

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		<b>CONFIDENTIAL</b>	5. Lease Serial No. UTU4476
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 checked="" type="checkbox"/> Multiple Zone			6. If Indian, Allottee or Tribe Name
2. Name of Operator EL PASO PROD OIL & GAS CO		Contact: CHERYL CAMERON E-Mail: Cheryl.Cameron@Elpaso.com	7. If Unit or CA Agreement, Name and No. UTU63047A
3a. Address ALTAMONT, UT 84001		3b. Phone No. (include area code) Ph: 435.781.7023 Fx: 435.781.7094	8. Lease Name and Well No. NBU 397
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NESW 1925FSL 1665FWL At proposed prod. zone		10. Field and Pool, or Exploratory NATURAL BUTTES	9. API Well No. 43-047-34365-00-X1
14. Distance in miles and direction from nearest town or post office* 16.1 MILES SOUTHEAST OF OURAY, UT		11. Sec., T., R., M., or Blk. and Survey or Area Sec 26 T10S R20E Mer SLB SME: BLM	12. County or Parish UINTAH
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1665		16. No. of Acres in Lease 800.00	13. State UT
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. REFER TO TOPO C		19. Proposed Depth 7000 MD	17. Spacing Unit dedicated to this well
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5173 GL		20. BLM/BIA Bond No. on file CO1203	22. Approximate date work will start
		23. Estimated duration	

24. Attachments

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

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>1. Well plat certified by a registered surveyor.</li> <li>2. A Drilling Plan.</li> <li>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).</li> </ul> | <ul style="list-style-type: none"> <li>4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).</li> <li>5. Operator certification</li> <li>6. Such other site specific information and/or plans as may be required by the authorized officer.</li> </ul> |
|--|--|

25. Signature (Electronic Submission)	Name (Printed/Typed) CHERYL CAMERON Ph: 435.781.7023	Date 10/25/2001
Title OPERATIONS		
Approved by (Signature) EXPIRED	Name (Printed/Typed) EXPIRED	Date 02/12/2004
Title EXPIRED		
Office Vernal		

Application approval does not warrant or certify 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.

**Additional Operator Remarks (see next page)**

**Electronic Submission #8240 verified by the BLM Well Information System  
For EL PASO PROD OIL & GAS CO, sent to the Vernal  
Committed to AFMS for processing by LESLIE WALKER on 11/06/2001 (02LW0272AE)**

**\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***

**Additional Operator Remarks:**

NO REMARK PROVIDED

## Revisions to Operator-Submitted EC Data for APD #8240

	<b>Operator Submitted</b>	<b>BLM Revised (AFMSS)</b>
Lease:	U-4476	UTU4476
Agreement:	NATURAL BUTTES	UTU63047A
Operator:	EL PASO PRODUCTION O&G COMPANY P.O. BOX 1148 VERNAL, UT 84078 Ph: 435.781.7023 Fx: 435.789.4436	EL PASO PROD OIL & GAS CO  ALTAMONT, UT 84001 Ph: 435.454.3394
Admin Contact:	CHERYL CAMERON OPERATIONS P.O. BOX 1148 VERNAL, UT 84078 Ph: 435.781.7023 Fx: 435.789.4436  E-Mail: Cheryl.Cameron@ElPaso.com	CHERYL CAMERON OPERATIONS  ALTAMONT, UT 84001 Ph: 435.781.7023 Fx: 435.781.7094 Cell: 435.671.2747 E-Mail: Cheryl.Cameron@Elpaso.com
Tech Contact:	CHERYL CAMERON OPERATIONS P.O. BOX 1148 VERNAL, UT 84078	CHERYL CAMERON OPERATIONS  ALTAMONT, UT 84001
Well Name: Number:	NBU 397	NBU 397
Location: State: County: S/T/R: Surf Loc:	UT UINTAH Sec 26 T10S R20E Mer UBM NESW 1925FSL 1665FWL	UT UINTAH Sec 26 T10S R20E Mer SLB NESW 1925FSL 1665FWL
Field/Pool:	NATURAL BUTTES	NATURAL BUTTES
Bond:	BLM #WY3438	CO1203

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

5. Lease Serial No.  
U-4476

6. If Indian, Allottee or Tribe Name

1a. Type of Work:  DRILL  REENTER

**CONFIDENTIAL**

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

1b. Type of Well:  Oil Well  Gas Well  Other  Single Zone  Multiple Zone

8. Lease Name and Well No.  
NBU 397

2. Name of Operator  
EL PASO PRODUCTION O&G COMPANY  
Contact: CHERYL CAMERON  
E-Mail: Cheryl.Cameron@EIPaso.com

9. API Well No.  
43-047-34365

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 (Report location clearly and in accordance with any State requirements.)\*  
At surface NESW 1925FSL 1665FWL  
At proposed prod. zone  
4419179 N  
616649 E

11. Sec., T., R., M., or Blk. and Survey or Area  
Sec 26 T10S R20E Mer UBM

14. Distance in miles and direction from nearest town or post office\*  
16.1 MILES SOUTHEAST OF OURAY, UT

12. County or Parish  
UINTAH  
13. State  
UT

15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)  
1665

16. No. of Acres in Lease

17. Spacing Unit dedicated to this well

18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.  
REFER TO TOPO C

19. Proposed Depth  
7000 MD

20. BLM/BIA Bond No. on file  
BLM #WY3438

21. Elevations (Show whether DF, KB, RT, GL, etc.)  
5173 GL

22. Approximate date work will start

23. Estimated duration

24. Attachments

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

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

25. Signature (Electronic Submission)  Name (Printed/Typed) CHERYL CAMERON Ph: 435.781.7023 Date 10/25/2001

Title OPERATIONS

Approved by (Signature)  Name (Printed/Typed) BRADLEY G. HILL Date 10-31-01

Title RECLAMATION SPECIALIST III

Application approval does not warrant or certify 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.

Additional Operator Remarks (see next page)

Electronic Submission #8240 verified by the BLM Well Information System  
For EL PASO PRODUCTION O&G COMPANY, sent to the Vernal OCT 29 2001

**RECEIVED**

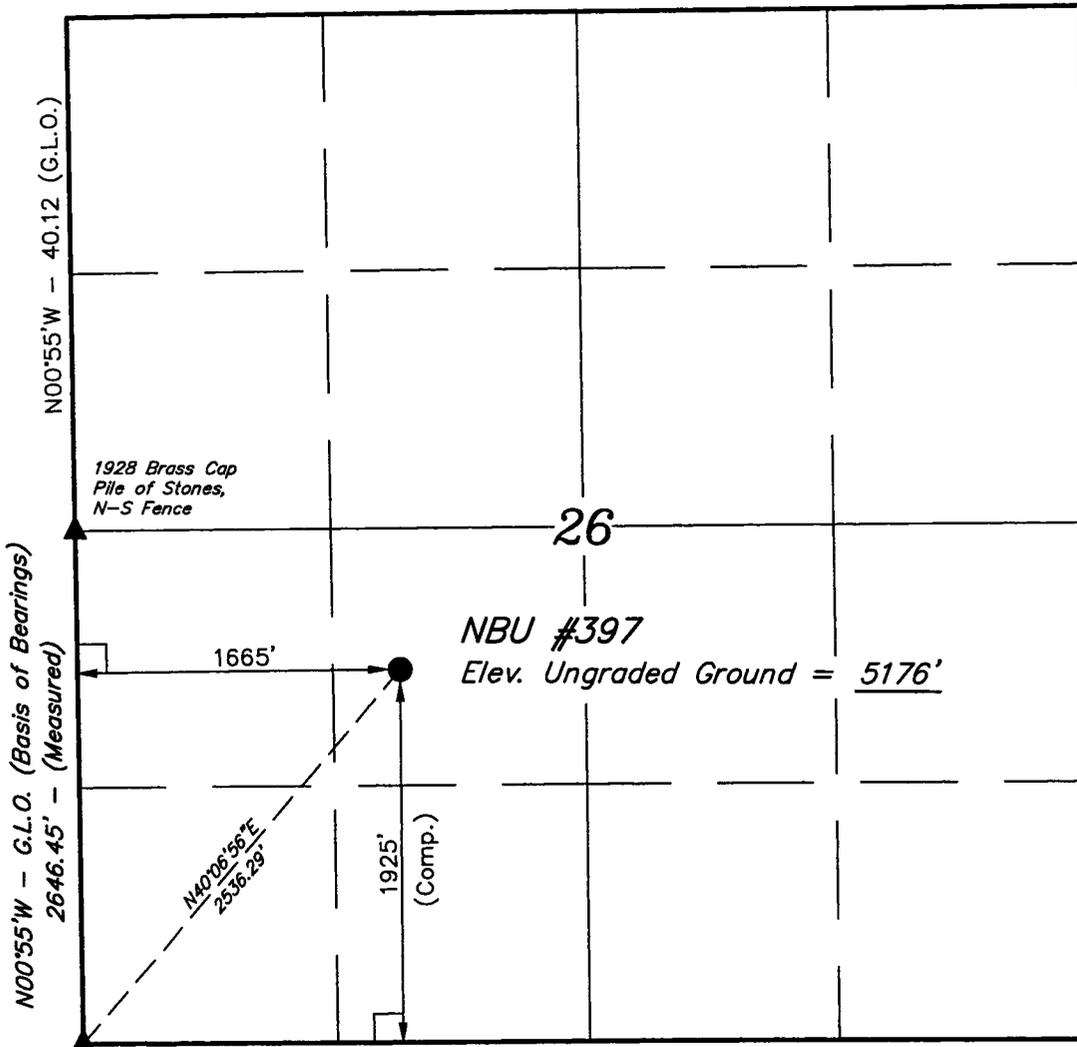
DIVISION OF  
OIL, GAS AND MINING

# T10S, R20E, S.L.B.&M.

## EL PASO PRODUCTION OIL & GAS COMPANY

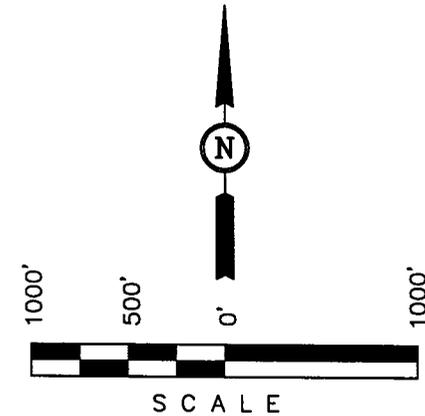
Well location, NBU #397, located as shown in the NE 1/4 SW 1/4 of Section 26, T10S, R20E, S.L.B.&M. Uintah County, Utah.

S89°01'W - 80.11 (G.L.O.)



### BASIS OF ELEVATION

SPOT ELEVATION AT A ROAD LOCATED IN THE NE 1/4 OF SECTION 25, T10S, R20E, S.L.B.&M.. TAKEN FROM THE BIG PACK MTN. NE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5302 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.

*[Signature]*  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 161319  
 STATE OF UTAH

1928 Brass Cap  
 Pile of Stones,  
 N-S Fence

S89°29'W - 79.67 (G.L.O.)

### LEGEND:

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

LATITUDE = 39°54'59"  
 LONGITUDE = 109°38'07"

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

SCALE 1" = 1000'	DATE SURVEYED: 09-26-01	DATE DRAWN: 09-28-01
PARTY J.F. P.J. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER HOT	FILE EL PASO PRODUCTION OIL & GAS COMPANY	

# EL PASO PRODUCTION OIL & GAS COMPANY

**NBU #397**

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 26, T10S, R20E, S.L.B.&M.

