

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

003

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1A. Type of Work: DRILL DEEPEN
B. Type of Well: OIL GAS OTHER: SINGLE ZONE MULTIPLE ZONE

2. Name of Operator: Klabzuba Oil and Gas, Inc.
3. Address and Telephone Number: 700 17th St., Ste. 1300, Denver, CO 80202 1-303-382-4443
4. Location of Well (Footage):
At Surface: 1510' FNL, 1183' FEL 4382761 Y 39.59645
At Proposed Producing Zone: 494475X -111.06435

5. Lease Designation and Serial Number: MI-46539
6. If Indian, Allottee or Tribe Name: N/A
7. Unit Agreement Name: N/A
8. Farm or Lease Name: Gordon Creek, State
9. Well Number: 1-19-14-8
10. Field or Pool, or Wildcat: Gordon Creek
11. Qtr/Qtr, Section, Township, Range, Meridian: SE/4 NE/4, Section 19, T14S, R8E, SLB&M

14. Distance in miles and direction from nearest town or post office: 13.5 miles west of Price, Utah
12. County: Carbon 13. State: Utah
15. Distance to nearest property or lease line (feet): 157'
16. Number of acres in lease: 2153.27 acres
17. Number of acres assigned to this well: 40
18. Distance to nearest well, drilling, completed, or applied for, or 2150'
19. Proposed Depth: +4000'
20. Rotary or cable tools: Rotary
21. Elevations (show whether DF, RT, GR, etc.): 7403' GR
22. Approximate date work will start: September, 2002

Drill 9/24

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8" J-55 ST&C	24 #	2000'	300 sacks Class G cement + 2% CaCl ₂ + 0.25 pps cellophane flakes
7-7/8"	5-1/2" J-55 ST&C	15.50 #	±4000'	230 sacks 50/50 pozmix + 8% gel + 10% salt + 0.25 pps cellophane flakes
				395 sacks Class G + 10-1 RFC + .25 pps cellophane flakes

DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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.*

Bond Information will be provided under separate cover from Klabzuba Oil and Gas, Inc.

Surface Owner: State of Utah
Landowner Representative: SITLA; 675 East 500 South, SLC, Utah 84102-2818; 801-538-5100

RECEIVED

AUG 20 2002

DIVISION OF
OIL, GAS AND MINING

Name & Signature: Don Hamilton Don Hamilton Title: Agent for Klabzuba Date: 8-19-2002

(This space for state use only)

API Number Assigned: 43-007-30874

Approval:

ORIGINAL
CONFIDENTIAL

Range 8 East

(EAST - 5245.68')

Township 14 South

(N00°13'W - 2696.76')

(N00°46'W - 2671.68')
(S00°44'59"W - 2753.24')

N88°58'21"E - 2655.62'

NORTHEAST CORNER

GC STATE 1-19-14-8
ELEVATION 7402.7'

UTM
N 4383002
E 494392

1509.96'

1182.53'

19

N00°23'48"W - 5411.12'

ELEV. 7438'

S89°55'03"E - 5401.5'

(EAST - 5253.6')

Legend

- Drill Hole Location
- ⊙ Brass Cap (Found)
- Brass Cap (Searched for, but not found)
- △ Calculated Corner
- () GLO

GPS Measured

■ Marked Sandstone (Found)

NOTE:

UTM AND LATITUDE / LONGITUDE COORDINATES ARE DERIVED USING A GPS PATHFINDER AND ARE SHOWN IN NAD 83 DATUM.

LAT / LONG
39°35'48"
111°03'55"

Location:

THE WELL LOCATION WAS DETERMINED USING A TRIMBLE 4700 GPS SURVEY GRADE UNIT.

Basis of Bearing:

THE BASIS OF BEARING IS GPS MEASURED.

GLO Bearing:

THE BEARINGS INDICATED ARE PER THE RECORDED PLAT OBTAINED FROM THE U.S. LAND OFFICE.

Basis of Elevation:

BASIS OF ELEVATION OF 7438' BEING AT THE SOUTHEAST SECTION CORNER OF SECTION 19, TOWNSHIP 14 SOUTH, RANGE 8 EAST, SALT LAKE BASE AND MERIDIAN, AS SHOWN ON THE WATTIS QUADRANGLE 7.5 MINUTE SERIES MAP.

Description of Location:

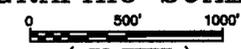
PROPOSED DRILL HOLE LOCATED IN THE SE1/4 NE1/4 OF SECTION 19, T14S, R8E, SLB&M, BEING 1509.96' SOUTH AND 1182.53' WEST FROM THE NORTHEAST CORNER OF SECTION 19, T14S, R8E, SALT LAKE BASE & MERIDIAN.

Surveyor's Certificate:

I, Albert J. Spensko, a Registered Professional Land Surveyor, holding Certificate 146652 State of Utah, do hereby certify that the information on this drawing is a true and accurate survey based on data of record and was conducted under my personal direction and supervision as shown hereon.



GRAPHIC SCALE



(IN FEET)
1 inch = 1000 ft.



TALON RESOURCES, INC.

Price & Huntington, Utah
Phone (435)637-8781 Fax (435)636-8603
E-Mail talon@castlenet.com

KLABZUBA OIL & GAS
GC, STATE 1-19-14-8
Section 19, T14S, R8E, S.L.B.&M.
Carbon County, Utah

Drawn By: T.DAVIS	Checked By: L.W.J. / A.J.S.
Drawing No. A-1	Date: 8/16/02
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 528



Talon Resources, Inc.

Service, Quality and Accuracy

P.O. Box 1230
195 North 100 West
Huntington, Utah 84528
Phone: 435-687-5310

Cell: 435-650-1886
Fax: 435-637-5311
Email: talon@castlenet.com

August 19, 2001

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

RE: Application for Permit to Drill — Gordon Creek, State 1-19-14-8, Carbon County, Utah
1510' FNL, 1183' FEL, Section 19, T14S, R8E, SLB&M.

Dear Mrs. Mason:

On behalf of Klabzuba Oil and Gas, Inc. (Klabzuba), Talon Resources, Inc. respectfully submits the enclosed original of the *Application for Permit to Drill (APD)* for the above referenced well. A request for exception to spacing has also been included since the well is located within 460' of the drilling unit boundary. Included with the APD is the following supplemental information:

- Exhibit "A" - Survey Plats and Layouts;
- Exhibit "B" - Location Maps;
- Exhibit "C" - Drilling Site Layout;
- Exhibit "D" - Drilling Program;
- Exhibit "E" - Multi Point Surface Use Plan;
- Exhibit "F" - Typical Road Cross Section;
- Exhibit "G" - Typical BOP Diagram;
- Exhibit "H" - Typical Choke Manifold Diagram;

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DIVISION OF
OIL, GAS AND MINING

ORIGINAL

CONFIDENTIAL

Please accept this letter as Klabzuba's written request for confidential treatment of all information contained in and pertaining to this application, if said information is eligible for such consideration.

Thank you very much for your timely consideration of this application. Please feel free to contact myself, or Mr. George Rooney of Klabzuba at 303-382-4443 if you have any questions or need additional information.

Sincerely,

Don Hamilton

Don Hamilton

Agent for Klabzuba Oil and Gas, Inc.

cc: Mr. Mark Jones, Oil, Gas and Mining
Mr. George Rooney, Klabzuba
Mr. Tom Siirola, Klabzuba
Mr. Mark Caldwell, Klabzuba
Klabzuba Well File

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AUG 20 2002

DIVISION OF
OIL, GAS AND MINING

EXHIBIT "D"
DRILLING PROGRAM

Attached to UDOGM Form 3
Klabzuba Oil and Gas, Inc.
Gordon Creek, State 1-19-14-8
SE/4 NE/4, Sec. 19, T14S, R8E, SLB & M
1510' ~~EST~~ 1183' FEL
Carbon County, Utah

1. The Geologic Surface Formation

Emery Sandstone Member of the Mancos Shale

2. Estimated Tops of Important Geologic Markers

Mancos Blue Gate Marker	<u>MD</u> 3,325'
-------------------------	---------------------

3. Projected Gas & Water Zones

Mancos Gas Zone:	2,100' – 2,875'
Ferron Sands:	3,420' – 3,740'

Groundwater may be encountered within the Emery Sandstone Member of the Mancos Shale. Water encountered will be reported on a Form 7 "Report of Water Encountered During Drilling".

Casing & cementing will be done to protect potentially productive hydrocarbons, lost circulation zones, abnormal pressure zones, and prospectively valuable mineral deposits. All indications of usable water will be reported.

Surface casing will be tested to 2000 psi.

4. The Proposed Casing and Cementing Programs

HOLE SIZE	SETTING DEPTH (INTERVAL)	SIZE (OD)	WEIGHT, GRADE & JOINT	CONDITION
12-1/4"	2000'	8-5/8"	24# J-55 ST&C	New
7-7/8"	2000' - TD ($\pm 4000'$)	5-1/2"	15.50# J-55 ST&C	New

Cement Program -

Surface Casing: 300 sacks G + 2 % CaCl₂ + 0.25 pps cellophane flakes;
Weight: 15.8 #/gal
Yield: 1.15 cu.ft/sk
Excess: 125%

Production Casing: 230 sacks 50/50 pozmix + 8% gel + 10% salt + 0.25 pps cellophane flake
Weight: 12.5 #/gal
Yield: 2.08 cu.ft/sk
Excess: 25%

395 sacks 10-1 RFC with 0.25 pps cellophane flakes
Weight: 14.2 #/gal
Yield: 1.61 cu.ft/sk
Excess: 25%

The following shall be entered in the driller's log:

- 1) Blowout preventer pressure tests, including test pressures and results;
- 2) Blowout preventer tests for proper functioning;
- 3) Blowout prevention drills conducted;
- 4) Casing run, including size, grade, weight, and depth set;
- 5) How the pipe was cemented, including amount of cement, type, whether cement circulated, location of the cementing tools, etc.;
- 6) Waiting on cement time for each casing string;
- 7) Casing pressure tests after cementing, including test pressures and results.

5. The Operator's Minimum Specifications for Pressure Control

2000
psi
Exhibit "G" is a schematic diagram of the blowout preventer equipment. A double gate ~~3000~~ psi BOP will be used with a rotating head. This equipment will be tested to 2000 psi. All tests will be recorded in a Driller's Report Book. Physical operation of BOP's will be checked on each trip.

6. The Type and Characteristics of the Proposed Circulating Muds

0-2000	12-1/4" hole	Drill with air, will mud-up if necessary.
2000-TD	7-7/8" hole	Drill with air, will mud-up if necessary. 500 psi @ 1500-2300 Scf.

7. The Testing, Logging and Coring Programs are as followed

2000-TD Gamma Ray, Density, Neutron Porosity, Induction, Caliper

Any Anticipated Abnormal Pressures or Temperatures

No abnormal pressures or temperatures have been noted or reported in wells drilled in The area nor at the depths anticipated in this well. Bottom hole pressure expected is 1000 psi max. No hydrogen sulfide or other hazardous gases or fluids have been found, reported or are known to exist at these depths in the area.

8. Anticipated Starting Date and Duration of the Operations.

The well will be drilled approx.: September 2002.

Verbal and/or written notifications listed below shall be submitted in accordance with instructions from the Division of Oil, Gas & Mining:

- (a) prior to beginning construction;
- (b) prior to spudding;
- (c) prior to running any casing or BOP tests;
- (d) prior to plugging the well, for verbal plugging instructions.

Spills, blowouts, fires, leaks, accidents or other unusual occurrences shall be reported to the Division of Oil, Gas & Mining immediately.

EXHIBIT "E"
MULTI-POINT SURFACE USE PLAN

Attached to UDOGM Form 3
Klabzuba Oil and Gas, Inc.
Gordon Creek, State 1-19-14-8
SE/4 NE/4, Sec. 19, T14S, R8E, SLB & M
1510' ~~ESL~~, 1183' FEL
Carbon County, Utah

1. Existing Roads

- a. The proposed access road will encroach the gravel-surfaced Haley Canyon Road under Carbon County Maintenance in which approval is pending. The approach will be constructed consistent with Carbon County Road specifications (see Exhibit "B").
- b. We do not plan to change, alter or improve upon any other existing state or county roads. Existing roads will be maintained in the same or better condition.

2. Planned Access

- a. Approximately 150' of new access is required (See Exhibit "B").
- b. Approximately 900' of existing two-track road accessing Oman surface will be upgraded and utilized.
- c. Maximum Width: 20' travel surface with 27' base.
- d. Maximum grade: 10%
- c. Turnouts: None
- d. Drainage design: 3 – 18" culverts may be required. Water will be diverted around the road as necessary and practical.
- e. If the well is productive, the road will be surfaced and maintained as necessary to prevent soil erosion and accommodate year-round traffic.
- f. All drainage structures will be armored at their outlet with rip rap and or energy dissipating structures to minimize erosion potential in the area.

3. Location of Existing Wells

- a. See Exhibit "B". There are four proposed, three existing wells and one abandon water well within a one- mile radius of the proposed location.

4. Location of Existing and/or Proposed Facilities

- a. If the well is a producer, installation of production facilities will following the drilling and completion of the well.
- b. Buried power-lines and gathering lines will follow the proposed access road, down the county road to the intersection with the main pipeline corridor (see Exhibit "B").
- c. Rehabilitation of all pad areas not used for production facilities will be made in accordance with landowner stipulations.

5. Location and Type of Water Supply

- a. Water to be used for drilling will be obtained from Price River Water Improvement District (a local source of municipal water).
- b. Water will be transported by truck over approved access roads.
- c. No water well is to be drilled for this location.

6. Source of Construction Materials

- a. Any necessary construction materials needed will be obtained locally from a private source and hauled to the location on existing roads.
- b. No construction or surfacing materials will be taken from Federal/Indian land.

7. Methods for handling waste disposal

- a. As the well is expected to be air drilled, a small reserve pit will be constructed with a minimum of one-half the total depth below the original ground surface on the lowest point within the pit. The pit will be lined with a synthetic liner. Three sides of the reserve pit will be fenced within 24 hours after completion of construction and the fourth side within 24 hours after drilling operations cease with four strands of barbed wire, or woven wire topped with barbed wire to a height of not less than four feet. The fence will be kept in good repair while the pit is drying.

- b. Following drilling, the liquid waste will be evaporated from the pit and the pit backfilled and returned to natural grade. No liquid hydrocarbons will be discharged to the reserve pit or location.
- e. In the event fluids are produced, any oil will be retained in tanks until sold and any water produced will be retained until its quality can be determined. The quality and quantity of the water will determine the method of disposal.
- f. Trash will be contained in a portable metal container and will be hauled from location periodically and disposed of at an approved disposal site. Chemical toilets will be placed on location and sewage will be disposed of at an appropriate disposal site.

8. Ancillary Facilities

- a. We anticipate no need for ancillary facilities with the exception of trailers to be located on the drill site.

9. Well-site Layout

- a. Available topsoil will be removed from the location and stockpiled. Location of the rig, reserve and blooie pits, and drilling support equipment will be located as shown on Attachment "C".
- b. A blooie pit will be located 100' from the drill hole. A line will be placed on the surface from the center hole to the blooie pit. The blooie pit will not be lined, but will be fenced on four sides to protect livestock/wildlife.
- c. Access to the well pad will be as shown on Exhibit "B".
- d. Natural runoff will be diverted around the well pad.

10. Plans for Restoration of Surface

- a. All surface areas not required for producing operations will be graded to as near original condition as possible and contoured to minimize possible erosion.
- b. Available topsoil will be stockpiled and will be evenly distributed over the disturbed areas and the area will be reseeded as prescribed by the landowner.
- c. Pits and any other area that would present a hazard to wildlife or livestock will be fenced off when the rig is released and removed.

- d. Any oil accumulation on the pit will be removed or overhead flagged as dictated by then existed conditions.
- e. Rehabilitation will commence following completion of the well. Rat and mouse holes will be filled immediately upon release of the drilling rig from the location. If the well-site is to be abandoned, all disturbed areas will be re-contoured to the natural contour as is possible.

11. Surface Ownership

- a. The well-site and access road will be constructed on lands managed by the School and Institutional Trust Lands Administration, 675 East 500 South, SLC, Utah 84102-2818; 801-538-5100. The operator shall contact the landowner and the Division of Oil, Gas and Mining 48 hours prior to beginning construction activities.

