

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

FORM 3

AMENDED REPORT   
(highlight changes)

<b>APPLICATION FOR PERMIT TO DRILL</b>			5. MINERAL LEASE NO: Fee	6. SURFACE: Fee
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>			7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			8. UNIT or CA AGREEMENT NAME: N/A	
2. NAME OF OPERATOR: ConocoPhillips Company			9. WELL NAME and NUMBER: LDS 28-860	
3. ADDRESS OF OPERATOR: P.O. Box 51810 CITY Midland STATE Tx ZIP 79710		PHONE NUMBER: (432) 688-6943	10. FIELD AND POOL, OR WILDCAT: Drunkards Wash	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 516202X 39.573032 AT PROPOSED PRODUCING ZONE: 43801784 -110.811364			11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 28 14S 10E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: Approximately 1 mile south of Price, Utah			12. COUNTY: Carbon	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) ~1100'	16. NUMBER OF ACRES IN LEASE: ~640	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40		
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 1500' +/-	19. PROPOSED DEPTH: 1,500	20. BOND DESCRIPTION: Statewide		
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5530.6 Gr	22. APPROXIMATE DATE WORK WILL START: 10/1/2007	23. ESTIMATED DURATION: 30 days		

**24. PROPOSED CASING AND CEMENTING PROGRAM**

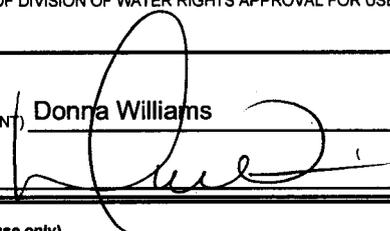
SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT			
17 1/2	13 3/8"	H40	40.5#	60				
11	8 5/8"	J55	24#	400	185 sxs G + 2% CC	.25 pps D130	15.8 ppg	1.16 ft <sup>3</sup> /sk
7 7/8"	5 1/2	M80	15.5#	1,500	270 sxs 50/50 G + 2% gel + .1defo		14.1 ppg	1.62 ft <sup>3</sup> /sk

**25. ATTACHMENTS**

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

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

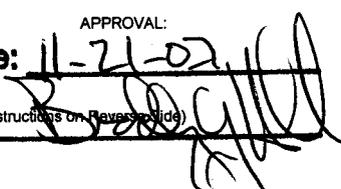
NAME (PLEASE PRINT) Donna Williams TITLE Sr. Regulatory Specialist

SIGNATURE  DATE 9/10/2007

(This space for State use only)

Approved by the  
Utah Division of  
Oil, Gas and Mining

API NUMBER ASSIGNED: 43007-31331

APPROVAL:  
Date: 11-21-07  
By: 

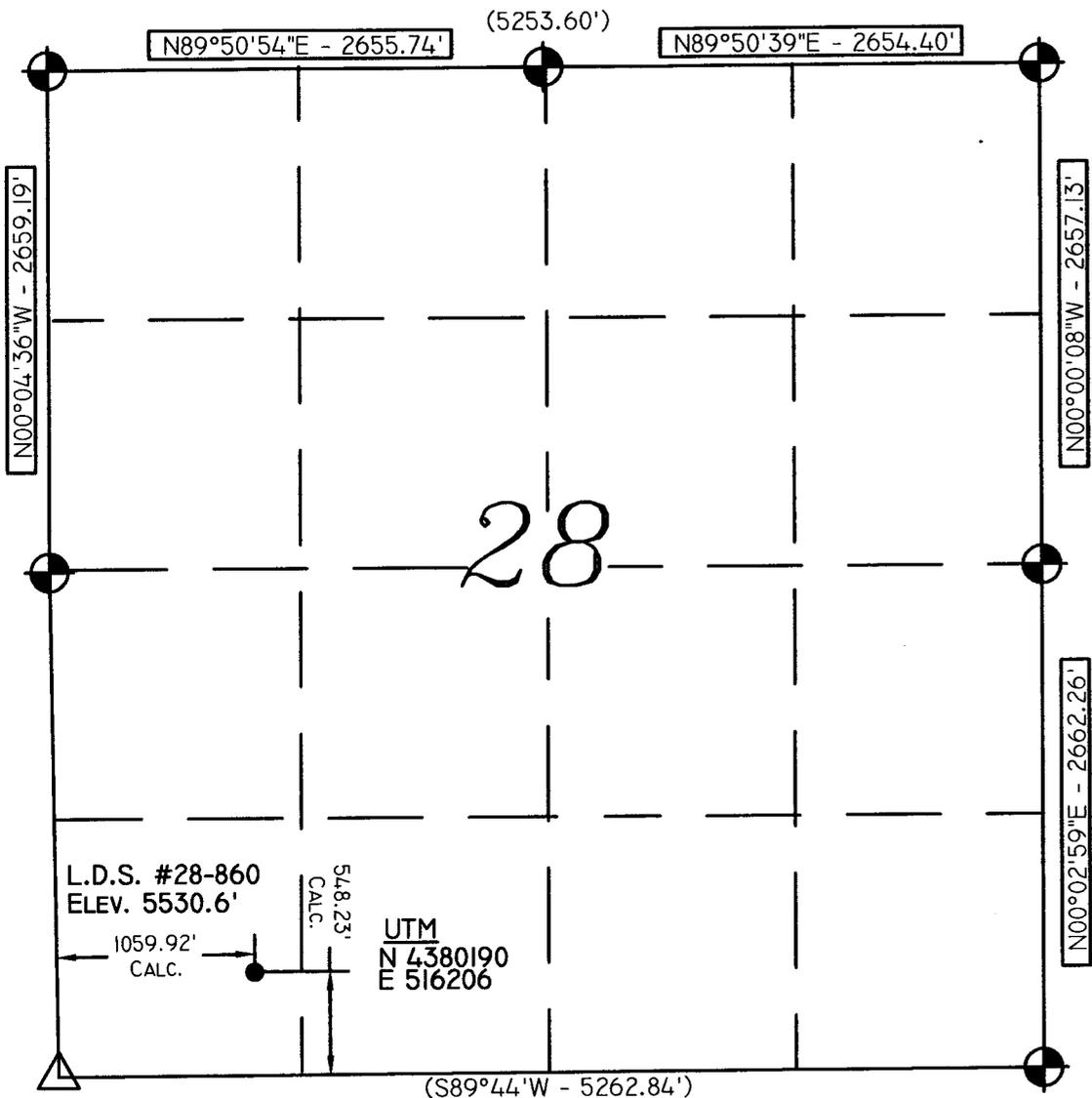
**RECEIVED**

SEP 12 2007

DIV. OF OIL, GAS & MINING

# Range 10 East

Township 14 South



**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:**

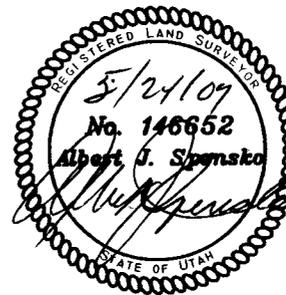
Basis of Elevation of 5459' being at the Southeast Section Corner of Section 34, Township 14 South, Range 10 East, Salt Lake Base and Meridian, as shown on the Price Quadrangle 7.5 minute series map.

**Description of Location:**

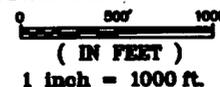
Proposed Drill Hole located in the SW/4 SW/4 of Section 28, T14S, R10E, S.L.B.&M., being North 548.23' from South Line and East 1059.92' from West Line of Section 28, T14S, R10E, Salt Lake Base & Meridian.

**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



**Legend**

- Drill Hole Location
- ⊙ Metal Cap (Found)
- Brass Cap (Searched for, but not found)
- △ Calculated Corner
- ( ) 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°34'23.320"N
110°48'40.749"W



**TALON RESOURCES, INC.**

615 North 400 East P.O. Box 1230

Huntington, Utah 84528

Phone (435)687-5310 Fax (435)687-5311

E-Mail talon@trv.net

**ConocoPhillips Company**

**WELL L.D.S. #28-860**

Section 28, T14S, R10E, S.L.B.&M.

Carbon County, Utah

Drawn By: N. BUTKOVICH	Checked By: L.W.J./A.J.S.
Drawing No. A-1	Date: 5/23/07
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 2855

**AFFIDAVIT CONCERNING  
SURFACE USE AGREEMENT**

STATE OF COLORADO     }  
  }  
COUNTY OF DENVER     }

**Brandon W. Treese**, being first duly sworn upon his oath, deposes and says:

1. I am an Agent in the Property Tax, Real Estate, Right of Way and Claims Organization of ConocoPhillips Company, a Delaware corporation duly authorized to transact business in the State of Utah, ("COPC") and am authorized to execute this Affidavit on behalf of said corporation.
  
2. **Corporation of the Presiding Bishop of The Church of Jesus Christ of Latter Day Saints**, a Utah corporation sole, and **Carbon Stake Corporation of the Church of Jesus Christ of Latter Day Saints**, a corporation sole, Trustee for the Quorums of the Melchizedek Priesthood of the Carbon Stake of Zion of the Church of Jesus Christ of Latter Day Saints, of Price, Utah, whose address is Real Estate Division, Twelfth Floor East, 50 East North Temple Street, Salt Lake City, Utah 84150-6321, (**collectively "Surface Owner"**) owns the surface estate of property located in the **Southeast one quarter of the Southeast one quarter of Section 28, Township 14 South, Range 10 East, S.L.B.&M., Carbon County, Utah** ("Property").
  
3. COPC owns or operates oil and gas rights, including mineral leases, and may become holder of other oil and gas rights, including mineral leases, underlying and in the vicinity of the Property ("Leases") and desires to enter on the Property for the purposes of conducting oil and gas operations related to such oil and gas rights, including mineral leases.
  
4. The Surface Owner executed a Surface Use and Damage Agreement effective as of the 6<sup>th</sup> day of August 2004 which covers the Property. In addition to other agreements and as required by the State of Utah Division of Oil, Gas and Mining, Oil and Gas Conservation General Rules, R649-3-34 ("Well Site Restoration Rules"), the Surface Use and Damage Agreement sets forth the agreement between the parties for the protection of surface resources, reclamation of the Property and well site restoration, or damages in lieu thereof, for the surface pad location for COPC's **28-860 well** and associated infrastructure, which will be located on the Property. A Memorandum of Surface Use and Damage Agreement is being filed in the public records of Carbon County, Utah.

5. I execute and record this affidavit in accordance with the requirements of the Well Site Restoration Rules.

6. The matters stated herein are true of my own knowledge, except to any matters stated herein upon information and belief, and, as to those matters, I believe them to be true.

