

NOTICE OF STAKING(Not to be used in place of
Application to Drill Form 3160-3)

5. Lease Number

UTML-435411. Oil Well Gas Well Other6. If Indian, Allottee or Tribe Name
N/A2. Name of Operator **C/O Permitco Inc. - Agent**
Mission Energy, L.L.C. 303/452-88887. Unit Agreement Name
N/A3. Address of Operator or Agent **13585 Jackson Drive**
Denver, CO 802418. Farm or Lease Name
LaVinia State4. Surface Location of Well
(Governmental 1/4 or 1/4 1/4)
NW SE (Approx. 1980' FSL and 1980' FEL)
Attach: Topographical or other acceptable map
showing location, access road, and lease boundaries.9. Well No.
#1-3210. Field or Wildcat Name
Jacks Canyon Field14. Formation Objective(s) **Wasatch** 15. Estimated Well Depth
6800'11. Sec., T., R., M., or
Blk. and Survey or Area
Sec. 32, T12S - R16E12. County or Parish **Carbon** 13. State
Utah

16. To be Completed by Operator Prior to Onsite

- a. Location must be staked To be done by Uintah Engineering and Land Surveying
- b. Access road flagged To be done by Uintah Engineering and Land Surveying
- c. Sketch and/or map of location, showing road, pad dimensions, reserve pit, cuts, and fills
(To be provided at onsite)

17. To be Considered By Operators Prior to Onsite

- a. H2S Potential None
- b. Private Surface Ownership State of Utah
- c. Cultural Resources (Archaeology) To be determined.
- d. Federal Right of Way As necessary depending upon actual access route

18. Additional Information

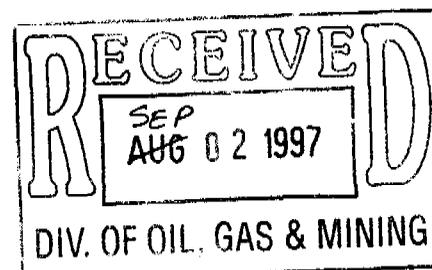
Lease Description 640 acres

T12S - R16E

Sec. 32: S/2, NW/4, N/2 NE/4

Topo Maps

Twin Hollow



cc: 3 - BLM - Price, UT

1 - Utah Division of Oil, Gas, & Mining - Roosevelt, UT

1 - Mission Energy, L.L.C., - Denver, CO

Consultant for:

19. Signed *Gene Y. Smith* Title **Mission Energy, L.L.C.**Date **08/29/97**

R16E

T
12
S

T
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Lease No. UTML-43541

LaVinia State #1-32

MAP TO ACCOMPANY NOTICE OF STAKING

Mission Energy, L.L.C.

LaVinia State #1-32

Sec. 32, T12S - R16E

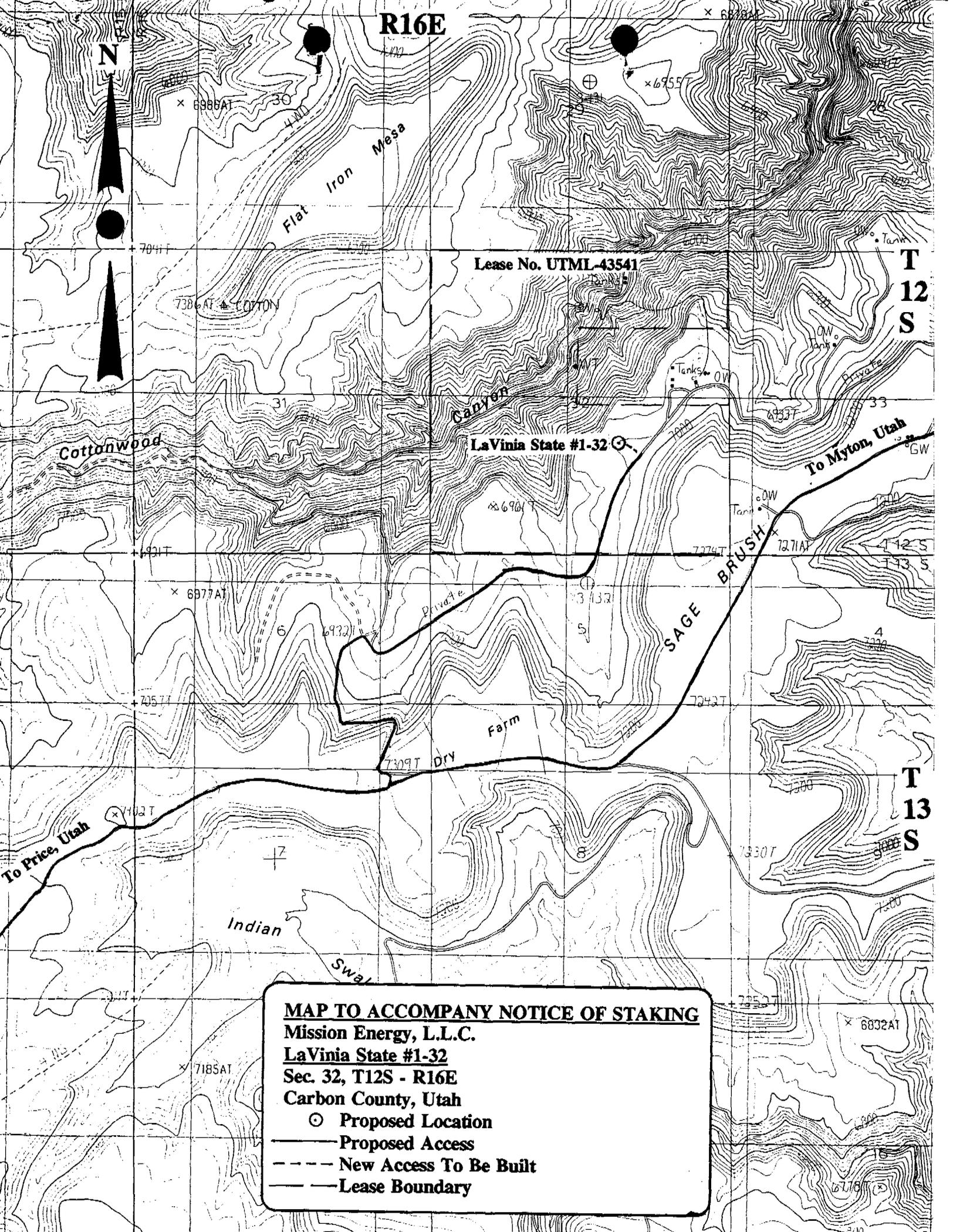
Carbon County, Utah

○ Proposed Location

— Proposed Access

- - - New Access To Be Built

— Lease Boundary



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

Confidential - Tight Hole

5. Lease Designation and Serial No.
UTML-43541

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work
DRILL **DEEPEN** **PLUG BACK**

b. Type of Well
Oil Well Gas Well Other
Single Zone Multiple Zone

6. If Indian, Allottee or Tribe Name

N/A

7. Unit Agreement Name

N/A

8. Farm or Lease Name

LaVinia State

2. Name of Operator **303/672-1980**
MISSION ENERGY, L.L.C. **1999 Broadway, Suite 1900**
Denver, CO 80202

3. Address of Operator **303/452-8888**
PERMITCO INC. - Agent **13585 Jackson Drive**
Denver, CO 80241

9. Well No.

#1-32

10. Field and Pool, or Wildcat

Jacks Canyon Field

4. Location of Well (Report location clearly and in accordance with any State requirements. *)
At surface **1793' FSL and 1889' FEL**

11. Sec., T., R., M., OR Bk. and Survey or Area

NW SE Sec. 32, T12S - R16E

Sec. 32, T12S - R16E

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

Approx. 45.6 miles southwest of Myton, Utah

12. County or Parish

Carbon

13. State

Utah

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

1793'

16. No. of acres in lease

560 acres

17. No. of acres assigned to this well

40

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

None

19. Proposed depth

6800'

20. Rotary or cable tools

Rotary

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

6960' ungraded

22. Approx. date work will start*

Upon approval of this application

Lease Expiration Date **9/30/97**

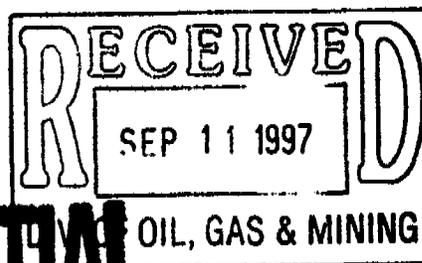
23. **PROPOSED CASING AND CEMENTING PROGRAM**

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
12-1/4"	8-5/8"	24#	375'	210 sx Circulate to surface
7-7/8"	5-1/2"	15.5#	6800'	594 sx Circulate to 1200'

Mission Energy, L.L.C. proposes to drill a well to a depth of 6800' to test the Wasatch formation. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per State of Utah requirements.

See Drilling and Surface Use Program attached.

All operations will be covered under Mission Energy's Bond. (Bonding in progress)



CC: 3 - Division of Oil, Gas & Mining - SLC, Utah
3 - Mission Energy, L.L.C. - Denver, CO

CONFIDENTIAL

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. Consultant for:
Signed [Signature] Title Mission Energy, L.L.C. Date 09/10/97

(This space for Federal or State office use)

Permit No. 43-007-30380 Approval Date _____

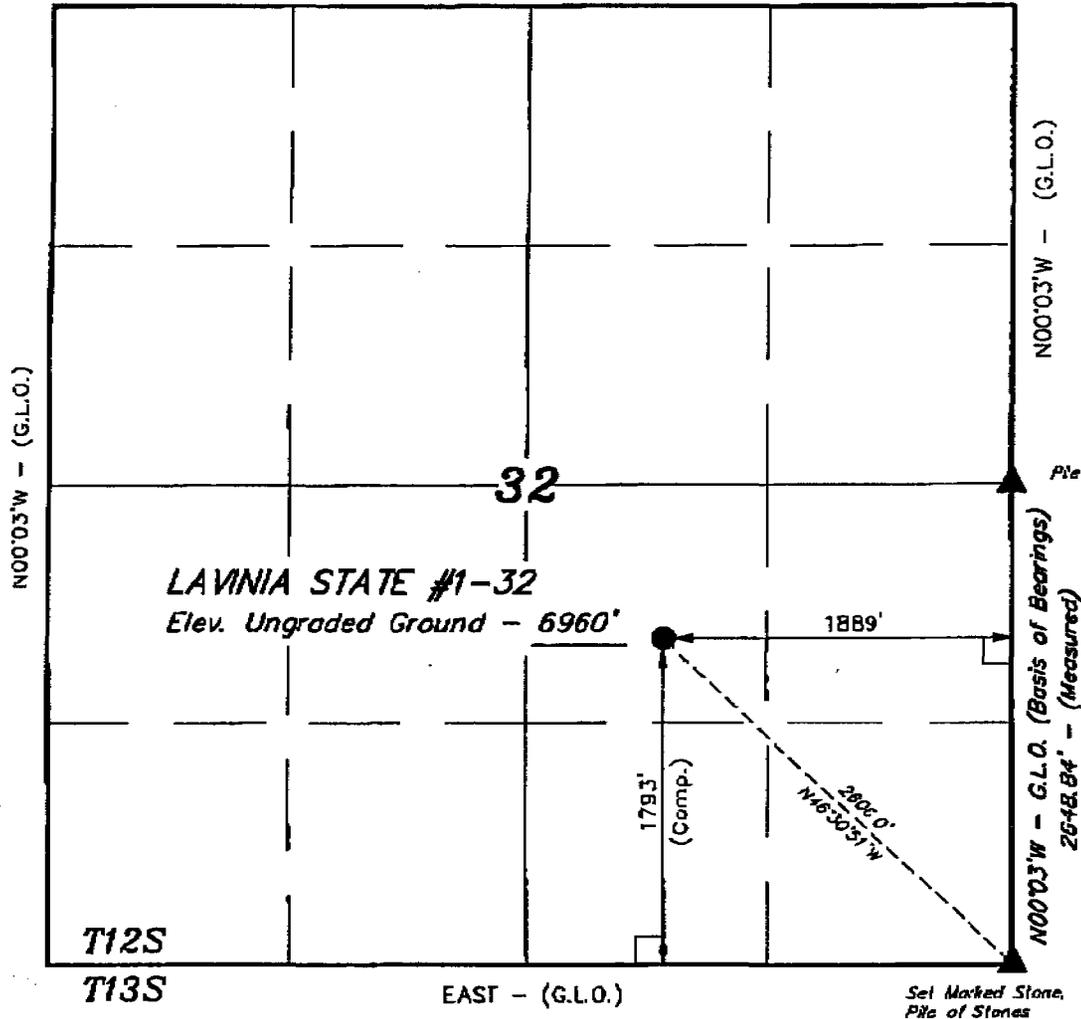
Approved by [Signature] Title Associate Director Date 9/25/97
Conditions of approval, if any: _____

T12S, R16E, S.L.B.&M.

MISSION ENERGY, L.L.C.

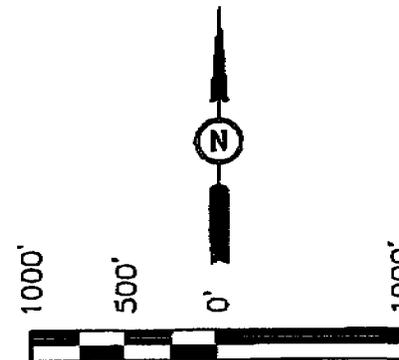
Well Location, LAVINIA STATE #1-32, located as shown in the NW 1/4 SE 1/4 of Section 32, T12S, R16E, S.L.B.&M. Carbon County, Utah.

S89°55'W - 80.02 (G.L.O.)



BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHEAST CORNER OF SECTION 32, T12S, R16E, S.L.B.&M. TAKEN FROM THE TWIN HOLLOW, QUADRANGLE, UTAH, CARBON COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 7274 FEET.



SCALE

CERTIFICATE

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

NO. 161318
ROBERT L. ...
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161318
 STATE OF UTAH

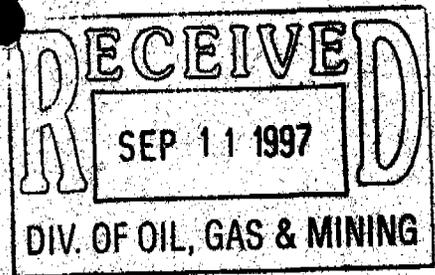
Revised: 09-10-97 D.R.B.

UINTAH ENGINEERING & LAND SURVEYING
 85 SOUTH 200 EAST - VERNAL, UTAH 84078
 (801) 789-1017

LEGEND:

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- = SECTION CORNERS LOCATED.

SCALE 1" = 1000'	DATE SURVEYED; 08-29-97	DATE DRAWN; 09-30-97
PARTY J.F. J.W. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE MISSION ENERGY, L.L.C.	



13585 Jackson Drive • Denver, Colorado 80241 • (303) 452-8888 • FAX (303) 457-1583

September 10, 1997

OVERNIGHT DELIVERY

Utah Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84114-5801

Attn: John Baza/Dan Jarvis

Re: Mission Energy, L.L.C.
LaVina State #1-32
1793' ESL and 1889' FEL
NW SE Sec. 32, T12S - R16E
Carbon County, Utah
Lease No. UTML 43541

Dear John and Dan,

Enclosed please find three copies of the Application for Permit to Drill and associated drilling program. I have also faxed and e-mailed copies of this to Dennis Ingram in your Roosevelt Office for his review.

As you know, because of a September 10, 1997 lease expiration, Dennis will conduct the onsite inspection on Thursday, September 11th with a representative of Mission Energy, L.L.C. Revised wellpad layouts, cross sections and access maps will be faxed to your office as well as the Roosevelt office the morning of September 11th.

Since I will be out of the office September 12th through 19th, I am requesting that you contact Bill Muller or Charlie Willard of Mission Energy, L.L.C. at 303/672-1980 if you should need additional information.

September 10, 1997
Utah Division of Oil, Gas & Mining
LaVinia State #1-32
Page two

Thanks for all your help pushing this one through!

Sincerely,

PERMITCO INC.

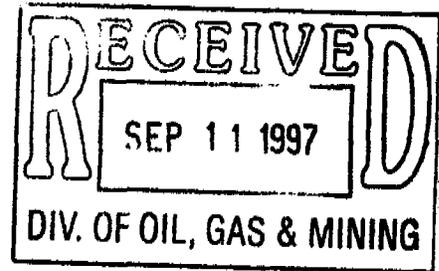

Lisa L. Smith
Consultant for
Mission Energy, L.L.C.

Enc.

cc: Mission Energy, L.L.C. - Denver, CO



CONFIDENTIAL - TIGHT HOLE



LaVinia State #1-32
1793' FSL and 1889' FEL
NW SE Section 32, T12S - R16E
Carbon County, Utah

Prepared For:

MISSION ENERGY, L.L.C.

By:

PERMITCO INC.
13585 Jackson Drive
Denver, Colorado 80241
303/452-8888

Copies Sent To:

- ✓ **3 - Division of Oil, Gas & Mining - SLC, UT**
- 5 - Mission Energy, L.L.C. - Denver, CO**

Application for Permit to Drill
Mission Energy, L.L.C.
LaVinia State #1-32
1793' FSL and 1889' FEL
NW SE Sec. 32, T12S - R16E
Carbon County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. UTML-43541

DRILLING PROGRAM

Page 1

The proposed wellsite is located on State Surface/State Minerals. Access roads are maintained by the County Road Department or are existing roads located on BLM or State lands.

1. Estimated Tops/Geologic Markers

The estimated tops of important geologic markers are as follows:

<u>Formation</u>	<u>Measured Depth</u>	<u>True Vertical Depth</u>
Green River	Surface	+6960
Wasatch	2900'	+4060'
Mesa Verde	6800'	+ 160'
T.D.	6800'	+ 160

2. Estimated Depths and Names of Anticipated Water, Oil, Gas or Other Minerals Bearing Formations.

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Water	Green River	200'
Oil	Green River	1800'
Gas	Wasatch	2900'

3. Well Control Equipment & Testing Procedures

Mission Energy's minimum specifications for pressure control equipment are as follows:

Ram Type: 11" Hydraulic double, 3000 psi w.p.

Application for Permit to Drill
Mission Energy, L.L.C.
LaVinia State #1-32
1793' FSL and 1889' FEL
NW SE Sec. 32, T12S - R16E
Carbon County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. UTML-43541

DRILLING PROGRAM

Page 2

Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10 percent in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

As a minimum, the above test shall be performed:

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

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) the check valve shall be held open or the ball removed.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log.

BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

Application for Permit to Drill
 Mission Energy, L.L.C.
LaVinia State #1-32
 1793' FSL and 1889' FEL
 NW SE Sec. 32, T12S - R16E
 Carbon County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. UTML-43541

DRILLING PROGRAM

Page 3

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

4. Casing Program

The proposed casing program will be as follows:

<u>Purpose</u>	<u>Depth</u>	<u>Hole Size</u>	<u>O.D.</u>	<u>Weight</u>	<u>Grade</u>	<u>Type</u>	<u>New or Used</u>
Surface	0-375'	12-1/4"	8-5/8"	24#	J-55	ST&C	New
Produc.	0-6800'	7-7/8"	5-1/2"	15.5#	J-55	LT&C	Used*

* If used casing is specified, it will meet or exceed API standards for new yellow band casing.

Casing design subject to revision based on geologic conditions encountered.

5. Cement Program

Surface
0-375'

Type and Amount

± 210 sx 25:75 Poz cement with 2% CaCl₂, 0.25#/sk D29. Weight 15.4 ppg, Yield 1.11 cu. ft. Circulate to surface.

Production

Type and Amount

Lead with 90 sacks Highlift (Weight 11.0 ppg, Yield 4.01 cu. ft. Tail in with 504 sacks 10-0 RFC + 10 #/sk D42 Kolite. Weight 14.0 ppg, Yield 1.66 cu. ft. Circulate to 1200'.

Note: Actual volumes to be calculated from caliper log.

Application for Permit to Drill
Mission Energy, L.L.C.
LaVinia State #1-32
1793' FSL and 1889' FEL
NW SE Sec. 32, T12S - R16E
Carbon County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. UTML-43541

DRILLING PROGRAM

Page 4

6. Drilling Fluids

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

<u>Interval</u>	<u>Mud Type</u>	<u>Mud Wt.</u>	<u>Visc.</u>	<u>F/L</u>	<u>PH</u>
0-6800'	KCL/Gel	9.0	60+	10	10

7. Testing, Logging and Coring

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

- a. No drill stem tests are anticipated.
- b. The logging program will consist of a Dual Induction, Density Neutron Porosity, Gamma Ray and an MRI (Optional) to be run from 375' to T.D.
- c. No cores are anticipated.

8. Anticipated Pressures and H,S

- a. The maximum anticipated bottom hole pressure is 2450 psi.

9. Other Information

- a. A Class III archeological survey will be conducted by Metcalf Archeological Consultants. A copy of this report will be submitted to the appropriate agencies by Metcalf Archeology.
- b. Drilling is planned to commence immediately upon approval of this application due to a September 30, 1997 lease expiration.
- c. It is anticipated that the drilling of this well will take approximately 10 days.

