

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

SUBMIT IN DUPLICATE*
(Other instructions on reverse side)

5. Lease Designation and Serial No.

Fee

6. If Indian, Allottee or Tribe Name

N/A

7. Unit Agreement Name

N/A

8. Farm or Lease Name

City of Pritchett

9. Well No.

1

10. Field and Pool, or Wildcat

Wildcat

11. Sec., T., R., M., or Blk. and Survey or Area

NE 1/4, Sec. 22, T15S, R10E, SLM

12. County or Parrish 13. State

Carbon Utah

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work

DRILL [X]

DEEPEN []

PLUG BACK []

b. Type of Well

Oil Well []

Gas Well [X]

Other

Test

Single Zone []

Multiple Zone [X]

2. Name of Operator

Rancho Energy Corporation

3. Address of Operator

3013 Fountainview, Suite 230, Houston, Texas 77057

4. Location of Well (Report location clearly and in accordance with any State requirements.*)

At surface 1,000' FEL, 1,000' FSL, Sec. 22, T15S, R10E,

Salt Lake Meridian

At proposed prod. zone Same

14. Distance in miles and direction from nearest town or post office*

5.5 miles South of Price, Utah

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg. line, if any)

1,000' FEL 1,000' FSL 290

16. No. of acres in lease

290

17. No. of acres assigned to this well

160

18. Distance from proposed location* to nearest well, drilling, completed, or applied for, on this lease, ft.

None

19. Proposed depth

2,000'

20. Rotary or cable tools

Rotary

21. Elevations (Show whether DF, RT, GR, etc.)

5,550' GL

22. Approx. date work will start*

Dec. 27, 1982

23.

PROPOSED CASING AND CEMENTING PROGRAM

Table with 5 columns: Size of Hole, Size of Casing, Weight per Foot, Setting Depth, Quantity of Cement. Rows include 12 1/4" casing at 250' depth and 7-7/8" casing at 2,000' depth.

It is proposed to drill this well to a depth of 2,000' to test the hydrocarbon production possibilities of the Ferron, Tunnuck, Dakota & Morrison formations. Rotary tools with air for circulation will be used unless well conditions dictate the need to use liquid drilling fluids. 8-5/8" surface casing will be set at 250' and cemented to the surface. Should production zones be encountered, 5 1/2" casing will be set and cemented through the production zones. The casing will be perforated and the zone stimulated. A blowout preventor with hydraulically operated blind and pipe rams will be installed on top of the surface casing, and a kelly cock and safety sub on the derrick floor will provide protection from pressures and temperatures. Two inch fill and kill lines will be connected below the blind rams. Any hydrocarbons encountered will be flared at the end of the blowline. A float valve will be used in the bottom drill collar at all times.

In all cases, the rules and regulations of the State of Utah will prevail.

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

24.

Signed: [Signature]

Title: Exploration Manager

Date: 12/21/82

(This space for Federal or State office use)

Permit No.

Approval Date

Approved by: [Signature]

Title

DEC 22 1982

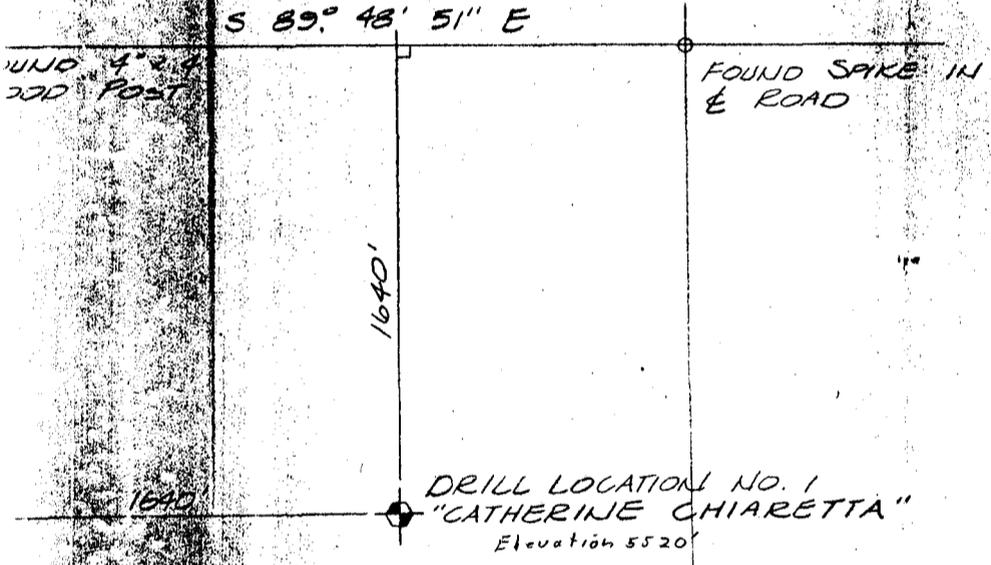
APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING

DATE: 12-29-82

BY: [Signature]

DIVISION OF OIL, GAS & MINING

*See Instructions On Reverse Side



FOUND 4" x 4" 300' POST

FOUND SPIKE IN E ROAD

1640'

DRILL LOCATION NO. 1
"CATHERINE CHIARETTA"
Elevation 5520'

22

BASIS OF BEARING
ASSUMED N 0° 00' 00" E

WORK STATION No. 1

WORK STATION No. 2

DRILL LOCATION NO. 2
"CITY OF PRICE"
Elevation 5550'

N 0° 07' 26" E

N 89° 31' 58" E

FOUND NAIL IN

FOUND PK NAIL

23

OPERATOR RANCHO ENERGY CORP

DATE 12-27-82

WELL NAME CITY OF PRICE #1

SEC SEGE 22 T 15S R 10E COUNTY CARSON

43-007-30090
API NUMBER

FEE
TYPE OF LEASE

POSTING CHECK OFF:

- INDEX
- HL
- NID
- PI
- MAP
-
-

PROCESSING COMMENTS:

AN OTHER WELL IN DRILLING UNIT

NEEDS ROAD - NEW ROAD IS WORKING ON IT

RJKV

12-29-82

Verbal approval to Ben [unclear], [unclear] to commence location preparation on 12/29/82

APPROVAL LETTER:

SPACING: A-3 _____ UNIT c-3-a 137-2(2) 12-25-82
CAUSE NO. & DATE

c-3-b c-3-c

SPECIAL LANGUAGE:

RECONCILE WELL NAME AND LOCATION ON APD AGAINST SAME DATA ON PLAT MAP.

AUTHENTICATE LEASE AND OPERATOR INFORMATION

VERIFY ADEQUATE AND PROPER BONDING ~~NEEDS BONDING~~
4169295

AUTHENTICATE IF SITE IS IN A NAMED FIELD, ETC.

APPLY SPACING CONSIDERATION

ORDER 137-26

UNIT _____

c-3-b

c-3-c

OUTSTANDING OR OVERDUE REPORTS FOR OTHER WELLS OF THE OPERATOR.

IF POTASH DESIGNATED AREA, SPECIAL LANGUAGE ON APPROVAL LETTER

December 29, 1982

Rancho Energy Corporation
3013 Fountainview, Suite 230
Houston, Texas 77057

RE: Well No. City of Price #1
SESE Sec. 22, T.15S, R.10E
Carbon County, Utah

Gentlemen:

^{GAS}
~~Oil~~ well is hereby granted in accordance with the Order issued in Cause No. 137-2(b) dated February 25, 1982.

Should you determine that it will be necessary to plug and abandon this well, you are hereby requested to immediately notify the following:

RONALD J. FIRTH - Engineer
Office: 533-5771
Home: 571-6068

OR

CLEON B. FEIGHT - Director
Office: 533-5771
Home: 466-4455

Enclosed please find Form OGC-8-X, which is to be completed whether or not water sands (aquifers) are encountered during drilling. Your cooperation in completing this form will be appreciated.

Further, it is requested that this Division be notified within 24 hours after drilling operations commence, and that the drilling contractor and rig number be identified.

The API number assigned to this well is 43-007-30090.

Sincerely,



Norman C. Stout
Administrative Assistant

NCS/as
Enclosure

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

PRINT IN TRIPLICATE*
(See instructions on
reverse side)

5. LEASE DESIGNATION AND SERIAL NO.
Fee
6. IF INDIAN, ALLOTTEE OR TRIBE NAME
N/A
7. UNIT AGREEMENT NAME
N/A
8. FARM OR LEASE NAME
City of Price
9. WELL NO.
1
10. FIELD AND POOL, OR WILDCAT
Wildcat
11. SEC., T., R., M., OR BLK. AND SUBDIV. OR AREA
SE $\frac{1}{4}$, SE $\frac{1}{4}$, Sec. 22, T15S, R10E, SLM
12. COUNTY OR PARISH
Carbon
13. STATE
Utah

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
Rancho Energy Corporation

3. ADDRESS OF OPERATOR
3013 Fountain View, Suite 230, Houston, Texas 77057

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*
See also space 17 below.)
At surface
1,000' FEL, 1,000' FSL, Sec. 22, T15S, R10E,
Salt Lake Meridian

14. PERMIT NO.
43-007-30090

15. ELEVATION (Show whether OF, LT, OR, etc.)
5,550 GL

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <u>Completion of Drilling</u> <input type="checkbox"/>	

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

A 12 $\frac{1}{4}$ " hole was drilled to 278' K.B. (K.B. = 10'). 8-5/8" - 24# casing was set at 274.54' K.B. and cemented with 190 sx. Class "G" cement containing 3% CaCl₂ and 1/4# sack Flocel. Cement was circulated to surface. A 7-7/8" hole was then drilled to 491' with air. Salty water was encountered at a depth of 488' - 490' K.B. The water was squeezed off using a mixture of cement, bentonite and diesel oil. The hole was then drilled to a depth of 1421' with air. The well was logged with an ultrasonic gas detector and Gamma Ray - Neutron logs. 4 $\frac{1}{2}$ " - 10.5# casing was set at 1396' K.B. The casing was cemented with 85 sx. Class "G" cement from T.D. to 946' K.B. and then cemented thru a D.V. tool from 577' - 377' with 42 sacks Class "G". Well is now awaiting completion.

ACCEPTED
APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING
DATE: 1/27/83
BY: [Signature]

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

SIGNED [Signature] TITLE Exploration Manager DATE 1/27/83

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

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

5. LEASE DESIGNATION AND SERIAL NO.

Fee

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

N/A

7. UNIT AGREEMENT NAME

N/A

8. FARM OR LEASE NAME

City of Price

9. WELL NO.

#1

10. FIELD AND POOL, OR WILDCAT

Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA

SE 1/4, Sec. 22, T15S, R10E, SLM

12. COUNTY OR PARISH

Carbon

13. STATE

Utah

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
Rancho Energy Corporation

3. ADDRESS OF OPERATOR
3013 Fountainview, Suite 230, Houston, Texas 77057

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.)
At surface
1000' FEL, 1000' FSL, Sec. 22, T15S, R10E, Salt Lake Meridian

14. PERMIT NO.
43-007-30090

15. ELEVATIONS (Show whether DF, RT, GR, etc.)
5550' GL

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

PULL OR ALTER CASING

FRACTURE TREAT

MULTIPLE COMPLETE

SHOOT OR ACIDIZE

ABANDON*

REPAIR WELL

CHANGE PLANS

(Other) Completion

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

REPAIRING WELL

FRACTURE TREATMENT

ALTERING CASING

SHOOTING OR ACIDIZING

ABANDONMENT*

(Other)

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

It is proposed to complete this well in the Dakota formation with 13 perforations selectively fired at 910', 914', 965', 991', 1049', 1110', 1125', 1155', 1165', 1189', 1202', 1283', and 1328'. The perforations will be broken down with 3% KCl water and swab tested. Should it be necessary to fracture treat the formation it will be accomplished with a 75 quality nitrogen foam and KCl water containing approximately 30,000# of 20-40 sand. It is proposed to do this work immediately.

RECEIVED
FEB 10 1983

DIVISION OF
OIL, GAS & MINING

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

DATE: 2/6/83
BY: [Signature]

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

SIGNED Brian Bush

TITLE Consulting Pet. Engineer

DATE 2/9/83

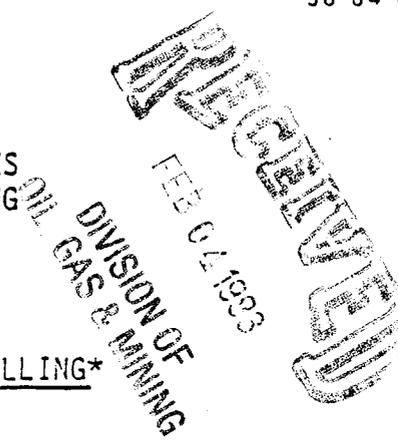
(This space for Federal or State office use)

APPROVED BY _____
CONDITIONS OF APPROVAL, IF ANY:

TITLE _____

DATE _____

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1588 West North Temple
Salt Lake City, Utah 84116



REPORT OF WATER ENCOUNTERED DURING DRILLING

Well Name & Number City of Price #1
Operator Rancho Energy Corporation Address 3013 Fountain View, Ste. 230
Houston, Texas 77057
Contractor Smith Drilling Co. Address Douglas, Wyoming
Location SE 1/4 SE 1/4 Sec. 22 T. 15S R. 10E County Carbon

Water Sands

	<u>Depth</u>		<u>Volume</u>	<u>Quality</u>
	<u>From</u>	<u>To</u>	<u>Flow Rate or Head</u>	<u>Fresh or Salty</u>
1.	488'	490'	5 - 7 BPH	Salty
2.				
3.				
4.				
5.				

