

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

001

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.  
U-01190

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 427

2. Name of Operator  
EL PASO PRODUCTION O&G COMPANY  
Contact: SHEILA UPCHEGO  
E-Mail: sheila.upchego@EIPaso.com

9. API Well No.  
43047-34418

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

3b. Phone No. (include area code)  
Ph: 435.781.7024  
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 NWNE 660FNL 2155FEL 4425099 N  
At proposed prod. zone 626703E

11. Sec., T., R., M., or Blk. and Survey or Area  
Sec 11 T10S R21E Mer UBM

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

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)  
660'

16. No. of Acres in Lease  
320.00

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  
7500 MD

20. BLM/BIA Bond No. on file  
WY-3457

21. Elevations (Show whether DF, KB, RT, GL, etc.)  
5126 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) *Sheila Upchego* Name (Printed/Typed) SHEILA UPCHEGO Ph: 435.781.7024 Date 12/06/2001

Title REGULATORY ANALYST

Approved by (Signature) *Bradley G. Hill* Name (Printed/Typed) BRADLEY G. HILL Date 12-11-01

Title RECLAMATION SPECIALIST III

**Federal Approval of this Action is Necessary**

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 #9678 verified by the BLM Well Information System  
For EL PASO PRODUCTION O&G COMPANY, sent to the Vernal

**RECEIVED**

DEC 07 2001

DIVISION OF  
OIL, GAS AND MINING

\*\* ORIGINAL \*\*

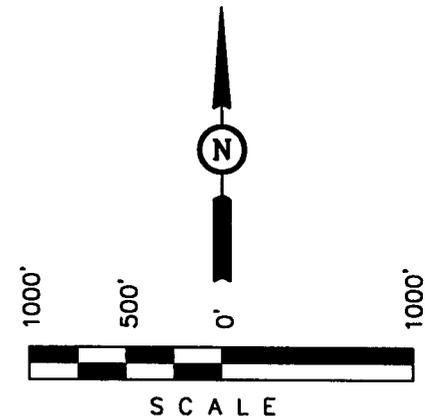
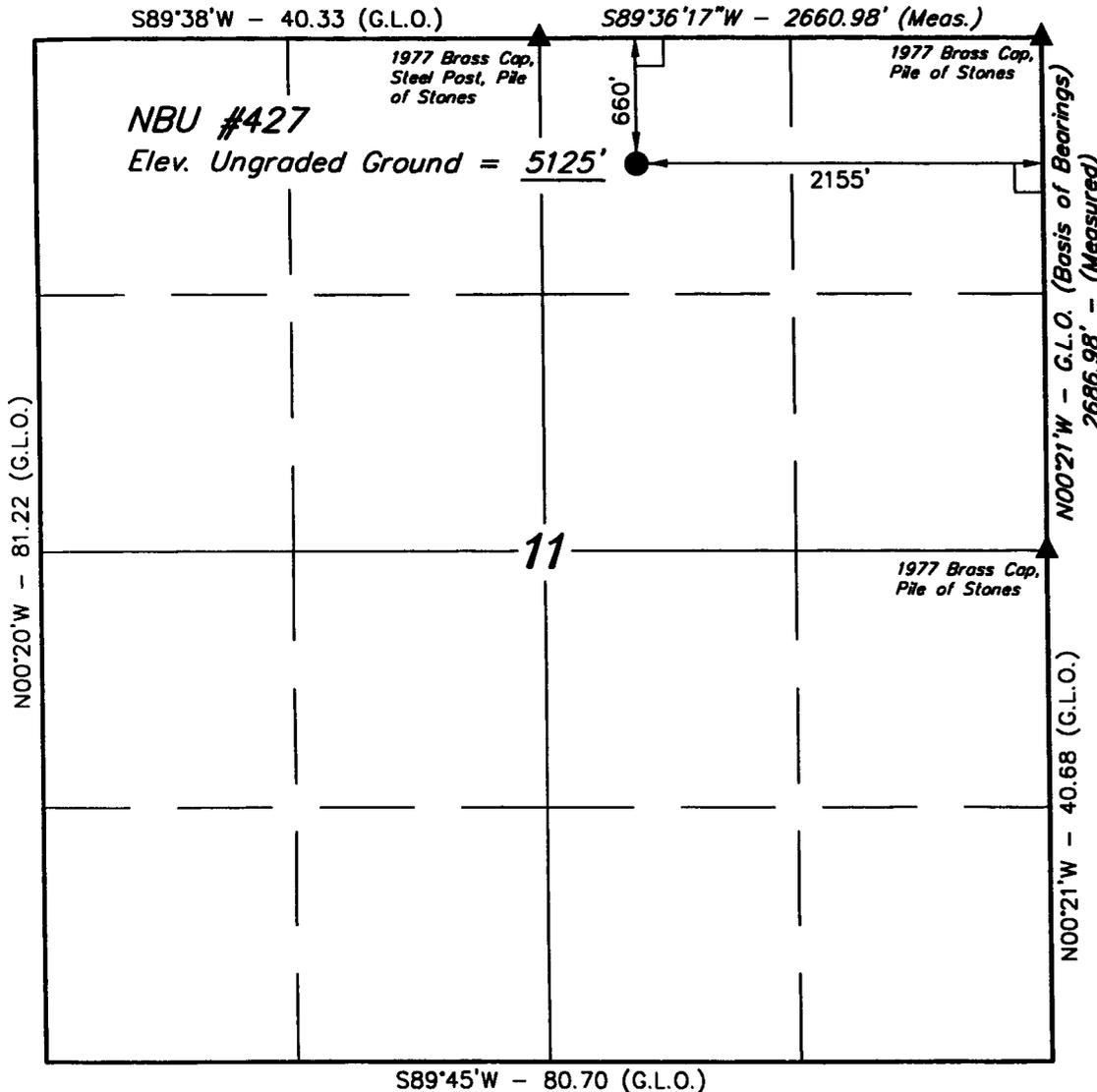
T10S, R21E, S.L.B.&M.

**EL PASO  
PRODUCTION OIL & GAS COMPANY**

Well location, NBU #427, located as shown in the NW 1/4 NE 1/4 of Section 11, T10S, R21E, S.L.B.&M. Uintah County, Utah.

**BASIS OF ELEVATION**

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 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.

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

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

**LEGEND:**

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- = SECTION CORNERS LOCATED.

LATITUDE = 39°58'06"  
LONGITUDE = 109°31'00"

SCALE 1" = 1000'	DATE SURVEYED: 10-15-01	DATE DRAWN: 10-17-01
PARTY B.B. W.L. K.K. J.J. D.COX	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE EL PASO PRODUCTION OIL & GAS COMPANY	

NBU #427  
 NW/NE Sec. 11, T10S,R21E  
 UINTAH COUNTY, UTAH  
 U-01190

ONSHORE ORDER NO. 1

***DRILLING PROGRAM***

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

<u>Formation</u>	<u>Depth</u>
KB	5150'
Green River	1475'
Wasatch	4690'
TD	7000'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Gas	Green River	1475'
	Wasatch	4690'
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 7000' TD, approximately equals 2800 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1260 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

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

9. **Variances:**

*Please see Natural Buttes Unit SOP.*

10. **Other Information:**

*Please see Natural Buttes Unit SOP.*

**NBU #427  
NW/NE Sec. 11,T10S,R21E  
UINTAH COUNTY, UTAH  
U-01190**

**ONSHORE ORDER NO. 1**

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

An onsite inspection was conducted for the NBU #427 on 11/13/01, for the subject well.

**1. Existing Roads:**

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 0.2 miles of new access road is proposed. An existing re-habed road is approximately 0.6 miles. 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 1100' of pipeline is proposed. Pipeline is to be buried or ramped at the entrance, 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:

Four Wing Saltbrush	4 lbs.
Shade Scale	4 lbs.
Galleta 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 is attached.

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.

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

Sheila Upchego  
Regulatory Analyst  
El Paso Production O&G Co.  
P.O. Box 1148  
Vernal, UT 84078  
(435) 781-7024

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.

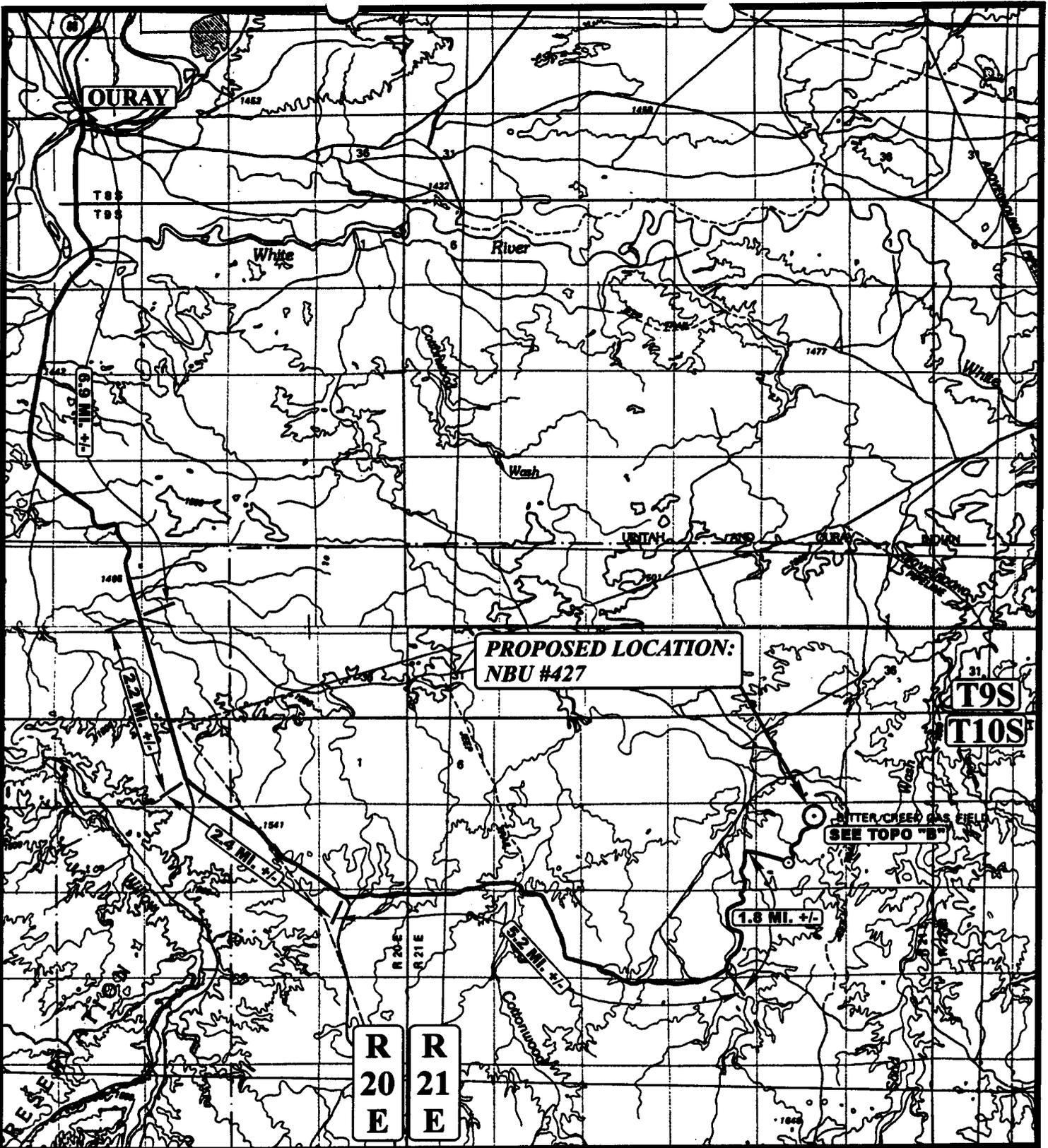
The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

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/Sheila Upchego  
Sheila Upchego



