

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-0581
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 Conatal Oil & Gas Corporation		7. Unit or CA Agreement Name and No. Natural Buttes
3a. Address P.O. Box 1148, Vernal, UT 84078	3b. Phone No. (include area code) (435) 781-7023	8. Lease Name and Well No. NEU #364
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface SE/SE At proposed prod. zone 859' FSL & 723' FSL		9. API Well No. 43-047-33776
14. Distance in miles and direction from nearest town or post office* 12.7 miles South to Ouray, Ut		10. Field and Pool, or Exploratory Natural Buttes
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 723'	16. No. of Acres in lease 2399.63	11. Sec., T., R., M., or Blk. and Survey or Area Sec. 29, T9S, R21E
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. Refer to Topo C	19. Proposed Depth 10550'	12. County or Parish Utah
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4919.8 Ungraded	22. Approximate date work will start* Upon Approval	13. State UT
17. Spacing Unit dedicated to this well N/A		20. BLM/BIA Bond No. on file U- 605382-9
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 11/16/00
-------------------	---	-------------------------

Sr. Regulatory Analyst Approved by (Signature) 		Name (Printed/Typed) BRADLEY G. HILL	Date 12/13/00
Title		Office RECLAMATION SPECIALIST III	

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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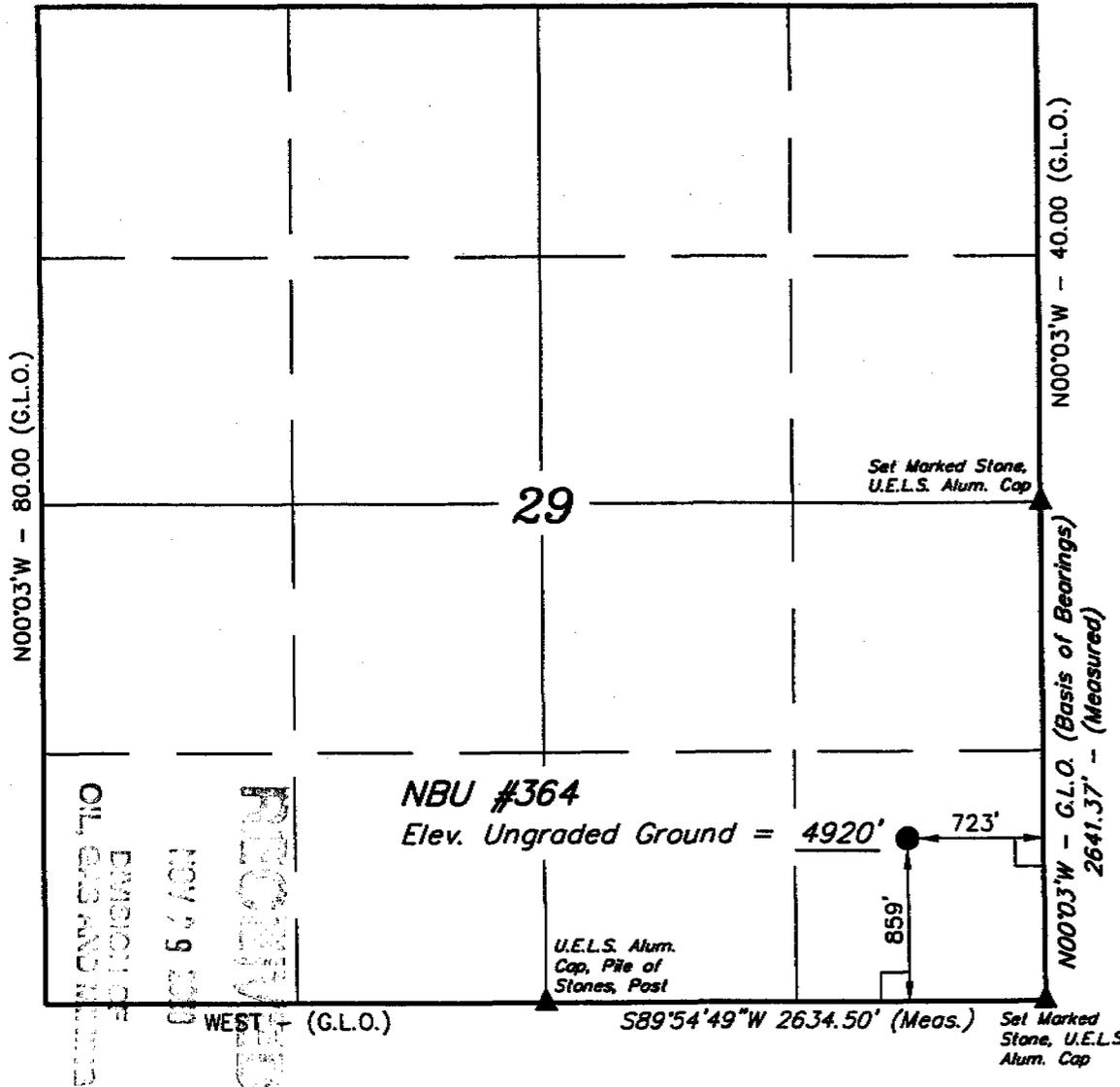
DIVISION OF OIL, GAS AND MINING

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

COASTAL OIL & GAS CORP.

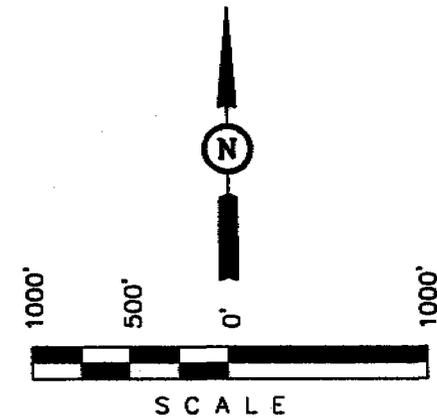
Well location, NBU #364, located as shown in the SE 1/4 SE 1/4 of Section 29, T9S, R21E, S.L.B.&M. Uintah County, Utah.

N89°58'W - 80.04 (G.L.O.)



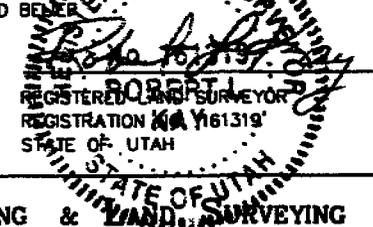
BASIS OF ELEVATION

BENCH MARK (26 EAM) LOCATED IN THE SW 1/4 OF SECTION 29, T9S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4995 FEET.



CERTIFICATE

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



UINTAH ENGINEERING & SURVEYING		
85 SOUTH 200 EAST - VERNAL, UTAH 84078		
(435) 789-1017		
SCALE 1" = 1000'	DATE SURVEYED: 9-25-00	DATE DRAWN: 9-27-00
PARTY B.B. A.H. D.COX	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE COASTAL OIL & GAS CORP.	

LEGEND:

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

LATITUDE = 40°00'07"
LONGITUDE = 109°34'05"

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO:
3160
(UT-922)

December 5, 2000

Memorandum

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

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

Api Number	Well	Location
(Wasatah-Mesa Verde Completions)		
43-047-33773	NBU 360	Sec. 29, T10S, R22E 0785 FSL 2080 FWL
43-047-33774	NBU 362	Sec. 28, T09S, R21E 0746 FSL 2121 FWL
43-047-33775	NBU 363	Sec. 28, T09S, R21E 0800 FSL 0400 FEL
43-047-33776	NBU 364	Sec. 29, T09S, R21E 0859 FSL 0723 FEL
43-047-33777	NBU 365	Sec. 03, T10S, R21E 0488 FSL 0854 FEL

EOG Resources Inc. (Wasatch Completions)

43-047-33779	NBU 519-3E	Sec. 03, T09S, R21E 1749 FSL 0798 FWL
43-047-33780	NBU 521-8E	Sec. 08, T09S, R21E 2250 FSL 0900 FEL
43-047-33781	NBU 522-10E	Sec. 10, T09S, R21E 0732 FSL 0841 FEL

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

/s/ Michael L. Coulthard

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

MCoulthard:mc:12-5-0



Coastal
The Energy People

November 28, 2000

Bureau of Land Management
Vernal District Office
170 South 500 East
Vernal, Utah 84078
Attn: Margie Herrmann
Leslie Crinklaw

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

RE: NBU #365 SE/SE Sec. 3, T10S, R21E
NBU #360 SE/SW Sec. 29, T10S, R22E
NBU #363 SE'SE Sec. 28, T9S, R21E
NBU #362 SE/SW Sec. 28, T9S, R21E
NBU #364 SE/SE Sec. 29, T9S, R21E

Ladies:

Enclosed are the APD's for the locations listed above. Please do not hesitate to call me if you have any questions, or need additional information at (435) 781-7023.

Cheryl Cameron
Sr. Regulatory Analyst

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DIVISION OF
OIL, GAS AND MINING

Coastal Oil & Gas Corporation

A SUBSIDIARY OF THE COASTAL CORPORATION

1368 S 1200 E • PO BOX 1148 • VERNAL UT 84078 • 435/789-4433 • FAX 435/789-4436

Natural Buttes Unit #364
SE/SE Sec. 29, T9S,R21E
UINTAH COUNTY, UTAH
U-0581

ONSHORE ORDER NO. 1
COASTAL OIL & GAS CORPORATION

DRILLING PROGRAM

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

<u>Formation</u>	<u>Depth</u>
KB	4940'
Green River	1645'
Wasatch	4840'
Mesaverde	7740'
Lower Mesaverde	9940'
TD	10,050'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1645'
Gas	Wasatch	4840'
Gas	Mesaverde	7740'
	Lower Mesaverde	9940'
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 refer to the attached Drilling Program.

5. **Drilling Fluids Program:**

Please refer to the attached Mud Program.

6. **Evaluation Program:**

Please refer to the attached Geological Data Program.

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7. Abnormal Conditions:

Maximum anticipated bottomhole pressure calculated at 10,050' TD, approximately equals 4,020 psi (calculated at 0.4 psi/foot). Maximum anticipated surface pressure equals approximately 1,809 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. Variances:

Please see Natural Buttes Unit SOP.

10. Other Information:

Please see Natural Buttes Unit SOP.

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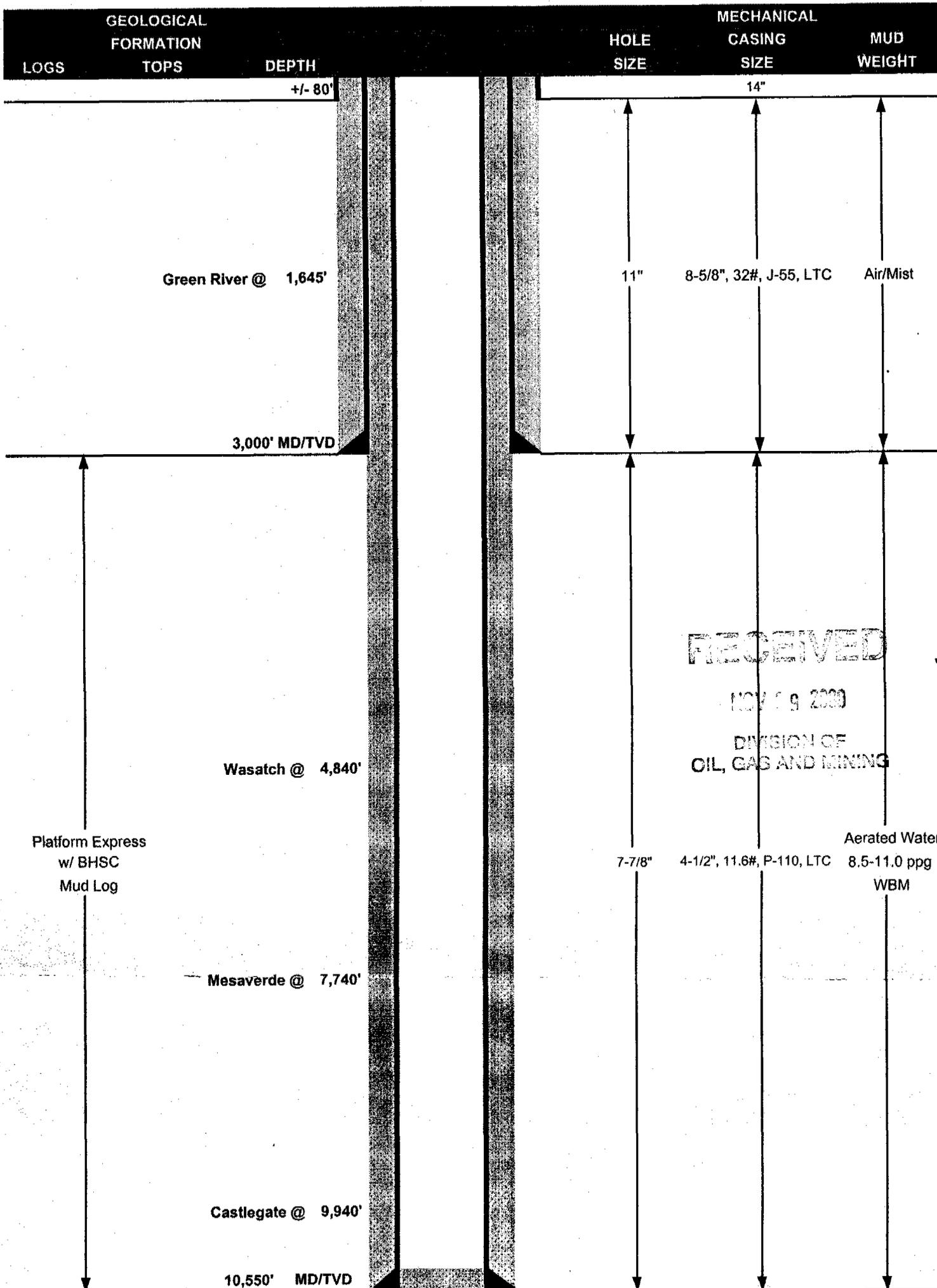
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COASTAL OIL & GAS CORPORATION

DRILLING PROGRAM

COMPANY NAME Coastal Oil & Gas Corporation DATE 11/13/00
 WELL NAME NBU #364 TD 10,550' MD/TVD
 FIELD NBU COUNTY Uintah STATE Utah ELEVATION 4,940' KB
 SURFACE LOCATION 725' FSL & 915' FEL Sec 29 T9S-R21E BHL Straight Hole
 OBJECTIVE ZONE(S) Wasatch, Mesaverde
 ADDITIONAL INFO _____



COASTAL OIL & GAS CORPORATION DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
SURFACE	8-5/8"	0-3,000'	32#	J-55	LTC	3,930	2,530	417,000
						2.34	1.80	2.13
PRODUCTION	4-1/2"	0-TD	11.6#	P-110	LTC	10,690	7,560	279,000
						2.22	1.25	1.25

- 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

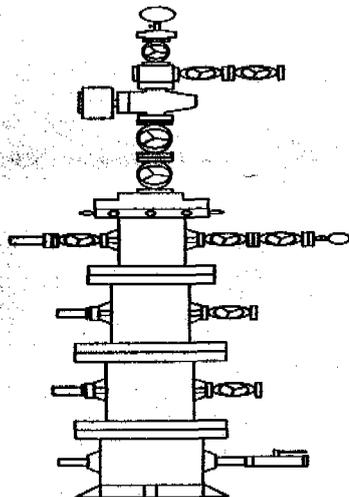
		FT. OF FILL	DESCRIPTION	SACKS	EXCESS*	WEIGHT	YIELD
SURFACE	LEAD	2,500'	Lite Class G + 2% CaCl2 + 0.25 lb/sk Flocele	530	50%	12.70	1.82
	TAIL	500'	Lite Class G + 2% CaCl2 + 0.25 lb/sk Flocele	200	75%	15.60	1.19
PRODUCTION	LEAD	4,540'	HiFill-Mod + 0.6% EX-1 + 0.25 lb/sk Flocele + 0.2% FWCA + 10 lb/sk Gilsonite + 16% Gel + 1% HR-7 + 3% Salt	550	100%	11.60	3.81
	TAIL	6,010'	50/50 Poz + 0.25 lb/sk Flocele + 0.4% HALAD-322 + 2% Gel + 2% Microbond HT + 0.1% HR-5 + 5% Salt	1880	75%	14.40	1.28

* or 15% over caliper

FLOAT EQUIPMENT & CENTRALIZERS

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

WELLHEAD EQUIPMENT



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

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COASTAL OIL & GAS CORPORATION DRILLING PROGRAM

BIT PROGRAM

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

GEOLOGICAL DATA

LOGGING:

Depth	Log Type
SC - TD	Platform Express with Sonic

MUD LOGGER:

SAMPLES:

CORING:

DST:

SC - TD

As per Geology

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MUD PROGRAM

DEPTH	TYPE	MUD WT	WATER LOSS	VISCOSITY	TREATMENT
0-3000'	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:

**Natural Buttes Unit #364
SE/SE Sec. 29,T9S,R21E
UINTAH COUNTY, UTAH
U-0581**

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

An onsite inspection was conducted for the NBU #364 on 10/26/00, 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 from 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 0.5 miles to the beginning of the proposed access road to the southeast; follow road flags in a southeasterly direction approximately 200' 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).

Approximately 200' of new access road proposed. Refer to Topo Map B.

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.

Approximately 400' of pipeline proposed. Refer to Topo Map D.

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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:

Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to one of the pre-approved disposal sites: RNI, Sec 5, T9S, R22E, NBU #159, Sec 35, T9S, R21E, Ace Oilfield, Sec.2, T6S, R20E, MC & MC, Sec.12, T6S, R19E. (Request is in lieu of filing Form 3160-5, after initial production).

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.

Topsoil pile will be moved between 2 & 8 per previous onsite discussions.

As per previous onsite discussions, the pit will be blasted and 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:

Shadscale

12 lbs.

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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

12. Other Information:

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

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

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

Darrell Molnar
Drilling Manager
Coastal Oil & Gas Corporation
9 Greenway Plaza, Suite 2770
Houston, TX 77046
(713) 418-4295

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.

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11/17/00


Cheryl Cameron

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Date

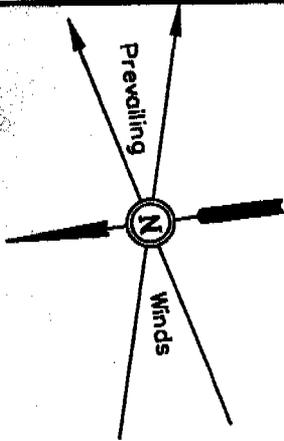
COASTAL OIL & GAS CORP.

LOCATION LAYOUT FOR

NBU #364

SECTION 29, T9S, R21E, S.L.B.&M.