DATED this 7th day of September 2007.



**BRANDON W. TREESE**  
ConocoPhillips Company  
Property Tax, Real Estate,  
Right of Way and Claims  
Agent

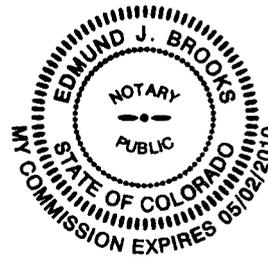
Subscribed, sworn and acknowledged to and by Brandon W. Treese before me this 7th day of September 2007.



**NOTARY PUBLIC**  
For the State of Colorado

My Commission Expires:

5-2-2010



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

FORM 4A

Bond No. 6196922

SURETY BOND

KNOW ALL MEN BY THESE PRESENTS:

That we (operator name) CONOCOPHILLIPS COMPANY as Principal,  
and

(surety name) SAFECO INSURANCE COMPANY OF AMERICA as Surety, duly authorized  
and qualified to do business in the State of Utah, are held and firmly bound unto the State of Utah in the sum of:

EIGHTY THOUSAND AND NO/100\*\*\*\*\* dollars (\$ 80,000.00 )  
lawful money of the United States, payable to the Director of the Division of Oil, Gas and Mining, as agent of the State of Utah, for the use and  
benefit of the State of Utah for the faithful payment of which we bind ourselves, our heirs, executors, administrators and successors, jointly and  
severally by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, WHEREAS the Principal is or will be engaged in the drilling, redrilling, deepening,  
repairing, operating, and plugging and abandonment of a well or wells and restoring the well site or sites in the State of Utah for the purposes of  
oil or gas production and/or the injection and disposal of fluids in connection therewith for the following described land or well:

- Blanket Bond: To cover all wells drilled in the State of Utah
- Individual Bond: Well No: \_\_\_\_\_  
Section: \_\_\_\_\_ Township: \_\_\_\_\_ Range: \_\_\_\_\_  
County: \_\_\_\_\_, Utah

NOW, THEREFORE, if the above bounden Principal shall comply with all the provisions of the laws of the State of Utah and the rules, orders and  
requirements of the Board of Oil, Gas and Mining of the State of Utah, including, but not limited to the proper plugging and abandonment of wells  
and well site restoration, then this obligation is void; otherwise, the same shall be and remain in full force and effect.

IN TESTIMONY WHEREOF, said Principal has hereunto subscribed its name and has caused this instrument to be signed by its duly authorized  
officers and its corporate or notary seal to be affixed this

30th day of Dec, 20 02.

(Corporate or Notary Seal here)  
  
Attestee: [Signature] Date: 12-30-02

Principal (company name) \_\_\_\_\_  
By \_\_\_\_\_  
Name (print) \_\_\_\_\_ Title manager  
James F. Hughes  
Signature

IN TESTIMONY WHEREOF, said Surety has caused this instrument to be signed by its duly authorized officers and its corporate or notary seal  
to be affixed this

1ST day of JANUARY, 20 03.

(Corporate or Notary Seal here)  
  
Carolyn E. Wheeler  
Date: 12/20/2002

Surety Company (Attach Power of Attorney)  
By \_\_\_\_\_  
Name (print) \_\_\_\_\_ Title \_\_\_\_\_  
Jina Marie S  
Signature  
Surety Mailing Address \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

CAROLYN E. WHEELER  
NOTARY PUBLIC  
MY COMMISSION EXPIRES: NOVEMBER 1, 2006  
(52002)

EXHIBIT "D"  
DRILLING PROGRAM

Attached to Form 3  
ConocoPhillips Company  
LDS 28-860  
SWSW of 28-14S-10E  
548.23 FSL & 1059.92 FWL  
Carbon County, Utah

1. The Surface Geologic Formation

Mancos Shale

2. Estimated Tops of Important Geologic Markers

Blue Gate Shale Top      814

3. Projected Gas & H2O zones (Ferron Formation)

Coals and sandstones      994-1500

No groundwater is expected to be encountered.

Casing & cementing will be done to protect potentially productive hydrocarbons, lost circulation zones, abnormal pressure zones, and prospectively valuable mineral deposits.

All indications of usable water will be reported.

Surface casing will be tested to 500 psi and Production casing tested to 1500 psi with a minimum of 1 psi/ft of the last casing string depth

4. The Proposed Casing and Cementing Programs

Hole Size	Casing Size	Wt/Ft	Grade	Joint	Depth set
17 1/2"	13 3/8"	40.5	H-40	ST&C	0-60
11	8 5/8	24#	J55	ST&C	0-400'
7 7/8	5 1/2"	15.5#	M80	LT&C	0-1500

## **Cementing Program**

The 8 5/8" surface casing will be set with approximately 185 sacks Class G or Type V cement with 2% CC + ¼ pps D130 mixed at 15.8 ppg (yield = 1.16 ft<sup>3</sup>/sx). The cement will be circulated back to surface with 100% excess.

The 5 ½" production casing will be set and cemented using a single stage cementing process .

Cement Program: Pump 270 sxs 50/50 Poz Class G + 2% gel + .1% defoamer + .2% uniflac + .2% dispersant + .125 pps cellophane flakes mixed at 14.1 ppg (yield = 1.62 ft<sup>3</sup>/sx)

The above cement volumes are approximate and are calculated under the assumption that a gauge hole will be achieved. If the cement does not return to surface, a cement bond log will be run to determine the top of cement. In the case where the cement is below the surface casing shoe, the casing will be perforated and squeeze cemented to the surface. If the cement is above the surface casing shoe, cement will be one-inched to the surface.

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

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

5. The Operator's Minimum Specifications for Pressure Control

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

6. The Type and Characteristics of the Proposed Circulating Muds

0-400	11" hole	Drill with air, will mud-up if necessary.
400-TD	7 7/8 hole	Drill with air, will mud-up if necessary. 400 psi @ 1400-1600 cfm

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

400-TD      Gamma Ray, Neutron Porosity, CBL

Any Anticipated Abnormal Pressures or Temperatures

No abnormal pressures or temperatures have been noted or reported in wells drilled in the area nor at the depths anticipated in this well. Bottom hole pressure expected is about 1256 psi max., however due to offset production pressures may be much lower. No hydrogen sulfide or other hazardous gases or fluids have been found, reported or are known to exist at these depths in the area.

8. Anticipated Starting Date and Duration of the Operations.

The well will be drilled around October 1, 2007

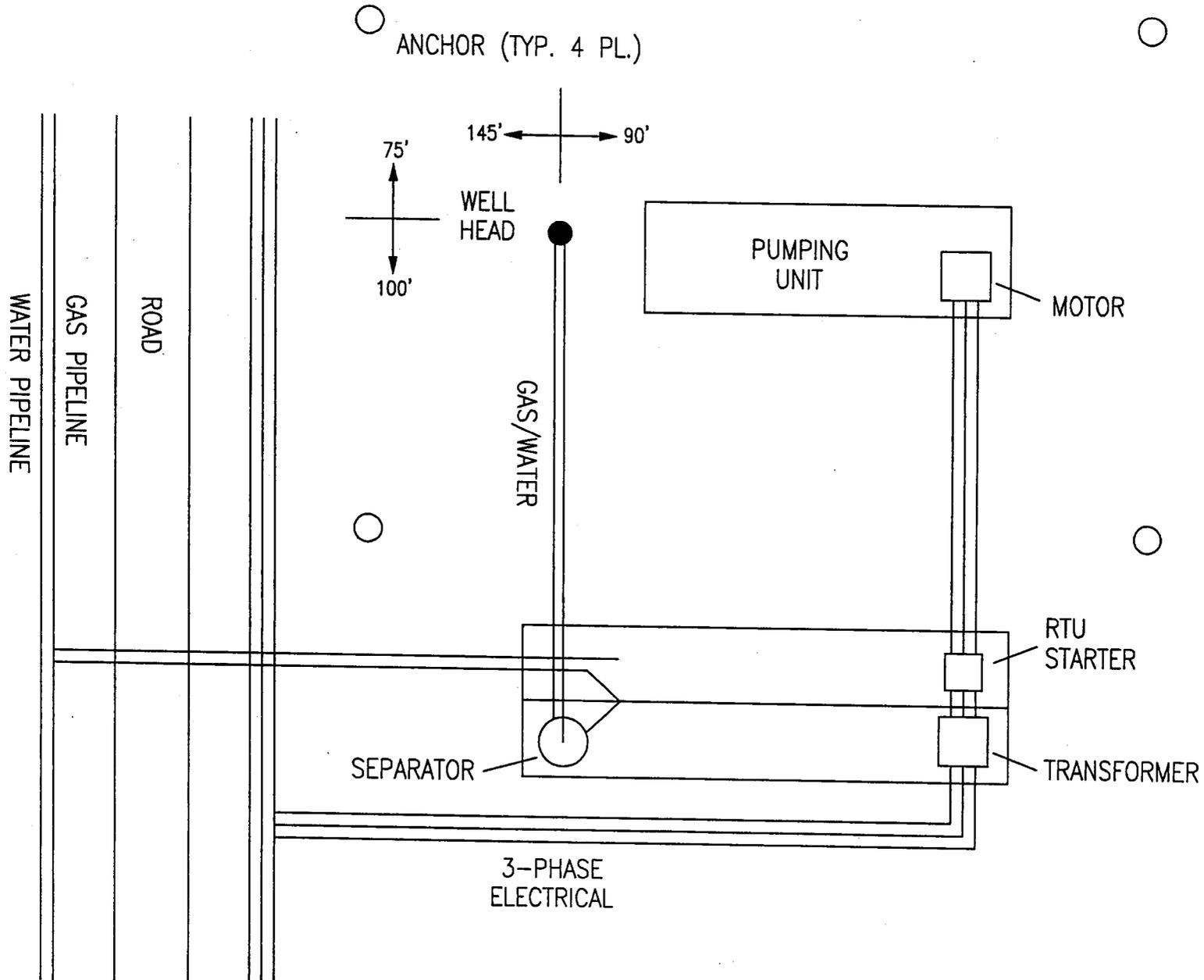
Verbal and/or written notifications listed below shall be submitted in accordance with instructions from the Division of Oil, Gas & Mining:

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

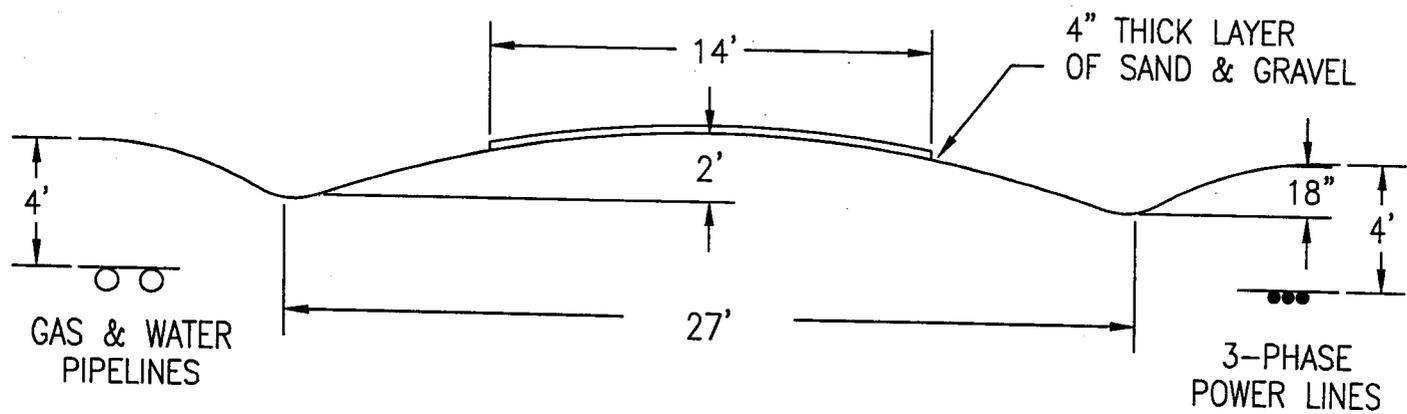
Spills, blowouts, fires, leaks, accidents or other unusual occurrences shall be reported to the Division of Oil, Gas & Mining immediately.

# CONOCOPHILLIPS COMPANY

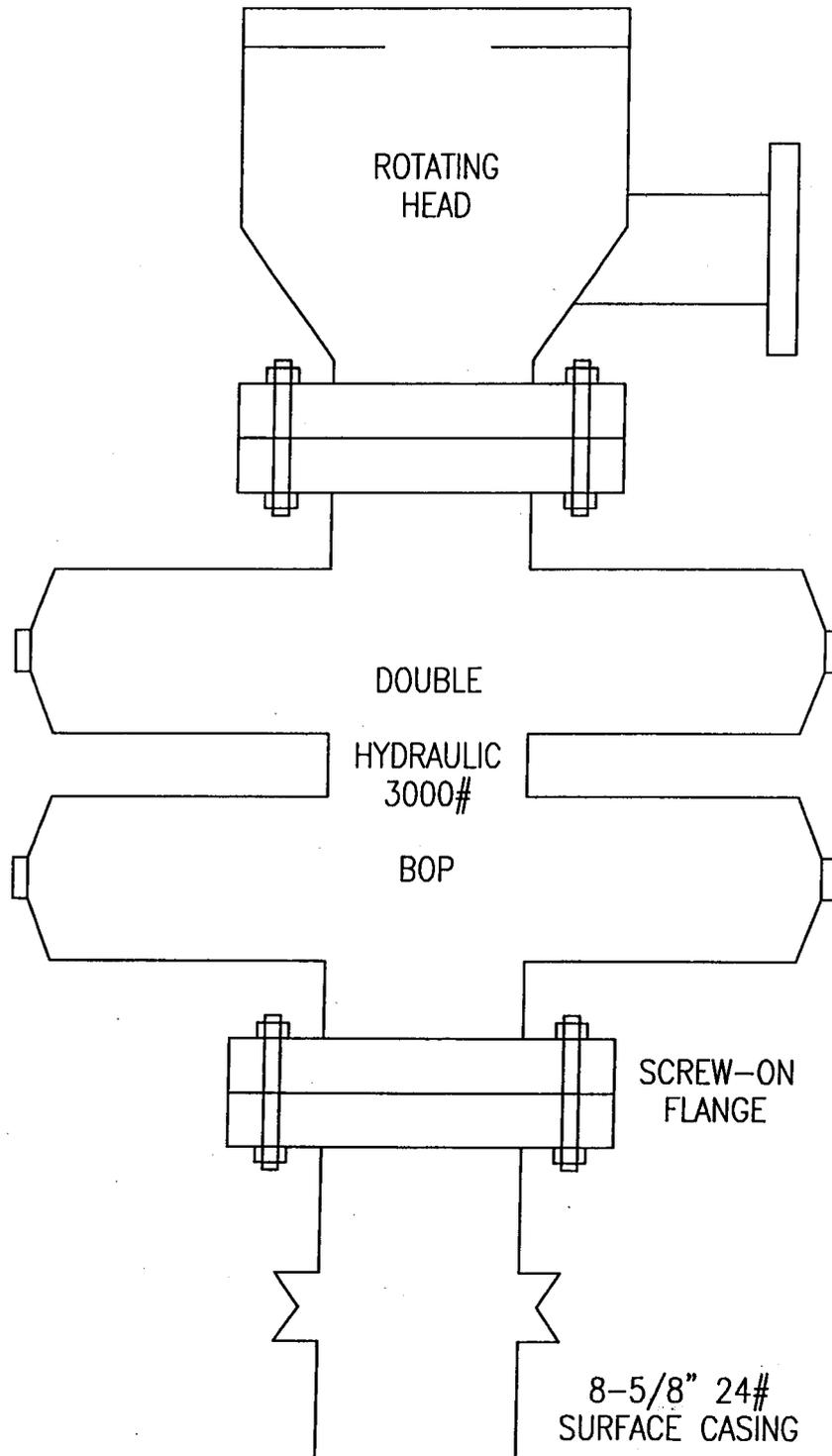
## WELL SITE LAYOUT (235' x 175')



TYPICAL ROAD CROSS-SECTION  
CONOCOPHILLIPS COMPANY



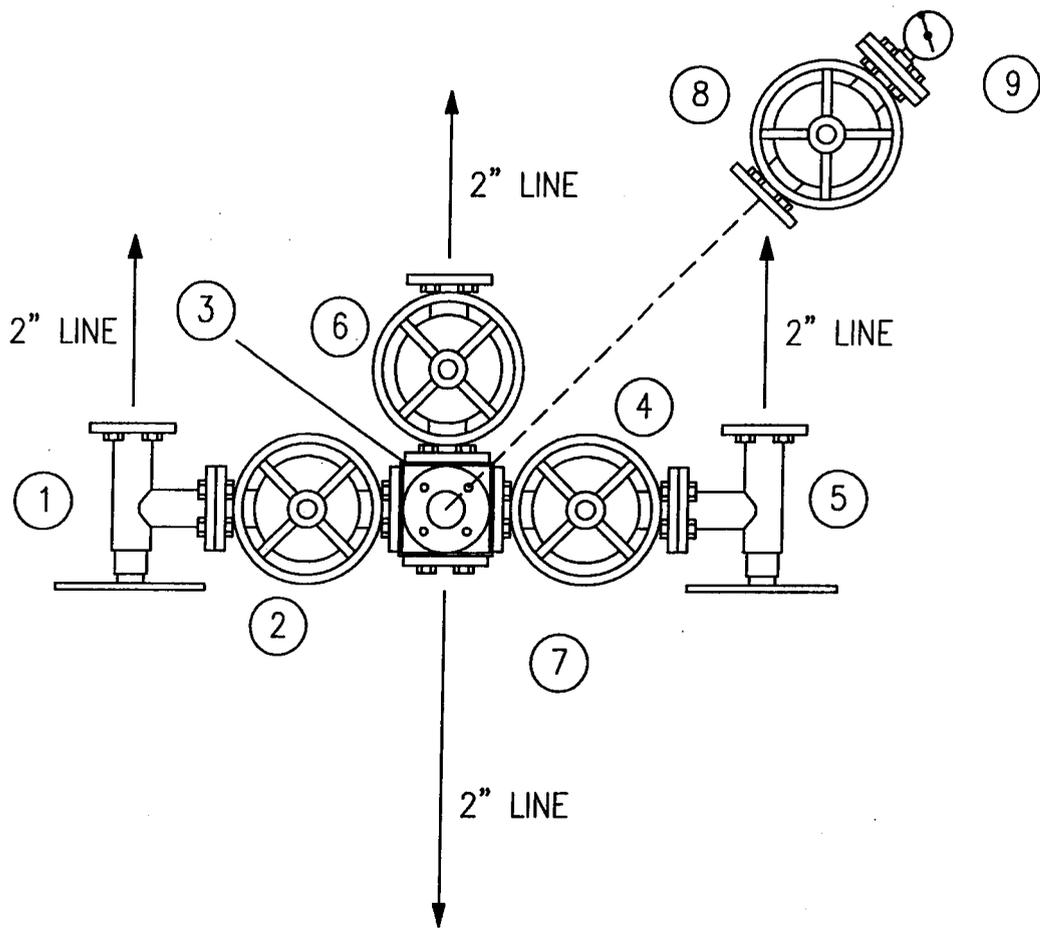
DIVERTER HEAD  
CONOCOPHILLIPS COMPANY



# CONOCOPHILLIPS COMPANY

- (1) 2" 5M FLANGED CHOKE
- (2) 2" 5M GATE VALVE (FLANGED)
- (3) 2" 5M STUDDED CROSS
- (4) 2" 5M GATE VALVE (FLANGED)
- (5) 2" 5M FLANGED CHOKE
- (6) 2" 5M GATE VALVE (FLANGED)
- (7) 2" LINE
- (8) 2" 5M GATE VALVE (FLANGED)
- (9) 3000# GAUGE

NOTE:  
NUMBER 8 GATE VALVE SITS ON TOP OF MANIFOLD BETWEEN STUDDED CROSS AND 3000# GAUGE.



TO BOP  
AND A NEW 2" BALL VALVE  
FULL OPEN 5000 PSI

## MANIFOLD

## SURFACE USE PLAN

Attached to Form 3  
ConocoPhillips Company  
LDS 28-860  
SWSW of 28-14S-10E  
548.23 FSL & 1059.92 FWL  
Carbon County, Utah

### **1. Existing Roads**

- a. We do not plan to change, alter or improve upon any existing state or county roads.
- b. Existing roads will be maintained in the same or better condition. See Exhibit "B".

### **2. Planned Access**

Approximately 300' of new access is required (Refer to Drawing L-1)

- a. Maximum Width: 24' travel surface with 27' base
- b. Maximum grade: 7%
- c. Turnouts: None
- d. Drainage design: 1 culverts may be required. Water will be diverted around well pad as necessary.
- e. If the well is productive, the road will be surfaced and maintained as necessary to prevent soil erosion and accommodate year-round traffic.
- f. Pipe and power lines will follow the proposed access road.

