Form 3160-3
(July 1992)

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

5. LEASE DESIGNATION AND SERIAL NO.: COC12345

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT AGREEMENT NAME:

8. FARM OR LEASE NAME, WELL NO.: Federal 16-34

9. API WELL NO.:

10. FIELD AND POOL, OR WILDCAT: Desert

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec. 16, T8S, R102W

1a. TYPE OF WORK: DRILL [X] DEEPEN [ ]

b. TYPE OF WELL: OIL WELL [ ] GAS WELL [X] OTHER SINGLE ZONE [X] MULTIPLE ZONE [ ]

2. NAME OF OPERATOR: DVW Oil Company

3. ADDRESS AND TELEPHONE NO.: 2815 H Road, Grand Junction, CO 81506 (970) 244-3000

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: 1900'FSL and 700'FEL (NESE)
At proposed prod. zone: Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: 13.6 miles northeast of Loma

12. COUNTY OR PARISH: Mesa

13. STATE: CO

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any): 700'

16. NO. OF ACRES IN LEASE: 640

17. NO. OF ACRES ASSIGNED TO THIS WELL: 320

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.: 2660'

19. PROPOSED DEPTH: 5175'

20. ROTARY OR CABLE TOOLS: Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 4280' GR

22. APPROX. DATE WORK WILL START*: June 15, 1997

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	K-55, 8 5/8"	24#	520'	270 sx
7 7/8"	N-80, 4 1/2"	11.6#	5175'	420 sx

DVW Oil Company agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands. Bond coverage is being provided by DVW Oil Company under BLM bond number CO9999.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on 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 Virginia Real TITLE Drilling Superintendent DATE 4-25-97

(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:

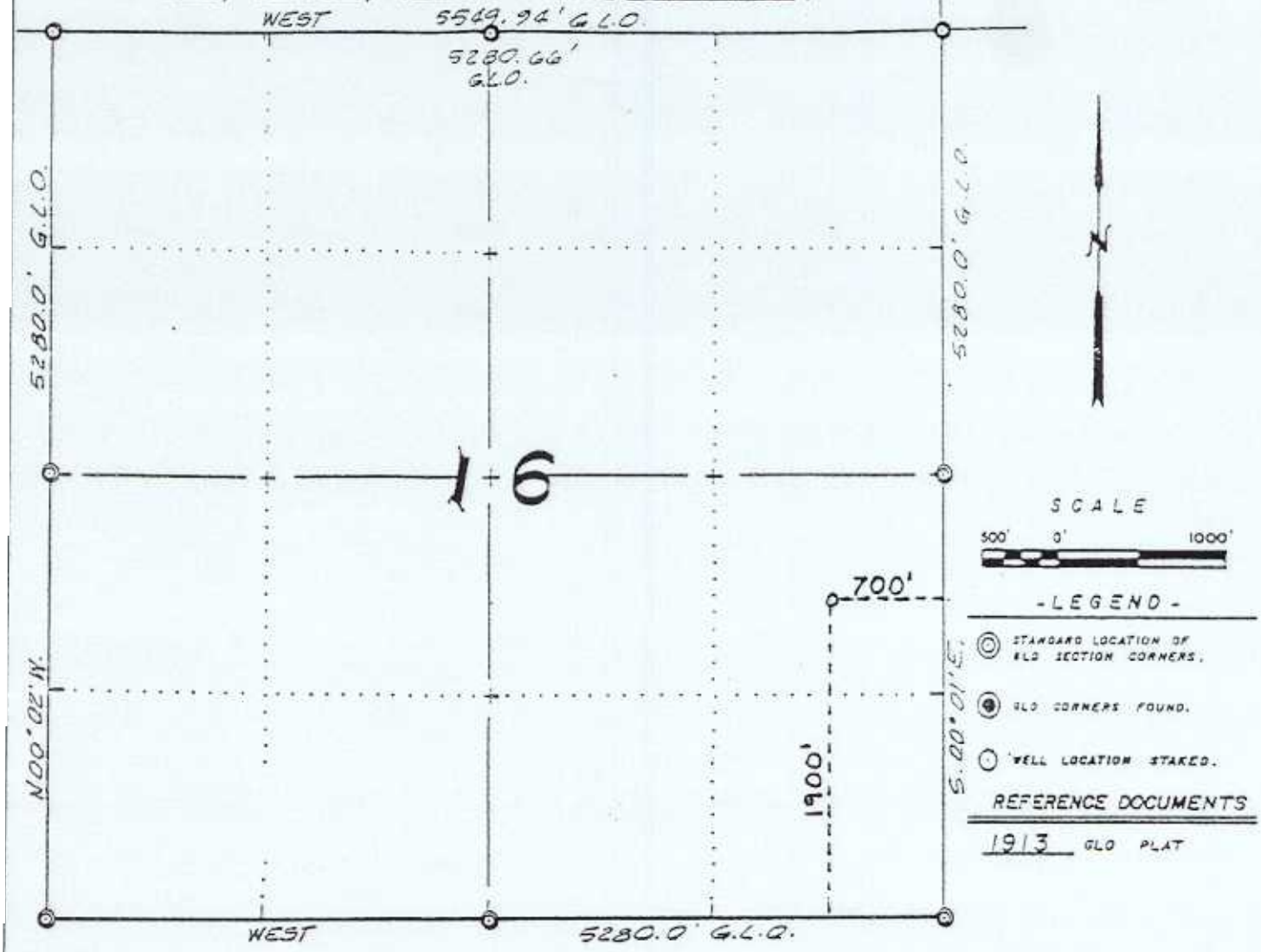
APPROVED BY _____ TITLE _____ DATE _____

*See Instructions On Reverse Side

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

SEC. 16, T. 8S., R. 102W. OF THE 6TH P.M.

LOCATION PLAT



THIS WELL LOCATION PLAT WAS PREPARED FOR DVW OIL COMPANY TO LOCATE THE FEDERAL #16-34, 1900' FSL & 700' FEL IN THE NE1/4 SE1/4, OF SECTION 16, T.8S., R.102W., OF THE 6TH P.M., MESA COUNTY, COLORADO.

REGISTERED LAND SURVEYOR STATE OF COLORADO

SURVEYOR'S CERTIFICATE

I, JOE B. SURVEYOR, A REGISTERED LAND SURVEYOR IN THE STATE OF COLORADO DO HEREBY CERTIFY THAT THIS SURVEY WAS MADE UNDER MY DIRECT SUPERVISION, AND THAT THIS PLAT REPRESENTS SAID SURVEY.

