

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

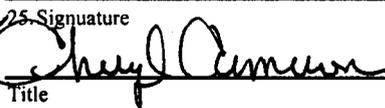
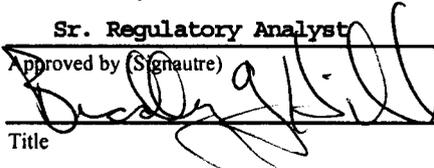
APPLICATION FOR PERMIT TO DRILL OR REENTER

| | | |
|---|---|--|
| 1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER | | 5. Lease Serial No. U-010950-A |
| 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 Uintah & Ouray |
| 2. Name of Operator Coastal Oil & Gas Corporation | | 7. Unit or CA Agreement Name and No. Natural Buttes Unit |
| 3a. Address P.O. Box 1148, Vernal, UT 84078 | 3b. Phone No. (include area code) (435) -781-7023 | 8. Lease Name and Well No. CIGE #237 |
| 4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface NW SE At proposed prod. zone 1634'FSL & 2127'FEL | | 9. API Well No. N/A 43-047-33878 |
| 14. Distance in miles and direction from nearest town or post office* 16.2 Miles Northeast of Ouray, Utah | | 10. Field and Pool, or Exploratory Natural Buttes |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 1634' | 16. No. of Acres in lease 800.00 | 11. Sec., T., R., M., or Blk. and Survey or Area Section 15-T9S-R21E |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. Refer to Topo "C" | 19. Proposed Depth 8200' | 12. County or Parish Uintah |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4791.9' Ungraded GL | 22. Approximate date work will start* Upon Approval | 13. State Utah |
| | | 17. Spacing Unit dedicated to this well N/A |
| | | 20. BLM/BIA Bond No. on file U-605382-9 |
| | | 23. Estimated duration To Be Determined |

24. Attachments

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

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

| | | |
|---|--|-------------------------|
| 25. Signature  | Name (Printed/Typed) Cheryl Cameron | Date 1/8/01 |
| Federal Approval of this Action is Necessary | | |
| Approved by (Signature)  | Name (Printed/Typed) BRADLEY G. HILL | Date 01-29-01 |
| Title Sr. Regulatory Analyst | Office RECLAMATION SPECIALIST III | |

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

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

*(Instructions on Reverse)

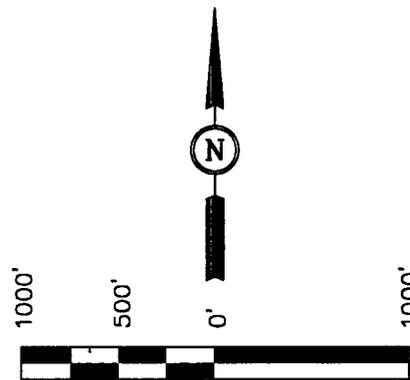
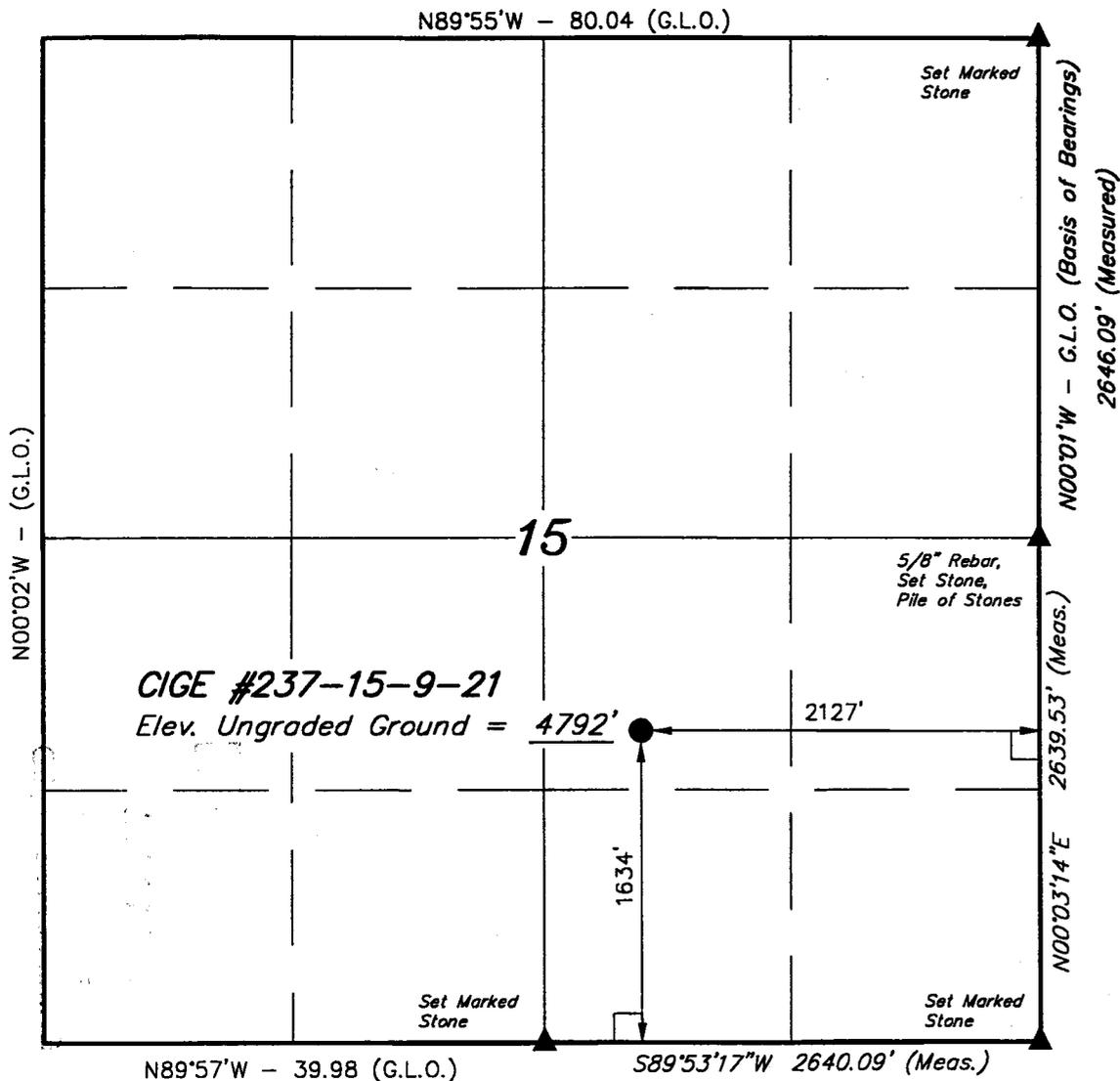
T9S, R21E, S.L.B.&M.

COASTAL OIL & GAS CORP.

Well location, CIGE #237-15-9-21, located as shown in the NW 1/4 SE 1/4 of Section 15, T9S, R21E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE NORTHEAST CORNER OF SECTION 15, T9S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4768 FEET.



SCALE

CERTIFICATE

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

ROBERT L. RASMUSSEN
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 181319
 STATE OF UTAH

LEGEND:

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

| | | |
|--|---------------------------------|-------------------------|
| UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017 | | |
| SCALE 1" = 1000' | DATE SURVEYED: 11-09-98 | DATE DRAWN: 12-22-98 |
| PARTY J.F. B.A. D.R.B. | REFERENCES G.L.O. PLAT | |
| WEATHER WARM | FILE COASTAL OIL & GAS CORP. | |

**CIGE #237
NW/SE Sec. 15-T9S-R21E
UINTAH COUNTY, UTAH
U-010950-A**

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

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers:

| <u>Formation</u> | <u>Depth</u> |
|------------------|--------------|
| KB | 4800' |
| Green River | 1950' |
| Wasatch | 5025' |
| TD | 7700' |

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

| <u>Substance</u> | <u>Formation</u> | <u>Depth</u> |
|------------------|------------------|--------------|
| | Green River | 1950' |
| Gas | Wasatch | 5025' |
| Water | N/A | |
| Other Minerals | N/A | |

3. Pressure Control Equipment (Schematic Attached)

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

4. Proposed Casing & Cementing Program:

Please see the Natural Buttes Unit SOP.

5. Drilling Fluids Program:

Please see the Natural Buttes Unit SOP.

6. Evaluation Program:

Please see the Natural Buttes Unit SOP.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 7700' TD, approximately equals 3,080 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1,386 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

**CIGE #237
NW/SE Sec. 15-T9S-R21E
UINTAH COUNTY, UTAH
U-010950-A**

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

An onsite inspection was conducted for the CIGE #237 on 1/3/01, for the subject well.

1. Existing Roads:

The proposed well site is approximately 16.2 miles northeast of Ouray, Utah. Directions to the location from Ouray, Utah:

Proceed in a westerly direction from Vernal, Utah, along U.S. Highway 40 approximately 14.0 miles to the junction of state highway 88; exit left and proceed in a southerly direction approximately 17.0 miles to Ouray, Utah; proceed in a southerly direction approximately 6.9 miles on the Seep Ridge Road to the junction of this road and an existing road to the east; turn left and proceed in an easterly direction approximately 5.0 miles to the junction of this road and an existing road to the north; turn left and proceed in a northerly direction approximately 0.3 miles to the junction of this road and an existing road to the northeast; turn right and proceed in a northeasterly direction approximately 1.7 miles to the junction of this road and an existing road to the northeast; turn left and proceed in a northerly direction approximately 2.2 miles to the beginning of the proposed access road to the east; follow road flags in an easterly direction approximately 0.1 miles to the proposed location.

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

2. Planned Access Roads:

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

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

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

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities:

Please see the Natural Buttes Unit SOP.

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

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

Please see the Natural Buttes SOP.

6. **Source of Construction Materials:**

Please see the Natural Buttes SOP.

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

Please see the Natural Buttes SOP.

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 (Requests is lieu of filing Form 3160-5, after initial production).

8. **Ancillary Facilities:**

Please see the Natural Buttes SOP.

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

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

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

As per previous onsite discussions, a reserve pit liner (12 Mil) will be required.

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

Please see the Natural Buttes SOP.

11. **Surface Ownership:**

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

Bureau of Indian Affairs
Uintah & Ouray Agency
P.O. Box 130
Fort Duchesne, UT 84026
(435)722-4300

12. Other Information:

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

This location is not within 460 feet from the boundary of the Natural Buttes Unit, nor is it within 460 feet of any non-committed tract lying within the boundaries of the Unit.

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

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

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

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

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

Bond Coverage pursuant to 43 CFR 3104 for lease activities is being provided by Coastal Oil & Gas Corporation Bond #102103, BLM Nationwide Bond #U-605382-9, and BIA Nationwide Bond #114066-A.

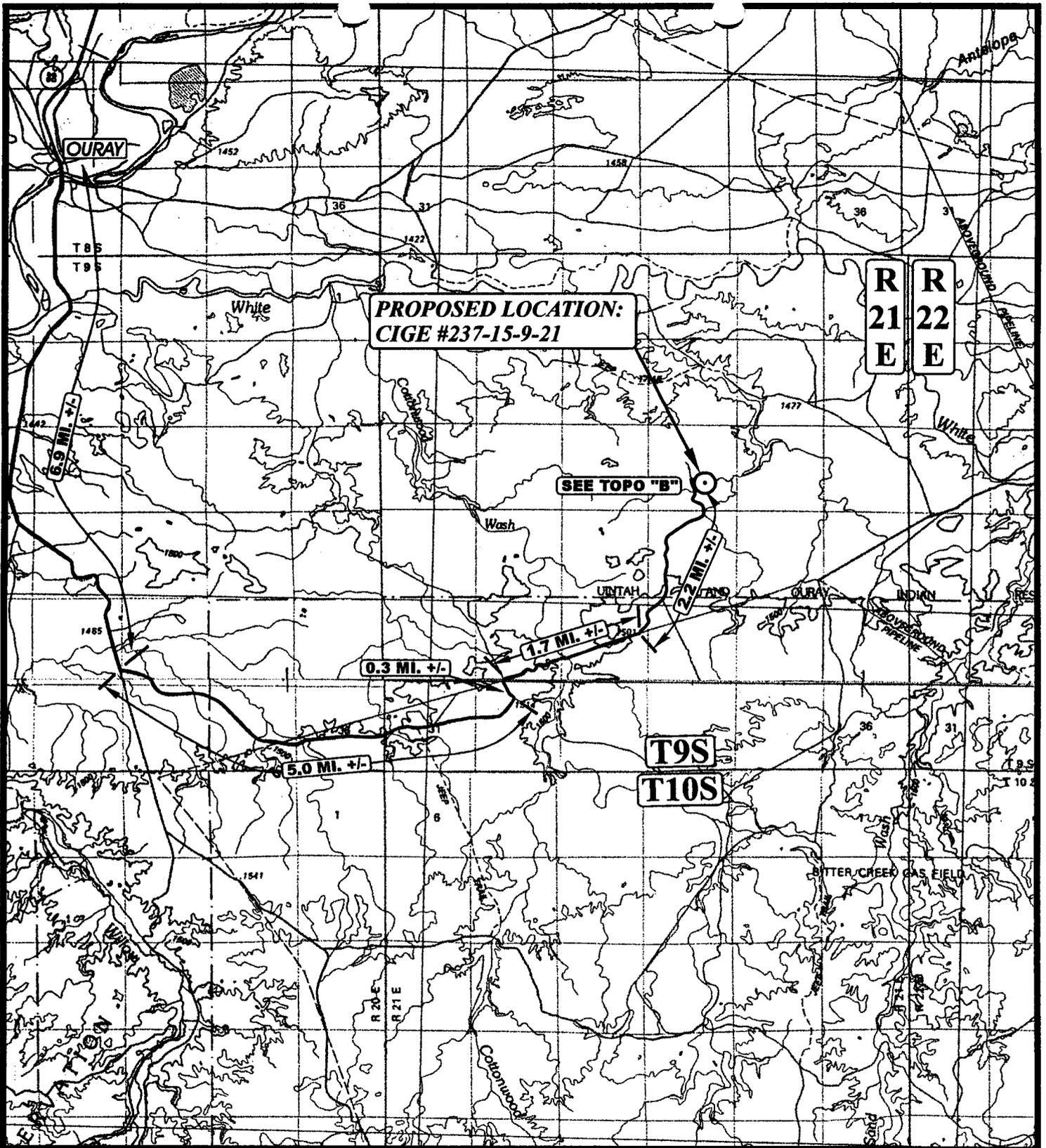
The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

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


Cheryl Cameron

1/18/01

Date



**PROPOSED LOCATION:
CIGE #237-15-9-21**

**R
21
E** **R
22
E**

SEE TOPO "B"

**T9S
T10S**

LEGEND:

⊙ PROPOSED LOCATION



COASTAL OIL & GAS CORP.

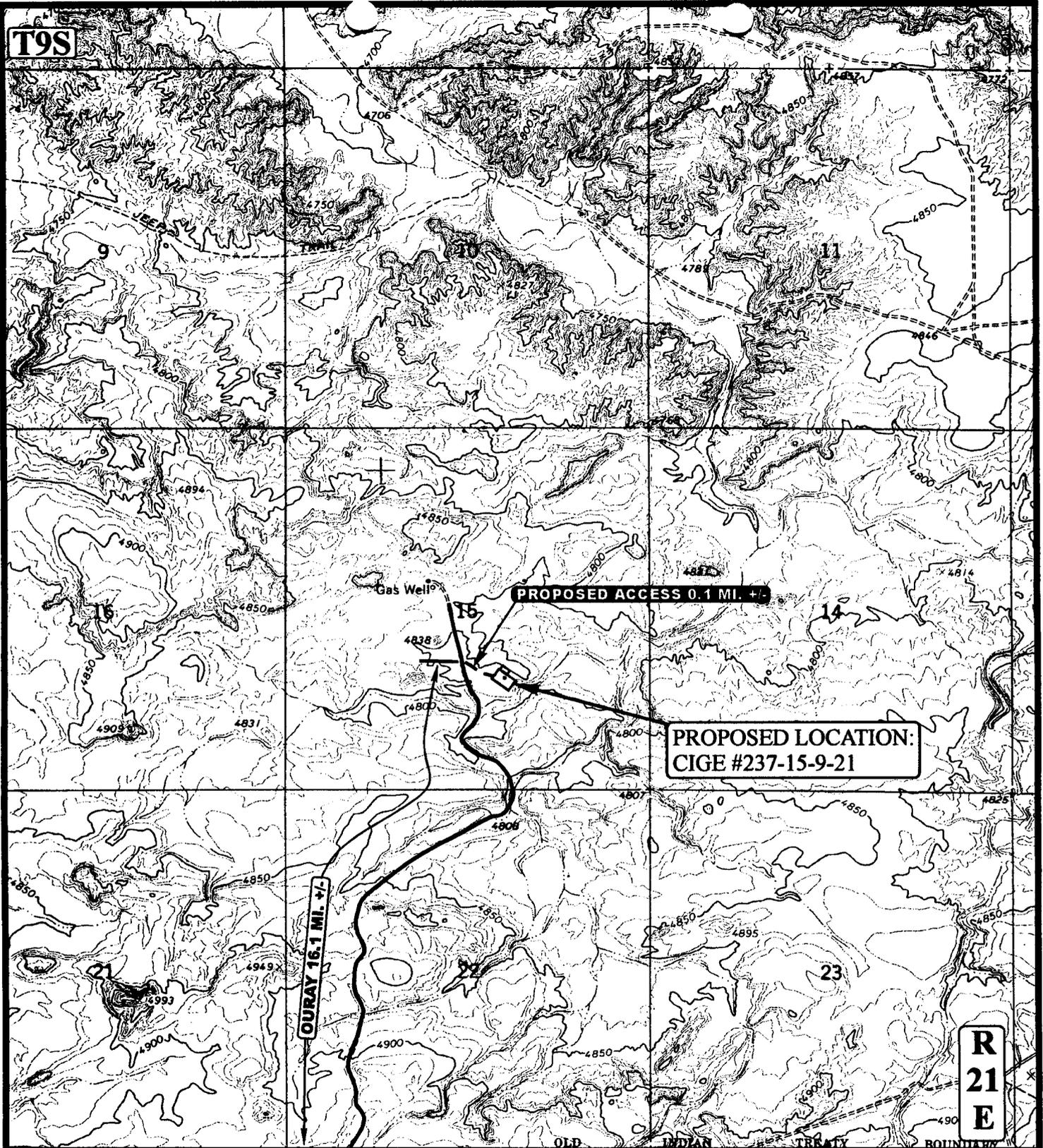
**CIGE #237-15-9-21
SECTION 15, T9S, R21E, S.L.B.&M.
1634' FSL 2127' FEL**

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

TOPOGRAPHIC **10 30 98**
MAP **MONTH DAY YEAR**
SCALE: 1 : 100,000 DRAWN BY: C.G. REV: C.G. 11-10-98



T9S



PROPOSED LOCATION:
CIGE #237-15-9-21

PROPOSED ACCESS 0.1 MI. +/-

OURAY 16.1 MI. +/-

R
21
E

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD

COASTAL OIL & GAS CORP.

CIGE #237-15-9-21
 SECTION 15, T9S, R21E, S.L.B.&M.
 1634' FSL 2127' FEL



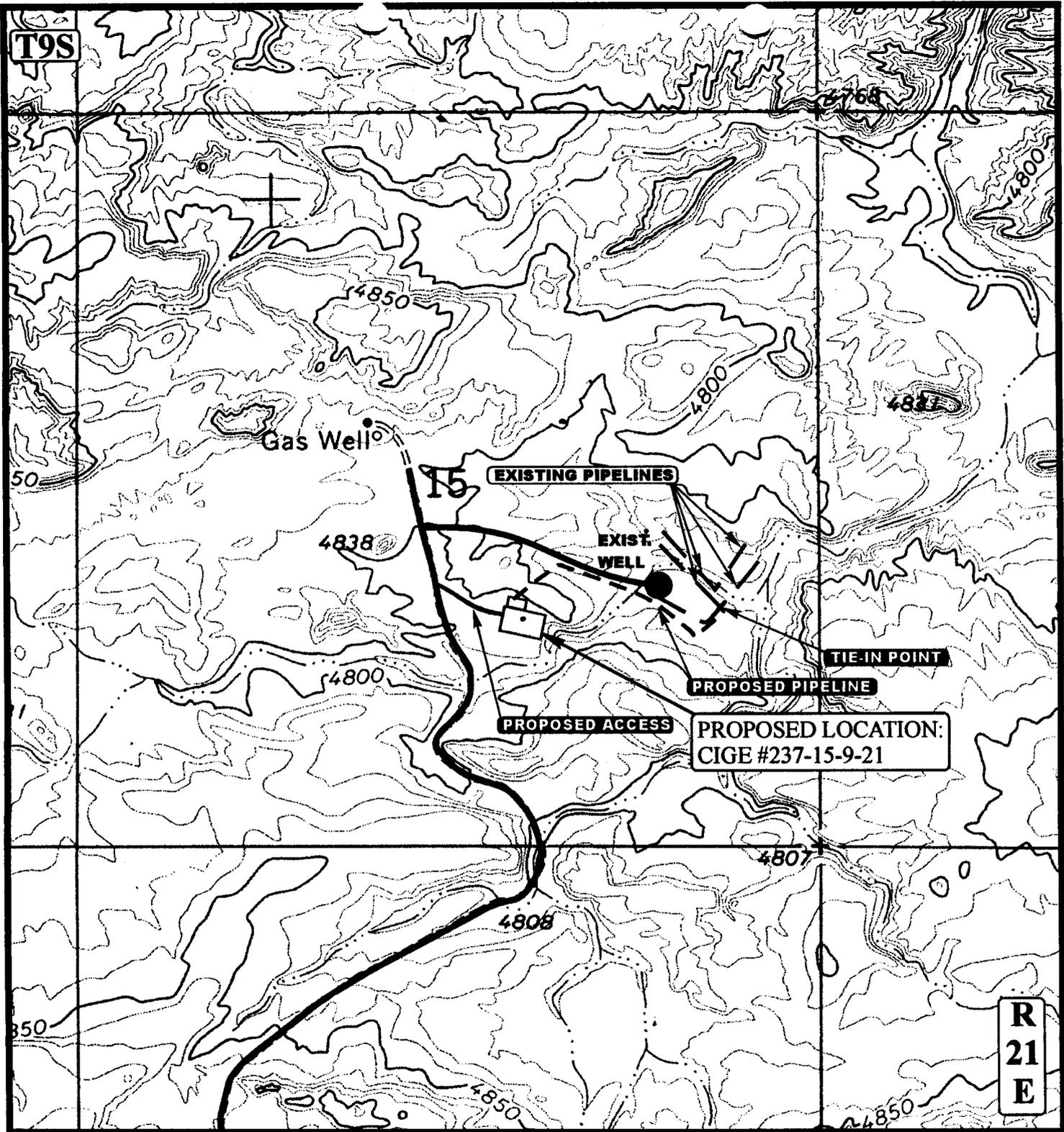
Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

| | | |
|-----------|-----------|-----------|
| 10 | 30 | 98 |
| MONTH | DAY | YEAR |



SCALE: 1" = 2000' DRAWN BY: C.G. REVISED: 11-10-98



APPROXIMATE TOTAL PIPELINE DISTANCE = 1800' +/-

LEGEND:

- EXISTING PIPELINE
- - - PROPOSED PIPELINE
- PROPOSED ACCESS



COASTAL OIL & GAS CORP.

CIGE #237-15-9-21
 SECTION 15, T9S, R21E, S.L.B.&M.
 1634' FSL 2127' FEL



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TOPOGRAPHIC
MAP

| | | |
|-----------|-----------|-----------|
| 10 | 30 | 98 |
| MONTH | DAY | YEAR |

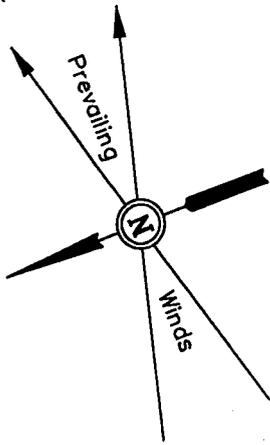
SCALE: 1" = 1000' DRAWN BY: C.G. REVISED: 11-10-98



COASTAL OIL & GAS CORP.

