



TALON RESOURCES INC

April 7, 2004

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—WhitMar Exploration Company
 27-1, 625' FNL, 2,079' FEL, NW/4 NE/4, Section 27, T13S, R11E, SLB&M, Carbon County, Utah

Dear Mrs. Mason:

On behalf of WhitMar Exploration Company (WhitMar), Talon Resources, Inc. respectfully submits the enclosed original and one copy of the *Application for Permit to Drill (APD)* for the above referenced well. Included with the APD is the following supplemental information:

- Exhibit "A" - Survey plats and layouts of the proposed well site;
- Exhibit "B" - Proposed location maps with pipe, power, and road corridors;
- 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 wellhead manifold diagram.

Please accept this letter as WhitMar's, written request for confidential treatment of all information contained in and pertaining to this application.

Thank you very much for your timely consideration of this application. Please feel free to contact myself or Whitney Marvin of WhitMar at 713-739-7300 if you have any questions or need additional information.

Sincerely,


 Larry Johnson
 Agent for WhitMar

cc: Whitney Marvin, WhitMar
 Mark Jones, DOGM, Price Office
 Ed Bonner, SITLA— State Office

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DIV. OF OIL, GAS & MINING

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

FORM 3

AMENDED REPORT
(highlight changes)

001

APPLICATION FOR PERMIT TO DRILL

1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		5. MINERAL LEASE NO: Fee	6. SURFACE: Fee
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A	
2. NAME OF OPERATOR: WhitMar Exploration Company		8. UNIT or CA AGREEMENT NAME: N/A	
3. ADDRESS OF OPERATOR: 1021 Main, Suite 1100 CITY Houston STATE TX ZIP 77002		9. WELL NAME and NUMBER: 27-1	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 625' FNL, 2,079' FEL AT PROPOSED PRODUCING ZONE: 625' FNL, 2,079' FEL		10. FIELD AND POOL, OR WILDCAT: undesignated Windcat	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 9.56 miles northeast of Wellington, Utah		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 27 13 S 11 E E	12. COUNTY: Carbon
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 625'	16. NUMBER OF ACRES IN LEASE: 360	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 160	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 2,600'	19. PROPOSED DEPTH: 2,900	20. BOND DESCRIPTION: Pending	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 6,069'	22. APPROXIMATE DATE WORK WILL START: 5/15/2004	23. ESTIMATED DURATION: 14 days	

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
12-1/4"	8-5/8" J-55 ST 24 #	350	Howco Prem Plus V	200 sacks	1.20 cu.ft/sk 15.6 ppg
7-7/8"	5-1/2" J-55 ST 15.5 #	2,800	Howco CBM Lt LCM	90 sacks	4.59 cu.ft/sk 10.5 ppg
			Howco CBM Light	80 sacks	1.99 cu.ft/sk 13.0 ppg

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ATTACHMENTS

DIV. OF OIL, GAS & MINING

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

- | | |
|------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN |
| <input type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER | <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER |

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NAME (PLEASE PRINT) Larry Johnson TITLE Agent for WhitMar Exploration Company
SIGNATURE [Signature] DATE 4/7/2004

(This space for State use only)

API NUMBER ASSIGNED: 43-007-30938

APPROVAL:

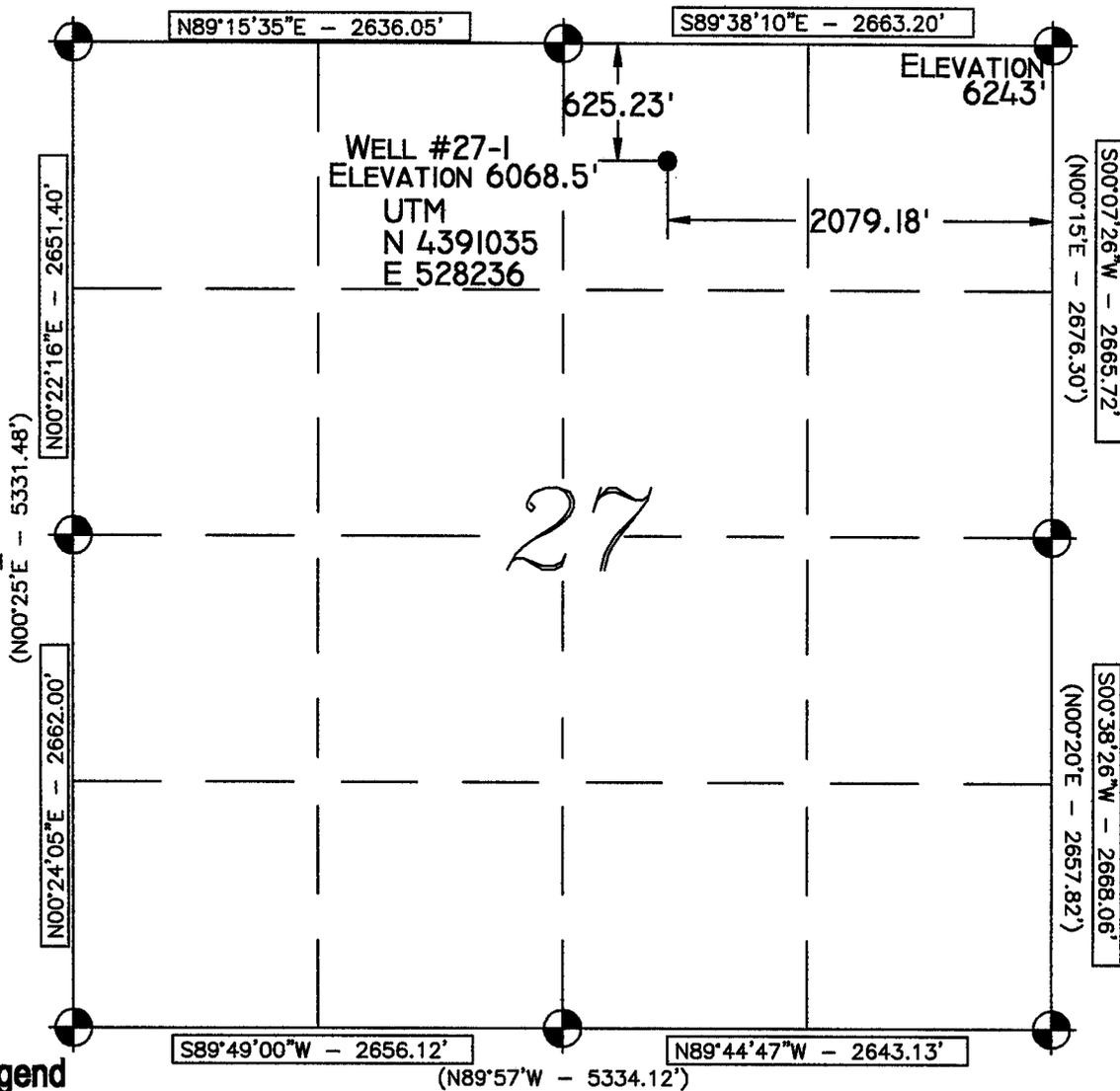
Approved by the
Utah Division of
Oil, Gas and Mining

Date: 03-17-05
By: [Signature]

Range 11 East

(WEST - 5316.96')

Township 13 South



Location:

THE BEARINGS INDICATED ARE PER THE RECORDED PLAT OBTAINED FROM THE U.S. LAND OFFICE. THE WELL LOCATION WAS DETERMINED USING A TRIMBLE 4700 GPS SURVEY GRADE UNIT.

Location:

THE BEARINGS INDICATED ARE PER THE RECORDED PLAT OBTAINED FROM THE U.S. LAND OFFICE. THE WELL LOCATION WAS DETERMINED USING A TRIMBLE 4700 GPS SURVEY GRADE UNIT.

Basis of Elevation:

BASIS OF ELEVATION OF 6243' BEING AT THE NORTHEAST CORNER OF SECTION 27, TOWNSHIP 13 SOUTH, RANGE 11 EAST, SALT LAKE BASE & MERIDIAN, AS SHOWN ON THE DEADMAN CANYON QUADRANGLE 7.5 MINUTE SERIES MAP.

Description of Location:

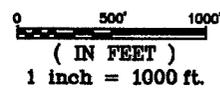
PROPOSED DRILL HOLE LOCATED IN THE NW 1/4, NE 1/4 OF SECTION 27, BEING 625.23' SOUTH AND 2079.18' WEST FROM THE NORTHEAST CORNER OF SECTION 27, T13S, R11E, SALT LAKE BASE AND MERIDIAN.

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



Legend

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

NOTE:

UTM AND LATITUDE / LONGITUDE COORDINATES AEE DERIVED USING A GPS WASS SYSTEM AND ARE SHOWN IN NAD 27 DATUM.

LAT/LONG
39°40'23"N
110°40'15"W



Talon Resources, Inc.
195 North 100 West
Huntington, Utah 84528
Ph: 435-687-5310
Fax: 435-687-5311

WHITMAR EXPLORATION COMPANY
WELL #27-1
Section 27, T13S, R11E, S.L.B.&M.
Carbon County, Utah

Drawn By: J. STANSFIELD	Checked By: L.W.J./A.J.S.
Drawing No. A-1	Date: 03/25/04
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 1275

Drilling Program
Exhibit "D"

Attached to UDOGM Form 3
WhitMar Exploration Company
27-1
NW/4 NE/4, Sec. 27, T13S, R11E, SLB & M
625' FNL, 2,079' FEL
Carbon County, Utah

1. The Geologic Surface Formation

Blue Gate Shale Member of the Mancos Shale

2. Estimated Tops of Important Geologic Markers

<u>Marker</u>	<u>Depth (MD)</u>
Mancos Blue Gate Marker	2,200'
Ferron Sandstone	2,500'
Total Depth	2,800'

3. Projected Gas & Water Zones

Ferron coals and sandstones 2,500' to 2,760'

No groundwater is expected to be encountered. 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 1000 psi.

4. The Proposed Casing and Cementing Programs

<u>HOLE SIZE</u>	<u>SETTING DEPTH (INTERVAL)</u>	<u>SIZE (OD)</u>	<u>WEIGHT, GRADE & JOINT</u>	<u>CONDITION</u>
12-1/4"	350'	8-5/8"	24# J-55 ST&C	New
7-7/8"	2,800'	5-1/2"	15.5# J-55 ST&C	New

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Cement Program – Every attempt will be made to bring cement back to surface

Surface Casing: 200 sacks Howco Premium Plus V + CaCl + Flocele;
Weight: 15.6 #/gal
Yield: 1.20 cu.ft/sk

Production Casing: 90 sacks Howco CBM Light LCM
Weight: 10.5 #/gal
Yield: 4.59 cu.ft/sk
80 sacks Howco CBM Light
Weight: 13.0 #/gal
Yield: 1.99 cu.ft/sk

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

Exhibit "G" is a schematic diagram of the blowout preventer equipment. A double gate 2000 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 - 350' 12-1/4" hole Drill with air, will mud-up if necessary.

350' - TD 7-7/8" hole Drill with air, will mud-up if necessary.
500 psi @ 1500-2300 Scf.

If fluid is necessary it will be fresh water + Quik-Gel + Pac-R + Therma-Thin + Barolift at 8.5 – 8.8 #/gal maximum.

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

350-TD Schl Neutron-Density, PEX-AITH

Overpressuring

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.

Lost Circulation

Previous drilling records in this area indicate potential lost circulation while drilling or cementing the production casing for the wells. We plan to include lost circulation material in the production cement and have lost circulation material /additives on location while drilling.

8. Anticipated Starting Date and Duration of the Operations.

The well will be drilled approx.: May 15, 2004.

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.

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		7. UNIT or CA AGREEMENT NAME: UTU84383
		8. WELL NAME and NUMBER: 27-1
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	9. API NUMBER: 4300730938	
2. NAME OF OPERATOR: WhitMar Exploration Company	10. FIELD AND POOL, OR WILDCAT: Helper	
3. ADDRESS OF OPERATOR: 555 17th Street, Ste. 880 CITY Denver STATE CO ZIP 80202	PHONE NUMBER: (303) 991-9400	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 625' FNL, 2079' FEL	COUNTY: Carbon	
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 27 13S 11E	STATE: UTAH	

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> 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.

Please see attached proposal of operations.
This well is currently inactive.
I have attached a copy of the completion report for the well bore information.
In summary the TD of this well is 3560'
Casing:
12 1/4 hole with 8 5/8 and 24# from surface to 350'
7 7/8 hole with 5 1/2 and 15.5# from surface to 3460'
Ferron Sand top is 3098'
Plugging operations to commence on Friday, April 3, 2008

COPY SENT TO OPERATOR
Date: 4.4.2008
Initials: KS

NAME (PLEASE PRINT) <u>Heather Mitchell</u>	TITLE <u>Operations Coordinator</u>
SIGNATURE <u>Heather Mitchell</u>	DATE <u>4/1/2008</u>

(This space for State use only)

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

DATE: 4/2/08 See Instructions on Reverse Side

BY: [Signature]

*See Conditions of Approval (Attached)

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APR 02 2008
DIV. OF OIL, GAS & MINING

Proposal for 27-1 Location

Day #1

Move in rig up
Nipple down drive head
Lay down rods & rotor (Back off rods)
Nipple up Bop & TOOH, pulling cap string & tally pipe
Lay down PC pump

Day #2

RIH to 3165' Tig up cement crew, test lines to 3000#'s
Pump 100' of class A + 2% Ca Chl.. (15.6 ppg, yield 1.18 cfps. 5.23 gps)
TOOH to 2665', Reverse circulate tubing clean
TOOH Laying down to 375' & stand back 10 jts.
SWIFN

Day #3

RIH with wire line & sinker bar Tag Plug pull out of hole
RIH with perf gun 2', 4spf .50, & perf @ 365'
TIH with tubing & retainer & set @ 310'
TOOH & RIH to sting into retainer
Rig up cement crew & pump to break circulation
Pump 200' of cement 100' inside casing & 100' outside casing
28 sks of (15.1 ppg, yield 1.18 cfps, 5.23 sps)
TOOH laying down
SWIFN

Day #4

RIH with sand line & sinker bar & tag cement
Release rig & rig down
Cut off casing @ surface & weld on cap & monument marker

Day #5 & #6

Rig up flow lines & move sep. & meter to SWD #1 location & reclaim location



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

CONDITIONS OF APPROVAL TO PLUG AND ABANDON WELL

Well Name and Number: 27-1
API Number: 43-007-30938
Operator: WhitMar Exploration Company
Reference Document: Original Sundry Notice dated April 1, 2008,
received by DOGM on April 2, 2008.

Approval Conditions:

1. Notify the Division at least 24 hours prior to conducting abandonment operations. Please call Dan Jarvis at 801-538-5338.
2. **ADD PLUG #3 (surface plug):** A 50' plug shall be placed inside and outside the 5 1/2" casing from a minimum depth of 50' to surface (14 sx) – see R649-3-24-3.4
3. Surface reclamation shall be done in accordance with R649-3-34 – Well Site Restoration. Evidence of compliance with this rule should be supplied to the Division upon completion of reclamation.
4. All requirements in the Oil and Gas Conservation General Rule R649-3-24 shall apply.
5. If there are any changes to the plugging procedure or the wellbore configuration, notify Dustin Doucet at 801-538-5281 (ofc) or 801-733-0983 (home) prior to continuing with the procedure.
6. All other requirements for notice and reporting in the Oil and Gas Conservation General Rules shall apply.

Dustin K. Doucet
Petroleum Engineer

April 2, 2008
Date



Wellbore Diagram

API Well No: 43-007-30938-00-00 Permit No: Well Name/No: 27-1

Company Name: WHITMAR EXPLORATION COMPANY

Location: Sec: 27 T: 13S R: 11E Spot: NWNE

Coordinates: X: 528228 Y: 4391300

Field Name: HELPER

County Name: CARBON

String Information

String	Bottom (ft sub)	Diameter (inches)	Weight (lb/ft)	Length (ft)
HOL1	350	12.25		
SURF	350	8.625	24	350
HOL2	3460	7.875		
PROD	3460	5.5	15.5	3460

Capacity (f/cf)

7.483
3.105
5.192

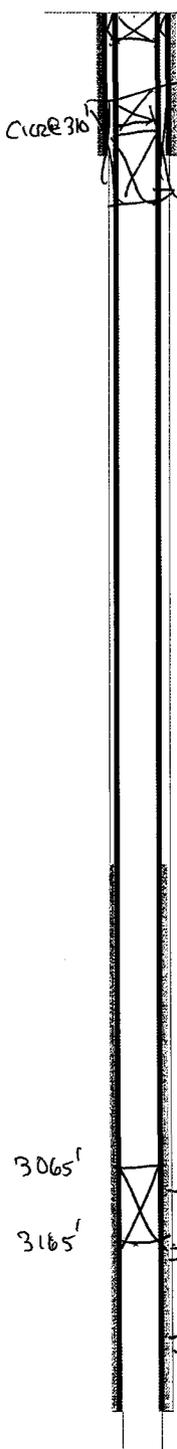
* Add Plug # 3 (Surface plug)

50' min required

inside 50' / (1.18) (7.483) = 65x 7 7/8" x 5 1/2" (209)

outside 50' / (1.18) (5.192) = 85' / 8 5/8" x 5 1/2"

145x



Cement from 350 ft. to surface

Surface: 8.625 in. @ 350 ft. Hole: 12.25 in. @ 350 ft.

Plug # 2 * tag

Below Circ

inside - 55' / (1.18) (7.483) = 75x

outside Below shoe 15' / (1.18) (3.105) = 45x

Above shoe 85' / (1.18) (5.192) = 145x
255x

Above Circ

35x = 26'

45' / (1.18) (7.483) = 55x req.

Propose 285x (23x st below 55x on top) o.k. ✓

Cement Information

String	BOC (ft sub)	TOC (ft sub)	Class	Sacks
PROD	3460	2100		
SURF	350	0	C	200

Perforation Information

Top (ft sub)	Bottom (ft sub)	Shts/Ft	No Shts	Dt Squeeze
3165	3289			

Plug # 1 * tag

100' / (1.18) (7.483) = 125x min req. ✓

Formation Information

Formation	Depth
FRSD	3098

ToC @ 3065' o.k.

3065' - 3098' FRSD

3165' - 3165'

Cement from 3460 ft. to 2100 ft.

Production: 5.5 in. @ 3460 ft.

Hole: 7.875 in. @ 3460 ft.

Hole: Unknown

TD: 3560 TVD: 3560 PBD: 3560

MULTIPOINT SURFACE USE PLAN
Exhibit "E"

Attached to UDOGM Form 3
WhitMar Exploration Company
27-1
NW/4 NE/4, Sec. 27, T13S, R11E, SLB & M
625' FNL, 2,079' FEL
Carbon County, Utah

1. Existing Roads

- a. The proposed access road will encroach the Knight Ideal Mine Road in which approval to upgrade an existing encroachment is pending approval from the Carbon County Road Department (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 6,900' of two-track road will be improved and approximately 350' of new road will be constructed (see Exhibit "B").
- b. Maximum Width: 20' travel surface with a 24' base.
- c. Maximum grade: 10 %.
- c. Turnouts: None.
- d. Drainage design: approximately 6 – 18" culverts may be required. Water will be diverted away from the planned access 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.

3. Location of Existing Wells

- a. There are no existing wells within a one mile radius of the proposed well site (see Exhibit "B").

4. Location of Existing and/or Proposed Facilities

- a. If the well is a producer, additional wells will be drilled and installation of production facilities will follow.
- b. Buried powerlines and gathering lines, when installed, will follow the proposed access roads and tie-in at the county road (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 a local water source (probably 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. All necessary construction materials needed will be obtained locally 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. Since the well will be air drilled, a 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 reserve pit will be lined and three sides of the pit will be fenced within 24 hours after completion of construction and the fourth side within 24 hours after drilling operation 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 pad location
- c. In the event fluids are produced, any oil will be retained in tankage 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.
- d. 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 camp trailers to be located on the drill site.

9. Wellsite Layout

- a. Available topsoil will be removed from the location and stockpiled. The location of mud tanks, reserve pits, and soil stockpiles will be located as shown on Exhibit "C".
- a. 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 recontoured 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 the existing 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 wellsite is to be abandoned, all disturbed areas will be recontoured.

11. Surface Ownership

- a. The wellsite will be constructed on lands owned by the Lester C. & Carol Lynn Thayn, Trust; 7310 East Highway 6, Wellington, Utah 84542. Lester Thayn can be reached at 435-637-4512. 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 an old abandoned cabin approximately 3,800' southwest. Nearest live water is Coal Creek approximately 1,800' 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 backslope and foreslope 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 at the well site during construction and drilling operations.
- f. There will be no deviation from the proposed construction, drilling, and/or workover program without prior approval from the Division of Oil, Gas & Mining.

13. **Company Representatives**

Whitney Marvin – Landman, President and Chairman
WhitMar Exploration Company
1021 Main Street, Suite 1100
Houston, Texas 77002

(713) 739-7300 office
(713) 739-7333 fax

Mail Approved A.P.D. To:

Company Representative

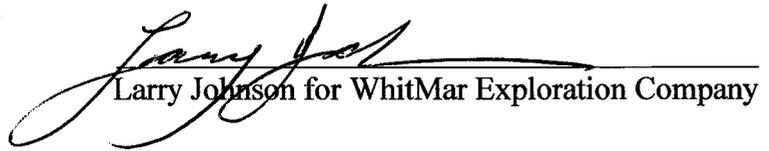
Excavation Contractor

To be awarded in the future

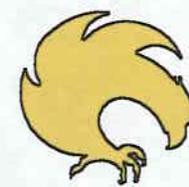
14. **Certification**

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 WhitMar and its subcontractors in conformity with this plan and the terms and conditions under which it is approved.