Joe B. Surveyor

COLORADO L.S. #99999

ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal and Indian Oil and Gas Leases

All lease and/or unit operations are to he conducted in such a manner that full compliance is made with the applicable laws, regulations (CFR 43, Part 3160) and the approved Application for Permit to Drill. The operator is considered fully responsible for the actions of his subcontractors.

A copy of the approved application for permit to drill and the accompanying surface use and operations plan along with the conditions of approval will he available to authorized personnel at the drillsite whenever active construction or drilling operations are underway.

1 Formation Tops:

The estimated tops of important geologic markers are as follows:

Formation	Depth
Wasatch	Surface
Mesaverde	1205'
Rollins	4436'
Cozzette	4677'
Corcoran	4922'
T.D.	5175'

2. Estimated depth of Water, Oil, Gas, & Other Mineral Bearing Formations:

The estimated depths at which the top and bottom of the anticipated water, oil, gas or other mineral bearing formations are expected to be encountered are as follows:

Substance	Formation	Depth
Gas	Cozzette	4677'-4815'
Gas	Corcoran	4922'-4970'
Coal	Mesaverde	4315'-4330'
Water	Mesaverde	1812-1855'

All shows of fresh water and minerals will be reported. All gas zones, water zones, and coal zones will be isolated with cement.

3. Pressure Control Equipment:

The pressure control equipment will consist of a flanged 11 inch, 3000 psi hydraulically actuated double gate system with both pipe and blind rams with a flanged 11 inch, 3000 psi hydraulically actuated annular or bag type preventer. Diagrams of the blow out prevention equipment and the choke manifold are included in Attachments 1 and 2.

Ram type preventers and associated equipment will be tested to approved stack working pressure. A test plug will be used. Pressure will be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. No bleed-off pressure is acceptable. Valve on casing head below test plug will be open during test of BOP stack.

Annular type preventer will be tested to 50 percent of rated working pressure. Pressure will be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above tests will be performed:

a. when initially installed;
b. whenever any seal subject to test pressure is broken
c. following related repairs; and
d. at 30-day intervals

Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to insure good mechanical working orde. All inspections, operations, and tests will be recorded in the daily drilling report.

The choke manifold, BOP extension rods and handwheels will be located outside the substructure. The hydraulic BOP closing unit will be located at least 100 feet from the well head, with the remote control unit on the rig floor.

Drill string safety valve(s), to fit all tools in the drill string, will be maintained on the rig floor while drilling operations are in progress.

4. Casing and Cementing Program:

a. The proposed casing program will be as follows:

CASING	DEPTH	HOLE SIZE	SIZE O.D.	WEIGHT	GRADE	THREAD & COUPLING	NEW OR USED
SURFACE	0-520'	12¼"	8⅝"	24#	K-55	STC	NEW
PRODUCTION	0-5175'	7⅞"	4½"	11.6#	N-80	LTC	NEW

b. All casing strings below the conductor will be pressure tested to 0.22 psi per foot of casing string length or 1500 psi, whichever is greater, but not to exceed 70 percent of the minimum internal yield. If pressure declines more than 10 percent in 30 minutes, corrective action shall be taken.

c Centralizers will be used on the bottom three joints of the surface casing.

d. The cement program will be as follows:

Surface — Type and Amount
120 sx Lite Cement with 2% CaCl, 1.4#/sk celloflake and 6% gel. Yield - 1.97, followed by 150 sx Class G w/2% CaCl, 1/4#/sk celloflake. Yield - 1.17 or sufficient volume to circulate to surface.

Production — Type and Amount
220 sx Lite w/12% gel, 10% salt, 1/4#/sk celloflake (Yield - 3.85) followed by 200 sx Glass G w/2% gel, 2% salt, 1/4#/sk celloflake (Yield - 1.20), or sufficient to circulate 200' above Mesaverde water zone.

*Note: Actual volumes to be calculated from caliper log.

e. After cementing but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time will be recorded in the driller's log.

f. Auxiliary equipment to be used is as follows:

Kelly cock

2. A sub with a full opening valve.

5. Mud Program:

a. The proposed circulating mediums to be employed in drilling are as follows:

0-520'	Gel and lime, polymer for flocculation and sweeps. Lost circulation material as required to control seepage. MW 8.4-8.6 ppg, 25-30 sec/qt. viscosity, 9.0 pH
520'-5175'	Low solids, non-dispersed, fresh water polymer system. MW 9.2-10.0 ppg, 35-45 sec/qt viscosity, 9.0 pH, 10-15 cc water loss

There will be sufficient mud on location to control a blowout should one occur.

A mud test shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, filtration, and pH.

b. Visual monitoring of the mud system will be done to determine volume changes.

6. Testing Logging & Coring:

The anticipated type and amount of testing, logging and coring are as follows:

a. No drill stem tests are anticipated.

b. Logging: a one man logging unit will be run on the hole from base of surface casing to T.D.

DIL/SP/GR - from T.D. to surface casing shoe
CNL/FDC/GR - from T.D. to surface casing shoe

c. No cores are anticipated.

7. Abnormal Pressures and Hydrogen Sulfide:

a. The expected bottom hole pressure is 2300 psi. No abnormal pressures or temperatures are anticipated.

b. No hydrogen sulfide gas is anticipated, however, if H_2S is encountered the guidelines in Onshore Order No. 6 will be complied with.

8. Other Information and Notification Requirements:

a. Drilling is planned to commence in the Summer of 1997. It is anticipated that completion operations will begin within 30 days after the well has been drilled.

b. It is anticipated that the drilling of this well will take approximately 14 days.

c. The proposed completion program is as follows:
If hydrocarbons are found a fracturing procedure will be initiated.
Fracturing size and type will be determined after evaluation of logs.

d. Notification Requirements:

1 The spud date will be reported orally to the Authorized Officer within 24 hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the Authorized Officer within 5 days of spudding.

2. The Authorized Officer will be notified at least 24 hours in advance of BOP pressure tests and running and cementing casing strings.