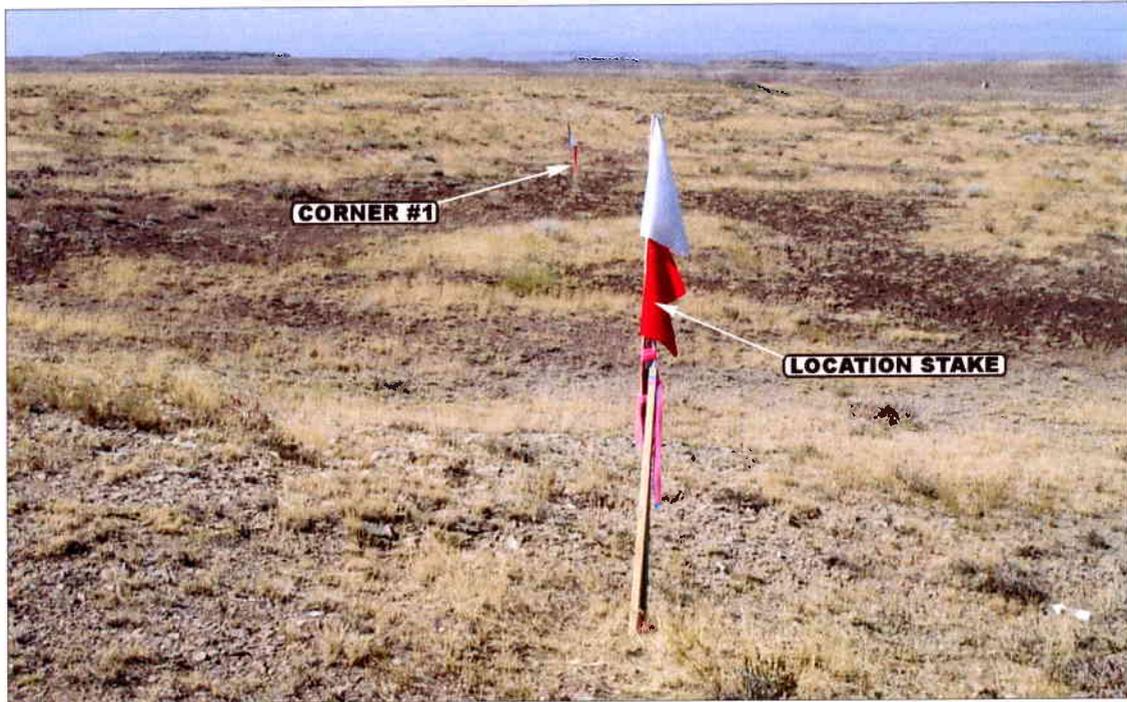


PHOTO: VIEW FROM LOCATION STAKE TO CORNER #1

CAMERA ANGLE: NORTHWESTERLY

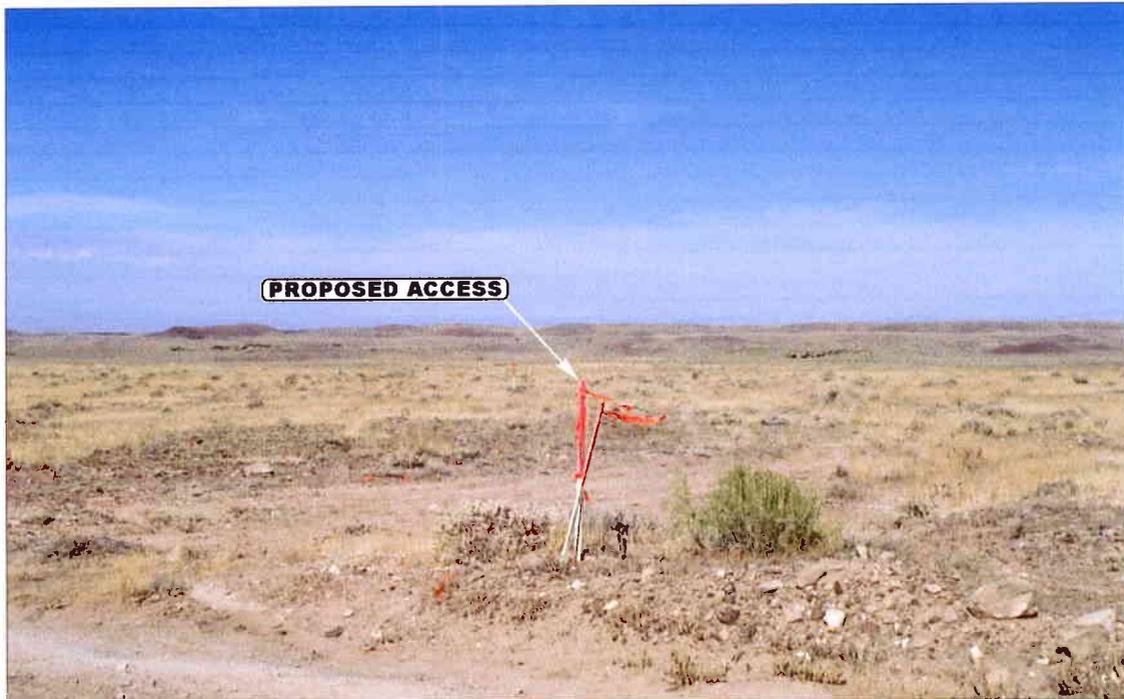


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHERLY



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

LOCATION PHOTOS

9 27 01  
MONTH DAY YEAR

PHOTO

TAKEN BY: J.F.

DRAWN BY: P.M.

REVISED: 00-00-00

- Since 1964 -

# EL PASO PRODUCTION OIL & GAS COMPANY

NBU #397

## SECTION 27, T10S, R20E, S.L.B.&M.

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 TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 2.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 4.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 2.0 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTH; FOLLOW ROAD FLAGS IN A NORTHERLY DIRECTION APPROXIMATELY 0.6 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 47.1 MILES.

NBU #397  
NE/SW Sec. 26, T10S,R20E  
UINTAH COUNTY, UTAH  
U-4476

ONSHORE ORDER NO. 1

***DRILLING PROGRAM***

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

<u>Formation</u>	<u>Depth</u>
KB	5180'
Green River	1025'
Wasatch	4300'
TD	6500'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Gas	Green River	1025'
	Wasatch	4300'
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 6500' TD, approximately equals 2600 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1170 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

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

9. **Variations:**

*Please see Natural Buttes Unit SOP.*

10. **Other Information:**

*Please see Natural Buttes Unit SOP.*

**NBU #397  
NESW Sec. 26,T10S,R20E  
UINTAH COUNTY, UTAH  
U-4476**

**ONSHORE ORDER NO. 1**

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

An onsite inspection was conducted for the NBU #397 on 10/09/01, for the subject well.

**1. Existing Roads:**

Total distance from Vernal, Utah to the proposed location is approximately 47.1 miles. Refer to the attached location directions.

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

**2. Planned Access Roads:**

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

Approximately 0.6 miles of new access road is proposed. Refer to Topo Map B.

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

Please refer to Topo Map C.

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

*Please see the Natural Buttes Unit SOP.*

Approximately 10' of pipeline is proposed. Pipeline is to be wrapped and buried at road crossing as discussed during the on-site inspection. Refer to Topo Map D for the location of the proposed pipeline.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The requested color is Carlsbad Canyon (2.5Y 6/2), a non-reflective earthtone.

**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 (*Request is in lieu of filing Form 3160-5, after initial production*).

**8. Ancillary Facilities**

*Please see the Natural Buttes SOP.*

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

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

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

As per previous onsite discussion, a 12 mil reserve pit liner with felt will be required.

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.

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

*Please see the Natural Buttes SOP.*

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

Shadscale	4 lbs.
Gardiner Salt Brush	4 lbs.
Galleta Rice Grass	4 lbs.

**11. Surface Ownership:**

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

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

**12. Other Information:**

A Class III archaeological survey has been conducted and a copy of this report has been submitted to the Bureau of Land Management.

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

**CRITICAL SOIL:**

No construction activity while the soil is wet.

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

Cheryl Cameron  
Regulatory Analyst  
El Paso Production O&G Co.  
P.O. Box 1148  
Vernal, UT 84078  
(435) 781-7023

Scott Palmer  
Drilling Manager  
El Paso Production O&G Co.  
9 Greenway Plaza, Suite 2770  
Houston, TX 77046  
(713) 420-4850

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.

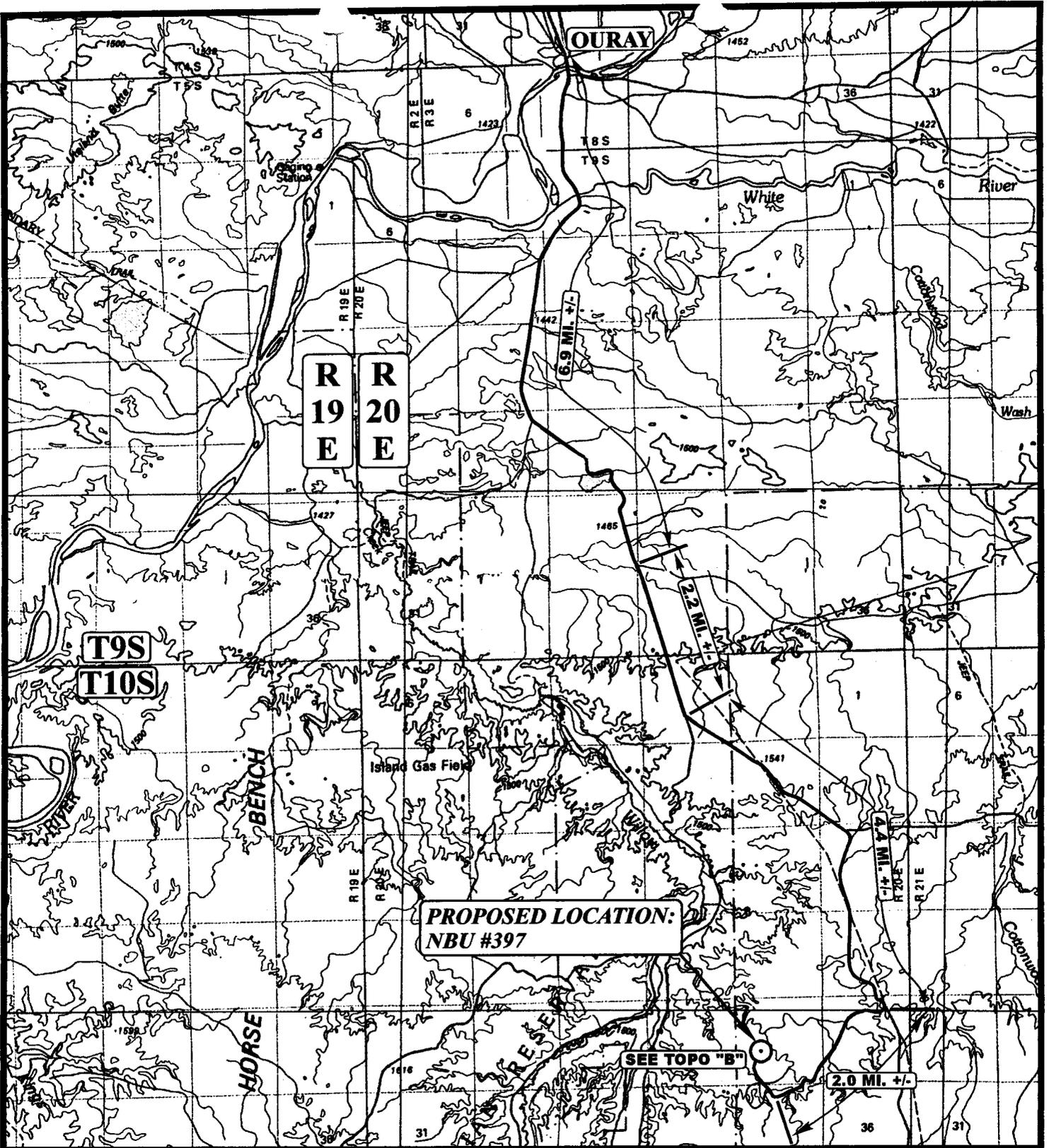
El Paso O&G Co. is considered to be the operator of the subject well. El Paso O&G Co. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon leased lands.