4/7/04
Date


Larry Johnson for WhitMar Exploration Company

ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 6068.5'
 ELEVATION OF GRADED GROUND AT LOCATION STAKE = 6068.0'

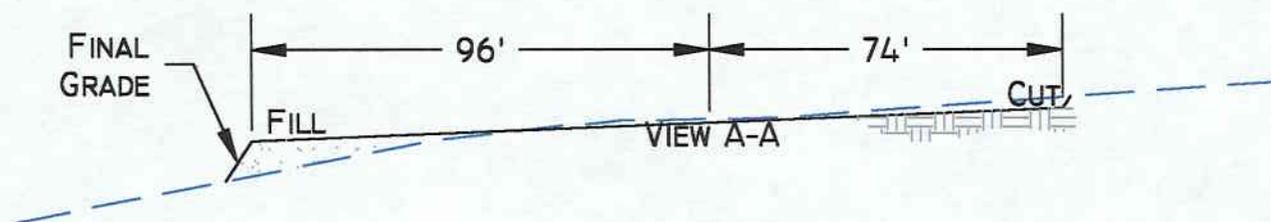
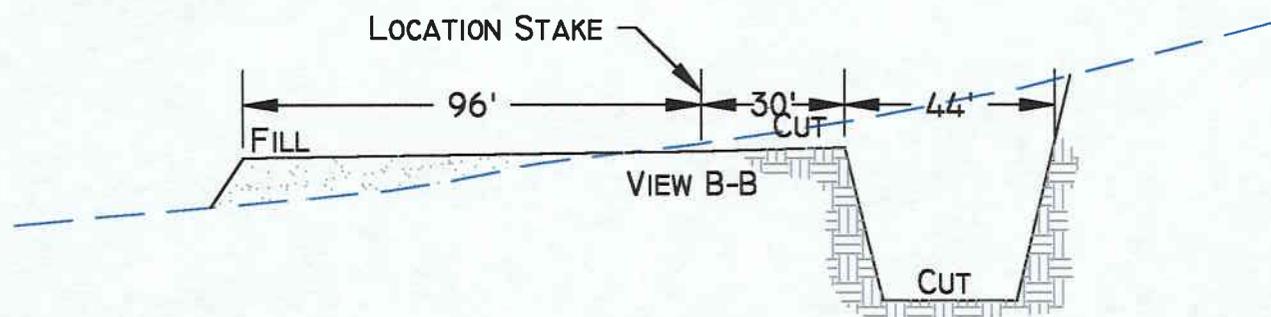
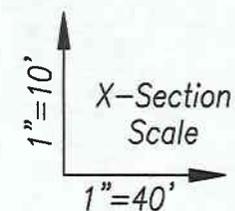
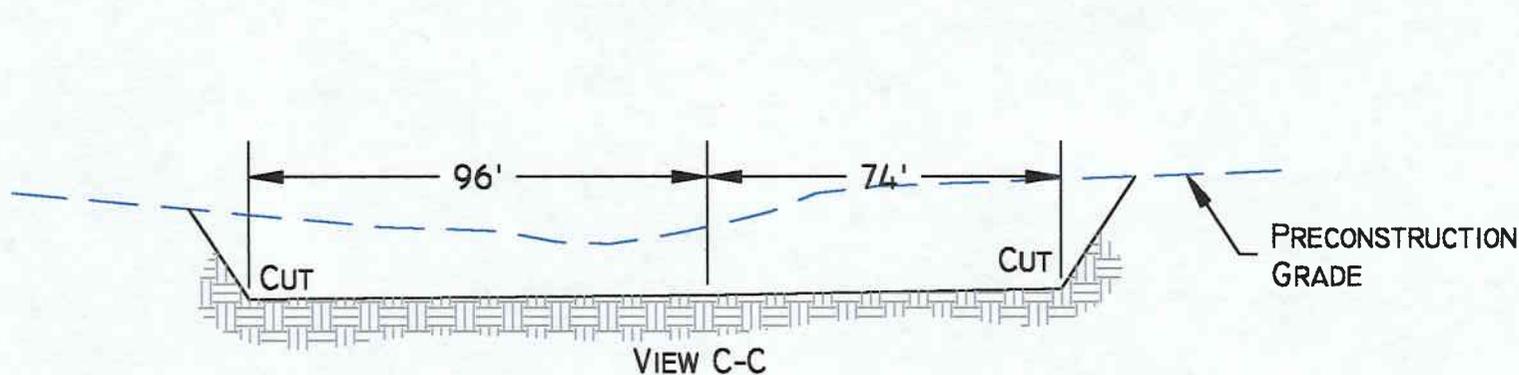


TALON RESOURCES, INC.
 195 North 100 West P.O. Box 1230
 Huntington, Utah 84528
 Phone (435)687-5310 Fax (435)687-5311
 E-Mail taloneetv.net

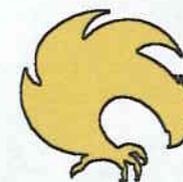
WHITMAR EXPLORATION COMPANY

LOCATION LAYOUT
 Section 27, T13S, R11E, S.L.B.&M.
 WELL #27-1

Drawn By: J. STANSFIELD	Checked By: L.W.J.
Drawing No. A-2	Date: 02/17/04
	Scale: 1" = 50'
Sheet 2 of 4	Job No. 1275



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



TALON RESOURCES, INC

195 North 100 West P.O. Box 1230
Huntington, Utah 84528

Phone (435)687-5310 Fax (435)687-5311
E-Mail talonectv.net

**WHITMAR EXPLORATION
COMPANY**

TYPICAL CROSS SECTION
Section 27, T13S, R11E, S.L.B.&M.
WELL #27-1

Drawn By: J. STANSFIELD	Checked By: L.W.J.
Drawing No. C-1	Date: 02/17/04
	Scale: 1" = 40'
Sheet 3 of 4	Job No. 1275

APPROXIMATE YARDAGES

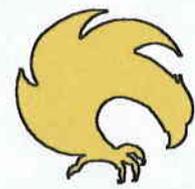
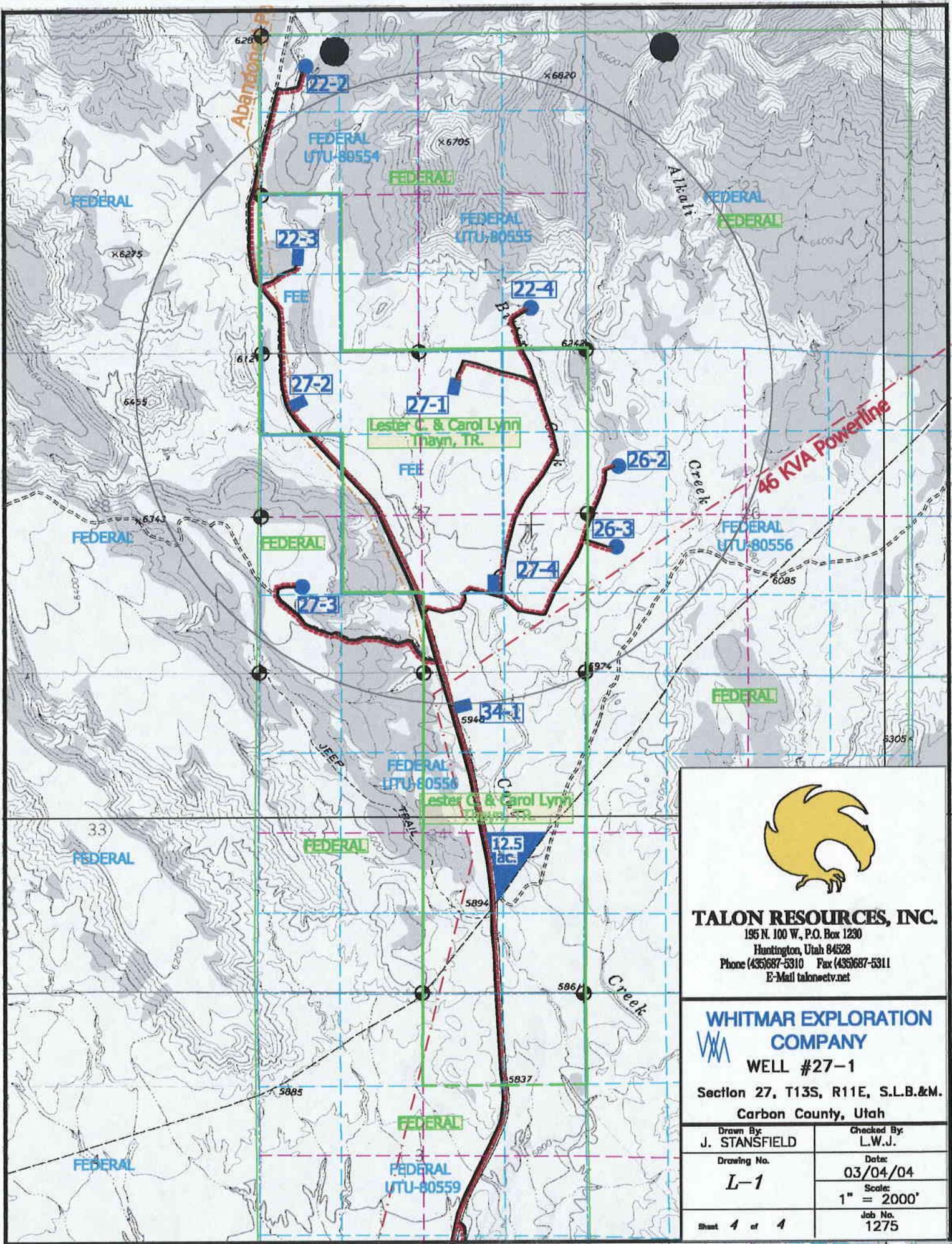
(6") TOPSOIL STRIPPING = 750 CU. YDS.

REMAINING LOCATION = 2,470 CU, YDS.

(INCLUDING TOPSOIL STRIPPING)

TOTAL CUT (INCLUDING PIT) = 3,320 CU. YDS.

TOTAL FILL = 560 CU. YDS.



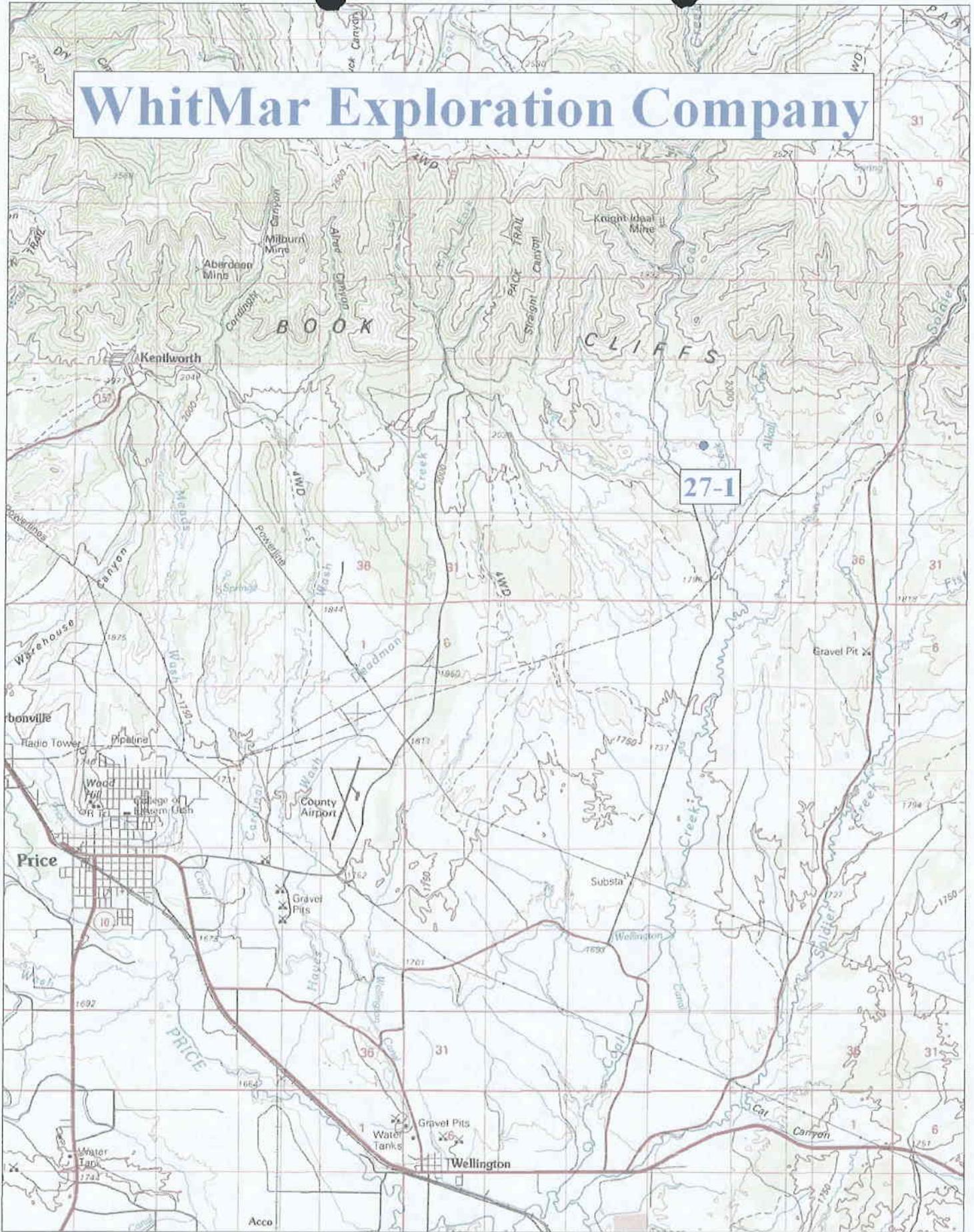
TALON RESOURCES, INC.
 195 N. 100 W., P.O. Box 1230
 Huntington, Utah 84528
 Phone (435)687-5310 Fax (435)687-5311
 E-Mail talonnetv.net

WHITMAR EXPLORATION COMPANY
 WELL #27-1

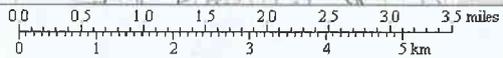
Section 27, T13S, R11E, S.L.B.&M.
 Carbon County, Utah

Drawn By: J. STANSFIELD	Checked By: L.W.J.
Drawing No. L-1	Date: 03/04/04
	Scale: 1" = 2000'
Sheet 4 of 4	Job No. 1275

WhitMar Exploration Company



TN \uparrow MN
12 1/2°



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BLOOIE
PIT

PIPE RACKS

PIPE RACKS

BASKET

BASKET

BASKET

BASKET

RESERVE PIT

MUD PIT

50'

RIG

13'

SUBST

WATER TANK 10'

40'

22'

PUMP

PUMP

LIGHT PLANT

8' 4' 8'

DIESEL FUEL 26' PROPANE

AIR
PACKAGE

35'

TRAILER 8'

APPROXIMATE LAYOUT OF RIG & EQUIPMENT
(Not to Scale)

EXHIBIT "C"

TYPICAL ROAD CROSS-SECTION

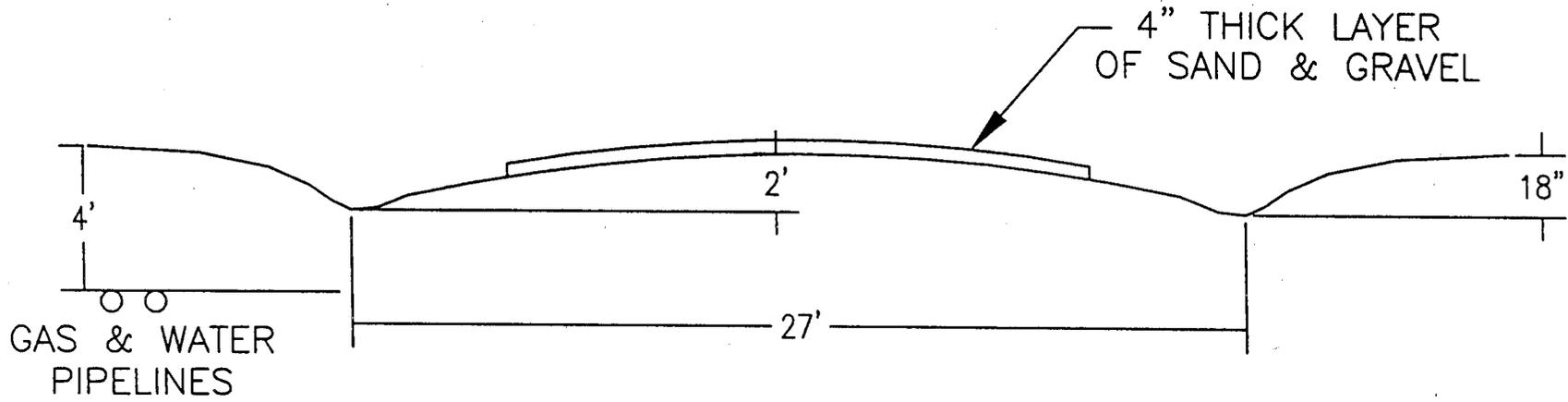


EXHIBIT "F"

BOP Equipment

2000 psi WP

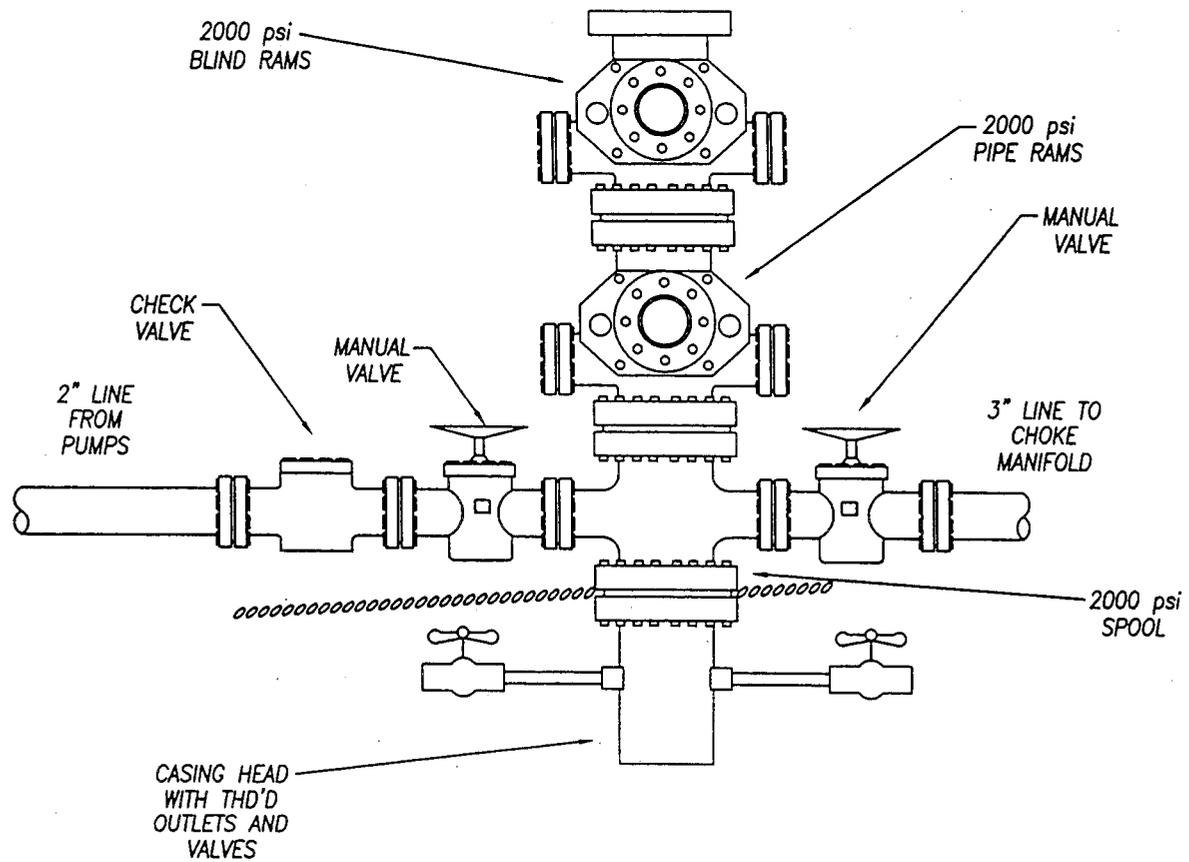
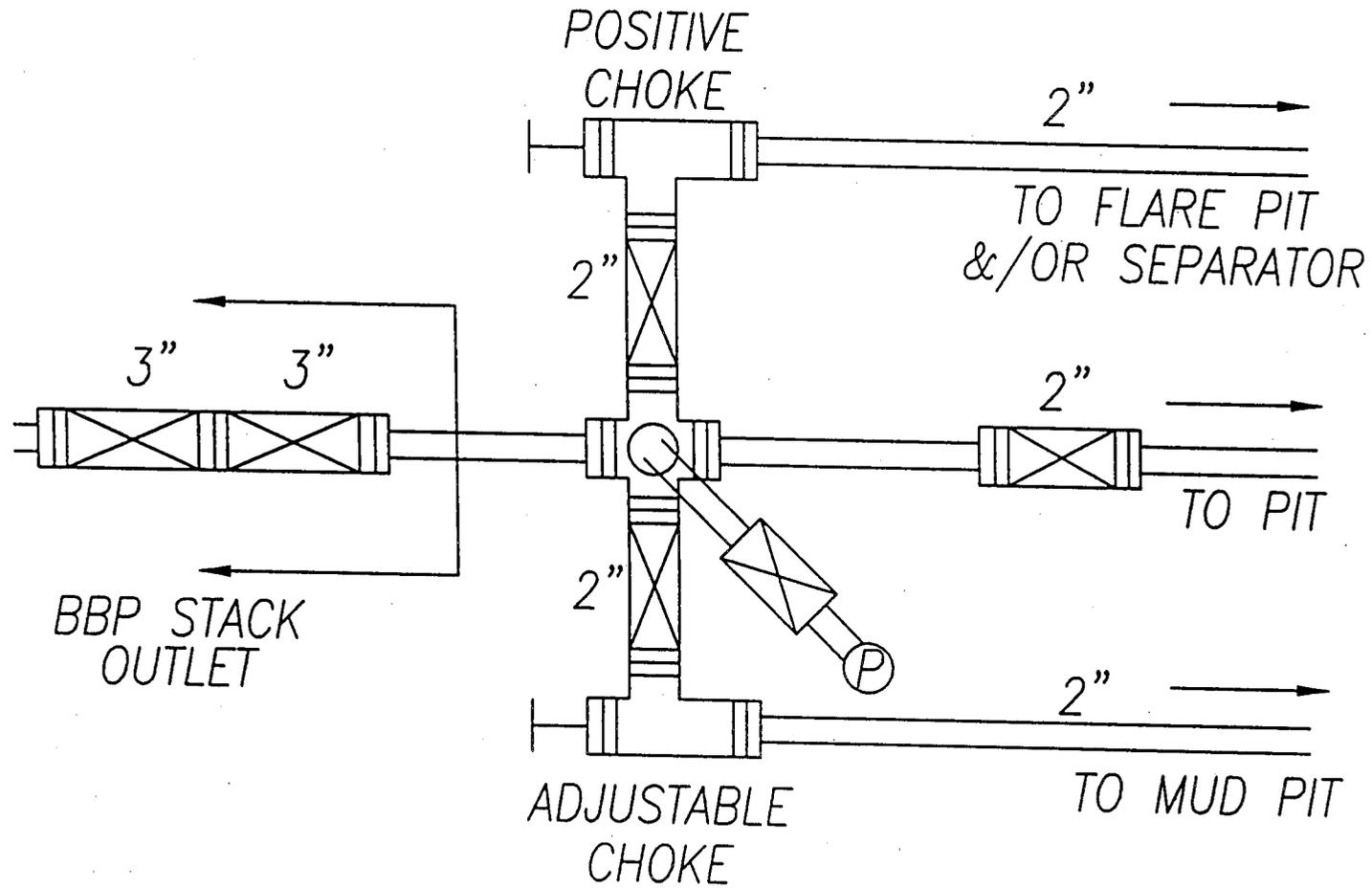


