APRIL 6, 1981

THE DIRECTOR OF THE DIVISION OF STATE LANDS TOOK FORMAL ACTION ON APRIL 6, 1981 AT 10:00 A.M. IN THE STATE LAND OFFICE, ROOM 411, EMPIRE BUILDING, 231 EAST 400 SOUTH, SALT LAKE CITY, UTAH 84111, ON THE BELOW LISTED MINERAL AND SURFACE BUSINESS MATTERS AS INDICATED.

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MINERAL LEASES

DELETION FROM OIL, GAS AND HYDROCARBON LEASE - ML 30229

The above numbered lease was approved on the simultaneous filing of January 1, 1974. It contains the following tract of land on which it has been discovered that oil and gas rights are reserved to the United States:

T26S, R22E, SLM	Grand
Section 6: NW¼SE¼	40.00 acres

Because the State does not own this oil & gas property, upon recommendation of Mr. Blake, the Director approved the deletion of this 40.00 acres from ML 30229, leaving a total acreage of 910.96 acres and $40.00 refund of the current year's rental.

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OIL AND GAS BOND OF LEASEE, ML 27439

Beartooth Oil and Gas Company, operator under ML 27439 and the Three Pines Unit Agreement, has submitted an oil and gas drilling bond to cover their operations on part of the lands included in ML 27439, E½ Sec. 32, T16S, R23E, SLM.

This bond is in the amount of $5,000. The surety is The Western Casualty & Surety Company, bond number 50 45 85, dated March 10, 1981. This bond is in order. Upon recommendation of Mr. Prince the Director accepted this bond.

EXPIRATION OF OIL, GAS AND HYDROCARBON LEASES

The oil, gas, and hydrocarbon leases listed below have reached the end of their terms and have expired. Upon recommendation of Mr. Prince, the Director approved the termination of these leases and offering the lands for lease by Simultaneous Bid.

LEASE NO.	LESSEE	DESCRIPTION	DATE
ML 27377	Placid Oil Co. et al	T18S, R2W, SLM. Sec. 16: All Sec. 17: SE¼NE¼, NE¼SE¼ Millard 720.00 acres	March 31, 1981
ML 27382	Conoco Inc. et al	T21S, R19E, SLM. Section 34: E½, E½SW¼, SW¼SW¼ Grand 440.00 acres	March 31, 1981
ML 27393	Conoco Inc. et al	T12S, R5E, SLM. Sec. 22: S½, S½NE¼ Sec. 23: SW¼, S½NW¼, W½SE¼ Sec. 26: W½, W½NE¼ Sec. 27: All Sanpete 1760.00 acres	March 31, 1981
ML 27394	Forest Oil Corp.	T30S, R21E, SLM. Sec. 36: SW¼NW¼, SW¼ San Juan 200.00 acres	March 31, 1981
ML 27395	Forest Oil Corp.	T31S, R21E, SLM. Sec. 2: Lots 1-16 San Juan 654.00 acres	March 31, 1981

APRIL 6, 1981

EXPIRATION OF OIL, GAS AND HYDROCARBON LEASES CONTINUED

The oil, gas, and hydrocarbon leases listed below have reached the end of their terms and have expired. Upon recommendation of Mr. Prince, the Director approved the termination of these leases and offering the lands for lease by Simultaneous Bid.

ML 27396 Forest Oil Corp. T31S, R21E, SLM. March 31, 1981
Sec. 3: Lots 5, 11
Sec. 4: Lots 1, 8
San Juan 162.79 acres

ML 27397 Mountain Fuel Supply Co. T36S, R22E, SLM. March 31, 1981

Also, Beg at a pt on the S line of Sec. 35, which is 412 ft E of the SW cor of Sec. 35; and running th W 1299½ ft; th Northerly 3960 ft to a point on the 40 acre line running E and W through the NE¼ of Sec. 34, which is 877 ft W of the Sec line between Sections 34 and 35; th E 1307 ft; th Southerly 3960 ft to pob, containing 118.47 acres.

Also, Beg 438.6 ft E; and 556.7 ft S of the N¼ cor of Sec. 35, and running th E 879 ft; th S 0°15' W 391.8 ft to a pt in line with the center of a 4 rod road; th W 520.4 ft; th N 59°54' W 66.5 ft; th W 299.6 ft; th N 358.8 ft to pob, containing 7.65 acres, m/l

Also, Beg 438.6 ft E and 83.5 ft S of the N¼ cor of Sec. 35, and running th S 234 ft; th N 89°49' W 1759.9 ft; th N 0°15' E 229.7 ft; th S 89°57' E 1758.9 ft to pob, containing 9.37 acres, m/l.

