

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 Falcon #1
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 WILDCAT
4. TYPE OF WELL Oil Well Coalbed Methane Well: NO		5. UNIT or COMMUNITIZATION AGREEMENT NAME
6. NAME OF OPERATOR FALCON EXPLORATION, INC.		7. OPERATOR PHONE 316 262-1378
8. ADDRESS OF OPERATOR 125 N. Market, Suite 1252, Wichita, KS, 67202		9. OPERATOR E-MAIL jason@ppsinc.com
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) FEE	11. MINERAL OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	12. SURFACE OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
13. NAME OF SURFACE OWNER (if box 12 = 'fee') The Edwards Revocable Trust Dated 2-26-2008		14. SURFACE OWNER PHONE (if box 12 = 'fee') 435-438-3031
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee') 264 North Main, Beaver, UT 84713		16. SURFACE OWNER E-MAIL (if box 12 = 'fee') alishaedwards@gmail.com
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	676 FNL 2047 FWL	NENW	8	28.0 S	7.0 W	S
Top of Uppermost Producing Zone	676 FNL 2047 FWL	NENW	8	28.0 S	7.0 W	S
At Total Depth	676 FNL 2047 FWL	NENW	8	28.0 S	7.0 W	S

21. COUNTY BEAVER	22. DISTANCE TO NEAREST LEASE LINE (Feet) 676	23. NUMBER OF ACRES IN DRILLING UNIT 40
25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 30917	26. PROPOSED DEPTH MD: 9000 TVD: 9000	
27. ELEVATION - GROUND LEVEL 6112	28. BOND NUMBER LPM9105258	29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE Yardley Construction

Hole, Casing, and Cement Information

String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
SURF	17.5	13.375	0 - 3000	68.0	J-55 Casing/Tubing	10.4	Class G	553	2.12	12.5
							Class G	400	1.16	15.8
PROD	8.75	5.5	0 - 9000	17.0	P-110 Other	10.4	Unknown	385	1.77	13.5
							Class G	366	1.53	15.8

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 checked="" 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 Terri L. Hartle	TITLE Regulatory Analyst	PHONE 435 896-5501
SIGNATURE	DATE 07/10/2013	EMAIL terri.hartle@westernls.com
API NUMBER ASSIGNED 43001500010000	APPROVAL  Permit Manager	

Well Name: Falcon # 1
Surface Location: 676' FNL, 2047' FWL
NE/4 NW/4 Section 8, T28S, R7W, S.L.B.&M.
Beaver County, Utah
TD Bottom-Hole Location: Same as Surface
Elevation: 6112' (Estimated Graded Elevation)

Geology:

Estimated tops of important Geologic tops and anticipated contents are as follows:

Cretaceous Shale: 0'-3600', O/W/G, 0.44 pressure Gradient
Arapien: 3600'-6000', O/W/G, 0.44 pressure gradient
Twin Creek: 6000'-7500', O/W/G, 0.44 pressure gradient
Navaho: 7500'-9000', O/G/W, 0.44 pressure gradient
Total Depth: 9000'

Proposed Mud Program:

Surface hole will be drilled using a fresh water LSND system using high viscosity sweeps for hole cleaning as required. Mud weights are planned to be 8.4-8.9 ppg. Lost circulation materials will be utilized as needed. Drill out of Surface casing using a Low Colloid Polymer System. Add salt and other materials as needed to control fluid loss and lost circulation. Mud weights anticipated will be 8.6-10.4 ppg. Should intermediate casing be required drill out using a minimum density LCP fluid. Mud weights should be between 8.6-9.2 ppg. A density of 9.2 ppg or less with a fluid loss of 10 cc's or less should be maintained if possible. Mud weights should not exceed 10.4 ppg.

Proposed Casing Program:

20" Conductor will be set and cemented at approximately 120'.

A 17 1/2" hole will be drilled to approximately 3000' and 13 3/8" 68# J55 surface casing will be set and cemented. Standard short thread couplings will be utilized. A stage tool will be run at 1500' for use in the event cement fails to circulate to surface. An 8 3/4" hole will be drilled to total depth of 9000' assuming no severe hole or drilling problems are

encountered. 5 ½" 17# P110 casing will be set at 9000' if the well shows to be productive. If severe drilling problems are encountered prior to reaching TD, the hole will be reamed to 12 ¼" and 9 5/8" 47# P110 intermediate casing set at approximately 6000'. 5 ½" 17# P110 will then be run from surface to TD inside the 9 5/8" casing. Standard 8 round long thread coupling connections will be used for the 9 5/8" (if required) and the 5 ½" casing strings.

Cementing Program:

Surface casing will be cemented with approximately 553 sx, G Blend, yield of 2.12 ft³/sx, 12.5 ppg followed by approximately 400 sx, G Blend, yield of 1.16 ft³/sx, 15.8 ppg. A stage tool will be set at 1500' in the event cement is not circulated to surface. If required, the surface casing will be topped out with 1" tubing using Premium cement.

Intermediate casing, if required, will be cemented with approximately 610 sx, TX1 Blend, yield 1.78 ft³/sx, 13.5 ppg, followed by 303 sx G Blend, yield 1.53, 15.8 ppg. Est TOC 3500 ft.

Production casing will be cemented with approximately 385 sx, TX1 Blend, yield 1.77 ft³/sx, 13.5 ppg, followed by 366 sx G Blend, yield 1.53 ft³/sx, 15.8 ppg. Est TOC 4500 ft.

Cement Program will be adjusted based on hole conditions and caliper log results.

Well Control:

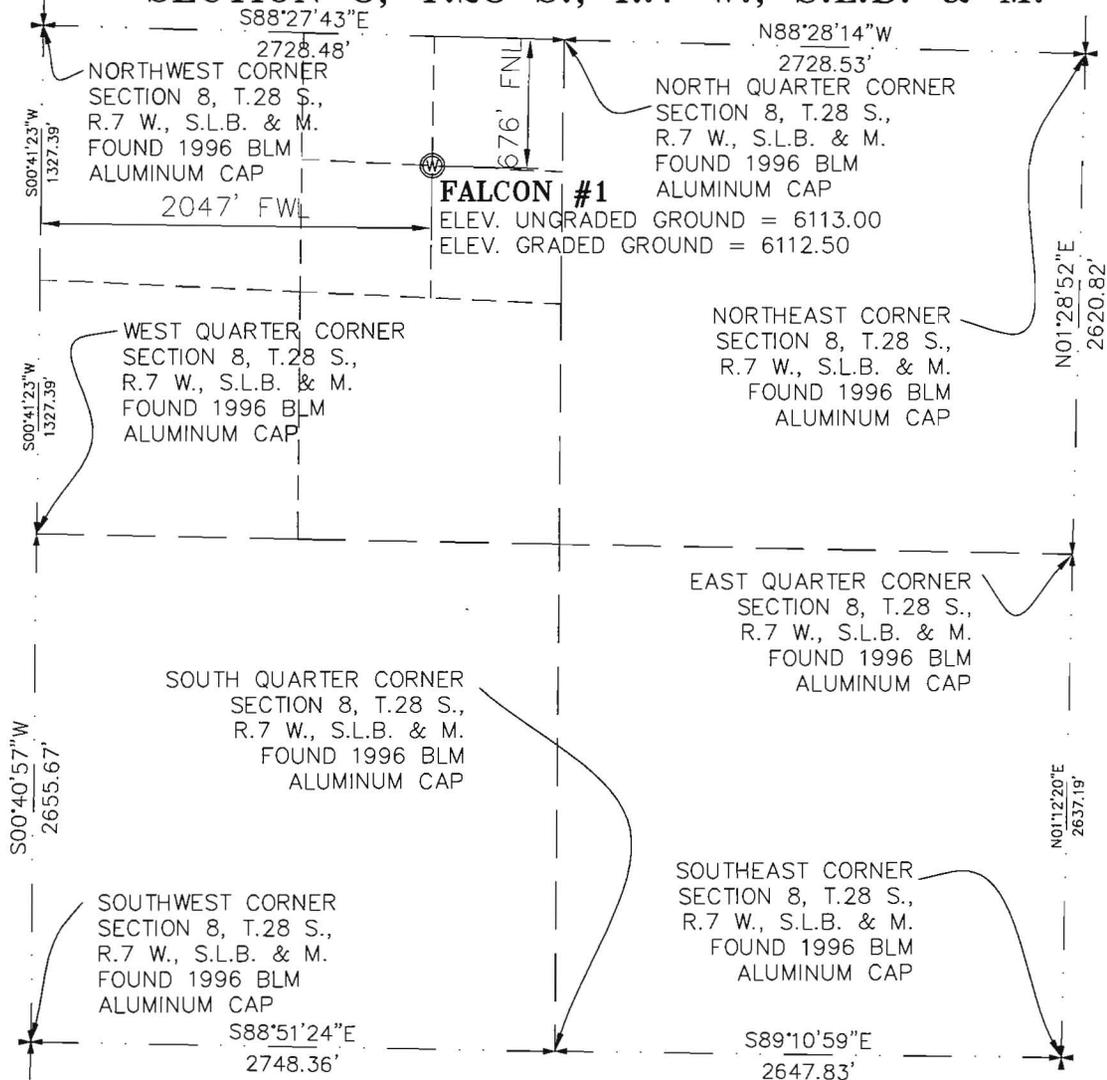
A 3000 psi Annular Preventer will be used for the drilling of the surface hole. A 3000 psi Schaffer double ram BOP system will be installed after Surface casing is set utilizing an adaptor flange if necessary. Testing of the BOP system will occur before drilling out of surface casing and again before drilling out of intermediate casing (if setting of intermediate casing is required). Pressure testing will also occur whenever any seal subject to test pressure is broken and replaced. The pipe and blind rams will be activated each trip, but not more than once a day. All BOP drills will be recorded in the IADC driller's log. The accumulator will have sufficient capacity to open the hydraulically controlled valves, close all rams plus the annular preventer, and retain a minimum of 200 psig above pre-charge on the closing manifold without the use of the closing unit pumps. All choke lines will be straight lines unless turns use tee blocks or are targeted with running tees. Lines will be anchored to prevent whip and vibration.

Wellbore Evaluation:

A mud logging unit will be in operation from spud to TD. Samples will be caught, cleaned, bagged and marked as required. A comprehensive set of electric logs will be run prior to setting surface, prior to running intermediate casing(if required), and at TD, hole conditions permitting. DST's may be run at TD if needed to fully evaluate the wellbore. No coring is

anticipated. No abnormal pressures are anticipated with estimated pressure at TD expected to be approximately 3960 psig.

SECTION 8, T.28 S., R.7 W., S.L.B. & M.



PROJECT
FALCON EXPLORATION
 WELL LOCATION, LOCATED AS SHOWN
 IN THE NE 1/4 OF THE NW 1/4 OF
 SECTION 8, T.28 S., R.7 W., S.L.B. & M.
 BEAVER COUNTY, UTAH

LEGEND

- ⊕ SECTION CORNER AS NOTED
- ⊕ QUARTER CORNER AS NOTED
- ⊕ PROPOSED WELL LOCATION

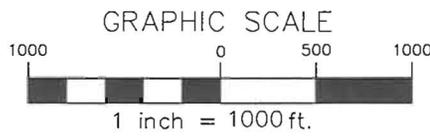
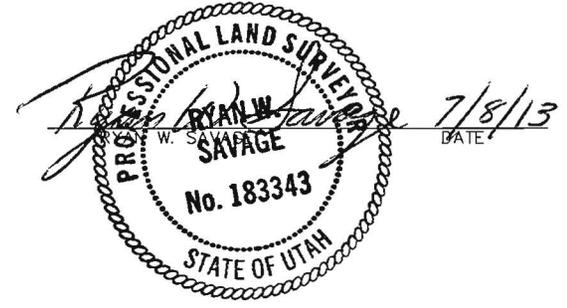
NOTE: THE PURPOSE OF THIS SURVEY WAS TO PLAT
 FALCON #1
 LOCATED NE 1/4 OF THE NW 1/4 OF
 SECTION 8, T.28 S., R.7 W., S.L.B. & M.
 BEAVER COUNTY, UTAH.

BASIS OF ELEVATION

ELEVATION BASED OPUS SOLUTION IN THE SW CORNER
 OF SECTION 8, T.28 S., R.7 W., S.L.B. & M.
 ELEVATION USED 6085.76

CERTIFICATE

THIS IS TO CERTIFY THAT THIS PLAT WAS PREPARED FROM
 FIELD NOTES OF ACTUAL SURVEYS MADE BY ME UNDER
 MY SUPERVISION, AND THAT THE SAME ARE TRUE AND
 CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



BASIS OF BEARING

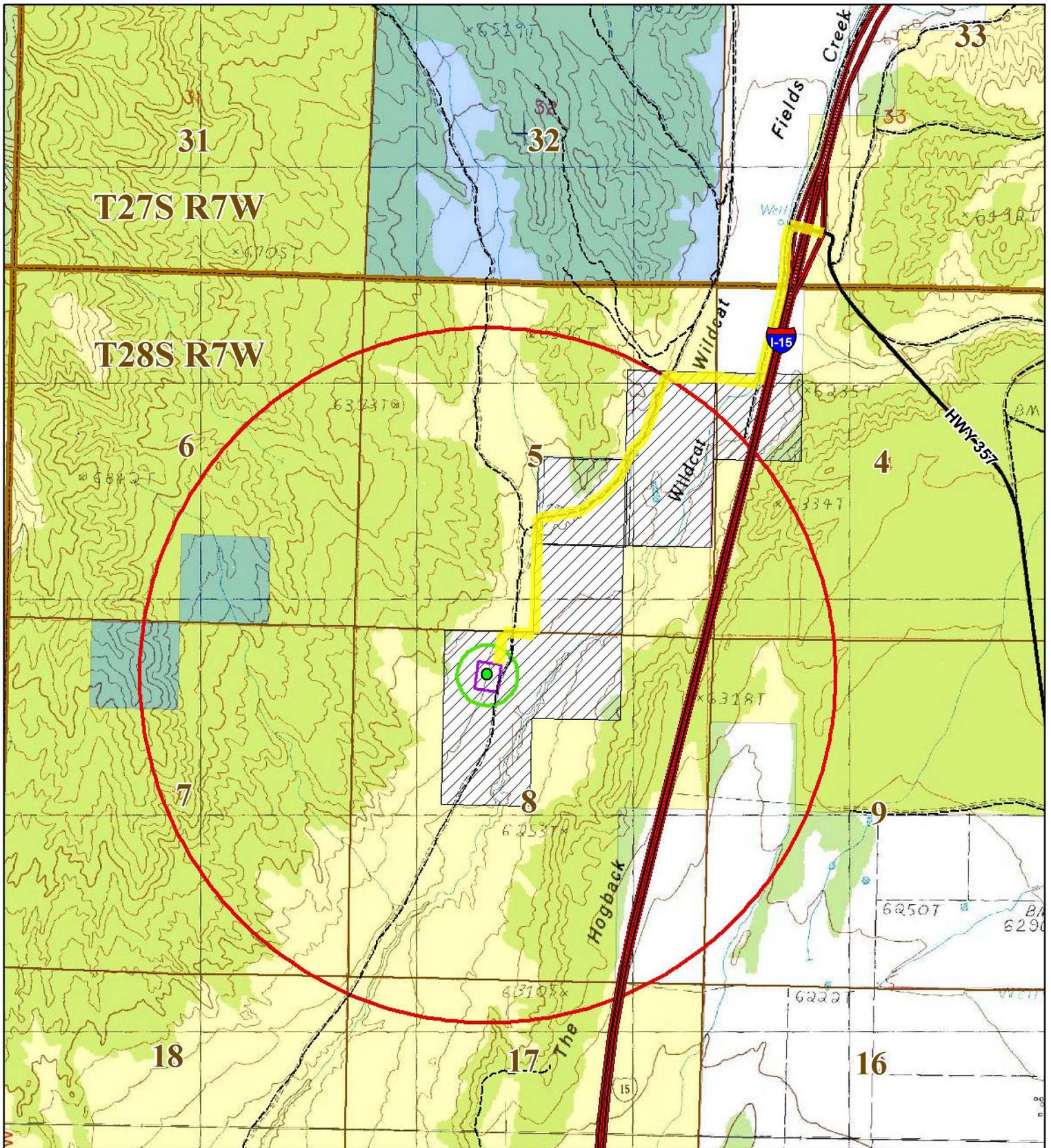
BASIS OF BEARING USED WAS S88°27'43"E BETWEEN THE NORTHWEST CORNER
 AND THE NORTH QUARTER CORNER OF SECTION 8, T.28 S., R.7 W., S.L.B. & M.

WELL LOCATION COORDINATE DATUM NAD 83
 WELL LATITUDE: 38°23'38.434" OR 38.394009
 WELL LONGITUDE: -112°40'07.805" OR -112.668835

Savage Surveying, Inc.

