

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>U-38401</b>
1b. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name <b>N/A</b>
2. Name of Operator <b>Coastal Oil &amp; Gas Corporation</b>		7. Unit or CA Agreement Name and No. <b>N/A</b>
3a. Address <b>P.O. Box 1148, Vernal, UT 84078</b>	3b. Phone No. (include area code) <b>(435) 781-7023</b>	8. Lease Name and Well No. <b>HSB Federal #26-2</b>
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface <b>SE/SE</b> At proposed prod. zone <b>660' FSL &amp; 660' FEL</b>		9. API Well No. <b>43-047-33871</b>
14. Distance in miles and direction from nearest town or post office* <b>19.3 Miles East of Vernal, Utah</b>		10. Field and Pool, or Exploratory <b>Horseshoe Bend</b>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) <b>660'</b>	16. No. of Acres in lease <b>637.45</b>	11. Sec., T., R., M., or Blk. and Survey or Area <b>Sec. 26, T6S, R21E</b>
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>Refer to Topo C</b>	19. Proposed Depth <b>4450'</b>	12. County or Parish <b>Utah</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>4952.3' Ungraded GL</b>	22. Approximate date work will start* <b>Upon Approval</b>	13. State <b>Utah</b>
17. Spacing Unit dedicated to this well <b>N/A</b>		20. BLM/BIA Bond No. on file <b>U-605382-9</b>
23. Estimated duration <b>To Be Determined</b>		

24. Attachments

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

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

25. Signature 	Name (Printed/Typed) <b>Cheryl Cameron</b>	Date <b>11/30/00</b>
Title <b>Sr. Regulatory Analyst</b>		
Approved by (Signature) 	Name (Printed/Typed) <b>BRADLEY G. HILL</b>	Date <b>01-29-01</b>
Title <b>RECLAMATION SPECIALIST III</b>		

**Federal Approval of this Action is Necessary**

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)

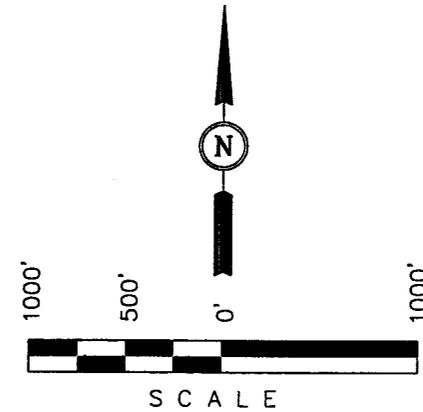
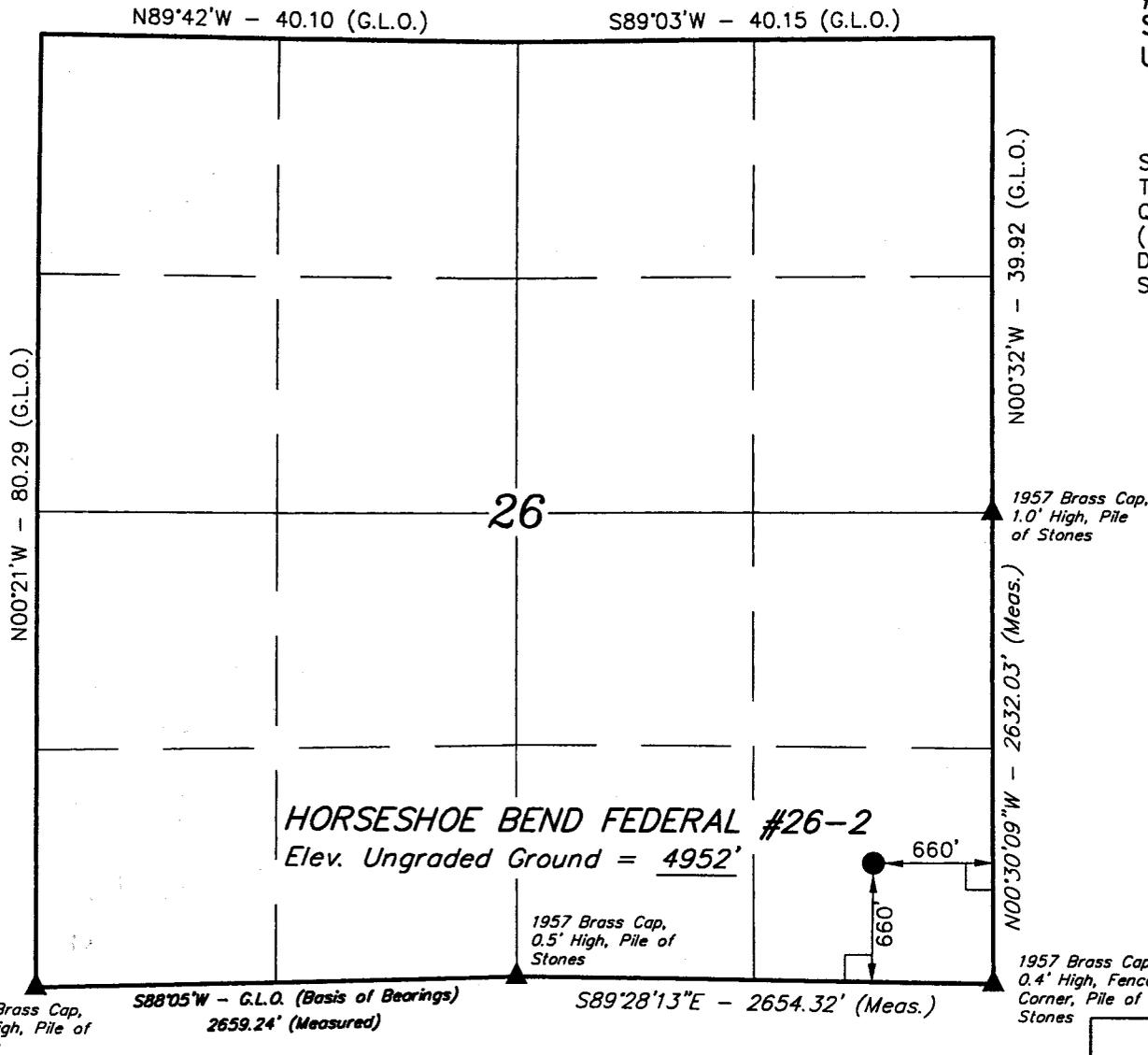
# T6S, R21E, S.L.B.&M.

## COASTAL OIL & GAS CORP.

Well location, HORSESHOE BEND FEDERAL #26-2, located as shown in the SE 1/4 SE 1/4 of Section 26, T6S, R21E, S.L.B.&M. Uintah County, Utah.

### BASIS OF ELEVATION

SPOT ELEVATION AT THE SE CORNER OF SECTION 26, T6S, R21E, S.L.B.&M. TAKEN FROM THE VERNAL 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 4975 FEET.



### CERTIFICATE

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

*Robert L. Kay*  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 161319  
 STATE OF UTAH

1957 Brass Cap,  
0.4' High, Pile of  
Stones

S88°05'W - G.L.O. (Basis of Bearings)  
2659.24' (Measured)

S89°28'13"E - 2654.32' (Meas.)

1957 Brass Cap,  
0.4' High, Fence  
Corner, Pile of  
Stones

### LEGEND:

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

LATITUDE = 40°15'53"  
 LONGITUDE = 109°30'55"

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

SCALE 1" = 1000'	DATE SURVEYED: 9-20-00	DATE DRAWN: 9-22-00
PARTY B.B. A.H. C.G.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE COASTAL OIL & GAS CORP	



January 12, 2001

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

**RE: APD'S**

Dear Ms. Cordova:

Enclosed are copy's of the Application's for Permit to Drill, for the following wells listed below:

HSB Federal #26-3	NW/SW	Sec.26, T6S, R21E
HSB Federal #26-2	SE/SE	Sec. 26, T6S, R21E

If you have any questions or need additional information on the above referenced APD's please contact me at (435) 781-7023.

Sincerely,

Cheryl Cameron  
Sr. Regulatory Analyst

DA: Enclosure

**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

**HORSESHOE BEND FEDERAL #26-2  
SE/SE Sec 26, T6S, R21E  
UINTAH COUNTY, UTAH  
U-38401**

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

***DRILLING PROGRAM***

**1. Geologic Surface Formation:**

Duchesne River – At Surface

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Gas	KB	4950'
	Uintah	2150'
	Green River	3850'
	TD	3950'

*> objective zones*

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

The BOP stack will consist of one 11" 2,000 psi annular BOP, one 11" 2,000 psi double ram, and one 11' drilling spool. The lower ram will contain pipe rams, and the upper ram will contain blind rams.

The choke and kill lines and the choke manifold will have a 2,000 psi minimum pressure rating.

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

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

The Surface casing and the Production casing will be new.

Please refer to the attached Casing & Cementing Program.

**5. Drilling Fluids Program:**

Please refer to the attached Drilling Fluids Program

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

Refer to Attached Geological Data

**7. Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated @ 3,950' TD approximately equals 1,580 psi (calculated at 0.4 psi/foot). Maximum anticipated surface pressure equals approximately 711 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:**

None anticipated.

**10. Other:**

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

**HORSESHOE BEND FEDERAL #26-2  
SE/SE SEC. 26, T6S, R21E  
UINTAH COUNTY, UTAH  
U-38401**

**ONSHORE ORDER NO. 1**

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

**1. Existing Roads:**

To reach the proposed location: Proceed in an Easterly then Southerly direction from Vernal, Utah along U.S. Highway 40 approximately 4.0 miles to the junction of this road and existing State Highway 45 to the South; turn right and proceed in a Southerly direction approximately 6.7 miles to the junction of this road and an existing road to the West; Turn right and proceed in a Westerly then Southerly direction approximately 3.2 miles to the junction of this road and an existing road to the South; Turn left and proceed in a Southerly direction approximately 2.6 miles to the junction of this road and an existing road to the East; Turn left and proceed in an Easterly then Northerly then Southeasterly direction approximately 2.3 miles to the junction of this road and an existing road to the Southeast; Proceed in a Southeasterly then Southwesterly direction approximately 0.3 miles to the beginning of the proposed access to the west; follow road flags in a Westerly direction approximately 0.2 miles to the proposed location.

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

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

**2. Planned Access Roads:**

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

The proposed access road will follow State Highway, 5.8 miles Coming across Sections 23,22, and 27, in a southerly direction & continues an additional 2.6 miles in a northeasterly direction to the proposed location.

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

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

The road surface and shoulders will be kept in a safe and usable condition and will be maintained in accordance with the original construction standards. All drainage ditches will be kept clear and free-flowing and will be maintained according to original construction standards. The access road surface will be kept free of trash during operations. All traffic will be confined to the approved disturbed surface. Road drainage crossings shall be designed so they will not cause siltation or accumulation

Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Should mud holes develop, they shall be filled in and detours around them avoided. When snow is removed from the road during the winter months, the snow shall be pushed outside of the borrow ditches, and the turnouts kept clear so that snowmelt will be channeled away from the road.

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

Please refer to Topo Map C.

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

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

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

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

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

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

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

The proposed pipeline will leave the location in a southwesterly direction for an approximate distance of 1900'. Refer to Topo D.

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

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

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

No water well is to be drilled on this lease.

6. **Source of Construction Materials:**

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

Any gravel will be obtained from a commercial source.

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

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

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

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

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

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

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

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

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

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

*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:**

None are anticipated.

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

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

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

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

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

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

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

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

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

Culvert(s) shall be installed where necessary.

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

*Producing Location:*

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

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

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

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

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

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

*Dry Hole/Abandoned Location:*

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

irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

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

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

Four wing Salt Brush	4 lb/acre
Needle & Thread	5 lb/acre
Scarlet Globe Mallow	3 lb/acre

11. **Surface Ownership:**

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

12. **Other Information:**

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

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

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

Cheryl Cameron  
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

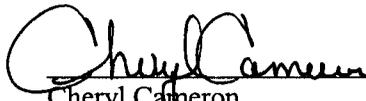
Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

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

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

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

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

  
Cheryl Cameron

11/30/00  
Date

**COASTAL OIL & GAS CORP.**  
**HORSESHOE BEND FEDERAL #26-2**  
 LOCATED IN UINTAH COUNTY, UTAH  
 SECTION 26, T6S, R21E, S.L.B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHWESTERLY



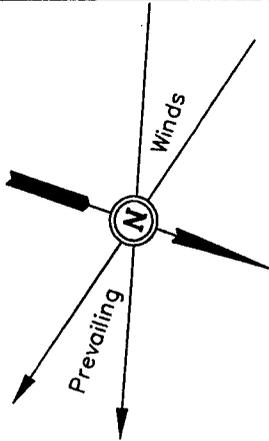
**UELS** Uintah Engineering & Land Surveying  
 85 South 200 East Vernal, Utah 84078  
 435-789-1017 uels@uelsinc.com

- Since 1964 -

LOCATION PHOTOS			9	21	00	PHOTO
			MONTH	DAY	YEAR	
TAKEN BY: B.B.	DRAWN BY: C.G.	REVISED: 00-00-00				

# COASTAL OIL & GAS CORP.

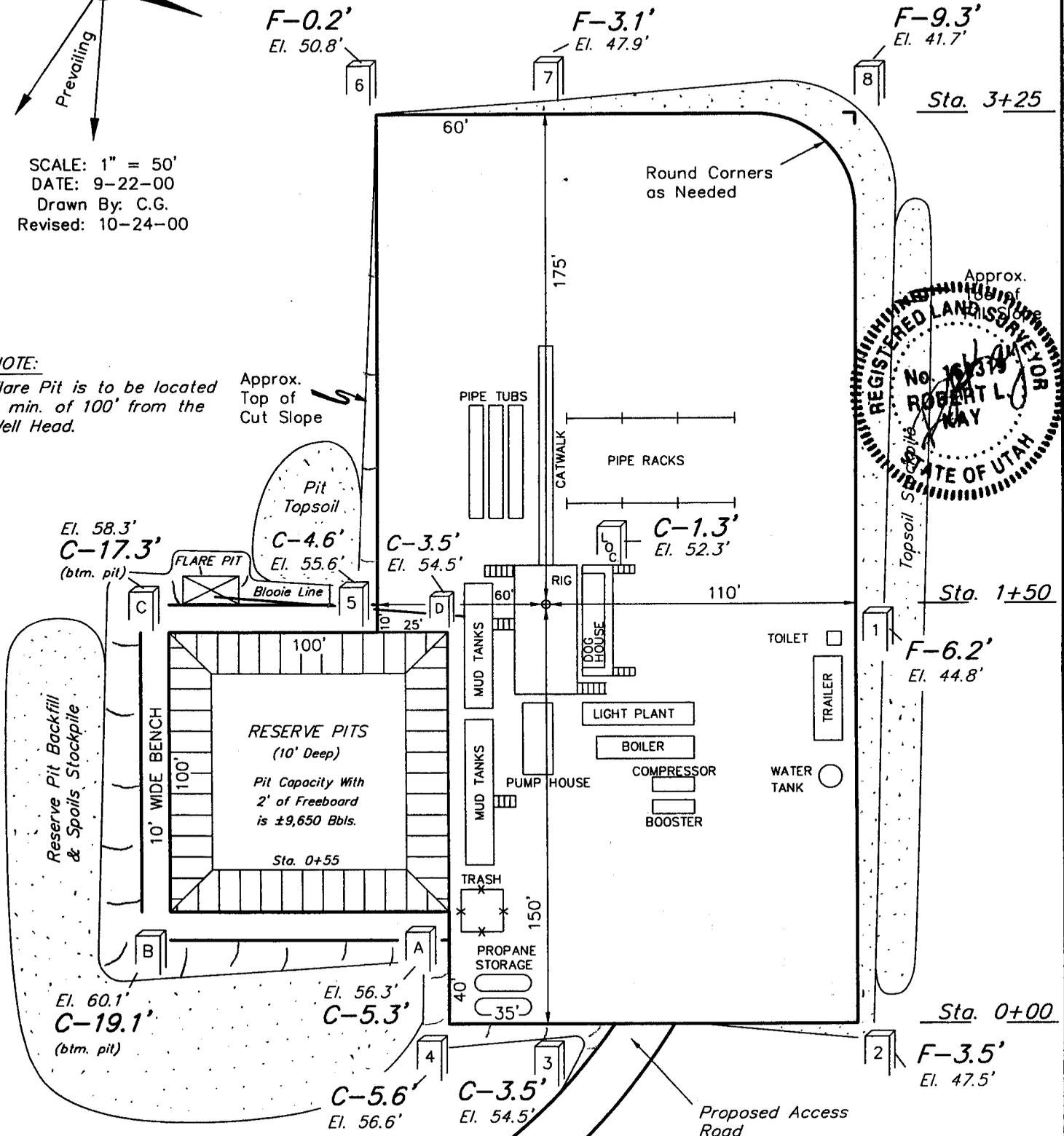
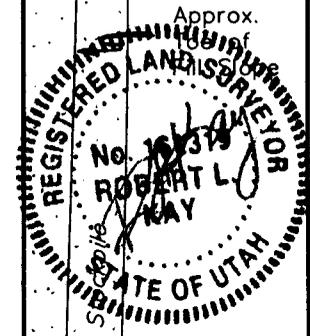
LOCATION LAYOUT FOR  
 HORSESHOE BEND FEDERAL #26-2  
 SECTION 26, T6S, R21E, S.L.B.&M.  
 660' FSL 660' FEL



SCALE: 1" = 50'  
 DATE: 9-22-00  
 Drawn By: C.G.  
 Revised: 10-24-00

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

Approx.  
 Top of  
 Cut Slope



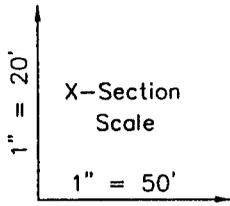
**NOTES:**

Elev. Ungraded Ground At Loc. Stake = 4952.3'  
 FINISHED GRADE ELEV. AT LOC. STAKE = 4951.0'

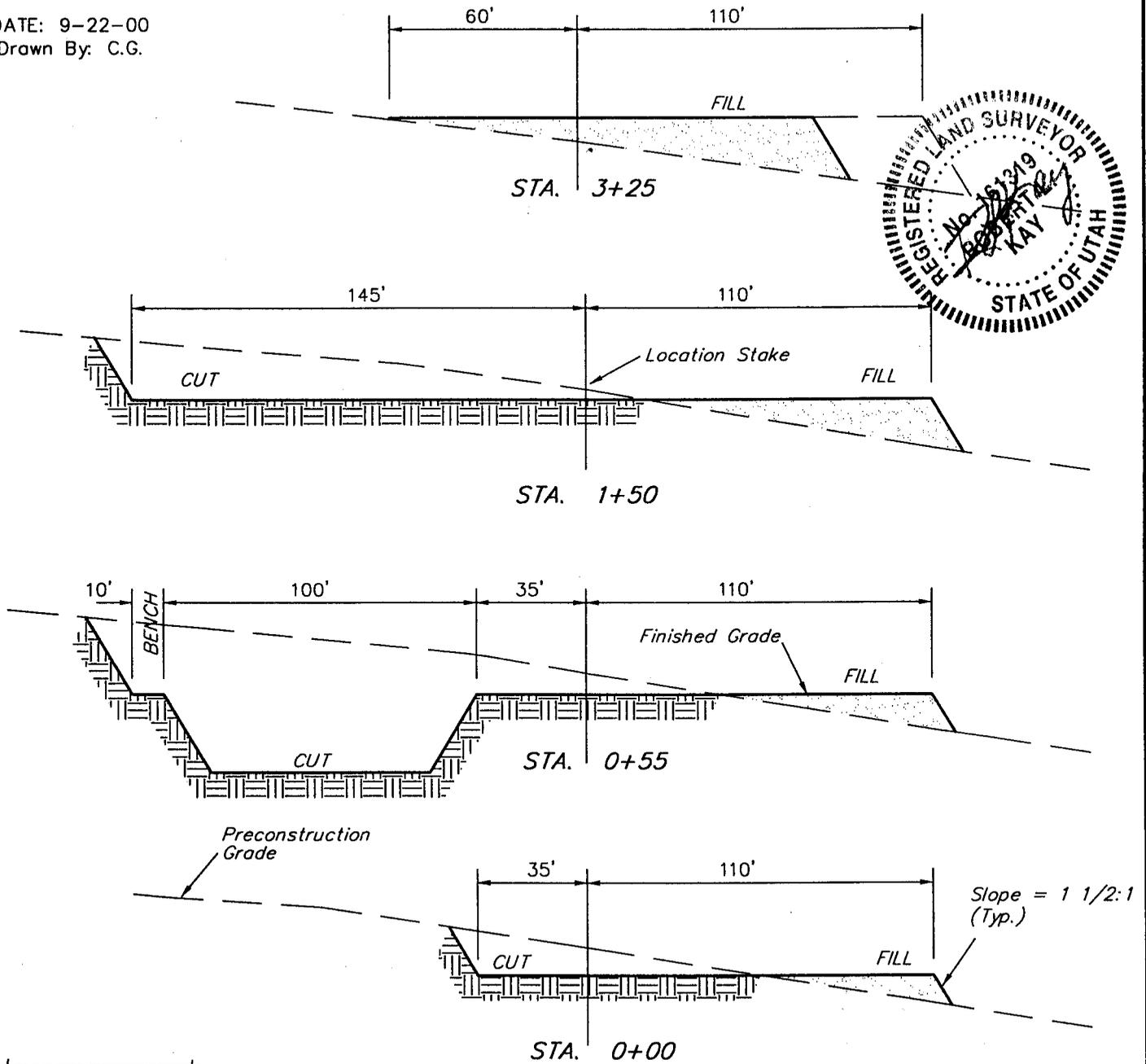
**FIGURE #1**

COASTAL OIL & GAS CORP.