**Application for Permit to Drill
Mission Energy, L.L.C.
LaVinia State #1-32
1793' FSL and 1889' FEL
NW SE Sec. 32, T12S - R16E
Carbon County, Utah**

CONFIDENTIAL - TIGHT HOLE

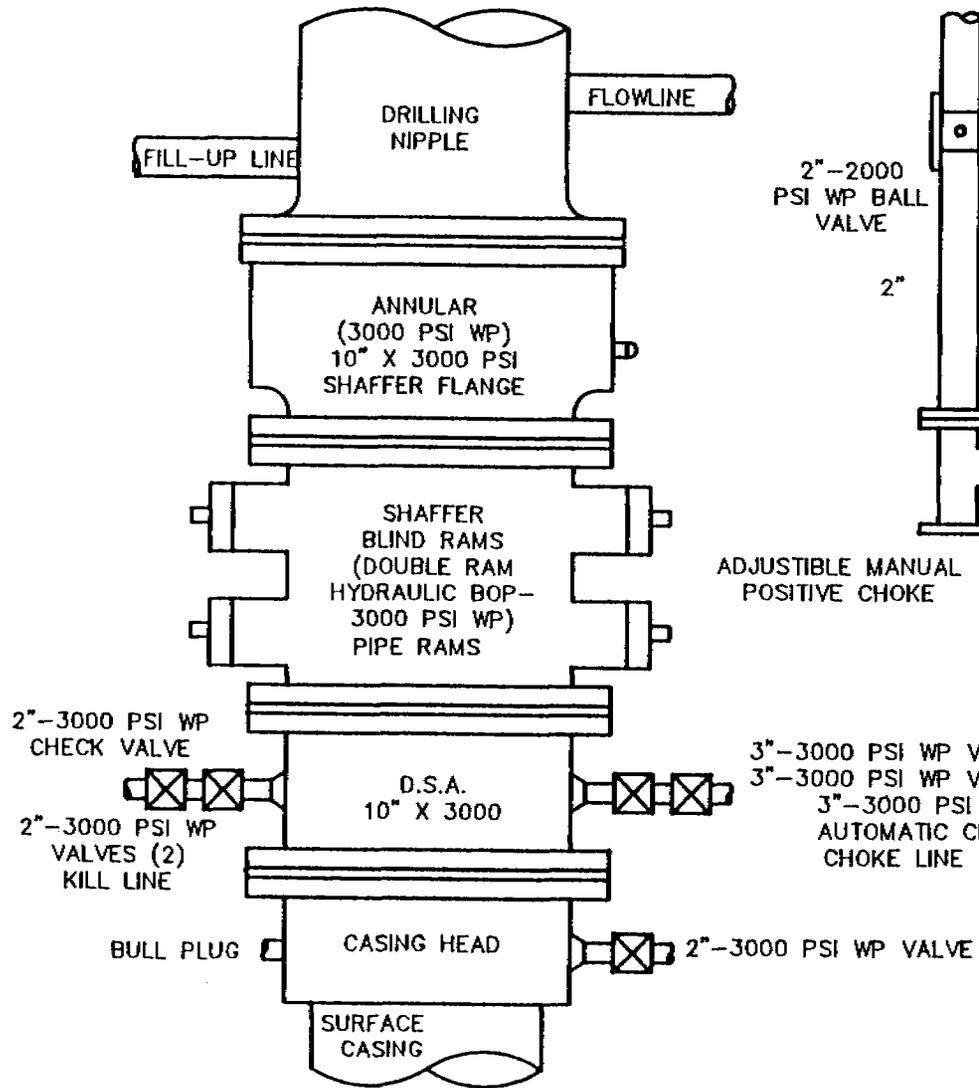
Lease No. UTML-43541

DRILLING PROGRAM

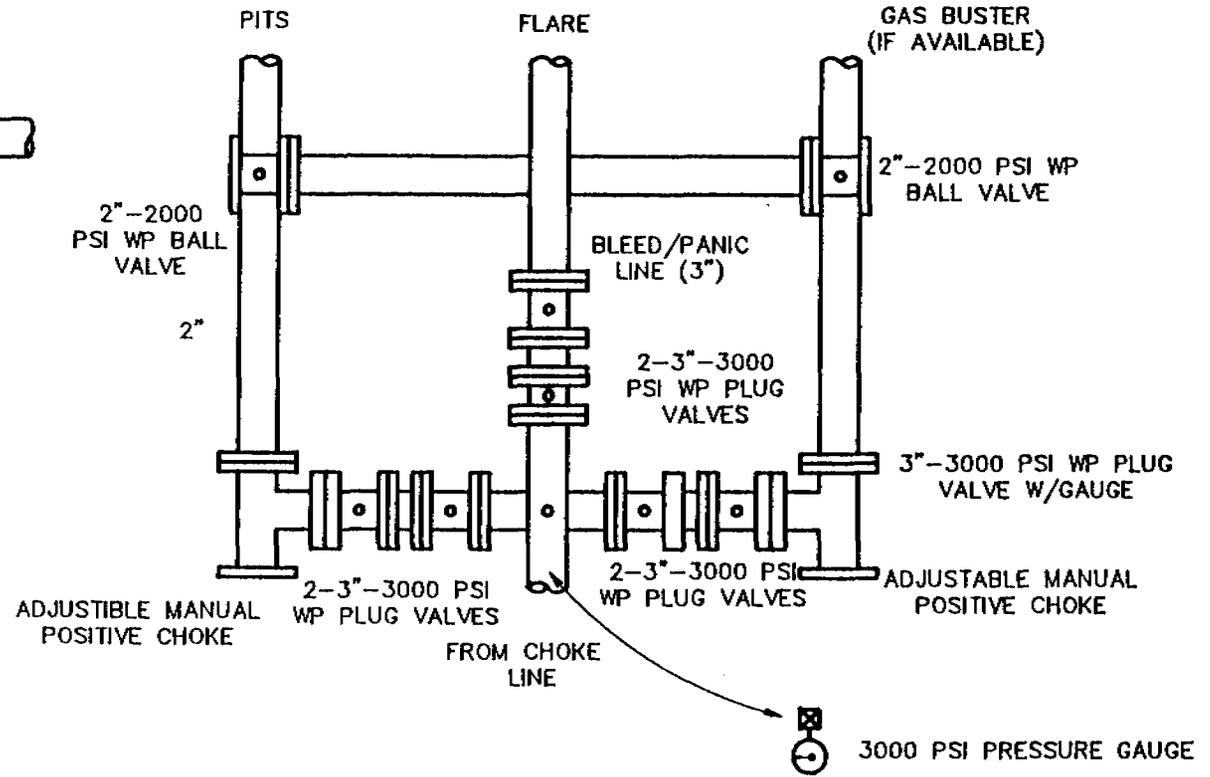
Page 5

- d. **The need for a reserve pit liner will be determined by a representative of the Division of Oil, Gas and Mining.**
- e. **The anticipated water source has not been determined at this time, however, all necessary permits will be filed with the Division of Water Resources once the source has been determined.**

**BOP SCHEMATIC
3000 PSI WORKING PRESSURE**



PLAN VIEW CHOKE MANIFOLD



THE HYDRAULIC CLOSING UNIT WILL BE LOCATED MORE THAN 30' FROM THE WELLHEAD. CHOKE AND BLEED/PANIC LINES WILL GO TO THE PIT AND FLARE. ALL CONNECTIONS IN CHOKE LINES AND MANIFOLD WILL BE FLANGED OR WELDED. ALL FLANGES SHOULD BE RING JOINT GASKET TYPE. ALL TURNS IN LINES SHALL BE CONSTRUCTED USING TARGETING 90° TEES OR ELLS. ALL LINES SHALL BE ANCHORED.

To Myton, Utah

R16E

(County Maintained)

Nine Mile Canyon Road



The Mummy

ROAD RIGHT OF WAY MAP
 Mission Energy, L.L.C.
 LaVinia State #1-32
 Sec. 32, T12S - R16E
 Carbon County, Utah
 ○ Proposed Location
 — Road Right of Way Requested

Flat Iron Mesa

Canyon

FLAT

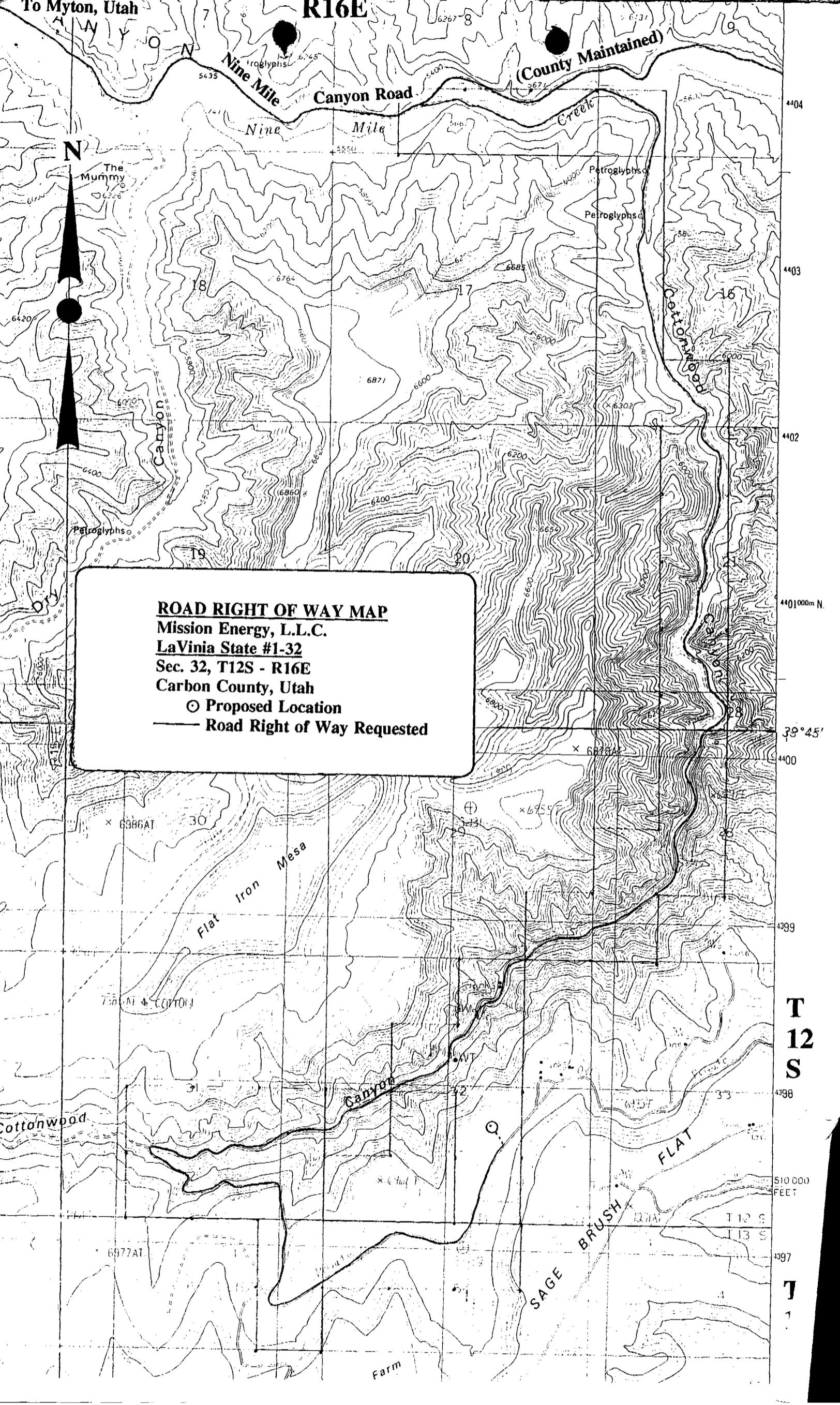
SAGE BRUSH

Farm

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FEET

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WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 09/11/97

API NO. ASSIGNED: 43-007-30380

WELL NAME: LA VINIA STATE 1-32
OPERATOR: MISSIONI ENERGY (N6010)

PROPOSED LOCATION:
NWSE 32 - T12S - R16E
SURFACE: 1793-FSL-1889-FEL
BOTTOM: 1793-FSL-1889-FEL
CARBON COUNTY
PETER'S POINT FIELD (040)

INSPECT LOCATION BY: 09/09/97		
TECH REVIEW	Initials	Date
Engineering	SRB	9/25/97
Geology		
Surface		

LEASE TYPE: STA
LEASE NUMBER: ML - 43541

PROPOSED PRODUCING FORMATION: WSTC

RECEIVED AND/OR REVIEWED:

Plat
 Bond: Federal State Fee
 (Number 002939071-3 20,000) CD.
 Potash (Y/N) *Zions Bank for SITLA*
 Oil shale (Y/N) *11-27-2000*
 Water permit
 (Number _____)
 RDCC Review (Y/N)
 (Date: _____)

LOCATION AND SITING:

R649-2-3. Unit: _____
 R649-3-2. General.
 R649-3-3. Exception.
 Drilling Unit.
 Board Cause no: _____
 Date: _____

COMMENTS: WELL IS IN THE OLD PETERS POINT FIELD
1 MILE FROM PRODUCTION, Csg. OK, Cement OK, BOP OK,

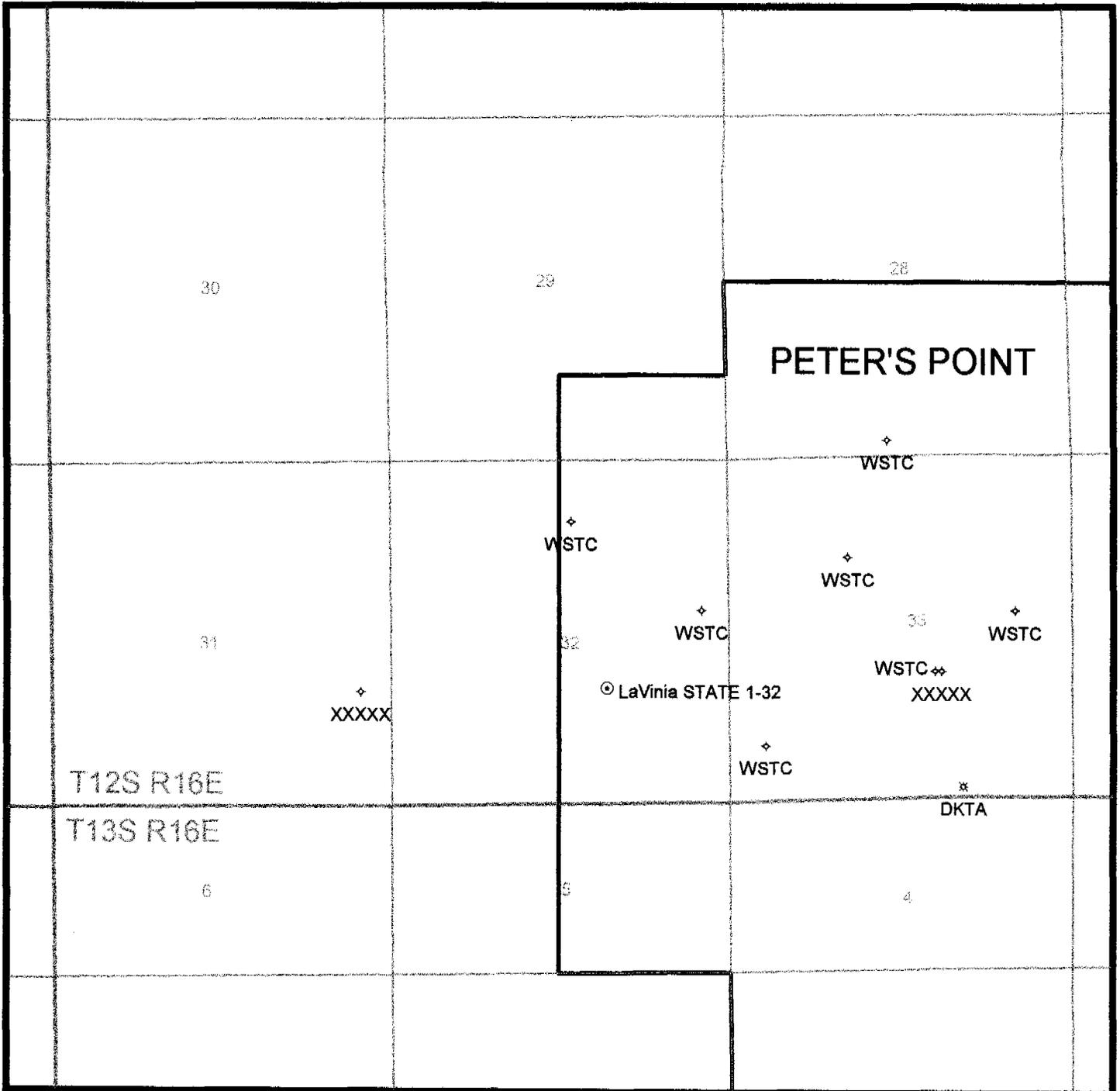
STIPULATIONS: 1. Statement of Basis

OPERATOR: MISSION ENERGY (UNKN)

FIELD: PETERS POINT (040)

SEC, TWP, RNG: SEC. 32, T12S, R16E

COUNTY: CARBON UAC: R649-3-2



PREPARED:
DATE: 15-SEP-97

ON-SITE PREDRILL EVALUATION

Division of Oil, Gas and Mining

OPERATOR: Mission Energy, L.L.C.
WELL NAME & NUMBER: LaVinia State #1-32
API NUMBER: 43-007-30380
LEASE: UTML-43541 FIELD/UNIT: Jacks Canyon Field
LOCATION: 1/4,1/4 NW/SE Sec: 32 TWP:12S RNG:16E 1793' FSL 1889 FEL
LEGAL WELL SITING: F SEC. LINE; F 1/4,1/4 LINE; F ANOTHER WELL.
GPS COORD (UTM): No reading on unit.
SURFACE OWNER: State Trusts Land

PARTICIPANTS

Charley Willard (Mission Energy); Dennis L. Ingram (DOGM)

REGIONAL/LOCAL SETTING & TOPOGRAPHY

Located approximately 3 1/2 miles south of Nine Mile Canyon on bench
That runs in a northeast/southwest fashion in pinion/juniper forest.
Cottonwood Canyon is located approximately 3/8 miles to the north.

SURFACE USE PLAN

CURRENT SURFACE USE: Wildlife habitat

PROPOSED SURFACE DISTURBANCE: Two-hundred feet of new access road plus
a location measuring 320' by 235'.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: Several plugged
wells in the Peters Point Field

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: Drilled as gas well.
Operator plans to run gas sales line 200' to main road then northeast
along road until gas sales line intersects with existing line.

SOURCE OF CONSTRUCTION MATERIAL: Native cut and fill (borrowed).

ANCILLARY FACILITIES: None.

WASTE MANAGEMENT PLAN:

To be submitted to division.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAIN AND/OR WETLANDS: None.

FLORA/FAUNA: Pinion/juniper forest, sagebrush community. Elk, mule
deer, small mammal, and rapture potential.

SOIL TYPE AND CHARACTERISTICS: sandy loam with some clay present.

SURFACE FORMATION & CHARACTERISTICS: Upper Green River Formation (on bench above Mahogany bed but below Horse Bench sandstone).

EROSION/SEDIMENTATION/STABILITY: Erosion potential/some sedimentation /no stability problems.

PALEONTOLOGICAL POTENTIAL: Yes

RESERVE PIT

CHARACTERISTICS: located east of well bore, in cut, with prevailing east/west winds, and measuring 75'x 160'x 8' deep.

LINER REQUIREMENTS (Site Ranking Form attached): 30 points. A synthetic pit liner will be required.

SURFACE RESTORATION/RECLAMATION PLAN

According to State Lands requirement

SURFACE AGREEMENT: Unknown, (contacted and invited Ed Bonner)

CULTURAL RESOURCES/ARCHAEOLOGY: Metcalf Archeological will do a Class 111 arch survey, but wasn't done before onsite visit.

OTHER OBSERVATIONS/COMMENTS

Adjacent canyon with layered sandstone. Reserve pit could require blasting, causing fractures of surface rock.

ATTACHMENTS:

Photos of location in predrill situation.

Dennis L. Ingram
DOGM REPRESENTATIVE

9/12/97 2:30 p.m.
DATE/TIME

**Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>Unknown</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	15	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>10</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	15	
TDS >10000 or Oil Base	20	
Mud Fluid containing high levels of hazardous constituents		<u>15</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>5</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>
Final Score (Level I Sensitivity)		<u>30</u>

DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS

Operator Name: Mission Energy, L.L.C.
Name & Number: La Vinia 1-32
API Number: 43-007-30380
Location: 1/4,1/4 NW/SE Sec. 36 T. 8S R. 16E

Geology/Ground Water:

Ground water may be encountered in shallow sands down through 300 feet. Additional zones may be encountered between 1500 feet and 2500 feet. A well drilled in section 33 encountered water at 1500 feet and at 2500 feet. Flows were recorded at 50 Bbls/min. and were reported as fresh. The proposed casing program calls for cement to be circulated to 1200 feet. Precautions should be taken to assure that all water zones are properly cemented and isolated from each other.

Reviewer: D. Jarvis

Date: 9/23/97

Surface:

Ed Bonner with State Land was contacted on 9/2/97 regarding a request from Mission to permit said well. Location is located approximately 200 feet off established access road into wells on Peter's Point. The proposed drill site sets on a bench northwest of road which slopes toward Cottonwood Canyon. Cedar tree density prevents observation of proposed location without physically walking to each corner stake, which was done during onsite visit. Little or no understory was evidenced because of cedar forest. Wildlife resources will be contacted for comments or concerns regarding ground disturbance at said site.

Reviewer: Dennis L. Ingram

Date: September 12, 1997

Conditions of Approval/Application for Permit to Drill:

1. A 12 mil liner to line reserve pit.
2. Surface use agreement must be finalized.
3. Cement and isolate all water zones encountered.



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

1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

September 25, 1997

Mission Energy, L.L.C.
1999 Broadway, Suite 1900
Denver, Colorado 80202

Re: LaVinia State 1-32 Well, 1793' FSL, 1889' FEL, NW SE,
Sec. 32, T. 12 S., R. 16 E., Carbon County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-007-30380.

Sincerely,

A handwritten signature in cursive script that reads "John R. Baza".

