



**Texaco Exploration
and Production Inc.**
Denver Region

3300 North Butler
Farmington, NM 87401
505 325-4397

November 4, 1999

Ms. Lisha Cordova
State of Utah Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Re: Texaco Year 2000 Drilling Wells
Notice of Staking

Dear Lisha:

Attached for your information please find Texaco Exploration and Production, Inc.'s Notice Of Staking (NOS) forms for each of our thirteen (13) Year 2000 drilling wells. Included with each NOS is a location layout drawing and a project location map showing the referenced well. The original and two copies were submitted to Mr. Eric Jones in the BLM office in Moab, Utah. All of the wells will be on Federal land.

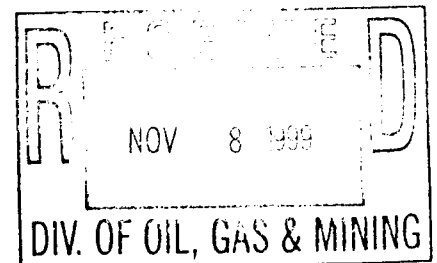
WELL	SECTION	RANGE	TOWNSHIP	FOOTAGE	FOOTAGE	SURF ELEV.	Anticipated Total Depth
22-69	22	18S	7E	870'FNL	562' FEL	6350	3405
22-83	22	18S	7E	480'FSL	1790'FEL	6390	3335
23-84	23	18S	7E	2151'FSL	398'FWL	6200	3140
27-85	27	18S	7E	1690'FNL	2320'FWL	6480	3395
27-86	27	18S	7E	1394'FNL	574'FEL	6390	3230
27-87	27	18S	7E	780'FSL	890'FEL	6740	3560
26-88	26	18S	7E	1816'FNL	897'FWL	6400	3175
35-89	35	18S	7E	1780'FSL	830'FWL	6310	3035
27-90	27	18S	7E	1960'FSL	630'FWL	6550	3500
22-91	22	18S	7E	951'FNL	1973'FWL	6490	3610
3-92	3	18S	7E	605'FSL	1718'FWL	6400	3690
3-93	3	18S	7E	2006'FNL	1233'FWL	6520	3820
21-94	21	18S	7E	512'FNL	547'FEL	6720	3920

Please feel free to contact Richard Carr or myself at the above number if you have any questions.

Sincerely,

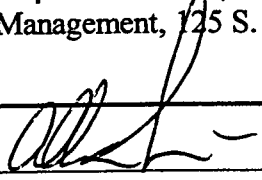
Allen R. Davis
Farmington Production Team Leader

cc: Mr. Joe Mc Henry, Texaco
Allen Childs, Talon Resources
Farmington well file



RNC/mc

NOTICE OF STAKING (Not to be used in place of Application for Permit to Drill Form 3160-3)		6. Lease Number UTU-66719
1. Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other (Specify)		7. If Indian, Allottee or Tribe Name N/A
2. Name of Operator: Texaco Exploration And Production, Inc.		8. Unit Agreement Name N/A
3. Name of Specific Contact Person: Richard Carr		9. Farm or Lease Name FEDERAL 'C'
4. Address & Phone No. of Operator or Agent 3300 North Butler, Farmington, Nm 87401		10. Well No. 23-84
5. Surface Location of Well Attach: a) Sketch showing road entry onto pad, pad dimensions, and reserve pit. b) Topographical or other acceptable map showing location, access road, and lease boundaries. 2151' FSL & 398' FWL		11. Field or Wildcat Name Undesignated
		12. Sec., T., R., M., or Blk. and Survey or Area 23, T18S, R7E, SLB&M
		13. County, Parish or Borough EMERY
15. Formation Objective Ferron Coals & Sands	16. Estimated Well Depth 3140'	14. State UTAH
17. Additional Information (as appropriate; must include surface owner's name, address, and telephone number) Bureau of Land Management, 125 S. 600 W., Price, UT 84501 (435)636-3640		

18. Signed  **Title** Production Supervisor

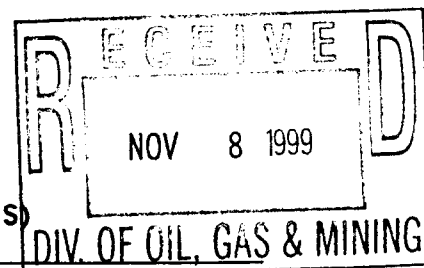
Date October 18, 1999

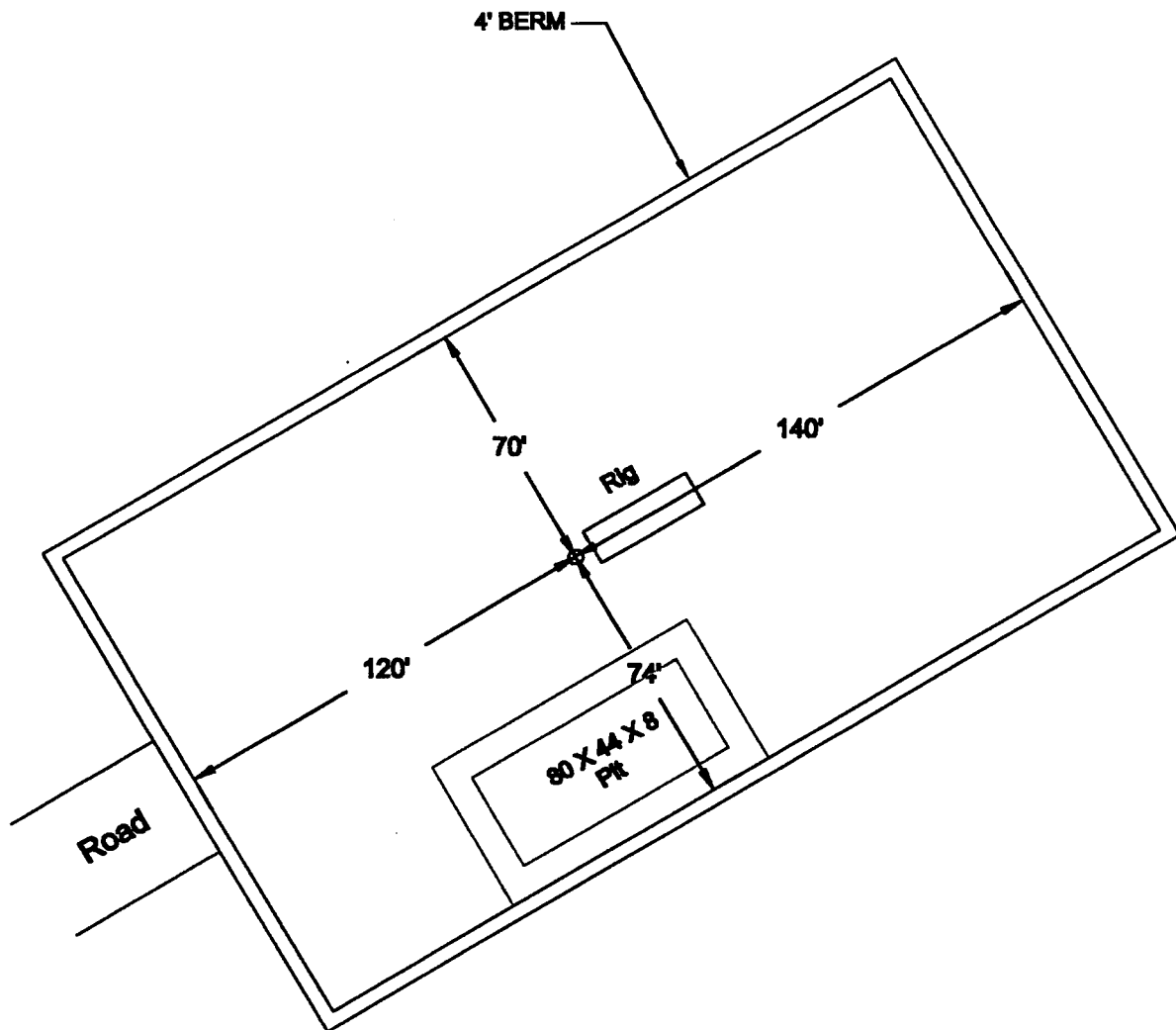
Note: Upon Receipt of this Notice, the Bureau of Land Management (BLM) will schedule the date of the onsite predrill inspection and notify you accordingly. The location must be staked and access road must be flagged prior to the onsite.

Operators must consider the following prior to the onsite:

- a) H₂S Potential
- b) Cultural Resources (Archaeology)
- c) Federal Right-of-Way or Special Use Permit

(IMPORTANT: SEE REVERSE SIDE FOR INSTRUCTIONS)





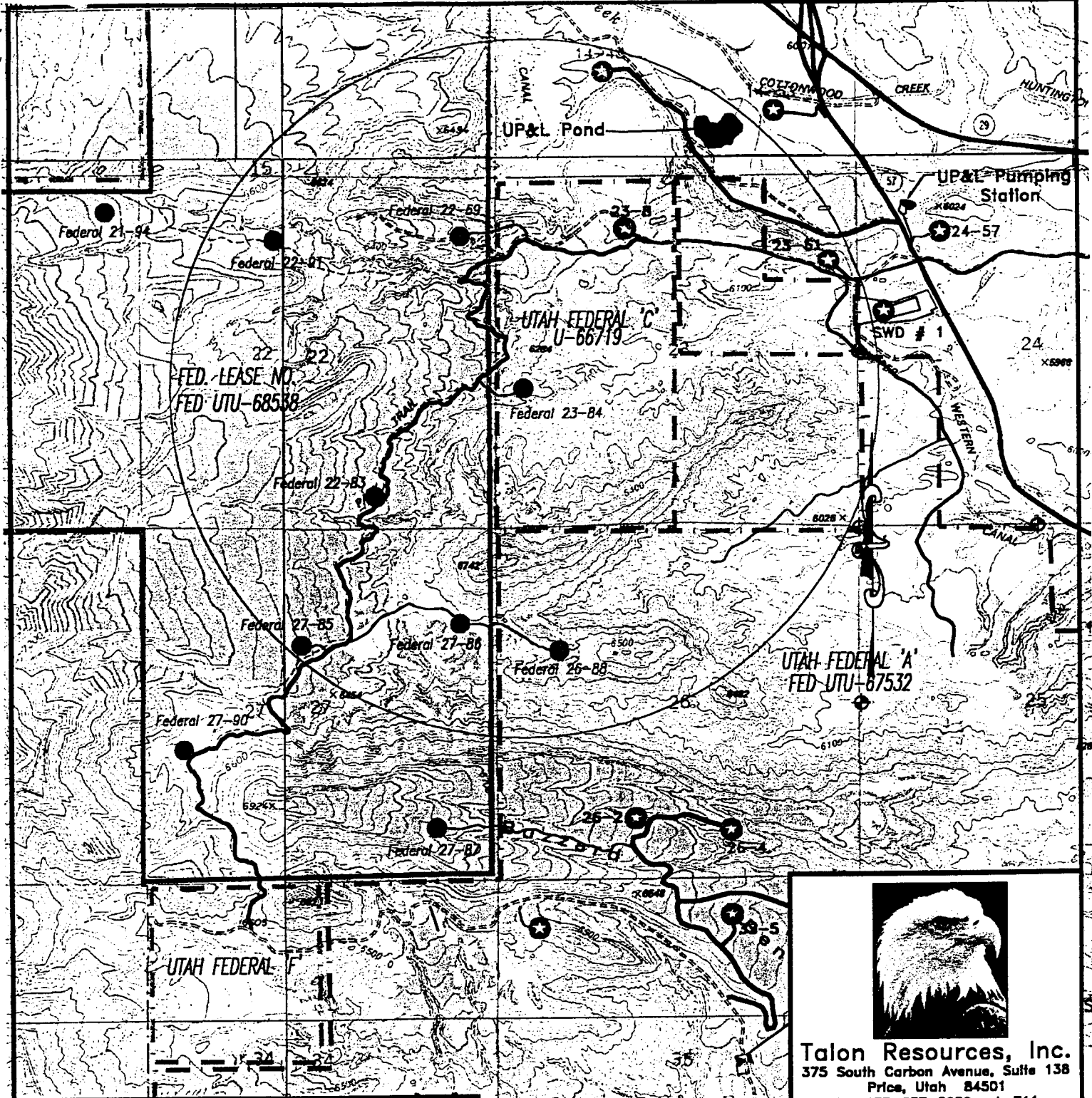
Federal 23-84
2151' FSL 398' FWL
NW/4 SW/4
Section 23, T18S, R7E
UTU-66719








Talon Resources, Inc.
 375 South Carbon Avenue, Suite 138
 Price, Utah 84501
 Ph: 435-637-5032 ext. 711
 Fax: 435-748-5085

TEXACO
 EXPLORATION & PRODUCTION
 LOCATION LAYOUT
 Section 23, T18S, R7E, S.L.B.&M.
 Federal 23-84

Drawn By D. Robertson	Checked By L.W.J.
Drawing No. <i>P-1</i>	Date 10/14/99
	Scale 1" = 50'
Sheet 1 of 1	Job No. 050





Legend

- 
35-6 *Texaco Existing Well Location and Number*
- 
27-87 *Proposed Well Location and Number*
- 
*Main Travel Roads
Access and/or Upgraded Roads*
- 
Unimproved Road
- 
Existing Gas and Water



Talon Resources, Inc.
 375 South Carbon Avenue, Suite 138
 Price, Utah 84501
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 Fax: 435-748-5085

 **TEXACO** 
 EXPLORATION & PRODUCTION
 PROJECT LOCATION MAP
 Section 23, T18S, R7E, S.L.B.&M.
Federal 23-84

Drawn By D. Robertson	Checked By L.W.J.
Drawing No. P-1	Date 10/18/99
	Scale 1" = 2000'
Sheet 2 of 2	Job No. 050



Talon Resources, Inc.

Service, Quality and Accuracy

375 South Carbon Avenue A-10
Suite 101
Price, Utah 84501
Phone: 435-637-8781
435-637-5032 Ext 710/711

Cell: 801-650-1401
801-650-1402
Fax: 435-637-7336
Email: talon@castlenet.com

RECEIVED

JAN 31 2000

**DIVISION OF
OIL, GAS AND MINING**

January 26, 2000

Mr. Eric Jones
Petroleum Engineer
82 East Dogwood
Moab, Utah 84532

RE: Application for Permit to Drill—Federal C 23-84, Emery County, Utah
2152' FSL, 381' FWL, Section 23, T18S, R7E, SLB&M.

Dear Mr. Jones:

On behalf of Texaco Exploration and Production, Inc. Talon Resources, Inc. respectfully submits the enclosed original of the *Application for Permit to Drill (APD)* for the above named well. A request for exception to spacing has also been included since the well is located outside the 460' spacing window. Included with the APD is the following supplemental information:

- Exhibit "A" - Survey plats and layouts of the proposed well site;
- Exhibit "B" - Proposed location map with pipe, power, and road corridors;
- Exhibit "C" - Drilling site layout;
- Exhibit "D" - Onsite Inspection Checklist;
- Exhibit "E" - Well site layout;
- Exhibit "F" - Typical road cross-section;
- Exhibit "G" - Typical BOP diagram;
- Exhibit "H" - Typical wellhead manifold diagram;
- Exhibit "I" - Right-of-way plat

Please accept this letter as Texaco Exploration and Production's written request for confidential treatment of all information contained in and pertaining to this permit application, if said information is eligible for such consideration.

Thank you very much for your timely consideration of this application. Please feel free to contact myself or Mr. Richard Carr at Texaco if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Larry W. Johnson", with a long horizontal flourish extending to the right.

Larry W. Johnson
Principal

cc: Mr. Mike Kaminski, BLM, Price, Utah
Mr. John Baza, UDOGM,
Mr. Allen Davis, Texaco
Mr. Richard Carr, Texaco
Texaco Well File

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

5. LEASE DESIGNATION AND SERIAL NO. **U111-66719**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME **N/A**

7. UNIT AGREEMENT NAME **N/A**

8. FARM OR LEASE NAME, WELL NO. **Federal C 23-84**

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT **Undesignated**

11. SEC., T., R., M., OR BLK. **N^E NW/4 SW/4, Section 23, T18S, R7E, SLB&M**

12. COUNTY OR PARISH **Emery** 13. STATE **Utah**

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* **3.4 miles northwest of Orangeville, Utah**

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) **381'**

16. NO. OF ACRES IN LEASE **323.79**

17. NO. OF ACRES ASSIGNED TO THIS WELL **160 acres**

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. - **4000'**

19. PROPOSED DEPTH **3240'**

20. ROTARY OR CABLE TOOLS **Rotary**

21. ELEVATIONS (Show whether DF, RT, GR, etc.) **6192' GR**

22. APPROX. DATE WORK WILL START* **April 2000**

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8" H-40 ST&C	36	300'	180 sacks Class G cement + 2% CaCl ₂ + 0.25 pps cellophane flakes
8-3/4"	7" N-80 LT&C	26	3240'	75 sacks 10:1 RFC Class G cement + 0.25 pps cellophane flakes

RECEIVED

JAN 31 2000

**DIVISION OF
OIL, GAS AND MINING**

**Federal Approval of this
Action is Necessary**

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED [Signature] TITLE FARMINGTON D. U. TEAM LEADER DATE 1/7/2000

(This space for Federal or State office use)
PERMIT NO. 43-015-30447 APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY [Signature] TITLE BRADLEY G. HILL DATE 4/20/00
RECLAMATION SPECIALIST III

***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 or the

Range 7 East

N89°34'29"W - 5321.34'

(S89°47'W - 2702.7')

(S89°29'W - 2671.68')

Township 18 South

N00°05'56"E - 2676.31'
(N00°04'E - 2674.32')

(N00°02'E - 2669.04')

23

504.6'

381.2'

Drill hole 23-84
Elevation 6192.0'

(N00°05'E - 2676.30')
N00°05'00"E - 2676.30'

(S88°37'W - 2741.64')

(N88°53'W - 2653.86')

S89°52'39"W - 5387.25'

Legend

- Drill Hole Location
- ⊙ Brass Cap (Found)
- Brass Cap (Searched for, but not found)
- △ Calculated Corner
- () GLO
- GPS Measured

Location:

The Bearings indicated are per the recorded plat obtained from the U.S. Land Office. The well location was determined using a Trimble 4700 GPS survey grade unit.

Basis of Elevation:

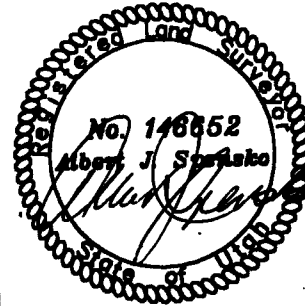
Basis of Elevation of 6006.86' being a Utah State Engineer's benchmark located between Section 25 and Section 26, T18S., R9E., Salt Lake Base & Meridian, 350' South of the Northwest Corner of Section 25, Township 18 South, Range 7 East.

Description of Location:

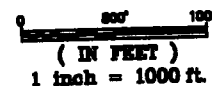
Proposed Drill Hole located in the NW 1/4, SW 1/4 of Section 23; being 504.6' South and 381.2' East from the West Quarter Corner of Section 23, T18S., R7E., Salt Lake Base and Meridian.

Surveyor's Certificate:

I, Albert J. Spensko, a Registered Professional Land Surveyor, holding Certificate 146652 State of Utah, do hereby certify that the information on this drawing is a true and accurate survey based on data of record and was conducted under my personal direction and supervision as shown hereon.



GRAPHIC SCALE



Talon Resources, Inc.
375 South Carbon Avenue, Suite 126
Preston, Utah 84501
Ph: 435-637-5032 ext. 711
Fax: 435-748-5085



TEXACO E & P
WELL # 23-84



Section 23, T18S., R7E., S.L.B.&M.
Emery County, Utah

Drawn By D. Robertson	Checked By L.W.J.
Drawing No. A-1	Date 11/19/99
	Scale 1" = 1000'
Sheet 1 of 4	Job No. 050



Proposed 2000 wellsite

Federal C 23-84

Texaco Exploration and Production, Inc.

**BUREAU OF LAND MANAGEMENT
MOAB DISTRICT
APPLICATION FOR PERMIT TO DRILL
ON-SITE INSPECTION CHECKLIST**

Operator: Texaco Exploration and Production, Inc
Lease and Well Name: Federal C 23-84
Location: NW/4 SW/4, Section 23, T18S, R7E, SLB&M
Onsite Inspection Date: None

All operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Orders, the approved plan of operations and the conditions of approval. 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.

1. **Surface Formation and Estimated Formation Tops:**

<u>Formation</u>	<u>Depth</u>
Bluegate Shale	100'
Top of "A" Coal	2810'
Total Depth	3240'

2. **Estimated Depths at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered:**

Expected Oil Zones:	None
Expected Gas Zones:	Ferron coals at 2810' to 2940'
Expected Water Zones:	Ferron coals at 2810' to 2940'
Expected Mineral Zones:	None

All Fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and will be cased and cemented. When possible, water flow rates will be measured and samples will be taken and analyzed with the results being submitted to the BLM. All oil and gas shows will be tested to determine commercial potential.

3. **Pressure Control Equipment:**

The proposed pressure control equipment consists of the following:

- a. Rotating head
 - b. 3000 psi WP hydraulic-operated double ram
- (See attached schematic drawings of the BOP and choke manifold)

BOP systems shall be consistent with API RP53 and Onshore Oil and Gas Order No. 2. Pressure tests for the surface casing and all BOP equipment potentially subject to pressure will be conducted before drilling the surface casing shoe. Blowout preventer controls will be installed prior to drilling the surface casing shoe and will remain in use until the well is completed or abandoned. BOP equipment will be inspected and operated daily to ensure good mechanical working order. The ram preventers shall be inspected and operated each trip (no more than once a day is require).

Pressure tests will be performed on all related well control equipment. Ram type preventers and associated equipment shall be tested using a test plug to full working pressure. The test pressure shall be maintained for at least 10 minutes with no bleed off. The valve on the casing head below the test plug shall be open during the BOP test.

As a minimum, the above pressure test shall be performed when:

- a. The stack is initially installed (prior to drilling out of the surface casing),
- b. Any seal subject to pressure is broken,
- c. Following repairs to any part of the BOP system, and
- d. At 30 day intervals.

All valves shall be tested from the working pressure side with all downstream valves open.

A BOP pit level drill shall be conducted weekly for each drilling crew.

All of the above described tests and drills shall be recorded in the drilling log. Test charts, with individual test results identified, shall be maintained on location while drilling and shall be available upon request.

Drill string safety valves to fit all tools in the drill string shall be maintained on the rig floor while drilling operations are in progress.

4. **Casing Program and Auxiliary Equipment:**

- a. The following surface casing will be set at 300' in a 12-1/4" hole:
9-5/8" 36 lbs/ft H-40 ST&C (new ERW pipe)
- b. The following production casing will be set at 3240' (TD) through the Ferron coal section in a 8-3/4" hole:
7" 26 lbs/ft N-80 LT&C (new ERW pipe)

5. **Cement Program:**

<u>Surface:</u> 0' to 300' (TOC at surface)	<u>Type and Amount</u> 180 sacks Class G cement + 2% CaCl ₂ + 0.25 pps cellophane flakes Yield: 1.16 cf/sack Weight: 15.8 ppg (The above volume assumes 100% excess over gauge hole)
---	--

<u>Production:</u> 2386' to 3240' (TOC at 2386')	<u>Type and Amount</u> 75 sacks 10:1 RFC Class G cement + 0.25 pps cellophane flakes Yield: 1.62 cf/sack Weight: 14.2 ppg (The above volume assumes 50% excess over gauge hole)
--	--

6. **Mud Program:**

<u>Interval</u>	<u>Mud Type</u>	<u>Mud Weight</u>	<u>Viscosity</u>
0' - 300'	Air	N/A	N/A
300' - TD	Air	N/A	N/A

The Blooie line will be approximately 100' in length and will extend in a straight line from below the rotating head as shown in the attached Rig Layout schematic. An automatic spark-type igniter will be affixed to the end of the blooie line and set to provide a continuous spark to ignite and burn any produced hydrocarbon gas. Dedusting will be accomplished with a small pump, water line and spray nipple affixed near the end of the blooie line to provide a continuous spray of water. It is not planned to have any standby fluid on location, however if it is necessary to fill the hole with fluid, produced Ferron coal water will be trucked in as necessary from a nearby evaporation pit.

In the event the hole gets wet, either mist or produced Ferron coal water treated with bactericide will be used as a circulating medium. Due to the potential for contamination of usable quality water aquifers, material containing chromates will not be used in the circulating medium.

7. **Coring Logging and Testing Program:**

- a. No drill stem test is planned.
- b. No coring is planned
- c. The logging program will consist of a GR-CNL-LDT log from 2000' to TD, an AITH (array induction) log from base of the surface casing to TD, and an HRCL (high-resolution coal log) from 3000' to TD.

8. **Abnormal Conditions, Bottom Hole Pressures and Potential Hazards:**

- a. The maximum anticipated bottom hole pressure gradient in any of the zones to be penetrated is 8.33 ppg (fresh water gradient).
- b. Lost circulation is a potential hazard in the Ferron coal section in the event the hole gets wet and water must be used as the circulating medium.
- c. No abnormal temperatures are anticipated.
- d. No H₂S gas is anticipated.

9. **Lessee's Operator's Representatives:**

Permit Matters

Texaco Exploration and Production, Inc.
Ron Wirth
Production Supervisor
P.O. Box 618
Orangeville, Utah 84537

Drilling and Completion Matters

Texaco Exploration and Production, Inc.
David Wojahn
Drilling Engineer
4601 DTC Boulevard
Denver, Colorado 80237
(303) 793-4918
(303) 793-4000 (switchboard)
(303) 771-0866 (home)

Bureau of Land Management
Moab District
Application for Permit to Drill
On-Site Inspection Checklist

Company: Texaco Exploration & Production, Inc. Well No.: Federal 23-84

Location: *Section 23, T18S, R7E SLB & M*

Lease No.: Federal UTU-66719

On-Site Inspection Date: January 20, 2000

B. THIRTEEN POINT SURFACE USE PLAN

The dirt contractor will be provided with an approved copy of the surface use plan of operations before initiating construction.

1. Existing Roads:

- a. Proposed route to location: *See Exhibit "B".*
- b. Location of proposed well in relation to town or other reference point: *Approximately 3.4 miles northwest of Orangeville, UT.*
- c. Contact the County Road Department for use of county roads. The use of Emery County roads will require an encroachment permit from the Emery County Road Department:
N/A
- d. Plans for improvement and/or maintenance of existing roads: *N/A*
- e. Other:

2. Planned Access Roads:

- a. Location (centerline): *From the existing 23-51 access road, approximately 1000' FNL, 150' FEL, Section 23, T18S, R7E.*
- b. Length of new access to be constructed: *Approximately 4400'*
- c. Length of existing roads to be upgraded: *Approximately 1100'*
- d. Maximum total disturbed width: *60'*
- e. Maximum travel surface width: *25'*
- f. Maximum grades: *10%*
- g. Turnouts: *None*
- h. Surface materials: *Native*
- i. Drainage (crowning, ditching, culverts, etc): *Roads will be crowned with bar ditches on both sides with approximately 24 culverts placed along new road.*

- j. **Cattleguards:** *No cattleguards will be needed, Gates will be installed if required.*
- k. **Length of new and/or existing roads** which lie outside the lease boundary for which a BLM right-of-way is required: *Approximately 600', see Exhibit "I"*
- l. **Other:**

Surface disturbance and vehicular travel will be limited to the approved location access road. Any additional area needed must be approved by the Area Manager in advance.

If a right-a-way is necessary, no surface disturbing activities shall take place on the subject right-of-way until the associated APD is approved. The holder will adhere to conditions of approval in the Surface Use Program of the approved APD, relevant to any right-of-way facilities.

If a right-of-way is secured, boundary adjustments in the lease or unit shall automatically amend this right-of-way to include that portion of the facility no longer contained within the lease or unit. In the event of an automatic amendment to this right-of way grant, the prior onlease/unit conditions of approval of this facility will not be affected even though they would now apply to facilities outside of the lease/unit as a result of a boundary adjustment. Rental fees, if appropriate shall be recalculated based on the conditions of this grant and the regulations in effect at the time of an automatic amendment.

If the well is productive, the access road will be rehabilitated or brought to Resource (Class III) Road standards within 60 days of dismantling the rig. If upgraded, the access road must be maintained at these standards until the well is properly abandoned. If this time frame cannot be met, the Area Manager will be notified so that temporary drainage control can be installed along the access road.

- 3. **Location of Existing Wells** - on a map, show the location of all water, injection, disposal, producing and drilling wells within a one mile radius of the proposed well, and describe the status of each: *See Exhibit "B"*
- 4. **Location of Production Facilities:**
 - a. **On-site facilities:** *See Exhibit "E"*
 - b. **Off-site facilities:** *None*
 - c. **Pipelines:** *N/A*

All permanent (in place for six months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, nonreflective color to match the standard environmental colors, as determined by the Rocky Mountain Five-State Interagency Committee. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will be as follows: olive black

All site security guidelines identified in 43 CFR 3163.7-5 and Onshore Oil and Gas Order No. 3 Colors will be as follows: olive black

If a gas meter run is constructed, it will be located on lease within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and will be buried downstream of the meter until it leaves the pad. Meter runs will be housed and/or fenced. The gas meter shall be calibrated prior to first sales and shall be calibrated quarterly thereafter. All gas production and measurement shall comply with the provisions of 43 CFR 3162. 7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.

If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain 1 ½ times the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All oil production and measurement shall conform to the provisions of 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 4.

Production facilities on location may include a lined or unlined produced water pit. If water is produced from the well, an application must be submitted.

5. Location and Type of Water Supply:

All water needed for drilling purposes will be obtained from (describe location and/or show on A map): *All water needed for drilling will be obtained from a local municipal water source, Since this well will be primarily drilled with air, minimal water will be needed.*

6. Source of Construction Material:

Pad construction material will be obtained from (if the source is Federally owned, show location on a map): *Private Owner*

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

Any gravel used will be obtained from a state approved gravel pit.

7. Methods of Handling Waste Disposal:

Describe the methods and locations proposed for safe containment and disposal of waste material, e.g. cuttings, produced water, garbage, sewage, chemicals, etc.

The reserve pit will be located: *Inbound and along the southeast side of the pad.*

The reserve pit will be constructed so as not to leak, break, or allow discharge.

The reserve pit will be lined with native material unless designated otherwise by BLM officers prior to construction. Pit walls will be sloped no greater than 2 to 1.

The reserve pit shall be located in cut material, with at least 50% of the pit volume being below original ground level. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. As soon as the reserve pit has dried, all areas not needed for production will be rehabilitated.

Trash must be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than at the completion of drilling operations.

8. Ancillary Facilities: Garbage Containers and Portable Toilets

9. Well Site Layout - depict the pit, rig, cut and fill, topsoil, etc. on a plat with a scale of at least 1" = 50'.

All well, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.6.

Access to the well pad will be from: *West.*

The blooie line will be located: *At least 100 feet from the well head.*

To minimize the amount of fugitive dust and spray escaping from the blooie pit, the following blooie line deflection method will be employed: *Water Injection.*

10. Plans for Restoration of the Surface:

The top 6 inches of topsoil material will be removed from the location and stockpiled separately on: *Adjacent land.*

Topsoil along the access road will be reserved in place adjacent to the road.

Immediately upon completion of drilling, all equipment that is not necessary for production shall be removed.

The reserve pit and that portion of the location not needed for production will be reclaimed.

Before any dirt work to restore the location takes place, the reserve pit must be completely dry.

Reclaimed roads will have the berms and cuts reduced and will be closed to vehicle use.

All disturbed areas will be recontoured to replicate the natural slope.

The stockpiled topsoil will be evenly distributed over the disturbed area.

Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface.

Seed will be broadcast or drilled between Sept. and Nov., or at a time specified by the BLM. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage.

The following seed mixture will be used: *BLM-recommended mixture.*

The abandonment marker will be one of the following, as specified by BLM:

- 1) at least four feet above ground level,
- 2) at restored ground level, or
- 3) below ground level.

In any case the marker shall be inscribed with the following: operator name, lease number, Well name and surveyed description (township, range, section and either quarter-quarter or footage.).

Additional requirements:

11. Surface and Mineral Ownership: *Federal; Bureau of Land Management*

12. Other Information:

- a. Archeological Concerns: *None that the operator is aware of.*

The operator is responsible for informing all persons in the area who are associated

with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five (5) working days, the AO will inform the operator as to:

1. whether the materials appear eligible for the National Register of Historic Places;
2. the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and
3. a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume construction.

- b. Threatened and Endangered Species Concerns: *None that the operator is aware of.*
- c. Wildlife Seasonal Restrictions (yes/no): *See Environmental Impact Statement (EIS)*
- d. Off Location Geophysical Testing: *N/A*
- e. Drainage crossings that require additional State or Federal approval: *None*
- f. Other:

13. Lessee's or Operator's Representative and Certification

Representative: Texaco Exploration & Production, Inc.

Name: Allen R. Davis

Title: Team Leader / Farmington Operating Unit

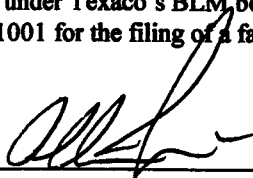
Address: 3300 No. Butler Suite 100
Farmington, New Mexico 87401

Phone No: 505-325-4397

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 currently exists; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Texaco and its contractors and subcontractors in conformity with this APD package and the terms and conditions under which it is approved. I also certify responsibility for the operations conducted on that portion of the leased lands associated with this application, with bond coverage being provided under Texaco's BLM bond. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Signature: _____



Date: _____

1/7/2000

Title: Team Leader

C. **REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS**

Required verbal notifications are summarized in Table 1, attached.

Building Location - Contact the Resource Area, Natural Resource Protection Specialist at least 24 hours prior to commencing construction of location.

Spud - The spud date will be reported to the Resource Area Office 24 hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted the District Office within 24 hours after spudding, regardless of whether spud was made with a dry hold digger or big rig.

Daily Drilling Reports - Daily drilling reports shall detail the progress and status of the well and shall be submitted to the District Office on a weekly basis.

Monthly Reports of Operations - In accordance with Onshore Oil and Gas Order No. 1, this well shall be reported on Minerals Management Service (MMS) Form 3160, "Monthly Report of Operations," starting the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with MMS.

Sundry Notices - There will be no deviation from the proposed drilling and/or workover program without prior approval from the Assistant District Manager. "Sundry Notices and Reports 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. Safe drilling and operating practices must be observed.

Drilling suspensions - Operations authorized by this permit shall not be suspended for more than 30 days without prior approval of the Authorized Officer. All conditions of this approval shall be applicable during any operations conducted with a replacement rig.

Undesirable Events - Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be immediately reported to the Resource Area in accordance with requirements of NTLA.

Cultural Resources - If cultural resources are discovered during construction, work that might disturb the resources is to stop, and the Area Manager is to be notified.

First production - Should the well be successfully completed for production, the Assistant District Manager, Minerals Division will be notified when the well is placed in producing status. Such notification may be made by phone, but must be followed by a sundry notice or letter not later than five (5) business days following the date on which the well is placed into production.

A first production conference will be scheduled as soon as the productivity of the well is apparent. This conference should be coordinated through the Resource Area Office. The Resource Area Office shall be notified prior to the first sale.

Well Completion Report - 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 to the District Office not later than thirty (30) days after completion of the well or after completion operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs, core descriptions, core analysis, 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 and/or samples) will be submitted when requested by the Assistant District Manager.

Venting/Flaring of Gas - NTL-4A allows venting/flaring of gas during the initial well evaluation period not to exceed 30 days or 50 Mmcf. Venting/flaring beyond the initial test period threshold must be approved by the District Office.

Produced Water - Produced waste water may be confined to an unlined pit for a period not to exceed 90 days after initial production. During the 90 day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted to the Assistant District Manager for approval.

Off-Lease Measurement, Storage, Commingling - Prior approval must be obtained from the Assistant District Manager for off-lease measurement, off-lease storage and/or commingling (either down-hole or at the surface).

Plugging and Abandonment - If the well is completed as a dry hole, plugging instructions must be obtained from the BLM, Moab District Office prior to initiating plugging operations. Table 1 of this document provides the after-hours phone numbers of personnel who are authorized to give plugging instructions.

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the Assistant District Manager, Minerals Divisions 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. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. 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 Area Manager or his representative, or the appropriate surface managing agency.

TABLE 1
NOTIFICATIONS

Notify Michael Kaminski of the Price Resource Area, at (435) 636-3646 for the following:

2 days prior to commencement of dirt work construction or reclamation;

1 day prior to spudding

50 feet prior to reaching surface and intermediate casing depths;

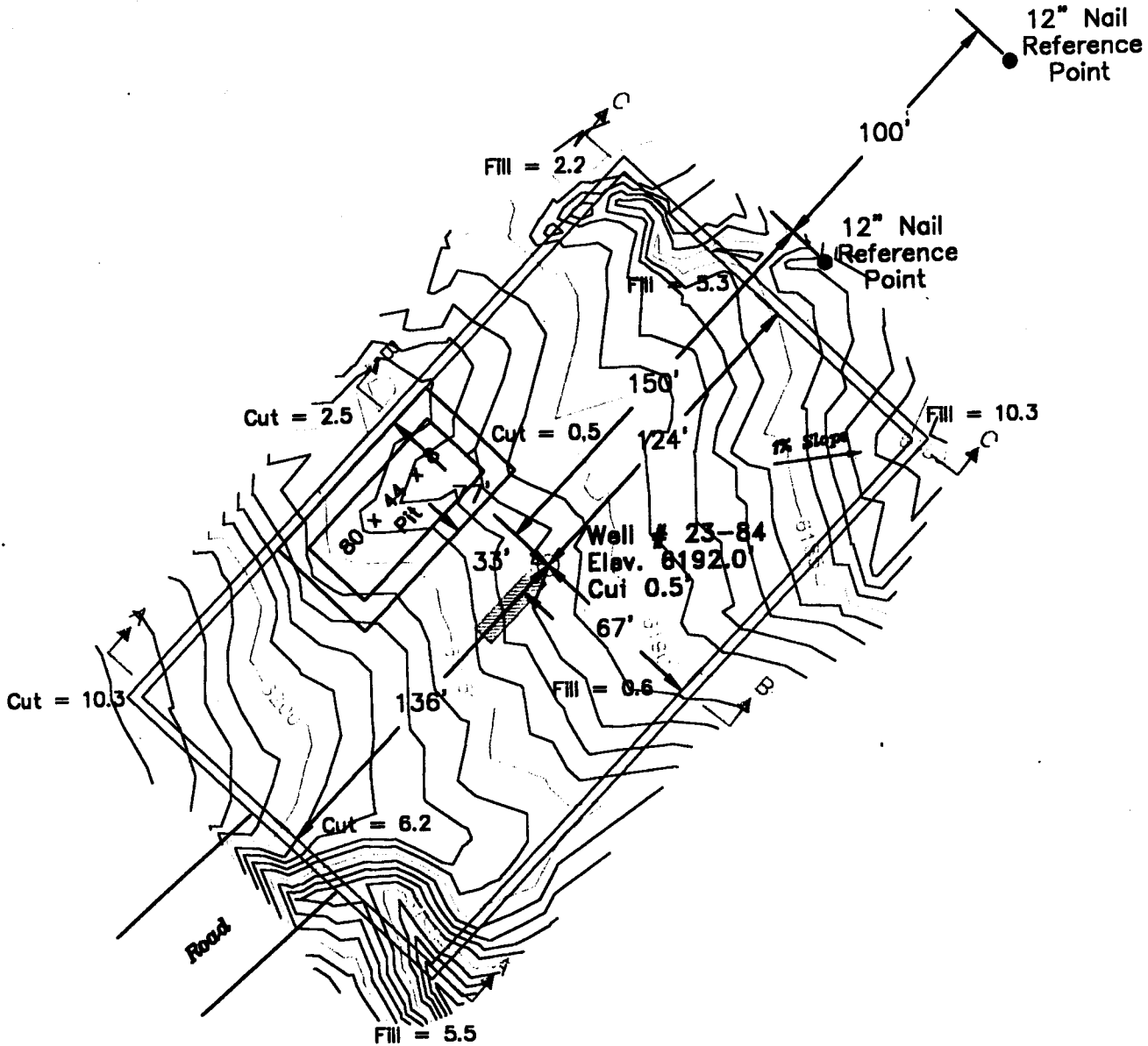
3 hours prior to testing BOPE;

12 hours prior to reaching kickoff point depth (if applicable).