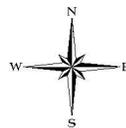
1925 South Industrial Park Rd.
 Richfield, UT 84701
 Office: 435-866-8635
 Fax: 435-898-0220

FALCON #1					
FALCON EXPLORATION					
DESIGN BY:	DWG NAME LOCATION	SCALE: 1" = 1000'	DATE: 5/31/13	PROJECT NUMBER: 1304-002S	SHEET NUMBER: 1
---	J.S.	R.W.S.	D.G.		



Legend

- Proposed Well Location
- Access Road
- Interstate
- Major Road
- Other Road
- Proposed Well Pad
- 460 ft Buffer
- 1 Mile Buffer
- Township
- Section
- Falcon O&G Lease
- BLM
- Private
- State



1:24,000
 GCS: NAD 1983
 Projection: UTM Zone 12N



Falcon Exploration	
Falcon Well #1 - Location Map	
 WESTERN LAND SERVICES Richfield, UT 84701 (435) 896-5501	
CONFIDENTIAL	
Prepared By: LB	Date: 7/9/2013

Disclaimer: No warranty is made for data usage purposes other than those intended by Western Land Services. Maps are created as part of a GIS that compiles records, information, and data from various sources. This data experiences frequent updates and accordingly, WLS shall not be liable for any errors or omissions herein.

RECEIVED: July 09, 2013

Ent 250854 Bk 473 Pg 90
Date: 26-MAR-2013 4:49:12PM
Fee: \$25.00 Check
Filed By: CP
BRUCE BROWN, Recorder
BEAVER COUNTY CORPORATION
For: FALCON EXPLORATION

SURFACE USE AGREEMENT

THIS SURFACE USE AGREEMENT (this "Agreement") is made and entered into this 22 day of Mar, 2013 (the "Effective Date") by and among the David Moses Edwards and Susan Edwards, Trustee or Successor Trustees of the Edwards Revocable trust dated 2-26-2008. ("Surface Owner") and Falcon Exploration, Inc. ("Falcon"), with offices at 125 N. Market, Suite 1252, Wichita, KS 67202, with respect to the following:

RECITALS

A. Surface Owner is the owner and in possession of the lands described in Exhibit "A", which is attached hereto and by this reference made a part hereof, such lands hereinafter referred to as the "Surface Rights Lands". Surface Owner acquired its rights in the Surface Rights Land pursuant to that certain Grant Deed dated December 26, 2000 and recorded in the Official Records of the Beaver County Recorder as Instrument Nos. 208577.

B. Surface Owner is entitled to compensation for Falcon's use of the Surface Rights Lands to support the exploration and development of its Mineral Rights Lands and/or leasehold Interests.

AGREEMENT

NOW THEREFORE, in consideration of the mutual promises and conditions set forth hereinafter, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Payment for Actual Damages. Falcon shall pay Surface Owner for any actual damages caused to the Surface Rights Lands during the term hereof. Falcon shall reimburse Surface Owner within 30 days of receipt of an invoice detailing the damages to the Surface Rights Lands that are reasonable and customary for damages in the area.

2. Term of Agreement. This Surface Use Agreement shall commence on the Effective Date and continue so long as Falcon is conducting drilling and/or production operations on the Surface Rights Lands and/or is using the Surface Rights Lands to support the exploration and development on leaseholds and lands in the vicinity of the Surface Rights Lands now owned or controlled, or hereafter acquired and controlled by Falcon, including without limitation, the mineral estate and/or leaseholds underlying the Surface Rights Lands (hereinafter collectively referred to as "Mineral Rights Lands/Leasehold Interests. This Agreement shall terminate after thirty day written notice by Falcon to the Surface Owner. In the event that Falcon is not conducting operations of any kind on the Surface Rights Lands at the end of the term of the oil and gas lease underlying the surface of the lands described in Exhibit "A," then this Surface Use Agreement shall have expired and Falcon shall have no right to access the Surface Rights Lands unless and until the parties reach a new agreement for such surface use rights.

3. Control of Operations. It is expressly understood and agreed that the nature and extent of Falcon's operations, if any, conducted by it on the Drillsite pursuant to this Agreement

shall be determined exclusively and solely by Falcon, but such operations shall not unreasonably interfere with the rights to surface use granted to any Lessees under one or more oil and gas leases covering the minerals underlying the Surface Rights Lands.

4. Drillsite, Rights of Way, and Easements.

A) Drillsites. The Surface Owner hereby grants to Falcon the right to drill, maintain and operate wells, pipelines, powerlines, tanks and all necessary facilities for the exploration, development, production, processing, and sale of oil, gas and other hydrocarbons to be produced from the Mineral Rights Lands/Leasehold Interests. The rights granted to Falcon herein shall include all rights to repair, redrill, deepen and abandon such wells and shall include (i) the right to conduct operations in such wells by methods now known or unknown, and (ii) the right to inject oil, gas, water or other substances into such wells to facilitate or enhance production from wells. The rights granted by this Agreement shall not be dependent upon the existence of a lease or leases of the oil and gas estate in and underlying the Surface Rights Lands.

B) Roadways, Pipelines and Pole Lines. The Surface Owner hereby grants to Falcon easements and rights of way to use, and to extend to the boundaries of the Surface Rights Lands, any roadways, pipelines and pole lines hereafter constructed along routes selected by Falcon and approved by Surface Owner for purposes of using all of the same in connection with any and all of Falcon's operations on the Surface Rights Lands as contemplated hereunder. Surface Owner and Falcon will agree on roadway location subject to survey for roadway easement. The parties further agree to confer and agree, on the location and placement of roadways, pipelines, leadlines, pole lines or other uses of the surface so as to minimize interference with Surface Owners use of the Surface Rights Lands, said agreement not to be unreasonably withheld.

C) Removal of Personal Property. Falcon shall have the right at any time and from time to time, during the continuance hereof and within a reasonable time after the termination hereof, to remove from the Surface Rights Lands and the rights of way granted herein all machinery, rigs, piping, casing, and other property and improvements of any kind whatsoever belonging to Falcon. Falcon agrees, within three (3) months after termination hereof, to remove all personal property and structures installed by it on the Surface Rights Lands and the rights of way granted herein and, insofar as is practicable, to restore the surface of the lands used by Falcon to the same conditions as existed before the use by Falcon.

5. Consent and Approval. The Surface Owner hereby consents to and approves the further exploration for, drilling for, producing, collecting, saving and delivering, storing, treating, processing, selling, removing and transporting of oil, gas, gasoline and other hydrocarbon substances and kindred materials by Falcon and its successors and assigns on the Surface Rights Lands and on and in the rights of way granted herein and further agrees to join with Falcon, but only to the extent required by law, in securing all zoning exceptions or variances and all permits by governmental agencies and authorities having jurisdiction over Falcon's operations.

6. Covenant Runs with the Land. The rights and obligations granted herein shall be covenants running with the land and shall inure to the benefit of the parties' successors and assigns. No change in the ownership of land covered by this Agreement, and no assignment or transfer by operation of law or otherwise of rents shall be binding on Falcon until it has been

furnished with a certified copy of the instrument of transfer.

7. Indemnification. Falcon shall defend, indemnify and hold harmless Surface Owner and Surface Owner's present and future parents, subsidiaries and affiliates, and their respective directors, officers, shareholders, partners, members, managers, employees, agents, trustees, attorneys, representatives, affiliates, successors and assigns, from and against all claims, liabilities, costs and expenses, including reasonable attorneys' fees, incident to or arising directly or indirectly out of (i) the actions or omissions of Falcon or its employees, agents, contractors, suppliers, consultants or other related parties, (ii) the use of the Surface Rights Lands by Falcon and its employees, agents, contractors, suppliers, consultants or other related parties (including without limitation personal injury and property damage), or (iii) Falcon's breach of this Agreement.

8. Compliance With Law. Falcon shall, at its expense, comply with all applicable federal, state and local laws, regulations, rules and orders, regardless of when they became or become effective, relating to the Mineral Rights Lands or Leasehold Interests, or relating to Falcon's use of the Surface Rights Lands, including, without limitation, all laws regulating to the handling, manufacturing, treatment, storage, disposal, discharge, use or transportation of toxic or hazardous substances, materials or wastes or any wastes regulated under any federal, state or local law, rule or regulation. If Falcon or any of its employees, agents, contractors, suppliers, consultants or other related parties shall cause any release of any hazardous substances on the Surface Rights Lands, or shall otherwise violate any applicable environmental law, Falcon, at its expense, shall promptly remediate such release so as to restore the Surface Rights Lands to its environmental condition prior to the release in accordance with any requirements of any governmental body having jurisdiction. Falcon further agrees to obey all rules regarding vehicular traffic, including speed limits, on the Surface Rights Lands.

9. Representations and Warranties.

By Falcon. Falcon hereby represents and warrants to Surface Owner that (i) Falcon has all right, title and interest in the Mineral Rights Lands and the Leasehold Interests, (ii) Falcon has all necessary power to execute and deliver this Agreement and to perform all of its obligations hereunder, (iii) this Agreement has been duly authorized by all requisite action on the part of Falcon, and is the valid and legally binding obligation of Falcon, enforceable in accordance with its terms, and (iv) the person executing this Agreement on behalf of Falcon has the full power and authority to do so.

By Surface Owner. Surface Owner hereby represents and warrant to Falcon that (i) the party identified as the "Surface Owner" in the preamble paragraph of this Agreement is the true and legal owner of the surface estate of the Surface Rights Lands, (ii) Surface Owner has all necessary power to execute and deliver this Agreement and to perform all of their obligations hereunder, (iii) this Agreement has been duly authorized by all requisite action on the part of Surface Owner, and is the valid and legally binding obligation of Surface Owner, enforceable in accordance with its terms, and (iv) the person(s) executing this Agreement on behalf of Surface Owner have the full power and authority to do so.

10. Governing Law and Enforcement. This Agreement is to be construed pursuant to the laws of the State of Utah. Any legal action arising from this Agreement shall be brought

in a court with appropriate jurisdiction located within the State of Utah. By executing this Agreement, the Parties agree to be subject to the personal jurisdiction of such courts for any such actions.

11. Unenforceable Provisions. If any part of this Agreement is held to be void or unenforceable, such part shall not affect the validity and enforceability of the remaining enforceable parts of the Agreement unless the unenforceable provisions constitute a material loss of consideration for entering this Agreement, in which case either Surface Owner or Falcon may, upon 30 days written notice, declare the entire Agreement terminated and void.

12. Notices. All notices required or contemplated under this Agreement shall be given by either email, facsimile, hand delivery or registered or certified mail, postage prepaid, return receipt requested, to the parties at the following addresses, or at such other addresses as may be designated by either party to the other by written notice, and shall be considered as having been delivered upon the earlier of actual receipt or, if mailed, three (3) business days after being placed in the mail:

If to Surface Owner:

David Moses Edward and Susan Edwards, Trustee or
Successor Trustees of the Edwards Revocable Trust dated
2-26-2008

Attn: David Edwards
264 North Main
Manderfield, UT 84713
Telephone: 435-438-3031

And a copy to:
Tavish Edwards
140 South Main
Manderfield, UT 84713

Telephone: 435-310-0158
Email: alishaedwards@gmail.com

If to Falcon:

Falcon Exploration, Inc.
125 N. Market, Suite 1252
Wichita, KS 67202
Attn: Jason Mitchell, Vice-President

Telephone: 316-262-1378
Fax: 316-265-3354
Email: Jason@ppiinc.com

13. Miscellaneous. This Agreement contains the entire understanding among the parties with respect to the subject matter hereof, and no modification of this Agreement shall be binding upon either party unless such modification is in writing and executed by both parties. This Agreement may be executed in counterparts, and when all parties hereto have executed this Agreement, it shall be binding on all parties to the same extent as if they had executed the same

document. This Agreement shall be governed by and construed in accordance with the laws of the State of Utah without regard to conflicts of law principles.

14. Confidentiality. Subject to any obligation to comply with any applicable law, all confidential or proprietary information obtained by either party from the other party and all trade secrets and confidential or proprietary information relating to either party, **INCLUDING WITHOUT LIMITATION THE TERMS AND CONDITIONS OF THIS AGREEMENT, SHALL BE KEPT IN THE STRICTEST CONFIDENCE** by the other party and their respective shareholders, members, partners, directors, officers, managers, employees, agents or advisors (including attorneys, accountants, consultants and financial advisors and their respective representatives) to the same degree as such party maintains its own confidential information until such time, if any, as any such data or information either is, or becomes, published or a matter of public knowledge; provided, however, that the foregoing shall not apply to any information obtained by a party as a result of its own independent studies of the other party or received by a party from a third party not under any obligation to keep such information confidential, or any information obtained by a party which is generally known to others engaged in the trade or business of the other party. If this Agreement shall be terminated for any reason, or breached, each party shall destroy or return or cause to be returned to the other party all written data, information, files, records and copies of documents, worksheets and other materials obtained by such party in connection with the transaction contemplated hereby.

15. Drafting. This Agreement is the result of negotiations between the Parties, each of which has participated in drafting the Agreement. This Agreement shall not be construed for or against any Party as the drafter of any portion thereof.

16. Headings. The section headings set forth in this Agreement are included for the convenience of reference only and shall be disregarded in the construction and interpretation of any of the provisions of this Agreement.

17. Water. Falcon agrees that no water shall be taken for its operations without first executing a written agreement for the purchase of the water at fair market value in the area.

18. No Hunting. Falcon agrees to instruct its employees and contractors that no hunting on the Surface Rights Lands is allowed.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

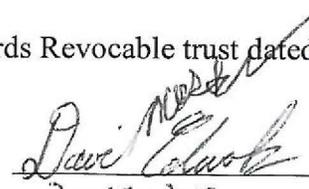
FALCON:

SURFACE OWNER:

Falcon Exploration, Inc.

Edwards Revocable trust dated 2-26-2008

By: 
Stephen A. Murphy, Vice President

By: 
Date: 3-19-2013

Date: 3-8-2013

By: *Susan Edwards*
Date: 3/23/13

STATE OF UTAH)
) ss.
COUNTY OF Beaver)

BEFORE ME, the undersigned a Notary Public, within and for said County and State, on this 22 day of Mar, 2013, appeared David Moses Edwards, Trustee of the Edwards Revocable trust dated 2-26-2008, to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

Bruce Brown

Notary Public

My Commission Expires:

STATE OF UTAH)
) ss.
COUNTY OF BEAVER)



BEFORE ME, the undersigned a Notary Public, within and for said County and State, on this 22 day of Mar, 2013, appeared Susan Edwards, trustee or successor trustee of the Edwards Revocable trust dated 2-26-2008, to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

Bruce Brown

Notary Public

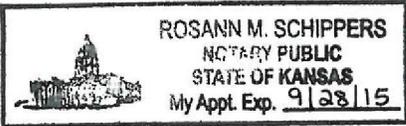
My Commission Expires:



STATE OF KANSAS)
) ss.
COUNTY OF SEDGWICK)

BEFORE ME, the undersigned, a Notary Public in and for the county and state aforesaid, on this 8th day of March, 2013, came Stephen A. Murphy, Vice-President of Falcon Exploration, Inc., a corporation duly organized, incorporated and existing under and by virtue of the laws of Kansas, who is personally known to me to be the same person who executed, as such officer, the within instrument of writing on behalf of said corporation, and such person duly acknowledged the execution of the same to be the act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.



Rosann M Schippers

Rosann M. Schippers, Notary Public

My Commission Expires: September 28, 2015

EXHIBIT "A"

Attached to and made a part of that certain Surface Use Agreement dated 22 day of March, 2013 by David Moses Edward and Susan Edwards, Trustee or Successor Trustees of the Edwards Revocable trust dated 2-26-2008, and **Falcon Exploration, Inc.**

LEGAL DESCRIPTION OF SURFACE RIGHTS LANDS

Township 28 South , Range 7 West

Section: 5

SW $\frac{1}{4}$ SE $\frac{1}{4}$

Township 28 South , Range 7 West

Section: 8

E $\frac{1}{2}$ NW $\frac{1}{4}$;

NW $\frac{1}{4}$ NE $\frac{1}{4}$

**Falcon Exploration
Falcon #1
Surface Use Plan of Operations**

Company: Falcon Exploration
Well: Falcon #1
Location: Sec. 8, T 28S, R 7W SLBM

SURFACE USE PLAN

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

1. Existing Roads:

Location of proposed well in relation to town or other reference point: The well location is approximately 8 miles north of Beaver, Utah.

Proposed route to location: See attached Location Map.

Plans for improvement and/or maintenance of existing roads: Initial access from Interstate 15 will be from the Manderfield Exit (120), turning west onto Hwy 357 and passing under the freeway. You then turn south on an old unused UDOT frontage dirt road. You follow this road for approximately .5 miles. You then turn right onto a private dirt road for approximately 1.4 miles to the pad location. The Location Map indicates the proposed well site and the proposed access route.

2. Planned Access Roads:

Location (centerline): The access road would be from the private dirt road. Refer to PAD diagram, Sheets 1, 2 & 3.

3. Location of Existing Wells:

There are no oil or gas wells within a one mile radius of the proposed well. See attached Location Map.