FIGURE #1

LOCATION LAYOUT FOR
 CIGE #237-15-9-21
 SECTION 15, T9S, R21E, S.L.B.&M.
 1634' FSL 2127' FEL



SCALE: 1" = 50'
 DATE: 12-22-98
 Drawn By: D.R.B.

C-0.5'
 El. 91.9'

F-3.3'
 El. 88.1'

Approx. Toe of Fill Slope

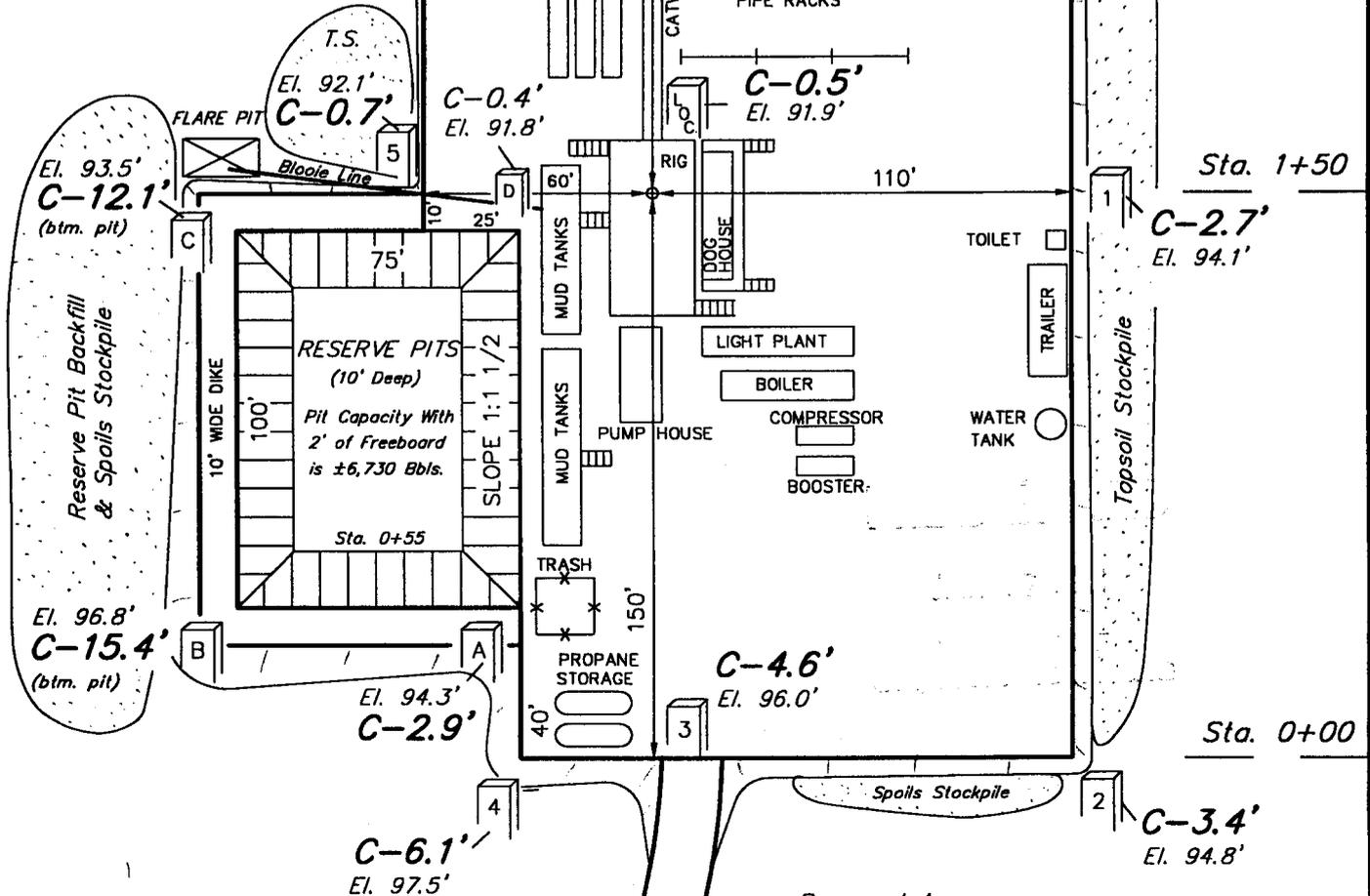
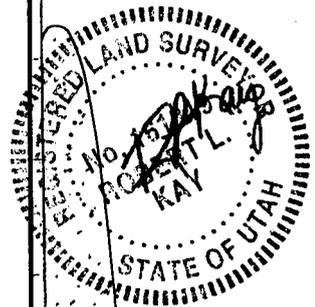
C-1.7'
 El. 93.1'

Sta. 3+25

Approx. Top of Cut Slope

NOTE:

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



NOTES:

Elev. Ungraded Ground At Loc. Stake = 4791.9'

FINISHED GRADE ELEV. AT LOC. STAKE = 4791.4'

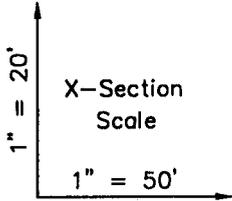
COASTAL OIL & GAS CORP.

TYPICAL CROSS SECTIONS FOR

CIGE #237-15-9-21

SECTION 15, T9S, R21E, S.L.B.&M.

1634' FSL 2127' FEL



DATE: 12-22-98
Drawn By: D.R.B.

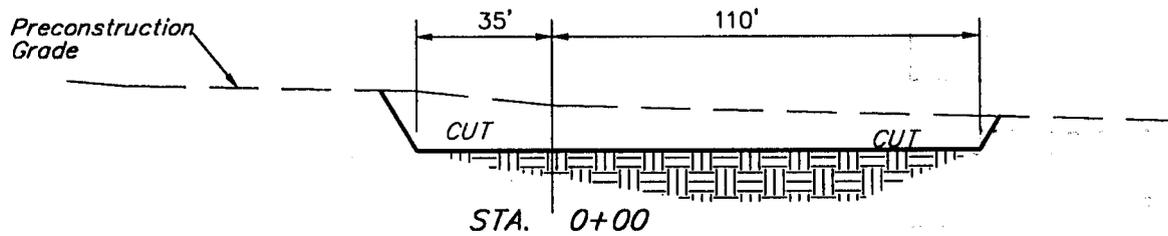
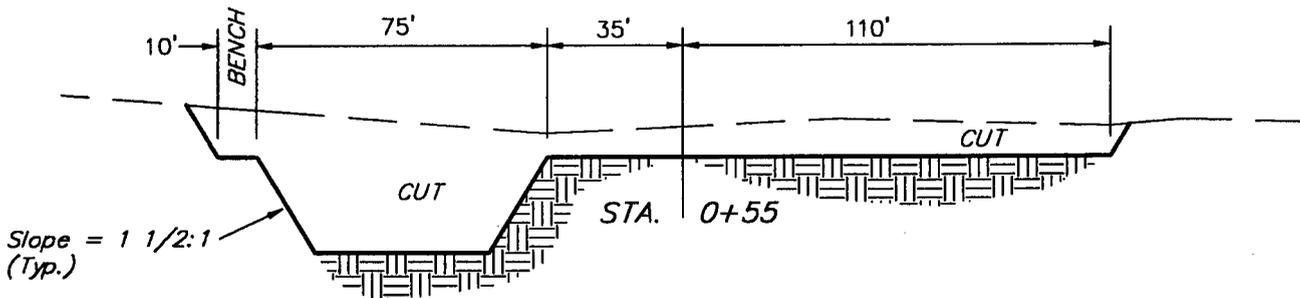
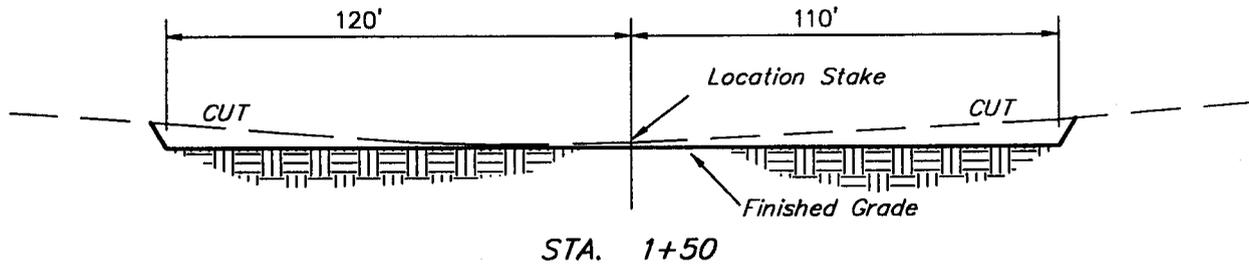
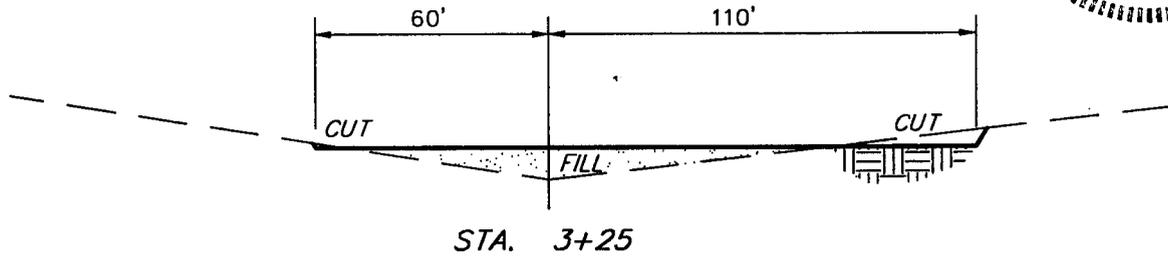


FIGURE #2

APPROXIMATE YARDAGES

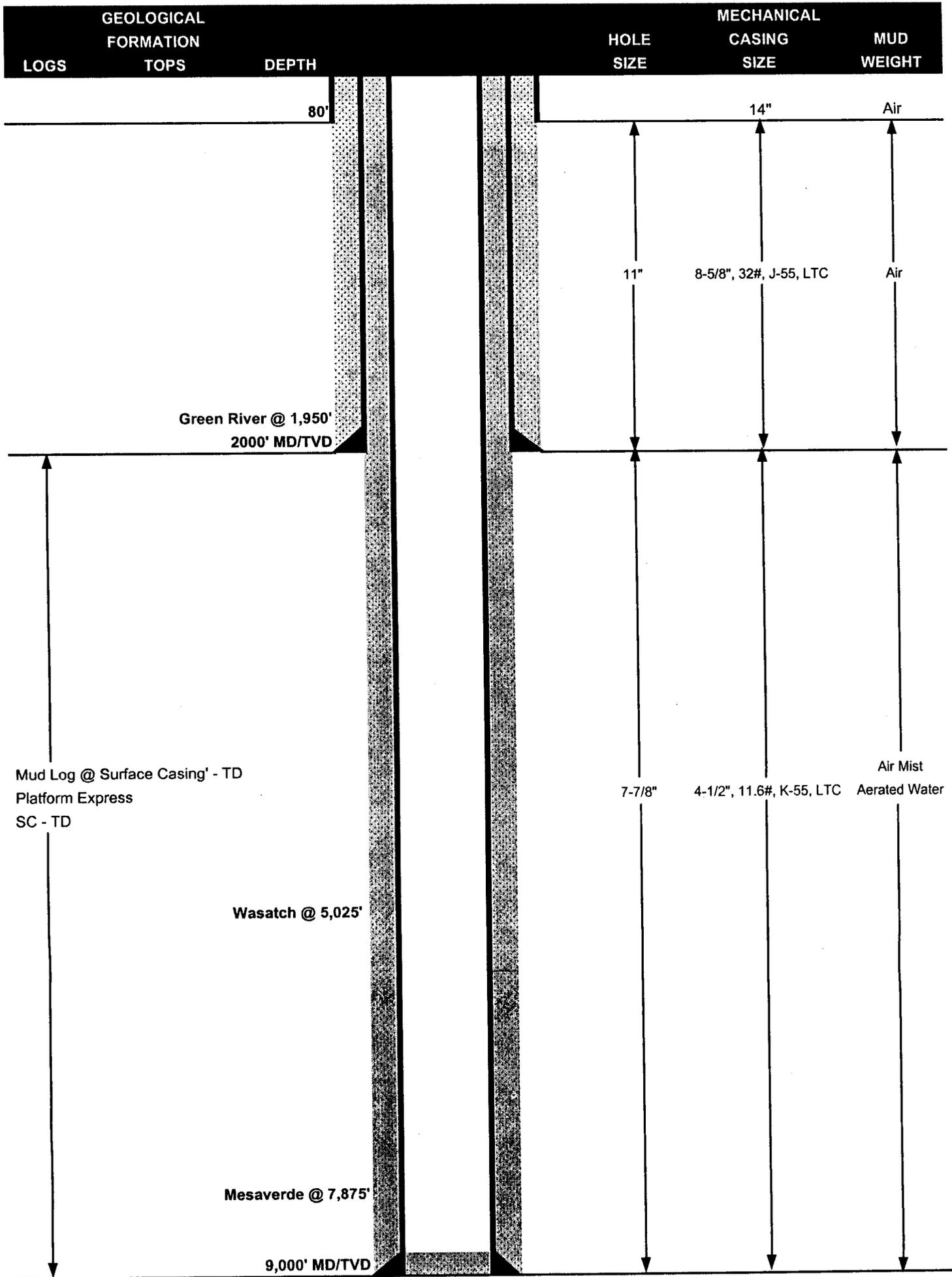
| | |
|-------------------------|------------------------|
| CUT | |
| (12") Topsoil Stripping | = 2,190 Cu. Yds. |
| Remaining Location | = 4,390 Cu. Yds. |
| TOTAL CUT | = 6,580 CU.YDS. |
| FILL | = 1,340 CU.YDS. |

| | |
|---|------------------|
| EXCESS MATERIAL AFTER 5% COMPACTION | = 5,170 Cu. Yds. |
| Topsoil & Pit Backfill (1/2 Pit Vol.) | = 3,150 Cu. Yds. |
| EXCESS UNBALANCE (After Rehabilitation) | = 2,020 Cu. Yds. |

COASTAL OIL & GAS CORPORATION

DRILLING PROGRAM

COMPANY NAME Coastal Oil & Gas Corporation DATE 9/5/00
 WELL NAME CIGE #237 TD 9,000' MD/TVD
 FIELD NBU COUNTY Uintah STATE Utah ELEVATION 4,800' KB
 SURFACE LOCATION 1634' FSL & 2127' FEL, Section 15 T9S-R21E BHL Straight Hole
 OBJECTIVE ZONE(S) Wasatch
 ADDITIONAL INFO _____



COASTAL OIL & GAS CORPORATION DRILLING PROGRAM

CASING PROGRAM

| | SIZE | INTERVAL | WT. | GR. | CPLG. | DESIGN FACTORS | | |
|-------------|--------|----------|-------|------|-------|----------------|----------|---------|
| | | | | | | BURST | COLLAPSE | TENSION |
| CONDUCTOR | 14" | 0-80' | | | | 3930 | 2530 | 417000 |
| SURFACE | 8-5/8" | 0-2000' | 32# | J-55 | LTC | 3.50 | 2.70 | 4.26 |
| PRODUCTION* | 4-1/2" | 0-TD | 11.6# | K-55 | LTC | 1.68 | 1.06 | 1.17 |

- 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

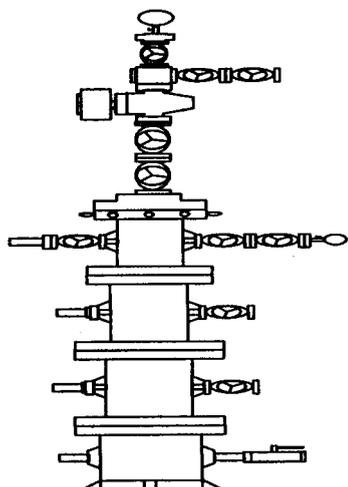
| | | FT. OF FILL | DESCRIPTION | SACKS | EXCESS* | WEIGHT | YIELD |
|------------|------|-------------|---|-------|---------|--------|-------|
| SURFACE | | 2000 | Class G + 2% CaCl ₂ + 0.25 lb/sk Cello Flake | 670 | 50% | 15.80 | 1.17 |
| PRODUCTION | LEAD | 4725 | Premium Lite II + 3 lb/sk CSE + 0.5% Sodium Metasilicate + 10% Gel + 0.25 lb/sk Cello Flake + 3% Salt + 3 lb/sk Kol Seal | 510 | 100% | 11.00 | 3.44 |
| | TAIL | 4275 | 50/50 POZ + 0.1% R-3 + 1% EC-1 + 0.2% Sodium Metasilicate + 2% Gel + 0.5% FL-25 + 3% Salt | 1390 | 75% | 14.5 | 1.23 |

* or 15% over caliper log

FLOAT EQUIPMENT & CENTRALIZERS

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

WELLHEAD EQUIPMENT

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

COASTAL OIL & GAS CORPORATION DRILLING PROGRAM

BIT PROGRAM

| ROCK BIT & PDC BIT PROGRAM | | | | | | |
|----------------------------|--------|-----------------|----------|--------|----------|----------|
| INTERVAL | HOLE | BIT MFG & MODEL | GPM | SERIAL | NZLS | COMMENTS |
| Surface Hole | 11" | Various | | | | |
| Surf Csg - TD | 7-7/8" | SEC XS44 | Air/Mist | New | 16-16-16 | |
| | | | Aerated | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

If an additional bit is required use another insert.

GEOLOGICAL DATA

LOGGING:

| Depth | Log Type |
|---------|------------------|
| SC - TD | Platform Express |

MUD LOGGER:

SC - TD

SAMPLES:

As per Geology

CORING:

NA

DST:

NA

MUD PROGRAM

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

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

ADDITIONAL INFORMATION

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

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

Run Totco survey every 1,500' from surface casing shoe to TD. Maximum allowable hole angle is 5 degrees.

Treat for corrosion as per plan.

PROJECT ENGINEER:

Christa Yin

DATE: _____

PROJECT MANAGER:

Darrell Molnar

DATE: _____

CIGE 237



MAC

January 19, 1999

DENVER DISTRICT - E & S

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

JAN 22 1998

BLC ___ RAD ___ SCP ___ CEL ___
SAB 10 JRN ___ MDE ___ LPS ___
XC: DRG
RJL
PEB

Dear Ms. Bremer:

Enclosed is a Metcalf Archaeological Consultants, Inc. (MAC) cultural resource inventory report covering ten Coastal Oil & Gas well projects in Uintah County, Utah. Well pad projects CIGE #237, CIGE #238, NBU #314, and NBU #315 are on land owned and controlled by the Ute Indian Tribe, Uintah and Ouray Agency of Fort Duchesne, Utah, and well pad projects NBU #322, NBU #324, NBU #325, NBU #334, NBU #343, and NBU #346 are on land administered by the BLM.

Ute well projects NBU #314 and NBU #315 involved no cultural resources and cultural clearance is recommended for these two projects. On the CIGE #237 project a new prehistoric site with the potential for significant deposits was recorded (42UN2600), a small portion of previously recorded site 42UN2035 was encountered, and three isolates were discovered on the associated pipeline. The well pad centerstake for CIGE #237 was moved 50 feet southwest to a recommended location. Moving the pad to the new location and limiting its construction to staked boundaries will effectively avoid any significant portions of 42UN2600. 42UN2035 will not be impacted by construction of CIGE #237. It is additionally recommended that construction of the CIGE #237 well pad be monitored by Ute Tribal Representative Mr. Ignacio. Monitoring is to insure that construction is confined to staked limits. An isolate by definition is not significant and no further work is needed for the three recorded on the proposed pipeline for CIGE #237. The proposed location and access for CIGE #238 was partially staked in previously recorded site 42UN2143, which appears significant and potentially eligible for the National Register. The centerstake was moved 260 feet northwest to a recommended location. This action effectively moved the well pad's APE outside of the site boundaries. In addition to moving the well, the access road was reconfigured further to the north to accommodate the pad's new location and will avoid the site. Although no cultural resources were observed in the

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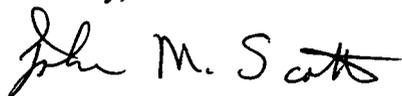
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proposed pad's new location, it is still close to a known site and in sandy deposition, and because
also recommended that the pad's construction be monitored by a qualified archaeologist and Ute
Tribal Representative to inspect for any new deposits that might be uncovered by construction
and to insure that construction does not exceed its staked limits. **Cultural resource clearance is
recommended for CIGE #237 and CIGE #238 with the above stipulations and with
approval from the Uintah and Ouray Cultural Rights and Protection Department.**

Five of the cultural resource inventories on the BLM land were negative, resulting in no
cultural material being recorded. Near the access corridor of the sixth project (NBU #323) one
historical site was recorded. This site, 42UN2599, is not significant and not recommended to be
eligible for listing on the National Register. Cultural resource clearance is recommended for all
six of the BLM well pad projects.

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

Sincerely,



John M. Scott
Staff Archaeologist

Enclosure

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

Coastal Oil & Gas Company:
Ten Class III Cultural Resource Inventories
on
Ute & BLM Land,
Uintah County, Utah

prepared by
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prepared for
Coastal Oil & Gas Company
Denver, CO

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

Project No. U-99-MM-0002b,i

January 1999

Introduction

Metcalf Archaeological Consultants, Inc. (MAC) conducted 10 Class III cultural resource inventories for Coastal oil and Gas Corporation of Denver, Colorado. The inventories were for well pad projects in Uintah County, Utah and include associated roads and pipelines. Four of the inventories were on Ute Tribal land and six were on land administered by the Bureau of Land Management (BLM). The projects are listed in Table 1, which shows legal locations, staked footage, and total acreage inventoried. It also shows the direction and length of the access roads and pipelines that were inventoried.

Table 1 Well Locations and Accompanying Information

| Ute Wells | Legal T/R/S | Footage | Access Dis ¹ /Dir ² | Pipeline Dis ¹ /Dir ² | Acres |
|----------------------------------|-------------|-----------------|---|---|--------------|
| CIGE #237 | 9S/21E/15 | 1634FSL 2127FEL | 250ft NW | 1450ft NW&E | 13.9 |
| CIGE #238 | 9S/21E/20 | 819FSL 592FEL | 1027ft W | 492ft NW&NE | 13.5 |
| NBU #314 | 9S/21E/11 | 706FNL 857FEL | in 10-acre block | in 10-acre block | 10 |
| NBU #315 | 9S/21E/11 | 1798FNL 770FEL | in 10-acre block | in 10-acre block | 10 |
| <u>Total Acres for Ute Wells</u> | | | | | <u>47.4</u> |
| BLM Wells | | | | | |
| NBU #323 | 9S/22E/30 | 991FNL 444FEL | 200ft W | 500ft S | 11.6 |
| NBU #324 | 9S/22E/30 | 1826FSL 1147FEL | 2100ft NW | 400ft S | 15.8 |
| NBU #325 | 9S/22E/30 | 403FSL 1694FEL | 400ft N | in 10-acre block | 11 |
| NBU #334 | 10S/22E/3 | 2179FSL 272FEL | in 10-acre block | 1660 S | 13.8 |
| NBU #343 | 10S/22E/08 | 903FNL 1754FWL | 1224ft S | 400ft S | 13.9 |
| NBU #346 | 10S/22E/10 | 811FSL 1138FEL | in 10-acre block | 3200ft N | 17.3 |
| <u>Total Acres for BLM Wells</u> | | | | | <u>83.4</u> |
| <u>Total Acres All Wells</u> | | | | | <u>130.8</u> |

¹ This distance represents only the amount inventoried outside of the inventoried 10-acre block.

² This is the direction away from the associated well pad.

Appendix A contains copies of 7.5' USGS quadrangles (map #s 1-5) depicting the well pad project locations. Total area inspected for the four inventories on Ute Tribal land equaled 47.4 acres. Total area inspected for the six inventories on BLM land equaled 83.4 acres.

