

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

008

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		CONFIDENTIAL		5. Lease Serial No. 1420H623004
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 UINTAH AND OURAY
2. Name of Operator WESTPORT OIL & GAS COMPANY LP		Contact: DEBRA DOMENICI E-Mail: ddomenici@westportresourcescorp.com		7. If Unit or CA Agreement, Name and No. UTU60747
3a. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078		3b. Phone No. (include area code) Ph: 435.781.7060 Fx: 435.781.7094		8. Lease Name and Well No. KURIP 1-167
4. Location of Well (Report location clearly and in accordance with any State requirements.*) At surface SWNW 1785FNL 586FWL At proposed prod. zone				9. API Well No. 43-047-34959-00-X1
14. Distance in miles and direction from nearest town or post office* 5.1 MILES SOUTHEAST OF OURAY, UTAH				10. Field and Pool, or Exploratory OURAY
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 586		16. No. of Acres in Lease		11. Sec., T., R., M., or Blk. and Survey or Area Sec 1 T9S R20E Mer SLB SME: BIA
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. REFER TO TOPO "C"		19. Proposed Depth 9800 MD		12. County or Parish UINTAH
21. Elevations (Show whether DF, KB, RT, GL, etc.) 4661 GL		22. Approximate date work will start		13. State UT
		23. Estimated duration		17. Spacing Unit dedicated to this well 318.80
				20. BLM/BIA Bond No. on file

24. Attachments

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

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

25. Signature (Electronic Submission)	Name (Printed/Typed) DEBRA DOMENICI	Date 05/14/2003
Title SR ADMINISTRATIVE ASSISTANT		
Approved by (Signature) EXPIRED	Name (Printed/Typed) EXPIRED	Date 08/04/2004
Title EXPIRED		
Office Vernal		

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

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

Additional Operator Remarks (see next page)

**Electronic Submission #21813 verified by the BLM Well Information System
For WESTPORT OIL & GAS COMPANY LP, sent to the Vernal
Committed to AFMSS for processing by LESLIE WALKER on 06/05/2003 (03LW1665AE)**

Revisions to Operator-Submitted EC Data for APD #21813

Operator Submitted

Lease: 14-20-H62-3004
Agreement: CR-168
Operator: WESTPORT RESOURCES CORP.
1368 S 1200 E
VERNAL, UT 84078
Ph: 435.781.7060

Admin Contact: DEBRA DOMENICI
ADMINISTRATIVE ASSISTANT
1368 S 1200 E
VERNAL, UT 84078
Ph: 435.781.7060

E-Mail: ddomenici@westportresourcescorp.com

Tech Contact:

Well Name: KURIP
Number: #1-167
Location:
State: UT
County: UINTAH
S/T/R: Sec 1 T9S R20E Mer UBM
Surf Loc: SWNW 1785FNL 586FEL

Field/Pool: OURAY

Bond: RLB0005239

BLM Revised (AFMSS)

1420H623004
UTU60747
WESTPORT OIL & GAS COMPANY LP
1368 SOUTH 1200 EAST
VERNAL, UT 84078
Ph: 435 789 4433
Fx: 435 789 4436

DEBRA DOMENICI
SR ADMINISTRATIVE ASSISTANT
1368 SOUTH 1200 EAST
VERNAL, UT 84078
Ph: 435.781.7060
Fx: 435.781.7094

E-Mail: ddomenici@westportresourcescorp.com

KURIP
1-167

UT
UINTAH
Sec 1 T9S R20E Mer SLB
SWNW 1785FNL 586FWL

OURAY

001

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

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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 UTE
2. Name of Operator WESTPORT RESOURCES CORP. Contact: DEBRA DOMENICI E-Mail: ddomenici@westportresourcescorp.com		7. If Unit or CA Agreement, Name and No. CR-168
3a. Address 1368 S 1200 E VERNAL, UT 84078		8. Lease Name and Well No. KURIP #1-167
3b. Phone No. (include area code) Ph: 435.781.7060		9. API Well No. 43-047-34959
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SWNW 1785FNL 586 ^{FWL 4435905Y 40.06711} At proposed prod. zone _{617475X - 109.62247}		10. Field and Pool, or Exploratory OURAY
14. Distance in miles and direction from nearest town or post office* 5.1 MILES SOUTHEAST OF OURAY, UTAH		11. Sec., T., R., M., or Blk. and Survey or Area Sec 1 T9S R20E Mer UBM
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 586	16. No. of Acres in Lease 320.30	12. County or Parish UINTAH
17. Spacing Unit dedicated to this well 318.84	13. State UT	
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. REFER TO TOPO "C"	19. Proposed Depth 9800 MD	20. BLM/BIA Bond No. on file RLB0005239
21. Elevations (Show whether DF, KB, RT, GL, etc.) 4661 GL	22. Approximate date work will start	23. Estimated duration

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

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|---|--|
| 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)	Name (Printed/Typed) DEBRA DOMENICI	Date 05/14/2003
Title ADMINISTRATIVE ASSISTANT	Federal Approval Action is Necessary	
Approved by (Signature)		
Title	Name (Printed/Typed) BRADLEY G. HILL	Date 05-22-03
	Office ENVIRONMENTAL SCIENTIST III	

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

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

Additional Operator Remarks (see next page)

Electronic Submission #21813 verified by the BLM Well Information System
For WESTPORT RESOURCES CORP., sent to the Vernal

RECEIVED

MAY 20 2003

DIV. OF OIL, GAS & MINING

** ORIGINAL **

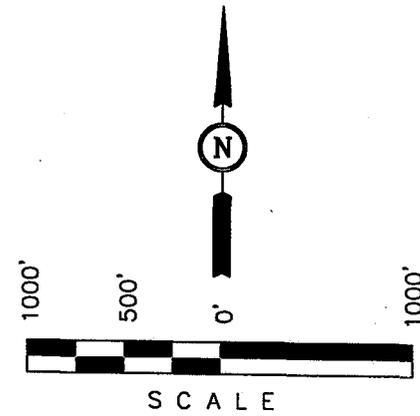
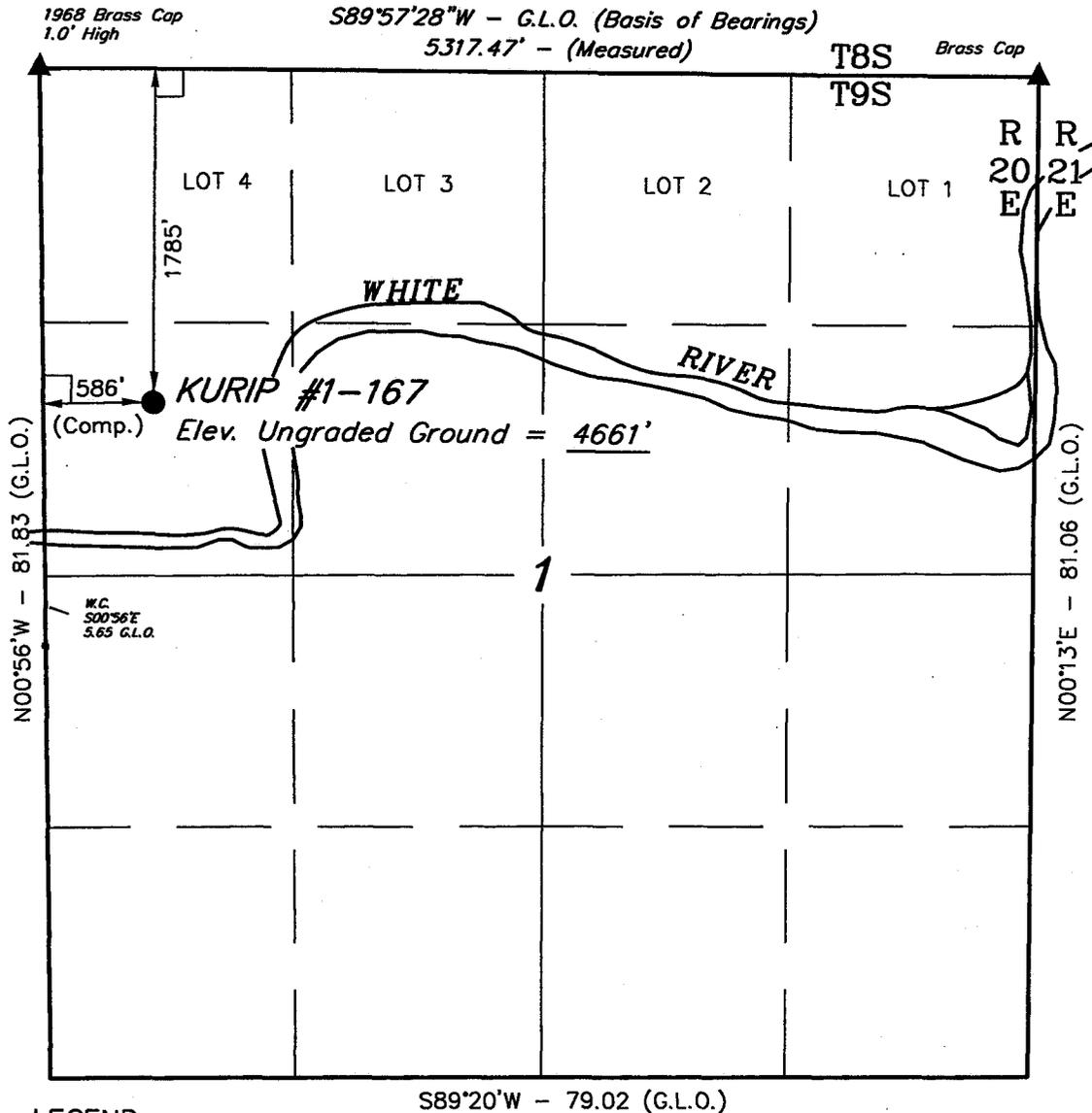
T9S, R20E, S.L.B.&M.