4. Location of Production Facilities:

On-site facilities: If the well is a producer all or part of the following equipment would be applied for and installed on the location.

There will be 5-400 BBL oil tanks and 2-400 BBL salt water tanks.
1 high pressure 36" x 10' 3 phase separator
1 low pressure 30" x 10' 3 phase separator
1-6' x 20' heater treater
1-3 phase high pressure gas production unit
1 gas dehydrator
1 gas compressor
2 transfer pumps for handling produced fluids
1 large beam pumping unit and engine

Off-site facilities: None

Pipelines: None. If a pipeline becomes necessary it would be applied for at a later date.

Other: All permanent (in place for six months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, non-reflective color to match the standard environmental colors, as determined by the Authorized Officer. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will be as follows: Colors will match the surrounding soils and vegetation.

If a gas meter run is constructed, it will be located on lease within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and will be buried downstream of the meter until it leaves the pad. Meter runs will be housed and/or fenced. The gas meter shall be calibrated prior to first sales and shall be calibrated quarterly thereafter.

If a tank battery is constructed on this lease, it will be surrounded by a berm of sufficient capacity to contain 1½ times the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. If water is produced from the well; steel coated water tanks will be used.

5. Location and Type of Water Supply:

All water needed for drilling purposes will be municipal water purchased from Yardley Construction.

6. Source of Construction Material:

Additional material, if needed, will be obtained from a private source.

7. Methods of Handling Waste Disposal:

The reserve pit will be lined with (native material, bentonite, synthetic material): The pit will be lined with 12 mil, or greater depending on the pit substrate, thick polyethylene nylon reinforced liner material.

See construction diagrams, PAD diagram, Sheets 1, 2 & 3 for the pit location. The pit walls will be sloped at no greater than 2 to 1.

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

The reserve pit will be used for the disposal of waste mud and drill cuttings. All borehole

fluids will be contained in the reserve pit. All appropriate measures will be taken to prevent leakage into the substratum or onto the surface. All appropriate measures will be taken to prevent overflow, and a minimum of 2 feet of freeboard will be maintained in the reserve pit. It will be constructed on the well pad. See PAD diagram, Sheets 1, 2 & 3.

Wastewater will not be discharged on the surface at this site and the drilling of the well will not require a wastewater management plan. All rubbish and debris will be kept in containers on the well site, and will be hauled to an approved disposal site upon completion of drilling and completion operations and as needed during such operations. There will be no chemical disposal of any type.

Self-contained, portable toilets will be used for human waste, and the waste will be disposed at an approved landfill. Sanitation will comply with local and state regulations for the disposal of human waste.

8. Ancillary Facilities:

There will be no permanent camps or facilities, only trailers, garbage containers and portable toilets.

9. Well Site Layout:

See construction diagrams, PAD diagram, Sheets 1, 2 & 3 for the well pad layout and access to the pad.

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

To minimize the amount of fugitive dust and spray escaping from the blooie pit, the following blooie line deflection method will be employed: water injection

10. Plans for Restoration of the Surface:

The top 2 to 3 inches of topsoil material will be removed from the location and stockpiled separately adjacent to the pad, see PAD diagram, Sheets 1 & 2.

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

The reserve pit and that portion of the location not needed for production will be reclaimed. Before any dirt work to restore the location takes place, the reserve pit must be completely dry.

All disturbed areas will be recontoured to replicate the natural slope and the stockpiled topsoil will be evenly distributed over the disturbed area.

The abandonment marker will be as specified by UDOGM.

Reclamation of the surface will commence as soon after construction, drilling and well completion are concluded, as is practicable. In the event of a dry hole, the drill site will be restored to their original condition as soon as possible, depending on weather and other extenuating circumstances.

All junk, debris, or other foreign material must be removed before initiating any dirt work to restore the location. The fence around the reserve pit will be maintained in good repair during the drilling operations and will be completed by constructing the fourth side while the pit is drying. It will remain in place until the pit is completely dry and the site restoration begins. All fences will be four-strand barbed wire.

The reserve pit and that portion of the location and access road not needed for production or production facilities will be reclaimed. All stockpiled topsoil, in proportion to the area being reclaimed, will be used in reclaiming areas without an on-going operation.

Site reclamation will be as indicated in the Surface Use Agreement.

11. Surface and Mineral Ownership:

The surface and minerals of the proposed well site are privately owned.

12. Other Information:

Any accumulation of hydrocarbons in the reserve pit will be removed and recovered for sale unless it is determined by the Authorized Officer to be waste oil. All waste oil will be disposed of properly at approved facilities.

For reclamation, the pit liner, which is exposed above the cuttings, will be cut and removed from the site and disposed in an authorized landfill. The reserve pit will be backfilled to slightly above grade to allow for settling of the unconsolidated fill material.

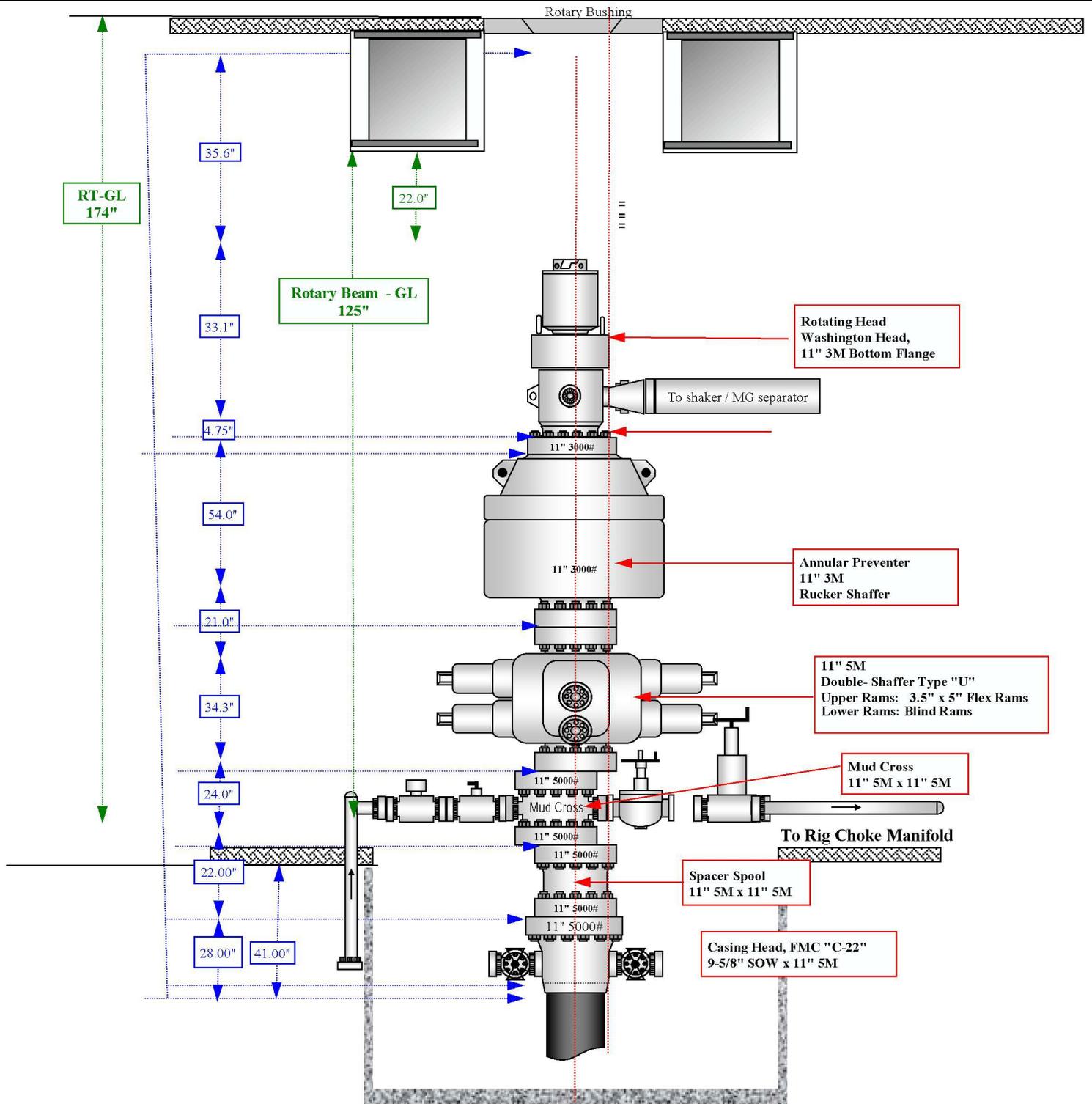
All equipment and vehicles will be confined to the access roads and well pad.

Any facilities in an existing right of way that are damaged as a result of the oil and gas operations will be repaired or replaced.

Fire suppression equipment will be available to suppress any wildfires caused by construction or related activities. In the event of a wildfire, the Color Country Fire Dispatch will be notified 435-865-4600.

Operator: **Aztec Drilling**

Date: 22-May-13



SELF-CERTIFICATION STATEMENT

The following self-certification statement is provided per federal requirements dated May 7, 2007.

Please be advised that Falcon Exploration, Inc. is considered to be the operator of the following well:

Falcon #1
Section 8, T28S, R7W, S.L.B.&M.
Surface: 676' FNL & 2047' FWL (NE/4NW/4)
BHL: 676' FNL & 2047' FWL (NE/4NW/4) Beaver County, Utah

Falcon Exploration, Inc. is responsible under the terms of the lease for the operations conducted upon the lease lands.

Operator's Representative and Certification

A) Representative

Name: Shawn Burd
Address: Western Land Services, Inc.
195 N. 100 E.
Richfield, UT 84701

Phone: 435-896-5501

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations and onshore oil and gas orders. Falcon Exploration, Inc. is fully responsible for the actions of its subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

The drilling permit will be valid for a period of two years from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

B) Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge and belief, true and correct; and that the work associated with the operations proposed herein will be performed by Berry Petroleum Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

DATE

7/9/13

SHAWN BURD - Agent





FALCON EXPLORATION

FALCON #1
SECTION 8, T.28 S., R.7 W., S.L.B. & M.

ELEV. UNGRADED GROUND AT WELL= 6113.0
ELEV. GRADED GROUND AT WELL = 6112.50

APPROXIMATE YARDAGE

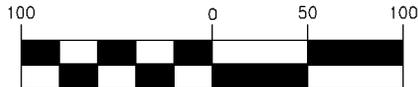
(6") UPPER TOPSOIL STRIPPING = 2,722 CU. YDS.
REMAINING LOCATION = 22,530 CU. YDS.
TOTAL CUT = 25,252 CU. YDS.
TOTAL FILL = 12,479 CU. YDS.
*FILL IS UNADJUSTED

TOTAL PIT CAPACITY WITH 2' FREEBOARD = 30,171 bbls
TOTAL PIT VOLUME = 8,216 CU. YDS.

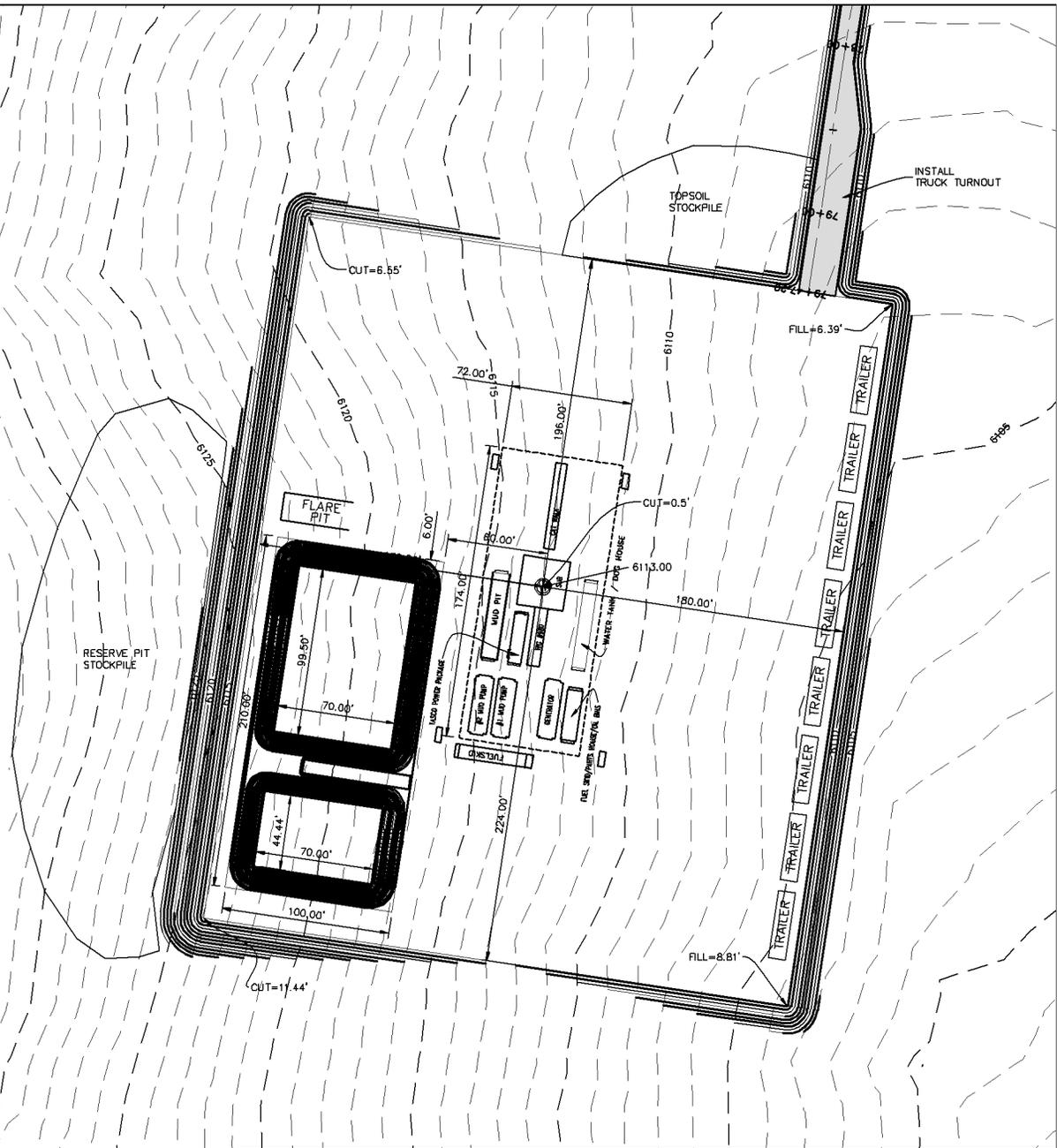
LEGEND

- 6112 —— DESIGN MAJOR CONTOUR
- DESIGN MINOR CONTOUR
- 6112 —— EXISTING MAJOR CONTOUR
- EXISTING MINOR CONTOUR
- SECTION LINE
- QUARTER SECTION LINE
- 40 ACRE LINE
- x-x-x-x-x- EXISTING FENCE

GRAPHIC SCALE

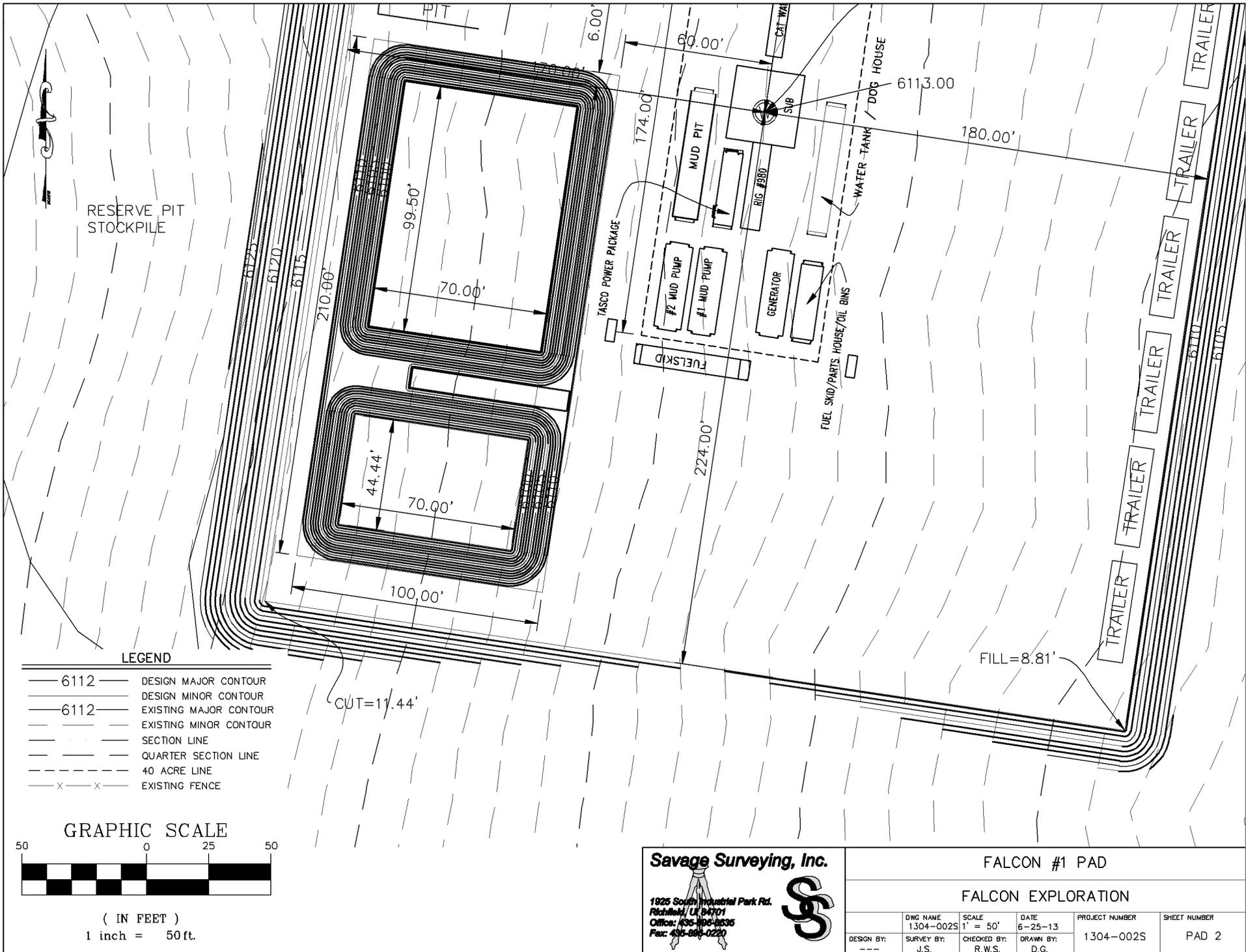


(IN FEET)
1 inch = 100 ft.



