

(formerly 9-331c)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

001

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a TYPE OF WORK: DRILL [X] DEEPEN [] PLUG BACK []
B TYPE OF WELL: OIL WELL [] GAS WELL [X] OTHER [] SINGLE ZONE [] MULTIPLE ZONE []

5. LEASE DESIGNATION AND SERIAL NO. UTU- 57455
6. IF INDIAN, ALLOTTEE OR TRIBE NAME na
7. UNIT AGREEMENT NAME na
8. FARM OR LEASE NAME na

2. NAME OF OPERATOR: McElvain Oil and Gas Properties, Inc.

9. WELL NO.: Hanging Rock Fed. 12-15

3. ADDRESS OF OPERATORS: 1050 17th Street, Suite 1800. Denver CO 80265

10. FIELD OR LEASE NAME: Oil Springs

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirement)
at surface 971' FSL, 1,965' FEL SWSE 4404923 Y 39.78353
at proposed prod. Zone 646563 X -109.28848

11. Sec., T., R., M., OR BLK AND SURVEY OR AREA: Section 12, T12S, R23E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 65.7 MILES SOUTH OF VERNAL, UTAH

12. COUNTY OR PARISH: Uintah
13. STATE: Utah

15. DISTANCE FROM PROPOSED LOC. TO NEAREST PROP. OR LEASE LINE, FT. (Also to nearest drig. Unit line, if any): 971'

16. NO. OF ACRES IN LEASE: 640

17. NO. OF ACRES ASSIGNED TO THIS WELL: 160

16. DISTANCE FROM PROPOSED LOCATION * TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.: 1,700'

19. PROPOSED DEPTH: 4,171

20. ROTARY OR CABLE TOOLS: Rotary

21. ELEVATION (SHOW WHETHER DF, RT, GR, etc.): 6,034' GL

22. APPROX. DATE WORK WILL START: ASAP

PROPOSED CASING AND CEMENT PROGRAM

Table with 5 columns: SIZE OF HOLE, SIZE OF CASING, WEIGHT PER FOOT, SETTING DEPTH, QUANTITY OF CEMENT. Rows include 12 1/4" hole with 9 5/8" casing and 7 7/8" hole with 4 1/2" casing.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposed in to deepen or plug back, give data on proposed productive zone and proposed new productive zone. If proposal is to drill or deepen directional, give pertinent data on subsurface location and measure and true vertical depths. Give blowout preventer program, if any.

24

SIGNATURE: William A. Ryan, Agent TITLE: Agent DATE: June 18, 2003

(This space for Federal or State Office use)

PERMIT NO.: 43-047-35085

APPROVAL OF THIS ACTION IS NECESSARY

APPROVED BY: CONDITIONS OF APPROVAL, IF ANY: TITLE: DATE:

*See Instructions on Reverse Side

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

Approved by the Utah Division of Oil, Gas and Mining
Date: 07-31-03
By: [Signature]

T12S, R23E, S.L.B.&M.

R
23
E

MCELVAIN OIL & GAS PROP., INC.

Well location, HANGING ROCK FEDERAL #12--15, located as shown in the SW 1/4 SE 1/4 of Section 12, T12S, R23E, S.L.B.&M. Uintah County Utah.

BASIS OF ELEVATION

BENCH MARK 87 EAM LOCATED NEAR A ROAD INTERSECTION IN THE SW 1/4 OF SECTION 1, T12S, R23E, S.L.B.&M. TAKEN FROM THE ARCHY BENCH SE 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 5887 FEET.



SCALE

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.

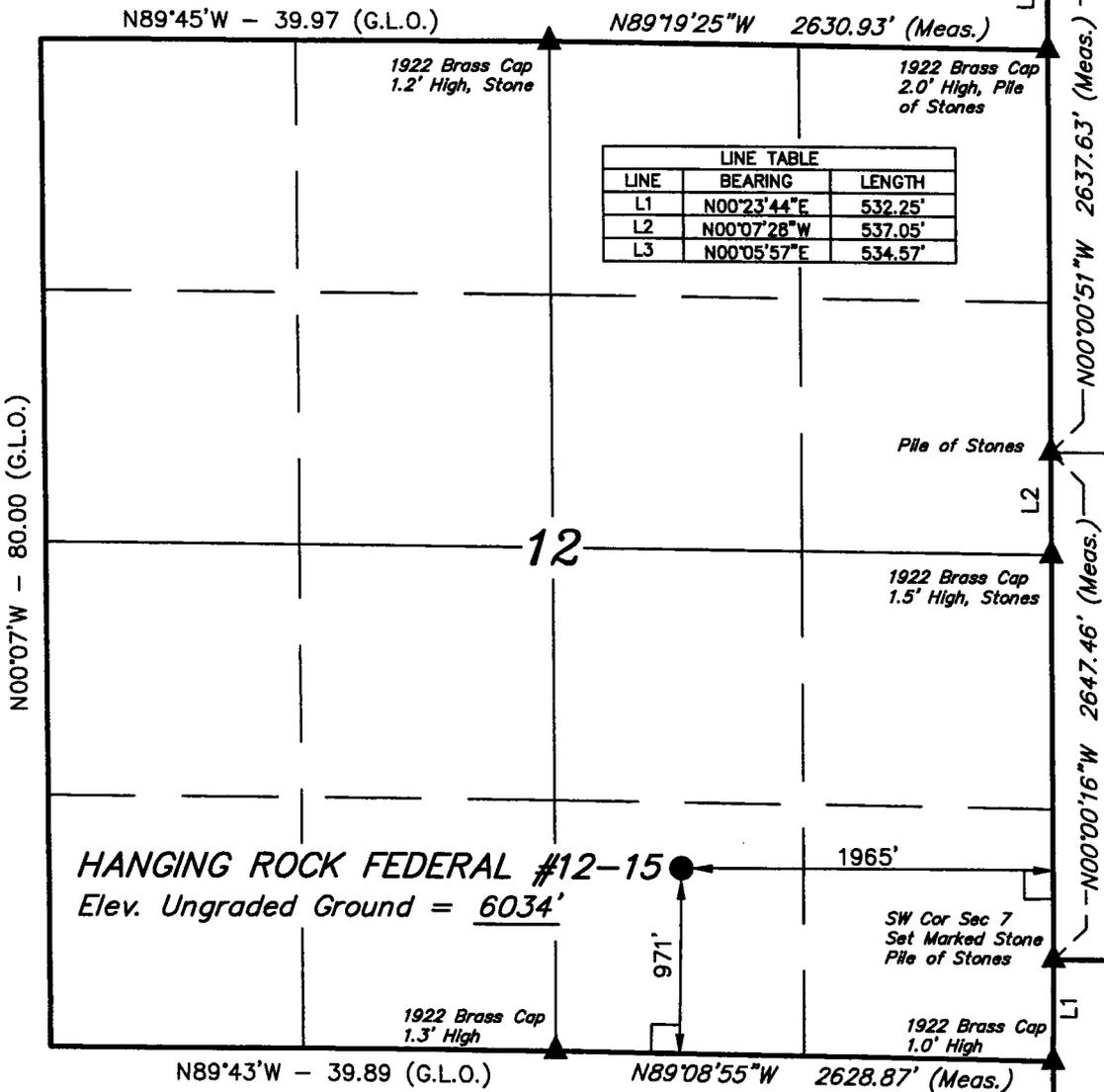
Robert H. Kay

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

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

SCALE 1" = 1000'	DATE SURVEYED: 05-28-03	DATE DRAWN: 06-05-03
PARTY D.K. J.A. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE MCELVAIN OIL & GAS PROP., INC.	

LINE TABLE		
LINE	BEARING	LENGTH
L1	N00°23'44"E	532.25'
L2	N00°07'28"W	537.05'
L3	N00°05'57"E	534.57'



BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.
(AUTONOMOUS NAD 83)
LATITUDE = 39°47'00.48" (39.783467)
LONGITUDE = 109°17'21.40" (109.289278)

LEGEND:

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

SELF-CERTIFICATION STATEMENT

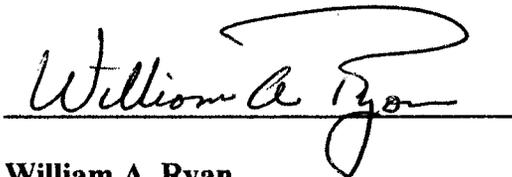
The following self-certification statement is provided per Federal requirements dated June 15, 1988.

Please be advised that McElvain Oil and Gas Properties, Inc. are considered to be the operator of the following well.

**Hanging Rock Fed 12-15
SW 1/4, SE 1/4, Section 12, T. 12, R. 23 E.
Lease UTU-57455
Uintah County, Utah**

McElvain Oil and Gas Properties, Inc. is responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond LMP-4138223 provides state wide bond coverage on all Federal lands.

A handwritten signature in cursive script, reading "William A. Ryan", is written over a horizontal line.

**William A. Ryan
Agent
Rocky Mountain Consulting
350 S. 800 E.
Vernal UT 84078
435-789-0968 Office
435-828-0968 Cell
435-789-0970 Fax
rmcwar@hotmail.com**

Ten Point Plan

McElvain Oil & Gas Properties Inc.

Hanging Rock Fed. 12-15

Surface Location SW ¼, SE ¼, Section 12, T12S, R23E

1. Surface Formation:

Green River

2. Estimated Formation Tops and Datum:

<u>Formation</u>	<u>Depth</u>	<u>Datum</u>	<u>Type Zone</u>	<u>Max. Press</u>
Green River	Surface	+6,046' KB		
Green River Oil Shale	421'	+5,625'		
Uteland Butte Limestone	2,421'	+3,625'		
Wasatch	2,521'	+3,525'	Gas	1,200 psi
Mesaverde	4,121'	+1,925'	Gas	1,900 psi
T.D.	4,171'	+1,875'		

3. Producing Formation Depth:

Formation objective includes both the Wasatch and Mesaverde

4. Proposed Casing:

<u>Hole Size</u>	<u>Hole Interval</u>	<u>Csg Size</u>	<u>Setting Depth</u>	<u>Casing New/Used</u>
12 ¼	0'-320'	9 5/8	300'-320	New
7 7/8	320'- TD	4 ½	T.D.	New

Minimum Safety Factor

<u>Csg Size</u>	<u>Csg Wt./Ft</u>	<u>Csg Grade</u>	<u>Csg Thread</u>	<u>Csg Collapse</u>	<u>Csg Burst</u>	<u>Csg Tensile</u>
9 5/8	32.3	H-40	ST&C 8rd	1,370 psi	2,270 psi	250,000#
4 ½	10.5	J-55	ST&C 8rd	4,010 psi	4,790 psi	146,000#

If conductor drive pipe is used, it will be left in place if its total length is less than 20 feet below the surface. If the total length of the drive pipe is equal to or greater than 20 feet, it will be pulled prior to cementing surface casing, or it will be cemented in place. The minimum diameter of the conductor drive pipe will be 13 3/8".

Cement Program:

<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amount</u>	<u>Cement Yield</u>	<u>Cement Weight</u>
9 5/8	Premium Plus 2% Calcium Chloride .25 lb/sk. Cello Flake	230 sks. +/-	1.18 cu. ft./sk.	15.6 lbs./gal.

Guide Shoe, 1 jt, Baffle, 3 Centrilizers, (Center 1st jt, top fist jt, top second jt)

4 1/2 Lead. (2800'-surface)	Hi Fill V cmt 16% Gel 1% EX-1 5#/sk Gilsonite 1.5#/sk Granulite .2% HR-7 3% Salt	200 sks. +/-	3.85 cu. ft./sk.	11.0 lbs./gal.
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Tail (T.D.-2,800')	Thixotropic 2% gel .5% Halad .3% CFR-3 2% Micro-Bond .1% Super CBL	260 sks. +/-	1.52 cu. ft./sk.	14.2 lbs./gal.
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5. BOP and Pressure Containment Data:

The anticipated bottom hole pressure will be less than 2,000 psi.

A 2000-psi WP BOP system as described in the BOP and Pressure Containment Data (attached) will be installed and maintained from the 9 5/8" surface casing. The BOP system including the casing will be pressure tested to the minimum standards set forth in "On Shore Order #2". The BOP will be mechanically checked daily during the drilling operation.