WESTPORT OIL AND GAS COMPANY, L.P.

Well location, KURIP #1-167, located as shown in the SW 1/4 NW 1/4 of Section 1, T9S, R20E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT A ROAD INTERSECTION LOCATED IN THE SW 1/4 OF SECTION 31, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4666 FEET.



CERTIFICATE

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

Robert H. Key
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

REVISED: 4-8-03 C.G.
REVISED: 3-28-02 C.G.

LEGEND:

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

AUTONOMOUS (NAD 83)
LATITUDE = 40°04'01.97" (40.067214)
LONGITUDE = 109°37'21.93" (109.622758)

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

SCALE 1" = 1000'	DATE SURVEYED: 11-09-00	DATE DRAWN: 1-9-01
PARTY D.A. J.T. D.COX	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE WESTPORT OIL AND GAS COMPANY, L.P.	

KURIP #1-167
SW/NW SECTION 1-T9S-R20E
UINTAH COUNTY, UTAH
LEASE NUMBER: 14-20-H62-3004

ONSHORE ORDER NO. 1
WESTPORT OIL & GAS COMPANY

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers:

<u>Formation</u>	<u>Depth</u>
KB	4685'
Green River	2040'
Wasatch	5585'
Total Depth	9800'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	2040'
Gas	Wasatch	5585'
Water	N/A	
Other Minerals	N/A	

3. Pressure Control Equipment:

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

4. Proposed Casing & Cementing Program:

Please see the Natural Buttes Unit SOP.

Please refer to the attached Drilling Program.

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 at 9800' TD approximately equals 3,920 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1,764 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates & Notification of Operations:**

Please see the Natural Buttes Unit SOP.

9. **Variations:**

Please see the Natural Buttes Unit SOP.

10. **Other Information:**

Please see the Natural Buttes Unit SOP.

KURIP #1-167
SW/NW Sec. 1, T9S, R20E
UINTAH COUNTY, UTAH
LEASE NUMBER: 14-20-H62-3004

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

An onsite inspection was conducted for the proposed location on 1/29/01, which included the USF&WLS (U.S. Fish & Wildlife Service). It was determined that the proposed location, access road and pipeline ROW fell within the "Flood Plain Area" and operations are to be conducted as stated in the *Final Ouray Environmental Assessment*.

1. Existing Roads:

Refer to Topo Map A for directions to the location.

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

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

2. Planned Access Roads:

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

The upgraded and new portions of the access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet. Appropriate water control will be installed to control erosion; culverts are to be installed as needed to improve natural water drainage.

The access road was centerline flagged during time of staking.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

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

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities:

The following guidelines will apply if the well is productive.

Production facilities will consist of a conventional wellhead and allocation gas metering. The wellhead controls will be elevated to allow for a continuous production during seasonal high water conditions, as stated in the *Final Ouray Environmental Assessment 2.1.3, Production Operations*.

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

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Desert Brown, Munsell standard color number 10 YR 6/3.

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

Refer to Topo Map D for the placement of the pipeline lateral.

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

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

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

No water well is to be drilled on this lease.

6. **Source of Construction Materials:**

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

Any gravel will be obtained from a commercial source.

Construction will not occur during the period of April 1 – July 15, unless it is determined by the USF&WLS and the Bureau of Reclamation that the flooding forecast evaluation has changed for the current year; as stated in the Final Formal Sec. 7 Consultation, page 37 , Item #8.

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

Drill cuttings will be removed from the *Closed-Loop Circulating System* and transported by truck to an approved disposal site outside of the floodplain area. Please refer to "Typical Rig Layout" and the "Typical Solids Control System" attachments.

Drilling fluids, including salts and chemicals, will be contained in the *Closed-Loop System*. Upon termination of drilling and completion operations, the liquid contents will be removed and disposed of at an approved waste disposal facility after drilling is terminated.

The *Closed-Loop System* will be utilized and set-up in the area normally utilized for a reserve pit. Refer to the Location Layout.

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

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

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

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

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

8. **Ancillary Facilities:**

None are anticipated.

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

The location is at least 460' away from the river, thus meeting the requirements set forth by the USF&WLS. Please refer to the attached "Typical Rig Layout".

USF&WLS shall be notified within 48 hours prior to construction.

No reserve pit shall be utilized, as discussed during the on-site inspection.

Culverts are to be installed where needed.

Existing berm will be breached for the access road and pipeline construction, then later reclaimed to the vehicular access area. The access road shall be constructed with tundra and topped-off with gravel; as discussed during the on-site inspection.

Trees are to be avoided when possible if tree removal is necessary; Coastal will notify the AO with the tree count, and Coastal is to replace four trees for every tree removed.

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

Producing Location:

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

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

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

Dry Hole/Abandoned Location:

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

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

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

11. Surface Ownership:

Ute Indian Tribe
P.O. Box 190
Ft. Duchesne, UT 84026
(435) 722-5141

12. Other Information:

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

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

A Class III archaeological survey has been conducted. A copy of the survey report was submitted to the Ute Tribe Energy & Minerals Department prior to the onsite.

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

Debra Domenici
Administrative Assistant
Westport Oil & Gas Company
P.O. Box 1148
Vernal, UT 84078
(435) 781-7060

Randy Bayne
Drilling Manager
Westport Oil & Gas Company
P.O. Box 1148
Vernal, UT 84078
(435)781-7018

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

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

Westport Oil & Gas Company is considered to be the operator of the subject well. Westport Oil & Gas Company agrees to be responsible under the terms and conditions of the lease for the operations conducted upon leased lands. Bond coverage pursuant to 43 CFR 3104 for the lease activities is being provided by Westport Oil & Gas Company Bond #N-2115, BLM Nationwide Bond #RLB0005239, and BIA Nationwide Bond #CO-1203.

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.


Debra Domenici

5/13/03
Date

WESTPORT OIL AND GAS COMPANY, L.P.

KURIP #1-167

SECTION 1, T9S, R20E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY THEN NORTHEASTERLY DIRECTION APPROXIMATELY 3.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY, THEN WESTERLY, THEN SOUTHERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 1.0 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 36.1 MILES.

WESTPORT OIL AND GAS COMPANY, L.P.