Savage Surveying, Inc.
1825 South Industrial Park Rd.
Ridgely, UT 84701
Office: 435-966-8635
Fax: 435-966-0220

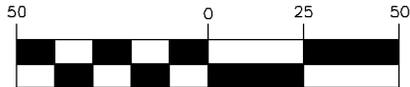
FALCON #1 PAD					
FALCON EXPLORATION					
DWG NAME	SCALE	DATE	PROJECT NUMBER	SHEET NUMBER	
1304-002S	1" = 100'	6-25-13	1304-002S	PAD 1	
DESIGN BY:	SURVEY BY:	CHECKED BY:	DRAWN BY:		
---	J.S.	R.W.S.	D.G.		



LEGEND

- 6112 ——— DESIGN MAJOR CONTOUR
- 6112 ——— DESIGN MINOR CONTOUR
- 6112 ——— EXISTING MAJOR CONTOUR
- 6112 ——— EXISTING MINOR CONTOUR
- ——— SECTION LINE
- ——— QUARTER SECTION LINE
- ——— 40 ACRE LINE
- x — x ——— EXISTING FENCE

GRAPHIC SCALE



(IN FEET)
1 inch = 50ft.

Savage Surveying, Inc.
 1825 South Industrial Park Rd.
 Ruidisahl, UT 84701
 Office: 435-896-8635
 Fax: 435-896-0220



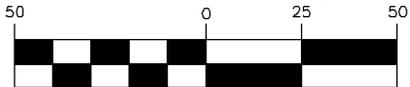
FALCON #1 PAD					
FALCON EXPLORATION					
DWG NAME	SCALE	DATE	PROJECT NUMBER	SHEET NUMBER	
1304-002S	1" = 50'	6-25-13	1304-002S	PAD 2	
DESIGN BY:	SURVEY BY:	CHECKED BY:	DRAWN BY:		
---	J.S.	R.W.S.	D.G.		



LEGEND

- 6112 — DESIGN MAJOR CONTOUR
- 6112 — DESIGN MINOR CONTOUR
- 6112 — EXISTING MAJOR CONTOUR
- 6112 — EXISTING MINOR CONTOUR
- — SECTION LINE
- — QUARTER SECTION LINE
- - - - 40 ACRE LINE
- x - x - EXISTING FENCE

GRAPHIC SCALE



(IN FEET)
1 inch = 50ft.

Savage Surveying, Inc.

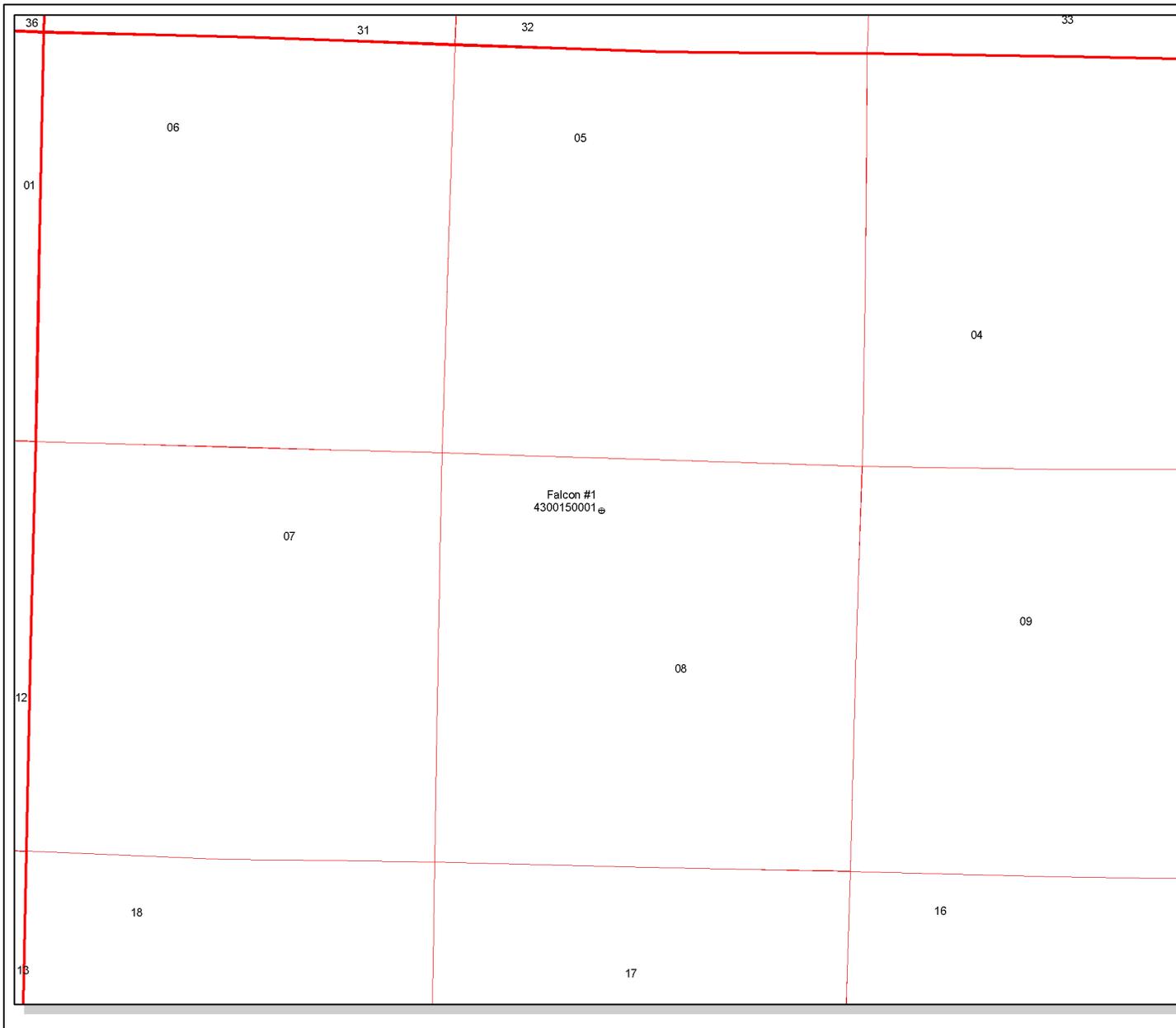
1825 South Industrial Park Rd.
Ridgeland, LA 70471
Office: 435-466-8635
Fax: 435-884-0220



FALCON #1 PAD

FALCON EXPLORATION

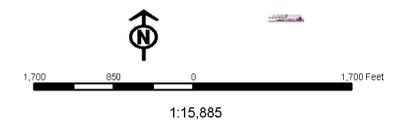
DWG NAME	SCALE	DATE	PROJECT NUMBER	SHEET NUMBER
1304-002S	1" = 50'	6-25-13	1304-002S	PAD 3
DESIGN BY:	SURVEY BY:	CHECKED BY:	DRAWN BY:	
---	J.S.	R.W.S.	D.G.	



API Number: 4300150001
Well Name: Falcon #1
Township T28.0S Range R07.0W Section 08
Meridian: SLBM
Operator: FALCON EXPLORATION, INC.

Map Prepared:
Map Produced by Diana Mason

- Units STATUS**
- ACTIVE
 - EXPLORATORY
 - GAS STORAGE
 - NF PP OIL
 - NF SECONDARY
 - PI OIL
 - PP GAS
 - PP GEOTHERML
 - PP OIL
 - SECONDARY
 - TERMINATED



BOPE REVIEW FALCON EXPLORATION, INC. Falcon #1 43001500010000

Well Name	FALCON EXPLORATION, INC. Falcon #1 43001500010000			
String	<input type="text" value="SURF"/>	<input type="text" value="PROD"/>	<input type="text"/>	<input type="text"/>
Casing Size(")	<input type="text" value="13.375"/>	<input type="text" value="5.500"/>	<input type="text"/>	<input type="text"/>
Setting Depth (TVD)	<input type="text" value="3000"/>	<input type="text" value="9000"/>	<input type="text"/>	<input type="text"/>
Previous Shoe Setting Depth (TVD)	<input type="text" value="0"/>	<input type="text" value="3000"/>	<input type="text"/>	<input type="text"/>
Max Mud Weight (ppg)	<input type="text" value="10.4"/>	<input type="text" value="10.4"/>	<input type="text"/>	<input type="text"/>
BOPE Proposed (psi)	<input type="text" value="3000"/>	<input type="text" value="3000"/>	<input type="text"/>	<input type="text"/>
Casing Internal Yield (psi)	<input type="text" value="3450"/>	<input type="text" value="10640"/>	<input type="text"/>	<input type="text"/>
Operators Max Anticipated Pressure (psi)	<input type="text" value="3960"/>	<input type="text" value="8.5"/>	<input type="text"/>	<input type="text"/>

Calculations	SURF String	13.375	"	
Max BHP (psi)	.052*Setting Depth*MW=	<input type="text" value="1622"/>		
			BOPE Adequate For Drilling And Setting Casing at Depth?	
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	<input type="text" value="1262"/>	<input type="text" value="YES"/>	<input type="text" value="annular preventer"/>
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	<input type="text" value="962"/>	<input type="text" value="YES"/>	<input type="text" value="FWLSND mud"/>
			*Can Full Expected Pressure Be Held At Previous Shoe?	
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	<input type="text" value="962"/>	<input type="text" value="NO"/>	<input type="text" value="No expected pressure"/>
Required Casing/BOPE Test Pressure=		<input type="text" value="2415"/>	psi	
*Max Pressure Allowed @ Previous Casing Shoe=		<input type="text" value="0"/>	psi *Assumes 1psi/ft frac gradient	

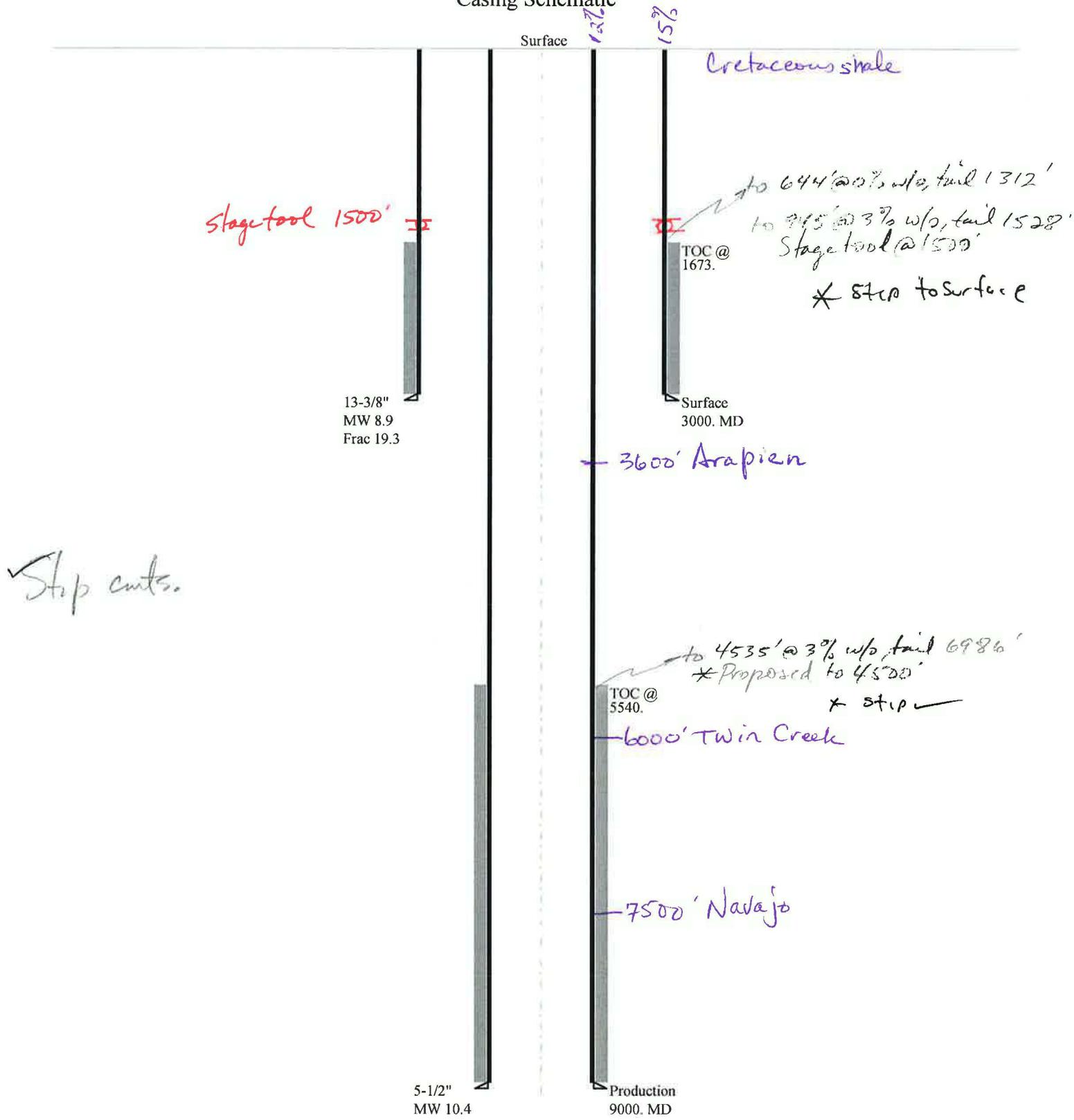
Calculations	PROD String	5.500	"	
Max BHP (psi)	.052*Setting Depth*MW=	<input type="text" value="4867"/>		
			BOPE Adequate For Drilling And Setting Casing at Depth?	
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	<input type="text" value="3787"/>	<input type="text" value="NO"/>	<input type="text" value="3M Schaffer dbl ram on annular preventer"/>
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	<input type="text" value="2887"/>	<input type="text" value="YES"/>	<input type="text" value="OK"/>
			*Can Full Expected Pressure Be Held At Previous Shoe?	
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	<input type="text" value="3547"/>	<input type="text" value="NO"/>	<input type="text" value="OK"/>
Required Casing/BOPE Test Pressure=		<input type="text" value="3000"/>	psi	
*Max Pressure Allowed @ Previous Casing Shoe=		<input type="text" value="3000"/>	psi *Assumes 1psi/ft frac gradient	

Calculations	String		"	
Max BHP (psi)	.052*Setting Depth*MW=	<input type="text"/>		
			BOPE Adequate For Drilling And Setting Casing at Depth?	
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	<input type="text"/>	<input type="text" value="NO"/>	<input type="text"/>
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	<input type="text"/>	<input type="text" value="NO"/>	<input type="text"/>
			*Can Full Expected Pressure Be Held At Previous Shoe?	
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	<input type="text"/>	<input type="text" value="NO"/>	<input type="text"/>
Required Casing/BOPE Test Pressure=		<input type="text"/>	psi	
*Max Pressure Allowed @ Previous Casing Shoe=		<input type="text"/>	psi *Assumes 1psi/ft frac gradient	

Calculations	String		"	
Max BHP (psi)	.052*Setting Depth*MW=	<input type="text"/>		
			BOPE Adequate For Drilling And Setting Casing at Depth?	
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	<input type="text"/>	<input type="text" value="NO"/>	<input type="text"/>
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	<input type="text"/>	<input type="text" value="NO"/>	<input type="text"/>
			*Can Full Expected Pressure Be Held At Previous Shoe?	
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	<input type="text"/>	<input type="text" value="NO"/>	<input type="text"/>
Required Casing/BOPE Test Pressure=		<input type="text"/>	psi	
*Max Pressure Allowed @ Previous Casing Shoe=		<input type="text"/>	psi *Assumes 1psi/ft frac gradient	

43001500010000 Falcon #1

Casing Schematic



Well name:	43001500010000 Falcon #1	
Operator:	FALCON EXPLORATION, INC.	
String type:	Surface	Project ID: 43-001-50001
Location:	BEAVER COUNTY	

Design parameters:

Collapse

Mud weight: 8.900 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 116 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 12 ft
Cement top: 1,673 ft

Burst

Max anticipated surface pressure: 2,640 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 3,000 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.70 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on air weight.
Neutral point: 2,603 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 9,000 ft
Next mud weight: 10,400 ppg
Next setting BHP: 4,862 psi
Fracture mud wt: 19,250 ppg
Fracture depth: 3,000 ft
Injection pressure: 3,000 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	3000	13.375	68.00	J-55	ST&C	3000	3000	12.29	43758
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	1387	1950	1.406	3000	3450	1.15	204	675	3.31 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Mining

Phone: 801-538-5357
FAX: 801-359-3940

Date: August 19, 2013
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 3000 ft, a mud weight of 8.9 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	43001500010000 Falcon #1	
Operator:	FALCON EXPLORATION, INC.	
String type:	Production	Project ID: 43-001-50001
Location:	BEAVER COUNTY	

Design parameters:

Collapse

Mud weight: 10.400 ppg
Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 2,882 psi
Internal gradient: 0.220 psi/ft
Calculated BHP: 4,862 psi

No backup mud specified.