(Continue of reverse side if necessary)

Formation Tops Ferron - 454'

Remarks This water was encountered and squeezed off prior to drilling deeper.

- NOTE: (a) Report on this form as provided for in Rule C-20, General Rules and Regulations and Rules of Practice and Procedure.
- (b) If a water analysis has been made of the above reported zone, please forward a copy along with this form.

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

PRINT IN TRIPLICATE*
(See instructions on
reverse side)

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

RECEIVED

1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER		5. LEASE DESIGNATION AND SERIAL NO. Fee
2. NAME OF OPERATOR Rancho Energy Corp.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
3. ADDRESS OF OPERATOR P.O. Box 42210 Houston, Tx. 77242-2210		7. UNIT AGREEMENT NAME
4. LOCATION OF WELL (Report location clearly and in accordance with any State regulations.) See also space 17 below. At surface 1000' FEL 1000' FSL 22-T-15-S-R-10E scm		8. FARM OR LEASE NAME City of Price
14. PERMIT NO. 43-007-30090		9. WELL NO. #1
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 5550 GR		10. FIELD AND POOL, OR WILDCAT Wildcat
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA scm SE 1/4 22-T-15-S-R-10E
		12. COUNTY OR PARISH Carbon
		13. STATE UT

16. **Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data**

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <u>Completion</u>	
(Other) <input type="checkbox"/>		(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.) *

Producing natural gas from perforations previously stated
705 MCF in October 1983 and 672 MCF in March 1984.
Shut - In from November, 1983 to March 1984.

18. I hereby certify that the foregoing is true and correct
SIGNED R. A. Boehm TITLE Staff Geologist DATE 5/29/84

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

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

5. LEASE DESIGNATION AND SERIAL NO.
Fee

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
City of Price

9. WELL NO.
#1

10. FIELD AND POOL, OR WILDCAT
Miller Creek

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
SE 1/4 22-T 15 S-R-10E

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL GAS WELL DRY Other _____
b. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP-EN PLUG BACK DIFF. RESVR. Other _____

2. NAME OF OPERATOR
Rancho Energy Corp.

RECEIVED

3. ADDRESS OF OPERATOR
P.O. Box 42210 Houston, Tx. 77242-2210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
At surface 1000' FEL 1000 FSL
At top prod. interval reported below same SESE
At total depth same

DIVISION OF OIL
GAS & MINING

14. PERMIT NO. 43-007-30090 DATE ISSUED 3/83

15. DATE SPUDDED 12/31/82 16. DATE T.D. REACHED 1/21/83 17. DATE COMPL. (Ready to prod.) 2/21/83

18. ELEVATIONS (DF, RKB, ET, GR, ETC.)* 5550 GR 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 1502 21. PLUG, BACK T.D., MD & TVD 1421 22. IF MULTIPLE COMPL., HOW MANY* 23. INTERVALS DRILLED BY ROTARY TOOLS 0-1421 CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 25. WAS DIRECTIONAL SURVEY MADE

26. TYPE ELECTRIC AND OTHER LOGS—RUN
25 perforations 553-964 Permian 991-1328 Dakota

28. TYPE ELECTRIC AND OTHER LOGS—RUN

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8"	24 #	258	12 1/4	75 sx	
5 1/2	15.5	1421	7 7/8	quantity sufficient	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)

31. PERFORATION RECORD (Interval, size and number)

553-964	14 shots
991-1321	11 shots

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
488-490	square- Bentonite cement
	diesel oil-42sx
900-1200	3%KCl- foam- 30000# 20.40 mesh
	sand- fracture

33. PRODUCTION

DATE FIRST PRODUCTION*	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)
10/1/83	Flowing	producing

DATE OF TEST 8/30/83 HOURS TESTED 4 CHOKE SIZE 3/8 PROD'N. FOR TEST PERIOD → OIL—BBL. GAS—MCF. 75.3 MCF WATER—BBL. GAS-OIL RATIO

FLOW. TUBING PRESS. 37 CASING PRESSURE 0 CALCULATED 24-HOUR RATE → OIL—BBL. GAS—MCF. 75.3 MCF WATER—BBL. OIL GRAVITY-API (CORR.)

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)
sold - Mountain Fuels

TEST WITNESSED BY
T. Tefteller

35. LIST OF ATTACHMENTS

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

SIGNED R. A. Boehm TITLE Staff Geologist DATE 5/29/84

*(See Instructions and Spaces for Additional Data on Reverse Side)

INSTRUCTIONS

General: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 33, below regarding separate reports for separate completions.

If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 35.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments.

Items 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

Item 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

Item 33: Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

37. SUMMARY OF POROUS ZONES: 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		38. GEOLOGIC MARKERS	
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
Mancos	0	460	
Ferron	460	560	
Pununk	560	1080	
Dakota	1080	-	

NAME	MEAS. DEPTH	TOP
		TRUE VERT. DEPTH



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

May 26, 1995

Barbara Rodgers
Safeco Insurance Companies
Southwest Region
P. O. Box 869012
Plano, Texas 75086-9012

Re: Bond No. 4682475 (\$5,000) Issued by Safeco Insurance Company of America, as Surety in behalf of Rancho Energy Corporation, as Principal.

Dear Ms. Rodgers:

In response to your request, please be advised that the Division does hereby release the above referenced surety bond effective May 22, 1995.

Price City, as the operator of record of the City of Price #1 well located in Section 22, Township 15 South, Range 10 East, Carbon County, Utah, has furnished suitable bond coverage in the form of Time Deposit No. 2179144, in the amount of \$5,000, issued by First Security Bank of Utah, N.A., as Surety, effective May 22, 1995.

Should you have any questions regarding this matter, please contact me or Lisha Cordova at (801)538-5340.

Sincerely,

R. J. Firth
Associate Director, Oil & Gas

lec
Enclosure

cc: Price City c/o Pat Larsen, w/encl.
First Security Bank of Utah N.A., w/encl.
Rancho Energy Corporation c/o David J. Fritts
Rocky Mountain Consulting c/o Kent G. Stringham
James W. Carter, Director
Bond File(s)
Correspondence File/ldc



SAFECO INSURANCE COMPANIES
BOND RELEASE
BOND NO. 4682475
(RANCHO ENERGY CORPORATION)

MAILING LIST

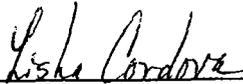
Barbara Rodgers
Safeco Insurance Companies
Southwest Region
P. O. Box 869012
Plano, Texas 75086-9012

Pat Larsen
Price City
Box 893
Price, Utah 84501-0893

First Security Bank of Utah, N.A.
Price Office
180 East Main
P. O. Box 571
Price, Utah 84501-9987

Rancho Energy Corporation
c/o David J. Fritts
American Cascade Energy
14825 St. Mary's Lane #220
Houston, Texas 77079

Kent G. Stringham
Rocky Mountain Consulting
350 South 800 East
Vernal, Utah 84078



Lisha Cordova
Admin. Analyst
May 26, 1995

First Security Bank Bank of Utah, N.A.

Office: Price

Date: 05/15/1995 Account Number: 143 155 2179144

Owner(s): Dept. of Natural Resources 876000265
Division of Oil, Gas & Mining on behalf of Price City

You have deposited \$ 5,000.00 into a First Security Bank MONEY MASTER INSURED TIME DEPOSIT - Fixed Rate

for a term of 60 Months with a maturity date of 05/15/2000. The interest rate is 7.00% with an

annual percentage yield of 7.19%. The annual percentage yield was calculated, using the terms you requested, with the interest

compounded not applicable Quarterly, by an Official Check, paid

Thank you for opening a Time Deposit Account with First Security Bank.

Opened by: Ida Westbrook

This is a receipt for funds you have placed on deposit with First Security Bank. It is not a certificate of deposit and need not be presented when you wish to withdraw funds from your account. Your account is subject to the terms stated above and to the following conditions. The terms "we", "our" and "us" mean First Security Bank.

SPECIFIC ACCOUNT CONDITIONS **Money Master Insured Time Deposit Account - Fixed Rate**

- The interest rate and annual percentage yield on this account will remain fixed until maturity.
- The term of this account may range from two (2) months to five (5) years. The specific term you have chosen is disclosed above.
- This account will automatically renew at maturity for an additional like term. A new interest rate and annual percentage yield may be assigned when the deposit renews, which will remain fixed until the next maturity date. You will have ten (10) calendar days after maturity to withdraw funds without penalty.
- A deposit of at least \$500 is required to open this account.
- Additional deposits to this account are not permitted except at maturity.

 Money Master Insured Time Deposit Account - Variable Rate

- The interest rate and annual percentage yield on this account may change at any time at our discretion.
- The term of this account may range from two (2) months to five (5) years. The specific term you have chosen is disclosed above.
- This account will automatically renew at maturity for an additional like term. A new, variable interest rate and annual percentage yield may be assigned when the deposit renews. You will have ten (10) calendar days after maturity to withdraw funds without penalty.
- A deposit of at least \$500 is required to open this account.
- Additional deposits of at least \$100 may be made to this account at any time. Deposits by an automatic transfer from a First Security Bank checking or savings account may be made in any amount.

 Special Day Time Deposit Account

- The interest rate and annual percentage yield on this account will remain fixed until maturity.
- The term of this account may range from fourteen (14) days to five (5) years. The specific term you have chosen is disclosed above.
- This account will not automatically renew at maturity. If you do not renew the account, your deposit will be placed in a non-interest earning account. No interest will be paid after final maturity.
- A deposit of at least \$500 is required to open this account unless the maturity is between fourteen (14) and sixty-two (62) days, in which case a deposit of at least \$10,000 is required to open the account.
- Additional deposits to this account are not permitted.

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

Routing:

1	DEC 7-PL	✓
2	LWP 8-SJ	✓
3	DTA 9-FILE	✓
4	VLC	✓
5	RJF	✓
6	LWP	✓

Attach all documentation received by the division regarding this change.
 Initial each listed item when completed. Write N/A if item is not applicable.

- Change of Operator (well sold) Designation of Agent
 Designation of Operator Operator Name Change Only

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 9-24-92)

TO (new operator) PRICE CITY FROM (former operator) RANCHO ENERGY CORPORATION
 (address) BOX 893 (address) _____
PRICE UT 84501 - 0893 (INVALID/NO LONGER EXIST)
PAT LARSEN _____
 phone (801) 637-5010 phone () _____
 account no. N 5105 (5-25-95) account no. N3970

Well(s) (attach additional page if needed):

Name: CITY OF PRICE #1/TU-DK API: 43-007-30090 Entity: 9272 Sec 22 Twp 15S Rng 10E Lease Type: FEE
 Name: _____ API: _____ Entity: _____ Sec _____ Twp _____ Rng _____ Lease Type: _____
 Name: _____ API: _____ Entity: _____ Sec _____ Twp _____ Rng _____ Lease Type: _____
 Name: _____ API: _____ Entity: _____ Sec _____ Twp _____ Rng _____ Lease Type: _____
 Name: _____ API: _____ Entity: _____ Sec _____ Twp _____ Rng _____ Lease Type: _____
 Name: _____ API: _____ Entity: _____ Sec _____ Twp _____ Rng _____ Lease Type: _____
 Name: _____ API: _____ Entity: _____ Sec _____ Twp _____ Rng _____ Lease Type: _____

OPERATOR CHANGE DOCUMENTATION

- See 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). *(Rec'd 9-24-92 / Agent "David Fritts")*
- See 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). *(Rec'd Repl. Bond 5-22-95)*
- N/A 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) _____ If yes, show company file number: _____.
- N/A 4. **(For Indian and Federal Wells ONLY)** The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of **Federal and Indian** well operator changes should take place prior to completion of steps 5 through 9 below.
- See 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. *(5-25-95)*
- See 6. Cardex file has been updated for each well listed above. *5-30-95*
- See 7. Well file labels have been updated for each well listed above. *5-30-95*
- See 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. *(5-25-95)*
- See 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

- 1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) no (If entity assignments were changed, attach copies of Form 6, Entity Action Form).
- 2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

BOND VERIFICATION (Fee wells only) *Cent. of Dep. # 2179144 (\$5,000) First Sec. Bank "Price City"*

- 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.
- 2. A copy of this form has been placed in the new and former operators' bond files. ** Upon compl. of routing.*
- 3. The former operator has requested a release of liability from their bond (yes/no) no. Today's date May 25, 1995. If yes, division response was made by letter dated May 26, 1995.

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

- 1. (Rule R615-2-10) The former operator/lessee of any **fee lease** well listed above has been notified by letter dated _____ 19____, of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested. *OTS 5/31/95*
- 2. Copies of documents have been sent to State Lands for changes involving **State leases**.

FILMING

- 1. All attachments to this form have been microfilmed. Date: June 14 1995.

FILING

- 1. Copies of all attachments to this form have been filed in each well file.
- 2. The original of this form and the original attachments have been filed in the Operator Change file.