### **3. Location of Existing Wells**

- a. Refer to Drawing L-1.

### **4. Location of Existing and/or Proposed Facilities**

- a. If the well is a producer, installation of production facilities will be as shown on Exhibit "H". Buried powerlines run along access on the east and north, gathering lines on the south or west.
- b. Rehabilitation of all pad areas not used for production facilities will be made in accordance with landowner stipulations.

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

- a. Water to be used for drilling will be purchased from the Price River Water Improvement District (a local source of municipal water) (tel. 435-637-6350).
- b. Water will be transported by truck over approved access roads.
- c. No water well is to be drilled for this location.

## **6. Source of Construction Materials**

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

## **7. Methods for handling waste disposal**

- a. As the well will be air drilled, a small reserve pit will be constructed with a minimum of one-half the total depth below the original ground surface on the lowest point within the pit. The pit will not be lined unless conditions encountered during construction warrant it or if deemed necessary by the DOGM representative during the pre-site inspection. Three sides of the reserve pit will be fenced within 24 hours after completion of construction and the fourth side within 24 hours after drilling operation cease with woven wire topped with barbed wire to a height of not less than four feet. The fence will be kept in good repair while the pit is drying.
- b. Following drilling, the liquid waste will be evaporated from the pit and the pit back-filled and returned to natural grade. No liquid hydrocarbons will be discharged to the reserve pit or location.
- c. In the event fluids are produced, any oil will be retained in tankage until sold and any water produced will be retained until its quality can be determined. The quality and quantity of the water will determine the method of disposal.
- c. Trash will be contained in a portable metal container and will be hauled from location periodically and disposed of at an approved disposal site. Chemical toilets will be placed on location and sewage will be disposed of at an appropriate disposal site.

## **8. Ancillary Facilities**

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

## **9. Wellsite Layout**

- a. Available topsoil will be removed from the location and stockpiled. Location of mud tanks, reserve and berm pits, and soil stockpiles will be located as shown on the attachments.
- b. A blooie pit will be located 100' from the drill hole. A line will be placed on the surface from the center hole to the pit. The pit will not be lined, but will be fenced on four sides to protect livestock/wildlife.
- c. Access to the well pad will be as shown on Drawing A-2 and L-1.
- d. Natural runoff will be diverted around the well pad.

## **10. Plans for Restoration of Surface**

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

## **11. Surface Ownership:**

- a. The wellsite and access road will be constructed on lands owned by Corporation of the Presiding Bishop of The Church of Jesus Christ of Latter Day Saints & Carbon Stake Corporation of the Church of Jesus Christ of Latter Day Saints. The operator shall contact the landowner representative and the Division of Oil, Gas and Mining 48 hours prior to beginning construction activities

**12. Other Information:**

- a. The primary surface use is farming and grazing. The nearest dwelling is approximately 5300 feet north.
- b. Nearest live water is the Price River located approximately 1 mile east.
- c. If there is snow on the ground when construction begins, it will be removed before the soil is disturbed and piled downhill from the topsoil stockpile location.
- d. The backslope and foreslope will be constructed no steeper than 4:1.
- e. All equipment and vehicles will be confined to the access road and well pad.
- f. A complete copy of the approved Application for Permit to Drill (APD) including conditions and stipulations, shall be on the wellsite during construction and drilling operations.

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

**13. Company Representative**

Jean Semborski  
Construction/Asset Integrity Supervisor  
ConocoPhillips Company  
P.O. Box 851  
6825 South 5300 West  
Price, Utah 84501  
(435) 613-9777  
(435) 820-9807

Mail Approved A.P.D. To:

Donna Williams  
Sr. Regulatory Analyst  
ConocoPhillips Company  
P.O. Box 51810  
Midland, Texas 79710

Excavation Contractor

Larry Jensen, Vice President  
Nelco Contractors Inc.  
(435) 637-3495  
(435) 636-5268

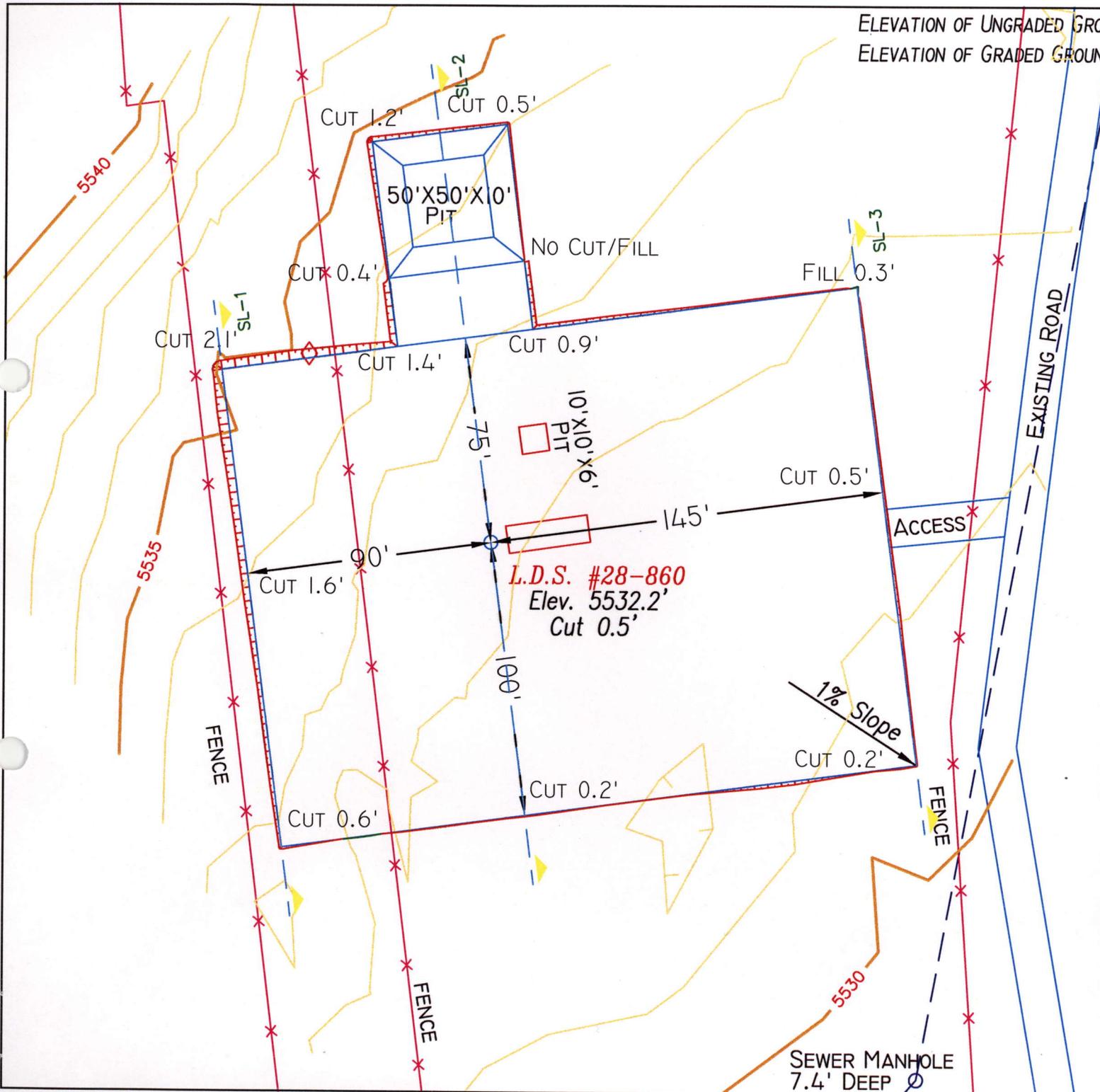
**14. Certification**

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

9/10/07  
Date

  
\_\_\_\_\_  
Donna Williams  
Sr. Regulatory Analyst  
ConocoPhillips Company

ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 5532.2'  
 ELEVATION OF GRADED GROUND AT LOCATION STAKE = 5531.7'



