

208 NORTH 29TH STREET STE 230
BILLINGS, MT 59101
406-896-4953 (PH)
406-896-4954 (FAX)

To: State of Utah, Department of Natural Resources, Division of Oil Gas and Mining
CC:
From: Jake Oil of Utah,
Date: 6/22/2007
Re: Evidence of division of water rights approval for use of water

To Whom It May Concern:

In accordance with the State of Utah Department of Natural Resources, Division of Oil, Gas, and Mining's Application for Permit to Drill the following is evidence of division of water rights.

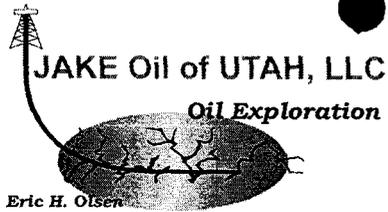
Hard Way Construction of Price, Utah will be handling water transportation to the well location. According to Hard Way Construction, their water is from the city of Price and East Carbon, Utah.

If you have any questions, our office number is (406) 896-4953.

Thank You,

A handwritten signature in black ink, appearing to read "Jennifer L. Olsen". The signature is fluid and cursive, with a long horizontal stroke at the end.

Jennifer L. Olsen
Agent



208 NORTH 29TH STREET STE 230
BILLINGS, MT 59101
406-896-4953 (PH)
406-896-4954 (FAX)

STATE OF UTAH
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

June 22, 2007

RE: Application for Permit to Drill
CBM-State 22-14
SENW 14 15S 14E

To Whom It May Concern:

Enclosed is the Application for Permit to Drill the CBM-State 22-14 located in Carbon County, Utah.

Please let me know if you need any additional information.

Sincerely,

Jennifer L. Olsen

Attachments

RECEIVED
JUN 25 2007
DIV. OF OIL, GAS & MINING

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: 47799	6. SURFACE: Fee
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>				7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>				8. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: Jake Oil of Utah, LLC				9. WELL NAME and NUMBER: CBM-State 22-14	
3. ADDRESS OF OPERATOR: 208 N. 29th Str Ste 230 CITY Billings STATE MT ZIP 59101			PHONE NUMBER: (406) 896-4953	10. FIELD AND POOL, OR WILDCAT: Wildcat	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 2107.57 FNL 1588.06 FWL 5584324 39.521487 43746614 AT PROPOSED PRODUCING ZONE: 2107.57 FNL 1588.06 FWL 110320206				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SEW 14 15S 14E 2	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 4.31 miles Northwest				12. COUNTY: Carbon	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 1588 feet		16. NUMBER OF ACRES IN LEASE: 2520.9 acres		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 160 acres	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 1499.7 feet		19. PROPOSED DEPTH: 6,500		20. BOND DESCRIPTION:	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 9970.6' GR		22. APPROXIMATE DATE WORK WILL START: 8/1/2007		23. ESTIMATED DURATION: 15 days	

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
12-1/4"	9-5/8"	J-55	36#	2,000	Rockies LT	325	2.34ft ³ /sks 13.3lb/gal
8-3/4"	7"	J-55	26#	6500 10,000 <i>No Peter Spangels 2/1/07</i>	Premium Plus V	450	1.16ft ³ /sks 15.8lb/gal

see attached drill plan for Lead/Trail cements

25. **ATTACHMENTS**

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

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

NAME (PLEASE PRINT) Jennifer L. Olsen TITLE Agent

SIGNATURE *Jennifer Olsen* DATE 6/21/2007

(This space for State use only)

API NUMBER ASSIGNED: 43-007-31299

APPROVAL:

RECEIVED
JUN 25 2007

DIV. OF OIL, GAS & MINING

Range 14 East

(S89°58'W - 5283.96')

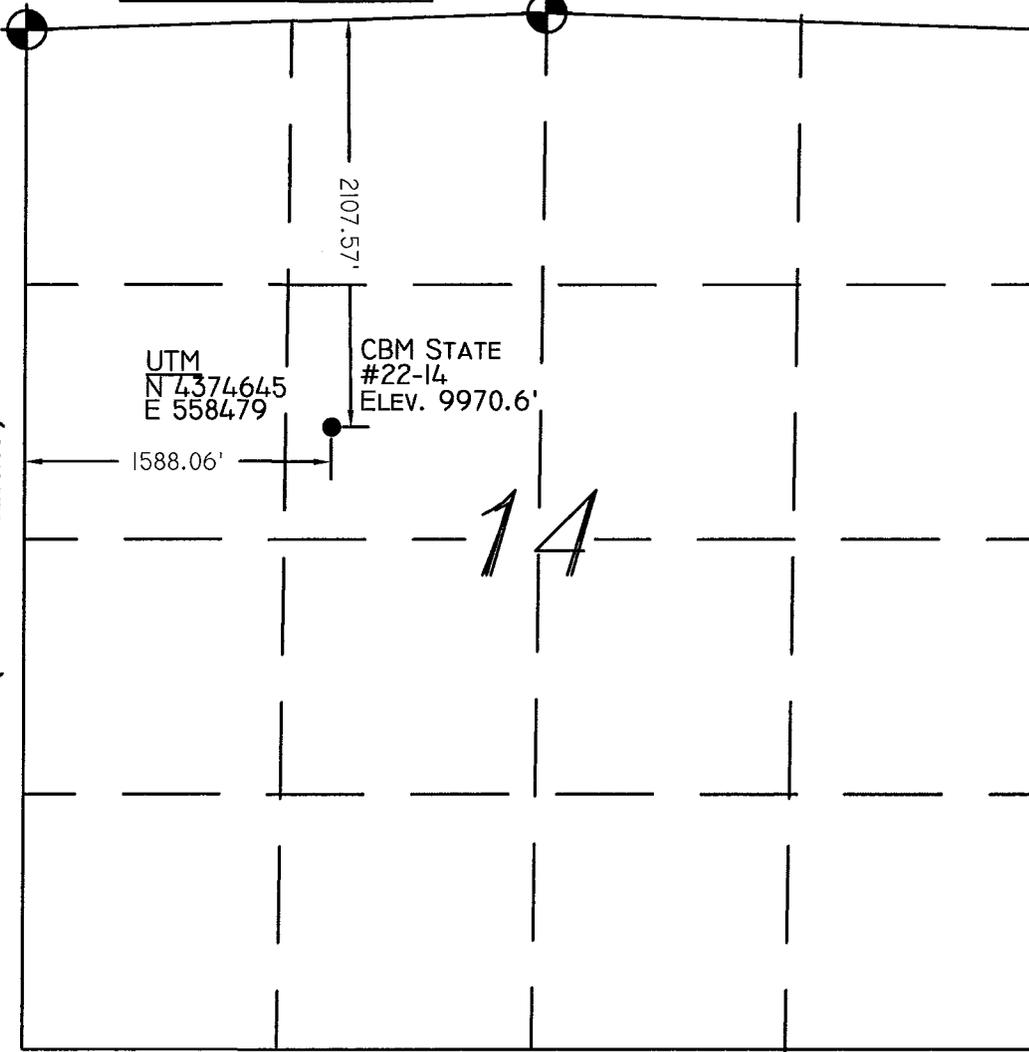
N88°10'58"E - 2695.15'

Township 15 South

(N00°01'W - 5280.00')

(N00°01'W - 5280.00')

(N89°59'W - 5277.36')



Legend

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

NOTES:

1. UTM and Latitude / Longitude Coordinates are derived using a GPS Pathfinder and are shown in NAD 27 Datum.

LAT / LONG
39°31'16.833" N
110°19'10.770" W

Location:

The well location was determined using a Trimble 5700 GPS survey grade unit.

Basis of Bearing:

The Basis of Bearing is GPS Measured.

GLO Bearing:

The Bearings indicated are per the recorded plat obtained from the U.S. Land Office.

Basis of Elevation:

Basis of Elevation of 9845.0' being a Triangulation Point called Patmos Logical in Section 14, Township 15 South, Range 14 East, Salt Lake Base & Meridian, as shown on the Patmos Head Quadrangle 7.5 Minute Series Map.

Description of Location:

Proposed Drill Hole located in the SE1/4 NW1/4 of Section 14, T15S, R14E, S.L.B.&M., being South 2107.57' from North Line and East 1588.06' from West Line of Section 14, T15S, R14E, Salt Lake Base & Meridian.

Surveyor's Certificate:

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



GRAPHIC SCALE



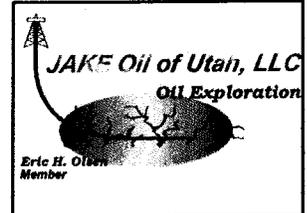
(IN FEET)

1 inch = 1000 ft.



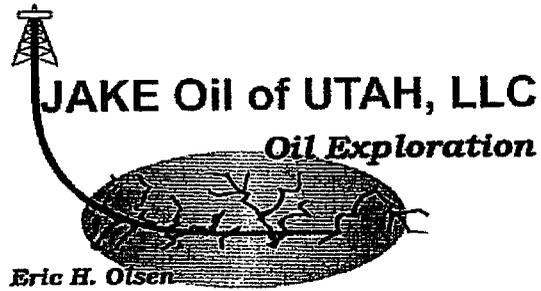
TALON RESOURCES, INC.

615 North 400 East P.O. Box 1230
Huntington, Utah 84528
Phone (435)687-5310 Fax (435)687-5311
E-Mail talonectv.net



Well CBM State #22-14
Section 14, T15S, R14E, S.L.B.&M.
Carbon County, Utah

Drawn By: N. BUTKOVICH	Checked By: L.W.J./A.J.S.
Drawing No. A-1	Date: 6/6/07
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 2881



DRILLING PLAN

For

CBM-State 22-14

Located in

Township 15S, Range 14E, Section 14: SE/4 NW/4

Carbon County, Utah

*Rec'd 8/23/07
via e-mail
HSM*

August 21, 2007

1. SURFACE AND BOTTOM-HOLE LOCATIONS

The surface location is 2107.57' FNL & 1588.06' FWL, Sec 14, T15S-R14E.

2. ESTIMATED TOPS OF IMPORTANT GEOLOGICAL MARKERS

Name	Depth	Subsea Elev
Price River	2615	7143
Blackhawk	5315	4443
Mancos	5515	4243
Ferron	7888	2094
Tununk	8187	1795
Dakota	8380	1602
Cedar Mountain	8859	1123
Buckhorn	8970	1012
Morrison	9970	12
Summerville	10238	-256
Curtis	10865	-883
Entrada	11418	-1436
Carmel	11829	-1847
Navajo	11990	-2008

3. ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS, OR MINERAL BEARING FORMATIONS

If any shallow water zones are encountered, they will be reported and protected as required. Continuous sampling and gas detection will be in place and maintained.

4. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL EQUIPMENT

Minimum specifications for BOP equipment while drilling 8-3/4" hole below 9-5/8" casing are:

- 11" 5000lb. 9 5/8" weld on casing head
- 11" 5000lb. spool w/outlets for kill and manifold line
- 11" 5000lb. double ram BOP with pipe rams and blind rams
- 11" 5000lb. annular
- upper and lower Kelly cocks
- flow nipple w/flow and fill line

BOPE Testing

Ram type BOP, choke manifold, and related equipment will be tested to rated working pressure of BOP stack, if isolated from the surface casing by a test plug, or 70% of internal yield of casing if not isolated. Annular type preventers shall be tested to 50% of rated working pressure. Pressure shall be maintained for at least 10 minutes or until the requirements of the test are met, whichever is longer. Testing will be performed when initially installed and whenever any seal subject to test is broken and at least every 30 days. Pipe rams shall be functionally operated every 24 hours and blind rams on every trip. Annular type preventers shall be functionally operated at least weekly.

Accessories

Accessories to BOP include a Kelly cock, floor safety valve, and choke manifold with pressure rating equivalent to the BOP stack. All auxiliary BOP equipment will be tested to appropriate pressures when BOPs are tested.

All choke lines will be straight lines unless turns use tee blocks or are targeted with running tees, and will be anchored to prevent whip and vibration.

The accumulator will have sufficient capacity to open the hydraulically controlled choke line valve (if so equipped), close all rams plus the annular preventer, and retain a minimum of 200 psi above precharge on the closing manifold without the use of the closing unit pumps. The fluid reservoir capacity will be double the accumulator capacity and the fluid level be maintained at the manufacturer's recommendations. The BOP system will have two independent power sources to

close the preventers. Nitrogen bottles (3 minimum) will be one of these independent power sources and will maintain a charge equal to the manufacturer's specifications.

The accumulator precharge pressure test will be conducted prior to connecting the closing unit to the BOP stack and at least once every six months thereafter. The accumulator pressure will be corrected if the measured precharge pressure is found to be above or below the maximum or minimum limits specified in Onshore Oil & Gas Order Number 2.

5. CASING AND CEMENTING PROGRAM

The proposed casing will be as follows:

Depth	Hole Size	Size	Grade	Weight	Thread	Condition
0-2000'	12-1/4"	9-5/8"	J-55	36#	STC	New
0-12,000'	8-3/4"	5 1/2"	P-110	17#	LTC	New

Cement : (800.00 ft fill)
 800.00 ft * 0.3132 ft³/ft * 100 % = 501.10 ft³
 Tail Cement = 501.10 ft³
 = 89.25 bbl

Shoe Joint Volume: (40.00 ft fill)
 40.00 ft * 0.4341 ft³/ft = 17.36 ft³
 = 3.09 bbl
 Tail plus shoe joint = 518.46 ft³
 = 92.34 bbl
 Total Tail = 449 sks

Total Pipe Capacity:
 2000.00 ft * 0.4341 ft³/ft = 868.13 ft³
 = 154.62 bbl

Displacement Volume to Shoe Joint:
 Capacity of Pipe - Shoe Joint = 154.62 bbl - 3.09 bbl
 = 151.53 bbl

Fluid Instructions

Fluid 1: Water Spacer
 Water Ahead
 lbm/gal

Fluid Density: 8.33
 Fluid Volume: 20 bbl

Fluid 2: Lead Cement
 Rockies LT
 lbm/gal
 0.125 lbm/sk Poly-E-Flake (Lost Circulation Additive)
 Gal/sk

Fluid Weight 12.30
 Slurry Yield: 2.34 ft³/sk
 Total Mixing Fluid: 13.41
 Top of Fluid: 0 ft
 Calculated Fill: 1200 ft
 Volume: 133.87 bbl
 Calculated Sacks: 320.94 sks
 Proposed Sacks: 325 sks

Fluid 3: Tail Cement
 Premium Plus V Cement
 lbm/gal
 94 lbm/sk Premium Plus V Cement (Cement)
 1 % Calcium Chloride (Accelerator)
 0.125 lbm/sk Poly-E-Flake (Lost Circulation Additive)

Fluid Weight 15.80
 Slurry Yield: 1.16 ft³/sk
 Total Mixing Fluid: 4.98 Gal/sk
 Top of Fluid: 1200 ft
 Calculated Fill: 800 ft
 Volume: 92.34 bbl
 Calculated Sacks: 448.89 sks
 Proposed Sacks: 450 sks

Fluid 4: Water Spacer
 Displacement
 lbm/gal

Fluid Density: 8.33
 Fluid Volume: 151.53 bbl

Detailed Pumping Schedule

Fluid #	Fluid Type	Fluid Name	Surface Density lbm/gal	Estimated Avg Rate bbl/min	Down hole Volume
1	Spacer	Water Ahead	8.3	3.0	20 bbl
2	Cement	Lead Cement	12.3	3.0	325 sks
3	Cement	Tail Cement	15.8	3.0	450 sks
4	Spacer	Displacement	8.3	3.0	151.53 bbl

Production: Actual volumes will be calculated and adjusted with the caliper log prior to cementing. Ten percent excess will be pumped. The volumes below were calculated using 120% of theoretical.