KURIP #1-167

LOCATED IN UINTAH COUNTY, UTAH
SECTION 1, T9S, R20E, S.L.B.&M.



PHOTO: VEIWF OF WELL LOCATION STAKE

CAMERA ANGLE: NORTHERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHWESTERLY



- Since 1964 -

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

LOCATION PHOTOS

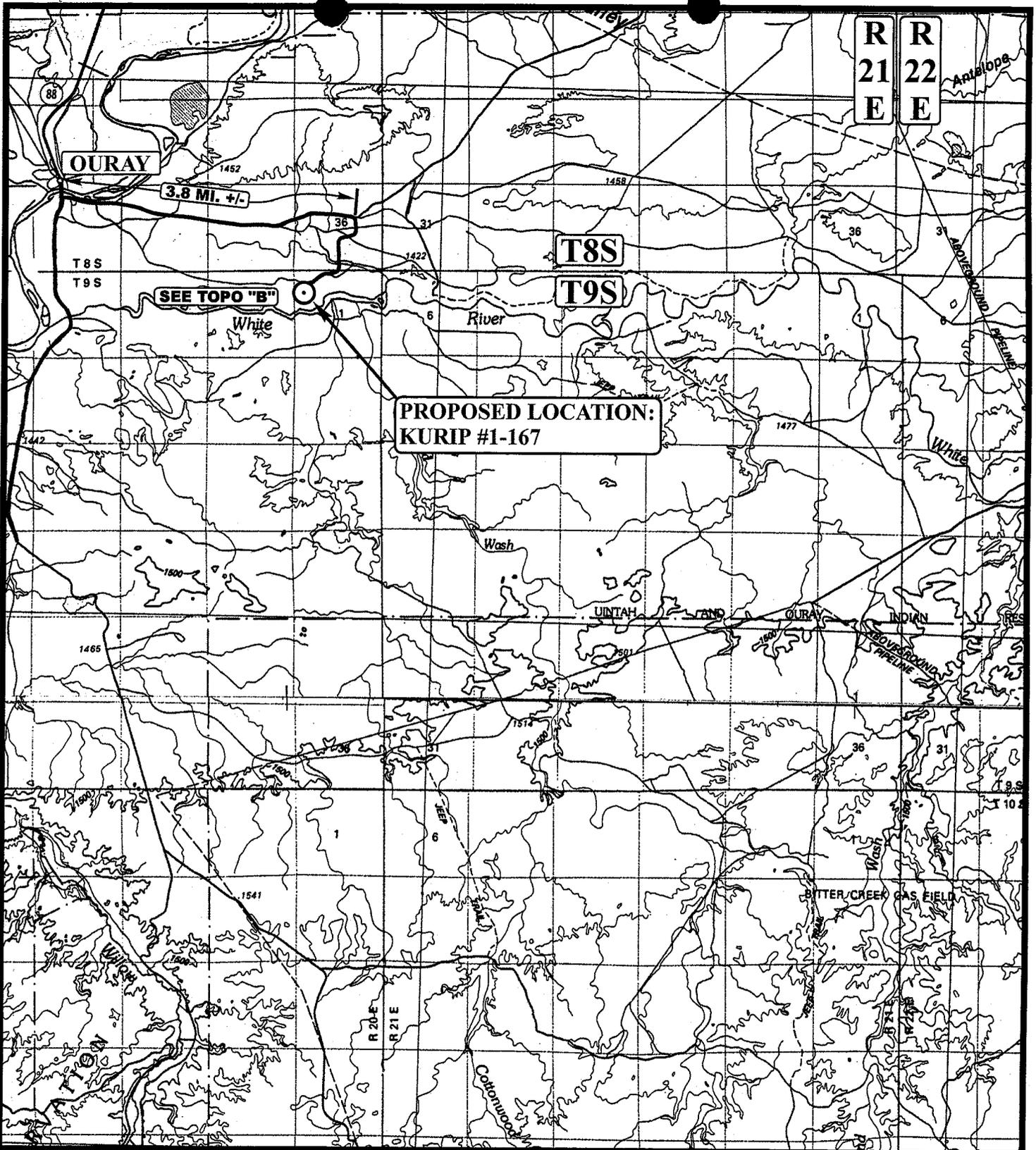
11 16 00
MONTH DAY YEAR

PHOTO

TAKEN BY: D.A.

DRAWN BY: K.G.

REV: 04-08-03 P.M.



LEGEND:

○ PROPOSED LOCATION



WESTPORT OIL AND GAS COMPANY, L.P.

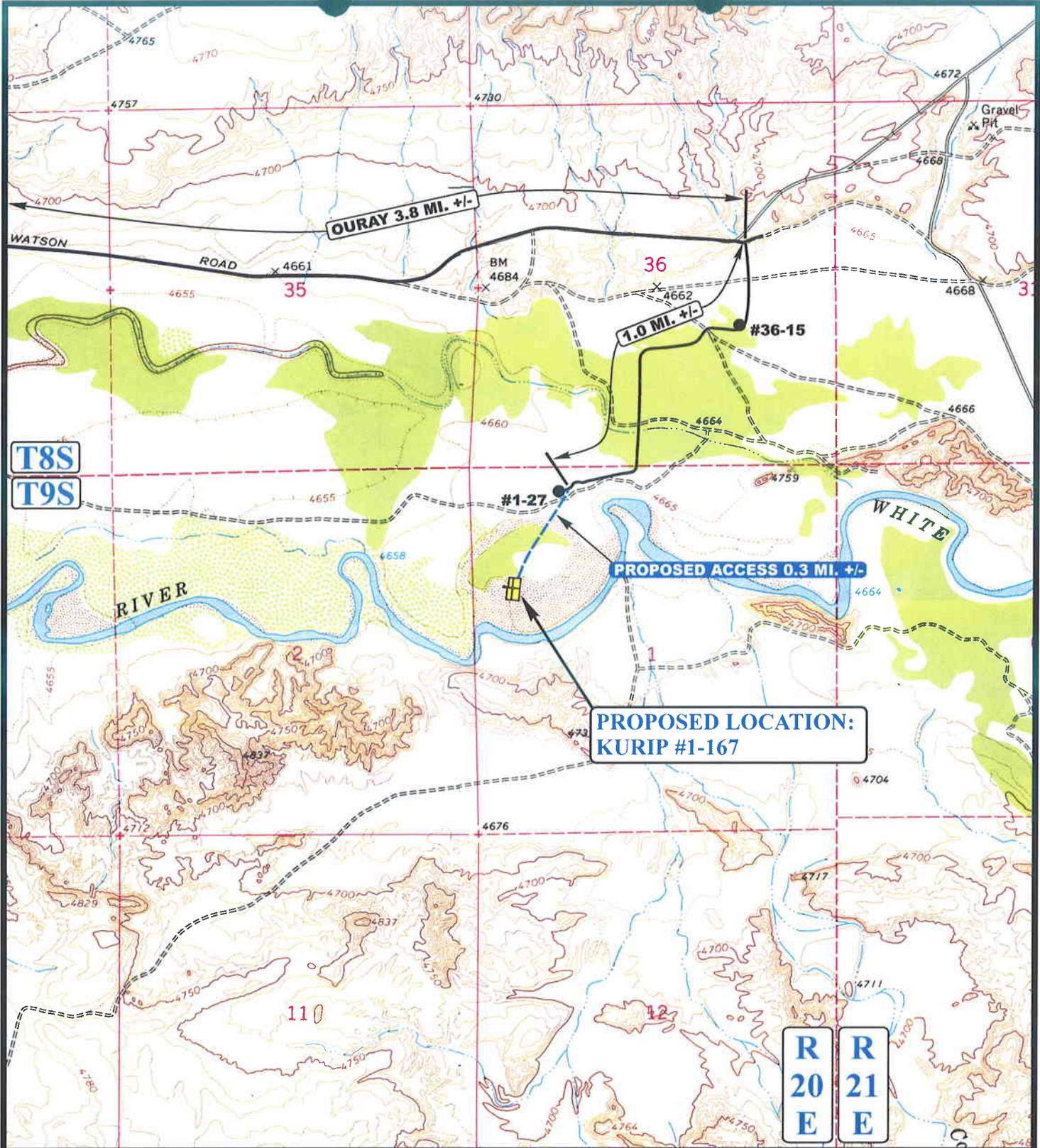
KURIP #1-167
SECTION 1, T9S, R20E, S.L.B.&M.
1785' FNL 586' FWL



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

TOPOGRAPHIC 11 16 00
MAP MONTH DAY YEAR
 SCALE: 1:100,000 DRAWN BY: K.G. REV: 04-08-03 P.M.





LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD



WESTPORT OIL AND GAS COMPANY, L.P.

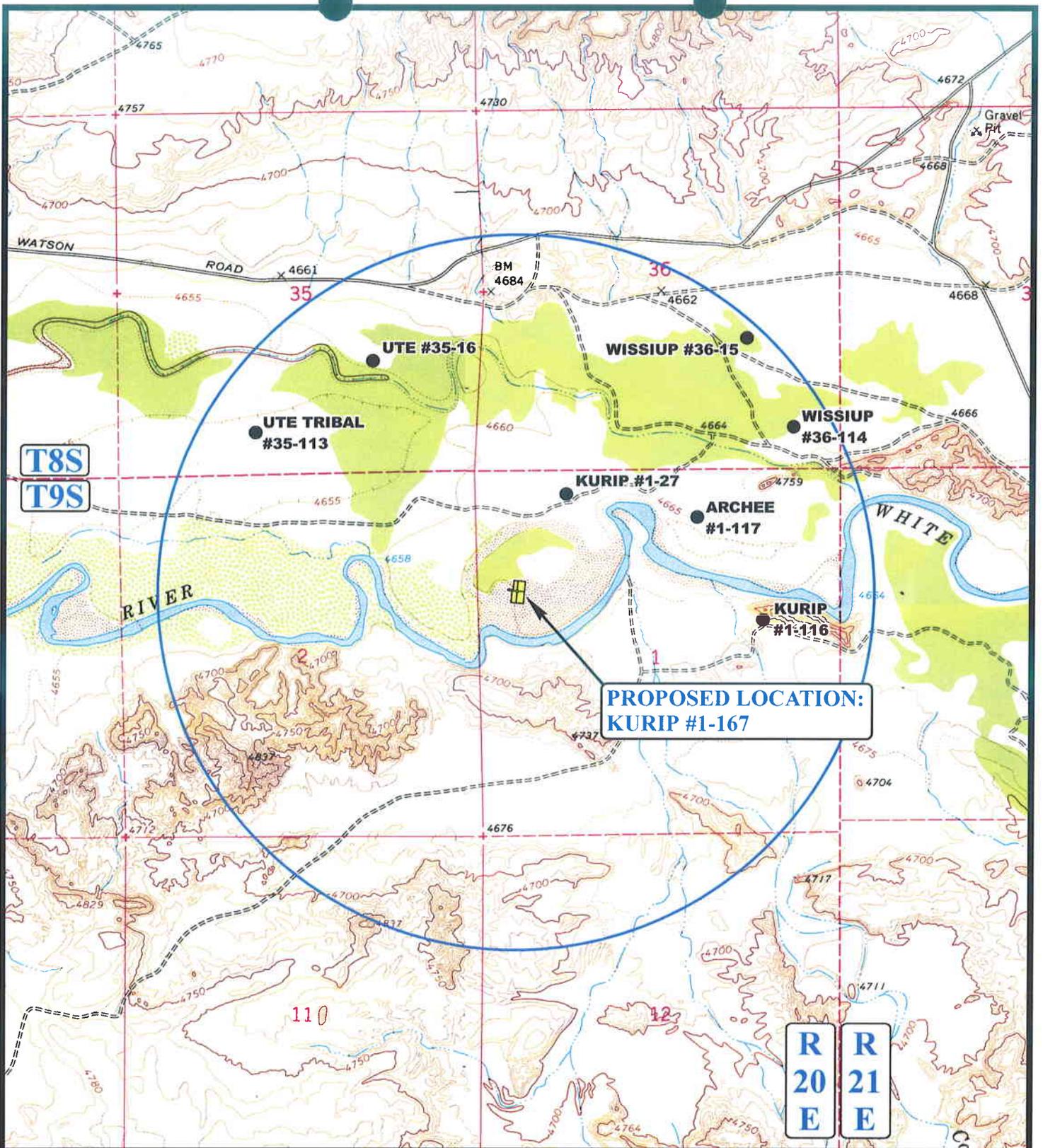
KURIP #1-167
SECTION 1, T9S, R20E, S.L.B.&M.
1785' FNL 586' FWL



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

TOPOGRAPHIC MAP
 11 16 00
 MONTH DAY YEAR
 SCALE: 1" = 2000' | DRAWN BY: K.G. | REV: 04-08-03 P.M.





LEGEND:

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



WESTPORT OIL AND GAS COMPANY, L.P.

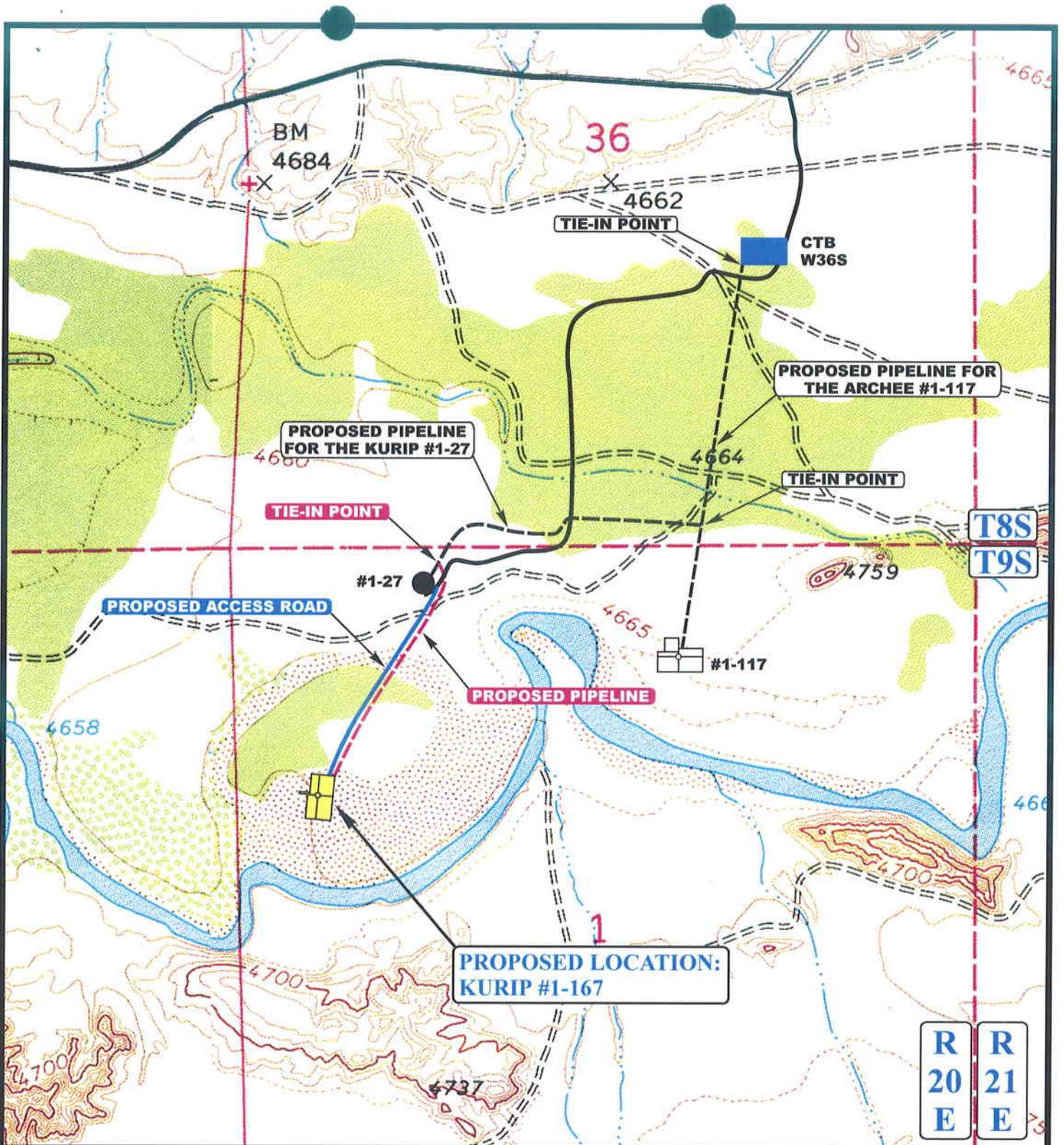
KURIP #1-167
SECTION 1, T9S, R20E, S.L.B.&M.
1785' FNL 586' FWL



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

TOPOGRAPHIC MAP 11 16 00
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: K.G. REV: 04-08-03 P.M.