EXHIBIT "G"

CHOKE MANIFOLD



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

FORM 3

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL			5. MINERAL LEASE NO: Fee	6. SURFACE: Fee
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>			7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			8. UNIT or CA AGREEMENT NAME: N/A	
2. NAME OF OPERATOR: WhitMar Exploration Company			9. WELL NAME and NUMBER: 27-1	
3. ADDRESS OF OPERATOR: 1021 Main, Suite 1100 CITY Houston STATE TX ZIP 77002		PHONE NUMBER: (713) 739-7300	10. FIELD AND POOL, OR WILDCAT: undesignated <i>Wildcat</i>	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 625' FNL, 2,079' FEL <i>4391300Y 39.67294</i> <i>5282228X -110.67088</i> AT PROPOSED PRODUCING ZONE: 625' FNL, 2,079' FEL			11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 27 13 11 S	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 9.56 miles northeast of Wellington, Utah			12. COUNTY: Carbon	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 625'	16. NUMBER OF ACRES IN LEASE: 360	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 160		
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 2,600'	19. PROPOSED DEPTH: 2,900	20. BOND DESCRIPTION: Pending		
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 6,069'	22. APPROXIMATE DATE WORK WILL START: 5/15/2004	23. ESTIMATED DURATION: 14 days		

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
12-1/4"	8-5/8" J-55 ST 24 #	350	Howco Prem Plus V	200 sacks	1.20 cu.ft/sk 15.6 ppg
7-7/8"	5-1/2" J-55 ST 15.5 #	2,800	Howco CBM Lt LCM	90 sacks	4.59 cu.ft/sk 10.5 ppg
			Howco CBM Light	80 sacks	1.99 cu.ft/sk 13.0 ppg

RECEIVED
APR 09 2004

25. **ATTACHMENTS** DIV. OF OIL, GAS & MINING

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

CONFIDENTIAL

NAME (PLEASE PRINT) Larry Johnson TITLE Agent for WhitMar Exploration Company

SIGNATURE *Larry Johnson* DATE 4/7/2004

(This space for State use only)

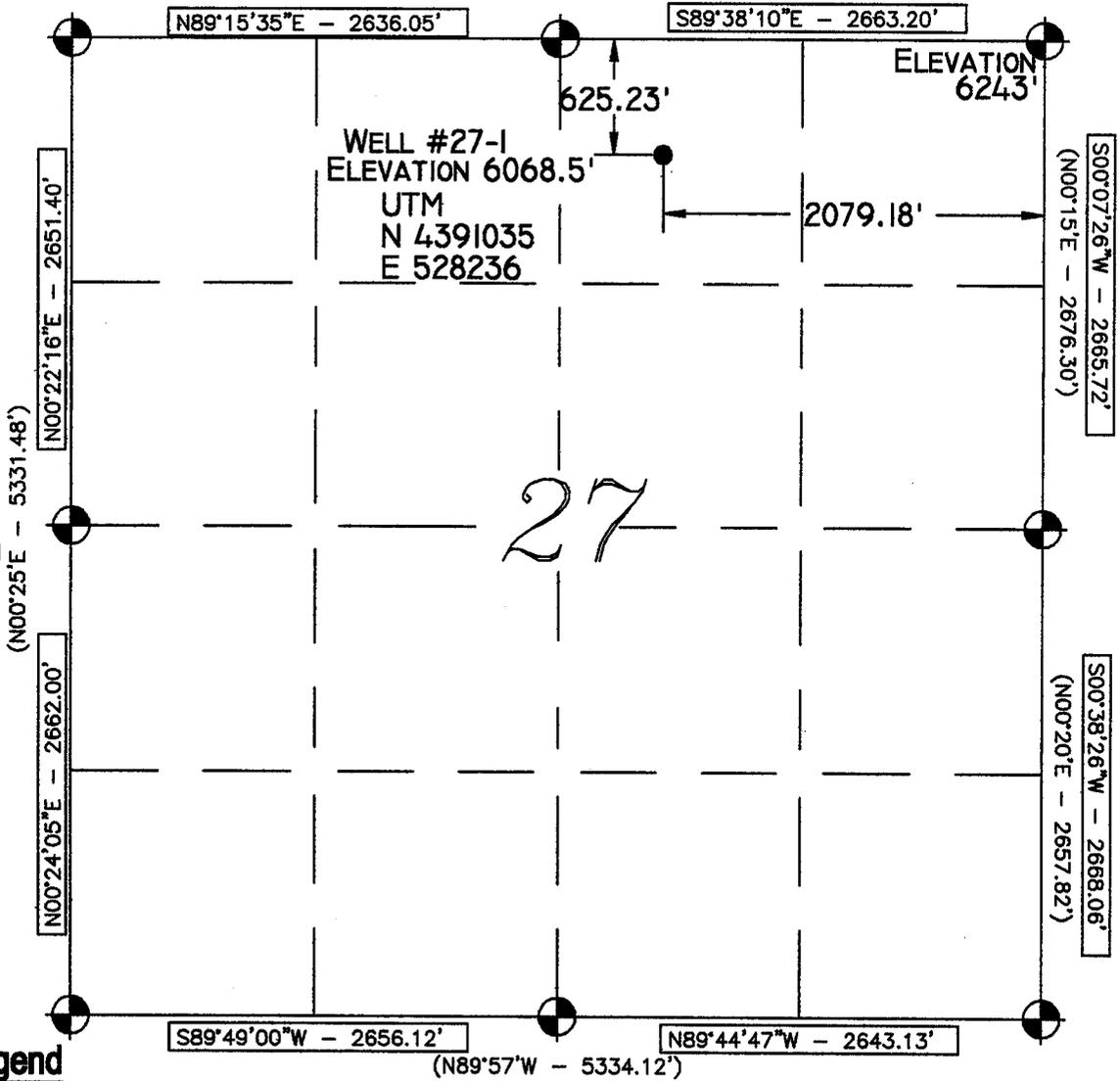
API NUMBER ASSIGNED: 43-007-30938

APPROVAL: _____

Range 11 East

(WEST - 5316.96')

Township 13 South



Location:

THE BEARINGS INDICATED ARE PER THE RECORDED PLAT OBTAINED FROM THE U.S. LAND OFFICE. THE WELL LOCATION WAS DETERMINED USING A TRIMBLE 4700 GPS SURVEY GRADE UNIT.

Location:

THE BEARINGS INDICATED ARE PER THE RECORDED PLAT OBTAINED FROM THE U.S. LAND OFFICE. THE WELL LOCATION WAS DETERMINED USING A TRIMBLE 4700 GPS SURVEY GRADE UNIT.

Basis of Elevation:

BASIS OF ELEVATION OF 6243' BEING AT THE NORTHEAST CORNER OF SECTION 27, TOWNSHIP 13 SOUTH, RANGE 11 EAST, SALT LAKE BASE & MERIDIAN, AS SHOWN ON THE DEADMAN CANYON QUADRANGLE 7.5 MINUTE SERIES MAP.

Description of Location:

PROPOSED DRILL HOLE LOCATED IN THE NW 1/4, NE 1/4 OF SECTION 27; BEING 625.23' SOUTH AND 2079.18' WEST FROM THE NORTHEAST CORNER OF SECTION 27, T13S, R11E, SALT LAKE BASE AND 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.
 195 North 100 West
 Huntington, Utah 84528
 Ph: 435-687-5310
 Fax: 435-687-5311

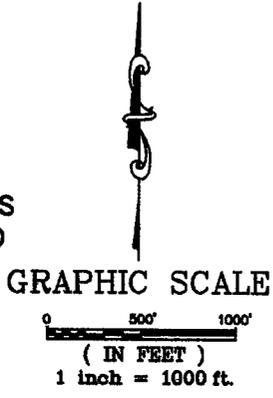
WHITMAR EXPLORATION COMPANY
 WELL #27-1
 Section 27, T13S, R11E, S.L.B.&M.
 Carbon County, Utah

Drawn By: J. STANSFIELD	Checked By: L.W.J./A.J.S.
Drawing No. A-1	Date: 03/25/04
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 1275

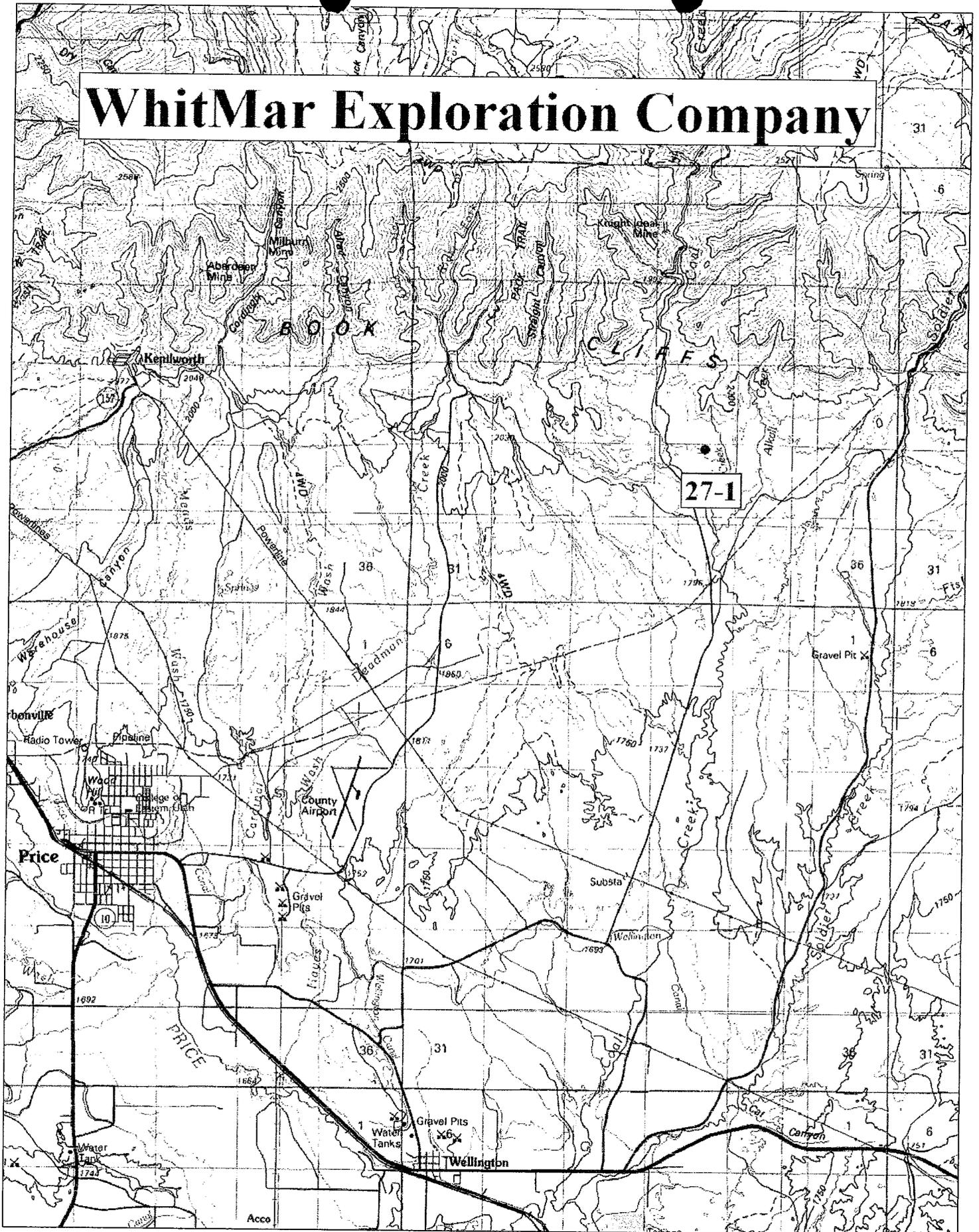
- Legend**
- Drill Hole Location
 - ⊙ Brass Cap (Found)
 - Brass Cap (Searched for, but not found)
 - △ Calculated Corner
 - () GLO
 - GPS Measured

NOTE:
 UTM AND LATITUDE / LONGITUDE COORDINATES AEE DERIVED USING A GPS WASS SYSTEM AND ARE SHOWN IN NAD 27 DATUM.

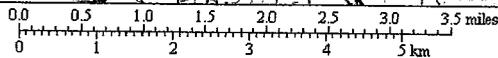
LAT/LONG
 39°40'23"N
 110°40'15"W



WhitMar Exploration Company



TN 12 1/2°



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WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 04/09/2004

API NO. ASSIGNED: 43-007-30938

WELL NAME: 27-1
OPERATOR: WHITMAR EXPLORATION (N2585)
CONTACT: LARRY JOHNSON

PHONE NUMBER: 713-739-7300

PROPOSED LOCATION:

NWNE 27 130S 110E
SURFACE: 0625 FNL 2079 FEL
BOTTOM: 0625 FNL 2079 FEL
CARBON
WILDCAT (1)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DJD	8/3/04
Geology		
Surface		

LEASE TYPE: 4 - Fee
LEASE NUMBER: FEE
SURFACE OWNER: 4 - Fee
PROPOSED FORMATION: FRSD
COALBED METHANE WELL? YES

LATITUDE: 39.67294
LONGITUDE: -110.6709

RECEIVED AND/OR REVIEWED:

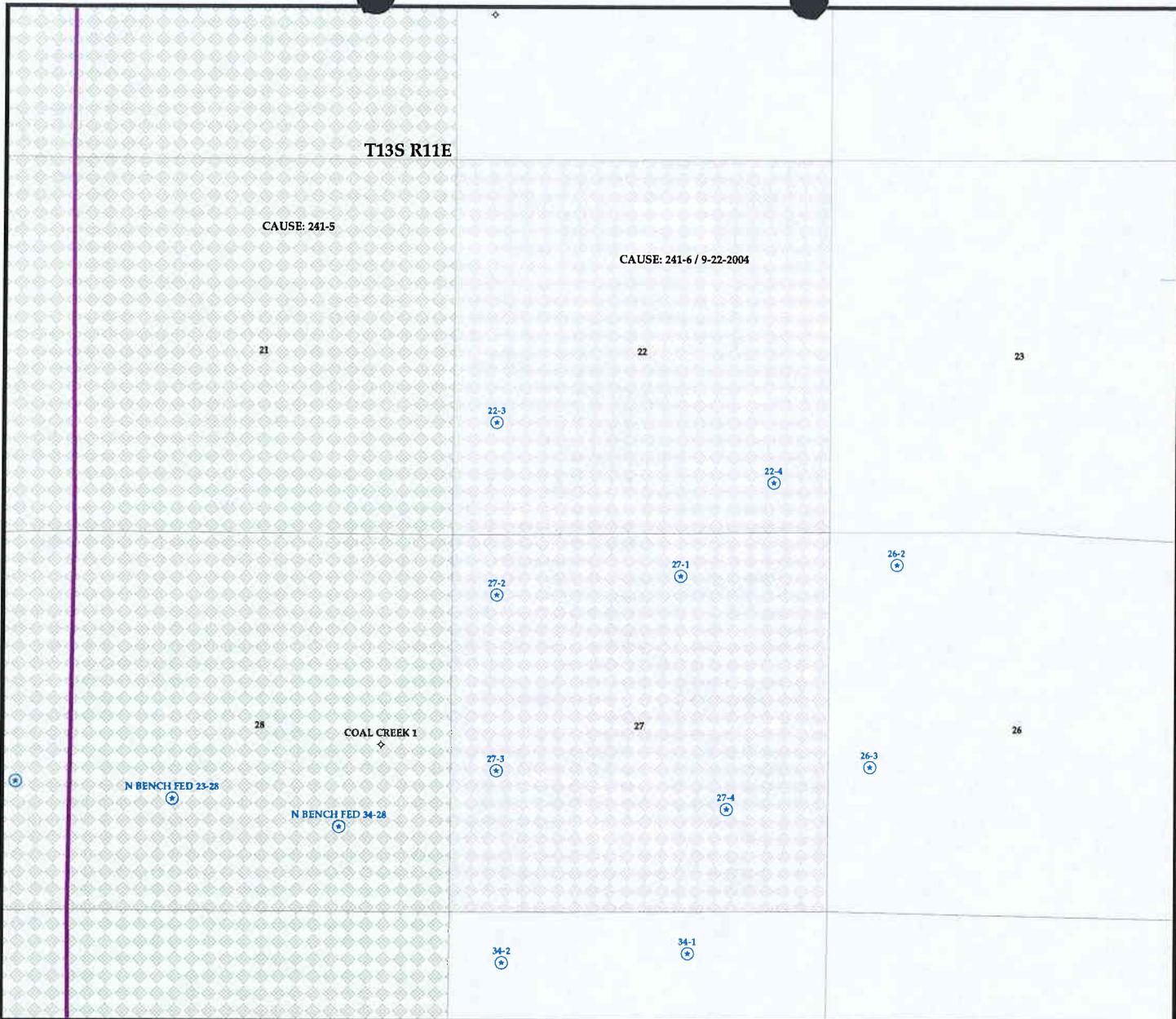
- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]
(No. LPM8792527)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. MUNICIPAL)
- RDCC Review (Y/N)
(Date:)
- Fee Surf Agreement (Y/N)

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: 241-6
Eff Date: 9-22-04
Siting: 460' fr outer bdr. u 920' fr other wells.
- R649-3-11. Directional Drill

COMMENTS: Recd Permit 4-28-04

STIPULATIONS: ① STATEMENT OF BASIS



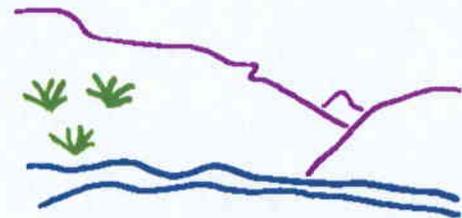
OPERATOR- WHITMAR EXPL CO (N2585)

SEC. 22 & 27 T.13S R.11E

FIELD: WILDCAT (001)

COUNTY: CARBON

CAUSE: 241-6 / 9-22-2004



Utah Oil Gas and Mining

Wells	Units.shp	Fields.shp
♣ GAS INJECTION	□ EXPLORATORY	□ ABANDONED
☆ GAS STORAGE	□ GAS STORAGE	□ ACTIVE
× LOCATION ABANDONED	□ NF PP OIL	□ COMBINED
⊕ NEW LOCATION	□ NF SECONDARY	□ INACTIVE
◇ PLUGGED & ABANDONED	□ PENDING	□ PROPOSED
✱ PRODUCING GAS	□ PI OIL	□ STORAGE
● PRODUCING OIL	□ PP GAS	□ TERMINATED
⊛ SHUT-IN GAS	□ PP GEOTHERML	
⊛ SHUT-IN OIL	□ PP OIL	
× TEMP. ABANDONED	□ SECONDARY	
○ TEST WELL	□ TERMINATED	
△ WATER INJECTION		
♣ WATER SUPPLY		
♣ WATER DISPOSAL		



