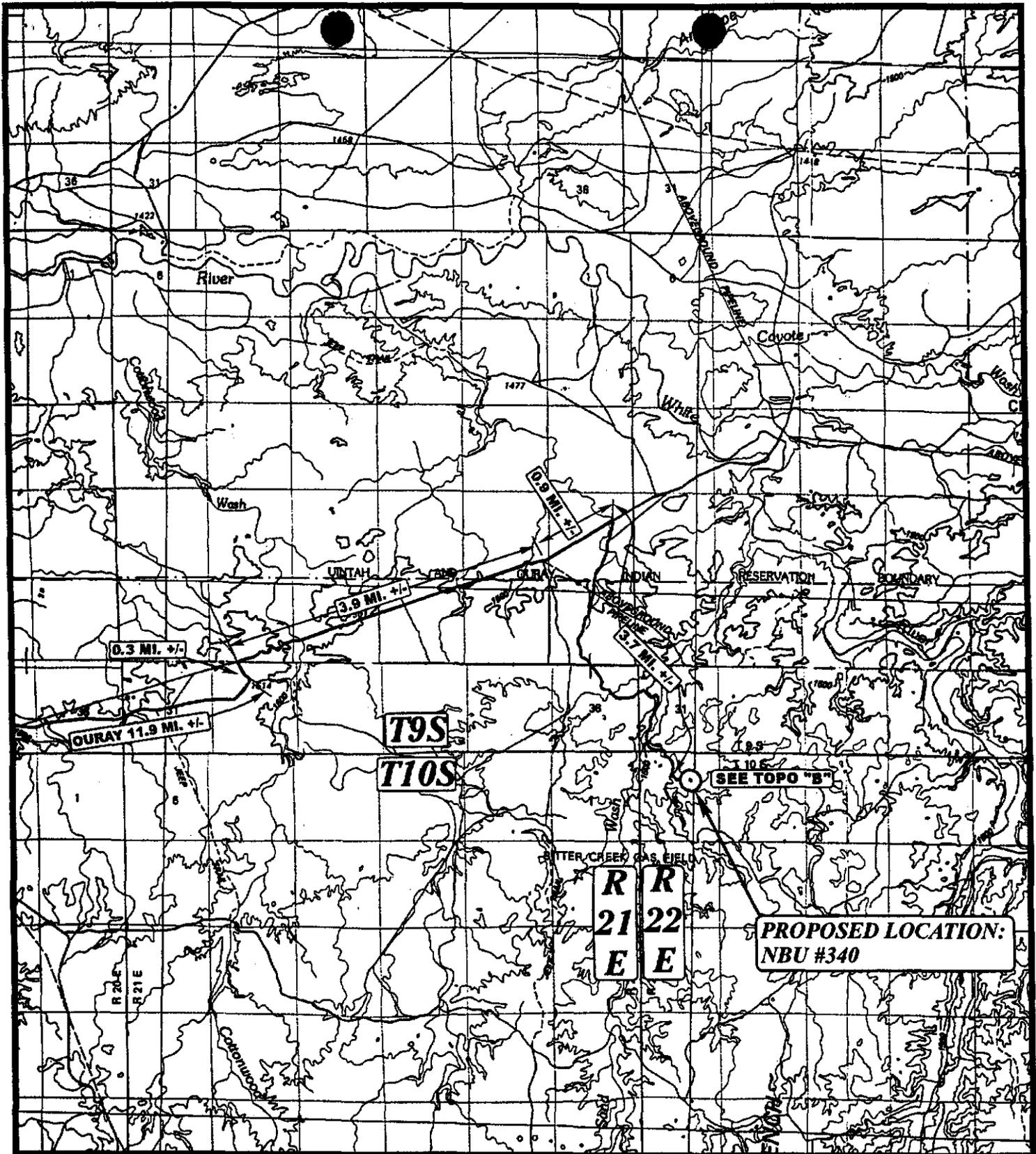
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FIGURE #2

APPROXIMATE YARDAGES

| | |
|------------------------|-------------------------|
| CUT | |
| (6") Topsoil Stripping | = 1,230 Cu. Yds. |
| Remaining Location | = 13,960 Cu. Yds. |
| TOTAL CUT | = 15,190 CU.YDS. |
| FILL | = 7,560 CU.YDS. |

| | |
|---|------------------|
| EXCESS MATERIAL AFTER 5% COMPACTION | = 7,230 Cu. Yds. |
| Topsoil & Pit Backfill (1/2 Pit Vol.) | = 2,570 Cu. Yds. |
| EXCESS UNBALANCE (After Rehabilitation) | = 4,660 Cu. Yds. |



LEGEND:

⊙ PROPOSED LOCATION

COASTAL OIL & GAS CORP.

NBU #340

SECTION 6, T10S, R22E, S.L.B.&M.

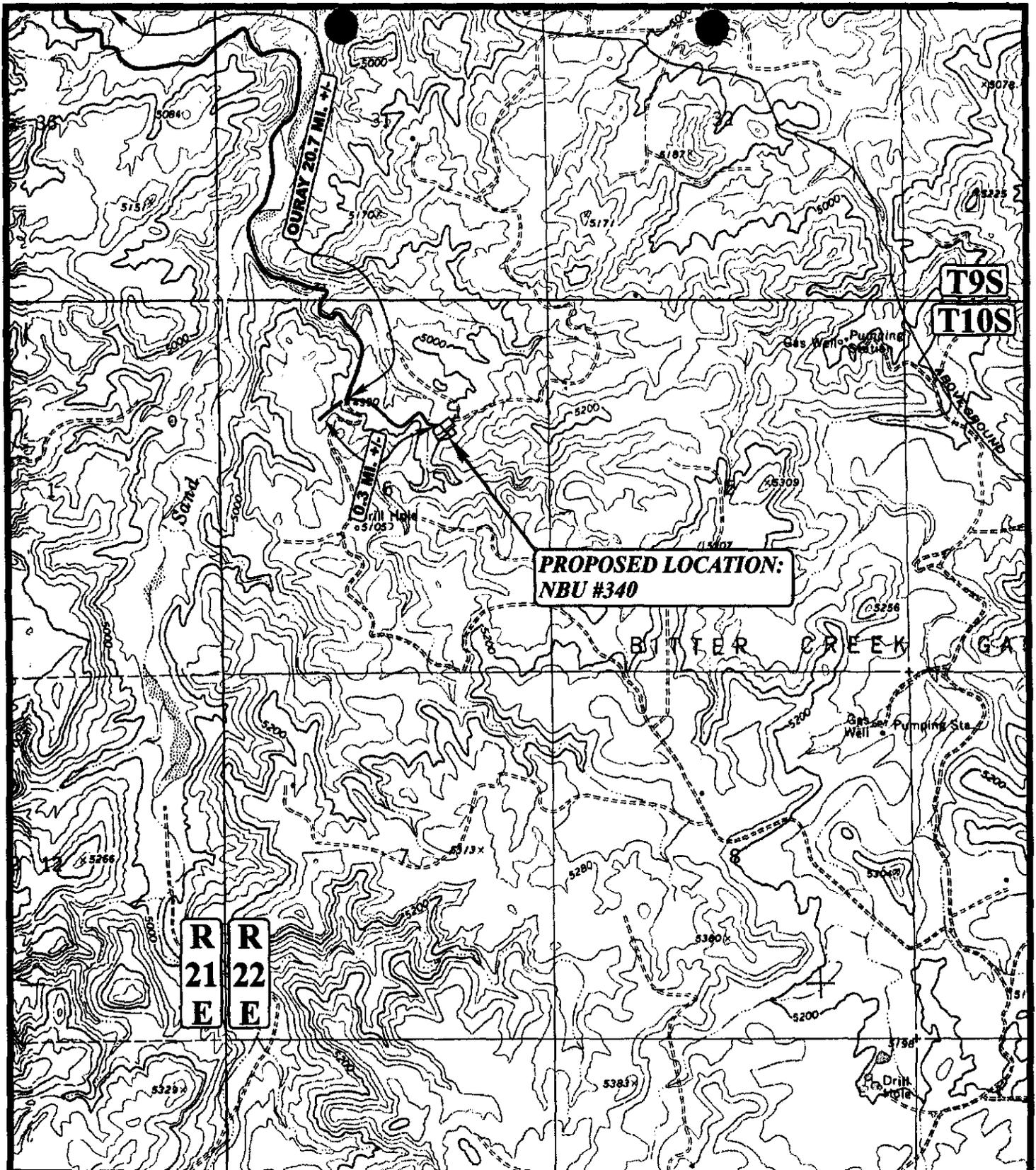
1887' FNL 1556' FEL

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



TOPOGRAPHIC 9 4 98
M A P MONTH DAY YEAR
 SCALE: 1:100,000 DRAWN BY: D.COX REVISED: 00-00-00

A
 TOPO



LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD

COASTAL OIL & GAS CORP.

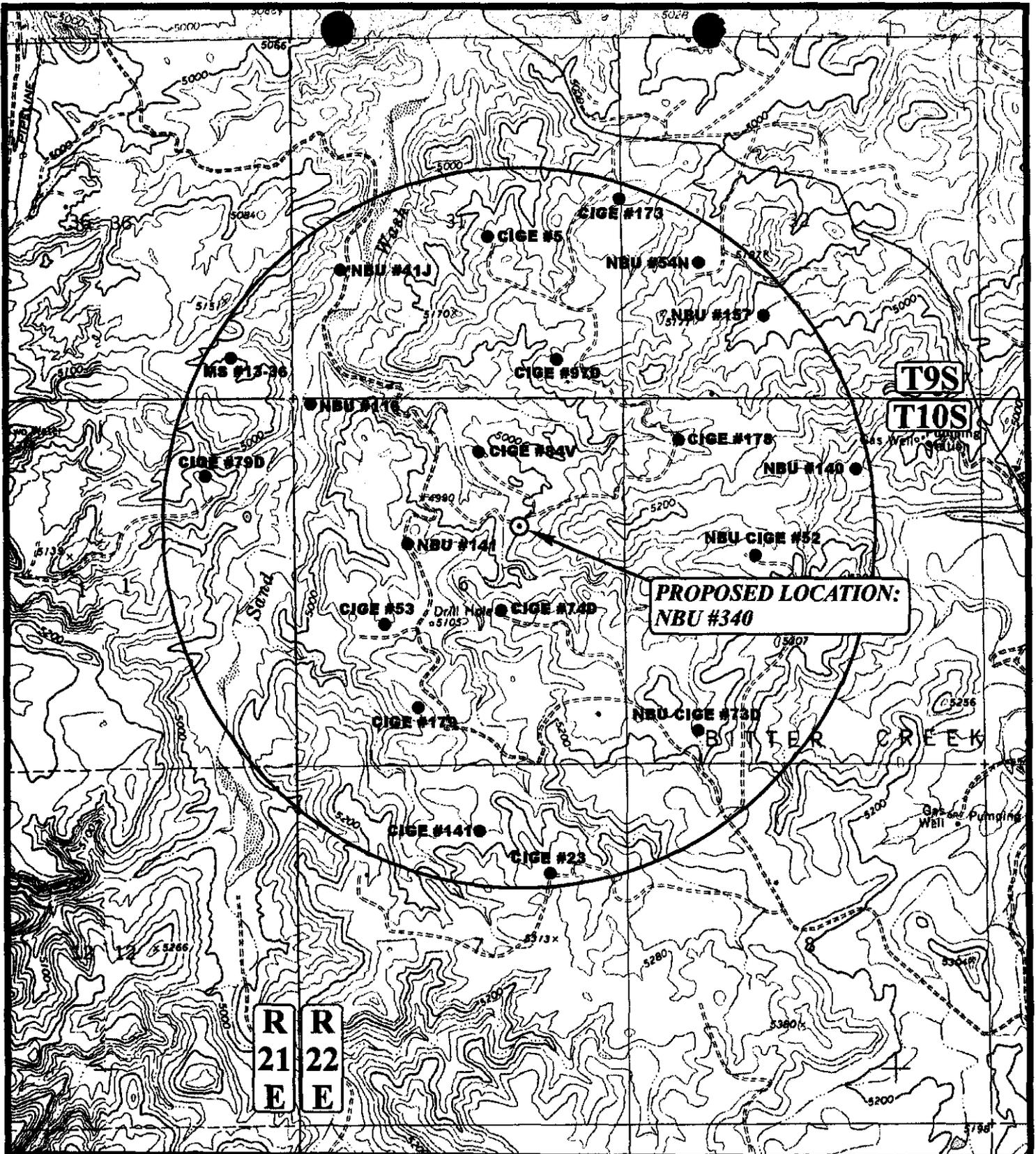
NBU #340
 SECTION 6, T10S, R22E, S.L.B.&M.
 1887' FNL 1556' FEL

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



TOPOGRAPHIC 9 4 98
MAP MONTH DAY YEAR
 SCALE: 1" = 2000' | DRAWN BY: D.COX | REVISED: 00-00-00

B
 TOPO



LEGEND:

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

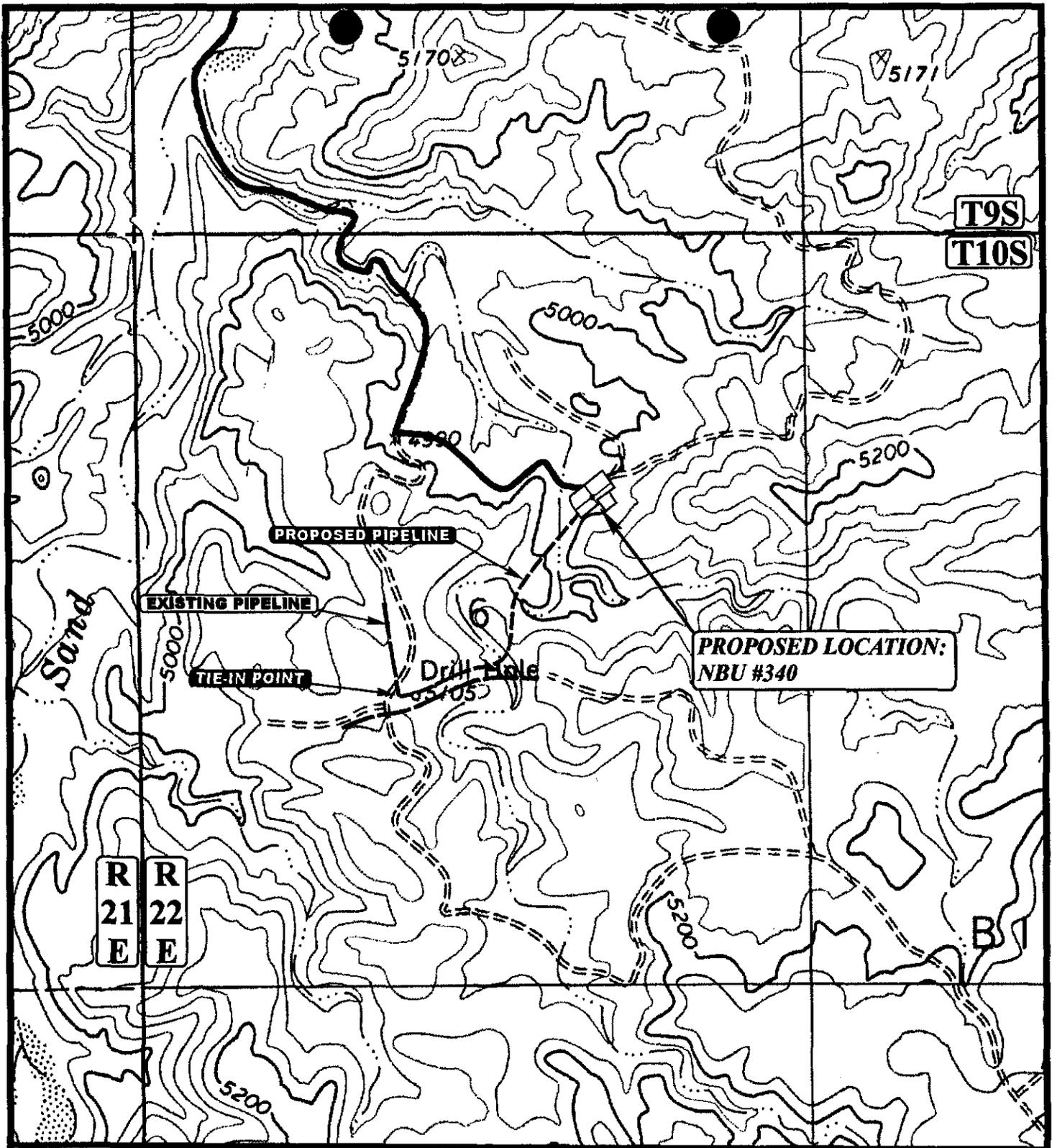
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NBU #340
SECTION 6, T10S, R22E, S.L.B.&M.
1887' FNL 1556' FEL

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



TOPOGRAPHIC **9** **4** **98**
MAP MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: D.COX REVISED: 00-00-00 **C**
 TOPO



APPROXIMATE TOTAL PIPELINE DISTANCE = 2,000' +/-

LEGEND:

- EXISTING PIPELINE
- - - PROPOSED PIPELINE
- PROPOSED ACCESS

COASTAL OIL & GAS CORP.

NBU #340

SECTION 6, T10S, R22E, S.L.B.&M.

1887' FNL 1556' FEL



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

TOPOGRAPHIC
MAP

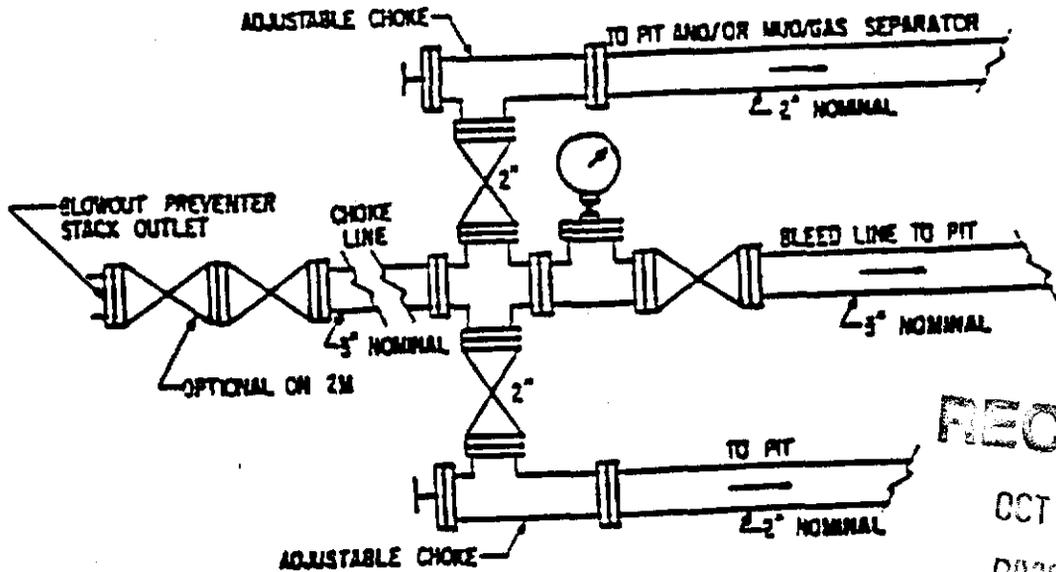
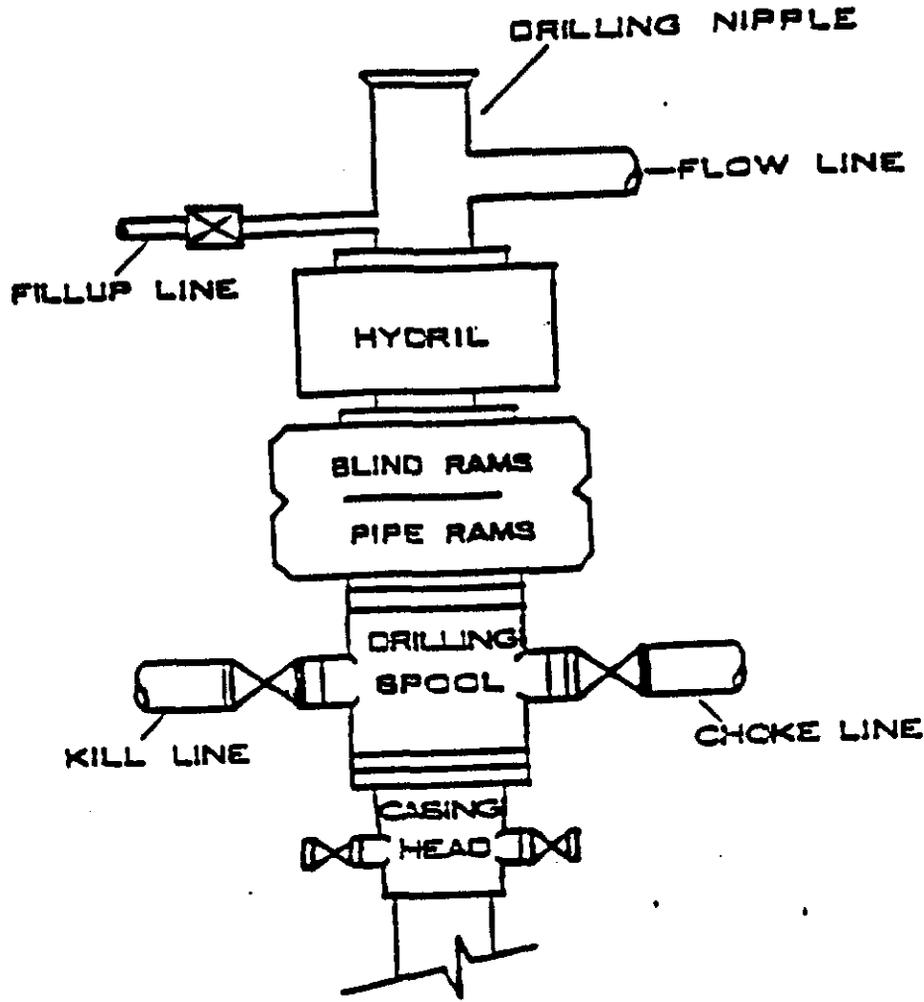
| | | |
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| 9 | 4 | 98 |
| MONTH | DAY | YEAR |

SCALE: 1" = 1000' | DRAWN BY: D.COX | REVISED: 00-00-00



3,000 PSI

BOP STACK



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OIL, GAS AND MINING



M A C
Metcalf Archaeological Consultants, Inc.

~~DENVER DISTRICT - E & S~~

NBU 340

November 4, 1998

NOV 5 1998

Ms. Sheila Bremer
Coastal Oil & Gas Corp.
P. O. Box 749
Denver, CO 80201-0749

BLC ___ RAD ___ SCP ___ CEL ___
SAB ___ JRN ___ MDE ___ LPS ___

cc: *dry*
RJLO
PEB

Dear Ms. Bremer:

Enclosed is Metcalf Archaeological Consultants, Inc. (MAC) cultural resource inventory covering ten Coastal Oil & Gas well projects in Uintah County, Utah. One well, NBU #316 is on Uintah Indian Tribal lands. The inventory for this well project was negative. The other nine are on BLM administered lands. One of these CIGE #249 is very near previously recorded site 42UN663. This prehistoric site has been evaluated as non-significant and no further work is necessary concerning the site or well project. The other remaining eight well inventories were all negative. No significant cultural resources will be impacted by construction of these ten projects. Cultural resource clearance is recommended for all ten Coastal Oil & Gas projects.

If you have any questions or need further assistance please do not hesitate to contact us.

Sincerely,

Michael D. Metcalf
Principal Investigator

MDM/sjm

Enclosure

cc: Blaine Phillips, BLM Vernal District, Vernal, UT
Betsie Champoos, Cultural Rights and Protection, UIT, Ft. Duchesne, UT
Ferron Secakuku, Energy and Minerals, UIT, Ft. Duchesne, UT
Dale Hanberg, Bureau of Indian Affairs, Ft. Duchesne, UT
Amy Huslein, Bureau of Indian Affairs, Phoenix, AZ

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Coastal Oil & Gas Company: Ten Well Projects,
Class III Cultural Resource Inventory,
Uintah County, Utah

prepared by
Sally J. Metcalf
Metcalf Archaeological Consultants, Inc.
P.O. Box 899
Eagle, CO 81631

prepared for
Coastal Oil & Gas Company
Denver, CO

Bureau of Land Management
Cultural Resources Permit # 98-UT-54945
expires May 1, 1999

Project No. U-98-MM-0655bi

November 1998

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OIL, GAS AND MINING

Introduction

Metcalf Archaeological Consultants, Inc. (MAC) conducted ten Class III cultural resource inventories in Uintah County, Utah for Coastal Oil and Gas Corporation, Denver, Colorado. These ten well projects are listed in Table 1, which shows the legal location, footage from section lines, total acreage inventoried, access roads and pipeline distances and directions. Figures 1, 2 and 3 depict the well pad locations and associated access and pipeline right-of-ways, plotted on 7.5' USGS quadrangles. Total acreage inventoried during these ten projects equaled 139.9

These cultural resource inventories were conducted to maintain compliance with the National Historic Preservation Act, as amended. The proposed well locations and access roads will be located on land administered by the Bureau of Land Management (BLM), Vernal District Office, Vernal, Utah. The purpose of these inventories was to locate and record cultural resources within the area of potential effect (APE) of the proposed well locations and access roads. If cultural resources were found, their locations were recorded, the appropriate state forms completed (IMAC), a sketch map was drawn, and photographs taken. All recorded cultural resources would then be evaluated for eligibility to the National Register of Historic Places (NRHP), and recommendations concerning their management discussed.

On October 21, 22 and 23, 1998, John C. Scott, staff archaeologist with Metcalf Archaeological Consultants, Inc., conducted cultural resource inventories for ten proposed well pads, associated access roads and pipeline routes. All of these locations were staked and flagged at the time of the inventories. All field notes and other pertinent data are on file at Metcalf Archaeological Consultants, Inc. Eagle, CO.

Management Summary

Nine of the cultural resource inventories ended up being negative, resulting in no cultural material being recorded. For the 10th well pad, CIGE #249-8-10-22, a previously recorded site (42UN663) is located within the ten-acre block inventoried for the well pad. This is a rock shelter that has been evaluated as a non-significant prehistoric site. During this current study the site was visited, recorded on updated site forms and reevaluated. The field archaeologist concurs with the original evaluation of non significant making the site not eligible for the National Register of Historic Places. Cultural resource clearance is recommended for the ten proposed wells, access and pipeline routes as staked at the time of the survey and depicted in Figures 1, 2 and 3.