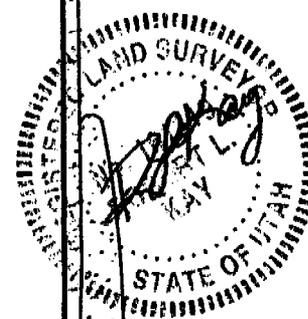
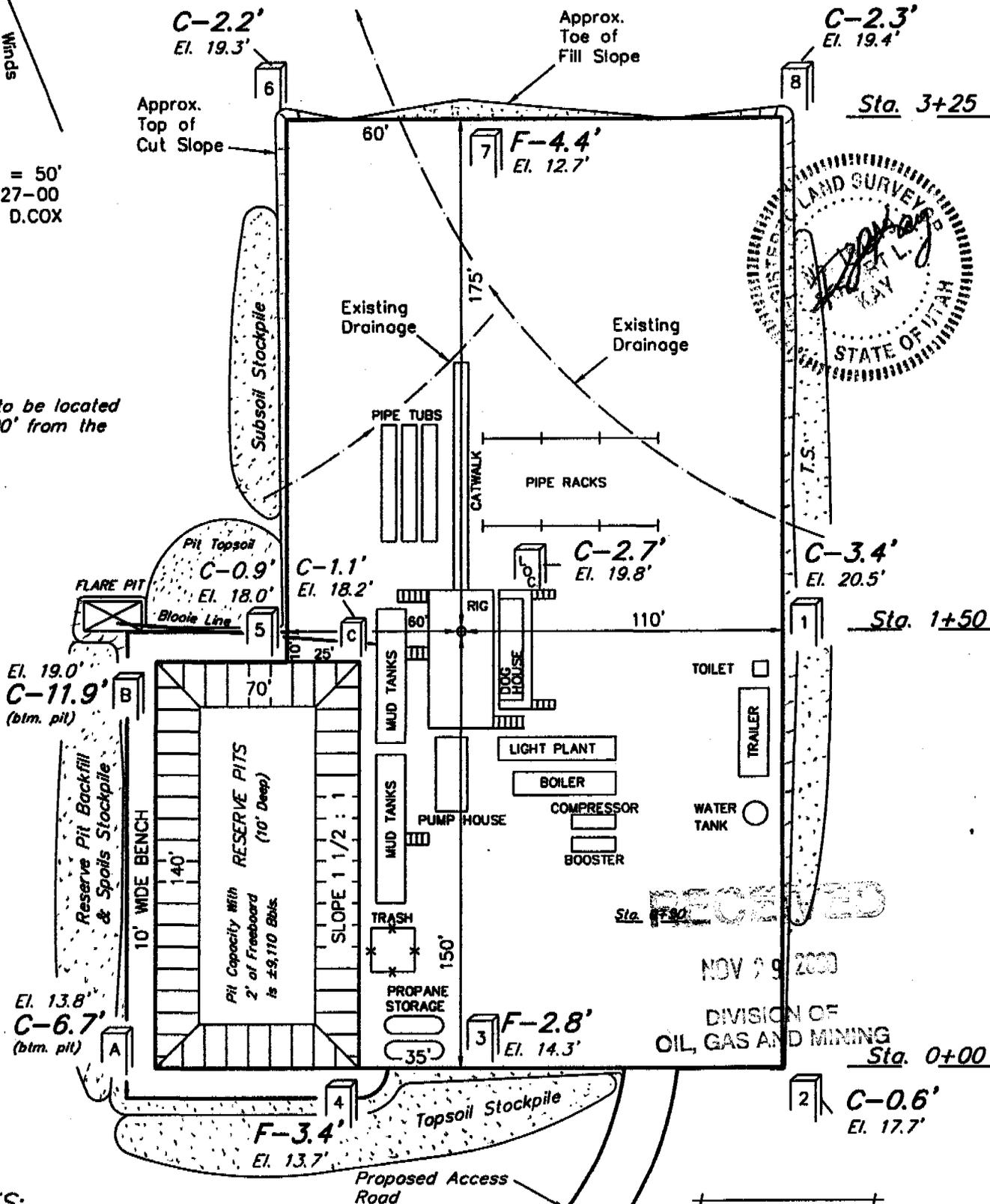
859' FSL 723' FEL



SCALE: 1" = 50'
DATE: 9-27-00
Drawn By: D.COX

NOTE:

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



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NOTES:

Elev. Ungraded Ground At Loc. Stake = 4919.8'
FINISHED GRADE ELEV. AT LOC. STAKE = 4917.1'

FIGURE #1

COASTAL OIL & GAS CORP.

TYPICAL CROSS SECTIONS FOR

NBU #364

SECTION 29, T9S, R21E, S.L.B.&M.

859' FSL 723' FEL

1" = 20'

X-Section
Scale

1" = 50'

DATE: 9-27-00

Drawn By: D.COX

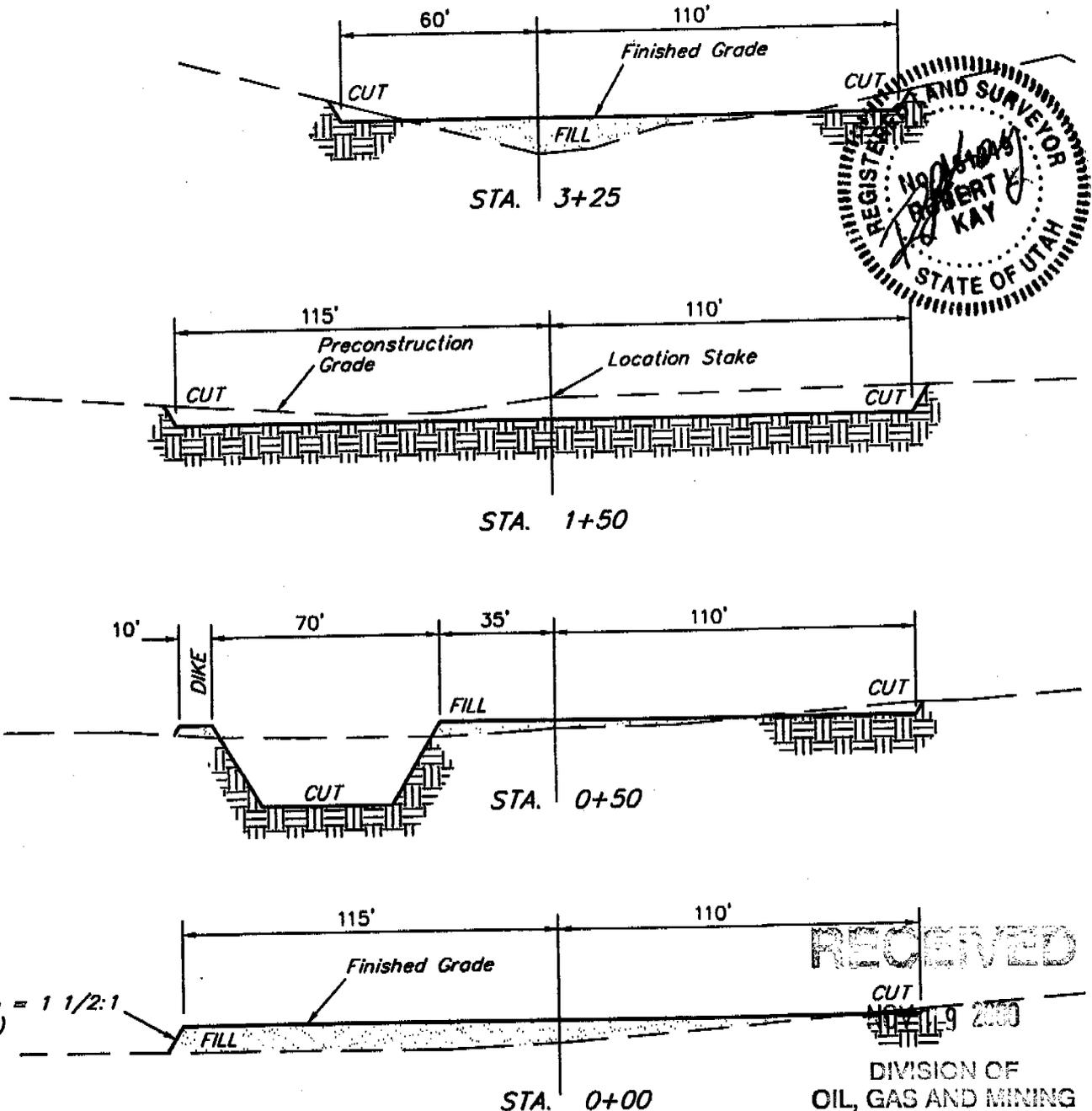
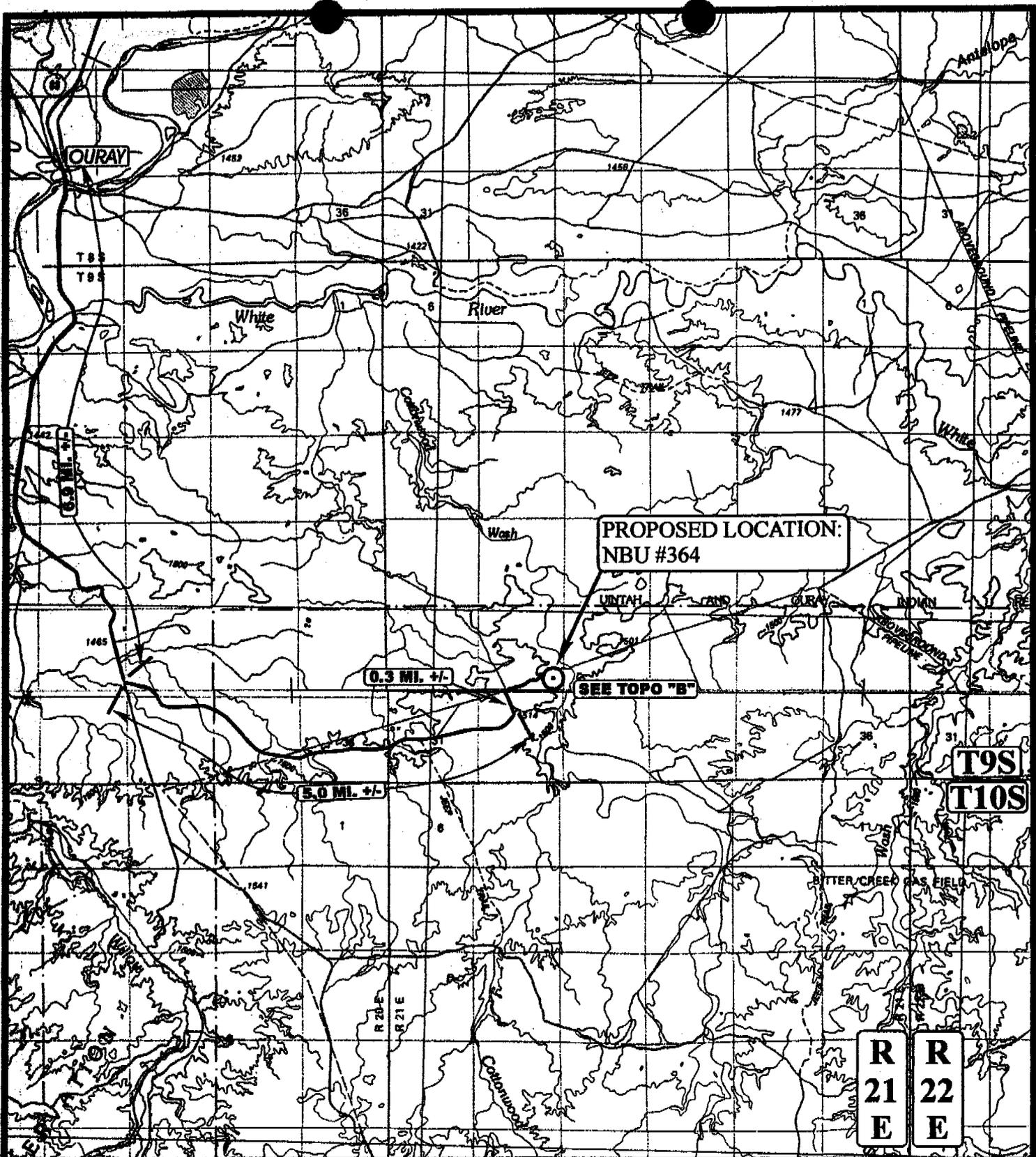


FIGURE #2

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,200 Cu. Yds.
Remaining Location	= 3,320 Cu. Yds.
TOTAL CUT	= 4,520 CU.YDS.
FILL	= 1,930 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 2,490 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,490 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.



LEGEND:

⊙ PROPOSED LOCATION



COASTAL OIL & GAS CORP.

NBU #364
SECTION 29, T9S, R21E, S.L.B.&M.
859' FSL 723' FEL

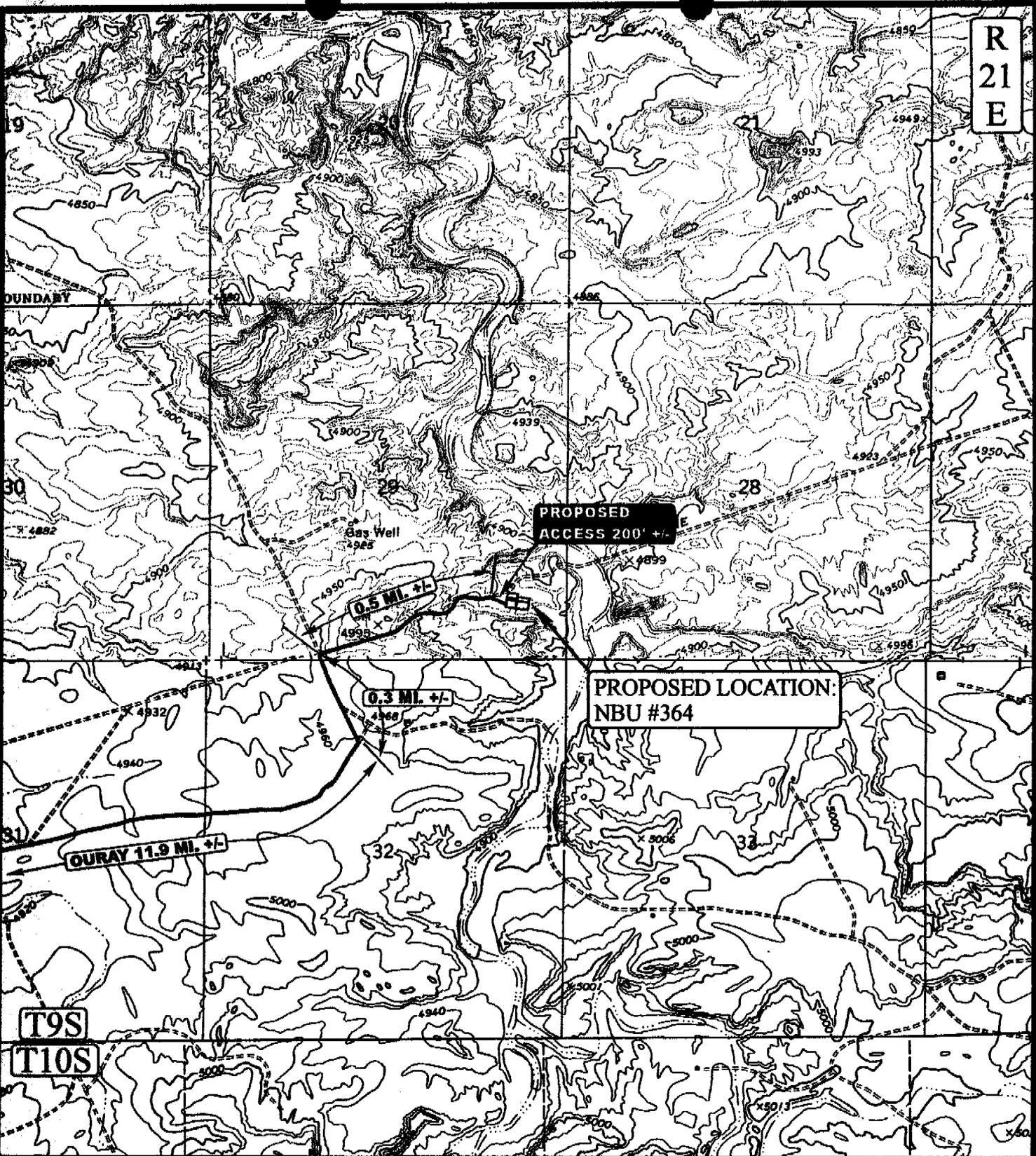
U&L S **Uintah Engineering & Land Surveying**
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC **10** **2** **00**
MAP **MONTH** **DAY** **YEAR**

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

A
TOPO

R
21
E



LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD

COASTAL OIL & GAS CORP.

NBU #364
 SECTION 29, T9S, R21E, S.L.B.&M.
 859' FSL 723' FEL

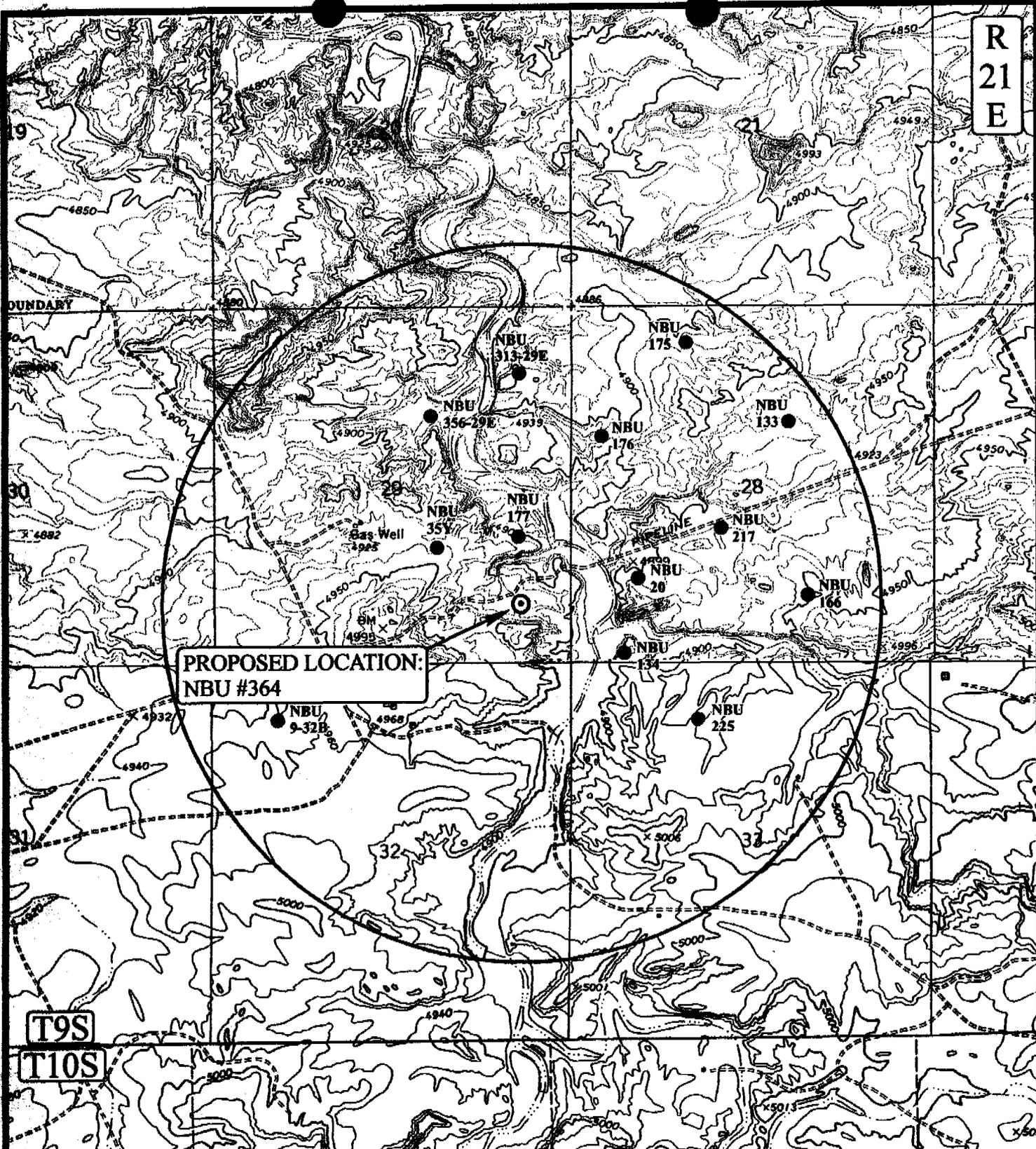


UIS
 Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC 10 2 00
MAP MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00



R
21
E



PROPOSED LOCATION:
NBU #364

LEGEND:

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

COASTAL OIL & GAS CORP.