6. Mud Program:

<u>Interval</u>	<u>Mud weight lbs./gal.</u>	<u>Viscosity Sec./Qt.</u>	<u>Fluid Loss ML/30 Mins.</u>	<u>Mud Type</u>
0-320	Air	----	No Control	
320-1,950	Water	----	No Control	Water/Gel
1,950-T.D.	9.0-9.7	30	8-10	Water/Gel

McELVAIN OIL AND GAS PROPERTIES, INC

13 POINT SURFACE USE PLAN

FOR WELL

HANGING ROCK FED. 12-15

LOCATED IN

SW 1/4, SE 1/4

SECTION 12, T. 12 S., R. 23 E., S.L.B.&M.

UINTAH, UTAH

LEASE NUMBER: UTU-57455

SURFACE MANAGER/OWNER:

BUREAU OF LAND MANAGEMENT

1. Existing Roads

To reach the McElvain Oil and Gas Properties, Inc. well Hanging Rock 12-15, in Section 12, T12S, R23E, from Vernal, Utah:

Starting in Vernal, Utah proceed in an easterly, then southerly direction from Vernal Utah along U.S. State Highway 40 approximately 4.0 miles to the junction of State Highway 45; exit right and proceed in a southerly, then southeasterly direction approximately 36.0 miles to Bonanza, Utah proceed in a southerly direction approximately 5.0 miles to mile marker 1. You will exit left (south) off of the paved road onto a gravel road. A BLM sign will indicate this is the access road to Douglas Pass. Proceed south on the gravel road approximately 3 miles to a Y in the road (Greeks Corral) stay right. Proceed 8 miles to the Rainbow junction. Stay right on the Kings Well road proceed in southwesterly direction approximately 7.7 miles to the junction of this road and an existing road to the south; turn left and proceed in a southerly direction approximately 0.6 miles to the beginning of the proposed access road.

Total distance from Vernal, Utah to the proposed well location is approximately 65.7 miles.

All existing roads to this point are State or County Class D roads.

No new construction or upgrading will be required on the existing roads.

Please see the attached map B for additional details.

Upgrading and new construction will start at this point.

2. Planned access road

The proposed location will require approximately (.5 miles +/-) 2,640 feet of new road construction.

The new road will be built to the following standards:

A) Approximate length	2,640 Ft.
B) Right of Way width	30 Ft.
Running surface	18 Ft.
C) Maximum grade	5%
D) Turnouts	None
E) Major cuts and fills	None
F) Culvert	None
G) Surfacing material	Native Soil
H) Fence crossing	None
I) Road flagged	Yes
J) Access road surface manager/owner	BLM
K) Pipe line crossing	None
L) Stream crossings	None
M) All new construction on lease	Yes

Please see the attached location Map B for additional details.

A right of way will not be required for the proposed access road.

Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas

Exploration and Development, (1989). This is also referred to as the Gold Book.

Section 11, T12S, R23E

The road will be constructed to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction shall include ditching, draining, graveling, crowning, and capping the road bed as necessary to provide a well constructed safe road. Prior to construction, the road shall be cleared of any snow cover and allowed to dry completely. Travel off the 30 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type (unless specified differently). Crossings will be constructed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of the drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading will not be conducted during muddy conditions. Should mud or dust holes develop, they will be filled in and detours around them avoided.

HR 1-16

Section 1, T12S, R23E

HR 7-6

HR 7-10

Section 7, T12S, R24E

- G) Shut in well None
- H) Injection well None
- I) Monitoring or observation well None

Please see the attached map C for additional details.

4. Location of tank batteries, production facilities, and production gathering service lines.

A) Production Facility

All production facilities are to be contained within the proposed location site. Please see the attached plat for a typical gas well equipment and piping plan.

All permanent (on site for more than six months or longer) structures constructed or installed will be painted a **Olive Black** color. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded. The required **paint color** is **Olive Black SWA 20-6**.

All tanks will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank in the battery. The integrity of the dike will be maintained.

If the well is capable of economic production a gas gathering line will be required.

3. Location of existing wells

The following wells are located within a one mile radius of the location site.

- A) Water well None
- B) Abandoned well None
- C) Temp. abandoned well None
- D) Disposal well None
- E) Drilling/Permitted well None
- F) Producing well **Nine**

HR 12-2

HR 12-4

HR 12-8

HR 12-9

HR 12-12

Section 12, T12S, R23E

HR 11-8

B. Gas Gathering Line

The Operator proposes building approximate **2,200 feet of steel gas gathering line** if an economic well is drilled and completed. The gathering line will start at the proposed location and be constructed to a tie in point on an existing gathering line in **Section 12, T12S, R23E**.

Please see map D for gathering line location.

All gathering line construction will be on lease. The gathering line will not require an off lease right-of-way.

The line will be a 2" steel line.

Max operating pressure will be 500 psi.

The operating temperature of the gathering system will reflect the day and nighttime ambient temperature of the area.

There are no plans for additional compression or pumping stations at this time.

An archeological survey will be conducted along the pipeline access rout.

The gathering line will not be hydrostatically tested.

The surface line will be removed when there is no need for the gathering line. Prior to removing the line an onsite will be held with the BLM to insure removal and reclamation will conform to all applicable BLM regulations and requirements.

There will be no additional surface disturbances required for the installation of a

gathering line. The pipeline will be welded on location and pulled to the tie in point. The line will then be boomed off to the side of the road.

The gas meter run will be located within 500' of the well head. The gas line will be buried or anchored down from the well head to the meter. Meter runs will be housed and/or fenced.

The gas meter will be calibrated and the tanks strapped in place prior to any deliveries. All measurement facilities will conform to API (American Petroleum Institute) and AGA (American Gas Association) standards for gas and liquid hydrocarbon measurement.

5. Location and type of water supply

Water for drilling and cementing the subject well will be trucked from **Rose Wood Resources flowing water well, Well # 5A . In Section 24, T11S, R23E. Water permit number 49-1547.**

6. Source of construction materials

All construction material for this location site and access road shall be borrow material accumulated during construction of the location site and access road. Additional road gravels or pit lining material will be obtained from private sources.

7. Methods for handling waste disposal

A) Pit construction and liners:

The reserve pit will be approximately 8-10 ft. deep and most of the depth shall be below the surface of the existing ground. Please see the attached plat for details.

The reserve pit will be lined. A felt liner will also be used.

If a plastic liner is required by the BLM or used by the operator it will be a nylon reinforced liner. It will be a minimum of 12 mil thickness with sufficient bedding (i.e. weed free straw, or hay; felt; or soil) to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rock to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit.

The pit will be used to hold non-flammable materials such as cuttings, salt, drilling fluids, chemicals, produced fluids, etc.

B) Produced fluids:

Produced water will be confined to the reserve pit, or if deemed necessary, a storage tank for a period not to exceed 90 days after initial production. Produced water after initial production will be trucked to an authorized disposal pit or injection well.

C) Garbage:

A trash cage fabricated from expanded metal will be used to hold trash on location. All trash will be removed to an authorized land fill location.

D) Sewage:

A portable chemical toilet will be supplied for human waste.

E) Site clean-up:

After the drilling and work over rig is moved off the location the well site area will be cleaned and all refuse removed.

F) Hazardous Material Statement

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, testing, or completion of the well. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing or completion of the well.

8. Ancillary facilities

There are no ancillary facilities planned at this time and none are foreseen for the future.

9. Well-site layout and location.

The proposed location has been staked at 971' FSL, 1,965' FEL. The location has been moved outside the normal drilling window spacing due to the operators attempt to remain off steep slopes and out of the two drainages.

Well-site layout

Location dimensions are as follow:

A) Pad length	325 ft.
B) Pad width	170 ft.
C) Pit depth	8 ft.
D) Pit length	135 ft.
E) Pit width	45-105 ft.
F) Max cut	17.9 ft.

- G) Max fill **6.0 ft.**
- H) Total cut yds. **25,350 cu. yds.**
- I) Pit location **south side**
- J) Top soil location **corner 6**
- K) Access road location **north side**
- L) Flare pit **corner C**

Please see the attached location diagram for additional details.

The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig is moved off the location. Pits will be fenced and maintained until clean-up.

All pits will be fenced according to the following minimum standards:

- A) Thirty nine inch net wire shall be used with at least one strand of wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- B) The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C) Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- D) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 ft.
- E) All wire shall be stretched by using a stretching device before it is attached to the corner posts.

Prior to construction of the location, the top 6 inches of soil material will be stripped off the location and the pit area. The topsoil removed and piled will amount to approximately 1,000 cubic yards of material. **Topsoil will be stockpiled in one distinct pile.** Placement of the topsoil is noted on the attached location plat. **The topsoil pile from the location will be seeded as soon as the soil is stock piled** with the seed mix listed. When all drilling and completion activities have been completed and the pit back-filled the topsoil from the pit area will be spread on the pit area. **The pit area will be seeded when the soil has been spread.** The unused portion of the location (the area outside the dead men) will be recontoured.

The dirt contractor will be provided with an approved copy of the surface use plan prior to construction activities.

A) Producing location

Changes to the drainage during the construction activities shall be restored to its original line of flow or as near as possible when the pit is back-filled

All disturbed areas will be recontoured to the approximate natural contours. Prior to back filling the pit the fences around the reserve pit will be removed.

The reserve pit will be reclaimed within 90 days of well completion. If the reserve pit has not dried sufficiently to allow back filling, an extension on the time requirement for back filling the pit will be requested. Once reclamation activities have begun, they shall be completed within 30 days.

10. Plans for restoration of the surface

If a plastic nylon reinforced line is used, it shall be turned and perforated before backfilling of the reserve pit.

Location **Bureau of Land Management**
Access road **Bureau of Land Management**
Pipeline **Bureau of Land Management**

After the reserve pit has been reclaimed, no depressions in the soil covering the reserve pit will be allowed. The objective is to keep seasonal rainfall and run off from seeping into the soil used to cover the reserve pit. Diversion ditches and water bars will be used to divert run off as needed.

When restoration activities have been completed, the location site and new access road cuts and shoulders shall be reseeded. Prior to reseeding, all disturbed areas will be scarified and left with a rough surface.

a) Seeding dates:

Seed will be spread when the top soil is stock piled and when reclamation work is performed.

b) Seed Mix

The seed mix and quantity required will be;

Winter Fat	3#/acre
Needle & Thread	3#/acre
Indian Rice Grass	3#/acre
Slender Wheat Grass	3#/acre

B) Dry Hole/Abandoned Location

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriate surface rehabilitation conditions of approval.

11. Surface Manager/Owner:

12. Other information

A) Vegetation:

The vegetation coverage is slight. The majority of the existing vegetation consists of sage brush. Needle & thread, Wheat grass and Indian rice grass are also found on the location.

B) Dwellings:

There are no dwellings or other facilities within a one mile radius of the location.

C) Archeology and Paleontology :

The location has been surveyed. A copy of the surveys will be forwarded to your office.

If, during operations, any archaeological or historical sites, or any objects of antiquity (subject to the antiquities act of June 8, 1906) are discovered, all operations which would effect such sites will be suspended and the discovery reported promptly to the surface management agency.

D) Water:

The nearest live water is Bitter Creek 4.5 Miles west of the proposed location.

E) Chemicals:

No pesticides, herbicides or other possible hazardous chemicals will be used without AO approval.

F) Notification:

The Bureau of Land Management will be notified as follows.

- a) **Location construction**
At least forty eight (48) hours prior to construction of location and access roads
- b) **Location completion**
Notification will be given 24 hr prior to moving the drilling rig on location.
- c) **Spud notice**
At least twenty-four (24) hours prior to spudding the well.
- d) **Casing string and cementing**
At least twenty-four (24) hours prior to running casing and cementing all casing strings.
- e) **BOP and related equipment tests**
At least twenty-four (24) hours prior to initial pressure tests.
- f) **First production notice**
Within five (5) business days after the new well begins, or production resumes after well has been off production for more than ninety 90 days.
- g) **Completion and work over**
At least twenty-four (24) hours prior to moving the rig on location.