12. Other Information

- a. The primary surface use is wildlife habitat. The nearest dwelling is approximately 6.4 miles southeast. Nearest live water is First Water Creek approximately 5,100' southwest.
- b. If there is snow on the ground when construction begins, it will be removed before the soil is disturbed, and piled downhill from the topsoil stockpile location.
- c. The back-slope and fore-slope will be constructed no steeper than 4:1.
- d. All equipment and vehicles will be confined to the access road and well pad.
- e. A complete copy of the approved Application for Permit to Drill (APD) including conditions and stipulations shall be on the well-site during construction and drilling operations.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the Division of Oil, Gas & Mining.

13. **Company Representative**

George Rooney
Klabzuba Oil and Gas, Inc
700 – 17th Street
Suite 1300
Denver, Colorado 80202
1-303-382-4443
1-303-619-1908

Permitting Consultant

Don Hamilton
Environ. Man. / Proj. Coord.
Talon Resources, Inc.
195 North 100 West
Huntington, Utah 84528
1-435-650-1886
1-435-687-5310

Excavation Contractor

Dennis Jensen
Vice President
JNR Construction
P.O. Box 1598
Roosevelt, Utah 84066
1-435-722-3996
1-435-823-6590

Mail Approved A.P.D. To:

Company Representative

14. **Certification**

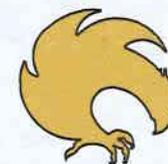
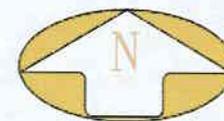
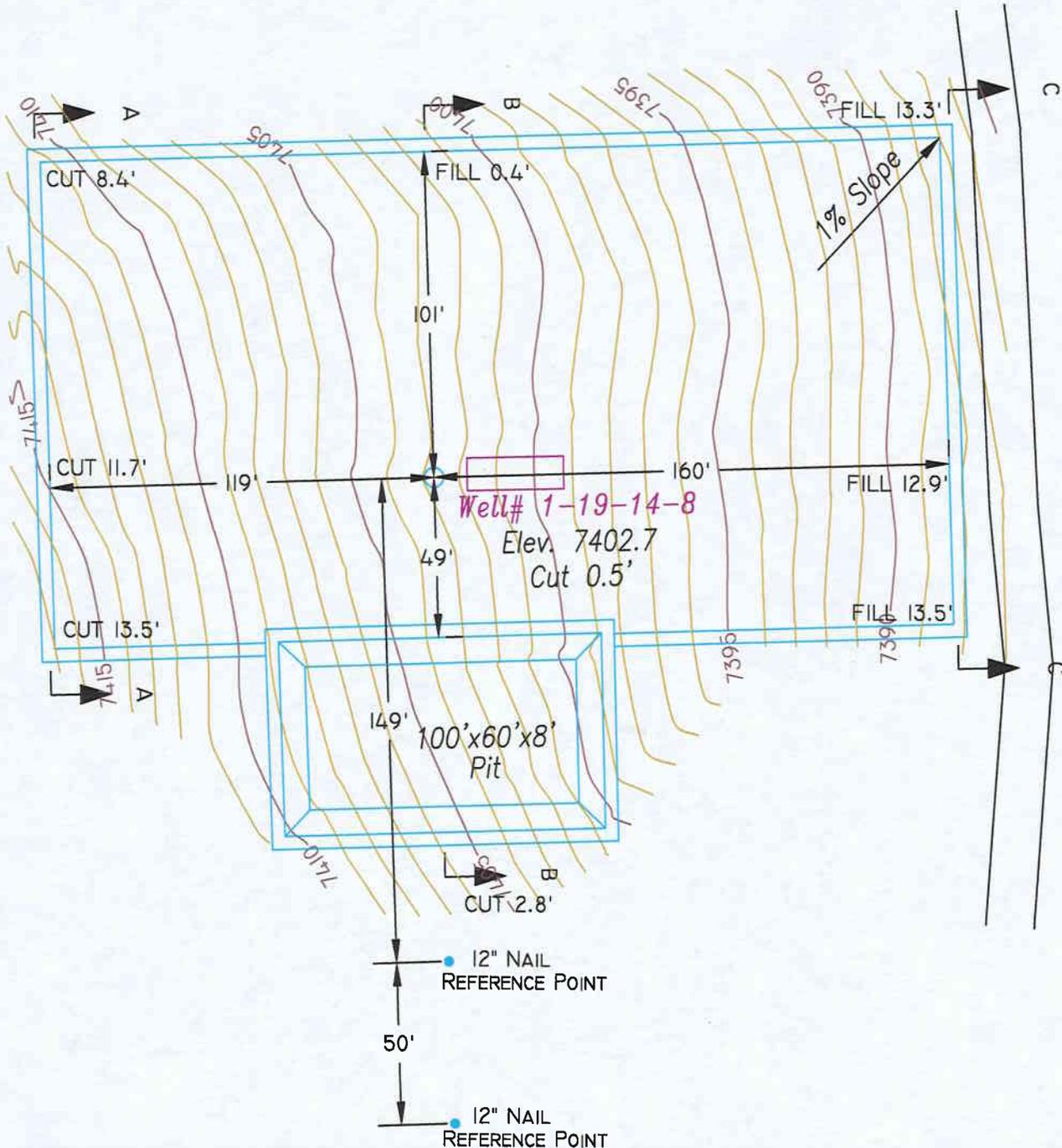
I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct, and that the work associated with the operations proposed herein will be performed by Klabzuba Oil and Gas, Inc. and its subcontractors in conformity with this plan and the terms and conditions under which it is approved.

8-19-02
Date

Don Hamilton
Don Hamilton
Agent for Klabzuba Oil and Gas, Inc.
Talon Resources, Inc.

ORIGINAL

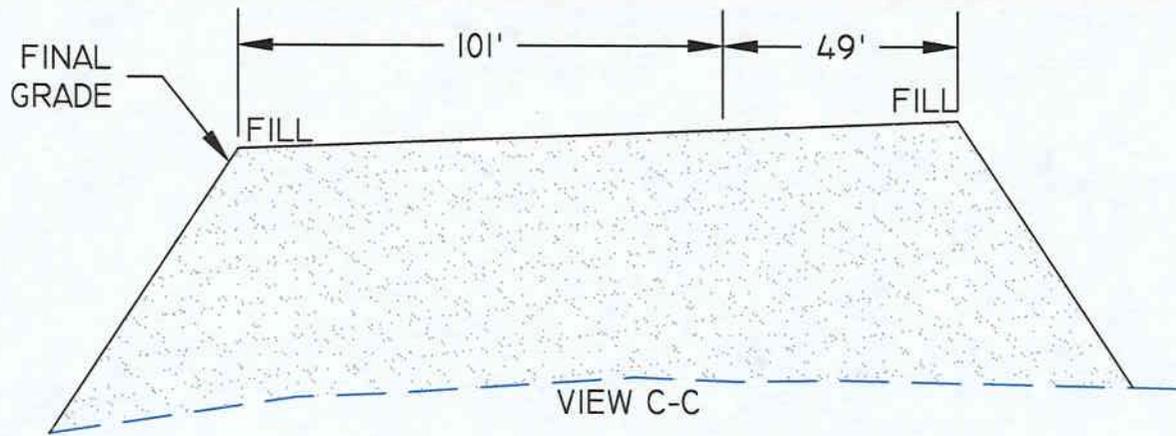
ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 7402.7'
 ELEVATION OF GRADED GROUND AT LOCATION STAKE = 7402.2'



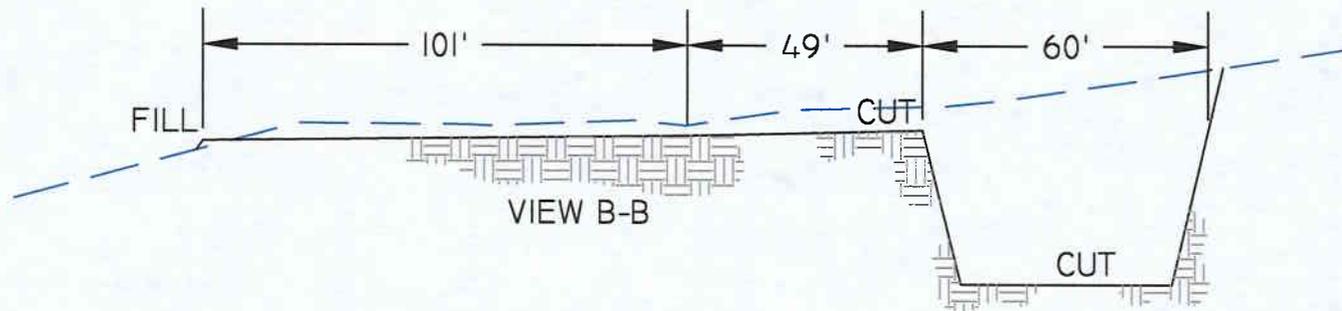
TALON RESOURCES, INC.
 SERVICE, QUALITY & ACCURACY
 Price - Huntington, Utah
 Phone (435)637-8781 Fax (435)636-8603
 E-Mail talon@castienet.com

KLABZUBA OIL & GAS
LOCATION LAYOUT
 Section 19, T14S, R8E, S.L.B.&M.
 1-19-14-8

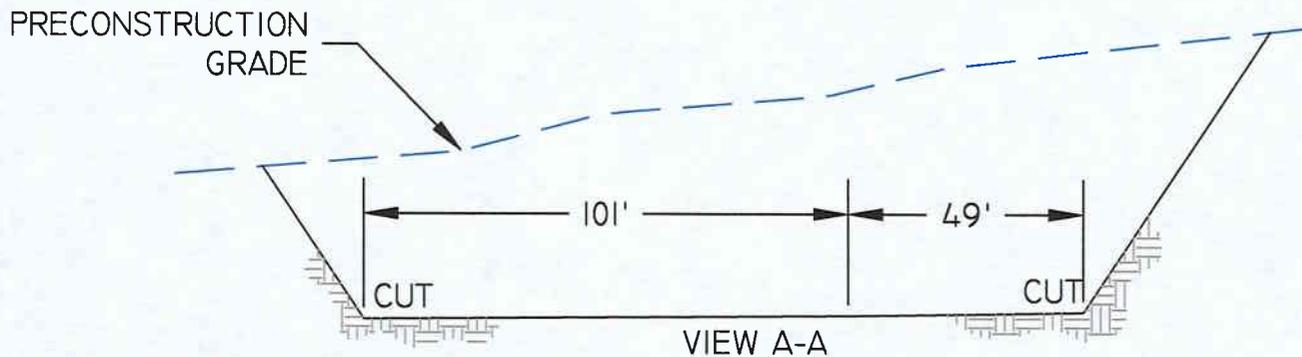
Drawn By: T. DAVIS	Checked By: L.W.J.
Drawing No. A-2	Date: 8/14/02
	Scale: 1" = 50'
Sheet 2 of 4	Job No. 528



1"=10'
X-Section
Scale
1"=40'



SLOPE = 1 1/2 : 1
(EXCEPT PIT)
PIT SLOPE = 1 ; 1



APPROXIMATE YARDAGES

CUT
(6") TOPSOIL STRIPPING = 750 Cu. YDS.
REMAINING LOCATION = 4,255 Cu, YDS.
TOTAL CUT = 6,250 Cu. YDS.
TOTAL FILL = 5,780 Cu. YDS.



TALON RESOURCES, INC.
SERVICE, QUALITY & ACCURACY
Price - Huntington, Utah
Phone (435)637-8781 Fax (435)636-8603
E-Mail talon@castlenet.com

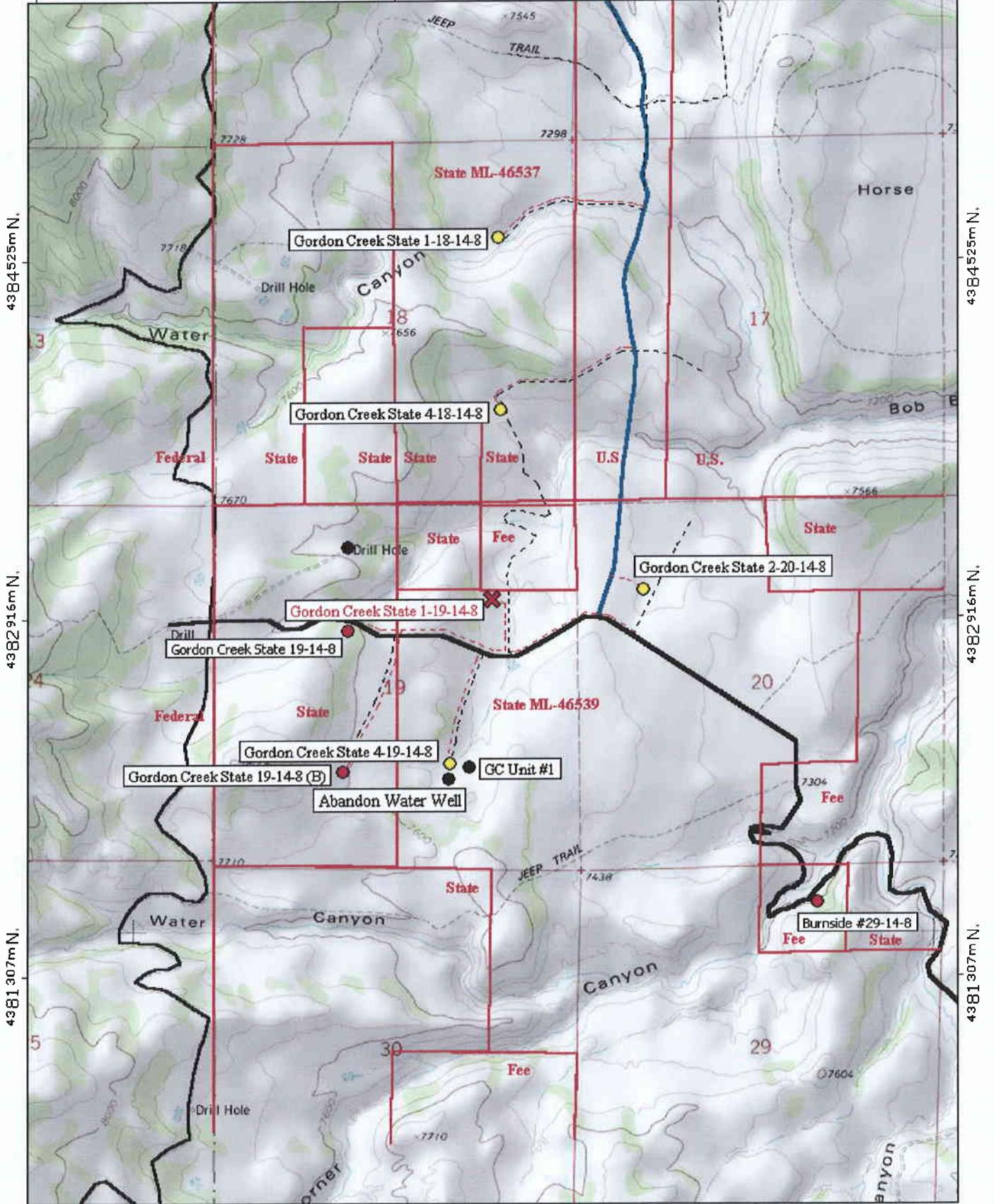
KLABZUBA OIL & GAS
TYPICAL CROSS SECTION
Section 19, T14S, R8E, S.L.B.&M.
WELL # 1-19-14-8

Drawn By: T. DAVIS	Checked By: L.W.J.
Drawing No. C-1	Date: 8/16/02
	Scale: 1" = 40'
Sheet 3 of 4	Job No. 528

492354m E.

493963m E.

WGS84 Zone 12S 495572m E.



4384525m N.

4382916m N.

4381307m N.

4384525m N.

4382916m N.

4381307m N.

492354m E.

493963m E.

