001

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. LEASE DESIGNATION AND SERIAL NUMBER: ML-44443

1A. TYPE OF WORK: DRILL ☑ REENTER ☐ DEEPEN ☐

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

B. TYPE OF WELL: OIL ☐ GAS ☑ OTHER _____ SINGLE ZONE ☐ MULTIPLE ZONE ☑

7. UNIT or CA AGREEMENT NAME: N/A

2. NAME OF OPERATOR: EVERGREEN OPERATING CORPORATION

8. WELL NAME and NUMBER: STATE 11-16

3. ADDRESS OF OPERATOR: 1401 17TH ST., #1200 CITY DENVER STATE CO ZIP 80202

PHONE NUMBER: (303) 298-8100

9 FIELD AND POOL, OR WILDCAT: CASTLEGATE

4. LOCATION OF WELL (FOOTAGES)

AT SURFACE: 550 FNL & 500 FWL 515881 X 4404186 Y 39.78936 -110.81453

AT PROPOSED PRODUCING ZONE: SAME

10. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 16 12S 10E S

13. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 9 AIR MILES NNE OF HELPER

11. COUNTY: CARBON

12. STATE: UTAH

14. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET)	15. NUMBER OF ACRES IN LEASE:	16. NUMBER OF ACRES ASSIGNED TO THIS WELL:
500	640	160
17. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET)	**18. PROPOSED DEPTH:**	**19. BOND DESCRIPTION:**
2,162	4,965	RLB0006706
20. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.):	**21. APPROXIMATE DATE WORK WILL START:**	**22. ESTIMATED DURATION:**
7,569 GL	6/1/2004	2 WEEKS

23. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT			
14	10-3/4	J-55	40.5	500	CLASS G	410 SX	1.17	15.8
9-7/8	7-5/8	J-55	26.4	3,720	HI FILL	210 SX	3.88	10.88
					PREMIUM	100 SX	1.6	14.2
6-3/4	5-1/2	J-55	17	4,965	PREMIUM	120 SX	1.18	15.6

24. **ATTACHMENTS**

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

☑ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER

☑ COMPLETE DRILLING PLAN

☑ EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER

☐ FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) BRIAN WOOD PHONE: (505) 466-8120 TITLE CONSULTANT FAX: (505) 466-9682

SIGNATURE B. Wood DATE 5/7/2004

(This space for State use only)

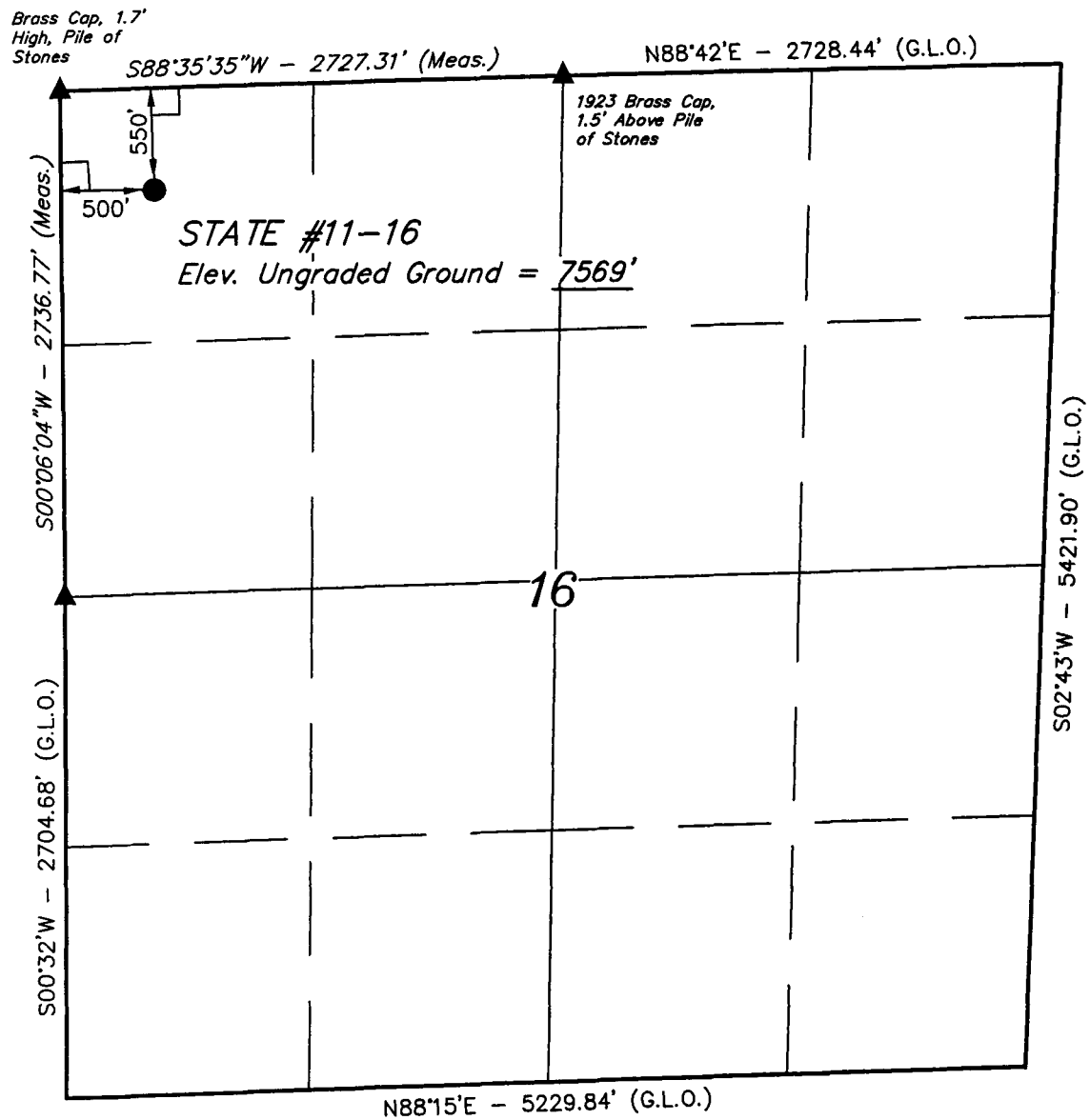
API NUMBER ASSIGNED: 43-007-30961

Approved by the Utah Division of Oil, Gas and Mining
APPROVAL: 06-30-04
By: [illegible]

RECEIVED
MAY 10 2004
DIV. OF OIL, GAS & MINING

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

T12S, R10E, S.L.B.&M.



BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

LEGEND:

└ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

(NAD 83)

LATITUDE = 39°47'21.46" (39.789294)

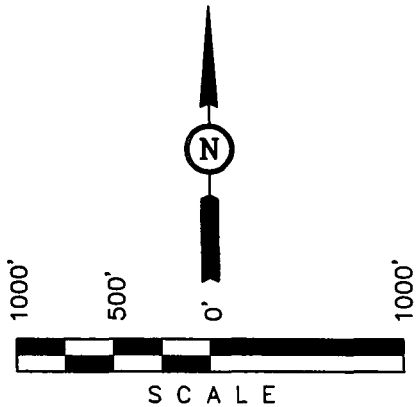
LONGITUDE = 110°48'54.81" (110.815225)

EVERGREEN RESOURCES INC.

Well location, STATE #11-16, located as shown in the NW 1/4 NW 1/4 of Section 16, T12S, R10E, S.L.B.&M. Carbon County, Utah.

BASIS OF ELEVATION

BENCH MARK LOCATED IN THE SW 1/4 NE 1/4 OF SECTION 10, T12S, R10E, S.L.B.&M. TAKEN FROM THE MATTS SUMMIT, QUADRANGLE, UTAH, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 7131 FEET.



CERTIFICATE

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

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

REVISED: 5-21-04

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE	DATE SURVEYED:	DATE DRAWN:
1" = 1000'	3-31-04	4-2-04
PARTY: D.K. L.M. C.G.	REFERENCES: G.L.O. PLAT	
WEATHER: WARM	FILE: EVERGREEN RESOURCES INC.	

Evergreen Operating Corporation
State 11-16
550' FNL & 500' FWL
Sec. 16, T. 12 S., R. 10 E.
Carbon County, Utah

Drilling Program

1. Formation Name	Depth from GL	Depth from KB	Elevation
Flagstaff Limestone	0'	10'	+7,569'
Price River Formation	2,440'	2,450'	+5,129'
Castlegate Formation	3,260'	3,270'	+4,309'
Upper Blackhawk Coal	3,610'	3,620'	+3,959'
Blackhawk Coal	3,910'	3,920'	+3,659'
Sunnyside Sandstone	Absent	N/A	N/A
Kenilworth Sandstone	Absent	N/A	N/A
Aberdeen Sandstone	4,510'	4,520'	+3,059'
Lower Aberdeen	4,630'	4,640'	+2,939'
Spring Canyon	4,755'	4,765'	+2,814'
Total Depth	4,955'	4,965'	+2,614'

2. NOTABLE ZONES

Blackhawk to Aberdeen interval is the goal. No other oil or gas zones are expected. Flagstaff, North Horn, and coal zones are anticipated water zones.

3. PRESSURE CONTROL

Maximum expected bottom hole pressure is ≈1,982 psi. A ≈10" x 2,000 psi double ram BOP with 2,000 psi choke manifold will be used from bottom of surface casing to TD. (A typical 2,000 psi BOP is on Page 2. Actual model will not be known until the bid is let.) BOP system will be tested to 70% of the minimum internal yield before drilling the surface casing shoe. System will be tested at least once every 30 days. Tests will be recorded in the driller's log. BOPs will be inspected and operated daily to assure good mechanical working order.

4. CASING & CEMENTING

Hole Size	O. D.	Weight	Grade	Age	Range
14"	10-3/4"	40.5	J-55	New	0' - 500'
9-7/8"	7-5/8"	26.4	J-55	New	0' - 3,720'
6-3/4"	5-1/2"	17	J-55	New	3,570' - 4,965'

Surface casing will be circulated to surface with 410 sacks Class G + 2% $CaCl_2$ + 1/4 pound per sack cello flake mixed at 1.17 cubic feet per sack and 15.8 pounds per gallon. Excess: >100%

Intermediate casing will be cemented to surface. Lead with ≈210 sacks Hi Fill cement + 16% bentonite + 10 pounds per sacks gilsonite + 3% salt mixed at 3.88 cubic feet per sack and 10.88 pounds per gallon. Tail with ≈100 sacks premium cement + 10% Cal-Seal 60 + 1/4 pound per sack Flocele mixed at 1.6 cubic feet per sack and 14.2 pounds per gallon. Total (210 sacks lead + 100 sacks tail = 310 sacks) excess = >20%. Actual cement volume will be based on caliper log.

Liner will be cemented to ≈3,570' with 120 sacks Premium cement mixed at 1.18 cubic feet per sack, 15.6 pounds per gallon, and >20% excess.

5. MUD PROGRAM

Interval	Type	ppg	Viscosity	Fluid Loss
0' - 500'	Air/Air Mist	N/A	N/A	NC
500' - 3,720'	KCl polymer	8.8 - 9.0	38 - 40	10
3,720' - TD	Air/Air Mist	N/A	N/A	NC

6. CORING, TESTING, & LOGGING

No drill stem test is planned.

Cores may be cut in the ≈3,940' to ≈4,530' interval.

Induction/GR/SP logs will be run from TD to ≈3,720'
LDT-CNL will be run from TD to ≈3,720' (high resolution 4,815' to 3,870')
GR/Neutron will be run from TD to 500'
High resolution interval may be adjusted after repeat to cover from 50' below the top of the Spring Canyon to to top of the Blackhawk coal.

Mud logger will be on site from ≈500' to TD. Samples will be collected every ≈15' from the base of surface casing to TD or at the geologist's discretion.

7. DOWN HOLE CONDITIONS

No abnormal pressures, temperatures, or hydrogen sulfide are expected.

Surface Use Plan

1. EXISTING ROADS & DIRECTIONS (See PAGES 9 & 10)

From the junction of US 6 and US 191 north of Helper, Utah ...
Go NE 7.6 miles on US 191 to the Emma Park Road
Then turn left and go NW 0.3 mi. on the Emma Park Road
Then turn left and go SW 1.7 mi. to the W side of the existing 4-16 well
Then go NW 0.5 mile cross country to the proposed pad

2. ROAD TO BE BUILT OR UPGRADED

The last 0.5 mile of road will be built. It will be crowned and ditched with a 16' wide travel surface. Maximum disturbed width will not exceed 30'. Maximum grade is ≈10%. Maximum cut or fill will be ≈5'. At least 4 culverts will be installed.

3. EXISTING WELLS

There are 5 gas wells and 1 P & A well within a mile radius. There are no existing water, oil, or injection wells within a mile.

4. PROPOSED PRODUCTION FACILITIES

A dehydrator-separator, meter run, and pump may be installed on the pad. All surface equipment will be painted a flat green. A water and gas pipeline will be buried in the same 0.5 mile long trench southeast to the 4-16.

5. WATER SUPPLY

Water will be trucked from existing water well (right #91-4983) at Evergreen's central production facility in Section 11 or from town for the first 1,500' of well bore. Produced water from Evergreen's wells will be used below 1,500'.

6. CONSTRUCTION MATERIALS & METHODS

Topsoil and brush will be stripped and stockpiled north of the pad and southwest of the pit. Pit subsoil will be piled south of the pit. A diversion ditch will be cut south of the soil piles. A ≈350' long silt fence will be placed north of the well site. The reserve pit will be lined with minimum 12 mil plastic. Gravel will be hauled from town.

7. WASTE DISPOSAL

All trash will be placed in a trash cage. When full, it will be hauled to a state approved landfill. There will be no trash burning or disposal of trash in the reserve pit. Chemical toilets will be used for human waste. Their contents will be disposed of in state approved facilities.

Produced water will be piped to Evergreen's state approved lined evaporation pond in Section 3.

8. ANCILLARY FACILITIES

There will be no airstrip or formal camp. Camper trailers will be on site for the company man, roughnecks, mud logger, tool pusher, etc.

9. RECLAMATION

After completing drilling, the well site and immediate area will be cleared of all debris and material not needed for production.

All areas not needed for production will be back filled, contoured to match natural contours, and reserved topsoil and brush evenly spread. If the well is a producer, then enough topsoil will be kept aside to reclaim the rest of the pad. Disturbed areas will be ripped, harrowed, or scarified before seeding.

All reclaimed areas will be broadcast sown or drilled with seed mix specified by the state. Seeded areas will be left rough and lightly harrowed or drug with a chain after seeding. Water bars will be installed on the road and pipeline corridor.

10. SURFACE OWNER

All construction is on one SITLA and on SITLA surface.

11. OTHER INFORMATION

Closest hospital is a a 2/3 hour drive to Price. The Castleview Hospital is at 300 North Hospital Drive. Phone number is (435) 637-4800.

12. REPRESENTATION

Anyone having questions concerning the APD should contact:

Brian Wood
Permits West, Inc.
37 Verano Loop
Santa Fe, NM 87508
(505) 466-8120 FAX: (505) 466-9682 Mobile: (505) 699-2276

The field representative during drilling and production will be:

Larry Sessions, Area Foreman
Evergreen Operating Corporation
212 East 100 North
Price, Ut. 84501
(435) 613-9490 FAX: (435) 613-9489 Mobile: (435) 820-6359

LEGEND:

⊙ PROPOSED LOCATION

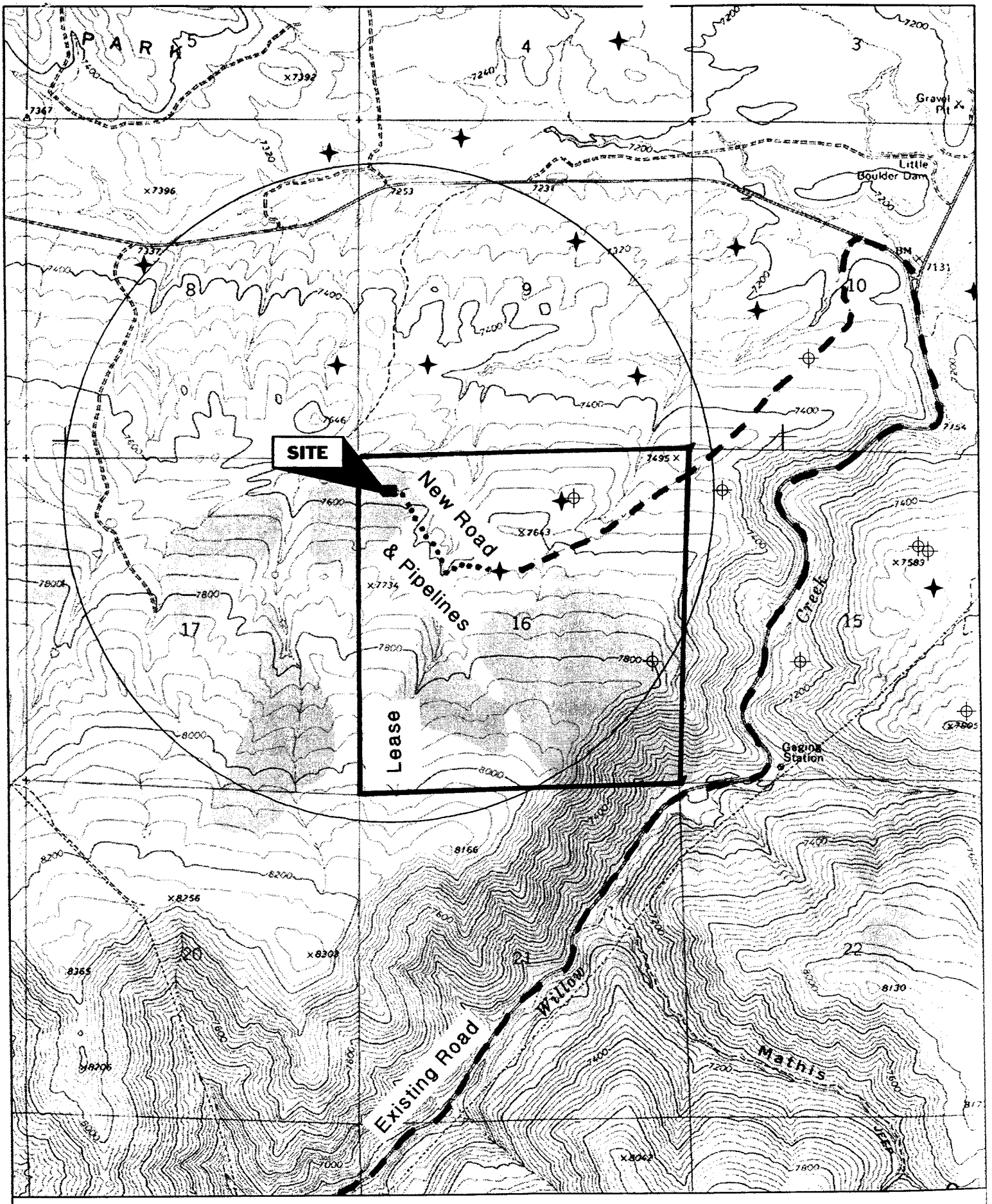
N

EVERGREEN RESOURCES, INC.

STATE #11-16
SECTION 16, T12S, R10E, S.L.B.&M.
550' FNL 500' FWL

UELS
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	04	01	04	A TOPO
	MONTH	DAY	YEAR	
SCALE: 1:100,000	DRAWN BY: P.M.	REVISED: 00-00-00		



Name: MATTS SUMMIT
Date: 2/27/2004
Scale: 1 inch equals 2000 feet

Location: 039.7844367° N 110.8092968° W
Caption: 16, 12S-10E
CARBON CTY., UTAH

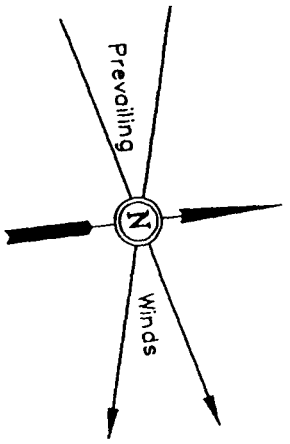
Copyright (C) 1997, Maptech, Inc.

EVERGREEN RESOURCES INC.

FIGURE #1

LOCATION LAYOUT FOR

STATE #11-16
SECTION 16, T12S, R10E, S.L.B.&M.
550' FNL 500' FWL



SCALE: 1" = 50'
DATE: 3-30-04
Drawn By: C.G.

NOTE:
Flare Pit is to be located a min. of 100' from the Well Head.

C-12.2'
El. 79.8'

C-3.0'
El. 70.6'

F-10.4'
El. 57.2'

Sta. 3+20

Approx. Toe of Fill Slope

Round Corners as Needed

REGISTERED LAND SURVEYOR
No. 161319
ROBERT L. KAY
STATE OF UTAH

Topsoil Stockpile

PIPE TUBS

PIPE RACKS

CATWALK

FLARE PIT

C-5.3'
El. 72.9'

C-1.6'
El. 69.2'

F-11.2'
El. 56.4'

Sta. 1+50

El. 79.8'
C-22.2'
(btm. pit)

Approx. Top of Cut Slope

RIG

TOILET

DOG HOUSE

C-5.2'
El. 72.8'

LIGHT PLANT

BOILER

TRAILER

COMPRESSOR

WATER TANK

PUMP HOUSE

MUD TANKS

BOOSTER

RESERVE PITS
(10' Deep)

Total Pit Capacity
W/2' of Freeboard
= 9,910 Bbls. ±
Total Pit Volume
= 2,810 Cu. Yds.

1 1/2:1 Slope

10' WIDE BENCH

Reserve Pit Backfill & Spoils Stockpile

TRASH

PROPANE STORAGE

Sta. 0+50

ACCESS

Sta. 0+00

El. 83.0'
C-25.4'
(btm pit)

C-7.4'
El. 75.0'

C-4.3'
El. 71.9'

F-6.7'
El. 60.9'

NOTES:

Elev. Ungraded Ground At Loc. Stake = 7569.2'

FINISHED GRADE ELEV. AT LOC. STAKE = 7567.6'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

EVERGREEN RESOURCES IN...

FIGURE #2

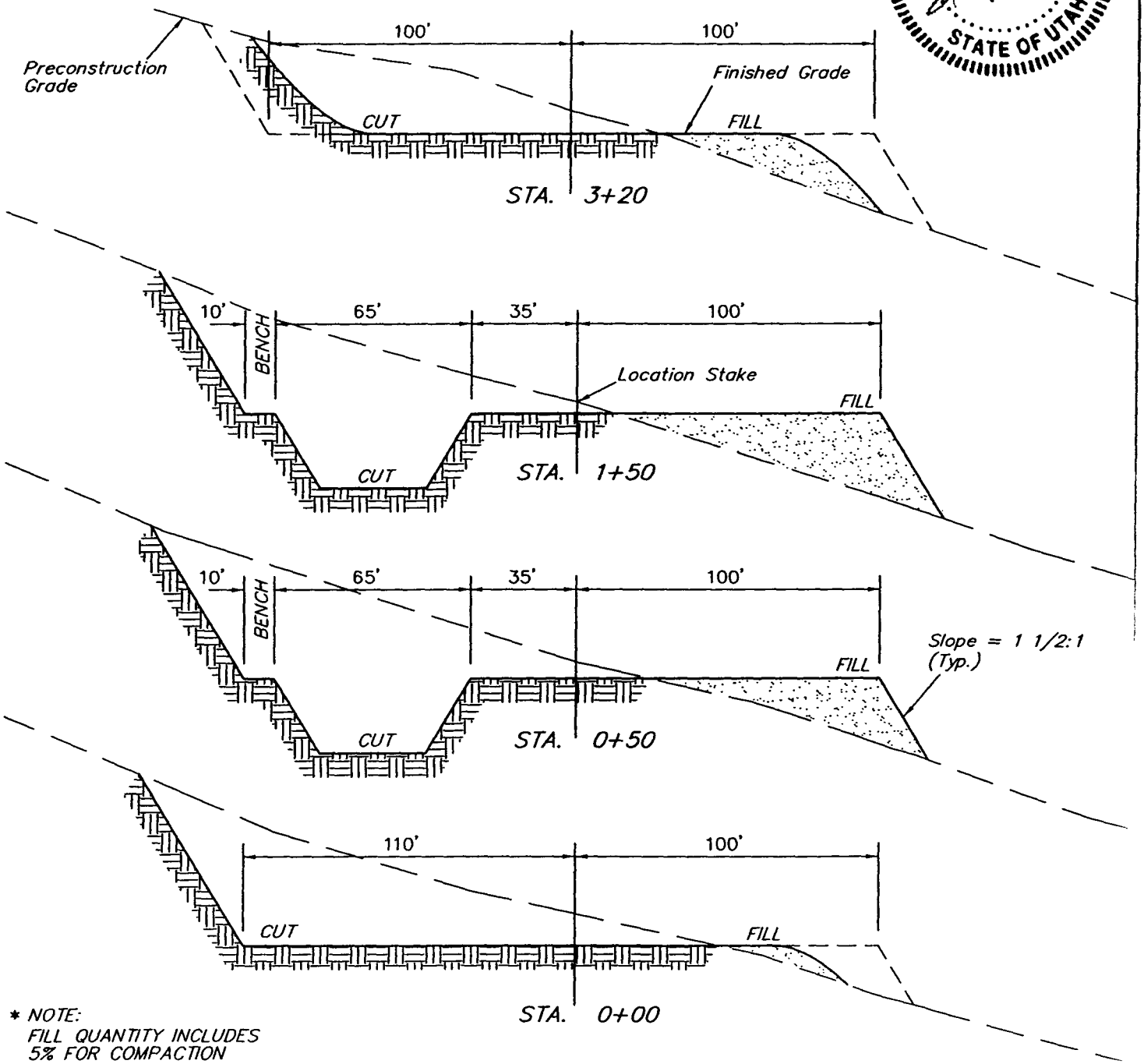
TYPICAL CROSS SECTIONS FOR

STATE #11-16
SECTION 16, T12S, R10E, S.L.B.&M.
550' FNL 500' FWL

1" = 20'
X-Section Scale
1" = 50'

DATE: 3-30-04
Drawn By: C.G.

REGISTERED LAND SURVEYOR
No. 161319
ROBERT L. KAY
STATE OF UTAH



* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT
(6") Topsoil Stripping = 1,690 Cu. Yds.
Remaining Location = 16,120 Cu. Yds.

TOTAL CUT = 17,810 CU.YDS.
FILL = 6,720 CU.YDS.

EXCESS MATERIAL = 11,090 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.) = 4,500 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation) = 6,590 Cu. Yds.

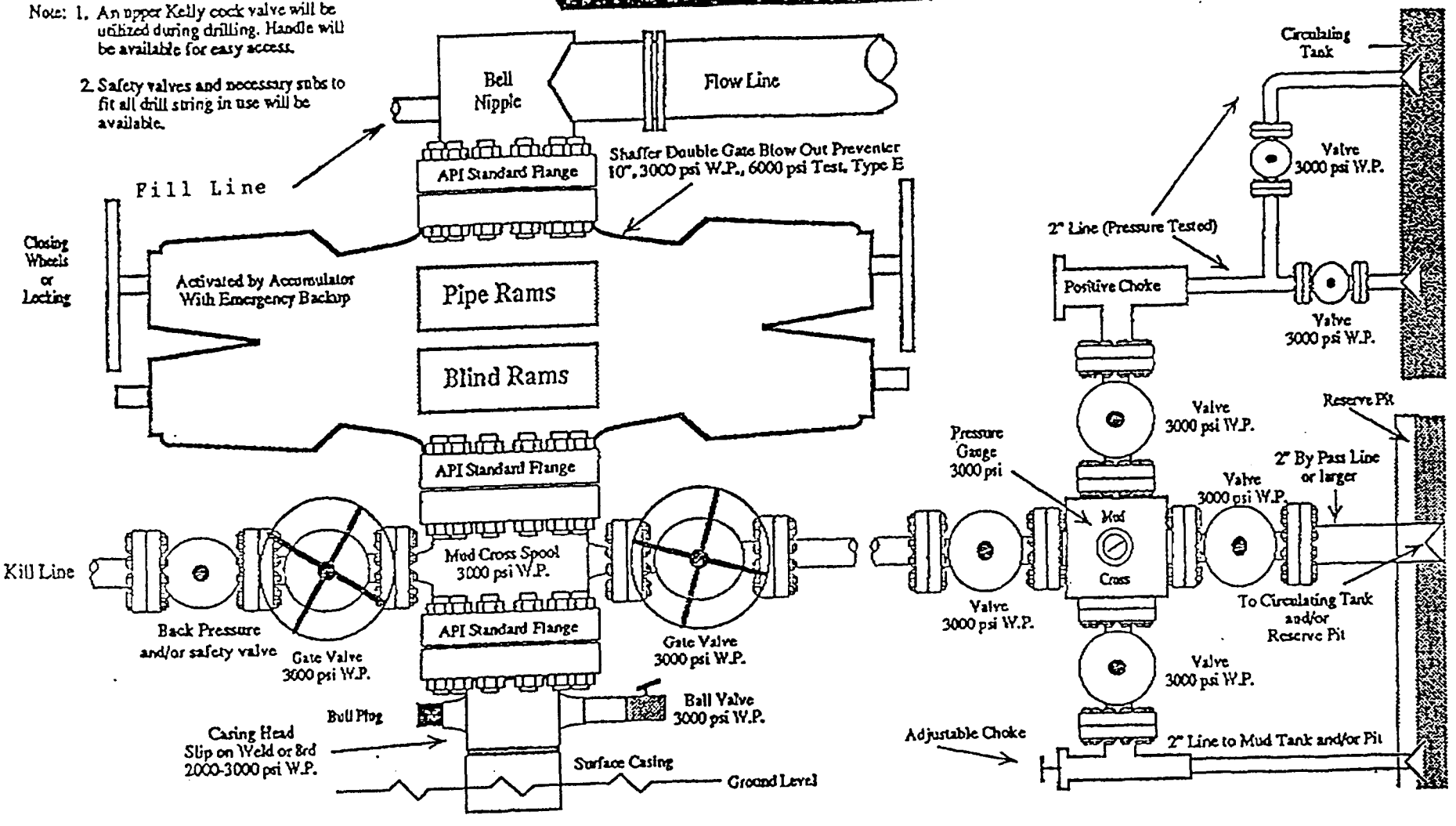
UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

Pressure Control Equipment

Minimum 2" Choke Line.
Minimum 2" Kill Line.
At Least One 2" Minimum Kill Line Valve.

Note: 1. An upper Kelly cock valve will be utilized during drilling. Handle will be available for easy access.

2. Safety valves and necessary subs to fit all drill string in use will be available.



Note: This equipment is designed to meet requirements for a 2-M rating standard per 43 CFR part 3160 (amended). Proper operation and testing of equipment will be caried out per standard. 2,000 psi equipment can be substituted in the drawing to meet minimum requirements per standard.

WORKSHEET

003 **APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 05/11/2004

API NO. ASSIGNED: 43-007-30961

WELL NAME: STATE 11-16

OPERATOR: EVERGREEN OPERATING (N2545)

CONTACT: BRIAN WOOD

PHONE NUMBER: 505-466-8120

PROPOSED LOCATION:

NWNW 16 120S 100E

SURFACE: 0550 FNL 0500 FWL

BOTTOM: 0550 FNL 0500 FWL

CARBON

CASTLEGATE (13)

LEASE TYPE: 3 - State

LEASE NUMBER: ML-44443

SURFACE OWNER: 3 - State

PROPOSED FORMATION: BLKHK

COALBED METHANE WELL? NO Yes

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	DKD	6/28/04
Geology		
Surface		

LATITUDE: 39.78936

LONGITUDE: 110.81453

RECEIVED AND/OR REVIEWED:

✓ Plat

✓ Bond: Fed[] Ind[] Sta[3] Fee[]
(No. RLB0006732)

N Potash (Y/N)

N Oil Shale 190-5 (B) or 190-3 or 190-13

✓ Water Permit
(No. 91-4983)

N RDCC Review (Y/N)
(Date:)

N/A Fee Surf Agreement (Y/N)

LOCATION AND SITING:

___ R649-2-3.

Unit ___

___ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells

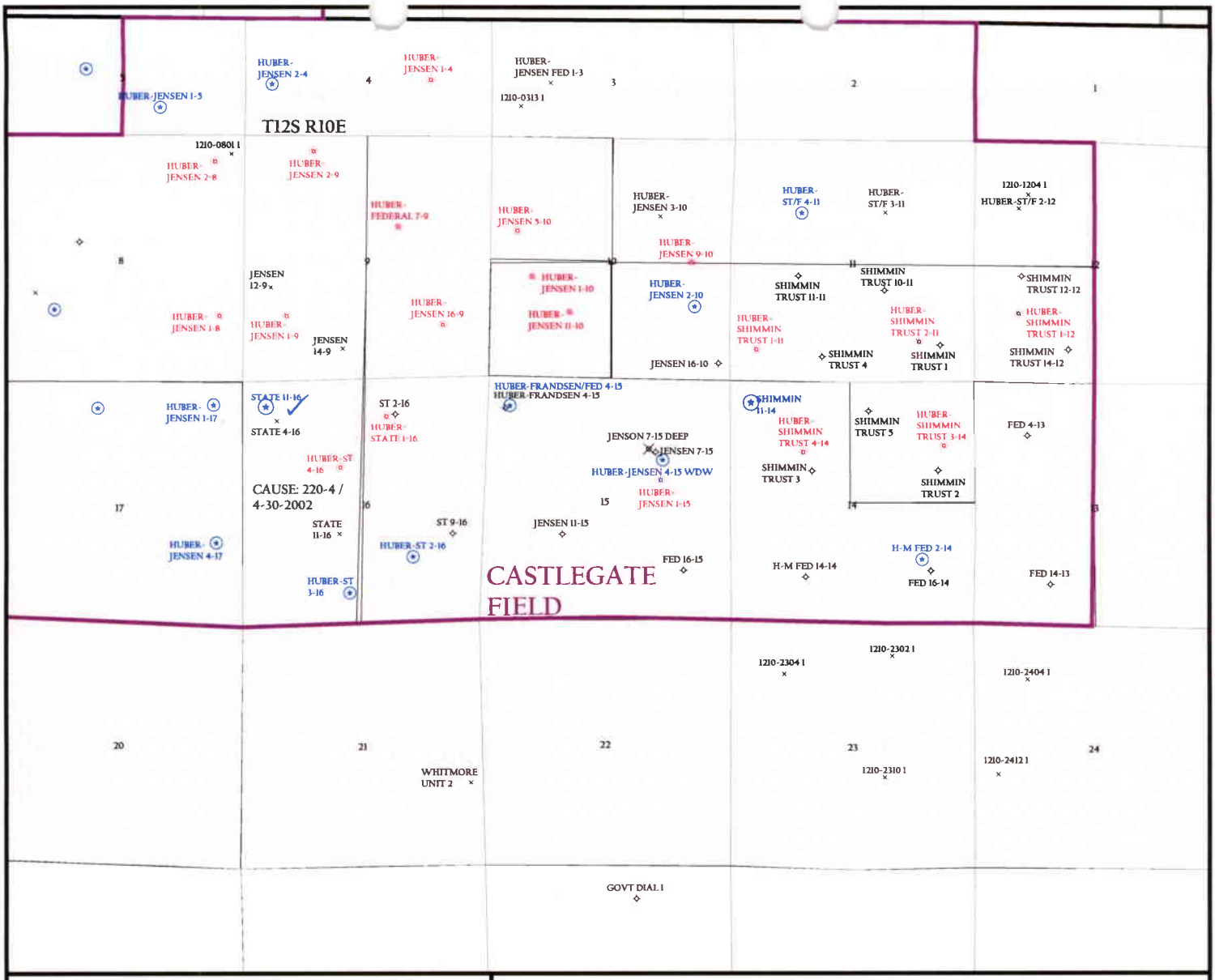
___ R649-3-3. Exception

✓ Drilling Unit
Board Cause No: 220-05
Eff Date: 5-24-04
Siting: 660' fr drl U & 920' fr other wells.

___ R649-3-11. Directional Drill

COMMENTS: Needs Onsite (04-17-04)

STIPULATIONS: (1) STATEMENT OF BASIS



OPERATOR: EVERGREEN OPER CORP (N2545)

SEC. 16 T.12S, R.10E

FIELD: CASTLEGATE (13)

COUNTY: CARBON

CAUSE: 220-04 / ~~4-30-2002~~ 5-24-04

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

N W E S

PREPARED BY: DIANA WHITNEY
DATE: 11-MAY-2004

WORKSHEET

APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 05/11/2004

API NO. ASSIGNED: 43-007-30961

WELL NAME: STATE 11-16H

OPERATOR: PIONEER NATL RES USA (N5155)

CONTACT: DAVE HOLLAND

PHONE NUMBER: 303-298-8100

PROPOSED LOCATION:

NWNW 16 120S 100E

SURFACE: 0550 FNL 0500 FWL

NW SW BOTTOM: 1832 FSL 1276 FWL

CARBON

CASTLEGATE (13)

LEASE TYPE: 3 - State

LEASE NUMBER: ML-4443

SURFACE OWNER: 3 - State

PROPOSED FORMATION: BLKHK

COALBED METHANE WELL? YES

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	DKD	9/13/05
Geology		
Surface		

LATITUDE: 39.78938

LONGITUDE: -110.8145

RECEIVED AND/OR REVIEWED:

✓ Plat

✓ Bond: Fed[] Ind[] Sta[] Fee[]
(No. 104319462)

N Potash (Y/N)

N Oil Shale 190-5 (B) or 190-3 or 190-13

✓ Water Permit
(No. PRODUCED C)

N RDCC Review (Y/N)
(Date:)

NA Fee Surf Agreement (Y/N)

N/A Intent to Commingle (Y/N)

LOCATION AND SITING:

___ R649-2-3. * Horizontal

Unit

___ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells

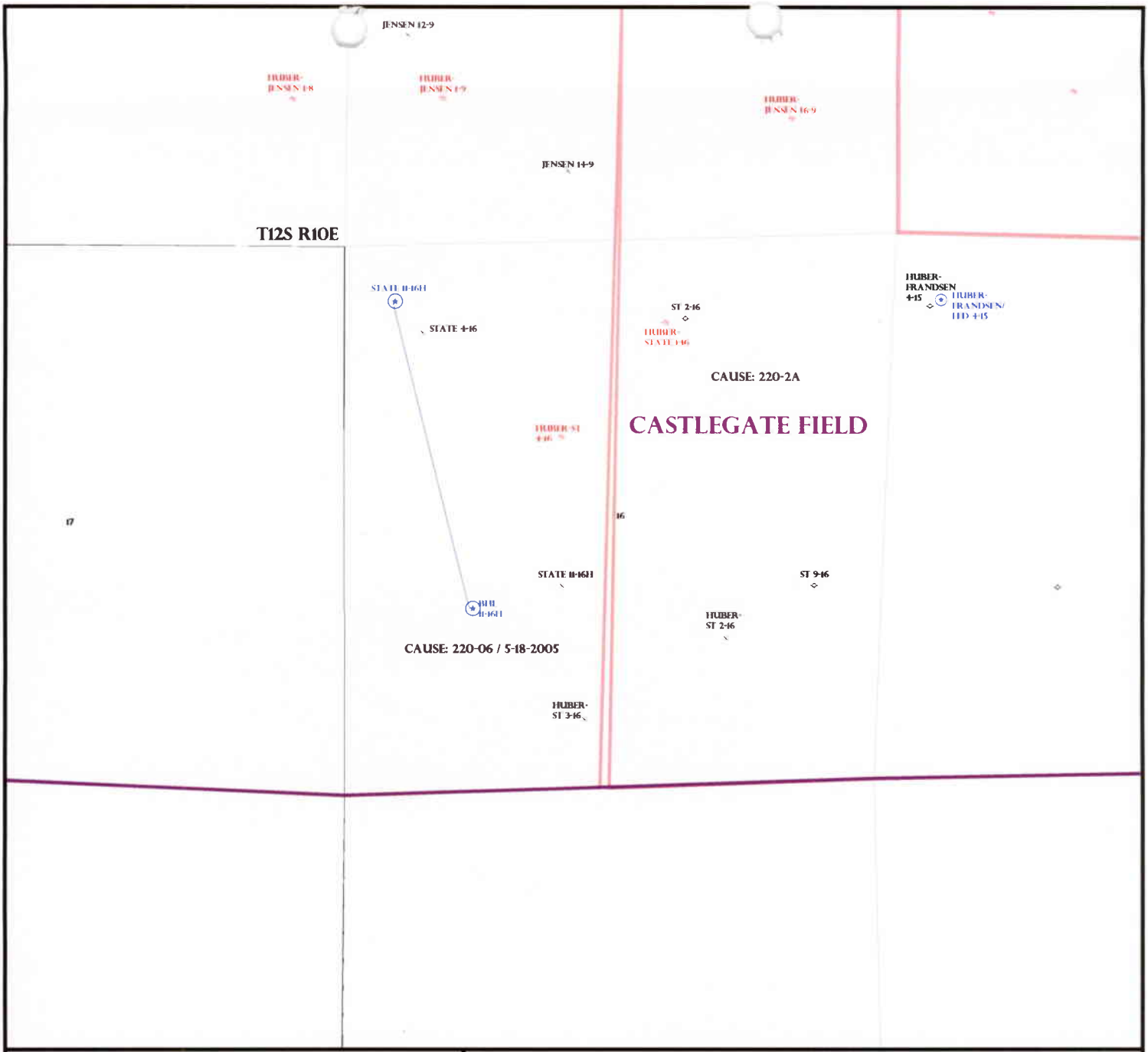
___ R649-3-3. Exception

✓ Drilling Unit
Board Cause No: 220-06
Eff Date: 5-18-2005
Siting: See Cause Orders

___ R649-3-11. Directional Drill

COMMENTS: Press to (4-17-04)

STIPULATIONS: According to Cause 220-06 → the Huber State 4-16 well cannot produce after Completion of Well without further Board action



OPERATOR: PIONEER NAT RES (N5155)

SEC: 16 T. 12S R. 10E

FIELD: CASTLEGATE (13)

COUNTY: CARBON

CAUSE: 220-06 / 5-18-2005

Utah Oil Gas and Mining

N
W E
S

PREPARED BY: DIANA WHITNEY
DATE: 29-AUG-2005

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

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

Wells 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
- DRILLING

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

OPERATOR: Evergreen Resources, Inc.
WELL NAME & NUMBER: State 11-16
API NUMBER: 43-007-30961
LOCATION: 1/4,1/4 NWNW Sec: 16 TWP: 12S RNG: 10E 550 FNL 500 FWL

Geology/Ground Water:

Significant volumes of high quality ground water are likely to be encountered at this location in several prolific fresh water bearing Formations including the North Horn and Price River Formations. A well drilled at this location will be spudded into a poorly to moderately permeable soil developed on the Tertiary/Cretaceous undivided Flagstaff/North Horn Formation. Wells in the associated field have produced large amounts of moderately saline ground water from the Spring Creek sand from depths of ~1,600 feet to 2,000 feet, Total Depth. Water quality will deteriorate in the deeper strata. Many applications have been made for underground water rights within a mile of this location. Other applications have also been made for surface water rights. Drainage is to the north into Summit Creek, which flows to Willow Creek and eventually into the Price River. The proposed casing and cementing program, in conjunction with more environmentally benign drilling mud should be sufficient to protect the shallow ground water resource. About 37 underground water wells have been filed on within a mile of the location.

Reviewer: Christopher J. Kierst **Date:** 6/10/04

Surface:

Proposed location is ~9 miles northeast of Helper, Utah. Staked location lies north of the Bamburger cutoff road, maintained by Carbon County, east of Matts Summit, and west of Willow Creek in the Castle Gate Field located in the Emma Park area of Carbon County. Access to this well will be along existing and new Evergreen gas field roads, county maintained roads, and a UDOT maintained road (Highway 191). Approximately ½ mile of new access road will be build for this location. The direct area drains to the north into Summit Creek then easterly into Willow Creek, eventually dumping into the Price River, a year-round live water source 10 miles south of the proposed location. This well will be a vertically drilled well. Pit ranking criteria scored at level I, liner required. Carbon County was in attendance for this on-site meeting. SITLA and DWR were invited but chose not to attend the on-site. DWR submitted written suggestions regarding wildlife provisions for this well which include; seasonal restrictions for big game between Dec. 1 and April 15, and seasonal restrictions for deer between May 15 to July 5.

Reviewer: Mark L. Jones **Date:** June 4, 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 synthetic liner with a minimum thickness of 12 mils shall be properly installed and maintained in the reserve pit.

4. Culverts as needed when crossing streams and other drainages en-route to the location.

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

OPERATOR: Evergreen Operating Corp.
WELL NAME & NUMBER: State 11-16
API NUMBER: 43-007-30961
LEASE: State **FIELD/UNIT:**
LOCATION: 1/4,1/4 NWNW **Sec:** 16 **TWP:** 12S **RNG:** 10E 550 FNL 500 FWL
LEGAL WELL SITING: 660' from unit boundary and 920' from another well.
GPS COORD (UTM): X = 515881 E; Y = 4404186 N **SURFACE OWNER:** SITLA

PARTICIPANTS

M. Jones (DOGM), Brian Wood (Permits West), Rex Sacco (Carbon County), and Jerry Jensen.

REGIONAL/LOCAL SETTING & TOPOGRAPHY

Proposed location is ~9 miles northeast of Helper, Utah. Staked location lies north of the Bamburger cutoff road, maintained by Carbon County, east of Matts Summit, and west of Willow Creek in the Castle Gate Field located in the Emma Park area of Carbon County. Access to this well will be along existing and new Evergreen gas field roads, county maintained roads, and a UDOT maintained road (Highway 191). Approximately ½ mile of new access road will be build for this location. The direct area drains to the north into Summit Creek then easterly into Willow Creek, eventually dumping into the Price River, a year-round live water source 10 miles south of the proposed location.

SURFACE USE PLAN

CURRENT SURFACE USE: Wildlife habitat and grazing.

PROPOSED SURFACE DISTURBANCE: 200' x 320' and a 165' x 65' x 10' pit.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: 5 existing wells, and 1 PA well 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: None.

FLORA/FAUNA: Sagebrush, grasses, Elk, deer, small game, raptors and other fowl, and rodents.

SOIL TYPE AND CHARACTERISTICS: 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 required.

SURFACE RESTORATION/RECLAMATION PLAN

As per surface use agreement.

SURFACE AGREEMENT: As per SITLA.

CULTURAL RESOURCES/ARCHAEOLOGY: Completed, sent to SITLA.

OTHER OBSERVATIONS/COMMENTS

Carbon County was in attendance for this on-site meeting. SITLA and DWR were invited but chose not to attend the on-site. DWR submitted written suggestions regarding wildlife provisions for this well which include; seasonal restrictions for big game between Dec. 1 and April 15, and seasonal restrictions for deer between May 15 to July 5.

ATTACHMENTS

Photos of this location were taken and placed on file.

Mark L. Jones	May 17, 2004 / 11:30 am
DOGM REPRESENTATIVE	DATE/TIME

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

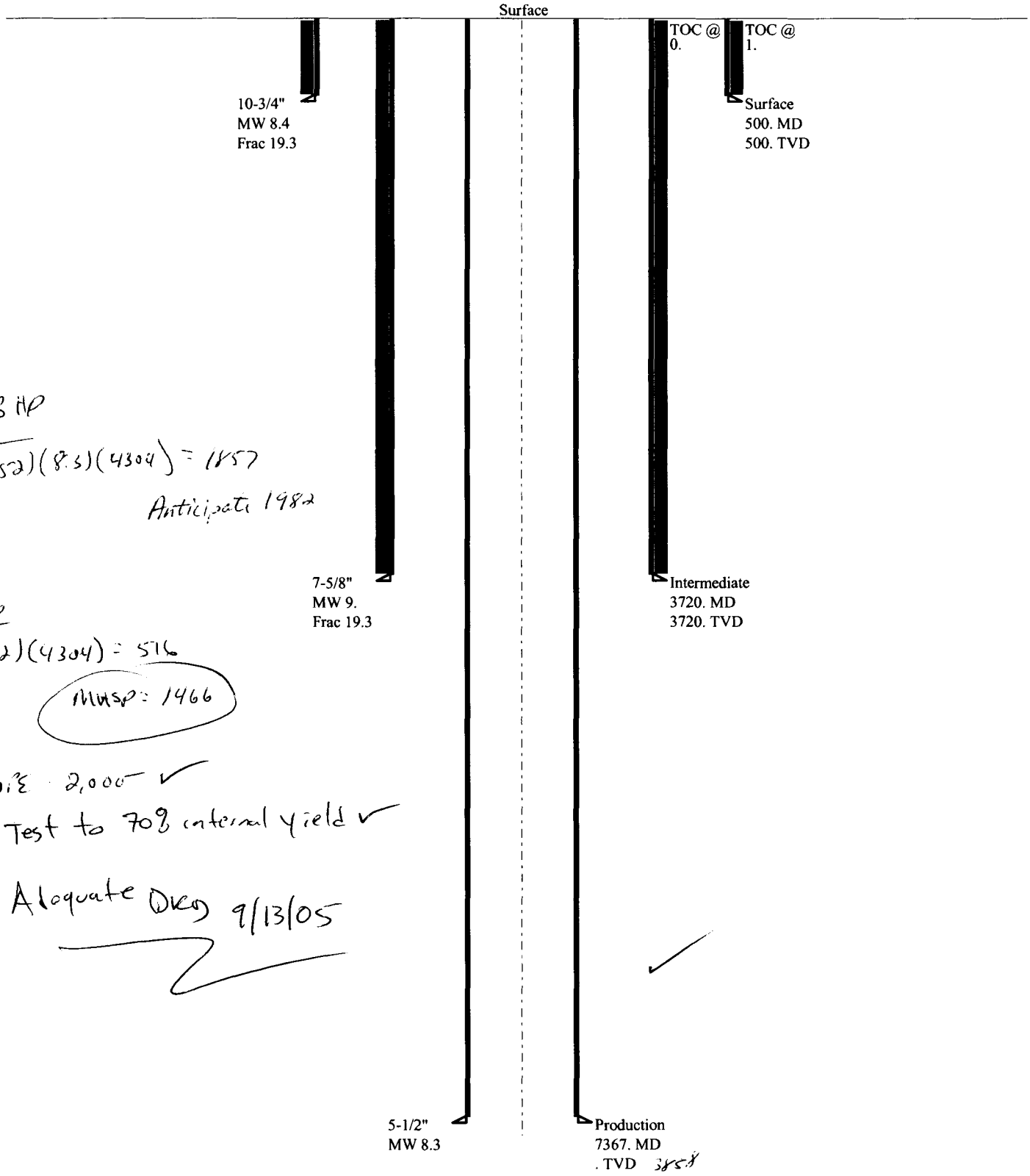
Site-Specific Factors	Ranking	Site Ranking
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	0
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	2
Distance to Nearest Municipal Well (feet)		
>5280	0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

Final Score 37 (Level I 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.

09-05 Evergreen State 11-[illegible]H

Casing Schematic



BHP

$(.052)(8.3)(4304) = 1857$

Anticipate 1982

Gas

$(.12)(4304) = 516$

MWSP = 1466

BOPE 2,000 ✓

Test to 70% internal yield ✓

Adequate DKD 9/13/05

TD

3858 TVD

7367 MD

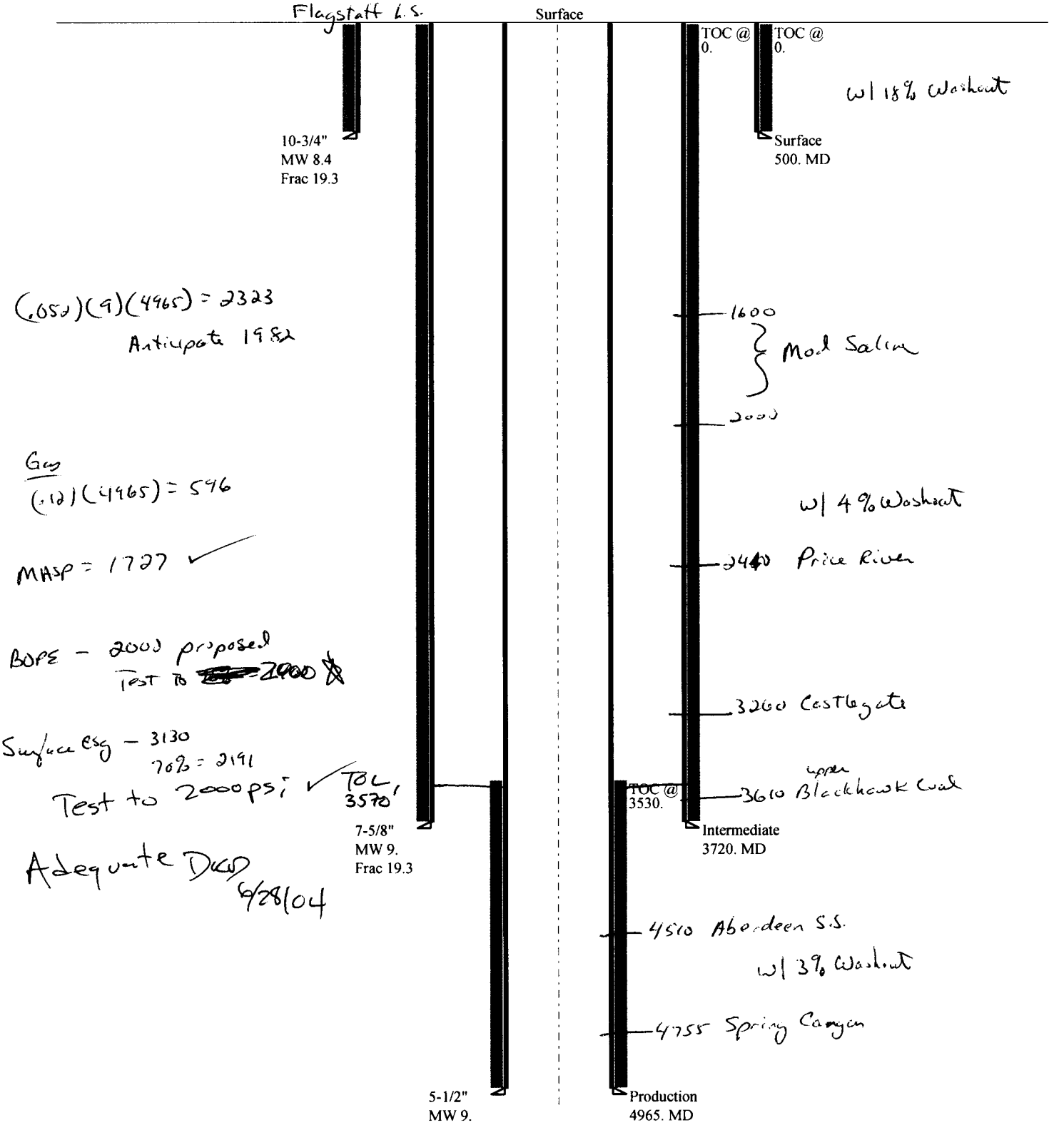
BHL

3448 FNL, 1276 FWL

or 1994 FSL, 1276 FWL

06-04 Evergreen State 11-~~1~~6

Casing Schematic



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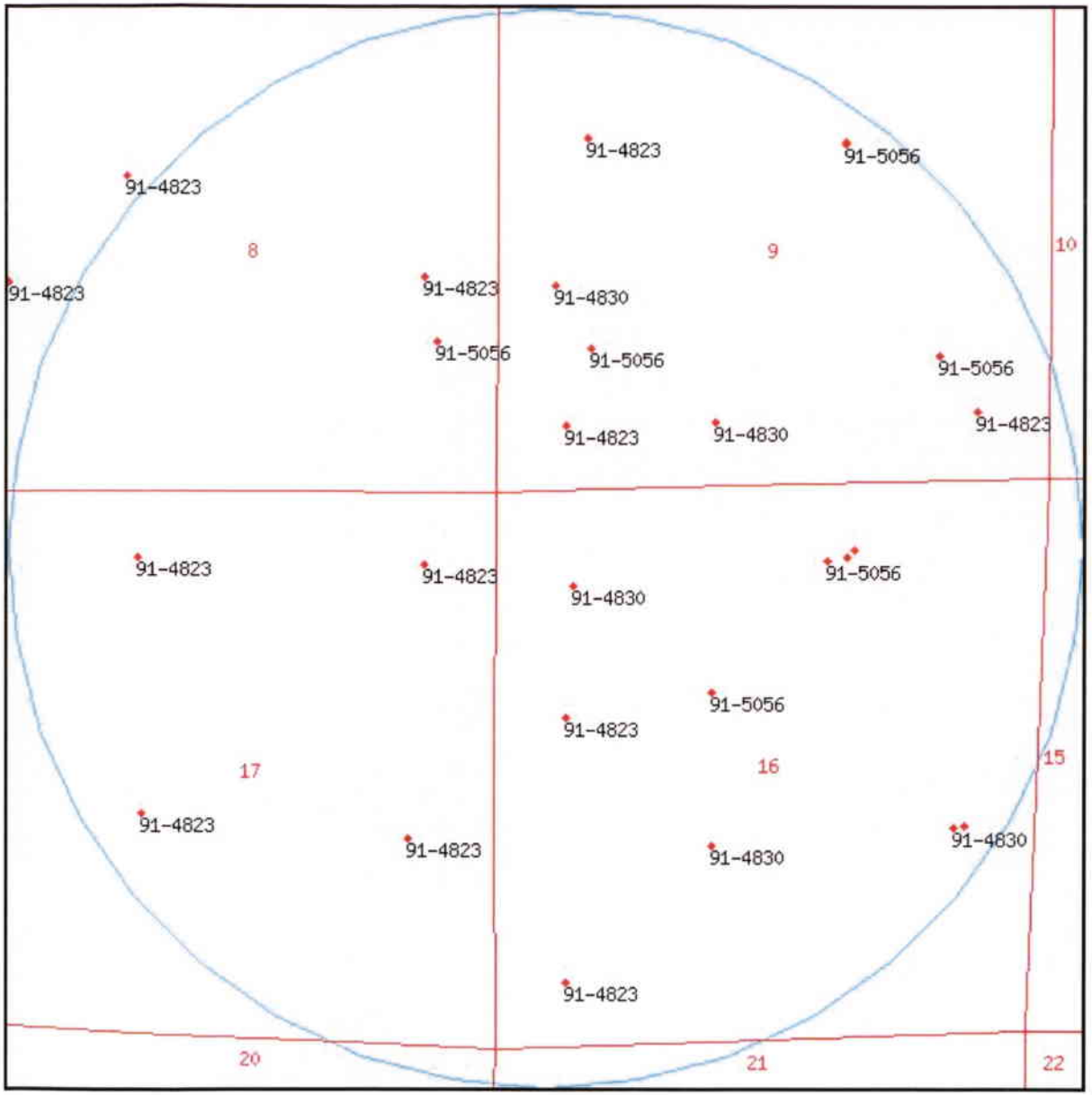
UTAH DIVISION OF WATER RIGHTS

WRPLAT Program Output Listing

Version: 2004.03.26.00 Rundate: 06/11/2004 03:32 PM

Radius search of 5280 feet from a point S550 E500 from the NW corner, section 16, Township 12S, Range 10E, SL b&m
Criteria:wrtypes=W,C,E podtypes=S,U,D,Sp,P status=U,A,P usetypes=all



Water Rights

WR Number	Diversion Type/Location	Well Log	Status	Priority	Uses	CFS	ACFT	Owner Name
91-4823	Underground		U	19920423	M	10.000	0.000	Price River Water Improvement District
	N2050 E650 SW 08 12S 10E SL							P.O. Box 903
91-4823	Underground		U	19920423	M	10.000	0.000	Price River Water Improvement District
	N2100 W700 SE 08 12S 10E SL							P.O. Box 903
91-4823	Underground		U	19920423	M	10.000	0.000	Price River Water Improvement District
	S2400 E1769 NW 08 12S 10E SL							P.O. Box 903
91-4823	Underground		U	19920423	M	10.000	0.000	Price River Water Improvement District
	S2000 E850 NW 09 12S 10E SL							P.O. Box 903
91-4823	Underground		U	19920423	M	10.000	0.000	Price River Water Improvement District
	N650 E700 SW 09 12S 10E SL							P.O. Box 903
91-4823	Underground		U	19920423	M	10.000	0.000	Price River Water Improvement District
	N650 W700 SE 09 12S 10E SL							P.O. Box 903
91-4823	Underground		U	19920423	M	10.000	0.000	Price River Water Improvement District
	S2000 W2050 NE 09 12S 10E SL							P.O. Box 903
91-4823	Underground		U	19920423	M	10.000	0.000	Price River Water

					Improvement District
	N650 E700 SW 16 12S 10E SL				P.O. Box 903
91-4823	Underground	U	19920423 M	10.000 0.000	Price River Water Improvement District
	N2000 W600 SE 16 12S 10E SL				P.O. Box 903
91-4823	Underground	U	19920423 M	10.000 0.000	Price River Water Improvement District
	S700 W1900 NE 16 12S 10E SL				P.O. Box 903
91-4823	Underground	U	19920423 M	10.000 0.000	Price River Water Improvement District
	S2200 E700 NW 16 12S 10E SL				P.O. Box 903
91-4823	Underground	U	19920423 M	10.000 0.000	Price River Water Improvement District
	S650 E1900 NW 17 12S 10E SL				P.O. Box 903
91-4823	Underground	U	19920423 M	10.000 0.000	Price River Water Improvement District
	N2050 E1950 SW 17 12S 10E SL				P.O. Box 903
91-4823	Underground	U	19920423 M	10.000 0.000	Price River Water Improvement District
	N2050 W850 SE 17 12S 10E SL				P.O. Box 903
91-4823	Underground	U	19920423 M	10.000 0.000	Price River Water Improvement District
	S700 W700 NE 17 12S 10E SL				P.O. Box 903

91-4830	Underground	U	19920826 IMOSP 2.000	0.000	PG&E Resources Company
	N1198 W1059 SE 09 12S 10E SL				Suite 1000
91-4830	Underground	U	19920826 IMOSP 2.000	0.000	PG&E Resources Company
	N2024 E592 SW 09 12S 10E SL				Suite 1000
91-4830	Underground	U	19920826 IMOSP 2.000	0.000	PG&E Resources Company
	N675 E2170 SW 09 12S 10E SL				Suite 1000
91-4830	Underground	U	19920826 IMOSP 2.000	0.000	PG&E Resources Company
	S2019 W2038 NE 09 12S 10E SL				Suite 1000
91-4830	Underground	U	19920826 IMOSP 2.000	0.000	PG&E Resources Company
	S922 E760 NW 16 12S 10E SL				Suite 1000
91-4830	Underground	U	19920826 IMOSP 2.000	0.000	PG&E Resources Company
	N1980 E2137 SW 16 12S 10E SL				Suite 1000
91-4830	Underground	U	19920826 IMOSP 2.000	0.000	PG&E Resources Company
	N1993 W702 SE 16 12S 10E SL				Suite 1000
91-4830	Underground	U	19920826 IMOSP 2.000	0.000	PG&E Resources Company
	S780 W1971 NE 16				Suite 1000

	12S 10E SL					
91-5056	Underground	A	20011022 IOS	5.000	0.000	J.M. Huber Corporation
	N1470 W565 SE 08 12S 10E SL					1050 17th Street Suite 700
91-5056	Underground	A	20011022 IOS	5.000	0.000	J.M. Huber Corporation
	N1198 W1059 SE 09 12S 10E SL					1050 17th Street Suite 700
91-5056	Underground	A	20011022 IOS	5.000	0.000	J.M. Huber Corporation
	S2019 W2038 NE 09 12S 10E SL					1050 17th Street Suite 700
91-5056	Underground	A	20011022 IOS	5.000	0.000	J.M. Huber Corporation
	N1400 E940 SW 09 12S 10E SL					1050 17th Street Suite 700
91-5056	Underground	A	20011022 IOS	5.000	0.000	J.M. Huber Corporation
	S1960 E2140 NW 16 12S 10E SL					1050 17th Street Suite 700
91-5056	Underground	A	20011022 IOS	5.000	0.000	J.M. Huber Corporation
	S820 W2163 NE 16 12S 10E SL					1050 17th Street Suite 700

Natural Resources | Contact | Disclaimer | Privacy Policy | Accessibility Policy

Well name:	**06-04 Evergreen State 11-16**
Operator:	**Evergreen Operating Corporation**
String type:	Production
Project ID:	43-007-30961
Location:	Carbon County, Utah

Design parameters:

Collapse

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

Burst

Max anticipated surface pressure: 116 psi
Internal gradient: 0.444 psi/ft
Calculated BHP 2,321 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: 4,287 ft

Environment:

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 135 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: 3,530 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 (ft^3)
1	4965	5.5	17.00	J-55	ST&C	4965	4965	4.767	171.1

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	2321	4910	2.115	2321	5320	2.29	84	229	2.71 J

Prepared by: Clinton Dworshak, Utah Div. of Oil & Mining
Phone: (801) 538-5280
FAX: (801)359-3940

Date: June 28,2004
Salt Lake City, Utah

ENGINEERING STIPULATIONS -
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:	**06-04 Evergreen State 11-16**
Operator:	**Evergreen Operating Corporation**
String type:	Surface
Project ID:	43-007-30961
Location:	Carbon County, Utah

Design parameters:

Collapse

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

Burst

Max anticipated surface pressure: 116 psi
Internal gradient: 0.436 psi/ft
Calculated BHP 334 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: 438 ft

Environment:

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 72 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 300 ft

Cement top: Surface

Non-directional string.

Re subsequent strings:

Next setting depth: 3,720 ft
Next mud weight: 9.000 ppg
Next setting BHP: 1,739 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 500 ft
Injection pressure 500 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 (ft^3)
1	500	10.75	40.50	J-55	ST&C	500	500	9.925	39.7

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	218	1580	7.246	334	3130	9.37	20	420	20.75 J

Prepared by: Clinton Dworshak
Utah Div. of Oil & Mining
Phone: (801) 538-5280
FAX: (801)359-3940
Date: June 28,2004
Salt Lake City, Utah

ENGINEERING STIPULATIONS -
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:	**06-04 Evergreen State 11-16**
Operator:	**Evergreen Operating Corporation**
String type:	Intermediate
Project ID:	43-007-30961
Location:	Carbon County, Utah

Design parameters:

Collapse

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

Burst

Max anticipated surface pressure: 1,725 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,172 psi

No backup mud specified.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Tension:

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

Tension is based on air weight.
Neutral point: 3,225 ft

Environment:

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 117 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 500 ft

Cement top: Surface

Non-directional string.

Re subsequent strings:

Next setting depth: 4,965 ft
Next mud weight: 9.000 ppg
Next setting BHP: 2,321 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 3,720 ft
Injection pressure 3,720 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 (ft^3)
1	3720	7.625	26.40	J-55	ST&C	3720	3720	6.844	194.2

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	1739	2890	1.662	2172	4140	1.91	98	315	3.21 J

Prepared by: Clinton Dworshak
Utah Div. of Oil & Mining
Phone: (801) 538-5280
FAX: (801)359-3940
Date: June 28,2004
Salt Lake City, Utah

ENGINEERING STIPULATIONS -
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.

From: Ed Bonner
To: Whitney, Diana
Date: 5/12/2004 1:31:32 PM
Subject: Re: Evergreen Operating Corp. Lease and Bond

Evergreen Operating Corp lease ML 44443 is OK as long as well is no deeper that base of Mesaverde. We currently hold Bond No. RLB 0006732 in the amount of $80,000 with RLI Insurance Company as surety.

From: Ed Bonner
To: Whitney, Diana
Date: 5/19/2004 2:25:26 PM
Subject: Well Clearance

The following wells have been given cultural resource clearance by the Trust Lands Cultural Resources Group:

Fellows Energy Ltd
10-33C2

Evergreen Operating Corporation
State 11-16

If you have any questions regarding this matter please give me a call.

CC: Garrison, LaVonne; Hill, Brad; Hunt, Gil

004

State of Utah

Department of
Natural Resources

ROBERT L. MORGAN
Executive Director

Division of
Oil, Gas & Mining

LOWELL P. BRAXTON
Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

June 30, 2004

Evergreen Operating Corporation
1401 17th St., #1200
Denver, CO 80202

Make New Map?

Re: State 11-16 Well, 550' FNL, 500' FWL, NW NW, Sec. 16, T. 12 South, R. 10 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 43-007-30961.

Sincerely,

John R. Baza
Associate Director

pab
Enclosures

cc: Carbon County Assessor
SITLA

Operator: Evergreen Operating Corporation

Well Name & Number State 11-16

API Number: 43-007-30961

Lease: ML-44443

Location: NW NW **Sec.** 16 **T.** 12 South **R.** 10 East

Conditions of Approval

1. **General**
   Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. **Notification Requirements**
   The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:
   - 24 hours prior to cementing or testing casing
   - 24 hours prior to testing blowout prevention equipment
   - 24 hours prior to spudding the well
   - within 24 hours of any emergency changes made to the approved drilling program
   - prior to commencing operations to plug and abandon the well

   The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):
   - Dan Jarvis at (801) 538-5338
   - Carol Daniels at (801) 538-5284 (spud)

3. **Reporting Requirements**
   All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

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

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

Form 9

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

005

	6. Lease Designation and Serial Number: *ML-4443*
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT – for such proposals	7. Indian Allottee or Tribe Name
	8. Unit or Communitization Agreement
1. Type of Well ☐ Oil Well ☒ Gas Well ☐ Other (specify) ?	9. Well Name and Number: *State 11-16*
2. Name of Operator: *Evergreen Operating Corporation*	10. API Well Number: *4300730961*
3. Address of Operator: *1401 17th Street, Suite 1200, Denver, CO 80202* 4. Telephone Number: *303 298-8100*	11. Field and Pool, or Wildcat: *Castlegate*
5. Location of Well Footage : 550 FNL 500 FWL QQ, Sec, T., R., M : NWNW Sec 16 T12S R10E SLM County : *Carbon* State : *UT*	

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

NOTICE OF INTENT (Submit in Duplicate)		SUBSEQUENT REPORT (Submit Original Form Only)	
☐ Abandonment	☐ New Construction	☐ Abandonment *	☐ New Construction
☐ Casing Repair	☐ Pull or Alter Casing	☐ Casing Repair	☐ Pull or Alter Casing
☒ Change of Plans	☐ Recompletion	☐ Change of Plans	☐ Shoot or Acidize
☐ Conversion to Injection	☐ Shoot or Acidize	☐ Conversion to Injection	☐ Vent or Flare
☐ Fracture Treat	☐ Vent or Flare	☐ Fracture Treat	☐ Water Shut-Off
☐ Multiple Completion	☐ Water Shut-Off	☐ Other	
☐ Other			

Approximate Date Work Will Start: _____

Date of Work Completion: _____

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

* Must be accompanied by a cement verification report.

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

Evergreen Operating requests the following change to the drilling program to accommodate continuous coring on the referenced well.
Surface hole to be 17" with 13 3/8" 54.5# J-55 casing run to +/- 500'. Cement: 250 sx Cl-G +2% CaCl + 1/4#/sx Celloflake
Intermediate hole of 12 1/4" with 8 5/8" 32# J-55 casing run +/-500' to +/- 3720'. Cement: 360 sx CBM Light @ 4.34 cf/sx & 10.5 #/gal. Tail: 180 sx Type III + 3% Salt + 0.3% Versaset yield of 1.43 cf/sx.
Production hole: 7 7/8" +/-3420-4965' 5 1/2" Liner 17# J-55 set at +/- 4965' & cement with 120 sx 50:50 Poz @ 1.27 cf/sx & 14.3 #/gal.

COPY SENT TO OPERATOR
Date: 7-19-04
Initials: CHD

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

Name & Signature: D. Mullet Title: *Sr Drilling Engineer* Date: *07/14/04*

(State Use Only)

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
DATE: 7/16/04
BY:
* Surface Casing Should be Cemented to Surface

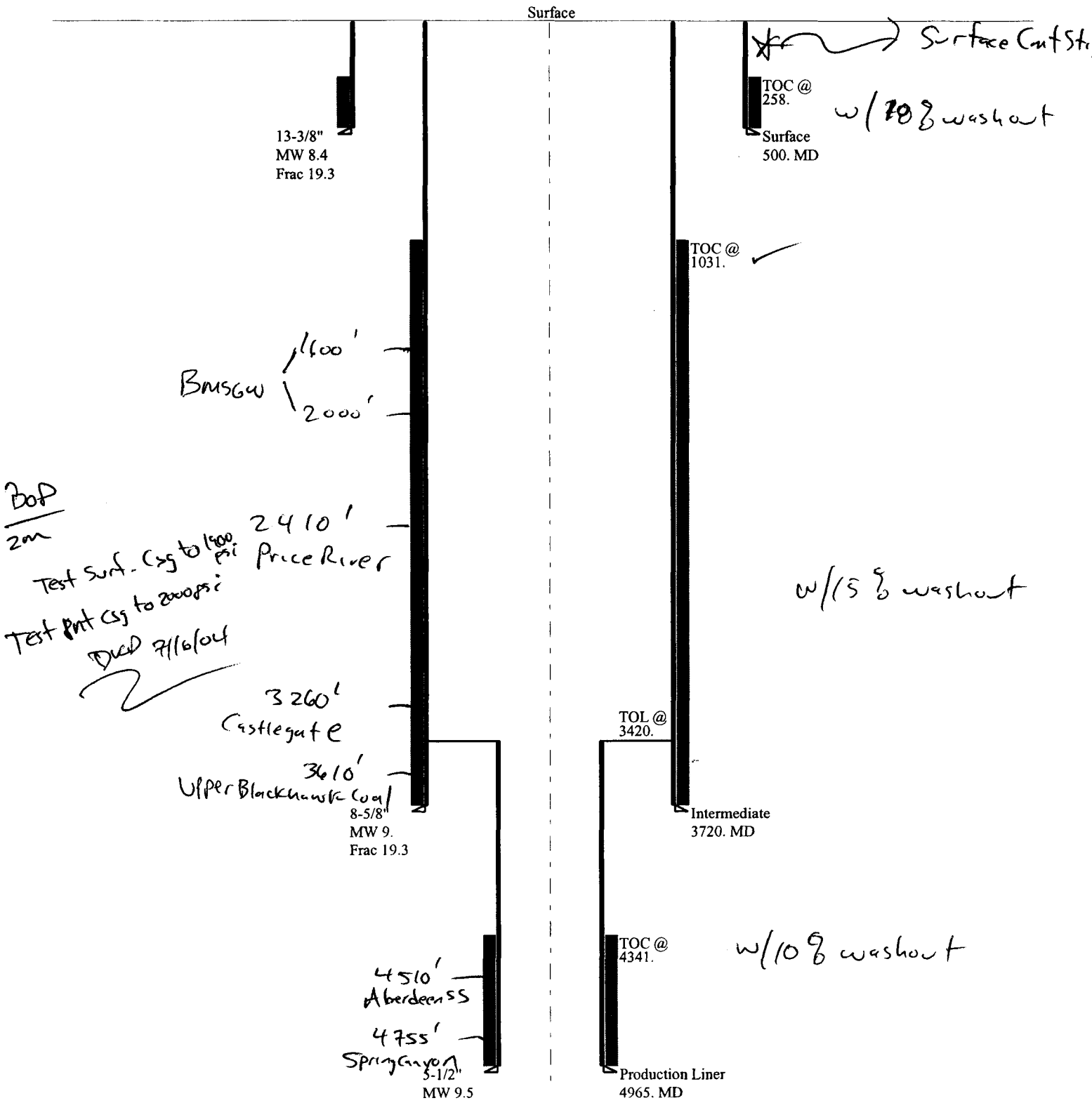
(8/90) See Instructions on Reverse Side

RECEIVED
JUL 16 2004
DIV. OF OIL, GAS & MINING

State

06-04 Evergreen ~~Huber Jensen~~ T1-16rev.

Casing Schematic



Well name:	**06-04 Evergreen Huber Jensen 11-16rev.**
Operator:	**Evergreen Operating Corp**
String type:	Production Liner
Project ID:	43-007-30961
Location:	Uintah County

Design parameters:

Collapse

Mud weight: 9.500 ppg
Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 1,854 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,450 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: 4,740 ft

Environment:

H2S considered?	No
Surface temperature:	65 °F
Bottom hole temperature:	135 °F
Temperature gradient:	1.40 °F/100ft
Minimum section length:	1,500 ft
Cement top:	4,341 ft
Liner top:	3,420 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 (ft^3)
1	1565	5.5	17.00	J-55	ST&C	4965	4965	4.767	53.9

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	2450	4910	2.004	2450	5320	2.17	27	229	8.61 J

Prepared by: Dustin K. Doucet
Utah Div. of Oil & Mining

Date: July 16,2004
Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.
For this liner string, the top is rounded to the nearest 100 ft.Collapse is based on a vertical depth of 4965 ft, a mud weight of 9.5 ppg The Burst strength is not adjusted for tension.

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

Well name:	**06-04 Evergreen Huber Jensen 11-16rev.**
Operator:	**Evergreen Operating Corp**
String type:	Intermediate
Project ID:	43-007-30961
Location:	Uintah County

Design parameters:

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

Burst
Max anticipated surface pressure: 1,725 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,172 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

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

Tension is based on air weight.
Neutral point: 3,223 ft

Environment:
H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 117 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: 1,031 ft

Non-directional string.

Re subsequent strings:
Next setting depth: 4,965 ft
Next mud weight: 9.000 ppg
Next setting BHP: 2,321 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 3,720 ft
Injection pressure 3,720 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 (ft^3)
1	3720	8.625	32.00	J-55	ST&C	3720	3720	7.875	236.3

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	1739	2530	1.455	2172	3930	1.81	119	372	3.13 J

Prepared by: Dustin K. Doucet
Utah Div. of Oil & Mining

Date: July 16,2004
Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.
Collapse is based on a vertical depth of 3720 ft, a mud weight of 9 ppg The casing is considered to be evacuated for collapse purposes.
Burst strength is not adjusted for tension.

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

Well name:	**06-04 Evergreen Huber Jensen 11-16rev.**
Operator:	**Evergreen Operating Corp**
String type:	Surface
Project ID:	43-007-30961
Location:	Uintah County

Design parameters:

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

Burst
Max anticipated surface pressure: 440 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 500 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: 438 ft

Environment:
H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 72 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 150 ft

Cement top: 258 ft

Non-directional string.

Re subsequent strings:
Next setting depth: 3,530 ft
Next mud weight: 9.000 ppg
Next setting BHP: 1,650 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 500 ft
Injection pressure 500 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 (ft^3)
1	500	13.375	54.50	J-55	ST&C	500	500	12.49	53.9

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	218	1130	5.180	500	2730	5.46	27	514	18.87 J

Prepared by: Dustin K. Doucet
Utah Div. of Oil & Mining

Date: July 16,2004
Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.
Collapse is based on a vertical depth of 500 ft, a mud weight of 8.4 ppg The casing is considered to be evacuated for collapse purposes.
Burst strength is not adjusted for tension.

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

006

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

FORM 6

ENTITY ACTION FORM

Operator: Evergreen Operating Corporation
Operator Account Number: N 2545
Address: 1401 17th Street, Suite 1200
city Denver
state CO zip 80202
Phone Number: (303) 298-8100

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
4300730962	Shimmin 11-14	NWNW	14	12S	10E	Carbon

Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date
A	99999	14223	7/10/2004	7/21/04

Comments: BLKHK

K

Well 2

API Number	Well Name	QQ	Sec	Twp	Rng	County
4300730961	Huber State 11-16	NWNW	16	12S	10E	Carbon

Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date
A	99999	14224	7/12/2004	7/21/04

Comments: BLKHK

K

Well 3

API Number	Well Name	QQ	Sec	Twp	Rng	County
4300730675	Huber Jensen 2-10	NESE	10	12S	10E	Carbon

Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date
A	99999	14225	7/13/2004	7/21/04

C

Comments: FRSD

K

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)

Doris Maly
Name (Please Print)
Doris Maly
Signature
Engineering Technician
Title
7/20/04
Date

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JUL 20 2004
DIV. OF OIL, GAS & MINING

(5/2000)

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NUMBER:	
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
7. UNIT or CA AGREEMENT NAME:	
1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER	8. WELL NAME and NUMBER: See Attached List
2. NAME OF OPERATOR: Pioneer Natural Resources USA, Inc. N5155	9. API NUMBER:
3. ADDRESS OF OPERATOR: 5205 N. O'Connor Blvd CITY Irving STATE TX ZIP 75039 PHONE NUMBER: (972) 444-9001	10. FIELD AND POOL, OR WILDCAT:
4. LOCATION OF WELL FOOTAGES AT SURFACE: QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:	COUNTY: STATE: UTAH

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

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

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

1. Operator change due to the merger between Pioneer Natural Resources USA, Inc and Evergreen Resources Inc., effective September 28, 2004.
2. See list attached for all wells currently operated under the name of Evergreen Operating (subsidiary of Evergreen Resources) as listed on the DOGM database on October 15, 2004.
3. Operator will now be Pioneer Natural Resources USA, Inc. Local operation address info and contacts under separate cover.
4. Surety Bond #104319462 (replaces RLB 0006706) attached
5. Copy of Oil & Gas Geothermal Lease Bond - BLM #104091293 attached

Name: Dennis R. Carlton Title: Executive Vice President, Evergreen Operating Corp. N2545

Signature: _____ Date: 10/18/04

NAME (PLEASE PRINT) Jay Still TITLE Vice President, Western Division, Pioneer Natural Resources USA Inc.

SIGNATURE _____ DATE 10/19/04

(This space for State use only)

APPROVED 10/28/04
Earlene Russell (See Instructions on Reverse Side)
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

RECEIVED
OCT 21 2004
DIV. OF OIL, GAS & MINING

(5/2000)

EVERGREEN TO PIONEER NATURAL RESOURCES USA, INC. MERGER
WELL LIST 10/15/04

API Well Number	Operator	Well Name	Well Type	Well Status	Field Name	County Name	Location (Twn-Rng)	Sect	Twpn	Twpd	RngN	RngD	Qtr/Qtr
43-007-30122-00-00	EVERGREEN OPERATING CORP	SHIMMIN TRUST 5	Gas Well	Producing	CASTLEGATE	CARBON	12S-10E	14	12	S	10	E	NWNE
43-007-30137-00-00	EVERGREEN OPERATING CORP	HUBER-FEDERAL 7-9	Gas Well	Producing	CASTLEGATE	CARBON	12S-10E	9	12	S	10	E	SWNE
43-007-30138-00-00	EVERGREEN OPERATING CORP	HUBER-FRANDSEN 4-15	Gas Well	Plugged and Abandoned	CASTLEGATE	CARBON	12S-10E	15	12	S	10	E	NWNW
43-007-30140-00-00	EVERGREEN OPERATING CORP	HUBER-FED 6-8	Gas Well	Plugged and Abandoned	CASTLEGATE	CARBON	12S-10E	8	12	S	10	E	SENW
43-007-30159-00-00	EVERGREEN OPERATING CORP	HUBER-JENSEN 9-10	Gas Well	Producing	CASTLEGATE	CARBON	12S-10E	10	12	S	10	E	NESE
43-007-30162-00-00	EVERGREEN OPERATING CORP	HUBER-JENSEN 5-10	Gas Well	Producing	CASTLEGATE	CARBON	12S-10E	10	12	S	10	E	SWNW
43-007-30163-00-00	EVERGREEN OPERATING CORP	HUBER-JENSEN 16-9	Gas Well	Producing	CASTLEGATE	CARBON	12S-10E	9	12	S	10	E	SESE
43-007-30164-00-00	EVERGREEN OPERATING CORP	HUBER-JENSEN 11-10	Gas Well	Producing	CASTLEGATE	CARBON	12S-10E	10	12	S	10	E	NESW
43-007-30166-00-00	EVERGREEN OPERATING CORP	SHIMMIN TRUST 11-11	Gas Well	Spudded (Drilling commenced: Not yet completed)	CASTLEGATE	CARBON	12S-10E	11	12	S	10	E	NESW
43-007-30169-00-00	EVERGREEN OPERATING CORP	SHIMMIN TRUST 14-12	Gas Well	Plugged and Abandoned	CASTLEGATE	CARBON	12S-10E	12	12	S	10	E	SESW
43-007-30589-00-00	EVERGREEN OPERATING CORP	HUBER-STATE 1-16	Gas Well	Producing	CASTLEGATE	CARBON	12S-10E	16	12	S	10	E	NWNE
43-007-30596-00-00	EVERGREEN OPERATING CORP	HUBER-JENSEN 1-10	Gas Well	Producing	CASTLEGATE	CARBON	12S-10E	10	12	S	10	E	NWSW
43-007-30640-00-00	EVERGREEN OPERATING CORP	HUBER-SHIMMIN TRUST 3-14	Gas Well	Producing	CASTLEGATE	CARBON	12S-10E	14	12	S	10	E	SENE
43-007-30659-00-00	EVERGREEN OPERATING CORP	HUBER-SHIMMIN TRUST 2-11	Gas Well	Producing	CASTLEGATE	CARBON	12S-10E	11	12	S	10	E	SESE
43-007-30662-00-00	EVERGREEN OPERATING CORP	HUBER-SHIMMIN TRUST 4-14	Gas Well	Producing	CASTLEGATE	CARBON	12S-10E	14	12	S	10	E	SENW
~~43-007-30663-00-00~~	~~EVERGREEN OPERATING CORP~~	~~HUBER-ST/F 4-11~~	~~Gas Well~~	~~Location Abandoned~~	~~CASTLEGATE~~	~~CARBON~~	~~12S-10E~~	~~11~~	~~12~~	~~S~~	~~10~~	~~E~~	~~OE~~
43-007-30673-00-00	EVERGREEN OPERATING CORP	HUBER-SHIMMIN TRUST 1-11	Gas Well	Producing	CASTLEGATE	CARBON	12S-10E	11	12	S	10	E	SI
43-007-30674-00-00	EVERGREEN OPERATING CORP	HUBER-SHIMMIN TRUST 1-12	Gas Well	Producing	CASTLEGATE	CARBON	12S-10E	12	12	S	10	E	NW
43-007-30675-00-00	EVERGREEN OPERATING CORP	HUBER-JENSEN 2-10	Gas Well	Spudded (Drilling commenced: Not yet completed)	CASTLEGATE	CARBON	12S-10E	10	12	S	10	E	NESE
~~43-007-30709-00-00~~	~~EVERGREEN OPERATING CORP~~	~~HUBER-JENSEN 9-10~~	~~Gas Well~~	~~Location Abandoned~~	~~CASTLEGATE~~	~~CARBON~~	~~12S-10E~~	~~10~~	~~12~~	~~S~~	~~10~~	~~E~~	~~SWNE~~
43-007-30717-00-00	EVERGREEN OPERATING CORP	HUBER-JENSEN 1-9	Gas Well	Producing	CASTLEGATE	CARBON	12S-10E	9	12	S	10	E	NWSW
43-007-30718-00-00	EVERGREEN OPERATING CORP	HUBER-JENSEN 1-18	Gas Well	Spudded (Drilling commenced: Not yet completed)	CASTLEGATE	CARBON	12S-10E	18	12	S	10	E	NESE
43-007-30733-00-00	EVERGREEN OPERATING CORP	HUBER-JENSEN 1-4	Gas Well	Producing	CASTLEGATE	CARBON	12S-10E	4	12	S	10	E	SWSE
43-007-30734-00-00	EVERGREEN OPERATING CORP	HUBER-JENSEN 2-8	Gas Well	Producing	CASTLEGATE	CARBON	12S-10E	8	12	S	10	E	NENE
43-007-30735-00-00	EVERGREEN OPERATING CORP	HUBER-JENSEN 2-9	Gas Well	Producing	CASTLEGATE	CARBON	12S-10E	9	12	S	10	E	NENW
43-007-30736-00-00	EVERGREEN OPERATING CORP	HUBER-JENSEN 1-15	Gas Well	Producing	CASTLEGATE	CARBON	12S-10E	15	12	S	10	E	SWNE
43-007-30764-00-00	EVERGREEN OPERATING CORP	HUBER-J/F 2-17	Gas Well	New Permit (Not yet approved or drilled)	CASTLEGATE	CARBON	12S-10E	17	12	S	10	E	NENW
43-007-30768-00-00	EVERGREEN OPERATING CORP	HUBER-JENSEN 1-8	Gas Well	Producing	CASTLEGATE	CARBON	12S-10E	8	12	S	10	E	NESE
43-007-30769-00-00	EVERGREEN OPERATING CORP	HUBER-JENSEN 1-17	Gas Well	New Permit (Not yet approved or drilled)	CASTLEGATE	CARBON	12S-10E	17	12	S	10	E	NENE
43-007-30783-00-00	EVERGREEN OPERATING CORP	HUBER-ST 2-16	Gas Well	Approved permit (APD); not yet spudded	CASTLEGATE	CARBON	12S-10E	16	12	S	10	E	NWSE
43-007-30784-00-00	EVERGREEN OPERATING CORP	HUBER-ST 3-16	Gas Well	Approved permit (APD); not yet spudded	CASTLEGATE	CARBON	12S-10E	16	12	S	10	E	SESW
43-007-30785-00-00	EVERGREEN OPERATING CORP	HUBER-ST 4-16	Gas Well	Producing	CASTLEGATE	CARBON	12S-10E	16	12	S	10	E	SE
43-007-30787-00-00	EVERGREEN OPERATING CORP	H-M FED 2-14	Gas Well	New Permit (Not yet approved or drilled)	CASTLEGATE	CARBON	12S-10E	14	12	S	10	E	NES
43-007-30810-00-00	EVERGREEN OPERATING CORP	HUBER-JENSEN 2-5	Gas Well	New Permit (Not yet approved or drilled)	CASTLEGATE	CARBON	12S-10E	5	12	S	10	E	NESW
43-007-30858-00-00	EVERGREEN OPERATING CORP	HUBER-JENSEN 4-17	Gas Well	New Permit (Not yet approved or drilled)	CASTLEGATE	CARBON	12S-10E	17	12	S	10	E	NESE
43-007-30859-00-00	EVERGREEN OPERATING CORP	HUBER-JENSEN 2-18	Gas Well	New Permit (Not yet approved or drilled)	CASTLEGATE	CARBON	12S-10E	18	12	S	10	E	NENE
43-007-30860-00-00	EVERGREEN OPERATING CORP	HUBER-JENSEN 4-8	Gas Well	New Permit (Not yet approved or drilled)	CASTLEGATE	CARBON	12S-10E	8	12	S	10	E	NWSW

EVERGREEN TO PIONEER NATURAL RESOURCES USA, INC. MERGER
WELL LIST 10/15/04

API Well Number	Operator	Well Name	Well Type	Well Status	Field Name	County Name	Location (Twn-Rng)	Sect	Twpn	Twpd	RngN	RngD	Qtr/Qtr
43-007-30947-00-00	EVERGREEN OPERATING CORP	HUBER-FRANDSEN/FED 4-15	Gas Well	New Permit (Not yet approved or drilled)	CASTLEGATE	CARBON	12S-10E	15	12	S	10	E	NWNW
43-007-30961-00-00	EVERGREEN OPERATING CORP	STATE 11-16	Gas Well	Spudded (Drilling commenced: Not yet completed)	CASTLEGATE	CARBON	12S-10E	16	12	S	10	E	NWNW
43-007-30962-00-00	EVERGREEN OPERATING CORP	SHIMMIN 11-14	Gas Well	Spudded (Drilling commenced: Not yet completed)	CASTLEGATE	CARBON	12S-10E	14	12	S	10	E	NWNW
~~43-007-30786~~	~~EVERGREEN OPERATING CORP~~	~~Jensen 7-15 Deep~~	~~Gas Well~~	~~Active~~	~~WILDCAT~~	~~CARBON~~	~~12S-10E~~	~~15~~	~~12~~	~~S~~	~~10~~	~~E~~	~~SWNE~~
43-007-30977-00-00	EVERGREEN OPERATING CORP	JENSEN 24-4	Gas Well	New Permit (Not yet approved or drilled)	CASTLEGATE	CARBON	12S-10E	4	12	S	10	E	SESW
43-007-30978-00-00	EVERGREEN OPERATING CORP	JENSEN 34-5	Gas Well	New Permit (Not yet approved or drilled)	CASTLEGATE	CARBON	12S-10E	5	12	S	10	E	SWSE
43-007-30980-00-00	EVERGREEN OPERATING CORP	JENSEN 41-9	Gas Well	New Permit (Not yet approved or drilled)	CASTLEGATE	CARBON	12S-10E	9	12	S	10	E	NENE
43-007-30981-00-00	EVERGREEN OPERATING CORP	JENSEN 34-10	Gas Well	New Permit (Not yet approved or drilled)	CASTLEGATE	CARBON	12S-10E	10	12	S	10	E	SWSE
43-013-32308-00-00	EVERGREEN OPERATING CORP	HUBER-ST 1-35	Water Disposal Well	Active	CASTLEGATE	DUCHESNE	11S-10E	35	11	S	10	E	SV
43-013-32317-00-00	EVERGREEN OPERATING CORP	HUBER-STATE 1-27	Gas Well	New Permit (Not yet approved or drilled)	WILDCAT	DUCHESNE	11S-10E	27	11	S	10	E	SWSE
~~43-047-30101-00-00~~	~~EVERGREEN OIL CORP~~	~~POISON SPRINGS U 1 USA~~	~~Oil Well~~	~~Plugged and Abandoned~~	~~WILDCAT~~	~~GARFIELD~~	~~31S-12E~~	~~24~~	~~31~~	~~S~~	~~12~~	~~E~~	~~NESE~~
~~43-047-30102-00-00~~	~~EVERGREEN OIL CORP~~	~~POISON SPRINGS U 2 USA~~	~~Oil Well~~	~~Plugged and Abandoned~~	~~WILDCAT~~	~~GARFIELD~~	~~31S-12E~~	~~4~~	~~31~~	~~S~~	~~12~~	~~E~~	~~NENE~~
43-019-30136-00-00	EVERGREEN OPERATING CORP	ANDERSON FED 2	Gas Well	Producing	EAST CANYON	GRAND	16S-24E	12	16	S	24	E	SWSW
43-019-30955-00-00	EVERGREEN OPERATING CORP	FEDERAL 24-1	Gas Well	Shut-In	EAST CANYON	GRAND	16S-24E	24	16	S	24	E	NWNE
43-019-31077-00-00	EVERGREEN OPERATING CORP	FEDERAL 1-34	Gas Well	Producing	BRYSON CANYON	GRAND	16S-24E	34	16	S	24	E	NESE
43-019-31078-00-00	EVERGREEN OPERATING CORP	FEDERAL 2-34	Gas Well	Producing	BRYSON CANYON	GRAND	16S-24E	34	16	S	24	E	SESW
43-047-30248-00-00	EVERGREEN OPERATING CORP	BLACK HORSE 2	Gas Well	Shut-In	BLACK HORSE CYN	UINTAH	15S-24E	29	15	S	24	E	SESE
43-047-30284-00-00	EVERGREEN OPERATING CORP	PINE SPRING U 1	Gas Well	Producing	PINE SPRINGS	UINTAH	14S-22E	15	14	S	22	E	NESW
43-047-30325-00-00	EVERGREEN OPERATING CORP	RAT HOLE CYN 1	Gas Well	Shut-In	RAT HOLE CANYON	UINTAH	14S-25E	8	14	S	25	E	NWSE
43-047-30331-00-00	EVERGREEN OPERATING CORP	DRY BURN U 1	Gas Well	Shut-In	DRY BURN	UINTAH	13S-25E	29	13	S	25	E	NWSE
43-047-30332-00-00	EVERGREEN OPERATING CORP	1-L-23	Gas Well	Shut-In	SWEETWATER CYN	UINTAH	14S-24E	23	14	S	24	E	SWNE
43-047-30460-00-00	EVERGREEN OPERATING CORP	SWEETWATER CYN 1	Gas Well	Shut-In	SWEETWATER CYN	UINTAH	14S-24E	14	14	S	24	E	SWNW
43-047-30582-00-00	EVERGREEN OPERATING CORP	TRAPP SPRINGS 4-25-14-23	Gas Well	Producing	MAIN CANYON	UINTAH	14S-23E	25	14	S	23	E	SWSW
43-047-30619-00-00	EVERGREEN OPERATING CORP	CROOKED CYN 13-17-14-23	Gas Well	Producing	CROOKED CANYON	UINTAH	14S-23E	17	14	S	23	E	NWNW
43-047-30622-00-00	EVERGREEN OPERATING CORP	WOLF UNIT 3-11-15-21	Gas Well	Shut-In	WOLF POINT	UINTAH	15S-21E	11	15	S	21	E	SESW
43-047-30639-00-00	EVERGREEN OPERATING CORP	MAIN CYN 11-10-15-23	Gas Well	Producing	MAIN CANYON	UINTAH	15S-23E	10	15	S	23	E	SENW
43-047-30674-00-00	EVERGREEN OPERATING CORP	MAIN CYN 15-8-15-23	Gas Well	Producing	MAIN CANYON	UINTAH	15S-23E	8	15	S	23	E	NWNE
43-047-30735-00-00	EVERGREEN OPERATING CORP	MAIN CYN 2-8-15-23	Gas Well	Producing	MAIN CANYON	UINTAH	15S-23E	8	15	S	23	E	SWSE
43-047-30736-00-00	EVERGREEN OPERATING CORP	MAIN CYN 7-17-15-23	Gas Well	Producing	MAIN CANYON	UINTAH	15S-23E	17	15	S	23	E	NWSE
43-047-30746-00-00	EVERGREEN OPERATING CORP	STATE 11-2-15-22	Gas Well	Plugged and Abandoned	MAIN CANYON	UINTAH	15S-22E	2	15	S	22	E	SENW
43-047-30791-00-00	EVERGREEN OPERATING CORP	TRAPP SPRINGS 6-35-14-23	Gas Well	Producing	MAIN CANYON	UINTAH	14S-23E	35	14	S	23	E	NES
43-047-30944-00-00	EVERGREEN OPERATING CORP	TRAPP SPRINGS 8-36-14-23	Gas Well	Producing	MAIN CANYON	UINTAH	14S-23E	36	14	S	23	E	NES
43-047-30975-00-00	EVERGREEN OPERATING CORP	TRAPP SPRINGS 1-25-14-23	Gas Well	Producing	MAIN CANYON	UINTAH	14S-23E	25	14	S	23	E	SESE
43-047-30977-00-00	EVERGREEN OPERATING CORP	MAIN CYN 8-7-15-23	Gas Well	Producing	MAIN CANYON	UINTAH	15S-23E	7	15	S	23	E	NESE
43-047-31003-00-00	EVERGREEN OPERATING CORP	TRAPP SPRINGS 3-26-14-23	Gas Well	Shut-In	MAIN CANYON	UINTAH	14S-23E	26	14	S	23	E	SESW
43-047-31027-00-00	EVERGREEN OPERATING CORP	FEDERAL 6-14-15-21	Gas Well	Shut-In	WOLF POINT	UINTAH	15S-21E	14	15	S	21	E	NESW
43-047-31040-00-00	EVERGREEN OPERATING CORP	SWEETWATER 6-13-14-24	Gas Well	Shut-In	SWEETWATER CYN	UINTAH	14S-24E	13	14	S	24	E	NESW
43-047-31041-00-00	EVERGREEN OPERATING CORP	TRAPP SPRINGS 16-25-14-23	Gas Well	Producing	MAIN CANYON	UINTAH	14S-23E	25	14	S	23	E	NENE
43-047-31042-00-00	EVERGREEN OPERATING CORP	PINE SPRINGS 7-21-14-22	Gas Well	Producing	PINE SPRINGS	UINTAH	14S-22E	21	14	S	22	E	NWSE
43-047-31043-00-00	EVERGREEN OPERATING CORP	MAIN CYN 4-4-15-23	Gas Well	Producing	MAIN CANYON	UINTAH	15S-23E	4	15	S	23	E	SWSW
43-047-31045-00-00	EVERGREEN OPERATING CORP	BLACK HORSE 14-15-15-24	Gas Well	Shut-In	SOUTH CANYON	UINTAH	15S-24E	15	15	S	24	E	NENW
43-047-31063-00-00	EVERGREEN OPERATING CORP	PINE SPRINGS 8-20-14-22	Gas Well	Producing	PINE SPRINGS	UINTAH	14S-22E	20	14	S	22	E	NESE

EVERGREEN TO PIONEER NATURAL RESOURCES USA, INC. MERGER
WELL LIST 10/15/04

API Well Number	Operator	Well Name	Well Type	Well Status	Field Name	County Name	Location (Twn-Rng)	Sect	Twpn	Twpd	RngN	RngD	Qtr/Qtr
43-047-31071-00-00	EVERGREEN OPERATING CORP	FEDERAL 7-15-15-21	Gas Well	Shut-In	WOLF POINT	UINTAH	15S-21E	15	15	S	21	E	NWSE
43-047-31072-00-00	EVERGREEN OPERATING CORP	MAIN CYN 6-3-15-23	Gas Well	Shut-In	MAIN CANYON	UINTAH	15S-23E	3	15	S	23	E	NESW
43-047-31073-00-00	EVERGREEN OPERATING CORP	MAIN CYN 6-8-15-23	Gas Well	Producing	MAIN CANYON	UINTAH	15S-23E	8	15	S	23	E	NESW
43-047-31074-00-00	EVERGREEN OPERATING CORP	PINE SPRINGS 13-26-14-22	Gas Well	Producing	PINE SPRINGS	UINTAH	14S-22E	26	14	S	22	E	NWNW
43-047-31091-00-00	EVERGREEN OPERATING CORP	FEDERAL 2-18-15-22	Gas Well	Shut-In	WOLF POINT	UINTAH	15S-22E	18	15	S	22	E	SWSE
43-047-31096-00-00	EVERGREEN OPERATING CORP	PINE SPRINGS 9-12-14-21	Gas Well	Producing	PINE SPRINGS	UINTAH	14S-21E	12	14	S	21	E	SENE
43-047-31104-00-00	EVERGREEN OPERATING CORP	BLACK HORSE 12-8-15-24	Gas Well	Shut-In	SOUTH CANYON	UINTAH	15S-24E	8	15	S	24	E	SWNW
43-047-31111-00-00	EVERGREEN OPERATING CORP	MAIN CYN 16-4-15-23	Gas Well	Shut-In	MAIN CANYON	UINTAH	15S-23E	4	15	S	23	E	NENE
43-047-31134-00-00	EVERGREEN OPERATING CORP	FED ENI 7-1	Gas Well	Producing	DAVIS CANYON	UINTAH	13S-26E	7	13	S	26	E	NENE
43-047-31135-00-00	EVERGREEN OPERATING CORP	STATE 8-2-15-22	Gas Well	Shut-In	MAIN CANYON	UINTAH	15S-22E	2	15	S	22	E	NESE
43-047-31137-00-00	EVERGREEN OPERATING CORP	FEDERAL 5-13-15-21	Gas Well	Shut-In	WOLF POINT	UINTAH	15S-21E	13	15	S	21	E	NWSW
43-047-31348-00-00	EVERGREEN OPERATING CORP	FEDERAL 12-18-14-22	Gas Well	Shut-In	PINE SPRINGS	UINTAH	14S-22E	18	14	S	22	E	SWNW
~~43-047-34674-00-00~~	~~EVERGREEN OPERATING CORP~~	~~PINE SPRINGS FED 3-23-14S-22E~~	~~Gas Well~~	~~Location Abandoned~~	~~PINE SPRINGS~~	~~UINTAH~~	~~14S-22E~~	~~23~~	~~14~~	~~S~~	~~22~~	~~E~~	~~SENE~~
43-047-34675-00-00	EVERGREEN OPERATING CORP	PINE SPRINGS FED 3-23-14S-22E	Gas Well	Producing	PINE SPRINGS	UINTAH	14S-22E	23	14	S	22	E	SESW
43-047-34676-00-00	EVERGREEN OPERATING CORP	PINE SPRINGS FED 12-23-14S-22E	Gas Well	Temporarily-Abandoned	PINE SPRINGS	UINTAH	14S-22E	23	14	S	22	E	SWNW
43-047-34941-00-00	EVERGREEN OPERATING CORP	BONANZA FED 15-27-10-25	Gas Well	Producing	UNDESIGNATED	UINTAH	10S-25E	27	10	S	25	E	NWNE
43-047-35555-00-00	EVERGREEN OPERATING CORP	PINE SPRINGS ST 6-36-14-22	Gas Well	Spudded (Drilling commenced: Not yet completed)	UNDESIGNATED	UINTAH	14S-22E	36	14	S	22	E	NE
43-047-35556-00-00	EVERGREEN OPERATING CORP	PINE SPRINGS FED 4-22-14-22	Gas Well	Approved permit (APD); not yet spudded	PINE SPRINGS	UINTAH	14S-22E	22	14	S	22	E	SWSW
43-047-35566-00-00	EVERGREEN OPERATING CORP	PINE SPRINGS FED 15-21-14-22	Gas Well	Approved permit (APD); not yet spudded	PINE SPRINGS	UINTAH	14S-22E	21	14	S	22	E	NWNE

Division of Oil, Gas and Mining

ROUTING

1. GLH
2. CDW
3. FILE

OPERATOR CHANGE WORKSHEET

007

Change of Operator (Well Sold) — Designation of Agent/Operator

Operator Name Change — **X Merger**

The operator of the well(s) listed below has changed, effective: **9/28/2004**

FROM: (Old Operator):	**TO:** (New Operator):
N2545-Evergreen Operating Corp. 1401 17th St, Suite 1200 Denver, CO 80202 Phone: 1-(303) 298-8100	N5155-Pioneer Natural Resources USA, Inc. 5205 N O'Connor Blvd Irving, TX 75039 Phone: 1-(972) 444-9001

CA No. **Unit:**

WELL(S)

NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
HUBER-ST 1-35	35	110S	100E	4301332308	13472	State	WD	A
HUBER-JENSEN 1-4	04	120S	100E	4300730733	13068	Fee	GW	P
HUBER-JENSEN 2-8	08	120S	100E	4300730734	13275	Fee	GW	P
HUBER-JENSEN 1-8	08	120S	100E	4300730768	13359	Fee	GW	P
HUBER-JENSEN 2-9	09	120S	100E	4300730735	13317	Fee	GW	P
SHIMMIN 11-14	14	120S	100E	4300730962	14223	Fee	GW	DRL K
HUBER-JENSEN 1-15	15	120S	100E	4300730736	13072	Fee	GW	P
JENSON 7-15 DEEP	15	120S	100E	4300730786	13247	Fee	GW	TA
HUBER-STATE 1-16	16	120S	100E	4300730589	12610	State	GW	P
HUBER-ST 4-16	16	120S	100E	4300730785	13318	State	GW	P
STATE 11-16	16	120S	100E	4300730961	14224	State	GW	DRL K
HUBER-JENSEN 1-18	18	120S	100E	4300730718	14226	Fee	GW	DRL
PINE SPRINGS ST 6-36-14-22	36	140S	220E	4304735555	14352	State	GW	DRL K
STATE 8-2-15-22	02	150S	220E	4304731135	8076	State	GW	S
PINE SPRINGS FED 12-23-14S-22E	23	140S	220E	4304734676	13616	Federal	GW	TA K

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 10/21/2004
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 10/21/2004

3. The new company was checked on the **Department of Commerce, Division of Corporations Database on:** 10/21/2004
4. Is the new operator registered in the State of Utah: YES Business Number: 5738462-0143
5. If **NO**, the operator was contacted contacted on:

6a. (R649-9-2)Waste Management Plan has been received on:

6b. Inspections of LA PA state/fee well sites complete on: ***

15

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: not yet

8. **Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: _____

9. **Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: _____

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

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database on:** 10/28/2004
2. Changes have been entered on the **Monthly Operator Change Spread Sheet on:** 10/28/2004
3. Bond information entered in RBDMS on: 10/28/2004
4. Fee/State wells attached to bond in RBDMS on: 10/28/2004
5. Injection Projects to new operator in RBDMS on: 10/28/2004
6. Receipt of Acceptance of Drilling Procedures for APD/New on: ***

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: 104091293

INDIAN WELL(S) BOND VERIFICATION:

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

FEE & STATE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number 104319462

2. The **FORMER** operator has requested a release of liability from their bond on: 10/21/2004
The Division sent response by letter on: 10/28/2004

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 11/1/2004

COMMENTS:

FORM 9

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

039

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-4443
6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
7. UNIT or CA AGREEMENT NAME: N/A
8. WELL NAME and NUMBER: HUBER-~~FEDERAL~~ 11-16
9. API NUMBER: State 4300730961
10. FIELD AND POOL, OR WILDCAT: CASTLEGATE

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

2. NAME OF OPERATOR: PIONEER NATURAL RESOURCES

3. ADDRESS OF OPERATOR: 1401 17TH ST #1200 CITY DENVER STATE CO ZIP 80202 PHONE NUMBER: (303) 298-8100

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 550' FNL 500' FWL COUNTY: CARBON

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWMW 16 12S 10E STATE: UTAH

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

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

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

OPERATIONS ARE SUSPENDED DUE TO EVALUATION OF THE WELL

see drilling reports received 12/13/04 DKD
complete in January

COPY SENT TO OPERATOR
Date: 1-26-05
Initials: CHD

RECEIVED
DEC 13 2004
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) LARRY G. SESSIONS TITLE SENIOR AREA FOREMAN

SIGNATURE Larry G. Sessions DATE 12/7/2004

(This space for State use only)

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
DATE 1/25/05
BY: [signature]

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

* monthly reports should be submitted until well is completed (R649-3-6-2.4)

038 04/8/05

EVERGREEN CORPORATION, INC.