3. Should the well be successfully completed for production, the Authorized Officer will be notified when the well is placed in a producing status. Such notification will be by letter or sundry notice (Forms 3160-5) or orally to be followed by a letter or sundry notice, not later than five business days following the date on which the well is placed on production.

e. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with CFR 43, 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during drilling, workover, and/or completion operations, will be filed on form 3160-4. Samples (cuttings, fluid and/or gas) will be submitted only when requested by the Authorized Officer.

f. Starting with the month in which operations commence and continuing each month until the well is physically plugged and abandoned, this well will be reported on form MMS 3160, Monthly Report of Operations. This report should be filed with Minerals Management Service, Production Accounting Division, P.O. Box 17110, Denver, Colorado, 80217.

g. All off-lease storage, off-lease measurement, commingling on-lease or off-lease will have prior written approval from the Authorized Officer.

h. The oil and gas measurement facilities will be installed on the well location. Oil and gas meters will be calibrated in place prior to any deliveries. The Authorized Officer will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Authorized Officer. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

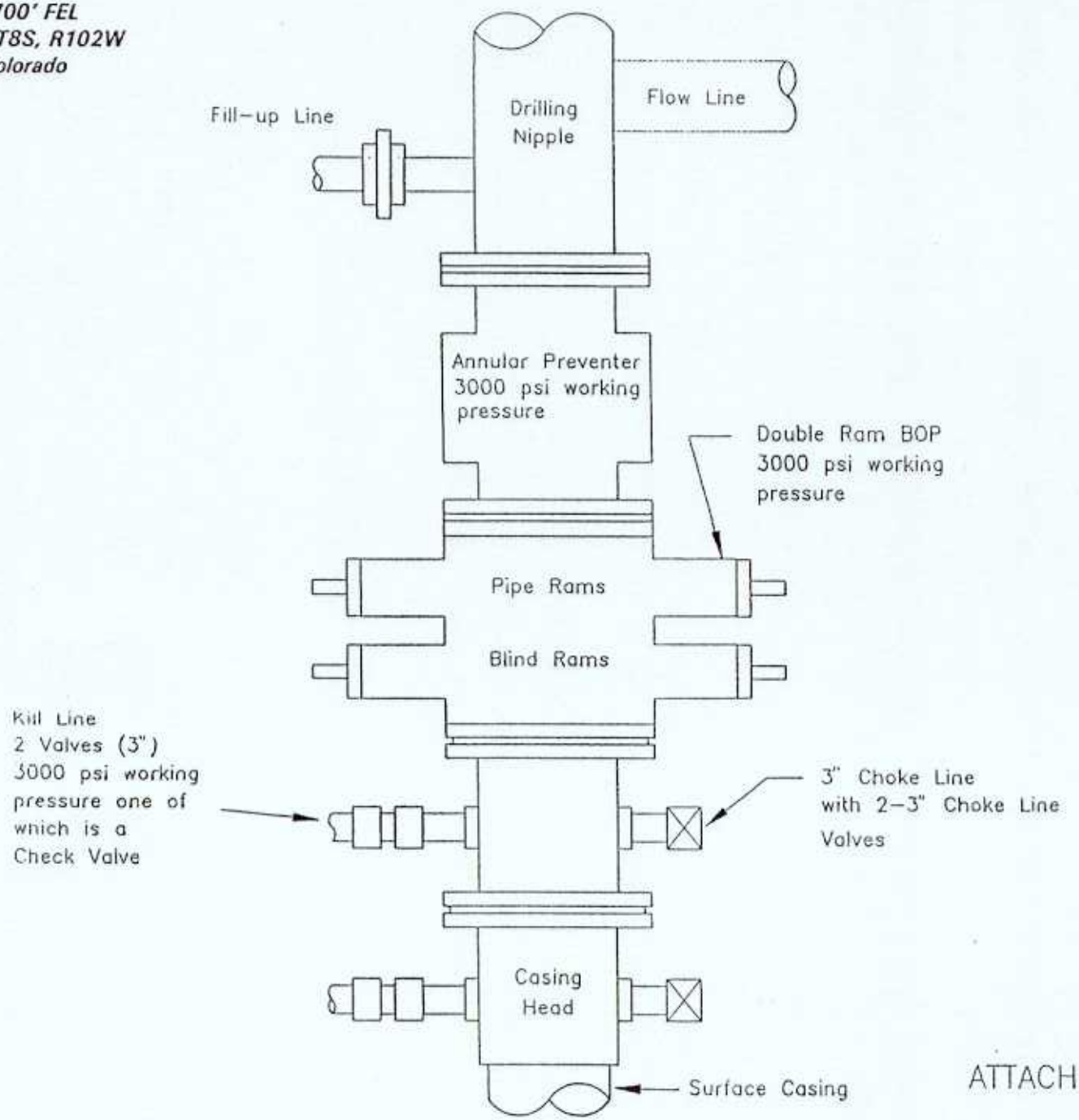
A site facilitiy diagram as required by 43 CFR 3162.7-5(d) will be submitted within 60 days after measurement facilities are installed.

Any venting or flaring of gas will be done in accordance with Notice to Lessees (NTL-4A) and may need prior approval from the Authorized Officer.

k. All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in Notice to Lessee (NTL-3A) will be reported to the Authorized Officer. Major events will be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production (Form 3160-6).

DVW Oil Company
Federal #16-34
1900' FSL and 700' FEL
NESE, Sec. 16, T8S, R102W
Mesa County, Colorado

