



February 26, 2001

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

Attention: Byron Tolman

Dear Byron,

Enclosed you will find the original and two copies of the Application For Permit To Drill for the Locations listed below:

**CIGE #255 SE/SE Sec. 7, T9S, R21E**  
**CIGE #256 SW/NE Sec. 9, T9S, R21E**  
**NBU #368 SW/SW Sec. 4, T9S, R21E**  
**NBU #369 SE/SE Sec. 4, T9S, R21E**

Please do not hesitate to contact me at (435) 781-7023, if you need additional information.

Sincerely,

  
Cheryl Cameron  
Senior Regulatory Analyst

cc: State of Utah  
DOGM  
P.O. Box 145801  
Salt Lake City, UT 84114

Bureau of Indian Affairs  
BIA Minerals/Mining Dept.  
P.O. Box 130  
Ft. Duchesne, UT 84026

Ute Tribe E&M Department  
P.O. Box 70  
Ft. Duchesne, UT 84026

RECEIVED

MAR 05 2001

DIVISION OF  
OIL, GAS AND MINING

**Coastal Oil & Gas Corporation**

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>U-0149767</b>
1b. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name <b>Ute Tribe</b>
2. Name of Operator <b>Coastal Oil &amp; Gas Corporation</b>		7. Unit or CA Agreement Name and No. <b>CA# UT080P49-84C721</b> <i>Natural Buttes</i>
3a. Address <b>P.O. Box 1148, Vernal, UT 84078</b>	3b. Phone No. (include area code) <b>(435)-781-7023</b>	8. Lease Name and Well No. <b>NEU #368</b>
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface <b>SW SW</b> At proposed prod. zone <b>517'FSL &amp; 885'FWL</b>		9. API Well No. <b>43047-33972</b>
14. Distance in miles and direction from nearest town or post office* <b>Approximately 10.6 Miles Southeast of Ouray, Utah</b>		10. Field and Pool, or Exploratory <b>Natural Buttes Field</b>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) <b>517'</b>	16. No. of Acres in lease <b>777.33</b>	11. Sec., T., R., M., or Blk. and Survey or Area <b>Section 4-T9S-R21E</b>
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>Refer to Topo "C"</b>	19. Proposed Depth <b>7500'</b>	12. County or Parish <b>Uintah</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>4682.7' Ungraded GL</b>	22. Approximate date work will start* <b>Upon Approval</b>	13. State <b>Utah</b>
17. Spacing Unit dedicated to this well <b>320</b>		
20. BLM/BIA Bond No. on file <b>BLM #U-605382-9 BIA #114066-A</b>		
23. Estimated duration <b>To Be Determined</b>		

24. Attachments

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

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

25. Signature <i>[Signature]</i>	Name (Printed/Typed) <b>Cheryl Cameron</b>	Date <b>2/23/01</b>
Title <b>Sr. Regulatory Analyst</b>		
Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed) <b>BRADLEY G. HILL</b>	Date <b>03-12-01</b>
Title <b>RECLAMATION SPECIALIST III</b>	Office	

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

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

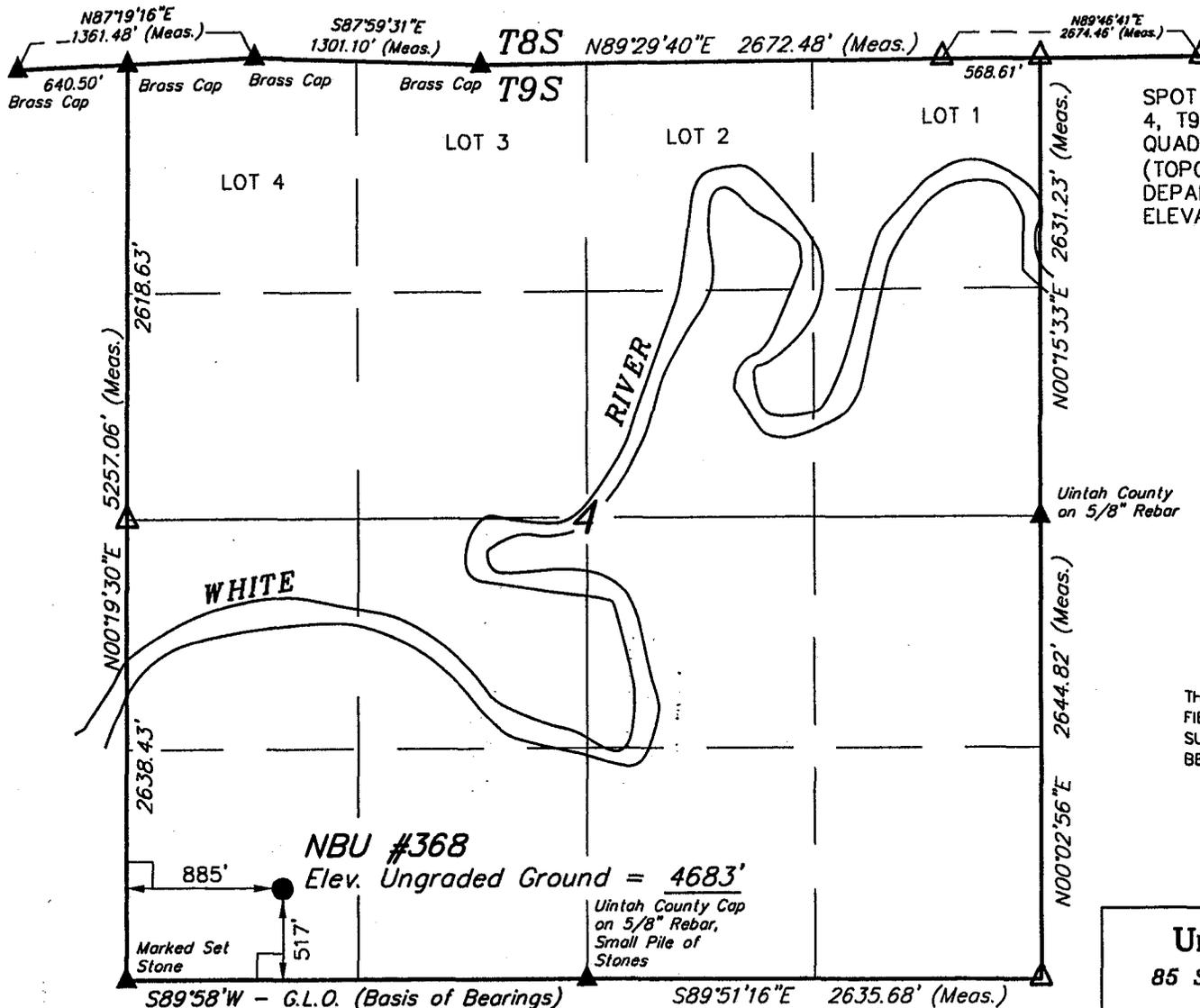
\*(Instructions on Reverse)

**Federal Approval of this  
Action is Necessary**

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

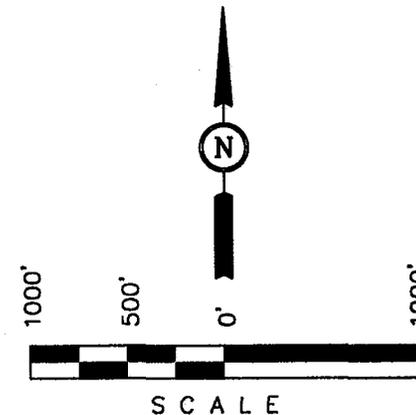
**COASTAL OIL & GAS CORP.**

Well location, NBU #368, located as shown in SW 1/4 SW 1/4 of Section 4, T9S, R21E, S.L.B.&M., Uintah County, Utah.



**BASIS OF ELEVATION**

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 4, 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 4708 FEET.



**CERTIFICATE**

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

*Robert J. Cox*  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 161319  
 STATE OF UTAH

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

**LEGEND:**

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.
- △ = SECTION CORNERS RE-ESTABLISHED (NOT SET ON GROUND)

LATITUDE = 40°03'34"  
 LONGITUDE = 109°33'34"

SCALE 1" = 1000'	DATE SURVEYED: 10-2-00	DATE DRAWN: 10-11-00
PARTY G.S. T.A. J.T. D.COX	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE COASTAL OIL & GAS CORP.	

# COASTAL OIL & GAS CORP.

NBU #368

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 4, T9S, R21E, S.L.B.&M.