Production String Cement Job Design Parameters

9 5/8" Surface 0 - 2000 ft (MD)
 0 - 2000 ft (TVD)
 Outer Diameter 9.625 in
 Inner Diameter 8.921 in
 Linear Weight 36 lbm/ft

8 3/4" Open Hole 2000 - 12000 ft (MD)
 2000 - 12000 ft (TVD)
 Inner Diameter 8.750 in
 Job Excess 30 %

5 1/2" Production 0 - 12000 ft (MD)
 0 - 12000 ft (TVD)
 Outer Diameter 5.500 in
 Inner Diameter 4.778 in
 Linear Weight 17 lbm/ft

5 1/2 "Production String Cement

5 1/2" Production String Cement

T.D. 12,000'
 Hole Size 7 7/8"
 Casing Size 5 1/2"
 D.V. Tool 6000'
 1st Stage Tail 12,000 to 10,000'
 1st Stage Lead 10,000 to 6,000'
 2nd Stage Tail 6,000 to 4,000'
 2nd Stage Lead 4,000 to 1000'
 9 5/8" Casing set at 1200'
 Cement Excess 25%
 BHST 210 degrees

1st Stage

1st Stage Tail
 50/50 POZ

Class "G" Cement
 POZ
 Gel
 Salt
 Fluid Loss CFL-175
 Dispersant CDI-33
 Retarder LTR-100
 Flocele LCM

1st Stage Lead
 Hi Fill

Premium V Cement
 Gel
 Gilsonite (LCM)
 Salt
 GR-3 (LCM)
 Flocele (LCM)

2nd Stage

2nd Stage Tail
 50/50 POZ

Class "G" Cement
 POZ

350 sacks
 14.2 #/gal
 1.26 cu ft / sk
 5.75 gal / sk
 50% BWOC
 50% BWOP
 2% BWOC
 10% BWOW
 .4% BWOC
 .2%
 .2%
 1/4 # sack

230 sacks
 11.0 #/gal
 3.82 cu ft/sk
 11.0 # / gal
 100% BWOC
 16% BWOC
 10 #/ sack
 3 # / sack
 1/4 # sack

350 sacks
 14.2 # / gal
 1.26 cu ft/sk
 5.75 gal /sk
 50 % BWOC
 50 % BWOP

Stage 1
 $(230 \text{ sk}) (3.82 \text{ ft}^3/\text{sk}) = 878.6$
 $(350 \text{ sk}) (1.26 \text{ ft}^3/\text{sk}) = 441$
 $580 \text{ sk} = (2.275 \text{ ft}^3/\text{sk}) 1319.6$
 DV tool 6000' 8403' rise

Stage 2
 $170 (3.82 \text{ ft}^3/\text{sk}) = 649.4$
 $350 (1.26 \text{ ft}^3/\text{sk}) = 441$
 $520 (2.1 \text{ ft}^3/\text{sk}) = 1090.4$
 6944' rise

DV tool 6000'

Stage 1
 $580 \text{ sk} (2.275 \text{ ft}^3/\text{sk})$
 7% → 6050'
 6% → 5851'
 $682 \text{ sk} \rightarrow 6003'$

Stage 2

Gel 2% BWOC
 Salt 10 % BWOC
 CFL- 115 Fluid Loss .4 % BWOC
 Flocele (LCM) ¼ # sack

2nd Stage Cement Lead
 Hi Fill

170 sacks
 11 # / gal
 3.82 cu ft / sk
 23 gal / sk

Premium V cement
 Gel
 Gilsonite (LCM)
 Salt
 GR-3 (LCM)
 Flocele (LCM)

100%BWOC
 16 % BWOC
 10 # / sk
 3% BWOC
 3 # / sack
 ¼ # / sack

Detailed Pumping Schedule

Fluid #	Fluid Type	Fluid Name	Surface Density lbm/gal	Estimated Avg Rate bbl/min	Downhole Volume
1	Cement	Tail Cement		5.0	350 sks
1	Cement	Lead Cement		5.0	230 sks
2	Cement	Tail Cement		5.0	350 sks
4	Cement	Lead Cement		5.0	170 sks

6. TYPE AND CHARACTERISTICS OF PROPOSED CIRCULATING MEDIUM

Depth (ft)	Fluid Density ppg	Funnel Vis. (sec/qt)	API Filtrate (ml)	pH	Plastic Visc. (cP)	Yield Point (lbs/100 ft ²)	Low Gravity Solids (%/Vol.)
0-2,000'	Gel/ <i>4/8</i> Lime	40-50 sec/qt	Greater than 10	—	—	—	Less than 10%

Use Bentonite and Lime for Viscosity if additional hole cleaning is required. Polymer sweeps used on every connection for hole cleaning. Use Sawdust and Cedar Fiber for lost circulation. Mix a sweep with .10 ppb.

2,000-8,000 8.4-8.9

Depth (ft)	Fluid Density ppg	Funnel Vis. (sec/qt)	API Filtrate (ml)	pH	Plastic Visc. (cP)	Yield Point (lbs/100 ft ²)	Low Gravity Solids (%/Vol.)
2,000-12,000	Polymer Mud 9.5-10.0 sec +/-	30-34	8 to 15cc	8.0-8.5	—	—	Less than 10%

7. ANTICIPATED TESTING, LOGGING, AND CORING PROGRAM

No drill stem testing (DST) or cores are planned for this well.

The logging suite will consist of Dual Induction, Compensated Density, Compensated Neutron, Gamma Ray, Caliper, Compensated Sonic, and SP will be run from TD to surface Casing.

If production is obtained, producing formation will be selectively perforated, treated, and tested for completion by swabbing or pumping.

8. EXPECTED BOTTOM HOLE PRESSURES AND ANTICIPATED ABNORMAL PRESSURE OR TEMPERATURE

Expected bottom-hole pressures anticipated in the Cretaceous formations are expected to be normal with a gradient of 0.43 psi per foot. There is a remote chance that the Upper Cretaceous could be over-pressured. All necessary precautions will be taken on location to handle this situation if it occurs.

9. OTHER FACETS OF THE PROPOSED OPERATIONS

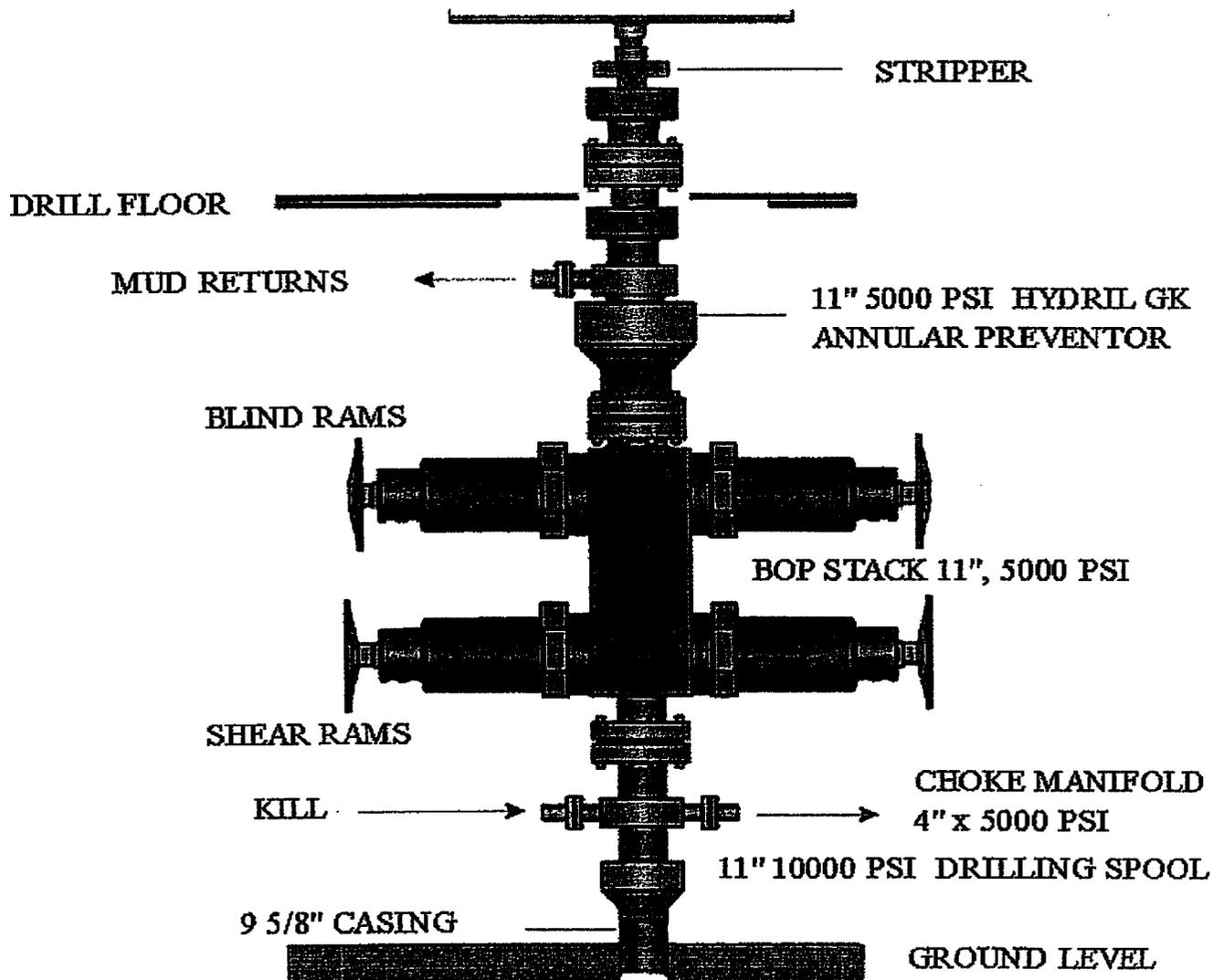
The anticipated starting date is September 2007 or as soon as possible after approval of drilling requirements. The WOGCC shall be notified at least twenty-four hours prior to spudding the well.

10. ONSHORE OIL AND GAS ORDER NUMBER 2

The drilling operations for this well will be conducted in accordance with the BLM Onshore Oil and Gas Order #2. This includes the well control equipment and its testing, the mud system and associated equipment, and the casing and cementing. If the well ends up non-productive and is abandoned, then the abandonment procedure will conform to the standards set forth in Onshore Order #2.

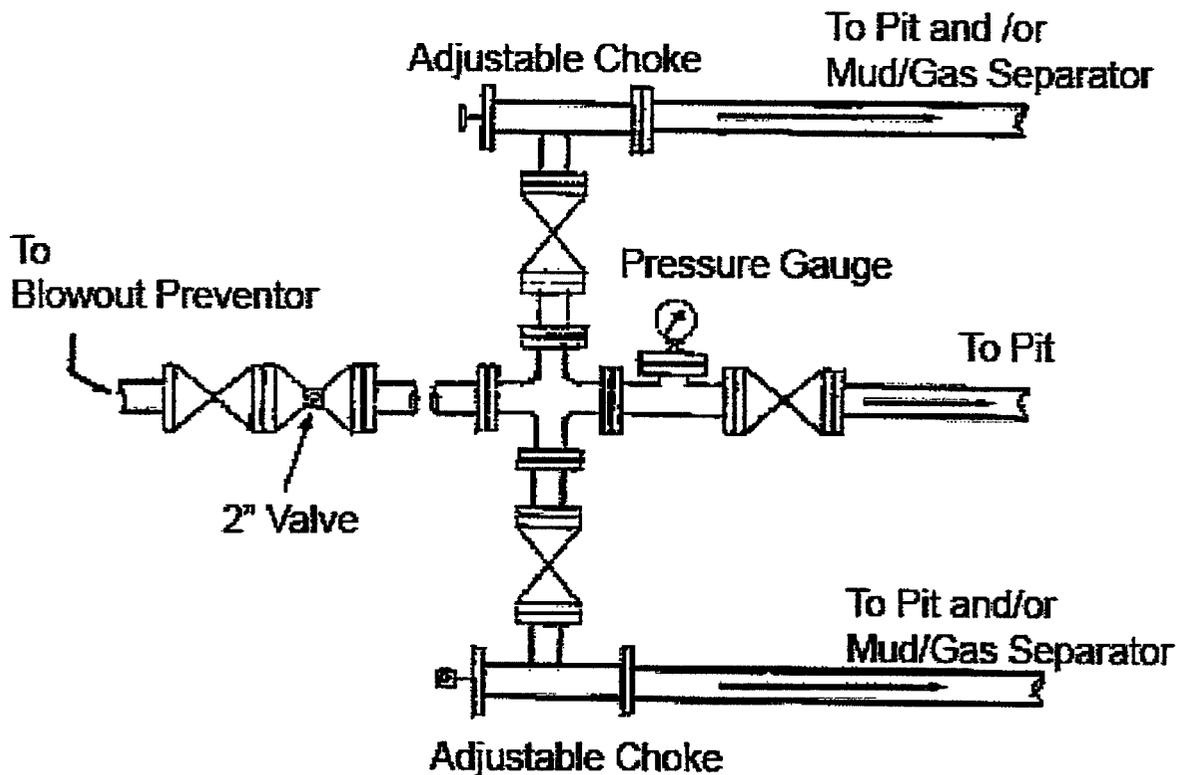
Schematic of Blowout Prevention Equipment

JAKE OIL OF UTAH, LLC
CBM STATE # 22-14
SENW section 14-T15S-R14E
CARBON COUNTY, UTAH



BOP Choke Manifold Assembly

5,000 psi Rated Pressure Service
Surface Installation



Notes and Auxiliary Equipment

- All lines valves and fittings to be minimum 5000 psi rated
- All bolts will be installed and tight
- All crew members to be trained and familiar with BOP equipment, accumulators.
- Hole to be kept full at all times
- Preventors will be tested per BLM specifications
- BOP will be inspected and operated daily to insure good working order
- All pressure and operating tests will be recorded on a daily drilling report
- An upper kelly cock will be used at all times
- A drillpipe float will be available at all times for use when penetrating formations with anticipated abnormal pressures
- Mud system will be nonitored with a flow sensor
- 9-5/8" casing will be tested to a minimum of 1000 psi before drilling out shoe
- The master controls will be located at the accumulator

Surface Use Plan

Operator
JAKE Oil of Utah, LLC

Carbon County, Utah

January 12, 2007

Prepared by



SURFACE USE PLAN

1. **Existing Roads**
 - a. The distance from Sunnyside, Utah is approximately 11 miles.
 - b. Existing roads within a two-miles radius are shown on the “JAKE OIL VICINITY MAP” submitted with the survey plat.
 - c. Vehicles associated with the drilling operation will not impede normal public traffic on these roads.

2. **Planned Access Roads**
 - a. **Drilling Operation**
 - i. New access of 2.5 miles on private surface has been discussed with the surface owner. If production is established, improvements to a two-track trail will be made and construction will be designed to meet the standards of the anticipated traffic flow. Expect road width of twenty-four (24) feet. Blade work will be required to improve the roadway for access to the drill pad. The access will be flagged to surface owner specifications. All vehicles are to remain within this area. Flagging and fencing material will be removed after drilling and rehabilitation equipment have been removed.
 - ii. If the well is plugged and abandoned the access route will be reclaimed and rehabilitated to the surface owner’s specifications.
 - iii. The access route and drilling location are on private land and covered by State Oil and Gas Lease MTM-86138.

3. **Location of Existing Wells Within a One Mile Radius**
 - a. Producing Wells-
 - b. Drilling Wells-
 - c. Abandoned Wells-
 - d. Injection Wells-
 - e. Disposal Wells-
 - f. Water Wells-

g. Monitoring Wells-

h. Shut-in Wells-

4. **Location of Existing and/or Proposed Facilities to be used if the Well is Productive**

a. On Well Pad

i. If the well is productive, a sundry notice will be submitted showing the location, and type and size of production equipment.

ii. All permanent above ground structures located at this well site, not subject to safety requirements, will be painted to blend with the natural color of the landscape. Painting will be done within 6 months of installation. The color will be selected from the standard environmental color charts available from the BLM office.

iii. A berm will be constructed around the production facilities designed to hold fluids. The berm will be constructed of compacted subsoil, be impervious, hold greater than the capacity of the largest tank, and be independent of the back cut. The emergency pit will be fenced "stock tight" to protect livestock and wildlife.

5. **Location and Type of Water Supply**

a. Water will be supplied and trucked from a nearby water source to the drillsite and will be transported over the designated access route.

6. **Construction Materials**

a. Topsoil will be removed from the wellsite areas to be disturbed and stockpiled within the fenced area and separated from the subsoil. Any subsoil not used in building the location will be stockpiled separately from the topsoil.

b. Materials excavated during construction of the reserve pit will be stockpiled along side location.

c. No additional construction materials will be required to build the location.

7. **Handling of Waste Materials and Disposal**

a. Drilling fluids and drill cuttings not retained for evaluation will be contained in the reserve pit. The reserve pit will be allowed to evaporate, then backfilled.

b. It is anticipated that the reserve pit will be reclaimed within one year after the date of the last use as dictated by the State of Utah Oil and Gas

Conservation Commission, unless the Authorized Officer grants an extension of time for just cause.

- c. No trash pit or burning is allowed. All trash will be collected in a steel trash cage designed so trash cannot flow out. All trash and debris will be hauled to an approved disposal site.
- d. Hydrocarbons produced during completion operations will be stored in test tanks and later removed from the location.
- e. Chemical toilets with holding tanks will be utilized. All sewage will be disposed of in accordance with County and State regulations.
- f. Any spills of oil or any other potentially hazardous material will be cleaned up and immediately removed to an approved disposal site.

8. Ancillary Facilities

- a. No air strip, camp or other facilities will be necessary.

9. Well Site Layout

- a. Topsoil and subsoil will be stockpiled as shown in the "DRILL PAD PROFILE".
- b. Exhibit 'A' is a plan diagram of the proposed rig and equipment, reserve pit, pipe racks, and access. No permanent living facilities are planned. There will be up to two trailers on site.
- c. If there is snow on the ground when construction begins, the snow will be removed before the soil is disturbed and piled on the downhill side of the topsoil.
- d. If ground frost prevents the segregation and removal of the topsoil from the subsoil, cross-ripping to the depth of the topsoil may be necessary.
- e. The reserve pit will be constructed with a minimum of one-half (1/2) of the total depth below the original ground surface and will be designed to prevent the collection of surface runoff.
- f. During drilling operations, the reserve pit will be fenced stock-tight on three sides. The fourth side will be fenced upon release of the drilling rig and will remain fenced until the reserve pit has been filled.
- g. If porous subsoil materials (i.e. gravel, sand, scoria, etc.) are encountered in the course of construction of the reserve pit, an impervious liner will be installed in order to avoid drilling water loss through seepage.