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

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

/s/Cheryl Cameron   
Cheryl Cameron

10/25/01  
Date



**LEGEND:**

○ PROPOSED LOCATION



**EL PASO PRODUCTION OIL & GAS COMPANY**

**NBU #397**

**SECTION 26, T10S, R20E, S.L.B.&M.**

**1925' FSL 1665' FWL**

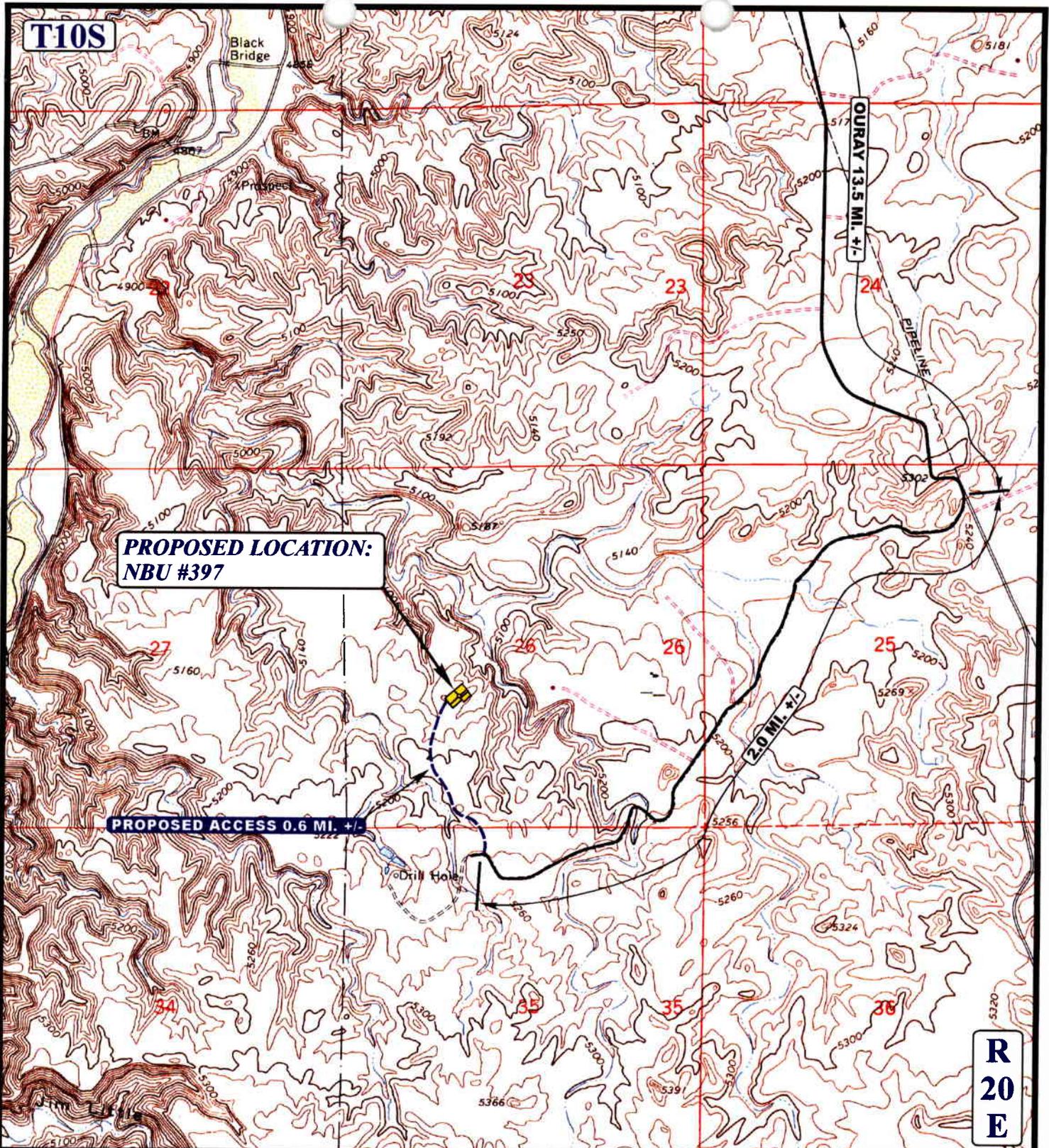


**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC** 9 27 01  
**MAP** MONTH DAY YEAR

**SCALE: 1:100,000** DRAWN BY: P.M. **REVISED: 00-00-00**





**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING ROAD



**EL PASO PRODUCTION OIL & GAS COMPANY**

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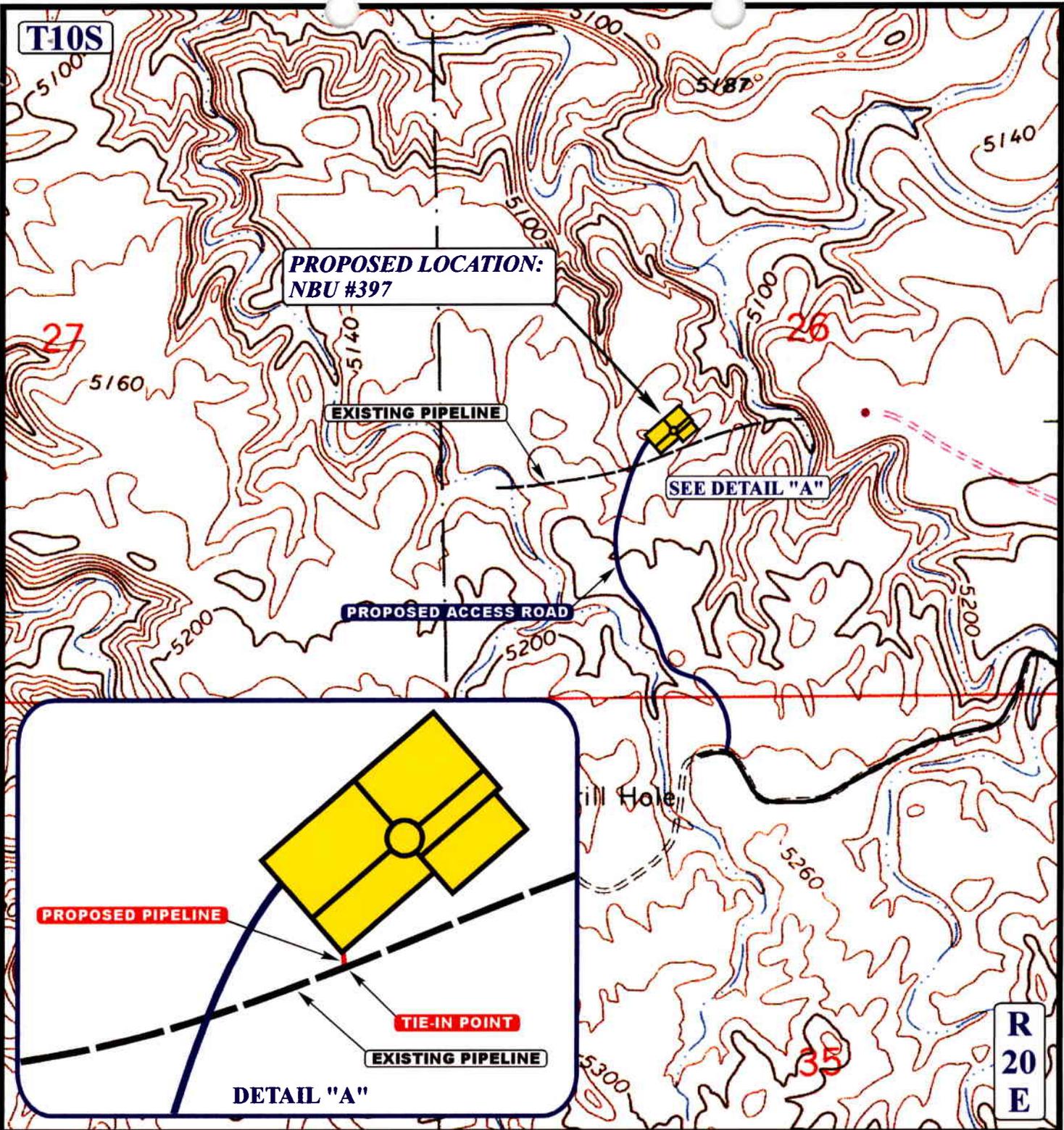
**TOPOGRAPHIC**  
**MAP**

<b>9</b>	<b>27</b>	<b>01</b>
MONTH	DAY	YEAR

SCALE: 1" = 2000'    DRAWN BY: P.M.    REVISED: 00-00-00







**APPROXIMATE TOTAL PIPELINE DISTANCE = 10' +/-**

**LEGEND:**

- EXISTING PIPELINE
- - - PROPOSED PIPELINE
- PROPOSED ACCESS

**EL PASO PRODUCTION OIL & GAS COMPANY**

**NBU #397**

**SECTION 26, T10S, R20E, S.L.B.&M.**

**1925' FSL 1665' FWL**



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



**TOPOGRAPHIC MAP** 9 27 01  
MONTH DAY YEAR  
 SCALE: 1" = 1000' DRAWN BY: P.M. REVISED: 00-00-00



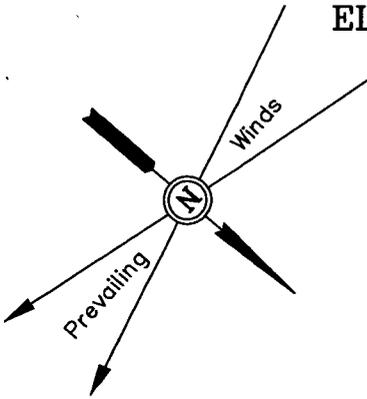
# EL PASO PRODUCTION OIL & GAS COMPANY

## LOCATION LAYOUT FOR

NBU #397

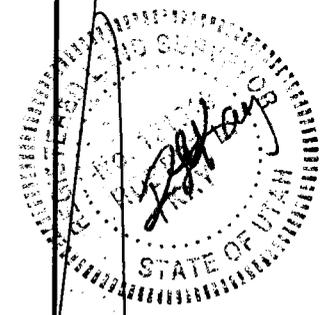
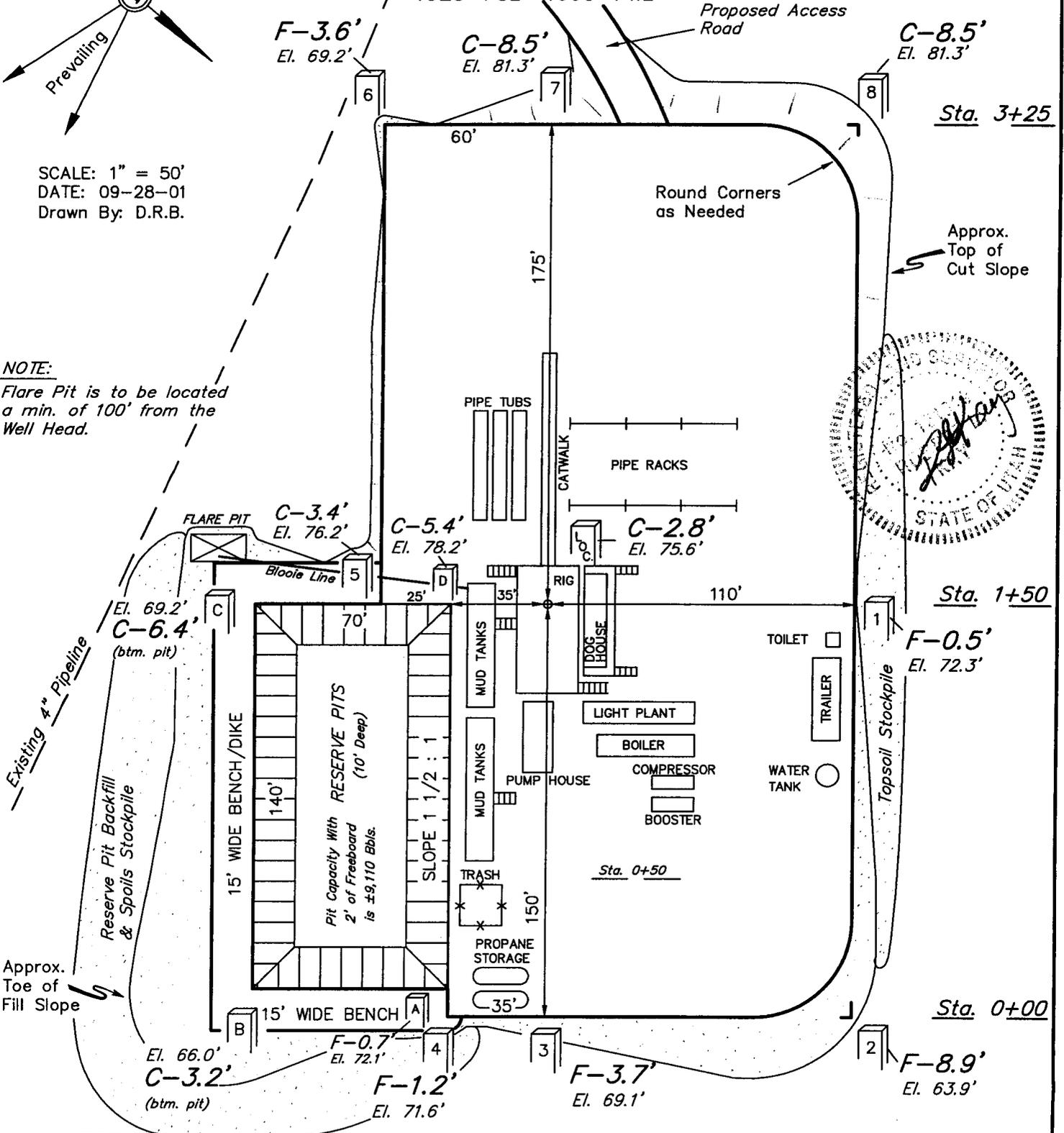
SECTION 26, T10S, R20E, S.L.B.&M.