COMMENTS

API Well No.	43-007-30090-00-00	Owner	PRICE CITY	County	CARBON
Well Name	CITY OF PRICE 1				
WI Typ	Gas Well	Fclty/Proj	NA	Well Status	Shut_In
Well S-T-R	S: 22 T: 15S R: 10E				
Directions					

Inspect No.	Type	Purpose	Operator at Time of Inspection
iMLJ0000947	Routine/Periodic		

Violation? SNC? C m m nt
 Notification Type
 Gen Insp. Ok

Write Violation

Date Inspected	12/09/2002
Date NOV	
Date RmdyReq	
Date Extension	
Date Passed	

Failed Items

Comply# Incident# Inspector

API Well No.	43-007-30090-00-00	Owner	PRICE CITY	County	CARBON
Well Name	CITY OF PRICE 1				
WI Typ	Gas Well	Fclty/Proj	NA	Well Status	Shut_In
Well S-T-R	S: 22 T: 15S R: 10E				
Directions					

Inspect No.	Type	Purpose	Operator at Time of Inspection
iMLJ0000497	Routine/Periodic		PRICE CITY 85105

Violation? SNC? C m m nt
 Notification Type
 No well sign. Well is SI. Should be placed on list to be plugged. According to Gary Sontag, Price City, there are no plans whatsoever for this well as fas as the City is concerned. Some pieces scrap on loaction but really pretty clean.

Write Violation

Date Inspected	01/30/2002
Date NOV	
Date RmdyReq	
Date Extension	
Date Passed	

Failed Items

Comply# Incident# Inspector

API Well No.	43-007-30090-00-00	Owner	PRICE CITY	County	CARBON
Well Name	CITY OF PRICE 1				
WI Typ	Gas Well	Fclty/Proj	NA	Well Status	Shut In
Well S-T-R	S: 22 T: 15S R: 10E				
Directions					

Inspect No.	Type	Purpose	Operator at Time of Inspection		
JLT000012	Operator Review		RANCHO ENERGY CORP	83970	

Violation? SNC? C
 Notification Type
 mm
 nt

NO WELL SIGN. NO LEASE EQUIPMENT.

Write Violation

Date Inspected	09/20/1995
Date NOV	
Date RmdyReq	
Date Extension	
Date Passed	

Failed Items

Comply# _____ Incident# _____ Inspector Jim Thompson

API Well No.	43-007-30090-00-00	Owner	PRICE CITY	County	CARBON
Well Name	CITY OF PRICE 1				
WI Typ	Gas Well	Fclty/Proj	NA	Well Status	Shut In
Well S-T-R	S: 22 T: 15S R: 10E				
Directions					

Inspect No.	Type	Purpose	Operator at Time of Inspection		
CJK009437	Operator Review		RANCHO ENERGY CORP	83970	

Violation? SNC? C
 Notification Type
 mm
 nt

SEE LAST INSPECTION.

Write Violation

Date Inspected	03/17/1992
Date NOV	
Date RmdyReq	
Date Extension	
Date Passed	

Failed Items

Comply# _____ Incident# _____ Inspector Chris Kierst

API Well No.	43-007-30090-00-00	Owner	PRICE CITY	County	CARBON
Well Name	CITY OF PRICE 1				
WI Typ	Gas Well	Fclty/Proj	NA	Well Status	Shut In
Well S-T-R	S: 22 T: 15S R: 10E				
Directions					

Inspect No.	Type	Purpose	Operator at Time of Inspection		
MDL009436	Operator Review		RANCHO ENERGY CORP	83970	

Violation? SNC? C
 Notification Type

 m
 m
 nt

SEE LAST INSPECTION.

Write Violation

Date Inspected	05/16/1991
Date NOV	
Date RmdyReq	
Date Extension	
Date Passed	

Failed Items

Comply# _____ Incident# _____ Inspector Mike Laine

API Well No.	43-007-30090-00-00	Owner	PRICE CITY	County	CARBON
Well Name	CITY OF PRICE 1				
WI Typ	Gas Well	Fclty/Proj	NA	Well Status	Shut In
Well S-T-R	S: 22 T: 15S R: 10E				
Directions					

Inspect No.	Type	Purpose	Operator at Time of Inspection		
MDL009435	Operator Review		RANCHO ENERGY CORP	83970	

Violation? SNC? C
 Notification Type

 m
 m
 nt

SEE LAST INSPECTION.

Write Violation

Date Inspected	06/05/1990
Date NOV	
Date RmdyReq	
Date Extension	
Date Passed	

Failed Items

Comply# _____ Incident# _____ Inspector Mike Laine

API Well No.	43-007-30090-00-00	Owner	PRICE CITY	County	CARBON
Well Name	CITY OF PRICE 1				
WI Typ	Gas Well	Fclty/Proj	NA	Well Status	Shut In
Well S-T-R	S: 22 T: 15S R: 10E				
Directions					

Inspect No.	Type	Purpose	Operator at Time of Inspection		
MDL009434	Operator Review		RANCHO ENERGY CORP	83970	

Violation? SNC? C SEE LAST INSPECTION.
 Notification Type m
 m
 nt

Write Violation

Date Inspected	04/19/1989
Date NOV	
Date RmdyReq	
Date Extension	
Date Passed	

Failed Items

Comply# Incident# Inspector Mike Laine

API Well No.	43-007-30090-00-00	Owner	PRICE CITY	County	CARBON
Well Name	CITY OF PRICE 1				
WI Typ	Gas Well	Fclty/Proj	NA	Well Status	Shut In
Well S-T-R	S: 22 T: 15S R: 10E				
Directions					

Inspect No.	Type	Purpose	Operator at Time of Inspection		
EJD009433	Operator Review		RANCHO ENERGY CORP	83970	

Violation? SNC? C NO WELL SIGN-NO LEASE EQUIPMENT.
 Notification Type m
 m
 nt

Write Violation

Date Inspected	10/22/1986
Date NOV	
Date RmdyReq	
Date Extension	
Date Passed	

Failed Items

Comply# Incident# Inspector Ed Deputy

API Well No.	43-007-30090-00-00	Owner	PRICE CITY	County	CARBON
Well Name	CITY OF PRICE 1				
WI Typ	Gas Well	Felty/Proj	NA	Well Status	Shut In
Well S-T-R	S: 22 T: 15S R: 10E				
Directions					

Inspect No.	Type	Purpose	Operator at Time of Inspection
JLD009432	Operator Review		RANCHO ENERGY CORP

Violation? SNC? C
 Notification Type
 m
 m
 nt

Write Violation

Date Inspected	02/08/1984
Date NOV	
Date RmdyReq	
Date Extension	
Date Passed	

Failed Items

Comply# _____ Incident# _____ Inspector Jean Doutre

From: Don Staley
To: Earlene Russell
Date: 9/18/03 8:52AM
Subject: Re: Rules Publication web site - Bonding Rule Update

I mentioned this to John a couple of weeks ago and he didn't seem concerned. He said they are very slow and we seem to be faster than most at getting rule updates out to the public. I'm glad you're getting Ron to check on it though. Thanks.

>>> Earlene Russell 09/18/03 08:41AM >>>

FYI

As of last night the publication rule web site still does not show our new rule published. Ron Daniels stopped by this am about something else, soooooo I asked him to check with them to see when the update will be on their site. This will be a nice tool to have in place before our bond update request letters go out.

Don does have it as a separate search on our site.



State of Utah

Department of
Natural Resources

Division of
Oil, Gas & Mining

ROBERT L. MORGAN
Executive Director

LOWELL P. BRAXTON
Division Director

MICHAEL O. LEAVITT
Governor

OLENE S. WALKER
Lieutenant Governor

April 16, 2004

CERTIFIED MAIL NO. 7002 0510 0003 8602 6242

Nick Tatton
Price City
P.O. Box 893
Price City, Utah 84501-0893

Re: Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases.

Dear Mr. Tatton:

Price City, as of April 2004, has one (1) Fee Lease Well (see attachment A) that is currently in non-compliance for extended shut-in or temporary abandonment status. Wells SI/TA beyond twelve (12) consecutive months requires filing a Sundry Notice (R649-3-36-1). Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (649-3-36-1.3.3). For extended SI/TA consideration the operator shall provide the Utah Division of Oil, Gas & Mining with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).

Page 2
April 16, 2004
Nick Tatton

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

If the required information is not received within 30 days of the date of this notice, further actions may be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,



Dustin K. Doucet
Petroleum Engineer

jc
cc: John Baza
Well File

Price City

	Well Name	API	Lease Type	Years Inactive
1	City of Price 1	43-007-30090	Fee	12 Years 0 Months

Attachment A



State of Utah

Department of
Natural Resources

ROBERT L. MORGAN
Executive Director

Division of
Oil, Gas & Mining

LOWELL P. BRAXTON
Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

October 1, 2004

CERTIFIED MAIL NO. 7002 0510 0003 8602 6020

Mr. Nick Tatton
Price City
P.O. Box 893
Price City, Utah 84501-0893

Re: Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases dated April 16, 2004.

Dear Mr. Tatton:

The Division of Oil, Gas and Mining (the "Division") is in receipt of your letter dated September 14, 2004 (received by the Division on 9/17/2004) in regards to the one (1) shut-in well operated by Price City. It is the Division's understanding the City of Price #1 (API No. 43-007-30090) will be plugged during the last half of next year.

ISS 10E-22

Based on the submitted plan of action for the City of Price #1, the Division grants extended shut-in and temporary abandonment until 1/1/2006, allowing Price City adequate time to budget and perform the proposed work. Please submit a notice of intent sundry with plugging procedures for Division approval at your earliest convenience.

The City of Price #1 passed the last general inspection performed by the Division on 12/9/2002. The Division recommends this well be monitored on a regular basis by the operator until it is properly plugged. Please notify the Division if the well status changes; corrective action may be necessary.

If you have any questions or need additional assistance in regards to the above matters please contact me at (801) 538-5281.

Sincerely,

Dustin Doucet
Petroleum Engineer



State of Utah

Department of
Natural Resources

MICHAEL R. STYLER
Executive Director

Division of
Oil, Gas & Mining

MARY ANN WRIGHT
Acting Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

January 24, 2005

Nick Tatton
Price City
P.O. Box 893
Price City, Utah 84501-0893

Re: Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases.

Dear Mr. Tatton:

The Division of Oil, Gas and Mining (the "Division") general rules state that "after five (5) years non-activity or non-productivity the well shall be plugged in accordance with R649-3-24, unless approval for extended shut-in time is given by the Division upon a showing of good cause by the operator"(R649-3-36-3). Price City operates one (1) Fee Lease Well, the City of Price #1 (43-007-30090). As of January 2005, this well has been shut-in for thirteen (13) years and the operator has not supplied a showing of good cause.

Last September the Division granted Price City extended shut-in or temporary abandonment status until 1/1/2006 for the City of Price #1, to allow Price City adequate time for budgeting and plugging of the well this year. Please submit a notice of intent sundry with plugging procedures (R649-3-24) for Division approval at your earliest convenience. In addition, the Division recommends that the operator monitor this well on a regular basis until it is properly plugged and abandoned. Notify the Division if the well status changes; corrective action may be necessary.

If you have any questions or need additional assistance in regards to the above matters please contact me at (801) 538-5281.

Sincerely,

Dustin Doucet
Petroleum Engineer

jc
cc: Well file

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.

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: City of Price No. 1

9. API NUMBER: 43-007-30090

10. FIELD AND POOL, OR WILDCAT: Miller Creek

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

2. NAME OF OPERATOR: City of Price

3. ADDRESS OF OPERATOR: 185 E Main Street CITY Price STATE UT ZIP 84501 PHONE NUMBER: _____

4. LOCATION OF WELL: FOOTAGES AT SURFACE: 1,000' FSL, 1,000' FEL COUNTY: Carbon

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NW/SE/SE Sec 22, T15S, R10E STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>06/25/05</u>	<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 type="checkbox"/> PLUG AND ABANDON	<input checked="" 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.

In accordance with Rules 649-3-19 and 649-3-20, this well will be flow tested for a duration of 72 hours in order to determine if the well is capable of commercial production. The original completion reports reported a test rate of 75 Mcfd. We do not expect the test rates to exceed 75 Mcfd.

COPIES SENT TO OPERATOR
DATE: 7-5-05
INITIALS: CHD

NAME (PLEASE PRINT) JOE L. PICCOLO TITLE MAYOR

SIGNATURE [Signature] DATE 6-14-05

(This space for State use only)

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

DATE: 6/29/05

BY: [Signature]

(5/2000) (See Instructions on Reverse Side) *necessary test

Mayor
JOE L. PICCOLO
City Attorney
NICK SAMPINOS
Community Director
NICK TATTON
City Recorder
JOANNE LESSAR
Finance Director
PAT LARSEN



Price City

185 EAST MAIN • P.O. BOX 893 • PRICE, UT 84501
PHONE (435) 637-5010 • FAX (435) 637-2905
www.pricecityutah.com

UTAH'S CASTLE COUNTRY!!

City Council

BETTY P. WHEELER
STEPHEN L. DENNISON
RICHARD TAFFON
JEANNE McEVROY
MAE AGUAYO

DATE: JUNE 14, 2005
TO: DUSTIN K. DOUCET
STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
FROM: NICK TATTON 
PRICE CITY
RE: GAS WELL

RECEIVED

JUN 1 / 2005

DIV. OF OIL, GAS & MINING

As you may recall, Price City has been planning to permanently plug a dormant gas well owned by the City. To date that is still the intention of Price City and funding for that project is currently in process. However, Price City has been contacted by a production company about flow testing of the well. Please find enclosed a Sundry Notice for that testing signed by Mayor Joe L. Piccolo.

Upon completion of the flow testing, Price City anticipates the continuation of the permanent plugging process, however if the flow test is adequate the well may be leased and placed into active production and renovated for use.

Please let me know if you have any questions on this matter I may be able to answer. Thank you.