NBU #364
SECTION 29, T9S, R21E, S.L.B.&M.
859' FSL 723' FEL

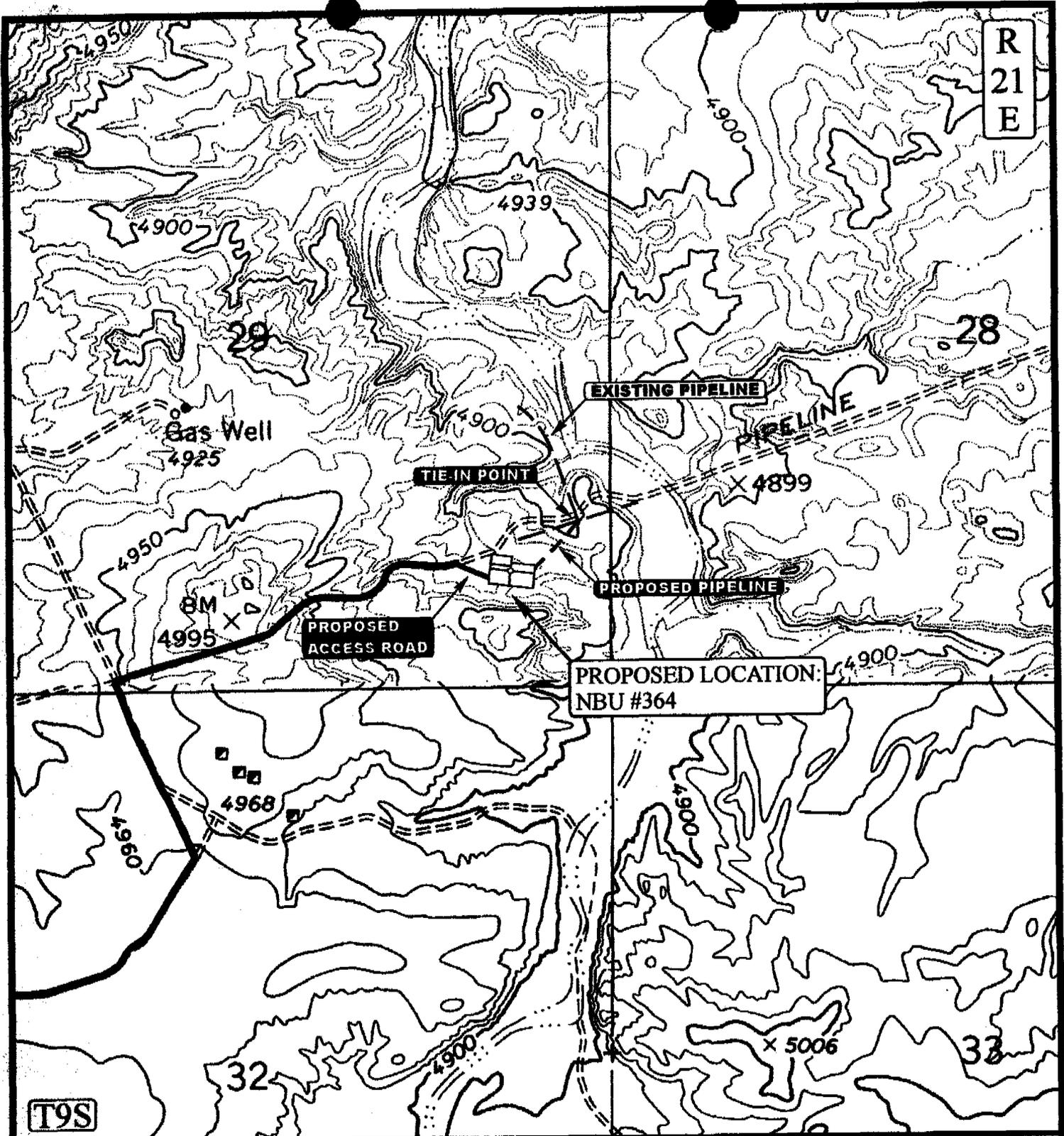


Uints Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP
SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00

10	2	00
MONTH	DAY	YEAR





APPROXIMATE TOTAL PIPELINE DISTANCE = 400' +/-

LEGEND:

- EXISTING PIPELINE
- - - PROPOSED PIPELINE
- PROPOSED ACCESS



COASTAL OIL & GAS CORP.

NBU #364

SECTION 29, T9S, R21E, S.L.B.&M.

859' FSL 723' FEL

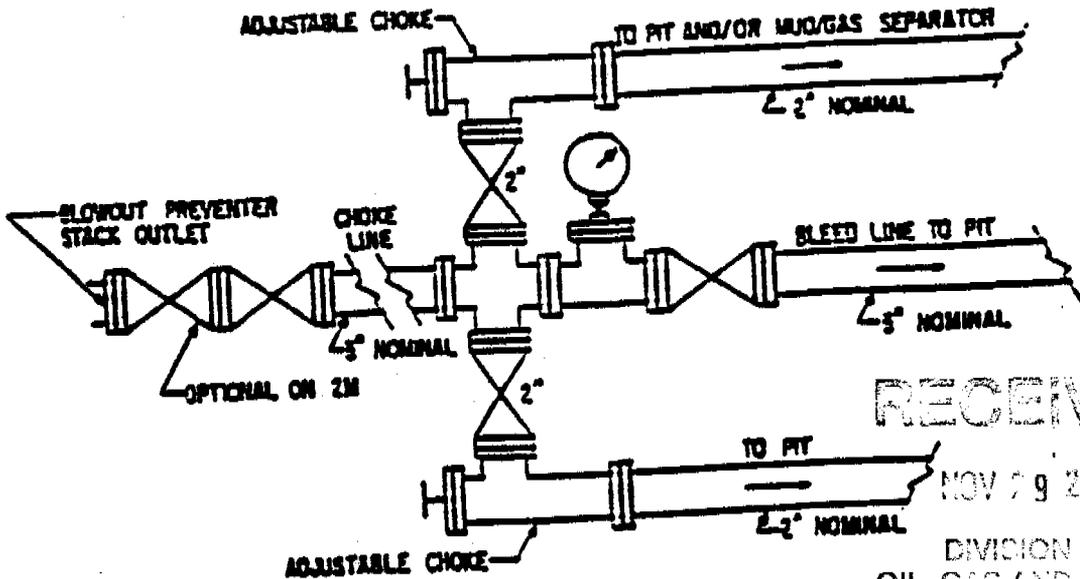
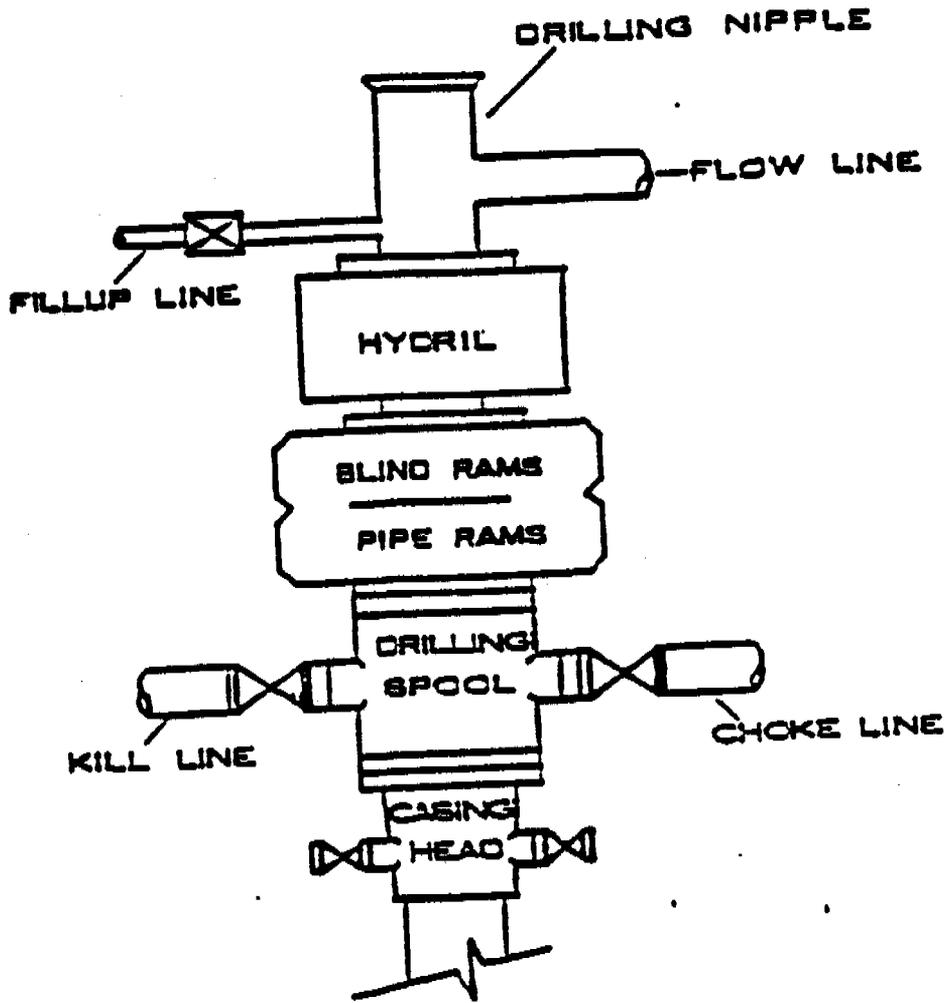
U
LS
 Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC **10** **2** **00**
MAP MONTH DAY YEAR
 SCALE: 1" = 1000' DRAWN BY: J.L.G. REVISED: 00-00-00

D
 TOPO

3,000 PSI

BOP STACK



RECEIVED

NOV 29 2000

DIVISION OF
OIL, GAS AND MINING

CULTURAL RESOURCE EVALUATION OF 5 PROPOSED NATURAL BUTTES WELL LOCATIONS IN THE EAST BENCH LOCALITY OF UINTAH COUNTY, UTAH

Report Prepared for Coastal Oil & Gas Corporation

Department of Interior Permit No.: UT-54937
Utah State Permit No.: UH00AF0681 b

AERC Project 1671 (COG00-34)

Author of Report:
F. Richard Hauck



ARCHEOLOGICAL-ENVIRONMENTAL RESEARCH CORPORATION

181 North 200 West, Suite 5 -- Bountiful, Utah 84010

P.O. Box 853, Bountiful, Utah 84011

Phone: (801) 292-7061, 292-9668 FAX: (801) 292-9668

E-mail: ari@xmission.com Web page: www.ari-aerc.org

November 11, 2000

ABSTRACT

An intensive cultural resource evaluation has been conducted for Coastal Oil & Gas Corporation of five well locations (NB Units Nos. 360, 362, 363, 364, 365) and the related pipeline and access corridors in the East Bench locality (see Maps 1 through 6) of Uintah County, Utah. About 67.4 acres of public lands in the locality were examined by AERC archaeologists during evaluations conducted on November 1 & 3, 2000.

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

One isolated artifact was observed during evaluations in the vicinity of well pad NB Unit No. 360. This item (1671R/x1) consists of a single potsherd of the Tusayan Corrugated Type, a pottery common during the Kayenta Pueblo III phase in the Southwestern Cultural Area.

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

TABLE OF CONTENTS

	page
Abstract	ii
Table of Contents	iii
List of Maps of the Project Area	iv
List of Photographs	iv
General Information	1
Project Location	1
Environment	8
File Search	8
Study Objectives and Expected Results	9
Site Potential in the Development Zone	9
Field Evaluations	10
Methodology	10
Site Significance Criteria	10
Results of the Inventory	11
Conclusion and Recommendations	13
Bibliography	14

LIST OF MAPS OF THE PROJECT AREA

	Page
Map 1: General Project Area in Uintah County, Utah	2
Map 2: Cultural Resource Survey of Proposed Well Locations (NBU # 360) in Uintah County, Utah	3
Map 3: Cultural Resource Survey of Proposed Well Locations (NBU # 362) in Uintah County, Utah	4
Map 4: Cultural Resource Survey of Proposed Well Locations (NBU # 363) in Uintah County, Utah	5
Map 5: Cultural Resource Survey of Proposed Well Locations (NBU # 364) in Uintah County, Utah	6
Map 6: Cultural Resource Survey of Proposed Well Locations (NBU # 365) in Uintah County, Utah	7

LIST OF PHOTOGRAPHS

	Page
Photograph 1: Isolate 1671R/x1 -- exterior	12
Photograph 2: Isolate 1671R/x1 -- interior	12

GENERAL INFORMATION

The Coastal Oil & Gas year 2000 development program involves the construction of five well locations (NB Unit Nos. 360, 362, 363, 364, 365) and their related pipeline and access corridors in the East Bench locality (see Maps 1 through 6) of Uintah County, Utah. About 67.4 acres of public lands in the locality were examined by AERC archaeologists during evaluations conducted on October 26, 2000. The project area is on Federal land administered by the Bureau of Land Management office in Vernal, Utah. The project was conducted under Department of the Interior Permit No. UT-54937, which expires on January 31, 2001. The Utah State permit for this project is UT-00-AF-0681b.

The purpose of the field study and this report is to identify and document cultural site presence and determine cultural resource National Register eligibility relative to established criteria (cf., 36 CFR 60.6). Federal regulations require an environmental assessment of the potential development area. One aspect of such an assessment involves a Class I (records search) and Class III (intensive survey) archaeological evaluation of the development area. Such investigations are accomplished in compliance with the Antiquities Act of 1906, the Historic Sites Act of 1935, Section 106 of the National Historic Preservation Act of 1966, as amended, the National Environmental Policy Act of 1969, the Federal Land Policy and Management Act of 1976, the Archaeological Resources Protection Act of 1979, the Native American Religious Freedom Act of 1978, the Historic Preservation Act of 1980, and Executive Order 11593.

To accomplish this investigation, a total of ca. 67.4 acres was examined by the archaeologists, who walked a series of 10 to 15 meter-wide transects within the five staked ten acre well pad zones and along the 100 foot-wide access/pipeline corridors.

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

Project Location

The project area is to the south of Vernal, Utah. The developments are located on East Bench of Uintah County and are associated with the Ouray SE, Archy Bench and Big Pack Mtn NE USGS topographic quads. The proposed development locations are situated as follows:

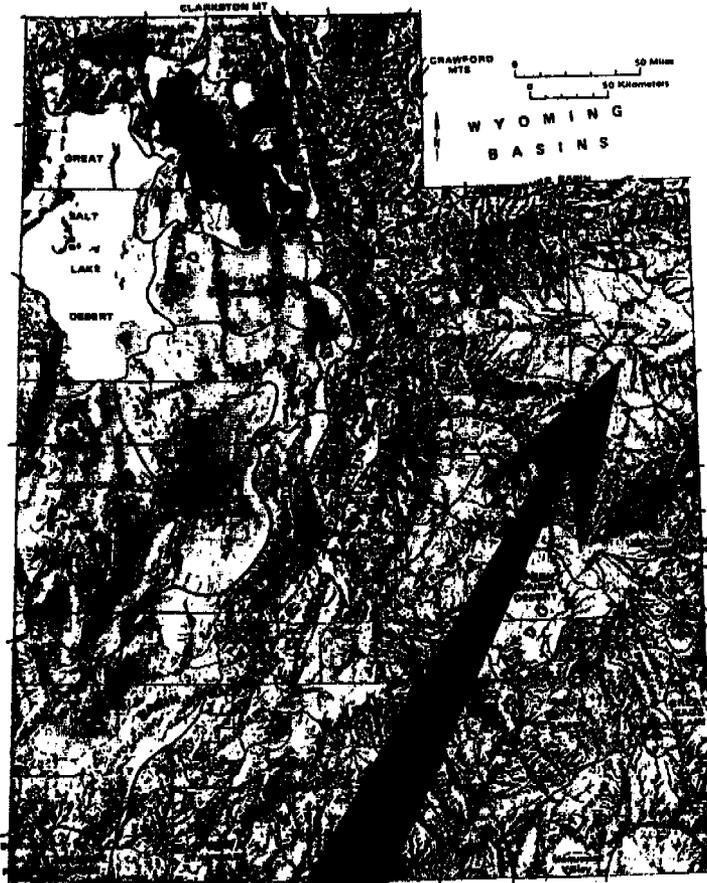
NBU No. 360 (see Map 2) is located in the SE of the SW quarter of Section 29, Township 10 South, Range 22 East, Salt Lake Base & Meridian. The proposed pipeline exits the proposed location and extends west for ca. 0.2 mile to the tie-in at the existing pipeline. The proposed access road exits the proposed location and extends ca. 0.09 mile east to the existing road.