These cultural resource inventories were conducted to maintain compliance with the National Historic Preservation Act, as amended. Well pad projects CIGE #237, CIGE #238, NBU #314, and NBU #315 are on land owned and controlled by the Ute Indian Tribe (maps #1 and #2 Appendix A), Uintah and Ouray Agency of Fort Duchesne, Utah, and well pad projects NBU #322, NBU #324, NBU #325, NBU #334, NBU #343, and NBU #346 (maps #3-5 Appendix A) are on public land administered by the BLM, Vernal District, Utah. The purpose of these inventories was to locate and record cultural resources in the area of potential effect (APE) of the proposed well projects. If cultural resources were found, their locations were recorded, the appropriate state forms completed (IMAC), a sketch map drawn, and photographs taken. All recorded cultural resources would then be evaluated for eligibility to the National Register of Historic Places (NRHP), and recommendations concerning their management discussed. All site forms were submitted to the Utah Division of State History and copies of the site forms were sent to the appropriate land managers of either the Vernal District BLM or the Ute Indian Tribe.

John M. Scott, staff archaeologist with Metcalf Archaeological Consultants, Inc., conducted the inventories for the BLM well projects on November 3, and 4, 1998 and the Ute Tribal land inventories on November 5, 1998. Mr. Scott was accompanied by Ute Tribal Energy and Mineral Technician Mr. Alvin Ignacio during the inventories on Ute land. All locations were staked and flagged at the time of the fieldwork. Affiliated field notes and data are on file at Metcalf Archaeological Consultants, Inc. Eagle, CO.

Management Summary

Ute well projects NBU #314 and NBU #315 involved no cultural resources and cultural clearance is recommended for these two projects, as staked at the time of inventory, and with no further stipulations.

On the CIGE #237 project a new prehistoric site with the potential for significant deposits was recorded (42UN2600), a small portion of previously recorded site 42UN2035 was encountered, and three isolates were discovered on the associated pipeline. The well pad centerstake for CIGE #237 was moved 50 feet southwest to a recommended location. Moving the pad to the new location and limiting its construction to staked boundaries will effectively avoid any significant portions of 42UN2600. The small portion of 42UN2035 in the original 10-acre inventory block would not have been

impacted by construction of CIGE #237, and with the proposed pad at the new and recommended location, it is even further from the construction area and still will not be impacted. It is additionally recommended that construction of the CIGE #237 well pad be monitored by Ute Tribal Representative Mr. Ignacio, who is familiar with the project. Monitoring is to insure that construction is confined to staked limits. An isolate by definition is not significant and no further work is needed for the three recorded on the proposed pipeline for CIGE #237. The proposed location and access for CIGE #238 was partially staked in previously recorded site 42UN2143, which appears significant and potentially eligible for the National Register. The centerstake was moved 260 feet northwest to a recommended location. This action effectively moved the well pad's APE outside of the site boundaries. In addition to moving the well, the access road was reconfigured further to the north to accommodate the pad's new location and will avoid the site. Although no cultural resources were observed in the proposed pad's new location, it is still close to a known site and in sandy deposition, and because of this, it is recommended that construction of CIGE #238 be confined to the staked limits. It is also recommended that the pad's construction be monitored by a qualified archaeologist and Ute Tribal Representative to inspect for any new deposits that might be uncovered by construction and to insure that construction does not exceed its staked limits. **Cultural resource clearance is recommended for CIGE #237 and CIGE #238 with the above stipulations and with approval from the Uintah and Ouray Cultural Rights and Protection Department.**

Five of the cultural resource inventories on the BLM land were negative, resulting in no cultural material being recorded. Near the access corridor of the sixth project (NBU #323) one historical site was recorded. This site, 42UN2599, is not significant and not recommended to be eligible for listing on the National Register. Cultural resource clearance is recommended for all six of the BLM well pad projects, as staked at the time of the inventories and depicted on maps #3-5 (Appendix A).

Effective Environment

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

Well Pad Projects on Ute Tribal Land

CIGE #237-15-9-21

T.9 R21E Section 15 SW/NW/SE (map 1)

The proposed well is located two miles south of the White River. Its 10-acre inventory block is situated mostly on a degraded flat with an intermittent drainage cutting a prominent channel along the north and east. An east-to-west trending sandstone outcrop is at the center of the east edge of the block. The outcrop's southeast and south edges are dominated by several overhangs and boulders that have been exposed and formed by the scouring action of overbank flooding from the intermittent drainage. Deeply accumulated aeolian sand is on the outcrop's north side. The 10-acre block extends just past the drainage channel on the east and encompasses a small portion of the west-facing slope of a large dune. The general drainage pattern of the area is that of a series of intermittent dendritic-like drainages, which flow north to the White River. Ground surface visibility is excellent at around 85-90% with the vegetation cover consisting predominantly of mixed grasses. With the exception of the above-mentioned sands, the dominant sediment in the 10-acre block is a gray clay hardpan mantled with a very thin sand shadow of varying depth. The project's proposed access leaves an existing north-to-south oil field road in the NE/SE/NE/SW of Section 15. The road will proceed east-southeast to the west edge of the well pad. Additional inventory of 76 meters of linear corridor was required for the proposed access road. The project's proposed pipeline heads north from the pad to an existing east-west road and parallels the road's south side east to an existing well. At the well it turns north and connects to an existing surface pipeline in the NE/SW/NE/SE in Section 15. Additional inventory of 442 meters of linear corridor was required for the proposed pipeline.

NBU #314

T.9S. R.21E. Section 11 C/NE/NE (map 1)

This proposed well pad is positioned on a high bench that overlooks a heavily eroded badlands-like area along the south side of the White River drainage valley. The main channel for the White River is just under a mile to the north. Small clay buttes and cobble-armored hills, with short narrow arroyos are visible below to the east. An existing improved oilfield road cuts through the west side of the 10-acre inventory block and the project's access will be from that road. The project's pipeline will connect to a proposed and staked pipeline of the NBU #316, which parallels the west side of the existing road. The pipeline and access will be entirely within the NBU #314 10-acre block. Neither the access road nor the pipeline required additional inventory. The dominant sediment in the project area appeared to be a sandy clay with a cover of quartzite gravel. Vegetation consisted of a semiarid shrubland that included saltbush, rabbitbrush, mixed grasses, and

forbs. The shrubland covered nearly 40% of the project area, but allowed fair to good surface visibility.

NBU # 315

T9S R21E Section 11 SE/NE (map 1)

Proposed well NBU #315 is located just south of NBU #314 on the same high bench above the White River drainage valley. It is situated away from any of the bench's edges and is relatively flat with a slight slope to the east. An existing oilfield road cuts through the project's west side and its proposed access is from that road. The pipeline tie-in is at the proposed and staked NBU#316 pipeline that parallels the west side of the existing road, and will be entirely within the present project's 10-acre block. No additional inventory was needed for the project's access road or pipeline. Sediments observed in the project area appeared to be a sandy clay with a cover of quartzite gravel. Vegetation consisted of a semiarid shrubland that included saltbush, rabbitbrush, mixed grasses, and forbs. The shrubland covered nearly 40% of the project area, but allowed fair to good surface visibility.

CIGE #238-20-9-21

T9S R21E Section 20 SE/SE (map 2)

The CIGE #238 well pad project is located on the east side of Cottonwood Wash approximately three miles south of the White River. Cottonwood Wash at this location is a relatively deep channel with exposed sandstone outcrops forming its east side. The staked well area is on the sandy flat between the wash on the west and a prominent sandstone outcrop to the east. The area is covered with a deep sand sheet with low benches of sandstone exposed near the drainage. Vegetation consisted of a semiarid shrubland dominated by sagebrush, greasewood, and rabbitbrush. It covered nearly 30% of the surface, but allowed good ground visibility. The proposed access begins at an existing well access road in the N/NW/SW/SW of Section 21, T.9S., R.21E. It comes off the south side of the road, heads west out of a degraded basin-like area, and up onto the sandy flats to the staked well area. An additional 152 meters of linear corridor was inventoried for the access. The pipeline leaves the proposed pad's northwest edge and snakes north to an existing surface pipeline. An additional 335 meters of linear corridor was inventoried for the pipeline.

Well Pad Projects on BLM Land

NBU #323

T.9S. R.22E. Section 30 NE/NE (map 3)

This proposed well pad location is staked just west and above Sand Wash approximately 1.25 miles southwest of the White River. This area is heavily dissected by ephemeral drainages, which have exposed large amounts of rimrock. The actual pad area is uneven and broken and drains to the east by small dendritic drainages into Sand Wash. Sand Wash flows north to the White River. Vegetation is a shadscale community with some saltbush, rabbitbrush and snakeweed. It was sparse and covered less than 5% of the ground surface and allowed excellent surface visibility. The observed sediment was a brown clay armored with angular sandstone pebbles. Access for the proposed well pad is from an existing oilfield road located just to the west of the pad. An additional 61 meters was inventoried for the access. The proposed pipeline will leave the north side of the project, cross a deep ephemeral drainage, and then parallel an existing road's east side. It ties into an existing surface line in the NW/NE/NE/NE of the project's section. An additional 152 meters of linear corridor were inventoried for the pipeline.

NBU #324

T9S R22E Section 30 NE/SE (map 3)

NBU #324 is staked in the actual drainage channel of Sand Wash approximately 1.3 miles southwest of the White River. It is up against the wash's east drainage wall below round sided slopes and ledges. The northwest half of the project is in the sandy and gravelly flood plain of Sand Wash while the southeast half extends up onto the slopes and ledges. The sediments on the southeast side consist of a slope washed sandy clay with gravels. The sediments of the northwest side consist entirely of alluvial sands, gravels, and cobbles. Vegetation in the drainage is dominated by tall greasewood and willows that form a very dense cover of nearly 80% and allowing only poor ground surface visibility. The slopes on the east side had sparse vegetation and surface visibility was excellent. The proposed access for this project begins near the center of the SW/NW of Section 30. It snakes southwest along the base of the east side of the Sand Wash drainage to its associated well pad. The access corridor required additional inventory of approximately 640 meters. The proposed pipeline will snake north to tie-in near proposed well NBU #325 in the NE/SW/SE of Section 30 and required an additional inventory of 122 meters. The main drainage for the general area is Sand Wash and it drains north to the White River.

NBU #325

T.9S. R.22E. Section 30 NE/NE (map 3)

This proposed well pad project is staked on benches just above the east side of Sand Wash. The location is very uneven and broken. Vegetation cover is sparse, around 15%, and consists of shadscale and mixed grasses. Soil on the pad area consisted of a gray silty clay armored with gray sandstone pebbles. The proposed access starts at the southwest edge of the staked NBU#324 pad location. It snakes south along the east side of the drainage and then angles up onto the east benches to connect with the south edge of its associated pad. Approximately 122 additional meters were inventoried for the access. Sediments observed along the access corridor in Sand Wash consisted of alluvial sands and gravels. Sediments along the access corridor on the east benches appeared to be a clay with gravels. Visibility in the drainage was poor, because of a tall and dense cover (70%) of saltbush, but was excellent on the benches. The proposed pipeline corridor juts southward for a short distance to connect with an existing surface pipeline that crosses the southwest corner of the inventory block. Since the proposed pipeline was entirely within the 10-acre inventory block, no additional inventory was required.

NBU #334

T.10S. R.22E. Section 3 NE/SE (map 5)

This proposed well is located on the east edge of the Bitter Creek Gas Field approximately .4 of a mile west of the White River. The pad is staked against a semicircular ridge system that opens to the north. It is at the head of an intermittent drainage that flows north and eventually into the White River. Ground cover in the pad area was only around 5% consisting mainly of sagebrush, bunch grass, and saltbush. The soil resembled a grayish clay hardpan veneered with sandstone pebbles. The associated access will be from an existing oilfield road that cuts across the center of the proposed pad and did not require any additional inventory. The associated pipeline heads south from the pad, crosses an existing road, and connects to an existing surface pipeline in the SE/SE/SE of the Section 3. Approximately 506 additional meters were inventoried for the pipeline corridor and it crossed terrain similar to that of its associated pad.

NBU #343

T.10S. R.22E. Section 8 NE/NW (map 4)

Proposed NBU #343 is approximately 1.4 miles west of the White River and 1.1 miles east of Sand Wash in the Bitter Creek Gas Field. It is positioned in the curve of an east facing ridge. This area is the head of an unnamed intermittent drainage that flows northeast into a system of dendritic drainages and eventually into the White River. Vegetation includes mixed grasses and forbs with sparse saltbush and sagebrush. It

covered approximately 10% of the ground surface and allowed excellent visibility. The associated access road snakes south to an existing oil field road in the SW/NE of Section 8. It required an additional 373 meters of inventory. The pipeline also runs south from the staked pad to connect to an existing surface pipeline in the NE/SW/NE of the project's section. It required approximately 152 meters of additional inventory. The terrain crossed by both the access and pipeline corridors was similar to that of the associated 10-acre inventory block.

NBU #346

T.10S. R.22E. Section 10 SE/SE (map 5)

This proposed well pad project is staked in the Bitter Creek drainage. Bitter Creek is in a deep and narrow canyon with large amounts of rimrock and down cutting tributary drainages. Bitter Creek flows almost due north into the White River. The pad is staked on the west side of the creek on its flood plain. Steep rock walls and ledges are on the east and west. The canyon bottom is covered with alluvial sand and gravel. Against the west side of the canyon the sand gives way to colluvial loam partially covered with sandstone blocks and boulders. Access will be from an improved dirt road that runs north and south through the canyon and crosses through the pad near its center. The access required no additional inventory. The associated pipeline will leave the northwest corner of the pad and heads north paralleling the existing road's west side to connect to an existing surface line in the vicinity of existing well NBU #293 (NE/SW/NE of Section 10). Approximately 900 meters of the proposed pipeline required additional inventory. Vegetation on the well pad block consists of high greasewood that forms a dense cover with an under story of mixed grasses, forbs and low shrubs. Approximately 50% of the surface was covered with vegetation which allowed only poor-to-fair surface visibility on most of the inventory block. Along the west side of the pad, above the sand bottom, and along the pipeline corridor, vegetation was sparse, covering only 10% of the surface and allowing excellent ground surface visibility.

Files Search

A files search for all of the well pad project locations was requested from the Utah Division of State History on August 31, 1998. A second files search, involving only the projects on BLM land, was conducted at the BLM, Vernal District Office on November 3, 1998. The locale of the present projects is a highly-developed oil and gas field and the files listed many previously conducted projects and cultural resources for the region. However, only proposed CIGE #238 was in a previously inventoried area. A previously recorded and potentially eligible site (48UN2143) is partly within the CIGE #238 project area. The previously recorded site is named the Ignacio Shelter (Scott 1994) and was recorded in 1994 by John Scott of MAC for the Reliable 3D seismic project (Spath 1994).

It is listed as a moderately dense lithic scatter around a prominent sandstone outcrop in a 39,250 sq. meter area. Included in the site inventory were chipped stone tools, a grinding slab, several bifaces and a rock shelter with rock art. The plotted location of the CIGE #238 inventory block appears to extend 200 feet onto site 48UN2143 and would probably impact the lithic scatter but not the rock shelter or rock art which appears to be at least 200 feet from the east edge of the 10-acre block. The only other site that appeared to be near any of the different project areas was 42UN2035. The southeast corner of the 10-acre inventory block for proposed CIGE #237 protruded less than 100 feet onto that site. 42UN2035 was recorded by James Truesdale (then of MAC) in July of 1992 for the CIGE #171 well pad project (Truesdale 1992). It is described as a large site (156,000 sq. m.) situated in a sequence of sand dunes. Artifacts listed in the site inventory included 17 ceramic sherds, 153 pieces of debitage, and stone tools, including both chipped and groundstone tools. Mr. Truesdale recommended the site to be eligible for listing on the National Register.

Another source of general information for the Uinta Basin, which was consulted prior to field work, is the three volume document *Paradigms and Perspectives, A Class I Overview of Cultural Resources in the Uinta Basin and Tavaputs Plateau* (Spangler 1995). This work provides good overviews of the history of cultural resource work conducted in the region, Uinta Basin cultural chronologies, and an annotated Bibliography. It should be consulted for further information on the cultural resources of the Uinta Basin.

Methods

The ten proposed Coastal Oil & Gas Company well locations, access roads, and pipelines were plotted on USGS 7.5' quadrangle maps and then inspected for cultural resource material. The access roads and proposed pipelines were investigated by examining the ground surface while walking two zigzag transects. One transect was walked on each side of the staked centerline, so that each side received 50 ft (15 meters) of coverage, equaling a total corridor width of 100 ft (30 meters). When linear corridors paralleled existing disturbance, the entire 100 ft was measured from the edge of the disturbance out. The proposed well locations were inventoried by inspecting a 10-acre block centered on the well pad's *location-to-drill* stake and oriented to the cardinal directions. This 10-acre block was examined by attentively observing the ground surface while walking parallel transects spaced 15-to-20 meters apart across the entire block. Special attention was given to areas of surface disturbance (i.e., rodent activities, previous construction areas, erosional areas). These areas were thoroughly inspected for signs of cultural material.

All recommendations for cultural properties on Ute Tribal land were discussed between the project archaeologist and accompanying Tribal Representative. When the

recommendations involved moving a staked portion of a project, the pertinent information was provided to the contracted survey company, who then made the changes. The changes made in the project staking were observed in the field by either the investigating archaeologist or the tribal representative.

Results and Recommendations

Ute Wells

Well projects NBU #314 and NBU #315 involved no cultural resources and cultural clearance is recommended for these two projects, as they are depicted on map 1 (Appendix A) and with no further stipulations. Cultural resources were encountered on the CIGE #237 and CIGE #238 projects and **cultural resource clearance is recommended for CIGE #237 and CIGE #238 only with the following stipulations and with the approval of the Uintah and Ouray Cultural Rights and Protection Department.**

On the CIGE #237 project a new prehistoric site with the potential to contain significant deposits was recorded (42UN2600), a small portion of previously recorded site 42UN2035 was encountered, and three isolates were discovered on the associated pipeline. The well pad centerstake for the CIGE #237 was moved 50 feet southwest. Moving the pad to the new location and limiting its construction to the staked boundaries will effectively avoid impacting any significant portions of 42UN2600. The portion of 42UN2035 in the original 10-acre inventory block was not in the construction zone of CIGE #237, and with the new location, 42UN2035 is even further from the construction area and will not be impacted. An isolate by definition is not significant and no further work is needed for the three recorded on the associated pipeline. It is further recommended that construction of the well pad be monitored by Ute Tribal Representative Mr. Ignacio, who is familiar with the project. This is to insure that construction does not exceed staked limits.

The proposed location and access of CIGE #238 was partially staked in previously recorded site 42UN2143, which appears significant and potentially eligible for the National Register. The centerstake was moved 260 feet to the northwest and that area inspected. This action effectively moved the well pad's APE outside of the site boundaries (Figure 1). In addition to moving the well, the access road was reconfigured further to the north to accommodate the pad's new location and to avoid the site. Although no cultural resources were observed in the proposed pad's new location, it is still close to a known site in sandy deposition, and because of that, it is recommended that construction of CIGE #238 be confined to the staked limits. It is also recommended that the pad's construction be monitored by a qualified archaeologist and Ute Tribal

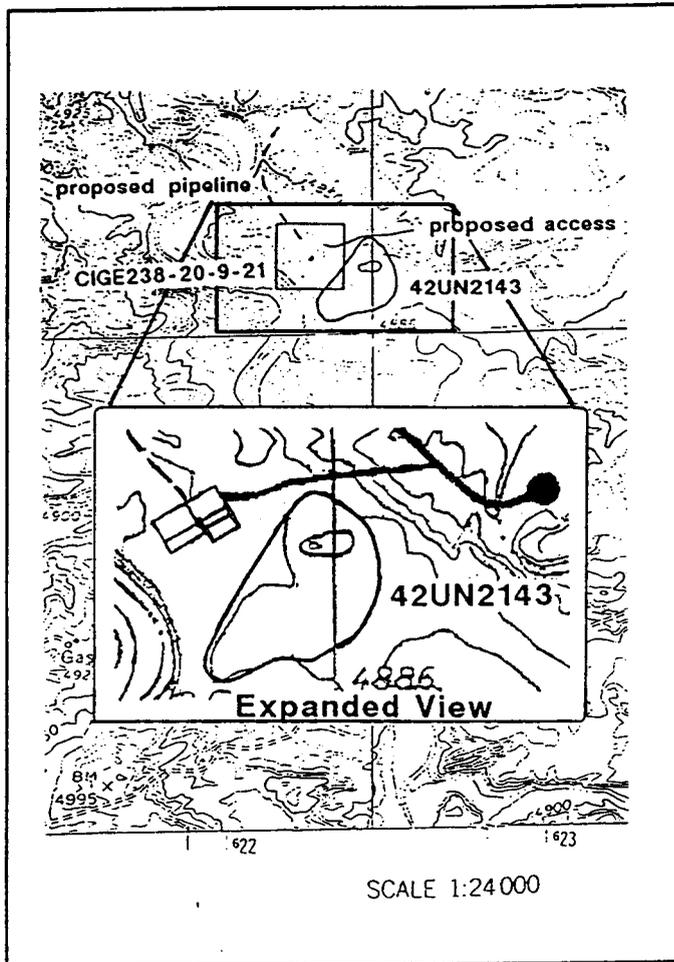


Figure 1 CIGE 238 project area showing relationship of new and recommended well pad location to 42UN2143

Representative to inspect for any new deposits that might be uncovered by construction, and to insure that construction does not exceed its staked limits.

BLM Wells

Five of the cultural resource inventories on the BLM land were negative, resulting in no cultural material being recorded. Near the access corridor of the sixth project (NBU #323) one historical site was recorded. This site, 42UN2599, is recommended to be not eligible for listing on the National Register. Cultural resource clearance is recommended for all six of the BLM well pad projects, as staked at the time of the inventories and depicted on maps 3, 4, and 5 (Appendix A).

Ute Sites

42UN2600

This prehistoric site consists of three rock overhangs on the south side of a large sandstone outcrop with a surrounding lithic scatter in a 4239 square meter area (Figure 2). The site is located two miles south of the White River and three miles east of Cottonwood Wash near the head of a major unnamed intermittent drainage. The drainage passes immediately south and east of the site and overbank flooding with wind erosion has exposed and shaped the overhangs on the south side of the outcrop (Figure 3). The three overhangs, which face south and southeast are 2 to 3 meters long and 1 to 1.5 meters high. Immediately north of the outcrop there is a deep sand dune that has good potential for buried deposits. However, most of the artifacts were observed on the south in and around the overhangs where there is very little deposition. Located southeast of the site is

a flat bench-like area covered with a spotty sand shadow, and the lithic scatter extends only a short distance onto this bench. Several previously recorded sites are in the general vicinity; 42UN2035 is located immediately opposite this site on the south side of the drainage.