OPERATOR: EVERGREEN CORPORATION, INC.		TE: 07/02/04	TOTAL DEPTH:
WELL NAME: STATE 11-16		REPORT NO.: 1	PBTD:
LEGAL LOCATION: SEC. 16, T12S, R10E, DS.L.B & M		RIG CONTRACTOR: SCAMP CONST	GROSS PERFS:
COUNTY, STATE: CARBON COUNTY, UTAH	DAILY CONSTRUCTION REPORT	CONSULTANT: SESSIONS	AFE #:

PRESENT OPERATION

PRESENT OPERATION	DAILY COSTS	CUMULATIVE COSTS	AFE COSTS
RECEIVED APPROVAL FROM DENVER OFFICE TO START LOCATION	$ 24,460	$ 24,460	

DAILY COMPLETION SUMMARY

DAILY CONSTRUCTION REPORT

FROM (hrs)	TO (hrs)	HOURS (hrs)	DESCRIPTION OF DAILY OPERATIONS (06:00 - 06:00 hrs)
			SCAMP CONSTRUCTION MOVED D-7 & D-9 TO LOCATION. STARTED LOCATION @ 8 AM ON 7-2-04
			ESTIMATE 7 - 10 DAYS FOR LOCATION
			LOCATION BID TOTAL COSTS $24,460
TOTAL HOURS		-	

RECEIVED
DEC 13 2004
DIV. OF OIL, GAS & MINING

SUMMARY OF RIG HOURS

DESC.	DAILY (hrs)	CUM (hrs)
MI & RU		
NU/ND		
Drill		
Trip		
Circulate		
Rig Repair		
Rig Service		
Dev Survey		
Run Csg		
Cementing		
WOC		
Logging		
Mix Mud		
Perf		
Frac		
Acidize		
Swab		
Flow		
Fishing		
Other		
TOTALS		

DESCRIPTION OF DAILY & CUMULATIVE COSTS

COST CODE	DESCRIPTION OF DAILY COSTS	DAILY ($)	CUMULATIVE ($)	AFE ($)
860.1 & 302	Surface Acquisition, ROWS, Damages & Building Road & Location			
860.305	Mobilization/ Demobilization			
860.304	Rig Daywork			
860.307	Drilling Mud			
860.308	Cementing Services			
860.06	Trucking			
860.205	Rental Equipment-BOP's, DO & DC's, Choke Manifod, ETC			
860.309	Cement Tools- Float Eqpt, Stage Collars, Centralizer, Etc			
860.310 & 316	Wire Line Services- Logging & Perforating			
860.403	Supervision- Wellsite, Engineering			
860.311	Mud Logging, Data Recording, or Gas Detector			
860.540	Misc. Intang - Safety, Supplies, Taxes, Welding, Etc			
860.240	Water Hauling, Hot Oiler			
860.314	Bits, Reamres, Stabilizers, Shock Subs, Jars, Etc			
825.100 & 200	Surface and Production Casing			
860.319	Completion Rig			
860.318	Formation Stimulation - Sand Control			
825.300.350.400&500	Other Misc Tangible Well Eqpt- Wellhead, Artificial Lift Eqpt, Tubing, ETC			
825.550 .600 & 650	Other Misc Lease Eqpt J & R			
	Other, Hot oiler			
	TOTAL COSTS	$ -	$ -	

037

EVERGREEN CORPORATION, INC.

OPERATOR: EVERGREEN CORPORATION, INC.	DATE: 07/07/04
WELL NAME: STATE 11-16 #43007-30961	REPORT NO.: 2/ 7 DAYS
LEGAL LOCATION: SEC. 16, T12S, R10E, DS.L.B & M	RIG CONTRACTOR: SCAMP CONST
COUNTY, STATE: CARBON COUNTY, UTAH	CONSULTANT: SESSIONS

DAILY CONSTRUCTION REPORT

TOTAL DEPTH:

PBTD:

GROSS PERFS:

AFE #:

PRESENT OPERATION

PRESENT OPERATION	DAILY COSTS	CUMULATIVE COSTS	AFE COSTS
RECEIVED APPROVAL FROM DENVER OFFICE TO START LOCATION	$ 24,460	$ 24,460	

DAILY COMPLETION SUMMARY

DAILY CONSTRUCTION REPORT

FROM (hrs)	TO (hrs)	HOURS (hrs)	DESCRIPTION OF DAILY OPERATIONS (06:00 - 06:00 hrs)
			SCAMP CONSTRUCTION MOVED D-7 & D-9 TO LOCATION., STARTED LOCATION @ 8 AM ON 7-2-04
			STATE 11-16 LOCATION COMPLETED
			LOCATION BID. TOTAL COSTS $24,460
TOTAL HOURS		-	

RECEIVED
DEC 13 2004
DIV. OF OIL, GAS & MINING

SUMMARY OF RIG HOURS

DESC.	DAILY (hrs)	CUM (hrs)
MI & RU		
NU/ND		
Drill		
Trip		
Circulate		
Rig Repair		
Rig Service		
Dev Survey		
Run Csg		
Cementing		
WOC		
Logging		
Mix Mud		
Perf		
Frac		
Acidize		
Swab		
Flow		
Fishing		
Other		
TOTALS		

DESCRIPTION OF DAILY & CUMULATIVE COSTS

COST CODE	DESCRIPTION OF DAILY COSTS	DAILY ($)	CUMULATIVE ($)	AFE ($)
860.1 & 302	Surface Acquisition, ROWS, Damages & Building Road & Location			
860.305	Mobilization/ Demobilization			
860.304	Rig Daywork			
860.307	Drilling Mud			
860.308	Cementing Services			
860.08	Trucking			
860.205	Rental Equipment-BOP's, DO & DC's, Choke Manifod, ETC			
860.309	Cement Tools- Float Eqpt, Stage Collars, Centralizer, Etc			
860.310 & 316	Wire Line Services- Logging & Perforating			
860.403	Supervision- Wellsite, Engineering			
860.311	Mud Logging, Data Recording, or Gas Detector			
860.640	Misc. Intang - Safety, Supplies, Taxes, Welding, Etc.			
860.240	Water Hauling, Hot Oiler			
860.314	Bits, Reamres, Stabilizers, Shock Subs, Jars, Etc			
825.100 & 200	Surface and Production Casing			
860.319	Completion Rig			
860.318	Formation Stimulation - Sand Control			
825.300,350,400&500	Other Misc Tangible Well Eqpt- Wellhead, Artificial Lift Eqpt, Tubing, ETC			
825.550 , 600 & 650	Other Misc Lease Eqpt J & R			
	Other, Hot oiler.			
	TOTAL COSTS	$ -	$ -	

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EVERGREEN OPERATING, INC.

DAILY DRILLING REPORT

WELL NAME			
State 11-16 43-007-30961			
LOCATION DATA			
NW NW Sec 16 T-12S, R-10E			
FOOTAGES	GL		KB
550' FNL 500' FWL	5841'		5852'
COUNTY, STATE			
Carbon County, Utah			

RIG CONTACT INFORMATION:	
OFFICE TRAILER:	970 942 7543
CONSULTANT HAND CELL:	303 913 1054
DOGHOUSE:	307 268 7316
PUSHER:	

DATE	SPUD DATE	6AM DEPTH
7/19/2004	7/14/2004	568
REPORT NO.		24 HR FOOTAGE
1		64
DRLG CONTRACTOR		DAYS SINCE SPUD
Elenburg, Rig 12		1
CONSULTANT		AFE # / API #
John C. Lamb		05-103-10422

ACTIVITY AT REPORT TIME:	DAILY COST	CUM COST	AFE COSTS
Tripping in hole with directional BHA	$ 143,862	$ 143,862	$ -

CHRONOLOGY OF DAILY OPERATIONS (06:00 - 06:00 HRS)

SLOW PUMP RATE DATA: Depth | SPM | Pressure

STRING WEIGHT INFORMATION: Eff BHA Wt | Rotating: | Slackoff: | Hoisting:

FROM (hrs)	TO (hrs)	HOURS (hrs)	Activity:
04:00	07:00	3.00	NU BOPE
07:00	15:00	8.00	Fill pits, dig ditches, finish NU BOPE, NU drilling nipple and flowline, mix mud
15:00	17:00	2.00	PU bit and trip in hole, tagged cement at 463'
17:00	19:00	2.00	Test annular BOPE to 250 & 2000 psi - held OK after hammering up leaks
19:00	20:00	1.00	Mix KCL into mud system
20:00	21:00	1.00	Drill cement
21:00	21:30	0.50	Repair hydraulic leak
21:30	21:45	0.25	Drill cement, plug & shoe, found solid bottom at 504'
21:45	00:00	2.25	Drill 12 1/4 hole 504 - 568
00:00	00:15	0.25	Wireline survey 1 deg at 538'
00:15	02:00	1.75	TOH
02:00	04:00	2.00	PU & scribe directional tools
04:00	06:00	2.00	TIH, had trouble making up large DCs, fixed up tong heads & TIH
			Note: strapped pipe in both directions, could not find error with current depth and tally board, found casing shoe to be set at 504' KB
TOTAL HOURS		26.00	

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SUMMARY OF RIG HOURS

DESC.	DAILY (hrs)	CUM (hrs)
Drill	2.25	2.25
Trip	5.75	5.75
Circulate		
Rig Repair	0.50	0.50
Rig Service		
Dev Survey	0.25	0.25
NU / ND	3.00	3.00
Cement		
Run Casing		
WOC		
OH Logging		
Mix Mud	1.00	1.00
MI & RU		
Rat Hole		
Mouse Hole		
Fishing		
DST		
Coring		
Other	8.00	8.00
Other		
Other		
Other		
Test BOPE	2.00	2.00
WOO		
PU/LD BHA	2.00	2.00
Drill cement	1.25	1.25
TOTALS	26.00	26.00

SUMMARY OF DAILY & CUMULATIVE COSTS

COST CODE	DESCRIPTION OF DAILY COSTS	DAILY ($)	CUM ($)	AFE ($)
2030.010	Land, Legal, Title, Survey, Arch, Damages, Permits, Signs			
2030.031	Dirtwork, Road, Location, Pits, Liner	$ 25,000	$ 25,000	
2030.019	Contract Drilling 9480 / day 392.5 / h cond 5491 26,000 mob sfc 38791	$ 80,940	$ 80,940	
2032.001	Water			
2032.013	Drill Bits, Mud Motors, Stabilizers, Reamers			
2031.046	Cementing and Services	$ 5,000	$ 5,000	
2030.053	Coring and Analysis			
2030.052	Logging			
2030.054	Mud Logging			
2030.037	Rental Equipment	$ 865	$ 865	
2030.028	Transportation			
2032.004	Mud and Chemicals	$ 5,145	$ 5,145	
	Directional Services			
2031.058	Well Stimulation			
2030.035	Contract Labor	$ 1,100	$ 1,100	
2030.022	Engineering / Supervision	$ 1,800	$ 1,800	
2030.099	Intangible Miscellaneous and Contingencies			
2040.001	Surface Casing	$ 19,071	$ 19,071	
2040.004	Production Casing			
2040.023	Float Equipment, Shoes, Centralizers			
2040.028	Wellhead Equipment	$ 4,941	$ 4,941	
2040.016	Bottom Hole Pump / Gas Lift / Other			
2040.031 / 2040.037	Drivehead, Engine / Motor and Hydraulic Pump / Electric Unit			
2040.052 / 2040.055	Valves and Fittings, Small / Large			
2040.067	Other Surface Equipment			
2040.099	Tangible Miscellaneous and Contingencies			
	TOTAL COSTS	$ 143,862	$ 143,862	$ -

Report# 1 Date: 07/19/04

DAILY DRILLING REPORT

Well Name: State 11-16

BIT RECORD

BIT NO. (#)	BIT SIZE (in)	MFG	TYPE	SERIAL NO.	JETS (32/32/32)	DEPTH IN (ft)	DEPTH OUT (ft)	FOOTAGE DRILLED (ft)	CUM BIT HOURS (hrs)	ROP (ft/hr)	WOB (#'s)	RPM MTR/TBL	BIT TORQUE (ft - lbs)	BIT GRADING T / B / G
1	12 1/4	HTC	HT30XP	J101045	17/17/17	504	568	64	2.25	28.4	10,000	/ 60	1000 - 1900	
								0		#DIV/0!				
								0		#DIV/0!				
COMMENTS														

RENTAL EQUIPMENT

RENTAL ITEM	DAILY COSTS ($)	CUM COSTS ($)
Living Qtrs	$ 195	$ 195
Frac Tank	$ 45	$ 45
Forklift	$ 60	$ 60
Portajohn	$ 20	$ 20
Mud Trailer	$ 20	$ 20
Mud Cleaner	$ 375	$ 375
EDR	$ 60	$ 60
Autodriller	$ 90	$ 90
other		
other		
other		
other		
other		
other		
other		
TOTALS	$ 865	$ 865

CASING DATA

SIZE (in)	WEIGHT (lb/ft)	GRADE	CONN	DRIFT ID (in)	EXTERNAL COLLAPSE (psi)	INTERNAL YIELD (psi)	CAPACITY (bbls/ft)	LENGTH (ft)	TOP SET AT (ft)	BOTTOM SET AT (ft KB)
13 3/8"	54.5	J55	ST&C	12.459	1,130	2,730	0.15450	536.00	2.00	523.00

BOTTOMHOLE ASSEMBLY

DESCRIPTION OF BHA	PROVIDER	THREAD SIZE BOX	THREAD SIZE PIN	MAXIMUM O.D. (in)	MINIMUM I.D. (in)	LENGTH (ft)	HOURS RUN	HRS SINCE INSPECTION
BIT	HTC		6 5/8R	12.250		1.50		
1.5 deg Mud Motor	Scientific	6 5/8R	6 5/8R	8.000		24.06		
NMDC	Scientific	6 5/8R	6 5/8R	7.563	3.125	30.48		
HOS	Scientific	6 5/8R	6 5/8R	7.875	3.250	6.01		
XO	Weatherford	4 1/2IF	6 5/8R	8.250	3.125	1.88		
4 - 7 1/4" DC	Rig	4 1/2IF	4 1/2IF	7.250	2.875	114.94		
XO	Rig	4 1/2XH	4 1/2IF	6.750	2.875	2.00		
8 - 6 1/4" DC	Rig	4 1/2XH	4 1/2XH	6.250	2.313	245.64		

DRILLING MUD REPORT

SAMPLE DEPTH (ft)	TIME (hh:mm)	MUD WT. (ppg)	FUNNEL VISCOSITY (sec/qt)	PV / YP	KCL (%)	GEL STRENGTH (lb/100 ft2)	FILTRATE API (ml/30 min)	CALCIUM (ppm)	CAKE THICKNESS (/32 in)	SOLIDS (% vol)	SAND CONTENT (% vol)	pH	CHLORIDES (ppm)	LCM (lb/gal)
561	03:00	8.40	33	6 / 12	2.80	2 / 5	16.0	100	2.0	3.0	1/4	12.5	14,000	

DAILY MUD COST & INVENTORY

	BARITE (sx)	QUICK GEL (sx)	CAUSTIC (sx)	LIME (sx)	SODA ASH (sx)	UNIDRILL (sx)	SOLKWICK (sx)	PAC-R (sx)	PHPA (gal)	CEDAR (sx)	TRUCKING ($)	TOTAL COSTS ($)
UNIT COST												
STARTING INVENTORY	80											
INVENTORY RECEIVED												
USED LAST 24 HOURS												
ENDING INVENTORY												
DAILY MUD COST												5,145
PREVIOUS CUMULATIVE COST												-
CUMULATIVE MUD COST												5,145

MUD LOGGER REPORT

MUD GAS DATA (In Units)			SHOW INTERVAL		RATE OF PENETRATION			SHOW GAS DATA		
BACK GROUND	CONN GAS	TRIP GAS	FROM (ft)	TO (ft)	BEFORE (ft)	DURING (ft)	AFTER (ft)	BEFORE UNITS	DURING UNITS	AFTER UNITS

DEVIATION SURVEYS

Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle			
530	1													
ESTIMATED FORMATION TOPS:														
SAMPLE DESCRIPTION:														

PUMP & CIRCULATING DATA

MUD PUMPS	MAKE	MODEL	LINER SIZE (in)	STROKE LENGTH (in)	ASSUMED EFF (%)	PUMP RATE (spm)	PUMP VOLUMETRIC DATA (bbls/stk)	(bbls/min)	(gal/min)	CIRCULATING DETAILS Standpipe (psi)	Motor Differential	HHP (Sq in)	ANNULAR VELOCITY DP (ft/min)	DC (ft/min)
NO. 1	National	7P50	6.25	7.75	95.00%	118	0.0736	8.25	347	480				
NO. 2														
NO. 3														
COMBINED														

035

EVERGREEN OPERATING, INC.

DAILY DRILLING REPORT

WELL NAME			
State 11-16 43-007-30961			
LOCATION DATA			
NW NW Sec 16 T-12S, R-10E			
FOOTAGES	GL		KB
550' FNL 500' FWL	5841'		5852'
COUNTY, STATE			
Carbon County, Utah			

RIG CONTACT INFORMATION:	
OFFICE TRAILER:	970 942 7543
CONSULTANT HAND CELL:	303 913 1054
DOGHOUSE:	307 268 7316
PUSHER:	

DATE	SPUD DATE	6AM DEPTH
7/20/2004	7/14/2004	950
REPORT NO.		24 HR FOOTAGE
2		382
DRLG CONTRACTOR		DAYS SINCE SPUD
Elenburg, Rig 12		2
CONSULTANT		AFE # / API #
John C. Lamb		

ACTIVITY AT REPORT TIME:	DAILY COST	CUM COST	AFE COSTS
Drilling ahead	$ 28,480	$ 172,342	$ -

CHRONOLOGY OF DAILY OPERATIONS (06:00 - 06:00 HRS)

SLOW PUMP RATE DATA:			STRING WEIGHT INFORMATION:			
Depth	SPM	Pressure	Eff BHA Wt	Rotating:	Slackoff:	Hoisting:
924	54	300	37,000	50,000	49,000	51,000

FROM (hrs)	TO (hrs)	HOURS (hrs)	Activity:
06:00	08:00	2.00	Trip in hole
08:00	08:30	0.50	Adjust and calibrate Pason EDR
08:30	11:30	3.00	Rotary drill 566 - 635
11:30	11:45	0.25	Adjust autodriller
11:45	16:45	5.00	Rotary drill 635 - 740
16:45	17:15	0.50	Slide drill 740 - 744
17:15	20:45	3.50	Rotary drill 744 - 801
20:45	21:45	1.00	Slide drill 801 - 808
21:45	02:00	4.25	Rotary drill 808 - 892
02:00	03:00	1.00	Slide drill 892 - 900
03:00	06:00	3.00	Rotary drill 900 - 950
TOTAL HOURS		24.00	

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SUMMARY OF RIG HOURS

DESC.	DAILY (hrs)	CUM (hrs)
Drill	21.25	2.25
Trip	2.00	7.75
Circulate		
Rig Repair		0.50
Rig Service		
Dev Survey		0.25
NU / ND		3.00
Cement		
Run Casing		
WOC		
OH Logging		
Mix Mud		1.00
MI & RU		
Rat Hole		
Mouse Hole		
Fishing		
DST		
Coring		
Other	0.75	8.75
Other		
Other		
Other		
Test BOPE		2.00
WOO		
PU/LD BHA		2.00
Drill cement		1.25
TOTALS	24.00	28.75

SUMMARY OF DAILY & CUMULATIVE COSTS

COST CODE	DESCRIPTION OF DAILY COSTS	DAILY ($)	CUM ($)	AFE ($)
2030.010	Land, Legal, Title, Survey, Arch, Damages, Permits, Signs			
2030.031	Dirtwork, Road, Location, Pits, Liner		$ 25,000	
2030.019	Contract Drilling 9480 / day 392.5 / h cond 5491 26,000 mob sfc 38791	$ 9,480	$ 90,420	
2032.001	Water			
2032.013	Drill Bits, Mud Motors, Stabilizers, Reamers			
2031.046	Cementing and Services		$ 5,000	
2030.053	Coring and Analysis			
2030.052	Logging			
2030.054	Mud Logging			
2030.037	Rental Equipment	$ 865	$ 1,730	
2030.026	Transportation			
2032.004	Mud and Chemicals	$ 763	$ 5,908	
	Directional Services	$ 16,472	$ 16,472	
2031.058	Well Stimulation			
2030.035	Contract Labor		$ 1,100	
2030.022	Engineering / Supervision	$ 900	$ 2,700	
2030.099	Intangible Miscellaneous and Contingencies			
2040.001	Surface Casing		$ 19,071	
2040.004	Production Casing			
2040.023	Float Equipment, Shoes, Centralizers			
2040.026	Wellhead Equipment		$ 4,941	
2040.016	Bottom Hole Pump / Gas Lift / Other			
2040.031 / 2040.037	Drivehead, Engine / Motor and Hydraulic Pump / Electric Unit			
2040.052 / 2040.055	Valves and Fittings, Small / Large			
2040.067	Other Surface Equipment			
2040.099	Tangible Miscellaneous and Contingencies			
	TOTAL COSTS	$ 28,480	$ 172,342	$ -

Well Name: Banta Ridge Federal 13-17-1S-103

BIT RECORD

BIT NO. (#)	BIT SIZE (in)	MFG	TYPE	SERIAL NO.	JETS (32/32/32)	DEPTH IN (ft)	DEPTH OUT (ft)	FOOTAGE DRILLED (ft)	CUM BIT HOURS (hrs)	ROP (ft/hr)	WOB (#'s)	RPM MTR/TBL	BIT TORQUE (ft - lbs)	BIT GRADING T / B / G
1	12 1/4	HTC	HT30XP	J101045	17/17/17	504	950	446	23.50	19.0	16-20K	/ 60	1000 - 1900	
								0		#DIV/0!				
								0		#DIV/0!				
COMMENTS														

RENTAL EQUIPMENT

RENTAL ITEM	DAILY COSTS ($)	CUM COSTS ($)
Living Qtrs	$ 195	$ 390
Frac Tank	$ 45	$ 90
Forklift	$ 60	$ 120
Portajohn	$ 20	$ 40
Mud Trailer	$ 20	$ 40
Mud Cleaner	$ 375	$ 750
EDR	$ 60	$ 120
Autodriller	$ 90	$ 180
other		
other		
other		
other		
other		
other		
other		
other		
other		
TOTALS	$ 865	$ 1,730

CASING DATA

SIZE (in)	WEIGHT (lb/ft)	GRADE	CONN	DRIFT ID (in)	EXTERNAL COLLAPSE (psi)	INTERNAL YIELD (psi)	CAPACITY (bbls/ft)	LENGTH (ft)	TOP SET AT (ft)	BOTTOM SET AT (ft KB)
13 3/8"	54.5	J55	ST&C	12.459	1,130	2,730	0.15450	536.00	2.00	523.00

BOTTOMHOLE ASSEMBLY

DESCRIPTION OF BHA	PROVIDER	THREAD SIZE BOX	THREAD SIZE PIN	MAXIMUM O.D. (in)	MINIMUM I.D. (in)	LENGTH (ft)	HOURS RUN	HRS SINCE INSPECTION
BIT	HTC		6 5/8R	12.250		1.50	23.50	23.50
1.5 deg 3 stage 7/8 Mud Motor	Black Max/Scientific	6 5/8R	6 5/8R	8.000		24.06	21.25	21.25
NMDC	Scientific	6 5/8R	6 5/8R	7.563	3.125	30.48	21.25	21.25
HOS	Scientific	6 5/8R	6 5/8R	7.875	3.250	6.01	21.25	21.25
XO	Weatherford	4 1/2IF	6 5/8R	8.250	3.125	1.88	21.25	21.25
4 - 7 1/4" DC	Rig	4 1/2IF	4 1/2IF	7.250	2.875	114.94	21.25	21.25
XO	Rig	4 1/2XH	4 1/2IF	6.750	2.875	2.00	21.25	21.25
8 - 6 1/4" DC	Rig	4 1/2XH	4 1/2XH	6.250	2.313	245.64	188.25	188.25
2 4 1/2" HWDP	Rig	4 1/2XH	4 1/2XH	4.500	2.750	62.61	188.25	188.25

DRILLING MUD REPORT

SAMPLE DEPTH (ft)	TIME (hh:mm)	MUD WT. (ppg)	FUNNEL VISCOSITY (sec/qt)	PV / YP	KCL (%)	GEL STRENGTH (lb/100 ft2)	FILTRATE API (ml/30 min)	CALCIUM (ppm)	CAKE THICKNESS (/32 in)	SOLIDS (% vol)	SAND CONTENT (% vol)	pH	CHLORIDES (ppm)	LCM (lb/gal)
931	05:30	9.00	42	14 / 9	2.00	6 / 10	23.0	30	2.0	7.0	1/4	11.5	10,000	

DAILY MUD COST & INVENTORY

	BARITE (sx)	QUICK GEL (sx)	CAUSTIC (sx)	LIME (sx)	SODA ASH (sx)	UNIDRILL (sx)	SOLKWICK (sx)	PAC-R (sx)	PHPA (gal)	CEDAR (sx)	TRUCKING ($)	TOTAL COSTS ($)
UNIT COST												
STARTING INVENTORY	80											
INVENTORY RECEIVED												
USED LAST 24 HOURS												
ENDING INVENTORY												
DAILY MUD COST												763
PREVIOUS CUMULATIVE COST												5,145
CUMULATIVE MUD COST												5,908

MUD LOGGER REPORT

MUD GAS DATA (in Units)			SHOW INTERVAL		RATE OF PENETRATION			SHOW GAS DATA		
BACK GROUND	CONN GAS	TRIP GAS	FROM (ft)	TO (ft)	BEFORE (ft)	DURING (ft)	AFTER (ft)	BEFORE UNITS	DURING UNITS	AFTER UNITS

DEVIATION SURVEYS

Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle
530	1.00	Wireline	0.00	854	1.30	181.60	1.95				
579	0.70	205.50	0.12	886	0.90	197.20	1.55				
608	0.80	204.40	0.35								
671	0.90	168.60	0.84								
702	1.10	178.70	0.86								
732	1.20	194.80	1.12								
763	1.20	181.30	0.91								
794	1.20	181.20	0.01								
824	1.00	207.10	1.77								
ESTIMATED FORMATION TOPS:											
SAMPLE DESCRIPTION:											

PUMP & CIRCULATING DATA

MUD PUMPS	MAKE	MODEL	LINER SIZE (in)	STROKE LENGTH (in)	ASSUMED EFF (%)	PUMP RATE (spm)	PUMP VOLUMETRIC DATA (bbls/stk)	(bbls/min)	(gal/min)	CIRCULATING DETAILS Standpipe (psi)	Motor Differential	HHP (Sq in)	ANNULAR VELOCITY DP (ft/min)	DC (ft/min)
NO. 1	National	7P50	6.25	7.75	95.00%	118	0.0736	8.25	347	580	60-90		64	77
NO. 2														
NO. 3														
COMBINED														

034

EVERGREEN OPERATING, INC.

DAILY DRILLING REPORT

WELL NAME	State 11-16 43-007-30961
LOCATION DATA	NW NW Sec 16 T-12S, R-10E
FOOTAGES	550' FNL 500' FWL
GL	5841'
KB	5852'
COUNTY, STATE	Carbon County, Utah

RIG CONTACT INFORMATION:

OFFICE TRAILER:	970 942 7543
CONSULTANT HAND CELL:	303 913 1054
DOGHOUSE:	307 268 7316
PUSHER:	

DATE	7/21/2004
SPUD DATE	7/14/2004
6AM DEPTH	1154
REPORT NO.	3
24 HR FOOTAGE	204
DRLG CONTRACTOR	Elenburg, Rig 12
DAYS SINCE SPUD	3
CONSULTANT	John C. Lamb
AFE #	
API #	

ACTIVITY AT REPORT TIME:	DAILY COST	CUM COST	AFE COSTS
Drilling ahead	$ 22,565	$ 195,576	$ -

CHRONOLOGY OF DAILY OPERATIONS (06:00 - 06:00 HRS)

FROM (hrs)	TO (hrs)	HOURS (hrs)	Activity:
06:00	09:15	3.25	Rotary drill 950 - 987
09:15	11:15	2.00	Slide drill 987 - 997
11:15	12:45	1.50	Rotary drill 987 - 1017
13:00	14:30	1.75	Rig repair - replace swivel brake
14:30	17:00	2.50	Rotary drill 1017 - 1049
17:00	20:00	3.00	Slide drill 1049 - 1059
20:00	21:15	1.25	Rotary drill 1059 - 1079
21:15	22:15	1.00	Slide drill 1079 - 1087
22:15	00:30	2.25	Rotary drill 1087 - 1111
00:30	02:15	1.75	Slide drill 1111 - 1123
02:15	04:30	2.25	Rotary drill 1123 - 1142
04:30	05:45	1.25	Slide drill 1142 - 1152
05:45	06:00	0.25	Rotary drill 1152 - 1154
TOTAL HOURS		24.00	

SLOW PUMP RATE DATA:			STRING WEIGHT INFORMATION:			
Depth	SPM	Pressure	Eff BHA Wt	Rotating:	Slackoff:	Hoisting:
1142	54	200	37,000	55,000	54,000	56,000

RECEIVED

DEC 13 2004

DIV. OF OIL, GAS & MINING

SUMMARY OF RIG HOURS

DESC.	DAILY (hrs)	CUM (hrs)
Drill	22.75	46.25
Trip		7.75
Circulate		
Rig Repair	1.25	1.75
Rig Service		
Dev Survey		0.25
NU / ND		3.00
Cement		
Run Casing		
WOC		
OH Logging		
Mix Mud		1.00
MI & RU		
Rat Hole		
Mouse Hole		
Fishing		
DST		
Coring		
Other		8.75
Other		
Other		
Other		
Test BOPE		2.00
WOO		
PU/LD BHA		2.00
Drill cement		1.25
TOTALS	24.00	74.00

SUMMARY OF DAILY & CUMULATIVE COSTS

COST CODE	DESCRIPTION OF DAILY COSTS	DAILY ($)	CUM ($)	AFE ($)
2030.010	Land, Legal, Title, Survey, Arch, Damages, Permits, Signs			
2030.031	Dirtwork, Road, Location, Pits, Liner		$ 25,000	
2030.019	Contract Drilling 9480 / day 392.5 / h cond 5491 26,000 mob sfc 38791	$ 9,480	$ 99,900	
2032.001	Water	$ 702	$ 702	
2032.013	Drill Bits, Mud Motors, Stabilizers, Reamers			
2031.046	Cementing and Services		$ 5,000	
2030.053	Coring and Analysis			
2030.052	Logging			
2030.054	Mud Logging			
2030.037	Rental Equipment	$ 865	$ 3,265	
2030.028	Transportation	$ 2,950	$ 2,950	
2032.004	Mud and Chemicals	$ 1,100	$ 7,007	
	Directional Services	$ 6,568	$ 23,040	
2031.058	Well Stimulation			
2030.035	Contract Labor		$ 1,100	
2030.022	Engineering / Supervision	$ 900	$ 3,600	
2030.099	Intangible Miscellaneous and Contingencies			
2040.001	Surface Casing		$ 19,071	
2040.004	Production Casing			
1011.000	203.8 0.3			
1041.000	211.86 1.18		$ 4,941	
1073.000	217.8 0.49			
1104.000	210 1.13			
2040.052 / 2040.055	Valves and Fittings, Small / Large			
2040.067	Other Surface Equipment			
2040.099	Tangible Miscellaneous and Contingencies			
	TOTAL COSTS	$ 22,565	$ 195,576	$ -

Report # 3 Date: 07/21/04

DAILY DRILLING REPORT

Well Name: Banta Ridge Federal 13-17-1S-103

BIT RECORD

BIT NO. (#)	BIT SIZE (in)	MFG	TYPE	SERIAL NO.	JETS (32/32/32)	DEPTH IN (ft)	DEPTH OUT (ft)	FOOTAGE DRILLED (ft)	CUM BIT HOURS (hrs)	ROP (ft/hr)	WOB (#'s)	RPM MTR/TBL	BIT TORQUE (ft - lbs)	BIT GRADING T / B / G
1	12 1/4	HTC	HT30XP	J101045	17/17/17	504	1,154	650	46.25	14.1	8 - 28K	54 / 60	800 - 1900	
								0		#DIV/0!				
								0		#DIV/0!				
COMMENTS														

RENTAL EQUIPMENT

RENTAL ITEM	DAILY COSTS ($)	CUM COSTS ($)
Living Qtrs	$ 195	$ 585
Frac Tank	$ 45	$ 135
Forklift	$ 60	$ 180
Portajohn	$ 20	$ 60
Mud Trailer	$ 20	$ 60
Mud Cleaner	$ 375	$ 1,125
EDR	$ 60	$ 180
Autodriller	$ 90	$ 270
RU mud clnr		$ 670
other		
other		
other		
other		
other		
other		
other		
other		
TOTALS	$ 865	$ 3,265

CASING DATA

SIZE (in)	WEIGHT (lb/ft)	GRADE	CONN	DRIFT ID (in)	EXTERNAL COLLAPSE (psi)	INTERNAL YIELD (psi)	CAPACITY (bbls/ft)	LENGTH (ft)	TOP SET AT (ft)	BOTTOM SET AT (ft KB)
13 3/8"	54.5	J55	ST&C	12.459	1,130	2,730	0.15450	536.00	2.00	523.00

BOTTOMHOLE ASSEMBLY

DESCRIPTION OF BHA	PROVIDER	THREAD SIZE BOX	THREAD SIZE PIN	MAXIMUM O.D. (in)	MINIMUM I.D. (in)	LENGTH (ft)	HOURS RUN	HRS SINCE INSPECTION
BIT	HTC		6 5/8R	12.250		1.50	46.25	46.25
1.5 deg 3 stage 7/8 Mud Motor	Black Max/Scientific	6 5/8R	6 5/8R	8.000		24.06	44.00	44.00
NMDC	Scientific	6 5/8R	6 5/8R	7.563	3.125	30.48	44.00	44.00
HOS	Scientific	6 5/8R	6 5/8R	7.875	3.250	6.01	44.00	44.00
XO	Weatherford	4 1/2IF	6 5/8R	8.250	3.125	1.88	44.00	44.00
4 - 7 1/4" DC	Rig	4 1/2IF	4 1/2IF	7.250	2.875	114.94	44.00	44.00
XO	Rig	4 1/2XH	4 1/2IF	6.750	2.875	2.00	44.00	44.00
8 - 6 1/4" DC	Rig	4 1/2XH	4 1/2XH	6.250	2.313	245.64	211.50	211.50
2 4 1/2" HWDP	Rig	4 1/2XH	4 1/2XH	4.500	2.750	62.61	211.50	211.50

DRILLING MUD REPORT

SAMPLE DEPTH (ft)	TIME (hh:mm)	MUD WT. (ppg)	FUNNEL VISCOSITY (sec/qt)	PV / YP	KCL (%)	GEL STRENGTH (lb/100 ft2)	FILTRATE API (ml/30 min)	CALCIUM (ppm)	CAKE THICKNESS (/32 in)	SOLIDS (% vol)	SAND CONTENT (% vol)	pH	CHLORIDES (ppm)	LCM (lb/gal)
1,146	05:00	9.00	40	12 / 9	2.00	4 / 11	20.0	30	2.0	6.0	1/4	11.0	10,000	

DAILY MUD COST & INVENTORY

	BARITE (sx)	QUICK GEL (sx)	CAUSTIC (sx)	LIME (sx)	SODA ASH (sx)	UNIDRILL (sx)	SOLKWICK (sx)	PAC-R (sx)	PHPA (gal)	CEDAR (sx)	TRUCKING ($)	TOTAL COSTS ($)
UNIT COST												
STARTING INVENTORY	80											
INVENTORY RECEIVED												
USED LAST 24 HOURS												
ENDING INVENTORY												
DAILY MUD COST												1,100
PREVIOUS CUMULATIVE COST												5,907
CUMULATIVE MUD COST												7,007

MUD LOGGER REPORT

MUD GAS DATA (in Units) BACK GROUND	CONN GAS	TRIP GAS	SHOW INTERVAL FROM (ft)	TO (ft)	RATE OF PENETRATION BEFORE (ft)	DURING (ft)	AFTER (ft)	SHOW GAS DATA BEFORE UNITS	DURING UNITS	AFTER UNITS

DEVIATION SURVEYS

Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle
530	1.00	Wireline	0.00	854	1.30	181.60	1.95				
579	0.70	205.50	0.12	886	0.90	197.20	1.55				
608	0.80	204.40	0.35	917	1.00	211.90	0.85				
671	0.90	168.60	0.84	979	1.16	199.50	0.46				
702	1.10	178.70	0.86	1011	1.20	203.80	0.30				
732	1.20	194.80	1.12	1041	1.50	211.86	1.18				
763	1.20	181.30	0.91	1073	1.50	217.80	0.49				
794	1.20	181.20	0.01	1104	1.20	210.00	1.13				
824	1.00	207.10	1.77								

ESTIMATED FORMATION TOPS:

SAMPLE DESCRIPTION:

PUMP & CIRCULATING DATA

MUD PUMPS	MAKE	MODEL	LINER SIZE (in)	STROKE LENGTH (in)	ASSUMED EFF (%)	PUMP RATE (spm)	PUMP VOLUMETRIC DATA (bbls/stk)	(bbls/min)	(gal/min)	CIRCULATING DETAILS Standpipe (psi)	Motor Differential	HHP (Sq in)	ANNULAR VELOCITY DP (ft/min)	DC (ft/min)
NO. 1	National	7P50	6.25	7.75	95.00%	118	0.0736	8.25	347	620	60-90		64	77
NO. 2														
NO. 3														
COMBINED														

033

EVERGREEN OPERATING, INC.

DAILY DRILLING REPORT

WELL NAME			
State 11-16	43-009-30961		
LOCATION DATA			
NW NW Sec 16 T-12S, R-10E			
FOOTAGES	GL		KB
550' FNL 500' FWL	5841'		5852'
COUNTY, STATE			
Carbon County, Utah			

RIG CONTACT INFORMATION:	
OFFICE TRAILER:	970 942 7543
CONSULTANT HAND CELL:	303 913 1054
DOGHOUSE:	307 268 7316
PUSHER:	

DATE	SPUD DATE	6AM DEPTH
7/22/2004	7/14/2004	1354
REPORT NO.		24 HR FOOTAGE
4		200
DRLG CONTRACTOR		DAYS SINCE SPUD
Elenburg, Rig 12		4
CONSULTANT		AFE # / API #
John C. Lamb		

ACTIVITY AT REPORT TIME:	DAILY COST	CUM COST	AFE COSTS
Drilling ahead	$ 19,280	$ 213,957	$ -

CHRONOLOGY OF DAILY OPERATIONS (06:00 - 06:00 HRS)

SLOW PUMP RATE DATA:			STRING WEIGHT INFORMATION:			
Depth	SPM	Pressure	Eff BHA Wt	Rotating:	Slackoff:	Hoisting:
1328	54	200	37,000	56,000	55,000	57,000

FROM (hrs)	TO (hrs)	HOURS (hrs)	Activity:
06:00	08:00	2.00	Rotary drill 1154 - 1173
08:00	09:15	1.25	Slide drill 1173 - 1186
09:15	14:00	4.75	Rotate 1186 - 1235
14:00	14:15	0.25	Service rig & adjust swivel
14:15	16:45	2.50	Slide 1235 - 1250
16:45	18:30	1.75	Rotate 1250 - 1266
18:30	18:45	0.25	Service rig & adjust swivel
18:45	21:15	2.50	Slide 1266 - 1281
21:15	06:00	8.75	Rotate 1281 - 1354
TOTAL HOURS		24.00	

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DEC 13 2004
DIV. OF OIL, GAS & MINING

SUMMARY OF RIG HOURS

DESC.	DAILY (hrs)	CUM (hrs)
Drill	23.50	69.75
Trip		7.75
Circulate		
Rig Repair		1.75
Rig Service	0.50	0.50
Dev Survey		0.25
NU / ND		3.00
Cement		
Run Casing		
WOC		
OH Logging		
Mix Mud		1.00
MI & RU		
Rat Hole		
Mouse Hole		
Fishing		
DST		
Coring		
Other		6.75
Other		
Other		
Other		
Test BOPE		2.00
WOO		
PU/LD BHA		2.00
Drill cement		1.25
TOTALS	24.00	96.00

SUMMARY OF DAILY & CUMULATIVE COSTS

COST CODE	DESCRIPTION OF DAILY COSTS	DAILY ($)	CUM ($)	AFE ($)
2030.010	Land, Legal, Title, Survey, Arch, Damages, Permits, Signs			
2030.031	Dirtwork, Road, Location, Pits, Liner		$ 25,000	
2030.019	Contract Drilling 9480 / day 392.5 / h cond 5491 26,000 mob sfc 38791	$ 9,480	$ 108,480	
2032.001	Water	$ 350	$ 1,052	
2032.013	Drill Bits, Mud Motors, Stabilizers, Reamers			
2031.046	Cementing and Services		$ 5,000	
2030.053	Coring and Analysis			
2030.052	Logging			
2030.054	Mud Logging			
2030.037	Rental Equipment	$ 865	$ 4,130	
2030.028	Transportation		$ 2,950	
2032.004	Mud and Chemicals	$ 1,117	$ 8,125	
	Directional Services	$ 6,568	$ 29,608	
2031.058	Well Stimulation			
2030.035	Contract Labor		$ 1,100	
2030.022	Engineering / Supervision	$ 900	$ 4,500	
2030.099	Intangible Miscellaneous and Contingencies			
2040.001	Surface Casing		$ 19,071	
2040.004	Production Casing			
1011.000	Float Equipment, Shoes, Centralizers			
1041.000	Wellhead Equipment		$ 4,941	
1073.000	Bottom Hole Pump / Gas Lift / Other			
1104.000	Drivehead, Engine / Motor and Hydraulic Pump / Electric Unit			
2040.052 / 2040.055	Valves and Fittings, Small / Large			
2040.087	Other Surface Equipment			
2040.099	Tangible Miscellaneous and Contingencies			
	TOTAL COSTS	$ 19,280	$ 213,957	$ -

Report # 4 Date: 07/22/04

DAILY DRILLING REPORT

Well Name: Banta Ridge Federal 13-17-1S-103

BIT RECORD

BIT NO. (#)	BIT SIZE (in)	MFG	TYPE	SERIAL NO.	JETS (32/32/32)	DEPTH IN (ft)	DEPTH OUT (ft)	FOOTAGE DRILLED (ft)	CUM BIT HOURS (hrs)	ROP (ft/hr)	WOB (#'s)	RPM MTR/TBL	BIT TORQUE (ft - lbs)	BIT GRADING T / B / G
1	12 1/4	HTC	HT30XP	J101045	17/17/17	504	1,354	850	69.75	12.2	8 - 28K	54 / 60	800 - 1900	
								0		#DIV/0!				
								0		#DIV/0!				
COMMENTS														

RENTAL EQUIPMENT

RENTAL ITEM	DAILY COSTS ($)	CUM COSTS ($)
Living Qtrs	$ 195	$ 780
Frac Tank	$ 45	$ 180
Forklift	$ 60	$ 240
Portajohn	$ 20	$ 80
Mud Trailer	$ 20	$ 80
Mud Cleaner	$ 375	$ 1,500
EDR	$ 60	$ 240
Autodriller	$ 90	$ 360
RU mud clnr		$ 670
other		
other		
other		
other		
other		
other		
other		
other		
TOTALS	$ 865	$ 4,130

CASING DATA

SIZE (in)	WEIGHT (lb/ft)	GRADE	CONN	DRIFT ID (in)	EXTERNAL COLLAPSE (psi)	INTERNAL YIELD (psi)	CAPACITY (bbls/ft)	LENGTH (ft)	TOP SET AT (ft)	BOTTOM SET AT (ft KB)
13 3/8"	54.5	J55	ST&C	12.459	1,130	2,730	0.15450	536.00	2.00	523.00

BOTTOMHOLE ASSEMBLY

DESCRIPTION OF BHA	PROVIDER	THREAD SIZE BOX	THREAD SIZE PIN	MAXIMUM O.D. (in)	MINIMUM I.D. (in)	LENGTH (ft)	HOURS RUN	HRS SINCE INSPECTION
BIT	HTC		6 5/8R	12.250		1.50	69.75	69.75
1.5 deg 3 stage 7/8 Mud Motor	Black Max/Scientific	6 5/8R	6 5/8R	8.000		24.06	67.50	67.50
NMDC	Scientific	6 5/8R	6 5/8R	7.563	3.125	30.48	67.50	67.50
HOS	Scientific	6 5/8R	6 5/8R	7.875	3.250	6.01	67.50	67.50
XO	Weatherford	4 1/2IF	6 5/8R	8.250	3.125	1.88	67.50	67.50
4 - 7 1/4" DC	Rig	4 1/2IF	4 1/2IF	7.250	2.875	114.94	67.50	67.50
XO	Rig	4 1/2XH	4 1/2IF	6.750	2.875	2.00	67.50	67.50
8 - 6 1/4" DC	Rig	4 1/2XH	4 1/2XH	6.250	2.313	245.64	235.00	235.00
2 4 1/2" HWDP	Rig	4 1/2XH	4 1/2XH	4.500	2.750	62.61	235.00	235.00

DRILLING MUD REPORT

SAMPLE DEPTH (ft)	TIME (hh:mm)	MUD WT. (ppg)	FUNNEL VISCOSITY (sec/qt)	PV / YP	KCL (%)	GEL STRENGTH (lb/100 ft2)	FILTRATE API (ml/30 min)	CALCIUM (ppm)	CAKE THICKNESS (/32 in)	SOLIDS (% vol)	SAND CONTENT (% vol)	pH	CHLORIDES (ppm)	LCM (lb/gal)
1,344	05:00	9.10	38	9 / 10	2.20	3 / 12	20.0	30	2.0	8.0	1/4	11.5	11,000	

DAILY MUD COST & INVENTORY

	BARITE (sx)	QUICK GEL (sx)	CAUSTIC (sx)	LIME (sx)	SODA ASH (sx)	UNIDRILL (sx)	SOLKWICK (sx)	PAC-R (sx)	PHPA (gal)	CEDAR (sx)	TRUCKING ($)	TOTAL COSTS ($)
UNIT COST												
STARTING INVENTORY	80											
INVENTORY RECEIVED												
USED LAST 24 HOURS												
ENDING INVENTORY												
DAILY MUD COST												1,118
PREVIOUS CUMULATIVE COST												7,007
CUMULATIVE MUD COST												8,125

MUD LOGGER REPORT

MUD GAS DATA (in Units)			SHOW INTERVAL		RATE OF PENETRATION			SHOW GAS DATA		
BACK GROUND	CONN GAS	TRIP GAS	FROM (ft)	TO (ft)	BEFORE (ft)	DURING (ft)	AFTER (ft)	BEFORE UNITS	DURING UNITS	AFTER UNITS

DEVIATION SURVEYS

Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle
530	1.00	Wireline	0.00	854	1.30	181.60	1.95	1166	0.80	239.90	2.08
579	0.70	205.50	0.12	886	0.90	197.20	1.55	1197	1.00	246.10	0.72
608	0.80	204.40	0.35	917	1.00	211.90	0.85	1228	1.10	230.50	0.97
671	0.90	168.60	0.84	979	1.16	199.50	0.46	1259	0.90	271.40	2.33
702	1.10	178.70	0.86	1011	1.20	203.80	0.30	1290	0.70	246.40	0.30
732	1.20	194.80	1.12	1041	1.50	211.86	1.18				
763	1.20	181.30	0.91	1073	1.50	217.80	0.49				
794	1.20	181.20	0.01	1104	1.20	210.00	1.13				
824	1.00	207.10	1.77	1135	1.40	226.90	1.39				

ESTIMATED FORMATION TOPS:

SAMPLE DESCRIPTION:

PUMP & CIRCULATING DATA

MUD PUMPS	MAKE	MODEL	LINER SIZE (in)	STROKE LENGTH (in)	ASSUMED EFF (%)	PUMP RATE (spm)	PUMP VOLUMETRIC DATA (bbls/stk)	(bbls/min)	(gal/min)	CIRCULATING DETAILS Standpipe (psi)	Motor Differential	HHP ($q in)	ANNULAR VELOCITY DP (ft/min)	DC (ft/min)
NO. 1	National	7P50	6.25	7.75	95.00%	118	0.0736	8.25	347	620	60-90		64	77
NO. 2														
NO. 3														
COMBINED														

032

EVERGREEN OPERATING, INC.

DAILY DRILLING REPORT

WELL NAME			
State 11-16 43-007-30961			
LOCATION DATA			
NW NW Sec 16 T-12S, R-10E			
FOOTAGES	GL		KB
550' FNL 500' FWL	5841'		5852'
COUNTY, STATE			
Carbon County, Utah			

RIG CONTACT INFORMATION:	
OFFICE TRAILER:	970 942 7543
CONSULTANT HAND CELL:	303 913 1054
DOGHOUSE:	307 268 7316
PUSHER:	

DATE	SPUD DATE	6AM DEPTH
7/23/2004	7/14/2004	1358
REPORT NO.		24 HR FOOTAGE
5		4
DRLG CONTRACTOR		DAYS SINCE SPUD
Elenburg, Rig 12		5
CONSULTANT		AFE # / API #
John C. Lamb		

ACTIVITY AT REPORT TIME:	DAILY COST	CUM COST	AFE COSTS
Waiting on rig repair	$ 17,713	$ 231,170	$ -

CHRONOLOGY OF DAILY OPERATIONS (06:00 - 06:00 HRS)

SLOW PUMP RATE DATA:			STRING WEIGHT INFORMATION:			
Depth	SPM	Pressure	Eff BHA Wt	Rotating:	Slackoff:	Hoisting:
1328	54	200	37,000	56,000	55,000	57,000

FROM (hrs)	TO (hrs)	HOURS (hrs)	Activity:
06:00	06:45	0.75	Rotate 1354 - 1358
06:45	10:30	3.75	Trip out of hole
10:30	11:00	0.50	Service rig & PU shock sub
11:00	13:00	2.00	Trip in hole, swivel rollers jumped from guideway on derrick
13:00	14:00	1.00	Work swivel rollers back onto guideway
14:00	15:30	1.50	Trip in hole to 410', swivel rollers again jumped from guideway on derrick
15:30	06:00	14.50	Inspected derrick, found worn metal on guideway on pitside vertical derrick girder on lower section, worked swivel rollers back onto guideway, set swivel down, scoped in and lowered derrick; closer inspection revealed that the pitside vertical derrick girder on top section may be bent, not worn; call for & wait on rig mechanic.
TOTAL HOURS		24.00	

RECEIVED
DEC 13 2004
DIV. OF OIL, GAS & MINING

SUMMARY OF RIG HOURS

DESC.	DAILY (hrs)	CUM (hrs)
Drill	0.75	70.50
Trip	8.25	16.00
Circulate		
Rig Repair	14.50	16.25
Rig Service	0.50	1.00
Dev Survey		0.25
NU / ND		3.00
Cement		
Run Casing		
WOC		
OH Logging		
Mix Mud		1.00
MI & RU		
Rat Hole		
Mouse Hole		
Fishing		
DST		
Coring		
Other		8.75
Other		
Other		
Other		
Test BOPE		2.00
WOO		
PU/LD BHA		2.00
Drill cement		1.25
TOTALS	24.00	122.00

SUMMARY OF DAILY & CUMULATIVE COSTS

COST CODE	DESCRIPTION OF DAILY COSTS	DAILY ($)	CUM ($)	AFE ($)
2030.010	Land, Legal, Title, Survey, Arch, Damages, Permits, Signs			
2030.031	Dirtwork, Road, Location, Pits, Liner		$ 25,000	
2030.019	Contract Drilling 9480 / day 392.5 / h cond 5491 26,000 mob sfc 38791	$ 9,480	$ 117,960	
2032.001	Water		$ 1,052	
2032.013	Drill Bits, Mud Motors, Stabilizers, Reamers			
2031.048	Cementing and Services		$ 5,000	
2030.053	Coring and Analysis			
2030.052	Logging			
2030.054	Mud Logging			
2030.037	Rental Equipment	$ 865	$ 4,995	
2030.026	Transportation		$ 2,950	
2032.004	Mud and Chemicals		$ 8,125	
	Directional Services	$ 6,568	$ 36,176	
2031.058	Well Stimulation			
2030.035	Contract Labor		$ 1,100	
2030.022	Engineering / Supervision	$ 800	$ 4,800	
2030.099	Intangible Miscellaneous and Contingencies			
2040.001	Surface Casing		$ 19,071	
2040.004	Production Casing			
1011.000	Float Equipment, Shoes, Centralizers			
1041.000	Wellhead Equipment		$ 4,941	
1073.000	Bottom Hole Pump / Gas Lift / Other			
1104.000	Drivehead, Engine / Motor and Hydraulic Pump / Electric Unit			
2040.052 / 2040.055	Valves and Fittings, Small / Large			
2040.067	Other Surface Equipment			
2040.099	Tangible Miscellaneous and Contingencies			
	TOTAL COSTS	$ 17,713	$ 231,170	$ -

Report # 5 Date: 07/23/04

DAILY DRILLING REPORT

Well Na: State 11-16

BIT RECORD

BIT NO. (#)	BIT SIZE (in)	MFG	TYPE	SERIAL NO.	JETS (32/32/32)	DEPTH IN (ft)	DEPTH OUT (ft)	FOOTAGE DRILLED (ft)	CUM BIT HOURS (hrs)	ROP (ft/hr)	WOB (#'s)	RPM M/TR/TBL	BIT TORQUE (ft - lbs)	BIT GRADING T / B / G
1	12 1/4	HTC	HT30XP	J101045	17/17/17	504	1,358	854	70.50	12.1	18 - 32K	54 / 60	800 - 1900	
								0		#DIV/0!				
								0		#DIV/0!				
COMMENTS														

RENTAL EQUIPMENT

RENTAL ITEM	DAILY COSTS ($)	CUM COSTS ($)
Living Qtrs	$ 195	$ 975
Frac Tank	$ 45	$ 225
Forklift	$ 60	$ 300
Portajohn	$ 20	$ 100
Mud Trailer	$ 20	$ 100
Mud Cleaner	$ 375	$ 1,875
EDR	$ 60	$ 300
Autodriller	$ 90	$ 450
RU mud clnr		$ 670
other		
other		
other		
other		
other		
other		
other		
other		
other		
TOTALS	$ 865	$ 4,995

CASING DATA

SIZE (in)	WEIGHT (lb/ft)	GRADE	CONN	DRIFT ID (in)	EXTERNAL COLLAPSE (psi)	INTERNAL YIELD (psi)	CAPACITY (bbls/ft)	LENGTH (ft)	TOP SET AT (ft)	BOTTOM SET AT (ft KB)
13 3/8"	54.5	J55	ST&C	12.459	1,130	2,730	0.15450	536.00	2.00	523.00

BOTTOMHOLE ASSEMBLY

DESCRIPTION OF BHA	PROVIDER	THREAD SIZE BOX	THREAD SIZE PIN	MAXIMUM O.D. (in)	MINIMUM I.D. (in)	LENGTH (ft)	HOURS RUN	HRS SINCE INSPECTION
BIT	HTC		6 5/8R	12.250		1.50	70.50	70.50
1.5 deg 3 stage 7/8 Mud Motor	Black Max/Scientific	6 5/8R	6 5/8R	8.000		24.06	68.25	68.25
Shock sub	Spidle	6 5/8R	6 5/8R	8.000		12.00	0.00	0.00
NMDC	Scientific	6 5/8R	6 5/8R	7.563	3.125	30.48	68.25	68.25
HOS	Scientific	6 5/8R	6 5/8R	7.875	3.250	6.01	68.25	68.25
XO	Weatherford	4 1/2IF	6 5/8R	8.250	3.125	1.88	68.25	68.25
4 - 7 1/4" DC	Rig	4 1/2IF	4 1/2IF	7.250	2.875	114.94	68.25	68.25
XO	Rig	4 1/2XH	4 1/2IF	6.750	2.875	2.00	68.25	68.25
8 - 6 1/4" DC	Rig	4 1/2XH	4 1/2XH	6.250	2.313	245.64	236.75	236.75
2 4 1/2" HWDP	Rig	4 1/2XH	4 1/2XH	4.500	2.750	62.61	236.75	236.75

DRILLING MUD REPORT

SAMPLE DEPTH (ft)	TIME (hh:mm)	MUD WT. (ppg)	FUNNEL VISCOSITY (sec/qt)	PV / YP	KCL (%)	GEL STRENGTH (lb/100 ft2)	FILTRATE API (ml/30 min)	CALCIUM (ppm)	CAKE THICKNESS (/32 in)	SOLIDS (% vol)	SAND CONTENT (% vol)	pH	CHLORIDES (ppm)	LCM (lb/gal)
1,358	15:00	9.20	39	8 / 10	2.20	3 / 11	25.0	30	2.0	8.0	1/4	11.0	11,000	

DAILY MUD COST & INVENTORY

	BARITE (sx)	QUICK GEL (sx)	CAUSTIC (sx)	LIME (sx)	SODA ASH (sx)	UNIDRILL (sx)	SOLKWICK (sx)	PAC-R (sx)	PHPA (gal)	CEDAR (sx)	TRUCKING ($)	TOTAL COSTS ($)
UNIT COST												
STARTING INVENTORY	80											
INVENTORY RECEIVED												
USED LAST 24 HOURS												
ENDING INVENTORY												
DAILY MUD COST												455
PREVIOUS CUMULATIVE COST												8,125
CUMULATIVE MUD COST												8,580

MUD LOGGER REPORT

MUD GAS DATA (in Units) BACK GROUND	CONN GAS	TRIP GAS	SHOW INTERVAL FROM (ft)	SHOW INTERVAL TO (ft)	RATE OF PENETRATION BEFORE (ft)	RATE OF PENETRATION DURING (ft)	RATE OF PENETRATION AFTER (ft)	SHOW GAS DATA BEFORE UNITS	SHOW GAS DATA DURING UNITS	SHOW GAS DATA AFTER UNITS

DEVIATION SURVEYS

Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle
530	1.00	Wireline	0.00								
579	0.70	205.50	0.12								
608	0.80	204.40	0.35								
671	0.90	168.60	0.84								
702	1.10	178.70	0.86								
732	1.20	194.80	1.12								
763	1.20	181.30	0.91								
794	1.20	181.20	0.01								
824	1.00	207.10	1.77								
854	1.30	181.60	1.95								
886	0.90	197.20	1.55								
917	1.00	211.90	0.85								
979	1.16	199.50	0.46								
1011	1.20	203.80	0.30								
1041	1.50	211.86	1.16								
1073	1.50	217.80	0.49								
1104	1.20	210.00	1.13								
1135	1.40	226.90	1.39								
1166	0.80	239.90	2.08								
1197	1.00	246.10	0.72								
1228	1.10	230.50	0.97								
1259	0.90	271.40	2.33								
1290	0.70	246.40	0.30								
ESTIMATED FORMATION TOPS:											
SAMPLE DESCRIPTION:											

PUMP & CIRCULATING DATA

MUD PUMPS	MAKE	MODEL	LINER SIZE (in)	STROKE LENGTH (in)	ASSUMED EFF (%)	PUMP RATE (spm)	PUMP VOLUMETRIC DATA (bbls/stk)	(bbls/min)	(gal/min)	CIRCULATING DETAILS Standpipe (psi)	Motor Differential	HHP (Sq in)	ANNULAR VELOCITY DP (ft/min)	DC (ft/min)
NO. 1	National	7P50	6.25	7.75	95.00%	118	0.0736	8.25	347	620	60-90		64	77
NO. 2														
NO. 3														
COMBINED														

021

EVERGREEN OPERATING, INC.

DAILY DRILLING REPORT

WELL NAME			
State 11-16	43-007-30961		
LOCATION DATA			
NW NW Sec 16 T-12S, R-10E			
FOOTAGES	GL		KB
550' FNL 500' FWL	5841'		5852'
COUNTY, STATE			
Carbon County, Utah			

RIG CONTACT INFORMATION:	
OFFICE TRAILER:	970 942 7543
CONSULTANT HAND CELL:	303 913 1054
DOGHOUSE:	307 268 7316
PUSHER:	

DATE	SPUD DATE	6AM DEPTH
7/24/2004	7/14/2004	1558
REPORT NO.		24 HR FOOTAGE
6		200
DRLG CONTRACTOR		DAYS SINCE SPUD
Elenburg, Rig 12		6
CONSULTANT		AFE # / API #
John C. Lamb		

ACTIVITY AT REPORT TIME:	DAILY COST	CUM COST	AFE COSTS
Drilling ahead	$ 24,337	$ 255,507	$ -

CHRONOLOGY OF DAILY OPERATIONS (06:00 - 06:00 HRS)

SLOW PUMP RATE DATA:			STRING WEIGHT INFORMATION:			
Depth	SPM	Pressure	Eff BHA Wt	Rotating:	Slackoff:	Hoisting:
1526	54	200	37,000	64,000	63,000	64,000

FROM (hrs)	TO (hrs)	HOURS (hrs)	Activity:
06:00	09:00	3.00	Wait on rig mechanic
09:00	13:45	4.75	Weld on upper section and straighten lower section of derrick
13:45	14:30	0.75	Trip in hole
14:30	23:00	8.50	Rotary drill 1358 - 1494
23:00	01:00	2.00	Slide drill 1494 - 1509
01:00	06:00	5.00	Rotate 1509 - 1558
TOTAL HOURS		24.00	

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SUMMARY OF RIG HOURS

DESC.	DAILY (hrs)	CUM (hrs)
Drill	15.50	86.00
Trip	0.75	18.75
Circulate		
Rig Repair	7.75	24.00
Rig Service		1.00
Dev Survey		0.25
NU / ND		3.00
Cement		
Run Casing		
WOC		
OH Logging		
Mix Mud		1.00
MI & RU		
Rat Hole		
Mouse Hole		
Fishing		
DST		
Coring		
Other		8.75
Other		
Other		
Other		
Test BOPE		2.00
WOO		
PU/LD BHA		2.00
Drill cement		1.25
TOTALS	24.00	146.00

SUMMARY OF DAILY & CUMULATIVE COSTS

COST CODE	DESCRIPTION OF DAILY COSTS	DAILY ($)	CUM ($)	AFE ($)
2030.010	Land, Legal, Title, Survey, Arch, Damages, Permits, Signs			
2030.031	Dirtwork, Road, Location, Pits, Liner		$ 25,000	
2030.019	Contract Drilling 9480 / day 392.5 / h cond 5491 26,000 mob sfc 38791	$ 9,480	$ 127,440	
2032.001	Water		$ 1,052	
2032.013	Drill Bits, Mud Motors, Stabilizers, Reamers	$ 8,500	$ 8,500	
2031.046	Cementing and Services		$ 5,000	
2030.053	Coring and Analysis			
2030.052	Logging			
2030.054	Mud Logging			
2030.037	Rental Equipment	$ 865	$ 5,860	
2030.028	Transportation		$ 2,950	
2032.004	Mud and Chemicals	$ 1,099	$ 9,224	
	Directional Services, Mud Motors	$ 3,593	$ 39,769	
2031.058	Well Stimulation			
2030.035	Contract Labor		$ 1,100	
2030.022	Engineering / Supervision	$ 800	$ 5,600	
2030.099	Intangible Miscellaneous and Contingencies			
2040.001	Surface Casing		$ 19,071	
2040.004	Production Casing			
1011.000	Float Equipment, Shoes, Centralizers			
1041.000	Wellhead Equipment		$ 4,941	
1073.000	Bottom Hole Pump / Gas Lift / Other			
1104.000	Drivehead, Engine / Motor and Hydraulic Pump / Electric Unit			
2040.052 / 2040.055	Valves and Fittings, Small / Large			
2040.067	Other Surface Equipment			
2040.099	Tangible Miscellaneous and Contingencies			
	TOTAL COSTS	$ 24,337	$ 255,507	$ -

DAILY DRILLING REPORT

Well N State 11-16

BIT RECORD

BIT NO. (#)	BIT SIZE (in)	MFG	TYPE	SERIAL NO.	JETS (32/32/32)	DEPTH IN (ft)	DEPTH OUT (ft)	FOOTAGE DRILLED (ft)	CUM BIT HOURS (hrs)	ROP (ft/hr)	WOB (lbs)	RPM MTR/TBL	BIT TORQUE (ft - lbs)	BIT GRADING T / B / G
1	12 1/4	HTC	HT30XP	J101045	17/17/17	504	1,558	1,054	86.00	12.3	25 - 32K	54 / 60	800 - 1900	
								0		#DIV/0!				
								0		#DIV/0!				
COMMENTS														

RENTAL EQUIPMENT

RENTAL ITEM	DAILY COSTS ($)	CUM COSTS ($)
Living Qtrs	$ 195	$ 1,170
Frac Tank	$ 45	$ 270
Forklift	$ 60	$ 360
Portajohn	$ 20	$ 120
Mud Trailer	$ 20	$ 120
Mud Cleaner	$ 375	$ 2,250
EDR	$ 60	$ 360
Autodriller	$ 90	$ 540
RU mud clnr		$ 670
other		
other		
other		
other		
other		
other		
other		
other		
TOTALS	$ 865	$ 5,860

CASING DATA

SIZE (in)	WEIGHT (lb/ft)	GRADE	CONN	DRIFT ID (in)	EXTERNAL COLLAPSE (psi)	INTERNAL YIELD (psi)	CAPACITY (bbls/ft)	LENGTH (ft)	TOP SET AT (ft)	BOTTOM SET AT (ft KB)
13 3/8"	54.5	J55	ST&C	12.459	1,130	2,730	0.15450	536.00	2.00	523.00

BOTTOMHOLE ASSEMBLY

DESCRIPTION OF BHA	PROVIDER	THREAD SIZE BOX	THREAD SIZE PIN	MAXIMUM O.D. (in)	MINIMUM I.D. (in)	LENGTH (ft)	HOURS RUN	HRS SINCE INSPECTION
BIT	HTC		6 5/8R	12.250		1.50	86.00	86.00
1.5 deg 3 stage 7/8 Mud Motor	Black Max/Scientific	6 5/8R	6 5/8R	8.000		24.06	83.75	83.75
Shock sub	Spidle	6 5/8R	6 5/8R	8.000		12.00	15.50	15.50
NMDC	Scientific	6 5/8R	6 5/8R	7.563	3.125	30.48	83.75	83.75
HOS	Scientific	6 5/8R	6 5/8R	7.875	3.250	6.01	83.75	83.75
XO	Weatherford	4 1/2IF	6 5/8R	8.250	3.125	1.88	83.75	83.75
4 - 7 1/4" DC	Rig	4 1/2IF	4 1/2IF	7.250	2.875	114.94	83.75	83.75
XO	Rig	4 1/2XH	4 1/2IF	6.750	2.875	2.00	83.75	83.75
8 - 6 1/4" DC	Rig	4 1/2XH	4 1/2XH	6.250	2.313	245.64	251.25	251.25
2 4 1/2" HWDP	Rig	4 1/2XH	4 1/2XH	4.500	2.750	62.61	251.25	251.25

DRILLING MUD REPORT

SAMPLE DEPTH (ft)	TIME (hh:mm)	MUD WT. (ppg)	FUNNEL VISCOSITY (sec/qt)	PV / YP	KCL (%)	GEL STRENGTH (lb/100 ft2)	FILTRATE API (ml/30 min)	CALCIUM (ppm)	CAKE THICKNESS (/32 in)	SOLIDS (% vol)	SAND CONTENT (% vol)	pH	CHLORIDES (ppm)	LCM (lb/gal)
1,406	16:00	9.20	39	11 / 13	2.20	4 / 13	20.0	30	2.0	8.0	1/4	11.0	11,000	
1,550	05:00	9.10	39	11 / 12	2.10	4 / 12	16.0	30	2.0	7.5	1/4	11.2	10,000	

DAILY MUD COST & INVENTORY

	BARITE (sx)	QUICK GEL (sx)	CAUSTIC (sx)	LIME (sx)	SODA ASH (sx)	UNIDRILL (sx)	SOLKWICK (sx)	PAC-R (sx)	PHPA (gal)	CEDAR (sx)	TRUCKING ($)	TOTAL COSTS ($)
UNIT COST												
STARTING INVENTORY	120											
INVENTORY RECEIVED												
USED LAST 24 HOURS												
ENDING INVENTORY												
DAILY MUD COST												644
PREVIOUS CUMULATIVE COST												8,580
CUMULATIVE MUD COST												9,224

MUD LOGGER REPORT

MUD GAS DATA (in Units) BACK GROUND	CONN GAS	TRIP GAS	SHOW INTERVAL FROM (ft)	TO (ft)	RATE OF PENETRATION BEFORE (ft)	DURING (ft)	AFTER (ft)	SHOW GAS DATA BEFORE UNITS	DURING UNITS	AFTER UNITS

DEVIATION SURVEYS

Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle
530	1.00	Wireline	0.00	1321	0.90	247.00	0.61				
579	0.70	205.50	0.12	1355	0.80	250.60	0.33				
608	0.80	204.40	0.35	1385	0.70	246.40	0.33				
671	0.90	168.60	0.84	1417	0.80	252.00	1.16				
702	1.10	178.70	0.86	1448	1.30	260.00	1.68				
732	1.20	194.80	1.12	1480	1.20	245.80	1.01				
763	1.20	181.30	0.91	1511	0.80	252.80	1.32				
794	1.20	181.20	0.01								
824	1.00	207.10	1.77								
854	1.30	181.60	1.95								
886	0.90	197.20	1.55								
917	1.00	211.90	0.85								
979	1.16	199.50	0.46								
1011	1.20	203.80	0.30								
1041	1.50	211.86	1.16								
1073	1.50	217.80	0.49								
1104	1.20	210.00	1.13								
1135	1.40	226.90	1.39								
1166	0.80	239.90	2.08								
1197	1.00	246.10	0.72								
1228	1.10	230.50	0.97								
1259	0.90	271.40	2.33								
1290	0.70	246.40	0.30								

ESTIMATED FORMATION TOPS:

SAMPLE DESCRIPTION:

PUMP & CIRCULATING DATA

MUD PUMPS	MAKE	MODEL	LINER SIZE (in)	STROKE LENGTH (in)	ASSUMED EFF (%)	PUMP RATE (spm)	PUMP VOLUMETRIC DATA (bbls/stk)	(bbls/min)	(gal/min)	CIRCULATING DETAILS Standpipe (psi)	Motor Differential	HHP (Sq in)	ANNULAR VELOCITY DP (ft/min)	DC (ft/min)
NO. 1	National	7P50	6.25	7.75	95.00%	118	0.0736	8.25	347	680 - 700	70 - 90		64	77
NO. 2														
NO. 3														
COMBINED														

030

EVERGREEN OPERATING, INC.

DAILY DRILLING REPORT

WELL NAME		DATE	SPUD DATE	6AM DEPTH
State 11-16 43-007-30961		7/25/2004	7/14/2004	1890
LOCATION DATA		REPORT NO.		24 HR FOOTAGE
NW NW Sec 16 T-12S, R-10E		7		332
FOOTAGES	GL / KB	DRLG CONTRACTOR		DAYS SINCE SPUD
550' FNL 500' FWL	7569 / 7580	Elenburg, Rig 12		7
COUNTY, STATE		CONSULTANT	AFE #	API #
Carbon County, Utah		John C. Lamb		

RIG CONTACT INFORMATION:	
OFFICE TRAILER:	970 942 7543
CONSULTANT HAND CELL:	303 913 1054
DOGHOUSE:	307 268 7316
PUSHER:	

ACTIVITY AT REPORT TIME:	DAILY COST	CUM COST	AFE COSTS
Drilling ahead	$ 18,899	$ 274,486	$ -

CHRONOLOGY OF DAILY OPERATIONS (06:00 - 06:00 HRS)

FROM (hrs)	TO (hrs)	HOURS (hrs)	Activity:
06:00	07:15	1.25	Slide drill 1558 - 1570
07:15	09:00	1.75	Rotate 1570 - 1589
09:00	09:30	0.50	Service rig and adjust brakes
09:30	11:45	2.25	Rotate 1589 - 1621
11:45	12:45	1.00	Slide 1621 - 1631
12:45	22:00	9.25	Rotate 1631 - 1805
22:00	03:30	5.50	Rotate 1805 - 1866
03:30	05:00	1.50	Slide 1866 - 1878
05:00	06:00	1.00	Rotate 1878 - 1890
TOTAL HOURS		24.00	

SLOW PUMP RATE DATA:			STRING WEIGHT INFORMATION:			
Depth	SPM	Pressure	Eff BHA Wt	Rotating:	Slackoff:	Hoisting:
1866	54	200	37,000	69,000	67,000	70K occ 20-40 over on conn

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SUMMARY OF RIG HOURS

DESC.	DAILY (hrs)	CUM (hrs)
Drill	23.50	88.00
Trip		16.75
Circulate		
Rig Repair		24.00
Rig Service	0.50	1.50
Dev Survey		0.25
NU / ND		3.00
Cement		
Run Casing		
WOC		
OH Logging		
Mix Mud		1.00
MI & RU		
Rat Hole		
Mouse Hole		
Fishing		
DST		
Coring		
Other		8.75
Other		
Other		
Other		
Test BOPE		2.00
WOO		
PU/LD BHA		2.00
Drill cement		1.25
TOTALS	24.00	146.50

SUMMARY OF DAILY & CUMULATIVE COSTS

COST CODE	DESCRIPTION OF DAILY COSTS	DAILY ($)	CUM ($)	AFE ($)
2030.010	Land, Legal, Title, Survey, Arch, Damages, Permits, Signs			
2030.031	Dirtwork, Road, Location, Pits, Liner		$ 25,000	
2030.019	Contract Drilling 9480 / day 392.5 / h cond 5491 26,000 mob sfc 38791	$ 9,480	$ 136,920	
2032.001	Water		$ 1,052	
2032.013	Drill Bits, Mud Motors, Stabilizers, Reamers		$ 8,500	
2031.046	Cementing and Services		$ 5,000	
2030.053	Coring and Analysis			
2030.052	Logging			
2030.054	Mud Logging			
2030.037	Rental Equipment	$ 865	$ 6,805	
2030.028	Transportation		$ 2,950	
2032.004	Mud and Chemicals	$ 1,186	$ 10,410	
	Directional Services, Mud Motors	$ 6,568	$ 46,337	
2031.058	Well Stimulation			
2030.035	Contract Labor		$ 1,100	
2030.022	Engineering / Supervision	$ 800	$ 6,400	
2030.099	Intangible Miscellaneous and Contingencies			
2040.001	Surface Casing		$ 19,071	
2040.004	Production Casing			
1011.000	Float Equipment, Shoes, Centralizers			
1041.000	Wellhead Equipment		$ 4,941	
1073.000	Bottom Hole Pump / Gas Lift / Other			
1104.000	Drivehead, Engine / Motor and Hydraulic Pump / Electric Unit			
2040.052 / 2040.055	Valves and Fittings, Small / Large			
2040.067	Other Surface Equipment			
2040.099	Tangible Miscellaneous and Contingencies			
	TOTAL COSTS	$ 18,899	$ 274,486	$ -

DAILY DRILLING REPORT

Well Na[illegible] State 11-16

BIT RECORD

BIT NO. (#)	BIT SIZE (in)	MFG	TYPE	SERIAL NO.	JETS (32/32/32)	DEPTH IN (ft)	DEPTH OUT (ft)	FOOTAGE DRILLED (ft)	CUM BIT HOURS (hrs)	ROP (ft/hr)	WOB (#'s)	RPM MTR/TBL	BIT TORQUE (ft - lbs)	BIT GRADING T / B / G
1	12 1/4	HTC	HT30XP	J101045	17/17/17	504	1,890	1,386	109.50	12.7	30 - 34K	54 / 60	1100 - 2100	
								0		#DIV/0!				
								0		#DIV/0!				
COMMENTS														

RENTAL EQUIPMENT

RENTAL ITEM	DAILY COSTS ($)	CUM COSTS ($)
Living Qtrs	$ 195	$ 1,365
Frac Tank	$ 45	$ 315
Forklift	$ 60	$ 420
Portajohn	$ 20	$ 180
Mud Trailer	$ 20	$ 180
Mud Cleaner	$ 375	$ 2,625
EDR	$ 60	$ 420
Autodriller	$ 90	$ 630
RU mud clnr		$ 670
other		
other		
other		
other		
other		
other		
other		
other		
other		
TOTALS	$ 865	$ 6,805

CASING DATA

SIZE (in)	WEIGHT (lb/ft)	GRADE	CONN	DRIFT ID (in)	EXTERNAL COLLAPSE (psi)	INTERNAL YIELD (psi)	CAPACITY (bbls/ft)	LENGTH (ft)	TOP SET AT (ft)	BOTTOM SET AT (ft KB)
13 3/8"	54.5	J55	ST&C	12.459	1,130	2,730	0.15450	536.00	2.00	523.00

BOTTOMHOLE ASSEMBLY

DESCRIPTION OF BHA	PROVIDER	THREAD SIZE BOX	THREAD SIZE PIN	MAXIMUM O.D. (in)	MINIMUM I.D. (in)	LENGTH (ft)	HOURS RUN	HRS SINCE INSPECTION
BIT	HTC		6 5/8R	12.250		1.50	109.50	109.50
1.5 deg 3 stage 7/8 Mud Motor	Black Max/Scientific	6 5/8R	6 5/8R	8.000		24.06	107.25	107.25
Shock sub	Spidle	6 5/8R	6 5/8R	8.000		12.00	39.00	39.00
NMDC	Scientific	6 5/8R	6 5/8R	7.563	3.125	30.48	107.25	107.25
HOS	Scientific	6 5/8R	6 5/8R	7.875	3.250	6.01	107.25	107.25
XO	Weatherford	4 1/2IF	6 5/8R	8.250	3.125	1.88	107.25	107.25
4 - 7 1/4" DC	Rig	4 1/2IF	4 1/2IF	7.250	2.875	114.94	107.25	107.25
XO	Rig	4 1/2XH	4 1/2IF	6.750	2.875	2.00	107.25	107.25
8 - 6 1/4" DC	Rig	4 1/2XH	4 1/2XH	6.250	2.313	245.64	274.75	274.75
24 1/2" HWDP	Rig	4 1/2XH	4 1/2XH	4.500	2.750	62.61	274.75	274.75

DRILLING MUD REPORT

SAMPLE DEPTH (ft)	TIME (hh:mm)	MUD WT. (ppg)	FUNNEL VISCOSITY (sec/qt)	PV / YP	KCL (%)	GEL STRENGTH (lb/100 ft2)	FILTRATE API (ml/30 min)	CALCIUM (ppm)	CAKE THICKNESS (/32 in)	SOLIDS (% vol)	SAND CONTENT (% vol)	pH	CHLORIDES (ppm)	LCM (lb/gal)
1,876	05:00	9.10	37	10 / 14	2.20	3 / 10	17.2	30	2.0	8.0	1/4	11.0	10,500	

DAILY MUD COST & INVENTORY

	BARITE (sx)	QUICK GEL (sx)	CAUSTIC (sx)	LIME (sx)	SODA ASH (sx)	UNIDRILL (sx)	SOLWICK (sx)	PAC-R (sx)	PHPA (gal)	CEDAR (sx)	TRUCKING ($)	TOTAL COSTS ($)
UNIT COST												
STARTING INVENTORY	120											
INVENTORY RECEIVED												
USED LAST 24 HOURS												
ENDING INVENTORY												
DAILY MUD COST												1,188
PREVIOUS CUMULATIVE COST												9,224
CUMULATIVE MUD COST												10,410

MUD LOGGER REPORT

MUD GAS DATA (in Units) BACK GROUND	CONN GAS	TRIP GAS	SHOW INTERVAL FROM (ft)	TO (ft)	RATE OF PENETRATION BEFORE (ft)	DURING (ft)	AFTER (ft)	SHOW GAS DATA BEFORE UNITS	DURING UNITS	AFTER UNITS

DEVIATION SURVEYS

Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle
530	1.00	Wireline	0.00	1321	0.90	247.00	0.61				
579	0.70	205.50	0.12	1355	0.80	250.60	0.33				
608	0.80	204.40	0.35	1385	0.70	246.40	0.33				
671	0.90	168.60	0.84	1417	0.80	252.00	1.16				
702	1.10	178.70	0.86	1448	1.30	260.00	1.68				
732	1.20	194.80	1.12	1480	1.20	245.80	1.01				
763	1.20	181.30	0.91	1511	0.80	252.80	1.32				
794	1.20	181.20	0.01	1542	0.80	220.00	1.46				
824	1.00	207.10	1.77	1574	1.10	216.70	0.95				
854	1.30	181.60	1.95	1604	0.70	204.10	1.48				
886	0.90	197.20	1.55	1635	0.80	187.10	0.78				
917	1.00	211.90	0.85	1666	0.80	221.50	1.53				
979	1.16	199.50	0.46	1697	0.70	191.20	1.30				
1011	1.20	203.80	0.30	1728	0.90	182.80	0.75				
1041	1.50	211.86	1.18	1758	1.00	205.90	1.31				
1073	1.50	217.80	0.49	1791	1.07	204.30	0.23				
1104	1.20	210.00	1.13	1820	1.00	188.10	1.03				
1135	1.40	226.90	1.39								
1166	0.80	239.90	2.08								
1197	1.00	246.10	0.72								
1228	1.10	230.50	0.97								
1259	0.90	271.40	2.33								
1290	0.70	246.40	0.30								

ESTIMATED FORMATION TOPS:

SAMPLE DESCRIPTION:

PUMP & CIRCULATING DATA

MUD PUMPS	MAKE	MODEL	LINER SIZE (in)	STROKE LENGTH (in)	ASSUMED EFF (%)	PUMP RATE (spm)	PUMP VOLUMETRIC DATA (bbls/stk)	(bbls/min)	(gal/min)	CIRCULATING DETAILS Standpipe (psi)	Motor Differential	HHP (Sq in)	ANNULAR VELOCITY DP (ft/min)	DC (ft/min)
NO. 1	National	7P50	6.25	7.75	95.00%	118	0.0736	8.25	347	690 - 720	70 - 90		64	77
NO. 2														
NO. 3														
COMBINED														

029

EVERGREEN OPERATING, INC.

DAILY DRILLING REPORT

WELL NAME				DATE	SPUD DATE	6AM DEPTH
State 11-16 43-007-30961				7/26/2004	7/14/2004	2095
LOCATION DATA				REPORT NO.		24 HR FOOTAGE
NW NW Sec 16 T-12S, R-10E				8		205
FOOTAGES	GL		KB	DRLG CONTRACTOR		DAYS SINCE SPUD
550' FNL 500' FWL	7569		7580	Elenburg, Rig 12		8
COUNTY, STATE				CONSULTANT		AFE # / API #
Carbon County, Utah				John C. Lamb		

RIG CONTACT INFORMATION:	
OFFICE TRAILER:	970 942 7543
CONSULTANT HAND CELL:	303 913 1054
DOGHOUSE:	307 268 7316
PUSHER:	

ACTIVITY AT REPORT TIME:	DAILY COST	CUM COST	AFE COSTS
Drilling ahead	$ 24,260	$ 298,746	$ -

CHRONOLOGY OF DAILY OPERATIONS (06:00 - 06:00 HRS)

SLOW PUMP RATE DATA:			STRING WEIGHT INFORMATION:			
Depth	SPM	Pressure	Eff BHA Wt	Rotating:	Slackoff:	Hoisting:
2082	54	200	37,000	73,000	72,000	74,000

FROM (hrs)	TO (hrs)	HOURS (hrs)	Activity:
06:00	11:15	5.25	Rotary drill 1890 - 1959, continuing to see recurrent tight spot on connection with up to 40K overpull
11:15	12:45	1.50	Circulate to clean hole & sweep hole clean, raised viscosity to 44 and lowered water loss to below 17
12:45	15:15	2.50	Rotate 1959 - 1990
15:15	15:45	0.50	Circulate bottoms up
15:45	18:15	2.50	Short trip 11 stands to 1300', had to backream & circulate to work bit up through 1800 - 1700', easily washed from 1680' back to btm
18:15	02:45	8.50	Rotate 1990 - 2095, torque steadily increasing below 2070'; pulled bit due to rotary torque
02:45	03:00	0.25	Circulate to clean hole
03:00	06:00	3.00	Trip out of hole - encountered no tight spots on trip out
TOTAL HOURS		24.00	

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SUMMARY OF RIG HOURS

DESC.	DAILY (hrs)	CUM (hrs)
Drill	16.25	125.75
Trip	5.50	22.25
Circulate	2.25	2.25
Rig Repair		24.00
Rig Service		1.50
Dev Survey		0.25
NU / ND		3.00
Cement		
Run Casing		
WOC		
OH Logging		
Mix Mud		1.00
MI & RU		
Rat Hole		
Mouse Hole		
Fishing		
DST		
Coring		
Other		6.75
Other		
Other		
Other		
Test BOPE		2.00
WOO		
PU/LD BHA		2.00
Drill cement		1.25
TOTALS	24.00	194.00

SUMMARY OF DAILY & CUMULATIVE COSTS

COST CODE	DESCRIPTION OF DAILY COSTS	DAILY ($)	CUM ($)	AFE ($)
2030.010	Land, Legal, Title, Survey, Arch, Damages, Permits, Signs			
2030.031	Dirtwork, Road, Location, Pits, Liner		$ 25,000	
2030.019	Contract Drilling 9480 / day 392.5 / h cond 5491 26,000 mob sfc 38791	$ 9,480	$ 146,400	
2032.001	Water	$ 1,036	$ 2,088	
2032.013	Drill Bits, Mud Motors, Stabilizers, Reamers		$ 8,500	
2031.046	Cementing and Services		$ 5,000	
2030.053	Coring and Analysis			
2030.052	Logging			
2030.054	Mud Logging			
2030.037	Rental Equipment	$ 865	$ 7,670	
2030.028	Transportation	$ 4,189	$ 7,139	
2032.004	Mud and Chemicals		$ 10,410	
	Directional Services, Mud Motors	$ 6,568	$ 52,905	
2031.058	Well Stimulation			
2030.035	Contract Labor	$ 1,322	$ 2,422	
2030.022	Engineering / Supervision	$ 800	$ 7,200	
2030.099	Intangible Miscellaneous and Contingencies			
2040.001	Surface Casing		$ 19,071	
2040.004	Production Casing			
1011.000	Float Equipment, Shoes, Centralizers			
1041.000	Wellhead Equipment		$ 4,941	
1073.000	Bottom Hole Pump / Gas Lift / Other			
1104.000	Drivehead, Engine / Motor and Hydraulic Pump / Electric Unit			
2040.052 / 2040.055	Valves and Fittings, Small / Large			
2040.067	Other Surface Equipment			
2040.099	Tangible Miscellaneous and Contingencies			
	TOTAL COSTS	$ 24,260	$ 298,746	$ -

Report # 8 Date: 07/26/04 **DAILY DRILLING REPORT** Page 2

Well No: State 11-16

BIT RECORD

BIT NO. (#)	BIT SIZE (in)	MFG	TYPE	SERIAL NO.	JETS (32/32/32)	DEPTH IN (ft)	DEPTH OUT (ft)	FOOTAGE DRILLED (ft)	CUM BIT HOURS (hrs)	ROP (ft/hr)	WOB (klbs)	RPM MTR/TBL	BIT TORQUE (ft - lbs)	BIT GRADING T / B / G
1	12 1/4	HTC	HT30XP	J101045	17/17/17	504	2,095	1,591	126.00	12.6	30 - 34K	54 / 60	2500 - 3000	
								0		#DIV/0!				
								0		#DIV/0!				
COMMENTS														

RENTAL EQUIPMENT

RENTAL ITEM	DAILY COSTS ($)	CUM COSTS ($)
Living Qtrs	$ 195	$ 1,560
Frac Tank	$ 45	$ 360
Forklift	$ 60	$ 480
Portajohn	$ 20	$ 200
Mud Trailer	$ 20	$ 200
Mud Cleaner	$ 375	$ 3,000
EDR	$ 60	$ 480
Autodriller	$ 90	$ 720
RU mud clnr		$ 670
other		
other		
other		
other		
other		
other		
other		
other		
other		
TOTALS	$ 865	$ 7,670

CASING DATA

SIZE (in)	WEIGHT (lb/ft)	GRADE	CONN	DRIFT ID (in)	EXTERNAL COLLAPSE (psi)	INTERNAL YIELD (psi)	CAPACITY (bbls/ft)	LENGTH (ft)	TOP SET AT (ft)	BOTTOM SET AT (ft KB)
13 3/8"	54.5	J55	ST&C	12.459	1,130	2,730	0.15450	536.00	2.00	523.00

BOTTOMHOLE ASSEMBLY

DESCRIPTION OF BHA	PROVIDER	THREAD SIZE BOX	THREAD SIZE PIN	MAXIMUM O.D. (in)	MINIMUM I.D. (in)	LENGTH (ft)	HOURS RUN	HRS SINCE INSPECTION
BIT	HTC		6 5/8R	12.250		1.50	126.00	126.00
1.5 deg 3 stage 7/8 Mud Motor	Black Max/Scientific	6 5/8R	6 5/8R	8.000		24.06	123.75	123.75
Shock sub	Spidle	6 5/8R	6 5/8R	8.000		12.00	55.50	55.50
NMDC	Scientific	6 5/8R	6 5/8R	7.563	3.125	30.48	123.75	123.75
HOS	Scientific	6 5/8R	6 5/8R	7.875	3.250	6.01	123.75	123.75
XO	Weatherford	4 1/2IF	6 5/8R	8.250	3.125	1.88	123.75	123.75
4 - 7 1/4" DC	Rig	4 1/2IF	4 1/2IF	7.250	2.875	114.94	123.75	123.75
XO	Rig	4 1/2XH	4 1/2IF	6.750	2.875	2.00	123.75	123.75
8 - 6 1/4" DC	Rig	4 1/2XH	4 1/2XH	6.250	2.313	245.64	291.25	291.25
2 4 1/2" HWDP	Rig	4 1/2XH	4 1/2XH	4.500	2.750	62.61	291.25	291.25

DRILLING MUD REPORT

SAMPLE DEPTH (ft)	TIME (hh:mm)	MUD WT. (ppg)	FUNNEL VISCOSITY (sec/qt)	PV / YP	KCL (%)	GEL STRENGTH (lb/100 ft2)	FILTRATE API (ml/30 min)	CALCIUM (ppm)	CAKE THICKNESS (/32 in)	SOLIDS (% vol)	SAND CONTENT (% vol)	pH	CHLORIDES (ppm)	LCM (lb/gal)
1,915	06:00	9.20	38				17.5					11.0		
2,040	22:00	9.10	43				13.0					10.5		
2,095	03:00	9.10	47				11.3					11.0		

DAILY MUD COST & INVENTORY

	BARITE (sx)	QUICK GEL (sx)	CAUSTIC (sx)	LIME (sx)	SODA ASH (sx)	UNIDRILL (sx)	SOLWICK (sx)	PAC-R (sx)	PHPA (gal)	CEDAR (sx)	TRUCKING ($)	TOTAL COSTS ($)
UNIT COST												
STARTING INVENTORY	120											
INVENTORY RECEIVED												
USED LAST 24 HOURS												
ENDING INVENTORY												
DAILY MUD COST												
PREVIOUS CUMULATIVE COST												10,410
CUMULATIVE MUD COST												10,410

MUD LOGGER REPORT

MUD GAS DATA (in Units) BACK GROUND	CONN GAS	TRIP GAS	SHOW INTERVAL FROM (ft)	SHOW INTERVAL TO (ft)	RATE OF PENETRATION BEFORE (ft)	RATE OF PENETRATION DURING (ft)	RATE OF PENETRATION AFTER (ft)	SHOW GAS DATA BEFORE UNITS	SHOW GAS DATA DURING UNITS	SHOW GAS DATA AFTER UNITS

DEVIATION SURVEYS

Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle			
530	1.00	Wireline	0.00	1321	0.90	247.00	0.61							
579	0.70	205.50	0.12	1355	0.80	250.60	0.33							
608	0.80	204.40	0.35	1385	0.70	246.40	0.33							
671	0.90	168.60	0.84	1417	0.80	252.00	1.16							
702	1.10	178.70	0.86	1448	1.30	260.00	1.68							
732	1.20	194.80	1.12	1480	1.20	245.80	1.01							
763	1.20	181.30	0.91	1511	0.80	252.80	1.32							
794	1.20	181.20	0.01	1542	0.80	220.00	1.46							
824	1.00	207.10	1.77	1574	1.10	216.70	0.95							
854	1.30	181.60	1.95	1604	0.70	204.10	1.48							
886	0.90	197.20	1.55	1635	0.80	187.10	0.78							
917	1.00	211.90	0.85	1666	0.80	221.50	1.53							
979	1.16	199.50	0.46	1697	0.70	191.20	1.30							
1011	1.20	203.80	0.30	1728	0.90	182.80	0.75							
1041	1.50	211.86	1.18	1758	1.00	205.90	1.31							
1073	1.50	217.80	0.49	1791	1.07	204.30	0.23							
1104	1.20	210.00	1.13	1820	1.00	188.10	1.03							
1135	1.40	226.90	1.39	1851	0.65	198.30	1.22							
1166	0.80	239.90	2.08	1882	0.71	148.60	1.85							
1197	1.00	246.10	0.72	1913	0.65	127.20	0.84							
1228	1.10	230.50	0.97	1945	0.57	114.30	0.50							
1259	0.90	271.40	2.33	1975	0.49	121.70	0.35							
1290	0.70	246.40	0.30	2005	0.53	136.83	0.47							

ESTIMATED FORMATION TOPS:

SAMPLE DESCRIPTION:

PUMP & CIRCULATING DATA

MUD PUMPS	MAKE	MODEL	LINER SIZE (in)	STROKE LENGTH (in)	ASSUMED EFF (%)	PUMP RATE (spm)	PUMP VOLUMETRIC DATA (bbls/stk)	(bbls/min)	(gal/min)	CIRCULATING DETAILS Standpipe (psi)	Motor Differential	HHP (Sq in)	ANNULAR VELOCITY DP (ft/min)	DC (ft/min)
NO. 1	National	7P50	6.25	7.75	95.00%	118	0.0736	8.25	347	780	90 - 130		65	103
NO. 2														
NO. 3														
COMBINED														

028

EVERGREEN OPERATING, INC.