APPROXIMATE TOTAL PIPELINE DISTANCE = 1,750' +/-

LEGEND:

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



WESTPORT OIL AND GAS COMPANY, L.P.

KURIP #1-167
SECTION 1, T9S, R20E, S.L.B.&M.
1785' FNL 586' FWL



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

TOPOGRAPHIC MAP 11 16 00
MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: K.G. REV: 04-08-03 P.M.



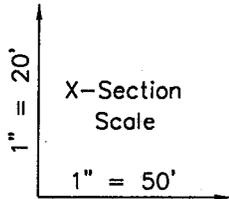
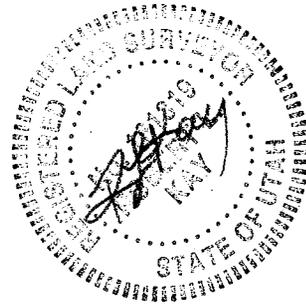
WESTPORT OIL AND GAS COMPANY, L.P.

TYPICAL CROSS SECTIONS FOR

KURIP #1-167

SECTION 1, T9S, R20E, S.L.B.&M.

1785' FNL 586' FWL



DATE: 3-28-02

Drawn By: C.G.

Revised: 4-8-03

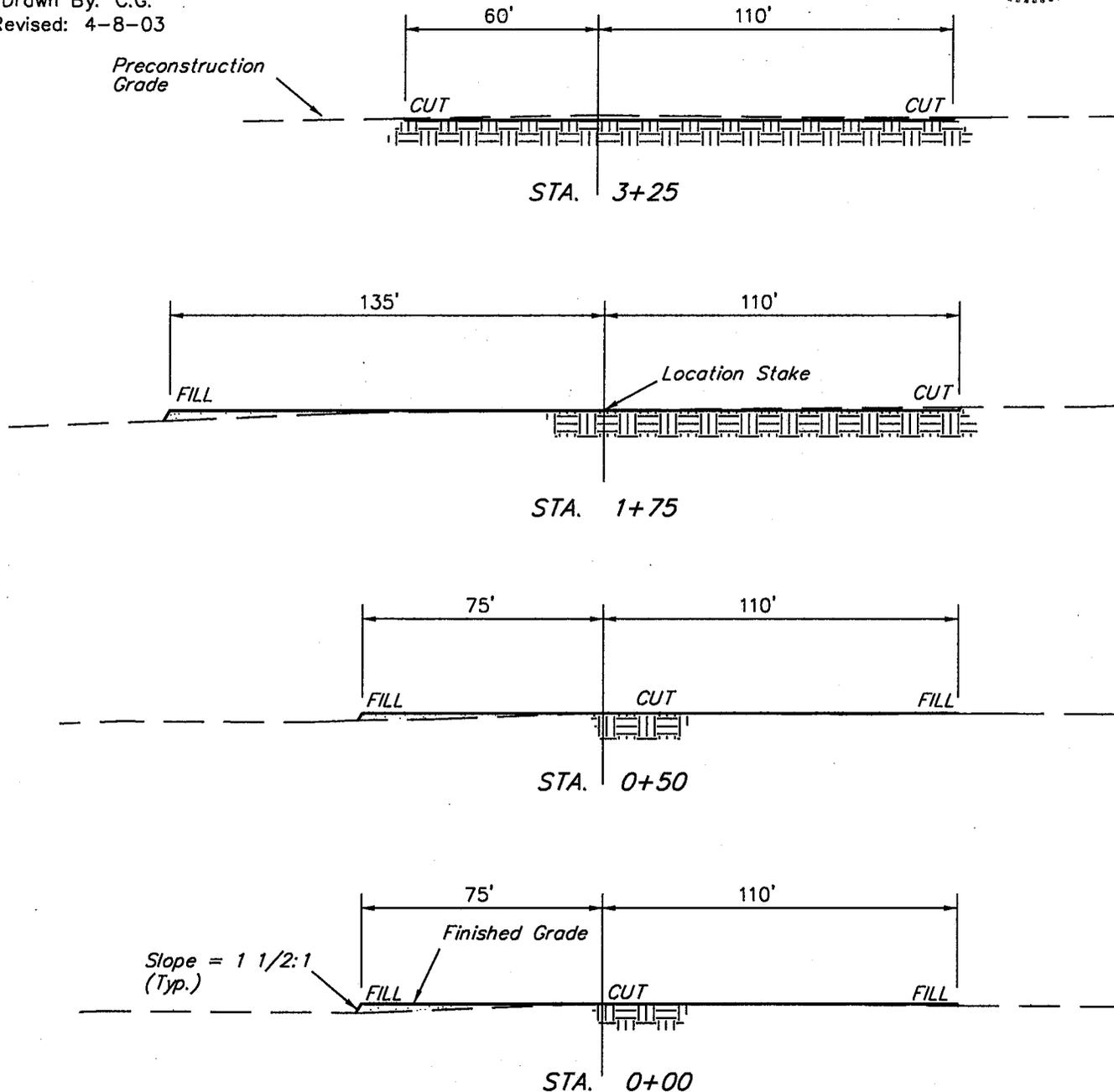


FIGURE #2

APPROXIMATE YARDAGES

TOTAL CUT = 270 CU.YDS.

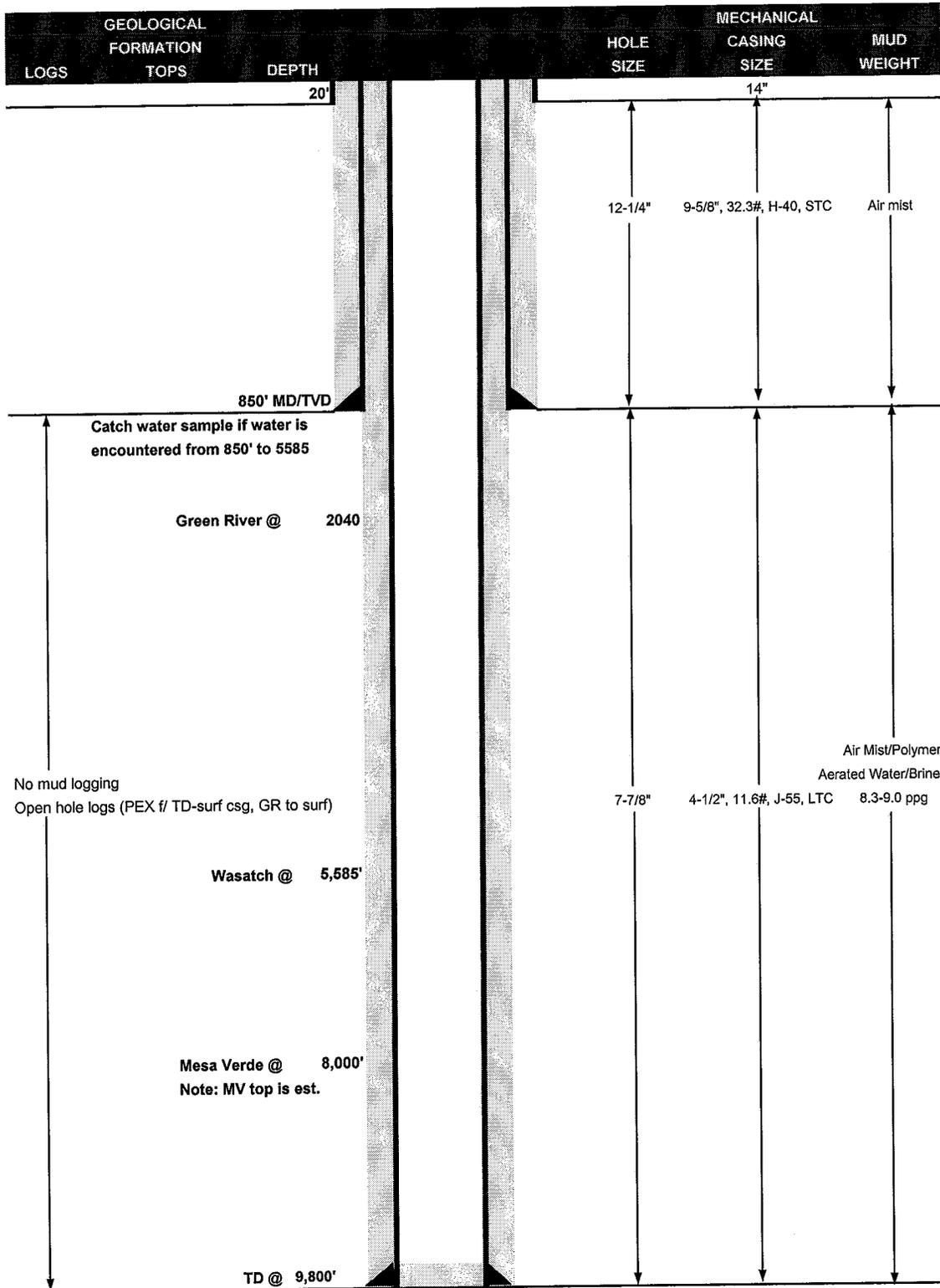
TOTAL FILL = 270 CU.YDS.