Also, Beg at the NE cor of Sec. 35, th running W 1320 ft; th S 541.7 ft; th E 1320 ft; th N to pob, containing 16.41 acres, m/l.

Also, Beg 1180 ft S; and 458 ft W of the NE cor of Sec. 35, and running th W 862 ft; th S 1292 ft; th E 509 ft; th S 1488 ft to the 40 acre line; running E and W through the SE¼ Sec. 35; th E 353 ft; th N 2780 ft to pob, containing 37.63 acres, m/l. Containing 71.06 acres, m/l.

T37S, R22E, SLM.
Sec. 1: SW¼NE¼, NW¼SE¼
Sec. 36: N½NW¼, SE¼NW¼, SW¼, NE¼, E½SE¼

Also, beg at the quarter sec. cor between Sec's. 1 and 2, th E following the quarter sec line 95 rods; S 65 rod; E 52 rods to the E bank of the Nielson draw; Southerly following the E bank of said draw to the junction of the Bayles Draw with said draw; W 4 rods; Southeasterly following the W bank of the Neilson Draw to a point on the quarter sec. line running N through Sec 1, which is 35 rods N of the quarter sec. cor between Sec's. 1 and 12; S to said cor; W (following the Sec. line) 95 rods; N 95 rods; W 65 rods, to the Sec. line on the W side of Sec. 1; th N 65 rods to pob, containing 90.94 acres, m/l.

Sec. 2: Lots 1, 2, 4, S½N½, S½

Also, Beg at the NE cor of Sec. 3, th running S along said Sec. line to the SE cor of said NE¼; th W 12 chains and 73 links; th N to the N line of said Sec; th E 12 chains and 73 links to the pob. Containing in all 50.92 acres.

Also, Beg at a point on the quarter sec. line running E and W through the center of Sec. 3, which is 12.73 chains W of the E¼ cor of said Sec., and running th N 20 chs, th W 7.27 chs to the 40 acre cor in the center of the NE¼ of Sec., th S following 40 acre line, 60.17 chs to a point which 17 links S and 20 chs W of the SE cor of said Sec; th E 8.90 chs; th Northerly to a point 21 links E of the pob; th W to pob. Containing 48.44 acres.

Sec. 3: SW¼SE¼, SE¼SW¼ San Juan 1659.56 acres, m/l.

EXPIRATION OF OIL, GAS AND HYDROCARBON LEASES CONTINUED

The oil, gas, and hydrocarbon leases listed below have reached the end of their terms and have expired. Upon recommendation of Mr. Prince, the Director approved the termination of these leases and offering the lands for lease by Simultaneous Bid.

ML 27398	Mountain Fuel Supply Company	T35S, R22E, SLM. Sec. 32: N½ San Juan 320.00 acres	March 31, 1981
ML 27399	Placid Oil Co. et al	T18S, R2W, SLM. Sec. 32: NW¼NW¼, SW¼SW¼ Millard 80.00 acres	March 31, 1981
ML 27416	Mountain Fuel Supply Company	T24S, R18E, SLM. Sec. 2: S½ Grand 320.00 acres	March 31, 1981
ML 27422	Texoma Production Company et al	T17S, R22E, SLM. Sec. 16: All Grand 640.00 acres	March 31, 1981
ML 27423	Texoma Production Company et al	T16S, R19E, SLM. Sec. 36: NE¼, S½ Grand 480.00 acres	March 31, 1981
ML 27431	Texoma Production Company et al	T16S, R20E, SLM. Sec. 32: NW¼, W½NE¼ Sec. 35: S½SW¼, N½SE¼, SW¼SE¼ Grand 440.00 acres	March 31, 1981
ML 27432	Texoma Production Company et al	T15S, R20E, SLM. Sec. 36: All Grand 640.00 acres	March 31, 1981
ML 27440	Texama Production Company et al	T17S, R20E, SLM. Sec. 3: Lots 1, 2, N½SW¼, SW¼SW¼ Sec. 4: SE¼SE¼ Sec. 9: E½NE¼, SW¼NE¼, W½SE¼ Sec. 16: NE¼, SW¼ Sec. 21: E½NW¼, W½SW¼ Sec. 32: NE¼, SW¼ Grand 1239.82 acres	March 31, 1981
ML 27442	Texoma Production Company et al	T18S, R20E, SLM. Sec. 28: E½NE¼, SE¼SE¼, NE¼NW¼, S½NW¼, SW¼ Sec. 30: Lots 3, 4 Sec. 32: All Sec. 33: E½NE¼, NE¼SE¼, NW¼ Grand 1399.50 acres	March 31, 1981
ML 27444	Mountain Fuel Supply Company	T33S, R25E, SLM. Sec. 32: All San Juan 640.00 acres	March 31, 1981

TERMINATION OF FEDERAL OIL AND GAS LEASES

The United States oil and gas leases listed below have been terminated by the Bureau of Land Management. Part of the lands in these leases were acquired by exchange. The State can now issue leases on these lands. The records should be noted to show the termination of these leases on October 1, 1980. The State lands should now be offered for oil, gas, and hydrocarbon lease by Simultaneous Bid.