Bureau of Land Management
435-781-4400
Ed Forsman 435-828-7874
Kirt Fleetwood 435-828-7875
BLM Fax 435-781-4410

Division of Oil, Gas, and Mining.
801-538-5340

G) Flare pit:

The flare pit will be located in corner C of the reserve pit out side the pit fence and 100 feet from the bore hole on the

west side of the location. All fluids will be removed from the pit within 48 hours of occurrence.

H) Wildlife

MvElvain voluntarily will restrict drilling and surface disturbing activities. No drilling and surface disturbing activities will be conducted between November 15 and April 1, 2004.

I) Onsite

Onsite Date: June 17, 2003

Onsite attendants:
Stephanie Howard
Dixie Saddler
Bill Ryan

Onsite Date: May, 2003

Onsite attendants:
Uintah Engineering
Floyd Bartlett
Bill Ryan

13. Lessees or Operator's representative and certification

A) Representative

William A. Ryan
Agent
Rocky Mountain Consulting
350 South 800 East
Vernal, Utah 84078

Office 435-789-0968
Fax 435-789-0970
Cellular 435-828-0968
E-Mail rmcwar@hotmail.com

All lease operations will be conducted in such a manner that full compliance is made with all applicable laws and

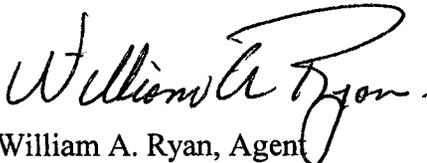
regulations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

This drilling permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

B) Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill-site and access route, that I am familiar with the conditions which presently exist, that the statements made in this plan are, to the best of my knowledge and belief, true and correct, and that the work associated with the operation proposed herein will be performed by **McElvain Oil and Gas Properties, Inc.** and its contractors and subcontractors in conformity with this plan and terms and conditions with this plan and the terms and conditions under which it is approved.

Date June 18, 2003

A handwritten signature in black ink that reads "William A. Ryan". The signature is written in a cursive style with a large, looping initial "W".

William A. Ryan, Agent
Rocky Mountain Consulting

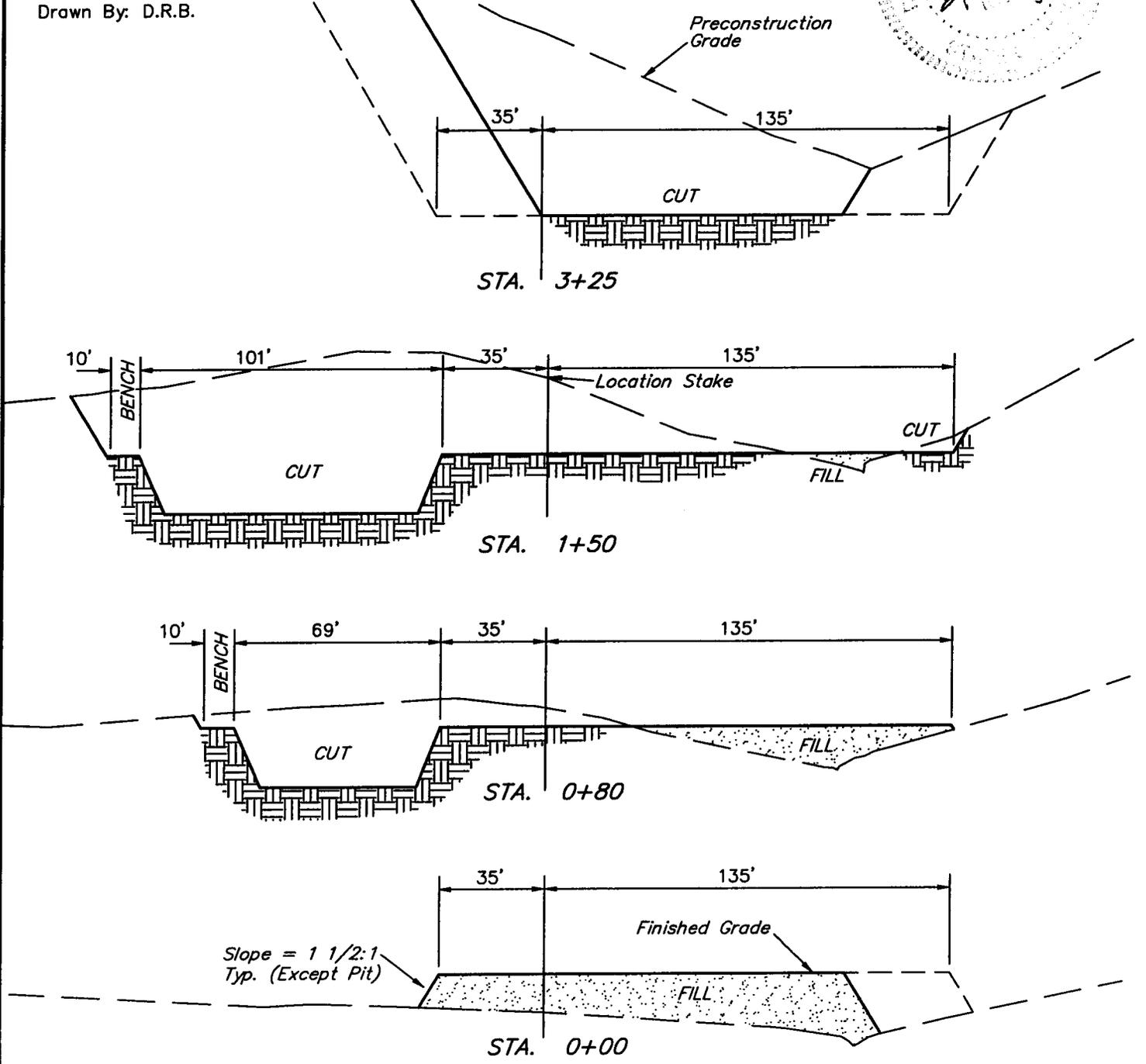
McELVAIN OIL & GAS PROP., INC.

FIGURE #2

**TYPICAL CROSS SECTIONS FOR
HANGING ROCK FEDERAL #12-15
SECTION 12, T12S, R23E, S.L.B.&M.
971' FSL 1965' FEL**

X-Section Scale
1" = 20'
1" = 50'

DATE: 06-05-03
Drawn By: D.R.B.

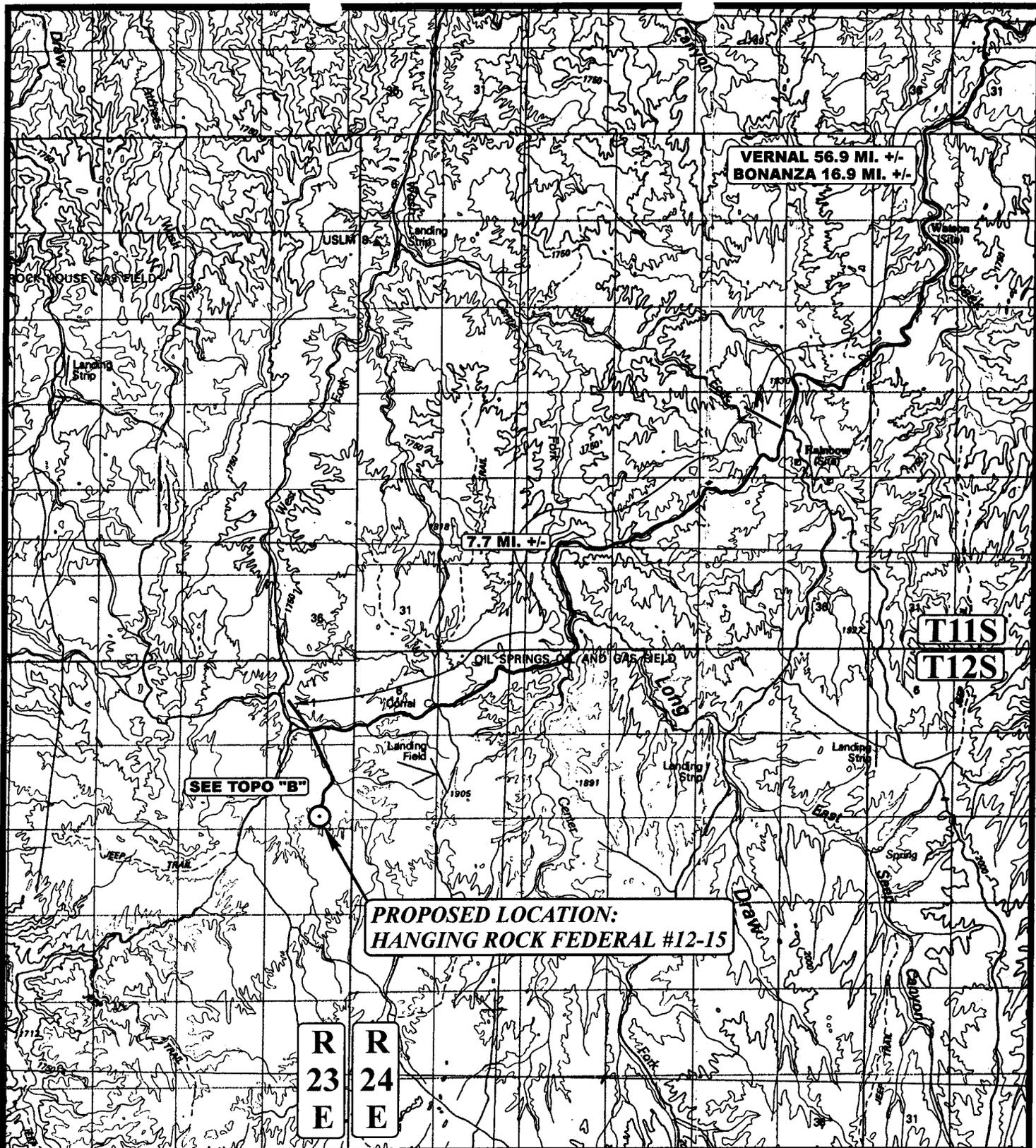


APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,260 Cu. Yds.
Remaining Location	= 24,090 Cu. Yds.
TOTAL CUT	= 25,350 CU.YDS.
FILL	= 3,150 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 22,030 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,540 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 19,490 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017



VERNAL 56.9 MI. +/-
BONANZA 16.9 MI. +/-

7.7 MI. +/-

T11S
T12S

SEE TOPO "B"

PROPOSED LOCATION:
HANGING ROCK FEDERAL #12-15

R 23 E
R 24 E

LEGEND:

⊙ PROPOSED LOCATION



McELVAIN OIL & GAS PROP., INC.

HANGING ROCK FEDERAL #12-15
SECTION 12, T12S, R23E, S.L.B.&M.
971' FSL 1965' FEL



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

TOPOGRAPHIC
MAP

6 MONTH 4 DAY 03 YEAR

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



McELVAIN OIL & GAS PROP., INC.
HANGING ROCK FEDERAL #12-15
 LOCATED IN UINTAH COUNTY, UTAH
 SECTION 12, T12S, R23E, S.L.B.&M.