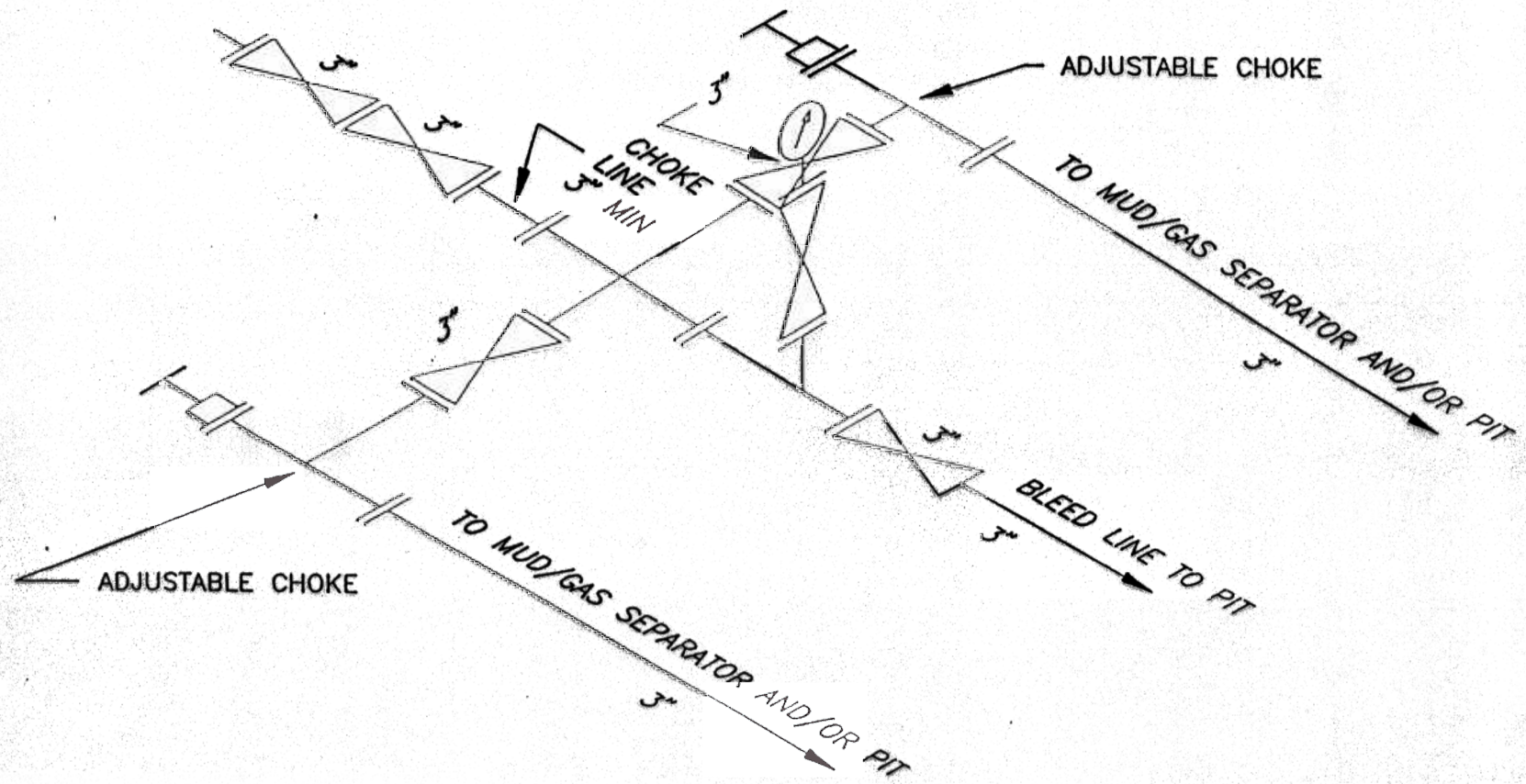
BLOW OUT PREVENTER



ATTACHMENT NO. 1

DVW Oil Company
Federal #16-34
1900' FSL and 700' FEL
NESE, Sec. 16, T8S, R102W
Mesa County, Colorado

3M CHOKE MANIFOLD EQUIPMENT



ATTACHMENT NO. 2

ONSHORE OIL & GAS ORDER NO.1
Approval of Operations on Onshore
Federal and Indian Oil and Gas Leases

The original location was staked at 1,813' FSL and 1,093' FEL, Section 16, T8S - R102W. An on-site inspection of that location was conducted on Thursday, April 24, 1997 at approximately 10:05 a.m. Weather conditions were cool and breezy. In attendance at the on-site inspection were the following individuals:

Dave Trappett	Bureau of Land Management
Maria James	ABC Permitting Inc.
Albert Smith	Smith Construction Company
Joe Beagle	Beagle Construction
John Johnson	Johnson Survey

This location was located in intermittent stream bottom and it was determined to move the location to the east out of the stream channel. The location was subsequently re-staked by Johnson Survey on April 24, 1997. The new footages are 1,900' FSL and 700' FEL. A second on-site was conducted at 1:00 p.m.

1 Existing Roads

a Directions to the location from Loma, Colorado are as follows

From the intersection of State Highway 6 and State Highway 139, proceed north on Highway 139 for 10.9 miles. Turn right onto Mesa County X.00 Road, cross 24' cattleguard in fence with adjacent gate, then proceed northeast for 1.8 miles to an intersection with BLM Road #7649 and buried PANCO natural gas pipeline, proceed to the East still on X.00 Road .3 miles to intersection with BLM Road #7653, proceed southeast on X.00 Road 0.4 mile to intersection with BLM Road #7654, proceed south on X.00 Road 0.2 mile to start of proposed road construction.

b. For access roads, see Maps "A" and "B".

c. All existing roads within a 2-mile radius are shown on Maps "A" and "B".

d. Existing roads will be maintained and kept in good repair during all drilling, completion operations and until the well is plugged and abandoned.

e. Existing roads and newly constructed roads on surface under the jurisdiction of any Surface Managing Agency shall be maintained in accordance with the standards of the SMA.

f. The lease is accessed by a county road. Therefore a BLM right-of-way grant for off-lease access road use or construction is not required

2. Access Roads to be Constructed and/or Reconstructed.

   a. The PANCO pipeline crossing will be padded with 3 feet of fill material as per our agreement with PANCO and Mesa County to cross the pipeline. The fill material will be trucked to the site from a private source in the Grand Valley.

   b. Approximately 260 feet north of the intersection with BLM Road #7654 on Mesa County X.00 Road a drainage is washed out. As per our agreement with Mesa County the low water crossing in that location will be repaired. Material removed from the crossing will be blended into the county road (See Map B).

   c. Approximately 1,150 feet of new road construction from X.00 Road to the location would be necessary (See Map B).

   d. DVW will contact the Grand Junction Resource Area Manager at least 48 hours prior to commencing construction of the access road and wellpad.

   e. The existing and proposed access roads will be crowned and ditched or insloped from Highway 139 to the location prior to use for moving the drill rig onto the site. The maximum disturbed width for new construction will not exceed 24 feet with a 16 to 18 foot running surface. Dust will be controlled by the use of water or an approved dust retardant, as directed by the Grand Junction Resource Area Manager. All roads, including access to drilling water, will be maintained in good condition.

      Access road drainage dips will be installed at approximately 250 foot intervals on grades of 5 to 10 percent and 500 foot intervals on grades of 1 to 4 percent. Placement of a culvert will take the place of a water dip. Additional water dips or culverts will be installed as per request of the authorized officer if road conditions require it.

   g. Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed for operations will be approved in advance of use or disturbance.

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

   a. Water Wells - 0

   b. Injection or Disposal Wells - 0

   c. Producing Wells - 2

   d. Drilling Wells - 0

4. Location of Existing and/or Proposed Facilities if the Well is Productive.

a. There are no existing facilities on site currently

b. All permanent structures (on-site for six months or longer) constructed or installed (including oil well pump jacks) will be painted a flat, non-reflective, dark green 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) will be excluded.

c. Information is not available at this time to permit production facilities or a gathering pipeline, application via sundry notice or right-of-way will be made depending on completion results.

d. Any necessary pits will be fenced to prevent wildlife entry as per fencing requirements in section 9g below or as required by sundry notice approval.

e. The reserve pit will be properly backfilled and will not be used for production operations.