If the person at the above number cannot be reached, notify the Moab District Office at (435) 259-6111. If unsuccessful, notify one of the people listed below.

Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab District Office, Branch of Fluid Minerals at (435) 259-6111. If approval is needed after work hours, you may contact the following:

Eric Jones, Petroleum Engineer	Office: (435) 259-6111
	Home: (435) 259-2214



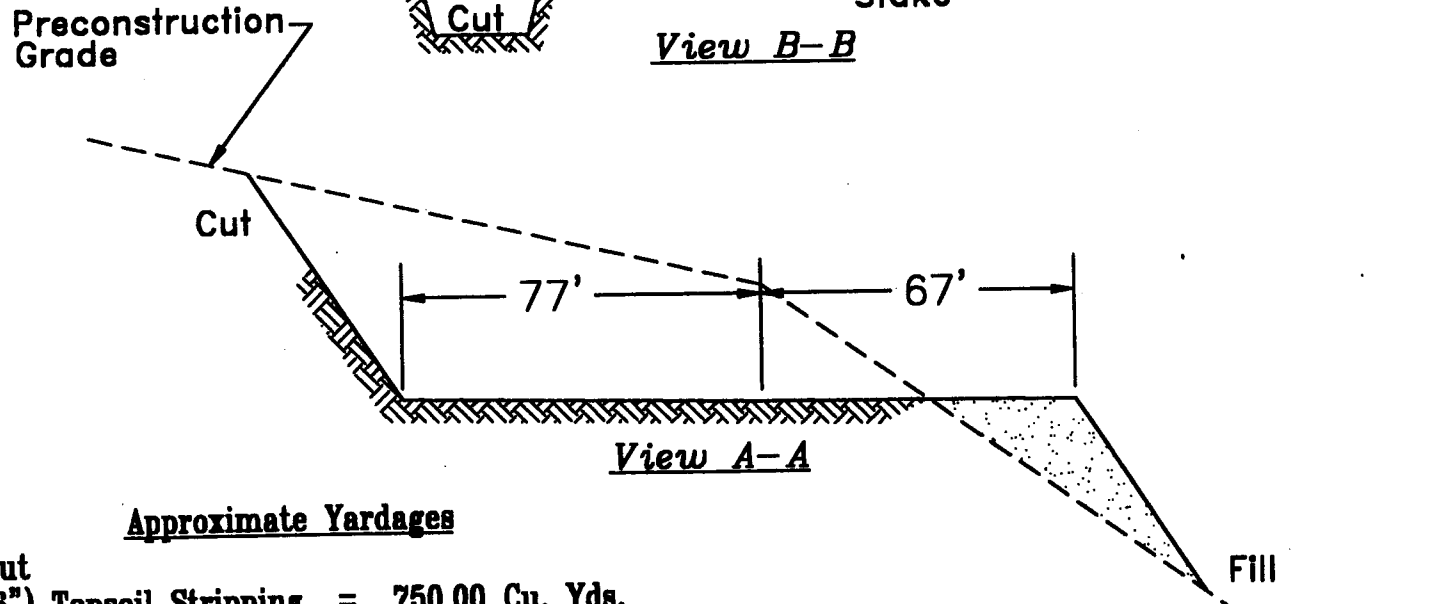
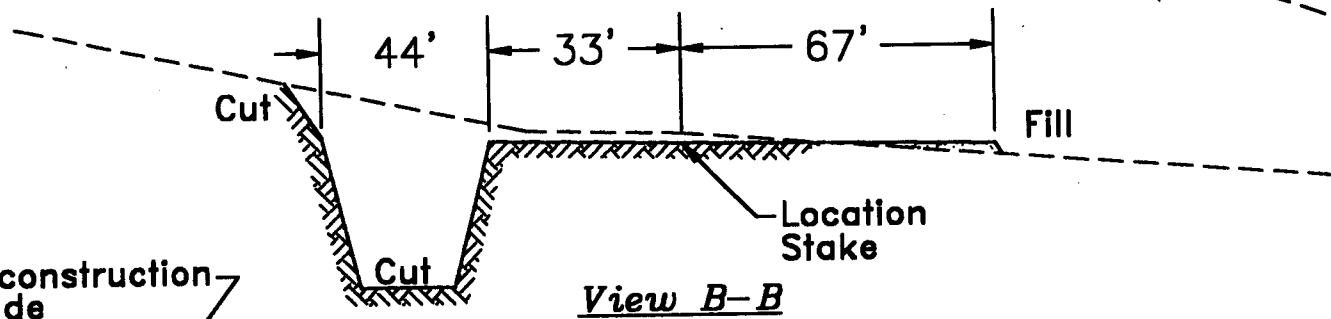
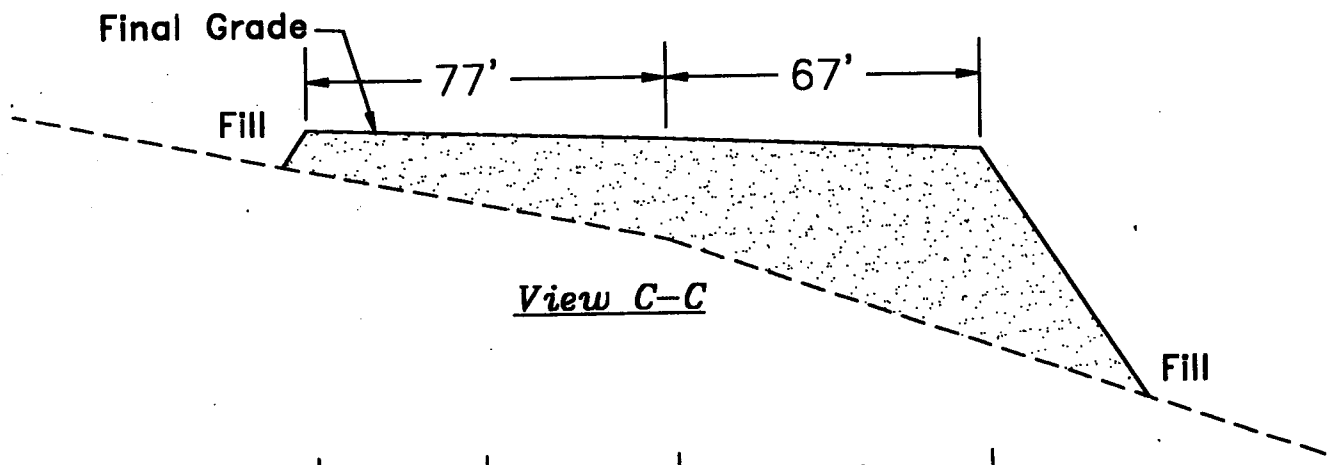
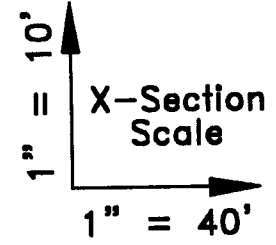
Talon Resources, Inc.
 375 South Carbon Avenue, Suite 138
 Price, Utah 84501
 Ph: 435-637-5032 ext. 711
 Fax: 435-748-5085

TEXACO E & P
LOCATION LAYOUT
 Section 23, T18S., R7E., S.L.B. & M.
WELL # 23-84

Drawn by: D. Robertson	Checked by: L.W.J.
Drawing No. A-2	Date: 11/22/99
	Scale: 1" = 60'
Sheet 2 of 4	Job No. 050

Elevation Ungraded Ground at Location Stake = 6192.0'
Elevation Graded Ground At Location Stake = 6191.5'

Slope - 1 1/2:1
 (Except Pit)
 Pit Slope = 1:1



Approximate Yardages

Cut	
(6") Topsoil Stripping	= 750.00 Cu. Yds.
Remaining Location	= 1966.90 Cu. Yds.
TOTAL CUT	= 2716.90 Cu. Yds.
TOTAL FILL	= 2134.10 Cu. Yds.



Talon Resources, Inc.
 375 South Carbon Avenue, Suite 126
 Price, Utah 84501
 Ph: 435-637-5032 ext. 711
 Fax: 435-748-5085

TEXACO E & P
TYPICAL CROSS SECTIONS
 Section 23, T18S., R7E., S.L.B.&M.
WELL # 23-84

Drawn By D. Robertson	Checked By L.W.J.
Drawing No. C-1	Date: 11/18/99
	Scale: As Shown
Sheet 3 of 4	Job No. 050

STATE OF UTAH
 STATE LEASE NO.
 ML-45906

UP&L Pond

COLEMAN CREEK

UP&L Pumping Station

FED. LEASE NO.
 FED UTU-68538

UTAH FEDERAL 'C'
 U-86719

UTAH FEDERAL 'X'
 FED UTU-67532

UTAH FEDERAL 'F'
 FED UTU-72356

Buzzard Bench Compressor Station



Talon Resources, Inc.
 375 South Carbon Avenue, Suite 138
 Pricos, Utah 84501
 Ph: 435-837-5032 ext. 711
 Fax: 435-748-5085

TEXACO
 EXPLORATION & PRODUCTION
 LOCATION MAP
 Section 23, T18S, R7E, S.L.B.&M.
 Well # 23-84

Drawn By
D. Robertson

Checked By
L.W.J.

Drawing No.
L-1

Date
12/13/99

Sheet 1 of 4

Scale
1" = 2000'
 Job No.
050

Legend

- 35-6** **Texaco Existing Well Location & Number**
- 27-87** **Proposed 2000 Well Location & Number**
- 11-70** **Proposed 1999 Well Location & Number**
- Main Travel Roads**
- Access and/or Upgraded Roads**
- Existing Power**
- Existing Gas and Water**
- Unimproved Road**
- Proposed Road, Gas, Water, & Power**
- Proposed Road**
- Proposed Gas, Water & Power**
- Proposed Power**

AIR
PACKAGE

22'
PUMP

PUMP

DIESEL FUEL 26' PROpane

8' 4' 8'

LIGHT PLANT

35'
TRAILER 8'

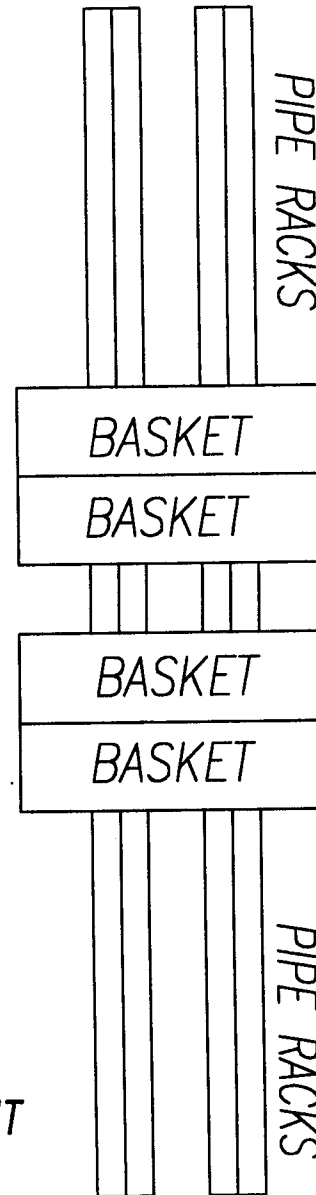
RESERVE PIT

MUD PIT

50' 13'
UNIT
SUBST

40' 10'
WATER TANK

BLOOIE
PIT

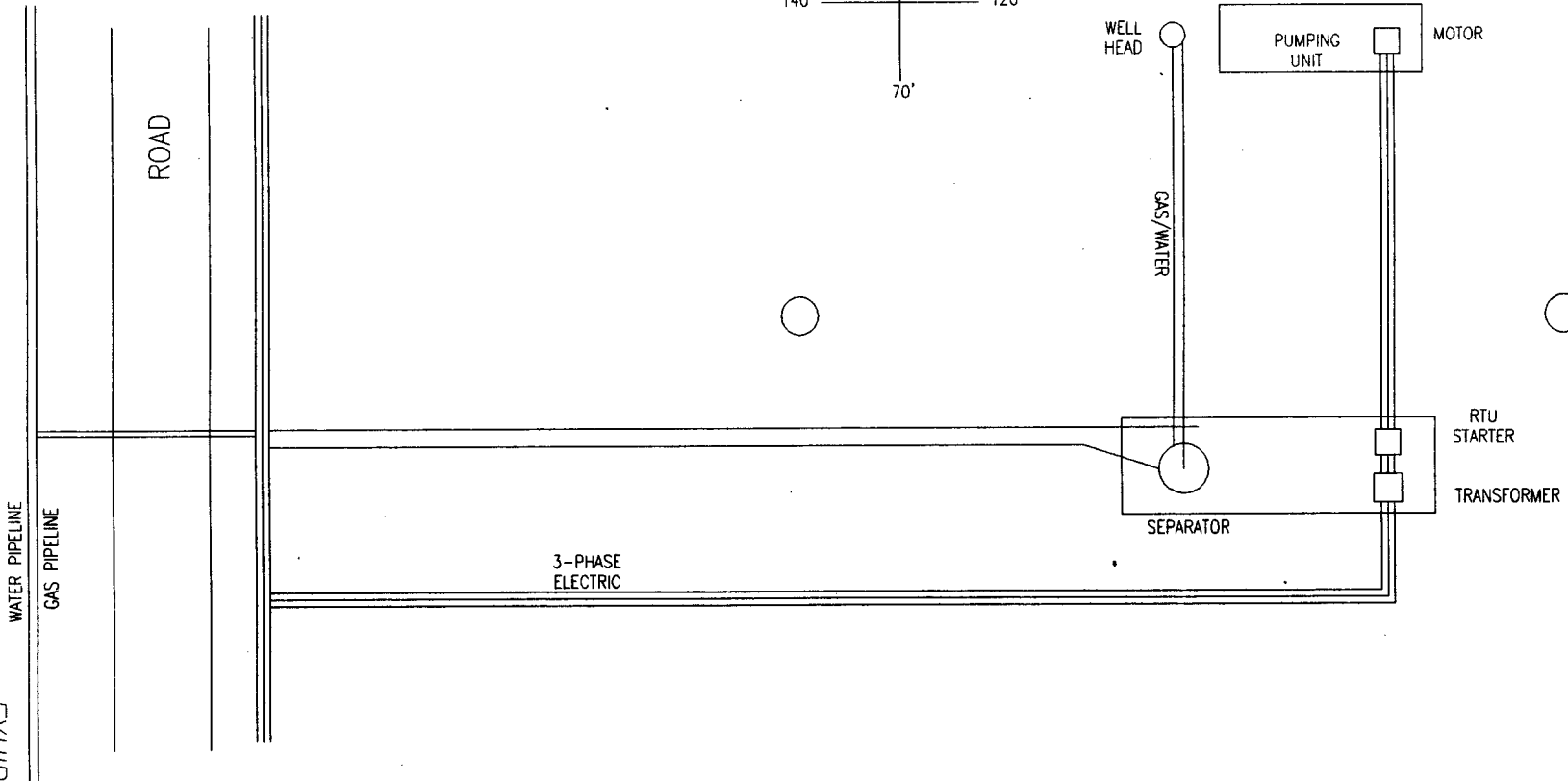
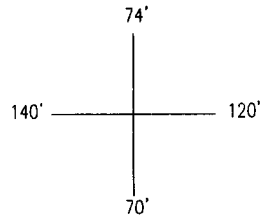


APPROXIMATE LAYOUT OF UNIT & EQUIPMENT
(Not to Scale)

EXHIBIT "C"



ANCHOR (Typ. 4 Pl)

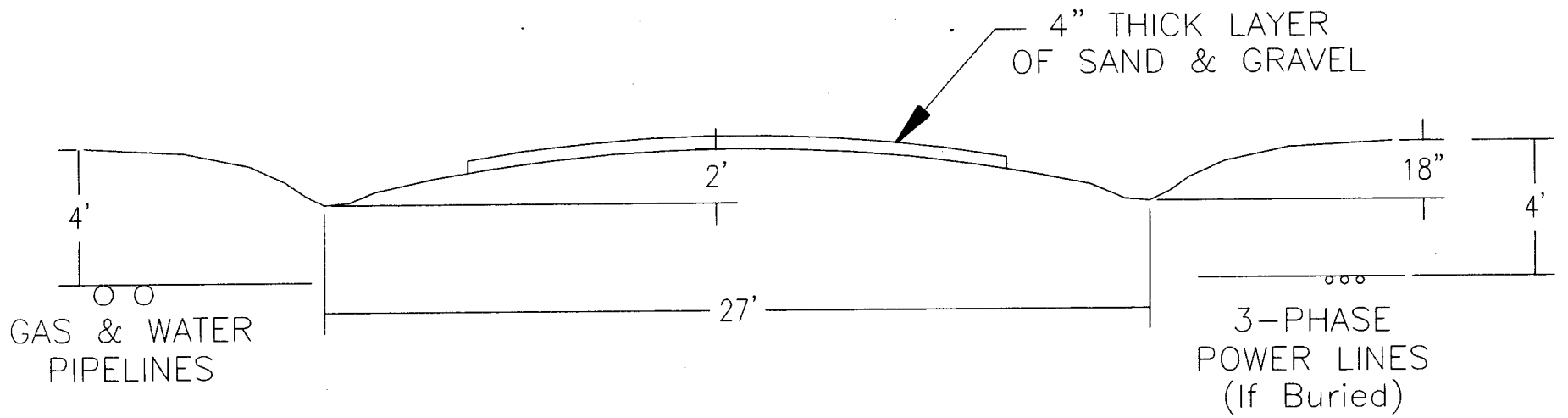


TEXACO EXPLORATION & PRODUCTION
WELL SITE LAYOUT
260' X 144'

EXHIBIT "E"



TEXACO INC.



TYPICAL ROAD CROSS-SECTION
NOT TO SCALE

EXHIBIT "F"



BOP Equipment

3000psi WP (except rotating head at 1000psi)

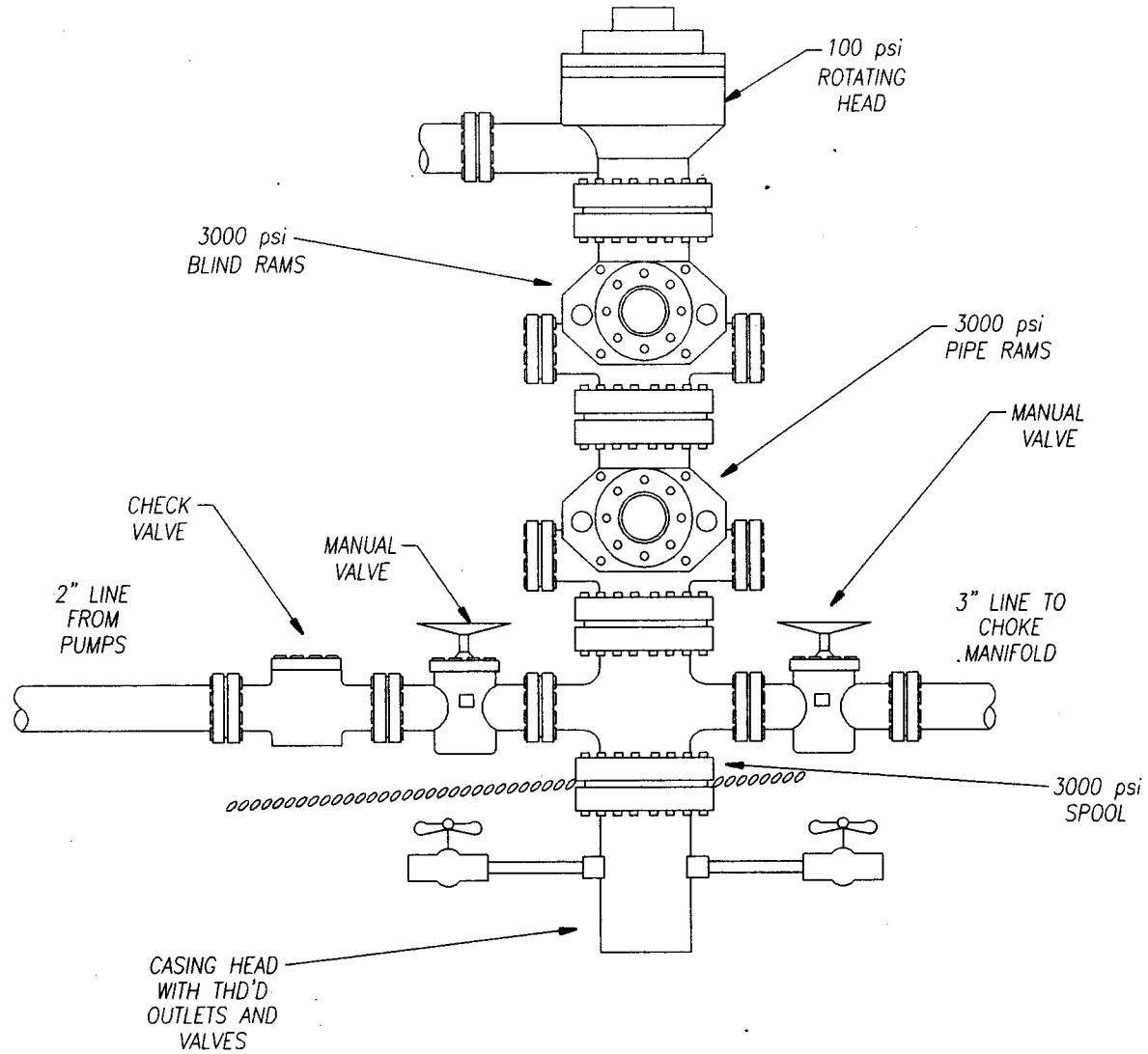


EXHIBIT "G"



CHOKE MANIFOLD

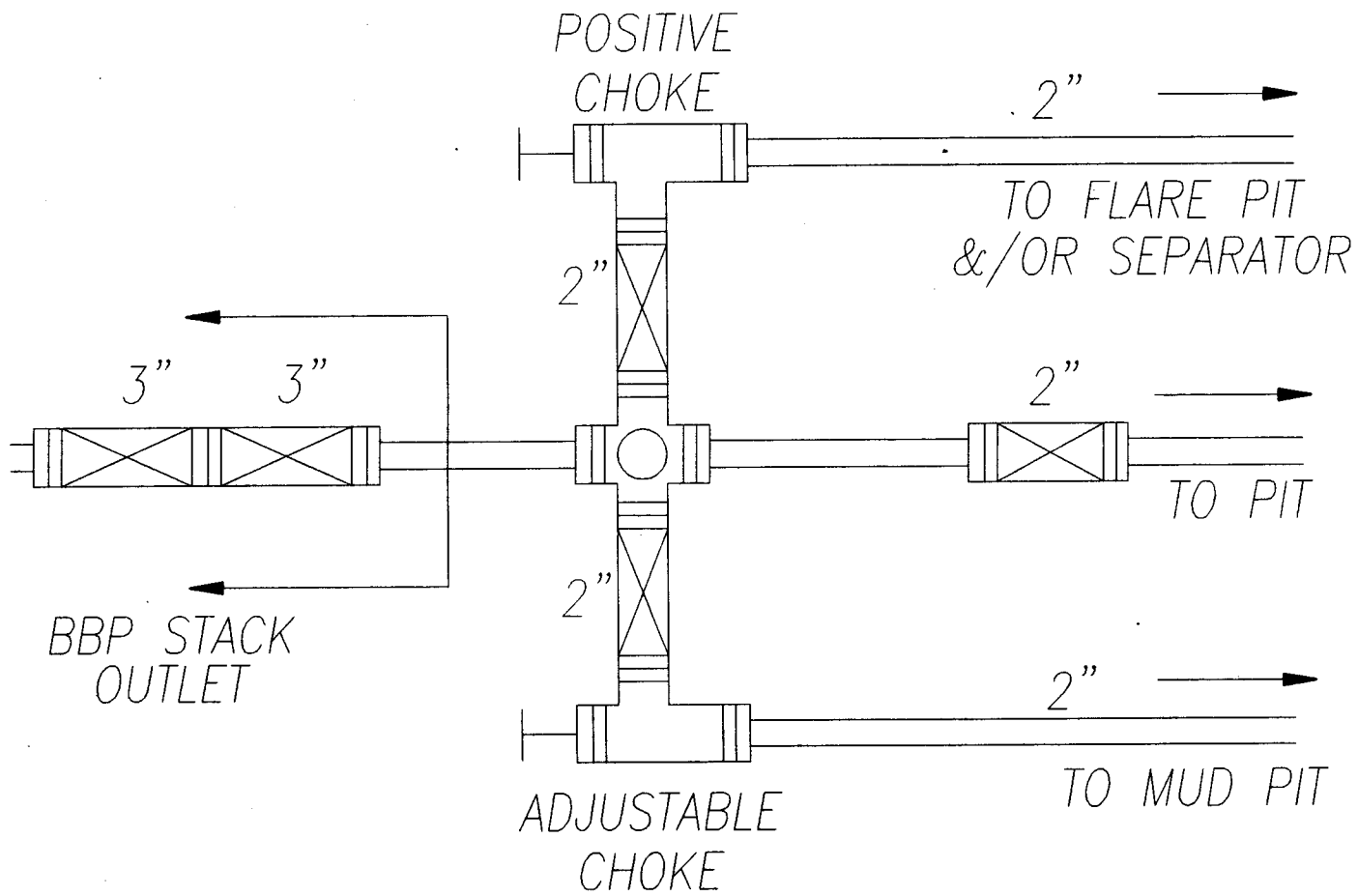
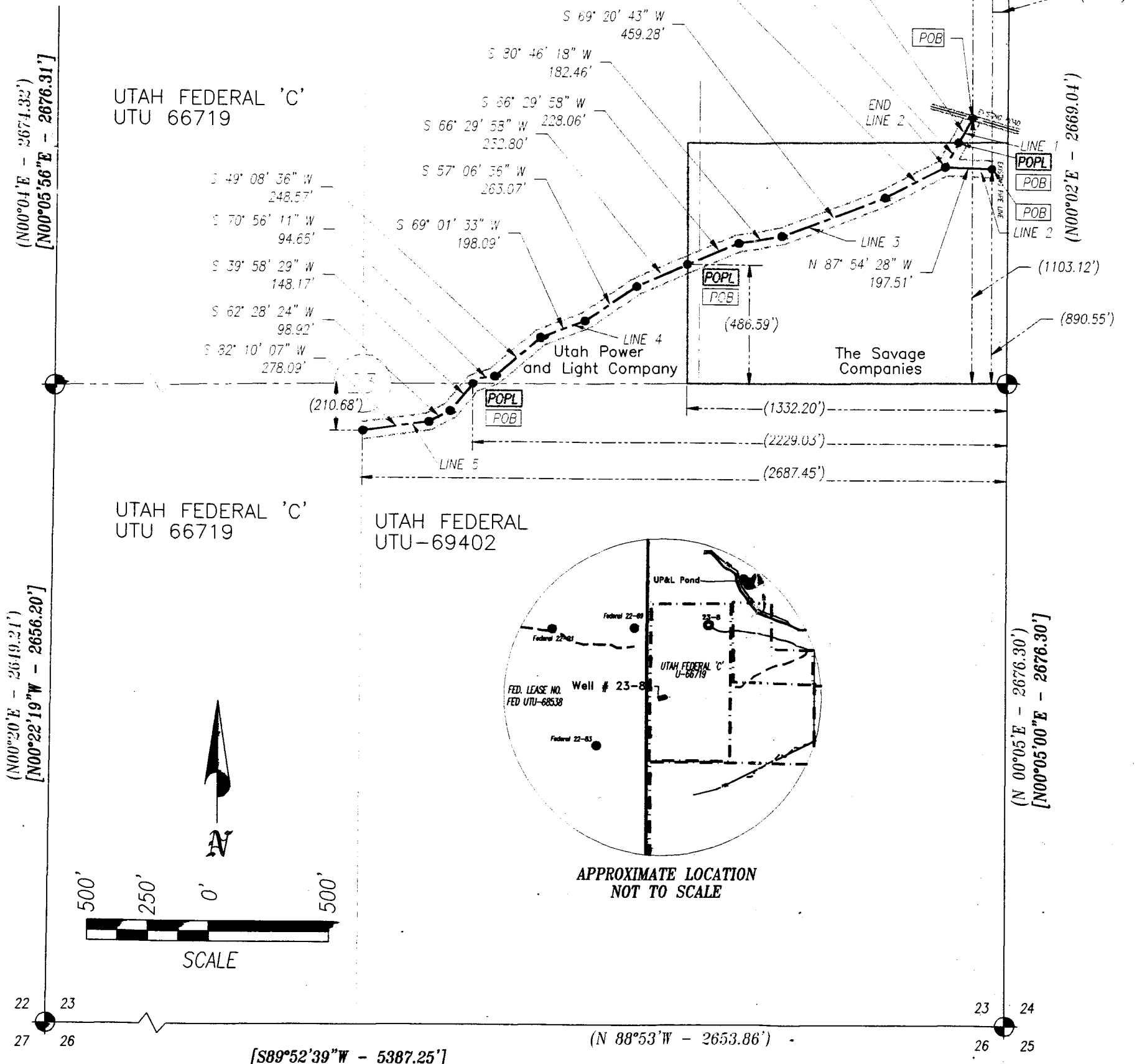


EXHIBIT "H"



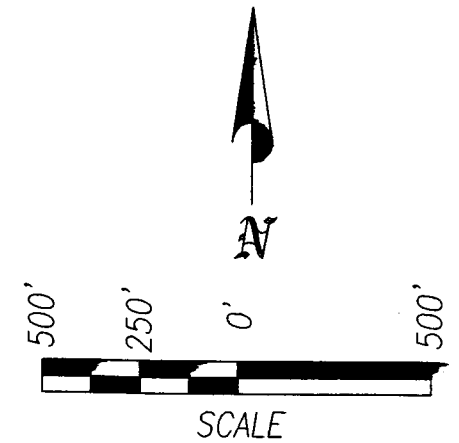
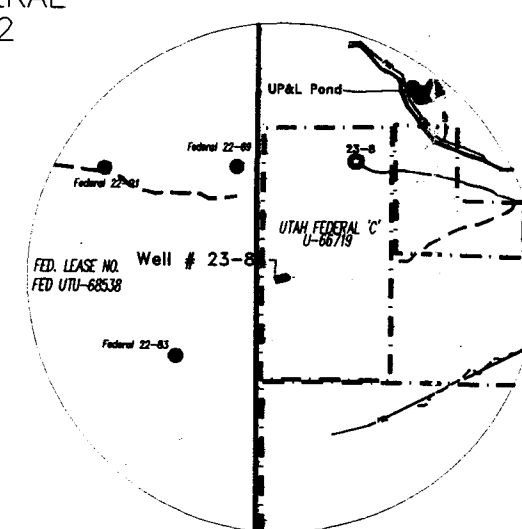
THE FOLLOWING DESCRIBED PARCELS ARE LOCATED IN EMERY COUNTY STATE OF UTAH SECTION 23, T18S, R7E, S.L.B.&M.



UTAH FEDERAL 'C' UTU 66719

UTAH FEDERAL 'C' UTU 66719

UTAH FEDERAL UTU-69402



CLASS III ROAD
UTAH POWER AND LIGHT COMPANY
A 70' PERMANENT RIGHT-OF-WAY, 35 ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE

LINE 1 BEGINNING AT A POINT 1103.12' NORTH, AND 145.63' WEST OF THE EAST QUARTER CORNER OF SECTION 23, T18S, R7E, S.L.B.&M. THENCE S29°29'50"W, 118.60'; TO A POINT ON THE SOUTH PROPERTY LINE 999.89' NORTH AND 204.02' WEST OF THE EAST QUARTER CORNER OF SAID SECTION 23.

6" TO 12" GAS PIPELINE
8" TO 16" WATER PIPELINE, 3-PHASE OVERHEAD POWER
The Savage Companies
A 70' PERMANENT RIGHT-OF-WAY, 35 ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE

LINE 2 BEGINNING AT A POINT 890.55' NORTH, AND 64.42' WEST OF THE EAST QUARTER CORNER OF SECTION 23, T18S, R7E, S.L.B.&M. THENCE N87°54'28"W, 197.51'; TO A POINT 897.76' NORTH AND 261.8' WEST OF THE EAST QUARTER CORNER OF SAID SECTION 23.

CLASS III ROAD, 6" TO 12" GAS PIPELINE
8" TO 16" WATER PIPELINE, 3-PHASE OVERHEAD POWER
The Savage Companies
A 70' PERMANENT RIGHT-OF-WAY, 35 ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE

LINE 3 BEGINNING AT A POINT 999.89' NORTH, AND 204.02' WEST OF THE EAST QUARTER CORNER OF SECTION 23, T18S, R7E, S.L.B.&M. THENCE S29°29'50"W, 117.34'; THENCE S62°50'34"W, 282.56'; THENCE S69°20'43"W, 459.28'; THENCE S80°46'18"W, 182.46'; THENCE S66°29'58"W, 228.06'; TO A POINT ON THE PROPERTY LINE 486.59' NORTH AND 1332.20' WEST OF THE EAST QUARTER CORNER OF SAID SECTION 23.

CLASS III ROAD, 6" TO 12" GAS PIPELINE
8" TO 16" WATER PIPELINE, 3-PHASE OVERHEAD POWER
UTAH POWER AND LIGHT COMPANY
A 70' PERMANENT RIGHT-OF-WAY, 35 ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE

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CLASS III ROAD, 6" TO 12" GAS PIPELINE
8" TO 16" WATER PIPELINE, 3-PHASE OVERHEAD POWER
United States of America

A 50' PERMANENT RIGHT-OF-WAY, 25 ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE	10' TEMP. USE
A 20' TEMPORARY USE PERMIT, 10' ON EACH SIDE OF THE PERMANENT RIGHT-OF-WAY	25' PERM. ROW
	25' PERM. ROW
	10' TEMP. USE

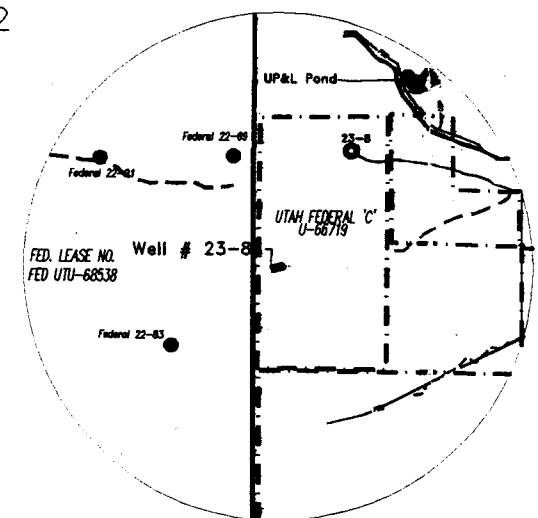
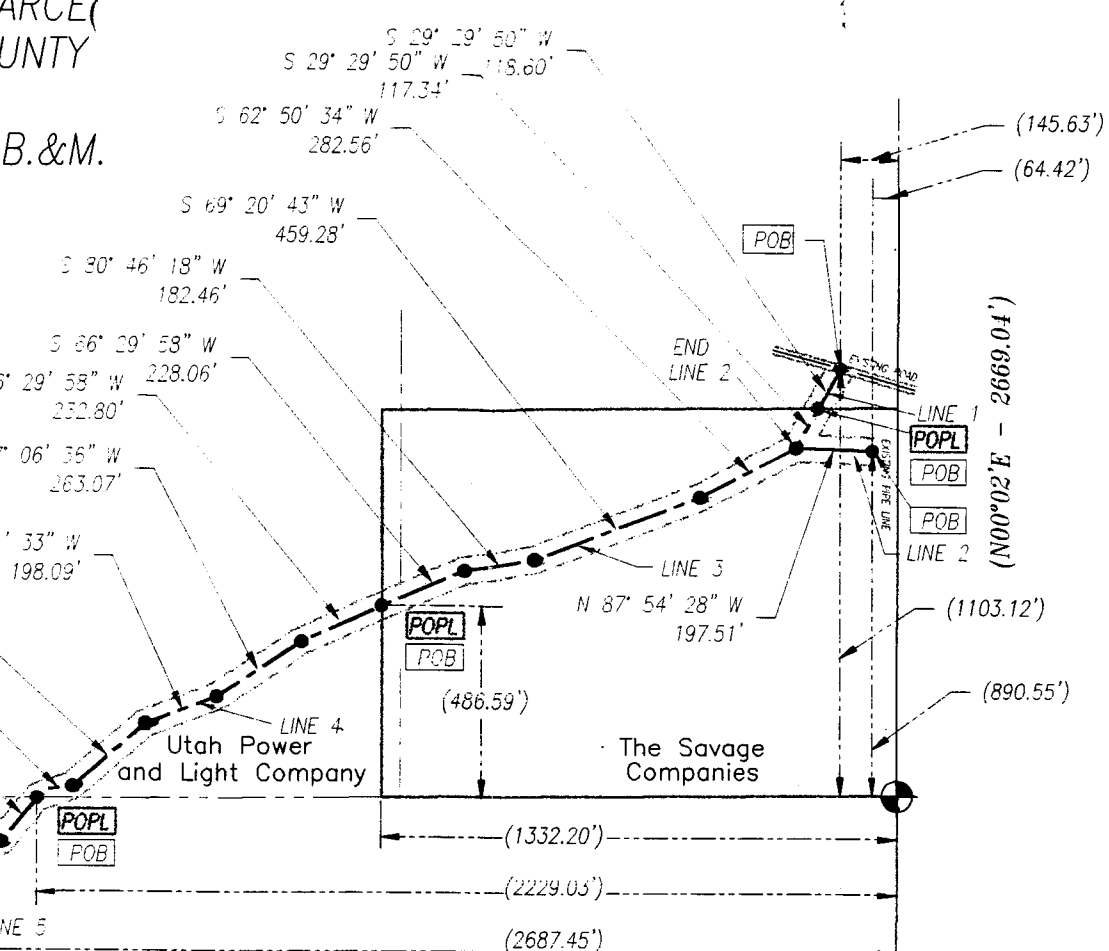
LINE 5 BEGINNING AT A POINT 13.35' SOUTH AND 2229.03' WEST OF THE EAST QUARTER CORNER OF SECTION 23, T18S, R7E, S.L.B.&M. THENCE S39°58'29"W, 148.17'; THENCE S62°28'24"W, 98.92'; THENCE S82°10'07"W, 278.09'; TO A POINT 210.68' SOUTH AND 2687.45' WEST OF THE EAST QUARTER CORNER OF SAID SECTION 23.

Surveyor
I, Albert J.
Land Surveyor
State of Utah
information
accurate
was conducted
and supervised

ARCEY
UNTY

B.&M.

FEDERAL
9402



APPROXIMATE LOCATION
NOT TO SCALE

(N 88° 53' W - 2653.86')

CLASS III ROAD
UTAH POWER AND LIGHT COMPANY

A 70' PERMANENT RIGHT-OF-WAY, 35 ON EACH SIDE
OF THE FOLLOWING DESCRIBED CENTERLINE

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The Savage Companies

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THENCE S80°46'18"W, 182.46'; THENCE S66°29'58"W, 228.06',
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THENCE S70°56'11"W, 94.65'; TO A POINT ON THE SOUTH PROPERTY
LINE 13.35' SOUTH AND 2229.03' WEST OF THE EAST
QUARTER CORNER OF SAID SECTION 23.

CLASS III ROAD, 6" to 12" GAS PIPELINE
8" TO 16" WATER PIPELINE, 3-PHASE OVERHEAD POWER

United States of America

A 50' PERMANENT RIGHT-OF-WAY, 25 ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE	10'	TEMP. USE
A 20' TEMPORARY USE PERMIT, 10' ON EACH SIDE OF THE PERMANENT RIGHT-OF-WAY	25'	PERM. ROW
	25'	PERM. ROW
	10'	TEMP TRSF

LINE 5 BEGINNING AT A POINT 13.35' SOUTH AND 2229.03' WEST OF THE EAST
QUARTER CORNER OF SECTION 23, T18S, R7E, S.L.B.&M.
THENCE S39°58'29"W, 148.17'; THENCE S62°28'24"W, 98.92'
THENCE S82°10'07"W, 278.09'; TO A POINT 210.68' SOUTH
AND 2687.45' WEST OF THE EAST QUARTER CORNER OF SAID SECTION 23.