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER:
2. NAME OF OPERATOR: Coastal Plains Energy, Inc. N2170		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: 420 Throckmorton Ste 630 Ft Worth TX 76102-3723 PHONE NUMBER: 817 882-9055		7. UNIT or CA AGREEMENT NAME: N/A
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1,000' FSL, 1,000' FEL COUNTY: Carbon QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NW/SE/SE Section 22, T15S, R10E STATE: UTAH		8. WELL NAME and NUMBER: City of Price No. 1
		9. API NUMBER: 43-007-30090
		10. FIELD AND POOL, OR WILDCAT: Miller Creek

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 09/01/05	<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 type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Change of Operator
	<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.

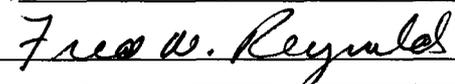
City of Price, P. O. Box 893, Price, UT 84501, hereby resigns effective September 1, 2005.

CITY OF PRICE **N5105**
NAME (Please Print) Joe L. Piccolo TITLE Mayor

SIGNATURE  DATE 9-27-05

Please be advised that effective September 1, 2005, Coastal Plains Energy, Inc, 420 Throckmorton, Suite 630, Ft Worth, TX 76102-3723, has assumed the operatorship of the City of Price No. 1 well. Coastal Plains Energy, Inc. is now responsible under the terms and conditions of the lease for the operations conducted upon the lease lands as well as the plugging and abandonment of the City of Price No. 1 well, and the restoration of the wellsite.

COASTAL PLAINS ENERGY, INC.

NAME (PLEASE PRINT) Fred N. Reynolds TITLE Vice President
SIGNATURE  DATE 09/21/05

(This space for State use only)

APPROVED 10/3/05
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

RECEIVED

OCT 03 2005

DIV. OF OIL, GAS & MINING

Mayor
JOE L PICCOLO
City Attorney
NICK SAMPINOS
Community Director
NICK TATTON
City Recorder
JOANNE LESSAR
Finance Director
PAT LARSEN



Price City

185 EAST MAIN • P.O. BOX 893 • PRICE, UT 84501
PHONE (435) 637-5010 • FAX (435) 637-2905
www.pricecityutah.com

UTAH'S CASTLE COUNTRY!!

City Council

BETTY HOWE
STEPHEN L. DRAYTON
JEANNE MCGOY
MAE AGUAYO

September 27, 2005

RECEIVED

OCT 03 2005

DIV. OF OIL, GAS & MINING

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

RE: City of Price #1, 43-007-30090

Mrs. Russell,

Please find enclosed an original form 9 sundry notice relative to the above referenced gas well owned by Price City. Price City has entered into a lease with Costal Plains Energy (Costal) in which Costal will operate the well and assume all responsibility for plugging and abandonment and reclamation at the termination of their operation.

This action, as indicated on the sundry notice, was effective September 1st, 2005.

Please release the reclamation bond held by your office in the amount of \$5,000.00 Price City has placed posted. Bond refund can be made to Price City, P.O. Box 893, Price, Utah 84501. Please send the bond refund to my attention for internal processing.

Thank you for your help and assistance to complete this process and please call with any questions.

Sincerely,

Nick Tatton, Community Director
Price City

Encl: Form 9 Sundry Notice
City of Price #1
43-007-30090

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM n/a BIA n/a

8. **Federal and Indian Units:**

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

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

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

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

DATA ENTRY:

- 1. Changes entered in the **Oil and Gas Database** on: 10/3/2005
- 2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 10/3/2005
- 3. Bond information entered in RBDMS on: 10/3/2005
- 4. Fee/State wells attached to bond in RBDMS on: 10/3/2005
- 5. Injection Projects to new operator in RBDMS on: n/a
- 6. Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

FEDERAL WELL(S) BOND VERIFICATION:

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

INDIAN WELL(S) BOND VERIFICATION:

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

FEE & STATE WELL(S) BOND VERIFICATION:

- 1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number 698
- 2. The **FORMER** operator has requested a release of liability from their bond on: 10/3/2005
The Division sent response by letter on: n/a

LEASE INTEREST OWNER NOTIFICATION:

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

COMMENTS:



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

March 29, 2006

43,007,30090

CERTIFIED MAIL NO. 7005 0390 0000 7506 4741

Mr. Fred Reynolds
Coastal Plains Energy Inc.
420 Thorkmorton, Suite 630
Fort Worth, Texas 76102-3723

Re: Extended Shut-in and Temporarily Abandoned Well Requirements for
Fee or State Leases.

Dear Mr. Reynolds:

As of March 2006, Coastal Plains Energy Inc. has one (1) Fee Lease Well (see attachment A) that is in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status. Wells SI/TA beyond twelve (12) consecutive months require the filing of a Sundry Notice in accordance with R649-3-36-1 for Utah Division of Oil, Gas & Mining ("Division") approval. Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (R649-3-36-1.3.3).

For extended SI/TA consideration the operator shall provide the Division with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2).
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).

Page 2
Mr. Fred Reynolds
March 29, 2006

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram.
2. Copy of recent casing pressure test.
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity.
4. Fluid level in the wellbore.
5. An explanation of how the submitted information proves integrity.

If the required information is not received within 30 days of the date of this notice, further actions may be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,



Dustin K. Doucet
Petroleum Engineer

DKD:mf
Attachment
cc: Well File
Compliance File

ATTACHMENT A

	Well Name	Location	API	Lease Type	Years Inactive
1	City of Price 1	SESE Sec 22-T15S-R10E	43-007-30090	Fee	14 Year 2 Month

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: FER
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: N/A
2. NAME OF OPERATOR: Coastal Plains Energy, Inc.		8. WELL NAME and NUMBER: City of Price No. 1
3. ADDRESS OF OPERATOR: 420 Throckmorton, Ste 630, Fort Worth, TX 76102-3723	PHONE NUMBER: 817 882-9055	9. API NUMBER: 43-007-30090
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1,000' FSL, 1,000' FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NW/SE/SE Sec 22 T15S R10E		10. FIELD AND POOL, OR WILDCAT: Miller Creek COUNTY: Carbon 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 checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 02/01/06	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: Test Mechanical Integrity

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

In accordance with Rules 649-3-36-1.1 and 649-3-36-1.2, this well is currently shut in awaiting pipeline connection. Coastal Plains Energy, Inc. is attempting to secure a pipeline connection for gas sales. It may take up to 12 months to secure such connection.

In accordance with Rule 649-3-36-1.3, a workover rig was rigged up on the well 01/30/06. PBTD was found at 1,338'. Tubing was run to 1,287' and the well was swab tested. The swab test found no fluid in the hole. The 2-3/8" tubing was subsequently set at 606' for production. The well was then flow tested for 24 hours at a rate of 40 Mcfd.

NAME (PLEASE PRINT) Fred N. Reynolds TITLE Petroleum Engineer

SIGNATURE *Fred N. Reynolds* DATE 04/17/06

(This space for State use only)

RECEIVED
APR 20 2006
DIV. OF OIL, GAS & MINING

Accepted by the
Utah Division of
Oil, Gas and Mining
For Record Only

(See Instructions on Reverse Side)

DAILY WORKOVER REPORT

**Coastal Plains Energy, Inc.
City of Price No. 1
Carbon County, Utah**

K.B. 5,560'
G.L. 5,550'
Casing: 5-1/2", 15.5 lb/ft, J-55 set @ 1,421', PBTD @ 1,338'
Perfs: 553'-564' (14 holes), 991'-1,321' (11 holes)

01/30/06 MIR & RU. Blow well down. PU 4 jts. RIH tag PBTD. POOH tallying.
PBTD @ 1,338'. RU wireline. Run GR w/CCL from 1,338' to surf.
SDFN.

01/31/06 RIH w/2-3/8" tbg to 1,287'. Run swb no fl in hole. POOH w/22 jts. Set
tbg @ 606'. Released rig.

02/01/06 SITP 90 psig, SICP 90 psig. Open well up on 16/64" choke. Stabilized
FTP 15 psig, CP 20 psig. Est 40 Mcfd. SI.

Tubing Detail

1 jt 2-3/8", 4.7 lb/ft, J-55 tbg	31.17'
1 SN	1.10
18 jts 2-3/8", 4.7 lb/ft, J-55 tbg	565.47
K.B. difference	8.00
Total	605.74'

cityofpricedailyworpt.cpe

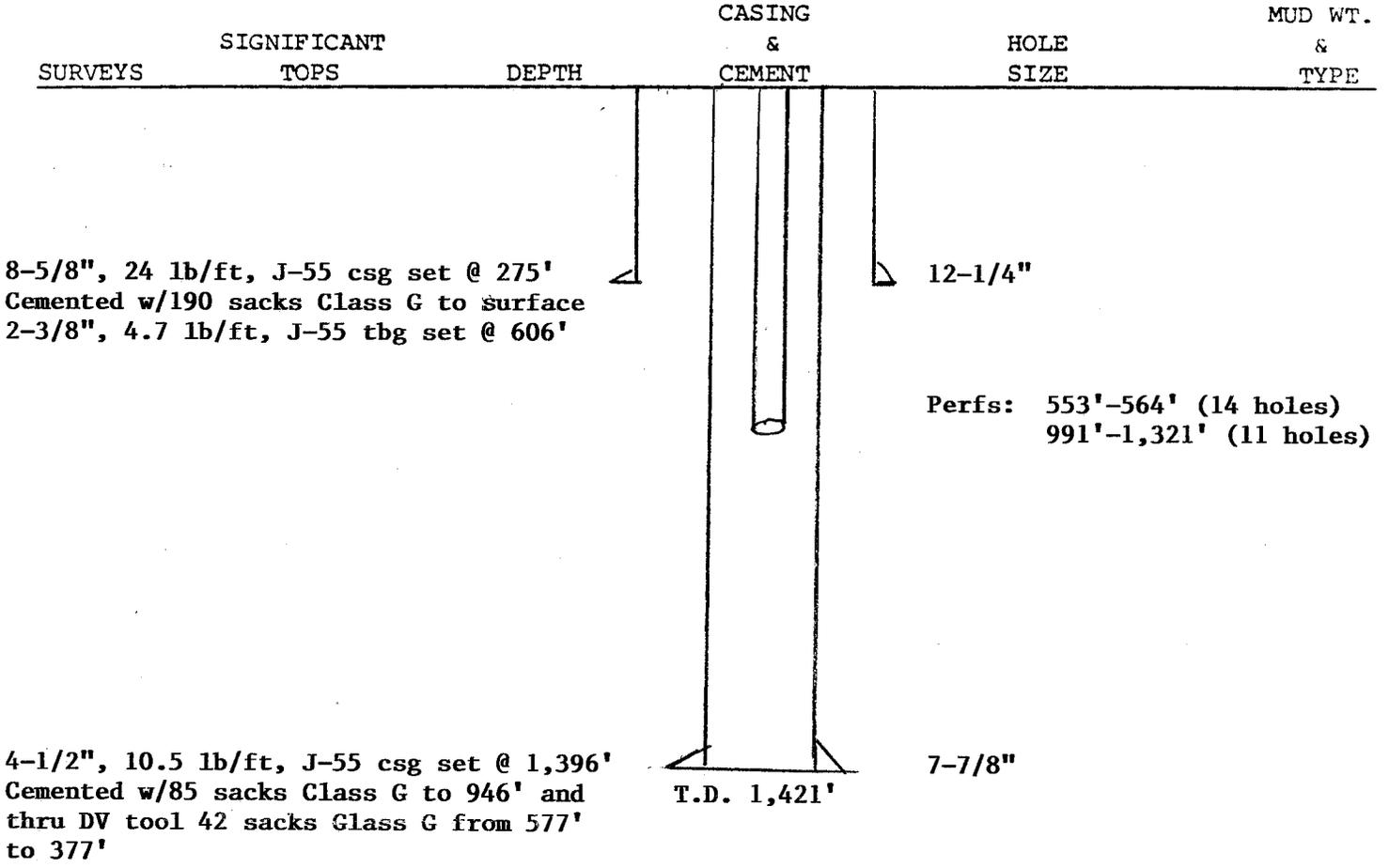
RECEIVED

APR 20 2006

DIV. OF OIL, GAS & MINING

PROSPECT: Miller Creek

WELL NAME: City of Price No. 1 DATE: 04/17/06
 FIELD: Miller Creek COUNTY: Carbon
 STATE: UT
 ELEV: 5,550'
 LOCATION: NW/SE/SE Sec 22, T15S, R10E
 OBJECTIVE: Ferron and Dakota Sands



COASTAL PLAINS ENERGY, INC.

420 THROCKMORTON, SUITE 630
FORT WORTH, TEXAS 76102-3723

817-882-9055
Fax 817-336-3223

April 17, 2006

Mr. Dustin K. Doucet
State of Utah
Department of Natural Resources
P O Box 145801
Salt Lake City, UT 84114-5801

Re: **City of Price No. 1**
API 43-007-30090
Carbon County, Utah

Dear Mr. Doucet:

Pursuant to your letter dated March 29, 2006, Coastal Plains Energy, Inc. submits a Sundry Notice in order to satisfy Rules 649-3-36-1.1, 649-3-36-1.2, and 649-3-36-1.3. A copy of our Daily Workover Report and Wellbore Schematic are also enclosed to support the Sundry Notice.

If you have any questions regarding the enclosures, please call the undersigned.

Very truly yours,

COASTAL PLAINS ENERGY, INC.


Fred N. Reynolds

FNR/cf

Encls.

pricesundrynotice.cpe

RECEIVED

APR 20 2006

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

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

N/A

7. UNIT or CA AGREEMENT NAME:

N/A

8. WELL NAME and NUMBER:

City of Price No. 1

9. API NUMBER:

43-007-30090

10. FIELD AND POOL, OR WILDCAT:

Miller Creek

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:

Coastal Plains Energy, Inc.