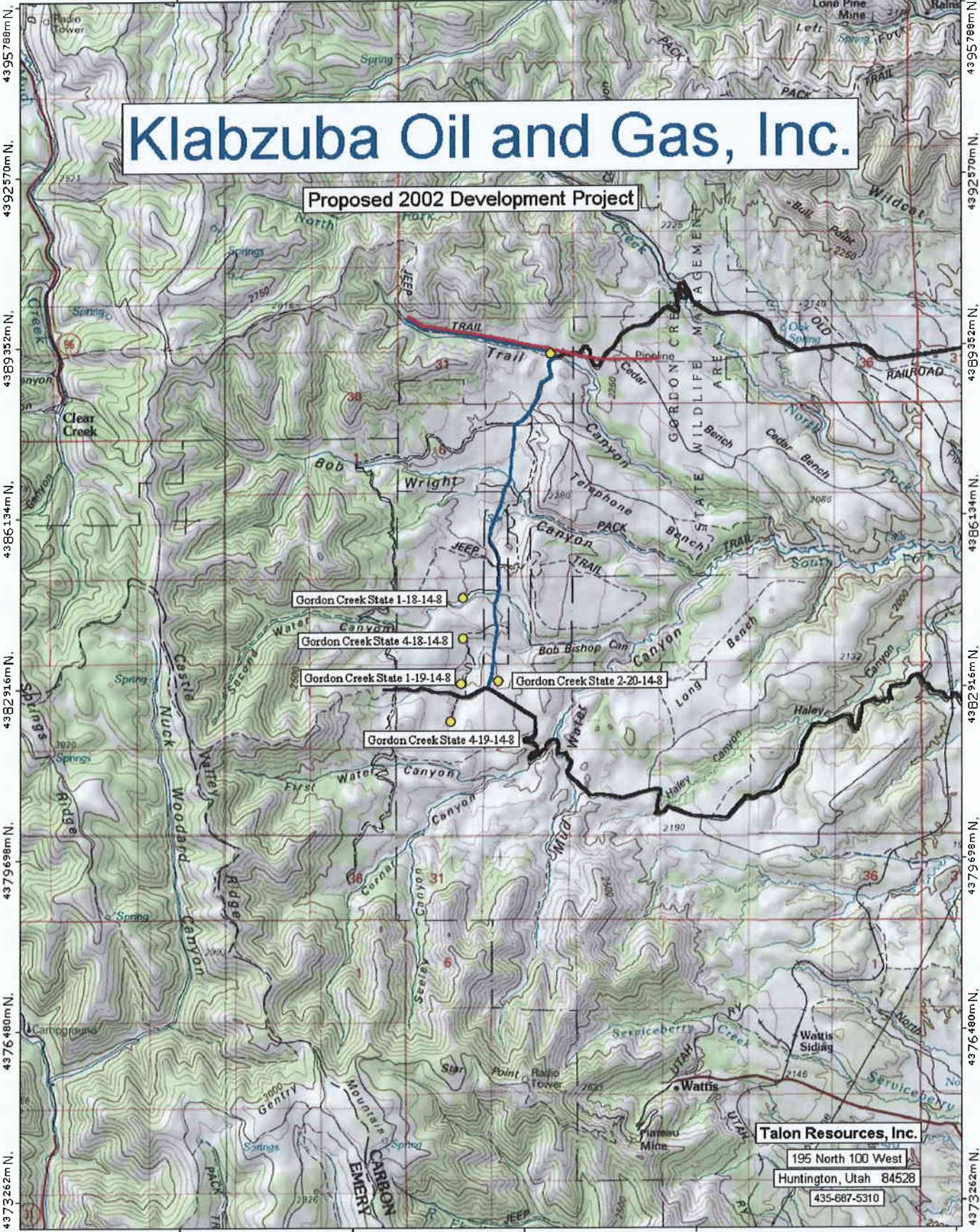
WGS84 Zone 12S 495572m E.

TN / MN
13°



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489136m E. 492354m E. 495572m E. 498790m E. WGS84 Zone 12S 503617m E.



Klabzuba Oil and Gas, Inc.

Proposed 2002 Development Project

Gordon Creek State 1-18-14-8

Gordon Creek State 4-18-14-8

Gordon Creek State 1-19-14-8

Gordon Creek State 2-20-14-8

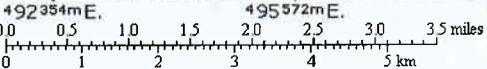
Gordon Creek State 4-19-14-8

Talon Resources, Inc.

195 North 100 West

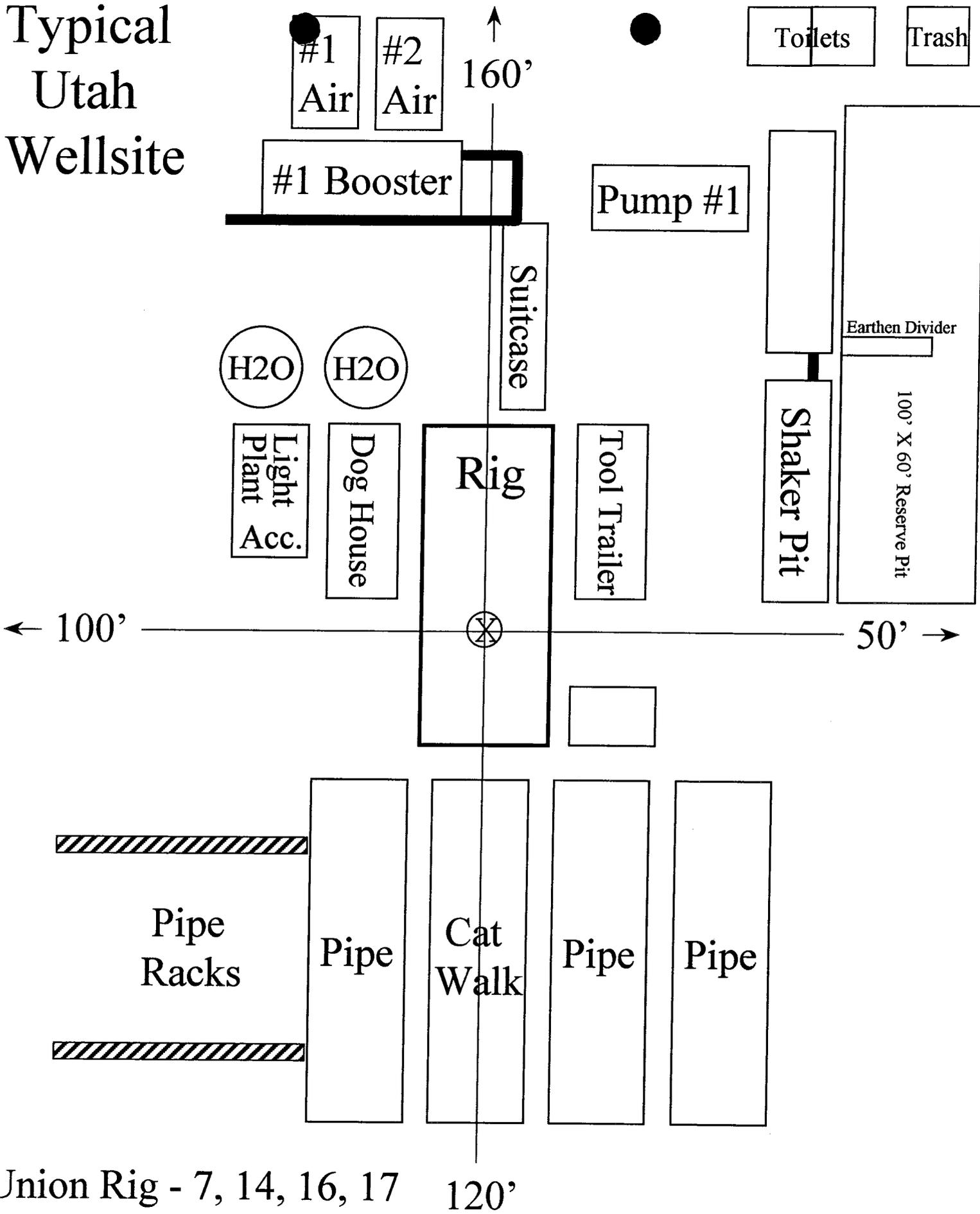
Huntington, Utah 84528

435-687-5310



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Typical Utah Wellsite



Union Rig - 7, 14, 16, 17 120'

Location Size - 280' L x 150' W ↓

EXHIBIT C

TYPICAL ROAD CROSS-SECTION

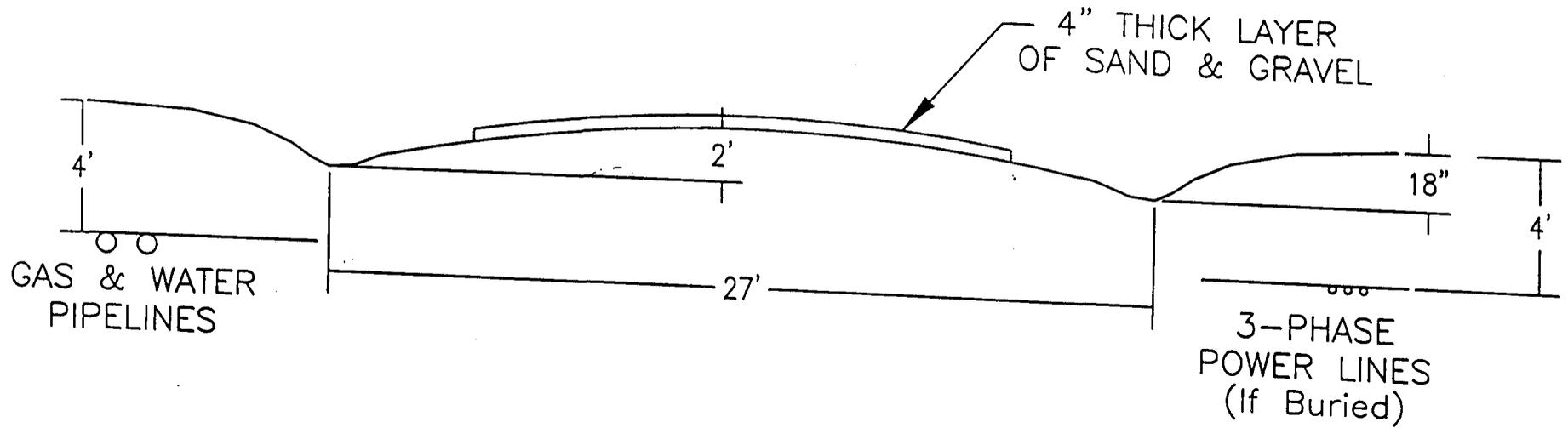


EXHIBIT "F"

BOP Equipment

3000psi WP

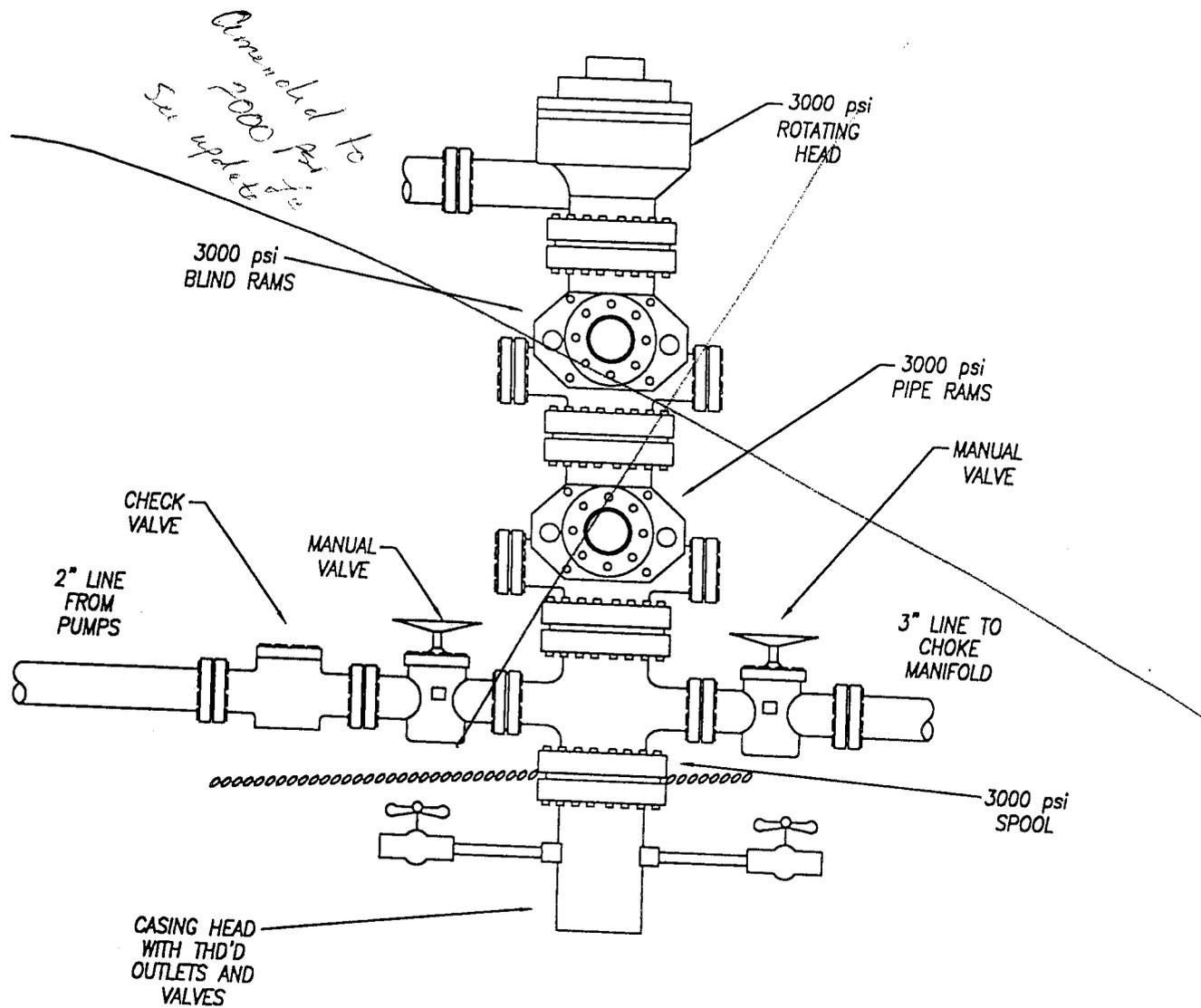


EXHIBIT "C"

CHOKE MANIFOLD

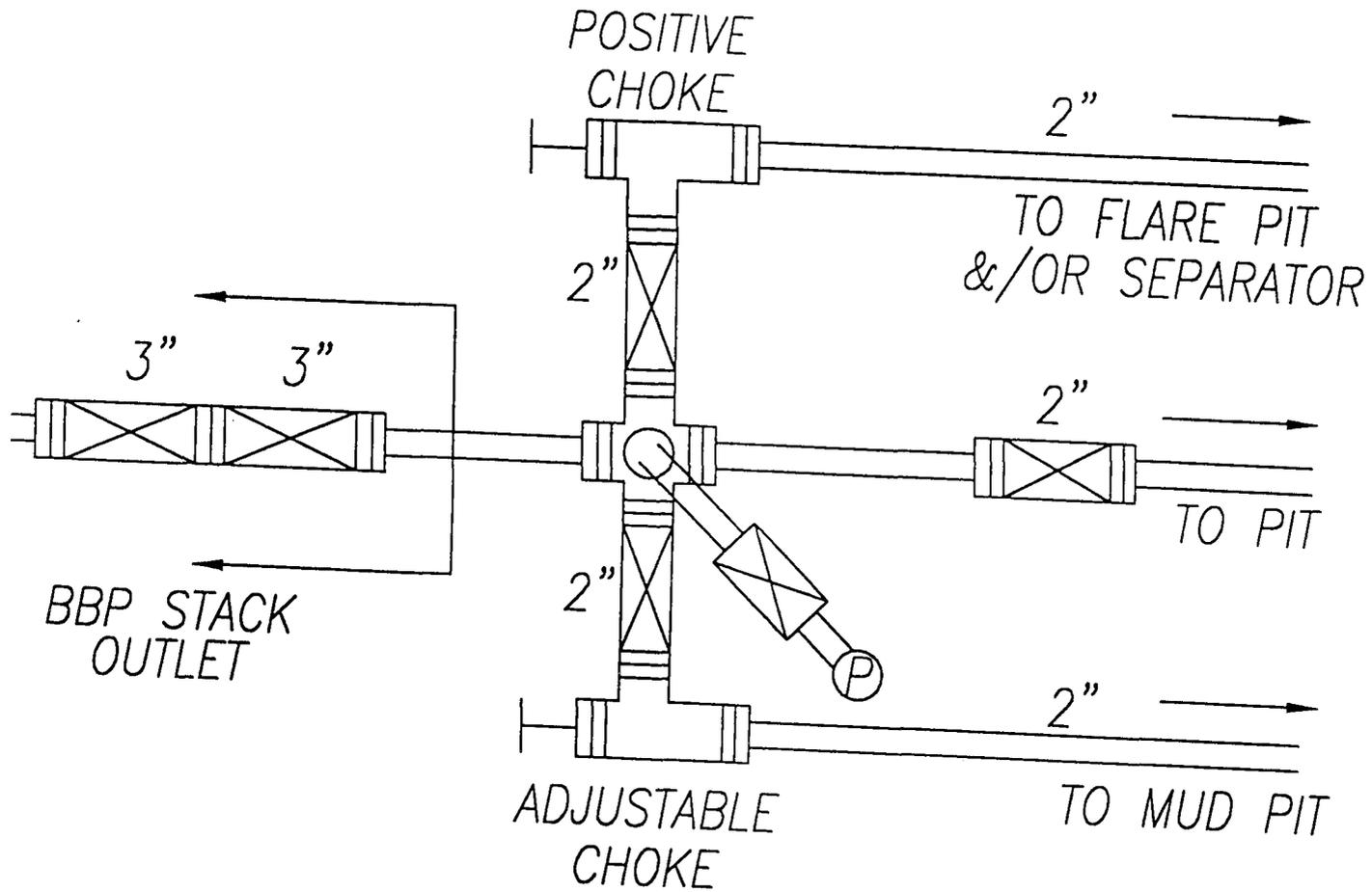


EXHIBIT "H"