Minimum design factors:

Collapse:

Design factor: 1.125

Burst:

Design factor: 1.00

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.60 (B)

Tension is based on air weight.
Neutral point: 7,581 ft

Environment:

H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 200 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft
Cement top: 5,540 ft

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	9000	5.5	17.00	P-110	LT&C	9000	9000	4.767	59281
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	4862	7480	1.538	4862	10640	2.19	153	445	2.91 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Mining

Phone: 801 538-5357
FAX: 801-359-3940

Date: August 19, 2013
Salt Lake City, Utah

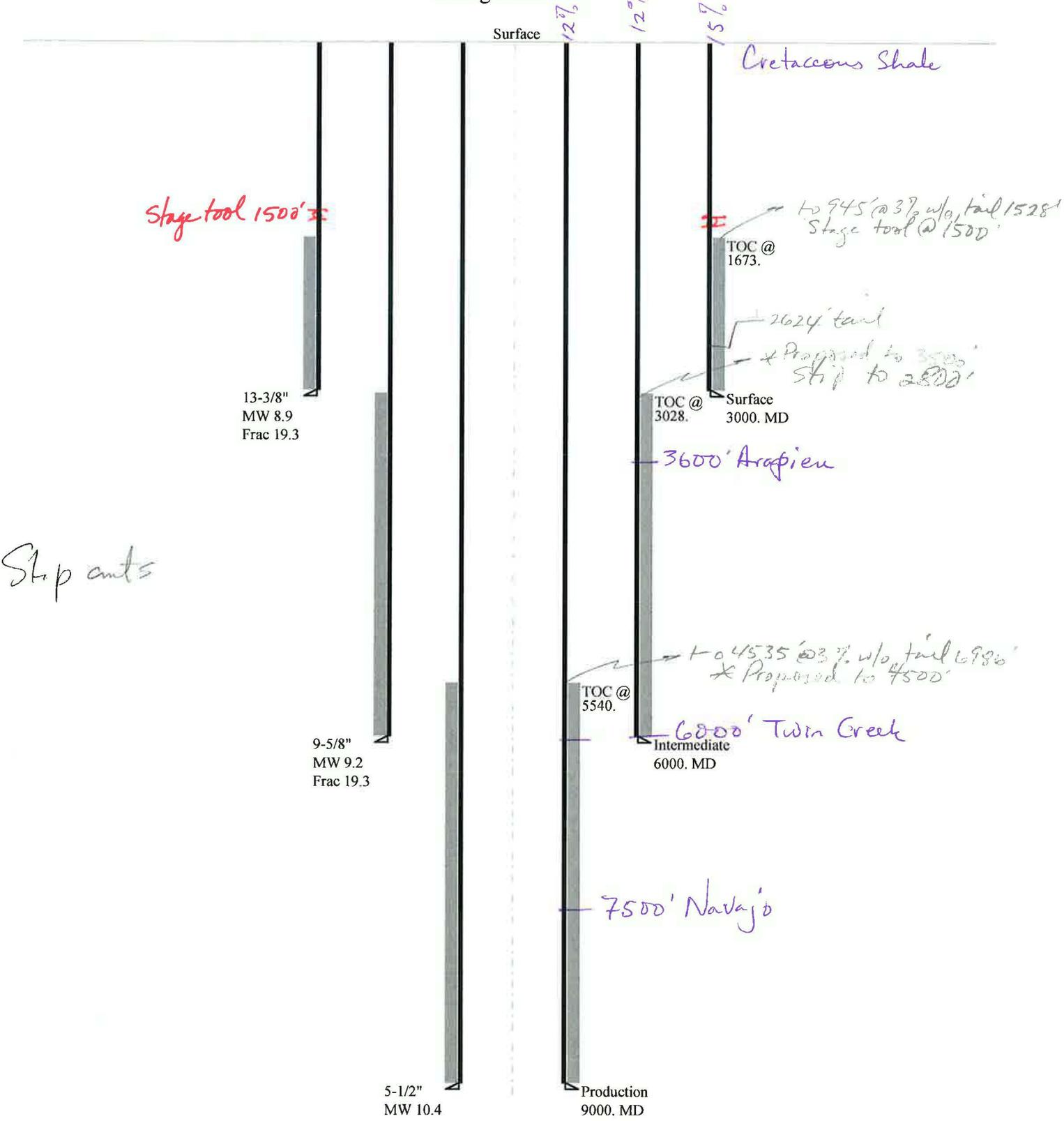
Remarks:

Collapse is based on a vertical depth of 9000 ft, a mud weight of 10.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

43001500010000 Falcon #1 contingency

Casing Schematic



Well name:	43001500010000 Falcon #1 contingency	
Operator:	FALCON EXPLORATION, INC.	
String type:	Intermediate	Project ID: 43-001-50001
Location:	BEAVER COUNTY	

Design parameters:**Collapse**

Mud weight: 9.200 ppg
Design is based on evacuated pipe.

Minimum design factors:**Collapse:**

Design factor 1.125

Environment:

H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 158 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,000 ft

Burst:

Design factor 1.00

Cement top: 3,028 ft

Burst

Max anticipated surface pressure: 2,882 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 4,202 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.60 (B)

Tension is based on air weight.
Neutral point: 5,172 ft

Non-directional string.**Re subsequent strings:**

Next setting depth: 9,000 ft
Next mud weight: 10.400 ppg
Next setting BHP: 4,862 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 6,000 ft
Injection pressure: 6,000 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	6000	9.625	47.00	P-110	LT&C	6000	6000	8.625	104861
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	2868	7100	2.476	4202	9440	2.25	282	1213	4.30 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Mining

Phone: 801 538-5357
FAX: 801-359-3940

Date: August 19, 2013
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 6000 ft, a mud weight of 9.2 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Erosion Issues N**Sedimentation Issues** N**Site Stability Issues** N**Drainage Diverson Required?** N**Berm Required?** N**Erosion Sedimentation Control Required?** N**Paleo Survey Run?** N **Paleo Potential Observed?** N **Cultural Survey Run?** N **Cultural Resources?** N**Reserve Pit**

Site-Specific Factors		Site Ranking
Distance to Groundwater (feet)	>200	0
Distance to Surface Water (feet)	>1000	0
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)	>1320	0
Native Soil Type	Mod permeability	10
Fluid Type	Fresh Water	5
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)	10 to 20	5
Affected Populations		
Presence Nearby Utility Conduits	Not Present	0
	Final Score	20
		3 Sensitivity Level

Characteristics / Requirements

Pit will be constructed so as not to leak, break, or discharge. The reserve pit will be lined with minimum of 16 mil plastic liner

Pit will be 210' x 100' x 12' in size. The reserve pit will be fenced once it has been lined.

Closed Loop Mud Required? N **Liner Required?** Y **Liner Thickness** 16 **Pit Underlayment Required?** N**Other Observations / Comments**

Falcon Exploration, INC. will use a open lined pit program. All pit fluids will be hauled to an approved disposal site for waste management once well is completed. Fresh water source will be from private lands Yardley Construction. Access road will be using landowner constructed through landowners Edwards, Walker, Muir properties for 01.4 miles to access API #4300150001. UDOT roads will be used to access the entrance to private property approximately 0.5 miles. There is no utility conduits within 2 miles of pad location. There is one agricultural 1.25 inch buried stock water line within 500 feet of pad location. A water well is located 2 miles north of location. There are no running rivers or streams within many miles of location. There is one dry drainage on the north and west of location. The operator Falcon Exploration, Inc. has surface use agreement with Edwards, Walker and Muir for access to proposed well dated March 17, 2013. The operator Falcon Exploration, Inc. has surface use

API Well Number: 43001500010000

agreement with Edwards Revocable Trust for access and well pad operation and construction dated March 17, 2013. There is no local disagreement by local landowners with this drilling program. Photos are located in well file.

Ted Smith
Evaluator

8/1/2013
Date / Time

RECEIVED: August 26, 2013

**Application for Permit to Drill
Statement of Basis
Utah Division of Oil, Gas and Mining**

APD No	API WellNo	Status	Well Type	Surf Owner	CBM
8238	43001500010000	LOCKED	OW	P	No
Operator	FALCON EXPLORATION, INC.		Surface Owner-APD	The Edwards Revocable Trust Dated 2-26-2008	
Well Name	Falcon #1		Unit		
Field	WILDCAT		Type of Work	DRILL	
Location	NENW 8 28S 7W S 676 FNL 2047 FWL GPS Coord (UTM) 354274E 4250852N				

Geologic Statement of Basis

Falcon Exploration, Inc. proposes to drill the well to a total depth of 9,000' and plans to set surface casing from 0'-3,000'. The surface string will be drilled using a fresh water LSND mud system. Within a one-mile radius there is one underground water right; the water well is 328' deep. Groundwater within the sedimentary basin fill can occur as shallow as 100' below the ground surface. The well location is within the transition zone between the Colorado Plateau and the Basin & Range physiographic provinces. The surface exposure at the proposed well site consists of light-brown to light-gray alluvium material. Several units of Tertiary sedimentary & igneous rocks and Mesozoic sedimentary rocks, including the Navajo Sandstone, are present within the subsurface. The operator should be aware of the possibility of these and other units being water saturated and to respond to protecting these zones by extending the surface casing as necessary. Proposed surface casing and cement should adequately isolate any shallow zones containing useable groundwater.

Ammon McDonald
APD Evaluator

8/6/2013
Date / Time

Surface Statement of Basis

A presite was conducted at 10:00 am August 1, 2013. This proposed location is 8 miles north of the Beaver City. UDOT graded frontage road will be used for access to the location with one heavy duty cattle guard to allow the heavy loads to location. Access off the county road requires 1.4 miles of new access road needing to be constructed on landowners Edwards, Walker, and Muir property who have signed access agreements. At time of presite Falcon Exploration, Inc. has a surface agreement with Edwards Revocable Trust dated March 17, 2013. Two cattle gaurds and 5 low water crossings will be added along this access road to allow any water to drain properly as well as new road will be graveled.

General topography in the Wildcat Creek area and are suitable for dry grazing. This area was part of a large burn 5 years ago. This area is easily accessed off Interstate I-15. Operator will be required to construct a access road 1.4 miles onto privately owned property that has been permitted by the operator.

The proposed Falcon #1 pad runs east west direction and is located in the Wildcat Creek area . The construction material needed for this location and access road will be obtained from on site. The pad is located on a small slope to the east with maximum cut off 11.4 feet in the Southwest corner and minimum fill of 8.81 feet in the Southeast corner.

Falcon Exploration, Inc. representative Shawn Byrd does not see any local opposition and says the area would like to see development.

This location falls just north of the Bald Hills Sage-grouse Management area. The landowner Travish Edwards has not seen any Sage-grouse in this area. The area had a large fire 5 years ago and there has not been any sage growing since. The area has been replanted with Kosha and 4wing seeds.

The selected location for this well is suitable for drilling.

Ted Smith
Onsite Evaluator

8/1/2013
Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 16 mils shall be properly installed and maintained in the reserve pit.

WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 7/10/2013

API NO. ASSIGNED: 43001500010000

WELL NAME: Falcon #1

OPERATOR: FALCON EXPLORATION, INC. (N4020)

PHONE NUMBER: 435 896-5501

CONTACT: Terri L. Hartle

PROPOSED LOCATION: NENW 08 280S 070W

Permit Tech Review:

SURFACE: 0676 FNL 2047 FWL

Engineering Review:

BOTTOM: 0676 FNL 2047 FWL

Geology Review:

COUNTY: BEAVER

LATITUDE: 38.39402

LONGITUDE: -112.66871

UTM SURF EASTINGS: 354274.00

NORTHINGS: 4250852.00

FIELD NAME: WILDCAT

LEASE TYPE: 4 - Fee

LEASE NUMBER: FEE

PROPOSED PRODUCING FORMATION(S): NAVAJO

SURFACE OWNER: 4 - Fee

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

- PLAT
- Bond: STATE - LPM9105258
- Potash
- Oil Shale 190-5
- Oil Shale 190-3
- Oil Shale 190-13
- Water Permit: Yardley Construction
- RDCC Review: 2013-08-26 00:00:00.0
- Fee Surface Agreement
- Intent to Commingle

Commingle Approved

LOCATION AND SITING:

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

Comments: Presite Completed
7/22/2013 API CHGD FROM 4300100501:

Stipulations: 5 - Statement of Basis - bhill
12 - Cement Volume (3) - hmacdonald
21 - RDCC - dmason
23 - Spacing - dmason
25 - Surface Casing - hmacdonald



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: Falcon #1
API Well Number: 43001500010000
Lease Number: FEE
Surface Owner: FEE (PRIVATE)
Approval Date: 8/26/2013

Issued to:

FALCON EXPLORATION, INC., 125 N. Market, Suite 1252, Wichita, KS 67202

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 R649-3-2. The expected producing formation or pool is the NAVAJO 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

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:

The Application for Permit to Drill has been forwarded to the Resource Development Coordinating Committee for review of this action. The operator will be required to comply with any applicable recommendations resulting from this review. (See attached)

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.

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

Cement volume for the 5 1/2 production string shall be determined from actual hole diameter in order to place cement from the pipe setting depth back to 4500' MD as indicated in the submitted drilling plan.

Surface casing shall be cemented to the surface.

Additional Approvals:

The operator is required to obtain approval from the Division of Oil, Gas and mining before performing any of the following actions during the drilling of this well:

- Any changes to the approved drilling plan - contact Dustin Doucet
- Significant plug back of the well - contact Dustin Doucet
- Plug and abandonment of the well - contact Dustin Doucet

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
OR
submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website
at <http://oilgas.ogm.utah.gov>
- 24 hours prior to testing blowout prevention equipment - contact Dan Jarvis
- 24 hours prior to cementing or testing casing - contact Dan Jarvis
- Within 24 hours of making any emergency changes to the approved drilling program
- contact Dustin Doucet
- 24 hours prior to commencing operations to plug and abandon the well - contact Dan Jarvis

Contact Information:

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voicemail message if the person is not available to take the call):

- Carol Daniels 801-538-5284 - office
- Dustin Doucet 801-538-5281 - office
801-733-0983 - after office hours
- Dan Jarvis 801-538-5338 - office
801-231-8956 - after office hours

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:

A handwritten signature in black ink, appearing to read "John Rogers", written in a cursive style.

For John Rogers
Associate Director, Oil & Gas

RECEIVED
SEP 13 2013

CONFIDENTIAL
FORM 9

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

DIV. OF OIL, GAS & 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 <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
2. NAME OF OPERATOR: Falcon Exploration, Inc		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 125 N. Market St. Suite 1252 City Wichita STATE KS ZIP 67202		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 676 FNL, 2047 FWL QTR/QR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 8 28S 7W S		8. WELL NAME and NUMBER: Falcon #1
PHONE NUMBER: (316) 262-1378		9. API NUMBER: 4300150001
COUNTY: Beaver		10. FIELD AND POOL, OR WILDCAT: Wildcat
STATE: UTAH		

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: 9/17/2013	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

Surface Casing design has been changed from 13 3/8" 68# J-55 STC to 13 3/8" J-55 BTC.

