

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

FORM 3

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL						1. WELL NAME and NUMBER Middle Mesa Federal 5-8-30-25				
2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>						3. FIELD OR WILDCAT SOUTH PINE RIDGE				
4. TYPE OF WELL Gas Well <input type="checkbox"/> Coalbed Methane Well: NO <input type="checkbox"/>						5. UNIT or COMMUNITIZATION AGREEMENT NAME MIDDLE MESA				
6. NAME OF OPERATOR PATARA OIL & GAS, LLC						7. OPERATOR PHONE 303 563-5364				
8. ADDRESS OF OPERATOR 600 17th Street Ste 1900S, Denver, CO, 80202						9. OPERATOR E-MAIL eeseeman@pataaraog.com				
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) UTU84218			11. MINERAL OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>			12. SURFACE OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>				
13. NAME OF SURFACE OWNER (if box 12 = 'fee')						14. SURFACE OWNER PHONE (if box 12 = 'fee')				
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')						16. SURFACE OWNER E-MAIL (if box 12 = 'fee')				
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')			18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>			19. SLANT VERTICAL <input checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/>				
20. LOCATION OF WELL		FOOTAGES		QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN		
LOCATION AT SURFACE		722 FNL 1034 FEL		NENE	5	30.0 S	25.0 E	S		
Top of Uppermost Producing Zone		722 FNL 1034 FEL		NENE	5	30.0 S	25.0 E	S		
At Total Depth		722 FNL 1034 FEL		NENE	5	30.0 S	25.0 E	S		
21. COUNTY SAN JUAN			22. DISTANCE TO NEAREST LEASE LINE (Feet) 722			23. NUMBER OF ACRES IN DRILLING UNIT 2019				
27. ELEVATION - GROUND LEVEL 6622			25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 1789			26. PROPOSED DEPTH MD: 6503 TVD: 6503				
28. BOND NUMBER UTB000428			29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE commercial							
Hole, Casing, and Cement Information										
String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
Cond	20	16	0 - 60	94.0	H-40 ST&C	8.9	Class G	50	1.37	13.2
Surf	12.25	8.625	0 - 2700	32.0	J-55 ST&C	8.9	35/65 Poz	450	2.81	11.6
							Type III	100	1.47	14.2
Prod	7.875	4.5	0 - 6503	11.6	I-80 LT&C	9.1	35/65 Poz	500	2.16	12.5
ATTACHMENTS										
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES										
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER					<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN					
<input type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)					<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER					
<input type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)					<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP					
NAME Danielle Gavito				TITLE Regulatory Technician				PHONE 303 563-5378		
SIGNATURE				DATE 03/13/2012				EMAIL dgavito@pataaraog.com		
API NUMBER ASSIGNED 43037500260000				APPROVAL  Permit Manager						

Patara Oil & Gas LLC
Middle Mesa Federal 5-8-30-25
 SHL: 722' FNL 1034' FEL
 NE/4 NE/4, LOT 8 SEC 5 TWN 30S RNG 25E
 San Juan County, UT
 Federal Lease #: UTU84218

CONFIDENTIAL

Onshore Oil & Gas Order No. 1 & No. 2
Drilling Program

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of the subcontractors. A copy of these conditions will be furnished with the field representative to ensure compliance.

Company Contact: Mr. Ryan Calhoun, Patara Oil & Gas LLC 303-563-5373.

ESTIMATED FORMATION TOPS

Estimated tops of important geologic markers are as follows:

Formation	Depth (TVD)	Depth (MD)	Subsea
Burro Canyon	Surface	Surface	6,642'
Entrada	1,054'	1,054'	5,588'
Navajo	1,317'	1,317'	5,325'
Kayenta	1,854'	1,854'	4,788'
Wingate	2,070'	2,070'	4,572'
Chinle	2,377'	2,377'	4,265'
Cutler	2,685'	2,685'	3,957'
Honaker Trail	4,611'	4,611'	2,031'
La Sal	6,027'	6,027'	615'
La Sal Shale	6,368'	6,368'	274'
Hatch	6,453'	6,453'	189'
TOTAL DEPTH	6,503' TVD	(6,503' MD)	139'

ANTICIPATED DEPTH OF WATER, OIL, GAS OR MINERAL BEARING FORMATIONS

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

Formation	Depth (TVD)	Depth (MD)	Oil, Gas, Water
Honaker Trail	4,611'	4,611'	Possible gas bearing
La Sal	6,027''	6,027'	Possible gas bearing
La Sal Shale	6,368''	6,368'	Possible gas bearing

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and adequately protected. All indications of usable water (10,000 ppm or less TDS) shall be reported to the Moab Field Office prior to running the next string of casing or before plugging orders are requested, whichever occurs first. If noticeable water flows are detected, samples will be submitted to the BLM along with any water analyses conducted.

Note: The operator proposes to protect potable groundwater/aquifers as follows: The Cutler formation will be behind 8-5/8" J-55 32# ST&C surface casing and cemented to surface.

CASING PROGRAM

The proposed casing program is as follows:

Zone Area	Depth (MD)	Hole Size	Outer Diameter	Weight	Grade	Type
Conductor	0' - 60'	20"	16"	94#	1/4" WT	ST&C New
Surface	0' - 2,700'	12-1/4"	8-5/8"	32#	J-55	ST&C New
Production	0' - 6,503'	7-7/8"	4-1/2"	11.6#	I-80	LT&C

- a. The BLM in Moab, Utah shall be notified at least 24 hours prior to the running and cementing of all casing strings, in order to have a BLM representative on location while running and cementing all casing strings.
- b. The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all unusable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals. The casing setting depth shall be calculated to position the casing seat opposite a competent formation, which will contain the maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors, including presence/absence of hydrocarbons, fracture gradients, usable water zones, formation pressures, lost circulation zones, other minerals, or other unusual characteristics. All indications of usable water shall be reported.
- c. Casing design shall assume a formation pressure gradient of 0.44 psi per foot.
- d. Casing design shall assume fracture gradients from 0.70 to 1.00 psi per foot.
- e. All waiting on cement times shall be adequate to achieve a minimum of 500-psi compressive strength at the casing shoe prior to drilling out.

- f. All casing except the conductor casing shall be new or reconditioned and tested used casing that meets or exceeds API standards for new casing.
- g. The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing.
- h. All indication of usable water shall be reported to the authorized office prior to running the next string of casing or before plugging orders are requested, whichever occurs first.
- i. Surface casing shall have centralizers on the bottom 3 joints of casing (a minimum of one centralizer per joint starting with the shoe joint).
- j. Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method, etc., shall be utilized to help isolate the cement from contamination by the mud fluid being displaced ahead of the cement slurry.
- k. All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or 1,500 psi, whichever is greater, but not to exceed 70% of the minimum internal yield. If pressure declines more than 10% in 30 minutes, corrective actions shall be taken.
- l. On exploratory wells such as this, and on well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth of at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- m. The proposed casing integrity design parameters are as follows:

Grade	Weight	Burst (psi)	Burst Safety Factor	Collapse (psi)	Collapse Safety Factor	Body Yield	Joint Strength	Tension Safety Factor
J-55	32#	3,930	1.0	2,530	1.1	503,000	417,000	1.8
I-80	11.6#	7,780	1.0	6,350	1.1	267,000	201,000	1.8

- n. Casing design subject to revision based on geologic conditions encountered.

CEMENTING PROGRAM

The cement program will be as follows:

Conductor	Type and Amount
0' – 60' TVD	50 sx Redimix to surface
Surface	Type and Amount*
0' – 2,700' TVD	To surface: Lead ±450 sx Type III 35/65 Poz; Tail ±100 sx Type III + 1% CaCl
Production	Type and Amount***
2,500' - TD	±500 sx Type III 35/65 Poz

* Cement volume calculated with 25% excess.

** Cement volume calculated with 15% excess.

Yields	Surface:	Lead:	Type III 35/65 Poz =	2.81 ft ³ /sx (11.6 ppg)
		Tail:	Type III + 1% CaCl =	1.47 ft ³ /sx (14.2 ppg)
	Production:		Type III 35/65 Poz =	2.16 ft ³ /sx (12.5 ppg)

Cement Additives				
	Surface:	Lead:	Type III 35/65 Poz =	94 lb/sx Cement 0.04 lbs/sx Static Free 0.25 lbs/sx Cello Flake 2.0 lbs/sx Kol Seal 5% bwoc A-10 5% bwoc Sodium Metasilicate 0.5 gal/100 sxs FP-13L 1.0 lb/sx Pheno Seal 10 lbs/sx CSE-2 154.9% Fresh Water
		Tail:	Type III + 1% CaCl =	94 lb/sx Cement 0.04 lbs/sx Static Free 1% bwoc Calcium Chloride 0.5 gal/100 sxs FP-13L 85.2% Fresh Water
	Production:		Type III 35/65 Poz =	94 lb/sx Cement 0.04 lbs/sx Static Free 0.25 lbs/sx Cello Flake 0.3% bwoc R-3 3.0 lbs/sx Kol Seal 0.3% bwoc BA-59 0.5 gal/100 sxs FP-13L 10 lb/sx CSE-2 6.0% bwoc Bentonite II 0.5% bwoc Sodium Metasilicate 0.3% bwoc FL-63 109.24% Fresh Water

- a. The BLM in Moab, Utah will be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.
- b. 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 times shall be recorded in the driller's log.

BOP REQUIREMENTS

Bureau of Land Management's minimum specification for pressure control equipment are as follows:

- a. Ram Type 11" Hydraulic double ram with 3,000 psi annular, 3,000 psi wp.
- b. Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70% of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10% in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.
- c. Annular type preventers (if used) shall be tested to 50% of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.
- d. As a minimum, the above test shall be performed:
 - i. when initially installed
 - ii. whenever any seal subject to test pressure is broken
 - iii. following related repairs and
 - iv. at 30 day intervals
- e. Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.
- f. When testing the kill line valve(s) shall be held open or the ball removed.
- g. Annular preventers (if used) shall be functionally operated at least weekly.
- h. Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.
- i. A BOPE pit level drill shall be conducted weekly for each drilling crew.

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests. Pressure tests shall apply to all related well control equipment.

BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. 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 ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The BLM in Moab, Utah shall be notified, at least 24 hours prior to initiating the pressure test, in order to have a BLM representative on location during pressure testing.

- a. The size and rating of the BOP stack is shown on the attached diagram.

- b. A choke line and a kill line are to be properly installed. The kill line is not to be used as a fill-up line.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- d. Drill string safety valve(s) to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.

MUD PROGRAM

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

Interval (MD)	Mud Type	Mud Weight	Viscosity	Fluid Loss
0' – 2,700'	Water	±8.5-8.9	±27-38	No Control
2,700' – TD	LSND	±8.6-9.1	±35-45	< 8cc

- a. Mud monitoring equipment to be used is as follows:
Periodic checks of the mud systems will be made each tour. The mud level will be checked visually.
 - i. The mud system will be run utilizing a closed loop system. There will be sufficient mud on location to ensure well control. Approximately 450 bbls of mud will be held in reserve.
 - ii. A mud test shall be performed every 24 hours after mudding to determine, as applicable, density, viscosity, gel strength, static filtration loss and Ph.
 - iii. Hazardous substances specifically listed by the EPA as hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing or completion operations.

AUXILLARY EQUIPMENT

Auxiliary equipment to be used is as follows:

- i. PVT equipment measuring mud volume, pump strokes, and percent return flow to be installed after setting surface casing and installing BOPE. This system includes alarms and remote terminals located on the rig floor.
- ii. Mud logger with gas monitor from bottom of surface casing to TD.
- iii. Choke manifold with remote control choke.
- iv. Full opening floor valve with drill pipe thread.
- v. Upper and lower Kelly Cock.
- vi. PVT monitor on pit level, audio and visual below surface casing.
- vii. Gas Buster, centrifuge and closed loop mud system.