5. Location and Type of Water Supply

a. The source of water for drilling purposes will be from Salt Creek. The point of diversion will be in the SE¼SE¼ of Section 34, T6S - R102W. The source of water is located on private lands owned by Mr. Ed Young.

b. Water will be hauled to the location along the approved access roads

c. No water wells are to be drilled.

6. Construction Materials

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

b. No construction materials will be removed from Federal lands.

c. If road or location surfacing material becomes necessary, it will be purchased from a commercial source and approval from the authorized officer will be obtained prior to installation.

d. Any materials to be used which are under BLM jurisdiction shall be approved in advance, as per CFR 3610.2-3.

Methods for Handling Waste Disposal

a. Drill cuttings are to be contained and buried in the reserve pit.

b. Trash will be confined in a covered container and hauled to an approved landfill. Burning of waste or oil is not approved, and spoil material will be kept on site for recontouring (See 6.b and d. above).

c. Reserve pit fluids will evaporate or authorization for removal and disposal will be requested from the Authorized officer prior to backfllling the reserve pit.

d. The salts and/or chemicals which are an integral part of the drilling system will be disposed of in the same manner as the drilling fluid.

e. A chemical porta-toilet will be furnished with the drilling rig and its contents hauled to an approved sanitary landfill. No boreholes will be used for disposal of waste materials.

The produced fluids will be produced into a test tank until such time as construction of production facilities are completed. Produced water will be disposed of as per the requirements of Onshore Order #7. Any spills of oil, gas salt water or other produced fluids will be cleaned up and removed.

8. Ancillary Facilities

No camps, airstrips or other facilities will be necessary

9. Wellsite Layout

a. The rig layout is attached (See Location Layout Plat)

b. A cross section of the well pad and cuts and fills are attached (See Typical Cross Section Plat).

c. The location of reserve pit, trash cage, access roads onto the pad, living facilities, soil material stockpiles and orientation of the rig with respect to the pad and other facilities are shown on the location layout.

d. All brush will be cleared prior to construction. Brush shall be stockpiled on the west edge of the location and shall be kept separate from the soil stockpiles. The brush stockpile shall be maintained in a manner that blends with the natural terrain and this will be accomplished by walking down with a caterpillar. The brush will be used for mulch after the disturbed area has been seeded.

e. Topsoil will be stripped to a depth of 10 to 12 inches and stockpiled as shown on the location layout plat. No topsoil stripping will be completed at times when soils are moisture saturated to a depth of 3 inches, or when frozen below the stripping depth.

f. The upper edges of all cut banks on the access road and well pad will be rounded.

g. Reserve and produced water pits containing oily residue will be overhead flagged. The reserve pit will be fenced on three sides prior to drilling activity and fenced on the fourth side immediately after drilling is completed. Fencing for all pits will be four strands of barbed wire or 48-inch woven wire with one strand of barbed wire above the woven wire. All corners will be braced with a wooden H-type brace. The fence construction will be on cut or undisturbed ground and the fence will be maintained in a livestock tight condition. Berms will be required to keep runoff water out. A minimum of 2 feet of freeboard will be maintained between the maximum fluid level and the top of the berm.

h. In the event downhole operations threaten to exceed the required 2-foot freeboard, regarding reserve pit fluids, immediate notification will be provided to the authorized officer with concurrent steps taken to minimize the introduction of additional fluids, until alternative containment methods can be approved.

10. Plans for Reclamation of the Surface

a. The Grand Junction Resource Area Manager will be notified at least 24 hours prior to commencing reclamation work.

b. Immediately upon completion of drilling, all trash and debris will be collected from the location and surrounding area. All trash and debris will be disposed of in the trash cage and will then be hauled to an approved landfill.

c. The reserve pit fluids will be allowed to evaporate through one entire summer season (June - August) after drilling is completed, unless an alternate method of disposal is approved. After the fluids disappear, the reserve pit muds will be allowed to dry sufficiently to allow backfilling. The backfilling of the reserve pit will be completed within 30 days after dry conditions exist and will meet the following requirements.

Backfilling will be done in such a manner that the muds and associated solids will be confined to the pit and not squeezed out and incorporated in the surface materials.

2. There will be a minimum of 5 feet of cover (overburden) on the pit.

3. When the work is completed, the pit area will support the weight of heavy equipment without sinking and over time shall not subside over 6-inch depth.

d All disturbed areas will be seeded with the following mixture. Application rates are for

pure, live seed (PLS). Seed tags must be submitted to the Area Manager within 30 days of seeding.

Species	Application Rate lbs/Acres PLS
Luna pubescent wheatgrass	3.0
Arriba western wheatgrass	2.7
Primar slender wheatgrass	1.8
Paiute orchardgrass	0.5
Lutana cicer miikvetch	1.8
Sherman Big bluegrass	0.3
Total	10.1 lbs. PLS/Acre

Prepare seedbed by contour cultivating four to six inches deep. Drill seed 1/2 to I inch deep following the contour. In areas that cannot be drilled, broadcast seed at 1.5 time the application rate and cover 1/2 to 1 inch deep with a barrow or drag bar.

Seeding will be completed after August 15 and prior to October 1 after the reserve pit is dry and backfilled.

Reclamation will be completed to meet the following BLM standards:

Soil erosion resulting from the operation has been stabilized.

2. A vegetative cover at least equal to that present prior to disturbance and a plant species composition at least as desirable as that present prior to disturbance has been established. Establishment of all the species in the seed formula will be considered as meeting the composition/desirable species criteria.

Additional reclamation will be completed as necessary until these conditions are satisfied.

e. If the well is a producer, the roads will be upgraded and maintained as necessary to prevent soil erosion and accommodate year-round traffic. All areas unnecessary for operations will be reshaped, ripped, disked and reseeded utilizing the same seed mixture as above. Topsoil will be reserved for final reclamation procedures unless the location can be recontoured to meet final reclamation specifications. Perennial vegetation must be established. Additional reclamation will be completed in case of seeding failures.

f. If the well is abandoned or a dry hole, the access and location will be restored to blend with the natural topography. During reclamation of the site, fill material will be pushed into cuts and up over the backslope. No depressions will be left that will trap water or form ponds. All topsoil will be distributed evenly over the location and seeded according to the above seed mixture. The access road and location will be ripped or disked prior to seeding.

g. All pits, cellars, rat holes and other bore holes unnecessary for further lease operations, excluding the reserve pit, will be backfilled immediately after the drilling rig is released. Pits, cellars and/or bore boles that remain on location must be fenced as specified for the reserve pit

h. Submission of the Final Abandonment Notice (FAN) will include the data collected and used to determine this reclamation standard has been met

Waste materials will be disposed of as stated in #7 of this Surface Use Plan.