COPY SENT TO OPERATOR

Date: 9.24.2013
Initials: KS

NAME (PLEASE PRINT) Oran L. Hall	TITLE Consulting Engineer
SIGNATURE <i>Oran L. Hall</i>	DATE 9/13/2013

(This space for State use only)

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING
DATE 9/19/2013
BY: *D. Stewart*

CONFIDENTIAL

FORM 9

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

5. LEASE DESIGNATION AND SERIAL NUMBER:
FEE

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UMT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:
Falcon #1

9. API NUMBER:
4300150001

10. FIELD AND POOL, OR WILDCAT:
Wildcat

SUNDRY NOTICES AND REPORTS ON WELLS

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

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

2. NAME OF OPERATOR:
Falcon Exploration, Inc

3. ADDRESS OF OPERATOR:
125 N. Market St, Suite 1252, Wichita, KS 67202

PHONE NUMBER:
(316) 262-1378

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 676 FNL, 2047 FWL

COUNTY: Beaver

QTR/QYR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 8 28S 7W S

STATE: UTAH

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

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

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

Surface Casing setting depth has been changed from 3000' to 2473'.

NAME (PLEASE PRINT) Oran L. Hall

TITLE Consulting Engineer

SIGNATURE *Oran L. Hall*

DATE 10/5/2013

(This space for State use only)

RECEIVED

OCT 07 2013

DIV. OF OIL, GAS & MINING

CONFIDENTIAL

FORM 9

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

5. LEASE DESIGNATION AND SERIAL NUMBER:
FEE

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

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

1. TYPE OF WELL OIL WELL GAS WELL OTHER _____

8. WELL NAME and NUMBER:
Falcon #1

2. NAME OF OPERATOR:
Falcon Exploration, Inc

9. API NUMBER:
4300150001

3. ADDRESS OF OPERATOR:
125 N. Market St, Suite 1252 CITY Wichita STATE KS ZIP 67202

PHONE NUMBER:
(316) 262-1378

10. FIELD AND POOL, OR WILDCAT:
Wildcat

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 676 FNL, 2047 FWL

COUNTY: Beaver

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 8 28S 7W S

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 10/6/2013	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Progress Report</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

09/14/2013. Set and cemented to surface 123' 20" conductor pipe.
Rig up Aztec Drilling Rig #673. Commenced drilling at 5 PM 09/20/2013.
Drill 17 1/2" hole to 2473'. Drilling in 100% Rhyolite. Ran Electric Caliper Log.
Set and cemented 13 3/8" 68#, J55 BTC, Surface Casing @ 2473'
Ran 19 centralizers, with stage tool @ 1504'.
Cemented with 915 SX 2.24 CF/SX followed by 830 SX 1.73 CF/SX. Total volume pumped 3504 cu ft.
Had good circulation to surface throughout job. Pressure tested to 730 psi, held for 5 minutes
Cement at surface, did not need to open stage tool.

RECEIVED

OCT 07 2013

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) Oran L. Hall

TITLE Consulting Engineer

SIGNATURE Oran L. Hall

DATE 10/7/2013

(This space for State use only)

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NUMBER:
FEE

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:
FALCON #1

9. API NUMBER:
4300150001

10. FIELD AND POOL, OR WILDCAT:
WILDCAT

1. TYPE OF WELL OIL WELL GAS WELL OTHER _____

2. NAME OF OPERATOR:
FALCON EXPLORATION INC.

3. ADDRESS OF OPERATOR:
125 N MARKET #1252 CITY WICHITA STATE KS ZIP 67202

PHONE NUMBER:

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 676' FNL, 2047 FWL COUNTY: BEAVER
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 8 28S 7W S STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 11/15/2013	<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
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	<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.

1ST PLUG 8450-8250
2ND PLUG 5400-5200
3RD PLUG 4200-4000
4TH PLUG 2600-2400
5TH PLUG 100-0

For Mike Rnoll and Alan Mitchell w/ Falcon:
Surface casing set @ 2473' cont'd to surface
Volcanics to 4076'
4076' - limestone
5210' - SS
8494' - LC zone
No H₂O, No Hydrocarbons

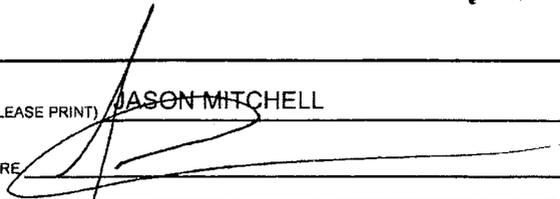
DKD

COPY SENT TO OPERATOR

Date: 11.21.2013
Initials: KS

NAME (PLEASE PRINT) JASON MITCHELL

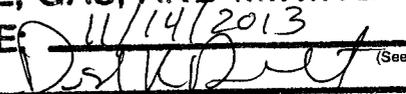
TITLE VICE-PRESIDENT

SIGNATURE 

DATE 11/14/2013

(This space for State Use Only)

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

DATE: 11/14/2013
BY: 

(See Instructions on Reverse Side)

* See conditions of Approval (Attached)

RECEIVED

NOV 14 2013

DIV. OF OIL, GAS & MINING

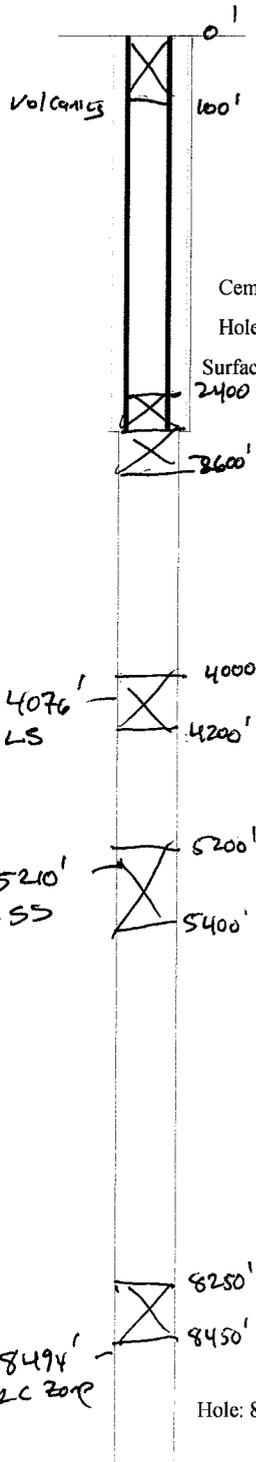
Wellbore Diagram

API Well No: 43-001-50001-00-00 **Permit No:**
Company Name: FALCON EXPLORATION, INC.
Location: Sec: 8 T: 28S R: 7W Spot: NENW
Coordinates: X: 354274 Y: 4250852
Field Name: WILDCAT
County Name: BEAVER

Well Name/No: Falcon #1

String Information

String	Bottom (ft sub)	Diameter (inches)	Weight (lb/ft)	Length (ft)	Capacity (ft/cf)
HOL1	2473	17.5			
SURF	2473	13.325	68		1.190
HOL2	8949	8.75			108 → 1.980



Plug #5
 $100' / (1.15) (1.190) = 73 \text{ SK reqd.}$

Cement from 2473 ft. to surface
 Hole: 17.5 in. @ 2473 ft.
 Surface: 13.325 in. @ 2473 ft.

Cement Information

String	BOC (ft sub)	TOC (ft sub)	Class	Sacks
SURF	2473	0	HC	915
SURF	2473	0	G	830

Plug #4
 $2600' - 2400' = 200'$
 $200' / (1.15) (1.980) = 56 \text{ SK}$
 $73' / (1.15) (1.190) = 54 \text{ SK}$
110 SK min reqd.

Perforation Information

Formation Information

Formation	Depth
Volcanics	0'
Limestone	4076'
SS	5210'
LC zone	8494'

Plug #3
 $200' = 88 \text{ SK min.}$

Plug #2
 $200' = 88 \text{ SK min.}$

Plug #1
 $200' / (1.15) (1.980) = 88 \text{ SK min reqd.}$

Hole: 8.75 in. @ 8949 ft.

TD: **TVD:** **PBTD:**



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

CONDITIONS OF APPROVAL TO PLUG AND ABANDON WELL

Well Name and Number: Falcon #1
API Number: 43-001-50001
Operator: Falcon Exploration, Inc.
Reference Document: Original Sundry Notice dated November 14, 2013,
received by DOGM on November 14, 2013.

Approval Conditions:

1. Notify the Division at least 24 hours prior to conducting abandonment operations. Please call Dan Jarvis at 801-538-5338.
2. Cement shall be a minimum API Class B cement or equivalent mixed at 5.2 gal/sk with a slurry weight of approximately 15.6 ppg.
3. All balanced plugs shall be tagged to ensure they are at the depths specified in the procedure.
4. All annuli shall be cemented from a minimum depth of 100' to the surface.
5. Surface reclamation shall be done in accordance with R649-3-34 – Well Site Restoration.
6. All requirements in the Oil and Gas Conservation General Rule R649-3-24 shall apply.
7. If there are any changes to the procedure or the wellbore configuration, notify Dustin Doucet at 801-538-5281 (ofc) or 801-733-0983 (home) prior to continuing with the procedure.
8. All other requirements for notice and reporting in the Oil and Gas Conservation General Rules shall apply.

Dustin K. Doucet
Petroleum Engineer

November 14, 2013
Date



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DIV. OF OIL, GAS & MINING

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
2. NAME OF OPERATOR: FALCON EXPLORATION INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 125 N MARKET #1252 CITY WICHITA STATE KS ZIP 67202		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 676' FNL, 2047 FWL COUNTY: BEAVER QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 8 28S 7W S STATE: UTAH		8. WELL NAME and NUMBER: FALCON #1
PHONE NUMBER:		9. API NUMBER: 4300150001
		10. FIELD AND POOL, OR WILDCAT: WILDCAT

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: 11/15/2013	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

- 1ST PLUG 8450-8250
- 2ND PLUG 5400-5200
- 3RD PLUG 4200-4000
- 4TH PLUG 2600-2400
- 5TH PLUG 100-0

NAME (PLEASE PRINT) JASON MITCHELL TITLE VICE-PRESIDENT

SIGNATURE  DATE 11/14/2013

(This space for State use only)

CONFIDENTIAL

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

AMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

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

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

2. NAME OF OPERATOR: **Falcon Exploration, Inc.**

3. ADDRESS OF OPERATOR: **125 N Market, #1252** CITY **Wichita** STATE **KS** ZIP **67202** PHONE NUMBER: _____

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: **676' FNL, 2047' FWL**
AT TOP PRODUCING INTERVAL REPORTED BELOW:
AT TOTAL DEPTH: **676' FNL, 2047' FWL**

5. LEASE DESIGNATION AND SERIAL NUMBER: **FEE**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: _____

7. UNIT or CA AGREEMENT NAME: _____

8. WELL NAME and NUMBER: **FALCON #1**

9. API NUMBER: **4300150001**

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

11. QUAD/CTR. SECTION, TOWNSHIP, RANGE, MERIDIAN: **NENW 8 28S 7W S**

12. COUNTY: **BEAVER** 13. STATE: **UTAH**

14. DATE SPUDDED: **9/21/2013** 15. DATE T.D. REACHED: **11/15/2013** 16. DATE COMPLETED: **11/20/2013** ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL): **6112 GL, 6127 KB**

18. TOTAL DEPTH: MD **9,015** TVD **9,015** 19. PLUG BACK T.D.: MD _____ TVD _____

20. IF MULTIPLE COMPLETIONS, HOW MANY? * _____ 21. DEPTH BRIDGE MD _____ PLUG SET: TVD _____

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
Resistivity, Gamma Ray, Neutron, Density, Microlog, Sonic

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

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

HOLE SIZE	SIZE/GRADE	WEIGHT (W/L)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
30"	20" J55	54.4	0	123		G 800	163	Surface	0
17.5"	13-3/8 J55	68	0	2,473		G 1,756	832	Surface	0

25. TUBING RECORD

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

26. PRODUCING INTERVALS

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

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

WAS WELL HYDRAULICALLY FRACTURED? YES NO IF YES - DATE FRACTURED: _____

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL

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29. ENCLOSED ATTACHMENTS:

ELECTRICAL/MECHANICAL LOGS GEOLOGIC REPORT DST REPORT DIRECTIONAL SURVEY

SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION CORE ANALYSIS OTHER: _____

30. WELL STATUS: **P&A**

(CONTINUED ON BACK)

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

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

INTERVAL B (As shown in Item #26)

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

INTERVAL C (As shown in Item #26)

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

INTERVAL D (As shown in Item #26)

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

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

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof; Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
N/A					

35. ADDITIONAL REMARKS (Include plugging procedure)

Cement Plugs were set as follows: 8450-8250, 5400-5200, 4200-4000, 2600-2400, and 100-0.

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

NAME (PLEASE PRINT) Oran L. Hall

TITLE Consulting Engineer

SIGNATURE *Oran L. Hall*

DATE 12/6/2013

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation

- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

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

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

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

Phone: 801-538-5340
Fax: 801-359-3940

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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 <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <u>DRY</u>		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
2. NAME OF OPERATOR: Falcon Exploration, Inc		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 125 N. Market St, Suite 1252, Wichita, KS 67202		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 676 FNL, 2047 FWL QTR/CTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 8 28S 7W S		8. WELL NAME and NUMBER: Falcon #1
PHONE NUMBER: (316) 262-1378		9. API NUMBER: 4300150001
COUNTY: Beaver		10. FIELD AND POOL, OR WILDCAT: Wildcat
STATE: UTAH		

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input checked="" 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: 11/19/2013	<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.

Total Depth 9015', Logged with Halliburton on 11/16/2013

- Plug # 1: 8450'-8250': 24.6 bbls 15.8 ppg G cement, displaced with 42 vis, 8.6 lb mud, tagged plug @8262'
 - Plug # 2: 5400'-5200': 24.6 bbls 15.8 ppg G cement, displaced with 65.4 bbls 8.7 lb, 37 vis mud, tagged plug @5128'
 - Plug # 3: 4200'-4000': 42.0 bbls 15.8 ppg G cement, displaced with 45.8 bbls 8.7 lb, 37 vis mud, tagged plug @ 3820'
 - Plug # 4: 2800'-2400': 47.5 bbls 15.8 ppg G cement, displaced with 28.9 bbls 8.7 lb, 37 vis mud, tagged plug @ 2415'
 - Plug # 5: 100'-0': 22 bbls 15.8 ppg G cement, displaced with 0.5 bbls water
- Plugs set 11/18-11/19/2013.

Formations: Volcanics from surface to 4076'
Limestone from 4076' to 5210' No shows
Sandstone from 5210' to 8494' No shows
Igneous Aplite from 8494' to TD @9015' No shows

Mr. Ted Smith with UTOGM witnessed the pumping of Plug # 2 and the tagging of plug # 3

NAME (PLEASE PRINT) <u>Oran L. Hall</u>	TITLE <u>Consulting Engineer</u>
SIGNATURE <u><i>Oran L. Hall</i></u>	DATE <u>12/5/2013</u>

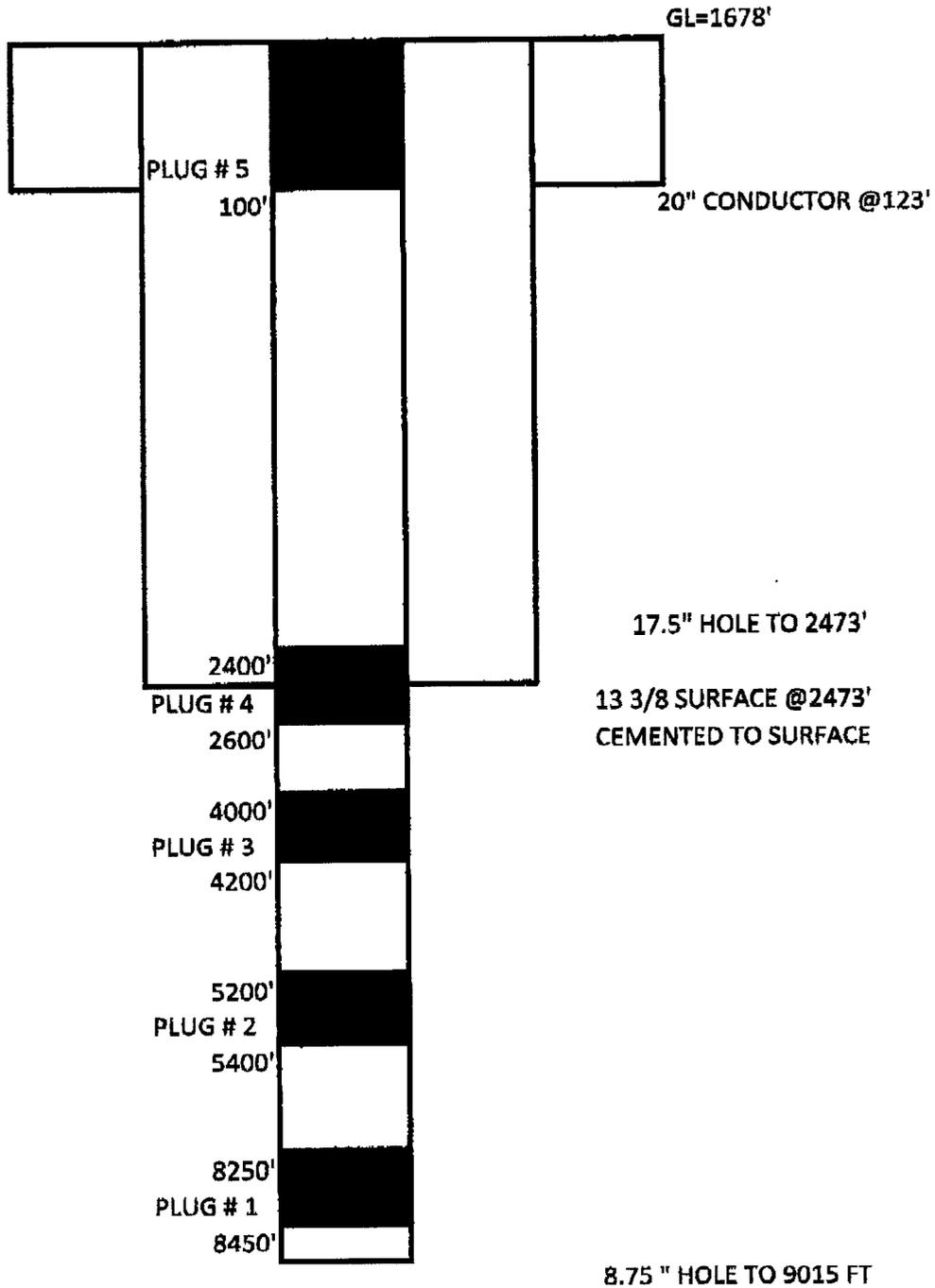
(This space for State use only)