10. **Hazardous Materials**

A file of Material Safety Data Sheets (MSDS) will be maintained by the operator or by operator's drilling contractor. No hazardous substances as defined by CERCLA will be used in the drilling and construction of this wellsite and access road. Commercial preparations, which may contain hazardous substances, may be used in production operations and will be transported within the project area. These materials, which may contain hazardous substances, will be handled in an appropriate manner to minimize potential for leaks or spills to the environment. No RCRA hazardous wastes will be generated in the well drilling operations. Exempt reserve pit contents will be buried on site.

11. **Plans for Reclamation of the Surface**

- a. The rathole and mousehole will be filled in immediately after the rig is removed.
- b. Any hydrocarbons floating on the surface of the reserve pit will be removed as soon as possible after drilling operations are completed. If oil cannot be immediately removed, precautions will be taken to protect migratory birds.
- c. Drill cuttings and muds should remain in the reserve pit until dry. When the pit is backfilled, the contents will be covered with at least three feet of earth. If the reserve pit does not dry, alternate methods of drying, removal of fluids, or other treatment will be developed. If fluids are to be disposed of by a method other than evaporation, prior approval by BLM will be obtained.
- d. Disturbed areas will be returned to original contours, topsoil will be replaced to the surface owner's specifications. The surface owner will be consulted regarding reseeding of the disturbed area and seeding will be done as specified by the surface owner.
- e. If the well is plugged and abandoned, an aboveground tubular dry hole marker will be constructed. The marker will be inscribed with operator name, well number, federal lease number and legal description, will be inscribed on a metal plate and affixed to the top of the casing which will be cut off three (3) feet below ground level.

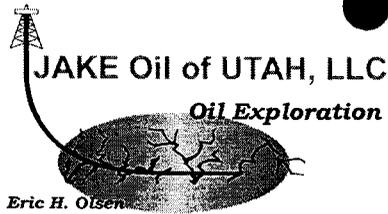
12. **Surface Ownership**

The surface owner is: *Jake Dil*

13. **Other Information**

- a. The primary surface use is for grazing cattle.

- b. If cultural materials are found during any work phase, the BLM, Price Field Office, (435) 636-3600, must be notified immediately. Construction will cease until the resource has been properly investigated and mitigated.
- c. The BLM, Price Field Office, will be notified 48 hours in advance of any construction at the drilling or well site, unless otherwise authorized.
- d. The operator is responsible for notifying "Utah One Call" (1-877-) not less than 48 hours prior to building the location.
- e. There are no known archaeological, historical and cultural sites that will be disturbed by this drilling operation.
- f. A vegetative cover consisting of several Artemisia species and bunch grass species cover location and surrounding area.
- g. Fauna existing in the area consists of coyotes, horses, rabbits, raptures, antelope, and deer. Domestic animals such as cattle will also be found in the immediate area.



P.O. Box 80806
Billing, Montana 59108-0806
Phone: 406-896-4953
Fax: 406-896-4954

METHODS OF HANDLING WATER DISPOSAL

- A. The reserve pit will be constructed so as not to leak, break, or allow discharge. The reserve pit will be lined with a minimum 10mil plastic liner.
- B. The reserve pit will be constructed of sufficient size and capacity for the necessary fluids for drilling and to contain any runoff from the drill site. Pits will not be constructed within intermittent or perennial stream channels.
- C. No trash, scrap, pipe, etc. that could puncture the liner will be disposed of in the pit. Garbage and trash will be collected in a trash cage and its contents hauled to a sanitary landfill. All wastes caused by the construction activities shall be promptly removed and disposed of in a sanitary landfill or as directed by the company representative.
- D. The reserve pit will be constructed in undisturbed material and below the natural ground level.
- E. A minimum 2-foot freeboard will be maintained in the pit at all times during the drilling operation and the pit will be fenced during drilling and completion operations.
- F. Burning will not be allowed. All trash will be contained in a trash cage and its contents removed at the end of the drilling operations and hauled to an approved disposal sight.
- G. After first productions, produced waste water will be confined to an unlined pit or storage tank for a period not to exceed ninety (90) days. During the 90-day period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.
- H. Drill cuttings are to be contained and buried in the reserve pit.
- I. Any salts and/or chemicals which are an integral part of the drilling system will be disposed of in the same manner as the drilling fluid.
- J. Sewage will be placed in a portable chemical toilet or holding tank and disposed of in accordance with state and county regulations.
- K. The produced fluids (other than water) will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas, salt water, or other produced fluids will be cleaned up and removed.

Spill prevention and Control Plan

Prepared for
JAKE Oil of Utah, LLC

January 9, 2007

By



Contents

Project Description.....	3
Prevention Measures.....	3
Spill Response.....	4
Reporting Procedures.....	5

SECTION 1

Project Description

This Spill Prevention and Control Plan (SPCP) describes measures that JAKE Oil of Utah, LLC, hereinafter, referred to as “Contractor” must implement to prevent, control, and minimize impacts from a spill of fuels or other hazardous substances during construction of roads, wellsite and drilling of the Sunnyside project. The goal of the SPCP is to minimize the potential for a spill of these substances, to contain any spills to the smallest area possible, and to protect the environment, including those areas that are considered environmentally sensitive (e.g., stream, wetlands, etc.).

All activities on the project will implement the measures and procedures in this SPCP. This SPCP does not certify the Contractor or individuals to become licensed waste haulers.

SECTION 2

Prevention Measures

The Contractor will ensure that all practicable measures are taken to minimize the potential for and consequences of a spill during construction of the project. The Contractor and its subcontractors are responsible for complying with applicable environmental and safety laws and regulations and to provide training to construction to personnel and equipment designed to prevent pollution.

The proper use of materials and equipment greatly reduces the potential of contamination. The following is a list of general preventative practices to be used during construction of the project:

- The Contractor must require that each subcontractor supply spill kits containing a sufficient quantity of absorbent and barrier materials to adequately contain and recover potential spills of fuels or lubricating oils. These kits may include, but are not limited to, drip pans, buckets, absorbent pads, straw bales, absorbent clay, sawdust, floor-drying agents, spill containment barriers, heavy plastic sheeting, plastic bags, shovels, and sealable containers. These materials must be readily accessible during all construction activities.
- The Contractor and its subcontractors will train all personnel who handle fuels and other regulated substances to follow spill prevention procedures and to quickly and effectively contain and cleanup spills.

- Fuels and lubricating oils for vehicles or heavy equipment will not be stored in wetlands or near waterways, and refueling of construction equipment will be limited to upland areas.
- Authorized personnel shall only dispense fuels during daylight hours. Fuel dispensing operations may not be left unattended.
- On-site vehicles will be monitored for leaks and receive regular maintenance to reduce the chance of leaks. Vehicle maintenance wastes, including used oils and other fluids, will be handled and managed by personnel trained in the procedures outlined in this plan.
- Storage containers will display labels that identify the contents of the container and whether the contents are hazardous. The Contractor and subcontractors shall maintain and provide, on demand, copies of all Material Safety Data Sheets (MSDS).
- Site foremen and construction personnel that will be working with hazardous or regulated substances will be trained in the requirements of this plan prior to participation in site work.

SECTION 3

Spill Response

Immediately upon learning of the spill of any fuel, oil, hazardous substance or other regulated substance:

- Identify the source of a spill and take all necessary measures to prevent further material from being spilled.
- If it is safe to do so, remove all potential ignition sources if the spilled material is combustible or flammable.
- Notify the Contractor's spill coordinator. The Contractor's spill coordinator will notify the SFPP Environmental Inspection Team (EIT).
- Assess the situation and determine subsequent cleanup activities and responsibilities.
- If the spill is beyond the response ability of on-site equipment and personnel, immediately notify the SFPP EIT that an emergency response contractor is needed.

For spills that occur on land, earthen berms will be constructed with available equipment to physically contain spills, if appropriate. Absorbent materials will also be applied to soak up spilled material, and traffic will be minimized on contaminated soils.

For spills that occur near or into a stream, wetland, or other waterbody, regardless of size, the following conditions shall apply in addition to the above measures:

- For spills in standing water, floating booms, skimmer pumps, and holding tanks will be used as appropriate to recover and contain released materials on the surface of the water.
- For a spill threatening a waterbody, berms and/or trenches will be constructed to contain the spill prior to entry into the waterbody. Deployment of booms, skimmers, and sorbent may be necessary if the spill reached that water.
- Spilled material will be immediately and completely contained and cleaned up if it is safe to do so. The material manufacturer's methods for spill cleanup will be followed as described on the material MSDS.

All contaminated soils, vegetation, absorbent materials, and other contaminated wastes shall be handled, contained, and disposed of by the Contractor in accordance with applicable local, state, and federal regulations.

SECTION 4

Reporting Procedure

The Contractor is required to report all spills of hazardous substances, regardless of size or location. The Contractor is also required to notify the SFPP EIT of any of the following hazardous conditions:

- "Hazardous substance" means any substance, mixture or substances, that presents a danger to the public health or safety and includes, but is not limited to, a substance that is toxic, corrosive, or flammable, or that is an irritant or that, in confinement, generates enough pressure through decomposition, heat, or other means. The following are examples that, in sufficient quantity, may be hazardous: acids; explosives; fertilizers; heavy metals such as chromium, arsenic, mercury, lead and cadmium; industrial chemicals; paint thinners; paints; pesticides; petroleum products; poisons; radioactive materials; sludges; and organic solvents.
- "Hazardous condition" means any situation involving the actual, imminent, or probable spillage, leakage, or release of a hazardous substance onto the land, into a water of the state or into the atmosphere, which, because of the quantity

strength, and toxicity of the hazardous substance, its mobility in the environment, and its persistence, creates an immediate or potential danger to the public health or safety or to the environment.

Depending on the material spilled, and the quantity and location of the spill, a call to the National Response Center and/or appropriate state agencies may be required. Each state has different reporting requirements. The Applicant's EIT PI shall report a hazardous substance spill or hazardous condition to the National Response Center and/or appropriate state agency if:

- A hazardous substance has the potential to leave the property by flowing over the surface or through sewers, tile lines, culverts, drains, utility lines, or some other conduit.
- A hazardous substance has the potential to reach any surface or groundwater.
- Any hazardous substance has spilled directly to a water of the state.
- A hazardous substance is detected in the air at the boundaries of the construction ROW by the senses (sight and smell) or by monitoring equipment.
- There is a hazardous condition that poses a potential threat to the public health and safety.

Reportable quantities are as follows:

- A spill of any hazardous substance in a quantity of 5 gallons or greater on land.
- Any amount of substance such as paint, solvents, fertilizers, acids, etc.
- Any spill of solid petroleum product greater than 100 pounds.
- Any spills to a water of the state. The Emergency Management Agency defines waters of the state to be features such as streams, creeks, wetlands, and drainage ways, etc. Furthermore, the feature is not required to be holding water at the time of the spill. Therefore, a spill into a dry creek bed, unsaturated wetland, or drainage way would warrant a notification call.

The appropriate federal and state contacts for the project are as follows:

In Carbon County, Utah, call:

a) OPERATING COMPANY

JAKE Oil of Utah, LLC

Eric H. Olsen 406-896-4953 (o)
208 N 29th St Ste 230 President 406-696-2353 (h)
Billings, MT 406-896-4954 (f)
ehoil@aol.com

b) EMERGENCY AND MEDICAL SERVICES

FIRE

POLICE

Emergency 911

HOSPITAL

c) FEDERAL GOVERNMENT DEPARTMENTS

Bureau of Land Management

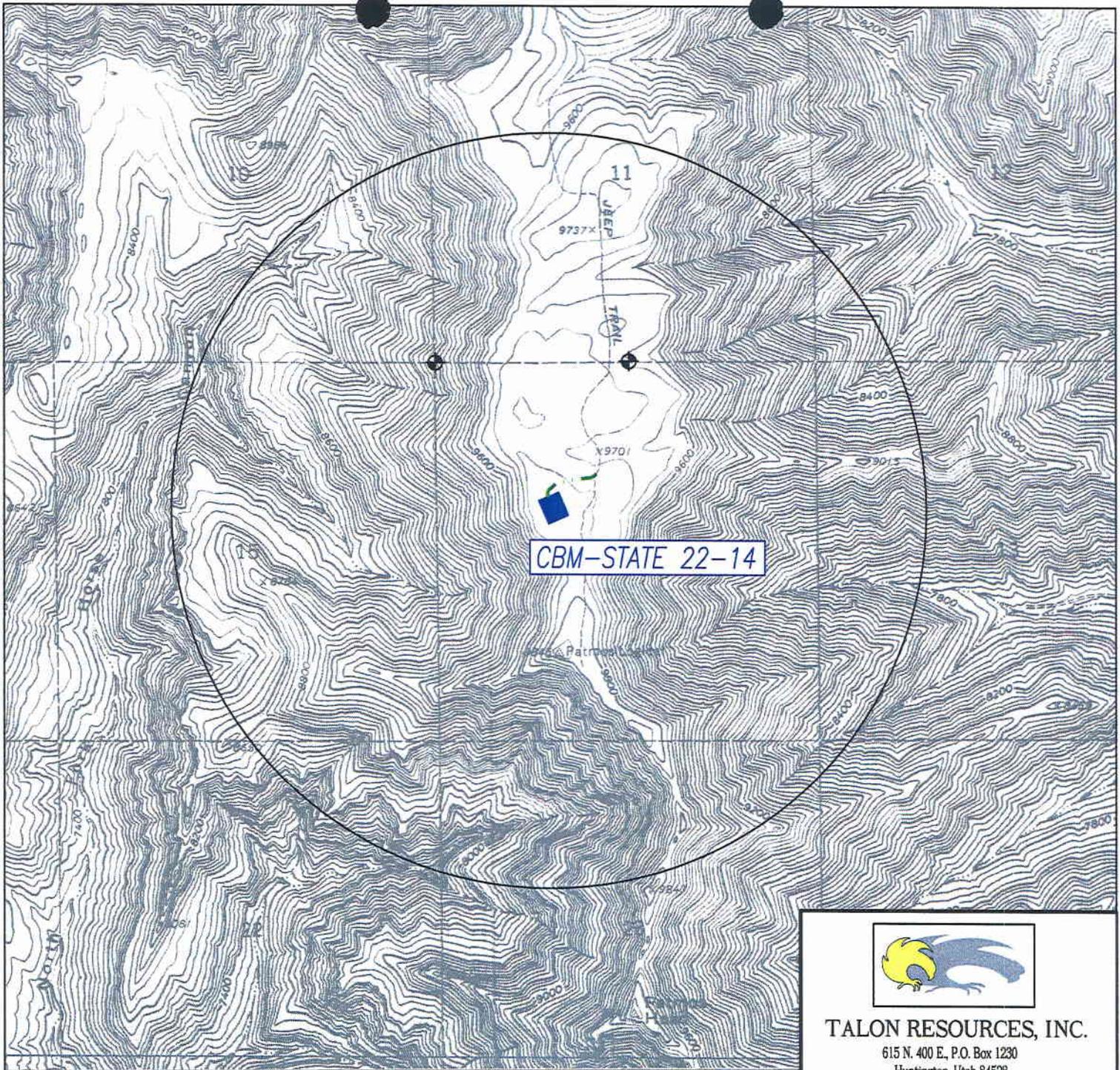
Price Field Office 435-636-3600
PO Box 7004
Price, Utah 84501

EPA, Denver, CO 303-312-6312
999 18th Street, Suite 200 800-227-8917
Denver, CO 80202

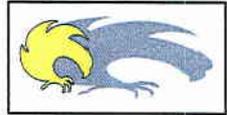
d) STATE GOVERNMENT DEPARTMENTS

Utah Division of Oil, Gas, Mining

2370 S 2300 W
Salt Lake City, Utah 801-977-4300



CBM-STATE 22-14



TALON RESOURCES, INC.