John R. Baza
Associate Director

lwp

Enclosures

cc: Carbon County Assessor
Bureau of Land Management, Moab District Office

Operator: Mission Energy, L.L.C.
Well Name & Number: LaVinia State 1-32
API Number: 43-007-30380
Lease: ML-43541
Location: NW SE Sec. 32 T. 12 S. R. 16 E.

Conditions of Approval

1. General
Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.
2. Notification Requirements
Notify the Division within 24 hours following spudding the well or commencing drilling operations. Contact Jim Thompson at (801)538-5336.

Notify the Division prior to commencing operations to plug and abandon the well. Contact John R. Baza (801)538-5334.
3. Reporting Requirements
All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.
4. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis dated September 23, 1997 (copy attached).

Form 9
STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

6. Lease Designation and Serial Number
UTML-43541

7. Indian Allottee or Tribe Name
N/A

8. Unit or Communitization Agreement
N/A

9. Well Name and Number
LaVinia State #1-32

10. API Well Number

11. Field and Pool, or Wildcat
Jacks Canyon Field

SUNDRY NOTICES AND REPORTS ON WELLS
 Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
 Use APPLICATION FOR PERMIT -- for such proposals

1. Type of Well
 Oil Well Gas Well Other (specify)

2. Name of Operator 303/672-1980 1999 Broadway, Suite 1900
Mission Energy, L.L.C. **Denver, CO 80202**

3. Address of Operator 303/452-8888 13585 Jackson Dr.
Permitco Inc. **Denver, CO 80241**

4. Telephone Number
303/452-8888

5. Location of Well
 Footage : 1793' FSL and 1889' FEL County : **Carbon**
 QQ, Sec. T., R., M. : **NW SE Sec. 32, T12S - R16E** State : **Utah**

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

NOTICE OF INTENT
 (Submit in Duplicate)

- | | |
|--------------------------------------------------------------------------------|-----------------------------------------------|
| <input type="checkbox"/> Abandonment | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> Pull or After Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Recompletion |
| <input type="checkbox"/> Conversion to Injection | <input type="checkbox"/> Shoot or Acidize |
| <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other <u>Submit Additional Information</u> | |

SUBSEQUENT REPORT
 (Submit Original Form Only)

- | | |
|--------------------------------------------------|-----------------------------------------------|
| <input type="checkbox"/> Abandonment * | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> Pull or After Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Shoot or Acidize |
| <input type="checkbox"/> Conversion to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other _____ | |

Date of Work Completion _____

Approximate Date Work Will Start Immediately upon approval

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

* Must be accompanied by a cement verification report.

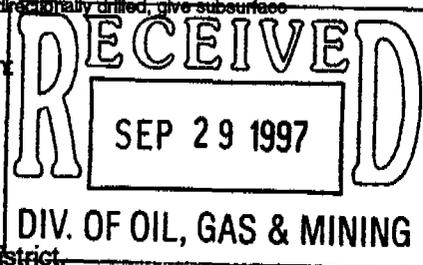
13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

As requested by Mike Hebertson on 9/23/97, please be advised of the following information:

A Certificate of Deposit in the amount of \$20,000 to serve as a bond for this location was sent via Overnight Delivery on 9/23/97 to Mr. Ed Bonner. A copy of this CD is attached.

Drilling water for this location will be purchased from the Price River Water Improvement District. I spoke with Rick at the Division of Water Rights in Price, Utah and there is no water permit number.

All sewage and wastewater from this location will be hauled to an approved disposal source by Ameri-Kan, Inc. located at 2220 W. Highway 40, Duchesne, UT 84021. All necessary sanitation permits will be submitted to the County Health Department by Ameri-Kan, Inc.



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

Name & Signature

[Handwritten Signature]

Title **Consultant**

Date **9/24/97**

(State Use Only)

MISSION ENERGY, LLC

September 23, 1997

Ed Bonner
School & Institutional Trust Lands Administration
675 East 500 South, Suite 500
Salt Lake City, UT 84180

Re: Bonding- La Vinia State #1-32
T12S- R16E, Section 32: NW¼ SE¼
Carbon County, Utah
Lease# ML-43541

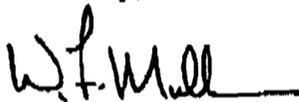
Dear Mr. Bonner:

Attached please find a Certificate of Deposit made out to your agency and Mission Energy, LLC, which has been endorsed by Mission.

Upon your receipt of this Fed-Ex please advise John Basa at the Oil and Gas Mining Board (801) 538-5334, so our permit may be approved.

Don't hesitate to call with any questions.

Sincerely,



W.F. Muller

Enclosure

ZIONS BANK

TIME DEPOSIT CONFIRMATION

Account Number: 002-939071-3

Date: 09-19-97

Ownership: SCHOOL AND INSTITUTIONAL TRUST LANDS

AND MISSION ENERGY, LLC

Purchase Amount: ****20,000.00

Interest Rate: 05.00

Annual Percentage Yield: 05.00

Maturity Date: 09-19-98

Interest Payment Frequency: At Maturity Annually Quarterly Monthly

Interest Payment Method: Add to Deposit Issue Check Transfer to Account Number: _____

Checking/MMDA Savings

Zions Bank Representative Signature: [Signature]

This confirmation is not negotiable. This confirmation is not transferable except on the records of Zions Bank. The Certificate

DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

SPUDDING INFORMATION

Name of Company: MISSION ENERGY

Well Name: LAVINIA STATE 1-32

Api No. 43-007-30380

Section: 32 Township: 12S Range: 16E County: CARBON

Drilling Contractor: _____

Rig # _____

SPUDDED:

Date: 10/6/97

Time: _____

How: DRY HOLE

Drilling will commence: _____

Reported by: D. INGRAM

Telephone NO.: _____

Date: 10/6/97 Signed: JLT

✓

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
CEMENTING OPERATIONS

WELL NAME: LAVINIA STATE #1-32 API NO: 43-007-30380

QTR/QTR: NW/SE SECTION: 32 TOWNSHIP: 12S RANGE 16E

COMPANY NAME: MISSION ENERGY COMPANY MAN CHUCK WHITE
INSPECTOR: DENNIS L. INGRAM DATE: 10/17/97

CASING INFORMATION: SURFACE CASING: YES

SIZE: 8 5/8" GRADE: J-55 #24 HOLE SIZE: 12 1/4" DEPTH: 435.50'

PIPE CENTRALIZED: FIVE RAN. FIRST ON MIDDLE OF SHOE JOINT AND
THEN EVERY OTHER COLLAR THERE AFTER.

CEMENTING COMPANY: BJ SERVICES.

CEMENTING STAGES: ONE

SLURRY INFORMATION:

1. CLASS: "G" ADDITIVES: 350 SX WITH 2% CALCIUM CHLORIDE
AND 1/4# CELL FLOW

LEAD : 20 BBLs GEL WATER/10 FRESH TAIL: _____

2. SLURRY WEIGHT LBS. PER GALLON:

LEAD: 15.6 PPG TAIL: 15.6 PPG

3. WATER (GAL/SX)

LEAD: 5.2 GAL/SX TAIL: _____

CEMENT TO SURFACE: 23 BARRELS LOST RETURNS: NO

1 INCH INFORMATION: WEIGHT: _____ CEMENT TO SURFACE: _____

FEET: _____ SX: _____ CLASS: _____ CACL%: _____ RETURNS: _____

ADDITIONAL COMMENTS: PUMPED SLURRY AT 3.2 BPM AND HOLE WAS SLOW
TO CIRCULATE, BUT STOOD FULL. SHUT DOWN PUMP FOR FIVE MINUTES
AND FLUID LEVEL DROPPED SIX FEET. STARTED PUMP BACK UP AND
PUMPED AT A SLOWER RATE, HAD GOOD RETURNS WITH 23 BARRELS CEMENT
TO SURFACE. YIELD ON CEMENT WAS 1.18.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER: _____	5. Lease Designation and Serial Number: UTML-43541
2. Name of Operator: Mission Energy, LLC	6. If Indian, Allocated or Tribe Name: N/A
3. Address and Telephone Number: Suite 2450 - 621 17th Street (303) 292-9775	7. Unit Agreement Name: N/A
4. Location of Well: Footages: 1793' FSL and 1889' FEL OO, Sec., T., R., M.: NWSE Section 32 - T12S - R16E	8. Well Name and Number: LaVinia State # 1-32
	9. API Well Number: 43-007-30380
	10. Field and Pool, or Wildcat: Jacks Canyon

County: Carbon
State: Utah

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

NOTICE OF INTENT
(Submit in Duplicate)

- | | |
|----------------------------------------------------|-----------------------------------------------|
| <input type="checkbox"/> Abandon | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Recomplete |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Reperforate |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other _____ | |

Approximate date work will start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

- | | |
|--------------------------------------------------------------------|-----------------------------------------------|
| <input type="checkbox"/> Abandon * | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Reperforate |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other <u>change of address</u> | |

Date of work completion November 15, 1997

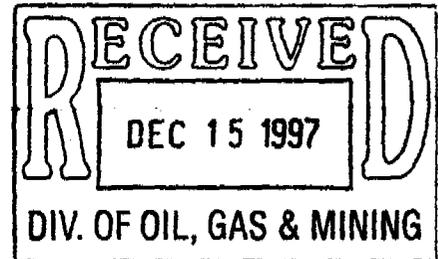
Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Mission Energy LLC would like to notify the Utah State Division of Oil, Gas, and Mining of our new address (effective 11/15/97):

Mission Energy LLC
Suite 2450
621 17th Street
Denver, Colorado 80293
phone: (303) 292-9775
FAX: (303) 292-9280



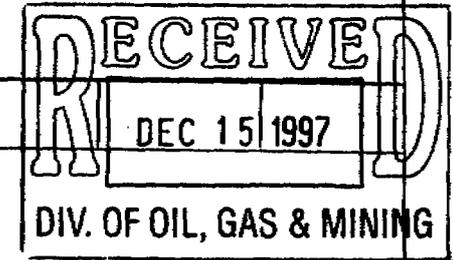
13. Name & Signature: Charles B. Willard Title: Operations Manager Date: 12/11/97
Charles B. Willard

(This space for State use only)

OPERATOR Mission Energy LLC
 ADDRESS Suite 2450 - 621 17th Street
Denver, Colorado 80293

OPERATOR ACCT. NO. N 60010

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999	12274	43-007-30380	LaVinia State # 1-32	NWSE	32	12S	16E	Carbon	10/10/97	
WELL 1 COMMENTS: <i>Entity added 12-15-97. Lec</i>											
WELL 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											



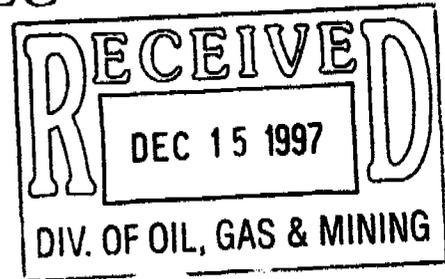
- ACTION CODES (See instructions on back of form)
- A - Establish new entity for new well (single well only)
 - B - Add new well to existing entity (group or unit well)
 - C - Re-assign well from one existing entity to another existing entity
 - D - Re-assign well from one existing entity to a new entity
 - E - Other (explain in comments section)

NOTE: Use COMMENTS section to explain why each Action Code was selected.

Charles B. Willard
 Signature
 Operations Mgr. 12/11/97
 Title 12/11/97
 Date
 Phone No. (303) 292-9775

MISSION ENERGY, LLC

December 11, 1997



State of Utah
Department of Natural Resources
Division of Oil, Gas, and Mining
PO Box 145801
Salt Lake City, Utah 84114-5801

To Whom It May Concern:

Please find enclosed three sundry notices and form 6 for the LaVinia State 1-32 well that Mission Energy LLC is drilling in Carbon County. We spudded this well on 10/10/97 with a spudding unit and set/cemented surface casing on 10/18/97. We couldn't hire the actual drilling rig that we need to finish the drilling before the November 15 deadline that the BLM road right away required. So we have suspended operations until the spring of 1998.

Please also note that our address has changed:

Mission Energy, LLC
Suite 2450
621 17th Street
Denver, Colorado 80293

Our new telephone numbers are:

(303) 292-9775
(303) 292-9280 - FAX

On the form #6 I couldn't find an Entity No., so I have left that box empty. I also don't have an Operator Acct. No. H so I also left that area empty. Please call if you need any further information.

Thank-you

A handwritten signature in cursive script that reads "Charles B. Willard".

Charles B. Willard
Operations Manager

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

5. Lease Designation and Serial Number:
UTML-43541

6. If Indian, Allottee or Tribe Name:
N/A

7. Unit Agreement Name:
N/A

8. Well Name and Number:
LaVinia State # 1-32

9. API Well Number:
43-007-30380

10. Field and Pool, or Wildcat:
Jacks Canyon

1. Type of Well: OIL GAS OTHER: _____

2. Name of Operator:
Mission Energy, LLC

3. Address and Telephone Number:
Suite 2450 - 621 17th Street (303) 292-9775

4. Location of Well
Footages: 1793' FSL and 1889' FEL County: Carbon
OO, Sec., T., R., M.: NWSE Section 32 - T12S - R16E State: Utah

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

NOTICE OF INTENT
(Submit in Duplicates)

SUBSEQUENT REPORT
(Submit Original Form Only)

- Abandon
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Multiple Completion
- Other _____
- New Construction
- Pull or Alter Casing
- Recomplete
- Reperforate
- Vent or Flare
- Water Shut-Off

- Abandon *
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Other Suspend drilling operations
until spring 1998
- New Construction
- Pull or Alter Casing
- Reperforate
- Vent or Flare
- Water Shut-Off

Date of work completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

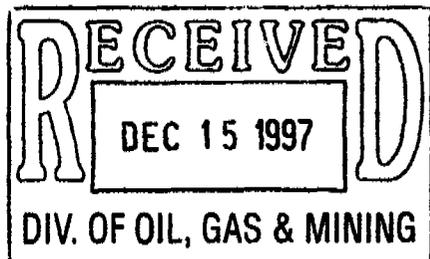
Drilling operations are suspended until Mission Energy, LLC can obtain a rig in the spring of 1998. BLM road right-away doesn't allow drilling operations between November 15 - May 15.

Mission Energy, LLC couldn't find a rig that had availability to do the actual drilling on this location until after the November 15 date. Operations are expected to resume on/or about May 15, 1998.

CONFIDENTIAL

13. Name & Signature: Charles B. Willard Title: Operations Manager Date: 12/12/97
Charles B. Willard

(This space for State use only)



STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL GAS OTHER:

2. Name of Operator:
Mission Energy, LLC

3. Address and Telephone Number:
Suite 2450 - 621 17th Street (303) 292-9775

4. Location of Well
Footages: 1793' FSL and 1889' FEL
OO, Sec., T., R., M.: NWSE Section 32 - T12S - R16E

5. Lease Designation and Serial Number:

UTML-43541

6. If Indian, Allocated or Tribe Name:

N/A

7. Unit Agreement Name:

N/A

8. Well Name and Number:

LaVinia State # 1-32

9. API Well Number:

43-007-30380

10. Field and Pool, or Wildcat:

Jacks Canyon

County: Carbon

State: Utah

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

NOTICE OF INTENT
(Submit in Duplicate)

- Abandon
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Multiple Completion
- Other _____
- New Construction
- Pull or Alter Casing
- Recomplete
- Reperforate
- Vent or Flare
- Water Shut-Off

Approximate date work will start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

- Abandon *
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Other Spud and operations report
- New Construction
- Pull or Alter Casing
- Reperforate
- Vent or Flare
- Water Shut-Off

Date of work completion Spud 10/10/97

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Mission Energy spud the LaVinia #1-32 on 10/10/97 with a "spud" unit. On 10/18/97 Fifteen (15) joints (436.75') of 8 5/8" - 24# New casing was run and cemented to surface. The cement job was witnessed by Mr. Dennis Ingram (DOGM). On 12/1/97 the wellhead was welded on the surface casing and operations were suspended until the summer of 1998. Drilling rig availability limited the completion of drilling operations.

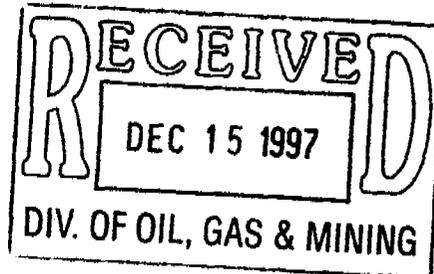
CONFIDENTIAL

13.

Name & Signature: Charles B. Willard
Charles B. Willard

Title: Operations Manager Date: 12/1/97

(This space for State use only)



DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

SPUDDING INFORMATION

Name of Company: MISSION ENERGY LLC

Well Name: LAVINA STATE 1-32

Api No. 43-007-30380

Section 32 Township 12S Range 16E County CARBON

Drilling Contractor ROSS DRILLING

Rig # 19

SPUDDED:

Date 1/7/98

Time _____

How ROTARY

Drilling will commence _____

Reported by D. INGRAM-DOGM

Telephone # _____

Date: 1/12/98 Signed: JLT

J

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER:	5. Lease Designation and Serial Number: UTML-43541
2. Name of Operator: Mission Energy, LLC	6. If Indian, Allocated or Tribe Name: N/A
3. Address and Telephone Number: Suite 2450 - 621 17th Street (303) 292-9775	7. Unit Agreement Name: N/A
4. Location of Well Footages: 1793' FSL and 1889' FEL CO. Sec., T., R., M.: NWSE Section 32 - T12S - R16E	8. Well Name and Number: LaVinia State # 1-32
	9. API Well Number: 43-007-30380
	10. Field and Pool, or Wildcat: Jacks Canyon

CONFIDENTIAL

County: Carbon
State: Utah

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

NOTICE OF INTENT (Submit in Duplicate)	SUBSEQUENT REPORT (Submit Original Form Only)
<input type="checkbox"/> Abandon <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input type="checkbox"/> Multiple Completion <input checked="" type="checkbox"/> Other <u>Finish drilling well with drilling rig</u> Approximate date work will start <u>1/07/98</u>	<input type="checkbox"/> Abandon <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input type="checkbox"/> Other _____ Date of work completion _____ Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form. * Must be accompanied by a cement verification report.
<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Recomplete <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

On January 5, 1998 Mission Energy started to MIRU Ross Drilling Rig #19. We expect to drill out from under surface casing on or about 1/10/98.

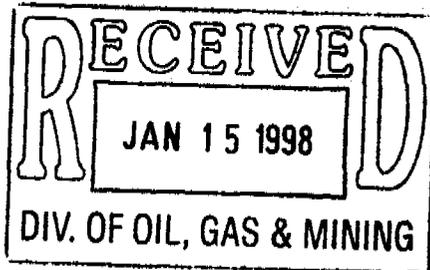
Dennis Ingram with the Oil & Gas division in Vernal has been notified.

Mission Energy will drill out with a 7 7/8" hole size to total depth.

CONFIDENTIAL

13. Name & Signature: C. B. Whelan Title: Operations Manager Date: 1/7/98

(This space for State use only)



STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: LA VINIA #1-32

API number: 43-007-30380

Well Location: QQ SE Section 32 Township 12S Range 16E County Carbon

Well operator: Mission Energy, L.L.C.

Address: 621 17th St., Suite 2450

DENVER CO. 80293

Phone: (303) 292-9775

Drilling contractor: Leon Ross Rig #19

Address: _____

Phone: _____

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
1905	1996	1/2 - 1 bbl/min	Fresh

5. Formation tops: NONE YET

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge. Date: 1-14-98

Name & Signature: IVAN D. ALVARO - Ivan D. Alvarado Title: Consultant

Experienced Since
1978 with
Double D
Double Jack
Now On My Own

SING JACK TESTING & SERVICE INC.