3. ADDRESS OF OPERATOR:

420 Throckmorton, Ste 630, Fort Worth, TX 76102-3723

PHONE NUMBER:

23 817 882-9056

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1,000' FSL, 1,000' FEL

COUNTY: Carbon

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NW/SE/SE Sec 22 T15S R10E

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
02/01/06	<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>Test Mechanical Integrity</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.

In accordance with Rules 649-3-36-1.1 and 649-3-36-1.2, this well is currently shut in awaiting pipeline connection. Coastal Plains Energy, Inc. is attempting to secure a pipeline connection for gas sales. It may take up to 12 months to secure such connection.

In accordance with Rule 649-3-36-1.3, a workover rig was rigged up on the well 01/30/06. PBD was found at 1,338'. Tubing was run to 1,287' and the well was swab tested. The swab test found no fluid in the hole. The 2-3/8" tubing was subsequently set at 606' for production. The well was then flow tested for 24 hours at a rate of 40 Mcfd.

NAME (PLEASE PRINT) Fred N. Reynolds

TITLE Petroleum Engineer

SIGNATURE Fred N. Reynolds

DATE 04/17/06

(This space for State use only)

RECEIVED
APR 13 2007
DIV. OF OIL, GAS & MINING



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
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

July 28, 2008

CERTIFIED MAIL NO.: 7004 2510 0004 1824 5766

43 007 30090
City of Price 1
ISS IDE 22

Mr. Fred Reynolds
Coastal Plains Energy Inc.
420 Throckmorton, Suite 630
Fort Worth, TX 76102-3723

Re: Extended Shut-in and Temporarily Abandoned Well Requirements for Fee or State Leases

Dear Mr. Reynolds:

As of July 2008, Coastal Plains Energy Inc. has two (2) Fee Lease Wells (see attachment A) that are in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status. The City of Price #1 Well (API # 43-007-30090) was last reported as awaiting pipeline connection back in February 2006. Our records show it as Shut In. The timeline for the pipeline has since passed. The Division has received no further information.

Wells SI/TA beyond twelve (12) consecutive months require the filing of a Sundry Notice in accordance with R649-3-36-1 for Utah Division of Oil, Gas & Mining ("Division") approval. Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (R649-3-36-1.3.3).

For extended SI/TA consideration the operator shall provide the Division with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).



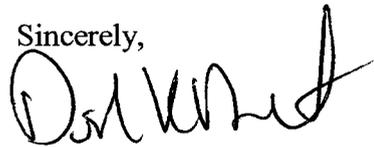
Page 2
July 28, 2008
Mr. Reynolds

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

If the required information is not received within 30 days of the date of this notice, further actions will be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,



Dustin K. Doucet
Petroleum Engineer

JP/js
Enclosure

cc: Well File
Compliance File

Attachment A

	Well Name	Location	API	Lease Type	Years Inactive
1	City of Price 1	SESE Sec 22-T15S-R10E	43-007-30090	Fee	24 years 9 months
2	Utah Penn Chiaretta 1	SESW Sec 22-T15S-R10E	43-007-30063	Fee	25 years 8 months

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:
City of Price 1

9. API NUMBER:
43-007-30090

10. FIELD AND POOL, OR WILDCAT:
Miller Creek

1. TYPE OF WELL
OIL WELL GAS WELL OTHER _____

2. NAME OF OPERATOR:
Coastal Plains Energy, Inc.

3. ADDRESS OF OPERATOR:
420 Throckmorton, Ste 630 Fort Worth, TX 76102 PHONE NUMBER: **817 882-9055**

4. LOCATION OF WELL
FOOTAGES AT SURFACE: **1,000' FSL, 1,000' FEL**

COUNTY: **Carbon**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **NW/SE/SE Sec 22 T15S R10E**

STATE: **UTAH**

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
02/01/06	<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: Shut in
	<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.

Waiting on pipeline

NAME (PLEASE PRINT) **Fred N. Reynolds** TITLE **Petroleum Engineer**

SIGNATURE *Fred N. Reynolds* DATE **August 12, 2008**

(This space for State use only)

RECEIVED
AUG 12 2008
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.

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:
City of Price 1

9. API NUMBER:
43-007-30090

10. FIELD AND POOL, OR WILDCAT:
Miller Creek

1. TYPE OF WELL
OIL WELL GAS WELL OTHER _____

2. NAME OF OPERATOR:
Coastal Plains Energy, Inc.

3. ADDRESS OF OPERATOR:
420 Throckmorton, Ste 630 Fort Worth, TX 76102
STATE ZIP PHONE NUMBER:
817 882-9055

4. LOCATION OF WELL
FOOTAGES AT SURFACE: **1,000' FSL, 1,000' FEL**

COUNTY: **Carbon**
STATE: **UTAH**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **NW/SE/SE Sec 22 T15S R10E**

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
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	<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: 02/01/06	<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: Shut in
	<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.

Waiting on pipeline

NAME (PLEASE PRINT) **Fred N. Reynolds** TITLE **Petroleum Engineer**

SIGNATURE *Fred N. Reynolds* DATE **8/28/08**

(This space for State use only)

RECEIVED

SEP 02 2008

DIV. OF OIL, GAS & MINING



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
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

December 23, 2008

CERTIFIED MAIL NO.: 7004 2510 0004 1824 6640

Mr. Fred Reynolds
Coastal Plains Energy Inc.
420 Throckmorton, Suite 630
Fort Worth, TX 76102-3723

43 007 30090
City of Price 1
15 S 10E 22

SUBJECT: Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases dated July 28, 2008

Dear Mr. Reynolds:

The Division of Oil, Gas and Mining (the Division) is in receipt of your letter dated August 12, 2008 (received by the Division on 8/18/2008) in regards to the two (2) shut-in or temporarily abandoned (SI/TA) Fee Lease wells operated by Coastal Plains Energy, Inc (Coastal Plains). It is the Divisions understanding that Coastal Plains would have the said wells (Price No. 1 43-007-30090 & Utah Penn Chiaretta No. 1 43-007-30063) back on production within sixty (60) days of your letter dated August 12, 2008.

To date the Division has not received any information confirming this proposal. Sufficient time has passed to allow stated work to be accomplished. Please send necessary documentation that will show the current condition of these wells so that our records may be updated in noting SI/TA status.

If the required information is not received within 30 days of the date of this notice, further actions will be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,

Dustin K. Doucet
Petroleum Engineer

DKD/JP/js
Enclosure
cc: Well File
Compliance File

N:\O&G Reviewed Docs\Chron file\PetroleumEngineer\SITA\20081223 Costal Plains SITA response



Attachment A

	Well Name	Location	API	Lease Type	Years Inactive
1	City of Price 1	SESE Sec 22-T15S-R10E	43-007-30090	Fee	24 years 9 months
2	Utah Penn Chiaretta 1	SESW Sec 22-T15S-R10E	43-007-30063	Fee	25 years 8 months

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS			5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.			6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
			7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: City of Price 1	
2. NAME OF OPERATOR: Coastal Plains Energy, Inc.		9. API NUMBER: 43-007-30090	
3. ADDRESS OF OPERATOR: 420 Throckmorton, Ste 630		PHONE NUMBER: 817 882-9055	10. FIELD AND POOL, OR WILDCAT: Miller Creek
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1,000' FSL, 1,000' FEL		COUNTY: Carbon	
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NW/SE/SE Sec 22 T15S R10E		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: 02/01/06	<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: Shut in
	<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.

Waiting on pipeline

NAME (PLEASE PRINT) <u>Fred N. Reynolds</u>	TITLE <u>Petroleum Engineer</u>
SIGNATURE <u><i>Fred N. Reynolds</i></u>	DATE <u>August 12, 2008</u>

(This space for State use only)

RECEIVED

AUG 18 2008

DIV. OF OIL, GAS & MINING

COASTAL PLAINS ENERGY, INC.

420 THROCKMORTON, SUITE 630
FORT WORTH, TEXAS 76102-3723

817-882-9055
Fax 817-336-3223

August 12, 2008

Mr. Dustin K. Doucet
State of Utah
Department of Natural Resources
P O Box 145801
Salt Lake City, UT 84114-5801

Re: **City of Price No. 1, API 43-007-30090**
Utah Penn Chiaretta No. 1, API 43-007-20063
Carbon County, UT

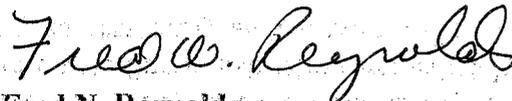
Dear Mr. Doucet:

Pursuant to your letter dated July 28, 2008, Coastal Plains Energy, Inc. is within 60 days of having the City of Price No. 1 well and the Utah Penn Chiaretta No. 1 well on line. Coastal Plains Energy, Inc. has been working with the Bureau of Land Management and certain fee owners to acquire right-of-way to lay a pipeline to connect these wells for the past two years. Today, I spoke with Mr. Mike Robinson regarding the final 800' of right-of-way that we need to finish our pipeline. We applied for this additional right-of-way in December 2007. Mr. Robinson assured me today that the right-of-way will be granted within the next two weeks. We plan on starting construction immediately and should have the two subject wells producing, as previously stated, within the next 60 days.

We were in error by not filing monthly Sundry Notices, and have begun that process (copies attached). Coastal Plains Energy, Inc. respectfully requests that the State of Utah extend shut in and temporary abandonment status for the subject two wells. Thank you for your attention to this matter. If you have any questions, please contact the undersigned at 817 336-1742.

Very truly yours,

COASTAL PLAINS ENERGY, INC.



Fred N. Reynolds

FNR/cf

Encls.

carboncosundry.cpe

RECEIVED

AUG 18 2008

DIV. OF OIL, GAS & MINING



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
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

February 25, 2009

Mr. Fred Reynolds
Coastal Plains Energy Inc.
420 Throckmorton, Suite 630
Fort Worth, TX 76102-3723

SUBJECT: Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases dated July 28, 2008

Dear Mr. Reynolds:

15 S 10E 22

The Division of Oil, Gas and Mining (the Division) is in receipt of your letter dated January 7, 2009 (received by the Division on 1/12/2009) in regards to the two (2) shut-in or temporarily abandoned (SI/TA) Fee Lease wells operated by Coastal Plains Energy, Inc (Coastal Plains). It is the Divisions understanding that Coastal Plains is currently investigating another market for selling gas from wells (Price No. 1 43-007-30090 & Utah Penn Chiaretta No. 1 43-007-30063) due to Questar's proposal to set the sales metering station.

In response to your request to extend SI/TA status for the two subject wells until July 1, 2009, the Division is unable to grant approval due to lack of evidence of well integrity. No evidence was received per R649-3-36 providing proof of integrity. The Divisions preferred method of demonstrating well integrity is to perform an MIT. Please submit the necessary information to bring these wells back into compliance.

If the required information is not received within 30 days of the date of this notice, further actions will be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,

Dustin K. Doucet
Petroleum Engineer

DKD/JP/js

Enclosure

cc: Well File

Compliance File

N:\O&G Reviewed Docs\Chron file\PetroleumEngineer\SITA

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801

telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov



Attachment A

	Well Name	Location	API	Lease Type	Years Inactive
1	City of Price 1	SESE Sec 22-T15S-R10E	43-007-30090	Fee	24 years 9 months
2	Utah Penn Chiaretta 1	SESW Sec 22-T15S-R10E	43-007-30063	Fee	25 years 8 months

COASTAL PLAINS ENERGY, INC.

420 THROCKMORTON, SUITE 630
FORT WORTH, TEXAS 76102-3723

817-882-9055
Fax 817-336-3223

January 7, 2009

Mr. Dustin K. Doucet
State of Utah, Department of Natural Resources
P O Box 145801
Salt Lake City, UT 84114-5801

Re: **Extended Shut-in & Temporary Abandoned Well Requirements for the
City of Price No. 1 and Utah Penn. Chiaretta No. 1**

Dear Mr. Doucet:

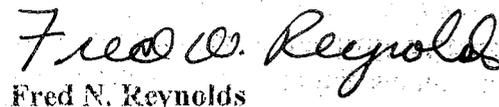
Pursuant to your letter dated December 23, 2008, copy attached, Coastal Plains Energy, Inc. had requested a sixty (60) day shut-in extension for the referenced wells, which was granted. Construction on the pipeline was commenced and 90% completed. The remaining work to be performed is to construct a compressor station and tie into Questar. On November 20, 2008, we received Questar's proposal to set the sales metering station, copy attached. The cost to set the meter run is \$165,000, approximately eight times more than what Coastal Plains could install the metering station for. At current economic conditions and the low volumes that the wells in the Miller Creek Field produce, we cannot proceed with Questar's proposal. We are currently investigating another market for selling our gas.

To date, we have invested \$331,000 in the Miller Creek Field and do not intend to abandon the project just yet. We propose that the State of Utah extend the shut-in and temporary abandonment status for the subject two wells until July 1, 2009. At that time, if the wells are still shut-in, we can revisit the status of our Miller Creek project and its future.

Thank you for your attention to this matter. If you have any questions, please contact the undersigned at 817 336-1742.

Very truly yours,

COASTAL PLAINS ENERGY, INC.


Fred N. Reynolds

Encl.
millerckextension.cpe

RECEIVED

JAN 12 2009

DIV. OF OIL, GAS & MINING

**Q.P.C.
ORIGINAL**

CONNECTION AGREEMENT

THIS AGREEMENT is entered into this _____ day of _____, 2008, between **Questar Pipeline Company**, (Questar) 180 East 100 South, P.O. Box 45360, Salt Lake City, Utah 84145-0360 and **Coastal Plains Energy, Inc.** (Coastal), 420 Throckmorton, Suite 630, Fort Worth, TX, 76102. Questar and Coastal are collectively referred to as the Parties.