EVALUATION PROGRAM

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

Production to Surface Casing:	Platform Express (GR/AIT/NEUT-DEN w/PE)
Coring:	No coring planned
Testing:	No DST are planned or anticipated

DOWNHOLE CONDITIONS

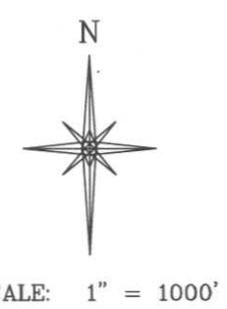
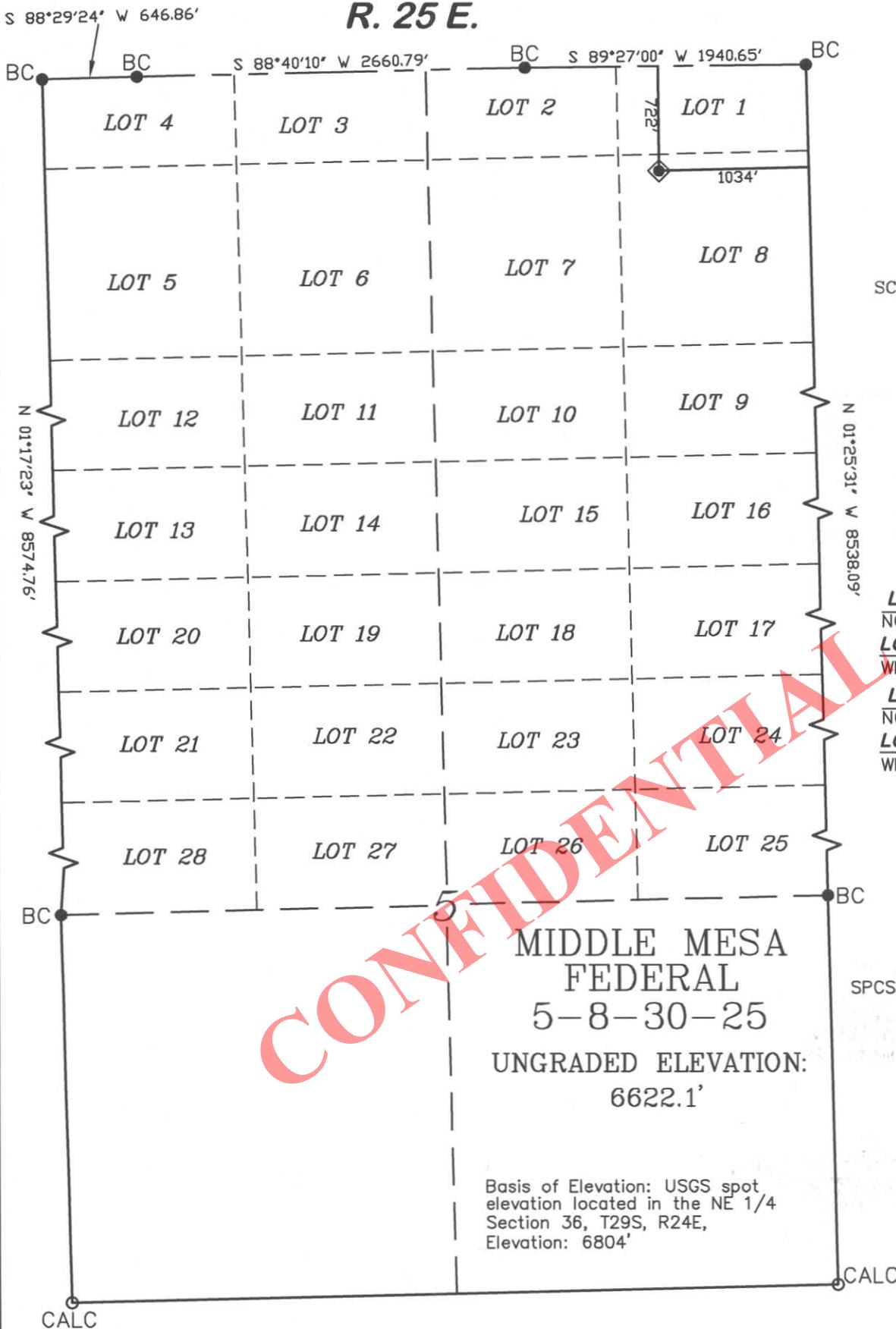
Pressures:	No abnormal conditions are anticipated Anticipated BHP gradient: 0.396 psi/ft
Temperatures:	No abnormal conditions are anticipated
H ₂ S:	None anticipated
Estimated BHP:	±2,600 psi

COMPLETION

The location pad will be sufficient size to accommodate all completion activities and equipment. A string of 2-3/8", 4.7", N-80, EUE 8rnd will be run as production tubing. A Sundry Notice (SN) will be submitted with a revised completion program if warranted.

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R. 25 E.



T. 30 S.

LATITUDE (NAD 27)
 NORTH 38.228353 DEG.
LONGITUDE (NAD 27)
 WEST 109.195674 DEG.
LATITUDE (NAD 83)
 NORTH 38.228342 DEG.
LONGITUDE (NAD 83)
 WEST 109.196339 DEG.

NORTHING
 576793.69
EASTING
 2661895.92

DATUM
 SPCS UT SOUTH (NAD 27)

**MIDDLE MESA
 FEDERAL
 5-8-30-25
 UNGRADED ELEVATION:
 6622.1'**

Basis of Elevation: USGS spot elevation located in the NE 1/4 Section 36, T29S, R24E, Elevation: 6804'

CONFIDENTIAL

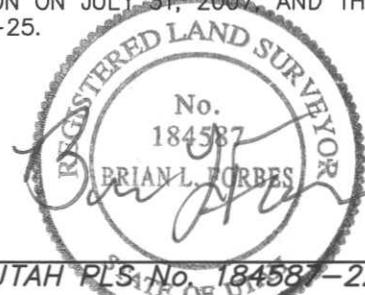


SURVEYOR'S STATEMENT

I, BRIAN L. FORBES, OF ROCK SPRINGS, WYOMING, HEREBY STATE: THIS MAP WAS MADE FROM NOTES TAKEN DURING AN ACTUAL FIELD SURVEY DONE UNDER MY DIRECT SUPERVISION ON JULY 31, 2007, AND THAT THIS PLAT CORRECTLY SHOWS THE LOCATION OF MIDDLE MESA FEDERAL 5-8-30-25.

LEGEND

- ◆ WELL LOCATION
- FOUND MONUMENT
- ▲ PREVIOUSLY FOUND MONUMENT
- CALCULATED CORNER



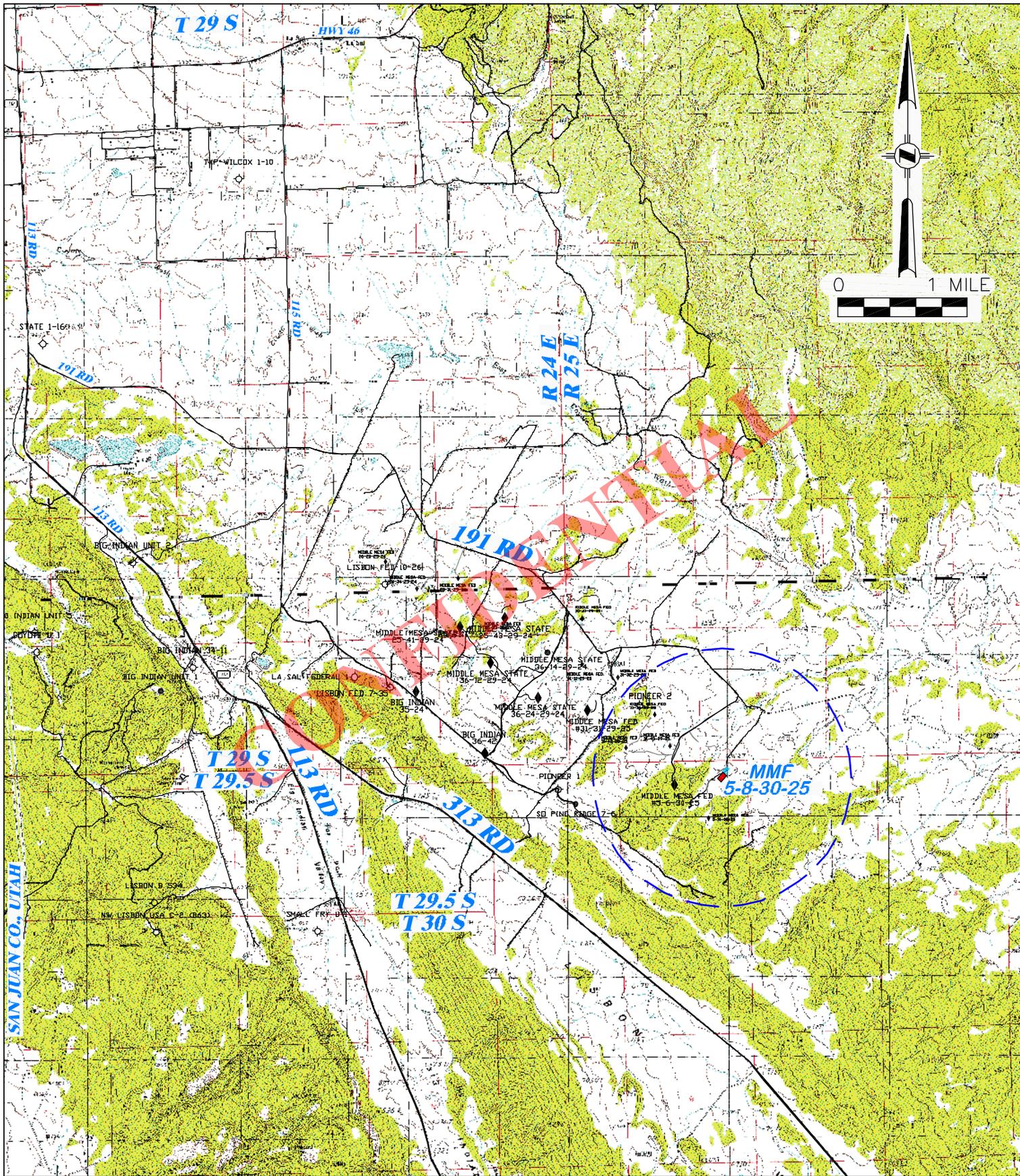
UTAH PLS. No. 184587-2201

DRG RIFFIN & ASSOCIATES, INC.
 (307) 362-5028 1414 ELK ST., ROCK SPRINGS, WY 82901

DRAWN: 8/22/2007	SCALE: 1" = 1000'
REVISED: 3/2/2012 - RAS	DRG JOB No. 15799
REVISED TITLEBLOCK	EXHIBIT 1

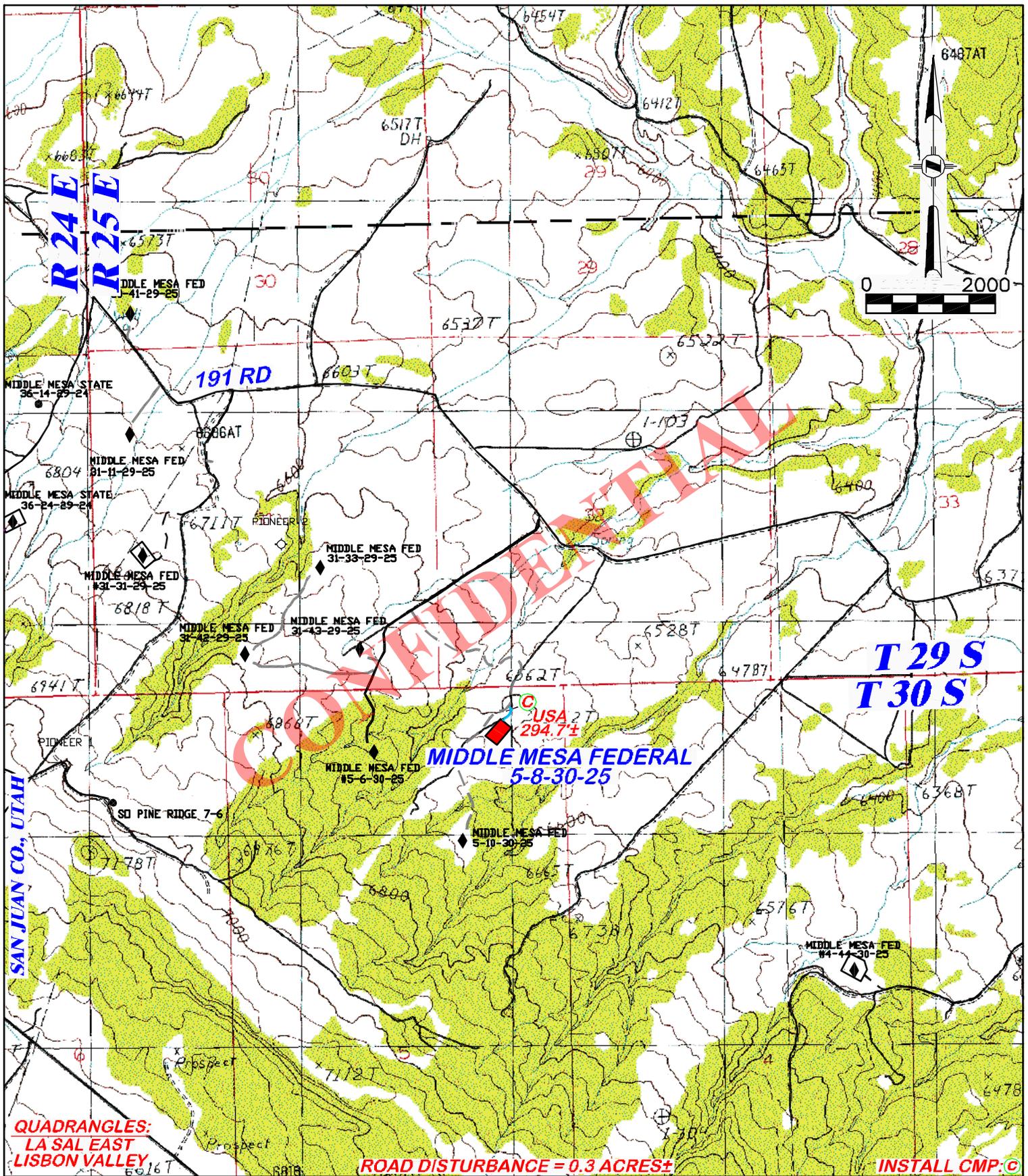
**PLAT OF BOTTOM HOLE LOCATION
 FOR
 PATARA OIL & GAS, LLC.**

**722' F/NL & 1034' F/EL, SECTION 5,
 T. 30 S., R. 25 E., SALT LAKE B.M.
 SAN JUAN COUNTY, UTAH**



 DRG RIFFIN & ASSOCIATES, INC. (307) 362-5028 1414 ELK ST., ROCK SPRINGS, WY 82901		PROPOSED ACCESS FOR ENCANA OIL & GAS (USA) INC. MIDDLE MESA FEDERAL 5-8-30-25	
DRAWN: 10/02/07 REVISED: 3/2/2012 - RAS REVISED TITLEBLOCK	SCALE: 1" = 1 MILE DRG JOB No. 15799 EXHIBIT 5	EXISTING ROAD  PROPOSED ACCESS 	TOPO A