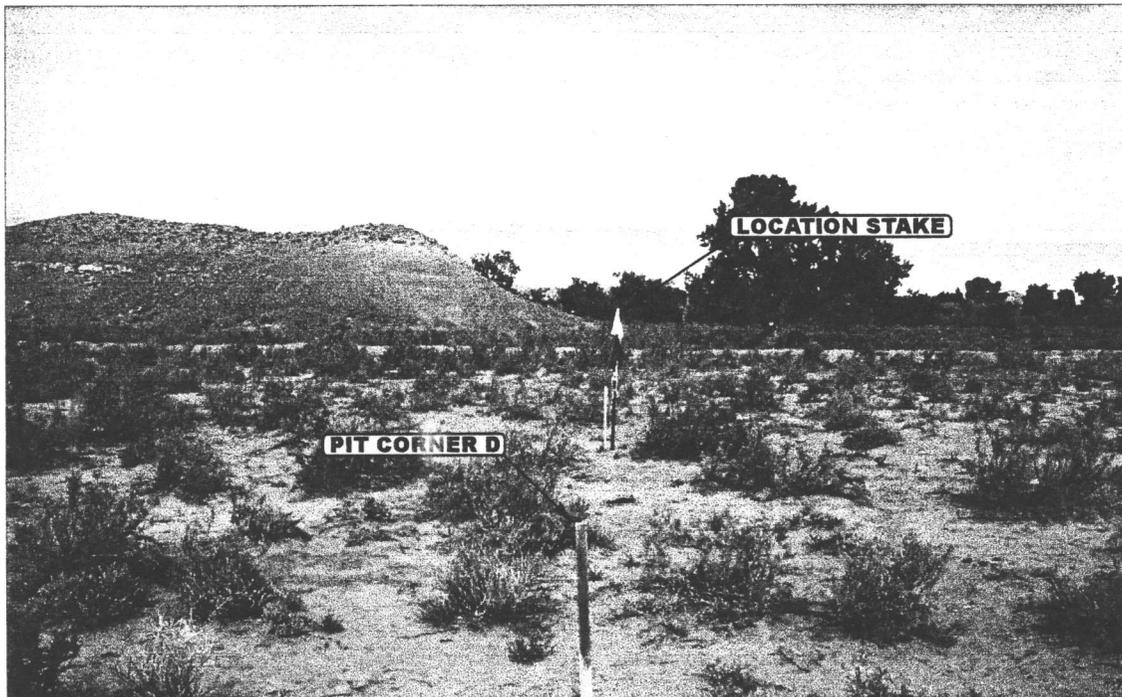


PHOTO: VIEW FROM PIT CORNER D TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHERLY



- Since 1964 -

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

LOCATION PHOTOS

10 13 00  
MONTH DAY YEAR

PHOTO

TAKEN BY: B.B.

DRAWN BY: K.G.

REVISED: 00-00-00

NBU #368  
SW/SW Sec. 4-T9S-R21E  
UINTAH COUNTY, UTAH  
LEASE #U-0149767

ONSHORE ORDER NO. 1  
COASTAL OIL & GAS CORPORATION

*DRILLING PROGRAM*

1. Estimated Tops of Important Geologic Markers:

<u>Formation</u>	<u>Depth</u>
KB	4690'
Green River	2020'
Wasatch	5350'
TD	7050'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	2020'
Gas	Wasatch	5350'
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 7,050' TD, approximately equals 2,820 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1,269 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

**NBU #368  
SW/SW Sec. 4-T9S-R21E  
UINTAH COUNTY, UTAH  
LEASE #U-0149767**

**ONSHORE ORDER NO. 1**

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

An onsite inspection was conducted for the NBU #368 on 1/22/01, for the subject well.

**1. Existing Roads:**

The proposed well site is approximately 10.6 miles southeast of Ouray, Utah. Directions to the location from Ouray, Utah:

Proceed in a westerly direction from Vernal, Utah, along U.S. Highway 40 approximately 14.0 miles to the junction of state highway 88; exit left and proceed in a southerly direction approximately 17.0 miles to Ouray, Utah; proceed in a southerly direction approximately 3.2 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 1.0 miles to the junction of this road and an existing road to the northeast; turn left and proceed in a northeasterly direction approximately 0.5 miles to the junction of this road and an existing road to the southeast; turn right and proceed in a southeasterly, then northeasterly direction approximately 2.0 miles the junction of this road and an existing road to the southeast; turn right and proceed in a easterly direction approximately 3.9 miles to the beginning of the proposed access road to the south; follow road flags in a southwesterly direction approximately 500' to the proposed location.

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

**2. Planned Access Roads:**

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

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

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

Please refer to Topo Map C.

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

*Please see the Natural Buttes Unit SOP.*

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

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).

Location size may change prior to the drilling of the well due to the current rig availability. If the proposed location is not large enough to accommodate the drilling rig. The location will be re-surveyed and a form 3160-5 will be submitted.

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:

Ute Indian Tribe  
P.O. Box 70  
Fort Duchesne, UT 84026  
(435)722-5141

**12. Other Information:**

A Class III archaeological survey was conducted by AERC Archaeological Consultants. Copies were submitted to the Ute Indian Tribe Energy & Minerals Department and Bureau of Indian Affairs prior to the on-site inspection.

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 2775  
Houston, TX 77046-0995  
(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.

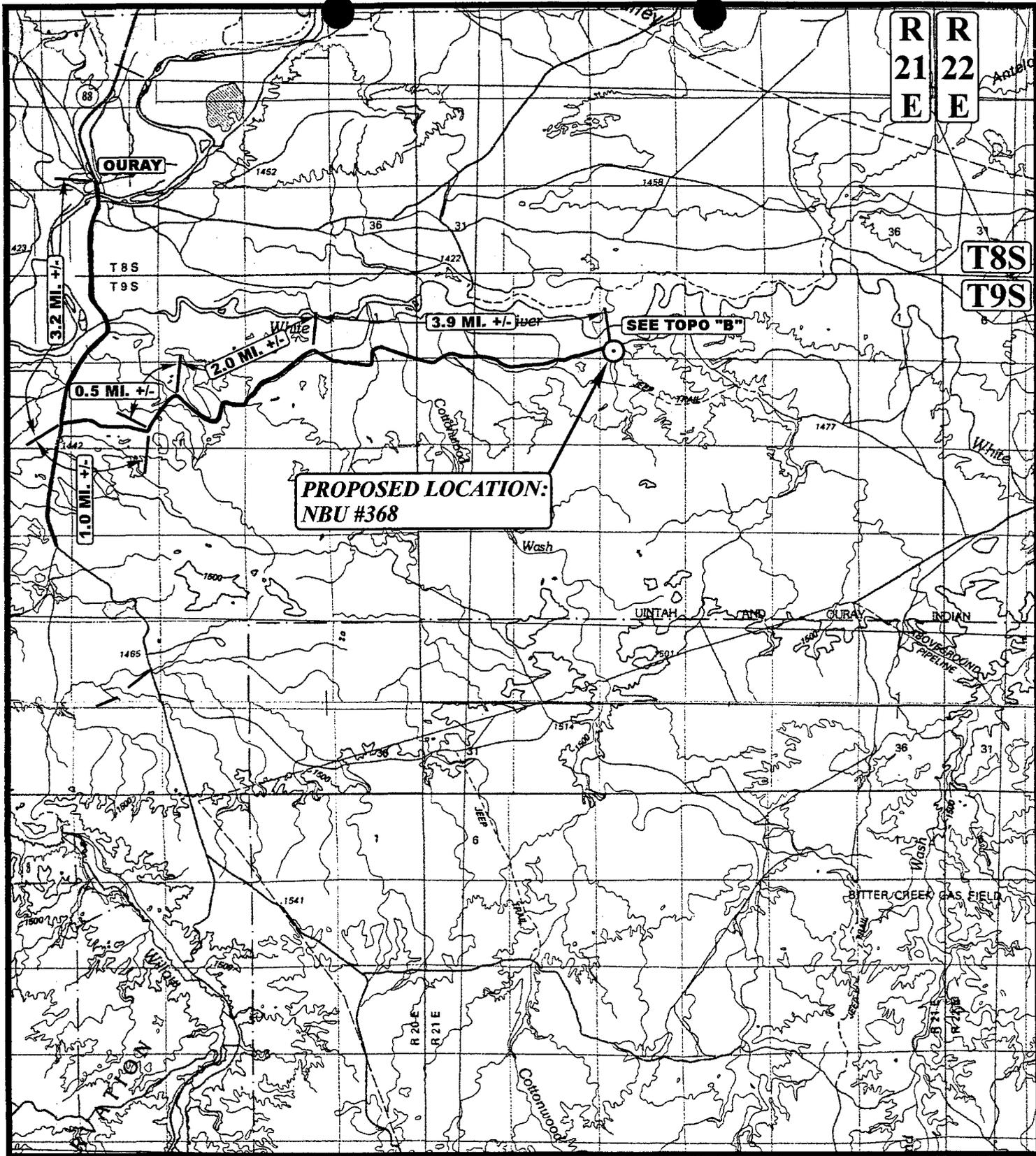
Bond Coverage pursuant to 43 CFR 3104 for lease activities is being provided by Coastal Oil & Gas Corporation Bond #102103, BLM Nationwide Bond #U-605382-9, and BIA Nationwide Bond #114066-A.