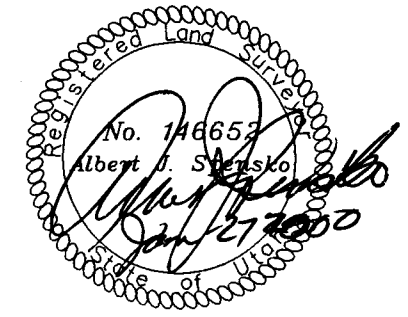
RECEIVED
JAN 31 2000
DIVISION OF
OIL, GAS AND MINING

LEGEND

- SECTION LINE
- 1/4 SECTION LINE
- ROW BOUNDARY
- (N00°01'02"W) GLO
- [N00°01'02"W] GPS - SURVEY
- POB POINT OF BEGINNING
- POPL POINT ON PROPERTY LINE
- SECTION CORNER FOUND

Surveyor's Certificate:

I, Albert J. Spensko, a Registered Professional
Land Surveyor, holding Certificate 146652
State of Utah, do hereby certify that the
information on this drawing is a true and
accurate survey based on data of record and
was conducted under my personal direction
and supervision as shown hereon.



REVISIONS	
DATE	BY



Talon Resources
Technical
Group
375 South Carbon Ave.
Price, Utah 84501
Phone (435)637-5032 ex711
FAX (435)637-7336

TEXACO
E&P
Federal T 23-84 Right-of-Way
CORRIDOR RIGHT-OF-WAY DESCRIPTION

DRAWN BY:	J. L. / D. H.
CHECKED BY:	LWJ
DATE:	1-27-00
SCALE:	1" = 500'
JOB NO.:	050

Exhibit "I"

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Gas

2. Name of Operator
 Texaco Exploration & Production

3. Address and Telephone No.
 3300 N. Butler, Suite 100, Farmington, New Mexico 87401

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 2152' FSL, 381' FWL
 NW/4 SW/4, Section 23, T18S, R7E, SLB&M

5. Lease Designation and Serial No.
 UTU-66719

6. If Indian, Allottee or Tribe Name
 N/A

7. If Unit or CA, Agreement Designation
 N/A

8. Well Name and No.
 Federal C 23-84

9. API Well No.

10. Field and Pool, or Exploratory Area
 Undesignated

11. County or Parish, State
 Emery County, Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent <input checked="" type="checkbox"/> Subsequent Report <input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Change of Name <input type="checkbox"/> Recompletion <input type="checkbox"/> Plugging Back <input type="checkbox"/> Casing Repair <input type="checkbox"/> Altering Casing <input checked="" type="checkbox"/> Request for Exception to Spacing	Pipeline, Powerline, Maintenance Corridor Construction <input type="checkbox"/> Change of Plans <input type="checkbox"/> New Construction <input type="checkbox"/> Non-Routine Fracturing <input type="checkbox"/> Water Shut-Off <input type="checkbox"/> Conversion to Injection <input type="checkbox"/> Dispose Water

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

**Request for exception to spacing (board order—cause number 245-1) based on Topography.
 The well is located within 460' of the drilling unit boundary.**

RECEIVED

JAN 31 2000

DIVISION OF
OIL, GAS AND MINING

14. I hereby certify that the foregoing is true and correct
 Signed Ron D. With Title PRODUCTION SUPERVISOR Date 1/25/00

(This space for Federal or State office use)
 Approved by _____ Title _____ Date _____
 Conditions of approval, if any:

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.

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 01/31/2000

API NO. ASSIGNED: 43-015-30447

WELL NAME: FEDERAL C 23-84
 OPERATOR: TEXACO E & P INC (N5700)
 CONTACT: ALLEN DAVIS

AMENDED
 PHONE NUMBER: 505-325-4397

PROPOSED LOCATION:
 NESW 23 ²⁰⁵¹ 180S 070E
 SURFACE: ~~2152~~ FSL 1548 FWL
 BOTTOM: ~~2152~~ FSL 1548 FWL
 EMERY ²⁰⁵¹
 UNDESIGNATED (2)

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

LEASE TYPE: 1-Federal
 LEASE NUMBER: UTU-66719
 SURFACE OWNER: 1-Federal
 PROPOSED FORMATION: FRSD

RECEIVED AND/OR REVIEWED:

Plat
 Bond: Fed[1] Ind[] Sta[] Fee[]
 (No. C00058)

Potash (Y/N)
 Oil Shale (Y/N) *190 - 5 (B)
 Water Permit
 (No. MUNICIPAL)

RDCC Review (Y/N)
 (Date: _____)

Fee Surf Agreement (Y/N)

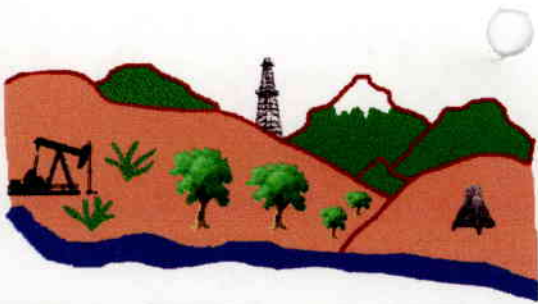
LOCATION AND SITING:

R649-2-3. Unit _____
 R649-3-2. General
 Siting: _____
 R649-3-3. Exception
 Drilling Unit
 Board Cause No: 245-1 (160')
 Eff Date: 7-7-99
 Siting: 400' fr. Dir. Unit Boundary & 920' between wells.

R649-3-11. Directional Drill

COMMENTS: _____

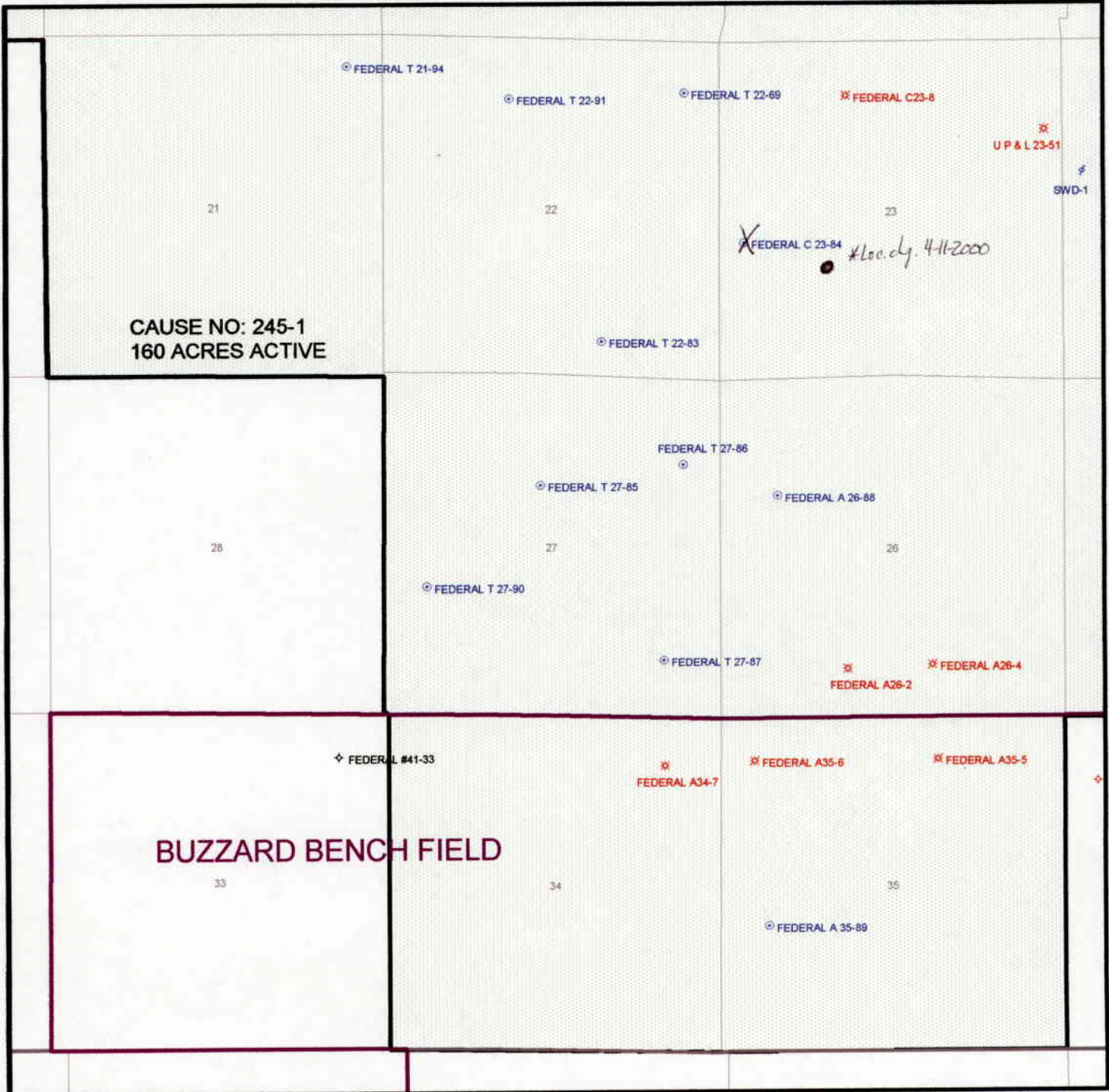
STIPULATIONS: ① FEDERAL APPROVAL



Utah Oil Gas and Mining

Serving the Industry, Protecting the Environment

OPERATOR: TEXACO E&P INC.. (N5700)
FIELD: UNDESIGNATED (002) BUZZARD BENCH (132)
S EC. 21, 22, 23, 26, 27, 35, T18S, R7 E,
COUNTY: EMERY CAUSE: 245-1 160 ACRES



PREPARED
DATE: 7-Feb-2000



**Texaco Exploration
and Production Inc.**
Denver Region

3300 North Butler
Farmington, NM 87401
505 325-4397

February 9, 2000

State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
Ms. Lisha Cordova
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RECEIVED

FEB 14 2000

DIVISION OF
OIL, GAS AND MINING

Re: **Bond Coverage
Application for Permit to Drill**

WELL	SECTION	RANGE	TOWNSHIP	COUNTY	STATE
Utah Fed "T" 22-69	22	18S	7E	Emery	Utah
Utah Fed "T" 22-83	22	18S	7E	Emery	Utah
Utah Fed "C" 23-84	23	18S	7E	Emery	Utah
Utah Fed "T" 27-85	27	18S	7E	Emery	Utah
Utah Fed "T" 27-86	27	18S	7E	Emery	Utah
Utah Fed "T" 27-87	27	18S	7E	Emery	Utah
Utah Fed "A" 26-88	26	18S	7E	Emery	Utah
Utah Fed "A" 35-89	35	18S	7E	Emery	Utah
Utah Fed "T" 27-90	27	18S	7E	Emery	Utah
Utah Fed "T" 22-91	22	18S	7E	Emery	Utah
Utah Fed "P" 3-92	3	18S	7E	Emery	Utah
Utah Fed "P" 3-93	3	18S	7E	Emery	Utah
Utah Fed "T" 21-94	21	18S	7E	Emery	Utah

Dear Lisha:

The Bond Coverage for the above referenced wells is provided by U.S. Dept. of Interior Federal Oil & Gas Lease Bond No. 5858552 and State of Utah Bond No.s 5858501 & 5858502 issued by General Insurance Company of America.

Please accept this letter as Texaco Exploration and Production Incorporated's written request for confidential treatment of all information contained in and pertaining to these permit applications, if said information is eligible for such consideration.

Thank you very much for your timely consideration of these applications. Please feel free to contact me at the above number (ext. 12) if you have any questions.

Sincerely,

Richard Carr
Texaco E. & P. Inc.
Farmington Operating Unit

RNC/rnc

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Gas

2. Name of Operator

Texaco Exploration & Production, Inc.

3. Address and Telephone No.

3300 N. Butler, Suite 100, Farmington, New Mexico 87401

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

2152' FSL, 381' FWL
NW/4 SW/4, Section 23, T18S, R7E, SLB&M

5. Lease Designation and Serial No.

UTU-66719

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

N/A

8. Well Name and No.

Federal C 23-84

9. API Well No.

10. Field and Pool, or Exploratory Area

Undesignated

11. County or Parish, State

Emery County, Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Change of Name	<input type="checkbox"/> Change of Plans
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Hydrologic Evaluation	<input type="checkbox"/> Dispose Water

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Following is the Hydrologic Evaluation for the Federal C 23-84 for drainages requiring design per the Federal Environmental Impact Statement. Please include the following with the previously submitted Application for Permit to Drill.

RECEIVED

FEB 17 2000

DIVISION OF
OIL, GAS AND MINING

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

Signed Ron With Title PRODUCTION SUPERVISOR Date 2/19/00

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
Conditions of approval, if any:

Crossing #3

Figure 3 shows the watershed above crossing #3 with a drainage area of 0.71 sq. mi. The figure was derived from the DEMs of the quads.

Table 5 gives the flood flows for different return periods from this area as determined from the NFF analysis. The 10-yr. flood is 42 cfs and the 50-yr. flood is 135 cfs.

Table 6 shows the results of using a 4 ft. diameter culvert 40 ft. long through a 10 ft. high road embankment. The channel at crossing #3 is deep enough for at least a 10 ft. high road. The road can be sloped down to the 10 ft. embankment height and back up on the other side. The 10-yr. 42 cfs flow will pass through the culvert with no head (at a depth of 2.88 ft.). The 50-yr. 135 cfs will pass through with no overtopping.

A 3.5 ft. diameter culvert will not quite carry the 42 cfs without head on the culvert nor will it carry the 135 cfs without overtopping of the road. A 57 in. X 38 in. pipe arch (squash) culvert, which has a cross-sectional area slightly smaller than the 4 ft. diameter culvert, will carry the 42 cfs without head and the 135 cfs without overtopping.

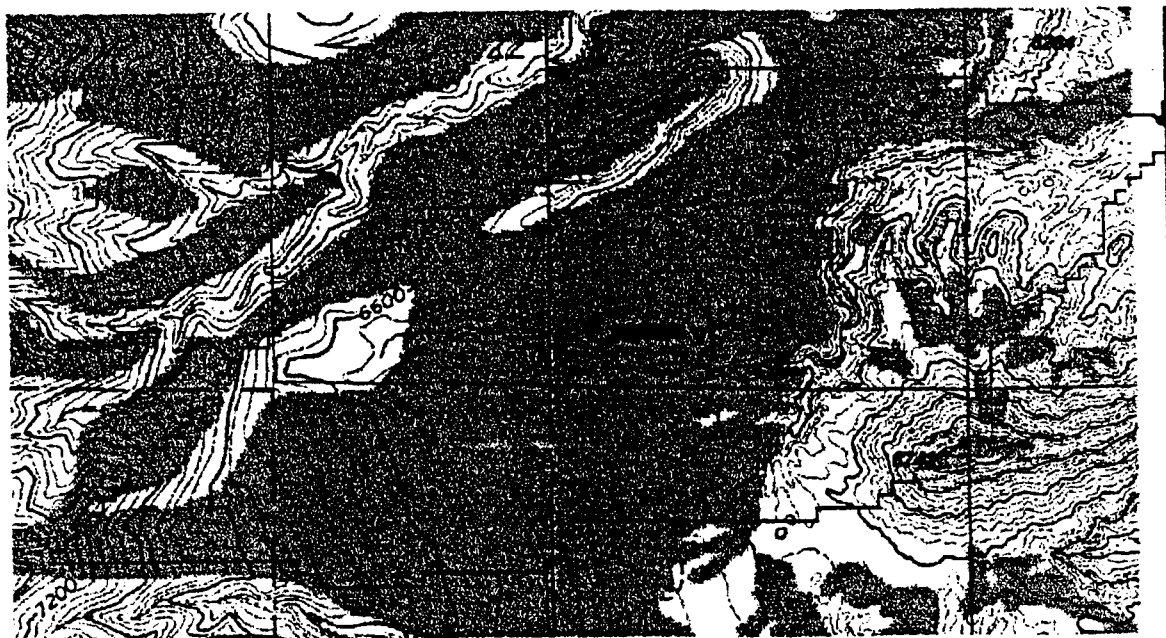
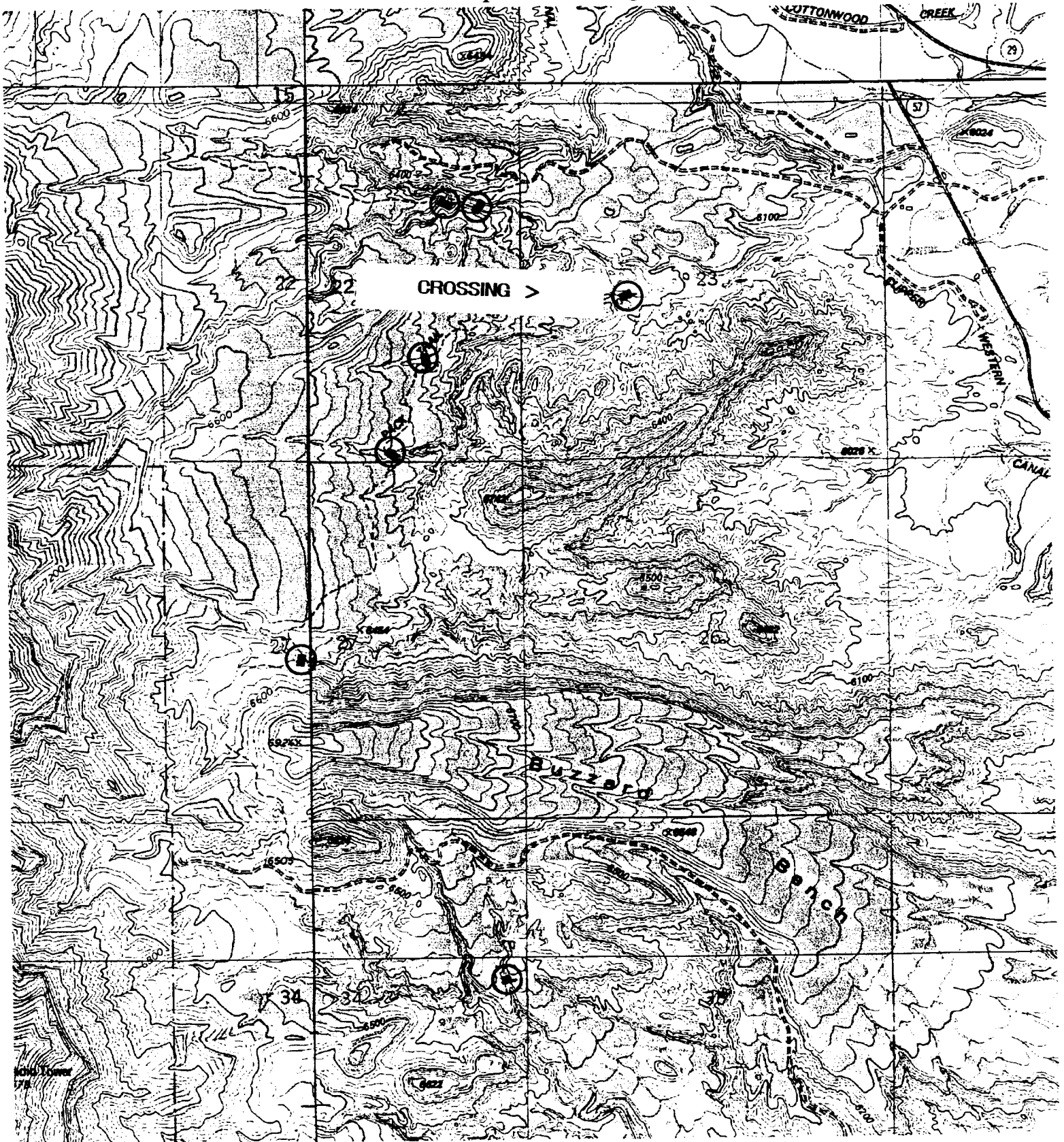


Figure 3. Map of Culvert Crossing #3

Texaco Exploration and Production, Inc
Area Map of Crossing #3





Talon Resources, Inc.

Service, Quality and Accuracy

375 South Carbon Avenue A-10
Suite 101
Price, Utah 84501
Phone: 435-637-5032 Ext 710
435-637-8781

Cell: 435-650-1401
435-650-1402
Fax: 435-637-7336
Email: talon@castnet.com

February 15, 2000

RECEIVED
FEB 17 2000
DIVISION OF
OIL, GAS AND MINING

Mr. Eric Jones—Petroleum Engineer
Bureau of Land Management—Moab Office
82 East Dogwood
Moab, Utah 84532

RE: Additional information to be included in the previously submitted Texaco Exploration and Production *Applications for Permit to Drill*.

Dear Mr. Jones:

Following are numerous sundry notices (Form 5) to supplement the previously submitted Texaco Exploration and Production, Inc. *Applications for Permit to Drill*. Sundry Notices have been included for all submitted well sites for proposed utility dimensions needed to supplement the previously submitted APD's. Numerous sundry notices are also included for hydrologic evaluations performed on drainages requiring evaluation per the Federal EIS. A sundry notice is also included for a Right-of-Way plat that was previously missing in the Federal T 22-83 application. This concludes all of the supplemental information that should be required for the 13 previously submitted applications.

A copy of this information has been sent to Mr. Mike Kaminski of the BLM Price, Utah office.

Please review the enclosed submissions and contact us if there are any changes to be made.

Please feel free to contact me if you should have any questions or require additional information.

Sincerely,


Larry W. Johnson
Principal

Enclosures

CC: Mr. Mike Kaminski, BLM, Price, Utah
Mr. John Baza, UDOGM
Mr. Allen Davis, Texaco
Mr. Richard Carr, Texaco
Texaco well file

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Gas

2. Name of Operator

Texaco Exploration & Production, Inc.

3. Address and Telephone No.

3300 N. Butler, Suite 100, Farmington, New Mexico 87401

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

2152' FSL, 381' FWL
NW/4 SW/4, Section 23, T18S, R7E, SLB&M

5. Lease Designation and Serial No.

UTU-66719

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

N/A

8. Well Name and No.

Federal C 23-84

9. API Well No.

10. Field and Pool, or Exploratory Area

Undesignated

11. County or Parish, State

Emery County, Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Change of Name	<input type="checkbox"/> Change of Plans
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Transmission Line Information	<input type="checkbox"/> Dispose Water

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Please include the following information with the previously submitted Application for Permit to Drill (all sizes and lengths are approximate based on information available at this time):

The Gas Pipeline will be 6" to 12" in diameter, buried at a depth of 4', and travel 5,500' along the proposed access road.

The Water Pipeline will be 8" to 16" in diameter, buried at a depth of 4', and travel 5,500' within the same trench as the gas pipeline.

The 3-Phase Power Line will be overhead, opposite the pipelines, and travel 5,500' along the proposed access road.

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

Signed Pon With Title PRODUCTION SUPERVISOR Date 2/14/00

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

RECEIVED

FEB 17 2000

DIVISION OF
OIL, GAS AND MINING



Talon Resources, Inc.

Service, Quality and Accuracy

375 South Carbon Avenue A-10
Suite 101
Price, Utah 84501
Phone: 435-637-8781
435-637-5032 Ext 710/711

Cell: 801-650-1401
801-650-1402
Fax: 435-637-7336
Email: talon@castlenet.com

April 6, 2000

Mr. Eric Jones—Petroleum Engineer
Bureau of Land Management
82 East Dogwood
Moab, Utah 84532

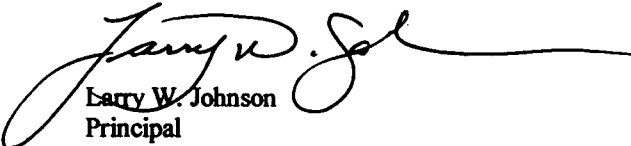
RE: Relocation Sundry—Federal C 23-84, Emery County, Utah
2051' FSL, 1548 FWL, Section 23, T18S, R7E, SLB&M.

Dear Mr. Jones:

On behalf of Texaco Exploration and Production, Inc. Talon Resources, Inc. respectfully submits the enclosed original and two copies of the *Sundry Notices and Reports on Wells* for the above named relocated well. Included with the sundry notice is an updated Exhibit "A" and "B" to update the previously submitted APD's.

Thank you for your timely consideration of this relocation. Please feel free to contact myself or Mr. Ian Kephart at Texaco if you have any questions.

Sincerely,



Larry W. Johnson
Principal

cc. Mr. Mike Kaminski, BLM, Price, Utah
Mr. John Baza, UDOGM
Mr. Bryant Anderson, Emery County Planning and Zoning
Mr. Allen Davis, Texaco
Mr. Ian Kephart, Texaco
Texaco well file

RECEIVED

APR 11 2000

DIVISION OF
OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT--" for such proposals

SUBMIT IN TRIPLICATE

AMENDED

1. Type of Well

Oil Gas

2. Name of Operator

Texaco Exploration & Production

CONFIDENTIAL

3. Address and Telephone No.

3300 N. Butler, Suite 100, Farmington, New Mexico 87401

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

2152' FSL, 381' FWL
NW/4 SW/4, Section 23, T18S, R7E, SLB&M

4343208N
490631E

5. Lease Designation and Serial No.

UTU-66719

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

N/A

8. Well Name and No.

Federal C 23-84

9. API Well No.

43-015-30447

10. Field and Pool, or Exploratory Area

Undesignated

11. County or Parish, State

Emery County, Utah

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

TYPE OF SUBMISSION

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

TYPE OF ACTION

- Change of Name
- Recompletion
- Plugging Back
- Casing Repair
- Altering Casing
- Relocation of well site

- Pipeline, Powerline, Maintenance Corridor Construction
- Change of Plans
- New Construction
- Non-Routine Fracturing
- Water Shut-Off
- Conversion to Injection
- Dispose Water

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Relocation of wellsite following APD submission and prior to APD approval.

The Federal C 23-84 well is being relocated to the following location to enhance proposed production:

2051' FSL, 1548' FWL (NE/4 SW/4) Section 23, T18S, R7E, SLB&M.

The previously submitted exception to spacing will not be needed since the well is located within the interior spacing window.

**Federal Approval of this
Action is Necessary**

RECEIVED

APR 11 2000

DIVISION OF
OIL, GAS AND MINING

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

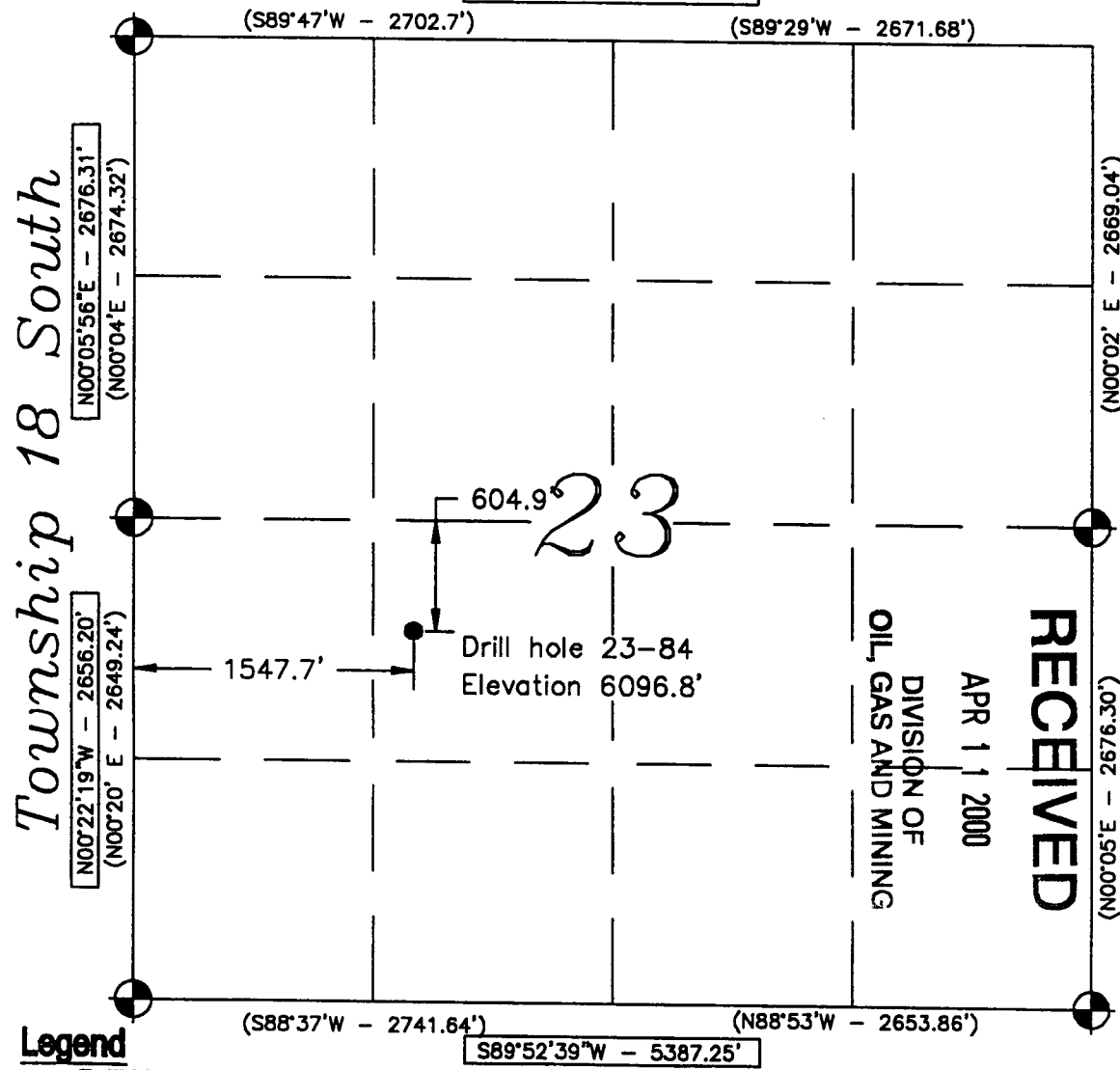
Signed [Signature] Title PROD. SUPERVISOR Date 4/6/2000

(This space for Federal or State office use)

Approved by [Signature] Title **BRADLEY G. HILL** Date 5/9/00
Conditions of approval, if any: **RECLAMATION SPECIALIST III**

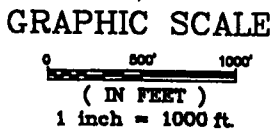
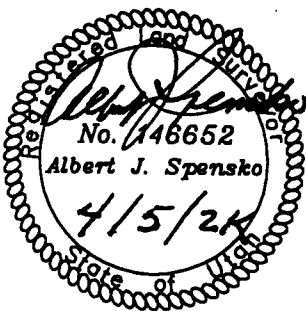
COPY SENT TO OPERATOR
Date: 5-10-00
Initials: [Initials]

Range 7 East



Township 18 South

RECEIVED
 APR 11 2000
 DIVISION OF
 OIL, GAS AND MINING



Location:

The Bearings indicated are per the recorded plat obtained from the U.S. Land Office. The well location was determined using a Trimble 4700 GPS survey grade unit.

Basis of Elevation:

Basis of Elevation of 6006.86' being a Utah State Engineer's benchmark located between Section 25 and Section 26, T18S., R9E., Salt Lake Base & Meridian, 350' South of the Northwest Corner of Section 25, Township 18 South, Range 7 East.

Description of Location:

Proposed Drill Hole located in the NE 1/4, SW 1/4 of Section 23; being 604.9' South and 1547.7' East from the West Quarter Corner of Section 23, T18S., R7E., Salt Lake Base and Meridian.

Surveyor's Certificate:

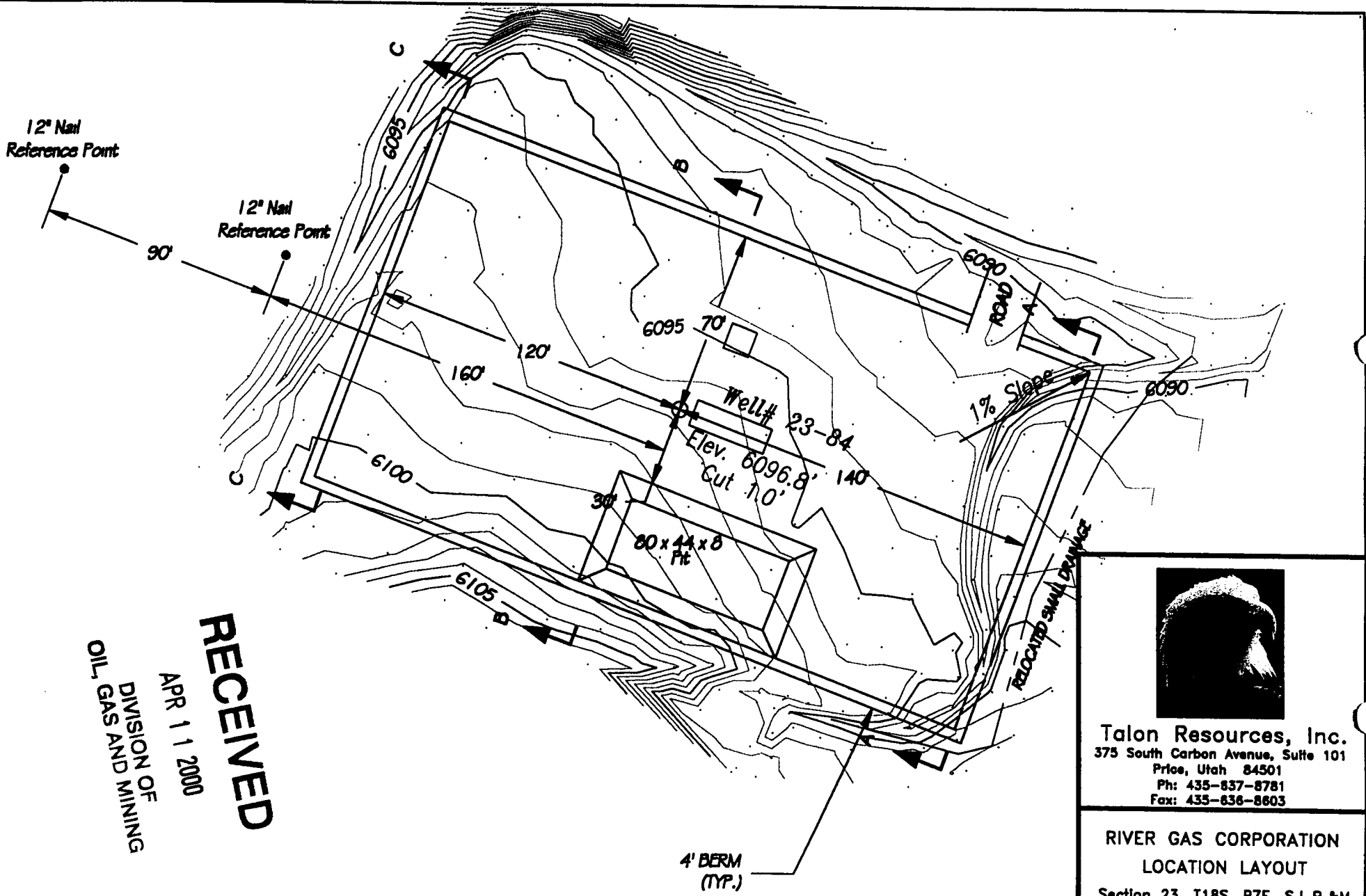
I, Albert J. Spensko, a Registered Professional Land Surveyor, holding Certificate 146652 State of Utah, do hereby certify that the information on this drawing is a true and accurate survey based on data of record and was conducted under my personal direction and supervision as shown hereon.

Legend

- Drill Hole Location
- ⊙ Brass Cap (Found)
- Brass Cap (Searched for, but not found)
- △ Calculated Corner
- () GLO
- GPS Measured

Talon Resources, Inc.
 375 South Carbon Avenue, Suite 101
 Price, Utah 84501
 Ph: 435-637-8781
 Fax: 435-636-8603

TEXACO E & P	
WELL # 23-84	
Section 23, T18S., R7E., S.L.B.&M. Emery County, Utah	
Drawn By: J. TIMOTHY	Checked By: L.W.J.
Drawing No. A-1	Date: 04/04/00
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 127



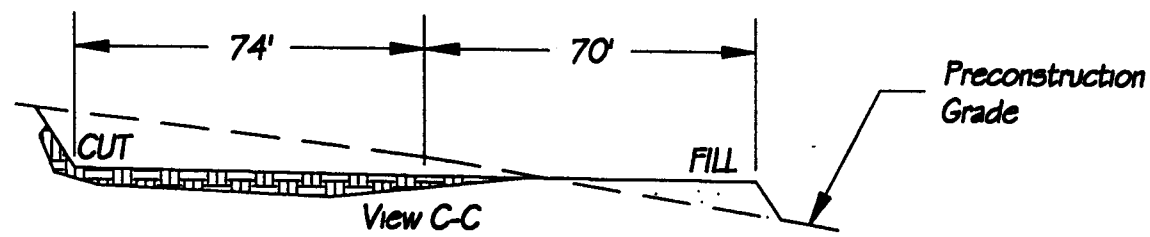
Talon Resources, Inc.
 375 South Carbon Avenue, Suite 101
 Price, Utah 84501
 Ph: 435-837-8781
 Fax: 435-836-8603

RIVER GAS CORPORATION
LOCATION LAYOUT
 Section 23, T18S, R7E, S.L.B.&M.
WELL # 23-84

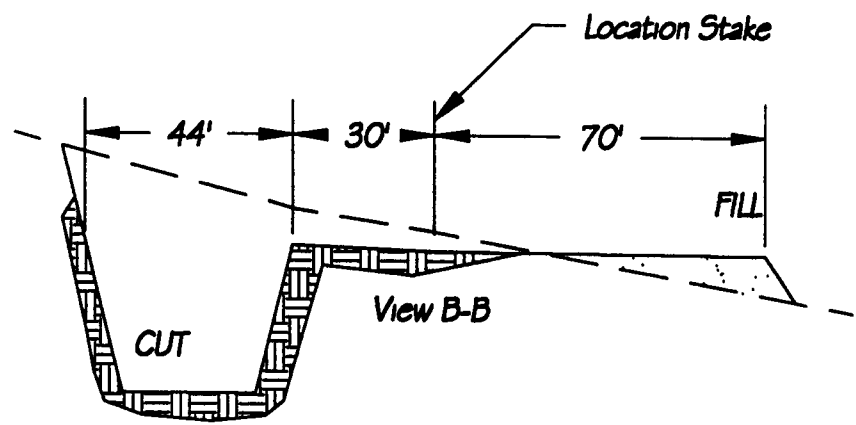
Drawn By: J. TIMOTHY	Checked By: L.W.J.
Drawing No. A-2	Date: 04/04/00
	Scale: 1" = 50'
Sheet 2 of 4	Job No. 127

RECEIVED
 APR 11 2000
 DIVISION OF
 OIL, GAS AND MINING

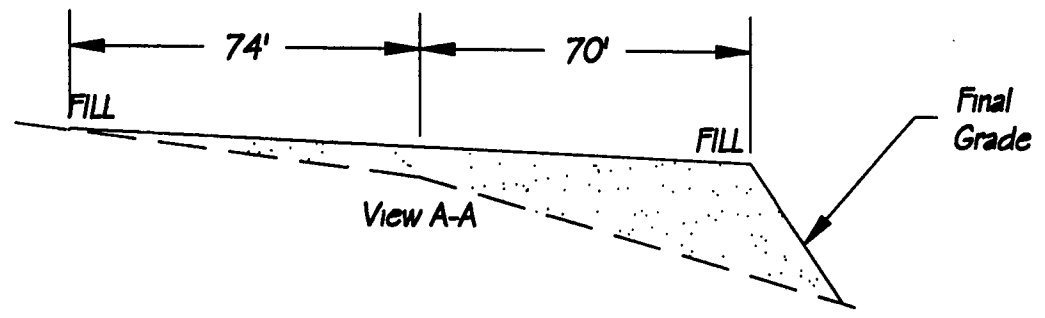
Elevation of Ungraded Ground at Location Stake = 6096.8'
 Elevation of Graded Ground at Location Stake = 6095.8'



1" = 10'
X-Section Scale
1" = 40'



Slope = 1 1/2 : 1
(Except Pit)
Pit Slope = 1 : 1



Talon Resources, Inc.
375 South Carbon Avenue, Suite 101
Price, Utah 84501
Ph: 435-837-8781
Fax: 435-836-8603

RIVER GAS CORPORATION
TYPICAL CROSS SECTION
Section 23, T18S, R7E, S.L.B.&M.
WELL # 23-84

Drawn By: J. TIMOTHY	Checked By: L.W.J.
Drawing No. C-1	Date: 04/04/00
	Scale: 1" = 40'
Sheet 3 of 4	Job No. 127

APPROXIMATE YARDAGE

CUT
(6") Topsoil Stripping = 750 Cu. Yds.
Remaining Location = 629.6 Cu. Yds.