12/06/01  
Date



**PROPOSED LOCATION:  
NBU #427**

**SITTER CREEK GAS FIELD  
SEE TOPO "B"**

**R R  
20 21  
E E**

**LEGEND:**

○ PROPOSED LOCATION

**EL PASO PRODUCTION OIL & GAS COMPANY**

**NBU #427**

**SECTION 11, T10S, R21E, S.L.B.&M.**

**660' FNL 2155' FEL**



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

**TOPOGRAPHIC  
MAP**

<b>10</b>	<b>17</b>	<b>01</b>
MONTH	DAY	YEAR

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



T10S

**PROPOSED LOCATION:  
NBU #427**

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

**PROPOSED ACCESS FOR  
THE NBU #425 0.5 MI. +/-  
EXISTING RE-HABED  
ROAD 0.6 MI. +/-**

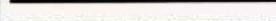
**PROPOSED ACCESS  
FOR THE NBU #426**

**1.8 MI. +/-**

**OURAY 16.7 MI. +/-  
SEEP RIDGE ROAD 5.2 MI. +/-**

**R  
21  
E**

**LEGEND:**

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD
-  EXISTING RE-HABED ROAD



**EL PASO PRODUCTION OIL & GAS COMPANY**

**NBU #427  
SECTION 11, T10S, R21E, S.L.B.&M.  
660' FNL 2155' FEL**



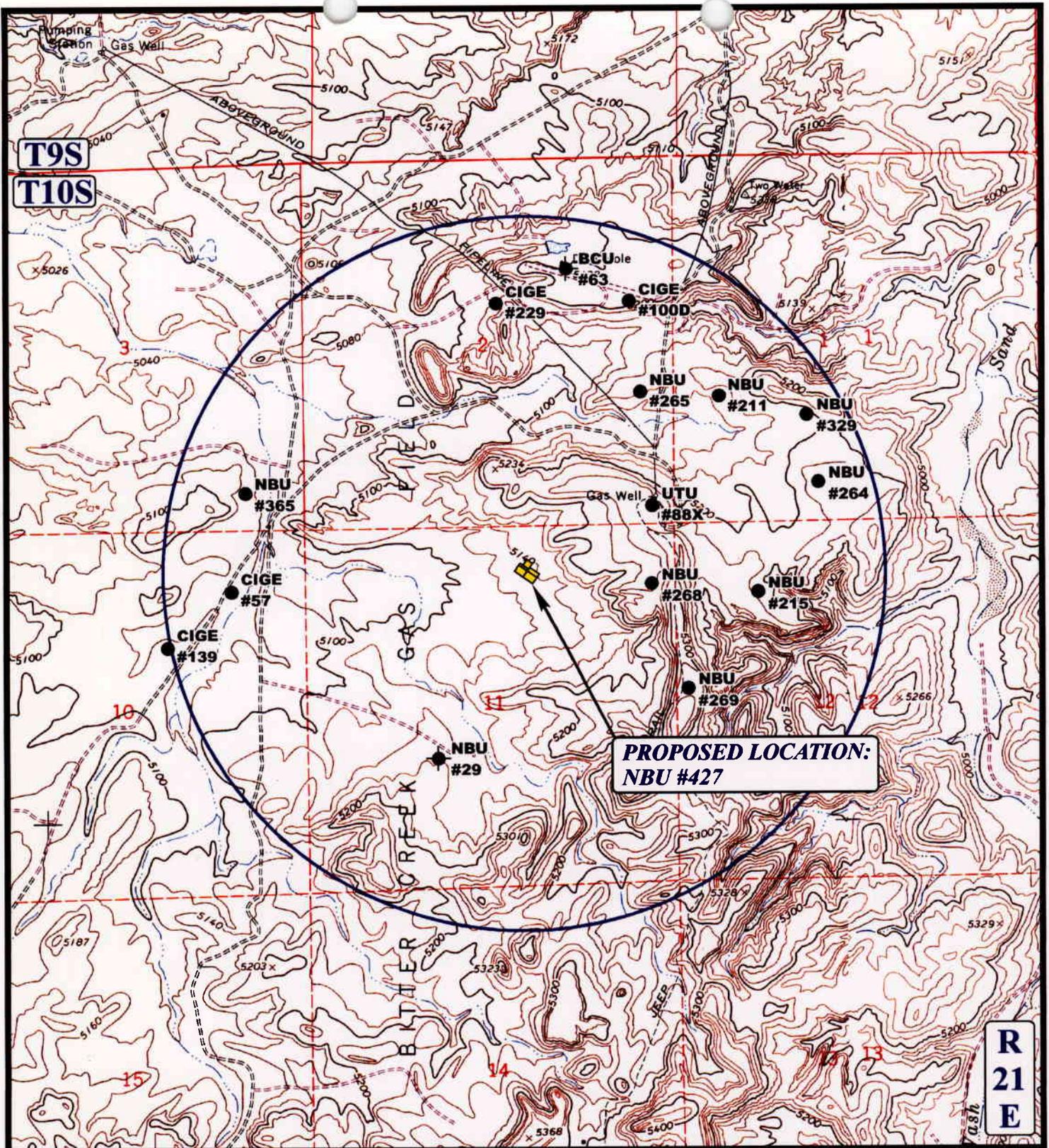
**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC  
MAP**

**10 17 01**  
MONTH DAY YEAR

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

**B  
TOPO**



**LEGEND:**

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

EL PASO PRODUCTION OIL & GAS COMPANY

**NBU #427**  
**SECTION 11, T10S, R21E, S.L.B.&M.**  
**660' FNL 2155' FEL**



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



**TOPOGRAPHIC**  
**MAP**

**10 17 01**  
 MONTH DAY YEAR

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



T10S

**PROPOSED LOCATION:  
NBU #427**

Gas Well

**PROPOSED PIPELINE**

**TIE-IN POINT**

**PROPOSED PIPELINE  
FOR THE NBU #425**

**PROPOSED ACCESS ROAD**

**PROPOSED ACCESS  
FOR THE NBU #425**

**EXISTING  
RE-HABED ROAD**

NBU #425

NBU #426

**TIE-IN POINT**

**PROPOSED PIPELINE  
FOR THE NBU #426**

**PROPOSED ACCESS  
FOR THE NBU #426**

**TIE-IN POINT**

**EXISTING PIPELINE**

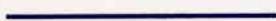
NBU #29

CREEK

R  
21  
E

**APPROXIMATE TOTAL PIPELINE DISTANCE = 1100' +/-**

**LEGEND:**

-  EXISTING RE-HABED ROAD
-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE

EL PASO PRODUCTION OIL & GAS COMPANY

NBU #427

SECTION 11, T10S, R21E, S.L.B.&M.

660' FNL 2155' FEL



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

**TOPOGRAPHIC  
MAP**

<b>10</b>	<b>17</b>	<b>01</b>
MONTH	DAY	YEAR



SCALE: 1" = 1000' DRAWN BY: P.M. REVISED: 00-00-00

# EL PASO PRODUCTION OIL & GAS COMPANY

**NBU #427**

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 11, T10S, R21E, S.L.B.&M.

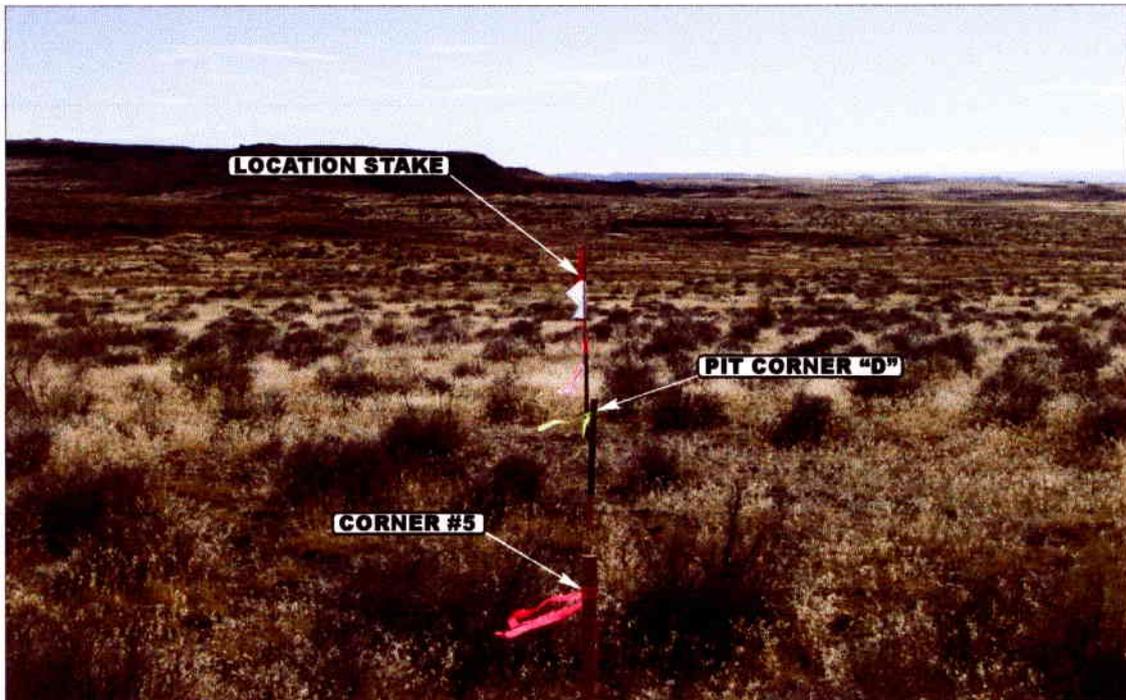


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

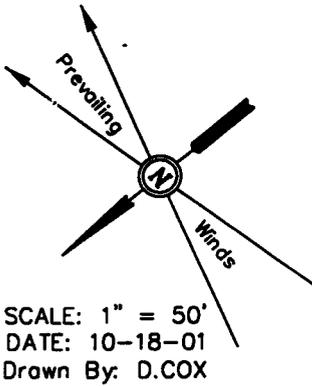
**U ELS** Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

<b>LOCATION PHOTOS</b>	<b>10</b>	<b>17</b>	<b>01</b>	<b>PHOTO</b>
	MONTH	DAY	YEAR	
TAKEN BY: KK, BB	DRAWN BY: P.M.		REVISED: 00-00-00	

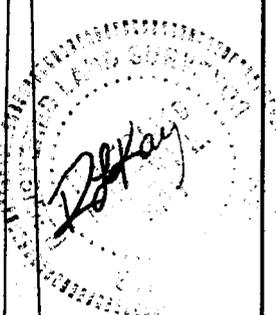
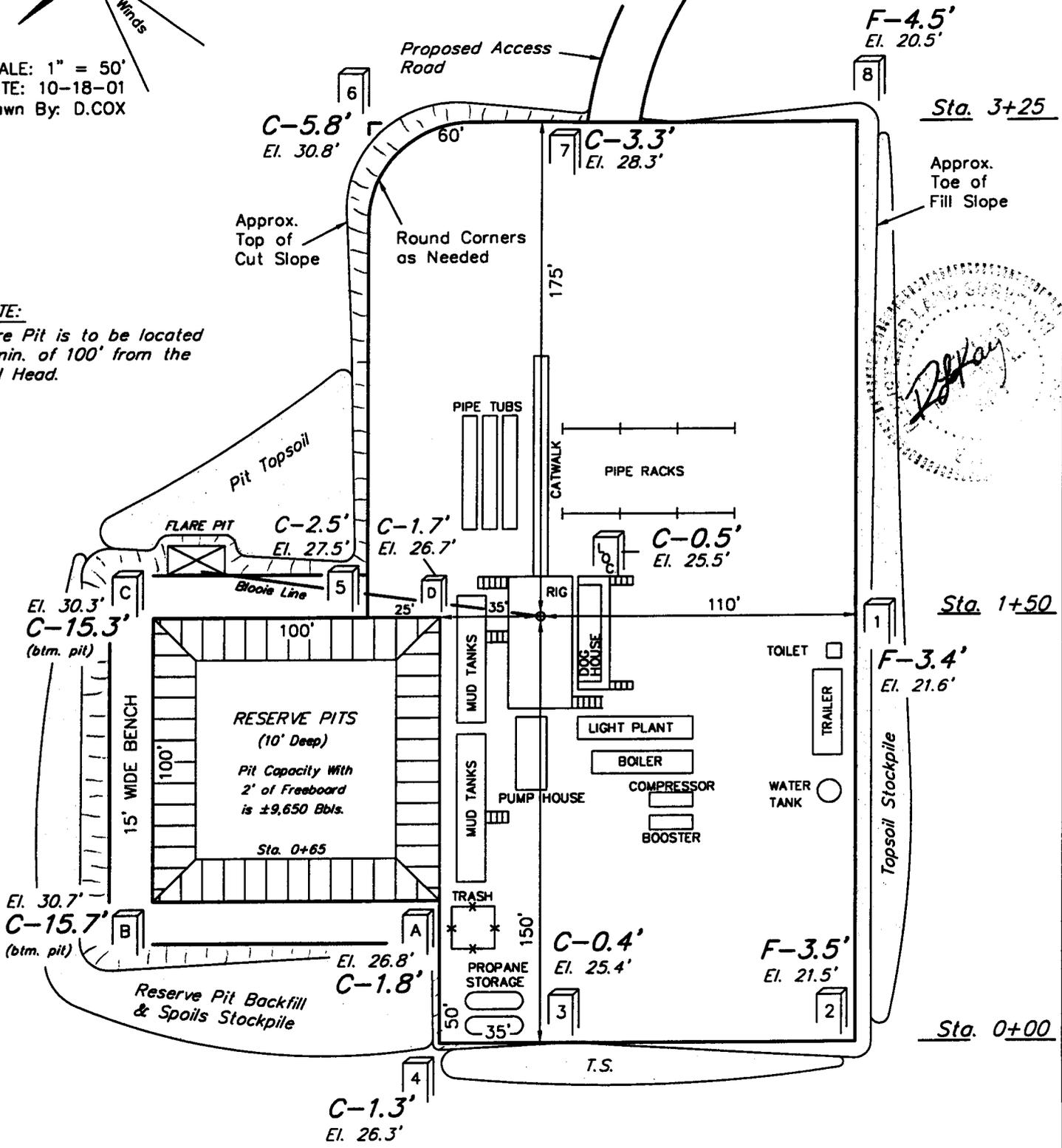
# EL PASO PRODUCTION OIL & GAS COMPANY