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

2/23/01  
Date



**LEGEND:**

○ PROPOSED LOCATION



**COASTAL OIL & GAS CORP.**

**NBU #368**  
**SECTION 4, T9S, R21E, S.L.B.&M.**  
**517' FSL 885' FWL**



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

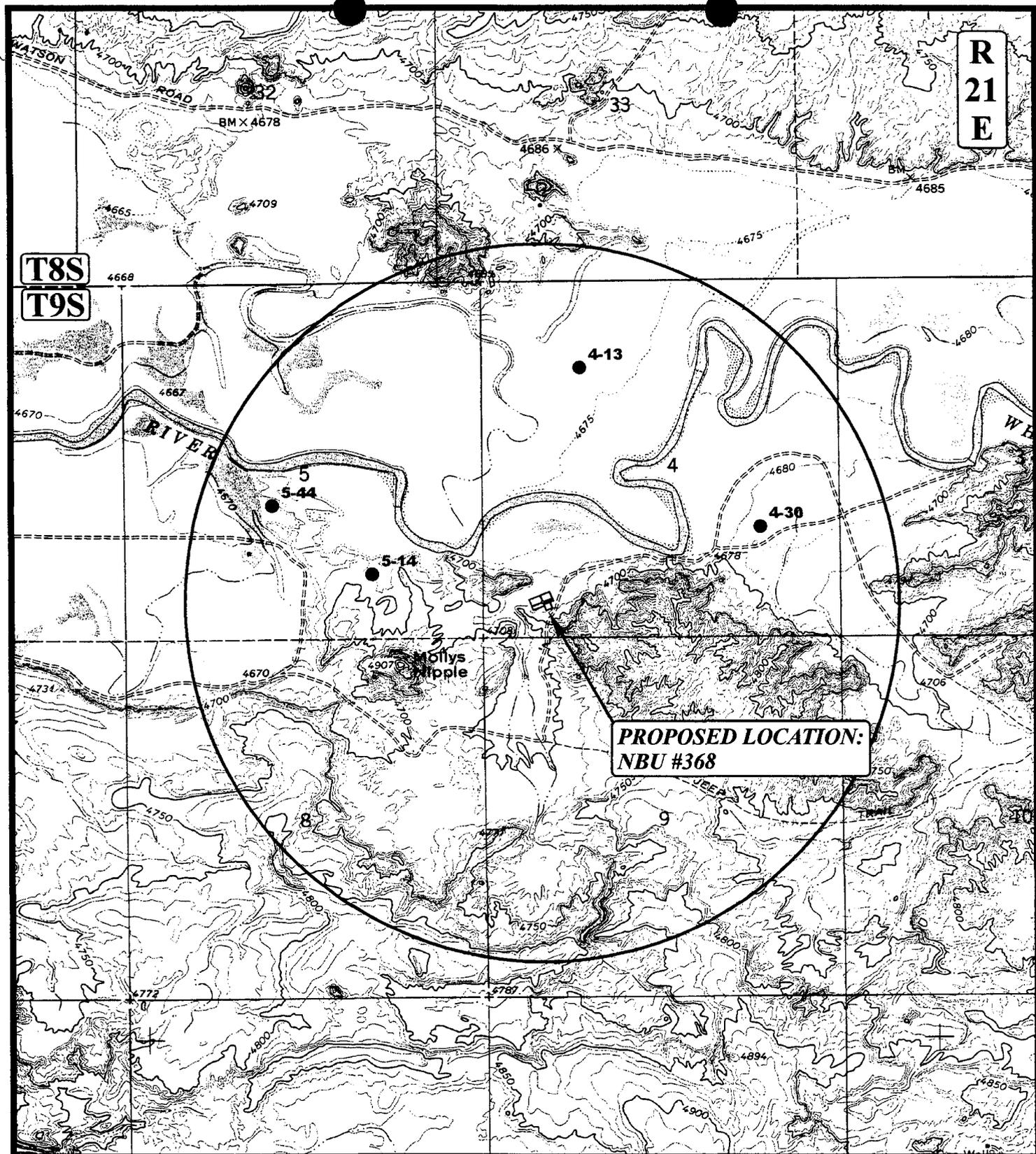
**TOPOGRAPHIC**  
**MAP**

**10 13 00**  
 MONTH DAY YEAR

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







**LEGEND:**

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

**COASTAL OIL & GAS CORP.**

NBU #368  
 SECTION 4, T9S, R21E, S.L.B.&M.  
 517' FSL 885' FWL



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

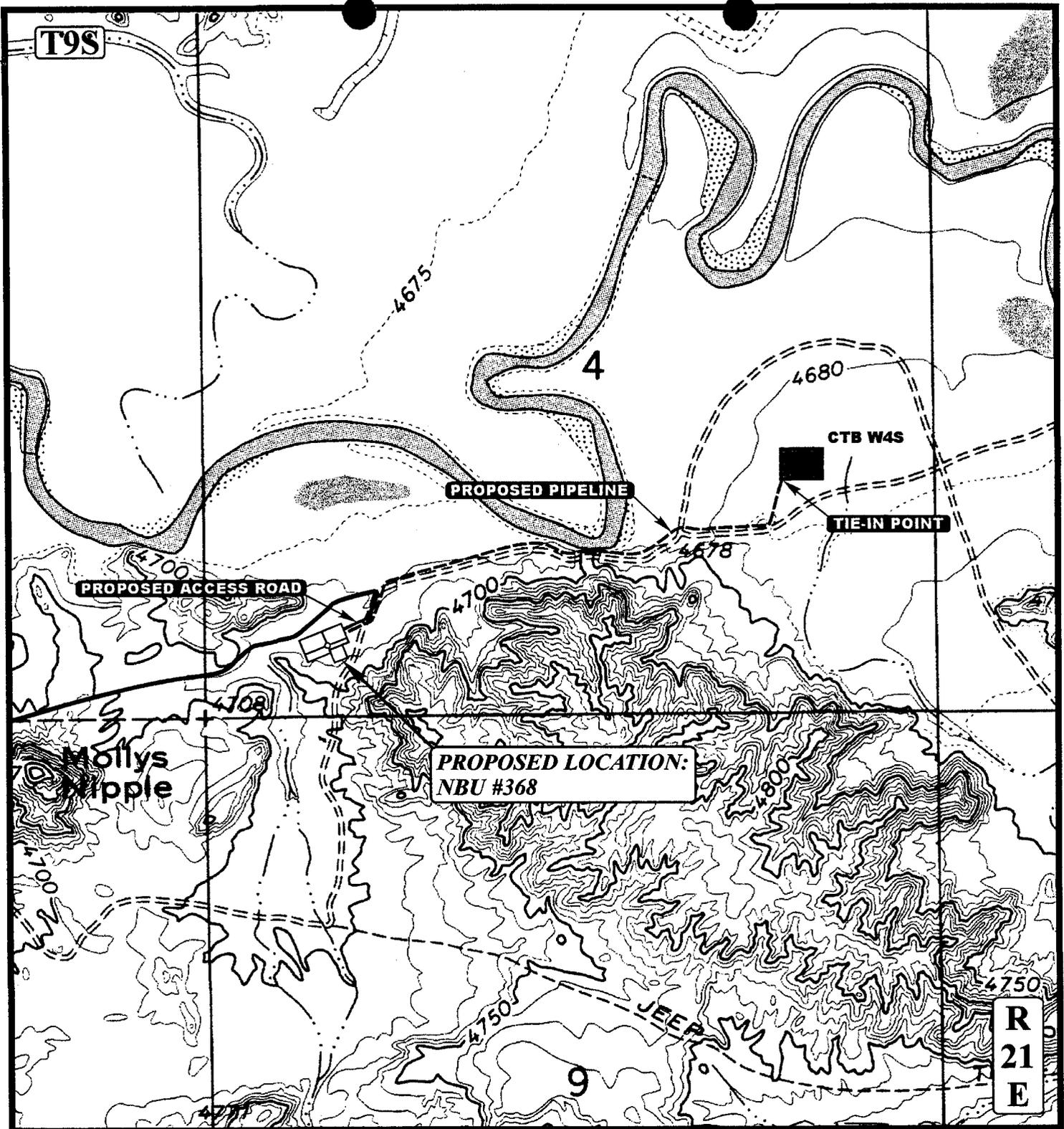


**TOPOGRAPHIC**  
**MAP**

<b>10</b>	<b>13</b>	<b>00</b>
MONTH	DAY	YEAR

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





APPROXIMATE TOTAL PIPELINE DISTANCE = 4040' +/-

**LEGEND:**

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

**COASTAL OIL & GAS CORP.**

NBU #368  
 SECTION 4, T9S, R21E, S.L.B.&M.  
 517' FSL 885' FWL



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

**TOPOGRAPHIC** 10 13 00  
 MAP MONTH DAY YEAR  
 SCALE: 1" = 1000' DRAWN BY: K.G. REVISED: 1-16-01

**D**  
 TOPO

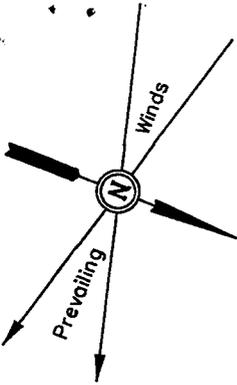
# COASTAL OIL & GAS CORP.