1925' FSL 1665' FWL



SCALE: 1" = 50'  
DATE: 09-28-01  
Drawn By: D.R.B.

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



**NOTES:**

Elev. Ungraded Ground At Loc. Stake = 5175.6'  
FINISHED GRADE ELEV. AT LOC. STAKE = 5172.8'

**FIGURE #1**

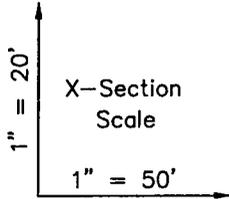
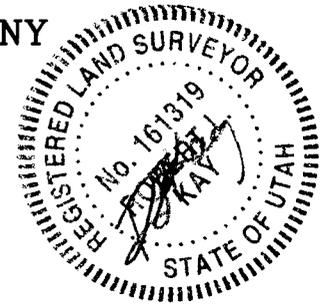
# EL PASO PRODUCTION OIL & GAS COMPANY

## TYPICAL CROSS SECTIONS FOR

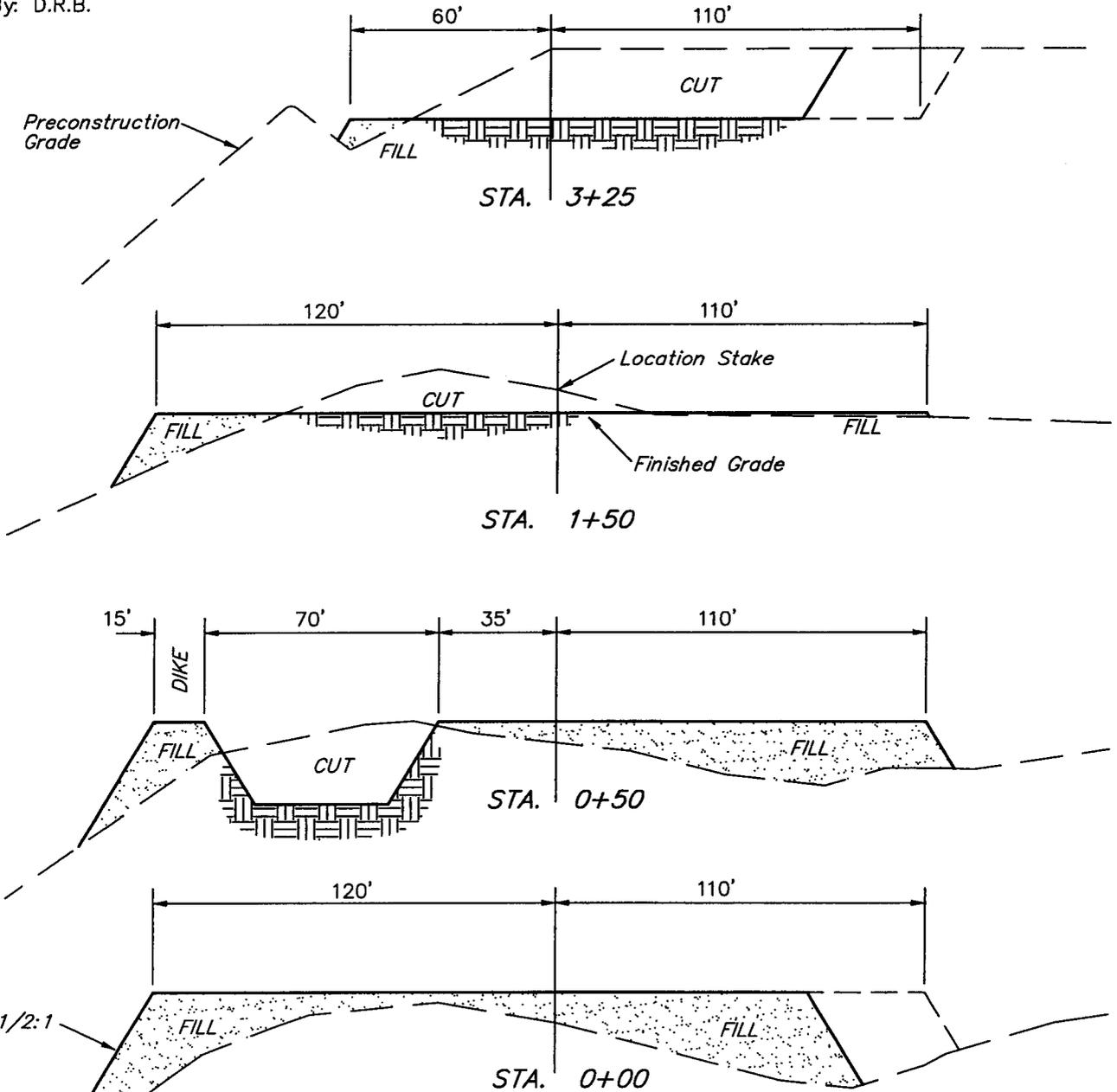
NBU #397

SECTION 26, T10S, R20E, S.L.B.&M.

1925' FSL 1665' FWL



DATE: 09-28-01  
Drawn By: D.R.B.



**FIGURE #2**

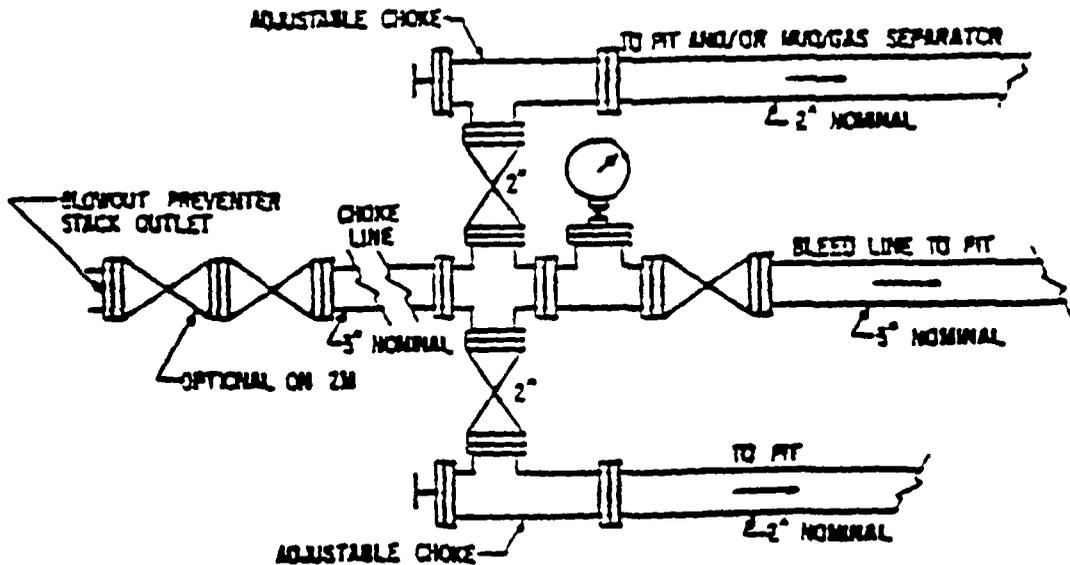
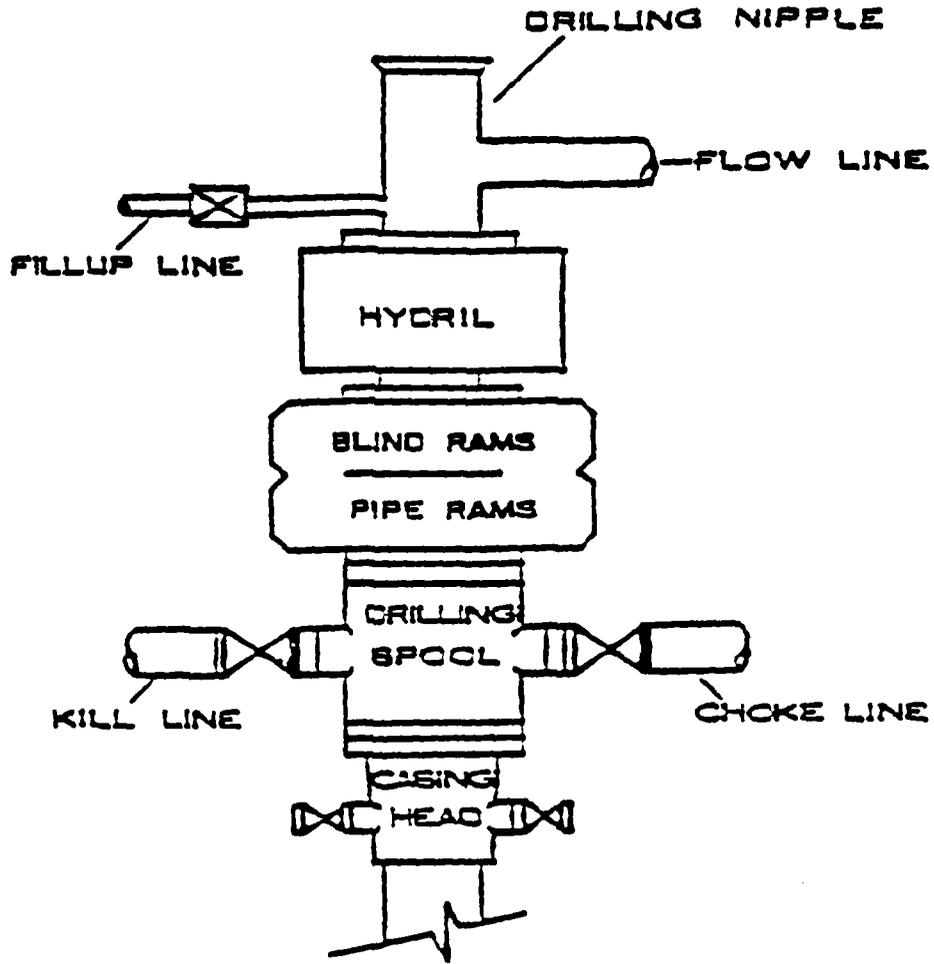
**APPROXIMATE YARDAGES**

<b>CUT</b>	
(6") Topsoil Stripping	= 1,210 Cu. Yds.
Remaining Location	= 6,540 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 7,750 CU.YDS.</b>
<b>FILL</b>	<b>= 4,990 CU.YDS.</b>

EXCESS MATERIAL AFTER 5% COMPACTION	= 2,500 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,500 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

3,000 PSI

# BOP STACK



CULTURAL RESOURCE INVENTORY OF  
EL PASO PRODUCTION'S  
FIVE WELL LOCATIONS AND THREE PIPELINES,  
UINTAH COUNTY, UTAH

Keith R. Montgomery

**ORIGINAL**

Prepared For:

Bureau of Land Management  
(Vernal Field Office)

and

State of Utah  
School and Institutional  
Trust Lands Administration

Prepared Under Contract With:

El Paso Production Oil and Gas Company  
1368 South 1200 East  
Vernal, Utah 84078

Prepared By:

Montgomery Archaeological Consultants  
P.O. Box 147  
Moab, Utah 84532

MOAC Report No. 01-149

October 9, 2001

United States Department of Interior (FLPMA)  
Permit No. 01-UT-60122

State of Utah Antiquities Project (Survey)  
Permit No. U-01-MQ-0680b,s

## INTRODUCTION

A cultural resource inventory was conducted by Montgomery Archaeological Consultants (MOAC) in October, 2001 for El Paso Production Oil and Gas Company's proposed five well locations and three pipelines. The inventory area includes three parcels, situated southeast of Ouray, Utah. The survey was implemented at the request of Mr. Carroll Estes, El Paso Production Oil and Gas Company, Vernal, Utah. The project is situated on land administered by the Bureau of Land Management (BLM), Vernal Field Office, and State of Utah School and Institutional Trust Land Administration (SITLA) land.