Coastal has requested an interconnect to Questar's JL 44 at an existing tap known as the North Springs Tap, S/E of Section 26, Township 15 South, Range 9 East, Carbon County, Utah.

The Parties agree as follows:

1. Questar will install the facilities at the interconnect which will include but are not limited to a 2" meter and associated valves, telecommunication equipment and building.
2. a. Coastal agrees to pay Questar the actual costs incurred to install the Connection Facilities. The good faith estimate of the costs Questar expects to incur to install the Connection Facilities is \$105,000. Upon the execution of this Agreement, Questar shall invoice Coastal for the estimated costs and Coastal shall pay Questar the estimated costs within 30 days of receipt of the invoice. Questar will have no obligation to commence any work until full payment of the estimated costs has been received by Questar.

b. Upon completion of the Connection Facilities, if the actual costs to install the Connection Facilities are less than the estimated costs, Questar shall refund Coastal the difference. If the actual costs to install the Connection Facilities exceed the estimated costs, Questar shall invoice Coastal for the difference.
3. The Connection Facilities installed by Questar shall remain the property of Questar. Questar shall be responsible for the operation and maintenance of the Connection Facilities.
4. All volume determinations relating to gas delivered at the interconnect shall be made according to the Questar Pipeline FERC Gas Tariff First Revised Volume No.1 Tariff (Tariff).
5. Any gas entering Questar's facilities must meet the gas quality specifications set forth in the General Terms and Conditions of Questar's Tariff. Coastal shall reimburse Questar for all damages caused to Questar's facilities as well as indemnify and hold Questar harmless from all liabilities, losses and claims for damages to persons or properties arising from debris or contaminants foreign to the gas stream or failure of the gas entering Questar's facilities to meet the quality specifications of Questar's Tariff.

6. a. Questar's facilities at the interconnect point have an established MAOP (maximum allowed operating pressure) of 860 psig, but the MAOP may change over time.
 - b. For facilities that have the potential to exceed Questar's MAOP, Coastal shall provide pressure relieving or limiting devices pursuant to 49 CFR Part 192.195(a) at the interconnect point.
 - c. If Coastal provides such conforming devices, Questar shall have the right, but not the obligation or duty, to inspect such devices for conformance to U. S. Department of Transportation requirements and to witness periodic testing and maintenance of said devices.
 - d. Coastal shall indemnify Questar and hold it harmless for all damages and injuries resulting from Coastal's failing to install or properly maintain such equipment or from Coastal over-pressuring Questar's facilities.
 - e. Coastal shall be responsible for delivering gas at the receipt point into Questar's facilities at pressures sufficient for its gas to enter Questar facilities against the prevailing transient pressures on Questar's system.
7. In the event that Coastal volumes meet or exceed 5 MMCFD, Questar, at its discretion, may install a gas chromatograph. The costs to install the chromatograph are estimated to be \$200,000. Questar will invoice Coastal for the actual cost incurred to install the chromatograph.
 8. Coastal understands and agrees that the estimate provided has not been grossed-up for taxes for income pursuant to Internal Revenue Code provisions relating to the recognition as income of the contributions in aid of construction. Questar is assuming for purposes of providing an estimate for this project that Coastal's reimbursement is not a taxable event since it is not a contribution in aid of construction under the regulations implementing the code. If the IRS determines that the reimbursement qualifies as a contribution in aid of construction, Coastal agrees to reimburse Questar for any taxes, interest, and penalties paid by Questar to the Internal Revenue Service, as a result thereof, within 30 days of being presented with a bill therefore.
 9. This Agreement confers no right to Coastal for gathering, conditioning, processing or transmission services on Questar's system. Coastal must contract for those services separately.
 10. This Agreement shall be governed by laws of the state of Utah.

THIS AGREEMENT is entered into by the authorized representatives of the Parties whose signatures appear below.

COASTAL PLAINS ENERGY, INC.

By: _____
Its: _____

QUESTAR PIPELINE COMPANY

By: R. Allan Bradley 
R. Allan Bradley
Questar Pipeline President and CEO

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		7. UNIT or CA AGREEMENT NAME:
		8. WELL NAME and NUMBER: City of Price 1
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	9. API NUMBER: 43-007-30090	
2. NAME OF OPERATOR: Coastal Plains Energy, Inc.	10. FIELD AND POOL, OR WMLDCAT: Miller Creek	
3. ADDRESS OF OPERATOR: 420 Throckmorton, Ste 630 Fort Worth, TX 76102	PHONE NUMBER: 817 882-9055	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1,000' FSL, 1,000' FEL	COUNTY: Carbon	
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NW/SE/SE Section 22 T15S R10E		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: 06/23/09	<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: mechanical integrity test
	<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.

**SITP 155 psig, SICP 150 psig
Ran slickline, tagged TD @ 1,330'
Shot fluid level - fluid level @ 518'**

NAME (PLEASE PRINT) Fred N. Reynolds	TITLE Petroleum Engineer
SIGNATURE <i>Fred N. Reynolds</i>	DATE 06/30/09

(This space for State use only)

Accepted by the
Utah Division of
Oil, Gas and Mining
For Record Only

RECEIVED
JUL 06 2009

DIV. OF OIL, GAS & MINING

Delsco Northwest, Inc.

P.O. Box 955 · Roosevelt, Utah 84066 · (435) 722-4236

FINAL BILLING

97920

140155

SERVICE AGREEMENT AND OPERATOR'S REPORT

We have requested DELSCO NORTHWEST, INC., to come to the location of COASTAL PLAINS Energy (Owner)

(Lease) _____ (Well No.) _____ Well in the _____ (Name of Field)

UTAH (State) Field and Hereby Agree That Its Work Shall Be Performed Under the Following Terms and Conditions:

DELSCO NORTHWEST, INC.,

(hereinafter referred to as Delsco or its employees, or its personnel do not warrant or guarantee satisfactory results of the work performed, however, Delsco, or its employees, or its personnel will perform work requested to the best of their ability. Delsco reserves the right to move off the well or location at any time if, in its opinion, well or location conditions render such action advisable. If, for any reason, Delsco is forced to leave its equipment on the well or location and is unable to recover its equipment, the customer ordering the work and equipment will be billed for same at the regular retail price. However, if the equipment is eventually recovered and delivered to Delsco, the customer being previously billed for the equipment will be issued full credit for same less any costs for repairs or reconditioning, if the equipment is of the same type in general use by Delsco. If Delsco is to be transported by means other than its own power, service charges at regular location rates commence upon arrival at place where transportation is to begin. Mileage charges shall be billed to customer round trip from Delsco office to location or dock at regular current rates. Delsco shall not be liable or responsible for any loss or damage to property or bodily injury occurring either below or above the surface of the ground caused by any equipment furnished by Delsco or operated by Delsco personnel or employees. Delsco shall not be responsible nor have any liability for any such property damage or loss or for any bodily injury if not directly caused by willful misconduct. Unless caused by willful misconduct, customer shall indemnify, absolve and hold harmless Delsco from all responsibility for any and all such loss, damage and/or injury incurred or sustained by customer or any other party. All charges covered by this service agreement are due within 30 days after invoice without discount. A 8% per annum interest charge on the unpaid balance shall begin one day after the aforesaid 30-day period.

BILLING ADDRESS: _____ Signed COASTAL PLAINS Energy (Company)

By Phil Oman (Company Representative)

DELSCO REPS. Ken S., Jeremy S Customer's Order No. _____

Unit No. _____ Well Press. _____ Tbg. End _____ Well Depth _____ Tbg. Size _____ Tree Connection _____

Date	Mileage Charge	From	To	Miles	Rate	Amount
<u>6-23-09</u>	To Location	<u>Shop</u>	<u>Loc.</u>	<u>140</u>	<u>1.50</u>	
	From Location	<u>Loc.</u>	<u>Shop</u>	<u>140</u>	<u>1.50</u>	<u>420.00</u>

On Location Charges:	Description of Operation	Arrival	Departure	Hrs.	Rate	
<u>Big up wireline & run T.D.</u>						
<u>City of Price #1</u>	<u>155 tub. psi.</u>	<u>13:30 T.D.</u>				
<u>JACK CHIARETTA #1</u>	<u>34 " "</u>	<u>11:21 T.D.</u>				
<u>FERRON 217-10-1</u>	<u>30 " "</u>	<u>10:52 T.D.</u>				
<u>FERRON 207-14-2</u>	<u>160 Tub. psi.</u>	<u>6:81 T.D.</u>				
<u>Big up & check meter & shoot fluid level</u>						
<u>City of Price #1</u>	<u>150 cas. psi.</u>	<u>17 collar</u>	<u>5:18 FL.</u>			<u>150.00</u>
<u>JACK CHIARETTA #1</u>	<u>45 " "</u>	<u>21 " "</u>	<u>4:40 FL.</u>			<u>150.00</u>
<u>FERRON 217-10-1</u>	<u>40 " "</u>	<u>28 " "</u>	<u>8:54 FL.</u>			<u>150.00</u>
<u>FERRON 207-14-2</u>	<u>168 cas. psi.</u>	<u>19 " "</u>	<u>5:79 FL.</u>			<u>150.00</u>
		<u>6:00</u>	<u>17:00</u>	<u>11</u>	<u>130.00</u>	<u>1430.00</u>

BASED ON 30.5' JOINT AVERAGE

Other Charges: _____

Quan.	Size	Mfg.	Part No.	DESCRIPTION OF MATERIAL	Unit Price	
	<u>1 1/2</u>			<u>GIL JANS</u>		<u>150.00</u>

PARISH TAX _____
 SALES TAX _____
TOTAL \$2600.00

REMARKS: _____

Approved: _____
COASTAL PLAINS Energy (Company)
 By: Phil J. Oman (Company Representative)



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

March 3, 2011

CERTIFIED MAIL NO.: 7005 1820 0001 5562 7753

Mr. Fred Reynolds
Coastal Plains Energy Inc.
420 Throckmorton, Suite 630
Fort Worth, TX 76102-3723

43 007 30090
City of Price 1
15 S 10E 22

Subject: SECOND NOTICE: Extended Shut-in and Temporarily Abandoned Well Requirements for Wells on Fee or State Leases

Dear Mr. Reynolds:

As of January 2011, Coastal Plains Energy Inc. (Coastal) has four (4) Fee Lease Wells and four (4) State Lease Wells (see Attachment A) that are in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status. Wells SI/TA beyond twelve (12) consecutive months require the filing of a Sundry Notice in accordance with R649-3-36-1 for Utah Division of Oil, Gas & Mining (Division) approval. Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (R649-3-36-1.3.3).

On July 28, 2008 a notice was sent to Coastal via certified mail addressing the non-compliance status of City of Price 1 and Utah Penn Chiaretta 1 wells. Two other written communications dated December 23, 2008 and February 25, 2009 were sent and received concerning said wells. A sixty day extension was given through September 30, 2009 to allow Coastal time to bring wells back on production. On March 2, 2009 a notice was sent to Coastal addressing the non-compliance status of Ferron 217-10-1 well. An extension was also given through September 30, 2009 to allow Coastal time for possible horizontal drilling. Orangeville 10-2 and Fuzzball 1 wells were acquired from Merrion Oil and Gas Corp (Merrion.) When Coastal assumed said wells, also assumed was responsibility of SI/TA compliance issues. These wells had been addressed twice with Merrion and had been given SI/TA extension until October 1, 2010 prior to Coastal taking responsibility. To date the Division has not received required information from Coastal to keep above listed wells in compliance after expiration of approved extensions.

Page 2
Coastal Plains Energy Inc.
March 3, 2011

This is also a **FIRST NOTICE** for wells: Orangeville Fed 16-6-18-8, Ferron St 4-36-18-7, and Ferron 217-10-1 as they have recently been added to Coastal's non-compliance list. Please submit the required information for extended SI/TA status within 30 days of this notice or further actions will be initiated

For extended SI/TA consideration the operator shall provide the Utah Division of Oil, Gas & Mining with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).

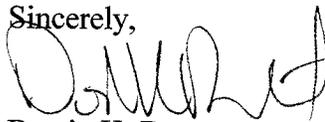
Please note that the Divisions preferred method for showing well integrity is by MIT

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

If the required information is not received within 30 days of the date of this notice, further actions may be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,



Dustin K. Doucet
Petroleum Engineer

DKD/JP/js
Enclosure
cc: Compliance File
Well File
LaVonne Garrison, SITLA

ATTACHMENT A

	Well Name	API	LEASE	Years Inactive
2ND NOTICE				
→ 1	CITY OF PRICE 1	43-007-30090	FEE	27 Years 11 Months
2	UTAH PENN CHIARETTA 1	43-007-30063	FEE	28 Years 2 Months
3	FERRON 217-10-1	43-015-30616	FEE	4 Years 10 Months
4	ORANGEVILLE 10-2	43-015-30179	ML-28199	3 Years 3 Months
5	FUZZBALL 1	43-015-30557	ML-28199	2 Years 3 Months
1ST NOTICE				
6	ORANGEVILLE FED 16-6-18-8	43-015-30108	ML-48777	28 Years 7 Months
7	FERRON ST 4-36-18-7	43-015-30253	ML-28195	3 Years 3 Months
8	FERRON 217-10-1	43-015-30616	FEE	4 Years 10 Months



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

March 3, 2011

CERTIFIED MAIL NO.: 7005 1820 0001 5562 7753

Mr. Fred Reynolds
Coastal Plains Energy Inc.
420 Throckmorton, Suite 630
Fort Worth, TX 76102-3723

43 007 30090
City of Price 1
15 S 10E 22

Subject: SECOND NOTICE: Extended Shut-in and Temporarily Abandoned Well Requirements for Wells on Fee or State Leases

Dear Mr. Reynolds:

As of January 2011, Coastal Plains Energy Inc. (Coastal) has four (4) Fee Lease Wells and four (4) State Lease Wells (see Attachment A) that are in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status. Wells SI/TA beyond twelve (12) consecutive months require the filing of a Sundry Notice in accordance with R649-3-36-1 for Utah Division of Oil, Gas & Mining (Division) approval. Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (R649-3-36-1.3.3).