## LOCATION LAYOUT FOR

NBU #427  
SECTION 11, T10S, R21E, S.L.B.&M.  
660' FNL 2155' FEL



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



**NOTES:**

Elev. Ungraded Ground At Loc. Stake = 5125.5'  
FINISHED GRADE ELEV. AT LOC. STAKE = 5125.0'

**FIGURE #1**

# EL PASO PRODUCTION OIL & GAS COMPANY

## TYPICAL CROSS SECTIONS FOR

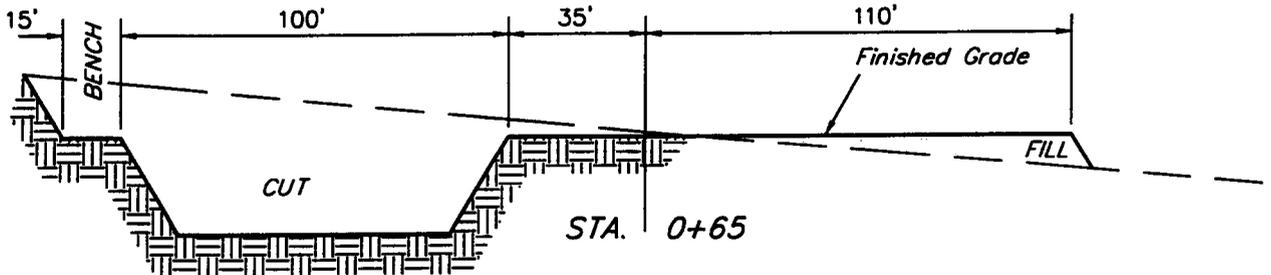
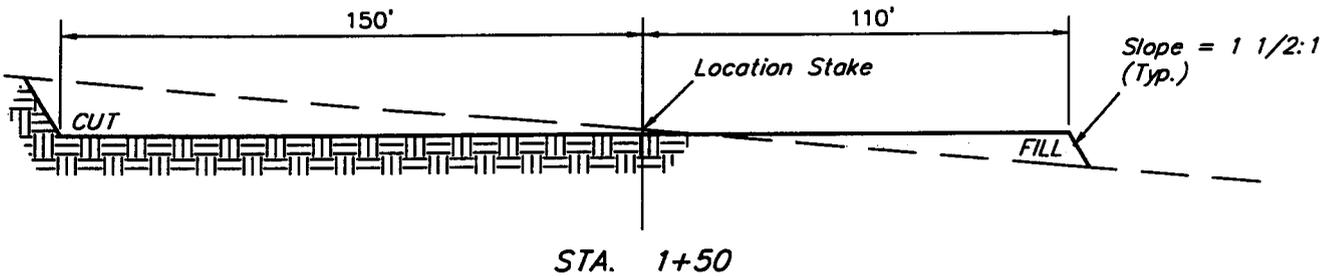
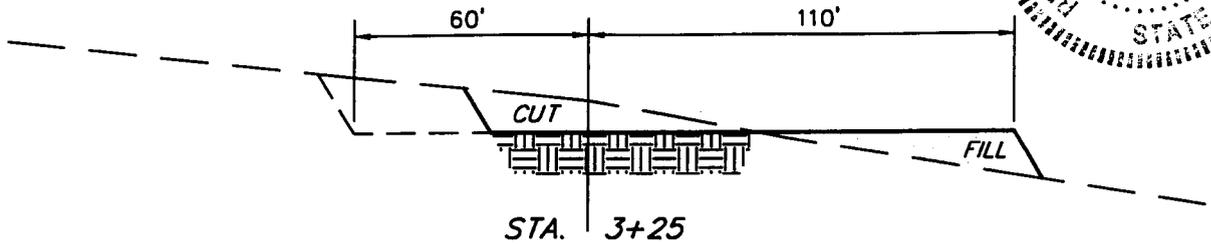
NBU #427

SECTION 11, T10S, R21E, S.L.B.&M.

660' FNL 2155' FEL



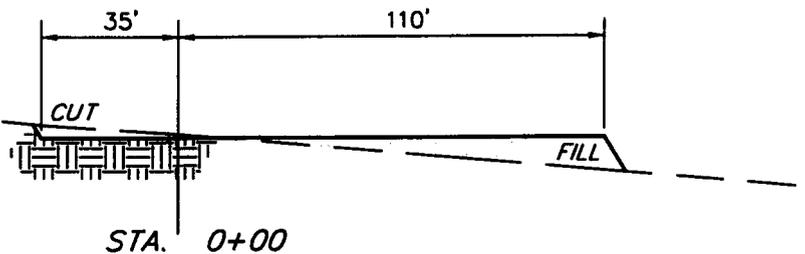
1" = 20'  
 X-Section Scale  
 1" = 50'  
 DATE: 10-18-01  
 Drawn By: D.COX



Preconstruction Grade

**NOTE:**

Topsoil should not be Stripped Below Finished Grade on Substructure Area.



**FIGURE #2**

**APPROXIMATE YARDAGES**

CUT	
(6") Topsoil Stripping	= 1,220 Cu. Yds.
Remaining Location	= 6,150 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 7,370 CU.YDS.</b>
<b>FILL</b>	<b>= 2,440 CU.YDS.</b>

EXCESS MATERIAL AFTER 5% COMPACTION	= 4,800 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,560 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 2,240 Cu. Yds.

# EL PASO PRODUCTION OIL & GAS COMPANY

NBU #427

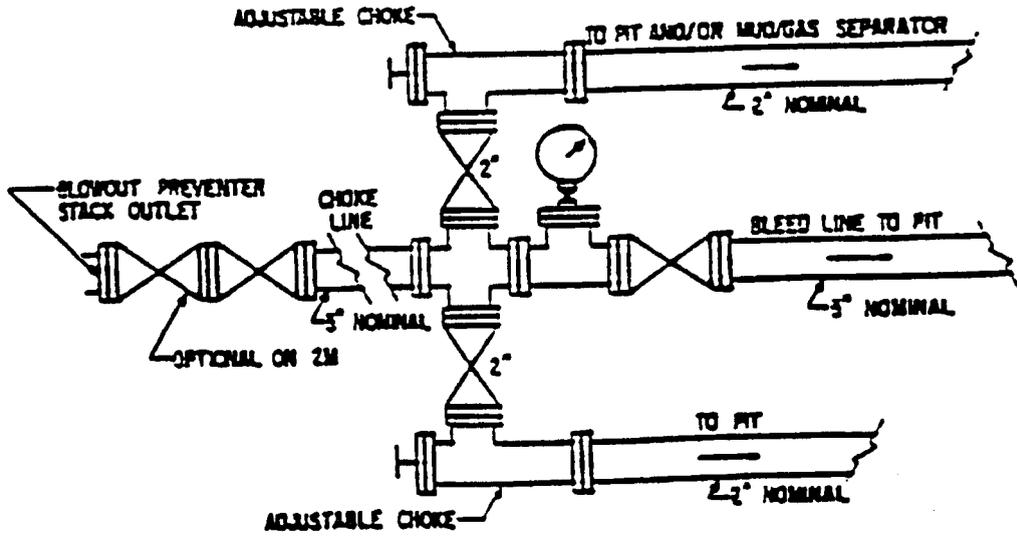
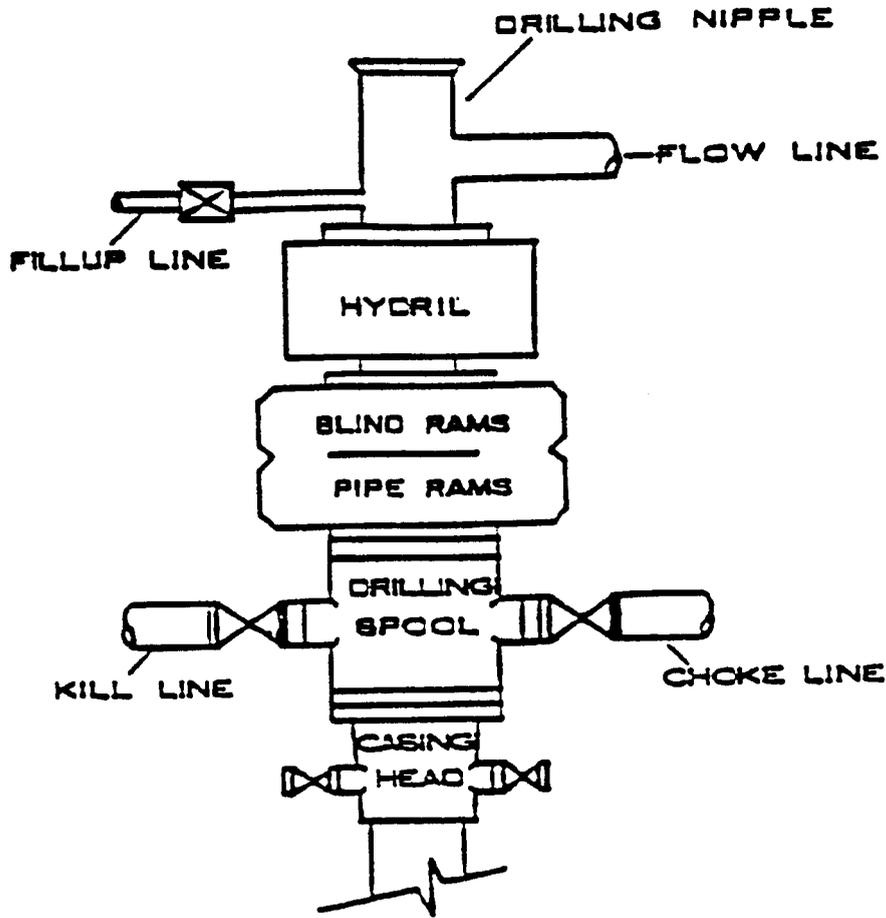
SECTION 11, T10S, R21E, S.L.B.&M.

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 DIRECTION APPROXIMATELY 2.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 5.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY, THEN NORTHWESTERLY, THEN NORTHEASTERLY, THEN NORTHERLY DIRECTION APPROXIMATELY 1.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.6 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE NBU #425 TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 50.8 MILES.

3,000 PSI

# BOP STACK



**ORIGINAL**

**CULTURAL RESOURCE INVENTORY OF  
EL PASO PRODUCTION'S  
NATURAL BUTTES ELEVEN WELL LOCATIONS  
UINTAH COUNTY, UTAH**

**Keith R. Montgomery**

**Prepared For:**

**Bureau of Land Management  
(Vernal Field Office)**

**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. 01-173**

**October 31, 2001**

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

**State of Utah Antiquities Project (Survey)  
Permit No. U-01-MQ-0738b**

## INTRODUCTION

A cultural resource inventory was conducted by Montgomery Archaeological Consultants (MOAC) in October 2001 for El Paso Production Oil and Gas Company proposed eleven well locations (CIGE #275, CIGE #276, CIGE #277, NBU #399, NBU #400, NBU #419, NBU #420, NBU #421, NBU #425, NBU #426 and NBU #427). The proposed well locations with access and pipeline corridors are situated in the Natural Buttes area, southeast of Ouray, Utah (Figures 1 and 2). 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

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 25 and 26, 2001 by Keith R. Montgomery, (Principal Investigator) and assisted by 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-0738b issued to MOAC.