TOTAL CUT = 1,379.6 Cu. Yds.
TOTAL FILL = 1,173.4 Cu. Yds.

RECEIVED
APR 11 2000
DIVISION OF
OIL, GAS AND MINING

STATE OF UTAH
STATE LEASE NO.
ML-45906

FED. LEASE NO.
FED UTU-68538

UTAH FEDERAL
U-66749

UTAH FEDERAL A
FED UTU-67532

UTAH FEDERAL F
FED UTU-72356

Well # 23-84

UP&L Pumping Station

UP&L Pond



Talon Resources, Inc.
375 South Carbon Avenue, Suite 138
Pricoe, Utah 84501
Ph: 435-637-5032 ext. 711
Fax: 435-748-5085

TEXACO
EXPLORATION & PRODUCTION
LOCATION MAP

Section 23, T18S, R7E, S.L.B.&M.
Well # 23-84

Drawn by
J. Timothy

Checked by
L.W.J.

Drawing No.

Date
4-04-00

L-1

Scale
1" = 2000'

Sheet 4 of 4

Job No.
127

Legend

- 35-6 Tezaco Existing Well Location & Number
- 27-87 Proposed 2000 Well Location & Number
- 11-70 Proposed 1999 Well Location & Number
- Main Travel Roads
- Access and/or Upgraded Roads
- Existing Power
- Existing Gas and Water
- Unimproved Road
- Proposed Road, Gas, Water, & Power
- Proposed Road
- Proposed Gas, Water & Power
- Proposed Power

Blizzard Bench Compressor Station

Federal 35-60

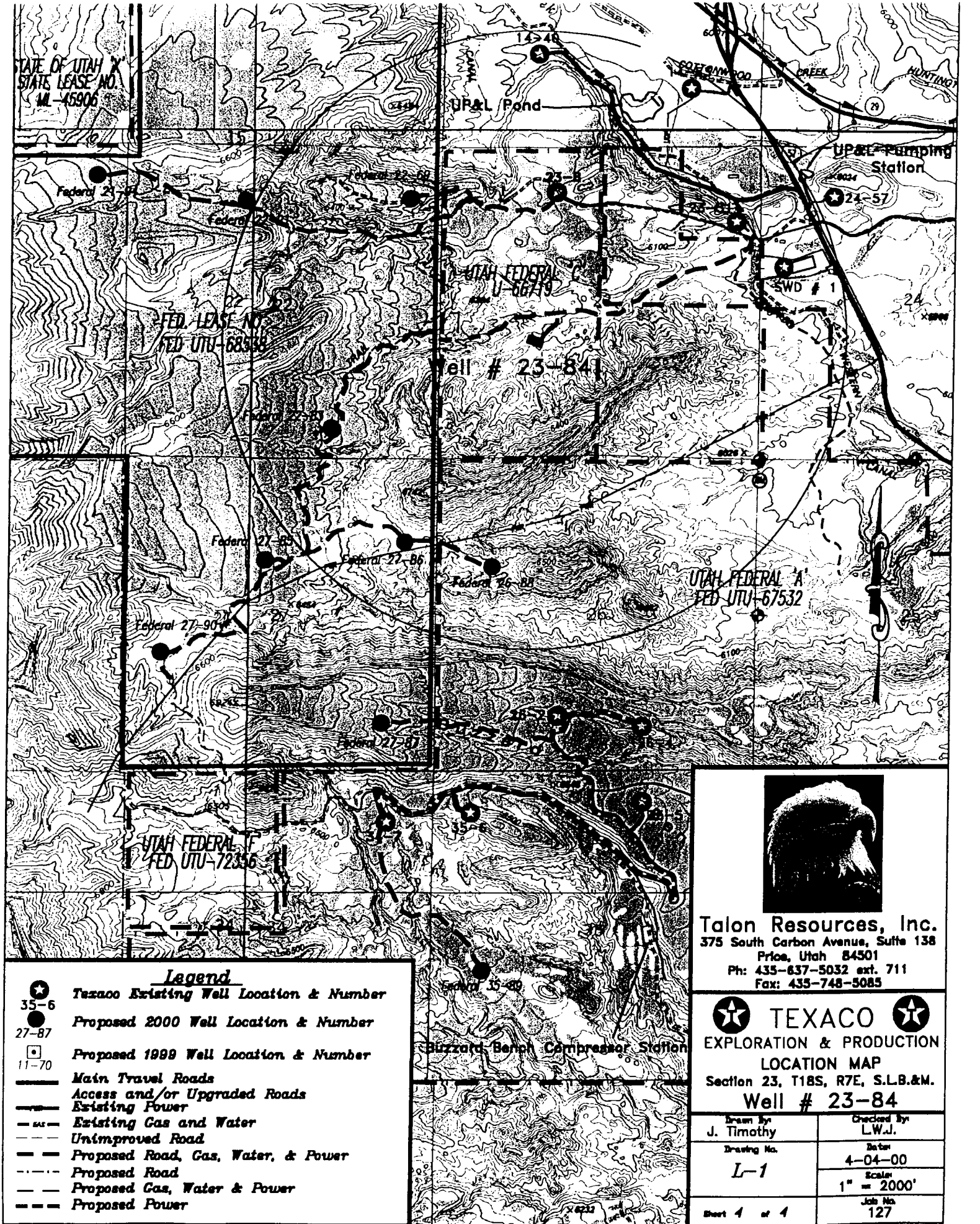
Federal 27-85

Federal 27-86

Federal 26-80

Federal 27-90

Federal 27-87





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)

April 20, 2000

Texaco Exploration and Production, Inc
3300 North Butler
Farmington, NM 87401

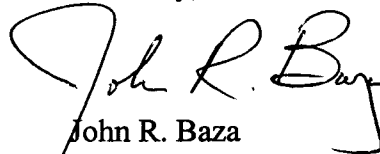
Re: Federal C 23-84 Well, 2152' FSL, 1548' FWL, NE SW, Sec. 23, T. 18S, R. 7E,
Emery County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-015-30447.

Sincerely,


John R. Baza
Associate Director

er

Enclosures

cc: Emery County Assessor
Bureau of Land Management, Moab District Office

Operator: Texaco Exploration and Production, Inc

Well Name & Number Federal C 23-84

API Number: 43-015-30447

Lease: UTU-66719

Location: NE SW Sec. 23 T. 18S R. 7E

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
- Contact Robert Krueger at (801) 538-5274.

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.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Gas

2. Name of Operator

Texaco Exploration & Production, Inc.

3. Address and Telephone No.

3300 N. Butler, Suite 100, Farmington, New Mexico 87401

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

2051' FSL, 1548' FWL
NE/4 SW/4, Section 23, T18S, R7E, SLB&M

CONFIDENTIAL

5. Lease Designation and Serial No.

UTU-66719

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

N/A

8. Well Name and No.

Federal C 23-84

9. API Well No.

10. Field and Pool, or Exploratory Area

Undesignated

11. County or Parish, State

Emery County, Utah

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

TYPE OF SUBMISSION

TYPE OF ACTION

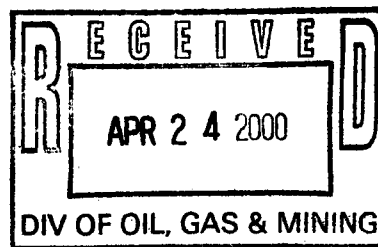
- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

- Change of Name
- Recompletion
- Plugging Back
- Casing Repair
- Altering Casing
- Hydrologic Evaluation

- Change of Plans
- New Construction
- Non-Routine Fracturing
- Water Shut-Off
- Conversion to Injection
- Dispose Water

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Following is the Hydrologic Evaluation for the *relocated* Federal C 23-84 for drainages requiring design per the Federal Environmental Impact Statement. Please include the following with the previously submitted Application for Permit to Drill.



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

Signed Ron Wirth Title PRODUCTION SUPERVISOR Date 1/20/2000

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
Conditions of approval, if any:

Culvert Analysis North of Buzzard Bench, West of the Office

(Project #127)

This report summarizes the design and analysis of the culvert to be located on a small wash slightly north of Buzzard Bench (West of the Office) on the Castle Dale quadrangle.

Figure 1 shows the watershed above the culvert crossing which has a drainage area of **0.83 sq. mi.** The figure was derived from the DEM (digital elevation model) of the quadrangle.

Table 1 gives the flood flows for different return periods from this area as determined from the NFF (National Flood Frequency) analysis. The **10-yr.** flood is **49 cfs** and the **50-yr.** flood is **164 cfs**.

Table 2 shows the results of using a **4½ ft.** diameter culvert 40 ft. long with an elevation drop of 1 ft. through an 8 ft. high road embankment. We did not receive a figure of the cross-section of the channel at this location. We were told that the channel is about 3 ft. deep presently, but that it will be about 8 ft. deep when the road crossing is established.

Table 2 indicates that the **4½ ft.** culvert will not quite carry the 50-yr. flood of 164 cfs without overtopping the 8 ft. high road embankment. The road begins to be overtopped at a flow of 156.4 cfs.

Table 3 shows the results of using a **5 ft.** diameter culvert. This culvert will carry 186.7 cfs without overtopping the 8 ft. high road (underlined). Therefore, the 50-yr. 164 cfs will not overtop this embankment.

If the road turns out to be slightly higher than 8 ft. above the channel bottom, the **4½ ft.** diameter culvert will carry the 164 cfs without overtopping. However, if the road is lower than 8 ft. high, the 5 ft. diameter culvert will be needed to carry the 164 cfs without overtopping the road.

These tables also indicate that the **4½ ft.** and **5 ft.** culverts will easily carry the 10-yr. flood of 49 cfs with no head. The 49 cfs passes through the culverts at depths of 3.06 ft. and 2.90 ft. respectively (underlined).

We also looked at **4 ft.** & **3½ ft.** culverts and found that the 10-yr. 49 cfs will pass through the 4 ft. culvert without head (at a depth of about 3.6 ft.), but will not pass through the 3½ ft. culvert without a small head on the culvert.

We also found that the 4 ft. culvert will only carry 127 cfs before the 8 ft. high road embankment begins to be overtopped. With the 4 ft. culvert, the 50-yr. 164 cfs flows at a significant depth over the top of the 8 ft. road.

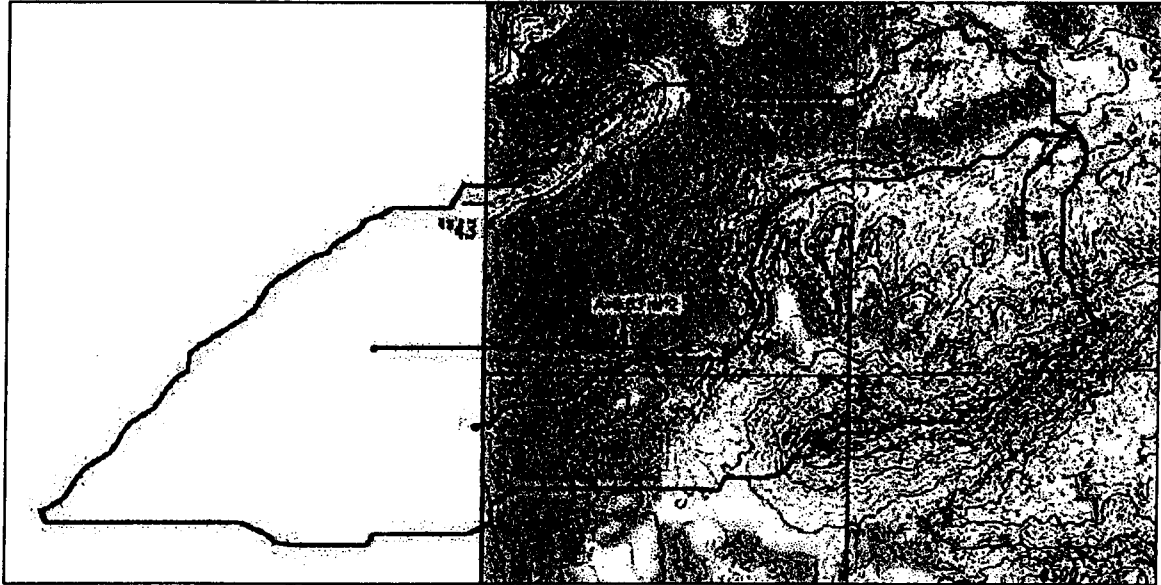


Figure 1. Map of Drainage Area above Culvert Crossing

Table 1. 10- and 50-Year Flows at Culvert Crossing

Flow data computed with the National Flood Frequency Program in WMS.
 Utah, Basin: 3B, Total Area (sq mi): 0.83

High Plateaus

Mean Basin Elevation (ft) E*: 6900.00 7470.00 10500.00

MAXIMUM FLOOD ENVELOPE: 1960 (cfs)

Recurrence Interval	Peak (cfs)	Std Error	Equiv. Years
Rural Peak Q2	9	66.0	N/A
Rural Peak Q5	22	53.0	N/A
Rural Peak Q10	49	53.0	N/A
Rural Peak Q25	101	57.0	N/A
Rural Peak Q50	164	62.0	N/A
Rural Peak Q100	253	68.0	N/A
Rural Peak Q500	430	N/A	N/A

Table 2. Flows and Heads with a 4½ ft. Diameter Culvert

 FHWA CULVERT ANALYSIS
 HY-8, VERSION 6.0

C U L V NO.	SITE DATA			CULVERT SHAPE, MATERIAL, INLET				
	INLET ELEV. (ft)	OUTLET ELEV. (ft)	CULVERT LENGTH (ft)	BARRELS SHAPE MATERIAL	SPAN (ft)	RISE (ft)	MANNING n	INLET TYPE
1	100.00	99.00	40.00	1 CSP	4.50	4.50	.024	CONVENTIONAL

SUMMARY OF CULVERT FLOWS (cfs) FILE: culvap00 DATE: 04-13-100

ELEV (ft)	TOTAL	1	2	3	4	5	6	ROADWAY	ITR
100.00	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.00	1
101.94	20.0	20.0	0.0	0.0	0.0	0.0	0.0	0.00	1
102.71	40.0	40.0	0.0	0.0	0.0	0.0	0.0	0.00	1
<u>103.06</u>	<u>49.0</u>	49.0	0.0	0.0	0.0	0.0	0.0	0.00	1
104.22	80.0	80.0	0.0	0.0	0.0	0.0	0.0	0.00	1
105.03	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.00	1
105.94	120.0	120.0	0.0	0.0	0.0	0.0	0.0	0.00	1
107.00	140.0	140.0	0.0	0.0	0.0	0.0	0.0	0.00	1
108.04	160.0	156.9	0.0	0.0	0.0	0.0	0.0	1.70	6
108.18	180.0	159.0	0.0	0.0	0.0	0.0	0.0	19.30	5
108.27	200.0	160.5	0.0	0.0	0.0	0.0	0.0	37.66	4
<u>108.00</u>	<u>156.4</u>	156.4	0.0	0.0	0.0	0.0	0.0	0.0	OVERTOPPING

Table 3. Flows and Heads with a 5 ft. Diameter Culvert

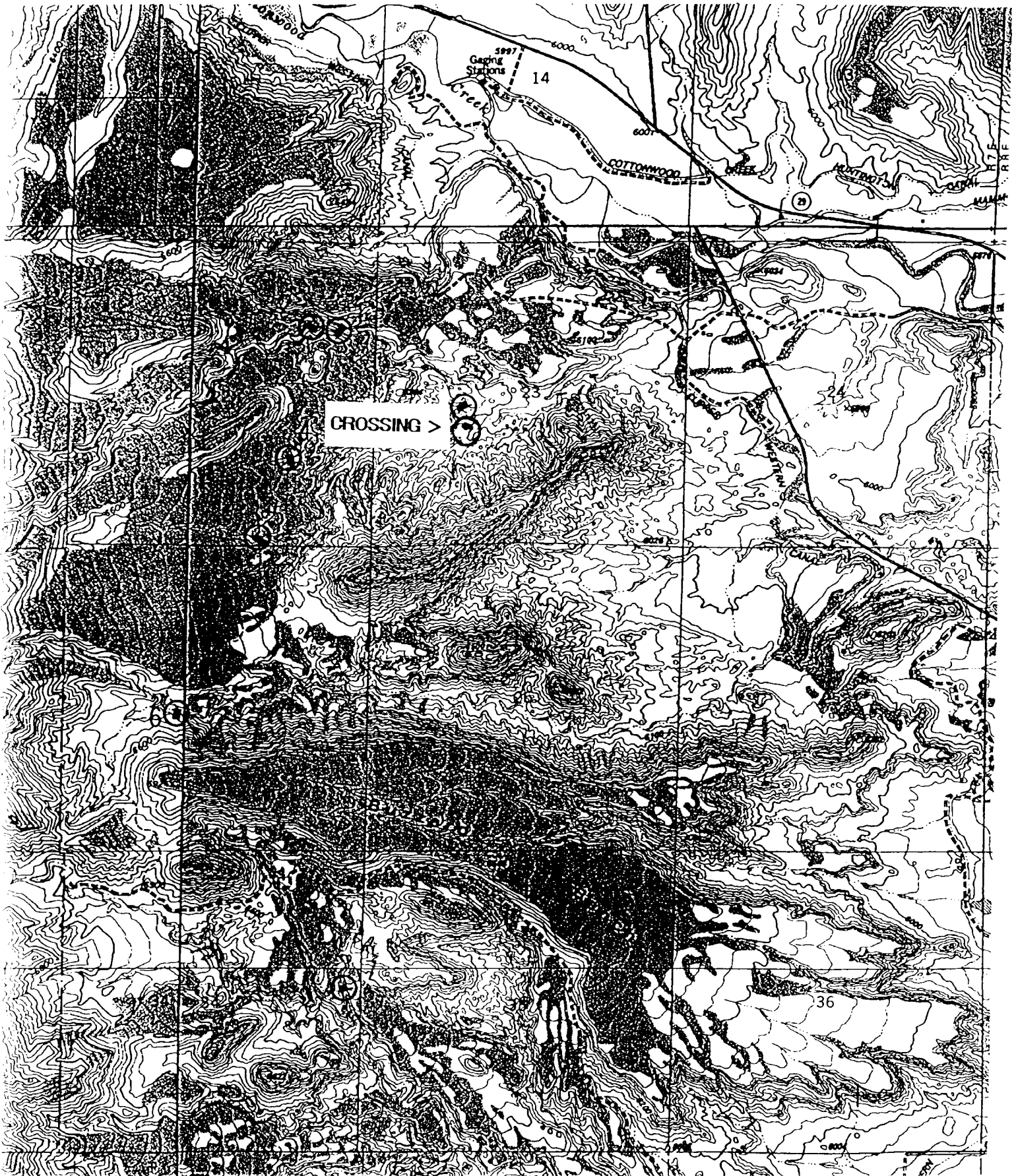
 FHWA CULVERT ANALYSIS
 HY-8, VERSION 6.0

C U L V NO.	SITE DATA			CULVERT SHAPE, MATERIAL, INLET				
	INLET ELEV. (ft)	OUTLET ELEV. (ft)	CULVERT LENGTH (ft)	BARRELS SHAPE MATERIAL	SPAN (ft)	RISE (ft)	MANNING n	INLET TYPE
1	100.00	99.00	40.00	1 CSP	5.00	5.00	.024	CONVENTIONAL

SUMMARY OF CULVERT FLOWS (cfs) FILE: culvap00 DATE: 04-13-100

ELEV (ft)	TOTAL	1	2	3	4	5	6	ROADWAY	ITR
100.00	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.00	1
102.14	20.0	20.0	0.0	0.0	0.0	0.0	0.0	0.00	1
102.58	40.0	40.0	0.0	0.0	0.0	0.0	0.0	0.00	1
<u>102.90</u>	<u>49.0</u>	49.0	0.0	0.0	0.0	0.0	0.0	0.00	1
103.92	80.0	80.0	0.0	0.0	0.0	0.0	0.0	0.00	1
104.56	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.00	1
105.23	120.0	120.0	0.0	0.0	0.0	0.0	0.0	0.00	1
105.95	140.0	140.0	0.0	0.0	0.0	0.0	0.0	0.00	1
106.76	160.0	160.0	0.0	0.0	0.0	0.0	0.0	0.00	1
107.67	180.0	180.0	0.0	0.0	0.0	0.0	0.0	0.00	1
108.11	200.0	188.9	0.0	0.0	0.0	0.0	0.0	9.38	8
<u>108.00</u>	<u>186.7</u>	186.7	0.0	0.0	0.0	0.0	0.0	0.0	OVERTOPPING

Texaco Exploration and Production, Inc.
Area Map of Crossing (Project #127)





**Texaco Exploration
and Production Inc.**
Denver Region

3300 North Butler
Farmington, NM 87401
505 325-4397

January 15, 2001

Ms. Lisha Cordova
State of Utah Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

CONFIDENTIAL

Re: **Application for Permit to Drill
Permit Extension**

WELL	APPROVED	SEC	RNGE	TWN	COUNTY	STATE
43-015-30445 26-88	2/9/00	26	18S	7E	Emery	Utah UTH-67532
43-015-30455 27-86	2/9/00	27	18S	7E	Emery	Utah UTH-67538
43-015-30452 22-83	2/9/00	22	18S	7E	Emery	Utah "
43-015-30447 23-84	2/9/00	23	18S	7E	Emery	Utah UTH-66719
43-015-30453 22-91	2/9/00	22	18S	7E	Emery	Utah UTH-68538
43-015-30448 3-92	2/9/00	3	18S	7E	Emery	Utah UTH-68535
43-015-30449 3-93	2/9/00	3	18S	7E	Emery	Utah "

Dear Ms. Cordova:

The above referenced wells received state drilling permits in February 2000. The drilling and completion of these wells did not occur and will be deferred to this year. Therefore Texaco Exploration and Production, Inc. respectfully requests a one-year drilling permit extension for the above referenced wells.

Please accept this letter as Texaco Exploration and Production Incorporated's written request for confidential treatment of all information contained in and pertaining to these permit applications, if said information is eligible for such consideration.

Thank you very much for your timely consideration of this request. Please feel free to contact Roger Johnson (Ext. 25) or myself (Ext. 11) if you have any questions.

Sincerely,

Ian M. Kephart
Ferron Production Engineer

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

Date: 01-25-01

By:

01-25-01
CRH

RECEIVED

JAN 22 2001

DIVISION OF
OIL, GAS AND MINING

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
 DRILL DEEPEN

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER

SINGLE ZONE MULTIPLE ZONE

5. LEASE DESIGNATION AND SERIAL NO. **ITTU-66719**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME **N/A**

7. UNIT AGREEMENT NAME **N/A**

8. FARM OR LEASE NAME, WELL NO. **Federal C.23-84**

9. API WELL NO. **43-015-30447**

10. FIELD AND POOL, OR WILDCAT **Undesignated**

11. SEC., T., R., M., OR BLK. **NW/4 SW/4, Section 23, T18S, R7E, S1B&M**

12. COUNTY OR PARISH **Emery** 13. STATE **Utah**

2. NAME OF OPERATOR **Texaco Exploration and Production, Inc.**

3. ADDRESS AND TELEPHONE NO. **3300 North Butler, Farmington, NM 87401; 505-325-4397**

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface **2051' FSL + 3548' FWL**
 At proposed prod. zone **2152' FSL, 381' FWL**

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
3.4 miles northwest of Orangeville, Utah

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) **381'**

16. NO. OF ACRES IN LEASE **323.79**

17. NO. OF ACRES ASSIGNED TO THIS WELL **160 acres**

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. **4000'**

19. PROPOSED DEPTH **3240'**

20. ROTARY OR CABLE TOOLS **Rotary**

21. ELEVATIONS (Show whether DF, RT, GR, etc.) **6192' GR**

22. APPROX. DATE WORK WILL START* **April 2000**

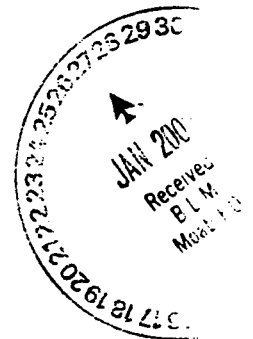
23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8" H-40 ST&C	36	300'	180 sacks Class G cement + 2% CaCl ₂ + 0.25 pps cellophane flakes
8-3/4"	7" N-80 LT&C	26	3240'	75 sacks 10:1 RFC Class G cement + 0.25 pps cellophane flakes

RECEIVED

MAY 29 2001

DIVISION OF
OIL, GAS AND MINING



FLARING OR VENTING OF GAS IS SUBJECT TO THE AA Dated 1/1/80

CONDITIONS OF APPROVAL ATTACHED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED [Signature] TITLE **FARMINGTON O. U. TEAM LEADER** DATE **1/7/2000**

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon

CONDITIONS OF APPROVAL, IF ANY: **Assistant Field Manager, Division of Resources** DATE **MAY 23 2001**

APPROVED BY /S/ WILLIAM C. SIBNER 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 or the

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT--" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Gas

2. Name of Operator

Texaco Exploration & Production

3. Address and Telephone No.

3300 N. Butler, Suite 100, Farmington, New Mexico 87401

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

2152' FSL, 381' FWL
NW/4 SW/4, Section 23, T18S, R7E, SLB&M

5. Lease Designation and Serial No.

UTU-66719

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

N/A

8. Well Name and No.

Federal C 23-84

9. API Well No.

43-015-

10. Field and Pool, or Exploratory Area

Undesignated

11. County or Parish, State

Emery County, Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Change of Name	<input type="checkbox"/> Pipeline, Powerline, Maintenance Corridor Construction
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Water Shut-Off
	<input checked="" type="checkbox"/> Relocation of well site	<input type="checkbox"/> Conversion to Injection
		<input type="checkbox"/> Dispose Water

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Relocation of wellsite following APD submission and prior to APD approval.

The Federal C 23-84 well is being relocated to the following location to enhance proposed production:

2051' FSL, 1548' FWL (NE/4 SW/4) Section 23, T18S, R7E, SLB&M.

The previously submitted exception to spacing will not be needed since the well is located within the interior spacing window.

RECEIVED
 MOAB FIELD OFFICE
 2000 APR 11 A 1:02
 DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT

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

Signed Ron With Title PROD. SUPERVISOR Date 4/6/2000

(This space for Federal or State office use)

Approved by ACCEPTED Title Division of Resources Date MOAB Field Office

Conditions of approval, if any:

Range 7 East

N89°34'29"W - 5321.34'

(S89°47'W - 2702.7')

(S89°29'W - 2671.68')

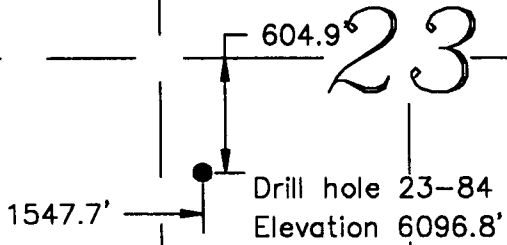
Township 18 South

N00°05'56"E - 2676.31'
(N00°04'E - 2674.32')

N00°22'19"W - 2656.20'
(N00°20'E - 2649.24')

(N00°02'E - 2669.04')

(N00°05'E - 2676.30')
N00°05'00"E - 2676.30'



(S88°37'W - 2741.64')

(N88°53'W - 2653.86')

S89°52'39"W - 5387.25'

Legend

- Drill Hole Location
- ⊕ Brass Cap (Found)
- Brass Cap (Searched for, but not found)
- △ Calculated Corner
- () GLO
- GPS Measured

Location:

The Bearings indicated are per the recorded plat obtained from the U.S. Land Office. The well location was determined using a Trimble 4700 GPS survey grade unit.

Basis of Elevation:

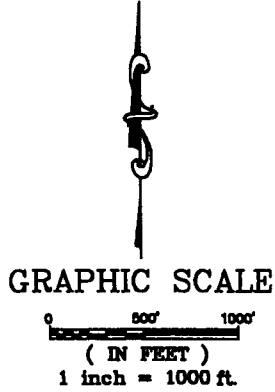
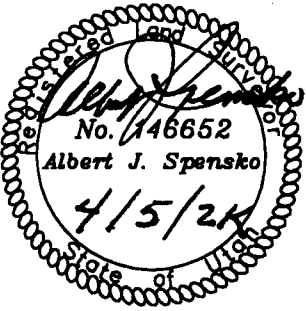
Basis of Elevation of 6006.86' being a Utah State Engineer's benchmark located between Section 25 and Section 26, T18S., R9E., Salt Lake Base & Meridian, 350' South of the Northwest Corner of Section 25, Township 18 South, Range 7 East.

Description of Location:

Proposed Drill Hole located in the NE 1/4, SW 1/4 of Section 23; being 604.9' South and 1547.7' East from the West Quarter Corner of Section 23, T18S., R7E., Salt Lake Base and Meridian.

Surveyor's Certificate:

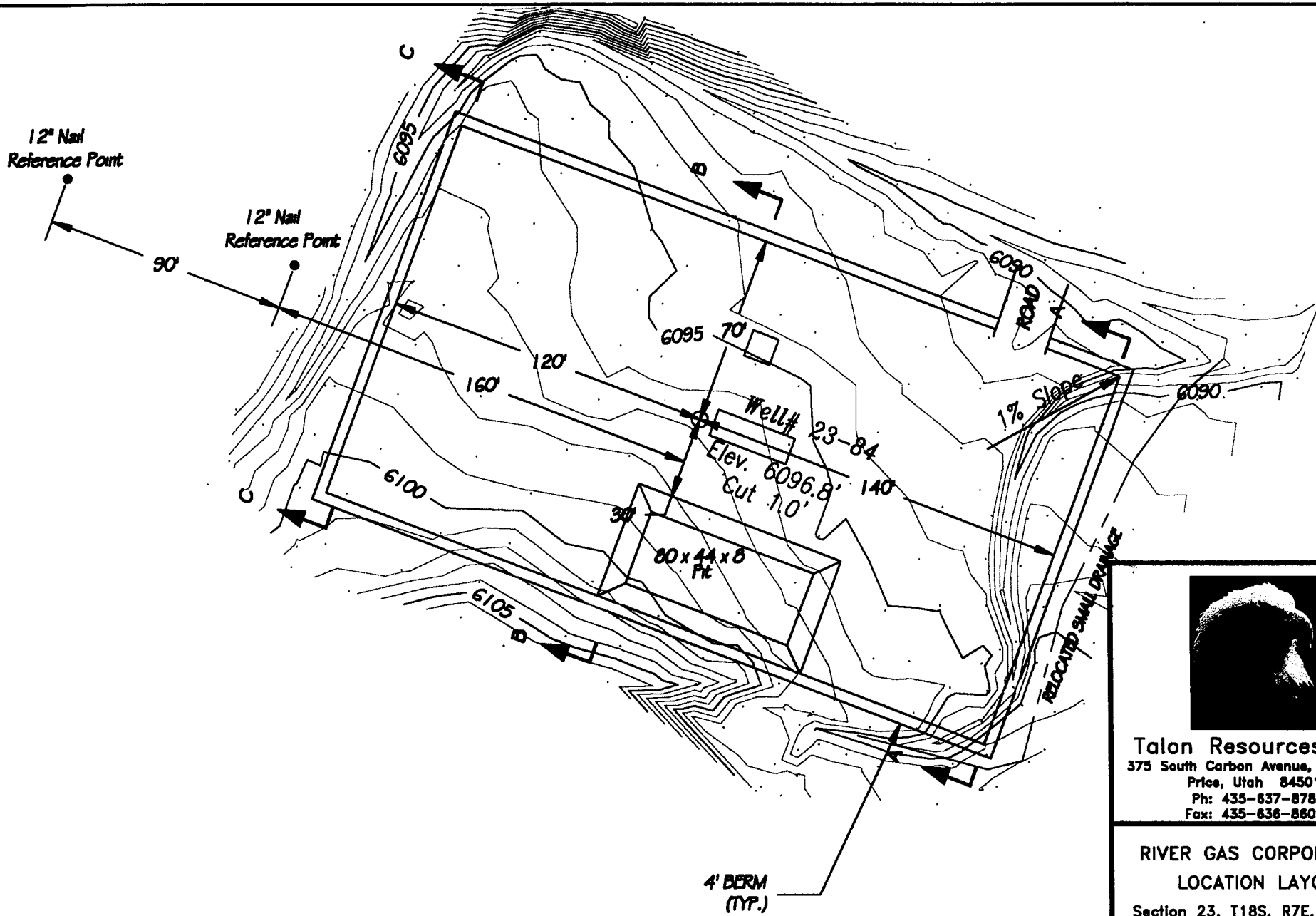
I, Albert J. Spensko, a Registered Professional Land Surveyor, holding Certificate 146652 State of Utah, do hereby certify that the information on this drawing is a true and accurate survey based on data of record and was conducted under my personal direction and supervision as shown hereon.



Talon Resources, Inc.
375 South Carbon Avenue, Suite 101
Pree, Utah 84501
Ph: 435-637-8781
Fax: 435-636-8603

TEXACO E & P
WELL # 23-84
Section 23, T18S., R7E., S.L.B.&M.
Emery County, Utah

Drawn By: J. TIMOTHY	Checked By: L.W.J.
Drawing No. A-1	Date: 04/04/00
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 127



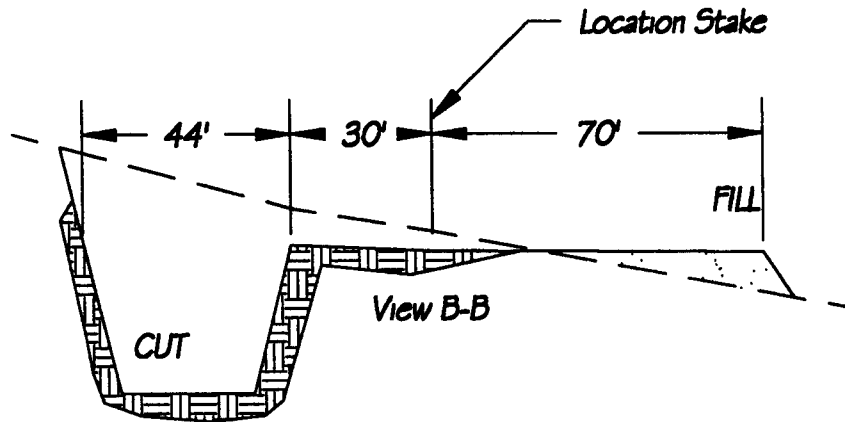
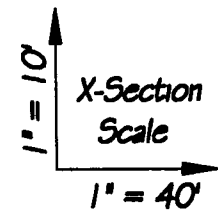
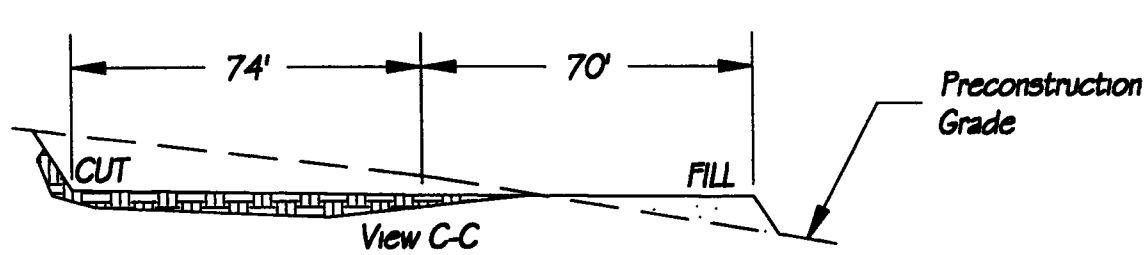
Elevation of Ungraded Ground at Location Stake = 6096.8'
 Elevation of Graded Ground at Location Stake = 6095.8'



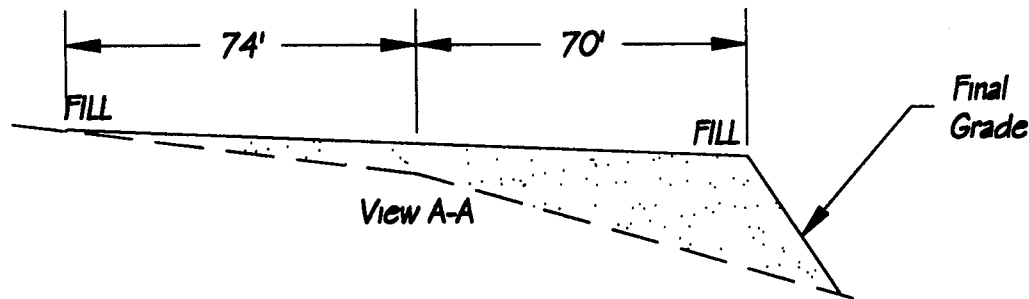
Talon Resources, Inc.
 375 South Carbon Avenue, Suite 101
 Price, Utah 84501
 Ph: 435-637-8781
 Fax: 435-636-8603

RIVER GAS CORPORATION
LOCATION LAYOUT
 Section 23, T18S, R7E, S.L.B.&M.
WELL # 23-84

Drawn By: J. TIMOTHY	Checked By: L.W.J.
Drawing No. A-2	Date: 04/04/00
	Scale: 1" = 50'
Sheet 2 of 4	Job No. 127



Slope = 1 1/2 : 1
 (Except Pit)
 Pit Slope = 1 : 1



Talon Resources, Inc.
 375 South Carbon Avenue, Suite 101
 Price, Utah 84501
 Ph: 435-837-8781
 Fax: 435-636-8603

RIVER GAS CORPORATION
 TYPICAL CROSS SECTION
 Section 23, T18S, R7E, S.L.B.&M.
 WELL # 23-84

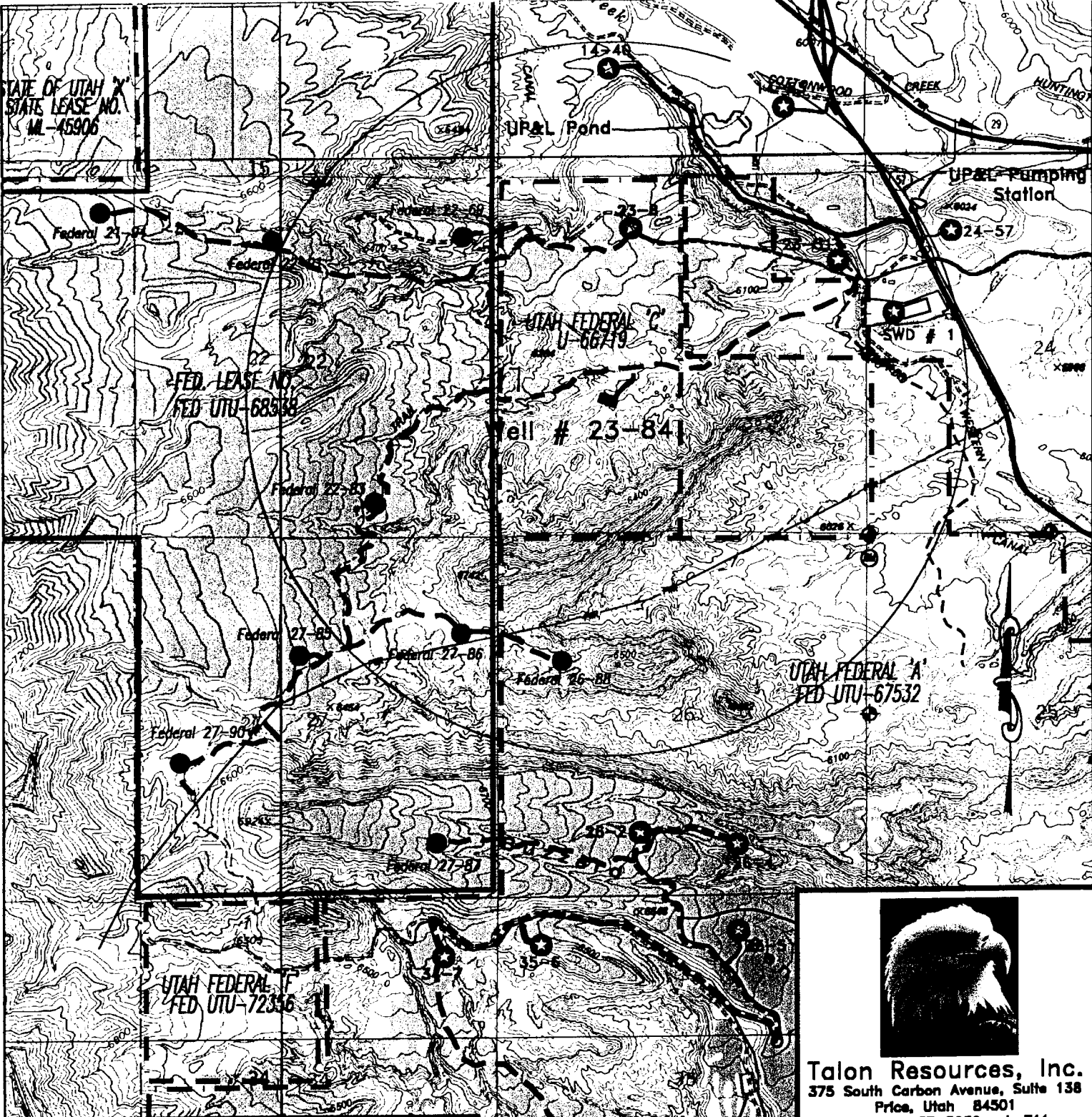
Drawn By: J. TIMOTHY	Checked By: L.W.J.
Drawing No. C-1	Date: 04/04/00
	Scale: 1" = 40'
Sheet 3 of 4	Job No. 127

APPROXIMATE YARDAGE

CUT
 (6") Topsoil Stripping = 750 Cu. Yds.
 Remaining Location = 629.6 Cu. Yds.