DAILY DRILLING REPORT

WELL NAME			
State 11-16	43-007-30961		
LOCATION DATA			
NW NW Sec 16 T-12S, R-10E			
FOOTAGES	GL		KB
550' FNL 500' FWL	7569		7580
COUNTY, STATE			
Carbon County, Utah			

RIG CONTACT INFORMATION:	
OFFICE TRAILER:	970 942 7543
CONSULTANT HAND CELL:	303 913 1054
DOGHOUSE:	307 268 7316
PUSHER:	

DATE	SPUD DATE	6AM DEPTH
7/27/2004	7/14/2004	2303
REPORT NO.		24 HR FOOTAGE
9		208
DRLG CONTRACTOR		DAYS SINCE SPUD
Elenburg, Rig 12		9
CONSULTANT		AFE # / API #
John C. Lamb		

ACTIVITY AT REPORT TIME:	DAILY COST	CUM COST	AFE COSTS
Drilling ahead	$ 29,137	$ 327,883	$ -

CHRONOLOGY OF DAILY OPERATIONS (06:00 - 06:00 HRS)

FROM (hrs)	TO (hrs)	HOURS (hrs)	Activity:
06:00	08:00	2.00	Trip out of hole, break off and lay down mud motor & bit
08:00	10:00	2.00	PU & dress new bit and mud motor; trip in hole with BHA
10:00	11:00	1.00	Slip and cut drilling line
11:00	13:15	2.25	Trip in hole
13:15	14:15	1.00	Rotary drill 2095 - 2112
14:15	16:00	1.75	Slide 2112 - 2127
16:00	19:30	3.50	Rotate 2127 - 2174
19:30	20:00	0.50	Rig repair - work on pump
20:00	21:30	1.50	Slide 2174 - 2189
21:30	22:15	0.75	Rotate 2189 - 2205
22:15	00:15	2.00	Slide 2205 - 2220
00:15	01:15	1.00	Rotate 2220 - 2236
01:15	03:30	2.25	Slide 2236 - 2256
03:30	05:15	1.75	Rotate 2256 - 2298
05:15	06:00	0.75	Slide 2298 - 2303
TOTAL HOURS		24.00	

SLOW PUMP RATE DATA:			STRING WEIGHT INFORMATION:			
Depth	SPM	Pressure	Eff BHA Wt	Rotating:	Slackoff:	Hoisting:
2236	54	200	37,000	76,000	75,000	77,000

RECEIVED
DEC 13 2004
DIV. OF OIL, GAS & MINING

SUMMARY OF RIG HOURS

DESC.	DAILY (hrs)	CUM (hrs)
Drill	18.25	142.00
Trip	4.25	26.50
Circulate		2.25
Rig Repair	0.50	24.50
Rig Service		1.50
Dev Survey		0.25
NU / ND		3.00
Cement		
Run Casing		
WOC		
OH Logging		
Mix Mud		1.00
MI & RU		
Rat Hole		
Mouse Hole		
Fishing		
DST		
Coring		
Other		8.75
Cut drlg line	1.00	1.00
Other		
Other		
Test BOPE		2.00
WOO		
PU/LD BHA	2.00	4.00
Drill cement		1.25
TOTALS	24.00	218.00

SUMMARY OF DAILY & CUMULATIVE COSTS

COST CODE	DESCRIPTION OF DAILY COSTS	DAILY ($)	CUM ($)	AFE ($)
2030.010	Land, Legal, Title, Survey, Arch, Damages, Permits, Signs			
2030.031	Dirtwork, Road, Location, Pits, Liner		$ 25,000	
2030.019	Contract Drilling 9480 / day 392.5 / h cond 5491 26,000 mob sfc 38791	$ 9,480	$ 155,880	
2032.001	Water		$ 2,088	
2032.013	Drill Bits, Mud Motors, Stabilizers, Reamers	$ 8,500	$ 17,000	
2031.046	Cementing and Services		$ 5,000	
2030.053	Coring and Analysis			
2030.052	Logging			
2030.054	Mud Logging			
2030.037	Rental Equipment	$ 865	$ 8,535	
2030.028	Transportation		$ 7,139	
2032.004	Mud and Chemicals	$ 2,924	$ 13,334	
	Directional Services, Mud Motors	$ 6,568	$ 59,473	
2031.058	Well Stimulation			
2030.035	Contract Labor		$ 2,422	
2030.022	Engineering / Supervision	$ 800	$ 8,000	
2030.099	Intangible Miscellaneous and Contingencies			
2040.001	Surface Casing		$ 19,071	
2040.004	Production Casing			
1011.000	Float Equipment, Shoes, Centralizers			
1041.000	Wellhead Equipment		$ 4,941	
1073.000	Bottom Hole Pump / Gas Lift / Other			
1104.000	Drivehead, Engine / Motor and Hydraulic Pump / Electric Unit			
2040.052 / 2040.055	Valves and Fittings, Small / Large			
2040.067	Other Surface Equipment			
2040.099	Tangible Miscellaneous and Contingencies			
	TOTAL COSTS	$ 29,137	$ 327,883	$ -

Report # 9 Date: 07/27/04 **DAILY DRILLING REPORT** Page 2

Well Name: State 11-16

BIT RECORD

BIT NO. (#)	BIT SIZE (in)	MFG	TYPE	SERIAL NO.	JETS (32/32/32)	DEPTH IN (ft)	DEPTH OUT (ft)	FOOTAGE DRILLED (ft)	CUM BIT HOURS (hrs)	ROP (ft/hr)	WOB (#'s)	RPM MTR/TBL	BIT TORQUE (ft - lbs)	BIT GRADING T / B / G
1	12 1/4	HTC	HT30XP	J101045	16 / 16 /16	504	2,095	1,591	126.00	12.6	30 - 34K	54 / 60	2500 - 3000	3 / F / 0
2	12 1/4	JZ	HJT537G	15987	16 / 16 / 16	2,095	2,303	208	16.25	12.8	33 - 41K	54 / 60	1500 - 1900	
								0		#DIV/0!				
COMMENTS														

RENTAL EQUIPMENT

RENTAL ITEM	DAILY COSTS ($)	CUM COSTS ($)
Living Qtrs	$ 195	$ 1,755
Frac Tank	$ 45	$ 405
Forklift	$ 60	$ 540
Portajohn	$ 20	$ 220
Mud Trailer	$ 20	$ 220
Mud Cleaner	$ 375	$ 3,375
EDR	$ 60	$ 540
Autodriller	$ 90	$ 810
RU mud clnr		$ 670
other		
other		
other		
other		
other		
other		
other		
other		
other		
TOTALS	$ 865	$ 8,535

CASING DATA

SIZE (in)	WEIGHT (lb/ft)	GRADE	CONN	DRIFT ID (in)	EXTERNAL COLLAPSE (psi)	INTERNAL YIELD (psi)	CAPACITY (bbls/ft)	LENGTH (ft)	TOP SET AT (ft)	BOTTOM SET AT (ft KB)
13 3/8"	54.5	J55	ST&C	12.459	1,130	2,730	0.15450	536.00	2.00	523.00

BOTTOMHOLE ASSEMBLY

DESCRIPTION OF BHA	PROVIDER	THREAD SIZE BOX	THREAD SIZE PIN	MAXIMUM O.D. (in)	MINIMUM I.D. (in)	LENGTH (ft)	HOURS RUN	HRS SINCE INSPECTION
BIT	HTC		6 5/8R	12.250		1.50	16.25	16.25
1.5 deg 3 stage 7/8 Mud Motor	Black Max/Scientific	6 5/8R	6 5/8R	8.125		24.87	16.25	16.25
Shock sub	Spidle	6 5/8R	6 5/8R	8.000		10.30	71.75	71.75
NMDC	Scientific	6 5/8R	6 5/8R	7.563	3.125	30.48	140.00	140.00
HOS	Scientific	6 5/8R	6 5/8R	7.875	3.250	6.01	140.00	140.00
XO	Weatherford	4 1/2IF	6 5/8R	8.250	3.125	1.88	140.00	140.00
4 - 7 1/4" DC	Rig	4 1/2IF	4 1/2IF	7.250	2.875	114.94	140.00	140.00
XO	Rig	4 1/2XH	4 1/2IF	6.750	2.875	2.00	140.00	140.00
8 - 6 1/4" DC	Rig	4 1/2XH	4 1/2XH	6.250	2.313	245.64	307.50	307.50
24 1/2" HWDP	Rig	4 1/2XH	4 1/2XH	4.500	2.750	62.61	307.50	307.50

DRILLING MUD REPORT

SAMPLE DEPTH (ft)	TIME (hh:mm)	MUD WT. (ppg)	FUNNEL VISCOSITY (sec/qt)	PV / YP	KCL (%)	GEL STRENGTH (lb/100 ft2)	FILTRATE API (ml/30 min)	CALCIUM (ppm)	CAKE THICKNESS (/32 in)	SOLIDS (% vol)	SAND CONTENT (% vol)	pH	CHLORIDES (ppm)	LCM (lb/gal)
2,095	06:00	9.20	43	11 / 20		5 / 18	9.0	20	2.0	9.0	1/4	11.0	9,700	
2,295	05:00	8.90	42	12 / 20	1.75	4 / 12	9.4	20	2.0	5.0	1/7	10.5	8,200	

DAILY MUD COST & INVENTORY

	BARITE (sx)	QUICK GEL (sx)	CAUSTIC (sx)	LIME (sx)	SODA ASH (sx)	UNIDRILL (sx)	SOLKWICK (sx)	PAC-R (sx)	PHPA (gal)	CEDAR (sx)	TRUCKING ($)	TOTAL COSTS ($)
UNIT COST												
STARTING INVENTORY	120											
INVENTORY RECEIVED												
USED LAST 24 HOURS												
ENDING INVENTORY												
DAILY MUD COST												2,924
PREVIOUS CUMULATIVE COST												10,410
CUMULATIVE MUD COST												13,334

MUD LOGGER REPORT

MUD GAS DATA (in Units)			SHOW INTERVAL		RATE OF PENETRATION			SHOW GAS DATA		
BACK GROUND	CONN GAS	TRIP GAS	FROM (ft)	TO (ft)	BEFORE (ft)	DURING (ft)	AFTER (ft)	BEFORE UNITS	DURING UNITS	AFTER UNITS

DEVIATION SURVEYS

Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle
530	1.00	Wireline	0.00	1321	0.90	247.00	0.61	2036	0.99	159.49	1.74
579	0.70	205.50	0.12	1355	0.80	250.60	0.33	2067	1.17	149.90	0.86
608	0.60	204.40	0.35	1385	0.70	246.40	0.33	2099	1.21	155.96	0.47
671	0.90	168.60	0.84	1417	0.80	252.00	1.16	2129	1.17	154.80	0.16
702	1.10	178.70	0.86	1448	1.30	260.00	1.68	2160	1.38	153.80	0.68
732	1.20	194.80	1.12	1480	1.20	245.80	1.01	2193	1.48	154.10	0.30
763	1.20	181.30	0.91	1511	0.80	252.80	1.32	2223	1.53	159.90	0.53
794	1.20	181.20	0.01	1542	0.80	220.00	1.46	2253	1.55	149.80	0.91
824	1.00	207.10	1.77	1574	1.10	216.70	0.95				
854	1.30	181.60	1.95	1604	0.70	204.10	1.48				
886	0.90	197.20	1.55	1635	0.80	187.10	0.78				
917	1.00	211.90	0.85	1666	0.80	221.50	1.53				
979	1.16	199.50	0.46	1697	0.70	191.20	1.30				
1011	1.20	203.80	0.30	1728	0.90	182.80	0.75				
1041	1.50	211.86	1.18	1758	1.00	205.90	1.31				
1073	1.50	217.80	0.49	1791	1.07	204.30	0.23				
1104	1.20	210.00	1.13	1820	1.00	188.10	1.03				
1135	1.40	226.90	1.39	1851	0.65	198.30	1.22				
1166	0.80	239.90	2.08	1882	0.71	148.60	1.85				
1197	1.00	246.10	0.72	1913	0.65	127.20	0.84				
1228	1.10	230.50	0.97	1945	0.57	114.30	0.50				
1259	0.90	271.40	2.33	1975	0.49	121.70	0.35				
1290	0.70	246.40	0.30	2005	0.53	136.63	0.47				
ESTIMATED FORMATION TOPS:											
SAMPLE DESCRIPTION:											

PUMP & CIRCULATING DATA

MUD PUMPS	MAKE	MODEL	LINER SIZE (in)	STROKE LENGTH (in)	ASSUMED EFF (%)	PUMP RATE (spm)	PUMP VOLUMETRIC DATA (bbls/stk)	(bbls/min)	(gal/min)	CIRCULATING DETAILS Standpipe (psi)	Motor Differential	HHP (Sq in)	ANNULAR VELOCITY DP (ft/min)	DC (ft/min)
NO. 1	National	7P50	6.25	7.75	95.00%	118	0.0736	8.25	347	760	90 - 130	0.42	65	103
NO. 2														
NO. 3														
COMBINED														

027

EVERGREEN OPERATING, INC.

DAILY DRILLING REPORT

WELL NAME			
State 11-16 43-007-30961			
LOCATION DATA			
NW NW Sec 16 T-12S, R-10E			
FOOTAGES	GL		KB
550' FNL 500' FWL	7569		7580
COUNTY, STATE			
Carbon County, Utah			

RIG CONTACT INFORMATION:	
OFFICE TRAILER:	970 942 7543
CONSULTANT HAND CELL:	303 913 1054
DOGHOUSE:	307 268 7316
PUSHER:	

DATE	SPUD DATE	6AM DEPTH
7/28/2004	7/14/2004	2730
REPORT NO.		24 HR FOOTAGE
10		427
DRLG CONTRACTOR		DAYS SINCE SPUD
Elenburg, Rig 12		10
CONSULTANT		AFE # / API #
John C. Lamb		

ACTIVITY AT REPORT TIME:	DAILY COST	CUM COST	AFE COSTS
Drilling ahead	$ 15,132	$ 342,450	$ -

CHRONOLOGY OF DAILY OPERATIONS (06:00 - 06:00 HRS)

FROM (hrs)	TO (hrs)	HOURS (hrs)	Activity:
06:00	08:00	2.00	Slide 2303 - 2329
08:00	10:30	2.50	Rotate 2329 - 2359
10:30	12:15	1.75	Slide 2359 - 2384
12:15	12:45	0.50	Rotate 2384 - 2391
12:45	13:00	0.25	Service rig
13:00	23:00	10.00	Rotate 2391 - 2635
23:00	01:15	2.25	Slide 2635 - 2655
01:15	05:30	4.25	Rotate 2655 - 2728
05:30	06:00	0.50	Slide 2728 - 2730
TOTAL HOURS		24.00	

SLOW PUMP RATE DATA:			STRING WEIGHT INFORMATION:			
Depth	SPM	Pressure	Eff BHA Wt	Rotating:	Slackoff:	Hoisting:
2665	54	225	37,000	83,000	81,000	84,000

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DIV. OF OIL, GAS & MINING

SUMMARY OF RIG HOURS

DESC.	DAILY (hrs)	CUM (hrs)
Drill	23.75	165.75
Trip		26.50
Circulate		2.25
Rig Repair		24.50
Rig Service	0.25	1.75
Dev Survey		0.25
NU / ND		3.00
Cement		
Run Casing		
WOC		
OH Logging		
Mix Mud		1.00
MI & RU		
Rat Hole		
Mouse Hole		
Fishing		
DST		
Coring		
Other		8.75
Cut drlg line		1.00
Other		
Other		
Test BOPE		2.00
WOO		
PU/LD BHA		4.00
Drill cement		1.25
TOTALS	24.00	242.00

SUMMARY OF DAILY & CUMULATIVE COSTS

COST CODE	DESCRIPTION OF DAILY COSTS	DAILY ($)	CUM ($)	AFE ($)
2030.010	Land, Legal, Title, Survey, Arch, Damages, Permits, Signs		$ 25,000	
2030.031	Dirtwork, Road, Location, Pits, Liner		$ 165,360	
2030.019	Contract Drilling 9480 / day 392.5 / h cond 5491 26,000 mob sfc 38791	$ 9,480	$ 2,439	
2032.001	Water	$ 351	$ 17,000	
2032.013	Drill Bits, Mud Motors, Stabilizers, Reamers		$ 5,000	
2031.046	Cementing and Services			
2030.053	Coring and Analysis			
2030.052	Logging			
2030.054	Mud Logging			
2030.037	Rental Equipment	$ 2,464	$ 10,434	
2030.028	Transportation		$ 7,139	
2032.004	Mud and Chemicals		$ 13,334	
	Directional Services, Mud Motors	$ 2,037	$ 61,510	
2031.056	Well Stimulation			
2030.035	Contract Labor		$ 2,422	
2030.022	Engineering / Supervision	$ 800	$ 8,800	
2030.099	Intangible Miscellaneous and Contingencies			
2040.001	Surface Casing		$ 19,071	
2040.004	Production Casing			
1011.000	Float Equipment, Shoes, Centralizers			
1041.000	Wellhead Equipment		$ 4,941	
1073.000	Bottom Hole Pump / Gas Lift / Other			
1104.000	Drivehead, Engine / Motor and Hydraulic Pump / Electric Unit			
2040.052 / 2040.055	Valves and Fittings, Small / Large			
2040.067	Other Surface Equipment			
2040.099	Tangible Miscellaneous and Contingencies			
	TOTAL COSTS	$ 15,132	$ 342,450	$ -

Report # 10	Date: 07/28/04	DAILY DRILLING REPORT	
	Well Name:	State 11-16	

BIT RECORD

BIT NO. (#)	BIT SIZE (in)	MFG	TYPE	SERIAL NO.	JETS (32/32/32)	DEPTH IN (ft)	DEPTH OUT (ft)	FOOTAGE DRILLED (ft)	CUM BIT HOURS (hrs)	ROP (ft/hr)	WOB (#'s)	RPM MTR/TBL	BIT TORQUE (ft - lbs)	BIT GRADING T / B / G
1	12 1/4	HTC	HT30XP	J101045	16 / 16 /16	504	2,095	1,591	126.00	12.6	30 - 34K	54 / 60	2500 - 3000	3 / F / 0
2	12 1/4	JZ	HJT537G	15987	16 / 16 / 18	2,095	2,730	635	39.50	16.1	33 - 41K	54 / 60	1500 - 1900	
								0		#DIV/0!				
COMMENTS														

RENTAL EQUIPMENT

RENTAL ITEM	DAILY COSTS ($)	CUM COSTS ($)
Living Qtrs	$ 195	$ 1,950
Frac Tank	$ 45	$ 450
Forklift	$ 60	$ 600
Portajohn	$ 20	$ 220
Mud Trailer	$ 20	$ 220
Mud Cleaner	$ 375	$ 3,375
EDR	$ 60	$ 540
Autochiller	$ 90	$ 810
RU mud clnr		$ 670
Trash/Tlt del	$ 349	$ 349
Living Qtrs	$ 1,250	$ 1,250
other		
other		
other		
other		
other		
other		
other		
TOTALS	$ 2,464	$ 10,434

CASING DATA

SIZE (in)	WEIGHT (lb/ft)	GRADE	CONN	DRIFT ID (in)	EXTERNAL COLLAPSE (psi)	INTERNAL YIELD (psi)	CAPACITY (bbls/ft)	LENGTH (ft)	TOP SET AT (ft)	BOTTOM SET AT (ft KB)
13 3/8"	54.5	J55	ST&C	12.459	1,130	2,730	0.15450	536.00	2.00	523.00

BOTTOMHOLE ASSEMBLY

DESCRIPTION OF BHA	PROVIDER	THREAD SIZE BOX	THREAD SIZE PIN	MAXIMUM O.D. (in)	MINIMUM I.D. (in)	LENGTH (ft)	HOURS RUN	HRS SINCE INSPECTION
BIT	HTC		6 5/8R	12.250		1.50	39.50	39.50
1.5 deg 3 stage 7/8 Mud Motor	Black Max/Scientific	6 5/8R	6 5/8R	8.000		24.06	39.50	39.50
Shock sub	Spidle	6 5/8R	6 5/8R	8.125		10.30	94.75	94.75
NMDC	Scientific	6 5/8R	6 5/8R	7.563	3.125	30.48	163.75	163.75
HOS	Scientific	6 5/8R	6 5/8R	7.875	3.250	6.01	163.75	163.75
XO	Weatherford	4 1/2IF	6 5/8R	8.250	3.125	1.88	163.75	163.75
4 - 7 1/4" DC	Rig	4 1/2IF	4 1/2IF	7.250	2.875	114.94	163.75	163.75
XO	Rig	4 1/2XH	4 1/2IF	6.750	2.875	2.00	163.75	163.75
6 - 6 1/4" DC	Rig	4 1/2XH	4 1/2XH	6.250	2.313	245.64	331.25	331.25
2 4 1/2" HWDP	Rig	4 1/2XH	4 1/2XH	4.500	2.750	62.61	331.25	331.25

DRILLING MUD REPORT

SAMPLE DEPTH (ft)	TIME (hh:mm)	MUD WT. (ppg)	FUNNEL VISCOSITY (sec/qt)	PV / YP	KCL (%)	GEL STRENGTH (lb/100 ft2)	FILTRATE API (ml/30 min)	CALCIUM (ppm)	CAKE THICKNESS (/32 in)	SOLIDS (% vol)	SAND CONTENT (% vol)	pH	CHLORIDES (ppm)	LCM (lb/gal)

DAILY MUD COST & INVENTORY

	BARITE (sx)	QUICK GEL (sx)	CAUSTIC (sx)	LIME (sx)	SODA ASH (sx)	UNIDRILL (sx)	SOLKWICK (sx)	PAC-R (sx)	PHPA (gal)	CEDAR (sx)	TRUCKING ($)	TOTAL COSTS ($)
UNIT COST												
STARTING INVENTORY	120											
INVENTORY RECEIVED												
USED LAST 24 HOURS												
ENDING INVENTORY												
DAILY MUD COST												
PREVIOUS CUMULATIVE COST												13,334
CUMULATIVE MUD COST												

MUD LOGGER REPORT

MUD GAS DATA (in UNITS) BACK GROUND	MUD GAS DATA (in UNITS) CONN GAS	MUD GAS DATA (in UNITS) TRIP GAS	SHOW INTERVAL FROM (ft)	SHOW INTERVAL TO (ft)	RATE OF PENETRATION BEFORE (ft)	RATE OF PENETRATION DURING (ft)	RATE OF PENETRATION AFTER (ft)	SHOW GAS DATA BEFORE UNITS	SHOW GAS DATA DURING UNITS	SHOW GAS DATA AFTER UNITS

DEVIATION SURVEYS

Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle
530	1.00	Wireline	0.00	1321	0.90	247.00	0.61	2036	0.99	159.49	1.74				
579	0.70	205.50	0.12	1355	0.80	250.60	0.33	2067	1.17	149.90	0.86				
608	0.80	204.40	0.35	1385	0.70	246.40	0.33	2099	1.21	155.96	0.47				
671	0.90	168.60	0.84	1417	0.80	252.00	1.16	2129	1.17	154.80	0.16				
702	1.10	178.70	0.86	1448	1.30	260.00	1.68	2160	1.38	153.80	0.68				
732	1.20	194.80	1.12	1480	1.20	245.80	1.01	2193	1.48	154.10	0.30				
763	1.20	181.30	0.91	1511	0.80	252.80	1.32	2223	1.53	159.90	0.53				
794	1.20	181.20	0.01	1542	0.80	220.00	1.46	2253	1.55	149.80	0.91				
824	1.00	207.10	1.77	1574	1.10	216.70	0.95	2284	1.31	152.70	0.81				
854	1.30	181.60	1.95	1604	0.70	204.10	1.48	2314	1.14	149.30	0.62				
886	0.90	197.20	1.55	1635	0.80	187.10	0.78	2346	0.55	136.40	1.93				
917	1.00	211.90	0.85	1666	0.80	221.50	1.53	2377	0.36	115.07	0.81				
979	1.16	199.50	0.46	1697	0.70	191.20	1.30	2407	0.31	125.95	0.27				
1011	1.20	203.60	0.30	1728	0.90	182.80	0.75	2468	0.27	84.80	0.34				
1041	1.50	211.86	1.18	1758	1.00	205.90	1.31	2498	0.45	101.60	0.69				
1073	1.50	217.80	0.49	1791	1.07	204.30	0.23	2529	0.56	137.10	1.04				
1104	1.20	210.00	1.13	1820	1.00	188.10	1.03	2590	0.81	136.50	0.41				
1135	1.40	226.90	1.39	1851	0.65	198.30	1.22	2620	0.72	129.90	0.42				
1166	0.80	239.90	2.08	1882	0.71	148.60	1.85	2653	0.84	139.30	0.53				
1197	1.00	246.10	0.72	1913	0.65	127.20	0.84	2683	0.92	149.30	0.58				
1228	1.10	230.50	0.97	1945	0.57	114.30	0.50								
1259	0.90	271.40	2.33	1975	0.49	121.70	0.35								
1290	0.70	246.40	0.30	2005	0.53	136.83	0.47								
ESTIMATED FORMATION TOPS:															
SAMPLE DESCRIPTION:															

PUMP & CIRCULATING DATA

MUD PUMPS	MAKE	MODEL	LINER SIZE (in)	STROKE LENGTH (in)	ASSUMED EFF (%)	PUMP RATE (spm)	PUMP VOLUMETRIC DATA (bbls/stk)	(bbls/min)	(gal/min)	CIRCULATING DETAILS Standpipe (psi)	Motor Differential	HHP (Sq in)	ANNULAR VELOCITY DP (ft/min)	DC (ft/min)	DC (ft/min)
NO. 1	National	7P50	6.25	7.75	95.00%	118	0.0736	8.25	347	760	90 - 130	0.42	65	103	
NO. 2															
NO. 3															
COMBINED															

026

EVERGREEN OPERATING, INC.

DAILY DRILLING REPORT

WELL NAME			
State 11-16 43-007-30961			
LOCATION DATA			
NW NW Sec 16 T-12S, R-10E			
FOOTAGES	GL		KB
550' FNL 500' FWL	7569		7580
COUNTY, STATE			
Carbon County, Utah			

RIG CONTACT INFORMATION:	
OFFICE TRAILER:	970 942 7543
CONSULTANT HAND CELL:	303 913 1054
DOGHOUSE:	307 268 7316
PUSHER:	

DATE	SPUD DATE	6AM DEPTH
7/29/2004	7/14/2004	3010
REPORT NO.		24 HR FOOTAGE
11		280
DRLG CONTRACTOR		DAYS SINCE SPUD
Elenburg, Rig 12		11
CONSULTANT		AFE # / API #
John C. Lamb		

ACTIVITY AT REPORT TIME:	DAILY COST	CUM COST	AFE COSTS
Drilling ahead	$ 20,074	$ 362,524	$ -

CHRONOLOGY OF DAILY OPERATIONS (06:00 - 06:00 HRS)

FROM (hrs)	TO (hrs)	HOURS (hrs)	Activity:
06:00	07:45	1.75	Slide 2730 - 2753
07:45	08:15	0.50	Rotate 2753 - 2758
08:15	09:30	1.25	Slide 2758 - 2768
09:30	11:15	1.75	Rotate 2768 - 2789
11:15	11:45	0.50	Service rig
11:45	18:00	6.25	Rotate 2789 - 2882
18:00	22:30	4.50	Slide 2882 - 2910
22:30	06:00	7.50	Rotate 2910 - 3010
TOTAL HOURS		24.00	

SLOW PUMP RATE DATA:			STRING WEIGHT INFORMATION:			
Depth	SPM	Pressure	Eff BHA Wt	Rotating:	Slackoff:	Hoisting:
2912	54	225	37,000	86,000	85,000	88,000

RECEIVED
DEC 13 2004
DIV. OF OIL, GAS & MINING

SUMMARY OF RIG HOURS

DESC.	DAILY (hrs)	CUM (hrs)
Drill	23.50	189.25
Trip		26.50
Circulate		2.25
Rig Repair		24.50
Rig Service	0.50	2.25
Dev Survey		0.25
NU / ND		3.00
Cement		
Run Casing		
WOC		
OH Logging		
Mix Mud		1.00
MI & RU		
Rat Hole		
Mouse Hole		
Fishing		
DST		
Coring		
Other		8.75
Cut drlg line		1.00
Other		
Other		
Test BOPE		2.00
WOO		
PU/LD BHA		4.00
Drill cement		1.25
TOTALS	24.00	288.00

SUMMARY OF DAILY & CUMULATIVE COSTS

COST CODE	DESCRIPTION OF DAILY COSTS	DAILY ($)	CUM ($)	AFE ($)
2030.010	Land, Legal, Title, Survey, Arch, Damages, Permits, Signs			
2030.031	Dirtwork, Road, Location, Pits, Liner		$ 25,000	
2030.019	Contract Drilling 9480 / day 392.5 / h cond 5491 26,000 mob sfc 38791	$ 9,480	$ 174,840	
2032.001	Water	$ 243	$ 2,682	
2032.013	Drill Bits, Mud Motors, Stabilizers, Reamers		$ 17,000	
2031.046	Cementing and Services		$ 5,000	
2030.053	Coring and Analysis			
2030.052	Logging			
2030.054	Mud Logging			
2030.037	Rental Equipment	$ 990	$ 11,424	
2030.028	Transportation	$ 2,380	$ 9,519	
2032.004	Mud and Chemicals		$ 13,334	
	Directional Services, Mud Motors	$ 6,181	$ 67,691	
2031.058	Well Stimulation			
2030.035	Contract Labor		$ 2,422	
2030.022	Engineering / Supervision	$ 800	$ 9,600	
2030.099	Intangible Miscellaneous and Contingencies			
2040.001	Surface Casing		$ 19,071	
2040.004	Production Casing			
1011.000	Float Equipment, Shoes, Centralizers			
1041.000	Wellhead Equipment		$ 4,941	
1073.000	Bottom Hole Pump / Gas Lift / Other			
1104.000	Drivehead, Engine / Motor and Hydraulic Pump / Electric Unit			
2040.052 / 2040.055	Valves and Fittings, Small / Large			
2040.067	Other Surface Equipment			
2040.099	Tangible Miscellaneous and Contingencies			
	TOTAL COSTS	$ 20,074	$ 362,524	$ -

Report # 11	Date: 07/29/04	DAILY DRILLING REPORT	Page 2
	Well Name: State 11-16		

BIT RECORD

BIT NO. (#)	BIT SIZE (in)	MFG	TYPE	SERIAL NO.	JETS (32/32/32)	DEPTH IN (ft)	DEPTH OUT (ft)	FOOTAGE DRILLED (ft)	CUM BIT HOURS (hrs)	ROP (ft/hr)	WOB (#'s)	RPM MTR/TBL	BIT TORQUE (ft - lbs)	BIT GRADING T / B / G	
1	12 1/4	HTC	HT30XP	J101045	16 / 16 /16	504	2,095	1,591	126.00	12.6	30 - 34K	54 / 60	2500 - 3000	3 / F / 0	
2	12 1/4	JZ	HJT537G	15987	16 / 16 / 18	2,095	3,010	915	63.00	14.5	33 - 41K	54 / 60	1500 - 1900		
								0		#DIV/0!					
COMMENTS															

RENTAL EQUIPMENT

RENTAL ITEM	DAILY COSTS ($)	CUM COSTS ($)
Living Qtrs	$ 195	$ 2,145
Frac Tank	$ 45	$ 495
Forklift	$ 60	$ 660
Portajohn	$ 20	$ 240
Mud Trailer	$ 20	$ 240
Mud Cleaner	$ 375	$ 3,750
EDR	$ 60	$ 600
Autochiller	$ 90	$ 900
RU mud clnr		$ 670
Trash/Tlt del		$ 349
Living Qtrs	$ 125	$ 1,375
other		
other		
other		
other		
other		
other		
other		
TOTALS	$ 990	$ 11,424

CASING DATA

SIZE (in)	WEIGHT (lb/ft)	GRADE	CONN	DRIFT ID (in)	EXTERNAL COLLAPSE (psi)	INTERNAL YIELD (psi)	CAPACITY (bbls/ft)	LENGTH (ft)	TOP SET AT (ft)	BOTTOM SET AT (ft KB)	
13 3/8"	54.5	J55	ST&C	12.459	1,130	2,730	0.15450	536.00	2.00	523.00	

BOTTOMHOLE ASSEMBLY

DESCRIPTION OF BHA	PROVIDER	THREAD SIZE BOX	THREAD SIZE PIN	MAXIMUM O.D. (in)	MINIMUM I.D. (in)	LENGTH (ft)	HOURS RUN	HRS SINCE INSPECTION	
BIT	HTC		6 5/8R	12.250		1.50	63.00	63.00	
1.5 deg 3 stage 7/8 Mud Motor	Black Max/Scientific	6 5/8R	6 5/8R	8.000		24.06	63.00	63.00	
Shock sub	Spidle	6 5/8R	6 5/8R	8.125		10.30	118.25	118.25	
NMDC	Scientific	6 5/8R	6 5/8R	7.563	3.125	30.48	187.25	187.25	
HOS	Scientific	6 5/8R	6 5/8R	7.875	3.250	6.01	187.25	187.25	
XO	Weatherford	4 1/2IF	6 5/8R	8.250	3.125	1.88	187.25	187.25	
4 - 7 1/4" DC	Rig	4 1/2IF	4 1/2IF	7.250	2.875	114.94	187.25	187.25	
XO	Rig	4 1/2XH	4 1/2IF	6.750	2.875	2.00	187.25	187.25	
8 - 6 1/4" DC	Rig	4 1/2XH	4 1/2XH	6.250	2.313	245.64	354.75	354.75	
2 4 1/2" HWDP	Rig	4 1/2XH	4 1/2XH	4.500	2.750	62.61	354.75	354.75	

DRILLING MUD REPORT

SAMPLE DEPTH (ft)	TIME (hh:mm)	MUD WT. (ppg)	FUNNEL VISCOSITY (sec/qt)	PV / YP	KCL (%)	GEL STRENGTH (lb/100 ft2)	FILTRATE API (ml/30 min)	CALCIUM (ppm)	CAKE THICKNESS (/32 in)	SOLIDS (% vol)	SAND CONTENT (% vol)	pH	CHLORIDES (ppm)	LCM (lb/gal)	
2,763	10:00	9.10	47	13 / 23	0.75	6 / 14	12.4	20	2.0	5.5	1/5	10.5	6,700		

DAILY MUD COST & INVENTORY

	BARITE (sx)	QUICK GEL (sx)	CAUSTIC (sx)	LIME (sx)	SODA ASH (sx)	UNIDRILL (sx)	SOLWICK (sx)	PAC-R (sx)	PHPA (gal)	CEDAR (sx)	TRUCKING ($)		TOTAL COSTS ($)
UNIT COST													
STARTING INVENTORY	120												
INVENTORY RECEIVED													
USED LAST 24 HOURS													
ENDING INVENTORY													
DAILY MUD COST													1,544
PREVIOUS CUMULATIVE COST													13,334
CUMULATIVE MUD COST													14,878

MUD LOGGER REPORT

MUD GAS DATA (in Units) BACK GROUND	CONN GAS	TRIP GAS	SHOW INTERVAL FROM (ft)	SHOW INTERVAL TO (ft)	RATE OF PENETRATION BEFORE (ft)	RATE OF PENETRATION DURING (ft)	RATE OF PENETRATION AFTER (ft)	SHOW GAS DATA BEFORE UNITS	SHOW GAS DATA DURING UNITS	SHOW GAS DATA AFTER UNITS

DEVIATION SURVEYS

Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle
530	1.00	Wireline	0.00	1321	0.90	247.00	0.61	2036	0.99	159.49	1.74	2837	0.93	223.40	0.30
579	0.70	205.50	0.12	1355	0.80	250.60	0.33	2067	1.17	149.90	0.86	2867	0.90	231.80	0.46
608	0.80	204.40	0.35	1385	0.70	246.40	0.33	2099	1.21	155.96	0.47	2898	0.39	226.10	1.66
671	0.90	168.60	0.84	1417	0.80	252.00	1.16	2129	1.17	154.80	0.16	2929	0.30	181.00	0.89
702	1.10	178.70	0.86	1448	1.30	260.00	1.68	2160	1.38	153.80	0.68	2961	0.41	144.00	0.78
732	1.20	194.80	1.12	1480	1.20	245.80	1.01	2193	1.48	154.10	0.30				
763	1.20	181.30	0.91	1511	0.80	252.80	1.32	2223	1.53	159.90	0.53				
794	1.20	181.20	0.01	1542	0.80	220.00	1.46	2253	1.55	149.80	0.91				
824	1.00	207.10	1.77	1574	1.10	216.70	0.95	2284	1.31	152.70	0.81				
854	1.30	181.60	1.95	1604	0.70	204.10	1.48	2314	1.14	149.30	0.62				
886	0.90	197.20	1.55	1635	0.80	187.10	0.78	2346	0.55	136.40	1.93				
917	1.00	211.90	0.85	1666	0.80	221.50	1.53	2377	0.36	115.07	0.81				
979	1.16	199.50	0.46	1697	0.70	191.20	1.30	2407	0.31	125.95	0.27				
1011	1.20	203.80	0.30	1728	0.90	182.80	0.75	2468	0.27	84.80	0.34				
1041	1.50	211.86	1.18	1758	1.00	205.90	1.31	2498	0.45	101.80	0.69				
1073	1.50	217.80	0.49	1791	1.07	204.30	0.23	2529	0.56	137.10	1.04				
1104	1.20	210.00	1.13	1820	1.00	188.10	1.03	2590	0.81	136.50	0.41				
1135	1.40	226.90	1.39	1851	0.65	198.30	1.22	2620	0.72	129.90	0.42				
1166	0.80	239.90	2.08	1882	0.71	148.60	1.85	2653	0.84	139.30	0.53				
1197	1.00	246.10	0.72	1913	0.65	127.20	0.84	2683	0.92	149.30	0.58				
1228	1.10	230.50	0.97	1945	0.57	114.30	0.50	2713	0.83	158.10	0.54				
1259	0.90	271.40	2.33	1975	0.49	121.70	0.35	2744	0.70	195.30	1.62				
1290	0.70	246.40	0.30	2005	0.53	136.83	0.47	2806	0.84	224.60	0.67				
ESTIMATED FORMATION TOPS:															
SAMPLE DESCRIPTION:															

PUMP & CIRCULATING DATA

MUD PUMPS	MAKE	MODEL	LINER SIZE (in)	STROKE LENGTH (in)	ASSUMED EFF (%)	PUMP RATE (spm)	PUMP VOLUMETRIC DATA (bbls/stk)	(bbls/min)	(gal/min)	CIRCULATING DETAILS Standpipe (psi)	Motor Differential	HHP (Sq in)	ANNULAR VELOCITY DP (ft/min)	DC (ft/min)	OC (ft/min)
NO. 1	National	7P50	6.25	7.75	95.00%	118	0.0736	8.25	347	790	90 - 130	0.44	65	103	
NO. 2															
NO. 3															
COMBINED															

025

EVERGREEN OPERATING, INC.

DAILY DRILLING REPORT

WELL NAME			
State 11-16 43-007-30961			
LOCATION DATA			
NW NW Sec 16 T-12S, R-10E			
FOOTAGES	GL		KB
550' FNL 500' FWL	7569		7580
COUNTY, STATE			
Carbon County, Utah			

RIG CONTACT INFORMATION:	
OFFICE TRAILER:	970 942 7543
CONSULTANT HAND CELL:	303 913 1054
DOGHOUSE:	307 268 7316
PUSHER:	

DATE	SPUD DATE	6AM DEPTH
7/30/2004	7/14/2004	3220
REPORT NO.		24 HR FOOTAGE
12		210
DRLG CONTRACTOR		DAYS SINCE SPUD
Elenburg, Rig 12		12
CONSULTANT		AFE # / API #
John C. Lamb		

ACTIVITY AT REPORT TIME:	DAILY COST	CUM COST	AFE COSTS
Drilling ahead	$ 18,499	$ 380,843	$ -

CHRONOLOGY OF DAILY OPERATIONS (06:00 - 06:00 HRS)

SLOW PUMP RATE DATA:			STRING WEIGHT INFORMATION:			
Depth	SPM	Pressure	Eff BHA Wt	Rotating:	Slackoff:	Holsting:
3159	54	250	37,000	91,000	89,000	93,000

FROM (hrs)	TO (hrs)	HOURS (hrs)	Activity:
06:00	07:00	1.00	Rotate 3010 - 3020
07:00	08:00	1.00	Rig repair - pump
08:00	15:00	7.00	Rotate 3020 - 3097
15:00	20:00	5.00	Slide 3097 - 3126
20:00	06:00	10.00	Rotate 3126 - 3220
			Delivered 89 joints 8 5/8" casing to location
TOTAL HOURS		24.00	

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DIV. OF OIL, GAS & MINING

SUMMARY OF RIG HOURS

DESC.	DAILY (hrs)	CUM (hrs)
Drill	23.00	189.25
Trip		26.50
Circulate		2.25
Rig Repair	1.00	25.50
Rig Service		2.25
Dev Survey		0.25
NU / ND		3.00
Cement		
Run Casing		
WOC		
OH Logging		
Mix Mud		1.00
MI & RU		
Rat Hole		
Mouse Hole		
Fishing		
DST		
Coring		
Other		8.75
Cut drlg line		1.00
Other		
Other		
Test BOPE		2.00
WOO		
PU/LD BHA		4.00
Drill cement		1.25
TOTALS	24.00	267.00

SUMMARY OF DAILY & CUMULATIVE COSTS

COST CODE	DESCRIPTION OF DAILY COSTS	DAILY ($)	CUM ($)	AFE ($)
2030.010	Land, Legal, Title, Survey, Arch, Damages, Permits, Signs			
2030.031	Dirtwork, Road, Location, Pits, Liner		$ 25,000	
2030.019	Contract Drilling 9480 / day 392.5 / h cond 5491 26,000 mob sfc 38791	$ 9,480	$ 184,320	
2032.001	Water	$ 297	$ 2,979	
2032.013	Drill Bits, Stabilizers, Reamers		$ 17,000	
2031.046	Cementing and Services		$ 5,000	
2030.053	Coring and Analysis			
2030.052	Logging			
2030.054	Mud Logging			
2030.037	Rental Equipment	$ 990	$ 12,234	
2030.028	Transportation	$ 751	$ 10,270	
2032.004	Mud and Chemicals		$ 13,334	
	Directional Services, Mud Motors	$ 6,181	$ 73,872	
2031.058	Well Stimulation			
2030.035	Contract Labor		$ 2,422	
2030.022	Engineering / Supervision	$ 800	$ 10,400	
2030.099	Intangible Miscellaneous and Contingencies			
2040.001	Surface Casing		$ 19,071	
2040.004	Production Casing			
1011.000	Float Equipment, Shoes, Centralizers			
1041.000	Wellhead Equipment		$ 4,941	
1073.000	Bottom Hole Pump / Gas Lift / Other			
1104.000	Drivehead, Engine / Motor and Hydraulic Pump / Electric Unit			
2040.052 / 2040.055	Valves and Fittings, Small / Large			
2040.067	Other Surface Equipment			
2040.099	Tangible Miscellaneous and Contingencies			
	TOTAL COSTS	$ 18,499	$ 380,843	$ -

Report # 12	Date: 07/30/04	DAILY DRILLING REPORT	Page 2
	Well Name	State 11-16	

BIT RECORD

BIT NO. (#)	BIT SIZE (in)	MFG	TYPE	SERIAL NO.	JETS (32/32/32)	DEPTH IN (ft)	DEPTH OUT (ft)	FOOTAGE DRILLED (ft)	CUM BIT HOURS (hrs)	ROP (ft/hr)	WOB (#'s)	RPM MTR/TBL	BIT TORQUE (ft - lbs)	BIT GRADING T / B / G	
1	12 1/4	HTC	HT30XP	J101045	16 / 16 /16	504	2,095	1,591	126.00	12.6	30 - 34K	54 / 60	2500 - 3000	3 / F / 0	
2	12 1/4	JZ	HJT537G	15987	16 / 16 / 18	2,095	3,220	1,125	86.00	13.1	33 - 41K	54 / 60	1500 - 1900		
								0		#DIV/0!					
COMMENTS															

RENTAL EQUIPMENT

RENTAL ITEM	DAILY COSTS ($)	CUM COSTS ($)
Living Qtrs	$ 195	$ 2,610
Frac Tank	$ 45	$ 90
Forklift	$ 60	$ 720
Portajohn	$ 20	$ 260
Mud Trailer	$ 20	$ 260
Mud Cleaner	$ 375	$ 4,125
EDR	$ 60	$ 660
Autochiller	$ 90	$ 990
RU mud clnr		$ 670
Trash/Tlt del		$ 349
Living Qtrs	$ 125	$ 1,500
other		
other		
other		
other		
other		
other		
other		
TOTALS	$ 990	$ 12,234

CASING DATA

SIZE (in)	WEIGHT (lb/ft)	GRADE	CONN	DRIFT ID (in)	EXTERNAL COLLAPSE (psi)	INTERNAL YIELD (psi)	CAPACITY (bbls/ft)	LENGTH (ft)	TOP SET AT (ft)	BOTTOM SET AT (ft KB)	
13 3/8"	54.5	J55	ST&C	12.459	1,130	2,730	0.15450	536.00	2.00	523.00	

BOTTOMHOLE ASSEMBLY

DESCRIPTION OF BHA	PROVIDER	THREAD SIZE BOX	THREAD SIZE PIN	MAXIMUM O.D. (in)	MINIMUM I.D. (in)	LENGTH (ft)	HOURS RUN	HRS SINCE INSPECTION	
BIT	HTC		6 5/8R	12.250		1.50	86.00	86.00	
1.5 deg 3 stage 7/8 Mud Motor	Black Max/Scientific	6 5/8R	6 5/8R	8.000		24.06	86.00	86.00	
Shock sub	Spidle	6 5/8R	6 5/8R	8.125		10.30	141.25	141.25	
NMDC	Scientific	6 5/8R	6 5/8R	7.563	3.125	30.48	210.25	210.25	
HOS	Scientific	6 5/8R	6 5/8R	7.875	3.250	6.01	210.25	210.25	
XO	Weatherford	4 1/2IF	6 5/8R	8.250	3.125	1.88	210.25	210.25	
4 - 7 1/4" DC	Rig	4 1/2IF	4 1/2IF	7.250	2.875	114.94	210.25	210.25	
XO	Rig	4 1/2XH	4 1/2IF	6.750	2.875	2.00	210.25	210.25	
8 - 6 1/4" DC	Rig	4 1/2XH	4 1/2XH	6.250	2.313	245.64	377.75	377.75	
2 4 1/2" HWDP	Rig	4 1/2XH	4 1/2XH	4.500	2.750	62.61	377.75	377.75	

DRILLING MUD REPORT

SAMPLE DEPTH (ft)	TIME (hh:mm)	MUD WT. (ppg)	FUNNEL VISCOSITY (sec/qt)	PV / YP	KCL (%)	GEL STRENGTH (lb/100 ft2)	FILTRATE API (ml/30 min)	CALCIUM (ppm)	CAKE THICKNESS (/32 in)	SOLIDS (% vol)	SAND CONTENT (% vol)	pH	CHLORIDES (ppm)	LCM (lb/gal)	
3,090	13:30	9.10	41	11 / 15	1.50	18 / 15	12.6	20	2.0	5.5	1/4	10.0	8,500		

DAILY MUD COST & INVENTORY

	BARITE (sx)	QUICK GEL (sx)	CAUSTIC (sx)	LIME (sx)	SODA ASH (sx)	UNIDRILL (sx)	SOLKWICK (sx)	PAC-R (sx)	PHPA (gal)	CEDAR (sx)	TRUCKING ($)		TOTAL COSTS ($)
UNIT COST													
STARTING INVENTORY	120												
INVENTORY RECEIVED													
USED LAST 24 HOURS													
ENDING INVENTORY													
DAILY MUD COST													1,544
PREVIOUS CUMULATIVE COST													13,334
CUMULATIVE MUD COST													14,878

MUD LOGGER REPORT

MUD GAS DATA (in Units)			SHOW INTERVAL		RATE OF PENETRATION			SHOW GAS DATA			
BACK GROUND	CONN GAS	TRIP GAS	FROM (ft)	TO (ft)	BEFORE (ft)	DURING (ft)	AFTER (ft)	BEFORE UNITS	DURING UNITS	AFTER UNITS	

DEVIATION SURVEYS

Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle
530	1.00	Wireline	0.00	1321	0.90	247.00	0.61	2036	0.99	159.49	1.74	2837	0.93	223.40	0.30
579	0.70	205.50	0.12	1355	0.80	250.60	0.33	2067	1.17	149.90	0.86	2867	0.90	231.80	0.46
608	0.80	204.40	0.35	1385	0.70	246.40	0.33	2099	1.21	155.96	0.47	2898	0.39	226.10	1.66
671	0.90	168.60	0.84	1417	0.80	252.00	1.16	2129	1.17	154.80	0.16	2929	0.30	181.00	0.89
702	1.10	178.70	0.86	1448	1.30	260.00	1.68	2160	1.38	153.80	0.68	2961	0.41	144.00	0.78
732	1.20	194.80	1.12	1480	1.20	245.80	1.01	2193	1.48	154.10	0.30	2992	0.54	138.40	0.44
763	1.20	181.30	0.91	1511	0.80	252.80	1.32	2223	1.53	159.90	0.53	3021	0.65	138.00	0.38
794	1.20	181.20	0.01	1542	0.80	220.00	1.46	2253	1.55	149.80	0.91	3097	0.88	119.47	0.30
824	1.00	207.10	1.77	1574	1.10	216.70	0.95	2284	1.31	152.70	0.81	3115	0.86	147.23	2.32
854	1.30	181.60	1.95	1604	0.70	204.10	1.46	2314	1.14	149.30	0.62	3145	0.74	161.10	0.76
886	0.90	197.20	1.55	1635	0.80	187.10	0.78	2346	0.55	136.40	1.93				
917	1.00	211.90	0.65	1666	0.80	221.50	1.53	2377	0.36	115.07	0.81				
979	1.16	199.50	0.46	1697	0.70	191.20	1.30	2407	0.31	125.95	0.27				
1011	1.20	203.80	0.30	1728	0.90	182.80	0.75	2468	0.27	84.80	0.34				
1041	1.50	211.86	1.18	1758	1.00	205.90	1.31	2498	0.45	101.80	0.69				
1073	1.50	217.80	0.49	1791	1.07	204.30	0.23	2529	0.56	137.10	1.04				
1104	1.20	210.00	1.13	1820	1.00	188.10	1.03	2590	0.81	136.50	0.41				
1135	1.40	226.90	1.39	1851	0.65	198.30	1.22	2620	0.72	129.90	0.42				
1166	0.80	239.90	2.08	1882	0.71	148.60	1.85	2653	0.84	139.30	0.53				
1197	1.00	246.10	0.72	1913	0.65	127.20	0.84	2683	0.92	149.30	0.58				
1228	1.10	230.50	0.97	1945	0.57	114.30	0.50	2713	0.83	158.10	0.54				
1259	0.90	271.40	2.33	1975	0.49	121.70	0.35	2744	0.70	195.30	1.62				
1290	0.70	246.40	0.30	2005	0.53	136.83	0.47	2806	0.84	224.60	0.67				
ESTIMATED FORMATION TOPS:															
SAMPLE DESCRIPTION:															

PUMP & CIRCULATING DATA

MUD PUMPS	MAKE	MODEL	LINER SIZE (in)	STROKE LENGTH (in)	ASSUMED EFF (%)	PUMP RATE (spm)	PUMP VOLUMETRIC DATA (bbls/stk)	(bbls/min)	(gal/min)	CIRCULATING DETAILS Standpipe (psi)	Motor Differential	HHP (Sq In)	ANNULAR VELOCITY DP (ft/min)	DC (ft/min)	DC (ft/min)
NO. 1	National	7P50	6.25	7.75	95.00%	118	0.0736	8.25	347	800	90 - 130	0.43	65	103	
NO. 2															
NO. 3															
COMBINED															

024

EVERGREEN OPERATING, INC.

DAILY DRILLING REPORT

WELL NAME				DATE	SPUD DATE	6AM DEPTH
State 11-16 43-007-30961				7/31/2004	7/14/2004	3350
LOCATION DATA				REPORT NO.		24 HR FOOTAGE
NW NW Sec 16 T-12S, R-10E				13		130
FOOTAGES	GL		KB	DRLG CONTRACTOR		DAYS SINCE SPUD
550' FNL 500' FWL	7569		7580	Elenburg, Rig 12		12
COUNTY, STATE				CONSULTANT		AFE # / API #
Carbon County, Utah				John C. Lamb		

RIG CONTACT INFORMATION:	
OFFICE TRAILER:	970 942 7543
CONSULTANT HAND CELL:	303 913 1054
DOGHOUSE:	307 268 7316
PUSHER:	

ACTIVITY AT REPORT TIME:	DAILY COST	CUM COST	AFE COSTS
Drilling ahead	$ 25,451	$ 406,294	$ -

CHRONOLOGY OF DAILY OPERATIONS (06:00 - 06:00 HRS)

SLOW PUMP RATE DATA:			STRING WEIGHT INFORMATION:			
Depth	SPM	Pressure	Eff BHA Wt	Rotating:	Slackoff:	Hoisting:
3313	54	250	37,000	95,000	91,000	96,000

FROM (hrs)	TO (hrs)	HOURS (hrs)	Activity:
06:00	07:00	1.00	Slide 3220 - 3222; encountered high torque, stalling motor, attempt to get to rotary drill, unable to do so, prepare to trip out
07:00	11:30	4.50	Trip out of hole, break off bit, PU new bit, check shock sub and mud motor
11:30	14:15	2.75	Trip in hole to 2900
14:15	17:15	3.00	Ream out of gauge hole to bottom
17:15	18:30	1.25	Rotary drill 3222 - 3238
18:30	22:15	3.75	Slide 3238 - 3262
22:15	00:45	2.50	Rotate 3262 - 3313
00:45	05:30	4.75	Slide 3313 - 3344
05:30	06:00	0.50	Rotate 3344 - 3350
TOTAL HOURS		24.00	

RECEIVED
DEC 13 2004
DIV. OF OIL, GAS & MINING

SUMMARY OF RIG HOURS

DESC.	DAILY (hrs)	CUM (hrs)
Drill	13.75	226.50
Trip	7.25	33.75
Circulate		2.25
Rig Repair		26.50
Rig Service		2.75
Dev Survey		0.25
NU / ND		3.00
Cement		
Run Casing		
WOC		
OH Logging		
Mix Mud		1.00
MI & RU		
Rat Hole		
Mouse Hole		
Fishing		
DST		
Coring		
Other		8.75
Cut drlg line		1.00
Wash & Ream	3.00	3.00
Other		
Test BOPE		2.00
WOO		
PU/LD BHA		4.00
Drill cement		1.25
TOTALS	24.00	316.00

SUMMARY OF DAILY & CUMULATIVE COSTS

COST CODE	DESCRIPTION OF DAILY COSTS	DAILY ($)	CUM ($)	AFE ($)
2030.010	Land, Legal, Title, Survey, Arch, Damages, Permits, Signs			
2030.031	Dirtwork, Road, Location, Pits, Liner		$ 25,000	
2030.019	Contract Drilling 9480 / day 392.5 / h cond 5491 26,000 mob sfc 38791	$ 9,480	$ 193,800	
2032.001	Water		$ 2,979	
2032.013	Drill Bits, Stabilizers, Reamers	$ 8,000	$ 25,000	
2031.048	Cementing and Services		$ 5,000	
2030.053	Coring and Analysis			
2030.052	Logging			
2030.054	Mud Logging			
2030.037	Rental Equipment	$ 990	$ 13,224	
2030.028	Transportation		$ 10,270	
2032.004	Mud and Chemicals		$ 13,334	
	Directional Services, Mud Motors	$ 6,181	$ 80,053	
2031.056	Well Stimulation			
2030.035	Contract Labor		$ 2,422	
2030.022	Engineering / Supervision	$ 800	$ 11,200	
2030.099	Intangible Miscellaneous and Contingencies			
2040.001	Surface Casing		$ 19,071	
2040.004	Production Casing			
1011.000	Float Equipment, Shoes, Centralizers			
1041.000	Wellhead Equipment		$ 4,941	
1073.000	Bottom Hole Pump / Gas Lift / Other			
1104.000	Drivehead, Engine / Motor and Hydraulic Pump / Electric Unit			
2040.052 / 2040.055	Valves and Fittings, Small / Large			
2040.067	Other Surface Equipment			
2040.099	Tangible Miscellaneous and Contingencies			
	TOTAL COSTS	$ 25,451	$ 406,294	$ -

Report # 12	Date: 07/30/04	DAILY DRILLING REPORT	Page 2
	Well Name	State 11-16	

BIT RECORD

BIT NO. (#)	BIT SIZE (in)	MFG	TYPE	SERIAL NO.	JETS (32/32/32)	DEPTH IN (ft)	DEPTH OUT (ft)	FOOTAGE DRILLED (ft)	CUM BIT HOURS (hrs)	ROP (ft/hr)	WOB (#'s)	RPM RTR/TBL	BIT TORQUE (ft - lbs)	BIT GRADING In Out Dull Loc Seals Gge Other
1	12 1/4	HTC	HT30XP	J101045	16 / 16 /16	504	2,095	1,591	126.00	12.6	30 - 34K	54 / 60	2500 - 3000	3 3 WT A F 0
2	12 1/4	JZ	HJT537G	15987	16 / 16 / 18	2,095	3,222	1,127	87.00	13.0	33 - 41K	54 / 60	1500 - 1900	5 8 BT G E 1/4
	12 1/4	JZ	HJT537G	16001	16 / 16 / 18	3,222	3,350	128	7.25	17.7	37 - 44K	54 / 60	1800 - 2300	
COMMENTS														

RENTAL EQUIPMENT

RENTAL ITEM	DAILY COSTS ($)	CUM COSTS ($)
Living Qtrs	$ 195	$ 2,805
Frac Tank	$ 45	$ 135
Forklift	$ 60	$ 780
Portajohn	$ 20	$ 260
Mud Trailer	$ 20	$ 260
Mud Cleaner	$ 375	$ 4,500
EDR	$ 60	$ 720
Autochler	$ 90	$ 1,080
RU mud clnr		$ 670
Trash/Tlt del		$ 349
Living Qtrs	$ 125	$ 1,625
other		
other		
other		
other		
other		
other		
other		
TOTALS	$ 990	$ 13,224

CASING DATA

SIZE (in)	WEIGHT (lb/ft)	GRADE	CONN	DRIFT ID (in)	EXTERNAL COLLAPSE (psi)	INTERNAL YIELD (psi)	CAPACITY (bbls/ft)	LENGTH (ft)	TOP SET AT (ft)	BOTTOM SET AT (ft KB)	
13 3/8"	54.5	J55	ST&C	12.459	1,130	2,730	0.15450	536.00	2.00	523.00	

BOTTOMHOLE ASSEMBLY

DESCRIPTION OF BHA	PROVIDER	THREAD SIZE BOX	THREAD SIZE PIN	MAXIMUM O.D. (in)	MINIMUM I.D. (in)	LENGTH (ft)	HOURS RUN	HRS SINCE INSPECTION	
BIT	HTC		6 5/8R	12.250		1.50	7.25	7.25	
1.5 deg 3 stage 7/8 Mud Motor	Black Max/Scientific	6 5/8R	6 5/8R	8.000		24.06	96.25	96.25	
Shock sub	Spidle	6 5/8R	6 5/8R	8.125		10.30	151.50	151.50	
NMDC	Scientific	6 5/8R	6 5/8R	7.563	3.125	30.48	220.50	220.50	
HOS	Scientific	6 5/8R	6 5/8R	7.875	3.250	6.01	220.50	220.50	
XO	Weatherford	4 1/2IF	6 5/8R	8.250	3.125	1.88	220.50	220.50	
4 - 7 1/4" DC	Rig	4 1/2IF	4 1/2IF	7.250	2.875	114.94	220.50	220.50	
XO	Rig	4 1/2XH	4 1/2IF	6.750	2.875	2.00	220.50	220.50	
8 - 6 1/4" DC	Rig	4 1/2XH	4 1/2XH	6.250	2.313	245.64	388.00	388.00	
2 4 1/2" HWDP	Rig	4 1/2XH	4 1/2XH	4.500	2.750	62.61	388.00	388.00	

DRILLING MUD REPORT

SAMPLE DEPTH (ft)	TIME (hh:mm)	MUD WT. (ppg)	FUNNEL VISCOSITY (sec/qt)	PV / YP	KCL (%)	GEL STRENGTH (lb/100 ft2)	FILTRATE API (ml/30 min)	CALCIUM (ppm)	CAKE THICKNESS (/32 in)	SOLIDS (% vol)	SAND CONTENT (% vol)	pH	CHLORIDES (ppm)	ALKALINITY Pf / Mf	LCM lb/gal
3,221	12:00	9.00	42	10 / 14	1.50	10 / 18	12.8	10	2	4.0	1/7	10.0	11,000	.35 / .1.38	

DAILY MUD COST & INVENTORY

	BARITE (sx)	QUICK GEL (sx)	CAUSTIC (sx)	LIME (sx)	SODA ASH (sx)	UNIDRILL (sx)	SOLKWICK (sx)	PAC-R (sx)	PHPA (gal)	CEDAR (sx)	TRUCKING ($)		TOTAL COSTS ($)
UNIT COST													
STARTING INVENTORY	120												
INVENTORY RECEIVED													
USED LAST 24 HOURS													
ENDING INVENTORY													
DAILY MUD COST													1,720
PREVIOUS CUMULATIVE COST													16,398
CUMULATIVE MUD COST													18,118

MUD LOGGER REPORT

MUD GAS DATA (In Units)			SHOW INTERVAL		RATE OF PENETRATION			SHOW GAS DATA		
BACK GROUND	CONN GAS	TRIP GAS	FROM (ft)	TO (ft)	BEFORE (ft)	DURING (ft)	AFTER (ft)	BEFORE UNITS	DURING UNITS	AFTER UNITS

DEVIATION SURVEYS

Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle
530	1.00	Wireline	0.00	1321	0.90	247.00	0.61	2036	0.99	159.49	1.74	2837	0.93	223.40	0.30
579	0.70	205.50	0.12	1355	0.80	250.60	0.33	2067	1.17	149.90	0.86	2867	0.90	231.60	0.46
608	0.80	204.40	0.35	1385	0.70	246.40	0.33	2099	1.21	155.96	0.47	2898	0.39	226.10	1.66
671	0.90	168.60	0.84	1417	0.80	252.00	1.16	2129	1.17	154.80	0.16	2929	0.30	181.00	0.89
702	1.10	178.70	0.86	1448	1.30	260.00	1.68	2160	1.38	153.80	0.68	2961	0.41	144.00	0.78
732	1.20	194.80	1.12	1480	1.20	245.80	1.01	2193	1.48	154.10	0.30	2992	0.54	138.40	0.44
763	1.20	181.30	0.91	1511	0.80	252.80	1.32	2223	1.53	159.90	0.53	3021	0.65	138.00	0.38
794	1.20	181.20	0.01	1542	0.80	220.00	1.46	2253	1.55	149.80	0.91	3097	0.88	119.47	0.30
824	1.00	207.10	1.77	1574	1.10	216.70	0.95	2284	1.31	152.70	0.81	3115	0.86	147.23	2.32
854	1.30	181.60	1.95	1604	0.70	204.10	1.48	2314	1.14	149.30	0.62	3145	0.74	161.10	0.76
886	0.90	197.20	1.55	1635	0.80	187.10	0.78	2346	0.55	136.40	1.93	3176	0.98	163.17	0.78
917	1.00	211.90	0.85	1666	0.80	221.50	1.53	2377	0.36	115.07	0.81	3207	1.20	178.80	1.19
979	1.16	199.50	0.46	1697	0.70	191.20	1.30	2407	0.31	125.95	0.27	3237	1.19	188.50	0.67
1011	1.20	203.80	0.30	1728	0.90	182.80	0.75	2468	0.27	84.80	0.34	3268	1.15	208.10	1.29
1041	1.50	211.86	1.16	1758	1.00	205.90	1.31	2498	0.45	101.80	0.69	3299	1.02	217.70	0.72
1073	1.50	217.80	0.49	1791	1.07	204.30	0.23	2529	0.56	137.10	1.04				
1104	1.20	210.00	1.13	1820	1.00	188.10	1.03	2590	0.81	136.50	0.41				
1135	1.40	226.90	1.39	1851	0.65	198.30	1.22	2620	0.72	129.90	0.42				
1166	0.80	239.90	2.08	1882	0.71	148.60	1.85	2653	0.84	139.30	0.53				
1197	1.00	246.10	0.72	1913	0.65	127.20	0.84	2683	0.92	149.30	0.58				
1228	1.10	230.50	0.97	1945	0.57	114.30	0.50	2713	0.83	158.10	0.54				
1259	0.90	271.40	2.33	1975	0.49	121.70	0.35	2744	0.70	195.30	1.62				
1290	0.70	246.40	0.30	2005	0.53	136.83	0.47	2806	0.84	224.60	0.67				
ESTIMATED FORMATION TOPS:															
SAMPLE DESCRIPTION:															

PUMP & CIRCULATING DATA

MUD PUMPS	MAKE	MODEL	LINER SIZE (in)	STROKE LENGTH (in)	ASSUMED EFF (%)	PUMP RATE (spm)	PUMP VOLUMETRIC DATA (bbls/stk)	(bbls/min)	(gal/min)	CIRCULATING DETAILS Standpipe (psi)	Motor Differential	HHP (Sq in)	ANNULAR VELOCITY DP (ft/min)	DC (ft/min)	DC (ft/min)
NO. 1	National	7P50	6.25	7.75	95.00%	118	0.0736	8.25	347	870	90 - 130	0.43	65	103	
NO. 2															
NO. 3															
COMBINED															

023

EVERGREEN OPERATING, INC.

DAILY DRILLING REPORT

WELL NAME				DATE	SPUD DATE	6AM DEPTH
State 11-16 43-007-30961				8/1/2004	7/14/2004	3532
LOCATION DATA				REPORT NO.		24 HR FOOTAGE
NW NW Sec 16 T-12S, R-10E				14		182
FOOTAGES	GL		KB	DRLG CONTRACTOR		DAYS SINCE SPUD
550' FNL 500' FWL	7569		7580	Elenburg, Rig 12		14
COUNTY, STATE				CONSULTANT		AFE # / API #
Carbon County, Utah				John C. Lamb		

RIG CONTACT INFORMATION:	
OFFICE TRAILER:	970 942 7543
CONSULTANT HAND CELL:	303 913 1054
DOGHOUSE:	307 268 7316
PUSHER:	

ACTIVITY AT REPORT TIME:	DAILY COST	CUM COST	AFE COSTS
Tripping in hole	$ 26,221	$ 432,515	$ -

CHRONOLOGY OF DAILY OPERATIONS (06:00 - 06:00 HRS)

SLOW PUMP RATE DATA:			STRING WEIGHT INFORMATION:			
Depth	SPM	Pressure	Eff BHA Wt	Rotating:	Slackoff:	Hoisting:
3470	54	225	37,000	96,000	92,000	98,000

FROM (hrs)	TO (hrs)	HOURS (hrs)	Activity:
06:00	06:30	0.50	Rotate 3350 - 3359
06:30	09:00	2.50	Slide 3359 - 3375
09:00	10:00	1.00	Rotate 3375 - 3385
10:00	10:15	0.25	Check pump - replaced broken valve spring
10:15	12:15	2.00	Rotate 3385 - 3407
12:15	12:30	0.25	Service rig
12:30	00:00	11.50	Rotate 3407 - 3532, increasing rotary torque from 3523, decreasing WOB to maintain SPP
00:00	04:00	4.00	Trip out of hole
04:00	05:30	1.50	Break off, inspect and LD bit and motor, PU new motor and bit
05:30	06:00	0.50	Trip in hole
TOTAL HOURS		24.00	

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DIV. OF OIL, GAS & MINING

SUMMARY OF RIG HOURS

DESC.	DAILY (hrs)	CUM (hrs)
Drill	17.50	243.50
Trip	4.50	38.25
Circulate		2.25
Rig Repair		25.50
Rig Service	0.50	2.75
Dev Survey		0.25
NU / ND		3.00
Cement		
Run Casing		
WOC		
OH Logging		
Mix Mud		1.00
MI & RU		
Rat Hole		
Mouse Hole		
Fishing		
DST		
Coring		
Other		8.75
Cut drlg line		1.00
Wash & Ream		3.00
Other		
Test BOPE		2.00
WOO		
PU/LD BHA	1.50	5.50
Drill cement		1.25
TOTALS	24.00	338.00

SUMMARY OF DAILY & CUMULATIVE COSTS

COST CODE	DESCRIPTION OF DAILY COSTS	DAILY ($)	CUM ($)	AFE ($)
2030.010	Land, Legal, Title, Survey, Arch, Damages, Permits, Signs		$ 25,000	
2030.031	Dirtwork, Road, Location, Pits, Liner			
2030.019	Contract Drilling 9480 / day 392.5 / h cond 5491 26,000 mob sfc 38791	$ 9,480	$ 203,280	
2032.001	Water	$ 270	$ 3,249	
2032.013	Drill Bits, Stabilizers, Reamers	$ 8,500	$ 33,500	
2031.046	Cementing and Services		$ 5,000	
2030.053	Coring and Analysis			
2030.052	Logging			
2030.054	Mud Logging			
2030.037	Rental Equipment	$ 990	$ 14,214	
2030.028	Transportation		$ 10,270	
2032.004	Mud and Chemicals		$ 13,334	
	Directional Services, Mud Motors	$ 6,181	$ 86,234	
2031.058	Well Stimulation			
2030.035	Contract Labor		$ 2,422	
2030.022	Engineering / Supervision	$ 800	$ 12,000	
2030.099	Intangible Miscellaneous and Contingencies			
2040.001	Surface Casing		$ 19,071	
2040.004	Production Casing			
1011.000	Float Equipment, Shoes, Centralizers			
1041.000	Wellhead Equipment		$ 4,941	
1073.000	Bottom Hole Pump / Gas Lift / Other			
1104.000	Drivehead, Engine / Motor and Hydraulic Pump / Electric Unit			
2040.052 / 2040.055	Valves and Fittings, Small / Large			
2040.087	Other Surface Equipment			
2040.099	Tangible Miscellaneous and Contingencies			
	TOTAL COSTS	$ 26,221	$ 432,515	$ -

Report # 14	Date: 08/01/04	DAILY DRILLING REPORT	
	Well Nam	State 11-16	

BIT RECORD

BIT NO. (#)	BIT SIZE (in)	MFG	TYPE	SERIAL NO.	JETS (32/32/32)	DEPTH IN (ft)	DEPTH OUT (ft)	FOOTAGE DRILLED (ft)	CUM BIT HOURS (hrs)	ROP (ft/hr)	WOB (#'s)	RPM MTR/TBL	BIT TORQUE (ft - lbs)	BIT GRADING In	Out	Dull	Loc	Seals	Gge	Dull	Other
1	12 1/4	HTC	HT30XP	J101045	16 / 16 / 16	504	2,095	1,591	126.00	12.6	30 - 34K	54 / 60	2500 - 3000	3	3	WT	A	F	0	No	torque
2	12 1/4	JZ	HJT537G	15987	16 / 16 / 16	2,095	3,222	1,127	67.00	13.0	33 - 41K	54 / 60	1500 - 1900	5	8	BT	G	E	1/4	RG	torque
3	12 1/4	JZ	HJT537G	16001	16 / 16 / 16	3,222	3,532	310	24.75	12.5	37 - 44K	54 / 60	1800 - 3300	7	8	BT	A	F	1/2	RG	torque
4	12 1/4	RTC	HP53KPRDH	KA9244	16 / 16 / 16	3,532		-3,532		#DIV/0!											
5								0		#DIV/0!											
COMMENTS																					

RENTAL EQUIPMENT

RENTAL ITEM	DAILY COSTS ($)	CUM COSTS ($)
Living Qtrs	$ 195	$ 3,000
Frac Tank	$ 45	$ 180
Forklift	$ 80	$ 840
Portajohn	$ 20	$ 300
Mud Trailer	$ 20	$ 300
Mud Cleaner	$ 375	$ 4,875
EDR	$ 60	$ 780
Autodriller	$ 90	$ 1,170
RU mud clnr		$ 670
Trash/Tlt del		$ 349
Living Qtrs	$ 125	$ 1,750
other		
other		
other		
other		
other		
other		
other		
TOTALS	$ 990	$ 14,214

CASING DATA

SIZE (in)	WEIGHT (lb/ft)	GRADE	CONN	DRIFT ID (in)	EXTERNAL COLLAPSE (psi)	INTERNAL YIELD (psi)	CAPACITY (bbls/ft)	LENGTH (ft)	TOP SET AT (ft)	BOTTOM SET AT (ft KB)
13 3/8"	54.5	J55	ST&C	12.459	1,130	2,730	0.15450	536.00	2.00	523.00

BOTTOMHOLE ASSEMBLY

DESCRIPTION OF BHA	PROVIDER	THREAD SIZE BOX	THREAD SIZE PIN	MAXIMUM O.D. (in)	MINIMUM I.D. (in)	LENGTH (ft)	HOURS RUN	HRS SINCE INSPECTION
BIT	HTC		6 5/8R	12.250		1.50	24.75	24.75
1.5 deg 3 stage 7/8 Mud Motor	Black Max/Scientific	6 5/8R	6 5/8R	8.000		24.06	113.75	113.75
Shock sub	Spidle	6 5/8R	6 5/8R	8.125		10.30	169.00	169.00
NMDC	Scientific	6 5/8R	6 5/8R	7.563	3.125	30.48	238.00	238.00
HOS	Scientific	6 5/8R	6 5/8R	7.875	3.250	6.01	238.00	238.00
XO	Weatherford	4 1/2IF	6 5/8R	8.250	3.125	1.88	238.00	238.00
4 - 7 1/4" DC	Rig	4 1/2IF	4 1/2IF	7.250	2.875	114.94	238.00	238.00
XO	Rig	4 1/2XH	4 1/2IF	8.750	2.875	2.00	238.00	238.00
8 - 6 1/4" DC	Rig	4 1/2XH	4 1/2XH	6.250	2.313	245.64	405.50	405.50
2 4 1/2" HWDP	Rig	4 1/2XH	4 1/2XH	4.500	2.750	62.61	405.50	405.50

DRILLING MUD REPORT

SAMPLE DEPTH (ft)	TIME (hh:mm)	MUD WT. (ppg)	FUNNEL VISCOSITY (sec/qt)	PV / YP	KCL (%)	GEL STRENGTH (lb/100 ft2)	FILTRATE API (ml/30 min)	CALCIUM (ppm)	CAKE THICKNESS (/32 in)	SOLIDS (% vol)	SAND CONTENT (% vol)	pH	CHLORIDES (ppm)	ALKALINITY Pf / Mf	LCM lb/gal
3,390	10:40	9.20	38	9 / 15	1.10	6 / 15	12.8	440	2	5.0	1/10	9.8	9,800	.4 / 1.4	

DAILY MUD COST & INVENTORY

	BARITE (sx)	QUICK GEL (sx)	CAUSTIC (sx)	LIME (sx)	SODA ASH (sx)	UNDRILL (sx)	SOLKWICK (sx)	PAC-R (sx)	PHPA (gal)	CEDAR (sx)	TRUCKING ($)	TOTAL COSTS ($)	
UNIT COST													
STARTING INVENTORY	120												
INVENTORY RECEIVED													
USED LAST 24 HOURS													
ENDING INVENTORY													
DAILY MUD COST													1,720
PREVIOUS CUMULATIVE COST													16,396
CUMULATIVE MUD COST													18,116

MUD LOGGER REPORT

MUD GAS DATA (in Units) BACK GROUND	CONN GAS	TRIP GAS	SHOW INTERVAL FROM (ft)	TO (ft)	RATE OF PENETRATION BEFORE (ft)	DURING (ft)	AFTER (ft)	SHOW GAS DATA BEFORE UNITS	DURING UNITS	AFTER UNITS

DEVIATION SURVEYS

Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle
530	1.00	Wireline	0.00	1448	1.30	260.00	1.68	2314	1.14	149.30	0.62	3286	1.15	208.10	1.29
579	0.70	205.50	0.12	1480	1.20	245.80	1.01	2348	0.55	136.40	1.93	3299	1.02	217.70	0.72
608	0.80	204.40	0.35	1511	0.80	252.80	1.32	2377	0.36	115.07	0.81	3330	0.35	220.30	2.16
671	0.90	168.60	0.84	1542	0.80	220.00	1.46	2407	0.31	125.95	0.27	3362	0.11	310.70	1.15
702	1.10	178.70	0.88	1574	1.10	216.70	0.95	2468	0.27	84.80	0.34	3393	0.18	8.20	0.48
732	1.20	194.80	1.12	1604	0.70	204.10	1.48	2498	0.45	101.60	0.69	3424	0.11	325.63	0.39
763	1.20	181.30	0.91	1635	0.80	187.10	0.78	2529	0.56	137.10	1.04	3456	0.14	3.46	0.27
794	1.20	181.20	0.01	1666	0.80	221.50	1.53	2590	0.61	136.50	0.41				
824	1.00	207.10	1.77	1697	0.70	191.20	1.30	2620	0.72	129.90	0.42				
854	1.30	181.60	1.95	1728	0.90	182.80	0.75	2653	0.84	139.30	0.53				
886	0.90	197.20	1.55	1758	1.00	205.90	1.31	2683	0.92	149.30	0.58				
917	1.00	211.90	0.65	1791	1.07	204.30	0.23	2713	0.83	156.10	0.54				
979	1.16	199.50	0.46	1820	1.00	188.10	1.03	2744	0.70	195.30	1.62				
1011	1.20	203.80	0.30	1851	0.65	198.30	1.22	2806	0.84	224.60	0.67				
1041	1.50	211.66	1.16	1882	0.71	148.60	1.85	2837	0.93	223.40	0.30				
1073	1.50	217.80	0.49	1913	0.65	127.20	0.84	2867	0.90	231.80	0.46				
1104	1.20	210.00	1.13	1945	0.57	114.30	0.50	2898	0.39	226.10	1.66				
1135	1.40	228.80	1.39	1975	0.49	121.70	0.35	2929	0.30	181.00	0.89				
1166	0.80	239.90	2.08	2036	0.99	159.49	1.74	2961	0.41	144.00	0.78				
1197	1.00	246.10	0.72	2067	1.17	149.90	0.86	2992	0.54	138.40	0.44				
1228	1.10	230.50	0.97	2099	1.21	155.96	0.47	3021	0.65	138.00	0.38				
1259	0.90	271.40	2.33	2129	1.17	154.80	0.16	3097	0.88	119.47	0.30				
1290	0.70	246.40	0.30	2160	1.38	153.80	0.68	3115	0.88	147.23	2.32				
1321	0.90	247.00	0.61	2193	1.48	154.10	0.30	3145	0.74	161.10	0.76				
1355	0.80	250.60	0.33	2223	1.53	159.90	0.53	3178	0.95	163.17	0.78				
1385	0.90	276.30	1.30	2253	1.55	149.80	0.91	3207	1.20	178.80	1.19				
1417	0.80	252.00	1.16	2284	1.31	152.70	0.81	3237	1.19	188.50	0.67				
ESTIMATED FORMATION TOPS:															
SAMPLE DESCRIPTION:															

PUMP & CIRCULATING DATA

MUD PUMPS	MAKE	MODEL	LINER SIZE (in)	STROKE LENGTH (in)	ASSUMED EFF (%)	PUMP RATE (spm)	PUMP VOLUMETRIC DATA (bbls/stk)	(bbls/min)	(gal/min)	CIRCULATING DETAILS Standpipe (psi)	Motor Differential	HHP (Sq in)	ANNULAR VELOCITY DP (ft/min)	DC (ft/min)	DC (ft/min)
NO. 1	National	7P50	6.25	7.75	95.00%	118	0.0736	8.25	347	920	100 - 230	0.43	65	103	
NO. 2															
NO. 3															
COMBINED															

022

EVERGREEN OPERATING, INC.

DAILY DRILLING REPORT

WELL NAME			
State 11-16 43-007-30961			
LOCATION DATA			
NW NW Sec 16 T-12S, R-10E			
FOOTAGES	GL		KB
550' FNL 500' FWL	7569		7580
COUNTY, STATE			
Carbon County, Utah			

RIG CONTACT INFORMATION:	
OFFICE TRAILER:	970 942 7543
CONSULTANT HAND CELL:	303 913 1054
DOGHOUSE:	307 268 7316
PUSHER:	

DATE	SPUD DATE	6AM DEPTH
8/2/2004	7/14/2004	3546
REPORT NO.		24 HR FOOTAGE
15		14
DRLG CONTRACTOR		DAYS SINCE SPUD
Elenburg, Rig 12		15
CONSULTANT	AFE #	API #
John C. Lamb		

ACTIVITY AT REPORT TIME:	DAILY COST	CUM COST	AFE COSTS
Tripping in hole	$ 17,952	$ 450,461	$ -

CHRONOLOGY OF DAILY OPERATIONS (06:00 - 06:00 HRS)

SLOW PUMP RATE DATA:			STRING WEIGHT INFORMATION:			
Depth	SPM	Pressure	Eff BHA Wt	Rotating:	Slackoff:	Hoisting:
3533	54	250	37,000	97,000	96,000	99,000

FROM (hrs)	TO (hrs)	HOURS (hrs)	Activity:
06:00	06:30	0.50	Trip in hole, broke off hold down screw in hangoff sub for MWD instrument
06:30	12:15	5.75	Call for new hang off sub, attempt to drill out and remove broken hold down screw while waiting on sub
12:15	13:45	1.50	PU new HOS sub and rescribe MWD tool
13:45	17:30	3.75	Trip in hole to 2900
17:30	03:30	10.00	Ream 2900 - 3532
03:30	06:00	2.50	Drill 3532 - 3545
TOTAL HOURS		24.00	

RECEIVED
DEC 13 2004
DIV. OF OIL, GAS & MINING

SUMMARY OF RIG HOURS

DESC.	DAILY (hrs)	CUM (hrs)
Drill	2.50	248.00
Trip	4.25	42.50
Circulate		2.25
Rig Repair		25.50
Rig Service		2.75
Dev Survey		0.25
NU / ND		3.00
Cement		
Run Casing		
WOC		
OH Logging		
Mix Mud		1.00
MI & RU		
Rat Hole		
Mouse Hole		
Fishing		
DST		
Coring		
Other		6.75
Cut drlg line		1.00
Wash & Ream	10.00	3.00
WO mwd tool	5.75	5.75
Test BOPE		2.00
WOO		
PU/LD BHA	1.50	7.00
Drill cement		1.25
TOTALS	24.00	352.00

SUMMARY OF DAILY & CUMULATIVE COSTS

COST CODE	DESCRIPTION OF DAILY COSTS	DAILY ($)	CUM ($)	AFE ($)
2030.010	Land, Legal, Title, Survey, Arch, Damages, Permits, Signs			
2030.031	Dirtwork, Road, Location, Pits, Liner		$ 25,000	
2030.019	Contract Drilling 9480 / day 392.5 / h cond 5491 26,000 mob sfc 38791	$ 9,480	$ 212,760	
2032.001	Water		$ 3,249	
2032.013	Drill Bits, Stabilizers, Reamers		$ 33,500	
2031.046	Cementing and Services		$ 5,000	
2030.053	Coring and Analysis			
2030.052	Logging			
2030.054	Mud Logging			
2030.037	Rental Equipment	$ 990	$ 15,199	
2030.028	Transportation		$ 10,270	
2032.004	Mud and Chemicals		$ 13,334	
	Directional Services, Mud Motors	$ 6,682	$ 92,915	
2031.056	Well Stimulation			
2030.035	Contract Labor		$ 2,422	
2030.022	Engineering / Supervision	$ 800	$ 12,800	
2030.099	Intangible Miscellaneous and Contingencies			
2040.001	Surface Casing		$ 19,071	
2040.004	Production Casing			
1011.000	Float Equipment, Shoes, Centralizers			
1041.000	Wellhead Equipment		$ 4,941	
1073.000	Bottom Hole Pump / Gas Lift / Other			
1104.000	Drivehead, Engine / Motor and Hydraulic Pump / Electric Unit			
2040.052 / 2040.055	Valves and Fittings, Small / Large			
2040.067	Other Surface Equipment			
2040.099	Tangible Miscellaneous and Contingencies			
	TOTAL COSTS	$ 17,952	$ 450,461	$ -

Report # 15	Date: 08/02/04	Well Nar

DAILY DRILLING REPORT

State 11-16

BIT RECORD

BIT NO. (#)	BIT SIZE (in)	MFG	TYPE	SERIAL NO.	JETS (32/32/32)	DEPTH IN (ft)	DEPTH OUT (ft)	FOOTAGE DRILLED (ft)	CUM BIT HOURS (hrs)	ROP (ft/hr)	WOB (klbs)	RPM MTR/TBL	BIT TORQUE (ft.-lbs)	BIT GRADING In	Out	Dull	Loc	Seals	Gge	Dull	Other
1	12 1/4	HTC	HT30XP	J101045	16 / 16 / 16	504	2,095	1,591	126.00	12.6	30 - 34K	54 / 80	2500 - 3000	3	3	WT	A	F	0	No	torque
2	12 1/4	JZ	HJT537G	15987	16 / 16 / 16	2,095	3,222	1,127	87.00	13.0	33 - 41K	54 / 80	1500 - 1900	5	8	BT	G	E	1/4	RG	torque
3	12 1/4	JZ	HJT537G	16001	16 / 16 / 16	3,222	3,532	310	24.75	12.5	37 - 44K	54 / 80	1800 - 3300	7	8	BT	A	F	1/2	RG	torque
4	12 1/4	RTC	HP53KPRDH	KA9244	16 / 16 / 16	3,532	3,546	14	3.00	4.7	12 - 18K	54 / 60-80	1200 - 2000								
5								0		#DIV/0!											
COMMENTS																					

RENTAL EQUIPMENT

RENTAL ITEM	DAILY COSTS ($)	CUM COSTS ($)
Living Qtrs	$ 195	$ 3,195
Frac Tank	$ 45	$ 220
Forklift	$ 80	$ 900
Portajohn	$ 20	$ 320
Mud Trailer	$ 20	$ 320
Mud Cleaner	$ 375	$ 5,250
EDR	$ 60	$ 840
Autodriller	$ 90	$ 1,260
RU mud clnr		$ 670
Trash/Tlt del		$ 349
Living Qtrs	$ 125	$ 1,875
other		
other		
other		
other		
other		
other		
other		
TOTALS	$ 990	$ 15,199

CASING DATA

SIZE (in)	WEIGHT (lb/ft)	GRADE	CONN	DRIFT ID (in)	EXTERNAL COLLAPSE (psi)	INTERNAL YIELD (psi)	CAPACITY (bbls/ft)	LENGTH (ft)	TOP SET AT (ft)	BOTTOM SET AT (ft KB)
13 3/8"	54.5	J55	ST&C	12.459	1,130	2,730	0.15450	536.00	2.00	523.00

BOTTOMHOLE ASSEMBLY

DESCRIPTION OF BHA	PROVIDER	THREAD SIZE BOX	THREAD SIZE PIN	MAXIMUM O.D. (in)	MINIMUM I.D. (in)	LENGTH (ft)	HOURS RUN	HRS SINCE INSPECTION
BIT	HTC		6 5/8R	12.250		1.50	12.50	12.50
2 deg 3 stage 7/8 Mud Motor	Black Max/Scientific	6 5/8R	6 5/8R	8.000		25.44	12.50	12.50
NMDC	Scientific	6 5/8R	6 5/8R	7.563	3.125	30.48	250.50	250.50
HOS	Scientific	6 5/8R	6 5/8R	7.875	3.250	2.39	250.50	250.50
XO	Weatherford	4 1/2IF	6 5/8R	8.250	3.125	1.88	250.50	250.50
4 - 7 1/4" DC	Rig	4 1/2IF	4 1/2IF	7.250	2.875	114.94	250.50	250.50
XO	Rig	4 1/2XH	4 1/2IF	6.750	2.875	2.00	250.50	250.50
6 - 6 1/4" DC	Rig	4 1/2XH	4 1/2XH	6.250	2.313	245.64	418.00	418.00
24 1/2" HWDP	Rig	4 1/2XH	4 1/2XH	4.500	2.750	62.61	418.00	418.00

DRILLING MUD REPORT

SAMPLE DEPTH (ft)	TIME (hr:mm)	MUD WT. (ppg)	FUNNEL VISCOSITY (sec/qt)	PV / YP	KCL (%)	GEL STRENGTH (lb/100 ft2)	FILTRATE API (ml/30 min)	CALCIUM (ppm)	CAKE THICKNESS (/32 in)	SOLIDS (% vol)	SAND CONTENT (% vol)	pH	CHLORIDES (ppm)	ALKALINITY Pf / Mf	LCM lb/gal
3,390	10:40	9.20	38	9 / 15	1.10	6 / 15	12.8	440	2	5.0	1/10	9.8	9,800	.4 / 1.4	

DAILY MUD COST & INVENTORY

	BARITE (sx)	QUICK GEL (sx)	CAUSTIC (sx)	LIME (sx)	SODA ASH (sx)	UNIDRILL (sx)	SOLWHICK (sx)	PAC-R (sx)	PHPA (gal)	CEDAR (sx)	TRUCKING ($)	TOTAL COSTS ($)
UNIT COST												
STARTING INVENTORY	120											
INVENTORY RECEIVED												
USED LAST 24 HOURS												
ENDING INVENTORY												
DAILY MUD COST												1,720
PREVIOUS CUMULATIVE COST												16,398
CUMULATIVE MUD COST												18,118

MUD LOGGER REPORT

MUD GAS DATA (in Units) BACK GROUND	CONN GAS	TRIP GAS	SHOW INTERVAL FROM (ft)	TO (ft)	RATE OF PENETRATION BEFORE (ft)	DURING (ft)	AFTER (ft)	SHOW GAS DATA BEFORE UNITS	DURING UNITS	AFTER UNITS
0	0	0								

Formation Tops: Blackhawk 3533'

Shows: None

Sample Description: 80% Shale Gy-dk gy, rthy, plty carbonaceous

DEVIATION SURVEYS

Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle
530	1.00	Wireline	0.00	1448	1.30	260.00	1.68	2314	1.14	149.30	0.62	3268	1.15	208.10	1.29
579	0.70	205.50	0.12	1480	1.20	245.80	1.01	2348	0.55	136.40	1.93	3299	1.02	217.70	0.72
608	0.80	204.40	0.35	1511	0.80	252.80	1.32	2377	0.36	115.07	0.81	3330	0.35	220.30	2.16
671	0.90	188.80	0.84	1542	0.80	220.00	1.46	2407	0.31	125.95	0.27	3362	0.11	310.70	1.15
702	1.10	178.70	0.86	1574	1.10	216.70	0.95	2466	0.27	84.80	0.34	3393	0.18	6.20	0.48
732	1.20	194.80	1.12	1604	0.70	204.10	1.48	2496	0.45	101.80	0.69	3424	0.11	325.63	0.39
763	1.20	181.30	0.91	1635	0.80	187.10	0.78	2529	0.56	137.10	1.04	3456	0.14	3.46	0.27
794	1.20	181.20	0.01	1666	0.80	221.50	1.53	2590	0.81	136.50	0.41	3487	0.17	185.43	1.00
824	1.00	207.10	1.77	1697	0.70	191.20	1.30	2620	0.72	129.90	0.42				
854	1.30	181.60	1.95	1728	0.90	182.80	0.75	2653	0.84	139.30	0.53				
886	0.90	197.20	1.55	1758	1.00	205.90	1.31	2683	0.92	149.30	0.56				
917	1.00	211.90	0.85	1791	1.07	204.30	0.23	2713	0.83	158.10	0.54				
979	1.16	199.50	0.46	1820	1.00	188.10	1.03	2744	0.70	195.30	1.62				
1011	1.20	203.80	0.30	1851	0.65	198.30	1.22	2806	0.84	224.60	0.67				
1041	1.50	211.66	1.18	1882	0.71	148.60	1.85	2837	0.93	223.40	0.30				
1073	1.50	217.80	0.49	1913	0.65	127.20	0.84	2867	0.90	231.80	0.46				
1104	1.20	210.00	1.13	1945	0.57	114.30	0.50	2898	0.39	226.10	1.66				
1135	1.40	228.90	1.39	1975	0.49	121.70	0.35	2929	0.30	181.00	0.89				
1166	0.80	239.90	2.08	2036	0.99	159.49	1.74	2981	0.41	144.00	0.78				
1197	1.00	248.10	0.72	2067	1.17	149.90	0.86	2992	0.54	136.40	0.44				
1228	1.10	230.50	0.97	2099	1.21	155.96	0.47	3021	0.65	138.00	0.38				
1259	0.90	271.40	2.33	2129	1.17	154.80	0.16	3097	0.88	119.47	0.30				
1290	0.70	248.40	0.30	2160	1.36	153.80	0.68	3115	0.86	147.23	2.32				
1321	0.90	247.00	0.61	2193	1.48	154.10	0.30	3145	0.74	161.10	0.76				
1355	0.80	250.60	0.33	2223	1.53	159.90	0.53	3176	0.98	163.17	0.78				
1385	0.90	276.30	1.30	2253	1.55	149.80	0.91	3207	1.20	178.80	1.19				
1417	0.80	252.00	1.16	2284	1.31	152.70	0.81	3237	1.19	188.50	0.67				
ESTIMATED FORMATION TOPS:															
SAMPLE DESCRIPTION:															

PUMP & CIRCULATING DATA

MUD PUMPS	MAKE	MODEL	LINER SIZE (in)	STROKE LENGTH (in)	ASSUMED EFF (%)	PUMP RATE (spm)	PUMP VOLUMETRIC DATA (bbls/stk)	(bbls/min)	(gal/min)	CIRCULATING DETAILS Standpipe (psi)	Motor Differential	HHP (Sq in)	ANNULAR VELOCITY DP (ft/min)	DC (ft/min)	DC (ft/min)
NO. 1	National	7P50	6.25	7.75	95.00%	118	0.0736	8.25	347	920	100 - 230	0.43	65	103	
NO. 2															
NO. 3															
COMBINED															

021

EVERGREEN OPERATING, INC.

DAILY DRILLING REPORT

WELL NAME			
State 11-16 43-007-30961			
LOCATION DATA			
NW NW Sec 16 T-12S, R-10E			
FOOTAGES	GL		KB
550' FNL 500' FWL	7569		7580
COUNTY, STATE			
Carbon County, Utah			

RIG CONTACT INFORMATION:	
OFFICE TRAILER:	970 942 7543
CONSULTANT HAND CELL:	303 913 1054
DOGHOUSE:	307 268 7316
PUSHER:	

DATE	SPUD DATE	6AM DEPTH
8/3/2004	7/14/2004	3685
REPORT NO.		24 HR FOOTAGE
16		3,546
DRLG CONTRACTOR		DAYS SINCE SPUD
Elenburg, Rig 12		16
CONSULTANT		AFE # / API #
John C. Lamb		

ACTIVITY AT REPORT TIME:	DAILY COST	CUM COST	AFE COSTS
Drilling ahead	$ 17,452	$ 467,913	$ -

CHRONOLOGY OF DAILY OPERATIONS (06:00 - 06:00 HRS)

FROM (hrs)	TO (hrs)	HOURS (hrs)	Activity:
06:00	06:00	24.00	Rotate 3546 - 3685
TOTAL HOURS		24.00	

SLOW PUMP RATE DATA:			STRING WEIGHT INFORMATION:			
Depth	SPM	Pressure	Eff BHA Wt	Rotating:	Slackoff:	Hoisting:
3659	54	250	37,000	94,000	93,000	95,000

RECEIVED
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DIV. OF OIL, GAS & MINING

SUMMARY OF RIG HOURS

DESC.	DAILY (hrs)	CUM (hrs)
Drill	24.00	270.00
Trip		42.50
Circulate		2.25
Rig Repair		25.50
Rig Service		2.75
Dev Survey		0.25
NU / ND		3.00
Cement		
Run Casing		
WOC		
OH Logging		
Mix Mud		1.00
MI & RU		
Rat Hole		
Mouse Hole		
Fishing		
DST		
Coring		
Other		8.75
Cut drlg line		1.00
Wash & Ream		3.00
WO mwd tool		5.75
Test BOPE		2.00
WOO		
PU/LD BHA		7.00
Drill cement		1.25
TOTALS	24.00	376.00

SUMMARY OF DAILY & CUMULATIVE COSTS

COST CODE	DESCRIPTION OF DAILY COSTS	DAILY ($)	CUM ($)	AFE ($)
2030.010	Land, Legal, Title, Survey, Arch, Damages, Permits, Signs			
2030.031	Dirtwork, Road, Location, Pits, Liner		$ 25,000	
2030.019	Contract Drilling 9480 / day 392.5 / h cond 5491 26,000 mob sfc 38791	$ 9,480	$ 222,240	
2032.001	Water		$ 3,249	
2032.013	Drill Bits, Stabilizers, Reamers		$ 33,500	
2031.046	Cementing and Services		$ 5,000	
2030.053	Coring and Analysis			
2030.052	Logging			
2030.054	Mud Logging			
2030.037	Rental Equipment	$ 990	$ 16,189	
2030.028	Transportation		$ 10,270	
2032.004	Mud and Chemicals		$ 13,334	
	Directional Services, Mud Motors	$ 6,182	$ 99,097	
2031.056	Well Stimulation			
2030.035	Contract Labor		$ 2,422	
2030.022	Engineering / Supervision	$ 800	$ 13,600	
2030.099	Intangible Miscellaneous and Contingencies			
2040.001	Surface Casing		$ 19,071	
2040.004	Production Casing			
1011.000	Float Equipment, Shoes, Centralizers			
1041.000	Wellhead Equipment		$ 4,941	
1073.000	Bottom Hole Pump / Gas Lift / Other			
1104.000	Drivehead, Engine / Motor and Hydraulic Pump / Electric Unit			
2040.052 / 2040.055	Valves and Fittings, Small / Large			
2040.067	Other Surface Equipment			
2040.099	Tangible Miscellaneous and Contingencies			
	TOTAL COSTS	$ 17,452	$ 467,913	$

Report # 16 | Date: 08/03/04 | Well Name | **DAILY DRILLING REPORT** | State 11-16 | Page 2

BIT RECORD

BIT NO. (#)	BIT SIZE (in)	MFG	TYPE	SERIAL NO.	JETS (32nds)	DEPTH IN (ft)	DEPTH OUT (ft)	FOOTAGE DRILLED (ft)	CUM BIT HOURS (hrs)	ROP (ft/hr)	WOB (Klbs)	RPM MT/VTBL	BIT TORQUE (ft - lbs)	BIT GRADING In	Out	Dull	Loc	Seals	Gge	Dull	Other
1	12 1/4	HTC	HT30XP	J101045	16 / 16 / 16	504	2,095	1,591	126.00	12.6	30 - 34K	54 / 60	2500 - 3000	3	3	WT	A	F	0	No	torque
2	12 1/4	JZ	HJT537G	15987	16 / 16 / 16	2,095	3,222	1,127	87.00	13.0	33 - 41K	54 / 60	1500 - 1900	5	8	BT	G	E	1/4	RG	torque
3	12 1/4	JZ	HJT537G	16001	16 / 16 / 16	3,222	3,532	310	24.75	12.5	37 - 44K	54 / 60	1800 - 3300	7	8	BT	A	F	1/2	RG	torque
4	12 1/4	RTC	HP53KPRDH	KA9244	16 / 16 / 16	3,532	3,685	153	27.00	5.7	12 - 18K	54 / 60-80	1200 - 2000								
5								0		#DIV/0!											
COMMENTS																					

RENTAL EQUIPMENT

RENTAL ITEM	DAILY COSTS ($)	CUM COSTS ($)
Living Qtrs	$ 195	$ 3,390
Frac Tank	$ 45	$ 265
Forklift	$ 60	$ 960
Portajohn	$ 20	$ 340
Mud Trailer	$ 20	$ 340
Mud Cleaner	$ 375	$ 5,625
EDR	$ 60	$ 900
Autodriller	$ 90	$ 1,350
RU mud dlnr		$ 670
Trash/Trk del		$ 349
Living Qtrs	$ 125	$ 2,000
other		
other		
other		
other		
other		
other		
other		
TOTALS	$ 990	$ 16,189

CASING DATA

SIZE (in)	WEIGHT (lbs/ft)	GRADE	CONN	DRIFT ID (in)	EXTERNAL COLLAPSE (psi)	INTERNAL YIELD (psi)	CAPACITY (bbls/ft)	LENGTH (ft)	TOP SET AT (ft)	BOTTOM SET AT (ft Kb)
13 3/8"	54.5	J55	ST&C	12.459	1,130	2,730	0.15450	536.00	2.00	523.00

BOTTOMHOLE ASSEMBLY

DESCRIPTION OF BHA	PROVIDER	THREAD SIZE BOX	THREAD SIZE PIN	MAXIMUM O.D. (in)	MINIMUM I.D. (in)	LENGTH (ft)	HOURS RUN	HRS SINCE INSPECTION
BIT	HTC		6 5/8R	12.250		1.50	36.50	36.50
2 deg 3 stage 7/8 Mud Motor	Black Max/Scientific	6 5/8R	6 5/8R	8.000		25.44	36.50	36.50
NMDC	Scientific	6 5/8R	6 5/8R	7.563	3.125	30.48	274.50	274.50
HOS	Scientific	6 5/8R	6 5/8R	7.875	3.250	2.39	274.50	274.50
XO	Weatherford	4 1/2IF	6 5/8R	8.250	3.125	1.88	274.50	274.50
4 - 7 1/4" DC	Rig	4 1/2IF	4 1/2IF	7.250	2.875	114.94	274.50	274.50
XO	Rig	4 1/2XH	4 1/2IF	6.750	2.875	2.00	274.50	274.50
6 - 6 1/4" DC	Rig	4 1/2XH	4 1/2XH	6.250	2.313	245.84	242.00	242.00
2 4 1/2" HWDP	Rig	4 1/2XH	4 1/2XH	4.500	2.750	62.81	242.00	242.00

DRILLING MUD REPORT

SAMPLE DEPTH (ft)	TIME (hh:mm)	MUD WT. (ppg)	FUNNEL VISCOSITY (sec/qt)	PV / YP	KCL (%)	GEL STRENGTH (lb/100 ft2)	FILTRATE API (ml/30 min)	CAL CLIM (ppm)	CAKE THICKNESS (/32 in)	SOLIDS (% vol)	SAND CONTENT (% vol)	pH	CHLORIDES (ppm)	ALKALINITY Pf / Mf	LCM lb/gal
3,353	08:10	9.20	42	13 / 11	1.50	2 / 8	11.6	520	2	5.0	1/10	9.5	14,000	.5 / 1.8	

DAILY MUD COST & INVENTORY

	BARITE (sx)	QUICK GEL (sx)	CAUSTIC (sx)	LIME (sx)	SODA ASH (sx)	UNDRILL (sx)	SOLKWICK (sx)	PAC-R (sx)	PHPA (gal)	CEDAR (sx)	TRUCKING ($)	TOTAL COSTS ($)
UNIT COST												
STARTING INVENTORY	120											
INVENTORY RECEIVED												
USED LAST 24 HOURS												
ENDING INVENTORY												
DAILY MUD COST												2,015
PREVIOUS CUMULATIVE COST												20,829
CUMULATIVE MUD COST												22,844

MUD LOGGER REPORT

MUD GAS DATA (in Units) BACK GROUND	CONN GAS	TRIP GAS	SHOW INTERVAL FROM (ft)	TO (ft)	RATE OF PENETRATION BEFORE (ft)	DURING (ft)	AFTER (ft)	SHOW GAS DATA BEFORE UNITS	DURING UNITS	AFTER UNITS
1-3	30	0	3520	3530						

Formation Tops: Still drilling in Castlegate

Shows: 3520-30' faint yel strmng ct

30 CG at 3655, no other CG

Sample Description: 85% Ss 15% Sh

DEVIATION SURVEYS

Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle
530	1.00	Wireline	0.00	1448	1.30	260.00	1.68	2314	1.14	149.30	0.62	3268	1.15	205.10	1.29
579	0.70	205.50	0.12	1480	1.20	245.80	1.01	2346	0.55	136.40	1.93	3299	1.02	217.70	0.72
608	0.80	204.40	0.35	1511	0.60	252.80	1.32	2377	0.38	115.07	0.81	3330	0.35	220.30	2.16
671	0.90	168.60	0.84	1542	0.80	220.00	1.46	2407	0.31	125.95	0.27	3362	0.11	310.70	1.15
702	1.10	178.70	0.66	1574	1.10	216.70	0.95	2468	0.27	84.60	0.34	3393	0.18	6.20	0.48
732	1.20	194.80	1.12	1604	0.70	204.10	1.48	2498	0.45	101.80	0.69	3424	0.11	325.80	0.39
763	1.20	181.30	0.91	1635	0.80	187.10	0.78	2529	0.56	137.10	1.04	3456	0.14	3.40	0.27
794	1.20	181.20	0.01	1666	0.80	221.50	1.53	2590	0.81	136.50	0.41	3487	0.17	185.40	1.00
824	1.00	207.10	1.77	1697	0.70	191.20	1.30	2620	0.72	129.90	0.42	3528	0.48	254.40	1.09
854	1.30	181.60	1.95	1728	0.90	182.80	0.75	2653	0.84	139.30	0.53	3558	0.11	337.50	1.80
886	0.90	197.20	1.55	1758	1.00	205.90	1.31	2683	0.92	149.30	0.58	3590	0.31	291.40	0.77
917	1.00	211.90	0.65	1791	1.07	204.30	0.23	2713	0.83	156.10	0.54	3622	0.47	210.81	1.62
979	1.16	199.50	0.48	1820	1.00	188.10	1.03	2744	0.70	195.30	1.62				
1011	1.20	203.80	0.30	1851	0.65	198.30	1.22	2806	0.84	224.60	0.67				
1041	1.50	211.86	1.18	1882	0.71	148.60	1.85	2837	0.93	223.40	0.30				
1073	1.50	217.80	0.49	1913	0.65	127.20	0.64	2867	0.90	231.80	0.46				
1104	1.20	210.00	1.13	1945	0.57	114.30	0.50	2898	0.39	226.10	1.66				
1135	1.40	226.90	1.39	1975	0.49	121.70	0.35	2929	0.30	181.00	0.89				
1166	0.80	239.90	2.08	2036	0.99	159.49	1.74	2961	0.41	144.00	0.76				
1197	1.00	246.10	0.72	2067	1.17	149.90	0.86	2992	0.54	136.40	0.44				
1228	1.10	230.50	0.97	2099	1.21	155.96	0.47	3021	0.85	136.00	0.36				
1259	0.90	271.40	2.33	2129	1.17	154.60	0.16	3097	0.88	119.47	0.30				
1290	0.70	246.40	0.30	2160	1.38	153.80	0.88	3115	0.86	147.23	2.32				
1321	0.90	247.00	0.61	2193	1.46	154.10	0.30	3145	0.74	181.10	0.76				
1355	0.80	250.60	0.33	2223	1.53	159.90	0.53	3176	0.98	163.17	0.76				
1385	0.90	276.30	1.30	2253	1.55	149.60	0.81	3207	1.20	178.60	1.19				
1417	0.80	252.00	1.16	2284	1.31	152.70	0.81	3237	1.19	186.50	0.67				
ESTIMATED FORMATION TOPS:															
SAMPLE DESCRIPTION:															

PUMP & CIRCULATING DATA

MUD PUMPS	MAKE	MODEL	LINER SIZE (in)	STROKE LENGTH (in)	ASSUMED EFF (%)	PUMP RATE (spm)	PUMP VOLUMETRIC DATA (bbls/stk)	(bbls/min)	(gal/min)	CIRCULATING DETAILS Standpipe (psi)	Motor Differential	HHP (Sq in)	ANNULAR VELOCITY DP (ft/min)	DC (ft/min)	DC (ft/min)
NO. 1	National	7P50	6.25	7.75	95.00%	118	0.0736	8.25	347	920	100 - 230	0.43	65	103	
NO. 2															
NO. 3															
COMBINED															

020

EVERGREEN OPERATING, INC.