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Table 1**Well Locations and Accompanying Information**

| <u>Well</u> | <u>Legal T/R/S</u> | <u>Footage</u> | <u>Access Dis/Dir</u> | <u>Pipeline Dis/Dir</u> | <u>Acres</u> |
|----------------------|--------------------|-----------------|-----------------------|-------------------------|--------------|
| NBU #316 | 9S 21E/11 | 2127FNL 1814FEL | 305m E | 1920m NW | 16.5 |
| NBU #337 | 10S 22E/04 | 2495FSL 1972FWL | in block | in block | 10.0 |
| NBU #338 | 10S 22E/05 | 2296FSL 0709FEL | 150m S | 360m SE | 13.7 |
| NBU #339 | 10S 22E/05 | 2186FSL 2330FEL | 30m SW | 450m SE | 13.5 |
| NBU #340 ✓ | 10S 22E/06 | 1887FNL 1556FEL | in block | 600m S | 14.4 |
| NBU #341 | 10S 22E/06 | 2459FNL 606FWL | 390m S | 300m E | 15.1 |
| NBU #344 | 10S 22E/08 | 2299FNL 1906FEL | in block | 330m NE | 12.4 |
| NBU #351 | 10S 22E/30 | 688FSL 728FEL | 380m SW | in block | 12.8 |
| CIGE #249-8-10-22 | 10S 22E/08 | 771FNL 783FWL | 300m E | 300m E | 14.4 |
| CIGE #250-8-10-22 | 10S 22E/08 | 1766FSL 341FEL | in block | 970m N | 17.1 |
| Total Acres | | | | | 139.9 |

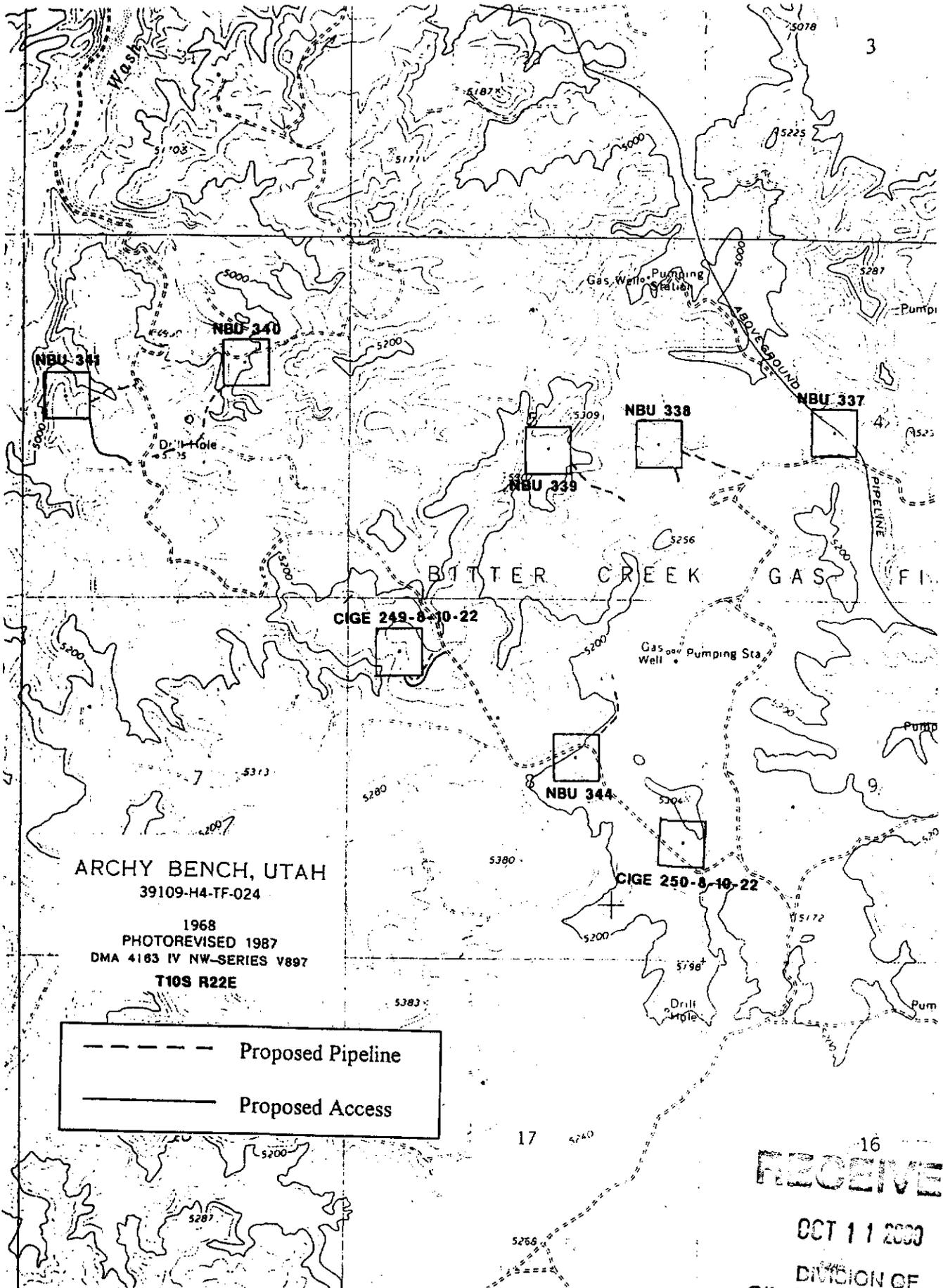
Effective Environment

The project area is located in the Uinta Basin physiographic subdivision of Utah (Stokes 1977). All of the proposed well projects are a few miles south and east/or of the White River. The overall area consists of high ridges and deeply incised intermittent drainages. Geology of the area is dominated by the Eocene Uintah Formation and is often overlain by alluvial surficial deposits. Occasional outcrops of the Green River Formation may also be present (Hintze 1980). Local vegetation is predominantly a sagebrush or shadscale community, which includes low sagebrush, bunch grasses, saltbush, prickly pear cactus, and various grasses and forbs. Specific well, access and pipeline locations are discussed below.

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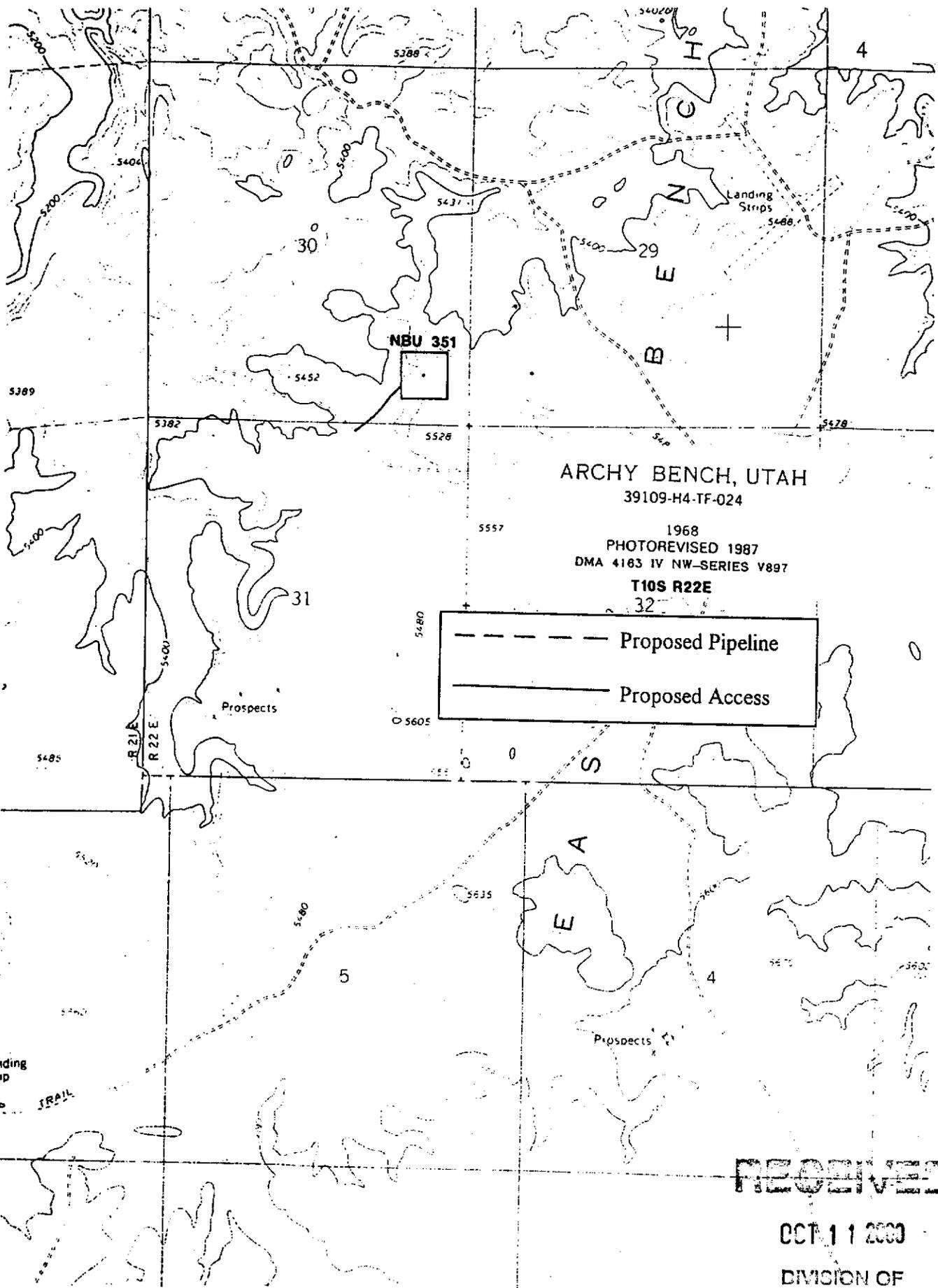


ARCHY BENCH, UTAH
39109-H4-TF-024

1968
PHOTOREVISED 1987
DMA 4163 IV NW-SERIES V897
T10S R22E

----- Proposed Pipeline
 _____ Proposed Access

16
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ARCHY BENCH, UTAH
39109-H4-TF-024

1968
PHOTOREVISED 1987
DMA 4163 IV NW-SERIES V897
T10S R22E
32

--- Proposed Pipeline
— Proposed Access

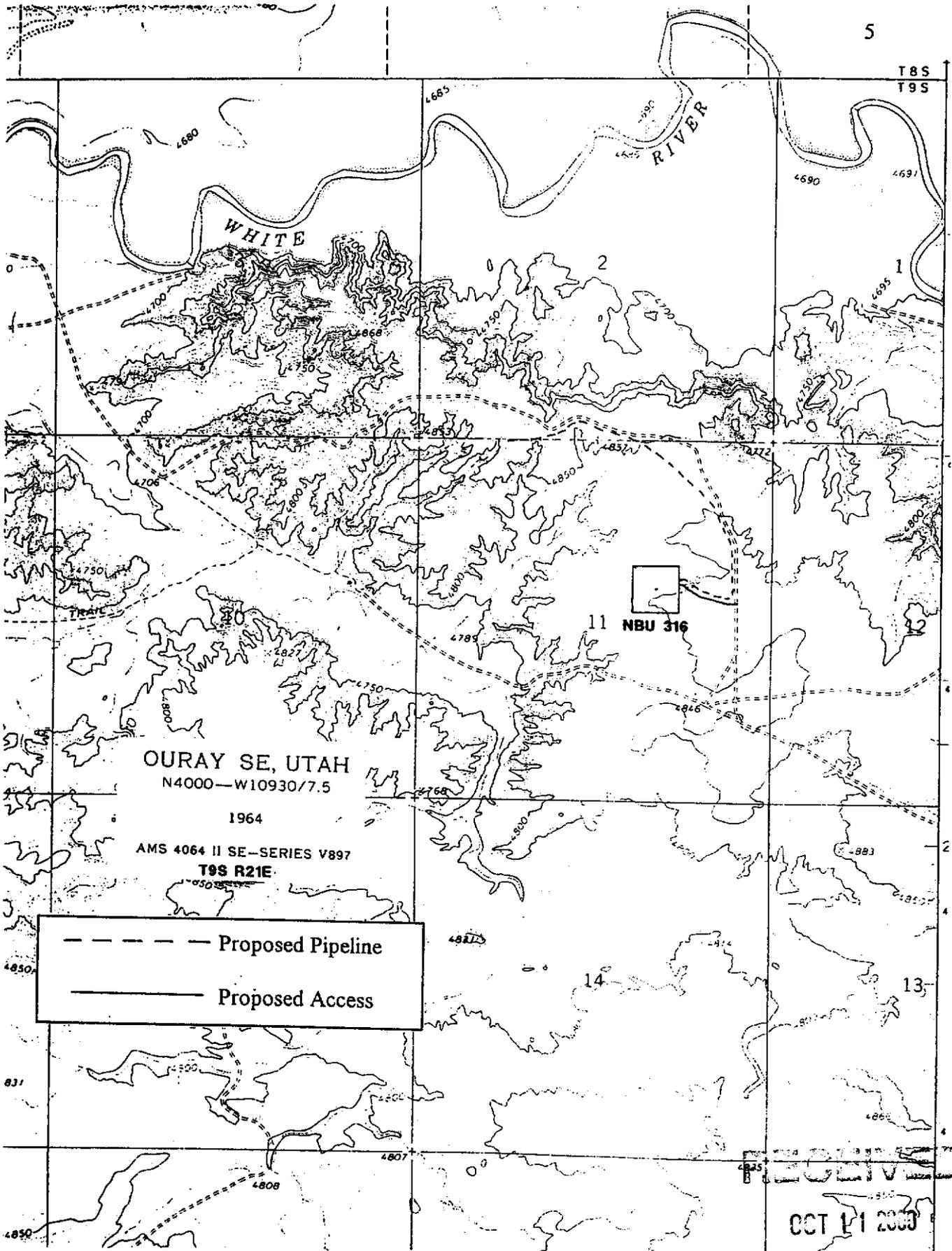
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5

T8S
T9S



----- Proposed Pipeline
 _____ Proposed Access

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NBU #316

T 9 R21E Section 11 NE/SW/NE

The proposed well is located a half mile south of the White River. The ten-acre block is situated on mostly flat terrain with a gentle slope to the north-northwest. Drainage of this area is via sloping to the north-northwest into a deep ephemeral drainage. This in turn drains into an unnamed intermittent drainage which flows north to the White River. Ground surface visibility is good at around 70-75%. Vegetation cover consists of shadscale and sagebrush with mixed grasses. Soils are a sandy clay covered with a sparse sand shadow. In deflated areas a few chert and quartzite pebbles are exposed. The proposed well access leaves an existing north-south oil field road from the SE/SE/NE of section 11. The road will proceed to the west for about 305 meters and tie into the northeast edge of the well pad. A proposed pipeline is staked along the northern edge of the proposed access. The pipeline r-o-w continues on to the north following the existing road through the northeast quarter of the section, into and along the extreme southern portion of section 2. The pipeline route leaves the road and goes south where it will tie into an existing pipeline in the NE/NW/ NW of section 11. The total length for the proposed pipeline is 1920meters.