On July 28, 2008 a notice was sent to Coastal via certified mail addressing the non-compliance status of City of Price 1 and Utah Penn Chiaretta 1 wells. Two other written communications dated December 23, 2008 and February 25, 2009 were sent and received concerning said wells. A sixty day extension was given through September 30, 2009 to allow Coastal time to bring wells back on production. On March 2, 2009 a notice was sent to Coastal addressing the non-compliance status of Ferron 217-10-1 well. An extension was also given through September 30, 2009 to allow Coastal time for possible horizontal drilling. Orangeville 10-2 and Fuzzball 1 wells were acquired from Merrion Oil and Gas Corp (Merrion.) When Coastal assumed said wells, also assumed was responsibility of SI/TA compliance issues. These wells had been addressed twice with Merrion and had been given SI/TA extension until October 1, 2010 prior to Coastal taking responsibility. To date the Division has not received required information from Coastal to keep above listed wells in compliance after expiration of approved extensions.



Page 2
Coastal Plains Energy Inc.
March 3, 2011

This is also a **FIRST NOTICE** for wells: Orangeville Fed 16-6-18-8, Ferron St 4-36-18-7, and Ferron 217-10-1 as they have recently been added to Coastal's non-compliance list. Please submit the required information for extended SI/TA status within 30 days of this notice or further actions will be initiated

For extended SI/TA consideration the operator shall provide the Utah Division of Oil, Gas & Mining with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).

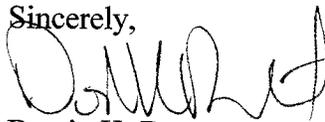
Please note that the Divisions preferred method for showing well integrity is by MIT

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

If the required information is not received within 30 days of the date of this notice, further actions may be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,



Dustin K. Doucet
Petroleum Engineer

DKD/JP/js
Enclosure
cc: Compliance File
Well File
LaVonne Garrison, SITLA

ATTACHMENT A

	Well Name	API	LEASE	Years Inactive
2ND NOTICE				
→ 1	CITY OF PRICE 1	43-007-30090	FEE	27 Years 11 Months
2	UTAH PENN CHIARETTA 1	43-007-30063	FEE	28 Years 2 Months
3	FERRON 217-10-1	43-015-30616	FEE	4 Years 10 Months
4	ORANGEVILLE 10-2	43-015-30179	ML-28199	3 Years 3 Months
5	FUZZBALL 1	43-015-30557	ML-28199	2 Years 3 Months
1ST NOTICE				
6	ORANGEVILLE FED 16-6-18-8	43-015-30108	ML-48777	28 Years 7 Months
7	FERRON ST 4-36-18-7	43-015-30253	ML-28195	3 Years 3 Months
8	FERRON 217-10-1	43-015-30616	FEE	4 Years 10 Months



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

April 07, 2011

CERTIFIED MAIL NO.: 7005 1820 0001 5562 8002

Mr. Fred Reynolds
Coastal Plains Energy Inc.
420 Throckmorton, Suite 630
Fort Worth, TX 76102-3723

43 007 30090
City of Price 1
155 10E '22

Subject: Extended Shut-in and Temporarily Abandoned Well Requirements for Wells on Fee or State Leases

Dear Mr. Reynolds:

The Division of Oil, Gas and Mining (Division) is in receipt of your letter dated March 29, 2011 (received by the Division on 4/4/2011) in regards to the three (3) Fee Lease wells and four (4) State Lease Wells that are currently shut-in or temporarily abandoned (SI/TA) and in non compliance status as operated by Coastal Plains Energy, Inc (Coastal Plains).

In response to your request to for extended SI/TA status for the above mentioned subject wells, the Division is unable to grant any approvals due to lack of evidence provided by Coastal Plains regarding well integrity. No evidence was received per R649-3-36-1.3 providing proof of integrity showing the well is not a potential risk to public health and safety or the environment. The Divisions preferred method of demonstrating well integrity is to perform an MIT. Please submit the necessary information to bring these wells back into compliance.

For extended SI/TA consideration the operator shall provide the Utah Division of Oil, Gas & Mining with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).

Page 2

Coastal Plains Energy Inc.

April 07, 2011

Please note that the Divisions preferred method for showing well integrity is by MIT

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

If the required information is not received within 30 days of the date of this notice, further actions may be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,



Dustin K. Doucet
Petroleum Engineer

DKD/JP/js

Enclosure

cc: Compliance File

Well File

LaVonne Garrison, SITLA

N:\O&G Reviewed Docs\ChronFile\PetroleumEngineer\SITA

ATTACHMENT A

	Well Name	API	LEASE	Years Inactive
2ND NOTICE				
→ 1	CITY OF PRICE 1	43-007-30090	FEE	27 Years 11 Months
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1ST NOTICE				
6	ORANGEVILLE FED 16-6-18-8	43-015-30108	ML-48777	28 Years 7 Months
7	FERRON ST 4-36-18-7	43-015-30253	ML-28195	3 Years 3 Months

COASTAL PLAINS ENERGY, INC.

420 THROCKMORTON, SUITE 630

FORT WORTH, TEXAS 76102-3723

817-882-9055
Fax 817-336-3223

March 29, 2011

Mr. Dustin Doucet
State of Utah
Department of Natural Resources
P. O. Box 145801
Salt Lake City, UT 84114-5801

Dear Mr. Doucet:

Pursuant to your letter dated March 3, 2011, copy attached, Coastal Plains Energy, Inc. submits the following:

15S 1DE 22

Shut-in Wells

→ 1. **City of Price No. 1 (API No. 43-007-30090)**

2. **Utah Penn Chiaretta No. 1 (API No. 43-007-30063)**

The City of Price No. 1 and the Utah Penn Chiaretta No. 1 wells are currently shut in awaiting gas market. Coastal Plains Energy, Inc. has expended over \$300,000 in acquiring the aforementioned wellbores, oil and gas leases, and building a gathering system to connect the wells to the Questar pipeline approximately 5 miles east of the wells. Questar has quoted \pm \$100,000 for only setting the sales metering station as the tap is already in place. This cost is more than five times what Coastal Plains could set a sales meter for; therefore, we are at an impasse to delivering the gas into Questar's pipeline. We are currently exploring using the gas to generate electricity and selling electricity into Rocky Mountain Power located at our gathering system. We anticipate having the City of Price No. 1 and Utah Penn Chiaretta No. 1 producing gas within 12 months.

3. **Ferron 217-10-1 (API No. 43-015-30616)**

The Ferron 217-10-1 was spudded on September 9, 2005 and is located in the NW/4 of Section 10, T21S, R7E. The well was drilled to 1,135' and encountered the Upper, Middle, and Lower Ferron Sands. Gas shows were encountered while drilling through all three sand members. Even though the resistivity log characteristics displayed that the Ferron Sands were wet (high water saturation), we concluded that the low resistivity was due to low reservoir pressure and

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APR 04 2011

DIV. OF OIL, GAS & MINING

Mr. Dustin Doucet

March 29, 2011

Page 2

invasion of the KCL (potassium chloride) water needed to load the air drilled hole. All three Ferron Sands were perforated and fracture stimulated. The well was connected to the gathering system but has never been able to sell gas into the system. Due to the low reservoir pressure, we invested in a vacuum compressor that we set at the wellhead to pull a vacuum on the well and attempt to produce gas into the gathering system. This method was not successful in assisting the well to produce gas. In 2008, we employed a contract geologist, Mr. John Adamson of Salt Lake City, to give us his independent interpretation of the Ferron Field. Mr. Adamson was a consulting geologist for Mountain Resources Corporation when Mountain Resources' drilled the "MRC" wells in the Ferron Field. Mr. Adamson's interpretation of the Ferron Field shows multiple faults through the field that were not in our original geological interpretation of the field. In the case of the Ferron 217-10-1 well, there must be a series of faults that has created a limited reservoir in the area where this well along with the plugged and abandoned MRC No. 2 well are located. The MRC No. 2 only produced 116 MMcf from the Lower Ferron Sand (1,019'-1,029') and was plugged and abandoned. We originally thought that the MRC No. 2 had mechanical problems as the well was located in the center of the South Ferron Field and should have produced at least ± 300 MMcf of gas. The Ferron 217-10-1 is currently shut in. We are exploring the potential and economics of drilling a short radius, horizontal, lateral from this cased wellbore into the Upper Ferron Sand when the gas price warrants such an operation. The wellbore has no fluid in it and has always contained dry natural gas, when swabbed or blown down. We respectfully request a 24-month extension to the SI/TA status.

4. Orangeville 10-2 (API No. 43-015-30179)

The Orangeville 10-2 well is currently shut in and temporarily abandoned (SI/TA) with a cast iron bridge plug and pickling fluid in September 2009 per the Department of Natural Resources instructions. We respectfully request the SI/TA status be extended an additional 24 months.

5. Fuzzball No. 1 (API No. 43-015-30557)

The Fuzzball No. 1 well is currently shut in and temporarily abandoned (SI/TA) with a cast iron bridge plug and pickling fluid in September 2009 per the Department of Natural Resources instructions. We respectfully request the SI/TA status be extended an additional 24 months.

6. Orangeville Fed 16-6-18-8 (API No. 43-015-30108)

The Orangeville Fed 16-6-18-8 well is currently shut in, and it is Coastal Plains Energy, Inc.'s intent to place this well on a pumping unit in 2011. Prior tests of this well produced oil with a small amount of gas.

Mr. Dustin Doucet
March 29, 2011
Page 3

7. **Ferron State 4-36-18-7 (API No. 43-015-30253)**

The Ferron State 4-36-18-7 well is currently shut in and since taking over operations of this well in September 2010 Coastal Plains Energy, Inc. has explored possible stimulation procedures and intends to return the well back to production. Coastal Plains Energy, Inc. respectfully requests the SI/TA status be extended an additional 12 months.

8. **Ferron 217-10-1 (API No. 43-015-30616)**

This well was previously discussed in Section 3.

Thank you for your attention to the aforementioned matters. If you have any questions or wish to discuss further, please call the undersigned.

Very truly yours,

COASTAL PLAINS ENERGY, INC.


Fred N. Reynolds

FNR/cf

Encl.

ferronfieldwellstatus.cpe



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

November 26, 2012

CERTIFIED MAIL NO.: 7010 1670 0001 4810 3577

Mr. Fred Reynolds
Coastal Plains Energy Inc.
420 Throckmorton, Suite 630
Fort Worth, TX 76102-3723

43 007 30090
City of Price 1
158 10E 22

Subject: **SECOND NOTICE: Extended Shut-in and Temporarily Abandoned Well Requirements for Wells on Fee or State Leases**

Dear Mr. Reynolds:

As of January 2012, Coastal Plains Energy Inc. (Coastal) has three (3) Fee Lease Wells and four (4) State Lease Wells (see Attachment A) that are in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status. Wells SI/TA beyond twelve (12) consecutive months requires the filing of a Sundry Notice in accordance with R649-3-36-1 for Utah Division of Oil, Gas & Mining (Division) approval. Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (R649-3-36-1.3.3).

On July 28, 2008, a notice was sent to Coastal via certified mail addressing the non-compliance status of City of Price 1 and Utah Penn Chiaretta 1 wells. Two other written communications dated December 23, 2008, and February 25, 2009, were sent and received concerning said wells. A sixty day extension was given through September 30, 2009, to allow Coastal time to bring wells back on production. On March 2, 2009, a notice was sent to Coastal addressing the non-compliance status of Ferron 217-10-1 well. An extension was also given through September 30, 2009, to allow Coastal time for possible horizontal drilling. Orangville 10-2 and Fuzzball 1 wells were acquired from Merrion Oil and Gas Corp (Merrion.) When Coastal assumed said wells, also assumed was responsibility of SI/TA compliance issues. These wells had been addressed twice with Merrion and had been given SI/TA extension until October 1, 2010, prior to Coastal taking responsibility. In March 2011 the Division sent another notice of non-compliance for all wells listed on attachment A to Coastal via certified mail on March 3, 2011. Coastal responded March 29, 2011, requesting SI/TA extension for these wells. This request was denied by the Division on April 7, 2011, due to the lack of evidence provided by Coastal concerning well integrity. The Division had additional communications with Coastal in January 2012, requesting sundries detailing plans and status for said wells.

Page 2

Coastal Plains Energy Inc.

November 26, 2012

To date the Division has not received the required information nor seen any progress being made to move these wells out of non-compliance status.

For extended SI/TA consideration the operator shall provide the Utah Division of Oil, Gas & Mining with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).