PREPARED BY: DIANA WHITNEY
DATE: 17-MARCH-2005

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 04/09/2004

API NO. ASSIGNED: 43-007-30938

WELL NAME: 27-1
 OPERATOR: WHITMAR EXPLORATION (N2585)
 CONTACT: LARRY JOHNSON

PHONE NUMBER: 713-739-7300

PROPOSED LOCATION:

NWNE 27 130S 110E
 SURFACE: 0625 FNL 2079 FEL
 BOTTOM: 0625 FNL 2079 FEL
 CARBON
 WILDCAT (1)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DRD	8/3/04
Geology		
Surface		

LEASE TYPE: 4 - Fee
 LEASE NUMBER: FEE
 SURFACE OWNER: 4 - Fee
 PROPOSED FORMATION: FRSD
 COALBED METHANE WELL? NO

LATITUDE: 39.67294
 LONGITUDE: 110.67088

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[4]
(No. LPM879257)
- N Potash (Y/N)
- N Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. MUNICIPAL)
- Y RDCC Review (Y/N)
(Date: 05/01/2004)
- Y 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: _____
Eff Date: _____
Siting: _____
- R649-3-11. Directional Drill

COMMENTS: Needs Permit (04-28-04)

STIPULATIONS: 1- Spacing Strip



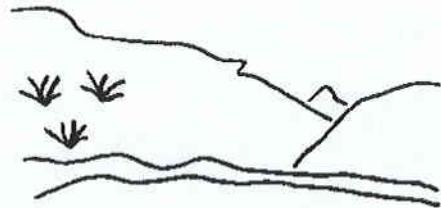
OPERATOR: WHITMAR EXPL CO (N2585)

SEC. 27 T.13S, R.11E

FIELD: WILDCAT (001)

COUNTY: CARBON

SPACING: R649-3-2 / GENERAL SITING



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

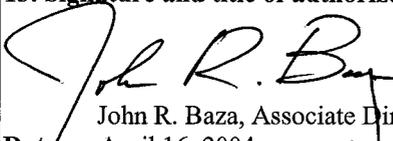
Field Status

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED



PREPARED BY: DIANA WHITNEY
DATE: 16-APRIL-2004

STATE ACTIONS
Governor's Office of Planning and Budget
Resource Development Coordinating Committee
P.O. Box 145610
1594 W. North Temple, Suite 3710
SLC, UT 84114-5610
538-5535

1. Administering State Agency Oil, Gas and Mining 1594 West North Temple, Suite 1210 Salt Lake City, UT 84114-5801	2. Approximate date project will start: Upon Approval or May 15, 2004
3. Areawide clearinghouse(s) receiving state action: (to be sent out by agency in block 1) Southeastern Utah Association of Governments	
4. Type of action: // Lease <input checked="" type="checkbox"/> // Permit // License // Land Acquisition // Land Sale // Land Exchange // Other _____	
5. Title of proposed action: Application for Permit to Drill	
6. Description: WhitMar Exploration Company proposes to drill the 27-1 well (wildcat) on a Fee lease, Carbon County, Utah. This action is being presented to the RDCC for consideration of resource issues affecting state interests. The Division of Oil, Gas and Mining is the primary administrative agency in this action and must issue approval before operations commence.	
7. Land affected (site location map required) (indicate county) – include UTM coordinates where possible 625' FNL 2079' FEL NW/4, NE/4, Section 27, Township 13 S, Range 11 E, Carbon County, Utah	
8. Jordan River Natural Areas Forum review – If the proposed action affects lands within the Jordan River Natural Areas Corridor. N/A	
9. Has the local government(s) been contacted? No If yes, a. How was contact made? b. Who was contacted? c. What was the response? d. If no response, how is the local government(s) likely to be impacted?	
10. Possible significant impacts likely to occur: Degree of impact is based on the discovery of oil or gas in commercial quantities.	
11. Name and phone of district representative from your agency near project site, if applicable: N/A	
12. For further information, contact: Diana Whitney Phone: (801) 538-5312	13. Signature and title of authorized officer  John R. Baza, Associate Director Date: April 16, 2004

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

OPERATOR: WhitMar Exploration Company
WELL NAME & NUMBER: 27-1
API NUMBER: 43-007030938
LEASE: Fee **FIELD/UNIT:** _____
LOCATION: 1/4, 1/4 NWNE Sec: 27 TWP: 13S RNG: 11E 625 FNL 2079 FEL
LEGAL WELL SITING: 460 F SEC. LINE; 460 F 1/4, 1/4 LINE; 920 F ANOTHER WELL.
GPS COORD (UTM): X = 528236 E; Y = 4391035 N SURFACE OWNER: L. Thayne Trust

PARTICIPANTS

M. Jones (DOGM), A. Childs (TALON for WhitMar).

REGIONAL/LOCAL SETTING & TOPOGRAPHY

Proposed location is ~9 miles northeast of Price, Utah. Staked location lies south of the abandoned Knight Ideal coal mine ~3 miles in the Coal Creek area. Access to this well will be along existing Carbon County maintained roadways. Approximately 6900' of existing two-track road will be improved, and 350' of new road built to access this location. The direct area drains to the southwest into Coal Creek then south-eastwardly eventually into the Price River, a year-round live water source. Dry washes run throughout the area, which have the potential of carrying large volumes of water in thunderstorm events.

SURFACE USE PLAN

CURRENT SURFACE USE: Wildlife habitat and grazing.

PROPOSED SURFACE DISTURBANCE: 170' x 260' (80' x 44' x 8' included pit.)

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: 8 proposed wells are within a 1 mile radius of the above proposed well.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: Along roadside.

SOURCE OF CONSTRUCTION MATERIAL: Obtained locally and transported in.

ANCILLARY FACILITIES: None anticipated.

WASTE MANAGEMENT PLAN:

Portable chemical toilets which will be emptied into the municipal waste treatment system; garbage cans on location will be emptied into centralized dumpsters which will be emptied into an approved landfill. Crude oil production is unlikely. Drilling fluid, completion / frac fluid and cuttings will be buried in the pit after evaporation and slashing the pit liner. Produced water will be gathered to the evaporation pit and eventually injected via an approved salt-water disposal well. Used oil from drilling operations and support is hauled to a used oil recycler and reused.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: Dry washes.

FLORA/FAUNA: sagebrush, greasewood, grasses, deer, antelope, small game, raptors and other fowl, and rodents.

SOIL TYPE AND CHARACTERISTICS: sandy clay loam.

EROSION/SEDIMENTATION/STABILITY: Stable until disturbed.

PALEONTOLOGICAL POTENTIAL: None observed.

RESERVE PIT

CHARACTERISTICS: Dugout earthen pit.

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

SURFACE RESTORATION/RECLAMATION PLAN

As per surface use agreement.

SURFACE AGREEMENT: Agreement signing contingent upon BLM EA approval.

CULTURAL RESOURCES/ARCHAEOLOGY: Arch study completed by Senco-Pheonix.

OTHER OBSERVATIONS/COMMENTS

Note that bonding was not in place yet at time of pre-site inspection.

ATTACHMENTS

Photos of this location were taken and placed on file.

Mark L. Jones
DOGM REPRESENTATIVE

April 28, 2004 / 11:30 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>2</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>10</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	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>0</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 12 (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.

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

OPERATOR: WhitMar Exploration Company
WELL NAME & NUMBER: 27-1
API NUMBER: 43-007-30938
LOCATION: 1/4,1/4 NWNE Sec: 27 TWP: 13S RNG: 11E 625 FNL 2079 FEL

Geology/Ground Water:

Significant volumes of high quality ground water are unlikely to be encountered at this location. A poorly permeable soil is likely to be developed on the Blue Gate Member of the Mancos Shale. The proposed casing and cementing program should adequately isolate any zones of fresh water that may be penetrated. One surface water right has been filed within a mile of the proposed well site.

Reviewer: Christopher J. Kierst

Date: 5/26/2004

Surface:

Proposed location is ~9 miles northeast of Price, Utah. Staked location lies south of the abandoned Knight Ideal coal mine ~3 miles in the Coal Creek area. Access to this well will be along existing Carbon County maintained roadways. Approximately 6900' of existing two-track road will be improved, and 350' of new road built to access this location. The direct area drains to the southwest into Coal Creek then south-eastwardly eventually into the Price River, a year-round live water source. Dry washes run throughout the area, which have the potential of carrying large volumes of water in thunderstorm events. Pit ranking criteria scored at level II, liner optional. Operator will install a synthetic pit liner if deemed necessary during location construction. The surface owner and Carbon County were invited but chose not to attend this on-site meeting.

Reviewer: Mark L. Jones **Date:** May 24, 2004

Conditions of Approval/Application for Permit to Drill:

1. Berm the location and pit.
2. Divert all existing drainages around the location.
3. A minimum 12 mil. synthetic liner required if deemed necessary during construction of location.

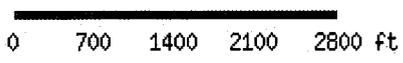
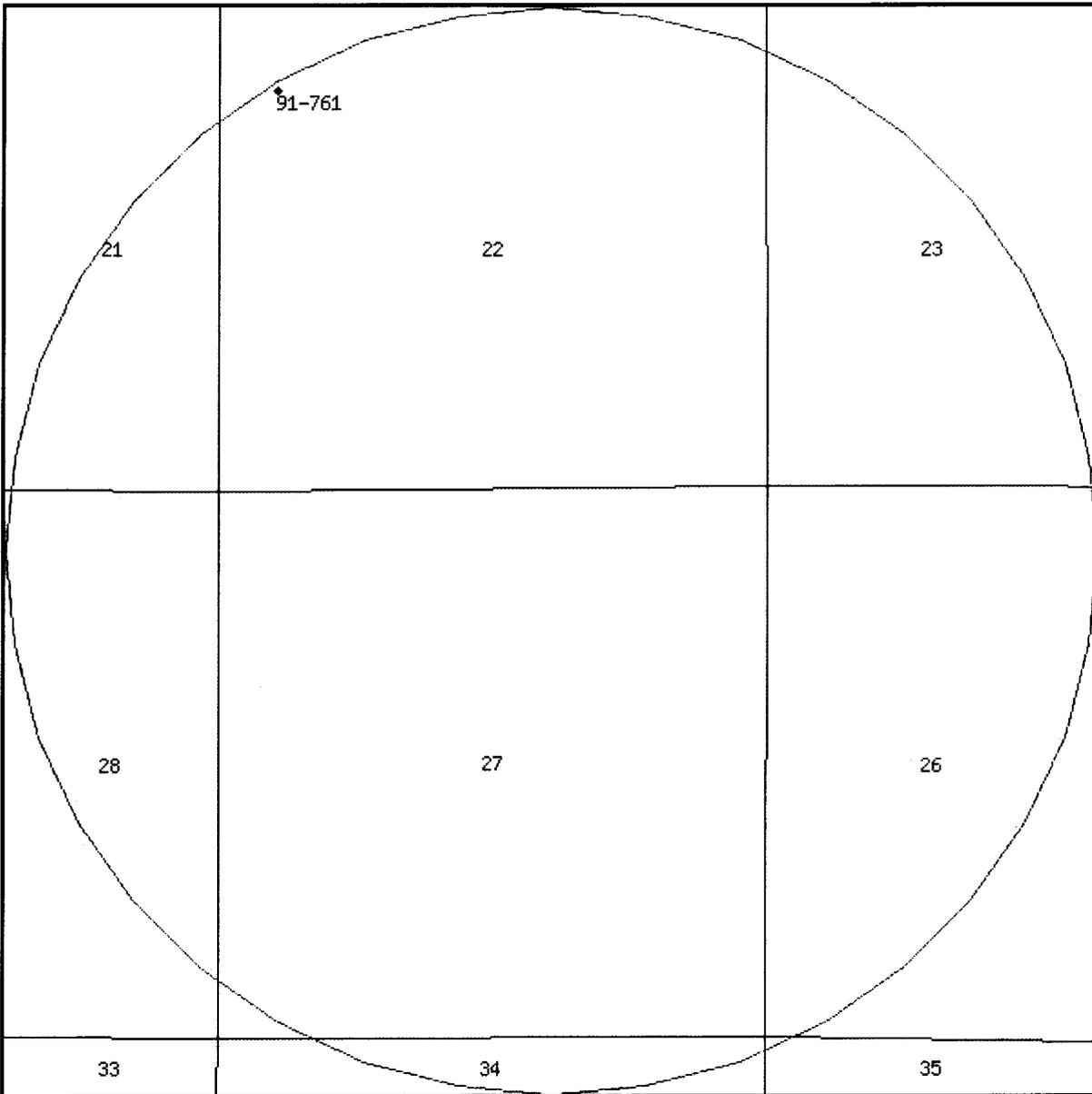


UTAH DIVISION OF WATER RIGHTS

WRPLAT Program Output Listing

Version: 2004.03.26.00 Rundate: 05/26/2004 02:06 PM

Radius search of 5280 feet from a point S625 W2079 from the NE corner, section 27, Township 13S, Range 11E, SL b&m Criteria:wrtypes=W,C,E podtypes=S,U,Sp status=U,A,P usetypes=all



Water Rights

WR Number	Diversion Type/Location	Well Log	Status	Priority	Uses	CFS	ACFT	Owner
<u>91-761</u>	Surface S1380 E550 NW 22 13S 11E SL		P	18720000	DIS	2.000	0.000	George M. Thayn Wellington 84542

[Natural Resources](#) | [Contact](#) | [Disclaimer](#) | [Privacy Policy](#) | [Accessibility Policy](#)

Well name:	07-04 Whitmar 27-1	
Operator:	Whitmar Exploration	Project ID:
String type:	Surface	43-007-30938
Location:	Carbon County	

Design parameters:	Minimum design factors:	Environment:
Collapse	Collapse:	H2S considered? No
Mud weight: 8.400 ppg	Design factor: 1.125	Surface temperature: 65 °F
Design is based on evacuated pipe.		Bottom hole temperature: 70 °F
		Temperature gradient: 1.40 °F/100ft
		Minimum section length: 200 ft
	Burst:	Cement top: 23 ft
	Design factor: 1.00	
Burst		Non-directional string.
Max anticipated surface pressure: -11 psi	Tension:	
Internal gradient: 0.468 psi/ft	8 Round STC: 1.80 (J)	
Calculated BHP: 153 psi	8 Round LTC: 1.80 (J)	
No backup mud specified.	Buttress: 1.60 (J)	
	Premium: 1.50 (J)	
	Body yield: 1.50 (B)	
	Tension is based on air weight.	Re subsequent strings:
	Neutral point: 306 ft	Next setting depth: 2,800 ft
		Next mud weight: 8.800 ppg
		Next setting BHP: 1,280 psi
		Fracture mud wt: 19.250 ppg
		Fracture depth: 350 ft
		Injection pressure: 350 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)	Internal Capacity (ft³)
1	350	8.625	24.00	J-55	ST&C	350	350	7.972	16.9

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	153	1370	8.970	153	2950	19.32	8	244	29.05 J

Prepared by: Clinton Dworshak
Utah Div. of Oil & Mining

Phone: 801-538-5280
FAX: 801-359-3940

Date: July 29, 2004
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 350 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

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

Well name:	07-04 Whitmar 27-1	
Operator:	Whitmar Exploration	Project ID:
String type:	Production	43-007-30938
Location:	Carbon County	

Design parameters:

Collapse
Mud weight: 8.800 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: -29 psi
Internal gradient: 0.468 psi/ft
Calculated BHP: 1,280 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: 2,427 ft

Environment:

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 104 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 368 ft

Cement top: 773 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)	Internal Capacity (ft³)
1	2800	5.5	15.50	J-55	ST&C	2800	2800	4.825	87.8

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	1280	4040	3.156	1280	4810	3.76	43	202	4.65 J

Prepared by: Clinton Dworshak
Utah Div. of Oil & Mining

Phone: 801-538-5280
FAX: 801-359-3940

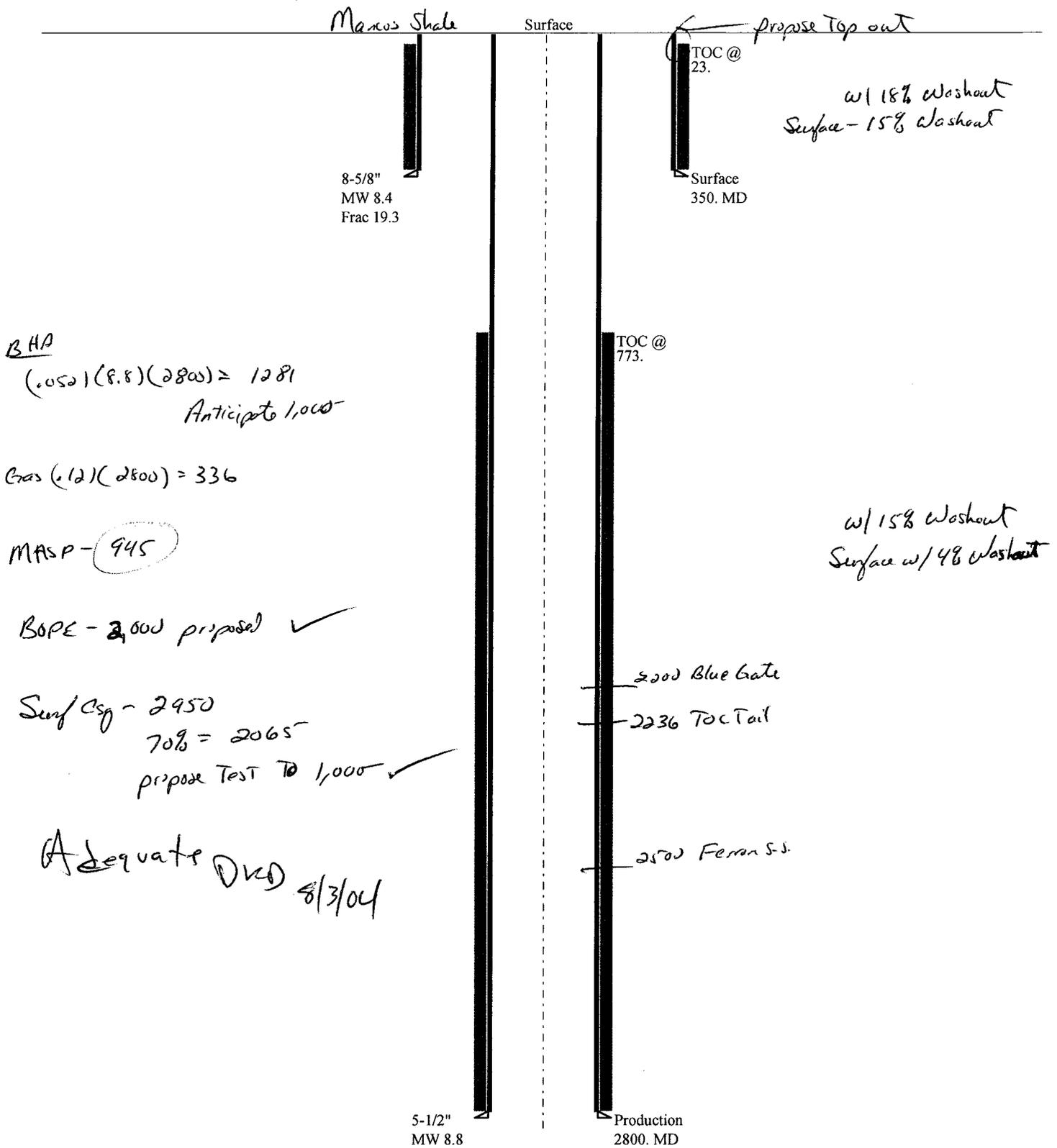
Date: July 29, 2004
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 2800 ft, a mud weight of 8.8 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

07-04 Whitmar 27-1

Casing Schematic



002

WHITMAR EXPLORATION COMPANY

*Market Square Center
1400 16th Street, Suite 400
Denver, Colorado 80202
Telephone 720-932-8197 • Fax 720-932-8100*

*One City Centre
1021 Main Street, Suite 1100
Houston, Texas 77002
Telephone 713-739-7300 • Fax 713-739-7333
Joseph Kilchrist, Operations Engineer
Email: jkilchrist@whitmar.com*

14 July 2004

Mr. Allen Parker Childs, President
Talon Resources, Inc.
Post Office Box 1230
Huntington, Utah
84528

RE: Surface Damage Release and Surface Right of Way Grant

Dear Allen;

Please find attached the referenced document, which is a copy of the original. Both parties notarized the original.

I trust this shall suffice for the regulatory bodies for purposes of Application for Permit to Drill (APD) and that Talon Resources will submit same in a timely manner.

If this is not the case, please notify Ms. Lynn Latiolais of this office as soon as practical.