NBU #337

T10S R22E Section 4 NW/NE/SW

This proposed location is on the east side of an unnamed intermittent drainage. The pad is on a bench which forms the east side of this drainage. Flowing to the north, the drainage empties into the White River after one and a half miles. The vegetation cover in this area is extremely sparse, only around 10%. This ground cover is predominately sagebrush with some sparse grasses and forbs mixed in. Soils are a grayish silty clay which is armored with variegated sandstone cobbles and blocks. The access is extremely short coming off an existing road 30 meters to the south. The proposed pipeline ties into an existing pipeline which is found immediately northeast of the well pad location. Both these routes fall within the ten acres inventoried for the well pad.

NBU #338

T10S R22E Section 5 NW/NE/SE

Proposed well NBU-338 is located on the south side of an unnamed intermittent drainage. It is situated on a small ledge above the drainage. The northern and northeast portion of the ten-acre block continues down into the drainage bottom. This unnamed intermittent drainage flows generally northward for two miles before emptying into the White River. Vegetation is dominated by a sagebrush community except along the drainage where greasewood becomes the primary plant. Surface visibility is excellent at 90% outside of the drainage but decreases to around 80% in the drainage. Soils above the drainage are a hard pan armored with small gravels while in the drainage the soil composition becomes

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an alluvial sand. Proposed access to the well pad begins from an existing road about 150 meters to the south. The proposed pipeline travels 360 meters east-southeast from the southeast side of the proposed pad to an existing pipeline in the NW/SW of section 4.

NBU #339
T10S R22E Section 5 NW/NW/SE

The NBU-339 well pad is staked southwest of a sandstone butte on a fairly flat bench. This bench is situated above a deep intermittent drainage, which is along the bench's south and east sides. The drainage ends up flowing north about two miles to empty into the White River. Vegetation is a shadscale community dominated by various grasses. Ground surface visibility is excellent since the vegetation cover amounts to only about 10%. Soils present are a gray hard pan silt armored with tabular sandstone cobbles. The butte to the southwest is exposed sandstone. The proposed access road leaves an existing oil field road 30 meters off the extreme southwest corner of the ten-acre block. The proposed pipeline departs the pad's eastern side and travels southeast for approximately 450 meters to an existing pipeline in the center of the southeast quarter of the section.

NBU #340
T10S R22E Section 6 NE/SW/NE

This proposed location is staked on the east side of an unnamed intermitted drainage. The ten-acre block extends down to the east into the drainage bottom. This drainage is a tributary of Sand Wash located about a half mile to the west. Sand Wash flows generally north for about three miles before flowing into the White River. Vegetation is a shadscale community dominated by saltbush, sparse grasses and forbs covering a very sparse 5% of the ground surface. The entire area is extremely deflated and the soils consist of degraded clay armored in many places by reddish brown and brown sandstone gravels and cobbles. Access to the proposed well pad is via an existing oil field road trending east-west through the ten-acre block. The proposed pipeline departs the pad area from the southwest corner and proceeds southwest for about 600 meters to an existing pipeline in the center of the NE/SW of the section.

NBU #341
T10S R22E Section 6 SW/SW/NW

NBU #341 is staked at the north end of a relatively level finger-like ridge with steep drop offs to the west, north and northeast. The project area drains by slope wash to the west into the intermittent known as Sand Wash. Sand Wash flows north three miles to empty into the White River. Vegetation covers only about 10% of the ground surface. This ground cover contains basically sagebrush with little else present. Soils are a hard pan clay armored with sandstone cobbles. The proposed access road leaves an existing oil field road in the SW/NE/SW of the section and proceeds northwest for approximately 390

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meters to the southern edge of the well pad. The proposed pipeline leaves the southeast corner of the well pad and travels east for about 300 meters to an existing pipeline in the SW/SE/NW of the section near the existing NBU #141 well.

NBU #344

T10S R22E Section 8 SW/SW/NE/

Proposed well NBU #344 is located just south of a series of sandstone bluffs that form the southern edge of a ridge. Sandstone boulders have exfoliated off the bluff face and are scattered across the northern portion of the ten-acre block. Drainage of the area is provided by an unnamed intermittent drainage to the east. This drainage flows north about two miles and empties into the White River. Vegetation cover is sparse, around 5-10%, and consists of sagebrush and shadscale with limited grasses and cacti. Soils consist of a hard pan armored with small sandstone pebbles. The northern portion is a loose colluvium with numerous sandstone cobbles, blocks and boulders from the bluffs. Access to the well pad is via an existing oil field road coming down from the northwest of the section. The proposed pipeline leaves the pad from the northeast corner and proceeds northeast about 330 meters to an existing pipeline near the center of the southeast quarter of section 8.

NBU #351

T10S R22E Section 30 NW/SE/SE

This proposed well location is staked in an area known as East Bench. The pad will be built along a series of small ledges in a shallow cove formed by surrounding ridges. Intermittent drainages are found to the east and west. Both these flow generally north into Sand Wash, a tributary to the White River which is eight miles to the north. Ground cover in the pad area was only around 10% while along the access this cover increased to about 25%. This is a sagebrush shrubland consisting of mainly sagebrush with sparse grasses and forbs mixed in. There is very little, if any, deposition on the grayish clay hard pan found in the pad area. Along the access road a small flat exists which has a very shallow cover of aeolian sand. The proposed access road leaves an existing road in the NE/NW/ NE of section 31 and proceeds northeast for approximately 380 meters to the west edge of the pad. An existing pipeline runs east-west along the north edge of the proposed pad all within the ten-acre block.

CIGE #249-8-10-22

T10S R22E Section 8 C/NW/NW

Proposed CIGE #249-8-10-22 is staked on the south side of an east-west trending ridge just above and east of an unnamed tributary of Sand Wash. This general area slopes eastward and drains into the intermittent tributary and eventually into Sand Wash. Sand Wash is an intermittent tributary to the White River. Vegetation is basically a shadscale

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and mixed grasses community dominated by saltbush. Ground surface cover is around 15%. Both the proposed access road and pipeline follow the same route, which is about 300 meters long. These both depart an existing road and pipeline in the SW/NE/NW of the section and proceed first southwest and then turn back to the northwest to tie into the southeast corner of the proposed pad.

CIGE #250-8-10-22

T10S R22E Section 8 SE/NE/SE

The proposed CIGE #250-8-10-22 is located on the south side of an east-west trending ridge. An unnamed intermittent drainage cuts along the west edge of the ten-acre block. This drainage flows generally north to empty into Sand Wash, an intermittent tributary to the White River. The White River is three miles to the northeast. Vegetation is a shadscale community dominated by saltbush with mixed sparse grasses and forbs. Ground surface visibility excellent at 80%. Soils consist of a thick sand sheet. The drainage which cuts along the west edge offers a good view to subsurface deposits in and below the sand sheet. There is no evidence that buried cultural material exists in the sand sheet. Access to the pad will be provided by an existing oil field road that passes diagonally (NW-SE) through the ten-acre block. The proposed pipeline leaves the southeast corner of the pad and follows the same existing oil field road east into section 9. Then the proposed pipeline, and existing road, turns to the north and continues on to the SW/NW/NW of section 9 to tie into an existing pipeline. Total length of the pipeline is about 970 meters.

Files Search

A file search was requested from the Cultural Records Office of the Utah State Historic Preservation Office on July 7, 1998. A second file search was conducted at the Bureau of Land Management (BLM), Vernal District Office on October 22, 1998. The file searches resulted in only one previous inventory being reported within the APE for the ten proposed well pad projects. This was a cultural resource study in 1978 by Archeological-Environmental Research Corporation (AERC) called the Natural Buttes Cultural Mitigation Study. Portions of this study are encountered in the NBU #344 and CIGE #249-8-10-22 project areas. Due to the age of this study, and the fact that study blocks do not entirely cover the APE for NBU #344 and CIGE #249, both of these projects were inventoried during this current study. A previously recorded site (42UN663) was discovered during the 1978 AERC study. This site is located northwest of the CIGE #249 center stake.

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Methods

The ten proposed Coastal Oil & Gas Company well locations, access roads and pipelines were plotted on USGS 7.5' quadrangle maps then surveyed for cultural resource material. The access roads and proposed pipelines were investigated by walking two zigzag transects, one on each side of the center stakes, so that each side received 15 meters (50 ft) of coverage which equaled a total corridor of 30 meters (100 ft). When linear corridors paralleled existing disturbance (CIGE #250) the entire 30 meters was measured from the edge of the disturbance out. The well locations were covered with a ten-acre block centered on the well pad's center stake and oriented to the cardinal directions. This ten-acre block was investigated by walking parallel transects spaced 15 to 20 meters apart. Special attention was given to areas of surface disturbance (i.e., rodent activities, previous construction areas, erosional areas). These areas were carefully inspected for signs of buried cultural material.

Results and Recommendations

The only cultural material encountered on any of the ten projects was the previously record site, 42UN663. The CIGE #249 center stake is 70 meters southeast of this site. This prehistoric site consists of a rockshelter/overhang with associated lithic scatter. It was originally recorded in 1978 by Weber of AERC for the Natural Buttes Cultural Mitigation Study. Also during the study a tool, thought to be an arrow smoother or awl sharpener, was collected and curated at BYU. Debitage consisting of cores and flakes of gray mudstone, red quartzite, white and red chert was observed. Also noted, were two bifaces, a mano, hammerstone, fire-cracked rock (FCR), and a scatter of cans and glass. The present visit observed a nearly similar artifact inventory. The rock shelter is facing 165° (SE) toward a drainage basin. The overhang appears to have formed from wind and water scouring an exposed sandstone face at the base of a small ridge. The shelter is nearly eight feet high at the drip line, angles steeply back and down for five meters, and is approximately 10 meters long. Also, there are reddish and dark gray areas on the ceiling, which may be from fire. The shelter floor slopes to the east, and any deposition that might have been present has been washed away by runoff that flows along the foot of the ridge following the natural slope.

The original recording describes the site as non-significant, lacking depth and diagnostic artifacts, but in good condition. Even though AERC evaluated it as non-significant they recommended avoidance. MAC agrees that the site lacks deposition and diagnostics, and consequently is non-significant. However, the site is heavily deflated by erosional impacts in the form of sheet wash and wind erosion. Consequently the site is in poor condition. Since the site is evaluated as non-significant avoidance is not necessary and no further work is required for the CIGE #249 well project.

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None of the other nine well projects had any cultural material within their project boundaries. Since there are no significant cultural resources within the project boundaries cultural resource clearance is recommended for all ten proposed well projects. No further work is necessary for the wells as staked during field work and depicted in Figures 1, 2 and 3.

References Cited

Hintze, L.

1980 Geologic Map of Utah. Dept.of Natural Resources, Utah Geological and Mineral Survey, Salt Lake City.

Stokes, M.