2292 1/4 Road • Grand Junction, Colorado 81505

(970) 245-9724

Vernal, Utah (801) 781-1357

FIELD TICKET # 988

- B.O.P. Testing
- B.O.P. Nipple Up
- Pipeline & Vessle Testing
- Leak-off Testing

DATE 1-11-97 RIG NAME AND # Leon Ross #19

OPERATOR Mission Energy LLC WELL NAME AND NO. Laura State 1-32

COUNTY Carbon STATE UT SECTION 32 TOWNSHIP 12S RANGE 16E

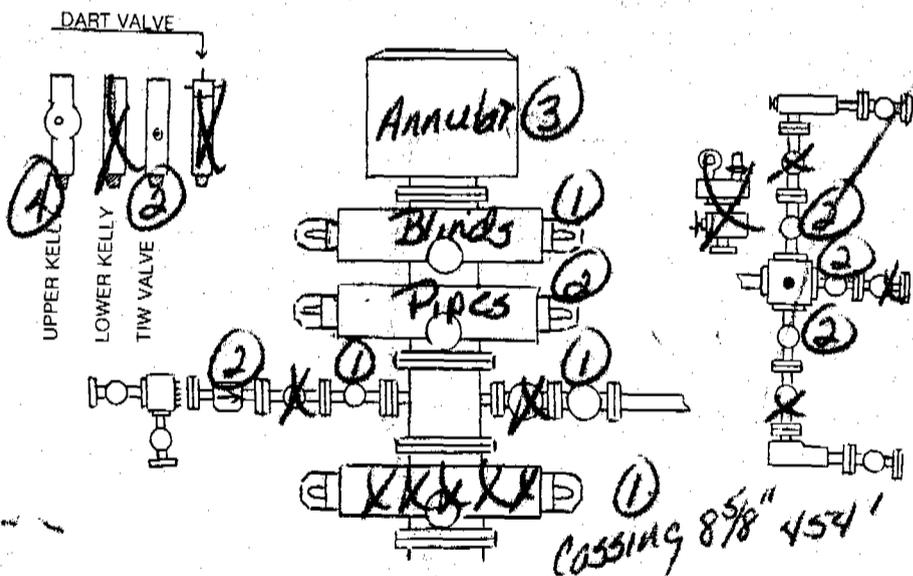
EQUIPMENT TESTED

2100 RAMS Blinds
2100 RAMS Pipes
2100 RAMS
2,500 ANNULAR B.O.P.
2,100 CHOKE LINE
2,100 KILL LINE
2,100 UPPER KELLY
~~LOWER KELLY~~
2,100 SAFETY VALVES
2,100 CHOKE MANIFOLD
2,100 ~~SUPER CHOKER~~ Casing 8 5/8" 454'

ADDITIONAL TESTS & COMMENTS

ACCUMULATOR TEST

TYPE Koomley CONTROLS LABELED CORRECTLY YES
 NITROGEN BACK-UP NA PSI AIR NA ELECTRIC Triplex
 REMOTE NA BLIND GUARDS INSTALLED YES
 ACCUMULATOR PRESSURE 3000 MANIFOLD PSI 2500 ANNULAR PSI 1,300



Load Time	TEST PLUG	<u>11" C-22</u>	<u>150% N/C</u>
Start Travel Time <u>8:30 AM</u>	RET. TOOL		
Arrival Time <u>10:00 AM</u>	TOP SUB.	<u>4 1/2 X H ?</u>	<u>50% N/C</u>
Single Jack Rep. <u>Matt</u>	KELLY SUB.	<u>4 1/2 X H</u>	
Pusher <u>Tom</u>	X-OVER SUB.	<u>4 H90 collars</u>	

RATES		
UNIT RATES	<u>7 Hour set up charge on BOP & Tests 10:00am - 5:00pm</u>	<u>700%</u>
ADDITIONAL	<u>50% per hour on set up charge 5:00pm - 8:15</u>	<u>175%</u>
MILEAGE	<u>1.30 per mi. Rd. Vernal Utah. 180 mi</u>	<u>225%</u>
METHANOL	<u>99% per gal Meth 25 gal @ 3.70</u>	<u>75%</u>
OTHER		

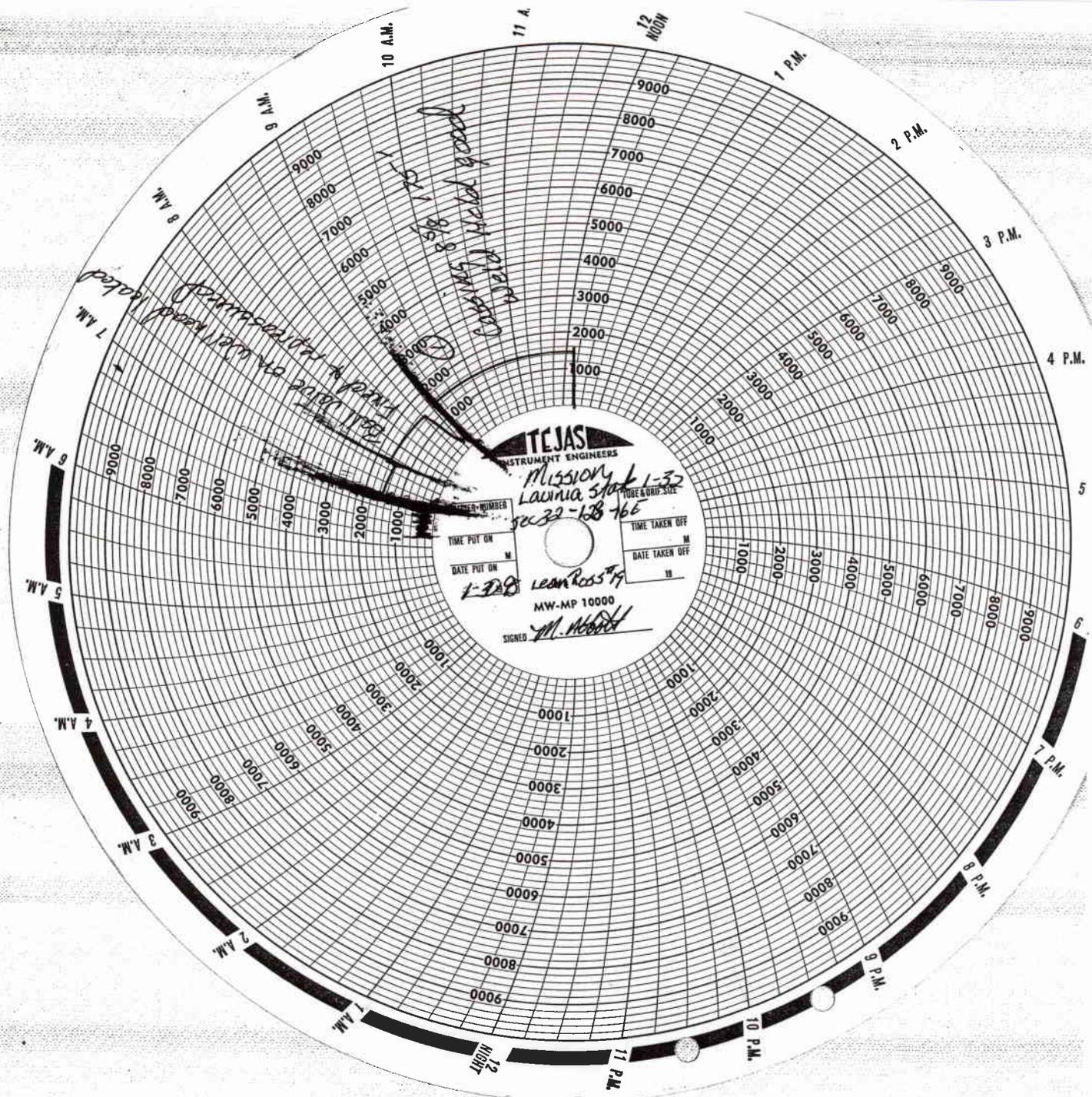
CO. REP. [Signature] TESTED BY M. Abbott Dodge SUB TOTAL _____ TAX _____

SINGLE JACK TESTING UNIT NUMBER

NOTICE TO ALL CUSTOMERS

TOTAL 1175%

If this account shall not be paid when due and it is placed with an attorney for collection, or if suit be instituted for collection, the undersigned agree(s) to pay in either case, reasonable expense of collection including attorney's fees and court cost in compliance with TRUTH IN LENDING AND THE UNIFORM CONSUMER CREDIT CODE, the following information disclosure. Under the terms of our regular accounts, all amounts for service due and payable within THIRTY (30) DAYS from the receipt of an invoice for such services. A LATE CHARGE will be assessed when accounts are not paid when due. THE LATE CHARGE is computed by a "periodic rate" 1-3/4% PER MONTH which is an ANNUAL PERCENTAGE RATE OF 21% to the previous balance in the account on the billing date. No further credit can be extended on unpaid delinquent accounts until the delinquent account is paid in full. The contractor will not be held liable for damages caused by acts of God, or unforeseen circumstances that could not be reasonably anticipated in performing the work done as set forth above.



3

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
DRILLING INSPECTION FORM

OPERATOR: MISSION COMPANY REP: DAVE ALLRED

WELL NAME LAVINIA STATE #1-32 API NO 43-007-30380

QTR/QTR: NW/SE SECTION: 32 TWP: 12S RANGE: 16E

CONTRACTOR: ROSS DRILLING COMPANY RIG NUMBER: #19

INSPECTOR: DENNIS I. INGRAM TIME: 12:30 PM DATE: 1/23/98

SPUD DATE: DRY: ROTARY: 1/11/98 PROJECTED T.D.: 6800'

OPERATIONS AT TIME OF VISIT: REPLACE DRUM CLUTCH ON DRAW WORKS.

WELL SIGN: Y MUD WEIGHT 9.0+ LBS/GAL BOPE: YES

BLOOIE LINE: Y FLARE PIT: N H2S POTENTIAL: N

ENVIRONMENTAL:

RESERVE PIT: Y FENCED: Y LINED: Y PLASTIC: Y

RUBBER: _____ BENTONITE: _____ SANITATION: (2)

BOPE TEST RECORDED IN THE RIG DAILY TOUR BOOK: YES.

1500 PSI ON MANIFOLD; 2800 PSI ON ACCUMULATOR.

REMARKS:

RIG WAS 3777 FEET DEEP AT THE TIME OF INSPECTION. THEY HAVE
HIT THREE OR MORE SHOWS AND HAVE AIRED MUD IN THE HOLE. DAVE
SAYS THEY'VE BEEN CIRCULATING THROUGH THE GAS BUSTER, OR
SEPARATOR, TO ELIMINATE GAS CUT MUD. RIG HIT A BRIDGE AT 3190'
WHILE GOING IN HOLE AFTER REPAIRING DRUM CLUTCH. BIT #4 IN HOLE
A 7 7/8" REED HP53A WITH 16, 16, AND 18 JET NOZZLES. LAST
SURVEY WAS 1 DEGREES AT 1905'.

(3)

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
DRILLING INSPECTION FORM

OPERATOR: MISSION COMPANY REP: DAVE ALLRED

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WELL SIGN: Y MUD WEIGHT 9.0+ LBS/GAL BOPE: YES

BLOOIE LINE: Y FLARE PIT: N H2S POTENTIAL: N

ENVIRONMENTAL:

RESERVE PIT: Y FENCED: Y LINED: Y PLASTIC: Y

RUBBER: _____ BENTONITE: _____ SANITATION: (2)

BOPE TEST RECORDED IN THE RIG DAILY TOUR BOOK: YES,

1500 PSI ON MANIFOLD; 2800 PSI ON ACCUMULATOR.

REMARKS:

RIG WAS 3777 FEET DEEP AT THE TIME OF INSPECTION. THEY HAVE
HIT THREE OR MORE SHOWS AND HAVE AIRED MUD IN THE HOLE. DAVE
SAYS THEY'VE BEEN CIRCULATING THROUGH THE GAS BUSTER, OR
SEPARATOR, TO ELIMINATE GAS CUT MUD. RIG HIT A BRIDGE AT 3190'
WHILE GOING IN HOLE AFTER REPAIRING DRUM CLUTCH. BIT #4 IN HOLE
A 7 7/8" REED HP53A WITH 16, 16, AND 18 JET NOZZLES. LAST
SURVEY WAS 1 DEGREES AT 1905'.

STATE OF UTAH
 Division of Oil, Gas and Mining
 355 West North Temple
 3 Triad Center, Suite 350
 Salt Lake City, Utah 84180-1203

INJECTION WELL - PRESSURE TEST

Test Date: <u>1-30-98</u>	Well Owner/Operator: <u>MISSION ENERGY</u>	
Disposal Well: _____	Enhanced Recovery Well: _____	Other: _____
API No.: 43- _____	Well Name/Number: <u>LAVINIA STATE #1-32</u>	
Section: <u>32</u>	Township: <u>12 SOUTH</u>	Range: <u>16 EAST</u>

Initial Conditions:

Tubing - Rate: N/A Pressure: _____ psi

Casing/Tubing Annulus - Pressure: N/A psi

Conditions During Test:

Time (Minutes)	Annulus Pressure	Tubing Pressure
0	<u>1500 PSI</u>	<u>N/A</u>
5	}	_____
10	}	_____
15	}	_____
20	}	_____
25	}	_____
30	<u>1500 PSI</u>	_____

Results: Pass/Fail

Conditions After Test:

Tubing Pressure: _____ psi

Casing/Tubing Annulus Pressure: _____ psi

REMARKS:

Had 2 leaks on kill line + valve,
BUT THIS TEST WAS GOOD - OK

Operator Representative _____

James L Ingram

 DOGM Witness

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

3. Lease Designation and Serial Number:
UTML-43541

6. If Indian, Allocated or Tribe Name:
N/A

7. Unit Agreement Name:
N/A

8. Well Name and Number:
LaVinia State # 1-32

9. API Well Number:
43-007-30380

10. Field and Pool, or Wildcat:
Jacks Canyon

1. Type of Well: OIL GAS OTHER: _____

2. Name of Operator:
Mission Energy, LLC

3. Address and Telephone Number:
Suite 2450 - 621 17th Street (303) 292-9775

CONFIDENTIAL

4. Location of Well
Footages: 1793' FSL and 1889' FEL
OO, Sec., T., R., M.: NWSE Section 32 - T12S - R16E

County: Carbon
State: Utah

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

NOTICE OF INTENT
(Submit in Duplicate)

Abandon New Construction
 Repair Casing Pull or Alter Casing
 Change of Plans Recomplete
 Convert to Injection Reperforate
 Fracture Treat or Acidize Vent or Flare
 Multiple Completion Water Shut-Off
 Other _____

Approximate date work will start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

Abandon New Construction
 Repair Casing Pull or Alter Casing
 Change of Plans Reperforate
 Convert to Injection Vent or Flare
 Fracture Treat or Acidize Water Shut-Off
 Other Drilling Operation

Date of work completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.
 * Must be accompanied by a cement verification report.

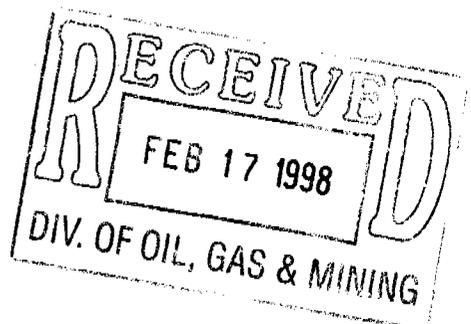
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Mission Energy, LLC, rigged up Leon Ross Rig #19 and drilled out from under surface casing on 1/12/98. 8 5/8" surface casing was set and cemented in October 1997. Fresh water sand was encountered from 1,905' to 1,996'. Drilling depth on 1/31/98 was 4,471', estimated T.D. is 6,800'.

CONFIDENTIAL

13. Name & Signature: C. B. Mulla Title: Operations Manager Date: _____

(This space for State use only)



Mission Energy, LLC.
621 17th Street - Suite 2450
Denver, Colorado 80293

LaVina State 1-32 - API Number 43-007-30380
Daily Drilling Report

2/11/98

Day 31 - T.D. 5,305' - Drilled 0'. - Present operations: Waiting on different Free-point tools. Waited on Fishing tools until noon, TIH to top of fish. Latch onto fish and TIH w/wireline to fish tools lost yesterday. Successfully fished tools on top of bit @ 5,287'. Set down and get a good "grap" on 16th joint of drill pipe, RIH w/wireline Free-point tool. Couldn't get a good reading on free-point, did a manual stretch calculation - free-point figures out to be between 3,700'-4,100'. Waiting on new electronics to run a different free-point. (NOTE: Contractor has not returned the hole to drilling at 5,305' - where they took it over for rig repair).

DAILY COST:	\$ 12,014	TOTAL CUM. COST:	\$ 452,873
Rig #19 Daywork	\$ -0-	Mud Logging - Geology	\$ 375
Air Equipment	\$ 2,317	Trailer/Camp, Roustabouts	\$ 747
Water & Fuel	\$ -0-	Supervision	\$ 600
Mud/Chemical & Trkg.	\$ 350-	Rental/Misc.	\$ 625
Fishing Tools and Equipment	\$ 7,000		

2/12/98

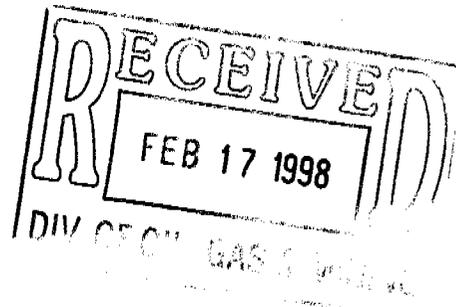
Day 32 - T.D. 5,305' - Drilled 0'. - Present operations: Mixing mud and preparing to TIH w/drill pipe and bumper sub to clean-out to bottom (top of fish @ 4,100'). Waited on different Free-point tools. Found free-point at 4,100', attempted a back-off at 4,077. Back-off was successful. TOO H w/drill pipe, found that actual back-off was at 4,100' (where pipe was suck). Lay down fishing tools and mix mud to clean-up hole, still working short-handed. (While mixing mud, rig also changed out wash pipe and replaced packing on swivel one more)

DAILY COST:	\$ 15,511	TOTAL CUM. COST:	\$ 468,384
Rig #19 Daywork	\$ -0-	Mud Logging - Geology	\$ 375
Air Equipment	\$ 2,317	Trailer/Camp, Roustabouts	\$ 2,747
Water & Fuel	\$ 712	Supervision	\$ 1,000
Mud/Chemical & Trkg.	\$ 735-	Rental/Misc.	\$ 625
Fishing Tools and Equipment	\$ 7,000		

2/13/98

Day 33 - T.D. 5,305' - Drilled 0'. - Present operations: Waiting on mud pump repair. TIH to 1,600' found a bridge that we couldn't wash through, TOO H, p/u bit and TIH to 1,600'. Found Mud pump washed out, SHUT_DOWN for pump repair (Couldn't get pump apart, finally cut head off with cutting torch, attempted to us, but pump still needs a liner). Deck engine on draw-works started smoking worse and consultant, Mr. Bill Ryan, recommended that we pull the pipe out of the hole, plug the well in the surface pipe and get the rig off location before we are caught with pipe in the hole and no engine power. Started to TOO H with drill pipe and lay down. (Note: plugged at surface with a good gas show from 2,850 - 3,600') (NOTE: Contractor has not returned the hole to drilling at 5,305' - where they took it over for rig repair), This action was done, because of contractors lack of action in last two break-downs (light plant & mud pump that caused fish at 5,300') and the fear of a major break-down, leaving Mission Energy LLC with a very expensive fish job to plug this well.

DAILY COST:	\$ 13,511	TOTAL CUM. COST:	\$ 481,895
Rig #19 Daywork	\$ -0-	Mud Logging - Geology	\$ 375
Air Equipment	\$ 2,317	Trailer/Camp, Roustabouts	\$ 747
Water & Fuel	\$ 712	Supervision	\$ 1,000
Mud/Chemical & Trkg.	\$ 735-	Rental/Misc.	\$ 625
Fishing Tools and Equipment	\$ 7,000		



5. Lease Designation and Serial Number:
UTML-43541

6. If Indian, Allocated or Tribe Name:
N/A

7. Unit Agreement Name:
N/A

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL GAS OTHER:

8. Well Name and Number:
LaVinia State # 1-32

2. Name of Operator:
Mission Energy, LLC

9. API Well Number:
43-007-30380

3. Address and Telephone Number:
Suite 2450 - 621 17th Street (303) 292-9775

10. Field and Pool, or Wildcat:
Jacks Canyon

4. Location of Well
Footages: 1793' FSL and 1889' FEL
OO, Sec., T., R., M.: NWSE Section 32 - T12S - R16E

County: Carbon
State: Utah

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

NOTICE OF INTENT (Submit in Duplicate)

- Abandon
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Multiple Completion
- Other Temporarily abandon
- New Construction
- Pull or Alter Casing
- Recomplete
- Reperforate
- Vent or Flare
- Water Shut-Off

Approximate date work will start _____

SUBSEQUENT REPORT (Submit Original Form Only)

- Abandon *
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Other _____
- New Construction
- Pull or Alter Casing
- Reperforate
- Vent or Flare
- Water Shut-Off

Date of work completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Mission Energy, LLC. talked to Mr. John Baza with the commission and received permission to temporarily plug and abandon the LaVinia State 1-32. Due to terrible problems with Leon Ross Drilling Rig #19, we are forced into changing out the equipment on location. The rig will not run and the contractor is slow to repair his equipment and/or refuses to take responsibility.

Mr. Baza gave Mission Energy permission to set a plug in the surface casing and cap the wellhead. We will then move off Ross Drilling Rig #19 and attempt to save the well.

13. Name & Signature: C. B. Hillard

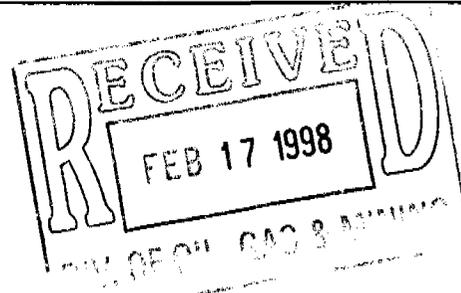
Title: Operations Manager Date: 13 Feb. 1998

(This space for State use only)

APPROVED BY THE COMMISSION
OF OIL, GAS AND MINING

2/20/98
John R. Bay

(See Instructions on Reverse Side)



STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
WORKOVER AND COMPLETION RECORD

OPERATOR: Mission Energy COMPANY REP: Bill Ryan

WELL NAME: Lavinia State #1-32 API NO: 43-

SECTION: TWP: RANGE: COUNTY: Carbon

TYPE OF WELL: OIL: GAS: Y WATER INJECTION:

STATUS PRIOR TO WORKOVER: DRILL HOLE

INSPECTOR: Dennis L. Ingram TIME: 12:00 Noon DATE: 2/25/98

REASON FOR WORKOVER:

CHANGE OF LIFT SYSTEM: PUMP CHANGE: PARTED RODS:

CASING OR LINER REPAIR: ACIDIZE: COMPLETION: X

TUBING CHANGE: WELLBORE CLEANOUT: WELL DEEPENED:

ENHANCED RECOVERY: THIEF ZONE: CHANGE ZONE:

ENVIRONMENTAL/DISPOSITION OF FLUIDS USED: PIT TANK & 400 BBL.
UPRIGHT

PIT: LINED Y UNLINED N FRAC TANK 2-400 BOPE: YES H2S PRESENT: N

OPERATIONS AT THE TIME OF INSPECTION: Washing to bottom at 3,000
feet. They hit bridges at 2,000 feet and have had to wash from there.