615 N. 400 E., P.O. Box 1230
 Huntington, Utah 84528
 Phone (435)687-5310 Fax (435)687-5311
 E-Mail talon@etv.net



**CBM State #22-14
 Section 14, T15S, R14E, S.L.B.&M.
 Carbon County, Utah**

- LEGEND:**
- PROPOSED WELL
 - SURVEYED WELL LOCATION
 - PROPOSED ROAD
 - LEASE BOUNDARY
 - ⊕ SECTION CORNER FOUND

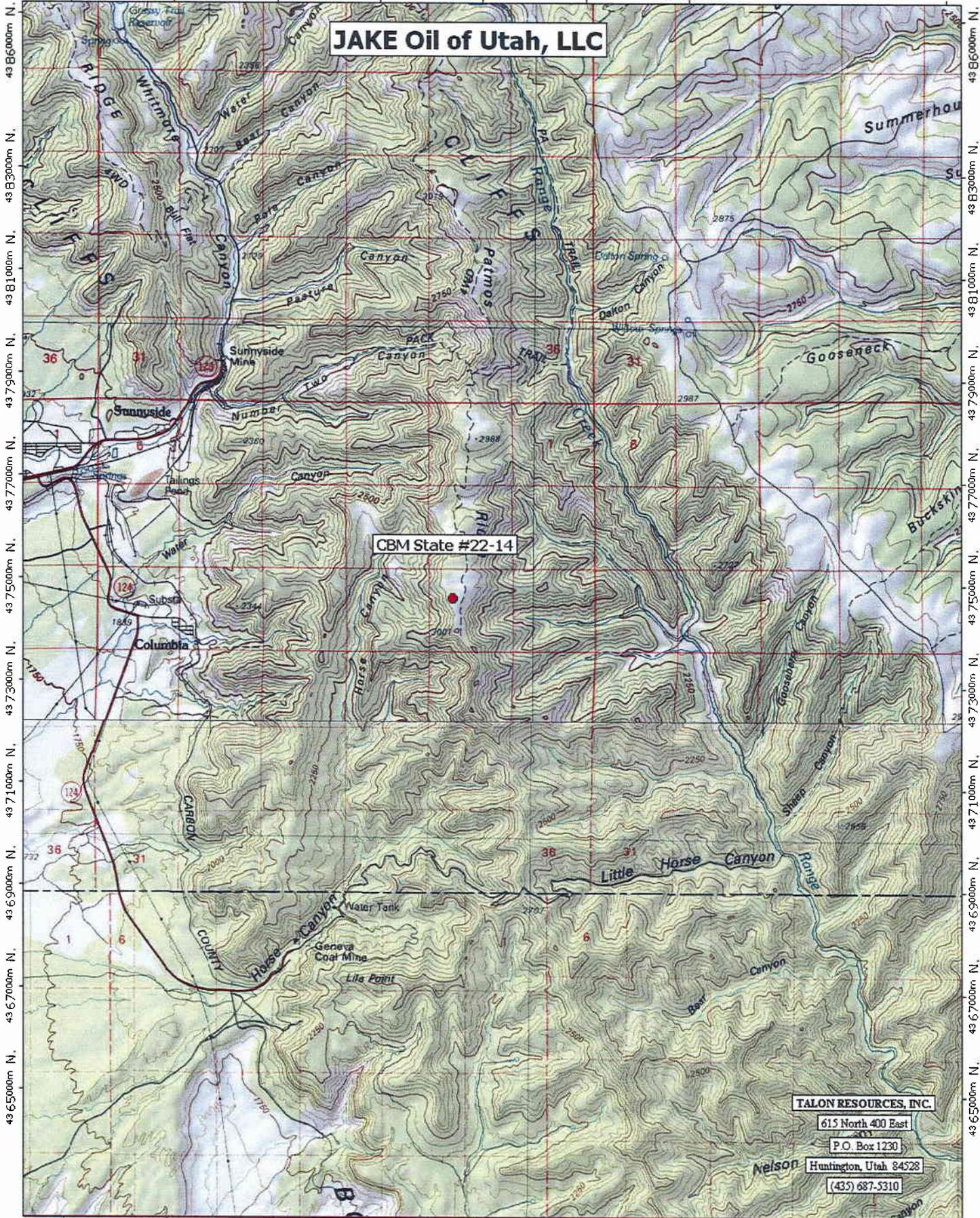
Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. L-1	Date: 6/11/07
	Scale: 1" = 2000'
Sheet 4 of 4	Job No. 2881

551000m E, 553000m E, 555000m E, 557000m E, 559000m E, 561000m E, 563000m E, NAD27 Zone 12S 568000m E

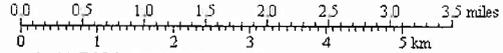
JAKE Oil of Utah, LLC

CBM State #22-14

TALON RESOURCES, INC.
615 North 400 East
P.O. Box 1230
Huntington, Utah 84528
(435) 687-5310

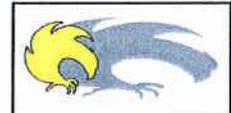
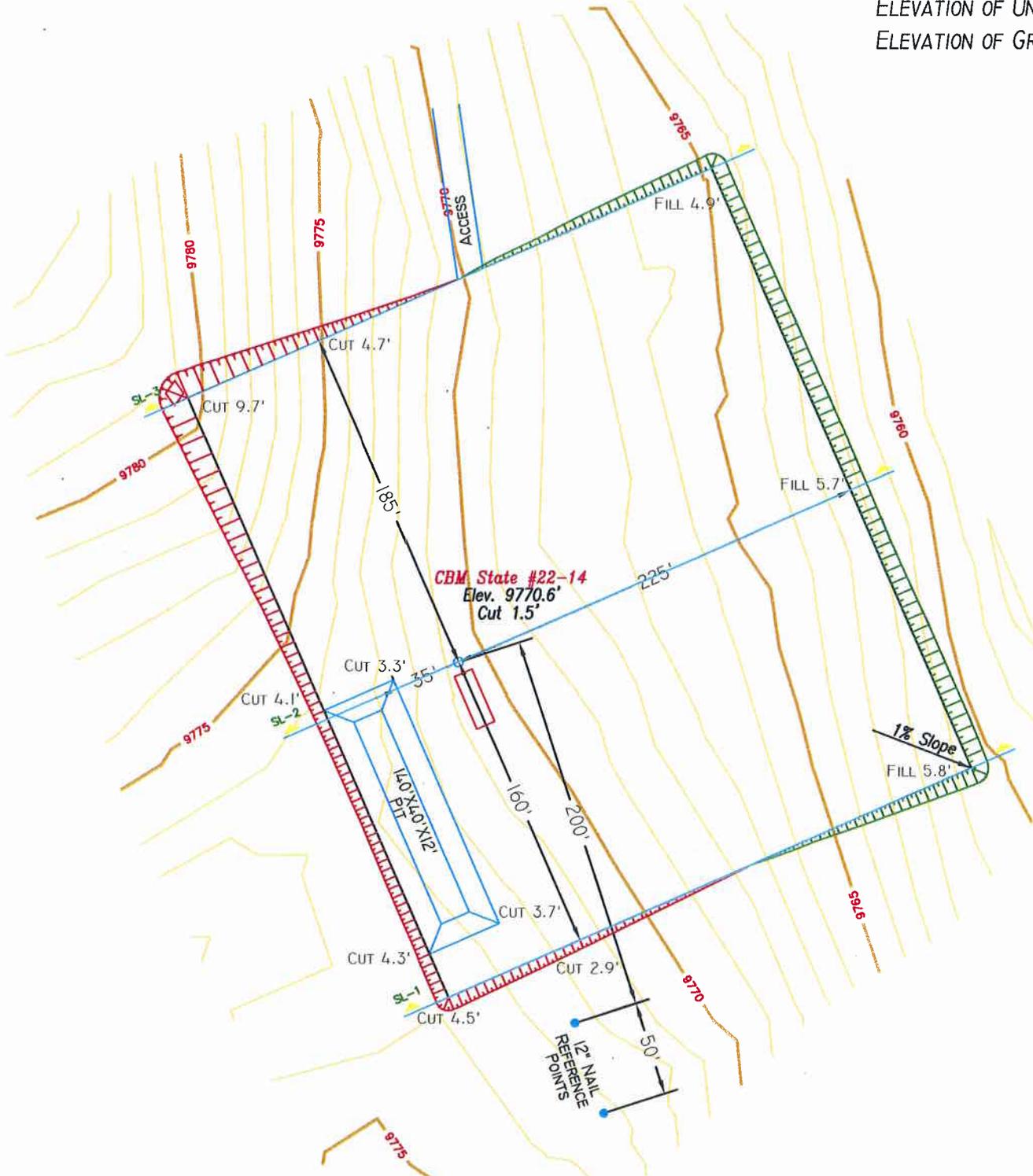


TN/MN
12 1/2°

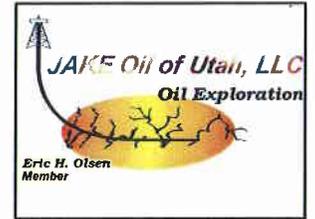


Map created with TOPO!® ©2003 National Geographic (www.nationalgeographic.com/topo)

ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 9770.6'
 ELEVATION OF GRADED GROUND AT LOCATION STAKE = 9769.1'

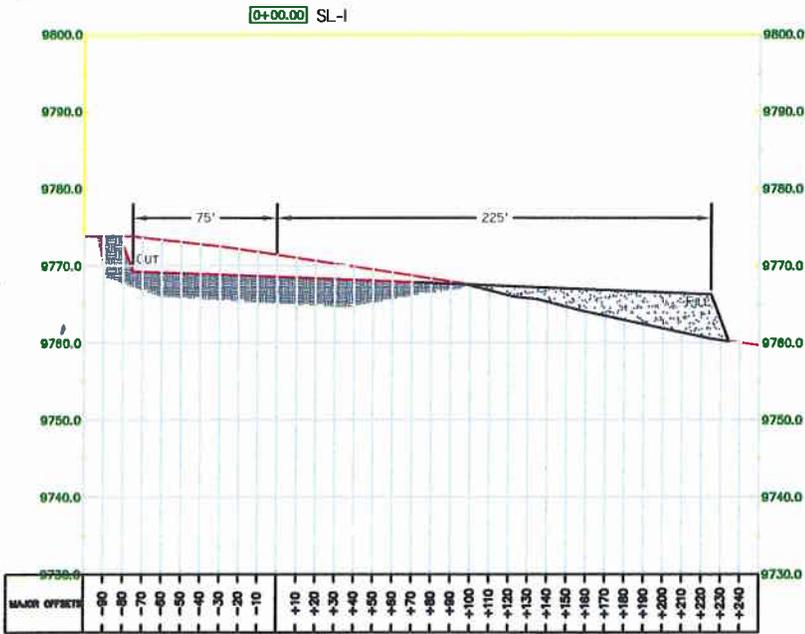
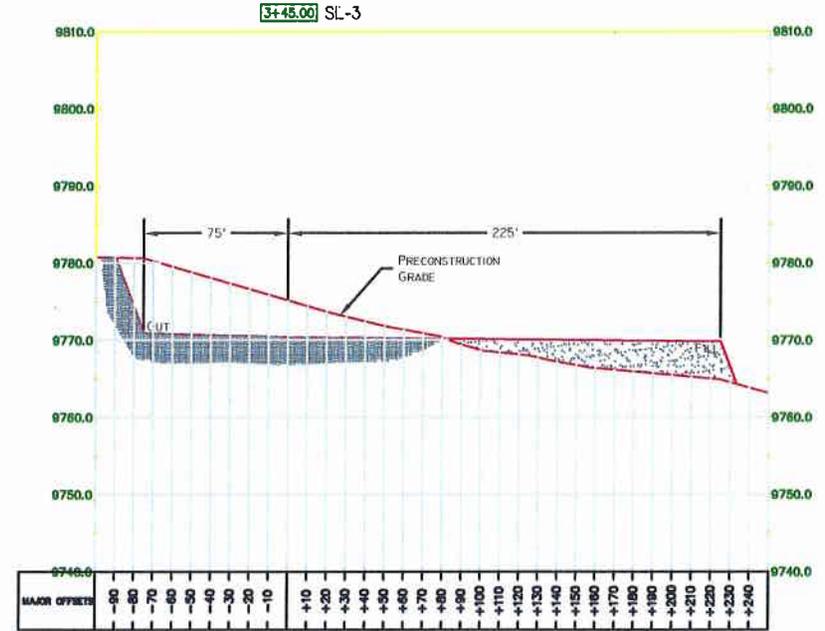
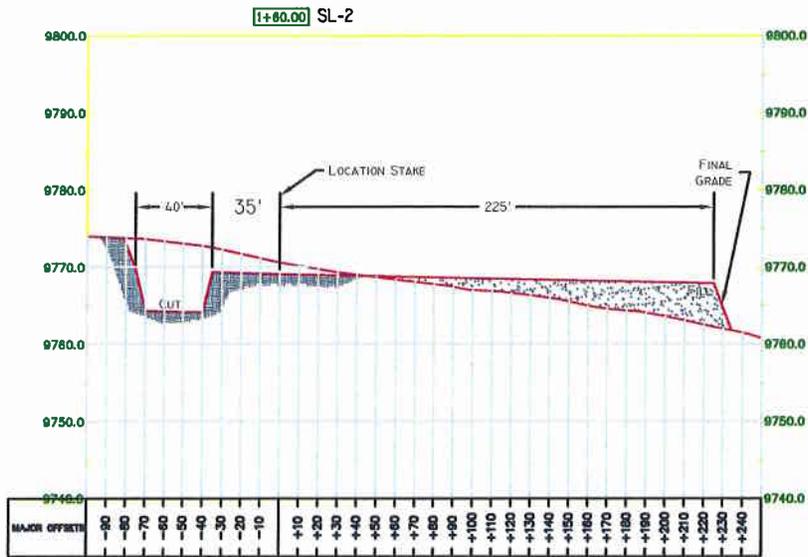


TALON RESOURCES, INC.
 615 North 400 East P.O. Box 1230
 Huntington, Utah 84528
 Phone (435)687-5310 Fax (435)687-5311
 E-Mail talonaetv.net



LOCATION LAYOUT
 Section 14, T15S, R14E, S.L.B.&M.
 Well CBM State #22-14

Drawn By: N. BUTKOVICH	Checked By: L.W.J./A.J.S.
Drawing No. A-2	Date: 6/6/07
	Scale: 1" = 80'
Sheet 2 of 4	Job No. 2881



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

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

APPROXIMATE YARDAGES

CUT

(6") TOPSOIL STRIPPING = 1,920 CU. YDS.

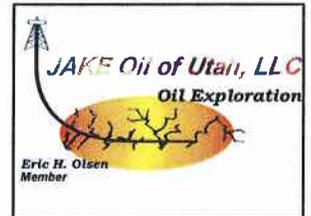
TOTAL CUT (INCLUDING PIT) = 7,045 CU. YDS.

TOTAL FILL = 5,735 CU. YDS.



TALON RESOURCES, INC

195 North 100 West P.O. Box 1230
Huntington, Utah 84528
Phone (435)687-5310 Fax (435)687-5311
E-Mail talon@trv.net



**TYPICAL CROSS SECTION
Section 14, T15S, R14E, S.L.B.&M.
Well CBM State #22-14**

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. C-1	Date: 6/6/07
	Scale: 1" = 100'
Sheet 3 of 4	Job No. 2881

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

FORM 3

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL				ML	5. MINERAL LEASE NO: 47799	6. SURFACE: Fee
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>					7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>					8. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: Jake Oil of Utah, LLC					9. WELL NAME and NUMBER: CBM-State 22-14	
3. ADDRESS OF OPERATOR: 208 N. 29th Str Ste 230 CITY Billings STATE MT ZIP 59101				PHONE NUMBER: (406) 896-4953		10. FIELD AND POOL, OR WILDCAT: Wildcat
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 2107.57 FNL 1588.06 FWL 558432X 39.521487 4374661Y AT PROPOSED PRODUCING ZONE: 2107.57 FNL 1588.06 FWL -110.320206					11. OTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENW 14 15S 14E 2	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 4.31 miles Northwest					12. COUNTY: Carbon	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 1588 feet		16. NUMBER OF ACRES IN LEASE: 2520.9 acres		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 160 acres		
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 1499.7 feet		19. PROPOSED DEPTH: 6,500		20. BOND DESCRIPTION:		
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 9970.6' GR		22. APPROXIMATE DATE WORK WILL START: 8/1/2007		23. ESTIMATED DURATION: 15 days		

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
12-1/4"	9-5/8"	J-55	36#	2,000	Rockies LT	325	2.34ft3/sks 13.3lb/gal
8-3/4"	7"	J-55	26#	10,000	Premium Plus V	450	1.16ft3/sks 15.8lb/gal

25. **ATTACHMENTS**

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

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

NAME (PLEASE PRINT) Jennifer L. Olsen TITLE Agent

SIGNATURE *Jennifer Olsen* DATE 6/21/2007

(This space for State use only)

API NUMBER ASSIGNED: 43-007-31249

APPROVAL:

RECEIVED
JUN 25 2007
DIV. OF OIL, GAS & MINING

Range 14 East

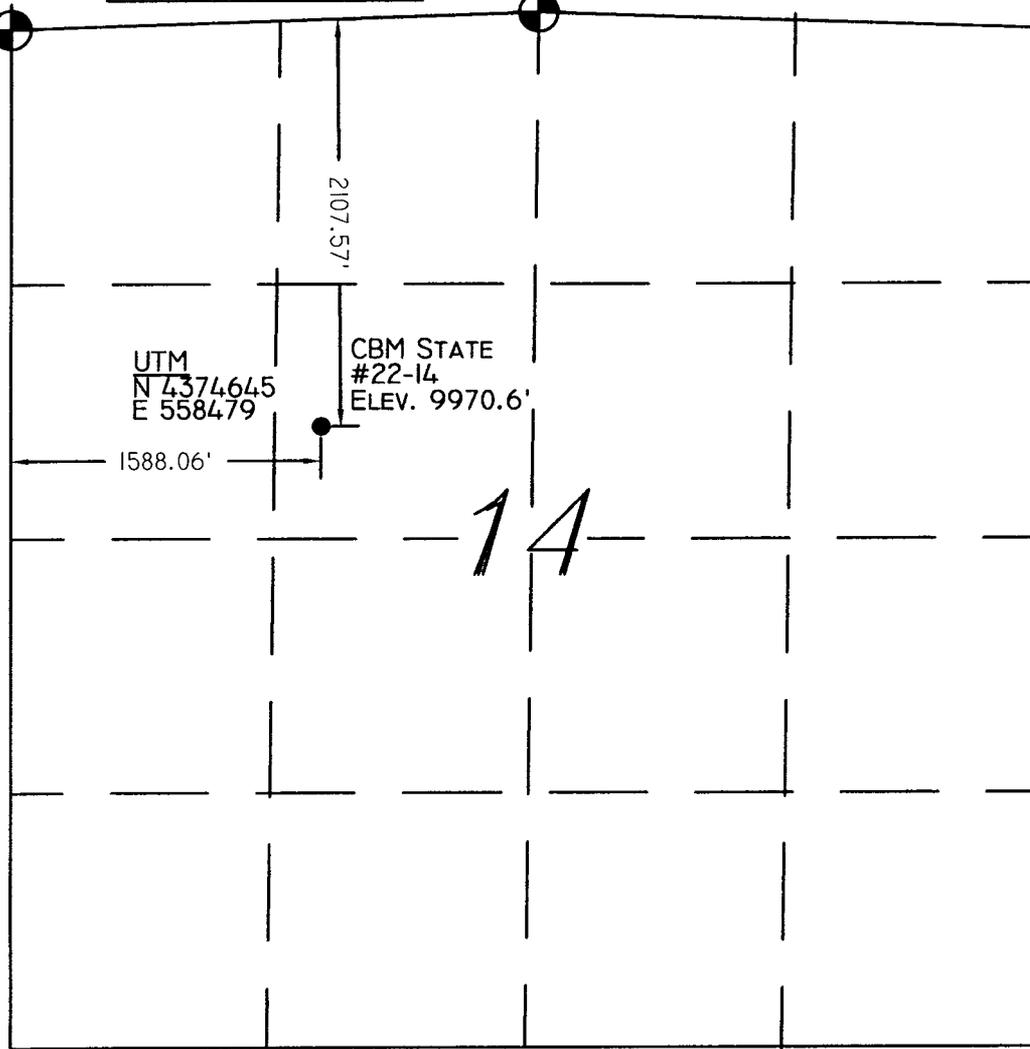
(S89°58'W - 5283.96')

N88°10'58"E - 2695.15'

Township 15 South

(N00°01'W - 5280.00')

(N00°01'W - 5280.00')



(N89°59'W - 5277.36')

Legend

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

NOTES:

1. UTM and Latitude / Longitude Coordinates are derived using a GPS Pathfinder and are shown in NAD 27 Datum.

LAT / LONG
39°31'16.833" N
110°19'10.770" W

Location:

The well location was determined using a Trimble 5700 GPS survey grade unit.

Basis of Bearing:

The Basis of Bearing is GPS Measured.

GLO Bearing:

The Bearings indicated are per the recorded plat obtained from the U.S. Land Office.

Basis of Elevation:

Basis of Elevation of 9845.0' being a Triangulation Point called Patmos Logical in Section 14, Township 15 South, Range 14 East, Salt Lake Base & Meridian, as shown on the Patmos Head Quadrangle 7.5 Minute Series Map.

Description of Location:

Proposed Drill Hole located in the SE1/4 NW1/4 of Section 14, T15S, R14E, S.L.B.&M., being South 2107.57' from North Line and East 1588.06' from West Line of Section 14, T15S, R14E, Salt Lake Base & Meridian.

Surveyor's Certificate:

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



GRAPHIC SCALE

0 500' 1000'
 (IN FEET)
 1 inch = 1000 ft.



TALON RESOURCES, INC.

615 North 400 East P.O. Box 1230
 Huntington, Utah 84528
 Phone (435)687-5310 Fax (435)687-5311
 E-Mail talonectv.net



Well CBM State #22-14
 Section 14, T15S, R14E, S.L.B.&M.
 Carbon County, Utah

Drawn By: N. BUTKOVICH	Checked By: L.W.J./A.J.S.
Drawing No. A-1	Date: 6/6/07
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 2881

551000mE. 553000mE. 555000mE. 557000mE. 559000mE. 561000mE. 563000mE. NAD27 Zone 12S 568000mE.

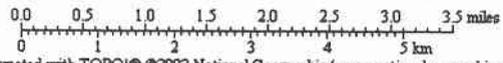
JAKE Oil of Utah, LLC

CBM State #22-14

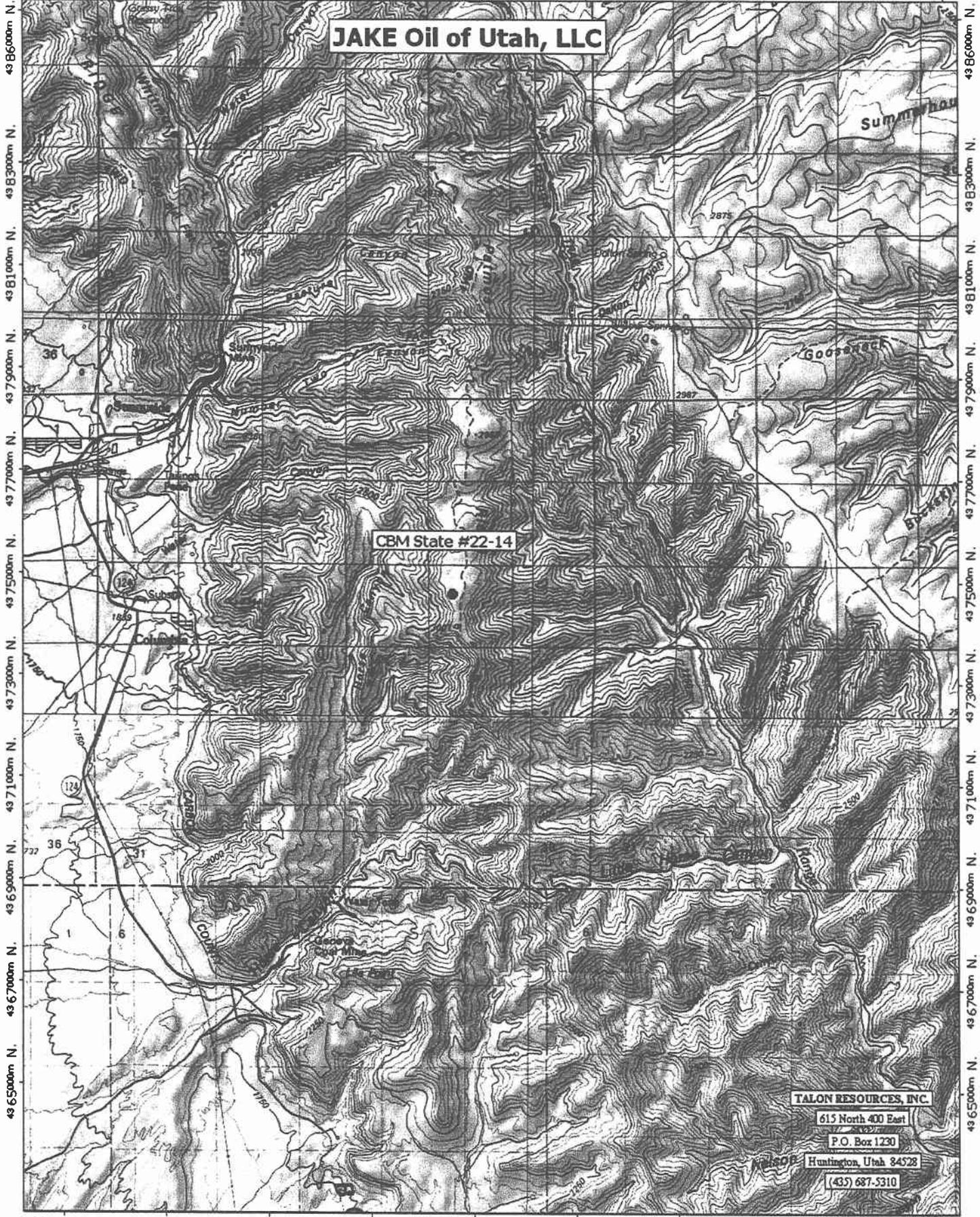
TALON RESOURCES, INC.
615 North 400 East
P.O. Box 1230
Huntington, Utah 84528
(435) 687-5310

551000mE. 553000mE. 555000mE. 557000mE. 559000mE. 561000mE. 563000mE. NAD27 Zone 12S 568000mE.

TN MN
12 1/2°



Map created with TOPO!® ©2003 National Geographic (www.nationalgeographic.com/topo)



2007-08 Jake CBM-ST 22-14

Casing Schematic

Surface

BHP $0.052(12000)10 = 6240 \text{ psi}$
anticipate 5160
(.43 psi/ft)

Gas $.12(12000) = 1440$
 $6240 - 1440 = 4800 \text{ psi, MASP}$
9-5/8"
MW 8.8
Frac 19.3

BOPE SM ✓

Burst 3520
70% 2464

Max P @ surf. shoe
 $.22(10000) = 2200$
 $6240 - 2200 = 4040 \text{ psi}$
max pressure allowed @ shoe = 2000 psi (1.5/ft frac grad)

Test to 2464 psi ✓

✓ Adequate DUD 8/31/07

5-1/2"
MW 10.

2 1/2"
2 1/8"

TOC @ Colton 0.

TOC @ 1792.
Surface 2000. MD
2615' Price River ✓

5315' Blackhawk
5520' Mancos ✓

7888' Ferron
8187' Tununk
8380' Dakota
8859' Cedar Mountain
8970' Buckhorn

9970' Morrison
10238' Summerville

10865 Kurtis

11418' Entrada
11829' Carmel
11990' Navajo

Production
12000. MD

Well name:

2007-08 Jake CBM-ST 22-14

Operator: **Jake Oil of Utah, LLC**

String type: **Surface**

Project ID:

43-007-31299

Location: **Carbon**

Design parameters:

Collapse

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

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 93 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 185 ft

Cement top: Surface

Burst

Max anticipated surface pressure: 1,760 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,000 psi

No backup mud specified.

Tension:

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

Tension is based on air weight.
Neutral point: 1,739 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 12,000 ft
Next mud weight: 10.000 ppg
Next setting BHP: 6,234 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,000 ft
Injection pressure: 2,000 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2000	9.625	36.00	J-55	ST&C	2000	2000	8.796	868
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	914	2020	2.210	2000	3520	1.76	72	394	5.47 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Minerals

Phone: 801-538-5357
FAX: 801-359-3940

Date: August 28, 2007
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 2000 ft, a mud weight of 8.8 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:	2007-08 Jake CBM-ST 22-14		
Operator:	Jake Oil of Utah, LLC		Project ID:
String type:	Production		43-007-31299
Location:	Carbon		

Design parameters:

Collapse

Mud weight: 10.000 ppg
Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 3,594 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 6,234 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: 10,180 ft

Environment:

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 233 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 368 ft

Cement top: 1,792 ft

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	12000	5.5	17.00	P-110	LT&C	12000	12000	4.767	1566.3
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	6234	7480	1.200	6234	10640	1.71	204	445	2.18 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Minerals

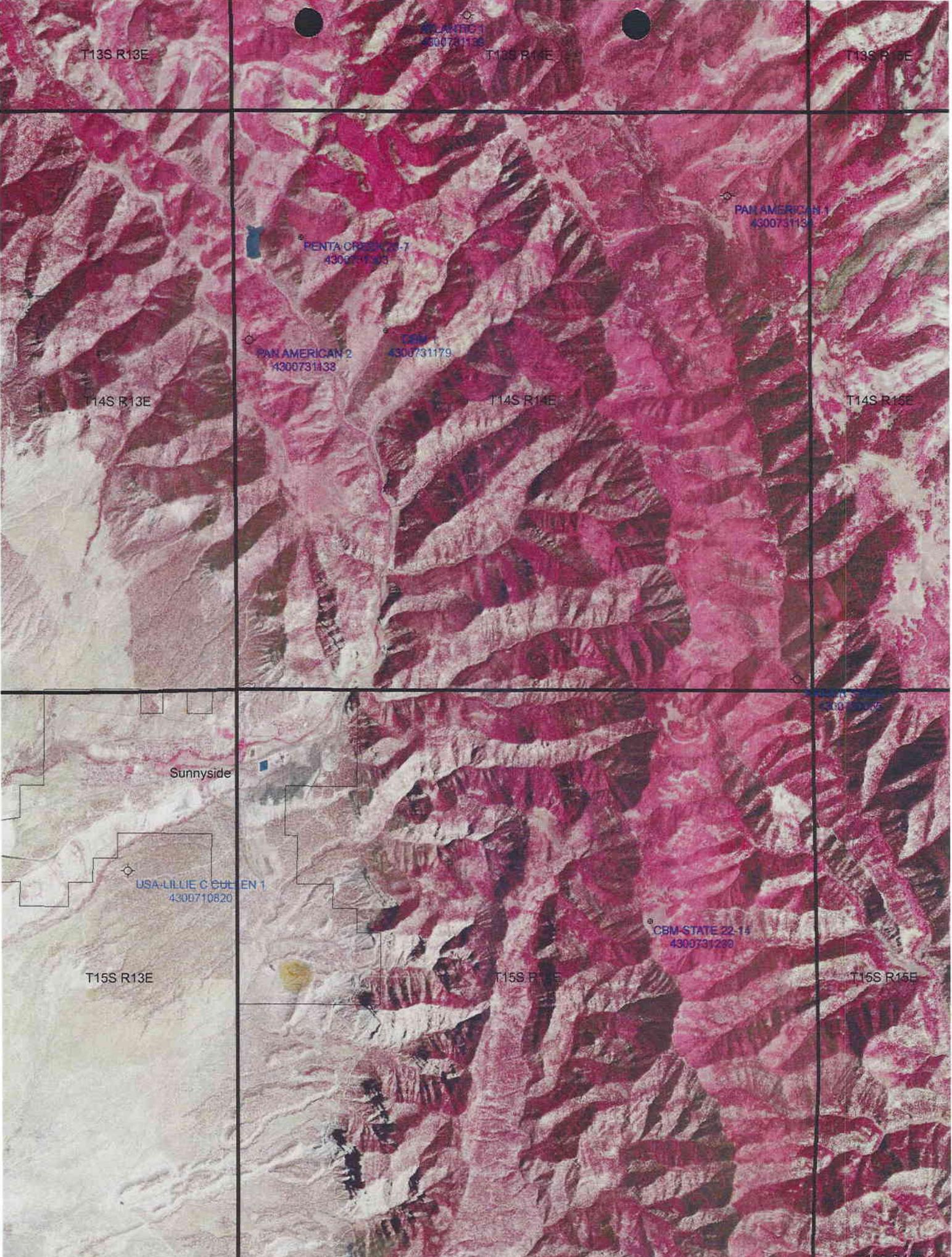
Phone: 801-538-5357
FAX: 801-359-3940

Date: August 28, 2007
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 12000 ft, a mud weight of 10 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.