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 08/20/2002

API NO. ASSIGNED: 43-007-30874

WELL NAME: GORDON CREEK ST 1-19-14-8

OPERATOR: KLABZUBA OIL & GAS INC (N1325)

CONTACT: DON HAMILTON/AGENT

PHONE NUMBER: 435-687-5310

PROPOSED LOCATION:

SENE 19 140S 080E
SURFACE: 1524 FNL 1121 FEL
BOTTOM: 1524 FNL 1121 FEL
CARBON
GORDON CREEK (20)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DKD	8/26/02
Geology		
Surface		

LEASE TYPE: 3 - State

LEASE NUMBER: ML-46539

SURFACE OWNER: 3 - State

LATITUDE: 39.59641

PROPOSED FORMATION: FRSD

LONGITUDE: 111.06413

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[3] Fee[]
(No. B32644644)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. MUNICIPAL)
- RDCC Review (Y/N)
(Date:)
- Fee Surf Agreement (Y/N)

LOCATION AND SITING:

- R649-2-3.
Unit _____
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: 248-01 (160')
Eff Date: 5-15-02
Siting: 460' fr W boundary & 920' fr other wells.
- R649-3-11. Directional Drill

COMMENTS:

Need Presio (Recd 8/29/02)

STIPULATIONS:

- ① Surface Casing Cement Slip
- ② STATEMENT OF BASIS

ON-SITE PREDRILL EVALUATION
Division of Oil, Gas and Mining

OPERATOR: Klabzuba Oil and Gas, Inc.
WELL NAME & NUMBER: Gordon Creek State 1-19-14-8
API NUMBER: 43-007-30874
LEASE: State **FIELD/UNIT:** Gordon Creek
LOCATION: 1/4, 1/4 SWNE Sec: 19 TWP: 17S RNG: 7E 1524' FNL 1121' FEL
LEGAL WELL SITING: 460' from unit boundary 920' from another well.
GPS COORD (UTM): X=494468 E; Y =4382779 N SURFACE OWNER: SITLA

PARTICIPANTS

M. Jones DOGM), Chris Colt (DWR), D. Hamilton (Talon), George Mooney (Klabzuba). SITLA and Carbon County were invited but chose not to attend.

REGIONAL/LOCAL SETTING & TOPOGRAPHY

The proposed location is ~7 miles west of the nearest dwelling. And ~15 miles west of Price, UT. The closest live water source is Second water creek 1.1 miles to the North. The area drains into Water Canyon and eventually dumps into the Price River. 1 abandoned water well ~.5 mile Southwest of the proposed location.

SURFACE USE PLAN

CURRENT SURFACE USE: Grazing and wildlife habitat.

PROPOSED SURFACE DISTURBANCE: 279' X 150' and 1500' of new access road.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: No proposed and six existing within a one mile radius of the proposed location. 1 abandoned water well located ~.5 mile SW of proposed location.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: Along roadways.

SOURCE OF CONSTRUCTION MATERIAL: Purchased locally and transported in.

ANCILLARY FACILITIES: None anticipated.

WASTE MANAGEMENT PLAN:

A dugout earthen reserve pit will be constructed to handle drill cuttings and liquid waste during the drilling process. Chemical toilets will be kept on site during drilling activities and will be disposed of at an appropriate municipal sewage facility. Trash will be kept in dumpsters and also taken to an appropriate municipal handling facility when drilling is completed.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: Dry washes run throughout the immediate and surrounding area, precautions should be taken to prevent runoff from further eroding disturbed areas.

FLORA/FAUNA: Native grasses, oak, sagebrush, elk, deer, fowl, rabbits.

SOIL TYPE AND CHARACTERISTICS: Clay loam, light gray in color.

SURFACE FORMATION & CHARACTERISTICS: _____

EROSION/SEDIMENTATION/STABILITY: Highly erosive.

PALEONTOLOGICAL POTENTIAL: None observed.

RESERVE PIT

CHARACTERISTICS: Dugout earthen pit, 60 X 100 X 8 pit not included within the pad boundaries.

LINER REQUIREMENTS (Site Ranking Form attached): Liner is optional.

SURFACE RESTORATION/RECLAMATION PLAN

As per surface use agreement.

SURFACE AGREEMENT: As per SITLA.

CULTURAL RESOURCES/ARCHAEOLOGY: On file with State.

OTHER OBSERVATIONS/COMMENTS

ATTACHMENTS

Photos of this location were taken and placed on file.

Mark L. Jones
DOGM REPRESENTATIVE

August 29, 2002 / 10:00 am
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>0</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	20	<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>5</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of hazardous constituents	20	<u>0</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>10</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 15 (Level II Sensitivity)

Sensitivity Level I = 20 or more; total containment is required.

Sensitivity Level II = 15-19; lining is discretionary.

Sensitivity Level III = below 15; no specific lining is required.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

004

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:

Klabzuba Oil and Gas, Inc.

3. Address and Telephone Number:

700—17th Street, Ste. 1300, Denver, CO 80202 1-303-382-4443

4. Location of Well

Footages:

1510' FNL, 1183' FEL

QQ, Sec., T., R., M.:

SE/4 NE/4, Section 19, T14S, R8E, SLB&M

5. Lease Designation and Serial Number:

ML-46539

6. If Indian, Allottee or Tribe Name:

N/A

7. Unit Agreement Name:

N/A

8. Well Name and Number:

Gordon Creek, State 1-19-14-8

9. API Well Number:

10. Field or Pool, or Wildcat:

Gordon Creek

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 to 2000 psi w.p. BOP</u> | |
- 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.)

A 2000 psi w.p. BOP stack will be utilized for the drilling of this well. Please replace all references to a 3000 psi w.p BOP stack with a 2000 psi w.p. BOP stack.

Please replace Exhibit "G" of the previously submitted APD with the attached updated Exhibit "G"

RECEIVED

SEP 09 2002

DIVISION OF
OIL, GAS AND MINING

ORIGINAL

13.

Name & Signature: Don Hamilton Don Hamilton Title: Agent for Klabzuba Date: 9-6-02

(This space for state use only)

BOP Equipment

2000psi WP

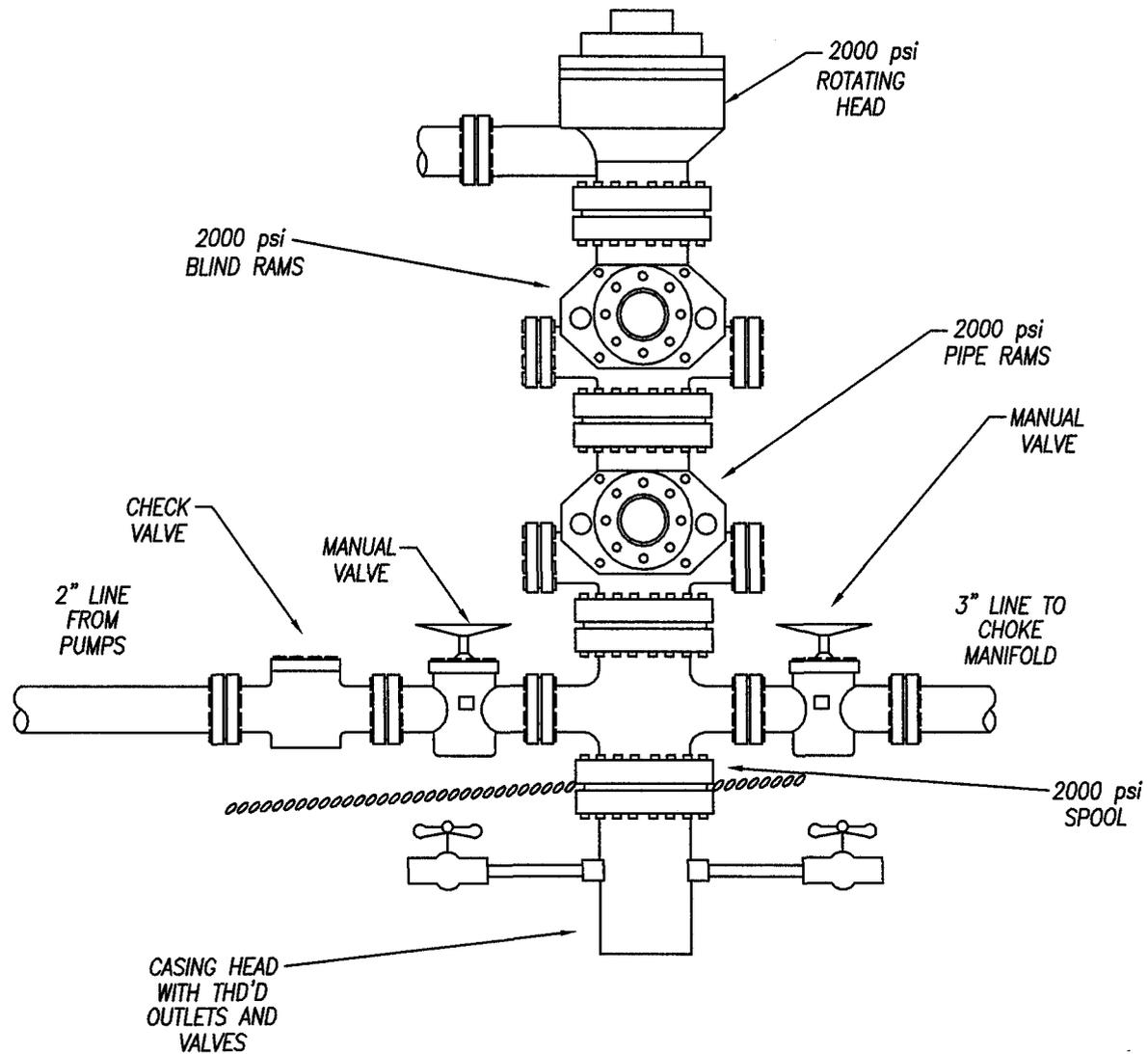


EXHIBIT "G"

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

001

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1A. Type of Work: DRILL DEEPEN
 B. Type of Well: OIL GAS OTHER: SINGLE ZONE MULTIPLE ZONE

2. Name of Operator: Klabzuba Oil and Gas, Inc.

3. Address and Telephone Number: 700 17th St., Ste. 1300, Denver, CO 80202 1-303-382-4443

4. Location of Well (Footages)
 At Surface: 1524' FNL, 1121' FEL 4382757 Y 39.59641
 At Proposed Producing Zone: 494494 X - 111.06413

5. Lease Designation and Serial Number: MI-46539
 6. If Indian, Allottee or Tribe Name: N/A
 7. Unit Agreement Name: N/A
 8. Farm or Lease Name: Gordon Creek, State
 9. Well Number: 1-19-14-8
 10. Field or Pool, or Wildcat: Gordon Creek
 11. Qtr/Qtr, Section, Township, Range, Meridian: SE/4 NE/4, Section 19, T14S, R8E, SLB&M

14. Distance in miles and direction from nearest town or post office: 13.5 miles west of Price, Utah
 12. County: Carbon 13. State: Utah

15. Distance to nearest property or lease line (feet): 172'
 16. Number of acres in lease: 2153.27 acres
 17. Number of acres assigned to this well: 40

18. Distance to nearest well, drilling, completed, or applied for, or 2150'
 19. Proposed Depth: +4000'
 20. Rotary or cable tools: Rotary

21. Elevations (show whether DF, RT, GR, etc.): 7398' GR
 22. Approximate date work will start: September, 2002

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8" J-55 ST&C	24 #	2000'	300 sacks Class G cement + 2% CaCl ₂ + 0.25 pps cellophane flakes
7-7/8"	5-1/2" J-55 ST&C	15.50 #	±4000'	230 sacks 50/50 pozmix + 8% gel + 10% salt + 0.25 pps cellophane flakes
				395 sacks Class G + 10-1 RFC + .25 pps cellophane flakes

DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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.*

Bond Information will be provided under separate cover from Klabzuba Oil and Gas, Inc.

Surface Owner: State of Utah

Landowner Representative: SITLA; 675 East 500 South, SLC, Utah 84102-2818; 801-538-5100

CONFIDENTIAL

24. Name & Signature: Don Hamilton Don Hamilton Title: Agent for Klabzuba Date: 9-19-2002

(This space for state use only)
 API Number Assigned: 43-007-30874

Approved by the
 Utah Division of
 Oil, Gas and Mining
 Date: 10-01-02
 By: [Signature]

ORIGINAL

Range 8 East

(EAST - 5245.68')

N88°58'21"E - 2655.62'

NORTHEAST CORNER

GC STATE 1-19-14-8
ELEVATION 7397.7'

UTM
N 4382970
E 494429

1524.31'

1120.96'

19

N00°23'48"W - 5411.12'

S89°55'03"E - 5401.5'

(EAST - 5253.6')

Township 14 South
(N00°13'15"W - 2696.76')
(N00°46'W - 2671.68')
(S00°44'59"W - 2753.24')

LEGEND

- DRILL HOLE LOCATION
- ⊙ BRASS CAP (FOUND)
- BRASS CAP (SEARCHED FOR, BUT NOT FOUND)
- △ CALCULATED CORNER
- () GLO

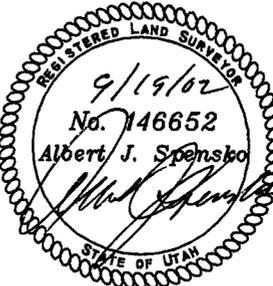
GPS MEASURED

⊠ MARKED SANDSTONE (FOUND)

NOTE:

UTM AND LATITUDE / LONGITUDE COORDINATES ARE DERIVED USING A GPS PATHFINDER AND ARE SHOWN IN NAD 83 DATUM.

LAT / LONG
39°35'47"
111°03'54"



GRAPHIC SCALE

0 500' 1000'

(IN FEET)

1 inch = 1000 ft.

Location:

THE WELL LOCATION WAS DETERMINED USING A TRIMBLE 4700 GPS SURVEY GRADE UNIT.

Basis of Bearing:

THE BASIS OF BEARING IS GPS MEASURED.

GLO Bearing:

THE BEARINGS INDICATED ARE PER THE RECORDED PLAT OBTAINED FROM THE U.S. LAND OFFICE.