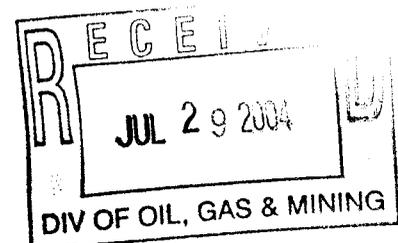
Kind regards,



jk

(1) Enclosure

cc Ms. Lynn Latiolais



SURFACE DAMAGE RELEASE AND SURFACE RIGHT OF WAY GRANT

IN CONSIDERATION of the sum of Fifteen (\$15.00) per rod for access roads and One Thousand (\$1,000.00) per well site pad for each well drilled on the subject land, paid by WHITMAR EXPLORATION COMPANY, hereinafter referred to as "WhitMar", the receipt and sufficiency of which are hereby acknowledged, the undersigned, LESTER C. THAYN and CAROL LYNN THAYN, husband and wife, hereinafter referred to as the "Surface Owner" being the present owner of all or part of the surface covering:

Township 13 South, Range 11 East, SLM
Section 22: W2SW
Section 27: W/2NE, E/2NW, NWNW, NWSE, NESW
Section 34: E2
Township 14 South, Range 11 East, SLM
Section 3: N2NE
Containing 960 acres, more or less

does hereby release, acquit, and forever discharge WhitMar Exploration Company, its successors and assigns, of all liability for all damages created or caused by reasons of the clearing, use, and all operations including drilling, completing, and subsequent operation of oil and/or gas well(s), which may be drilled by WhitMar and/or an assignee of WhitMar on any of the above described lands.

This release is intended to cover all surface damages to crops, trees, grass and/or other vegetation and soil damage. It is understood that WhitMar will have use of the wellsite surface and access road if the well(s) subject hereto is completed as a producer. Contemporaneously herewith, in consideration of the hereinabove said \$15.00 per rod for access roads and \$1,000.00 per well site pad, Surface Owner does hereby grant to WhitMar, its successors and assigns, any surface and subsurface rights in Sections 22, 27, and 34 of Township 13 South, Range 11 East, SLM; Section 3 of Township 14 South, Range 11 East, SLM necessary for the drilling, completing, and subsequent operation of well(s), including but not limited to rights-of-way, right of ingress and egress, easement rights, right to build and use roadways, right to build drilling pad and mud pits, right to place production equipment and/or storage tanks on the surface for said well, and the right to lay a pipeline under the surface for production from said well.

Location will be kept clean and free of trash and will be restored to original condition as near as possible after well is drilled and completed or plugged and abandoned. The undersigned represents that there is no tenant lessee or authorized persons in possession of the above described lands, other than is indicated below, and further agrees to defend, indemnify and hold WhitMar harmless against any claim or demand for payment of surface damages occasioned by damage to the above described lands, to any third party.

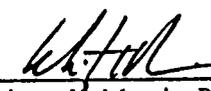
In WITNESS WHEREOF, this instrument has been executed by the undersigned this 14 day of June, 2004.

SURFACE OWNER


LESTER C. THAYN


CAROL LYNN THAYN

WHITMAR EXPLORATION COMPANY


Whitney D. Marvin, President

ACKNOWLEDGMENT

State of Utah)

County of Carbon)

§

On this 14 day of June, in the year 2004, before me Lester C. Thayne and Carol Lynn Thayne, a notary public, personally appeared LESTER C. THAYN and CAROL LYNN THAYN, proved on the basis of satisfactory evidence to be the persons whose names are subscribed to this instrument, and acknowledged they executed the same. Witness my hand and official seal.



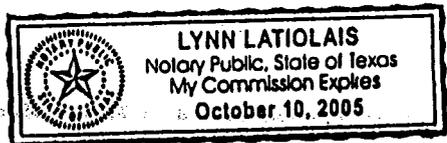
Marie A. Birch
NOTARY PUBLIC
Printed Name: Marie A. Birch

State of Texas)

County of Harris)

§

On this 8 day of June, in the year 2004, before me Lynn Latiolais, a notary public, personally appeared Whitney H. Marvin, President of WHITMAR EXPLORATION COMPANY, an Oklahoma corporation, proved on the basis of satisfactory evidence to be the person whose name is subscribed to this instrument, and acknowledged he executed the same. Witness my hand and official seal.



Lynn Latiolais
NOTARY PUBLIC
Printed Name: Lynn Latiolais



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

MARY ANN WRIGHT
Acting Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

March 17, 2005

WhitMar Exploration Company
1021 Main, Suite 1100
Houston, TX 77002

Re: 27-1 Well, 625' FNL, 2079' FEL, NW NE, Sec. 27, T. 13 South, R. 11 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 43-007-30938.

Sincerely,

for John R. Baza
Associate Director

pab
Enclosures

cc: Carbon County Assessor

Operator: WhitMar Exploration Company
Well Name & Number 27-1
API Number: 43-007-30938
Lease: Fee

Location: NW NE Sec. 27 T. 13 South R. 11 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 Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: WhitMar Exploration Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: 1021 Main, Suite 1100 CITY Houston STATE TX ZIP 77002		7. UNIT or CA AGREEMENT NAME: N/A
4. LOCATION OF WELL FOOTAGES AT SURFACE: 625' FNL, 2,079' FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 27 13 11E S		8. WELL NAME and NUMBER: 27-1
PHONE NUMBER: (713) 739-7300		9. API NUMBER: 4300730938
		10. FIELD AND POOL, OR WILDCAT: undesignated
		COUNTY: Carbon
		STATE: UTAH

CONFIDENTIAL

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

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

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

WhitMar Exploration Company will replace the submitted and approved surface casing cement program (200 sacks Howco Premium Plus V + CaCl + Flocele) with ready mix. Every attempt will be made to bring the ready-mix to surface.

ASFM TYPE I (Class A)

All other aspects of the drilling plan remain the same at this time.

RECEIVED
JUN 03 2005
DIV. OF OIL, GAS & MINING

ORIGINAL

NAME (PLEASE PRINT) <u>Don Hamilton</u>	TITLE <u>Agent for WhitMar Exploration Company</u>
SIGNATURE <u>Don Hamilton</u>	DATE <u>5/31/2005</u>

(This space for State use only)

COPY SENT TO OPERATOR
Date: 6-2-05
Initials: CHD

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

DATE: 6/7/05
BY: Don Hamilton

CONFIDENTIAL

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: WHITMAR EXPLORATION COMPANY

Well Name: 27-1

Api No: 43-007-30938 Lease Type: FEE

Section 27 Township 13S Range 11E County CARBON

Drilling Contractor BOB BEAMAN DRLG RIG # 22

SPUDDED:

Date 06/09/05

Time 12:00 NOON

How DRY

Drilling will Commence: _____

Reported by HOWELL RYDER

Telephone # 1-303-893-5084

Date 06/09/2005 Signed CHD

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

FORM 6

ENTITY ACTION FORM

Operator: WhitMar Exploration Company Operator Account Number: N2585
 Address: 555 17th Street, Suite 880
city Denver
state CO zip 80202 Phone Number: 303-991-9400

Well 1 NWNE

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-007-30938	27-1		NWSE	27	13S	11E	Carbon
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	14765	6/9/05		6/16/05		
Comments: <u>FRSD</u>							CONFIDENTIAL

R

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)

Carrie R. Hansen
Name (Please Print)
Carrie R. Hansen
Signature
Sr. Land Administrator 6-13-05
Title Date

RECEIVED

JUN 13 2005

DIV. OF OIL, GAS & MINING

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Private
2. NAME OF OPERATOR: WhitMar Exploration Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
3. ADDRESS OF OPERATOR: 555 17th Street, Suite 880 CITY <u>Denver</u> STATE <u>CO</u> ZIP <u>80202</u>		7. UNIT or CA AGREEMENT NAME: NA
4. LOCATION OF WELL FOOTAGES AT SURFACE: 625' FNL, 2,079' FEL		8. WELL NAME and NUMBER: 27-1
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NW/4 NE/4, Section 27, T13S, R11E		9. API NUMBER: 43-007-30938
PHONE NUMBER: 303-991-9400		10. FIELD AND POOL, OR WILDCAT: Wildcat
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 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.

See Attached Drilling Report

NAME (PLEASE PRINT) Carrie Hanson TITLE Sr. Land Administrator
SIGNATURE Carrie R Hanson DATE 6-16-05

(This space for State use only)

RECEIVED
JUN 20 2005

WHITMAR EXPLORATION COMPANY

555 17th Street, Suite 880
Denver, Colorado 80202-3908
Telephone 303-991-9400 • Fax 303-991-9401

CONFIDENTIAL

East Helper
Fed #27-1
NW/4 NE/4 Section 27, T13S, R11E
Carbon County, Utah

DAILY OPERATIONS

- 06/03/05 Waiting on surface casing rig, raining hard.
- 06/04/05 Waiting on surface casing rig, raining hard.
- 06/05/05 Waiting on surface casing rig, raining hard.
- 06/06/05 Waiting on surface casing rig.
- 06/07/05 Waiting on surface casing rig.
- 06/08/05 Waiting on surface casing rig.
- 06/09/05 Depth: 85', Present Operations: Drilling Surface.

7 am – 9:30 am rig up & spud , 9:30 am- 12:30 pm drilled 16" hole to 20' set and cement 20' of 12 3/4 conductor , 12:30 pm – 7 pm set & drilled 12 1/4 " hole to 85', 7 pm – 7 am no activity.
- 06/10/05 Depth: 230', Present Operations: Repairs on Rig.

7 am – 10:30 am start up & drill to 168', 10:30 am – 12:30 pm hammer bit stopped drilling, cleaned hole & TOOH checked bit, 12:30 pm - 3 pm broke down hammer, needs repair in cylinder, picked up 12 1/4" tri cone & drill collars TIH, 3 pm – 5:30 pm drilled to 230' & rotary table Barring went out TOOH with 100' of pipe shut down for repairs.
- 06/11/05 Depth: 360', Present Operations: drilling.

7 am – 12 pm waiting on rotary table to come from Moab installed and modified replacement table, 12 pm -1 pm cleaned hole 1 pm – 6:30 pm drilled to 360' 6:30 pm – 7 pm pulled two rods and SFN. , 7 pm – 7 am no activity.
- 06/12/05 Depth: 370', Present Operations: waiting on cement.

7am – 8 am start equipment TIH with 60' & clean fill, 8 am – 9 am drill to 370' & clean hole, 9 am – 11 am TOOH, 11 am – 1:30 pm talley 8 5/8 & & TIH landed pipe @

Drilling Report – Continued

East Helper
Fed #27-1

CONFIDENTIAL

366.13 , 1:30 pm – 4 pm mixed mud to secure hole & wait on cement 4 pm – 7 am waiting on cement.

06/13/05 Depth: 370', Present Operations: no activity

7am – 12 pm waiting on cement, 12 pm – 1:30 pm cement pipe, pumped 240 sks of 15 ppg of Portland cement, 1:30 pm – 2 pm cleaned location & moved cement equipment, 2 pm – 7 am no activity. Waiting on drilling rig.

06/14/05 Waiting on drilling rig.

06/15/05 Waiting on drilling rig.

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Private
2. NAME OF OPERATOR: WhitMar Exploration Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
3. ADDRESS OF OPERATOR: 555 17th Street, Suite 880 CITY Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME: NA
4. LOCATION OF WELL FOOTAGES AT SURFACE: 625' FNL, 2,079' FEL		8. WELL NAME and NUMBER: 27-1
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NW/4 NE/4, Section 27, T13S, R11E		9. API NUMBER: 43-007-30938
CITY Denver STATE CO ZIP 80202		10. FIELD AND POOL, OR WILDCAT: Wildcat
PHONE NUMBER: 303-991-9400		COUNTY: Carbon
STATE: UTAH		

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

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

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

See Attached Drilling Report

NAME (PLEASE PRINT) Carrie Hanson TITLE Sr. Land Administrator
SIGNATURE Carrie R. Hanson DATE 6-23-05

(This space for State use only)

RECEIVED

JUN 2 / 2005

DIV. OF OIL, GAS & MINING

WHITMAR EXPLORATION COMPANY
555 17th Street, Suite 880
Denver, Colorado 80202-3908
Telephone 303-991-9400 ▪ Fax 303-991-9401

East Helper
Fed #27-1
NW/4 NE/4 Section 27, T13S, R11E
Carbon County, Utah

DAILY OPERATIONS

- 06/03/05 Waiting on surface casing rig, raining hard.
- 06/04/05 Waiting on surface casing rig, raining hard.
- 06/05/05 Waiting on surface casing rig, raining hard.
- 06/06/05 Waiting on surface casing rig.
- 06/07/05 Waiting on surface casing rig.
- 06/08/05 Waiting on surface casing rig.
- 06/09/05 Depth: 85', Present Operations: Drilling Surface.

7 am – 9:30 am rig up & spud , 9:30 am- 12:30 pm drilled 16" hole to 20' set and cement 20' of 12 3/4 conductor , 12:30 pm – 7 pm set & drilled 12 1/4 " hole to 85', 7 pm – 7 am no activity.
- 06/10/05 Depth: 230', Present Operations: Repairs on Rig.

7 am – 10:30 am start up & drill to 168', 10:30 am – 12:30 pm hammer bit stopped drilling, cleaned hole & TOOH checked bit, 12:30 pm - 3 pm broke down hammer, needs repair in cylinder, picked up 12 1/4" tri cone & drill collars TIH, 3 pm – 5:30 pm drilled to 230' & rotary table Barring went out TOOH with 100' of pipe shut down for repairs.
- 06/11/05 Depth: 360', Present Operations: drilling.

7 am – 12 pm waiting on rotary table to come from Moab installed and modified replacement table, 12 pm -1 pm cleaned hole 1 pm – 6:30 pm drilled to 360' 6:30 pm – 7 pm pulled two rods and SFN. , 7 pm – 7 am no activity.
- 06/12/05 Depth: 370', Present Operations: waiting on cement.

Drilling Report – Continued

East Helper
Fed #27-1

CONFIDENTIAL

7am – 8 am start equipment TIH with 60' & clean fill, 8 am – 9 am drill to 370' & clean hole, 9 am – 11 am TOOH, 11 am – 1:30 pm talley 8 5/8 & & TIH landed pipe @ 366.13 , 1:30 pm – 4 pm mixed mud to secure hole & wait on cement 4 pm – 7 am waiting on cement.

06/13/05 Depth: 370', Present Operations: no activity

7am – 12 pm waiting on cement, 12 pm – 1:30 pm cement pipe, pumped 240 sks of 15 ppg of Portland cement, 1:30 pm – 2 pm cleaned location & moved cement equipment, 2 pm – 7 am no activity. Waiting on drilling rig.

06/14/05 Waiting on drilling rig.

06/15/05 Waiting on drilling rig.

06/16/05 Preparing to move rig on location; need to build up creek crossing.

06/17-19/05 Preparing to move rig.

06/20/05 Depth: 370' Present Operations: Rig Move.

7 am – 7:30 pm move rig on location & start rigging up.

06/21/05 Depth: 1046' Present Operations: Rig Move.

7 am – 3 pm Rig up & service rig , 3 pm – 4: 30 pm test BOP__, 4:30 pm – 6 pm TIH with drill collars & bit 6 pm – 8:30 pm installed rotating head and rubber 8:30 pm – 9 pm tagged cement @ 350' drilled out, 9 pm – 7 am drilled to 1046' surveys @ 500' @ 1 1/8 degrees out & 1000' 2 degrees out

06/22/05 Depth: 2410 ft. 24hrs: 1320 ft. Present Operations: Drilling

7 a.m.-4:30 p.m. 302 1540 ft. 4:30 p.m. 5 p.m. run survey 3 and a quarter degree out 5 p.m. -7 p.m. 302 1700 ft. 7 p.m. -12:30 a.m. 2042 12:30 a.m. – 1 a.m. 1 survey at 2000 ft. 4 degrees out 1 a.m. – 7 a.m. 302 2410.

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: Private
2. NAME OF OPERATOR: WhitMar Exploration Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
3. ADDRESS OF OPERATOR: 555 17th Street, Suite 880 CITY: Denver STATE: CO ZIP: 80202		7. UNIT or CA AGREEMENT NAME: NA
PHONE NUMBER: 303-991-9400		8. WELL NAME and NUMBER: 27-1
4. LOCATION OF WELL FOOTAGES AT SURFACE: 625' FNL, 2,079' FEL		9. API NUMBER: 43-007-30938
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NW/4 NE/4, Section 27, T13S, R11E		10. FIELD AND POOL, OR WILDCAT: Wildcat
		COUNTY: Carbon
		STATE: UTAH

CONFIDENTIAL

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 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.

See Attached Drilling Report

NAME (PLEASE PRINT) Carrie Hanson TITLE Sr. Land Administrator
SIGNATURE Carrie R. Hanson DATE 7-1-05

This space for State use only)

RECEIVED
JUL 05 2005

DIV. OF OIL, GAS & MINING

WHITMAR EXPLORATION COMPANY
555 17th Street, Suite 880
Denver, Colorado 80202-3908
Telephone 303-991-9400 • Fax 303-991-9401

East Helper
Fed #27-1
NW/4 NE/4 Section 27, T13S, R11E
Carbon County, Utah

CONFIDENTIAL

DAILY OPERATIONS

- 06/03/05 Waiting on surface casing rig, raining hard.
- 06/04/05 Waiting on surface casing rig, raining hard.
- 06/05/05 Waiting on surface casing rig, raining hard.
- 06/06/05 Waiting on surface casing rig.
- 06/07/05 Waiting on surface casing rig.
- 06/08/05 Waiting on surface casing rig.
- 06/09/05 Depth: 85', Present Operations: Drilling Surface.

7 am – 9:30 am rig up & spud , 9:30 am- 12:30 pm drilled 16" hole to 20' set and cement 20' of 12 3/4 conductor , 12:30 pm – 7 pm set & drilled 12 1/4 " hole to 85', 7 pm – 7 am no activity.
- 06/10/05 Depth: 230', Present Operations: Repairs on Rig.

7 am – 10:30 am start up & drill to 168', 10:30 am – 12:30 pm hammer bit stopped drilling, cleaned hole & TOOH checked bit, 12:30 pm - 3 pm broke down hammer, needs repair in cylinder, picked up 12 1/4" tri cone & drill collars TIH, 3 pm – 5:30 pm drilled to 230' & rotary table Barring went out TOOH with 100' of pipe shut down for repairs.
- 06/11/05 Depth: 360', Present Operations: drilling.

7 am – 12 pm waiting on rotary table to come from Moab installed and modified replacement table, 12 pm -1 pm cleaned hole 1 pm – 6:30 pm drilled to 360' 6:30 pm – 7 pm pulled two rods and SFN. , 7 pm – 7 am no activity.
- 06/12/05 Depth: 370', Present Operations: waiting on cement.

Drilling Report – Continued

East Helper
Fed #27-1

7am – 8 am start equipment TIH with 60' & clean fill, 8 am – 9 am drill to 370' & clean hole, 9 am – 11 am TOOH, 11 am – 1:30 pm talley 8 5/8 & & TIH landed pipe @ 366.13 , 1:30 pm – 4 pm mixed mud to secure hole & wait on cement 4 pm – 7 am waiting on cement.

06/13/05 Depth: 370', Present Operations: no activity

7am – 12 pm waiting on cement, 12 pm – 1:30 pm cement pipe, pumped 240 sks of 15 ppg of Portland cement, 1:30 pm – 2 pm cleaned location & moved cement equipment, 2 pm – 7 am no activity. Waiting on drilling rig.

06/14/05 Waiting on drilling rig.

06/15/05 Waiting on drilling rig.

06/16/05 Preparing to move rig on location; need to build up creek crossing.

06/17-19/05 Preparing to move rig.

06/20/05 Depth: 370' Present Operations: Rig Move.

7 am – 7:30 pm move rig on location & start rigging up.

06/21/05 Depth: 1046' Present Operations: Rig Move.

7 am – 3 pm Rig up & service rig , 3 pm – 4: 30 pm test BOP__, 4:30 pm – 6 pm TIH with drill collars & bit 6 pm – 8:30 pm installed rotating head and rubber 8:30 pm – 9 pm tagged cement @ 350' drilled out, 9 pm – 7 am drilled to 1046' surveys @ 500' @ 1 1/8 degrees out & 1000' 2 degrees out

06/22/05 Depth: 2410 ft. 24hrs: 1320 ft. Present Operations: Drilling

7 a.m.-4:30 p.m. 302 1540 ft. 4:30 p.m. 5 p.m. run survey 3 and a quarter degree out 5 p.m. -7 p.m. 302 1700 ft. 7 p.m. -12:30 a.m. 2042 12:30 a.m. – 1 a.m. 1 survey at 2000 ft. 4 degrees out 1 a.m. – 7 a.m. 302 2410.

Drilling Report – Continued

East Helper
Fed #27-1

CONFIDENTIAL

06/23/05 Depth: 3300' Present Operations: Drilling

7 am – 10:30 am drilling to 2500', 10:30 am – 11 am survey @ 2500' @ 4 degrees out, 11 am – 4:30 pm drilled to 2888' 4:30 pm – 7 pm worked on rotary table 7 pm – 9:30 pm drilling to 2997', 9:30 – 10 pm survey @ 3000' @ 3 ¾ degrees out, 10 pm – 7 am drilled to 3300'

06/24-25/05 Depth: 3560' Present Operations: logging well

7 am – 1:30 pm drilled to 3560' 1:30 pm – 2 pm cleaned hole, 2 pm – 6:30 pm pulled above zone & mudded hole 6:30 pm – 7 pm TIH, 7 pm – 8 pm conditioned hole 8 pm – 12:30 am TOOH laying down, 12:30 am – 6 am tried to pull rotating rubber, had to pull rotary head out 6 am – 7 am rigged up loggers and started logging

06/26/05 Depth: 3560' Present Operations: waiting to bond log

7 am – 9:30 am: logging well, 9:30 am – 12:30 pm TIH with 3528' of 5 ½ casing, 12:30 pm – 2 pm worked on tong & finish tripping in hole, 8 pm – 5 pm waiting on Halliburton, creek high from rain, 5 pm – 1 am pumping well sweeps & LCM to get circulation, 1 am – 2:30 am pumped 90 sks of tail cement, 2:30 – 7 am WOC to set & bond log.