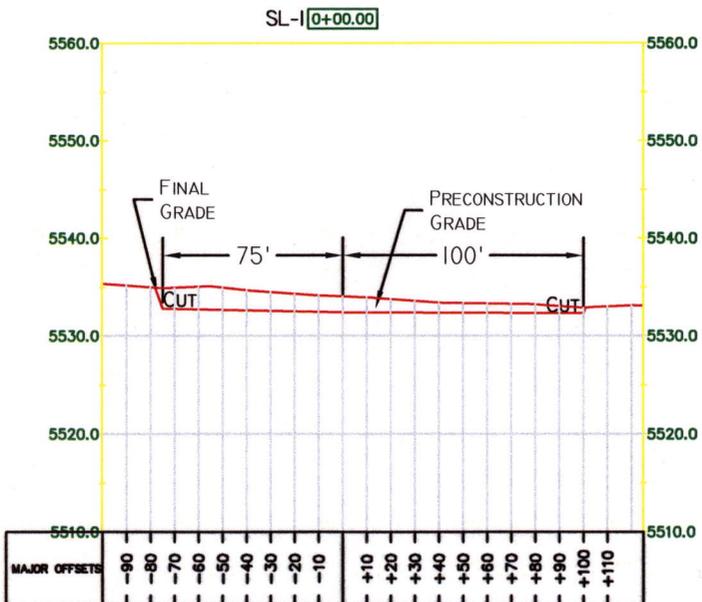
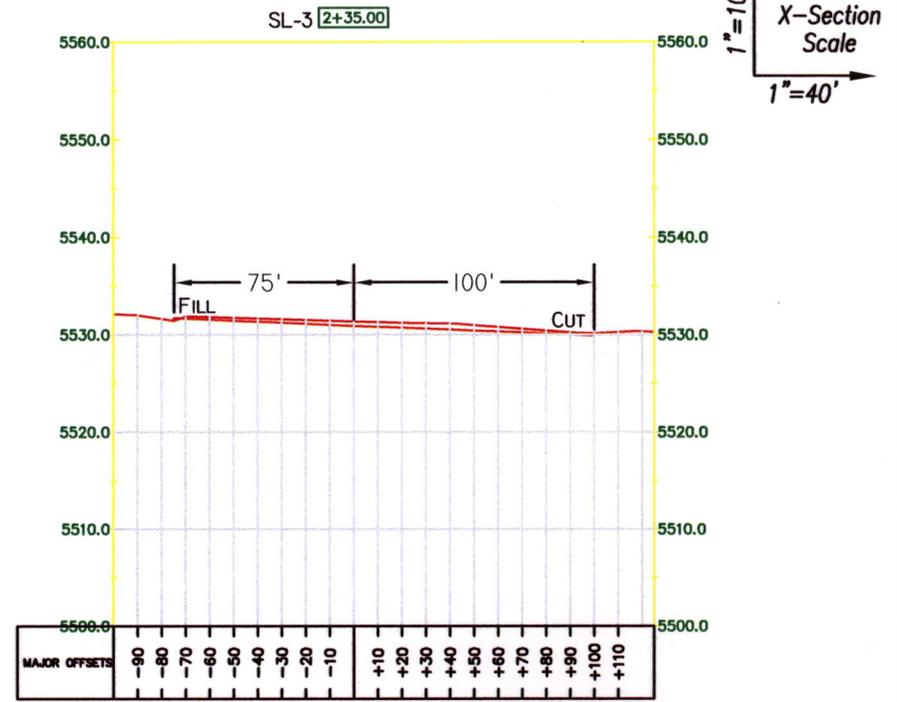
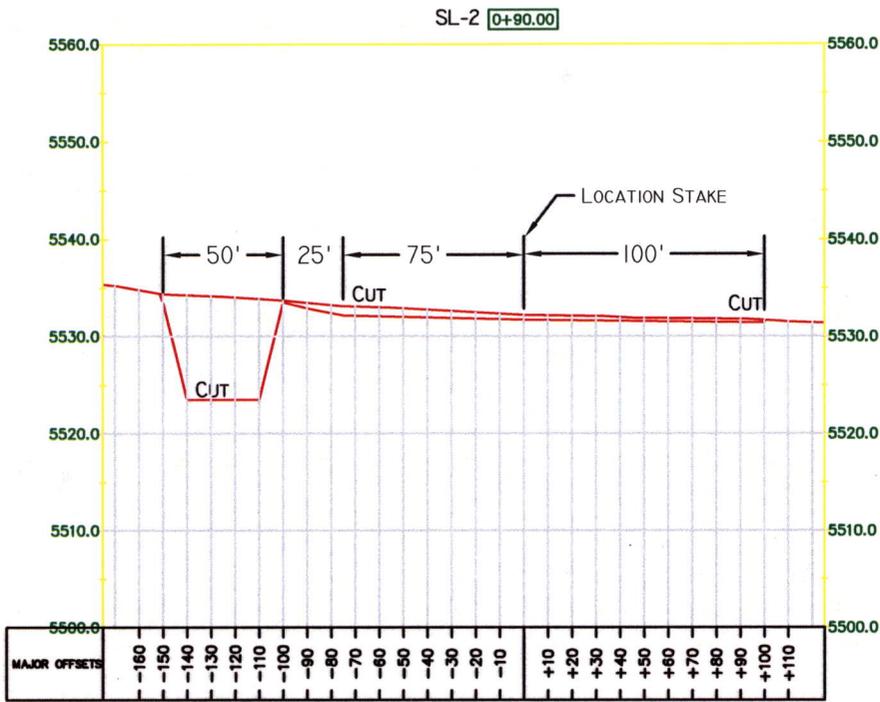
**TALON RESOURCES, INC.**

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

**ConocoPhillips Company**

**LOCATION LAYOUT**  
 Section 28, T14S, R10E, S.L.B.&M.  
 WELL L.D.S. #28-860

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. A-2	Date: 5/22/07
	Scale: 1" = 50'
Sheet 2 of 4	Job No. 2855



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

APPROXIMATE YARDAGES

CUT  
 (6") TOPSOIL STRIPPING = 810 CU. YDS.  
 TOTAL CUT (INCLUDING PIT) = 1,835 CU. YDS.  
 TOTAL FILL = 5 CU. YDS.



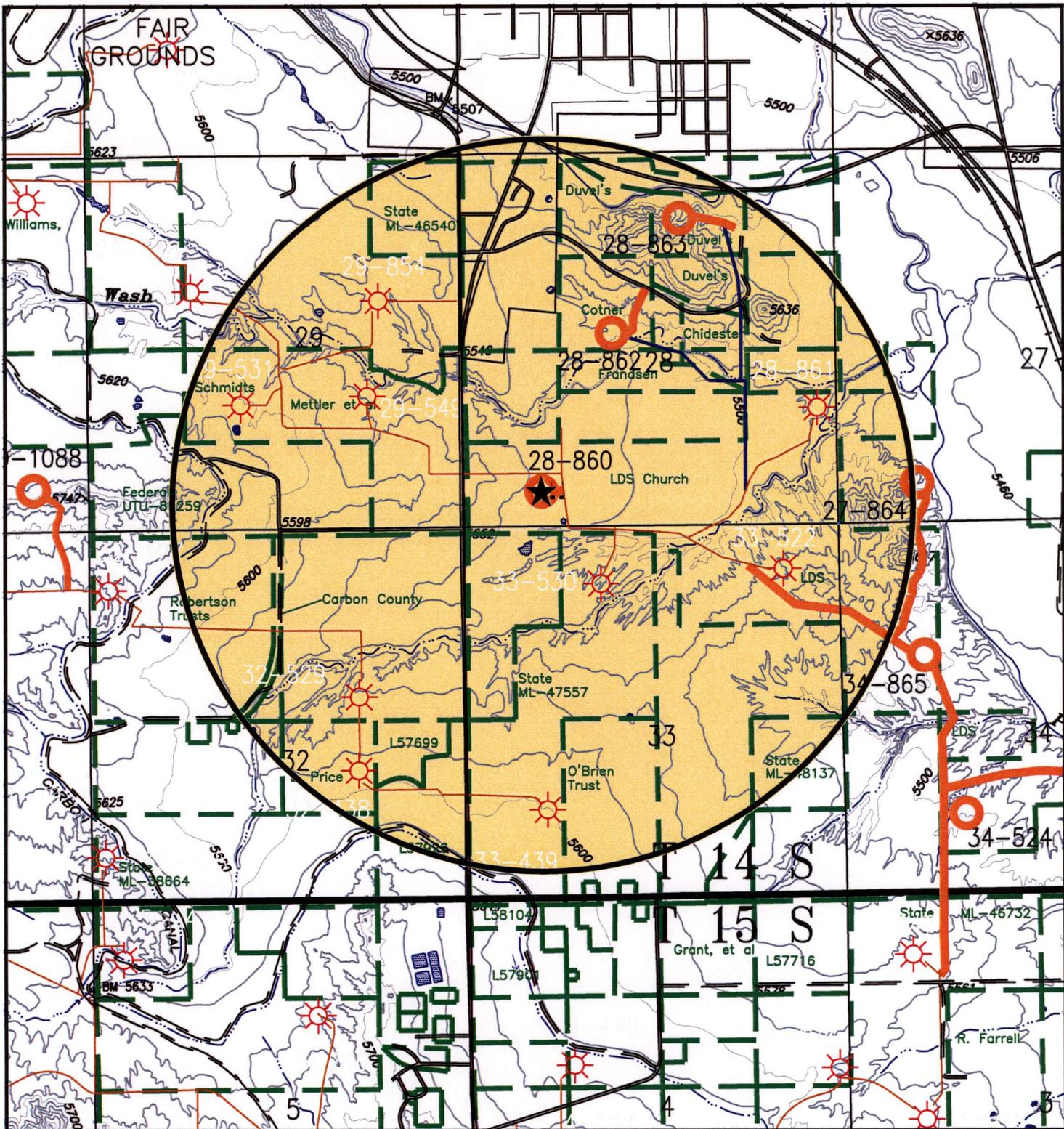
**TALON RESOURCES, INC.**

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

**ConocoPhillips Company**

**TYPICAL CROSS SECTION**  
 Section 28, T14S, R10E, S.L.B.&M.  
 WELL L.D.S. #28-860

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. C-1	Date: 5/22/07
	Scale: 1" = 80'
Sheet 3 of 4	Job No. 2855



**LEGEND**

- Proposed Well Location: 
- Other Proposed Well Locations: 
- Proposed Powerline: 
- Proposed Pipeline: 
- Proposed Roads: 
- Lease Boundary: 
- Existing Wells: 

Scale: 1" = 2000'

May 23, 2007

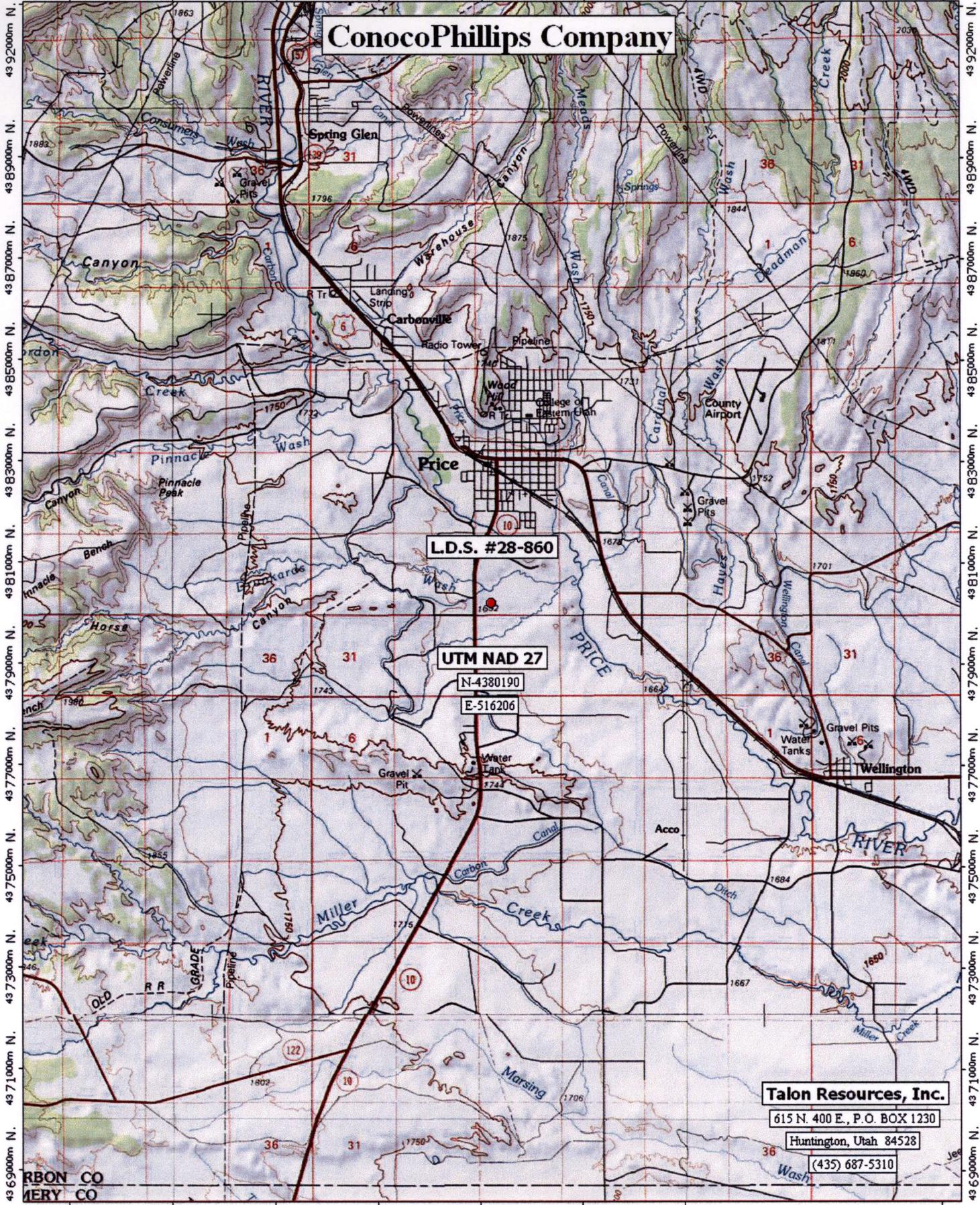
ConocoPhillips Company  
 6825 South 5300 West  
 P.O. Box 851  
 Price, Utah 84501  
 Phone: (435) 613-9777  
 Fax: (435) 613-9782