The lithic scatter is concentrated around the large sandstone outcrop and consists of approximately 50 flakes, six bifaces (Figure 4), one uniface, two manos (Figure 5), and a sparse and diffuse scatter of FCR. Some of the flakes and tools were in two different concentrations (#1 and #2). The concentrations were located below the sandstone overhangs and may be collector piles. Concentration #1 measured approximately 1 x .5 meters and is located south of the sandstone outcrop at the edge of the drainage channel's north bank. This area is slightly sandy and the concentration is under bushes growing along the drainage bank. Its inventory includes three bifaces (2, 3, and 4) with 15 flakes and core fragments, all of quartzite and chert. Concentration #2 measured .5 X .5 meters,

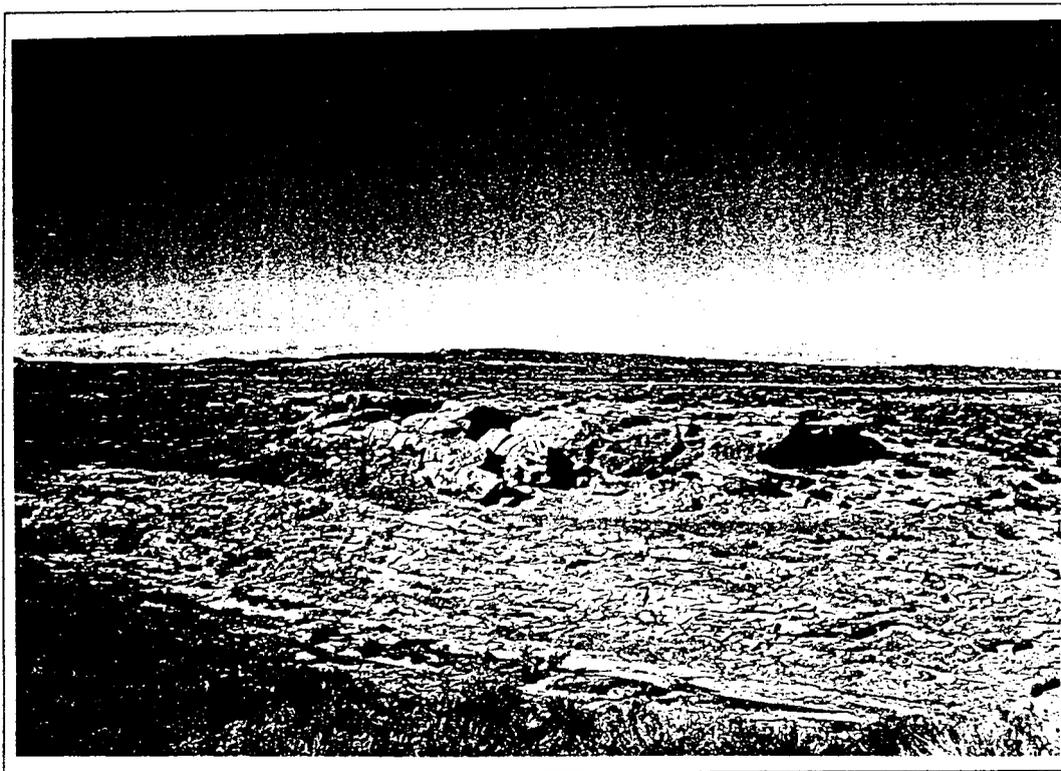


Figure 2 Site overview of 42UN2600 looking NNW (Exp.#4. RII. #68-98)

and is located at the southeast end of the site just below the drip line of the farthest eastern overhang. Its inventory includes three cores, biface # 5, one uniface, and five flakes, all of quartzite and chert. Neither of these concentrations have potential for buried deposits at their locations. In general, the most common lithic reduction stage observed was tertiary with far fewer decortication and secondary stages present. All but two of the

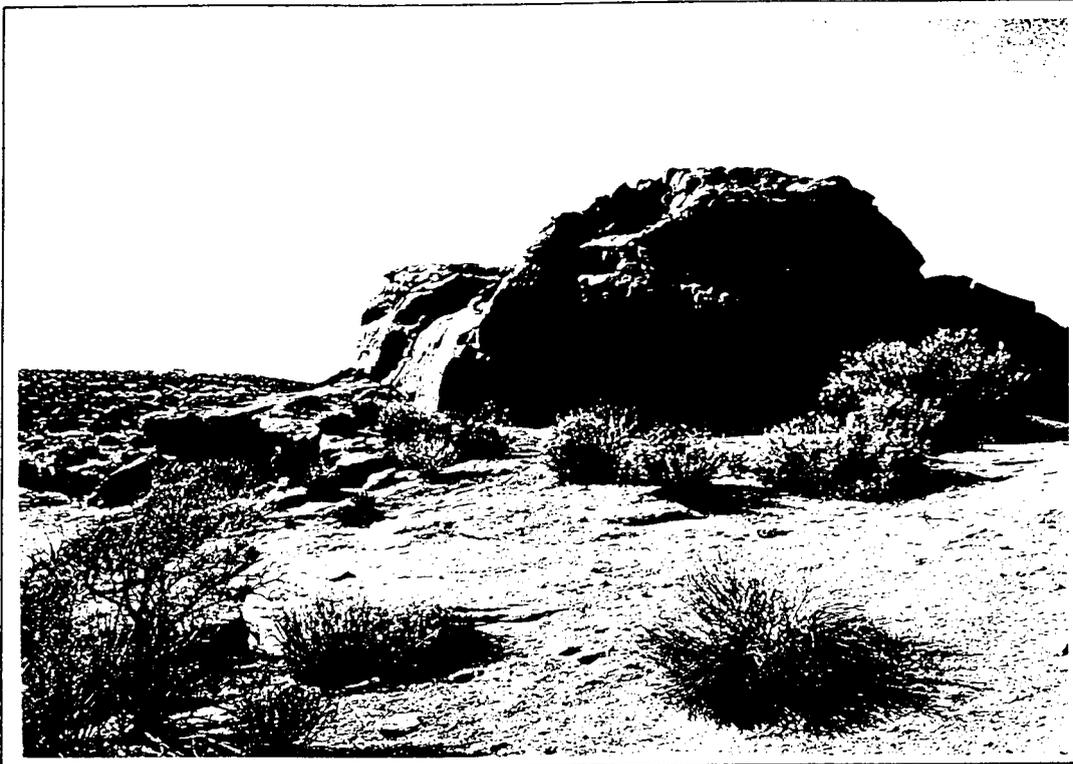


Figure 3 View of largest overhang at the southeast end of 42UN2600 looking W (Exp. # 15, RII.# 68-98)

bifaces were in the two concentrations. Biface #1 is a small quartzite cobble with black cortex and a yellowish brown interior. It measures 8.7 X 4.2 X 2 cm. Biface #2 has been manufactured from a very fine grained multicolored quartzite pebble. It measures 2 X 3 X 1.7 cm. Biface #3 is of brown chert and measures 9.3 X 4 X 1.7 cm. Biface #4 has been manufactured from a coarse brown chert and measures 5 X 6.5 X 2.5 cm. Biface #5 has been manufactured from brown chert and measures 7 X 5 X 2.5 cm. Biface #6 was manufactured from a coarse grained banded chert and measured .7 X 4.5 X .2. The single uniface measured 6 X 4.5 X 1.5 and was manufactured from brown chert. The groundstone included two manos. Mano #1 is located on the south edge of the site below the overhangs. It is a small, oddly shaped sandstone cobble with only one grinding surface. Mano #2 is on the north east edge of the site above a wind-scoured shallow sandstone alcove. It is a rectangular shaped flat quartzite mano, which has been ground and pecked on one side. The shape and size of the manos can be seen in Figure 5.

This site has not been evaluated as to its eligibility for listing on the National Register, but has potential for intact buried deposits. The present project was originally laid out so that it would impact the east side of the sandstone outcrop and part of the deep dune to the south. The project area has been moved further south and will not impact the dune or the outcrop, but will affect the few flakes on the deflated bench. Only three

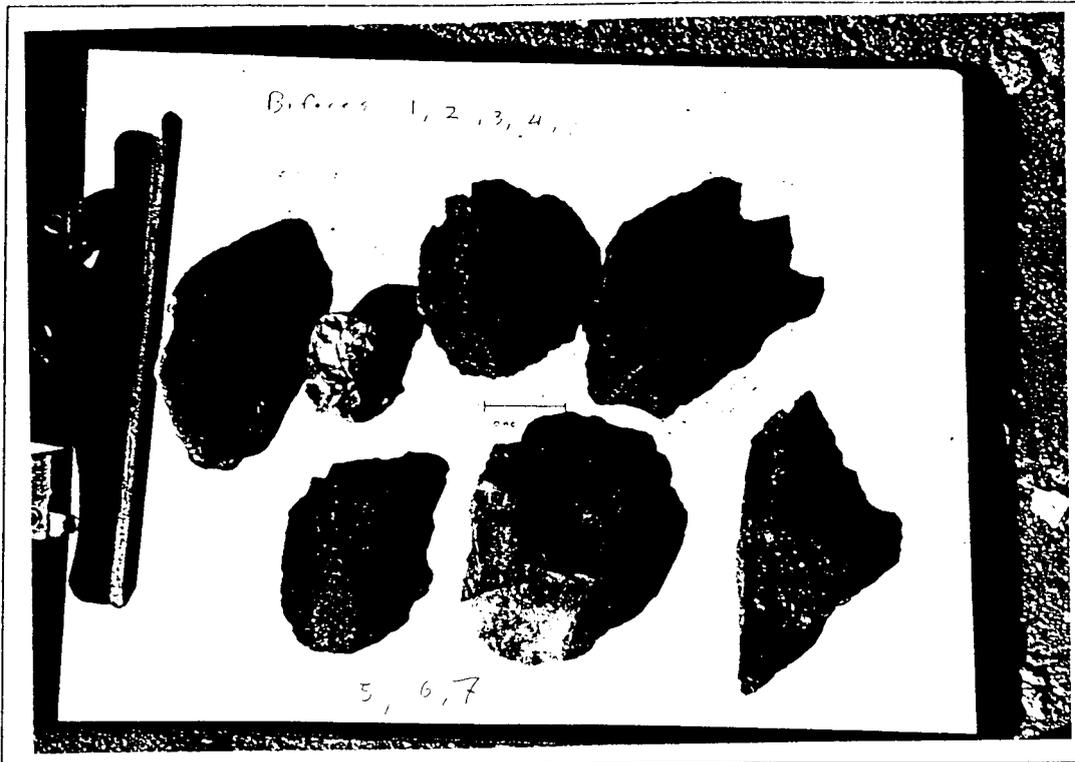


Figure 4 Six bifaces from 42UN2600. The last artifact on the right is an uniface (Exp. #12. Rll. #68-98)

flakes were observed in that area and they are on thin hardpan clay that overlays bedrock. The area of the site affected by the present project is not significant and does not contribute to the overall potential significance of the site.

42UN2143

This site is a significant multi-component site named the Ignacio Shelter. It was previously recorded by the author in 1994 during the Reliable Exploration's Coastal Oil and Gas 3D Prospect project. During the present project's revisit, an additional projectile point fragment was discovered (Figure 6). Other than the new artifact, the site appeared to be the same as originally recorded.

The site consists of various colored chert and quartzite flakes, four projectile points, one groundstone slab, and several bifaces, all centered around a sandstone outcrop with a rock shelter at its west end. Aeolian sand with good potential for depth and buried deposits also surrounds the outcrop. The site area totals 39,250 square meters. Near the shelter is a brown sandstone panel with a pecked figure that resembles a hunched-back person. A historical material scatter and rock feature are also present. The historical material consists of a sparse scatter of cans and ceramics. The rock feature is a pile of

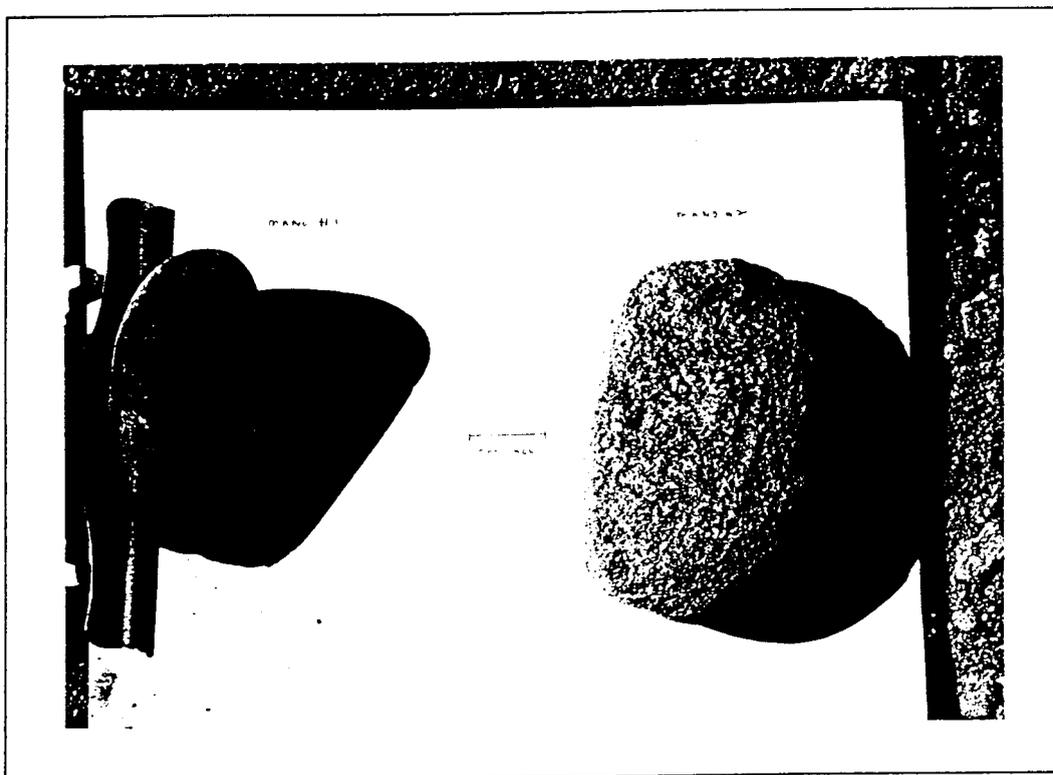


Figure 5 Two manos observed on site 42UN2600 (Exp. #10, Rll. #68-98)

sandstone that has partially collapsed. The prehistoric component inventory lists more than 500 pieces of different colored quartzite, chert and siltstone debitage. A 40% sample indicated that tertiary flakes were dominant with secondary common. Decortication flakes, shatter, and cores were also present, but in substantially fewer amounts. Only two pieces of fire cracked rock (FCR) were observed during the initial recording. The three originally recorded projectile points were corner-notched, but the newly recorded point appears to be side-notched.

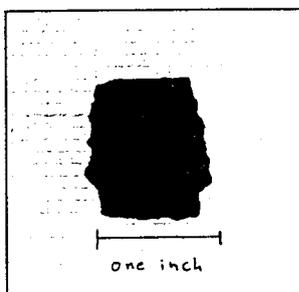


Figure 6 New projectile point found on 42UN2143 (Exp. #8, Rll. #68-98)

The rock shelter is at the west end of the sandstone outcrop and is formed by a natural overhang and a large boulder. The shelter measures 3.5 meters (back wall-to-drip line) by 3 meters (sidewall-to-sidewall) and is 1.9 meters high. The ceiling angles back and down from the drip line to a back wall .4 of a meter high. There is a small amount of deposition inside the shelter. The pecked figure is on a panel just outside of the shelter and appears to be badly deteriorated with perhaps 40% destroyed.

This site has been recommended to be potentially eligible for the National Register and as such should not be impacted by development. The original location of the present project was aligned so that it clearly would impact the site's eastern side where there are artifacts and aeolian sands that could contain intact buried cultural deposits. Consequently, it was recommended that the project be moved. A location further to the northwest was selected and inspected, and the project restaked at the new location. Although the new location is nearby, the project's construction will not impact the site (Figure 1).

Ute Isolated Finds

IF-237/1

This isolate consists of one brown chert uniface fragment. It is located on gray degraded clay hardpan at the south end of an existing well pad. The location has probably been impacted by construction and more recently, heavily sheet washed, and there is no chance for buried deposits. Vegetation was very sparse, but sagebrush and saltbush were in the general area. There are several large sites in the vicinity of this artifact in an environment susceptible to erosion, consequently, it is expected that isolated artifacts would be found outside of the sites. This artifact lacks integrity and is at a location with no chance for buried deposits. The resource is not significant, it has been adequately recorded, and no further work is needed.

IF-237/2

This resource consists of three flakes in a 5 X 5 meter area on gray clay hardpan. It is located between an oilfield road immediately on the north and a sand dune immediately on the south. The sand dune is the same dune that site 42UN2600 extends into, but at the dune's south end. This isolate is more than 50 meters away from the most northern artifact of 42UN2600. The flakes include one banded coarse quartzite primary flake and two white chert flakes, 1 primary and 1 secondary. Vegetation is very sparse, but rabbitbrush and greasewood are in the surrounding area. There are several large sites in the vicinity of this artifact in an environment susceptible to erosion, consequently, it is not unexpected for isolates to occur outside of the sites. This artifact is not significant and at a location with no chance for buried deposits. The resource has been adequately recorded and no further work is needed.

IF-237/3

This isolate consists of one reddish quartzite cobble fragment that may have been a two-handed mano. It is ground and pecked on one side and measures 14 X 7.5 X 7.5 cm. The artifact is at the east end of a degraded flat and just west of an intermittent

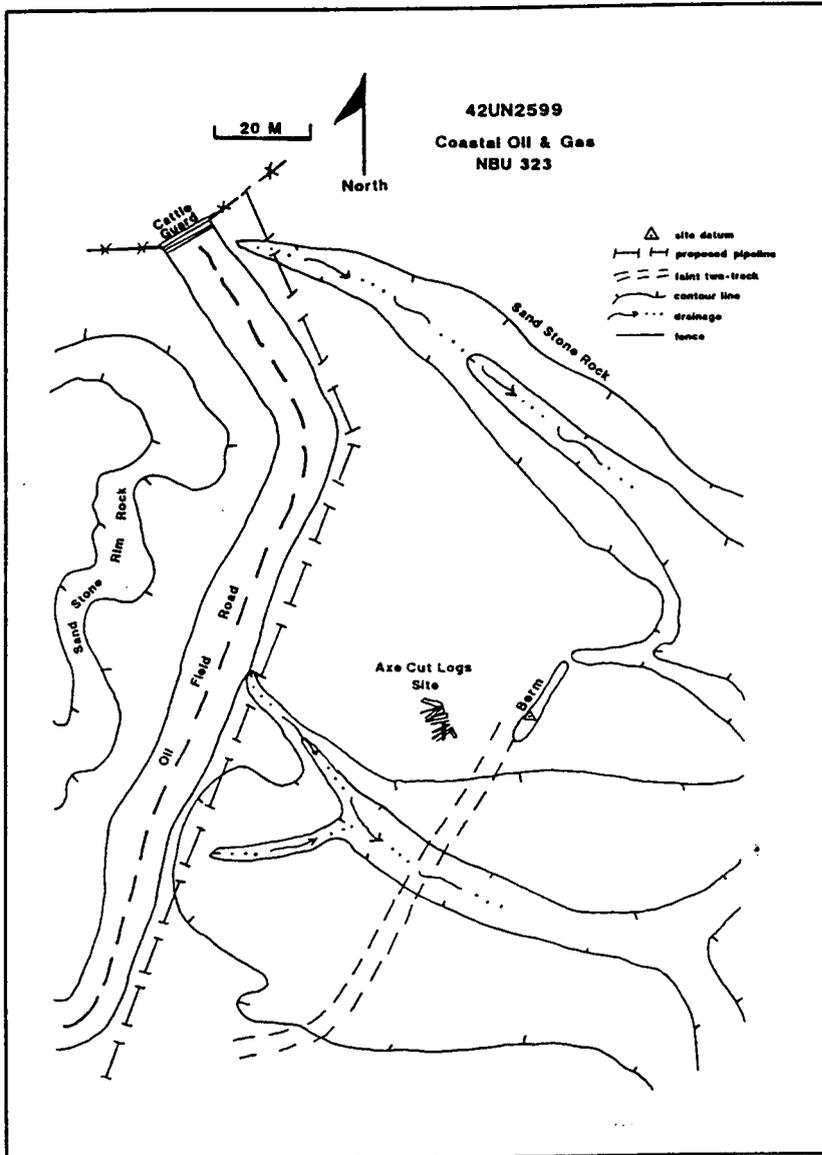


Figure 7 Sketch map of 42UN2599

drainage that has cut a channel at the flat's east end. The area has been heavily sheet washed leaving a hardpan of gray silty clay with several loose cobbles on the surface. There is very sparse vegetation, but rabbitbrush and greasewood surround the location. This artifact lacks integrity and is at a location with no chance for buried deposits. It is not significant, it has been adequately recorded, and no further work is needed.

BLM Sites

42UN2599

This historic site consists of 19 juniper logs located on a finger-like bench above a drainage to the east (Figure 7). The logs are approximately 30 meters east of an existing oilfield road and 120 meters south of the fence line that marks the boundary between BLM and Ute Tribal property. There are hills with sandstone rimrock west of the road and buttes to the north/northeast. Just eight meters east of the logs there is evidence of mechanical blading and a berm of earth. This may have been a road of some sort, but is

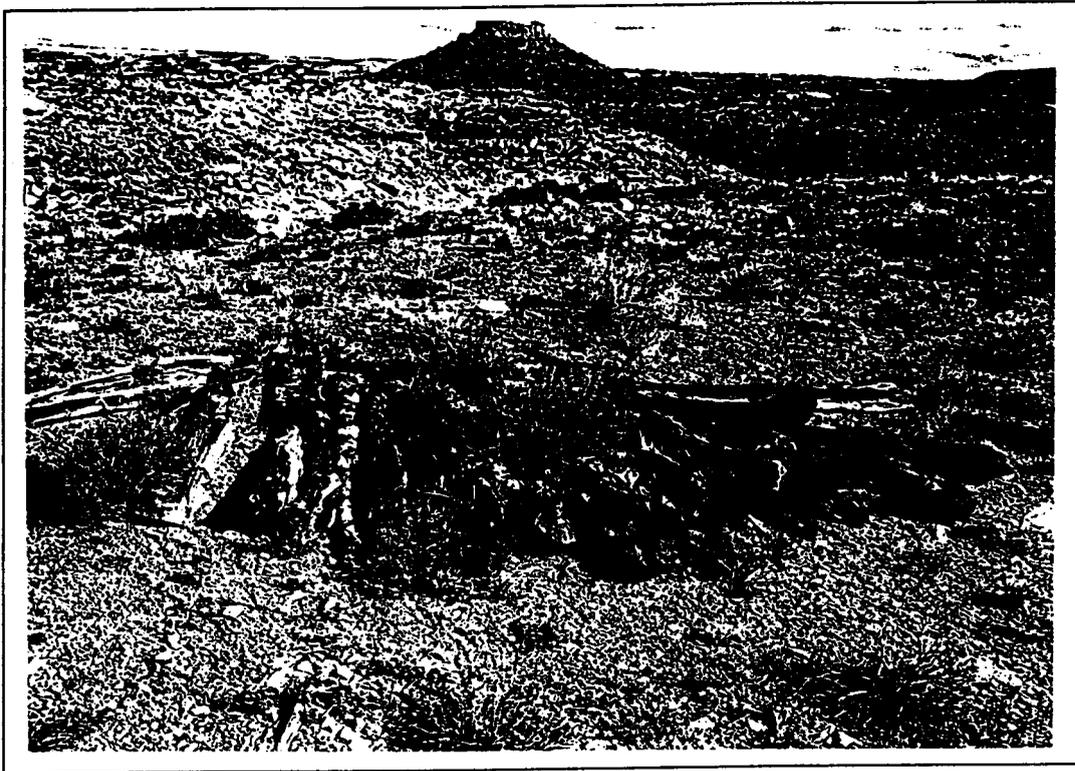


Figure 8 Overview of logs ((42UN2599) looking NNE (Exp. 6, Rll. 68-98)

mechanical blading and a berm of earth. This may have been a road of some sort, but is presently very faint, lacks ruts, and appears to end at this location. The site has good views to the east. The logs are lying side-by-side, aligned east-to-west, and measured between 2.5 and 3.0 meters long (Figure 8). All have axe cut bottoms and the bottoms are thicker (15-16 cm) than the tops. Bark is still present on some of the logs. At the time of discovery, it was thought that the logs could represent a collapsed structure, such as a wickiup, and certainly, they could still be used to construct such a structure. But, a more plausible explanation for their use, is that they were either part of, or were to be used in the fence line that marks the boundary between Ute Tribal land and public land, which is located 120 meters to the north. That fence line is presently constructed with metal poles. The site has been adequately recorded, holds no further information important in history, and no further work is recommended.

References Cited

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

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- 1994 *Intermountain Antiquities Computer System (IMACS) Site Form, 42UN2143*. On file, Utah Division of State History, Salt Lake City.

Spath, Carl

- 1994 *Reliable Exploration's Coastal oil and Gas 3D Prospect on the Uintah Ouray Ute Reservation, T9S, R21E Sections 4-9, 16-21, and 28-30, Uintah County, Utah, Class III Cultural Resource Inventory*. Metcalf Archaeological Consultants, Inc., Eagle, CO. Manuscript on file, Utah Division of State History, Salt Lake City.