Westport Oil and Gas Company, L.P.

DRILLING PROGRAM FOR APD

COMPANY NAME Westport Oil & Gas Company, L.P. DATE May 5, 2003
 WELL NAME Kurip 1-167 TD 9,800' MD/TVD
 FIELD Natural Buttes COUNTY Uintah STATE Utah ELEVATION 4663 GL 4678 KB
 SURFACE LOCATION 1785' FNL, 586' FWL, SWNW, SEC. 1, T9S, R20E BHL Straight Hole
 OBJECTIVE ZONE(S) Wasatch, Mesa Verde
 ADDITIONAL INFO Regulatory Agencies: BLM, UDOGM, BIA, Tri-County Health Dept.





Westport Oil and Gas Company, L.P.
DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-20'				2270	1370	254000
SURFACE	9-5/8"	0-850'	32.30	H-40	STC	4.76	3.44	3.28
PRODUCTION	4-1/2"	0-TD	11.60	J-55	LTC	1.55	1.08	0.99

- 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 @ 9-5/8" 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		850	Class G + 2% CaCl ₂ + 0.25 pps celloflake	330	35%	15.80	1.16
PRODUCTION	LEAD	5,080'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	540	60%	11.00	3.38
	TAIL	4,720'	50/50 Poz/G + 10% salt + 2% gel	1320	60%	14.30	1.31

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Float shoe, 1 jt, float collar. Centralize first 3 joints with bow spring centralizers. Thread lock float equipment.
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.

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

DRILLING ENGINEER: _____
Brad Laney

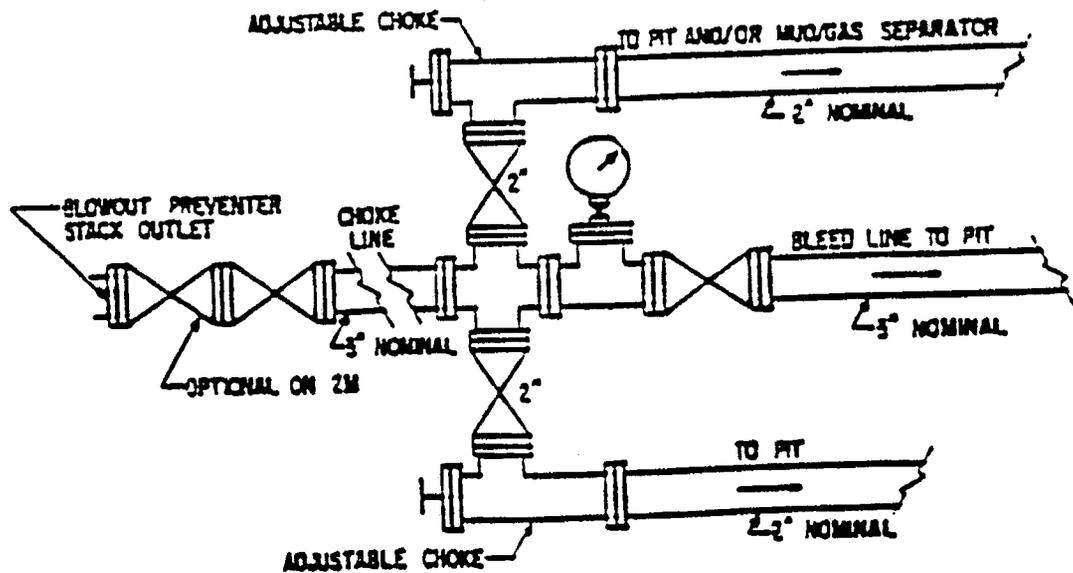
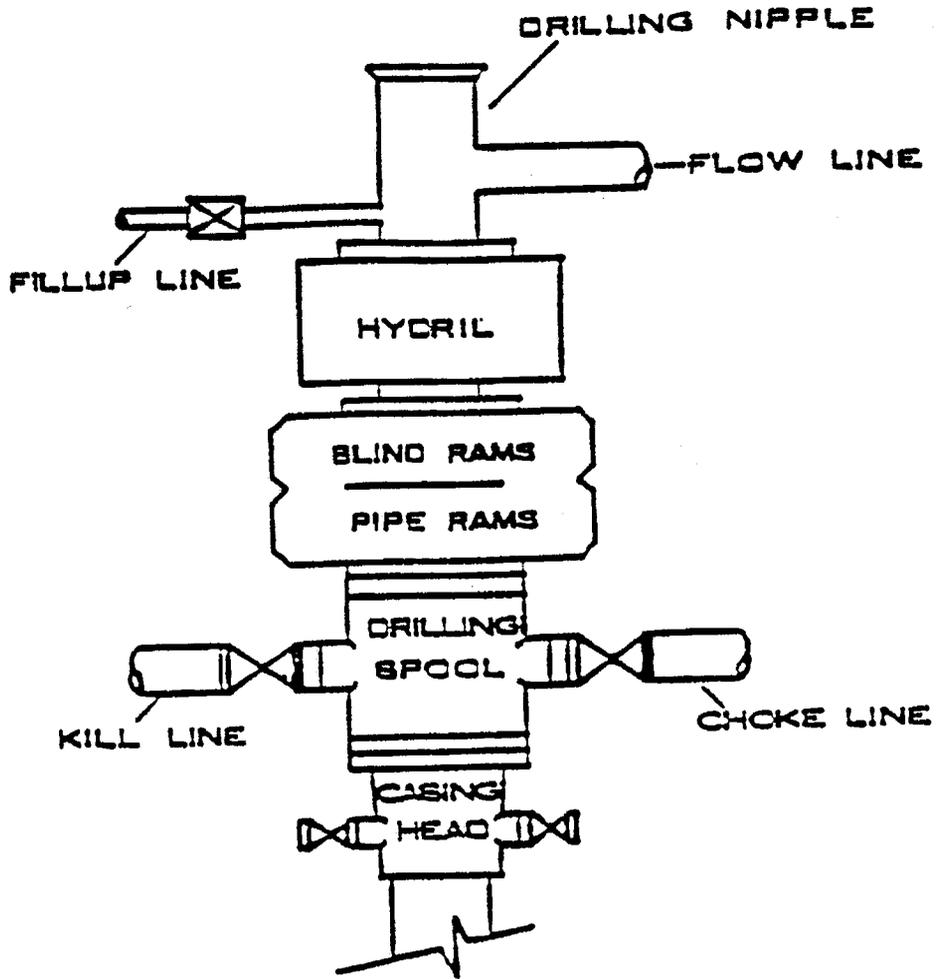
DATE: _____