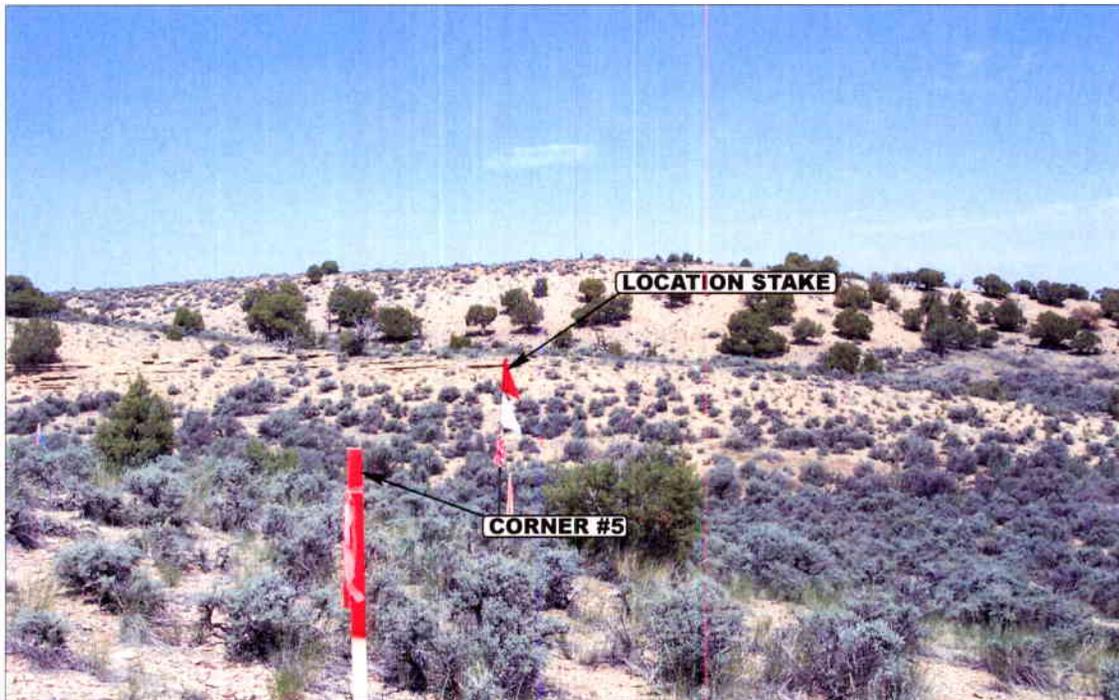


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

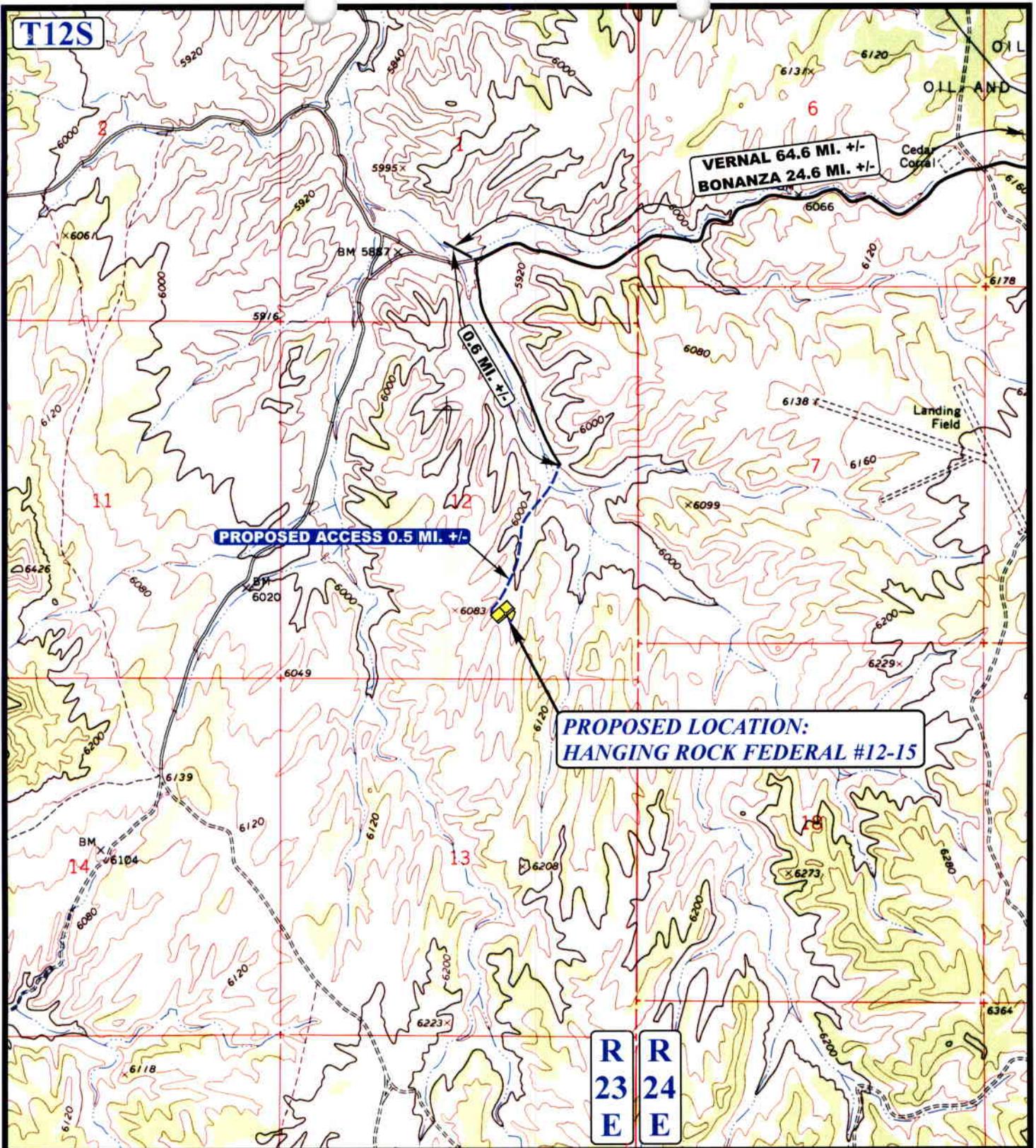
CAMERA ANGLE: SOUTHWESTERLY



- Since 1964 -

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

LOCATION PHOTOS	6	4	03	PHOTO
TAKEN BY: D.K.	MONTH	DAY	YEAR	
DRAWN BY: K.G.	REVISED: 00-00-00			



LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD



McELVAIN OIL & GAS PROP., INC.

HANGING ROCK FEDERAL #12-15
SECTION 12, T12S, R23E, S.L.B.&M.
971' FSL 1965' FEL



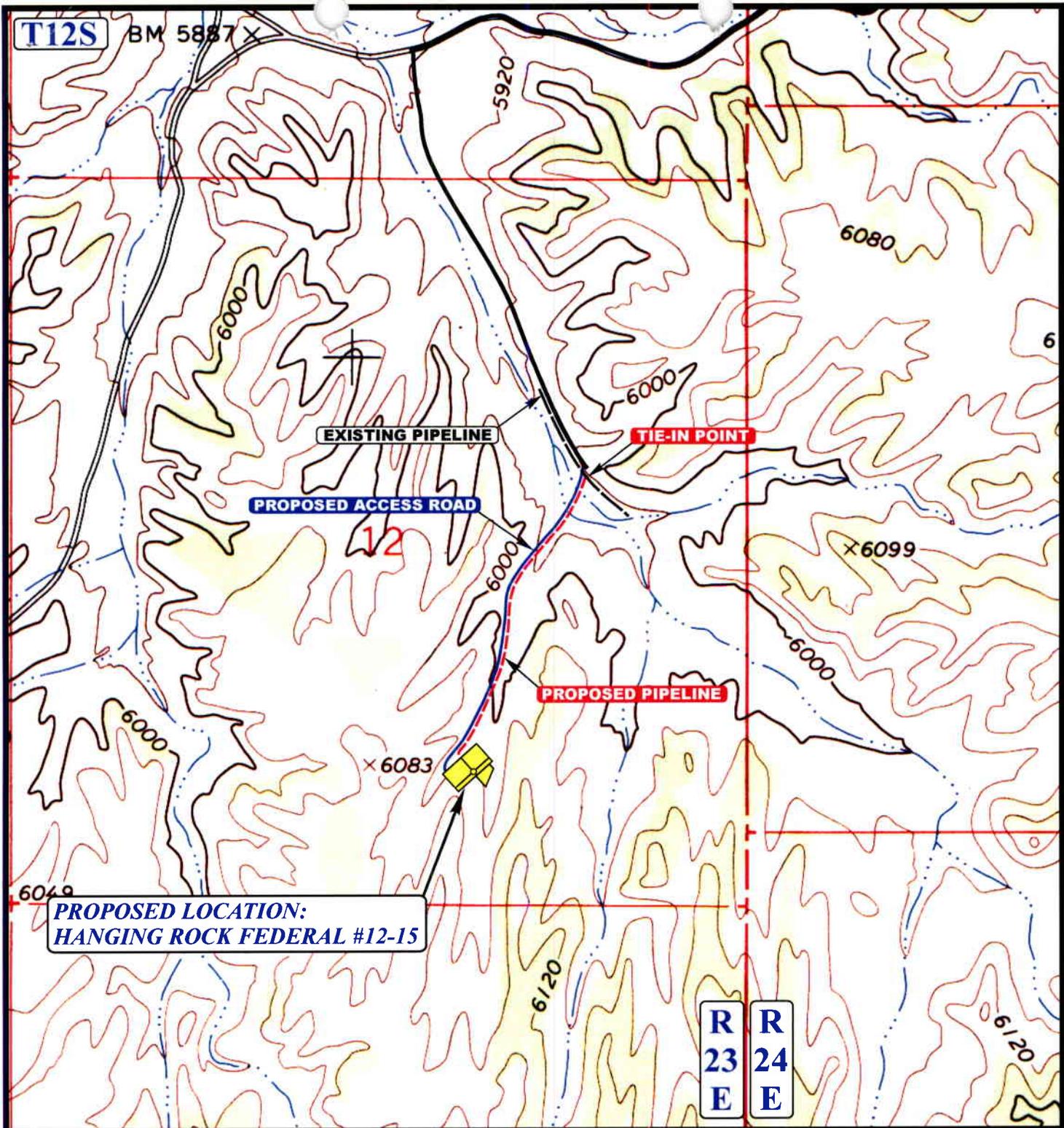
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

6	4	03
MONTH	DAY	YEAR

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





APPROXIMATE TOTAL PIPELINE DISTANCE = 2,200' +/-

LEGEND:

-  EXISTING PIPELINE
-  PROPOSED PIPELINE
-  PROPOSED ACCESS



McELVAIN OIL & GAS PROP., INC.

HANGING ROCK FEDERAL #12-15
SECTION 12, T12S, R23E, S.L.B.&M.
971' FSL 1965' FEL



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

TOPOGRAPHIC
MAP

6	4	03
MONTH	DAY	YEAR

SCALE: 1" = 1000' DRAWN BY: K.G. REVISED: 00-00-00





June 18, 2003

Re: Hanging Rocked Fed.12-15
SW/SE, Sec. 12, T12S, R23E
Lease No. UTU-57455

Utah Division of Oil Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

Dear Sirs:

McElvain Oil & Gas Properties, Inc. respectfully requests a spacing exception for the subject well. The well was originally requested for the center of the SW $\frac{1}{4}$ of the SE $\frac{1}{4}$. The location was moved due to topographic considerations; erosion potential, major and minor drainage's, access and wildlife conditions. The location was onsite with the BLM on June 17, 2003. Stephanie Howard, Dixie Saddler from the BLM and Bill Ryan, Agent for McElvain, were present. Floyd Bartlett with the Division of Wildlife was present when the location was staked. All parties agreed with the site location.

The well is located 971' FSL, 1,965' FEL in Sec. 12, T12S, R23E.

If you have additional questions please contact:

William (Bill) Ryan
Rocky Mountain Consulting
Agent

435-789-0968 Office
435-828-0968 Cellular
435-789-0970 Fax
rmcwar@hotmail.com

RECEIVED

JUL 08 2003

DIV. OF OIL, GAS & MINING

006

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 07/08/2003

API NO. ASSIGNED: 43-047-35085

WELL NAME: HANGING ROCK FED 12-15

OPERATOR: MCELVAIN OIL & GAS (N2100)

CONTACT: WILLIAM RYAN

PHONE NUMBER: 435-789-0968

PROPOSED LOCATION:

SWSE 12 120S 230E
SURFACE: 0971 FSL 1965 FEL
BOTTOM: 0971 FSL 1965 FEL
UINTAH
OIL SPRINGS (635)

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

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-57455

SURFACE OWNER: 1 - Federal

LATITUDE: 39.78353

PROPOSED FORMATION: MVRD

LONGITUDE: 109.28848

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. LMP-4138223)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 49-1547)
- RDCC Review (Y/N)
(Date: _____)
- 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: _____
Eff Date: _____
Siting: _____
- R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1- Federal Approval

2- Spacing Strip

July 18, 2003

Re: Hanging Rocked Fed.12-15
SW/SE, Sec. 12, T12S, R23E
Lease No. UTU-57455

Utah Division of Oil Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

Dear Sirs:

Per our conversation July 18, 2003 McElvain Oil & Gas Properties, Inc. respectfully reports that McElvain Oil & Gas Properties, Inc are the mineral lease holder off all land in a 460' radius of the proposed location.