A file search was performed by Sarah Ball at the Utah Division of State History on October 15, 2001. This consultation indicated that several archaeological inventories have been completed in near the project area. In 1981, Brigham Young University completed the Magic Circle Cottonwood Wash inventory (Thompson 1981). In 1991, Metcalf Archaeological Consultants (MAC) inventoried several Natural Butte well locations for Coastal Oil and Gas Corporation (Scott 1991a, b). In 1995, Archeological Environmental Research Corporation surveyed the Glen Bench Road documented an ineligible lithic scatter (42Un1792) near the current project area (Hauck and Hadden 1995). Metcalf Archaeological Consultants surveyed a number of well locations for Coastal Oil & Gas Corporation in 1997 (Spath 1997). In 2001, Montgomery Archaeological Consultants inventoried 10 El Paso Production's well locations in the Natural Buttes area (Montgomery 2001). No archaeological sites have been documented in the immediate project area.

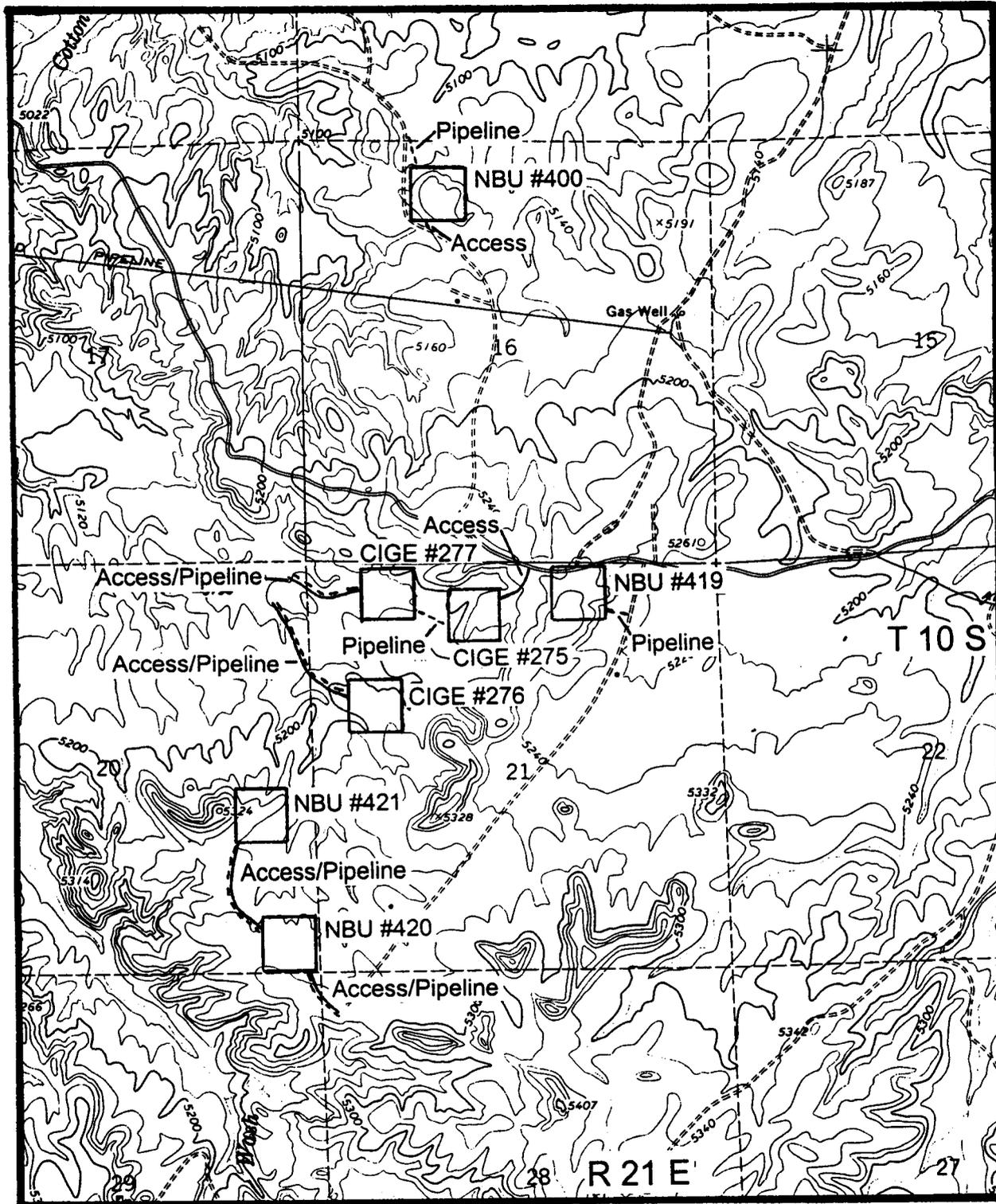


Figure 1. Inventory Area of El Paso Production Oil and Gas Company's CIGE #275, CIGE #276, CIGE #277, NBU #400, NBU #419, NBU #420, NBU #421 well locations. USGS 7.5' Big Pack Mtn. NE, Utah 1968. Scale 1:24000.

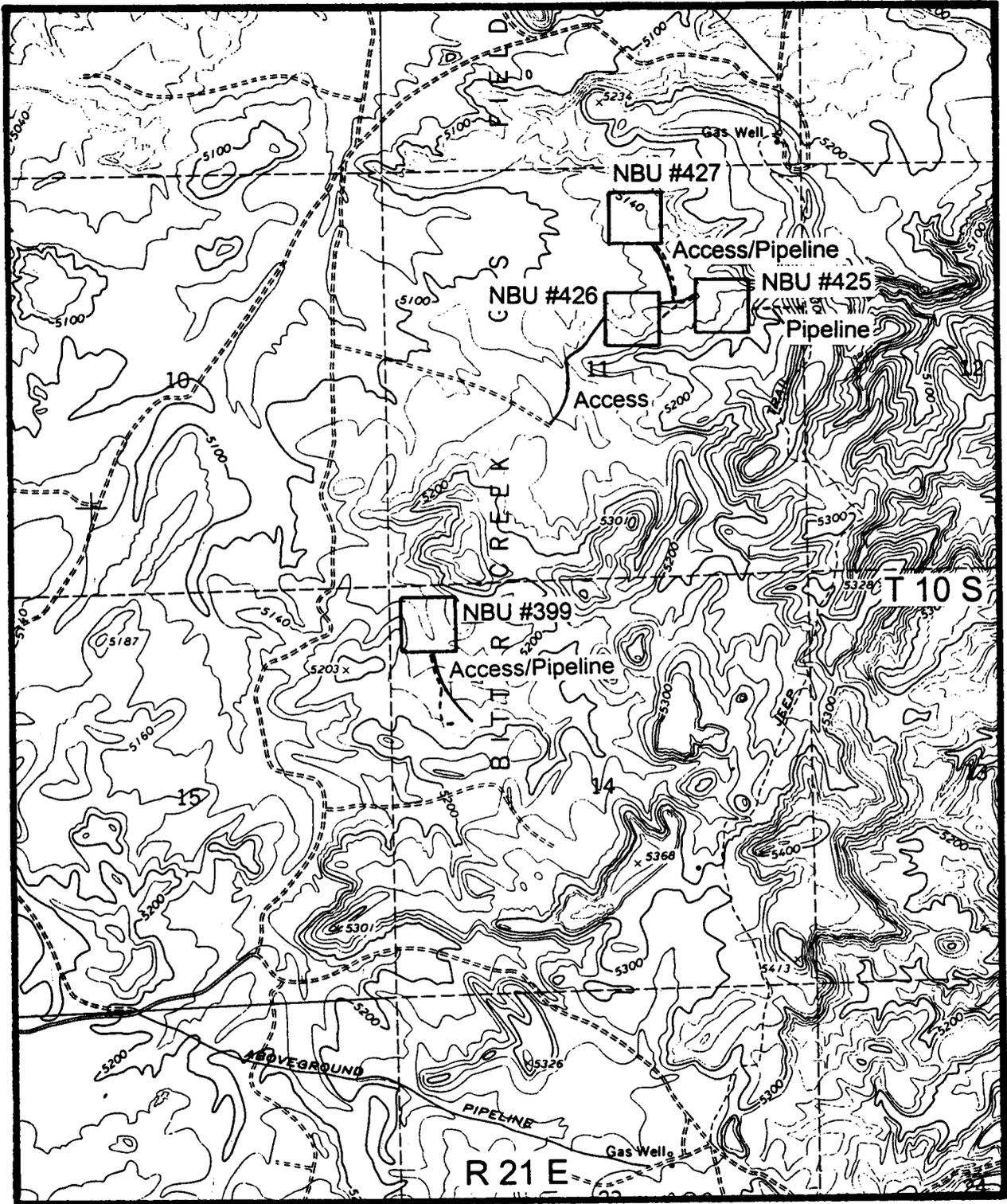


Figure 2. Inventory Area of El Paso Production Oil and Gas Company's NBU #399, NBU #425, NBU #426, and NBU #427 well locations. USGS 7.5' Archy Bench, Utah 1987. Scale 1:24000.

## DESCRIPTION OF PROJECT AREA

The eleven proposed El Paso Production well locations, access and pipeline corridors are situated in the Natural Buttes Field, southeast of Ouray, Utah. The legal description is T 10S, R 21E, Sections 11, 14, 16, 20, 21 and 32 (USGS 7.5' Big Pack Mtn. NE). The proposed well locations are designated: CIGE #275, CIGE #276, CIGE #277, NBU #399, NBU #400, NBU #419, NBU #420, NBU #421, NBU #425, NBU #426 and NBU #427 (Table 1).

Table 1. El Paso Production's Natural Butte Eleven Well Locations

Well Location Designation	Legal Location	Location at Surface	Access/Pipeline	Cultural Resources
CIGE #275	T 10S, R 21E, Sec. 21 NE/NW	699' FNL 2196' FWL	Access 600' Pipeline 500'	None
CIGE #276	T 10S, R 21E, Sec. 21 SW/NW	1954' FNL 892' FWL	Access/Pipeline 1800'	None
CIGE #277	T10S, R21E, Sec. 21 NW/NW	473' FNL 1101' FWL	Access/Pipeline 1100'	None
NBU #399	T10S, R21E, Sec. 14 NW/NW	543' FNL 578' FWL	Access/Pipeline 500' Access 600' Pipeline 700'	None
NBU #400	T10S, R21E, Sec. 16 NE/NW	709' FNL 1800' FWL	Access 100' Pipeline 500'	None
NBU #419	T10S, R21E, Sec. 32 NW/NE	424' FNL 1816' FEL	Access in 10 Acre Pipeline 300'	None
NBU #420	T10S, R21E, Sec. 20 SE/SE	343' FSL 416' FEL	Access/Pipeline 700'	None
NBU #421	T10S, R21E, Sec. 20 NE/SE	2000' FSL 706' FEL	Access/Pipeline 1400'	None
NBU #425	T10S, R21E, Sec. 11 SE/NE	1852' FNL 1054' FEL	Access 500' Pipeline 700'	None
NBU #426	T10S, R21E, Sec. 11 SW/NE	1980' FNL 2226' FEL	Access 1700' Pipeline 600'	None
NBU #427	T10S, R21E, Sec. 11 NW/NE	660' FNL 2155' FEL	Access/Pipeline 900'	None

## 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. Specifically, the project area occurs on the east side of Cottonwood Wash on the valley floor which is interspersed by flat topped buttes and narrow steep-sided ridges. The area is heavily dissected and carved by ephemeral drainages. The surface geology consists of hard pan residual soil armored with shale and sandstone pebbles as well as some sand shadows. The elevation averages 5200 feet a.s.l. The project occurs within the Upper Sonoran Desert Shrub Association which includes shadscale, greasewood, mat saltbrush, snakeweed, rabbitbrush, prickly pear cactus, Indian ricegrass and non-native grasses. Modern disturbances include roads, and oil/gas development.