 TOTAL CUT = 1,379.6 Cu. Yds.
 TOTAL FILL = 1,173.4 Cu. Yds.

STATE OF UTAH
STATE LEASE NO.
M-45906



FED. LEASE NO.
FED UTU-68938

UTAH FEDERAL
U-66749

Well # 23-84

UTAH FEDERAL 'A'
FED UTU-67532

UTAH FEDERAL 'F'
FED UTU-72356

Legend

- Tezaco Existing Well Location & Number
- 35-6
- Proposed 2000 Well Location & Number
- 27-87
- Proposed 1988 Well Location & Number
- 11-70
- Main Travel Roads
- Access and/or Upgraded Roads
- Existing Power
- Existing Gas and Water
- Unimproved Road
- Proposed Road, Gas, Water, & Power
- Proposed Road
- Proposed Gas, Water & Power
- Proposed Power



Talon Resources, Inc.
375 South Carbon Avenue, Suite 138
Price, Utah 84501
Ph: 435-637-5032 ext. 711
Fax: 435-748-5085

TEXACO
EXPLORATION & PRODUCTION
LOCATION MAP
Section 23, T18S, R7E, S.L.B.&M.
Well # 23-84

Drawn By J. Timothy	Checked By L.W.J.
Drawing No. L-1	Date 4-04-00
	Scale 1" = 2000'
Sheet 4 of 4	Job No. 127

Texaco Exploration & Production, Inc.
Federal C 23-84
Lease U-66719
NESW Section 23, T18S, R7E
Emery County, Utah

A COMPLETE COPY OF THIS PERMIT SHALL BE KEPT ON LOCATION, from the beginning of site construction through well completion, and shall be available to contractors to ensure compliance.

CONDITIONS OF APPROVAL

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

Be advised that Texaco Exploration & Production, Inc. is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by CO0058 (Principal - Texaco Exploration & Production, Inc.) via surety consent as provided for in 43 CFR § 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR § 3106.7-2 continuing responsibility are met.

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

All lease operations will be conducted in full compliance with applicable regulations (43 CFR § 3100), Onshore Oil and Gas Orders, lease terms, notices to lessees, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors.

A. DRILLING PROGRAM

1. The proposed BOP system is in a 2M configuration. Although components of the system are rated to 3000 psi, testing to the requirements of a 2M system will be sufficient.
2. The choke manifold schematic does not clearly depict a pressure gauge. A pressure gauge must be installed on the choke manifold (preferably at the cross), and a valve capable of isolating the gauge from manifold pressure must be in-place.
3. The requirements for air drilling, found in Onshore Oil and Gas Order No. 2, part III, E (Special Drilling Operations), shall be followed. This section requires, at a minimum, the use of the following equipment not mentioned in the application:
 - Spark arresters
 - Blooie line discharge at least 100 feet from wellbore
 - Straight blooie line
 - Deduster equipment\
 - Float valve above bit
 - Automatic igniter on the blooie line
4. A cement bond log (CBL) or other appropriate tool shall be used to determine the top-of-cement behind the production casing. (We suggest you review your production casing cement design to ensure that your anticipated top-of-cement (TOC) is indeed where you want it—our calculations result in a TOC well below your estimation).
5. Concurrent approval from the State of Utah, Division of Oil, Gas & Mining is required before conducting any surface disturbing activities.

SURFACE USE

1. The following appendices are attached for your reference. They are to be followed as conditions of approval:

Table A-1, Seed Mixture for Green Strip Areas

Table A-2, Seed Mixture for Final Reclamation, Pinyon-Juniper Areas

EMP 16 & 17, Winter Seasonal Restriction on Critical & High Priority Winter Range

EMP 19, Critical Winter Range Browse Hand Planting

EMP 21, Surface Disturbance Mitigation for Critical and High Priority Winter Range

2. Whether the mud pit shall be lined will be determined at the time of construction.
3. Within six months of installation, surface structures shall be painted in the following flat, earth tone color: Olive Black (5W A 20-6). This Fuller O'Brien color is for reference only. Any brand of paint may be used provided the colors match. Any facilities that must be painted to comply with OSHA standards are exempt.

GENERAL CONSTRUCTION

1. Operator shall contact the Price BLM Office at least forty-eight hours prior to the anticipated start of construction and/or any surface disturbing activities. The BLM may require and schedule a preconstruction conference with the operator prior to the operator commencing construction and/or surface disturbing activities. The operator and the operator's contractor, or agents involved with construction and/or any surface disturbing activities associated with the project, shall attend this conference to review the Conditions of Approval and plan of development. The operator's inspector will be designated at the pre-drill conference, and is to be given an approved copy of all maps, permits and conditions of approval before the start of construction. The BLM will also designate a representative for the project at the preconstruction conference.
2. The operator shall designate a representative(s) who shall have the authority to act upon and to implement instructions from the BLM. The operator's representative shall be available for communication with the BLM within a reasonable time when construction or other surface disturbing activities are underway.

3. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the operator, or any person working on his behalf, on public land is to be immediately reported to the Price BLM Office. The operator will suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Price BLM Office. An evaluation of the discovery will be made by the BLM to determine appropriate actions to prevent the loss of significant cultural or scientific values. The operator is responsible for the cost of evaluation of any site found during construction. The BLM will determine what mitigation is necessary.
4. During project construction, surface disturbance and vehicle travel shall be limited to the approved location and access routes. Any additional area needed must be approved by the Price BLM Office prior to use.
5. The operator must provide a trash cage for the collection and containment of all trash. The trash shall be disposed in an authorized landfill. The location and access roads shall be kept litter free.
6. Vegetation removal necessitated by construction shall be confined to the limits of actual construction. Removed vegetation will be stockpiled for use in reclamation or removed from the construction site at the direction of the BLM.
7. Prior to surface disturbance, topsoil is to be separately removed and segregated from other material. Topsoil depth will be decided onsite by BLM. If the topsoil is less than 6 inches, a 6-inch layer that includes the A horizon and the unconsolidated material immediately below the A horizon shall be removed and the mixture segregated and redistributed as the surface soil layer.

Generally topsoil shall be stored within the pad site or adjacent to access roads. The company in consultation with BLM shall determine stockpile locations and dimensions at the onsite. If the topsoil stockpiles will not be redistributed for a period in excess of one (1) year, the stockpiles are to be seeded with seed mixture Pinyon-Juniper (see attached).

ROAD and PIPELINE CONSTRUCTION

8. Operator shall provide an inspector under the direction of a registered professional engineer (PE) at all times during road construction. A PE shall certify (statement with PE stamp) that the road was constructed to the required Bureau of Land Management (BLM) road standards.
9. Road construction or routine maintenance activities are to be performed during

periods when the soil can adequately support construction equipment. If such equipment creates ruts more than 6 inches deep, the soil is deemed too wet to adequately support construction equipment.

10. The operator is responsible for maintenance of all roads authorized through the lease or a right-of-way. Construction and maintenance shall comply with Class II or III Road Standards as described in BLM Manual Section 9113 and the Moab District Road Standards, except as modified by BLM. Maintenance may include but is not limited to grading, applying gravel, snow removal, ditch cleaning, headcut restoration/prevention.
11. Topsoil from access roads and pipelines is to be wind rowed along the uphill side of the road or stored in an approved manner. When the road and pipeline is rehabilitated, this soil will then be used as a top coating for the seed bed.
12. Erosion-control structures such as water bars, diversion channels, and terraces will be constructed to divert water and reduce soil erosion on the disturbed area. Road ditch turnouts shall be equipped with energy dissipaters as needed to avoid erosion. Where roads interrupt overland sheet-flow and convert this runoff to channel flow, ditch turnouts shall be designed to reconvert channel flow to sheet flow. Rock energy dissipaters and gravel dispersion fans may be used, or any other design which would accomplish the desired reconversion of flow regime. As necessary cut banks, road drainage, and road crossings shall be armored or otherwise engineered to prevent head-cutting.
13. This permit will not cover electric power to the wells. A separate permit will be required when Texaco is sure of its plans.

PAD CONSTRUCTION

14. During the construction of the drill pad, suitable topsoil material is to be stripped and conserved in a stockpile on the pad. If stockpiles are to remain for more than a year, they shall be seeded with the seed mixture Pinyon-Juniper (see attached).
15. Generally, drill pads are to be designed to prevent overland flow of water from entering or leaving the site. The pad is to be sloped to drain spills and water into the reserve pit. The drill pad shall be designed to disperse diverted overland flow and to regulate flow velocity so as to prevent or minimize erosion. Well pad diversion outlets shall be equipped with rock energy brakes and gravel-bedded dispersion fans.

REHABILITATION PROCEDURES

Site Preparation

16. The entire roadbed should be obliterated and brought back to the approximate original contour. Drainage control is to be reestablished as necessary. All areas affected by road construction are to be recontoured to blend in with the existing topography. All berms are to be removed unless determined to be beneficial by BLM. In recontouring the disturbed areas, care should be taken to not disturb additional vegetation.

Seedbed Preparation

17. An adequate seedbed should be prepared for all sites to be seeded. Areas to be revegetated should be chiseled or disked to a depth of at least 12 inches unless restrained by bedrock.
18. Ripping of fill materials should be completed by a bulldozer equipped with single or a twin set of ripper shanks. Ripping should be done on 4-foot centers to a depth of 12 inches. The process should be repeated until the compacted area is loose and friable, then shall be followed by final grading. Seedbed preparation will be considered complete when the soil surface is completely roughened and the number of rocks (if present) on the site is sufficient to cause the site to match the surrounding terrain.
19. After final grading, the stockpiled topsoil shall be spread evenly across the disturbed area.

Fertilization

20. Commercial fertilizer with a formula of 16-16-8 is to be applied at a rate of 200 pounds per acre to the site. The rate may be adjusted depending on soil.
21. Fertilizer is to be applied not more than 48 hours before seeding, and shall be cultivated into the upper 3 inches of soil.
22. Fertilizer is to be broadcast over the soil using hand-operated "cyclone-type" seeders or rotary broadcast equipment attached to construction or revegetation machinery as appropriate to slope. All equipment should be equipped with a metering device. Fertilizer application is to take place before the final seeding preparation treatment. Fertilizer broadcasting operations should not be conducted when wind velocities would interfere with even distribution of the material.

Mulching

23. When it is time to reclaim this location, the Price BLM Office will determine whether it will be necessary to use mulch in the reclamation process. The type of mulch should meet the following requirements: Wood cellulose fiber shall be natural or cooked, shall disperse readily in water, and shall be nontoxic. Mulch shall be thermally produced and air dried. The homogeneous slurry or mixture shall be capable of application with power spray equipment. A colored dye that is noninjurious to plant growth may be used when specified. Wood cellulose fiber is to be packaged in new, labeled containers. A minimum application of 1500 pounds per acre shall be applied. A suitable tackifier shall be applied with the mulch at a rate of 60 to 80 pounds per acre.

An alternative method of mulching on small sites would be the application of straw or hay mulch at a rate of 2000 pounds per acre. Hay or straw shall be certified weed free. Following the application of straw or hay, crimping shall occur to ensure retention.

Reseeding

24. All disturbed areas are to be seeded with the seed mixture required by the BLM. The seed mixture(s) shall be planted in the fall of the year (Sept-Nov), in the amounts specified in pounds of pure live seed (PLS)/acre. There shall be no noxious weed seed in the seed mixture. Seed will be tested and the viability testing of seed shall be done in accordance with State law(s) and within 12 months prior to planting. Commercial seed will be either certified or registered seed. The seed mixture container shall be tagged in accordance with State law(s) and available for inspection by the BLM. Seed is to be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture shall be evenly and uniformly planted over the disturbed area. (Smaller/heavier seeds tend to drop to the bottom of the drill and are planted first. Appropriate measures should be taken to ensure this does not occur.) Where drilling is not possible, seed is to be broadcast and the area raked or chained to cover the seed. Woody species with seeds that are too large for the drill will be broadcast. When broadcasting the seed, the pounds per acre noted below are to be increased by 50 percent. Reseeding may be required if a satisfactory stand is not established to the surface rights owner's specifications. Evaluation of the seeding's success will not be made before completion of the second growing season after the vegetation becomes established. The Price BLM Office is to be notified a minimum of seven days before seeding a project.
25. The disturbed areas for the road and pipeline must be seeded in the fall of the year, immediately after the topsoil is replaced. The prescribed seed mixture is Pinyon-

Juniper (see attached).

General

26. Prior to the use of insecticides, herbicides, fungicides, rodenticides and other similar substances, the operator must obtain from BLM, approval of a written plan. The plan must describe the type and quantity of material to be used, the pest to be controlled, the method of application, the location for storage and disposal of containers, and other information that BLM may require. A pesticide may be used only in accordance with its registered uses and within other agency limitations. Pesticides must not be permanently stored on public lands.

The following seed mixture would be planted along service road borrow ditches, around the edges of drill pads with a production well, and surrounding other production and maintenance facilities. The purpose for this is to provide a "green strip" buffer to minimize fire hazards and prevent invasion and establishment of noxious weeds in areas that will receive continued disturbance for the life of these areas.

Table A-1

Common Plant Name	Scientific Name	Pounds per acre (PLS)
Forage kochia	<i>Kochia prostrata</i>	2
Wyoming big sagebrush	<i>Artemisia tridentata wyomingensis</i> var. Gordon Creek	1
Douglas low rabbitbrush	<i>Chrysothamnus viscidiflorus</i>	1
TOTAL		4

The following seed mixture is for the area that would receive final reclamation. Areas would be planted to protect them from soil erosion and to restore forage production.

Table A-2

Common Plant Name	Scientific Name	Pounds per acre (PLS) ¹
Pinyon Juniper Areas		
<i>Grasses</i>		
Thickspike wheatgrass	<i>Elymus lanceolatus</i>	1.5
Intermediate wheatgrass	<i>Elytrigia intermedia</i>	1.5
Squirreltail	<i>Elymus elymoides</i>	2
Crested wheatgrass	<i>Agropyron desertorum</i>	2
<i>Forbs</i>		
Lewis flax	<i>Linum perenne lewisii</i>	1
Palmer penstemon	<i>Penstemon palmerii</i>	1
<i>Shrubs</i>		
Forage kochia	<i>Kochia prostrata</i>	2
Fourwing saltbrush	<i>Atriplex canescense</i>	2
Wyoming big sagebrush	<i>Artemesia tridentata wyomingensis</i> var. Gordon Creek	1
Antelope bitterbrush	<i>Purshia tridentata</i>	1
TOTAL		15

1. Seeding rate is listed as pounds per acre of pure live seed (PLS) drilled. Rate is increased by 50 percent if broadcast seeded.

Formula: pure live seed (PLS) = % seed purity x % seed germination

FERRON NATURAL GAS PROJECT AREA

PROPONENT: _____ **WELL #:** 84

EPM 16 & 17: WINTER SEASONAL RESTRICTION (DECEMBER 1 to APRIL 15) ON CRUCIAL AND HIGH PRIORITY WINTER RANGE.

Pg 1 of 1

Restrictions on Construction Phase Activity: Prohibit construction phase activity, described below, on big game high value and critical winter range during the period (December 1 - April 15) without regard for land ownership.

This condition would not apply to normal maintenance and operation of producing wells, described below. On nonfederal lands (where the federal government does not have either surface or subsurface ownership) the Companies would be allowed to conduct construction phase activity if needed to avoid breach of contract or loss of lease rights. In the event construction phase activity proceeds into the winter closure period on non federal interest lands, Companies would make available appropriate documentation to UDWR, upon request.

Construction Phase Activity: Construction phase activity is considered to include all work associated with initial drilling and construction of facilities through completion, including installation of pumping equipment, connection with ancillary facilities and tie-in with pipelines necessary for product delivery.

Companies would not be allowed to initiate construction activity unless it is reasonable to believe that such work can be finished to a logical stopping point prior to December 1 of that year. Specific activities considered to be covered by the seasonal closure include all heavy equipment operation including but not limited to the following:

- Mobilization/Demobilization or operation of heavy equipment (crawler tractor, front end loader, backhoe, road grader, etc.)
- Construction activity (road construction or upgrading, pad, pipeline, powerline, ancillary facilities, etc.),
- Drilling activity (Operator would not propose or initiate drilling activity if the project could not reasonably be expected to be finished to a logical stopping point by the December 1 date of that year.)
- Seismic operation, detonation of explosives

This seasonal closure would not apply to reconnaissance, survey/design and/or flagging of project work or other similar activity not requiring actions listed for heavy equipment operation.

Production Phase: A well is considered to be in production phase when the well and ancillary facilities are completed to the point that they are capable of producing and delivering product for sale. It is noted that heavy equipment operation may be necessary in the performance of maintenance and operation of producing wells.

Restriction on Non Emergency Workover Operations: The Companies will schedule non-emergency workover operations (defined below) on big game crucial and high value winter range outside the December 1 to April 15 date of the seasonal closure.

Non-emergency Workover Operations: Workover operations to correct or reverse a gradual loss of production over time (loss of production of 20 percent or less over a 60 day period) is considered to be routine or non-emergency workover operations and would not be permitted during the December 1 to April 15 time frame.

Emergency Workover Operations: Emergency work over operations are defined as downhole equipment failure problems or workover operation necessary to avoid shut in of the well or to avoid an immediate safety or environmental problem. Loss of production greater than 20 percent within a 60 day period is indicative of pump failure and will be treated as an emergency workover operation. The Companies will submit Sundry notices to BLM within five days of the emergency workover operations between December 1 and April 15.

FERRON NATURAL GAS PROJECT AREA

PROPONENT: _____ **WELL #:** 84 _____

EPM 19: CRITICAL WINTER RANGE BROWSE HAND PLANTING

Pg 1 of 1

One or two browse species lists (checked below) are to be hand planted at the prescribed application rate and according to the following prescribed methods on critical winter range areas that are undergoing long term reclamation. This would include all pipeline corridors, berm around edge of drill pads, miscellaneous disturbed areas associated with construction such as staging areas for equipment, sidecast on road cuts, along side upgraded or new roads up to and including borrow ditch and in the termination of redundant access roads being closed. This planting shall be completed in the first planting window following reclamation.

Planting Methods:

Planting shall be accomplished using a labor force with specific experience in landscape restoration, hand planting methods and handling and care of browse tubling and or bareroot stock plants.

Browse plants to be utilized can be bareroot stock or tubling stock plants of 1 year old age class or greater.

Browse seedling protectors will be used to provided protection from browsing ungulates for two years. Seedling protectors will be of an open mesh rigid design that will break down when exposed to sunlight and that measures a minimum of 12 inches in length and 4 inches in diameter. The protectors will be secured around the browse seedlings.

Planting shall be completed in the spring (March 1- April 1) and or fall (November 1- December 1) planting windows.

Browse plants shall be stored and handled in such a manner as to maintain viability, according to the type of browse stock being used.

Planting Species and Application Rate:

<u>Species</u>	<input checked="" type="checkbox"/> Sagebrush-Grass <u>Plants Per Acre</u>	<input type="checkbox"/> Pinyon-Juniper
Wyoming Sagebrush (Gordon Creek)	100	50
Fourwing Saltbush (Utah seed source collected at or above 5,000 feet elevation)	100	50
True Mountain Mahogany (Utah seed source)	0	50
Antelope Bitterbrush (Utah seed source)	0	50
Total	200	200

Suitable Substitutions:

Prostrate Kochia	yes	yes
Whitestem Rubber Rabbitbrush	no	yes
Utah Serviceberry	no	yes
Winterfat	yes	no

FERRON NATURAL GAS PROJECT AREA

PROPONENT: _____ **WELL #:** 84

EPM 21: SURFACE DISTURBANCE MITIGATION FOR CRITICAL AND HIGH PRIORITY WINTER RANGE

Pg. 1 of 1

The subject permit application is proposed within critical and high priority winter range (FEIS) and subject to EPM 21 requiring acre for acre mitigation for surface disturbance on critical winter range. The following condition comes from a cooperative agreement between the Texaco, Anadarko, Chandler (Companies), BLM-Price Field Office, the Utah Division of Wildlife Resources and the National Fish and Wildlife Foundation. The Companies agreed to the following:

1. Contribute \$1,301.26 (1998 dollars) for each Federal interest well (Federal surface and or subsurface ownership) permitted and drilled by the Companies (or on behalf of Companies by its contractor) on big game critical winter range as depicted in the FEIS Ferron Natural Gas Project Area. (Wells meeting the above criteria for which payment will be required, will be referred to as "subject wells".) This contribution will be adjusted annually for inflation based on the Consumer Price Index (CPI), see Section II.C.6. for the reference source used for the determination of the CPI and the date in which this annual adjustment will go into effect.

Since this mitigation program is designed to address impacts of all big game critical winter range surface disturbance (roads, well pads, pipelines, etc.), contributions will be required regardless of the success or failure of the subject well to produce.

- a. The recorded date for spudding for each subject well (the first boring of a hole during the drilling of a well) will serve as the reference date triggering the requirement for the mitigation contribution.
- b. Contributions will be submitted (in the form of an Company check, cashiers check or wire transfer) directly to the National Fish and Wildlife Foundation by the 1st of August and February for all subject wells spudded in the preceding six months as reported by the Bureau.
- c. All contributions will be made payable to the "National Fish and Wildlife Foundation re, Proj 99-270" and reference the "Ferron Natural Gas Wildlife Habitat Impact Mitigation Fund".

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

Building Location- Contact the BLM Natural Resource Protection Specialist at least 48-hours prior to commencing construction of location.

Spud- The spud date will be reported to BLM 24-hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the Moab Field Office within 24-hours after spudding, regardless of whether spud was made with a dry hole digger or big rig.

Daily Drilling Reports- Daily drilling reports shall detail the progress and status of the well and shall be submitted to the Moab Field Office on a weekly basis.

Monthly Reports of Operations- In accordance with Onshore Oil and Gas Order No. 1, this well shall be reported on Minerals Management Service (MMS) Form 3160, "Monthly Report of Operations," starting the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with MMS.

Sundry Notices- There will be no deviation from the proposed drilling and/or workover program without prior approval. "Sundry Notices and Reports on Wells" (Form 3160-5) will be filed, with the Moab Field Office, for approval of all changes of plans and subsequent operations in accordance with 43 CFR § 3162.3-2. Safe drilling and operating practices must be observed.

Drilling Suspensions- Operations authorized by this permit shall not be suspended for more than 30 days without prior approval of the Moab Field Office. All conditions of this approval shall be applicable during any operations conducted with a replacement rig.

Undesirable Events- Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be immediately reported to the BLM in accordance with requirements of NTL-3A.

Cultural Resources- If cultural resources are discovered during construction, work that might disturb the resources is to stop, and the Price Field Office is to be notified.

First Production- Should the well be successfully completed for production, the Moab Field Office will be notified when the well is placed in producing status. Such notification may be made by phone, but must be followed by a sundry notice or letter not later than five business days following the date on which the well is placed into production.

A first production conference will be scheduled as soon as the productivity of the well is apparent. This conference should be coordinated through the Price Field Office. The Price Field Office shall be notified prior to the first sale.

Well Completion Report- 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 to the Moab Field Office not later than thirty-days after completion of the well or after completion of operations being performed, in accordance with 43 CFR § 3162.4-1. 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. When requested, samples (cuttings and/or samples) will be submitted to the Moab Field Office.

Venting/Flaring of Gas- Gas produced from this well may not be vented/flared beyond an initial, authorized test period of 30 days or 50 MMcf, whichever first occurs, without the prior, written approval of the Moab Field Office. Should gas be vented or flared without approval beyond the authorized test period, the well may be ordered shut-in until the gas can be captured or approval to continue the venting/flaring as uneconomic is granted. In such case, compensation to the lessor shall be required for that portion of the gas that is vented/flared without approval and which is determined to have been avoidably lost.

Produced Water- An application for approval of a permanent disposal method and location will be submitted to the Moab Field Office for approval pursuant to Onshore Oil and Gas Order 7.

Off-Lease Measurement, Storage, Commingling- Prior approval must be obtained from the Moab Field Office for off-lease measurement, off-lease storage and/or commingling (either down-hole or at the surface).

Plugging and Abandonment- If the well is completed as a dry hole, plugging instructions must be obtained from the Moab Field Office prior to initiating plugging operations.

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the Moab Field Office within thirty-days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR § 3162.6. 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 Price Field Office or the appropriate surface managing agency.

TABLE 1

NOTIFICATIONS

Notify Mike Kaminski (work: 435-636-3640, home: 435-637-2518)
or Don Stephens (work: 435-636-3608, home: 435-637-7967)
of the BLM, Price Field Office for the following:

2 days prior to commencement of dirt work, construction and reclamation;

1 day prior to spudding;

50 feet prior to reaching the surface casing setting depth

If the people above cannot be reached, notify the Moab Field Office at (435) 259-2100. If unsuccessful, contact the person listed below.

Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab Field Office at (435) 259-2100. If approval is needed after work hours, you may contact the following:

Eric Jones, Petroleum Engineer Office: (435) 259-2117
Home: (435) 259-2214



Talon Resources, Inc.

Service, Quality and Accuracy

375 South Carbon Avenue A-10
Suite 101
Provo, Utah 84601
Phone: 435-637-8781

Cell: 801-650-1401
801-650-1402
Fax: 435-636-8608
Email: talon@castnet.com

CONFIDENTIAL

January 25, 2002

Ms. Lisha Cordova
State of Utah
Division of Oil Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Request for Permit Extension —Texaco Exploration and Production Inc.— Federal C 23-84
Emery County, Utah: 2051' FSL, 1548' FWL, Section 23, T18S, R7E, SLB&M. 43-015-30447

Dear Ms. Cordova:

On behalf of Texaco Exploration and Production, Inc. (Texaco) Talon Resources, Inc. respectfully submits this request for permit extension for the above referenced well. A one year extension will allow Texaco to construct, drill and complete the well.

Thank you for your timely consideration our previous applications. Please feel free to contact me or Mr. Ron Wirth with Texaco at 435-749-5395 if you have any questions or need additional information.

Sincerely,

Don Hamilton
Don Hamilton
Environmental Manager / Project Coordinator

cc: Mr. Ron Wirth, Texaco
Texaco Well File

COPY SENT TO OPERATOR
Date: 02-04-02
Initials: CHD

Approved by the
Utah Division of
Oil, Gas and Mining
Date: 02-04-02
By: [Signature]

RECEIVED

JAN 25 2002

DIVISION OF
OIL, GAS AND MINING

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

FORM 9

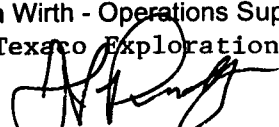
SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: See Attached List of Wells
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: BLM & State of Utah
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <u>Operator Name Change</u>		7. UNIT or CA AGREEMENT NAME: Orangeville & Huntington
2. NAME OF OPERATOR: Chevron U.S.A. Inc.		8. WELL NAME and NUMBER: See Attached List of Wells
3. ADDRESS OF OPERATOR: P.O. Box 36366 CITY Houston STATE TX ZIP 77236		9. API NUMBER:
PHONE NUMBER: (281) 561-3443		10. FIELD AND POOL, OR WILDCAT:
4. LOCATION OF WELL FOOTAGES AT SURFACE: See Attached List of Wells		COUNTY: Emery
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		STATE: UTAH

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

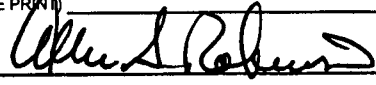
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
 Effective May 1, 2002, Chevron U.S.A. Inc. is the new operator of the attached list of subject wells and leases that were previously operated by Texaco Exploration and Production Inc. The subject wells are located North of Orangeville and North of Huntington, Emery County, Utah. These Wells will be protected by the following surety bonds:

STATE OF UTAH Bond #: 103521627-0018 in the amount of \$80,000. (This bond will replace United Pacific Insurance Company bond number U89-75-80-0059. We respectfully request this bond be released and returned.)

BLM Nationwide Bond#: U89-75-81-0034 in the amount of \$300,000.

Key Contacts:
 Ron Wirth - Operations Supervisor - 435 748-5395 x1
 Texaco Exploration & Production Inc.

 J. S. Purdy, Attorney-In-Fact

RECEIVED
 MAY 06 2002
 DIVISION OF
 OIL, GAS AND MINING

NAME (PLEASE PRINT) <u>Allen S. Robinson</u>	TITLE <u>Attorney-In-Fact</u>
SIGNATURE 	DATE <u>April 30, 2002</u>

(This space for State use only)

Chevron U.S.A. Inc.
 Midcontinent Business Unit
 Ferron Operations
 Emery County, Utah

Name / Operatorship Change
 Texaco Exploration and Production Inc.
 to
 Chevron U.S.A. Inc.

Account Number	Section	Township	Range	API Number	Well Name	Lease Type	Well Status Main	Well Type Main	Fed or State
N5700	06	170S	080E	4301530292	UTAH FEDERAL M 6-25	1	S	GW	Federal
N5700	34	170S	070E	4301530282	UTAH FEDERAL D 34-12	1	P	GW	Federal
N5700	34	170S	070E	4301530389	USA 34-80	1	P	GW	Federal
N5700	34	170S	070E	4301530390	USA 34-82	1	P	GW	Federal
N5700	35	170S	070E	4301530285	UTAH FEDERAL D 35-13	1	P	GW	Federal
N5700	35	170S	070E	4301530286	UTAH FEDERAL D 35-14	1	P	GW	Federal
N5700	35	170S	070E	4301530287	UTAH FEDERAL D 35-15	1	P	GW	Federal
N5700	03	180S	070E	4301530383	USA 3-74	1	P	GW	Federal
N5700	03	180S	070E	4301530384	USA 3-75	1	P	GW	Federal
N5700	03	180S	070E	4301530448	FEDERAL P 3-92	1	DRL	GW	Federal
N5700	03	180S	070E	4301530449	FEDERAL P 3-93	1	DRL	GW	Federal
N5700	04	180S	070E	4301530280	UTAH FEDERAL Q 4-44	1	P	GW	Federal
N5700	08	180S	070E	4301530274	UTAH FEDERAL S 8-46	1	P	GW	Federal
N5700	10	180S	070E	4301530258	UTAH FEDERAL P 10-47	1	P	GW	Federal
N5700	10	180S	070E	4301530276	UTAH FEDERAL P 10-42	1	P	GW	Federal
N5700	10	180S	070E	4301530277	UTAH FEDERAL P 10-43	1	P	GW	Federal
N5700	11	180S	070E	4301530385	USA 11-70	1	APD	GW	Federal
N5700	11	180S	070E	4301530386	USA 11-71	1	APD	GW	Federal
N5700	11	180S	070E	4301530387	USA 11-72	1	P	GW	Federal
N5700	11	180S	070E	4301530388	USA 11-73	1	APD	GW	Federal
N5700	21	180S	070E	4301530450	FEDERAL T 21-94	1	APD	GW	Federal
N5700	22	180S	070E	4301530451	FEDERAL T 22-69	1	P	GW	Federal
N5700	22	180S	070E	4301530452	FEDERAL T 22-83	1	APD	GW	Federal
N5700	22	180S	070E	4301530453	FEDERAL T 22-91	1	APD	GW	Federal
N5700	23	180S	070E	4301530245	FEDERAL C23-8	1	P	GW	Federal
N5700	23	180S	070E	4301530447	FEDERAL C 23-84	1	APD	GW	Federal
N5700	26	180S	070E	4301530244	FEDERAL A26-2	1	P	GW	Federal
N5700	26	180S	070E	4301530246	FEDERAL A26-4	1	P	GW	Federal
N5700	26	180S	070E	4301530445	FEDERAL A 26-88	1	APD	GW	Federal
N5700	27	180S	070E	4301530440	FEDERAL T 27-85	1	APD	GW	Federal
N5700	27	180S	070E	4301530455	FEDERAL T 27-86	1	APD	GW	Federal
N5700	27	180S	070E	4301530456	FEDERAL T 27-87	1	P	GW	Federal

NOL ? moved by JLT

6/6/03 need to move these

Chevron U.S.A. Inc.
Midcontinent Business Unit
Ferron Operations
Emery County, Utah

Name / Operatorship Change
Texaco Exploration and Production Inc.
to
Chevron U.S.A. Inc.

Account Number	Section	Township	Range	API Number	Well Name	Lease Type	Well Status Main	Well Type Main	Fed or State
N5700	27	180S	070E	4301530457	FEDERAL T 27-90	1	APD	GW	Federal
N5700	34	180S	070E	4301530249	FEDERAL A34-7	1	P	GW	Federal
N5700	35	180S	070E	4301530247	FEDERAL A35-6	1	P	GW	Federal
N5700	35	180S	070E	4301530248	FEDERAL A35-5	1	P	GW	Federal
N5700	35	180S	070E	4301530446	FEDERAL A 35-89	1	DRL	GW	Federal
N5700	21	190S	070E	4301530243	FEDERAL B21-3	1	S	GW	Federal
N5700	06	200S	070E	4301530294	UTAH FEDERAL H 6-21	1	TA	GW	Federal

6/6/03
[Handwritten signature]

TALON RESOURCES INC

CONFIDENTIAL

March 11, 2003

Mrs. Diana Mason
State of Utah
Division of Oil Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Request for Permit Extension —Texaco Exploration and Production Inc.

Dear Mrs. Mason:

On behalf of Texaco Exploration and Production, Inc. (Texaco) Talon Resources, Inc. respectfully submits this request for permit extension for the following wells. A one year extension will allow Texaco to construct, drill and complete the wells.

Federal A 26-88 (43-015-30445) SW/4 NW/4, Section 26, T18S, R7E, SLB&M, Emery County, Utah
Federal T 27-86 (43-015-30455) SE/4 NE/4, Section 27, T18S, R7E, SLB&M, Emery County, Utah
Federal T 22-83 (43-015-30452) SW/4 SE/4, Section 22, T18S, R7E, SLB&M, Emery County, Utah
Federal T 22-91 (43-015-30453) NE/4 NW/4, Section 22, T18S, R7E, SLB&M, Emery County, Utah
~~Federal G 23-84 (43-015-30447) NE/4 SW/4, Section 23, T18S, R7E, SLB&M, Emery County, Utah~~

Thank you for your timely consideration our previous applications. Please feel free to contact myself or Mr. Ron Wirth with Chevron at 435-748-5395 if you have any questions or need additional information.

Sincerely,

Don Hamilton
Don Hamilton
Agent for Chevron

Approved by the
Utah Division of
Oil, Gas and Mining

Date:

By:

03-12-03
[Signature]

COPY SENT TO OPERATOR

Date: 03-13-03
Initials: CHD

cc: Mr. Ron Wirth, Chevron
Mr. Ken Jackson, Chevron
Chevron Well File

RECEIVED

MAR 11 2003

DIV. OF OIL GAS & MINING

P.O. # 1230
(435) 687-5310

195 N. 100 West
(435) 687-5311

Huntington, Utah 84528
talon@ctv.net

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT--" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Gas

2. Name of Operator

Chevron USA, Inc.

3. Address and Telephone No.

P.O. Box 618, Orangeville, Utah 84537 435-748-5395

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

2,051' FSL, 1,548' FWL
NE/4 SW/4, Section 23, T18S, R7E, SLB&M

5. Lease Designation and Serial No.

UTU-66719

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

N/A

8. Well Name and No.

Federal C 23-84

9. API Well No.

43-015-30447

10. Field and Pool, or Exploratory Area

Undesignated

11. County or Parish, State

Emery County, Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Change of Name	<input type="checkbox"/> Pipeline, Powerline, Maintenance Corridor Construction
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Water Shut-Off
	<input checked="" type="checkbox"/> Well pad size increase	<input type="checkbox"/> Conversion to Injection
		<input type="checkbox"/> Dispose Water

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

The Federal C 23-84 well pad size has increased to accommodate drilling by a different rig than initially planned and approved within the approved permit documents.

Attached please find an updated Location Layout and Typical Cross Section drawings.