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WELLBORE DIAGRAM

FALCON EXPLORATION
FALCON # 1
API WELL NO 43-001-50001
BEAVER COUNTY, UTAH



RE
DEC 06 2013

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HALLIBURTON

DIV. OF OIL, GAS & MINING

Cementing Job Log

The Road to Excellence Starts with Safety

285 TW 8

Sold To #: 302220	Ship To #: 3107737	Quote #:	Sales Order #: 900906500
Customer: FALCON EXPLORATION		Customer Rep:	
Well Name: Falcon	Well #: 1	API/UWI #: 43-001-50001	
Field:	City (SAP): BEAVER	County/Parish:	State: Utah
Legal Description:			
Lat: N 0 deg. OR N 0 deg. 0 min. 0 secs.		Long: E 0 deg. OR E 0 deg. 0 min. 0 secs.	
Contractor: Aztec	Rig/Platform Name/Num: 673		
Job Purpose: Plug to Abandon Service			Ticket Amount:
Well Type: Producing Well		Job Type: Plug to Abandon Service	
Sales Person: SCHWARTZ, MICHAEL	Srvc Supervisor: BONE, JEFFERSON	MBU ID Emp #: 491216	

Activity Description	Date/Time	Cht #	Rate bbl/min	Volume bbl		Pressure psig		Comments
				Stage	Total	Tubing	Casing	
Call Out	11/16/2013 22:00							
Safety Meeting - Departing Location	11/17/2013 02:00							ROAD HAZARDS, CONVOY, ROUTE, FIT FOR DUTY
Depart from Service Center or Other Site	11/17/2013 02:15							
Arrive at Location from Service Center	11/17/2013 09:00							
Assessment Of Location Safety Meeting	11/17/2013 09:15							RED ZONES, TRENCHES, GUY WIRES
Pre-Rig Up Safety Meeting	11/17/2013 09:30							LIFTING, OVERHEAD LOADS, PINCH POINTS, LINE OF FIRE, SLIPS AND TRIPS
Rig-Up Equipment	11/17/2013 09:45							
Pre-Job Safety Meeting	11/17/2013 12:00							PRESSURE TEST, CONTINGENCIES, JOB ROLES, INCIDENT REPORTING
Start Job	11/17/2013 12:33							
Test Lines	11/17/2013 12:33							PRESSURE TEST TO 3000 PSI
Pump Spacer 1	11/17/2013 12:38		3	20			90.0	
Pump Cement	11/17/2013 12:46		3	25			65.0	120 SKS 15.8 PPG 1.15 Y 4.96 W MIXED WITH RIG WATER
Pump Displacement	11/17/2013 12:52		5	5.2			53.0	RIG WATER
Pump Displacement	11/17/2013 12:58		5	110			57.0	MUD

Sold To #: 302220

Ship To #: 3107737

Quote #:

Sales Order #: 900906500

SUMMIT Version: 7.3.0106

Tuesday, November 19, 2013 10:20:00

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HALLIBURTON

DIV. OF OIL, GAS & MINING

Cementing Job Log

Activity Description	Date/Time	Cht #	Rate bbl/ min	Volume bbl		Pressure psig		Comments
				Stage	Total	Tubing	Casing	
Other	11/17/2013 13:20							RIG PULLED 10 STANDS TO CIRCULATE WHILE WE WAITED ON CMT
Other	11/18/2013 04:12							TAGGED CMT @ 8262' BEGAN PULLING PIPE TO GET TO 5400'
Safety Meeting - Pre Job	11/18/2013 08:30							PRESSURE TEST, CONTINGENCIES, JOB ROLES, INCIDENT REPORTING
Test Lines	11/18/2013 09:00							PRESSURE TEST TO 3000 PSI
Pump Spacer 1	11/18/2013 09:05		4	20			145.0	RIG WATER
Pump Cement	11/18/2013 09:19		3	29			120.0	140 SKS 15.8 PPG 1.15 Y 4.96 W MIXED WITH RIG WATER
Pump Displacement	11/18/2013 09:32		2	5			65.0	RIG WATER
Pump Displacement	11/18/2013 09:38		5	66			62.0	MUD
Other	11/18/2013 10:00							RIG PULLED 10 STANDS TO CIRCULATE WHILE WE WAITED ON CMT
Other	11/18/2013 23:30							TAGGED CMT @ 5748' BEGAN PULLING DP TO 4200'
Safety Meeting - Pre Job	11/19/2013 01:00							PRESSURE TEST, CONTINGENCIES, JOB ROLES, INCIDENT REPORTING
Test Lines	11/19/2013 01:35							PRESSURE TEST TO 3000 PSI
Pump Spacer 1	11/19/2013 01:42		5	20			100.0	RIG WATER
Pump Cement	11/19/2013 01:56		3	42			70.0	205 SKS 15.8 PPG 1.15 Y 4.96 W MIXED WITH RIG WATER W30LBS HR-5
Pump Displacement	11/19/2013 02:16		5	5			70.0	RIG WATER
Pump Displacement	11/19/2013 02:18		5	51			65.0	MUD
Activity Description	Date/Time	Cht #	Rate bbl/ min	Volume bbl		Pressure psig		Comments
				Stage	Total	Tubing	Casing	

Sold To #: 302220

Ship To #: 3107737

Quote #:

Sales Order #: 900906500

SUMMIT Version: 7.3.0106

Tuesday, November 19, 2013 10:20:00

HALLIBURTON

Cementing Job Log

Other	11/19/2013 02:25							RIG PULLED 10 STANDS TO CIRCULATE WHILE WE WAITED ON CMT
Other	11/19/2013 08:46							TAGGED CMT @ 3920' BEGAN PULLING DP TO 2600'
Safety Meeting - Pre Job	11/19/2013 10:00							PRESSURE TEST, CONTINGENCIES, JOB ROLES, INCIDENT REPORTING
Test Lines	11/19/2013 10:41							PRESSURE TEST TO 3000 PSI
Pump Spacer 1	11/19/2013 10:44		5	20			115.0	RIG WATER
Pump Cement	11/19/2013 10:59		3	48			81.0	232 SKS 15.8 PPG 1.15 Y 4.96 W MIXED WITH RIG WATER W20LBS HR-5
Pump Displacement	11/19/2013 11:17		5	5			72.0	RIG WATER
Pump Displacement	11/19/2013 11:19		5	29			72.0	MUD
Other	11/19/2013 11:30							RIG PULLED 10 STANDS TO CIRCULATE WHILE WE WAITED ON CMT
Other	11/19/2013 17:00							TAGGED CMT@ 2415' BEGAN PULLING PIPE 100'
Pump Spacer 1	11/19/2013 21:21		1	5			10.0	
Pump Cement	11/19/2013 21:27		1	22			11.0	105 SKS 15.8 PPG 1.15 Y 4.96 W MIXED WITH RIG WATER
End Job	11/19/2013 21:47							
Safety Meeting - Pre Rig-Down	11/19/2013 22:00							LIFTING, OVERHEAD LOADS, PINCH POINTS, LINE OF FIRE, SLIPS AND TRIPS
Rig-Down Equipment	11/19/2013 22:15							
Safety Meeting - Departing Location	11/19/2013 23:00							ROAD HAZARDS, CONVOY, ROUTE, FIT FOR DUTY

RECEIVED

NOV 29 2013

DIV. OF OIL, GAS & MINING

Sold To #: 302220

Ship To #: 3107737

Quote #:

Sales Order #: 900906500

SUMMIT Version: 7.3.0106

Tuesday, November 19, 2013 10:20:00

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NOV 29 2013

Cementing Job Summary

HALLIBURTON

DIV. OF OIL, GAS & MINING

The Road to Excellence Starts with Safety

Sold To #: 302220	Ship To #: 3107737	Quote #:	Sales Order #: 900906500
Customer: FALCON EXPLORATION		Customer Rep:	
Well Name: Falcon	Well #: 1	API/UWI #: 43-001-50001	
Field:	City (SAP): BEAVER	County/Parish:	State: Utah
Contractor: Aztec	Rig/Platform Name/Num: 673		
Job Purpose: Plug to Abandon Service			
Well Type: Producing Well		Job Type: Plug to Abandon Service	
Sales Person: SCHWARTZ, MICHAEL	Srv Supervisor: BONE, JEFFERSON	MBU ID Emp #: 491216	

Job Personnel

HES Emp Name	Exp Hrs	Emp #	HES Emp Name	Exp Hrs	Emp #	HES Emp Name	Exp Hrs	Emp #
BONE, JEFFERSON Eldon	62.0	491216	DINGUS JR, TIMOTHY L	62.0	543553	SLAUGH, CODY B	60.0	104465
SMITH, BRET George	62.0	529662	SPENCER, MICHAEL Anthony	62.0	493335	STINCHFIELD, ZACHARIAH Scott	62.0	524221

Equipment

HES Unit #	Distance-1 way						
10951248	240 mile	10994447	240 mile	11061777	240 mile	11501021	240 mile
12160798	240 mile	6441	240 mile				

Job Hours

Date	On Location Hours	Operating Hours	Date	On Location Hours	Operating Hours	Date	On Location Hours	Operating Hours
11/17/13	15	1	11/18/13	24	1	11/19/13	23	3
TOTAL			<i>Total is the sum of each column separately</i>					

Job				Job Times			
Formation Name	Formation Depth (MD)	Top	Bottom	Called Out	Date	Time	Time Zone
				On Location	17 - Nov - 2013	22:00	MST
Form Type			BHST	On Location	18 - Nov - 2013	09:00	MST
Job depth MD	8450. ft		Job Depth TVD	Job Started	18 - Nov - 2013	12:33	MST
Water Depth			Wk Ht Above Floor	Job Completed	19 - Nov - 2013	21:47	MST
Perforation Depth (MD)	From		To	Departed Loc	19 - Nov - 2013	23:00	MST

Well Data

Description	New / Used	Max pressure psig	Size in	ID in	Weight lbm/ft	Thread	Grade	Top MD ft	Bottom MD ft	Top TVD ft	Bottom TVD ft
8.75" Open Hole				8.75				2457.	9015.		
Plug 1	Unknown							8250.	8450.		
Plug 2	Unknown							5200.	5400.		
Plug 3	Unknown							4000.	4200.		
Plug 4	Unknown							2400.	2600.		
Plug 5	Unknown							.	100.		
13.375" Surface Casing	Unknown		13.375	12.415	68.			.	2457.		
4.5" Drill Pipe	Unknown		4.5	3.826	16.6	X-HOLE (XH)		.	8450.		

Tools and Accessories

Type	Size	Qty	Make	Depth	Type	Size	Qty	Make	Depth	Type	Size	Qty	Make
Guide Shoe					Packer					Top Plug			
Float Shoe					Bridge Plug					Bottom Plug			
Float Collar					Retainer					SSR plug set			
Insert Float										Plug Container			

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Cementing Job Summary

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Stage Tool					DIV. OF OIL, GAS & MINING		Centralizers		
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Miscellaneous Materials

Gelling Agt		Conc		Surfactant		Conc		Acid Type		Qty		Conc	%
Treatment Fld		Conc		Inhibitor		Conc		Sand Type		Size		Qty	

Fluid Data

Stage/Plug #: 1

Fluid #	Stage Type	Fluid Name	Qty	Qty uom	Mixing Density lbm/gal	Yield ft3/sk	Mix Fluid Gal/sk	Rate bbl/min	Total Mix Fluid Gal/sk
1	Water Spacer		20.00	bbl	8.34	.0	.0	3.0	
2	PlugCem	PLUGCEM (TM) SYSTEM (452969)	120.0	sacks	15.8	1.15	4.96	3.0	4.96
		4.96 Gal FRESH WATER							
3	Displacement Water		115.00	bbl	8.34	.0	.0	3.0	

Stage/Plug #: 2

Fluid #	Stage Type	Fluid Name	Qty	Qty uom	Mixing Density uom	Yield uom	Mix Fluid uom	Rate uom	Total Mix Fluid uom
1	Water Spacer		20.00	bbl	8.33	.0	.0	3.0	
2	PlugCem	PLUGCEM (TM) SYSTEM (452969)	140.0	sacks	15.8	1.15	4.96	3.0	4.96
		4.96 Gal FRESH WATER							
3	Displacement Water		71.00	bbl	8.34	.0	.0	3.0	

Stage/Plug #: 3

Fluid #	Stage Type	Fluid Name	Qty	Qty uom	Mixing Density uom	Yield uom	Mix Fluid uom	Rate uom	Total Mix Fluid uom
1	Water Spacer		20.00	bbl	8.34	.0	.0	3.0	
2	PlugCem	PLUGCEM (TM) SYSTEM (452969)	205.0	sacks	15.8	1.15	5.0	3.0	5.0
		0.3 % HR-5, 50 LB SK (100005050)							
		0.3 % D-AIR 5000, 50 LB SACK (102068797)							
		5 Gal FRESH WATER							
3	Displacement Water		55.00	bbl	8.33	.0	.0	3.0	

Stage/Plug #: 4

Fluid #	Stage Type	Fluid Name	Qty	Qty uom	Mixing Density uom	Yield uom	Mix Fluid uom	Rate uom	Total Mix Fluid uom
1	Water Spacer		20	bbl	8.34	.0	.0	3.0	
2	PlugCem	PLUGCEM (TM) SYSTEM (452969)	232	sacks	15.8	1.15	5.0	3.0	5.0
		0.3 % D-AIR 5000, 50 LB SACK (102068797)							
		5 Gal FRESH WATER							
3	Displacement Water			bbl	8.34	.0	.0	3.0	

Stage/Plug #: 5

Fluid #	Stage Type	Fluid Name	Qty	Qty uom	Mixing Density uom	Yield uom	Mix Fluid uom	Rate uom	Total Mix Fluid uom
1	Water Spacer		5.00	bbl	8.34	.0	.0	3.0	

Stage/Plug #: 5

Fluid #	Stage Type	Fluid Name	Qty	Qty uom	Mixing Density uom	Yield uom	Mix Fluid uom	Rate uom	Total Mix Fluid uom
2	PlugCem	PLUGCEM (TM) SYSTEM (452969)	105.0	sacks	15.8	1.15	5.0	3.0	5.0
		0.3 % D-AIR 5000, 50 LB SACK (102068797)							

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Cementing Job Summary

Stage/Plug #: 5											
Fluid #	Stage Type	Fluid Name			Qty	Qty uom	Mixing Density lbm/gal	Yield ft3/sk	Mix Fluid Gal/sk	Rate bbl/min	Total Mix Fluid Gal/sk
	5 Gal	FRESH WATER									
Calculated Values			Pressures			Volumes					
Displacement		Shut In: Instant			Lost Returns	Cement Slurry			Pad		
Top Of Cement		5 Min			Cement Returns	Actual Displacement			Treatment		
Frac Gradient		15 Min			Spacers	Load and Breakdown			Total Job		
Rates											
Circulating		Mixing		Displacement			Avg. Job				
Cement Left In Pipe	Amount	0 ft	Reason	Shoe Joint							
Frac Ring # 1 @	ID	Frac ring # 2 @	ID	Frac Ring # 3 @	ID	Frac Ring # 4 @	ID				
The Information Stated Herein Is Correct				Customer Representative Signature <i>Allan Mitchell</i>							

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SERVICES**

M. S. D. S. RECEIPT DOCUMENT

This receipt page is intended for use with Material Safety Data Sheets supplied by Halliburton Energy Services. The recipients of these data sheets should consult the OSHA Safety and Health Standards (29 CFR 1910), particularly subpart G - Occupational Health and Environmental Control, and subpart I - Personal Protective Equipment, for general guidance on control of potential Occupational Health and Safety Hazards.