RECEIVED: March 13, 2012



**MIDDLE MESA FEDERAL
5-8-30-25**

**T 29 S
T 30 S**

**QUADRANGLES:
LA SAL EAST
LISBON VALLEY**

ROAD DISTURBANCE = 0.3 ACRES±

INSTALL CMP. ©

DRG RIFFIN & ASSOCIATES, INC.
 (307) 362-5028 1414 ELK ST., ROCK SPRINGS, WY 82901

**PROPOSED ACCESS ROAD FOR
PATARA OIL & GAS, LLC.
MIDDLE MESA FEDERAL 5-8-30-25**

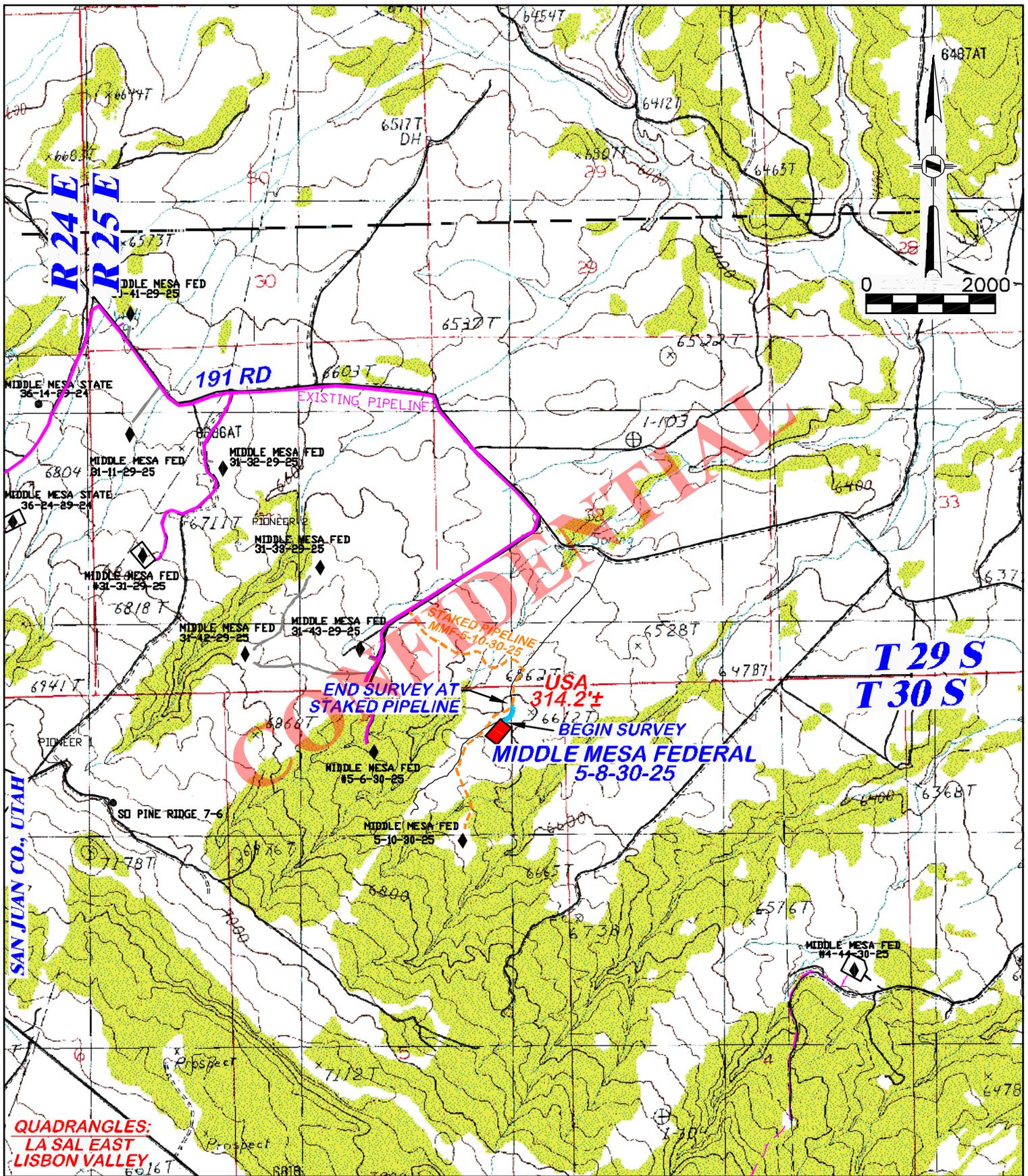
TOTAL PROPOSED LENGTH: 294.7'

DRAWN: 10/02/07
REVISED: 3/7/2012 - RAS
CORRECTED ROAD ACREAGE

SCALE: 1" = 2000'
DRG JOB No. 15799
EXHIBIT 4

EXISTING ROAD —————
PROPOSED ROAD - - - - -

**TOPO MAP
B**



QUADRANGLES:
LA SAL EAST
LISBON VALLEY

DRG RIFFIN & ASSOCIATES, INC.
(307) 362-5028 1414 ELK ST., ROCK SPRINGS, WY 82901

**PROPOSED PIPELINE FOR
PATARA OIL & GAS, LLC.
MIDDLE MESA FEDERAL 5-8-30-25**

TOTAL PROPOSED LENGTH: 314.2'

DRAWN: 10/02/07
REVISED: 3/2/2012 - RAS
REVISED TITLEBLOCK

SCALE: 1" = 2000'
DRG JOB No. 15799
EXHIBIT 4A

EXISTING ROAD —————
PROPOSED PIPELINE - - - - -

**TOPO MAP
C**

Patara Oil & Gas LLC
Middle Mesa Federal 5-8-30-25
SHL: 722' FNL 1,034' FEL
NE/4 NE/4, LOT 8 SEC 5 TWN 30S RNG 25E
San Juan County, UT
Federal Lease #: UTU84218

CONFIDENTIAL

Onshore Oil & Gas Order No. 1
Twelve Point Surface Use Plan of Operations

The proposed well site will be an exploration well to be drilled from a new location, located in the NE/4 NE/4 of SEC 5 TWN 30S RNG 25E of San Juan County, Utah. The well site for the Middle Mesa Federal 5-8-30-25 was staked at 722' FNL 1,034' FEL, NE/4 NE/4 of SEC 5 TWN 30S RNG 25E on July 31, 2007, by D.R. Griffin and Associates, Inc., surveyor. This application included an onsite meeting conducted by the BLM for the subject well site, held on October 1, 2008, where specifics involving the proposed location were discussed. In attendance; Ben Kniola - NRS BLM, Carol S. DeFrancia - Archaeologist 4-Corners Archaeological Services, Richard Bullen - Surveyor D.R. Griffin, Dan Morby - Surveyor D.R. Griffin, Danny White - Lease Operator EnCana, Theresa Garcia - EH & S Technician EnCana, and Kim Nash - EH & S Encana. Specific requests of the BLM have been addressed within this plan.

Note: In addition to the "Best Management Practices" identified throughout the surface use plan of operations, the following best management practices will be employed during all earthwork related construction activities:

- a) Existing road upgrade, new access road, and well pad construction activities; and earthwork activities associated with interim and final reclamation, including salvaging and spreading topsoil, will not be performed when the ground or topsoil is frozen or too wet to adequately support construction equipment.
- b) Erosion control measures will be employed, as appropriate or as directed by the authorized officer, to reduce sediment laden run-off and accelerated erosion from unstable soils resulting from construction or reclamation activities. Erosion control may include water bars, lateral furrows, or other appropriate measures. Woody vegetative debris, weed free straw bales and/or fabric silt fence will be placed at the toe of fill slopes. Installation of erosion control measures will occur immediately after construction operations are complete and will be maintained until adequate vegetation is established to stabilize the soil surface.

A. EXISTING ROADWAYS

The proposed well site is located approximately 6 miles south of the town of La Sal in San Juan County, Utah. The location can be reached by following the directions below.

1. From the town of La Sal, travel west on State Highway 46 for approximately 0.4 miles. Turn left on 115 Road and travel south for approximately 3.1 miles to the 191 Road. Turn left and travel easterly and southeasterly for 4.4 miles. Turn right onto the Middle Mesa Fed 5-6-30-25 staked access road. Turn right and travel southwesterly for 0.5 miles to the proposed access road. Turn left and travel southerly for 0.6 miles to the proposed location.
2. For access roads, please refer to Exhibit 2, Topo A and Topo B.
3. Existing roads within a 1-mile radius are shown on Topo maps A and B and consist of roads that could provide access to the proposed location. Per the onsite on October 1, 2008, Patara will require access roads to the location to be to a standard specified in the BLM Road Manual 9113 and the Gold Book for Resource Roads with an all-weather gravel driving surface. This standard is required to provide adequate access to trucks and equipment, to avoid costly delays and breakdowns due to impassable and inadequate roads, and to conduct safe operations in all weather conditions. The completed road will have a 25' wide all-weather driving surface, and be appropriately crowned and ditched. Culverts will be required. Please see Topo B for exact placement. No turnouts will be necessary. All road upgrades will be completed within the existing disturbance.
4. Upgraded roads will be maintained to the resource road standard during drilling, completion, and production operations.

B. NEW AND RECONSTRUCTED ACCESS ROADS

Please see Exhibit 4 Proposed Access Road.

294.7' (\pm 0.3 acres) – Section 5 T30S R25E, BLM, on lease.

1. This proposed access route will utilize an existing primitive road which will serve for the location of the proposed access road to be constructed to resource road standards specified in BLM Road Manual 9113 and employing the minimum guidelines and Best Management Practices contained the Gold book, 4th Edition. Roads shall be constructed under the direction of a qualified construction supervisor.
2. Prior to road construction activities, trees will be cleared to the side of the 25' disturbance width and reserved for interim and final reclamation. All salvageable soil will then windrowed adjacent to the trees and stabilized (seeded within 48 hours after completion of construction operations) until needed for interim or final reclamation purposes.
3. Width maximum – 40' overall surface disturbance width, with a 25' running surface.
4. Maximum grade – Maximum grades will not exceed BLM standards. Borrow ditches are to be backsloped 3:1 or shallower.
5. Drainage design – the access road will be crowned and ditched to provide proper drainage along the access road route.
6. Culverts – One (1) culvert, measuring 24" x 30' will be installed on the access road as shown on Topo B,.

7. Surface materials – Travel surfacing material to consist of all-weather gravel or other suitable material.
8. Road maintenance – The new access road shall be maintained to the resource road standard during drilling, completion, and production operations.. The access road right-of-way will be kept free of trash during operations.
9. Dust will be controlled on the roads and locations during construction and drilling by periodic watering of the roads and locations or application of various dust agents, surfactants and road surfacing material. Dust agents and surfactants (except water) will require pre-approval before use on BLM lands.

C. LOCATION OF EXISTING WELLS WITHIN A 1-MILE RADIUS. SEE TABLE 1.

Proposed	3
Drilling	0
Abandoned	8
Disposal/injection	0
Shut-In	0
Producing	4

The nearby well data has been taken from the UDOGM website on March 8, 2012.

D. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES

1. BLM will be contacted prior to construction of production facilities. Please see Exhibit 2-B for anticipated production facilities layout. Existing specifications are as follows:
 - i. Dimensions of the pad are 350 x 225' = 78,750 square feet (1.8 acres) for drilling operations. The well pad is sized to accommodate the drill rig and associated equipment and supplies, and permit safe drilling and completion operations. A buffer area of 50 to 80 feet (average 60 feet) will be required around the pad to allow for cut and fill slopes, stockpiles of trees, top soil and spoil, and equipment operation. Total surface disturbance will be approximately 5.6 acres.
 - ii. Well pad construction will conform to the guidelines for well sites as contained in the Gold Book, 4th Edition, Chapter 4 – Construction and Maintenance.
 - iii. Trees cleared from the well site will be reserved within the maximum disturbed area for use during interim and final reclamation. All available topsoil will be salvaged and stockpiled adjacent to the well site within the maximum disturbed area shown on the well site plat. Topsoil and spoils pile will be clearly separated as shown on Exhibits 2 and 2-A. Stored topsoil will be seeded within 48 hours of completed pad construction.
 - iv. Construction/installation of production facilities will conform to BLM guidelines as contained in the Gold Book, 2007, Chapter 5 – Drilling and Production Operations.

- v. All-weather gravel surfacing will be installed prior to initial production on the traveled portion of production site and, if necessary, the area of the well pad on which the production equipment is to be constructed.
 - vi. All above ground permanent structures will be painted to blend with the surrounding landscape. The color specified is Pantone Supplemental Environmental Color Juniper Green (FS-34109). Facilities required to comply with Occupation Health and Safety Act Rules and Regulations will be excluded from this painting requirement. The tallest structure will be no greater than 20' in height.
 - vii. Secondary containment trays will be installed for all chemical containers. Trays will be equipped with protection to prevent animals from gaining access to contents. Patara will promptly empty these trays of any spills or precipitation that may accumulate. All chemical containers will be properly labeled and MSDS sheets placed at the containers.
 - viii. Open stacks/vents shall be appropriately screened to prevent entry by birds.
2. The rig layout, and pad layout plats for the site are illustrated on Exhibits 2, 2-A.
 3. Patara shall protect all survey monuments, witness corners, reference monuments and bearing trees in the affected areas against disturbance during construction, operations, maintenance and termination of the facilities authorized herein. Patara shall immediately notify the authorized officer in the event that any corners, monuments or markers are disturbed or are anticipated to be disturbed. If any monuments, corner or accessories are destroyed, obliterated or damaged during construction, operation or maintenance, Patara shall secure the services of the Registered Land Surveyor to restore the disturbed monuments, corner or accessories, at the same location, using surveying procedures found in the Manual of Surveying Instructions for the Survey of Public Lands of the United States, latest edition.
 4. During drilling and subsequent operations, all equipment and vehicles will be confined to the access road right-of-way and any additional areas as specified in the approved Application for Permit to Drill.

E. LOCATION AND TYPES OF WATER SUPPLY

- A) Water that will be used for drilling will be transported by truck from either Redd-Agra or the Lisbon Gas Plant under existing permits. Water that will be used for completions will be supplied by Reams Construction from Naturita, Colorado under existing permits. If a closer water source is identified and deemed usable, Patara will notify the Authorized Officer (AO) with the necessary information.
- B) Anticipated water use is as follows:
Drilling water requirements are anticipated to be approximately 2,000bbbls.
Completion water requirements are anticipated to be approximately 1,500 to 3,000bbbls.
Road watering will be done only if conditions dictate to control fugitive dust emissions.