DAILY DRILLING REPORT

WELL NAME			
State 11-16 43-007-30961			
LOCATION DATA			
NW NW Sec 16 T-12S, R-10E			
FOOTAGES	GL		KB
550' FNL 500' FWL	7569		7580
COUNTY, STATE			
Carbon County, Utah			

RIG CONTACT INFORMATION:	
OFFICE TRAILER:	970 942 7543
CONSULTANT HAND CELL:	303 913 1054
DOGHOUSE:	307 268 7316
PUSHER:	

DATE	SPUD DATE	6AM DEPTH
8/4/2004	7/14/2004	3721
REPORT NO.		24 HR FOOTAGE
17		36
DRLG CONTRACTOR		DAYS SINCE SPUD
Elenburg, Rig 12		17
CONSULTANT		AFE # / API #
John C. Lamb		

ACTIVITY AT REPORT TIME:	DAILY COST	CUM COST	AFE COSTS
Running 8 5/8" casing	$ 97,956	$ 575,080	$ -

CHRONOLOGY OF DAILY OPERATIONS (06:00 - 06:00 HRS)

SLOW PUMP RATE DATA:			STRING WEIGHT INFORMATION:			
Depth	SPM	Pressure	Eff BHA Wt	Rotating:	Slackoff:	Hoisting:
3659	54	250	37,000	94,000	93,000	95,000

FROM (hrs)	TO (hrs)	HOURS (hrs)	Activity:
06:00	08:45	2.75	Rotate 3685 - 3698
08:45	09:30	0.75	Slide 3698 - 3699, unable to slide - wouldn't hold tool face & drill
09:30	10:15	0.75	Rotate 3699 - 3702
10:15	10:30	0.25	Service rig
10:30	14:30	4.00	Rotate 3702 - 3721
14:30	14:45	0.25	Circulate
14:45	21:30	6.75	Trip out of hole, break down directional tools
21:30	00:00	2.50	RU to run casing - weld on & refit tongs from 7" BHA to 8 5/8 casing
00:00	06:00	6.00	Running 8 5/8" 32# J55 ST&C casing
TOTAL HOURS		24.00	

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DEC 13 2004

DIV. OF OIL, GAS & MINING

SUMMARY OF RIG HOURS

DESC.	DAILY (hrs)	CUM (hrs)
Drill	8.25	278.25
Trip	6.75	49.25
Circulate	0.25	2.50
Rig Repair		25.50
Rig Service	0.25	3.00
Dev Survey		0.25
NU / ND		3.00
Cement		
Run Casing	8.50	8.50
WOC		
OH Logging		
Mix Mud		1.00
MI & RU		
Rat Hole		
Mouse Hole		
Fishing		
DST		
Coring		
Other		6.75
Cut drlg line		1.00
Wash & Ream		3.00
WO mwd tool		5.75
Test BOPE		2.00
WOO		
PU/LD BHA		7.00
Drill cement		1.25
TOTALS	24.00	400.00

SUMMARY OF DAILY & CUMULATIVE COSTS

COST CODE	DESCRIPTION OF DAILY COSTS	DAILY ($)	CUM ($)	AFE ($)
2030.010	Land, Legal, Title, Survey, Arch, Damages, Permits, Signs			
2030.031	Dirtwork, Road, Location, Pits, Liner		$ 25,000	
2030.019	Contract Drilling 9480 / day 392.5 / h cond 5491 26,000 mob sfc 38791	$ 9,480	$ 231,720	
2032.001	Water	$ 634	$ 3,384	
2032.013	Drill Bits, Stabilizers, Reamers		$ 33,500	
2031.046	Cementing and Services		$ 5,000	
2030.053	Coring and Analysis			
2030.052	Logging			
2030.054	Mud Logging			
2030.037	Rental Equipment	$ 1,480	$ 17,369	
2030.028	Transportation	$ 1,990	$ 12,260	
2032.004	Mud and Chemicals	$ 1,736	$ 24,580	
	Directional Services, Mud Motors	$ 6,182	$ 105,779	
	Intermediate casing	$ 73,854	$ 73,854	
2030.035	Contract Labor		$ 2,422	
2030.022	Engineering / Supervision	$ 800	$ 14,400	
2030.099	Intangible Miscellaneous and Contingencies			
2040.001	Surface Casing		$ 19,071	
2040.004	Production Casing			
1011.000	Float Equipment, Shoes, Centralizers	$ 1,800	$ 1,800	
1041.000	Wellhead Equipment		$ 4,941	
1073.000	Bottom Hole Pump / Gas Lift / Other			
1104.000	Drivehead, Engine / Motor and Hydraulic Pump / Electric Unit			
2040.052 / 2040.055	Valves and Fittings, Small / Large			
2040.067	Other Surface Equipment			
2040.099	Tangible Miscellaneous and Contingencies			
	TOTAL COSTS	$ 97,956	$ 575,080	$ -

Report # 17	Date: 08/04/04	DAILY DRILLING REPORT	
	Well Name:	State 11-16	

BIT RECORD

BIT NO. (#)	BIT SIZE (in)	MFG	TYPE	SERIAL NO.	JETS (32/32/32)	DEPTH IN (ft)	DEPTH OUT (ft)	FOOTAGE DRILLED (ft)	CUM BIT HOURS (hrs)	ROP (ft/hr)	WOB (#'s)	RPM RT/MTR/TBL	BIT TORQUE (ft - lbs)	BIT GRADING In	Out	Dull	Loc	Seals	Gge	Dull	Other
1	12 1/4	HTC	HT30XP	J101045	16 / 16 / 16	504	2,095	1,591	126.00	12.6	30 - 34K	54 / 60	2500 - 3000	3	3	WT	A	F	0	No	torque
2	12 1/4	JZ	HJT537G	15987	16 / 16 / 16	2,095	3,222	1,127	87.00	13.0	33 - 41K	54 / 60	1500 - 1900	5	8	BT	G	E	1/4	RG	torque
3	12 1/4	JZ	HJT537G	16001	16 / 16 / 16	3,222	3,532	310	24.75	12.5	37 - 44K	54 / 60	1800 - 3300	7	8	BT	A	F	1/2	RG	torque
4	12 1/4	RTC	HP53KPRDH	KA9244	16 / 16 / 16	3,532	3,721	189	35.25	5.4	28 - 33K	54 / 60-80	1200 - 2200								
5								0		#DIV/0!											
COMMENTS																					

RENTAL EQUIPMENT

RENTAL ITEM	DAILY COSTS ($)	CUM COSTS ($)
Living Qtrs	$ 195	$ 3,585
Frac Tank	$ 45	$ 310
Forklift	$ 80	$ 1,020
Portajohn	$ 20	$ 380
Mud Trailer	$ 20	$ 360
Mud Cleaner	$ 375	$ 5,700
EDR	$ 60	$ 960
Autodriller	$ 90	$ 1,440
RU mud clnr		$ 670
Trash/Tlt del		$ 349
Living Qtrs	$ 125	$ 2,125
empty trash	$ 490	$ 490
other		
other		
other		
other		
other		
TOTALS	$ 1,480	$ 17,369

CASING DATA

SIZE (in)	WEIGHT (lb/ft)	GRADE	CONN	DRIFT ID (in)	EXTERNAL COLLAPSE (psi)	INTERNAL YIELD (psi)	CAPACITY (bbls/ft)	LENGTH (ft)	TOP SET AT (ft)	BOTTOM SET AT (ft KB)	
13 3/8"	54.5	J55	ST&C	12.459	1,130	2,730	0.15450	536.00	2.00	523.00	

BOTTOMHOLE ASSEMBLY

DESCRIPTION OF BHA	PROVIDER	THREAD SIZE BOX	THREAD SIZE PIN	MAXIMUM O.D. (in)	MINIMUM I.D. (in)	LENGTH (ft)	HOURS RUN	HRS SINCE INSPECTION	
BIT	HTC		6 5/8R	12.250		1.50	44.50	44.50	
2 deg 3 stage 7/8 Mud Motor	Black Max/Scientific	6 5/8R	6 5/8R	8.000		25.44	44.50	44.50	
NMDC	Scientific	6 5/8R	6 5/8R	7.563	3.125	30.48	282.50	282.50	
HOS	Scientific	6 5/8R	6 5/8R	7.875	3.250	2.39	282.50	282.50	
XO	Weatherford	4 1/2IF	6 5/8R	8.250	3.125	1.88	282.50	282.50	
4 - 7 1/4" DC	Rig	4 1/2IF	4 1/2IF	7.250	2.875	114.94	282.50	282.50	
XO	Rig	4 1/2XH	4 1/2IF	6.750	2.875	2.00	282.50	282.50	
8 - 6 1/4" DC	Rig	4 1/2XH	4 1/2XH	6.250	2.313	245.84	450.00	450.00	
2 4 1/2" HWDP	Rig	4 1/2XH	4 1/2XH	4.500	2.750	62.61	450.00	450.00	

DRILLING MUD REPORT

SAMPLE DEPTH (ft)	TIME (hh:mm)	MUD WT. (ppg)	FUNNEL VISCOSITY (sec/qt)	PV / YP	KCL (%)	GEL STRENGTH (lb/100 ft2)	FILTRATE API (ml/30 min)	CALCIUM (ppm)	CAKE THICKNESS (/32 in)	SOLIDS (% vol)	SAND CONTENT (% vol)	pH	CHLORIDES (ppm)	ALKALINITY Pf / Mf	LCM lb/gal
3,696	08:10	9.20	42	13 / 11	1.50	2 / 8	11.6	520	2	5.0	1/10	9.5	14,000	.5 / 1.6	

DAILY MUD COST & INVENTORY

	BARITE (sx)	QUICK GEL (sx)	CAUSTIC (sx)	LIME (sx)	SODA ASH (sx)	UNDRILL (sx)	SOLKWICK (sx)	PAC-R (sx)	PHPA (gal)	CEDAR (sx)	TRUCKING ($)		TOTAL COSTS ($)
UNIT COST													
STARTING INVENTORY	120												
INVENTORY RECEIVED													
USED LAST 24 HOURS													
ENDING INVENTORY													
DAILY MUD COST													1,736
PREVIOUS CUMULATIVE COST													22,844
CUMULATIVE MUD COST													24,580

MUD LOGGER REPORT

MUD GAS DATA (in Units) BACK GROUND	CONN GAS	TRIP GAS	SHOW INTERVAL FROM (ft)	TO (ft)	RATE OF PENETRATION BEFORE (ft)	DURING (ft)	AFTER (ft)	SHOW GAS DATA BEFORE UNITS	DURING UNITS	AFTER UNITS
1-3										

Formation Tops: Blackhawk 3645'

Shows:

Sample Description: 80% Ss 20% Sh

DEVIATION SURVEYS

Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle
530	1.00	Wireline	0.00	1448	1.30	260.00	1.68	2314	1.14	149.30	0.62	3268	1.15	208.10	1.29
579	0.70	205.50	0.12	1480	1.20	245.80	1.01	2348	0.55	136.40	1.93	3299	1.02	217.70	0.72
608	0.80	204.40	0.35	1511	0.80	252.80	1.32	2377	0.36	115.07	0.61	3330	0.35	220.30	2.16
671	0.90	188.60	0.84	1542	0.80	220.00	1.46	2407	0.31	125.95	0.27	3362	0.11	310.70	1.15
702	1.10	178.70	0.86	1574	1.10	216.70	0.95	2468	0.27	84.80	0.34	3393	0.18	6.20	0.48
732	1.20	194.80	1.12	1604	0.70	204.10	1.48	2498	0.45	101.80	0.69	3424	0.11	325.60	0.39
763	1.20	181.30	0.91	1635	0.80	187.10	0.78	2529	0.56	137.10	1.04	3456	0.14	3.40	0.27
794	1.20	181.20	0.01	1666	0.80	221.50	1.53	2590	0.81	136.50	0.41	3487	0.17	185.40	1.00
824	1.00	207.10	1.77	1697	0.70	191.20	1.30	2620	0.72	129.90	0.42	3528	0.48	254.40	1.09
854	1.30	181.60	1.95	1728	0.90	182.80	0.75	2653	0.84	139.30	0.53	3558	0.11	337.50	1.60
886	0.90	197.20	1.55	1758	1.00	205.90	1.31	2683	0.92	149.30	0.58	3590	0.31	291.40	0.77
917	1.00	211.90	0.85	1791	1.07	204.30	0.23	2713	0.83	158.10	0.54	3622	0.47	210.81	1.82
979	1.16	199.50	0.46	1820	1.00	188.10	1.03	2744	0.70	195.30	1.62				
1011	1.20	203.80	0.30	1851	0.65	196.30	1.22	2806	0.84	224.60	0.67				
1041	1.50	211.86	1.16	1882	0.71	148.60	1.85	2837	0.93	223.40	0.30				
1073	1.50	217.80	0.49	1913	0.65	127.20	0.84	2867	0.90	231.80	0.46				
1104	1.20	210.00	1.13	1945	0.57	114.30	0.50	2898	0.39	226.10	1.66				
1135	1.40	226.90	1.39	1975	0.49	121.70	0.35	2929	0.30	181.00	0.89				
1166	0.80	239.90	2.08	2036	0.99	159.49	1.74	2961	0.41	144.00	0.78				
1197	1.00	246.10	0.72	2067	1.17	149.90	0.86	2992	0.54	138.40	0.44				
1228	1.10	230.50	0.97	2099	1.21	155.96	0.47	3021	0.65	138.00	0.38				
1259	0.90	271.40	2.33	2129	1.17	154.80	0.16	3097	0.66	119.47	0.30				
1290	0.70	246.40	0.30	2160	1.36	153.80	0.66	3115	0.66	147.23	2.32				
1321	0.90	247.00	0.61	2193	1.48	154.10	0.30	3145	0.74	161.10	0.76				
1355	0.80	250.60	0.33	2223	1.53	159.90	0.53	3176	0.98	163.17	0.78				
1385	0.90	276.30	1.30	2253	1.55	149.80	0.91	3207	1.20	178.80	1.19				
1417	0.80	252.00	1.16	2284	1.31	152.70	0.61	3237	1.19	188.50	0.67				
ESTIMATED FORMATION TOPS:															
SAMPLE DESCRIPTION:															

PUMP & CIRCULATING DATA

MUD PUMPS	MAKE	MODEL	LINER SIZE (in)	STROKE LENGTH (in)	ASSUMED EFF (%)	PUMP RATE (spm)	PUMP VOLUMETRIC DATA (bbls/stk)	(bbls/min)	(gal/min)	CIRCULATING DETAILS Standpipe (psi)	Motor Differential	HHP (Sq in)	ANNULAR VELOCITY DP (ft/min)	DC (ft/min)	DC (ft/min)
NO. 1	National	7P50	6.25	7.75	95.00%	116	0.0736	8.25	347	920	100 - 230	0.43	65	103	
NO. 2															
NO. 3															
COMBINED															

019

EVERGREEN OPERATING, INC.

DAILY DRILLING REPORT

WELL NAME				DATE	SPUD DATE	6AM DEPTH
State 11-16	43-007-3096			8/5/2004	7/14/2004	3721
LOCATION DATA				REPORT NO.		24 HR FOOTAGE
NW NW Sec 16 T-12S, R-10E				18		0
FOOTAGES	GL		KB	DRLG CONTRACTOR		DAYS SINCE SPUD
550' FNL 500' FWL	7569		7580	Elenburg, Rig 12		18
COUNTY, STATE				CONSULTANT		AFE # / API #
Carbon County, Utah				John C. Lamb		

RIG CONTACT INFORMATION:	
OFFICE TRAILER:	970 942 7543
CONSULTANT HAND CELL:	303 913 1054
DOGHOUSE:	307 268 7316
PUSHER:	

ACTIVITY AT REPORT TIME:	DAILY COST	CUM COST	AFE COSTS
Drilling cement	$ 53,283	$ 627,861	$ -

CHRONOLOGY OF DAILY OPERATIONS (06:00 - 06:00 HRS)

SLOW PUMP RATE DATA:			STRING WEIGHT INFORMATION:			
Depth	SPM	Pressure	Eff BHA Wt	Rotating:	Slackoff:	Hoisting:
3659	54	250	30,250	90,000	89,000	91,000

FROM (hrs)	TO (hrs)	HOURS (hrs)	Activity:
06:00	06:45	0.75	Run 84 joints 8 5/8" 32# ST&C casing, total length 3718', tagged fill at 3703', unable to wash down past 3810', felt solid - like bottom
06:45	09:45	3.00	Circulate casing with 118 spm at 80 psi
09:45	10:15	0.50	RU cementers
10:15	12:45	2.50	Set casing at 3810' & cement with Lead: 380 sx CBM Lite - standard blend; yield 4.34, 293 bbl slurry, mixed at 10.5 lb/gal; Tail: 170 sx Type 3 cement, yield 1.43,
			44 bbl slurry, mixed at 14.5 lb/gal + 3% salt + .3% versaset, displaced with 223.5 bbl fresh water; full returns throughout job, reciprocated casing until plug was
			dropped, trace cement to surface - estimate 25% cement in returns, bumped plug with 485 psi over 630 psi lifting pressure (1115 total), checked float - held OK
12:45	13:00	0.25	RD cementers
13:00	15:30	2.50	ND BOPE, set slips with 120,0000 and cut off casing; found that cement had fallen back by the time slips were being set
15:30	22:15	6.75	NU casing head B section, test void to 2000# - OK, NU BOPE
22:15	23:30	1.25	Test BOPE
23:30	05:30	6.00	PU BHA, strap and trip in hole, tagged cement at 3649
05:30	06:00	0.50	Drilling cement
			Notified State O & G inspector of upcoming BOPE test at 15:00 hrs on 08/04/04 - he did not witness testing
TOTAL HOURS		24.00	

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DEC 13 2004
DIV. OF OIL, GAS & MINING

SUMMARY OF RIG HOURS

DESC.	DAILY (hrs)	CUM (hrs)
Drill		278.25
Trip	6.00	55.25
Circulate	3.00	5.50
Rig Repair		25.50
Rig Service		3.00
Dev Survey		0.25
NU / ND	9.25	12.25
Cement	3.25	3.25
Run Casing	0.75	9.25
WOC		
OH Logging		
Mix Mud		1.00
MI & RU		
Rat Hole		
Mouse Hole		
Fishing		
DST		
Coring		
Other		8.75
Cut drlg line		1.00
Wash & Ream		3.00
WO mwd tool		5.75
Test BOPE	1.25	3.25
WOO		
PU/LD BHA		7.00
Drill cement	0.50	1.75
TOTALS	24.00	424.00

SUMMARY OF DAILY & CUMULATIVE COSTS

COST CODE	DESCRIPTION OF DAILY COSTS	DAILY ($)	CUM ($)	AFE ($)
2030.010	Land, Legal, Title, Survey, Arch, Damages, Permits, Signs			
2030.031	Dirtwork, Road, Location, Pits, Liner		$ 25,000	
2030.019	Contract Drilling 9480 / day 392.5 / h cond 5491 26,000 mob sfc 38791	$ 9,480	$ 241,200	
2032.001	Water	$ 1,633	$ 5,017	
2032.013	Drill Bits, Stabilizers, Reamers	$ 4,614	$ 38,114	
2031.046	Cementing and Services	$ 20,450	$ 25,450	
2030.053	Coring and Analysis			
2030.052	Logging			
2030.054	Mud Logging			
2030.037	Rental Equipment	$ 990	$ 18,359	
2030.028	Transportation	$ 2,089	$ 14,349	
2032.004	Mud and Chemicals		$ 24,580	
	Directional Services, Mud Motors	$ 5,675	$ 110,952	
	Intermediate casing		$ 73,854	
2030.035	Contract Labor	$ 2,096	$ 4,518	
2030.022	Engineering / Supervision	$ 800	$ 15,200	
2030.099	Intangible Miscellaneous and Contingencies			
2040.001	Surface Casing		$ 19,071	
2040.004	Production Casing			
1011.000	Float Equipment, Shoes, Centralizers		$ 1,800	
1041.000	Wellhead Equipment	$ 5,456	$ 10,397	
1073.000	Bottom Hole Pump / Gas Lift / Other			
1104.000	Drivehead, Engine / Motor and Hydraulic Pump / Electric Unit			
2040.052 / 2040.055	Valves and Fittings, Small / Large			
2040.067	Other Surface Equipment			
2040.099	Tangible Miscellaneous and Contingencies			
	TOTAL COSTS	$ 53,283	$ 627,861	$ -

Report # 18	Date: 08/05/04	Well Name: State 11-16

DAILY DRILLING REPORT

BIT RECORD

BIT NO. (#)	BIT SIZE (in)	MFG	TYPE	SERIAL NO.	JETS (32/32/32)	DEPTH IN (ft)	DEPTH OUT (ft)	FOOTAGE DRILLED (ft)	CUM BIT HOURS (hrs)	ROP (ft/hr)	WOB (Klbs)	RPM MTR/TBL	BIT TORQUE (ft - lbs)	BIT GRADING In	Out	Dull	Loc	Seals	Gge	Dull	Other
1	12 1/4	HTC	HT30XP	J101045	18 / 18 / 18	504	2,095	1,591	126.00	12.6	30 - 34K	54 / 80	2500 - 3000	3	3	WT	A	EFE	0	No	torque
2	12 1/4	JZ	HJT537G	15987	18 / 18 / 18	2,095	3,222	1,127	87.00	13.0	33 - 41K	54 / 80	1500 - 1900	5	8	BT	G	EEE	1/4	RG	torque
3	12 1/4	JZ	HJT537G	16001	18 / 18 / 18	3,222	3,532	310	24.75	12.5	37 - 44K	54 / 80	1800 - 3300	7	8	BT	A	EFE	1/2	RG	torque
4	12 1/4	RTC	HP53KPRDH	KA9244	18 / 18 / 18	3,532	3,721	189	35.25	5.4	28 - 33K	54 / 80-80	1200 - 2200	6	8	BT	GM	EFE	1/4	RG	cs
5	7 7/8	RTC	HP53HK	W41838	15 / 15 / 15	3,721		-3,721	0.50	-7442.0											
COMMENTS																					

RENTAL EQUIPMENT

RENTAL ITEM	DAILY COSTS ($)	CUM COSTS ($)
Living Qtrs	$ 195	$ 3,780
Frac Tank	$ 45	$ 355
Forklift	$ 80	$ 1,080
Portajohn	$ 20	$ 380
Mud Trailer	$ 20	$ 380
Mud Cleaner	$ 375	$ 6,075
EDR	$ 60	$ 1,020
Autodriller	$ 90	$ 1,530
RU mud clnr		$ 670
Trash/Tlt del		$ 349
Living Qtrs	$ 125	$ 2,250
empty trash		$ 490
other		
other		
other		
other		
other		
other		
TOTALS	$ 990	$ 18,359

CASING DATA

SIZE (used fill at 32)	WEIGHT (lb/ft)	GRADE	CONN	DRIFT ID (in)	EXTERNAL COLLAPSE (psi)	INTERNAL YIELD (psi)	CAPACITY (bbls/ft)	LENGTH (ft)	TOP SET AT (ft)	BOTTOM SET AT (ft KB)	
13 3/8"	54.5	J55	ST&C	12.459	1,130	2,730	0.15450	536.00	2.00	523.00	
8 5/8"	32	J55	ST&C	7.796	2,530	3,930	0.06090	3,718.00	8.00	3,710.00	

BOTTOMHOLE ASSEMBLY

DESCRIPTION OF BHA	PROVIDER	THREAD SIZE BOX	THREAD SIZE PIN	MAXIMUM O.D. (in)	MINIMUM I.D. (in)	LENGTH (ft)	HOURS RUN	HRS SINCE INSPECTION	
BIT	HTC		4 1/2 R	7.875		1.50	0.50	0.50	
4.8 stage 7/8 Mud Motor	Griffith	4 1/2 XH	4 1/2 R	6.250		25.44	0.50	0.50	
5 - 6 1/2" DC	Rig	4 1/2 XH	4 1/2 XH	6.500	2.250	153.29	450.50	450.50	
6 - 6 1/4" DC	Rig	4 1/2 XH	4 1/2 XH	6.250	2.313	185.46	450.50	450.50	
5 - 4 1/2" HWDP	Rig	4 1/2 XH	4 1/2 XH	4.500	2.750	155.35	450.50	450.50	

DRILLING MUD REPORT

SAMPLE DEPTH (ft)	TIME (hh:mm)	MUD WT. (ppg)	FUNNEL VISCOSITY (sec/qt)	PV / YP	KCL (%)	GEL STRENGTH (lb/100 ft2)	FILTRATE API (ml/30 min)	CALCIUM (ppm)	CAKE THICKNESS (/32 in)	SOLIDS (% vol)	SAND CONTENT (% vol)	pH	CHLORIDES (ppm)	ALKALINITY Pf / Mf	LCM lb/gal
3,698	08:10	9.20	42	13 / 11	1.50	2 / 8	11.6	520	2	5.0	1/10	9.5	14,000	.5 / 1.6	

DAILY MUD COST & INVENTORY

	BARITE (sx)	QUICK GEL (sx)	CAUSTIC (sx)	LIME (sx)	SODA ASH (sx)	UNDRILL (sx)	SOLKWICK (sx)	PAC-R (sx)	PHPA (gal)	CEDAR (sx)	TRUCKING ($)		TOTAL COSTS ($)
UNIT COST													
STARTING INVENTORY	120												
INVENTORY RECEIVED													
USED LAST 24 HOURS													
ENDING INVENTORY													
DAILY MUD COST													1,736
PREVIOUS CUMULATIVE COST													22,844
CUMULATIVE MUD COST													24,580

MUD LOGGER REPORT

MUD GAS DATA (in Units) BACK GROUND	CONN GAS	TRIP GAS	SHOW INTERVAL FROM (ft)	TO (ft)	RATE OF PENETRATION BEFORE (ft)	DURING (ft)	AFTER (ft)	SHOW GAS DATA BEFORE UNITS	DURING UNITS	AFTER UNITS
1-3										

Formation Tops: Blackhawk 3645'

Shows:

Sample Description:

DEVIATION SURVEYS

Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle
530	1.00	Wireline	0.00	1448	1.30	260.00	1.68	2314	1.14	149.30	0.62	3268	1.15	208.10	1.29
579	0.70	205.50	0.12	1480	1.20	245.80	1.01	2346	0.55	136.40	1.93	3299	1.02	217.70	0.72
608	0.80	204.40	0.35	1511	0.80	252.80	1.32	2377	0.36	115.07	0.81	3330	0.35	220.30	2.18
671	0.90	188.60	0.84	1542	0.80	220.00	1.46	2407	0.31	125.95	0.27	3362	0.11	310.70	1.15
702	1.10	178.70	0.86	1574	1.10	216.70	0.95	2468	0.27	84.60	0.34	3393	0.18	6.20	0.46
732	1.20	194.80	1.12	1604	0.70	204.10	1.48	2498	0.45	101.80	0.69	3424	0.11	325.60	0.39
763	1.20	181.30	0.91	1635	0.80	187.10	0.78	2529	0.56	137.10	1.04	3456	0.14	3.40	0.27
794	1.20	181.20	0.01	1666	0.80	221.50	1.53	2590	0.81	136.50	0.41	3487	0.17	185.40	1.00
824	1.00	207.10	1.77	1697	0.70	191.20	1.30	2620	0.72	129.90	0.42	3528	0.48	254.40	1.09
854	1.30	181.60	1.95	1728	0.90	182.80	0.75	2653	0.84	139.30	0.53	3558	0.11	337.50	1.60
886	0.90	197.20	1.55	1758	1.00	205.90	1.31	2683	0.92	149.30	0.58	3590	0.31	291.40	0.77
917	1.00	211.90	0.85	1791	1.07	204.30	0.23	2713	0.83	158.10	0.54	3622	0.47	210.81	1.62
979	1.16	199.50	0.48	1820	1.00	188.10	1.03	2744	0.70	195.30	1.62				
1011	1.20	203.80	0.30	1851	0.85	198.30	1.22	2806	0.84	224.60	0.87				
1041	1.50	211.86	1.16	1882	0.71	146.60	1.85	2837	0.93	223.40	0.30				
1073	1.50	217.80	0.49	1913	0.85	127.20	0.84	2867	0.90	231.80	0.46				
1104	1.20	210.00	1.13	1945	0.57	114.30	0.50	2898	0.39	226.10	1.66				
1135	1.40	226.90	1.39	1975	0.49	121.70	0.35	2929	0.30	181.00	0.89				
1166	0.80	239.90	2.08	2038	0.99	159.49	1.74	2961	0.41	144.00	0.78				
1197	1.00	246.10	0.72	2067	1.17	149.90	0.86	2992	0.54	136.40	0.44				
1228	1.10	230.50	0.97	2099	1.21	155.96	0.47	3021	0.65	136.00	0.38				
1259	0.90	271.40	2.33	2129	1.17	154.80	0.16	3097	0.88	119.47	0.30				
1290	0.70	248.40	0.30	2160	1.38	153.80	0.88	3115	0.86	147.23	2.32				
1321	0.90	247.00	0.61	2193	1.48	154.10	0.30	3145	0.74	161.10	0.76				
1355	0.80	250.60	0.33	2223	1.53	159.90	0.53	3176	0.96	163.17	0.78				
1385	0.90	276.30	1.30	2253	1.55	149.80	0.91	3207	1.20	178.80	1.19				
1417	0.80	252.00	1.16	2284	1.31	152.70	0.81	3237	1.19	188.50	0.87				
ESTIMATED FORMATION TOPS:															
SAMPLE DESCRIPTION:															

PUMP & CIRCULATING DATA

MUD PUMPS	MAKE	MODEL	LINER SIZE (in)	STROKE LENGTH (in)	ASSUMED EFF (%)	PUMP RATE (spm)	PUMP VOLUMETRIC DATA (bbls/stk)	(bbls/min)	(gal/min)	CIRCULATING DETAILS Standpipe (psi)	Motor Differential	HHP (Sq in)	ANNULAR VELOCITY DP (ft/min)	DC (ft/min)	DC (ft/min)
NO. 1	National	7P50	6.25	7.75	95.00%	118	0.0736	8.25	347	940	75	1.53	200	414	
NO. 2															
NO. 3															
COMBINED															

EVERGREEN OPERATING CORPORATION

Casing Running & Cementing Report

Well Name:	State 11-16	County:	Carbon	State:	Utah

Hole Size:	12 1/4 "	Depth	3720 '	Date Cemented:	8/4/2004	Mud Weight:	9.2	#/gallon
Ground Level:		DF		KB				

Casing Detail (Show casing as run in hole--bottom to top. Threads Off Meaurement.)

No. of Joints:	Size O.D.	Manufacturer--Item	Wt./#	Grade	Type Threads	Footage
	8 5/8	Gemoco Sur Seal Float Shoe		J55	ST&C	1.6
1	8 5/8	Shoe joint	32	J55	ST&C	44.28
	8 5/8	Gemoco Sur Seal Float Collar		J55	ST&C	1.45
83	8 5/8	intermediate casing	32	J55	ST&C	3670.87
					TOTAL:	3718.2

Set Casing @:	3810	KB	Scratchers:	
Total Jts. Run:	84			
FLOAT COLLAR @:	3766	' KB	Centralizers:	12
Other Equipment:				

Comments:

tagged fill at 3703', unable to wash down past 3810' - felt like solid bottom, reciprocated casing 10' strokes until plug down

Cementing Company:	HES	Circulated:	180	mins. @	100	psi.
Started Mixing:	10:45AM	Pressure on Plug:	1115 (485 over)			psi.
Plug Down @	12:40PM	Bled to:	0			psi.

Cemented with:

10 bbl fresh water ahead, 10 bbl mud flush, 10 bbl fresh water spacer; Lead: 380 sx Type 3 CBM LITE standard blend cement, yield 4.34, 293 bbl slurry mixed at 10.5 lb/gal with 28.43 gal wtr/sx; Tail: 170 sx Type 3 cement, yield 1.43, 44 bbl slurry mixed at 14.5 lb/gal with 7.02 gal wtr/sx, displaced with 223.5 bbl fresh water, full returns throughout job, trace cement to surface at end of displacement - estimate 25% cement in returns; bumped plug and checked float - held OK; cement had fallen back by the time slips were set

Top of Cement:	'	by temperature survey:		CBL:		Calculated:	
Signature:	*John C. Lamb*				Date:		8/4/2004

NOTE: ATTACH COPY OF CASING TALLY TO THIS REPORT

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EVERGREEN OPERATING, INC.

DAILY DRILLING REPORT

WELL NAME			
State 11-16 43-007-30961			
LOCATION DATA			
NW NW Sec 16 T-12S, R-10E			
FOOTAGES	GL		KB
550' FNL 500' FWL	7569		7580
COUNTY, STATE			
Carbon County, Utah			

RIG CONTACT INFORMATION:	
OFFICE TRAILER / FAX:	970 942 7543
CONSULTANT HAND CELL:	303 913 1054
DOGHOUSE:	307 268 7316
PUSHER:	

DATE	SPUD DATE	6AM DEPTH
8/6/2004	7/14/2004	3721
REPORT NO.		24 HR FOOTAGE
19		239
DRLG CONTRACTOR		DAYS SINCE SPUD
Elenburg, Rig 12		19
CONSULTANT		AFE # / API #
John C. Lamb		

ACTIVITY AT REPORT TIME:	DAILY COST	CUM COST	AFE COSTS
Drilling ahead	$ 14,570	$ 642,431	$ -

CHRONOLOGY OF DAILY OPERATIONS (06:00 - 06:00 HRS)

SLOW PUMP RATE DATA:			STRING WEIGHT INFORMATION:			
Depth	SPM	Pressure	Eff BHA Wt	Rotating:	Slackoff:	Hoisting:
3930	54	350	30,250	98,000	91,000	105,000

FROM (hrs)	TO (hrs)	HOURS (hrs)	Activity:
06:00	06:30	0.50	Drill cement & float equipment
06:30	11:15	4.75	Drill 2710 - 2776
11:15	11:30	0.25	Service Rig
11:30	13:30	2.00	Drill 3776 - 3807
13:30	14:15	0.75	Circulate and wireline survey 1 deg at 3745
14:15	22:15	8.00	Drill 3807 - 3898
22:15	23:15	1.00	Circulate and wireline survey 1 deg at 3836
23:15	02:15	3.00	Drill 3898 - 3933
02:15	03:00	0.75	Rig repair - work on pump - replaced broken valve spring
03:00	06:00	3.00	Drill 3933 - 3960
TOTAL HOURS		24.00	

RECEIVED
DEC 13 2004
DIV. OF OIL, GAS & MINING

SUMMARY OF RIG HOURS

DESC.	DAILY (hrs)	CUM (hrs)
Drill	20.75	299.00
Trip		55.25
Circulate		5.50
Rig Repair	0.75	26.25
Rig Service	0.25	3.25
Dev Survey	1.75	2.00
NU / ND		12.25
Cement		3.25
Run Casing		9.25
WOC		
OH Logging		
Mix Mud		1.00
MI & RU		
Rat Hole		
Mouse Hole		
Fishing		
DST		
Coring		
Other		8.75
Cut drlg line		1.00
Wash & Ream		3.00
WO mwd tool		5.75
Test BOPE		3.25
WOO		
PU/LD BHA		7.00
Drill cement	0.50	2.25
TOTALS	24.00	448.00

SUMMARY OF DAILY & CUMULATIVE COSTS

COST CODE	DESCRIPTION OF DAILY COSTS	DAILY ($)	CUM ($)	AFE ($)
2030.010	Land, Legal, Title, Survey, Arch, Damages, Permits, Signs			
2030.031	Dirtwork, Road, Location, Pits, Liner		$ 25,000	
2030.019	Contract Drilling 9480 / day 392.5 / h cond 5491 26,000 mob sfc 38791	$ 9,480	$ 250,680	
2032.001	Water		$ 5,017	
2032.013	Drill Bits, Stabilizers, Reamers		$ 38,114	
2031.048	Cementing and Services		$ 25,450	
2030.053	Coring and Analysis			
2030.052	Logging			
2030.054	Mud Logging	$ 3,300	$ 3,300	
2030.037	Rental Equipment	$ 990	$ 19,349	
2030.028	Transportation		$ 14,349	
2032.004	Mud and Chemicals		$ 24,580	
	Directional Services, Mud Motors		$ 110,952	
	Intermediate casing		$ 73,854	
2030.035	Contract Labor		$ 4,518	
2030.022	Engineering / Supervision	$ 800	$ 16,000	
2030.099	Intangible Miscellaneous and Contingencies			
2040.001	Surface Casing		$ 19,071	
2040.004	Production Casing			
1011.000	Float Equipment, Shoes, Centralizers		$ 1,800	
1041.000	Wellhead Equipment		$ 10,397	
1073.000	Bottom Hole Pump / Gas Lift / Other			
1104.000	Drivehead, Engine / Motor and Hydraulic Pump / Electric Unit			
2040.052 / 2040.055	Valves and Fittings, Small / Large			
2040.067	Other Surface Equipment			
2040.099	Tangible Miscellaneous and Contingencies			
	TOTAL COSTS	$ 14,570	$ 642,431	$ -

Report # 19	Date: 08/06/04	DAILY DRILLING REPORT	Page 2
	Well Name:	State 11-16	

BIT RECORD

BIT NO. (#)	BIT SIZE (in)	MFG	TYPE	SERIAL NO.	JETS (32/32/32)	DEPTH IN (ft)	DEPTH OUT (ft)	FOOTAGE DRILLED (ft)	CUM BIT HOURS (hrs)	ROP (ft/hr)	WOB (klb)	RPM MTR/TBL	BIT TORQUE (ft.-lbs)	BIT GRADING In	Out	Dull	Loc	Seals	Gge	Dull	Other
1	12 1/4	HTC	HT30XP	J101045	18 / 16 / 16	504	2,095	1,591	126.00	12.6	30 - 34K	54 / 60	2500 - 3000	3	3	WT	A	EFE	0	No	torque
2	12 1/4	JZ	HJT537G	15987	16 / 16 / 16	2,095	3,222	1,127	87.00	13.0	33 - 41K	54 / 60	1500 - 1900	5	8	BT	G	EEE	1/4	RG	torque
3	12 1/4	JZ	HJT537G	16001	16 / 16 / 16	3,222	3,532	310	24.75	12.5	37 - 44K	54 / 60	1800 - 3300	7	8	BT	A	EFE	1/2	RG	torque
4	12 1/4	RTC	HP63KFRDH	KA9244	16 / 16 / 16	3,532	3,721	189	35.25	5.4	28 - 33K	54 / 60-80	1200 - 2200	6	8	BT	GM	EFE	1/4	RG	cs
5	7 7/8	RTC	HP53HK	W41838	15 / 15 / 15	3,721	3,960	239	21.25	11.2	23 - 26K	100 / 30-60	1700 - 2000								
COMMENTS																					

RENTAL EQUIPMENT

RENTAL ITEM	DAILY COSTS ($)	CUM COSTS ($)
Living Qtrs	$ 195	$ 3,975
Frac Tank	$ 45	$ 400
Forklift	$ 80	$ 1,140
Portajohn	$ 20	$ 400
Mud Trailer	$ 20	$ 400
Mud Cleaner	$ 375	$ 6,450
EOR	$ 60	$ 1,080
Autodriller	$ 90	$ 1,620
RU mud clnr		$ 870
Trash/Tlt del		$ 349
Living Qtrs	$ 125	$ 2,375
empty trash		$ 490
other		
other		
other		
other		
other		
other		
TOTALS	$ 990	$ 19,349

CASING DATA

SIZE	WEIGHT	GRADE (lb/ft)	CONN	DRIFT ID	EXTERNAL COLLAPSE (psi)	INTERNAL YIELD (psi)	CAPACITY (bbls/ft)	LENGTH (ft)	TOP SET AT (ft)	BOTTOM SET AT (ft KB)	
13 3/8"	54.5	J55	ST&C	12.459	1,130	2,730	0.15450	536.00	2.00	523.00	
8 5/8"	32	J55	ST&C	7.796	2,530	3,930	0.06090	3,718.00	8.00	3,710.00	

BOTTOMHOLE ASSEMBLY

DESCRIPTION OF BHA	PROVIDER	THREAD SIZE BOX	THREAD SIZE PIN	MAXIMUM O.D. (in)	MINIMUM I.D. (in)	LENGTH (ft)	HOURS RUN	HRS SINCE INSPECTION	
BIT	HTC		4 1/2 R	7.875		1.50	21.25	21.25	
4.8 stage 7/8 Mud Motor	Griffith/Spidle	4 1/2 XH	4 1/2 R	6.250		25.44	21.25	21.25	
Shock Sub	Griffith/Spidle	4 1/2 XH	4 1/2 XH	6.250		10.08	21.25	21.25	
5 - 6 1/2" DC	Rig	4 1/2 XH	4 1/2 XH	6.500	2.250	153.29	471.75	471.75	
6 - 6 1/4" DC	Rig	4 1/2 XH	4 1/2 XH	6.250	2.313	185.46	471.75	471.75	
5 - 4 1/2" HWDP	Rig	4 1/2 XH	4 1/2 XH	4.500	2.750	155.35	471.75	471.75	

DRILLING MUD REPORT

SAMPLE DEPTH (ft)	TIME (hh:mm)	MUD WT. (ppg)	FUNNEL VISCOSITY (sec/qt)	PV / YP	KCL (%)	GEL STRENGTH (lb/100 ft2)	FILTRATE API (ml/30 min)	CALCIUM (ppm)	CAKE THICKNESS (/32 in)	SOLIDS (% vol)	SAND CONTENT (% vol)	pH	CHLORIDES (ppm)	ALKALINITY Pf / Mf	LCM lb/gal
3,776	11:10	8.33	27					800				11.0	1,050	1.65 /	

DAILY MUD COST & INVENTORY

	BARITE (sx)	QUICK GEL (sx)	CAUSTIC (sx)	LIME (sx)	SODA ASH (sx)	UNIDRILL (sx)	SOLKWICK (sx)	PAC-R (sx)	PHPA (gal)	CEDAR (sx)	TRUCKING ($)		TOTAL COSTS ($)
UNIT COST													
STARTING INVENTORY	120												
INVENTORY RECEIVED													
USED LAST 24 HOURS													
ENDING INVENTORY													
DAILY MUD COST													916
PREVIOUS CUMULATIVE COST													24,580
CUMULATIVE MUD COST													25,496

MUD LOGGER REPORT

MUD GAS DATA (in Units) BACK GROUND	CONN GAS	TRIP GAS	SHOW INTERVAL FROM (ft)	TO (ft)	RATE OF PENETRATION BEFORE (ft)	DURING (ft)	AFTER (ft)	SHOW GAS DATA BEFORE UNITS	DURING UNITS	AFTER UNITS	
50	200-300	240	3920	3930	5	1-3	6	125	1000	125	Formation Tops: Blackhawk 3645'
											Sample percentages: 50% Ss 50% Sltst, tr Sh
											Show Description: Ss & Sltst bn-dk bn, vfg-fg-slt, vcalc, lt-dk
											bn oil stn, yel - gn flash ct

DEVIATION SURVEYS

Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle
530	1.00	Wireline	0.00	1446	1.30	260.00	1.68	2314	1.14	149.30	0.62	3268	1.15	208.10	1.29
579	0.70	205.50	0.12	1480	1.20	245.80	1.01	2346	0.55	136.40	1.93	3299	1.02	217.70	0.72
608	0.80	204.40	0.35	1511	0.80	252.60	1.32	2377	0.36	115.07	0.81	3330	0.35	220.30	2.16
671	0.90	188.60	0.64	1542	0.80	220.00	1.46	2407	0.31	125.95	0.27	3362	0.11	310.70	1.15
702	1.10	176.70	0.66	1574	1.10	218.70	0.95	2468	0.27	84.60	0.34	3393	0.18	6.20	0.48
732	1.20	194.80	1.12	1604	0.70	204.10	1.48	2498	0.45	101.80	0.69	3424	0.11	325.60	0.39
763	1.20	181.30	0.91	1635	0.80	187.10	0.78	2529	0.56	137.10	1.04	3456	0.14	3.40	0.27
794	1.20	181.20	0.01	1666	0.80	221.50	1.53	2590	0.81	136.50	0.41	3487	0.17	185.40	1.00
824	1.00	207.10	1.77	1697	0.70	191.20	1.30	2620	0.72	129.90	0.42	3528	0.46	254.40	1.09
854	1.30	181.60	1.95	1728	0.90	182.80	0.75	2653	0.84	139.30	0.53	3558	0.11	337.50	1.60
886	0.90	197.20	1.55	1758	1.00	205.90	1.31	2683	0.92	149.30	0.58	3590	0.31	291.40	0.77
917	1.00	211.90	0.85	1791	1.07	204.30	0.23	2713	0.83	156.10	0.54	3622	0.47	210.61	1.62
979	1.16	199.50	0.46	1820	1.00	188.10	1.03	2744	0.70	195.30	1.62	3745	1.00		
1011	1.20	203.80	0.30	1851	0.65	198.30	1.22	2806	0.84	224.60	0.67	3836	1.00		
1041	1.50	211.86	1.16	1882	0.71	148.60	1.85	2837	0.93	223.40	0.30				
1073	1.50	217.80	0.49	1913	0.85	127.20	0.84	2867	0.90	231.80	0.48				
1104	1.20	210.00	1.13	1945	0.57	114.30	0.50	2898	0.39	226.10	1.66				
1135	1.40	226.90	1.39	1975	0.49	121.70	0.35	2929	0.30	181.00	0.89				
1166	0.80	239.90	2.08	2036	0.99	159.49	1.74	2961	0.41	144.00	0.78				
1197	1.00	246.10	0.72	2067	1.17	149.90	0.88	2992	0.54	138.40	0.44				
1228	1.10	230.50	0.97	2099	1.21	155.98	0.47	3021	0.65	138.00	0.38				
1259	0.90	271.40	2.33	2129	1.17	154.60	0.16	3097	0.88	119.47	0.30				
1290	0.70	248.40	0.30	2160	1.38	153.80	0.88	3115	0.86	147.23	2.32				
1321	0.90	247.00	0.61	2193	1.48	154.10	0.30	3145	0.74	161.10	0.76				
1355	0.80	250.60	0.33	2223	1.53	159.90	0.53	3176	0.98	163.17	0.78				
1385	0.90	276.30	1.30	2253	1.55	149.80	0.91	3207	1.20	176.80	1.19				
1417	0.80	252.00	1.16	2284	1.31	152.70	0.81	3237	1.19	188.50	0.67				
ESTIMATED FORMATION TOPS:															
SAMPLE DESCRIPTION:															

PUMP & CIRCULATING DATA

MUD PUMPS	MAKE	MODEL	LINER SIZE (in)	STROKE LENGTH (in)	ASSUMED EFF (%)	PUMP RATE (spm)	PUMP VOLUMETRIC DATA (bbls/stk)	(bbls/min)	(gal/min)	CIRCULATING DETAILS Standpipe (psi)	Motor Differential	HHP (Sq in)	ANNULAR VELOCITY DP (ft/min)	DC (ft/min)	DC (ft/min)
NO. 1	National	7P50	6.25	7.75	95.00%	118	0.0736	8.25	347	980	75-100	1.53	200	414	
NO. 2															
NO. 3															
COMBINED															

017

EVERGREEN OPERATING, INC.

DAILY DRILLING REPORT

WELL NAME		
State 11-16		
LOCATION DATA		
NW NW Sec 16 T-12S, R-10E		
FOOTAGES	GL	KB
550' FNL 500' FWL	7569	7580
COUNTY, STATE		
Carbon County, Utah		

RIG CONTACT INFORMATION:	
OFFICE TRAILER / FAX:	970 942 7543
CONSULTANT HAND CELL:	303 913 1054
DOGHOUSE:	307 268 7316
PUSHER:	

DATE	SPUD DATE	6AM DEPTH
8/7/2004	7/14/2004	4016
REPORT NO.		24 HR FOOTAGE
20		55
DRLG CONTRACTOR		DAYS SINCE SPUD
Elenburg, Rig 12		20
CONSULTANT		AFE # / API #
John C. Lamb		

ACTIVITY AT REPORT TIME:	DAILY COST	CUM COST	AFE COSTS
Cutting core #4	$ 26,551	$ 680,852	$ -

CHRONOLOGY OF DAILY OPERATIONS (06:00 - 06:00 HRS)

SLOW PUMP RATE DATA:

Depth	SPM	Pressure
4015	54	380

STRING WEIGHT INFORMATION:

Eff BHA Wt	Rotating:	Slackoff:	Hoisting:
22,000	81,000	80,000	82,000

FROM (hrs)	TO (hrs)	HOURS (hrs)	Activity:
06:00	09:15	3.25	Drill 3960 - 3995
09:15	10:15	1.00	Circulate & drop survey
10:15	13:30	3.25	Trip out of hole
13:30	15:00	1.50	PU Core BHA
15:00	18:30	3.50	Trip in hole
18:30	23:30	5.00	Wash & gently ream 3710 - 3995', last 30' exhibited torque
23:30	23:45	0.25	Core #1 3995 - 3996'
23:45	01:30	1.75	RU wireline truck, retreive core bbl, LD bbl & free stuck core, run core bbl
01:30	02:30	1.00	Core #2 3996 - 4005'
02:30	03:30	1.00	Retrieve core bbl, LD bbl, run core bbl
03:30	04:30	1.00	Core #3 4005 - 4015'
04:30	05:15	0.75	Retrieve core bbl, LD bbl, run core bbl
05:15	06:00	0.75	Cutting core #4 4015 - 4016, very slowly
TOTAL HOURS		24.00	

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SUMMARY OF RIG HOURS

DESC.	DAILY (hrs)	CUM (hrs)
Drill	3.25	302.25
Trip	6.75	62.00
Circulate	1.00	8.50
Rig Repair		26.25
Rig Service		3.25
Dev Survey		2.00
NU / ND		12.25
Cement		3.25
Run Casing		9.25
WOC		
OH Logging		
Mix Mud		1.00
MI & RU		
Rat Hole		
Mouse Hole		
Fishing		
DST		
Coring	6.50	6.50
Other		8.75
Cut drlg line		1.00
Wash & Ream	5.00	8.00
WO mwd tool		5.75
Test BOPE		3.25
WOO		
PU/LD BHA	1.50	8.50
Drill cement		2.25
TOTALS	24.00	472.00

SUMMARY OF DAILY & CUMULATIVE COSTS

COST CODE	DESCRIPTION OF DAILY COSTS	DAILY ($)	CUM ($)	AFE ($)
2030.010	Land, Legal, Title, Survey, Arch, Damages, Permits, Signs			
2030.031	Dirtwork, Road, Location, Pits, Liner		$ 25,000	
2030.019	Contract Drilling 9480 / day 392.5 / h cond 5491 26,000 mob sfc 38791	$ 9,480	$ 269,640	
2032.001	Water		$ 5,017	
2032.013	Drill Bits, Stabilizers, Reamers		$ 38,114	
2031.046	Cementing and Services		$ 25,450	
2030.053	Coring and Analysis	$ 13,781	$ 13,781	
2030.052	Logging			
2030.054	Mud Logging	$ 1,500	$ 5,600	
2030.037	Rental Equipment	$ 990	$ 21,929	
2030.028	Transportation		$ 14,349	
2032.004	Mud and Chemicals		$ 24,580	
	Directional Services, Mud Motors		$ 110,952	
	Intermediate casing		$ 73,854	
2030.035	Contract Labor		$ 4,518	
2030.022	Engineering / Supervision	$ 800	$ 16,800	
2030.099	Intangible Miscellaneous and Contingencies			
2040.001	Surface Casing		$ 19,071	
2040.004	Production Casing			
1011.000	Float Equipment, Shoes, Centralizers		$ 1,800	
1041.000	Wellhead Equipment		$ 10,397	
1073.000	Bottom Hole Pump / Gas Lift / Other			
1104.000	Drivehead, Engine / Motor and Hydraulic Pump / Electric Unit			
2040.052 / 2040.055	Valves and Fittings, Small / Large			
2040.067	Other Surface Equipment			
2040.099	Tangible Miscellaneous and Contingencies			
	TOTAL COSTS	$ 26,551	$ 680,852	$ -

Report # 20	Date: 08/07/04	DAILY DRILLING REPORT	
	Well Name:	State 11-16	

BIT RECORD

BIT NO. (#)	BIT SIZE (in)	MFG	TYPE	SERIAL NO.	JETS (32/32/32)	DEPTH IN (ft)	DEPTH OUT (ft)	FOOTAGE DRILLED (ft)	CUM BIT HOURS (hrs)	ROP (ft/hr)	WOB (#'s)	RPM MTR/TBL	BIT TORQUE (ft.-lbs)	BIT GRADING In	Out	Dull	Loc	Seals	Gge	Dull	Other
1	12 1/4	HTC	HT30XP	J101045	16 / 16 / 16	504	2,095	1,591	126.00	12.6	30 - 34K	54 / 60	2500 - 3000	3	3	WT	A	EFE	0	No	torque
2	12 1/4	JZ	HJT537G	15987	16 / 16 / 16	2,095	3,222	1,127	87.00	13.0	33 - 41K	54 / 60	1500 - 1900	5	8	BT	G	EEE	1/4	RG	torqu
3	12 1/4	JZ	HJT537G	16001	16 / 16 / 16	3,222	3,532	310	24.75	12.5	37 - 44K	54 / 60	1800 - 3300	7	8	BT	A	EFE	1/2	RG	torque
4	12 1/4	RTC	HP63KPRDH	KA9244	16 / 16 / 16	3,532	3,721	189	35.25	5.4	28 - 33K	54 / 60-80	1200 - 2200	6	8	BT	GM	EFE	1/4	RG	c
5	7 7/8	RTC	HP53HK	W41838	15 / 15 / 15	3,721	3,995	274	24.25	11.3	23 - 28K	100 / 30-60	1700 - 2000	6	6	WT	A	EEE	3/32	No	cc
CB	7 7/8	DPI	Core bit			3,995	4,016	21	6.50	3.2	3 - 4K	45	500 - 1500	6	6	BC	A	-	1/8	No	
6								0		#DIV/0!											
COMMENTS																					

RENTAL EQUIPMENT

RENTAL ITEM	DAILY COSTS ($)	CUM COSTS ($)
Living Qtrs	$ 195	$ 4,170
Frac Tank	$ 45	$ 535
Forklift	$ 60	$ 1,320
Portajohn	$ 20	$ 460
Mud Trailer	$ 20	$ 460
Mud Cleaner	$ 375	$ 7,575
EDR	$ 60	$ 1,260
Autodriller	$ 90	$ 1,890
RU mud clnr		$ 870
Trash/Tlt del		$ 349
Living Qtrs	$ 125	$ 2,750
empty trash		$ 490
other		
other		
other		
other		
other		
other		
TOTALS	$ 990	$ 21,929

CASING DATA

SIZE	WEIGHT	GRADE	CONN	DRIFT ID	EXTERNAL COLLAPSE (psi)	INTERNAL YIELD (psi)	CAPACITY (bbls/ft)	LENGTH (ft)	TOP SET AT (ft)	BOTTOM SET AT (ft KB)	
13 3/8"	54.5	J55	ST&C	12.459	1,130	2,730	0.15450	536.00	2.00	523.00	
8 5/8"	32	J55	ST&C	7.796	2,530	3,930	0.06090	3,718.00	8.00	3,710.00	

BOTTOMHOLE ASSEMBLY

DESCRIPTION OF BHA	PROVIDER	THREAD SIZE BOX	THREAD SIZE PIN	MAXIMUM O.D. (in)	MINIMUM I.D. (in)	LENGTH (ft)	HOURS RUN	HRS SINCE INSPECTION	
Core Bit	DPI			7.875		1.45	6.50	6.50	
Core Bbl	DPI			6.500		12.73	6.50	6.50	
XO	DPI			6.500	3.750	1.39	6.50	6.50	
6 Core Drill Collars	DPI			6.500	2.250	186.56	6.50	6.50	

DRILLING MUD REPORT

SAMPLE DEPTH (ft)	TIME (hh:mm)	MUD WT. (ppg)	FUNNEL VISCOSITY (sec/qt)	PV / YP	KCL (%)	GEL STRENGTH (lb/100 ft2)	FILTRATE API (ml/30 min)	CALCIUM (ppm)	CAKE THICKNESS (/32 in)	SOLIDS (% vol)	SAND CONTENT (% vol)	pH	CHLORIDES (ppm)	ALKALINITY Pf / Mf	LCM lb/gal

DAILY MUD COST & INVENTORY

	BARITE (sx)	QUICK GEL (sx)	CAUSTIC (sx)	LIME (sx)	SODA ASH (sx)	UNIDRILL (sx)	SOLIDWICK (sx)	PAC-R (sx)	PHPA (gal)	CEDAR (sx)	TRUCKING ($)	TOTAL COSTS ($)	
UNIT COST													
STARTING INVENTORY	120												
INVENTORY RECEIVED													
USED LAST 24 HOURS													
ENDING INVENTORY													
DAILY MUD COST													916
PREVIOUS CUMULATIVE COST													24,580
CUMULATIVE MUD COST													25,496

MUD LOGGER REPORT

MUD GAS DATA (in Units) BACK GROUND	CONN GAS	TRIP GAS	SHOW INTERVAL FROM (ft)	TO (ft)	RATE OF PENETRATION BEFORE (ft)	DURING (ft)	AFTER (ft)	SHOW GAS DATA BEFORE UNITS	DURING UNITS	AFTER UNITS	
75	970	200	4008	4010	10	3	7	20	958	71	Formation Tops: Blackhawk 3645'
											Sample percentages:
											Show Description: cannistered 1 carb shale

DEVIATION SURVEYS

Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle
530	1.00	Wireline	0.00	1448	1.30	260.00	1.68	2314	1.14	149.30	0.62	3268	1.15	208.10	1.29
579	0.70	205.50	0.12	1480	1.20	245.80	1.01	2346	0.55	136.40	1.93	3299	1.02	217.70	0.72
608	0.80	204.40	0.35	1511	0.80	252.80	1.32	2377	0.36	115.07	0.81	3330	0.35	220.30	2.16
671	0.90	188.60	0.84	1542	0.80	220.00	1.46	2407	0.31	125.95	0.27	3362	0.11	310.70	1.15
702	1.10	178.70	0.86	1574	1.10	216.70	0.95	2468	0.27	84.60	0.34	3393	0.18	6.20	0.48
732	1.20	194.80	1.12	1604	0.70	204.10	1.48	2498	0.45	101.80	0.69	3424	0.11	325.60	0.39
763	1.20	181.30	0.91	1635	0.80	187.10	0.78	2529	0.56	137.10	1.04	3456	0.14	3.40	0.27
794	1.20	181.20	0.01	1666	0.80	221.50	1.53	2560	0.81	136.50	0.41	3487	0.17	185.40	1.00
824	1.00	207.10	1.77	1697	0.70	191.20	1.30	2620	0.72	129.90	0.42	3528	0.48	254.40	1.09
854	1.30	181.60	1.95	1728	0.90	182.80	0.75	2653	0.84	139.30	0.53	3558	0.11	337.50	1.60
886	0.90	197.20	1.55	1758	1.00	205.90	1.31	2683	0.92	149.30	0.58	3590	0.31	291.40	0.77
917	1.00	211.90	0.85	1791	1.07	204.30	0.23	2713	0.83	158.10	0.54	3622	0.47	210.81	1.62
979	1.16	199.50	0.46	1820	1.00	188.10	1.03	2744	0.70	195.30	1.62	3745	1.00		
1011	1.20	203.80	0.30	1851	0.65	198.30	1.22	2806	0.84	224.80	0.67	3836	1.00		
1041	1.50	211.86	1.18	1882	0.71	148.60	1.85	2837	0.93	223.40	0.30	3961	1.75		
1073	1.50	217.80	0.49	1913	0.65	127.20	0.84	2867	0.90	231.80	0.46				
1104	1.20	210.00	1.13	1945	0.57	114.30	0.50	2898	0.39	228.10	1.66				
1135	1.40	226.90	1.39	1975	0.49	121.70	0.35	2929	0.30	181.00	0.89				
1166	0.80	239.90	2.08	2036	0.99	159.49	1.74	2961	0.41	144.00	0.78				
1197	1.00	246.10	0.72	2067	1.17	149.90	0.86	2992	0.54	136.40	0.44				
1228	1.10	230.50	0.97	2099	1.21	155.98	0.47	3021	0.65	138.00	0.38				
1259	0.90	271.40	2.33	2129	1.17	154.80	0.16	3097	0.88	119.47	0.30				
1290	0.70	248.40	0.30	2160	1.38	153.80	0.68	3115	0.88	147.23	2.32				
1321	0.90	247.00	0.61	2193	1.48	154.10	0.30	3145	0.74	161.10	0.76				
1355	0.80	250.60	0.33	2223	1.53	159.90	0.53	3176	0.98	163.17	0.78				
1385	0.90	276.30	1.30	2253	1.55	149.80	0.91	3207	1.20	178.80	1.19				
1417	0.80	252.00	1.16	2284	1.31	152.70	0.81	3237	1.19	188.50	0.67				
ESTIMATED FORMATION TOPS:															
SAMPLE DESCRIPTION:															

PUMP & CIRCULATING DATA

MUD PUMPS	MAKE	MODEL	LINER SIZE (in)	STROKE LENGTH (in)	ASSUMED EFF (%)	PUMP RATE (spm)	PUMP VOLUMETRIC DATA (bbls/stk)	(bbls/min)	(gal/min)	CIRCULATING DETAILS Standpipe (psi)	Motor Differential	HHP (Sq In)	ANNULAR VELOCITY DP (ft/min)	DC (ft/min)	DC (ft/min)
NO. 1	National	7P50	6.25	7.75	95.00%	102	0.0736	7.13	300	980	75-100	1.53	200	414	
NO. 2															
NO. 3															
COMBINED															

016

EVERGREEN OPERATING, INC.

DAILY DRILLING REPORT

WELL NAME		LOCATION DATA			
State 11-16 43-007-30961		NW NW Sec 16 T-12S, R-10E			
FOOTAGES	GL		KB		
550' FNL 500' FWL	7569		7580		
COUNTY, STATE					
Carbon County, Utah					

RIG CONTACT INFORMATION:	
OFFICE TRAILER / FAX:	970 942 7543
CONSULTANT HAND CELL:	303 913 1054
DOGHOUSE:	307 268 7316
PUSHER:	

DATE	SPUD DATE	6AM DEPTH
8/8/20..	7/14/2004	4045
REPORT NO.		24 HR FOOTAGE
21		29
DRLG CONTRACTOR		DAYS SINCE SPUD
Elenburg, Rig 12		21
CONSULTANT		AFE # / API #
John C. Lamb		

ACTIVITY AT REPORT TIME:	DAILY COST	CUM COST	AFE COSTS
Drilling ahead	$ 22,970	$ 706,103	$ -

CHRONOLOGY OF DAILY OPERATIONS (06:00 - 06:00 HRS)

SLOW PUMP RATE DATA:			STRING WEIGHT INFORMATION:			
Depth	SPM	Pressure	Eff BHA Wt	Rotating:	Slackoff:	Hoisting:
4029	54	350	29,750	100,000	98,000	105,000

FROM (hrs)	TO (hrs)	HOURS (hrs)	Activity:
06:00	06:45	0.75	Core #4 4016 - 4017', pull on slow pentration rate
06:45	07:30	0.75	Retrieve core bbl, LD bbl, run core bbl
07:30	08:45	1.25	Attempt to cut core #5, unable to core
08:45	09:15	0.50	Retrieve core bbl, LD bbl, prepare to trip out
09:15	12:00	2.75	Trip out of hole
12:00	12:15	0.25	Service Rig
12:15	14:00	1.75	Break off & inspect core bit, LD core BHA
14:00	16:30	2.50	Slip and cut drilling line, work on pump, change motor oil
16:30	21:30	5.00	Inspect BHA, found 8 bad drill collars
21:30	01:30	4.00	PU new bit & BHA, trip in hole
01:30	01:45	0.25	Wash 3944 - 4017
01:45	03:15	1.50	Drill 4017 - 4029
03:15	03:45	0.50	Wireline survey 2 deg at 4000
03:45	06:00	2.25	Drill 4023 - 4045
TOTAL HOURS		24.00	

RECEIVED
DEC 13 2004
DIV. OF OIL, GAS & MINING

SUMMARY OF RIG HOURS

DESC.	DAILY (hrs)	CUM (hrs)
Drill	3.75	308.00
Trip	6.75	68.75
Circulate		6.50
Rig Repair		26.25
Rig Service	0.25	3.50
Dev Survey	0.50	2.50
NU / ND		12.25
Cement		3.25
Run Casing		9.25
WOC		
OH Logging		
Mix Mud		1.00
MI & RU		
Rat Hole		
Mouse Hole		
Fishing		
DST		
Coring	3.25	9.75
Inspect BHA	5.00	13.75
Cut drlg line	2.50	3.50
Wash & Ream	0.25	8.25
WO mwd tool		5.75
Test BOPE		3.25
WOO		
PU/LD BHA	1.75	10.25
Drill cement		2.25
TOTALS	24.00	496.00

SUMMARY OF DAILY & CUMULATIVE COSTS

COST CODE	DESCRIPTION OF DAILY COSTS	DAILY ($)	CUM ($)	AFE ($)
2030.010	Land, Legal, Title, Survey, Arch, Damages, Permits, Signs			
2030.031	Dirtwork, Road, Location, Pits, Liner		$ 25,000	
2030.019	Contract Drilling 9480 / day 392.5 / l cond 5491 26,000 mob sfc 38791	$ 9,480	$ 279,120	
2032.001	Water		$ 5,017	
2032.013	Drill Bits, Stabilizers, Reamers	$ 6,200	$ 44,314	
2031.046	Cementing and Services		$ 25,450	
2030.053	Coring and Analysis	$ 1,800	$ 15,581	
2030.052	Logging			
2030.054	Mud Logging	$ 1,500	$ 7,100	
2030.037	Rental Equipment	$ 990	$ 22,919	
2030.028	Transportation	$ 500	$ 14,849	
2032.004	Mud and Chemicals	$ 400	$ 27,261	
	Directional Services, Mud Motors		$ 110,952	
	Intermediate casing		$ 73,854	
2030.035	Contract Labor	$ 1,300	$ 5,818	
2030.022	Engineering / Supervision	$ 800	$ 17,600	
2030.099	Intangible Miscellaneous and Contingencies			
2040.001	Surface Casing		$ 19,071	
2040.004	Production Casing			
1011.000	Float Equipment, Shoes, Centralizers		$ 1,800	
1041.000	Wellhead Equipment		$ 10,397	
1073.000	Bottom Hole Pump / Gas Lift / Other			
1104.000	Drivehead, Engine / Motor and Hydraulic Pump / Electric Unit			
2040.052 / 2040.055	Valves and Fittings, Small / Large			
2040.067	Other Surface Equipment			
2040.099	Tangible Miscellaneous and Contingencies			
	TOTAL COSTS	$ 22,970	$ 706,103	$ -

Report # 21 | Date: 08/08/04 | Well Name:

DAILY DRILLING REPORT

State 11-16

BIT RECORD

BIT NO. (#)	BIT SIZE (in)	MFG	TYPE	SERIAL NO.	JETS (32/32/32)	DEPTH IN (ft)	DEPTH OUT (ft)	FOOTAGE DRILLED (ft)	CUM BIT HOURS (hrs)	ROP (ft/hr)	WOB (klbs)	RPM MTR/TBL	BIT TORQUE (ft - lbs)	BIT GRADING In	Out	Dull	Loc	Seals	Gge	Dull	Other
1	12 1/4	HTC	HT30XP	J101045	16 / 16 / 16	504	2,095	1,591	126.00	12.6	30 - 34K	54 / 60	2500 - 3000	3	3	WT	A	EFE	0	No	torque
2	12 1/4	JZ	HJT537G	15987	16 / 16 / 16	2,095	3,222	1,127	87.00	13.0	33 - 41K	54 / 60	1500 - 1900	5	8	BT	G	EEE	1/4	RG	torqu
3	12 1/4	JZ	HJT537G	16001	16 / 16 / 16	3,222	3,532	310	24.75	12.5	37 - 44K	54 / 60	1800 - 3300	7	8	BT	A	EFE	1/2	RG	torque
4	12 1/4	RTC	HP63KPRDH	KA9244	18 / 18 / 18	3,532	3,721	189	35.25	5.4	28 - 33K	54 / 60-80	1200 - 2200	6	8	BT	GM	EFE	1/4	RG	c
5	7 7/8	RTC	HP53HK	W41838	15 / 15 / 15	3,721	3,995	274	24.25	11.3	23 - 28K	100 / 30-60	1700 - 2000	6	6	WT	A	EEE	3/32	No	cc
CB	7 7/8	DPI	Core bit			3,995	4,017	22	6.50	3.4	3 - 4K	45	500 - 1500	6	6	BC	A	-	1/8	No	
6	7 7/8	Security	XS73	10565251	12/12/2012	4,017	4,045	28	3.75	7.5	22 - 23K	45 - 60	1600 - 2000								

COMMENTS

RENTAL EQUIPMENT

RENTAL ITEM	DAILY COSTS ($)	CUM COSTS ($)
Living Qtrs	$ 195	$ 4,365
Frac Tank	$ 45	$ 580
Forklift	$ 60	$ 1,380
Portajohn	$ 20	$ 460
Mud Trailer	$ 20	$ 460
Mud Cleaner	$ 375	$ 7,950
EDR	$ 60	$ 1,320
Autodriller	$ 90	$ 1,980
RU mud clnr		$ 670
TrashVTit del		$ 349
Living Qtrs	$ 125	$ 2,875
empty trash		$ 490
other		
other		
other		
other		
other		
other		
TOTALS	$ 990	$ 22,919

CASING DATA

SIZE	WEIGHT	GRADE	CONN	DRIFT ID	EXTERNAL COLLAPSE (psi)	INTERNAL YIELD (psi)	CAPACITY (bbls/ft)	LENGTH (ft)	TOP SET AT (ft)	BOTTOM SET AT (ft KB)
13 3/8"	54.5	J55	ST&C	12.459	1,130	2,730	0.15450	536.00	2.00	523.00
8 5/8"	32	J55	ST&C	7.796	2,530	3,930	0.06090	3,718.00	8.00	3,710.00

BOTTOMHOLE ASSEMBLY

DESCRIPTION OF BHA	PROVIDER	THREAD SIZE BOX	THREAD SIZE PIN	MAXIMUM O.D. (in)	MINIMUM I.D. (in)	LENGTH (ft)	HOURS RUN	HRS SINCE INSPECTION
Bit	Security		4 1/2 R	7.875		1.00	3.75	3.75
Shock sub	Griffith / Spidle	4 1/2 R	4 1/2 XH	6.250		10.08	24.25	24.25
2 - 6 5/16" Drill Collars	Rig	4 1/2 XH	4 1/2 XH	6.313	2.313	61.75	3.75	3.75
4 - 6 1/4" Drill Collars	Rig	4 1/2 XH	4 1/2 XH	6.125	2.313	123.94	3.75	3.75
6 - 6 1/4" Drill Collars	Weatherford	4 1/2 XH	4 1/2 XH	6.250	2.250	183.83	3.75	3.75
5 - 4 1/2" HWDP	Rig	4 1/2 XH	4 1/2 XH	4.500	2.875	155.33	3.75	3.75
						535.73		

DRILLING MUD REPORT

SAMPLE DEPTH (ft)	TIME (hh:mm)	MUD WT. (ppg)	FUNNEL VISCOSITY (sec/qt)	PV / YP	KCL (%)	GEL STRENGTH (lb/100 ft2)	FILTRATE API (ml/30 min)	CALCIUM (ppm)	CAKE THICKNESS (/32 in)	SOLIDS (% vol)	SAND CONTENT (% vol)	pH	CHLORIDES (ppm)	ALKALINITY Pf / Mf	LCM lb/gal
4,039	05:00	8.50	27					30				9.8	1,400	.9 /	

DAILY MUD COST & INVENTORY

	BARITE (sx)	QUICK GEL (sx)	CAUSTIC (sx)	LIME (sx)	SODA ASH (sx)	UNDRILL (sx)	SOLWICK (sx)	PAC-R (sx)	PHPA (gal)	CEDAR (sx)	TRUCKING ($)	TOTAL COSTS ($)
UNIT COST												
STARTING INVENTORY	120											
INVENTORY RECEIVED												
USED LAST 24 HOURS												
ENDING INVENTORY												
DAILY MUD COST												400
PREVIOUS CUMULATIVE COST												26,861
CUMULATIVE MUD COST												27,261

MUD LOGGER REPORT

MUD GAS DATA (in Units) BACK GROUND	CONN GAS	TRIP GAS	SHOW INTERVAL FROM (ft)	TO (ft)	RATE OF PENETRATION BEFORE (ft)	DURING (ft)	AFTER (ft)	SHOW GAS DATA BEFORE UNITS	DURING UNITS	AFTER UNITS

Formation Tops:

Sample percentages:

Show Description:

DEVIATION SURVEYS

Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle
530	1.00	Wireline	0.00	1448	1.30	260.00	1.66	2314	1.14	149.30	0.62	3268	1.15	208.10	1.29
579	0.70	205.50	0.12	1480	1.20	245.80	1.01	2346	0.55	136.40	1.93	3299	1.02	217.70	0.72
608	0.80	204.40	0.35	1511	0.80	252.80	1.32	2377	0.36	115.07	0.81	3330	0.35	220.30	2.16
671	0.90	188.80	0.84	1542	0.80	220.00	1.46	2407	0.31	125.95	0.27	3362	0.11	310.70	1.15
702	1.10	178.70	0.86	1574	1.10	218.70	0.95	2468	0.27	84.80	0.34	3393	0.18	6.20	0.48
732	1.20	194.80	1.12	1604	0.70	204.10	1.48	2498	0.45	101.80	0.69	3424	0.11	325.60	0.39
763	1.20	181.30	0.91	1635	0.80	187.10	0.76	2529	0.56	137.10	1.04	3456	0.14	3.40	0.27
794	1.20	181.20	0.01	1666	0.80	221.50	1.53	2590	0.81	136.50	0.41	3487	0.17	185.40	1.00
824	1.00	207.10	1.77	1697	0.70	191.20	1.30	2620	0.72	129.90	0.42	3526	0.48	254.40	1.09
854	1.30	181.60	1.95	1728	0.90	182.80	0.75	2653	0.84	139.30	0.53	3558	0.11	337.50	1.60
886	0.90	197.20	1.55	1758	1.00	205.90	1.31	2683	0.92	149.30	0.58	3590	0.31	291.40	0.77
917	1.00	211.90	0.85	1791	1.07	204.30	0.23	2713	0.83	156.10	0.54	3622	0.47	210.81	1.82
979	1.16	199.50	0.46	1820	1.00	188.10	1.03	2744	0.70	195.30	1.62	3745	1.00		
1011	1.20	203.80	0.30	1851	0.65	198.30	1.22	2806	0.84	224.60	0.67	3836	1.00		
1041	1.50	211.86	1.18	1882	0.71	148.60	1.65	2837	0.93	223.40	0.30	3961	1.75		
1073	1.50	217.80	0.49	1913	0.65	127.20	0.84	2867	0.90	231.80	0.46	4000	2.00		
1104	1.20	210.00	1.13	1945	0.57	114.30	0.50	2898	0.39	226.10	1.66				
1135	1.40	226.90	1.39	1975	0.49	121.70	0.35	2929	0.30	181.00	0.69				
1166	0.80	239.90	2.08	2036	0.99	159.49	1.74	2961	0.41	144.00	0.78				
1197	1.00	246.10	0.72	2067	1.17	149.90	0.86	2992	0.54	138.40	0.44				
1228	1.10	230.50	0.97	2099	1.21	155.98	0.47	3021	0.65	138.00	0.38				
1259	0.90	271.40	2.33	2129	1.17	154.80	0.18	3097	0.88	119.47	0.30				
1290	0.70	246.40	0.30	2160	1.38	153.80	0.68	3115	0.86	147.23	2.32				
1321	0.90	247.00	0.61	2193	1.46	154.10	0.30	3145	0.74	161.10	0.76				
1355	0.80	250.60	0.33	2223	1.53	159.90	0.53	3176	0.98	163.17	0.78				
1385	0.90	276.30	1.30	2253	1.55	149.80	0.91	3207	1.20	178.80	1.19				
1417	0.80	252.00	1.16	2284	1.31	152.70	0.81	3237	1.19	188.50	0.67				

ESTIMATED FORMATION TOPS:

SAMPLE DESCRIPTION:

PUMP & CIRCULATING DATA

MUD PUMPS	MAKE	MODEL	LINER SIZE (in)	STROKE LENGTH (in)	ASSUMED EFF (%)	PUMP RATE (spm)	PUMP VOLUMETRIC DATA (bbls/stk)	(bbls/min)	(gal/min)	CIRCULATING DETAILS Standpipe (psi)	Motor Differential	HHP (@ sp in)	ANNULAR VELOCITY DP (ft/min)	DC (ft/min)	DC (ft/min)
NO. 1	National	7P50	6.25	7.75	95.00%	118	0.0736	8.25	347	980	75-100	3.54	200	414	
NO. 2															
NO. 3															
COMBINED															

015

EVERGREEN OPERATING, INC.

DAILY DRILLING REPORT

WELL NAME			
State 11-16 43-007-30961			
LOCATION DATA			
NW NW Sec 16 T-12S, R-10E			
FOOTAGES	GL		KB
550' FNL 500' FWL	7569		7580
COUNTY, STATE			
Carbon County, Utah			

RIG CONTACT INFORMATION:	
OFFICE TRAILER / FAX:	970 942 7543
CONSULTANT HAND CELL:	303 913 1054
DOGHOUSE:	307 268 7316
PUSHER:	

DATE	SPUD DATE	6AM DEPTH
8/9/2004	7/14/2004	4199
REPORT NO.		24 HR FOOTAGE
22		154
DRLG CONTRACTOR		DAYS SINCE SPUD
Elenburg, Rig 12		22
CONSULTANT		AFE # / API #
John C. Lamb		

ACTIVITY AT REPORT TIME:	DAILY COST	CUM COST	AFE COSTS
Drilling ahead	$ 13,170	$ 719,273	$ -

CHRONOLOGY OF DAILY OPERATIONS (06:00 - 06:00 HRS)

SLOW PUMP RATE DATA:

Depth	SPM	Pressure
4091	62	350

STRING WEIGHT INFORMATION:

Eff BHA Wt	Rotating:	Slackoff:	Hoisting:
29,750	100,000	99,000	108,000

FROM (hrs)	TO (hrs)	HOURS (hrs)	Activity:
06:00	11:45	5.75	Drill 4045 - 4085
11:45	12:15	0.50	Circulate coal drilling break up and cannister cuttings
12:15	13:15	1.00	Drill 4085 - 4091
13:15	13:30	0.25	Service rig
13:30	16:00	2.50	Drill 4091 - 4110
16:00	16:15	0.25	Circulate coal drilling break up and cannister cuttings
16:15	22:15	6.00	Drill 4110 - 4151, cannistered 2 more thin coals, without circulating samples out
22:15	22:30	0.25	Wireline survey 2 3/4 deg at 4120
22:30	06:00	7.50	Drill 4151 - 4199
			Next core point is 4112'
			So far, we have caught and cannistered 9 intervals of drill cuttings:
			Intervals Peak Gas Units
			4006 - 4008 1240
			4080 - 4084 4186
			4109 - 4110 2356
			4121 - 4122 2103
			4125 - 4216 2054
			4169 - 4170 1250
			4180 - 4181 1015
			4186 - 4190 1222
			Samples are desorbing nicely
TOTAL HOURS		24.00	

RECEIVED
DEC 13 2004
DIV. OF OIL, GAS & MINING

SUMMARY OF RIG HOURS

DESC.	DAILY (hrs)	CUM (hrs)
Drill	22.75	328.75
Trip		66.75
Circulate	0.75	7.25
Rig Repair		26.25
Rig Service	0.25	3.75
Dev Survey	0.25	2.75
NU / ND		12.25
Cement		3.25
Run Casing		9.25
WOC		
OH Logging		
Mix Mud		1.00
MI & RU		
Rat Hole		
Mouse Hole		
Fishing		
DST		
Coring		9.75
Inspect BHA		13.75
Cut drlg line		3.50
Wash & Ream		8.25
WO mwd tool		5.75
Test BOPE		3.25
WOO		
PU/LD BHA		10.25
Drill cement		2.25
TOTALS	24.00	520.00

SUMMARY OF DAILY & CUMULATIVE COSTS

COST CODE	DESCRIPTION OF DAILY COSTS	DAILY ($)	CUM ($)	AFE ($)
2030.010	Land, Legal, Title, Survey, Arch, Damages, Permits, Signs			
2030.031	Dirtwork, Road, Location, Pits, Liner		$ 25,000	
2030.019	Contract Drilling 9480 / day 392.5 / h cond 5491 26,000 mob sfc 38791	$ 9,480	$ 288,600	
2032.001	Water		$ 5,017	
2032.013	Drill Bits, Stabilizers, Reamers		$ 44,314	
2031.046	Cementing and Services		$ 25,450	
2030.053	Coring and Analysis		$ 15,581	
2030.052	Logging			
2030.054	Mud Logging	$ 1,500	$ 8,600	
2030.037	Rental Equipment	$ 990	$ 23,909	
2030.028	Transportation		$ 14,849	
2032.004	Mud and Chemicals	$ 400	$ 27,661	
	Directional Services, Mud Motors		$ 110,952	
	Intermediate casing		$ 73,854	
2030.035	Contract Labor		$ 5,818	
2030.022	Engineering / Supervision	$ 800	$ 18,400	
2030.099	Intangible Miscellaneous and Contingencies			
2040.001	Surface Casing		$ 19,071	
2040.004	Production Casing			
1011.000	Float Equipment, Shoes, Centralizers		$ 1,800	
1041.000	Wellhead Equipment		$ 10,397	
1073.000	Bottom Hole Pump / Gas Lift / Other			
1104.000	Drivehead, Engine / Motor and Hydraulic Pump / Electric Unit			
2040.052 / 2040.055	Valves and Fittings, Small / Large			
2040.067	Other Surface Equipment			
2040.099	Tangible Miscellaneous and Contingencies			
	TOTAL COSTS	$ 13,170	$ 719,273	$ -

Report # 22	Date: 08/09/04	DAILY DRILLING REPORT	Page 2
	Well Name:	State 11-16	

BIT RECORD

BIT NO. (#)	BIT SIZE (in)	MFG	TYPE	SERIAL NO.	JETS (32/32/32)	DEPTH IN (ft)	DEPTH OUT (ft)	FOOTAGE DRILLED (ft)	CUM BIT HOURS (hrs)	ROP (ft/hr)	WOB (klbs)	RPM MTR/TBL	BIT TORQUE (ft - lbs)	BIT GRADING In	Out	Dull	Loc	Seals	Gge	Dull	Other
1	12 1/4	HTC	HT30XP	J101045	16 / 16 / 16	504	2,095	1,591	126.00	12.6	30 - 34K	54 / 60	2500 - 3000	3	3	WT	A	EFE	0	No	torque
2	12 1/4	JZ	HJT537G	15987	16 / 16 / 16	2,095	3,222	1,127	87.00	13.0	33 - 41K	54 / 60	1500 - 1900	5	6	BT	G	EEE	1/4	RG	torque
3	12 1/4	JZ	HJT537G	16001	16 / 16 / 16	3,222	3,532	310	24.75	12.5	37 - 44K	54 / 60	1800 - 3300	7	8	BT	A	EFE	1/2	RG	torque
4	12 1/4	RTC	HP53KPRDH	KA9244	18 / 18 / 18	3,532	3,721	189	35.25	5.4	28 - 33K	54 / 60-80	1200 - 2200	6	8	BT	GM	EFE	1/4	RG	c
5	7 7/8	RTC	HP53HK	W41838	15 / 15 / 15	3,721	3,995	274	24.25	11.3	23 - 28K	100 / 30-60	1700 - 2000	6	8	WT	A	EEE	3/32	No	cc
CB	7 7/8	DPI	Core bit			3,995	4,017	22	6.50	3.4	3 - 4K	45	500 - 1500	8	8	BC	A	-	1/8	No	
6	7 7/8	Security	XS73	10585251	12/12/2012	4,017	4,199	182	26.50	6.9	22 - 23K	45 - 60	1600 - 2000								
COMMENTS																					

RENTAL EQUIPMENT

RENTAL ITEM	DAILY COSTS ($)	CUM COSTS ($)
Living Qtrs	$ 195	$ 4,560
Frac Tank	$ 45	$ 625
Forklift	$ 60	$ 1,440
Portajohn	$ 20	$ 500
Mud Trailer	$ 20	$ 500
Mud Cleaner	$ 375	$ 8,325
EDR	$ 60	$ 1,350
Autodriller	$ 90	$ 2,060
RU mud clnr		$ 670
Trash/Tlt del		$ 349
Living Qtrs	$ 125	$ 3,000
empty trash		$ 490
other		
other		
other		
other		
other		
other		
TOTALS	$ 990	$ 23,899

CASING DATA

SIZE	WEIGHT	GRADE	CONN	DRIFT ID	EXTERNAL COLLAPSE (psi)	INTERNAL YIELD (psi)	CAPACITY (bbls/ft)	LENGTH (ft)	TOP SET AT (ft)	BOTTOM SET AT (ft KB)	
13 3/8"	54.5	J55	ST&C	12.459	1,130	2,730	0.15450	536.00	2.00	523.00	
8 5/8"	32	J55	ST&C	7.796	2,530	3,930	0.06090	3,718.00	8.00	3,710.00	

BOTTOMHOLE ASSEMBLY

DESCRIPTION OF BHA	PROVIDER	THREAD SIZE BOX	THREAD SIZE PIN	MAXIMUM O.D. (in)	MINIMUM I.D. (in)	LENGTH (ft)	HOURS RUN	HRS SINCE INSPECTION	
Bit	Security		4 1/2 R	7.875		1.00	26.50	26.50	
Shock sub	Griffith / Spidle	4 1/2 R	4 1/2 XH	6.250		10.08	47.00	47.00	
2 - 6 5/16" Drill Collars	Rig	4 1/2 XH	4 1/2 XH	6.313	2.313	61.75	26.50	26.50	
4 - 6 1/4" Drill Collars	Rig	4 1/2 XH	4 1/2 XH	6.125	2.313	123.94	26.50	26.50	
6 - 6 1/4" Drill Collars	Weatherford	4 1/2 XH	4 1/2 XH	6.250	2.250	183.63	26.50	26.50	
5 - 4 1/2" HWDP	Rig	4 1/2 XH	4 1/2 XH	4.500	2.875	155.33	26.50	26.50	
						535.73			

DRILLING MUD REPORT

SAMPLE DEPTH (ft)	TIME (hh:mm)	MUD WT. (ppg)	FUNNEL VISCOSITY (sec/qt)	PV / YP	KCL (%)	GEL STRENGTH (lb/100 ft2)	FILTRATE API (ml/30 min)	CALCIUM (ppm)	CAKE THICKNESS (/32 in)	SOLIDS (% vol)	SAND CONTENT (% vol)	pH	CHLORIDES (ppm)	ALKALINITY Pf / Mf	LCM lb/gal
4,039	05:00	8.50	27					30				9.6	1,400	.9 /	

DAILY MUD COST & INVENTORY

	BARITE (sx)	QUICK GEL (sx)	CAUSTIC (lbs)	LIME (sx)	SODA ASH (sx)	UNIDRILL (sx)	SOLKWICK (sx)	PAC-R (lbs)	PHPA (gal)	CEDAR (sx)	TRUCKING ($)	TOTAL COSTS ($)
UNIT COST												
STARTING INVENTORY	120											
INVENTORY RECEIVED												
USED LAST 24 HOURS												
ENDING INVENTORY												
DAILY MUD COST												400
PREVIOUS CUMULATIVE COST												27,261
CUMULATIVE MUD COST												27,661

MUD LOGGER REPORT

MUD GAS DATA (in Units) BACK GROUND	CONN GAS	TRIP GAS	SHOW INTERVAL FROM (ft)	TO (ft)	RATE OF PENETRATION BEFORE (ft)	DURING (ft)	AFTER (ft)	SHOW GAS DATA BEFORE UNITS	DURING UNITS	AFTER UNITS	
100	400										Formation Tops:
											Sample percentages:
											Show Description:

DEVIATION SURVEYS

Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle
530	1.00	Wireline	0.00	1448	1.30	260.00	1.68	2314	1.14	149.30	0.62	3268	1.15	208.10	1.29
579	0.70	205.50	0.12	1480	1.20	245.80	1.01	2348	0.55	138.40	1.93	3298	1.02	217.70	0.72
606	0.60	204.40	0.35	1511	0.80	252.60	1.32	2377	0.36	115.07	0.81	3330	0.35	220.30	2.16
671	0.90	188.60	0.84	1542	0.80	220.00	1.46	2407	0.31	125.95	0.27	3362	0.11	310.70	1.15
702	1.10	178.70	0.66	1574	1.10	216.70	0.95	2466	0.27	84.60	0.34	3393	0.18	6.20	0.48
732	1.20	194.80	1.12	1604	0.70	204.10	1.48	2496	0.45	101.80	0.69	3424	0.11	325.60	0.39
763	1.20	181.30	0.91	1635	0.80	187.10	0.78	2529	0.56	137.10	1.04	3456	0.14	3.40	0.27
794	1.20	181.20	0.01	1666	0.80	221.50	1.53	2590	0.61	136.50	0.41	3487	0.17	185.40	1.00
824	1.00	207.10	1.77	1697	0.70	191.20	1.30	2620	0.72	129.90	0.42	3525	0.48	254.40	1.09
854	1.30	181.60	1.95	1728	0.90	182.80	0.75	2653	0.84	139.30	0.53	3558	0.11	337.50	1.60
886	0.90	197.20	1.55	1758	1.00	205.90	1.31	2683	0.92	149.30	0.58	3590	0.31	291.40	0.77
917	1.00	211.90	0.65	1791	1.07	204.30	0.23	2713	0.63	156.10	0.54	3622	0.47	210.61	1.62
979	1.16	199.50	0.46	1820	1.00	188.10	1.03	2744	0.70	195.30	1.62	3745	1.00		
1011	1.20	203.80	0.30	1851	0.65	196.30	1.22	2606	0.84	224.60	0.67	3836	1.00		
1041	1.50	211.86	1.18	1882	0.71	148.60	1.85	2837	0.93	223.40	0.30	3961	1.75		
1073	1.50	217.80	0.49	1913	0.65	127.20	0.84	2867	0.90	231.80	0.46	4000	2.00		
1104	1.20	210.00	1.13	1945	0.57	114.30	0.50	2898	0.39	226.10	1.66	4120	2.75		
1135	1.40	226.90	1.39	1975	0.49	121.70	0.35	2929	0.30	181.00	0.89				
1166	0.80	239.90	2.08	2036	0.99	159.49	1.74	2961	0.41	144.00	0.78				
1197	1.00	246.10	0.72	2067	1.17	149.90	0.86	2992	0.54	138.40	0.44				
1228	1.10	230.50	0.97	2099	1.21	155.96	0.47	3021	0.65	138.00	0.38				
1259	0.90	271.40	2.33	2129	1.17	154.60	0.16	3097	0.66	119.47	0.30				
1290	0.70	246.40	0.30	2160	1.36	153.60	0.68	3115	0.86	147.23	2.32				
1321	0.90	247.00	0.61	2193	1.48	154.10	0.30	3145	0.74	161.10	0.76				
1355	0.80	250.60	0.33	2223	1.53	159.90	0.53	3176	0.96	163.17	0.76				
1385	0.90	278.30	1.30	2253	1.55	149.80	0.91	3207	1.20	176.80	1.19				
1417	0.80	252.00	1.16	2284	1.31	152.70	0.61	3237	1.19	186.50	0.87				
ESTIMATED FORMATION TOPS:															
SAMPLE DESCRIPTION:															

PUMP & CIRCULATING DATA

MUD PUMPS	MAKE	MODEL	LINER SIZE (in)	STROKE LENGTH (in)	ASSUMED EFF (%)	PUMP RATE (spm)	PUMP VOLUMETRIC DATA (bbls/stk)	(bbls/min)	(gal/min)	CIRCULATING DETAILS Standpipe (psi)	Motor Differential	HHP (sq in)	ANNULAR VELOCITY DP (ft/min)	DC (ft/min)	DC (ft/min)
NO. 1	National	7P50	6.25	7.75	95.00%	118	0.0736	8.25	347	980	75-100	3.54	200	414	
NO. 2															
NO. 3															
COMBINED															

014

EVERGREEN OPERATING, INC.