## LOCATION LAYOUT FOR

NBU #368

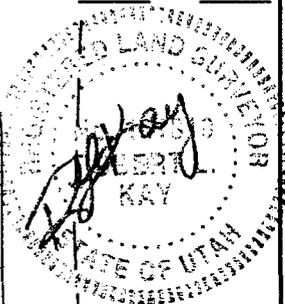
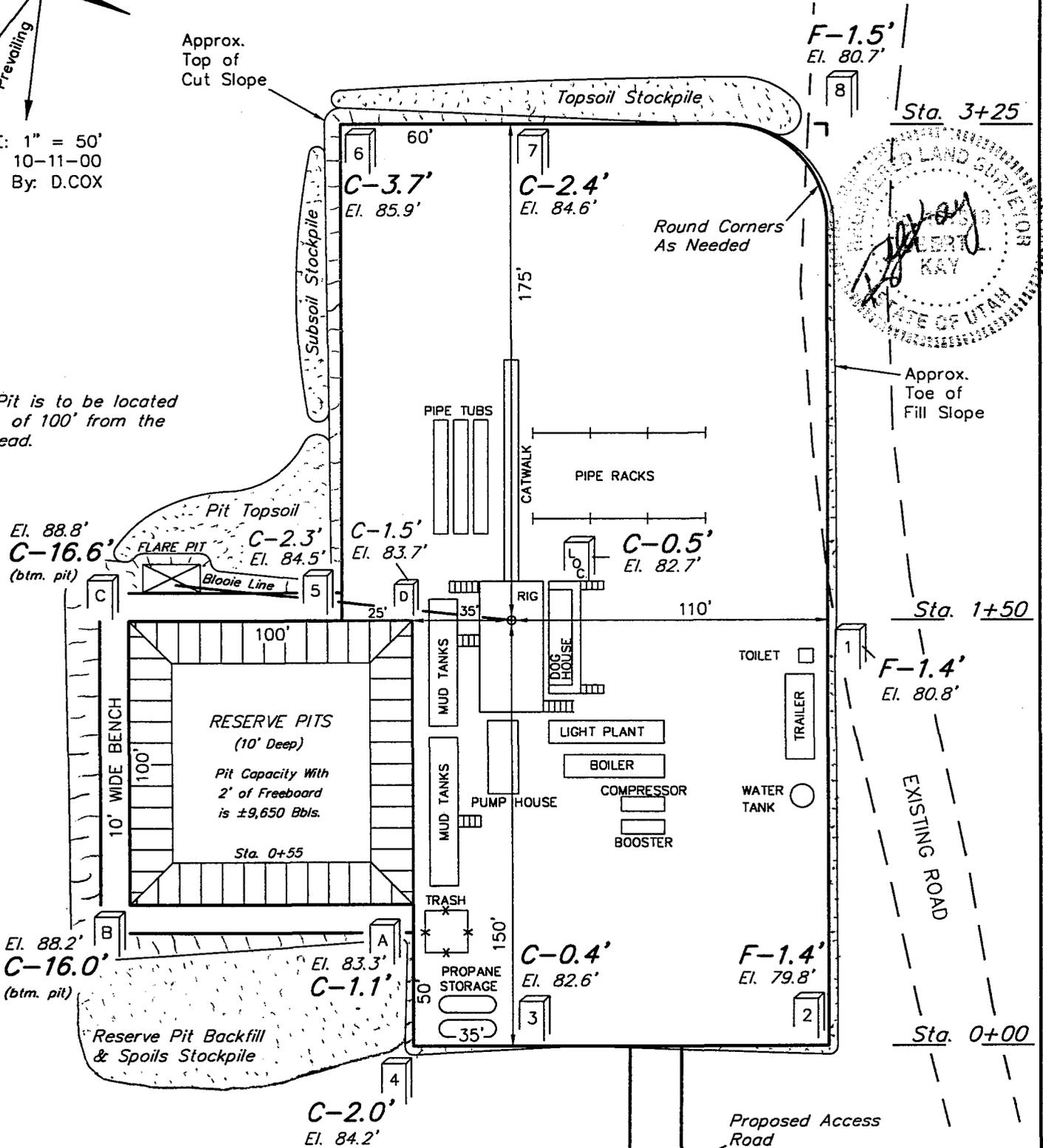
SECTION 4, T9S, R21E, S.L.B.&M.

517' FSL 885' FWL



SCALE: 1" = 50'  
DATE: 10-11-00  
Drawn By: D.COX

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



**NOTES:**

Elev. Ungraded Ground At Loc. Stake = 4682.7'  
FINISHED GRADE ELEV. AT LOC. STAKE = 4682.2'

**FIGURE #1**

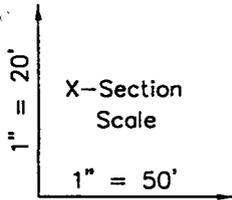
COASTAL OIL & GAS CORP.

TYPICAL CROSS SECTIONS FOR

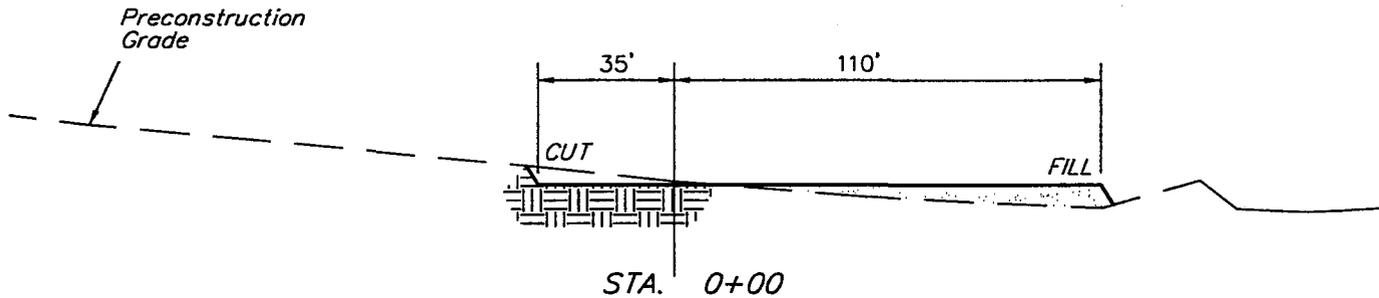
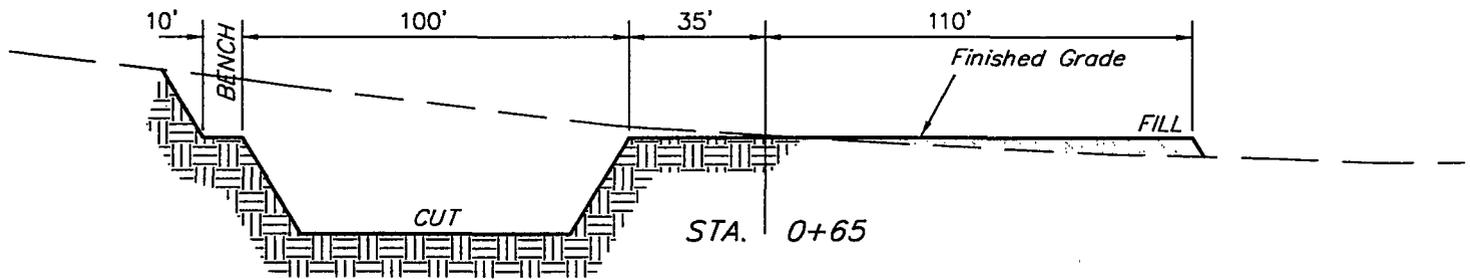
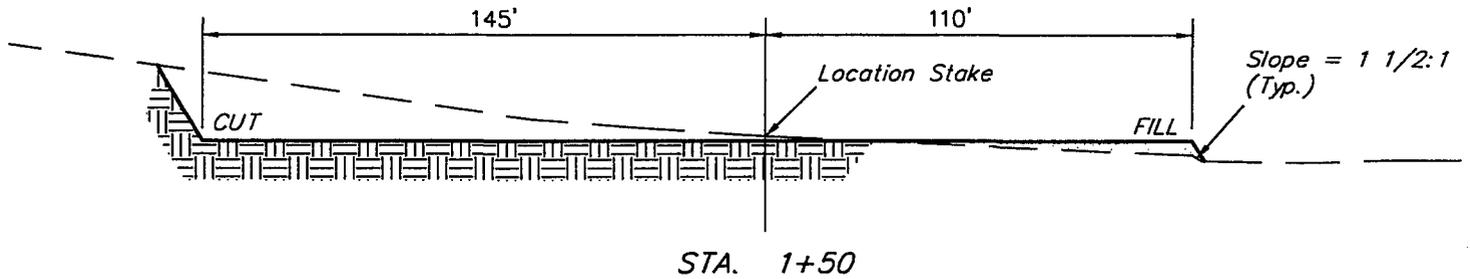
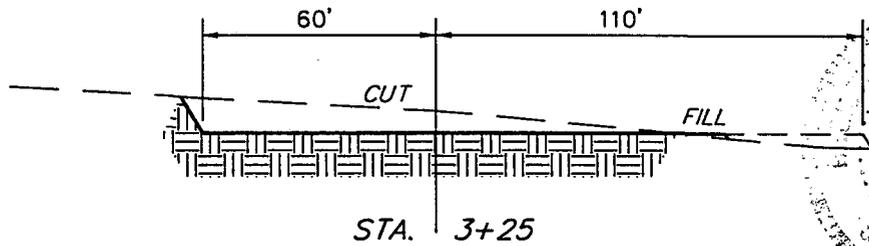
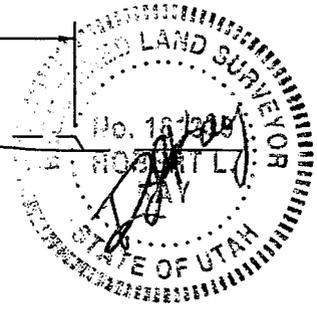
NBU #368