Cement: 10% cal- seal, 1% cacl 2, 25# sks flocele@ 14.2 ppg. **Amount:**90 sks.

Cement Report: set up to pump job, tried to break circulation pumped 338 bbls of fresh water pressure @ 28#'s tried to work pipe, pulled 150000#'s pipe stuck, run 10 bbl gell sweep with 35# sks of flo seal, no pressure, increased displaced with 84 bbls, pump 11 + bbls, run multiple sweeps with no increase in pressure, pumped 90 sks of tail cement pressure increase to 80#'s , SWIFN waiting to bond log. Plug down @ 1:37 am 6-25-05, pressure @ 500#'s

06/27/05 Depth: 3560' Present Operations: Moving rig

Drilling Report – Continued

East Helper
Fed #27-1

7 am – 12: 30 pm waiting on cement to set for bond log, 12:30 pm – 2 pm, set up & run CBL, 2 pm – 4 pm set up & perforated @ 2860'- 62' , released loggers, 4 pm – 6:30 pm pumped 170 sks of light cement for lead, 6:30 pm – 7 pm Rig down Halliburton, 7 pm – 10:30 pm waiting on cement to set, released rig to move.

Pumped 85 bbls to break circulation, lift pressure slowly climbed from 25 #'s to 80#'s, started cement, lift pressure climbed from 45 #'s – 530 #'s thru job brought circulation to surface, 2 bbls of mud & lcm, formation broke back, finished job, casing was on vacuum, shut in for 3 ½ hrs to let cement gel,

Cement: 25# sks flocele 10 # @ 10.5 ppg **Amount:** 170 sks.

Cement Report: set up to pump job, tried to break circulation pumped 338 bbls of fresh water pressure @ 28#'s tried to work pipe, pulled 150000#'s pipe stuck, run 10 bbl gell sweep with 35# sks of flow seal, no pressure, increased displaced with 84 bbls, pump 11 + bbls, run multiple sweeps with no increase in pressure, pumped 90 sks of tail cement pressure increase to 80#'s, SWIFN waiting to bond log. Plug down @ 1:37 am 6-25-05, pressure @ 500#'s.

06/28/05 Waiting on bond log.

06/29/05 Waiting on bond log.

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: Private
2. NAME OF OPERATOR: WhitMar Exploration Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
3. ADDRESS OF OPERATOR: 555 17th Street, Suite 880 CITY Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME: NA
4. LOCATION OF WELL FOOTAGES AT SURFACE: 625' FNL, 2,079' FEL		8. WELL NAME and NUMBER: 27-1
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NW/4 NE/4, Section 27, T13S, R11E		9. API NUMBER: 43-007-30938
PHONE NUMBER: 303-991-9400		10. FIELD AND POOL, OR WILDCAT: Wildcat
COUNTY: Carbon		STATE: UTAH

CONFIDENTIAL

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 checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input 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.
See Attached Drilling Report

NAME (PLEASE PRINT) Carrie R. Hanson TITLE Sr. Land Administrator
SIGNATURE Carrie R. Hanson DATE 7-8-05

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RECEIVED
JUL 13 2005

DIV. OF OIL, GAS & MINING

WHITMAR EXPLORATION COMPANY
555 17th Street, Suite 880
Denver, Colorado 80202-3908
Telephone 303-991-9400 ▪ Fax 303-991-9401

CONFIDENTIAL

East Helper
Fed #27-1
NW/4 NE/4 Section 27, T13S, R11E
Carbon County, Utah

DAILY OPERATIONS

06/03/05 Waiting on surface casing rig, raining hard.

06/04/05 Waiting on surface casing rig, raining hard.

06/05/05 Waiting on surface casing rig, raining hard.

06/06/05 Waiting on surface casing rig.

06/07/05 Waiting on surface casing rig.

06/08/05 Waiting on surface casing rig.

06/09/05 Depth:85', Present Operations: Drilling Surface.

7 am – 9:30 am rig up & spud , 9:30 am- 12:30 pm drilled 16" hole to 20' set and cement 20' of 12 3/4 conductor , 12:30 pm – 7 pm set & drilled 12 1/4 " hole to 85', 7 pm – 7 am no activity.

06/10/05 Depth: 230', Present Operations: Repairs on Rig.

7 am – 10:30 am start up & drill to 168', 10:30 am – 12:30 pm hammer bit stopped drilling, cleaned hole & TOOH checked bit, 12:30 pm - 3 pm broke down hammer, needs repair in cylinder, picked up 12 1/4" tri cone & drill collars TIH, 3 pm – 5:30 pm drilled to 230' & rotary table Barring went out TOOH with 100' of pipe shut down for repairs.

06/11/05 Depth: 360', Present Operations: drilling.

7 am – 12 pm waiting on rotary table to come from Moab installed and modified replacement table, 12 pm -1 pm cleaned hole 1 pm – 6:30 pm drilled to 360' 6:30 pm – 7 pm pulled two rods and SFN. , 7 pm – 7 am no activity.

06/12/05 Depth: 370', Present Operations: waiting on cement.

Drilling Report – Continued

East Helper
Fed #27-1

7am – 8 am start equipment TIH with 60' & clean fill, 8 am – 9 am drill to 370' & clean hole, 9 am – 11 am TOOH, 11 am – 1:30 pm talley 8 5/8 & & TIH landed pipe @ 366.13 , 1:30 pm – 4 pm mixed mud to secure hole & wait on cement 4 pm – 7 am waiting on cement.

06/13/05 Depth: 370', Present Operations: no activity

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06/14/05 Waiting on drilling rig.

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06/16/05 Preparing to move rig on location; need to build up creek crossing.

06/17-19/05 Preparing to move rig.

06/20/05 Depth: 370' Present Operations: Rig Move.

7 am – 7:30 pm move rig on location & start rigging up.

06/21/05 Depth: 1046' Present Operations: Rig Move.

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Drilling Report – Continued

East Helper
Fed #27-1

06/23/05 Depth: 3300' Present Operations: Drilling

7 am – 10:30 am drilling to 2500', 10:30 am – 11 am survey @ 2500' @ 4 degrees out, 11 am – 4:30 pm drilled to 2888' 4:30 pm – 7 pm worked on rotary table 7 pm – 9:30 pm drilling to 2997', 9:30 – 10 pm survey @ 3000' @ 3 ¾ degrees out, 10 pm – 7 am drilled to 3300'

06/24-25/05 Depth: 3560' Present Operations: logging well

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06/26/05 Depth: 3560' Present Operations: waiting to bond log

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06/27/05 Depth: 3560' Present Operations: Moving rig

Drilling Report – Continued

East Helper
Fed #27-1

7 am – 12: 30 pm waiting on cement to set for bond log, 12:30 pm – 2 pm, set up & run CBL, 2 pm – 4 pm set up & perforated @ 2860'- 62' , released loggers, 4 pm – 6:30 pm pumped 170 sks of light cement for lead, 6:30 pm – 7 pm Rig down Halliburton, 7 pm – 10:30 pm waiting on cement to set, released rig to move.

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Cement: 25# sks flocele 10 # @ 10.5 ppg **Amount:** 170 sks.

Cement Report: set up to pump job, tried to break circulation pumped 338 bbls of fresh water pressure @ 28#'s tried to work pipe, pulled 150000#'s pipe stuck, run 10 bbl gell sweep with 35# sks of flow seal, no pressure, increased displaced with 84 bbls, pump 11 + bbls, run multiple sweeps with no increase in pressure, pumped 90 sks of tail cement pressure increase to 80#'s, SWIFN waiting to bond log. Plug down @ 1:37 am 6-25-05, pressure @ 500#'s.

06/28/05	Waiting on bond log.
06/29/05	Waiting on bond log.
06/30/05	Waiting on bond log.
07/01-03/05	Waiting on bond log.
07/05/05	Waiting on bond log.
07/06/05	Waiting on bond log.
07/07/05	Bond log received.

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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1. TYPE OF WELL OIL WELL GAS WELL OTHER _____

2. NAME OF OPERATOR: WhitMar Exploration Company **CONFIDENTIAL**

3. ADDRESS OF OPERATOR: 555 17th Street, Suite 880
CITY Denver STATE CO ZIP 80202 PHONE NUMBER: 303-991-9400

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 625' FNL, 2,079' FEL

5. LEASE DESIGNATION AND SERIAL NUMBER:
Private

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
NA

7. UNIT or CA AGREEMENT NAME:
NA

8. WELL NAME and NUMBER:
27-1

9. API NUMBER:
43-007-30938

10. FIELD AND POOL, OR WILDCAT:
Wildcat

COUNTY: Carbon

STATE: UTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

NW/4 NE/4, Section 27, T13S, R11E

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

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

NO ACTIVITY.

COMPLETION RIG SCHEDULED TO BE AT LOCATION IN OCTOBER 2005.

NAME (PLEASE PRINT) STACEY L. BERKOWITZ TITLE ENGINEERING ADMIN.

SIGNATURE *Stacey L. Berkowitz* DATE 7.15.05

1s space for State use only)

RECEIVED
JUL 18 2005

DIV. OF OIL, GAS & MINING

(See instructions on Reverse Side)

WHITMAR EXPLORATION COMPANY
555 17th Street, Suite 880
Denver, Colorado 80202-3908
Telephone 303-991-9400 ▪ Fax 303-991-9401

CONFIDENTIAL

East Helper
Fed #27-1
NW/4 NE/4 Section 27, T13S, R11E
Carbon County, Utah

DAILY OPERATIONS

06/03/05 Waiting on surface casing rig, raining hard.

06/04/05 Waiting on surface casing rig, raining hard.

06/05/05 Waiting on surface casing rig, raining hard.

06/06/05 Waiting on surface casing rig.

06/07/05 Waiting on surface casing rig.

06/08/05 Waiting on surface casing rig.

06/09/05 Depth: 85', Present Operations: Drilling Surface.

7 am – 9:30 am rig up & spud , 9:30 am- 12:30 pm drilled 16" hole to 20' set and cement 20' of 12 3/4 conductor , 12:30 pm – 7 pm set & drilled 12 1/4 " hole to 85', 7 pm – 7 am no activity.

06/10/05 Depth: 230', Present Operations: Repairs on Rig.

7 am – 10:30 am start up & drill to 168', 10:30 am – 12:30 pm hammer bit stopped drilling, cleaned hole & TOOH checked bit, 12:30 pm - 3 pm broke down hammer, needs repair in cylinder, picked up 12 1/4" tri cone & drill collars TIH, 3 pm – 5:30 pm drilled to 230' & rotary table Barring went out TOOH with 100' of pipe shut down for repairs.

06/11/05 Depth: 360', Present Operations: drilling.

7 am – 12 pm waiting on rotary table to come from Moab installed and modified replacement table, 12 pm -1 pm cleaned hole 1 pm – 6:30 pm drilled to 360' 6:30 pm – 7 pm pulled two rods and SFN. , 7 pm – 7 am no activity.

06/12/05 Depth: 370', Present Operations: waiting on cement.

Drilling Report – Continued

East Helper
Fed #27-1

7am – 8 am start equipment TIH with 60' & clean fill, 8 am – 9 am drill to 370' & clean hole, 9 am – 11 am TOOH, 11 am – 1:30 pm talley 8 5/8 & & TIH landed pipe @ 366.13 , 1:30 pm – 4 pm mixed mud to secure hole & wait on cement 4 pm – 7 am waiting on cement.

06/13/05 Depth: 370', Present Operations: no activity

7am – 12 pm waiting on cement, 12 pm – 1:30 pm cement pipe, pumped 240 sks of 15 ppg of Portland cement, 1:30 pm – 2 pm cleaned location & moved cement equipment, 2 pm – 7 am no activity. Waiting on drilling rig.

06/14/05 Waiting on drilling rig.

06/15/05 Waiting on drilling rig.

06/16/05 Preparing to move rig on location; need to build up creek crossing.

06/17-19/05 Preparing to move rig.

06/20/05 Depth: 370' Present Operations: Rig Move.

7 am – 7:30 pm move rig on location & start rigging up.

06/21/05 Depth: 1046' Present Operations: Rig Move.

7 am – 3 pm Rig up & service rig , 3 pm – 4: 30 pm test BOP___, 4:30 pm – 6 pm TIH with drill collars & bit 6 pm – 8:30 pm installed rotating head and rubber 8:30 pm – 9 pm tagged cement @ 350' drilled out, 9 pm – 7 am drilled to 1046' surveys @ 500' @ 1 1/8 degrees out & 1000' 2 degrees out

06/22/05 Depth: 2410 ft. 24hrs: 1320 ft. Present Operations: Drilling

7 a.m.-4:30 p.m. 302 1540 ft. 4:30 p.m. 5 p.m. run survey 3 and a quarter degree out 5 p.m. -7 p.m. 302 1700 ft. 7 p.m. -12:30 a.m. 2042 12:30 a.m. – 1 a.m. 1 survey at 2000 ft. 4 degrees out 1 a.m. – 7 a.m. 302 2410.

Drilling Report – Continued

East Helper
Fed #27-1

06/23/05 Depth: 3300' Present Operations: Drilling

7 am – 10:30 am drilling to 2500', 10:30 am – 11 am survey @ 2500' @ 4 degrees out, 11 am – 4:30 pm drilled to 2888' 4:30 pm – 7 pm worked on rotary table 7 pm – 9:30 pm drilling to 2997', 9:30 – 10 pm survey @ 3000' @ 3 ¾ degrees out, 10 pm – 7 am drilled to 3300'

06/24-25/05 Depth: 3560' Present Operations: logging well

7 am – 1:30 pm drilled to 3560' 1:30 pm – 2 pm cleaned hole, 2 pm – 6:30 pm pulled above zone & mudded hole 6:30 pm – 7 pm TIH, 7 pm – 8 pm conditioned hole 8 pm – 12:30 am TOOH laying down, 12:30 am – 6 am tried to pull rotating rubber, had to pull rotary head out 6 am – 7 am rigged up loggers and started logging

06/26/05 Depth: 3560' Present Operations: waiting to bond log

7 am – 9:30 am: logging well, 9:30 am – 12:30 pm TIH with 3528' of 5 ½ casing, 12:30 pm – 2 pm worked on tong & finish tripping in hole, 8 pm – 5 pm waiting on Halliburton, creek high from rain, 5 pm – 1 am pumping well sweeps & LCM to get circulation, 1 am – 2:30 am pumped 90 sks of tail cement, 2:30 – 7 am WOC to set & bond log.

Cement: 10% cal- seal, 1% cacl 2, 25# sks flocele@ 14.2 ppg. **Amount:**90 sks.

Cement Report: set up to pump job, tried to break circulation pumped 338 bbls of fresh water pressure @ 28#'s tried to work pipe, pulled 150000#'s pipe stuck, run 10 bbl gell sweep with 35# sks of flo seal, no pressure, increased displaced with 84 bbls, pump 11 + bbls, run multiple sweeps with no increase in pressure, pumped 90 sks of tail cement pressure increase to 80#'s , SWIFN waiting to bond log. Plug down @ 1:37 am 6-25-05, pressure @ 500#'s

06/27/05 Depth: 3560' Present Operations: Moving rig

Drilling Report – Continued

East Helper
Fed #27-1

7 am – 12: 30 pm waiting on cement to set for bond log, 12:30 pm – 2 pm, set up & run CBL, 2 pm – 4 pm set up & perforated @ 2860' - 62' , released loggers, 4 pm – 6:30 pm pumped 170 sks of light cement for lead, 6:30 pm – 7 pm Rig down Halliburton, 7 pm – 10:30 pm waiting on cement to set, released rig to move.

Pumped 85 bbls to break circulation, lift pressure slowly climbed from 25 #'s to 80#'s, started cement, lift pressure climbed from 45 #'s – 530 #'s thru job brought circulation to surface, 2 bbls of mud & lcm, formation broke back, finished job, casing was on vacuum, shut in for 3 ½ hrs to let cement gel,

Cement: 25# sks flocele 10 # @ 10.5 ppg **Amount:** 170 sks.

Cement Report: set up to pump job, tried to break circulation pumped 338 bbls of fresh water pressure @ 28#'s tried to work pipe, pulled 150000#'s pipe stuck, run 10 bbl gell sweep with 35# sks of flow seal, no pressure, increased displaced with 84 bbls, pump 11 + bbls, run multiple sweeps with no increase in pressure, pumped 90 sks of tail cement pressure increase to 80#'s, SWIFN waiting to bond log. Plug down @ 1:37 am 6-25-05, pressure @ 500#'s.

06/28/05 Waiting on bond log.
06/29/05 Waiting on bond log.
06/30/05 Waiting on bond log.
07/01-03/05 Waiting on bond log.
07/05/05 Waiting on bond log.
07/06/05 Waiting on bond log.
07/07/05 Bond log received.
07/08-09/05 Waiting on completion, drop from report.

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

FORM 9

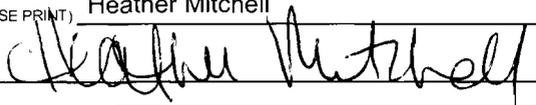
SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
		7. UNIT or CA AGREEMENT NAME: N/A
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: 27-1	
2. NAME OF OPERATOR: WhitMar Exploration Company		9. API NUMBER: 4300730938
3. ADDRESS OF OPERATOR: 555 17th Street, Suite 880 Denver CO 80202	PHONE NUMBER: (303) 991-9400	10. FIELD AND POOL, OR WILDCAT: undesignated
4. LOCATION OF WELL FOOTAGES AT SURFACE: 625' FNL, 2079' FEL		COUNTY: Carbon
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 27 13 11E S		STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 1/24/2006	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input checked="" 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.

Well completed and online. Date of 1st production 1/24/06

NAME (PLEASE PRINT) <u>Heather Mitchell</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE 	DATE <u>1/25/2006</u>

(This space for State use only)

RECEIVED
JAN 26 2006

WHITMAR EXPLORATION COMPANY

555 17th Street, Suite 880
Denver, CO 80202-3908
(303) 991-9400
Fax (303) 991-9401

January 25, 2006

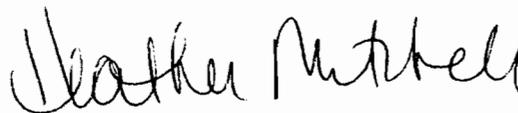
Carol Daniels
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, UT 84116

Re: East Helper Notice of First Production

Dear Ms. Daniels:

Please find the enclosed Notice of First Production on the 22-4, 26-2, 26-3, 27-1, 27-2, 27-3, 34-1, 34-2 and the SWD #2 wells in Utah. I will be sending the other requested information shortly. If you have any questions or concerns, please call me at 303-991-9400 ext. 100.

Sincerely,



Heather Mitchell

RECEIVED
JAN 26 2006
DIV. OF OIL, GAS & MINING

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

AMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

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

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

CONFIDENTIAL

2. NAME OF OPERATOR:
WhitMar Exploration Company

3. ADDRESS OF OPERATOR: **555 17th Street, Ste. 880 CITY Denver STATE CO ZIP 80202** PHONE NUMBER: **(303) 991-9400**

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: **625' FNL, 2079' FEL**
AT TOP PRODUCING INTERVAL REPORTED BELOW: **same**
AT TOTAL DEPTH: **same**

5. LEASE DESIGNATION AND SERIAL NUMBER:
FEE

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
n/a

7. UNIT or CA AGREEMENT NAME
n/a

8. WELL NAME and NUMBER:
27-1

9. API NUMBER:
4300730938

10. FIELD AND POOL, OR WILDCAT
Wildcat

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
NENW 27 13 11E S

12. COUNTY
Carbon

13. STATE
UTAH

14. DATE SPUDDED: **6/9/2005** 15. DATE T.D. REACHED: **6/25/2005** 16. DATE COMPLETED: **12/29/2006** ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL):
GL: 6068

18. TOTAL DEPTH: MD **3,560** 19. PLUG BACK T.D.: MD _____ 20. IF MULTIPLE COMPLETIONS, HOW MANY? * _____
TVD **3,560** TVD _____

21. DEPTH BRIDGE MD _____ PLUG SET: TVD _____

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
Gamma Ray & Array Induction
TRIPLE COMB

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

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12 1/4	8 5/8	24	0	350	350	Calc. 200	57	0	0
7 7/8	5 1/2	15.5			3,460				

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 7/8								

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) Ferron				
(B) Ferron				
(C) Ferron				
(D) Ferron				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
3,165 3,168		12	Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
3,200 3,212		42	Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
3,257 3,270			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
3,284 3,289			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
	Cement Squeeze- see attached

29. ENCLOSED ATTACHMENTS:

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

30. WELL STATUS:

Producing

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 1/28/2006		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 36	WATER - BBL: 455	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

INTERVAL B (As shown in item #26)

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

INTERVAL C (As shown in item #26)

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

INTERVAL D (As shown in item #26)

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

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

Used for fuel and sold

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)

35. ADDITIONAL REMARKS (Include plugging procedure)

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

NAME (PLEASE PRINT) Heather Mitchell

TITLE Administrative Assistant

SIGNATURE *Heather Mitchell*

DATE 3/22/2006

This report must be submitted within 30 days of

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

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

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

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

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

WHITMAR EXPLORATION COMPANY

555 17th Street, Suite 880
Denver, Colorado 80202-3908
Telephone 303-991-9400 • Fax 303-991-9401

CONFIDENTIAL

East Helper
Fed #27-1
NW/4 NE/4 Section 27, T13S, R11E
Carbon County, Utah

DAILY OPERATIONS

06/03/05 Waiting on surface casing rig, raining hard.