TYPICAL CROSS SECTIONS FOR  
HORSESHOE BEND FEDERAL #26-2  
SECTION 26, T6S, R21E, S.L.B.&M.  
660' FSL 660' FEL



DATE: 9-22-00  
Drawn By: C.G.



**FIGURE #2**

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,200 Cu. Yds.
Remaining Location	= 7,090 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 8,290 CU.YDS.</b>
<b>FILL</b>	<b>= 5,750 CU.YDS.</b>

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



R  
21  
E

R  
22  
E

VERNAL 16.5 MI. +/-  
STATE HIGHWAY 45 5.8 MI. +/-

2.3 MI. +/-

**CATTLE GUARD  
REQUIRED**

0.3 MI. +/-

**PROPOSED ACCESS 0.2 MI. +/-**

**PROPOSED LOCATION:  
HORSESHOE BEND FEDERAL #26-2**

**T6S  
T7S**

Horseshoe Bend

**LEGEND:**

----- PROPOSED ACCESS ROAD  
————— EXISTING ROAD



**COASTAL OIL & GAS CORP.**  
**HORSESHOE BEND FEDERAL #26-2**  
**SECTION 26, T6S, R21E, S.L.B.&M.**  
**660' FSL 660' FEL**

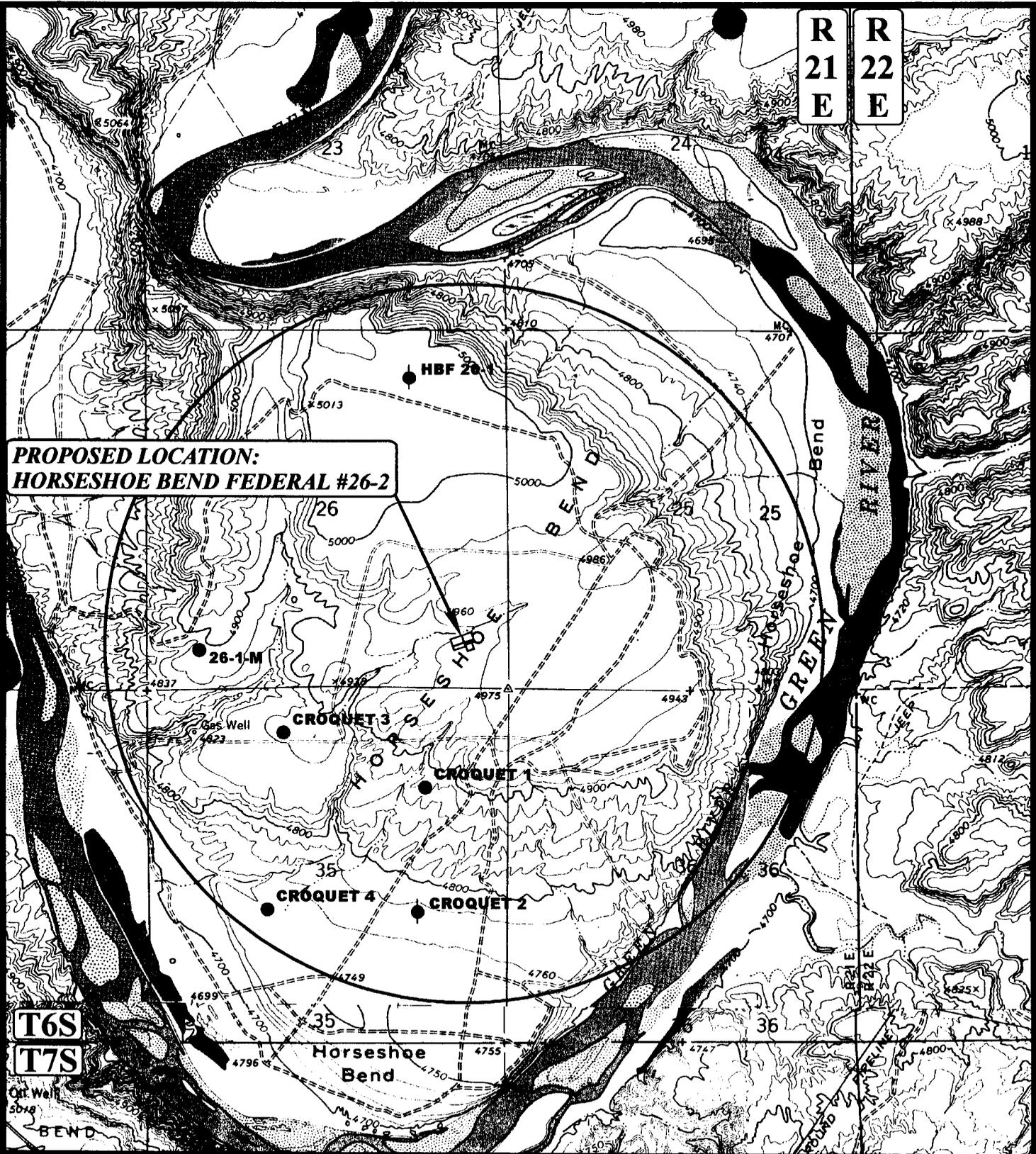


**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC** **9 21 00**  
**MAP** MONTH DAY YEAR  
SCALE: 1" = 2000' DRAWN BY: C.G. REVISED: 00-00-00



R 21 E R 22 E



**PROPOSED LOCATION:  
HORSESHOE BEND FEDERAL #26-2**

T6S  
T7S

**LEGEND:**

- ∅ DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- ♂ WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

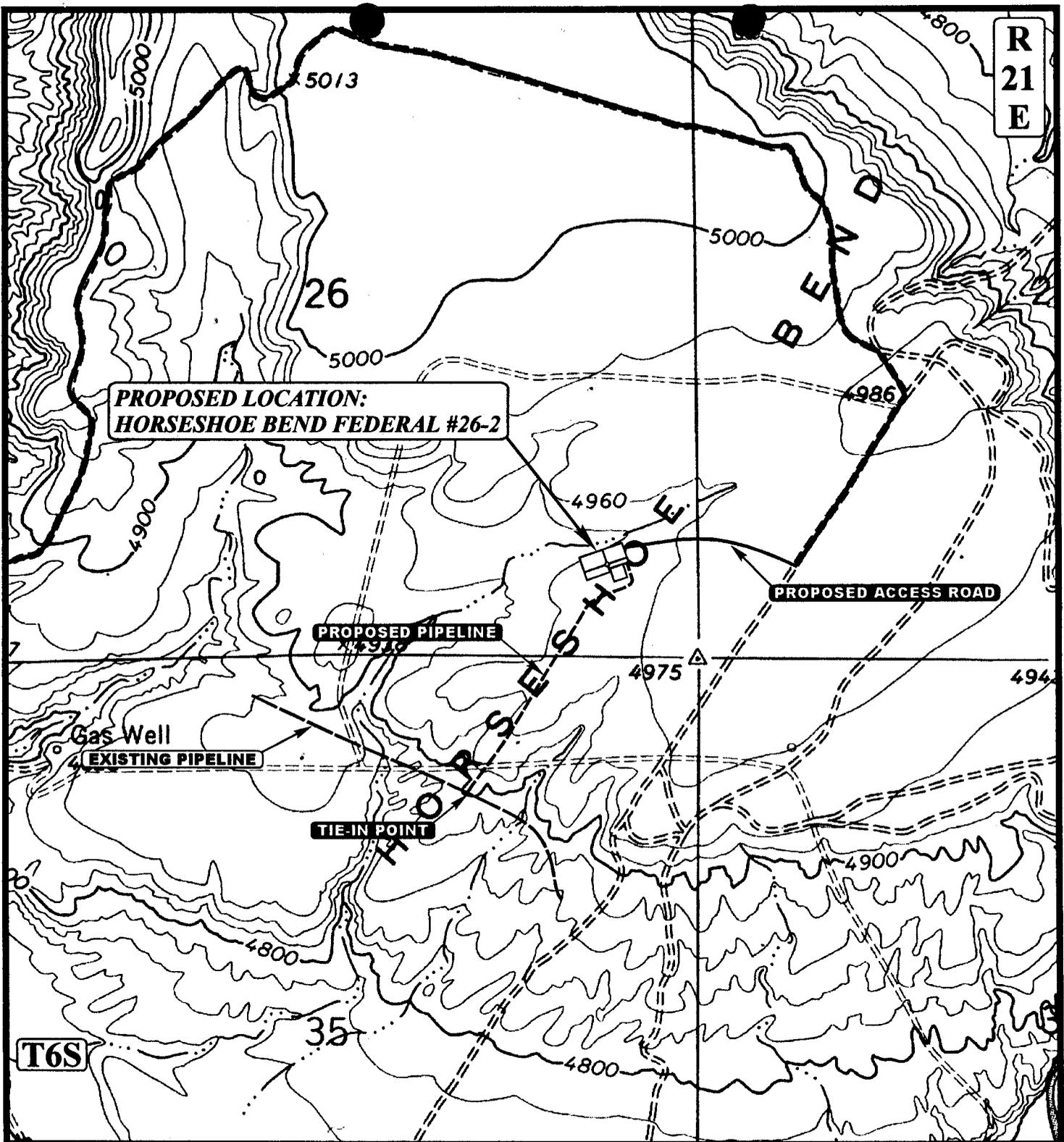
**UELS**  
**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813



**COASTAL OIL & GAS CORP.**  
**HORSESHOE BEND FEDERAL #26-2**  
**SECTION 26, T6S, R21E, S.L.B.&M.**  
**660' FSL 660' FEL**

**TOPOGRAPHIC** 9 21 00  
**MAP** MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: C.G. REVISED: 00-00-00





**APPROXIMATE TOTAL PIPELINE DISTANCE = 1900' +/-**

**LEGEND:**

- EXISTING PIPELINE
- - - - - PROPOSED PIPELINE
- PROPOSED ACCESS



**COASTAL OIL & GAS CORP.**

**HORSESHOE BEND FEDERAL #26-2**  
**SECTION 26, T6S, R21E, S.L.B.&M.**  
**660' FSL 660' FEL**



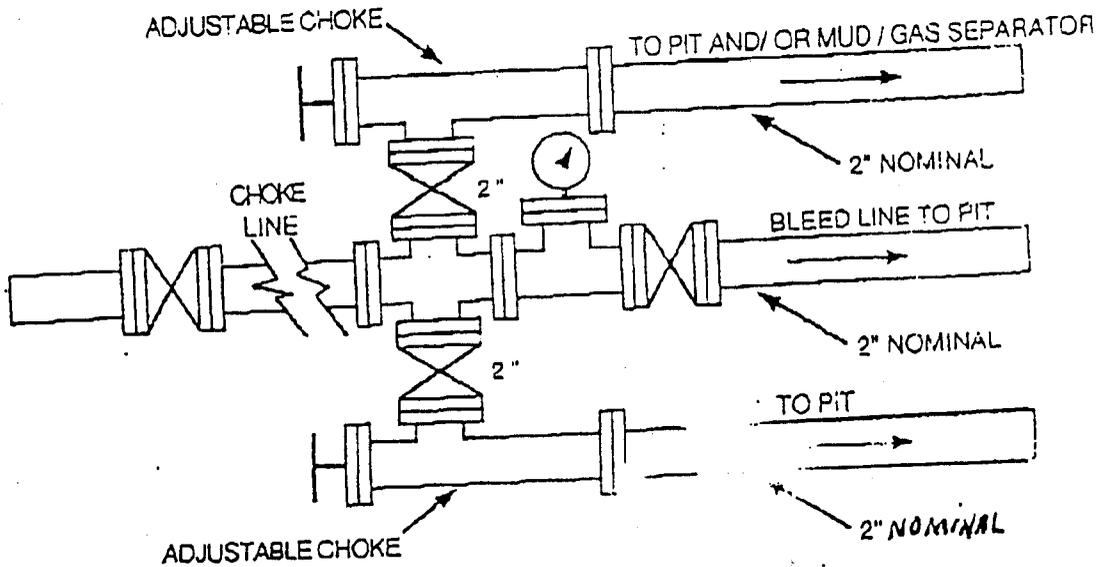
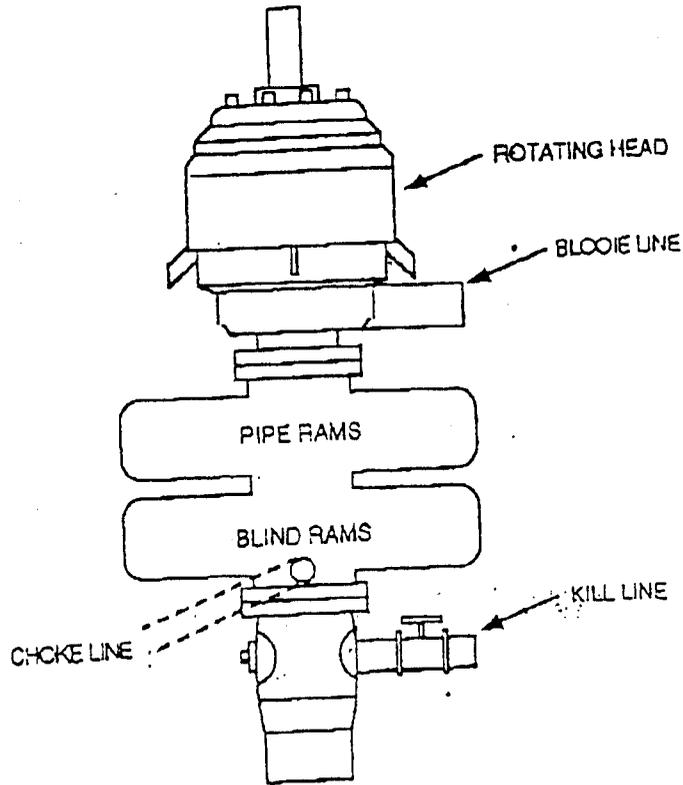
**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC** **1 10 01**  
**MAP** MONTH DAY YEAR

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



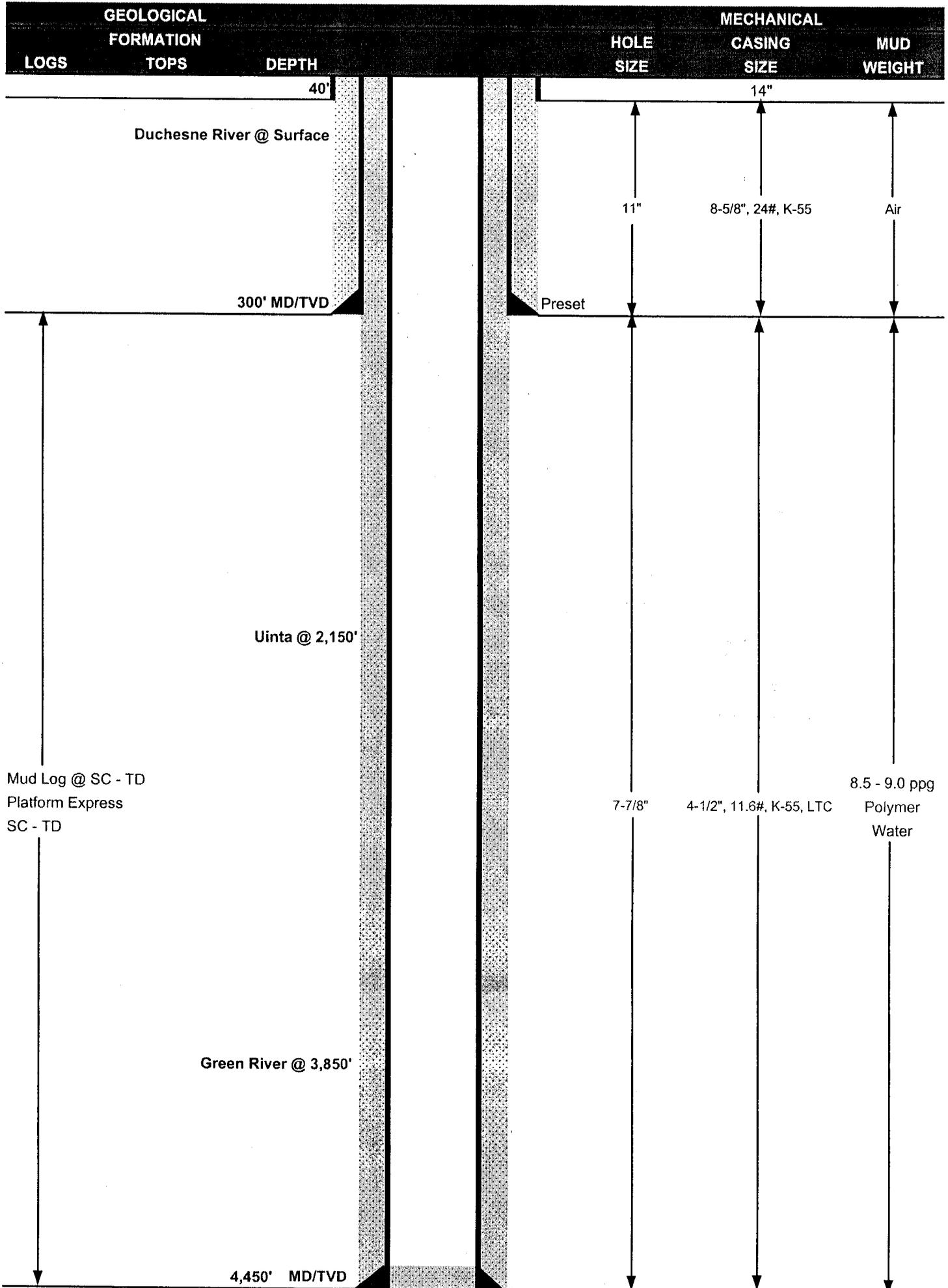
**2M SYSTEM**  
**BLOWOUT PREVENTER FOR HIGH PRESSURE WELLS**  
**900 SERIES MINIMUM**  
**2000# psi W.P.**  
**BOP 6" X 3000 PSI or 10" X 3000 PSI**