The objective of the inventory was to locate, document, and evaluate any cultural resources within the project area in order to comply with Section 106 of 36 CFR 800, the National Historic Preservation Act of 1966 (as amended). Also, the inventory was implemented to attain compliance with a number of federal and state mandates, including the National Environmental and Policy Act of 1969, the Archaeological and Historic Conservation Act of 1972, the Archaeological Resources Protection Act of 1979, the American Indian Religious Freedom Act of 1978, and Utah State Antiquities Act of 1973 (amended 1990).

The fieldwork was performed on October 2 and 3, 2001 by Keith R. Montgomery, Principal Investigator for MOAC and Jacki Montgomery. The project was initiated under the auspices of U.S.D.I. (FLPMA) Permit No. 01-UT-60122 and State of Utah Antiquities Permit (Survey) No. U-01-MQ-0680b,s.

A file search was performed by Sarah Ball at the Utah Division of State History on August 21, 2001. This consultation indicated that several archaeological inventories have been completed in the project area. In 1978, Archeological-Environmental Research Corporation (AERC) inventoried 3760 acres for the Natural Buttes Cultural Mitigation Study for the Bureau of Land Management, revisiting thirteen previously recorded sites, none of which occur in the immediate project area (Hauck 1979). Brigham Young University completed an inventory for TOSCO Corporation in 1981, finding 23 archaeological sites (42Un960, and 42Un1038 to 42Un1059), which are located outside of the current project area (Nielsen 1981). In 1983, Chambers Consultants and Planners conducted a five percent sample of 15,040 acres for the Bureau of Land Management, documenting 14 sites (42Un1294 to 42Un1304, and 42Un1340 to 42Un1342), none of which occur in the immediate project area (Reynolds, Cella, and Schander 1983). In 1991, Metcalf Archaeological Consultants (MAC) inventoried 18 proposed well locations and access routes for Coastal Oil and Gas Corporation, documenting one new archaeological site (42Un1831) (O'Brien, Lubinski, and Scott 1991). In 1992, AERC reported on its 1990 and 1991 cultural evaluations in eastern Utah for the Seep Ridge-Book Cliffs highway route and four alternate corridors (Hauck 1992). A total of 44 new archaeological sites were recorded, and an additional 33 previously recorded sites were relocated. The sites consisted of rock art, rock shelters, lithic scatters, habitations, temporary camps, a Ute burial, European American surface and dugout occupations, roadways, a historic cabin, a historic mine, a railroad, and historic inscriptions. Of the 77 total sites, 58 were evaluated

as eligible for inclusion to the NRHP. In 1997, MAC conducted an inventory of five COG well locations and associated pipeline and access routes (Spath 1997). No cultural resources were found. Also in 1997, James Truesdale completed a survey for Questar Gas Management, finding no cultural resources (Truesdale 1998). In summary, numerous archaeological inventories have been conducted in the area, resulting in findings of both prehistoric and historic archaeological sites, none of which occur in the immediate project area.

## DESCRIPTION OF PROJECT AREA

The five proposed El Paso Production well locations and three proposed pipelines are located in three areas, southeast of Ouray, Utah (Figures 1 through 4, Table 1). One section of the inventory area occurs to the west of the White River, in Township 9S, Range 22E, Sections 29, 32, and 33, and includes proposed well locations CIGE #271 and CIGE #266, with associated pipelines, and the proposed CIGE #240 pipeline. Another part of the inventory area includes the proposed NBU #397 well location and access road, located to the west of Willow Creek, in Township 10S, Range 20E, Sections 26 and 35. Located to the east of the White River, in Township 10S, Range 22E, Sections 2, 3, and 6, are proposed well locations CIGE #269 and CIGE #270, with associated access roads and pipeline corridors, and proposed pipelines NBU #320 and NBU #340X. A total of 67.66 acres was inventoried on Bureau of Land Management (Vernal Field Office) and State of Utah School and Institutional Trust Land Administration (SITLA) land.

### Environment

The study area lies within the Uinta Basin physiographic unit, a distinctly bowl-shaped geologic structure (Stokes 1986:231). The Uinta Basin ecosystem is within the Green River drainage, considered to be the northernmost extension of the Colorado Plateau. The geology is comprised of Tertiary age deposits which include Paleocene age deposits, and Eocene age fluvial and lacustrine sedimentary rocks. The Uinta Formation, which is predominate in the project area, occurs as eroded outcrops formed by fluvial deposited, stream laid interbedded sandstone and mudstone, and is known for its prolific paleontological localities. The elevation ranges from 4900 to 5180 feet a.s.l. The project occurs within the Upper Sonoran Desert Shrub Association which includes shadscale, sagebrush, mat saltbrush, snakeweed, rabbitbrush, prickly pear cactus, Indian Ricegrass and non-native grasses. Major water sources in the area include the White River, Willow Creek and Hill Creek. Modern disturbances include roads, and oil/gas development.

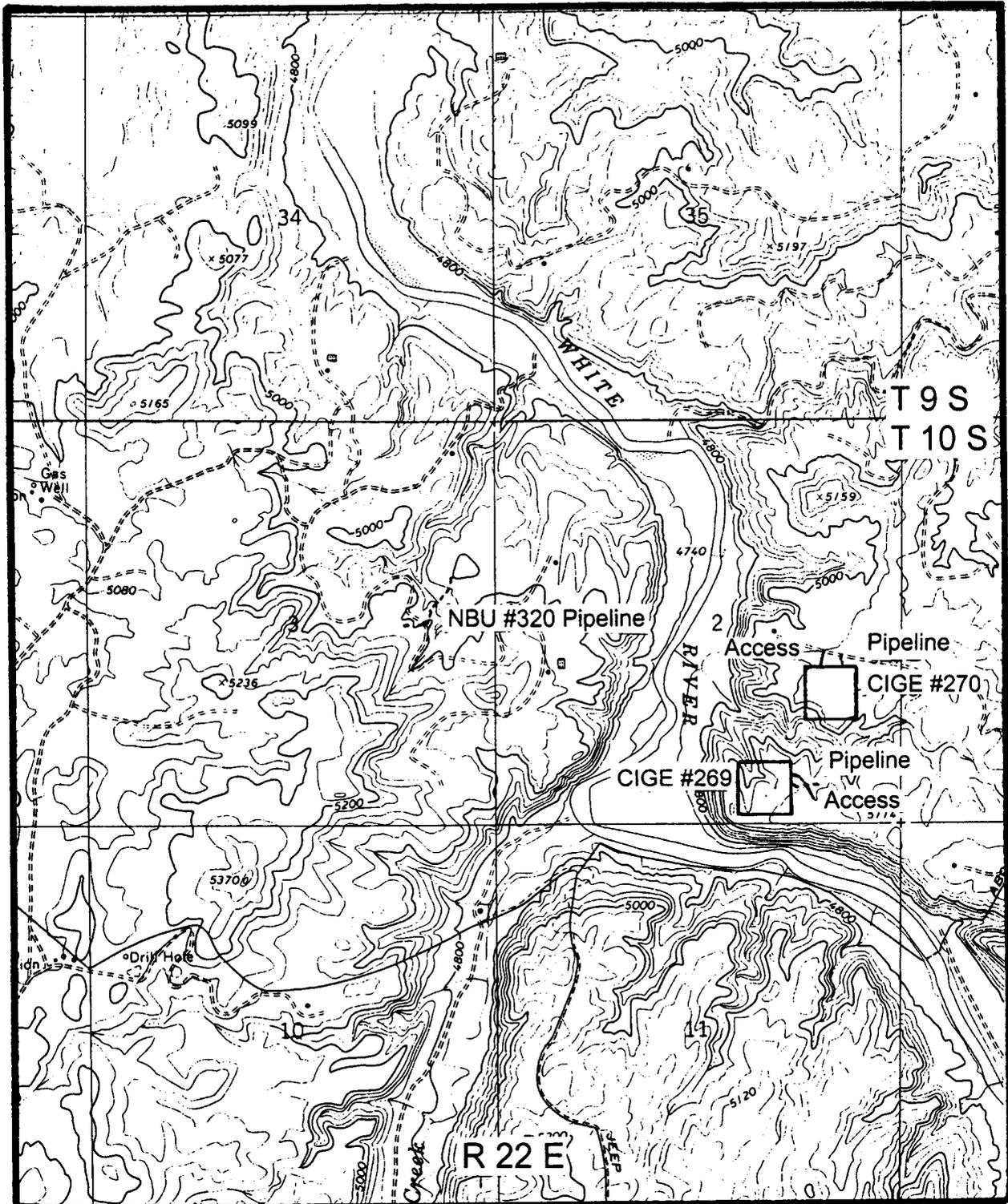


Figure 1. Inventory Area of El Paso Production Oil and Gas Company's CIGE #269 and CIGE #270 well locations, and NBU #320 pipeline. USGS 7.5' Archy Bench, Utah 1987. Scale 1:24000.

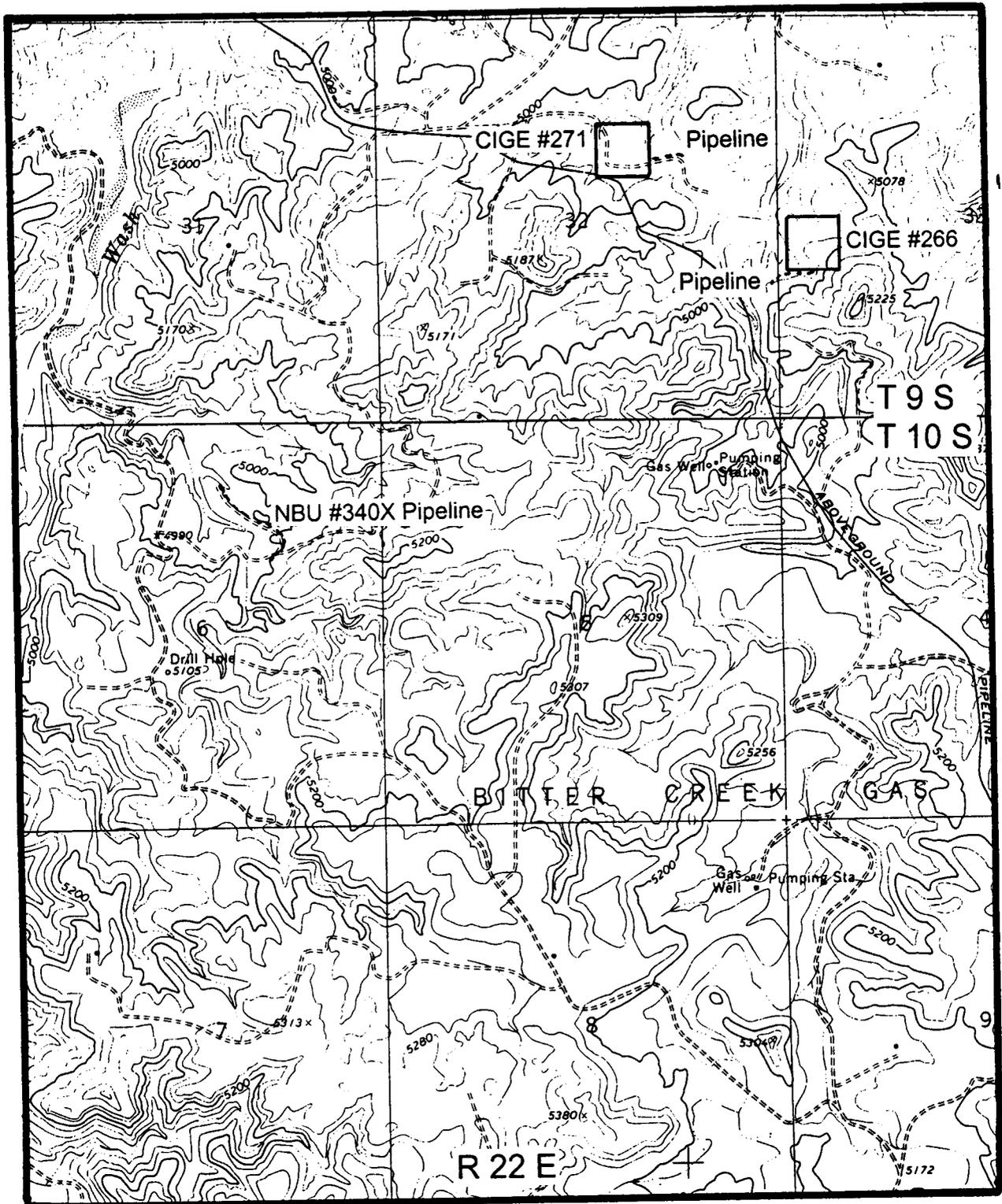


Figure 2. Inventory Area of El Paso Production Oil and Gas Company's CIGE #266 and CIGE #271 well locations and NBU #340X pipeline. USGS 7.5' Archy Bench, Utah 1987. Scale 1:24000.