NBU No. 362 (see Map 3) is located in the SE of the SW quarter of Section 28, Township 9 South, Range 21 East, Salt Lake Base & Meridian. This well pad is accessed via a road that extends ca. 0.08 mile east to the proposed location from an existing road. The proposed

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



**PROJECT: COG00-34
SCALE: 1: 200,650
DATE: 11/11/00**



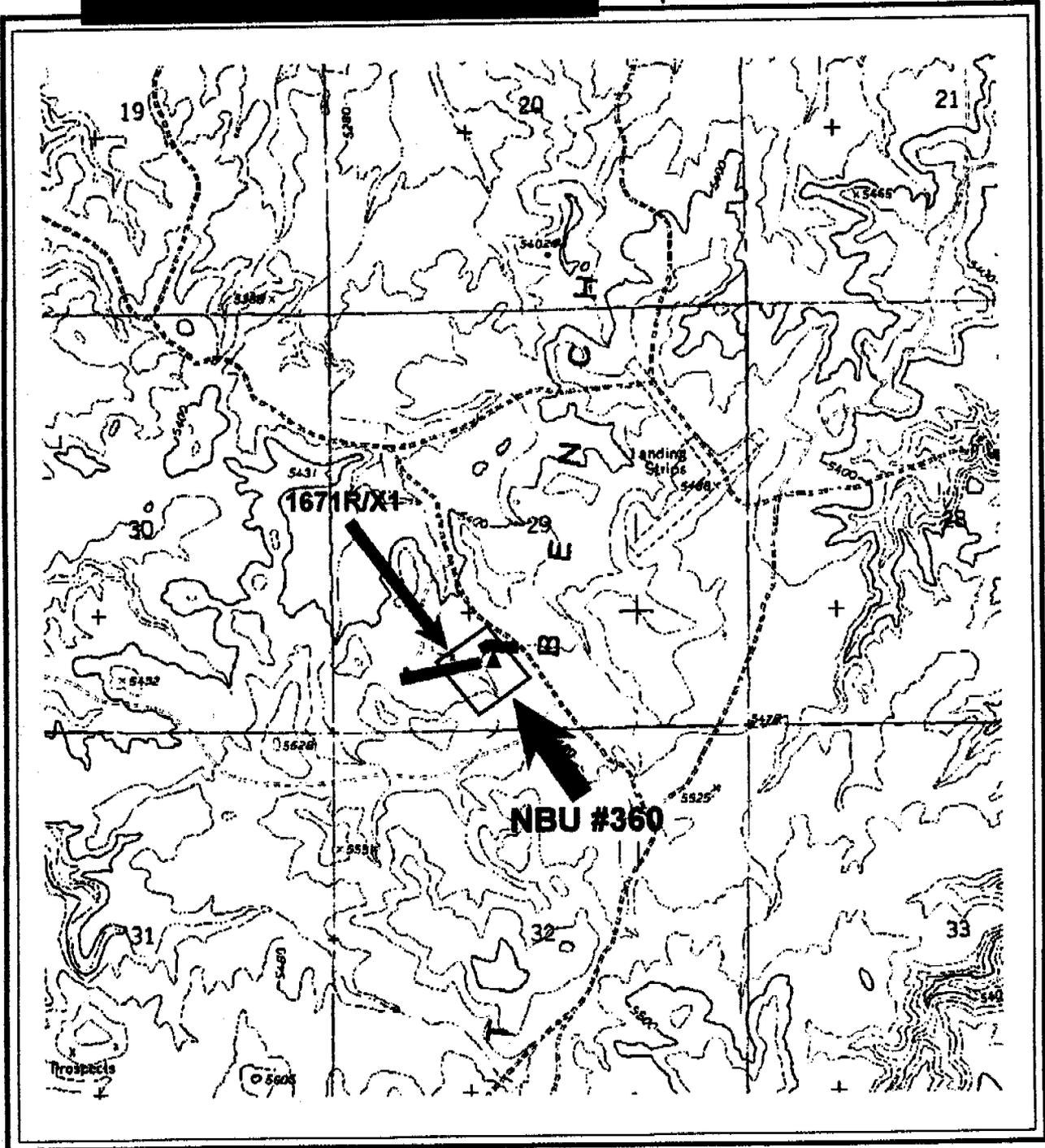
UTAH GEOLOGICAL AND MINERAL SURVEY
1977
PHYSIOGRAPHIC SUBDIVISIONS OF UTAH
BY W.L. STOKES

PROJECT AREA

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

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

PROJECT: COG00-34
SCALE: 1:24,000
QUAD: Archy Bench
DATE: November 11, 2000

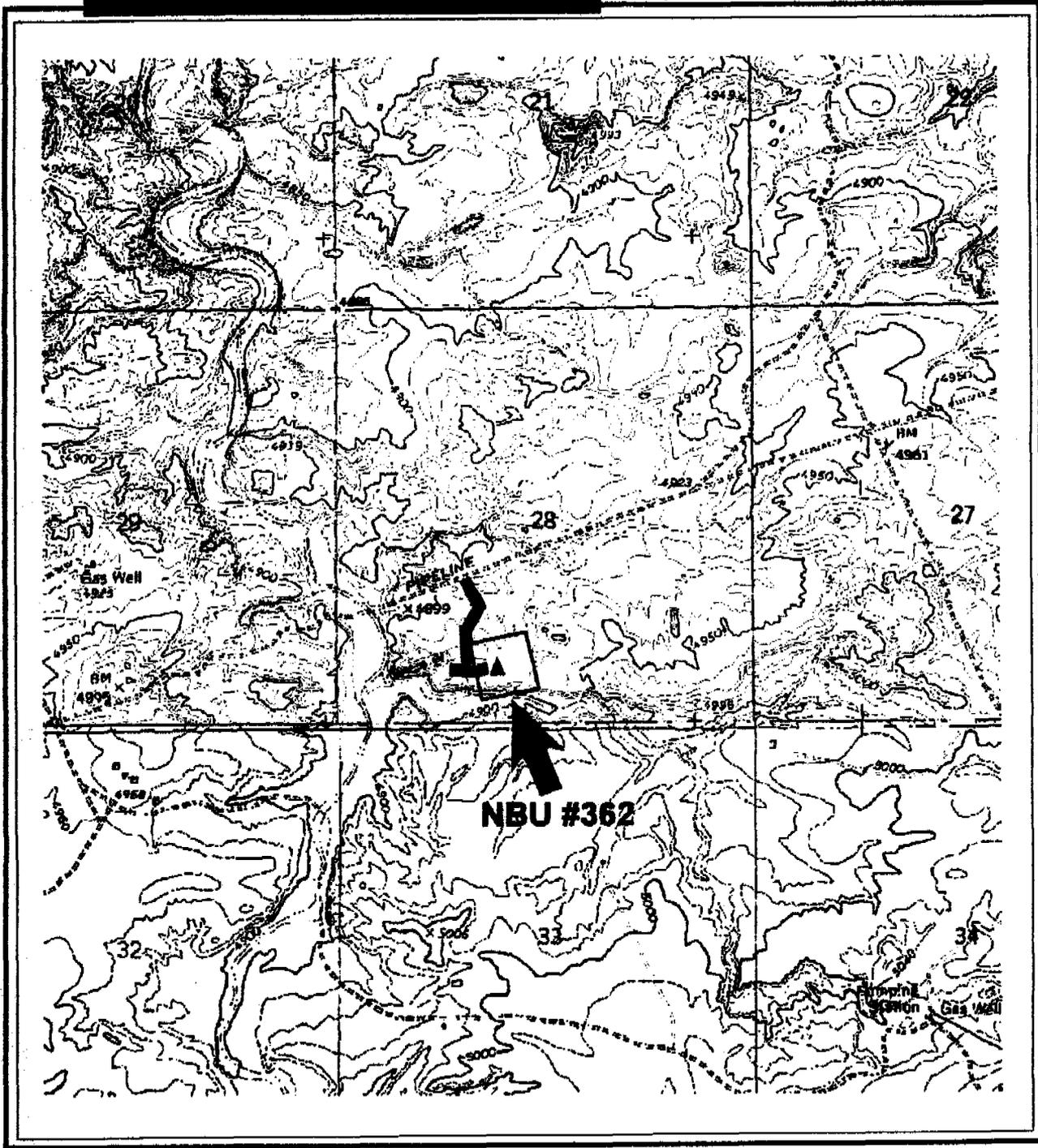
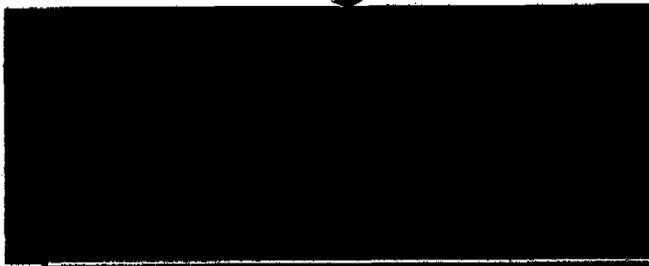


TOWNSHIP: 10 South
RANGE: 22 East
MERIDIAN: Salt Lake B. & M.

LEGEND

- ▲ Well Location
- Survey Area
- Surface Pipeline Corridor
- x Isolated Artifact
- Access Route

PROJECT: COG00-34
SCALE: 1:24,000
QUAD: Ouray SE
DATE: November 11, 2000

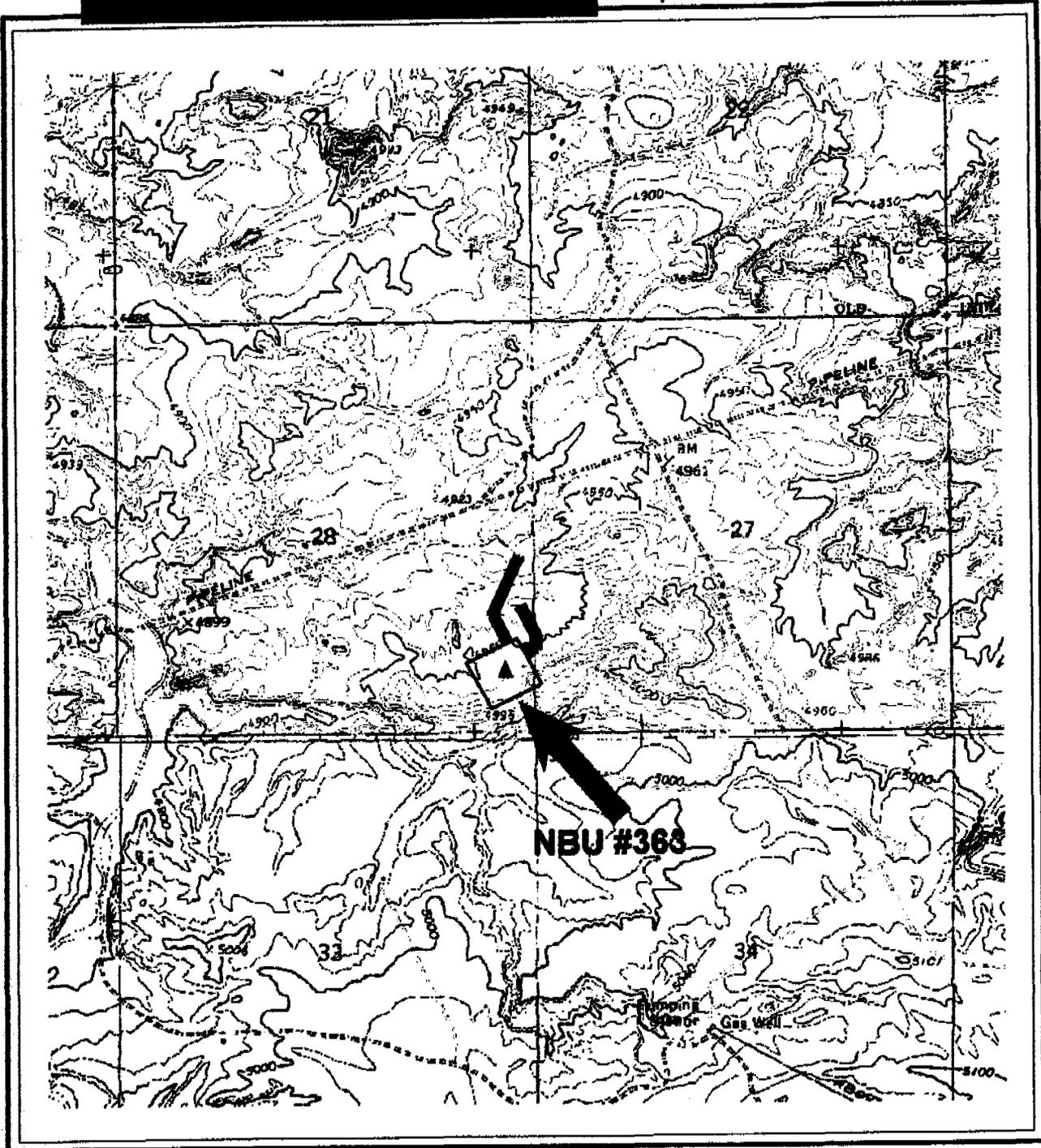


TOWNSHIP: 9 South
RANGE: 21 East
MERIDIAN: Salt Lake B. & M.

LEGEND

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

PROJECT: COG00-34
SCALE: 1:24,000
QUAD: Ouray SE
DATE: November 11, 2000

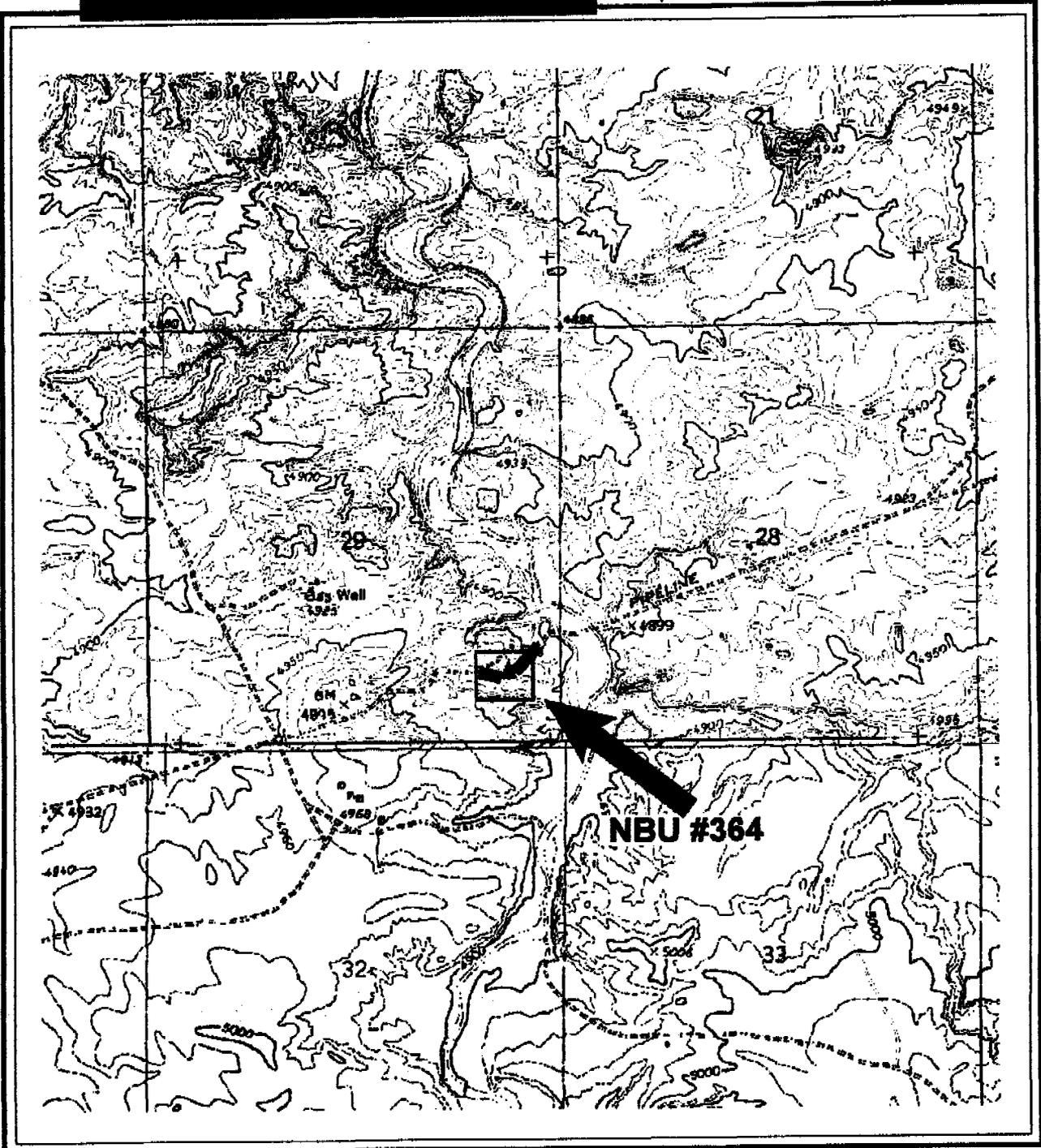


TOWNSHIP: 9 South
RANGE: 21 East
MERIDIAN: Salt Lake B. & M.

LEGEND

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

PROJECT: COG00-34
SCALE: 1:24,000
QUAD: Ouray SE
DATE: November 11, 2000

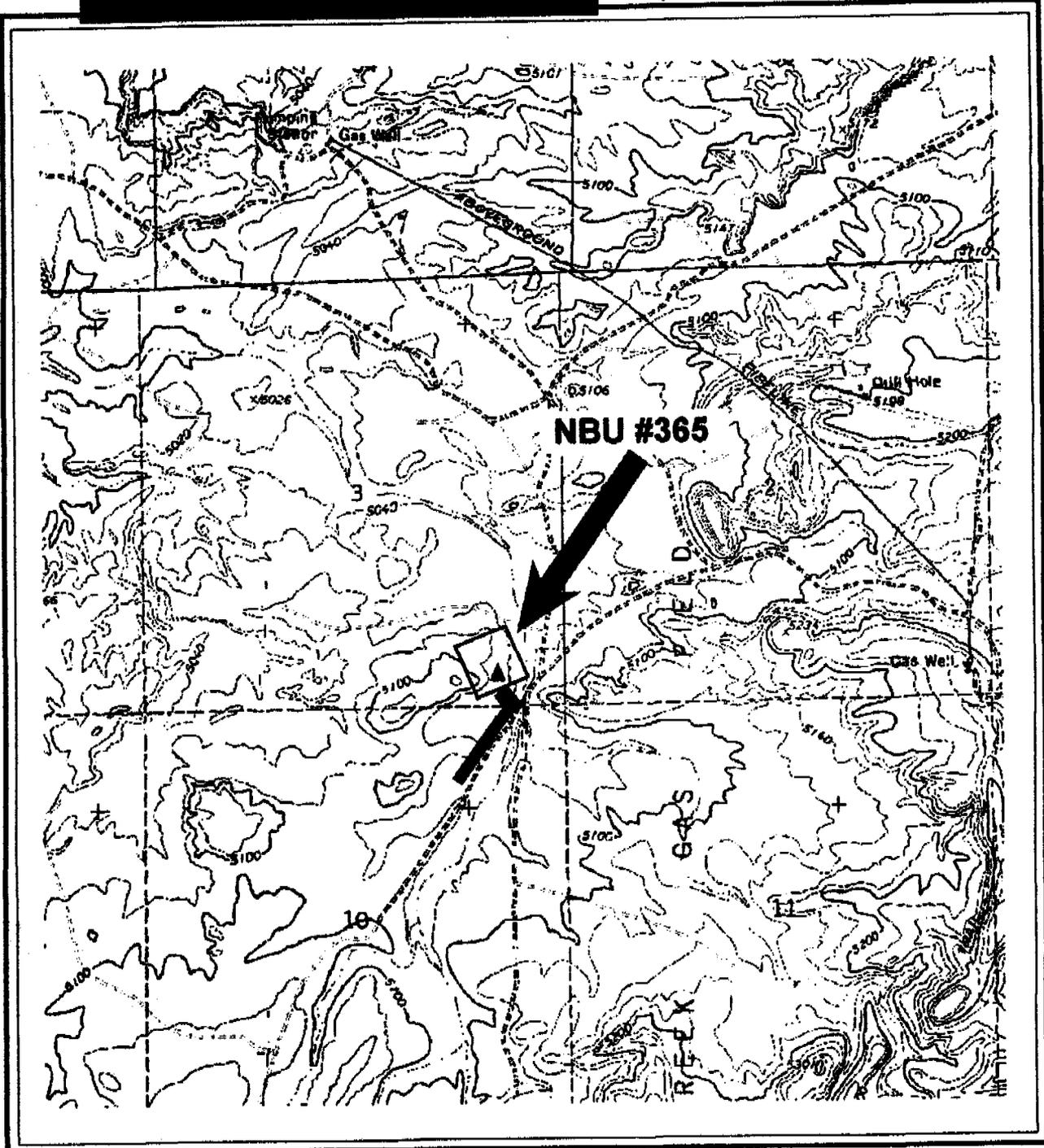


TOWNSHIP: 9 South
RANGE: 21 East
MERIDIAN: Salt Lake B. & M.

LEGEND

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

PROJECT: COG00-34
SCALE: 1:24,000
QUAD: Big Pack Mtn. NE
DATE: November 11, 2000



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

LEGEND

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

pipeline parallels the north side of the proposed road and extends ca. 0.2 mile to a tie-in point north of the proposed location.

NBU No. 363 (see Map 4) is located in the SE of the SE quarter of Section 28, Township 9 South, Range 21 East, Salt Lake Base & Meridian. Both the pipeline and the access road exit the well pad at the east side. The proposed pipeline extends to the northwest, paralleling the west side of the proposed access road, then turns northwest, transects the existing road and joins a tie-in point a total distance of 0.31 mile from the proposed location. The proposed road arcs in a northward direction for ca. 0.15 mile where it intersects with the existing road.