# COASTAL OIL & GAS CORPORATION

## DRILLING PROGRAM

COMPANY NAME Coastal Oil & Gas Corporation DATE 11/15/00  
 WELL NAME Federal #26-2 TD 4,450' MD/TVD  
 FIELD Horseshoe Bend COUNTY Uintah STATE Utah ELEVATION 4,950' KB  
 SURFACE LOCATION 660' FSL & 660' FEL of Section 26, T6S-R21E BHL Straight Hole  
 OBJECTIVE ZONE(S) Uinta and Lower Green River  
 ADDITIONAL INFO \_\_\_\_\_



## COASTAL OIL & GAS CORPORATION DRILLING PROGRAM

### CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'						
SURFACE	8-5/8" (new)	0-300'	24#	K-55	STC	2950	1730	263000
						17.53	12.32	4.60
PRODUCTION*	4-1/2" (new)	0-TD	11.6#	K-55	LTC	5350	4960	180000
						3.41	2.38	1.77

- 1) Maximum Anticipated Surface Pressure (MASP) (Conductor and Surface Casing<sup>s</sup>) = (Frac Gradient at Shoe - Gas Gradient (0.115 psi/ft))(TVD)
  - 2) MASP (Int Casing) = Pore Pressure at Next Casing Point - (Gas Gradient x TVD of Next Casing Point x 0.67) - (Mud Weight x TVD x 0.052 x 0.33)
  - 3) MASP (Prod Casing) = Pore Pressure - (Gas Gradient x TVD of Production Interval)
- (Burst Assumptions: FG @ 8-5/8" shoe = 13.0 ppg, Max Pore Pressure = 9.0 ppg EMW)  
 (Collapse Assumption: Fully Evacuated Casing, Max MW)      (Tension Assumptions: Air Weight of Casing, 50,000 lbs overpull)

### CEMENT PROGRAM

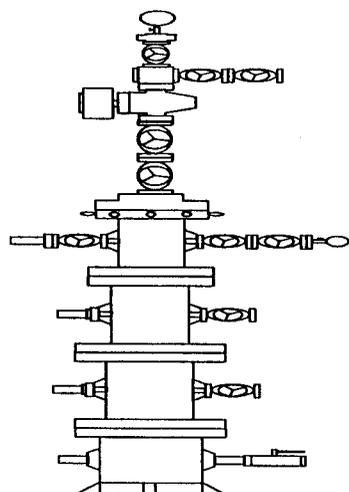
		FT. OF FILL	DESCRIPTION	SACKS	EXCESS*	WEIGHT	YIELD
SURFACE		300	Class G + 2% CaCl <sub>2</sub> + 0.25 lb/sk Cello Flake	110	35%	15.80	1.17
PRODUCTION	LEAD	1800	Hilift + 12% D20 + 3% D44 + 1% D79 + 0.75% D112 + 0.2% D46 + 0.25 lb/sk D29	200	100%	11.00	3.81
	TAIL	2,650'	50/50 POZ + 2% D20 + 2% D174 + 0.25% D65 + 0.2% D46	840	75%	14.3	1.27

\* or 15% over caliper log

### FLOAT EQUIPMENT & CENTRALIZERS

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

### WELLHEAD EQUIPMENT



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

# COASTAL OIL & GAS CORPORATION

## DRILLING PROGRAM

**BIT PROGRAM**

ROCK BIT & PDC BIT PROGRAM						
INTERVAL	HOLE	BIT MFG & MODEL	GPM	SERIAL	NZLS	COMMENTS
Surface Hole	11"	Various				
Surf Csg - TD	7-7/8"	Various Inserts	400	New	18-18-18	Mud Motor

**GEOLOGICAL DATA**

**LOGGING:**

Depth	Log Type
SC - TD	Platform Express

**MUD LOGGER:**

Surface Casing - TD only if required by Geology

**SAMPLES:**

As per Geology

**CORING:**

NA

**DST:**

NA

**MUD PROGRAM**

DEPTH	TYPE	MUD WT	WATER LOSS	VISCOSITY	TREATMENT
SC-TD	Polymer Water	Water	NC	27	Polymer, Lime

Circulate hole until clean @ TD. Spot brine pill at TD for casing.

Monitor corrosion with coupons.

**ADDITIONAL INFORMATION**

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

BOPE: 11" 3M with one annular and 2 rams. Test to 3,000 psi (annular to 1,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.

Run Totco surveys every 1500'. Maximum allowable hole angle is 5 degrees.

**PROJECT ENGINEER:**

Christa Yin

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

**PROJECT MANAGER:**

Darrell Molnar

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

# CULTURAL RESOURCE EVALUATION OF HORSESHOE BEND LOCATIONS (Federal Units #3-1, 4-1, 11-1, 26-1 & 26-2) IN UINTAH COUNTY, UTAH

Report Prepared for Coastal Oil & Gas Corporation

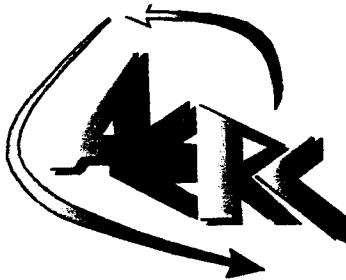
Department of Interior Permit No.: Ut-54937

Utah State Permit No.: Ut00AF0609b

AERC Project 1667 (COG00-32)

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](mailto:ari@xmission.com) Web page: [www.ari-aerc.org](http://www.ari-aerc.org)

October 23, 2000

## ABSTRACT

An intensive cultural resource evaluation has been conducted for Coastal Oil & Gas Corporation of five proposed well locations in the Horseshoe Bend locality (see Maps 1 through 4) of Uintah County, Utah. About 43.3 acres of public lands in the locality were examined by AERC archaeologists during an evaluations conducted on October 18 & 20, 2000.

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

No isolated artifacts were observed during the evaluation.

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

## GENERAL INFORMATION

The Coastal Oil & Gas year 2000 development program involves the construction five proposed well locations including Horseshoe Bend Units 3-1, 4-1, 11-1, 26-1 and 26-2 (see Maps 1 through 4) within Uintah County, Utah. About 43.4 acres of public lands in the locality were examined by AERC archaeologists during evaluations conducted on October 18 and 20, 2000. The project area is on public land administrated by the Vernal Office of the Bureau of Land Management. 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-0609b.

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 43.4 acres was examined by the archaeologists, who walked a series of 15 meter-wide transects within the various 10 acre well locations and along the 100 foot-wide staked, access routes leading into various locations.

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 southwest of Vernal, Utah. The developments are located in the Horseshoe Bend locality identifiable on the Vernal SE, and the Brennan Basin USGS topographic quads. The proposed locations are situated as follows:

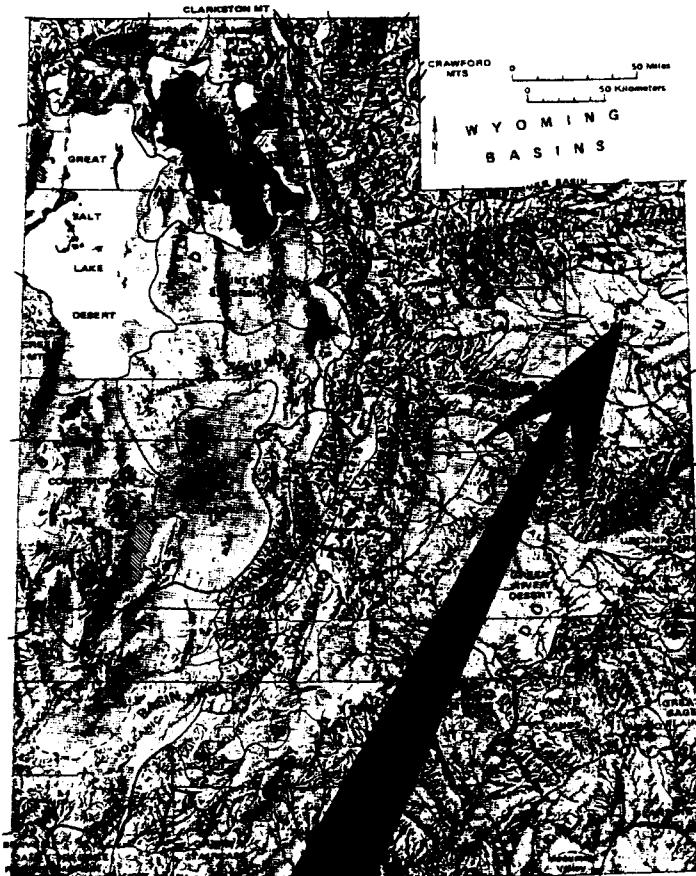
**Federal Unit No. 26-1(see Map 2):** this well is situated in the NW of the SW quarter of Section 26, Township 6 South, Range 21 East. It is directly accessed by the existing road. Since this ten acre parcel has been evaluated for cultural resources on two previous occasions (80-AF-0441, and 94-AY-0653), AERC did not reevaluate the well pad zone during the 10/19/00 on-site evaluation.

**Federal Unit No. 26-2(see Map 2):** this well is situated in the SE of the SE quarter of Section 26, Township 6 South, Range 21 East. It will be accessed by a .2 mile-long access

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



**PROJECT: COG00-32  
SCALE: 1: 200,650  
DATE: 10/23/00**



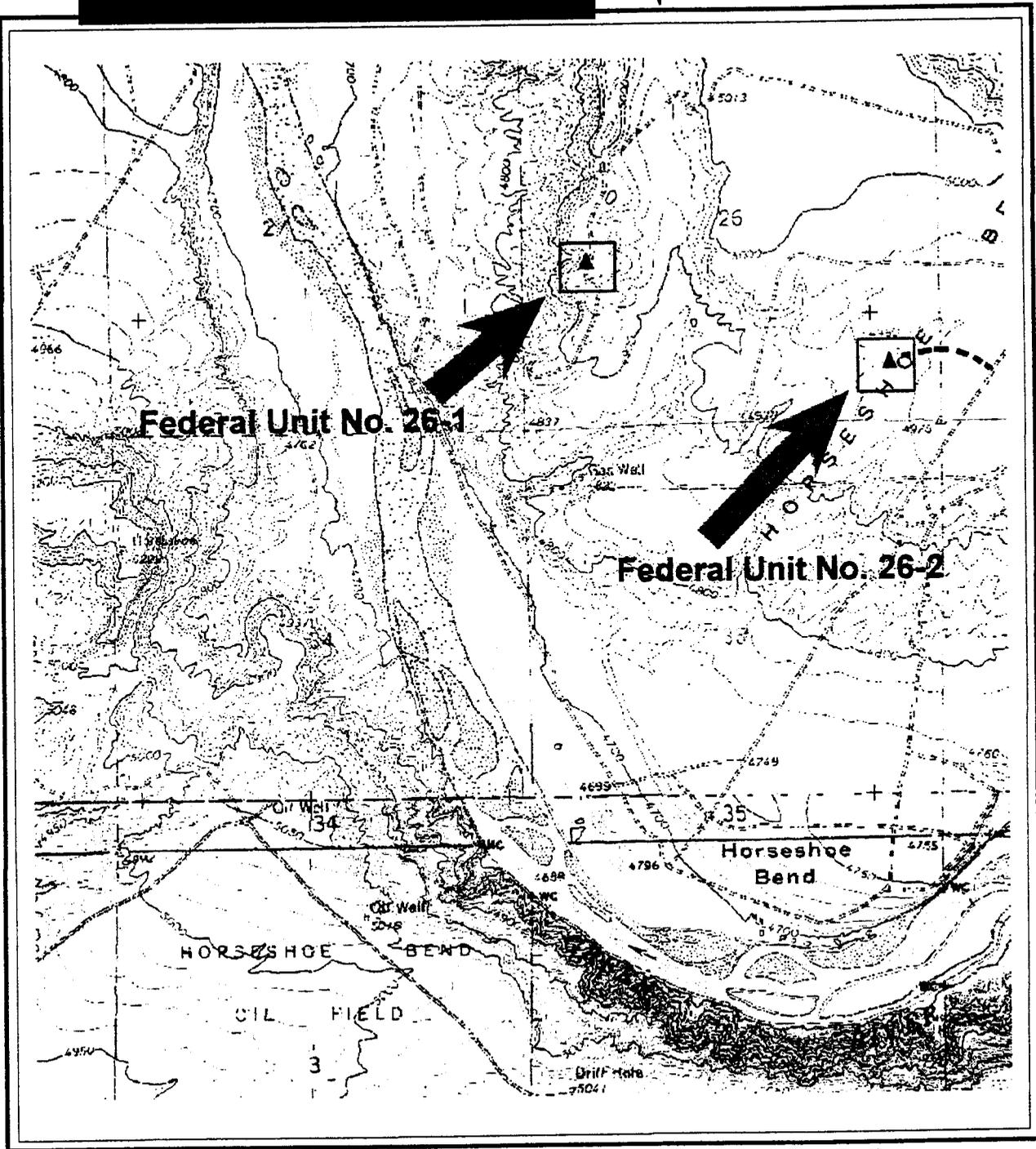
**PROJECT AREA**

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

Utah Geological and Mineral Survey  
Map 43 1977

Physiographic Subdivisions of Utah  
by W.L. Stokes

PROJECT: COG00-32  
SCALE: 1:24,000  
QUAD: Vernal, SE  
DATE: October 23, 2000

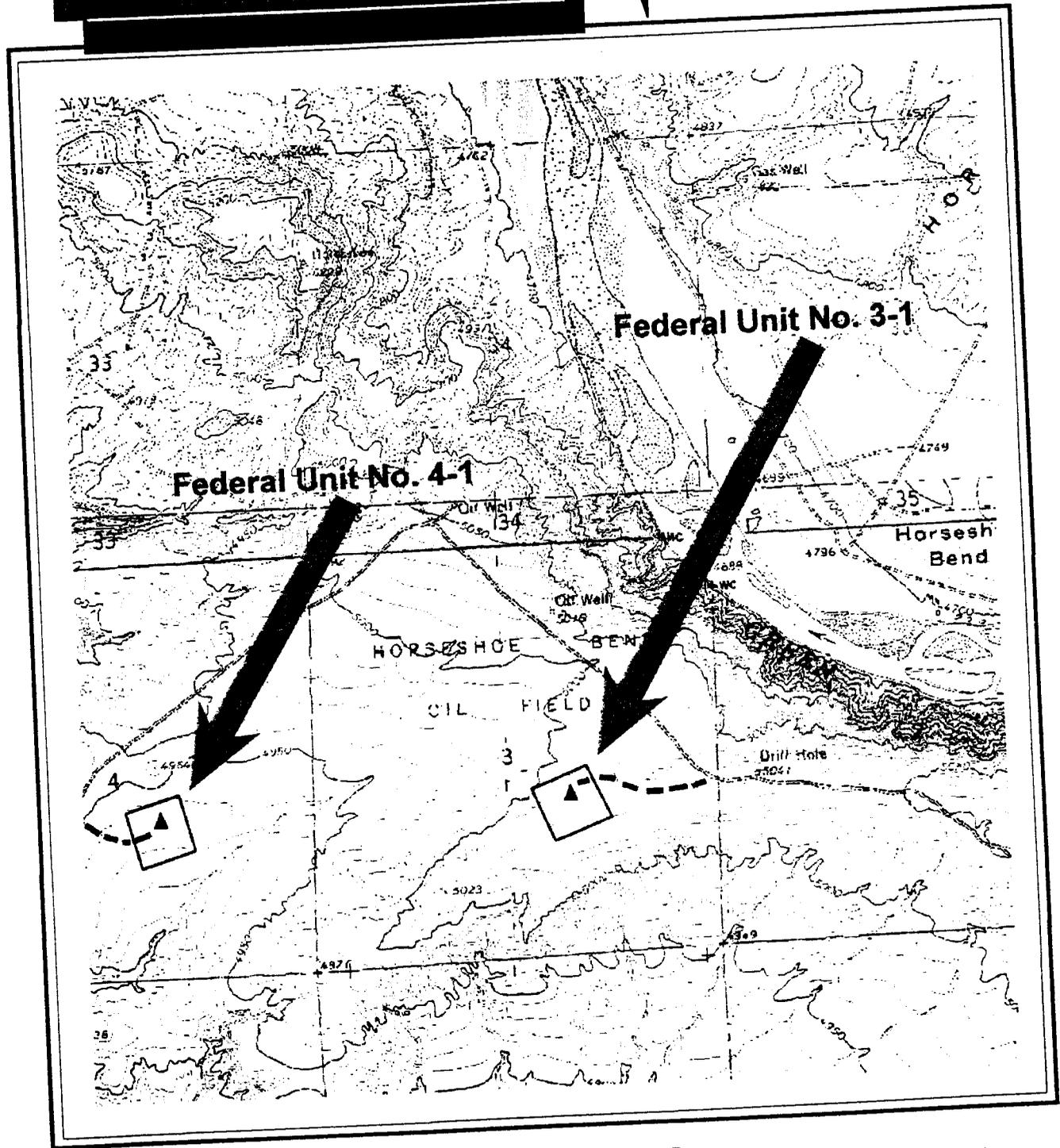


TOWNSHIP: 6 South  
RANGE: 21 East  
MERIDIAN: Salt Lake B. & M.