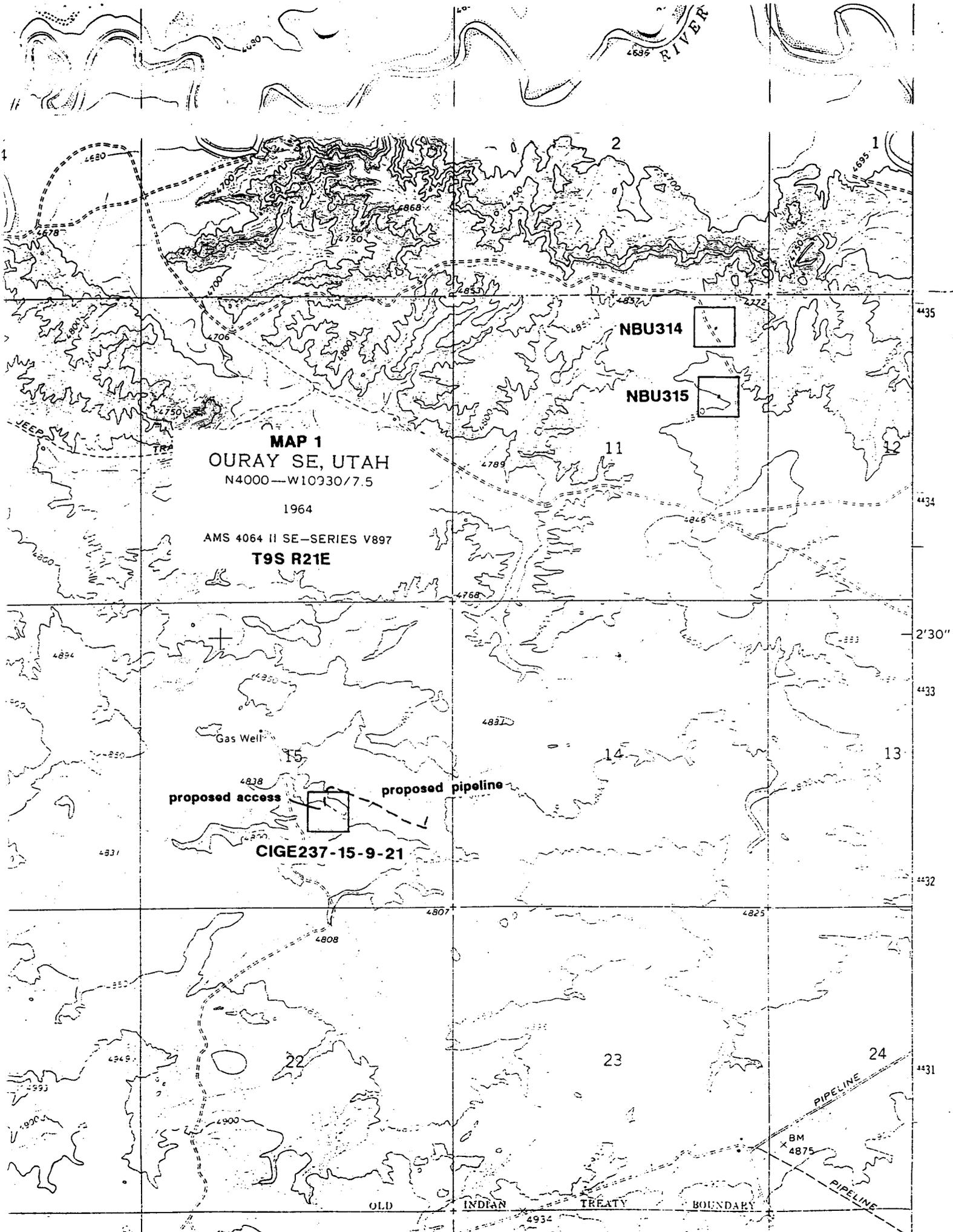
Stokes, M.

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

Truesdale, James A.

- 1992 *Results of a Class III Cultural Resource Inventory for Coastal Oil and Gas Company Proposed Well Location of CIGE-171 its Access and Flow Line*. Metcalf Archaeological Consultants, Eagle, CO. Report on file with Utah Division of State History.

APPENDIX A
(Project Location Maps)



MAP 1
OURAY SE, UTAH
N4000—W10330/7.5
1964
AMS 4064 II SE—SERIES V897
T9S R21E

NBU314

NBU315

proposed access

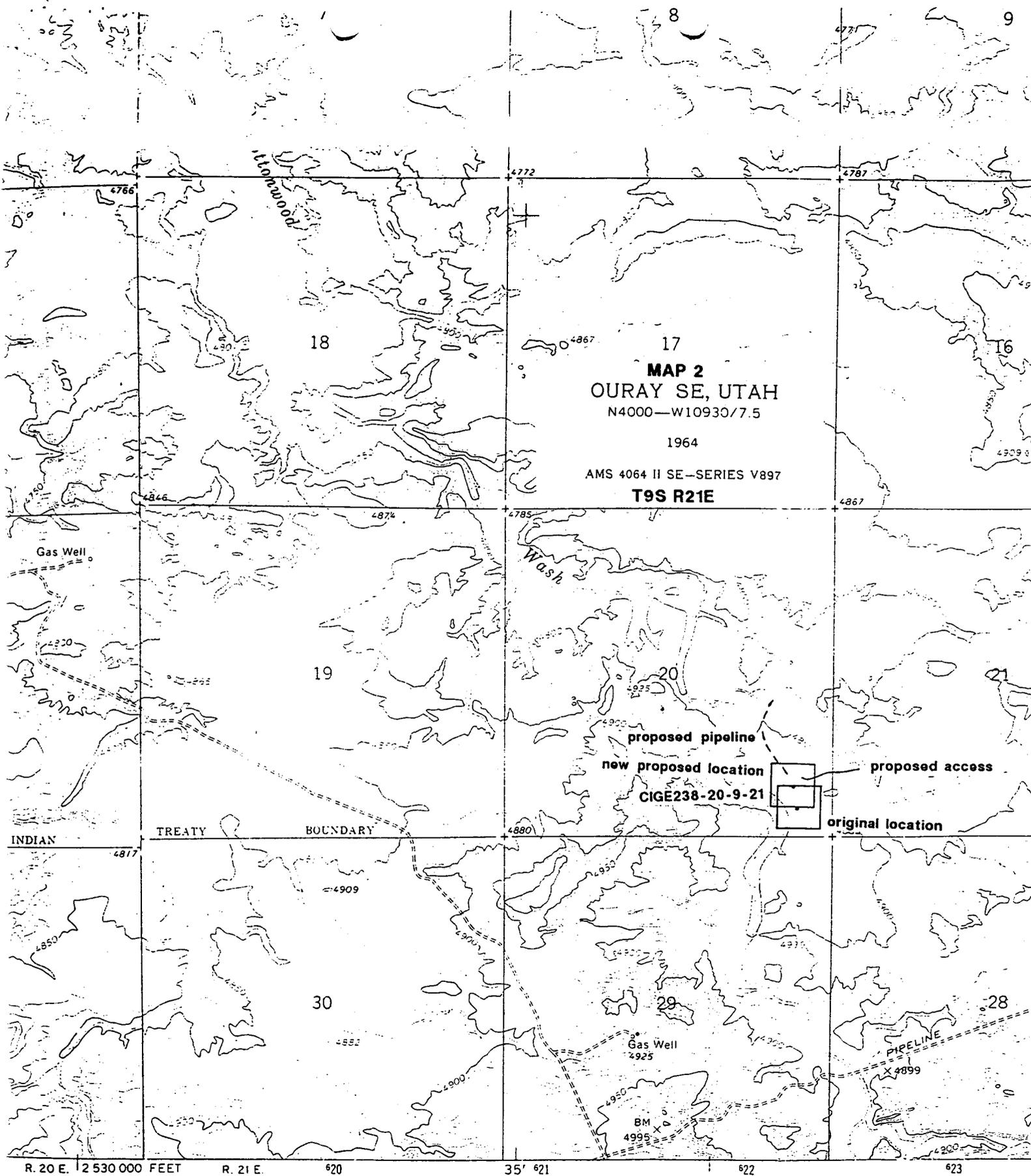
proposed pipeline

CIGE237-15-9-21

OLD INDIAN TREATY BOUNDARY

PIPELINE

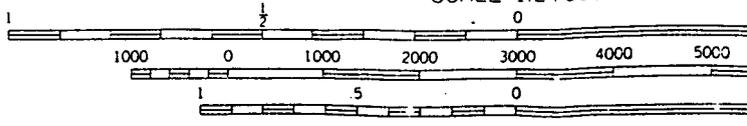
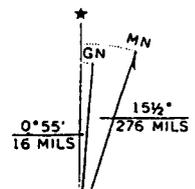
BM 4875



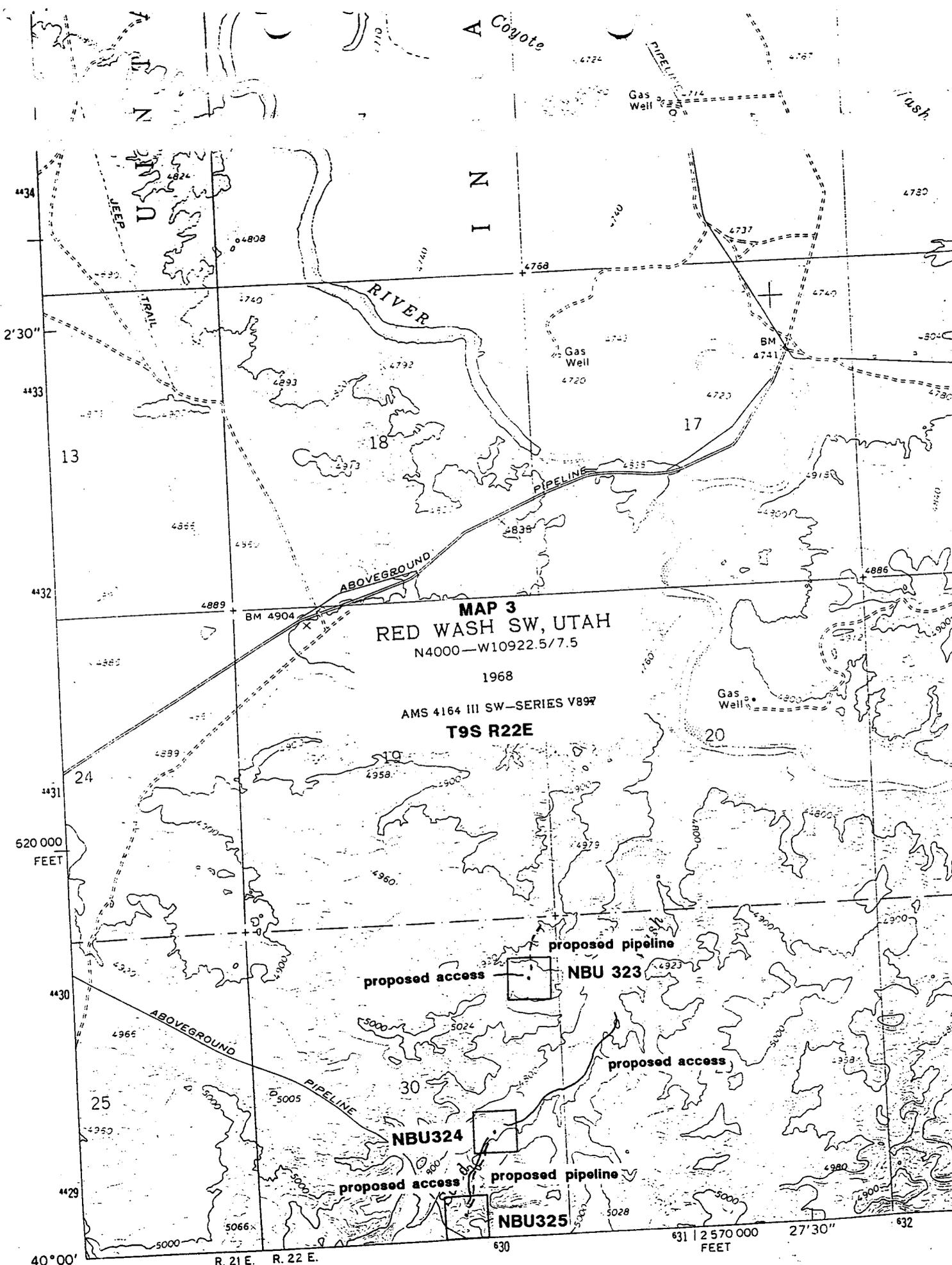
by the Geological Survey
of Reclamation

SCALE 1:24 000

Methods from aerial
rechecked 1964
American datum
ordinate system, central zone
mercator grid ticks

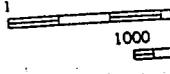


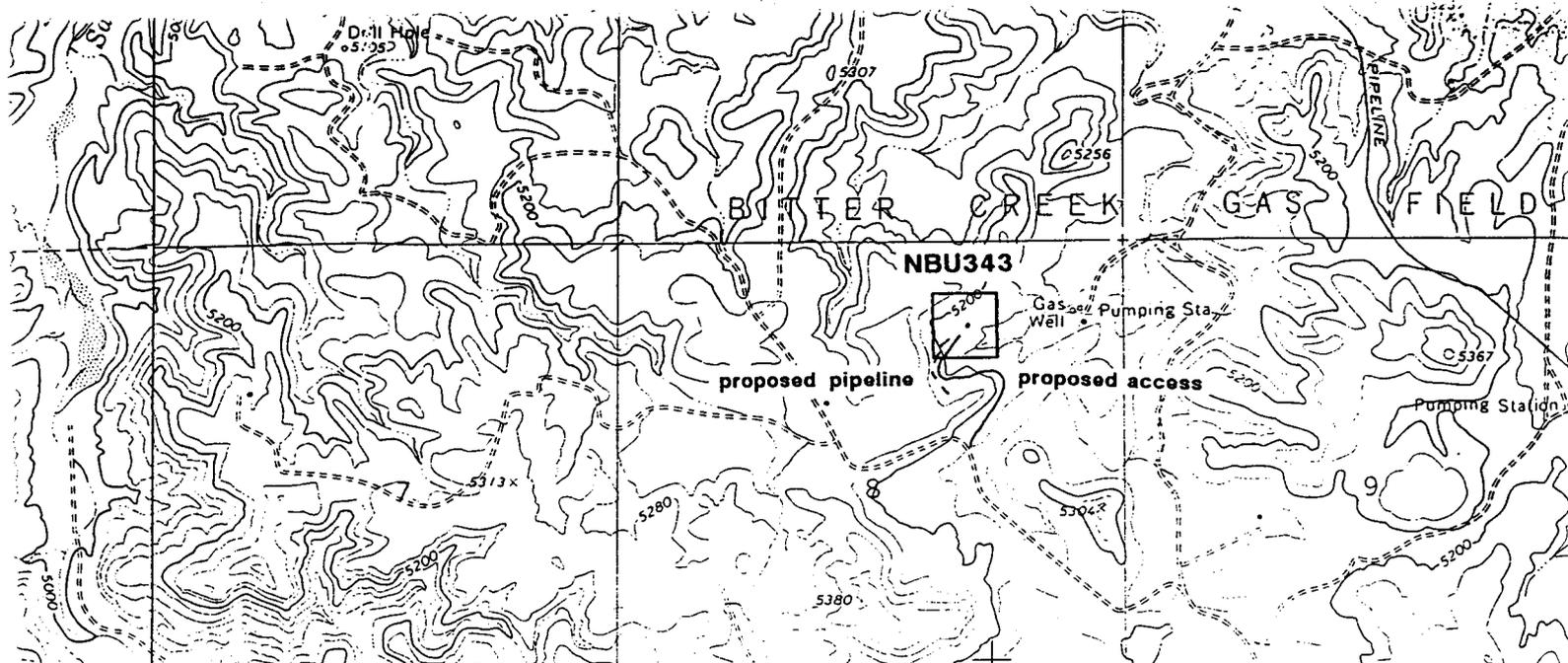
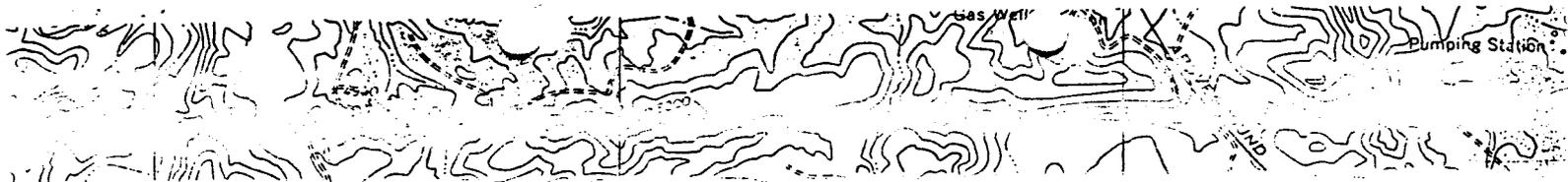
CONTOUR INTERVAL 10 FEET
DOTTED LINES REPRESENT 5-FOOT CONTOURS
DATUM IS MEAN SEA LEVEL



MAP 3
RED WASH SW, UTAH
 N4000—W10922.5/7.5
 1968
 AMS 4164 III SW—SERIES V897
T9S R22E

Mapped, edited, and published by the Geological Survey
 Control by USGS and USC&GS





NBU343

proposed pipeline

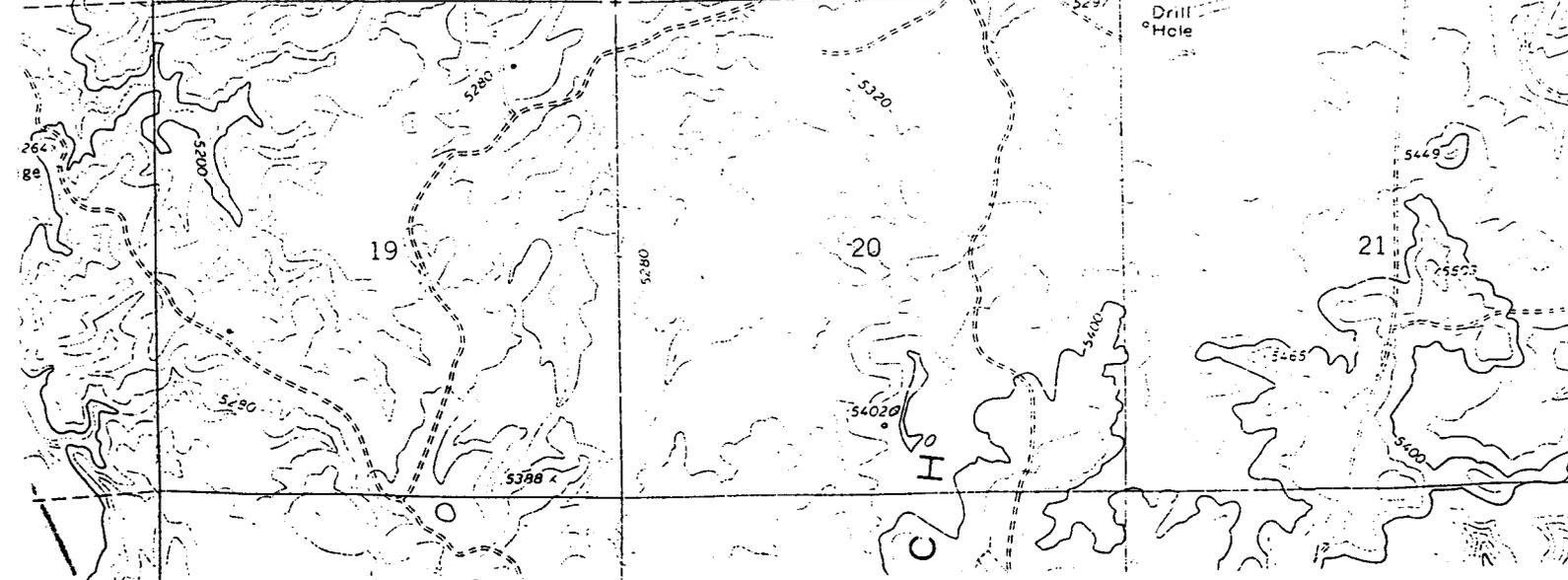
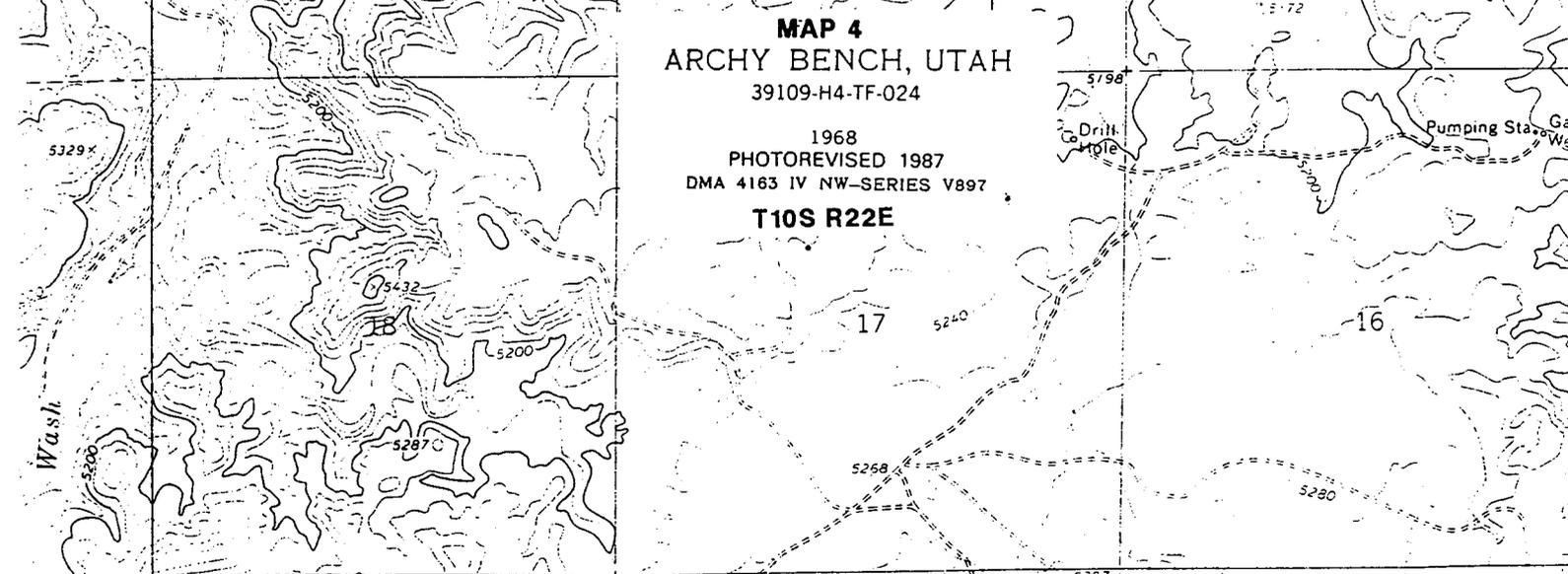
proposed access

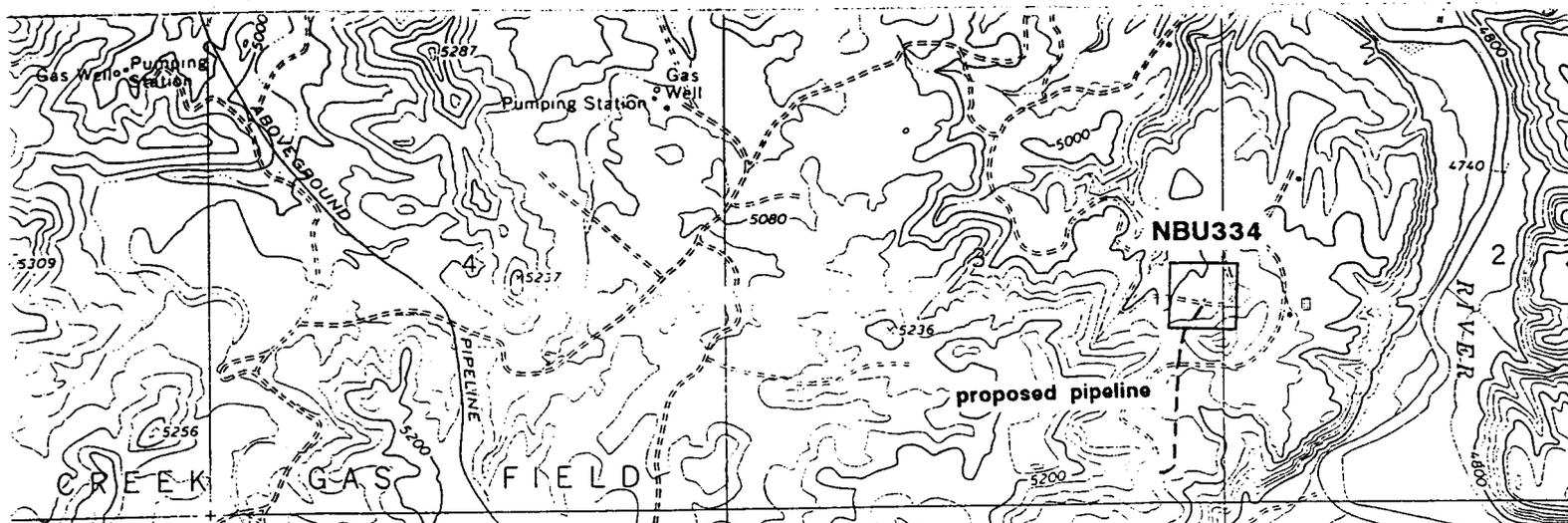
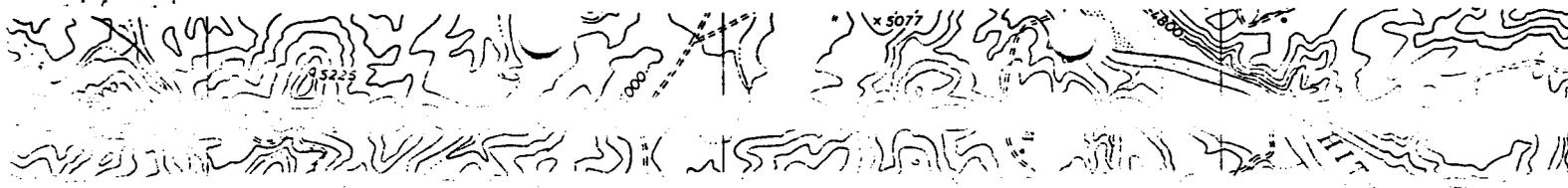
MAP 4
ARCHY BENCH, UTAH