NBU No. 364 (see Map 5) is located in the SE of the SE quarter of Section 39, Township 9 South, Range 21 East, Salt Lake Base & Meridian. This well pad borders the south side of an existing road. The proposed pipeline corridor exits from the proposed well pad and extends northeast for ca. 0.08 mile to its tie-in with the existing pipeline. The proposed access road exits the west side of the proposed location and extends west for ca. 0.05 mile to the existing road.

NBU No. 365 (see Map 6) is located in the SE of the SE quarter of Section 3, Township 10 South, Range 21 East, Salt Lake Base & Meridian. The proposed pipeline exits the south side of the proposed location, parallels the west side of the proposed access road southeast, and then parallels an existing road southwest to a tie-in point a total of ca. 0.3 mile distant from the proposed location. The proposed road exits the south side of the proposed location and meets an existing road ca. 0.08 mile from the proposed location.

Environment

The elevations for the proposed well locations range from 4800 to 5500 feet above sea level. Ephemeral drainages in the project area are associated with tributaries that drain northward into the White River.

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

The project area is situated in the Uinta Formation and within the Colorado Plateau physiographic province.

File Search

Records searches were conducted in the Vernal BLM office on November 3, 2000 and at the SHPO in Salt Lake City on October 23, 2000. Earlier projects conducted in this general area include the following: 87-AF-279, 93-MM-1796 and 00-AF-0504b.

A site located in the vicinity, 42Un1818, is situated outside the current project area, and will not be affected by the proposed developments.

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

Previous evaluations and area inventories indicate the occupation of the general project area has included prehistoric occupations (cultural affiliation unknown). For a comprehensive treatment of the prehistory and history of this general cultural area see Archaeological Evaluations in the Northern Colorado Plateau Cultural Area (Hauck 1991)

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

STUDY OBJECTIVES AND EXPECTED RESULTS

The purpose of this evaluation was to identify, evaluate, and record any cultural resources encountered within the proposed Coastal Oil & Gas development area; to determine the significance of identified resources; and to recommend appropriate mitigation measures relative to the preservation of resources found to be endangered by the project.

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

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

No constraints, e.g., snow cover, dense vegetation, difficult weather, were imposed on the evaluation of this well location. The project was completed on November 3, 2000.

Site Potential in the Project Development Zone

Previous archaeological evaluations in this general region have resulted in the identification and recording of limited archaeological resources in these five localities. Such prehistoric sites as have been recorded demonstrate a definitive selection of environmental community and water resource.

FIELD EVALUATIONS

Methodology

To accomplish an intensive evaluation of the project areas shown on the maps, the archaeologists walked a series of 10 to 15 meter-wide transects within each ten acre staked location and along the various 100 foot-wide access/pipeline corridors. All together, a 100% pedestrian survey was conducted of ca. 67.4 acres.

When cultural materials are discovered, the archaeologist conducts a careful search of the vicinity to locate and evaluate features, artifact types and concentrations, site spatial associations, and temporal identifications. Sites and isolates are then recorded on the appropriate forms, locations sketched, perimeters marked on a topographic map, and photographs taken. Copies of these reports are provided to the appropriate State and Federal offices as attachments to the final report.

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

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

Site Significance Criteria

The various criteria relative to establishing the eligibility of prehistoric and historic cultural sites preparatory to their potential nomination to the National Register of Historic Places have been outlined as follows in the National Register's Criteria for Evaluation as established in Title 36 CFR 60.6:

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

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

In addition to satisfying one or more of these general conditions, a significant cultural resource site in Utah will generally be considered as being eligible for inclusion in the National Register if it still retains its integrity and can contribute to our current state of knowledge concerning chronology, cultural relationships, origins, and cultural life ways of prehistoric or historic groups in the area.

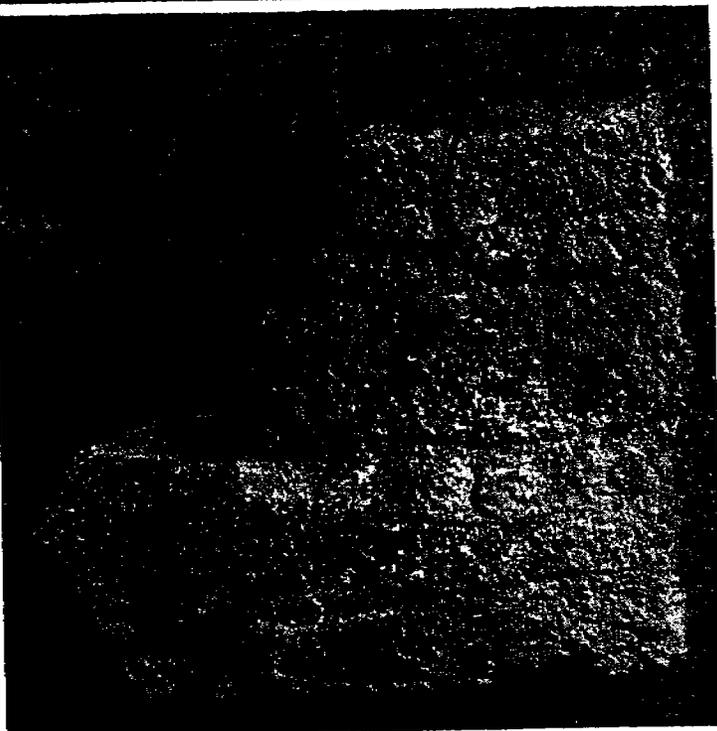
In a final review of any site's cultural significance, the site must possess integrity and at least one of the above criteria to be considered eligible for nomination to the National Record of Historic Places.

Results of the Inventory

During the survey of the various corridors and well locations referenced in this report, no cultural resource activity loci were encountered.

One isolated potsherd was observed during evaluations in the vicinity of well pad NB Unit No. 360. This item (1671R/x1) consists of a single potsherd of the Tusayan Corrugated Type, a pottery common during the Kayenta Pueblo III phase in the Southwestern Cultural Area. AERC projects in this general region have occasionally identified other fragments of Southwestern Anasazi Ware (see Hauck 1991); the recovery of a single isolated sherd is very unusual, however. Photographs 1 and 2 show the details of this artifact. A detailed search was conducted in the vicinity of this isolated find; no additional artifacts or evidences of prehistoric activity relative to this sherd were identified.

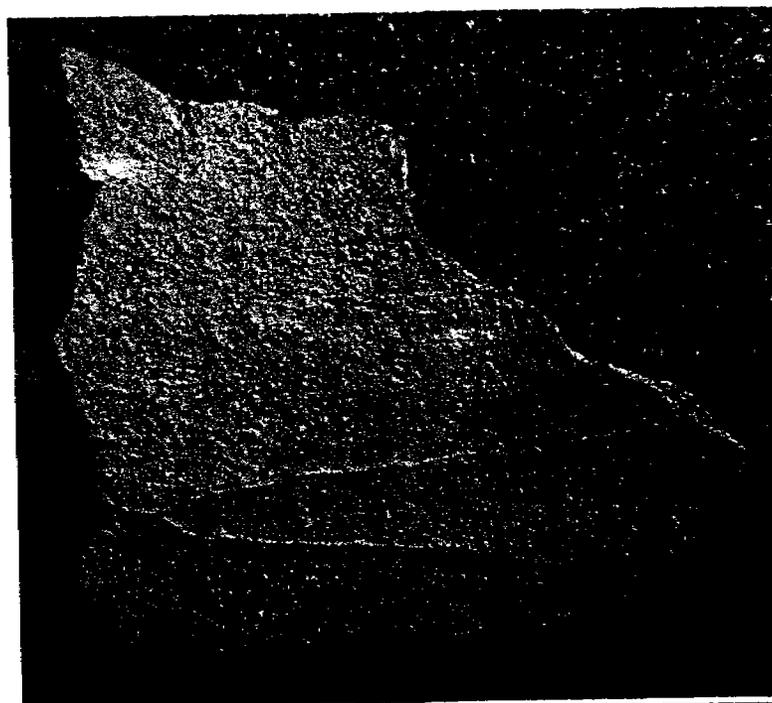
No previously recorded cultural resources will be adversely affected by the proposed developments. Known cultural sites situated in the general region are not endangered by direct adverse effect relative to these developments because of their distance from the present project areas.



**Photograph 1: Isolate 1671R/x1 --
view of vessel exterior showing
irregularity of coils & corrugations**

(Tusayan Corrugated Type)

Magnification: 2.7x

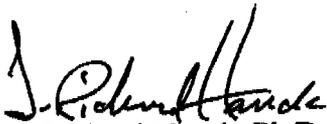


**Photograph 2: Isolate 1671R/x1 --
view of vessel interior showing
smoothed surface prior to firing**

CONCLUSION AND RECOMMENDATIONS

AERC recommends that a cultural resource clearance be granted to Coastal Oil & Gas Corporation relative to the development of NB Units Nos. 357, 358, 359, 361, 366, and 367 based upon adherence to the following stipulations:

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


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

BIBLIOGRAPHY

Hauck, F. Richard

- 1987 Cultural Resource Examination of a Proposed Well Location (Duck Butte Unit No. 2-28) in the White River Locality of Uintah County, Utah. Report prepared for Bishop Petroleum Company (BP87-1), Archeological-Environmental Research Corporation, Bountiful.
- 1991 Archaeological Evaluations on the Northern Colorado Plateau Cultural Area, AERC Paper No. 45, Archeological-Environmental Research Corporation, Bountiful.
- 2000a Cultural Resource Evaluations of Four Proposed Coastal Well Locations (CIGE Units Nos. 251, 252, 253, & 254) in the Cottonwood Wash Locality of Uintah County, Utah. Report prepared for Coastal Oil & Gas Corporation (COG00-22), Archeological-Environmental Research Corporation, Bountiful.
- 2000b Cultural Resource Evaluation of Six Proposed Coastal Well Locations (NB Units Nos. 357, 358, 359, 361, 366, and 367) in the East Bench Locality of Uintah County, Utah. Report prepared for Coastal Oil & Gas Corporation (COG00-21), Archeological-Environmental Research Corporation, Bountiful.
- 2000c Cultural Resource Evaluation of Five Proposed Coastal Well Locations (NB Units Nos. 360, 362, 363, 364, and 365) in the East Bench Locality of Uintah County, Utah. Report prepared for Coastal Oil & Gas Corporation (COG00-34), Archeological-Environmental Research Corporation, Bountiful.

Hauck, F.R. and Garth Norman

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

Stokes, W.L.

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

U.S.
Department of the Interior
Bureau of Land Management
Utah State Office
(AERC FORMAT)
Summary Report of
Inspection for Cultural Resources

Project
Authorization No UT-00-AF-0681b

Report Acceptable Yes ___ No ___
Mitigation Acceptable Yes ___ No ___
Comments: _____

Cultural Resource Evaluation of Five Proposed Natural Butte Well Locations (NB Unit Nos. 360, 362, 363, 364, 365) in Uintah County, Utah

1. Report Title
2. Development Company Coastal Oil & Gas Corporation
3. Report Date 11/11/00
4. Antiquities Permit No. UT-00-54937
5. Responsible Institution AERC COG00-34
- County Uintah
6. Fieldwork Location: TWN . . 9 S . RNG . . 21 E . Section 28, 29, , TWN . . 10 S . RNG . . 21 E . Section 3, 10, and TWN . . 10 S . RNG . . 22 E . Section 29
7. Resource Area BC.
8. Description of Examination Procedures: The archeologists, F.R. Hauck and Alan Hutchinson, intensively examined the five 10 acre parcels and associated access/pipeline routes (100 feet-wide) by walking a series of 15 to 20 meter-wide transects.
9. Linear Miles Surveyed
- and/or
- Definable Acres Surveyed
- and/or
- Legally Undefinable Acres Surveyed 67.4
10. Inventory Type .I.
R = Reconnaissance
I = Intensive
S = Statistical Sample
11. Description of Findings: One isolated Tusayan Corrugated Sherd (AERC 1671R/x1) was collected for lab analysis. Photographs of the sherd are included in the report.
12. Number Sites Found .0. (No sites = 0)
13. Collection: .Y. (Y = Yes, N = No)
14. Actual/Potential National Register Properties Affected:
The National Register of Historic Places (NRHP) has been consulted and no registered properties will be affected by the proposed development.
15. Literature Search, Location/ Date: Utah SHPO 08-29-00 Vernal BLM 08-30-00
16. Conclusion/ Recommendations:
AERC recommends that a cultural resource clearance be granted to Coastal Oil & Gas Corporation for these proposed developments based on the following stipulations:
 1. All vehicular traffic, personnel movement, construction and restoration operations should be confined to the existing roadways and/or evaluated corridors.
 2. All personnel should refrain from collecting artifacts and from disturbing any significant cultural resources in the area.
 3. The authorized official should be consulted should cultural remains from subsurface deposits be exposed during construction work or if the need arises to relocate or otherwise alter the location of the development.

17. Signature of Administrator & Field Supervisor:

Administrator:

Field

Supervisor:



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 11/29/2000

API NO. ASSIGNED: 43-047-33776

WELL NAME: NBU 364
 OPERATOR: COASTAL OIL & GAS CORP (N0230)
 CONTACT: CHERYL CAMERON

PHONE NUMBER: 435-781-7023

PROPOSED LOCATION:
 SESE 29 090S 210E
 SURFACE: 0859 FSL 0723 FEL
 BOTTOM: 0859 FSL 0723 FEL
 UINTAH
 NATURAL BUTTES (630)

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

LEASE TYPE: 1-*Federal*
 LEASE NUMBER: U-0581
 SURFACE OWNER: 1-*Federal*

PROPOSED FORMATION: WSMVD

RECEIVED AND/OR REVIEWED:
 Plat
 Bond: Fed[1] Ind[] Sta[] Fee[]
 (No. U-605382-9)
 Potash (Y/N)
 Oil Shale (Y/N) *190-5 (B) or 190-3
 Water Permit
 (No. 43-8496)
 RDCC Review (Y/N)
 (Date: _____)
 Fee Surf Agreement (Y/N)

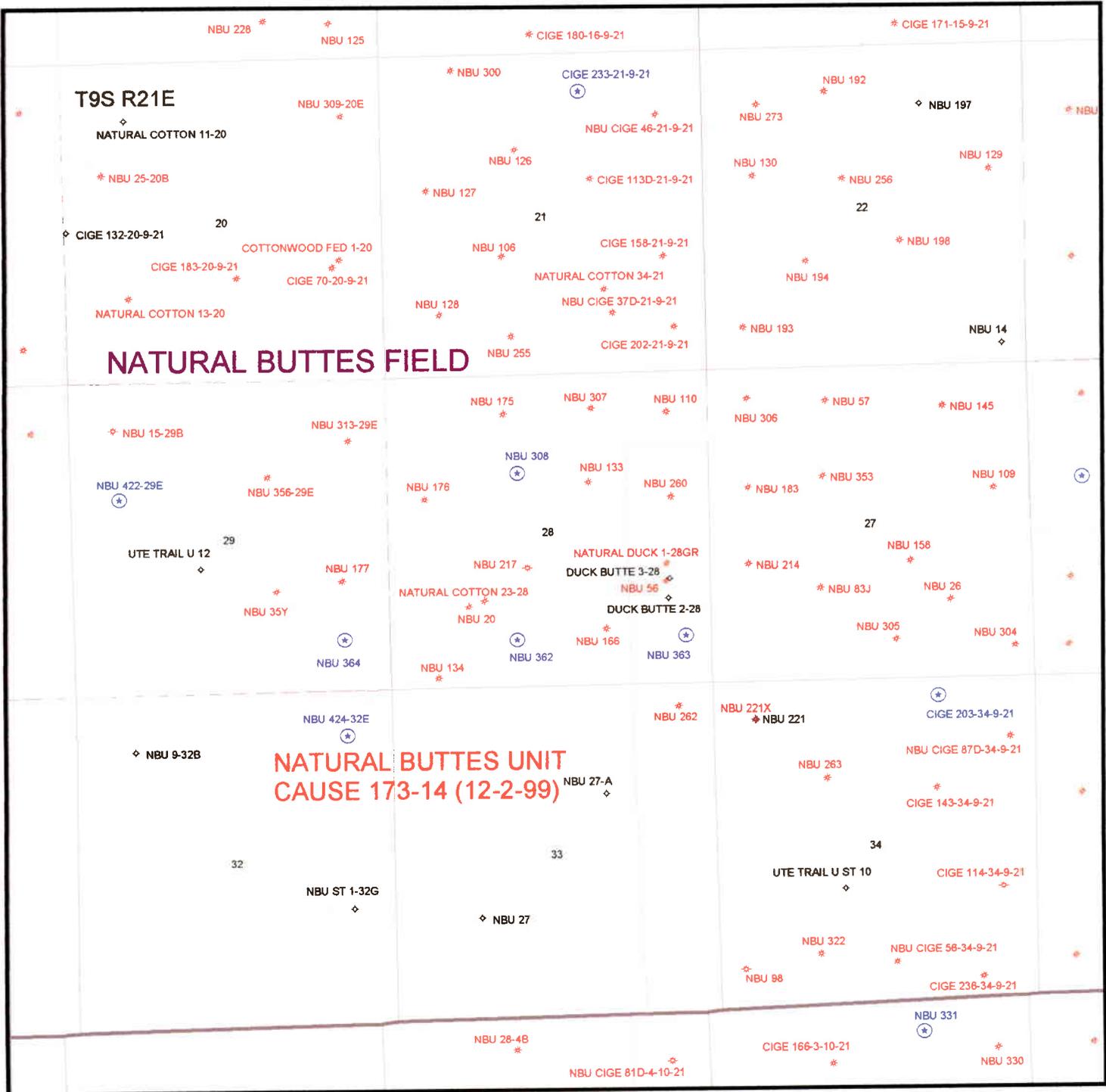
LOCATION AND SITING:
 ___ R649-2-3. Unit NATURAL BUTTES
 ___ R649-3-2. General
 Siting: 460 From Qtr/Qtr & 920' Between Wells
 ___ R649-3-3. Exception
 Drilling Unit
 Board Cause No: 173-14
 Eff Date: 12-2-99
 Siting: 460' Fr Unit Boundary & Uncomm. Lands
 ___ R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: ① FEDERAL APPROVAL
② OIL SHALE



OPERATOR: COASTAL O&G (N0230)
 FIELD: NATURAL BUTTES (630)
 SEC. 28 & 29, T9S, R21E,
 COUNTY: UINTAH UNIT: NATURAL BUTTES
 CAUSE: 173-14





Coastal
The Energy People

December 5, 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 #364 proposed well to be drilled in the SE/SE Sec. 29, T9S, R21E, Uintah County, Utah is 859' FSL & 723' FEL of said Section 29. 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

RECEIVED

DEC 13 2000

DIVISION OF
OIL, GAS AND MINING

Coastal Oil & Gas Corporation

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



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)

December 13, 2000

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

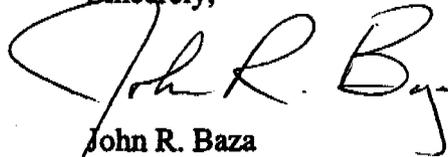
Re: Natural Buttes Unit 364 Well, 859' FSL, 723' FEL, SE SE, Sec. 29, T. 9 South,
R. 21 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-33776.