LEGEND

-  Well Location
-  Access Route

PROJECT: COG00-32  
SCALE: 1:24,000  
QUAD: Brennan Basin  
DATE: October 23, 2000



TOWNSHIP: 7 South  
RANGE: 21 East  
MERIDIAN: Salt Lake B. & M.

LEGEND

-  Well Location
-  Access Route

corridor from the existing road. Since this ten acre parcel has been evaluated for cultural resources on two previous occasions (94-BC-0723, and 94-AY-0653), AERC did not reevaluate the well pad zone during the 10/19/00 on-site evaluation.

**Federal Unit No. 3-1(see Map 3):** this well is situated in the NW of the SE quarter of Section 3, Township 7 South, Range 21 East. It will be accessed by a .3 mile-long access corridor from the existing road.

**Federal Unit No. 4-1(see Map 3):** this well is situated in the NW of the SE quarter of Section 4, Township 7 South, Range 21 East. It will be accessed by a .3 mile-long access corridor from the existing road.

**Federal Unit No. 11-1(see Map 4):** this well is situated in the NW of the NE quarter of Section 11, Township 7 South, Range 21 East. It will be accessed by a .3 mile-long access corridor from the existing road.

### **Environment**

The elevations for the proposed well locations are about the 5000 feet above sea level. Ephemeral drainages in the project area are associated with tributaries that drain into either the Green River or 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 Colorado Plateau physiographic province.

### **File Search**

Records searches were conducted in the Vernal BLM office on October 19, 2000 and at the State Antiquities office in Salt Lake City on October 17, 2000. Earlier projects conducted in this general project area include the following: 78-AF-0331, 80-AF-0441, 80-NH-0410, 87-AF-0755, 87-NH-0751, 94-BC-0723 and 94-AY-0653.

Other archaeological consultants in addition to AERC and the local BLM archaeologists that have worked in the project area include personnel from 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 ranging between Paleoindian and Late

Prehistoric/Historic (Ute). 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 October 20, 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. 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 15 to 20 meter-wide transects within three of the five staked well locations (Federal Units 26-1 and 26-2 had been inventoried at earlier dates and were not reexamined by AERC) and along the various 30 meter-wide (100 foot-wide) access corridors. All together, a 100% pedestrian survey was conducted of about 43.4 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 locations and access routes as referenced in this report, no cultural resources were encountered as sites.

No isolated find were observed during the evaluations.

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.

### CONCLUSION AND RECOMMENDATIONS

AERC recommends that a cultural resource clearance be granted to Coastal Oil & Gas Corporation relative to the development of the Horseshoe Bend Units 3-1, 4-1, 11-1, 26-1 and 26-2 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**

### **Christensen, Diana**

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

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

- 1991 Archaeological Evaluations on the Northern Colorado Plateau Cultural Area, AERC Paper No. 45, Archeological-Environmental Research Corporation, Bountiful.
- 2000a Cultural Resource Evaluations of Four Proposed Coastal Well Locations (Tribal 36-43, 1-163, & 36-149 and Ouray 35-151) including Miscellaneous Pipeline Corridors in the White River Locality of Uintah County, Utah. Report prepared for Coastal Oil & Gas Corporation (COG00-20), Archeological-Environmental Research Corporation, Bountiful.
- 2000b *Addendum to:* Cultural Resource Evaluation of Three Proposed Units in the Kennedy Wash Locality of Uintah County, Utah. Report prepared for Coastal Oil & Gas Corporation (COG00-12), Archeological-Environmental Research Corporation, Bountiful.
- 2000c Cultural Resource Evaluation of Three Proposed Units in the Kennedy Wash Locality of Uintah County, Utah. Report prepared for Coastal Oil & Gas Corporation (COG00-12), Archeological-Environmental Research Corporation, Bountiful.
- 2000d Cultural Resource Evaluations of Four Proposed Coastal Well Locations (Wonsits Federal Unit No. 1-5, Kennedy Wash Units 19-1 & 23-1, and Gose Federal Unit 3-18) in Various Localities of Uintah County, Utah. Report prepared for Coastal Oil & Gas Corporation (COG00-26), 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-~~EF~~-0609b

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

***Cultural Resource Evaluation of Five Proposed Horseshoe Bend Units (3-1, 4-1, 11-1, 26-1, & 26-2) in Uintah County, Utah***

1. Report Title . . . . .  
2. Development Company Coastal Oil & Gas Corporation  
3. Report Date . . .10/23/00. . . . . 4. Antiquities Permit No. UT-00-54937  
5. Responsible Institution . . .AERC COG00-32 . . . . . County Uintah  
6. Fieldwork Location: TWN . . 6 S . RNG . . 21 E . Sections 25, 26  
& TWN . . 7 S . RNG . . 21 E . Section 3, 4, 11  
7. Resource Area BC.

8. Description of Examination Procedures: *The archeologists, F.R. Hauck and Alan Hutchinson, intensively examined three of the five well locations (10 acre parcels each) and associated access corridors (100 feet-wide) by walking a series of 15 to 20 meter-wide transects.*

9. Linear Miles Surveyed . . . . . 10. Inventory Type .I.  
and/or  
Definable Acres Surveyed . . . . . R = Reconnaissance  
and/or I = Intensive  
Legally Undefinable S = Statistical Sample  
Acres Surveyed 43.3.

11. Description of Findings: No cultural resource loci were observed or recorded. 12. Number Sites Found .0. (No sites = 0)  
13. Collection: .N. (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 10-17-00 Vernal BLM 10-19-00

16. Conclusion/ Recommendations:  
*AERC recommends that a cultural resource clearance be granted to Coastal Oil & Gas Corporation for this proposed development 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: 01/17/2001

API NO. ASSIGNED: 43-047-33871

WELL NAME: HSB FED 26-2  
 OPERATOR: COASTAL OIL & GAS CORP ( N0230 )  
 CONTACT: CHERYL CAMERON

PHONE NUMBER: 435-781-7023

PROPOSED LOCATION:  
 SESE 26 060S 210E  
 SURFACE: 0660 FSL 0660 FEL  
 BOTTOM: 0660 FSL 0660 FEL  
 UINTAH  
 HORSESHOE BEND ( 620 )

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

LEASE TYPE: 1-Federal  
 LEASE NUMBER: U-38401  
 SURFACE OWNER: 1-Federal

PROPOSED FORMATION: GRRV

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] 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 \_\_\_\_\_
- R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit  
Board Cause No: 145-8 (2/320')  
Eff Date: 9-19-85  
Siting: 1 well per Qtr/sec E. 500 fr. dir. unit boundary.
- R649-3-11. Directional Drill

COMMENTS: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

STIPULATIONS: ① FEDERAL APPROVAL  
 \_\_\_\_\_  
 \_\_\_\_\_



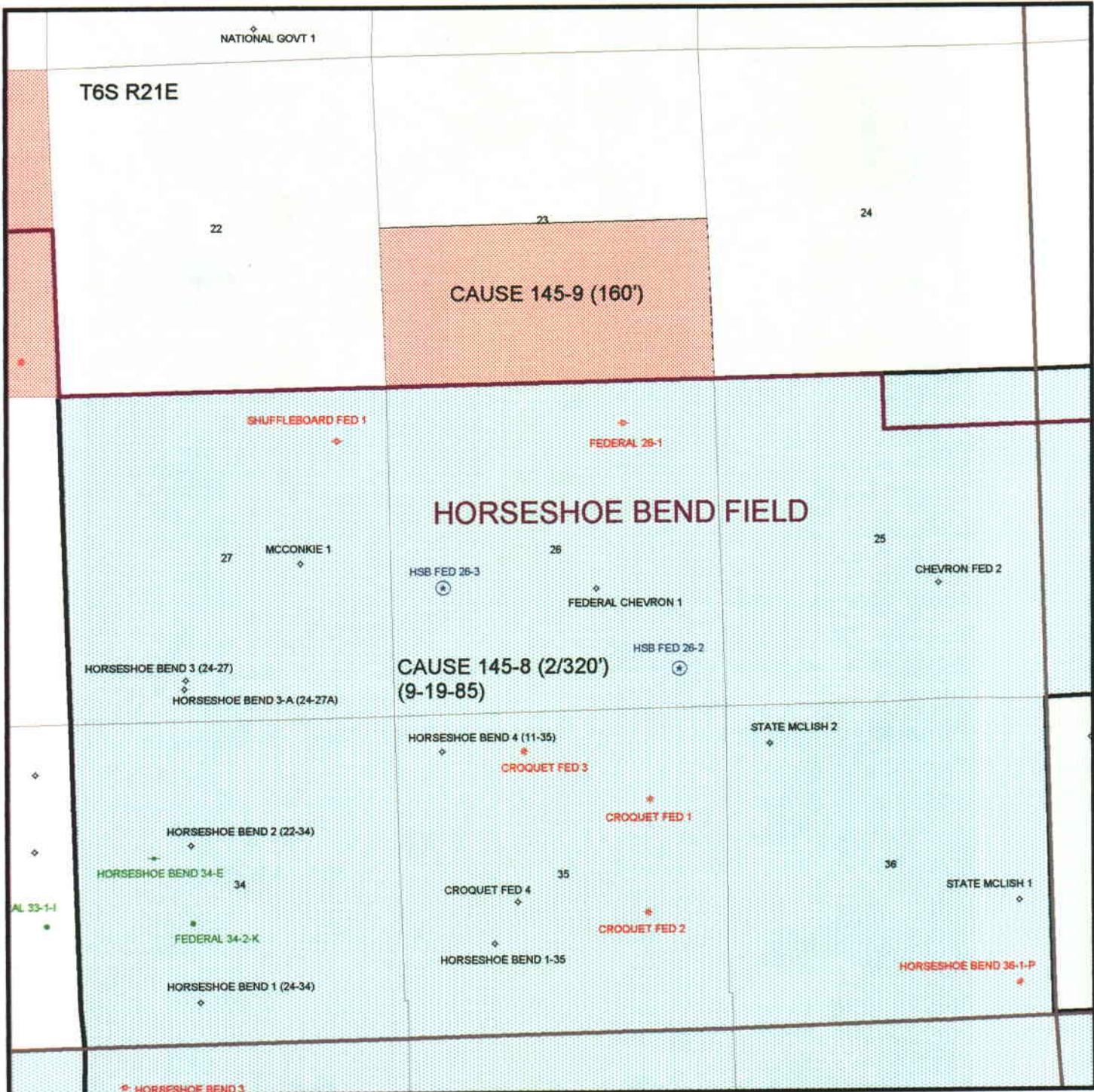
Utah Oil Gas and Mining

OPERATOR: COASTAL O&G CORP (N0230)

FIELD: HORSESHOE BEND (620)

SEC. 26, T6S, R21E,

COUNTY: UINTAH CAUSE: 145-8 (2/320')





**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)

January 29, 2001

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

Re: Horseshoe Bend Federal 26-2 Well, 660' FSL, 660' FEL, SE SE, Sec. 26, T. 6 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 43-047-33871.

Sincerely,

A handwritten signature in black ink, appearing to read "John R. Baza".

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** Horseshoe Bend Federal 26-2

**API Number:** 43-047-33871

**Lease:** U-38401

**Location:** SE SE      **Sec.** 26      **T.** 6 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. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

5. Lease Serial No.

**U-38401**

6. If Indian, Allottee or Tribe Name

**N/A**

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

**N/A**

8. Well Name and No.

**Horseshoe Bend 26-2**

**Federal**

9. API Well No.

**43-047-33871**

10. Field and Pool, or Exploratory Area

**Horseshoe Bend**

11. County or Parish, State

**Uintah Utah**

**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. 26, T6S, R21E  
660' FSL & 660' FEL**

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

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

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

Attached is a copy of the existing Right-of-Way Grant UTU-71291 for the pipeline route for the subject well. Coastal requests that the pipeline route submitted in the APD be amended. Refer to Topo Map D.

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

**RECEIVED**

FEB 12 2001

DIVISION OF  
OIL, GAS AND MINING

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

Name (Printed/Typed)  
**Cheryl Cameron**

Title

**Senior Regulatory Analyst**

Date **2/7/01**

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

Approved by

Title

Date

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

Office

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
RIGHT-OF-WAY GRANT

SERIAL NUMBER UTU-71291

---

1. A right-of-way is hereby granted pursuant to Section 28 of the Mineral Leasing Act of 1920, as amended (30 U.S.C. 185).

2. Nature of Interest:

a. By this instrument, the holder:

Snyder Oil Corporation  
1625 Broadway, Suite 2200  
Denver, Colorado 80202

receives a right to construct, operate, maintain, and terminate a three inch surface pipeline from well #26-16, Oil and Gas Lease U-38401, on Federal lands described as follows:

T. 6 S., R. 21 E., SLM, Utah  
Sec. 35, E $\frac{1}{2}$ NE $\frac{1}{2}$ .

- b. The right-of-way area granted herein is 20 feet wide, 1,759 feet long and contains .81 acres, more or less.
- c. This instrument shall terminate upon the expiration of oil and gas lease U-38401 or December 31, 2025, unless, prior thereto, it is relinquished, abandoned, terminated, or modified pursuant to the terms and conditions of this instrument or of any applicable Federal law or regulation.
- d. This instrument may be renewed. If renewed, the right-of-way shall be subject to the regulations existing at the time of renewal and any other terms and conditions that the authorized officer deems necessary to protect the public interest.
- e. Notwithstanding the expiration of this instrument or any renewal thereof, early relinquishment, abandonment, or termination, the provisions of this instrument, to the extent applicable, shall continue in effect and shall be binding on the holder, its successors, or assigns, until they have fully satisfied the obligations and/or liabilities accruing herein before or on account of the expiration, or prior termination, of the grant.

RECEIVED  
FEB 12 1986

DIVISION OF  
OIL, GAS AND MINING

3. Rental:

For and in consideration of the rights granted, the holder agrees to pay the Bureau of Land Management fair market value rental as determined by the authorized officer unless specifically exempted from such payment by regulation. Provided, however, that the rental may be adjusted by the authorized officer, whenever necessary, to reflect changes in the fair market rental value as determined by the application of sound business management principles, and so far as practicable and feasible, in accordance with comparable commercial practices. Rental payments, if applicable, should be mailed to the following address:

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

4. Terms and Conditions:

- a. This grant is issued subject to the holder's compliance with all applicable regulations contained in Title 43 Code of Federal Regulations part 2880.
- b. Upon grant termination by the authorized officer, all improvements shall be removed from the Federal lands within 90 days, or otherwise disposed of as provided in paragraph (4)(c) or as directed by the authorized officer.
- c. The stipulations, plans, maps, or designs set forth in Exhibit "A", dated December 14, 1994, attached hereto, are incorporated into and made a part of this grant instrument as fully and effectively as if they were set forth herein in their entirety.
- d. Failure of the holder to comply with applicable law or any provision of this right-of-way grant shall constitute grounds for suspension or termination thereof.
- e. The holder shall perform all operations in a good and workmanlike manner so as to ensure protection of the environment and the health and safety of the public.
- f. Boundary adjustments on oil and gas lease U-38401 shall automatically amend this right-of-way to include that portion of the facility no longer contained within the above described lease. In the event of an automatic amendment to this right-of-way grant, the prior on-lease conditions of approval of this facility will not be affected even though they would now apply to facilities outside of the lease as a result of a boundary adjustment. Rental fees, if appropriate, shall be recalculated based on the conditions of this grant and the regulations in effect at the time of an automatic amendment.
- g. No surface disturbing activities shall take place on the subject right-of-way until the associated SN is approved. The holder will adhere to any special stipulations identified in the conditions of approval relevant to any right-of-way facilities.

IN WITNESS WHEREOF, The undersigned agrees to the terms and conditions of this right-of-way grant.

Jim M...  
(Signature of Holder)

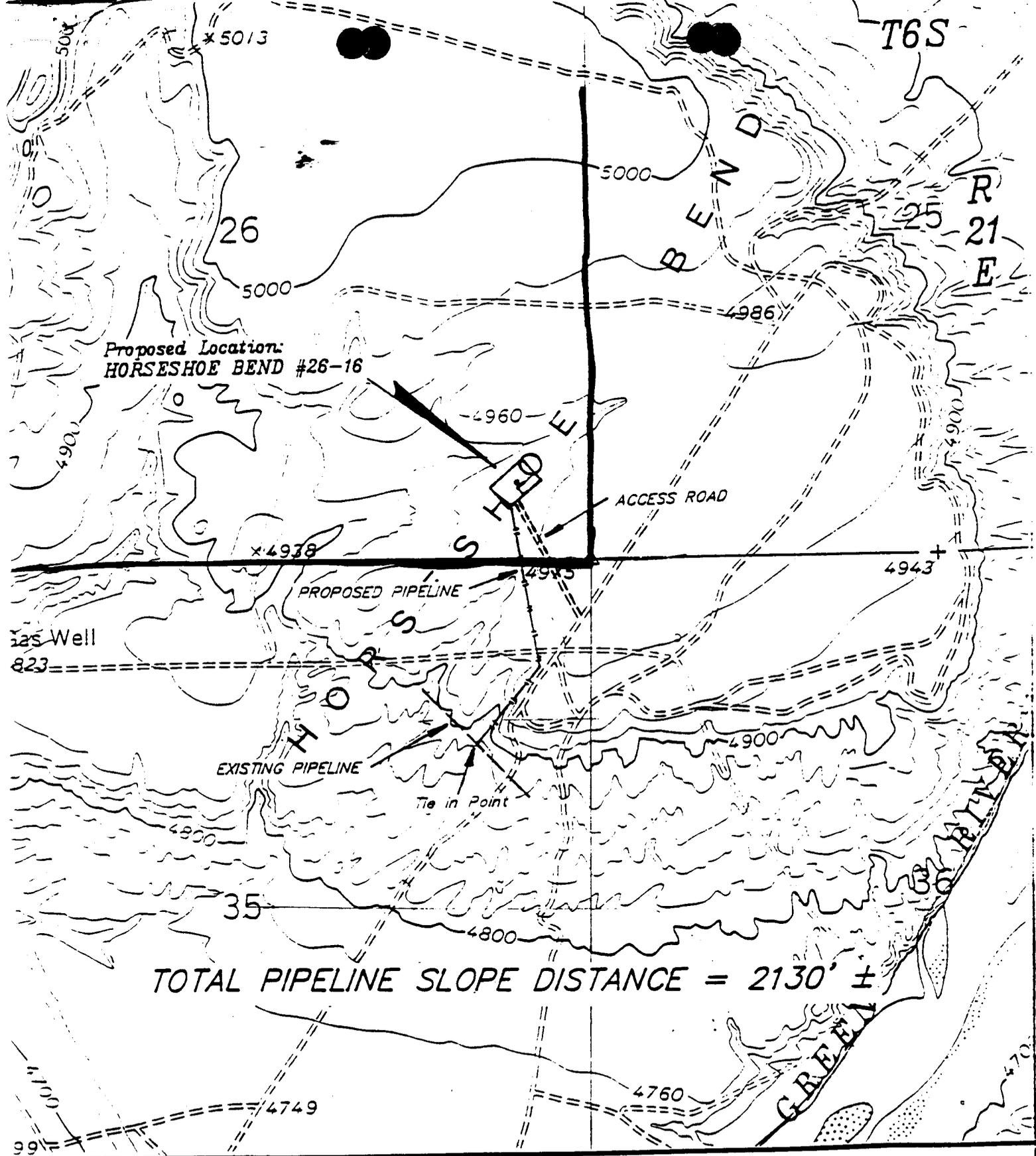
ENGINEERING TECHNICIAN  
(Title)