Basis of Elevation:

BASIS OF ELEVATION OF 7438' BEING AT THE SOUTHEAST SECTION CORNER OF SECTION 19, TOWNSHIP 14 SOUTH, RANGE 8 EAST, SALT LAKE BASE AND MERIDIAN, AS SHOWN ON THE WATTIS QUADRANGLE 7.5 MINUTE SERIES MAP.

Description of Location:

PROPOSED DRILL HOLE LOCATED IN THE SE1/4, NE1/4 OF SECTION 19, T14S, R8E, SLB8M, BEING 1524.31' SOUTH AND 1120.96' WEST FROM THE NORTHEAST CORNER OF SECTION 19, T14S, R8E, SALT LAKE BASE & MERIDIAN.

Surveyor's Certificate:

I, Albert J. Spensko, a Registered Professional Land Surveyor, holding Certificate 146652 State of Utah, do hereby certify that the information on this drawing is a true and accurate survey based on data of record and was conducted under my personal direction and supervision as shown hereon.



TALON RESOURCES, INC.

Price & Huntington, Utah

Phone (435)637-8781 Fax (435)636-8603

E-Mail taloncastlenet.com

KLABZUBA OIL & GAS
GC, STATE 1-19-14-8
Section 19, T14S, R8E, S.L.B.&M.
Carbon County, Utah

Drawn By:

T.DAVIS

Drawing No.

A-1

Sheet 1 of 4

Checked By:

L.W.J. / A.J.S

Date:

9/16/02

Scale:

1" = 1000'

Job No.

528

002

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 type="checkbox"/> GAS <input type="checkbox"/> OTHER: <input checked="" type="checkbox"/>		5. Lease Designation and Serial Number: ML-46539
2. Name of Operator: Klabzuba Oil and Gas, Inc.		6. If Indian, Allottee or Tribe Name: N/A
3. Address and Telephone Number: 700—17th Street, Ste. 1300, Denver, CO 80202 1-303-382-4443		7. Unit Agreement Name: N/A
4. Location of Well Footages: 1510' FNL, 1183' FEL County: Carbon QQ, Sec., T., R., M.: SE/4 NE/4, Section 19, T14S, R8E, SLB&M State: Utah		8. Well Name and Number: Gordon Creek, State 1-19-14-8
		9. API Well Number: 43-015-30874
		10. Field or Pool, or Wildcat: Gordon Creek

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 type="checkbox"/> Other _____ Approximate date work will start _____	<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 checked="" type="checkbox"/> Other <u>Pad relocation following onsite review</u> Date of work completion _____
<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

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.)

The Gordon Creek, State 1-19-14-8 was moved approximately 63.22' southeast to accommodate surface disturbance concerns addressed during the onsite. The location was moved following the state onsite inspection on 8-29-02.

The new location for the Gordon Creek, State 1-19-14-8 is 1524' FNL 1121' FEL, SE/4 NE/4, Section 19, T14S, R8E, SLB&M, Carbon County, Utah

The new location remains on State of Utah surface and mineral.

ORIGINAL

13. Name & Signature: Don Hamilton Don Hamilton Title: Agent for Klabzuba Date: 9-19-02

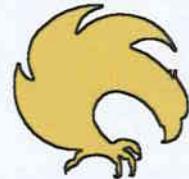
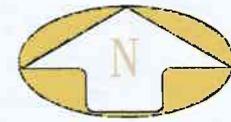
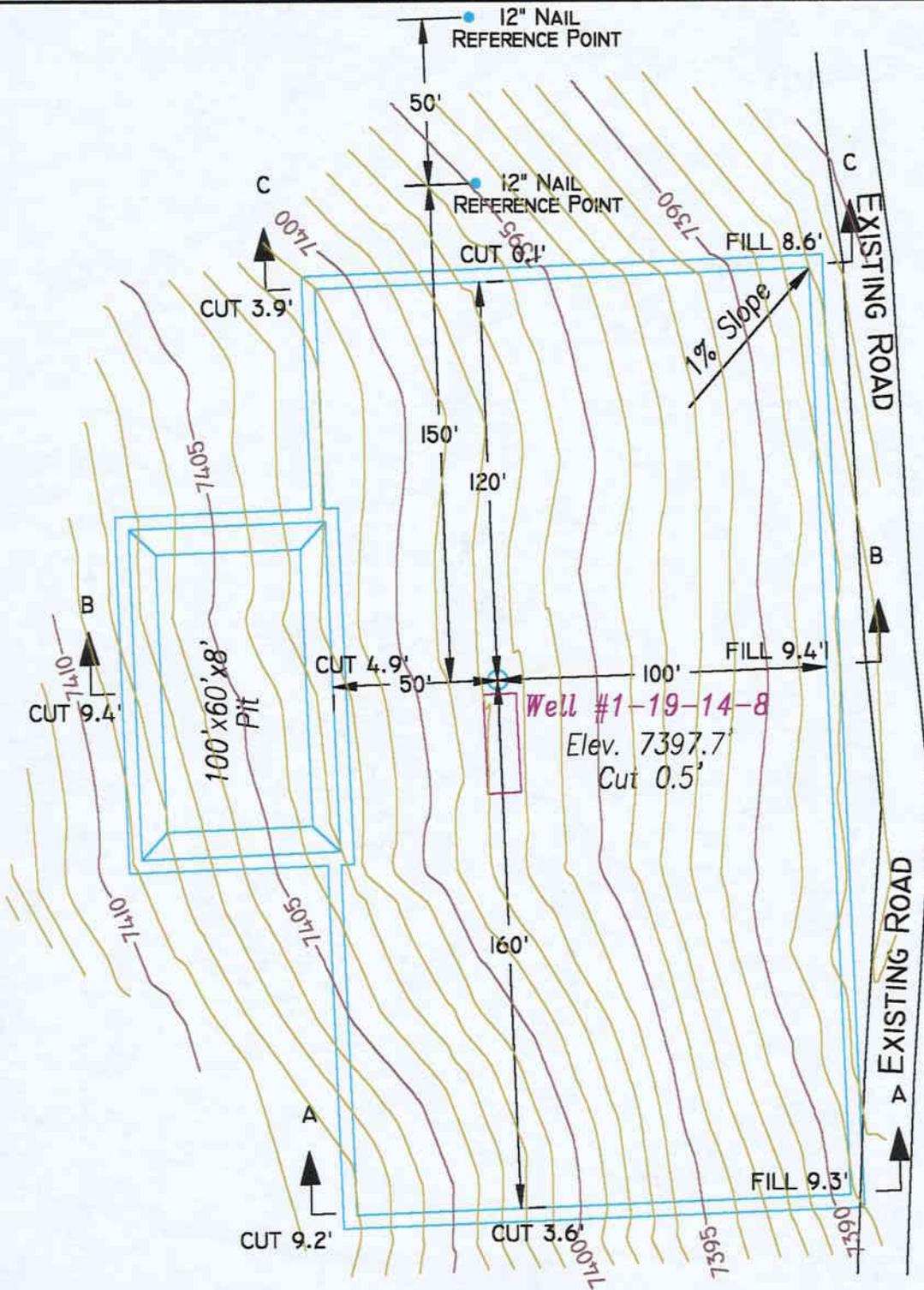
(This space for state use only)

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SEP 23 2002

DIVISION OF OIL, GAS AND MINING

ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 7397.7'
 ELEVATION OF GRADED GROUND AT LOCATION STAKE = 7397.2'

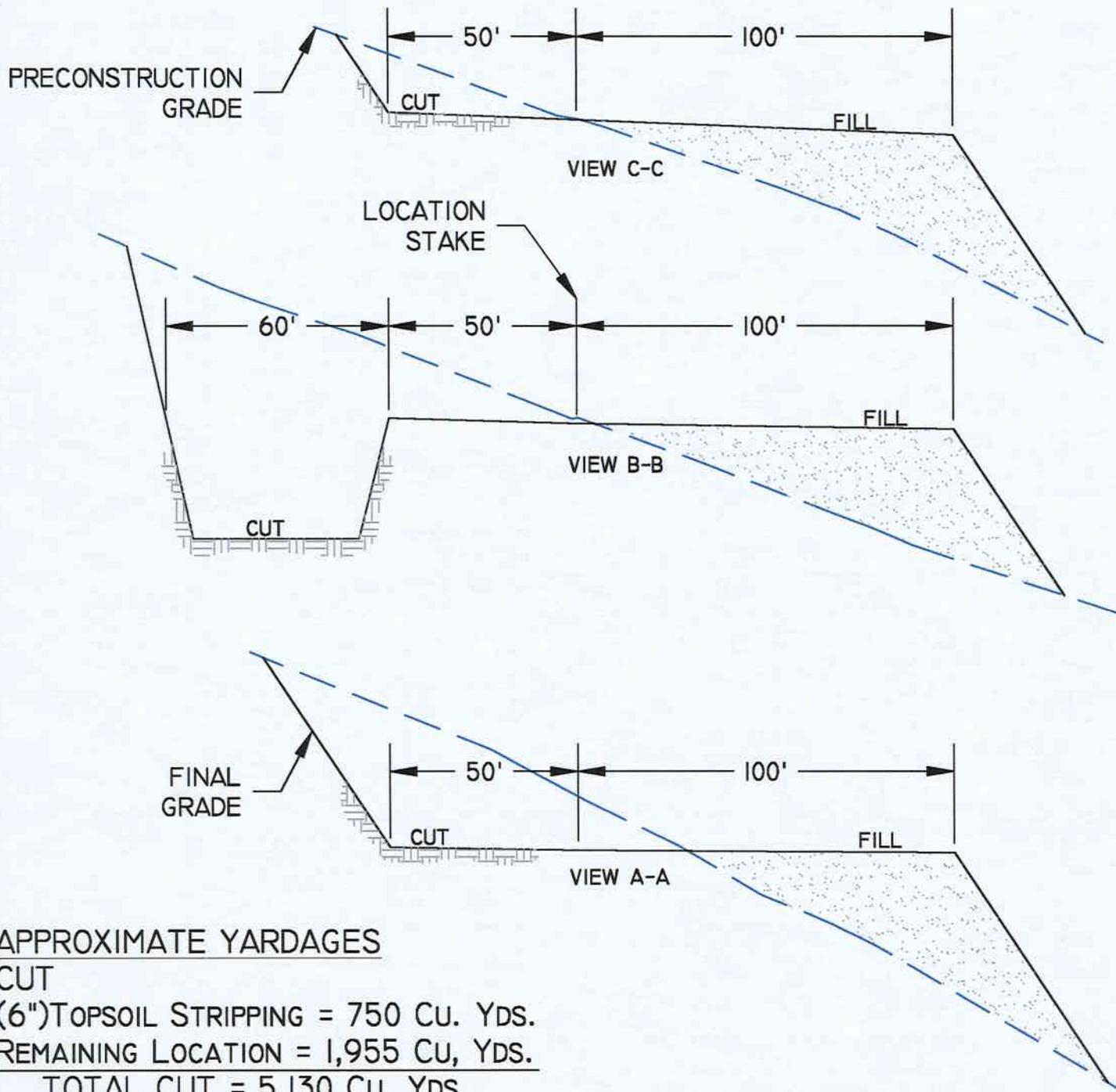


TALON RESOURCES, INC.

Price - Huntington, Utah
 Phone (435)637-8781 Fax (435)636-8603
 E-Mail talon@castlenet.com

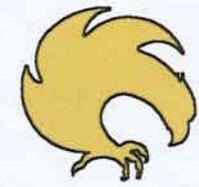
KLABZUBA OIL & GAS
 LOCATION LAYOUT
 Section 19, T14S, R8E, S.L.B.&M.
 WELL #1-19-14-8

Drawn By: J. STANSFIELD	Checked By: L.W.J.
Drawing No. A-2	Date: 9/16/02
	Scale: 1" = 50'
Sheet 2 of 4	Job No. 528



1" = 10'
 X-Section Scale
 1" = 40'

SLOPE = 1 1/2 : 1
 (EXCEPT PIT)
 PIT SLOPE = 1 ; 1



TALON RESOURCES, INC.

Price - Huntington, Utah
 Phone (435)637-8781 Fax (435)636-8603
 E-Mail talon@cs1net.com

KLABZUBA OIL & GAS
 TYPICAL CROSS SECTION
 Section 19, T14S, R8E, S.L.B.&M.
 WELL #1-19-14-8

Drawn By: T. DAVIS	Checked By: L.W.J.
Drawing No. C-1	Date: 9/16/02
	Scale: 1" = 40'
Sheet 3 of 4	Job No. 528

APPROXIMATE YARDAGES
 CUT
 (6") TOPSOIL STRIPPING = 750 Cu. YDS.
 REMAINING LOCATION = 1,955 Cu, YDS.
 TOTAL CUT = 5,130 Cu. YDS.
 TOTAL FILL = 3,945 Cu. YDS.

492354m E.

493963m E.

WGS84 Zone 12S 495572m E.

4384525m N.

4384525m N.

4382916m N.

4382916m N.

4381307m N.

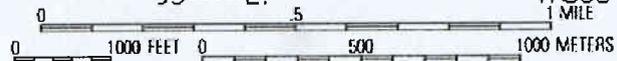
4381307m N.

492354m E.

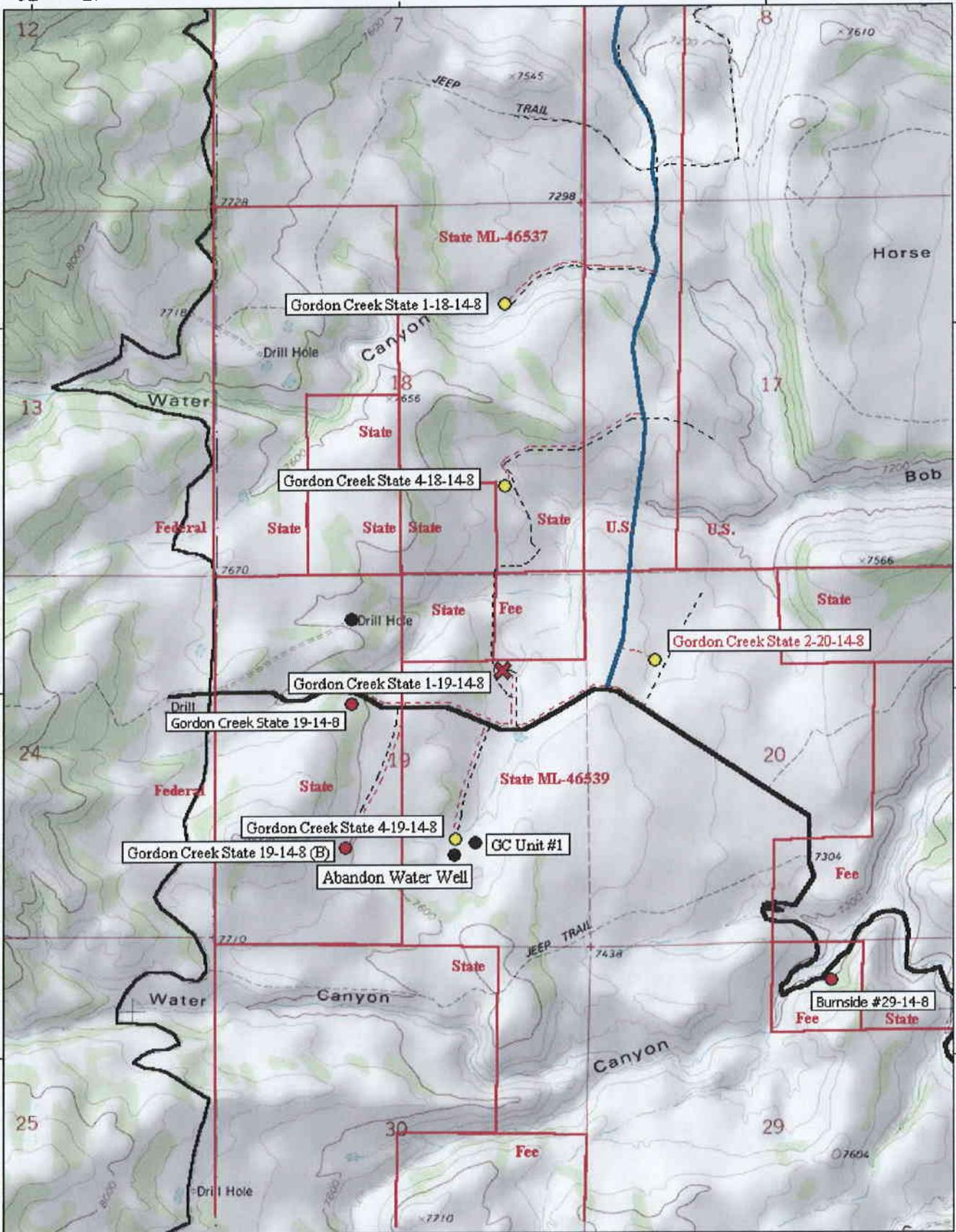
493963m E.