DAILY DRILLING REPORT

WELL NAME			
State 11-16 43-007-30961			
LOCATION DATA			
NW NW Sec 16 T-12S, R-10E			
FOOTAGES	GL		KB
550' FNL 500' FWL	7569		7580
COUNTY, STATE			
Carbon County, Utah			

RIG CONTACT INFORMATION:	
OFFICE TRAILER / FAX:	970 942 7543
CONSULTANT HAND CELL:	303 913 1054
DOGHOUSE:	307 268 7316
PUSHER:	

DATE	SPUD DATE	6AM DEPTH
8/10/2004	7/14/2004	4216
REPORT NO.		24 HR FOOTAGE
23		17
DRLG CONTRACTOR		DAYS SINCE SPUD
Elenburg, Rig 12		23
CONSULTANT		AFE # / API #
John C. Lamb		

ACTIVITY AT REPORT TIME:	DAILY COST	CUM COST	AFE COSTS
Coring ahead	$ 16,370	$ 735,407	$ -

CHRONOLOGY OF DAILY OPERATIONS (06:00 - 06:00 HRS)

SLOW PUMP RATE DATA:

Depth	SPM	Pressure
4100	54	200

STRING WEIGHT INFORMATION:

Eff BHA Wt	Rotating:	Slackoff:	Hoisting:
29,750	105,000	100,000	108,000

FROM (hrs)	TO (hrs)	HOURS (hrs)	Activity:
06:00	08:30	2.50	Drill 4199 - 4212
08:30	08:45	0.25	Circulate at core point
08:45	09:15	0.50	Wireline survey 3 deg at 4182
09:15	12:30	3.25	Trip out of hole
12:30	13:45	1.25	PU core barrel
13:45	17:15	3.50	Trip in hole
17:15	17:45	0.50	Wash 60' to bottom and circulate clean
17:45	20:45	3.00	Cut core #6 4212 - 4214, did not feel core break, when pulled off bottom due to penetration rate
20:45	00:00	3.25	Trip out of hole
00:00	02:30	2.50	Disassemble and LD core barrel, PU new inner core barrel, core had jammed, causing inner barrel assembly to part and damaging core head cutting face
02:30	05:30	3.00	Trip in hole
05:30	06:00	0.50	Cutting core #7 at 6 feet per hour
TOTAL HOURS		24.00	

RECEIVED
DEC 13 2004
DIV. OF OIL, GAS & MINING

SUMMARY OF RIG HOURS

DESC.	DAILY (hrs)	CUM (hrs)
Drill	2.50	331.25
Trip	13.00	81.75
Circulate	0.75	8.00
Rig Repair		26.25
Rig Service		3.75
Dev Survey	0.50	3.25
NU / ND		12.25
Cement		3.25
Run Casing		9.25
WOC		
OH Logging		
Mix Mud		1.00
MI & RU		
Rat Hole		
Mouse Hole		
Fishing		
DST		
Coring	3.50	13.25
Inspect BHA		13.75
Cut drlg line		3.50
Wash & Ream		8.25
WO mwd tool		5.75
Test BOPE		3.25
WOO		
PU/LD BHA	3.75	14.00
Drill cement		2.25
TOTALS	24.00	544.00

SUMMARY OF DAILY & CUMULATIVE COSTS

COST CODE	DESCRIPTION OF DAILY COSTS	DAILY ($)	CUM ($)	AFE ($)
2030.010	Land, Legal, Title, Survey, Arch, Damages, Permits, Signs			
2030.031	Dirtwork, Road, Location, Pits, Liner		$ 25,000	
2030.019	Contract Drilling 9480 / day 392.5 / h cond 5491 26,000 mob sfc 38791	$ 9,480	$ 298,080	
2032.001	Water		$ 5,017	
2032.013	Drill Bits, Stabilizers, Reamers	$ 2,200	$ 46,514	
2031.046	Cementing and Services		$ 25,450	
2030.053	Coring and Analysis	$ 1,000	$ 16,581	
2030.052	Logging			
2030.054	Mud Logging	$ 1,500	$ 10,100	
2030.037	Rental Equipment	$ 990	$ 24,889	
2030.028	Transportation		$ 14,849	
2032.004	Mud and Chemicals	$ 400	$ 27,835	
	Directional Services, Mud Motors		$ 110,952	
	Intermediate casing		$ 73,854	
2030.035	Contract Labor		$ 5,818	
2030.022	Engineering / Supervision	$ 800	$ 19,200	
2030.099	Intangible Miscellaneous and Contingencies			
2040.001	Surface Casing		$ 19,071	
2040.004	Production Casing			
1011.000	Float Equipment, Shoes, Centralizers		$ 1,800	
1041.000	Wellhead Equipment		$ 10,397	
1073.000	Bottom Hole Pump / Gas Lift / Other			
1104.000	Drivehead, Engine / Motor and Hydraulic Pump / Electric Unit			
2040.052 / 2040.055	Valves and Fittings, Small / Large			
2040.067	Other Surface Equipment			
2040.099	Tangible Miscellaneous and Contingencies			
	TOTAL COSTS	$ 16,370	$ 735,407	$ -

Report # 23 Date: 08/10/04 Well Name:

DAILY DRILLING REPORT

State 11-16

BIT RECORD

BIT NO. (#)	BIT SIZE (in)	MFG	TYPE	SERIAL NO.	JETS (32/32/32)	DEPTH IN (ft)	DEPTH OUT (ft)	FOOTAGE DRILLED (ft)	CUM BIT HOURS (hrs)	ROP (ft/hr)	WOB (Klbs)	RPM MTR/TBL	BIT TORQUE (ft - lbs)	BIT GRADING In Out Dull Loc Seals Gge Dull Other
1	12 1/4	HTC	HT30XP	J101045	16 / 16 / 16	504	2,095	1,591	126.00	12.6	30 - 34K	54 / 60	2500 - 3000	3 3 WT A EFE 0 No torque
2	12 1/4	JZ	HJT537G	15987	16 / 16 / 16	2,095	3,222	1,127	87.00	13.0	33 - 41K	54 / 60	1500 - 1900	5 8 BT G EEE 1/4 RG torqu
3	12 1/4	JZ	HJT537G	16001	16 / 16 / 16	3,222	3,532	310	24.75	12.5	37 - 44K	54 / 60	1800 - 3300	7 8 BT A EFE 1/2 RG torque
4	12 1/4	RTC	HP53KPRDH	KA9244	16 / 16 / 16	3,532	3,721	189	35.25	5.4	28 - 33K	54 / 60-80	1200 - 2200	6 8 BT GM EFE 1/4 RG c
5	7 7/8	RTC	HP53HK	W41838	15 / 15 / 15	3,721	3,995	274	24.25	11.3	23 - 28K	100 / 30-60	1700 - 2000	6 6 WT A EEE 3/32 No cc
CB	7 7/8	DPI	Core bit			3,995	4,017	22	6.50	3.4	3 - 4K	45	500 - 1500	6 6 BC A - 1/8 No
6	7 7/8	Security	XS73	10565251	12/12/2012	4,017	4,212	195	30.00	6.5	22 - 23K	45 - 60	1600 - 2000	3 3 WT A EEE 1/64 No c
COMMENTS														

RENTAL EQUIPMENT

RENTAL ITEM	DAILY COSTS ($)	CUM COSTS ($)
Living Qtrs	$ 195	$ 4,755
Frac Tank	$ 45	$ 670
Forklift	$ 60	$ 1,500
Portajohn	$ 20	$ 520
Mud Trailer	$ 20	$ 520
Mud Cleaner	$ 375	$ 8,700
EDR	$ 60	$ 1,440
Autodriller	$ 90	$ 2,150
RU mud clnr		$ 670
Trash/Vac del		$ 349
Living Qtrs	$ 125	$ 3,125
empty trash		$ 490
other		
other		
other		
other		
other		
other		
TOTALS	$ 996	$ 24,889

CASING DATA

SIZE	WEIGHT	GRADE	CONN	DRIFT ID	EXTERNAL COLLAPSE (psi)	INTERNAL YIELD (psi)	CAPACITY (bbls/ft)	LENGTH (ft)	TOP SET AT (ft)	BOTTOM SET AT (ft KB)	
13 3/8"	54.5	J55	ST&C	12.459	1,130	2,730	0.15450	536.00	2.00	523.00	
8 5/8"	32	J55	ST&C	7.796	2,530	3,930	0.06090	3,718.00	8.00	3,710.00	

BOTTOMHOLE ASSEMBLY

DESCRIPTION OF BHA	PROVIDER	THREAD SIZE BOX	THREAD SIZE PIN	MAXIMUM O.D. (in)	MINIMUM I.D. (in)	LENGTH (ft)	HOURS RUN	HRS SINCE INSPECTION	
Core Bit #3	DPI			6.125			3.50	3.50	
Core Barrel & XO	DPI		4 1/2 XH	5.750		69.48	3.50	3.50	
11 - 6 1/2" Drill collars	Rig	4 1/2 XH	4 1/2 XH	6.500	2.250	340.02	3.50	3.50	
5 - 4 1/2" HWDP	Rig	4 1/2 XH	4 1/2 XH	4.500	2.875	155.33	30.00	30.00	
						564.83			

DRILLING MUD REPORT

SAMPLE DEPTH (ft)	TIME (hh:mm)	MUD WT. (ppg)	FUNNEL VISCOSITY (sec/qt)	PV / YP	KCL (%)	GEL STRENGTH (lb/100 ft2)	FILTRATE API (ml/30 min)	CALCIUM (ppm)	CAKE THICKNESS (/32 in)	SOLIDS (% vol)	SAND CONTENT (% vol)	pH	CHLORIDES (ppm)	ALKALINITY Pf / Mf	LCM lb/gal
4,039	05:00	8.50	27					30				9.7	1,350	0.85 /	

DAILY MUD COST & INVENTORY

	BARITE (sx)	QUICK GEL (sx)	CAUSTIC (sx)	LIME (sx)	SODA ASH (sx)	UNIDRILL (sx)	SOLKWICK (sx)	PAC-R (sx)	PHPA (gal)	CEDAR (sx)	TRUCKING ($)	TOTAL COSTS ($)
UNIT COST												
STARTING INVENTORY	120											
INVENTORY RECEIVED												
USED LAST 24 HOURS												
ENDING INVENTORY												
DAILY MUD COST												574
PREVIOUS CUMULATIVE COST												27,261
CUMULATIVE MUD COST												27,836

MUD LOGGER REPORT

MUD GAS DATA (in Units) BACK GROUND	CONN GAS	TRIP GAS	SHOW INTERVAL FROM (ft)	TO (ft)	RATE OF PENETRATION BEFORE (ft)	DURING (ft)	AFTER (ft)	SHOW GAS DATA BEFORE UNITS	DURING UNITS	AFTER UNITS	
100	400										Formation Tops:
											Sample percentages:
											Show Description:

DEVIATION SURVEYS

Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle
530	1.00	Wireline	0.00	1448	1.30	260.00	1.68	2314	1.14	149.30	0.62	3268	1.15	208.10	1.29
579	0.70	205.50	0.12	1480	1.20	245.80	1.01	2346	0.55	136.40	1.93	3299	1.02	217.70	0.72
608	0.80	204.40	0.35	1511	0.80	252.80	1.32	2377	0.36	115.07	0.81	3330	0.35	220.30	2.16
671	0.90	188.60	0.84	1542	0.80	220.00	1.46	2407	0.31	125.95	0.27	3362	0.11	310.70	1.15
702	1.10	178.70	0.86	1574	1.10	216.70	0.95	2468	0.27	84.60	0.34	3393	0.18	6.20	0.46
732	1.20	184.80	1.12	1604	0.70	204.10	1.48	2498	0.45	101.80	0.69	3424	0.11	325.60	0.39
763	1.20	181.30	0.91	1635	0.80	187.10	0.78	2529	0.56	137.10	1.04	3456	0.14	3.40	0.27
794	1.20	181.20	0.01	1666	0.80	221.50	1.53	2590	0.81	136.50	0.41	3487	0.17	185.40	1.00
824	1.00	207.10	1.77	1697	0.70	191.20	1.30	2620	0.72	129.90	0.42	3528	0.48	254.40	1.09
854	1.30	181.60	1.95	1728	0.90	182.80	0.75	2653	0.84	139.30	0.53	3558	0.11	337.50	1.60
888	0.90	197.20	1.55	1758	1.00	205.90	1.31	2683	0.92	149.30	0.58	3590	0.31	291.40	0.77
917	1.00	211.90	0.65	1791	1.07	204.30	0.23	2713	0.83	158.10	0.54	3622	0.47	210.81	1.62
979	1.16	199.50	0.46	1820	1.00	188.10	1.03	2744	0.70	195.30	1.62	3745	1.00		
1011	1.20	203.80	0.30	1851	0.65	198.30	1.22	2806	0.84	224.60	0.67	3838	1.00		
1041	1.50	211.86	1.18	1882	0.71	148.60	1.65	2837	0.93	223.40	0.30	3961	1.75		
1073	1.50	217.80	0.49	1913	0.65	127.20	0.84	2867	0.90	231.80	0.46	4000	2.00		
1104	1.20	210.00	1.13	1945	0.57	114.30	0.50	2898	0.39	226.10	1.66	4120	2.75		
1135	1.40	226.90	1.39	1975	0.49	121.70	0.35	2929	0.30	161.00	0.89				
1166	0.80	239.90	2.08	2036	0.99	159.49	1.74	2961	0.41	144.00	0.76				
1197	1.00	246.10	0.72	2067	1.17	149.90	0.86	2992	0.54	138.40	0.44				
1228	1.10	230.50	0.97	2099	1.21	155.96	0.47	3021	0.65	138.00	0.38				
1259	0.90	271.40	2.33	2129	1.17	154.60	0.16	3097	0.88	119.47	0.30				
1290	0.70	248.40	0.30	2160	1.36	153.80	0.68	3115	0.86	147.23	2.32				
1321	0.90	247.00	0.61	2193	1.48	154.10	0.30	3145	0.74	161.10	0.76				
1355	0.80	250.80	0.33	2223	1.53	159.90	0.53	3176	0.98	163.17	0.75				
1385	0.90	276.30	1.30	2253	1.55	149.80	0.91	3207	1.20	178.80	1.19				
1417	0.80	252.00	1.16	2284	1.31	152.70	0.81	3237	1.19	188.50	0.67				
ESTIMATED FORMATION TOPS:															
SAMPLE DESCRIPTION:															

PUMP & CIRCULATING DATA

MUD PUMPS	MAKE	MODEL	LINER SIZE (in)	STROKE LENGTH (in)	ASSUMED EFF (%)	PUMP RATE (spm)	PUMP VOLUMETRIC DATA (bbls/stk)	(bbls/min)	(gal/min)	CIRCULATING DETAILS Standpipe (psi)	Motor Differential	HHP (Sq in)	ANNULAR VELOCITY DP (ft/min)	DC (ft/min)	DC (ft/min)
NO. 1	National	7P50	6.25	7.75	95.00%	81	0.0736	5.66	238	660			150	300	
NO. 2															
NO. 3															
COMBINED															

013

EVERGREEN OPERATING, INC.

DAILY DRILLING REPORT

WELL NAME			
State 11-16 43-007-30961			
LOCATION DATA			
NW NW Sec 16 T-12S, R-10E			
FOOTAGES	GL		KB
550' FNL 500' FWL	7569		7580
COUNTY, STATE			
Carbon County, Utah			

RIG CONTACT INFORMATION:	
OFFICE TRAILER / FAX:	970 942 7543
CONSULTANT HAND CELL:	303 913 1054
DOGHOUSE:	307 268 7316
PUSHER:	

DATE	SPUD DATE	6AM DEPTH
8/11/2004	7/14/2004	4253
REPORT NO.		24 HR FOOTAGE
24		37
DRLG CONTRACTOR		DAYS SINCE SPUD
Elenburg, Rig 12		24
CONSULTANT		AFE # / API #
John C. Lamb		

ACTIVITY AT REPORT TIME:	DAILY COST	CUM COST	AFE COSTS
Reaming core hole	$ 14,170	$ 749,577	$ -

CHRONOLOGY OF DAILY OPERATIONS (06:00 - 06:00 HRS)

SLOW PUMP RATE DATA:

Depth	SPM	Pressure
4214	54	350

STRING WEIGHT INFORMATION:

Eff BHA Wt	Rotating:	Slackoff:	Hoisting:
29,750	103,000	98,000	108,000

FROM (hrs)	TO (hrs)	HOURS (hrs)	Activity:
06:00	13:30	7.50	Cutting core #7 4214 - 4253', pulled on penetration rate
13:30	17:30	4.00	Trip out of hole
17:30	18:45	1.25	Lay down core - cut 39' recovered 16.5', core appeared to have jammed in Ss on high angle fracture at 4230' and then while jammed, the subsequent core was milled up, rather than being pushed up into core barrel and recovered
18:45	20:45	2.00	Break off and LD core assembly
20:45	01:00	4.25	Pick up bit and shock sub, trip in hole
01:00	06:00	5.00	Ream core hole 4212 - 4248'
TOTAL HOURS		24.00	

RECEIVED
DEC 13 2004
DIV. OF OIL, GAS & MINING

SUMMARY OF RIG HOURS

DESC.	DAILY (hrs)	CUM (hrs)
Drill		331.25
Trip	6.25	90.00
Circulate		6.00
Rig Repair		26.25
Rig Service		3.75
Dev Survey		3.25
NU / ND		12.25
Cement		3.25
Run Casing		9.25
WOC		
OH Logging		
Mix Mud		1.00
MI & RU		
Rat Hole		
Mouse Hole		
Fishing		
DST		
Coring	6.75	22.00
Inspect BHA		13.75
Cut drlg line		3.50
Wash & Ream	5.00	13.25
WO mwd tool		5.75
Test BOPE		3.25
WOO		
PU/LD BHA	2.00	16.00
Drill cement		2.25
TOTALS	24.00	588.00

SUMMARY OF DAILY & CUMULATIVE COSTS

COST CODE	DESCRIPTION OF DAILY COSTS	DAILY ($)	CUM ($)	AFE ($)
2030.010	Land, Legal, Title, Survey, Arch, Damages, Permits, Signs			
2030.031	Dirtwork, Road, Location, Pits, Liner		$ 25,000	
2030.019	Contract Drilling 9480 / day 392.5 / h cond 5491 26,000 mob sfc 38791	$ 9,480	$ 307,560	
2032.001	Water		$ 5,017	
2032.013	Drill Bits, Stabilizers, Reamers		$ 46,514	
2031.048	Cementing and Services		$ 25,450	
2030.053	Coring and Analysis	$ 1,000	$ 17,581	
2030.052	Logging			
2030.054	Mud Logging	$ 1,500	$ 11,600	
2030.037	Rental Equipment	$ 990	$ 25,879	
2030.028	Transportation		$ 14,849	
2032.004	Mud and Chemicals	$ 400	$ 28,235	
	Directional Services, Mud Motors		$ 110,952	
	Intermediate casing		$ 73,854	
2030.035	Contract Labor		$ 5,818	
2030.022	Engineering / Supervision	$ 800	$ 20,000	
2030.099	Intangible Miscellaneous and Contingencies			
2040.001	Surface Casing		$ 19,071	
2040.004	Production Casing			
1011.000	Float Equipment, Shoes, Centralizers		$ 1,800	
1041.000	Wellhead Equipment		$ 10,397	
1073.000	Bottom Hole Pump / Gas Lift / Other			
1104.000	Drivehead, Engine / Motor and Hydraulic Pump / Electric Unit			
2040.052 / 2040.055	Valves and Fittings, Small / Large			
2040.067	Other Surface Equipment			
2040.099	Tangible Miscellaneous and Contingencies			
	TOTAL COSTS	$ 14,170	$ 749,577	$ -

Report # 24	Date: 08/11/04	DAILY DRILLING REPORT	
	Well Name: State 11-18		

BIT RECORD

BIT NO. (#)	BIT SIZE (in)	MFG	TYPE	SERIAL NO.	JETS (32/32/32)	DEPTH IN (ft)	DEPTH OUT (ft)	FOOTAGE DRILLED (ft)	CUM BIT HOURS (hrs)	ROP (ft/hr)	WOB (klbs)	RPM MTR/TBL	BIT TORQUE (ft - lbs)	BIT GRADING In Out Dull Loc Seals Gge Dull Other
6	7 7/8	Security	XS73	10585251	12 / 12 / 12	4,017	4,212	195	30.00	6.5	22 - 23K	45 - 60	1600 - 2000	3 3 WT A EEE 1/64 No c
CB2	6 1/8	DPI		1477		4,212	4,214	2	3.00	1.5	8 - 15K	45 - 60	2000 - 2500	8 8
CB3	6 1/8	DPI		2016		4,214	4,253	39	8.00	4.9	8 - 13K	45 - 60	1800 - 2300	8 8
RR 6	7 7/8	Security	XS73	10585251	12 / 12 / 12	4,253								
COMMENTS	RR6 reamed core hole 4216 - 4253													

RENTAL EQUIPMENT

RENTAL ITEM	DAILY COSTS ($)	CUM COSTS ($)
Living Qtrs	$ 195	$ 4,950
Frac Tank	$ 45	$ 715
Forklift	$ 60	$ 1,560
Portajohn	$ 20	$ 540
Mud Trailer	$ 20	$ 540
Mud Cleaner	$ 375	$ 9,075
EDR	$ 60	$ 1,500
Autodriller	$ 90	$ 2,240
RU mud ctnr		$ 670
Trash/Tlt del		$ 349
Living Qtrs	$ 125	$ 3,250
empty trash		$ 490
other		
other		
other		
other		
other		
other		
TOTALS	$ 990	$ 25,879

CASING DATA

SIZE	WEIGHT	GRADE	CONN	DRIFT ID	EXTERNAL COLLAPSE (psi)	INTERNAL YIELD (psi)	CAPACITY (bbls/ft)	LENGTH (ft)	TOP SET AT (ft)	BOTTOM SET AT (ft KB)
13 3/8"	54.5	J55	ST&C	12.459	1,130	2,730	0.15450	536.00	2.00	523.00
8 5/8"	32	J55	ST&C	7.796	2,530	3,930	0.06090	3,718.00	8.00	3,710.00

BOTTOMHOLE ASSEMBLY

DESCRIPTION OF BHA	PROVIDER	THREAD SIZE BOX	THREAD SIZE PIN	MAXIMUM O.D. (in)	MINIMUM I.D. (in)	LENGTH (ft)	HOURS RUN	HRS SINCE INSPECTION
Core Bit #3	DPI			6.125			8.00	8.00
Core Barrel & XO	DPI		4 1/2 XH	5.750		69.48	8.00	8.00
11 - 6 1/2" Drill collars	Rig	4 1/2 XH	4 1/2 XH	6.500	2.250	340.02	11.00	11.00
5 - 4 1/2" HWDP	Rig	4 1/2 XH	4 1/2 XH	4.500	2.875	155.33	37.50	37.50
RR Bit #6	Security		4 1/2 R	7.875		1.00	1.00	1.00
Griffith Shock sub	Spidle	4 1/2 R	4 1/2 XH	5.750		10.06	53.00	53.00
11 - 6 1/2" Drill Collars	Rig	4 1/2 XH	4 1/2 XH	6.500	2.250	340.02	16.00	16.00
5 - 4 1/2" HWDP	Rig	4 1/2 XH	4 1/2 XH	4.500	2.875	155.33	42.50	42.50

DRILLING MUD REPORT

SAMPLE DEPTH (ft)	TIME (hh:mm)	MUD WT. (ppg)	FUNNEL VISCOSITY (sec/qt)	PV / YP	KCL (%)	GEL STRENGTH (lb/100 ft2)	FILTRATE API (ml/30 min)	CALCIUM (ppm)	CAKE THICKNESS (/32 in)	SOLIDS (% vol)	SAND CONTENT (% vol)	pH	CHLORIDES (ppm)	ALKALINITY Pf / Mf	LCM lb/gal
4,215	12:30	8.50	27					30				9.5	1,300	.9 /	

DAILY MUD COST & INVENTORY

	BARITE (sx)	QUICK GEL (sx)	CAUSTIC (sx)	LIME (sx)	SODA ASH (sx)	UNIDRILL (sx)	SOLVANOX (sx)	PAC-R (#'s)	PHPA (gal)	CEDAR (sx)	TRUCKING ($)	TOTAL COSTS ($)
UNIT COST												
STARTING INVENTORY	120											
INVENTORY RECEIVED												
USED LAST 24 HOURS												
ENDING INVENTORY												
DAILY MUD COST												400
PREVIOUS CUMULATIVE COST												27,836
CUMULATIVE MUD COST												28,236

MUD LOGGER REPORT

MUD GAS DATA (in Units) BACK GROUND	CONN GAS	TRIP GAS	SHOW INTERVAL FROM (ft)	SHOW INTERVAL TO (ft)	RATE OF PENETRATION BEFORE (ft)	RATE OF PENETRATION DURING (ft)	RATE OF PENETRATION AFTER (ft)	SHOW GAS DATA BEFORE UNITS	SHOW GAS DATA DURING UNITS	SHOW GAS DATA AFTER UNITS
30	0	150	4239	4241	17	5	15	80	1229	100

Formation Tops:

Sample percentages:

Core Description: Ss gy-off wh, fg-mg, vw cem, hd, abdt
open vert fracs, scat blk sh lam, no show

DEVIATION SURVEYS

Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle
530	1.00	Wireline	0.00	1448	1.30	260.00	1.68	2314	1.14	149.30	0.62	3268	1.15	208.10	1.29
579	0.70	205.50	0.12	1480	1.20	245.80	1.01	2346	0.55	136.40	1.93	3299	1.02	217.70	0.72
608	0.80	204.40	0.35	1511	0.80	252.80	1.32	2377	0.36	115.07	0.61	3330	0.35	220.30	2.16
671	0.90	168.60	0.64	1542	0.80	220.00	1.46	2407	0.31	125.95	0.27	3362	0.11	310.70	1.15
702	1.10	178.70	0.86	1574	1.10	216.70	0.95	2468	0.27	84.80	0.34	3393	0.16	6.20	0.48
732	1.20	194.80	1.12	1604	0.70	204.10	1.48	2498	0.45	101.80	0.69	3424	0.11	325.60	0.39
763	1.20	181.30	0.91	1635	0.80	187.10	0.78	2529	0.56	137.10	1.04	3456	0.14	3.40	0.27
794	1.20	181.20	0.01	1666	0.80	221.50	1.53	2590	0.81	136.50	0.41	3487	0.17	185.40	1.00
824	1.00	207.10	1.77	1697	0.70	191.20	1.30	2620	0.72	129.90	0.42	3528	0.48	254.40	1.09
854	1.30	181.60	1.95	1728	0.90	182.80	0.75	2653	0.84	139.30	0.53	3558	0.11	337.50	1.60
886	0.90	197.20	1.55	1758	1.00	205.90	1.31	2683	0.92	149.30	0.58	3590	0.31	291.40	0.77
917	1.00	211.90	0.85	1791	1.07	204.30	0.23	2713	0.83	158.10	0.54	3622	0.47	210.81	1.62
979	1.16	199.50	0.46	1820	1.00	188.10	1.03	2744	0.70	195.30	1.62	3745	1.00		
1011	1.20	203.80	0.30	1851	0.65	196.30	1.22	2806	0.84	224.60	0.67	3836	1.00		
1041	1.50	211.86	1.18	1882	0.71	148.60	1.85	2837	0.93	223.40	0.30	3961	1.75		
1073	1.50	217.80	0.49	1913	0.85	127.20	0.84	2867	0.90	231.80	0.46	4000	2.00		
1104	1.20	210.00	1.13	1945	0.57	114.30	0.50	2898	0.39	226.10	1.66	4120	2.75		
1135	1.40	226.90	1.39	1975	0.49	121.70	0.35	2929	0.30	181.00	0.89	4182	3.00		
1166	0.80	239.90	2.08	2036	0.99	159.49	1.74	2961	0.41	144.00	0.76				
1197	1.00	246.10	0.72	2067	1.17	149.90	0.86	2992	0.54	138.40	0.44				
1228	1.10	230.50	0.97	2099	1.21	155.96	0.47	3021	0.65	138.00	0.38				
1259	0.90	271.40	2.33	2129	1.17	154.80	0.18	3097	0.88	119.47	0.30				
1290	0.70	246.40	0.30	2160	1.38	153.80	0.86	3115	0.86	147.23	2.32				
1321	0.90	247.00	0.61	2193	1.48	154.10	0.30	3145	0.74	161.10	0.76				
1355	0.80	250.60	0.33	2223	1.53	159.90	0.53	3176	0.96	163.17	0.76				
1385	0.90	276.30	1.30	2253	1.55	149.80	0.91	3207	1.20	178.80	1.19				
1417	0.80	252.00	1.16	2284	1.31	152.70	0.81	3237	1.19	188.50	0.67				

ESTIMATED FORMATION TOPS:

SAMPLE DESCRIPTION:

PUMP & CIRCULATING DATA

MUD PUMPS	MAKE	MODEL	LINER SIZE (in)	STROKE LENGTH (in)	ASSUMED EFF (%)	PUMP RATE (spm)	PUMP VOLUMETRIC DATA (bbls/stk)	(bbls/min)	(gal/min)	CIRCULATING DETAILS Standpipe (psi)	Motor Differential	HHP (Sq In)	ANNULAR VELOCITY DP (ft/min)	DC (ft/min)	DC (ft/min)
NO. 1	National	7P50	6.25	7.75	95.00%	81	0.0736	5.66	238	860			150	300	
NO. 2															
NO. 3															
COMBINED															

012

EVERGREEN OPERATING, INC.

DAILY DRILLING REPORT

WELL NAME			
State 11-16 43-007-30961			
LOCATION DATA			
NW NW Sec 16 T-12S, R-10E			
FOOTAGES	GL		KB
550' FNL 500' FWL	7569		7580
COUNTY, STATE			
Carbon County, Utah			

RIG CONTACT INFORMATION:	
OFFICE TRAILER / FAX:	970 942 7543
CONSULTANT HAND CELL:	303 913 1054
DOGHOUSE:	307 268 7316
PUSHER:	

DATE	SPUD DATE	6AM DEPTH
8/12/2004	7/14/2004	4253
REPORT NO.		24 HR FOOTAGE
25		4,253
DRLG CONTRACTOR		DAYS SINCE SPUD
Elenburg, Rig 12		25
CONSULTANT		AFE # / API #
John C. Lamb		

ACTIVITY AT REPORT TIME:	DAILY COST	CUM COST	AFE COSTS
Laying down core barrel	$ 46,845	$ 794,622	$ -

CHRONOLOGY OF DAILY OPERATIONS (06:00 - 06:00 HRS)

SLOW PUMP RATE DATA:

Depth	SPM	Pressure
4214	54	350

STRING WEIGHT INFORMATION:

Eff BHA Wt	Rotating:	Slackoff:	Hoisting:
29,750	103,000	98,000	108,000

FROM (hrs)	TO (hrs)	HOURS (hrs)	Activity:
06:00	06:30	0.50	Ream core hole
06:30	09:00	2.50	Drill 4253 - 4274
09:00	09:15	0.25	Circulate for samples
09:15	09:30	0.25	Drill 4274 - 4278
09:30	10:15	0.75	Circulate for samples
10:15	13:00	2.75	Drill 4278 - 4300
13:00	13:30	0.50	Circulate for samples
13:30	14:15	0.75	Drill 4300 - 4306
14:15	15:00	0.75	Circulate for samples
15:00	18:00	3.00	Trip out of hole for Core #8
18:00	20:00	2.00	PU core assembly
20:00	23:00	3.00	Trip in hole
23:00	23:30	0.50	Wash 60' to bottom
23:30	00:30	1.00	Core 4306 - 4314, pulled on pump pressure increase
00:30	04:15	3.75	Trip out of hole
04:15	06:00	1.75	Found inner core barrel to have backed off of mounting threads, work to remove and LD core barrel
			Core #8 Cut 8' Recovered 7' - missing approximately 1' of coal at top of recovery
TOTAL HOURS		24.00	

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SUMMARY OF RIG HOURS

DESC.	DAILY (hrs)	CUM (hrs)
Drlf	8.25	337.50
Trip	9.75	99.75
Circulate	2.25	10.25
Rig Repair		26.25
Rig Service		3.75
Dev Survey		3.25
NU / ND		12.25
Cement		3.25
Run Casing		9.25
WOC		
OH Logging		
Mix Mud		1.00
MI & RU		
Rat Hole		
Mouse Hole		
Fishing		
DST		
Coring	1.00	23.00
Inspect BHA		13.75
Cut drlg line		3.50
Wash & Ream	1.00	14.25
WO mwd tool		5.75
Test BOPE		3.25
WOO		
PU/LD BHA	3.75	19.75
Drill cement		2.25
TOTALS	24.00	592.00

SUMMARY OF DAILY & CUMULATIVE COSTS

COST CODE	DESCRIPTION OF DAILY COSTS	DAILY ($)	CUM ($)	AFE ($)
2030.010	Land, Legal, Title, Survey, Arch, Damages, Permits, Signs			
2030.031	Dirtwork, Road, Location, Pits, Liner		$ 25,000	
2030.019	Contract Drilling 9480 / day 392.5 / h cond 5491 26,000 mob sfc 38791	$ 9,480	$ 317,040	
2032.001	Water		$ 5,017	
2032.013	Drill Bits, Stabilizers, Reamers		$ 46,514	
2031.046	Cementing and Services		$ 25,450	
2030.053	Coring and Analysis	$ 33,675	$ 49,456	
2030.052	Logging			
2030.054	Mud Logging	$ 1,500	$ 13,100	
2030.037	Rental Equipment	$ 990	$ 26,869	
2030.026	Transportation		$ 14,849	
2032.004	Mud and Chemicals	$ 400	$ 28,635	
	Directional Services, Mud Motors		$ 110,952	
	Intermediate casing		$ 73,854	
2030.035	Contract Labor		$ 5,818	
2030.022	Engineering / Supervision	$ 800	$ 20,800	
2030.099	Intangible Miscellaneous and Contingencies			
2040.001	Surface Casing		$ 19,071	
2040.004	Production Casing			
1011.000	Float Equipment, Shoes, Centralizers		$ 1,800	
1041.000	Wellhead Equipment		$ 10,397	
1073.000	Bottom Hole Pump / Gas Lift / Other			
1104.000	Drivehead, Engine / Motor and Hydraulic Pump / Electric Unit			
2040.052 / 2040.055	Valves and Fittings, Small / Large			
2040.067	Other Surface Equipment			
2040.099	Tangible Miscellaneous and Contingencies			
	TOTAL COSTS	$ 46,845	$ 794,622	$ -

Report # 24	Date: 08/12/04	DAILY DRILLING REPORT	
	Well Name:	State 11-16	

BIT RECORD

BIT NO.	BIT SIZE (in)	MFG	TYPE	SERIAL NO.	JETS (32nds)	DEPTH IN (ft)	DEPTH OUT (ft)	FOOTAGE DRILLED (ft)	CUM BIT HOURS (hrs)	ROP (ft/hr)	WOB (Klbs)	RPM MTR/TBL	BIT TORQUE (ft - lbs)	BIT GRADING In Out Dull Loc Seals Gge Dull Other
6	7 7/8	Security	XS73	10585251	12 / 12 / 12	4,017	4,212	195	30.00	6.5	22 - 23K	45 - 60	1600 - 2000	3 3 WT A EEE 1/64 No c
CB2	6 1/8	DPI		1477		4,212	4,214	2	3.00	1.5	8 - 18K	45 - 60	2000 - 2500	8 8
CB3	6 1/8	DPI		2016		4,214	4,253	39	8.00	4.9	8 - 13K	45 - 60	1800 - 2300	8 6
RR 6	7 7/8	Security	XS73	10585251	12 / 12 / 12	4,253	4,306	90	11.75	7.7	5 - 22K	45 - 60	1800 - 2200	4 4 WT A EEE 1/64 No c
CB 4	6 1/8	DPI				4,306	4,314	8	1.00	8.0	12 - 14K	45 - 60	2200 - 2500	6 8
COMMENTS	RR6 reamed core hole 4216 - 4253													

RENTAL EQUIPMENT

RENTAL ITEM	DAILY COSTS ($)	CUM COSTS ($)
Living Qtrs	$ 195	$ 5,145
Frac Tank	$ 45	$ 760
Forklift	$ 60	$ 1,620
Portajohn	$ 20	$ 560
Mud Trailer	$ 20	$ 560
Mud Cleaner	$ 375	$ 9,450
EDR	$ 60	$ 1,560
Autodriller	$ 90	$ 2,330
RU mud clnr		$ 670
Trash/Tlt del		$ 349
Living Qtrs	$ 125	$ 3,375
empty trash		$ 490
other		
other		
other		
other		
other		
other		
TOTALS	$ 990	$ 26,869

CASING DATA

SIZE	WEIGHT	GRADE	CONN	DRIFT ID	EXTERNAL COLLAPSE (psi)	INTERNAL YIELD (psi)	CAPACITY (bbls/ft)	LENGTH (ft)	TOP SET AT (ft)	BOTTOM SET AT (ft KB)
13 3/8"	54.5	J55	ST&C	12.459	1,130	2,730	0.15450	536.00	2.00	523.00
8 5/8"	32	J55	ST&C	7.796	2,530	3,930	0.06090	3,718.00	8.00	3,710.00

BOTTOMHOLE ASSEMBLY

DESCRIPTION OF BHA	PROVIDER	THREAD SIZE BOX	THREAD SIZE PIN	MAXIMUM O.D. (in)	MINIMUM I.D. (in)	LENGTH (ft)	HOURS RUN	HRS SINCE INSPECTION
Core Bit #4	DPI			6.125		0.50	0.50	0.50
Core Barrel & XO	DPI		4 1/2 XH	5.750		69.48	0.50	0.50
11 - 6 1/2" Drill collars	Rig	4 1/2 XH	4 1/2 XH	6.500	2.250	340.02	3.50	3.50
5 - 4 1/2" HWDP	Rig	4 1/2 XH	4 1/2 XH	4.500	2.875	155.33	30.00	30.00
						564.83		

DRILLING MUD REPORT

SAMPLE DEPTH (ft)	TIME (hh:mm)	MUD WT. (ppg)	FUNNEL VISCOSITY (sec/qt)	PV / YP	KCL (%)	GEL STRENGTH (lb/100 ft2)	FILTRATE API (ml/30 min)	CALCIUM (ppm)	CAKE THICKNESS (/32 in)	SOLIDS (% vol)	SAND CONTENT (% vol)	pH	CHLORIDES (ppm)	ALKALINITY Pf / Mf	LCM lb/gal
4,306	15:00	8.50	27					20				9.7	1,200		

DAILY MUD COST & INVENTORY

	BARITE (sx)	QUICK GEL (sx)	CAUSTIC (sx)	LIME (sx)	SODA ASH (sx)	UNIDRILL (sx)	SOLIDWICK (sx)	PAC-R (sx)	PHPA (gal)	CEDAR (sx)	TRUCKING ($)	TOTAL COSTS ($)
UNIT COST												
STARTING INVENTORY	120											
INVENTORY RECEIVED												
USED LAST 24 HOURS												
ENDING INVENTORY												
DAILY MUD COST												400
PREVIOUS CUMULATIVE COST												26,235
CUMULATIVE MUD COST												26,635

MUD LOGGER REPORT

MUD GAS DATA (in Units) BACK GROUND	CONN GAS	TRIP GAS	SHOW INTERVAL FROM (ft)	TO (ft)	RATE OF PENETRATION BEFORE (ft)	DURING (ft)	AFTER (ft)	SHOW GAS DATA BEFORE UNITS	DURING UNITS	AFTER UNITS	
50	400	200	4299	4300	8	1.5	12	85	2096	60	Formation Tops:
			4305	4306	11	.7	-	150	1460	100	Sample percentages:
											Core Description: Ss gy-off wh, fg-mg, vw cem, hd, abdt
											partially healed vert fracs, scat blk sh lam
											traces bleeding gas from fracture faces

DEVIATION SURVEYS

Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle
530	1.00	Wireline	0.00	1448	1.30	260.00	1.68	2314	1.14	149.30	0.62	3268	1.15	208.10	1.29
579	0.70	205.50	0.12	1480	1.20	245.80	1.01	2346	0.55	136.40	1.93	3299	1.02	217.70	0.72
608	0.80	204.40	0.35	1511	0.80	252.80	1.32	2377	0.36	115.07	0.81	3330	0.35	220.30	2.16
671	0.90	188.60	0.84	1542	0.80	220.00	1.46	2407	0.31	125.95	0.27	3362	0.11	310.70	1.15
702	1.10	178.70	0.86	1574	1.10	216.70	0.95	2468	0.27	84.80	0.34	3393	0.18	8.20	0.48
732	1.20	194.60	1.12	1604	0.70	204.10	1.48	2498	0.45	101.80	0.69	3424	0.11	325.60	0.39
763	1.20	181.30	0.91	1635	0.80	187.10	0.78	2529	0.56	137.10	1.04	3456	0.14	3.40	0.27
794	1.20	181.20	0.01	1666	0.80	221.50	1.53	2590	0.81	136.50	0.41	3487	0.17	185.40	1.00
824	1.00	207.10	1.77	1697	0.70	191.20	1.30	2620	0.72	129.90	0.42	3528	0.48	254.40	1.09
854	1.30	181.60	1.95	1728	0.90	182.80	0.75	2653	0.84	139.30	0.53	3558	0.11	337.50	1.60
886	0.90	197.20	1.55	1756	1.00	205.90	1.31	2683	0.92	149.30	0.58	3590	0.31	291.40	0.77
917	1.00	211.90	0.85	1791	1.07	204.30	0.23	2713	0.83	158.10	0.54	3622	0.47	210.81	1.82
979	1.16	199.50	0.46	1820	1.00	188.10	1.03	2744	0.70	195.30	1.62	3745	1.00		
1011	1.20	203.60	0.30	1851	0.85	198.30	1.22	2806	0.84	224.60	0.67	3836	1.00		
1041	1.50	211.86	1.18	1882	0.71	148.60	1.85	2837	0.93	223.40	0.30	3961	1.75		
1073	1.50	217.80	0.49	1913	0.85	127.20	0.84	2867	0.90	231.80	0.46	4000	2.00		
1104	1.20	210.00	1.13	1945	0.57	114.30	0.50	2898	0.39	226.10	1.66	4120	2.75		
1135	1.40	226.90	1.39	1975	0.49	121.70	0.35	2929	0.30	181.00	0.89	4182	3.00		
1166	0.80	239.90	2.08	2036	0.99	159.49	1.74	2961	0.41	144.00	0.78				
1197	1.00	246.10	0.72	2067	1.17	149.90	0.86	2992	0.54	138.40	0.44				
1228	1.10	230.50	0.97	2099	1.21	155.96	0.47	3021	0.65	138.00	0.38				
1259	0.90	271.40	2.33	2129	1.17	154.80	0.16	3097	0.88	119.47	0.30				
1290	0.70	246.40	0.30	2160	1.35	153.80	0.68	3115	0.86	147.23	2.32				
1321	0.90	247.00	0.61	2193	1.48	154.10	0.30	3145	0.74	161.10	0.76				
1355	0.80	250.80	0.33	2223	1.53	159.90	0.53	3178	0.96	163.17	0.75				
1385	0.90	276.30	1.30	2253	1.55	149.80	0.91	3207	1.20	178.80	1.19				
1417	0.80	252.00	1.16	2284	1.31	152.70	0.81	3237	1.19	188.50	0.67				
ESTIMATED FORMATION TOPS:															
SAMPLE DESCRIPTION:															

PUMP & CIRCULATING DATA

MUD PUMPS	MAKE	MODEL	LINER SIZE (in)	STROKE LENGTH (in)	ASSUMED EFF (%)	PUMP RATE (spm)	PUMP VOLUMETRIC DATA (bbls/stk)	(bbls/min)	(gal/min)	CIRCULATING DETAILS Standpipe (psi)	Motor Differential	HHP (Sq in)	ANNULAR VELOCITY DP (ft/min)	DC (ft/min)	DC (ft/min)
NO. 1	National	7P50	6.25	7.75	95.00%	81	0.0736	5.66	238	860			150	300	
NO. 2															
NO. 3															
COMBINED															

011

EVERGREEN OPERATING, INC.

DAILY DRILLING REPORT

WELL NAME			
State 11-16 43-007-30961			
LOCATION DATA			
NW NW Sec 16 T-12S, R-10E			
FOOTAGES		GL	KB
550' FNL	500' FWL	7569	7580
COUNTY, STATE			
Carbon County, Utah			

RIG CONTACT INFORMATION:	
OFFICE TRAILER / FAX:	970 942 7543
CONSULTANT HAND CELL:	303 913 1054
DOGHOUSE:	307 268 7316
PUSHER:	

DATE	SPUD DATE	6AM DEPTH
8/13/2004	7/14/2004	4450
REPORT NO.		24 HR FOOTAGE
26		198
DRLG CONTRACTOR		DAYS SINCE SPUD
Elenburg, Rig 12		26
CONSULTANT		AFE # / API #
John C. Lamb		

ACTIVITY AT REPORT TIME:	DAILY COST	CUM COST	AFE COSTS
Drilling ahead	$ 13,170	$ 807,802	$ -

CHRONOLOGY OF DAILY OPERATIONS (06:00 - 06:00 HRS)

SLOW PUMP RATE DATA:

Depth	SPM	Pressure
4214	54	350

STRING WEIGHT INFORMATION:

Eff BHA Wt	Rotating:	Slackoff:	Hoisting:
29,750	103,000	98,000	108,000

FROM (hrs)	TO (hrs)	HOURS (hrs)	Activity:
06:00	06:30	0.50	Lay down core
06:30	07:00	0.50	Dress bit & PU shock sub, replace drawworks throttle lever
07:00	09:30	2.50	Trip in hole
09:30	11:00	1.50	Ream core hole
11:00	11:15	0.25	Drill 4314 - 4316
11:15	11:45	0.50	Rig repair - replace air hose
11:45	13:45	2.00	Drill 4316 - 4336
13:45	14:15	0.50	Wireline survey 3 1/4 deg at 4305
14:15	16:15	2.00	Drill 4336 - 4352
16:15	17:00	0.75	Work on pump
17:00	03:15	10.25	Drill 4352 - 4430
03:15	03:45	0.50	Wireline survey 3 1/4 deg at 4398
03:45	06:00	2.25	Drill 4430 - 4450
			Cannistered sample intervals
			4325-4332
			4343-4344
			4364-4365
			4382-4287
			4401-4402
			4422-4423
			4426-4429
			4434-4436
			Sample desorbing goodly amounts of gas
TOTAL HOURS		24.00	

RECEIVED

DEC 13 2004

DIV. OF OIL, GAS & MINING

SUMMARY OF RIG HOURS

DESC.	DAILY (hrs)	CUM (hrs)
Drill	17.50	355.00
Trip	2.50	102.25
Circulate		10.25
Rig Repair	0.50	26.75
Rig Service		3.75
Dev Survey	1.00	4.25
NU / ND		12.25
Cement		3.25
Run Casing		9.25
WOC		
OH Logging		
Mix Mud		1.00
MI & RU		
Rat Hole		
Mouse Hole		
Fishing		
DST		
Coring		23.00
Inspect BHA		13.75
Cut drlg line		3.50
Wash & Ream	1.50	15.75
WO mwd tool		5.75
Test BOPE		3.25
WOO		
PU/LD BHA	1.00	20.75
Drill cement		2.25
TOTALS	24.00	616.00

SUMMARY OF DAILY & CUMULATIVE COSTS

COST CODE	DESCRIPTION OF DAILY COSTS	DAILY ($)	CUM ($)	AFE ($)
2030.010	Land, Legal, Title, Survey, Arch, Damages, Permits, Signs			
2030.031	Dirtwork, Road, Location, Pits, Liner		$ 25,000	
2030.019	Contract Drilling 9480 / day 392.5 / h cond 5491 26,000 mob sfc 38791	$ 9,480	$ 326,530	
2032.001	Water		$ 5,017	
2032.013	Drill Bits, Stabilizers, Reamers		$ 46,514	
2031.046	Cementing and Services		$ 25,450	
2030.053	Coring and Analysis		$ 49,456	
2030.052	Logging			
2030.054	Mud Logging	$ 1,500	$ 14,600	
2030.037	Rental Equipment	$ 990	$ 27,859	
2030.028	Transportation		$ 14,849	
2032.004	Mud and Chemicals	$ 400	$ 29,035	
	Directional Services, Mud Motors		$ 110,952	
	Intermediate casing		$ 73,854	
2030.035	Contract Labor		$ 5,818	
2030.022	Engineering / Supervision	$ 800	$ 21,600	
2030.099	Intangible Miscellaneous and Contingencies			
2040.001	Surface Casing		$ 19,071	
2040.004	Production Casing			
1011.000	Float Equipment, Shoes, Centralizers		$ 1,800	
1041.000	Wellhead Equipment		$ 10,397	
1073.000	Bottom Hole Pump / Gas Lift / Other			
1104.000	Drivehead, Engine / Motor and Hydraulic Pump / Electric Unit			
2040.052 / 2040.055	Valves and Fittings, Small / Large			
2040.067	Other Surface Equipment			
2040.099	Tangible Miscellaneous and Contingencies			
	TOTAL COSTS	$ 13,170	$ 807,802	$ -

Report # 26	Date: 08/13/04	DAILY DRILLING REPORT	Page 2
	Well Name:	State 11-16	

BIT RECORD

BIT NO.	BIT SIZE (in)	MFG	TYPE	SERIAL NO.	JETS (32/32/32)	DEPTH IN (ft)	DEPTH OUT (ft)	FOOTAGE DRILLED (ft)	CUM BIT HOURS (hrs)	ROP (ft/hr)	WOB (klbs)	RPM MTR/TBL	BIT TORQUE (ft - lbs)	BIT GRADING In	Out	Dull	Loc	Seals	Gge	Dull	Other
6	7 7/8	Security	XS73	10585251	12 / 12 / 12	4,017	4,212	195	30.00	6.5	22 - 23K	45 - 60	1600 - 2000	3	3	WT	A	EEE	1/64	No	c
CB2	6 1/8	DPI		1477		4,212	4,214	2	3.00	1.5	8 - 18K	45 - 60	2000 - 2500	8	8						
CB3	6 1/8	DPI		2016		4,214	4,253	39	8.00	4.9	8 - 13K	45 - 60	1800 - 2300	8	6						
RR 6	7 7/8	Security	XS73	1058251	12 / 12 / 12	4,253	4,306	90	11.75	7.7	5 - 22K	45 - 60	1800 - 2200	4	4	WT	A	EEE	1/64	No	c
CB 4	6 1/8	DPI				4,306	4,314	8	1.00	8.0	12 - 14K	45 - 60	2200 - 2500	8	8						
7	7 7/8	Security	XS 55	751747	13 / 13 / 13	4,314	4,450	136		#DIV/0!	20 - 22K	45 - 60	1300 - 1700								
COMMENTS	RR6 reamed core hole 4216 - 4253, NB 7 reamed core hole 4306 - 4314																				

RENTAL EQUIPMENT

RENTAL ITEM	DAILY COSTS ($)	CUM COSTS ($)
Living Qtrs	$ 195	$ 5,340
Frac Tank	$ 45	$ 805
Forklift	$ 80	$ 1,680
Portajohn	$ 20	$ 580
Mud Trailer	$ 20	$ 580
Mud Cleaner	$ 375	$ 9,825
EDR	$ 60	$ 1,620
Autodriller	$ 90	$ 2,420
RU mud clnr		$ 670
Trash/Tlt del		$ 349
Living Qtrs	$ 125	$ 3,500
empty trash		$ 490
other		
other		
other		
other		
other		
other		
TOTALS	$ 990	$ 27,859

CASING DATA

SIZE	WEIGHT	GRADE	CONN	DRIFT ID	EXTERNAL COLLAPSE (psi)	INTERNAL YIELD (psi)	CAPACITY (bbls/ft)	LENGTH (ft)	TOP SET AT (ft)	BOTTOM SET AT (ft KB)
13 3/8"	54.5	J55	ST&C	12.459	1,130	2,730	0.15450	538.00	2.00	523.00
8 5/8"	32	J55	ST&C	7.796	2,530	3,930	0.06090	3,718.00	8.00	3,710.00

BOTTOMHOLE ASSEMBLY

DESCRIPTION OF BHA	PROVIDER	THREAD SIZE BOX	THREAD SIZE PIN	MAXIMUM O.D. (in)	MINIMUM I.D. (in)	LENGTH (ft)	HOURS RUN	HRS SINCE INSPECTION
bit	Security		4 1/2 R	7.875		1.00		
shock sub	Griffith/Spidle	4 1/2XH	4 1/2R	6.250		10.08		
11 - 6 1/2" Drill collars	rig	4 1/2 XH	4 1/2 XH	6.500	2.250	340.02		
5 - 4 1/2" HWDP	rig	4 1/2 XH	4 1/2 XH	4.500	2.875	155.33		
						506.43		

DRILLING MUD REPORT

SAMPLE DEPTH (ft)	TIME (hh:mm)	MUD WT. (ppg)	FUNNEL VISCOSITY (sec/qt)	PV / YP	KCL (%)	GEL STRENGTH (lb/100 ft2)	FILTRATE API (ml/30 min)	CALCIUM (ppm)	CAKE THICKNESS (/32 in)	SOLIDS (% vol)	SAND CONTENT (% vol)	pH	CHLORIDES (ppm)	ALKALINITY Pf / Mf	LCM (lb/gal)
4,312	08:00	8.50	27					20				9.6	1,200		

DAILY MUD COST & INVENTORY

	BARITE (sx)	QUICK GEL (sx)	CAUSTIC (sx)	LIME (sx)	SODA ASH (sx)	UNIDRILL (sx)	SOLKWICK (sx)	PAC-R (sx)	PHPA (gal)	CEDAR (sx)	TRUCKING ($)	TOTAL COSTS ($)
UNIT COST												
STARTING INVENTORY	120											
INVENTORY RECEIVED												
USED LAST 24 HOURS												
ENDING INVENTORY												
DAILY MUD COST												400
PREVIOUS CUMULATIVE COST												28,635
CUMULATIVE MUD COST												29,035

MUD LOGGER REPORT

MUD GAS DATA (in Units) BACK GROUND	CONN GAS	TRIP GAS	SHOW INTERVAL FROM (ft)	TO (ft)	RATE OF PENETRATION BEFORE (ft)	DURING (ft)	AFTER (ft)	SHOW GAS DATA BEFORE UNITS	DURING UNITS	AFTER UNITS
400	1250	-								

Formation Tops:

Sample percentages: Ss & Coal

Core Description:

DEVIATION SURVEYS

Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle
530	1.00	Wireline	0.00	1448	1.30	260.00	1.68	2314	1.14	149.30	0.62	3265	1.15	208.10	1.29
579	0.70	205.50	0.12	1480	1.20	245.80	1.01	2346	0.55	136.40	1.93	3299	1.02	217.70	0.72
608	0.60	204.40	0.35	1511	0.60	252.80	1.32	2377	0.36	115.07	0.61	3330	0.35	220.30	2.16
671	0.90	188.60	0.84	1542	0.60	220.00	1.46	2407	0.31	125.95	0.27	3362	0.11	310.70	1.15
702	1.10	178.70	0.86	1574	1.10	216.70	0.95	2468	0.27	84.80	0.34	3393	0.18	6.20	0.48
732	1.20	194.60	1.12	1604	0.70	204.10	1.48	2498	0.45	101.80	0.69	3424	0.11	325.60	0.39
763	1.20	181.30	0.91	1635	0.80	187.10	0.78	2529	0.56	137.10	1.04	3456	0.14	3.40	0.27
794	1.20	181.20	0.01	1666	0.80	221.50	1.53	2590	0.81	136.50	0.41	3487	0.17	185.40	1.00
824	1.00	207.10	1.77	1697	0.70	191.20	1.30	2620	0.72	129.90	0.42	3528	0.48	254.40	1.09
854	1.30	181.60	1.95	1728	0.90	182.80	0.75	2653	0.84	139.30	0.53	3558	0.11	337.50	1.80
886	0.90	197.20	1.55	1758	1.00	205.90	1.31	2683	0.92	149.30	0.58	3590	0.31	291.40	0.77
917	1.00	211.90	0.85	1791	1.07	204.30	0.23	2713	0.83	158.10	0.54	3622	0.47	210.81	1.62
979	1.16	199.50	0.46	1820	1.00	188.10	1.03	2744	0.70	195.30	1.62	3745	1.00		
1011	1.20	203.80	0.30	1851	0.85	198.30	1.22	2806	0.84	224.60	0.67	3836	1.00		
1041	1.50	211.86	1.18	1882	0.71	148.60	1.85	2837	0.93	223.40	0.30	3961	1.75		
1073	1.50	217.80	0.49	1913	0.65	127.20	0.84	2867	0.90	231.80	0.46	4000	2.00		
1104	1.20	210.00	1.13	1945	0.57	114.30	0.50	2898	0.39	226.10	1.66	4120	2.75		
1135	1.40	226.90	1.39	1975	0.49	121.70	0.35	2929	0.30	181.00	0.89	4182	3.00		
1166	0.80	239.90	2.08	2036	0.99	159.49	1.74	2961	0.41	144.00	0.78	4305	3.25		
1197	1.00	246.10	0.72	2067	1.17	149.90	0.86	2992	0.54	138.40	0.44	4398	3.25		
1228	1.10	230.50	0.97	2099	1.21	155.96	0.47	3021	0.65	138.00	0.38				
1259	0.90	271.40	2.33	2129	1.17	154.60	0.16	3097	0.88	119.47	0.30				
1290	0.70	246.40	0.30	2160	1.38	153.60	0.68	3115	0.66	147.23	2.32				
1321	0.90	247.00	0.61	2193	1.46	154.10	0.30	3145	0.74	161.10	0.78				
1355	0.80	250.60	0.33	2223	1.53	159.90	0.53	3176	0.98	163.17	0.78				
1385	0.90	276.30	1.30	2253	1.55	149.80	0.91	3207	1.20	178.80	1.19				
1417	0.80	252.00	1.16	2284	1.31	152.70	0.81	3237	1.19	188.50	0.67				
ESTIMATED FORMATION TOPS:															
SAMPLE DESCRIPTION:															

PUMP & CIRCULATING DATA

MUD PUMPS	MAKE	MODEL	LINER SIZE (in)	STROKE LENGTH (in)	ASSUMED EFF (%)	PUMP RATE (spm)	PUMP VOLUMETRIC DATA (bbls/stk)	(bbls/min)	(gal/min)	CIRCULATING DETAILS Standpipe (psi)	Motor Differential	HHP (Sq In)	ANNULAR VELOCITY DP (ft/min)	DC (ft/min)	DC (ft/min)
NO. 1	National	7P50	6.25	7.75	95.00%	118	0.0738	8.25	347	980			150	300	
NO. 2															
NO. 3															
COMBINED															

010

EVERGREEN OPERATING, INC.

DAILY DRILLING REPORT

WELL NAME		DATE	SPUD DATE	6AM DEPTH
State 11-16 43-007-30961		8/14/2004	7/14/2004	4627
LOCATION DATA		REPORT NO.		24 HR FOOTAGE
NW NW Sec 16 T-12S, R-10E		27		177
FOOTAGES	GL / KB	DRLG CONTRACTOR		
550' FNL 500' FWL	7569 / 7580	Elenburg, Rig 12		27
COUNTY, STATE		CONSULTANT		AFE # / API #
Carbon County, Utah		John C. Lamb		

RIG CONTACT INFORMATION:

OFFICE TRAILER / FAX:	970 942 7543
CONSULTANT HAND CELL:	303 913 1054
DOGHOUSE:	307 268 7316
PUSHER:	

ACTIVITY AT REPORT TIME:	DAILY COST	CUM COST	AFE COSTS
Drilling ahead	$ 13,170	$ 820,972	$ -

CHRONOLOGY OF DAILY OPERATIONS (06:00 - 06:00 HRS)

FROM (hrs)	TO (hrs)	HOURS (hrs)	Activity:
06:00	08:30	2.50	Drill 4450 - 4470
08:30	08:45	0.25	Service rig
08:45	20:00	11.25	Drill 4470 - 4579
20:00	21:00	1.00	Work on pump
21:00	21:45	0.75	Wireline survey 4 1/4 deg
21:45	06:00	8.25	Drill 4579 - 4627
TOTAL HOURS		24.00	

SLOW PUMP RATE DATA: Depth	SPM	Pressure	STRING WEIGHT INFORMATION: Eff BHA Wt	Rotating:	Slackoff:	Hoisting:
4612	54	300	29,750	110,000	105,000	115,000

RECEIVED
DEC 13 2004
DIV. OF OIL, GAS & MINING

SUMMARY OF RIG HOURS

DESC.	DAILY (hrs)	CUM (hrs)
Drill	22.00	377.00
Trip		102.25
Circulate		10.25
Rig Repair	1.00	27.75
Rig Service	0.25	4.00
Dev Survey	0.75	5.00
NU / ND		12.25
Cement		3.25
Run Casing		9.25
WOC		
OH Logging		
Mix Mud		1.00
MI & RU		
Rat Hole		
Mouse Hole		
Fishing		
OST		
Coring		23.00
Inspect BHA		13.75
Cut drlg line		3.50
Wash & Ream		15.75
WO mwd tool		5.75
Test BOPE		3.25
WOO		
PU/LD BHA		20.75
Drill cement		2.25
TOTALS	24.00	640.00

SUMMARY OF DAILY & CUMULATIVE COSTS

COST CODE	DESCRIPTION OF DAILY COSTS	DAILY ($)	CUM ($)	AFE ($)
2030.010	Land, Legal, Title, Survey, Arch, Damages, Permits, Signs			
2030.031	Dirtwork, Road, Location, Pits, Liner		$ 25,000	
2030.019	Contract Drilling 9480 / day 392.5 / h cond 5491 26,000 mob sfc 38791	$ 9,480	$ 336,010	
2032.001	Water		$ 5,017	
2032.013	Drill Bits, Stabilizers, Reamers		$ 46,514	
2031.048	Cementing and Services		$ 25,450	
2030.053	Coring and Analysis		$ 49,456	
2030.052	Logging			
2030.054	Mud Logging	$ 1,500	$ 16,100	
2030.037	Rental Equipment	$ 990	$ 28,849	
2030.028	Transportation		$ 14,849	
2032.004	Mud and Chemicals	$ 400	$ 29,435	
	Directional Services, Mud Motors		$ 110,952	
	Intermediate casing		$ 73,854	
2030.035	Contract Labor		$ 5,818	
2030.022	Engineering / Supervision	$ 800	$ 22,400	
2030.099	Intangible Miscellaneous and Contingencies			
2040.001	Surface Casing		$ 19,071	
2040.004	Production Casing			
1011.000	Float Equipment, Shoes, Centralizers		$ 1,800	
1041.000	Wellhead Equipment		$ 10,397	
1073.000	Bottom Hole Pump / Gas Lift / Other			
1104.000	Drivehead, Engine / Motor and Hydraulic Pump / Electric Unit			
2040.052 / 2040.055	Valves and Fittings, Small / Large			
2040.067	Other Surface Equipment			
2040.099	Tangible Miscellaneous and Contingencies			
	TOTAL COSTS	$ 13,170	$ 820,972	$ -

Report # 27	Date: 08/14/04	DAILY DRILLING REPORT	
	Well Name:	State 11-16	

BIT RECORD

BIT NO. (#)	BIT SIZE (in)	MFG	TYPE	SERIAL NO.	JETS (32nds)	DEPTH IN (ft)	DEPTH OUT (ft)	FOOTAGE DRILLED (ft)	CUM BIT HOURS (hrs)	ROP (ft/hr)	WOB (klbs)	RPM MTR/TBL	BIT TORQUE (ft - lbs)	BIT GRADING In Out Dull Loc Seals Gge Dull Other
6	7 7/8	Security	XS73	10585251	12 / 12 / 12	4,017	4,212	195	30.00	6.5	22 - 23K	45 - 60	1600 - 2000	3 3 WT A EEE 1/64 No c
CB2	6 1/8	DPI		1477		4,212	4,214	2	3.00	1.5	8 - 18K	45 - 60	2000 - 2500	8 8
CB3	6 1/8	DPI		2016		4,214	4,253	39	8.00	4.9	8 - 13K	45 - 60	1800 - 2300	8 8
RR 6	7 7/8	Security	XS73	1058251	12 / 12 / 12	4,253	4,306	90	11.75	7.7	5 - 22K	45 - 60	1800 - 2200	4 4 WT A EEE 1/64 No c
CB 4	6 1/8	DPI				4,306	4,314	8	1.00	8.0	12 - 14K	45 - 60	2200 - 2500	8 8
7	7 7/8	Security	XS 55	751747	13 / 13 / 13	4,314	4,827	313	39.50	7.9	20 - 27K	45 - 60	2000 - 2500	
COMMENTS	RR6 reamed core hole 4216 - 4253, NB 7 reamed core hole 4306 - 4314													

RENTAL EQUIPMENT

RENTAL ITEM	DAILY COSTS ($)	CUM COSTS ($)
Living Qtrs	$ 195	$ 5,535
Frac Tank	$ 45	$ 850
Forklift	$ 80	$ 1,740
Portajohn	$ 20	$ 600
Mud Trailer	$ 20	$ 600
Mud Cleaner	$ 375	$ 10,200
EDR	$ 60	$ 1,680
Autodriller	$ 90	$ 2,510
RU mud dirr		$ 670
Trash/Tlt del		$ 349
Living Qtrs	$ 125	$ 3,625
empty trash		$ 490
other		
other		
other		
other		
other		
TOTALS	$ 990	$ 28,849

CASING DATA

SIZE	WEIGHT	GRADE	CONN	DRIFT ID	EXTERNAL COLLAPSE (psi)	INTERNAL YIELD (psi)	CAPACITY (bbls/ft)	LENGTH (ft)	TOP SET AT (ft)	BOTTOM SET AT (ft KB)
13 3/8"	54.5	J55	ST&C	12.459	1,130	2,730	0.15450	536.00	2.00	523.00
8 5/8"	32	J55	ST&C	7.796	2,530	3,930	0.06090	3,718.00	8.00	3,710.00

BOTTOMHOLE ASSEMBLY

DESCRIPTION OF BHA	PROVIDER	THREAD SIZE BOX	THREAD SIZE PIN	MAXIMUM O.D. (in)	MINIMUM I.D. (in)	LENGTH (ft)	HOURS RUN	HRS SINCE INSPECTION
bit	Security		4 1/2 R	7.875		1.00	39.50	39.50
shock sub	Griffith/Spidle	4 1/2XH	4 1/2R	6.250		10.08	101.25	101.25
11 - 8 1/2" Drill collars	rig	4 1/2 XH	4 1/2 XH	8.500	2.250	340.02	55.00	55.00
5 - 4 1/2" HWDP	rig	4 1/2 XH	4 1/2 XH	4.500	2.875	155.33	97.50	97.50
						508.43		

DRILLING MUD REPORT

SAMPLE DEPTH (ft)	TIME (hh:mm)	MUD WT. (ppg)	PLANN. VISCOSITY (sec/qt)	PV / YP	KCL (%)	GEL STRENGTH (lb/100 ft2)	FILTRATE API (ml/30 min)	CALCIUM (ppm)	CAKE THICKNESS (/32 in)	SOLIDS (% vol)	SAND CONTENT (% vol)	pH	CHLORIDES (ppm)	ALKALINITY Pf / Mf	LCM lb/gal
4,568	18:00	8.50	27					20				9.0	1,300	.05 / -	

DAILY MUD COST & INVENTORY

	BARITE (sx.)	QUICK GEL (sx.)	CAUSTIC (sx.)	LIME (sx.)	SODA ASH (sx.)	UNIDRILL (sx.)	SOLWHICK (sx.)	PAC-R (sx.)	PHPA (gal)	CEDAR (sx.)	TRUCKING ($)	TOTAL COSTS ($)
UNIT COST												
STARTING INVENTORY	120											
INVENTORY RECEIVED												
USED LAST 24 HOURS												
ENDING INVENTORY												
DAILY MUD COST												400
PREVIOUS CUMULATIVE COST												29,035
CUMULATIVE MUD COST												29,435

MUD LOGGER REPORT

MUD GAS DATA (in Units) BACK GROUND	CONN GAS	TRIP GAS	SHOW INTERVAL FROM (ft)	SHOW INTERVAL TO (ft)	RATE OF PENETRATION BEFORE (ft)	RATE OF PENETRATION DURING (ft)	RATE OF PENETRATION AFTER (ft)	SHOW GAS DATA BEFORE UNITS	SHOW GAS DATA DURING UNITS	SHOW GAS DATA AFTER UNITS
400	1000	-	4465	4469	6	.8	8	200	2400	150
			4481	4493	8	.5	8	300	3700	900
			4506	4509	8	.7	5	700	2400	1000

Formation Tops: Aberdeen Ss 4511'

Sample percentages: Ss & Coal

Core Description:

DEVIATION SURVEYS

Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle
530	1.00	Wireline	0.00	1448	1.30	280.00	1.68	2314	1.14	149.30	0.62	3268	1.15	208.10	1.29
579	0.70	205.50	0.12	1480	1.20	245.80	1.01	2348	0.55	138.40	1.93	3299	1.02	217.70	0.72
608	0.80	204.40	0.35	1511	0.80	252.80	1.32	2377	0.38	115.07	0.81	3330	0.35	220.30	2.16
671	0.90	168.60	0.84	1542	0.80	220.00	1.46	2407	0.31	125.95	0.27	3362	0.11	310.70	1.15
702	1.10	178.70	0.86	1574	1.10	218.70	0.95	2466	0.27	84.80	0.34	3393	0.16	6.20	0.48
732	1.20	194.80	1.12	1604	0.70	204.10	1.48	2498	0.45	101.60	0.69	3424	0.11	325.60	0.39
763	1.20	181.30	0.91	1635	0.80	187.10	0.78	2529	0.56	137.10	1.04	3456	0.14	3.40	0.27
794	1.20	181.20	0.01	1666	0.60	221.50	1.53	2590	0.81	136.50	0.41	3487	0.17	185.40	1.00
824	1.00	207.10	1.77	1697	0.70	191.20	1.30	2620	0.72	129.90	0.42	3528	0.48	254.40	1.09
854	1.30	181.60	1.95	1728	0.90	182.80	0.75	2653	0.84	139.30	0.53	3558	0.11	337.50	1.60
886	0.90	197.20	1.55	1758	1.00	205.90	1.31	2683	0.92	149.30	0.58	3590	0.31	291.40	0.77
917	1.00	211.90	0.65	1791	1.07	204.30	0.23	2713	0.63	156.10	0.54	3622	0.47	210.81	1.62
979	1.16	199.50	0.46	1820	1.00	188.10	1.03	2744	0.70	195.30	1.62	3745	1.00		
1011	1.20	203.80	0.30	1851	0.65	198.30	1.22	2806	0.84	224.60	0.67	3836	1.00		
1041	1.50	211.86	1.16	1882	0.71	148.60	1.85	2837	0.93	223.40	0.30	3961	1.75		
1073	1.50	217.80	0.49	1913	0.65	127.20	0.84	2867	0.90	231.80	0.46	4000	2.00		
1104	1.20	210.00	1.13	1945	0.57	114.30	0.50	2898	0.39	226.10	1.66	4120	2.75		
1135	1.40	226.90	1.39	1975	0.49	121.70	0.35	2929	0.30	161.00	0.69	4182	3.00		
1166	0.80	239.90	2.08	2036	0.99	159.49	1.74	2961	0.41	144.00	0.78	4305	3.25		
1197	1.00	246.10	0.72	2067	1.17	149.90	0.86	2992	0.54	138.40	0.44	4398	3.25		
1228	1.10	230.50	0.97	2099	1.21	155.96	0.47	3021	0.65	138.00	0.38				
1259	0.90	271.40	2.33	2129	1.17	154.80	0.16	3097	0.88	119.47	0.30				
1290	0.70	246.40	0.30	2160	1.38	153.80	0.68	3115	0.86	147.23	2.32				
1321	0.90	247.00	0.61	2193	1.46	154.10	0.30	3145	0.74	161.10	0.76				
1355	0.80	250.60	0.33	2223	1.53	159.90	0.53	3176	0.98	163.17	0.78				
1385	0.90	276.30	1.30	2253	1.55	149.80	0.91	3207	1.20	176.80	1.19				
1417	0.80	252.00	1.16	2284	1.31	152.70	0.81	3237	1.19	188.50	0.67				

ESTIMATED FORMATION TOPS:

SAMPLE DESCRIPTION:

PUMP & CIRCULATING DATA

MUD PUMPS	MAKE	MODEL	LINER SIZE (in)	STROKE LENGTH (in)	ASSUMED EFF (%)	PUMP RATE (spm)	PUMP VOLUMETRIC DATA (bbls/stk)	(bbls/min)	(gal/min)	CIRCULATING DETAILS Standpipe (psi)	Motor Differential	HHP (Sq in)	ANNULAR VELOCITY DP (ft/min)	DC (ft/min)	DC (ft/min)
NO. 1	National	7P50	6.25	7.75	95.00%	118	0.0736	8.25	347	980			150	300	
NO. 2															
NO. 3															
COMBINED															

009

EVERGREEN OPERATING, INC.

DAILY DRILLING REPORT

WELL NAME			
State 11-16	43-007-30961		
LOCATION DATA			
NW NW Sec 16 T-12S, R-10E			
FOOTAGES		GL	KB
550' FNL	500' FWL	7569	7580
COUNTY, STATE			
Carbon County, Utah			

RIG CONTACT INFORMATION:	
OFFICE TRAILER / FAX:	970 942 7543
CONSULTANT HAND CELL:	303 913 1054
DOGHOUSE:	307 268 7316
PUSHER:	

DATE	SPUD DATE	6AM DEPTH
8/15/2004	7/14/2004	4627
REPORT NO.		24 HR FOOTAGE
28		48
DRLG CONTRACTOR		DAYS SINCE SPUD
Elenburg, Rig 12		28
CONSULTANT		AFE # / API #
John C. Lamb		

ACTIVITY AT REPORT TIME:	DAILY COST	CUM COST	AFE COSTS
Preparing to trip out to run liner	$ 23,751	$ 844,574	$ -

CHRONOLOGY OF DAILY OPERATIONS (06:00 - 06:00 HRS)

SLOW PUMP RATE DATA:			STRING WEIGHT INFORMATION:			
Depth	SPM	Pressure	Eff BHA Wt	Rotating:	Slackoff:	Hoisting:
4675	54	300	29,750	107,000	90,000	125,000

FROM (hrs)	TO (hrs)	HOURS (hrs)	Activity:
06:00	12:00	6.00	Drill 4627 - 4675
12:00	12:15	0.25	Circulate
12:15	13:15	1.00	Short trip into casing - no drag
13:15	14:00	0.75	Circulate
14:00	17:30	3.50	Trip out of hole for logs
17:30	18:30	1.00	Rig up loggers
18:30	19:30	1.00	Start logs in hole - stacked out & stuck at 70', work free, stacked out & stuck at 114', work free and pull out, hung up and worked past 70', remove bowspring centrilizer
19:30	01:00	5.50	Start logs in hole - did not hit obstructions in casing with bow spring removed, E-Log TD 4678', log well in 1 run: AIT/CNL/LDT/GR/SP, could not get below 4375' after repeat section was logged - merged passes for complete log.
01:00	02:00	1.00	Trip BHA in hole
02:00	02:45	0.75	Slip and cut drilling line
02:45	05:00	2.25	Trip in hole, washed 60' to bottom
05:00	06:00	1.00	Circulate & prepare to trip out of hole to run liner
TOTAL HOURS		24.00	

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SUMMARY OF RIG HOURS

DESC.	DAILY (hrs)	CUM (hrs)
Drill	6.00	383.00
Trip	7.75	110.00
Circulate	2.00	12.25
Rig Repair		27.75
Rig Service		4.00
Dev Survey		5.00
NU / ND		12.25
Cement		3.25
Run Casing		9.25
WOC		
OH Logging	7.50	7.50
Mix Mud		1.00
MI & RU		
Rat Hole		
Mouse Hole		
Fishing		
DST		
Coring		23.00
Inspect BHA		13.75
Cut drlg line	0.75	4.25
Wash & Ream		15.75
WO mwd tool		5.75
Test BOPE		3.25
WOO		
PU/LD BHA		20.75
Drill cement		2.25
TOTALS	24.00	664.00

SUMMARY OF DAILY & CUMULATIVE COSTS

COST CODE	DESCRIPTION OF DAILY COSTS	DAILY ($)	CUM ($)	AFE ($)
2030.010	Land, Legal, Title, Survey, Arch, Damages, Permits, Signs			
2030.031	Dirtwork, Road, Location, Pits, Liner		$ 25,000	
2030.019	Contract Drilling 9480 / day 392.5 / h cond 5491 26,000 mob sfc 38791	$ 9,480	$ 345,490	
2032.001	Water		$ 5,017	
2032.013	Drill Bits, Stabilizers, Reamers		$ 46,514	
2031.046	Cementing and Services		$ 25,450	
2030.053	Coring and Analysis		$ 49,456	
2030.052	Logging	$ 10,832	$ 10,832	
2030.054	Mud Logging	$ 1,500	$ 17,600	
2030.037	Rental Equipment	$ 990	$ 29,839	
2030.028	Transportation		$ 14,849	
2032.004	Mud and Chemicals	$ 149	$ 29,435	
	Directional Services, Mud Motors		$ 110,952	
	Intermediate casing		$ 73,854	
2030.035	Contract Labor		$ 5,818	
2030.022	Engineering / Supervision	$ 800	$ 23,200	
2030.099	Intangible Miscellaneous and Contingencies			
2040.001	Surface Casing		$ 19,071	
2040.004	Production Casing			
1011.000	Float Equipment, Shoes, Centralizers		$ 1,800	
1041.000	Wellhead Equipment		$ 10,397	
1073.000	Bottom Hole Pump / Gas Lift / Other			
1104.000	Drivehead, Engine / Motor and Hydraulic Pump / Electric Unit			
2040.052 / 2040.055	Valves and Fittings, Small / Large			
2040.067	Other Surface Equipment			
2040.099	Tangible Miscellaneous and Contingencies			
	TOTAL COSTS	$ 23,751	$ 844,574	$ -

008

EVERGREEN OPERATING, INC.

DAILY DRILLING REPORT

WELL NAME	43-007-30961 State 11-16
LOCATION DATA	NW NW Sec 16 T-12S, R-10E
FOOTAGES	550' FNL 500' FWL
GL	7569
KB	7580
COUNTY, STATE	Carbon County, Utah

RIG CONTACT INFORMATION:

OFFICE TRAILER / FAX:	970 942 7543
CONSULTANT HAND CELL:	303 913 1054
DOGHOUSE:	307 268 7316
PUSHER:	

DATE	SPUD DATE	6AM DEPTH	
8/16/2004	7/14/2004	4627	
REPORT NO.		24 HR FOOTAGE	
29		0	
DRLG CONTRACTOR		DAYS SINCE SPUD	
Elenburg, Rig 12		29	
CONSULTANT		AFE #	API #
John C. Lamb			

ACTIVITY AT REPORT TIME:	DAILY COST	CUM COST	AFE COSTS
	$ 51,931	$ 896,505	$ -

CHRONOLOGY OF DAILY OPERATIONS (06:00 - 06:00 HRS)

FROM (hrs)	TO (hrs)	HOURS (hrs)	Activity:
06:00	09:00	3.00	Trip out of hole - went slickly with no drag
09:00	11:45	2.75	RU to run liner and run 28 joints 5 1/2" 17# J55 ST&C casing - 1284.93', length with shoe and collars 1288.28,
11:45	12:30	0.75	PU liner hanger assembly
12:30	17:00	4.50	Trip in hole with drill pipe, filling pipe and breaking circulation every 500', at 4100' no returns were observed and liner was run to bottom with no fill being observed
17:00	18:00	1.00	Set liner hanger, found HES had data acquisition computer problems on pump truck
18:00	19:45	1.75	Safety meeting and attempt to repair computer - decide to pump job without computer
19:45	21:45	2.00	Cement well with 10 bbl lightly gelled pill with 5 sx sawdust ahead, 265 sx 50:50 Poz, yield 1.22, 57.5 bbl slurry mixed at 14.35 lb/gal with 5.34 gal wtr/sx + 5% salt +
			2% Microbond + .6% Halad 322 + .2% Versaset, displaced with 76.8 bbl fresh water, bumped plug with 500 psi over lifting pressure of 700 psi (1200 psi total), checked
			float - observed 1.5 bbl flowing back with slight decrease of volume, repressured float to 1000 psi with .25 bbl pumped - determined flowback was cement excess
			U - tubing into drillpipe, flowback stopped, unstung from hanger & pulled 60' of drill pipe and circulated - observed clean water at bottoms up - no cement
			was returned to surface, estimate of a maximum of 3.6 bbl cement, or 60' of cement height may be on top of liner hanger
21:45	22:00	0.25	Rig down cementers & cement head
22:00	03:30	5.50	Lay down drill pipe & liner toof
03:30	06:00	2.50	Nipple down BOPE, clean pits
			Released rig for move to Jensen 1-18 at 06:00 08/15/04
TOTAL HOURS		24.00	

SLOW PUMP RATE DATA:			STRING WEIGHT INFORMATION:			
Depth	SPM	Pressure	Eff BHA Wt	Rotating:	Slackoff:	Hoisting:

RECEIVED
DEC 13 2004
DIV. OF OIL, GAS & MINING

SUMMARY OF RIG HOURS

DESC.	DAILY (hrs)	CUM (hrs)
Drill		383.00
Trip	8.50	118.50
Circulate		12.25
Rig Repair		27.75
Rig Service		4.00
Dev Survey		5.00
NU / ND	2.50	14.75
Cement	4.00	7.25
Run Casing	9.00	18.25
WOC		
OH Logging		7.50
Mix Mud		1.00
MI & RU		
Rat Hole		
Mouse Hole		
Fishing		
DST		
Coring		23.00
Inspect BHA		13.75
Cut drlg line		4.25
Wash & Ream		15.75
WO mwd tool		5.75
Test BOPE		3.25
WOO		
PU/LD BHA		20.75
Drill cement		2.25
TOTALS	24.00	688.00

SUMMARY OF DAILY & CUMULATIVE COSTS

COST CODE	DESCRIPTION OF DAILY COSTS	DAILY ($)	CUM ($)	AFE ($)
2030.010	Land, Legal, Title, Survey, Arch, Damages, Permits, Signs			
2030.031	Dirtwork, Road, Location, Pits, Liner		$ 25,000	
2030.019	Contract Drilling 9480 / day 392.5 / h cond 5491 26,000 mob sfc 38791	$ 9,480	$ 354,970	
2032.001	Water		$ 5,017	
2032.013	Drill Bits, Stabilizers, Reamers		$ 46,514	
2031.046	Cementing and Services	$ 9,912	$ 35,362	
2030.053	Coring and Analysis		$ 49,456	
2030.052	Logging		$ 10,832	
2030.054	Mud Logging		$ 17,600	
2030.037	Rental Equipment	$ 990	$ 30,829	
2030.028	Transportation		$ 14,849	
2032.004	Mud and Chemicals		$ 29,435	
	Directional Services, Mud Motors		$ 110,952	
	Intermediate casing		$ 73,854	
2030.035	Contract Labor	$ 4,050	$ 9,868	
2030.022	Engineering / Supervision	$ 800	$ 24,000	
2030.099	Intangible Miscellaneous and Contingencies			
2040.001	Surface Casing		$ 19,071	
2040.004	Production Liner 11.87 / ft	$ 15,253	$ 15,253	
1011.000	Float Equipment, Shoes, Centralizers, liner hanger tools	$ 11,446	$ 13,246	
1041.000	Wellhead Equipment		$ 10,397	
1073.000	Bottom Hole Pump / Gas Lift / Other			
1104.000	Drivehead, Engine / Motor and Hydraulic Pump / Electric Unit			
2040.052 / 2040.055	Valves and Fittings, Small / Large			
2040.067	Other Surface Equipment			
2040.099	Tangible Miscellaneous and Contingencies			
	TOTAL COSTS	$ 51,931	$ 896,505	$ -

Report # 29	Date: 08/16/04	DAILY DRILLING REPORT	Page 2
	Well Name:	State 11-16	

BIT RECORD

BIT NO. (#)	BIT SIZE (in)	MFG	TYPE	SERIAL NO.	JETS (32/32/32)	DEPTH IN (ft)	DEPTH OUT (ft)	FOOTAGE DRILLED (ft)	CUM BIT HOURS (hrs)	ROP (ft/hr)	WOB (Klbs)	RPM MTR/TBL	BIT TORQUE (ft - lbs)	BIT GRADING In Out Dull Loc Seals Gge Dull Other
6	7 7/8	Security	XS73	10585251	12 / 12 / 12	4,017	4,212	195	30.00	6.5	22 - 23K	45 - 60	1800 - 2000	3 3 WT A EEE 1/64 No c
CB2	6 1/8	DPI		1477		4,212	4,214	2	3.00	1.5	8 - 18K	45 - 60	2000 - 2500	8 8
CB3	6 1/8	DPI		2016		4,214	4,253	39	8.00	4.9	8 - 13K	45 - 60	1800 - 2300	8 8
RR 6	7 7/8	Security	XS73	1058251	12 / 12 / 12	4,253	4,306	90	11.75	7.7	5 - 22K	45 - 60	1800 - 2200	4 4 WT A EEE 1/64 No c
CB 4	6 1/8	DPI				4,306	4,314	8	1.00	8.0	12 - 14K	45 - 60	2200 - 2500	8 8
7	7 7/8	Security	XS 55	751747	13 / 13 / 13	4,314	4,675	361	45.50	7.9	20 - 27K	45 - 60	2000 - 2500	
COMMENTS	RR6 reamed core hole 4216 - 4253, NB 7 reamed core hole 4306 - 4314													

RENTAL EQUIPMENT

RENTAL ITEM	DAILY COSTS ($)	CUM COSTS ($)
Living Qtrs	$ 195	$ 5,925
Frac Tank	$ 45	$ 940
Forklift	$ 80	$ 1,860
Portajohn	$ 20	$ 640
Mud Trailer	$ 20	$ 640
Mud Cleaner	$ 375	$ 10,950
EDR	$ 80	$ 1,800
Autodriller	$ 90	$ 2,690
RU mud clnr		$ 870
Trash/Tlt del		$ 349
Living Qtrs	$ 125	$ 3,875
empty trash		$ 490
other		
other		
other		
other		
other		
other		
TOTALS	$ 990	$ 30,829

CASING DATA

SIZE	WEIGHT	GRADE	CONN	DRIFT ID	EXTERNAL COLLAPSE (psi)	INTERNAL YIELD (psi)	CAPACITY (bbls/ft)	LENGTH (ft)	TOP SET AT (ft)	BOTTOM SET AT (ft KB)	
13 3/8"	54.5	J55	ST&C	12.459	1,130	2,730	0.15450	536.00	2.00	523.00	
8 5/8"	32	J55	ST&C	7.796	2,530	3,930	0.06090	3,716.00	8.00	3,710.00	
5 1/2"	17	J55	ST&C	4.653	4,910	5,320	0.02320	1,288.28	3,374.30	4,671.00	

BOTTOMHOLE ASSEMBLY

DESCRIPTION OF BHA	PROVIDER	THREAD SIZE BOX	THREAD SIZE PIN	MAXIMUM O.D. (in)	MINIMUM I.D. (in)	LENGTH (ft)	HOURS RUN	HRS SINCE INSPECTION	
						0.00			

DRILLING MUD REPORT

SAMPLE DEPTH (ft)	TIME (hh:mm)	MUD WT. (ppg)	FUNNEL VISCOSITY (sec/qt)	PV / YP	KCL (%)	GEL STRENGTH (lb/100 ft2)	FILTRATE API (ml/30 min)	CALCIUM (ppm)	CAKE THICKNESS (/32 in)	SOLIDS (% vol)	SAND CONTENT (% vol)	pH	CHLORIDES (ppm)	ALKALINITY Pf / Mf	LCM lb/gal
4,659	18:00	8.50	27					20				9.0	1,300	.05 / -	

DAILY MUD COST & INVENTORY

	BARITE (sx)	QUICK GEL (sx)	CAUSTIC (sx)	LIME (sx)	SODA ASH (sx)	UNIDRILL (sx)	SOLWICK (sx)	PAC-R (sx)	PHPA (gal)	CEDAR (sx)	TRUCKING ($)		TOTAL COSTS ($)
UNIT COST													
STARTING INVENTORY	120												
INVENTORY RECEIVED													
USED LAST 24 HOURS													
ENDING INVENTORY													
DAILY MUD COST													149
PREVIOUS CUMULATIVE COST													29,436
CUMULATIVE MUD COST													29,286

MUD LOGGER REPORT

MUD GAS DATA (in Units) BACK GROUND	CONN GAS	TRIP GAS	SHOW INTERVAL FROM (ft)	TO (ft)	RATE OF PENETRATION BEFORE (ft)	DURING (ft)	AFTER (ft)	SHOW GAS DATA BEFORE UNITS	DURING UNITS	AFTER UNITS	
											Formation Tops:
											Sample percentages:
											Sample Description:

DEVIATION SURVEYS

Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle	Depth	Deviation	Azimuth	DL Angle
530	1.00	Wireline	0.00	1448	1.30	260.00	1.68	2314	1.14	149.30	0.82	3268	1.15	208.10	1.29
579	0.70	205.50	0.12	1480	1.20	245.80	1.01	2346	0.55	136.40	1.93	3299	1.02	217.70	0.72
608	0.80	204.40	0.35	1511	0.80	252.80	1.32	2377	0.36	115.07	0.81	3330	0.35	220.30	2.16
671	0.90	188.60	0.64	1542	0.80	220.00	1.46	2407	0.31	125.95	0.27	3362	0.11	310.70	1.15
702	1.10	178.70	0.66	1574	1.10	216.70	0.95	2468	0.27	84.60	0.34	3393	0.18	6.20	0.48
732	1.20	194.80	1.12	1604	0.70	204.10	1.48	2498	0.45	101.80	0.69	3424	0.11	325.60	0.39
763	1.20	181.30	0.91	1635	0.80	187.10	0.78	2529	0.56	137.10	1.04	3456	0.14	3.40	0.27
794	1.20	181.20	0.01	1666	0.80	221.50	1.53	2590	0.81	136.50	0.41	3487	0.17	185.40	1.00
824	1.00	207.10	1.77	1697	0.70	191.20	1.30	2620	0.72	129.90	0.42	3528	0.48	254.40	1.09
854	1.30	181.60	1.95	1728	0.90	182.80	0.75	2653	0.84	139.30	0.53	3558	0.11	337.50	1.60
886	0.90	197.20	1.55	1758	1.00	205.90	1.31	2683	0.92	149.30	0.58	3590	0.31	291.40	0.77
917	1.00	211.90	0.65	1791	1.07	204.30	0.23	2713	0.83	156.10	0.54	3622	0.47	210.81	1.62
979	1.16	199.50	0.46	1820	1.00	188.10	1.03	2744	0.70	195.30	1.62	3745	1.00		
1011	1.20	203.80	0.30	1851	0.65	198.30	1.22	2806	0.84	224.60	0.87	3836	1.00		
1041	1.50	211.86	1.16	1882	0.71	148.80	1.85	2837	0.93	223.40	0.30	3961	1.75		
1073	1.50	217.80	0.49	1913	0.65	127.20	0.84	2867	0.90	231.80	0.48	4000	2.00		
1104	1.20	210.00	1.13	1945	0.57	114.30	0.50	2898	0.38	226.10	1.66	4120	2.75		
1135	1.40	226.90	1.39	1975	0.49	121.70	0.35	2929	0.30	181.00	0.89	4182	3.00		
1166	0.80	239.90	2.08	2036	0.99	159.49	1.74	2961	0.41	144.00	0.78	4305	3.25		
1197	1.00	246.10	0.72	2067	1.17	149.90	0.66	2992	0.54	138.40	0.44	4398	3.25		
1228	1.10	230.50	0.97	2099	1.21	155.96	0.47	3021	0.65	138.00	0.38	4549	4.25		
1259	0.90	271.40	2.33	2129	1.17	154.80	0.16	3097	0.88	119.47	0.30	4645	4.25		
1290	0.70	246.40	0.30	2160	1.38	153.80	0.68	3115	0.88	147.23	2.32				
1321	0.90	247.00	0.61	2193	1.48	154.10	0.30	3145	0.74	161.10	0.76				
1355	0.80	250.60	0.33	2223	1.53	159.90	0.53	3176	0.96	163.17	0.78				
1385	0.90	276.30	1.30	2253	1.55	149.80	0.91	3207	1.20	178.80	1.19				
1417	0.80	252.00	1.16	2284	1.31	152.70	0.81	3237	1.19	188.50	0.87				
ESTIMATED FORMATION TOPS:															
SAMPLE DESCRIPTION:															

PUMP & CIRCULATING DATA

MUD PUMPS	MAKE	MODEL	LINER SIZE (in)	STROKE LENGTH (in)	ASSUMED EFF (%)	PUMP RATE (spm)	PUMP VOLUMETRIC DATA (bbls/stk)	(bbls/min)	(gal/min)	CIRCULATING DETAILS Standpipe (psi)	Motor Differential	HHP (@ sp in)	ANNULAR VELOCITY DP (ft/min)	DC (ft/min)	DC (ft/min)
NO. 1	National	7P50	6.25	7.75	95.00%	118	0.0736	8.25	347	980			150	300	
NO. 2															
NO. 3															
COMBINED															

E. XGREEN OPERATING CORPORATI..

Casing Running & Cementing Report

Well Name:	State 11-16	County:	Carbon	State:	Utah

Hole Size:	12 1/4 "	Depth	3720 '	Date Cemented:	8/4/2004	Mud Weight:	9.2	#/gallon
Ground Level:		DF		KB				

Casing Detail (Show casing as run in hole--bottom to top. Threads Off Meaurement.)

No. of Joints:	Size O.D.	Manufacturer--Item	Wt./#	Grade	Type Threads			Footage
	8 5/8	Gemoco Sur Seal Float Shoe		J55	ST&C			1.6
1	8 5/8	Shoe joint	32	J55	ST&C			44.28
	8 5/8	Gemoco Sur Seal Float Collar		J55	ST&C			1.45
83	8 5/8	intermediate casing	32	J55	ST&C			3670.87
						TOTAL:		3718.2

Set Casing @:	3810	KB	Scratchers:	
Total Jts. Run:	84			
FLOAT COLLAR @:	3766	' KB	Centralizers:	12
Other Equipment:				

Comments:

tagged fill at 3703', unable to wash down past 3810', reciprocated casing 10' strokes until plug down

Cementing Company:	HES	Circulated:	180	mins. @	100	psi.
Started Mixing:	10:45AM	Pressure on Plug:	1115 (485 over)			psi.
Plug Down @	12:40PM	Bled to:	0			psi.

Cemented with:

10 bbl fresh water ahead, 10 bbl mud flush, 10 bbl fresh water spacer; Lead: 380 sx Type 3 CBM LITE standard blend cement, yield 4.34, 293 bbl slurry mixed at 10.5 lb/gal with 28.43 gal wtr/sx; Tail: 170 sx Type 3 cement, yield 1.43, 44 bbl slurry mixed at 14.5 lb/gal with 7.02 gal wtr/sx, displaced with 223.5 bbl fresh water, full returns throughout job, Trace cement to surface at end of displacement - estimate 25% cement in returns; bumped plug and checked float - held OK; cement had fallen back by the time slips were set

Top of Cement:	'	by temperature survey:		CBL:		Calculated:	
Signature:	*John C. Lamb*				Date:		8/4/2004

NOTE: ATTACH COPY OF CASING TALLY TO THIS REPORT

WELL NAME: State 11-16 | TBG. GRADE: J55 | TALLIED BY: crew

JTS. OF TBG: 33 | THREAD: ST&C | CONDITION: new

KB: | RANGE: | DATE:

1	45.81	45.81
2	46.35	92.16
3	45.91	138.07
4	45.92	183.99
5	46.11	230.10
6	46.13	276.23
7	46.45	322.68
8	46.43	369.11
9	42.53	411.64
10	46.67	458.31
11	46.42	504.73
12	46.44	551.17
13	46.43	597.60
14	46.87	644.47
15	46.15	690.62
16	45.82	736.44
17	45.70	782.14
18	44.62	826.76
19	45.71	872.47
20	46.43	918.90
21	45.62	964.52
22	45.71	1010.23
23	46.12	1056.35
24	44.92	1101.27
25	46.12	1147.39
26	45.65	1193.04
27	46.49	1239.53
28	45.40	1284.93

45.70 2 joints were crossthreaded and layed down

43.82

Total 30 joints used, 33 joints delivered from yard and 3 will be run in next well and included in that tally

1284.93	0.00		0.00	0.00	0.00	0.00	0.00

TOTAL PIPE TALLY 1284.93 | TOTAL TOOLS & DP 3386.07 | UP / SET | IN / SET | SN | MUD ANC. | TOTAL DEPTH 4671.00

E[illegible]RGREEN OPERATING CORPORATI[illegible]

Casing Running & Cementing Report

Well Name:	State 11-16	County:	Carbon	State:	Utah

Hole Size:	7 7/8 "	Depth	4675 '	Date Cemented:	8/15/2003	Mud Weight:	8.4	#/gallon
Ground Level:		DF		KB				

Casing Detail (Show casing as run in hole--bottom to top. Threads Off Meaurement.)

No. of Joints:	Size O.D.	Manufacturer--Item	Wt./#	Grade	Type Threads	Footage
	5 1/2	Gemoco Sur Seal Float Shoe		J55	ST&C	1.38
1	5 1/2	Float Joint	17		ST&C	45.81
	5 1/2	Gemoco Sur Seal Float Collar			ST&C	1.25
	5 1/2	Landing collar			ST&C	0.72
27	5 1/2	Production Liner	17	J55	ST&C	1239.12
		5 1/2" x 8 5/8" Crossover			ST&C	3.12
	8 5/8	Liner hanger			ST&C	5.27
					TOTAL:	1296.67

Set Casing @:	4671 ' KB	Scratchers:	
Total Jts. Run:	28		
LANDING COLLAR@:	4622.56 ' KB	Centralizers:	8
Other Equipment:	landing collar above float collar		

Comments:

No returns were observed until 3 bbl before plug was bumped, good lifting pressure was observed after 46 bbl into displacement - prior pressure was TSTM, calculated a maximum of 3.57 or 60' of cement to be on top of hanger

Cementing Company:	HES	Circulated:	0	mins. @	0	psi.
Started Mixing:	19:45	Pressure on Plug:	500 over 700			psi.
Plug Down @	20:30	Bled to:	0			psi.

Cemented with:

10 bbl lightly gelled pill with 5 sx sawdust ahead, 265 sx 50:50 Poz cement, yield 1.22, 57.5 bbl slurry mixed at 14.35 lb/gal with 5.34 gal wtr/sx + 5% salt + 2% Microbond + .6% Halad 22 + .2% Versaset, displaced with 76.8 bbl water, landed and bumped plug with 500 psi over 700 psi lifting pressure (1200 total); checked floats, 1.5 bbl flowback was observed with no decrease in rate, repressured float with .25 bbl pumped to 1000 psi - flowback was determined to be cement U tubing into drill pipe, flowback stopped, unstung from hanger

Top of Cement:	'	by temperature survey:		CBL:		Calculated:	
Signature:	*John C. Lamb*			Date:			

NOTE: ATTACH COPY OF CASING TALLY TO THIS REPORT

EVERGREEN RESOURCES, INC.
1401 17th Street, Suite 1200
Denver, Colorado 80202
Phone 303-298-8100
Fax 303-298-1147

GEOLOGIC PROGNOSIS

Well Name	**State 11-16**				**Date**	March 3, 2004
Location	550 FNL 500 FWL		**Spot**	NWNW	**Section**	16-12S-10E
Field or Prospect	Castlegate		**County**	Carbon	**State**	Utah
Elevations	**GL**	7,568	**Rig KB**	11	**KB Elevation**	7,579
Deepest Objective	Blackhawk Coals		**TD**	4,964	**Formation @ TD**	Spring Canyon Sst

FORMATION TOPS	**Depth KB**	**Elevation**	**Thickness**	**Formation Pressure**	**Expected Production**	**Remarks**
Flagstaff Lst - North Horn Fm	11	7,568	2,438			
Price River Fm	2,449	5,130	820			
Castlegate Fm	3,269	4,310	350			
Blackhawk Fm	3,619	3,960	370			
Blackhawk Coal Section	3,989	3,590	530		Gas	70 feet net coal
Blackhawk H Coal	4,014	3,565	2			First coal in offset wells
Sunnyside Sst						Absent
Kenilworth Sst						Absent
Aberdeen Sst	4,519	3,060	100			
Lower Aberdeen	4,639	2,940	125		Gas	3 feet net coal
Spring Canyon Sst	4,764	2,815	200			

EVALUATION PROGRAM

Logs	TD to Intermediate Casing		Induction/GR/SP		
	TD to Intermediate Casing		Density/Neutron with High-Res Bulk Density from 4,815 to 3,870		
	TD to Intermediat	TD to Surface Casing		GRN	
Samples	Surface casing to TD	15-Ft intervals			
Cores	Conventional	3,995 - 4,530	Selected coals to be canned for lab analysis by HWA		
			Ship remainder of core to Triple O Slabbing, Denver		
DST(s)	None				
Mud Log	Top Castlegate to TD				

OFFSET WELLS

REMARKS

Intermediate casing to be set 100 feet below base of Castlegate. If possible high-res log interval may be adjusted from 300-foot repeat run so as to cover from 50 feet below top of Spring Canyon Fm to top of Blackhawk coal section

CONTACTS

Geologist	John Gold	Office 303-298-8100	Cell 303-918-8203 (does not work at home)

Steamboat Energy Consultants

BIT RECORD

OPERATOR Evergreen Operating Corp				WELL NAME or NO. State 11-16					OPERATORS Representative John C. Lamb				LATITUDE		SPUD DATE 07/1404		PUMP #1	MAKE National		MODEL 7P50					
CONTRACTOR Elenburg				RIG NAME or NO. Rig #12					CONTRACTORS Representative Dan Bowe/Chris Ellison				LONGITUDE		TD DATE		PUMP #2	MAKE		MODEL					
FIELD Castlegate				COUNTY / PARISH CARBON			STATE UT	SECTION 11	TOWNSHIP 12 S	RANGE 10 E			BASIN UINTAH		TIGHT HOLE yes		DC 13	OD 6 & 8"	ID mixed	LENGTH 510	motor yes				
OFFSHORE AREA				BLOCK / WHICO			WELL TYPE	SECTION	TOWNSHIP	RANGE			Days 1	Total Hours 273.00	METRIC		DP SIZE 4 1/2	WT 16.6	CONN XH	HWDP SIZE 4 1/2					
RUN SUB	BIT SIZE	BIT TYPE	RR RT	BIT MFR	IADC CODE	SERIAL NUMBER	JET SIZE & TYPE	DEPTH OUT	RUN LENGTH	HOURS	ROP	WEIGHT	ROTARY RPM TABLE	ROTARY RPM MOTOR	MUD TYPE	MUD WT.	PUMP PRESS	FLOW RATE	VER DEV	ICS	OCS	DC	DULL CONDITION LOC	B/S	G
	17 1/2	hammer						523																	
1	12 1/4	HT30XP		HTC	535	J101045	3 x 16	2095	1572	126.00	12.5	28/34	60	45		9.0	720	348	<2	3	3	WT	A	F	0
2	12 1/4	HJT30G		JZ	535G	15987	16 16 18	3222	1127	87.00	13.0	32/38	60	45		9.0	780	348	<2	5	8	BT	G	E	1/4
3	12 1/4	HJT30G		JZ	535G	16001	16 16 18	3532	310	24.75	12.5	38/44	60	45		9.1	810	348	<2	7	8	BT	G	F	1/2
4	12 1/4	HP63KPR		RTC	617G	KA9244	16 16 18	3721	189	35.25	5.4	18 / 34	50/60	45		9.2	810	348	<2	7	8	BT	G	F	
5	7 7/8																								
			TOPS																						
			PRICE RIVER																						
			CASTLEGATE																						
			BLACKHAWK																						
			SUNNYSIDE SS																						
			KENIKWORTH SS																						

LINER	RATE
6.25	8.25
LINER	RATE

Shock sub
yes

WT	CONN
	XH

ODC	RP
	torq
RG	torq
RG	torq
RG	TD

Company					Target Tvd #1		Target Tvd #4		N/-S TAR FT.			
Well					Target Deg #1		Target Deg #4		E/-W TAR FT.			
Field					Target Tvd #2		Planned Direction		N/-S SURF FT.			
Rig					Target Deg #2		Tgt. Coor.		E/-W SURF FT.			
Driller					Target Tvd #3		Page	1	Of			
					Target Deg #3		Magnetic Declination					
Date	**No.**	**DEPTH**	**INC.**	**AZM**	**C.L.**	**T.V.D.**	**V.S.**	**N(+)/S(-)**	**E(+)/W(-)**	**DLS**	**BUILD**	**WALK**
		326				**326.00**						
	1											
	2											
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040

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-4443	
6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A	
7. UNIT or CA AGREEMENT NAME: N/A	
1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER	8. WELL NAME and NUMBER: STATE 11-16
2. NAME OF OPERATOR: PIONEER NATURAL RESOURCES	9. API NUMBER: 4300730961
3. ADDRESS OF OPERATOR: 1401 17TH ST. #1200 CITY DENVER STATE CO ZIP 80202	PHONE NUMBER: (303) 298-8100 / 10. FIELD AND POOL, OR WILDCAT: CASTLEGATE
4. LOCATION OF WELL FOOTAGES AT SURFACE: ~~44~~ 550 FNL 500; FWL	COUNTY: CARBON
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 16 12S 10E	STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: 1/5/2005	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER:
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

CLEANING OUT WELL TO RUN CBL. PERFORATE AND RUN PRESSURE GAUGES FOR PRESSURE BUILD UP. WILL SHUT WELL IN WITH PRESSURE BOMBS IN HOLE FOR A MINIMUM OF TWO WEEKS

SENT TO OPERATOR
Date: 1-26-05
CHD

NAME (PLEASE PRINT) LARRY G. SESSIONS TITLE SENIOR AREA FOREMAN

SIGNATURE Larry G. Sessions DATE 1/18/2005

(This space for State use only)

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
DATE: 1/25/05
BY: [signature]

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

FORM 9

041

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NUMBER:	ML-4443
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
7. UNIT or CA AGREEMENT NAME:	
1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER	
8. WELL NAME and NUMBER:	State 11-16
2. NAME OF OPERATOR:	Pioneer Natural Resources USA, Inc
9. API NUMBER:	4300730961
3. ADDRESS OF OPERATOR:	1401 17th Street CITY Denver, STATE CO ZIP 80202
PHONE NUMBER:	(303) 298-8100
10. FIELD AND POOL, OR WILDCAT:	Castlegate
4. LOCATION OF WELL	
FOOTAGES AT SURFACE:	550 FNL, 500 FEL
COUNTY:	Carbon
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:	NWNW 16 12S 10E S
STATE:	UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
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	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: Status
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

2/10/05 Perforated Blackhawk coal zone 4490-4497' with 4 spf, total of 32 holes. Acidized perfs with 20 gal 15% HCL acid & broke down perfs. 2/11/05 Ran pressure gauges on wireline for bottom hole pressure tests. 2/22/05 Wire line parted, unable to pull gauges. 3/3/05 Fished wireline & gauges from hole. Shut well in to evaluate test & plan injection fall off test. 3/7-3/13/05 Unable to reach location due to road conditions. Pioneer intends to proceed with the injection fall off test as soon as road conditions improve.