REMARKS:

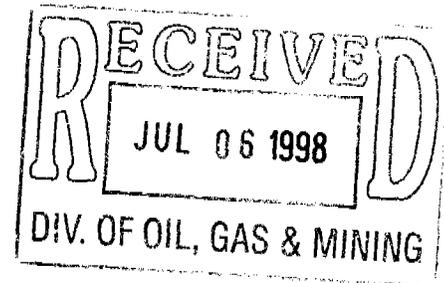
Well originally had a water show at 1800 feet. Presently, they have a 50 viscosity
and are not utilizing air with mud. They have installed a 11" BOPE with a single set of
tubing and blind rams; they've also installed a choke manifold, complete--looks good!
Driller says they have lost about 30 to 40 barrels of fluid since hitting the bridged off
formation. They plan on washing down to fish top and logging well to evaluate its
potential productivity.

MISSION ENERGY, LLC

Bob Krueger
State of Utah; Oil, Gas & Mining Division
1594 W. North Temple, Ste. 1210
Salt Lake City, UT 84114-5801

July 2, 1998

Jerry R. Bergeson
Mission Energy, LLC
621 17th Street, Suite 2450
Denver, CO 80293



Dear Bob,

Mission Energy is preparing to complete the LaVinia State # 1-32 located in NWSE Section 32 – T12S – R16E, Carbon County, Utah. The completion procedure consists of perforating six intervals which will be stimulated utilizing three frac jobs.

The technical information derived from prior completions indicate that the fluid used to stimulate the Wasatch Formation should be removed from the sands as quickly as possible to avoid formation damage that would restrict gas flow capacity.

Mission Energy would like to request a permit to cleanup (flare) the target zones and flow test (initial production test) the sands for a period of up to 30 days. At present we do not anticipate the above flaring to last for the 30-day period as the construction of a gathering system is about to commence.

We appreciate your consideration of our request and look forward to your response.


Jerry R. Bergeson
Director of Acquisitions
Mission Energy, LLC



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

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

Michael O. Leavitt
Governor

Lowell P. Braxton
Division Director

July 6, 1998

Mr. Jerry R. Burgeson
Director of Acquisitions
Mission Energy, LLC
621 17th Street, Suite 2450
Denver, CO 80293

Re: Request for extension of time period for conducting production test and venting produced gas LaVinia State #1-32, API Well # 43-007-30380

Dear Mr. Burgeson:

In your letter dated July 2, 1998, Mission Energy, LLC ("Mission") requested permission to flare produced gas from the above referenced well for a period not to exceed 30 days. The Division of Oil, Gas and Mining ("the Division") hereby approves Mission's request to flare or vent gas contingent upon Mission's meeting the following conditions.

Approval Conditions

1. As allowed by Rule R649-3-20, during the period of time allowed for conducting the stabilized production test, the operator may vent or flare all produced gas well gas as needed for conducting the test. The flaring shall be limited to thirty days or 50 MMCF, whichever is less.
2. Submittal of past due reports required per R-649-3-6 (sundry notices - Form 9) including:
 - a. changes to drilling plan per original and approved APD; and,
 - b. monthly status reports,prior to initiating well testing.
3. Submittal of well completion report (Form 8), well logs, and production test data upon completion of well and well testing.

I have attached a copy of the Divisions General Rules and a Forms Packet for your reference.
Please call if you have any further questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Krueger', written over a horizontal line.

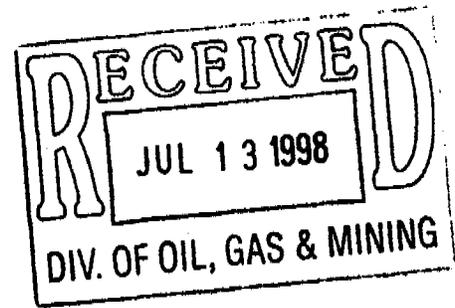
Robert J. Krueger, P.E.
Petroleum Engineer

Attachments
Well File

MISSION ENERGY, LLC

July 7, 1998

Bob Krueger
State of Utah
1594 W. North Temple, Ste. 1210
Salt Lake City, UT 84114



RE: LaVinia State #1-32 Status

Dear Mr. Krueger,

The LaVinia State #1-32 was cased and cemented on February 28, 1998. The well was originally drilled to a depth of 5305' during which time excessive drilling and hole problems occurred. As a result of these problems the well could only be cased to a depth of 4020'. Since the time of the pipe being ran and cemented, Mission Energy has been attempting to gain access to McCulliss Resources open access local gathering system for the purpose of delivering gas from the LaVinia State #1-32.

Mission is presently preparing to perforate and stimulate six individual Wasatch sands in the above captioned well. This will be followed by a cleaning up period and production testing to determine deliverability.

Mission Energy has also nearly completed the construction of the delivery line from the LaVinia well to McCulliss Resources local gathering system.

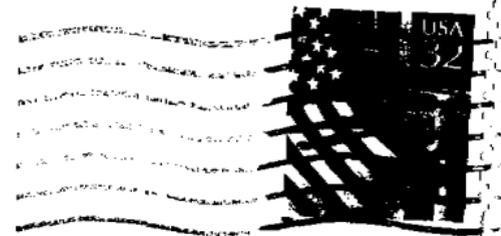
We will keep your office informed of the completion details as they are performed and completed.

Sincerely yours,


Jerry R. Bergeson
Manager of Operations

MISSION ENERGY, LLC

621 17th St., Ste. 2450, Denver, CO 80293



Bob Krueger
State of Utah
1594 W. North Temple , Ste. 1210
Salt Lake City, UT 84114



STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NO.
UTML-43541

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WELL
 OIL WELL GAS WELL DRY

1b. TYPE OF COMPLETION
 NEW WELL WORK OVER DEEP-EN PLUG BACK DIFF. RESVR. Other _____

7. UNIT AGREEMENT NAME
JACKS CANYON

8. FARM OR LEASE NAME, WELL NO.
LAVINIA STATE

CONFIDENTIAL

2. NAME OF OPERATOR
MISSION ENERGY LLC

3. ADDRESS AND TELEPHONE NO.
621 17TH STREET, SUITE 2450, DENVER, COLORADO 80203

4. LOCATION OF WELL (Report locations clearly and in accordance with any State requirements)
 At Surface
1793' FSL & 1889' FEL NWSE SEC. 32, T12S-R16E
 At top prod. Interval reported below
AS ABOVE
 At total depth
AS ABOVE

9. WELL NO.
1-32

10. FIELD AND POOL OR WILDCAT
JACKS CANYON

11. SEC., T., R., M., OR BLOCK AND SURVEY
**OR AREA
SEC 32, T12S-R16E**

RECEIVED
NOV 23 1998
DIV. OF OIL, GAS & MINING

14. API NO. **43-007-30380** DATE ISSUED **9/25/97**

12. COUNTY **CARBON** 13. STATE **UTAH**

15. DATE SPUNDED **10/10/97** 16. DATE T.D. REACHED **2/8/98** 17. DATE COMPL. (Ready to prod. or F) **8/30/98** 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* **6960' G.L.** 19. ELEV. CASINGHEAD **6972' KB**

20. TOTAL DEPTH, MD & TVD
5305' MD TVD **4002** MD TVD

21. PLUG, BACK T.D., MD & TVD
 TD **4002** MD TVD

22. IF MULTIPLE COMPL., HOW MANY
0-TD

23. INTERVALS DRILLED BY **0-TD** ROTARY TOOLS CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)
3014-34' (MD) WASATCH

25. WAS DIRECTIONAL SURVEY MADE
NO

26. TYPE ELECTRIC AND OTHER LOGS RUN
INDUCTION-GAMMA RAY NEUTON DENSITY 11-23-98

27. WAS WELL CORED YES NO (Submit analysis)
 DRILL STEM TEST YES NO (See reverse side)

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8"	24#	455' KB	12 1/4"	300 SX "G" W 12% ACL+50 SX NEA	
5 1/2"	17#	4026' KB	7 7/8"	240 SX LITE + 448 SX 50/50 POZ	

29. LINER RECORD

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

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 7/8"	3021	2993'

31. PERFORATION RECORD (Interval, size and number)

INTERVAL	SIZE	NUMBER
3120-36 & 3014-34	1/2"	12
3228-39 & 3266-72	1/2"	47
3381-90 & 3394-08	1/2"	26

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
3014-3136	43,554 GAL X-LINKED + 108,000 #20-40 SD
3228-72	21,882 GAL X-LINKED + 52,147 # SD
3381-98	23,426 GAL X-LINKED + 51,000 # SD

33.* PRODUCTION

DATE FIRST PRODUCTION _____ PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) _____ WELL STATUS (Producing or shut-in)
SI

DATE OF TEST **8/23/98** HOURS TESTED **24** CHOKE SIZE **3/4"** PROD'N. FOR TEST PERIOD **TRACE** OIL—BBL.S. **TRACE** GAS—MCF. **650** WATER—BBL. **12** GAS-OIL RATIO **12**

FLOW. TUBING PRESS. **40** CASING PRESSURE **225** CALCULATED 24-HOUR RATE **TRACE** OIL-BBL. **TRACE** GAS—MCF. **650** WATER—BBL. **12** OIL GRAVITY-API (CORR.) **NA**

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)
VENTED

TEST WITNESSED BY
RUSS IVEY

35. LIST OF ATTACHMENTS
LAVINIA #1-32 GAMMA RAY / MICROLOGS

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

SIGNED *[Signature]* TITLE **MANAGER OF OPERATIONS** DATE **11/18/98**

See Spaces for Addition Data on Reverse Side

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.	Top	
				Meas. Depth	True Vert. Depth
				Surface	
Green River Formation				2835' (+4131)	2835' (+4131)
Uteland Butte Member				2882' (+4084)	2882' (+4084)
Wasatch					

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: UTML43541
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: REGOAL, Inc.			8. WELL NAME and NUMBER: 1-32 Lavinia
3. ADDRESS OF OPERATOR: 93 South 5th Ave CITY Clarion STATE PA ZIP 16214		PHONE NUMBER: (814) 226-8393	9. API NUMBER: 4300730380
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1789' FSL, 1889' FEL			10. FIELD AND POOL, OR WILDCAT: Jack Canyon
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSE 32 12S 16E			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 type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 8/9/2001	<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.

Foreclosure on Mission Energy assets (copy Sheriff's Bill of Sale attached)
State Bond to remain in place.

Fred Jager, Chmn
Mission Energy
3991 MacArthur Blvd., Ste 340
Newport Beach, CA 92660

RECEIVED

AUG 20 2001

DIVISION OF
OIL, GAS AND MINING

NAME (PLEASE PRINT) Edward A. Reott	TITLE President - REGOAL, Inc.
SIGNATURE <i>Edward A. Reott</i>	DATE 8/27/2001

(This space for State use only)

E 08556 B 482 P 297
 Date 9-AUG-2001 11:18am
 Fee: 10.00 Cash
 SHARON MURDOCK, Recorder
 Filed By SM
 For EDWARD A REOTT
 CARBON COUNTY CORPORATION

IN THE 7TH CIRCUIT COURT OF CARBON COUNTY
 STATE OF UTAH

KEY ENERGY SERVICES, INC) CIVIL NUMBER: 990700565
 FOUR CORNERS DIVISION)
 J-WEST OILFIELD SERVICE, INC.) CIVIL NUMBER: 000700003
 EDWARD A. REOTT) CIVIL NUMBER: 006700886

Plaintiff)

SHERIFF'S CERTIFICATE
 OF SALE

MISSION ENERGY LLC) Civil Number: 000700897
 Defendants)

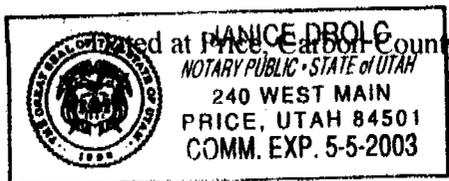
STATE OF UTAH)
 COUNTY OF CARBON)

I, W.R. Craig Deputy Sheriff of Carbon County, State of Utah, do hereby certify that by virtue of a WRIT OF EXECUTION and NOTICE OF SHERIFF'S SALE issued in the above entitled action, I did, after due and legal notice, on the 9th day of August 2001 at 10 a.m. of said day, at the front door, Carbon County Court Complex, Price, Utah, Carbon County, duly sell at public auction, according to law and the said Notice of Sheriff's Sale, to **Edward A. Reott**, for the sum of \$1 00 lawful money of the United States, which was the highest bid made and the whole price paid therefore to said property described as follows, to-wit:

Township 12 South Range 16 East; Sections 27, 32, 33 and 34 in Carbon County Utah together with oil and gas lease (Utah State Mineral Lease No. ML-43541), the oil and gas well located thereon referred to as Lavina State L# 1-32, and all productions, improvements, equipment and pipelines on or appurtenant to the well.

Purchase price payable in lawful money of the United States of America.

That all the right, title and interest of said Defendant's property, is hereby transferred to said purchaser



Witnessed at Price, Carbon County, Utah, this 9th day of August 2001.

JAMES CORDOVA, SHERIFF

By W.R. Craig
 W.R. CRAIG, DEPUTY

ON THIS 9th DAY OF August 2001, before me Janice Drole, a notary public, personally appeared W.R. Craig, personally known to me to be the person(s) whose name(s) is (are) subscribed to on this instrument, and acknowledged that he executed the same.

Janice Drole
 8/9/01

E 090542 B 498 P 148
Date 11-MAR-2002 10:30am
Fee: 14.00 Check
SHARON MURDOCK, Recorder
Filed By SM
For REGOIL INC
CARBON COUNTY CORPORATION

SHERIFF'S DEED

This Indenture, made this ninth day of February, A.D. 2002, between James Cordova Sheriff of Carbon County, State of Utah, party of the first part, and Edward Allen Reott party of the second part

WITNESSETH, WHEREAS, in and by a certain judgement and decree made and entered by the Seventh Circuit Court (Carbon County) of the State of Utah on the ninth day of August, A.D. 2001, in a certain action then pending in said court, wherein Key Energy Services, Inc. Four Corners Division, West Oilfield Services, Inc. and Edward A. Reott, Plaintiff, foreclosed upon Mission Energy LLC, Defendant. It was among other things ordered and adjudged that all and singular the premises in said judgment, and hereinafter described should be sold at public auction, by and under the direction of the Sheriff of Carbon County, State of Utah, in the manner required by law; that either of the parties to said action might become purchaser at such sale, and that said Sheriff should execute the usual certificate and deeds to the purchaser as required by law.

AND WHEREAS, The Sheriff did, at the hour of 10 a. m. on the ninth day of August, A.D. 2001 at the front door of the Carbon County Court Complex, Price, Utah, Carbon County, State of Utah, after due public notice had been given, as required by law and said judgement, duly sell at public auction, agreeable to law and said judgement, the premises and property were fairly struck off and sold to Edward A. Reott for the sum of One Dollar, it being the highest bidder and the being the highest sum bid at said sale.

AND WHEREAS, Said Edward A. Reott thereupon paid to the said Sheriff said sum of money so bid, and said Sheriff thereupon made and issued the usual certificate in duplicate of such sale in due form and delivered one thereof to said purchaser, and caused the other to be filed in the office of the County Recorder of the County of Carbon, State of Utah.

AND WHEREAS, More than six months have elapsed since the day of said sale, and no redemption of the property so sold has been made.

AND WHEREAS, Said Edward A. Reott purchaser as aforesaid did, on the ninth day of February, A.D. 2002, sell assign and transfer said Certificate of Sale and all his rights thereunder to Regoil, Inc. the said party of the second part, and duly authorized said Sheriff to make a deed for said premises, in pursuance of said sale to said Regoil, Inc.

Now This Indenture witnesses, That said party of the first part, Sheriff as aforesaid, in order to carry into effect said sale in pursuance of said judgement and of the law, and also in consideration of the premises and of the money so bid and paid by the said Regoil, Inc. the receipt of which is hereby acknowledged, has granted, sold, conveyed, and by these presents does grant, sell and convey and confirm unto the said party of the second part, its successors and assigns forever, the following described real estate lying and being in the County of Carbon State of Utah, being all the right, title, claim and interest of the above named defendants of, in and to the following described property, to-wit:

Township 12 South, Range 16 East; Sections 32, 33, 34 and S/2 of 27 in Carbon County, Utah together with the oil and gas lease (Utah State Mineral Lease No.ML-43541), the oil and gas well located thereon referred to as the Avina State#1-32, and all production, improvements, equipment and pipelines on or appurtenant to the well.

Together with all and singular the tenements, hereditaments, and appurtenances thereunto being or in anywise appertaining, to have and to hold the same unto said party of the second part, its successors and assigns forever.

IN WITNESS WHEREOF, Said party of the first part has hereunto set his hand and seal the day and the year first above written.

Signed, Sealed and Delivered in presence of

James Cordova (SEAL)
Sheriff of Carbon County, Utah
STATE OF UTAH, ss.
County of Carbon.)

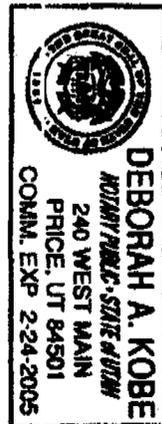
On the 6th day of March, 2002, before me Deborah A Kobe

A Notary Public in and for the County of Carbon, State of Utah, personally appeared _____

JAMES CORDOVA Sheriff of Carbon County, State of Utah, personally known to me to be the person described in and who executed the foregoing instrument, who acknowledged to me that he executed the same as such Sheriff, freely and voluntarily, and for the uses and purposes therein

WITNESS my hand and notarial seal, this 6th day of March, 2002.

My commission expires Feb. 24, 2005 Deborah A. Kobe
Notary Public Residing in Price, Utah





RECEIVED

AUG 23 2001

Utah Div. Of Corp. & Comm. Code

File Number: _____

Check Here If:	Non-Refundable Fee:
<input checked="" type="checkbox"/> Profit	\$50.00
<input type="checkbox"/> Nonprofit	\$20.00

Application for Authority to Conduct Affairs for a Foreign Corporation

Regoal, Inc.

Exact Corporate Name

1. A corporation of the state of Pennsylvania, incorporated 23 day of October, 1975

2. The corporation's period of duration is perpetual (usually perpetual).

3. The address of the corporation's principal office is:
93 South 5th Ave., Clarion, Pennsylvania 16214

4. The Registered Agent in Utah is: Thomas W. Clawson
The street address of the registered office in Utah is:
50 South Main St., Ste. 1600, Salt Lake City, Utah 84144

I, Thomas W. Clawson, agree to serve as a registered agent for the above-mentioned foreign corporation.
Signature of Registered Agent (Required) *Thomas W. Clawson*

5. The business purposes to be pursued in Utah are: operation and ownership of oil and gas properties and related commercial business activities

6. The corporation commenced or intends to commence business in Utah on: August 15, 2001

7. The names and addresses of the corporation's officers and directors are:

	Name	Address	City	State	Zip
President	<u>Ed Reott,</u>	<u>93 South 5th Ave.,</u>	<u>Clarion,</u>	<u>Pennsylvania</u>	<u>16214</u>
Vice-President	<u>Marcy Underdahl,</u>	<u>93 South 5th Ave.,</u>	<u>Clarion,</u>	<u>Pennsylvania</u>	<u>16214</u>
Secretary					
Treasurer					
Director					
Director					
Director					

8. A certification of Good Standing/Existence from the State of Incorporation dated no earlier than ninety (90) days prior to filing with this office is attached to this application.

9. If the name is not available in Utah the corporation shall use Belle Oil and Gas, Inc.
(Please refer to (U.C.A. 16-10a-1506).)

Under penalties of perjury, I declare that this application for Certificate of Authority has been examined by me and s, to the best of my knowledge and belief, true, correct and complete.

BY: _____ TITLE: _____ DATE: _____
Corporate Officer

FREE! You may visit our Web Site to access this document and other information.

Mail In: S.M. Box 146705
Salt Lake City, UT 84114-6705
Walk In: 160 East 300 South, Main Floor
Corporation's Information Center: (801) 536-4849
Toll Free Number: (877) 526-3994 (Utah Residents)
Fax: (801) 530-6438
Web Site: <http://www.commerce.utah.gov>

Date: 08/23/2001
Receipt Number: 396122
Amount Paid: \$50.00

US-23-01 16:59 RCVD
TES

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTML-43541
2. NAME OF OPERATOR: Regoal, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: 93 South 5th Ave CITY Clarion STATE PA ZIP 16214		7. UNIT or CA AGREEMENT NAME: Jacks Canyon
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1793' FSL 1889' FEL COUNTY: Carbon		8. WELL NAME and NUMBER: 1-32 Lavinia
QTR/QR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSE 32 12S 16E STATE: UTAH		9. API NUMBER: 4300730380
		10. FIELD AND POOL, OR WILDCAT: Jack's Canyon Field

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

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

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
Foreclosure on Mission Energy - Sheriff's Bill of Sale enclosed 08/09/01
Sheriff's Deed available after 02/09/02

NAME (PLEASE PRINT) Edward A. Reott TITLE President of Regoal, Inc.
SIGNATURE *Edward A. Reott* DATE 12/20/2001

(This space for State use only)

RECEIVED

DEC 26 2001

DIVISION OF
OIL, GAS AND MINING


[State Online Services](#)
[Agency List](#)



[business entity search](#)

[return to business entity search](#)

Name	Type	City	St:
REGOAL, INC.	Corporation	Clarion PA	Ac

Business Name: REGOAL, INC.

Entity Number: 4968671-0143

Registration Date: 8/23/2001

State of Origin: PA

Address

93 S 5TH AVE

Clarion PA 16214

Status

Status: Active

Status Description: License Issuance

This Status Date: 8/23/2001

Last Renewed:

License Type: Corporation - Foreign - Profit

Delinquent Date: 8/23/2002

(Note: If your renewal is not received within 60 days of delinquency date your filing will expire.)