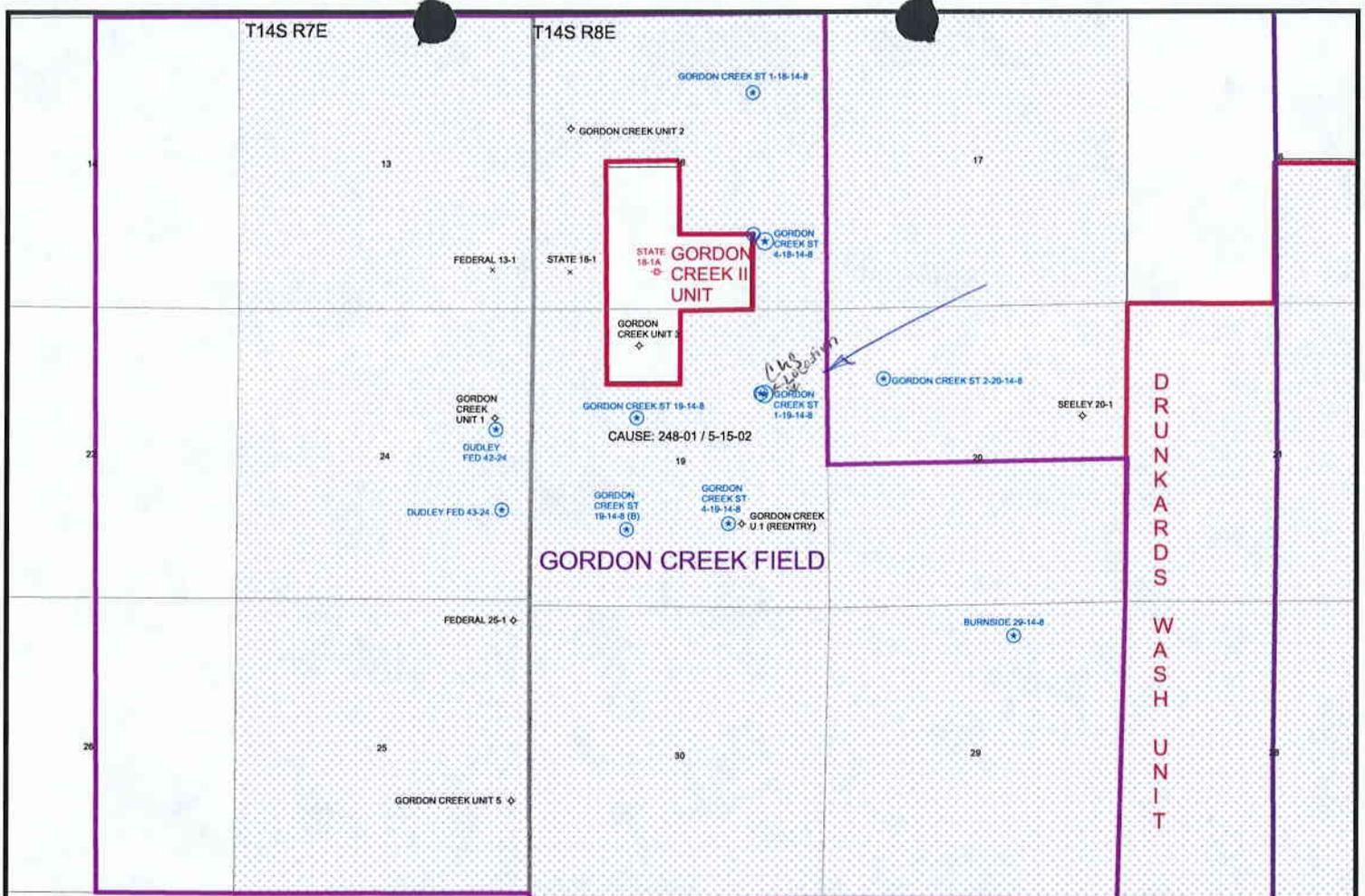
WGS84 Zone 12S 495572m E.

TN
MN
13°



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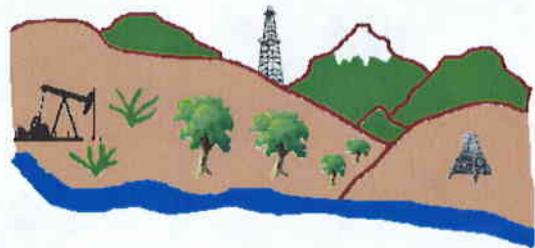
OPERATOR: KLABZUBA O&G INC (N1325)

SEC. 19 T14S R8E

FIELD: GORDON CREEK (20)

COUNTY: CARBON

SPACING: 248-01 / 5-15-02



Utah Oil Gas and Mining

Well Status

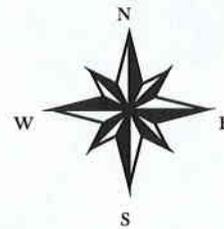
- ⚡ GAS INJECTION
- ⊙ GAS STORAGE
- × LOCATION ABANDONED
- ⊕ NEW LOCATION
- ◇ PLUGGED & ABANDONED
- ⊛ PRODUCING GAS
- PRODUCING OIL
- ⊛ SHUT-IN GAS
- ⊛ SHUT-IN OIL
- ⊛ TEMP. ABANDONED
- ⊙ TEST WELL
- ⊕ WATER INJECTION
- ⊕ WATER SUPPLY
- ⊕ WATER DISPOSAL

Unit Status

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Field Status

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED
- Section Lines
- Township Lines
- County Boundaries



PREPARED BY: DIANA MASON
DATE: 26-SEPTEMBER-2002

Casing Schematic

Surface

Emerf

TOC @ 53.

TOC @ 1164.

* Surface Cont Stop
 9/26/02 - will bring class "C" to surface - Don Hamilton

BOP

$\frac{BOP}{(0.052)(9)(4000)} = 1872 \text{ psi}$

Anticipated = 1000 psi max

8-5/8" MW 8.4 Frac 19.

Gas

$(0.12)(4000) = 480 \text{ psi}$

MASP = 1392 psi

2M BOPE proposed

Adequate per 9/26/02

3325' Blue Gate

5-1/2" MW 9.

Surface 2000. MD
 TOC Tail 1747'

2100'

2875'

Manco's Gas Zone

W/15 g washout

3420'

Ferron Sands

3740'

Production 4000. MD

Well name:	09-02 Klabzuba Gordon Creek 1-19-14-8		Project ID:
Operator:	Klabzuba Oil & Gas Inc.		43-007-30874
String type:	Surface		
Location:	Carbon County		

Design parameters:

Collapse

Mud weight: 8.400 ppg
 Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 0 psi
 Internal gradient: 0.468 psi/ft
 Calculated BHP: 935 psi

No backup mud specified.

Minimum design factors:

Collapse:

Design factor: 1.125

Burst:

Design factor: 1.00

Tension:

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

Tension is based on air weight.
 Neutral point: 1,748 ft

Environment:

H2S considered? No
 Surface temperature: 65 °F
 Bottom hole temperature: 93 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 250 ft

Cement top:

1,164 ft
 * Stip

Non-directional string.

Re subsequent strings:

Next setting depth: 4,000 ft
 Next mud weight: 9.000 ppg
 Next setting BHP: 1,870 psi
 Fracture mud wt: 19.000 ppg
 Fracture depth: 2,000 ft
 Injection pressure: 1,974 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost ()
1	2000	8.625	24.00	J-55	ST&C	2000	2000	7.972	13103

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	873	1370	1.57	935	2950	3.16	48	244	5.08 J

↓
 BHP
 1870 psi
 OR

Prepared by: Dustin Doucet
 Utah Dept. of Natural Resources

Phone: 801-538-5281
 FAX: 801-359-3940

Date: September 26, 2002
 Salt Lake City, Utah

ENGINEERING STIPULATIONS: Surface Casing Cement Stip
 Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.
 Collapse is based on a vertical depth of 2000 ft, a mud weight of 8.4 ppg The casing is considered to be evacuated for collapse purposes.
 Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	09-02 Klabzuba Gordon Creek 1-19-14-8		
Operator:	Klabzuba Oil & Gas Inc.		
String type:	Production	Project ID:	43-007-30874
Location:	Carbon County		

Design parameters:

Collapse

Mud weight: 9.000 ppg
 Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 0 psi
 Internal gradient: 0.468 psi/ft
 Calculated BHP: 1,870 psi
 No backup mud specified.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Tension:

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

Tension is based on air weight.
 Neutral point: 3,455 ft

Environment:

H2S considered? No
 Surface temperature: 65 °F
 Bottom hole temperature: 121 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 250 ft

Cement top:

53 ft

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost ()
1	4000	5.5	15.50	J-55	ST&C	4000	4000	4.825	16933

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1870	4040	2.16	1870	4810	2.57	62	202	3.26 J

Prepared by: Dustin Doucet
 Utah Dept. of Natural Resources

Phone: 801-538-5281
 FAX: 801-359-3940

Date: September 26, 2002
 Salt Lake City, Utah

ENGINEERING STIPULATIONS: Surface Casing Cement Stip

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.
 Collapse is based on a vertical depth of 4000 ft, a mud weight of 9 ppg. The casing is considered to be evacuated for collapse purposes.
 Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

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

OPERATOR: Klabzuba Oil and Gas, Inc.
WELL NAME & NUMBER: Gordon Creek State 1-19-14-8
API NUMBER: 43-007-30874
LEASE: State **FIELD/UNIT:** Gordon Creek
LOCATION: 1/4, 1/4 SWNE **Sec:** 19 **TWP:** 17S **RNG:** 7E 1524' FNL 1121' FEL

Geology/Ground Water:

This location is in a horst and graben area of the Wasatch Plateau. A search of the water rights database for this area show that there are 13 points of diversion within a mile of this location. One of these is an underground water well about 500' deep. Surface casing proposed for this well is 2000' and should adequately cover the Garley Canyon, and Emery Sandstones present in this area. This well was spudded on a small lense of Quaternary Alluvium that overlies the Upper Blue Gate Member of the Mancos Shale. Below the Blue Gate are the Garley Canyon Sandstone and the three members of the Emery Sandstone. These four sands are the likely sources of the numerous springs and seeps the area. These possible water resources will be protected with proper amounts of cement across the sand intervals. In like manner any water zone encountered in the lower hole should also be placed behind pipe and cement will be placed across the zone for a minimum of 100' above and below the water bearing zone.

Reviewer: K. Michael Hebertson Date: 27-September-2002

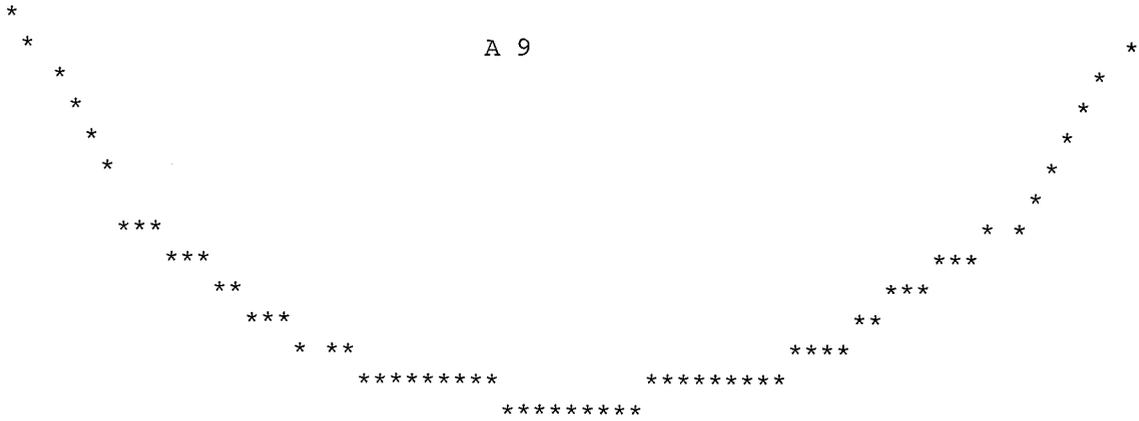
Surface:

There is one nearby water well, currently not being used, ~.5 mile SW of the proposed location. Discussion was made during the pre-site among the participants concerning continuance of access proceeding North to the next location across private property directly North of the proposed location. Talk with the landowner has not been going well, according to G. Rooney. Alternate proposal of access further North would be to follow the Western most property boundary of the private landowner thus creating further disturbance. It was suggested that further attempts should be made to reach an agreement with the private landowner prior to creation of a second roadway. The site was photographed and characterized on 8/29/2002. Rehabilitation of the site, litter and waste control, preservation and drainage patterns, groundwater and other resources was discussed and agreed on. Any well utilities and gathering systems will follow the roadways. Due to the erosive nature of the area and its soil special considerations were agreed on to ensure the integrity of the well site as well as protect and minimize the effect of possible erosion to the surrounding environment. DWR was present during the on-site. Carbon County and SITLA was invited but chose not to attend.

Reviewer: Mark L. Jones Date: September 8, 2002

Conditions of Approval/Application for Permit to Drill:

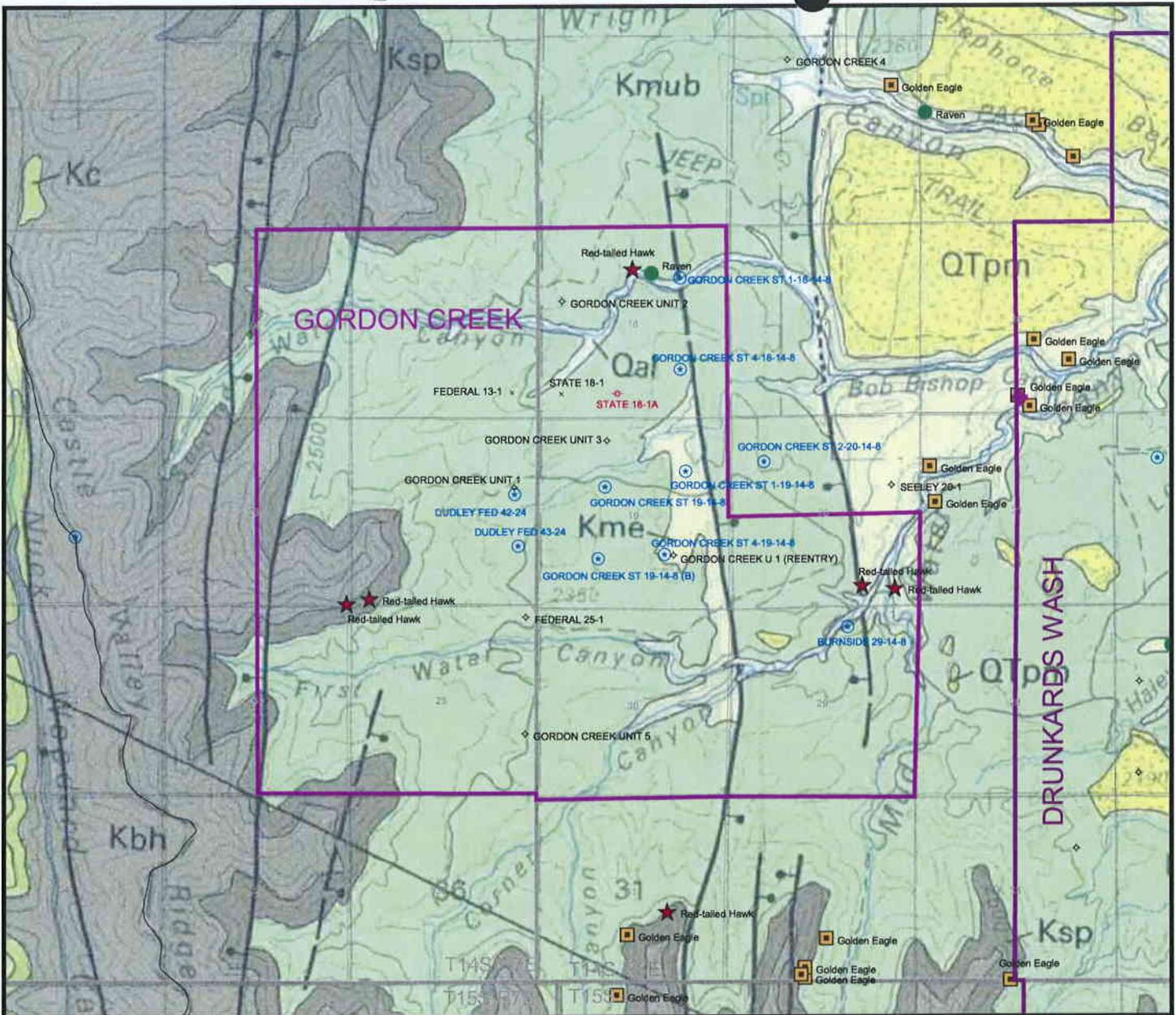
- 1. Pad construction as per agreement during the pre-site meeting, including; rotation of the pad 90 degrees to decrease the amount of cut and fill, and pulling the pad east to the existing two-track road to minimize disturbance.**
- 2. (Optional) Installation of a min. 12 mil synthetic liner in the reserve pit.**