1977 Physiographic Subdivisions of Utah. Dept.of Natural Resources, Utah Geological and Mineral Survey, Salt Lake City.

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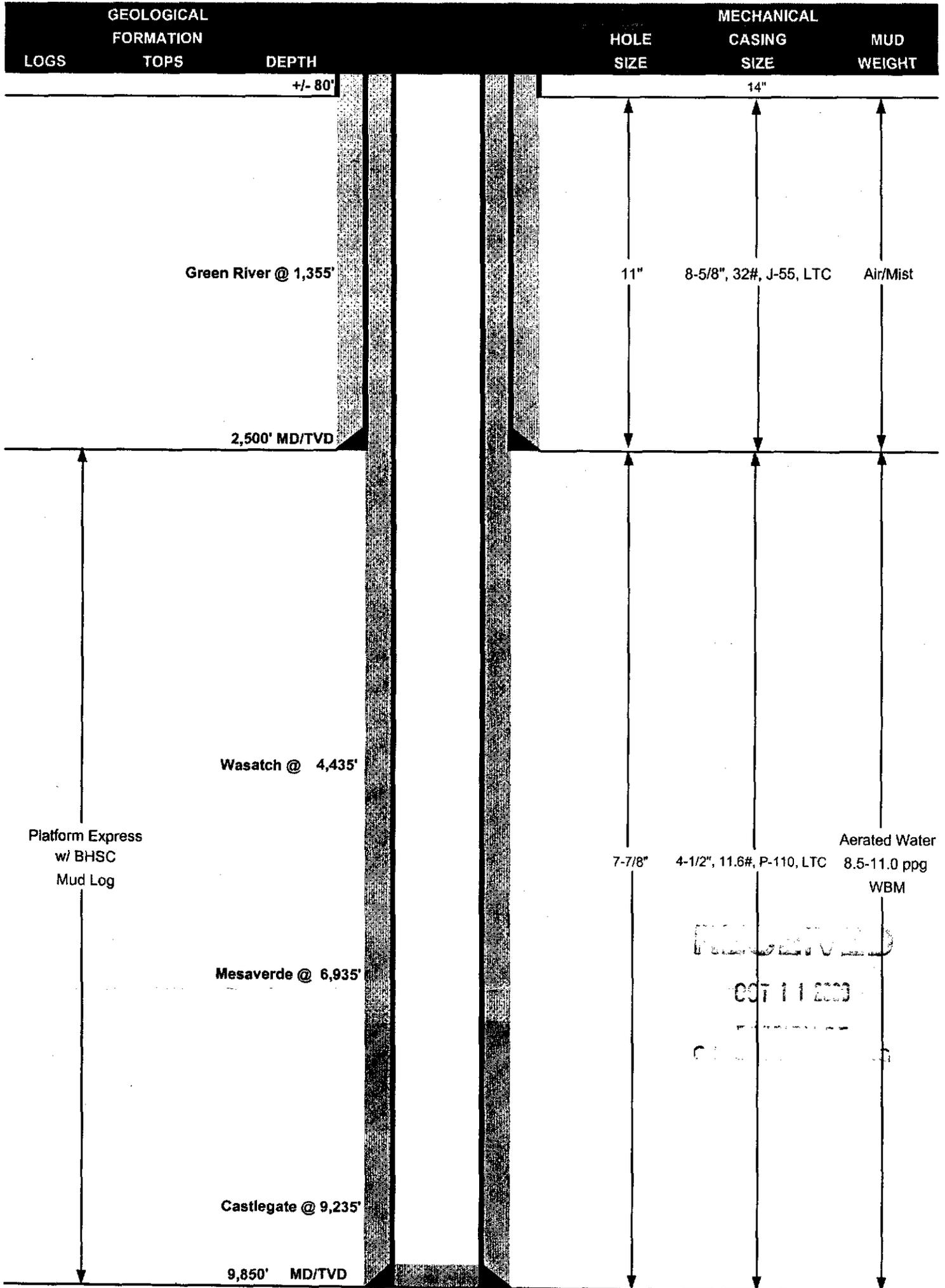
OCT 11 2000

DIVISION OF
OIL, GAS AND MINING

COASTAL OIL & GAS CORPORATION

DRILLING PROGRAM

COMPANY NAME Coastal Oil & Gas Corporation DATE 9/13/00
 WELL NAME NBU #340 TD 9,850' MD/TVD
 FIELD NBU COUNTY Uintah STATE Utah ELEVATION 5,125' KB
 SURFACE LOCATION 1,887' FNL & 1,556' FEL Sec 6 T10S-R22E 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 2.37 | 7,560 1.34 | 279,000 1.30 |

- 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

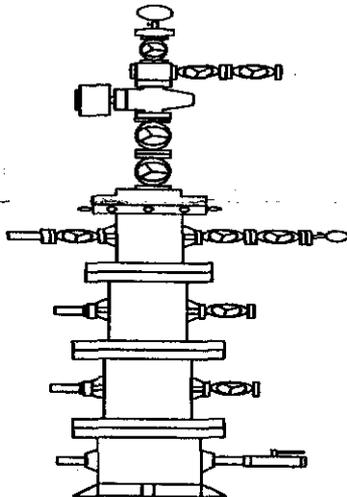
| | | FT. OF FILL | DESCRIPTION | SACKS | EXCESS* | WEIGHT | YIELD |
|------------|------|-------------|---|-------|---------|--------|-------|
| SURFACE | LEAD | 2,000' | Lite Class G + 2% CaCl2 + 0.25 lb/sk Flocele | 420 | 50% | 12.70 | 1.82 |
| | TAIL | 500' | Lite Class G + 2% CaCl2 + 0.25 lb/sk Flocele | 200 | 75% | 15.60 | 1.19 |
| PRODUCTION | LEAD | 4,135' | 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 | 500 | 100% | 11.60 | 3.81 |
| | TAIL | 5,715' | 50/50 Poz + 0.25 lb/sk Flocele + 0.4% HALAD-322 + 2% Gel + 2% Microbond HT + 0.1% HR-5 + 5% Salt | 1790 | 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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OIL, GAS AND MINING

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:

SC - TD

SAMPLES:

As per Geology

CORING:

DST:

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 O₂ 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: _____

COASTAL OIL & GAS CORPORATION
OPERATIONS
C/O ...

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 10/11/2000

| |
|--------------------------------|
| API NO. ASSIGNED: 43-047-33725 |
|--------------------------------|

WELL NAME: NBU 340
 OPERATOR: COASTAL OIL & GAS CORP (N0230)
 CONTACT: CHERYL CAMERON

PHONE NUMBER: 435-781-7023

PROPOSED LOCATION:
 SWNE 06 100S 220E
 SURFACE: 1887 FNL 1556 FEL
 BOTTOM: 1887 FNL 1556 FEL
 UINTAH
 NATURAL BUTTES (630)

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

LEASE TYPE: 1-Federal
 LEASE NUMBER: U-01195
 SURFACE OWNER: 1-Federal

PROPOSED FORMATION: MVRD

RECEIVED AND/OR REVIEWED:

Plat
 Bond: Fed[1] Ind[] Sta[] Fee[]
 (No. U-605382-9)

N Potash (Y/N)
Y Oil Shale (Y/N) *190 - 5 (B)
 Water Permit
 (No. 43-8496)

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

N/A 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: 193-14
 Eff Date: 12-2-99
 Siting: 460 ft. Unit Boundary & Lincomm Tract.
 R649-3-11. Directional Drill

COMMENTS: NBU SOP, separate file.

STIPULATIONS: ① FEDERAL APPROVAL
 ② OIL SHALE



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)

October 16, 2000

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

Re: Natural Buttes Unit 340 Well, 1887' FNL, 1556' FEL, SW NE, Sec. 6, T. 10 South,
R. 22 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 43-047-33725.

Sincerely,

John R. Baza
Associate Director

er
Enclosures

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

Operator: Coastal Oil & Gas Corporation
Well Name & Number Natural Buttes Unit 340
API Number: 43-047-33725
Lease: U-01195

Location: SW NE **Sec.** 6 **T.** 10 South **R.** 22 East

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338
- Contact Robert Krueger at (801) 538-5274.

3. Reporting Requirements

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

4. 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.

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. U-01195 |
| 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 N/A |
| 2. Name of Operator Coastal Oil & Gas Corporation | | 7. Unit or CA Agreement Name and No. Natural Buttes Unit |
| 3a. Address P.O. Box 1148, Vernal, UT 84078 | 3b. Phone No. (include area code) (435)-781-7023 | 8. Lease Name and Well No. NBU #340 |
| 4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface SW NE At proposed prod. zone 1887'FNL & 1556'FEL | | 9. API Well No. N/A |
| 14. Distance in miles and direction from nearest town or post office* 21 Miles South of Ouray, Utah | | 10. Field and Pool, or Exploratory Natural Buttes Field |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 1556' | 16. No. of Acres in lease 577.75 | 11. Sec., T., R., M., or Blk. and Survey or Area Sec 6-T10S-R22E |
| 17. Spacing Unit dedicated to this well N/A | 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. Refer to Topo "C" | 12. County or Parish Uintah |
| 19. Proposed Depth 9850' | 20. BLM/BIA Bond No. on file U-605382-9 | 13. State Utah |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4998.2' Ungraded GR | 22. Approximate date work will start* Upon Approval | 23. Estimated duration To Be Determined |

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) Cheryl Cameron | Date 9/29/00 |
|-------------------|---|------------------------|

| | | |
|--|--|-------------------------|
| Approved by (Signature) | Name (Printed/Typed) EDWIN J FORSMAN | Date 12/19/00 |
| Title Sr. Regulatory Analyst | Office NOTICE OF APPROVAL | |

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. **CONDITIONS OF APPROVAL 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)

RECEIVED

DEC 26 2000

DIVISION OF
OIL, GAS AND MINING

DOG M

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Coastal Oil & Gas Corporation

Well Name & Number: NBU #340

API Number: 43-047-33725

Lease Number: U-01195

Location: SWNE Sec. 06 T. 10S R. 22E

Agreement: Natural Buttes WS MV

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

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

NOTE: The target formation for this well is the Castlegate Formation, therefore, the BOPE and related equipment must meet the requirements of a **5M** system.

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

A. DRILLING PROGRAM

1. Casing Program and Auxiliary Equipment

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.

As a minimum, the usable water and other mineral resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the surface casing shoe, identified at $\pm 2,500$ ft.

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

-The reserve pit topsoil shall be piled separate from the location topsoil.

-The location topsoil pile will be seeded immediately after the soil is piled by broadcasting the seed, then walking the topsoil pile with the dozer to plant the seed. The following seed mix shall be use for all the reclamation needs:

| | | |
|------------------|-----------------------|------------|
| Gardner saltbush | Atriplex gardneri | 6 lbs/acre |
| Shadscale | Atriplex conferifolia | 6 lbs/acre |

All poundages are in Pure Live Seed.

-The subsoil which is piled on the location is for the construction of tank dikes. **Topsoil will not be used for the construction of tank dikes.**

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

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
Coastal Oil & Gas Corporation

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**SW/NE Section 6 - T10S - R22E
1887' FNL & 1556' FEL**

5. Lease Serial No.
U-01195

6. If Indian, Allottee or Tribe Name
N/A

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

8. Well Name and No.
Natural Buttes Unit 340

9. API Well No.
43-047-33725

10. Field and Pool, or Exploratory Area
Natural Buttes

11. County or Parish, State
Uintah, UT

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

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

Spud well @ 11pm 03/15/01 w/Bill Martin Jr. Rathole Rig
Drill 12 1/4" hole to 258'. RIH w/255' 8 5/8" 24# K-55 csg.
Mix & pump 165 sx Prem G @ 15.8 ppg, 1.15 cu. ft., no return.
Mix & pump 70 sx Prem G @ 15.8 ppg, 1.15 cu. ft., no return.
Drop plug. Displace w/13 BBLs H2O.

RECEIVED

MAR 26 2001

**DIVISION OF
OIL, GAS AND MINING**

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

| | |
|---|---|
| Name (Printed/Typed) Cheryl Cameron | Title Senior Regulatory Analyst |
| Signature | Date March 19, 2001 |

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.

OPERATOR Coastal Oil & Gas Corp.
 ADDRESS P.O. Box 1148
Vernal, UT 84078
(435) 781-7023

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 | 43-047-33725 | Natural Buttes Unit 340 | SWNE | 6 | 10S | 22E | Uintah | 3/15/01 | 3/15/01 |

WELL 1 COMMENTS:
 Spud 03/15/01 at 11pm with Bill Martin Jr. Rathole Rig
 3-27-01

| 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.

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MAR 26 2001

DIVISION OF
 OIL, GAS AND MINING

Cheryl Cameron
 Signature Cheryl Cameron

Senior Regulatory Analyst 03/19/01
 Title Date

Phone No. (435) 781-7023

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

| | |
|--|--|
| <p>1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other</p> <p>2. Name of Operator <p style="text-align: center;">Coastal Oil & Gas Corporation</p> </p> | <p>5. Lease Serial No. <p style="text-align: center;">U-01195</p> </p> |
| | <p>6. If Indian, Allottee or Tribe Name <p style="text-align: center;">N/A</p> </p> |
| | <p>7. If Unit or CA/Agreement, Name and/or No. <p style="text-align: center;">Natural Buttes Unit</p> </p> |
| | <p>8. Well Name and No. <p style="text-align: center;">Natural Buttes Unit 340</p> </p> |
| | <p>9. API Well No. <p style="text-align: center;">43-047-33725</p> </p> |
| <p>3a. Address <p style="text-align: center;">P.O. Box 1148 Vernal, UT 84078</p> </p> | <p>3b. Phone No. (include area code) <p style="text-align: center;">435) 781-7023</p> </p> |
| <p>4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <p style="text-align: center;">SW/NE Section 6 - T10S - R22E 1887' FNL & 1556' FEL</p> </p> | <p>10. Field and Pool, or Exploratory Area <p style="text-align: center;">Natural Buttes</p> </p> |
| | <p>11. County or Parish, State <p style="text-align: center;">Uintah, UT</p> </p> |

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other APD Change |
| | <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.

Coastal Oil & Gas Corporation requests authorization to amend the approved drilling program, TD at 8000'. Please refer to the attached DHD that reflects the cement and casing program modifications.