U12223	T25S, R23E, SLM. Sec. 15: NW¼SW¼	Grand 40.00 acres
U12661	T25S, R23E, SLM. Sec. 9: N½SE¼, SE¼SE¼ Sec. 15: N½N½, SE¼NE¼, NE¼SE¼	Grand 360.00 acres

RELINQUISHMENT OF METALLIFEROUS MINERALS LEASES

Phillips Petroleum Corporation, lessee under the metalliferous minerals leases listed below, has filed relinquishments of these leases. Upon recommendation of Mr. Prince, the Director approved the termination of these leases and offering the lands to be offered for lease by Simultaneous Bid.

ML 36654	T27S, R16W, SLM. Sec. 2: All Sec. 16: All Sec. 32: All	Beaver 1780.36 acres
ML 36655	T30S, R17W, SLM. Sec. 2: All Sec. 16: All Sec. 32: ALl	Beaver 1920.00 acres
ML 36656	T30S, R17W, SLM. Sec. 36: All T31S, R17W, SLM. Sec. 2: All Sec. 16: All	Beaver 2169.04 acres
ML 36657	T26S, R14W, SLM. Sec. 2: All Sec. 16: All Sec. 32: All Sec. 36: All	Millard and Beaver 2639.80 acres
ML 36658	T28S, R17W, SLM. Sec. 16: All Sec. 32: All Sec. 36: All	Beaver 1920.00 acres
ML 36659	T27S, R14W, SLM. Sec. 2: Lots 1, 2, 3, 4, S½N½, N½S½ Sec. 16: All Sec. 32: All Sec. 36: All	Beaver 2394.14 acres
ML 36660	T26S, R17W, SLM. Sec. 32: All Sec. 36: All T27S, R17W, SLM. Sec. 16: All	Beaver 1920.00 acres

RELINQUISHMENT OF METALLIFEROUS MINERALS LEASES CONTINUED

Phillips Petroleum Corporation, lessee under the metalliferous minerals leases listed below, has filed relinquishments of these leases. Upon recommendation of Mr. Prince, the Director approved the termination of these leases and offering the lands for lease by Simultaneous Bid.

ML 36661	T28S, R14W, SLM. Sec. 2: All Sec. 16: All Sec. 32: All Sec. 36: All	Beaver 2535.24 acres

PARTIAL RELINQUISHMENT OF METALLIFEROUS MINERALS LEASE - ML 34174

Union Carbide Corporation, lessee under metalliferous minerals lease ML 34174, has filed a partial relinquishment of a portion of the lands in this lease. The lease should be amended to eliminate the relinquished lands. Upon recommendation of Mr. Prince, the Director approved this partial relinquishment and offering the relinquished lands for lease by Simultaneous Bid.

ML 34174 --	Relinquished lands:	T33S, R24E, SLM. Sec. 16: N½ Sec. 19: S½NW¼ Sec. 25: E½	San Juan 720.00 acres
--	Retained lands:	T33S, R24E, SLM. Sec. 4: NW¼ Sec. 5: NE¼ Sec. 16: SW¼	San Juan 480.00 acres

* *

REQUEST FOR APPROVAL OF THE WEST BLUFF UNIT

Trans-Western Petroleum, Inc., operator of the West Bluff Unit, has filed this unit for approval by the State of Utah. The West Bluff Unit is located directly west of the town of Bluff in San Juan County. This unit contains 13,112.76 acres of which 10,672.96 acres or 81.39 percent are Federal lands, 1,799.80 acres or 13.73 percent are State lands, and 640.00 acres or 4.88 percent are Patented lands. The unit agreement provides that the operator will, within six months after the effective date of the unit, commence the drilling of a well of a depth sufficient to test the upper 250 feet of the Deseret Creek Formation, but not to exceed 5,450 feet. This unit is on the standard unit agreement form and contains all of the necessary State Land provisions.

Following are the State of Utah leases in this unit.