39109-H4-TF-024

1968
PHOTOREVISED 1987
DMA 4163 IV NW-SERIES V897

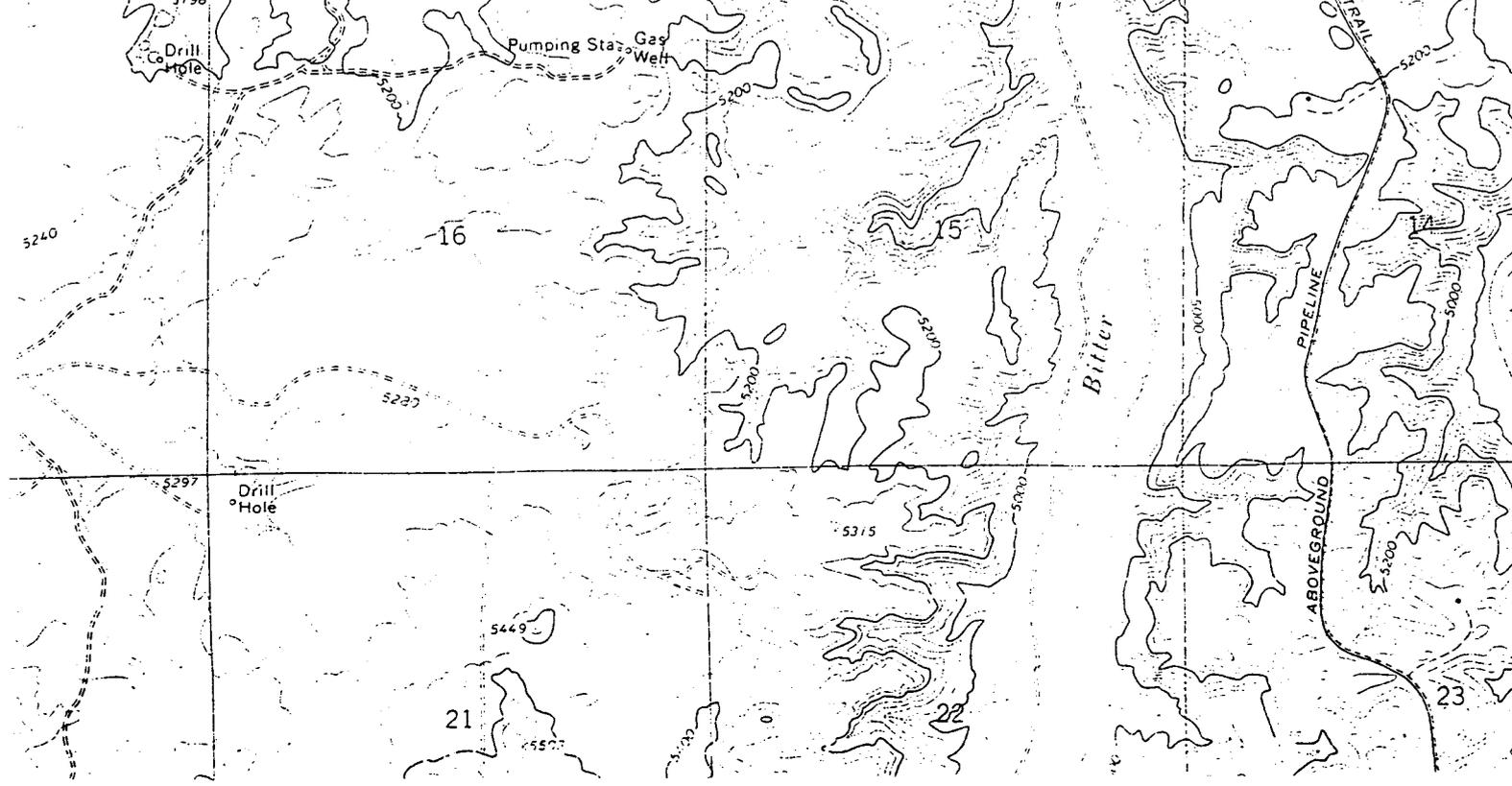
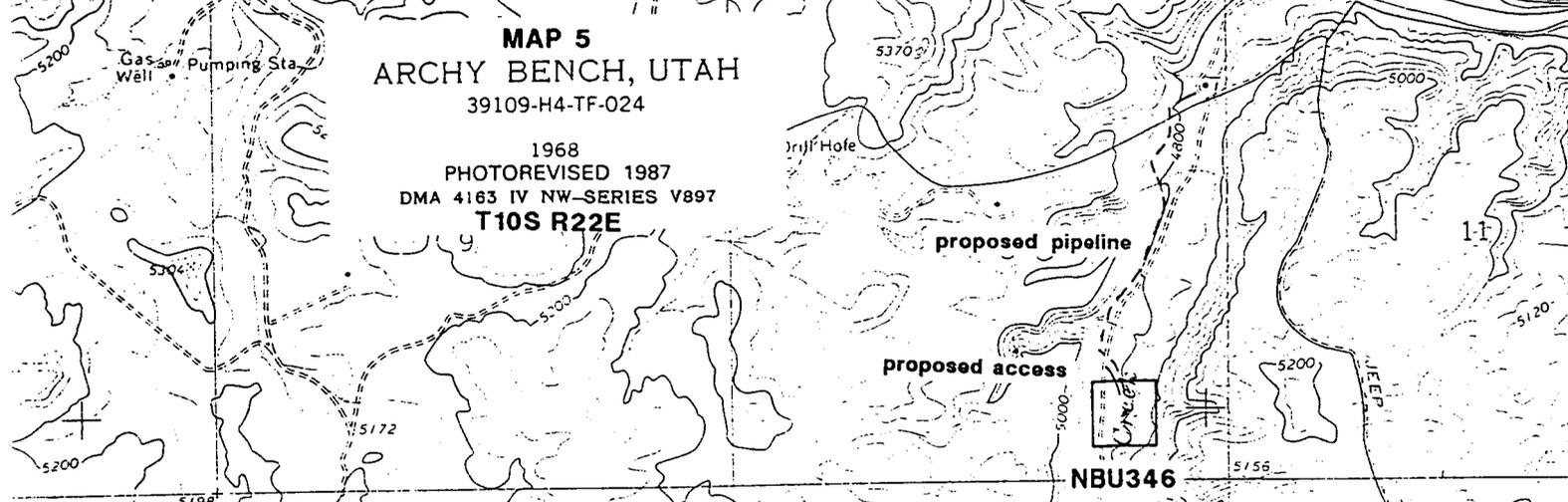
T10S R22E





MAP 5
ARCHY BENCH, UTAH
39109-H4-TF-024

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



APPENDIX B
(Site and Isolate Forms)



January 10, 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:

| | | |
|-----------------|-------|--------------------|
| NBU #315 | SE/NE | Sec.11, T9S, R21E |
| CIGE #237 | NW/SE | Sec.15, T9S, R21E |
| FEDERAL #35-179 | SW/NE | Sec. 35, T8S, 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 • PO BOX 1148 • VERNAL UT 84078 • 435/789-4433 • FAX 435/789-4436

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 01/17/2001

API NO. ASSIGNED: 43-047-33878

WELL NAME: CIGE 237
 OPERATOR: COASTAL OIL & GAS CORP (N0230)
 CONTACT: CHERYL CAMERON

PHONE NUMBER: 435-781-7023

PROPOSED LOCATION:

NWSE 15 090S 210E
 SURFACE: 1634 FSL 2127 FEL
 BOTTOM: 1634 FSL 2127 FEL
 UINTAH
 NATURAL BUTTES (630)

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

LEASE TYPE: 1-Federal
 LEASE NUMBER: U-010950-A
 SURFACE OWNER: 2-Indian

PROPOSED FORMATION: WSTC

RECEIVED AND/OR REVIEWED:

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

LOCATION AND SITING:

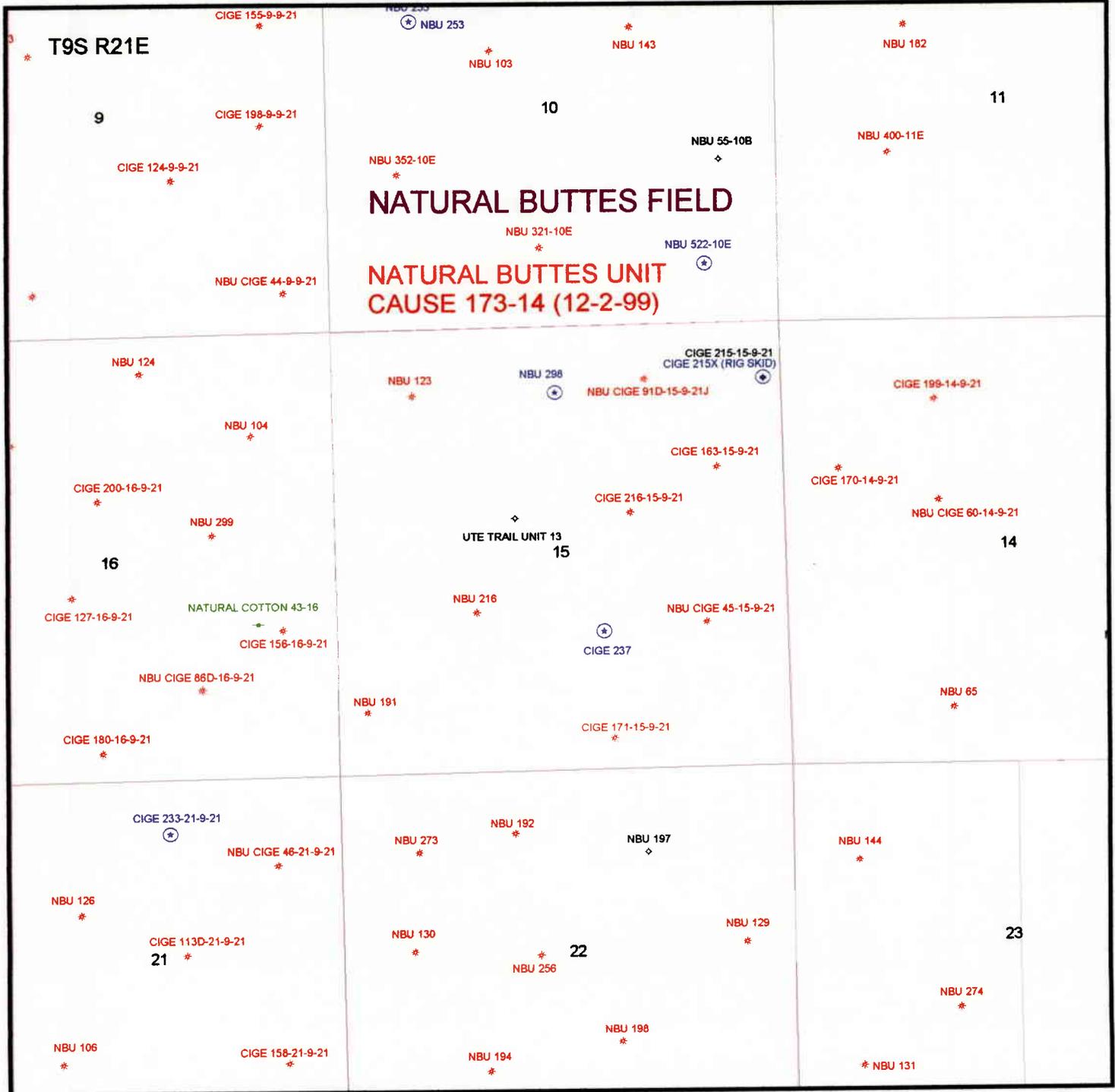
- R649-2-3. Unit NATURAL BUTTES
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: 173-14
Eff Date: 12-2-99
Siting: 460' fr Unit Boundary & Uncomm. Tract.
- R649-3-11. Directional Drill

COMMENTS: NBU SOP, separate file.

STIPULATIONS: ① FEDERAL APPROVAL
② OIL SHALE



OPERATOR: COASTAL O&G CORP (N0230)
 FIELD: NATURAL BUTTES (630)
 SEC. 15, T9S, R21E,
 COUNTY: UINTAH UNIT: NATURAL BUTTES
 CAUSE: 173-14





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

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

January 29, 2001

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

Re: CIGE 237 Well, 1634' FSL, 2127' FEL, NW SE, Sec. 15, T. 9 South, R. 21 East,
Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-33878.

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 CIGE 237

API Number: 43-047-33878

Lease: U-010959-A

Location: NW SE **Sec.** 15 **T.** 9 South **R.** 21 East

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

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

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

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

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 GAS WELL OTHER _____

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

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

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER: Exhibit "A"

9. API NUMBER:

10. FIELD AND POOL, OR WILDCAT:

4. LOCATION OF WELL: FOOTAGES AT SURFACE: COUNTY: STATE: UTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

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: Name Change |
| | <input type="checkbox"/> CONVERT WELL TYPE | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION | |

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

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

See Exhibit "A"

Bond # 400JU0708

Coastal Oil & Gas Corporation

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

SIGNATURE [Signature] DATE 06-15-01

El Paso Production Oil & Gas Company

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

SIGNATURE [Signature] DATE 06-15-01

(This space for State use only)

RECEIVED

JUN 19 2001

DIVISION OF OIL, GAS AND MINING

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 14 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.

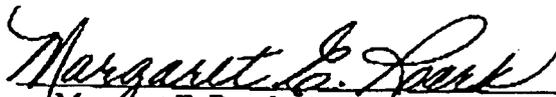
IN WITNESS WHEREOF, said COASTAL OIL & GAS CORPORATION has caused this certificate to be signed on its behalf by a Vice President and attested by an Assistant Secretary, this 9th day of March 2001.

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 | |

OPERATOR CHANGE WORKSHEET

ROUTING

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

Enter date after each listed item is completed

Change of Operator (Well Sold)

Designation of Agent

Operator Name Change (Only)

X Merger

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

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

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

CA No. Unit: NATURAL BUTTES

WELL(S)

| NAME | API NO | ENTITY NO | SEC TWN RNG | LEASE TYPE | WELL TYPE | WELL STATUS |
|----------------------|--------------|-----------|-------------|------------|-----------|-------------|
| NBU 216 | 43-047-32487 | 2900 | 15-09S-21E | FEDERAL | GW | P |
| CIGE 216-15-9-21 | 43-047-32920 | 2900 | 15-09S-21E | FEDERAL | GW | P |
| NBU 298 | 43-047-33041 | 2900 | 15-09S-21E | FEDERAL | GW | P |
| CIGE 215X | 43-047-33690 | 2900 | 15-09S-21E | FEDERAL | GW | P |
| CIGE 237 | 43-047-33878 | 99999 | 15-09S-21E | FEDERAL | GW | APD |
| NBU CIGE 45-15-9-21 | 43-047-30528 | 2900 | 15-09S-21E | FEDERAL | GW | P |
| NBU CIGE 78C-16-9-21 | 43-047-30870 | 2900 | 16-09S-21E | FEDERAL | GW | P |
| NBU 124 | 43-047-31971 | 2900 | 16-09S-21E | FEDERAL | GW | P |
| CIGE 157-16-9-21 | 43-047-32160 | 2900 | 16-09S-21E | FEDERAL | GW | P |
| CIGE 200-16-9-21 | 43-047-32802 | 2900 | 16-09S-21E | FEDERAL | GW | P |
| NBU 34-17B | 43-047-30404 | 2900 | 17-09S-21E | FEDERAL | GW | S |
| NBU 105 | 43-047-32302 | 2900 | 17-09S-21E | FEDERAL | GW | P |
| NBU 125 | 43-047-32350 | 2900 | 17-09S-21E | FEDERAL | GW | P |
| NBU 316-17E | 43-047-32381 | 2900 | 17-09S-21E | FEDERAL | GW | P |
| NBU 228 | 43-047-32636 | 2900 | 17-09S-21E | FEDERAL | GW | P |
| NBU 254 | 43-047-32803 | 2900 | 17-09S-21E | FEDERAL | GW | P |
| NBU 30-18B | 43-047-30380 | 2900 | 18-09S-21E | FEDERAL | GW | P |
| CIGE 72-18-9-21 | 43-047-30634 | 2900 | 18-09S-21E | FEDERAL | GW | P |
| CIGE 129-18-9-21 | 43-047-32043 | 2900 | 18-09S-21E | FEDERAL | GW | P |
| NBU 304-18E | 43-047-32130 | 2900 | 18-09S-21E | 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 reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
U-010950-A

6. If Indian, Allottee or Tribe Name
U&O

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

8. Well Name and No.
CIGE #237

9. API Well No.
43-047-33878

10. Field and Pool, or Exploratory Area
Natural Buttes

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
El Paso Production

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)
**NWSE 1634' FSL & 2127' FEL
Sec. 15, T9S, R21E**

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

Operator requests that authorization be granted to amend the approved TD OF ~~8300'~~^{8200'} TO 7700' for the subject well. This well will also be drilled under the approved Standard Operating Procedure (SOP).

A one year APD extension is requested in order for drilling operations to continue.

RECEIVED
DEC 20 2001
DIVISION OF
OIL, GAS AND MINING

COPY SENT TO OPERATOR
Date: 01-04-02
Initials: CHC

**Approved by the
Utah Division of
Oil, Gas and Mining**
01-02-01
[Signature]

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

Name (Printed/Typed)
Cheryl Cameron

Signature
[Signature]

Title
Regulatory Analyst

Date
December 19, 2001

THIS SPACE FOR FEDERAL OR STATE USE

Approved by _____ Title _____ Date _____

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

Office _____

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

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

| | | |
|--|--|---|
| 1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER | | 5. Lease Serial No. U-010950-A |
| b. 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 U&O |
| 2. Name of Operator El Paso Production Oil & Gas Company | | 7. If Unit or CA Agreement, Name and No. Natural Buttes |
| 3A. Address P.O. Box 1148 Vernal, UT 84078 | 3b. Phone No. (include area code) (435) 781-7023 | 8. Lease Name and Well No. CIGE 237 |
| 4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NWSE 1634' FSL & 2127' FEL At proposed prod. Zone | | 9. API Well No. |
| 14. Distance in miles and direction from nearest town or post office* 16.2 Miles Northeast of Ouray, UT | | 10. Field and Pool, or Exploratory Natural Buttes |
| 13. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1634' | 16. No. of Acres in lease 800 | 11. Sec., T., R., M., or Blk, and Survey or Area Sec. 15, T9S R21E |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. Refer to Topo C | 19. Proposed Depth 7700' | 12. County or Parish Uintah |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4791.9' GL | 22. Approximate date work will start* Upon Approval | 13. State UT |
| 20. BLM/BIA Bond No. on file BLM - WY 3457 | | |
| 23. Estimated duration To Be Determined | | |

24. Attachments

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

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

| | | |
|--|---|--------------------|
| 25. Signature | Name (Printed/Typed) Cheryl Cameron | Date 12/17/2001 |
| Title Regulatory Analyst | | |
| Approved by (Signature) | Name (Printed/Typed) EDWIN I FORSMAN | Date 12/20/01 |
| Title acting Assistant Field Manager Mineral Resources | 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.

NOTICE OF APPROVAL

Conditions of approval, if any, are attached.

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

*(Instructions on reverse)

CONDITIONS OF APPROVAL ATTACHED

DEC 24 2001
DIVISION OF
OIL, GAS AND MINING

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: El Paso Production Oil & Gas Company

Well Name & Number: CIGE 237

API Number: 43-047-33878

Lease Number: U - 010950-A

Location: NWSE Sec. 15 T. 09S R. 21E

Agreement: NATURAL BUTTES UNIT

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

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

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

A. DRILLING PROGRAM

1. Casing Program and Auxiliary Equipment

The surface casing must be cemented to surface.

As a minimum, the usable water and other mineral resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the base of the usable water zone, identified at ± 344 ft.

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

Coastal Oil and Gas Corporation (Coastal) will assure the Ute Tribe that any/all contractors and subcontractors have acquired a current Tribal Business License and have updated "Access Permits" prior to construction. All Coastal personnel, contractors and subcontractors will have these permits in their vehicles at all times. Companies that have not complied with this COA will be in violation of the Ute Tribal Business License Ordinance, and will be subject to fines and penalties.

Coastal employees, representatives, and/or authorized personnel (subcontractors) shall not carry firearms on their person or in their vehicles while working on the Uintah and Ouray Indian Reservation.

Coastal employees and/or authorized personnel (subcontractors) in the field will have approved applicable APDs and/or ROW permits/authorizations on their person(s) during all phases of construction.

Coastal will notify the Ute Tribe and Bureau of Indian Affairs (BIA) in writing of any requested modification of APDs or Rights-Of Way (ROW). Coastal shall receive written notification of authorization or denial of the requested modification. Without authorization, Coastal will be subject to fines and penalties.

The Ute Tribe Energy & Minerals Department shall be notified in writing 48 hours in advance of any construction activity. The Ute Tribal office is open Monday through Thursday. A Tribal Technician is to routinely monitor construction. Coastal shall make arrangements with the Ute Energy & Minerals Department for all monitoring that will exceed regular working hours for Tribal Technicians. A qualified Archaeologist accompanied by a Tribal Technician will monitor the construction of the pad and access road and the pipeline including any trenching required for the construction of the pipeline. Coastal is to inform contractors to maintain construction of the pipelines within approved 30 foot right of ways.

A corridor ROW, 30 feet wide, shall be granted for pipelines or access roads. The constructed travel width of the access road will be limited to 18 feet. Upon authorization by the Ute Tribe Energy & Minerals Department, the ROW may be wider where sharp curves; deep cuts and fills occur; or, where intersections with other roads are required. Upon completion of each pipeline in the corridor an adequate description of the pipeline will be filed with the Ute Tribe Energy & Minerals Department.

Upon completion of the pertinent APD and ROWs, Coastal will notify the Ute Tribe Energy & Minerals Department for a Tribal Technician to verify the Affidavit of Completion.

Production waters, oil, and other byproducts shall not be placed on access roads or the well pad.

All vehicular traffic, personnel movement, construction and restoration operations will be confined to the areas examined and approved and to the existing roadways and/or evaluated access routes.

Coastal will implement "Safety and Emergency Plan" and ensure plan compliance.

Coastal shall stop construction activities and notify personnel from the Ute Tribe Energy & Minerals Department and BIA if cultural remains including paleontologic resources (vertebrate fossils) are exposed or identified during construction. The Ute Tribe Department of Cultural Rights and Protection and the BIA will provide mitigation measures prior to allowing construction.

Coastal employees and/or authorized personnel (subcontractors) will not be allowed to collect artifacts and paleontologic fossils. No significant cultural resources shall be disturbed.

Coastal will control noxious weeds on the well site and ROWs. Coastal will be responsible for noxious weed control if weeds spread from the project area onto adjoining land.