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

FILE COPY

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

Signed Don Hamilton Don Hamilton Title Agent for Chevron, USA, Inc. Date May 23, 2003

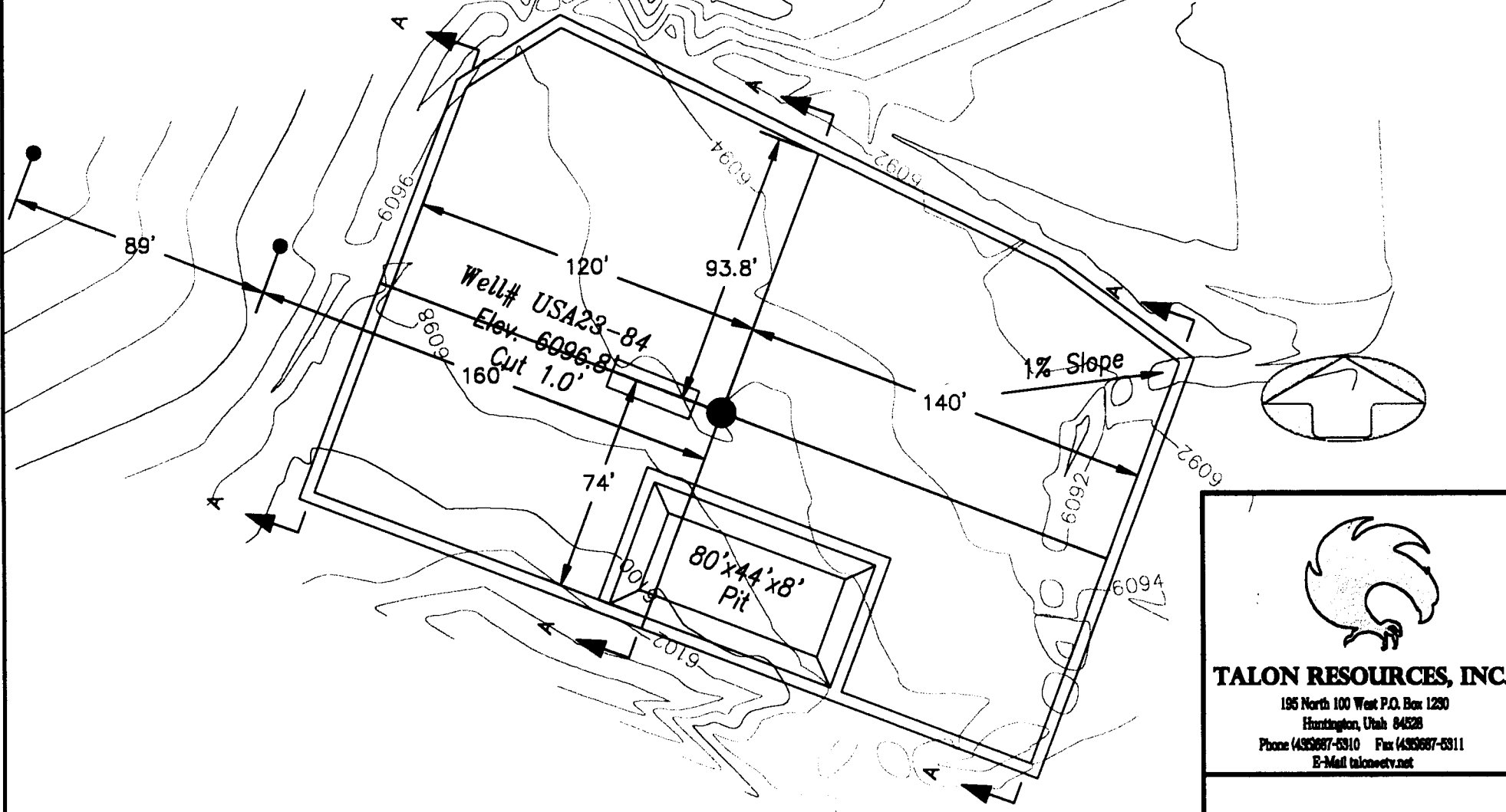

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
Conditions of approval, if any:

RECEIVED

MAY 27 2003

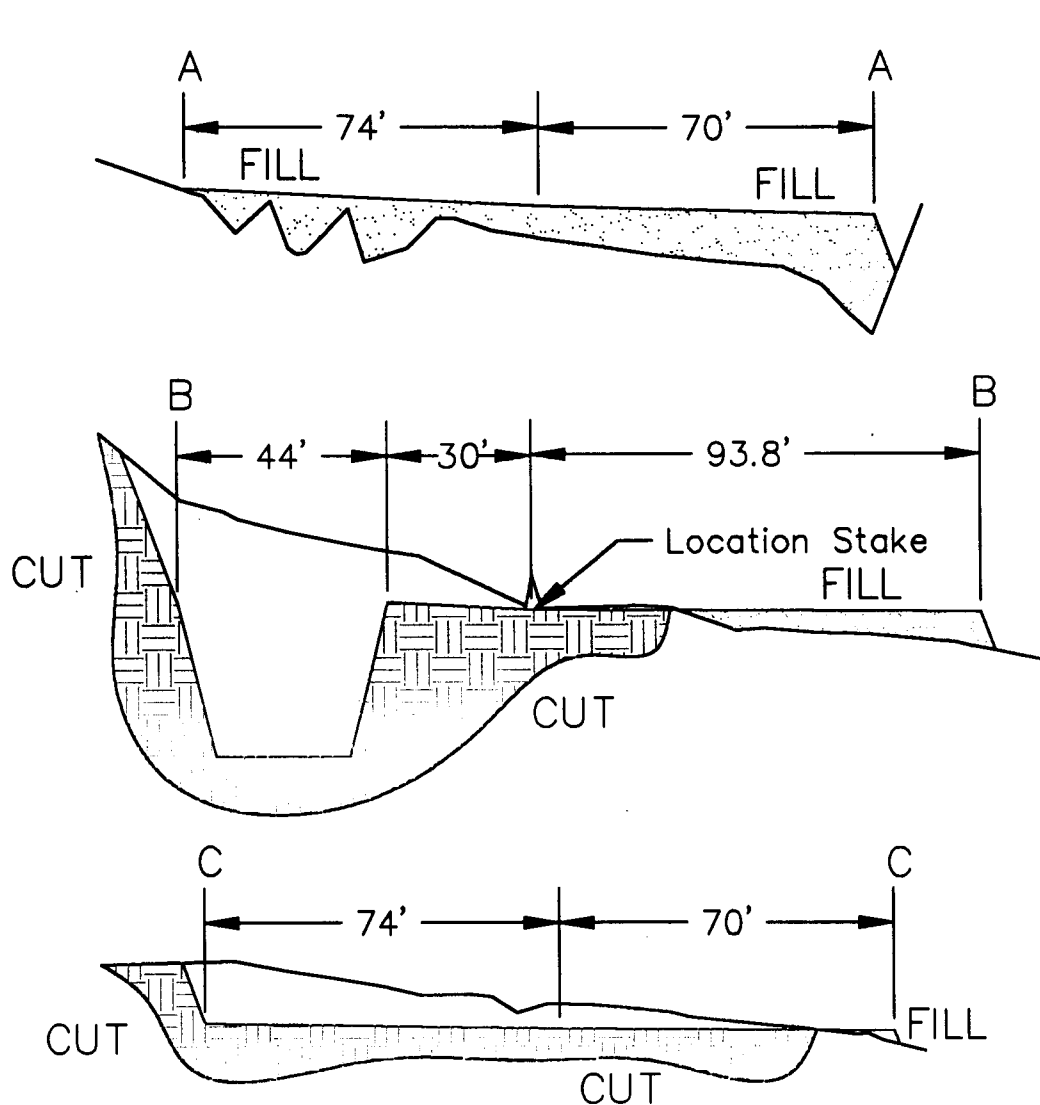
Elevation of Ungraded Ground at Location Stake = 6096.8'
 Elevation of Graded Ground at Location Stake = 6095.8'

TALON RESOURCES, INC.
 195 North 100 West P.O. Box 1230
 Huntington, Utah 84528
 Phone (435)687-5310 Fax (435)687-5311
 E-Mail talonres@net.net

ChevronTexaco
 LOCATION LAYOUT
 Section 23, T18S, R7E, S.L.B.&M.
 WELL #23-84

Drawn By: BEN SCOTT	Checked By: L.W.J.
Drawing No. A-2	Date: 05/23/03
	Scale: 1" = 50'
Sheet 2 of 4	Job No. 127



1"=10'
 X-Section
 Scale
 1"=40'

Slope = 1 1/2 : 1
 (Except Pit)
 Pit Slope = 1 ; 1

TALON RESOURCES, INC.
 196 North 100 West P.O. Box 1290
 Huntington, Utah 84028
 Phone (435)687-5310 Fax (435)687-5311
 E-Mail talonnetv.net

ChevronTexaco

TYPICAL CROSS SECTION
 Section 23, T18S, R7E, S.L.B.&M.
 WELL #23-84

Drawn By: BEN SCOTT	Checked By: L.W.J.
Drawing No. C-1	Date: 05/23/03
	Scale: 1" = 40'
Sheet 3 of 4	Job No. 127

APPROXIMATE YARDAGES

CUT
 (6") Topsoil Stripping = 750 Cu. Yds.
 Remaining Location = 1443 Cu. Yds.
 TOTAL CUT = 1687 Cu. Yds.
 TOTAL FILL = 1188 Cu. Yds.

OPERATOR CHANGE WORKSHEET

ROUTING

1. GLH
2. CDW
3. FILE

Change of Operator (Well Sold)

Designation of Agent/Operator

X Operator Name Change

Merger

The operator of the well(s) listed below has changed, effective:

05/01/2002

FROM: (Old Operator): TEXACO EXPLORATION & PRODUCTION, INC 11111 S. WILCREST HOUSTON, TX 77099 Phone: (281) 561-4991 Account No. N5700	TO: (New Operator): CHEVRON U.S.A., INC. 11111 S. WILCREST HOUSTON, TX 77099 Phone: (281) 561-4991 Account No. N0210
--	--

CA No.

Unit:

WELL(S) NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
USA 11-70	11	180S	070E	4301530385		Federal	GW	APD
USA 11-71	11	180S	070E	4301530386		Federal	GW	APD
UT FED P 12-153	12	180S	070E	4301530551		Federal	GW	APD
FEDERAL T 21-94	21	180S	070E	4301530450		Federal	GW	APD
FEDERAL T 22-83	22	180S	070E	4301530452		Federal	GW	APD
FEDERAL T 22-91	22	180S	070E	4301530453		Federal	GW	APD
FEDERAL C 23-84	23	180S	070E	4301530447		Federal	GW	APD
FEDERAL A 26-88	26	180S	070E	4301530445		Federal	GW	APD
FEDERAL T 27-85	27	180S	070E	4301530440		Federal	GW	APD
FEDERAL T 27-86	27	180S	070E	4301530455		Federal	GW	APD
FEDERAL T 27-90	27	180S	070E	4301530457		Federal	GW	APD

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 07/14/2003
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 07/14/2003
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 07/15/2003
- Is the new operator registered in the State of Utah: YES Business Number: 564408-0143
- If **NO**, the operator was contacted on: _____
- (R649-9-2) Waste Management Plan has been received on: IN PLACE

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: not given

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: n/a

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

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

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

DATA ENTRY:

1. Changes entered in the Oil and Gas Database on: 07/15/2003

2. Changes have been entered on the Monthly Operator Change Spread Sheet on: 07/15/2003

3. Bond information entered in RBDMS on: n/a

4. Fee wells attached to bond in RBDMS on: n/a

STATE WELL(S) BOND VERIFICATION:

1. State well(s) covered by Bond Number: n/a

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: ES0022 *United Pacific (NR-5 rating)

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: n/a

FEE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number n/a

2. The **FORMER** operator has requested a release of liability from their bond on: n/a
The Division sent response by letter on: n/a

LEASE INTEREST OWNER NOTIFICATION:

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

COMMENTS:

TALON RESOURCES INC

CONFIDENTIAL

February 17, 2004

Ms. Diana Whitney
State of Utah
Division of Oil Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Request for Permit Extension----- Chevron USA

Dear Ms. Whitney:

On behalf of Chevron USA, Talon Resources, Inc. respectfully submits these requests for permit extension for the following wells. These extensions will allow Chevron USA time to construct, drill, and complete these wells.

Utah Federal P 12-153 (43-015-30551) NW/4NW/4, Section 12, T18S, R7E SLB&M, Emery County, Utah
Federal T 22-83 (43-015-30452) SW/4SE/4 Section 22, T18S, R7E, SLB&M, Emery County, Utah
Federal T 22-91 (43-015-30453) NE/4NW/4 Section 22, T18S, R7E, SLB&M, Emery County, Utah
Federal C 23-84 (43-015-30447) NE/4SW/4 Section 23, T18S, R7E, SLB&M, Emery County, Utah
Federal T 26-88 (43-015-30445) SW/4NW/4 Section 26, T18S, R7E, SLB&M, Emery County, Utah
Federal T 27-86 (43-015-30455) SE/4NE/4 Section 27, T18S, R7E, SLB&M, Emery County, Utah
Federal T 27-90 (43-015-30457) NW/4SW/4 Section 27, T18S, R7E, SLB&M, Emery County, Utah
State of Utah QQ 31-202D (43-015-30608) SE/4SW/4 Section 31, T16S, R8E, SLB&M, Emery Cty, Utah
State of Utah QQ 31-203D (43-015-30607) SE/4SW/4 Section 31, T16S, R8E, SLB&M, Emery Cty, Utah
State of Utah QQ 31-204D (43-015-30606) SE/4SW/4 Section 31, T16S, R8E, SLB&M, Emery Cty, Utah
State of Utah KK 32-144 (43-015-30567) SW/4SW/4 Section 32, T16S, R8E, SLB&M, Emery Cty, Utah
State Of Utah KK 32-145 (43-015-30566) NE/4SE/4 Section 32, T16S, R8E, SLB&M, Emery Dty, Utah

Please feel free to contact me at 435-687-5310 or Mr. Ron Wirth with Chevron USA at 435-748-5395 if you have any questions or concerns.

Sincerely,


Larry W. Johnson
Talon Resources, Inc.

cc: File
Mr. Ken Jackson Chevron USA
Mr. Ron Wirth Chevron USA

RECEIVED
FEB 19 2004
DIV. OF OIL, GAS & MINING

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU-~~33719~~ 33719

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
N/A

7. UNIT or CA AGREEMENT NAME:
N/A

8. WELL NAME and NUMBER:
Federal "C" 23-84

9. API NUMBER:
4301530447

10. FIELD AND POOL, OR WILDCAT:
Undesignated

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL
OIL WELL GAS WELL OTHER CONFIDENTIAL

2. NAME OF OPERATOR:
Chevron USA, Inc.

3. ADDRESS OF OPERATOR:
P.O. Box 618 CITY Orangeville STATE UT ZIP 84537 PHONE NUMBER: (435) 748-5395

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 2051' FSL, 1548' FWL COUNTY: Emery
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 23 18S 7E S STATE: UTAH

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

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

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

Chevron USA Inc.
~~Toxaco Exploration and Production, Inc.~~ hereby requests a one year extension of the state permit for the Federal C23-84

Approved by the
Utah Division of
Oil, Gas and Mining
Date: 02-23-04
By: [Signature]

COPY SENT TO OPERATOR
Date: 02-26-04
Initials: [Signature]

NAME (PLEASE PRINT) Larry Johnson TITLE Chevron USA, Inc.
SIGNATURE [Signature] DATE 2/17/2004

(This space for State use only)

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

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

API: 4301530447
Well Name: Federal "C" 23-84
Location: NE/4 SW/4, Section 23, T18S, R7E, SLB&M
Company Permit Issued to: Chevron USA, Inc.
Date Original Permit Issued: ~~2/9/2000~~
4/20/2000

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

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

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

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

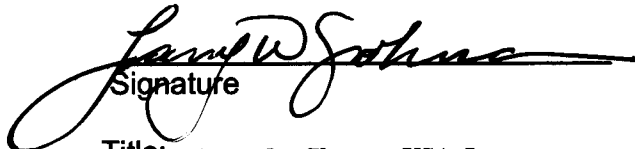
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

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

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

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

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


Signature

2/17/2004

Date

Title: Agent for Chevron USA, Inc.

Representing: Chevron USA, Inc.

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DIV. OF OIL, GAS & MINING

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

Request to Transfer Application or Permit to Drill

(This form should accompany a Sundry Notice, Form 9, requesting APD transfer)

Well name:	Federal C 23-84
API number:	4301530447
Location:	Qtr-Qtr: NESW Section: 23 Township: 18S Range: 7E
Company that filed original application:	Chevron U.S.A. Inc.
Date original permit was issued:	
Company that permit was issued to:	Chevron U.S.A. Inc.

Check one	Desired Action:
<input type="checkbox"/>	Transfer pending (unapproved) Application for Permit to Drill to new operator
<input type="checkbox"/>	The undersigned as owner with legal rights to drill on the property, hereby verifies that the information as submitted in the pending Application for Permit to Drill, remains valid and does not require revision. The new owner of the application accepts and agrees to the information and procedures as stated in the application.
<input checked="" type="checkbox"/>	Transfer approved Application for Permit to Drill to new operator
<input type="checkbox"/>	The undersigned as owner with legal rights to drill on the property as permitted, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.	Yes	No
If located on private land, has the ownership changed?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If so, has the surface agreement been updated?	<input type="checkbox"/>	<input type="checkbox"/>
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have there been any changes to the access route including ownership or right-of-way, which could affect the proposed location?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Has the approved source of water for drilling changed?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is bonding still in place, which covers this proposed well? Bond No. <u>UT-0848</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Any desired or necessary changes to either a pending or approved Application for Permit to Drill that is being transferred, should be filed on a Sundry Notice, Form 9, or amended Application for Permit to Drill, Form 3, as appropriate, with necessary supporting information as required.

Name (please print) James L. Deeth Title Vice President - Land
 Signature James L. Deeth Date 8/16/04
 Representing (company name) XTO ENERGY INC.

The person signing this form must have legal authority to represent the company or individual(s) to be listed as the new operator on the Application for Permit to Drill.

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: Various Leases
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: See attached list	
2. NAME OF OPERATOR: XTO ENERGY INC. N2615	9. API NUMBER: Multiple	
3. ADDRESS OF OPERATOR: 2700 Farmington Bldg K, Suite _____ City: Farmington STATE: NM ZIP: 87401	PHONE NUMBER: (505) 324-1090	10. FIELD AND POOL, OR WILDCAT: Buzzard Bench
4. LOCATION OF WELL FOOTAGES AT SURFACE: QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:	COUNTY: Emery STATE: UTAH	

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

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

Effective August 1, 2004, the operator changed from Chevron U.S.A. Inc. to XTO ENERGY INC. for all wells on the attached list.

BLM #579173

State and Fee Bond #104312762

Kenneth W. Jackson

Kenneth W. Jackson Regulatory Specialist ChevronTexaco for Chevron U.S.A. Inc. N0210

NAME (PLEASE PRINT) <u>James L. Death</u>	TITLE <u>Vice President - Land</u>
SIGNATURE <u>James L. Death</u>	DATE <u>8/16/04</u>

(This space for State use only)

APPROVED 9/30/2004
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

(5/2000)

(See Instructions on Reverse Side)

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DIV. OF OIL, GAS & MINING

API Well Number	Well Name	Well Type	County Name	Qtr/Qtr	Section	TwN-Rng
43-015-30242-00-00	L M LEMMON 10-1	Gas Well	EMERY	SESE	10	17S-8E
43-015-30243-00-00	FEDERAL B21-3	Gas Well	EMERY	NESW	21	19S-7E
43-015-30244-00-00	FEDERAL A26-2	Gas Well	EMERY	SESW	26	18S-7E
43-015-30245-00-00	FEDERAL C23-8	Gas Well	EMERY	NENW	23	18S-7E
43-015-30246-00-00	FEDERAL A26-4	Gas Well	EMERY	SWSE	26	18S-7E
43-015-30247-00-00	FEDERAL A35-6	Gas Well	EMERY	NWNW	35	18S-7E
43-015-30248-00-00	FEDERAL A35-5	Gas Well	EMERY	NWNE	35	18S-7E
43-015-30249-00-00	FEDERAL A34-7	Gas Well	EMERY	NENE	34	18S-7E
43-015-30258-00-00	UTAH FED P 10-47	Gas Well	EMERY	NWNW	10	18S-7E
43-015-30259-00-00	A L JENSEN 27-9	Gas Well	EMERY	SESE	27	21S-6E
43-015-30268-00-00	ST OF UT T 36-10	Gas Well	EMERY	SWNE	36	16S-7E
43-015-30270-00-00	ST OF UT U 2-11	Gas Well	EMERY	NWNW	2	18S-7E
43-015-30272-00-00	SWD 1	Water Disposal Well	EMERY	SWNW	24	18S-7E
43-015-30274-00-00	UTAH FED S 8-46	Gas Well	EMERY	SESW	8	18S-7E
43-015-30275-00-00	UTAH FED R 9-45	Gas Well	EMERY	NWNE	9	18S-7E
43-015-30276-00-00	UTAH FED P 10-42	Gas Well	EMERY	NWNE	10	18S-7E
43-015-30277-00-00	UTAH FED P 10-43	Gas Well	EMERY	NWSE	10	18S-7E
43-015-30280-00-00	UTAH FED Q 4-44	Gas Well	EMERY	SESE	4	18S-7E
43-015-30282-00-00	UTAH FED D 34-12	Gas Well	EMERY	SESE	34	17S-7E
43-015-30285-00-00	UTAH FED D 35-13	Gas Well	EMERY	SWSW	35	17S-7E
43-015-30286-00-00	UTAH FED D 35-14	Gas Well	EMERY	NWNW	35	17S-7E
43-015-30287-00-00	UTAH FED D 35-15	Gas Well	EMERY	SWSE	35	17S-7E
43-015-30292-00-00	UTAH FED M 6-25	Gas Well	EMERY	SENE	6	17S-8E
43-015-30294-00-00	UTAH FED H 6-21	Gas Well	EMERY	SESW	6	20S-7E
43-015-30303-00-00	SWD 3	Water Disposal Well	EMERY	SENE	11	18S-7E
43-015-30306-00-00	ST OF UT U 2-48	Gas Well	EMERY	NWNE	2	18S-7E
43-015-30308-00-00	ST OF UT U 2-50	Gas Well	EMERY	NESW	2	18S-7E
43-015-30309-00-00	ST OF UT U 2-49	Gas Well	EMERY	NWSE	2	18S-7E
43-015-30310-00-00	L & M CURTIS 10-58	Gas Well	EMERY	SWSW	10	18S-7E
43-015-30311-00-00	ST OF UT X 16-66	Gas Well	EMERY	SENE	16	18S-7E
43-015-30312-00-00	ST OF UT X 16-65	Gas Well	EMERY	NWNE	16	18S-7E
43-015-30313-00-00	U P & L 14-53	Gas Well	EMERY	SESE	14	18S-7E
43-015-30314-00-00	U P & L 14-55	Gas Well	EMERY	NWNW	14	18S-7E
43-015-30315-00-00	U P & L 23-51	Gas Well	EMERY	SENE	23	18S-7E
43-015-30316-00-00	U P & L 24-57	Gas Well	EMERY	NWNW	24	18S-7E
43-015-30318-00-00	D & A JONES 15-68	Gas Well	EMERY	NENW	15	18S-7E
43-015-30319-00-00	D&D CURTIS 14-54	Gas Well	EMERY	SENE	14	18S-7E
43-015-30320-00-00	P & K PEACOCK 8-62	Gas Well	EMERY	SWNE	8	18S-7E
43-015-30321-00-00	PEACOCK TRUST 9-60	Gas Well	EMERY	NWSW	9	18S-7E
43-015-30323-00-00	SWD 2	Water Disposal Well	EMERY	NWNW	14	18S-7E
43-015-30324-00-00	R G NORRIS 14-40	Gas Well	EMERY	NESW	14	18S-7E
43-015-30325-00-00	L & M CURTIS 15-67	Gas Well	EMERY	NENE	15	18S-7E
43-015-30326-00-00	PEACOCK TRUST 8-61	Gas Well	EMERY	NESE	8	18S-7E
43-015-30327-00-00	PEACOCK 7-64	Gas Well	EMERY	NENE	7	18S-7E
43-015-30328-00-00	PEACOCK TRUST 8-63	Gas Well	EMERY	SENE	8	18S-7E
43-015-30329-00-00	D & A JONES 9-59	Gas Well	EMERY	SESE	9	18S-7E
43-015-30381-00-00	UTAH STATE 1-76	Gas Well	EMERY	NWNW	1	18S-7E
43-015-30382-00-00	UTAH STATE 36-78	Gas Well	EMERY	SWSW	36	17S-7E
43-015-30383-00-00	USA 3-74	Gas Well	EMERY	SESE	3	18S-7E
43-015-30384-00-00	USA 3-75	Gas Well	EMERY	NENE	3	18S-7E
43-015-30385-00-00	USA 11-70	Gas Well	EMERY	SWSE	11	18S-7E
43-015-30386-00-00	USA 11-71	Gas Well	EMERY	SWNE	11	18S-7E
43-015-30387-00-00	USA 11-72	Gas Well	EMERY	NWNW	11	18S-7E
43-015-30388-00-00	USA 11-73	Gas Well	EMERY	NWSW	11	18S-7E
43-015-30389-00-00	USA 34-80	Gas Well	EMERY	SENE	34	17S-7E
43-015-30390-00-00	USA 34-82	Gas Well	EMERY	SESW	34	17S-7E
43-015-30393-00-00	ST OF UT EE 06-138	Gas Well	EMERY	NENW	6	17S-9E
43-015-30396-00-00	ST OF UT AA 07-106	Gas Well	EMERY	NWNE	7	17S-8E
43-015-30437-00-00	ST OF UT BB 09-119	Gas Well	EMERY	SESW	9	17S-8E
43-015-30438-00-00	ST OF UT CC 10-124	Gas Well	EMERY	SENE	10	17S-8E
43-015-30439-00-00	ST OF UT DD 31-98	Gas Well	EMERY	NWSW	31	17S-8E
43-015-30440-00-00	FEDERAL T 27-85	Gas Well	EMERY	SENE	27	18S-7E
43-015-30441-00-00	UP&L 06-102	Gas Well	EMERY	NENW	6	17S-8E
43-015-30442-00-00	UP&L 06-104	Gas Well	EMERY	NESE	6	17S-8E
43-015-30443-00-00	WM S IVIE ET AL 09-118	Gas Well	EMERY	SWNE	9	17S-8E

API Well Number	Well Name	Well Type	County Name	Qtr/Qtr	Section	TwN-Rng
43-015-30444-00-00	ST OF UT BB 09-120	Gas Well	EMERY	NESE	9	17S-8E
43-015-30445-00-00	FEDERAL A 26-88	Gas Well	EMERY	SWNW	26	18S-7E
43-015-30446-00-00	FEDERAL A 35-89	Gas Well	EMERY	NWSW	35	18S-7E
43-015-30447-00-00	FEDERAL C 23-84	Gas Well	EMERY	NESW	23	18S-7E
43-015-30448-00-00	FEDERAL P 3-92	Gas Well	EMERY	SESW	3	18S-7E
43-015-30449-00-00	FEDERAL P 3-93	Gas Well	EMERY	SWNW	3	18S-7E
43-015-30450-00-00	FEDERAL T 21-94	Gas Well	EMERY	NENE	21	18S-7E
43-015-30451-00-00	FEDERAL T 22-69	Gas Well	EMERY	NENE	22	18S-7E
43-015-30452-00-00	FEDERAL T 22-83	Gas Well	EMERY	SWSE	22	18S-7E
43-015-30453-00-00	FEDERAL T 22-91	Gas Well	EMERY	NENW	22	18S-7E
43-015-30454-00-00	ST OF UT CC 10-123	Gas Well	EMERY	NWNW	10	17S-8E
43-015-30455-00-00	FEDERAL T 27-86	Gas Well	EMERY	SENE	27	18S-7E
43-015-30456-00-00	FEDERAL T 27-87	Gas Well	EMERY	SESE	27	18S-7E
43-015-30457-00-00	FEDERAL T 27-90	Gas Well	EMERY	NWSW	27	18S-7E
43-015-30458-00-00	ST OF UT FF 10-125	Gas Well	EMERY	NESW	10	17S-8E
43-015-30459-00-00	ST OF UT FF 11-129	Gas Well	EMERY	NWNW	11	17S-8E
43-015-30462-00-00	ST OF UT FF 11-130	Gas Well	EMERY	NWSW	11	17S-8E
43-015-30478-00-00	GARDNER TRUST ET AL 16-121	Gas Well	EMERY	NENE	16	17S-8E
43-015-30479-00-00	ST OF UT BB 05-107	Gas Well	EMERY	SENE	5	17S-8E
43-015-30480-00-00	ST OF UT BB 05-108	Gas Well	EMERY	NWSW	5	17S-8E
43-015-30481-00-00	ST OF UT BB 05-109	Gas Well	EMERY	SENE	5	17S-8E
43-015-30482-00-00	ST OF UT BB 05-110	Gas Well	EMERY	SWSE	5	17S-8E
43-015-30483-00-00	UP&L 06-103	Gas Well	EMERY	NESW	6	17S-8E
43-015-30484-00-00	AMERICA WEST GROUP ET AL 15-126	Gas Well	EMERY	NENW	15	17S-8E
43-015-30485-00-00	W H LEONARD ET AL 15-127	Gas Well	EMERY	NENE	15	17S-8E
43-015-30486-00-00	ROWLEY 08-111	Gas Well	EMERY	SENE	8	17S-8E
43-015-30490-00-00	SWD 4	Water Disposal Well	EMERY	SENE	15	17S-8E
43-015-30495-00-00	SEELEY 08-112	Gas Well	EMERY	NENE	8	17S-8E
43-015-30496-00-00	ST OF UT BB 08-113	Gas Well	EMERY	NWSE	8	17S-8E
43-015-30497-00-00	ST OF UT AA 07-105	Gas Well	EMERY	SWNW	7	17S-8E
43-015-30498-00-00	ST OF UT 01-97	Gas Well	EMERY	SENE	1	18S-7E
43-015-30499-00-00	ST OF UT GG 03-122	Gas Well	EMERY	SWSW	3	17S-8E
43-015-30500-00-00	ST OF UT HH 03-133	Gas Well	EMERY	SWSE	3	17S-8E
43-015-30501-00-00	SEELEY FARMS 09-117	Gas Well	EMERY	NWNW	9	17S-8E
43-015-30502-00-00	ST OF UT GG 15-128	Gas Well	EMERY	NWSW	15	17S-8E
43-015-30503-00-00	ST OF UT BB 04-116	Gas Well	EMERY	SWSE	4	17S-8E
43-015-30504-00-00	ST OF UT GG 04-115	Gas Well	EMERY	NESW	4	17S-8E
43-015-30505-00-00	BURNSIDE 14-132	Gas Well	EMERY	NWNE	14	17S-8E
43-015-30506-00-00	ST OF UT T 36-100	Gas Well	EMERY	NESE	36	16S-7E
43-015-30507-00-00	UT FED KK 01-140	Gas Well	EMERY	SENE	1	17S-7E
43-015-30508-00-00	ST OF UT II 36-96	Gas Well	EMERY	NWSE	36	17S-7E
43-015-30509-00-00	ST OF UT II 36-95	Gas Well	EMERY	NWNE	36	17S-7E
43-015-30510-00-00	SWD 5	Water Disposal Well	EMERY	SESE	23	17S-8E
43-015-30511-00-00	UP&L FED 01-101	Gas Well	EMERY	SENE	1	17S-7E
43-015-30520-00-00	ST OF UT SS 22-165	Gas Well	EMERY	NENE	22	17S-8E
43-015-30521-00-00	ZIONS FED 35-135R (RIG SKID)	Gas Well	EMERY	NESW	35	16S-7E
43-015-30528-00-00	ST OF UT 14-170	Gas Well	EMERY	SWSE	14	17S-8E
43-015-30529-00-00	CONOVER 14-171	Gas Well	EMERY	NWSW	14	17S-8E
43-015-30530-00-00	ST OF UT 36-139	Gas Well	EMERY	NWSW	36	16S-7E
43-015-30533-00-00	ST OF UT FO 02-186	Gas Well	EMERY	NENW	2	17S-8E
43-015-30549-00-00	ST OF UT JJ 03-160	Gas Well	EMERY	NWNW	3	17S-8E
43-015-30550-00-00	ST OF UT 36-138	Gas Well	EMERY	SWNW	36	16S-7E
43-015-30551-00-00	UT FED P 12-153	Gas Well	EMERY	NWNW	12	18S-7E
43-015-30552-00-00	ST OF UT CC 03-161	Gas Well	EMERY	SENE	3	17S-8E
43-015-30553-00-00	ST OF UT FO 02-188	Gas Well	EMERY	NWSW	2	17S-8E
43-015-30554-00-00	ST OF UT BB 04-158	Gas Well	EMERY	NENW	4	17S-8E
43-015-30555-00-00	ST OF UT BB 04-159	Gas Well	EMERY	SWNE	4	17S-8E
43-015-30556-00-00	MALONE 14-131	Gas Well	EMERY	SWNW	14	17S-8E
43-015-30559-00-00	UT FED KK 01-141	Gas Well	EMERY	SESE	1	17S-7E
43-015-30560-00-00	ST OF UT FO 02-189	Gas Well	EMERY	SWNE	2	17S-8E
43-015-30561-00-00	ST OF UT GG 15-184	Gas Well	EMERY	NWSE	15	17S-8E
43-015-30562-00-00	STATE OF UTAH "LL" 31-20	Gas Well	EMERY	NWNW	31	17S-8E
43-015-30566-00-00	ST OF UT "KK" 32-145	Gas Well	EMERY	NESE	32	16S-8E
43-015-30567-00-00	ST OF UT "KK" 32-144	Gas Well	EMERY	SWSW	32	16S-8E
43-015-30568-00-00	ST OF UT "AA" 18-153	Gas Well	EMERY	SESW	18	17S-8E

API Well Number	Well Name	Well Type	County Name	Qtr/Qtr	Section	TwN-Rng
43-015-30589-00-00	ST OF UT "AA" 07-146	Gas Well	EMERY	NESW	7	17S-8E
43-015-30570-00-00	ST OF UT "AA" 18-154	Gas Well	EMERY	NESE	18	17S-8E
43-015-30571-00-00	ST OF UT "AA" 17-156	Gas Well	EMERY	SWSE	17	17S-8E
43-015-30572-00-00	ST OF UT "AA" 18-149	Gas Well	EMERY	SENW	18	17S-8E
43-015-30573-00-00	ST OF UT "MM" 20-192	Gas Well	EMERY	SENW	20	17S-8E
43-015-30574-00-00	ST OF UT "MM" 20-193	Gas Well	EMERY	NENE	20	17S-8E
43-015-30575-00-00	ST OF UT MM 20-194	Gas Well	EMERY	NWSW	20	17S-8E
43-015-30576-00-00	ST OF UT AA 07-147	Gas Well	EMERY	SESE	7	17S-8E
43-015-30577-00-00	ST OF UT BB 08-148	Gas Well	EMERY	NWSW	8	17S-8E
43-015-30578-00-00	ST OF UT AA 18-150	Gas Well	EMERY	NWNE	18	17S-8E
43-015-30579-00-00	ST OF UT NN 19-157	Gas Well	EMERY	NENE	19	17S-8E
43-015-30580-00-00	ST OF UT AA 17-152	Gas Well	EMERY	NENE	17	17S-8E
43-015-30581-00-00	ST OF UT OO 16-190	Gas Well	EMERY	NESW	16	17S-8E
43-015-30582-00-00	ST OF UT PP 16-191	Gas Well	EMERY	NESE	16	17S-8E
43-015-30583-00-00	ST OF UT AA 17-151	Gas Well	EMERY	NENW	17	17S-8E
43-015-30585-00-00	ST OF UT MM 21-195	Gas Well	EMERY	NENW	21	17S-8E
43-015-30586-00-00	ST OF UT GG 21-163	Gas Well	EMERY	NENE	21	17S-8E
43-015-30587-00-00	ZIONS FED 35-137	Gas Well	EMERY	NESE	35	16S-7E
43-015-30589-00-00	UTAH FED 01-205D	Gas Well	EMERY	SENW	1	17S-7E
43-015-30590-00-00	ZIONS FED 02-134	Gas Well	EMERY	NWNW	2	17S-7E
43-015-30591-00-00	UTAH FED 12-197	Gas Well	EMERY	SENE	12	17S-7E
43-015-30592-00-00	ST OF UT QQ 31-201	Gas Well	EMERY	SESW	31	16S-8E
43-015-30593-00-00	ST OF UT AA 17-155	Gas Well	EMERY	SWSW	17	17S-8E
43-015-30601-00-00	UTAH FED 12-199	Gas Well	EMERY	NESE	12	17S-7E
43-015-30602-00-00	UTAH FED 35-196	Gas Well	EMERY	NENW	35	16S-7E
43-015-30603-00-00	UTAH FED 35-136	Gas Well	EMERY	SWNE	35	16S-7E
43-015-30604-00-00	UT FED 12-200D	Gas Well	EMERY	NESE	12	17S-7E
43-015-30605-00-00	UT FED 12-198D	Gas Well	EMERY	SENE	12	17S-7E
43-015-30606-00-00	ST OF UT QQ 31-204D	Gas Well	EMERY	SESW	31	16S-8E
43-015-30607-00-00	ST OF UT QQ 31-203D	Gas Well	EMERY	SESW	31	16S-8E
43-015-30608-00-00	ST OF UT QQ 31-202D	Gas Well	EMERY	SESW	31	16S-8E
43-015-30609-00-00	ST OF UT HH 23-166	Gas Well	EMERY	NENW	23	17S-8E

OPERATOR CHANGE WORKSHEET

ROUTING	
1. GLH	
2. CDW	
3. FILE	

X Change of Operator (Well Sold)

Designation of Agent/Operator

Operator Name Change

Merger

The operator of the well(s) listed below has changed, effective: **8/1/2004**

FROM: (Old Operator): N0210-Chevron USA, Inc 11111 S Wilcrest Houston, TX 77099 Phone: 1-(281) 561-4991	TO: (New Operator): N2615-XTO Energy Inc 2700 Farmington Ave, Bldg K Suite 1 Farmington, NM 87401 Phone: 1-(505) 324-1090
--	---

CA No. **Unit:**

WELL(S)

NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS	
USA 34-80	34	170S	070E	4301530389	12765	Federal	GW	P	
USA 34-82	34	170S	070E	4301530390	12821	Federal	GW	S	
USA 3-75	03	180S	070E	4301530384	12822	Federal	GW	P	
FEDERAL P 3-92	03	180S	070E	4301530448	13209	Federal	GW	P	
FEDERAL P 3-93	03	180S	070E	4301530449	13210	Federal	GW	S	
USA 11-70	11	180S	070E	4301530385		Federal	GW	APD	C
USA 11-71	11	180S	070E	4301530386		Federal	GW	APD	C
USA 11-72	11	180S	070E	4301530387	12824	Federal	GW	P	
USA 11-73	11	180S	070E	4301530388		Federal	GW	APD	C
FEDERAL T 21-94	21	180S	070E	4301530450		Federal	GW	APD	C
FEDERAL T 22-69	22	180S	070E	4301530451	12818	Federal	GW	P	
FEDERAL T 22-83	22	180S	070E	4301530452		Federal	GW	APD	C
FEDERAL T 22-91	22	180S	070E	4301530453		Federal	GW	APD	C
FEDERAL C 23-84	23	180S	070E	4301530447		Federal	GW	APD	C
FEDERAL A 26-88	26	180S	070E	4301530445		Federal	GW	APD	C
FEDERAL T 27-85	27	180S	070E	4301530440		Federal	GW	APD	C
FEDERAL T 27-86	27	180S	070E	4301530455		Federal	GW	APD	C
FEDERAL T 27-87	27	180S	070E	4301530456	12817	Federal	GW	P	
FEDERAL T 27-90	27	180S	070E	4301530457		Federal	GW	APD	C
FEDERAL A 35-89	35	180S	070E	4301530446	12819	Federal	GW	P	

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 9/28/2004
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 9/28/2004
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 7/19/2004
- Is the new operator registered in the State of Utah: YES Business Number: 5655506-0143
- If **NO**, the operator was contacted on:
- 6a. (R649-9-2)Waste Management Plan has been received on: to follow
- 6b. Inspections of LA PA state/fee well sites complete on: being worked

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM not yet BIA n/a

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: n/a

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

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

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 9/28/2004

DATA ENTRY:

1. Changes entered in the Oil and Gas Database on: 9/30/2004
2. Changes have been entered on the Monthly Operator Change Spread Sheet on: 9/30/2004
3. Bond information entered in RBDMS on: 9/30/2004
4. Fee/State wells attached to bond in RBDMS on: 9/30/2004
5. Injection Projects to new operator in RBDMS on: 9/30/2004
6. Receipt of Acceptance of Drilling Procedures for APD/New on: 9/28/2004

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: 579173

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: n/a

FEE & STATE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The NEW operator of any fee well(s) listed covered by Bond Number 104312762

2. The FORMER operator has requested a release of liability from their bond on: n/a
The Division sent response by letter on: n/a

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The FORMER operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 10/5/2004

COMMENTS:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU-66719

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
All Wells on Lease

9. API Well No.
Multiple

10. Field and Pool, or Exploratory Area
Buzzard's Bench

11. County or Parish, State
Emery, Utah

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
XTO ENERGY INC.

3a. Address
2700 Farmington Ave. Bldg K, Suite 1 Farmington, NM 87401

3b. Phone No. (include area code)
(505) 324-1090

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
T. 18S, R. 7E, S. 23 43.015.30447

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

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

Effective August 1, 2004, the operator for lease # UTU 66719 changed from Chevron U.S.A. Inc. to XTO ENERGY INC.

XTO ENERGY's Nationwide Bond is ~~579473~~

UTB000138
(Surety ID: 104312750)

CONFIDENTIAL

RECEIVED
MOAB FIELD OFFICE
2004 SEP 29 P 3:01
DEPT OF THE INTERIOR
BUREAU OF LAND MGMT

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

Edwin S. Ryan, JR.

Title SR VP-Land

Signature

Edwin S. Ryan, JR.

Date

9/27/04

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

ACCEPTED

Title Division of Resources

Date

SEP 29 2004

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.