T13S R13E

ATLANTIC 1
4300731135

T13S R14E

T13S R15E

T14S R13E

PAN AMERICAN 2
4300731433

PENTA CREEK 23-7
4300731303

CBM 1
4300731179

T14S R14E

PAN AMERICAN 1
4300731133

T14S R15E

T15S R13E

USA-LILLIE C CUTTEN 1
4300710820

Sunnyside

CBM-STATE 22-14
4300731230

T15S R14E

T15S R15E

T13S R13E

ATLANTIC 1
4300731139

T13S R14E

T13S R15E

T14S R13E

PENTA CREEK 23-7
4300731303

PAN AMERICAN 2
4300731133

CBM 1
4300731179

T14S R14E

PAN AMERICAN 1
4300731133

T14S R15E

T15S R13E

USA LILLIE C CULLEN 1
4300710820

Sunnyside

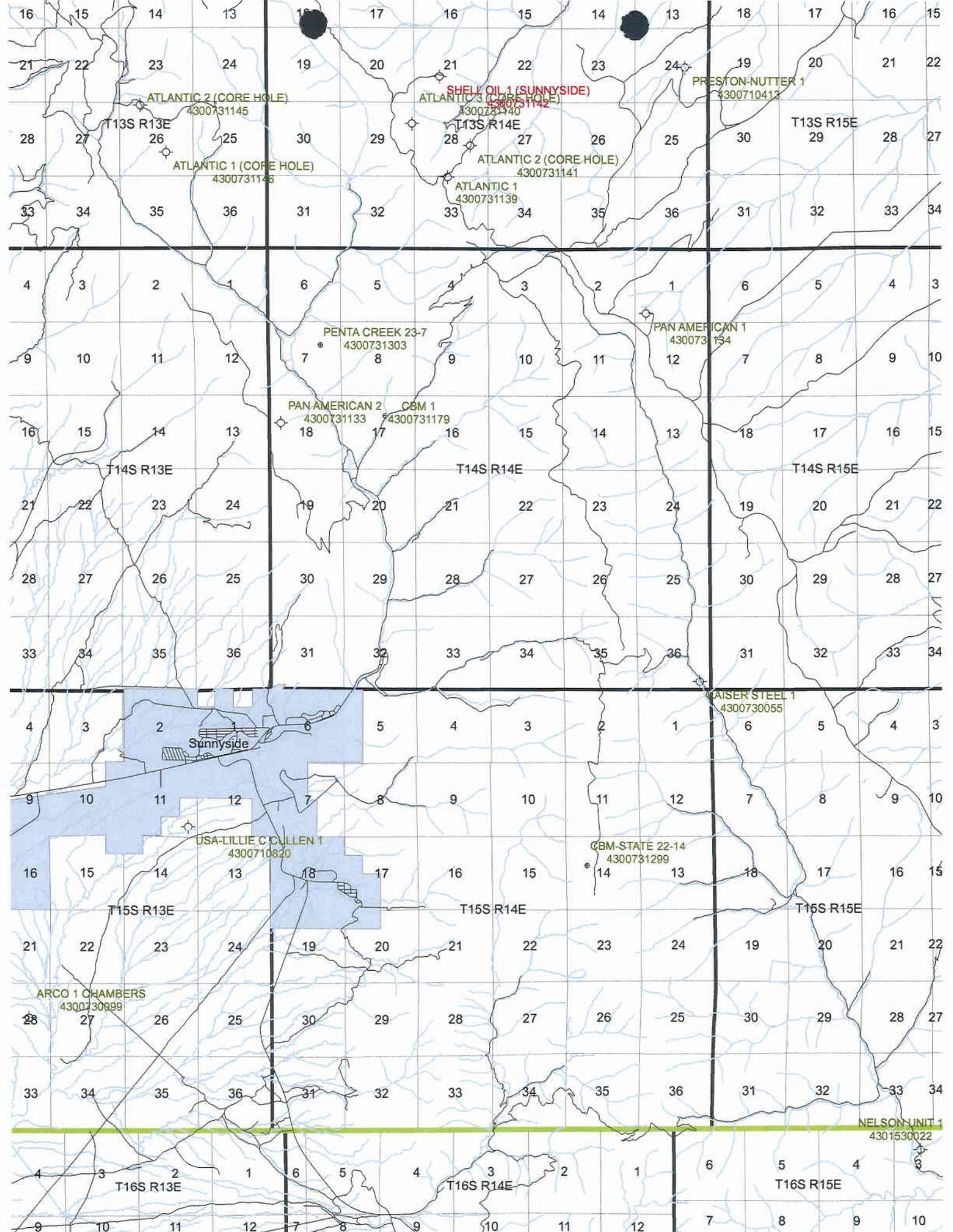
CBM-STATE 22-14
4300731299

PAN AM STEEL 1
4300730055

T15S R14E

T15S R15E

T16S R15E



ATLANTIC 2 (CORE HOLE)
4300731145

SHELL OIL 1 (SUNNYSIDE)
ATLANTIC 3 (CORE HOLE)
4300731142

PRESTON-NUTTER 1
4300710413

ATLANTIC 1 (CORE HOLE)
4300731145

ATLANTIC 2 (CORE HOLE)
4300731141

ATLANTIC 1
4300731139

PENTA CREEK 23-7
4300731303

PAN AMERICAN 1
4300731134

PAN AMERICAN 2
4300731133

CBM 1
4300731179

KAISER STEEL 1
4300730055

USA-LILLIE C CULLEN 1
4300710820

CBM-STATE 22-14
4300731299

ARCO 1 CHAMBERS
4300730699

NELSON UNIT 1
4301530022

T16S R13E

T16S R14E

T16S R15E

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 06/25/2007

API NO. ASSIGNED: 43-007-31299

WELL NAME: CBM-STATE 22-14
 OPERATOR: JAKE OIL OF UTAH, LLC (N3040)
 CONTACT: JENNIFER OLSEN

PHONE NUMBER: 406-896-4953

PROPOSED LOCATION:

SENW 14 150S 140E
 SURFACE: 2107 FNL 1588 FWL
 BOTTOM: 2107 FNL 1588 FWL
 COUNTY: CARBON
 LATITUDE: 39.52149 LONGITUDE: -110.3202
 UTM SURF EASTINGS: 558432 NORTHINGS: 4374661
 FIELD NAME: WILDCAT (1)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DJO	8/31/07
Geology		
Surface		

LEASE TYPE: 3 - State
 LEASE NUMBER: ML-47799
 SURFACE OWNER: 4 - Fee

PROPOSED FORMATION: ~~TRSD~~ **NAVA**
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]
(No. RLB0010514)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. A3569)
- RDCC Review (Y/N)
(Date: 07/14/2007)
- Fee Surf Agreement (Y/N)
Surface Owner is Jake Oil of Utah
- Intent to Commingle (Y/N)

LOCATION AND SITING:

- R649-2-3.
- Unit: _____
- R649-3-2. General
- Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
- Board Cause No: _____
- Eff Date: _____
- Siting: _____
- R649-3-11. Directional Drill

COMMENTS: Needs Permit (07-18-07)

STIPULATIONS: 1- Spacing Strip
2- STATEMENT OF BASIS

T15S R14E

10

11

12

15

14

13

22

23

24

CBM-STATE 22-14



OPERATOR: JAKE OIL OF UTAH (N3040)

SEC: 14 T.15S R. 14E

FIELD: WILDCAT (001)

COUNTY: CARBON

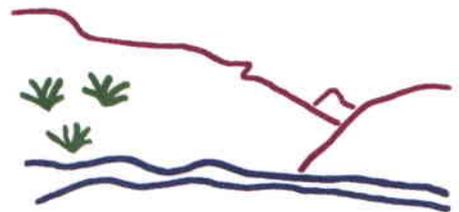
SPACING: R649-3-3 / EXCEPTION LOCATION

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



Utah Oil Gas and Mining



PREPARED BY: DIANA MASON
DATE: 28-JUNE-2007

Application for Permit to Drill

Statement of Basis

Utah Division of Oil, Gas and Mining

8/2/2007

Page 1

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
455	43-007-31299-00-00		GW	P	No
Operator	JAKE OIL OF UTAH, LLC	Surface Owner-APD			
Well Name	CBM-STATE 22-14	Unit			
Field	WILDCAT	Type of Work			
Location	SENW 14 15S 14E S 2107 FNL 1588 FWL GPS Coord (UTM) 558432E 4374661N				

Geologic Statement of Basis

A well at this location will likely spud into a poorly to moderately permeable soil formed on the Colton Formation. Significant volumes of high quality ground water may be encountered unless local coal mines or proximity to the Tavaputs Plateau western edge (2.5 miles west) have dewatered the ground water from this area. The proposed casing and cementing program will not adequately isolate any zones of fresh water that may be penetrated because the surface casing string is not sufficiently long. It affords protection to the Colton/Wasatch Formation but doesn't protect any of the sandstones of the Mesaverde Group or the Flagstaff Limestone. The drilling fluid is a benign air/foam system to Surface Casing setting depth but below 2000' TD the proposed circulating medium is not specified. No underground water rights have been filed within a mile of the proposed well site. After researching the likelihood of encountering mining infrastructure during drilling, and in consultation with the DOGM Mining Staff, it appears that subsurface mine workings are not likely to be in the path of the drill bit. The nearest mine is the Sunnyside Mine, which is no longer in operation and was abandoned in 1994 and subsequently reclaimed by DOGM. The operator of this well, Jake Oil of Utah, LLC also owns the mine and is aware that the well is likely to be drilled near the mine galleries. I consulted with DOGM mining staff, Mr. Wayne Western, and he contacted Mr. Dave Tabet of the UGS. They could find no mine workings in Section 14 and Dave said his best information had the nearest workings in the west half of Section 15. They offered no objection to the proposed drilling under the current circumstances.

as of 8/9/07 changed to polymer mud w/ possible use if needed MSm

APD Evaluator

Date / Time

Surface Statement of Basis

Pit liner will be required (16 mil minimum), based on pit liner ranking criteria. The reserve pit may be excavated in material (rock) that could decrease the liner integrity upon installation and/or use. Care will need to be taken upon pit excavation, (shading or removing rocks). A felt underlayment will be required under the liner to help protect the liner. The Division shall be contacted prior to pit excavation to coordinate inspection of underlayment and liner. It may also be necessary to use a thicker liner. The reserve pit will be fenced immediately upon completion of drilling. Depending on the time of year the well is drilled the Division may require that the reserve pit be closed immediately to eliminate pit overflowing with spring snow melt. 12 miles of extensive road work will be required to access this well site. The operator noted that all proposed access will be on Jake Oil. Drainage shall be provided for all storm event and snow melt around and away from the pad and road.

Mark Jones

7/18/2007

Onsite Evaluator

Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed and maintained in the reserve pit.
Surface	The reserve pit shall be fenced upon completion of drilling operations.
Surface	Drainages adjacent to the proposed pad shall be diverted around the location.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator JAKE OIL OF UTAH, LLC
Well Name CBM-STATE 22-14
API Number 43-007-31299-0 **APD No** 455 **Field/Unit** WILDCAT
Location: 1/4,1/4 SENW **Sec** 14 **Tw** 15S **Rng** 14E 2107 FNL 1588 FWL
GPS Coord (UTM) 558477 4374652 **Surface Owner**

Participants

M. Jones (DOGM), Eric Olsen, Peter Spangelo, George Wilberger (Jake), Don Bennett (Nielson Const)

Regional/Local Setting & Topography

Patmos Ridge, ~4.31 miles Northwest of Columbia, Carbon County, Utah.

Surface Use Plan

Current Surface Use

Grazing
Wildlife Habitat

New Road

Miles	Well Pad		Src Const Material	Surface Formation
12	Width 300	Length 345	Onsite	

Ancillary Facilities N

Waste Management Plan Adequate?

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

sagebrush, forbes, grasses, elk, deer, rodents, birds, other wild game.

Soil Type and Characteristics

sandy clay loam

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diversion Required Y

Berm Required? N

Erosion Sedimentation Control Required? N

Paleo Survey Run? N **Paleo Potential Observed?** N **Cultural Survey Run?** N **Cultural Resources?** N

Reserve Pit

Site-Specific Factors		Site Ranking
Distance to Groundwater (feet)	>200	0
Distance to Surface Water (feet)	>1000	0
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)	>1320	0
Native Soil Type	High permeability	20
Fluid Type	Fresh Water	5
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)	>20	10
Affected Populations	<10	0
Presence Nearby Utility Conduits	Not Present	0
Final Score		35
		1 Sensitivity Level

Characteristics / Requirements

dugout earthen (140/40/12). Liner will be required (12 mil minimum), based on pit liner ranking criteria. APD submitted shows Jake plans on using a 10 mil liner, I pointed out to Mr. Olsen that 12 mil will be the minimum required by the Division.

Closed Loop Mud Required? N **Liner Required?** Y **Liner Thickness** 12 **Pit Underlayment Required?** N

Other Observations / Comments

Liner will be required (16 mil minimum), based on pit liner ranking criteria. APD submitted shows Jake plans on using a 10 mil liner, I pointed out to Mr. Olsen that 12 mil will be the minimum required by the Division. The reserve pit may be excavated in material (rock) that could decrease the liner integrity upon installation and/or use. Care will need to be taken upon pit excavation, shading or removing rocks. A felt underlayment will be required under the liner to help protect the liner. It may also be necessary to use a thicker liner. 12 miles of extensive (steep and rocky) road work will be required to access this wellsite. The operator noted that all proposed access will be on Jake Oil. The reserve pit will be fenced immediately upon completion of drilling. Depending on the time of year the well is drilled the Division may require that the reserve pit be closed immediately to eliminate pit overfilling with spring snow melt.

Mark Jones
Evaluator

7/18/2007
Date / Time



Online Services

Agency List

Business

Search



Utah Division of Water Rights

There are no features in the query area.

Click on the back button to try again

Please direct questions and comments regarding the map server to: leeschler@utah.gov.

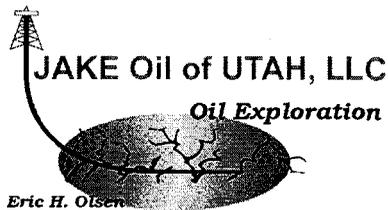
back

close

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STATE ACTIONS
Resource Development Coordinating Committee
Public Lands Policy Coordination Office
5110 State Office Building
SLC, UT 84114
Phone No. 537-9230

1. State Agency Oil, Gas and Mining 1594 West North Temple, Suite 1210 Salt Lake City, UT 84114-5801	2. Approximate date project will start: Upon Approval or July 12, 2007
3. Title of proposed action: Application for Permit to Drill	
4. Description of Project: Jake Oil of Utah, LLC proposes to drill the CBM-State 22-14 well (wildcat) on State lease ML-47799, Carbon County, Utah. This action is being presented to the RDCC for consideration of resource issues affecting state interests. The Division of Oil, Gas and Mining is the primary administrative agency in this action and must issue approval before operations commence.	
5. Location and detailed map of land affected (site location map required, electronic GIS map preferred) (include UTM coordinates where possible) (indicate county) 2107.57' FNL 1588.06' FWL, SE/4 NW/4, Section 14, Township 15 South, Range 14 East, Carbon County, Utah	
6. Possible significant impacts likely to occur: Surface impacts include up to five acres of surface disturbance during the drilling and completion phase (estimated for five weeks duration). If oil and gas in commercial quantities is discovered, the location will be reclaimed back to a net disturbance of between one and two acres – not including road, pipeline, or utility infrastructure. If no oil or gas is discovered, the location will be completely reclaimed.	
7. Identify local government affected a. Has the government been contacted? No. b. When? c. What was the response? d. If no response, how is the local government(s) likely to be impacted?	
8. For acquisitions of land or interests in land by DWR or State Parks please identify state representative and state senator for the project area. Name and phone number of state representative, state senator near project site, if applicable: a. Has the representative and senator been contacted? N/A	
9. Areawide clearinghouse(s) receiving state action: (to be sent out by agency in block 1) Southeastern Utah Association of Governments	
10. For further information, contact: Diana Mason Phone: (801) 538-5312	11. Signature and title of authorized officer  Gil Hunt, Associate Director Date: June 28, 2007



208 NORTH 29TH STREET STE 230
BILLINGS, MT 59101
406-896-4953 (PH)
406-896-4954 (FAX)

STATE OF UTAH
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

RECEIVED

JUN 27 2007

DIV. OF OIL, GAS & MINING

June 26, 2007

RE: Exception Location application
Evidence of Division of water rights approval for use of water
Affidavit of surface agreement
Additional copy of APD

Dear Dianna Whitney,

Per our phone conversation, please find enclosed an additional copy of the APD as well as the supplementary information that you requested.

In reference to the State Oil and Gas Conservation rule R649-3-3, CBM 22-14 SE NW S14 T15S R14E is an exception to this rule due to the topography and location of the well.

The water number we received from Nielson Construction for CBM 22-14 SE NW S14 T15S R14E in Carbon County, UT is A3569.

JAKE oil of Utah, LLC will operate all wells drilling in Carbon County, Utah and owns all of the surface rights in section 14 except SW $\frac{1}{4}$ W $\frac{1}{2}$ SE $\frac{1}{4}$ S14 15S 14E, which are owned by the State of Utah.

Our Contact information is as follows:

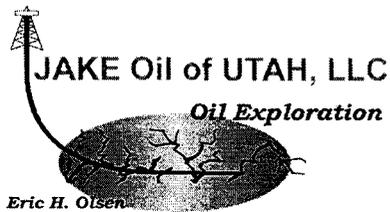
JAKE OIL of Utah, LLC
208 North 29th street ste 230
Billings, MT 59101
Our telephone number is (406) 896-4953 and our fax number is (406) 896-4956

The mineral lease number for the Sweetwater lease is 47791.

Please let me know if you need any other information.

Sincerely,

Jennifer L. Olsen
Agent
Attachments



P.O. Box 80806
Billings, Montana 59108-0806
Phone: 406-896-4953
Fax: 406-896-4954

June 28, 2007

STATE OF UTAH
Division of Oil, Gas, and Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84116

Dear Diana Whitney,

In reference to the State Oil and Gas Conservation rule R649-'3-3, CBM 22-14 SE NW S14 T15S R14E is an exception to this rule due to the topography and the location of the proposed well.

There are no additional lease owners within 460' of the proposed location.

If you have any other questions or concerns, please call me at (406) 896-4954.

Sincerely,

Jennifer L. Olsen
Agent

RECEIVED
JUL 02 2007
DIV. OF OIL, GAS & MINING

From: Robert Clark
To: Mason, Diana
Date: 7/2/2007 9:03 AM
Subject: RDCC short turn-around response

CC: Anderson, Tad; Mcneill, Dave; Wright, Carolyn

The following comments are submitted in response to **RDCC #8135**.

RDCC #8135, Comments begin: The Jake Oil of Utah, LLC proposal to drill the CBM-State 22-14 wildcat well, in Carbon County, may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board. If any compressor or pump stations are constructed at the site, a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, Salt Lake City, Utah, 84116 for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. A copy of the rules is found at www.rules.utah.gov/publicat/code/r307/r307.htm .