06/04/05 Waiting on surface casing rig, raining hard.

06/05/05 Waiting on surface casing rig, raining hard.

06/06/05 Waiting on surface casing rig.

06/07/05 Waiting on surface casing rig.

06/08/05 Waiting on surface casing rig.

06/09/05 Depth:85', Present Operations: Drilling Surface.

7 am – 9:30 am rig up & spud , 9:30 am- 12:30 pm drilled 16" hole to 20' set and cement 20' of 12 3/4 conductor , 12:30 pm – 7 pm set & drilled 12 1/4 " hole to 85', 7 pm – 7 am no activity.

06/10/05 Depth: 230', Present Operations: Repairs on Rig.

7 am – 10:30 am start up & drill to 168', 10:30 am – 12:30 pm hammer bit stopped drilling, cleaned hole & TOOH checked bit, 12:30 pm - 3 pm broke down hammer, needs repair in cylinder, picked up 12 1/4" tri cone & drill collars TIH, 3 pm – 5:30 pm drilled to 230' & rotary table Barring went out TOOH with 100' of pipe shut down for repairs.

06/11/05 Depth: 360', Present Operations: drilling.

7 am – 12 pm waiting on rotary table to come from Moab installed and modified replacement table, 12 pm -1 pm cleaned hole 1 pm – 6:30 pm drilled to 360' 6:30 pm – 7 pm pulled two rods and SFN. , 7 pm – 7 am no activity.

Drilling Report – Continued

East Helper
Fed #27-1

06/12/05 Depth: 370', Present Operations: waiting on cement.

7am – 8 am start equipment TIH with 60' & clean fill, 8 am – 9 am drill to 370' & clean hole, 9 am – 11 am TOOH, 11 am – 1:30 pm talley 8 5/8 & & TIH landed pipe @ 366.13 , 1:30 pm – 4 pm mixed mud to secure hole & wait on cement 4 pm – 7 am waiting on cement.

06/13/05 Depth: 370', Present Operations: no activity

7am – 12 pm waiting on cement, 12 pm – 1:30 pm cement pipe, pumped 240 sks of 15 ppg of Portland cement, 1:30 pm – 2 pm cleaned location & moved cement equipment, 2 pm – 7 am no activity. Waiting on drilling rig.

06/14/05 Waiting on drilling rig.

06/15/05 Waiting on drilling rig.

06/16/05 Preparing to move rig on location; need to build up creek crossing.

06/17-19/05 Preparing to move rig.

06/20/05 Depth: 370' Present Operations: Rig Move.

7 am – 7:30 pm move rig on location & start rigging up.

06/21/05 Depth: 1046' Present Operations: Rig Move.

7 am – 3 pm Rig up & service rig , 3 pm – 4: 30 pm test BOP__, 4:30 pm – 6 pm TIH with drill collars & bit 6 pm – 8:30 pm installed rotating head and rubber 8:30 pm – 9 pm tagged cement @ 350' drilled out, 9 pm – 7 am drilled to 1046' surveys @ 500' @ 1 1/8 degrees out & 1000' 2 degrees out

06/22/05 Depth: 2410 ft. 24hrs: 1320 ft. Present Operations: Drilling

7 a.m.-4:30 p.m. 302 1540 ft. 4:30 p.m. 5 p.m. run survey 3 and a quarter degree out 5 p.m. -7 p.m. 302 1700 ft. 7 p.m. -12:30 a.m. 2042 12:30 a.m. – 1 a.m. 1 survey at 2000 ft. 4 degrees out 1 a.m. – 7 a.m. 302 2410.

Drilling Report – Continued

East Helper
Fed #27-1

06/23/05 Depth: 3300' Present Operations: Drilling

7 am – 10:30 am drilling to 2500', 10:30 am – 11 am survey @ 2500' @ 4 degrees out, 11 am – 4:30 pm drilled to 2888' 4:30 pm – 7 pm worked on rotary table 7 pm – 9:30 pm drilling to 2997', 9:30 – 10 pm survey @ 3000' @ 3 ¼ degrees out, 10 pm – 7 am drilled to 3300'

06/24-25/05 Depth: 3560' Present Operations: logging well

7 am – 1:30 pm drilled to 3560' 1:30 pm – 2 pm cleaned hole, 2 pm – 6:30 pm pulled above zone & mudded hole 6:30 pm – 7 pm TIH, 7 pm – 8 pm conditioned hole 8 pm – 12:30 am TOOH laying down, 12:30 am – 6 am tried to pull rotating rubber, had to pull rotary head out 6 am – 7 am rigged up loggers and started logging

06/26/05 Depth: 3560' Present Operations: waiting to bond log

7 am – 9:30 am: logging well, 9:30 am – 12:30 pm TIH with 3528' of 5 ½ casing, 12:30 pm – 2 pm worked on tong & finish tripping in hole, 8 pm – 5 pm waiting on Halliburton, creek high from rain, 5 pm – 1 am pumping well sweeps & LCM to get circulation, 1 am – 2:30 am pumped 90 sks of tail cement, 2:30 – 7 am WOC to set & bond log.

Cement: 10% cal- seal, 1% cacl 2, 25# sks flocele@ 14.2 ppg. **Amount:**90 sks.

Cement Report: set up to pump job, tried to break circulation pumped 338 bbls of fresh water pressure @ 28#'s tried to work pipe, pulled 150000#'s pipe stuck, run 10 bbl gell sweep with 35# sks of flo seal, no pressure, increased displaced with 84 bbls, pump 11 + bbls, run multiple sweeps with no increase in pressure, pumped 90 sks of tail cement pressure increase to 80#'s , SWIFN waiting to bond log. Plug down @ 1:37 am 6-25-05, pressure @ 500#'s

06/27/05 Depth: 3560' Present Operations: Moving rig

WhitMar Exploration Company, 555 17th Street, Suite 880, Denver, CO 80202, 303-991-9400

Drilling Report – Continued

East Helper
Fed #27-1

7 am – 12: 30 pm waiting on cement to set for bond log, 12:30 pm – 2 pm, set up & run CBL, 2 pm – 4 pm set up & perforated @ 2860' - 62' , released loggers, 4 pm – 6:30 pm pumped 170 sks of light cement for lead, 6:30 pm – 7 pm Rig down Halliburton, 7 pm – 10:30 pm waiting on cement to set, released rig to move.

Pumped 85 bbls to break circulation, lift pressure slowly climbed from 25 #'s to 80#'s, started cement, lift pressure climbed from 45 #'s – 530 #'s thru job brought circulation to surface, 2 bbls of mud & lcm, formation broke back, finished job, casing was on vacuum, shut in for 3 ½ hrs to let cement gel,

Cement: 25# sks flocele 10 # @ 10.5 ppg **Amount:** 170 sks.

Cement Report: set up to pump job, tried to break circulation pumped 338 bbls of fresh water pressure @ 28#'s tried to work pipe, pulled 150000#'s pipe stuck, run 10 bbl gell sweep with 35# sks of flow seal, no pressure, increased displaced with 84 bbls, pump 11 + bbls, run multiple sweeps with no increase in pressure, pumped 90 sks of tail cement pressure increase to 80#'s, SWIFN waiting to bond log. Plug down @ 1:37 am 6-25-05, pressure @ 500#'s.

06/28/05 Waiting on bond log.
06/29/05 Waiting on bond log.
06/30/05 Waiting on bond log.
07/01-03/05 Waiting on bond log.
07/05/05 Waiting on bond log.
07/06/05 Waiting on bond log.
07/07/05 Bond log received.
07/08-09/05 Waiting on completion, drop from report.

Drilling Report – Continued

East Helper
Fed #27-1

- 11-19-05 TOOH laying down & moved
- 11-22-05 Rig up, move pump, tank & tubing trailer tubing & tool hand arrived @ 2:30 pm
set up to TIH with cement retainer to 2817 @ 86 jts, SWIFN
- 11-23-05 Arrived on location & started up equipment filled back side with 65 bbls, waited
on Halliburton till 10:30 am. Rigged up Halliburton & tested lines to 3000 psi,
safety meeting & pumped 10 bbls fresh water & 53.9 bbls cement caught
pressure up to 1500 psi ISIP @ 650 psi unstung from retainer & reverse
circulated tubing clean & TOOH with stinger & pipe, started back in hole with
bit, shut down till Saturday
- 11-28-05 Arrived on location, BOP froze shut, 3 ½ hrs getting BOP to release pipe ram
open half way TOOH laying down 3250' 2 7/8 tubing had trouble getting bit
thru ram blocks had to thaw out BOP & open ram blocks further to get out of
hole, nipped down BOP, nipped up well head RDMOL
- 12-1-05 12 pm – 1 pm rig up on location
1 pm - 2 pm nipple up BOP
2 pm - 2:30 pm prep to TIH
2:30 pm – 5:30 pm tally in hole with packer & 2 7/8 tubing @ 2828'
5:30 pm – 6 pm drain up pump & liner & SDFN

Drilling Report – Continued

East Helper
Fed #27-1

- 12-2-05
- 7 am – 8 am arrive on location started up equip
 - 8 am – 11 am TIH with 9 JTs set anchor & press test rat hole casing test below perfs pump to 2400 #'s @ 1 BPM
 - 11 am – 12 pm TIH & tagged TD checked talley one jt off, tested casing shoe to 3000 #'s held 15 min.
 - 12 pm – 2:30 pm wait on Halliburton to arrive
 - 2:30 pm – 3:30 pm set up test lines & safety meeting prep to pump job
 - 3:30 pm – 4 pm pumped 4 bbls water @ 1.5 BPM for rate & 20 bbls cement with pressure @ 2190 @ 14 bbls into displacement bleed back to 1400 psi & holding, broke loose & prep to pull 10 JTS
 - 4 pm – 5 pm circulated hole clean & set pumped 5 bbls to 2000 #'s set packer & pressure up to 1400 #'s
 - 5 pm – 5:30 pm SWDFN
- 12-5-05
- 8 am – 9 am: Start rig and melt ice in BOP.
 - 9 am – 11 am: Defrost pipe and valve on wellhead.
 - 11 am – 12 pm: Tag cement at 2680
 - 12 pm – 2:30 pm: TOOH
 - 2:30 pm – 4:30 pm: RIH with 4 ¾ bit and tag cement.
 - 4:30 pm – 5:30 pm: Drilled out to 2850
 - 5:30 pm – 6:30 pm: Drained out pump and lines and laid 2 joint to drop fluid level in hole, SDFN.
- 12-6-05
- 7 am – 8 am: arrive on location started up equip.
 - 8 am – 10:30 am: Drilled out cement
 - 10:30 am – 11:30 am: Circulated hole clean
 - 11:30 am – 12:30 pm: Pressure tested casing, 1 bpm @ 2400 lbs
 - 12:30 pm – 3 pm: TOOH laying down
 - 3 pm – 4:30 pm: Waiting on orders
 - 4:30 pm – 5 pm: SDFN

Drilling Report – Continued

East Helper
Fed #27-1

- 12-7-05 7 am – 8 am: arrive on location and start rig.
8 am – 10 am: Nippled down BOP and nipple up wellhead
10 am – 11 am: Rig down and prep to move
11 am – 12 pm: Clean up location and move rig to 26-3
- 12-10-05 12 pm – 1:30 pm: Rig up
1:30 pm – 2:30 pm: Nippled up BOP
2:30 pm – 5 pm: TIH with mill to 2885
5 pm – 5:30 pm: laid down 4 joints, SWIFN
- 12-11-05 7 am – 8 am: arrive on location started up equip.
8 am – 8:30 am: Reigned perms above and below 15 feet.
8:30 am – 10:30 am: TOO H, laid down mill.
10:30 am – 11 am: RIH, worked wash pipe through perf zone.
11 am – 1 pm: TOO H laying down
1 pm – 2pm: Circulated hole clean.
2 pm – 4 pm: TOO H
4 pm – 5 pm: Laid down wash pipe and picked up liner and tools.
5 pm – 6 pm: Prepped to RIH with liner and drained up pumping lines.
- 12-12-05 7 am – 8 am: arrive on location started up equip.
8 am – 11:30 am: TIH with liner
11:30 am – 12:30 pm: Set casing liner
12:30 pm – 3:30 pm: TOO H laying down pipe and setting tools
3:30 pm – 4:30 pm: nipped down BOP & nipped up frac valve
4:30 pm – 5:30 pm: Rig down and move

Drilling Report – Continued

East Helper
Fed #27-1

- 12-18-05 9:30 am – 11 am: Rig up and prep to TIH, 4 ¾ bit and pipe
 11 am – 2 pm: TIH to tag sand, tagged @2160
 2 pm – 5:30 pm: Wash to 2624
 5:30 pm – 6 pm: Drained up pumping lines.
- 12-19-05 8 am – 9 am: serviced rig and start up
 9 am – 10:30 am: TOOH to change to notched collar
 10:30 am - 11 am: Rig repairs
 11 am – 12:30 pm: TIH and started washing back sand
 12:30 pm – 5 pm: Cleaned to TD and circulated hole clean
 5 pm – 5:30 pm: Laid down 5 joints
 5:30 pm – 6 pm: Drained up pump and lines, SDFN
- 12-20-05 7 am – 10 am: TOOH laying down
 10 am – 11:30 am: Rig down and move off location
 11:30 am - 1 pm: Clean out flat tank and moved pump and tank off location and
 SD
- 12-22-05 Set plug and perf upper zone
- 12-23-05 Set up and fraced upper zone, released frac crew and flow tested well till dead
- 12-26-05 Moved in rig, rigged up and set equipment and prep to TIH waiting on bit sub
 for 4 ½” bit, SDFN

Drilling Report – Continued

East Helper
Fed #27-1

- 12-27-05 7 am- 8 am: serviced rig and start up
8 am – 11:30 am: TIH with 4 ½” bit and sub and tagged fill @ 3150
11:30 am - 1:30 pm: Washed down and drilled out plug
1:30 pm – 2:30 pm: Chased plug to bottom
2:30 pm – 3:30 pm: Cleaned out rat hole 8’ & circulated hole clean
3:30 pm – 5:30 pm: TOOH laying down
5:30 pm – 6 pm: Drained up pump and lines, SDFN
- 12-29-05 8 am – 8:30 am: RD and move
Started up pump
Shut down for fluid level, pumped trashed up, tried to long stroke polish rod
stuck in up position, moving rig back on location tomorrow.
- 12-30-05 7AM-8:30AM: Moved to location and rigged up
8:30AM-11:30AM: Long stroked rods & tried to wash down, NO LUCK
11:30AM-12:30PM: Set up and nipped down drivehead
12:30PM-1PM: Backed off rods, polish rod & Pony 1st try
1PM-2PM: Hauled rods into location to screw into parts
2PM-3PM: screwed into parts & backed off again
3PM-4:30PM: TOOH with 59 rods
4:30PM-5PM: Nipped down well head & nipple up BOP
5PM-6PM: Set to pull tubing & drained pump and lines, returning Tuesday the
3rd

Drilling Report – Continued

East Helper
Fed #27-1

1-03-06 7AM-8AM: Arrived & Serviced rig

 8AM-9:30AM: TOO H, Laying down tubing

 9:30AM-10:30AM: set up and back off roads

 10:30AM-11AM: LUNCH

 11AM-12PM: TOO H with 59 rods

 12PM-12:30PM: SET UP TO PULL TUBING

 12:30PM-1:30PM: TOO H to rod part

 1:30PM-2:30PM: Back off & TOO H 49 rods,

 2:30PM-3:30PM: Set up to pull tubing

 3:30PM-4PM: Laid down last of rods and pump

 4PM-6PM: TIH with BHA & tubing, SDFN.

1-05-06 7am-8am: Service rig and start up.

 8am-11am: TIH w/rotor and 122 -1” rods, 2-8’, 1-6’, 1-2’ pony rod.

 11am-12:30 pm: NU drive head and spaced out well.

 12:30pm-1:30 pm: Hooked up generator and control panel.

 1:30 pm-2:30 pm: Started up well and watched pump for 1 hour.

 2:30 pm-4:00 pm: RD and released rig.

Drilling Report – Continued

East Helper
Fed #27-1

2-14-06 7:00 am-9:30 am: TIH with notched collar
9:30 am-10:30 am: Waited on pump and tank
10:30 am-3:00 pm: Broke circulation and washed down to 3528'
3:00 pm-4:00 pm: Circulated hole 1 hour
4:00 pm-5:30 pm: TOOH standing back.
5:30 pm-6:30 pm: Drained up pump SWFN and shut down

Rig Cost: \$3200.00

Daily Cost: \$6900.00

2-16-06 Moved from 27-1 to 26-2 and pulled pump from stator and re-set and brought 26-2 online. Moved rig to 34-2.

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER FEE
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: N/A
2. NAME OF OPERATOR: WhitMar Exploration Company		8. WELL NAME and NUMBER: 27-1
3. ADDRESS OF OPERATOR: 555 17th Street, Suite 880 Denver CO 80202		9. API NUMBER: 4300730938
4. LOCATION OF WELL FOOTAGES AT SURFACE: 625' FNL, 2079' FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 27 13 11E S		10. FIELD AND POOL, OR WILDCAT: undesignated
		COUNTY: Carbon STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start 1/24/2006 <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input checked="" 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.

Well completed and online. Date of 1st production 11/24/05

NAME (PLEASE PRINT) <u>Heather Mitchell</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE	DATE <u>1/25/2006</u>

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MAR 28 2006

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

CONFIDENTIAL

AMENDED REPORT
(highlight changes)

FORM 8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL GAS WELL DRY OTHER _____
b. TYPE OF WORK: NEW WELL HORIZ. LATS. DEEP-EN RE-ENTRY DIFF. RESVR. OTHER _____

5. LEASE DESIGNATION AND SERIAL NUMBER:
FEE
6. IF INDIAN, ALLOTTEE OR TRIBE NAME
n/a
7. UNIT or CA AGREEMENT NAME
n/a
8. WELL NAME and NUMBER:
27-1
9. API NUMBER:
4300730938
10. FIELD AND POOL, OR WILDCAT
Wildcat
11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
NENW 27 13 11E S
W N E
12. COUNTY
Carbon
13. STATE
UTAH

2. NAME OF OPERATOR:
WhitMar Exploration Company

3. ADDRESS OF OPERATOR: 555 17th Street, Ste. 880 CITY Denver STATE CO ZIP 80202
PHONE NUMBER: (303) 991-9400

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 625' FNL, 2079' FEL
AT TOP PRODUCING INTERVAL REPORTED BELOW: same
AT TOTAL DEPTH: same

14. DATE SPUDDED: 6/6/2005
15. DATE T.D. REACHED: 6/25/2005
16. DATE COMPLETED: 12/29/2005
ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL):
GL: 6068

18. TOTAL DEPTH: MD 3,560 TVD 3,650
19. PLUG BACK T.D.: MD TVD
20. IF MULTIPLE COMPLETIONS, HOW MANY? *

21. DEPTH BRIDGE MD PLUG SET: TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
Gamma Ray & Array Induction, cement bond log

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

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12 1/4	8 5/8	24	0	350		Calc. C 200	57	2090'	0
7 7/8	5/5	15.5		3,460					

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 7/8								

26. PRODUCING INTERVALS

27. PERFORATION RECORD

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) Ferron					3,165 3,168		12	Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(B) Ferron					3,200 3,212		42	Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C) Ferron					3,257 3,270			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D) Ferron					3,284 3,289			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
	Cement Squeeze

RECEIVED APR 13 2006 RECEIVED APR 25 2006

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

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31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 1/28/2006		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 36	WATER - BBL: 455	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

INTERVAL B (As shown in item #26)

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

INTERVAL C (As shown in item #26)

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

INTERVAL D (As shown in item #26)

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

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

Sold and used for fuel

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)
				Ferron	3.098

35. ADDITIONAL REMARKS (Include plugging procedure)

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

NAME (PLEASE PRINT) Heather Mitchell TITLE Administrative Assistant
 SIGNATURE *Heather Mitchell* DATE 4-11-06

This report must be submitted within 30 days of

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

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

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

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

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



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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



IN REPLY REFER TO
3105
UT-922

May 3, 2006

Whitmar Exploration Company
Attn: Jessica Lambuth
555 17th Street
Suite 880
Denver, Colorado 80202

Gentlemen:

Enclosed is one approved copy of Communitization Agreement No. UTU84383. This agreement communitizes all rights as to natural gas and associated liquid hydrocarbons producible from the Ferron Formation, covering NE $\frac{1}{4}$ of Section 27, Township 13 South, Range 11 East, SLB&M, Carbon County, Utah. This agreement conforms with the spacing set forth in Order No. 241-6 which was issued by the State of Utah, Board of Oil, Gas and Mining on September 22, 2004.

This agreement is effective as of June 1, 2005. The communitized area covers 160.00 acres and includes portions of Federal oil and gas lease UTU80556.

Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.

Minerals Management Service Form MMS-4054, "Oil & Gas Operations Report", must be submitted for this agreement beginning with the month in which drilling operations commence for Well No. 27-1, NWNE, Section 27, Township 13 South, Range 11 East, SLB&M, Carbon County, Utah, API # 43-007-30938, on a fee lease. Form MMS-4054 is to be mailed to the Minerals Management Service, Minerals Revenue Management Reporting Services, P. O. Box 17110, Denver, Colorado 80217-0110.

Please furnish all interested principals with necessary evidence of this approval.