**WELL L.D.S. #28-860**  
**Section 28, T14S, R10E, S.L.B.&M.**  
**Drawing L-1 4 of 4**

508000m E. 510000m E. 512000m E. 514000m E. 516000m E. 518000m E. 520000m E. NAD27 Zone 12S 525000m E.

# ConocoPhillips Company



L.D.S. #28-860

UTM NAD 27

N-4380190

E-516206

**Talon Resources, Inc.**

615 N. 400 E., P.O. BOX 1230

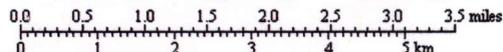
Huntington, Utah 84528

(435) 687-5310

CARBON CO  
WASATCH CO

508000m E. 510000m E. 512000m E. 514000m E. 516000m E. 518000m E. 520000m E. NAD27 Zone 12S 525000m E.

TN MN  
12 1/2°



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

**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 09/12/2007

API NO. ASSIGNED: 43-007-31331

WELL NAME: LDS 28-860  
 OPERATOR: CONOCOPHILLIPS COMPANY ( N2335 )  
 CONTACT: DONNA WILLIAMS

PHONE NUMBER: 432-688-6943

PROPOSED LOCATION:  
 SWSW 28 140S 100E  
 SURFACE: 0548 FSL 1059 FWL  
 BOTTOM: 0548 FSL 1059 FWL  
 COUNTY: CARBON  
 LATITUDE: 39.57303 LONGITUDE: -110.8114  
 UTM SURF EASTINGS: 516202 NORTHINGS: 4380178  
 FIELD NAME: DRUNKARDS WASH ( 48 )

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DW	11/21/07
Geology		
Surface		

LEASE TYPE: 4 - Fee  
 LEASE NUMBER: FEE  
 SURFACE OWNER: 4 - Fee

PROPOSED FORMATION: FRSD  
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

Plat

Bond: Fed[] Ind[] Sta[] Fee[]  
 (No. 6196922 )

Potash (Y/N)

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

Water Permit  
 (No. PRRV )

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

Fee Surf Agreement (Y/N)

Intent to Commingle (Y/N)

LOCATION AND SITING:

\_\_\_ R649-2-3.

Unit: \_\_\_\_\_

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

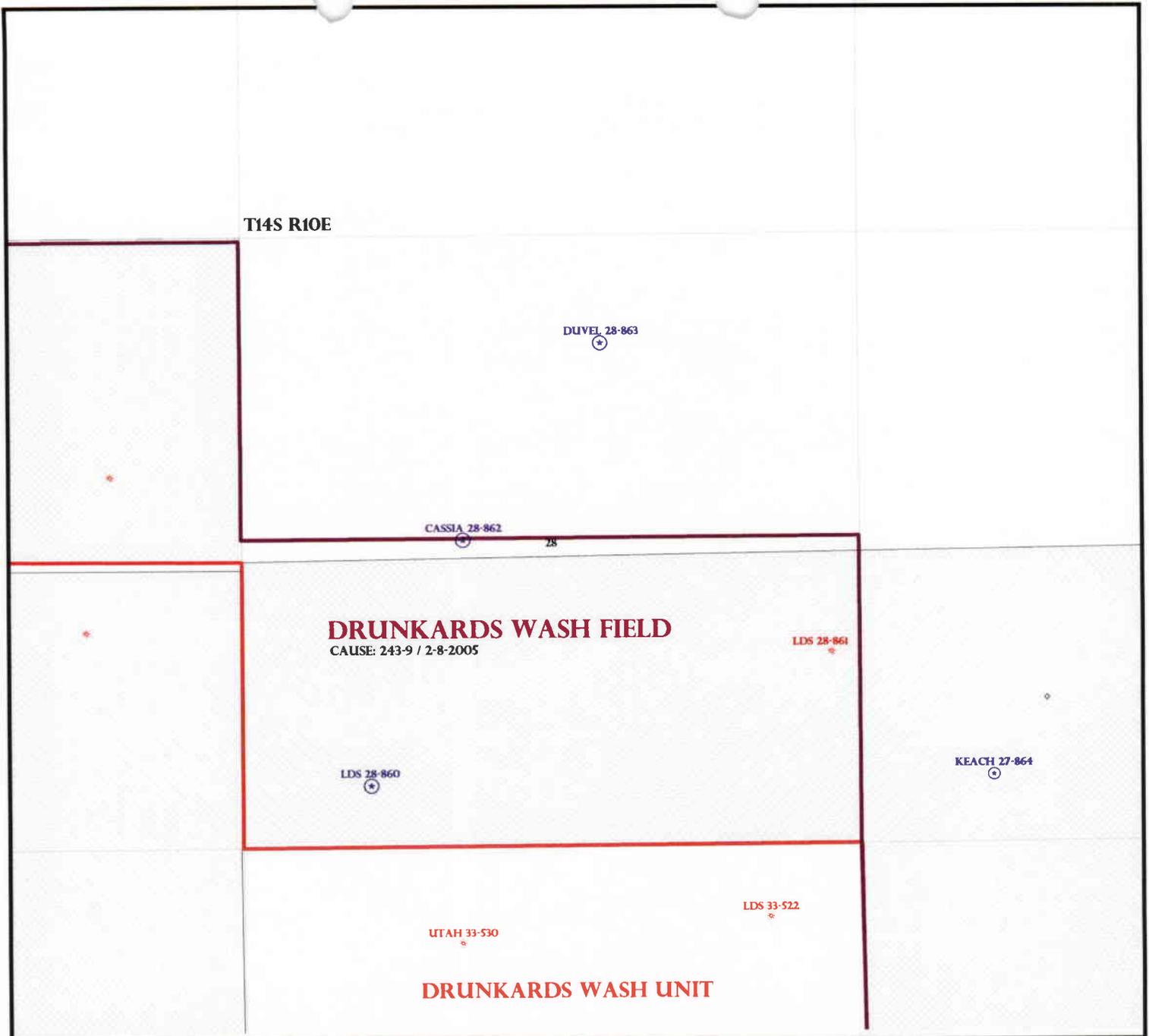
\_\_\_ R649-3-3. Exception

Drilling Unit  
 Board Cause No: 243-09  
 Eff Date: 2-8-05  
 Siting: 460' fr Outer boundary & 920' fr other wells

\_\_\_ R649-3-11. Directional Drill

COMMENTS: Needs Update (10-09-07)

STIPULATIONS: 1- STATEMENT OF BASIS



OPERATOR: CONOCOPHILLIPS CO (N2335)  
 SEC: 28 T.14S R. 10E  
 FIELD: DRUNKARDS WASH (48)  
 COUNTY: CARBON  
 CAUSE: 243-9 / 2-8-2005



<b>Field Status</b>	<b>Unit Status</b>
ABANDONED	EXPLORATORY
ACTIVE	GAS STORAGE
COMBINED	NF PP OIL
INACTIVE	NF SECONDARY
PROPOSED	PENDING
STORAGE	PI OIL
TERMINATED	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



PREPARED BY: DIANA MASON  
 DATE: 10-SEPTEMBER-2007

# Application for Permit to Drill

## Statement of Basis

10/31/2007

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
549	43-007-31331-00-00		GW	P	No
<b>Operator</b>	CONOCOPHILLIPS COMPANY	<b>Surface Owner-APD</b>			
<b>Well Name</b>	LDS 28-860	<b>Unit</b>			
<b>Field</b>	DRUNKARDS WASH	<b>Type of Work</b>			
<b>Location</b>	SWSW 28 14S 10E S 548 FSL 1059 FWL GPS Coord (UTM) 516202E 4380178N				

### Geologic Statement of Basis

A silty, poorly permeable soil is developed on Quaternary Slope Wash covering the Blue Gate Member of the Mancos Shale. No aquifers with high quality ground water are likely to be encountered in the Mancos Shale. The proposed casing and cement program will adequately isolate any water-bearing strata. No underground water rights have been filed within a mile of the location.

Chris Kierst

10/30/2007

**APD Evaluator**

**Date / Time**

### Surface Statement of Basis

Location shall be bermed to keep consistant with the rest of the field, contain spills on location, and divert runoff generated off location from crossing location. Cattle handling facilities will need to be re-fenced as requested by landowner and tenant to allow for continuing use during construction, drilling, and production phases of the well. Lining of the reserve pit will be optional based on pit ranking criteria worksheet completed during pre-site inspection.

Mark Jones

10/9/2007

**Onsite Evaluator**

**Date / Time**

### Conditions of Approval / Application for Permit to Drill

Category	Condition
Surface	The well site shall be bermed to prevent fluids from leaving the pad.
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** CONOCOPHILLIPS COMPANY  
**Well Name** LDS 28-860  
**API Number** 43-007-31331-0 **APD No** 549 **Field/Unit** DRUNKARDS WASH  
**Location:** 1/4,1/4 SWSW **Sec** 28 **Tw** 14S **Rng** 10E 548 FSL 1059 FWL  
**GPS Coord (UTM)** 516207 4380189 **Surface Owner**

### Participants

M. Jones (DOGM), J. Semborski, Brandon Trease (COPC), Gayla Williams (Carbon County). LDS Church invited however did not attend.