**Approved by the
Utah Division of
Oil, Gas and Mining**

Date: 03-29-01
By: [Signature]

RECEIVED

MAR 26 2001

DIVISION OF
OIL, GAS AND MINING

COPIES TO OPERATOR
To: 3-29-01
By: CHD

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

| | |
|---|---|
| Name (Printed/Typed) Cheryl Cameron | Title Senior Regulatory Analyst |
| Signature <u>[Signature]</u> | Date March 19, 2001 |

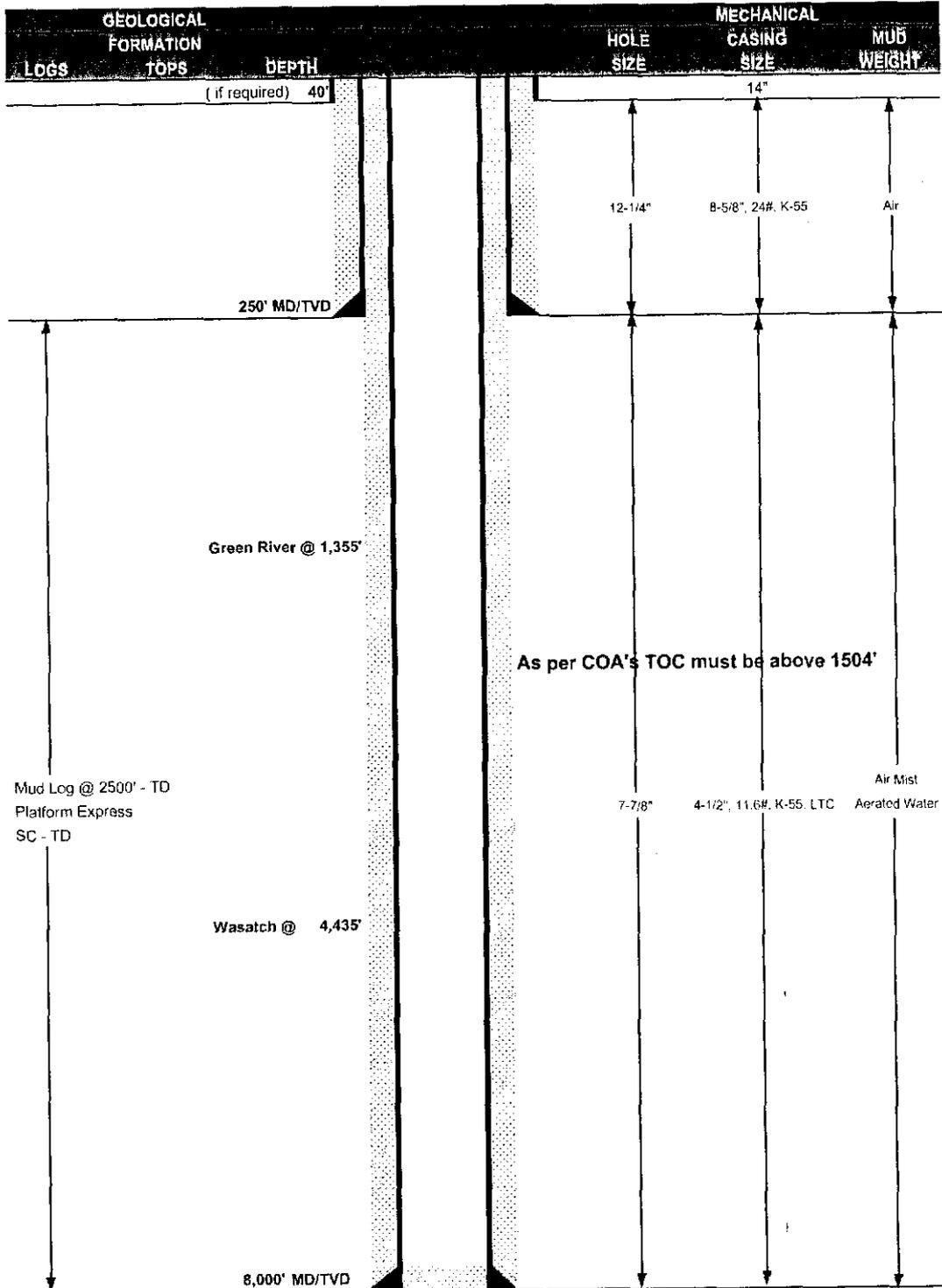
THIS SPACE FOR FEDERAL OR STATE USE

| | | |
|---|-------|--------|
| 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.

COASTAL OIL & GAS CORPORATION DRILLING PROGRAM

COMPANY NAME Coastal Oil & Gas Corporation DATE February 28, 2001
 WELL NAME NBU #340 TD 8,000' MD/TVD
 FIELD NBU COUNTY Uintah STATE Utah ELEVATION 5,125' KB
 SURFACE LOCATION 1887' FNL, 1556' FEL, Sec. 6, T10S, R22E BHL Straight Hole
 OBJECTIVE ZONE(S) Wasatch
 ADDITIONAL INFO Regulatory Agencies: BLM, Utah, Tri-County Health Dept.



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 | 5350 | 4960 | 180000 |
| | | | | | | 1.89 | 1.19 | 1.26 |

- 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

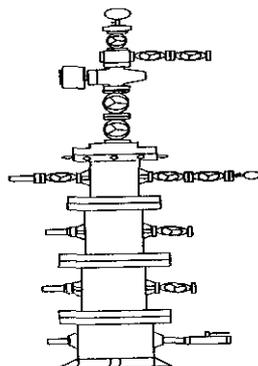
| | FT. OF FILL | DESCRIPTION | SACKS | EXCESS* | WEIGHT | YIELD |
|------------|-------------|--|-------|---------|--------|-------|
| SURFACE | 250 | Class G + 2% CaCl ₂ + 0.25 lb/sk Celfo Flake | 90 | 35% | 15.80 | 1.17 |
| PRODUCTION | LEAD 3.935' | Hifill Mod. +16% gel + 3% salt + 10#/sk gilsonite + 1% HR7 + 0.6% Econolite + 0.2% FWCA + 0.25 lb/sk Flocele | 430 | 50% | 11.60 | 3.12 |
| | TAIL 4.065' | 50/50 POZ + 2% gel + 2% Microbond + 5% salt + 0.2% Super CBL + 0.6% HALAD 322 + 0.25 #/sk Flocele | 1120 | 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 | 10-16-16 | |
| | | | | | | |
| | | | | | | |

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 Totco 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:

28b. Production Interval C

| | | | | | | | | | |
|---------------------|-------------------|--------------|-----------------|---------|---------|-----------|----------------|-------------|-------------------|
| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity | Gas Gravity | Production Method |
| Choke Size | Tbg. Press. Flwg. | Csg. Press. | 24 Hr. | 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 | Gas Gravity | Production Method |
| Choke Size | Tbg. Press. Flwg. | Csg. Press. | 24 Hr. | Oil BBL | Gas MCF | Water BBL | Gas: Oil Ratio | Well Status | |

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

P&A

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 |
| | | | | | |

32. Additional remarks (include plugging procedure):

Work 1 inch pipe down to 60 feet. Pumped 33 BW. Mix & Pump 50 sx Prem Class G w/3% CaCl. Mix & Pump 58 sx Calseal. Filled up annulus. PU 240 Feet of one inch pipe inside 8.625 csg. Mix & pump 75 sx Prem Class G. Cmt & filled 8.625 csg to surface. Plugged and Abandoned on 4/3/01 witnessed by Ray Arnold w/BLM

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
- 6. Core Analysis
- 7. Other

34. 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 4/4/01

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.

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

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 OPERATIONS
EMAIL: Cheryl.Cameron@CoastalCorp.com

3a. Address **P.O. BOX 1149**
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 6 T10S R22E SWNE 18&7FNL 1556FFL

5. Lease Serial No.
U-01195

6. If Indian, Allottee or IMBC Name

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

8. Lease Name and Well No.
NBU #340

9. API Well No.
4304733725

10. Field and Pool, or Exploratory
NATURAL BUTTES

11. County or Parish, State
UINTAH, UT

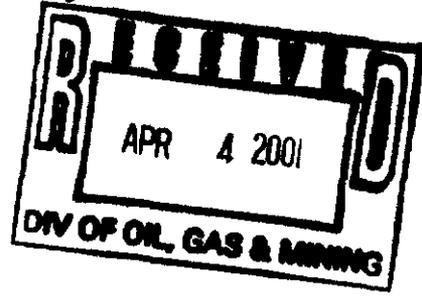
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | | |
|---|---|--|--|---|--|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-off | |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity | |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input type="checkbox"/> | |
| | <input type="checkbox"/> Change Plans | <input checked="" 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 logging 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.)

Work 1 inch pipe down to 60 feet. Pumped 33 BW. Mix & pump 50 sz Prem Class G w/ 3% CaCl. Mix & pump 58 sz Calceal. Filled up annulus. PU 240 feet of one inch pipe inside 8.625 csg. Mix & pump 75 sz Prem Class G. Cmt & filled 8.625 csg to surface.

Plugged & Abandoned on 4/3/01 Witnessed by Ray Arnold w/ BLM
 Skid rig 8' FSL & 9' FWL to NBU #340X



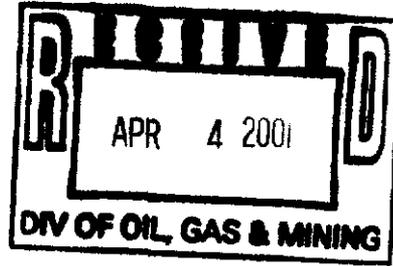
Name (Printed/Typed) _____ Title _____
 Signature *Cheryl Cameron* Date *4/4/01*

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

ELECTRONIC SUBMISSION #3418 VERIFIED BY THE BLM WELL INFORMATION SYSTEM FOR COASTAL OIL & GAS CORPORATION SENT TO THE VERNAL FIELD OFFICE



FAX COVER SHEET

DATE: 4/4/01
 TO: Brad Hill and/or Lisha Cordova 801-359-3940
 FROM: Sheila Upchege @ FAX # 435-789-4436
 # PAGES (INCLUDING COVER): _____

If you have any problems receiving the above specified pages, please notify Coastal Oil and Gas at 435-789-4433.

CONFIDENTIALITY NOTICE

This message is intended only for the use of the individual or entity designated above, is confidential and may contain information that is legally privileged or exempt from disclosure under applicable laws. You are hereby notified that any dissemination, distribution, copying or uses of or reliance upon the information contained in and transmitted with this facsimile transmission by anyone other than the recipient designated by the sender is not authorized and strictly prohibited. If you have received this communication in error, please immediately notify the sender by telephone and return it to the sender by U.S. Mail or destroy it if so instructed by the sender.

Thank you.

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-01195

6. If Indian, Allottee or Tribe Name N/A

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

8. Lease Name and Well No. NBU #340

9. API Well No. 43-047-33725

10. Field and Pool, or Exploratory Survey Area Natural Buttes Field

11. Sec., T., R., M., or Block and Survey Area Section 6-T10S-R22E

12. County or Parish Uintah 13. State Utah

14. Date Spudded 3/15/01 15. Date T.D. Reached N/A 16. Date Completed P&A 4/3/01 D & A Ready to Prod. 17. Elevations (DF, RKB, RT, GL)* 4998.2' GR

18. Total Depth: MD 258' TVD 19. Plug Back T.D.: MD N/A TVD 20. Depth Bridge Plug Set: MD N/A TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each) N/A 22. Was well cored? No Yes (Submit analysis) Was DST run No Yes (Submit report) Directional Survey? No Yes (Submit)

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 Sks. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
|-----------|-------------|------------|----------|-------------|----------------------|------------------------------|-------------------|-------------|---------------|
| 12 1/4" | 8 5/8" K-55 | 24# | | 255' | | 165 Prem G | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

24. Tubing Record

| Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) |
|------|----------------|-------------------|------|----------------|-------------------|------|----------------|-------------------|
| N/A | | | | | | | | |

25. Producing Intervals 26. Perforation Record

| Formation | Top | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|-----------|-----|--------|---------------------|------|-----------|--------------|
| A) N/A | | | N/A | | | |
| B) | | | | | | |
| C) | | | | | | |
| D) | | | | | | |

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

| Depth Interval | Amount and Type of Material |
|----------------|-----------------------------|
| N/A | |

28. Production Interval A

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity | Gas Gravity | Production Method |
|---------------------|-------------------|--------------|-----------------|---------|---------|-----------|----------------|-------------|-------------------|
| N/A | | | → | | | | | | P&A |
| Choke Size | Tbg. Press. Flwg. | Csg. Press. | 24 Hr. | Oil BBL | Gas MCF | Water BBL | Gas: Oil Ratio | Well Status | |
| | | | → | | | | | P&A | |

28a. Production Interval B

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

28b. Production Interval C

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

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

P&A

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 |
| | | | | | |

32. Additional remarks (include plugging procedure):

Work 1 inch pipe down to 60 feet. Pumped 33 BW. Mix & Pump 50 sx Prem Class G w/3% CaCl. Mix & Pump 58 sx Calseal. Filled up annulus. PU 240 Feet of one inch pipe inside 8.625 csg. Mix & pump 75 sx Prem Class G. Cmt & filled 8.625 csg to surface.
Plugged and Abandoned on 4/3/01 witnessed by Ray Arnold w/BLM

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
- 6. Core Analysis
- 7. Other

34. 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 4/4/01

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

| | | |
|---|--|--|
| SUBMIT IN TRIPLICATE- Other Instructions on reverse side | | 5. Lease Serial No. U-01195 |
| 1. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 6. If Indian, Allottee or Tribe Name |
| 2. Name of Operator COASTAL OIL & GAS CORPORATION CONTACT: CHERYL CAMERON OPERATIONS EMAIL: Cheryl.Cameron@CoastalCorp.com | | 7. If Unit or CA Agreement, Name and No. |
| 3a. Address P.O. BOX 1148 VERNAL, UT 84078 | 3b. Phone No. (include area code) TEL: 435.781.7023 EXT: FAX: 435.789.4436 | 8. Lease Name and Well No. NBU #340 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 6 T10S R22E SWNE 1887FNL 1556FEL | | 9. API Well No. 4304733725 |
| | | 10. Field and Pool, or Exploratory NATURAL BUTTES |
| | | 11. County or Parish, State UINTAH, UT |

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | | | |
|---|---|--|--|---|--|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-off | |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity | |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input type="checkbox"/> | |
| | <input type="checkbox"/> Change Plans | <input checked="" 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 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 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.)