SECTION 4, T9S, R21E, S.L.B.&M.

517' FSL 885' FWL



DATE: 10-11-00  
Drawn By: D.COX



**FIGURE #2**

APPROXIMATE YARDAGES

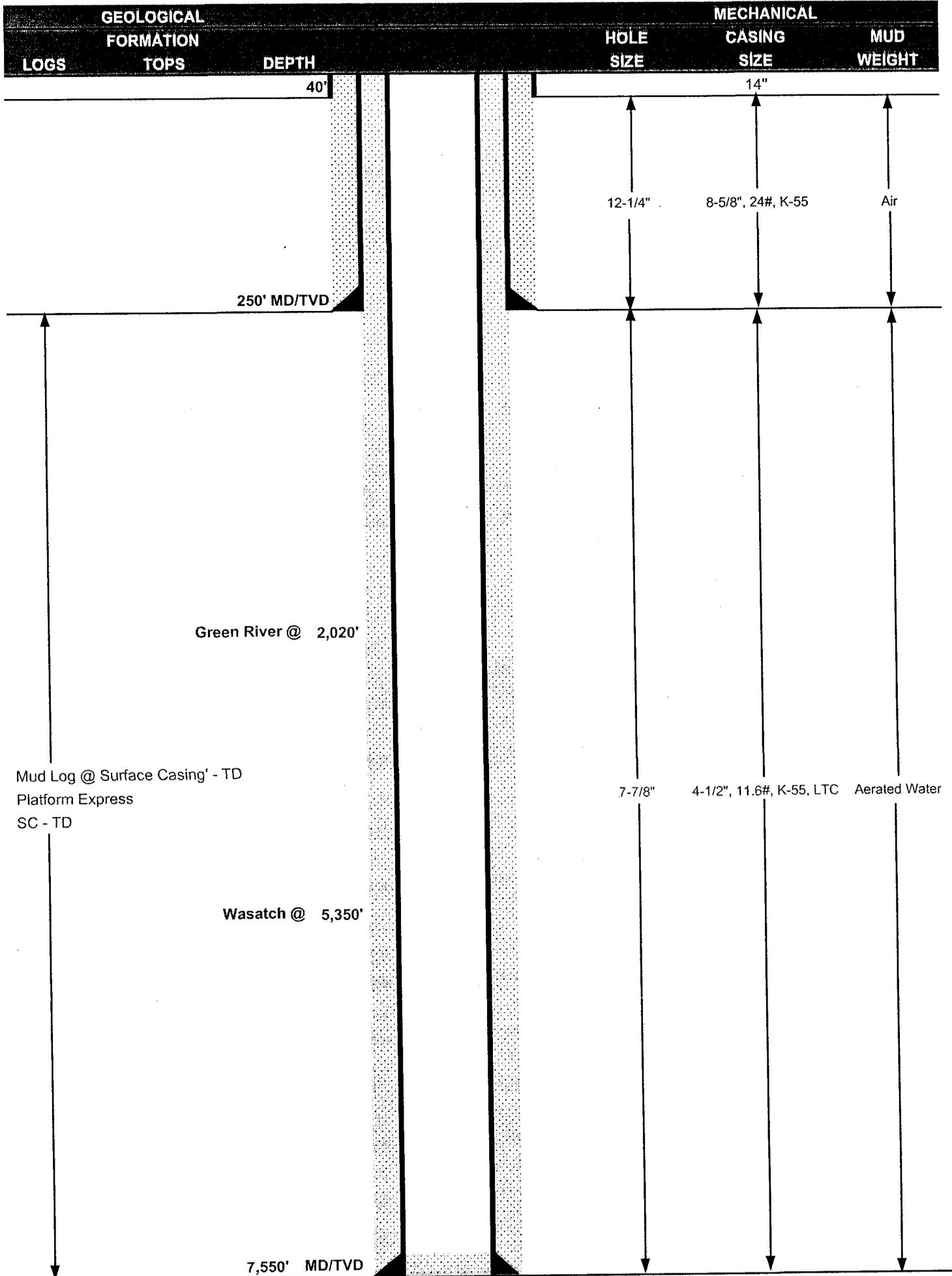
CUT	
(12") Topsoil Stripping	= 2,400 Cu. Yds.
Remaining Location	= 4,810 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 7,210 CU.YDS.</b>
<b>FILL</b>	<b>= 2,290 CU.YDS.</b>

EXCESS MATERIAL AFTER 5% COMPACTION	= 4,800 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,740 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 1,060 Cu. Yds.

# COASTAL OIL & GAS CORPORATION

## DRILLING PROGRAM

COMPANY NAME Coastal Oil & Gas Corporation DATE 1/31/01  
 WELL NAME NBU #368 TD 7,550' MD/TVD  
 FIELD NBU COUNTY Uintah STATE Utah ELEVATION 4,690' KB  
 SURFACE LOCATION 660' FSL & 725' FWL, Section 4 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"	0-40'				2950	1370	263000
SURFACE	8-5/8"	0-250'	24#	K-55	STC	21.03	11.71	4.70
PRODUCTION*	4-1/2"	0-TD	11.6#	K-55	LTC	5350	4960	180000
						2.01	1.26	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, 50,000 lbs overpull)

### CEMENT PROGRAM

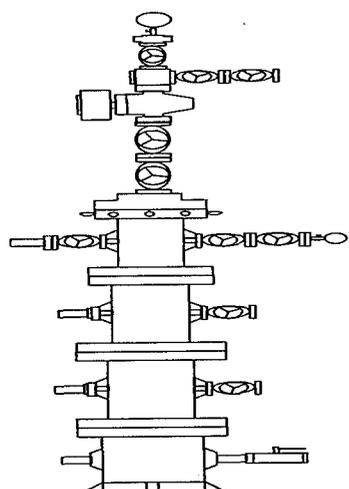
		FT. OF FILL	DESCRIPTION	SACKS	EXCESS*	WEIGHT	YIELD
SURFACE		250	Class G + 2% CaCl <sub>2</sub> + 0.25 lb/sk Cello Flake	90	35%	15.80	1.17
PRODUCTION	LEAD	5,650'	Premium Lite II + 3 lb/sk CSE + 0.5% Sodium Metasilicate + 10% Gel + 0.25 lb/sk Cello Flake + 3% Salt + 3 lb/sk Kol Seal	740	100%	11.00	3.44
	TAIL	1,900'	50/50 POZ + 0.1% R-3 + 1% EC-1 + 0.2% Sodium Metasilicate + 2% Gel + 0.5% FL-25 + 3% Salt	620	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	12-1/4"	Various				
Surf Csg - TD	7-7/8"	SEC XS44	400	New	16-16-16	

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	MUD WT	WATER LOSS	VISCOSITY	TREATMENT
SC-TD	Water	Water	NC	27	Polymer, Gyp

Circulate hole until clean @ TD. Spot brine pill at TD for casing. **Eliminate** corrosion chemicals.

Monitor corrosion with coupons.