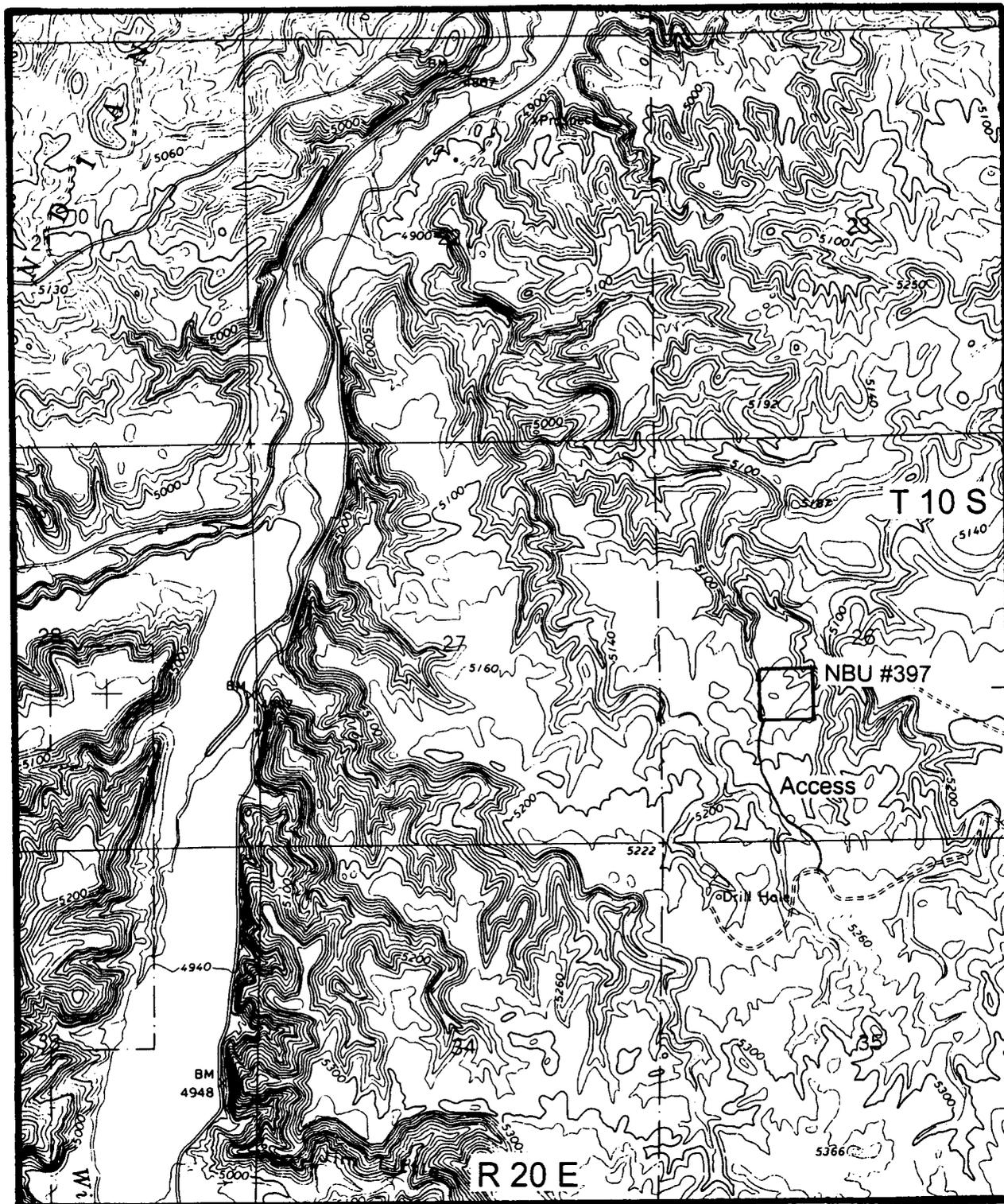


Figure 4. Inventory Area of El Paso Production Oil and Gas Company's NBU #397 well location. USGS 7.5' Big Pack Mtn. NW, Utah 1987. Scale 1:24000.

**Table 1. El Paso Production's Natural Butte Five Well Locations and Three Pipelines**

<b>Well/Pipeline Designation</b>	<b>Legal Location</b>	<b>Access/Pipeline</b>	<b>Cultural Resources</b>
CIGE #240 Pipeline	T 9S, R 22E, Sec. 29 State	Pipeline 700'	None
CIGE #266 Well Location	T 9S, R 22E, Sec. 33 BLM	Pipeline 700'	None
CIGE #269 Well Location	T 10S, R 22E, Sec. 2 State	Access 500' Pipeline 400'	None
CIGE #270 Well Location	T 10S, R 22E, Sec. 2 State	Access 200' Pipeline 200'	None
CIGE #271 Well Location	T 9S, R 22E, Sec. 32 State	Pipeline 400'	None
NBU #320 Pipeline	T 10S, R 22E, Sec. 3 BLM	Pipeline 1000'	None
NBU #340X Pipeline	T 10S, R 22E, Sec. 6 BLM	Pipeline 1600'	None
NBU #397 Well Location	T 10S, R 20E, Secs. 26 and 35 BLM	Access 2000'	None

### SURVEY METHODOLOGY

An intensive pedestrian survey was performed for this project which is considered 100% coverage. At each of the proposed well locations, a ten acre area centered on the center stake of the location was surveyed by the archaeologists walking parallel transects spaced no more than 10 meters apart. The access and pipeline corridors were 100 feet wide, surveyed by walking parallel transects along the staked centerline, spaced no more than 10 m (30 ft) apart. Ground visibility was considered to be good. A total of 67.66 acres was inventoried including 32.15 acres on BLM (Vernal Field Office) administered land and 35.51 acres on SITLA land.

### INVENTORY RESULTS AND RECOMMENDATIONS

The inventory of the five proposed El Paso Production Oil and Gas Company well locations and three proposed pipelines resulted in the location of no archaeological resources. Based on the findings, a determination of "no historic properties affected" is proposed for this development project pursuant to Section 106, CFR 800.

## REFERENCES CITED

- Hauck, F.R.  
1979 Final Report on the Natural Buttes Cultural Mitigation Study. Archeologica-Environmental Research Corporation, Salt Lake City, Utah. Project No. U-78-AF-0348b.
- 1992 Archaeological Evaluations in the Northern Colorado Plateau Cultural Area. An Investigation of the Seep Ridge-Book Cliffs-Red Wash- Hay Canyon-Whetrock Canyon and Interstate 70-Exit 220 Alternative Highway Routes in Uintah And Grand Counties, Utah. Paper No. 45 of the Archeological-Environmental Research Corporation (AERC), Bountiful, Utah. On file at the Utah Division of State History, Salt Lake City.
- Nielsen. A.A.  
1981 A Cultural Resource Inventory of the TOSCO Corporation Sand Wash Project in Uintah County, Eastern Utah. Cultural Resource Management Services of Brigham Young University, Provo, Utah. Project No. U-81-BC-0721b.
- O'Brien, P.K., P.M. Lubinski, and J.M. Scott  
1991 Cultural Resources Inventory for 18 Proposed Coastal Oil and Gas Corporation Well and Access Locations on State of Utah Lands, Uintah County, Utah. Metcalf Metcalf Archaeological Consultants, Eagle, CO. Project No. U-91-MM-044(s). On file at the Utah Division of State History.
- Reynolds, W.E., N. Cella, and M. Schander  
1983 Cultural Resource Study on the White River Oil Shale Lease Lands in the Vernal District, Utah. Chambers Consultants and Planners, Albuquerque, New Mexico. Project No. U-83-CE-9499b.
- Spath, C.  
1997 Coastal Oil and Gas Corporation's Proposed CIGE #s 203, 210, 212, 220 and NBU #272 Well Pads, Pipelines and Access, Section 34, T9S, R21E, Sections 31 and 34, T9S, R22E, Section 16, T10S, R21E, and Section 11, T10S, R22E, Uintah County, Utah. Metcalf Archaeological Consultants, Eagle, CO. Project No. U-97-MM-0120s. On file at the Utah State Division of History, Salt Lake City.
- Truesdale, J.A.  
1998 Cultural Resource Inventory for Questar Gas Management Co. Proposed Seep Ridge Pipeline, Uintah County, Utah. An Independent Archaeologist, Laramie, Wyoming. Project No. U-97-AY-0810b,s.
- Stokes, W.L.  
1986 *Geology of Utah*. Utah Museum of Natural History and Utah Geological and Mineral Survey, Salt Lake City.

**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 10/29/2001

API NO. ASSIGNED: 43-047-34365

WELL NAME: NBU 397

OPERATOR: EL PASO PROD OIL & GAS ( N1845 )

CONTACT: CHERYL CAMERON

PHONE NUMBER: 435-781-7023

PROPOSED LOCATION:

NESW 26 100S 200E  
 SURFACE: 1925 FSL 1665 FWL  
 BOTTOM: 1925 FSL 1665 FWL  
 UINTAH  
 NATURAL BUTTES ( 630 )

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: U-4476  
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSTC

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

RECEIVED AND/OR REVIEWED:

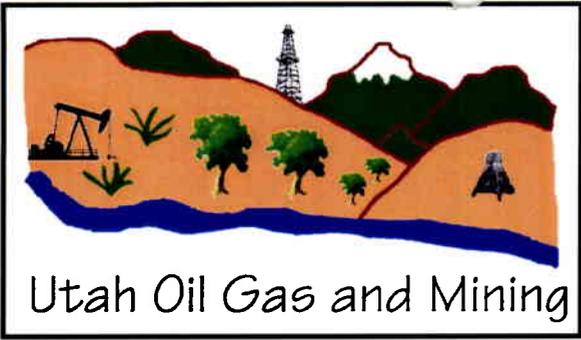
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. WY3438 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. 43-8496 )
- RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )
- N/A Fee Surf Agreement (Y/N)

LOCATION AND SITING:

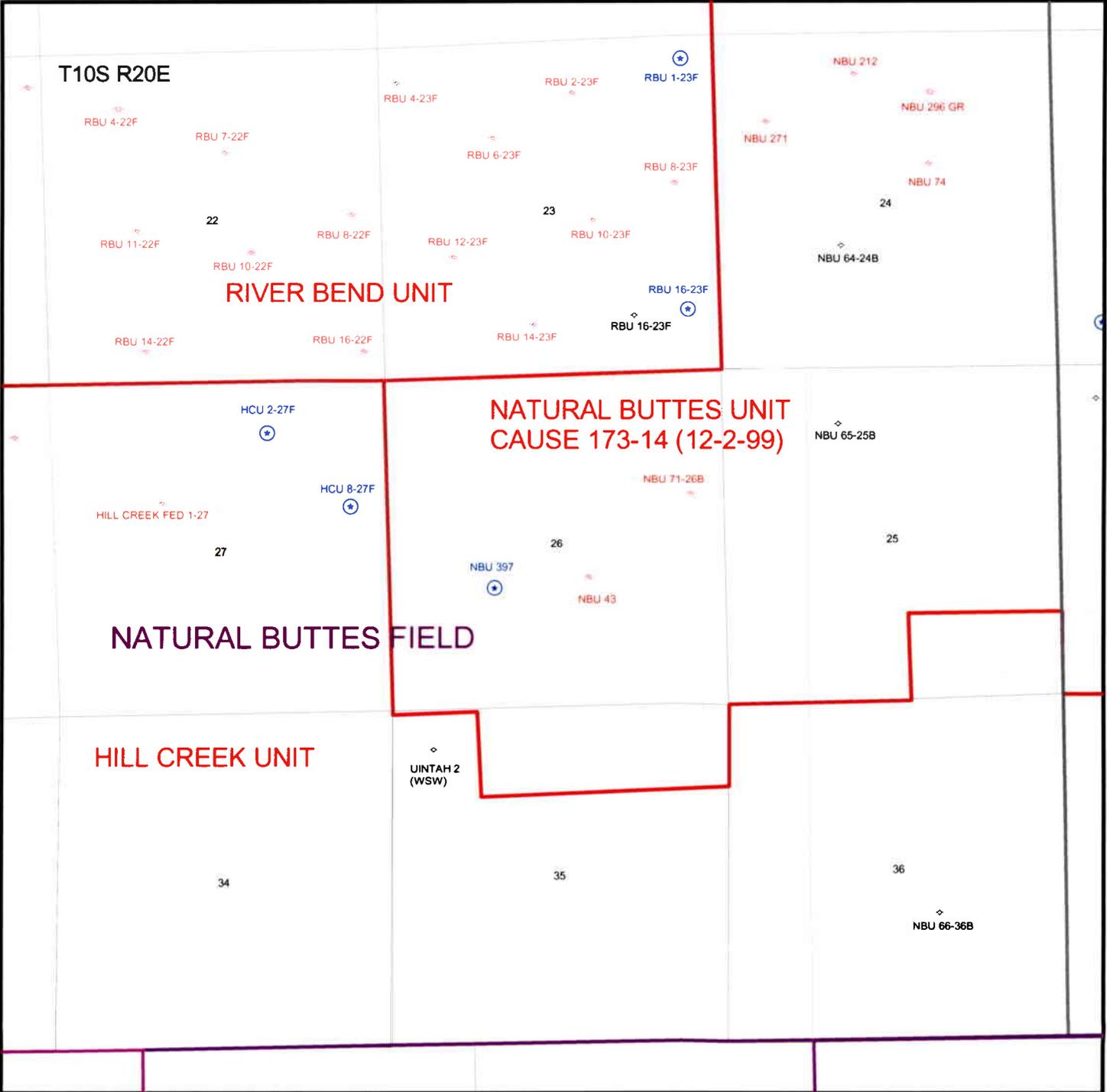
- R649-2-3. Unit NATURAL BUTTES
- R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit  
Board Cause No: 173-14  
Eff Date: 12-2-99  
Siting: 460' fr. Unit Boundary E. McComm. Treat.
- R649-3-11. Directional Drill

COMMENTS: NBU SDP, separate file.

STIPULATIONS: 1- Fed. Approval  
2- Oil Shale



OPERATOR: EL PASO PROD O&G (N1845)  
 SEC. 26, T10S, R20E  
 FIELD: NATURAL BUTTES (630)  
 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)

October 31, 2001

El Paso Production O&G Company  
P O Box 1148  
Vernal, UT 84078

Re: Natural Buttes Unit 397 Well, 1925' FSL, 1665' FWL, NE SW, Sec. 26, T. 10 South,  
R. 20 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 43-047-34365.

Sincerely,

A handwritten signature in black ink that reads "John R. Baza". The signature is fluid and cursive.

John R. Baza  
Associate Director

dm

Enclosures

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

**Operator:** El Paso Production O&G Company

**Well Name & Number** Natural Buttes Unit 397

**API Number:** 43-047-34365

**Lease:** U 4476

**Location:** NE SW                      **Sec.** 26                      **T.** 10 South                      **R.** 20 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.



CONDITIONS OF APPROVAL  
APPLICATION FOR PERMIT TO DRILL

Company/Operator: El Paso Production Oil & Gas Company

Well Name & Number: NBU #397

API Number: 43-047-34365

Lease Number: U - 4476

Location: NESW Sec. 26 T. 10S R. 20E

Agreement: Natural Buttes WS MV

### **CONDITIONS OF APPROVAL FOR NOTICE TO DRILL**

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

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.

#### **DRILLING PROGRAM**

##### **Casing Program and Auxiliary Equipment**

As a minimum, the usable water resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the top of the Green River Formation, identified at  $\pm 950$  ft.

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

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

The location topsoil pile will be seeded immediately after the soil is piled by broadcasting the seed, then walking the topsoil pile with the dozer to plant the seed. The seed mix outlined in the APD for final reclamation shall be used.

All poundages are in Pure Live Seed.

**Topsoil will not be used for the construction of tank dikes or any other location needs. It shall be left in place for use in the final reclamation process.**

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



United States Department of the Interior **RECEIVED**

BUREAU OF LAND MANAGEMENT

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

FEB 22 2002

DIVISION OF  
OIL, GAS AND MINING

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

FEB 21 2002

NOTICE

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

Name Change Recognized

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

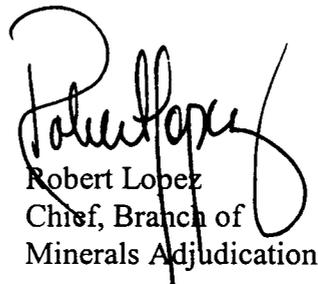
For our purposes, the name change is recognized effective December 31, 2001.

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

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

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

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



Robert Lopez  
Chief, Branch of  
Minerals Adjudication

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

# memorandum

Branch of Real Estate Services  
Uintah & Ouray Agency

Date: 5 December, 2002  
Reply to  
Attn of: Supervisory Petroleum Engineer  
Subject: Modification of Utah Division of Oil, Gas and Mining Regulations  
To: Director, Utah Division of Oil, Gas and Mining Division: John Baza

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

We have no objection.

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

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

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



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

JAN. 17. 2003 3:34PM

STPORT

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

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  
**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.  
**U-4476**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**NBU #397**

9. API Well No.  
**43-047-34365**

10. Field and Pool, or Exploratory Area  
**NATURAL BUTTES**

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

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

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator  
**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)  
**NESW SECTION 26-T10S-R20E 1925'FSL & 1665'FWL**

**CONFIDENTIAL**

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

13. Describe Proposed or Completed 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.

Approved by  
 Utah Dept. of  
 Oil, Gas and Mining

Date: 09-26-02  
 By: [Signature]

COPIES SENT TO OPERATOR  
 DATE: 9-27-02  
 BY: CHD

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

Name (Printed/Typed)  
**Sheila Upchego**

Signature  
[Signature]

Title  
**Regulatory Analyst**

Date  
**September 18, 2002**

**RECEIVED**

**THIS SPACE FOR FEDERAL OR STATE USE**

**SEP 23 2002**

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	<b>DIVISION OF OIL, GAS AND MINING</b>

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

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

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

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

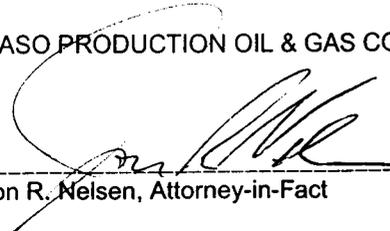
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

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

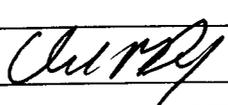
BOND # \_\_\_\_\_

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

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

(This space for State use only)

Form 3160-5  
(August 1999)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUCCESSOR OF OPERATOR**

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

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

RECEIVED

MAR 04 2003

DIV. OF OIL, GAS & MINING

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

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

Title  
**OPERATIONS**

Signature

Date  
**March 4, 2003**

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by

Title

Date

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

Office

Title 18 U.S.C. Section 1001, 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)

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.  
**U-4476**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**NBU #397**

9. API Well No.  
**43-047-34365**

10. Field and Pool, or Exploratory Area  
**NATURAL BUTTES**

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

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

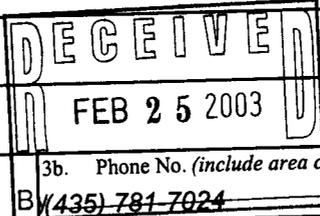
1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
**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)  
**NESW SECTION 26-T10S-R20E 1925'FSL & 1665'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 BLM 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.

**RECEIVED**  
**MAR 18 2003**  
DIV. OF OIL, GAS & MINING

**CONDITIONS OF APPROVAL ATTACHED**

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

Name (Printed/Typed)  
**Sheila Upchego**

Signature  
*Sheila Upchego*

Title  
**Regulatory Analyst**

Date  
**February 14, 2003**

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by  
*Kirk Johnson*

Title  
**Petroleum Engineer**

Date  
**3/11/03**

Office

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.

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(Instructions on reverse)



El Paso Production Oil and Gas Co.  
APD Extension

Well: NBU 397

Location: NESW Sec. 26, T10S, R20E

Lease: U-4476

**Conditions of Approval**

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

1. The extension will expire 2/12/04
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.

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

**CA No. Unit: NATURAL BUTTES**

WELL(S) NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
NBU 43N	26-10S-20E	43-047-30848	2900	FEDERAL	GW	S
NBU 397	26-10S-20E	43-047-34365	99999	FEDERAL	GW	APD
NBU CIGE 55-1-10-21	01-10S-21E	43-047-30512	2900	STATE	GW	P
NBU CIGE 79D-1-10-21	01-10S-21E	43-047-30896	2900	STATE	GW	P
CIGE 107D-1-10-21	01-10S-21E	43-047-31747	2900	STATE	GW	P
CIGE 205-1-10-21	01-10S-21E	43-047-32795	2900	STATE	GW	P
NBU 211	01-10S-21E	43-047-32339	2900	FEDERAL	GW	P
NBU 264	01-10S-21E	43-047-33000	2900	FEDERAL	GW	P
CIGE 244-1-10-21	01-10S-21E	43-047-33209	2900	STATE	GW	P
CIGE 245-1-10-21	01-10S-21E	43-047-33210	2900	STATE	GW	P
NBU 329	01-10S-21E	43-047-33227	2900	FEDERAL	GW	P
NBU 284	01-10S-21E	43-047-34792	99999	STATE	GW	APD
NBU 444	01-10S-21E	43-047-34796	99999	FEDERAL	GW	APD
NBU 71	01-10S-21E	43-047-31101	2900	FEDERAL	GW	PA
NBU 265	02-10S-21E	43-047-32796	2900	STATE	GW	P
CIGE 224-2-10-21	02-10S-21E	43-047-32883	2900	STATE	GW	P
CIGE 246-2-10-21	02-10S-21E	43-047-33687	99999	STATE	GW	APD
CIGE 100D-2-10-21	02-10S-21E	43-047-31731	2900	STATE	GW	P
UTE TRAIL U 88X-2G	02-10S-21E	43-047-15389	2900	STATE	GW	P
CIGE 10-2-22	02-10S-22E	43-047-30425	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 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: 03/19/2003
2. Changes have been entered on the Monthly Operator Change Spread Sheet on: 03/19/2003
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:**

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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-4476**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**NBU 397**

9. API Well No.  
**43-047-34365**

10. Field and Pool, or Exploratory Area  
**NATURAL BUTTES**

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

3b. Phone No. (include area code)  
**(435)781-7060**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**NESW SECTION 26-T10S-R20E  
1925' FSL 1665' 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 <b>DOGM</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<b>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.

Approved by the  
Utah Division of  
Oil, Gas and Mining  
Date: 09-15-03  
By: [Signature]

COPY SENT TO OPERATOR  
Date: 9-12-03  
Initials: CHD

RECEIVED  
SEP 10 2003  
DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed) <b>DEBRA DOMENICI</b>	Title <b>SR ADMINISTRATIVE ASSISTANT</b>
Signature <u>[Signature]</u>	Date <b>September 3, 2003</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.

**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

**API:** 43-047-34365  
**Well Name:** NBU 397  
**Location:** NESW 26-10S-20E  
**Company Permit Issued to:** WESTPORT OIL & GAS COMPANY, L.P.  
**Date Original Permit Issued:** 10/31/2001

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes  No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes  No

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes  No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes  No

Has the approved source of water for drilling changed? Yes  No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes  No

Is bonding still in place, which covers this proposed well? Yes  No

Delia Domestica  
Signature

9/3/2003  
Date

Title: SR ADMINISTRATIVE ASSISTANT

Representing: WESTPORT OIL & GAS COMPANY, L.P.

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"/> 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 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 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.

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

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

The average NBU well produces approximately 6 bbls condensate per month. The resulting shrinkage would amount to 0.56 bbls per month lost volume due to shrinkage. The value of the shrunk and lost condensate does not recoup or payout the cost of installing and maintaining the valves and other devices that hold the positive tank pressure. An economic run based on the loss and costs is attached.