F. SOURCE OF CONSTRUCTION MATERIALS

- A) Construction materials will consist of native materials from borrow ditches and location areas.
- B) Access road and well pad surfacing materials will be obtained from available permitted sources and consist of pit gravel.

G. METHODS FOR HANDLING WASTE MATERIALS

- 1. A closed loop drilling mud system will be used, no reserve pit required. A solids pile will be constructed to contain drill cuttings.
- 2. Construction, operation, and removal of the solids pile will be in accordance with the guidelines contained in the Gold Book, 4th Edition.
- 3. In accordance with 43 CFR 3162.7-1, (b), oil shall not go to the solids pit except in an emergency. An emergency discharge of oil shall be reported to the authorized officer in accordance with Notice to Leasees-3A. In accordance with Onshore Oil and Gas Order No. 7, any emergency discharge of oil into the solids pit shall be emptied and the properly disposed of within 48 hours.
- 4. During drilling operations, the cuttings will be piled on the North West corner of the pad. Upon cessation of drilling and completion operations, the pile will be naturally dried and cuttings will be tested for suitable re-use in interim reclamation.
- 5. Flare pit for air drilling will (if used) be located minimum 100' from wellbore.
- 6. Produced fluids – fluid produced during drilling, completion, and testing operations will be placed in test tanks on the location.
- 7. Sewage – sewage disposal facilities will be in accordance with State and Local Regulations. Sewage may not be buried on location or put in a borehole. Utah Department of Health (UDH) Regulations prevent this unless a UDH Permit is obtained.
- 8. Garbage, trash and other waste materials will be collected in a portable, self-contained and fully-enclosed trash cage during drilling and completion operations. Upon completion of operations (or as needed) the accumulated trash will be disposed of at an authorized sanitary landfill. At no time will trash will be burned on location or placed in pits or bore holes.
- 9. Upon release of the drilling rig, rathole and mousehole will be filled. Debris and equipment not required for production will be removed.
- 10. Solids pile closure – After cessation of drilling and completion operations, any visible oil must be removed from the solids pile and the pile shall be kept free of oil until ready for closure. Drill cuttings that are not suitable for reclamation efforts will be removed and transported offsite to an approved disposal site.

H. ANCILLARY FACILITIES

- 1. No ancillary facilities are anticipated.

I. WELL SITE LAYOUT

1. The attached Exhibits 2 and 2-A specify the drill site layout as proposed. Cross sections (Exhibit 3) have been drafted to visualize the planned cuts and fills across the location. The well will be drilled from a newly constructed pad.
2. Roads and well production equipment, such as tanks, treaters, separators, vents, electrical boxes, and equipment associated with pipeline operation, will be placed on location so as to permit maximum interim reclamation of disturbed areas.
3. No permanent living facilities are planned (refer to the rig location layout plat Exhibit 2). One to four (1 -4) trailers may be required on location during drilling operations, for use by the rig crew. These trailers will be placed adjacent to the drilling rig, and a safe minimum distance from all operational equipment.

PIPELINES AND FLOWLINES

Please see Exhibit A, Pipeline Exhibit.

A separate Right-of-Way (ROW) application for the pipeline route will not be necessary as the entire pipeline route falls within the mineral lease.

1. If the well is productive, all production facilities will be located on the well pad. The proposed facilities to be located on the well pad will be a typical tank battery, which will include a separator, meter building (with tube and meter), two 400 bbl tanks and if needed on 500 gal tank and methanol pump or dehy equipment.
2. The proposed gas gathering line will be buried from the wellhead to the battery site then buried along the access route to the tie in point in the pipeline coming from the Middle Mesa Fed 5-10-30-25 well in Lot 1 of Section 5, T30S R25E. The total length of the pipeline is approximately 314' on BLM surface. See attached Topo C.

J. SURFACE RECLAMATION –Interim Reclamation

Interim reclamation will:

- Conform to the guidelines contained in the Gold Book, 4th Edition, chapter 6.
- Will be conducted on all areas of the well pad not required for production operations (See Exhibit 2B).
- Be conducted on all areas of the new access road not required for vehicle travel. This will include spreading reserved top soil on cut/fill slopes and borrow ditches, preparing the final seed bed, and seeding.
- Be conducted on areas of existing road upgrade as appropriate or as directed by the authorized officer.

The sequence for interim reclamation on the well pad is:

1. In accordance with Onshore Oil and Gas Order No. 1, earthwork for interim and/or final reclamation, including pit closure, shall be completed within six months or well completion or abandonment.

2. Solids and flare pits will be closed as stated in Section G – Wastes
3. The well pad will be reduced to the minimum area necessary to safely conduct production operations. All other areas will be subject to interim reclamation which will include re-contouring, spreading of top soil, seedbed preparation, and seeding. Exhibit 2B shows the areas of the well pad subject to interim reclamation.
4. Re-contouring will utilize excess cut material (spoil) and well pad fill material to achieve the original contour and grade, or a contour that blends with the surrounding topography. Slopes will be reduced to 3:1 or shallower. Storm water management, re-vegetation requirements and visual resources shall be considered in re-contouring the site. If necessary, and prior to spreading of topsoil (limited top soil available), the rough grade will be ripped to a depth of 18 to 24 inches on 12 to 24 inch spacing, the last pass to be on the contour to promote water infiltration. No depressions will be left that would cause water to pool or pond.
5. All salvaged top soil will be spread and seeded. No top soil will remain in a stock pile. If salvaged top soil volume is inadequate to cover the entire reclaimed area it will be spread in the following priority: south slopes, west slopes, east slopes, north slopes, and shallow slopes.
6. Final seedbed preparation will depend on the condition of the soil surface and would include scarifying a crusted soil surface or roller packing an excessively loose soil surface.
7. Seeding will occur no more than 24 hours after final seedbed preparation. Seed will be certified weed free, minimum germination rate of 80%, and minimum purity of 90%. The seed mix to be applied is:

<u>Species</u>	<u>Variety or Cultivator</u>	<u>Pounds Pure Live Seed/Acre</u>
Indian ricegrass	<i>Oryzopsis hymenoides</i>	5.0
Slender wheatgrass	<i>Agropyron trachycaulum</i>	4.0
Fourwing saltbush	<i>Atriplex canescens</i>	4.0

Total seeding rate = 13 lbs. per acre

Seed may be drilled or broadcast. Seed drills will be operated on the contour. If seed is broadcast the seeding rate will be doubled and the seed covered with some type of drag. Seed will be planted to the appropriate depth for the species, generally ¼ to ½ inch deep.

8. Trees cleared during site preparation and large rocks excavated during construction will be scattered across the interim reclamation area.
9. If noxious weeds become established along access roads, pipelines, or within the well pad disturbance, Patara will, following BLM protocols, treat and control these weeds utilizing integrated pest management techniques. All control activities will be coordinated with the BLM prior to treatment.

Final Reclamation

Final reclamation will:

- Conform to the guidelines contained in the Gold Book, 4th Edition, Chapter 6.
- Will be accomplished on the new access roads and areas of the well pad where interim reclamation does not meet the standards for final reclamation.

The sequence for final reclamation of the well pad is:

1. In accordance with Onshore Oil and Gas Order No. 1, earthwork for interim and/or final reclamation, including pit closure, shall be completed within six months of well completion or abandonment.
2. All weather surfacing material on the well pad will be removed from the location.
3. As appropriate, top soil will be salvaged and reserved for final reclamation.
4. Re-contouring, spreading of salvaged top soil, seed bed preparation, seeding, and scattering trees (woody debris) will be conducted as described in the preceding interim reclamation section.
5. If necessary or as directed by the authorized officer, reclaimed areas will be protected from livestock grazing by fencing for two years or until vegetation becomes firmly established. Fencing will meet the standards specified in the Gold Book, 4th Edition (pg. 18).

The sequence for final reclamation for new access roads will include:

1. All weather surfacing material will be removed for the driving surface of the access road.
2. All top soil that was spread and re-vegetated during interim reclamation will be salvaged and reserved for final reclamation.
3. The access road will be re-contoured using excess cut and fill material to achieve the original contour and grade, or a contour that blends with the surrounding topography
4. Ripping of the rough grade, spreading of salvaged top soil, seed bed preparation, seeding, erosion control, and scattering trees (woody debris) will be conducted as described in the preceding interim reclamation section.

Goals and Monitoring for Interim and Final Reclamation.

The goal of interim reclamation is to achieve, to the extent possible, final reclamation standards including re-contouring to achieve the original contour and grade, or a contour that blends with the surrounding topography; and the establishment on the areas of the well pad and access roads subject to interim reclamation of a self-sustaining, vigorous native and/or desirable vegetation community with a density sufficient to provide a stable soil surface.

The goal of final reclamation is to restore all areas of the well pad and access roads to the original land form or a land form that blends with the surrounding landform, and the establishment of a self-sustaining, vigorous, diverse native and/or desirable vegetation

community with a density sufficient to provide a stable soil surface and inhibit non-native plant invasion (Gold Book, 4th Edition, pg.43).

Patara will monitor interim and final reclamation efforts and document the results in a reclamation monitoring report to be submitted to the authorized officer annually. The report will:

- Document if reclamation objectives have been met or if objectives are likely to be met within a reasonable time.
- Identify additional actions that may be required to meet reclamation objectives within a reasonable time.
- Document the acreage for: initial disturbance, successful interim reclamation, and successful final reclamation.

Interim and final reclamation will be considered successful if all of the following criteria are met:

1. Seventy percent vegetative cover (basal for grasses; canopy for shrubs) of a comparable adjacent area.
2. Ninety percent of the vegetative cover consists of species included in the seed mix or native species of the area.
3. The vegetation established on the site provides erosion control where water naturally infiltrates into the soil, and gully, headcutting, slumping, and deep or excessive drilling is not observed (Gold Book, 2007, pg. 43).

If additional reclamation efforts are identified in the reclamation report, Patara will coordinate these efforts in advance with the authorized officer.

K. OWNERSHIP

1. Mineral Lessor
Bureau of Land Management
Moab Field Office
82 East Dogwood
Moab, UT 84532 Phone: 435-259-2100
2. Surface Owner
Drillsite & Access
Bureau of Land Management
Moab Field Office
82 East Dogwood
Moab, UT 84532 Phone: 435-259-2100

L. ADDITIONAL INFORMATION

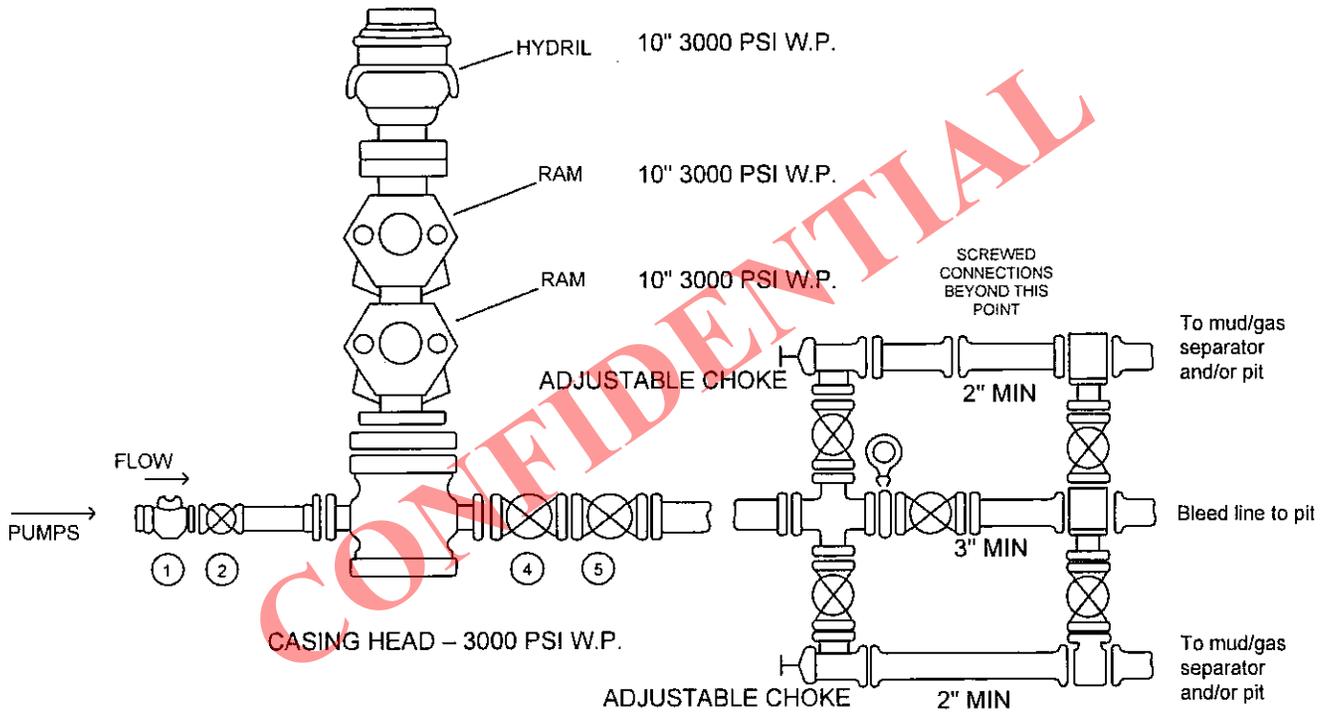
1. Project area is situated in the Middle Mesa area.
2. Topographic and geologic features: rocky soil, extensive areas of exposed bedrock.