Registered Agent

Registered Agent: RANDY SMUIN

Address Line 1: 1149 W 3000 S

Address Line 2:

City: Vernal

State: UT

Zip: 84078

Additional Information

SIC Title: 9999-NONCLASSIFIABLE ESTABLISHMENTS

If you would like to purchase a Certificate of Existence for this business entity, select the button below. You will be assessed a \$11.50 fee for this service.

Select the Principals button to get information on the principal individuals associated with this entity. You will be assessed \$1.00 for information.

LAW OFFICES OF
VAN COTT, BAGLEY, CORNWALL & McARTHY

A PROFESSIONAL CORPORATION
ESTABLISHED 1874

50 SOUTH MAIN STREET, SUITE 1600
POST OFFICE BOX 45340
SALT LAKE CITY, UTAH 84145-0340
TELEPHONE (801) 532-3333
FACSIMILE (801) 534-0058

BENNETT, HARKNESS & KIRKPATRICK
1874-1890
BENNETT, MARSHALL & BRADLEY
1890-1896
BENNETT, HARKNESS, HOWAT
SUTHERLAND & VAN COTT
1896-1902
SUTHERLAND, VAN COTT & ALLISON
1902-1907
VAN COTT, ALLISON & RITER
1907-1917
VAN COTT, RITER & FARNSWORTH
1917-1947

~~Copyright Lavinia~~
~~State #2-32 Well~~
APT # 43-007-30380

SUITE 900
2404 WASHINGTON BOULEVARD
OGDEN, UTAH 84401
(801) 394-5783
FACSIMILE (801) 627-2522

BUILDING C, SUITE 200-A
2200 PARK AVENUE
PARK CITY, UTAH 84060
(435) 649-3889
FACSIMILE (435) 649-3373

THOMAS W. CLAWSON

DIRECT DIAL: (801) 237-0352

TCLAWSON@VANCOTT.COM

January 3, 2002

Mr. John R. Baza
Associate Director, Oil and Gas
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84114-5801

RECEIVED
JAN 14 2002
DIVISION OF OIL, GAS AND MINING
SALT LAKE CITY, UTAH

Re: *Application for Permit to Drill*
~~State #2-32 Well~~ 43-007-30460
SENE Section 32, Township 12 South, Range 16 East

Dear John:

As you may recall, we represent Ed Reott regarding his oil and gas ownership interests in Carbon County, Utah, including the Lavinia State #1-32 Well located in the NESE of Section 32, Township 12 South, Range 16 East. Mr. Reott acquired his interests in a Sheriff's Sale conducted in Carbon County on August 8, 2001. (For your convenience, a copy of the Sheriff's Certificate of Sale is attached hereto.) The sale was held to foreclose on two operators' liens and a Colorado judgment that had been docketed in Carbon County. The sale covered all of Mission Energy, LLC's ("Mission") interests in the "production unit" containing the Lavinia Well (with respect to the operators' liens) and any other remaining interests that Mission owned in Carbon County (with respect to the Colorado judgment). Under a Board of Oil, Gas and Mining spacing order for the stratigraphic interval between the base of the Green River Formation and the top of the Mesa Verde Formation, the drilling (or production) unit for the Lavinia Well encompassed all of subject Section 32.

We understand that sometime in October 2001, the Division of Oil, Gas and Mining ("Division") approved an Application for Permit to Drill ("APD") filed by Wasatch Oil & Gas Corp. ("Wasatch") for the State #2-32 Well to be located in the SENE of Section 32. We believe that Wasatch claims the right to drill the #2-32 Well by virtue of an assignment of a Utah State mineral lease that it received from Mission prior to the Sheriff's Sale. Subsequent to the approval of the APD for the #2-32 Well, Wasatch Oil & Gas LLC filed a Notice of Exercise of

Mr. John Baza
January 3, 2002
Page 2

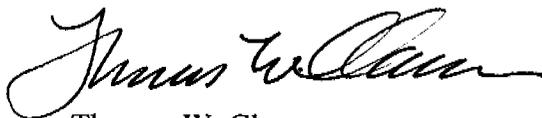
Right of Redemption in the district court in Carbon County wherein Wasatch Oil & Gas LLC seeks to redeem certain properties covered by the Sheriff's Sale acquired by Mr. Reott, including such interests in the SENE of Section 32. Wasatch Oil & Gas LLC, apparently, also has filed a quiet-title action in the district court to resolve the title dispute, although Mr. Reott has not been served with the Complaint.

Mr. Reott disputes Wasatch Oil & Gas Corp.'s and Wasatch Oil & Gas LLC's ownership claims in Section 32, including the SENE of the section. Mr. Reott fully intends to defend his title against any such claims in the district court matters.

We appreciate that the Division does not adjudicate title matters involving oil and gas properties and do not expect the Division to adjudicate the title dispute between Mr. Reott and Wasatch Oil & Gas Corp. and Wasatch Oil & Gas LLC. However, in view of the Division's recent approval of the APD for the State #2-32 Well, we thought it prudent to bring the title dispute to your attention and to provide a written explanation of Mr. Reott's view of the dispute to be placed in the file for the State #2-32 Well.

If you have any questions or need further information, please do not hesitate to contact me.

Very truly yours,



Thomas W. Clawson

TWC:cw
cc: Mr. Ed Reott
Niles W. Eatmon, Esq.

Enclosures

IN THE 7TH CIRCUIT COURT OF CARBON COUNTY
STATE OF UTAH

KEY ENERGY SERVICES, INC)
FOUR CORNERS DIVISION)
J-WEST OILFIELD SERVICE, INC.)
EDWARD A. REOTT)

CIVIL NUMBER 990700565
CIVIL NUMBER 000700003
CIVIL NUMBER 006700886

Plaintiff)

SHERIFF'S CERTIFICATE
OF SALE

MISSION ENERGY LLC)

Civil Number 000700897

Defendants)

STATE OF UTAH)

COUNTY OF CARBON)

I, W.R. Craig Deputy Sheriff of Carbon County, State of Utah, do hereby certify that by virtue of a WRIT OF EXECUTION and NOTICE OF SHERIFF'S SALE issued in the above entitled action, I did, after due and legal notice, on the 9th day of August 2001 at 10 a.m. of said day, at the front door, Carbon County Court Complex, Price, Utah, Carbon County, duly sell at public auction, according to law and the said Notice of Sheriff's Sale, to **Edward A. Reott**, for the sum of \$1 00 lawful money of the United States, which was the highest bid made and the whole price paid therefore to said property described as follows, to-wit:

Township 12 South Range 16 East, Sections 27, 32, 33 and 34 in Carbon County Utah together with oil and gas lease (Utah State Mineral Lease No. ML-435-41), the oil and gas well located thereon referred to as Lavina State L# 1-32, and all productions, improvements, equipment and pipelines on or appurtenant to the well.

Purchase price payable in lawful money of the United States of America.

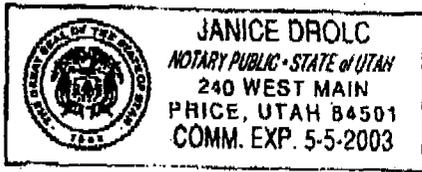
That all the right, title and interest of said Defendant's property, is hereby transferred to said purchaser.

Dated at Price, Carbon County, Utah, this 9th day of August 2001.

JAMES CORDOVA, SHERIFF

By: *W.R. Craig*
W.R. CRAIG, DEPUTY

Certified to be a true copy
Janice Drolc
Janice Drolc, Notary *2/19/01*



43-007-30380

RECEIVED

MAR 26 2002

DIVISION OF
OIL, GAS AND MINING

March 18, 2002

Wasatch Oil & Gas
P O Box 699
Farmington, UT 84025

Subject: Gas contract for the 1-32 Lavinia, Sec 32 12S-16E, Carbon Co., UT

Mr Cusick:

Our previous calls, faxes and registered letter of August 27, 2001 all brought no response from you. We will make one more request to gain pipeline access before enlisting the assistance of the BLM since the line does cross federal lands.

The obligation of the unit operator to maximize the potential of the unit does not seem to be of importance to you. We are the operator and bonded and intend to produce this well and as such want to hear from you about a gas transportation contract in the next 10 days.

Thank you,

Marcy Underdahl

Marcy Underdahl, President
Regoal, Inc.
93 South 5th Ave
Clarion, PA 16214

814 226-8393
814 226-5550 fax
edmarcy@csonline.net

cc: John Andrews counsel for SITLA
John Baza, DOGM ✓
Joe Incardine, BLM

Jim Thompson - Re: Lavinia State 1-32 well

From: Ed Bonner
To: Staley, Don; Thompson, Jim
Date: 05/03/2002 3:00 PM
Subject: Re: Lavinia State 1-32 well

Please be advised that trust land records have been noted to show Regoal Inc as lessee of State of Utah Oil, Gas, and Hydrocaarbon Lease ML 43541. We have also received a \$20,000 certified check which we have cashed and are holding in the agencies suspense account to cover operations under this lease.
Should you have further questions please advise.

OPERATOR CHANGE WORKSHEET

ROUTING

1. GLH
2. CDW
3. FILE

X Change of Operator (Well Sold)

Designation of Agent

Operator Name Change

Merger

The operator of the well(s) listed below has changed, effective: **03-19-2002**

FROM: (Old Operator):	TO: (New Operator):
MISSION ENERGY LLC	REGOAL INC
Address: 519 ENCINITAS BLVD STE 109	Address: 93 SOUTH 5TH AVE
ENCINITAS, CA 92024-3738	CLARION, PA 16214
Phone: 1-(760)-436-9877	Phone: 1-(814)-226-8393
Account No. N6010	Account No. N1915

CA No. Unit: JACKS CANYON

WELL(S)

NAME	SEC TWN RNG	APL NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
LAVINIA STATE 1-32	32-16S-23E	43-007-30380	12274	STATE	GW	S

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 12/26/2001
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 03/19/2002
- The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 05/06/2002
- Is the new operator registered in the State of Utah: YES Business Number: 49686-0143
- If **NO**, the operator was contacted on: N/A
- (R649-9-2) Waste Management Plan received on: UNIT WELL

6. 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: 04/19/2002

7. Federal and Indian Units:
The BLM or BIA has approved the successor of unit operator for wells listed on: 04/19/2002

8. Federal and Indian Communization Agreements ("CA"):
The BLM or BIA has approved the operator for all wells listed within a CA on: N/A

9. **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: 05/06/2002
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 05/06/2002
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

STATE WELL(S) BOND VERIFICATION:

1. State well(s) covered by Bond Number: 002939071-3

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 WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number N/A
2. The **FORMER** operator has requested a release of liability from their bond on: N/A
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: Well was purchased by sheriffs sale 8/9/01.

Regoal, Inc., Oil & Gas Operation
93 South 5th Ave
Clarion, PA 16214
814 226-8393 814 226-5550 (fax)
edmarcy@csonline.net

May 6, 2002

John Baza
Associate Director, Oil & Gas
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84114-5801

Re: 1-32 Lavinia 32-12S-16E, Carbon Co., Utah

Dear Mr. Baza:

We would like to bring you up to date on where we are in our battle. We were issued the Sheriff's Deed granting us the property, which we foreclosed upon last August. The sheriff's Deed transferred the property from Edward Reott to Regoal, Inc. and a quit claim has transferred all except the Lavinia well to Goal LLC. I enclose those documents.

Regoal, Inc. is registered to do business in Utah and is listed as the operator of the well. Goal LLC is a Utah corporation.

The BLM has transferred operating rights and record title to Goal LLC for UTSL0069551, UTSL0071595 and UTU0008107. Trust Lands recognizes our rights to the 'new version' of ML43541 only and since 43541A stripped away all but 40 acres, we object. This is in spite of the 640 acre spacing which our well was supposed to hold, since attorneys told us the spacing change would not be retroactive. ML43798 in section 32 is also Mission's former property upon which we foreclosed and they attempted to avoid foreclosure by 'giving' it to Wasatch.

We have not been able to produce the well since Wasatch controls the pipeline and will not give us a gas contract inspite of repeated attempts on our part. They have everything for sale and they filed a quiet title action against us, we countered, charging fraudulent conveyance. I will enclose copies of the documents purporting to transfer section 32 – more like a term paper faxed between Farmington UT and Encinitas CA and improperly done. State Lands approved the transfer even though it was not notarized.

We hope any company attempting to gain approvals without having done due diligence and discovering our lis pendens will not receive your approval.

Respectfully,



Ed Reott and Marcy Underdahl
Regoal, Inc.

RECEIVED
MAY 10 2002
DIVISION OF
OIL, GAS AND MINING

2/23/00

Lease No. 6

SCHOOL & INSTITUTIONAL TRUST LANDS ADMINISTRATION

STATE OF UTAH

MINERAL LEASE ASSIGNMENT FORM

MINERAL LEASE NO. 43798

RECORD TITLE ASSIGNMENTS:

- X TOTAL
INTEREST
PARTIAL
OVERRIDING ROYALTY
OPERATING RIGHTS ASSN.

The undersigned, as owner of interest as hereinafter specified in and to ML 43798 as designated, for good and valuable consideration and Ten DOLLARS does hereby apply for approval of this assignment and hereby assigns to Wasatch Oil & Gas Corporation

P.O. Box 699
ADDRESS: Farmington UT 84025-0699

the rights, title, and interest in rights and privileges as lessee in such lands, to the extent indicated subject to the reservation of overriding royalties as herein noted:

1. Land affected by this assignment in County of Carbon State of Utah, as described herein:

T. 12 S., R. 16 E., Carbon County, Utah
Sec. 32: S 1/4 NE 1/4

80.00 ACRES

- 2. Interest of assignor in such lands (Note % of 100%) 100%
3. Extent of such interest conveyed to Assignee (Note % of 100%) 100%
4. Extent of interest retained by Assignor after assignment (Note % of 100%) None
5. Overriding royalty reserved herein to Assignor (Note percentage only) None
6. Overriding royalty previously reserved (Note percentage only) Of Record

is hereby certified that the statements made herein are true, complete, and correct to the best of the undersigned's knowledge and belief and are made in good faith. Approval of this application and assignment should be considered approval only under such rights, interests, and title as held by assignor.

Executed this 23rd day of June, 2000

[Signature]

(Lessee - Assignor)

did not own

LESSEE-ASSIGNOR'S ACKNOWLEDGEMENT ASSIGNMENT APPROVED

STATE OF Calif
COUNTY OF San Diego



05 2000

On the 23 day of June, 2000, personally appeared Heather Holdorf, signers of the above instrument, who duly acknowledged to me that she executed the same.

Given under my hand and seal this 23 day of June, 2000

My Commission Expires 4-10-02



[Signature]
NOTARY PUBLIC, residing at:
2775 Via de la Valle

*This document may be duplicated

2/23/00

LEASE ASSN - 8

STATE OF UTAH
SCHOOL & INSTITUTIONAL TRUST LANDS ADMINISTRATION

MINERAL LEASE ASSIGNMENT FORM

MINERAL LEASE NO. 43541

RECORD TITLE ASSIGNMENTS:

- TOTAL
- INTEREST
- PARTIAL
- OVERRIDING ROYALTY
- OPERATING RIGHTS ASSN. X

The undersigned, as owner of interest as hereinafter specified in and to ML 43541 as designated, for good and valuable consideration and Ten DOLLARS does hereby apply for approval of this assignment and hereby assigns to Wasatch Oil & Gas Corporation
P.O. Box 699
 ADDRESS: Farmington, UT 84025-0699
 the rights, title, and interest in rights and privileges as lessee in such lands, to the extent indicated subject to the reservation of overriding royalties as herein noted:

1. Land affected by this assignment in County of Carbon, State of Utah, as described herein:

T. 12 S., R. 16 E., Carbon County, Utah
Sec. 32: NW¼SE¼;

Limited to the interest below the stratigraphic equivalent of 3,398 feet to the center of the earth;

?!
 12
~~40.00~~
~~80.00~~ ACRES

- 2. Interest of assignor in such lands (Note % of 100%) 100%
- 3. Extent of such interest conveyed to Assignee (Note % of 100%) 100%
- 4. Extent of interest retained by Assignor after assignment (Note % of 100%) None
- 5. Overriding royalty reserved herein to Assignor (Note percentage only) None
- 6. Overriding royalty previously reserved (Note percentage only) Of Record

It is hereby certified that the statements made herein are true, complete, and correct to the best of the undersigned's knowledge and belief and are made in good faith. Approval of this application and assignment should be considered approval only under such rights, interests, and title as held by assignor.

Executed this 23rd day of June, 2000.

Joe C. Sutton *did not own*
 (Lessee - Assignor)

LESSEE-ASSIGNOR'S ACKNOWLEDGEMENT ASSIGNMENT APPROVED

STATE OF Calif
 COUNTY OF San Diego

JUN 05 2000

On the 23 day of June, 2000, personally appeared before me Heather Holdorf signer(s) of the above instrument, who duly acknowledged to me that he executed the same.

SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION

Given under my hand and seal this 23 day of June, 2000.

My Commission Expires: 4-10-02



Heather Holdorf
 NOTARY PUBLIC, residing at:
2775 Via de la Valle

*This document may be duplicated

2/23/00

Lease Ass. # 7

SCHOOL & INSTITUTIONAL TRUST LANDS ADMINISTRATION

MINERAL LEASE ASSIGNMENT FORM

MINERAL LEASE NO. 43541

RECORD TITLE ASSIGNMENTS:

- TOTAL
INTEREST
X PARTIAL
OVERRIDING ROYALTY
OPERATING RIGHTS ASSN.

The undersigned, as owner of interest as hereinafter specified in and to ML 43541 as designated, for good and valuable consideration and Ten DOLLARS does hereby apply for approval of this assignment and hereby assigns to Wasatch Oil & Gas Corporation

P.O. Box 699
ADDRESS: Farmington, UT 84025-0699

the rights, title, and interest in rights and privileges as lessee in such lands, to the extent indicated subject to the reservation of overriding royalties as herein noted:

1. Land affected by this assignment in County of Carbon, State of Utah, as described herein:

T. 12 S., R. 16 E., Carbon County, Utah
Sec. 32: SW1/4, E1/2SE1/4, SW1/4SE1/4, NW1/4, N1/2NE1/4;

520.00 ACRES

- 2. Interest of assignor in such lands (Note % of 100%) 100%
3. Extent of such interest conveyed to Assignee (Note % of 100%) 100%
4. Extent of interest retained by Assignor after assignment (Note % of 100%) None
5. Overriding royalty reserved herein to Assignor (Note percentage only) None
6. Overriding royalty previously reserved (Note percentage only) Of Record

It is hereby certified that the statements made herein are true, complete, and correct to the best of the undersigned's knowledge and belief and are made in good faith. Approval of this application and assignment should be considered approval only under such rights, interests, and title as held by assignor.

Executed this 23rd day of June, 2000

Handwritten signature of Just C. S. H. with note 'did not own' and '(Lessee - Assignor)'

LESSEE-ASSIGNOR'S ACKNOWLEDGEMENT ASSIGNMENT APPROVED

STATE OF Calif
COUNTY OF San Diego

JUN 05 2000

On the 23 day of June, 2000, personally appeared before me Heather Holdorf, signer(s) of the above instrument, who duly acknowledged to me that he executed the same.

Given under my hand and seal this 23 day of June, 2000.

My Commission Expires 4-10-2002



Handwritten signature of Heather Holdorf and address: 2775 Via de la Valle, Del Mar, CA 92014

*This document may be duplicated

SHERIFF'S DEED

This Indenture, Made this ninth day of February A.D. 2002, between James Cordova Sheriff of Carbon County, State of Utah, party of the first part, and Edward Allen Reott party of the second part.

WITNESSETH, WHEREAS, In and by a certain judgement and decree made and entered by the Seventh Circuit Court (Carbon County) of the State of Utah on the ninth day of August A.D. 2001. In a certain action then pending in said court, wherein Key Energy Services, Inc. Four Corners Division, West Oilfield Service, Inc. and Edward A. Reott Plaintiff, foreclosed upon Mission Energy LLC, Defendant. It was among other things ordered and adjudged that all and singular the premises in said judgment, and hereinafter described should be sold at public auction, by and under the direction of the Sheriff of Carbon County, State of Utah, in the manner required by law; that either of the parties to said action might become purchaser at such sale, and that said Sheriff should execute the usual certificates and deeds to the purchaser as required by law.

AND WHEREAS, The Sheriff did, at the hour of 10 a. m. on the ninth day of August A.D. 2001 at the front door of the Carbon County Court Complex, Price, Utah, Carbon County, State of Utah, after due public notice had been given, as required by law and said judgement, duly sell at public auction, agreeable to law and said judgement, the premises and property were fairly struck off and sold to Edward A. Reott for the sum of One Dollar, it being the highest bidder and that being the highest sum bid at said sale.

AND WHEREAS, Said Edward A. Reott thereupon paid to the said Sheriff said sum of money so bid, and said Sheriff thereupon made and issued the usual certificate in duplicate of such sale in due form and delivered one thereof to said purchaser, and caused the other to be filed in the office of the County Recorder of the County of Carbon, State of Utah.

AND WHEREAS, More than six months have elapsed since the day of said sale, and no redemption of the property so sold has been made.

AND WHEREAS, Said Edward A. Reott purchaser as aforesaid did, on the ninth day of February A.D. 2002, sell assign and transfer said Certificate of Sale and all his rights thereunder to Regoal, Inc. the said party of the second part, and duly authorized said Sheriff to make a deed for said premises, in pursuance of said sale to said Regoal, Inc.