11 a. Surface Ownership
Wellsite: Bureau of Land Management
Access: All of the access roads after leaving State Highway 139 are located on lands managed by the Bureau of Land Management.

b. Mineral Ownership
Federal

12. Other Information

a. All contractors employed to perform work on this location will be furnished and have onsite, a copy of the Surface Use Program and a copy of any supplemental conditions.

b. A cultural survey report of the areas proposed to be disturbed has been submitted to the Grand Junction Resource Area Office.

c. DVW will inform 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 or fossils. The operator will immediately bring to the attention of the Grand Junction Resource Area Manager any and all antiquities or other objects of historic or scientific interest including, but not limited to, historic or prehistoric ruins, artifacts, or fossils discovered as a result of operations under this permit. The operator will immediately suspend all activities in the area of the object and will leave such discoveries intact until told to proceed by the Area Manager. Notice to proceed will be based upon evaluation of the cultural significance of the object. Evaluation will be by a qualified professional selected by the Area Manager from a Federal agency insofar as practical. When not practical, the operator will follow the mitigation requirements set forth by the Area Manager concerning protection, preservation, or disposition of any sites or material discovered. Within 5 working days the Area Manager will inform the operator as to:

whether the materials appear eligible for the National Register of Historic Places;

- the mitigation measures the operator will likely have to undertake before the site can be used (assuring in situ preservation is not necessary); and,

- a time frame for the Area Manager to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Area Manager 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 Area Manager will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, in those situations where the Area Manager determines that mitigation, data recovery and/or salvage excavations are necessary, the operator will bear the cost. The Area Manager will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Area Manager that the required mitigation has been completed, the operator will then be allowed to resume construction.

d Construction and drilling activity will not occur between December 1 and May 1 because of Critical Deer and Elk Winter Range unless otherwise approved by the Grand Junction Resource Area Manager.

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

f. All state and local permits required for proposed operations will be obtained prior to commencing any activity that may be affected by such authorization.