3. Fauna: none observed. Site will incur Raptor stips (3/1- 8/31), Critical Winter Range stips (11/15 – 4/15).
4. Patara will be fully responsible for the actions of their subcontractors. A copy of the approved APD and Conditions of Approval will be on location during drilling and completion operations.
5. Archaeological, cultural and historical information will be submitted under separate cover.
6. If any fossils are discovered during construction, the operator shall cease construction immediately and notify the AO so as to determine the significance of the discovery. 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 AO. The AO will inform the operator as to the work needed to determine the following:
 - 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 (assuming in site preservation is not necessary).
 - A timeframe for the AO to complete an expedited review to acquire the State Historic Preservation Officer's concurrence that the findings of the AO are correct and that mitigation is appropriate.
7. Any construction activity in the areas shall be done with awareness that many natural gas pipelines are buried. Some locations are apparent; some have grown over with weeds and brush. It is recommended that before digging, contractors should contact the operators in the area to locate all lines.
8. Patara Oil & Gas LLC maintains a file, per 29 CFR 1910.1200(g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be transported across these lands may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous substances, EHS, and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

MINIMUM BOP Requirements

3000 PSI W.P.

FILL LINE ABOVE THE UPPERMOST PREVENTER



KILL LINE

- Valve #1 – Flanged check valve
Full working pressure of BOP
- Valve #2 – Flanged, minimum 2" bore
Full working pressure of BOP

CHOKE LINE

- Valves #4 & 5 – Flanged minimum 3" bore
Full working pressure of BOP
- (Note: An HCR can be used instead of Valve # 5)

GENERAL RULES AND RECOMMENDATIONS

All lines to manifold are to be at right angles (90 deg.). No 45 deg. angles are to be used.
Blind flanges are to be used for blanking.
All studs and nuts are to be installed on all flanges.



Patara Oil & Gas LLC

Dominion Towers • 600 17th Street, Suite 1900S • Denver, CO 80202

Phone (303) 825-0685 • Fax: (720) 235-4560

March 12, 2012

Ms. Diana Mason
Utah Department of Natural Resources
Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84116

RE: Rule R649-3-2. Location and Siting
Middle Mesa Federal 5-8-30-25
Middle Mesa Unit
San Juan County, Utah

Dear Ms. Mason:

Reference is made to that certain application for permit to drill (APD) covering the captioned well, which well is presently located 722' FNL and 1034' FEL of Section 5, T30S, R25E, S.L.M., San Juan County, Utah (surveyor plat enclosed). The location of this step out well targeting the Hermosa Group formations is located outside the 400 feet square "window" provided for under state rule R649-3-2. In accordance with state rule R649-3-3, Patara hereby respectfully requests an exception to said Location and Siting Wells rule and provides the following information in support thereof:

- 1.) 100% of the oil and gas leasehold interests within a 460' radius of the proposed location is covered under Federal Oil and Gas Lease bearing the serial number UTU 84218, which covers, in part, the N2 of section 5, of said township; and
- 2.) Said leasehold is committed to the Middle Mesa Federal Unit, case number UTU-82680X. The Unit Agreement serves to unitize all substances under the separate unit tracts forming one unit area to effectively and efficiently develop the unitized substances.

In consideration of the foregoing, we therefore respectfully request an exception to rule R649-3-2 for purposes of drilling the captioned well with a bottomhole at the location set forth in the revised APD. Should you have any questions, regarding this matter, please do not hesitate to give me a call at 303-563-5375.

Sincerely,

A handwritten signature in blue ink, appearing to read "Cassandra", with a long horizontal flourish extending to the right.

Patara Oil & Gas LLC
Cassandra Squyres
Landman

Patara Oil & Gas LLC
Middle Mesa Federal 5-8-30-25
SHL: 722' FNL 1,034' FEL
NE/4 NE/4, LOT 8 SEC 5 TWN 30S RNG 25E
San Juan County, UT
Federal Lease #: UTU84218

CONFIDENTIAL

Operator Certification

I hereby certify that Patara Oil & Gas LLC and its contractors and sub-contractors are responsible for the operations conducted under this application subject to the terms and conditions of the mineral lease. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Patara Oil & Gas LLC under their statewide bond, BLM Bond No.UTB000428.

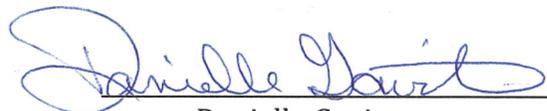
I hereby certify that I or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of State and Federal laws applicable to this operation; that the statements made in 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 in conformity with this APD package and the terms and conditions under which it is approved, I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

OPERATORS REPRESENTATIVES

Patara Oil & Gas LLC
600 17th Street, Suite 1900S
Denver, CO 80202
Phone: 713-579-6000
Fax: 713-579-6611
Danielle Gavito - 303-563-5378
Ryan Calhoun - 303-563-5373

EMPLOYEE AGENT

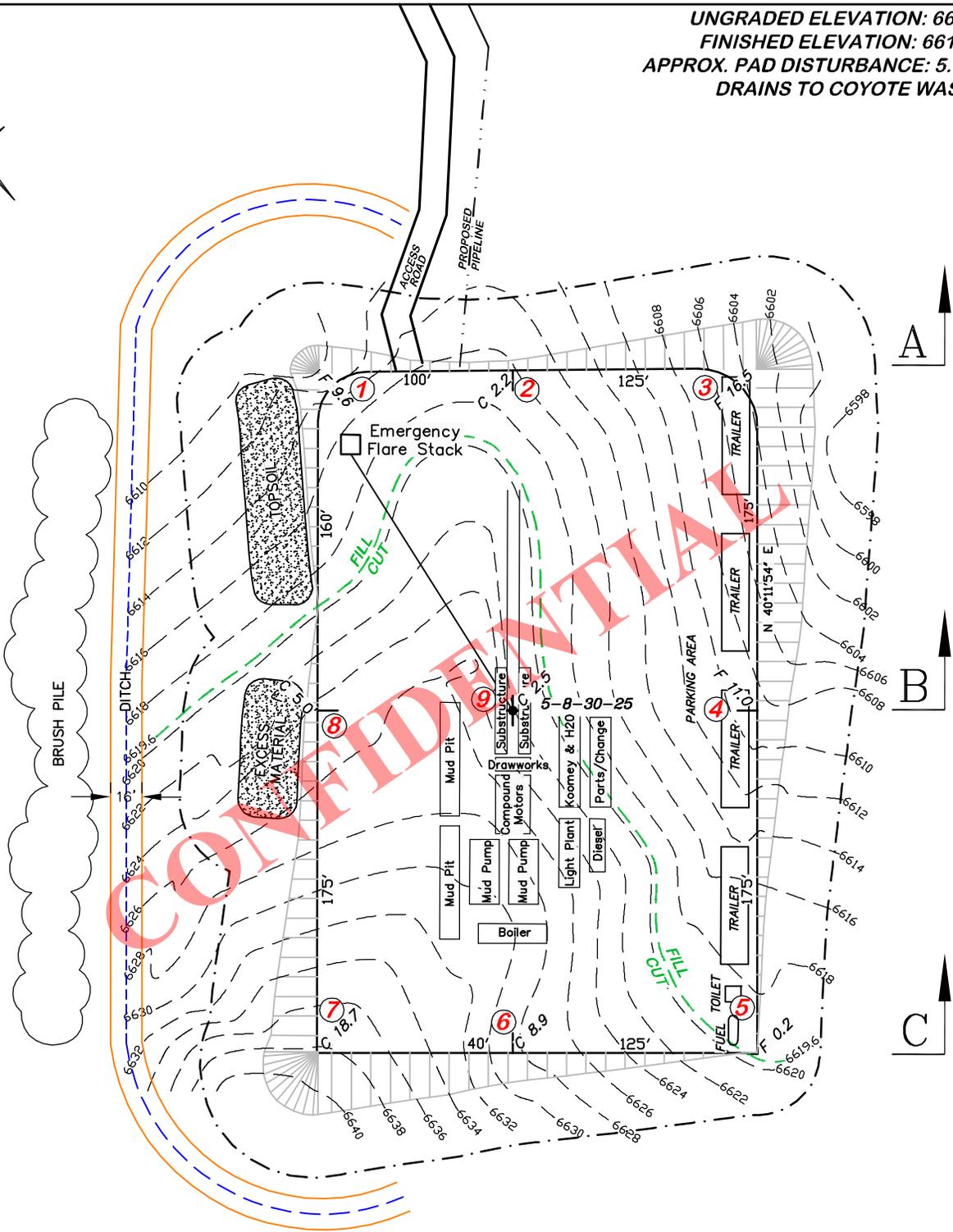
Danielle Gavito - 303-563-5378



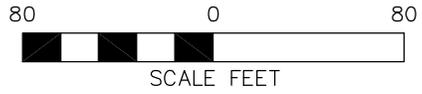
Danielle Gavito

Executed this 13th day of March, 2012

UNGRADED ELEVATION: 6622.1'
 FINISHED ELEVATION: 6619.6'
 APPROX. PAD DISTURBANCE: 5.6± ACRES
 DRAINS TO COYOTE WASH



BEFORE DIGGING
 CALL FOR
 UTILITY LINE LOCATION
 NOTE: THE EARTH QUANTITIES ON
 THIS DRAWING ARE ESTIMATED
 AND THE USE OF IS AT THE
 RESPONSIBILITY OF THE USER.

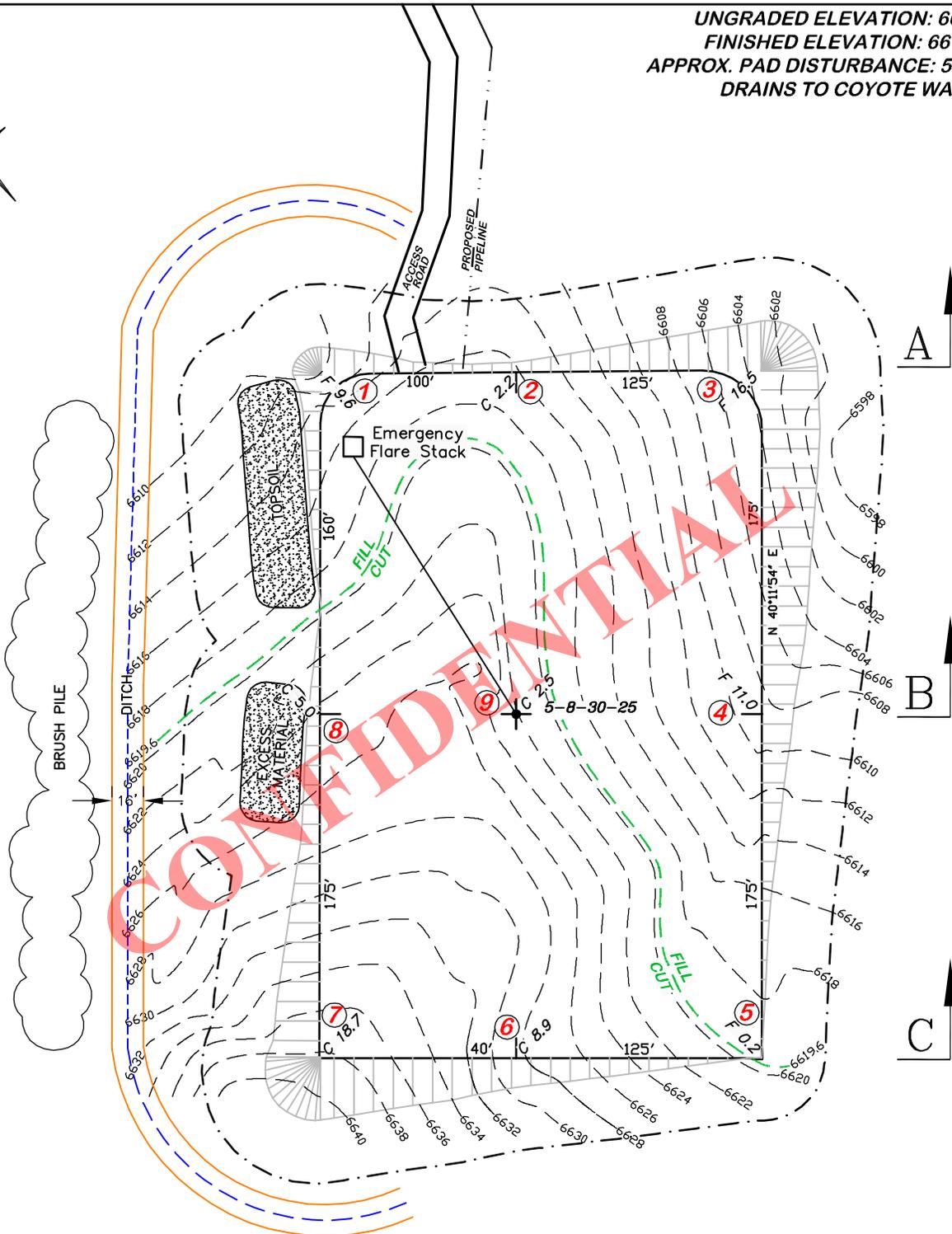
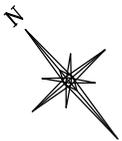


MIDDLE MESA FED 5-8-30-25

 <p>(307) 362-5028 1414 ELK ST., ROCK SPRINGS, WY 82901</p>		<p>PATARA OIL & GAS, LLC. MIDDLE MESA FED 5-8-30-25</p>				
		<p>ESTIMATED EARTHWORK</p>				
<p>DRAWN: 8/22/07</p>	<p>SCALE: 1" = 80'</p>	<p>ITEM</p>	<p>CUT</p>	<p>FILL</p>	<p>TOPSOIL</p>	<p>EXCESS</p>
<p>REVISED: 3/13/2012 - DEH</p>	<p>DRG JOB No. 15799</p>	<p>PAD</p>	<p>11,169 CY</p>	<p>9,149 CY</p>	<p>1,458 CY</p>	<p>562 CY</p>
<p>REMOVED PIT</p>	<p>EXHIBIT 2</p>	<p>PIT (NONE)</p>				
		<p>TOTALS</p>	<p>11,169 CY</p>	<p>9,149 CY</p>	<p>1,458 CY</p>	<p>562 CY</p>

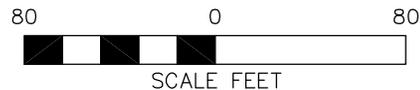
RECEIVED: March 13, 2012

UNGRADED ELEVATION: 6622.1'
 FINISHED ELEVATION: 6619.6'
 APPROX. PAD DISTURBANCE: 5.6± ACRES
 DRAINS TO COYOTE WASH



BEFORE DIGGING
 CALL FOR
 UTILITY LINE LOCATION
 NOTE: THE EARTH QUANTITIES ON
 THIS DRAWING ARE ESTIMATED
 AND THE USE OF IS AT THE
 RESPONSIBILITY OF THE USER.