Now This Indenture Witnesses, That said party of the first part, Sheriff as aforesaid, in order to carry into effect said sale in pursuance of said judgement and of the law, and also in consideration of the premises and of the money so bid and paid by the said Regoal, Inc. the receipt of which is hereby acknowledged, has granted, sold, conveyed, and by these presents does grant, sell and convey and confirm unto the said party of the second part, its successors and assigns forever, the following described real estate lying and being in the County of Carbon, State of Utah, being all the right, title, claim and interest of the above named defendants of, in and to the following described property, to-wit:

Township 12 South, Range 16 East; Sections 32, 33, 34 and S/2 of 27 in Carbon County, Utah together with the oil and gas lease (Utah State Mineral Lease No.ML-43541), the oil and gas well located thereon referred to as the Lavinia State#1-32, and all production, improvements, equipment and pipelines on or appurtenant to the well.

Together with all and singular the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining, to have and to hold the same unto said party of the second part, its successors and assigns forever.

IN WITNESS WHEREOF, Said party of the first part has hereunto set his hand and seal the day and the year first above written.

Signed, Sealed and Delivered in presence of

[Signature] _____ (SEAL)
Sheriff of Carbon County, Utah

STATE OF UTAH,)ss,
County of Carbon.)

On the 6th day of March, 2002, before me Deborah A Kobe

A Notary Public in and for the County of Carbon, State of Utah, personally appeared _____

JAMES CORDOVA Sheriff of Carbon County, State of Utah, personally known to me to be the person described in and who executed the foregoing instrument, who acknowledged to me that he executed the same as such Sheriff, freely and voluntarily, and for the uses and purposes therein

WITNESS my hand and notarial seal, this 6th day of March, 2002.

My commission expires Feb. 24, 2005

Deborah A. Kobe
Notary Public Residing in Price, Utah



When Recorded Return To:

Goal, LLC
93 South 5th Avenue
Clarion, PA 16214

E 091208 B 500 P 572
Date 16-APR-2002 9:23am
Fee: 15.00 Check
SHARON MURDOCK, Recorder
Filed by JB
For PARSONS BEHLE & LATIMER
CARBON COUNTY CORPORATION

Space above for County Recorder's Use

[PARCEL I.D. # _____]

QUIT CLAIM DEED

Regoal, Inc. a Pennsylvania corporation, Grantor, for valuable consideration hereby quit claims all rights, title and interest in and to the rights created by and the real property described in that certain Sheriff's Deed recorded March 11, 2002 as Entry No. 090542 in Book 498 at Page 148 of the Carbon County Recorder's Office to Goal, LLC, a Utah limited liability company, Grantee, whose address is 93 South 5th Avenue, Clarion, PA 16214. The real property, which is the subject of this conveyance is described as follows:

Township 12 South, Range 16 East; Sections 32, 33, 34 and S/2 of 27 in Carbon County Utah together with the oil and gas lease (Utah State Mineral Lease No. ML-43541), excluding this from a portion of Utah State Mineral Lease No. ML-43541 covering the Green-Mesa Strata of the NW ¼ of the SE ¼ of Section 32, Township 12 South, Range 16 East, SLB&M, Carbon County, Utah excluding therefrom and reserving to Grantor the oil and gas well located on Section 32 thereon referred to as the Lavinia State #1-32, and all production, improvements, equipment and pipelines on or appurtenant to the well.

Together with all and singular the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining, to have and to hold the same unto said party of the second part, its successors and assigns forever.

Dated as of this 1 day of April, 2002.

REGOAL, INC., a Pennsylvania Corporation

By: Edward A. Reoff
Edward A. Reoff, Vice President:

STATE OF UTAH)
 : ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this 9th day of April, 2002, by Edward A. Reott, the President of Regoal, Inc., a Pennsylvania corporation.

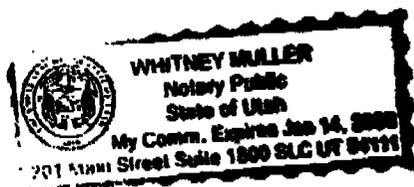
WHITNEY MULLER
NOTARY PUBLIC

My Commission Expires:

JAN. 14, 2006

Residing at:

PARSONS BEHLE & LATIMER



United States Department of the Interior
Bureau of Land Management
 UTAH STATE OFFICE
 P.O. BOX 45155
 SALT LAKE CITY, UT 84145 -0155
 Phone: (801) 539-4001

Receipt

No: 486693

Transaction #: 509551	
Date of Transaction: 05/02/2002	
CUSTOMER:	GOAL LLC 93 SOUTH 5TH AVE CLARION, PA 16214
ASSIGNOR:	REGOAL INC

LINE #	QTY	DESCRIPTION	REMARKS	UNIT PRICE	TOTAL
1	3.00	OIL & GAS / TRANSFER OPERATING RIGHTS / FILING FEE (670) CASES: UTSL 0069551/\$25.00, UTSL 0071595/\$25.00, UTU 0008107/\$25.00		- n/a -	75.00
2	3.00	OIL & GAS / ASSIGNMENTS/RECORD TITLE / FILING FEE (670) CASES: UTSL 0069551/\$25.00, UTSL 0071595/\$25.00, UTU 0008107/\$25.00		- n/a -	75.00
TOTAL:					\$150.00

PAYMENT INFORMATION	
1	AMOUNT: \$150.00
	POSTMARKED: 04/29/2002
	TYPE: CHECK
	RECEIVED: 05/02/2002
	CHECK NO: 1001
	NAME: GOAL LLC 93 SOUTH 5TH AVE CLARION PA 16214

REMARKS

This receipt was generated by the automated BLM Collections and Billings System and is a paper representation of a portion of the official electronic record contained therein.

United States Department of the Interior
Bureau of Land Management
 UTAH STATE OFFICE
 P.O. BOX 45155
 SALT LAKE CITY, UT 84145 -0155
 Phone: (801) 539-4001

Receipt
 No: 483662

Transaction #: 506422	
Date of Transaction: 04/26/2002	
CUSTOMER:	REGOAL INC 93 SOUTH 5TH AVE CLARION, PA 16214
ASSIGNOR:	REOTT, EDWARD A

LINE #	QTY	DESCRIPTION	REMARKS	UNIT PRICE	TOTAL
1	3.00	OIL & GAS / ASSIGNMENTS/RECORD TITLE / FILING FEE (670) CASES: UTSL 0069551/\$25.00, UTSL 0071595/\$25.00, UTU 0008107/\$25.00		- n/a -	75.00
2	3.00	OIL & GAS / TRANSFER OPERATING RIGHTS / FILING FEE (670) CASES: UTSL 0069551/\$25.00, UTSL 0071595/\$25.00, UTU 0008107/\$25.00		- n/a -	75.00
TOTAL:					\$150.00

PAYMENT INFORMATION	
1	AMOUNT: \$150.00
	POSTMARKED: 04/23/2002
	TYPE: CHECK
	RECEIVED: 04/26/2002
	CHECK NO: 2156
	NAME: REGOAL, INC. 93 SOUTH 5TH AVE CLARION PA 16214

REMARKS

This receipt was generated by the automated BLM Collections and Billings System and is a paper representation of a portion of the official electronic record contained therein.

CLIENT'S COPY

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:

ML43541

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

NA

7. UNIT or CA AGREEMENT NAME:

Jack's Canyon

8. WELL NAME and NUMBER:

Lavinia 1-32

9. API NUMBER:

4300730380

10. FIELD AND POOL, OR WILDCAT:

Jack's Canyon

1. TYPE OF WELL

OIL WELL

GAS WELL

OTHER _____

2. NAME OF OPERATOR:

Regoal, Inc

3. ADDRESS OF OPERATOR:

7096 S 4000 E

Price

UT

84501

PHONE NUMBER:

(435) 613-2060

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1793' FSL & 1889' FEL

COUNTY: Carbon

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSE 32 12S 16E

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: _____	<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.

While testing and evaluating the Lavinia well we have intermittently been venting gas. We do not intend to vent in excess of 30 days. We have attempted to produce without venting and while using production gas on site, unfortunately gas pressures rise and inhibit oil production.

Currently venting gas well, will discontinue on or prior to 30 days permitted.

Included are the test results on gas production (38-70 MCFD)
Oil production varies from 1-40 BOPD

SENT TO OPERATOR
11-3-03
CHD

NAME (PLEASE PRINT) Marcy Underdahl

TITLE President

SIGNATURE Marcy Underdahl

DATE 10-27-03

(This space for State use only)

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

DATE 11/3/03

BY: [Signature]

(See Instructions on Reverse Side)

* See Conditions of Approval Attached

(5/2000)

RECEIVED

OCT 29 2003

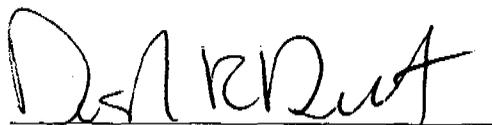
DIV. OF OIL, GAS & MINING

***CONDITIONS OF APPROVAL
TO VENT GAS WELL***

Well Name and Number: Lavinia 1-32
API Number: 43-007-30380
Operator: Regoal, Inc.
Reference Document: Sundry Notice dated October 27, 2003,
received by DOGM on October 29, 2003

Approval Conditions:

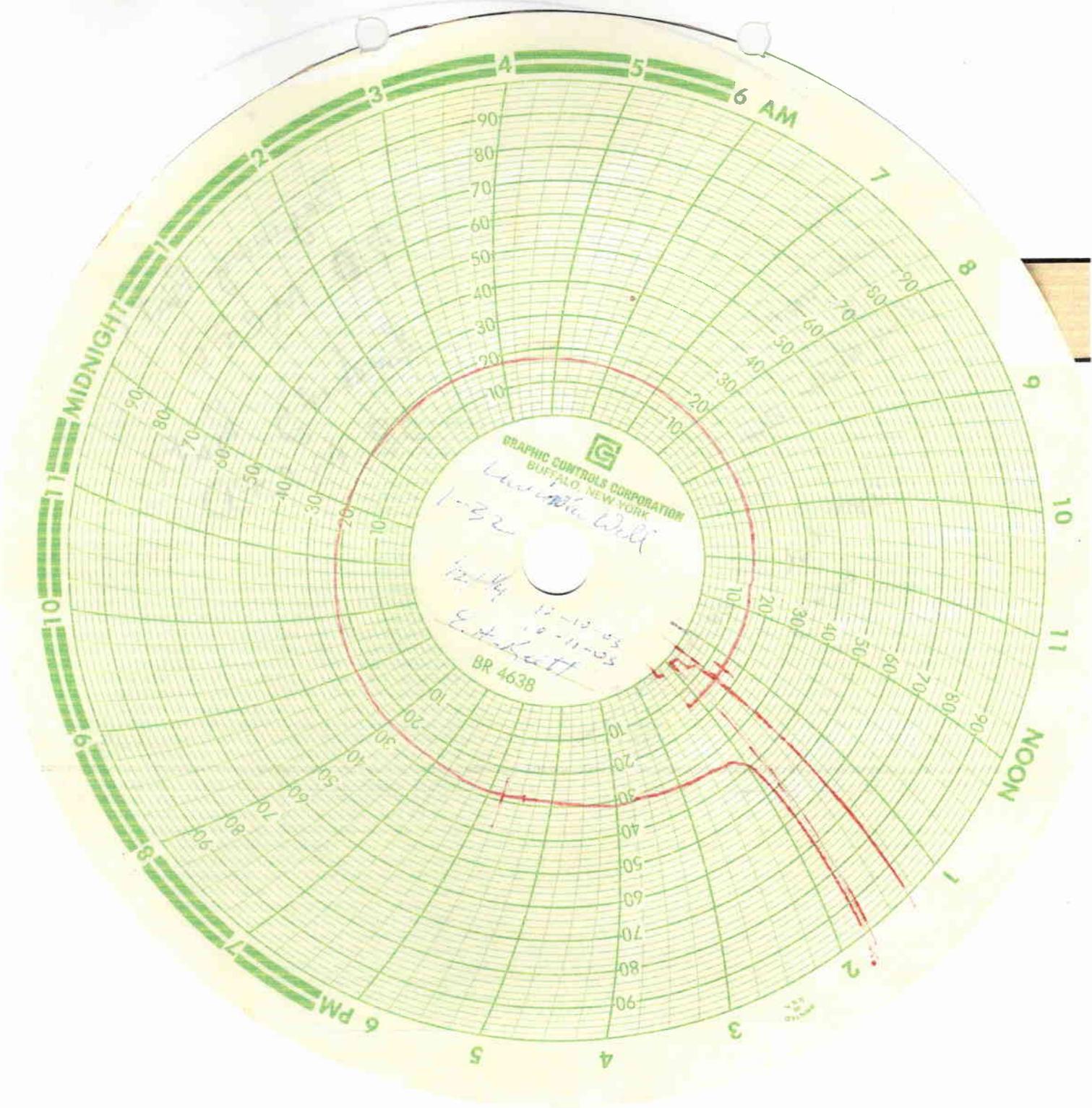
1. Venting shall be for testing purposes only (stabilized production flow test after reworking well as discussed with Ed Rhitt on September 30, 2003), not for production of oil. Notify the Division with any changes in venting conditions. Please call Dustin Doucet at 801-538-5281.
2. Venting shall not exceed 30 days or 50MMCF.
3. All requirements in R649-3-19, Well Testing and R649-3-20, Gas Flaring or Venting shall apply.
4. All other requirements for notice and reporting in the Oil and Gas Conservation General Rules shall apply.



Dustin K. Doucet
Petroleum Engineer

November 3, 2003

Date



GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

Lawrence Well
1-32

12-14-53
10-11-53
E. Abbott

BR 463B



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

June 11, 2014

Certified Mail No. 7003 2260 0003 2358 7271

Ms. Marcy Underdahl
Regoal Inc.
7096 S 4000 E
Price, UT 84501-8621

43 007 30380
Lavinia ST 1-32
32 12S 16E

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

Dear Ms. Marcy Underdahl:

As of April 2014, Regoal Inc. has one (1) State Lease Well (see attachment A) that is currently 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 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).

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

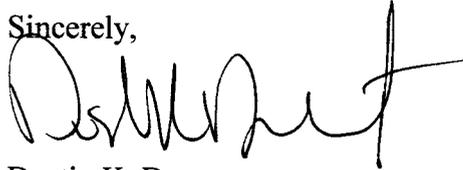
Page 2
Regoal Inc.
June 11, 2014

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
1	LAVINIA ST 1-32	43-007-30380	ML-43541	1 year 6 months



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

September 29, 2014

CERTIFIED MAIL NO. 7011 2970 0001 8828 1733

Ms. Marcy Underdahl
Regoal Inc.
7096 S 4000 E
Price, UT 84501-8621

43 007 30380
Lavinia 1-32
32 12S 16E

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

Dear Ms. Marcy Underdahl:

The Division of Oil, Gas and Mining (Division) is in receipt of your letter dated June 17, 2014 (received by the Division on 6/19/2014) in regards to the one (1) State Lease well that is currently shut-in or temporarily abandoned (SI/TA) and in non compliance status as operated by Regoal, Inc. (Regoal).

In response to your letter regarding extended SI/TA status for the above mentioned well, the Division is unable to grant approval due to lack of evidence provided by Regoal 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 be sure to include the timeframe the well is expected to be SI/TA. Please submit the necessary information as outlined below to bring this well 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
Regoal Inc.
September 29, 2014

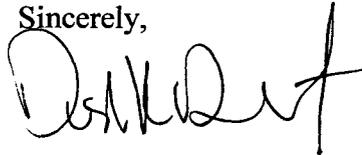
Please note that the Divisions preferred method for showing well integrity is by MIT.

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\SITLA

ATTACHMENT A

	Well Name	API	LEASE	Years Inactive
1	LAVINIA ST 1-32	43-007-30380	ML-43541	1 year 6 months

Attn: Dustin Doucet
State of Utah
Dept of Natural Resources
1594 W. N. Temple Ste 1210
Salt Lake City, UT 84114-5801

43 007 30380
Lavinia St 1-32
32 12S 16E RECEIVED

June 17, 2014

JUN 19 2014

Dear Mr. Doucet:

DIV. OF OIL, GAS & MINING

We have received your letter stating our well is in non compliance with extended shut in status.

We currently do not have a pipeline agreement and you may be aware of the difficult story.
Production is not possible without pipeline access and producing only oil is not possible.

We are now evaluating possibilities of whether to request pipeline access and resume production or to negotiate a sale of our lease and equipment .

The Lavinia has always maintained integrity in casing, equipment and the casing pressure has remained at 250 psi and we keep no pressure on the tubing.

Please contact us for any further information you may need, Thank you

Appreciate your concern,

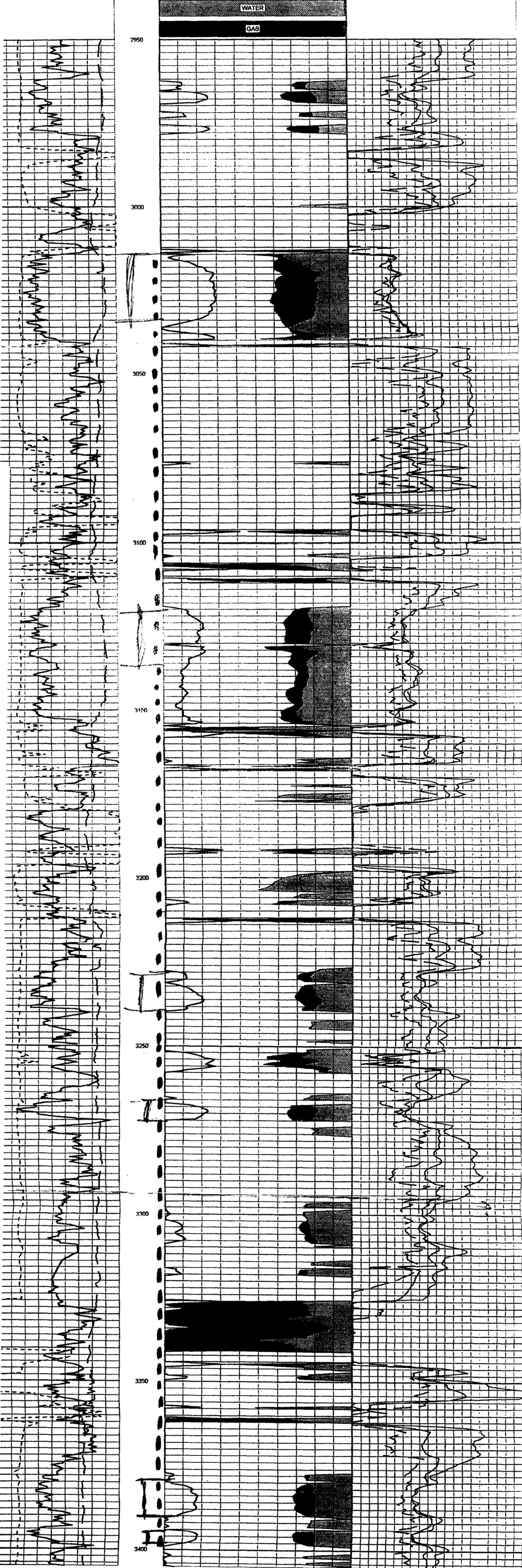


Marcy Underdahl, President
Regoal, Inc.
7096 S 4000 E
Price, UT 84501
435-613-2060

LAVINIA STATE
 1-32
 1/12/1998 6,972
 T12S R16E S32
 NW SE
 5.305

CORRELATION	
GAMMA RAY (GAPI)	150.0
CALIPER (IN)	16.0
SP (MV)	-40.0

ANALYSIS		POROSITY	
WATER SATURATION (Equation)	1.0	NPOR (PU)	10.0
BULK VOLUME WATER (Equation)	50.0	DPHZ (PU)	10.0
POROSITY (Equation)	50.0	X-PLOT POROSITY (PU)	10.0



Attn: Dustin Doucet
State of Utah
Department of Natural Resources
1594 W. North Temple, Suite 1210
Salt Lake City, UT 84114-5801

October 27, 2014

RECEIVED

OCT 28 2014

re: ~~Lavinia 1-32 43-007-30900~~

Dear Mr. Doucet:

32 125 16E

DIV. OF OIL, GAS & MINING

The Lavinia 1-32 is a gas well which produces a small amount of oil.

1. The shut in status is due to the withdrawal of the pipeline access in spite of Common Carrier federal regulation. The low price of gas has also been a factor.

2. BBC has sold to EnerVest and we have requested pipeline access from them and are waiting for a response. We expect to hear soon. Once we have an agreement we will contact our chemical supplier and they will test and treat our gas accordingly.

3. Excess fluid level is not and has never been a problem with our gas well. We have monitored and pump off our well as needed during its shut in period. We produce very little fluid before gas production begins. The pumping interval is determined by the static fluid level.

We have intermittently produced small amounts of fluid with the static level remaining at the level of the pump. We have no fluid above the pump to contaminate ground water.

We performed a test for pump function by pumping tubing pressure to higher than the casing pressure and locking the pump down and maintaining the pressure over a period of time.

A positive is the casing pressure increase in the last two months from 250# to 295#, and through intermittent pumping we have managed to produce 4 BO.

We had court testimony from experts substantiating that tight sands replenish gas during a shut in period which would benefit our well.

About 18 months ago we consulted with Dr. Don Stinson concerning a low fluid level condition which had virtually shut down all fluid flow into the Lavinia 1-32 wellbore. Dr. Stinson advised that high gas production pressure had stalled out fluid passing through the fluid producing perforations, effectively shutting down the fluid flow into the wellbore. He advised that the situation would not be self correcting. This has proven to be the case. I have sent a copy of this letter to Dr. Stinson and requested he be free to answer questions concerning low fluid level issues in the L-1-32 well.

Since BBC failed to renew our gas gathering agreement, no effort was made to reopen the perms thus the low fluid level persists. When EnerVest responds with an agreement as we begin producing gas we will work to correct this issue of low fluid level.

We understand your desire for a test of the well integrity and we are checking the availability of workover rigs but expect with winter conditions it may be next June or July before completion of the testing and conveyance of the results to you.