## 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 space 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. A wider corridor (150 foot) was inspected when access/pipeline routes share a corridor. Ground visibility was considered to be good. A total of 148 acres was inventoried on BLM (Vernal Field Office) administered land.

## RESULTS AND RECOMMENDATIONS

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

## REFERENCES CITED

- Hauck, F.R., and G.V. Hadden  
1995 Cultural Resource Evaluation of the Proposed Glen Bench Road in the White River Locality of Uintah County, UT. Archeological-Environmental Research Corp. Bountiful, UT. Project No. UT-95-AF-083. On file at the Utah Division of State History.
- Nielson, A.  
1981 Cultural Resource Inventory of the Magic Circle Cottonwood Wash Project, Uintah County, Utah. Brigham Young University, Cultural Resource Service Management, Provo, UT. Project No. U-81-BC-686. On file at the Utah Division of State History.
- Scott, J.M.  
1991a CIGE #168-16-10-21 Cultural Resources Inventory in Uintah County, Utah. Metcalf Archaeological Consultants, Eagle, CO. Project No. U-91-MM-607. On file at the Utah Division of State History.
- 1991b NBU #179 Cultural Resource Inventory in Uintah County, Utah. Metcalf Archaeological Consultants, Eagle, CO. Project No. U-91-MM-607. On file at the Utah Division of State History.
- 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.
- 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: 12/07/2001

API NO. ASSIGNED: 43-047-34418

WELL NAME: NBU 427

OPERATOR: EL PASO PROD OIL & GAS ( N1845 )

CONTACT: SHEILA UPCHEGO

PHONE NUMBER: 435-781-7024

PROPOSED LOCATION:

NWNE 11 100S 210E  
SURFACE: 0660 FNL 2155 FEL  
BOTTOM: 0660 FNL 2155 FEL  
UINTAH  
NATURAL BUTTES ( 630 )

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

LEASE TYPE: 1 - Federal

LEASE NUMBER: U-01190

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSTC

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. WY3457 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. 43-8496 )
- RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )
- Fee Surf Agreement (Y/N)

LOCATION AND SITING:

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

COMMENTS: NBU SOP, separate file.

STIPULATIONS: 1-Fed. Approval  
2-Oil Shale



002

## United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO:  
3160  
(UT-922)

December 11, 2001

## Memorandum

To: Assistant District Manager Minerals, Vernal District  
From: Michael Coulthard, Petroleum Engineer  
Subject: 2001 Plan of Development Natural Buttes Unit,  
Uintah County, Utah.

Pursuant to email between Lisha Cordova, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management. The following wells are planned for calendar year 2001 within the Natural Buttes Unit, Uintah County, Utah.

Api Number	Well	Location
------------	------	----------

(Proposed PZ Wasatch)

43-047-34415	CIIE 276	Sec. 21, T10S, R21E 1954 FNL 0992 FNL
43-047-34416	NBU 427	Sec. 11, T10S, R21E 0660 FNL 2155 FEL

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

/s/ Michael L. Coulthard

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

MCoulthard:mc:12-11-01

005



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

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

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

December 11, 2001

El Paso Production Oil & Gas Company  
PO Box 1148  
Vernal, UT 84078

Re: Natural Buttes Unit 427 Well, 660' FNL, 2155' FEL, NW NE, Sec. 11, T. 10 South,  
R. 21 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-34418.

Sincerely,

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

John R. Baza  
Associate Director

er

Enclosures

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

**Operator:** El Paso Production Oil & Gas Company  
**Well Name & Number** Natural Buttes Unit 427  
**API Number:** 43-047-34418  
**Lease:** U 01190

**Location:** NW NE      **Sec.** 11      **T.** 10 South      **R.** 21 East

### **Conditions of Approval**

**1. General**

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

**2. Notification Requirements**

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

**3. Reporting Requirements**

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

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

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED  
DEC 07 2001

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

006

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. U-01190
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone			6. If Indian, Allottee or Tribe Name
2. Name of Operator EL PASO PRODUCTION O&G COMPANY		Contact: SHEILA UPCHEGO E-Mail: sheila.upchego@EIPaso.com	7. If Unit or CA Agreement, Name and No. NATURAL BUTTES
3a. Address P.O. BOX 1148 VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 435.781.7024 Fx: 435.789.4436		8. Lease Name and Well No. NBU 427
4. Location of Well (Report location clearly and in accordance with any State requirements. *)  At surface NWNE 660FNL 2155FEL  At proposed prod. zone			9. API Well No.
14. Distance in miles and direction from nearest town or post office* 25 MILES SOUTHEAST OF OURAY, UTAH			10. Field and Pool, or Exploratory NATURAL BUTTES
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 660'	16. No. of Acres in Lease 320.00		11. Sec., T., R., M., or Blk. and Survey or Area Sec 11 T10S R21E Mer UBM
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. REFER TO TOPO C	19. Proposed Depth 7500 MD		12. County or Parish UINTAH
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5126 GL	22. Approximate date work will start		13. State UT
			17. Spacing Unit dedicated to this well
			20. BLM/BIA Bond No. on file WY-3457
			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:

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

25. Signature (Electronic Submission) <i>Sheila Upchego</i>	Name (Printed/Typed) SHEILA UPCHEGO Ph: 435.781.7024	Date 12/06/2001
Title REGULATORY ANALYST		
Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed)	Date 01/29/2002
Title Assistant Field Manager Mineral Resources	Office <b>NOTICE OF APPROVAL</b>	

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.

**CONDITIONS OF APPROVAL ATTACHED**

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

RECEIVED

Additional Operator Remarks (see next page)

Electronic Submission #9678 verified by the BLM Well Information System  
For EL PASO PRODUCTION O&G COMPANY, sent to the Vernal JAN 31 2002

DIVISION OF  
OIL, GAS AND MINING

\*\* ORIGINAL \*\*

DOG M

CONDITIONS OF APPROVAL  
APPLICATION FOR PERMIT TO DRILL

Company/Operator: El Paso Production O & G Co.

Well Name & Number: NBU 427

API Number: 43-047-34418

Lease Number: U - 01190

Location: NWNE Sec. 11 T. 10S R. 21E

Agreement: Natural Buttes WS MV

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

## CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

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

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

### A. DRILLING PROGRAM

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

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

There are known gilsonite veins mapped near this proposed well locations. The closest mapped vein is the Pride of Utah Vein, approximately 0.1 miles north of the proposed location. There have been reported encounters with gilsonite from several nearby wells. If encountered in the subsurface, the gilsonite will cause drilling difficulties. Encounters with gilsonite while drilling must be reported to the BLM Vernal Field Office.

#### 2. Pressure Control Equipment

The variances requested in section 9 of the NBU Field SOP are granted with the following conditions:

Where the location and rig layout allows, the blooie line shall be straight and extend 100' from the wellbore. This requirement will be waived only in the case where the location is too small to accommodate it.

#### 3. Casing Program and Auxiliary Equipment

None

#### 4. Mud Program and Circulating Medium

None

5. Coring, Logging and Testing Program

Cement Bond Logs will be required from TD to the surface casing shoe.

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

6. Notifications of Operations

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

7. Other Information

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, you must contact one of the following individuals:

Ed Forsman (435) 828-7874  
Petroleum Engineer

Kirk Fleetwood (435) 828-7875  
Petroleum Engineer

BLM FAX Machine (435) 781-4410

## **SURFACE USE PROGRAM CONDITIONS OF APPROVAL**

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.

JAN. 17. 2003 3:34PM

WESTPORT

NO. 173

P. 2

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

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

February 1, 2002

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

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

Dear Ms. Maxwell:

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

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

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

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

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

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

Encl:



United States Department of the Interior **RECEIVED**

BUREAU OF LAND MANAGEMENT

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

FEB 22 2002

DIVISION OF  
OIL, GAS AND MINING

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

FEB 21 2002

NOTICE

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

Name Change Recognized

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

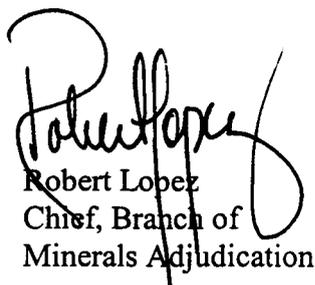
For our purposes, the name change is recognized effective December 31, 2001.

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

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

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

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



Robert Lopez  
Chief, Branch of  
Minerals Adjudication

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

CONFIDENTIAL

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATIONName of Company: EL PASO PRODUCTION OIL & GAS COMPANYWell Name: NBU 427Api No. 43-047-34418 LEASE TYPE: FEDERALSection 11 Township 10S Range 21E County UINTAHDrilling Contractor SKI DRILLING RIG # AIR

SPUDDED:

Date 06/26/02Time 5:00 AMHow ROTARY

Drilling will commence \_\_\_\_\_

Reported by JIM MURRAYTelephone # 1-435-628-1730Date 06/27/2002 Signed: CHD

**CONFIDENTIAL**

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

OPERATOR ACCT. NO. N 1845

P. 01

FAX NO. 4357817094

JUN-27-2002 THU 02:00 PM EL PASO PRODUCTION

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
B	99999	2900	43-047-34418	NBU 427	NWNE	11	10S	21E	Uintah	6/26/2002	6-27-02 6/26/2002

WELL 1 COMMENTS:  
Spud w/ Ski Air Rig @ 5:00 am

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

WELL 2 COMMENTS:

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

WELL 3 COMMENTS:

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

WELL 4 COMMENTS:

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

WELL 5 COMMENTS:

- ACTION CODES (See instructions on back of form)
- A - Establish new entity for new well (single well only)
  - B - Add new well to existing entity (group or unit well)
  - C - Re-assign well from one existing entity to another
  - D - Re-assign well from one existing entity to a new en
  - E - Other (explain in comments section)

Post-It® Fax Note 7671

Date	# of pages ▶
To: <u>Jim Thompson</u>	From:
CC: <u>Carol Daniels</u>	Co.:
Phone #	Phone #
Fax #	Fax #

Charles Cameron  
Signature

Operations 06/27/02  
Title \_\_\_\_\_ Date

Phone No. (435) 781-7023

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**CONFIDENTIAL**

FORM APPROVED

OMB NO. 1004-0135

Expires: November 30, 2000

008

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

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

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. U-01190	
2. Name of Operator EL PASO PRODUCTION O&G COMPANY		6. If Indian, Allottee or Tribe Name	
3a. Address P.O. BOX 1148 VERNAL, UT 84078		7. If Unit or CA/Agreement, Name and/or No. NATURAL BUTTES	
3b. Phone No. (include area code) Ph: 435.781.7023 Fx: 435.781.7094		8. Well Name and No. NBU 427	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 11 T10S R21E NWNE 660FNL 2155FEL		9. API Well No. 43-047-34418	
		10. Field and Pool, or Exploratory NATURAL BUTTES	
		11. County or Parish, and State UINTAH COUNTY, UT	

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 Well Spud
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

MIRU SKI AIR RIG & SPUD 12 1/4" SURFACE HOLE @ 5:00 AM, 6/26/02 & DRILL TO 465'. RIH W/ 454' OF 9 5/8" 40# LT&C CSG. CMT W/ 176 SX CLASS G MIXED @ 15.8 PPG W/ 1.17 YIELD.

W/O EL PASO RIG #1.

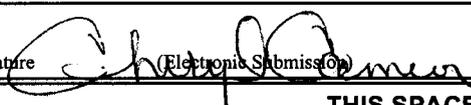
**RECEIVED**

JUL 11 2002

DIVISION OF  
OIL, GAS AND MINING

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

**Electronic Submission #12390 verified by the BLM Well Information System  
For EL PASO PRODUCTION O&G COMPANY, sent to the Vernal**

Name (Printed/Typed) CHERYL CAMERON	Title OPERATIONS
Signature  (Electronic Submission)	Date 06/27/2002

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

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

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

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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OMB NO. 1004-0135  
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5. Lease Serial No.  
U-01190

6. If Indian, Allottee or Tribe Name

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
NBU 427

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

9. API Well No.  
43-047-34418

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

3b. Phone No. (include area code)  
Ph: 435.781.7023  
Fx: 435.781.7094

10. Field and Pool, or Exploratory  
NATURAL BUTTES

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 11 T10S R21E NWNE 660FNL 2155FEL

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

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

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

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

OPERATOR REQUESTS TO AMEND THE SURFACE CSG FOR THE SUBJECT WELL TO A DEPTH OF 450' WITH 9 5/8" 40# K-55 ST&C CSG.