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

Permit, Drilling & Completion Matters

DVW Oil Company
2815 H. Road
P.O. Box 800
Grand Junction, CO 81506

Attn: Virginia Real
(970) 244--3000

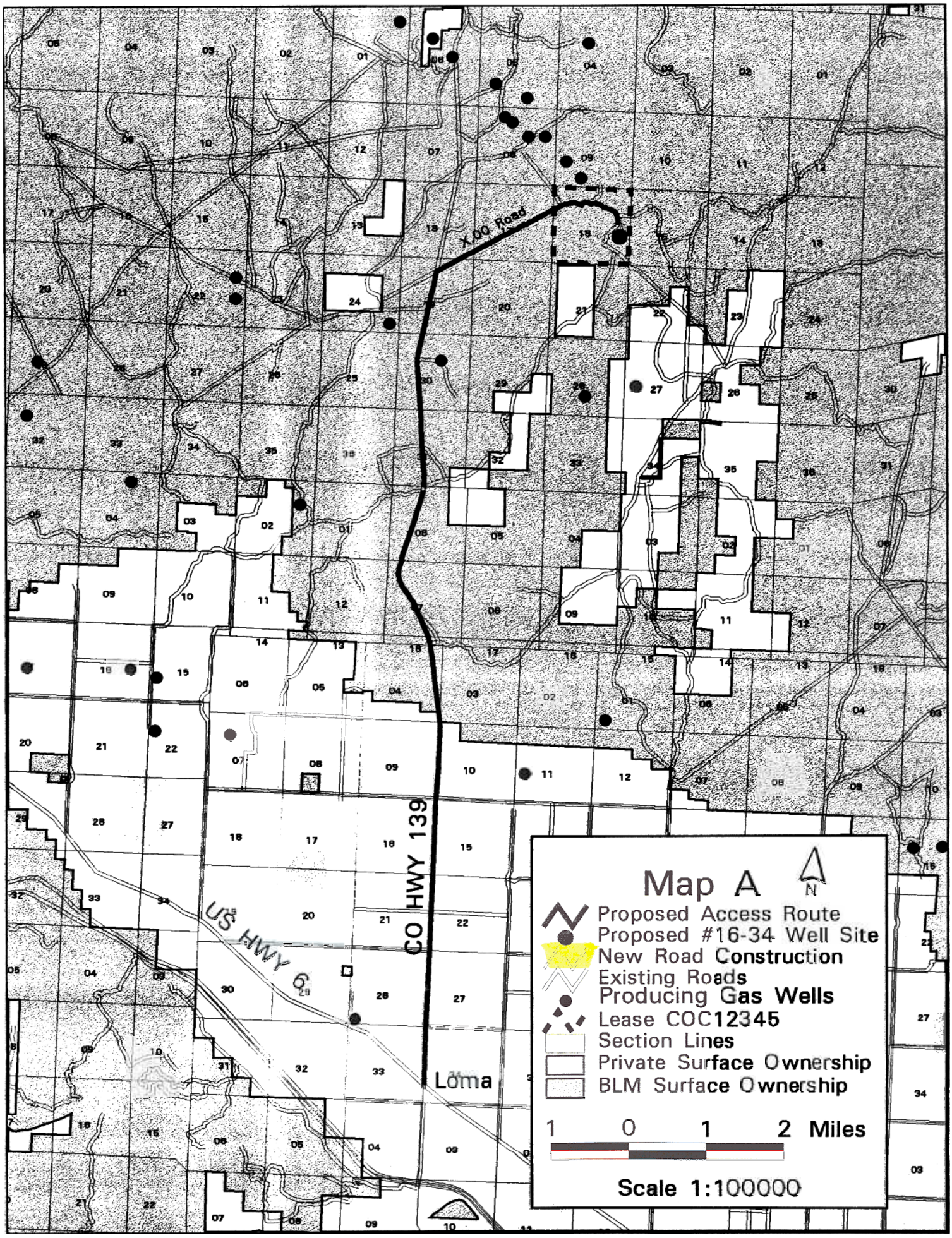
CERTIFICATION

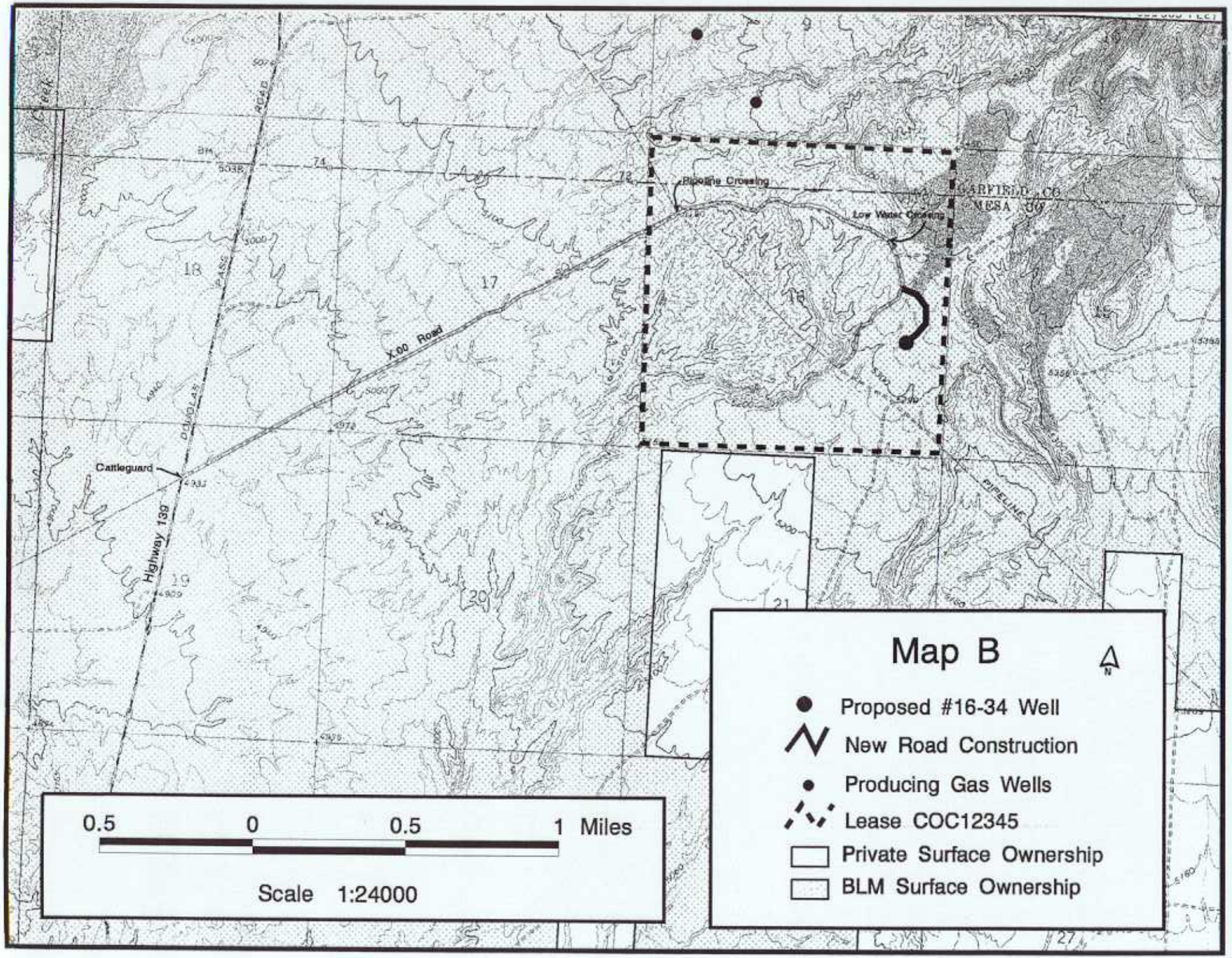
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated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

This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement

4-25-97
Date:

Virginia Real
Virginia Real
Drilling Superintendent
DVW Oil Company


Map A
N
Proposed Access Route
Proposed #16-34 Well Site
New Road Construction
Existing Roads
Producing Gas Wells
Lease COC12345
Section Lines
Private Surface Ownership
BLM Surface Ownership
1 0 1 2 Miles
Scale 1:100000
X.00 Road
CO HWY 139
US HWY 6
Loma


Map B
Proposed #16-34 Well
New Road Construction
Producing Gas Wells
Lease COC12345
Private Surface Ownership
BLM Surface Ownership
0.5 0 0.5 1 Miles
Scale 1:24000
Pipeline Crossing
Low Water Crossing
X.00 Road
Cattleguard
Highway 139
DOUGLAS PASS ROAD
PIPELINE
GARFIELD CO
MESA CO
18
17
16
19
20
21
27