01/03/95  
(Date)

David W. Moore  
(Signature of Authorized Officer)

Acting Area Manager  
Diamond Mountain Resource Area  
(Title)

JUN 09 1995  
(Effective Date of Grant)



TOTAL PIPELINE SLOPE DISTANCE = 2130' ±

TOPOGRAPHIC  
MAP "C"

LEGEND:

- EXISTING PIPELINE
- - - - - Proposed Pipeline



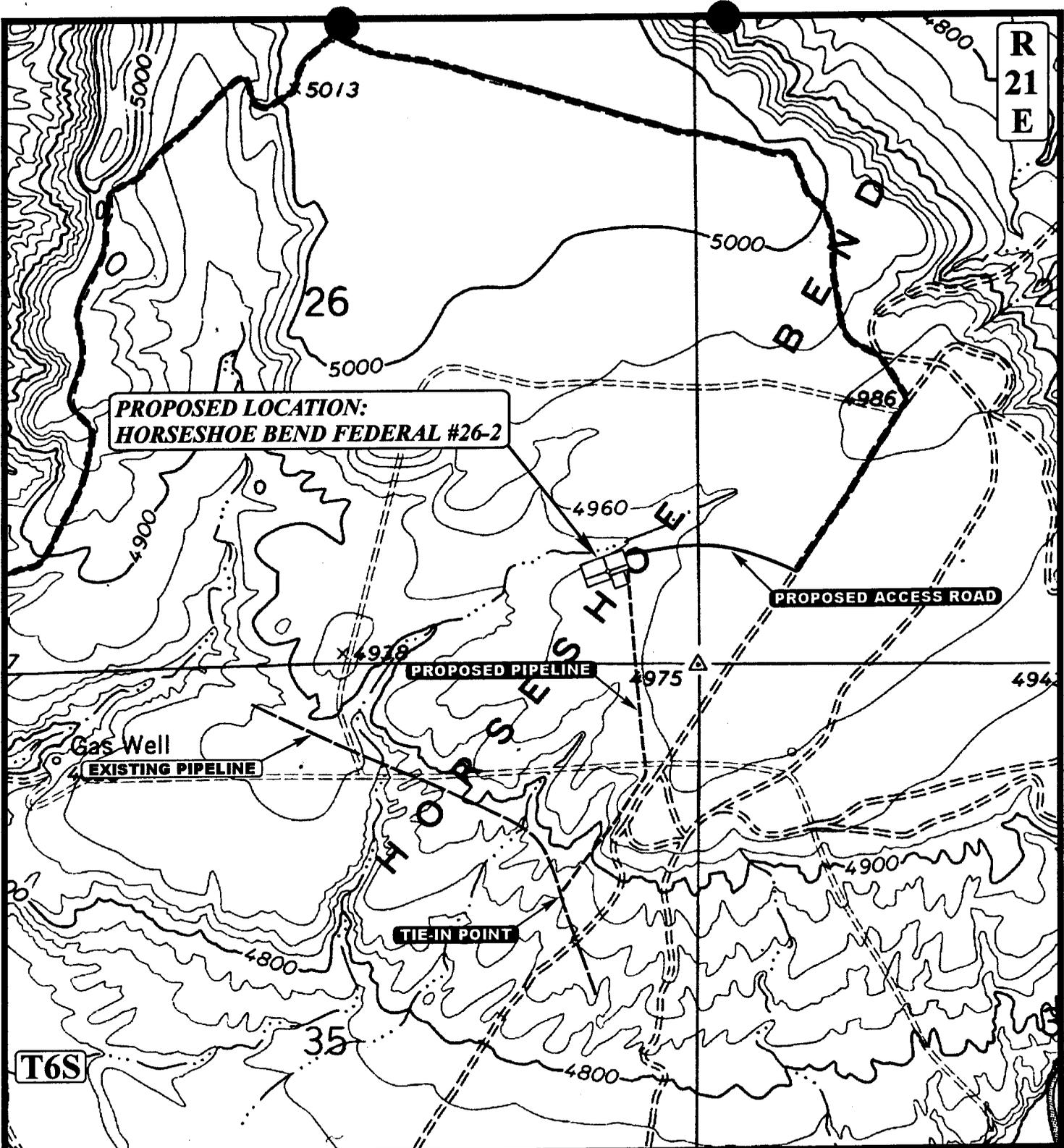
Exhibit "A", December 14, 1994

ROW UTU-71291

Pipeline on Lease

FEB 12 2001

T. 6 S., R. 21 E., SLM, Utah  
 DIVISION OF OIL, GAS AND MINES



APPROXIMATE TOTAL PIPELINE DISTANCE = 2130' +/-

**LEGEND:**

- EXISTING PIPELINE
- - - - - PROPOSED PIPELINE
- PROPOSED ACCESS



**COASTAL OIL & GAS CORP.**  
**HORSESHOE BEND FEDERAL #26-2**  
**SECTION 26, T6S, R21E, S.L.B.&M.**  
**660' FSL 660' FEL**



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

**TOPOGRAPHIC** **1 10 01**  
**MAP** MONTH DAY YEAR  
 SCALE: 1" = 1000' DRAWN BY: K.G. REVISED: 2-6-01



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**APPLICATION FOR PERMIT TO DRILL OR REENTER**

1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>U-38401</b>
1b. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name <b>N/A</b>
2. Name of Operator <b>Coastal Oil &amp; Gas Corporation</b>		7. Unit or CA Agreement Name and No. <b>N/A</b>
3a. Address <b>P.O. Box 1148, Vernal, UT 84078</b>	3b. Phone No. (include area code) <b>(435) 781-7023</b>	8. Lease Name and Well No. <b>HSB Federal #26-2</b>
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface <b>SE/SE</b> At proposed prod. zone <b>660' FSL &amp; 660' FEL</b>		9. API Well No.
14. Distance in miles and direction from nearest town or post office* <b>19.3 Miles East of Vernal, Utah</b>		10. Field and Pool, or Exploratory <b>Horseshoe Bend</b>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) <b>660'</b>	16. No. of Acres in lease <b>637.45</b>	11. Sec., T., R., M., or Blk. and Survey or Area <b>Sec. 26, T6S, R21E</b>
17. Spacing Unit dedicated to this well <b>N/A</b>	18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>Refer to Topo C</b>	12. County or Parish <b>Uintah</b>
19. Proposed Depth <b>4450'</b>	20. BLM/BIA Bond No. on file <b>U-605382-9</b>	13. State <b>Utah</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>4952.3' Ungraded GL</b>	22. Approximate date work will start* <b>Upon Approval</b>	23. Estimated duration <b>To Be Determined</b>

24. Attachments

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

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

25. Signature 	Name (Printed/Typed) <b>Cheryl Cameron</b>	Date <b>11/30/00</b>
Title <b>Sr. Regulatory Analyst</b>		
Approved by (Signature) 	Name (Printed/Typed) <b>Assistant Field Manager Mineral Resources</b>	Date <b>03/15/2001</b>
Title	Office	

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)

**NOTICE OF APPROVAL**

**RECEIVED**

**MAR 12 2001**

**BUREAU OF LAND MANAGEMENT  
OIL, GAS AND MINERAL**

**CONDITIONS OF APPROVAL ATTACHED**

CONDITIONS OF APPROVAL  
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Coastal Oil and Gas Corp.

Well Name & Number: Horse Shoe Bend Federal #26-2

API Number: 43-047-33871

Lease Number: U-38401

Location: SESE Sec. 26 T.6S R. 21E

Agreement: NA

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

**CONDITIONS OF APPROVAL**

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

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

A. DRILLING PROGRAM

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

Report ALL water shows and water-bearing sands to or Pete Sokolosky of this office **prior to setting the next casing string or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable.

2. Pressure Control Equipment

None

3. Casing Program and Auxiliary Equipment

None

CONDITIONS OF APPROVAL  
FOR THE SURFACE USE PROGRAM OF THE  
APPLICATION FOR PERMIT TO DRILL

A 16 foot cattle guard will be installed in the fence on the access road. A 16 foot swinging metal gate will also be installed in the fence next to the cattle guard. The fence will be adequately braced prior to cutting the wire to install the cattle guard and gate.

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

- 1- whether the materials appear eligible for the National Register Of Historic Places;
- 2- the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and
- 3- a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

The location topsoil 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.

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

**Topsoil will not be used for the construction of tank dikes.** Dikes will be constructed from compacted subsoils or impervious soils brought in from an outside source.

Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

**All permanent facilities will be painted Carlsbad Canyon** instead of the Juniper Green stipulated in the APD.

Form 3160-5  
(August 1999)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
**U-38401**

6. If Indian, Allottee or Tribe Name

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

8. Lease Name and Well No.  
**HSB FEDERAL #26-2**

9. API Well No.  
**4304733871**

10. Field and Pool, or Exploratory  
**HORSESHOE BEND**

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

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

1. Type of Well:  
 Oil Well  Gas Well  Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**Sec 26 T6S R21E SESE 660FSL 660FEL**

**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"/> <b>CHANGE TO ORIGINAL APD</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

Coastal Oil & Gas requests authorization to revise the reserve pit in order to accomodate the Hayes, Rig #1 drilling rig.  
Please refer to the revised location layout.

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

4-16-01  
CHD

**RECEIVED**  
APR 17 2001  
DIVISION OF  
OIL, GAS AND MINING

Name (Printed/Typed)	Title
Signature <i>Cheryl Cameron</i>	Date <u>4/9/01</u>
<b>THIS SPACE FOR FEDERAL OR STATE OFFICE USE</b>	

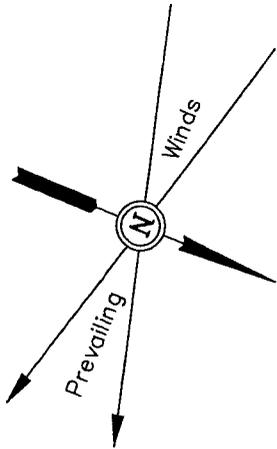
Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

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 #3549 VERIFIED BY THE BLM WELL INFORMATION SYSTEM FOR COASTAL OIL & GAS CORPORATION SENT TO THE VERNAL FIELD OFFICE**

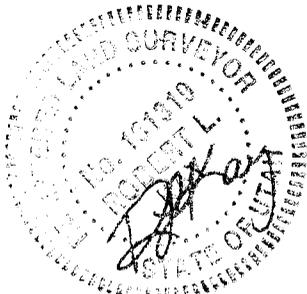
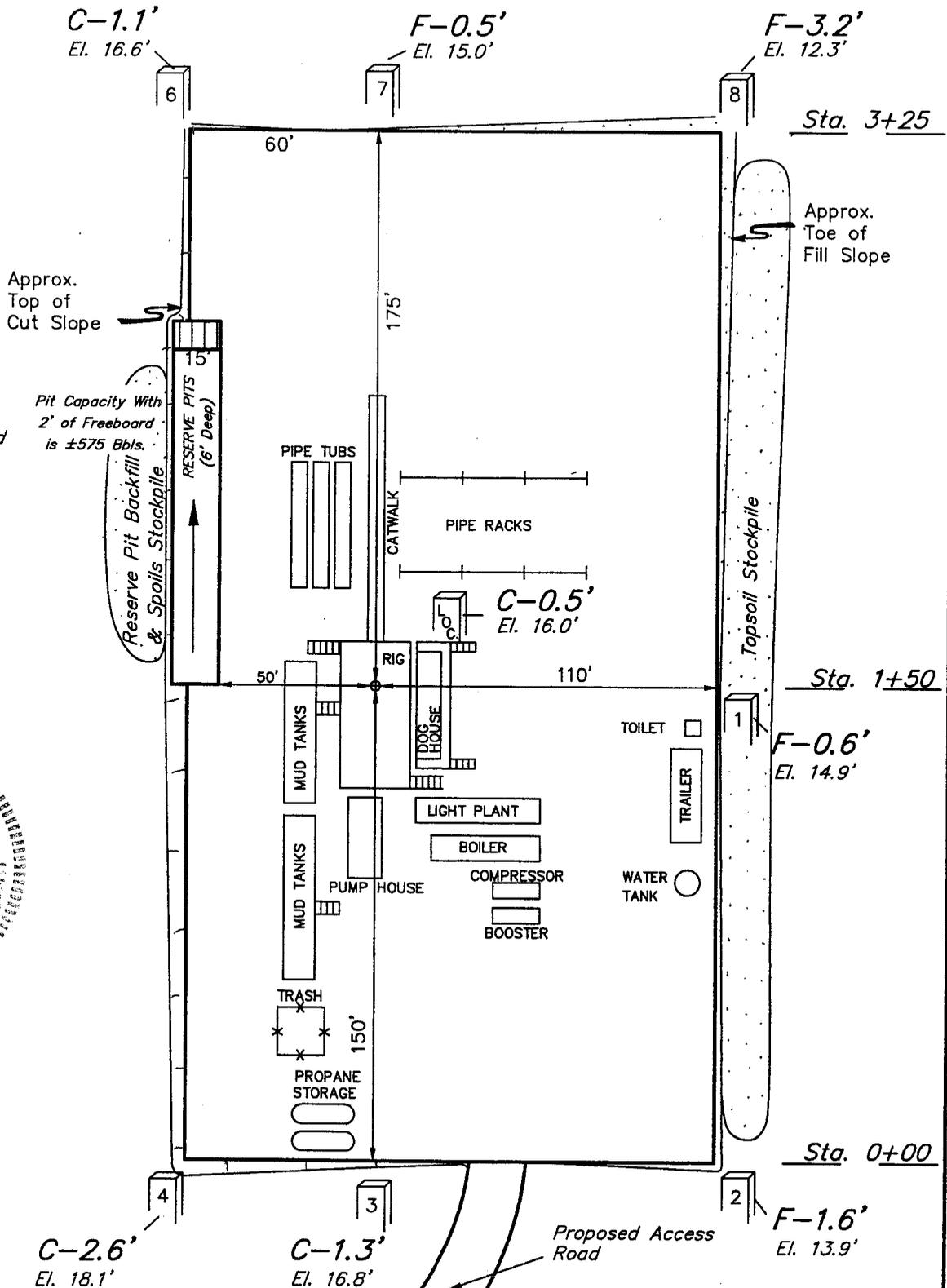
# COASTAL OIL & GAS CORP.

LOCATION LAYOUT FOR  
 HORSESHOE BEND FEDERAL #3-1  
 SECTION 3, T7S, R21E, S.L.B.&M.  
 1980' FSL 1980' FEL



SCALE: 1" = 50'  
 DATE: 9-23-00  
 Drawn By: C.G.  
 Revised: 10-24-00  
 Revised: 4-9-01

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



**NOTES:**

Elev. Ungraded Ground At Loc. Stake = 5,016.0'  
 FINISHED GRADE ELEV. AT LOC. STAKE = 5,015.5'

**FIGURE #1**

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

OPERATOR Coastal Oil & Gas Corporation

OPERATOR ACCT. NO. N 0230

ADDRESS P.O. Box 1148

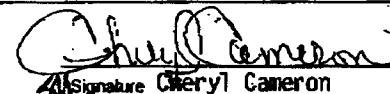
Vernal UT 84078

ENTITY ACTION FORM - FORM 6

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
<i>B</i>	99999	<i>2900</i>	43-047-33880	NBU #318	SWNE	13	9S	21E	Uintah	5/3/01	5/3/01
WELL 1 COMMENTS: Spud well on 5/3/01 at 9:30 A.M. w/Bill Martin Air Rig. <i>5-9-01</i>											
<i>B</i>	99999	<i>2900</i>	43-047-33773	NBU #360	SESW	29	10S	22E	Uintah	5/5/01	5/5/01
WELL 2 COMMENTS: Spud well on 5/5/01 at 10:30 A.M. w/Bill Martin Air Rig. <i>5-9-01</i>											
A	99999	<i>13126</i>	43-047-33833	HSB Federal #11-1	NWNE	11	7S	21E	Uintah	5/7/01	5/7/01
WELL 3 COMMENTS: Spud well on 5/7/01 at 6:00 P.M. w/Pete Martin Bucket Rig. <i>5-9-01</i>											
A	99999	<i>13127</i>	43-047-33871	HSB Federal #26-2	SESE	26	6S	21E	Uintah	5/5/01	5/5/01
WELL 4 COMMENTS: Spud well on 5/5/01 at 5:00 P.M. w/Pete Martin Bucket Rig. <i>5-9-01</i>											
A	99999	<i>13128</i>	43-047-33872	HSB Federal #26-3	NWSW	26	6S	21E	Uintah	5/4/01	5/4/01
WELL 5 COMMENTS: Spud well on 5/4/01 at 12:45 P.M. w/Pete Martin Bucket Rig. <i>5-9-01</i>											

ACTION CODES (See Instructions on back of form)

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



Sr. Regulatory Analyst

5/8/01

Title Date

Phone No. (435) 781-7023

NOTE: Use COMMENT section to explain why each Action Code was selected.

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

<b>SUBMIT IN TRIPLICATE- Other Instructions on reverse side</b>		5. Lease Serial No. <b>U-38401</b>
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 <b>COASTAL OIL &amp; GAS CORPORATION</b> <b>CONTACT: CHERYL CAMERON OPERATIONS</b> <b>EMAIL: Cheryl.Cameron@CoastalCorp.com</b>		7. If Unit or CA Agreement, Name and No.
3a. Address <b>P.O. BOX 1148</b> <b>VERNAL, UT 84078</b>	3b. Phone No. (include area code) <b>TEL: 435.781.7023 EXT:</b> <b>FAX: 435.789.4436</b>	8. Lease Name and Well No. <b>HSB FEDERAL #26-2</b>
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  <b>Sec 26 T6S R21E SESE 660FSL 660FEL</b>		9. API Well No. <b>4304733871</b>
		10. Field and Pool, or Exploratory <b>HORSESHOE BEND</b>
		11. County or Parish, State <b>UINTAH, UT</b>

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

TYPE OF SUBMISSION	TYPE OF ACTION				
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input 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"/> <b>WELL SPUD</b>	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon		
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal		

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

**SPUD WELL ON 5/5/01 AT 5 PM W/PETE MARTIN BUCKET RIG, DRILLED 40' OF 14" CONDUCTOR PIPE, PICKUP 1 JTS OF 1" PIPE. CMT W/190 SX PREM 300 W/2% CALCIUM CHLORIDE .125# SK POLY FLAKE. FULL RETURNS. GOOD CMT BACK.**

BLM FIELD OFFICE  
VERNAL, UT

Name (Printed/Typed) <b>SM</b>	Title
Signature <i>Cheryl Cameron</i>	Date <b>5/8/01</b>

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

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to thos 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 #4099 VERIFIED BY THE BLM WELL INFORMATION SYSTEM FOR COASTAL OIL & GAS CORPORATION SENT TO THE VERNAL FIELD OFFICE**

Form 3160-5  
(August 1999)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
**U-38401**

6. If Indian, Allottee or Tribe Name

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

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

1. Type of Well:  
 Oil Well  Gas Well  Other

8. Lease Name and Well No.  
**HSB FEDERAL #26-2**

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

9. API Well No.  
**4304733871**

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

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

10. Field and Pool, or Exploratory  
**HORSESHOE BEND**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**Sec 26 T6S R21E SESE 660FSL 660FEL**

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"/> <b>CHANGE TO ORIGINAL APD</b>	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon		
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal		

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

Coastal Oil & Gas Corporation requests authorization to deepen the surface csg from the approved depth of 300' to 650', and change the hole size from 11" to 12 1/4".