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 364
API Number: 43-047-33776
Lease: U 0581

Location: SE SE Sec. 29 T. 9 South R. 21 East

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

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

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

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

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-0581
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
3a. Address P.O. Box 1148, Vernal, UT 84078		8. Lease Name and Well No. NEU #364
3b. Phone No. (include area code) (435) 781-7023		9. API Well No.
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface SE/SE At proposed prod. zone 859'FSL & 723'FEL		10. Field and Pool, or Exploratory Natural Buttes
14. Distance in miles and direction from nearest town or post office* 12.7 miles South to Ouray, UT		11. Sec., T., R., M., or Blk. and Survey or Area Sec. 29, T9S, R21E
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 723'	16. No. of Acres in lease 2399.63	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 10550'	20. BLM/BIA Bond No. on file U- 605382-9
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4919.8 Ungraded	22. Approximate date work will start* Upon Approval	23. Estimated duration To Be Determined

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NOV 28 2000

24. Attachments

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

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

25. Signature 	Name (Printed/Typed) Cheryl Cameron	Date 11/16/00
-------------------	---	-------------------------

Sr. Regulatory Analyst		
Approved by (Signature) 	Name (Printed/Typed)	Date 02/08/01
Assistant Field Manager Mineral Resources	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)

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DIVISION OF
OIL, GAS AND MINING

DOGIM

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Coastal Oil & Gas Corporation

Well Name & Number: NBU #364

API Number: 43-047-33776

Lease Number: U - 0581

Location: SESE Sec. 29 T. 09S R. 21E

Agreement: Natural Buttes WS MV

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DIVISION OF
OIL, GAS AND MINING

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

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

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 3,000 ft.

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OIL, GAS AND MINING

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

-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 seed mix outlined in the APD for reclamation of the well will be used.

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.

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**DIVISION OF
OIL, GAS AND MINING**

Form 3160-5
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals

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

SUBMIT IN TRIPLICATE- Other Instructions on reverse side		5. Lease Serial No. U-0581
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 #364
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 29 T9S R21E SESE 859FSL 723FEL		9. API Well No. 4304733776
		10. Field and Pool, or Exploratory NATURAL BUTTES FIELD
		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 checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> CHANGE TO ORIGINAL APD
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

COASTAL OIL & GAS CORPORATION REQUESTS AUTHORIZATION TO CHANGE THE SURFACE HOLE, CSG AND CMT PROGRAM.

PLEASE REFER TO THE ATTACHED DRILLING PROGRAM.

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APR 18 2001

DIVISION OF OIL, GAS AND MINING

COPIES SENT TO OPERATOR
Number 04-24-01
Initiator ZHO

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

Name (Printed/Typed)	Title
Signature <i>Cheryl Cameron</i>	Date <u>4/18/01</u>
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	

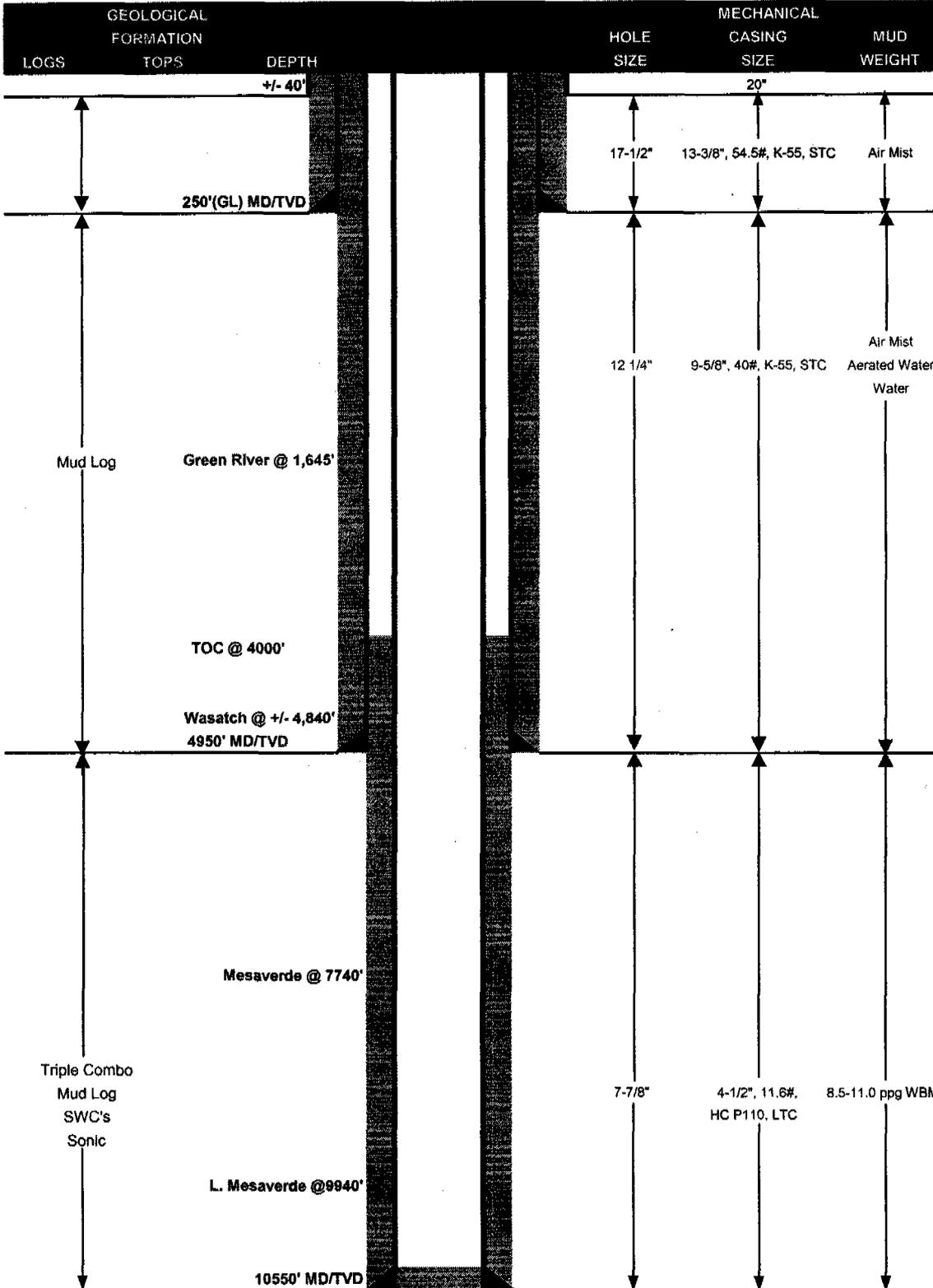
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

ELECTRONIC SUBMISSION #3647 VERIFIED BY THE BLM WELL INFORMATION SYSTEM FOR COASTAL OIL & GAS CORPORATION SENT TO THE VERNAL FIELD OFFICE

COASTAL OIL & GAS CORPORATION

DRILLING PROGRAM

COMPANY NAME Coastal Oil & Gas Corporation DATE April 9, 2001
 WELL NAME NBU 364 TD 10550' MD/TVD
 FIELD Natural Buttes COUNTY Uintah STATE Utah ELEVATION 4940 KB
 SURFACE LOCATION 725' FSL & 915' FEL, SE/SE, Sec. 29, T9S, R21E BHL Straight Hole
 OBJECTIVE ZONE(S) Wasatch, Mesa Verde
 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
SURFACE	13-3/8"	0-250'	54.50	K-55	STC	2,730	1,130	547,000
						19.47	9.66	4.81
INTERMEDIATE	9-5/8"	0 - 4950'	40.00	S-95	LTC	6,820	4,230	858,000
						2.11	3.01	2.92
PRODUCTION	4-1/2"	0-TD	11.60	HC P-110	LTC	10,690	8,650	279,000
						2.22	1.21	1.84

- 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 @ 13-3/8" shoe = 13.0 ppg, Max Pore Pressure = Max MW)
 (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Buoyed Weight of Casing, 50000 lbs overpull)

CEMENT PROGRAM

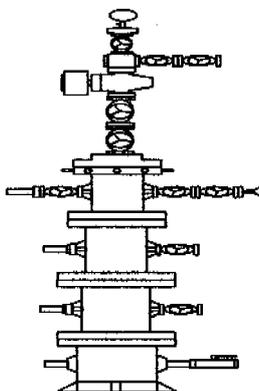
		FT. OF FILL	DESCRIPTION	SACKS	EXCESS*	WEIGHT	YIELD
SURFACE		250'	Premium Plus + 2% CaCl ₂ + 0.25 lb/sk Flocele	250	50%	15.60	1.19
INTERMEDIATE	LEAD	4,000'	Hilift G + 12% D20 + 3% D44 + 1% D79 + 0.75% D112 + 0.2% D46 + 0.125 #/sk D130	580	75%	11.00	3.81
	TAIL	850'	50/50 Poz/G + 2% D20 + 2% D174 + 0.25% D65 + 0.2% D46	330	50%	14.40	1.27
PRODUCTION		6,550'	50/50 Poz/G + 2% D20 + 2% D174 + 0.1% D167 + 0.1% D13 + 0.25% D65 + 0.2% D46	1,770	50%	14.30	1.27

* or 15% over callper

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 joint, insert collar. Centralize first 3 joints & every other collar to surface. Thread lock FE up to and including pin end of float collar.
INTERMEDIATE	Float shoe, 1 joint, float collar. Centralize first 3 joints & every other joint to top of tail cement. Thread lock FE up to and including pin end of float collar.
PRODUCTION	Float shoe, 1 joint, float collar. Centralize every other joint across pay zones.

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	13-3/8" SOW X 13-5/8" 3M

COASTAL OIL & GAS CORPORATION

DRILLING PROGRAM

BIT PROGRAM

ROCK BIT & PDC BIT PROGRAM						
INTERVAL	HOLE	BIT MFG & MODEL	GPM	SERIAL	NZLS	COMMENTS
Surface Hole	17-1/2"	Various				Pre-set
Intermediate hole	12 1/4"	Smith F27		Air/Aerated		
Production Hole	7-7/8"	Insert (4 or 5 type)	400-350			Possible Mud Motor

GEOLOGICAL DATA

LOGGING:

Depth	Log Type
SC - TD	Triple Combo
Int - TD	Sonic

MUD LOGGER: 2000' - TD
SAMPLES: As per Geology
CORING: Possible SWC's at selective intervals.
DST: As per Geology

MUD PROGRAM

DEPTH	TYPE	WATER			TREATMENT
		MUD WT	LOSS	VISCOSITY	
0-Trona	Air Mist	NA	NA		
Trona-Intm	Aerated Water Water	NA	NC	NA	Polymer, Gyp
Intm-TD	Water/Mud	8.5-13.0	NC - <10 cc's	30-45	Polymer, Gyp

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out. Test int. to 1,500 psi prior to drilling out.
 BOPE: 11" 3M with one annular and 2 rams. Test 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.

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

DRILLING ENGINEER: _____ **DATE:** _____
 Dan Lindsey

DRILLING MANAGER: _____ **DATE:** _____
 Darrell Molnar

DIRECTOR OF DRILLING: _____ **DATE:** _____

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

OPERATOR Coastal Oil & Gas Corp.
ADDRESS P.O. Box 1148
Vernal, UT 84078

OPERATOR ACCT. NO. N 0230

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
B	99999	2900	43-047-33776	NBU #364	SESE	29	9S	21E	UINTAH	6/9/01	6/9/01

WELL 1 COMMENTS:
Spud @ 11:30 am w/ Bill Martin Air Rig
6-11-01

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
B	99999	2900	43-047-33775	NBU #363	SESE	28	9S	21E	UINTAH	6/10/01	6/10/01

WELL 2 COMMENTS:
Spud @ 4:00 pm w/ Bill Martin Air Rig
6-11-01

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
B	99999	2900	43-047-33721	CIGB #252	SENW	21	10S	21E	UINTAH	6/10/01	6/10/01

WELL 3 COMMENTS:
Spud @ 7:00 am w/ Bill Martin Air Rig
6-11-01

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

WELL 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		

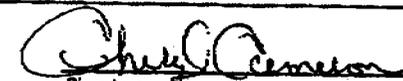
WELL 5 COMMENTS:

ACTION CODES (See instructions on back of #)

- A - Establish new entity for new well (sing
- B - Add new well to existing entity (group
- C - Re-assign well from one existing entit
- D - Re-assign well from one existing entit
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why
(388)

Post-It* Fax Note	7671	Date	6/11/01	# of pages	1
To	Jim Thompson	From	Cheryl Cameron		
Co./Dept	UTDOEM	Co.	COG		
Phone #		Phone #	(435) 781-7023		
Fax #		Fax #			


Signature

Regulatory Analyst 06/11/01
Title Date

Phone No. (435) 781-7023

P. 01
FAX NO. 435 781-4436
OIL&GAS D.S. SEC
JUN-11-2001 MON 08:10 AM COAS

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.

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)
SE/SE

Sec. 29, T9S, R21E

5. Lease Serial No.
U-0581

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
NBU #364

9. API Well No.
43-047-33776

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 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 checked="" type="checkbox"/> Other
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	SPUD
		<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 recompleat 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 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.

MIRU Bill Martin Air Rig. Drilled 175' of 17 1/2" hole.

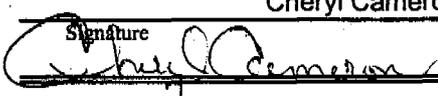
SPUD @ 11:30 AM 6/9/01.

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JUN 18 2001

**DIVISION OF
OIL, GAS AND MINING**

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

Name (Printed/Typed) Cheryl Cameron	Title Regulatory Analyst
Signature 	Date June 11, 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.

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

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

1. TYPE OF WELL OIL WELL GAS WELL OTHER _____
2. NAME OF OPERATOR:
El Paso Production Oil & Gas Company
3. ADDRESS OF OPERATOR:
8 South 1200 East CITY Vernal STATE Utah ZIP 84078 PHONE NUMBER: 435-789-4433
4. LOCATION OF WELL
FOOTAGES AT SURFACE: _____ COUNTY: _____
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: _____ STATE: UTAH

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

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

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

Bond # 400JU0708

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

(This space for State use only)

RECEIVED
JUN 19 2001
DIVISION OF
OIL, GAS AND MINING

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

RECEIVED

MAR 9 2001

DIVISION OF
OIL, GAS AND MINING



Harriet Smith Windsor
Harriet Smith Windsor, Secretary of State

0610204 8100

AUTHENTICATION: 1061007

010162788

DATE: 04-03-01

CERTIFICATE OF AMENDMENT

OF

CERTIFICATE OF INCORPORATION

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

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

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

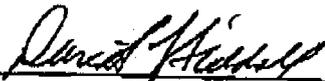
"FIRST. The name of the corporation is El Paso Production Oil & Gas Company."

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

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

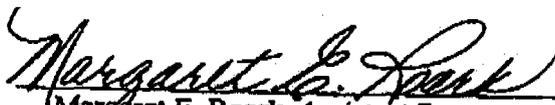
IN WITNESS WHEREOF, said COASTAL OIL & GAS CORPORATION has caused this certificate to be signed on its behalf by a Vice President and attested by an Assistant Secretary, this 9th day of March 2001.

COASTAL OIL & GAS CORPORATION



David L. Siddall
Vice President

Attest:



Margaret E. Roark, Assistant Secretary

RECEIVED

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

JUN 19 2001

DIVISION OF
OIL, GAS AND MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
U-0581

6. If Indian, Allottee or Tribe Name
NBU

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

8. Well Name and No.
NBU 364

9. API Well No.
43-047-33776

10. Field and Pool, or Exploratory
NATURAL BUTTES

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 29 T9S R21E Mer SESE

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

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

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

MIRU Bill Martin's Air Rig. Drilled 175' of 17 1/2" hole. Drilled f/ 175'-270', 12 1/4" hole. Ran 260' of 13 3/8" 54.5# J-55 csg. Cmt w/ 235 sx Prem 300, 2% CaCl, .125#/sk Polyflake.

SPUD @ 11:30 AM 6/9/01.

RECEIVED

JUN 22 2001

DIVISION OF
OIL, GAS AND MINING

14. I hereby certify that the foregoing is true and correct.
**Electronic Submission #5116 verified by the BLM Well Information System
For COASTAL OIL & GAS CORPORATION, sent to the Vernal**

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

Title **OPERATIONS**

Signature



Date **06/19/2001**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____

Title _____

Date _____

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

Office _____

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

**** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ****



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

RECEIVED

JUL 12 2001

DIVISION OF
OIL, GAS AND MINING

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

JUL 10 2001-

NOTICE

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

Name Change Recognized

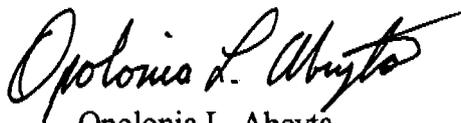
Acceptable evidence has been received in this office concerning the name change of Coastal Oil & Gas Corporation into El Paso Production Oil & Gas Company with El Paso Production Oil & Gas Company being the surviving entity.

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

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

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

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



Opolonia L. Abeyta
Acting Chief, Branch of
Minerals Adjudication

Enclosure

1. Exhibit of Leases (1 pp)

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

Exhibit of Leases

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

OPERATOR CHANGE WORKSHEET

ROUTING

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

Enter date after each listed item is completed

Change of Operator (Well Sold)

Designation of Agent

Operator Name Change (Only)

X Merger

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

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

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

CA No.

Unit: NATURAL BUTTES

WELL(S)

NAME	API NO	ENTITY NO	SEC TWN RNG	LEASE TYPE	WELL TYPE	WELL STATUS
NBU 176	43-047-32144	2900	28-09S-21E	FEDERAL	GW	P
NBU 217	43-047-32480	2900	28-09S-21E	FEDERAL	GW	S
NBU 307	43-047-33007	2900	28-09S-21E	FEDERAL	GW	P
NBU 260	43-047-33009	2900	28-09S-21E	FEDERAL	GW	P
NBU 308	43-047-33413	2900	28-09S-21E	FEDERAL	GW	DRL
NBU 362	43-047-33774	99999	28-09S-21E	FEDERAL	GW	APD
NBU 363X (RIG SKID)	43-047-34159	99999	28-09S-21E	FEDERAL	GW	DRL
NBU 15-29B	43-047-30296	2900	29-09S-21E	FEDERAL	GW	P
NBU 35Y	43-047-30503	2900	29-09S-21E	FEDERAL	GW	P
NBU 177	43-047-32112	2900	29-09S-21E	FEDERAL	GW	P
NBU 313-29E	43-047-32378	2900	29-09S-21E	FEDERAL	GW	P
NBU 356-29E	43-047-32383	2900	29-09S-21E	FEDERAL	GW	P
NBU 422-29E	43-047-33698	2900	29-09S-21E	FEDERAL	GW	P
NBU 364	43-047-33776	2900	29-09S-21E	FEDERAL	GW	DRL
NBU 36Y	43-047-30603	2900	30-09S-21E	FEDERAL	GW	P
NBU 178	43-047-32121	2900	30-09S-21E	FEDERAL	GW	P
NBU 261	43-047-32928	2900	30-09S-21E	FEDERAL	GW	P
NBU 309	43-047-33010	2900	30-09S-21E	FEDERAL	GW	P
NBU 262	43-047-32929	2900	33-09S-21E	FEDERAL	GW	P
NBU 98	43-047-31327	2900	34-09S-21E	FEDERAL	GW	S

OPERATOR CHANGES DOCUMENTATION

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

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

DATA ENTRY:

1. Changes entered in the Oil and Gas Database on: 08/01/2001
2. Changes have been entered on the Monthly Operator Change Spread Sheet on: 08/01/2001
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

STATE BOND VERIFICATION:

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

FEDERAL BOND VERIFICATION:

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

FEE WELLS - BOND VERIFICATION/LEASE INTEREST OWNER NOTIFICATION:

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

FILMING:

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

FILING:

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

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

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-0581

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

6. If Indian, Allottee or Tribe Name

2. Name of Operator
El Paso Production Company

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

3. Address
P.O. Box 1148 Vernal, Utah 84078

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

8. Lease Name and Well No.
NBU #364

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

At surface SESE 859'FSL & 723'FEL

9. API Well No.
43-047-33776

At top prod. interval reported below

10. Field and Pool, or Exploratory
Natural Buttes

At total depth

11. Sec., T., R., M., or Block and Survey or Area Sec.29-T9S-R21E

14. Date Spudded
06/09/01

15. Date T.D. Reached
N/A

16. Date Completed
 D & A Ready to Prod.
N/A 6-9-01-Set Surf Cap.

12. County or Parish
Uintah County

13. State
Utah

17. Elevations (DF, RKB, RT, GL)*
4919.8' Ungraded GL

18. Total Depth: MD 270'
TVD

19. Plug Back T.D.: MD
TVD

20. Depth Bridge Plug Set: MD
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)

N/A

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

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
17 1/2"	13 3/8"	54.5#		270'		235			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Set (MD)

25. Producing Intervals

26. Perforation Record

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

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

Depth Interval	Amount and type of Material

28. Production - Interval A

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

RECEIVED

28a. Production - Interval B

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

DEC 05 2001

DIVISION OF OIL, GAS AND MINING

28b. Production - Interval C

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

28c. Production - Interval D

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

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

Waiting on Rotary Rig

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):

33. Circle enclosed attachments:

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

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

Name (please print) Sheila Upchego Title Regulatory Analyst
 Signature *Sheila Upchego* Date 12/4/2001

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.