The proposed project is also subject to Utah Air Quality Rule R307-205-5, Fugitive Dust, due to the fugitive dust that is generated during the excavating phases of the project. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Executive Secretary of the Air Quality Board, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover or windbreaks. A copy of the rules may be found at www.rules.utah.gov/publicat/code/r307/r307.htm . **Comments end.**

Robert Clark
Division of Air Quality
801-536-4435

SOUTHEASTERN UTAH ASSOCIATION OF LOCAL GOVERNMENTS

DOUG ALLEN
CHAIRMAN

William D. Howell
EXECUTIVE DIRECTOR



375 SOUTH CARBON AVE.
P.O. DRAWER 1106
PRICE, UTAH 84501
(435) 637-5444
FAX (435) 637-5448

AREA WIDE CLEARINGHOUSE REVIEW

Federal Action _____ State Action _____ Approved (x) Yes () No
Other (indicate) _____

Applicant Address:

Oil, Gas & Mining

1594 West North Temple #1210

SLC, UT 84114-5801

Name Diana Mason

Phone 801-538-5312

Title/Project Description: Application for Permit to Drill (CBM-State 22-14 well)

Coalbed Methane exploration well in Carbon County at Sec. 14, T15S, R14E. Area is located on Trust land immediately north of Patmos Head and south of Bruin Point.

No Comment

See comment below

Comments: Favorable comment recommended.

RECEIVED

JUL 16 2007

Lorraine Benzhill

SEUALG

July 12, 2007

DATE

DIV. OF OIL, GAS & MINING

From: David Tabet
To: Western, Wayne
Date: 08/02/2007 2:46 PM
Subject: Re: Mine Maps

Wayne,

Our latest maps of the Sunnyside coal mine show no workings in Section 14, T. 15 S., R. 14 E. The closest workings are in the western quarter of section 15, T. 15 S., R. 14 E. Is this related to the plan to drill the Jake Oil CBM State 22-14 well in this section?

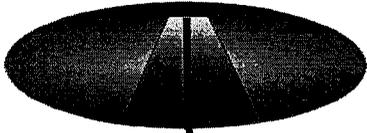
Dave

>>> Wayne Western 8/2/2007 12:19 PM >>>
Dave,

does the UGS have any maps that show underground working in Township 15S Range 14E Section 14. The area is east of the town of Columbia, near Sunnyside Utah.

Thanks for your help.

Wayne



JAKE Oil, LLC

**P. O. Box 80806
Billings, Montana 59108-0806
406-896-4953 Fax 406-896-4954**

August 14, 2007

To Whom It May Concern:

Please accept this letter as conformation of the email sent on 8/23/2007 from the office of JAKE Oil.

If you have any questions please feel free to contact our office at 406-896-4953.

Sincerely,


Caitlin Dorris

RECEIVED

AUG 27 2007

DIV. OF OIL, GAS & MINING

Maureen

From: rzimmerman@180com.net
Sent: Thursday, August 23, 2007 10:10 AM
To: HMACDONALD@utah.gov
Cc: ehoil@aol.com; maureen@180com.net; jolsen839@aol.com
Subject: Amended APD'S for Penta Creek 23-7,CBM State 22-14

Attachments: CBM State 22-14, 12,000 State version.pdf; Penta Creek 23-7,12,000 State version.pdf; _AVG certification_.txt



CBM State 22-14, 12,000 State ... Penta Creek 23-7,12,000 State ..._AVG certification_.txt (271 KB)

Ms. McDonald,

Here are the amended APD's for CBM State 22-14, and Penta Creek 23-7.

If you have any questions feel free to call me at 406-896-4953.

Thank you

R. Zimmerman

This message was sent using OneEighty Communications Web Mail

RECEIVED

AUG 27 2007

DIV. OF OIL, GAS & MINING

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: 47799	6. SURFACE: Fee
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>				7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>				3. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: Jake Oil Of Utah, LLC				3. WELL NAME and NUMBER: CBM- State 22-14	
3. ADDRESS OF OPERATOR: 208 N 29th Str. Ste 230 <small>City</small> Billings <small>STATE</small> MT <small>ZIP</small> 59101				PHONE NUMBER: (406) 896-4953	10. FIELD AND POOL, OR WILDCAT: Wildcat
4. LOCATION OF WELL (FOOTAGES) 558432x AT SURFACE: 2107.57 FNL 1588.06 FWL 4374661 Y 39.521487 AT PROPOSED PRODUCING ZONE: 2107.57 FNL 1588.06 FWL -110.320206				11. QTR/CTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENW 14 15S 14E 2	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 4.31 miles Northwest				12. COUNTY: Carbon	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 1588 feet		16. NUMBER OF ACRES IN LEASE: 2520.9 acres		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 160 acres	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 1499.7 feet		19. PROPOSED DEPTH: 12,000		20. BOND DESCRIPTION: Surety	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 9970.6' GR		22. APPROXIMATE DATE WORK WILL START: 9/15/2007		23. ESTIMATED DURATION: 20 days	

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT			
12 1/4"	9 5/8 " J-55 36#	2,000	Stage 1 Lead Premium	190	3.82 ft / sk	11.0# / gal
			Stage 2 Tail Premium	225	1.15 ft / sk	15.8# / gal
8 3/4	5 1/2" P-110 17#	12,000	Stage 1 Tail Glass "G"	350	1.26 ft / sk	14.2# / gal
		10,000	Stage 1 Lead HI Fill	230	3.82 ft / sk	11.0# / gal
		6,000	Stage 2 Tail Glass "G"	350	1.26 ft / sk	14.2# / gal
		4,000	Stage 2 Lead HI Fill	170	3.82 ft / sk	11.0# / gal

25. **ATTACHMENTS**

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

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

NAME (PLEASE PRINT) Eric Olsen / Jennifer Olsen 435/220-0701 TITLE Agent

SIGNATURE *Eric Olsen* DATE 8/22/2007

(This space for State use only)

API NUMBER ASSIGNED: 43-007-31299

Approved by the Utah Division of Oil, Gas and Mining

APPROVAL:

Date: 09-04-07

By: *Boyd Gill*

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AUG 27 2007

DIV. OF OIL, GAS & MINING



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

September 4, 2007

Jake Oil of Utah, LLC
208 N 29th St., Ste. 230
Billings, MT 59101

Re: CBM-State 22-14 Well, 2107' FNL, 1588' FWL, SE NW, Sec. 14, T. 15 South,
R. 14 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.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby 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 43-007-31299.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Carbon County Assessor
SITLA



Operator: Jake Oil of Utah, LLC

Well Name & Number CBM-State 22-14

API Number: 43-007-31299

Lease: ML-47799

Location: SE NW Sec. 14 T. 15 South R. 14 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 action during drilling of this well:

- 24 hours prior to cementing or testing casing – contact Dan Jarvis
- 24 hours prior to testing blowout prevention equipment – contact Dan Jarvis
- 24 hours prior to spudding the well – contact Carol Daniels
- Within 24 hours of any emergency changes made to the approved drilling program – contact Dustin Doucet
- Prior to commencing operations to plug and abandon the well – contact Dan Jarvis

The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

- Plugging and abandonment or significant plug back of this well – contact Dustin Doucet
- Any changes to the approved drilling plan – contact Dustin Doucet

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

- Dan Jarvis at: (801) 538-5338 office (801) 942-0873 home
- Carol Daniels at: (801) 538-5284 office
- Dustin Doucet at: (801) 538-5281 office (801) 733-0983 home

3. Reporting Requirements

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

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.
5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)
6. The Application for Permit to Drill has been forwarded to the Resource Development Coordinating Committee for review of this action. The operator will be required to comply with any applicable recommendations resulting from this review.
7. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

CONFIDENTIAL

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: JAKE OIL OF UTAH, LLC

Well Name: CBM-STATE 22-14

Api No: 43-007-31299 Lease Type: STATE

Section 14 Township 15S Range 14E County CARBON

Drilling Contractor PETE MARTIN DRLG RIG # RATHOLE

SPUDDED:

Date 10/12/07

Time _____

How DRY

Drilling will Commence: _____

Reported by JENNIFER OLSEN

Telephone # (435) 820-9004

Date 10/15/07 Signed CHD

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

FORM 6

ENTITY ACTION FORM

Operator: Jake Oil of Utah LLC
Address: 208 N. 29th St., Suite 230
city Billings
state MT zip 59101

Operator Account Number: N 3040
Phone Number: (406) 896-4953

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4300731299	CBM State 22-14		SENW	14	15S	14E	Carbon
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	16452	10/22/2007		10/31/07		
Comments: New well.		NAVA	10/12/07		CONFIDENTIAL		

Well 2

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

Well 3

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

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Eric Olsen - Jake Oil of Utah LLC

Name (Please Print)

Eric Olsen
Signature

Agent

10/31/2007

Title

Date

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OCT 31 2007

DIV. OF OIL, GAS & MINING

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

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FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
2. NAME OF OPERATOR: Jake Oil Of Utah LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 208 N. 29th St., Suite 230 Billings MT 59101		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: (406) 896-4953		8. WELL NAME and NUMBER: CBM-State 22-14
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2107.57FNL 1588.06FWL		9. API NUMBER: 4300731299
QTR/QTR. SECTION. TOWNSHIP. RANGE. MERIDIAN: SENW 14 15S 14E 2		10. FIELD AND POOL, OR WILDCAT: Wildcat

COUNTY: Carbon

STATE: UTAH

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

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

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

Monthly Status - We are currently drilling. Depth at 4476'. Drilling ahead. Rig SST #2.

NAME (PLEASE PRINT) <u>Erik Olson</u>	TITLE <u>Regulatory Specialist/Agent</u>
SIGNATURE	DATE <u>11/2/2007</u>

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NOV 05 2007

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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.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
2. NAME OF OPERATOR: Jake Oil of Utah LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 208 N. 29th St., Suite 230 CITY Billings STATE MT ZIP _____		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2107.57FNL 1588.06 FWL COUNTY: Carbon		8. WELL NAME and NUMBER: CBM State 22-14
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENW 14 15S 14E 2 STATE: UTAH		9. API NUMBER: 4300731299
		10. FIELD AND POOL, OR WILDCAT: Wildcat

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

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

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

Drilled to 7825' and plan to sidetrack well. Plugged back to 3875'-4289'. RIH tagged 3875'. We left 6 DC's, 2 joints of 4 1/2 DP. A wireline CCL and freepoint tool in hole re-pumped cement from 2117'-2550'. Pumped cement plug from 1795'-1950'. Bit left in hole too. Add 1923' of 95/8" 36# surface casing, and cemented.

Request temporary abandonment status, and plan to re-enter within 90 days. Please reply with the approval of abandonment to our office.

*From Conversation on 11/13/07 w/ Mark Jones w/ Doug and Jennifer Olson w/ Jake Oil
Bit @ 3322', Freepoint tool/wireline @ 2550' → 225' sk, 0.94 yield cement pumped fr 2550' to 2117'.
Surface csg @ 1923'. Approval should be obtained prior to significant plug backs such as this in the
future. In review, well was probably adequately plugged back as all open formation was in the marcos
and mesaverde and the mesaverde for the most part was isolated from the marcos. ACD*

NAME (PLEASE PRINT) Erik Olson	TITLE Regulatory Specialist/Agent	COPY SENT TO OPERATOR Date: <u>11/27/2007</u> Initials: <u>[Signature]</u>
SIGNATURE <u>[Signature]</u>	DATE 11/27/2007	

(This space for State use only)

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING
 DATE: 12/14/07
 BY: [Signature]

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NOV 29 2007

DIV. OF OIL, GAS & MINING

* Sundry with plan to reenter shall be submitted and approved prior to doing any work. (See Instructions on Reverse Side)

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

5. LEASE DESIGNATION AND SERIAL NUMBER:
FEE

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:
CBM State 22-14

2. NAME OF OPERATOR:
Jake Oil of Utah LLC

9. API NUMBER:
4300731299

3. ADDRESS OF OPERATOR:
PO Box 80806 CITY Billings STATE mt ZIP 59108

PHONE NUMBER:
(406) 896-4953

10. FIELD AND POOL, OR WILDCAT:
Wildcat

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 2107.57FNL 1588.06FWL

COUNTY: Carbon

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENW 14 15s 14e 2

STATE: UTAH

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

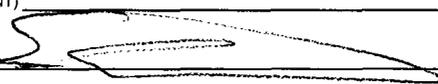
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 1/10/2008	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Monthly
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

No change from last report.

NAME (PLEASE PRINT) Erik Olson

TITLE Agent/Regulatory Specialist

SIGNATURE 

DATE 1/10/2008

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JAN 14 2008

DIV. OF OIL, GAS & MINING

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

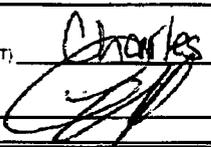
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER:
2. NAME OF OPERATOR: Patmos Energy		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: P.O. Box 7430 Spanish Fort STATE AI ZIP 36577		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2107 FNL 1588 FWL		8. WELL NAME and NUMBER: CBM State 22-14
PHONE NUMBER: (251) 626-6495		9. API NUMBER: 4300731299
10. FIELD AND POOL, OR WILDCAT:		

COUNTY: Carbon
STATE: UTAH
QTR/CTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENW 14 15S 14E S

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

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

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

NAME (PLEASE PRINT) Charles K. Brend, Jr. TITLE Member
SIGNATURE  DATE 8.25.08

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AUG 26 2008

DIV. OF OIL, GAS & MINING

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NUMBER:
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT or CO-AGREEMENT NAME:
8. WELL NAME and NUMBER:
9. API NUMBER:
10. FIELD AND POOL, OR WILDCAT:

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

2. NAME OF OPERATOR: Patmos Energy Jake Oil of Utah, LLC - per O&G system

3. ADDRESS OF OPERATOR: PO Box 7430, Spanish Fort, AL 36577, PHONE NUMBER: (251) 626-6495

4. LOCATION OF WELL: FOOTAGES AT SURFACE: 2107 FNL 1588 FWL, COUNTY: Carbon, QTR/CTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENW 14 15S 14E S, STATE: UTAH

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

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

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

Procedure approved by state of Utah. Weather and road conditions postponing P&A. Should complete P&A within 6-7 months or when roads are accessible to permit.

NAME (PLEASE PRINT) Leslee Stinson TITLE office manager

SIGNATURE Leslee Stinson DATE 10-10-08

(This space for State use only)

(5/2000)

(See instructions on Reverse Side)

RECEIVED
OCT 13 2008

DIV. OF OIL, GAS & MINING

**Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET**

ROUTING

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

Change of Operator (Well Sold)

X - Operator Name Change/Merger

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

2/27/2008

FROM: (Old Operator): N3040-Jake Oil of Utah, LLC 208 N 29th St, Suite 230 Billings, MT 59101 Phone: 1 (406) 896-4953	TO: (New Operator): N3540-Patmos Energy, LLC PO Box 7430 Spanish Fort, AL 36577 Phone: 1 (251) 626-6495
--	--

CA No.

Unit:

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
CBM 1	17	140S	140E	4300731179	15593	Fee	GW	OPS
CBM-STATE 22-14	14	150S	140E	4300731299	16452	State	GW	OPS
PENTA CREEK 23-7	07	140S	140E	4300731303	16470	Fee	GW	OPS

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 8/6/2008
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 8/6/2008
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 9/24/2008
- 4a. Is the new operator registered in the State of Utah: _____ Business Number: 6117234-0160
- 5a. (R649-9-2) Waste Management Plan has been received on: _____ Requested 10/30/08
- 5b. Inspections of LA PA state/fee well sites complete on: n/a
- 5c. Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM n/a BIA n/a
- Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: n/a
- Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- 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:

- Changes entered in the **Oil and Gas Database** on: 10/30/2008
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 10/30/2008
- Bond information entered in RBDMS on: 10/30/2008
- Fee/State wells attached to bond in RBDMS on: 10/30/2008
- Injection Projects to new operator in RBDMS on: n/a
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: n/a
- Indian well(s) covered by Bond Number: n/a
- 3a. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB0010539
- 3b. The **FORMER** operator has requested a release of liability from their bond on: n/a

LEASE INTEREST OWNER NOTIFICATION:

- (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: 10/30/2008

COMMENTS: Bond rider changed name from Jake Oil of Utah, LLC to Patmos Energy, LLC - same bond #

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML 5/333 OBA
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:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: Jake Oil of Utah LLC (N 3040)		8. WELL NAME and NUMBER: CBM State 22-14
3. ADDRESS OF OPERATOR: 208 N 29th St. Ste 230 CITY Billings STATE MT ZIP 59101		9. API NUMBER: 4300731299
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2107 FNL 1588 FWL		10. FIELD AND POOL, OR WILDCAT:
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENW 14 15S 14E S		COUNTY: Carbon
		STATE: UTAH

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

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

of Utah LLC

Change of Operator from Jake Oil to Patmos Energy LLC Name change effective 2/27/08
 BOND NO RLB0010539 PO Box 7430
 Spanish Fort AL 36577
 (N3540)

NAME (PLEASE PRINT) Charles K. Breland, Jr. TITLE Member

SIGNATURE DATE 8-25-08

NAME (PLEASE PRINT) Charles K. Breland, Jr. TITLE Member

SIGNATURE DATE 8-25-08

(This space for State use only)

APPROVED 10/30/08

 Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

(5/2000)

RECEIVED
SEP 15 2008
 DIV. OF OIL, GAS & MINING

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

FORM 9

CONFIDENTIAL

5. LEASE DESIGNATION AND SERIAL NUMBER:

SUNDRY NOTICES AND REPORTS ON WELLS

6. 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:
CBM State 22-14

2. NAME OF OPERATOR:
Patmos Energy

9. API NUMBER:
4300731299

3. ADDRESS OF OPERATOR:
Po Box 7430 CITY Spanish Fort STATE AL ZIP 36577

PHONE NUMBER:
(251) 626-6495

10. FIELD AND POOL, OR WILDCAT:

4. LOCATION OF WELL
FOOTAGES AT SURFACE: **2107 FNL 1588 FWL** COUNTY: **Carbon**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **SENW 14 15s 14e s** STATE: **UTAH**

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

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

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
Plug and abandon is scheduled for mid May sue to weather. Approved by Dustin Douchette.