MIDDLE MESA FED 5-8-30-25



DRG RIFFIN & ASSOCIATES, INC.
 (307) 362-5028 1414 ELK ST., ROCK SPRINGS, WY 82901

PATARA OIL & GAS, LLC.
MIDDLE MESA FED 5-8-30-25

DRAWN: 8/22/07

SCALE: 1" = 80'

REVISED: 3/13/2012 - DEH

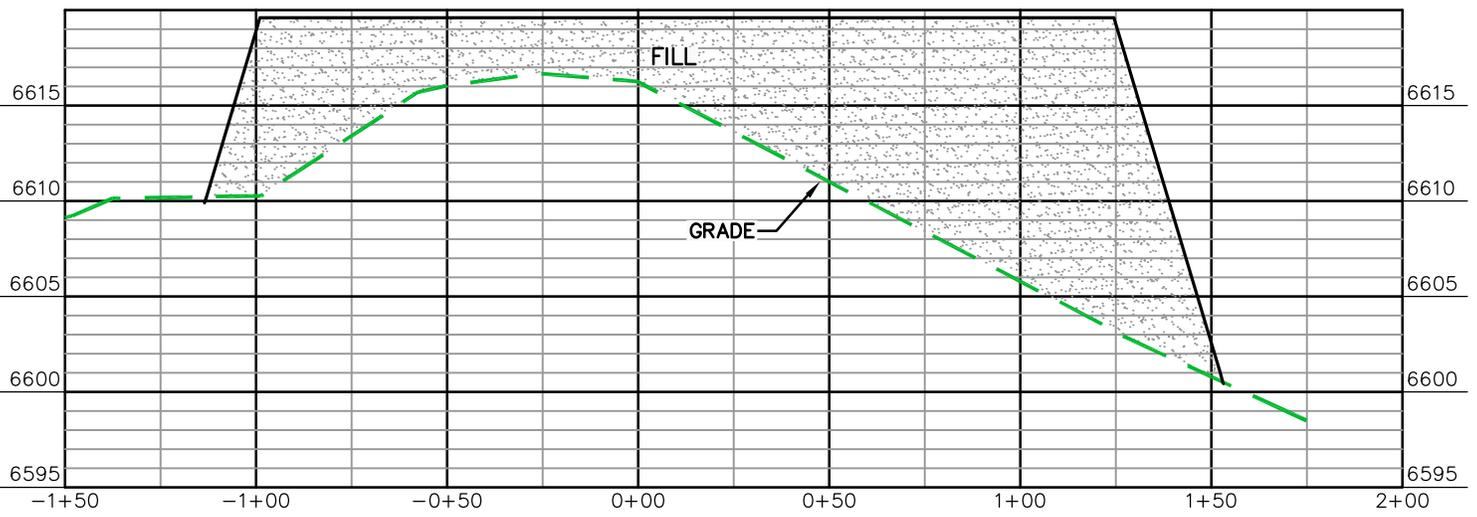
DRG JOB No. 15799

REMOVED PIT

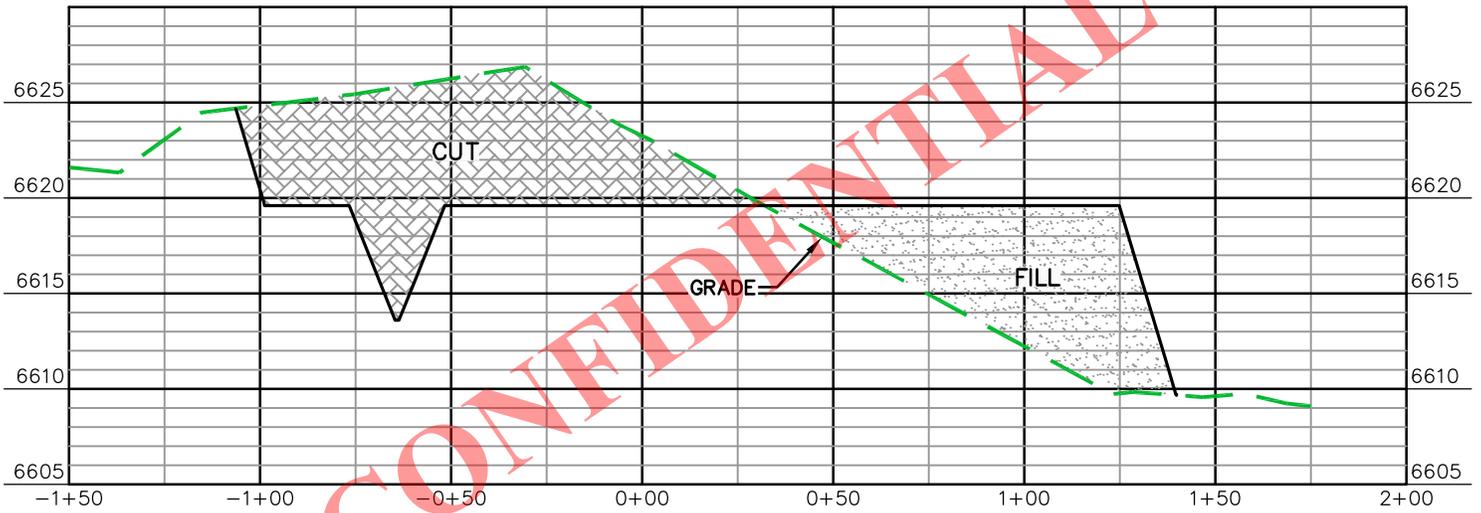
EXHIBIT 2A

UNGRADED ELEVATION: 6622.1'
 FINISHED ELEVATION: 6619.6'

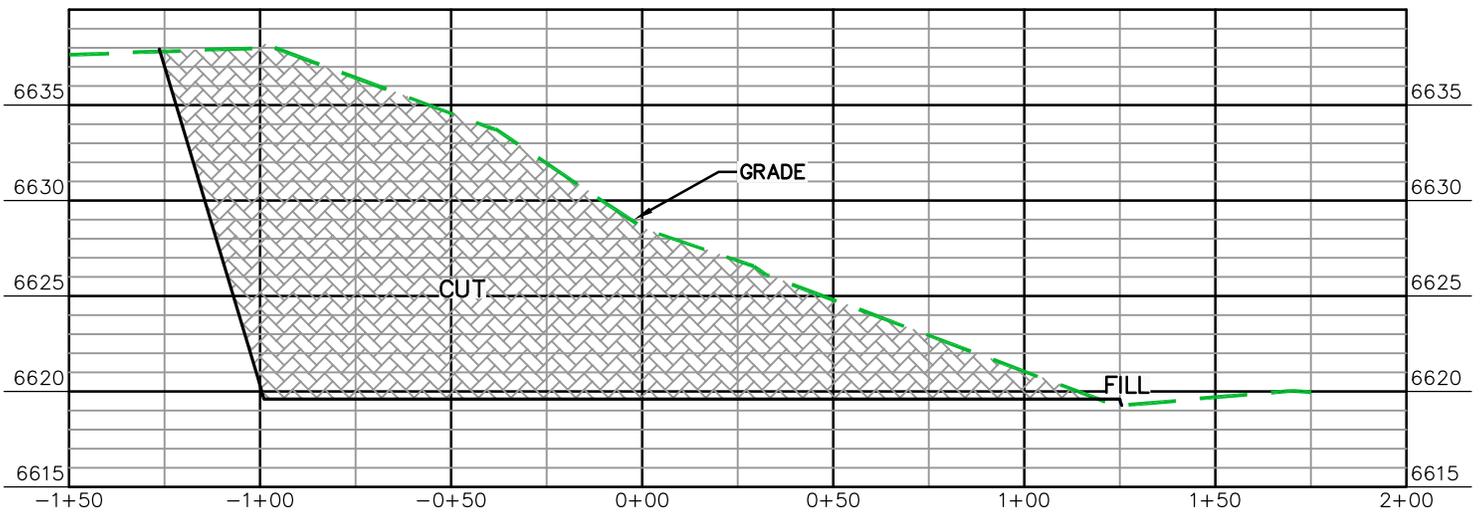
RECEIVED: March 13, 2012



A



B



C

MIDDLE MESA FED 5-8-30-25

DRG RIFFIN & ASSOCIATES, INC.
 (307) 362-5028 1414 ELK ST., ROCK SPRINGS, WY 82901

PATARA OIL & GAS, LLC.
MIDDLE MESA FED 5-8-30-25
SECTION 5, T30S, R25E

DRAWN: 8/22/07

HORZ. 1" = 50' VERT. 1" = 10'

REVISED: 3/2/2012 - RAS

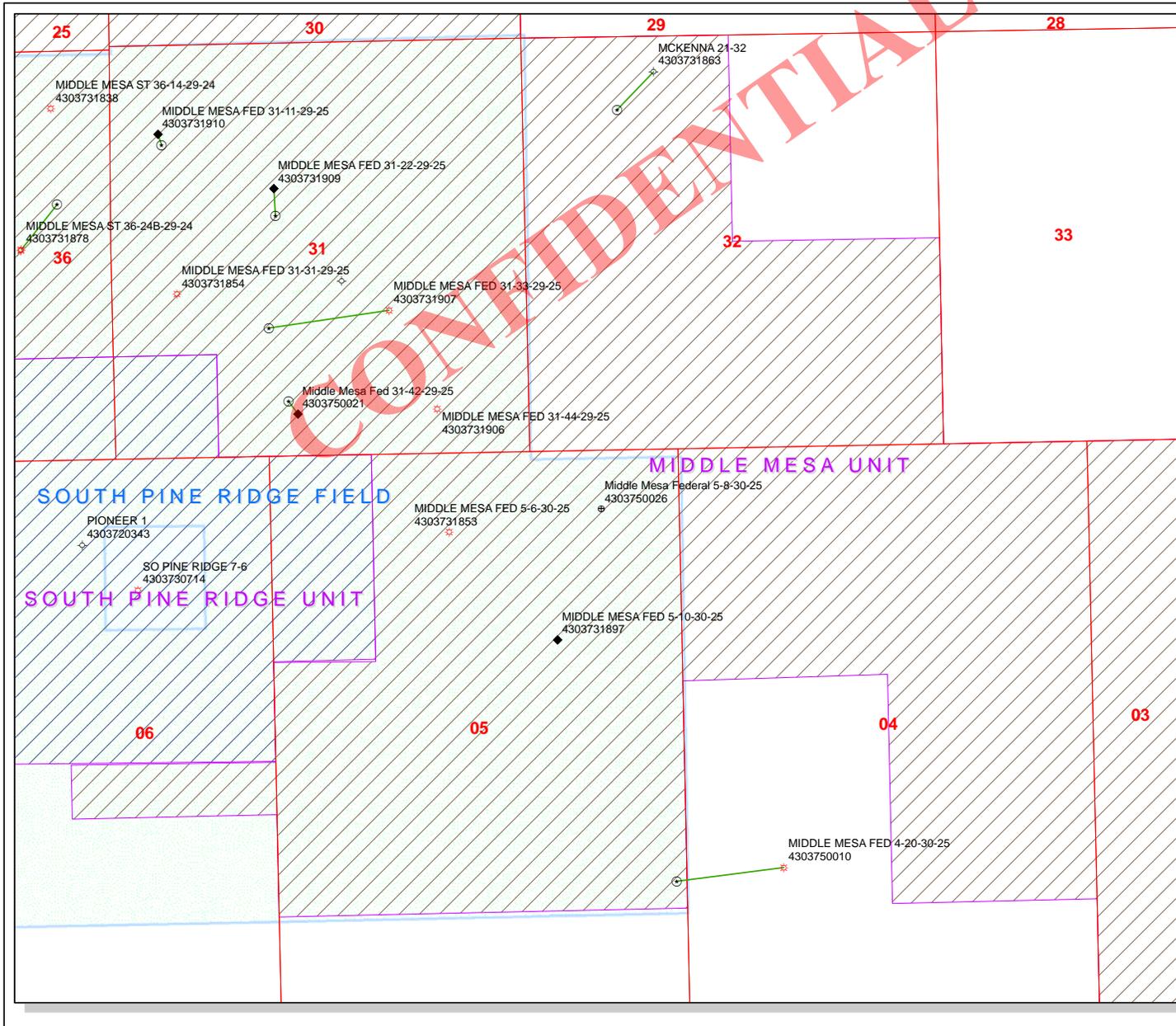
DRG JOB No. 15799

CHANGE PIT SIZE

EXHIBIT 3

UNGRADED ELEVATION: 6622.1
 FINISHED ELEVATION: 6619.6

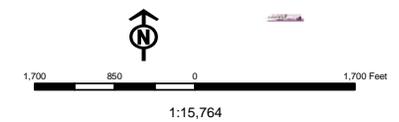
RECEIVED: March 13, 2012



API Number: 4303750026
Well Name: Middle Mesa Federal 5-8-30-25
Township T3.0 . Range R2.5 . Section 05
Meridian: SLBM
Operator: PATARA OIL & GAS, LLC

Map Prepared:
 Map Produced by Diana Mason

Units	Wells Query Status
ACTIVE	APD - Approved Permit
EXPLORATORY	DRL - Spudded (Drilling Commenced)
GAS STORAGE	GMW - Gas Injection
NF PP OIL	GS - Gas Storage
NF SECONDARY	LA - Location Abandoned
PI OIL	LOC - New Location
PP GAS	OPS - Operation Suspended
PP GEOTHERMAL	PA - Plugged Abandoned
PP OIL	PGW - Producing Gas Well
SECONDARY	POW - Producing Oil Well
TERMINATED	RET - Returned APD
Unknown	SGW - Shut-in Gas Well
ABANDONED	SOW - Shut-in Oil Well
ACTIVE	TA - Temp. Abandoned
COMBINED	TW - Test Well
INACTIVE	WDW - Water Disposal
STORAGE	WWI - Water Injection Well
TERMINATED	WSW - Water Supply Well



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

March 16, 2012

Memorandum

To: Assistant Field Office Manager Resources,
Moab Field Office

From: Michael Coulthard, Petroleum Engineer

Subject: 2012 Plan of Development Middle Mesa Unit,
San Juan County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following well is planned for calendar year 2012 within the Middle Mesa Unit, San Juan County, Utah.