UTAH DIVISION OF WATER RIGHTS
 NWPLAT POINT OF DIVERSION LOCATION PROGRAM

MAP CHAR	WATER RIGHT	QUANTITY CFS	AND/OR AC-FT	SOURCE DESCRIPTION or WELL INFO	POINT OF DIVERSION DESCRIPTION	U A P T S N P E E U N P R R R
0	91 3217	.0000	.00	Second Water Canyon Creek		X X
				WATER USE(S): STOCKWATERING	PRIORITY DATE: 00/00/1869	
				State of Utah School & Institutional Tru 675 East 500 South, 5th Floor	Salt Lake City UT 8410	
1	91 3438	.0000	.00	Second Water Canyon Creek		X X
				WATER USE(S): STOCKWATERING	PRIORITY DATE: 00/00/1869	
				McIntire, B. F.	Salt Lake City UT 84103	
2	91 151	.0380	.00	Unnamed Spring	N 1624 W 162 S4 17 14S 8E SL	X X
				WATER USE(S): OTHER	PRIORITY DATE: 06/28/1946	
				McIntire, Brigham F.	Salt Lake City UT	
3	91 3436	.0110	.00	Unnamed Spring		X X
				WATER USE(S): STOCKWATERING	PRIORITY DATE: 00/00/1869	
				McIntire, B. F.	Salt Lake City UT	
3	91 3437	.0110	.00	Unnamed Spring		X X

	WATER USE(S): STOCKWATERING McIntire, B. F.	382 L Street								PRIORITY DATE: 00/00/1869 Salt Lake City	UT			
3	91 3439 .0000 .00	Bob Bishop Canyon Creek											X	X
	WATER USE(S): STOCKWATERING McIntire, B. F.	382 L. Street								PRIORITY DATE: 00/00/1869 Salt Lake City	UT	84103		
4	91 3439 .0000 .00	Bob Bishop Canyon Creek											X	X
	WATER USE(S): STOCKWATERING McIntire, B. F.	382 L. Street								PRIORITY DATE: 00/00/1869 Salt Lake City	UT	84103		
5	91 4326 .0150 .00	Unnamed Spring											X	X
	WATER USE(S): STOCKWATERING USA Forest Service	324 25th Street								PRIORITY DATE: 00/00/1869 Ogden	UT	84401		
6	91 3111 .0110 .00	Unnamed Spring											X	
	WATER USE(S): Oman, Milton A.	717 Continental Bank Building								PRIORITY DATE: 00/00/1869 Salt Lake City	UT			
7	91 3073 .0000 .00	Bob Bishop Canyon Creek											X	X
	WATER USE(S): STOCKWATERING State of Utah School & Institutional Tru	675 East 500 South, 5th Floor								PRIORITY DATE: 00/00/1869 Salt Lake City	UT	84102		
8	91 3073 .0000 .00	Bob Bishop Canyon Creek											X	X
	WATER USE(S): STOCKWATERING State of Utah School & Institutional Tru	675 East 500 South, 5th Floor								PRIORITY DATE: 00/00/1869 Salt Lake City	UT	84102		
9	91 4209 .1000 .00	6 10 - 500	N 1411 W 1484	SE 19 14S 8E SL										X
	WATER USE(S): MINING State of Utah School & Institutional Tru	675 East 500 South, 5th Floor								PRIORITY DATE: 09/06/1979 Salt Lake City	UT	84102		
A	91 4212 1.0500 .00	Underground Water Well	N 1410 W 1785	SE 19 14S 8E SL										X
	WATER USE(S): IRRIGATION DOMESTIC STOCKWATERING Oman, Milton A.	1714 Millcreek Way								PRIORITY DATE: 09/19/1979 Salt Lake City	UT	8410		



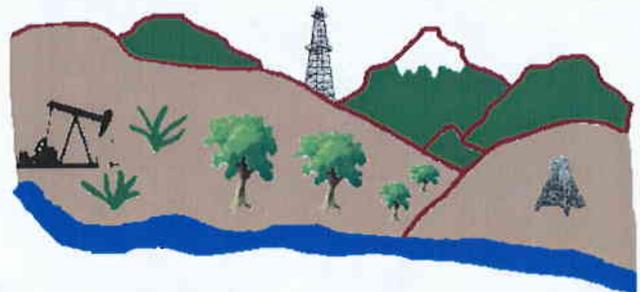
LEGEND

Well Status

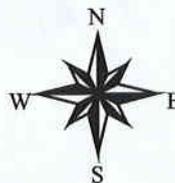
- ▲ GAS INJECTION
- GAS STORAGE WELL
- LOCATION ABANDONED
- NEW LOCATION
- ◇ PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- ◇ SHUT-IN GAS
- SHUT-IN OIL
- × TEMP. ABANDONED
- TEST WELL
- ▲ WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL

Land Ownership

- Private Not Classed
- Forest Service
- BLM
- State Lands
- Native American
- Private
- Military
- National Parks
- State Parks
- State Wilderness
- National Recreation
- US Wildlife
- Wilderness
- Bankhead Jones
- Sovereign Lands
- Water
- Intermittent Water



Utah Oil Gas and Mining





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 telephone
(801) 359-3940 fax
(801) 538-7223 TTY
www.nr.utah.gov

Michael O. Leavitt
Governor
Robert L. Morgan
Executive Director
Lowell P. Braxton
Division Director

October 1, 2002

Klabzuba Oil and Gas, Inc.
700 17th St, Suite 1300
Denver, CO 80202

Re: Gordon Creek, State 1-19-14-8 Well, 1524' FNL, 1121' FEL, SE NE, Sec. 19,
T. 14 South, R. 8 East, 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 43-007-30874.

Sincerely,

A handwritten signature in black ink, appearing to read "John R. Baza".

John R. Baza
Associate Director

pb
Enclosures
cc: Carbon County Assessor
SITLA

Operator: Klabzuba Oil and Gas, Inc.
Well Name & Number Gordon Creek, State 1-19-14-8
API Number: 43-007-30874
Lease: ML-46539

Location: SE NE Sec. 19 T. 14 South R. 8 East

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**

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

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

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

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

3. **Reporting Requirements**

All required reports, forms and submittals will 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 State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

6. Surface casing shall be cemented to the surface.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

5. Lease Designation and Serial Number:
ML-46539

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

7. Unit Agreement Name:
N/A

8. Well Name and Number:
Gordon Creek, State 1-19-14-8

9. API Well Number:
43-007-30874

10. Field or Pool, or Wildcat:
Gordon Creek

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 DEEPEEN form for such proposals.

1. Type of Well: **OIL** **GAS** **OTHER**

2. Name of Operator:
Klabzuba Oil and Gas, Inc.

3. Address and Telephone Number:
700—17th Street, Ste. 1300, Denver, CO 80202 1-303-382-4443

4. Location of Well
Footages: **1524' FNL, 1121' FEL**
County: **Carbon**
QQ, Sec., T., R., M.: **SE/4 NE/4, Section 19, T14S, R8E, SLB&M**
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)

- Abandon
 - Repair Casing
 - Change of Plans
 - Convert to Injection
 - Fracture Treat or Acidize
 - Multiple Completion
 - Other _____
- Approximate date work will start _____

- 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 Change of Water Source
- 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.)

Water for construction and drilling of this well will be provided by *Application for Temporary Change of Water #t27140* evidenced by *Water Right #91-777* that was approved on October 9, 2002 and expires December 31, 2002.

This approved application allows for the withdrawal of water from the existing water well located in the NW/4 SE/4, Section 19, T14S, R8E, SLB&M.

Should this water source not be adequate, water will be purchased on a quantity basis from the municipal water supply though Price River Water Improvement District (a supplier of municipal water in Carbon County).

ORIGINAL

13.

Name & Signature: Don Hamilton Don Hamilton Title: Agent for Klabzuba Date: 10-15-02

(This space for state use only)

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OCT 17 2002
DIVISION OF OIL, GAS AND MINING

OCT 31 2002

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

FORM 6

DIVISION OF
OIL, GAS AND MINING

ENTITY ACTION FORM

Operator: Klabzuba Oil & Gas, Inc.
Address: Box 40
city Havre
state MT zip 59501

Operator Account Number: N 1325Phone Number: (406) 262-9915

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4300730874	Gordon Creek State 1-19-14-8		SENE	19	14S	8E	Carbon
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	13646	10/18/2002			10-31-02	
Comments:							
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Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
Comments:							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
Comments:							

ACTION CODES:

- 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)

Janet Cortese

Name (Please Print)

Signature

Production Clerk

Title

10/28/2002

Date

011

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

CONFIDENTIAL

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas well Other

2. Name of Operator
KLABZUBA OIL & Gas INC.

3. Address and Telephone No.
700 Seventeenth Street, Suite 1300 Denver, CO 80202 (303) 299-9097

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SE/NE 1524' FNL & 1121' FEL Section 19-T14S-R8E

5. Lease Designation and Serial No.
ML-46539

6. If Indian, Allottee or Tribe Name
NA

7. If unit or CA, Agreement Designation
NA

8. Well Name and No.
Gordon Creek State 1-19-14-8

9. API Well No.
43-007-30874

10. Field and Pool, or Exploratory Area
Gordon Creek

11. County or Parish, State
Carbon, UT

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing repair	<input type="checkbox"/> Water Shut-off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other <u>1st Production</u>	<input type="checkbox"/> Dispose Water

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

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

Note: The above referenced well went on 1st production December 3rd, 2002

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DIV. OF OIL, GAS & MINING

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

Signed George B. Rooney Title Project Engineer Date 12.22.02
 George Rooney

(This space of Federal or State office use.)

Approved by _____ Title _____ Date _____
 Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly to make to any department of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

012

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

AMENDED REPORT FORM 8 (highlight changes)

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-46539

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

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

7. UNIT or CA AGREEMENT NAME

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

8. WELL NAME and NUMBER: Gordon Creek State 1-19-14-8

2. NAME OF OPERATOR: Klabzuba Oil & Gas Inc.

9. API NUMBER: 43-007-30874

3. ADDRESS OF OPERATOR: 700 17th St. Ste 1300 CITY Denver STATE CO ZIP 80202 PHONE NUMBER: (303) 299-9097

10. FIELD AND POOL, OR WILDCAT: Gordon Creek

4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 1,524' FNL 1,121' FEL

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 19 14 8 6

AT TOP PRODUCING INTERVAL REPORTED BELOW: same

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AT TOTAL DEPTH: same

12. COUNTY Carbon 13. STATE UTAH

14. DATE SPURRED: 10/20/2002 15. DATE T.D. REACHED: 11/2/2002 16. DATE COMPLETED: 11/21/2002 ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL): 7,402 GL, 7,412 KB

18. TOTAL DEPTH: MD 3,486 TVD 3,486 19. PLUG BACK T.D.: MD 3,486 TVD 3,486 20. IF MULTIPLE COMPLETIONS, HOW MANY? 4

21. DEPTH BRIDGE PLUG SET: MD 3,405 TVD 3,405

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each) DIL, CND, CBL

23. WAS WELL CORED? WAS DST RUN? DIRECTIONAL SURVEY?

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

Table with columns: HOLE SIZE, SIZE/GRADE, WEIGHT (#/ft.), TOP (MD), BOTTOM (MD), STAGE CEMENTER DEPTH, CEMENT TYPE & NO. OF SACKS, SLURRY VOLUME (BBL), CEMENT TOP **, AMOUNT PULLED

25. TUBING RECORD

Table with columns: SIZE, DEPTH SET (MD), PACKER SET (MD)

26. PRODUCING INTERVALS

Table with columns: FORMATION NAME, TOP (MD), BOTTOM (MD), TOP (TVD), BOTTOM (TVD)

27. PERFORATION RECORD

Table with columns: INTERVAL (Top/Bot - MD), SIZE, NO. HOLES, PERFORATION STATUS

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

Table with columns: DEPTH INTERVAL, AMOUNT AND TYPE OF MATERIAL

29. ENCLOSED ATTACHMENTS:

- ELECTRICAL/MECHANICAL LOGS, GEOLOGIC REPORT, DST REPORT, DIRECTIONAL SURVEY, SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION, CORE ANALYSIS, OTHER

30. WELL STATUS:

Producing RECEIVED

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31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 12/3/2002		TEST DATE:		HOURS TESTED: NA		TEST PRODUCTION RATES: →		OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE: 8	TBG. PRESS. 800	CSG. PRESS. 800	API GRAVITY 0.60	BTU - GAS 1,008	GAS/OIL RATIO 0	24 HR PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 2,500	WATER - BBL: 0	INTERVAL STATUS: Prod	

INTERVAL B (As shown in item #26)

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

INTERVAL C (As shown in item #26)

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

INTERVAL D (As shown in item #26)

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

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

Sold to Questar Pipeline

33. SUMMARY OF POROUS ZONES (Include Aquifers):

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

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Blue Gate Marker	3,026				
Ferron C	3,160				
Ferron B	3,247				
Ferron A	3,358				
Lower Marine	3,437				

35. ADDITIONAL REMARKS (Include plugging procedure)

Perforations from 3416-30' were non-productive and are beneath a BP @ 3405'.

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

NAME (PLEASE PRINT) George Rooney TITLE Project Engineer

SIGNATURE *George Rooney* DATE 12/22/2002

This report must be submitted within 30 days of

- completing or plugging a new well
- reentering a previously plugged and abandoned well
- drilling horizontal laterals from an existing well bore
- significantly deepening an existing well bore below the previous bottom-hole depth
- recompleting to a different producing formation
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

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

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

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

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

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JAN 03 2003
DIV. OF OIL, GAS & MINING

KLABZUBA OIL & GAS, INC.

Legacy Tower, Suite 1300
700 Seventeenth Street
Denver, Colorado 80202-3512
Phone: 303-299-9097 Fax: 303-299-9087

RECEIVED

JAN 03 2003

DIV. OF OIL, GAS & MINING

December 26, 2002

Division of Oil, Gas, and Mining
P.O. Box 145801
Salt Lake City, UT 84114-4820
Attn: Brad Hill

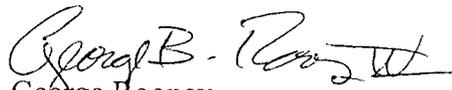
Dear Brad,

Enclosed are completion reports for the new wells in Gordon Creek operated by Klabzuba Oil & Gas Inc. I have provided the information on a Federal Completion Report, as the State form (a pdf file) does not accommodate providing the information requested. Hopefully this is OK.

Klabzuba requests the information associated with these wells be held tight hole for 1 year, as provided by State statutes. I will forward copies of the logs in a few weeks, after we get them in the office.

Please call me at (303) 299-9097 ext. 111 if you have any questions.