The well is located 971' FSL, 1,965' FEL in Sec. 12, T12S, R23E.

If you have additional questions please contact:

William (Bill) Ryan
Rocky Mountain Consulting
Agent

435-789-0968 Office
435-828-0968 Cellular
435-789-0970 Fax
rncwar@hotmail.com

RECEIVED
JUL 30 2003
DIV. OF OIL, GAS & MINING



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

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

July 31, 2003

McElvain Oil & Gas Properties, Inc.
1050 17th Street, Suite 1800
Denver, CO 80265

Re: Hanging Rock Federal 12-15 Well, 971' FSL, 1965' FEL, SW SE, Sec. 12, T. 12 South,
R. 23 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.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby 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 43-047-35085.

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: McElvain Oil & Gas Properties, Inc.
Well Name & Number Hanging Rock Federal 12-15
API Number: 43-047-35085
Lease: UTU-57455

Location: SW SE **Sec.** 12 **T.** 12 South **R.** 23 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. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

008

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

5. LEASE DESIGNATION AND SERIAL NO.

UTU- 57455

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

na

7. UNIT AGREEMENT NAME

na

8. FARM OR LEASE NAME

na

9. WELL NO.

Hanging Rock Fed. 12-15

10. FIELD OR LEASE NAME

Oil Springs

11. Sec., T., R., M., OR BLK

AND SURVEY OR AREA Section 12, T12S, R23E

12. COUNTY OR PARISH 13. STATE

Uintah

Utah

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a TYPE OF WORK

DRILL

DEEPEN

PLUG BACK

B TYPE OF WELL

OIL

GAS

SINGLE

MULTIPLE ZONE

2. NAME OF OPERATOR

McElvain Oil and Gas Properties, Inc.

3. ADDRESS OF OPERATORS

1050 17th Street, Suite 1800. Denver CO 80265

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirement)

at surface 971' FSL, 1,965' FEL

At proposed prod. Zone

431047.35085

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE

65.7 MILES SOUTH OF VERNAL, UTAH

15. DISTANCE FROM PROPOSED LOC. TO NEAREST PROP. OR LEASE LINE, FT. (Also to nearest drig. Unit line, if any)

971'

16. NO. OF ACRES IN LEASE

640

17. NO. OF ACRES ASSIGNED TO THIS WELL

160

16. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING COMPLETED OR APPLIED FOR, ON THIS LEASE, FT.

1,700'

19. PROPOSED DEPTH

4,171

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATION (SHOW WHETHER DF. RT, GR, etc.)

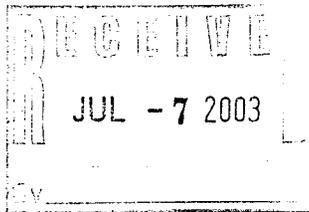
6,034' GL

22. APPROX. DATE WORK WILL START

ASAP

PROPOSED CASING AND CEMENT PROGRAM

Table with 5 columns: SIZE OF HOLE, SIZE OF CASING, WEIGHT PER FOOT, SETTING DEPTH, QUANTITY OF CEMENT. Rows include 12 1/4" hole with 9 5/8" casing and 7 7/8" hole with 4 1/2" casing.



RECEIVED SEP 12 2003 DIV. OF OIL, GAS & MINERAL RESOURCES

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposed in to deepen or plug back, give data on proposed productive zone and proposed new productive zone. If proposal is to drill or deepen directional, give pertinent data on subsurface location and measure and true vertical depths. Give blowout preventer program, if any.

24 SIGNATURE William A. Ryan TITLE Agent DATE June 18, 2003

PERMIT NO. APPROVED BY Thomas B. Leavy TITLE Assistant Field Manager Mineral Resources DATE 09/09/2003 NOTICE OF APPROVAL

*See Instructions on Reverse Side

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

CONDITIONS OF APPROVAL ATTACHED

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: McElvain Oil & Gas Properties Inc.

Well Name & Number: HANGING ROCK FEDERAL 12-15

API Number: 43-047-35085

Lease Number: UTU - 57455

Location: SWSE Sec. 12 TWN: 12S RNG: 23E

Agreement: N/A

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.

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

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 encountered 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. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a **2M** system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint. Surface casing setting depths are based on ground level elevations only.

As a minimum, the usable water and other valuable resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the top of the Mahogany oil shale, identified at 535 ft. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. Coring, Logging and Testing Program

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

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the AO. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vapor proof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the AO.

A cement bond log (CBL) will be run from the production casing shoe to top of the cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

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.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig. The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-5(d) shall be submitted to the appropriate Field Office within 60 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (1).

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries and tested for meter accuracy at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

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

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids

CONDITIONS OF APPROVAL
For The Surface Use Program Of The
Application For Permit To Drill

- The operator has committed to suspend construction and drilling activities between November 15 and April 15 to protect crucial winter range for mule deer.
- A plastic liner and a felt liner are required in the pit.
- The facilities must be painted olive black.
- The seed mix for this location shall be:

Beardless bluebunch wheatgrass	<i>Pseudoroegneria spicata sp.inermis</i>	3 lbs./acre
Winterfat	<i>Ceratoides lanata</i>	3 lbs./acre
Needle and Threadgrass	<i>Stipa comata</i>	3 lbs./acre
Indian ricegrass	<i>Oryzopsis hymenoides</i>	3 lb./acre

-All poundage is in pure live seed.

-Reseeding may be required if first seeding is not successful.

- 4 to 6 inches of topsoil should be stripped from the location and windrowed as shown on the cut sheet. The topsoil shall then be broadcast seeded with the recommended seed mix immediately after it has been windrowed and the seed walked into the soil with a dozer.
- The topsoil from the reserve pit should be stripped and piled separately near the reserve pit. When the reserve pit is closed, it shall be recontoured and the topsoil respread, and the area shall be seeded in the same manner as the location topsoil.
- Once the location is plugged and abandoned, it shall be recontoured to natural contours, topsoil respread where appropriate, and the entire location seeded with the recommended seed mix. Seeding should take place by broadcasting the seed and walking it into the soil with a dozer immediately after the dirt work is completed.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

009

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

5. Lease Serial No.
UTU-57455

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Hanging Rock Fed #12-15

9. API Well No.
43-047-35085

10. Field and Pool, or Exploratory Area
Oil Springs

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
McElvain Oil and Gas Properties, Inc.

3a. Address
1050 17th Street #1800 Denver, CO 80265

3b. Phone No. (include area code)
303-893-0933

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
971' FSL & 1965' FEL Sec.12 T12S R23E

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="radio"/> 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="radio"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="radio"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>SPUD</u>
	<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.)

The well was spud on 10/29/2003 by Stubbs & Stubbs Oilfield.

Stubbs & Stubbs drilled 12 1/4" hole to 325'. Ran 318' 9 5/8, H-40, 32.3#/ft, ST&C, New csg. Ran 4 centralizers, Shoe and baffle one jt off bottom.

Rigged up Halliburton to cmt csg. Pumped 160 sks, Type 5 cmt, 2% CaCl, .25#/sk Flocele Cmt wt. 15.6 ppg, Yield 1.18 cuft/sk

Good returns through out the job. Stopped 5 bbls short of displacement and checked to see if cmt would fall. Cmt held at surface. Pumpd last five bbls and cmt stayed at surface.

RECEIVED

JAN 15 2004

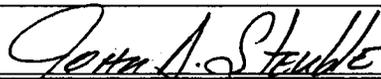
DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

John D. Steuble

Title Engineering Manager

Signature



Date 1/12/2004

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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(Instructions on reverse)

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

FORM 6

010

ENTITY ACTION FORM

Operator: McElvain Oil & Gas Properties
Address: 1050 17th St. Suite 1800
city Denver
state CO zip 80265

Operator Account Number: N 2100

Phone Number: (303) 893-0933 *X302*

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
4304734730	Hanging Rock Fed. #11-9	NESE	11	12S	23E	Utah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date	
A	99999	14016	10/31/03		1/29/04	
Comments: <i>murd</i>						

Well 2

API Number	Well Name	QQ	Sec	Twp	Rng	County
4304735083	Hanging Rock Fed. #7-14	SESW	7	12S	24E	Utah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date	
A	99999	14017	10/13/03		1/29/04	
Comments: <i>murd</i>						

Well 3

API Number	Well Name	QQ	Sec	Twp	Rng	County
4304735085	Hanging Rock Fed. #12-15	SWSE	12	12S	23E	Utah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date	
A	99999	14018	10/29/03		1/29/04	
Comments:						

ACTION CODES:

- 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 existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

John Steuble

Name (Please Print)

John Steuble

Signature

Engineer

Title

1/26/2004

Date

(5/2000)

RECEIVED

JAN 27 2004

DIV. OF OIL, GAS & MINING

NOTICE

Utah Oil and Gas Conservation General Rule R649-3-21 states that,

- A well is considered completed when the well has been adequately worked to be capable of producing oil or gas or when well testing as required by the division is concluded.
- Within 30 days after the completion or plugging of a well, the following shall be filed:
 - Form 8, Well Completion or Recompletion Report and Log, *Drilling Reports*
 - A copy of electric and radioactivity logs, if run
 - A copy of drillstem test reports,
 - A copy of formation water analyses, porosity, permeability or fluid saturation determinations
 - A copy of core analyses, and lithologic logs or sample descriptions if compiled
 - A copy of directional, deviation, and/or measurement-while-drilling survey for each horizontal well

Failure to submit reports in a timely manner will result in the issuance of a Notice of Violation by the Division of Oil, Gas and Mining, and may result in the Division pursuing enforcement action as outlined in Rule R649-10, Administrative Procedures, and Section 40-6-11 of the Utah Code.

As of the mailing of this notice, the division has not received the required reports for

Operator: MCELVAIN OIL & GAS PROPERTIES INC Today's Date: 05/10/2004

Well:	API Number:	Drilling Commenced:
HANGING ROCK FED 7-14 T12S R24E SEC 07	4304735083	10/13/2003
HANGING ROCK FED 12-15 T12S 23E SEC 12	4304735085	10/29/2003
HANGING ROCK FED 11-9 T12S R23E SEC 11	4304734730	10/31/2003

To avoid compliance action, required reports should be mailed within 7 business days to:

Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

If you have questions or concerns regarding this matter, please call (801) 538-5284.

cc: Well File
Compliance File

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

012

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		5. Lease Serial No. UTU-57455
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
2. Name of Operator McElvain Oil & Gas Properties, Inc.		7. If Unit or CA/Agreement, Name and/or No.
3a. Address 1050 17th St., Suite 1800, Denver, CO 80265	3b. Phone No. (include area code) 303-893-0933	8. Well Name and No. Hanging Rock Fed #12-15
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 971' FSL & 1965' FEL Sec. 12 T12S R23E		9. API Well No. 43-047-35085
		10. Field and Pool, or Exploratory Area Oil Springs
		11. County or Parish, State Uintah, UT

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="radio"/> 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="radio"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="radio"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Status Update
	<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	

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Waiting on rig.
No activity.

RECEIVED
JUN 01 2004

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) John D. Steuble	DIV. OF OIL, GAS & MINING Title Engineering Manager
Signature <i>John D. Steuble</i>	Date 5/27/04

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
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(Instructions on reverse)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

013

SUNDRY NOTICES AND REPORTS ON WELLS
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5. Lease Serial No.
UTU-57455

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Hanging Rock Fed #12-15

9. API Well No.
43-047-35085

10. Field and Pool, or Exploratory Area
Oil Springs

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
McElvain Oil & Gas Properties, Inc.

3a. Address
1050 17th St., Suite 1800, Denver, CO 80265

3b. Phone No. (include area code)
303-893-0933

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
971' FSL & 1965' FEL Sec. 12 T12S R23E

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

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Waiting on rig.
No activity.