ML 28438	Getty Oil Company et al
ML 29913	Getty Oil Company et al
ML 31265	Getty Oil Company et al
ML 36205	Transco Exploration Company - 66.67% Raymond Chorney - 33.33%
ML 36206	Transco Exploration Company - 66.67% Raymond Chorney - 33.33%

Transco Exploration Company has not yet decided whether or not to join the unit. The other lessees have committed their lease percentages to the unit.

Upon recommendation of Mr. Bonner, the Director approved this Unit.

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REQUEST FOR APPROVAL OF THE GOLD BAR UNIT EWB

Davis Oil Company, operator of the Gold Bar Unit, has filed this unit for approval by the State of Utah. The Gold Bar Unit is located approximately six miles northwest of Moab in Grand County. This unit contains 12,164.52 acres of which 11,524.52 acres or 94.74 percent are Federal lands, and 640.00 acres or 5.26 percent are State lands. The unit agreement provides that the operator will, within six months after the effective date of the unit, commence the drilling of a well of a depth sufficient to test the upper 3,000 feet of the Paradox Formation, but not to exceed 7,400 feet. This unit is on the standard unit agreement form and contains all of the necessary State Land provisions.

Following are the State of Utah leases in this unit.

ML 35869	Wexpro Company
ML 36181	Wexpro Company

These leases have been committed to the unit. Upon recommendation of Mr. Bonner, the Director approved this Unit.

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SURFACE BUSINESS MATTERS

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REINSTATEMENT OF SULA NO. 410 KMH

Special Use Lease Agreement No. 410 was cancelled August 25, 1980 for non-payment. The rental has not yet been paid; however, Ann Sterba of the Attorney General's Office is trying to recover this as part of the settlement in the bankruptcy situation. Upon recommendation of Mr. Higgins, the Director approved the reinstatement of this Special Use Lease Agreement.

GRAZING LEASES

GRAZING PERMIT APPLICATION APPROVED KMH

Upon recommendation of Mr. Higgins, the Director approved the grazing lease application listed below:

GP 21741
Gail F. Parker,
Callao, Utah 84034

640.00 Acres 8 ¢ per acre per annum 10 Years Tooele County
Jan. 1, 1981 Beginning Date Fund School Fee $51.20 Total $61.20

T10S, R18W,SLB&M
Section 32: All

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GRAZING PERMIT APPLICATION MMW

Upon recommendation of Mr. Wall, the Director approved the grazing permit application listed below:

GP No. 21735
Allen J. Tozer
780 Canyon Road
Box 276
Ferron, UT 84523

4318.31 Acres 8¢ per acre per annum 10 years Duchesne County
January 1, 1981 Beginning Date. Fund School Fee $345.46 Total $355.46

T21S, R10E
Section: 32
T22S, R10E
Sections: 16, 32, less 80.73 acres for R/W 896
T23S, R10E
Sections: 2, 16
T23S, R9E
Section: 36
T24S, R9E
Section 32: W½NE¼, NW¼
T24S, R10E
Section: 16

GRAZING PERMIT ASSIGNMENT CORRECTION MMW

GP 16238 - LA 18670
Held by Harold Dudley was submitted for assignment to his son Ronald J. Dudley, Randlett, Utah 84064. This assignment was approved in the March 12, 1979 minutes; however, this permit was in the process of being reissued as a new ten year permit as GP 21309 in the name of Harold Dudley. To correct this GP 21309 should be noted as being assigned to Ronald J. Dudley, Randlett, Ut 84064. Upon recommendation of Mr. Wall, the Director approved this grazing permit assignment.

GRAZING PERMIT DEFERRAL MMW

GP 21041
A one year grazing fee deferral for the year 1981 has been requested by Therald D. Jensen, 190 North Carbon Avenue, Price, UT 84501. This land is included in an approved range improvement project which has been implemented by the BLM and included sage brush burning with a year deferral of use. State lands included are described as follows:

T12S, R10E, SLB&M — Carbon County
Section: 16,21,29

Upon recommendation of Mr. Wall, the Director approved this deferral of use for one year.

RIGHTS OF WAY

RIGHT OF WAY APPLICATION MMW

RIGHT OF ENTRY APPROVED

R/W #2080
Cotton Petroleum Corp, United Energy Resources, Inc., 717 - 17th St. Energy Center One, Suite 2200, Denver, CO 80202, has submitted an application for seismic survey for upgrading an existing jeep trail, 1500 feet (90.9 rods) long. Road to be ditched and crowned across the following described State land in Rich County Utah:

T11S, R21E, SLB&M — Rich County
Section 16: NW¼NW¼

The initial payment if $318.15, plus a $20.00 application fee, totaling $338.15. School fund. The expiration date is July 1, 1981.
Upon recommendation of Mr. Wall, the Director approved this Right of Entry.