Please note that the Divisions preferred method for showing well integrity is by MIT

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

If the required information is not received within 30 days of the date of this notice, further actions may be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,



Dustin K. Doucet
Petroleum Engineer

DKD/JP/js

cc: Compliance File
Well File

LaVonne Garrison, SITLA

N:\O&G Reviewed Docs\ChronFile\PetroleumEngineer\SITA

ATTACHMENT A

	Well Name	API	LEASE	Years Inactive
Reissued 2ND NOTICE				
1	CITY OF PRICE 1	43-007-30090	FEE	28 Years 11 Months
2	UTAH PENN CHIARETTA 1	43-007-30063	FEE	29 Years 2 Months
3	FERRON 217-10-1	43-015-30616	FEE	5 Years 10 Months
4	ORANGEVILLE 10-2	43-015-30179	ML-28199	4 Years 3 Months
5	FUZZBALL 1	43-015-30557	ML-28199	3 Years 3 Months
2nd NOTICE				
6	ORANGEVILLE FED 16-6-18-8	43-015-30108	ML-48777	29 Years 7 Months
7	FERRON ST 4-36-18-7	43-015-30253	ML-28195	4 Years 3 Months

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Coastal Plains Energy, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: Fort Worth, TX 76102-3723 420 Throckmorton, Ste 630 STATE _____ ZIP _____		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1,000 FSL, 1,000' FEL		8. WELL NAME and NUMBER: City of Price 1
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NW/SE/SE Section 22 T15S R10E		9. API NUMBER: 43-007-30090
COUNTY: Carbon		10. FIELD AND POOL, OR WILDCAT: Miller Creek
STATE: UTAH		

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 04/20/2013	<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
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input 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: mechanical integrity test
	<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.

Coastal Plains Energy, Inc. proposes to run slickline and tag fluid level, if any, and tag total depth. This operation will take place in April when we expect the location to be dry so that the slickline truck can ingress and egress.

NAME (PLEASE PRINT) Fred N. Reynolds	TITLE Petroleum Engineer
SIGNATURE <i>Fred N. Reynolds</i>	DATE 02/15/2013

(This space for State use only)

Accepted by the
Utah Division of
Oil, Gas and Mining
For Record Only

(See Instructions on Reverse Side)

RECEIVED
FEB 25 2013

(5/2000)

DIV. OF OIL, GAS & MINING

COASTAL PLAINS ENERGY, INC.

420 THROCKMORTON, SUITE 630
FORT WORTH, TEXAS 76102-3723

817-882-9055
FAX 817-336-3223

February 22, 2013

Mr. Dustin K. Doucet
State of Utah Department of Natural Resources
P. O. Box 145801
Salt Lake City, UT 84114-5801

Re: **Sundry Notices**

Dear Mr. Doucet:

Pursuant to your letter dated November 26, 201, copy attached, Coastal Plains Energy, Inc. has determined its plans for the wells referenced in your letter, and enclosed herein are the Sundry Notices of Coastal Plains Energy Inc.'s notice of intent for each of the wells.

If you have any questions or wish to discuss further, please call the undersigned at 817 336-1742.

Very truly yours,

COASTAL PLAINS ENERGY, INC.


Fred N. Reynolds

FNR/cf

Encls.

UTSundryNotices.cpe

RECEIVED

FEB 25 2013

DIV. OF OIL, GAS & MINING



Dustin Doucet <dustindoucet@utah.gov>

Coastal Plains-Utah SI Wells

1 message

FRED REYNOLDS <freynolds@coplains.com>

Thu, Dec 6, 2012 at 3:23 PM

To: Dustin Doucet <dustindoucet@utah.gov>

Cc: Michael Sleem <mike.sleem@cox.net>, Chris Biggs <chris.n.biggs@gmail.com>, "HANS ABRAHAMSEN SR." <hlabrahamsensr@hotmail.com>, info@geopinion.com

Dustin-I have received your letter dated November 26, 2012, copy attached, and by this email will address the status and future of each well referenced in the subject letter. I apologize as I cannot find the letter of communication in January of this year, but it was probably misplaced on our end. Following your review of the status and plans for each of these wells, please advise as to your recommendation and/or approval of each and we will prepare the necessary Sundry Notices.

City of Price No. 1 (API 430-007-30090)

Prior MIT test 6/23/2009, Fluid Level @518'(Perfs:553-1,321 Ferron & Tununk) This well was tested for 10 days in September 2012 and tested dry gas at a stabilized rate of 40 mcfd., FTP-25psig. → Csg test in Sept.?
Csg Press?
Pres Since MIT

Utah Penn Chiaretta No. 1 (API 430-007-30063)

Prior MIT test 6/23/2009, Fluid Level @640' (Perfs:1198-1204 Dakota) In September 2009 we 1" cement between the 9 5/8" and 4 1/2" casings and filled the annulus to surface with cement. Following this cement job we made 2 swab runs down the tubing and the well had no fluid. This well was tested for 10 days in September 2012 and tested dry gas at a stabilized rate of 10 mcfd., FTP-25psig.

*The City of Price No. 1 and Utah Penn Chiaretta No. 1 wells we hope to have producing by the fourth quarter of 2013. We are in the process of re-leasing offset acreage to these two wells and drilling two new wells to complete in the Tununk and Dakota formations. With the added volumes, we can somewhat justify the expense (\$140,000) of setting a Questar meter (this cost is not even a Tap fee) at our existing TAP in the Miller Creek Field. We respectfully request the Utah DOGM to allow these wells to remain shut-in without any further expense at least thru 2013.

Ferron 217-10-1 (API 43-015-30616)

Prior MIT test 6/17/2011, (Perfs 886-894 Ferron) Ran PKR in hole to 850' and pressure tested annulus to 1000 psig and held pressure.

This well is in the center of the south structure of the Ferron Field. It is unexplainable as to why this well is incapable of gas production other than it is limited in size and separated from the rest of the field by faulting (not sure if this is a viable explanation) or the original frac job created a capillary force of completion fluids problem and not allowing gas to flow to the wellbore. Either scenario, this wellbore is a sound candidate to test short curvature radial drilling and drill four 200' to 300' horizontal laterals in four directions and see if we can establish flow from these short open hole laterals. If this method is successful in establishing production and the economics warrant, it could open up using this process on other wells in the field to

increase gas production. As you know, the gas price environment has not been conducive to spending money in a stripper field such as this. We will try to budget this operation in the third quarter of 2013.

Orangeville 10-2 (API 43-015-30179)

This well was TAd on 9/14/2009, CIBP was set at 2206'w/cement on top. We performed an MIT test on June 17, 2011 and tested to 1000 psig and held. We plan to P&A this well and remediate the location in the second or third quarter of 2013. **(Individual well bond is posted on this well.)**

PA

Fuzzball No. 1 (API 43-015-30557)

This well was TAd on 9/14/2009, CIBP was set at 2330'w/cement on top. We performed an MIT test on June 17, 2011 and tested to 1000 psig and held. We plan to P&A this well and remediate the location in the second or third quarter of 2013. **(Individual well bond is posted on this well.)**

PA

Orangeville Federal 16-6-18-8 (API 43-015-30108)

In June 2011, we moved in a completion rig and ran a scrapper across the perfs, set tubing at 3049' (perfs:2976-2982')and ran pump and rods. In the first quarter of 2013 we plan on setting a temporary tank battery and test the well via rod pump for 90 days. If productive we will construct a permanent tank battery. This well in the past tested oil and a slight amount of gas, we will use the gas to run the engine on the pumping unit

Prod. 1st qtr

Ferron State 4-36-18-7 (API 43-015-30253)

Sundry Notice was filed on May 3, 2011, stating that we will restore production. In our attempt to restore production we found that the rod pump needed to be pulled. The well is on top of an escarpment and we did not want to expend the funds to move a rig in and pull the well. In the second quarter of 2013, we plan on moving a rig in and pulling the rods and pump and put the well on plunger. We will be able to use the pumping unit on another well in the field. **(Individual well bond is posted on this well.)**

Prod 2nd Qtr

Thank you in advance for your advice and recommendations on these wells.

Fred N. Reynolds
420 Throckmorton, Suite 630
Fort Worth, TX. 76102
Office:817-336-1742
Fax:817-336-3223

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1712K

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: City of Price 1	
2. NAME OF OPERATOR: Coastal Plains Energy, Inc.		9. API NUMBER: 43-007-30090
3. ADDRESS OF OPERATOR: 420 Throckmorton St, Ste 750 Ft Worth, TX 76102-3724 ZIP	PHONE NUMBER: 817 336-1742	10. FIELD AND POOL, OR WILDCAT: Miller Creek
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1,000 FSL, 1,000' FEL		COUNTY: Carbon
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NW/SE/SE Section 22 T15S R10E		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 checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 07/15/2013	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Mechanical Integrity Test
	<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.

SITP 200 psig, SICP 200 psig
Ran slickline, tagged T.D. @ 1,330'
No fluid in wellbore

NAME (PLEASE PRINT) Fred N. Reynolds	TITLE Petroleum Engineer
SIGNATURE <i>Fred N. Reynolds</i>	DATE 07/18/2013

(This space for State use only)

Accepted by the
Utah Division of
Oil, Gas and Mining
For Record Only

RECEIVED
AUG 02 2013
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

UTAH DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining
Oil and Gas Program
1594 West North Temple, Suite 1210, Box 145801
Salt Lake City, UT 84114-5801
(801) 538-5340 Phone
(801) 359-3940 Fax

These wells are in violation of R-649-3-36 as stated above, therefore the Division requires Coastal Plains to plug these wells or meet the requirements showing good cause and wellbore integrity. The Division also requires Coastal Plains to put up full cost bonding for the wells in violation above per R649-3-4. It is mandatory that Coastal Plains submit all required documentation and plans to the Division by the compliance deadline below.

Immediate Action: For the wells subject to this notice, Coastal Plains shall fulfill full cost bonding. Coastal Plains shall also submit plugging plans for the wells contained in this Notice.

*** Fines may be levied up to \$10,000.00 per day for every well in violation given the authority provided under U.C.A 40-6-11, part 4**

This notice shall remain in effect until it is modified, terminated, or vacated by a written notice of an authorized representative of the director of the Division of Oil, Gas and Mining. Failure to comply with this notice will result in the Division pursuing further actions against said operator. Further actions may include initiation of agency actions and requests for bond forfeiture and civil penalties.

Compliance Deadline: MARCH 15, 2015

Date of Service Mailing: February 10, 2015

Certified Mail No.: 7011 2970 0001 8828 2150



Division Representative Signature

Operator Representative (if presented in person)

cc: Compliance File
Well Files
LaVonne Garrison, SITLA

1/2013

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:
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: CITY OF PRICE 1
2. NAME OF OPERATOR: COASTAL PLAINS ENERGY INC	9. API NUMBER: 43007300900000
3. ADDRESS OF OPERATOR: 6303 North Portland, Suite 208 , Oklahoma City, OK, 73112	PHONE NUMBER: 405 601-5446 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1000 FSL 1000 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 22 Township: 15.0S Range: 10.0E Meridian: S	9. FIELD and POOL or WILDCAT: MILLER CREEK
	COUNTY: CARBON
	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 Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 7/17/2015	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: <input type="text" value="Mechanical Integrity Test"/>

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

SITP 175 psig, SICP 175 psig Ran slickline, tagged T. D. @ 1,355' Fluid Level @ 560'

**Accepted by the
 Utah Division of
 Oil, Gas and Mining
 FOR RECORD ONLY
 November 19, 2015**

NAME (PLEASE PRINT) Christopher N. Biggs	PHONE NUMBER 405 601-5446	TITLE President
SIGNATURE N/A	DATE 7/28/2015	

2015

Input Data (Provided By Operator)						City of Price 1 / #4300730090						Output Data		Data Comparative	
Sfc Csg Depth	Sfc Csg Psi	Prod Csg Psi	Tbg Psi	Fluid Level	Depth (Csg, Perfor Plug back)	Water Column Dx	Gas Head Psi	Water Head Psi	Normal Press @ Sfc Shoe	Formation Frac @ Sfc Shoe	Reservoir Pressure Total	Calc Press @ Sfc Shoe	Normal Reservoir Psi for Depth		
258	0	175	175	560	553	-7	56	3	112	181	228	201	239		
Packer Fluid Gradient	No														
psi/ft Gas	0.433														
psi/ft Frac	0.1														
psi/ft	0.7														
SCENARIOS						Indicates Integrity?									
#1	SFC CSG = 0 PSI MEANS NO COMMUNICATION, REASSURING INTEGRITY					Yes	Assumed @ 0					2006	PBTD 1338'	No Fluid in hole	SITP 90 SICP 90
#2	If measured reservoir psi is equal to normal gradient reservoir pressure, well probably has integrity. If pressure is less, well could lack integrity explained by pressure bleeding into a shallower formation.					Yes	0 production over life of well					2009	TD 1330'	FL 518'	SITP 155 SICP 150
#3	If calculated pressure at SFC shoe is between the normal pressure and frac pressure at the surface shoe, then fluid could be moving into the formation.					No						2013	TD 1330'	No Fluid in hole	SITP 200 SICP 200
#4	If packer is in the hole, with psi on tbg and no psi on prod csg, this indicates tbg and packer integrity.					NA						2015	TD 1355	FL 560'	SITP 175 SICP 175

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
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	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 Approximate date work will start: <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 9/30/2016 <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input checked="" type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> WILDCAT WELL DETERMINATION <input type="checkbox"/> OTHER	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. We anticipate connecting this well to a pipeline by the 3rd Quarter of 2016. If connection does not occur, well will be P&A'd and a subsequent report will be filed.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY December 01, 2015		
NAME (PLEASE PRINT) Christopher N. Biggs	PHONE NUMBER 405 601-5446	TITLE President
SIGNATURE N/A	DATE 12/1/2015	