API#	WELL NAME	LOCATION
(Proposed PZ Honaker Trail)		
43-037-50026	Middle Mesa	5-8-30-25 Sec 05 T30S R25E 0722 FNL 1034 FEL

This office has no objection to permitting the well at this time.

Michael L. Coulthard

Digitally signed by Michael L. Coulthard
DN: cn=Michael L. Coulthard, o=Bureau of Land Management,
ou=Branch of Minerals, email=Michael_Coulthard@blm.gov,
c=US
Date: 2012.03.16 14:56:01 -06'00'

bcc: File - Middle Mesa Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:3-16-12

RECEIVED: March 16, 2012

WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 3/13/2012

API NO. ASSIGNED: 43037500260000

WELL NAME: Middle Mesa Federal 5-8-30-25

OPERATOR: PATARA OIL & GAS, LLC (N3670)

PHONE NUMBER: 303 563-5378

CONTACT: Danielle Gavito

PROPOSED LOCATION: NENE 05 300S 250E

Permit Tech Review:

SURFACE: 0722 FNL 1034 FEL

Engineering Review:

BOTTOM: 0722 FNL 1034 FEL

Geology Review:

COUNTY: SAN JUAN

LATITUDE: 38.22828

LONGITUDE: -109.19635

UTM SURF EASTINGS: 657870.00

NORTHINGS: 4232682.00

FIELD NAME: SOUTH PINE RIDGE

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU84218

PROPOSED PRODUCING FORMATION(S): LA SAL

SURFACE OWNER: 1 - Federal

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

- PLAT
- Bond: FEDERAL - UTB000428
- Potash
- Oil Shale 190-5
- Oil Shale 190-3
- Oil Shale 190-13
- Water Permit: commercial
- RDCC Review:
- Fee Surface Agreement
- Intent to Commingle

Commingling Approved

LOCATION AND SITING:

- R649-2-3.
- Unit: MIDDLE MESA
- R649-3-2. General
- R649-3-3. Exception
- Drilling Unit
- Board Cause No: R649-3-3
- Effective Date:
- Siting:
- R649-3-11. Directional Drill

Comments: Presite Completed

Stipulations: 1 - Exception Location - dmason
4 - Federal Approval - dmason
23 - Spacing - dmason



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: Middle Mesa Federal 5-8-30-25
API Well Number: 43037500260000
Lease Number: UTU84218
Surface Owner: FEDERAL
Approval Date: 3/20/2012

Issued to:

PATARA OIL & GAS, LLC, 600 17th Street Ste 1900S, Denver, CO 80202

Authority:

Pursuant to Utah Code Ann. 40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-3. The expected producing formation or pool is the LA SAL Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

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

Exception Location:

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

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.

Conditions of Approval:

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

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

drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- Within 24 hours following the spudding of the well - contact Carol Daniels at 801-538-5284

(please leave a voicemail message if not available)

OR

submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website

at <http://oilgas.ogm.utah.gov>

Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) - due within 5 days of spudding the well
- Monthly Status Report (Form 9) - due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) - due prior to implementation
- Written Notice of Emergency Changes (Form 9) - due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) - due prior to implementation
- Report of Water Encountered (Form 7) - due within 30 days after completion
- Well Completion Report (Form 8) - due within 30 days after completion or plugging

Approved By:



For John Rogers
Associate Director, Oil & Gas

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET (for state use only)

ROUTING
 CDW

X - Change of Operator (Well Sold)

Operator Name Change/Merger

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

11/1/2012

FROM: (Old Operator): N3670- Patara Oil & Gas, LLC 600 17th Street, Suite 1900S Denver, CO 80202 Phone: 1 (303) 825-0685	TO: (New Operator): N3645- CCI Paradox Upstream, LLC 600 17th Street, Suite 1900S Denver, CO 80202 Phone: 1 (303) 825-0685
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WELL NAME	CA No.	SEC	TWN	RNG	Unit:	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
See Attached List					Middle Mesa					

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: 1/23/2013
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 2/7/2013
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 2/12/2013
- Is the new operator registered in the State of Utah: _____ Business Number: 8523441-0161
- (R649-9-2)Waste Management Plan has been received on: Not Yet
- Inspections of LA PA state/fee well sites complete on: N/A
- Reports current for Production/Disposition & Sundries on: 2/12/2013
- 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
- Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: Not Yet
- Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: N/A
- Underground Injection Control ("UIC")** 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:

- Changes entered in the **Oil and Gas Database** on: 2/12/2013
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 2/12/2013
- Bond information entered in RBDMS on: 2/7/2013
- Fee/State wells attached to bond in RBDMS on: 2/12/2013
- Injection Projects to new operator in RBDMS on: N/A
- Receipt of Acceptance of Drilling Procedures for APD/New on: 2/4/2013

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: 105865919
- Indian well(s) covered by Bond Number: N/A
- (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number 105865922
- The **FORMER** operator has requested a release of liability from their bond on: N/A

LEASE INTEREST OWNER NOTIFICATION:

- (R649-2-10) The **NEW** 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:

Patara Oil Gas, LLC (N3670) to CCI Paradox Upstream, LLC (N3945)

Effective 11/1/2012

Middle Mesa Unit

Well Name	Section	TWN	RNG	API Number	Entity	Lease Type	Well Type	Well Status
MIDDLE MESA FED 30-41-29-25	30	290S	250E	4303731893		Federal	GW	APD
MIDDLE MESA FED 25-43-29-24	25	290S	240E	4303731901		Federal	GW	APD
MIDDLE MESA FED 26-23-29-24	26	290S	240E	4303731905		Federal	GW	APD
MIDDLE MESA FED 31-22-29-25	31	290S	250E	4303731909		Federal	GW	APD
MIDDLE MESA FED 31-11-29-25	31	290S	250E	4303731910		Federal	GW	APD
Middle Mesa Fed 31-42-29-25	31	290S	250E	4303750021		Federal	GW	APD
Middle Mesa Federal 5-8-30-25	05	300S	250E	4303750026		Federal	GW	APD
BIG INDIAN 35-24	35	290S	240E	4303731829	14409	Federal	GW	P
MIDDLE MESA ST 36-14-29-24	36	290S	240E	4303731838	15076	State	GW	P
MIDDLE MESA FED 5-6-30-25	05	300S	250E	4303731853	16375	Federal	GW	P
MIDDLE MESA FED 31-31-29-25	31	290S	250E	4303731854	15076	Federal	GW	P
MIDDLE MESA ST 36-12-29-24	36	290S	240E	4303731855	15076	State	GW	P
MIDDLE MESA ST 36-24-29-24	36	290S	240E	4303731856	15076	State	GW	P
MIDDLE MESA ST 36-12B-29-24	36	290S	240E	4303731877	15076	State	GW	P
MIDDLE MESA ST 36-24B-29-24	36	290S	240E	4303731878	15076	State	GW	P
MIDDLE MESA FED 5-10-30-25	05	300S	250E	4303731897	18802	Federal	GW	P
MIDDLE MESA FED 25-41-29-24	25	290S	240E	4303731902	17717	Federal	GW	P
MIDDLE MESA FED 25-31-29-24	25	290S	240E	4303731903	18159	Federal	GW	P
MIDDLE MESA FED 26-34-29-24	26	290S	240E	4303731904	18118	Federal	GW	P
MIDDLE MESA FED 31-44-29-25	31	290S	250E	4303731906	18213	Federal	GW	P
MIDDLE MESA FED 31-33-29-25	31	290S	250E	4303731907	18170	Federal	GW	P
MIDDLE MESA FED 4-20-30-25	04	300S	250E	4303750010	18193	Federal	GW	P

RECEIVED

JAN 23 2013

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 Multiple Well Transfer
2. NAME OF OPERATOR: Patara Oil & Gas LLC
3. ADDRESS OF OPERATOR: 600 17th St. Ste. 1900S Denver CO 80202 PHONE NUMBER: (303) 825-0685
4. LOCATION OF WELL: FOOTAGES AT SURFACE: n/a COUNTY: San Juan, UT STATE: UTAH

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

Table with 2 main columns: TYPE OF SUBMISSION and TYPE OF ACTION. Includes checkboxes for NOTICE OF INTENT, SUBSEQUENT REPORT, and various actions like ACIDIZE, ALTER CASING, OPERATOR CHANGE, etc.

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

Patara Oil & Gas LLC (Patara) hereby requests the transfer of operating rights and responsibilities for the subject wells, listed herein, to the new owner/operator of the assets, being effective November 1, 2012; CCI Paradox Upstream LLC (CCI).

Please see Exhibit I for a detailed list of upstream assets considered for transfer. Patara midstream assets will be transferred via a separate letter, enclosed.

NAME (PLEASE PRINT) Christopher A. Noonan TITLE Regulations & Production Reporting Supervisor
SIGNATURE [Signature] DATE 1/18/13

(This space for State use only)

APPROVED

FEB 12 2013

DIV. OF OIL, GAS & MINING

(See Instructions on Reverse Side)

BY: Rachel Medina

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 type="checkbox"/> OTHER <u>Multiple Well Transfer</u>		5. LEASE DESIGNATION AND SERIAL NUMBER: n/a
2. NAME OF OPERATOR: CCI Paradox Upstream LLC <u>N3945</u>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: n/a
3. ADDRESS OF OPERATOR: 600 17th St. Ste. 1900S CITY <u>Denver</u> STATE <u>CO</u> ZIP <u>80202</u>		7. UNIT or CA AGREEMENT NAME: n/a
4. LOCATION OF WELL FOOTAGES AT SURFACE: <u>n/a</u>		8. WELL NAME and NUMBER: <u>Multiple</u>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		9. API NUMBER: n/a
		10. FIELD AND POOL, OR WILDCAT: n/a
		COUNTY: <u>San Juan, UT</u>
		STATE: <u>UTAH</u>

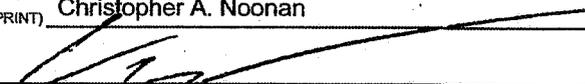
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> 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 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 checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: <u>11/1/2012</u>	<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.

CCI Paradox Upstream LLC (CCI), hereby requests the transfer of operating rights and responsibilities for the subject wells, listed herein, to the new owner/operator of the assets, CCI, being effective November 1, 2012. The assets were previously operated by Patara Oil & Gas LLC (Patara) prior to sale.

Please see Exhibit I for a detailed list of upstream assets considered for transfer. Patara midstream assets will be transferred via a separate letter, enclosed.

Bond Number:
Blm: 105865919
State: 105865922

NAME (PLEASE PRINT) <u>Christopher A. Noonan</u>	TITLE <u>Regulations & Production Reporting Supervisor</u>
SIGNATURE 	DATE <u>2/6/2012</u>

(This space for State use only)

APPROVED

FEB 12 2013

DIV. OIL GAS & MINING

BY: Rachel Medina

RECEIVED

FEB 07 2013

Div. of Oil, Gas & Mining

Exhibit I

BLM Form 3160-5 Transfer of Operator

Utah Form 9 Transfer of Operator

State of Utah Upstream Assets

01/09/2013

API Well Number	Operator	Well Name	Well Status	Well Type	Field Name	County	Qtr/Qtr	Section	Township-Range)
✓ 43-037-15049-00-00	PATARA OIL & GAS LLC	LISBON D-616	Shut-In	Oil Well	LISBON	SAN JUAN	NENE	16	30S-24E 1
✓ 43-037-15123-00-00	PATARA OIL & GAS LLC	LISBON B-615	Producing	Oil Well	LISBON	SAN JUAN	NENW	15	30S-24E 2
✓ 43-037-15769-00-00	PATARA OIL & GAS LLC	LISBON B912	Shut-In	Oil Well	LISBON	SAN JUAN	SESW	12	30S-24E 3
✓ 43-037-16219-00-00	PATARA OIL & GAS LLC	BIG INDIAN UNIT 1	Shut-In	Oil Well	BIG INDIAN (MADISON)	SAN JUAN	SENE	33	29S-24E 4
✓ 43-037-16221-00-00	PATARA OIL & GAS LLC	BIG INDIAN 4	Shut-In	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	SWSW	14	30S-25E 5
✓ 43-037-16237-00-00	PATARA OIL & GAS LLC	LISBON A-715	Inactive	Water Disposal Well	LISBON	SAN JUAN	SWNW	15	30S-24E 6
✓ 43-037-16240-00-00	PATARA OIL & GAS LLC	LISBON B-613	Shut-In	Oil Well	LISBON	SAN JUAN	NENW	13	30S-24E 7
✓ 43-037-16242-00-00	PATARA OIL & GAS LLC	LISBON B-616	Shut-In	Oil Well	LISBON	SAN JUAN	NESW	16	30S-24E 8
✓ 43-037-16244-00-00	PATARA OIL & GAS LLC	BELCO ST 4 (LISBON B-816)	Active	Water Disposal Well	LISBON	SAN JUAN	NESW	16	30S-24E 9
✓ 43-037-16245-00-00	PATARA OIL & GAS LLC	LISBON C-69	Shut-In	Oil Well	LISBON	SAN JUAN	NWNE	9	30S-24E 10