Moab Field Office

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

Conditions Attached

cc: UDDAM

RECEIVED

OCT 27 2004

DIV. OF OIL, GAS & MINING

API Well Number	Well Name	Well Type	Well Status	County Name	Lease No,	Qtr/Qtr	Section	Location (Twn-Rng)
43-015-30245-00-00	FEDERAL C23-8	Gas Well	Producing	EMERY	UTU66719	NENW	23	18S-7E
43-015-30447-00-00	FEDERAL C 23-84	Gas Well	Approved permit (APD); not yet spudded	EMERY	UTU66719	NESW	23	18S-7E

↳ Permit approval expires 5/23/2005

XTO Energy Inc.
Well Nos. C 23-8 and C 23-84
Section 23, T. 18 S., R. 7 E.
Lease UTU66719
Emery County, Utah

CONDITIONS OF ACCEPTANCE

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

Be advised that XTO Energy Inc. is considered to be the operator of the above wells effective August 1, 2004, and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for these wells is provided by UTB000138 (Principal – XTO Energy Inc.) via surety consent as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43CFR 3106.7-2 continuing responsibility are met.

NOTE: Federal C 23-84 is an approved application that has not yet been drilled. BLM approval to drill at this location expires 5/23/05.

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU-66719

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
OIL WELL GAS WELL OTHER _____

8. WELL NAME and NUMBER:
FEDERAL C 23-84

2. NAME OF OPERATOR:
XTO ENERGY INC.

9. API NUMBER:
4301530447

3. ADDRESS OF OPERATOR:
2700 FARMINGTON AVE. B1 CITY FARMINGTON STATE NM ZIP 87401

PHONE NUMBER:
(505) 324-1090

10. FIELD AND POOL, OR WILDCAT:
BUZZARD BENCH

4. LOCATION OF WELL
FOOTAGES AT SURFACE: **2051' FSL x 1548' FWL**
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **NESW 23 18S 7E S**

COUNTY: **EMERY**
STATE: **UTAH**

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

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

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

XTO Would like to change the name of the above well to the following:
Federal C 18-7-23-23

NAME (PLEASE PRINT) Kyla Vaughan TITLE Regulatory Compliance Tech
SIGNATURE *Kyla Vaughan* DATE 11/12/2004

(This space for State use only)

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NOV 15 2004

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-66719
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: FEDERAL C 23-84
2. NAME OF OPERATOR: XTO ENERGY INC.		9. API NUMBER: 4301530447
3. ADDRESS OF OPERATOR: 2700 FARMINGTON AVE. B CITY FARMINGTON STATE NM ZIP 87401		PHONE NUMBER: (505) 324-1090
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2051' FSL x 1548' FWL		10. FIELD AND POOL, OR WILDCAT: BUZZARD BENCH
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 23 18S 7E S		COUNTY: EMERY
		STATE: UTAH

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

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

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

XTO Would like to change the name of the above well to the following:
Federal C 18-7-23-23

NAME (PLEASE PRINT) <u>Kyla Vaughan</u>	TITLE <u>Regulatory Compliance Tech</u>
SIGNATURE <u><i>Kyla Vaughan</i></u>	DATE <u>11/12/2004</u>

(This space for State use only)

RECEIVED
NOV 15 2004

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-66719
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <u>CONFIDENTIAL</u>		8. WELL NAME and NUMBER: FEDERAL C 18-7-23 #23
2. NAME OF OPERATOR: XTO ENERGY INC.		9. API NUMBER: 4301530447
3. ADDRESS OF OPERATOR: 2700 FARMINGTON AVE, B ₁ CITY FARMINGTON STATE NM ZIP 87401		10. FIELD AND POOL, OR WILDCAT: FERRON SAND
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2051' FSL x 1548' FWL		COUNTY: EMERY
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 23 18S 7E S		STATE: UTAH

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

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

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

XTO ENERGY INC request permission to suspend operations on the above mentioned well until Spring 2005. XTO will cap well with valve and pressure gauge and will monitor as necessary.

COPY SENT TO OPERATOR
Date: 12-16-04
Initials: CHD

RECEIVED
DEC 03 2004

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <u>Kyla Vaughan</u>	TITLE <u>Regulatory Compliance Tech</u>
SIGNATURE <u>Kyla Vaughan</u>	DATE <u>12/4/2004</u>

(This space for State use only)

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

Federal Approval Of This
Action Is Necessary

RECEIVED
DEC 03 2004

DIV. OF OIL, GAS & MINING

(5/2000)

Date: 12/16/04
By: Dusk

(See Instructions on Reverse Side)

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

ENTITY ACTION FORM

Operator: XTO ENERGY INC
Address: 2700 FARMINGTON AVE, STE K-1
city FARMINGTON
state NM zip 87401

Operator Account Number: N 2615

Phone Number: (505) 566-7925

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
4301530447	FEDERAL C 18-17-23-23	NESW	23	28S	07E	EMERY
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date	
<i>EA</i>	<i>99999</i>	<i>-11079-74435</i>	<i>11/20/2004</i>		<i>12/9/04</i>	
Comments: <i>FRSD</i> CONFIDENTIAL						

Well 2

API Number	Well Name	QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date	
Comments:						

Well 3

API Number	Well Name	QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date	
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)

MELISSA M OSBORNE

Name (Please Print)

Melissa M Osborne

REG COMPLIANCE TECH

12/8/2004

Title

Date

(5/2000)

RECEIVED

DEC 08 2004

TOTAL P.02

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU66719
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: FEDERAL C 18-7-23-23
2. NAME OF OPERATOR: XTO ENERGY INC.		9. API NUMBER: 4301530447
3. ADDRESS OF OPERATOR: 2700 FARMINGTON, SUITE CITY FARMINGTON STATE NM ZIP 87401		10. FIELD AND POOL, OR WILDCAT: BUZZARD BENCH
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2051 FSL & 1548 FWL		COUNTY: EMERY COUNTY
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 18S T0E 23 S		STATE: UTAH

CONFIDENTIAL

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

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

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

XTO energy Inc. spudded 12-1/4" hole @ 8:30 p.m., 11/20/04. Drilled to 335'. TIH w/10 jts 8-5/8", 24#, J-55 ST&c csg to 307'. Cmt'd csg w/220 sx Prem Plus cmt w/2% CaCl2 & 1/4 PPS celloflake (15.6 ppg, 1.20 cuft/sx). Circ cmt to surf.

Continuing to drill.

NAME (PLEASE PRINT) HOLLY C. PERKINS	TITLE REGULATORY COMPLIANCE TECH
SIGNATURE	DATE 12/8/2004

CONFIDENTIAL

Farmington Monthly Report

FEDERAL C	Well # 18-17-23-23	FERRON
-----------	--------------------	--------

Objective: Drill & Complete

43-015-30447

AFE: 402278

1st Rept: 04/05/2000

5/10/04 Chevron requested 1 yr extension on APD.

DWC: \$0 CWC: \$0 DMC: \$0 CMC: \$0

8/1/04 XTO Energy Inc. took over operations of well.

DWC: \$0 CWC: \$0 DMC: \$0 CMC: \$0

Rig: CDDT Rig #2

11/20/04 WOC @ 50' (50'/24 hrs). Air Bit #1, 17-1/2", in @ surf, out @ 50' (50'/3 hrs). RU 11 hrs, drlg 3 hrs, rn csg/cmt 1-1/2 hrs, WOC 8-1/2 hrs. MIRU CDDT Rig #2. Drld conductor hole fr/0' - 50' w/12-1/4" flat hammer bit. Reamed hole to 17-1/2" fr/0' - 42'. Circ hole clean. PU & TIH w/1 jts 13-3/8", 48.0#, H-40, ST&C csg to 48'. MIRU Chirtenson. Cmtd conductor csg w/70 sx Premium Neat cmt (mixed @ 15.6 ppg, 1.18 cuft/sx). RDMO Chirtenson. WOC 8-1/2 hrs.

DWC: \$54,750 CWC: \$54,750 DMC: \$0 CMC: \$0

Rig: CDDT Rig #2

11/21/04 Drlg @ 185' (135'/24 hrs). Surv 1 deg @ 100'. Air Bit #2, 12-1/4", HTC, GT1, SN MK1057, op, in @ 50' (135'/9 hrs), WOB all, RPM 50, PP 200. RU 12 hrs, drlg 9 hrs, surv 1/2 hr, trip 2-1/2 hrs. Dug out cellar. Inst culvert. Cut off csg . Inst rotating drlg head. Repr blooie ln. TIH w/air bit #2 & hammer. Tgd @ 48'. Spudded 12-1/4" hole @ 8:30 p.m., 11/20/04. Drlg ahead.

DWC: \$11,000 CWC: \$65,750 DMC: \$0 CMC: \$0

Rig: CDDT Rig #2

11/22/04 Repr @ 270' (85'/24 hrs). Surv 1 deg @ 215'. Air Bit #2, 12-1/4", HTC, GT1, SN MK1057, op, in @ 50' (220'/13-1/2 hrs), WOB 2K, RPM 50, PP 200. Drlg 4-1/2 hrs, surv 1/2 hr, repr 19 hrs. Drld to 245'. Repr top drive motor. Drld to 260'. Wrk on top drive motor. Drld to 270'. Wrk on top drive motor.

DWC: \$10,350 CWC: \$76,100 DMC: \$0 CMC: \$0

Rig: CDDT Rig #2

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FEDERAL C #18-17-23-23	<=continued=>	FERRON
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11/23/04 Cmt @ 335' (65'/24 hrs). Surv 1 deg @ 335'. Added 15 gals soap. Air Bit #2, 12-1/4", HTC, GT1, SN MK1057, op, in @ 50', out @ 335' (285'/19 hrs), WOB all, RPM 50, PP 200. Drlg 5-1/2 hrs, surv 1/2 hr, trip 3 hrs, rig serv 12 hrs, C&C 1/2 hr, rn csg/cmt 2-1/2 hrs. WO mech. Wrk on top drive motor. Drld to 335'. Circ hole clean. TOH & LD DP & DCs. PU & TIH w/10 jts 8-5/8", 24.0#, J-55, ST&C csg to 307'. MIRU Halliburton. Cmted csg w/220 sx Premium Plus cmt w/2% CaCl2 & 1/4 PPS celloflake (mixed @ 15.6 ppg, 1.20 cuft/sx). Disp w/16 BFW. Bmpd plg @ 6:00 a.m., 11/23/04 w/190 psig (92 psig over late pmp press). Circ cmt to surf.

DWC: \$25,454 CWC: \$101,554 DMC: \$0 CMC: \$0

Casing Location: Surface
 DV Depth: 0.00 Marker 1 Depth: 0.00
 FC Depth: 272.00 Marker 2 Depth: 0.00

Qty	Type	Description	Cond	Top Depth	Btm Depth	Length
1	manual	8-5/8" Tex Pattern Guide Shoe	New	305.19	307.00	1.81'
1	manual	8-5/8", 24.0#, J-55, ST&C Csg w/IFV	New	272.20	305.19	32.99'
9	Casing	8-5/8", 24.0#, J-55, ST&C Casing	New	5.00	272.20	267.20'
Total						302.00'
- Cut Off						-5.00'
Landed @						307.00'

Rig: CDDT Rig #2

11/24/04 RD @ 335' (0'/24 hrs). Cmt 1-1/2 hrs, WOC 6-1/2 hrs, NU BOPE 5 hrs, RD WO parts 11 hrs. Fin cmtg. RDMO Halliburton. Std to NU. Parts missing. RD WO parts to NU with.

DWC: \$10,750 CWC: \$112,304 DMC: \$0 CMC: \$0

Rig: CDDT Rig #2

11/25/04 Drlg @ 603' (268'/24 hrs). Air: Bit #3, 7-7/8", HTC, XL30A, SN 5060797, op, in @ 335' (268'/6 hrs), WOB 8K, RPM 50, PP 200. Drlg 6 hrs, NU/tst BOPE 18 hrs. NU BOPE. Tstd BOPE & surf csg to 1,000 psig for 30 min. Held OK. PU & TIH w/7-7/8" bit #3. Tgd cmt @ 290'. DO cmt & FE. Drlg ahead.

DWC: \$13,100 CWC: \$125,404 DMC: \$0 CMC: \$0

Rig: CDDT Rig #2

11/26/04 Drlg @ 1,623' (1,020'/24 hrs). Surv: 1 deg @ 843' & 1 deg @ 1,343'. Air: Bit #3, 7-7/8", HTC, XL30A, SN 5060797, op, in @ 335' (1,288'/27-1/2 hrs), WOB 8K, RPM 50, PP 225. Drlg 21-1/2 hrs, surv 1 hr, repr 1-1/2 hrs. Drld to 1,218'. Wrkd on rig motor. Drld to 1,233'. Wrkd on air comp. Drlg ahead.

FEDERAL C #18-17-23-23	<=continued=>	FERRON
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DWC: \$10,750 CWC: \$136,154 DMC: \$0 CMC: \$0

Rig: CDDT Rig #2

11/27/04 TOH w/DP @ 2,035' (412'/24 hrs). Surv: 1 deg @ 1,623'. Air: Bit #3, 7-7/8", HTC, XL30A, SN 5060797, op, in @ 335', out @ 2,035' (1,700'/42 hrs), WOB 8K, RPM 50, PP 230. Drlg 14-1/2 hrs, surv 1/2 hr, trip 4-1/2 hrs, rig serv 3 hrs, C&C 1-1/2 hrs. Drld to 2,013'. Wrkd on rig motor, air comp & booster. Drld to 2,013'. RU rental comp fr/Graco. Drld to 2,035'. Bit torqued up. Circ hole. TOH w/50 jts DP.

DWC: \$10,750 CWC: \$146,904 DMC: \$0 CMC: \$0

Rig: CDDT Rig #2

11/28/04 TOH to DCs @ 2,035' (0'/24 hrs). Trip 16 hrs, WO fishing hand 7 hrs, fish 1 hr. Fin TOH w/DP, DCs & bit #3. Bit missing 2 cones & 2 shanks. LD BHA. WO fishing hand. TIH w/7" magnet to 2,035'. Fished w/magnet. TOH to DCs.

DWC: \$12,950 CWC: \$159,854 DMC: \$0 CMC: \$0

Rig: CDDT Rig #2

11/29/04 WO equip @ 2,035' (0'/24 hrs). Trip 15 hrs, rig serv 6 hrs, fish 3 hrs. Fin TOH. LD BHA (night crew could not break DCs). PU & TIH w/BHA, DP & DCs to 2,035'. Milled fish. TOH. Rig broke dwn. WO rig tong heads.

DWC: \$15,350 CWC: \$175,204 DMC: \$0 CMC: \$0

Rig: CDDT Rig #2

11/30/04 Released rig @ 2,035' (0'/24 hrs). Trip 2 hrs. LD DCs, jnk bskt & mill. Released CDDT rig #2 due to rig & crew problems. Drlg operations will resume in April 2005.

DWC: \$4,950 CWC: \$180,154 DMC: \$0 CMC: \$0

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

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-66719
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: FEDERAL C 18-7-23 #23
2. NAME OF OPERATOR: XTO ENERGY INC.		9. API NUMBER: 4301530447
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg K CITY Farmington STATE NM ZIP 87401		10. FIELD AND POOL, OR WILDCAT: FERRON SAND
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2051' FSL x 1548' FWL		COUNTY: EMERY
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 23 18S 7E S		STATE: UTAH

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

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

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

Operations have been suspended until April 2005 on the above mentioned well. See attached Monthly Drilling Report

NAME (PLEASE PRINT) <u>Kyla Vaughan</u>	TITLE <u>Regulatory Compliance Tech</u>
SIGNATURE <u><i>Kyla Vaughan</i></u>	DATE <u>1/10/2005</u>

CONFIDENTIAL

Farmington Monthly Report

FEDERAL C	Well # 18-07-23- 23	FERRON
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Objective: Drill & Complete

AFE: 402278

1st Rept: 04/05/2000

5/10/04 Chevron requested 1 yr extension on APD.

8/1/04 XTO Energy Inc. took over operations of well.

Rig: CDDT Rig #2

11/20/04 WOC @ 50' (50'/24 hrs). Air Bit #1, 17-1/2", in @ surf, out @ 50' (50'/3 hrs). RU 11 hrs, drlg 3 hrs, m csg/cmt 1-1/2 hrs, WOC 8-1/2 hrs. MIRU CDDT Rig #2. Drld conductor hole fr/0' - 50' w/12-1/4" flat hammer bit. Reamed hole to 17-1/2" fr/0' - 42'. Circ hole clean. PU & TIH w/1 jts 13-3/8", 48.0#, H-40, ST&C csg to 48'. MIRU Chirtenson. Cmtd conductor csg w/70 sx Premium Neat cmt (mixed @ 15.6 ppg, 1.18 cuft/sx). RDMO Chirtenson. WOC 8-1/2 hrs.

Rig: CDDT Rig #2

11/21/04 Drlg @ 185' (135'/24 hrs). Surv 1 deg @ 100'. Air Bit #2, 12-1/4", HTC, GT1, SN MK1057, op, in @ 50' (135'/9 hrs), WOB all, RPM 50, PP 200. RU 12 hrs, drlg 9 hrs, surv 1/2 hr, trip 2-1/2 hrs. Dug out cellar. Inst culvert. Cut off csg. Inst rotating drlg head. Repr blooie ln. TIH w/air bit #2 & hammer. Tgd @ 48'. Spudded 12-1/4" hole @ 8:30 p.m., 11/20/04. Drlg ahead.

Rig: CDDT Rig #2

11/22/04 Repr @ 270' (85'/24 hrs). Surv 1 deg @ 215'. Air Bit #2, 12-1/4", HTC, GT1, SN MK1057, op, in @ 50' (220'/13-1/2 hrs), WOB 2K, RPM 50, PP 200. Drlg 4-1/2 hrs, surv 1/2 hr, repr 19 hrs. Drld to 245'. Repr top drive motor. Drld to 260'. Wrk on top drive motor. Drld to 270'. Wrk on top drive motor.

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Rig: CDDT Rig #2

FEDERAL C #18-07-23-23	<=<continued=>	FERRON
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11/23/04 Cmt @ 335' (65'/24 hrs). Surv 1 deg @ 335'. Added 15 gals soap. Air Bit #2, 12-1/4", HTC, GT1, SN MK1057, op, in @ 50', out @ 335' (285'/19 hrs), WOB all, RPM 50, PP 200. Drlg 5-1/2 hrs, surv 1/2 hr, trip 3 hrs, rig serv 12 hrs, C&C 1/2 hr, rn csg/cmt 2-1/2 hrs. WO mech. Wrk on top drive motor. Drl'd to 335'. Circ hole clean. TOH & LD DP & DCs. PU & TIH w/10 jts 8-5/8", 24.0#, J-55, ST&C csg to 307'. MIRU Halliburton. Cmt'd csg w/220 sx Premium Plus cmt w/2% CaCl2 & 1/4 PPS celloflake (mixed @ 15.6 ppg, 1.20 cuft/sx). Disp w/16 BFW. Bmpd plg @ 6:00 a.m., 11/23/04 w/190 psig (92 psig over late pmp press). Circ cmt to surf.

Casing Location: Surface

DV Depth: 0.00

Marker 1 Depth: 0.00

FC Depth: 272.00

Marker 2 Depth: 0.00

Qty	Type	Description	Cond	Top Depth	Btm Depth	Length
1	manual	8-5/8" Tex Pattern Guide Shoe	New	305.19	307.00	1.81'
1	manual	8-5/8", 24.0#, J-55, ST&C Csg w/IFV	New	272.20	305.19	32.99'
9	Casing	8-5/8", 24.0#, J-55, ST&C Casing	New	5.00	272.20	267.20'
Total				302.00'		
- Cut Off				-5.00'		
Landed @				307.00'		

Rig: CDDT Rig #2

11/24/04 RD @ 335' (0'/24 hrs). Cmt 1-1/2 hrs, WOC 6-1/2 hrs, NU BOPE 5 hrs, RD WO parts 11 hrs. Fin cmtg. RDMO Halliburton. Std to NU. Parts missing. RD WO parts to NU with.

Rig: CDDT Rig #2

11/25/04 Drlg @ 603' (268'/24 hrs). Air: Bit #3, 7-7/8", HTC, XL30A, SN 5060797, op, in @ 335' (268'/6 hrs), WOB 8K, RPM 50, PP 200. Drlg 6 hrs, NU/tst BOPE 18 hrs. NU BOPE. Tstd BOPE & surf csg to 1,000 psig for 30 min. Held OK. PU & TIH w/7-7/8" bit #3. Tgd cmt @ 290'. DO cmt & FE. Drlg ahead.

Rig: CDDT Rig #2

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DIV. OF OIL, GAS & MINING

11/26/04 Drlg @ 1,623' (1,020'/24 hrs). Surv: 1 deg @ 843' & 1 deg @ 1,343'. Air: Bit #3, 7-7/8", HTC, XL30A, SN 5060797, op, in @ 335' (1,288'/27-1/2 hrs), WOB 8K, RPM 50, PP 225. Drlg 21-1/2 hrs, surv 1 hr, repr 1-1/2 hrs. Drl to 1,218'. Wrkd on rig motor. Drl to 1,233'. Wrkd on air comp. Drlg ahead.

FEDERAL C #18-07-23-23

<=>continued=>

FERRON

Rig: CDDT Rig #2

11/27/04 TOH w/DP @ 2,035' (412'/24 hrs). Surv: 1 deg @ 1,623'. Air: Bit #3, 7-7/8", HTC, XL30A, SN 5060797, op, in @ 335', out @ 2,035' (1,700'/42 hrs), WOB 8K, RPM 50, PP 230. Drlg 14-1/2 hrs, surv 1/2 hr, trip 4-1/2 hrs, rig serv 3 hrs, C&C 1-1/2 hrs. Drl to 2,013'. Wrkd on rig motor, air comp & booster. Drl to 2,013'. RU rental comp fr/Graco. Drl to 2,035'. Bit torqued up. Circ hole. TOH w/50 jts DP.

Rig: CDDT Rig #2

11/28/04 TOH to DCs @ 2,035' (0'/24 hrs). Trip 16 hrs, WO fishing hand 7 hrs, fish 1 hr. Fin TOH w/DP, DCs & bit #3. Bit missing 2 cones & 2 shanks. LD BHA. WO fishing hand. TIH w/7" magnet to 2,035'. Fished w/magnet. TOH to DCs.

Rig: CDDT Rig #2

11/29/04 WO equip @ 2,035' (0'/24 hrs). Trip 15 hrs, rig serv 6 hrs, fish 3 hrs. Fin TOH. LD BHA (night crew could not break DCs). PU & TIH w/BHA, DP & DCs to 2,035'. Milled fish. TOH. Rig broke dwn. WO rig tong heads.

Rig: CDDT Rig #2

11/30/04 Released rig @ 2,035' (0'/24 hrs). Trip 2 hrs. LD DCs, jnk bskt & mill. Released CDDT rig #2 due to rig & crew problems. Drlg operations will resume in April 2005.

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DIV. OF OIL, GAS & MINING

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FORM 9

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL GAS WELL OTHER _____

2. NAME OF OPERATOR: XTO ENERGY INC.

3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg k CITY Farmington STATE NM ZIP 87401 PHONE NUMBER: (505) 324-1090

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 2051' FSL x 1548' FWL COUNTY: Emery
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 23 18S 7E S STATE: UTAH

5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-66719

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER: FEDERAL C 18-7-23 #23

9. API NUMBER: 4301530447

10. FIELD AND POOL, OR WILDCAT: FERRON SAND

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

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

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

There was no drilling activity on the above listed well during the month of January 2005.

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FEB 0 / 2005

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) Kyla Vaughan TITLE Regulatory Compliance Tech

SIGNATURE *Kyla Vaughan* DATE 2/1/2005

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-66719
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: XTO ENERGY INC.		8. WELL NAME and NUMBER: FEDERAL C 18-7-23 #23
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg K CITY Farmington STATE NM ZIP 87401		9. API NUMBER: 4301530447
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2051' FSL x 1548' FWL		10. FIELD AND POOL, OR WILDCAT: FERRON SAND
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 23 18S 7E S		COUNTY: Emery
		STATE: UTAH

CONFIDENTIAL

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

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

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

There was no drilling activity on the above listed well during the month of February 2005.

NAME (PLEASE PRINT) <u>Kyla Vaughan</u>	TITLE <u>Regulatory Compliance Tech</u>
SIGNATURE <u><i>Kyla Vaughan</i></u>	DATE <u>3/2/2005</u>

(This space for State use only)

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

			5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-66719
			6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
			7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____			8. WELL NAME and NUMBER: Federal C 18-7-23-23
2. NAME OF OPERATOR: XTO ENERGY INC.			9. API NUMBER: 4301530447
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg K CITY Farmington STATE NM ZIP 87401		PHONE NUMBER: (505) 324-1090	10. FIELD AND POOL, OR WILDCAT: FERRON SAND
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2051' FSL x 1548' FWL			COUNTY: Emery
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 23 18S 7E S			STATE: UTAH

CONFIDENTIAL

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

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

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

There was no drilling activity on the above listed well during the month of March 2005. Drilling operations are expected to begin after April 15, 2005.

NAME (PLEASE PRINT) <u>Kyla Vaughan</u>	TITLE <u>Regulatory Compliance Tech</u>
SIGNATURE <u><i>Kyla Vaughan</i></u>	DATE <u>4/1/2005</u>

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APR 11 2005

DIV. OF OIL, GAS & MINING

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU-66719

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

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

1. TYPE OF WELL OIL WELL GAS WELL OTHER CONFIDENTIAL

8. WELL NAME and NUMBER:
FEDERAL C 18-7-23-23

2. NAME OF OPERATOR:
XTO ENERGY INC.

9. API NUMBER:
43-015-30447

3. ADDRESS OF OPERATOR:
2700 Farmington Ave. Bldg K CITY **Farmington** STATE **NM** ZIP **87401**

PHONE NUMBER:
(505) 324-1090

10. FIELD AND POOL, OR WILDCAT:
BUZZARD BENCH FERRON SS

4. LOCATION OF WELL
FOOTAGES AT SURFACE: **2051' FSL & 1548' FWL**

COUNTY: **EMERY**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **NE SW 23 18S 07E**

STATE: **UTAH**

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

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

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

XTO Energy Inc. received verbal permission fr/Eric Jones w/BLM in Moab, UT to plug well on Tuesday, April 19, 2005. The verbal included notification to Don Steven w/BLM in Price, UT. XTO filled hole w/FW cement plug fr/250'-350' & 50' cement surface plug. SWI & WO rig reprs. MIRU pump truck. Pumped 160 BFW. Pumped 32 sx Type III cmt mixed @ 15 ppg fr/250'-350'. SWI 2 hrs to set cement. TIH w/tbg. Did not tag plug. Pumped 32 sx Type III cmt & TOH w/tbg. SWI 2 hrs to set cement. TIH w/tbg; tagged plug @ 250'. Pumped 20 sx Type III cmt fr/0'-100'. TOH w/tbg. SWI. RDMO pump truck. Cut surface pipe 3' below ground level. Welded on cap & tacked 4' WL on cap. Covered well. Built 7' dry hole marker to be used after new well drilled on pad.

NAME (PLEASE PRINT) HOLLY C. PERKINS TITLE REGULATORY COMPLIANCE TECH
SIGNATURE *Holly C. Perkins* DATE 5/16/2005

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MAY 19 2005

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <u>CONFIDENTIAL</u>		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-66719
2. NAME OF OPERATOR: XTO ENERGY INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg K CITY Farmington STATE NM ZIP 87401		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2,051' FSL x 1,548' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 23 18S 07E S		8. WELL NAME and NUMBER: FEDERAL C 18-7-23-23
PHONE NUMBER: (505) 324-1090		9. API NUMBER: 4301530447
COUNTY: EMERY		10. FIELD AND POOL, OR WILDCAT: FERRON SAND
STATE: UTAH		

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>April 2005 drilling activity</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
See attached report for April 2005 drlg activity.

NAME (PLEASE PRINT) <u>Kelly K. Small</u>	TITLE <u>Drilling Assistant</u>
SIGNATURE <u>Kelly K. Small</u>	DATE <u>5/25/05</u>

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MAY 31 2005
DIV. OF OIL, GAS & MINING

Farmington Monthly Report

FEDERAL C	Well # 18-7-23-23	FERRON	Emery, UT
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Objective: Drill & Complete

Rig: CDDT Rig #2

AFE: 402278

1st Rept: 04/05/2000

CONFIDENTIAL

11/20/04 WOC @ 50' (50'/24 hrs). Air Bit #1, 17-1/2", in @ surf, out @ 50' (50'/3 hrs). RU 11 hrs, drlg 3 hrs, rn csg/cmt 1-1/2 hrs, WOC 8-1/2 hrs. MIRU CDDT Rig #2. Drld conductor hole fr/0' - 50' w/12-1/4" flat hammer bit. Reamed hole to 17-1/2" fr/0' - 42'. Circ hole clean. PU & TIH w/1 jts 13-3/8", 48.0#, H-40, ST&C csg to 48'. MIRU Chirtenson. Cmtd conductor csg w/70 sx Premium Neat cmt (mixed @ 15.6 ppg, 1.18 cuft/sx). RDMO Chirtenson. WOC 8-1/2 hrs.

DWC: \$54,750 CWC: \$54,750 DMC: \$0 CMC: \$0

Rig: CDDT Rig #2

11/21/04 Drlg @ 185' (135'/24 hrs). Surv 1 deg @ 100'. Air Bit #2, 12-1/4", HTC, GT1, SN MK1057, op, in @ 50' (135'/9 hrs), WOB all, RPM 50, PP 200. RU 12 hrs, drlg 9 hrs, surv 1/2 hr, trip 2-1/2 hrs. Dug out cellar. Inst culvert. Cut off csg . Inst rotating drlg head. Repr blooie ln. TIH w/air bit #2 & hammer. Tgd @ 48'. Spudded 12-1/4" hole @ 8:30 p.m., 11/20/04. Drlg ahead.

DWC: \$11,000 CWC: \$65,750 DMC: \$0 CMC: \$0

Rig: CDDT Rig #2

11/22/04 Repr @ 270' (85'/24 hrs). Surv 1 deg @ 215'. Air Bit #2, 12-1/4", HTC, GT1, SN MK1057, op, in @ 50' (220'/13-1/2 hrs), WOB 2K, RPM 50, PP 200. Drlg 4-1/2 hrs, surv 1/2 hr, repr 19 hrs. Drld to 245'. Repr top drive motor. Drld to 260'. Wrk on top drive motor. Drld to 270'. Wrk on top drive motor.

DWC: \$10,350 CWC: \$76,100 DMC: \$0 CMC: \$0

Rig: CDDT Rig #2

11/23/04 Cmt @ 335' (65'/24 hrs). Surv 1 deg @ 335'. Added 15 gals soap. Air Bit #2, 12-1/4", HTC, GT1, SN MK1057, op, in @ 50', out @ 335' (285'/19 hrs), WOB all, RPM 50, PP 200. Drlg 5-1/2 hrs, surv 1/2 hr, trip 3 hrs, rig serv 12 hrs, C&C 1/2 hr, rn csg/cmt 2-1/2 hrs. WO mech. Wrk on top drive motor. Drld to 335'. Circ hole clean. TOH & LD DP & DCs. PU & TIH w/10 jts 8-5/8", 24.0#, J-55, ST&C csg to 307'. MIRU Halliburton. Cmtd csg w/220 sx Premium Plus cmt w/2% CaCl2 & 1/4 PPS celloflake (mixed @ 15.6 ppg, 1.20 cuft/sx). Disp w/16 BFW. Bmpd plg @ 6:00 a.m., 11/23/04 w/190 psig (92 psig over late pmp press). Circ cmt to surf.

DWC: \$25,454 CWC: \$101,554 DMC: \$0 CMC: \$0

CONFIDENTIAL

FEDERAL C #18-7-23-23	<=continued=>	FERRON	
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Casing Location: Surface
 DV Depth: 0.00 Marker 1 Depth: 0.00
 FC Depth: 272.00 Marker 2 Depth: 0.00

Qty	Type	Description	Cond	Top Depth	Btm Depth	Length
1	manual	8-5/8" Tex Pattern Guide Shoe	New	305.19	307.00	1.81'
1	manual	8-5/8", 24.0#, J-55, ST&C Csg w/IFV	New	272.20	305.19	32.99'
9	Casing	8-5/8", 24.0#, J-55, ST&C Casing	New	5.00	272.20	267.20'
Total						302.00'
- Cut Off						-5.00'
Landed @						307.00'

Rig: CDDT Rig #2
 11/24/04 RD @ 335' (0'/24 hrs). Cmt 1-1/2 hrs, WOC 6-1/2 hrs, NU BOPE 5 hrs, RD WO parts 11 hrs. Fin cmtg. RDMO Halliburton. Std to NU. Parts missing. RD WO parts to NU with.
 DWC: \$10,750 CWC: \$112,304 DMC: \$0 CMC: \$0

Rig: CDDT Rig #2
 11/25/04 Drlg @ 603' (268'/24 hrs). Air: Bit #3, 7-7/8", HTC, XL30A, SN 5060797, op, in @ 335' (268'/6 hrs), WOB 8K, RPM 50, PP 200. Drlg 6 hrs, NU/tst BOPE 18 hrs. NU BOPE. Tstd BOPE & surf csg to 1,000 psig for 30 min. Held OK. PU & TIH w/7-7/8" bit #3. Tgd cmt @ 290'. DO cmt & FE. Drlg ahead.
 DWC: \$13,100 CWC: \$125,404 DMC: \$0 CMC: \$0

Rig: CDDT Rig #2
 11/26/04 Drlg @ 1,623' (1,020'/24 hrs). Surv: 1 deg @ 843' & 1 deg @ 1,343'. Air: Bit #3, 7-7/8", HTC, XL30A, SN 5060797, op, in @ 335' (1,288'/27-1/2 hrs), WOB 8K, RPM 50, PP 225. Drlg 21-1/2 hrs, surv 1 hr, repr 1-1/2 hrs. Drld to 1,218'. Wrkd on rig motor. Drld to 1,233'. Wrkd on air comp. Drlg ahead.
 DWC: \$10,750 CWC: \$136,154 DMC: \$0 CMC: \$0

Rig: CDDT Rig #2
 11/27/04 TOH w/DP @ 2,035' (412'/24 hrs). Surv: 1 deg @ 1,623'. Air: Bit #3, 7-7/8", HTC, XL30A, SN 5060797, op, in @ 335', out @ 2,035' (1,700'/42 hrs), WOB 8K, RPM 50, PP 230. Drlg 14-1/2 hrs, surv 1/2 hr, trip 4-1/2 hrs, rig serv 3 hrs, C&C 1-1/2 hrs. Drld to 2,013'. Wrkd on rig motor, air comp & booster. Drld to 2,013'. RU rental comp fr/Graco. Drld to 2,035'. Bit torqued up. Circ hole. TOH w/50 jts DP.
 DWC: \$10,750 CWC: \$146,904 DMC: \$0 CMC: \$0

CONFIDENTIAL

FEDERAL C #18-7-23-23	<=continued=>	FERRON	Emery, UT
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Rig: CDDT Rig #2
 11/28/04 TOH to DCs @ 2,035' (0'/24 hrs). Trip 16 hrs, WO fishing hand 7 hrs, fish 1 hr. Fin TOH w/DP, DCs & bit #3. Bit missing 2 cones & 2 shanks. LD BHA. WO fishing hand. TIH w/7" magnet to 2,035'. Fished w/magnet. TOH to DCs.
 DWC: \$12,950 CWC: \$159,854 DMC: \$0 CMC: \$0

Rig: CDDT Rig #2
 11/29/04 WO equip @ 2,035' (0'/24 hrs). Trip 15 hrs, rig serv 6 hrs, fish 3 hrs. Fin TOH. LD BHA (night crew could not break DCs). PU & TIH w/BHA, DP & DCs to 2,035'. Milled fish. TOH. Rig broke dwn. WO rig tong heads.
 DWC: \$15,350 CWC: \$175,204 DMC: \$0 CMC: \$0

Rig: CDDT Rig #2
 11/30/04 Released rig @ 2,035' (0'/24 hrs). Trip 2 hrs. LD DCs, jnk bskt & mill. Released CDDT rig #2 due to rig & crew problems. Drlg operations will resume in April 2005.
 DWC: \$4,950 CWC: \$180,154 DMC: \$0 CMC: \$0

Rig: Key Energy #906
 4/12/05 Received verbal approval from the BLM to MIRU before the winter closure is over. Cont D&C AFE # 402278. MIRU Key Energy Rig #906. NU BOP. PU & TIH NC & 66 jts 2-7/8". Tgd TOF @ 2,035'. RU power swivel. Rotate on TOF. TOH w/66 jts 2-7/8" tbg & NC. LD NC. PU & TIH w/6-5/8" cutrite shoe w/.65 wire, top sub, 3-1/2" FH x 3-1/2" Reg CX, 3-1/2" Reg x 3-1/2" IF CX, 4 - 4-5/8" DCs, 3-1/2" IF x 2-7/8" EUE CX & 62 jts 2-7/8" tbg. Tgd TOF @ 2,035'. Rotate on TOF. Made 1' of hole. LD 1 jt 2-7/8" tbg. SDFN.
 DWC: \$7,600 CWC: \$187,754 DMC: \$0 CMC: \$0

Rig: Key Energy #906
 4/13/05 Fin TOH 62 jts 2-7/8" tbg, DCs, XOs, top sub & shoe. Did not catch fish. PU & TIH 6-5/8" cutrite flat btm shoe, top sub, 3-1/2" FH x 3-1/2" Reg XO, 3-1/2" Reg x 3-1/2" IF XO, 4 - 4-5/8" DCs, 3-1/2" IF x 2-7/8" EUE XO & 62 jts 2-7/8" tbg. Tgd TOF @ 2,036' (TOF was @ 2,035'). RU power swivel. Rotate on TOF. Made 1' of hole. TOH 2-7/8" tbg, 4 - 4-5/8" DCs & cutrite flat btm shoe. No fish. TIH 6-5/8" cutrite shoe w/.65 wire, DCs & 62 jts 2-7/8" tbg. Tgd TOF @ 2,037'. Rotate on TOF. TOH 62 jts 2-7/8" tbg, 4 - 4-5/8" DCs & 6-5/8" cutrite flat btm shoe w/.65 wire. No fish. SDFN.
 DWC: \$5,700 CWC: \$193,454 DMC: \$0 CMC: \$0

Rig: Key Energy #906

CONFIDENTIAL

FEDERAL C #18-7-23-23	<=continued=>	FERRON	Emery, UT
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4/14/05 PU & TIH 6" magnet & 66 jts 2-7/8" tbg. Tgd @ 2,037'. TOH 66 jts 2-7/8" tbg & magnet, no rec. PU & TIH 6" cut lip guide, 6" magnet & 66 jts 2-7/8" tbg. Tgd @ 2,037'. RU pwr swivel. Rotate on TOF. TOH 66 jts 2-7/8" tbg, 6" magnet & 6" cut lip guide. Recd 4" core (formation w/no metal) in guide. Fish appears to have moved to the side of hole. PU & TIH 7-5/8" flat btm mill, 4 - 4-5/8" DCs, XOs & 62 jts 2-7/8" tbg. Tgd @ 2,035'. RU pwr swivel. Clnd out hole to 2,037'. Rotate on TOF. Cuttings making hole very ti. SD & WO AFU.
 DWC: \$6,200 CWC: \$199,654 DMC: \$0 CMC: \$0

Rig: Key Energy #906

4/15/05 RU AFU & pwr swivel. Establish circ. Tgd @ 2,037'. Rotate on TOF. Made 1" & mill quit cutting. TOH 62 jts 2-7/8" tbg, XOs, 4 - 4-5/8" DCs, & 7-5/8" flat btm mill. Found link from chain caught on side of mill. Cutrite was gone and mill was worn 1/2" deep & 1" high on outside. Btm of mill was domed. TIH 7-3/4" flat btm mill, 4- 4-5/8" DCs, XOs & 62 jts 2-7/8" tbg. Estb circ. Tgd @ 2,037'. Rotate on TOF. Made 1-1/2" & mill quit cutting. TOH 62 jts 2-7/8" tbg, 4 - 4-5/8" DCs, XOs & 7-3/4" flat btm mill. Mill was worn as abv & rec more chain links. RD AFU & pwr swivel. LD 4 - 4-5/8" DCs, XOs & 7-3/4" flat btm mill. SDFN.
 DWC: \$8,750 CWC: \$208,404 DMC: \$0 CMC: \$0

Rig: Key Energy #906

4/16/05 PU & TIH 6" impr block & 66 jts 2-7/8" tbg. Tgd TOF @ 2,037'. TOH 66 jts 2-7/8" tbg and 6" impr block. No impr block. Decision made to plg well. Contact BLM. Recv'd verbal OK fr/Eric Jones w/BLM Moab Utah to plg on Tuesday, April 19, 2005. Verbal includes, notify Don Stevens w/BLM Price Utah, fill hole w/FW, cmt plg fr/250' - 350' & 50' cmt surf plg. SWI & WO rig reps.
 DWC: \$4,500 CWC: \$212,904 DMC: \$0 CMC: \$0

Rig: Key Energy #906

4/17/05 SDF Saturday.
 DWC: \$0 CWC: \$212,904 DMC: \$0 CMC: \$0

Rig: Key Energy #906

4/18/05 SDF Sunday.
 DWC: \$0 CWC: \$212,904 DMC: \$0 CMC: \$0

Rig: Key Energy #906

4/19/05 SDF rig reps.
 DWC: \$0 CWC: \$212,904 DMC: \$0 CMC: \$0

FEDERAL C #18-7-23-23

<=continued=>

FERRON

Emery, UT

CONFIDENTIAL

Rig: Key Energy #906

FrcstGas: MCFPD

Prev Gas: MCFPD

4/20/05 TIH 62 jts 2-7/8" tbg. TOH & LD 51 jts 2-7/8" tbg. MIRU HES pmp trk. Pmp 160 BFW. Ppd 32 sx ty III cmt mx'd @ 15 ppg fr/250' to 350'. TOH & LD 5 jts 2-7/8" tbg. SWI 2 hrs to set cmt. TIH 5 jts 2-7/8" tbg. Did not tag plg. Ppd 32 sx ty III cmt & TOH 5 jts 2-7/8" tbg. SWI 2 hrs to set cmt. TIH 3 jts 2-7/8" tbg. Tgd plg @ 250'. TOH and LD 3 jts 2-7/8" tbg. Ppd 20 sx ty III cmt fr/0' to 100'. TOH & LD 3 jts 2-7/8" tbg. SWI. RDMO HES pmp trk. RDMO Key Energy rig #906.