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NAME (PLEASE PRINT) Mark J. Gully TITLE Staff Operations Engineer

SIGNATURE DATE 3/14/2005

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042

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-4443

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: State 11-16

2. NAME OF OPERATOR: Pioneer Natural Resources USA, Inc

9. API NUMBER: 4300730961

3. ADDRESS OF OPERATOR: 1401 17th Street CITY Denver, STATE CO ZIP 80202

PHONE NUMBER: (303) 298-8100

10. FIELD AND POOL, OR WILDCAT: Castlegate

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 550 FNL 500 FWL

COUNTY: Carbon

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 16 12S 10E S

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
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	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: MO Status
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

MIRU Set RBP @ 4530' & tested to 2000 psi. OK. Set perforated sub across perfs. Ran fall off pressure test. Well shut in pending evaluation.

NAME (PLEASE PRINT) Doris Maly TITLE Sr Engineering Tech

SIGNATURE Doris Maly DATE 4/25/2005

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FORM 9

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-4443
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT or CA AGREEMENT NAME:
8. WELL NAME and NUMBER: State 11-16
9. API NUMBER: 4300730961
10. FIELD AND POOL, OR WILDCAT: Castlegate

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER
2. NAME OF OPERATOR: Pioneer Natural Rescources
3. ADDRESS OF OPERATOR: 1401 17th St. Ste.1200 CITY Denver STATE CO ZIP 80202
PHONE NUMBER: (303) 298-8100
4. LOCATION OF WELL
FOOTAGES AT SURFACE: 550 FNL, 500 FWL
COUNTY: Carbon
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 16 12S 10E S
STATE: UTAH

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	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

Shut in, waiting on drilling rig.

NAME (PLEASE PRINT) Mark Gully TITLE Staff Operations Engineer
SIGNATURE Mark J Gully DATE 6/27/2005

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT or CA AGREEMENT NAME:
8. WELL NAME and NUMBER: ~~Huber Jensen~~ STATE 11-16
9. API NUMBER: 43-007-30961
10. FIELD AND POOL, OR WILDCAT: Castlegate

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER
2. NAME OF OPERATOR: Pioneer Natural Resources
3. ADDRESS OF OPERATOR: 1401 17th Street CITY Denver STATE CO ZIP 80202 PHONE NUMBER: (303) 298-8100
4. LOCATION OF WELL
FOOTAGES AT SURFACE: 550 FNL, 500 FWL COUNTY: Carbon
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 16 12S 10E S STATE: UTAH

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

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	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER: Mo Status
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

Well shut in. Currently reviewing pressure data collected.

NAME (PLEASE PRINT) Mark T. Gully TITLE Staff Operations Manager

SIGNATURE Mark T. Gully DATE 7/29/2005

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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: ML-4443	6. SURFACE: State
7. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA	
8. UNIT or CA AGREEMENT NAME:	

1A. TYPE OF WORK: DRILL ☐ REENTER ☐ DEEPEN ☑

B. TYPE OF WELL: OIL ☐ GAS ☑ OTHER Horizontal SINGLE ZONE ☐ MULTIPLE ZONE ☐

2. NAME OF OPERATOR: Pioneer Natural Resources USA, Inc. N5155

9. WELL NAME and NUMBER: State 11-16 H

3. ADDRESS OF OPERATOR: 1401 17th St. Ste 1200 CITY Denver STATE CO ZIP 80202

PHONE NUMBER: (303) 298-8100

10. FIELD AND POOL, OR WILDCAT: Castlegate

4. LOCATION OF WELL (FOOTAGES)

AT SURFACE: 550 FNL & 500 FWL surf 515880X 39.789380 4404188Y -110.814542

AT PROPOSED PRODUCING ZONE: 1832 FSL & 1276 FWL

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 16 12S 10E S

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 9 Air Miles N/NE of Helper

12. COUNTY: Carbon

13. STATE: UTAH

15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET)	16. NUMBER OF ACRES IN LEASE:	17. NUMBER OF ACRES ASSIGNED TO THIS WELL:
500'	640	320

18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET)	19. PROPOSED DEPTH:	20. BOND DESCRIPTION:
2162'	7367 M.D. 3858 TVD	104319462

21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.):	22. APPROXIMATE DATE WORK WILL START:	23. ESTIMATED DURATION:
7569 GR	9/15/2005	10/01/2005

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
			See attached Eight Point Plan under
			Existing Conditions and Cementing, (Pg 3)

Approved by the Utah Division of Oil, Gas and Mining
Date: 09-13-05
By:

25. **ATTACHMENTS**

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

AMENDED

☑ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER

☑ COMPLETE DRILLING PLAN

☑ EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER

☐ FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) Dave Holland TITLE Environmental Manager

SIGNATURE DATE 8/19/05

(This space for State use only)

BHL 516114 X 4403259 Y 39.781009 -110.811823

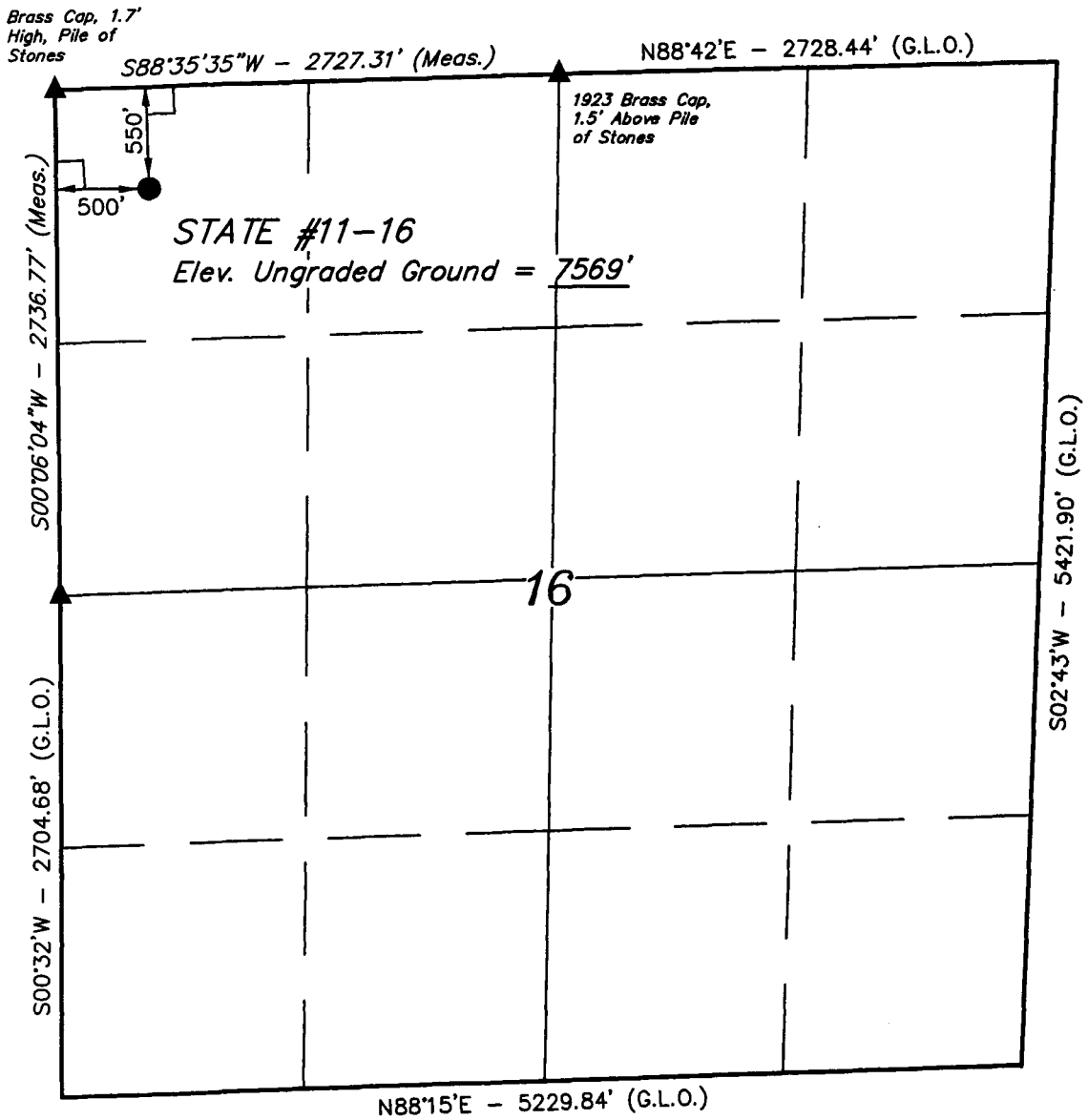
API NUMBER ASSIGNED: 43-007-30941

APPROVAL:

RECEIVED
AUG 22 2005
DIV. OF OIL, GAS & MINING

(11/2001) (See Instructions on Reverse Side)

T12S, R10E, S.L.B.&M.



BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

LEGEND:

└ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

(NAD 83)

LATITUDE = 39°47'21.46" (39.789294)

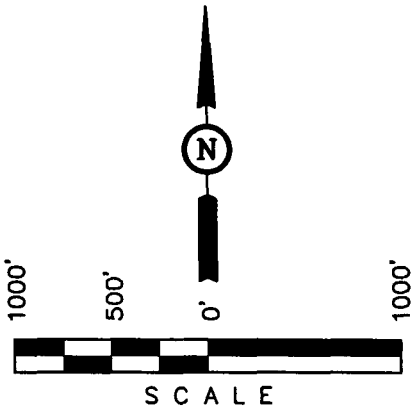
LONGITUDE = 110°48'54.81" (110.815225)

EVERGREEN RESOURCES INC.

Well location, STATE #11-16, located as shown in the NW 1/4 NW 1/4 of Section 16, T12S, R10E, S.L.B.&M. Carbon County, Utah.

BASIS OF ELEVATION

BENCH MARK LOCATED IN THE SW 1/4 NE 1/4 OF SECTION 10, T12S, R10E, S.L.B.&M. TAKEN FROM THE MATTS SUMMIT, QUADRANGLE, UTAH, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 7131 FEET.



CERTIFICATE

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

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

REVISED: 5-21-04

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE	DATE SURVEYED:	DATE DRAWN:
1" = 1000'	3-31-04	4-2-04
PARTY: D.K. L.M. C.G.	REFERENCES: G.L.O. PLAT	
WEATHER: WARM	FILE: EVERGREEN RESOURCES INC.	

State 11-16H
550' FNL & 500' FWL
Sec. 16, T12S, R10 E
Carbon County, Utah

Drilling Program

1. Formation Name

Formation Name	Depth from GL	Depth from KB	Elevation
Flagstaff Limestone	0'	10'	+7,569'
Price River Formation	2,440'	2,450'	+5,129'
Castlegate Formation	3,260'	3,270'	+4,309'
Blackhawk Coal	3,910'	3,920'	+3,659'
Sunnyside Sandstone	Absent	N/A	N/A
Kenilworth Sandstone	Absent	N/A	N/A
Aberdeen Sandstone	4,510'	4,520'	+3,059'
Lower Aberdeen	4,630'	4,640'	+2,939'
Total Depth	4,671'	4,965'	+2,614'

2. NOTABLE ZONES

A horizontal lateral in the Blackhawk K-2 Kenilworth coal interval is the goal. A 5 ½" tie back string will be ran and attached to the existing 5 ½" liner using a casing patch. An exit window will then be milled in the 5 ½" liner and a horizontal lateral drilled from 4053' to +/- 7367' MD as per the attached well plan. The 5 ½" tie back string will not be cemented with the intention of removing the string at the completion of the project.

3. PRESSURE CONTROL

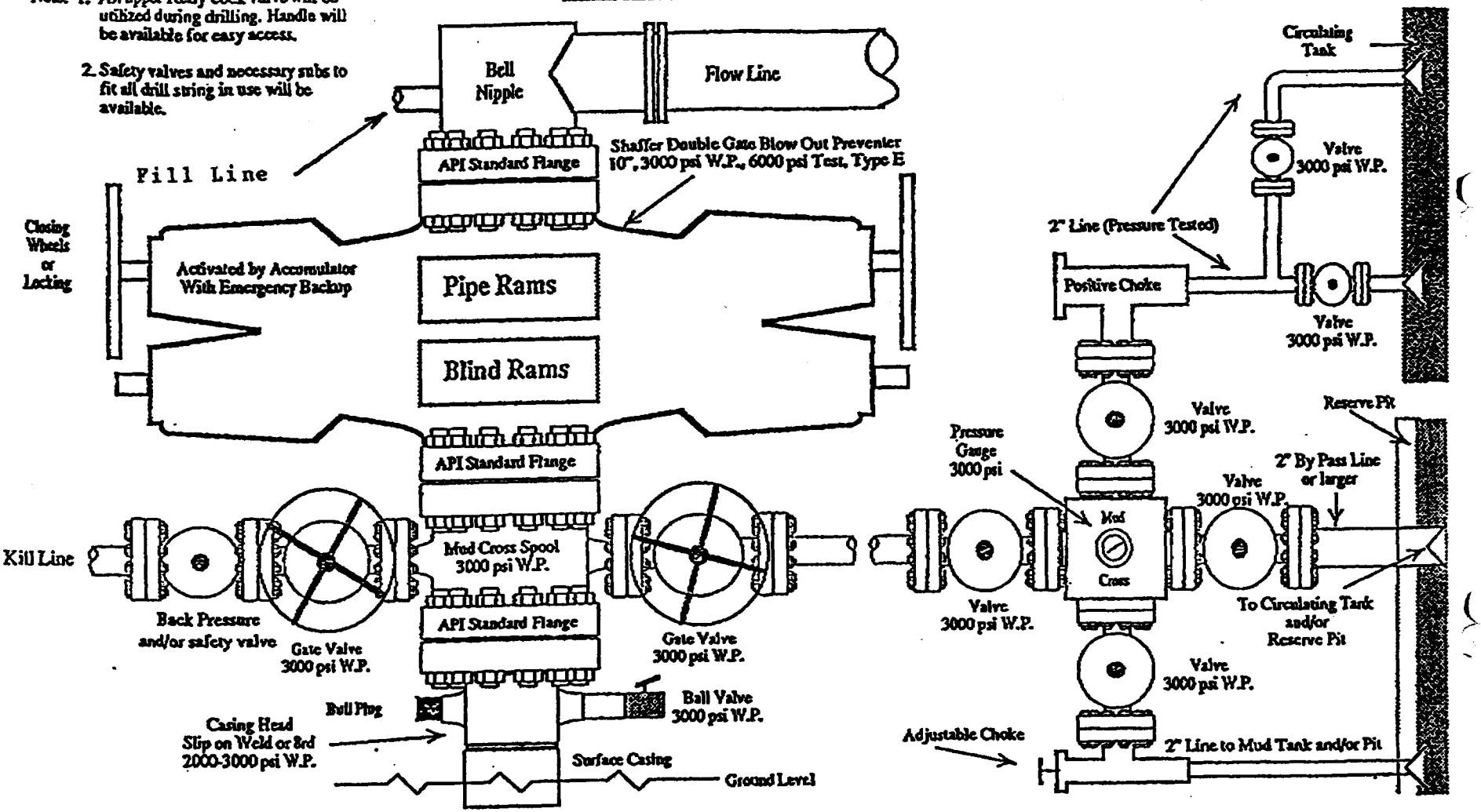
Maximum expected bottom hole pressure is «1,982 psi. A »10" x 2,000 psi double ram BOP with 2,000 psi choke manifold will be used from bottom of surface casing to TD. (A typical 2,000 psi BOP is on Page 2. Actual model will not be known until the bid is let.) BOP system will be tested to 70% of the minimum internal yield before drilling the surface casing shoe. System will be tested at least once every 30 days. Tests will be recorded in the driller's log. BOPs will be inspected and operated daily to assure good mechanical working order.

Pressure Control Equipment

Minimum 2" Choke Line.
Minimum 2" Kill Line.
At Least One 2" Minimum Kill Line Valve.

Note: 1. An upper Kelly cock valve will be utilized during drilling. Handle will be available for easy access.

2. Safety valves and necessary subs to fit all drill string in use will be available.



Note: This equipment is designed to meet requirements for a 2-M rating standard per 43 CFR part 3160 (amended). Proper operation and testing of equipment will be caried out per standard. 2,000 psi equipment can be substituted in the drawing to meet minimum requirements per standard.

State 11-16H
550' FNL & 500' FWL
Sec. 16, T12 S, R10 E
Carbon County, Utah

4. EXISTING CASING & CEMENTING

Hole Size	O. D.	Weight	Grade	Depth
17"	13 3/8"	54.5	J-55	523
12 ¼"	8 5/8"	32	J-55	3810
7 7/8"	5-1/2"	17	J-55	3374 - 4671

Surface casing cement circulated to surface with 250 sacks Class G + 2% CaCl2 + 1/4 pound per sack cello flake mixed at 1.17 cubic feet per sack and 1 5.8 pounds per gallon. Excess: >100%

Intermediate casing cement circulated to surface. Lead with 380 sacks of CBM Lite cement followed by 170 sacks of Type 3 cement mixed at 1.17 cubic feet per sack and 15.6 pounds per gallon. Total (380 sacks lead + 170 sacks tail = 550 sacks) excess = >20%. Cement volume was based on caliper log.

Liner was cemented to with 265 sacks of 50-50 Poz cement mixed at 1.26 cubic feet per sack, 14.1 pounds per gallon.

5. MUD PROGRAM

Interval	Type	ppg	Viscosity	Fluid Loss
4053' – 7367' MD	Water	8.3	27	NC

Water for drilling will be obtained from Pioneer's produced coal bed methane wells in the field.

State 11-16H
550' FNL & 500' FWL
Sec. 16, T. 12 S., R. 10 E.
Carbon County, Utah

6. CORING TESTING & LOGGING

No drill stem tests are planned.

No cores are planned.

Induction/GR/SP/LDT-CNL logs will be run from TD to the casing exit point in the horizontal lateral.

Mud logger will be on site from casing exit point to TD. Samples will be collected at the geologist's discretion.

7. DOWN HOLE CONDITIONS

No abnormal pressures, temperatures, or hydrogen sulfide are expected.

State 11-16H
550' FNL & 500' FWL
Sec. 16, T. 12 S., R. 10 E.
Carbon County, Utah

8. CONTACT INFO

Ron Millet

Sr. Drilling Engineer

Pioneer Natural Resources USA, Inc.

1401 17th Street, Suite 1200

Denver, Colorado 80202

(303) 298-8100

All proposed drilling activities will take place on the existing well pad. No new ground disturbance is required.

Scientific Drilling

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Planning Report (Lease Lines)

Company:	PIONEER NATURAL RESOURCES	**Date:** 7/27/2005	**Time:** 14:47:32	**Page:**	1
Field:	CARBON COUNTY, UTAH	**Co-ordinate(NE) Reference:**	Well: WELL 11-16, Grid North		
Site:	STATE (11-16)	**Vertical (TVD) Reference:**	SITE 0.0		
Well:	WELL 11-16	**Section (VS) Reference:**	Well (0.00N,0.00E,165.00Azi)		
Wellpath:	K2 LATERAL	**Survey Calculation Method:**	Minimum Curvature	**Db:**	Sybase

Plan:	Plan #1	**Date Composed:**	3/9/2005
		Version:	1
Principal:	Yes	**Tied-to:**	User Defined

Field: CARBON COUNTY, UTAH

Map System:	US State Plane Coordinate System 1927	**Map Zone:**	Utah, Central Zone
Geo Datum:	NAD27 (Clarke 1866)	**Coordinate System:**	Well Centre
Sys Datum:	Mean Sea Level	**Geomagnetic Model:**	igrf2005

Site: STATE (11-16)

Site Position:		**Northing:**	ft	**Latitude:**	
From:	Lease Line	**Easting:**	ft	**Longitude:**	
Position Uncertainty:	0.0 ft			**North Reference:**	Grid
Ground Level:	0.0 ft			**Grid Convergence:**	0.00 deg

Well: WELL 11-16 **Slot Name:**

Well Position:	+N/-S	0.0 ft	**Northing:**	0.0000 ft	**Latitude:**	38	7	11.008	N
	+E/-W	0.0 ft	**Easting :**	0.0000 ft	**Longitude:**	118	27	22.609	W
Position Uncertainty:		0.0 ft							

Wellpath: K2 LATERAL **Drilled From:** VERTICAL PILOT

Tie-on Depth: 4053.0 ft

Current Datum:	SITE	**Height**	0.0 ft	**Above System Datum:**	Mean Sea Level
Magnetic Data:	7/27/2005			**Declination:**	0.00 deg
Field Strength:	0 nT			**Mag Dip Angle:**	0.00 deg

Vertical Section:	**Depth From (TVD)** ft	**+N/-S** ft	**+E/-W** ft	**Direction** deg
	0.0	0.0	0.0	165.00

Plan Section Information

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg	Target
4053.0	0.00	0.00	4053.0	0.0	0.0	0.00	0.00	0.00	0.00	
4486.6	98.85	124.78	4301.3	-165.4	238.2	22.80	22.80	0.00	124.78	
5100.5	98.85	173.89	4206.9	-671.3	538.2	7.90	0.00	8.00	90.00	
7366.6	98.85	173.89	3858.2	-2897.8	776.5	0.00	0.00	0.00	0.00	TD (LAT2)

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	Build deg/100ft	Turn deg/100ft	DLS deg/100ft	FNL ft	FWL ft
4053.0	0.00	0.00	4053.0	0.0	0.0	0.0	0.00	0.00	0.00	550.0	500.0
4075.0	5.02	124.78	4075.0	-0.5	0.8	0.7	22.80	0.00	22.80	550.5	500.8
4100.0	10.72	124.78	4099.7	-2.5	3.6	3.3	22.80	0.00	22.80	552.5	503.6
4125.0	16.42	124.78	4124.0	-5.8	8.4	7.8	22.80	0.00	22.80	555.8	508.4
4150.0	22.12	124.78	4147.6	-10.5	15.2	14.1	22.80	0.00	22.80	560.5	515.2
4175.0	27.82	124.78	4170.3	-16.6	23.9	22.2	22.80	0.00	22.80	566.6	523.9
4200.0	33.52	124.78	4191.8	-23.8	34.3	31.9	22.80	0.00	22.80	573.8	534.3
4225.0	39.22	124.78	4211.9	-32.3	46.5	43.2	22.80	0.00	22.80	582.3	546.5
4250.0	44.92	124.78	4230.4	-41.8	60.2	56.0	22.80	0.00	22.80	591.8	560.2
4275.0	50.62	124.78	4247.2	-52.4	75.4	70.1	22.80	0.00	22.80	602.4	575.4
4300.0	56.32	124.78	4262.1	-63.8	91.9	85.5	22.80	0.00	22.80	613.8	591.9
4325.0	62.02	124.78	4274.9	-76.1	109.6	101.8	22.80	0.00	22.80	626.1	609.6
4350.0	67.72	124.78	4285.5	-89.0	128.1	119.1	22.80	0.00	22.80	639.0	628.1
4375.0	73.42	124.78	4293.8	-102.4	147.5	137.1	22.80	0.00	22.80	652.4	647.5
4400.0	79.12	124.78	4299.8	-116.3	167.4	155.6	22.80	0.00	22.80	666.3	667.4
4425.0	84.82	124.78	4303.3	-130.4	187.8	174.5	22.80	0.00	22.80	680.4	687.8
4450.0	90.52	124.78	4304.3	-144.6	208.3	193.6	22.80	0.00	22.80	694.6	708.3

Scientific Drilling

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Planning Report (Lease Lines)

Company:	PIONEER NATURAL RESOURCES	**Date:** 7/27/2005	**Time:** 14:47:32	**Page:**	2
Field:	CARBON COUNTY, UTAH	**Co-ordinate(NE) Reference:**	Well: WELL 11-16, Grid North		
Site:	STATE (11-16)	**Vertical (TVD) Reference:**	SITE 0.0		
Well:	WELL 11-16	**Section (VS) Reference:**	Well (0.00N,0.00E,165.00Azi)		
Wellpath:	K2 LATERAL	**Survey Calculation Method:**	Minimum Curvature	**Db:**	Sybase

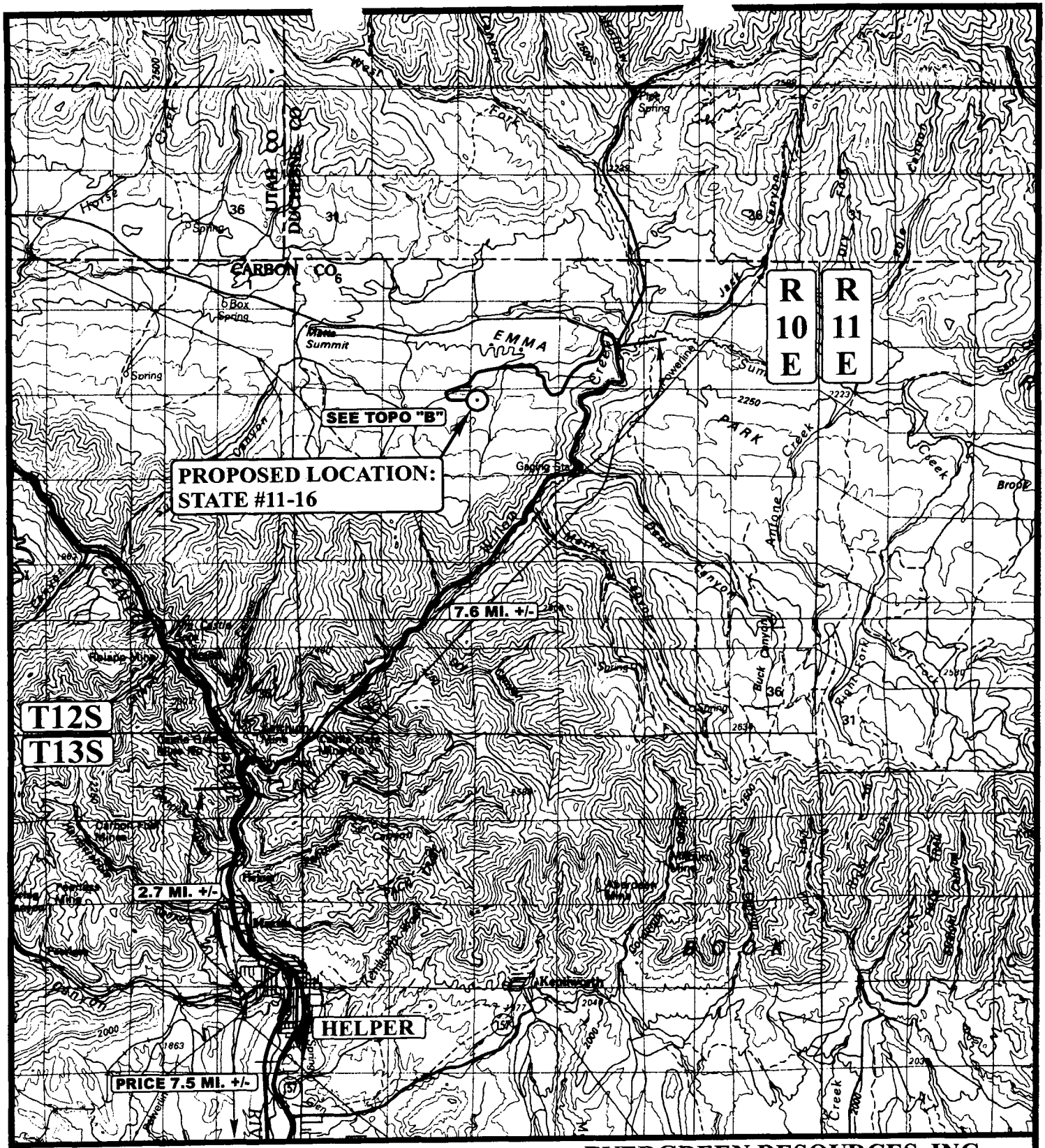
Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	Build deg/100ft	Turn deg/100ft	DLS deg/100ft	FNL ft	FWL ft
4475.0	96.22	124.78	4302.8	-158.9	228.8	212.7	22.80	0.00	22.80	708.9	728.8
4486.6	98.85	124.78	4301.3	-165.4	238.2	221.4	22.80	0.00	22.80	715.4	738.2
4500.0	98.85	125.85	4299.2	-173.1	249.0	231.6	0.00	8.00	7.90	723.1	749.0
4550.0	98.85	129.85	4291.5	-203.4	288.0	271.0	0.00	8.00	7.90	753.4	788.0
4600.0	98.85	133.85	4283.9	-236.3	324.8	312.4	0.00	8.00	7.90	786.3	824.8
4650.0	98.85	137.85	4276.2	-271.8	359.2	355.5	0.00	8.00	7.90	821.8	859.2
4700.0	98.85	141.85	4268.5	-309.5	391.0	400.2	0.00	8.00	7.90	859.5	891.0
4750.0	98.85	145.85	4260.8	-349.4	420.2	446.3	0.00	8.00	7.90	899.4	920.2
4800.0	98.85	149.85	4253.1	-391.3	446.5	493.5	0.00	8.00	7.90	941.3	946.5
4850.0	98.85	153.85	4245.4	-434.8	469.8	541.6	0.00	8.00	7.90	984.8	969.8
4900.0	98.85	157.85	4237.7	-479.9	490.0	590.3	0.00	8.00	7.90	1029.9	990.0
4950.0	98.85	161.85	4230.0	-526.2	507.0	639.5	0.00	8.00	7.90	1076.2	1007.0
5000.0	98.85	165.85	4222.3	-573.7	520.7	688.9	0.00	8.00	7.90	1123.7	1020.7
5050.0	98.85	169.85	4214.6	-622.0	531.1	738.3	0.00	8.00	7.90	1172.0	1031.1
5100.5	98.85	173.89	4206.9	-671.3	538.2	787.7	0.00	8.00	7.90	1221.3	1038.2
5200.0	98.85	173.89	4191.5	-769.1	548.6	884.9	0.00	0.00	0.00	1319.1	1048.6
5300.0	98.85	173.89	4176.2	-867.4	559.1	982.5	0.00	0.00	0.00	1417.4	1059.1
5400.0	98.85	173.89	4160.8	-965.6	569.7	1080.2	0.00	0.00	0.00	1515.6	1069.7
5500.0	98.85	173.89	4145.4	-1063.9	580.2	1177.8	0.00	0.00	0.00	1613.9	1080.2
5600.0	98.85	173.89	4130.0	-1162.1	590.7	1275.4	0.00	0.00	0.00	1712.1	1090.7
5700.0	98.85	173.89	4114.6	-1260.4	601.2	1373.0	0.00	0.00	0.00	1810.4	1101.2
5800.0	98.85	173.89	4099.2	-1358.6	611.7	1470.7	0.00	0.00	0.00	1908.6	1111.7
5900.0	98.85	173.89	4083.8	-1456.9	622.3	1568.3	0.00	0.00	0.00	2006.9	1122.3
6000.0	98.85	173.89	4068.5	-1555.1	632.8	1665.9	0.00	0.00	0.00	2105.1	1132.8
6100.0	98.85	173.89	4053.1	-1653.4	643.3	1763.5	0.00	0.00	0.00	2203.4	1143.3
6200.0	98.85	173.89	4037.7	-1751.6	653.8	1861.1	0.00	0.00	0.00	2301.6	1153.8
6300.0	98.85	173.89	4022.3	-1849.9	664.3	1958.8	0.00	0.00	0.00	2399.9	1164.3
6400.0	98.85	173.89	4006.9	-1948.1	674.8	2056.4	0.00	0.00	0.00	2498.1	1174.8
6500.0	98.85	173.89	3991.5	-2046.4	685.4	2154.0	0.00	0.00	0.00	2596.4	1185.4
6600.0	98.85	173.89	3976.2	-2144.6	695.9	2251.6	0.00	0.00	0.00	2694.6	1195.9
6700.0	98.85	173.89	3960.8	-2242.9	706.4	2349.3	0.00	0.00	0.00	2792.9	1206.4
6800.0	98.85	173.89	3945.4	-2341.1	716.9	2446.9	0.00	0.00	0.00	2891.1	1216.9
6900.0	98.85	173.89	3930.0	-2439.3	727.4	2544.5	0.00	0.00	0.00	2989.3	1227.4
7000.0	98.85	173.89	3914.6	-2537.6	737.9	2642.1	0.00	0.00	0.00	3087.6	1237.9
7100.0	98.85	173.89	3899.2	-2635.8	748.5	2739.7	0.00	0.00	0.00	3185.8	1248.5
7200.0	98.85	173.89	3883.8	-2734.1	759.0	2837.4	0.00	0.00	0.00	3284.1	1259.0
7300.0	98.85	173.89	3868.5	-2832.3	769.5	2935.0	0.00	0.00	0.00	3382.3	1269.5
7366.6	98.85	173.89	3858.2	-2897.8	776.5	3000.0	0.00	0.00	0.00	3447.8	1276.5

Targets

Name	Description Dip.	Dir.	TVD ft	+N/-S ft	+E/-W ft	Map Northing ft	Map Easting ft	<---- Latitude ----> Deg Min Sec	<--- Longitude ---> Deg Min Sec
TD (LAT2)			3858.2	-2897.8	776.5	-2897.7775	776.4572	38 6 43.053 N	118 27 10.111 W

INFORMATION FROM ORIGINAL APD



LEGEND:

⊙ PROPOSED LOCATION

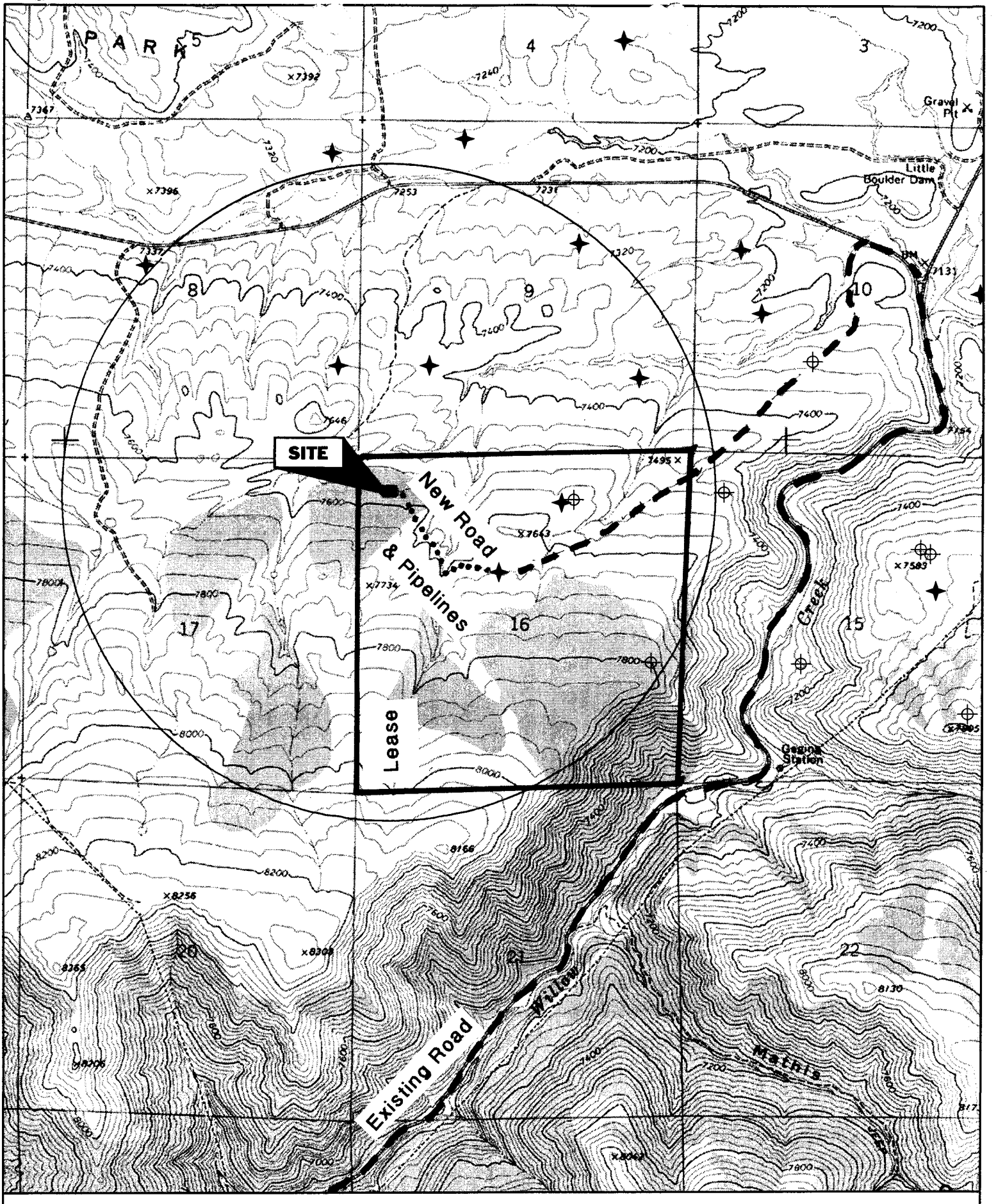
N

EVERGREEN RESOURCES, INC.

STATE #11-16H
SECTION 16, T12S, R10E, S.L.B.&M.
550' FNL 500' FWL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	04 MONTH	01 DAY	04 YEAR
SCALE: 1:100,000	DRAWN BY: P.M.	REVISED: 00-00-00	A TOPO



Name: MATTS SUMMIT
Date: 2/27/2004
Scale: 1 inch equals 2000 feet

Location: 039.7844367° N 110.8092968° W
Caption: 16, 12S-10E
CARBON CTY., UTAH

Copyright (C) 1997, Maptech, Inc.

EVERGREEN RESOURCES IN

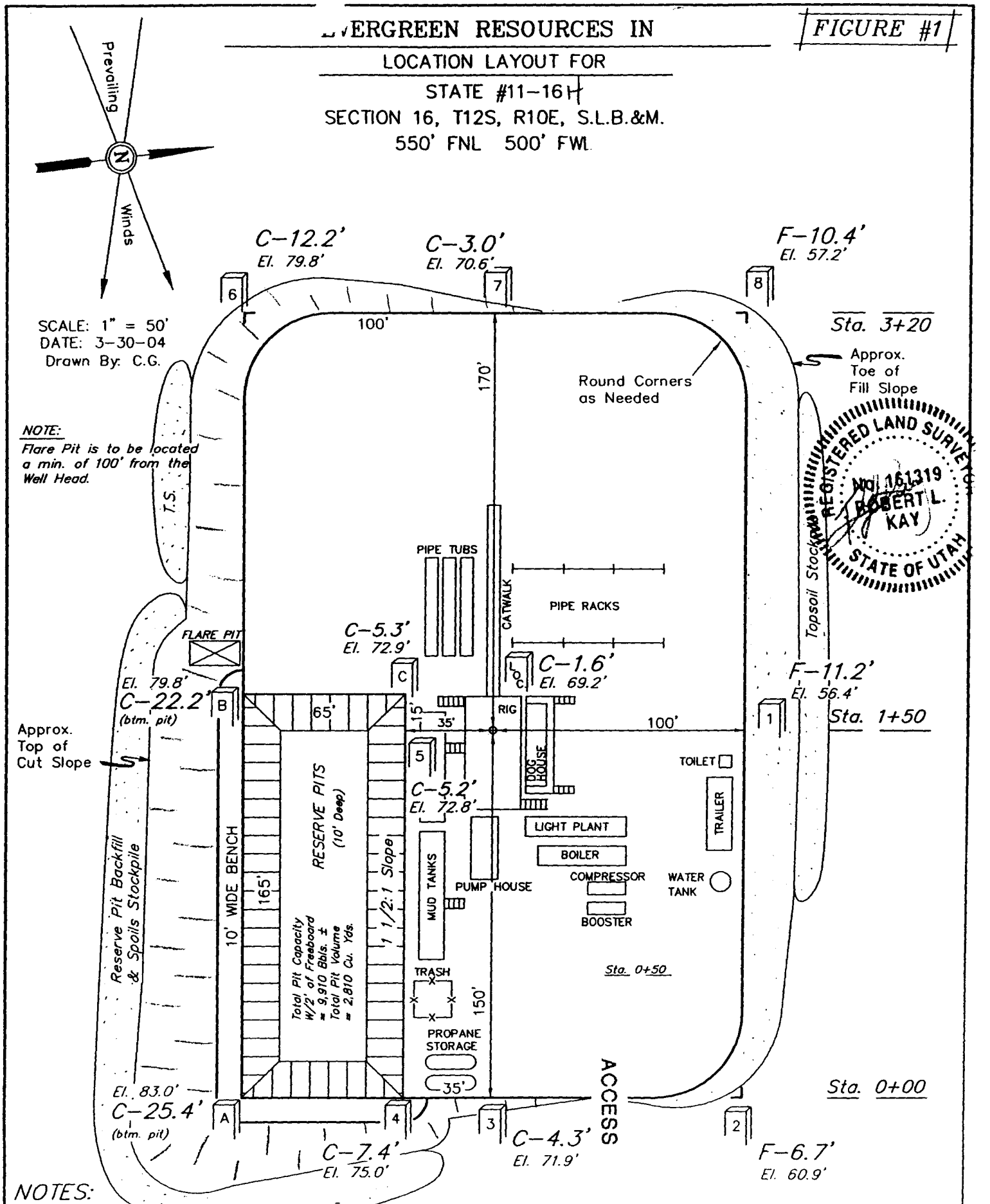
FIGURE #1

LOCATION LAYOUT FOR

STATE #11-16H

SECTION 16, T12S, R10E, S.L.B.&M.

550' FNL 500' FWL



REGISTERED LAND SURVEYOR No. 161319 ROBERT L. KAY STATE OF UTAH

NOTES:

Elev. Ungraded Ground At Loc. Stake = 7569.2'

FINISHED GRADE ELEV. AT LOC. STAKE = 7567.6'

UINTAH ENGINEERING & LAND SURVEYING

85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

EVERGREEN RESOURCES I...

FIGURE #2

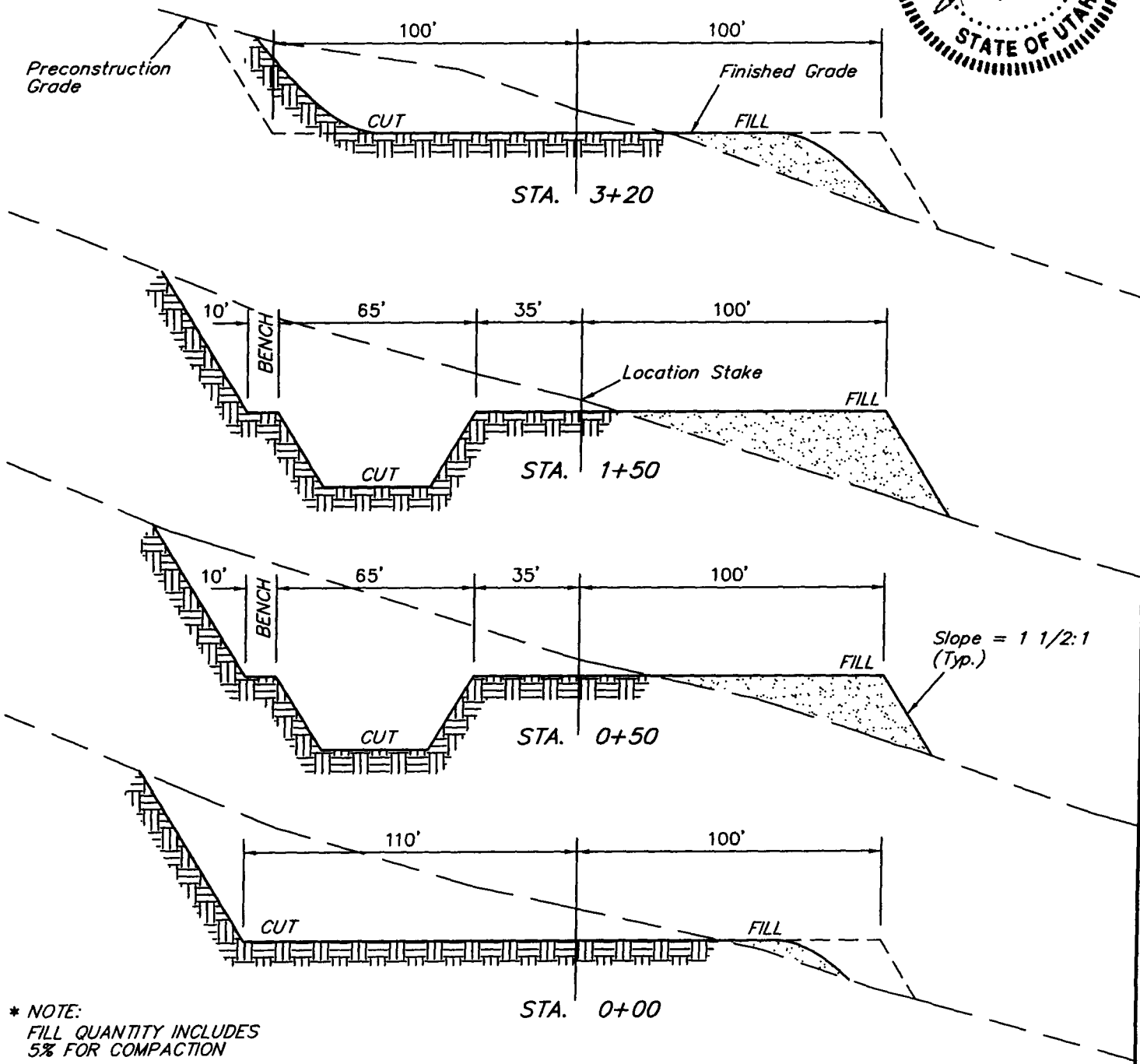
TYPICAL CROSS SECTIONS FOR

STATE #11-16H
SECTION 16, T12S, R10E, S.L.B.&M.
550' FNL 500' FWL

1" = 20'
X-Section Scale
1" = 50'

DATE: 3-30-04
Drawn By: C.G.

REGISTERED LAND SURVEYOR
No. 161319
ROBERT L. KAY
STATE OF UTAH



* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT
(6") Topsoil Stripping = 1,690 Cu. Yds.
Remaining Location = 16,120 Cu. Yds.

TOTAL CUT = 17,810 CU.YDS.
FILL = 6,720 CU.YDS.

EXCESS MATERIAL = 11,090 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.) = 4,500 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation) = 6,590 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

PIONEER NATURAL RESOURCES

Scientific Drilling

STATE WELL 11-16
K2 LATERAL
CARBON COUNTY, UTAH

PIONEER

WELL DETAILS

Name	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
WELL 11-16	0.0	0.0	0.0000	0.0000	38°07'11.008N	118°27'22.609W	N/A

550' FNL 500' FWL

G/T/M
Azimuths to Grid North
True North: 0.00°
Magnetic North: 0.00°

Magnetic Field
Strength: 0nT
Dip Angle: 0.00°
Date: 7/27/2005
Model: igrf2005

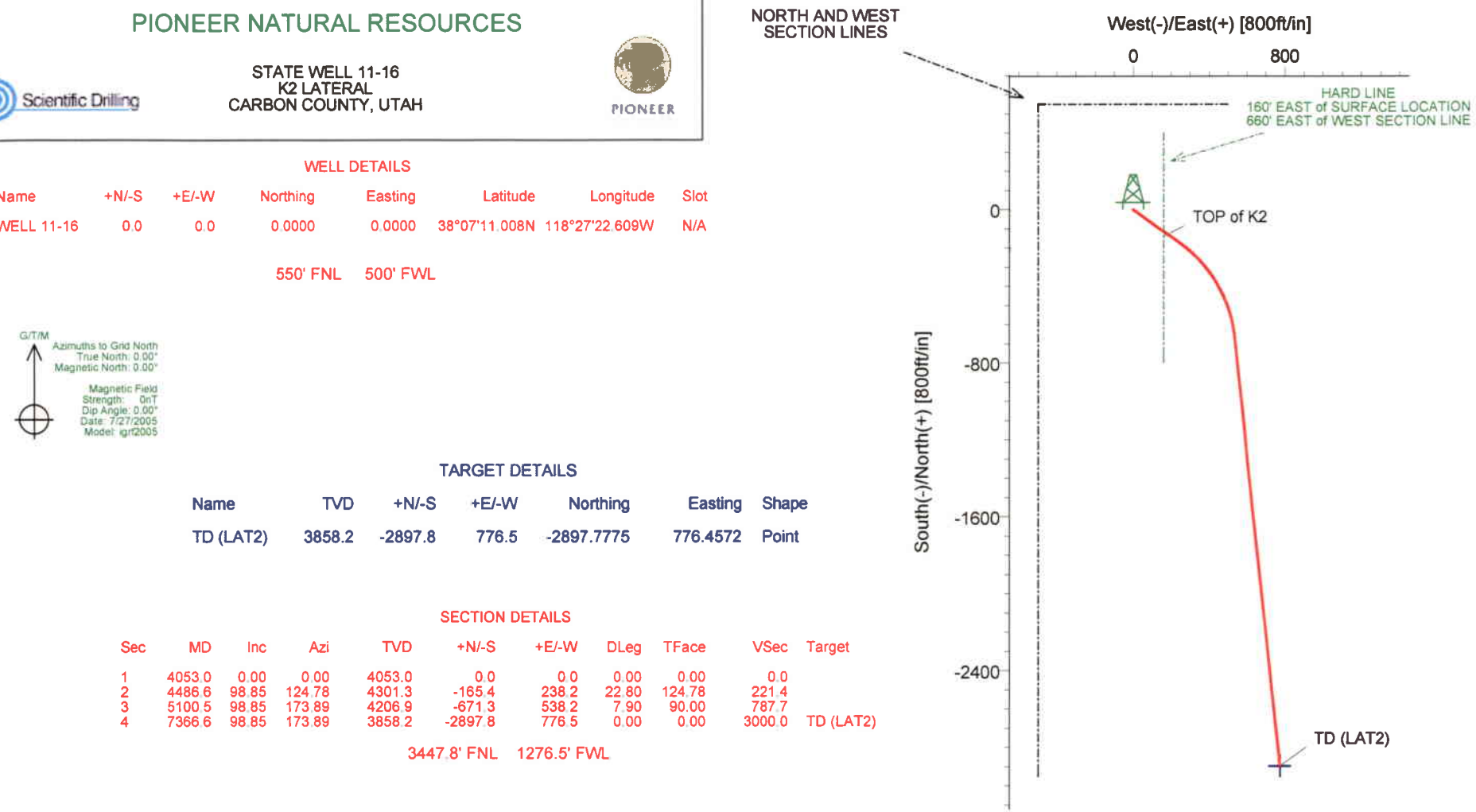
TARGET DETAILS

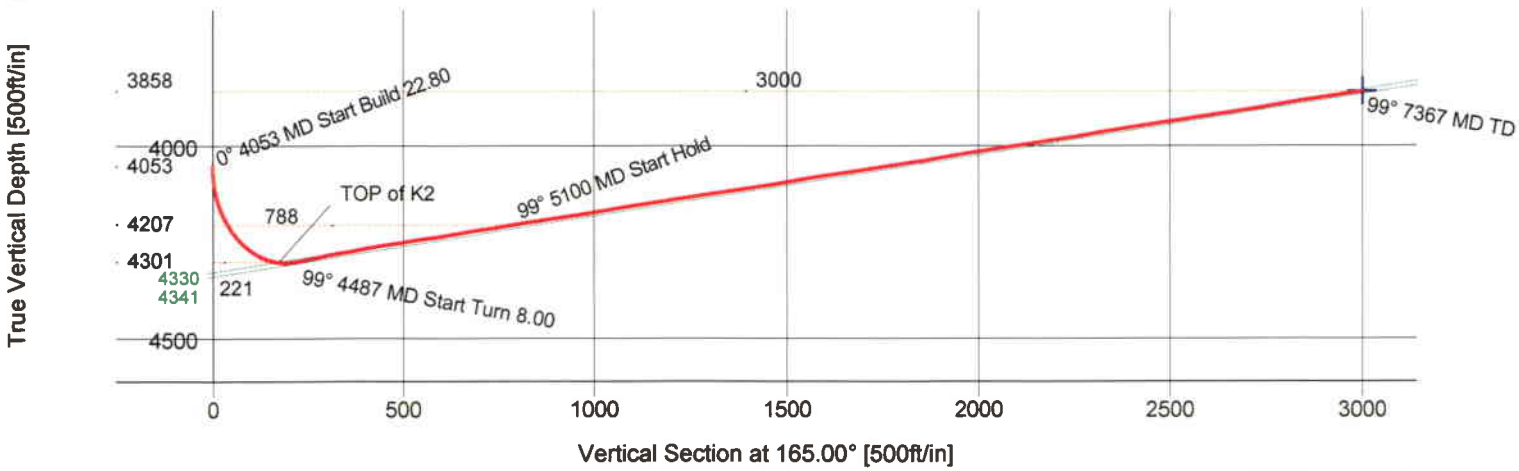
Name	TVD	+N/-S	+E/-W	Northing	Easting	Shape
TD (LAT2)	3858.2	-2897.8	776.5	-2897.7775	776.4572	Point

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	4053.0	0.00	0.00	4053.0	0.0	0.0	0.00	0.00	0.0	
2	4486.6	98.85	124.78	4301.3	-165.4	238.2	22.80	124.78	221.4	
3	5100.5	98.85	173.89	4206.9	-671.3	538.2	7.90	90.00	787.7	
4	7366.6	98.85	173.89	3858.2	-2897.8	776.5	0.00	0.00	3000.0	TD (LAT2)

3447.8' FNL 1276.5' FWL





Linda LaGrange
July 27, 2005

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 & Mining

JOHN R. BAZA
Division Director

September 13, 2005

Pioneer Natural Resources USA, Inc.
1401 17th Street, Ste. 1200
Denver, CO 80202

Re: State 11-16H Well, 550' FNL, 500' FWL, NW NW, Sec. 16, T. 12 South, R. 10 East, Bottom Location 1832' FSL, 1276' FWL, NW SW, Sec. 16, T. 12 South, R. 10 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 43-007-30961.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Carbon County Assessor
SITLA

Operator:	Pioneer Natural Resources USA, Inc.
Well Name & Number	State 11-16H
API Number:	43-007-30961
Lease:	ML-4443

Location:	NW NW	**Sec.** 16	**T.** 12 South	**R.** 10 East
Bottom Location:	NW SW	**Sec.** 16	**T.** 12 South	**R.** 10 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. In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

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

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

7. According to Cause 220-06, the Huber State 4-16 well cannot produce after completion of well without further Board action.

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NUMBER:	ML-4443
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	N/A
7. UNIT or CA AGREEMENT NAME:	N/A
1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☐ OTHER Reserve Pit	8. WELL NAME and NUMBER: State 11-16H
2. NAME OF OPERATOR: Pioneer Natural Resources	9. API NUMBER: 4300730961
3. ADDRESS OF OPERATOR: 1401 17th Street, Suite 1200 CITY Denver STATE CO ZIP 80202 / PHONE NUMBER: (303) 298-8100	10. FIELD AND POOL, OR WILDCAT: Castlegate

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 550' FNL 500' FWL — COUNTY: Carbon

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 16 12S 10E — STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: 12/15/2005	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: extension for reserve pit to remain open
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

An application to drill a lateral from the subject vertical hole was granted September 13, 2005 and has been assigned API # 43-007-30961.

Expectations are that a suitable drilling rig will come available to Pioneer Natural Resources in December 2005.

It is therefore requested that the reserve pit currently open at this location be allowed to remain open until such time as this drilling and completion operation is completed. If all goes as planned, this would be no later than February 2006. Backfilling of pit would follow as weather conditions permit.

For your convenience, attached is a copy of the approval to drill the subject horizontal well from the current pad.

COPY SENT TO OPERATOR
Date: 11-23-05
Initials: CHD

RECEIVED
OCT 19 2005
OGM PRICE FIELD OFFICE

NAME (PLEASE PRINT) Mark T. Gully — TITLE Staff Operations Engineer

SIGNATURE Mark T. Gully — DATE 10/18/2005

(This space for State use only)

Accepted by the
Utah Division of
Oil, Gas and M
Date: 11-23-05
By: [signature]

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

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 & Mining

JOHN R. BAZA
Division Director

RECEIVED
SEP 21 2005

September 13, 2005

RECEIVED
OCT 19 2005
DOGM PRICE FIELD OFFICE

Pioneer Natural Resources USA, Inc.
1401 17th Street, Ste. 1200
Denver, CO 80202

Re: State 11-16H Well, 550' FNL, 500' FWL, NW NW, Sec. 16, T. 12 South, R. 10 East, Bottom Location 1832' FSL, 1276' FWL, NW SW, Sec. 16, T. 12 South, R. 10 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 43-007-30961.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Carbon County Assessor
SITLA

Operator:	Pioneer Natural Resources USA, Inc.			
Well Name & Number	State 11-16H			
API Number:	43-007-30961			
Lease:	ML-4443			
Location:	NW NW	**Sec.** 16	**T.** 12 South	**R.** 10 East
Bottom Location:	NW SW	**Sec.** 16	**T.** 12 South	**R.** 10 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. In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

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

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

7. According to Cause 220-06, the Huber State 4-16 well cannot produce after completion of well without further Board action.

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-4443

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: State 11-16H

2. NAME OF OPERATOR: Pioneer Natural Resources

9. API NUMBER: 4300730961

3. ADDRESS OF OPERATOR: 1401 17th St., Suite 1200 CITY Denver STATE CO ZIP 80202

PHONE NUMBER: (303) 675-2719

10. FIELD AND POOL, OR WILDCAT: Castlegate

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 550' FNL & 500' FWL

COUNTY: Carbon

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 16 12S 10E

STATE: UTAH

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

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

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

This sundry is to follow up on our responses on NOV's received September 30, 2005.

We would like to extend our expectations on a suitable drilling rig. We currently have a rig on site as of January 18, 2006. Drilling operations began February 18, 2006.

It is therefore requested that the reserve pit remain open at this location until such time as this drilling and and completion operation is completed. If all goes as planned, this would be no later than June 1, 2006. Backfilling of the pit would follow as weather conditions permit.

NAME (PLEASE PRINT) Kallasandra M. Boulay TITLE Engineering Analyst

SIGNATURE _____ DATE 2/13/2006

(This space for State use only)

RECEIVED
FEB 16 2006
DIV. OF OIL, GAS & MINING

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

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-4443
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT or CA AGREEMENT NAME:
8. WELL NAME and NUMBER: State 11-16H
9. API NUMBER: 4300730961
10. FIELD AND POOL, OR WILDCAT: Castlegate

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER
2. NAME OF OPERATOR: Pioneer Natural Resources USA, Inc., Attn: Kally Boulay
3. ADDRESS OF OPERATOR: 1401 17th Street, Suite 1200 CITY Denver STATE CO ZIP 80202 PHONE NUMBER: (303) 675-2719
4. LOCATION OF WELL
FOOTAGES AT SURFACE: 550' FNL & 500' FWL COUNTY: Carbon
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 16 12S 10E STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion: 3/14/2006	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: Weekly Drilling Operations Report
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

Please be advised that Pioneer Natural Resources re-entered the State 11-16H well on January 29th, 2006. The following is a drilling operations report by week.

Week 1 - Jan. 30th to Feb. 5th
- NU & test BOPE
- Tally pipe, trip in hole
- Trip in hole with bit, at 3210', circulate clean, trip out holem trip in hole with mill
- Trip in hole with mill, dress off liner interface, trip in hole to 4220', circulate, run gyro survey, trip out hole, run CCL
- PU whipstock and trip in hole
- Orient and set whipstock at 125 degree, mill casing exit
- Trip out hole, lay down plugged BHA components, trip in hole with mill, mill casing exit window

Continued on Next Page

NAME (PLEASE PRINT) Kallasandra M. Boulay TITLE Engineering Analyst
SIGNATURE DATE 4/10/2006

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APR 12 2006
DIV. OF OIL, GAS & MINING

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

Week 2 – Feb. 6th to Feb. 11th

- Trip in hole with directional assembly, orient tool face to 125 az, begin slide drilling
- Slide drill 4142'-4200' with TF 125 az, losing build angle from 22.7 down to 19.0, trip out hole to check bit and change motor angle
- Trip in hole, orient and slide drill 4200'-4215', build angle not acceptable for current BHA, trip out hole, adjust motor angle
- Tri-p in hole, encountered tight spot in casing at 3390' – bottom connection of production liner hanger – rotated pipe 180 deg. And eased past, trip in hole, slid through casing OK, ran MWD surveys and confirmed hole direction of 175-178 deg instead of expected 125 deg, trip out hole
- Pick up bull nosed and tapered string mill combination and trip in hole to 3380', circulate and dress off 3380'-3400', trip in hole to 4060' circulate
- Trip out hole, run retrievable bridge plug and set at 4035', dump bail 2 sx sand

Week 3 – Feb. 12th to Feb. 18th

- Shut down for days off (12th to 18th)

Week 4 – Feb. 19th to Feb. 25th

- Shut down for days off (19th to 21st)
- Run gamma ray/CCL log to correlate, pickup & scribe whipstock assembly, RIH w/DP
- Run gyro, orient whipstock to 130 degrees, set whipstock, verify setting at 133.26 degrees, pull up to shear assembly, mill window with exit point at 3962', continue milling to 3965', circulate 30 min, POOH w/ dp, lay down mill, p/u motor & BHA and scribe MWD & gyro tools to high side, TIH w/ 2 7/8" dp
- Finish p/u 2 7/8" dp & kickoff assembly, rig up wireline, run in hole with gyro assembly, orient to 130 degree gyro tool face, begin time drilling from 3961' to 4005'
- Time drilled from 4005' to 4074' w/ gyro, released gyro & wireline, continued drilling using MWD
- Slide drilled from 4126' to 4286', TOOH w/ drill string assembly, install new bit, trip back in hole

Week 5 – Feb. 26th to Mar. 4th

- Wash and ream from 4200' to 4286', slide drill from 4286' to 4410', POOH w/ drilling assembly, p/u steerable motor, install new bit, scribe tools and TIH w/ 2 7/8" dp
- Finish tripping in hole to 4380', wash and ream from 4380' to 4410', attempt to start drilling, bit would not drill, TOOH w/ drilling assembly, swap out motor, TIH w/ same drilling assembly, begin slide drilling from 4410' to 4432'
- Drill to 4440', circulate bottoms up, l/d MWD, TIH w/ motor only, Frill from 4440' to 4510'
- POH w/ 1.5 deg steerable, L/D motor - bit, P/U new bit, motor, MWD, orient same, TIH, log & survey from 4440' to 4510', Rotate and slide drill from 4510' to 4568'

RECEIVED
APR 12 2006
DIV. OF OIL, GAS & MINING

- Circulate @ 4568', POH, lay down mwd & bit, p/u new bit, test motor, TIH to 4600', wash & ream from 4600' to 4770', packing off, circulate, drill from 4770' to 4897'
- Continue drilling from 4897' to 5025'. Circulate bottoms up, POOH, lay down bit & motor, p/u new motor, p/u mwd and scribe in hole, TIH

Week 6 – Mar. 5th to Mar. 11th

- Begin logging w/ MWD from 4589' to 5025', taking surveys every 15 feet, circulate bottoms up at 5022', tag bottom at 5025', begin slide and rotate drill from 5025' to 5116'
- Slide and rotate drill from 5116' to 5330'
- Rotate from 5330' to 5542', circulate bottoms up, wash & reamed back to 5542'
- Continue drilling to 5527', work pipe and pull back to 5474', circulate bottoms up, drill new hole from 5572' to 5574', increase torque and differential, shutdown mud pump, attempt to work pipe, drill pipe stuck, call wireline to determine free point
- Mesa found free point @ 4315' (md), ran in hole with back off tool, pulled free pipe out of hole
- Went in hole with jars and successfully recovered complete fish
- TIH with 2 7/8" drill pipe and made wiper trip, circulated bottoms up to a measured depth of 5536', pulled out of hole with cleanout assembly, nippled down annular stock

Week 7 – Mar. 12th to Mar. 13th

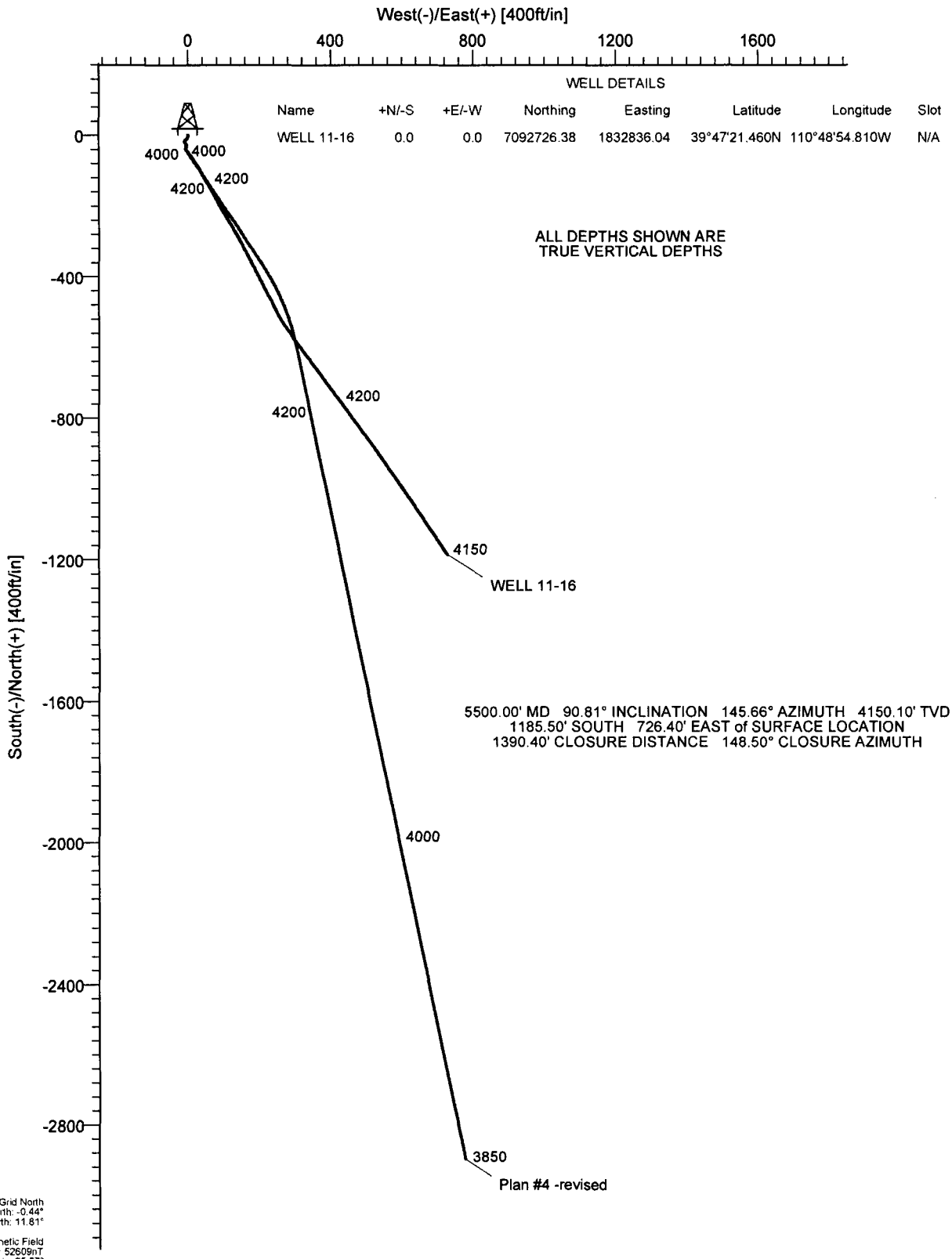
- Finish installing production head, release load rental equipment, tear down rig # 9721
- Finish setting production head, continued tear down of rig # 9721, did not move due to mud on location (minimum +/- 2 feet deep

PIONEER NATURAL RESOURCES

Scientific Drilling

STATE WELL 11-16
K2 LATERAL RE-ENTRY
CARBON COUNTY, UTAH

PIONEER



March 15, 2006
Scientific Drilling
281.443.4600

Scientific Drilling Houston
Final Survey Report

Company:	PIONEER NATURAL RESOURCES	**Date:** 3/15/2006	**Time:** 13:28:28	**Page:**	1
Field:	CARBON COUNTY, UTAH	**Co-ordinate(NE) Reference:**	Well: WELL 11-16, Grid North		
Site:	STATE (11-16)	**Vertical (TVD) Reference:**	SITE 0.0		
Well:	WELL 11-16	**Section (VS) Reference:**	Well (0.00N,0.00E,165.00Azi)		
Wellpath:	K2 LATERAL RE-ENTRY	**Survey Calculation Method:**	Minimum Curvature	**Db:**	Sybase

Field: CARBON COUNTY, UTAH

Map System:	US State Plane Coordinate System 1983	**Map Zone:**	Utah, Central Zone
Geo Datum:	GRS 1980	**Coordinate System:**	Well Centre
Sys Datum:	Mean Sea Level	**Geomagnetic Model:**	igrf2005

Site: STATE (11-16)

Site Position:			**Northing:**	7092726.38 ft	**Latitude:**	39	47	21.460 N
From:	Geographic		**Easting:**	1832836.04 ft	**Longitude:**	110	48	54.810 W
Position Uncertainty:		0.0 ft			**North Reference:**			Grid
Ground Level:		7569.0 ft			**Grid Convergence:**			0.44 deg

Well: WELL 11-16 **Slot Name:**

Well Position:	+N/-S	0.0 ft	**Northing:**	7092726.38 ft	**Latitude:**	39	47	21.460 N
	+E/-W	0.0 ft	**Easting :**	1832836.04 ft	**Longitude:**	110	48	54.810 W
Position Uncertainty:		0.0 ft						

Wellpath: K2 LATERAL RE-ENTRY

				Drilled From:	VERTICAL PILOT
				Tie-on Depth:	3948.0 ft
Current Datum:	SITE	**Height**	0.0 ft	**Above System Datum:**	Mean Sea Level
Magnetic Data:	1/23/2006			**Declination:**	12.25 deg
Field Strength:	52609 nT			**Mag Dip Angle:**	65.57 deg

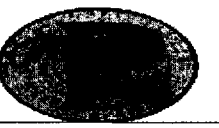
Vertical Section:	**Depth From (TVD)** ft	**+N/-S** ft	**+E/-W** ft	**Direction** deg
	0.0	0.0	0.0	165.00

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	DLS deg/100ft	ClsD ft	ClsA deg	Tool
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.0	0.00	TIE LINE
100.0	0.65	129.81	100.0	-0.4	0.4	0.5	0.65	0.6	129.81	SDI Keeper Gyro
200.0	0.36	167.54	200.0	-1.0	0.9	1.2	0.43	1.4	137.72	SDI Keeper Gyro
300.0	0.48	180.08	300.0	-1.8	1.0	2.0	0.15	2.0	150.22	SDI Keeper Gyro
400.0	0.54	183.31	400.0	-2.6	1.0	2.8	0.07	2.8	159.72	SDI Keeper Gyro
500.0	0.56	184.47	500.0	-3.6	0.9	3.7	0.02	3.7	165.79	SDI Keeper Gyro
600.0	0.54	187.85	600.0	-4.6	0.8	4.6	0.04	4.6	169.92	SDI Keeper Gyro
700.0	0.66	201.39	700.0	-5.6	0.5	5.5	0.18	5.6	174.49	SDI Keeper Gyro
800.0	0.87	204.12	800.0	-6.8	0.0	6.6	0.21	6.8	179.86	SDI Keeper Gyro
900.0	1.03	206.35	900.0	-8.3	-0.7	7.8	0.16	8.3	184.78	SDI Keeper Gyro
1000.0	1.04	208.65	999.9	-9.9	-1.5	9.2	0.04	10.0	188.78	SDI Keeper Gyro
1100.0	1.05	212.28	1099.9	-11.5	-2.5	10.4	0.07	11.7	192.07	SDI Keeper Gyro
1200.0	0.80	226.65	1199.9	-12.7	-3.4	11.4	0.34	13.2	195.17	SDI Keeper Gyro
1300.0	0.71	248.84	1299.9	-13.4	-4.5	11.8	0.30	14.2	198.67	SDI Keeper Gyro
1400.0	0.77	252.27	1399.9	-13.8	-5.8	11.9	0.07	15.0	202.56	SDI Keeper Gyro
1500.0	0.77	244.55	1499.9	-14.3	-7.0	12.0	0.10	16.0	206.01	SDI Keeper Gyro
1600.0	0.73	212.70	1599.9	-15.2	-7.9	12.6	0.41	17.1	207.66	SDI Keeper Gyro
1700.0	0.73	196.49	1699.9	-16.3	-8.5	13.6	0.21	18.4	207.45	SDI Keeper Gyro
1800.0	0.69	193.87	1799.9	-17.5	-8.8	14.6	0.05	19.6	206.68	SDI Keeper Gyro
1900.0	0.60	171.90	1899.8	-18.6	-8.9	15.7	0.26	20.6	205.48	SDI Keeper Gyro
2000.0	0.79	158.22	1999.8	-19.8	-8.5	16.9	0.25	21.5	203.36	SDI Keeper Gyro
2100.0	1.07	154.16	2099.8	-21.3	-7.9	18.5	0.29	22.7	200.34	SDI Keeper Gyro
2200.0	1.22	153.75	2199.8	-23.0	-7.0	20.4	0.15	24.1	196.90	SDI Keeper Gyro
2300.0	1.16	154.06	2299.8	-24.9	-6.1	22.5	0.06	25.6	193.73	SDI Keeper Gyro
2400.0	0.33	138.62	2399.8	-26.0	-5.5	23.7	0.85	26.6	191.83	SDI Keeper Gyro
2500.0	0.32	144.12	2499.8	-26.5	-5.1	24.3	0.03	27.0	190.90	SDI Keeper Gyro
2600.0	0.61	146.91	2599.8	-27.2	-4.6	25.0	0.29	27.5	189.71	SDI Keeper Gyro
2700.0	0.81	172.95	2699.8	-28.3	-4.3	26.2	0.37	28.6	188.58	SDI Keeper Gyro

Scientific Drilling

Scientific Drilling Houston
Final Survey Report



Company:	PIONEER NATURAL RESOURCES	**Date:** 3/15/2006	**Time:** 13:28:28	**Page:**	2
Field:	CARBON COUNTY, UTAH	**Co-ordinate(NE) Reference:**	Well: WELL 11-16, Grid North		
Site:	STATE (11-16)	**Vertical (TVD) Reference:**	SITE 0.0		
Well:	WELL 11-16	**Section (VS) Reference:**	Well (0.00N,0.00E,165.00Azi)		
Wellpath:	K2 LATERAL RE-ENTRY	**Survey Calculation Method:**	Minimum Curvature	**Db:**	Sybase

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	DLS deg/100ft	ClsD ft	ClsA deg	Tool
2800.0	0.79	210.69	2799.8	-29.6	-4.5	27.4	0.52	29.9	188.71	SDI Keeper Gyro
2900.0	0.41	219.63	2899.7	-30.5	-5.1	28.1	0.39	30.9	189.53	SDI Keeper Gyro
3000.0	0.61	141.32	2999.7	-31.2	-5.0	28.8	0.66	31.6	189.13	SDI Keeper Gyro
3100.0	0.87	150.78	3099.7	-32.2	-4.3	30.0	0.29	32.5	187.61	SDI Keeper Gyro
3200.0	0.90	181.92	3199.7	-33.7	-4.0	31.5	0.48	33.9	186.71	SDI Keeper Gyro
3300.0	1.23	205.36	3299.7	-35.4	-4.4	33.1	0.54	35.7	187.15	SDI Keeper Gyro
3400.0	0.13	243.64	3399.7	-36.5	-5.0	33.9	1.13	36.8	187.82	SDI Keeper Gyro
3500.0	0.21	232.98	3499.7	-36.6	-5.3	34.0	0.09	37.0	188.17	SDI Keeper Gyro
3600.0	0.31	240.34	3599.7	-36.9	-5.6	34.1	0.11	37.3	188.70	SDI Keeper Gyro
3700.0	0.47	197.15	3699.7	-37.4	-6.0	34.6	0.32	37.9	189.11	SDI Keeper Gyro
3800.0	0.86	173.57	3799.7	-38.5	-6.0	35.6	0.47	39.0	188.90	SDI Keeper Gyro
3900.0	1.43	171.10	3899.7	-40.5	-5.8	37.6	0.57	40.9	188.08	SDI Keeper Gyro
4025.0	14.26	140.25	4023.3	-53.9	4.4	53.2	10.44	54.1	175.36	SDI E-FIELD MWD
4056.0	18.97	143.28	4053.0	-60.9	9.8	61.4	15.44	61.7	170.83	SDI E-FIELD MWD
4087.0	24.52	146.77	4081.7	-70.3	16.4	72.2	18.38	72.2	166.89	SDI E-FIELD MWD
4120.0	29.57	149.71	4111.1	-83.1	24.2	86.6	15.83	86.6	163.74	SDI E-FIELD MWD
4152.0	34.44	150.93	4138.3	-97.8	32.6	103.0	15.35	103.1	161.56	SDI E-FIELD MWD
4184.0	39.50	150.40	4163.8	-114.6	42.1	121.6	15.84	122.1	159.85	SDI E-FIELD MWD
4214.0	44.71	149.65	4186.1	-132.0	52.1	141.0	17.45	141.9	158.46	SDI E-FIELD MWD
4245.0	49.91	151.01	4207.1	-151.8	63.4	163.1	17.08	164.5	157.34	SDI E-FIELD MWD
4274.0	55.03	151.93	4224.7	-172.0	74.3	185.4	17.83	187.4	156.63	SDI E-FIELD MWD
4305.0	60.81	151.44	4241.2	-195.1	86.8	211.0	18.69	213.6	156.02	SDI E-FIELD MWD
4337.0	67.92	150.29	4255.0	-220.3	100.8	238.9	22.45	242.3	155.40	SDI E-FIELD MWD
4369.0	75.08	149.24	4265.2	-246.5	116.1	268.2	22.59	272.5	154.78	SDI E-FIELD MWD
4384.0	79.56	149.24	4268.5	-259.1	123.6	282.3	29.87	287.1	154.49	SDI E-FIELD MWD
4399.0	85.60	150.29	4270.4	-271.9	131.1	296.6	40.86	301.9	154.26	SDI E-FIELD MWD
4430.0	93.05	152.04	4270.8	-299.1	146.0	326.7	24.69	332.8	153.97	SDI E-FIELD MWD
4462.0	93.52	152.55	4268.9	-327.4	160.9	357.8	2.17	364.8	153.83	SDI E-FIELD MWD
4494.0	93.25	151.78	4267.0	-355.6	175.8	389.0	2.55	396.7	153.69	SDI E-FIELD MWD
4526.0	94.37	153.41	4264.9	-383.9	190.5	420.2	6.17	428.6	153.61	SDI E-FIELD MWD
4557.0	94.33	154.01	4262.6	-411.7	204.2	450.5	1.93	459.5	153.62	SDI E-FIELD MWD
4589.0	95.18	153.15	4259.9	-440.2	218.4	481.7	3.77	491.4	153.62	SDI E-FIELD MWD
4604.0	95.98	153.19	4258.5	-453.5	225.1	496.3	5.34	506.3	153.60	SDI E-FIELD MWD
4621.0	94.97	153.19	4256.8	-468.6	232.7	512.9	5.94	523.3	153.59	SDI E-FIELD MWD
4636.0	95.71	153.35	4255.4	-482.0	239.5	527.5	5.05	538.2	153.58	SDI E-FIELD MWD
4652.0	98.01	152.95	4253.5	-496.2	246.6	543.1	14.59	554.1	153.57	SDI E-FIELD MWD
4667.0	100.76	150.95	4251.1	-509.2	253.6	557.5	22.56	568.9	153.53	SDI E-FIELD MWD
4684.0	103.20	148.79	4247.6	-523.6	261.9	573.5	18.99	585.5	153.42	SDI E-FIELD MWD
4699.0	103.86	145.91	4244.0	-535.9	269.8	587.4	19.18	600.0	153.28	SDI E-FIELD MWD
4716.0	103.59	145.03	4240.0	-549.5	279.2	603.0	5.27	616.3	153.07	SDI E-FIELD MWD
4731.0	102.72	145.59	4236.6	-561.5	287.5	616.8	6.85	630.8	152.89	SDI E-FIELD MWD
4747.0	102.37	145.64	4233.1	-574.4	296.3	631.5	2.21	646.3	152.71	SDI E-FIELD MWD
4762.0	101.61	145.11	4230.0	-586.4	304.6	645.3	6.13	660.9	152.55	SDI E-FIELD MWD
4779.0	99.29	144.44	4226.9	-600.1	314.3	661.0	14.19	677.4	152.36	SDI E-FIELD MWD
4794.0	98.38	144.00	4224.6	-612.1	322.9	674.9	6.72	692.1	152.18	SDI E-FIELD MWD
4810.0	97.67	143.98	4222.4	-624.9	332.3	689.6	4.44	707.8	152.00	SDI E-FIELD MWD
4825.0	97.47	144.06	4220.4	-637.0	341.0	703.5	1.43	722.5	151.84	SDI E-FIELD MWD
4842.0	97.70	144.29	4218.2	-650.6	350.9	719.3	1.90	739.2	151.66	SDI E-FIELD MWD
4857.0	97.64	144.39	4216.2	-662.7	359.5	733.2	0.77	754.0	151.52	SDI E-FIELD MWD
4873.0	97.44	144.28	4214.1	-675.6	368.8	748.0	1.42	769.7	151.37	SDI E-FIELD MWD
4888.0	97.44	143.64	4212.1	-687.6	377.5	761.9	4.23	784.5	151.23	SDI E-FIELD MWD
4904.0	96.96	142.74	4210.1	-700.3	387.0	776.7	6.34	800.2	151.07	SDI E-FIELD MWD

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Scientific Drilling Houston
Final Survey Report

Company:	PIONEER NATURAL RESOURCES	**Date:** 3/15/2006	**Time:** 13:28:28	**Page:**	3
Field:	CARBON COUNTY, UTAH	**Co-ordinate(NE) Reference:**	Well: WELL 11-16, Grid North		
Site:	STATE (11-16)	**Vertical (TVD) Reference:**	SITE 0.0		
Well:	WELL 11-16	**Section (VS) Reference:**	Well (0.00N,0.00E,165.00Azi)		
Wellpath:	K2 LATERAL RE-ENTRY	**Survey Calculation Method:**	Minimum Curvature	**Db:**	Sybase

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	DLS deg/100ft	ClsD ft	ClsA deg	Tool
4919.0	97.77	143.46	4208.2	-712.2	396.0	790.5	7.20	814.9	150.93	SDI E-FIELD MWD
4934.0	99.57	143.04	4205.9	-724.1	404.8	804.2	12.32	829.6	150.79	SDI E-FIELD MWD
4949.0	99.94	143.75	4203.4	-736.0	413.7	818.0	5.28	844.3	150.66	SDI E-FIELD MWD
4964.0	99.03	143.67	4200.9	-747.9	422.4	831.8	6.09	859.0	150.54	SDI E-FIELD MWD
4983.0	98.01	143.66	4198.1	-763.0	433.5	849.3	5.37	877.6	150.40	SDI E-FIELD MWD
4999.0	98.18	144.17	4195.8	-775.8	442.9	864.0	3.33	893.4	150.28	SDI E-FIELD MWD
5029.0	97.20	143.82	4191.8	-799.9	460.4	891.8	3.47	922.9	150.08	SDI E-FIELD MWD
5060.0	96.76	143.76	4188.1	-824.7	478.5	920.5	1.43	953.5	149.88	SDI E-FIELD MWD
5090.0	97.30	143.48	4184.4	-848.7	496.2	948.2	2.02	983.1	149.69	SDI E-FIELD MWD
5124.0	97.98	144.30	4179.9	-875.9	516.0	979.6	3.12	1016.6	149.50	SDI E-FIELD MWD
5154.0	98.39	145.27	4175.6	-900.2	533.2	1007.5	3.48	1046.2	149.36	SDI E-FIELD MWD
5187.0	97.74	145.53	4171.0	-927.1	551.7	1038.3	2.12	1078.8	149.24	SDI E-FIELD MWD
5218.0	98.52	145.72	4166.6	-952.4	569.1	1067.2	2.59	1109.5	149.14	SDI E-FIELD MWD
5249.0	98.28	145.72	4162.1	-977.7	586.3	1096.2	0.77	1140.1	149.05	SDI E-FIELD MWD
5280.0	94.87	145.88	4158.5	-1003.2	603.6	1125.3	11.01	1170.8	148.96	SDI E-FIELD MWD
5311.0	94.27	146.06	4156.0	-1028.8	620.9	1154.5	2.02	1201.7	148.89	SDI E-FIELD MWD
5341.0	91.98	145.92	4154.4	-1053.7	637.7	1182.8	7.65	1231.6	148.82	SDI E-FIELD MWD
5375.0	92.21	146.06	4153.2	-1081.8	656.7	1214.9	0.79	1265.5	148.74	SDI E-FIELD MWD
5406.0	91.78	146.34	4152.1	-1107.6	673.9	1244.2	1.65	1296.5	148.68	SDI E-FIELD MWD
5438.0	91.38	146.30	4151.2	-1134.2	691.7	1274.6	1.26	1328.4	148.62	SDI E-FIELD MWD
5469.0	90.91	145.84	4150.6	-1159.9	709.0	1303.9	2.12	1359.4	148.57	SDI E-FIELD MWD
5500.0	90.81	145.66	4150.1	-1185.5	726.4	1333.1	0.66	1390.4	148.50	PROJECTED DEPTH

PIONEER
NATURAL RESOURCES USA, INC.

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

May 11, 2006

Re: State 11-16H (API # 43-007-30961)

UDOGM,

Pioneer Natural Resources is resubmitting a directional survey for the State 11-16H well. The original survey is invalid per Scientific Drilling Internal, Inc., The survey company.

The forms enclosed are:

- Well Completion Report with Directional Survey

Thank you,

Kallasandra M. Boulay
Engineering Analyst
Uintah Piceance Team
Kallasandra.Boulay@PXD.com
Phone: (303) 675-2719
Fax: (303) 298-1147

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MAY 16 2006
DIV. OF OIL, GAS & MINING

Scientific Drilling

Scientific Drilling International, Inc.

Corporate Headquarters
1100 Rankin Road· Houston, Texas 77073
Tel: 281-443-3300 · Fax: 281-443-3311

April 17, 2006

Pioneer Natural Resources
ATTN: Ron Millet
Suite 1200
Denver, CO 80202

REFERENCE: RRC Filing
State 11-16

Dear Ron:

Attached I have provided a copy of the original survey taken by Scientific Drilling International, in March 2006.

Again, we would like to thank you for using Scientific Drilling on this project and we look forward to favorable consideration on any upcoming projects.

If I can be of further assistance, or you have any questions, please feel free to contact me at (281) 443-4600.