DRILLING SUPERINTENDENT: _____
Randy Bayne

DATE: _____

3,000 PSI

BOP STACK



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 05/20/2003

API NO. ASSIGNED: 43-047-34959

WELL NAME: KURIP 1-167
OPERATOR: WESTPORT OIL & GAS CO (N2115)
CONTACT: DEBRA DOMENICI

PHONE NUMBER: 435-781-7060

PROPOSED LOCATION:

SWNW 01 090S 200E
SURFACE: 1785 FNL 0586 FWL
BOTTOM: 1785 FNL 0586 FWL
UINTAH
NATURAL BUTTES (630)

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

LEASE TYPE: 2 - Indian
LEASE NUMBER: 14-20-H62-3004
SURFACE OWNER: 2 - Indian

LATITUDE: 40.06711
LONGITUDE: 109.62247

PROPOSED FORMATION: WSTC

RECEIVED AND/OR REVIEWED:

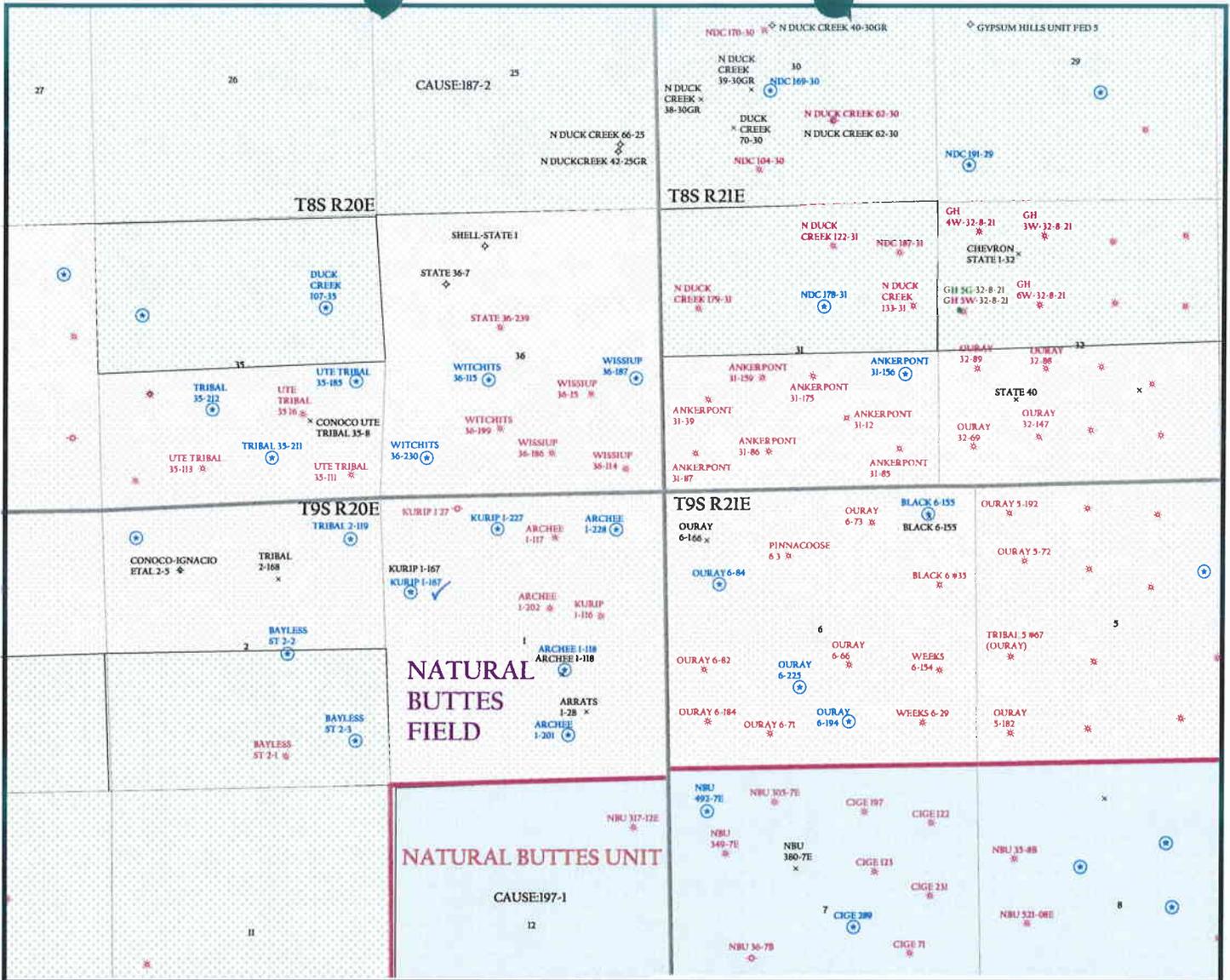
- Plat
- Bond: Fed[] Ind[2] Sta[] Fee[]
(No. RLB0005239)
- Potash (Y/N)
- ~~Oil Shale~~ 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 43-8496)
- RDCC Review (Y/N)
(Date: _____)
- ~~NA~~ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

- ___ R649-2-3.
- Unit _____
- ___ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- ___ R649-3-3. Exception
- Drilling Unit
Board Cause No: 123-13 (8/320')
Eff Date: 3-24-99
Siting: 460' fr d+l u boundary & 920' fr other well
- ___ R649-3-11. Directional Drill

COMMENTS: Sep, Separate file

STIPULATIONS: 1- Federal approval
2- OIL SHALE



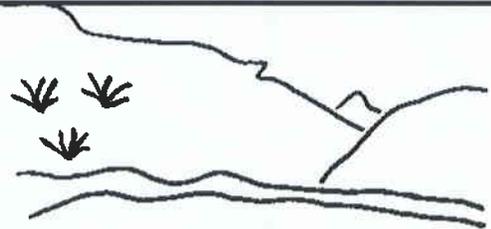
OPERATOR: WESTPORT O&G CO (N2115)

SEC. 1 T9S, R20E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 173-13 / 3-24-99



Utah Oil Gas and Mining

WELLS

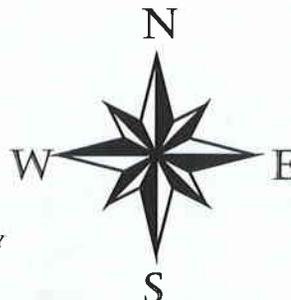
- ↗ GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- ⊙ NEW LOCATION
- ◇ PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- × TEMP. ABANDONED
- TEST WELL
- △ WATER INJECTION
- ◆ WATER SUPPLY
- ↘ WATER DISPOSAL

UNIT STATUS

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

FIELD STATUS

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED
- COUNTY BOUNDARY
- SECTION LINES
- TOWNSHIP LINES



PREPARED BY: DIANA MASON
DATE: 22-MAY-2003



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

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5340 telephone
(801) 359-3940 fax
(801) 538-7223 TTY
www.nr.utah.gov

Michael O. Leavitt
Governor

Robert L. Morgan
Executive Director

Lowell P. Braxton
Division Director

May 22, 2003

Westport Oil & Gas Company
P O Box 1148
Vernal, UT 84078

Re: Kurip 1-167 Well, 1785' FNL, 586' FWL, SW NW, Sec. 1, T. 9 South, R. 20 East,
Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-34959.