VERBAL APPROVAL GRANTED TO JIM MURRAY, BY ED FORSMAN, BUREAU OF LAND MANAGEMENT, ON 6/25/02.

REFER TO THE ATTACHED DRILLING PROGRAM.

COPY SENT TO OPERATOR  
Date: 7-3-02  
Initials: CHD

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

RECEIVED

JUL 01 2002

DIVISION OF  
OIL, GAS AND MINING

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

Electronic Submission #12306 verified by the BLM Well Information System  
For EL PASO PRODUCTION O&G COMPANY, sent to the Vernal

Name (Printed/Typed) CHERYL CAMERON	Title OPERATIONS
Signature <i>Cheryl Cameron</i> (Electronic Submission)	Date 06/25/2002

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

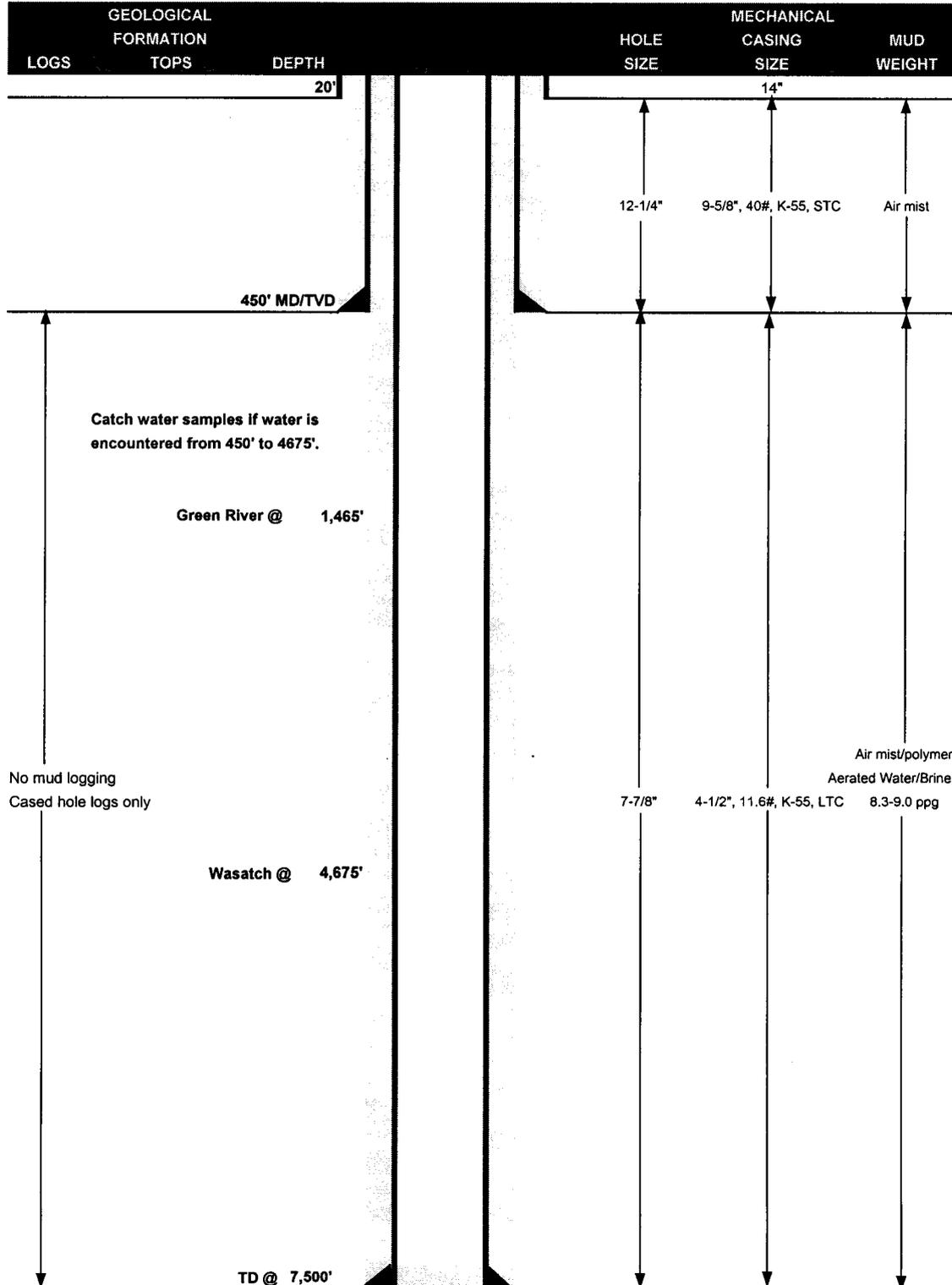
Approved By _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		
Office _____		

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## DRILLING PROGRAM FOR SUNDRY

COMPANY NAME	El Paso Production Company	DATE	June 24, 2002
WELL NAME	<b>NBU 427</b>	TD	7,500' MD/TVD
FIELD	Natural Buttes	COUNTY	Uintah STATE Utah ELEVATION 5,150' KB
SURFACE LOCATION	660' FNL, 2155' FEL, NW/NE, SEC. 11, T10S, R21E		BHL Straight Hole
OBJECTIVE ZONE(S)	Wasatch		
ADDITIONAL INFO	Regulatory Agencies: BLM, UDOGM, Tri-County Health Dept.		



**CASING PROGRAM**

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				3950	2570	486000
SURFACE	9-5/8"	0-450'	40.00	K-55	STC	15.65	12.20	7.15
						5350	4960	180000
PRODUCTION*	4-1/2"	0-TD	11.60	K-55	LTC	2.02	1.41	1.31

- 1) Maximum Anticipated Surface Pressure (MASP) (Conductor and Surface Casings) = (Frac Gradient at Shoe - Gas Gradient (0.115 psi/ft))(TVD)
  - 2) MASP (Int Casing) = Pore Pressure at Next Casing Point - (Gas Gradient x TVD of Next Casing Point x 0.67) - (Mud Weight x TVD x 0.052 x 0.33)
  - 3) MASP (Prod Casing) = Pore Pressure - (Gas Gradient x TVD of Production Interval)
- (Burst Assumptions: FG @ 8-5/8" shoe = 13.0 ppg, Max Pore Pressure = 9.0 ppg EMW)  
(Collapse Assumption: Fully Evacuated Casing, Max MW)      (Tension Assumptions: Air Weight of Casing, 50000 lbs overpull)

**CEMENT PROGRAM**

	FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	450	Class G + 2% CaCl <sub>2</sub> + 0.25 pps celloflake	230	35%	15.80	1.16
PRODUCTION	LEAD 4,170'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	450	60%	11.00	3.38
	TAIL 3,330'	50/50 Poz/G + 10% salt + 2% gel	930	60%	14.30	1.31

**FLOAT EQUIPMENT & CENTRALIZERS**

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

**ADDITIONAL INFORMATION**

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

---

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

---

Run Totco surveys on bit trips. Maximum allowable hole angle is 5 degrees.

---

**DRILLING ENGINEER:** \_\_\_\_\_  
Dan Lindsey

**DRILLING SUPERINTENDANT:** \_\_\_\_\_  
Larry Strasheim

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

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

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

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

011

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**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)  
**NWNE Section 11-T10S-R21E 660'FNL & 2155'FEL**

CONFIDENTIAL

5. Lease Serial No.  
**U-01190**

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 #427**

9. API Well No.  
**43-047-34418**

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

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

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

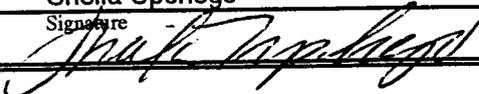
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<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Final Drilling</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Summary
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Finished Drilling f/454' to 7025'. Ran 4 1/2" 11.6# Csg. Cmt w/450 Sx Prem Lite 11# 3.38 Yield  
 Followed by 790 50/50 POZ 14.3# 1.31 Yield.  
 Floats Held. No Returns.

Released Rig on 7/8/02 at 17:00 Hrs.

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

Name (Printed/Typed) <b>Sheila Upchego</b>	Title <b>Regulatory Analyst</b>
Signature 	Date <b>July 10, 2002</b>

THIS SPACE FOR FEDERAL OR STATE USE

Approved by	Title	Date
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(Instructions on reverse)

RECEIVED  
 JUL 16 2002  
 DIVISION OF  
 OIL, GAS AND MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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UINTAH COUNTY, UT

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

3a. Address  
P.O. BOX 1148  
VERNAL, UT 84078  
3b. Phone No. (include area code)  
Ph: 435.781.7023  
Fx: 435.781.7094

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	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Production Start-up
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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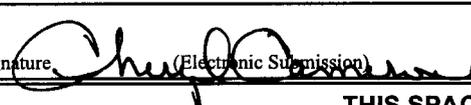
THE SUBJECT WELL WAS PLACED ON SALES @ 1:30 PM, 7/25/02. REFER TO THE ATTACHED CHRONOLOGICAL HISTORY REPORT.

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

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

**Electronic Submission #13198 verified by the BLM Well Information System  
For EL PASO PRODUCTION O&G COMPANY, sent to the Vernal**

Name (Printed/Typed) CHERYL CAMERON Title OPERATIONS

Signature  (Electronic Submission) Date 07/30/2002

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By \_\_\_\_\_ Title **RECEIVED**

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DIVISION OF  
OIL, GAS AND MINING

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

EL PASO  
PRODUCTION REPORT

CHRONOLOGICAL HISTORY

NBU 427

Page 1

**DRILLING REPORT:**

NBU, Uintah, UT Rig: El Paso 1 WI: 100% AFE: 060518 ATD: 7,000'  
SD: 6/30/02  
Wasatch @ 4,420' DHC: 266 /CWC: 610 /DC: 22/CC: 125 9 5/8" @ 465'

7/1/02	TD: 1,930	MW: Air/Water 1,476'/19.5 hrs	Drill cmt & float equip. Drilling to present depth.
7/2/02	TD: 3,130	MW: Air/Water 1,083'/23 hrs	Drilling to present depth.
7/3/02	TD: 3,770	MW: Air/Water 640'/17.5 hrs	Drill to 3,575' TFNB. Drilling to present depth.
7/5/02	TD: 5,440	MW: Air/Water 740'/23.5 hrs	Drilling to present depth.
7/8/02	TD: 7,025	MW: 10.0 375'/15 hrs	Drill to TD. C&C mud. LDDP. Running 4 1/2" prod csg.
7/9/02	TD: 7,025	MW: 8.4	Run & cement 4 1/2" prod casing. ND BOP's. Set casing hanger. NU well cap. Rig released @ 1700, 7/8/02. Move today to NBU 316.