Sincerely,



Marcy Underdahl
Regoal, Inc.
7096 S 4000 E
Price, UT 84501
435-613-2060

Contact info:

Dr. Don Stinson
Consulting Engineer
1074 Alta Vista Dr.
Laramie, WY 82073
307-742-6253

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1. LEASE DESIGNATION AND SERIAL NO. **UTML-43541**

2. NAME OF OPERATOR **MISSION ENERGY LLC**

3. ADDRESS AND TELEPHONE NO. **621 17TH STREET, SUITE 2450, DENVER, COLORADO 80202**

4. LOCATION OF WELL (Report locations clearly and in accordance with any State requirements)
At Surface **1793' FSL & 1889' FEL NWSE SEC. 32, T12S-R16E**
At top prod. Interval reported below **AS ABOVE**
At total depth **AS ABOVE**

5. TYPE OF WELL
OIL WELL GAS WELL DRY WELL

6. TYPE OF COMPLETION
NEW WELL WORK OVER DEEP EN PLUG BACK DIFF. RESRV. Other _____

7. UNIT AGREEMENT NAME **JACKS CANYON**

8. FARM OR LEASE NAME, WELL NO. **LAVINIA STATE**

9. WELL NO. **1-32**

10. FIELD AND POOL OR WILDCAT **JACKS CANYON**

11. SEC. T., R., AL, OR BLOCK AND SURVEY OR AREA **SEC 32, T12S-R16E**

12. COUNTY **CARBON** 13. STATE **UTAH**

14. API NO. **43-007-30380** DATE ISSUED **9/25/97**

15. DATE SPUNDED **10/10/97** 16. DATE T.D. REACHED **2/8/98** 17. DATE COMPL. (Ready to prod. or F) **8/30/98** 18. ELEVATIONS (DF, RCB, RT, GR, ETC.)* **6960' G.L.** 19. ELEV. CASINGHEAD **6972' KB**

20. TOTAL DEPTH, MD & TVD **5305' MD TVD 4002' MD TVD** 21. PLUG, BACK T.D., MD & TVD **TD 4002' MD TVD** 22. IF MULTIPLE COMPL., HOW MANY DRILLED BY **0-TD** 23. INTERVALS ROTARY TOOLS CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD) **3014-34' (MD) WASATCH** 25. WAS DIRECTIONAL SURVEY MADE **NO**

26. TYPE ELECTRIC AND OTHER LOGS RUN **INDUCTION-GAMMA RAY NEUTON DENSITY 11-23-98** 27. WAS WELL CORED YES NO (Submit analysis) DRILL STEM TEST YES NO (See reverse side)

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8"	24#	455' KB	12 1/4"	300 SX "G" W 12% ACL+50 SX NEA	
5 1/2"	17#	4026' KB	7 7/8"	240 SX LITE + 448 SX 50/50 POZ	

29. LINER RECORD

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

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 7/8"	3021	2993'

31. PERFORATION RECORD (Interval, size and number)

INTERVAL	SIZE	NUMBER
3120-36 & 0014-34	1/2"	12
3228-39 & 3266-72	1/2"	47
3381-90 & 3394-98	1/2"	26

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
3014-3136	43,554 GAL X-LINKED + 108,000 #20-40 SD
3228-72	21,882 GAL X-LINKED + 52,147 # SD
3381-98	23,426 GAL X-LINKED + 51,000 # SD

33. PRODUCTION

DATE FIRST PRODUCTION _____ PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) _____ WELL STATUS (Producing or shut-in) **S1**

DATE OF TEST **8/23/98** HOURS TESTED **24** CHOKER SIZE **3/4"** PROD'N FOR TEST PERIOD **TRACE** OIL—BBL. **650** GAS—MCF. **12** WATER—BBL. **12** GAS-OIL RATIO

FLOW, TUBING PRESS. **40** CASING PRESSURE **225** CALCULATED 24-HOUR RATE **TRACE** OIL—BBL. **650** GAS—MCF. **12** WATER—BBL. **12** OIL GRAVITY-API (CORR.) **NA**

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) **VENTED** TEST WITNESSED BY **RUSS IVEY**

35. LIST OF ATTACHMENTS **LAVINIA #1-32 GAMMA RAY / MICROLOGS**

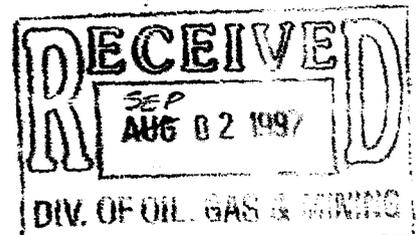
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

CONFIDENTIAL
RECEIVED
NOV 23 1998
DIV. OF OIL, GAS & MINING

SIGNED *Jimmy R. B...* TITLE **MANAGER OF OPERATIONS** DATE **11/18/98**

NOTICE OF STAKING (Not to be used in place of Application to Drill Form 3180-3)		5. Lease Number UTML-43541	
1. Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name N/A	
2. Name of Operator C/O Permisco Inc. - Agent Mission Energy, L.L.C. 303/452-8888		7. Unit Agreement Name N/A	
3. Address of Operator or Agent 13885 Jackson Drive Denver, CO 80241		8. Farm or Lease Name LaVina State	
4. Surface Location of Well (Governmental 1/4 or 1/4 1/4) NW SE (Approx. 1980' FSL and 1980' FEL) Attach: Topographical or other acceptable map showing location, access road, and lease boundaries.		9. Well No. 21-02	
14. Formation Objective(s) Wasatch		10. Field or Wildcat Name Jacks Canyon Field	
15. Estimated Well Depth 6800'		11. Sec., T., R., N., S., or Blk. and Survey or Area Sec. 32. T12S - R16E	
16. To be Completed by Operator Prior to Onsite a. Location must be staked To be done by Uintah Engineering and Land Surveying b. Access road flagged To be done by Uintah Engineering and Land Surveying c. Sketch and/or map of location, showing road, pad dimensions, reserve pit, cuts, and fills (To be provided at onsite)		12. County or Parish Carbon	
17. To be Considered By Operators Prior to Onsite a. H2S Potential None b. Private Surface Ownership State of Utah c. Cultural Resources (Archaeology) To be determined. d. Federal Right of Way As necessary depending upon actual access route		13. State Utah	

18. Additional Information
Lease Description **640 acres** **Topo Maps**
T12S - R16E **Twin Hollow**
Sec. 32: S/2, N/4, N/2 NE/4



cc: 3 - BLM - Price, UT
1 - Utah Division of Oil, Gas, & Mining - Roosevelt, UT
1 - Mission Energy, L.L.C., - Denver, CO

19. Signed *Gene Y. Smith* Consultant for: Mission Energy, L.L.C. Title Mission Energy, L.L.C. Date 08/29/97

State : Utah

SL Merid 12S - 16E - 32 se nw se

County: CARBON

Oper: MISSION ENERGY LLC

Field : PETERS POINT

Compl: 08/23/1998 D G GAS

Well: LAVINIA STATE #1-32

Last Info: 12/22/1998

Ftg: 1793 fsl 1889 fel

Oper Address: 1999 Broadway #1900, Denver CO 80202 - 303/672-1980

Obj: 6800 Wasatch

Permit #:

09/25/1997 API: 43-007-3038000

Elev: 6960GR

Spud: 10/10/1997 Contr: Ross

Rig #: 19

TD: 5305 on 02/08/1998

PB: 4002

DDC : 45.6 SW Myton (miles from the nearest city)

Casing: 8 5/8 @ 455 w/350

5 1/2 @ 4026 w/688

Mud : 8.1# @ 4471

Core : None

DST : None

Logs : IL GR CDN.

Tubing: 2 7/8 @ 3021 w/pkr @ 2993

Perfs : 3381-3398 (Wasatch)

w/26 holes total @ 3381-3390, 3394-3398 - frac w/23426 gal x-link gel
51000# sd

3228-3272 (Wasatch)

w/47 holes total @ 3228-3239, 3266-3272 - frac w/21882 gal x-link gel
52147# sd

3014-3136 (Wasatch)

w/12 holes total @ 3014-3034, 3120-3136 - frac w/43554 gal x-link gel
108000# 20/40 sd

PZone : 3014-3398 (Wasatch)

gross interval

IP : (Wasatch 3014-3398) F 650 MCFGPD on 48/64 ck; tr oil; 12 BWPD; FTP 40,
SICP 225

Journl: 10/22/97 dry hole spudded.

12/16/97 operator plans to resume drlg Jan 1, 1998.

1/12/98 spud w/RT Jan 7, drlg @ 555.

1/29/98 ran surf csg, drlg @ 4471.

2/3/98 drld to 3500, working hole.

2/18/98 details tite.

2/26/98 details tite.

3/26/98 reached approx TD, details tite.

4/17/98 SI.

8/11/98 tstg, details tite.

11/3/98 SI, WOPLC.

12/22/98 added actual TD; completed gas well.

LAVINIA STATE

1-32

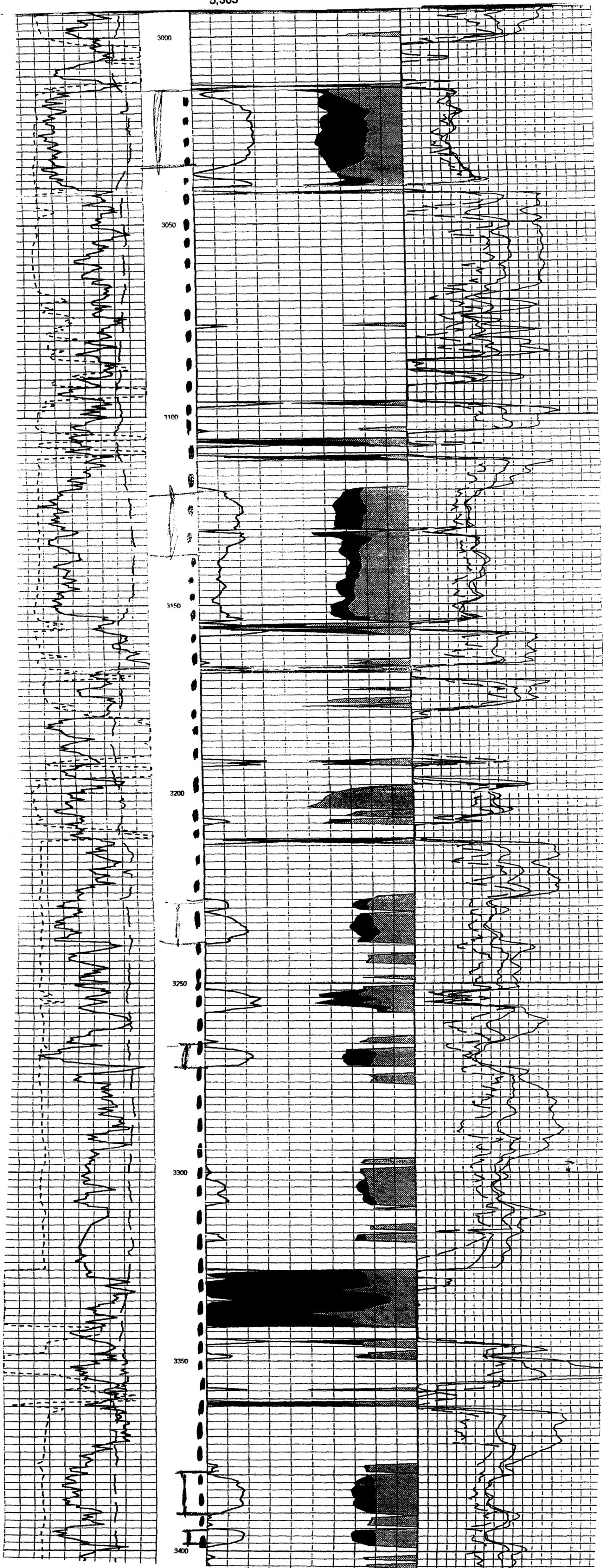
1/12/1998

6,972

T12S R16E S32

NW SE

5,305





GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

November 10, 2014

CERTIFIED MAIL NO. 7011 2970 0001 8828 1825

Ms. Marcy Underdahl
Regoal Inc.
7096 S 4000 E
Price, UT 84501-8621

43 007 30380
Lavinia St 32
32 12S 16E

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

Dear Ms. Marcy Underdahl:

The Division of Oil, Gas and Mining (Division) is in receipt of your letter dated October 27, 2014 (received by the Division on 10/28/2014) in regards to the one (1) State Lease well that is currently shut-in or temporarily abandoned (SI/TA) and in non compliance status as operated by Regoal, Inc. (Regoal).

The Division acknowledges Regoal's effort in working to gain pipeline access from EnerVest. However, insufficient information was provided concerning well integrity. The Division is unable to grant approval due to the lack of evidence regarding well integrity. The casing pressure increase or fluid level discussed in the letter does not adequately prove well integrity.

Please supply information as outlined below 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.

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
Regoal Inc.
November 10, 2014

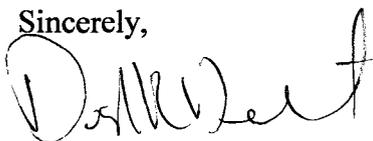
Please note that the Divisions preferred method for showing well integrity is by MIT.

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\SITLA

ATTACHMENT A

	Well Name	API	LEASE	Years Inactive
1	LAVINIA ST 1-32	43-007-30380	ML-43541	1 year 6 months

Attn: Dustin Doucet
State of Utah
Department of Natural Resources
1594 W. North Temple, Suite 1210
Salt Lake City, UT 84114-5801

December 12, 2014

re: Lavinia 1-32 43-007-30380

Dear Mr. Doucet:

32 125 16E

RECEIVED
DEC 15 2014
DIV. OF OIL, GAS & MINING

Atty Steve Alder advises that you are willing to work with us. We are curious as to this pressure since we can not produce the gas without an agreement with the pipeline holder.

The Lavinia 1-32 is a gas well which produces a small amount of oil, which is problematic without a gas gathering agreement and pipeline access.

1. The shut in status is due to the withdrawal of the pipeline access in spite of Common Carrier federal regulation. The low price of gas has also been a factor.

2. BBC has sold to EnerVest and we have requested pipeline access from them and are waiting for a response. As of 12/12/14 the BLM has sent EnerVest a letter requesting compliance with 'Common Carrier' regulation.. Once we have an agreement we will contact our chemical supplier and they will test and treat our gas accordingly.

3. Excess fluid level is not and has never been a problem with our gas well. We have intermittently produced small amounts of fluid with the static level remaining at the level of the pump.

We have no fluid above the pump to contaminate ground water.

We performed a test for pump function by pumping tubing pressure to higher than the casing pressure and locking the pump down and maintaining the pressure over a period of time.

A positive is the casing pressure increase in the last two months from 250# to 295#, and through intermittent pumping we have managed to produce 4 BO.

We had court testimony from experts substantiating that tight sands replenish gas during a shut in period which would benefit our well.

Since BBC failed to renew our gas gathering agreement, no effort was made to reopen the perms thus the low fluid level persists. When EnerVest responds with an agreement as we begin producing gas we will work to correct this issue of low fluid level.

We understand your desire for a test of the well integrity and we are checking the availability of workover rigs but expect with winter conditions it may be next June or July before completion of the testing and conveyance of the results to you.

Sincerely,



Marcy Underdahl
Regoal, Inc.
7096 S 4000 E
Price, UT 84501
435-613-2060

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

* reported production starting in October 2014

Attorney General Sean Reyes,

What follows is a brief overview of what happened to the Reotts in the Utah oilfield. We fought for 13 years and it cost us 2 million dollars (much borrowed from friends and family and still owed) and many sleepless nights. We know there is nothing you can do, since the issue has been through the courts so this is simply FYI. I did enjoy voting AGAINST the appellate judges!!!

We had a judgment against Mission Energy from Federal Court and foreclosed on the only remaining property where they still held title. There had been mechanics liens perfected by 2 of 11 companies and we purchased them. Our lawsuit looked as though they were suing along with Regoal (our company) but it was just Ed and I. Mom & Pop - not a wellheeled couple of companies.

Since the law was on our side, in every instance, we felt confident risking everything we owned. We were the only recorded title holder, spacing reg required 640 acres and even if changed is not retroactive, we had paid all ME's overdue bills and purchased the mechanics liens. We repurchased the stolen equipment from the wellsite (while it was on foreclosure notice) and contacted the county attorney since that is not permitted. He was uninterested in pursuing although we provided the name of the individual who had removed our equipment.

A 'con man' (Todd Cusick) filed a quiet title suit although he was not part of Mission and was not in the 'chain of title'. The sheriff had rejected his redemption claim, so he filed. Having worked for many years in Texas I KNOW that this would have gone no further there since if you are not in the 'chain of title' you have no claim! Unfortunately that is not what happened in Utah.

I will focus on the section where our well had been drilled, Section 32-12S-16E in Carbon Co., UT . 640 acres which was the spacing required by Oil Gas & Mining regulation 157-1. Mission held 2 leases ML43541 with 540 acres and ML43798 with 80 acres which comprised section 32, our copies show them dated back to 1983. 560

SITLA, under Lavonne Garrison, claimed that this property had been transferred and the document she approved shows a transfer from J C Sutton, not the lessee Mission Energy. In due course she also 'changed' the leases and 'gave' 600 acres to con man, Todd Cusick (under the guise of his company Wasatch O&G) who sold to BBC. SITLA has no oversight, just a board of directors, and we are certainly not the only people to have difficulty with them.

The supposed property transfer was not mentioned when we brought our sheriff's deed to SITLA/Garrison and in fact they were mailing rental bills to Mission that Dec. So in Dec 2001 ME still was the recognized owner although we had foreclosed in Aug 2001. This 'backdated' transfer of property from a bankrupt company for nothing is against Utah fraud laws - the courts didn't seem to care. The company operating agreement required the signature of 2 officers for any 'sale or transfer' of property - again the court ignored in our case, but not in others. Long standing leases, as I understand it can't be arbitrarily changed but Garrison changed ours. Just last year we met with their attorney and he decided not to take any action. He apparently felt we didn't have the resources to fight and he would be correct.

Early in 2003, BBC moved drilling equipment onto section 32 and began drilling, eventually 2 wells in haste since a state section has fewer hoops to jump through. BBC had a drilling title opinion (in 2003) telling them not to begin drilling til the lawsuit was settled since it appeared they may not own the leases. This doc was never provided to us in discovery, nor to the court or DOGM until 2008. BBC is the big dog and does whatever it wants

BBC decided they needed a large pipeline and ripped out the line to our well (only well in the area for miles). Since we had the well running, pumping oil into the tank they made quite a mess. The supervisor

Big
Ditch
June
2011

admitted the action and was fired, they partially repaired and when we reheated the oil in the fiberglass tank it leaked about 100 BO into the berm. We had to cleanup and SITLA **required payment** for their 16 2/3 % even tho the lease clearly states third party damage makes it unnecessary. Finding someone willing to work for us and risk annoying BBC became a problem as well. SITLA kept up the threats thru this endeavor. We won a judgment in district court awarding damages but never got any.

We had been requesting a gas gathering agreement and pipeline access since we foreclosed (5 years) and were never reimbursed for that delay either. This access is required by Common Carrier legislation so as not to have pipelines everywhere. We had a costly fight in court before getting what is required and damages were to be determined at hearing...we got nothing. It should be noted here that the heavy oil in the area sets up when idle so we spent a great deal on hot oil treatments in an attempt to be ready if we ever got access. **5 years of denied access** was awarded in district court but we also never got a dime. The opposition actually stated that the oil & gas was still there as though remaining solvent w/o income was no problem.

Since summary judgment was awarded to Regoal by Judge Bryner, (then he retired) Wasatch and BBC filed an appeal and Regoal's win was sortof upheld with amounts of damages to be determined at trial in District court. That finally came to be in October of 2008 with Judge Harmond. He ridiculed the appellate judges, deferred to the opposition attorneys, didn't seem to comprehend title and awarded our section to BBC leaving us a 40 acre slice around our well and even gave them part of our borehole and no damages. We paid experts to prove our argument but they were ignored by this judge who appeared to me to have been bought, since the evidence didn't matter and neither did the law.

We appealed and were denied so we filed another appeal with the Utah Supreme Court with everything well documented but they couldn't be bothered, so case law in Utah now indicates that you do not have to hold title to sell property among other issues.

SITLA has been heavy handed with us at every opportunity threatening to cancel our lease (what is left of it) even for a 13 cent supposed shortfall one time. We feel they are behind the latest demand from OG&Mining.

SITLA demanded rental payments from us that BBC owed and failed to pay after the district court found in our favor. They didn't demand the payment from the well heeled company but after the courts gave the property to BBC, I demanded Garrison return the payment to Regoal (approx \$6000.)

Ms. Garrsion found it necessary to copy BBC on communication with us but the reverse was not the case. This was while we were in litigation with BBC. Her actions indicate an unfounded dislike for us.

We are left broke and after 5 years BBC pulled the pipeline access knowing we couldn't do anything about it. They recently sold to EnerVest and we are trying to get pipeline access from them or have them purchase our well. We now know to go to the BLM and demand access.

The courts do not work and the laws/regulations are not honored. The BLM locally had to threaten BBC before we got a gathering agreement which is required under Common Carrier, but the BLM didn't advise us early on that was necessary.

 And now DOGM is unable to grant extended SI/TA status for our well and want proof of integrity showing the well is not a potential risk to public health and safety or the environment. They want to force us to plug the well. Ms. Garrison is, of course, copied in!

The well is on a mountaintop with no electricity, water or facilities of any kind and no inhabitation. This letter is from Dustin Doucet who is the person we reported the BBC caused spill to as required so he should know we know the rules.

He tells us to 'perform an MIT' without telling us what that is. Typical gov!!