Sincerely,

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

John R. Baza
Associate Director

pab
Enclosures

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

Operator: Westport Oil & Gas Company
Well Name & Number Kurip 1-167
API Number: 43-047-34959
Lease: 14-20-H62-3004

Location: SW NW **Sec.** 1 **T.** 9 South **R.** 20 East

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

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

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

005

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

5. Lease Serial No.
14-20-H62-3004

6. If Indian, Allottee or Tribe Name
UTE

7. If Unit or CA/Agreement, Name and/or No.
CR-168

8. Well Name and No.
KURIP 1-167

9. API Well No.
43-047-34959

10. Field and Pool, or Exploratory Area
NATURAL BUTTES

11. County or Parish, State
UINTAH, UT

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
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)
SWNW 1785' FNL, 586' FEL
SEC. 1, T9S, R20E

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

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

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate 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 recomplate in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

THE 4 1/2" CSG DESIGN SHALL BE MODIFIED FROM J-55 TO M-80, N-80, OR A SIMILAR GRADE THAT WILL MEET THE REQUIRED CSG SAFETY FACTORS, AS DISCUSSED WITH KIRK FLEETWOOD, (BLM), AND BRAD LANEY (WOGC).

Accepted by the
Utah Division of
Oil, Gas and Mining

Date: 8/5/03
By: [Signature]

Federal Approval Of This
Action Is Necessary

COPY SENT TO OPERATOR
Date: 8-6-03
Initials: [Signature]

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

Name (Printed/Typed)
CHERYL CAMERON

Title
SR. REGULATORY ANALYST

Date
JULY 31, 2003

THIS SPACE FOR FEDERAL OR STATE USE

Approved by _____ Title _____ Date _____

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

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

(Instructions on reverse)

RECEIVED

AUG 04 2003
DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
1420H623004

6. If Indian, Allottee or Tribe Name
UINTAH AND OURAY

7. If Unit or CA Agreement, Name and No.
UTU60747

1a. Type of Work: DRILL REENTER

CONFIDENTIAL

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

2. Name of Operator
WESTPORT OIL & GAS COMPANY LP

Contact: DEBRA DOMENICI
E-Mail: ddomenici@westportresourcescorp.com

8. Lease Name and Well No.
KURIP 1-167

9. API Well No.

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

3b. Phone No. (include area code)
Ph: 435.781.7060

10. Field and Pool, or Exploratory
OURAY

4. Location of Well (Report location clearly and in accordance with any State requirements. *)

At surface SWNW 1785FNL 586FEL
At proposed prod. zone

RECEIVED
MAY 14 2003
By _____

11. Sec., T., R., M., or Blk. and Survey or Area
Sec 1 T9S R20E Mer SLB
SME: BIA

14. Distance in miles and direction from nearest town or post office
5.1 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)
586

16. No. of Acres in Lease

17. Spacing Unit dedicated to this well
318.80

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

19. Proposed Depth
9800 MD

20. BLM/BIA Bond No. on file

21. Elevations (Show whether DF, KB, RT, GL, etc.)
4661 GL

22. Approximate date work will start

23. Estimated duration

24. Attachments

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

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

25. Signature (Electronic Submission) Name (Printed/Typed) DEBRA DOMENICI Date 05/14/2003

Title ADMINISTRATIVE ASSISTANT

Approved by (Signature) Name (Printed/Typed) Date 08/04/2003

Title Assistant Field Manager Office

Mineral Resources

NOTICE OF APPROVAL

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.

Additional Operator Remarks (see next page)

Electronic Submission #21813 verified by the BLM Well Information System
For WESTPORT OIL & GAS COMPANY LP, sent to the Vernal
Committed to AFMSS for processing by LESLIE WALKER on 06/05/2003 (03LW1665AE)

RECEIVED
AUG 08 2003

DIV. OF OIL, GAS & MIN

** BLM REVISED **

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Westport Oil & Gas Company LP
Well Name & Number: Kurip 1-167
API Number: 43-047-34959
Lease Number: 1420-H62-3004
Location: SWNW Sec. 01 T. 9S R. 20S
Agreement: CR-168

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

CONDITIONS OF APPROVAL

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

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

A. DRILLING PROGRAM

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

Report ALL water shows and water-bearing sands to 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.

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

As a minimum requirement, the cement behind the production casing must extend at least 200' above the base of the Green River formation which has been identified at $\pm 2025'$.

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.

Please submit to this office, in LAS format, an electronic copy of all logs run on this well. This submission will replace the requirement for submittal of paper logs to the BLM.

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

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 (COAs)**

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

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

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

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

The Ute Tribe Energy & Minerals Department shall be notified in writing 48 hours in advance of any construction activity. The Ute Tribal office is open Monday through Thursday. A Tribal Technician is to routinely monitor construction. Westport shall make arrangements with the Ute Energy & Minerals Department for all monitoring that will exceed regular working hours for Tribal Technicians. A qualified Archaeologist accompanied by a Tribal Technician will monitor any trenching required for the construction of the pipeline. Westport is to inform contractors to maintain construction of the pipelines within approved 60 foot ROW.

For any trees destroyed by the construction of the pad or in the ROW corridor, replacement trees will be planted in a 4 to 1 ratio at places agreed upon with the BIA, the Ute Tribal Energy & Minerals Department and the United States Fish & Wildlife Service.

A corridor ROW, 60 feet wide and 1701 feet long, shall be granted for the pipeline and for the new access road. The constructed travel width of the access road will be limited to 18 feet. Upon authorization by the Ute Tribe Energy & Minerals Department, the road ROW may be wider where sharp curves, deep cuts and fills occur; or, where intersections with other roads are required. Upon completion of each pipeline in the corridor an adequate description of the pipeline will be filed with the Ute Tribe Energy & Minerals Department.

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

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

At any locations where the produced water is hauled for drilling purposes, the reserve pits must have adequate liners or clay soils and the produced water may not be injected down the annulus of a well location after drilling has been completed.

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

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

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

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

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

A closed loop drilling system will be used for the drilling of this well.

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

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

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

Soil erosion will be mitigated, by reseeding all disturbed areas.

The following Surface Protection/Rehabilitation conditions apply for Westport wells in the floodplains. These have been incorporated into the APD.

Westport will strictly follow the procedures approved for downhole drilling operations.

Westport's Construction activities will be monitored by Tribal Technicians and BIA.

Westport will not conduct drilling operations or construction activities in the 100-year floodplains during seasonal high water conditions.

Westport will design and construct well pads and roads so as not to impede surface water flow or interfere with fish movements during high water seasons. Also locations shall have drainage designed and installed to allow for natural flow movement of receding floodwaters. The tundra pads or a gravel base will be installed across floodplain areas for well pads and well locations and excess gravel will be removed by Westport or Westport's subcontractors, prior to seasonal high water conditions. Location is to be built to grade and gravel used as necessary.

Westport will periodically pressure test all buried pipelines which cross floodplain habitat to ensure that the buried pipelines are free of leaks and are in good condition.

If the river channel moves within 100 feet of the well head, Westport shall shut the well in and plug it immediately unless geologic or hydro-morphology survey determines that the well head is not of risk for damage from the river.

Westport shall conduct production sampling and report quarterly gas production.

The Westport Floodplain Wells shall have a dual pipeline system consisting of a flowline and a pressure relief line. The installation of the pipeline system for each of these wells is limited to a one time excavation.

All Westport central tank batteries must be constructed outside of the flood plain.

Westport shall use a closed loop drilling system.

Westport shall build and maintain well pads and roads at natural ground level.

Westport will elevate above ground well heads and use telemetry to control flow and shut down of production in emergency situations.

Westport will conduct or have subcontractors conduct routine monitoring of soil and water quality for contamination.

Westport will maintain daily surveillance of the production operations through the use of Electronic flow meters.



State of Utah

Department of
Natural Resources

ROBERT L. MORGAN
Executive Director

Division of
Oil, Gas & Mining

LOWELL P. BRAXTON
Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

July 22, 2004

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

Re: APD Rescinded – Kurip 1-167, Sec. 1, T. 9S, R. 20E Uintah County, Utah
API No. 43-047-34959

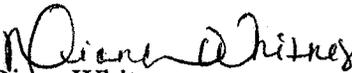
Dear Ms. Upchego:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on May 22, 2003. On July 22, 2004, you requested that the division rescind the state approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective July 22, 2004.

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

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

Sincerely,


Diana Whitney
Engineering Technician

cc: Well File
Bureau of Land Management, Vernal