✓ 43-037-16247-00-00	PATARA OIL & GAS LLC	LISBON C-94	Shut-In	Oil Well	LISBON	SAN JUAN	SWSE	4	30S-24E 11
✓ 43-037-16250-00-00	PATARA OIL & GAS LLC	LISBON UNIT D-84	Shut-In	Oil Well	LISBON	SAN JUAN	NESE	4	30S-24E 12
✓ 43-037-16251-00-00	PATARA OIL & GAS LLC	LISBON D-89	Shut-In	Oil Well	LISBON	SAN JUAN	NESE	9	30S-24E 13
43-037-16469-00-00	PATARA OIL & GAS LLC	LISBON U B-610	Producing	Oil Well	LISBON	SAN JUAN	NENW	10	30S-24E 14
43-037-16471-00-00	PATARA OIL & GAS LLC	NW LISBON USA A-2 (D-810)	Producing	Gas Well	LISBON	SAN JUAN	NESE	10	30S-24E 15
43-037-30054-00-00	PATARA OIL & GAS LLC	LISBON B-84	Shut-In	Oil Well	LISBON	SAN JUAN	NESW	4	30S-24E 16
43-037-30082-00-00	PATARA OIL & GAS LLC	LISBON B-814	Active	Water Disposal Well	LISBON	SAN JUAN	NESW	14	30S-24E 17
43-037-30317-00-00	PATARA OIL & GAS LLC	FEDERAL 15-25	Shut-In	Gas Well	WILSON CANYON	SAN JUAN	SWSE	25	29S-23E 18
43-037-30693-00-00	PATARA OIL & GAS LLC	LISBON C-99	Shut-In	Oil Well	LISBON	SAN JUAN	SWSE	9	30S-24E 19
43-037-30694-00-00	PATARA OIL & GAS LLC	LISBON U D-610	Shut-In	Gas Well	LISBON	SAN JUAN	NENE	10	30S-24E 20
43-037-30695-00-00	PATARA OIL & GAS LLC	LISBON B-94	Shut-In	Oil Well	LISBON	SAN JUAN	SESW	4	30S-24E 21
43-037-31014-00-00	PATARA OIL & GAS LLC	LISBON UNIT A-911	Producing	Gas Well	LISBON	SAN JUAN	SWSW	11	30S-24E 22
43-037-31034-00-00	PATARA OIL & GAS LLC	LISBON UNIT D-716	Shut-In	Oil Well	LISBON	SAN JUAN	SENE	16	30S-24E 23
43-037-31323-00-00	PATARA OIL & GAS LLC	LISBON C-910	Shut-In	Oil Well	LISBON	SAN JUAN	SWSE	10	30S-24E 24
43-037-31351-00-00	PATARA OIL & GAS LLC	LISBON B-614A	Shut-In	Oil Well	LISBON	SAN JUAN	NENW	14	30S-24E 25
43-037-31433-00-00	PATARA OIL & GAS LLC	LISBON B-810	Producing	Oil Well	LISBON	SAN JUAN	NESW	10	30S-24E 26

43-037-31829-00-00	PATARA OIL & GAS LLC	BIG INDIAN 35-24	Shut-In	Gas Well	SOUTH PINE RIDGE	SAN JUAN	SENE	35	29S-24E 7
43-037-31831-00-00	PATARA OIL & GAS LLC	BULL HORN U 10-43	Producing	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	SWSE	10	30S-25E 8
43-037-31838-00-00	PATARA OIL & GAS LLC	MIDDLE MESA ST 36-14-29-24	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	NENE	36	29S-24E 9
43-037-31843-00-00	PATARA OIL & GAS LLC	BULL HORN FED 9-14-30-25	Producing	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	NENE	9	30S-25E 30
43-037-31848-00-00	PATARA OIL & GAS LLC	BULL HORN FED 15-14-30-25	Producing	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	NENE	15	30S-25E 1
43-037-31849-00-00	PATARA OIL & GAS LLC	BULL HORN FED 10-21-30-25	Producing	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	NWSW	10	30S-25E 2
43-037-31850-00-00	PATARA OIL & GAS LLC	BIG INDIAN FED 14-21-30-25	Producing	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	SWNW	14	30S-25E 3
43-037-31853-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 5-6-30-25	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	LOT6	5	30S-25E 4
43-037-31854-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 31-31-29-25	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	NWSW	31	29S-25E 5
43-037-31855-00-00	PATARA OIL & GAS LLC	MIDDLE MESA ST 36-12-29-24	Shut-In	Gas Well	SOUTH PINE RIDGE	SAN JUAN	NENW	36	29S-24E 6
43-037-31856-00-00	PATARA OIL & GAS LLC	MIDDLE MESA ST 36-24-29-24	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	SENE	36	29S-24E 7
43-037-31859-00-00	PATARA OIL & GAS LLC	BIG INDIAN FED 15-24-30-25	Shut-In	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	SWNW	14	30S-25E 8
43-037-31860-00-00	PATARA OIL & GAS LLC	BIG INDIAN FED 14-42-30-25	Producing	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	SESW	14	30S-25E 9
43-037-31861-00-00	PATARA OIL & GAS LLC	BULL HORN FED 10-42-30-25	Shut-In	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	SESW	10	30S-25E 40
43-037-31864-00-00	PATARA OIL & GAS LLC	BULL HORN FED 10-31-30-25	Producing	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	NWSW	10	30S-25E 1
43-037-31877-00-00	PATARA OIL & GAS LLC	MIDDLE MESA ST 36-12B-29-24	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	NENW	36	29S-24E 2

43-037-31878-00-00	PATARA OIL & GAS LLC	MIDDLE MESA ST 36-24B-29-24	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	SENE	36	29S-24E 3
43-037-31883-00-00	PATARA OIL & GAS LLC	BIG INDIAN FED 15-24B-30-25	Shut-In	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	SWNW	14	30S-25E 4
43-037-31884-00-00	PATARA OIL & GAS LLC	BIG INDIAN FED 23-13B-30-25	Approved permit (APD); not yet spudded	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	NWNE	23	30S-25E 5
43-037-31885-00-00	PATARA OIL & GAS LLC	BIG INDIAN FED 23-13-30-25	Approved permit (APD); not yet spudded	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	NWNE	23	30S-25E 6
43-037-31891-00-00	PATARA OIL & GAS LLC	BULL HORN FED 15-13-30-25	Producing	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	NENE	15	30S-25E 7
43-037-31893-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 30-41-29-25	Approved permit (APD); not yet spudded	Gas Well	UNDESIGNATED	SAN JUAN	SWSW	30	29S-25E 8
43-037-31897-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 5-10-30-25	Spudded (Drilling commenced: Not yet completed)	Gas Well	SOUTH PINE RIDGE	SAN JUAN	LT10	5	30S-25E 9
43-037-31901-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 25-43-29-24	Approved permit (APD); not yet spudded	Gas Well	UNDESIGNATED	SAN JUAN	SWSE	25	29S-24E 10
43-037-31902-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 25-41-29-24	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	SWSW	25	29S-24E 1
43-037-31903-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 25-31-29-24	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	NWSW	25	29S-24E 2
43-037-31904-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 26-34-29-24	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	NESW	26	29S-24E 3

43-037-31905-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 26-23-29-24	Approved permit (APD); not yet spudded	Gas Well	UNDESIGNATED	SAN JUAN	SWNE	26	29S-24E 4
43-037-31906-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 31-44-29-25	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	SESE	31	29S-25E 5
43-037-31907-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 31-33-29-25	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	NWSE	31	29S-25E 4
43-037-31909-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 31-22-29-25	Approved permit (APD); not yet spudded	Gas Well	SOUTH PINE RIDGE	SAN JUAN	SENW	31	29S-25E 7
43-037-31910-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 31-11-29-25	Approved permit (APD); not yet spudded	Gas Well	SOUTH PINE RIDGE	SAN JUAN	NWNW	31	29S-25E 8
43-037-50008-00-00	PATARA OIL & GAS LLC	CISCO STATE 36-13	Temporarily-Abandoned	Gas Well	WILDCAT	SAN JUAN	NWNE	36	31S-24E 9
43-037-50010-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 4-20-30-25	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	SWNW	4	30S-25E 60
43-037-50012-00-00	PATARA OIL & GAS LLC	Lisbon 11-32MC	Returned APD (Unapproved)	Oil Well	UNDESIGNATED	SAN JUAN	SWNE	11	30S-24E 1
43-037-50013-00-00	PATARA OIL & GAS LLC	Lisbon 14-11MC	Approved permit (APD); not yet spudded	Oil Well	LISBON	SAN JUAN	NWNW	14	30S-24E 2
43-037-50014-00-00	PATARA OIL & GAS LLC	Lisbon 10-44MC	Approved permit (APD); not yet spudded	Oil Well	LISBON	SAN JUAN	NWNW	14	30S-24E 3

43-037-50015-00-00	PATARA OIL & GAS LLC	Lisbon 3-32MC	Approved permit (APD); not yet spudded	Oil Well	LISBON	SAN JUAN	NESE	4	30S-24E	4
43-037-50016-00-00	PATARA OIL & GAS LLC	Lisbon 11-33MC	Approved permit (APD); not yet spudded	Oil Well	LISBON	SAN JUAN	NENW	14	30S-24E	5
43-037-50017-00-00	PATARA OIL & GAS LLC	Lisbon 11-21MC	Approved permit (APD); not yet spudded	Gas Well	LISBON	SAN JUAN	NWSE	10	30S-24E	6
43-037-50018-00-00	PATARA OIL & GAS LLC	Lisbon 3-43MC	Approved permit (APD); not yet spudded	Oil Well	LISBON	SAN JUAN	SESE	3	30S-24E	7
43-037-50019-00-00	PATARA OIL & GAS LLC	Lisbon 10-33MC	Spudded (Drilling commenced: Not yet completed)	Oil Well	LISBON	SAN JUAN	NWSE	10	30S-24E	8
43-037-50021-00-00	PATARA OIL & GAS LLC	Middle Mesa Fed 31-42-29-25	Approved permit (APD); not yet spudded	Gas Well	SOUTH PINE RIDGE	SAN JUAN	SESW	31	29S-25E	9
43-037-50026-00-00	PATARA OIL & GAS LLC	Middle Mesa Federal 5-8-30-25	Approved permit (APD); not yet spudded	Gas Well	SOUTH PINE RIDGE	SAN JUAN	NENE	5	30S-25E	10

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

Request to Transfer Application or Permit to Drill

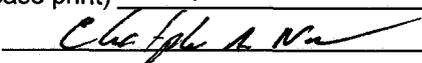
(This form should accompany a Sundry Notice, Form 9, requesting APD transfer)

Well name:	Middle Mesa Federal 5-8-30-25
API number:	4303750026
Location:	Qtr-Qtr: NENE Section: 5 Township: 30S Range: 25E
Company that filed original application:	Patara Oil & Gas LLC
Date original permit was issued:	03/20/2012
Company that permit was issued to:	Patara Oil & Gas LLC

Check one	Desired Action:
	Transfer pending (unapproved) Application for Permit to Drill to new operator
	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
	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?		✓
If so, has the surface agreement been updated?		✓
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?		✓
Have there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?		✓
Have there been any changes to the access route including ownership or right-of-way, which could affect the proposed location?		✓
Has the approved source of water for drilling changed?		✓
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?		✓
Is bonding still in place, which covers this proposed well? Bond No. <u>105865922</u>	✓	

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) Christopher Noonan Title Regulations & Production Reporting Supervisor
 Signature  Date 1/31/2013
 Representing (company name) CCI Paradox Upstream LLC

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.

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 Gas Well	5. LEASE DESIGNATION AND SERIAL NUMBER: UTU84218
2. NAME OF OPERATOR: CCI PARADOX UPSTREAM, LLC	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 600 17th Street, Suite 1900S , Denver, CO, 80202	7. UNIT or CA AGREEMENT NAME: MIDDLE MESA
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0722 FNL 1034 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 05 Township: 30.0S Range: 25.0E Meridian: S	8. WELL NAME and NUMBER: Middle Mesa Federal 5-8-30-25
PHONE NUMBER: 303 563-5364 Ext	9. API NUMBER: 43037500260000
9. FIELD and POOL or WILDCAT: SOUTH PINE RIDGE	COUNTY: SAN JUAN
	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 Approximate date work will start: 9/1/2013	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<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 OR 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"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input checked="" type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

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

CCI requests an extension to the approved State APD for the maximum allowable time. The current State approval is valid until March 20, 2013 and the current Federal approval is valid until January 4, 2014. We do not anticipate being able to commence drilling operations until after September 1, 2012. Thank you.

Approved by the Utah Division of Oil, Gas and Mining

Date: March 12, 2013

By:

NAME (PLEASE PRINT) Christopher Noonan	PHONE NUMBER 303 563-5377	TITLE Regulations Supervisor
SIGNATURE N/A	DATE 3/5/2013	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43037500260000

API: 43037500260000

Well Name: Middle Mesa Federal 5-8-30-25

Location: 0722 FNL 1034 FEL QTR NENE SEC 05 TWP 300S RNG 250E MER S

Company Permit Issued to: CCI PARADOX UPSTREAM, LLC

Date Original Permit Issued: 3/20/2012

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 rightof- 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: Christopher Noonan

Date: 3/5/2013

Title: Regulations Supervisor Representing: CCI PARADOX UPSTREAM, LLC



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER

Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA

Division Director

May 20, 2014

CCI Paradox Upstream, LLC
600 17th Street, Suite 1900S
Denver, CO 80202

Re: APD Rescinded – Middle Mesa Fed 5-8-30-25, Sec.5, T. 30S, R. 25E,
San Juan County, Utah API No. 43-037-50026

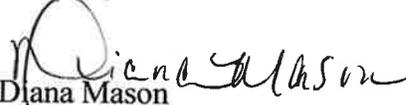
Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on March 20, 2012. On March 12, 2013 the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective May 20, 2014.

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

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

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Monticello