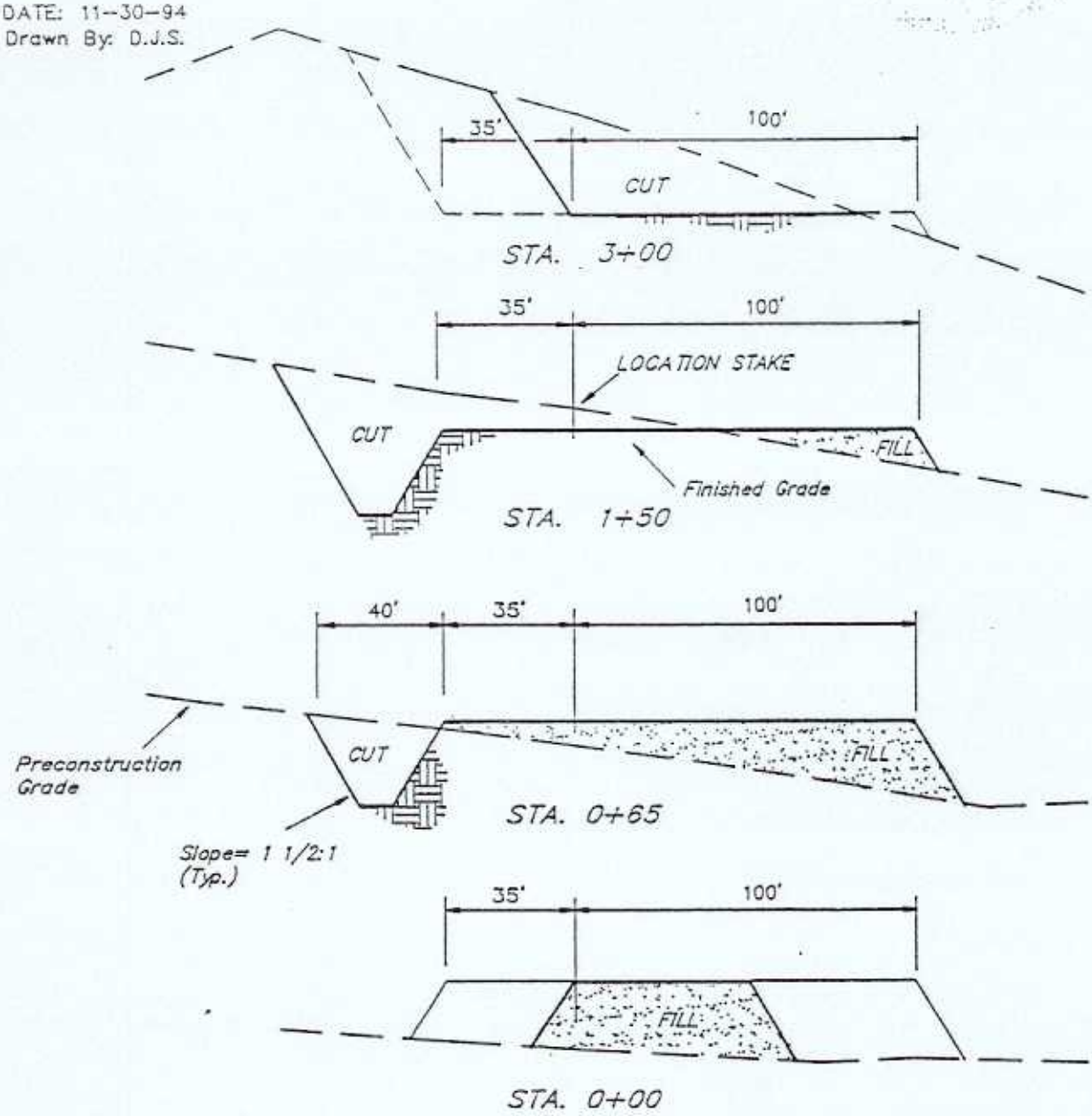
DVW OIL COMPANY

Typical Cross Section for
Well #16-34, Section 16
T. 8 S., R. 102 W. 6th P.M.
700' FEL 1900' FSL

RJK

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

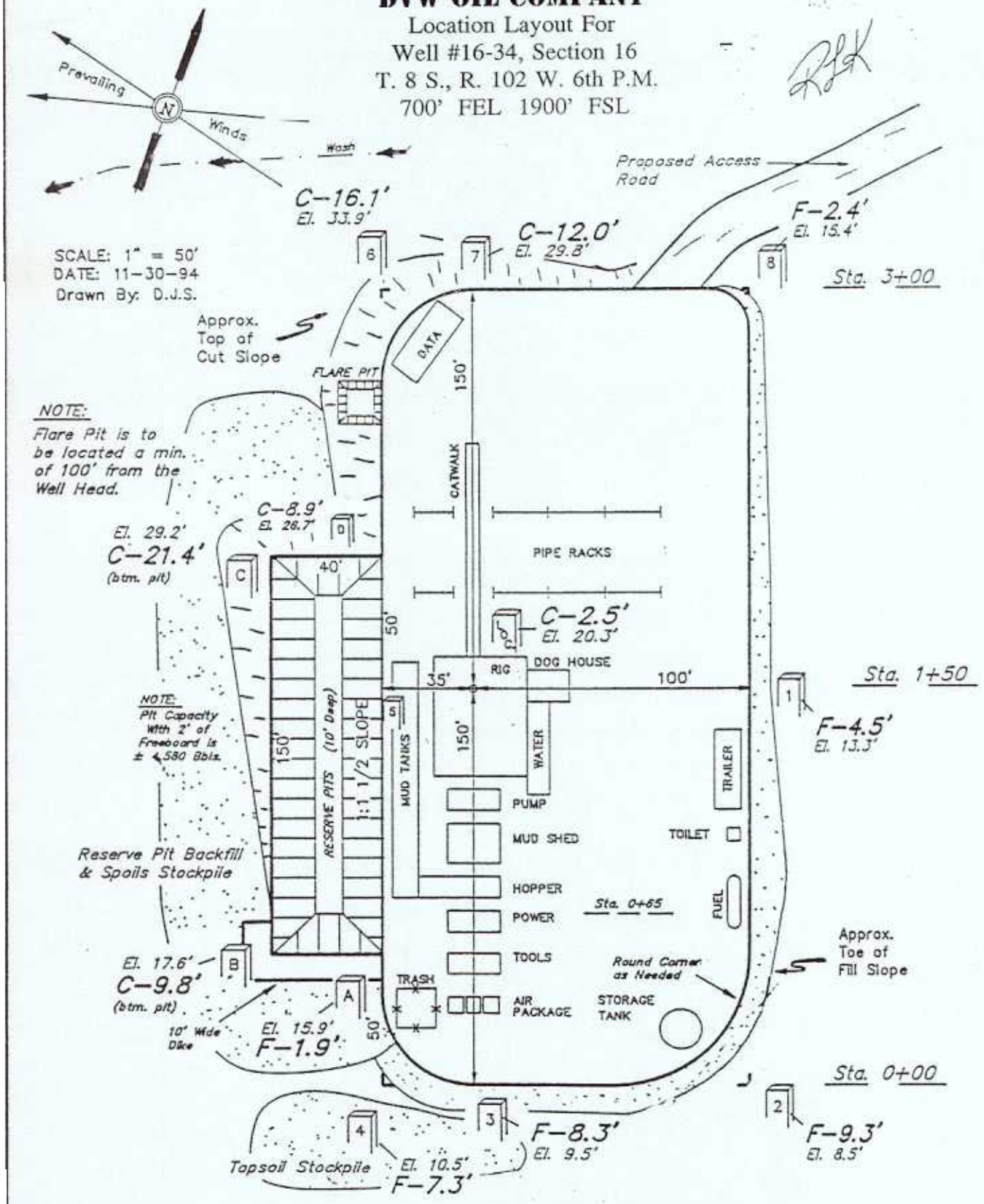
DATE: 11-30-94
Drawn By: D.J.S.



APPROXIMATE YARDAGES

(6") Topsoil Stripping	=	860 Cu. Yds.
Remaining Location	=	5,880 Cu. Yds.
TOTAL CUT	=	6,740 CU.YDS.
FILL	=	4,980 CU.YDS.

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

DVW OIL COMPANY

Location Layout For
Well #16-34, Section 16
T. 8 S., R. 102 W. 6th P.M.
700' FEL 1900' FSL