Reserve pits will be lined with an impervious synthetic liner. About 17 rods of fence will be constructed around the reserve pit until it is backfilled. Prior to backfilling the reserve pit, all fluids will be pumped from the pit into trucks and hauled to approved disposal sites. When the reserve pits are backfilled, the surplus oil and mud, etc., will be buried a minimum of 3 feet below the surface of the soil.

A closed system will be used during production. This means that production fluids will be contained in leak-proof tanks. All production fluids will be disposed of at approved disposal sites.

Surface pipelines will be constructed to lay on the soil surface. The ROW will not be bladed or cleared of vegetation without authorization of the BIA. Where surface pipelines do not parallel roads but cross country between stations, they shall be welded in place at well sites or on access roads. They shall be pulled between stations with suitable equipment. Vehicles shall not use pipeline ROWs as access roads unless specifically authorized.

Buried pipelines shall be buried a minimum of 3 feet below the soil surface. After construction is completed the disturbed area shall be contoured to blend into the natural landscape and be reseeded between September 15 and November 1 of the year following construction with perennial vegetation seed mixture provided by the BIA or Ute Tribe.

Before the site is abandoned, Coastal will be required to restore the well site and ROWs to near their original state. The disturbed areas will be reseeded with desirable perennial vegetation.

Soil erosion will be mitigated by reseeded all disturbed areas.

JAN. 17. 2003 3:34PM

WESTPORT

NO. 173 P. 2

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

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

February 1, 2002

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

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

Dear Ms. Maxwell:

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

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

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

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

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

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

Encl:



United States Department of the Interior **RECEIVED**

BUREAU OF LAND MANAGEMENT

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

FEB 22 2002

DIVISION OF
OIL, GAS AND MINING

In Reply Refer To:

3106

UTU-25566 et al

(UT-924)

FEB 21 2002

NOTICE

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

Name Change Recognized

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

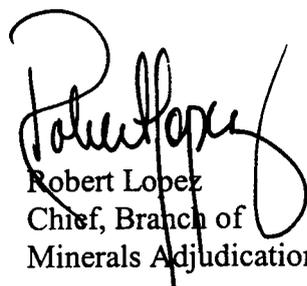
For our purposes, the name change is recognized effective December 31, 2001.

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

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

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

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



Robert Lopez
Chief, Branch of
Minerals Adjudication

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Serial No.
U-010950-A

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
CIGE 237

9. API Well No.
43-047-33878

10. Field and Pool, or Exploratory Area
Natural Buttes

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
EL PASO PRODUCTION OIL & GAS COMPANY

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)
**NWSE 1634' FSL & 2127' FEL
Sec. 15, T9S, R21E**

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"/> 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 checked="" 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 type="checkbox"/> Other _____ |

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

Operator requests that authorization be granted to amend the TD for the subject well to a TD of 7500'. Refer to the attached Well Bore Schematic for the casing, cementing, and hole size amendments.

(from 7700)

RECEIVED
APR 26 2002
DIVISION OF
OIL, GAS AND MINING

COPY SENT TO OPERATOR

Date: 5-2-02
Initials: CH

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

Date: 05-02-02
[Signature]

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

Name (Printed/Typed): **Cheryl Cameron** Title: **Operations**

Signature: *[Signature]* Date: **April 22, 2002**

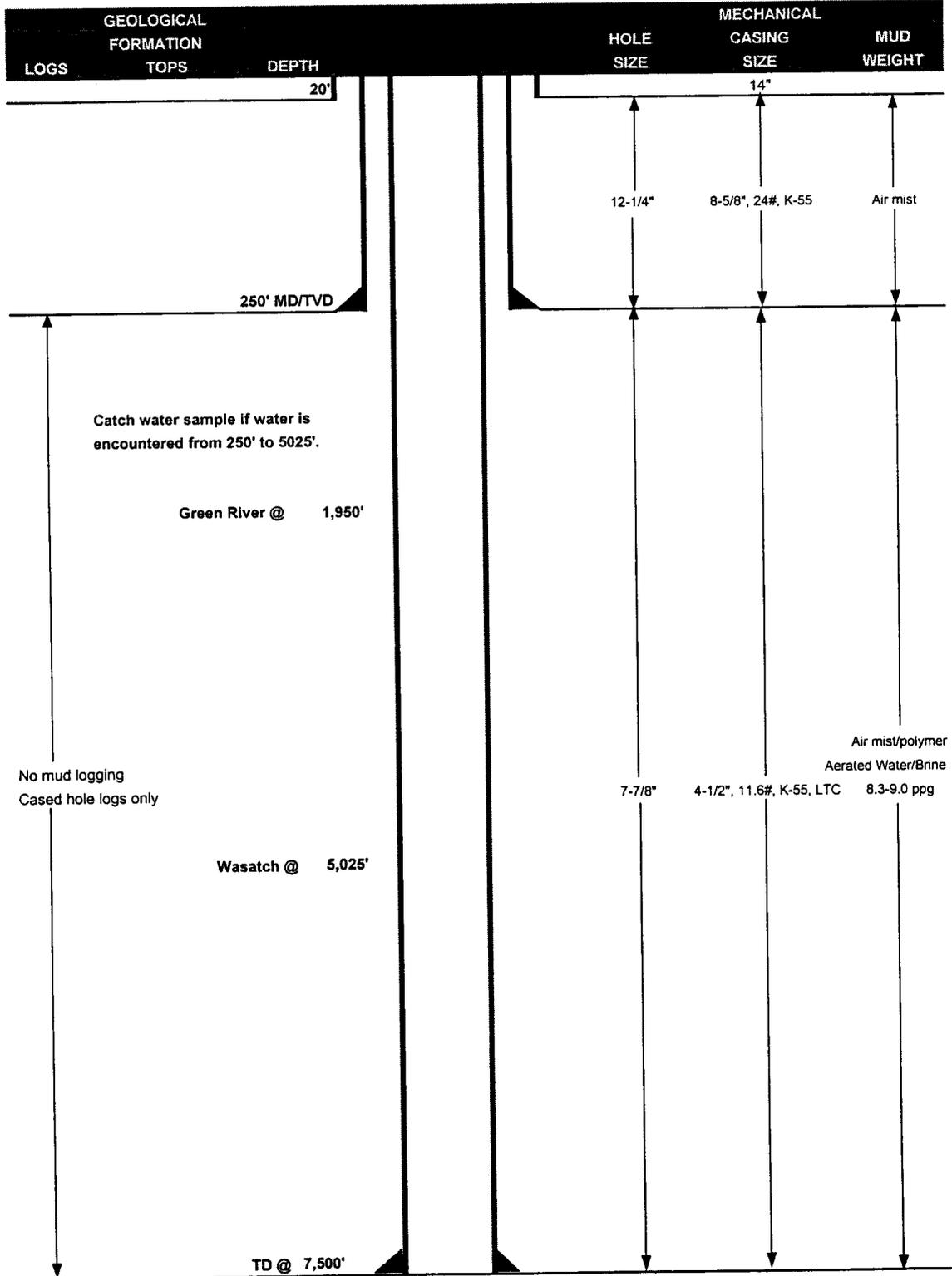
THIS SPACE FOR FEDERAL OR STATE USE

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

DRILLING PROGRAM FOR SUNDRY

| | | | |
|-------------------|---|--------|---------------------------------------|
| COMPANY NAME | El Paso Production Company | DATE | April 22, 2002 |
| WELL NAME | CIGE 237 | TD | 7,500' MD/TVD |
| FIELD | Natural Buttes | COUNTY | Uintah STATE Utah ELEVATION 4,800' KB |
| SURFACE LOCATION | 1634' FSL, 2127' FEL, NW/SE, SEC. 15, T9S, R21E BHL Straight Hole | | |
| OBJECTIVE ZONE(S) | Wasatch | | |
| ADDITIONAL INFO | Regulatory Agencies: BLM, BIA, UDOGM, Tri-County Health Dept. | | |



eipaso | Production
DRILLING PROGRAM

CASING PROGRAM

| | SIZE | INTERVAL | WT. | GR. | CPLG. | DESIGN FACTORS | | |
|------------|--------|----------|-------|------|-------|----------------|----------|---------|
| | | | | | | BURST | COLLAPSE | TENSION |
| CONDUCTOR | 14" | 0-40' | | | | 2950 | 1370 | 263000 |
| SURFACE | 8-5/8" | 0-250' | 24.00 | K-55 | STC | 21.03 | 11.71 | 4.70 |
| | | | | | | 5350 | 4960 | 180000 |
| PRODUCTION | 4-1/2" | 0-TD | 11.60 | K-55 | LTC | 2.02 | 1.41 | 1.31 |

- 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, 50000 lbs overpull)

CEMENT PROGRAM

| | | FT. OF FILL | DESCRIPTION | SACKS | EXCESS | WEIGHT | YIELD |
|------------|------|-------------|--|-------|--------|--------|-------|
| SURFACE | | 250 | Premium Plus + 2% CaCl2 + 0.125 pps polyflake | 140 | 35% | 15.60 | 1.18 |
| PRODUCTION | LEAD | 4,520' | Hilift + 12% gel + 5% salt + 1% D79 + 0.5% D112 + 0.2% D46 + 0.25 pps D29 | 420 | 60% | 11.00 | 3.91 |
| | TAIL | 2,980' | 50/50 Poz/G + 10% salt + 2% gel + 0.2% D46 | 840 | 60% | 14.30 | 1.31 |

FLOAT EQUIPMENT & CENTRALIZERS

| | |
|------------|---|
| SURFACE | Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe. |
| PRODUCTION | Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers. |

ADDITIONAL INFORMATION

Test casing head to 1000 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 2000'. Maximum allowable hole angle is 5 degrees.

DRILLING ENGINEER: _____

Dan Lindsey

DATE: _____

DRILLING SUPERINTENDANT: _____

Larry Strasheim

DATE: _____

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EL PASO PRODUCTION OIL & GAS COMPANY

Well Name: CIGE 237

Api No. 43-047-33878 LEASE TYPE: FEDERAL

Section 15 Township 09S Range 21E County UINTAH

Drilling Contractor SKI DRILLING RIG # AIR

—
SPUDDED:

Date 04/27/2002

Time 7:00 AM

How ROTARY

Drilling will commence _____

Reported by JIM MURRAY

Telephone # 1-435-828-1730

Date 04/29/2002 Signed: CHD

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

OPERATOR El Paso Production O&G Co.
 ADDRESS P.O. Box 1148
Vernal, UT 84078

OPERATOR ACCT. NO. N 1845

| ACTION CODE | CURRENT ENTITY NO. | NEW ENTITY NO. | API NUMBER | WELL NAME | WELL LOCATION | | | | | SPUD DATE | EFFECTIVE DATE |
|-------------|--------------------|----------------|--------------|-----------|---------------|----|----|-----|--------|-----------|---------------------------------|
| | | | | | QQ | SC | TP | RG | COUNTY | | |
| B | 99999 | 2900 | 43-047-33878 | CIGE 237 | NWSE | 15 | 9S | 21E | Utah | 4/27/2002 | 4-29-02 4-27-2002 |

WELL 1 COMMENTS: Spud w/ Ski Air Rig @ 7:00 am

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

WELL 2 COMMENTS:

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

WELL 1

| | | | |
|-------------------|-------------|---------|----------------|
| Post-It® Fax Note | 7671 | Date | # of pages |
| To | JM Thompson | From | Cheryl Cameron |
| Co./Dept. | | Co. | |
| Phone # | | Phone # | |
| Fax # | | Fax # | |

| WELL NAME | WELL LOCATION | | | | | SPUD DATE | EFFECTIVE DATE |
|-----------|---------------|----|----|----|--------|-----------|----------------|
| | QQ | SC | TP | RG | COUNTY | | |
| | | | | | | | |

WELL 2

| | | | |
|-------------------|---------------|---------|----------------|
| Post-It® Fax Note | 7671 | Date | # of pages |
| To | Carol Daniels | From | Cheryl Cameron |
| Co./Dept. | | Co. | |
| Phone # | | Phone # | |
| Fax # | | Fax # | |

| WELL NAME | WELL LOCATION | | | | | SPUD DATE | EFFECTIVE DATE |
|-----------|---------------|----|----|----|--------|-----------|----------------|
| | QQ | SC | TP | RG | COUNTY | | |
| | | | | | | | |

RECEIVED

APR 29 2002

DIVISION OF OIL, GAS AND MINING

Cheryl Cameron
 Signature

Title Operations Date 04/29/02

Phone No. (435) 781-7023

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

P. 01
 FAX NO. 4357817094
 APR-29-2002 MON 08:28 AM ET PASO PRODUCTION

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Serial No.
U-010950-A

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
CIGE 237

9. API Well No.
43-047-33878

10. Field and Pool, or Exploratory Area
Natural Buttes

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
EL PASO PRODUCTION OIL & GAS COMPANY

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)
**NWSE 1634' FSL & 2127' FELL
Sec. 15, T9S, R21E**

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

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

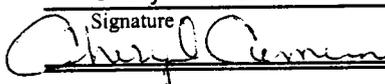
13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical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

MIRU Ski Air Rig & spud 12 1/4" surface hole @ 7:00 am on 4/27/02. Drill to 275' & RIH w/ 270' of 8 5/8" 24# J-55 ST&C csg. Cmt w/ 154 sx Class G mixed @ 15.8 ppg w/ 1.17 yield.

W/O El Paso Rig #1.

RECEIVED
MAY 1 2002
DIVISION OF
OIL, GAS AND MINES

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

| | |
|---|-------------------------------|
| Name (Printed/Typed) Cheryl Cameron | Title Operations |
| Signature  | Date April 29, 2002 |

THIS SPACE FOR FEDERAL OR STATE USE

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
El Paso Production Oil & Gas Company

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
NWSE Section 15-T9S-R21E 1634'FSL & 2127'FEL

5. Lease Serial No.
U-010950-A

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
CIGE #237

9. API Well No.
43-047-33878

10. Field and Pool, or Exploratory Area
Natural Buttes

11. County or Parish, State
Uintah, Utah

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

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

Finished Drilling f/275' to 7020'. Ran 4 1/2" 11.6# K-55 Csg. Cmt w/414 sx Hi Lift @11 ppg Yld. 3.91.
 Followed by 694 sx 50/50 POZ @14.3 ppg Yld 1.31.
 Good Circ through job. No Cmt Return. Clean Mud Pits.
 Released Rig on 5/8/02 at 2:00 am.

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

| | |
|--|------------------------------------|
| Name (Printed/Typed) Sheila Uphego | Title Regulatory Analyst |
| Signature <i>Sheila Uphego</i> | Date May 8, 2002 |

THIS SPACE FOR FEDERAL OR STATE USE

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

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

(Instructions on reverse)

RECEIVED
MAY 14 2002
 DIVISION OF
 OIL, GAS AND MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

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 | | 7. If Unit or CA/Agreement, Name and/or No. NATURAL BUTTES |
| 2. Name of Operator EL PASO PRODUCTION O&G COMPANY | | 8. Well Name and No. CIGE 237 |
| 3a. Address P.O. BOX 1148 VERNAL, UT 84078 | | 9. API Well No. 43-047-33878 |
| 3b. Phone No. (include area code) Ph: 435.781.7023 Fx: 435.781.7094 | | 10. Field and Pool, or Exploratory NATURAL BUTTES |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 15 T9S R21E NWSE 1634FSL 2127FEL | | 11. County or Parish, and State UINTAH COUNTY, UT |

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

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

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

THE SUBJECT WELL WAS PLACED ON SALES @ 1:00 PM ON 5/28/02. REFER TO THE ATTACHED CHRONOLOGICAL HISTORY REPORT.

THE PRODUCED WATER FOR THE SUBJECT WELL WILL BE CONTAINED IN A WATER TANK AND WILL THEN BE HAULED BY TRUCK TO ONE OF THE PRE-APPROVED DISPOSAL SITES AS DISCUSSED IN THE APPROVED APD.

RECEIVED

JUN 10 2002

DIVISION OF
OIL, GAS AND MINING

14. I hereby certify that the foregoing is true and correct.
**Electronic Submission #11720 verified by the BLM Well Information System
For EL PASO PRODUCTION O&G COMPANY, sent to the Vernal**

| | |
|---|------------------|
| Name (Printed/Typed) CHERYL CAMERON | Title OPERATIONS |
| Signature  (Electronic Submission) | Date 06/03/2002 |

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 ****

**EL PASO
PRODUCTION REPORT**

CHRONOLOGICAL HISTORY

CIGE 237

Page 1

DRILLING REPORT:

NBU, Uintah, UT Rig: El Paso 1 WI: 100% AFE: 052173 ATD: 7,000'
SD: 5/1/02 Wasatch @ 4,750' DHC: 237 /CWC: 594 /DC: 75/CC: 75
8 5/8" @ 275'

| | | | |
|--------|-----------|--------------|--|
| 5/1/02 | TD: 275 | MW: 8.7 | MIRU. NU & test BOP's. PU BHA. |
| 5/2/02 | TD: 2,038 | MW: 8.4 | 1,768'/23 hrs Drilling to present depth. |
| 5/3/02 | TD: 3,790 | MW: Air/Mist | 1,752'/22 hrs Drilling to present depth. |
| 5/6/02 | TD: 6,280 | MW: Air/8.5 | 930'/23.5 hrs Drilling to present depth. |
| 5/7/02 | TD: 7,020 | MW: 9.5 | 740'/21 hrs Drill to TD. C & C mud. |
| 5/8/02 | TD: 7,020 | MW: 9.5 | LDDP. Run & cement 4 1/2" production casing. Set casing hanger. ND BOP's. NU well cap. Rig released @ 0200, 5/8/02 |

FORMATION: WASATCH

5/21/02 **READY TO FRAC**
MIRU COMPLETION RIG. PU & RIH W/2 3/8" J-55 TBG TO 6963'. CIRC HOLE CLEAN. TST CSG TO 5000#. MIRU PERFORATORS. PERF 6508'-6512' (4 SPF 16 HOLES) W/23 GRAM CHARGES, 90 DEG PHASING. BRK DN PERFS @ 2100#. ISIP: 1300#, FG: 0.64. SDFD.

5/22/02 **STAGE 1:** PUMPED 415 BBLS YF113ST W/36,000# 20/40 SD. ISIP: 1273#, MTP: 3914#, MTR: 24.5 BPM, ATP: 2303#, ATR: 21.2 BPM, NPI: 0#, FG: 0.63.
STAGE 2: RIH & SET CBP @ 6450'. PERF WASATCH FROM 6216'-6226', 3 SPF. BROKE DN PERFS @ 1880#. ISIP: 1200#, FG: 0.63. PUMPED 830 BBLS YF113ST W/85,000# 20/40 SD. ISIP: 2151#, MTP: 2806#, MTR: 29.5 BPM, ATP: 2074#, ATR: 25.1 BPM, NPI: 951#, FG: 0.78.
STAGE 3: RIH & SET CBP @ 6140'. PERF WASATCH FROM 6066'-6076', 3 SPF. BROKE DN PERFS @ 942 #. ISIP: 506#, FG: 0.52. PUMPED 826 BBLS YF113ST W/85,000# 20/40 SD. ISIP: 1277#, MTP: 2315#, MTR: 29.5 BPM, ATP: 1652#, ATR: 25.6 BPM, NPI: 771#, FG: 0.64.
STAGE 4: RIH & SET CBP @ 6010'. PERF WASATCH FROM 5716'-5722', 4 SPF. BROKE DN PERFS @ 1197#. ISIP: 630#, FG: 0.54. PUMPED 459 BBLS YF113ST W/45,880# 20/40 SD. ISIP: 1665#, MTP: 2434#, MTR: 25.7 BPM, ATP: 1882#, ATR: 23.2 BPM, NPI: 1035#, FG: 0.73. RIH & SET CBP @ 5650'. PU BIT, PUMP-OFF SUB, 1 JT, & SN. RIH TO 5610'.

5/23/02 **SI WO FACILITIES**
DRILLED OUT CBPS @ 5650', 6010', 6140', & 6450'. CONT DOWNHOLE TO THE PBTD OF 6945' & CIRC CLEAN. PUH & LANDED TBG @ 6439'. NB BOP & NUWH. PUMPED OFF BIT. FLOWED OVERNIGHT. FTP: 150 TO 100#, CP: 750 TO 500#, CHK: 64/64", BWPH: 65 TO 2, SD: TRACE TO CLEAR, EST. RATE 1500 MCF. TLTR: 2530 BBLS, TLR: 1024 BBLS, LLTR: 1506 BBLS.

5/24/02 **SI WO FACILITIES**
SI WO FACILITIES. TLTR: 2530 BBLS, TLR: 1024 BBLS, LLTR: 1506 BBLS.

5/28/02 **SI WO FACILITIES.**

5/29/02 **FIRST SALES 5/28/02 1:00 P.M.** SPOT READINGS: 1500 MCF, 0 BC, 0 BW, TP: 1535#, CP: 1584#, CHK: 18/64", 24 HRS (CALCULATED), TLTR: 2530 BBLS, TLR: 1024 BBLS, LLTR: 1506 BBLS.

5/30/02 917 MCF, 0 BC, 89 BW, TP: 268#, CP: 592#, CHK: 18/64", 17 HRS, LP: 101#, TLTR: 2530 BBLS, TLR: 1113 BBLS, LLTR: 1417 BBLS.

6/03/02 **FLOWING TO SALES**
6/01/02 PROG: FLWD 1147 MCF, 0 BC, 28 BW, FTP: 132#, CP: 393#, CHK: 64/64",

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JUN 10 2002
DIVISION OF
OIL, GAS AND MINING

24 HRS, LP: 101#.

6/02/01 FLWD 887 MCF, 0 BC, 20 BW, FTP: 177#, CP: 487#, CHK: 64/64", 14 HRS,
LP: 151#, DN 10 HRS. CIG COMPR DN.

6/03/02 FLWD 1090 MCF, 0 BC, 17 BW, FTP: 124#, CP: 344#, CHK: 64/64", 24 HRS,
LP: 99#. TLTR: 2530 BBLS, 1228 BBLS, LLTR: 1302 BBLS. FINAL REPORT. IP

DATE: 5/31/02 FLWD 1147 MCF, 28 BW, FTP: 132#, CP: 393#, 64/64" CHK, 24 HRS,
LP: 101#.

RECEIVED

JUN 10 2002

DIVISION OF
OIL, GAS AND MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU010950A

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.
UTU63047A

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
CIGE 237

2. Name of Operator
EL PASO PROD OIL & GAS CO
Contact: CHERYL CAMERON
E-Mail: Cheryl.Cameron@Elpaso.com

9. API Well No.
43-047-33878-00-S1

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

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

10. Field and Pool, or Exploratory
NATURAL BUTTES

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 15 T9S R21E NWSE 1634FSL 2127FEL

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

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

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

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

THE SUBJECT WELL WAS PLACED ON SALES @ 1:00 PM ON 5/28/02. REFER TO THE ATTACHED CHRONOLOGICAL HISTORY REPORT.

THE PRODUCED WATER FOR THE SUBJECT WELL WILL BE CONTAINED IN A WATER TANK AND WILL THEN BE HAULED BY TRUCK TO ONE OF THE PRE-APPROVED DISPOSAL SITES AS DISCUSSED IN THE APPROVED APD.

RECEIVED

JUN 10 2002

DIVISION OF
OIL, GAS AND MINING

email

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

**Electronic Submission #11720 verified by the BLM Well Information System
For EL PASO PROD OIL & GAS CO, sent to the Vernal
Committed to AFMSS for processing by LESLIE WALKER on 06/05/2002 (02LW1111SE)**

| | |
|-------------------------------------|------------------|
| Name (Printed/Typed) CHERYL CAMERON | Title OPERATIONS |
| Signature (Electronic Submission) | Date 06/03/2002 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By **ACCEPTED** Title KIRK FLEETWOOD PETROLEUM ENGINEER Date 06/10/2002

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 Vernal

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.