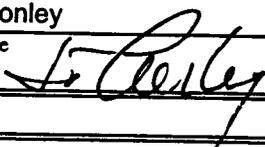
Westport Oil & gas requests approval of this variance in order to increase the value of the well to the operator and the mineral royalty owners.

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

Name (Printed/Typed)

J.T. Conley

Signature



COPY SENT TO OPERATOR

Date: 9-16-03

Initials: JTC

Title

Operations Manager

SEP 10 2003

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

Federal Approval of This  
Action is Necessary

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

Office

Date: 9/16/03

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

(Instructions on reverse)

# Westport Oil & Gas, L.P.

## Project Economics Worksheet

### Instructions:

Fill in blue boxes 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
PULLING UNIT SERVICE			\$0
WIRELINE SERVICE			\$0
SUBSURF EQUIP REPAIRS			\$0
COMPANY LABOR			\$0
CONTRACT LABOR	\$0	\$200	\$200
CONTR SERVICE			\$0
LEASE FUEL GAS	\$0	\$0	\$0
UTILITIES - ELECTRICITY	\$0	\$0	\$0
CHEMICAL TREATING			\$0
MATERIAL & SUPPLY	\$0	\$150	\$150
WATER & HAULING			\$0
ADMINISTRATIVE COSTS			\$0
GAS PLANT PROCESSING			\$0
<b>Totals</b>	<b>\$0</b>	<b>\$350</b>	<b>\$350</b>

**Increased OPX Per Year**

### Investment Breakdown:

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

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

### Production & OPX Detail:

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

### Project Life:

Life =  Years  
(Life no longer than 20 years)

### Internal Rate of Return:

After Tax IROR =

### AT Cum Cashflow:

Operating Cashflow =  (Discounted @ 10%)

### Payout Calculation:

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

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

Payout =  Years or  Days

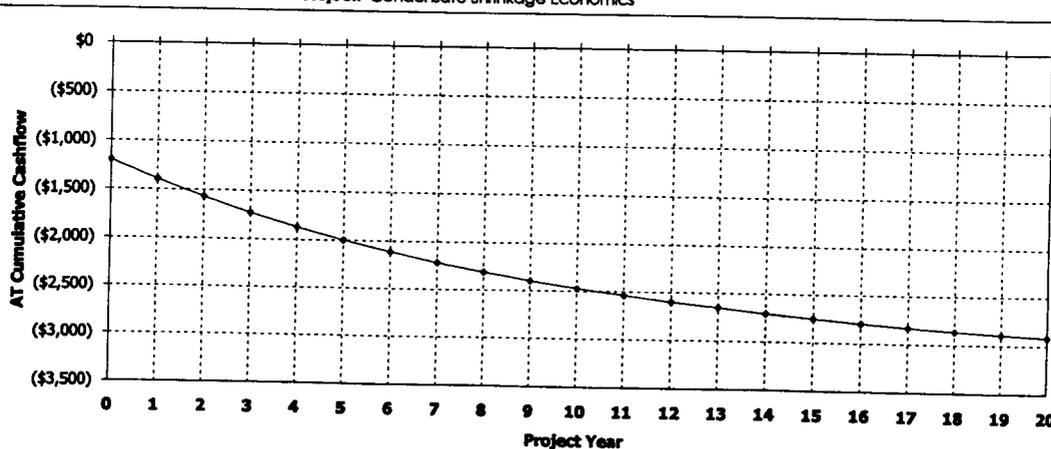
### Gross Reserves:

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

### Notes/Assumptions:

**An average NEU well produces 0.192 Bcpd with no tank pressure. The production is increased to 0.194 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

WELL	LEGALS	STFLEASENO	CANUMBER	APINO
NBU 332	10-10-21 NWSW	UTU01416A	891008900A	430473364000S1
NBU 333	13-10-21 SWSW	ML23608	891008900A	430473364100S1 ✓
NBU 335	4-10-22 SENE	UTU01191	891008900A	430473372400S1
NBU 336	4-10-22 NWNE	U-01191	891008900A	430473402700S1
NBU 337	4-10-22 SENW	U-01191-A	891008900A	430473402000S1
NBU 338	5-10-22 NESE	UTU01191	891008900A	430473405800S1
NBU 339	5-10-22 NWSE	UTU01191	891008900A	430473440600S1
NBU 340	6-10-22 SWNE	UTU01195	891008900A	430473372500S1
NBU 340X	6-10-22 SWNE	UTU01195	891008900A	430473401500S1
NBU 341	6-10-22 SWNW	UTU464	891008900A	430473372600S1
NBU 342	7-10-22 NWSE	UTU468	891008900A	430473372700S1
NBU 343	8-10-22 NWNE	UTU01196C	891008900A	430473371900S1
NBU 344	8-10-22 SWNE	UTU01196C	891008900A	430473402100S1
NBU 345	10-10-22 SWNE	UTU02587	891008900A	430473370400S1 ✓
NBU 345-4E	4-10-21 SWSW	UTU01393B	891008900A	430473470000S1 ✓
NBU 347	11-10-22 NWSW	UTU01197A	891008900A	430473370900S1 ✓
NBU 348	11-10-22 SWSW	UTU01197A-ST	891008900A	430473400100S1
NBU 349	11-10-22 SWSE	UTU01197A-ST	891008900A	430473400200S1 ✓
NBU 350	14-10-22 NWNE	UTU01197A	891008900A	430473364200S1 ✓
NBU 351	30-10-22 SESE	UTU0132568A	891008900A	430473366800S1
NBU 352	9-9-21 SWNW	UTU0149767	891008900A	430473392200S1
NBU 353	27-9-21 SENW	U01194A	891008900A	430473320500S1 ✓
NBU 354	31-9-22 NENW	UTU464	891008900A	430473323100S1
NBU 356	30-9-22 NENW	U463	891008900A	430473323200S1
NBU 357	15-10-21 SWSW	UTU01791A	891008900A	430473372800S1
NBU 358	16-10-21 SESW	ML10755	891008900A	430473370800S1
NBU 359	29-10-21 NWNE	ML21330	891008900A	430473370600S1
NBU 360	29-10-22 SESW	UTU0145824	891008900A	430473377300S1
NBU 361	32-10-22 NWNW	ML22798	891008900A	430473370500S1 ✓
NBU 362	28-9-21 SESW	UTU0576	891008900A	430473377400S1
NBU 363	28-9-21 SESE	UTU0576	891008900A	430473377500S1
NBU 364	29-9-21 SESE	UTU0581	891008900A	430473377600S1
NBU 365	3-10-21 SESE	UTU0149078	891008900A	430473377700S1
NBU 366	10-10-21 NWNW	UTU0149079	891008900A	430473372900S1
NBU 367	11-10-22 NESW	UTU01197A-ST	891008900A	430473370700S1 ✓
NBU 370	17-9-21 NWSW	UTU0575	891008900A	430473467200S1 ✓
NBU 371	8-9-21 SWSE	UTU0575B	891008900A	430473467300S1 ✓
NBU 375	12-9-21 SWNE	UTU0141317	891008900A	430473444000S1 ✓
NBU 376	12-9-21 NENE	UTU0141317	891008900A	430473444100S1 ✓
NBU 377	31-9-21 NENW	UTU0582	891008900A	430473436300S1
NBU 378	31-9-21 NWNE	UTU0582	891008900A	430473436400S1
NBU 381	23-10-22 SESW	UTU01198B	891008900A	430473423400S1
NBU 382	22-10-22 SENW	U-01198-B	891008900A	430473423500S1
NBU 383	21-10-22 SESW	U-489	891008900A	430473423600S1
NBU 384	30-10-22 SENW	UTU0132568A	891008900A	430473423700S1 ✓
NBU 385	18-10-22 SENW	ML22973	891008900A	430473422800S1
NBU 386	17-10-22 NESE	UTU470	891008900A	430473423800S1
NBU 387	23-10-21 SWSE	U-02277-A	891008900A	430473423900S1
NBU 388	22-10-21 SENW	U-02278-A	891008900A	430473424000S1
NBU 389	28-10-21 NENE	ML21329	891008900A	430473422900S1
NBU 390	30-10-21 SESE	ML22793	891008900A	430473423000S1
NBU 391	17-9-21 NWNW	UTU0575	891008900A	430473487400S1
NBU 393	22-9-20 SWNW	U0577B	891008900A	43047348640S1
NBU 394	11-10-22 SWSE	UTU01197A-ST	891008900A	430473480400S1 ✓
NBU 395	27-9-21 SWSW	UTU01194A-ST	891008900A	430473437400S1 ✓
NBU 396	33-9-21 NENW	UTU0576	891008900A	430473448000S1 ✓
NBU 397	26-10-20 NESW	UTU4476	891008900A	430473438500S1
NBU 398	18-10-21 NENW	UTU02270A	891008900A	430473438600S1
NBU 399	14-10-21 NWNW	UTU465	891008900A	430473440900S1
NBU 400	16-10-21 NENW	ML10755	891008900A	430473479400S1
NBU 401	23-10-21 NENE	UTU02278A	891008900A	430473480100S1
NBU 404	32-9-22 SWSE	ML22649	891008900A	430473437500S1 ✓
NBU 405	27-9-21 NENE	UTU01194A-ST	891008900A	430473440700S1 ✓
NBU 407	32-10-22 NENW	ML22798	891008900A	430473431800S1 ✓
NBU 408	31-10-22 NENE	UTU0143551	891008900A	430473459000S1 ✓
NBU 409	32-9-21 NWSW	ML48758	891008900A	430473442100S1 ✓
NBU 410	32-9-21 SWSW	ML48758	891008900A	430473487200S1
NBU 411	32-9-21 SESE	ML48758	891008900A	430473442200S1 ✓
NBU 412	32-10-22 SENW	ML22798	891008900A	430473431900S1 ✓
NBU 413	32-10-22 SWNW	ML22798	891008900A	430473432000S1 ✓
NBU 414	31-10-22 SENE	UTU0143551	891008900A	430473438700S1
NBU 414-20E	20-9-21 NWNE	U0143551/U0575	891008900A	430473477900S1
NBU 415-20E	20-9-21 SWNE	UTU0575	891008900A	430473448900S1 ✓
NBU 416	36-9-20 SESE	ML48757	891008900A	430473442300S1 ✓
NBU 418	12-9-21 NWNW	UTU0141317	891008900A	430473477700S1



# United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office

170 South 500 East

Vernal, UT 84078

(435) 781-4400 Fax: (435) 781-4410  
<http://www.blm.gov/utah/vernal>



IN REPLY REFER TO:

3160

UT08300

May 4, 2004

Sheila Upchego  
Westport Oil & Gas Co.  
1368 South 1200 East  
Vernal, UT 84078

Re: Notification of Expiration  
Well No. NBU 397  
NESW, Sec. 26, T10S, R20E  
Uintah County, Utah  
Lease No. UTU-4476  
Natural Buttes WS MV

Dear Ms. Upchego:

The Application for Permit to Drill the above-referenced well was approved on February 12, 2002. A one (1) year extension of the original APD was requested. The request was reviewed and the extension approved until February 12, 2004. 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

RECEIVED  
MAY 11 2004  
DIV. OF OIL, GAS & MINING



State of Utah

Department of  
Natural Resources

ROBERT L. MORGAN  
*Executive Director*

Division of  
Oil, Gas & Mining

LOWELL P. BRAXTON  
*Division Director*

OLENE S. WALKER  
*Governor*

GAYLE F. McKEACHNIE  
*Lieutenant Governor*

May 18, 2004

Sheila Upchego  
Westport Resources Corp.  
1368 South 1200 East  
Vernal UT 84078

Re: APD Rescinded – NBU 397, Sec. 26, T. 10S, R. 20E Uintah County, Utah  
API No. 43-047-34365

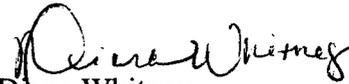
Dear Ms. Upchego:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on October 31, 2001. On September 26, 2002 and on September 15, 2003 the Division granted a one-year APD extension. On May 17, 2004 you requested that the division rescind the state approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective May 17, 2004.

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,

  
Diana Whitney  
Engineering Technician

cc: Well File  
Bureau of Land Management, Vernal