### Regional/Local Setting & Topography

South of Price, Utah, ~2 miles from center of the city and about .25 mile east of Highway 10. Located on property owned by LDS Church and currently exists a portion of the cattle corrals. Residential and commercial business are spotted in the surrounding vicinity of the proposed well-site.

### Surface Use Plan

#### **Current Surface Use**

Agricultural  
Industrial

#### **New Road**

Miles	Well Pad	Src Const Material	Surface Formation
0	Width 175	Length 235	Onsite

#### **Ancillary Facilities**

existing corrals will need to be re-fenced according to landowner requests to facilitate continued use of corrals and property.

### Waste Management Plan Adequate?

### Environmental Parameters

**Affected Floodplains and/or Wetland** N

#### **Flora / Fauna**

none (inside existing cattle handling facility).

#### **Soil Type and Characteristics**

shallow loam on top of mancos shale

**Erosion Issues** N

**Sedimentation Issues** N

**Site Stability Issues** N

**Drainage Diversion Required** N

**Berm Required?** Y

Erosion Sedimentation Control Required? N

Paleo Survey Run? N

Paleo Potential Observed? N

Cultural Survey Run? Y

Cultural Resources? N

**Reserve Pit**

**Site-Specific Factors**

<b>Distance to Groundwater (feet)</b>	>200	<b>Site Ranking</b>	0
<b>Distance to Surface Water (feet)</b>	>1000		0
<b>Dist. Nearest Municipal Well (ft)</b>	>5280		0
<b>Distance to Other Wells (feet)</b>	>1320		0
<b>Native Soil Type</b>	Mod permeability		10
<b>Fluid Type</b>	Air/mist		0
<b>Drill Cuttings</b>	Normal Rock		0
<b>Annual Precipitation (inches)</b>	10 to 20		5
<b>Affected Populations</b>	<10		0
<b>Presence Nearby Utility Conduits</b>	Not Present		0

**Final Score** 15 2 **Sensitivity Level**

**Characteristics / Requirements**

dugout earthen (exterior to pad) 50x50x10 will be dug as a reserve pit for this well-site.

**Closed Loop Mud Required?** N

**Liner Required?** N

**Liner Thickness**

**Pit Underlayment Required?** N

**Other Observations / Comments**

cattle handling facilities will need to be re-fenced as requested by landowner and tenant to allow for continuing use both during construction and drilling and production of the well.

Mark Jones  
**Evaluator**

10/9/2007  
**Date / Time**



Online Services

Agency List

Business

Search

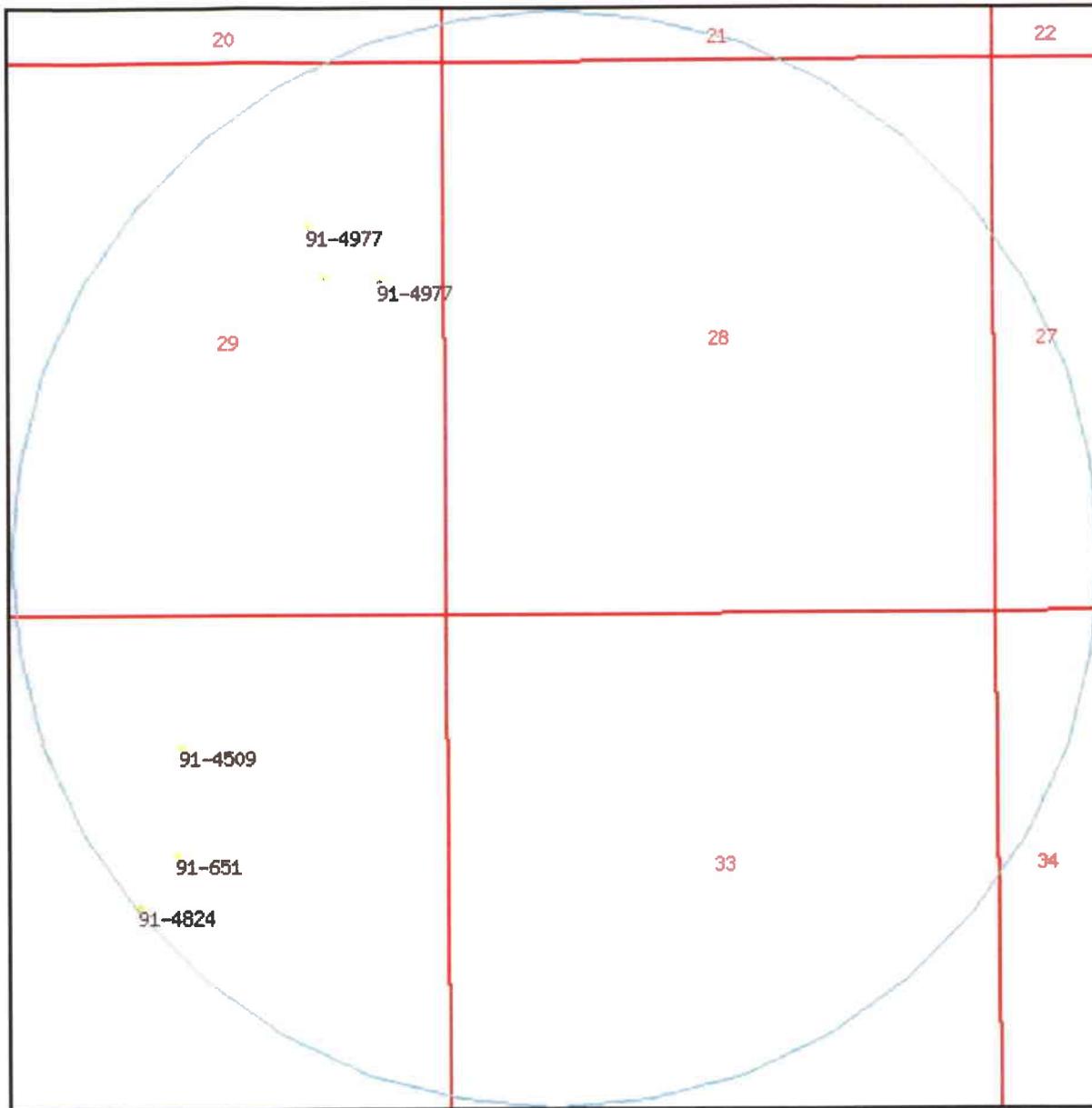


# Utah Division of Water Rights

## WRPLAT Program Output Listing

Version: 2007.04.13.01      Rundate: 10/30/2007 05:13 PM

**Radius search of 5280 feet from a point N548.23 E1059.92 from the SW corner, section 28, Township 14S, Range 10E, SL b&m**  
**Criteria:wrtypes=W,C,E podtypes=S,U,Sp status=U,A,P usetypes=all**



**Water Rights**

<b>WR Number</b>	<b>Diversion Type/Location</b>	<b>Well Log</b>	<b>Status</b>	<b>Priority</b>	<b>Uses</b>	<b>CFS</b>	<b>ACFT</b>	<b>Owner Name</b>
<u>91-258</u>	Surface S2280 E15 N4 32 14S 10E SL		P	19590127	IS	3.600	0.000	CARBON STAKE LDS CHURCH  UT
<u>91-4509</u>	Surface S1240 E50 N4 32 14S 10E SL		A	19860630	IS	0.500	0.000	BETTY L. WILLIAMS  RT. 3 BOX 112A
<u>91-4824</u>	Surface S95 E2256 W4 32 14S 10E SL		P	19920609	IS	0.000	1.392	GARY W. & MARY D. SCOW  2565 SOUTH 660 WEST
<u>91-4977</u>	Surface S1550 E1300 N4 29 14S 10E SL		A	19950627	IO	0.000	4.370	BLAKE LIDDELL  1398 SOUTH FAIRGROUNDS ROAD
<u>91-4977</u>	Surface S2060 E1460 N4 29 14S 10E SL		A	19950627	IO	0.000	4.370	BLAKE LIDDELL  1398 SOUTH FAIRGROUNDS ROAD
<u>91-4977</u>	Surface S2080 E1980 N4 29 14S 10E SL		A	19950627	IO	0.000	4.370	BLAKE LIDDELL  1398 SOUTH FAIRGROUNDS ROAD
<u>91-647</u>	Surface S2280 E15 N4 32 14S 10E SL		P	19590127	IS	3.600	0.000	MIKE HIMONAS  222 NORTH 1280 WEST
<u>91-651</u>	Surface S2280 E15 N4 32 14S 10E SL		P	19590127	IS	3.600	0.000	HAROLD & IONE SLAUGHTER  ROUTE #1

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

# 2007-11 ConocoPhillips LDS 28-860

## Casing Schematic

BHP  $0.052(1500)8.4 = 655 \text{ psi}$   
anticipate 1256 psi

Gas  $.12(1500) = 180$   
 $655 - 180 = 475 \text{ psi, MAST}$

BOPE 3M ✓

Burst 2950  
70% 2065 psi

Max P @ Surf. shoe  
 $.22(1100) = 242$   
 $655 - 242 = 413 \text{ psi}$   
Test to 500 psi ✓

✓ Adequate  
DUD 4/21/07



Surface

1576  
1876

TOC @ Mancos 0.

8-5/8"  
MW 8.3  
Frac 19.3

TOC @ 272.