Revisions to Operator-Submitted EC Data for Sundry Notice #11720

| | Operator Submitted | BLM Revised (AFMSS) |
|----------------|---|---|
| Sundry Type: | STARTUP SR | STARTUP SR |
| Lease: | U-010950-A | UTU010950A |
| Agreement: | NATURAL BUTTES | UTU63047A |
| Operator: | EL PASO PRODUCTION O&G COMPANY P.O. BOX 1148 VERNAL, UT 84078 Ph: 435.781.7023 Fx: 435.781.7094 | EL PASO PROD OIL & GAS CO P O BOX 1148 VERNAL, UT 84078 Ph: 435.789.4433 |
| Admin Contact: | CHERYL CAMERON OPERATIONS E-Mail: Cheryl.Cameron@ElPaso.com Cell: 435.671.2747 Ph: 435.781.7023 Fx: 435.781.7094 | CHERYL CAMERON OPERATIONS E-Mail: Cheryl.Cameron@Elpaso.com Ph: 435.781.7023 Fx: 435.789.4436 |
| Tech Contact: | | |
| Location: | | |
| State: | UT | UT |
| County: | UINTAH | UINTAH |
| Field/Pool: | NATURAL BUTTES | NATURAL BUTTES |
| Well/Facility: | CIGE 237 Sec 15 T9S R21E NWSE 1634FSL 2127FEL | CIGE 237 Sec 15 T9S R21E NWSE 1634FSL 2127FEL |

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. UTU010950A |
| 2. Name of Operator EL PASO PROD OIL & GAS CO | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address P O BOX 1148 VERNAL, UT 84078 | | 7. If Unit or CA/Agreement, Name and/or No. UTU63047A |
| 3b. Phone No. (include area code) Ph: 435.781.7023 Fx: 435.789.4436 | | 8. Well Name and No. CIGE 237 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 15 T9S R21E NWSE 1634FSL 2127FEL | | 9. API Well No. 43-047-33878-00-S1 |
| | | 10. Field and Pool, or Exploratory NATURAL BUTTES |
| | | 11. County or Parish, and State UINTAH COUNTY, UT |

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

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

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

THE SUBJECT WELL WAS PLACED ON SALES @ 1:00 PM ON 5/28/02. REFER TO THE ATTACHED CHRONOLOGICAL HISTORY REPORT.

THE PRODUCED WATER FOR THE SUBJECT WELL WILL BE CONTAINED IN A WATER TANK AND WILL THEN BE HAULED BY TRUCK TO ONE OF THE PRE-APPROVED DISPOSAL SITES AS DISCUSSED IN THE APPROVED APD.

RECEIVED

JUN 10 2002

email

DIVISION OF
OIL, GAS AND MINING

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

**Electronic Submission #11720 verified by the BLM Well Information System
For EL PASO PROD OIL & GAS CO, sent to the Vernal
Committed to AFMSS for processing by LESLIE WALKER on 06/05/2002 (02LW1111SE)**

| | |
|-------------------------------------|------------------|
| Name (Printed/Typed) CHERYL CAMERON | Title OPERATIONS |
| Signature (Electronic Submission) | Date 06/03/2002 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|--|-----------------|
| Approved By ACCEPTED | Title KIRK FLEETWOOD PETROLEUM ENGINEER | Date 06/10/2002 |
| 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 Vernal |

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.

Revisions to Operator-Submitted EC Data for Sundry Notice #11720

| | Operator Submitted | BLM Revised (AFMSS) |
|----------------|---|---|
| Sundry Type: | STARTUP SR | STARTUP SR |
| Lease: | U-010950-A | UTU010950A |
| Agreement: | NATURAL BUTTES | UTU63047A |
| Operator: | EL PASO PRODUCTION O&G COMPANY P.O. BOX 1148 VERNAL, UT 84078 Ph: 435.781.7023 Fx: 435.781.7094 | EL PASO PROD OIL & GAS CO P O BOX 1148 VERNAL, UT 84078 Ph: 435.789.4433 |
| Admin Contact: | CHERYL CAMERON OPERATIONS E-Mail: Cheryl.Cameron@ElPaso.com Cell: 435.671.2747 Ph: 435.781.7023 Fx: 435.781.7094 | CHERYL CAMERON OPERATIONS E-Mail: Cheryl.Cameron@Elpaso.com Ph: 435.781.7023 Fx: 435.789.4436 |
| Tech Contact: | | |
| Location: | | |
| State: | UT | UT |
| County: | UINTAH | UINTAH |
| Field/Pool: | NATURAL BUTTES | NATURAL BUTTES |
| Well/Facility: | CIGE 237 Sec 15 T9S R21E NWSE 1634FSL 2127FEL | CIGE 237 Sec 15 T9S R21E NWSE 1634FSL 2127FEL |

| 28b. Production - Interval C | | | | | | | | | |
|------------------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
| | | | → | | | | | | |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |
| | | | → | | | | | | |

| 28c. Production - Interval D | | | | | | | | | |
|------------------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
| | | | → | | | | | | |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |
| | | | → | | | | | | |

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

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

31. Formation (Log) Markers

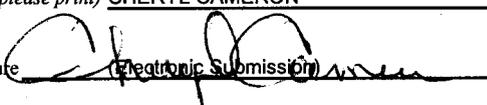
| Formation | Top | Bottom | Descriptions, Contents, etc. | Name | Top |
|-------------|------|--------|------------------------------|------------------------|--------------|
| | | | | | Meas. Depth |
| GREEN RIVER | 1950 | 5017 | | GREEN RIVER WASATCH | 1950 5017 |

32. Additional remarks (include plugging procedure):
NO REMARK PROVIDED

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 #12144 Verified by the BLM Well Information System.
For EL PASO PRODUCTION O&G COMPANY, sent to the Vernal

Name (please print) CHERYL CAMERON Title OPERATIONS

Signature  Date 06/18/2002

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 ****

memorandum

Branch of Real Estate Services
Uintah & Ouray Agency

Date: 5 December, 2002

Reply to
Attn of: Supervisory Petroleum Engineer

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

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

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

We have no objection.

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

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

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



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



United States Department of the Interior

BUREAU OF INDIAN AFFAIRS
Washington, D.C. 20240

FEB 10 2003

IN REPLY REFER TO:
Real Estate Services

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

Dear Mr. Wilson:

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

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

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

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

Sincerely,

Director, Office of Trust Responsibilities

ACTING

Enclosure



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO
UT-922

February 27, 2003

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

Re: Natural Buttes Unit
Uintah County, Utah

Gentlemen:

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

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

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

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

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks
Chief, Branch of Fluid Minerals

Enclosure

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

UT922:TAThompson:tt:02/27/2003

RECEIVED

FEB 28 2003

DIV. OF OIL, GAS & MINING

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

FORM 9

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: 9 Greenway Plaza Houston TX 77064-0995 | | 7. UNIT or CA AGREEMENT NAME: |
| PHONE NUMBER: (832) 676-5933 | | 8. WELL NAME and NUMBER: Exhibit "A" |
| 4. LOCATION OF WELL | | 9. API NUMBER: |
| FOOTAGES AT SURFACE: | | 10. FIELD AND POOL, OR WILDCAT: |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: | | COUNTY: |
| 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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____ | <input type="checkbox"/> CASING REPAIR | <input type="checkbox"/> NEW CONSTRUCTION | <input type="checkbox"/> TEMPORARILY ABANDON |
| | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input checked="" type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> TUBING REPAIR |
| | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> VENT OR FLARE |
| | <input type="checkbox"/> CHANGE WELL NAME | <input type="checkbox"/> PLUG BACK | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> PRODUCTION (START/RESUME) | <input type="checkbox"/> WATER SHUT-OFF |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input type="checkbox"/> OTHER: _____ |
| | <input type="checkbox"/> CONVERT WELL TYPE | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION | |

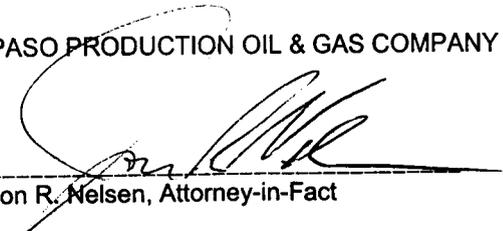
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

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

BOND # _____

State Surety Bond No. RLB0005236
Fee Bond No. RLB0005238

EL PASO PRODUCTION OIL & GAS COMPANY

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

RECEIVED

FEB 28 2003

DIV. OF OIL, GAS & MINING

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

(This space for State use only)

Form 3160-5
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

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

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

5. Lease Serial No.
SEE ATTACHED EXHIBIT "A"
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other
2. Name of Operator
WESTPORT OIL & GAS COMPANY, L.P.
3a. Address
P.O. BOX 1148 VERNAL, UT 84078
3b. Phone No. (include area code)
(435) 781-7023
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

8. Well Name and No.
SEE ATTACHED EXHIBIT "A"
9. API Well No.
SEE ATTACHED EXHIBIT "A"
10. Field and Pool, or Exploratory Area
11. County or Parish, State
UINTAH COUNTY, UT

SEE ATTACHED EXHIBIT "A"

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

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

SUCCESSOR OF OPERATOR

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

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

RECEIVED
MAR 04 2003

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

Name (Printed/Typed)

CHERYL CAMERON

Title

OPERATIONS

Signature

Date

March 4, 2003

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, 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.

(Instructions on reverse)

OPERATOR CHANGE WORKSHEET

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

X Change of Operator (Well Sold)

Designation of Agent/Operator

Operator Name Change

Merger

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

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

CA No. Unit: NATURAL BUTTES

WELL(S)

| NAME | SEC TWN RNG | API NO | ENTITY NO | LEASE TYPE | WELL TYPE | WELL STATUS |
|-----------------------|----------------|--------------|--------------|---------------|--------------|----------------|
| NBU 317 | 13-09S-21E | 43-047-33921 | 99999 | FEDERAL | GW | APD |
| NBU 318 | 13-09S-21E | 43-047-33880 | 2900 | FEDERAL | GW | P |
| CIGE 274 | 13-09S-21E | 43-047-34778 | 99999 | FEDERAL | GW | APD |
| NBU 10 | 13-09S-21E | 43-047-30117 | 2900 | FEDERAL | GW | PA |
| NBU CIGE 60-14-9-21 | 14-09S-21E | 43-047-30549 | 2900 | FEDERAL | GW | P |
| NBU 65N3 | 14-09S-21E | 43-047-31099 | 2900 | FEDERAL | GW | P |
| CIGE 170-14-9-21 | 14-09S-21E | 43-047-32403 | 2900 | FEDERAL | GW | P |
| CIGE 199-14-9-21 | 14-09S-21E | 43-047-32801 | 2900 | FEDERAL | GW | P |
| NBU CIGE 45-15-9-21 | 15-09S-21E | 43-047-30528 | 2900 | FEDERAL | GW | P |
| NBU CIGE 91D-15-9-21J | 15-09S-21E | 43-047-31151 | 2900 | FEDERAL | GW | P |
| NBU 123 | 15-09S-21E | 43-047-31974 | 2900 | FEDERAL | GW | P |
| CIGE 163-15-9-21 | 15-09S-21E | 43-047-32192 | 2900 | FEDERAL | GW | P |
| NBU 191 | 15-09S-21E | 43-047-32298 | 2900 | FEDERAL | GW | P |
| NBU 216 | 15-09S-21E | 43-047-32487 | 2900 | FEDERAL | GW | P |
| CIGE 171-15-9-21 | 15-09S-21E | 43-047-32348 | 2900 | FEDERAL | GW | P |
| NBU 298 | 15-09S-21E | 43-047-33041 | 2900 | FEDERAL | GW | P |
| CIGE 216-15-9-21 | 15-09S-21E | 43-047-32920 | 2900 | FEDERAL | GW | P |
| CIGE 237 | 15-09S-21E | 43-047-33878 | 2900 | FEDERAL | GW | P |
| CIGE 215-15-9-21 | 15-09S-21E | 43-047-32919 | 2900 | FEDERAL | GW | PA |
| CIGE 217-16-9-21 | 16-09S-21E | 43-047-32898 | 2900 | STATE | GW | 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: 03/11/2003
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 03/11/2003
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

STATE WELL(S) BOND VERIFICATION:

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

FEDERAL WELL(S) BOND VERIFICATION:

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

INDIAN WELL(S) BOND VERIFICATION:

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

FEE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB 0005238
2. The **FORMER** operator has requested a release of liability from their bond on: N/A
The Division sent response by letter on: N/A

LEASE INTEREST OWNER NOTIFICATION:

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

COMMENTS:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side

| | | |
|--|---|--|
| 1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. Multiple Wells - see attached |
| 2. Name of Operator WESTPORT OIL & GAS COMPANY, L.P. | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address P.O. BOX 1148 VERNAL, UT 84078 | 3b. Phone No. (include area code) (435) 781- | 7. If Unit or CA/Agreement, Name and/or No. 891008900A |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Multiple Wells - see attached | | 8. Well Name and No. Multiple Wells - see attached |
| | | 9. API Well No. Multiple Wells - see attached |
| | | 10. Field and Pool, or Exploratory Area Natural Buttes Unit |
| | | 11. County or Parish, State Uintah County, UT |

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

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

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or 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 NBU well produces approximately 6 bbls condensate per month. The resulting shrinkage would amount to 0.56 bbls per month lost volume due to shrinkage. The value of the shrunk and lost condensate does not recoup or payout the cost of installing and maintaining the valves and other devices that hold the positive tank pressure. An economic run based on the loss and costs is attached.

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

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

| | | |
|-------------------------------------|-----------------------------|-------------------------|
| Name (Printed/Typed) J.T. Conley | Title Operations Manager | SEP 10 2003 |
| Signature <i>J.T. Conley</i> | DATE: 9-2-2003 | DIV OF OIL GAS & MINING |

THIS SPACE FOR FEDERAL OR STATE USE

| | | | |
|---|---|-----------------|---|
| Approved by | Title Accepted by the Utah Division of Oil, Gas and Mining | Date 9/16/03 | 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.

| | | | | |
|-----------|---------------|------------|------------|------------------|
| CIGE 194 | 1-10-22 SWNW | U011336 | 891008900A | 430473293200S1 |
| CIGE 195 | 2-10-21 NWNE | ML22651 | 891008900A | 430473279700S1 ✓ |
| CIGE 196 | 6-10-21 SESE | UTU01195 | 891008900A | 430473300300S1 |
| CIGE 197 | 7-9-21 NWNE | UTU0149767 | 891008900A | 430473279800S1 |
| CIGE 198 | 9-9-21 NESE | UTU01188 | 891008900A | 430473279900S1 |
| CIGE 199 | 14-9-21 NENW | UTU01193 | 891008900A | 430473280100S1 |
| CIGE 200 | 16-9-21 SENW | UTU38409 | 891008900A | 430473280200S1 |
| CIGE 201 | 18-9-21 SENE | UTU0575 | 891008900A | 430473280400S1 |
| CIGE 202 | 21-9-21 SESE | UTU0576 | 891008900A | 430473280500S1 |
| CIGE 203 | 34-9-21 NWNE | UTU01194A | 891008900A | 430473288100S1 ✓ |
| CIGE 204 | 35-9-21 SWNE | ML22582 | 891008900A | 430473279400S1 ✓ |
| CIGE 205 | 1-10-21 SWNE | ML23612 | 891008900A | 430473279500S1 ✓ |
| CIGE 206 | 4-10-21 SESE | U01416 | 891008900A | 430473299600S1 |
| CIGE 207 | 8-10-21 NENE | UTU01791 | 891008900A | 430473297500S1 |
| CIGE 208 | 8-10-21 SWNE | UTU01791 | 891008900A | 430473299700S1 |
| CIGE 209 | 15-10-21 NENW | UTU01791A | 891008900A | 430473294300S1 |
| CIGE 210 | 16-10-21 NESE | ML10755 | 891008900A | 430473288800S1 |
| CIGE 212 | 34-9-22 NENE | UTU0149077 | 891008900A | 430473293800S1 |
| CIGE 213 | 33-9-22 SENW | UTU01191A | 891008900A | 430473293300S1 |
| CIGE 214 | 13-9-21 NESW | U01193 | 891008900A | 430473291800S1 |
| CIGE 215X | 15-9-21 NENE | UTU01188 | 891008900A | 430473369000S1 |
| CIGE 216 | 15-9-21 SWNE | UTU01193 | 891008900A | 430473292000S1 |
| CIGE 217 | 16-9-21 NWSW | ML3141 | 891008900A | 430473289800S1 |
| CIGE 218 | 19-9-21 NWNE | U0581 | 891008900A | 430473292100S1 |
| CIGE 219 | 29-9-22 NESW | U01207 | 891008900A | 430473286400S1 ✓ |
| CIGE 220 | 31-9-22 SWNE | U10530A | 891008900A | 430473288400S1 ✓ |
| CIGE 221 | 36-9-22 SWSW | ML22650 | 891008900A | 430473286800S1 ✓ |
| CIGE 222 | 36-9-22 NESW | ML22650 | 891008900A | 430473286900S1 ✓ |
| CIGE 223 | 1-10-22 NWNW | U011336 | 891008900A | 430473298300S1 |
| CIGE 224 | 2-10-21 SWNE | ML2252 | 891008900A | 430473288300S1 ✓ |
| CIGE 225 | 3-10-21 SENW | UTU0149078 | 891008900A | 430473489500S1 |
| CIGE 226 | 3-10-21 SESW | U0149078 | 891008900A | 430473299500S1 |
| CIGE 227 | 9-10-21 SESE | UTU01791 | 891008900A | 430473299800S1 |
| CIGE 228 | 15-10-21 SWNE | UTU01416A | 891008900A | 430473299900S1 |
| CIGE 229 | 1-10-20 NWSW | UTU02270A | 891008900A | 430473300600S1 |
| CIGE 230 | 13-10-20 SENE | UTU02270A | 891008900A | 430473288500S1 |
| CIGE 231 | 7-9-21 SENE | UTU0575B | 891008900A | 430473302100S1 |
| CIGE 232 | 9-9-21 NENE | UTU01188A | 891008900A | 430473283600S1 |
| CIGE 233 | 21-9-21 NWNE | UTU0576 | 891008900A | 430473302200S1 |
| CIGE 234 | 25-9-21 SWNE | U01189 | 891008900A | 430473287300S1 ✓ |
| CIGE 235 | 25-9-21 NWSE | U01194 | 891008900A | 430473285800S1 ✓ |
| CIGE 236 | 34-9-21 SESE | U01194A | 891008900A | 430473286100S1 ✓ |
| CIGE 237 | 15-9-21 NWSE | UTU010950A | 891008900A | 430473387800S1 |
| CIGE 239 | 35-9-21 SENE | ML22582 | 891008900A | 430473320600S1 ✓ |
| CIGE 240 | 29-9-22 SENW | ML22935 | 891008900A | 430473320700S1 |
| CIGE 241 | 32-9-22 NENW | ML22649 | 891008900A | 430473320800S1 |
| CIGE 242 | 33-9-22 NWNW | UTU01191A | 891008900A | 430473402200S1 |
| CIGE 244 | 1-10-21 NENW | ML23612 | 891008900A | 430473320900S1 ✓ |
| CIGE 245 | 1-10-21 SENE | ML23612 | 891008900A | 430473321000S1 ✓ |
| CIGE 246 | 2-10-21 NENW | ML-22652 | 891008900A | 430473368700S1 |
| CIGE 247 | 16-10-21 SWSE | ML10755 | 891008900A | 430473363900S1 |
| CIGE 248 | 21-10-21 NWSW | U02278 | 891008900A | 430473322600S1 |
| CIGE 249 | 8-10-22 NWNW | UTU466 | 891008900A | 430473402300S1 |
| CIGE 250 | 8-10-22 NESE | UTU01196E | 891008900A | 430473374300S1 |
| CIGE 251 | 15-10-21 SWNW | UTU01791A | 891008900A | 430473372000S1 |
| CIGE 252 | 21-10-21 SENW | UTU02278 | 891008900A | 430473372100S1 |
| CIGE 253 | 21-10-21 SESW | UTU02278 | 891008900A | 430473372200S1 |
| CIGE 254 | 9-10-21 NWNE | UTU01416 | 891008900A | 430473372300S1 |
| CIGE 255 | 7-9-21 SESE | UTU0575B | 891008900A | 430473397000S1 |
| CIGE 256 | 9-9-21 SWNE | UTU01188A | 891008900A | 430473397100S1 |
| CIGE 257 | 18-9-21 LOT 2 | U0581 | 891008900A | 430473466800S1 ✓ |

Westport Oil & Gas, L.P.

Project Economics Works!

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

Project Name: **Condensate Shrinkage Economics**

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

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

Increased OPX Per Year

Investment Breakdown:

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

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

Production & OPX Detail:

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

Project Life:

Life = **20.0** Years
(Life no longer than 20 years)

Internal Rate of Return:

After Tax IROR = **#DIV/0!**

AT Cum Cashflow:

Operating Cashflow = **(\$2,917)** (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 = **NEVER** Years or **#VALUE!** Days

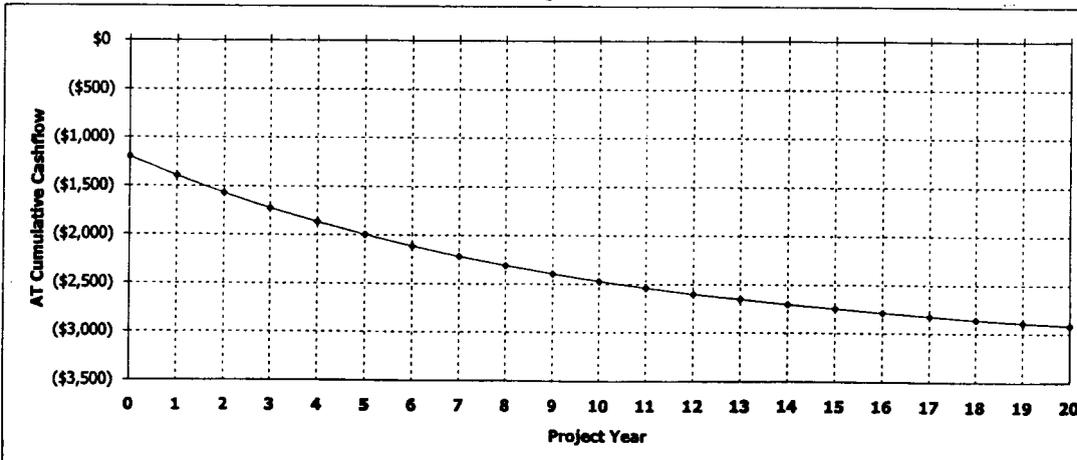
Gross Reserves:

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

Notes/Assumptions:

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

Project: Condensate Shrinkage Economics



Westport Oil and Gas, Inc.

NBU/Ouray Field

RFL 2003-022

COMPARISON OF FLASH BACK PRESSURES

Calculated by Characterized Equation-of-State

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

Calculated at Laboratory Flash Conditions

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

Calculated Flash with Backpressure using Tuned EOS

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

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

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

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

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

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

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

X Change of Operator (Well Sold)

Operator Name Change/Merger

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

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

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

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

DATA ENTRY:

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

BOND VERIFICATION:

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

LEASE INTEREST OWNER NOTIFICATION:

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

COMMENTS:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

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

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

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

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

5. Lease Serial No.
MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State
UINTAH COUNTY, UTAH

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

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

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

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

RECEIVED
MAY 10 2006

BLM BOND = C01203
BIA BOND = RLB0005239

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

DIV. OF OIL, GAS & MINING

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

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

THIS SPACE FOR FEDERAL OR STATE USE

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

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

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

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

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

5. Lease Serial No.
MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State
UINTAH COUNTY, UTAH

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

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

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

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

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

RECEIVED
 MAY 10 2006

DIV OF OIL, GAS & MINING

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

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

THIS SPACE FOR FEDERAL OR STATE USE

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

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



United States Department of the Interior

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

IN REPLY REFER TO:

CO922 (MM)
3106
COC017387 et. al.

March 23, 2006

NOTICE

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

Merger/Name Change - Recognized

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

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

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

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

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

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

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

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

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

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

Attachment:

List of OG Leases to each of the following offices:

MMS MRM, MS 357B-1

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

CO Field Offices

Wyoming State Office

Rider #1 to Bond WY2357

Rider #2 to Bond WY1865

Rider #3 to Bond WY1127



United States Department of the Interior



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

IN REPLY REFER TO:
3106
(UT-922)

March 27, 2006

Memorandum

To: Vernal Field Office

From: Chief, Branch of Fluid Minerals

Subject: Merger Approval

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

Chief, Branch of
Fluid Minerals

Enclosure

Approval letter from BLM COSO (2 pp)

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

RECEIVED

MAR 28 2006

DIV. OF OIL, GAS & MINERAL