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FORMATION: WASATCH

7/15/02	<b>PERF THE WASATCH</b> MIRU. PU BIT & RIH TO PBTD @ 6930'. CIRC HOLE W/2% KCL WTR. POOH. TESTED 4 1/2" CSG TO 4900#.
7/16/02	<b>READY TO FRAC</b> MIRU CUTTERS. RIH W/3 3/8" EXPENDABLE GUN & PERF 6835'-6845' W/23 GRAM CHARGES, 120 DEG PHASING, 3 SPF (30 HOLES). BRK DN PERFS @ 2100#, ISIP: 1500#, FG: 0.66. SDFD.
7/17/02	<b>DRILL OUT CBP</b> <u>STAGE 1:</u> SICP: 682#. PUMPED 464 BBLS YF115ST W/41,000# 20/40 SD. ISIP: 2536#, NPI: 1036#, FG: 0.80, MTP: 4051, MTR: 26.7 BPM, ATP: 2885#, ATR: 21.7 BPM. <u>STAGE 2:</u> RIH & SET CBP @ 6770'. PERF WASATCH FROM 6369'-6379', 3 SPF. BRK DN PERFS @ 2284#. ISIP: 2065#, FG: 0.73. PUMPED 622 BBLS YF113ST W/49,500# 20/40 SD. ISIP: 2115#, NPI: 50#, FG: 0.77, MTP: 3717#, MTR: 26.1 BPM, ATP: 2635#, ATR: 23.3 BPM. <u>STAGE 3:</u> RIH & SET CBP @ 6310'. PERF WASATCH FROM 6106'-6116', 3 SPF. BRK DN PERFS @ 2306#. ISIP: 1800#, FG: 0.73. PUMPED 622 BBLS YF113ST W/61,500# 20/40 SD. ISIP: 1950#, NPI: 150#, FG: 0.75, MTP: 3081#, MTR: -28.2 BPM, ATP: 2175#, ATR: 24.0 BPM. <u>STAGE 4:</u> RIH & SET CBP @ 6050'. PERF WASATCH FROM 5930'-5936', 4 SPF. BRK DN PERFS @ 1227#. ISIP: 1770#, FG: 0.73. PUMPED 555 BBLS YF113ST W/35,200# 20/40 SD. ISIP: 2325#, NPI: 555#, FG: 0.83, MTP: 3506#, MTR: 26.6 BPM, ATP: 2502#, ATR: 23.6 BPM. <u>STAGE 5:</u> RIH & SET CBP @ 5880'. PERF WASATCH FROM 5474'-5484', 3 SPF. BRK DN PERFS @ 1227#. ISIP: 1060#, FG: 0.63. PUMPED 565 BBLS YF113ST W/55,000# 20/40 SD. ISIP: 2700#, NPI: 1640#, FG: 0.93, MTP: 3305#, MTR: 25.4 BPM, ATP: 2859#, ATR: 22.9 BPM. <u>STAGE 6:</u> RIH & SET CBP @ 5420'. PERF WASATCH FROM 5276'-5286', 3 SPF. BRK DN PERFS @ 1204#. ISIP: 500#, FG: 0.53. PUMPED 529 BBLS YF113ST W/52,920# 20/40 SD. ISIP: 1561#, NPI: 1061#, FG: 0.64, MTP: 2476#, MTR: -25.4 BPM, ATP: 1788#, ATR: 24.0 BPM.

RIH & SET CBP @ 5200'. PU BIT, PMP-OFF SUB, 1 JT, & SN. RIH TO 5175'.

7/18/02 **FLOWING BACK FOR CLEANUP**  
DRILLED OUT CBP'S @ 5200', 5420', 5880', 6050', 6310', & 6770'. CONT TO CO TO PBTB @ 6930'. PUH & LANDED TBG @ 6754. NDBOP & NU TREE. PUMPED OFF BIT. FLOWED WELL OVERNIGHT. CP: 400#-900#, FTP: 260#-250#, 64/64" CHK, 66 TO 16 BWPH, SD: TRACE TO CLEAN, EST RATE: 1500 MCF.

7/19/02 **FLOWING BACK FOR CLEANUP**  
FLOWED WELL OVERNIGHT. CP: 825 TO 780#, FTP: 225 TO 200#, 64/64" CHK, 16 TO 5 BWPH, SD: CLEAN, EST RATE: 2000 MCF. TLTR: 3396 BBLS, TLR: 2203 BBLS, LLTR: 1193 BBLS.

7/22/02 SI WO FACILITIES.

7/23/02 SI WO FACILITIES.

7/24/02 SI WO FACILITIES.

7/25/02 SI WO FACILITIES.

7/26/02 **ON SALES**  
PLACE ON SALES @ 1:30 PM, 7/25/02. SPOT PROD DATA: 20/64" CHK, FTP: 828#, CP: 1242#, 10 BWPH, LP: 233#.

7/29/02 **ON SALES**  
7/27/02: FLWD 933 MCF, 102 BW, FTP: 553#, CP: 894#, 20/64" CHK, 16 HRS, LP: 207#.  
7/28/02: FLWD 1825 MCF, 87 BW, FTP: 231#, CP: 788#, 64/64" CHK, 24 HRS, LP: 216#.  
7/29/02: FLWD 2047 MCF, 45 BW, FTP: 225#, CP: 774#, 64/64" CHK, 24 HRS, LP: 209#, TLTR: 3396 BBLS, TLR: 2437 BBLS, LLTR: 959 BBLS.

7/30/02 **ON SALES**  
FLWD 2068 MCF, 46 BW, FTP: 220#, CP: 749#, LP: 205#, 64/64" CHK, 24 HRS, TLTR: 3396 BBLS, TLR: 2483 BBLS, LLTR: 913 BBLS.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

013

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.  
U-01190

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

6. If Indian, Allottee or Tribe Name

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

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

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

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

8. Lease Name and Well No.  
NBU 427

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

At surface NWNE 660' FNL & 2155' FEL

At top prod. interval reported below

At total depth

14. Date Spudded  
06/26/02

15. Date T.D. Reached  
07/07/02

16. Date Completed  
 D & A  Ready to Prod.  
07/21/02

9. API Well No.  
43-047-34418

10. Field and Pool, or Exploratory  
Natural Buttes

11. Sec., T., R., M., or Block and Survey or Area Sec. 11, T10S, R21E

12. County or Parish  
Utah

13. State  
UT

17. Elevations (DF, RKB, RT, GL)\*  
5126 GL

18. Total Depth: MD 7024  
TVD

19. Plug Back T.D.: MD 6930  
TVD

20. Depth Bridge Plug Set: MD  
TVD

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

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

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12 1/4	8 5/8	24#	0	454	454	176 Class G			
7 7/8	4 1/2	11.6#	0	7024	7024	450 Prem Lt.			
						790 50/50 Poz			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Set (MD)
						2 3/8	6754	

25. Producing Intervals

26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
WASATCH	5276	6845	5276-5286	3	30	
			5474-5484	3	30	
			5930-5936	4	24	
			6106-6116	3	30	
			6369-6379	3	30	
			6835-6845	3	30	

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

Depth Interval	Amount and type of Material
5276-5286	Frac w/ 52,920# 20/40 sand
5474-5484	Frac w/ 55,000# 20/40 sand
5930-5936	Frac w/ 35,200# 20/40 sand
6106-6116	Frac w/ 61,500# 20/40 sand
6369-6379	Frac w/ 49,500# 20/40 sand
6835-6845	Fra w/ 41,000# 20/40 sand

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OIL, GAS AND MINING

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
07/25/02	07/29/02	24	→	0	2,068	46			Flowing
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
64/64	SI 220#	749#	→	0	2068	46			Producing

28a. Production - Interval B

28b. Production - Interval C

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

28c. Production - Interval D

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

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

**Sold & Used For Fuel**

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
Green River Wasatch	1,485 4,546	4,546			

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AUG 26 2002  
DIVISION OF  
OIL, GAS AND MINING

32. Additional remarks (include plugging procedure):

33. Circle enclosed attachments:

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

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

Name (please print) Cheryl Cameron Title Operations  
Signature  Date 21-Aug-02

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.

# memorandum

Branch of Real Estate Services  
Uintah & Ouray Agency

Date: 5 December, 2002

Reply to  
Attn of: Supervisory Petroleum Engineer

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

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

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

We have no objection.

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

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

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

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





IN REPLY REFER TO:  
Real Estate Services.

## United States Department of the Interior

BUREAU OF INDIAN AFFAIRS  
Washington, D.C. 20240

FEB 10 2003

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

Dear Mr. Wilson:

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

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

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

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

Sincerely,

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

Director, Office of Trust Responsibilities

**ACTING**

Enclosure



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO  
UT-922

February 27, 2003

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

Re: Natural Buttes Unit  
Uintah County, Utah

Gentlemen:

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

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

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

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

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks  
Chief, Branch of Fluid Minerals

Enclosure

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

UT922:TAThompson:tt:02/27/2003

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FEB 28 2003

DIV. OF OIL, GAS & MINING

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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

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

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

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

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

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

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

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

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

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

4. LOCATION OF WELL

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

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

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

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

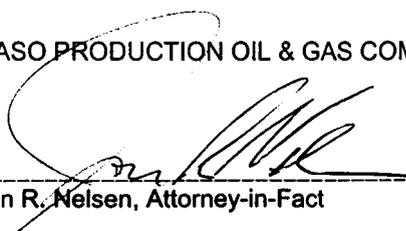
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

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

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

State Surety Bond No. RLB0005236  
Fee Bond No. RLB0005238

EL PASO PRODUCTION OIL & GAS COMPANY

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

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

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

NAME (PLEASE PRINT) **David R. Dix** TITLE **Agent and Attorney-in-Fact**

SIGNATURE  DATE **12/17/02**

(This space for State use only)

Form 3160-5  
(August 1999)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

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

6. If Indian, Allottee or Tribe Name

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

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

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

10. Field and Pool, or Exploratory Area

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

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

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

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

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

**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 zone. 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.

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MAR 04 2003

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

Name (Printed/Typed) <b>CHERYL CAMERON</b>	Title <b>OPERATIONS</b>
Signature 	Date <b>March 4, 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.

(Instructions on reverse)

OPERATOR CHANGE WORKSHEET

1. GLH
2. CDW ✓
3. FILE

014

X Change of Operator (Well Sold)

Designation of Agent/Operator

Operator Name Change

Merger

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

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

CA No. Unit: NATURAL BUTTES

WELL(S)

NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
NBU 425	11-10S-21E	43-047-34410	2900	FEDERAL	GW	P
NBU 426	11-10S-21E	43-047-34411	2900	FEDERAL	GW	P
<del>NBU 427</del>	11-10S-21E	43-047-34418	2900	FEDERAL	GW	P
NBU 269	12-10S-21E	43-047-33473	2900	FEDERAL	GW	P
NBU 215	12-10S-21E	43-047-32471	2900	FEDERAL	GW	P
CIGE 41-12-10-21	12-10S-21E	43-047-30373	2900	FEDERAL	GW	PA
NBU CIGE 84D-12-10-21P	12-10S-21E	43-047-30957	2900	FEDERAL	GW	PA
NBU 28	13-10S-21E	43-047-30305	2900	STATE	GW	PA
NBU 270	13-10S-21E	43-047-32862	2900	STATE	GW	P
NBU 333	13-10S-21E	43-047-33641	2900	STATE	GW	S
NBU 139	14-10S-21E	43-047-31948	2900	FEDERAL	GW	P
NBU CIGE 47-14-10-21	14-10S-21E	43-047-30510	2900	FEDERAL	GW	P
NBU CIGE 95D-14-10-21J	14-10S-21E	43-047-31166	2900	FEDERAL	GW	P
NBU 146	14-10S-21E	43-047-31985	2900	FEDERAL	GW	P
NBU 163	14-10S-21E	43-047-32069	2900	FEDERAL	GW	P
CIGE 160-14-10-21	14-10S-21E	43-047-32124	2900	FEDERAL	GW	P
CIGE 278	14-10S-21E	43-047-34445	99999	FEDERAL	GW	APD
CIGE 279	14-10S-21E	43-047-34479	2900	FEDERAL	GW	P
NBU 399	14-10S-21E	43-047-34409	99999	FEDERAL	GW	APD
NBU 434	14-10S-21E	43-047-34481	99999	FEDERAL	GW	APD

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

015

SUNDRY NOTICES AND REPORTS ON WELLS

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
 Multiple Wells - see attached

43.047.34418

5. Lease Serial No.  
 Multiple Wells - see attached

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
 891008900A

8. Well Name and No.  
 Multiple Wells - see attached

9. API Well No.  
 Multiple Wells - see attached

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

11. County or Parish, State  
 Uintah County, UT

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

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

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

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

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

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

Name (Printed/Typed)  
 J.T. Conley

Signature

COPY SENT TO OPERATOR  
 Date: 9-16-03  
 Initials: CHD

Title  
 Operations Manager

Date  
 9-2-2003

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

THIS SPACE FOR FEDERAL OR STATE USE

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

Title  
 Date: 9/16/03

Office  
 Federal Approval of This Action is Necessary

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

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

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

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

Project Name: **Condensate Shrinkage Economics**

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

	BEFORE \$/Year	AFTER \$/Year	DIFFERENCE \$/Year
Gross Oil Revenue	\$1,088	\$1,099	\$11
Gross Gas Revenue	\$0	\$0	\$0
NGL Revenue	\$0	\$0	\$0
PULING UNIT SERVICE			\$0
WIRELINE SERVICE			\$0
SUBSURF EQUIP REPAIRS			\$0
COMPANY LABOR			\$0
CONTRACT LABOR	\$0	\$200	\$200
CONTR SERVICE			\$0
LEASE FUEL GAS	\$0	\$0	\$0
UTILITIES - ELECTRICITY	\$0	\$0	\$0
CHEMICAL TREATING			\$0
MATERIAL & SUPPLY	\$0	\$150	\$150
WATER & HAULING			\$0
ADMINISTRATIVE COSTS			\$0
GAS PLANT PROCESSING			\$0
<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 \$	830/840	\$0
Total \$		\$1,200