Surface  
400. MD

814' Blue Gate Sh. ✓

994' Coals & SS to T.D. ↓

5-1/2"  
MW 8.4

Production  
1500. MD

Well name:

**2007-11 ConocoPhillips LDS 28-860**

Operator: **ConocoPhillips Company**

String type: **Surface**

Project ID:

43-007-31331

Location: **Carbon County**

**Design parameters:**

**Collapse**

Mud weight: 8.330 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: 71 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 150 ft

Cement top: Surface

**Burst**

Max anticipated surface pressure: 352 psi  
Internal gradient: 0.120 psi/ft  
Calculated BHP 400 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: 350 ft

**Non-directional string.**

**Re subsequent strings:**

Next setting depth: 1,500 ft  
Next mud weight: 8.400 ppg  
Next setting BHP: 655 psi  
Fracture mud wt: 19.250 ppg  
Fracture depth: 400 ft  
Injection pressure: 400 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	400	8.625	24.00	J-55	ST&C	400	400	7.972	143
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	173	1370	7.917	400	2950	7.38	10	244	25.42 J

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

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

Date: November 16, 2007  
Salt Lake City, Utah

**ENGINEERING STIPULATIONS:**

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

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

Well name:	<b>2007-11 ConocoPhillips LDS 28-860</b>		
Operator:	<b>ConocoPhillips Company</b>		
String type:	Production	Project ID:	43-007-31331
Location:	Carbon County		

**Design parameters:**

**Collapse**

Mud weight: 8.400 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: 86 °F  
 Temperature gradient: 1.40 °F/100ft  
 Minimum section length: 368 ft

Cement top: 272 ft

**Burst**

Max anticipated surface pressure: 324 psi  
 Internal gradient: 0.220 psi/ft  
 Calculated BHP 654 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: 1,309 ft

**Non-directional string.**

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft <sup>3</sup> )
1	1500	5.5	15.50	M-80	LT&C	1500	1500	4.887	200.4
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	654	4990	7.625	654	7000	10.70	23	282	12.13 J

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

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

Date: November 16, 2007  
 Salt Lake City, Utah

**ENGINEERING STIPULATIONS:**

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

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



ConocoPhillips Company  
3300 N. 'A' St. Bldg. 6  
Midland, TX 79705

September 10, 2007

Utah Division of Oil, Gas, and Mining  
P.O. Box 145801  
Salt Lake City, Utah 84114

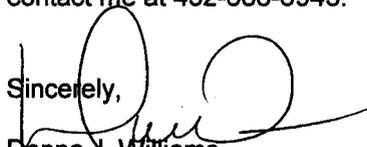
Location Exception Request  
LDS 28-860  
548.23 FSL & 1059.92 FWL  
SWSW of 28-14S-10E  
Carbon County, Utah

Ladies and Gentlemen:

Pursuant to Utah Code R649-3-2, ConocoPhillips Company hereby respectfully requests administrative approval for a location exception for the referenced well due to topography issues that prevented the well from being spotted within the center of the 40 acre spacing unit. Furthermore, COP is 100% owner/operator of all tracts within a radius of 460' from the proposed well.

Should you have any questions, or need additional information, please do not hesitate to contact me at 432-688-6943.

Sincerely,



Donna J. Williams  
Sr. Regulatory Specialist

**RECEIVED**

**SEP 12 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

November 21, 2007

ConocoPhillips Company  
P O Box 51810  
Midland, TX 79710

Re: LDS 28-860 Well, 548' FSL, 1059' FWL, SW SW, Sec. 28, T. 14 South, R. 10 East,  
Carbon County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-007-31331.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

cc: Carbon County Assessor



Operator: ConoccoPhillips Company  
Well Name & Number LDS 28-860  
API Number: 43-007-31331  
Lease: FEE

Location: SW SW      Sec. 28      T. 14 South      R. 10 East

### Conditions of Approval

#### 1. General

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

#### 2. Notification Requirements

The operator is required to notify the Division of Oil, Gas and Mining of the following 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 Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

# DIVISION OF OIL, GAS AND MINING

## SPUDDING INFORMATION

Name of Company: CONOCOPHILLIPS COMPANY

Well Name: LDS 28-860

Api No: 43-007-31331 Lease Type: FEE

Section 28 Township 14S Range 10E County CARBON

Drilling Contractor PENSE DRILLING RIG # 18

### SPUDDED:

Date 12/14/07

Time 12:00 NOON

How DRY

**Drilling will Commence:** \_\_\_\_\_

Reported by MIKE JOHNSON

Telephone # (307) 851-5824

Date 12/17/07 Signed CHD

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

FORM 6

**ENTITY ACTION FORM**

Operator: ConocoPhillips Company Operator Account Number: N 2335  
 Address: P. O. Box 51810  
city Midland  
state TX zip 79710 Phone Number: (432) 688-6943

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-007-313	LDS 28-860		SWSW	28	14S	10E	Carbon
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	16544	12/14/2007			12/31/07	
Comments: <u>FRSD</u>							

**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)

Donna Williams

Name (Please Print)

Signature

Sr. Regulatory Specialist

Title

12/18/2007

Date

**RECEIVED**

DEC 21 2007

DIV. OF OIL, GAS & MINING

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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: ConocoPhillips Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: P. O. Box 51810 CITY Midland STATE TX ZIP 79710		7. UNIT or CA AGREEMENT NAME: N/A
4. LOCATION OF WELL FOOTAGES AT SURFACE: 548' FSL & 1059' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 28 14S 10E		8. WELL NAME and NUMBER: LDS 28-860
PHONE NUMBER: (432) 688-6943		9. API NUMBER: 4300731331
COUNTY: Carbon		10. FIELD AND POOL, OR WILDCAT: Drunkards Wash
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 checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 12/14/2007	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Spud Well
	<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.

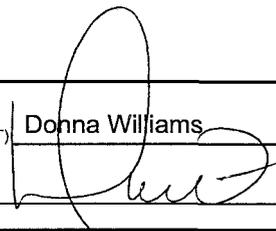
12/14/2007 - Spud 15" hole. Drilled to 60', set 13-3/8" conductor csg.

12/14/2007 - Drilled 11" hole to 463'. Set 8-5/8", J-55, 24# surface csg at 434'. Cemented csg w/57 bbl 15.8# cement, circ to surface.

**RECEIVED**

**DEC 24 2007**

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

NAME (PLEASE PRINT) Donna Williams	TITLE Sr. Regulatory Specialist
SIGNATURE 	DATE 12/18/2007

(This space for State use only)

**NOTICE OF LATE REPORTING  
DRILLING & COMPLETION INFORMATION**

Utah Oil and Gas Conservation General Rule R649-3-6 states that,

- Operators shall submit monthly status reports for each drilling well (including wells where drilling operations have been suspended).

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

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

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

---

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

Operator: ConocoPhillips Company Today's Date: 04/21/2008

Well:	API Number:	Drilling Commenced:
Utah 32-559	4301530732	11/02/2007
Utah 29-575D	4301530731	11/02/2007
LDS 28-860	4300731331	12/14/2007
Critchlow 34-868	4300731325	12/18/2007

List Attached

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

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

If you have questions or concerns regarding this matter, please contact Rachel Medina  
at (801) 538-5260.

cc: Well File  
Compliance File

**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: ConocoPhillips Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: P. O. Box 51810 CITY Midland STATE TX ZIP 79710		7. UNIT or CA AGREEMENT NAME: N/A
4. LOCATION OF WELL FOOTAGES AT SURFACE: 548' FSL & 1059' FWL COUNTY: Carbon		8. WELL NAME and NUMBER: LDS 28-860
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 28 14S 10E STATE: UTAH		9. API NUMBER: 4300731331
		10. FIELD AND POOL, OR WILDCAT: Drunkards Wash

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: 4/16/2008	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input checked="" type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

First production for the above referenced well on 4/16/2008: 0 BO, 107 MCFD, 347 BW.

NAME (PLEASE PRINT) Donna Williams	TITLE Sr. Regulatory Specialist
SIGNATURE	DATE 4/17/2008

(This space for State use only)

**RECEIVED**  
**APR 22 2008**

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

AMENDED REPORT  FORM 8  
(highlight changes)

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

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

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

5. LEASE DESIGNATION AND SERIAL NUMBER:  
Fee

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

7. UNIT or CA AGREEMENT NAME  
N/A

8. WELL NAME and NUMBER:  
LDS 28-860

2. NAME OF OPERATOR:  
ConocoPhillips Company

9. API NUMBER:  
4300731331

3. ADDRESS OF OPERATOR: P. O. Box 51810 CITY Midland STATE TX ZIP 79710  
PHONE NUMBER: (432) 688-6943

10. FIELD AND POOL, OR WILDCAT  
Drunkards Wash

4. LOCATION OF WELL (FOOTAGES)  
AT SURFACE: 548' FSL & 1059' FWL  
AT TOP PRODUCING INTERVAL REPORTED BELOW:  
AT TOTAL DEPTH:

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:  
SWSW 28 14S 10E

12. COUNTY Carbon 13. STATE UTAH

14. DATE SPUDDED: 12/14/2007 15. DATE T.D. REACHED: 12/17/2007 16. DATE COMPLETED: 4/15/2008  
ABANDONED  READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL):  
5530.6 GL

18. TOTAL DEPTH: MD 1,554 TVD \_\_\_\_\_ 19. PLUG BACK T.D.: MD 1,488 TVD \_\_\_\_\_  
20. IF MULTIPLE COMPLETIONS, HOW MANY? \*

21. DEPTH BRIDGE MD \_\_\_\_\_ PLUG SET: TVD \_\_\_\_\_

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)  
DI GL GR, CD CN GR

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

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
11	8 5/8 J55	24		434		CI G 285		Surf circ	None
7 7/8	5 1/2 M80	15.5		1,545		CI G 265		Surf circ	None

**25. TUBING RECORD**

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 7/8	1,355							

**26. PRODUCING INTERVALS**

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) Ferron	1,149	1,226		
(B)				
(C)				
(D)				

**27. PERFORATION RECORD**

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
1,149 1,159		40	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
1,204 1,214		30	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
1,221 1,226		18	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
1149-1226	Frac w/24.6 bbls 15% Acid, 49 bbls Coalstim, 287 bbls Pad, 20,200# 16/30 Brown Sand, 855 BW

**29. ENCLOSED ATTACHMENTS:**

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

**30. WELL STATUS:**

Producing  
**RECEIVED**

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 4/16/2008		TEST DATE: 4/16/2008		HOURS TESTED: 24		TEST PRODUCTION RATES: →		OIL - BBL: 0	GAS - MCF: 107	WATER - BBL: 347	PROD. METHOD: Rod Pump
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 107	WATER - BBL: 347	INTERVAL STATUS: Open	

INTERVAL B (As shown in item #26)

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

INTERVAL C (As shown in item #26)

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

INTERVAL D (As shown in item #26)

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

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

Sold

33. SUMMARY OF POROUS ZONES (Include Aquifers):

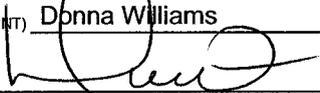
Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
				Bluegate	897
				Ferron	1,111
				Ferron Coal	1,148
				Tununk	1,330

35. ADDITIONAL REMARKS (Include plugging procedure)

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

NAME (PLEASE PRINT) Donna Williams TITLE Sr. Regulatory Specialist  
 SIGNATURE  DATE 4/29/2008

This report must be submitted within 30 days of

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

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

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

Send to: Utah Division of Oil, Gas and Mining Phone: 801-538-5340  
 1594 West North Temple, Suite 1210  
 Box 145801 Fax: 801-359-3940  
 Salt Lake City, Utah 84114-5801