---

**ADDITIONAL INFORMATION**

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

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

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

---

**PROJECT ENGINEER:**

Christa Yin

**DATE:**

**PROJECT MANAGER:**

Darrell Molnar

**DATE:**

**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 03/05/2001

API NO. ASSIGNED: 43-047-33972
--------------------------------

WELL NAME: NBU 368  
 OPERATOR: COASTAL OIL & GAS CORP ( N0230 )  
 CONTACT: CHERYL CAMERON

PHONE NUMBER: 435-781-7023

PROPOSED LOCATION:

SWSW 04 090S 210E  
 SURFACE: 0517 FSL 0885 FWL  
 BOTTOM: 0517 FSL 0885 FWL  
 UINTAH  
 NATURAL BUTTES ( 630 )

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

LEASE TYPE: 1-Federal  
 LEASE NUMBER: U-0149767  
 SURFACE OWNER: 2-Indian

PROPOSED FORMATION: WSTC

RECEIVED AND/OR REVIEWED:

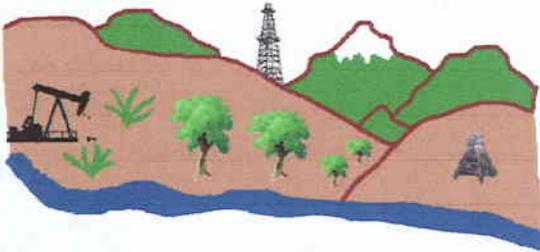
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. U-605382-9 )
- Potash (Y/N)
- Oil Shale (Y/N) \*190-5 (B) or 190-3
- Water Permit  
(No. 43-8496 )
- RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )
- Fee Surf Agreement (Y/N)

LOCATION AND SITING:

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

COMMENTS: NBU SOP, separate file.

STIPULATIONS: ① FEDERAL APPROPRIAL  
② OIL SHALE



Utah Oil Gas and Mining

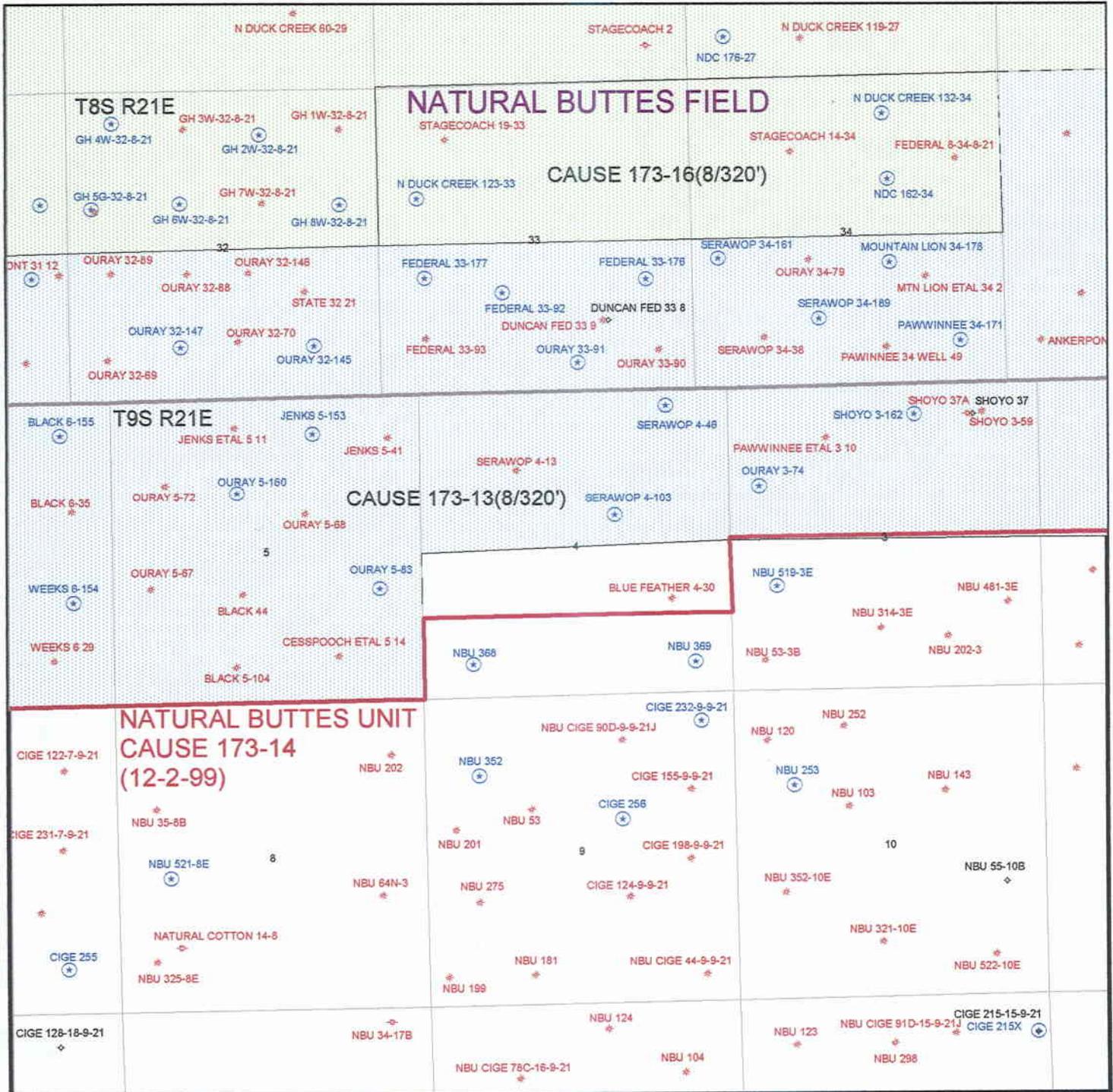
OPERATOR: COASTAL O&G CORP (N0230)

FIELD: NATURAL BUTTES (630)

SEC. 4, T9S, R21E,

COUNTY: UINTAH UNIT: NATURAL BUTTES

CAUSE: 173-14





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

Michael O. Leavitt  
Governor  
Kathleen Clarke  
Executive Director  
Lowell P. Braxton  
Division Director

1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
801-538-5340  
801-359-3940 (Fax)  
801-538-7223 (TDD)

March 12, 2001

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

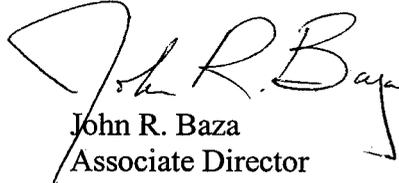
Re: Natural Buttes Unit 368 Well, 517' FSL, 885' FWL, SW SW, Sec. 4, T. 9 South,  
R. 21 East, Uintah County, Utah

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 43-047-33972.

Sincerely,

  
John R. Baza  
Associate Director

er

Enclosures

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

**Operator:** Coastal Oil & Gas Corporation  
**Well Name & Number** Natural Buttes Unit 368  
**API Number:** 43-047-33972  
**Lease:** U-0149767

**Location:** SW SW      **Sec.** 4      **T.** 9 South      **R.** 21 East

### Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

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

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

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

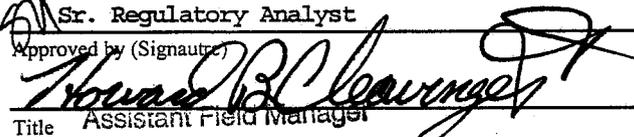
1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>U-0149767</b>
1b. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name <b>Ute Tribe</b>
2. Name of Operator <b>Coastal Oil &amp; Gas Corporation</b>		7. Unit or CA Agreement Name and No. <b>CA# UT08019-84C721</b>
3a. Address <b>P.O. Box 1148, Vernal, UT 84078</b>	3b. Phone No. (include area code) <b>(435)-781-7023</b>	8. Lease Name and Well No. <b>NBU #368</b>
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface <b>SW SW</b>  At proposed prod. zone <b>517'FSL &amp; 885'FWL</b>		9. API Well No.
14. Distance in miles and direction from nearest town or post office* <b>Approximately 10.6 Miles Southeast of Ouray, Utah</b>		10. Field and Pool, or Exploratory <b>Natural Buttes Field</b>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) <b>517'</b>	16. No. of Acres in lease <b>777.33</b>	11. Sec., T., R., M., or Blk. and Survey or Area <b>Section 4-T9S-R21E</b>
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>Refer to Topo "C"</b>	19. Proposed Depth <b>7500'</b>	12. County or Parish <b>Uintah</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>4682.7' Ungraded GL</b>	22. Approximate date work will start* <b>Upon Approval</b>	13. State <b>Utah</b>
17. Spacing Unit dedicated to this well <b>320</b>		20. BLM/BIA Bond No. on file <b>BLM #U-605382-9 BIA #114066-A</b>
23. Estimated duration <b>To Be Determined</b>		

24. Attachments

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

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

25. Signature 	Name (Printed/Typed) <b>Cheryl Cameron</b>	Date <b>2/23/01</b>
---	---	------------------------

Approved by (Signature) 		Date <b>04/24/2001</b>
Title <b>Sr. Regulatory Analyst</b> <b>Assistant Field Manager</b> <b>Mineral Resources</b>		Office <b>NOTICE OF APPROVAL</b>

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

**CONDITIONS OF APPROVAL ATTACHED**

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

\*(Instructions on Reverse)

File not  
there  
6/25/2001

**RECEIVED**

APR 30 2001

DIVISION OF  
OIL, GAS AND MINING

DOGm

CONDITIONS OF APPROVAL  
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Coastal Oil & Gas Corporation

Well Name & Number: NBU #368

API Number: 43-047-33972

Lease Number: U - 0149767

Location: SWSW Sec. 04 T. 09S R. 21E

Agreement: C.A. UT080P49-84C721 - 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 shall be a cemented to surface.