Please refer to the attached DHD.

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

5-16-01  
CHD

Name (Printed/Typed)	Title
Signature <i>Cheryl Cameron</i>	Date 5/11/01

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

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

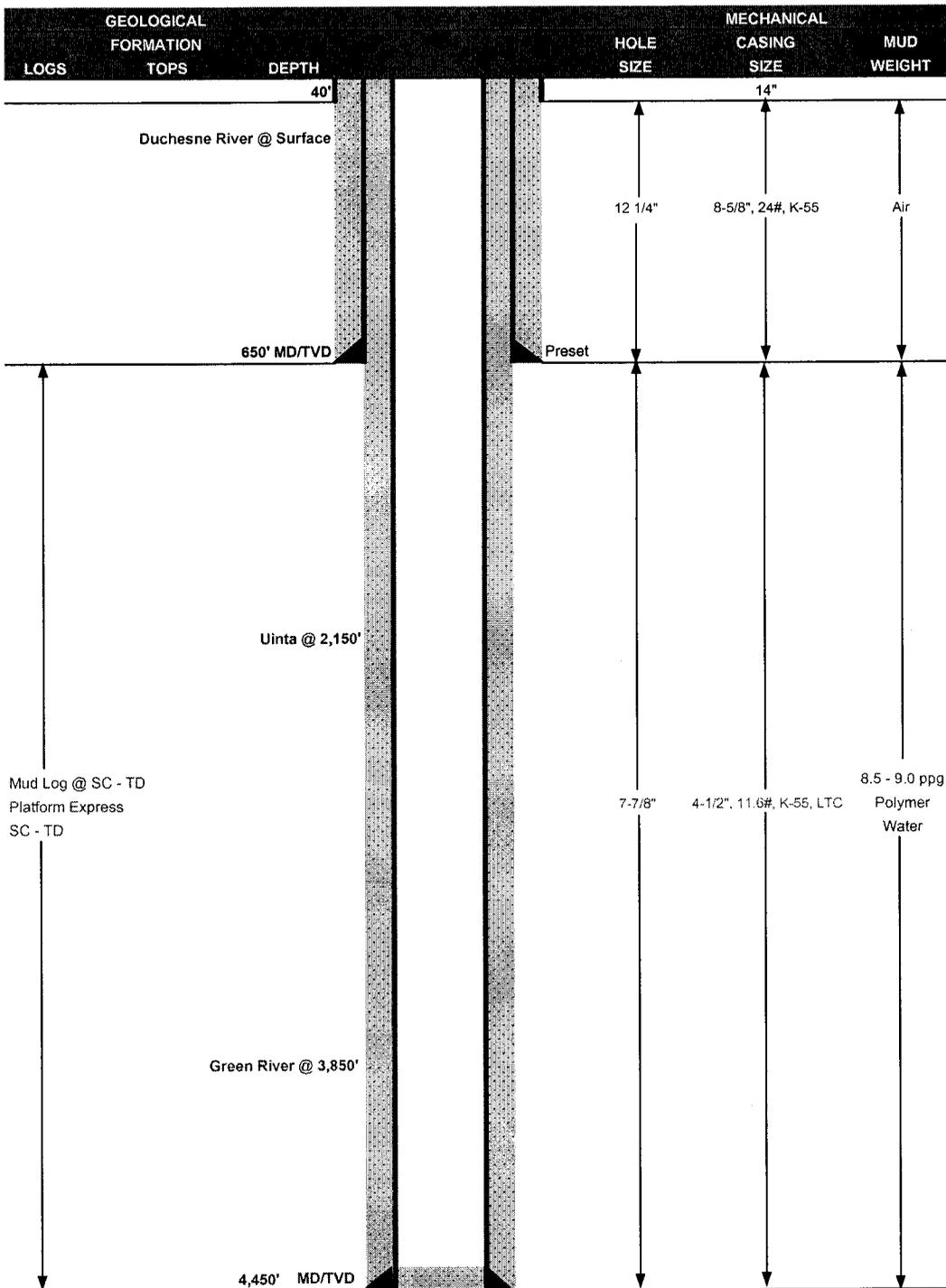
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

**ELECTRONIC SUBMISSION #4183 VERIFIED BY THE BLM WELL INFORMATION SYSTEM FOR COASTAL OIL & GAS CORPORATION SENT TO THE VERNAL FIELD OFFICE**

# COASTAL OIL & GAS CORPORATION

## DRILLING PROGRAM FOR SUNDRY

COMPANY NAME Coastal Oil & Gas Corporation DATE 5/11/01  
 WELL NAME Federal #26-2 TD 4,450' MD/TVD  
 FIELD Horseshoe Bend COUNTY Uintah STATE Utah ELEVATION 4,950' KB  
 SURFACE LOCATION 660' FSL & 660' FEL of Section 26, T6S-R21E BHL Straight Hole  
 OBJECTIVE ZONE(S) Uinta and Lower Green River  
 ADDITIONAL INFO Revised For Surface Casing Point



## COASTAL OIL & GAS CORPORATION DRILLING PROGRAM FOR SUNDRY

### CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				2950	1730	263000
SURFACE	8-5/8" (new)	0-300'	24#	K-55	STC	17.53	12.32	4.60
PRODUCTION*	4-1/2" (new)	0-TD	11.6#	K-55	LTC	5350	4960	180000
						3.41	2.38	1.77

- 1) Maximum Anticipated Surface Pressure (MASP) (Conductor and Surface Casings) = (Frac Gradient at Shoe - Gas Gradient (0.115 psi/ft))(TVD)
  - 2) MASP (Int Casing) = Pore Pressure at Next Casing Point - (Gas Gradient x TVD of Next Casing Point x 0.67) - (Mud Weight x TVD x 0.052 x 0.33)
  - 3) MASP (Prod Casing) = Pore Pressure - (Gas Gradient x TVD of Production Interval)
- (Burst Assumptions: FG @ 8-5/8" shoe = 13.0 ppg, Max Pore Pressure = 9.0 ppg EMW)  
 (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing, 50,000 lbs overpull)

### CEMENT PROGRAM

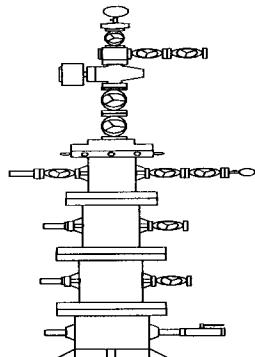
	FT. OF FILL	DESCRIPTION	SACKS	EXCESS*	WEIGHT	YIELD
SURFACE	300	Class G + 2% CaCl <sub>2</sub> + 0.25 lb/sk Cello Flake	110	35%	15.80	1.17
PRODUCTION	1800	Hilift + 12% D20 + 3% D44 + 1% D79 + 0.75% D112 + 0.2% D46 + 0.25 lb/sk D29	200	100%	11.00	3.81
	2,650'	50/50 POZ + 2% D20 + 2% D174 + 0.25% D65 + 0.2% D46	840	75%	14.3	1.27

\* or 15% over caliper log

### FLOAT EQUIPMENT & CENTRALIZERS

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

### WELLHEAD EQUIPMENT



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

**COASTAL OIL & GAS CORPORATION**  
**DRILLING PROGRAM FOR SUNDRY**

**BIT PROGRAM**

ROCK BIT & PDC BIT PROGRAM						
INTERVAL	HOLE	BIT MFG & MODEL	GPM	SERIAL	NZLS	COMMENTS
Surface Hole	11"	Various				
Surf Csg - TD	7-7/8"	Various Inserts	400	New	18-18-18	Mud Motor

**GEOLOGICAL DATA**

**LOGGING:**

Depth	Log Type
SC - TD	Platform Express

**MUD LOGGER:** Surface Casing - TD only if required by Geology  
**SAMPLES:** As per Geology  
**CORING:** NA  
**DST:** NA

**MUD PROGRAM**

DEPTH	TYPE	MUD WT	WATER		TREATMENT
			LOSS	VISCOSITY	
SC-TD	Polymer Water	Water	NC	27	Polymer, Lime

Circulate hole until clean @ TD. Spot brine pill at TD for casing.  
 Monitor corrosion with coupons.

**ADDITIONAL INFORMATION**

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.  
 BOPE: 11" 3M with one annular and 2 rams. Test to 3,000 psi (annular to 1,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.  
 Run Totco surveys every 1500'. Maximum allowable hole angle is 5 degrees.

**PROJECT ENGINEER:** \_\_\_\_\_ **DATE:** \_\_\_\_\_  
 Ahmed Ismail  
**PROJECT MANAGER:** \_\_\_\_\_ **DATE:** \_\_\_\_\_  
 Darrell Molnar

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-38401

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.

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
HSB FEDERAL 26-2

2. Name of Operator  
COASTAL OIL & GAS CORPORATION

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

9. API Well No.  
43-047-33871

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

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

10. Field and Pool, or Exploratory  
HORSESHOE BEND

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 26 T6S R21E Mer SESE

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

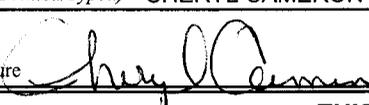
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths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

Drilled 12 1/4" hole f/ 40'-325' w/ Bill Martin Air Rig. Ran 318' of 8 5/8" 24# K-55 csg. Cmt w/ 20 BW, 20 BG & 160 sx Prem 300 w/ 2% CaCl.

W/O Drilling Rig.

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #4699 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 06/04/2001

**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 \*\***

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER:
2. NAME OF OPERATOR: El Paso Production Oil & Gas Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 68 South 1200 East CITY Vernal STATE Utah ZIP 84078		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: 435-789-4433		8. WELL NAME and NUMBER: Exhibit "A"
4. LOCATION OF WELL FOOTAGES AT SURFACE: QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		9. API NUMBER:
		10. FIELD AND POOL, OR WILDCAT:

COUNTY: Wasatch  
STATE: UTAH

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

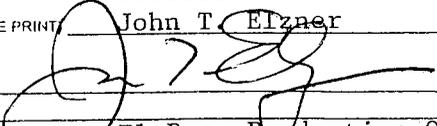
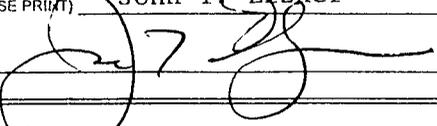
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input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

(This space for State use only)

RECEIVED

JUN 19 2001

DIVISION OF  
OIL, GAS AND MINING

State of Delaware  
Office of the Secretary of State

---

PAGE 1

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

RECEIVED

MAR 10 2001

DIVISION OF  
OIL, GAS AND MINING



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

0610204 8100

AUTHENTICATION: 1061007

010162788

DATE: 04-03-01

CERTIFICATE OF AMENDMENT

OF

CERTIFICATE OF INCORPORATION

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

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

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

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

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

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

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

COASTAL OIL & GAS CORPORATION

David L. Siddall
Vice President

Attest:

Margaret E. Roark, Assistant Secretary

RECEIVED

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

JUN 19 2001

DIVISION OF
OIL, GAS AND MINING



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

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

# RECEIVED

JUL 12 2001

DIVISION OF  
OIL, GAS AND MINING

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

JUL 10 2001

### NOTICE

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

#### Name Change Recognized

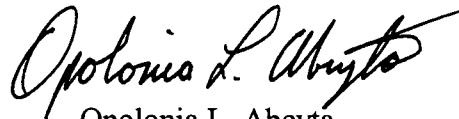
Acceptable evidence has been received in this office concerning the name change of Coastal Oil & Gas Corporation into El Paso Production Oil & Gas Company with El Paso Production Oil & Gas Company being the surviving entity.

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

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

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

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



Opolonia L. Abeyta  
Acting Chief, Branch of  
Minerals Adjudication

Enclosure

1. Exhibit of Leases (1 pp)

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

## Exhibit of Leases

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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-38401
2. Name of Operator COASTAL OIL & GAS CORPORATION		6. If Indian, Allottee or Tribe Name
Contact: CHERYL CAMERON <sup>9</sup> E-Mail: Cheryl.Cameron@CoastalCorp.com		7. If Unit or CA/Agreement, Name and/or No.
3a. Address P.O. BOX 1148 VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 435.781.7023 Fx: 435.789.4436	8. Well Name and No. HSB 26-2
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 26 T6S R21E Mer SESE 660FSL 660FEL		9. API Well No. 43-047-33871
		10. Field and Pool, or Exploratory HORSESHOE BEND
		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 checked="" type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal

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

Finished drlg f/ 325'-3750' w/ Union Drilling. Run 3757' of 4 1/2" 11.6# K-55 csg. Cmt w/ 235 sx Hilift Class D density, followed by 680 sx 10-1 RFC.

RDMOL.

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #5506 verified by the BLM Well Information System For COASTAL OIL &amp; GAS CORPORATION, sent to the Vernal</b>	
Name (Printed/Typed) CHERYL CAMERON	Title OPERATIONS
Signature 	Date 07/06/2001

**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 \*\***

**OPERATOR CHANGE WORKSHEET**

**ROUTING**

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

Enter date after each listed item is completed

Change of Operator (Well Sold)

Designation of Agent

Operator Name Change (Only)

**X** Merger

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

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

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

**CA No.**

**Unit:**

**WELL(S)**

NAME	API NO	ENTITY NO	SEC TWN RNG	LEASE TYPE	WELL TYPE	WELL STATUS
HANSON 1-32A3	43-013-30141	1640	32-01S-03W	FEDERAL	OW	P
CASTLE PEAK 1-3	43-013-30639	1522	03-09S-16E	FEDERAL	OW	P
FEDERAL 2-28E19E (CA NRM-827)	43-047-32849	12117	28-05S-19E	FEDERAL	OW	P
E GUSHER 2-1A	43-047-31431	11333	03-06S-20E	FEDERAL	OW	P
GUSHER UNIT 3	43-047-15590	10341	10-06S-20E	FEDERAL	OW	P
FEDERAL 11-1-M	43-047-32333	11443	11-06S-20E	FEDERAL	OW	P
E GUSHER 15-1-A	43-047-31900	11122	15-06S-20E	FEDERAL	OW	P
GOSE FEDERAL 3-18	43-047-33691	99999	18-06S-21E	FEDERAL	GW	APD
FEDERAL 21-I-P (CA 86C701)	43-047-31647	1316	21-06S-21E	FEDERAL	GW	P
<del>HSB FEDERAL 26-2</del>	43-047-33871	13127	26-06S-21E	FEDERAL	GW	DRL
HSB FEDERAL 26-3	43-047-33872	13128	26-06S-21E	FEDERAL	GW	DRL
STIRRUP FEDERAL 29-2	43-047-31508	11055	29-06S-21E	FEDERAL	OW	S
COTTON CLUB 1	43-047-31643	10380	31-06S-21E	FEDERAL	OW	P
COG 6-18-9-21	43-047-32513	11655	18-09S-21E	FEDERAL	GW	P
COG 8-19-9-21	43-047-32469	11652	19-09S-21E	FEDERAL	GW	P
COG 10-30-9-21 GR	43-047-32470	11633	30-09S-21E	FEDERAL	GW	P
SOUTHMAN CANYON 31-1-L (CA 74898)	43-047-32543	11678	31-09S-23E	FEDERAL	GW	P
LAKAS FEDERAL 1-3 (CA CR-201)	43-047-31178	1367	03-11S-20E	FEDERAL	GW	P
BITTER CREEK 1-3	43-047-30524	1460	03-11S-22E	FEDERAL	GW	P
LIZZARD CREEK 1-10	43-047-31475	9870	10-11S-22E	FEDERAL	GW	P

**OPERATOR CHANGES DOCUMENTATION**

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



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-38401

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.

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
HORSESHOE BEND 26-2

2. Name of Operator  
COASTAL OIL & GAS CORPORATION

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

API Well No.  
43-047-33871

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

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

10. Field and Pool, or Exploratory  
HORSESHOE BEND

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 26 T6S R21E Mer SESE 660FSL 660FEL

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

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

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

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or 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 subject well was placed on sales on 7/25/01.

Refer to the attached Chronological History Report.

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #5996 verified by the BLM Well Information System  
For COASTAL OIL & GAS CORPORATION, sent to the Vernal**

Name (Printed/Typed) CHERYL CAMERON

Title OPERATIONS

Signature 

Date 07/26/2001

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

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

Title \_\_\_\_\_

Date \_\_\_\_\_

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

Office \_\_\_\_\_

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

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

EL PASO  
PRODUCTION REPORT

CHRONOLOGICAL HISTORY

Page 1

HORSESHOE BEDN 26-2

HORSESHOE BEND  
NATURAL BUTTES FIELD  
UINTAH COUNTY, UT

WI:  
PBTB: PERFS:  
CSG:  
SPUD DATE:

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

**DRILLING REPORT:**

Horseshoe Bend, Uintah, UT Rig: Union 7 WI: 100% AFE: xxxx ATD: 3750' SD:  
Target: TuA @ 3080' DHC: 144 / CWC: 282 / DC: 9 / CC: 9 8 5/8 @ 318'

6/21/01 TD: 3580' MW: 8.4#/ Air 0' / 0 hrs. MI.

6/22/01 TD: 318' MW: 8.4#/ Air 0' / 0 hrs. MI & RU. Test BOP's casing. PU BHA & TIH. Drilling shoe.

6/25/01 TD: 3275' MW: 8.5#/ Air 855' / 22 ½ hrs. Drilling.

6/26/01 TD: 3750' MW: 8.5#/ Air 475' / 16 ½ hrs. Drilled to 3750'. C&C & short trip. Circulate, spot 10.0# brine & POH to log.

6/27/01 TD: 3750' MW: 8.5#/ Air 475' / 16 ½ hrs. Finish POH. TIH with logs; stuck logging tool at 2710' while logging out. Strip over and recover tool, came free when had stripped to 1900'. TIH with bit, wash 40' to bottom. Short trip 20 stands. C&C prior to POH too run casing.

6/28/01 TD: 3750' MW: 8.5#/ Air 475' / 16 ½ hrs. Spot 10.0# brine & POH LDDP. Ran & cemented casing. ND BOP's, cut casing & install/test tubinghead. Clean pits & release rig at MN 06/27/01. Prepare for move to HSB 26-3.