RECEIVED
JUN 03 2004
DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed) **John D. Steuble** Title **Engineering Manager**

Signature *John D. Steuble* Date **6/1/04**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date _____

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(Instructions on reverse)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

SUNDRY NOTICES AND REPORTS ON WELLS
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014

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. UTU-57455
2. Name of Operator McElvain Oil & Gas Properties, Inc.		6. If Indian, Allottee or Tribe Name
3a. Address 1050 17th St., Suite 1800, Denver, CO 80265	3b. Phone No. (include area code) 303-893-0933	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 971' FSL & 1965' FEL Sec. 12 T12S R23E		8. Well Name and No. Hanging Rock Fed #12-15
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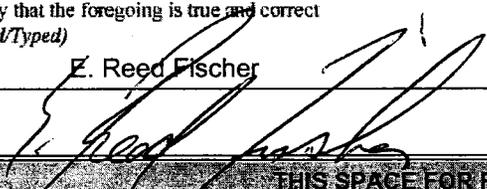
TYPE OF SUBMISSION	TYPE OF ACTION			
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Spud well on 10/30/03. Set 330' of 9.625" surface casing & cement on 11/01/03 before moving off hole to suspend operations during critical wildlife period from November 15 through April 1st. Continue drilling operations on 7/18/04 with Excell Rig #14. Drilled out surface casing on 7/19/04 & continued drilling a 7.875" hole to 4202' TD on 7/31/04. Log well on 8/01/04. Plug and Abandonment operations were concluded and the rig released on 8/02/04. P&A operations were witnessed by the BLM's Ms. Donna Kenney. The 4 abandonment plugs were pumped by Halliburton as follows: Plug #1- 3300' to 3500'. 74 sacks of 15.6 ppg, 1.18 cf/sk cement w/3%CaCl. Pumped through drillpipe in 9.9 ppg mud. Plug # 1 was tagged with drill pipe after 3 hours WOC. Cement top for bottom plug tagged at 3300'. Plug #2 - 2485 to 2685'. 80 sacks of 15.6 ppg, 1.18 cf/sk cement w/2% CaCl. Pumped through drillpipe in 9.9 ppg mud. Plug #3 - 280 to 630'. 110 sacks of 15.6 ppg, 1.18 cf/sk cement w/2% CaCl. Pumped through drillpipe in 9.9 ppg mud. Plug #4 - 62' to Surface. 44 sacks of neat cement @ 15.6 ppg & 1.18 cf/sk. Pumped through drillpipe in 9.9 ppg mud. On 8/18/04, the surface casing was cut off 3' below ground level, cement chiseled away, and a steel plate welded over stub. This operation was witnessed by Mr. Johnny Bowen of the BLM. The location will be backfilled and reclaimed when the reserve pit is sufficiently dry. Please refer to the attached daily drilling reports and Halliburton cementing report.

RECEIVED

AUG 23 2004

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed) **E. Reed Fischer** Title **Operations Engineer**
Signature  Date **8/19/04**
DIV. OF OIL, GAS & MINING

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
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(Instructions on reverse)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

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8. Well Name and No.
Hanging Rock Fed #12-15

9. API Well No.
43-047-35085

10. Field and Pool, or Exploratory Area
Oil Springs

11. County or Parish, State
Uintah, UT

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14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed) **E. Reed Fischer** Title **Operations Engineer**

Signature _____ Date **8/19/04**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

RECEIVED

Approved by _____ Title _____ Date **SEP 09 2004**

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DIV. OF OIL, GAS & MINING

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Well Name: HANGING ROCK FEDERAL 12-15	Operator: McElvain Oil & Gas Properties
Location: SE/SE Of Sec.12, T12S, R23E	County: Uintah County, Utah
SPUD DATE: 10/10/03	API No.: 43-047-35084 35085
RIG: Excell Drilling Co. #14	Supervisor: Jim Hoch
Type of work: Drilling	Commenced Drilling: 7/19/04

10/10/03 Stubbs and Stubbs working on location. Top soil has been removed.

10/28/03 Dirt work finished on location. Stubbs and Stubbs will drill surface, line the pit and install cellor ring later this week or next.

10/29/03 Stubbs and Stubbs will start drilling surface in the morning.

10/30/03 Stubbs and Stubbs drilling 12 ¼" hole. Will run 9 5/8" surface and cement today.

11/02/03 Stubbs and Stubbs drilled 12 ¼" hole to 325'. **Ran 318' 9 5/8", H-40, 32.3#/ft, ST&C, New csg.** Unable to cement on Friday. Moved cement to Saturday. Halliburton on location to cement surface csg. RU Halliburton to cement csg. Pumped **160 sks, Type 5 cmt, 2% CaCl, .25#/sk Flocele Cmt wt. 15.6 ppg, Yield 1.18 cuft/sk.** Good return throughout the job. Stopped 5 bbls short of displacement and checked to see if cement would fall. Cement held at surface. Pumped last five bbls and cement stayed at surface. Stubbs and Stubbs will install cellor ring on Monday 11/3/03. Wood Group will install csg head on Tue. 11/14/03.

7/18/04 Contacted Ed Forsman with BLM on the 17th. Nipple up B.O.P.s. Drill Rat hole and Mouse hole: Lost Circulation in rat hole. Then SD to finish rigging up.

Present TD: 300' KB

Progress 24 Hours:

7/19/04 Test B.O.P.s. Pick up D.C.s. Tag cement @ 268'. Drill cement, float collar and shoe. Drilling 300' to 946'. Circulate & clean hole. Trip to shoe while waiting to repair survey slickline motor.

Present TD: 946' KB

Progress 24 Hours: 646'

7/20/04 Repaired slickline motor. Start trip in hole when main drive line broke at 600'. Wait on Parts from Oklahoma.

Present TD: 946' KB

Progress 24 Hours: 0'

7/21/04 Repair Rig. Trip in hole.

Present TD: 946' KB

Progress 24 Hours: 0'

Well Name: HANGING ROCK FEDERAL 12-15	Operator: McElvain Oil & Gas Properties
Location: SE/SE Of Sec.12, T12S, R23E	County: Uintah County, Utah
SPUD DATE: 10/10/03	API No.: 43-047-35084 35085
RIG: Excell Drilling Co. #14	Supervisor: Jim Hoch
Type of work: Drilling	Commenced Drilling: 7/19/04

C1 136143 , C2 4361 , C3 5906 , C4 , 913 Other 79 C5

Present TD: 3528' KB

Progress 24 Hours: 463'

7/27/04 Drilling: 3528' to 3865'. Repair rig. Work on pump, valve spring. Drilling: 3865' to 3955'. Repair Rig. Blown head gasket or cracked block in pump motor. Waiting on another pump.

Background gas 20 units

Present TD: 3955' KB

Progress 24 Hours: 427'

7/28/04 Repair Rig: wait on mud pump.

Present TD: 3955' KB

Progress 24 Hours: 0'

7/29/04 Repair Rig: wait on mud pump. Pump is in Vernal being loaded on Flat bed truck to be hauled to rig and installed.

Present TD: 3955' KB

Progress 24 Hours: 0'

7/30/04 Repair Rig: Wait on pump, install pump. TIH. Tagged up at 3496'. Wash and ream: 3496' to 3955'. Shale running hard. Raising viscosity and weight. Drilling Formation: 3955' to 4162'.

Background gas: 70 units. Trip Gas: 280 units at 3955'.

Projected formation tops: Uteland Butte Limestone 2446', Wasatch 2546', Mesaverde 4146'. Gas shows: no shows.

Present TD: 4162' KB

Progress 24 Hours: 207'

Daily Cost: \$17,313

Total Cost: \$283,631

7/31/04 Drilling: 4162' to 4178'. Survey: 1° @ 4148'. Drilling: 4178' to 4202'. Work on pump. Two swabs out. Wrong seats in pump, had to be pulled. Circulate and condition mud. Short trip: 30 stands. Hole in good shape. Circulate and condition mud. TOOH to log. RU Schlumberger. Log well.

Present TD: 4202' KB

Progress 24 Hours: 40'

8/1/04 Log well with Schlumberger. Trip in D.C.s. RU to lay down drill pipe and D.C.s, lay down D.C.s. TIH with drill pipe. Lay down 23 jts drill pipe.

Well Name: HANGING ROCK FEDERAL 12-15	Operator: McElvaIn Oil & Gas Properties
Location: SE/SE Of Sec.12, T12S, R23E	County: Uintah County, Utah
SPUD DATE: 10/10/03	API No.: 43-047-35084 35085
RIG: Excell Drilling Co. #14	Supervisor: Jim Hoch
Type of work: Drilling	Commenced Drilling: 7/19/04

Pump bottom plug, set at 3500' to 3300'. Trip out 6 stands of drill pipe. Wait on cement. Lay down 5 jts drill pipe. TOOH Plugged pipe. Repair Rig. Air line on drum clutch broke. TOOH Last two joints plugged with cement. Layed down. TIH with drill pipe. Lay Down Drill Pipe. Set plug at 2685' to 2485'.

Present TD: 4202' KB

8/2/04 Lay down drill pipe. Nipple down BOP. Clean mud pits. Rig released at 15:30, 8/2/2004.
Set 74 sx cmt. At 3500' to 3300'
Wt. ppg. 15.6 / yield c ft/sk 1.18 / gal sk 5.20, 3% calc. chlor.
Set 80 sx cmt. At 2686' to 2485'
wt. ppg. 15.6 / yield c ft/sk 1.18 / gal sk 5.20, 2 % calc. chlor.
Set 110 sx cmt. At 630' to 280 '
wt. ppg. 15.6 / yield c ft/sk 1.18 / gal sk 5.20, 2 % calc. chlor.
Set 44 sx cmt. at 62' to surface.
wt. ppg. 15.6 / yield c ft/sk 1.18 / gal sk 5.20, 2 % calc. chlor.

McElvain Oil & Gas
Log Tops

Well Name: Hanging Rock 12-15
Location: SWSE 12-T12S-R23E

API: 43-047-35085
Uintah County, UT

KB: 6046 '
TD: 4208 '

<u>Formation</u>	<u>Drilled Depth</u>	<u>Subsea</u>
Castle Peak	2126 '	3920 '
Uteland Butte	2456 '	3590 '
Wasatch	2562 '	3484 '
Mesaverde	4052 '	1994 '

Tops picked by: JEJ
Date: 9/7/2004

MCLEVAIN

HANGING ROCK 12-15

API Well No.:

**812104
UINTAH**

PTA

Customer Representative:

JIM HOCH

Halliburton Operator:

DAN HUBER

Ticket No.:

3202524

HALLIBURTON

HALLIBURTON JOB SUMMARY

SALES ORDER
3202524

TICKET DATE
8/2/04
COUNTY
UINTAH

REGION
NORTH AMERICA
MEM ID / EMPL #
121896
LOCATION
VERNAL UT
TICKET AMOUNT
BOOK CLIFFS

AREA / COUNTRY
ROCKY MOUNTAIN
H.E.S. EMPLOYEE NAME
DAN HUBER
COMPANY
MCLEVIN
WELL TYPE
02 GAS
DEPARTMENT
ZONAL ISOLATION 10003

PSL DEPARTMENT
ZONAL ISOLATION
CUSTOMER REP / PHONE
JIM HOCH
APPROVAL #
PTA

S. EMP NAME / EMP # / (EXPOSURE HOURS)	HRS	HRS	HRS	HRS
DAN HUBER 121896				
MIKE STILL 258213				
RUSS PAQUETTE 121665				

S. UNIT #S / (R / T MILES)	R / T MILES			
10286391				
10205574-10001796				

Form. Name _____ Type: _____
 Form. Thickness _____ From _____ To _____
 Cacker Type _____ Set At _____
 Bottom Hole Temp. _____ Pressure _____
 Retainer Depth _____ Total Depth _____

Tools and Accessories

Type and Size	Qty	Make
Coat Collar		
Coat Shoe		
Centralizers		
Cap Plug		
Limit Clamp		
ASKET		
Insert Float		
Guide Shoe		
Field-A		

Date	Called Out	On Location	Job Started	Job Completed
	8/1/04	8/1/04	8/1/04	8/2/04
Time	1200	1530	1902	1036

Well Data

Casing	New/Used	Weight	Size	Grade	From	To	Max. Allow
Surface							
Intermediate							
Production							
Tubing							
Drill Pipe	USED		4 1/2		0	3,500	
Open Hole			7 7/8		0	3,500	Shots/Ft.
Perforations							
Perforations							
DV Tool							