RIGHT OF ENTRY APPROVED MMW

R/W #2081
Cotton Petroleum Corp, United Energy Resources, Inc., 717 - 17th St. Energy Center One, Suite 2200, Denver, CO 80202 has submitted an application for a seismic survey for upgrading existing roadway (jeep trail) 5300 feet (321.2 rods) long and 30 feet wide. Road to be ditched and crowned but not surfaced across the following described State land in Uintah County:

T11S, R21E, SLB&M — Uintah County
Section 2: S½

The initial payment is $1,124.20, plus a $20.00 application fee, totaling $1,144.20. School fund. The expiration date is July 1, 1981.

Upon recommendation of Mr. Wall, the Director approved this Right of Entry.

APRIL 6, 1981

RIGHT OF WAY APPLICATION

MMW

RIGHT OF ENTRY APPROVED

R/W #2105
Geosignal Exploration Inc., Suite 4-L Brooks Towers, 1020 - 15th St., Denver, CO. 80202 has submitted an application for a seismic survey using 50# charges expolsives - 350 feet across the following described State land in Rich County, Utah:

T10N, R6E SLB&M Section 2	Rich County
T11N, R6E SLB&M Section 32	
T12N, R6E SLB&M Section 36	

The initial payment is $250.00, plus a $20.00 application fee, totaling $270.00. School fund. The expiration date is June 30, 1981.

Upon recommendation of Mr. Wall, the Director approved this Right of Entry.

* *

RIGHT OF WAY APPLICATION

RIGHT OF ENTRY APPROVED

RAM for LHB

R/W 2079
C.G.G. Crew 0517, General Delivery, Salina, UT 84654, Paul Moynihan, Permit Agent, has submitted an application for vibroesis seismic survey across the following described State land in Sanpete County, Utah:

T15S, R6E Section 32	Sanpete County
T15S, R5E Section 36	Sanpete County
T16S, R4E Section 2: S½N½	Sanpete County

The initial payment is $330.00, plus a $20.00 application fee totaling $350.00. School fund. The expiration date is June 1, 1981.

Upon recommendation of Mr. Brown, the Director approved this Right of Entry.

GRAZING PERMIT CONSOLIDATION

RAM for LHB

GP 16217 - LA 18651
Melvin K. Dalton, Monticello, UT 84535, has requested the consolidation of the following described permit:

T31S, R25 E, SLB&M Section 32: All	Sanpete County
T36S, R25E, SLB&M Section 16: All	Sanpete County

Combined acres total 1,280 acres at 10¢ per acre. Upon recommendation of Mr. Brown the Director approved the consolidation of this grazing permit.

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GRAZING PERMIT ASSIGNMENT RAM for LHB

GP 19726

J. Evan Anderson has submitted an assignment of this grazing permit to Larry E. Anderson, 310 South 100 West, Monroe, UT 84754. Upon recommendation of Mr. Brown, the Director approved this assignment.

RANGE IMPROVEMENT PROJECTS

GP 17197 RAM for LHB

Melvin Dalton, Moticello, Utah, has requested permission to improve State lands under GP 17197 and described as

T36S, R18E, SLB&M SanJuan County
Section 32: All

The project will include chaining of the area and reseeding.

The Director rejected this range improvement project.

GP 20527 RAM for LHB

Lisle Adams, Monticello, Utah, has requested permission to improve State lands under GP 20527 and described as follows:

T40S, R18E, SLB&M SanJuan County
Section 16: All

The project will include chaining of the area and reseeding.

Upon recommendation of Mr. Brown, the Director approved this range improvement project.

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RIGHT OF WAY APPLICATION RBW

RIGHT OF ENTRY APPROVED

R/W #2109
Seisdata Services, Incorporated, c/o Mike Webb, 4180 West Desert Inn Road, Las Vegas, Nevada 89102, has requested permission for access for a right of entry across the following described State land:

Township 42 South, Range 14 West
Section 7
Township 42 South, Range 15 West
Sections 7,8,9.10,11,12

Charges will be $100/mile for 5 and 3/4 miles plus a application fee of $20.00 for a total cost of $595.00. School fund. The expiration date is June 30, 1981.

Upon recommendation of Mr. Wilcox, the Director approved this Right of Entry.

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APRIL 6, 1981

INTEREST RATES	CURRENT	YEAR AGO
Prime Rate	17.00	15.75
Federal Funds	9.50	7.40
Discount Rates	13.00	12.00

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WILLIAM K. DINEHART, DIRECTOR
DIVISION OF STATE LANDS/FORESTRY

VERNA A. PETERSEN, RECORDS SUPERVISOR

ARCHIVES APPROVAL NO. 7900209