Work 1 inch pipe down to 60 feet. Pumped 33 BW. Mix & pump 50 sx Prem Class G w/ 3% CaCl. Mix & pump 58 sx Calseal. Filled up annulus. PU 240 feet of one inch pipe inside 8.625 csg. Mix & pump 75 sx Prem Class G. Cmt & filled 8.625 csg to surface.

Plugged & Abandoned on 4/3/01 Witnessed by Ray Arnold w/ BLM

Skid rig 8' FSL & 9' FWL to NBU #340X

RECEIVED

APR 10 2001

DIVISION OF
OIL, GAS AND MINING

| | |
|---|-------------|
| Name (Printed/Typed) | Title |
| Signature <i>Cheryl Cameron</i> | Date 4/4/01 |
| 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

ELECTRONIC SUBMISSION #3418 VERIFIED BY THE BLM WELL INFORMATION SYSTEM FOR COASTAL OIL & GAS CORPORATION SENT TO THE VERNAL FIELD OFFICE

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-01195

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE- Other Instructions on reverse side

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

1. Type of Well:

Oil Well Gas Well Other **OTHER**

8. Lease Name and Well No.
NBU #340

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

9. API Well No.
4304733725

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

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

10. Field and Pool, or Exploratory
NATURAL BUTTES

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

Sec 6 T10S R22E SWNE 1876FNL 1556FEL

4426452N
629951E

11. County or Parish, State
UINTAH, UT

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|--|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> OTHER SUNDRY NOTICE |
| | <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 recompleat 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 recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Attached is a revised location plat the the Plugged & Abandoned location referenced above. The footages for this location are 1876' FNL & 1556' FEL.

(ft. 1887 FNL) xPA'd 4-3-01.

Accepted by the
Utah Division of
Oil, Gas and Mining

*04-25-01
CHD*

Date: 04-24-01
By: [Signature]

RECEIVED

APR 18 2001

DIVISION OF
OIL, GAS AND MINING

Name (Printed/Typed)

Title

Signature

Date

[Signature]

4/16/01

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

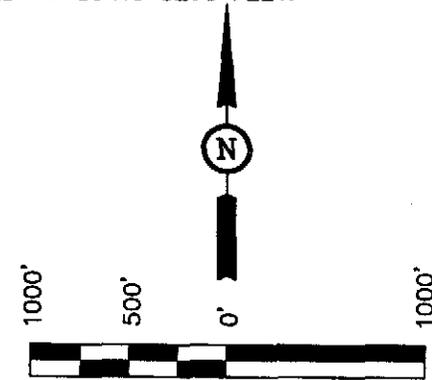
ELECTRONIC SUBMISSION #3653 VERIFIED BY THE BLM WELL INFORMATION SYSTEM FOR COASTAL OIL & GAS CORPORATION SENT TO THE VERNAL FIELD OFFICE

COASTAL OIL & GAS CORP.

Well location, NBU #340, located as shown in the SW 1/4 NE 1/4 of Section 6, T10S, R22E, 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, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.



SCALE

CERTIFICATE

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

Robert H. Kay

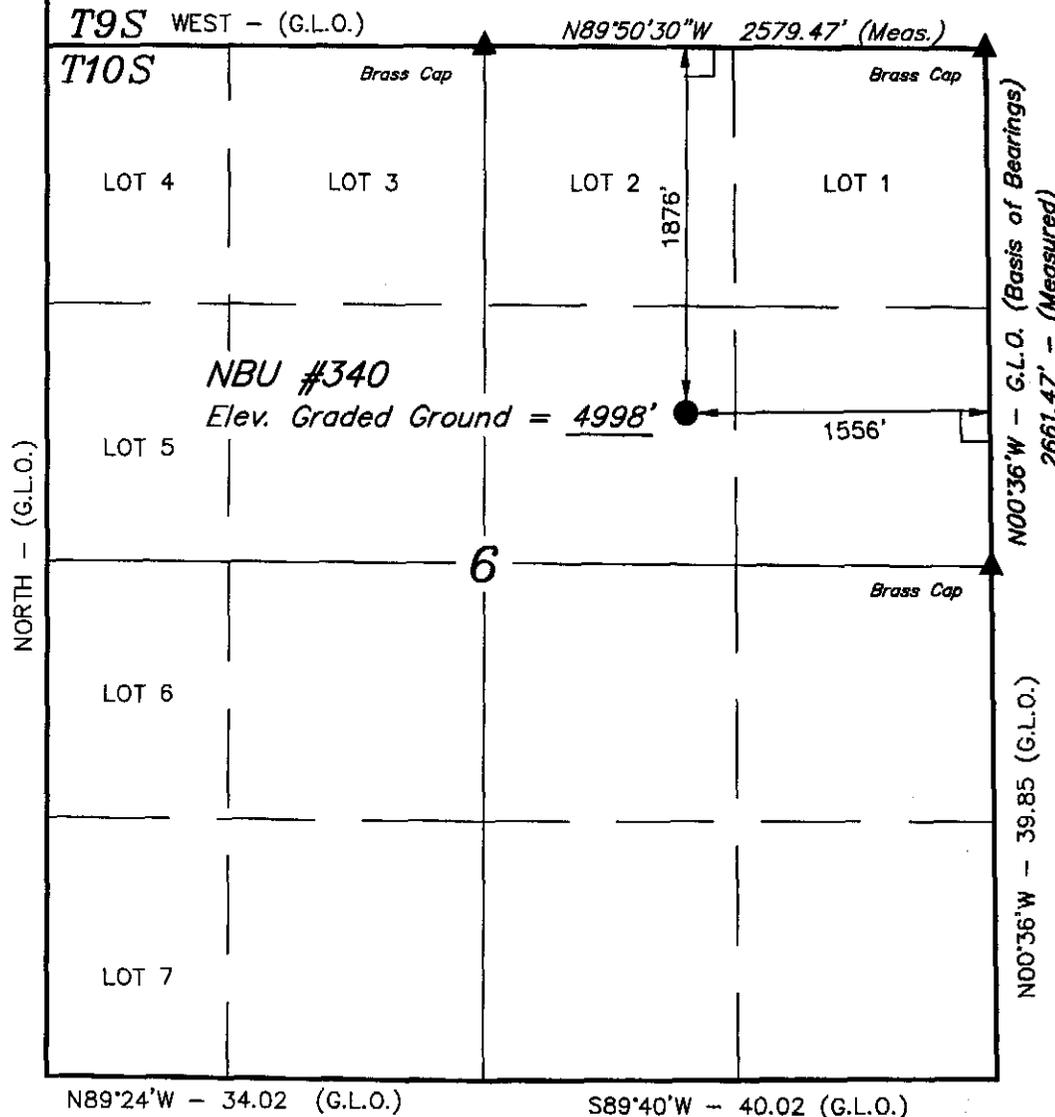
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

Revised: 04-09-01 D.R.B.

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

| | | |
|---------------------------|---------------------------------|-------------------------|
| SCALE 1" = 1000' | DATE SURVEYED: 09-01-98 | DATE DRAWN: 09-04-98 |
| PARTY D.K. M.A. D.R.B. | REFERENCES G.L.O. PLAT | |
| WEATHER WARM | FILE COASTAL OIL & GAS CORP. | |

R 21 E T10S, R22E, S.L.B.&M.



LEGEND:

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

JAN. 17. 2003 3:34PM

WESTPORT

NO. 173 P. 2

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

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

February 1, 2002

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

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

Dear Ms. Maxwell:

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

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

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

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

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

Debby J. Black
Engineer Technician

Encl:



United States Department of the Interior **RECEIVED**

BUREAU OF LAND MANAGEMENT

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

FEB 22 2002

DIVISION OF
OIL, GAS AND MINING

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

FEB 21 2002

NOTICE

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

Name Change Recognized

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

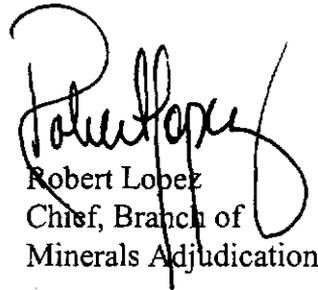
For our purposes, the name change is recognized effective December 31, 2001.

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

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

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

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



Robert Lopez
Chief, Branch of
Minerals Adjudication

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

memorandum

Branch of Real Estate Services
Uintah & Ouray Agency

Date: 5 December, 2002

Reply to
Attn of: Supervisory Petroleum Engineer

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

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

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

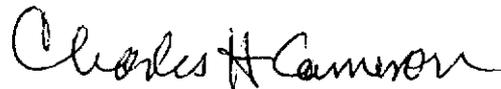
We have no objection.

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

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

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

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





United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

Washington, D.C. 20240

FEB 1 0 2003

IN REPLY REFER TO:
Real Estate Services

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

Dear Mr. Wilson:

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

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

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

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

Sincerely,

Director, Office of Trust Responsibilities

ACTING

Enclosure



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

| | | |
|--|--|---|
| SUNDRY NOTICES AND REPORTS ON WELLS | | 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: |
| PHONE NUMBER: (832) 676-5933 | | |

| 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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____ | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
| | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> SIDETRACK TO REPAIR WELL |
| | <input type="checkbox"/> CASING REPAIR | <input type="checkbox"/> NEW CONSTRUCTION | <input type="checkbox"/> TEMPORARILY ABANDON |
| | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input checked="" type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> TUBING REPAIR |
| | <input type="checkbox"/> 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 | |

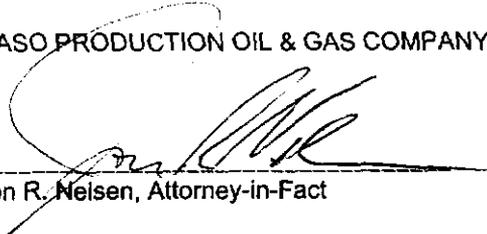
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

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

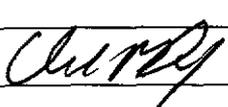
EL PASO PRODUCTION OIL & GAS COMPANY

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 3160-3
(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

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"

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

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|---|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | SUCCESSOR OF |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | 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 zone. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed if testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator determined that the site is ready for final inspection.

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

RECEIVED
MAR 04 2003

DIV. OF OIL, GAS & MINING

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)

OPERATOR CHANGE WORKSHEET

ROUTING

| |
|---------|
| 1. GLH |
| 2. CDW |
| 3. FILE |

X Change of Operator (Well Sold)

Designation of Agent/Operator

Operator Name Change

Merger

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

| | |
|--------------------------------------|-------------------------------|
| FROM: (Old Operator): | TO: (New Operator): |
| 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) | SEC TWN RNG | API NO | ENTITY NO | LEASE TYPE | WELL TYPE | WELL STATUS |
|-----------------------|----------------|--------------|--------------|---------------|--------------|----------------|
| NBU 141 | 06-10S-22E | 43-047-32017 | 2900 | FEDERAL | GW | P |
| CIGE 179-6-10-22 | 06-10S-22E | 43-047-32400 | 2900 | FEDERAL | GW | P |
| NBU 243 | 06-10S-22E | 43-047-32930 | 2900 | FEDERAL | GW | P |
| NBU 116 | 06-10S-22E | 43-047-31925 | 2900 | FEDERAL | GW | P |
| NBU CIGE 74D-6-10-22P | 06-10S-22E | 43-047-30953 | 2900 | FEDERAL | GW | S |
| CIGE 196-6-10-22P | 06-10S-22E | 43-047-33003 | 2900 | FEDERAL | GW | P |
| NBU 341 | 06-10S-22E | 43-047-33726 | 2900 | FEDERAL | GW | P |
| NBU 340 | 06-10S-22E | 43-047-33725 | 2900 | FEDERAL | GW | PA |
| NBU 340X | 06-10S-22E | 43-047-34015 | 2900 | FEDERAL | GW | P |
| NBU CIGE 53-6-10-22 | 06-10S-22E | 43-047-30533 | 2900 | FEDERAL | GW | PA |
| NBU 84V | 06-10S-22E | 43-047-31245 | 2900 | FEDERAL | GW | PA |
| NBU 344 | 07-10S-22E | 43-047-32931 | 2900 | FEDERAL | GW | P |
| CIGE 282 | 07-10S-22E | 43-047-34436 | 2900 | STATE | GW | P |
| NBU CIGE 23-7-10-22 | 07-10S-22E | 43-047-30333 | 2900 | STATE | GW | P |
| NBU CIGE 83D-7-10-22 | 07-10S-22E | 43-047-30865 | 2900 | STATE | GW | PA |
| CIGE 141-7-10-22 | 07-10S-22E | 43-047-31970 | 2900 | FEDERAL | GW | PA |
| NBU 470 | 07-10S-22E | 43-047-34833 | 99999 | STATE | GW | APD |
| NBU 343 | 08-10S-22E | 43-047-33719 | 2900 | FEDERAL | GW | P |
| CIGE 250 | 08-10S-22E | 43-047-33743 | 2900 | FEDERAL | GW | P |
| NBU 245 | 08-10S-22E | 43-047-33004 | 2900 | FEDERAL | GW | P |

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

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

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

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

8. **Federal and Indian Units:**

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

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

The BLM or BIA has approved the operator for all wells listed within a CA on: 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: 03/24/2003

2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 03/24/2003

3. Bond information entered in RBDMS on: N/A

4. Fee wells attached to bond in RBDMS on: N/A

STATE WELL(S) BOND VERIFICATION:

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

FEDERAL WELL(S) BOND VERIFICATION:

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

INDIAN WELL(S) BOND VERIFICATION:

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

FEE WELL(S) BOND VERIFICATION:

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

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

The Division sent response by letter on: N/A

LEASE INTEREST OWNER NOTIFICATION:

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

COMMENTS:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Serial No.
Multiple Wells - see attached

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
891008900A

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-

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 recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

Westport Oil & Gas requests a variance to Onshore Order No. 4, Part 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.