Materials

Material	Density	Lb/Gal
Fluid Type		
Disp. Fluid		
Prop. Type	Size	Lb
Prop. Type	Size	Lb
Acid Type	Gal.	%
Acid Type	Gal.	%
Surfactant	Gal.	In
IE Agent	Gal.	In
Fluid Loss	Gal/Lb	In
Gelling Agent	Gal/Lb	In
Visc. Red.	Gal/Lb	In
Breaker	Gal/Lb	In
Blocking Agent	Gal/Lb	
Perfpac Balls	Qty.	
Other		
(CL substitute		
Other		
Other		

Hours On Location		Operating Hours		Description of Job
Date	Hours	Date	Hours	
8/1/04	8.50	8/1/04	0.50	SEE JOB LOG
8/2/04	11.50	8/2/04	1.50	
Total	20.00	Total	2.00	

Ordered	Hydraulic Horsepower Avail	Used
Treating	Average Rates in BPM	Overall
Feet	Cement Left in Pipe	Reason
		SHOE JOINT

Cement Data

Stage	Sacks	Cement	Bulk/Sks	Additives	W/Rq.	Yield	Lbs/Gal
1	74	V	BULK	3% CACL2	5.20	1.18	15.6
2	80	V	BULK	2% CACL2	5.20	1.18	15.6
3	110	V	BULK	2% CACL2	5.20	1.18	15.6
4	44	V	BULK	NEAT	5.20	1.18	15.6
5			BULK				

Summary

Circulating Breakdown	Displacement Maximum	Preflush: Gal - BBI	Type:
Lost Returns	Actual TOC	Load & Bkdn: Gal - BBI	Pad:Bbl-Gal
Cmt Rtn#Bbl	Frac. Gradient	Excess /ReturnGal BBI	Calc. Disp Bbl
Average Shut In: Instant	5 Min.	Treatment: Gal - BBI	Actual Disp.
	15 Min.	Cement Slurry: Gal - BBI	Disp:Bbl-Gal
		Total Volume Gal - BBI	308 BBLs

Frac Ring #1 **Frac Ring #2** **Frac Ring #3** **Frac Ring #4**

THE INFORMATION STATED HEREIN IS CORRECT
 CUSTOMER REPRESENTATIVE 

SIGNATURE _____

CEMENT JOB SUMMARY SHEET

Job Type

PTA

Casing	Size	Weight	Grade	Measure d Depth
Surface				
Intermediate				
Production				
Tubing				
Drill Pipe	4 1/2			3,500
Open Hole	7 7/8			3,500

CEMENT DATA

Spacer	Bbls			
Cement 1 Additives	V 3% CACL2			74 Sacks
	Weight (lb/gal) 15.60	Yield (cuft/sk) 1.18	Water (gal/sk) 5.20	
Cement 2 Additives	V 2% CACL2			80 Sacks
	Weight (lb/gal) 15.60	Yield (cuft/sk) 1.18	Water (gal/sk) 5.20	
Cement 3 Additives	V 2 % CACL2			110 Sacks
	Weight (lb/gal) 15.60	Yield (cuft/sk) 1.18	Water (gal/sk) 5.20	
Cement 4 Additives	V NEAT			44 Sacks
	Weight (lb/gal) 15.60	Yield (cuft/sk) 1.18	Water (gal/sk) 5.20	
Displacement		#REF!	(lb/gal)	

CEMENTING EQUIPMENT

Provider			
Guide Shoe	ea.	Centralizers	ea.
Float Shoe	ea.	Plug Type	ea.
Float Collar	ea.	Packer	ft.
DV Tool	ft.	Retainer	ft.

HALLIBURTON JOB LOG

TICKET
3202524

TICKET DATE
8/2/04

REGION NORTH AMERICA LAND	NWA / COUNTRY ROCKY MOUNTAIN	BDA / STATE UTAH	COUNTY UINTAH
MBU ID / EMPL # 121896	H.E.S. EMPLOYEE NAME DAN HUBER	PSL DEPARTMENT ZONAL ISOLATION	
LOCATION VERNAL UT	COMPANY MCLEVAIN	CUSTOMER REP / PHONE JIM HOCH	
TICKET AMOUNT	WELL TYPE 02 GAS	APRNUM #	
WELL LOCATION BOOK CLIFFS	DEPARTMENT ZONAL ISOLATION 10003	JOB PURPOSE CODE PTA	Description
LEASE / WELL # HANGING ROCK 12-15	Well No.	SECT	TWP / RING

Chart No.	Time	Rate (BPM)	Volume (BBL/GAL)	Pmps		Press. (PSI)		Job Description / Remarks
				T	C	Tag	Cog	
	1200							CALLED OUT
	1230							PRE-TRIP SAFETY MEETING
	1530							ARRIVE LOCATION
	1531							LOCATION ASSESSMENT & SAFETY MEETING
	1545							SPOT EQUIPMENT RIG UP IRON
	1830							SAFTEY MEETING WITH CO.MAN&RIG CREW
	1902	2.6	20			169		START FRESH
	1912	3	15.8			452		START CEMENT @ 15.6 GAL 74 SKS 3500 TO 3300
	1918	1	5			-15		START FRESH
	1919	4.3				138		START MUD
	1929		40.6			224		END
	2230							PULL 5 STANDS WAIT TO TAG
								TAG @ 2984
								DRILL PIPE PLUGED 2 JOINTS
	0542	2.8	18			190		START FRESH
	0549	2.8	16.8			377		START CEMENT @ 15.6 GAL 80 SKS 2485 TO 2685
	0555	3.1	3			41		START FRESH
	0556	3.2	30.8			108		START MUD
	0606					125		END
	0937	2.6	18			80		LAY DOWN PIPE
	0944	2.7	23.1			169		START FRESH
	0952	3.1				98		START CEMENT @ 15.6 GAL 110 SKS 280 TO 630
	0953		3					START FRESH
								END
								LAY DOWN PIPE
	1030	2.1	5			22		START FRESH
	1032	2.2				36		START CEMENT @ 15.6 44 SKS 62 FEET TO SURFACE
	1035	2	5			40		SEE CEMENT TO SURFACE
	1036		7					END
								THANKS DAN & CREW

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

AMENDED REPORT FORM 8
(highlight changes)

015

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL GAS WELL DRY OTHER _____

b. TYPE OF WORK: NEW WELL HORIZ. LATS. DEEP-EN RE-ENTRY DIFF. RESVR. OTHER _____

2. NAME OF OPERATOR:
McElvain Oil & Gas Properties, Inc.

3. ADDRESS OF OPERATOR: **1050 17th St., Suite 1800** CITY **Denver** STATE **CO** ZIP **80265** PHONE NUMBER: **(303) 893-0933**

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: **971' FSL & 1965' FEL, Sec 12, T12S-R23E**
AT TOP PRODUCING INTERVAL REPORTED BELOW: **same**
AT TOTAL DEPTH: **same**

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU-57455

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT or CA AGREEMENT NAME

8. WELL NAME and NUMBER:
Hanging Rock Fed 12-15

9. API NUMBER:
4304735085

10. FIELD AND POOL, OR WILDCAT
Oil Springs

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
SWSE 12 12S 23E 6

12. COUNTY
Uintah

13. STATE
UTAH

14. DATE SPUNNED: **7/19/2004** 15. DATE T.D. REACHED: **7/31/2004** 16. DATE COMPLETED: **8/2/2004** ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL):
6034 GL, 6046 KB

18. TOTAL DEPTH: MD **4,202** TVD **4,202** 19. PLUG BACK T.D.: MD _____ TVD _____ 20. IF MULTIPLE COMPLETIONS, HOW MANY? *

21. DEPTH BRIDGE MD _____ PLUG SET: TVD _____

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
Induction/Density/Neutron/Spontaneous Potential/Gamma Ray

23. WAS WELL CORED? NO YES (Submit analysis)
WAS DST RUN? NO YES (Submit report)
DIRECTIONAL SURVEY? NO YES (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12.25	9.62" H40	32.3	12	330		Type 5 160	34	12	0

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(B)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

27. PERFORATION RECORD

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL

29. ENCLOSED ATTACHMENTS:

- ELECTRICAL/MECHANICAL LOGS GEOLOGIC REPORT DST REPORT DIRECTIONAL SURVEY
 SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION CORE ANALYSIS OTHER: **Drill Summary**

30. WELL STATUS:

RECEIVED
SEP 09 2004

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

INTERVAL B (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

INTERVAL C (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

INTERVAL D (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

33. 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.

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.

34. FORMATION (Log) MARKERS:

Name	Top (Measured Depth)
Castle Peak	2,126
Uteland Butte	2,456
Wasatch	2,562
Mesaverde	4,052

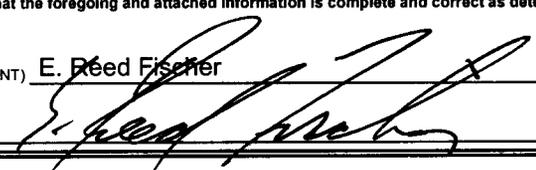
35. ADDITIONAL REMARKS (include plugging procedure)

Plug #1 (3500-3300' w/74 sx), 4 hr. Tag; Plug #2 (2686-2485' w/80 sx); Plug #3 (630-280' w/110 sx); Plug #4 (62'-12' w/44 sx)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) E. Reed Fischer

TITLE Operations Engineer

SIGNATURE 

DATE 9/6/2004

This report must be submitted within 30 days of

- completing or plugging a new well
- reentering a previously plugged and abandoned well
- drilling horizontal laterals from an existing well bore
- significantly deepening an existing well bore below the previous bottom-hole depth
- recompleting to a different producing formation
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top -- Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

RECEIVED

SEP 09 2004

DIV. OF OIL, GAS & MINING

Well Name: HANGING ROCK FEDERAL 12-15	Operator: McElvairn Oil & Gas Properties
Location: SE/SE Of Sec.12, T12S, R23E	County: Uintah County, Utah
SPUD DATE: 10/10/03	API No.: 43-047-35084
RIG: Excell Drilling Co. #14	Supervisor: Jim Hoch
Type of work: Drilling	Commenced Drilling: 7/19/04

10/10/03 Stubbs and Stubbs working on location. Top soil has been removed.

10/28/03 Dirt work finished on location. Stubbs and Stubbs will drill surface, line the pit and install cellar ring later this week or next.

10/29/03 Stubbs and Stubbs will start drilling surface in the morning.

10/30/03 Stubbs and Stubbs drilling 12 1/4" hole. Will run 9 5/8" surface and cement today.

11/02/03 Stubbs and Stubbs drilled 12 1/4" hole to 325'. **Ran 318' 9 5/8", H-40, 32.3#/ft, ST&C, New csg.** Unable to cement on Friday. Moved cement to Saturday. Halliburton on location to cement surface csg. RU Halliburton to cement csg. Pumped 160 sks, **Type 5 cmt, 2% CaCl, .25#/sk Flocele Cmt wt. 15.6 ppg, Yield 1.18 cuft/sk.** Good return throughout the job. Stopped 5 bbls short of displacement and checked to see if cement would fall. Cement held at surface. Pumped last five bbls and cement stayed at surface. Stubbs and Stubbs will install cellar ring on Monday 11/3/03. Wood Group will install csg head on Tue. 11/14/03.

7/18/04 Contacted Ed Forsman with BLM on the 17th. Nipple up B.O.P.s. Drill Rat hole and Mouse hole: Lost Circulation in rat hole. Then SD to finish rigging up.

Present TD: 300' KB

Progress 24 Hours:

7/19/04 Test B.O.P.s. Pick up D.C.s. Tag cement @ 268'. Drill cement, float collar and shoe. Drilling 300' to 946'. Circulate & clean hole. Trip to shoe while waiting to repair survey slickline motor.

Present TD: 946' KB

Progress 24 Hours: 646'

7/20/04 Repaired slickline motor. Start trip in hole when main drive line broke at 600'. Wait on Parts from Oklahoma.

Present TD: 946' KB

Progress 24 Hours: 0'

7/21/04 Repair Rig. Trip in hole.