The hole size for the surface casing shall be a minimum of 12.25 inches in diameter, to facilitate remedial cementing of the surface casing.

As a minimum, the usable water and other mineral resources shall be isolated and/or protected by having a cement top for the intermediate casing at least 200 ft. above top of the Green River Formation, identified at  $\pm 1,870$  ft.

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

Coastal Oil & Gas Corp. (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 any trenching required for the construction of the pipeline. Coastal is to inform contractors to maintain construction of the pipelines within approved ROW.

A corridor ROW, 30 feet wide, shall be granted for the pipeline and a ROW, 30 feet wide, shall be granted for the access road. 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.

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: 8 South 1200 East CITY Vernal STATE Utah ZIP 84078		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: 435-789-4433		8. WELL NAME and NUMBER: Exhibit "A"
4. LOCATION OF WELL FOOTAGES AT SURFACE: _____ COUNTY: _____ QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: _____ STATE: UTAH		9. API NUMBER:
10. FIELD AND POOL, OR WILDCAT:		

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

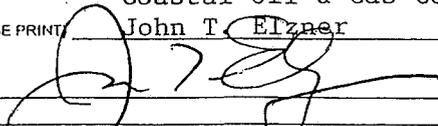
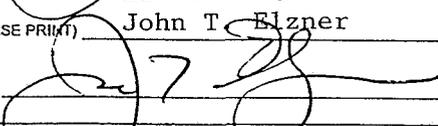
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input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

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

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

See Exhibit "A"

Bond # 400JU0708

Coastal Oil & Gas Corporation	
NAME (PLEASE PRINT) <u>John T. Elzner</u>	TITLE <u>Vice President</u>
SIGNATURE 	DATE <u>06-15-01</u>
El Paso Production Oil & Gas Company	
NAME (PLEASE PRINT) <u>John T. Elzner</u>	TITLE <u>Vice President</u>
SIGNATURE 	DATE <u>06-15-01</u>

(This space for State use only)

**RECEIVED**  
JUN 19 2001  
DIVISION OF OIL, GAS AND MINING

(5/2000) (See Instructions on Reverse Side)

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

JUN 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.

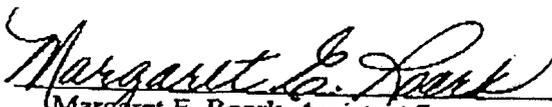
THIRD: That the aforesaid amendment was duly adopted in accordance with the applicable provisions of Sections 242 and 228 of the General Corporation Law of the State of Delaware.

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**

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

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

**CA No.**

**Unit: NATURAL BUTTES**

**WELL(S)**

NAME	API NO	ENTITY NO	SEC TWN RNG	LEASE TYPE	WELL TYPE	WELL STATUS
NBU 519-3E	43-047-33779	2900	03-09S-21E	FEDERAL	GW	P
NBU 368	43-047-33972	99999	04-09S-21E	FEDERAL	GW	APD
CIGE 256	43-047-33971	2900	09-09S-21E	FEDERAL	GW	APD
CIGE 242	43-047-34022	99999	33-09S-22E	FEDERAL	GW	APD
NBU 288	43-047-32986	2900	03-10S-22E	FEDERAL	GW	P
NBU 336	43-047-34027	99999	04-10S-22E	FEDERAL	GW	APD
NBU 337	43-047-34020	99999	04-10S-22E	FEDERAL	GW	APD
NBU 338	43-047-34058	99999	05-10S-22E	FEDERAL	GW	APD
NBU 344	43-047-34021	99999	08-10S-22E	FEDERAL	GW	APD
NBU 348	43-047-34001	99999	11-10S-22E	STATE	GW	APD
NBU 349	43-047-34002	99999	11-10S-22E	STATE	GW	APD
NBU 382	43-047-34235	99999	22-10S-22E	FEDERAL	GW	NEW
NBU 381	43-047-34234	99999	23-10S-22E	FEDERAL	GW	NEW
NBU 39	43-047-30861	2900	29-10S-22E	FEDERAL	GW	P
NBU 360	43-047-33773	2900	29-10S-22E	FEDERAL	GW	P
NBU 47N2	43-047-30534	2900	30-10S-22E	FEDERAL	GW	S
NBU 351	43-047-33668	2900	30-10S-22E	FEDERAL	GW	P
NBU 384	43-047-34237	99999	30-10S-22E	FEDERAL	GW	NEW
NBU 70-34B	43-047-30577	2900	34-10S-22E	FEDERAL	GW	S
NBU 62-35B	43-047-30477	2900	35-10S-22E	FEDERAL	GW	S

**OPERATOR CHANGES DOCUMENTATION**

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

5. If **NO**, the operator was contacted on: N/A
6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the (merger, name change, or operator change for all wells listed on Federal or Indian leases on: 07/10/2001
7. **Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: 07/10/2001
8. **Federal and Indian Communitization Agreements ("CA"):** The BLM or the BIA has approved the operator change for all wells listed involved in 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: N/A

---

**DATA ENTRY:**

1. Changes entered in the **Oil and Gas Database** on: 08/23/2001
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 08/23/2001
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

---

**STATE BOND VERIFICATION:**

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

---

**FEDERAL BOND VERIFICATION:**

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

---

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

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

---

**FILMING:**

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

---

**FILING:**

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

---

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

---

---

---

---

---

JAN. 17. 2003 3:34PM

WESTPORT

NO. 173 P. 2

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

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

February 1, 2002

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

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

Dear Ms. Maxwell:

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

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

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

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

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

Debby J. Black  
Engineer Technician

Encl:



United States Department of the Interior **RECEIVED**

BUREAU OF LAND MANAGEMENT

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

FEB 22 2002

DIVISION OF  
OIL, GAS AND MINING

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

FEB 21 2002

NOTICE

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

Name Change Recognized

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

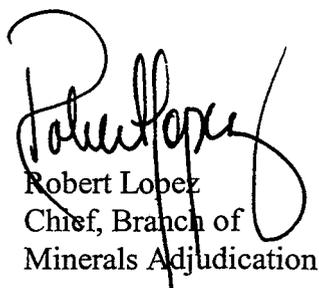
For our purposes, the name change is recognized effective December 31, 2001.

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

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

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

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



Robert Lopez  
Chief, Branch of  
Minerals Adjudication

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

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

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator  
*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)  
*SWSW Section 4-T9S-R21E 517'FSL & 885'FWL*

5. Lease Serial No.  
**U-0149767**

6. If Indian, Allottee or Tribe Name  
**Ute Tribe**

7. If Unit or CA/Agreement, Name and/or No.  
**CA# UT080849-84C721**  
**Natural Buttes Unit**

8. Well Name and No.  
**NBU #368**

9. API Well No.  
**43-047-33972**

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

11. County or Parish, State  
**Uintah County, Utah**

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

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

The operator requests that the APD for the subject well be extended for an additional year so that drilling operations may be completed.

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

Name (Printed/Typed) <b>Sheila Upchego</b>	Title <b>Regulatory Analyst</b>
Signature 	Date <b>February 19, 2002</b>

THIS SPACE FOR FEDERAL OR STATE USE

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

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

(Instructions on reverse)

**COPY SENT TO OPERATOR**  
 Date: 02-26-02  
 Initials: CUO

**Approved by the  
Utah Division of  
Oil, Gas and Mining**  
 Date: 02-26-02  
 By:

**RECEIVED**  
 FEB 25 2002  
 DIVISION OF  
 OIL, GAS AND MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or 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)  
*SWSW Section 4-T9S-R21E 517'FSL & 885'FWL*

5. Lease Serial No.  
**U-0149767**

6. If Indian, Allottee or Tribe Name  
**Ute Tribe**

7. If Unit or CA/Agreement, Name and/or No.  
**CA# UT080849-84C721**  
**Natural Buttes Unit**

8. Well Name and No.  
**NBU #368**

9. API Well No.  
**43-047-33972**

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

11. County or Parish, State  
**Uintah County, Utah**

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

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

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

The operator requests that the APD for the subject well be extended for an additional year so that drilling operations may be completed.

RECEIVED

MAR 15 2002

**CONDITIONS OF APPROVAL ATTACHED**

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

Name (Printed/Typed) <b>Sheila Upchego</b>	Title <b>Regulatory Analyst</b>
Signature <i>Sheila Upchego</i>	Date <b>March 14, 2002</b>

THIS SPACE FOR FEDERAL OR STATE USE

Approved by <i>Kirk Johnson</i>	Title <b>Petroleum Engineer</b>	Date <b>3/21/02</b>
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office

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

(Instructions on reverse)

RECEIVED

APR 02 2002

DIVISION OF  
OIL, GAS AND MINING

*DOGm*

El Paso Production  
APD Extension

Well: NBU 368

Location: SWSW Sec. 4, T9S, R21E

Lease: U-0149767

**Conditions of Approval**

An extension for the referenced APD is granted with the following condition(s):

1. The extension will expire 4/24/03
2. No other extensions beyond that time frame will be granted or allowed.

If you have any other questions concerning this matter, please contact Kirk Fleetwood at (435) 781-4486.