DWC: \$17,500

CWC: \$230,404

DMC: \$0

CMC: \$0

Rig: Key Energy #906

FrcstGas: MCFPD

Prev Gas: MCFPD

4/21/05 Cut surf pipe 3' below ground level. Welded on cap & tacked 4' WL on cap. Covered well. Built 7' dry hole marker to be used after new well drilled on pad.

DWC: \$1,000

CWC: \$231,404

DMC: \$0

CMC: \$0

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-66719
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <u>CONFIDENTIAL</u>		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: XTO ENERGY INC.		8. WELL NAME and NUMBER: FEDERAL C 18-7-23-23
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg K CITY Farmington STATE NM ZIP 87401		9. API NUMBER: 4301530447
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2,051' FSL x 1,548' FWL		10. FIELD AND POOL, OR WILDCAT: FERRON SAND
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 23 18S 07E S		COUNTY: EMERY
		STATE: UTAH

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TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: <u>MAY 2005 DRLG</u> ACTIVITY
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
There was no drilling activity for May 2005.

NAME (PLEASE PRINT) <u>Kelly K. Small</u>	TITLE <u>Drilling Assistant</u>
SIGNATURE <u><i>Kelly K Small</i></u>	DATE <u>6/2/2005</u>

(This space for State use only)

RECEIVED
JUN 06 2005

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-66719
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		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: Federal C 18-7-23-23	
2. NAME OF OPERATOR: XTO ENERGY INC.	9. API NUMBER: 4301530447	
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg K <small>CITY</small> Farmington STATE NM ZIP 87401	PHONE NUMBER: (505) 324-1090	10. FIELD AND POOL, OR WILDCAT: FERRON COAL
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2,051' FSL x 1,548' FWL		COUNTY: Emery
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 23 18S 7E S		STATE: UTAH

CONFIDENTIAL

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

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

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
There was no drilling activity during the month of June 2005.

NAME (PLEASE PRINT) <u>Kelly K. Small</u>	TITLE <u>Regulatory Compliance Tech</u>
SIGNATURE <u><i>Kelly K. Small</i></u>	DATE <u>7/6/2005</u>

(This space for State use only)

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JUL 12 2005
DIV. OF OIL, GAS & MINING

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-66719
2. NAME OF OPERATOR: XTO ENERGY INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg ^{CITY} Farmington ^{STATE} NM ^{ZIP} 87401		7. UNIT or CA AGREEMENT NAME: N/A
PHONE NUMBER: (505) 324-1090		8. WELL NAME and NUMBER: FEDERAL C 18-7-23-23
10. FIELD AND POOL, OR WLDGAT: FERRON COAL		9. API NUMBER: 4301530447

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 2,051' FSL & 1,548' FWL COUNTY: EMERY

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 23 T18S R7E S STATE: UTAH

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

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

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
There was no drilling activity for July, 2005.

NAME (PLEASE PRINT) Kelly K. Small	TITLE Regulatory Compliance Tech
SIGNATURE <i>Kelly K. Small</i>	DATE 8/4/2005

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

AMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU-66719

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

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 _____

7. UNIT or CA AGREEMENT NAME

8. WELL NAME and NUMBER:
FEDERAL C 18-7-23-23

2. NAME OF OPERATOR:
XTO Energy Inc.

9. API NUMBER:
4301530447

3. ADDRESS OF OPERATOR: **2700 Farmington Ave K1 CITY Farmington STATE NM ZIP 87401**

PHONE NUMBER: **(505) 324-1090**

10. FIELD AND POOL, OR WILDCAT
FERRON SANDSTONE/COLD

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: **2,051' FSL x 1,548' FWL**

AT TOP PRODUCING INTERVAL REPORTED BELOW:

AT TOTAL DEPTH: **SAME AS SURF**

11. QTR/QR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
NESW 23 18S 07E S

12. COUNTY: **EMERY** 13. STATE: **UTAH**

14. DATE SPUDDED: **11/20/2004** 15. DATE T.D. REACHED: **Never P+A** 16. DATE COMPLETED: **4-29-2005** ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL):
6,192

18. TOTAL DEPTH: MD **2035 plus OR** 19. PLUG BACK T.D.: MD **NA** 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)
NONE

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 (#/L)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12-1/4"	8-5/8 J-55	24.0#	0	307		Prem + 220		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)
NA								

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) NA								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"/>

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
NA	NA

29. ENCLOSED ATTACHMENTS:

ELECTRICAL/MECHANICAL LOGS GEOLOGIC REPORT DST REPORT DIRECTIONAL SURVEY

SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION CORE ANALYSIS OTHER: _____

30. WELL STATUS:
PA

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

REC'D/SA JAN

FORM APPROVED OMB NO. 1004-0137 Expires March 31, 2007

MAY 31 2005

SUNDRY NOTICES AND REPORTS ON WELLS RECEIVED MOAB FIELD OFFICE 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 2005 MAY 20 P 12:53

1. Type of Well [] Oil Well [x] Gas Well [] Other
2. Name of Operator XTO Energy Inc.
3a. Address 2700 Farmington Ave., Bldg. K. Ste 1 Farmington,
3b. Phone No. (include area code) 505-324-1090
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2051' FSL & 1548' FWL; SEC 23K-T18S-R07E

5. Lease Serial No. UTU-66719
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No.
8. Well Name and No. FEDERAL C 18-7-23-23
9. API Well No. 43-015-66719
10. Field and Pool, or Exploratory Area BUZZARD BENCH FERRON SS
11. County or Parish, State EMERY UT

CONFIDENTIAL

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

Table with columns: TYPE OF SUBMISSION, TYPE OF ACTION. Includes checkboxes for Notice of Intent, Subsequent Report, Final Abandonment Notice, Acidize, Deepen, Production (Start/Resume), Water Shut-Off, etc.

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. 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 final site is ready for final inspection.)

XTO Energy Inc. received verbal permission fr/Eric Jones w/BLM in Moab, UT to plug well on Tuesday, April 19, 2005. The verbal included notification to Don Stevens w/BLM in Price, UT. XTO filled hole w/FW, cement plug fr/250'-350' & 50' cement surface plug. SWI & WO rig reps. MIRU pump truck. Pumped 160 BFW. Ppd 32 sx Type III cmt mixed @ 15 ppg fr/250'-350'. SWI 2 hrs to set cement. TIH w/tbg. Did not tag plug. Pumped 32 sx Type III cmt & TOH w/tbg. SWI 2 hrs to set cement. TIH w/tbg; tagged plug @ 250'. Pumped 20 sx Type III cmt fr/0'-100'. TOH w/tbg. SWI. RDMO pump truck. Cut surface pipe 3' below ground level. Welded on cap & tacked 4' WL on cap. Covered well. Built 7' dry hole marker to be used after new well drilled on pad.

RECEIVED 9 PM 2 ST sent to Moab office

14. I hereby certify that the foregoing is true and correct Name (Printed/typed) HOLLY C. PERKINS

Title REGULATORY COMPLIANCE TECH Date 5/3/05

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

Title Assistant Field Manager, Date 5-26-05 Office Division of Resources

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, 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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU 66719	
1b. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator XTO Energy Inc.		7. Unit or CA Agreement Name and No.	
3a. Address 2700 Farmington Ave., Bldg. K, Ste 1 Farmington, NM		8. Lease Name and Well No. FEDERAL C #18-7-23-23R	
3b. Phone No. (include area code) 505-324-1090		9. API Well No. 43-DIS-30447	
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface 2036' FSL x 1598' FWL At proposed prod. zone		10. Field and Pool, or Exploratory FERRON SAND	
14. Distance in miles and direction from nearest town or post office* Approx 3.4 miles Northwest of Orangetown, Utah		11. Sec., T., R., M., or Blk. and Survey or Area S23, T18S, R7E	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) Approx 1100'		12. County or Parish EMERY	
16. No. of Acres in lease 323.79		13. State UTAH	
17. Spacing Unit dedicated to this well 160 acres		18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. Approx 3600'	
19. Proposed Depth 3200'		20. BLM/BIA Bond No. on file	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6095' Ground Elevation		22. Approximate date work will start* October 20, 2005	
		23. Estimated duration 2 weeks	

24. Attachments

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

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

25. Signature <i>Kyla Vaughan</i>	Name (Printed/Typed) Kyla Vaughan	Date 091/6/05
Title Regulatory Compliance Tech		
Approved by (Signature) <i>A. Lynn Jackson</i>	Name (Printed/Typed) A. Lynn Jackson	Date OCT 31 2005
Title Assistant Field Manager, Division of Resources		
Office Moab Field Office		

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

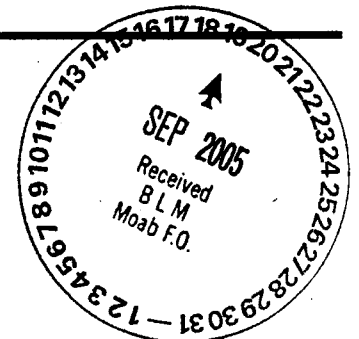
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

CONDITIONS OF APPROVAL ATTACHED
RECEIVED

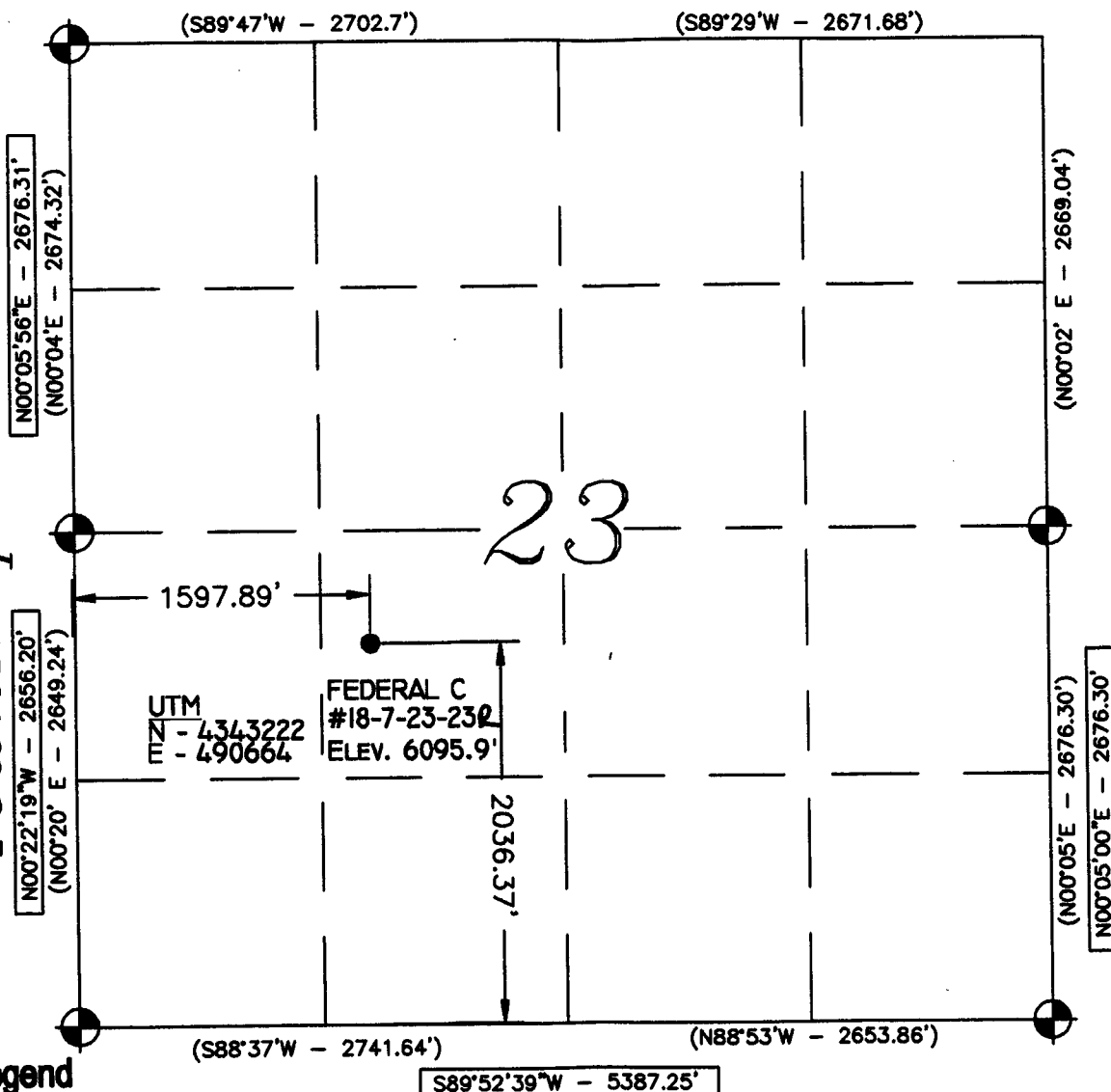
NOV 03 2005

DIV. OF OIL, GAS & MINING



Range 7 East

Township 18 South



Location:

The well location was determined using a Trimble 4700 GPS survey grade unit.

Basis of Bearing:

The Basis of Bearing is GPS Measured.

GLO Bearing:

The Bearings indicated are per the recorded plat obtained from the U.S. Land Office.

Basis of Elevation:

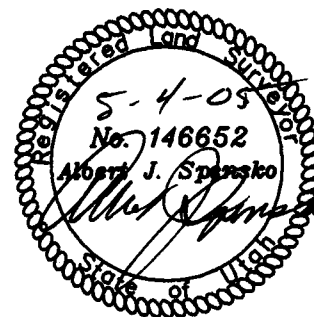
Basis of Elevation of 6006.86' being a Utah State Engineer's benchmark located between Section 25 and Section 26, T18S., R7E., Salt Lake Base & Meridian, 350' South of the Northwest Corner of Section 25, Township 18 South, Range 7 East.

Description of Location:

Proposed Drill Hole located in the NE 1/4, SW 1/4 of Section 23; being North 2036.37' from South Line and East 1597.89' from West Line of Section 23, T18S., R7E., Salt Lake Base and Meridian.

Surveyor's Certificate:

I, Albert J. Spensko, a Registered Professional Land Surveyor, holding Certificate 146652 State of Utah, do hereby certify that the information on this drawing is a true and accurate survey based on data of record and was conducted under my personal direction and supervision as shown hereon.



TALON RESOURCES, INC.

196 North 100 West P.O. Box 1280
Huntington, Utah 84308
Phone (435)687-5310 Fax (435)687-5311
E-Mail talonres@comcast.net



Federal C #18-7-23-23R
Section 23, T18S, R7E, S.L.B.&M.
Emery County, Utah

Drawn By N. BUTKOVICH	Checked By L.W.J./A.J.S.
Drawing No. A-1	Date 5/3/05
	Scale 1" = 1000'
Sheet 1 of 4	Job No. 1730

Legend

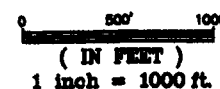
- Drill Hole Location
- ⊙ Brass Cap (Found)
- Brass Cap (Searched for, but not found)
- △ Calculated Corner
-) GLO
- GPS Measured

NOTES:

1. UTM and Latitude / Longitude Coordinates are derived using a GPS Pathfinder and are shown in NAD 27 Datum.

LAT / LONG
39°14'24.447" N
111°06'29.448" W

GRAPHIC SCALE



XTO Energy, Inc.
Federal C 18-7-23-23R
Lease U-66719
NE/SW Section 23, T18S, R7E
Emery County, Utah

A COMPLETE COPY OF THIS PERMIT SHALL BE KEPT ON LOCATION from the beginning of site construction through well completion, and shall be available to contractors to ensure compliance.

CONDITIONS OF APPROVAL

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

Be advised that XTO Energy, Inc. is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by **UTB000138** (Principal – XTO Energy, Inc.) via surety consent as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

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

All lease operations will be conducted in full compliance with applicable regulations (43 CFR 3100), Onshore Oil and Gas Orders, lease terms, notices to lessees, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors.

A. DRILLING PROGRAM

1. The proposed 2M BOPE is adequate for anticipated conditions. Installation, testing and operation of the system shall be in conformance with Onshore Oil and Gas Order No. 2. A rotating head is required equipment for air drilling operations.
2. Concurrent approval from the State of Utah, Division of Oil, Gas & Mining (DOGGM) is required before conducting any surface disturbing activities.
3. If cement behind the production casing does not circulate to surface, a cement bond log (CBL) or other appropriate tool for determining top-of-cement, shall be run and shall be submitted to BLM.

SURFACE USE

1. The following appendices are attached for your reference. They are to be followed as conditions of approval:

Table A-1, Seed Mixture for Green Strip Areas

Table A-2, Seed Mixture for Final Reclamation, Pinyon-Juniper Areas

EMP 16 & 17, Winter Seasonal Restriction on Critical & High Priority Winter Range

EMP 19, Critical Winter Range Browse Hand Planting

EMP 21, Surface Disturbance Mitigation for Critical and High Priority Winter Range

2. Whether the mud pit shall be lined will be determined at the time of construction.
3. Within six months of installation, surface structures shall be painted in the following flat, earth tone color: Olive Black (5W A 20-6). This Fuller O'Brien color is for reference only. Any brand of paint may be used provided the colors match. Any facilities that must be painted to comply with OSHA standards are exempt.

GENERAL CONSTRUCTION

1. Operator shall contact the Price BLM Office at least forty-eight hours prior to the anticipated start of construction and/or any surface disturbing activities. The BLM may require and schedule a preconstruction conference with the operator prior to the operator commencing construction and/or surface disturbing activities. The operator and the operator's contractor, or agents involved with construction and/or any surface disturbing activities associated with the project, shall attend this conference to review the Conditions of Approval and plan of development. The operator's inspector will be designated at the pre-drill conference, and is to be given an approved copy of all maps, permits and conditions of approval before the start of construction. The BLM will also designate a representative for the project at the preconstruction conference.
2. The operator shall designate a representative(s) who shall have the authority to act upon and to implement instructions from the BLM. The operator's representative shall be available for communication with the BLM within a reasonable time when construction or other surface disturbing activities are underway.

3. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the operator, or any person working on his behalf, on public land is to be immediately reported to the Price BLM Office. The operator will suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Price BLM Office. An evaluation of the discovery will be made by the BLM to determine appropriate actions to prevent the loss of significant cultural or scientific values. The operator is responsible for the cost of evaluation of any site found during construction. The BLM will determine what mitigation is necessary.
4. During project construction, surface disturbance and vehicle travel shall be limited to the approved location and access routes. Any additional area needed must be approved by the Price BLM Office prior to use.
5. The operator must provide a trash cage for the collection and containment of all trash. The trash shall be disposed in an authorized landfill. The location and access roads shall be kept litter free.
6. Vegetation removal necessitated by construction shall be confined to the limits of actual construction. Removed vegetation will be stockpiled for use in reclamation or removed from the construction site at the direction of the BLM.
7. Prior to surface disturbance, topsoil is to be separately removed and segregated from other material. Topsoil depth will be decided onsite by BLM. If the topsoil is less than 6 inches, a 6-inch layer that includes the A horizon and the unconsolidated material immediately below the A horizon shall be removed and the mixture segregated and redistributed as the surface soil layer.

Generally topsoil shall be stored within the pad site or adjacent to access roads. The company in consultation with BLM shall determine stockpile locations and dimensions at the onsite. If the topsoil stockpiles will not be redistributed for a period in excess of one (1) year, the stockpiles are to be seeded with seed mixture Pinyon-Juniper (see attached).

ROAD and PIPELINE CONSTRUCTION

8. Operator shall provide an inspector under the direction of a registered professional engineer (PE) at all times during road construction. A PE shall certify (statement with PE stamp) that the road was constructed to the required Bureau of Land Management (BLM) road standards.
9. Road construction or routine maintenance activities are to be performed during

periods when the soil can adequately support construction equipment. If such equipment creates ruts more than 6 inches deep, the soil is deemed too wet to adequately support construction equipment.

10. The operator is responsible for maintenance of all roads authorized through the lease or a right-of-way. Construction and maintenance shall comply with Class II or III Road Standards as described in BLM Manual Section 9113 and the Moab District Road Standards, except as modified by BLM. Maintenance may include but is not limited to grading, applying gravel, snow removal, ditch cleaning, headcut restoration/prevention.
11. Topsoil from access roads and pipelines is to be wind rowed along the uphill side of the road or stored in an approved manner. When the road and pipeline is rehabilitated, this soil will then be used as a top coating for the seed bed.
12. Erosion-control structures such as water bars, diversion channels, and terraces will be constructed to divert water and reduce soil erosion on the disturbed area. Road ditch turnouts shall be equipped with energy dissipaters as needed to avoid erosion. Where roads interrupt overland sheet-flow and convert this runoff to channel flow, ditch turnouts shall be designed to reconvert channel flow to sheet flow. Rock energy dissipaters and gravel dispersion fans may be used, or any other design which would accomplish the desired reconversion of flow regime. As necessary cut banks, road drainage, and road crossings shall be armored or otherwise engineered to prevent head-cutting.
13. This permit will not cover electric power to the wells. A separate permit will be required when Texaco is sure of its plans.

PAD CONSTRUCTION

14. During the construction of the drill pad, suitable topsoil material is to be stripped and conserved in a stockpile on the pad. If stockpiles are to remain for more than a year, they shall be seeded with the seed mixture Pinyon-Juniper (see attached).
15. Generally, drill pads are to be designed to prevent overland flow of water from entering or leaving the site. The pad is to be sloped to drain spills and water into the reserve pit. The drill pad shall be designed to disperse diverted overland flow and to regulate flow velocity so as to prevent or minimize erosion. Well pad diversion outlets shall be equipped with rock energy brakes and gravel-bedded dispersion fans.

REHABILITATION PROCEDURES

Site Preparation

16. The entire roadbed should be obliterated and brought back to the approximate original contour. Drainage control is to be reestablished as necessary. All areas affected by road construction are to be recontoured to blend in with the existing topography. All berms are to be removed unless determined to be beneficial by BLM. In recontouring the disturbed areas, care should be taken to not disturb additional vegetation.

Seedbed Preparation

17. An adequate seedbed should be prepared for all sites to be seeded. Areas to be revegetated should be chiseled or disked to a depth of at least 12 inches unless restrained by bedrock.
18. Ripping of fill materials should be completed by a bulldozer equipped with single or a twin set of ripper shanks. Ripping should be done on 4-foot centers to a depth of 12 inches. The process should be repeated until the compacted area is loose and friable, then shall be followed by final grading. Seedbed preparation will be considered complete when the soil surface is completely roughened and the number of rocks (if present) on the site is sufficient to cause the site to match the surrounding terrain.
19. After final grading, the stockpiled topsoil shall be spread evenly across the disturbed area.

Fertilization

20. Commercial fertilizer with a formula of 16-16-8 is to be applied at a rate of 200 pounds per acre to the site. The rate may be adjusted depending on soil.
21. Fertilizer is to be applied not more than 48 hours before seeding, and shall be cultivated into the upper 3 inches of soil.
22. Fertilizer is to be broadcast over the soil using hand-operated "cyclone-type" seeders or rotary broadcast equipment attached to construction or revegetation machinery as appropriate to slope. All equipment should be equipped with a metering device. Fertilizer application is to take place before the final seeding preparation treatment. Fertilizer broadcasting operations should not be conducted when wind velocities would interfere with even distribution of the material.

Mulching

23. When it is time to reclaim this location, the Price BLM Office will determine whether it will be necessary to use mulch in the reclamation process. The type of mulch should meet the following requirements: Wood cellulose fiber shall be natural or cooked, shall disperse readily in water, and shall be nontoxic. Mulch shall be thermally produced and air dried. The homogeneous slurry or mixture shall be capable of application with power spray equipment. A colored dye that is noninjurious to plant growth may be used when specified. Wood cellulose fiber is to be packaged in new, labeled containers. A minimum application of 1500 pounds per acre shall be applied. A suitable tackifier shall be applied with the mulch at a rate of 60 to 80 pounds per acre.

An alternative method of mulching on small sites would be the application of straw or hay mulch at a rate of 2000 pounds per acre. Hay or straw shall be certified weed free. Following the application of straw or hay, crimping shall occur to ensure retention.

Reseeding

24. All disturbed areas are to be seeded with the seed mixture required by the BLM. The seed mixture(s) shall be planted in the fall of the year (Sept-Nov), in the amounts specified in pounds of pure live seed (PLS)/acre. There shall be no noxious weed seed in the seed mixture. Seed will be tested and the viability testing of seed shall be done in accordance with State law(s) and within 12 months prior to planting. Commercial seed will be either certified or registered seed. The seed mixture container shall be tagged in accordance with State law(s) and available for inspection by the BLM. Seed is to be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture shall be evenly and uniformly planted over the disturbed area. (Smaller/heavier seeds tend to drop to the bottom of the drill and are planted first. Appropriate measures should be taken to ensure this does not occur.) Where drilling is not possible, seed is to be broadcast and the area raked or chained to cover the seed. Woody species with seeds that are too large for the drill will be broadcast. When broadcasting the seed, the pounds per acre noted below are to be increased by 50 percent. Reseeding may be required if a satisfactory stand is not established to the surface rights owner's specifications. Evaluation of the seeding's success will not be made before completion of the second growing season after the vegetation becomes established. The Price BLM Office is to be notified a minimum of seven days before seeding a project.
25. The disturbed areas for the road and pipeline must be seeded in the fall of the year, immediately after the topsoil is replaced. The prescribed seed mixture is Pinyon-

Juniper (see attached).

General

26. Prior to the use of insecticides, herbicides, fungicides, rodenticides and other similar substances, the operator must obtain from BLM, approval of a written plan. The plan must describe the type and quantity of material to be used, the pest to be controlled, the method of application, the location for storage and disposal of containers, and other information that BLM may require. A pesticide may be used only in accordance with its registered uses and within other agency limitations. Pesticides must not be permanently stored on public lands.

The following seed mixture would be planted along service road borrow ditches, around the edges of drill pads with a production well, and surrounding other production and maintenance facilities. The purpose for this is to provide a "green strip" buffer to minimize fire hazards and prevent invasion and establishment of noxious weeds in areas that will receive continued disturbance for the life of these areas.

Table A-1

Common Plant Name	Scientific Name	Pounds per acre (PLS)
Forage kochia	<i>Kochia prostrata</i>	2
Wyoming big sagebrush	<i>Artemisia tridentata wyomingensis</i> var. Gordon Creek	1
Douglas low rabbitbrush	<i>Chrysothamnus viscidiflorus</i>	1
TOTAL		4

The following seed mixture is for the area that would receive final reclamation. Areas would be planted to protect them from soil erosion and to restore forage production.

Table A-2

Common Plant Name	Scientific Name	Pounds per acre (PLS) ¹
Pinyon Juniper Areas		
<i>Grasses</i>		
Thickspike wheatgrass	<i>Elymus lanceolatus</i>	1.5
Intermediate wheatgrass	<i>Elytrigia intermedia</i>	1.5
Squirreltail	<i>Elymus elymoides</i>	2
Crested wheatgrass	<i>Agropyron desertorum</i>	2
<i>Forbs</i>		
Lewis flax	<i>Linum perenne lewisii</i>	1
Palmer penstemon	<i>Penstemon palmerii</i>	1
<i>Shrubs</i>		
Forage kochia	<i>Kochia prostrata</i>	2
Fourwing saltbrush	<i>Atriplex canescense</i>	2
Wyoming big sagebrush	<i>Artemesia tridentata wyomingensis</i>	1
Antelope bitterbrush	<i>Purshia tridentata</i> var. Gordon Creek	1
TOTAL		15

1. Seeding rate is listed as pounds per acre of pure live seed (PLS) drilled. Rate is increased by 50 percent if broadcast seeded.

Formula: pure live seed (PLS) = % seed purity x % seed germination

FERRON NATURAL GAS PROJECT AREA

PROPOSER: _____

WELL #: 18-7-23-23R

EPM 16 & 17: WINTER SEASONAL RESTRICTION (DECEMBER 1 to APRIL 15) ON CRUCIAL AND HIGH PRIORITY WINTER RANGE.

Pg 1 of 1

Restrictions on Construction Phase Activity: Prohibit construction phase activity, described below, on big game high value and critical winter range during the period (December 1 - April 15) without regard for land ownership.

This condition would not apply to normal maintenance and operation of producing wells, described below. On nonfederal lands (where the federal government does not have either surface or subsurface ownership) the Companies would be allowed to conduct construction phase activity if needed to avoid breach of contract or loss of lease rights. In the event construction phase activity proceeds into the winter closure period on non federal interest lands, Companies would make available appropriate documentation to UDWR, upon request.

Construction Phase Activity: Construction phase activity is considered to include all work associated with initial drilling and construction of facilities through completion, including installation of pumping equipment, connection with ancillary facilities and tie-in with pipelines necessary for product delivery.

Companies would not be allowed to initiate construction activity unless it is reasonable to believe that such work can be finished to a logical stopping point prior to December 1 of that year. Specific activities considered to be covered by the seasonal closure include all heavy equipment operation including but not limited to the following:

- Mobilization/Demobilization or operation of heavy equipment (crawler tractor, front end loader, backhoe, road grader, etc.)
- Construction activity (road construction or upgrading, pad, pipeline, powerline, ancillary facilities, etc.),
- Drilling activity (Operator would not propose or initiate drilling activity if the project could not reasonably be expected to be finished to a logical stopping point by the December 1 date of that year.)
- Seismic operation, detonation of explosives

This seasonal closure would not apply to reconnaissance, survey/design and/or flagging of project work or other similar activity not requiring actions listed for heavy equipment operation.

Production Phase: A well is considered to be in production phase when the well and ancillary facilities are completed to the point that they are capable of producing and delivering product for sale. It is noted that heavy equipment operation may be necessary in the performance of maintenance and operation of producing wells.

Restriction on Non Emergency Workover Operations: The Companies will schedule non-emergency workover operations (defined below) on big game crucial and high value winter range outside the December 1 to April 15 date of the seasonal closure.

Non-emergency Workover Operations: Workover operations to correct or reverse a gradual loss of production over time (loss of production of 20 percent or less over a 60 day period) is considered to be routine or non-emergency workover operations and would not be permitted during the December 1 to April 15 time frame.

Emergency Workover Operations: Emergency work over operations are defined as downhole equipment failure problems or workover operation necessary to avoid shut in of the well or to avoid an immediate safety or environmental problem. Loss of production greater than 20 percent within a 60 day period is indicative of pump failure and will be treated as an emergency workover operation. The Companies will submit Sundry notices to BLM within five days of the emergency workover operations between December 1 and April 15.

FERRON NATURAL GAS PROJECT AREA

PROPOSER: _____

WELL #: 18-7-23-23R

EPM 19: CRITICAL WINTER RANGE BROWSE HAND PLANTING

One or two browse species lists (checked below) are to be hand planted at the prescribed application rate and according to the following prescribed methods on critical winter range areas that are undergoing long term reclamation. This would include all pipeline corridors, berm around edge of drill pads, miscellaneous disturbed areas associated with construction such as staging areas for equipment, sidecast on road cuts, along side upgraded or new roads up to and including borrow ditch and in the termination of redundant access roads being closed. This planting shall be completed in the first planting window following reclamation.

Planting Methods:

Planting shall be accomplished using a labor force with specific experience in landscape restoration, hand planting methods and handling and care of browse tubing and or bareroot stock plants.

Browse plants to be utilized can be bareroot stock or tubing stock plants of 1 year old age class or greater.

Browse seedling protectors will be used to provided protection from browsing ungulates for two years. Seedling protectors will be of an open mesh rigid design that will break down when exposed to sunlight and that measures a minimum of 12 inches in length and 4 inches in diameter. The protectors will be secured around the browse seedlings.

Planting shall be completed in the spring (March 1- April 1) and or fall (November 1- December 1) planting windows.

Browse plants shall be stored and handled in such a manner as to maintain viability, according to the type of browse stock being used.

Planting Species and Application Rate:

<u>Species</u>	<input checked="" type="checkbox"/> Sagebrush-Grass <u>Plants Per Acre</u>	<input type="checkbox"/> Piñon-Juniper
Wyoming Sagebrush (Gordon Creek)	100	50
Fourwing Saltbush (Utah seed source collected at or above 5,000 feet elevation)	100	50
True Mountain Mahogany (Utah seed source)	0	50
Antelope Bitterbrush (Utah seed source)	0	50
Total	200	200

Suitable Substitutions:

Prostrate Kochia	yes	yes
Whitestem Rubber Rabbitbrush	no	yes
Utah Serviceberry	no	yes
Winterfat	yes	no

FERRON NATURAL GAS PROJECT AREA

PROPOSER: _____

WELL #: _____

18-7-123-23R

EPM 21: SURFACE DISTURBANCE MITIGATION FOR CRITICAL AND HIGH PRIORITY WINTER RANGE

Pg. 1 of 1

The subject permit application is proposed within critical and high priority winter range (FEIS) and subject to EPM 21 requiring acre for acre mitigation for surface disturbance on critical winter range. The following condition comes from a cooperative agreement between the Texaco, Anadarko, Chandler (Companies), BLM-Price Field Office, the Utah Division of Wildlife Resources and the National Fish and Wildlife Foundation. The Companies agreed to the following:

1. Contribute \$1,301.26 (1998 dollars) for each Federal interest well (Federal surface and or subsurface ownership) permitted and drilled by the Companies (or on behalf of Companies by its contractor) on big game critical winter range as depicted in the FEIS Ferron Natural Gas Project Area. (Wells meeting the above criteria for which payment will be required, will be referred to as "subject wells".) This contribution will be adjusted annually for inflation based on the Consumer Price Index (CPI), see Section 11.C.6. for the reference source used for the determination of the CPI and the date in which this annual adjustment will go into effect.

Since this mitigation program is designed to address impacts of all big game critical winter range surface disturbance (roads, well pads, pipelines, etc.), contributions will be required regardless of the success or failure of the subject well to produce.

- a. The recorded date for spudding for each subject well (the first boring of a hole during the drilling of a well) will serve as the reference date triggering the requirement for the mitigation contribution.
- b. Contributions will be submitted (in the form of an Company check, cashiers check or wire transfer) directly to the National Fish and Wildlife Foundation by the 1st of August and February for all subject wells spudded in the preceding six months as reported by the Bureau.
- c. All contributions will be made payable to the "National Fish and Wildlife Foundation re, Proj 99-270" and reference the "Ferron Natural Gas Wildlife Habitat Impact Mitigation Fund".

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

Building Location- Notify the Price Field Office at least 48-hours prior to commencing construction of location.

Spud- Notify the Price Field Office 24-hours prior to spudding. Submit written notification of spud (Sundry Notice, Form 3160-5) to the Moab Field Office within 24-hours after spudding, regardless of whether spud was made with a dry hole digger or big rig.

Daily Drilling Reports- Daily drilling reports that describe the progress and status of the well shall be submitted to the Moab Field Office on a weekly basis. This report may be in any format customarily used by the operator.

Oil and Gas Operations Reports (OGORs)- Production from this well shall be reported to Minerals Management Service (MMS) on a monthly basis.

Sundry Notices- Any modification to the proposed drilling program shall be submitted to the Moab Field Office on a Sundry Notice (Form 3160-5). Regulations at 43 CFR 3162.3-2 describe which operations require prior approval, and which require notification.

Drilling Suspensions- Operations authorized by this permit shall not be suspended for more than 30 days without prior approval of the Moab Field Office. All conditions of this approval shall be applicable during any operations conducted with a replacement rig.

Undesirable Events- Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be immediately reported to the BLM in accordance with requirements of NTL-3A.

Cultural Resources- If cultural resources are discovered during construction, immediately notify the Price Field Office, and work that might disturb the cultural resources shall cease.

First Production- A first production conference will be scheduled as soon as the productivity of the well is apparent. This conference should be coordinated through the Price Field Office.

Notify the Moab Field Office when the well is placed into production. Initial notification may be verbal, but must be confirmed in writing within five business days. Please include the date production started, the producing formation and production volumes.

Well Completion Report- Whether the well is completed as a dry hole or as a producer, a *Well Completion or Recompletion Report and Log* (Form 3160-4) shall be submitted to the Moab Field Office within thirty-days after completion of the well. 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. When requested, samples (cuttings and/or samples) will be submitted to the Moab Field Office.

Venting/Flaring of Gas- Gas produced from this well may not be vented/flared beyond an initial, authorized test period of 30 days or 50 MMcf, whichever first occurs, without the prior, written approval of the Moab Field Office. Should gas be vented or flared without approval beyond the authorized test period, the well may be ordered to be shut-in until the gas can be captured or until approval to continue the venting/flaring pursuant to NTL-4A is granted. Compensation shall be due for gas that is vented/flared without approval.

Produced Water- An application for approval of a permanent disposal method and location will be submitted to the Moab Field Office for approval pursuant to Onshore Oil and Gas Order No.7.

Off-Lease Measurement, Storage, Commingling- Prior approval must be obtained from the Moab Field Office for off-lease measurement, off-lease storage and/or commingling of production prior to the sales measurement point. The term "commingling" describes both the combining of production from different geologic zones and/or combining production from different leases or agreement areas.

Plugging and Abandonment- If the well is a dry hole, plugging instructions must be obtained from the Moab Field Office prior to initiating plugging operations.

A "Subsequent Report of Abandonment" (Sundry Notice, Form 3160-5) will be filed with the Moab Field Office within thirty-days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. 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 Price Field Office or the appropriate surface managing agency.

TABLE 1

NOTIFICATIONS

Notify Don Stephens (435-636-3608) or Mary Maddux (435-636-3668) of the BLM Price Field Office for the following:

1 day prior to spudding;

50 feet prior to reaching the surface casing setting depth;

If the person at the above number cannot be reached, notify the BLM Moab Field Office at 435-259-2100.

Well abandonment operations require 24-hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained from:

Eric Jones, Petroleum Engineer

Office: 435-259-2117

Home: 435-259-2214