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

**Production & OPX Detail:**

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

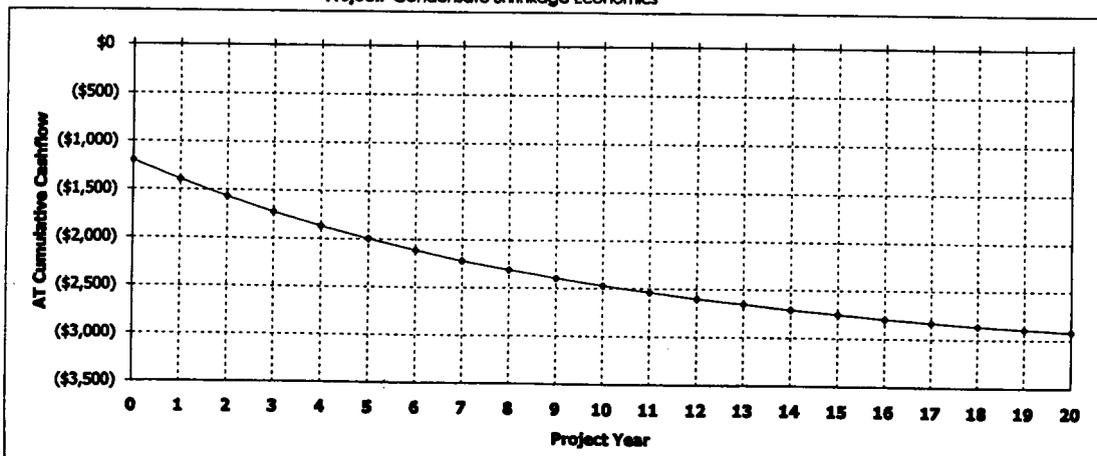
<p><b>Project Life:</b>                  Life = <b>20.0</b> Years                  (Life no longer than 20 years)</p> <p><b>Internal Rate of Return:</b>                  After Tax IROR = <b>#DIV/0!</b></p> <p><b>AT Cum Cashflow:</b>                  Operating Cashflow = <b>(\$2,917)</b> (Discounted @ 10%)</p>	<p><b>Payout Calculation:</b></p> <p>Payout = <math>\frac{\text{Total Investment}}{\text{Sum(OPX + Incremental Revenue)}} = 1</math></p> <p>Payout occurs when total AT cashflow equals investment                  See graph below, note years when cashflow reaches zero</p> <p>Payout = <b>NEVER</b> Years or <b>#VALUE!</b> Days</p>
--	--

**Gross Reserves:**  
 Oil Reserves = 4 BO  
 Gas Reserves = 0 MCF  
 Gas Equip Reserves = 38 MCFE

**Notes/Assumptions:**

An average NBU well produces 0.192 Bcpd with no tank pressure. The production is increased to 0.194 Bcpd if 4 ozs of pressure are placed on the tank. The increased production does not payout the valve cost or the estimated annual maintenance costs.

Project: Condensate Shrinkage Economics



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

**COMPARISON OF FLASH BACK PRESSURES**

Calculated by Characterized Equation-of-State

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

**Calculated at Laboratory Flash Conditions**

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

**Calculated Flash with Backpressure using Tuned EOS**

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

- (A) Cubic Feet of gas at 14.696 psia and 60 °F per Barrel of Stock Tank Oil at 60 °F.  
(B) Barrels of oil at indicated pressure and temperature per Barrel of Stock Tank Oil at 60 °F.  
(C) Oil volume at indicated pressure and temperature as a percentage of original saturated oil volume.  
Note: Bubblepoint of sample in original sample container was 80 psig at 70° F with 1 cc water

WELL	LEGALS	STFLEASENO	CANUMBER	APINO
NBU 419	21-10-21 NWNE	U02278	891008900A	430473437600S1
NBU 420	20-10-21 SESE	UTU02278	891008900A	430473437700S1
NBU 421	20-10-21 NESE	UTU02278	891008900A	430473437800S1
NBU 422	29-10-22 SWSE	UTU469	891008900A	430473441400S1
NBU 423	29-10-22 NWSE	UTU469	891008900A	430473441500S1
NBU 424	29-10-22 NESW	UTU0145824	891008900A	430473441600S1
NBU 425	11-10-21 SENE	UTU01190	891008900A	430473441000S1
NBU 426	11-10-21 SWNE	UTU01190	891008900A	430473441100S1
NBU 427	11-10-21 NWNE	UTU01190	891008900A	430473441800S1
NBU 428	33-9-21 NWSW	UTU015630ST	891008900A	430473470900S1
NBU 434	14-10-21 SENE	UTU465	891008900A	430473448100S1 ✓
NBU 435	28-9-21 NWNW	UTU0576	891008900A	430473480500S1
NBU 436	30-9-21 SWNE	UTU0581	891008900A	430473478000S1
NBU 438	33-9-21 SWNW	UTU015630-ST	891008900A	430473478700S1
NBU 439	34-9-21 NENW	UTU01194-A-ST	891008900A	430473478600S1 ✓
NBU 440	34-9-21 SWNW	UTU01194-A-ST	891008900A	430473478500S1
NBU 441	35-9-21 NWNW	UTU01194-A-ST	891008900A	430473479100S1
NBU 442	35-9-21 NWSW	UTU01194-A-ST	891008900A	430473478800S1
NBU 443	35-9-21 SENW	UTU01194-ST	891008900A	430473478900S1
NBU 444	1-10-21 SWSW	UTU02842B	891008900A	430473479600S1
NBU 445	30-9-21 NWSE	UTU0581	891008900A	430473486700S1
NBU 446	8-9-21 SENW	UTU0149767	891008900A	430473462100S1 ✓
NBU 448	22-9-20 NWSW	UTU0577B	891008900A	430473478200S1
NBU 452	8-9-21 SWNE	UTU0149767	891008900A	430473487500S1
NBU 453	8-9-21 NWSE	UTU0575B	891008900A	430473481600S1
NBU 454	28-9-21 NWSE	UTU0576	891008900A	430473469800S1 ✓
NBU 455	29-9-21 SWSE	UTU0581	891008900A	430473469900S1 ✓
NBU 456	22-9-21 SESW	UTU010950A	891008900A	430473481800S1
NBU 457	22-9-21 NESE	UTU010950A	891008900A	430473481700S1
NBU 458	23-9-21 SENW	UTU0149075	891008900A	430473481900S1
NBU 459	27-9-21 NESE	UTU01194A-ST	891008900A	430473468000S1 ✓
NBU 460	30-9-21 SENE	UTU0581	891008900A	430473469700S1 ✓
NBU 461	14-10-22 SWNE	U01197A-ST	891008900A	430473482300S1
NBU 462	15-10-22 SENW	U-01196-A	891008900A	430473483900S1 ✓
NBU 463	15-10-22 NWNE	UTU025187	891008900A	430473484000S1
NBU 464	15-10-22 NENW	U025187	891008900A	430473484600S1
NBU 465	29-10-22 NWSW	SL070220A	891008900A	430473486000S1 ✓
NBU 466	32-10-22 NWNE	ML22798	891008900A	430473482400S1 ✓
NBU 468	11-10-21 SENW	UTU0149080	891008900A	430473485600S1
NBU 470	7-10-22 SWSE	UTU466	891008900A	430473483300S1
NBU 471	17-10-22 NWNE	UTU01196E	891008900A	430473483400S1
NBU 472	32-10-22 SWNE	ML22798	891008900A	430473489600S1 ✓
NBU 492-7E	7-9-21 LOT 1	UTU0149767	891008900A	430473421700S1
NBU 922-36I	36-9-22 NESE	MS22650	891008900A	430473510700S1 ✓
UTE TRAIL 083X	9-10-22 SENE	UTU01196D	891008900A	430471538800S1
UTE TRAIL 088X	2-10-21 SESE	ML13826	891008900A	430471538900S1 ✓

105 2/E 11



State of Utah

Department of Natural Resources

MICHAEL R. STYLER  
Executive Director

Division of Oil, Gas & Mining

MARY ANN WRIGHT  
Acting Division Director

JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

May 6, 2005

Mr. Steve Tedesco  
TCC Royalty Corporation  
14550 East Easter Ave, Suite 1000  
Centennial, Colorado 80122

Re: Extended Shut-in and Temporarily Abandoned Well Requirements for Fee or State Leases.

Dear Mr. Tedesco:

The Division of Oil, Gas and Mining (the "Division") is in receipt of your letters dated March 22, 2005 (received by the Division 03/24/2005) and March 25, 2005 (received by the Division 03/29/2005) in regards to the four (4) shut-in or temporarily abandoned (SI/TA) wells operated by TCC Royalty Corporation ("TCC"). Those wells are the Quest 14-10 well, API # 43-047-33935; the Quest 12-21 well, API # 43-047-34418; the Quest 15-21L well, API # 43-047-35297; and the Quest 2-28 well, API # 43-047-35310. TCC has supplied information for each well. The Division understands that only one of the four wells has been perforated (the Quest 12-21 well) and that TCC plans to produce or plug and abandon these four wells by August 1, 2005. TCC requests extended SI/TA status until that time to allow time to secure completion rigs and pipeline crews to complete work on these wells.

Based on the submitted plan of action and current status of the wells, the Division grants TCC extended SI/TA status for the Quest 14-10, the Quest 12-21, the Quest 15-21L and the Quest 2-28 wells through August 1, 2005. Sundry Notice of Intents for the proposed work should be submitted to and approved by the Division prior to initiating work. A SI/TA extension request (future plans and integrity information) should also be submitted for the Quest 4-27 well (API # 43-047-35298). If you have any questions or need additional assistance in regards to the above matters please contact me at (801) 538-5281.

Sincerely,

Dustin K. Doucet  
Petroleum Engineer

cc: Well File  
SITLA

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET**

<b>ROUTING</b>
1. DJJ
2. CDW

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

Operator Name Change/Merger

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

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

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

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

**DATA ENTRY:**

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

**BOND VERIFICATION:**

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

**LEASE INTEREST OWNER NOTIFICATION:**

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

**COMMENTS:**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

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

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

5. Lease Serial No.  
**MULTIPLE LEASES**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**MUTIPLE WELLS**

9. API Well No.

10. Field and Pool, or Exploratory Area

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

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

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

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

**RECEIVED**  
**MAY 10 2006**

*BLM BOND = C01203*  
*BIA BOND = RLB0005239*

**APPROVED 5/16/06**

DIV. OF OIL, GAS & MINING

*Earlene Russell*  
**Division of Oil, Gas and Mining**  
**Earlene Russell, Engineering Technician**

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

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

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

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

5. Lease Serial No.  
**MULTIPLE LEASES**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**MUTIPLE WELLS**

9. API Well No.

10. Field and Pool, or Exploratory Area

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

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

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

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

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

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

RECEIVED  
 MAY 10 2006

DIV OF OIL, GAS & MINING

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

Name (Printed/Typed) <b>BRAD LANEY</b>	Title <b>ENGINEERING SPECIALIST</b>
Signature	Date <b>May 9, 2006</b>

THIS SPACE FOR FEDERAL OR STATE USE

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

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



## United States Department of the Interior

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

IN REPLY REFER TO:

CO922 (MM)  
3106  
COC017387 et. al.

March 23, 2006

### NOTICE

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

#### Merger/Name Change - Recognized

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

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

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

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

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

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

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

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

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

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

**Attachment:**

List of OG Leases to each of the following offices:

MMS MRM, MS 357B-1

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

CO Field Offices

Wyoming State Office

Rider #1 to Bond WY2357

Rider #2 to Bond WY1865

Rider #3 to Bond WY1127



# United States Department of the Interior



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

IN REPLY REFER TO:  
3106  
(UT-922)

March 27, 2006

## Memorandum

To: Vernal Field Office

From: Chief, Branch of Fluid Minerals

Subject: Merger Approval

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

Chief, Branch of  
Fluid Minerals

## Enclosure

Approval letter from BLM COSO (2 pp)

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

RECEIVED

MAR 28 2006

DIV. OF OIL, GAS & MINERAL