---

**AFE# 053852**

**AFE DESCRIPTION: UINTA COMPLETION**

7/17/01 PREP TO RUN CBL  
PROG: MIRU. SIH W/3 7/8" MILL & 2 3/8" TBG

7/18/01 PREP TO ACIDIZE  
RIH TO 3710'. CIRC HOLE CLEAN. RUN CBL FROM 3705' TO SURF. TOC @ 1200'. TEST CSG TO 5000#. HELD. ESTABLISH INJECTION RATE OF 2.5 BPM @ 300# DN 4 ½" X 8 5/8" ANNULUS. RIH W/2 3/8" TBG. SWAB FLU DN TO 2800'. PERF UINTA FORMATION 3534' TO 3540', 2 SPF, 12 HOLES & 3508' TO 3526', 2 SPF, 36 HOLES. POOH. 0#. PU & RIH W/4 ½" HD PKR. EOT @ 3460'

7/19/01 FRAC UINTA  
SET 4 ½" PKR @ 3460'. BROKE DN PERFS W/25 BBLs 2% KCL. PERF BROKE @ 1730#. PUMPED 500 GALS 15% HCL. ISIP: 650#, 5 MIN: 560#, 10 MIN: 500#, BLED OFF PRESS. MADE 6 RUNS, REC 16 BBLs. STARTED 1 HR SWAB RUNS. MADE 2 MORE RUNS & FFL @ 2800'. RELEASED PKR & POOH.

7/20/01 PREP TO PLACE ON SALES  
FRAC UINTA PERFS 3508'-3540' W/153 BBLs YF113ST LIQ GEL & 11,200# 20/40 SD. ISIP: 922#, FG: 0.70, NET PRESS INC: 272#, MTP: 1782#, ATP: 908#, MTR: 25.7 BPM, ATR: 20.5 BPM. OPEN WELL TO FBT. DIED IN 75 MIN. RIH W/2 3/8" TBG & TAG FILL @ 3675'. CO WELLBORE TO 3710'. PU & LAND TBG @ 3496'. MADE TWO SWAB TRIPS. WELL STARTED TO FLOW. FLOW BACK WELL 14 HRS ON 24/64" CHK. CP: 600# TO 350#, FTP: 400# TO 180#, 13.5 BWPH TO 1.1 BWPH. TRACE OF SD. TLTR: 257 BBLs, TLR: 229 BBLs, LLTR: 28 BBLs. EST GAS RATE: 650

7/23/01 SI WO SALES LINE  
7/21/01 FTP: 160#, CP: 300#, 24/64" CHK, 0.5 BWPH. SWI. WO SALES LINE. TLTR: 257 BBLs, 230.5 BBLs, LLTR: 26.5 BBLs.

7/24/01 SI WO SALES LINE.  
7/25/01 SI WO SALES LINE.  
7/26/01 PUT TO SALES THIS AM  
HOOK UP TO SALES.



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.)  
UNKNOWN

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
UINTA	1670	1670			

32. Additional remarks (include plugging procedure):

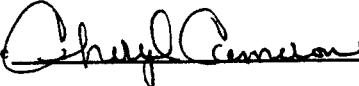
33. Circle enclosed attachments:

- |   |                    |               |                       |
|---|--------------------|---------------|-----------------------|
| 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 #6566 Verified by the BLM Well Information System for EL PASO PRODUCTION.**  
Sent to the Vernal.

Name (please print) CHERYL CAMERON Title OPERATIONS

Signature  Date 08/20/2001

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.

**\*\* DRAFT \*\* DRAFT \*\* DRAFT \*\* DRAFT \*\* DRAFT \*\* DRAFT \*\* DRAFT \*\***

JAN. 17. 2003 3:34PM

WESTPORT

NO. 173 P. 2

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

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

**February 1, 2002**

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

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

**Dear Ms. Maxwell:**

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

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

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

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

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

Debby J. Black  
Engineer Technician

Encl:



United States Department of the Interior

RECEIVED

BUREAU OF LAND MANAGEMENT

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

FEB 22 2002

DIVISION OF  
OIL, GAS AND MINING

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

FEB 21 2002

NOTICE

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

Name Change Recognized

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

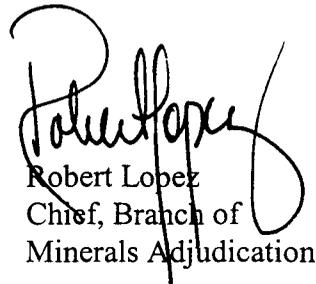
For our purposes, the name change is recognized effective December 31, 2001.

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

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

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

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



Robert Lopez  
Chief, Branch of  
Minerals Adjudication

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

# memorandum

Branch of Real Estate Services  
Uintah & Ouray Agency

Date: 5 December, 2002

Reply to  
Attn of: Supervisory Petroleum Engineer

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

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

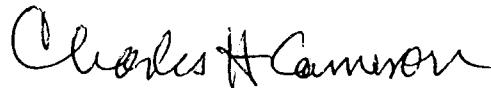
We have been advised of changes occurring with the operation of your database for Change of Operator. You will be modifying your records to reflect Change of Operator once you have received all necessary documentation from the companies involved, and perhaps in advance of our Notice of Concurrence/Approval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

We have no objection.

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

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

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



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



## United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

Washington, D.C. 20240

FEB 10 2003

IN REPLY REFER TO:  
Real Estate Services

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

Dear Mr. Wilson:

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

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

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

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

Sincerely,

Director, Office of Trust Responsibilities

**ACTING**

Enclosure

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER:
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: <b>El Paso Production Oil &amp; Gas Company</b>		8. WELL NAME and NUMBER: <b>Exhibit "A"</b>
3. ADDRESS OF OPERATOR: <b>9 Greenway Plaza Houston TX 77064-0995</b>		9. API NUMBER:
PHONE NUMBER: <b>(832) 676-5933</b>		10. FIELD AND POOL, OR WILDCAT:
4. LOCATION OF WELL FOOTAGES AT SURFACE: _____ COUNTY: _____ QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: _____ STATE: <b>UTAH</b>		

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

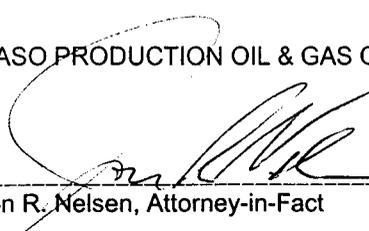
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

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

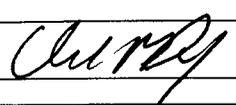
BOND # \_\_\_\_\_

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

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

(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

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

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

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

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

10. Field and Pool, or Exploratory Area

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

**SEE ATTACHED EXHIBIT "A"**

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

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

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

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zc. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 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

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

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

Title  
**OPERATIONS**

Signature

Date  
**March 4, 2003**

DIV. OF OIL, GAS & MINING

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

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

Office

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

(Instructions on reverse)

**OPERATOR CHANGE WORKSHEET**

**ROUTING**

1. GLH
2. CDW
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: <b>12-17-02</b>	
<b>FROM: (Old Operator):</b>	<b>TO: (New Operator):</b>
EL PASO PRODUCTION OIL & GAS COMPANY	WESTPORT OIL & GAS COMPANY LP
Address: 9 GREENWAY PLAZA	Address: P O BOX 1148
HOUSTON, TX 77064-0995	VERNAL, UT 84078
Phone: 1-(832)-676-5933	Phone: 1-(435)-781-7023
Account No. N1845	Account No. N2115

**CA No.**

**Unit:**

**WELL(S)**

NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
UTE TRIBAL 26-32	26-04S-02E	43-047-34665	13574	INDIAN	GW	DRL
UTE TRIBAL 31-22	31-04S-02E	43-047-34437	99999	INDIAN	GW	APD
UTE TRIBAL 31-31	31-04S-02E	43-047-34527	13490	INDIAN	GW	DRL
LELAND BENCH 35-22	35-04S-02E	43-047-34158	13377	FEE	GW	P
E GUSHER 2-1A	03-06S-20E	43-047-31431	11333	FEDERAL	OW	P
EAST GUSHER UNIT 3	10-06S-20E	43-047-15590	10341	FEDERAL	OW	P
FEDERAL 11-1-M	11-06S-20E	43-047-32333	11443	FEDERAL	OW	S
E GUSHER 15-1-A	15-06S-20E	43-047-31900	11122	FEDERAL	OW	P
GOSE FED 3-18	18-06S-21E	43-047-33691	13244	FEDERAL	OW	P
FEDERAL 21-I-P (86C701)	21-06S-21E	43-047-31647	1316	FEDERAL	GW	P
HORSESHOE BEND FED 26-2	26-06S-21E	43-047-33871	13127	FEDERAL	GW	S
HORSESHOE BEND FED 26-3	26-06S-21E	43-047-33872	13128	FEDERAL	GW	S
STIRRUP FEDERAL 29-2	29-06S-21E	43-047-31508	11055	FEDERAL	OW	S
L. C. K. 30-1-H (86C689)	30-06S-21E	43-047-31588	10202	FEE	OW	P
COTTON CLUB 1	31-06S-21E	43-047-31643	10380	FEDERAL	OW	P
ANNA BELLE 31-2-J	31-06S-21E	43-047-31698	10510	FEE	OW	P
STIRRUP 32-1-J	32-06S-21E	43-047-31646	9614	STATE	OW	S
FEDERAL 33-1-I	33-06S-21E	43-047-31468	9615	FEDERAL	OW	P
FEDERAL 33-2-B	33-06S-21E	43-047-31621	9616	FEDERAL	OW	PA
FEDERAL 34-2-K	34-06S-21E	43-047-31467	10550	FEDERAL	OW	P

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

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

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

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

8. **Federal and Indian Units:**

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

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

The BLM or BIA has approved the operator for all wells listed within a CA on: N/A

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

**DATA ENTRY:**

1. Changes entered in the **Oil and Gas Database** on: 03/25/2003

2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 03/25/2003

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:**

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

# ALL WELLS ROCKY MOUNTAIN GAS- HORSESHOE BEND ENARDO VARIANCE

WELL	LEGALS	STF LEASE NO	CA NUMBER	API NO
ANNABELLE 31-2-J	NWSE SEC 31, T6S, R21E	FEE		4304731698
BASER DRAW FED 1-31	NESW SEC 31, T6S, R22E	UTU38411	UTU38411	4304730831
BASER DRAW FEDERAL 2A-31	SENE SEC 31, T6S, R22E	UTU31260	CR-179	4304730880
BASER DRAW FEDERAL 6-2	SWNE SEC 6, T7S, R22E	UTU075939	UTU075939	4304731859
COORS FEDERAL 14-1D	NWNW SEC 14, T7S, R21E	UTU65223	UTU65223	4304731304
COORS FEDERAL 2-10HB	NWNW SEC 10, T7S, R21E	UTU65222	UTU65222	4304732009
COTTON CLUB #1	LOT 11 SEC 31, T6S, R21E	U31736	UTU31736	4304731643
FEDERAL 04-1D	NWNW SEC 4, T7S, R21E	UTU42469	UTU68634	4304731693
FEDERAL 04-2F	SENE SEC 4, T7S, R21E	UTU28213	UTU28213	4304731853
FEDERAL 05-5H	SENE SEC 5, T7S, R21E	UTU66401	UTU68999	4304731903
FEDERAL 21-I-P	SESE SEC 21, T6S, R21E	UTU30289	UT080P4986C701	4304731647
FEDERAL 33-1-I	NESE SEC 33, T6S, R21E	UTU28212	UTU28212	4304731468
FEDERAL 33-4-D	NWNW SEC 33, T6S, R21E	UTU78852	UTU76783X	4304731623
FEDERAL 34-2-K	NESW SEC 34, T6S, R21E	UTU53861	UTU53861	4304731467
FEDERAL MILLER #1	NWSW SEC 4, T7S, R22E	UTU0136484	UTU0136484	4304730034
GOSE FEDERAL 3-18	LOT 4 SEC 18, T6S, R21E	UTU79005	UTU79005	4304733691
HORSESHOE BEND #2	LOT 2 SEC 3, T7S, R21E	UTU0142175	UTU0142175	4304715800
HORSESHOE BEND 36-1P	SESE SEC 36, T6S, R21E	ML33225		4304731482
HORSESHOE BEND FED 04-1	NWSE SEC 4, T7S, R21E	UTU66401	UTU66401	4304733832
HORSESHOE BEND FED 11-1	NWNE SEC 11, T7S, R21E	UTU65222	UTU65222	4304733833
HORSESHOE BEND FED 26-2	SESE SEC 26, T6S, R21E	UTU38401	UTU38401	4304733871
HORSESHOE BEND FED 26-3	NWSW SEC 26, T6S, R21E	UTU38401	UTU38401	4304733872
L.C.K 30-1-H	SENE SEC 30, T6S, R21E		UT080P4986C689	4304731588
STIRRUP FEDERAL 29-2	NWSE SEC 29, T6S, R21E	UTU46699	UTU46699	4304731508
STIRRUP FEDERAL 29-3	SESE SEC 29, T6S, R21E	UTU78854	UTU76783X	4304731634
W WALKER FED 1C-33	NWSW SEC 33, T6S, R22E	UTU38411	CR-106	4304730815

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, UTAH 84078

3b. Phone No. (include area code)

435-781-7060

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

MULTIPLE WELLS- SEE ATTACHED

5. Lease Serial No.

MULTIPLE WELLS- SEE ATTACHED

6. If Indian, Allottee or Tribe Name

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

MULTIPLE WELLS- SEE ATTACHED

8. Well Name and No.

MULTIPLE WELLS- SEE ATTACHED

9. API Well No.

MULTIPLE WELLS- SEE ATTACHED

10. Field and Pool, or Exploratory Area

HORSESHOE BEND

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

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

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

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

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

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

THIS SPACE FOR FEDERAL OR STATE USE

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.

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)

COPY SENT TO OPERATOR

Date: 7-16-04  
Initials: CTD

RECEIVED

JUL 14 2004

DIV. OF OIL, GAS & MINING

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

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

Project Name: **Condensate Shrinkage Economics**

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

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

**Increased OPX Per Year**

**Investment Breakdown:**

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

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

**Production & OPX Detail:**

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

**Project Life:**

Life =  Years  
 (Life no longer than 20 years)

**Internal Rate of Return:**

After Tax IROR =

**AT Cum Cashflow:**

Operating Cashflow =  (Discounted @ 10%)

**Payout Calculation:**

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

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

Payout =  Years or  Days

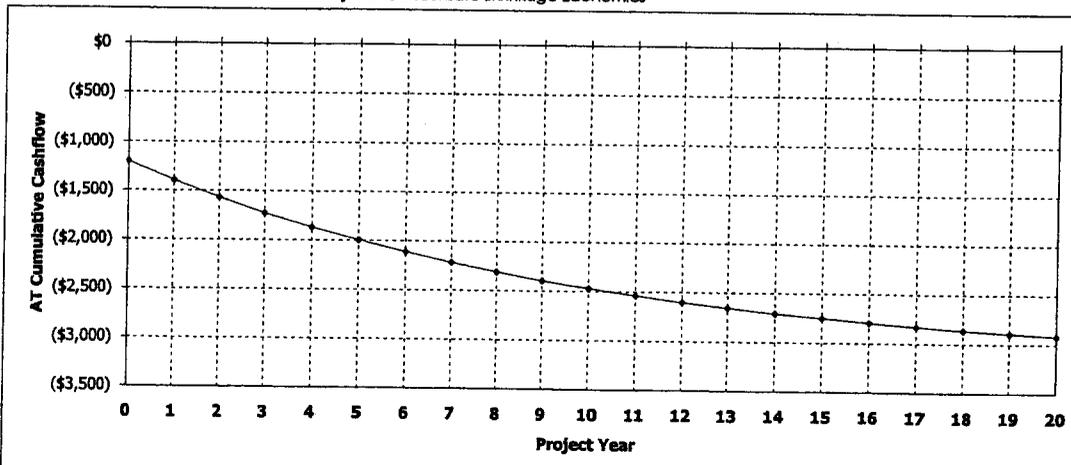
**Gross Reserves:**

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

**Notes/Assumptions:**

**An average NBU well produces 0.192 Bcpd with no tank pressure. The production is increased to 0.196 Bcpd if 4 ozs of pressure are placed on the tank. The increased production does not payout the valve cost or the estimated annual maintenance costs.**

Project: Condensate Shrinkage Economics



**Westport Oil and Gas, Inc.**  
**NBU/Ouray Field**  
RFL 2003-022

**COMPARISON OF FLASH BACK PRESSURES**

Calculated by Characterized Equation-of-State

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

**Calculated at Laboratory Flash Conditions**

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

**Calculated Flash with Backpressure using Tuned EOS**

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

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

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

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

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

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:  
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:  
7. UNIT or CA AGREEMENT NAME:

**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.

8. WELL NAME and NUMBER:  
**See Exhibit "A"**  
9. API NUMBER:

1. TYPE OF WELL  
OIL WELL  GAS WELL  OTHER \_\_\_\_\_  
2. NAME OF OPERATOR:  
Newfield Production Company *N2695*  
3. ADDRESS OF OPERATOR:  
1401 17th Street, Suite 1000 CITY Denver STATE CO ZIP 80202 PHONE NUMBER: (303) 893-0102

4. LOCATION OF WELL  
FOOTAGES AT SURFACE: **See Exhibit "A"** COUNTY: **UINTAH**  
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 checked="" 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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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.

Effective 8/1/2005, Newfield Production Company will take over operations of the attached referenced wells. The previous owner was:

Westport Oil and Gas Company, L.P. *N2115*  
1670 Broadway, Suite 2800  
Denver, CO 80202

Effective 8/1/2005, Newfield Production Company is responsible under the terms and conditions of the leases for operations conducted on the leased lands or a portion thereof under BLM Bond No. UT0056 issued by Hartford.

Attached is a list of wells included.