# memorandum

Branch of Real Estate Services  
Uintah & Ouray Agency

Date: 5 December, 2002

Reply to  
Attn of: Supervisory Petroleum Engineer

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

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

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

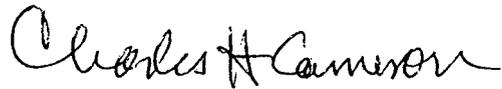
We have no objection.

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

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

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

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



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
SUNDRY NOTICES AND REPORTS ON WELLS

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

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-0149767

6. If Indian, Allottee or Tribe Name  
Ute Tribe

7. If Unit or CA/Agreement, Name and/or No.  
CA# UT080849-84C721  
Natural Buttes Unit

8. Well Name and No.  
NBU #368

9. API Well No.  
43-047-33972

10. Field and Pool, or Exploratory Area  
Natural Buttes

11. County or Parish, State  
Uintah County, Utah

**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)  
SWSW Section 4-T9S-R21E 517'FSL & 885'FWL

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

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

THE OPERATOR REQUESTS THAT THE APD FOR THE SUBJECT WELL BE EXTENDED FOR AN ADDITIONAL YEAR SO THAT DRILLING OPERATIONS MAY BE COMPLETED.

COPY SENT TO OPERATOR  
Date: 02-07-03  
Initials: CBO

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 02-06-03  
By: *[Signature]*

RECEIVED  
JAN 28 2003  
DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed)  
Sheila Upchego

Title  
Regulatory Analyst

Signature  
*[Signature]*

Date  
January 21, 2003

THIS SPACE FOR FEDERAL OR STATE USE

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

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

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

(Instructions on reverse)





# United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

Washington, D.C. 20240

FEB 10 2003

IN REPLY REFER TO:  
Real Estate Services

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

Dear Mr. Wilson:

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

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

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

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

Sincerely,

Director, Office of Trust Responsibilities

**ACTING**

Enclosure

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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

5. LEASE DESIGNATION AND SERIAL NUMBER: \_\_\_\_\_

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: \_\_\_\_\_

7. UNIT or CA AGREEMENT NAME: \_\_\_\_\_

8. WELL NAME and NUMBER:  
**Exhibit "A"**

9. API NUMBER: \_\_\_\_\_

10. FIELD AND POOL, OR WILDCAT: \_\_\_\_\_

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

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

3. ADDRESS OF OPERATOR:  
**9 Greenway Plaza** CITY: **Houston** STATE: **TX** ZIP: **77064-0995** PHONE NUMBER: **(832) 676-5933**

4. LOCATION OF WELL

FOOTAGES AT SURFACE: \_\_\_\_\_ COUNTY: \_\_\_\_\_

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: \_\_\_\_\_ STATE: **UTAH**

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

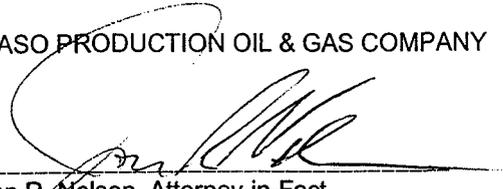
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input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

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

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

BOND # \_\_\_\_\_  
State Surety Bond No. RLB0005236  
Fee Bond No. RLB0005238

EL PASO PRODUCTION OIL & GAS COMPANY

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

**RECEIVED**  
**FEB 28 2003**  
DIV. OF OIL, GAS & MINING

WESTPORT OIL AND GAS COMPANY, L.P.  
NAME (PLEASE PRINT) **David R. Dix** TITLE **Agent and Attorney-in-Fact**

SIGNATURE  DATE **12/17/02**

(This space for State use only)



# 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

Form 3160-5  
(August 1999)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
**SEE ATTACHED EXHIBIT "A"**  
6. If Indian, Allottee or Tribe Name

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

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

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

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

10. Field and Pool, or Exploratory Area

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

**SEE ATTACHED EXHIBIT "A"**

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

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

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

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

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

RECEIVED

MAR 04 2003

DEPT. OF OIL, GAS & MINING

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

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

Title  
**OPERATIONS**

Signature

Date  
**March 4, 2003**

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by

Title

Date

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

Office

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

(Instructions on reverse)

**OPERATOR CHANGE WORKSHEET**

**ROUTING**

1. GLH
2. CDW <input checked="" type="checkbox"/>
3. FILE

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

Designation of Agent/Operator

Operator Name Change

Merger

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

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

**CA No.**

**Unit:**

**NATURAL BUTTES**

**WELL(S)**

NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
NBU 506-23E	23-09S-20E	43-047-33140	2900	FEDERAL	GW	P
NBU 48-29B	29-09S-20E	43-047-30452	2900	FEDERAL	GW	S
NBU 42-35B	35-09S-20E	43-047-30469	2900	FEDERAL	GW	PA
NBU 42-36B	36-09S-20E	43-047-30435	2900	FEDERAL	GW	PA
NBU 416	36-09S-20E	43-047-34423	99999	FEDERAL	GW	APD
NBU 52-1B	01-09S-21E	43-047-30473	2900	FEDERAL	GW	P
NBU 54-2B	02-09S-21E	43-047-30475	2900	STATE	GW	P
NBU 312-2E	02-09S-21E	43-047-32288	2900	STATE	GW	P
NBU 333-2E	02-09S-21E	43-047-32518	2900	STATE	GW	P
NBU 379-2E	02-09S-21E	43-047-33782	2900	STATE	GW	P
NBU 519-3E	03-09S-21E	43-047-33779	2900	FEDERAL	GW	P
NBU 314-3E	03-09S-21E	43-047-32271	2900	FEDERAL	GW	P
NBU 53-3B	03-09S-21E	43-047-30474	2900	FEDERAL	GW	P
NBU 202-3J	03-09S-21E	43-047-31150	2900	FEDERAL	GW	P
CIGE 135-3-10-21	03-09S-21E	43-047-32001	2900	FEDERAL	GW	S
NBU 481-3E	03-09S-21E	43-047-33063	2900	FEDERAL	GW	P
NBU 368	04-09S-21E	43-047-33972	99999	FEDERAL	GW	APD
NBU 369	04-09S-21E	43-047-33973	99999	FEDERAL	GW	APD
CIGE 34-17B	07-09S-21E	43-047-30404	2900	FEDERAL	GW	P
CIGE 36-7B	07-09S-21E	43-047-30399	2900	FEDERAL	GW	S

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

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

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

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

**8. Federal and Indian Units:**

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

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

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

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

**DATA ENTRY:**

1. Changes entered in the Oil and Gas Database on: 03/10/2003
2. Changes have been entered on the Monthly Operator Change Spread Sheet on: 03/10/2003
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

Vernal Field Office

170 South 500 East

Vernal, Utah 84078-2799

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

Phone: (435) 781-4400

Fax: (435) 781-4410

IN REPLY REFER TO:

3160

UT08300

June 5, 2003

Cheryl Cameron  
Westport Oil & Gas Co.  
P. O. Box 1148  
Vernal, UT 84078

Re: Notification of Expiration  
Well No. NBU 368  
SESE, Sec. 4, T9S, R21E  
Uintah County, Utah  
Lease No. UTU-547  
CA No. UT080P49-84C721

Dear Cheryl:

The Application for Permit to Drill the above-referenced well was approved on April 24, 2001. A one (1) year extension of the original APD was requested. The request was reviewed and the extension approved until April 24, 2003. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you that the approval of the referenced application has expired. If you intend to drill at this location in the future, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

Leslie Walker  
Legal Instruments Examiner

cc: UDOGM – Diana Mason

RECEIVED

JUN 11 2003

DIV. OF OIL, GAS & MINING



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

Michael O. Leavitt  
Governor

Kathleen Clarke  
Executive Director

Lowell P. Braxton  
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

June 18, 2003

Cheryl Cameron  
Westport Oil & Gas Company  
P. O. Box 1148  
Vernal, Utah 84078

Re: APD Rescinded – NBU 368, Sec. 4, T.9S, R.21E – Uintah County, Utah,  
API No. 43-047-33972

Dear Ms. Cameron:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on March 12, 2001. On February 26, 2002 and on February 6, 2003 the Division granted a one-year APD extension. On June 11, 2003 the Division received a letter from the Bureau of Land Management (BLM), which states that the permit filed with the BLM was being returned unapproved as per your request. I contacted you at that time and you requested that the APD filed with the Division be rescinded. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective June 11, 2003, as requested.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diaha Mason  
Engineering Technician

cc: Well File  
Bureau of Land Management, Vernal