Sincerely,



Douglas F. Cook
Chief, Branch of Fluid Minerals

CONFIDENTIAL

K

Enclosure

MAY 08 2006

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: UTU84383
2. NAME OF OPERATOR: WhitMar Exploration Company		8. WELL NAME and NUMBER: 27-1
3. ADDRESS OF OPERATOR: 555 17th Street, Suite 880 CITY Denver STATE CO ZIP 80202		9. API NUMBER: 4300730938
4. LOCATION OF WELL FOOTAGES AT SURFACE: 625' FNL, 2079' FEL COUNTY: Carbon QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 27 13S 11E STATE: UTAH		10. FIELD AND POOL, OR WILDCAT: Wildcat

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input 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>Classify as Wildcat</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

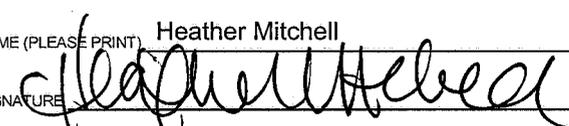
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Please find the attached information to re-classify the 27-1 as a wildcat well

THIS REQUEST FOR WILDCAT WELL DESIGNATION IS BEING DENIED (see attached Statement of Basis).

CC: STATE TAX COMMISSION (Emailed)


November 19, 2007
Utah Division of Oil, Gas and Mining

NAME (PLEASE PRINT) Heather Mitchell	TITLE Operations Coordinator
SIGNATURE 	DATE 10/1/2007

(This space for State use only)

COPY SENT TO OPERATOR
Date: 11-20-07
Initials: PM
(5/2000)

(See Instructions on Reverse Side)

RECEIVED
OCT 02 2007

DIV. OF OIL, GAS & MINING

1.2.2

In December 2005 and January 2006, WhitMar was targeting the Ferron Coal section of the Ferron Sandstone Formation in all nine of its wells in sections 22, 26, 27, and 34 of 13S-11E.

At the time of completion in December 2005 and January 2006, there were no known producing wells within 1 mile of any of WhitMar's wells.

Two wells within 1 mile of the designated area were being drilled in this same timeframe late November 2005), in section 28-13S-11E:

API # 4300730974

API # 4300730973

Both of these wells were in the process of being drilled in late November 2005, and all of this information was confidential.

1.2.3

There were no known producing wells within one mile of WhitMar's nine wildcats at the time of completion.

1.2.4

No specific structure was targeted in the nine WhitMar wildcats.

As depicted in the attached plats, the 27-4 was completed in December 2005, as part of a 9-well batch completion program, whose 8 other completions followed directly and without interruption in January 2006. As outlined in the pre-drill operations prognosis, information from the 27-4 would not (and did not) dictate the completion decisions of the 8 other wells.

1.2.5

BHP=1417 psi

In essence, the nine wells were drilled and completed in rapid succession, with no producing wells within 1 mile, and without sufficient time to determine if any of the 9 wells were productive.

With this evidence, we are seeking wildcat classification for the 9 wells in question.

Completion Date

13	2005/12/14 1974/07/27 20 2004/12/14 2004/12/14 2005/11/23 2005/11/30 2005/12/18	21 1975/01/25 2005/11/21 2005/11/22	13.5 11E 22 2007/01/28 27-3 2006/01/27 27 2005/12/19 27-4 2006/01/29 26-2 26-3 2006/01/29 26	23 24 25 26
10	2003/11/30 2003/12/05 2003/12/05 2004/05/27	2007/05/26 2007/06/01 2007/06/15 2007/06/07	2006/01/29 2008/01/27 SWD-1 2006/01/21	26 27 28 29 30 31
0/22	2004/06/15 2003/12/08 2004/06/22 2007/06/19	2007/06/16 2007/06/10	2007/06/03 2007/06/16 2007/06/10	1 2 3 4 5

DIVISION OF OIL, GAS AND MINING

Wildcat Well Determination

STATEMENT OF BASIS

Applicant: WhitMar Exploration Company

Location: NWNE Sec. 27 T13S, R11E, Carbon County, Utah

WELL NAME: 27-1 **API #:** 43-007-30938

FINDINGS

1. This well was completed on December 29, 2005 in the Ferron formation. Pipe was set at Total Depth on June 26, 2005.
2. The Coal Creek 1 well, located within 1 mile of the subject well was drilled and tested in 1975 as having gas shows in the Ferron formation.
3. This well was approximately 1 mile from known production in the Ferron Formation at the time of the completion and the start of commercial production. Two of these wells, the N Bench Fed 34-28 well and the N Bench Fed 23-28 were put on production on November 22, 2005 and November 21, 2005 respectively. Although all information on these wells may not have been readily available at the time of completion of the subject well, there was information available and these wells were not classified as confidential.
4. This well is approximately 2.5 miles from the N Bench St 32-32 well that has been producing commercial quantities of gas from the Ferron formation since December of 2003.
5. This well is within Cause No. 241-6 that was approved by the Board of Oil, Gas and Mining on September 22, 2004 at the request of WhitMar Exploration. The Order defines Sections 22 and 27 as a common source of supply and an extension of previous Orders of the Board in the Ferron formation in the East Helper area. Cause No. 241-6 directly offsets Cause No. 241-5 which was an extension of Cause No. 241-4 and Cause No. 241-1. The Board orders in these Cause Nos. defined the Ferron formation as a pool.
6. Evidence presented in Cause No. 241-6 showed the continuity of the Ferron Formation through the subject well. Also, several wells drilled several miles to the east and prior to the drilling of the subject well further support and show the continuity of Ferron Formation through the area.
7. 10 wells were drilled by WhitMar in the immediate area prior to putting any one into production. 2 of these wells had already been drilled prior to this well being drilled.
8. The Wildcat Tax Credit application was received almost 2 years after completion of the subject well (see submittal requirements in R649-3-35-1).

CONCLUSIONS

Based on the findings above the Division has determined the 27-1 well was drilled into a known producing area for the Ferron Formation. All wells in this area were drilled within a spaced drilling unit or just outside a spaced drilling unit. WhitMars' own testimony in Cause No. 241-6 was that the Ferron formation was known to contain hydrocarbons in paying quantities in this area, insofar as much as the Board agreed and set up drilling and spacing units according to that evidence. No

information was provided in the testimony or in the application that supported the subject well being drilled in a separate pool. The drilling of 10 wells (9 eventual producers and 1 disposal well) prior to putting any wells online also helps support the fact that this was a known area for production in the Ferron formation. Because of the different nature of Coal Bed Methane (CBM) production, you do need to remove the hydrostatic from the coals in order to produce the gas. A pattern of several wells does help de-water the coals and allow for quicker recovery of the gas and would be expected in a known CBM area.

The application was also received after the Well Completion Report was submitted and after production had commenced in the area. Future requests for wildcat well determination should be submitted in accordance with R649-3-35-1.

Therefore, the Division finds that this well does not qualify for the severance tax exemption under Section 59-5-102(2)(d) for wildcat wells. This determination was made in accordance with Oil and Gas General Conservation Rule R649-3-35. If the operator disagrees with this determination, the decision may be appealed to the Board of Oil Gas and Mining.

Reviewer(s): Dustin K. Doucet *DKD* Date: 11/19/2007

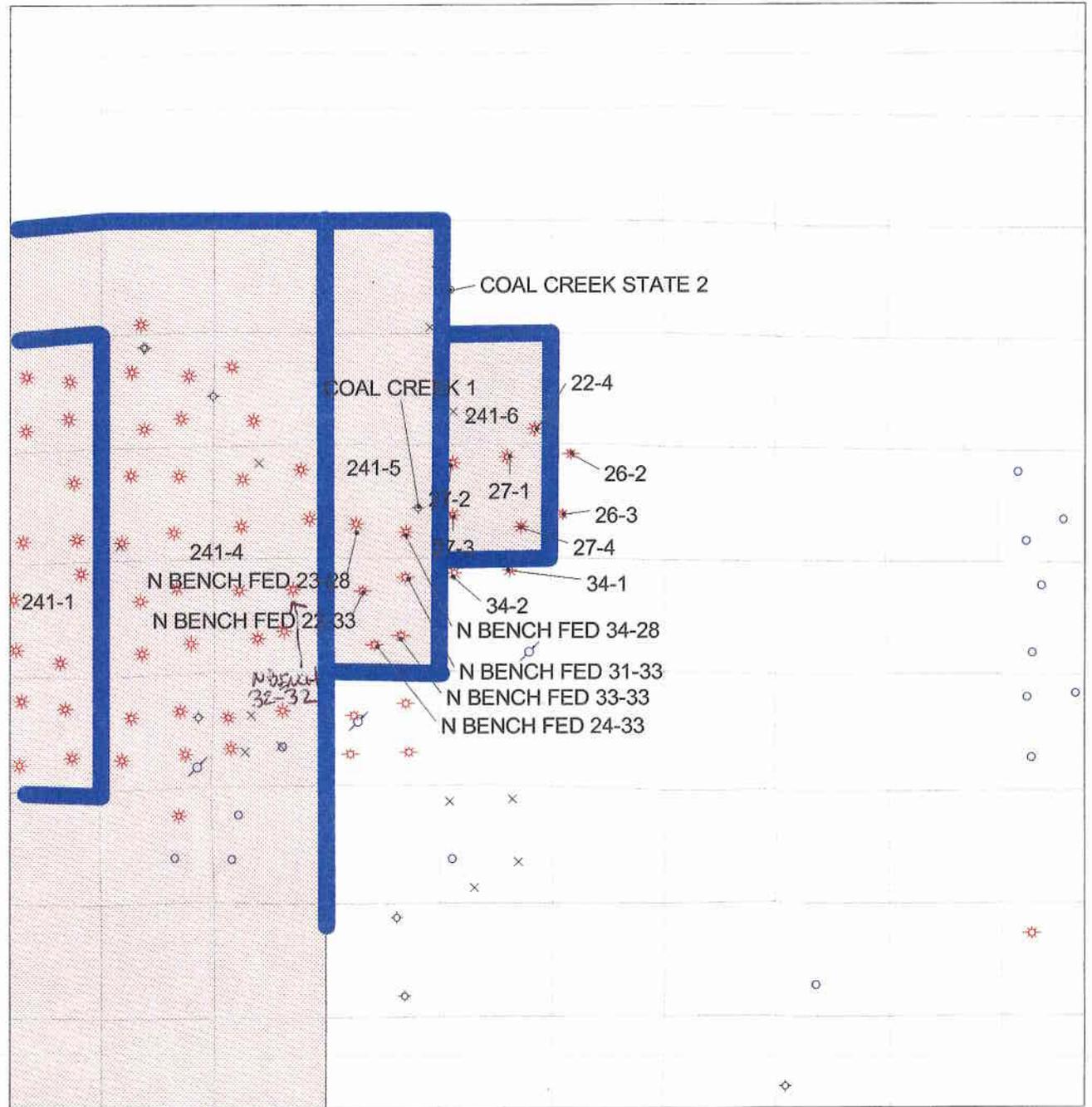
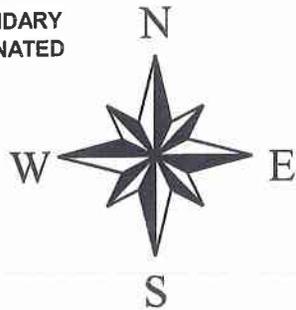
THIS REQUEST FOR WILDCAT WELL DESIGNATION IS BEING DENIED.

Dustin K. Doucet

November 19, 2007
Utah Division of Oil, Gas and Mining

- Sections.shp**
- Wells.shp**
- 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
 - ⊕ DRILLING
 - ▲ RETURNED GAS
 - ▲ RETURNED OIL
 - ✱ GAS INJECTION SI
 - ▲ WATER DISP. SUSP.
 - ➔ WATER INJ. SUSP.

- 160.shp**
- ▨ ACTIVE
 - VACATED
- Units.shp**
- EXPLORATORY
 - GAS STORAGE
 - NF PP OIL
 - NF SECONDARY
 - PENDING
 - ▨ PI OIL
 - ▨ PP GAS
 - ▨ PP GEOTHERML
 - ▨ PP OIL
 - ▨ SECONDARY
 - TERMINATED



Whitmar CBM Wildcat AOR

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

RECOMMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

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

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

5. LEASE DESIGNATION AND SERIAL NUMBER:
FEE

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
n/a

7. UNIT or CA AGREEMENT NAME
n/a

8. WELL NAME and NUMBER:
27-1

9. API NUMBER:
4300730938

10. FIELD AND POOL, OR WILDCAT
Wildcat

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
NEW 27 13 11E S
NW 1/4

12. COUNTY
Carbon

13. STATE
UTAH

2. NAME OF OPERATOR:
WhitMar Exploration Company

3. ADDRESS OF OPERATOR:
555 17th Street, Ste. 880 CITY Denver STATE CO ZIP 80202 PHONE NUMBER: **(303) 991-9400**

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: **625' FNL, 2079' FEL**

AT TOP PRODUCING INTERVAL REPORTED BELOW: **same**

AT TOTAL DEPTH: **same**

14. DATE SPURRED: **6/9/2005** 15. DATE T.D. REACHED: **6/25/2005** 16. DATE COMPLETED: **12/29/2006**

ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL):
GL: 6068

18. TOTAL DEPTH: MD **3,560** TVD **3,560**

19. PLUG BACK T.D.: MD _____ TVD _____

20. IF MULTIPLE COMPLETIONS, HOW MANY? *

21. DEPTH BRIDGE MD _____ PLUG SET: TVD _____

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
Gamma Ray & Array Induction

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

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12 1/4	8 5/8	24	0	350	350	Calc. 200	57	0	0
7 7/8	5 1/2	15.5			3,460				

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 7/8								

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) Ferron				
(B) Ferron				
(C) Ferron				
(D) Ferron				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
3,165 3,168		12	Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
3,200 3,212		42	Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
3,257 3,270			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
3,284 3,289			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
	Cement Squeeze- see attached

29. ENCLOSED ATTACHMENTS:

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

30. WELL STATUS:
Producing

RECEIVED

APR 04 2008

DIV. OF OIL, GAS & MINING

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

DATE FIRST PRODUCED: 1/28/2006		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 36	WATER - BBL: 455	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

INTERVAL B (As shown in Item #26)

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

INTERVAL C (As shown in Item #26)

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

INTERVAL D (As shown in Item #26)

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

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

Used for fuel and sold

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, lime 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)

35. ADDITIONAL REMARKS (Include plugging procedure)

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

NAME (PLEASE PRINT) Heather Mitchell TITLE Administrative Assistant
 SIGNATURE *Heather Mitchell* DATE 3/22/2006

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 Phone: 801-538-5340
 1594 West North Temple, Suite 1210
 Box 145801 Fax: 801-359-3940
 Salt Lake City, Utah 84114-5801

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: WhitMar Exploration Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: 555 17th Street, Ste. 880 CITY Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME: UTU84383
4. LOCATION OF WELL FOOTAGES AT SURFACE: 625' FNL, 2079' FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 27 13S 11E		8. WELL NAME and NUMBER: 27-1 9. API NUMBER: 4300730938 10. FIELD AND POOL, OR WILDCAT: Helper
		COUNTY: Carbon STATE: UTAH

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

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

Please see attached proposal of operations.
 This well is currently inactive.
 I have attached a copy of the completion report for the well bore information.
 In summary the TD of this well is 3560'
 Casing:
 12 1/4 hole with 8 5/8 and 24# from surface to 350'
 7 7/8 hole with 5 1/2 and 15.5# from surface to 3460'
 Ferron Sand top is 3098'
 Plugging operations to commence on Friday, April 3, 2008

COPY SENT TO OPERATOR
Date: 4-28-2008
Initials: KS

NAME (PLEASE PRINT) <u>Heather Mitchell</u>	TITLE <u>Operations Coordinator</u>
SIGNATURE <u><i>Heather Mitchell</i></u>	DATE <u>4/1/2008</u>

(This space for State use only)

Approved w/conditions 4/2/08 DCD

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APR 04 2008
 DIV. OF OIL, GAS & MINING

Proposal for 27-1 Location

Day #1

Move in rig up
Nipple down drive head
Lay down rods & rotor (Back off rods)
Nipple up Bop & TOO H, pulling cap string & tally pipe
Lay down PC pump

Day #2

RIH to 3165' Tig up cement crew, test lines to 3000#'s
Pump 100' of class A + 2% Ca Chl.. (15.6 ppg, yield 1.18 cfps. 5.23 gps)
TOOH to 2665', Reverse circulate tubing clean
TOOH Laying down to 375' & stand back 10 jts.
SWIFN

Day #3

RIH with wire line & sinker bar Tag Plug pull out of hole
RIH with perf gun 2', 4spf .50, & perf @ 365'
TIH with tubing & retainer & set @ 310'
TOOH & RIH to sting into retainer
Rig up cement crew & pump to break circulation
Pump 200' of cement 100' inside casing & 100' outside casing
28 sks of (15.1 ppg, yield 1.18 cfps, 5.23 sps)
TOOH laying down
SWIFN

Day #4

RIH with sand line & sinker bar & tag cement
Release rig & rig down
Cut off casing @ surface & weld on cap & monument marker

Day #5 & #6

Rig up flow lines & move sep. & meter to SWD #1 location & reclaim location

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: UTU84383
2. NAME OF OPERATOR: WhitMar Exploration Company		8. WELL NAME and NUMBER: 27-1
3. ADDRESS OF OPERATOR: 555 17th Street, Ste. 880 CITY Denver STATE CO ZIP 80202		9. API NUMBER: 4300730938
4. LOCATION OF WELL FOOTAGES AT SURFACE: 625' FNL, 2079' FEL		10. FIELD AND POOL, OR WILDCAT: Helper
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 27 13S 11E		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: 5/2/2008	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
See attached copy of rig reports for details on the plugging procedure.

NAME (PLEASE PRINT) <u>Heather Mitchell</u>	TITLE <u>Operations Coordinator</u>
SIGNATURE	DATE <u>5/7/2008</u>

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MAY 09 2008

4/24/2008 Spotted Rig, Rig up to half mass, broke derrick Peg latch arm. Waited to see if wind dies down to rig up. Pulled guided by hand & shut down, Released Crew

4/25/2008 Service rig & start up
Rig up from half mass
Nipple down Well head
Nipple Up BOP
Set up to pull tubing with cap strings
TOOH with tubing & cap string
Lunch
Talley in Hole to 3258'
SWFN

4/28/2008 Set up to pump cement plug @ 3158'
Test lines to 3000PSI & pumped 5 BBLS fresh lead & 2.6 BBLS cement class A + 2% CA.CHL
TOOH with 5 strands Reverse circulate hole
Cleaned up equipment wait on cement to set up for 5 hrs.
RIH did not tag laid down 2 JTs & waiting on water to pump second attempt for balance plug
Water arrived & pumped 10 bbls fresh lead, 20 sacks of cement with 100% excess density @ 15.8 PSI max pressure 160PSI
Displacement 17 BBLS fresh water
POOH 10 strands & reverse circulate 51 BBLS to clean tubing, cleaned up pump & lines & SWFN

4/29/2008 Start up & tagged plug @ 3204' Laid down 2 Jts. & prep for 3rd plug to be pumped. Waiting on water
Waiting on water to arrive
Pumped 3rd plug & pulled up 7 strands & reverse out to clean up tubing
WOC to set up to tag
RIH did not tag cement plug, wait on 2nd load of water to pump 4th plug of cement
Waiting on water to arrive
Pump 4th plug @ 15.8 pps 25sacks @ 3bpm displayed with 17bbl fresh H2O, tubing plugged pressure up to start job to 1500psi jarred pipe & freed up plug pumped job
reversed out some cement
TOOH & SWFN

4/30/2008 Service rig & prep to TOOH
TIH to tag plug, hit @ 2963'
Displaced casing with 3% ACL
TOOH Laying down
Lunch
Waiting on perforators to arrive
Rig up perf crew & RIH with 2' 4 spf .50 holes (8shot total) & shot 365' hole full of fluid, shot gun & casing on vacuum
Pumped 20k of production water to fill void behind casing, still on vacuum
Called Mark Weight & Mark Jones to discuss alternative plan

5/1/2008 Start up, Nipple down BOP
Nipple Down tubing head & prep for welder
Waiting on welder & bells for 5 1/2 elev. To arrive
Weld on bell nipple to lift casing
Put on lift sub
Rig up wire line to cut casing, RIH with cutter & cut 51/2 408', pulled 50k & cut pipe
Rig up casing crew tongs to prep to pull casing
Pulled casing out of hole 10 JTs
Rig down casing crew, rigged up & run 2 7/8 tubing hit @ 408' solid
Worked pipe to get through tight spot, POOH
Prep & RIH with 2 JTS 2 3/8 - xo & 6 jts 2 7/8
Pumped 40 sacks of class A 2% CA CHL @ 95 PSI @ 2.6 BPM @ 15.8 PPG, mad press @ 105 PSI displaced with 1.6 BBLS

5/2/2008 Start up and service rig
RIH to tag cement plug stuck out @ 422'
Pumped 2nd cement plug @ 412.05' 40sacks
WOC to set
RIH to tag cement 42.7 plug, fluid still falling prep to pump
20 sacks plug to fill void, tagged cement @ 379'
Pump 20 sacks plug 3rd try pumped @ 168 ppg & 31/2 % Ca Chl.
Pumped 31/2 bbls cement with 1.6 bbls displacement
POOH & Run CIBP 8 5/8 to 340' & set
RIH & tagged CIPB & laid down 1 JT & filled to surface,
Pumped 110 sacks of cement, @ 2.5 BPM @ 15.8 15.20 density,
Pump press 85#s max pressure @ 100PSI
Racked out pump tanks, & cleaned up location
Secured rig for weekend Shut down