Seller Signature: \_\_\_\_\_ Title: David R. Dix *[Signature]*  
*[Signature]* Attorney in Fact  
NAME (PLEASE PRINT) Dean Liley TITLE Newfield Production Company  
New Ventures Manager  
SIGNATURE *[Signature]* DATE *8-22-05*

(This space for State use only)

**APPROVED** 10/31/2005  
*Earlene Russell*  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

**RECEIVED**  
SEP 30 2005  
DIV. OF OIL, GAS & MINING

**EXHIBIT "A"**  
Attached to Sundry Notices

Westport Oil and Gas Company, L.P.  
and  
Newfield Production Company

API Well #	Well Name	Comp.	Loc.	S.	1/4 1/4	Twp	Rng
4304731859	BASER 6-2	WP	2132 FNL 2175 FEL	6	SWNE	7S	22E
4304730831	BASER DRAW 1-31	WP	1804 FSL 1964 FWL	31	NWSW	6S	22E
4304731833	BASER DRAW 5-1	WP	984 FNL 633 FWL	5	NWNW	7S	22E
4304731834	BASER DRAW 6-1	WP	849 FNL 1101 FWL	6	NWNW	7S	22E
4304730880	BASER DRAW FED 2-31	WP	1407 FNL 1320 FEL	31	SENE	6S	22E
4304731304	COORS 14-1-D	WP	699 FNL 720 FWL	14	NWNW	7S	21E
4304732009	COORS FEDERAL 2-10HB	WP	1700 FNL 1800 FEL	10	SWNE	7S	21E
4304730034	FED MILLER 1	WP	1980 FSL 660 FWL	4	NWSW	7S	22E
4304731647	FEDERAL 21-I-P	WP	660 FSL 510 FEL	21	SESE	6S	21E
4304733872	HORSESHOE BEND FED 26-3	WP	1974 FSL 847 FWL	26	NWSW	6S	21E
4304731482	HORSESHOE BEND STATE 36-1	WP	628 FSL 501 FEL	36	SESE	6S	21E
4304733833	HORSESHOE BEND FED 11-1	WP	618 FNL 2007 FEL	11	NWNE	7S	21E
4304733871	HORSESHOE BEND FED 26-2	WP	660 FSL 660 FEL	26	SESE	6S	21E
4304733831	HORSESHOE BEND FED 3-1	WP	1980 FSL 1980 FEL	3	NWSE	7S	21E
4304733832	HORSESHOE BEND FED 4-1	WP	1980 FSL 1980 FEL	4	NWSE	7S	21E
4304730815	W WALKER FED 1-33	WP	1712 FSL 1229 FWL	33	NWSW	6S	22E
4304715609	WOLF GOVT FED 1	WP	760 FNL 660 FEL	5	NENE	7S	22E
4304731698	ANNA BELLE 31-2-J	WP	1978 FSL 1990 FEL	31	NWSE	6S	21E
4304731643	COTTON CLUB 1	WP	331 FNL 380 FEL	31	NENE	6S	21E
4304731431	E GUSHER 2-1A	WP	500 FSL 660 FWL	3	SWSW	6S	20E
4304715590	EAST GUSHER UNIT 3	WP	2122 FSL 1000 FWL	10	NWNE	6S	20E
4304732333	FEDERAL 11-1-M	WP	949 FSL 267 FWL	11	SWSW	6S	20E
4-04731468	FEDERAL 33-1-I	WP	2052 FSL 502 FEL	33	NESE	6S	21E
4304731467	FEDERAL 34-2-K	WP	1935 FSL 1854 FWL	34	NESW	6S	21E
4304731693	FEDERAL 4-1-D	WP	900 FNL 1000 FWL	4	NWNW	7S	21E
4304731853	FEDERAL 4-2-F	WP	2045 FNL 1945 FWL	4	SENW	7S	21E
4304731903	FEDERAL 5-5-H	WP	2300 FNL 200 FEL	5	SENE	7S	21E
4304733691	GOSE FEDERAL 3-18	WP	1031 FSL 1087 FWL	18	SWSW	6S	21E
4304715800	HORSESHOE BEND 2	WP	878 FNL 2111 FEL	3	NWNE	7S	21E
4304731588	L. C. K 30-1-H	WP	1830 FNL 510 FEL	30	SENE	6S	21E
4304731508	STIRRUP FEDERAL 29-2	WP	1885 FSL 2163 FEL	29	NWSE	6S	21E

**RECEIVED**

**SEP 3 0 2005**

DIV. OF OIL, GAS & MINING

**EXHIBIT "A"**  
**Attached to Sundry Notices**

**Westport Oil and Gas Company, L.P.**  
**and**  
**Newfield Production Company**

ARI Well #	Well Name	Comp.	Loc.	S.	Block	Min.	Range
4304731623	FEDERAL 33-4-D	WP	533 FNL 778 FWL	33	NWNW	6S	21E
4304731634	STIRRUP FEDERAL 29-3	WP	388 FSL 237 FEL	29	SESE	6S	21E
4304731626	STIRRUP STATE 32-2	WP	1967 FNL 500 FEL	32	SENE	6S	21E
4304732784	STIRRUP ST 32-6	WP	850 FNL 800 FEL	32	NENE	6S	21E

**RECEIVED**

**SEP 30 2005**

**DIV. OF OIL, GAS & MINING**



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 10/19/2005 BIA n/a

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: 10/19/2005

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: 10/31/2005
2. Changes have been entered on the Monthly Operator Change Spread Sheet on: 10/31/2005
3. Bond information entered in RBDMS on: 10/31/2005
4. Fee/State wells attached to bond in RBDMS on: 10/31/2005
5. Injection Projects to new operator in RBDMS on: \_\_\_\_\_
6. Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

**FEDERAL WELL(S) BOND VERIFICATION:**

1. Federal well(s) covered by Bond Number: RLB0006225

**INDIAN WELL(S) BOND VERIFICATION:**

1. Indian well(s) covered by Bond Number: n/a

**FEE & STATE WELL(S) BOND VERIFICATION:**

1. (R649-3-1) The NEW operator of any fee well(s) listed covered by Bond Number 61BSBDH2919

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

The Division sent response by letter on: \_\_\_\_\_

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

**COMMENTS:**

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

Lease No.	API No.	Well Name & No.	Qtr/Qtr	Sec	Twp	Rng
UTSL065841A	4304715590	East Gusher 3	NWNE	10	6S	20E
UTU38411	4304730831	Baser Draw 1-31	NWSW	31	6S	22E
UTU53861	4304731467	Federal 34-2-K	NESW	34	6S	21E
UTU65222	4304732009	Coors Federal 2-10HB	SWNE	10	7S	21E
UTU65222	4304733833	Horseshoe Bend Fed. 11-1	NWNE	11	7S	21E
UTU0142175	4304733831	Horseshoe Bend Fed. 3-1	NWSE	3	7S	21E

**Wells that have Rights-of-Way**

Lease No.	API No.	Well Name & No.	Sec	Twp	Rng	Access ROW	Pipeline ROW
UTU0142175	4304715800	Horseshoe Bend 2	3	7S	21E		U57503
UTU31736	4304731643	Cotton Club 1	31	6S	21E	U57501	
UTU38401	4304733871	Horseshoe Bend Fed. 26-2	26	6S	21E	U77730	U71291
UTU38401	4304733872	Horseshoe Bend Fed. 26-3	26	6S	21E	U77730	
UTU64376	4304732333	Federal 11-1-M	11	6S	20E	U65126	
UTU65223	4304731304	Coors 14-1-D	14	7S	21E		U65135
UTU79005	4304733691	Gose Federal 3-18	18	6S	21E		U77749



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Vernal Field Office

170 South 500 East

Vernal, UT 84078

(435) 781-4400 Fax: (435) 781-4410

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



IN REPLY REFER TO:

3162.3

UT08300

October 25, 2005

Patsy Barreau  
Newfield Production Company  
1401 17<sup>th</sup> Street, Suite 1000  
Denver, Colorado 80202

Re: Change of Operator  
Westport O&G Co. to  
Newfield Production Co.

Dear Ms. Barreau:

This correspondence is in regard to the self-certification statement submitted requesting a change in operator for the attached list of wells. After a review by this office, the change in operator request is approved. Effective immediately, Newfield Production Company is responsible for all operations performed on the referenced wells. All liability will now fall under your bond, BLM Bond No. UT0056, for all operations conducted on the referenced wells on the leased land.

Our records show that rights-of-way have been issued for the off lease portion of the road &/or pipeline to the subject wells (See Attached). In order for Newfield Production Co. to obtain the Bureau of Land Management's approval for the use of these rights-of-way, you must have these rights-of-way assigned over to Newfield Production Co. Please contact Cindy McKee at 435-781-4434 for instructions on how to complete the assignment of the rights-of-way.

If you have any other questions concerning this matter, please contact Leslie Wilcken of this office at (435) 781-4497.

Sincerely,

Matt Baker  
Petroleum Engineer

cc: UDOGM  
Westport Oil & Gas Co. L.P.

RECEIVED

NOV 02 2005

DIV. OF OIL, GAS & MINING

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  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.	<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> U-38401
	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  _____
	<b>7. UNIT or CA AGREEMENT NAME:</b>  _____
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> HORSESHOE BEND FED 26-2
<b>2. NAME OF OPERATOR:</b> NEWFIELD PRODUCTION COMPANY	<b>9. API NUMBER:</b> 43047338710000
<b>3. ADDRESS OF OPERATOR:</b> 1001 17th Street, Suite 2000 , Denver, CO, 80202	<b>PHONE NUMBER:</b> 303 382-4443 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0660 FSL 0660 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SESE Section: 26 Township: 06.0S Range: 21.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> HORSESHOE BEND
	<b>COUNTY:</b> UINTAH
	<b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 11/23/2009	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input checked="" type="checkbox"/> <b>PLUG AND ABANDON</b>	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: _____

**12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.**  
 Please contact Paul Weddle at 303-383-4117 with any questions.

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

**Date:** November 23, 2009  
**By:** *David K. Quist*

<b>NAME (PLEASE PRINT)</b> Sam Styles	<b>PHONE NUMBER</b> 303 893-0102	<b>TITLE</b> Engineering Tech
<b>SIGNATURE</b> N/A	<b>DATE</b> 11/19/2009	

## PLUG AND ABANDONMENT PROCEDURE

November 18, 2009

### HSB Federal 26-2-6-21

Horseshoe Bend  
660' FSL and 660' FEL, Section 26, T-6-S, R-21-E  
Uintah County, UT / API 43-047-33871  
Lat: N \_\_\_\_\_ / Long: W \_\_\_\_\_

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be Class B, mixed at 15.6 ppg with a 1.18 cf/sx yield.

1. Install and test location rig anchors. Prepare blow pit. Comply with all Utah State, BLM, and Operator safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well. Kill well with water as necessary and at least pump tubing capacity of water down the tubing. ND wellhead and NU BOP. Function test BOP. Hot oil the rods and tubing as necessary. Soft seat rods and test tubing to 3000# is possible.
2. Rods: Yes  , No \_\_\_\_\_, Unknown\_\_\_\_\_.  
Tubing: Yes  , No \_\_\_\_\_, Unknown\_\_\_\_\_, Size 2.333" , Length 3496'.  
Packer: Yes \_\_\_\_\_, No  , Unknown\_\_\_\_\_, Type \_\_\_\_\_  
If this well has rods or a packer, then modify the work sequence in step #2 as appropriate.
3. **Plug #1 (Uinta perforations, 3508' – 3408', and Base of Usable Water):** TIH and set 4.5" wireline CIBP at 3458'. TIH with tubing. Load casing with water and circulate well clean. Pressure test casing to 800#. *If the casing does not test, then spot or tag subsequent plugs as appropriate.* Mix 46 sxs Class B cement and spot a balanced plug (~280') inside the casing above the CIBP to isolate the Uinta perforations and Base of usable water per USGS Publication 92. PUH.
4. **Plug #2 (Uinta top@ 2,207')**: Mix 15 sxs cement and spot a balanced plug inside casing to cover the Uinta top. Bottom of plug @ 2260'. Top of plug @ 2135 . TOH and LD tubing.
5. **Plug #3 (8.625" casing shoe, surface, 375' – 0')**: Perforate 3 squeeze holes at 375'. Establish circulation out bradenhead with water and circulate the BH annulus clean. Mix approximately 110 sxs cement and pump down the 4.5" casing to circulate good cement out bradenhead. Shut in well and WOC.
6. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. RD, MOL and cut off anchors. Restore location per State/BLM stipulations.

**RECEIVED** November 19, 2009

# HSB Federal# 26-2-6-21

Elev.GR - 4951' GL  
Elev.KB - 4966' (15' KB)

Wellbore Diagram

SURFACE CASING

CSG SIZE: 8-5/8"  
GRADE: K-55  
WEIGHT: 24#  
LENGTH: 318' - 10 JTS  
DEPTH LANDED: 333' KB  
HOLE SIZE:  
CEMENT DATA: cmt to surf

PRODUCTION CASING

CSG SIZE: 4-1/2"  
GRADE: K-55  
WEIGHT: 11.6#  
LENGTH: 3750' - 120 JTS  
DEPTH LANDED: 3765' KB  
HOLE SIZE: 7-7/8"  
CEMENT DATA: TOC @1225'

CEMENT TOP AT: 1225' (CBL)

STRING LENGTH: 3496

SUCKER RODS

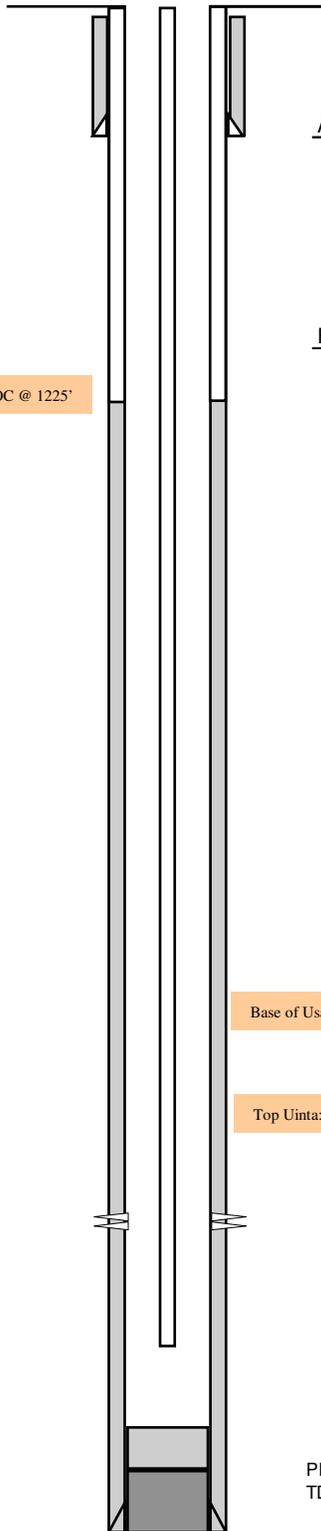
POLISHED ROD:  
SUCKER RODS:

STRING LENGTH:

PUMP SIZE:

PUMP NUMBER:  
STROKE LENGTH:  
PUMP SPEED, SPM:  
PUMPING UNIT:  
PRIME MOVER:

LOGS:



ACID JOB /BREAKDOWN

FRAC JOB

gel wtr w/ 11200# 20/40  
ISIP-922,

Base of Usable Water: 3,180'

Top Uinta: 3,370' MD

TOC @  
1225' CBL

PERFORATION RECORD

3508	3526	2 SPF , 36holes
3534	3540	2 SPF , 12holes



**Well Name:** HSB Federal 26-2-6-1  
**Location:** SE SE Sec. 26 T6S, R21E  
**Footage:** 660' FSL, 660' FWL  
**Lease No.:**  
**Field:** HorseShoe Bend  
**County, State:** Uintah County, Utah

PBDT @3710' KB  
TD @ 3750' KB

# HSB Federal# 26-2-6-21

Elev.GR - 4951' GL  
Elev.KB - 1966' (15' KB)

## Proposed P&A Wellbore Diagram

### SURFACE CASING

CSG SIZE: 8-5/8"  
GRADE: K-55  
WEIGHT: 24#  
LENGTH: 318' - 10 JTS  
DEPTH LANDED: 333' KB  
HOLE SIZE:  
CEMENT DATA: cmt to surf

Circulate 110sx Class G cement down 4-1/2" casing and up the 4-1/2" x 8-5/8" annulus to surface. Cut off wellhead, then top off cement as needed.

### ACID JOB /BREAKDOWN

Sqz holes @ 375'

### PRODUCTION CASING

CSG SIZE: 4-1/2"  
GRADE: K-55  
WEIGHT: 11.6#  
LENGTH: 3750' - 120 JTS  
DEPTH LANDED: 3765' KB  
HOLE SIZE: 7-7/8"  
CEMENT DATA: TOC =1225'

### FRAC JOB

gel wtr w/ 11200# 20/40 ISIP-922,

TOC @ 1225'

CEMENT TOP AT: 1225' (CBL)

130' (~15sx) of Class G Cement 120' balanced plug  
Top of Plug designed to be 2,135'.

Top Uinta: 2,207' MD

STRING LENGTH: 3496

### SUCKER RODS

POLISHED ROD:  
SUCKER RODS:

STRING LENGTH:

PUMP SIZE: 380' (~46sx) of Class G Cement on top of CIBP.  
Top of Plug designed to be 3,080'

Base of Usable Water: 3,180'  
Per USGS publication 92

PUMP NUMBER:  
STROKE LENGTH:  
PUMP SPEED, SPM:  
PUMPING UNIT:  
PRIME MOVER:

LOGS:

CIBP @ 3458''

TOC @ 1225' CBL

### PERFORATION RECORD

3508	3526	2 SPF , 36holes
3534	3540	2 SPF , 12holes

## NEWFIELD

**Well Name:** HSB Federal 26-2-6-1  
**Location:** SE SE Sec. 26 T6S, R21E  
**Footage:** 660' FSL, 660' FWL  
**Lease No.:**  
**Field:** HorseShoe Bend  
**County, State:** Uintah County, Utah

PBTD @3710' KB  
TD @ 3750' KB

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> U-38401
---	--

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  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.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b>
--	--

<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> HORSESHOE BEND FED 26-2
------------------------------------	--

<b>2. NAME OF OPERATOR:</b> NEWFIELD PRODUCTION COMPANY	<b>9. API NUMBER:</b> 43047338710000
--	---

<b>3. ADDRESS OF OPERATOR:</b> Rt 3 Box 3630 , Myton, UT, 84052	<b>PHONE NUMBER:</b> 435 646-4825 Ext	<b>9. FIELD and POOL or WILDCAT:</b> HORSESHOE BEND
--	--	--

<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0660 FSL 0660 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SESE Section: 26 Township: 06.0S Range: 21.0E Meridian: S	<b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH
---	---

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion: 12/29/2009	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input checked="" type="checkbox"/> <b>PLUG AND ABANDON</b>	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: _____

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

MIRU A plus #5. RD pumping unit. Unseat pump. LD 3 rods. PU polished rod.  
 SWIFN. Flush rods w/ 60 bbls water. Softseat pump. Pressure test tbg. to 3000 psi. POOH w/ rods. NU BOP. POOH w/ tbg. LD BHA. RU wireline truck. Set CIBP @ 3458'. RIH w/ 2 3/8" tbg. to CIBP @ 3458'. SWIFN. Pump cement plug @ 3458-2836'. LD tbg. Pump cement plug @ 2266-2036'. tbg. RU wireline truck. Perf cement holes in csg. @ 380'. Pump cement down 4 1/2" csg. up 8 5/8" annulus. RD. Dig up wellhead.

Accepted by the  
 Utah Division of  
 Oil, Gas and Mining  
 FOR RECORD ONLY  
 January 04, 2010

<b>NAME (PLEASE PRINT)</b> Mandie Crozier	<b>PHONE NUMBER</b> 435 646-4825	<b>TITLE</b> Regulatory Tech
<b>SIGNATURE</b> N/A		<b>DATE</b> 12/29/2009