JAN. 17. 2003 3:34PM

PORT

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 5409

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
Beico 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 Beico 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 - Beico/Westport's leases - in all states.

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

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

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

Debby J. Black
Engineer Technician

Encl:



United States Department of the Interior **RECEIVED**

BUREAU OF LAND MANAGEMENT

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

FEB 22 2002

DIVISION OF
OIL, GAS AND MINING

In Reply Refer To:

3106

UTU-25566 et al

(UT-924)

FEB 21 2002

NOTICE

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

Name Change Recognized

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

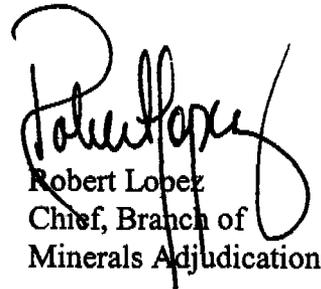
For our purposes, the name change is recognized effective December 31, 2001.

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

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

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

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



Robert Lopez
Chief, Branch of
Minerals Adjudication

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

memorandum

Branch of Real Estate Services
Uintah & Ouray Agency

Date: 5 December, 2002

Reply to
Attn of: Supervisory Petroleum Engineer

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

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

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

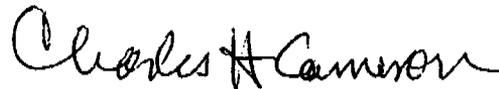
We have no objection.

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

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

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

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





United States Department of the Interior

BUREAU OF INDIAN AFFAIRS
Washington, D.C. 20240

FEB 10 2003

IN REPLY REFER TO:
Real Estate Services.

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

Dear Mr. Wilson:

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

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

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

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

Sincerely,

A handwritten signature in black ink, appearing to read "Perry E. Brown".

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 CITY Houston STATE TX ZIP 77064-0995		9. API NUMBER:
PHONE NUMBER: (832) 676-5933		10. FIELD AND POOL, OR WILDCAT:
4. LOCATION OF WELL FOOTAGES AT SURFACE:		COUNTY:
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input type="checkbox"/> 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	

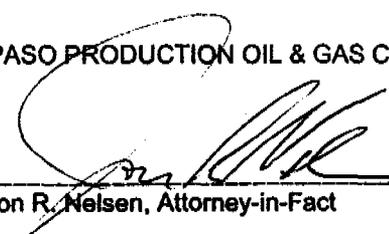
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

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

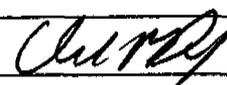
BOND # _____

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

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

(This space for State use only)

Form 3160-5
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

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

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

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

6. If Indian, Allottee or Tribe Name

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

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

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

10. Field and Pool, or Exploratory Area

11. County or Parish, State
UINTAH COUNTY, UT

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

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

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

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

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

SEE ATTACHED EXHIBIT "A"

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

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

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

BUREAU 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	API NO	ENTITY	LEASE	WELL	WELL
NAME	RNG		NO	TYPE	TYPE	STATUS
NBU 166	28-09S-21E	43-047-32065	2900	FEDERAL	GW	P
NBU 307	28-09S-21E	43-047-33007	2900	FEDERAL	GW	P
NBU 260	28-09S-21E	43-047-33009	2900	FEDERAL	GW	P
NBU 435	28-09S-21E	43-047-34805	99999	FEDERAL	GW	APD
NBU 454	28-09S-21E	43-047-34698	99999	FEDERAL	GW	APD
NBU 422-29E	29-09S-21E	43-047-33698	2900	FEDERAL	GW	P
NBU 177	29-09S-21E	43-047-32112	2900	FEDERAL	GW	P
NBU 15-29B	29-09S-21E	43-047-30296	2900	FEDERAL	GW	P
NBU 35Y	29-09S-21E	43-047-30503	2900	FEDERAL	GW	P
NBU 313-29E	29-09S-21E	43-047-32378	2900	FEDERAL	GW	P
NBU 356-29E	29-09S-21E	43-047-32383	2900	FEDERAL	GW	P
NBU 455	29-09S-21E	43-047-34699	99999	FEDERAL	GW	APD
NBU 364	29-09S-21E	43-047-33776	2900	FEDERAL	GW	TA
UTE TRAIL U 12	29-09S-21E	43-047-15384	2900	FEDERAL	GW	PA
NBU 36Y	30-09S-21E	43-047-30603	2900	FEDERAL	GW	P
NBU 178	30-09S-21E	43-047-32121	2900	FEDERAL	GW	P
NBU 261	30-09S-21E	43-047-32928	2900	FEDERAL	GW	P
NBU 309	30-09S-21E	43-047-33010	2900	FEDERAL	GW	P
NBU 436	30-09S-21E	43-047-34780	99999	FEDERAL	GW	APD
NBU 460	30-09S-21E	43-047-34697	99999	FEDERAL	GW	APD

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: 03/12/2003
2. Changes have been entered on the Monthly Operator Change Spread Sheet on: 03/12/2003
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

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

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

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"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Plug Back
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Well Integrity
	<input type="checkbox"/> Other

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

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: JTC

Title

Operations Manager

9-2-2003

SEP 10 2003

DIV. OF OIL, GAS & MINING

Approved by

Title

Accepted by the
Utah Division of
Oil, Gas and Mining

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

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.

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	6-10-22 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	26-10-21 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 418	36-9-20 SESE	ML48757	891008900A	430473442300S1 ✓
NBU 418	12-9-21 NWNW	UTU0141317	891008900A	430473477700S1

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, \$	Oil Price	\$/BO
Capital \$	820/830/840	\$1,200	\$ 23.00	\$/BO
Expense \$	830/840	\$0	\$ 3.10	\$/MCF
Total \$		\$1,200	\$ -	\$/ 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 SWPD	0 SWPD	0 SWPD
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%)

Gross Reserves:
 Oil Reserves = BO
 Gas Reserves = MCF
 Gas Equiv Reserves = MCFE

Payout Calculation:

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

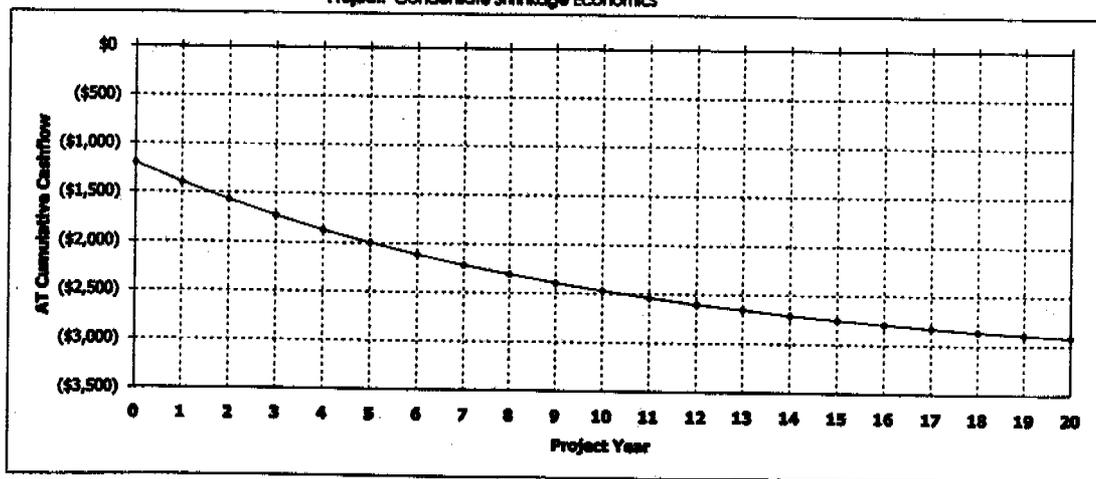
Payout occurs when total AT cashflow equals investment
 See graph below, note years when cashflow reaches zero

Payout = Years or Days

Notes/Assumptions:

An average NGL well produces 0.192 Bopd with no tank pressure. The production is increased to 0.194 Bopd if 4 cans of pressure are placed on the tank. The increased production does not exceed 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

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.
SEE ATTACHED

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side

8. Well Name and No.
SEE ATTACHED

9. API Well No.
SEE ATTACHED

10. Field and Pool, or Exploratory Area
VARIOUS

11. County or Parish, State
UINTAH, UTAH

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

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 checked="" type="checkbox"/> Plug and Abandon <input checked="" type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal

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

THE OPERATOR REQUESTS AUTHORIZATION TO PLACE THE SUBJECT WELL LOCATIONS ON TEMPORARILY ABANDONMENT STATUS, UNTIL SUCH TIME THE WELL LOCATIONS CAN BE PLUGGED AND ABANDON.

PLEASE REFER TO THE ATTACHED LIST OF PROPOSED PLUG AND ABANDONMENTS FOR THE NEXT 5 YEARS.

COPY SENT TO OPERATOR
Date: 8-24-04
Initials: [Signature]

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING
DATE: 8/20/2004
BY: [Signature]

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed) **Sheila Upchegg**
Signature: [Signature]

Title **Regulatory Analyst**
Date **May 25, 2004**
Federal Approval of This Action Is Necessary

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)

RECEIVED
JUN 03 2004
DIV. OF OIL, GAS & MINING

Proposed 2007 P&A's - 15 Wells

30494	CIGE 035	1-10-20 NESW	UTU-02270A
30542	CIGE 066	23-10-21 SENW	UTU-02278A
30952	CIGE 073D	5-10-22 SWSW	UTU-01191A
30953	CIGE 074D	6-10-22 NWSE	UTU-01195
31915	CIGE 114	34-9-21 NESE	U-01194A
34436	CIGE 282	7-10-22 NENE	ML-23609
30962	KURIP 01-027	1-9-20 NENW	14-20-H62-3004
30848	NBU 043	26-10-20 NWSE	UTU-4476
30534	NBU 047N2	30-10-22 SESW	UTU-0132568A
31250	NBU 087J	3-10-22 NESW	UTU-01191A
31923	NBU 114	5-10-21 SWSW	UTU-01393D
31982	NBU 149	5-10-22 NESE	UTU-01191
31992	NBU 150	9-10-22 SENW	UTU-01196B
32234	NBU 188	10-10-22 SWSW	U-01196C
33692	WONSITS FEDERAL 01-05	5-8-22 LOT 5	UTU-72633

Proposed 2008 P&A's - 11 wells

32401	NBU 213	15-10-22 NWNW	UTU-025187
32480	NBU 217	28-9-21 NESW	U-05678
32944	NBU 242	5-10-22 SWSE	UTU-01191
32917	NBU 253	10-9-21 SWNW	U-0141315
32929	NBU 262	33-9-21 NENE	UTU-0576
33011	NBU 278	30-9-22 SWSW	U-463
32976	NBU 285	3-10-22 NWNW	UTU-01191
32886	NBU 296 GR	24-10-20 NWNE	UTU-4485
33776	NBU 364	29-9-21 SESE	UTU-0581
30838	NBU 58N2	27-10-22 NENW	U-473
31327	NBU 98-V	34-9-21 SWSW	U-01194-A

69 total wells

API #	WELL NAME	S-T-R	LEASE NUMBERS
43-047-			

Proposed 2004 P&A's - 13 Wells

31900	EAST GUSHER 15-1A	15-6-20 NENE	UTU-58007
30423	JACK RABBIT 1-11	11-10-23 SWNE	UTU-38425
32540	SOUTHMAN CANYON 09-03M	9-10-23 SWSW	UTU-37355
32543	SOUTHMAN CANYON 31-01-L	31-9-23 NWSW	UTU-33433
31100	NBU 070N3	3-10-22 SWNW	UTU-01191
30221	NBU 018	10-10-22 SWNE	UTU-025187
20280	WALKER HOLLOW U MCLISH 1	8-7-23 SWSW.	UTU-02651
30011	WALKER HOLLOW U MCLISH 2	8-7-23 SWSE	UTU-02651
30030	WALKER HOLLOW U MCLISH 4	8-7-23 NESW	UTU-02651
31034	WALKER HOLLOW UNIT 6	8-7-23 SESE	UTU-02651
30027	WALKER HOLLOW U MCLISH 3	8-7-23 NESE	UTU-02651
31092	WALKER HOLLOW UNIT J-8	8-7-23 NWSE	UTU-02651
31975	NBU 153	11-10-22 SWNW	U-01197A

Proposed 2005 P&A's - 15 Wells

31833	BASER DRAW 5-1	5-7-22 NWNW	UTU-075939
31834	BASER DRAW 6-1	6-7-22 NWNW	UTU-075939
31859	BASER DRAW FEDERAL 6-2	6-7-22 SWNE	UTU-075939
31304	COORS FEDERAL 14-1D	14-7-21 NWNW	UTU-65223
32009	COORS FEDERAL 2-10HB	10-7-21 NWNW	UTU-6522
30753	DM ICE FRIDAY 34-22	34-8-20 NESE	14-20-H62-2997
32333	FEDERAL 11-1-M	11-6-20 SWSW	UTU-64376
33831	HORSESHOE BEND FED 03-1	3-7-21 NWSE	UTU-0142175
33832	HORSESHOE BEND FED 04-1	4-7-21 NWSE	UTU-66401
33872	HORSESHOE BEND FED 26-3	26-6-21 NWSW	UTU-38401
33667	KENNEDY WASH FED 14-1	14-8-23 NWSW	UTU-71424
30623	SAND RIDGE FED 23-17	17-8-23 NESW	UTU-0143276
31508	STIRRUP FEDERAL 29-2	29-6-21 NWSE	UTU-46699
31634	STIRRUP FEDERAL 29-3	29-6-21 SESE	UTU-78854
30815	WEST WALKER FED. 1-33	33-6-22 NWSW	UTU-38411

Proposed 2006 P&A's - 15 Wells

30524	BITTER CREEK 01-03	3-11-22 SWNE	UTU-29797
30379	CANYON VIEW FEDERAL 1-18	18-10-23 SENW	UTU-38421
30369	CROOKED CYN FED 1-17	17-10-23 NENW	UTU-37355
31778	E BENCH UNIT #1	33-11-22 NWSE	UT-121P
30365	FLAT MESA FED. 1-7	7-10-23 NWSE	UTU-38420
30544	LOOKOUT POINT STATE 1-16	16-10-23 NESE	ML-221886A
30766	LOVE UNIT B2-3	3-11-21 SWSW	UTU-8347
30560	NSO FEDERAL 1-12	12-10-23 NENW	UTU-38423
30558	PETE'S FLAT 1-1	1-10-23 NESE	UTU-40736
30382	SAGE HEN FEDERAL 1-6	6-10-23 NESE	UTU-38419
30383	SAGEBRUSH FEDERAL 1-8	8-10-23 SWNE	UTU-37355
30856	SOUTHMAN CANYON 01-05 FED	5-10-23 SENW	UTU-33433
30632	SOUTHMAN CANYON 4-4	4-10-23 NWSE	UTU-33433
30481	WHITE RIVER 1-14	14-10-23 NENW	UTU-38427
31775	WILLOW CREEK UNIT #1	27-11-20 SENE	UT-128P



State of Utah

Department of
Natural Resources

Division of
Oil, Gas & Mining

ROBERT L. MORGAN
Executive Director

LOWELL P. BRAXTON
Division Director

MICHAEL O. LEAVITT
Governor

OLENE S. WALKER
Lieutenant Governor

CONDITIONS OF APPROVAL TO EXTEND SI/TA OF WELL

Well Name and Number:	Several State and Federal wells
API Number:	See Sundry List
Operator:	Westport Oil and Gas Company L.P.
Reference Document:	Original Sundry dated May 25, 2004, received by DOGM on June 3, 2004

The Division of Oil, Gas and Mining (DOGM) accepts Westport's plan of action to Plug and Abandon sixty-nine wells by year-end 2008. Based upon the plan of action DOGM approves these-sixty-nine (69) wells for extended shut-in until September 1, 2005.

Approval Conditions (Federal Approval necessary on all Federal/Indian wells):

1. If SI/TA is desired beyond the approval date listed above, the operator should submit a request for extended SI/TA at that time. Adherence to the accepted plan of action, wellbore conditions etc. will be taken into consideration.
2. A well monitoring program should be in place to ensure that health, safety and the environment are all protected (wellbore integrity).
3. Any changes in wellbore conditions or integrity; or sustained pressure on casing/casing annuli shall be reported to the Division immediately. A new monitoring program or remedial action may be necessary at that time.

Dustin K. Doucet
Petroleum Engineer

August 20, 2004

Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. U-0581
2. Name of Operator WESTPORT OIL & GAS COMPANY, LP		6. If Indian, Allottee or Tribe Name
Contact: SHEILA UPCHEGO E-Mail: SUPCHEGO@KMG.COM		7. If Unit or CA/Agreement, Name and/or No. NATURAL BUTTES
3a. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 435-781-7024	8. Well Name and No. NBU 364
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 29 T9S R21E SESE 859FSL 723FEL		9. API Well No. 43-047-33776
		10. Field and Pool, or Exploratory NATURAL BUTTES
		11. County or Parish, and State UINTAH COUNTY, UT

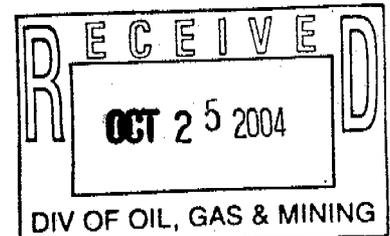
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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

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

MIRU BILL JR'S RIG #4. DRILLED 12 1/4" SURFACE HOLE TO 2330'. RAN 9 5/8" 32.3# H-40 CSG. LEAD CMT W/225 SX CLASS G @11.0 PPG 3.82 YIELD. TAILED W/200 SX CLASS G @15.8 PPG 1.15 YIELD. TOP JOB 1: 100 SX CLASS G @15.8 1.15 YIELD. TOP JOB 2: 75 SX CLASS G @15.8 PPG 1.15 YIELD.