Sincerely,

Brian Champagne

Attachments

Scientific Drilling

Scientific Drilling Houston
Final Survey Report

Company:	PIONEER NATURAL RESOURCES	**Date:** 3/15/2006	**Time:** 13:28:28	**Page:**	1
Field:	CARBON COUNTY, UTAH	**Co-ordinate(NE) Reference:**	Well: WELL 11-16, Grid North		
Site:	STATE (11-16)	**Vertical (TVD) Reference:**	SITE 0.0		
Well:	WELL 11-16	**Section (VS) Reference:**	Well (0.00N,0.00E,165.00Azi)		
Wellpath:	K2 LATERAL RE-ENTRY	**Survey Calculation Method:**	Minimum Curvature	**Db:**	Sybase

Field: CARBON COUNTY, UTAH

Map System:	US State Plane Coordinate System 1983	**Map Zone:**	Utah, Central Zone
Geo Datum:	GRS 1980	**Coordinate System:**	Well Centre
Sys Datum:	Mean Sea Level	**Geomagnetic Model:**	igrf2005

Site: STATE (11-16)

Site Position:		**Northing:**	7092726.38 ft	**Latitude:**	39	47	21.460	N
From:	Geographic	**Easting:**	1832836.04 ft	**Longitude:**	110	48	54.810	W
Position Uncertainty:	0.0 ft			**North Reference:**			Grid	
Ground Level:	7569.0 ft			**Grid Convergence:**			0.44	deg

Well: WELL 11-16 **Slot Name:**

Well Position:	+N/-S	0.0 ft	**Northing:**	7092726.38 ft	**Latitude:**	39	47	21.460 N
	+E/-W	0.0 ft	**Easting:**	1832836.04 ft	**Longitude:**	110	48	54.810 W
Position Uncertainty:		0.0 ft						

Wellpath: K2 LATERAL RE-ENTRY

			Drilled From:	VERTICAL PILOT	
			Tie-on Depth:	3948.0 ft	
Current Datum:	SITE	**Height** 0.0 ft	**Above System Datum:**	Mean Sea Level	
Magnetic Data:	1/23/2006		**Declination:**	12.25	deg
Field Strength:	52609 nT		**Mag Dip Angle:**	65.57	deg

Vertical Section:	**Depth From (TVD)** ft	**+N/-S** ft	**+E/-W** ft	**Direction** deg
	0.0	0.0	0.0	165.00

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	DLS deg/100ft	ClsD ft	ClsA deg	Tool
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.0	0.00	TIE LINE
100.0	0.65	129.81	100.0	-0.4	0.4	0.5	0.65	0.6	129.81	SDI Keeper Gyro
200.0	0.36	167.54	200.0	-1.0	0.9	1.2	0.43	1.4	137.72	SDI Keeper Gyro
300.0	0.48	180.08	300.0	-1.8	1.0	2.0	0.15	2.0	150.22	SDI Keeper Gyro
400.0	0.54	183.31	400.0	-2.6	1.0	2.8	0.07	2.8	159.72	SDI Keeper Gyro
500.0	0.56	184.47	500.0	-3.6	0.9	3.7	0.02	3.7	165.79	SDI Keeper Gyro
600.0	0.54	187.85	600.0	-4.6	0.8	4.6	0.04	4.6	169.92	SDI Keeper Gyro
700.0	0.66	201.39	700.0	-5.6	0.5	5.5	0.18	5.6	174.49	SDI Keeper Gyro
800.0	0.87	204.12	800.0	-6.8	0.0	6.6	0.21	6.8	179.86	SDI Keeper Gyro
900.0	1.03	206.35	900.0	-8.3	-0.7	7.8	0.16	8.3	184.78	SDI Keeper Gyro
1000.0	1.04	208.65	999.9	-9.9	-1.5	9.2	0.04	10.0	188.78	SDI Keeper Gyro
1100.0	1.05	212.28	1099.9	-11.5	-2.5	10.4	0.07	11.7	192.07	SDI Keeper Gyro
1200.0	0.80	226.65	1199.9	-12.7	-3.4	11.4	0.34	13.2	195.17	SDI Keeper Gyro
1300.0	0.71	248.84	1299.9	-13.4	-4.5	11.8	0.30	14.2	198.67	SDI Keeper Gyro
1400.0	0.77	252.27	1399.9	-13.8	-5.8	11.9	0.07	15.0	202.56	SDI Keeper Gyro
1500.0	0.77	244.55	1499.9	-14.3	-7.0	12.0	0.10	16.0	206.01	SDI Keeper Gyro
1600.0	0.73	212.70	1599.9	-15.2	-7.9	12.6	0.41	17.1	207.66	SDI Keeper Gyro
1700.0	0.73	196.49	1699.9	-16.3	-8.5	13.6	0.21	18.4	207.45	SDI Keeper Gyro
1800.0	0.69	193.87	1799.9	-17.5	-8.8	14.6	0.05	19.6	206.68	SDI Keeper Gyro
1900.0	0.60	171.90	1899.8	-18.6	-8.9	15.7	0.26	20.6	205.48	SDI Keeper Gyro
2000.0	0.79	158.22	1999.8	-19.8	-8.5	16.9	0.25	21.5	203.36	SDI Keeper Gyro
2100.0	1.07	154.16	2099.8	-21.3	-7.9	18.5	0.29	22.7	200.34	SDI Keeper Gyro
2200.0	1.22	153.75	2199.8	-23.0	-7.0	20.4	0.15	24.1	196.90	SDI Keeper Gyro
2300.0	1.16	154.06	2299.8	-24.9	-6.1	22.5	0.06	25.6	193.73	SDI Keeper Gyro
2400.0	0.33	138.62	2399.8	-26.0	-5.5	23.7	0.85	26.6	191.83	SDI Keeper Gyro
2500.0	0.32	144.12	2499.8	-26.5	-5.1	24.3	0.03	27.0	190.90	SDI Keeper Gyro
2600.0	0.61	146.91	2599.8	-27.2	-4.6	25.0	0.29	27.5	189.71	SDI Keeper Gyro
2700.0	0.81	172.95	2699.8	-28.3	-4.3	26.2	0.37	28.6	188.58	SDI Keeper Gyro

Scientific Drilling

Scientific Drilling Houston
Final Survey Report

Company:	PIONEER NATURAL RESOURCES	**Date:** 3/15/2006	**Time:** 13:28:28	**Page:**	2
Field:	CARBON COUNTY, UTAH	**Co-ordinate(NE) Reference:**	Well: WELL 11-16, Grid North		
Site:	STATE (11-16)	**Vertical (TVD) Reference:**	SITE 0.0		
Well:	WELL 11-16	**Section (VS) Reference:**	Well (0.00N,0.00E,165.00Azi)		
Wellpath:	K2 LATERAL RE-ENTRY	**Survey Calculation Method:**	Minimum Curvature	**Db:**	Sybase

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	DLS deg/100ft	ClsD ft	ClsA deg	Tool
2800.0	0.79	210.69	2799.8	-29.6	-4.5	27.4	0.52	29.9	188.71	SDI Keeper Gyro
2900.0	0.41	219.63	2899.7	-30.5	-5.1	28.1	0.39	30.9	189.53	SDI Keeper Gyro
3000.0	0.61	141.32	2999.7	-31.2	-5.0	28.8	0.66	31.6	189.13	SDI Keeper Gyro
3100.0	0.87	150.78	3099.7	-32.2	-4.3	30.0	0.29	32.5	187.61	SDI Keeper Gyro
3200.0	0.90	181.92	3199.7	-33.7	-4.0	31.5	0.48	33.9	186.71	SDI Keeper Gyro
3300.0	1.23	205.36	3299.7	-35.4	-4.4	33.1	0.54	35.7	187.15	SDI Keeper Gyro
3400.0	0.13	243.64	3399.7	-36.5	-5.0	33.9	1.13	36.8	187.82	SDI Keeper Gyro
3500.0	0.21	232.98	3499.7	-36.6	-5.3	34.0	0.09	37.0	188.17	SDI Keeper Gyro
3600.0	0.31	240.34	3599.7	-36.9	-5.6	34.1	0.11	37.3	188.70	SDI Keeper Gyro
3700.0	0.47	197.15	3699.7	-37.4	-6.0	34.6	0.32	37.9	189.11	SDI Keeper Gyro
3800.0	0.86	173.57	3799.7	-38.5	-6.0	35.6	0.47	39.0	188.90	SDI Keeper Gyro
3900.0	1.43	171.10	3899.7	-40.5	-5.8	37.6	0.57	40.9	188.08	SDI Keeper Gyro
4025.0	14.26	140.25	4023.3	-53.9	4.4	53.2	10.44	54.1	175.36	SDI E-FIELD MWD
4056.0	18.97	143.28	4053.0	-60.9	9.8	61.4	15.44	61.7	170.83	SDI E-FIELD MWD
4087.0	24.52	146.77	4081.7	-70.3	16.4	72.2	18.38	72.2	166.89	SDI E-FIELD MWD
4120.0	29.57	149.71	4111.1	-83.1	24.2	86.6	15.83	86.6	163.74	SDI E-FIELD MWD
4152.0	34.44	150.93	4138.3	-97.8	32.6	103.0	15.35	103.1	161.56	SDI E-FIELD MWD
4184.0	39.50	150.40	4163.8	-114.6	42.1	121.6	15.84	122.1	159.85	SDI E-FIELD MWD
4214.0	44.71	149.65	4186.1	-132.0	52.1	141.0	17.45	141.9	158.46	SDI E-FIELD MWD
4245.0	49.91	151.01	4207.1	-151.8	63.4	163.1	17.08	164.5	157.34	SDI E-FIELD MWD
4274.0	55.03	151.93	4224.7	-172.0	74.3	185.4	17.83	187.4	156.63	SDI E-FIELD MWD
4305.0	60.81	151.44	4241.2	-195.1	86.8	211.0	18.69	213.6	156.02	SDI E-FIELD MWD
4337.0	67.92	150.29	4255.0	-220.3	100.8	238.9	22.45	242.3	155.40	SDI E-FIELD MWD
4369.0	75.08	149.24	4265.2	-246.5	116.1	268.2	22.59	272.5	154.78	SDI E-FIELD MWD
4384.0	79.56	149.24	4268.5	-259.1	123.6	282.3	29.87	287.1	154.49	SDI E-FIELD MWD
4399.0	85.60	150.29	4270.4	-271.9	131.1	296.6	40.86	301.9	154.26	SDI E-FIELD MWD
4430.0	93.05	152.04	4270.8	-299.1	146.0	326.7	24.69	332.8	153.97	SDI E-FIELD MWD
4462.0	93.52	152.55	4268.9	-327.4	160.9	357.8	2.17	364.8	153.83	SDI E-FIELD MWD
4494.0	93.25	151.78	4267.0	-355.6	175.8	389.0	2.55	396.7	153.69	SDI E-FIELD MWD
4526.0	94.37	153.41	4264.9	-383.9	190.5	420.2	6.17	428.6	153.61	SDI E-FIELD MWD
4557.0	94.33	154.01	4262.6	-411.7	204.2	450.5	1.93	459.5	153.62	SDI E-FIELD MWD
4589.0	95.18	153.15	4259.9	-440.2	218.4	481.7	3.77	491.4	153.62	SDI E-FIELD MWD
4604.0	95.98	153.19	4258.5	-453.5	225.1	496.3	5.34	506.3	153.60	SDI E-FIELD MWD
4621.0	94.97	153.19	4256.8	-468.6	232.7	512.9	5.94	523.3	153.59	SDI E-FIELD MWD
4636.0	95.71	153.35	4255.4	-482.0	239.5	527.5	5.05	538.2	153.58	SDI E-FIELD MWD
4652.0	98.01	152.95	4253.5	-496.2	246.6	543.1	14.59	554.1	153.57	SDI E-FIELD MWD
4667.0	100.76	150.95	4251.1	-509.2	253.6	557.5	22.56	568.9	153.53	SDI E-FIELD MWD
4684.0	103.20	148.79	4247.6	-523.6	261.9	573.5	18.99	585.5	153.42	SDI E-FIELD MWD
4699.0	103.86	145.91	4244.0	-535.9	269.8	587.4	19.18	600.0	153.28	SDI E-FIELD MWD
4716.0	103.59	145.03	4240.0	-549.5	279.2	603.0	5.27	616.3	153.07	SDI E-FIELD MWD
4731.0	102.72	145.59	4236.6	-561.5	287.5	616.8	6.85	630.8	152.89	SDI E-FIELD MWD
4747.0	102.37	145.64	4233.1	-574.4	296.3	631.5	2.21	646.3	152.71	SDI E-FIELD MWD
4762.0	101.61	145.11	4230.0	-586.4	304.6	645.3	6.13	660.9	152.55	SDI E-FIELD MWD
4779.0	99.29	144.44	4226.9	-600.1	314.3	661.0	14.19	677.4	152.36	SDI E-FIELD MWD
4794.0	98.38	144.00	4224.6	-612.1	322.9	674.9	6.72	692.1	152.18	SDI E-FIELD MWD
4810.0	97.67	143.98	4222.4	-624.9	332.3	689.6	4.44	707.8	152.00	SDI E-FIELD MWD
4825.0	97.47	144.06	4220.4	-637.0	341.0	703.5	1.43	722.5	151.84	SDI E-FIELD MWD
4842.0	97.70	144.29	4218.2	-650.6	350.9	719.3	1.90	739.2	151.66	SDI E-FIELD MWD
4857.0	97.64	144.39	4216.2	-662.7	359.5	733.2	0.77	754.0	151.52	SDI E-FIELD MWD
4873.0	97.44	144.28	4214.1	-675.6	368.8	748.0	1.42	769.7	151.37	SDI E-FIELD MWD
4888.0	97.44	143.64	4212.1	-687.6	377.5	761.9	4.23	784.5	151.23	SDI E-FIELD MWD
4904.0	96.96	142.74	4210.1	-700.3	387.0	776.7	6.34	800.2	151.07	SDI E-FIELD MWD

Company:	PIONEER NATURAL RESOURCES	**Date:** 3/15/2006	**Time:** 13:28:28	**Page:**	3
Field:	CARBON COUNTY, UTAH	**Co-ordinate(NE) Reference:**	Well: WELL 11-16, Grid North		
Site:	STATE (11-16)	**Vertical (TVD) Reference:**	SITE 0.0		
Well:	WELL 11-16	**Section (VS) Reference:**	Well (0.00N,0.00E,165.00Azi)		
Wellpath:	K2 LATERAL RE-ENTRY	**Survey Calculation Method:**	Minimum Curvature	**Db:**	Sybase

Survey

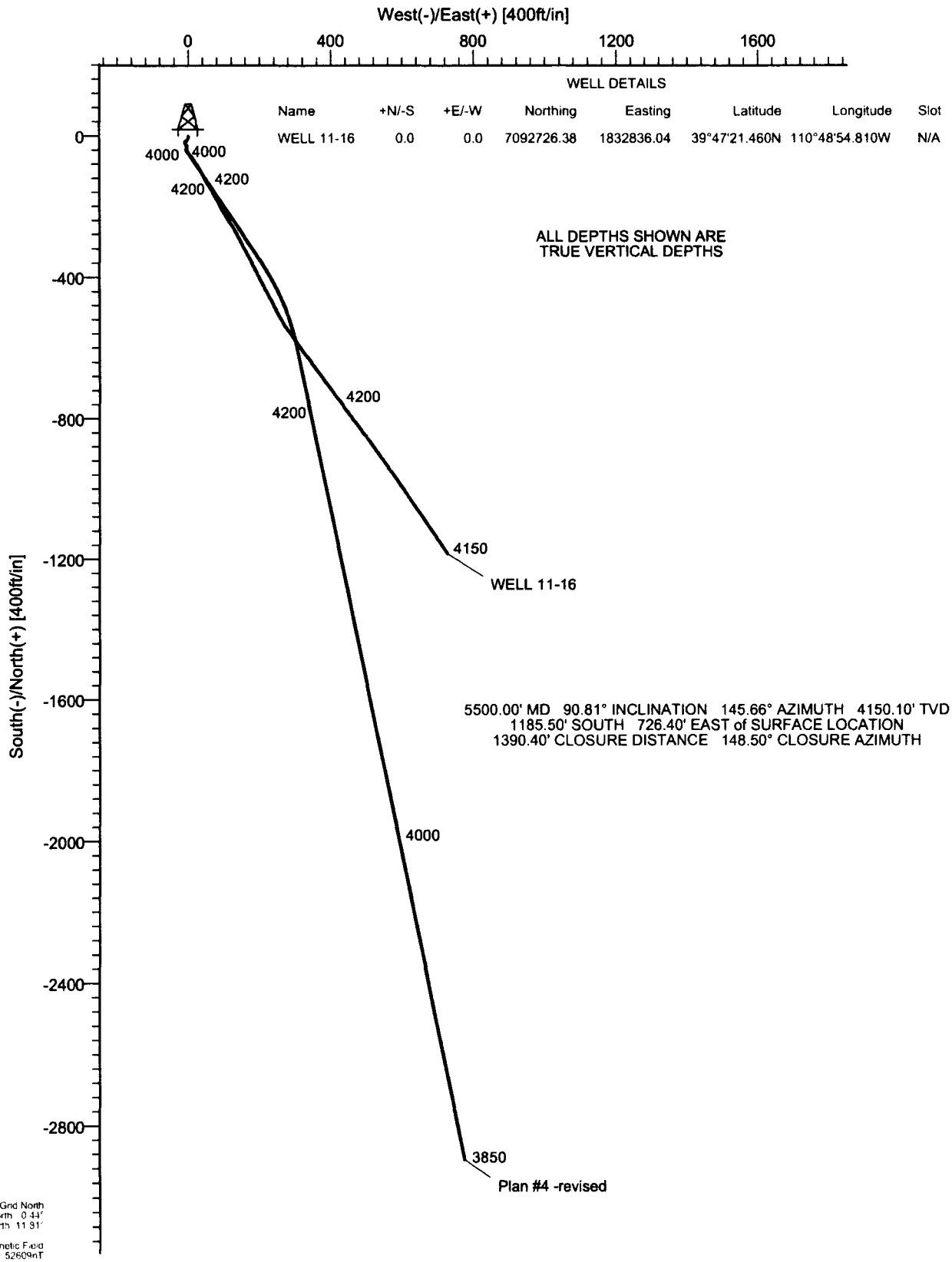
MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	DLS deg/100ft	ClsD ft	ClsA deg	Tool
4919.0	97.77	143.46	4208.2	-712.2	396.0	790.5	7.20	814.9	150.93	SDI E-FIELD MWD
4934.0	99.57	143.04	4205.9	-724.1	404.8	804.2	12.32	829.6	150.79	SDI E-FIELD MWD
4949.0	99.94	143.75	4203.4	-736.0	413.7	818.0	5.28	844.3	150.66	SDI E-FIELD MWD
4964.0	99.03	143.67	4200.9	-747.9	422.4	831.8	6.09	859.0	150.54	SDI E-FIELD MWD
4983.0	98.01	143.66	4198.1	-763.0	433.5	849.3	5.37	877.6	150.40	SDI E-FIELD MWD
4999.0	98.18	144.17	4195.8	-775.8	442.9	864.0	3.33	893.4	150.28	SDI E-FIELD MWD
5029.0	97.20	143.82	4191.8	-799.9	460.4	891.8	3.47	922.9	150.08	SDI E-FIELD MWD
5060.0	96.76	143.76	4188.1	-824.7	478.5	920.5	1.43	953.5	149.88	SDI E-FIELD MWD
5090.0	97.30	143.48	4184.4	-848.7	496.2	948.2	2.02	983.1	149.69	SDI E-FIELD MWD
5124.0	97.98	144.30	4179.9	-875.9	516.0	979.6	3.12	1016.6	149.50	SDI E-FIELD MWD
5154.0	98.39	145.27	4175.6	-900.2	533.2	1007.5	3.48	1046.2	149.36	SDI E-FIELD MWD
5187.0	97.74	145.53	4171.0	-927.1	551.7	1038.3	2.12	1078.8	149.24	SDI E-FIELD MWD
5218.0	98.52	145.72	4166.6	-952.4	569.1	1067.2	2.59	1109.5	149.14	SDI E-FIELD MWD
5249.0	98.28	145.72	4162.1	-977.7	586.3	1096.2	0.77	1140.1	149.05	SDI E-FIELD MWD
5280.0	94.87	145.88	4158.5	-1003.2	603.6	1125.3	11.01	1170.8	148.96	SDI E-FIELD MWD
5311.0	94.27	146.06	4156.0	-1028.8	620.9	1154.5	2.02	1201.7	148.89	SDI E-FIELD MWD
5341.0	91.98	145.92	4154.4	-1053.7	637.7	1182.8	7.65	1231.6	148.82	SDI E-FIELD MWD
5375.0	92.21	146.06	4153.2	-1081.8	656.7	1214.9	0.79	1265.5	148.74	SDI E-FIELD MWD
5406.0	91.78	146.34	4152.1	-1107.6	673.9	1244.2	1.65	1296.5	148.68	SDI E-FIELD MWD
5438.0	91.38	146.30	4151.2	-1134.2	691.7	1274.6	1.26	1328.4	148.62	SDI E-FIELD MWD
5469.0	90.91	145.84	4150.6	-1159.9	709.0	1303.9	2.12	1359.4	148.57	SDI E-FIELD MWD
5500.0	90.81	145.66	4150.1	-1185.5	726.4	1333.1	0.66	1390.4	148.50	PROJECTED DEPTH

PIONEER NATURAL RESOURCES

Scientific Drilling

STATE WELL 11-16
K2 LATERAL RE-ENTRY
CARBON COUNTY, UTAH

PIONEER



Azimuths to Grid North
True North: 0.44°
Magnetic North: 11.91°

Magnetic Field
Strength: 52609nT
Dip Angle: 65.57°
Date: 1/23/2006
Model: igrf2005

March 15, 2006
Scientific Drilling
281.443.4600

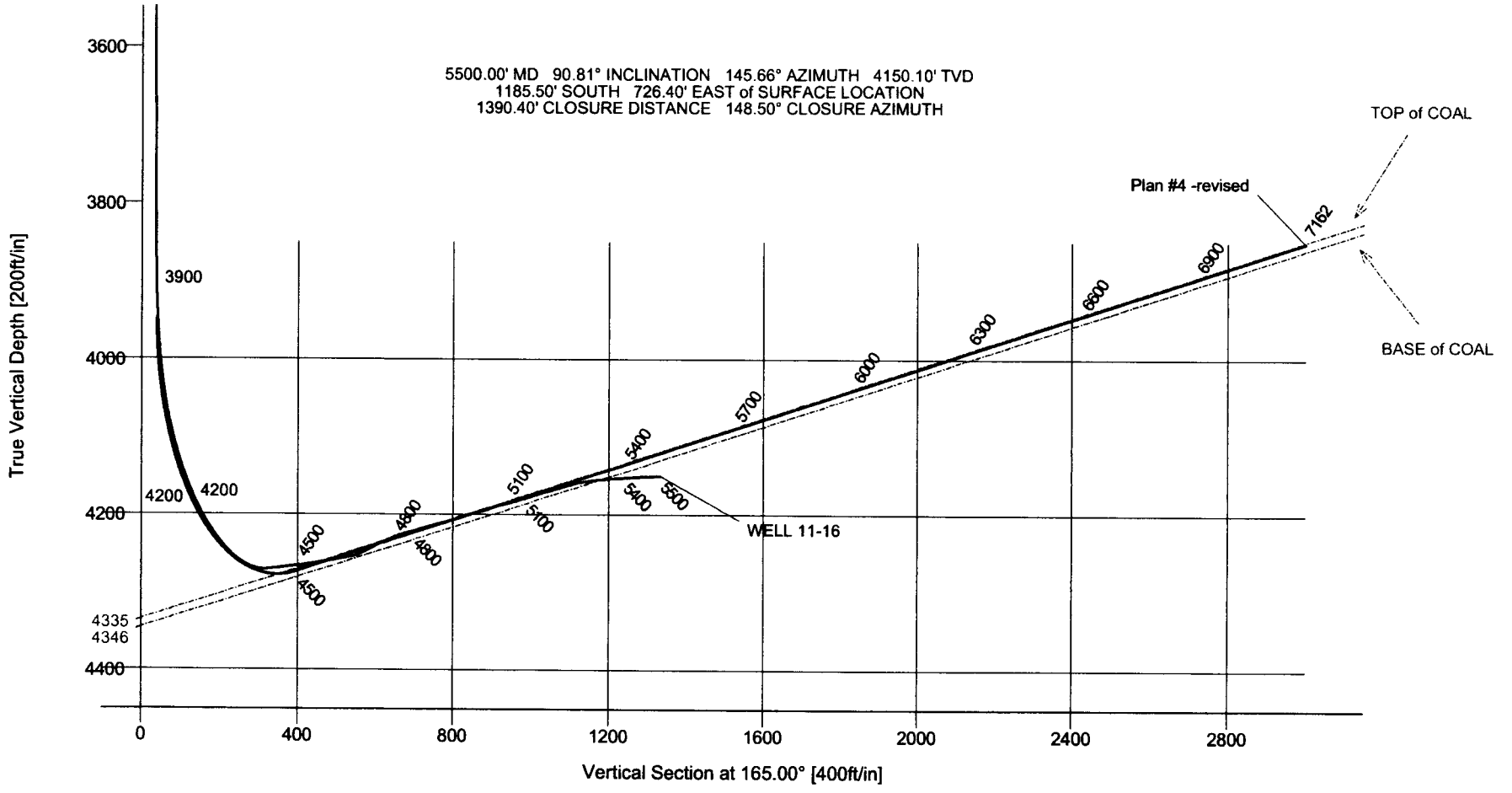
PIONEER NATURAL RESOURCES

Scientific Drilling

STATE WELL 11-16
K2 LATERAL RE-ENTRY
CARBON COUNTY, UTAH

PIONEER

ALL DEPTHS SHOWN ARE
MEASURED DEPTHS



March 15, 2006
Scientific Drilling
281.443.4600

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-4443
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT or CA AGREEMENT NAME:
8. WELL NAME and NUMBER: State 11-16H
9. API NUMBER: 4300730961
10. FIELD AND POOL, OR WILDCAT:

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER
2. NAME OF OPERATOR: Pioneer Natural Resources USA, Inc., Attn: Kally Boulay
3. ADDRESS OF OPERATOR: 1401 17th Street, # 1200 CITY Denver STATE CO ZIP 80202 PHONE NUMBER: (303) 675-2719
4. LOCATION OF WELL
FOOTAGES AT SURFACE: 550 FNL 500 FWL COUNTY: Carbon
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 16 12S 10E STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion: 8/17/2005	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: Daily Operations Report
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

Daily Operations - Perf, Pressure Test, Cement Squeeze & Clean out (1/5/2005 to 1/13/2005)

1/5/2005 – Road rig. Wait for motor grader to clear road of heavy snow. Motor grader assisted rig up & down hills. Spot rig, cleared snow from around well head, snow 4' deep on new tbg on ground. SDFN.

1/6/2005 – MU 4 ¾" bit & RIH w/ 2 7/8" tbg. Thread protectors frozen to connections. Tag TOC @ 3340'. Set down on hard cmt @ 3340'. Worked pipe up & down rotating same. Layed line from WH to rig pump & trucks, valves & lines frozen. Thaw out same. POOH w/ tbg & 4 ¾" bit.

1/7/2005 – Caliper & measure x-overs & mill. Start in hole w/ 7 5/8" flat bottom mill & 3 DC's. SD & cleaned out ice plugs in BOP's. Finish GIH & tag TOC @ 3340'. Wash & circ mill to TOL @ 3374'. First 4' of cmt has hard, remainder washed down w/ min weight on mill. Circ hole clean w/ fresh water. POOH. SDFN.

Continued on next page

NAME (PLEASE PRINT) Kallasandra M. Moran TITLE Engineering Analyst
SIGNATURE DATE 9/5/2006

(This space for State use only)

RECEIVED
SEP 2 6 2006
DIV. OF OIL, GAS & MINING

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

State 11-16
Daily Operations - Perf, Pressure Test & Cement Squeeze (1/5/2005 to 1/13/2005) Continued

1/8/2005 – Finish POOH w/ mill & DC's. PU 4 ¾" rock bit, GIH & tag TOL @ 3374'. Work bit slowly thru TOL. Wash & ream to FC @ 4623'. Had traces of cmt in 5 ½" liner. Circ hole for +/- 30 min before water froze up. PU. SDFN.

1/9/2005 – Circ hole w/ fresh water. POOH w/ bit. MU 5 ½" scraper. RIH & worked scraper inside 5 ½" liner. Tag FC @ 4623". Start out hole LD 2 7/8" tbg. SDFN.

1/10/2005 – Finish LD tbg. ND BOPE. SD due to heavy snow and wind.

1/11/2005 – Wait on grader to dig out road to loc. Circ hole w/ fresh water. ND WH NU flange, dig out rig & dead man lines from snow. SD.

1/12/2005 – RU WL. RIH w/ 4 ½" csg gun. Correlate to OH logs run 8/14/2004. Perf 4490' – 4497' w/ 4 spf POOH. RD WL.

2/22/2005 – MIRU Tefteller WL service. Attempt to POOH w/ gauges. POOH w/WL. Left gauges in hole. Left aprox. 800' wire on top of gauges. RD Tefteller. Will need big WL truck to fish out wire & gauges.

3/4/2005 – MI RU Tefteller. Made a total of 8 runs, fishing out small pieces of wire. Recovered several pieces of wire ranging from 8" – 2'. Tagged solid wire @ 3989'. Fished wire & gauges out of hole. After fishing wire & gauges, made trip to bottom w/ junk basket. Hole clean to bottom. Clock still running in gauges. RD Tefteller. Left well SI.

4/15/2005 – MIRU & spot location. Rig was assisted by D-7 cat. RU, measure tbg on pipe rack. PU Weatherford RBP & pkr on 2 7/8" tbg & RIH. Loaded hole w/ clean city fresh water. Set RBP @ 4530', test RBP to 2000 psi, held 15 min OK. PU, set perforated sub across perfs. SDFN.

4/16/2005 – RU Eastern Reservoir Services. Began fall-off pressure test. Start pumping @ 0.2 gpm w/ 800 psi. Pumped for 2 hrs. Increased rate to 0.59 gpm & +/- 900 psi. Pumped at this rate for 7 hours.

4/23/2005 – ERS on loc, rigged up poles & retrieved gauges. Data to be sent to Mark Gully on 4/24/2005.

5/20/2005 – Crew travel. Release pkrs, latch on to bridge plug. POH LD 2 7/8" tbg & BHA. Install blind flange on WH. RD.

8/12/2005 – MIRU. ND wellhead. NU BOPE. RU floor and tbg equip. Spot pipe racks and unload 2 7/8" work string.

8/13/2005 - RU Precision Wireline. RIH with Gamma Ray tool. Log from PBTD 4622' to 3300'. RIH with 5 ½ gauge ring to PBTD 4622'. Perf interval 3700' 4110' with 2 foot guns, 2 spf. All guns fired. RIH and set CIBP @ 4470', Fluid level @ 250'. RIH with dump bailer. Dump 2 sx cement on top of CIBP @ 4470'. RIH and set CICR @ 4100'. RD Precision.

8/14/2005 – PU and RIH with CICR string in tool and 126 jts 2 7/8" tbg. Space out and sting into CICR @ 4100'. RU Big 4 Cement Services. Fill hole with 7 bbls filtered produced water. Sting into CICR @ 4100'. Establish injection rate of 2 bpm @ 230 psi. Mix and pump 150 sx Premium G cmt with .1% dispersant and .2% fluid loss. Shut down leaving 10 bbls cmt in tbg. Sting out of CICR letting cmt fall out of tbg. POOH with 12 stands tbg to 3315'. Reverse out with 60 bbls filtered produced water (2 complete hole vol.). Reversed 1.5 bbls (2 sacks) cmt to surface. Some gas to surface during reverse and looks like drilling mud returns. SD & RD Big 4 Cementing Services. POOH with 2 7/8" tbg and CICR sting tool. WOC @ 1330 8/16/2005.

8/15/2005 – PU and RIH with 4.75 OD sting mill on 2 7/8" tbg. Tag @ 3380.74'. 5 ½: liner top @ 3374'. RU power swivel and prep to drill out cmt and CICR. SD wait on cmt till 0700 8/16/2005.

8/16/2005 – NU drilling head and start equip. Break circ. Tag @ 3380'.Liner top @ 3374'. Rotate and circ down 3380' – 3912', getting very little cmt in returns. Pressure test csg to 600 psi. Held good for 5 min. Drl cmt 3912' – 4128'. Good returns, cmt little green ant times. Rubber and metal returns @ 4080' – 4095'. Circ hole clean @ 4128'. Pressure test csg to 1000 psi. Held good for 20 min. Stand back pwr swivel. RIH with reamer. Tag @ 4437'. CIBP @ 4470' with 2 sks cmt on top. POOH with tbg, mill & bit. LD bit & mill.

8/17/2005 – RU Mesa Wireline. RIH with Gamma ray, CBL, CCL logging tools. Fluid level @ 179'. Run Gamma Ray Log 4450' to surface. CBL, CCL 4450' – 3380'. TOC @ 3770'. RD Mesa. RIH with 57 std (3700.68') 2 7/8" open ended tbg. Pressure test csg to 1000 psi. Held solid for 30 min. Bleed pressure off csg. RIH with tbg to 4450'. Displace hole with 100 bbls filtered produced water. RD pump, tank & lines. POOH LD 138 jts 2 7/8" tbg on pipe rack. RD tbg equip and floor. ND BOPE. NU wellhead flange. RD rig, clean location, and move rig off location.

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

FORM 9

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7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: State 11-16H

2. NAME OF OPERATOR: Pioneer Natural Resources USA, Inc., Attn: Kally Boulay

9. API NUMBER: 4300730961

3. ADDRESS OF OPERATOR: 1401 17th Street, # 1200 CITY Denver STATE CO ZIP 80202

PHONE NUMBER: (303) 675-2719

10. FIELD AND POOL, OR WILDCAT:

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 550 FNL 500 FWL

COUNTY: Carbon

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 16 12S 10E

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion: 8/17/2005	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: Daily Operations Report
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

Daily Operations – Original Drill & Complete (7/12/2004 to 8/17/2005)

7/12/2004 – Spud drilled and set 20" conductor, cmt w/ redi-mix. Drill 17 ½" hole to 540' & set 13 3/8" surface csg. Cement w/ 475 sx premium

7/18/2004 – NU, BOPE, & test. Drill out & ahead w/ WL survey 1 deg @ 538". TOOH, PU

7/19/2004 – Drill & slide drill to 950'

7/20/2004 – Drill & slide drill to 1154'

7/21/2004 – Drill & slide drill to 1354'

Continued on Next Page

NAME (PLEASE PRINT) Kallasandra M. Moran TITLE Engineering Analyst

SIGNATURE _____ DATE 9/5/2006

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State 11-16
Daily Operations – Original Drill & Complete (7/12/2004 to 8/17/2005)
Continued

7/22/2004 – Drill 1354' to 1358' TOOH, PU shock sub, TIH, Swivel rollers jumped off fr guide way on derrick, work back in. TIH to 410', Swivel rollers jumped out. Inspect derrick. Set swivel dn. Lowered derrick for closer inspection. WO rig mechanic.

7/23/2004 – Rig repair, TIH, drill & slide to 1558'

7/24/2004 – Drill, rig service, slide & rotary to 1890'

7/25/2004 – Drill, circ & condition hole, short trip, back ream 1800' – 1700', wash back to bottom. TOOH

7/26/2004 – PU new bit, drill slide & rotate to 2303'

7/27/2004 – Drill slide & rotate to 2730'

7/28/2004 – Drill slide & rotate to 3010'

7/29/2004 – Drill slide & rotate to 3220'

7/30/2004 – Slide drill, TOOH, PU new bit, TIH to 2900', ream out of gauge hole to bottom. Rotate & slide to 3350'

7/31/2004 – Drill, slide & rotate, check pump, TOOH to check bit

8/1/2004 – TIH, WO parts, repair BHA. TIH, ream 2900' – 2532', & drill ahead

8/2/2004 – Drill 3546' – 3685'

8/3/2004 – Drill, rotate & slide 3685' – 3721'. RU to run 8 5/8" intermediate casing

8/4/2004 – Ran 84 jts 8 5/8" casing set @ 3710'. Cement w/ 380 sx lead CBM lite & tal w/ 175 sx Type 3 cmt. WOC. NU BOPE & test. TIH, tag cmt @ 3649'. Drill our cement

8/5/2004 – Drill w/ surveys 2710' – 3960', 1 deg

8/6/2004 – Drill to 3995', C&C. TOOH, PU core BHA & TIH. Cut core 3 1 3995' – 3996', POOH & LD core. RIH cut core # 2 3996' – 4005', POOH & LD core. RIH, cut core # 3 4005' – 4015'. POOH & LD core. RIH & cut core # 4 4015' – 4016'.

8/7/2004 – Cut core 4016' – 4017'. POOH & LD core. RIH to cut core # 5, unable to cut core. TOOH, inspect BHA & core bit. PU new BHA & 7 7/8" drill bit. Was 3944' – 4017'. Drill ahead to 4045'

8/8/2004 – Drill 4045' – 4110'. Circ coal drlg break up & canister cuttings. 4110' – 4151' canistered 2 more thin coals. Survey @ 4120' 2 ¾ deg. Drill 4199'.

8/9/2004 – Drill 4199' – 4212'. C&C, survey 3 deg @ 4182'. TOOH, PU core barrel, TIH wash 60' to bottom. Cut core # 6 4212' – 4214'. TOOH, LD damaged core barrel, PU new liner barrel, TIH, cut core # 7

8/10/2004 – Cut core #7 4214' – 4253', TOOH, LD core, cut 39' rec's 16.5'. LD core assembly. PU bit & TIH, ream 4212' – 4248'

8/11/2004 – Ream core hole, drill & circ for samples 4253' – 4306'. TOOH for core # 8. PU core assembly, core 4306' – 4314'. TOOH, found inner core barrel had back off threads, LD core barrel. Cut 8' of core, rec'd 7'.

8/12/2004 – LD core. PU bit & shock sub, TIH. Ream core hole, Drill 4314' – 4450' w/ WL survey of 3 ¼ deg @ 4305' & 4398'

8/13/2004 – Drill 4450' – 4627' survey 4 ¼ deg

8/14/2004 – Drill to TD of 4675', circ, short trip. TOOH for logs. Start to log, stuck @ 70', worked free, stuck @ 114'. Worked free, pull out, hung @ 70', worked past. Removed bow spring centralizer. Ran AIT/CNL/LDT/GR/SP. Loggers TD 4678'. Could not get below 4375' after repeat sec was logged. RD loggers. TIH wash 60' to bottom. Prep to run liner.

8/15/2004 – Ran 28 jts 5 ½" liner, landed @ 4671', TOL @ 3374'. Cement w/ 265 sx 50:50 Poz. Estimate 60' of cement on top of liner hanger. Rig released 06:00 am 8/15/2004.

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-4443
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT or CA AGREEMENT NAME:
8. WELL NAME and NUMBER: State 11-16H
9. API NUMBER: 4300730961
10. FIELD AND POOL, OR WILDCAT:

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER
2. NAME OF OPERATOR: Pioneer Natural Resources USA, Inc., Attn: Kally Boulay
3. ADDRESS OF OPERATOR: 1401 17th Street, # 1200 CITY Denver STATE CO ZIP 80202 PHONE NUMBER: (303) 675-2719
4. LOCATION OF WELL
FOOTAGES AT SURFACE: 550 FNL 500 FWL COUNTY: Carbon
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 16 12S 10E STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
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	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion: 5/10/2006	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: Daily Operations Report
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

Daily Operations – Horizontal Re-entry Drilling (1/16/2006 to 5/10/2006)

1/16/2006 – MI

1/17/2006 – RU

1/18/2006 – Finish RU rig, tally and run 78 jts 5 ½" 17# J55 tie back liner. Total length 3404', set @ 3383'. Float insert @ 3357'. Cement liner with 60 sx Class G cmt + .2% Halad 344 yield 1.18, 12 bbl slurry mixed at 15.6 lb/gal with 5.2 gal water/sx. Displaced 78 bbl fresh water. Bumped plug with 440 psi over 1010 psi lifting pressure (1450 psi total). Checked float. Returned ¼ bbl and held OK. Full returns throughout job.

1/28/2006 – Pre-spud meeting. Rig maintenance. Pipe and tool tally.

1/29/2006 – NU BOPE & manifold. Test BOPE, lines, choke manifold and csg to 250 & 2000 psi. NU drilling nipple & flow line.

Continued on Next Page

NAME (PLEASE PRINT) Kallasandra M. Moran TITLE Engineering Analyst

SIGNATURE DATE 9/5/2006

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State 11-16
Daily Operations – Horizontal Re-entry Drilling (1/16/2006 to 5/10/2006)
Continued

1/30/2006 – RU booie lines. Tally pipe. RU boiler and lay lines. PU bit and TIH with HWDP & DP.

1/31/2006 – TIH, Latch spring on elevators broken. TIH, tag cmt @ 3210'. Drill cmt and float equip. Circ hole clean. Trip in to 4200'. Circ bottoms up. TIH with mill.

2/1/2006 – TIH with mill. Dress off minor tight spot at 900' – 920'. Dress off liner interface. TIH to 4220'. Circ hole clean. Run gyro survey. TOH, LD mill. Run CCL.

2/2/2006 – Weld on flow line & manifold. PU & scribe whip stock and BHA. Safety meeting.

2/3/2006 – TIH. NU flow line, Orient & set whip stock at 125.49 deg. Run WL to confirm setting angle of whip stock. Unable to confirm due to suspected trash or scale on top of UBHO sub. Shear mill whip stock. Attempt to circ. Unable to circ. RU to reverse circulate and reverse circ drill pipe capacity. Attempt to circ down pipe. Unable to circ. TOH, LD plugged plunger in whip stock setting assembly. TIH with mill. Mill csg exit window.

2/4/2006 – TIH with mill. Mill csg exit window. And 5' formation. Circ hole clean. TOH. Gauge mill – 5/16" under gauge. PU new mill for running back in hole.

2/5/2006 – TIH. Tally drill pipe. Dress off csg exit window with mill. Circ hole clean. TOH. PU bit. PU scribe directional BHA, TIH.

2/6/2006 – TIH. Orient drilling assembly and eased bit easily through casing exit window. Break circ. Slide drill at TF of 125 Az, 4053' – 4142'.

2/7/2006 – Slide drill from 4142' – 4200'. Tool face 125 Az. TOH. Inspect bit, found heel row worn out, adjust motor angle from 2.12 deg to 2.38 deg. Strap pipe. Found 9' error in measurement resulting in depth correction of 9' up hole from 4200' to 4190'. TIH. 25 jts to run into hole.

2/8/2006 – TIH. Up hole depth correction on pipe tally from 4200' to 4191'. Orient BHA and ease through window, trip into open hole. Break cric. Orient TF to high side and slide drill 4191' – 4206'. At 4105', found build angle of 24.87 deg DLS. Angle to great for current motor angle. TOH. Adjust motor angle and re-scribe BHA. TOH for rig repair. TIH. 45 jts left to go in hole.

2/9/2006 – TIH. Encountered tight spot in casing at 3390'. Rotated pipe 180 deg and went on by. TIH to 3800'. TOH for rig repair. TIH. Slide easily through casing exit window to 4128'. Stage into open hole running MWD surveys. ((1) MD 4128'. SD

4089'. Incl. 12.52 deg. Az. 177 deg. (2) MD 4160'. SD 4121'. Incl. 19.36 deg. Az 178 deg. (3) MD 4181'. SD 4142'. Incl. 25.19 deg. Az 176.5 deg. (4) MD 4206'. SD 4167'. Incl. 28.85 deg. Az. 174.22 deg.) TOH. Preventative maintenance.

2/10/2006 – Rig up WL truck and run gauge ring and csg collar locator to 4060'. Did not find obstructions. Pull out hole. Pick up RBP and run in hole. Could not get pass 3390'. Pull RBP out. RD WL truck. PU mill assembly (bull nose mill on bottom with string mill spaced 5' up) and TIH with drill pipe to 3380'. Circ and dress off csg from 3380' – 3410' with mill. TIH to 4060'. Circ bottoms up. Drain Kelly nose and TOH.

2/11/2006 – TOH to 3420'. Dress off tight spot with mill assembly. TOH. LD mill assembly. RU WL truck and run RBP. Slide pass tight spot at 3390'. Set at 4035'. Dump bail 2 sx sand on top of RBP. RD WL truck. Drain and clean mud tanks. Drain frac tanks. Winterize boiler and rig. SD for crew days off.

2/12/2006 – Crew off

2/13/2006 – Crew off

2/14/2006 – Crew off

2/15/2006 – Crew off

2/16/2006 – Crew off

2/17/2006 – Crew off

2/18/2006 – Crew off

2/19/2006 – Crew off

2/20/2006 – Crew off

2/21/2006 – Prepare to RU. RU WL truck. Run to bottom, pull gamma ray/CCL log from 4026' back to 3474'. RD loggers. Tally drill pipe on rack. PU whip stock assembly, scribe. Change out UBHO sub due to bad head on set screw, could not tighten. RIH w/ drill pipe.

2/22/2006 – Finish PU 2 7/8" drill pipe. RU WL. RIH w/ gamma ray & correlate whip stock to proper depth of 3962' (3960' from original gamma log run, difference between 13' KB now verses 11' KB on original well bore.) Reverse dp volume + 50%. RU gyro. RIH to orient whip stock setting to 130 deg GTF. Initial seat @ 305.6, 307.5, 309.4, 309.2, 309.4. Orient to 130.4, 129.7, 129.6, 129.5. Pressure drill string to 3500 psi (times 2). Set whip stock. Verify setting w/ gyro at 133.26 deg. Pressure to 1200 psi. Pull up to 10,000; BS to shear bolt and hose assembly. Pressure fell off to 0 psi. Attempt to circ. Max pressure achieve (+/- 3000 psi). Problems maintaining proper motor RPM. Removed

center suction valve in fluid end. Begin circ at 2600 psi. Begin mill operations w/ average of 2.6 BPM at 2600 psi. Cut window. Top of window @ 3956'. Bottom exit point @ 3962'. Correlated to 3960' on original gamma ray log. Continue milling open to TD of 3965'. Circ bottoms up to clean hole. POOH w/ drill pipe. LD mill assembly (under gauged by 1/8"). PU BHA #4 kickoff assembly. RIH w/ 2 7/8" dp.

2/23/2006 – Finish TIH w/ 90 jts 2 7/8" AOH dp. Tighten flange below rotating head. Continue picking up 2 7/8" HWDP and 4 jts 2 7/8" AOH dp. Calibrate MWD depth tracking. PU gyro tools. TIH w/ WL. Confirm seats above whip stock of 238.6, 237.7, 233.9, 235.6. Orient to 130 deg exit window. Tag @ 3963'. Time drill at 130 GTF from 3961' – 3965' due to noticeable torque. Pump rate 160 GPM at 1900 psi. Continue time drill at 130 GTF from 3965' – 3975'. Pump rate 130 GPM at 1500 psi. Make connection. Reseat gyro. Continue time drill at 130 GTF from 3975' – 4005'. Pump rate 130 GPM at 1500 psi. Make connection. Reseat gyro.

2/24/2006 – Time drill 4005' – 4033', 130 GTF. Make Connection. Reseat gyro. Time drill 4033' – 4064', 140 GTF. Make connection. Reseat gyro. Slide drill from 4064' – 4074', 140 GTF. Pull gyro, LD. RD WL. Slide drill from 4074' – 4096' at HS TF. Connection & survey at 4056.00 MD, 1897 inc. 143.28 Az. (TVD 4052.99'). Slide drill from 4096' – 4127', at HS TF. Connection & survey at 4087.00 MD, 24.52 inc. 146.77 Az. (TVD 4081.77).

2/25/2006 – Slide drill from 4127' – 4158' at 10L HS. Connection & survey at 4120.00 MD, 29.57 MD, 29.57 inc. 149.71 Az. (TVD 4111.15). Slide from 4158' – 4162' at 10L HS. Slide drill from 4162' – 4192' at 30L TF (130 GPM @ 1550 psi). Connection & survey at 4152' MD, 34.44 inc, 150.93 Az. (TVD 4138'), 103 VS. Slide drill from 4192' – 4223' at 30L TF (130 GPM @ 1550 psi). Connection 7 survey at 4184 MD, 39.50 inc, 150.40 Az. (TVD 4164'), 122 VS. Slide drill from 4223' – 4253' at 0 TF (130 GPM @ 1550 psi). Connection & survey at 4214' MD, 44.71 inc, 149.65 Az. (TVD 4186'), 141 VS. Slide drill from 4253' – 4286', at 0 TF (130 GPM @ 1550 psi). Connection & survey at 4245' MD, 49.91 inc, 151.01 Az. (TVD 4207), 163 VS. Circ bottoms up (130 GPM @ 1550 psi). POOH w/ drilling assembly. LD BHA, increase motor setting from 1.83 to 2.12.

2/26/2006 – PU new bit, scribe motor and MWD tools. TIH w/ 2 7/8" dp & HWDP to 4200'. Wash & ream from 4200' – 4286'. Slide drill from 4286' – 4315' at 10L HS (130 GPM @ 1500 psi). Connection & survey at 4274' MD, 55.03 inc, 151.93 Az. (TVD 4225'), 185 VS. Slide drill from 4315' – 4344' at 10L HS (130 GPM @ 1500 psi). Connection & survey at 4305' MD, 60.81 inc, 151.44 Az. (TVD 4241'), 211 VS. Slide drill from 4344' – 4375' at 10L HS (130 GPM @ 1500 psi). Connection & survey at 4337' MD, 67.92 inc, 150.29 Az. (TVD 4255'), 239 VS. Slide drill from 4375' – 4410' at 10L HS (130 GPM @ 1500 psi). Survey at 4369' MD, 75.08 inc, 149..24 Az. (TVD 4265'), 268 VS. Circ bottoms up. Pumped carbide tracer to determine lag time. LD BHA. PU new 1.50 deg motor. PU new reed bit. Scribe motor & MWD tools. TIH w/ 2 7/8" dp.

2/27/2006 – Wash, ream & log from 4380' – 4410'. Had to trouble shoot MWD tool. Attempt to slide drill at 4410' with no pressure. Possible motor failure. Circ bottoms up to clean hole. POOH w/ BHA # 6. Surface test motor in rotary table, motor running at half speed. Motor repair. TIH w/ new motor & BHA # 7. Was to bottom from 4380' – 4410' and re-log last 10' using MWD tool. Slide drill from 4410' – 4432' at 15R HS. No survey data.

2/28/2006 – Slide drill from 4432' – 4440' at 15R HS. Survey at 4369', 75.08 inc, 149.24 Az. Survey at 4399', 85.6 inc, 150.29 Az. Circ an work drill string. Determined build rate from previous 2.12 build assy built 40 deg/100. POH to LD MWD. Not possible to rotate gap sub in high dog legs. LD MWD. Surface test motor, OK. Check bit, OK. TIH w/ 1.5 deg motor & bit. No MWD. Rotate drill 4440' – 4510', wob = 8K, RPM = 45, GPM = 160, psi = 1900/2050. Footage = 70, rop = 14.7.

3/1/2006 – Circ bottoms up for POH. POH. PU MWD to log & survey new hole. POH w/ bit & motor. LD bit & motor. Motor bearing failure. Service/repair rig. PU new bit, motor & MWD. Scribe & surface test same. TIH w/ 1.5 deg motor & MWD to 3900'. Change oil in generator pkg. TIH to 4440'. Log with MWD 4440' – 4510'. Survey @ 4430', 93.05 inc, 152.04 Az. Survey @ 4462', 93.52 inc, 152.55 Az. Slide drill 4510' – 4525' @ 10R HS. 15ft @ 10'/hr. GPM = 160. Psi = 1700. Survey @ 4494', 93.25 inc, 151.78 Az. Rotate drill 4525' – 4566'. WOB = 8K. GPM = 160. Psi = 1700. RPM = 45. Survey @ 4526', 94.37 inc, 153.41 Az.

3/2/2006 – Slide drill from 4566' – 4581' @ 15R HS. 15ft @ 4'/hr. GPM = 160. PSI = 1700. Rotate drill 4581' – 4586'. WOB = 8K. GPM = 160. Psi = 1700. RPM = 45. Ftg = 5. Rop = 10'/hr. Rotate drill 4586' – 4627'. WOB = 10K. RPM = 50. GPM = 160. Psi = 1850. Ftg = 41. Rop = 9.1'/hr. Circ bottoms up for samples. Drilled into K2 coal @ 4624'. Gamma up = 85. Gamma dn = 75. Slide drill 4627' – 4659' @ 30 R HS. Ftg = 32. Rop = 64'/hr. Conn & survey @ 4619', 95.14 inc, 153.14 Az. Gamma up = 31. Gamma dn = 25. Slide drill 4659' – 4692' @ 30R HS. Ftg = 33. Rop = 132'/hr. Conn & survey @ 4652', 97.94 inc, 151.62 Az. Gamma up = 31. Gamma dn = 25. Rotate drill 4692' – 4723'. Wob = 10K. RPM = 50. GPM = 160. Psi = 1850. Ftg = 31. Rop = 200'/hr. Conn & survey @ 4683', 103.64 inc, 148.16 Az. Gamma up = 21. Gamma dn = 15. Slide drill 4723' – 4755' @ 11R HS. Ftg = 32. Rop = 128'/hr. Conn & survey @ 4715', 101.79 inc, 144.55 Az. Gamma up = 30. Gamma dn = 22. Slide drill 4755' – 4784' @ 15R HS. Ftg = 29. Rop = 14.5'/hr. Penetration rate slowed @ 4775'. Rotate drill 4784' – 4786'. Wob = 10K. RPM = 50. GPM = 160. Psi = 1850. Ftg = 2. Rop = 8'/hr. Conn 7 survey @ 4746', 101.77 inc, 149.80 Az. Gamma up = 30. Gamma dn = 22. Rotate drill 4786' – 4796'. Wob = 10K. RPM = 50. GPM = 160. Psi = 1850. Ftg = 10. Rop = 10'/hr. Slide drill 4796' – 4800' @ 150R HS. Ftg = 4. Rop = 2.7'/hr. Penetration rate slowed at 4775'. Pull up to 4642' for open hole sidetrack. Work through 4642' – 4662' for sidetrack @ 4662'. Time slide drill 4642' – 4670' @ 150R HS. Hole packing off. Working in tight hole @ 4640'. Hole packing off. Unable to rotate, pull up or go down.

3/3/2006 – Pull up to 4368'. Circ hole clean to 4368'. TIH staging 30' interval & circ bottoms up each time to 4648'. Working tight hole @ 4648'. Packing off. Hole falling in.

Pull up to 4368'. Circ hole clean @ 4368'. Circ hole clean @ 4568'. POH. LD MWD & monel flex collar. Change bit. Surface test motor, OK. RIH w/ 4 ¾" bit, 1.5 deg motor, 90 jts dp, 30 jts HWDP. DP to 4600'. Wash & ream hole 4600' – 4770'. Hole packing off. Re-ream multiple times until hole stable. Circ hole clean.

3/4/2006 – Rotate drill 4770' – 4897'. Ftg = 127'. Rop = 63.5/hr. Wob = 4K. GPM = 160. Psi = 1650. RPM = 60. Drill 4897' – 5025'. ROP slowed from 80 fph to 12 fph at 4975'. Total footage 128ft. Average rop is 20 fph. Circ bottoms up w/ 100% coal returns. Wiper trip from 5025' – 4580' (16 jts) w/ no excessive drag out. Wiper trip from 4580' – 5025' (16 jts) w/ no excessive fill in. Circ bottoms up w/ full returns. POOH. LD bit & motor. PU new bit & motor. Surface test. PU MWD & scribble in hole. Swap DP order. TIH w/ drilling assembly.

3/5/2006 – TIH w/ 2 7/8" DP to 4600'. Fill DP, break cric. Begin logging w/ MWD while TIH. Taking surveys every 15' per geo request. Did not have to circ. Circ bottoms up at 5022' while rotating at 70 RPM and pumping at 130 GPM, 1500 psi. Minimal torque value of 2500ft/lb. Tag bottom at 5025'. Being slide drill for 10' to 5035' at 160R HS. Pumping 160 gpm at 1975 psi. Conn & survey @ 4999' MD, 98.18 inc, 144.17 Az. (TVD 4196), 864 VS. Rotate drill 5035' – 5071'. Conn & survey at 5029' MD, 97.20 inc, 143.82 Az. (TVD 4192), 892 VS.

3/6/2006 – Rotate drill 5071' – 5102'. Conn & survey at 5060' MD, 96.76 inc, 143.76 Az. (TVD 4189), 921 VS. Slide drill 5102' – 5112', 70 RPM, @ 155 GPM, 2000 psi, 6500 lbs wob. Rotate drill 5116' – 5133'. 75 RPM. 150 GPM @ 2000 psi. 4000 – 4500 ft/lbs torque. Conn & Survey @ 5090' MD, 97.30 inc, 143.48 Az, (TVD 4185), 948 VS. Rotate drill 5133' – 5164'. 75 RPM. 150 GPM @ 2000 psi. Torque 4000-4500 ft/lbs. Conn & survey @ 5124' MD, 97.98 inc, 144.30 Az. (TVD 4181), 980 VS. Slide drill 5164' – 5178' at 110R TFO. 150 GPM @ 2000 psi. Rotate drill 5178' – 5196'. 75 RPM. 150 GPM @ 2000 psi. Torque 4000-4500 ft/lbs. Conn & survey @ 5154' MD, 98.39 inc, 145.27 Az. (TVD 4176), 1008 VS. Rotate drill 5196' – 5227'. 75 RPM. 150 GPM @ 2000 psi. Torque 4000-4500 ft/lbs. Conn & survey @ 5187' MD, 97.74 inc, 145.68 Az. (TVD 4172). 1038 VS. Rotate drill 5227' – 5259'. 75 RPM. 150 GPM @ 2000 psi. Torque 4000-4500 ft/lbs. Conn & survey @ 5218' MD, 98.52 inc, 145.53 Az. (TVD 4167). 1067 VS. Rotate drill 5259' – 5291'. 75 RPM. 150 GPM @ 2000 psi. Torque 4000-4500 ft/lbs. Conn & survey @ 5249' MD, 98.28 inc, 145.72 Az (TVD 4163). 1096 VS.

3/7/2006 – Rotate drill 5291' – 5322'. 75 RPM. 150 GPM @ 2000 psi. Torque 4000-4500 ft/lbs. Conn & survey @ 5280' MD, 94.87 inc, 145.88 Az. (TVD 4159). 1125 VS. Rotate drill 5322' – 5330'. 75 RPM. 150 GPM @ 2000 psi. Torque 4000-4500 ft/lbs. Rotate drill 5330' – 5353'. 70 RPM. 150 GPM @ 2000 psi. Torque 4500-5000 ft/lbs. Conn & survey @ 5311' MD, 94.27 inc, 146.06 Az. (TVD 4156). 1155 VS. Rotate drill 5353' – 5384'. 70 RPM. 150 GPM @ 2000 psi. Torque 4500-5000 ft/lbs. Conn & survey @ 5341' MD, 91.98 inc, 145.92 Az. (TVD 4155). 1183 VS. Rotate drill 5384' – 5416'. 70 RPM. 150 GPM @ 2000 psi. Torque 4500-5000 ft/lbs. Conn & survey @ 5375' MD, 92.21 inc, 146.06 Az. (TVD 4154). 1215 VS. Rotate drill 5416' – 5447'. 70 RPM. 150

GPM @ 2000 psi. Torque 4800-5300 ft/lbs. Conn & survey @ 5406' MD, 91.78 inc, 146.34 Az. (TVD 4153). 1244 VS. Rotate drill 5447' – 5479'. 70 RPM. 150 GPM @ 2000 psi. Torque 4800-5400 ft/lbs. Drilling break at 5475'. 75 RPM. 150 GPM @ 2000 psi. Torque averaged 3500 ft/lbs. Conn & survey @ 5438' MD, 91.38 inc, 146.30 Az. (TVD 4152). 1275 VS. Rotate drill 5479' – 5511'. 75 RPM. 150 GPM @ 2000 psi. Torque 3500 ft/lbs. Conn & survey @ 5469' MD, 90.91 inc, 145.84 Az. (TVD 4151). 1304 VS. Rotate drill 5511' – 5542'. 75 RPM. 150 GPM @ 2000 psi. Torque 3500 ft/lbs. Began stalling motor & packing off. Not able to survey at this depth.

3/8/2006 – Hole packing off. Working tight hole from 5542' back to 5475'. Circ bottoms up at 5468'. Wiper trip from 5468' – 4600'.TIH from 4600' – 5468'. Circ bottoms up @ 5468'. 70 RPM. 135 GPM. 2000 psi. Torque 2900 ft/lbs. Background gas holding 750. Continue TI while reaming to 5542'. Conn & survey @ 5500' MD, 90.81 inc, 145.66 Az. (TVD 4150), 1333 VS. Back on bottom drilling. 75 RPM @ 130 GPM. 1650 psi. Torque 2500 ft/lbs. Depth 5500'. Leak between changeover & DP connection. Switch out change over & 2 jts DP. Back on bottom drilling @ 5550'. 75 RPM @ 130 GPM. 1650 psi. Torque 2500ft/lbs. Drill 5572'. Wiper trip back to 5543'. Started packing off. Pulling & rotating at +/- 4000 ft/lbs. Increase in differential pressure. Kick pump out. Work pipe until DP pressure decreased to 0. Start pulling up to 5474'. Circ bottoms up @ 5474'. 85 RPM. 135 GPM @ 1600 psi. Torque 2300 ft/lbs. Differential +/- 10 psi. Wash & ream joint to 5504'. Start packing off. Kick pump out. Let DP pressure bleed off. Start rotating & pulling back to 5474'. Start pumping at 135 GPM @ 1600 psi. 3000 ft/lbs. Differential 400 psi. Circ bottoms up at 5474'. 85 RPM. 160 GPM @ 2000 psi. torque 2300. No real differential pressure. Gas count in 2000 units. Drill down to 5478'. LD joint. Break Circ. Pull up while rotating to 5447'. Circ bottoms up. 85 RPM. 160 GPM @ 2000 psi. Torque 2300. No differential pressure. Still producing coal finds after 3 time circulating the hole volume. TI while rotating & circ same rates and pressures. Depth @ 5479'. Make connection. Continue in hole while rotating & circulating same rate s& pressures. Bit weight 0-2000 lbs, Differential pressure 0-30 psi, increases at 5479'. At 5490', bit weight 1875 lbs, Differential pressure is 0. At 5500', bit weight 2100 lbs & differential pressure is 0. At 5510', bit weight is 1675 lbs & differential pressure is less than 10. Pull up while pumping & rotating same rates & pressures. Back on bottom with bit weight of 2750 lbs @ no differential pressure. Make connection @ 5511'. Continue washing & reaming in hole. Same rates & pressures. Got to 5540', bit weight & differential increased. Shutdown mud pump to allow DP to bleed off. Pull up to 5511'. LD 2 jts and pull to 5465'. Circ bottoms up at 5465'. 85 RPM. 160 GPM @ 2000 psi. Torque 2300 ft/lbs. Attempt to circ down. Torque increase at 5504'. Pull back to 5480'. Continue circ bottoms up. Circ & rotate at 75 RPM. 135 GPM @ 1600 psi. Torque ft/lbs to 5512'. Circ bottoms up at 5512 ft. Continue circ joints down. Cut returns decreasing as circ continues. Tag bottom @ 5572'. Begin drilling new hole to 5574'. 75 RPM. 130 GPM @ 1500 psi. Torque 2750 ft/lbs. Begin wiper trip on this joint. Continue rotating & circulating from 5574' up to 5540'. RPM's began to decrease. Torque increased to 4500-5000 ft/lbs. Tried working pipe, began getting sticky. Could not continue circ. Differential pressure increased to +/- 350 psi. Shutdown mud pump. Let DP bleed to 0. Attempt to work pipe with & without torque. Could only pull up to 5544' and slack off to

5548'. Attempt to pull DP from well bore. Pulled +/- 65k over string weight (total pull +/- 115k). Continue to free stuck pipe.

3/9/2006 – Continue working stuck pipe. Mesa Wireline on location. RU WL into top drive. TIH w/ WL to 3941' (1 jt above window @ 3962'). 100% free. Continue tripping in. Began loosing weight at 4372'. Pull back to 4315'. 100% free. TO w/ free point tools. Wait on fisherman. Graco (fisherman) on location. Load charges. Trip to bottom w/ back off tool. Attempt to back off w/ 160 grain charge, 2 wraps to left & hook load of 45k. Attempt failed. POOH w/ WL to reload charge. Trip back to bottom. Attempt to back off w/ 240 grain charge, 6 wraps to left & hook load. Attempt successful. Turn pipe to left 2 more times and PU 5 feet. Top fish @ +/- 3833'. Left 4 joints above window. CCL shows tool joint @ 3962'. POOH w/ WL. RD WL. Pull & LD 3833' of 2 7/8" DP. Make-up fishing assembly. TIH w/ 2 7/8" DP to 3812'. Attempt to circ. Kelly hose froze, work on thawing.

3/10/2006 – Screw into top fish. Begin to hammer down. Start jarring up until loose. With and without torque. Maximum pull 80K over string weight (total 130K). Break connection. LD joint. TOH w/ fish at reduced rate due to bumper sub & jars in hole. Circ bottoms up at bottom of window. Gas bubbling through DP. Continue TOH. LD fishing tools. Continue TOH. LD MWD tool. Prepare to PU cleanout assembly. Time delay, due to snow & ice. TIH w/ cleanout assembly.

3/11/2006 – Continue wiper trip in hole w/ 2 7/8" clean out assembly. Begin taking weight at 5190'. Being circ at 130 GPM @ 850 psi. 75 RPM. Torque fell from 2800 to 2500 ft/lbs. Slow rotary speed to 35 RPM. Torque at 2200 ft/lbs. Returns show gas & coal finds. Continue wiper trip. At 5374', begin washing to bottom. Circ bottoms up (every 2 jts) at 130 GPM @ 900 psi. 50 RPM. Torque at 2300 ft/lbs. Circ bottoms at 5472' (Stable depth) at 150 GPM @ 1000 psi. 20 RPM. Torque 200 ft/lbs. Circ while TI at 130 GPM @ 900 psi. Began getting sticky at 5514'. Started to pack off. Increase in torque an differential. Shutdown mud pump. Pulled 40K over string weight (total 85K). Circ at 5505'. Began packing off again. Pulled up to re-establish circ. Continue packing off until bit was pulled up to 5474'. Decided to pull 5442'. Formation acts like large chunks are trying to be forced into DP annular and plugging off. These pieces are not cuttings being ground by the bit. Circ bottoms up at 5440'. 130 GPM @ 900 psi. Drop back down to 5472' and circ bottoms up. Make connection. Continue washing & reaming at 135 GPM @ 1000 psi. At 5475', increase torque (2800-3500 ft/lbs) and differential. Continue washing & reaming in slow speed. Torque stabilized at 2500 ft/lbs. Differential fell off. Wash to 5505'. Work pipe up to 5485'. Start back down. Top drive begins to wobble at 5498'. Work down to 5503'. Circ. Make Connection. Continue washing & reaming at 135 GPM @ 1000 psi. 75 RPM. Torque 2600 ft/lbs. At 5518', increase in torque & differential. Pull up to 5511'. Shut down mud pump. Pull (pulled 102K) to 5502'. Re-establish pump rate at 130 GPM @ 1000 psi. LD joint. Begin circ at 5500' at 130 GPM @ 1000 psi. Circ while pulling up. Packed off at 5490'. Shutdown pump. Pull to 5474'. Re-establish circ at 135 GPM @ 1000 psi. 75 RPM. Torque 3000 ft/lbs. Wash back & ream back down to 5503'. Make connection. Continue washing & reaming at 135 GPM @ 1000 psi. 75 RPM. Torque 2500 ft/lbs. At 5509' start circ every foot while

advancing towards TD. At 5536', increase torque & differential. Shut down pump. Pull to 5526', pulling 106K total before jars went. Had to jar loose (work 4 times). Pull to 5442'. CIRC bottoms up to 5442'. WOO. Perform flow check. Flowing at +/- .25 GPM. POOH w/ cleanout assembly. Perform flow check. Flowing at +/- .25 GPM (bit entered vertical section of well bore). Resume POOH w/ cleanout assembly. Prepare to ND annular.

3/12/2006 – ND Annular. NU Cameron wellhead assembly. Finish installing production head. Release rental equip. Tear rig. SDFN.

3/13/2006 – RDMO.

4/17/2006 – MIRU. ND wellhead cap. NU BOPE.

4/18/2006 – Tally. PU and RIH with NC, 1 jt 2 7/8 tbg, SN, 122 jts 2 7/8 tbg. Tag top pf whip stock @ 3966'. PU to 3960' and swab well. Initial fluid level @ 400'. Make 20 swab runs. Recovered aprox. 45 bbls fluid. No gas. Final fluid level @ 2700'.

4/19/2006 – CP 110 psi. TP 0 psi. Swab well. Tag fluid @ 1800'. Made two runs, fluid level @ 2200' and CP @ 90 psi. Made 5 runs, fluid level @ 2800', CP @ 100 psi. Made 18 runs, fluid level @ 2100', CP @ 125 psi. Made 1 run every 30 min. Fluid level dropping from 3200' to 3300' and CP 170 psi. Made 28 total swab runs. Recovering aprox. 66 bbls fluid. Total recovery to date105 bbls.

4/20/2006 – TP 25 psi. CP 275 psi. Blow down tbg. Swab well. Initial fluid level @ 2500'. Made 10 runs, swabbing fluid level down to 3200'. CP 100 psi. TP 50 psi. Flow well to pit for 30 min. TP 0 psi. CP 70 psi. Swab well. Fluid level @ 3300'. Made 8 swan runs. CP 100 psi. Fluid level @ 3800'. No fluid recovery. SWI for 1 hour. Made 19 total swab runs. Recovered aprox. 30 bbls fluid. Total fluid recovery to date 135 bbls. CP 110 psi. TP 0 psi.

4/21/2006 – TP 70 psi. CP 200 psi. Swab well. Initial fluid level @ 3400'. Made 4 swab runs. Fluid level @ 3800'. Very little fluid recovery. SWI 1 hour. Made 1 run. Fluid level @ 3700'. Make 1 swab run per hour. Made 3 runs, well kicked off and flowed to pit for 20 min with CP 200 psi and TP 30 psi. Well stopped flowing. RIH w/ swab. Fluid level @ 3800'. No recovery. Made 12 total swab runs. Fluid level staying at 3800'. Recovered aprox 10 bbls fluid. Total recovery to date 145 bbls. CP 200 psi. TP 0 psi.

4/24/2006 – Well SI over weekend. CP 800 psi. TP 100 psi. Open tbg to pit on 18/64 choke. Flowed 30 min and died. Swab well. Initial fluid level @ 2800'. Made 1 run. Well kicked off w/ CP 560 psi. TP 150 psi. Flow thru 18/64 choke. Flowed 30 min and died. Made 1 run. Fluid level at 3000'. Well flowed 1 hour. CP 450 psi. Made swab run. Fluid level @ 3400'. Flowed 1 hour and died. CP 150 psi. Made 12 total swab runs. Last fluid level @ 3800'. Recovered aprox 10 bbls fluid. Total fluid recovered to date aprox. 155 bbls. CP 60 psi. TP 0 psi.

4/25/2006 – CP 225 psi. TP 50 psi. Open tbg to pit on 18/64 choke. Flowed 30 min and died. RIH w/ swab. Tag fluid @ 3300'. Made 1 run. Well flowed for 20 min. Swab well. Fluid level @ 3800'. CP 40 psi. No fluid recovery. Make 1 swab run per hour. Fluid level staying @ 3800' w/ very little recovery. Made 9 swab runs. Recovered aprox 5 bbls fluid. Total recovery to date aprox. 160 bbls. CP 70 psi. TP 0 psi. POOH with 122 jts 2 7/8 tbg, SN, 1 jts tbg, NC.

4/26/2006 – Wait on coil tbg unit. RU coil unit. RIH w/ coil tbg. Tag @ 4201'. Pull up to 3900' and establish circ with N2. Clean out hole 4201' – 4203'. Fell to 4205'. Clean out 4205' – 4210'. RIH to 4240'. Pull up to clean hole. Stuck @ 4209'. Pull 35k, move up to 4206'. Work coil tbg 4212' – 4206'. Lost returns, N@ pressure 1000 psi. Injector head chains slipping. Could not pull above 35k. Coil tbg tuck 4209' – 4206'. Pull 35k tension and SDFN.

4/27/2006 – CP 240 psi. Wait on parts for coil unit. Repair unit. Pull up on coil tbg. Pull 35k over 57k, chain slipping. Cool down N2. Open N2 @ 1000 psi. Engage N2 pumper, idle in 1st gear. Pressure increase to 3000 psi immediately. SD N2. Bleed down N2. Tighten tension. Pull 57k over @ 80k and work pipe. No movement. Coil tbg stuck @ 4209' – 4206'.

4/28/2006 – Manually cut coil tbg 4' above BOPE. PU coil tbg overshot. RU and install overshot w/ 2 7/8 grapple on coil tbg stub above BOPE. Work coil tbg to 100k (78k over). Tbg moving up hole. Continue working tbg. Manually cut tbg @ surface. LD 45' coil tbg. Continue working tbg. Stopped moving. RU Mesa Wire line. RIH w/ free point. Could not get deeper than 3896'. 70' above whip stock @ 3966'. Pipe 100% free at this point. RD free point. RU and RIH w/2 1/8 chemical cutter. Tag @ 3896'.PU and chemical cut coil tbg @ 3888'. 78' above whip stock @ 3966'. RD Mesa. RU coil tbg broach and POOH w/ 3888' feet of coil tbg. RD coil tbg unit and RU floor tbg equip.

4/29/2006 – CP 40 psi. BOPE to wellhead flange leaking. Tighten same. Measure caliper, and RIH w/ overshot w/ 2 7/8 basket grapple, bumper jars, jars, 6 – 3 ½ DC's, intensifier and 2 7/8 tbg. Tag liner @ 3395'. Set down and work thru. RIH. Tag and catch fish @ 3888'. Jar on fish @ 60-65k (35-40k over) pulling up to 80k (55k over). Jars stopped working. Release overshot and POOH w. fishing tools. Jar fish up hole to 3884'. POOH w/ fishing tools. Pulled wet string starting @ 1447'. Bottom 52' of BHA packed w/ coal fines. Had to beat coal fines out of overshot, BS, Jars and 1 DC. Break & LD fishing tools. Measure caliper and PU new fishing tools. RIH w/ overshot w/ 2 7/8 basket grapple, bumper jars, jars 6 3 ½ DC's, intensifier and 80 jts 2 7/8 tbg.

4/30/2006 – CP 100 psi. Finish RIH w/ fishing tools. Catch fish @ 3884'. Jar on fish @ 60-65k (40-45k over). Pulling to 80k (55k over). Made 1 foot in 6 hours. Whip stock @ 3966'. Top of fish @ 3884'. End of fish @ 4160'. 276' of fish in hole. Top of fish 82' above whip stock. 194' of fish in open hole. Release overshot tool and POOH w/ fishing tools. Pulled wet from 1500 to top of intensifiers. Intensifier plugged with coal fines. DC's, jars, bumper jars and overshot clean. LD fishing tools.

5/1/2006 – CP 250 psi. Blow well down. PU & RIH w/ 3 jts 4 ½ wash pipe. Chang of plans. POOH & LD wash pipe. PU & RIH w/ overshot dressed w/ 2 7/8 basket grapple, bumper jars, jars 6 -3 ½ DC's, intensifier and 2 7/8 tbg. Tag and catch fish @ 3884'. Jar on fish 2 hrs. Fish can loose. POOH w/ fish. Pulling wet from 1500' to surface and well kicking at times. Cut and LD 276' 2 7/8 coil tbg fish, x-over and bull nose jet. Recovered all fish. Breakdown fishing tools.

5/2/2006 – CP 250 psi. Blow well down. Lay down 6 DC's. Stack cut off tbg off location. Clean flat tank and location. Wait on TAC and perf sub. PU and RIH w/ NC, 1 jt 2 7/8 tbg, SN, 17 jts 2 7/8 tbg, TAC, 101 jts 2 7/8 tbg. Tag solid @ 3560'. RU & RIH w/ sinker bar. Tag @ 3448'. SN @ 3459'. RD sinker bar. POOH w/ tbg. Bottom jt and NC plugged w/ hard coal. Clean tbg & NC.

5/3/2006 – PU & RIH w/ bailer to 3966'. Did not tag fill. POOH. LD bailer. No coal in bailer. PU & RIH w/ prod. Tbg. RD floor and tbg equip. ND BOPE. Set TAC @ 3301.02 w/ 10k # tension. Land tbg @ 3889.27. NU wellhead. RU and swab well. Initial fluid level at 600'. Made 4 swab runs, well kicked off and flowed 30 min. Made 4 more swab runs. Fluid level @ 2900'. Recovered aprox 20 bbls fluid. RD rig and equip. Move off location.

5/4/2006 – Spot & RU rig & rod equip. PU & test pump. Pump ok. RIH w/ pump, 5 1" rods, 79 ¾ rods. Tag @ 2150'. Could not get deeper. POOH w/ rods & pump. Small amount og coal fines on pump. Pump screen clean. RU and RIH w/ swab. Tag @ 2150'. Work swab down to 2170'. Could not get deeper and fluid recovery was minimal. RD swab and rod equip and floor. ND wellhead and release TAC. NU BOPE. RU floor and tbg equip. POOH w/ tbg. Break out and rabbit jts from 2088' – 2212'. Found no problem. Continue POOH.

5/5/2006 – Crew off

5/6/2006 – Crew off

5/7/2006 – Crew off

5/8/2006 – Crew off

5/9/20006 – RIH w/ production tbg. ND BOPE. Set TAC @ 3301' w/ 10k # tension. Land tbg @ 3889.27'. NU wellhead. PU pump. Pump would not test. Wait on new pump. PU & test new pump. Test OK. RIH w/ pump & rods. Tag solid @ 1850'. POOH w/ rods & pump. Last 250' coated w/ sticky coal fines and small chunks of coal. Pump would not stroke. LD pump. RIH w/ 1 ¾ sinker bar to SN @ 3852'. Did not touch anything. RIH w/ 1 swab cup. Tag @ 1850'. And work swab down to SN @ 3852'. Sample at beginning and end of first swab run. Full of coal fines and small chunks of coal. Second swab run. Fluid level @ 1850'. Work swab down to 2000'. Could not get deeper.

5/10/2006 – CP 190 psi. Bleed well down. Spot pump and wtr trk. Flush tbg w/ 50 bbls fresh city water @ 2 bpm. At 20 bbls pumped pressure increased from 0 to 200 psi then back to 0 psi. At 30 bbls pump pressure increased from 0 to 200 then right back to 0 psi. At 40 bbls pumped pressure increased from 0 to 50 psi and remained for last 10 bbls pumped. RD pump and wtr trk. PU & test pump. Test OK. RIH w/ pump, 5 – 1" rods, 110 – ¾ rods, 37 – 7/8 rods, 8', 6', 4' pony rods and polish rod. Space out land pump. Tag and PU 8" with polish rod. RD pumping unit.

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

AMENDED REPORT ☐ (highlight changes) FORM 8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-4443

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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

7. UNIT or CA AGREEMENT NAME:

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

8. WELL NAME and NUMBER: State 11-16H

2. NAME OF OPERATOR: Pioneer Natural Resouces USA, Inc.

9. API NUMBER: 4300730961

3. ADDRESS OF OPERATOR: 1401 17th St., # 1200 CITY Denver STATE CO ZIP 80202

PHONE NUMBER: (303) 675-2663

10 FIELD AND POOL, OR WILDCAT: Castlegate

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 550 FNL 500 FWL
AT TOP PRODUCING INTERVAL REPORTED BELOW:
AT TOTAL DEPTH: 1736' FNL, 1226' FWL

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 16 12S 10E

12. COUNTY: Carbon

13. STATE: UTAH

14. DATE SPUDDED: 1/29/2006

15. DATE T.D. REACHED: 3/11/2006

16. DATE COMPLETED: 5/10/2006 ABANDONED ☐ READY TO PRODUCE ☑

17. ELEVATIONS (DF, RKB, RT, GL): KB: 7580; GR:7569

18. TOTAL DEPTH: MD 5,500 TVD 4,150

19. PLUG BACK T.D.: MD TVD

20. IF MULTIPLE COMPLETIONS, HOW MANY? *

21. DEPTH BRIDGE PLUG SET: MD TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
Mud 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
17 1/2	13 3/8 J55	54.5	2	523	523	Prem. 475	56	0	To pit
12 1/4	8 5/8 J55	32	8	3,810	3,810	CBM L 560	337	8	25%
7 7/8	5 1/2 J55	17	3,374	4,671	4,671	50/50 265	58	3374	1.5 bbl

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"	3,889							

26. PRODUCING INTERVALS

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

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL

29. ENCLOSED ATTACHMENTS:

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

30. WELL STATUS: SI

RECEIVED
JUL 20 2007
DIV. OF OIL, GAS & MINING

(5/2000)

(CONTINUED ON BACK)

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

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

INTERVAL B (As shown in Item #26)

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

INTERVAL C (As shown in Item #26)

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

INTERVAL D (As shown in Item #26)

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

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

33. SUMMARY OF POROUS ZONES (Include Aquifers):

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

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Price River	0	3,269			
Castlegate	3,269	4,310			

35. ADDITIONAL REMARKS (Include plugging procedure)

This well was drill but never completed to sales. In 2006 Pioneer re-entered for a horizontal extension

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

NAME (PLEASE PRINT) Joy A. Ziegler TITLE Senior Engineering Tech

SIGNATURE DATE 7/18/2007

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

(5/2000)

PIONEER NATURAL RESOURCES

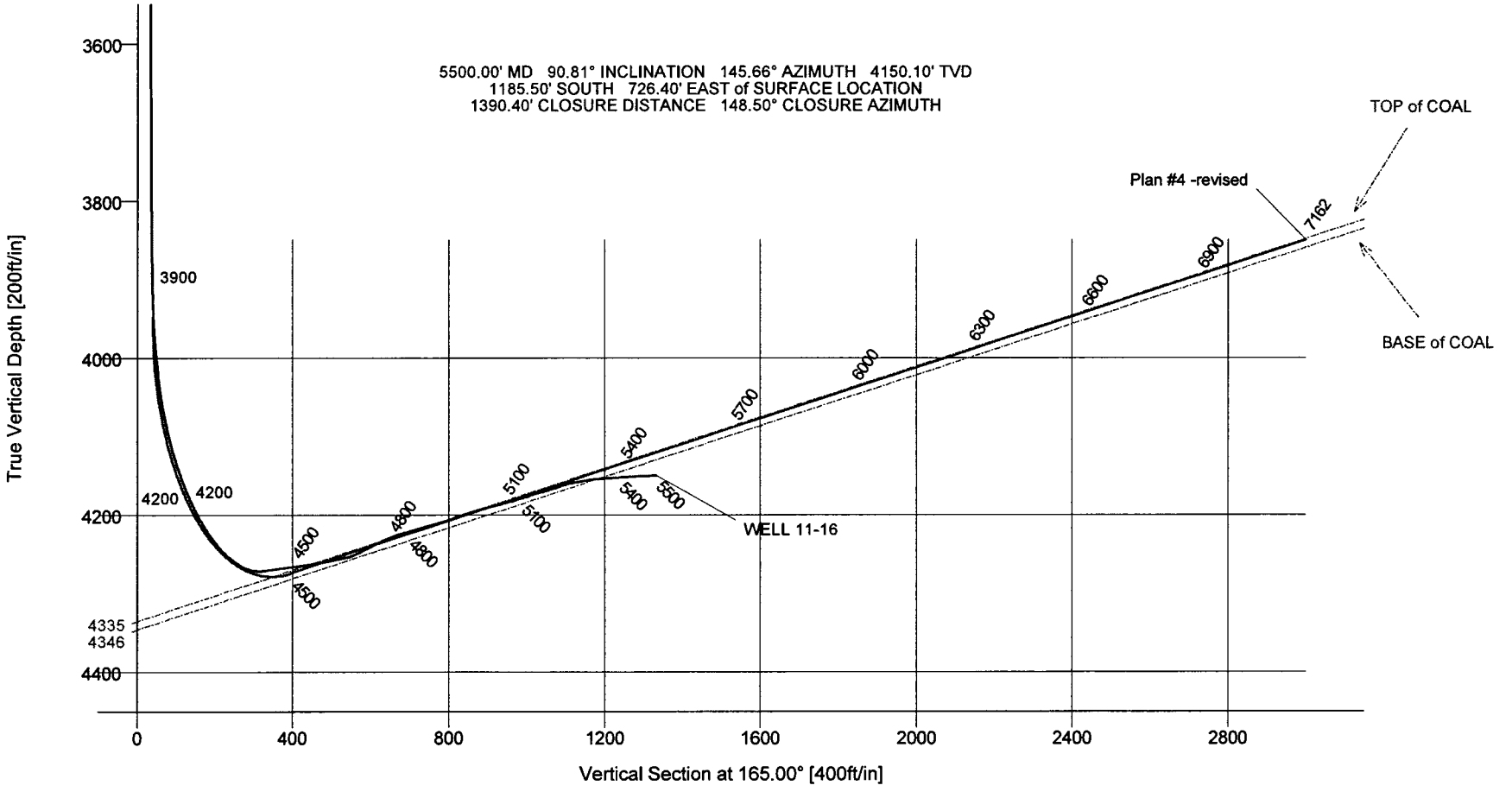
Scientific Drilling

STATE WELL 11-16
K2 LATERAL RE-ENTRY
CARBON COUNTY, UTAH

PIONEER

ALL DEPTHS SHOWN ARE
MEASURED DEPTHS

5500.00' MD 90.81° INCLINATION 145.66° AZIMUTH 4150.10' TVD
1185.50' SOUTH 726.40' EAST of SURFACE LOCATION
1390.40' CLOSURE DISTANCE 148.50° CLOSURE AZIMUTH



March 15, 2006
Scientific Drilling
281.443.4600

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

AMENDED REPORT ☐ (highlight changes) FORM 8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-4443

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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

7. UNIT or CA AGREEMENT NAME:

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

8. WELL NAME and NUMBER: State 11-16H

2. NAME OF OPERATOR: Pioneer Natural Resouces USA, Inc.

9. API NUMBER: 4300730961

3. ADDRESS OF OPERATOR: 1401 17th St., # 1200 CITY Denver STATE CO ZIP 80202

PHONE NUMBER: (303) 675-2663

10 FIELD AND POOL, OR WILDCAT: Castlegate

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 550' FNL & 500' FWL
AT TOP PRODUCING INTERVAL REPORTED BELOW:
AT TOTAL DEPTH:

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 16 12S 10E

12. COUNTY: Carbon

13. STATE: UTAH

14. DATE SPUDDED: 7/12/2004

15. DATE T.D. REACHED: 8/14/2004

16. DATE COMPLETED: 8/17/2005 ABANDONED ☐ READY TO PRODUCE ☑

17. ELEVATIONS (DF, RKB, RT, GL): KB: 7580'; GR: 7569'

18. TOTAL DEPTH: MD 4,675 TVD

19. PLUG BACK T.D.: MD TVD

20. IF MULTIPLE COMPLETIONS, HOW MANY? *

21. DEPTH BRIDGE PLUG SET: MD TVD 4,470

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)

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
17 1/2	13 3/8	54.5	0	536		475		0'	
12 1/4	8 5/8	32	0	3,710		550	337	0'	
7 7/8	5 1/2	17	3,374	4,671		265	58	3314'	

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
N/A								

26. PRODUCING INTERVALS

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

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)		SIZE	NO. HOLES	PERFORATION STATUS
4,490	4,497		28	Open ☐ Squeezed ☐
4,110	4,112			Open ☐ Squeezed ☑
3,700	3,702			Open ☐ Squeezed ☑
				Open ☐ Squeezed ☐

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
4110' to 4112'	Cement Squeeze - Perf'd sqz holes @ 4110-4112 and 3700-3702 and blck squeezed behind 5 1/2"
	liner. Set CIBP @ 4470 & CIRC @ 4100' and block squeezed backside with 148 sx premium G. Drill
	out CICR and logged cmt top @ 3770. Pressure test squeeze holes to 1000psi. Held OK.

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: SI

RECEIVED
JUL 20 2007
DIV. OF OIL, GAS & MINING

(5/2000)

(CONTINUED ON BACK)

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

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

INTERVAL B (As shown in Item #26)

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

INTERVAL C (As shown in Item #26)

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

INTERVAL D (As shown in Item #26)

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

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

33. SUMMARY OF POROUS ZONES (Include Aquifers):

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

34. FORMATION (Log) MARKERS:

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

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) Joy A. Ziegler TITLE Senior Engineering Tech

SIGNATURE DATE 7/17/2007

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

(5/2000)

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

September 3, 2008

CERTIFIED MAIL NO.: 7004 2510 0004 1824 6183

43 007 30961
Castlegate St 11-16H-12-10
12S 10E 16

Ms. Joy Ziegler
Pioneer Natural Resources
1401 17th ST., Suite 1200
Denver, CO 80202

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

Dear Ms. Ziegler:

As of July 2008, Pioneer Natural Resources (Pioneer) has three (3) State Mineral Lease Wells and six (6) Fee Lease Wells (see attachment A) in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status. Wells SI/TA beyond twelve (12) consecutive months require the filing of a Sundry Notice in accordance with R649-3-36-1 for Utah Division of Oil, Gas & Mining ("Division") approval. Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (R649-3-36-1.3.3).

Three of these wells have a dated history and a first notice has previously been sent out in regards to their SI/TA status. They are as follows: The State 21-10 well (API# 43-019-31390) - extended SI/TA status was requested by letter dated November 17, 2006. Extension was granted until August 1, 2007. The Division has received no further requests or information on this well. The Main CYN ST 8-2-15-22 well (API# 43-047-31135) - by sundry dated April 10, 2006 Pioneer said it planned to return the well to production. No production reports have been received to date. This well remains SI/TA. The Shimmin Trust 14-12-12-10 well (API# 43-007-30169) - by sundry dated January 25, 2006, Pioneer planned to Plug and Abandon (P&A) this well in early spring of 2006. Approval to P&A this well was given with conditions at that time. This well is still being reported as SI/TA. This is a Second Notice of Non-compliance for these three wells. Please address these matters promptly or a Notice of Violation will be issued. Please submit your plans to produce or plug the other 6 wells referenced in attachment A as well or further actions will be initiated.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

UTAH DNR OIL, GAS & MINING

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

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

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

1. Wellbore diagram, and

2. Copy of recent casing pressure test, and

3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and

4. Fluid level in the wellbore, and

5. An explanation of how the submitted information proves integrity.

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

Sincerely,

Dustin K. Doucet
Petroleum Engineer

JP/js
Enclosure

cc: Jim Davis, SITLA
Wells File
Compliance File

ATTACHMENT A

	Well Name	API	Lease Type	Years Inactive
1	CASTLEGATE ST 11-16H	43-007-30961	ML-44443	2 Years 1 Month
2	STATE 21-10	43-019-31390	STATE	5 Years 9 Months
3	MAIN CYN ST 8-2-15-22	43-047-31135	STATE	26 Years 10 Months
4	SHIMMIN TRUST 14-12-12-10	43-007-301-69	FEE	7 Years 4 Months
5	SHIMMIN TRUST 3-14-12-10	43-007-30640	FEE	3 Years 2 Months
6	SHIMMIN TRUST 1-12-12-10	43-007-30674	FEE	1 Year 5 Months
7	JENSEN 2-10-12-10	43-007-30675	FEE	4 Years 0 months
8	SHIMMIN 11-14	43-007-30962	FEE	4 Years 0 Months
9	ATCHEE CANYON 25-12-25 #4	43-047-35830	FEE	2 Years 11 Months

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

January 29, 2009

43 007 30961
Castlegate St 11-16H-12-10
12S 10E 16

Ms. Joy Ziegler
Pioneer Natural Resources
1401 17th ST., Suite 1200
Denver, CO 80202

Subject: Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases dated September 3, 2008.

Dear Ms. Ziegler:

The Division of Oil, Gas and Mining (the Division) is in receipt of your letter dated October 8, 2008 in regards to the nine (9) shut-in or temporarily abandoned (SI/TA) wells (Attachment A) operated by Pioneer Natural Resources.

The Division does not object to the proposed work on the said wells. However, due to insufficient evidence the Division is unable to grant extended SI/TA status for these wells. Not enough data was received per R649-3-36 providing proof of integrity or lengths of time wells are expected to be shut-in. The Divisions preferred method of demonstrating well integrity is to perform an MIT. Please note, approval will be necessary prior to continuing with any planned work for these wells.

Please submit an individual sundry for each well along with required information to help expedite approval and documentation processes. If the required information is not received within 30 days of the date of this notice, further actions may be initiated. Please feel free to contact me at (801) 538-5281 concerning specific requirements to ensure all information is included with sundries.

Sincerely,

Dustin K. Doucet
Petroleum Engineer

DKD/JP/js
Enclosure
cc: Jim Davis, SITLA
Wells File
Compliance File

ATTACHMENT A

	Well Name	API	Lease Type	Years Inactive
1	CASTLEGATE ST 11-16H	43-007-30961	ML-44443	2 Years 1 Month
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5	SHIMMIN TRUST 3-14-12-10	43-007-30640	FEE	3 Years 2 Months
6	SHIMMIN TRUST 1-12-12-10	43-007-30674	FEE	1 Year 5 Months
7	JENSEN 2-10-12-10	43-007-30675	FEE	4 Years 0 months
8	SHIMMIN 11-14	43-007-30962	FEE	4 Years 0 Months
9	ATCHEE CANYON 25-12-25 #4	43-047-35830	FEE	2 Years 11 Months

FORM 9

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

5. LEASE DESIGNATION AND SERIAL NUMBER: ML 44443

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: Castlegate St 11-16H-12-10

2. NAME OF OPERATOR: Pioneer Natural Resources USA, Inc.

9. API NUMBER: 4300730961

3. ADDRESS OF OPERATOR: 1401 17th Street - Ste 1200 CITY Denver STATE CO ZIP 80202

PHONE NUMBER: (303) 675-2663

10. FIELD AND POOL, OR WILDCAT: UP - Castlegate

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 500' FWL & 550' FNL

COUNTY: Carbon

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 16 12S 10E S

STATE: UTAH

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

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

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

The Castlegate St 11-16H-12-10 well has been SI due to 320 acre spacing; the hearing in September 2008 reduced spacing to 2 wells per 160 acres in the NW/4 of Sec. 16 - Cause No. 220-08. Plans were to produce the well; however, due to uneconomical market conditions Pioneer requests an extension to continue the SI status until the gas market conditions become improved.

Pioneer proposes to run a MIT to prove the well has integrity as stated in Rule R649-3-36-1.3. Plans are to run the MIT in late spring, early summer 2009 when road conditions are suitable.

The MIT procedure will be as follows:

1) MIRU water truck w/triplex pump
2) Install chart recorder on well head & second line on annulus
3) Load well with formation water
4) Pressure up to 1000 psi and shut in pump
5) Record pressure for 30 minutes
6) RD and release pump truck

MIT results will be forwarded to UDOGM via the field.

COPY SENT TO OPERATOR
Date: 3·26·2009
Initials: KS

NAME (PLEASE PRINT) Joy A. Ziegler TITLE Senior Engineering Tech

SIGNATURE DATE 3/17/2009

(This space for State use only)

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
DATE: 3/25/09
BY:
* Valid through 7/1/2009 to allow time for MIT

RECEIVED
MAR 23 2009
DIV. OF OIL, GAS & MINING

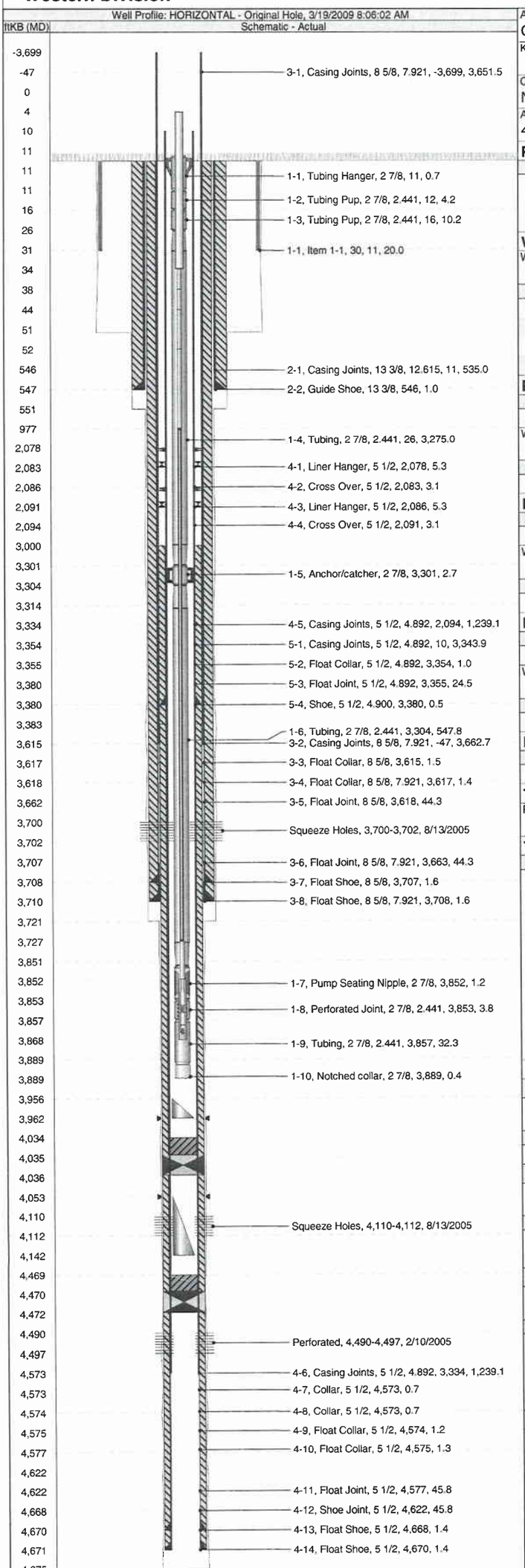
(5/2000) (See Instructions on Reverse Side)

PIONEER
NATURAL RESOURCES

State Wellbore Rpt

Well Name: Castlegate St 11-16H-12-10

Western Division



Area Block Number	County	State
CASTLEGATE	CARBON	UTAH

KB-Grd (ft)	Orig KB Elev (ft)	Gr Elev (ft)	Total Depth (ftKB)	Spud Date
11.00	7,580.00	7,569.00	5,574.0	7/12/2004

QTR/QTR	Section	Township	Range
NWNW	16	12S	10E

API/UWI	Operator
43-007-30961-0000	PIONEER NATURAL RESRC USA INC

Perforations

Top (ftKB)	Btm (ftKB)	Zone
3,700.0	3,702.0	
4,110.0	4,112.0	
4,490.0	4,497.0	

Wellbores

Wellbore Name: Original Hole

Size (in)	Act Top (ftKB)	Act Btm (ftKB)
30	11.0	51.0
17 1/2	51.0	551.0
12 1/4	551.0	3,721.0
7 7/8	3,721.0	4,675.0

PBTDs

Date	Depth (ftKB)
	4,622.0

Wellbore Name: Leg 2

Size (in)	Act Top (ftKB)	Act Btm (ftKB)
4 3/4	3,962.0	4,746.0

PBTDs

Date	Depth (ftKB)

Wellbore Name: Leg 2a

Size (in)	Act Top (ftKB)	Act Btm (ftKB)
4 3/4	3,962.0	5,574.0

PBTDs

Date	Depth (ftKB)

Wellbore Name: Leg 1

Size (in)	Act Top (ftKB)	Act Btm (ftKB)
4 3/4	4,053.0	4,220.0

PBTDs

Date	Depth (ftKB)

Tubing Strings

Run Date	Set Depth (ftKB)	Pull Date	Cut Pull Date	Depth Cut Pull (ft...
5/3/2006	3,889.3			

Tubing Components

Top (ftKB)	Btm (ftKB)	Grade	OD (in)	ID (in)	Wt (lbs/ft)
10.9	11.6		2 7/8		
11.6	15.8	J-55	2 7/8	2.441	6.50
15.8	26.0	J-55	2 7/8	2.441	6.50
26.0	3,301.0	J-55	2 7/8	2.441	6.50
3,301.0	3,303.7		2 7/8		
3,303.7	3,851.5	J-55	2 7/8	2.441	6.50
3,851.5	3,852.7		2 7/8		
3,852.7	3,856.5	J-55	2 7/8	2.441	6.50
3,856.5	3,888.9	J-55	2 7/8	2.441	6.50
3,888.9	3,889.3		2 7/8		

Casing Strings

Conductor, 31.0ftKB

Run Date: 7/12/2004 — Comment:

OD (in)	Item Description	Btm (ftKB)	Jts	ID (in)	Wt (kips)	Grade
30		31.0				

Surface, 547.0ftKB

Run Date: 7/12/2004 — Comment:

OD (in)	Item Description	Btm (ftKB)	Jts	ID (in)	Wt (kips)	Grade
13 3/8	Casing Joints	546.0	13	12.615	29.2	J-55
13 3/8	Guide Shoe	547.0				

Tie Back Liner, 3,380.0ftKB

Run Date: 1/18/2006 — Comment:

OD (in)	Item Description	Btm (ftKB)	Jts	ID (in)	Wt (kips)	Grade
5 1/2	Casing Joints	3,354.0	78	4.892	56.8	J-55
5 1/2	Float Collar	3,355.0	1	4.892	0.0	J-55
5 1/2	Float Joint	3,379.5	1	4.892	0.4	J-55
5 1/2	Shoe	3,380.0	1	4.900	0.0	J-55

Intermediate, 3,710.0ftKB

Run Date: 8/5/2004 — Comment:

OD (in)	Item Description	Btm (ftKB)	Jts	ID (in)	Wt (kips)	Grade
8 5/8	Casing Joints	3,615.3	32	7.921	116.8	J-55
8 5/8	Casing Joints	-36.2	32	7.921	117.2	J-55
8 5/8	Float Collar	3,618.2				
8 5/8	Float Collar	3,616.8	1	7.921	0.0	J-55
8 5/8	Float Joint	3,706.8				

Report Printed: 3/19/2009

PIONEER
NATURAL RESOURCES USA, INC.

October 8, 2008

Dustin K. Doucet
Petroleum Engineer
State of Utah
Division of Oil, Gas & Mining
1594 West North Temple – Suite 1210
Salt Lake City, Utah 84114-5801

43 007 30961
12S 10E 16

RE: Extended SI and TA Well Requirements for Wells on Fee or State Leases

Dear Mr. Doucet,

In response to your letter dated September 3, 2008 and our telephone conversation of October 1, 2008 – Pioneer proposes the following actions:

1. Castlegate St 11-16H: Due to 320 spacing – the well has been SI so the 4-16 well could be produced – The recent hearing on September 24, 2008 reduced spacing to 2 wells per 160 acres in the NW/4 of Sec. 16 – Cause No. 220-08 – Plans are to produce well
2. State 21-10: Well remains SI due to no pipeline
3. Main Canyon St 8-2-15-22 – Writing procedure and securing funding to make necessary repairs and workover – will proceed after weather permits in the late spring of 2009.
4. Shimmin Trust 14-12-12-10 – Will P&A in spring of 2009 – when weather permits – Pioneer will place this well on their priority list to be the 1st well plugged
5. Shimmin Trust 3-14-12-10 – Will P&A in spring of 2009 – when weather permits
6. Shimmin Trust 1-12-12-10 – H2S present SI and locked out – Waiting on full development of field to deal with sour gas
7. Jensen 2-10-12-10 – Surface casing set, was not drilled – will add to our 2010 drilling program
8. Jensen 11-14 - Surface casing set, was not drilled – will add to our 2010 drilling program
9. Atchee #4-25-12-25 – Plan to P&A in 2010

If you have any questions, please contact the undersigned at 303-675-2663, Steve Schreck, Engineering Compliance Supervisor at 303-675-2782 or Bob Sencenbaugh, Staff Operations Engineer at 303-675-2650 – or the letterhead address.

Yours truly,

Joy A. Ziegler
Senior Engineering Tech

RECEIVED
OCT 09 2008
DIV. OF OIL, GAS & MINING

API Well No: 43007309610000

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: ML-44443

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.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Gas Well

8. WELL NAME and NUMBER:
CASTLEGATE ST 11-16H-12-10

2. NAME OF OPERATOR:
PIONEER NATURAL RESOURCES USA, INC

9. API NUMBER:
43007309610000

3. ADDRESS OF OPERATOR:
1401 17th Street, Suite 1200 , Denver, CO, 80202

PHONE NUMBER:
303 298-8100 Ext

9. FIELD and POOL or WILDCAT:
CASTLEGATE

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
0550 FNL 0500 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: NWNW Section: 16 Township: 12.0S Range: 10.0E Meridian: S

COUNTY:
CARBON

STATE:
UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
✓ SUBSEQUENT REPORT Date of Work Completion: 9/21/2009	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
☐ SPUD REPORT Date of Spud:	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: MIT

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

Ran MIT on 9/21/09 - witnessed by Mark Jones with UDOGM. We pressured up to 1200# and leveled off at 1150# and held for 30 minutes. Test passed. MIT chart attached.

Accepted by the Utah Division of Oil, Gas and Mining

FOR RECORD ONLY

September 23, 2009

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Joy A. Ziegler	303 675-2663	Senior Engineering Tech
SIGNATURE		**DATE**
N/A		9/23/2009

Division of Oil, Gas and Mining

OPERATOR CHANGE WORKSHEET (for state use only)

ROUTING
1. DJJ
2. CDW

X - Change of Operator (Well Sold) Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective: **4/1/2010**

FROM: (Old Operator):	**TO:** (New Operator):
N5155-Pioneer Natural Resources USA, Inc.	N3680-Blue Tip Castlegate, Inc.
1401 17th St, Suite 1200	15810 Park Ten Place, Suite 160
Denver, CO 80202	Houston, TX 77084
Phone: 1 (303) 675-2610	Phone: 1 (303) 979-6023

CA No. **Unit:**

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED LIST								

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 6/3/2010
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 6/3/2010
3. The new company was checked on the **Department of Commerce, Division of Corporations Database on:** 5/10/2010
4a. Is the new operator registered in the State of Utah: Business Number: 7624076-0142
5a. (R649-9-2)Waste Management Plan has been received on: Requested 9/13/2010
5b. Inspections of LA PA state/fee well sites complete on: n/a
5c. Reports current for Production/Disposition & Sundries on: ok
6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM not yet BIA
7. **Federal and Indian Units:**
   The BLM or BIA has approved the successor of unit operator for wells listed on: n/a
8. **Federal and Indian Communization Agreements ("CA"):**
   The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
9. **Underground Injection Control ("UIC")** Division has approved UIC Form 5 Transfer of Authority to **Inject,** for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: * Being held

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database on:** 6/30/2010
2. Changes have been entered on the **Monthly Operator Change Spread Sheet on:** 6/30/2010
3. Bond information entered in RBDMS on: 6/30/2010
4. Fee/State wells attached to bond in RBDMS on: 6/30/2010
5. Injection Projects to new operator in RBDMS on: *
6. Receipt of Acceptance of Drilling Procedures for APD/New on: 6/30/2010

BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: B005638
2. Indian well(s) covered by Bond Number: n/a
3a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number B005639 and B005650
3b. The **FORMER** operator has requested a release of liability from their bond on: n/a

LEASE INTEREST OWNER NOTIFICATION:

4. (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 6/30/2010

COMMENTS:

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: See Attached List

2. NAME OF OPERATOR: Blue Tip Castlegate, Inc. N3680

9. API NUMBER:

3. ADDRESS OF OPERATOR: 15810 Park Ten Place - Ste 160 CITY Houston STATE TX ZIP 77084

PHONE NUMBER: (303) 979-6023

10. FIELD AND POOL, OR WILDCAT:

4. LOCATION OF WELL

FOOTAGES AT SURFACE:

COUNTY: Carbon

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

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: 4/1/2010	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☑ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER:
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

Blue Tip Castlegate, Inc. has acquired all of Pioneer Natural Resources USA, Inc's interest in the Castlegate Field - see attached well list. The effective date of change of operator is April 1, 2010.

Betty Brownson 5/13/10
Betty Brownson Date
Attorney-In-Fact
Pioneer Natural Resources USA, Inc. N5155
1401 17th Street - Suite 1200
Denver, CO 80202
Phone: 303-675-2610

Bruce L Taylor 5/13/10
Bruce L. Taylor Date
~~Manager~~ Vice President BLT
Blue Tip Castlegate, Inc.
15810 Park Ten Place - Suite 160
Houston, TX 77084
Telephone: 303-979-6023
State Bond No.: B005639
BLM Bond No.: B005638

NAME (PLEASE PRINT) Bruce L. Taylor TITLE ~~Manager~~ Vice President BLT

SIGNATURE Bruce L Taylor DATE 5/13/10

(This space for State use only)

APPROVED 6/30/2010
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

RECEIVED
JUN 03 2010
DIV. OF OIL, GAS & MINING

(5/2000)

PIONEER NATURAL RESOURCES (N5155) to BLUE TIP CASTLEGATE (N3680)

well_name	sec	twp	rng	api	entity	lease	type	stat	C
SHIMMIN TRUST 5-14-12-10	14	120S	100E	4300730122	14175	Fee	GW	P	
CASTLEGATE FED 7-9-12-10	09	120S	100E	4300730137	12991	Federal	GW	P	
JENSEN 9-10-12-10	10	120S	100E	4300730159	12906	Fee	GW	P	
JENSEN 5-10-12-10	10	120S	100E	4300730162	12905	Fee	GW	S	
JENSEN 16-9-12-10	09	120S	100E	4300730163	12904	Fee	GW	P	
JENSEN 11-10-12-10	10	120S	100E	4300730164	11405	Fee	GW	P	
SHIMMIN TRUST 11-11-12-10	11	120S	100E	4300730166	11410	Fee	GW	P	
CASTLEGATE ST 1-16-12-10	16	120S	100E	4300730589	12610	State	GW	P	
JENSEN 1-10-12-10	10	120S	100E	4300730596	12611	Fee	GW	P	
SHIMMIN TRUST 2-11-12-10	11	120S	100E	4300730659	13070	Fee	GW	P	
SHIMMIN TRUST 4-14-12-10	14	120S	100E	4300730662	13071	Fee	GW	P	
SHIMMIN TRUST 1-11-12-10	11	120S	100E	4300730673	12901	Fee	GW	P	
JENSEN 2-10-12-10	10	120S	100E	4300730675	14225	Fee	GW	OPS	
JENSEN 1-9-12-10	09	120S	100E	4300730717	12903	Fee	GW	P	
JENSEN 1-18-12-10	18	120S	100E	4300730718	14226	Fee	GW	P	
JENSEN 1-4-12-10	04	120S	100E	4300730733	13068	Fee	GW	P	
JENSEN 2-8-12-10	08	120S	100E	4300730734	13275	Fee	GW	P	
JENSEN 2-9-12-10	09	120S	100E	4300730735	13317	Fee	GW	P	
JENSEN 1-15-12-10	15	120S	100E	4300730736	13072	Fee	GW	P	
JENSEN 1-8-12-10	08	120S	100E	4300730768	13359	Fee	GW	P	
CASTLEGATE ST 4-16-12-10	16	120S	100E	4300730785	13318	State	GW	P	
JENSEN DEEP 7-15-12-10	15	120S	100E	4300730786	13247	Fee	GW	S	
CASTLEGATE ST 11-16H-12-10	16	120S	100E	4300730961	14224	State	GW	S	
SHIMMIN 11-14-12-10	14	120S	100E	4300730962	14223	Fee	GW	OPS	
JENSEN 23C-9-12-10	09	120S	100E	4300731211	15770	Fee	GW	P	
JENSEN 33C-9-12-10	09	120S	100E	4300731212	15769	Fee	GW	P	
JENSEN 42C-9-12-10	09	120S	100E	4300731213	15766	Fee	GW	P	
JENSEN 43C-9-12-10	09	120S	100E	4300731214	15768	Fee	GW	P	C
CASTLEGATE FED 22C-9-12-10	09	120S	100E	4300731225	15767	Federal	GW	P	
JENSEN 41C-9-12-10	09	120S	100E	4300731452	17246	Fee	GW	OPS	C
JENSEN 14C-10-12-10	10	120S	100E	4300731453	17235	Fee	GW	P	
JENSEN FED 14C-3-12-10	03	120S	100E	4300731495		Federal	GW	APD	C
JENSEN FED 22C-10-12-10	10	120S	100E	4300731498		Federal	GW	APD	C
JENSEN FED 11C-10-12-10	10	120S	100E	4300731499		Federal	GW	APD	C
JENSEN 14C-4-12-10	04	120S	100E	4300731500		Fee	GW	APD	C
JENSEN 44C-4-12-10	04	120S	100E	4300731501		Fee	GW	APD	C
JENSEN 44C-5-12-10	05	120S	100E	4300731502		Fee	GW	APD	C
JENSEN 34C-9-12-10	09	120S	100E	4300731503		Fee	GW	APD	C
JENSEN 31C-9-12-10	09	120S	100E	4300731504		Fee	GW	APD	C
JENSEN 14C-9-12-10	09	120S	100E	4300731505		Fee	GW	APD	C
JENSEN 11C-9-12-10	09	120S	100E	4300731506		Fee	GW	APD	C
JENSEN 24C-9-12-10	09	120S	100E	4300731507		Fee	GW	APD	C
JENSEN ST 11C-34-11-9	34	110S	090E	4304930024	17071	State	GW	S	C

GARY R. HERBERT
Governor
GREGORY S. BELL
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES
MICHAEL R. STYLER
Executive Director
Division of Oil, Gas and Mining
JOHN R. BAZA
Division Director

March 1, 2011

CERTIFIED MAIL NO.: 7004 1160 0003 0190 4895

Mr. C J Pomeroy
Blue Tip Castlegate, Inc.
3900 So. Wadsworth Blvd STE 340
Lakewood, CO 80235

43 007 30961
Castlegate St 11-16H-12-10
12S 10E 16

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

Dear Mr. Pomeroy:

As of January 2011, Blue Tip Castlegate, Inc. (Blue Tip) has one (1) State Lease Well and two (2) Fee Lease Wells (see Attachment A) that are currently in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status. The Utah Division of Oil, Gas and Mining (Division) wishes to inform Blue Tip that two (2) Fee Lease Wells (Attachment A) are soon approaching the end of granted SI/TA extension, approved through March 30, 2011. Blue Tip also has one (1) State Lease Well (Attachment A) that is past due on approved SI/TA extension, which ended July 7, 2009. Blue Tip has not submitted necessary data with good reason for further extension on said well. Please submit the necessary data as outlined below.