This document provides the customer the instructions necessary to utilize the M. S. D. S. Safety Sheets and confirms that Halliburton Energy Services offers the Customer the communication for discussion on Chemical Safety of the provided materials.



Customer Signature

Company : FALCON EXPLORATION

Lease, Well Name, Nbr : , FALCON, 1

Ticket # : 900906500

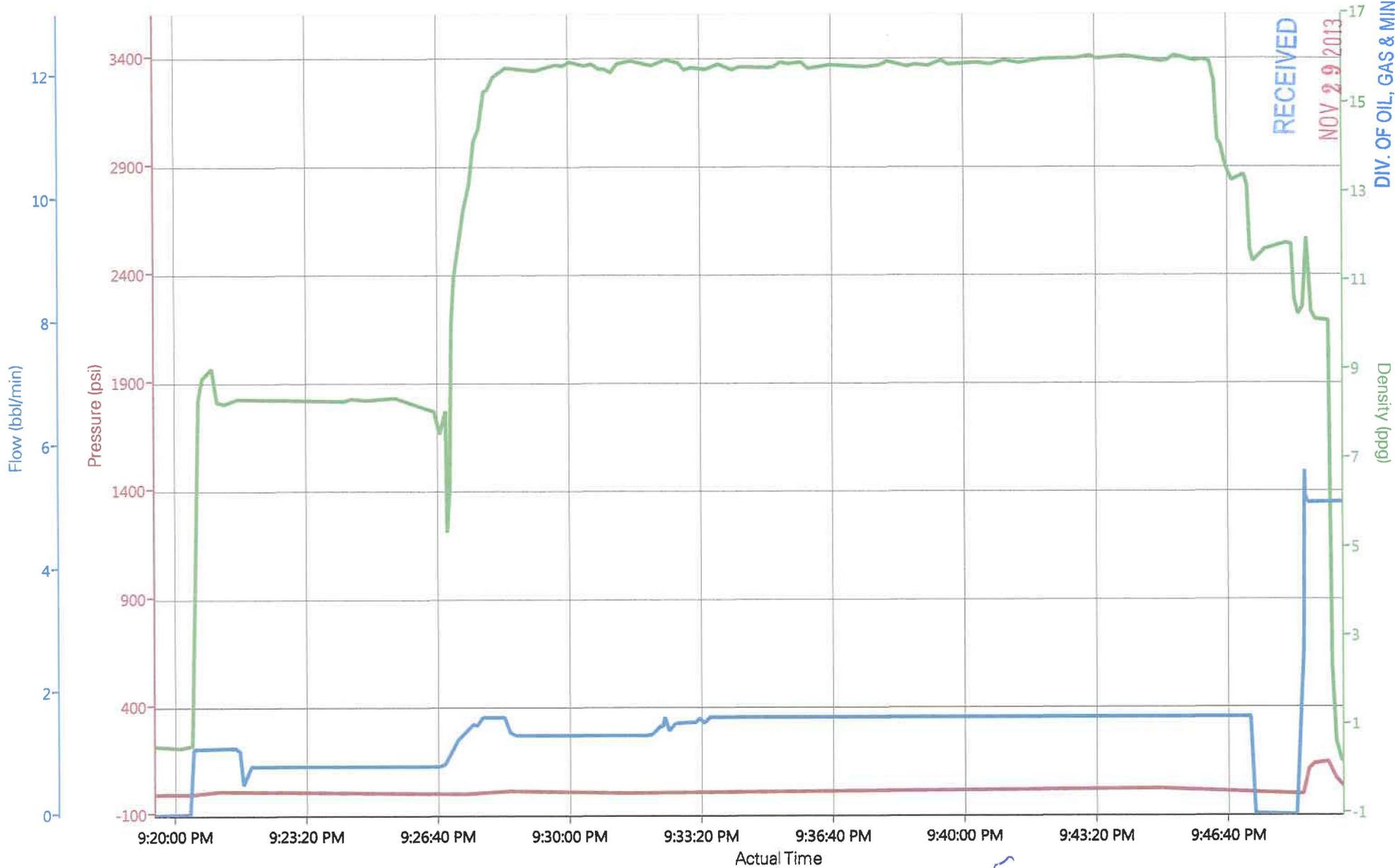
Location : VERNAL, UT, USA
(To be completed by Service Supervisor)

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FALCON PLUG 5

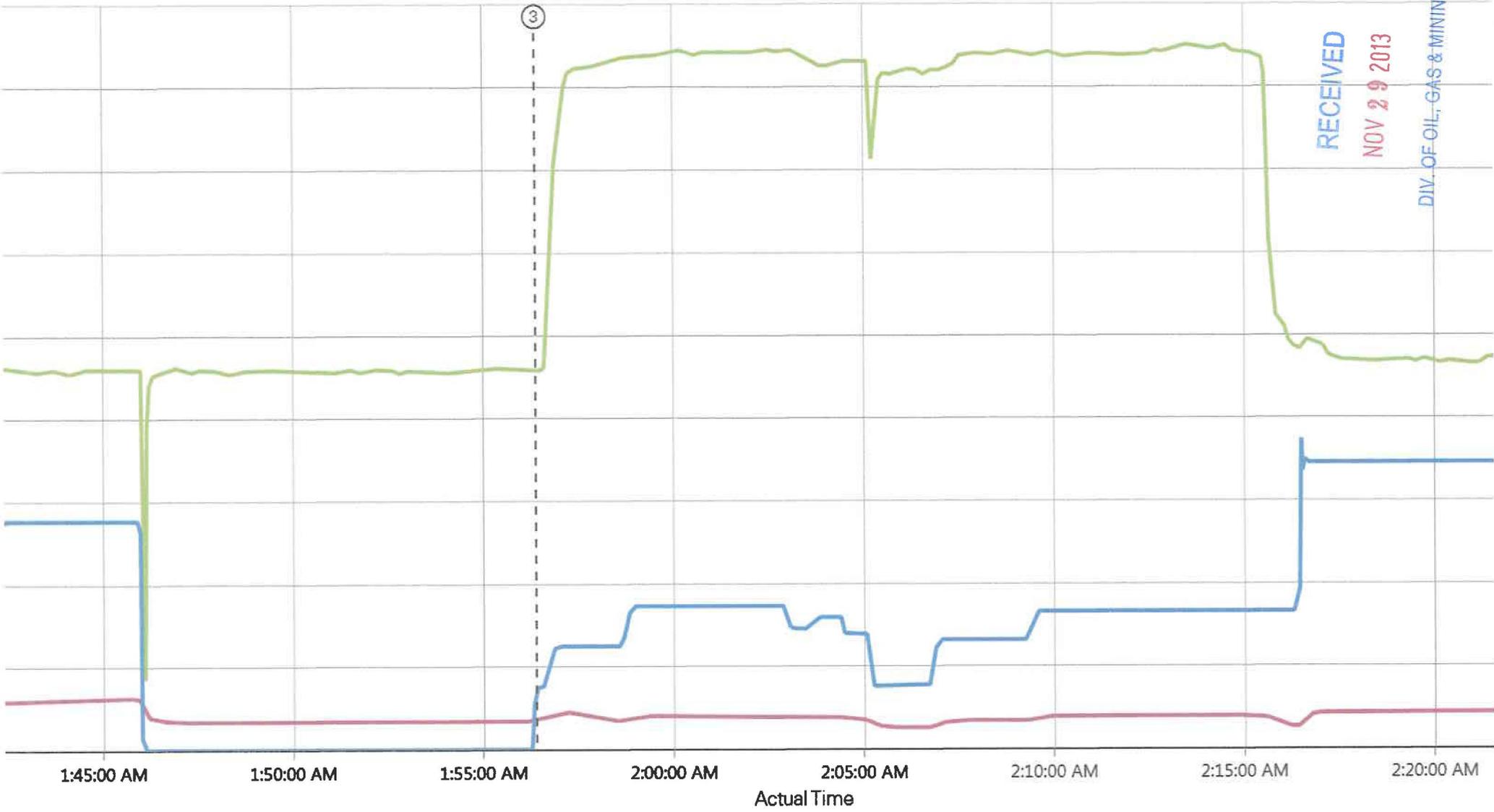


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Truck 1 Pr (psi) Truck 1 Dens (ppg) Truck 1 Slry Rt (bbl/min)

- ① -6;0.45;0 ④ -1;9;0
- ② 3;8.97;0 ⑤ -3;-0.01;0
- ③ -10;-0.14;5.9

FALCON PTA PLUG #3



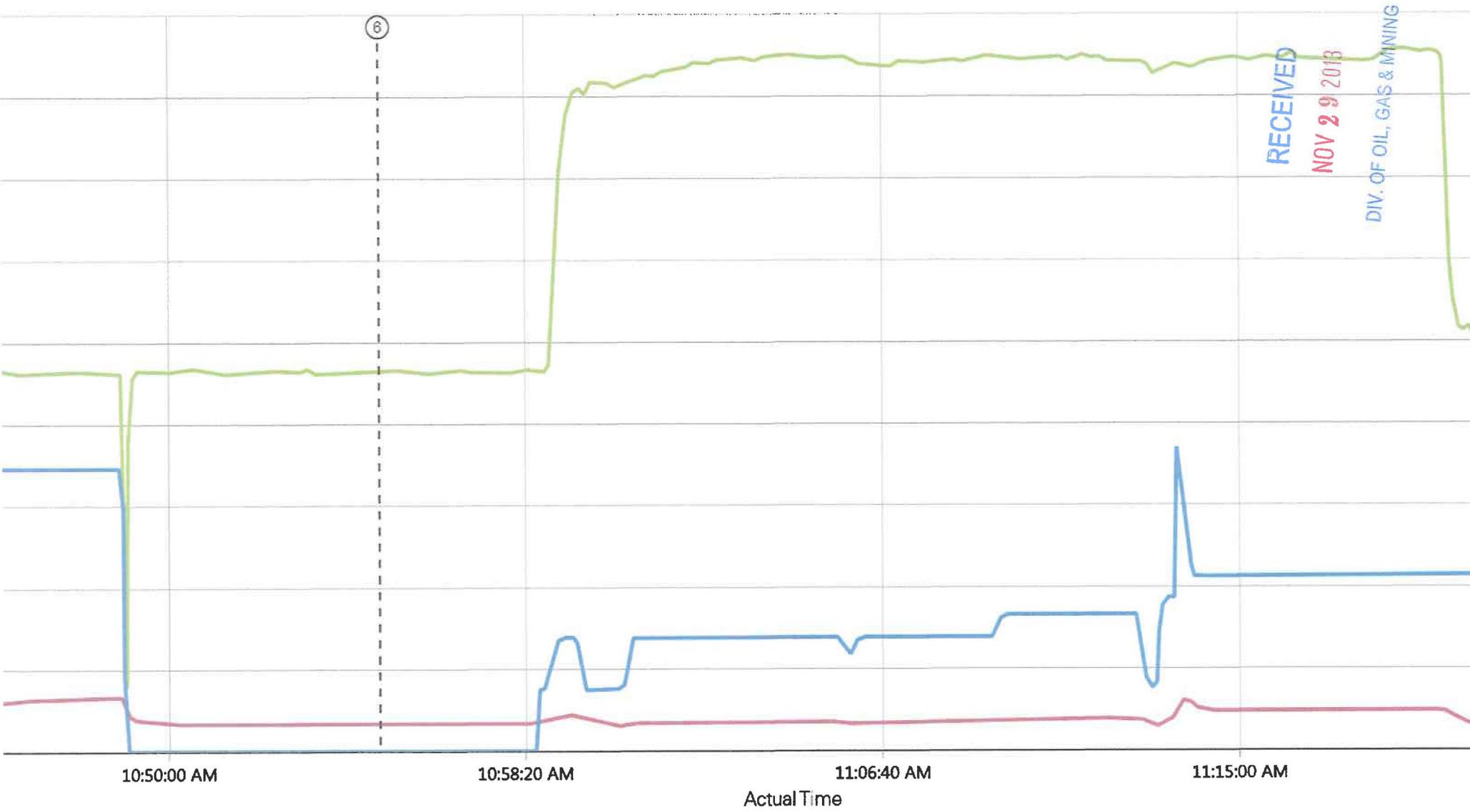
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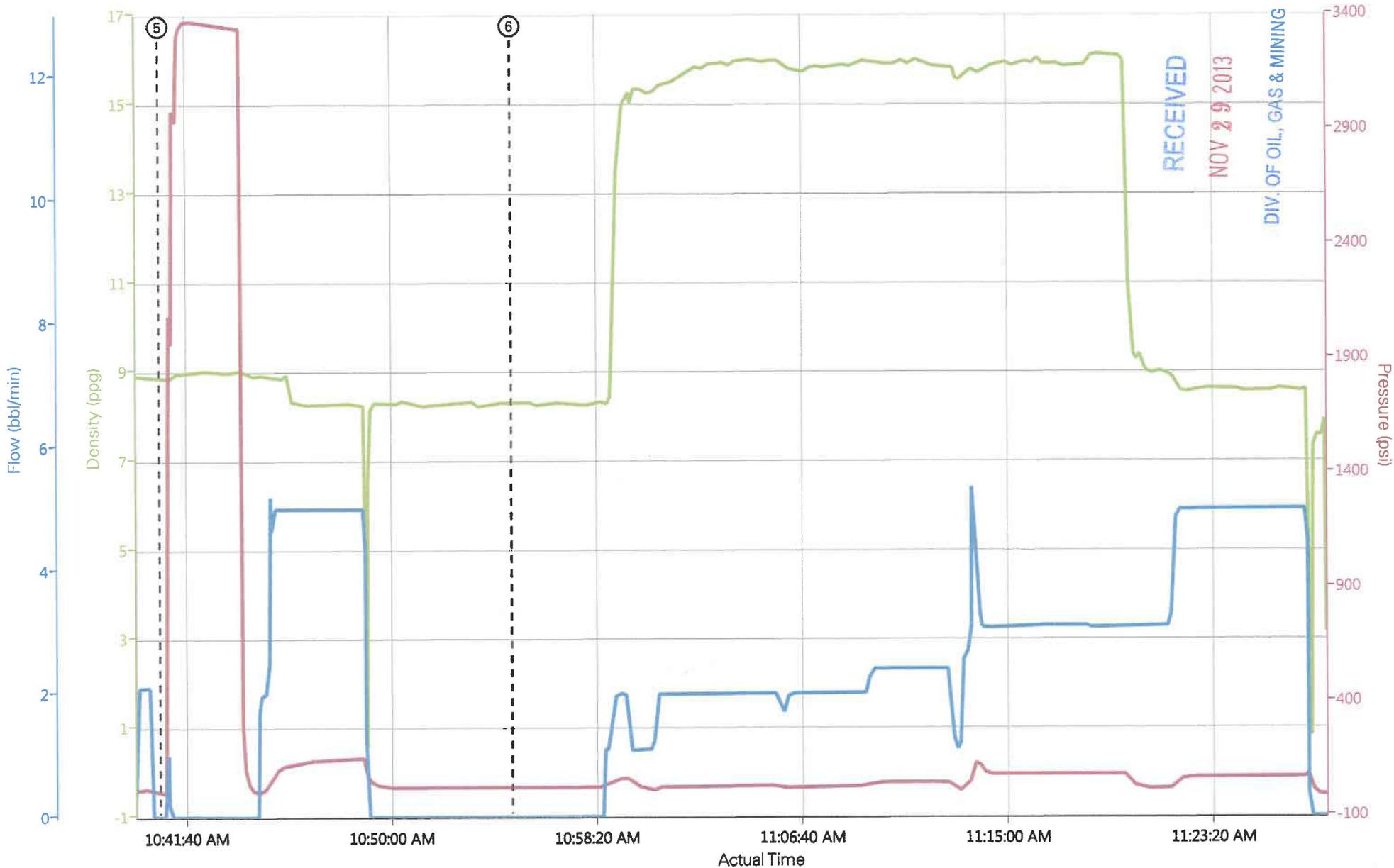
Truck 1 Dens (ppg) Truck 1 Pr (psi) Truck 1 Stry Rt (bbl/min)

FALCON PLUG 4



Truck 1 Dens (ppg) Truck 1 Pr (psi) Truck 1 Stry Rt (bbl/min)

FALCON PLUG 4



Truck 1 Dens (ppg) Truck 1 Pr (psi) Truck 1 Slry Rt (bbl/min)

- ① 0.59;-2;0 ④ -0.28;-5;0 ⑦ -0.01;-3;0
- ② 9.01;17;0 ⑤ 8.89;5;0
- ③ 8.16;49;1.1 ⑥ 8.29;30;0

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FALCON PTA PLUG #2