Present TD: 946' KB

Progress 24 Hours: 0'

Well Name: HANGING ROCK FEDERAL 12-15	Operator: McElvain Oil & Gas Properties
Location: SE/SE Of Sec.12, T12S, R23E	County: Uintah County, Utah
SPUD DATE: 10/10/03	API No.: 43-047-35084
RIG: Excell Drilling Co. #14	Supervisor: Jim Hoch
Type of work: Drilling	Commenced Drilling: 7/19/04

C1 136143 , C2 4361 , C3 5906 , C4 , 913 Other 79 C5

Present TD: 3528' KB Progress 24 Hours: 463'

7/27/04 Drilling: 3528' to 3865'. Repair rig. Work on pump, valve spring. Drilling: 3865' to 3955'. Repair Rig. Blown head gasket or cracked block in pump motor. Waiting on another pump.

Background gas 20 units

Present TD: 3955' KB Progress 24 Hours: 427'

7/28/04 Repair Rig: wait on mud pump.

Present TD: 3955' KB Progress 24 Hours: 0'

7/29/04 Repair Rig: wait on mud pump. Pump is in Vernal being loaded on Flat bed truck to be hauled to rig and installed.

Present TD: 3955' KB Progress 24 Hours: 0'

7/30/04 Repair Rig: Wait on pump, install pump. TIH. Tagged up at 3496'. Wash and ream: 3496' to 3955'. Shale running hard. Raising viscosity and weight. Drilling Formation: 3955' to 4162'.

Background gas: 70 units. Trip Gas: 280 units at 3955'.
Projected formation tops: Uteland Butte Limestone 2446', Wasatch 2546', Mesaverde 4146'. Gas shows: no shows.

Present TD: 4162' KB Progress 24 Hours: 207'
Daily Cost: \$17,313 Total Cost: \$283,631

7/31/04 Drilling: 4162' to 4178'. Survey: 1° @ 4148'. Drilling: 4178' to 4202'. Work on pump. Two swabs out. Wrong seats in pump, had to be pulled. Circulate and condition mud. Short trip: 30 stands. Hole in good shape. Circulate and condition mud. TOO H to log. RU Schlumberger. Log well.

Present TD: 4202' KB Progress 24 Hours: 40'

8/1/04 Log well with Schlumberger. Trip in D.C.s. RU to lay down drill pipe and D.C.s, lay down D.C.s. TIH with drill pipe. Lay down 23 jts drill pipe.

Well Name: HANGING ROCK FEDERAL 12-15	Operator: McElvain Oil & Gas Properties
Location: SE/SE Of Sec.12, T12S, R23E	County: Uintah County, Utah
SPUD DATE: 10/10/03	API No.: 43-047-35084
RIG: Excell Drilling Co. #14	Supervisor: Jim Hoch
Type of work: Drilling	Commenced Drilling: 7/19/04

Pump bottom plug, set at 3500' to 3300'. Trip out 6 stands of drill pipe. Wait on cement. Lay down 5 jts drill pipe. TOOH Plugged pipe. Repair Rig. Air line on drum clutch broke. TOOH Last two joints plugged with cement. Layed down. TIH with drill pipe. Lay Down Drill Pipe. Set plug at 2685' to 2485'.

Present TD: 4202' KB

8/2/04 Lay down drill pipe. Nipple down BOP. Clean mud pits. Rig released at 15:30, 8/2/2004.
Set 74 sx cmt. At 3500' to 3300'
Wt. ppg. 15.6 / yield c ft/sk 1.18 / gal sk 5.20, 3% calc. chlor.
Set 80 sx cmt. At 2686' to 2485'
wt. ppg. 15.6 / yield c ft/sk 1.18 / gal sk 5.20, 2 % calc. chlor.
Set 110 sx cmt. At 630' to 280 '
wt. ppg. 15.6 / yield c ft/sk 1.18 / gal sk 5.20, 2 % calc. chlor.
Set 44 sx cmt. at 62' to surface.
wt. ppg. 15.6 / yield c ft/sk 1.18 / gal sk 5.20, 2 % calc. chlor.

MCLEVAIN

HANGING ROCK 12-15

API Well No.:

**812104
UINTAH**

PTA

Customer Representative:

JIM HOCH

Halliburton Operator:

DAN HUBER

Ticket No.:

3202524

HALLIBURTON

HALLIBURTON JOB SUMMARY

SALES ORDER NUMBER

3202

TICKET DATE

8/20/04

REGION
NORTH AMERICA

AREA / COUNTRY
ROCKY MOUNTAIN

SDA / STATE
UTAH

COUNTY
UINTAH

WBU # / EMPL #
121896

H.E.S. EMPLOYEE NAME
DAN HUBER

PSL DEPARTMENT
ZONAL ISOLATION

LOCATION
VERNAL UT

COMPANY
MCLEVIN

CUSTOMER REP / PHONE
JIM HOCH

TICKET AMOUNT

WELL TYPE
02 GAS

APPROX #

WELL LOCATION
BOOK CLIFFS

DEPARTMENT
ZONAL ISOLATION 10003

SAP BOMB NUMBER

JOB TYPE
PTA

LEASE NAME

Well No.

SEC /

TWP /

RMS

HANGING ROCK 12-15

H.E.S. EMP NAME / EMP # / (EXPOSURE HOURS)	HRS	HRS	HRS	HRS
DAN HUBER 121896				
MIKE STILL 258213				
RUSS PAQUETTE 121665				

H.E.S. UNIT #S / (R / T MILES)	R / T MILES			
10286391				
10205574-10001796				

Form. Name _____ Type: _____
 Form. Thickness _____ From _____ To _____
 Packer Type _____ Set At _____
 Bottom Hole Temp. _____ Pressure _____
 Retainer Depth _____ Total Depth _____

Date	Called Out	On Location	Job Started	Job Completed
	8/1/04	8/1/04	8/1/04	8/2/04
Time	1200	1530	1902	1036

Tools and Accessories

Type and Size	Qty	Make
Float Collar		
Float Shoe		
Centralizers		
Top Plug		
Limit Clamp		
BASKET		
Insert Float		
Guide Shoe		
Weld-A		

Well Data

Casing	New/Used	Weight	Size	Grade	From	To	Max. Allow
Surface							
Intermediate							
Production							
Tubing							
Drill Pipe	USED		4 1/2		0	3,500	
Open Hole			7 7/8		0	3,500	Shots/Ft.
Perforations							
Perforations							
DV Tool							

Materials

Mud Type	Density	Lb/Gal
Disp. Fluid		
Prop. Type	Size	Lb
Prop. Type	Size	Lb
Acid Type	Gal.	%
Acid Type	Gal.	%
Surfactant	Gal.	in
NE Agent	Gal.	in
Fluid Loss	Gal/Lb	in
Gelling Agent	Gal/Lb	in
Fric. Red.	Gal/Lb	in
Breaker	Gal/Lb	in
Blocking Agent	Gal/Lb	
Perfpac Balls	Qty.	
Other		
KCL substitute		
Other		
Other		
Other		

Hours On Location		Operating Hours		Description of Job
Date	Hours	Date	Hours	
8/1/04	8.50	8/1/04	0.50	SEE JOB LOG
8/2/04	11.50	8/2/04	1.50	
Total 20.00		Total 2.00		

Ordered	Hydraulic Horsepower Avail.	Used
Treating	Average Rates in BPM	Overall
	Disp.	
Feet	Cement Left in Pipe	Reason
		SHOE JOINT

Cement Data

Stage	Sacks	Cement	Bulk/Sks	Additives	W/Rq.	Yield	Lbs/Gal
1	74	V	BULK	3% CACL2	5.20	1.18	15.6
2	80	V	BULK	2% CACL2	5.20	1.18	15.6
3	110	V	BULK	2% CACL2	5.20	1.18	15.6
4	44	V	BULK	NEAT	5.20	1.18	15.6
5			BULK				

Summary

Circulating Breakdown	Displacement Maximum	Preflush: Gal - BBI	Type:
Lost Returns		Load & Bkdn: Gal - BBI	Pad: Bbl - Gal
Cmt Rtn#Bbl	Actual TOC	Excess /Return Gal BBI	Calc. Disp Bbl
Average	Frac. Gradient	Calc. TOC:	Actual Disp.
Shut In: Instant	5 Min. 15 Min.	Treatment: Gal - BBI	Disp. Bbl - Gal
		Cement Slurry: Gal - BBI	
		Total Volume Gal - BBI	308 BBLs

Frac Ring #1 | Frac Ring #2 | Frac Ring #3 | Frac Ring #4

THE INFORMATION STATED HEREIN IS CORRECT
 CUSTOMER REPRESENTATIVE 

SIGNATURE

CEMENT JOB SUMMARY SHEET

Job Type	PTA			
Casing	Size	Weight	Grade	Measure d Depth
Surface				
Intermediate				
Production				
Tubing				
Drill Pipe	4 1/2			3,500
Open Hole	7 7/8			3,500

CEMENT DATA

Spacer	Bbls		
Cement 1 Additives	V 3% CACL2		74 Sacks
	Weight (lb/gal) 15.60	Yield (cuft/sk) 1.18	Water (gal/sk) 5.20
Cement 2 Additives	V 2% CACL2		80 Sacks
	Weight (lb/gal) 15.60	Yield (cuft/sk) 1.18	Water (gal/sk) 5.20
Cement 3 Additives	V 2 % CACL2		110 Sacks
	Weight (lb/gal) 15.60	Yield (cuft/sk) 1.18	Water (gal/sk) 5.20
Cement 4 Additives	V NEAT		44 Sacks
	Weight (lb/gal) 15.60	Yield (cuft/sk) 1.18	Water (gal/sk) 5.20
Displacement	#REF!	(lb/gal)	

CEMENTING EQUIPMENT

Provider			
Guide Shoe	ea.	Centralizers	ea.
Float Shoe	ea.	Plug Type	ea.
Float Collar	ea.	Packer	ft.
DV Tool	ft.	Retainer	ft.

HALLIBURTON JOB LOG

REGION NORTH AMERICA LAND		HWA / COUNTRY ROCKY MOUNTAIN		TICKET 3202524	TICKET DATE 8/2/04
MBU ID / EMPL # 121896		H.E.S EMPLOYEE NAME DAN HUBER		BDA / STATE UTAH	COUNTY UINTAH
LOCATION VERNAL UT		COMPANY MCLEVIN		PSL DEPARTMENT ZONAL ISOLATION	
TICKET AMOUNT		WELL TYPE 02 GAS		CUSTOMER REP / PHONE JIM HOCH	
WELL LOCATION BOOK CLIFFS		DEPARTMENT ZONAL ISOLATION 10003		JOB PURPOSE CODE PTA	Description
LEASE/WELL # HANGING ROCK 12-15	Well No.	SEC7	TWP /	RING	

Chart No.	Time	Rate (BPM)	Volume (GAL)	Pmps		Press.(PSI)		Job Description / Remarks
				T	C	Tbg	Cog	
	1200							CALLED OUT
	1230							PRE-TRIP SAFETY MEETING
	1530							ARRIVE LOCATION
	1531							LOCATION ASSESSMENT & SAFETY MEETING
	1545							SPOT EQUIPMENT RIG UP IRON
	1830							SAFTEY MEETING WITH CO.MAN&RIG CREW
	1902	2.6	20			169		START FRESH
	1912	3	15.8			452		START CEMENT @ 15.6A GAL 74 SKS 3500TO 3300
	1918	1	5			-15		START FRESH
	1919	4.3				138		START MUD
	1929		40.6			224		END
	2230							PULL 5 STANDS WAIT TO TAG
								TAG @ 2984
								DRILL PIPE PLUGED 2 JOINTS
	0542	2.8	18			190		START FRESH
	0549	2.8	16.8			377		START CEMENT @ 15.6A GAL 80 SKS 2485 TO 2685
	0555	3.1	3			41		START FRESH
	0556	3.2	30.8			108		START MUD
	0606					125		END
								LAY DOWN PIPE
	0937	2.6	18			80		START FRESH
	0944	2.7	23.1			169		START CEMENT @ 15.6A GAL 110 SKS 280 TO 630
	0952	3.1				98		START FRESH
	0953		3					END
								LAY DOWN PIPE
	1030	2.1	5			22		START FRESH
	1032	2.2				36		START CEMENT @ 15.6 44 SKS 62 FEET TO SURFACE
	1035	2	5			40		SEE CEMENT TO SURFACE
	1036		7					END
								THANKS DAN & CREW