WORT



14. Thereby certify that the foregoing is true and correct.
Electronic Submission #50076 verified by the BLM Well Information System
For WESTPORT OIL & GAS COMPANY, LP, sent to the Vernal

Name (Printed/Typed) SHEILA UPCHEGO	Title OPERATIONS
Signature <i>[Signature]</i> (Electronic Submission)	Date 10/15/2004

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.

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
U-0581

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

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

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
NBU 364

2. Name of Operator
WESTPORT OIL & GAS COMPANY, LP
Contact: SHEILA UPCHEGO
E-Mail: SUPCHEGO@KMG.COM

9. API Well No.
43-047-33776

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

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

10. Field and Pool, or Exploratory
NATURAL BUTTES

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 29 T9S R21E SESE 859FSL 723 FEL

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

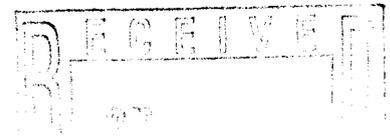
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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

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

THE OPERATOR REQUESTS AUTHORIZATION TO CHANGE PRODUCTION TD FROM 10550' TO 9900'. AND CHANGE THE SURFACE TD FROM 4840' TO 2330'.

A VERBAL WAS GRANTED TO BRAD LANEY, FROM KIRK FLEETWOOD, BLM REPRESENTATIVE ON 10/4/04.



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

**Electronic Submission #50075 verified by the BLM Well Information System
For WESTPORT OIL & GAS COMPANY, LP, sent to the Vernal**

Name (Printed/Typed) SHEILA UPCHEGO	Title OPERATIONS
Signature <i>Sheila Upchego</i> (Electronic Submission)	Date 10/15/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____	Title Accepted by the Utah Division of Oil, Gas and Mining	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 _____	Federal Approval Of This Action Is Necessary
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.	Date <u>10/27/04</u>	By: <i>[Signature]</i>

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

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)

SESE SECTION 29-T9S-R21E 859'FSL & 723'FEL

5. Lease Serial No.

U-0581

6. If Indian, Allottee or Tribe Name

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

NATURAL BUTTES UNIT

8. Well Name and No.

NBU 364

9. API Well No.

43-047-33776

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH, UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> Notice of Intent	<input 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 FINAL DRILLING OPERATIONS

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

FINISHED DRILLING FROM 2330' TO 9840'. RAN 4 1/2" 11.6# I-80 CSG. CMT W/20 SX SCAVENGER @11.0 PPG 3.32 YIELD. LEAD CMT W/560 SX CLASS G @12.0 PPG 2.37 YIELD. TAILED CMT W1560 SX 50/50 POZ @14.3 PPG 1.31 YIELD.

RELEASED CAZA 83 ON 10/31/04 AT 0600 HRS.

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

Name (Printed/Typed)

Sheila Upchego

Title

Regulatory Analyst

Signature



Date

November 1, 2004

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

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Office

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(Instructions on reverse)

RECEIVED

NOV 09 2004

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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OMB No. 1004-0135
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7. If Unit or CA/Agreement, Name and/or No.

NATURAL BUTTES UNIT

8. Well Name and No.

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9. API Well No.

43-047-33776

10. Field and Pool, or Exploratory Area

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11. County or Parish, State

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TYPE OF SUBMISSION	TYPE OF ACTION		
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	<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 PRODUCTION START-UP

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 recompleat 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 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.

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 11/27/04 AT 9:30 AM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

RECEIVED
DEC 06 2004
DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed)

Sheila Upchego

Signature



Title

Regulatory Analyst

Date

November 29, 2004

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)

WESTPORT OIL & GAS COMPANY, LP

CHRONOLOGICAL HISTORY

NBU 364

UINTAH COUNTY, UT

DRILLING REPORT:

	SPUD	Surface Casing	Activity	Status
10/1/04	9/29/04		Drig ahead @ 1850'	Caza 83
10/4/04	9/29/04	9 5/8" @ 2299'		Caza 83
10/5/04	9/29/04	9 5/8" @ 2299'		Caza 83
10/6/04	9/29/04	9 5/8" @ 2299'		Caza 83
10/7/04	9/29/04	9 5/8" @ 2299'		Caza 83
10/8/04	9/29/04	9 5/8" @ 2299'		Caza 83
10/11/04	9/29/04	9 5/8" @ 2299'		Caza 83
10/12/04	9/29/04	9 5/8" @ 2299'		Caza 83
10/13/04	9/29/04	9 5/8" @ 2299'		Caza 83

TD: 2330' Csg. 9 5/8" @ 2299' MW: 8.4 SD: 10/X/04 DSS: 0
Rig down rotary tools move to NBU 364. Rig up rotary tools and NU BOPE @ report time.

10/14/04	9/29/04	9 5/8" @ 2299'		Caza 83
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TD: 2330' Csg. 9 5/8" @ 2299' MW: 8.4 SD: 10/X/04 DSS: 0
Finish rig up rotary tools and NU and Test BOPE. Pick up 7 7/8" PDC bit and mud motor and run in hole. Tag cement @ 2225' @ report time.

10/15/04

TD: 2850' Csg. 9 5/8" @ 2299' MW: 8.4 SD: 10/14/04 DSS:1
Work on #2 pump. Drill cement and FE. Rotary spud 7 7/8" hole @ 2000 hrs 10/14/04.
Drill from 2330'-2850'. DA @ report time.

10/18/04

TD: 5804' Csg. 9 5/8" @ 2299' MW: 8.4 SD: 10/14/04 DSS: 4
Drill from 2850'-4831'. TFNB and mud motor. Circulate out gas. Drill to 5804'. Replace swivel packing @ report time.

10/19/04

TD: 6960' Csg. 9 5/8" @ 2299' MW: 8.4 SD: 10/14/04 DSS: 5
Drill from 5804'-6960'. DA @ report time.

10/20/04 TD: 7667' Csg. 9 5/8" @ 2299' MW: 9.0 SD: 10/14/04 DSS: 6
Drill from 6960'-7667'. DA @ report time.

10/21/04 TD: 8049' Csg. 9 5/8" @ 2299' MW: 9.1 SD: 10/14/04 DSS: 7
Drill from 7667'-8049'. TFNB and change out rotary swivel.

10/22/04 TD: 8100' Csg. 9 5/8" @ 2299' MW: 10.3 SD: 10/14/04 DSS: 8
Drill from 8049'-8100'. Slow ROP with experimental bit. Weight up to 10.3 ppg to control sloughing shale. TFNB and mud motor @ report time.

10/25/04 TD: 8880' Csg. 9 5/8" @ 2299' MW: 11.3 SD: 10/14/04 DSS: 11
TIH with bit #4 and mud motor. Drill from 8100'-8817'. TFNB and MM. Drill to 8880'. DA @ report time.

10/26/04 TD: 9222' Csg. 9 5/8" @ 2299' MW: 11.4 SD: 10/14/04 DSS: 12
Drill from 8880'-9222'. DA @ report time.

10/27/04 TD: 9483' Csg. 9 5/8" @ 2299' MW: 11.6 SD: 10/14/04 DSS: 13
Drill from 9222'-9483'. DA @ report time.

10/28/04 TD: 9725' Csg. 9 5/8" @ 2299' MW: 12.3 SD: 10/14/04 DSS: 14
Drill from 9483'-9513'. TFNB. Drill to 9725'. DA @ report time.

10/29/04 TD: 9840' Csg. 9 5/8" @ 2299' MW: 12.3 SD: 10/14/04 DSS: 15
Drill from 9725'-9757'. Lost 150 bbls mud. Drill to 9840' TD. Circulate and condition mud and wait on Halliburton. POOH for logs. RU Halliburton and run Triple Combo @ report time.

11/1/04 TD: 9840' Csg. 9 5/8" @ 2299' MW: 12.5 SD: 10/14/04 DSS: 17
Run Triple Combo, Loggers depth 9590'. TIH and CCH for casing. POOH laying down drill string. Run and cement 4 1/2" Production Casing. Set slips and release rig @ 0600 hrs 10/31/04. Rig down rotary tools. Will move to NBU 363X this am.

11/16/04 PROG: ROAD RIG F/NBU 1022-7C TO NBU 364 RU NU BOP TEST BOP TO 7500# GOOD TEST TALLY & PICK UP TBG RIH W/BIT EOT 4100' SDFN.

11/17/04 PROG: CIRC W/150 BBL 2% KCL POOH MIRU CUTTERS RIH W/3-3/8 GUNS LOADED W/23 GM .35 HOLE 4 SPF PERF @ 9190'-91 9279'-83' 9351'-54' 9472'-73' 9561'-66' NO BLOW SWI, SDFN.

11/18/04 PROG: STANDBY WAIT ON FRAC CREW

11/19/04 PROG: MOVE IN RU BJ & CUTTERS STAGE #1 BRK PERF F/9190'-9566' @4180# INJ RT 38.4 BPM INJ PSI 6530#, ISIP: 3300#, FRG: .79 START FRAC PRESS TO HIGH TO GET DESIRES RATE OF 50 BPM. START SAND, PUMPED 54,000 #'s BEFORE PRESSURE TOO

HIGH AND CALLING FLUSH. FLUSHED TO TOP PERF W/142 BBL, SDFN, CALLED FOR ORDERS.

11/22/04

PROG: TRY TO REBREAK PERF. DID NOT BRK. RIH W/GR-CCL, LOG F/ 9560' TO 9020'. FOUND PERF'S SHOT WERE SHOT OUT OF ZONE (1 JOINT HIGH ($\pm 40'$)). POOH PICK UP 3-3/8 GUN. RIH PERF @ 9551'-9556' 4 SPF 9351'-9355' 4SPF 9190'-9191' 4 SPF. BRK PERF 17 HOLES OPEN. PMP BIO BALLS & ACID. NO BALL OUT. INJ RATE 35.8 INJ PSI: 6800#, ISIP: 3300#, FG: .79. CALC ALL HOLES OPEN. FRAC: 500200#, 20/40 SD & 4280 BBL 22# GEL FLUID, MP: 6600#, MR: 50.4 BPM, AP: 6380#, AR: 48.7 BPM, ISIP: 3500#, FG: .81, NPI: 200#.

STAGE #2: RIH SET 10K CBP @ 8620' PERF @ 8339'-43' 4 SPF 8412'-16' 4 SPF 8568' 73' 4 SPF, SDFN.

11/20/04: STAGE # 2: BRK @ 8339'-8573' @3456# INJ RT 36.4 INJ PSI: 6050#, ISIP: 3200#, FG: .81 FRAC W/275600# 20/40 SD & 2143 BBL 20# GEL FLUID, MP: 6440#, MR: 52.1 BPM, AP: 6220#, AR: 51.6 BPM, ISIP: 3800#, FG: .89, NPI: 600#.

STAGE #3: RIH SET 10K CBP @ 8198' PERF @ 7808'-11' 4 SPF 8076'-82' 4 SPF 8163' 68' 4 SPF BRK PERF @2841# INJ RT: 36.4 BPM, INJ PSI: 5800#, ISIP: 2800#, FG: .78, FRAC W/300100#, 20/40 SD & 2222 BBL 20# GEL FLUID MP: 5000#, MR: 42.4 BPM, AP: 4700#, AR: 42.2 BPM, ISIP: 3100#, FG: .82, NPI: 300#.

STAGE #4: RIH SET 5K CBP @ 7572' PERF @ 7196'-99' 4 SPF 7357'-59' 4 SPF 7455'-60' 4 SPF 7540'-42' 4 SPF BRK PERF @ 3195#, ISIP: 2400#, FRAC W/60150# 20/40 SD & 543 BBL 17# GEL FLUID, MP: 4555#, MR: 37.5 BPM, AP: 4100#, AR: 37.3 BPM, ISIP: 3200#, FG: .87, NPI: 800#.

STAGE #5: RIH SET 5K CBP @ 7079' PERF @ 6842'-45' 4 SPF 6973'-76' 4 SPF 7044'-49' BRK PERF @ 3419# INJ RT 26.3 INJ PSI: 3560#, ISIP: 2600#, FG: .81, FRAC W/60250# 20/40 SD & 533 BBL 17# GEL FLUID, MP: 4040#, MR: 32.8 BPM, AP: 3540#, AR: 32.7 BPM, ISIP: 3150#, FG: .89, NPI: 550#.

STAGE #6: RIH SET 5K CBP @ 6411' PERF @ 6046'-47' 4 SPF 6176'81' 4 SPF 6375'-81' 4SPF BRK PERF @ 1951# INJ RT25.1 BPM INJ PSI: 2000#, ISIP: 1650#, FG: .70, FRAC W/135600#, 20/40 SD & 836 BBL 17# GEL FLUID, MP: 3200#, MR: 37.3 BPM, AP: 2940#, AR: 37.1 BPM, ISIP: 2600#, FG: .85, NPI: 950#.

STAGE #7: RIH SET 5K CBP @5576' PERF @ 5273'-78' 4SPF 5341'44' 4SPF 5543'-46' 4 SPF BRK PERF @ 1925# INJ RT 28.5 BPM INJ PSI: 2550#, ISIP: 1500#, FG: .71, FRAC W/169200#, 20/40 SD, MP: 4970#, MR: 41.7 BPM, AP: 2805#, AR: 41.6 BPM, ISIP: 1950#, FG: .79, NPI: 450#, RD BJ SDFN. TURN WL TO FLWBACK CREW FLWG ON 18/64 CHK.

WELL ON FLOWBACK, FLOWBACK REPORT: CP: 550#, TP: NO TBG, 18/64 CHK, 5 BWPH, 24 HRS, SD: CLEAN, TTL BBLs FLWD: 128, TODAY'S LTR: 11,640 BBLs, LOAD REC TODAY: 128 BBLs, REMAINING LTR: 11,512 BBLs, TOTAL LOAD REC TO DATE: 488 BBLs.

11/23/04

PROG: CP: 550#, WL FLWG W/550# CALL OUT CUTTERS SET 5K CBP @ 5037' RD CUTTERS RIH W/3-7/8 BIT POBS ON 2-3/8 TBG TAG @ 5037' RU DRLG EQUIP DRL OUT CBP RIH TAG @ 5516' 60' SD ON PLUG CO SD DRL OUT PLUG CIRC CLEAN PULL UP TO 5500' SWI, SDFN.

11/24/04

PROG: RIH TAG @6600' 60' SD ON PLUG CO SD DRL PLUG NO KICK RIH N TAG @ 7050' 30' SD ON PLUG CO SD DRL PLUG 200# KICK RIH TAG @ 7240' 30' SD CO DRL PLUG

300# KICK RIH TAG @ 8180' 20' SD CO SD DRL PLUG RIH TAG @ 8560' 40' SD ON PLUG
CO SD DRL PLUG 400# KICK RIH TAG @ 9460' CO SD TO 9571' FLOAT STUCK OPEN
1600# PSI ON WL FLWG UP TBG WILL SET PLUG IN TBG IN AM, SDFN.

11/29/04

PROG: 2500# SICP. BLOW WL DN. TBG PLUGGED WORK TBG UNPLUG TBG. CO SD TO
9720' PULL & LD 18 JTS 2-3/8". LAND TBG ON WL HEAD W/278 JTS 2-3/8" J-55 TBG EOT
9087'. ND BOP NU TREE PMP OFF BIT. RIG DN MOVE, TURN WL TO FLOWBACK
CREW.

TBG DETAIL

KB	15.00
HANGER	.85
278 JTS 2,3/8 J-55 TBG	9062.00
R- NIPPLE	1.00
EOT	9087.00

11/27/04: WELL ON FLOWBACK, FLOWBACK REPORT: CP: 2100#, TP: 1260#, 22/64 CHK,
15 BWPH, 24 HRS, SD: CLEAN, TTL BBLs FLWD: 413, TODAY'S LTR: 9,901 BBLs,
LOAD REC TODAY: 413 BBLs, REMAINING LTR: 9,488 BBLs, TOTAL LOAD REC TO
DATE: 2,512 BBLs.

WELL WENT ON SALES. 11/27/04, 9:30 AM. 1500 MCF, 20/64 CHK, SICP: 2100#, FTP:
1740#, 7 BWPH. FINAL REPORT FOR COMPLETION.

ON SALES

11/27/04: 608 MCF, 0 BC, 280 BW, TP: 1247#, CP: 1183#, 20/64 CHK, 18 HRS, LP: 104#.

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-0581

1a. Type of Well Oil Well Gas Well Dry Other
 b. Type of Completion New Well Work Over Deepen Plug Back Diff. Resrv.
 Other _____

2. Name of Operator WESTPORT OIL & GAS COMPANY, LP Contact: SHEILA UPCHEGO
E-Mail: SUPCHEGO@KMG.COM

3. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078 3a. Phone No. (include area code) Ph: 435-781-7024

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
 At surface SESE 859FSL 723FEL
 At top prod interval reported below SESE 859FSL 723FEL
 At total depth SESE 859FSL 723FEL

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No. NATURAL BUTTES

8. Lease Name and Well No. NBU 364

9. API Well No. 43-047-33776

10. Field and Pool, or Exploratory NATURAL BUTTES

11. Sec., T., R., M., or Block and Survey or Area Sec 29 T9S R21E Mer SLB

12. County or Parish UINTAH 13. State UT

14. Date Spudded 06/09/2001 15. Date T.D. Reached 10/29/2004 16. Date Completed D & A Ready to Prod. 11/27/2004 17. Elevations (DF, KB, RT, GL)* 4920 GL

18. Total Depth: MD 9840 TVD 19. Plug Back T.D.: MD 9793 TVD 20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
 ✓ GR-CC-LOGS (M D L H A F) 50/05N

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

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
17.500	13.375 J-55	54.5		270		235			
12.250	9.625 H-40	32.3		2330		600			
7.875	4.500 I-80	11.6		9840		2140			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	9087							

25. Producing Intervals 26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WASATCH	5273	8168	5273 TO 8168	0.350	108	OPEN
B) MESAVERDE	8339	9566	8339 TO 9566	0.350	196	OPEN
C)						
D)						

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

Depth Interval	Amount and Type of Material
5273 TO 8168	PMP 4134 BBLs 17# GEL & 725,300# 20/40 SD
8339 TO 9566	PMP 6423 BBLs 20# GEL & 775,800# 20/40 SD

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
11/27/2004	12/04/2004	24	→	0.0	2027.048	0.0			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
20/64	SI 1030	1406.0	→	0	2027	480		PGW	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
11/27/2004	12/04/2004	24	→	0.0	2027.048	0.0			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
20/64	SI 1030	1406.0	→	0	2027	480		PGW	

(See Instructions and spaces for additional data on reverse side)
 ELECTRONIC SUBMISSION #52077 VERIFIED BY THE BLM WELL INFORMATION SYSTEM
 ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

RECEIVED
DEC 27 2004
DIV. OF OIL, GAS & MINING

28b. Production - Interval C

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

28c. Production - Interval D

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

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

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
WASATCH MESAVERDE	4955 7853	7853			

32. Additional remarks (include plugging procedure):

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: | |

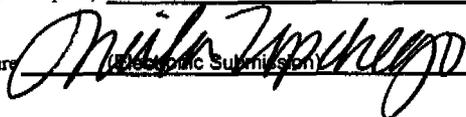
34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #52077 Verified by the BLM Well Information System.
For WESTPORT OIL & GAS COMPANY, LP, sent to the Vernal

Name (please print) SHEILA UPCHEGO

Title OPERATIONS

Signature



Date 12/20/2004

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

** ORIGINAL **

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

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OMB No. 1004-0135
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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)
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MUTIPLE WELLS

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<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
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	<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	

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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