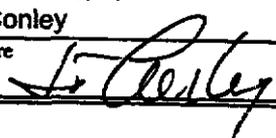
The volume lost to shrinkage by dropping the tank pressure from 6 ozs. to 0 psig is shown to be 0.3% of the tank volume. This was determined by lab analysis of a representative sample from the field. The sample shrunk from 98.82% of original volume to 98.52% when the pressure was dropped. The average 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: 9-16-03
Initials: CHD

Title

Date

Date

Operations Manager

9-2-2003

SEP 10 2003

DIV. OF OIL, GAS & MINERAL

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Federal Approval of This Action is Necessary

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

Office

Date: 9/16/03

Accepted by the
Utah Division of
Oil, Gas and Mining

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make in 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 boxes with before and after project data. The evaluation results are shown below and graphed automatically at the bottom of the page. This sheet is protected to prevent accidental alteration of the formulas. See JTC for changes. OPX entered as annual costs and/or as unit OPX costs for \$/BF and \$/MCF

Project Name:

Condensate Shrinkage Economics

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

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

Increased OPX Per Year

Investment Breakdown:

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

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

Production & OPX Detail:

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

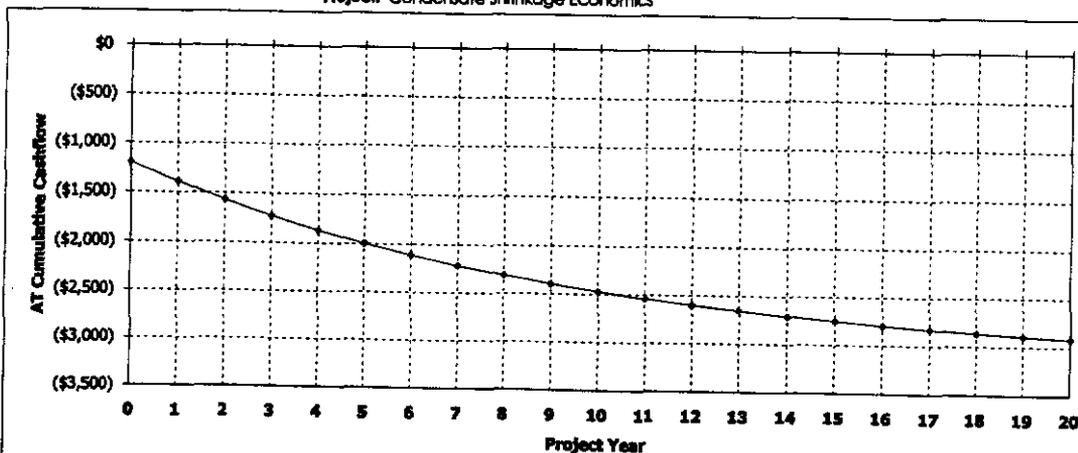
Gross Reserves:

Oil Reserves = 4 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 0.194 bcpd if 4 cwt 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

| WELL | LEGALS | STFLEASENO | CANUMBER | APINO |
|-------------|---------------|----------------|------------|------------------|
| NBU 332 | 10-10-21 NWSW | UTU01416A | 891008900A | 430473364000S1 |
| NBU 333 | 13-10-21 SWSW | ML23608 | 891008900A | 430473364100S1 ✓ |
| NBU 335 | 4-10-22 SENE | UTU01191 | 891008900A | 430473372400S1 |
| NBU 336 | 4-10-22 NWNE | U-01191 | 891008900A | 430473402700S1 |
| NBU 337 | 4-10-22 SENW | U-01191-A | 891008900A | 430473402000S1 |
| NBU 338 | 5-10-22 NESE | UTU01191 | 891008900A | 430473405800S1 |
| NBU 339 | 5-10-22 NWSE | UTU01191 | 891008900A | 430473440600S1 |
| NBU 340 | 6-10-22 SWNE | UTU01195 | 891008900A | 430473372500S1 |
| NBU 340X | 6-10-22 SWNE | UTU01195 | 891008900A | 430473401500S1 |
| NBU 341 | 8-10-22 SWNW | UTU464 | 891008900A | 430473372600S1 |
| NBU 342 | 7-10-22 NWSE | UTU468 | 891008900A | 430473372700S1 |
| NBU 343 | 8-10-22 NWNE | UTU01196C | 891008900A | 430473371900S1 |
| NBU 344 | 8-10-22 SWNE | UTU01196C | 891008900A | 430473402100S1 |
| NBU 345 | 10-10-22 SWNE | UTU02587 | 891008900A | 430473370400S1 ✓ |
| NBU 345-4E | 4-10-21 SWSW | UTU01393B | 891008900A | 430473470000S1 ✓ |
| NBU 347 | 11-10-22 NWSW | UTU01197A | 891008900A | 430473370900S1 ✓ |
| NBU 348 | 11-10-22 SWSW | UTU01197A-ST | 891008900A | 430473400100S1 |
| NBU 349 | 11-10-22 SWSE | UTU01197A-ST | 891008900A | 430473400200S1 ✓ |
| NBU 350 | 14-10-22 NWNE | UTU01197A | 891008900A | 430473364200S1 ✓ |
| NBU 351 | 30-10-22 SESE | UTU0132568A | 891008900A | 430473366800S1 |
| NBU 352 | 9-9-21 SWNW | UTU0149767 | 891008900A | 430473392200S1 |
| NBU 353 | 27-9-21 SENW | U01194A | 891008900A | 430473320500S1 ✓ |
| NBU 354 | 31-9-22 NENW | UTU464 | 891008900A | 430473323100S1 |
| NBU 356 | 30-9-22 NENW | U463 | 891008900A | 430473323200S1 |
| NBU 357 | 15-10-21 SWSW | UTU01791A | 891008900A | 430473372800S1 |
| NBU 358 | 16-10-21 SESW | ML10755 | 891008900A | 430473370800S1 |
| NBU 359 | 29-10-21 NWNE | ML21330 | 891008900A | 430473370600S1 |
| NBU 360 | 29-10-22 SESW | UTU0145824 | 891008900A | 430473377300S1 |
| NBU 361 | 32-10-22 NWNW | ML22798 | 891008900A | 430473370500S1 ✓ |
| NBU 362 | 28-9-21 SESW | UTU0576 | 891008900A | 430473377400S1 |
| NBU 363 | 28-9-21 SESE | UTU0576 | 891008900A | 430473377500S1 |
| NBU 364 | 29-9-21 SESE | UTU0581 | 891008900A | 430473377600S1 |
| NBU 365 | 3-10-21 SESE | UTU0149078 | 891008900A | 430473377700S1 |
| NBU 366 | 10-10-21 NWNW | UTU0149079 | 891008900A | 430473372900S1 |
| NBU 367 | 11-10-22 NESW | UTU01197A-ST | 891008900A | 430473370700S1 ✓ |
| NBU 370 | 17-9-21 NWSW | UTU0575 | 891008900A | 430473467200S1 ✓ |
| NBU 371 | 8-9-21 SWSE | UTU0575B | 891008900A | 430473467300S1 ✓ |
| NBU 375 | 12-9-21 SWNE | UTU0141317 | 891008900A | 430473444000S1 ✓ |
| NBU 376 | 12-9-21 NENE | UTU0141317 | 891008900A | 430473444100S1 ✓ |
| NBU 377 | 31-9-21 NENW | UTU0582 | 891008900A | 430473436300S1 |
| NBU 378 | 31-9-21 NWNE | UTU0582 | 891008900A | 430473436400S1 |
| NBU 381 | 23-10-22 SESW | UTU01198B | 891008900A | 430473423400S1 |
| NBU 382 | 22-10-22 SENW | U-01198-B | 891008900A | 430473423500S1 |
| NBU 383 | 21-10-22 SESW | U-489 | 891008900A | 430473423600S1 |
| NBU 384 | 30-10-22 SENW | UTU0132568A | 891008900A | 430473423700S1 ✓ |
| NBU 385 | 18-10-22 SENW | ML22973 | 891008900A | 430473422800S1 |
| NBU 386 | 17-10-22 NESE | UTU470 | 891008900A | 430473423800S1 |
| NBU 387 | 23-10-21 SWSE | U-02277-A | 891008900A | 430473423900S1 |
| NBU 388 | 22-10-21 SENW | U-02278-A | 891008900A | 430473424000S1 |
| NBU 389 | 28-10-21 NENE | ML21329 | 891008900A | 430473422900S1 |
| NBU 390 | 30-10-21 SESE | ML22793 | 891008900A | 430473423000S1 |
| NBU 391 | 17-9-21 NWNW | UTU0575 | 891008900A | 430473487400S1 |
| NBU 393 | 22-9-20 SWNW | U0577B | 891008900A | 430473486400S1 |
| NBU 394 | 11-10-22 SWSE | UTU01197A-ST | 891008900A | 430473480400S1 ✓ |
| NBU 395 | 27-9-21 SWSW | UTU01194A-ST | 891008900A | 430473437400S1 ✓ |
| NBU 396 | 33-9-21 NENW | UTU0576 | 891008900A | 430473448000S1 ✓ |
| NBU 397 | 26-10-20 NESW | UTU4476 | 891008900A | 430473436500S1 |
| NBU 398 | 18-10-21 NENW | UTU02270A | 891008900A | 430473436600S1 |
| NBU 399 | 14-10-21 NWNW | UTU465 | 891008900A | 430473440900S1 |
| NBU 400 | 16-10-21 NENW | ML10755 | 891008900A | 430473479400S1 |
| NBU 401 | 23-10-21 NENE | UTU02278A | 891008900A | 430473480100S1 |
| NBU 404 | 32-9-22 SWSE | ML22649 | 891008900A | 430473437500S1 ✓ |
| NBU 405 | 27-9-21 NENE | UTU01194A-ST | 891008900A | 430473440700S1 ✓ |
| NBU 407 | 32-10-22 NENW | ML22798 | 891008900A | 430473431800S1 ✓ |
| NBU 408 | 31-10-22 NENE | UTU0143551 | 891008900A | 430473459000S1 ✓ |
| NBU 409 | 32-9-21 NWSW | ML48758 | 891008900A | 430473442100S1 ✓ |
| NBU 410 | 32-9-21 SWSW | ML48758 | 891008900A | 430473487200S1 |
| NBU 411 | 32-9-21 SESE | ML48758 | 891008900A | 430473442200S1 ✓ |
| NBU 412 | 32-10-22 SENW | ML22798 | 891008900A | 430473431900S1 ✓ |
| NBU 413 | 32-10-22 SWNW | ML22798 | 891008900A | 430473432000S1 ✓ |
| NBU 414 | 31-10-22 SENE | UTU0143551 | 891008900A | 430473438700S1 |
| NBU 414-20E | 20-9-21 NWNE | U0143551/U0575 | 891008900A | 430473477900S1 |
| NBU 415-20E | 20-9-21 SWNE | UTU0575 | 891008900A | 430473448900S1 ✓ |
| NBU 416 | 36-9-20 SESE | ML48757 | 891008900A | 430473442300S1 ✓ |
| NBU 418 | 12-9-21 NWNW | UTU0141317 | 891008900A | 430473477700S1 |

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

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

X Change of Operator (Well Sold)

Operator Name Change/Merger

| | | |
|---|--|-----------------|
| The operator of the well(s) listed below has changed, effective: | | 1/6/2006 |
| FROM: (Old Operator): N2115-Westport Oil & Gas Co., LP 1368 South 1200 East Vernal, UT 84078 Phone: 1-(435) 781-7024 | TO: (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 CHANGE OF OPERATOR |
| | <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) RANDY BAYNE | Title DRILLING MANAGER |
| Signature <i>Randy Bayne</i> | Date May 9, 2006 |

THIS SPACE FOR FEDERAL OR STATE USE

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

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.

MULTIPLE 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 CHANGE 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 zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

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

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

RECEIVED
MAY 10 2006

DIV OF OIL, GAS & MINING

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

| | |
|---|--|
| Name (Printed/Typed) BRAD LANEY | Title ENGINEERING SPECIALIST |
| Signature | Date May 9, 2006 |

THIS SPACE FOR FEDERAL OR STATE USE

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

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



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