Sincerely,


George Rooney

Principal Office

Lexington Place
930 West First Street
Fort Worth, Texas 76102
Phone 817-336-5757 FAX 817-336-5927

Havre Office

48 Second Avenue
P.O. Box 40
Havre, Montana 59501
Phone 406-262-9912 FAX 406-262-9400

Arkoma Basin Office

5908 Jenny Lind Road
Fort Smith, Arkansas 72908-7497
Phone 501-649-0300 FAX 501-649-0500

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

FORM 6

013

ENTITY ACTION FORM

Operator: Klabzuba Oil & Gas Inc. Operator Account Number: N 1325
 Address: 4100 1st Street West
city Havre
state MT zip 59501 Phone Number: (406) 262-9900

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4300730874	Gordon Creek State 1-19-14-8		sene	19	14S	8E	Carbon
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	13646	10/20/2002		10-31-02		
Comments:							
CONFIDENTIAL							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4300730044	Gordon Creek Unit #1		nwse	19	14S	8E	Carbon
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	13707	10/8/2002		1-21-03		
Comments: Spud Date: 01/11/79 Re-Entry Date: 10/08/02							

CONFIDENTIAL

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
4300730807	Gordon Creek State 19-14-8 (B)		nwsW	19	14S	8E	Carbon
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	13708	10/14/2002		1-21-03		
Comments:							
CONFIDENTIAL							

ACTION CODES:

- 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)

George Rooney

Name (Please Print)

Signature

Project Engineer

Title

1/21/2003

Date

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JAN 21 2003

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

014

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: MT-46539
2. NAME OF OPERATOR: Klabzuba Oil & Gas, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
3. ADDRESS OF OPERATOR: Box 40 CITY Havre STATE MT ZIP 59501		7. UNIT or CA AGREEMENT NAME: NA
PHONE NUMBER: 406-262-9900		8. WELL NAME and NUMBER: Gordon Creek State 1-19-14-8
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1524' ENL - 1121' FEL		9. API NUMBER: 43-007-30874
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 19 14S 8E		10. FIELD AND POOL, OR WILDCAT: Gordon Creek
		COUNTY: Carbon
		STATE: UTAH

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

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

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

The spud date on the Entity Action Form is incorrect. The correct spud date is 10/20/02.

NAME (PLEASE PRINT) <u>Janet Cortese</u>	TITLE <u>Production Clerk</u>
SIGNATURE <u>Janet Cortese</u>	DATE <u>1/17/03</u>

(This space for State use only)

RECEIVED
JAN 22 2003

NOTICE

Utah Oil and Gas Conservation General Rule R649-3-21 states that,

- A well is considered completed when the well has been adequately worked to be capable of producing oil or gas or when well testing as required by the division is concluded.
- Within 30 days after the completion or plugging of a well, the following shall be filed:
 - Form 8, Well Completion or Recompletion Report and Log
 - A copy of electric and radioactivity logs, if run
 - A copy of drillstem test reports,
 - A copy of formation water analyses, porosity, permeability or fluid saturation determinations
 - A copy of core analyses, and lithologic logs or sample descriptions if compiled
 - A copy of directional, deviation, and/or measurement-while-drilling survey for each horizontal well

Failure to submit reports in a timely manner will result in the issuance of a Notice of Violation by the Division of Oil, Gas and Mining, and may result in the Division pursuing enforcement action as outlined in Rule R649-10, Administrative Procedures, and Section 40-6-11 of the Utah Code.

As of the mailing of this notice, the division has not received the required reports for

Operator: KLABZUBA OIL & GAS INC

Today's Date: 10/14/2003

Well:	API Number:	Drilling Commenced:
LOGS ONLY NOT RECEIVED		
GORDON CREEK STATE 19-14-8	4300730724	
GORDON CREEK STATE 19-14-8 (B)	4300730807	
GORDON CREEK STATE 1A-18-14-8	4300730892	
GORDON CREEK STATE 1-19-14-8	4300730874	
GORDON CREEK STATE 4-18-14-8	4300730881	
GORDON CREEK UNIT 1	4300730044	
OPEN HOLE NEC/IL/DN/GR LOG ONLY		

To avoid compliance action, required reports should be mailed within 7 business days to:

Utah Division of Oil, Gas and Mining
 1594 West North Temple, Suite 1210
 P.O. Box 145801
 Salt Lake City, Utah 84114-5801

If you have questions or concerns regarding this matter, please call (801) 538-5284.

OPERATOR CHANGE WORKSHEET

ROUTING

- | |
|--------|
| 1. DJJ |
| 2. CDW |

X Change of Operator (Well Sold)

Designation of Agent/Operator

Operator Name Change

Merger

The operator of the well(s) listed below has changed, effective: **1/1/2006**

FROM: (Old Operator): N1325-Klabzuba Oil & Gas, Inc. 700 17th St, Suite 1300 Denver, CO 80202-3512 Phone: 1-(303) 299-9097	TO: (New Operator): N2560-Fellows Energy Ltd. 8716 Arapahoe Road Boulder, CO 80303 Phone: 1-(303) 926-4415
---	---

CA No.

Unit:

WELL(S)

NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
GORDON CREEK ST 3-5-14-8	05	140S	080E	4300730932		State	GW	APD
GORDON CREEK ST 1-7-14-8	07	140S	080E	4300730902		State	GW	APD
GORDON CREEK ST 3-7-14-8	07	140S	080E	4300730903		State	GW	APD
GORDON CREEK ST 4-7-14-8	07	140S	080E	4300730904		State	GW	APD
GORDON CREEK ST 4-18-14-8	18	140S	080E	4300730881	13665	State	GW	S
GORDON CREEK ST 1A-18-14-8	18	140S	080E	4300730892	13709	State	GW	P
GORDON CREEK U 1	19	140S	080E	4300730044	13707	State	GW	P
GORDON CREEK ST 19-14-8	19	140S	080E	4300730724	13251	State	GW	P
GORDON CREEK ST 19-14-8 (B)	19	140S	080E	4300730807	13708	State	GW	S
GORDON CREEK ST 1-19-14-8	19	140S	080E	4300730874	13646	State	GW	P
GORDON CREEK ST 2-20-14-8	20	140S	080E	4300730883	13694	State	GW	TA
GORDON CREEK ST 3-20-14-8	20	140S	080E	4300730905		State	GW	APD
BURNSIDE 29-14-8	29	140S	080E	4300730725	13250	Fee	GW	S
GORDON CREEK ST 2-29-14-8	29	140S	080E	4300730906		State	GW	APD
GORDON CREEK ST 1-30-14-8	30	140S	080E	4300730875		State	GW	APD

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: 3/28/2006
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 3/28/2006

- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 5/25/2005
- Is the new operator registered in the State of Utah: YES Business Number: 5589189-0143
- If **NO**, the operator was contacted on:

- (R649-9-2) Waste Management Plan has been received on: Requested 3/29/2006
- Inspections of LA PA state/fee well sites complete on: n/a

15-K

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: SEE ATTACHMENT
2. NAME OF OPERATOR: KLABZUBA OIL & GAS, INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: 700 17th St., Suite 1300 CITY Denver STATE CO ZIP 80202-3512 PHONE NUMBER: (303) 299-9097		7. UNIT or CA AGREEMENT NAME: N/A
4. LOCATION OF WELL FOOTAGES AT SURFACE: SEE ATTACHMENT COUNTY: CARBON QTR/CTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: STATE: UTAH		8. WELL NAME and NUMBER: SEE ATTACHMENT
		9. API NUMBER:
		10. FIELD AND POOL, OR WILDCAT: GORDON CREEK

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"/> 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 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"/> 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.

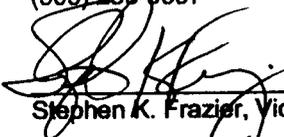
Change of Operator from Klabzuba Oil & Gas, Inc. to Fellows Energy, Limited, effective January 1, 2006:

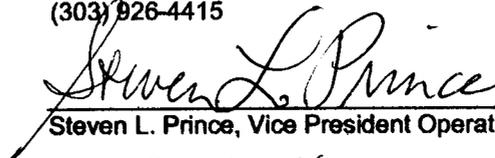
From: N1325
Klabzuba Oil & Gas, Inc.
700 17th Street, Suite 1300
Denver, Colorado 80202-3512

To: N2560
Fellows Energy, Limited
8716 Arapahoe Road
Boulder, Colorado 80303

(303) 299-9097

(303) 926-4415


Stephen K. Frazier, Vice President
Date: 3-13-06


Steven L. Prince, Vice President Operations
Date: 3-13-06

NAME (PLEASE PRINT) _____ TITLE _____
SIGNATURE _____ DATE _____

(This space for State use only)

APPROVED 3/29/06

Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

(5/2000)

RECEIVED
MAR 28 2006
DIV. OF OIL, GAS AND MINING

EXHIBIT "A"
SUNDRY NOTICES AND REPORTS ON WELLS

CHANGE OF OPERATOR FROM KLABZUBA OIL & GAS, INC. TO FELLOWS ENERGY, LIMITED, EFFECTIVE JANUARY 1, 2006

API #	Well Name	Description	Lease Serial Number
43-007-30044	Gordon Creek Unit #1	NW/4SE/4 of Section 19, T14S-R8E, SLB&M	ML-46539
43-007-30724	Gordon Creek State 19-14-8	SE/4NW/4 of Section 19, T14S-R8E, SLB&M	ML-27908
43-007-30725	Burnside 29-14-8	NW/4NE/4 of Section 29, T14S-R8E, SLB&M	
43-007-30807	Gordon Creek State 19-14-8(B)	NW/4SW/4 of Section 19, T14S-R8E, SLB&M	ML-27908
43-007-30874	Gordon Creek State 1-19-14-8	SE/4NE/4 of Section 19, T14S-R8E, SLB&M	ML-46539
43-007-30881	Gordon Creek State 4-18-14-8	SE/4SE/4 of Section 18, T14S-R8E, SLB&M	ML-46537
43-007-30883	Gordon Creek State 2-20-14-8	NW/4NW/4 of Section 20, T14S-R8E, SLB&M	ML-46539
43-007-30892	Gordon Creek State 1A-18-14-8	SE/4NE/4 of Section 18, T14S-R8E, SLB&M	ML-46537
43-007-30875	Gordon Creek State 1-30-14-8	NE/4NE/4 of Section 30, T14S-R8E, SLB&M	ML-46539
43-007-30902	Gordon Creek State 1-7-14-8	SE/4NE/4 of Section 7, T14S-R8E, SLB&M	ML-46537
43-007-30903	Gordon Creek State 3-7-14-8	SE/4SW/4 of Section 7, T14S-R8E, SLB&M	ML-46537
43-007-30904	Gordon Creek State 4-7-14-8	NE/4SE/4 of Section 7, T14S-R8E, SLB&M	ML-46537
43-007-30905	Gordon Creek State 3-20-14-8	SW/4SW/4 of Section 20, T14S-R8E, SLB&M	ML-46539
43-007-30906	Gordon Creek State 2-29-14-8	NW/4NW/4 of Section 29, T14S-R8E, SLB&M	ML-46539
43-007-30932	Gordon Creek State 3-5-14-8	SE/4SW/4 of Section 5, T14S-R8E, SLB&M	ML-46537

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

ROUTING

1. DJJ
2. CDW

X - Change of Operator (Well Sold)

Operator Name Change/Merger

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

6/1/2007

FROM: (Old Operator): N2560-Fellows Energy, LTD 8716 Arapahoe Rd Boulder, CO 80303 Phone: 1 (303) 327-1515	TO: (New Operator): N3245-Gordon Creek, LLC 807 N Pinewood Cir Price, UT 84501 Phone: 1 (435) 650-4492
---	--

CA No.		Unit:						
WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED LIST								

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: 9/27/2007
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 9/27/2007
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 10/30/2007
- a. Is the new operator registered in the State of Utah: _____ Business Number: 6208039-0160
- b. If **NO**, the operator was contacted on: _____
- a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- b. Inspections of LA PA state/fee well sites complete on: 6/15/2007
- c. Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM BIA
- Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: _____
- Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: _____
- 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: 10/15/2007

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 10/15/2007
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 10/15/2007
- Bond information entered in RBDMS on: 10/15/2007
- Fee/State wells attached to bond in RBDMS on: 10/15/2007
- Injection Projects to new operator in RBDMS on: 10/15/2007
- Receipt of Acceptance of Drilling Procedures for APD/New on: 9/27/2007

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: _____
- Indian well(s) covered by Bond Number: _____
- a. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB0010790
- b. The **FORMER** operator has requested a release of liability from their bond on: not yet
The Division sent response by letter on: _____

LEASE INTEREST OWNER NOTIFICATION:

- (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 10/16/2007

COMMENTS:

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:
See Attachment A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
N/A

7. UNIT or CA AGREEMENT NAME:
N/A

8. WELL NAME and NUMBER:
See Attached

9. API NUMBER:
See Att. A

10. FIELD AND POOL, OR WILDCAT:

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL
OIL WELL GAS WELL OTHER _____

2. NAME OF OPERATOR:
Gordon Creek, LLC

3. ADDRESS OF OPERATOR:
807 North Pinewood Circle CITY **Price** STATE **UT** ZIP **84501** PHONE NUMBER: **(435) 650-4492**

4. LOCATION OF WELL
FOOTAGES AT SURFACE: _____ COUNTY: _____
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: _____ 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 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.
Change of Operator from Fellows Energy, Ltd. to Gordon Creek, LLC effective June 1, 2007:
Bond # for Gordon Creek, LLC is RLB 0010790

From: Fellows Energy, Ltd. *N2560*
Steven L. Prince
Steven L. Prince, Vice President and Director
Date: 3 AUGUST 2007

To: Gordon Creek, LLC *N 3245*
By Thunderbird Energy Inc., its Managing Member
Cameron White
Cameron White, President
Date: AUGUST 3, 2007

NAME (PLEASE PRINT) _____ TITLE _____
SIGNATURE _____ DATE _____

(This space for State use only)

APPROVED 10115107
Earlene Russell
Division of Oil, Gas and Mining (See Instructions on Reverse Side)
Earlene Russell, Engineering Technician

RECEIVED
SEP 27 2007
DIV. OF OIL, GAS & MINING

Fellows Energy, LLC (N2560) to Gordon Creek, LLC (N3245)

well_name	sec	twp	rng	api	entity	lease	well	stat	flag	unit	qtr_qtr	l_num	op no	zone
GORDON CREEK U 1	19	140S	080E	4300730044	13707	State	GW	P			NWSE	ML-46539	N2560	FRSD
GORDON CREEK ST 19-14-8	19	140S	080E	4300730724	13251	State	GW	P			SENE	ML-27908	N2560	FRSD
BURNSIDE 29-14-8	29	140S	080E	4300730725	13250	Fee	GW	S			NWNE	FEE	N2560	FRSD
GORDON CREEK ST 19-14-8 (B)	19	140S	080E	4300730807	13708	State	GW	S			NESW	ML-27908	N2560	FRSD
GORDON CREEK ST 1-19-14-8	19	140S	080E	4300730874	13646	State	GW	P			SENE	ML-46539	N2560	FRSD
GORDON CREEK ST 4-18-14-8	18	140S	080E	4300730881	13665	State	GW	S			SESE	ML-46537	N2560	FRSD
GORDON CREEK ST 2-20-14-8	20	140S	080E	4300730883	13694	State	GW	S			NWNW	ML-46539	N2560	FRSD
GORDON CREEK ST 1A-18-14-8	18	140S	080E	4300730892	13709	State	GW	P			SENE	ML-46537	N2560	FRSD
GORDON CREEK ST 4-7-14-8	07	140S	080E	4300731230		State	GW	APD	TRUE		NESE	ML-46537	N2560	
GORDON CREEK ST 1-7-14-8	07	140S	080E	4300731231		State	GW	APD	TRUE		SENE	ML-46537	N2560	
GORDON CREEK ST 3-7-14-8	07	140S	080E	4300731232		State	GW	APD	TRUE		SESW	ML-46537	N2560	
GORDON CREEK ST 3-20-14-8	20	140S	080E	4300731233		State	GW	APD			SWSW	ML-46539	N2560	
GORDON CREEK ST 2-29-14-8	29	140S	080E	4300731234		State	GW	APD	TRUE		NWNW	ML-46539	N2560	
GORDON CREEK ST 1-30-14-8	30	140S	080E	4300731235		State	GW	APD	TRUE		NENE	ML-46539	N2560	