NAME (PLEASE PRINT) Leslee Stinson TITLE Office Manager
SIGNATURE *Leslee Stinson* DATE 12-19-08

(This space for State use only)

RECEIVED
DEC 23 2008

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

CONFIDENTIAL

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:

8. WELL NAME and NUMBER:
CBM State 22-14

9. API NUMBER:
4300731299

10. FIELD AND POOL, OR WILDCAT:

1. TYPE OF WELL
OIL WELL GAS WELL OTHER _____

2. NAME OF OPERATOR:
Patmos Energy

3. ADDRESS OF OPERATOR:
Po Box 7430 CITY Spanish fort STATE AL ZIP 36577 PHONE NUMBER: (251) 626-6495

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 2107 FNL 1588 FWL COUNTY: Carbon
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENW 14 15S 14E S STATE: UTAH

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

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

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

Plug and abandon is scheduled for mid May due to weather. Approved by Dustin Douchette

NAME (PLEASE PRINT) Leslee Stinson TITLE Office Manager

SIGNATURE Leslee Stinson DATE 1-5-09

(This space for State use only)

RECEIVED
JAN 05 2009
DIV. OF OIL, GAS & MINING



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

March 3, 2009

CERTIFIED MAIL NO.: 7004 1160 0003 0190 2532

Ms. Leslee Stinson
Patmos Energy, LLC
P.O. BOX 7430
Spanish Fort, AL 36577

ISS IAE IA

Subject: Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases
CBM-STATE 22-14 API #43-007-31299; CBM 1 API #43-007-31179; Penta Creek 23-7 API #43007-31303

Dear Ms. Stinson:

As of January 2009, Patmos Energy, LLC 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.

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 Utah Division of Oil, Gas & Mining (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 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).

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



Page 2
Patmos Energy, LLC
March 3, 2009

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: Jim Davis, SITLA
Compliance File
Well File

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

ATTACHMENT A

	Well Name	API	Lease Type	Years Inactive
1	CBM-STATE 22-14	43-007-31299	ML-47799	1 year 3 months
2	CBM 1	43-007-31179	FEE	2 years 5 months
3	PENTA CREEK 23-7	43-007-31303	FEE	1 year 3 months

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

CONFIDENTIAL

FORM 9

LEASE DESIGNATION AND SERIAL NUMBER:

SUNDRY NOTICES AND REPORTS ON WELLS

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

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

2. NAME OF OPERATOR: **Patmos Energy**

3. ADDRESS OF OPERATOR: Po Box 7430 Spanish Fort AL 36577 PHONE NUMBER: (251) 626-6495

4. LOCATION OF WELL: FOOTAGES AT SURFACE: 2107 FNL 1588 FWL COUNTY: Carbon QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: S81W 14 15s 14e S STATE: UTAH

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

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

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
Plug and abandon is scheduled for mid May due to weather. Approved by Dustin Doucette

COPY SENT TO OPERATOR
Date: 5.4.2009
Initials: LS

NAME (PLEASE PRINT) Leslee Stinson TITLE office manager
SIGNATURE Leslee Stinson DATE 2-27-09

(This space for State use only)

(522000) Accepted by the Utah Division of Oil, Gas and Mining For Record Only

(See instructions on Reverse Side)

RECEIVED
MAR 03 2009
DIV. OF OIL, GAS & MINING

* PIA Sundry must be submitted and approved prior to plugging



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

July 6, 2009

CERTIFIED MAIL NO.: 7004 1160 0003 0190 3201

Ms. Leslee Stinson
Patmos Energy, LLC
P.O. BOX 7430
Spanish Fort, AL 36577

43 007 31299
CBM-State 22-14
15S 14E 14

Subject: SECOND NOTICE: Extended Shut-in and Temporarily Abandoned Requirements for Wells on Fee or State Leases
CBM 1 (API: 43-007-31179), CBM-STATE 22-14 (API: 43-007-31299), PENTA CREEK 23-7 (API: 43-007-31303)

Dear Ms. Stinson:

As of January 2009, Patmos Energy, LLC ("Patmos") has one (1) State Mineral Lease Well and two (2) Fee Lease Wells (see attachment A) that are in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status.

This is the second notice of non-compliance that Patmos has received for the above listed wells. On March 3, 2009 via certified mail the first notice was sent requesting required information to bring these wells into compliance. Patmos had previously sent in sundries dated February 27, 2009 addressing plans for these wells, but failing to address SI/TA compliance issues. To date the Utah Division of Oil, Gas & Mining ("Division") has not received any correspondence from Patmos addressing the wells SI/TA non-compliance issues, nor showing that any of the plans have been moved forward.

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 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



Page 2

Patmos Energy, LLC

July 6, 2009

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 (**Surface Casing Pressure, Production Casing Pressure** and Tubing 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, a Notice of Violation will be issued. If you have any questions concerning this matter, please contact Joshua Payne at (801) 538-5314 or me at (801) 538-5281.

Sincerely,



Dustin K. Doucet
Petroleum Engineer

DKD/JP/js

Enclosure

cc: Jim Davis, SITLA

Compliance File

Well File

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

ATTACHMENT A

	Well Name	API	Lease Type	Years Inactive
1	CBM-STATE 22-14	43-007-31299	ML-47799	1 year 9 months
2	CBM 1	43-007-31179	FEE	2 years 11 months
3	PENTA CREEK 23-7	43-007-31303	FEE	1 year 9 months

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: PATMOS ENERGY LLC

Mailing Address: Attn: Mr. Charles K. Breland Jr.

P.O. BOX 7430

SPANISH FORT, AL 36577

ISS IAE 14

Well(s) or Site(s): 1) CBM 1 API #: 43-007-31179

→ 2) CBM STATE 22-14 API #: 43-007-31299

3) PENTA CREEK 23-7 API #: 43-007-31303

Date and Time of Inspection/Violation: January 31, 2013

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 Division has initiated several contacts with Patmos Energy LLC (Patmos) requesting required documents and action per R649-3-36. All wells listed have previously been issued SI/TA Notices without the required work being accomplished or information submitted to bring these wells into compliance.

These wells are in violation of R-649-3-36 as listed above. The Division requires Patmos to put up full cost bonding for all wells in violation above per R649-3-4. It is also mandatory that Patmos submit all documentation as required by R649-3-36 concerning shut-in and temporarily abandoned wells.

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

Operator Name: PATMOS ENERGY LLC

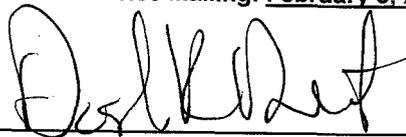
Immediate Action: For the wells subject to this notice, Patmos shall fulfill full cost bonding requirements for each well. Patmos shall also submit all information as required by R649-3-36 or plug and abandon or place the well(s) on production.

*** 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: March 15, 2013

Date of Service Mailing: February 5, 2013 Certified Mail No.: 7010 1670 0001 4810 3812



Division Representative Signature

Operator Representative (if presented in person)

cc: Compliance File
Well Files
SITLA

1/2013



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

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

IN THE MATTER OF:

Patmos Energy LLC's operations at the CBM 1 well located in Section 17, Township 14 South, Range 14 East; the CBM State 22-14 well located in Section 14, Township 15 South, Range 14 East; and the Penta Creek 23-7 well located in Section 7, Township 14 South, Range 14 East.

NOTICE OF AGENCY ACTION

Case No. SI/TA-103

1. This Notice of Agency Action is filed by the Utah Division of Oil, Gas & Mining ("Division") to commence an administrative adjudicative proceeding to consider appropriate action to be taken against Patmos Energy LLC ("Patmos"), pursuant to Utah Admin. Code R649-3-36 for failure to comply with a Notice of Violation ("NOV") for the following wells:

Well Name	API Number	Location		
		Sec	Twtn	Range
CBM 1	43-007-31179	17	14S	14E
CBM State 22-14	43-007-31299	14	15S	14E
Penta Creek 23-7	43-007-31303	7	14S	14E

This Division action is an informal adjudicative proceeding and shall be conducted according to the provisions of Utah Code Ann. §§ 40-6-10, 63G-4-202, and 63G-4-203; and Utah Admin. Code R649-10 *et seq.*



2. The Division alleges that the CBM 1 well was drilled in August 2006 and the CBM State 22-14 and Penta Creek 23-7 wells were drilled in October 2007. The Division further alleges that Patmos did not submit well completion reports, did not report any production from the wells, nor file a Sundry Notice describing the reasons for shut-in or temporary abandonment.

3. The Division issued a NOV to Patmos on February 5, 2013. The NOV required Patmos to provide full cost bonding and submit the information required by Utah Admin. Code R649-3-36 for each of the wells listed above, plug and abandon the wells, or place the wells on production by March 15, 2013. The NOV is attached as an exhibit to this Notice of Agency Action.

4. The purpose of this informal adjudication is to determine what actions are required in order to comply with Utah Admin. Code R649-3-36, the Oil and Gas Conservation Act, and other applicable regulations. Pursuant to Utah Admin. Code R649-3-1 through -36, the Presiding Officer in this matter may require additional amounts of bonding, *see* Utah Admin. Code R649-3-1.4.3 to -1.4.4, order immediate plugging of the well, *see* Utah Admin. Code R649-3-36, or demand any other action as deemed appropriate under the regulations.

5. To preserve the Division's ability to effectively manage the State's oil and gas resources, the Division recommends that Patmos **plug and abandon the CBM 1 well, the CBM State 22-14 well, and the Penta Creek 23-7 well by May 31, 2013**, in accordance with Utah Admin. Code R649-3-24. *See* Utah Admin. Code R649-3-36.3.

6. Patmos is entitled to request a hearing to present evidence and testimony concerning its noncompliance with the NOV, and to review the claims and recommendations in this Notice of Agency Action. The request for hearing **must be made in writing and mailed to**

the Division no later than 10 calendar days from the date of the mailing of this Notice. *See* Utah Admin. Code R649-10-3.2.1.6 and R649-10-4.1.2. Failure to respond within 10 calendar days may result in a Default Order being entered against Patmos granting the relief recommended by the Division. *See* Utah Admin. Code R649-10-5. Upon receiving a hearing request, the Division will schedule a date and time for the hearing.

7. Pursuant to Utah Admin. Code R649-10-2.9, the Director has designated Kassidy J. Wallin, Assistant Utah Attorney General, as the Presiding Officer in this matter. Clinton Dworshak will represent the Division. Attendance at the hearing is required either in person, over the phone, or via written testimony. Failure to attend and participate in a scheduled hearing may result in a Default Order being entered against Patmos granting the relief recommended by the Division. *See* Utah Admin. Code R649-10-5.

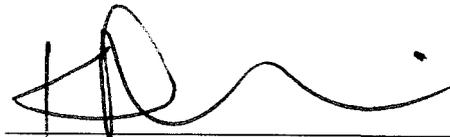
8. If there is any information, evidence, or statement that should be reviewed prior to the hearing, Patmos should submit it to the Division at the address noted below so that it may be considered and made a part of the record. Upon request and to the extent permitted by law, the Division will provide Patmos with any information or documents in its files relevant to this proceeding.

9. Following the hearing, and after considering all the evidence presented, the Presiding Officer will issue a written Decision and Order detailing the legal and factual rationale for the decision. The final Decision and Order may be appealed to the Board of Oil, Gas & Mining in accordance with the provisions of Utah Admin. Code R649-10-6.

10. All communication concerning this Notice of Agency Action shall be directed to Jean Sweet, Division of Oil, Gas & Mining, P.O. Box 145801, Salt Lake City, Utah 84114-6301,

phone: 801-538-5329, jsweet@utah.gov. Please reference the case name and number set forth in the caption at the top of this Notice when contacting the Division.

DATED this 4 day of April, 2013.



Kassidy J. Wallin, Presiding Officer
Assistant Utah Attorney General
1594 West North Temple, Suite 300
Salt Lake City, Utah 84116
801-538-7227
kassidywallin@utah.gov

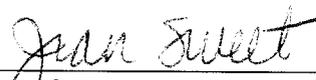
CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this 4th day of April, 2013 a true and correct copy of the foregoing **NOTICE OF AGENCY ACTION** was served via certified mail on the following person(s):

**PATMOS ENERGY LLC
ATTN: MR. CHARLES K. BRELAND
P.O. BOX 7430
SPANISH FORT, AL 36577**

Certified Mail No. 7010 1670 0001 4810 4024

**SCHOOL & INSTITUTIONAL TRUST
LANDS ADMINISTRATION
LAVONNE GARRISON
675 E. 500 S., STE 500
SALT LAKE CITY, UT 84102-2818**



Jean Sweet
Division of Oil, Gas & Mining

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: PATMOS ENERGY LLC

Mailing Address: Attn: Mr. Charles K. Breland Jr.

P.O. BOX 7430

SPANISH FORT, AL 36577

- | | | |
|---------------------|----------------------------|----------------------------|
| Well(s) or Site(s): | 1) <u>CBM 1</u> | API #: <u>43-007-31179</u> |
| | 2) <u>CBM STATE 22-14</u> | API #: <u>43-007-31299</u> |
| | 3) <u>PENTA CREEK 23-7</u> | API #: <u>43-007-31303</u> |

Date and Time of Inspection/Violation: January 31, 2013

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 Division has initiated several contacts with Patmos Energy LLC (Patmos) requesting required documents and action per R649-3-36. All wells listed have previously been issued SI/TA Notices without the required work being accomplished or information submitted to bring these wells into compliance.

These wells are in violation of R-649-3-36 as listed above. The Division requires Patmos to put up full cost bonding for all wells in violation above per R649-3-4. It is also mandatory that Patmos submit all documentation as required by R649-3-36 concerning shut-in and temporarily abandoned wells.

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

Operator Name: PATMOS ENERGY LLC

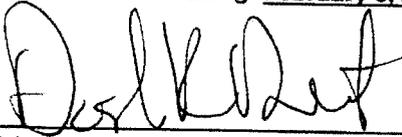
Immediate Action: For the wells subject to this notice, Patmos shall fulfill full cost bonding requirements for each well. Patmos shall also submit all information as required by R649-3-36 or plug and abandon or place the well(s) on production.

* 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: March 15, 2013

Date of Service Mailing: February 5, 2013 Certified Mail No.: 7010 1670 0001 4810 3812



Division Representative Signature

Operator Representative (if presented in person)

cc: Compliance File
Well Files
SITLA

1/2013

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER:
2. NAME OF OPERATOR: Patmos Energy		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: P.O. Box 7430 CITY Spanish Fort STATE AL ZIP 36577		7. UNIT OR CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2107 FNL 1588 FWL		8. WELL NAME and NUMBER: CBM State 22-14
QTR/CTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENW 14 15 14E S		9. API NUMBER: 4300731299
COUNTY: Carbon		10. FIELD AND POOL, OR WILDCAT:
STATE: UTAH		

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>11/1/2016</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

Allow one day for dirt work contractor to mob in dozer & clear boulders from access road
MIRU on CBM State 22-14
RIH with wireline & tag PBD (1,795' +/-)
Remove well head assembly & cut casing down to 4' BGL
Dig trench from cellar to mud pit (to catch water returns)
Rig up water truck to grout mixing/pumping unit
top off backside with cement to surface (20 sks.?)
RIH (9 5/8") w/coil tubing to 100'
Mix & pump 34 sks (balance) cement to surface
Wash out CT and pump
Weld on flat P&A plate w/well info to 9 5/8" casing
backfill mouse and rat-hole
dig out cellar & backfill
remove & dispose of all trash, remove mud pit fencing & reclaim mud pit with original excavated material

**Approved by the
Utah Division of
Oil, Gas and Mining**

Date: 11/1/2016

By: [Signature]
Conditions of Approval Attached

NAME (PLEASE PRINT) <u>Christopher Breland</u>	TITLE <u>Mgr</u>
SIGNATURE <u>[Signature]</u>	DATE <u>10/27/16</u>

(This space for State use only)

RECEIVED

OCT 31 2016

DIV. OF OIL, GAS & MINING