Wells SI/TA beyond twelve (12) consecutive months requires filing a Sundry Notice (R649-3-36-1). Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (649-3-36-1.3.3). For extended SI/TA consideration the operator shall provide the Utah Division of Oil, Gas & Mining with the following:

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

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

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114 -5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

UTAH DNR
OIL, GAS & MINING

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

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

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

Sincerely,

Dustin K. Doucet
Petroleum Engineer

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

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

ATTACHMENT A

		Well Name	API	LEASE	Years Inactive
		1ST NOTICE			
	1	JENSEN 5-10-12-10	43-007-30162	FEE	2 Years
	2	JENSEN 41C-9-12-10	43-007-31452	FEE	2 Years 1 Month
	3	JENSEN ST 11C-34-11-9	43-049-30024	ML-48060	1 Year 4 Months
		PAST DUE SI/TA EXTENSION			
→	4	CASTLEGATE ST 11-16H-12-10	43-007-30961	ML-44443	4 Years 7 Months
		SI/TA EXTENSION ENDING 3/30/2011			
	5	SHIMMIN 11-14	43-007-30962	FEE	6 Years 6 Months
	6	JENSEN 2-10-12-10	43-007-30675	FEE	6 Years 6 Months

Bluetip Castlegate Inc

RECEIVED
MAY 0 3 2011
DIV. OF OIL, GAS & MINING

Attn Mr. Dustin K. Doucet

Fax 801-359-3940

Page 1 of 9

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

BLUE TIP CASTLEGATE, INC.

Mike Cerelli Utah Asset Manager 1205 Independence Ave., Price, UT 84501
e-mail mcerelli@btoperating.com cell 620-202-1749

State Of Utah
Department of Natural Resources
Division of Oil, Gas, and Mining
1594 West Temple , Suite 1210
P.O Box 145801
Salt Lake City, UT 84114-5801
Fax: 801-538-5340

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

Mr. Dustin K Doucet
Petroleum Engineer

Subject: Extended Shut-in and Temporary Abandoned Wells in Castlegate Field owned by Bluetip Castlegate Inc.

Dear Mr Doucet,

I am attaching information in regard to your letter dated March 1, 2011 to Mr. C J Pomeroy regarding our SI/TA wells in the Castlegate field. Regrettably there was a little time delay in getting your request to me, and the reason we did not respond immediately. Please address any further correspondence on these wells to me as I will be the one to gather further info if needed.

I am attaching a summary of the wels with copmments and Wellbore diagrams for all the wells. Please let me know what further information may be required.

Here is our intent:
Send you Sundry notices on the folowing mentioned wells:

- Castlegate St 11-16H-12-10 – Will get pressure and fluid shot and file Sundry notice for extention
  # 43-007-30961 12S 10E 16
- Jensen State 11C-34-11-9 - Will get pressure and fluid shot and file Sundry notice for extention
  # 43-049-30024 11S 9E 34
- Jensen 2-10-12-10 – Surface casing only – Will file Sundry notice to have time to evaluate use in futher development # 43-007-30675 12S 10E 10
- Jensen 41C-9-12-10 – Will file Sundry notive to complete well in June
  # 43-007-31452 12S 10E 9

BLUE TIP CASTLEGATE, INC.

- Shimmin 11-14-12-10 - – Surface casing only – Will file Sundry notice to have time to evaluate use in futher development # 43-007-30962 12S 10E 14

- Jensen 5-10 – Fished well and put on production – developing Sundry notice now
43-007-30162 12S 10E 10

Sorry for the delay in responding. Please let me know if you need anything else right now. We will be sending out the Sundry notices as soon as we get pressures and take fliuid shots on the Castlegate St 11-16H-12-10 and the Jensen State 11C-34-11-9.

Thanks,

Mike Cerelli
Cell 620-202-1749
mcerelli@btoperating.com

2011-05-03 16:39

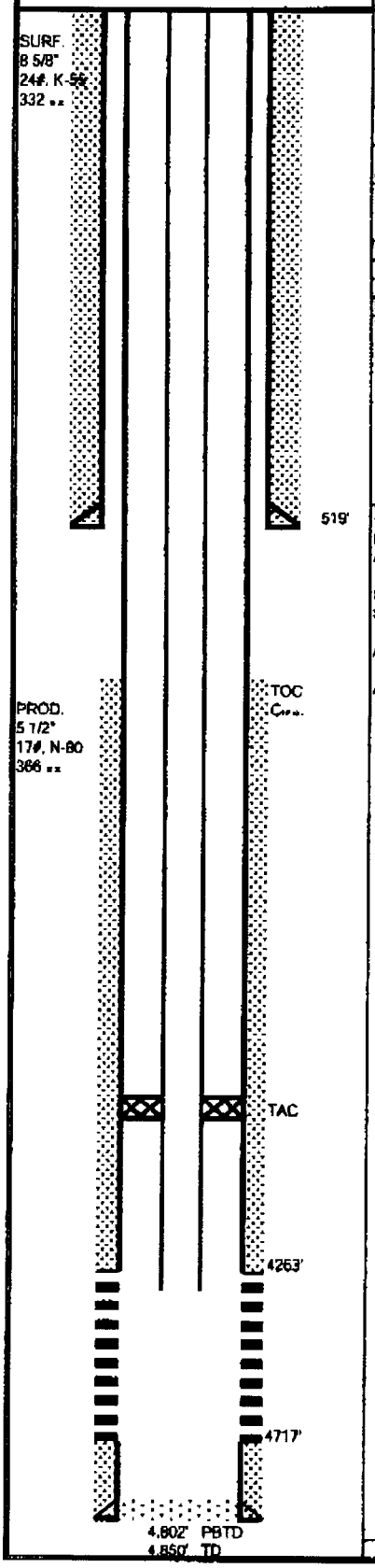
14356372051 >>

Bluetip Castlegate Sundry Notices									
Well Name	API Number	Q	S	T	R	State Inactive date	Comments	Wellbore Diagram	Will request from state
Coalbed gas - SI/TA									
Castlegate St 11-16H-12-10	43007309610000	NWNW	16	12S	10E	4 yrs 7 months	Horizontal well. Has wellhead. Unofficial report was that they lost coiled tobing in hole, pulled it in two, and fished out some of the pieces. Need to check further to see if wellbore may be open to a decent depth and can be produced.	Attached	Extention to allow futher evaluation of well and possible producing scenarios and testing. Will get pressures and fluid shot.
Jensen State 11C-34-11-9	43049300240000	NWNW	34	11S	9E	1 yr 4 months	5 miles to well. However looks like it is completed in Spring Canynon. Has tubing in hole. Last report said they were unable to kill well. Need to check pressure. May recommend flaring productivity/pressure test? Possible surface line test if enough volume?	Attached	Extention to allow for evaluation and testing. May test in Spring Canyon and depending on test, complete up hole or get production test up hole.Will get pressures and fluid shot.
Waiting on Completion									
Jensen 2-10-12-10 *	43007306750000	NESE	10	12S	10E	6 yrs 6 months	8 5/8 casing only with water at surface	Attached	Request extention as may be part of future development - surface casing only
Jensen 41C-9-12-10	43007314520000	NENE	9	12S	10E	2 yrs 1 month	Well that we are going to frac. Has production casing. Water within top 10' of surface. No wellhead yet. Will run cement bond log first.	Attached	Extention, however plan on running CBL this month and completeing next month - June 2011 Will send out Sundry notice. Pioneer applied for extention last year.
Shimmin 11-14-12-10 *	43007309620000	NWNW	14	12S	10E	6 yrs 6 months	8 5/8 casing only with water close to surface	Attached	Request extention as may be part of future development - surface casing only
* SI/TA effective through 4/1/10; extension applied for									
Misc									
Jensen 5-10	4300730162		10	12S	10E	2 years	Fished well, installed submersible and put on production. Initially 2000' FOP with 250 psi on casing	Attached	Fished well and put on production. Developing Sundry notice

P 4/10

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC



LEASE NAME	Jensen 5-10-12-10					WELL NO.	
TYPE COMPLETION:	SINGLE	DUAL		OTHER		API#	43-007-30162
LOCATION:	570' FWL & 2065' FNL, Sec 5 Blk 10						
TD 4,850'	PBD 4,802'		KB 7,246'		DF 15'		
COD	DOD		GL 7,231'				
NO. PROD. WELLS ON LEASE		FLOWING	PUMPING		GAS LIFT		
25		0	0		0		
ZONE TO BE WORKED ON:			CURRENT COMPLETION ZONE:				
Blackhawk			Blackhawk				
CSG. PERFS:			OPEN HOLE :				
4623' - 4758'							

CASING BREAKDOWN

SURF.	12 1/4" Hole	SIZE:	8 5/8"	24#, K-55	DEPTH 519'	CMT	332 sx
PROD.	7 7/8" Hole	SIZE:	5 1/2"	17#, N-80	DEPTH 4,850'	CMT	366 sx
LINER		SIZE:			DEPTH	CMT	

TUBING BREAKDOWN

144 jts	4,716.74'	2 7/8", 6.5#, J-55	
	14.00'	KB	
	4,730.74'	Total	

ROD BREAKDOWN

NO RODS RAN SUBMERSABLE PUMP
Pump assembly of 52'
with 1- 9' 2 7/8 sub
with 2- check valve assemblies 1' each
Pump intake landed @ 4,769.00

SUMMARY OF PREVIOUS WORKOVERS

Date	AFE #	
Aug-92		Spudded and drilled 12-1/4" hole to 522'. Run in hole with 8-5/8", 24#, K-55 casing. ST&C csg to 519'. Drilled 7-7/8" hole to 4850'. Run in hole with 5-1/2", 17#, N-80 casing. LT&C to 4850'. See Pioneer well history file for details.
Sep-93		Frac 4654-4757 w/ 39M GAL XL CMHEC, 36# 100 MESH, 40M# 16/30. NO RC.
Sep-93		Frac 4264-4598 w/ 56M GAL XL CMHEC, 37# 100 MESH, 71M# 16/30. NO RC.
April-2-11		Fished well to remove rod guides and parted tubing was succesful cleaned out hole.
April-9-11		Installed Submersible pump.

PREPARED BY: Jeff Ryan

REVISION:

CREATED: 4/5/2011

Pioneer Natural Resources

WELLBORE SCHEMATIC

WELL: [redacted] FIELD: [redacted]

API: [redacted] updated [redacted] BY: [redacted]

SURFACE LOCATION: [redacted] County: [redacted]

BOTTOM LOCATION [redacted] KB to GL 11

SEC: 16 TWP: [redacted] RGE: [redacted] GL elev: [redacted] KB elev: [redacted]

Pumping Unit

Motor

Casing hanger

Tubing hanger:

Surface 17 1/2 Hole To 540

13 3/8 Surface Casing ____ Jts

54.5 lb/ft J-55 Grade

Landed 536

Cement Lead Neat 475 sks ____ cf/sk ____ ppg adds

TOC Surf

Int 12 1/4 Hole To 3721

8 5/8 Int Casing 84 Jts

32 lb/ft J-55 Grade

Landed 3710 FC 3664

Cement Lead CBM Lite 380 sks ____ cf/sk ____ ppg adds

Tail Type 3 175 sks ____ cf/sk ____ ppg adds

TOC ____

Window cut 3956 to 3962

Lateral 4 3/4" bit 1405 ft Az-146

Producing Intervals

Perforations	length	Fmtn spf	phase	charge

Stimulation sand size gals type

Prod 7 7/8 Hole To 4675

5 1/2 Tie back Casing 78 Jts

17 lb/ft J-55 Grade

Landed 3383 FC 3357

Cement Lead Class G 60 sks ____ cf/sk ____ ppg adds

TOC 3000

Rod configuration

No	size	description	Landed
1	Unk	Pump	
5	1"	Plain Rods	
110	3/4"	Plain Rods	
37	7/8"	Plain Rods	
1	8',6',4',	Pony Rods	
1		Polish Rod	

Whipstock

Landed 3962

RBP

Landed 4035

Remarks:

Directional Info

	TD	TVD	Azimuth
KO	3956	3956	
Hold			
TD			

5 1/2 Liner Casing 28 Jts

17 lb/ft J-55 Grade

Liner Hanger 3374 Landed 4671

Cement Lead 50/50 Poz mix 265 sks ____ cf/sk ____ ppg adds

TOC 3374

2 7/8 Tubing 103 Jts ____

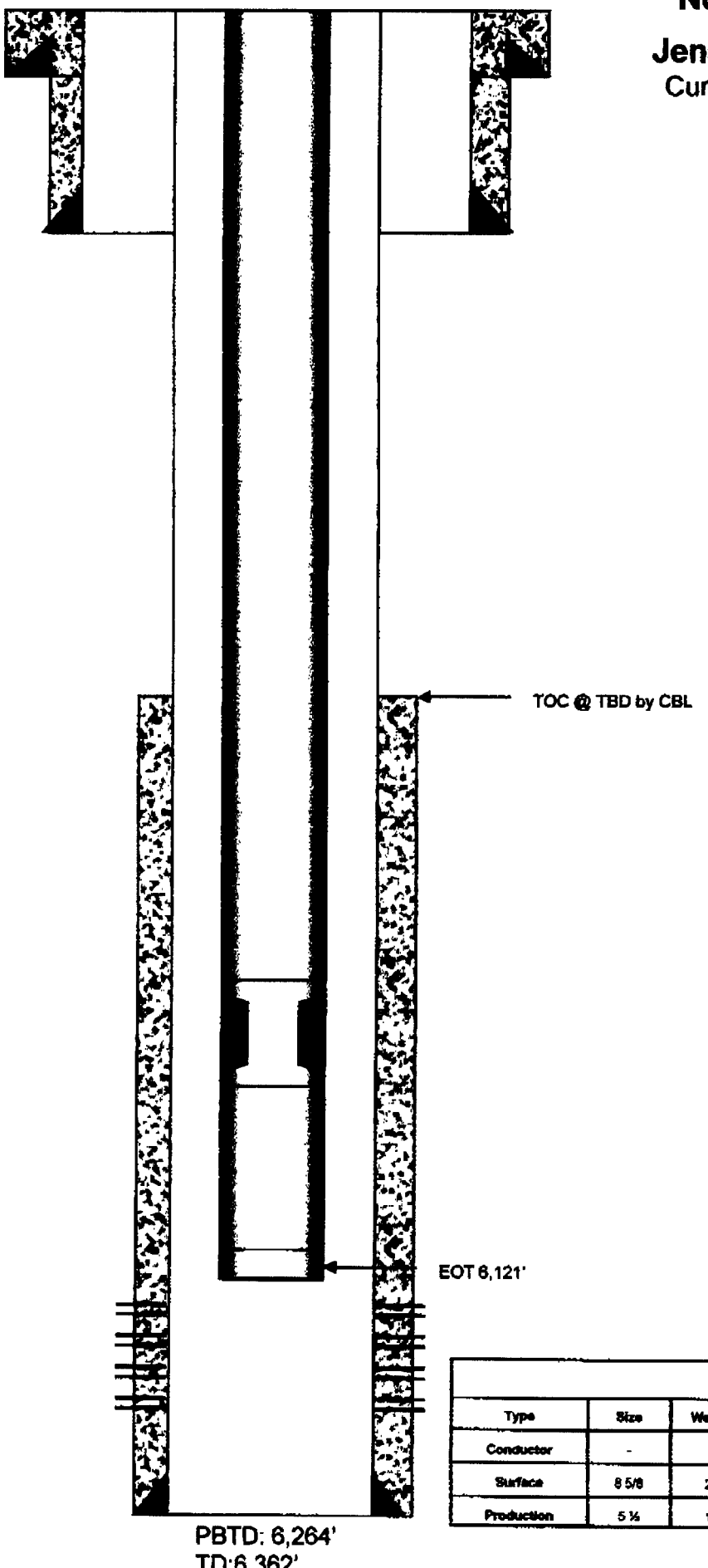
6.5 lb/ft J-55 Grade

Tubing Anchor 3301

2 7/8 Tubing 17 Jts ____

6.5 lb/ft J-55 Grade

SN 3851 ft EOT 3889 ft



Note: Not To Scale

Jensen State 11C-34 11 9

Current Status: waiting on completion

API #:	43-049-30024-0000
WI:	100%
NRI:	80%
GL:	7,305 ft
KB:	7,316ft
Location:	NWNW
	Sec 34-T11S-R(E

Geologic Data		
Formation	Log Top	Log Bottom
Price River	3850	-
Castlegate	4850	-
Blackhawk	5350	-
Spring Canyon	6128	-

Completion Data		
Perforation Depth	Formation	SPF
6124	6131	4
6140	6155	4
6176	6186	4
6226	6236	4

Tubing Data	
Joints	195
Size	2.875"
Weight	6.57#
Grade	J-55
Connection	EUE
I.D. (in)	2.441
Drift I.D. (in)	2.347
Tubing Capacity (bbl/ft)	0.00579
Annular Capacity (bbl/ft)	0.0152
Collapse (psi)	7,680
Burst (psi)	7,260
Yield (lbs)	99,700
Yield (80% Maximum Pull – lbs)	79,760

Casing Data						
Type	Size	Weight	Grade	Depth	ID	Drift
Conductor	-	-	-	40	-	-
Surface	8 5/8	24	J-55	696	8.097	7.972
Production	5 ½	17	N-80	6,350	4.892	4.653

Sencenbaugh 9/9/09

PIONEER
NATURAL RESOURCES

Schematic - Current

Well Name: Jensen 2-10-12-10

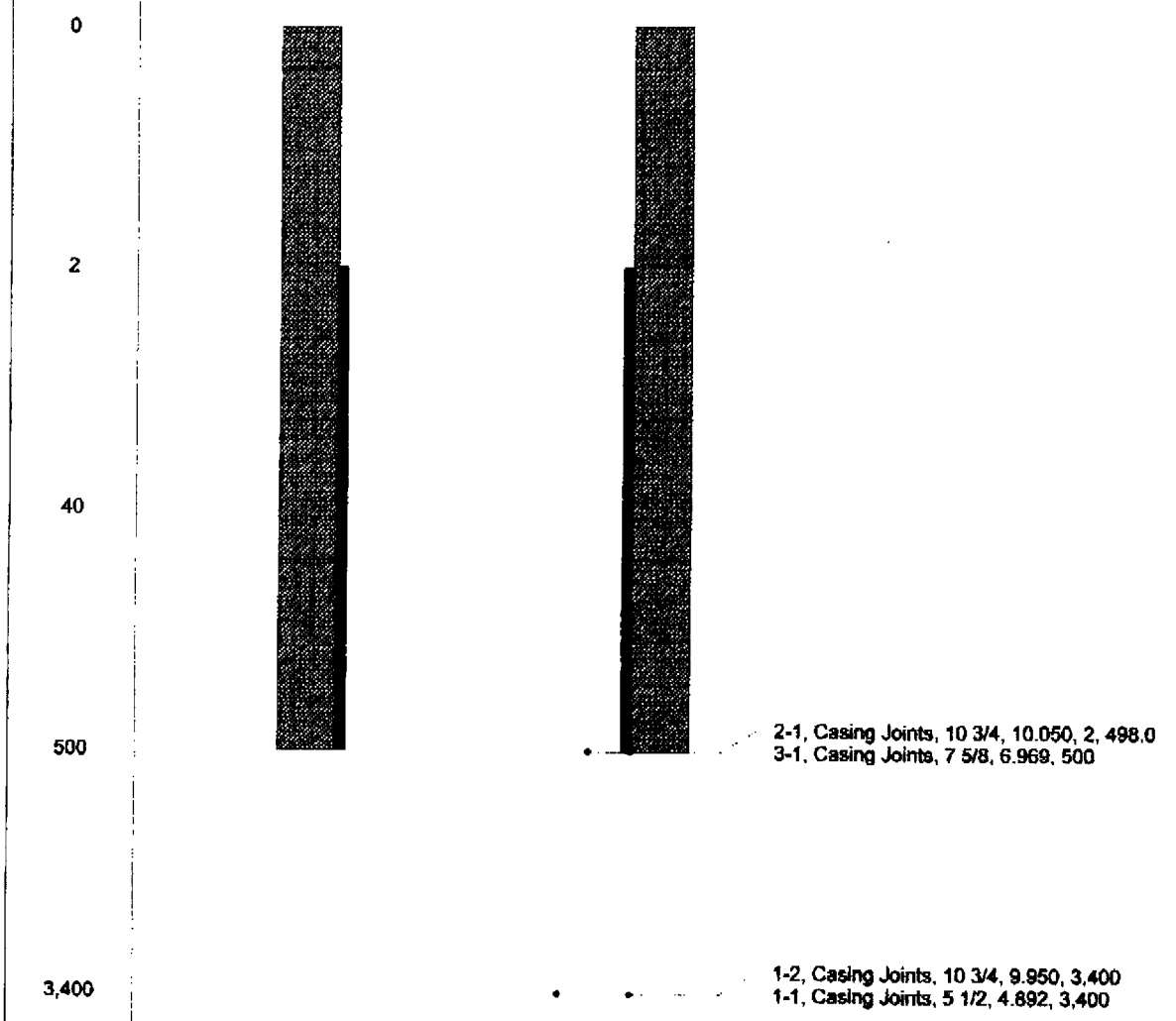
API/UWI	Surface Legal Location	License/Lease Number	Field Name	State
43-007-30675-0000	NESE Sec 10 T12S R10E		CASTLEGATE	UTAH
Well Profile	**Original KB Elevation (ft)**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**	**KB-Tubing Head Distance (ft)**
VERTICAL				

Most Recent Job

Job Category	Primary Job Type	Secondary Job Type	Start Date	End Date
OTHER	OTHER	OTHER	7/13/2004	7/13/2004

TD: 500.0

Well Profile: VERTICAL - Original Hole, 10/13/2009 4:13:53 PM
Schematic - Actual



PIONEER
NATURAL RESOURCES

Schematic - Current

Well Name: Jensen 41C-9-12-10

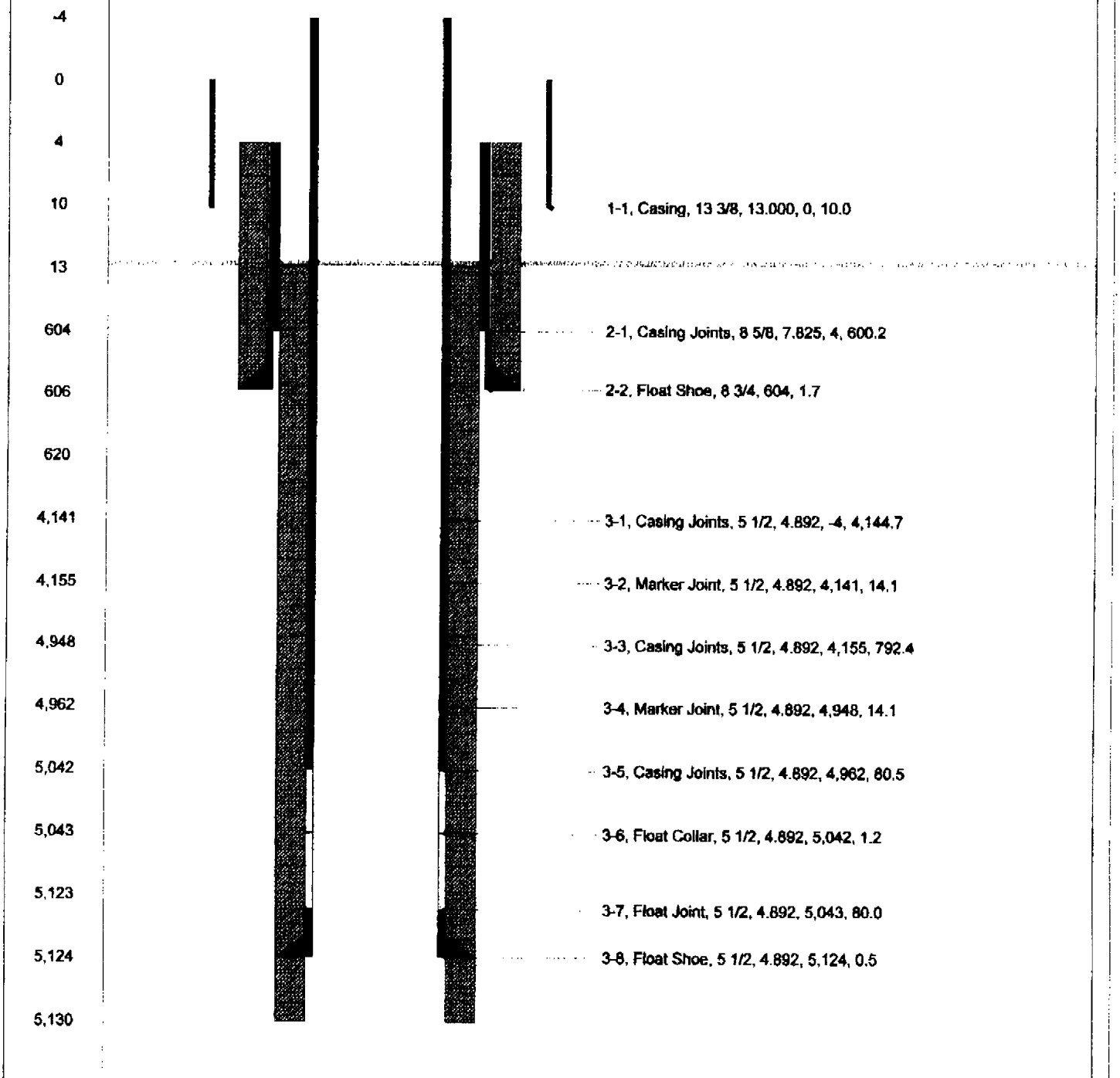
API/UWI	Surface Legal Location	License/Lease Number	Field Name	State
43-007-31452-0000			CASTLEGATE	UTAH
Well Profile	**Original KB Elevation (ft)**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**	**KB-Tubing Head Distance (ft)**
VERTICAL	7,353.00	13.00		

Most Recent Job

Job Category	Primary Job Type	Secondary Job Type	Start Date	End Date
DEVELOPMENT DRILL &	DEV DRILL & COMPLETE		11/21/2008	12/12/2008

TD: 5,130.0

Well Profile: VERTICAL - Original Hole, 10/13/2009 4:36:25 PM
Schematic - Actual



PIONEER
NATURAL RESOURCES

Schematic - Current

Well Name: Shimmin 11-14-12-10

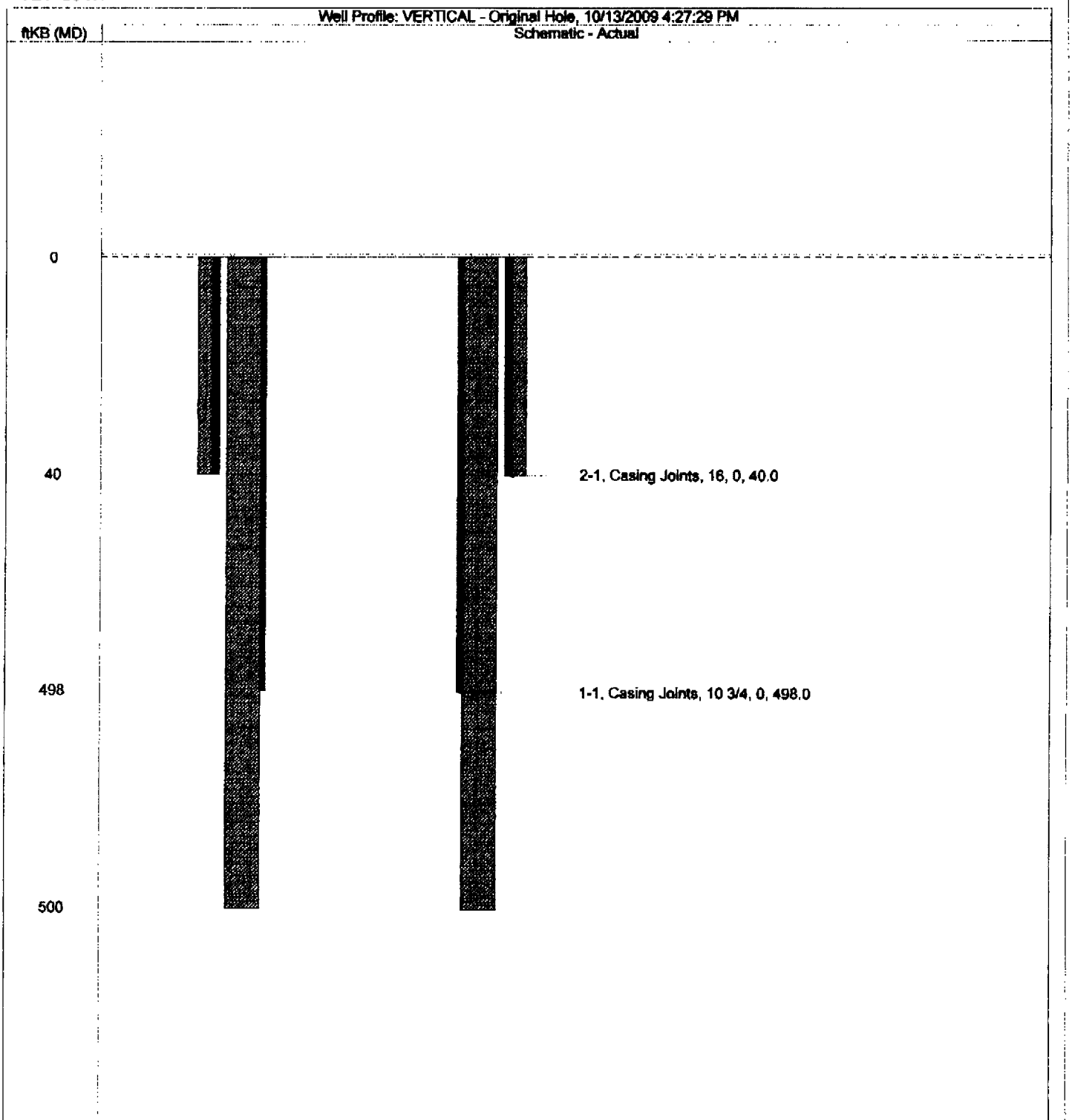
API/UWI	Surface Legal Location	License/Lease Number	Field Name	State
43-007-30962-0000			CASTLEGATE	UTAH
Well Profile	**Original KB Elevation (ft)**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**	**KB-Tubing Head Distance (ft)**
VERTICAL				

Most Recent Job

Job Category	Primary Job Type	Secondary Job Type	Start Date	End Date
DEVELOPMENT DRILL &	DEV DRILL & COMPLETE		7/10/2004	7/12/2004

TD: 500.0

Well Profile: VERTICAL - Original Hole, 10/13/2009 4:27:29 PM
Schematic - Actual



GARY R. HERBERT
Governor
GREGORY S. BELL
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES
MICHAEL R. STYLER
Executive Director
Division of Oil, Gas and Mining
JOHN R. BAZA
Division Director

April 17, 2012

CERTIFIED MAIL NO.: 7011 0110 0001 3568 1878

Mr. Mike Cerelli
Blue Tip Castlegate, Inc.
1205 Independence Ave
Price, UT 84501

43 007 30961
CastleGate St. 11-16H-12-10
12S 10E 16

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

Dear Mr. Cerelli:

As of January 2012, Blue Tip Castlegate, Inc. (Blue Tip) has two (2) State Lease Wells and two (2) Fee Lease Wells (see attachment A) that are currently in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status. The Utah Division of Oil, Gas and Mining (Division) has previously noticed Blue Tip of the deficiency for these wells. The most recent notice letter was dated March 2, 2011. Blue Tip responded to the notice for the wells as follows: Shimmin 11-14 and Jensen 2-10-12-10 – sent sundries dated 5/27/2011 requesting SI/TA extension for purposes of completing drilling. An e-mail was sent out by Dustin Doucet in addition to an official sundry response denying these requests. The reason for denial was due to the lack of evidence provided by Blue Tip showing that the wells are not a risk to public health and safety or the environment.

To date, Blue tip has not submitted necessary data for any of the aforementioned wells, showing good reason for further extension. Please submit the necessary data as outlined below.

Wells SI/TA beyond twelve (12) consecutive months requires filing a Sundry Notice (R649-3-36-1). Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (649-3-36-1.3.3).

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

1. Reasons for SI/TA of the well (R649-3-36-1.1).

2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and

3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).

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

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

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

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

Sincerely,

for Dustin K. Doucet
Petroleum Engineer

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

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

ATTACHMENT A

	Well Name	API	LEASE	Years Inactive
	2ND NOTICE			
1	JENSEN ST 11C-34-11-9	43-049-30024	ML-48060	2 Year 4 Months
	2ND NOTICE W/ PAST DUE SI/TA EXTENSIONS			
2	CASTLEGATE ST 11-16H-12-10	43-007-30961	ML-44443	5 Years 7 Months
3	SHIMMIN 11-14	43-007-30962	FEE	7 Years 6 Months
4	JENSEN 2-10-12-10	43-007-30675	FEE	7 Years 6 Months

FORM 9

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

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-44443

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

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

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: Castlegate St 11-16H-12-10

2. NAME OF OPERATOR: Blue Tip Castlegate, Inc

9. API NUMBER: 4300730961

3. ADDRESS OF OPERATOR: 15810 Park Ten Pl., Ste 169 CITY Houston STATE TX ZIP 77084

PHONE NUMBER: (435) 820-0482

10. FIELD AND POOL, OR WILDCAT: Castlegate

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 550' FNL 500' FWL

COUNTY: Carbon

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 16 12S 10E S

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: 6/18/2012	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: MIT
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

This well is SI/TA while we evaluate its usefulness to de-water nearby wells Jensen 1-9, Jensen 1-8, and Castlegate St. 4-16. Blue Tip Castlegate plans to conduct an MIT for supporting data needed to request extension of SI/TA status

The MIT procedure will be as follows:
1) MIRU water truck with triplex pump
2) Set removable bridge plug on wireline @ 4470ft MD
3) Install chart recorder on well head & second line on annulus
4) Load well with formation water
5) Pressure up to 1000 psi and shut in pump
6) Record pressure for 30 minutes
7) RD and release pump truck

COPY SENT TO OPERATOR
Date: 7·16·2012
Initials: KS

NAME (PLEASE PRINT) Gary Green TITLE Field Supervisor

SIGNATURE Gary Green DATE 6/28/2012

(This space for State use only)

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
DATE: 7/2/2012
BY:

RECEIVED
JUN 28 2012
DIV. OF OIL, GAS & MINING

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

PIONEER
NATURAL RESOURCES

Schematic - Current

Well Name: Castlegate St 11-16H-12-10

API/UWI	Surface Legal Location	License/Lease Number	Field Name	State
43-007-30961-0000	NWNW Sec 16 T12S R10E		CASTLEGATE	UTAH
Well Profile	**Original KB Elevation (ft)**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**	**KB-Tubing Head Distance (ft)**
HORIZONTAL	7,580.00	11.00		

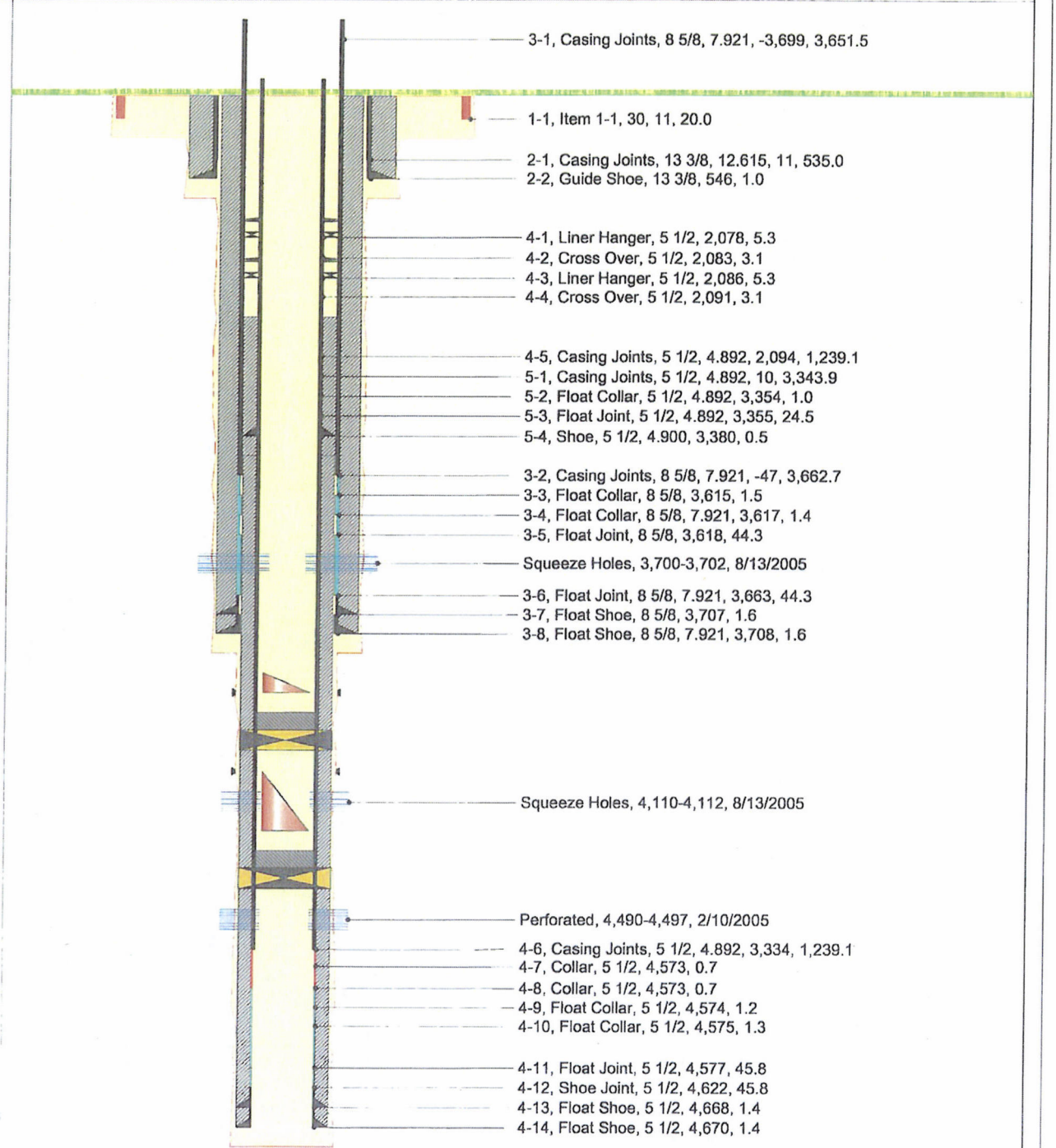
Most Recent Job

Job Category	Primary Job Type	Secondary Job Type	Start Date	End Date
ABANDON TA	BRIDGE PLUG		9/18/2009	9/21/2009

TD: 5,574.0

Well Profile: HORIZONTAL - Original Hole, 10/13/2009 4:26:09 PM

Schematic - Actual



Report Printed: 10/13/2009

FORM 9

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

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-44443

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: Castle Gate St 11-16H-12-10

2. NAME OF OPERATOR: Blue Tip Castle Gate. Inc

9. API NUMBER: 4300730961

3. ADDRESS OF OPERATOR: 15810 Park Ten PL, Ste 169 CITY Houston STATE TX ZIP 77084

PHONE NUMBER: (435) 820-0482

10. FIELD AND POOL, OR WILDCAT: Castle Gate

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 550' FNL 500' FWL

COUNTY: Carbon

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 16 12S 10E S

STATE: UTAH

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

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

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

This well is SI/TA while we evaluate the usefulness to de-water nearby wells Jensen 1-9, Jensen 1-8, and Castle Gate 4-16. We conducted an MIT on this well on 9/12/27. The casing was pressure tested at 1000 PSI and held that pressure for 33 mins, proving integrity. We are requesting a two year extension to SI/TA this well.

COPY SENT TO OPERATOR
Date: 10/10/2012
Initials: KS

NAME (PLEASE PRINT) Gary Green TITLE Field Supervisor

SIGNATURE Gary Green DATE 10/3/2012

(This space for State use only)

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

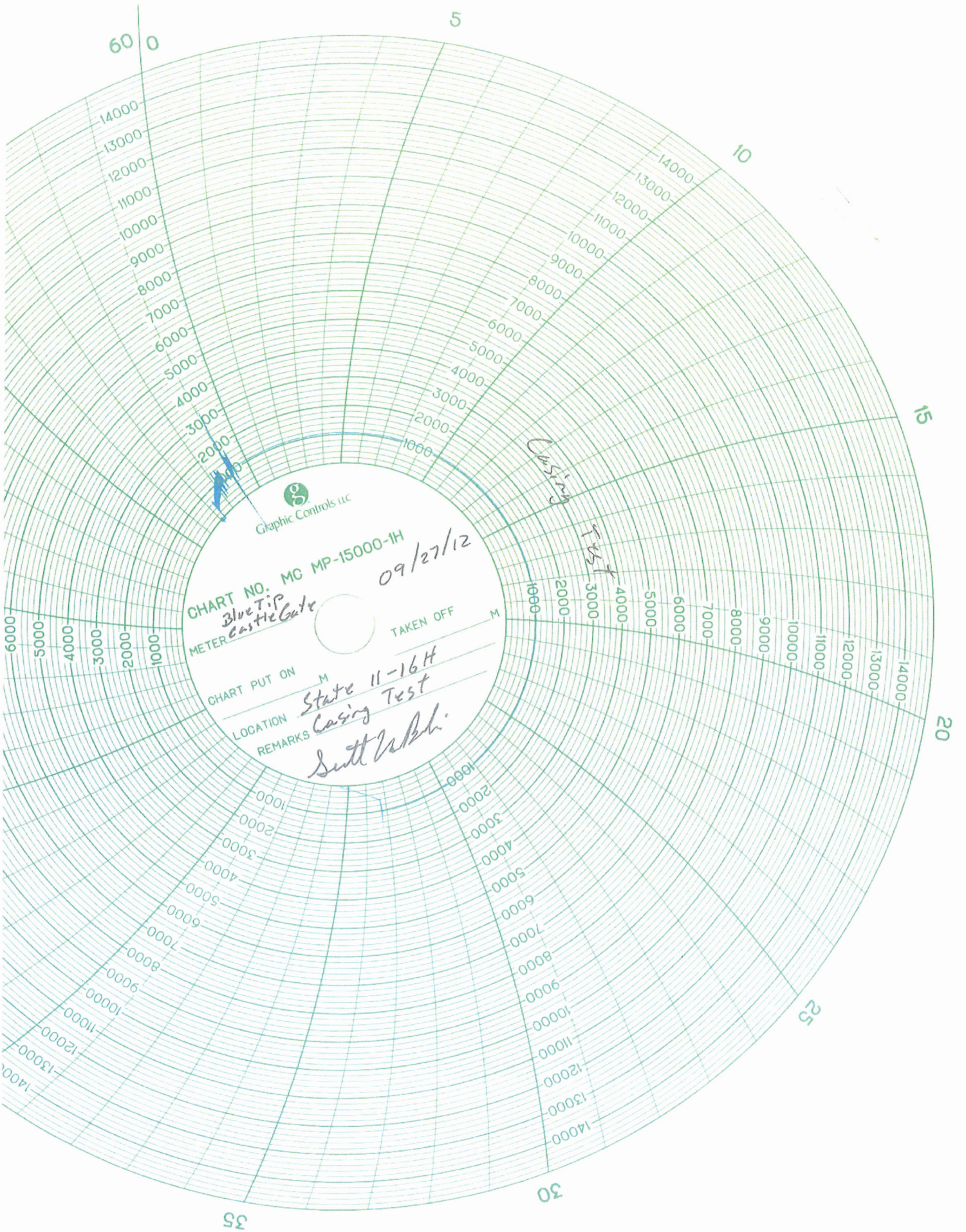
DATE: 10/4/2012 (See Instructions on Reverse Side)

BY: DS

* Extension Valid Through 10/1/2013

RECEIVED
OCT 03 2012
DIV. OF OIL, GAS & MINING

(5/2000)


Graphic Controls LLC
CHART NO. MC MP-15000-1H
METER Blue Tip Castle Gate
09/27/12
TAKEN OFF M
CHART PUT ON M
LOCATION State 11-16H
REMARKS Casing Test
Casing Test

GARY R. HERBERT
Governor
SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES
MICHAEL R. STYLER
Executive Director
Division of Oil, Gas and Mining
JOHN R. BAZA
Division Director

September 3, 2014

CERTIFIED MAIL NO.: 7011 2970 0001 8828 1573

Mr. Mike Cerelli
Blue Tip Castlegate, Inc.
14905 120TH RD
Erie, KS 66733

43 007 30961
Castlegate St 11-16H-12-10
16 12S 10E

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

Dear Mr. Cerelli:

As of April 2014, Blue Tip Castlegate, Inc. (Blue Tip) has three (3) State Lease Wells and three (3) Fee Lease Wells (see attachment A) that are currently in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status.

Two of these wells (attachment A) have previously been issued notices of non-compliance and have remained in non-compliance. Both wells are over five (5) years shut-in (attachment A) and must comply with R649-3-36-1.3.3 as stated below.

Blue Tip shall immediately submit plans and timeframes for each well stating which wells will be plugged, placed back on production, or requesting SI/TA extension with proof of wellbore integrity and good cause for such request. All wells need an individual sundry filed and are required to meet the SI/TA rules as listed below.

Wells SI/TA beyond twelve (12) consecutive months requires filing a Sundry Notice (R649-3-36-1). Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (649-3-36-1.3.3). For extended SI/TA consideration the operator shall provide the Utah Division of Oil, Gas & Mining with the following:

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

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

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

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

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

Sincerely,

Dustin K. Doucet
Petroleum Engineer

DKD/JP/js

cc: Compliance File
Well File
LaVonne Garrison, SITLA

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

Attachment A

	Well Name	API	LEASE	Years Inactive	Prior Notice
1	CASTLEGATE ST 11-16H-12-10	43-007-30961	ML-44443	7 years 10 months	2ND NOTICE
2	JENSEN ST 11C-34-11-9	43-049-30024	ML-48060	5 years 1 month	2ND NOTICE
3	JENSEN 1-18-12-10	43-007-30718	FEE	2 years 5 months	
4	JENSEN 1-15-12-10	43-007-30736	FEE	2 years 11 months	
5	CASTLEGATE ST 4-16-12-10	43-007-30785	ML-44443	2 years 8 months	
6	JENSEN DEEP 7-15-12-10	43-007-30786	FEE	1 year 11 months	

GARY R. HERBERT
Governor
SPENCER J. COX
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES
MICHAEL R. STYLER
Executive Director
Division of Oil, Gas and Mining
JOHN R. BAZA
Division Director

June 25, 2015

CERTIFIED MAIL NO. 7014 2870 0001 4232 4504

43 007 30961
Castlegate St. 11-16H-12-10
16 12S 10E

Ms. Wendy Clemente
Blue Tip Castlegate, Inc.
15810 Park Ten Place, Suite 160
Houston, TX 77084

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

Dear Ms. Clemente:

As of January 2015, Blue Tip Castlegate, Inc. (Blue Tip) has three (3) State Lease Wells and four (4) Fee Lease Wells (see attachment A) that are currently in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status. Three (3) of these wells were added to Blue Tip's SI/TA list in 2015 (attachment A).

The Castlegate ST 11-16H-12-10, Jensen ST 11C-34-11-9, Jensen 1-18-12-10, and Castlegate ST 4-16-12-10 wells (attachment A) have previously been issued notices of non-compliance. Blue Tip submitted requests for extended SI/TA status for these wells in September 2014. The Division denied the request due to Blue Tip failing to provide the necessary information showing good cause or wellbore integrity as required by rule R649-3-36. The Castlegate ST 11-16H-12-10 and Jensen ST 11C-34-11-9 wells are over five (5) years shut-in (attachment A) and must comply with R649-3-36-1.3.3 as stated below.

Blue Tip shall immediately submit plans and timeframes for each well stating which wells will be plugged, placed back on production, or requesting SI/TA extension with proof of wellbore integrity and good cause for such request. Each well needs an individual sundry filed meeting the SI/TA rules as listed below.

Wells SI/TA beyond twelve (12) consecutive months requires filing a Sundry Notice via ePermit (R649-3-36-1). Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (649-3-36-1.3.3). For extended SI/TA consideration the operator shall provide the Utah Division of Oil, Gas & Mining with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1)

2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and

3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).

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

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

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

All Submittals should be sent via ePermit

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

Sincerely,

Dustin K. Doucet
Petroleum Engineer

DKD/JP/js
Enclosure

cc: Compliance File
Well File
LaVonne Garrison, SITLA
N:\O&G Reviewed Docs\ChronFile\PetroleumEngineer\SITA

Attachment A

	Well Name	API	LEASE	Years Inactive	Prior Notice
1	CASTLEGATE ST 11-16H-12-10	43-007-30961	ML-44443	8 years 7 Months	Reissued 2ND NOTICE
2	JENSEN ST 11C-34-11-9	43-049-30024	ML-48060	5 years 4 months	Reissued 2ND NOTICE
3	JENSEN 1-18-12-10	43-007-30718	FEE	3 years 2 months	NOTICED
4	CASTLEGATE ST 4-16-12-10	43-007-30785	ML-44443	3 years 5 months	NOTICED
5	SHIMMIN TRUST 5-14-12-10	43-007-30122	FEE	1 year 1 month	
6	SHIMMIN TRUST 11-11-12-10	43-007-30166	FEE	1 year 8 months	
7	SHIMMIN TRUST 1-11-12-10	43-007-30673	FEE	1 year 3 months	

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: ML-44443

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.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Gas Well

8. WELL NAME and NUMBER:
CASTLEGATE ST 11-16H-12-10

2. NAME OF OPERATOR:
BLUE TIP CASTLEGATE, INC.

9. API NUMBER:
43007309610000

3. ADDRESS OF OPERATOR:
1205 Independence Ave. , Price , UT, 84501

PHONE NUMBER:
620 202-1749 Ext

9. FIELD and POOL or WILDCAT:
CASTLEGATE

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
0550 FNL 0500 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: NWNW Section: 16 Township: 12.0S Range: 10.0E Meridian: S

COUNTY:
CARBON

STATE:
UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 10/31/2015	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	✓ PLUG AND ABANDON	☐ PLUG BACK
☐ SPUD REPORT Date of Spud:	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

Approved by the
Utah Division of
Oil, Gas and Mining

Date: October 19, 2015

By: Dark K Quist

Please Review Attached Conditions of Approval

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Wendy Clemente	720 924-2036	Legal/Operations Assistant
SIGNATURE		**DATE**
N/A		8/20/2015

RECEIVED: Aug. 20, 2015

The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Sundry Conditions of Approval Well Number 43007309610000

1. Notify the Division at least 24 hours prior to conducting abandonment operations. Please call Dan Jarvis at 801-538-5338. 2. Amend Plug #2: RIH and perforate 5 1/2" @ 2450' Establish injection into perfs. RIH with CICR and set at 2400'. Sting into CICR and establish circulation down the 5 1/2" casing back up the 5 1/2" x 8 5/8" annulus. M&P 54 sx cement, sting into CICR pump 37 sx, sting out and dump 17 sx on top of CICR. If injection into the 5 1/2" perfs cannot be established: M&P 23 sx cement from 2500' to 2300'. 3. Amend Plug #3. RIH and perforate 5 1/2" @ 600' Establish circulation down the 5 1/2" casing back up the 5 1/2" x 8 5/8" annulus. RIH with CICR and set at 550'. Sting into CICR and establish circulation down the 5 1/2" casing back up the 5 1/2" x 8 5/8" annulus. M&P 28 sx cement, sting into CICR pump 22 sx, sting out and dump 6 sx on top of CICR. 4. Amend Plug # 4: Perf@ 100' circulate cement through perfs back to surface (28 sx). 5. All balanced plugs shall be tagged to ensure that they are at the depth specified. 6. All annuli shall be cemented from a minimum depth of 100' to the surface. 7. Surface reclamation shall be done in accordance with R649-3-34 – Well Site Restoration. 8. All requirements in the Oil and Gas Conservation General Rule R649-3-24 shall apply. 9. If there are any changes to the procedure or the wellbore configuration, notify Dustin Doucet at 801-538-5281 (office) or 801-733-0983 (home) prior to continuing with the procedure. 10. All other requirements for notice and reporting in the Oil and Gas Conservation General Rules shall apply.

RECEIVED: Oct. 19, 2015

9/18/2015

Wellbore Diagram

r263

API Well No: 43-007-30961-00-00 **Permit No:** **Well Name/No:** CASTLEGATE ST 11-16H-12-10

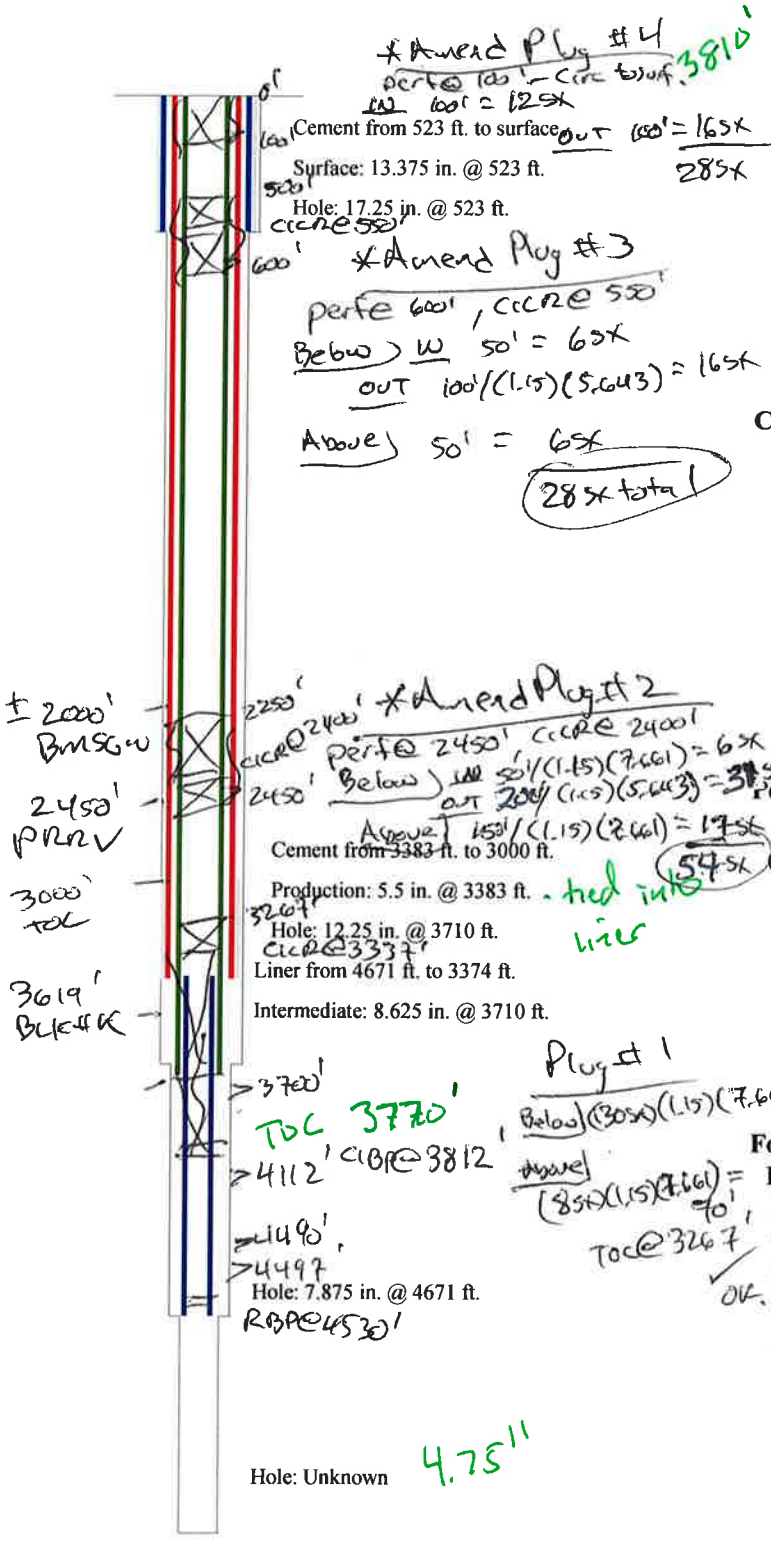
Company Name: BLUE TIP CASTLEGATE, INC.

Location: Sec: 16 T: 12S R: 10E Spot: NWNW

Coordinates: X: 515818 Y: 4404393

Field Name: CASTLEGATE

County Name: CARBON



TD: 5500 **TVD:** 4150 **PBTD:**

String Information

String	Bottom (ft sub)	Diameter (inches)	Weight (lb/ft)	Length (ft)
HOL1	523	17.25		
SURF	523	13.375	54.5	523
HOL2	3710	12.25		
I1	3710	8.625	32	3810
HOL3	4671	7.875		
L1	4671	5.5	17	4671
PROD	3383	5.5	17	

Cement Information

String	BOC (ft sub)	TOC (ft sub)	Class	Sacks
I1	3710	8	UK	560
L1	4671	3374	PC	265
PROD	3383	3000		
SURF	523	0	PM	475

Perforation Information

Top (ft sub)	Bottom (ft sub)	Shts/Ft	No Shts	Dt Squeeze
3700	3702			
4110	4112			
4490	4497			

Formation Information

Formation	Depth
PRRV	2450
CSLGT	3269
BLKHK	3619
BMSW	2000'
ABERD	4519
SPCYN	4764

Sundry Number: 65593 API Well Number: 43007309610000

Reset Form

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-44443

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: Castlegate St 11-16H-12-10

2. NAME OF OPERATOR: Blue Tip Castlegate, Inc., Attn: Dana Boughal

9. API NUMBER: 4300730961

3. ADDRESS OF OPERATOR: 15810 Park Ten Place #160 CITY Houston STATE Tx ZIP 77084

PHONE NUMBER: (281) 944-3800

10. FIELD AND POOL, OR WILDCAT: Castlegate

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 550' FNL 500' FWL

COUNTY: Carbon

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 16 12S 10E

STATE: UTAH

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

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

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

Please see the attached 6 pages for the plug and abandon procedure and proposed well bore diagram
Plugging operations will begin September/October 2015
Reclamation planned immediately following plugging completion.

NAME (PLEASE PRINT) Wendy Clemente

TITLE Legal/Operations Assistant

SIGNATURE Digitally signed by Wendy Clemente
Date: 2015.08.19 16:20:34 -05'00'

DATE

(This space for State use only)

(5/2000)

(See Instructions on Reverse Side)

RECEIVED: Aug. 20, 2015

INSTRUCTIONS

This form shall be submitted by the operator to show the intention and/or completion of the following:

- miscellaneous work projects and actions for which other specific report forms do not exist;
- all other work and events as identified in section 11, Type of Action, or as required by the Utah Oil and Gas Conservation General Rules, including:
  - minor deepening of an existing well bore,
  - plugging back a well,
  - recompleting to a different producing formation within an existing well bore (intent only),
  - reperforating the current producing formation,
  - drilling a sidetrack to repair a well,
  - reporting monthly the status of each drilling well.

This form is not to be used for proposals to

- drill new wells,
- reenter previously plugged and abandoned wells,
- significantly deepen existing wells below their current bottom-hole depth,
- drill horizontal laterals from an existing well bore,
- drill hydrocarbon exploratory holes such as core samples and stratigraphic tests.

Use Form 3, Application for Permit to Drill (APD) for such proposals.

NOTICE OF INTENT - A notice of intention to do work on a well or to change plans previously approved shall be submitted in duplicate and must be received and approved by the division before the work is commenced. The operator is responsible for receipt of the notice by the division in ample time for proper consideration and action. In cases of emergency, the operator may obtain verbal approval to commence work. Within five days after receiving verbal approval, the operator shall submit a Sundry Notice describing the work and acknowledging the verbal approval.

SUBSEQUENT REPORT - A subsequent report shall be submitted to the division within 30 days of the completion of the outlined work. Specific details of the work performed should be provided, including dates, well depths, placement of plugs, etc.

WELL ABANDONMENT - Proposals to abandon a well and subsequent reports of abandonment should include reasons for the abandonment; data on any former or present productive zones, or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, and method of parting of any casing, liner, or tubing pulled and the depth to top of any left in the hole; method of closing top of well; and date well site conditioned for final inspection looking to approval of the abandonment.

In addition to any Sundry Notice forms submitted, **Form 8, Well Completion or Recompletion Report and Log** must be submitted to the division to report the results of the following operations:

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

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

(5/2000)

RECEIVED: Aug. 20, 2015

BLUE TIP OPERATING

Blue Tip Castlegate, Inc.

PLUG & ABANDON PLAN

Castlegate St 11-16H-12-10
550’ FNL, 500’ FWL
NWNW Sec.16 T12S-R10E
Carbon County, Utah
API# 43-007-30961

7/21/2015

Approved by: *Mike Cerelli* _____
Mike Cerelli
Vice President-Operations

RECEIVED: Aug. 20, 2015

GENERAL INFORMATION

WELL NAME: Castlegate St 11-16H-12-10

API# 43-007-30961

LOCATION: 550’ FNL, 500’ FWL
NWNW Sec.16 T12S-R10E
Carbon County, Utah

OBJECTIVE: Plug and abandon wellbore in accordance with UDOGM regulations. Reclaim and seed location

TOTAL DEPTH: 5574’ Initial PBTD 3962’ Whipstock

ELEVATION: 7568′ GL Drilling Rig KB=11.0′

CASING DETAIL:

Surface Casing	13 3/8” 54.5 lb/ft J-55 landed at 536 ft
Conductor Cement	475 sks Premium cement to surface
Production Casing	8 5/8” 32 lb/ft J-55 ST&C landed at 3,710 ft FC at 3,664 ft
Production Cement	380 sks 50/50 poz mix, tail - 175 sks Type 3 TOC 3,770 ft
Production Liner	5 ½” 17 lb/ft N-80 landed at 4,671 ft Liner hanger at 3,374 ft
Liner Cement	Lead - 265 sks 50/50 Poz Mix TOC at hanger
Whipstock	3,962 ft, window cut 3,956 ft to 3,962 ft

PERFORATION DETAIL:

Top	Bottom	SPF	Phasing	Formation
3,700	**3,702**	**4**	**60**	**Squeeze holes**
4,110	**4,112**	**4**	**60**	**Squeeze holes**
4,490	**4,497**	**4**	**60**	**Blackhawk**

RECEIVED: Aug. 20, 2015

FORMATION TOPS:

Price River Fm	2,449
Castlegate Fm	3,269
Blackhawk Fm	3,619
Blackhawk Coal Section	3,989
Blackhawk H Coal	4,014
Aberdeen SS	4,519
Lower Aberdeen	4,639
Spring Canyon SS	4,764

PRESSURE DATA: Not available at this time.

RECEIVED: Aug. 20, 2015

PLUG & ABANDON PROCEDURE

NOTE: Fresh water with Corrosion Inhibitor (Multi-Chem C-6895 ½ gallon per 1000 gal water) and Biocide (Multi-Chem B-8850 ½ gallon per 1000 gal water) will be placed between plugs. The reclamation and seeding will be scheduled to be completed during "Fall Seeding" of 2015.

1. Test anchors.
2. MIRU completion rig, BOP, and associated plugging equipment.
3. PU bit and casing scraper dressed for 5 ½" 17 lb/ft casing. Tally in w/ 2 7/8" tubing to 3800'. CIBP at 3812'. TOH
4. PU retainer for 5½", 17 lb/ft casing and RIH. Set retainer @3337''
5. RU cement equipment. Establish injection rate.
6. Pump 130 sks class G cement below retainer and leave 8 sks on top (Cover 8 5/8 csg)
7. Set 200 ft balanced plug from 1800'-2000' 23 sks
8. Set 200 ft balanced plug from 450'-650' 23 sks (Cover surface pipe) 13 3/8)
9. Set plug from 200 ft to surface 23 sks
10. Rig down cement equipment. Total - Premium Class G Cmt 207 sks 15.8#/gal 1.15 cuft/sk 5.0 gal/sk
11. Top off casing with cement.
12. Excavate casing head. Cut off casing at least 3' below reclaimed ground elevation.

RECEIVED: Aug. 20, 2015

13. Install marker plate made from ¼" plate welded in place leaving a weep hole with the following information:
    Blue Tip Castlegate, LLC
    Castlegate St 11-16H-12-10
    550’ FNL, 500’ FWL
    NWNW Sec.16 T12S-R10E
    Carbon County, Utah
    API 43-007-30961

14. Using hand held GPS, record latitude and longitude of wellhead.

15. Reclaim location restoring contour as close as practical to original landscape.

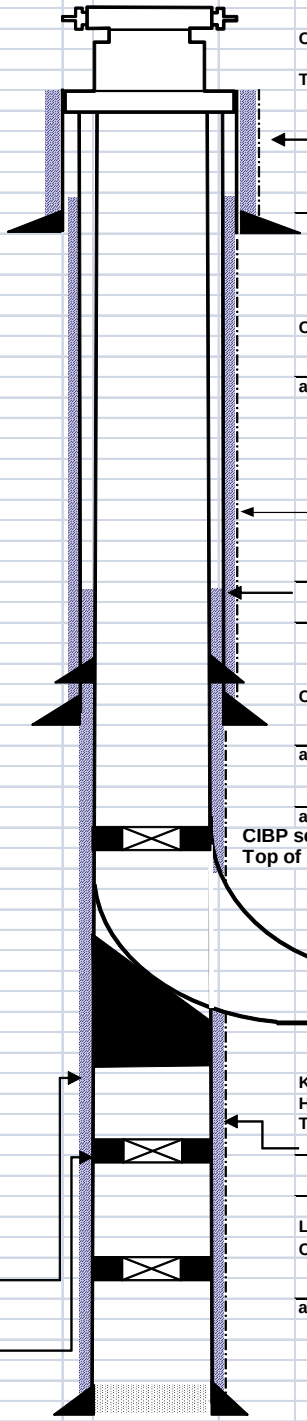
16. Seed location during the fall 2015 seeding window using the landowner requirements for seed mixture:

RECEIVED: Aug. 20, 2015

Castlegate St 11-16H-12-10
Plug & Abandon

WELLBORE SCHEMATIC

WELL:	State 11-16H				FIELD:	Castlegate			
API:	43-007-30961				updated	7/6/06	BY:	RNS	
SURFACE LOCATION:	550 ft FNL & 500 ft FWL				County:	Carbon			
BOTTOM LOCATION	1715 ft FNL & 1286 ft FWL				KB to GL	11			
SEC: 16	TWP: 12S	RGE: 10E			GL elev:	7569		KB elev:	7580



Casing hanger
Tubing hanger:

Surface 17 1/2 Hole To 540

13 3/8 Surface Casing Jts
54.5 lb/ft J-55 Grade
Landed 536

Cement
Lead Neat
475 sks cf/sk ppg
adds
TOC Surf

Int 12 1/4 Hole To 3721

8 5/8 Int Casing 84 Jts
32 lb/ft J-55 Grade
Landed 3710 FC 3664

Cement
Lead CBM Lite
380 sks
adds Type 3
Tail
175 sks
adds

CIBP set at 3812 for previous MIT
Top of Fish at 3952'

Prod 7 7/8 Hole To 4675

5 1/2 Tie back Casing 78 Jts
17 lb/ft J-55 Grade
Landed 3383 FC 3357

Cement
Lead TOC 3000
60

Window cut 3956 to 3962
Lateral 4 3/4" bit 1405 ft Az-146

Rod configuration

None

Directional info

	TD	TVD	Azimuth
K/O	3956	3956	
Hold			
TD			

5 1/2 Liner Casing 28 Jts
17 lb/ft J-55 Grade

Liner Hanger 3374 Landed 4671

Cement
Lead 50/50 Poz mix
265 sks cf/sk ppg
adds

TOC 3374

Whipstock
Landed 3962

RBP
Landed 4035

RECEIVED: Aug. 20, 2015

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

NOTICE OF VIOLATION
STATE OF UTAH
OIL AND GAS CONSERVATION ACT

◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆

TO THE FOLLOWING OPERATOR:

Operator Name: Blue Tip Castlegate
Attn: Wendy Clemente
Mailing Address: 1205 Independence Ave.
Price, UT 84501

16 12S 10E

	Well or Site	API #
→ 1	Castlegate ST 11-16H-12-10	43-007-30961
2	Jensen ST 11C-34-11-9	43-049-30024
3	Jensen 1-18-12-10	43-007-30718
4	Castlegate ST 4-16-12-10	43-007-30785
5	Shimmin Trust 5-14-12-10	43-007-30122
6	Shimmin Trust 11-11-12-10	43-007-30166
7	Shimmin Trust 1-11-12-10	43-007-30673

Date and Time of Inspection/Violation: April 26, 2016

Under the authority of the Utah Oil and Gas Conservation Act, Section 40-6 et. Seq., Utah Code Annotated, 1953, as amended, the undersigned authorized representative of the Division of Oil, Gas and Mining (Division) has conducted an inspection of the above described site and/or records on the above date and has found alleged violation(s) of the act, rules or permit conditions as described below.

Description of Violation(s):
Rule R649-3-36, *Shut-in and Temporarily Abandoned Wells* – According to Rule R649-3-36, the operator is required to supply the Division with reasons for extended SI/TA, the length of time for extended SI/TA and proof of well bore integrity for every well SI/TA over 12 consecutive months. After 5 years of continued SI/TA, the wells are to be plugged unless good cause is supplied to the Division for extended SI/TA in addition to the required information just mentioned.

Rule R649-3-4.3 *Bonding* – If the division finds that a well subject to this bonding rule is in violation of Rule R649-3-36, *Shut –in and Temporarily Abandoned Wells*, the division shall require a bond amount for the applicable well in the amount of actual plugging and site restorations costs.

Rule R649-3-4.41 *Bonding* – Within 30 days of notification by the division, the operator shall submit to the division an estimate of plugging and site restoration costs for division review and approval.

The first four wells listed above had P&A procedures approved October 2015 and have not yet been plugged. The next three wells were to be P&A'd this spring. The Division has not yet received sundries with plugging plans for these three wells. The last well on the list has been shut in for 2.5 years and is in violation of Rule R649-3-36. You were contacted via email on January 20, 2016, requesting a status update that you did not respond to. There is one additional well, the Shimmin Trust 2-11-12-10, API 43-007-30659, that has been shut in for 1.5 years and is in violation of Rule R649-3-36.

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

Even though this well is not included in this violation, consider this as notice that this well is not in compliance and needs to be brought into compliance.

Immediate Action: For the wells subject to this notice, Blue Tip Castlegate shall fulfill full cost bonding requirements for each well. Blue Tip Castlegate shall also submit all information as required by R649-3-36 or plug and abandon or place the well(s) on production.

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

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

Compliance Deadline: May 31, 2016

Date of Service Mailing: April 28, 2016 **Certified Mail No.: 7015 0640 0003 5275 9925**

Division Representative Signature

Operator Representative (if presented in person)

cc: Compliance File
Well Files
LaVonne Garrison, SITLA

4/2016

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

NOTICE OF VIOLATION
STATE OF UTAH
OIL AND GAS CONSERVATION ACT

TO THE FOLLOWING OPERATOR:

Operator Name:	Blue Tip Castlegate	Blue Tip Castlegate
Attn:	Wendy Clemente	Wendy Clemente
Mailing Address:	~~1205 Independence Ave.~~	15810 Park Ten Place, Ste 160
	~~Price, UT 84501~~	Houston, TX 77084

	Well or Site	API #
1	Castlegate ST 11-16H-12-10	43-007-30961
2	Jensen ST 11C-34-11-9	43-049-30024
3	Jensen 1-18-12-10	43-007-30718
4	Castlegate ST 4-16-12-10	43-007-30785
5	Shimmin Trust 5-14-12-10	43-007-30122
6	Shimmin Trust 11-11-12-10	43-007-30166
7	Shimmin Trust 1-11-12-10	43-007-30673

16 12S 10E

Date and Time of Inspection/Violation: April 26, 2016

Under the authority of the Utah Oil and Gas Conservation Act, Section 40-6 et. Seq., Utah Code Annotated, 1953, as amended, the undersigned authorized representative of the Division of Oil, Gas and Mining (Division) has conducted an inspection of the above described site and/or records on the above date and has found alleged violation(s) of the act, rules or permit conditions as described below.

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

Even though this well is not included in this violation, consider this as notice that this well is not in compliance and needs to be brought into compliance.

Immediate Action: For the wells subject to this notice, Blue Tip Castlegate shall fulfill full cost bonding requirements for each well. Blue Tip Castlegate shall also submit all information as required by R649-3-36 or plug and abandon or place the well(s) on production.

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

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

Compliance Deadline: May 31, 2016

~~**Date of Service Mailing: April 28, 2016 Certified Mail No.: 7015 0640 0003 5275 9925**~~
Date of Service 2nd Mailing: May 11, 2016 Certified Mail No.: 7015 0640 0003 5275 9994 (address change)

Division Representative Signature

Operator Representative (if presented in person)

cc: Compliance File
Well Files
LaVonne Garrison, SITLA

4/2016

Division of Oil, Gas and Mining
Operator Change/Name Change Worksheet-for State use only

Effective Date: 7/1/2016

FORMER OPERATOR:	NEW OPERATOR:
Blue Tip Castlegate, Inc. 15810 Park Ten Place, Suite 160 Houston TX 77084	Liberty Pioneer Energy Sources, Inc. 1411 East 840 North Orem UT 84097
CA Number(s):	Unit(s): N/A

WELL INFORMATION:

Well Name	Sec	TWN	RNG	API	Entity	Mineral	Surface	Type	Status
See Attached List									

OPERATOR CHANGES DOCUMENTATION:

1. Sundry or legal documentation was received from the **FORMER** operator on: 7/21/2016
2. Sundry or legal documentation was received from the **NEW** operator on: 7/21/2016
3. New operator Division of Corporations Business Number: 6353640-0143

REVIEW:

1. Surface Agreement Sundry from **NEW** operator on Fee Surface wells received on: N/A
2. Receipt of Acceptance of Drilling Procedures for APD on: N/A
3. Reports current for Production/Disposition & Sundries: 8/26/2016
4. OPS/SI/TA well(s) reviewed for full cost bonding: 8/26/2016
5. UIC5 on all disposal/injection/storage well(s) approved on: 8/26/2016
6. Surface Facility(s) included in operator change: N/A
7. Inspections of PA state/fee well sites complete on (only upon operators request): N/A

NEW OPERATOR BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: ~~N/A~~ UTB000334
2. Indian well(s) covered by Bond Number: N/A
3. State/fee well(s) covered by Bond Number(s): RLB0012097

DATA ENTRY:

1. Well(s) update in the **OGIS** on: 8/26/2016
2. Entity Number(s) updated in **OGIS** on: 8/26/2016
3. Unit(s) operator number update in **OGIS** on: N/A
4. Surface Facilities update in **OGIS** on: N/A
5. State/Fee well(s) attached to bond(s) in **RBDMS** on: 8/26/2016
6. Surface Facilities update in **RBDMS** on: N/A

COMMENTS:

From: Blue Tip Castlegate, Inc.
To: Liberty Pioneer Energy Source, Inc.
Effective: 7/1/2016

Well Name	Sec	TWN	RNG	API Number	Entity	Mineral	Surface	Type	Status
CASTLEGATE ST 1-35-12-10 WD	35	110S	100E	4301332308	13472	State	State	WD	A
JENSEN 9-10-12-10	10	120S	100E	4300730159	12906	Fee	Fee	GW	P
JENSEN 5-10-12-10	10	120S	100E	4300730162	12905	Fee	Fee	GW	P
JENSEN 16-9-12-10	9	120S	100E	4300730163	12904	Fee	Fee	GW	P
JENSEN 11-10-12-10	10	120S	100E	4300730164	11405	Fee	Fee	GW	P
CASTLEGATE ST 1-16-12-10	16	120S	100E	4300730589	12610	State	State	GW	P
JENSEN 1-10-12-10	10	120S	100E	4300730596	12611	Fee	Fee	GW	P
JENSEN 1-9-12-10	9	120S	100E	4300730717	12903	Fee	Fee	GW	P
JENSEN 2-9-12-10	9	120S	100E	4300730735	13317	Fee	Fee	GW	P
JENSEN 1-15-12-10	15	120S	100E	4300730736	13072	Fee	Fee	GW	P
JENSEN 1-8-12-10	8	120S	100E	4300730768	13359	Fee	Fee	GW	P
JENSEN DEEP 7-15-12-10	15	120S	100E	4300730786	13247	Fee	Fee	GW	P
JENSEN 23C-9-12-10	9	120S	100E	4300731211	15770	Fee	Fee	GW	P
JENSEN 33C-9-12-10	9	120S	100E	4300731212	15769	Fee	Fee	GW	P
JENSEN 43C-9-12-10	9	120S	100E	4300731214	15768	Fee	Fee	GW	P
CASTLEGATE FED 22C-9-12-10	9	120S	100E	4300731225	15767	Federal	Federal	GW	P
JENSEN 41C-9-12-10	9	120S	100E	4300731452	17246	Fee	Fee	GW	P
JENSEN 14C-10-12-10	10	120S	100E	4300731453	17235	Fee	Fee	GW	P
JENSEN FED 6-10-12-10	10	120S	100E	4300750177	18209	Federal	Fee	GW	P
SHIMMIN TRUST 5-14-12-10	14	120S	100E	4300730122	14175	Fee	Fee	GW	S
CASTLEGATE FED 7-9-12-10	9	120S	100E	4300730137	12991	Federal	Federal	GW	S
SHIMMIN TRUST 11-11-12-10	11	120S	100E	4300730166	11410	Fee	Fee	GW	S
SHIMMIN TRUST 2-11-12-10	11	120S	100E	4300730659	13070	Fee	Fee	GW	S
SHIMMIN TRUST 4-14-12-10	14	120S	100E	4300730662	13071	Fee	Fee	GW	S
SHIMMIN TRUST 1-11-12-10	11	120S	100E	4300730673	12901	Fee	Fee	GW	S
JENSEN 1-18-12-10	18	120S	100E	4300730718	14226	Fee	Fee	GW	S
JENSEN 1-4-12-10	4	120S	100E	4300730733	13068	Fee	Fee	GW	S
JENSEN 2-8-12-10	8	120S	100E	4300730734	13275	Fee	Fee	GW	S
CASTLEGATE ST 4-16-12-10	16	120S	100E	4300730785	13318	State	State	GW	S
CASTLEGATE ST 11-16H-12-10	16	120S	100E	4300730961	14224	State	State	GW	S
JENSEN 42C-9-12-10	9	120S	100E	4300731213	15766	Fee	Fee	GW	S
JENSEN 2C-9	9	120S	100E	4300750179	18242	Fee	Fee	GW	S
JENSEN ST 11C-34-11-9	34	110S	090E	4304930024	17071	State	Fee	GW	S

FORM 9

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

5. LEASE DESIGNATION AND SERIAL NUMBER: SEE ATTACHED LIST

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

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

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☒ OTHER

8. WELL NAME and NUMBER: SEE ATTACHED LIST

2. NAME OF OPERATOR: Liberty Pioneer Energy Source, Inc.

9. API NUMBER: SEE ATTACHED LIST

3. ADDRESS OF OPERATOR: 1411 E 840 N CITY Orem STATE UT ZIP 84097

PHONE NUMBER: (801)224-4771

10. FIELD AND POOL, OR WILDCAT:

4. LOCATION OF WELL

FOOTAGES AT SURFACE: SEE ATTACHED LIST

COUNTY:

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

STATE: UTAH

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

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

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

CHANGE OF OPERATOR

PREVIOUS OPERATOR:
Blue Tip Castlegate, Inc. N3680
15810 Park Ten Place - Suite 160
Houston, TX 77084
Phone (281) 994-3800

Operator Number N3680

By: Bruce L Taylor
Bruce L. Taylor, Vice President

NEW OPERATOR:
Liberty Pioneer Energy Source, Inc. N2855
1411 East 840 North
Orem, UT 84097
Phone (801) 224-4771

Operator Number N2855

RECEIVED
JUL 21 2016
DIV. OF OIL, GAS & MINING

Be advised that Liberty Pioneer Energy Source, Inc. is responsible under the terms and conditions of the related leases for the operations conducted upon the leased lands. Bond coverage is covered by Bond No. RLB0012097.

NAME (PLEASE PRINT) Kimball Hodges TITLE Vice President of Liberty Pioneer Energy Source, Inc.

SIGNATURE DATE 7/18/16

(This space for State use only)

APPROVED
AUG 26 2016
DIV. OIL GAS & MINING
BY: Rachel Medina

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

ATTACHED LIST to Change of Operator Sundry Notice

BTC WELL NUMBER	WELL NAME AND NUMBER	LEGAL DESCRIPTION	OPERATOR	API	COUNTY	STATE
2080001	JENSEN 1-4-12-10	Salt Lake Meridian T12S R10E Sec 04: SWSE	BLUE TIP CASTLEGATE INC.	43-007-30733-0000	CARBON	UTAH
2080002	JENSEN 1-8-12-10	Salt Lake Meridian T12S R10E Sec 08: NESE	BLUE TIP CASTLEGATE INC.	43-007-30768-0000	CARBON	UTAH
2080003	JENSEN 2-8-12-10	Salt Lake Meridian T12S R10E Sec 08: NENE	BLUE TIP CASTLEGATE INC.	43-007-30734-0000	CARBON	UTAH
2080004	CASTLEGATE FED 22C-9-12-10	Salt Lake Meridian T12S R10E Sec 09: SENW	BLUE TIP CASTLEGATE INC.	43-007-31225-0000	CARBON	UTAH
2080005	CASTLEGATE FED 7-9-12-10	Salt Lake Meridian T12S R10E Sec 09: SWNE	BLUE TIP CASTLEGATE INC.	43-007-30137-0000	CARBON	UTAH
2080006	JENSEN 1-9-12-10	Salt Lake Meridian T12S R10E Sec 09: NWSW	BLUE TIP CASTLEGATE INC.	43-007-30717-0000	CARBON	UTAH
2080007	JENSEN 2-9-12-10	Salt Lake Meridian T12S R10E Sec 09: NENW	BLUE TIP CASTLEGATE INC.	43-007-30735-0000	CARBON	UTAH
2080008	JENSEN 16-9-12-10	Salt Lake Meridian T12S R10E Sec 09: SESE	BLUE TIP CASTLEGATE INC.	43-007-30163-0000	CARBON	UTAH
2080009	JENSEN 23C-9-12-10	Salt Lake Meridian T12S R10E Sec 09: NESW	BLUE TIP CASTLEGATE INC.	43-007-31211-0000	CARBON	UTAH
2080010	JENSEN 33C-9-12-10	Salt Lake Meridian T12S R10E Sec 09: NWSE	BLUE TIP CASTLEGATE INC.	43-007-31212-0000	CARBON	UTAH
2080011	JENSEN 42C-9-12-10	Salt Lake Meridian T12S R10E Sec 09: SENE	BLUE TIP CASTLEGATE INC.	43-007-31213-0000	CARBON	UTAH
2080012	JENSEN 43C-9-12-10	Salt Lake Meridian T12S R10E Sec 09: NESE	BLUE TIP CASTLEGATE INC.	43-007-31214-0000	CARBON	UTAH
2080013	JENSEN 1-10-12-10	Salt Lake Meridian T12S R10E Sec 10: NWSW	BLUE TIP CASTLEGATE INC.	43-007-30596-0000	CARBON	UTAH
2080014	JENSEN 5-10-12-10	Salt Lake Meridian T12S R10E Sec 10: SWNW	BLUE TIP CASTLEGATE INC.	43-007-30162-0000	CARBON	UTAH
2080015	JENSEN 11-10-12-10	Salt Lake Meridian T12S R10E Sec 10: NESW	BLUE TIP CASTLEGATE INC.	43-007-30164-0000	CARBON	UTAH

ATTACHED LIST to Change of Operator Sundry Notice

BTC WELL NUMBER	WELL NAME AND NUMBER	LEGAL DESCRIPTION	OPERATOR	API	COUNTY	STATE
2080016	JENSEN 14C-10-12-10	Salt Lake Meridian T12S R10E Sec 10: SWSW	BLUE TIP CASTLEGATE INC.	43-007-31453-0000	CARBON	UTAH
2080017	SHIMMIN TRUST 1-11-12-10	Salt Lake Meridian T12S R10E Sec 11: SWSW	BLUE TIP CASTLEGATE INC.	43-007-30673-0000	CARBON	UTAH
2080018	SHIMMIN TRUST 2-11-12-10	Salt Lake Meridian T12S R10E Sec 11: SESE	BLUE TIP CASTLEGATE INC.	43-007-30659-0000	CARBON	UTAH
2080019	SHIMMIN TRUST 4-14-12-10	Salt Lake Meridian T12S R10E Sec 14: SENW	BLUE TIP CASTLEGATE INC.	43-007-30662-0000	CARBON	UTAH
2080020	SHIMMIN TRUST 5-14-12-10	Salt Lake Meridian T12S R10E Sec 14: NWNE	BLUE TIP CASTLEGATE INC.	43-007-30122-0000	CARBON	UTAH
2080021	JENSEN 1-15-12-10	Salt Lake Meridian T12S R10E Sec 15: SWNE	BLUE TIP CASTLEGATE INC.	43-007-30736-0000	CARBON	UTAH
2080022	JENSEN DEEP 7-15-12-10	Salt Lake Meridian T12S R10E Sec 15: SWNE	BLUE TIP CASTLEGATE INC.	43-007-30786-0000	CARBON	UTAH
2080023	CASTLEGATE ST 1-16-12-10	Salt Lake Meridian T12S R10E Sec 16: NWNE	BLUE TIP CASTLEGATE INC.	43-007-30589-0000	CARBON	UTAH
2080024	CASTLEGATE ST 4-16-12-10	Salt Lake Meridian T12S R10E Sec 16: SENW	BLUE TIP CASTLEGATE INC.	43-007-30785-0000	CARBON	UTAH
2080025	JENSEN 1-18-12-10	Salt Lake Meridian T12S R10E Sec 18: NESE	BLUE TIP CASTLEGATE INC.	43-007-30718-0000	CARBON	UTAH
2080026	CASTLEGATE ST 1-35-12-10 WD	Salt Lake Meridian T11S R10E Sec 35: SWSW	BLUE TIP CASTLEGATE INC.	43-013-32308-0000	DUCHESNE	UTAH
2080027	CASTLEGATE ST 11-16H-12-10	Salt Lake Meridian T12S R10E Sec 16: NWNW	BLUE TIP CASTLEGATE INC.	43-007-30961-0000	CARBON	UTAH
2080028	JENSEN STATE 11C-34-11-9	Salt Lake Meridian T11S R9E Sec 34: NWNW	BLUE TIP CASTLEGATE INC.	43-049-30024-0000	UTAH	UTAH
2080030	JENSEN 41C-9-12-10	Salt Lake Meridian T12S R10E Sec 09: NENE	BLUE TIP CASTLEGATE INC.	43-007-31452-0000	CARBON	UTAH

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ATTACHED LIST to Change of Operator Sundry Notice

BTC WELL NUMBER	WELL NAME AND NUMBER	LEGAL DESCRIPTION	OPERATOR	API	COUNTY	STATE
2080032	JENSEN 9-10-12-10	Salt Lake Meridian T12S R10E Sec 10: NESE	BLUE TIP CASTLEGATE INC.	43-007-30159-0000	CARBON	UTAH
2080033	SHIMMIN TRUST 11-11-12-10	Salt Lake Meridian T12S R10E Sec 11: NESW	BLUE TIP CASTLEGATE INC.	43-007-30166-0000	CARBON	UTAH
2080042	JENSEN 2C-9-12-10	Salt Lake Meridian T12S R10E Sec 9: NW4NE4	BLUE TIP CASTLEGATE INC.	43-007-01790-0000 50179	CARBON	UTAH
2080043	JENSEN FED 6-10-12-10	Salt Lake Meridian T12S R10E Sec 6: SE4NW4	BLUE TIP CASTLEGATE INC.	43-007-50177-0000	CARBON	UTAH

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

UIC FORM 5

TRANSFER OF AUTHORITY TO INJECT

Well Name and Number	API Number
Castlegate St 1-35-12-10	4301332308
Location of Well	**Field or Unit Name**
Footage : 540' FSL, 1135' FWL County : Duchesne	Castlegate
QQ, Section, Township, Range: SWSW 35 11S 10E State : UTAH	**Lease Designation and Number** ML-48822

EFFECTIVE DATE OF TRANSFER: 7/1/2016

CURRENT OPERATOR

Company: Blue Tip Castlegate, Inc.
Address: P. O. Box 842317
city Houston state TX zip 77284
Phone: (281) 944-3800
Comments:

Name: Bruce L. Taylor
Signature: Bruce L Taylor
Title: Secretary
Date: 7/1/2016

NEW OPERATOR

Company: WEM Castlegate, LLC
Address: 1411 East 840 North
city Orem state UT zip 84097
Phone:
Comments:

Name: Cory Kusen
Signature: Cory
Title: Manager
Date: 7/11/16

(This space for State use only)

Transfer approved by: Dan Jarvis
Title: UIC Geologist

Approval Date: 8/3/16

Comments:

RECEIVED
JUL 21 2016
DIV. OF OIL, GAS & MINING

(5/2000)

LIBERTY PIONEER

ENERGY ★ SOURCE

Dustin K. Doucet
Petroleum Engineer
Division of Oil, Gas and Mining
1594 West North Temple, Ste 1210
Salt Lake City, Utah 84116

RE: Bonding for Castlegate Field Wells

August 15, 2016

Dustin:

Blue Tip Energy Management, LLC was the previous operator and bondholder of the Castle Gate Field and associated wells listed below. Liberty Pioneer Energy Source, Inc. ("LPES") has submitted the necessary paperwork to take over as the new operator of theses wells. Per our recent communications we would like to make the following proposal pertaining to the bonding of the wells listed below so that all of the wells in the field will be covered by LPES blanket bond #RLB0012097.

1) LPES plans to P&A the following wells prior to November 1, 2016:

13318 CASTLEGATE ST 4-16-12-10
14224 CASTLEGATE ST 11-16H-12-10

2) LPES is currently getting pricing to build a pipeline to the following well which is believed to be capable of production. If pricing is reasonable, LPES will propose production testing and flaring. We will notify you of our decision to either run a pipeline or plug and abandon this well before the end of 2016. If the decision is to produce, LPES will commence the pipeline permitting process before the end of 2016:

17071 JENSEN STATE 11C-34-11-9

3) Wells that are currently producing or will be returned to producing status by October 1, 2016:

13070	SHIMMIN TRUST 2-11-12-10
13275	JENSEN 2-8-12-10
13071	SHIMMIN TRUST 4-14-12-10
13068	JENSEN 1-4-12-10
18242	JENSEN 2C-9-12-10
12991	CASTLEGATE FED 7-9-12-10
11405	JENSEN 11-10-12-10
12610	CASTLEGATE ST 1-16-12-10
12611	JENSEN 1-10-12-10
12903	JENSEN 1-9-12-10
12904	JENSEN 16-9-12-10
12905	JENSEN 5-10-12-10
12906	JENSEN 9-10-12-10
13072	JENSEN 1-15-12-10
13247	JENSEN DEEP 7-15-12-10
13317	JENSEN 2-9-12-10
13359	JENSEN 1-8-12-10
15766	JENSEN 42C-9-12-10
15767	CASTLEGATE FED 22C-9-12-10
15768	JENSEN 43C-9-12-10
15769	JENSEN 33C-9-12-10
15770	JENSEN 23C-9-12-10
17235	JENSEN 14C-10-12-10
17246	JENSEN 41C-9-12-10
14226	JENSEN 1-18-12-10
11410	SHIMMIN TRUST 11-11-12-10
12901	SHIMMIN TRUST 1-11-12-10
14175	SHIMMIN TRUST 5-14-12-10
18209	JENSEN 6-10-12-10

Thanks for your help. Please let us know if you have any questions.

Sincerely,

Daniel R. Gunnell
President
Liberty Pioneer Energy Source, Inc.
1411 East 840 North
Orem, UT 84097

Rachel Medina <rachelmedina@utah.gov>

Fwd: LPES plans for the Castlegate field wells/Bonding

2 messages

Dayne Doucet <daynedoucet@utah.gov> Wed, Aug 17, 2016 at 11:46 AM
To: Rachel Medina <rachelmedina@utah.gov>, Randy Thackeray <randythackeray@utah.gov>

FYI

——— Forwarded message ———
From: **Daniel Gunnell** <dgunnell@rockiesstandard.com>
Date: Wed, Aug 17, 2016 at 9:40 AM
Subject: Re: LPES plans for the Castlegate field wells/Bonding
To: Dustin Doucet <dustindoucet@utah.gov>
Cc: Brad Gunnell <bgunnell@rockiesstandard.com>, Cory Jensen <cjensen@rockiesstandard.com>, Kimball Hodges <khodges@rockiesstandard.com>, Dayne Doucet <daynedoucet@utah.gov>, Joshua Payne <joshuapayne@utah.gov>

Dustin:

Thanks for your help with this! Please find Bond Proposal Letter attached.

If there is anything else you need please let me know. The Blue Tip guys are anxious to get their bond released.

Let me know if I need to send a hard copy of the letter.

Best,

Danny

On Mon, Aug 8, 2016 at 9:24 AM, Dustin Doucet <dustindoucet@utah.gov> wrote:
> Danny,
>
> Yes if you would just edit your previous plan and resubmit so there is no confusion. I think that would make it cleaner. If you decide to put a well online and have it online by the plugging deadline, then that should be fine.
>
> Dustin
>
> On Tue, Aug 2, 2016 at 4:31 PM, Daniel Gunnell <dgunnell@rockiesstandard.com> wrote:
> > Dustin:
> >
> > Sorry for not getting back to you on this until now. There maybe a couple of wells that we may come back to you specifically on, but I think that we have now got a pretty good go forward plan that will meet and exceed your end of the year time frame for getting the wells in categories 2 and 3 in production.
> >
> > There is one material change to my previous email that we want to make you aware of - instead of plugging the 11C-34 we are seriously considering running a pipeline to it and bringing online... not a final decision yet, but we are have got and are getting additional bids, and designing a test plan to better understand what production would look like.
> >
> > Do I need to submit a formal letter with dates of Nov 1 for plugging and end of year to get wells on production under our existing bonds or are these emails sufficient?
> >
> > Thanks for your help!
> >
> > Best,
> >
> > Danny

What time do you think you need? I would think by the end of the year max. If you can line out more justification, I'm open to listening to the reasoning.

Dustin

On Thu, Jun 30, 2016 at 12:21 PM, Daniel Gunnell <dgunnell@rockiesstandard.com> wrote:

Dustin:

Sounds good. Thanks for your help.

Can we push back just a little to get as much time as possible for shut in wells that we need to come up with a plan for or plug (#2 in my original email?) - how much beyond Oct 2016 could you give us? We are going to be really busy so as much extra time as you can give really helps... we are reclaiming those evaporation ponds immediately, taking over operations, retrofitting the plant, plugging the identified wells, and ramping up production by reworking multiple shut-in wells that are we have already reviewed.

Let me know and thanks again.

Best,

Danny

On Thu, Jun 30, 2016 at 10:30 AM, Dustin Doucet <dustindoucet@utah.gov> wrote:

Danny,

I would be o.k. with the timing and plan on part 1. The timing on part 2 does not work. Those have been SI/TA anywhere from 2.5 to 5 years. Did you mean October 2016? Our discussions were if you had a plan to produce or plug within a short period (meaning a few months), then we could forego increased bonding but increased bonding would be necessary if that wasn't accomplished. Part 3 would be similar to part 2 on the wells that have been SI/TA. The producing ones would probably be fine as you have 1 year allowed by rule (see below).

Production data through Jan 2016

13070	SHIMMIN TRUST 2-11-12-10 SI since Sep 2014
13275	JENSEN 2-8-12-10 SI since Nov 2015
13071	SHIMMIN TRUST 4-14-12-10 SI since Dec 2015
13068	JENSEN 1-4-12-10 Produced 1 day in Jan 2016
18242	JENSEN 2C-9-12-10 Producing
12991	CASTLEGATE FED 7-9-12-10 Producing
11405	JENSEN 11-10-12-10 Producing
12610	CASTLEGATE ST 1-16-12-10 Producing
12611	JENSEN 1-10-12-10 Producing
12903	JENSEN 1-9-12-10 Producing
12904	JENSEN 16-9-12-10 Producing
12905	JENSEN 5-10-12-10 Producing
12906	JENSEN 9-10-12-10 Producing
13072	JENSEN 1-15-12-10 Produced 1 day in Jan 2016
13247	JENSEN DEEP 7-15-12-10 Produced 1 day in Jan 2016

13359 JENSEN 1-8-12-10 Producing

15766 JENSEN 42C-9-12-10 Producing

15767 CASTLEGATE FED 22C-9-12-10 Producing

15768 JENSEN 43C-9-12-10 Producing

15769 JENSEN 33C-9-12-10 Producing

15770 JENSEN 23C-9-12-10 SI since Nov 2015

17235 JENSEN 14C-10-12-10 Producing

17246 JENSEN 41C-9-12-10 Producing

18209 JENSEN 6-10-12-10 Producing

On Fri, Jun 24, 2016 at 11:28 AM, Daniel Gunnell <dgunnell@rockiesstandard.com> wrote:

Dustin:

Per our recent conversation, I wanted to informally run our plans/bonding proposal for the Castle Gate Field by you for your comment prior to submitting a final proposal. Here is what we are considering:

Blue Tip Energy Management, LLC ("Blue Tip"), is the current operator and bondholder, of the Castle Gate Field and associated wells listed below ("Wells"). LPES should take over as the new operator effective July 1 2016. In anticipation of the transfer of operations and per our recent phone conversation we would like to make the following proposal pertaining to the LPES bonding of the wells listed below so that all of the wells in the field will be covered by LPES blanket bond #RLB0012097.

1) LPES will P&A the following wells prior to November 1, 2016:

17071 JENSEN STATE 11C-34-11-9

14224 CASTLEGATE ST 11-16H-12-10

2) LPES will evaluate and propose a go forward plan after evaluation on the following shut-in wells prior to October 1 2017:

13318 CASTLEGATE ST 4-16-12-10

14226 JENSEN 1-18-12-10

11410 SHIMMIN TRUST 11-11-12-10

12901 SHIMMIN TRUST 1-11-12-10

14175 SHIMMIN TRUST 5-14-12-10

13070 SHIMMIN TRUST 2-11-12-10

13275 JENSEN 2-8-12-10

13071 SHIMMIN TRUST 4-14-12-10

13068 JENSEN 1-4-12-10

18242 JENSEN 2C-9-12-10

12991 CASTLEGATE FED 7-9-12-10

11405 JENSEN 11-10-12-10

12610 CASTLEGATE ST 1-16-12-10

12611 JENSEN 1-10-12-10

12903 JENSEN 1-9-12-10

12904 JENSEN 16-9-12-10

12905 JENSEN 5-10-12-10

12906 JENSEN 9-10-12-10

13072 JENSEN 1-15-12-10

13247 JENSEN DEEP 7-15-12-10

13317 JENSEN 2-9-12-10

13359 JENSEN 1-8-12-10

15766 JENSEN 42C-9-12-10

15767 CASTLEGATE FED 22C-9-12-10

15768 JENSEN 43C-9-12-10

15769 JENSEN 33C-9-12-10

15770 JENSEN 23C-9-12-10

17235 JENSEN 14C-10-12-10

17246 JENSEN 41C-9-12-10

18209 JENSEN 6-10-12-10

If this proposal is acceptable please let me know and I will submit a formal letter for approval. Thanks for your help.

Best,

Danny

–
Daniel R. Gunnell
1411 East 840 North
Orem, UT 84097
(801) 224-4771

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–
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--
Dayne Doucet
Petroleum Engineer
UDOGM
801-538-5303

Statewide Bond Proposal.pdf
421K

Dustin Doucet <dustindoucet@utah.gov> Wed, Aug 17, 2016 at 2:01 PM
To: Daniel Gunnell <dgunnell@rockiesstandard.com>, Rachel Medina <rachelmedina@utah.gov>
Cc: Brad Gunnell <bgunnell@rockiesstandard.com>, Cory Jensen <cjensen@rockiesstandard.com>, Kimball Hodges <khodges@rockiesstandard.com>, Dayne Doucet <daynedoucet@utah.gov>, Joshua Payne <joshuapayne@utah.gov>

Danny,

I think that looks fine. If the deadlines aren't met we will be looking for full cost bonding in addition to getting the wells back into compliance. I have copied Rachel Medina on this email so she can proceed with the operator change with this plan and conditions. thanks.

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

5.LEASE DESIGNATION AND SERIAL NUMBER: ML-44443

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Gas Well

8. WELL NAME and NUMBER:
CASTLEGATE ST 11-16H-12-10

2. NAME OF OPERATOR:
LIBERTY PIONEER ENERGY SOURCE, INC

9. API NUMBER:
43007309610000

3. ADDRESS OF OPERATOR:
1411 East 840 North , Orem, UT, 84097

PHONE NUMBER:
801 224-4771 Ext

9. FIELD and POOL or WILDCAT:
CASTLEGATE

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
0550 FNL 0500 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: NWNW Section: 16 Township: 12.0S Range: 10.0E Meridian: S

COUNTY:
CARBON

STATE:
UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
✓ SUBSEQUENT REPORT Date of Work Completion: 11/3/2016	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	✓ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

10/26/16 MIRU Professional Well Services, RIH w/ tubing, tag existing plug at 3812', changed plans per DOGM due to existing plug in well, mixed and pumped 65 sks cmt (13 bls, 15.5#) on top of plug to 3257', perforate at 2450', set CICR at 2390', mixed and pumped 37 sks (15.5#) cmt below CICR and 17 sks above, pumped 40 bls corrosion inhibitor, perforate at 600', mixed and pumped 195 sks cmt (15.5#) down 5-1/2" and up 8-5/8" casing to surface, circulated 3 bls cmt to surface, cut off wellhead and casing 3' below surface, mixed and pumped 45 sks cmt to top well off, RIH with 100' of 1" tubing into the 13-3/8" casing, mixed and pumped 45 sks cmt (15.5#), cmt to surface, welded on marker plate and bury with backhoe. Finished 11/3/16. Plugging observed by Mark Jones, DOGM.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
November 28, 2016

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Kimball Hodges	801 224-4771	Vice President
SIGNATURE		**DATE**
N/A		11/11/2016