

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

FORM 3

AMENDED REPORT

<b>APPLICATION FOR PERMIT TO DRILL</b>				<b>1. WELL NAME and NUMBER</b> USA 9-670D		
<b>2. TYPE OF WORK</b> DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>				<b>3. FIELD OR WILDCAT</b> DRUNKARDS WASH		
<b>4. TYPE OF WELL</b> Gas Well Coalbed Methane Well: NO				<b>5. UNIT or COMMUNITIZATION AGREEMENT NAME</b> DRUNKARDS WASH		
<b>6. NAME OF OPERATOR</b> CONOCOPHILLIPS COMPANY				<b>7. OPERATOR PHONE</b> 432 688-6943		
<b>8. ADDRESS OF OPERATOR</b> P.O. Box 51810, Midland, TX, 79710				<b>9. OPERATOR E-MAIL</b> Donna.J.Williams@conocophillips.com		
<b>10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE)</b> UTU78408		<b>11. MINERAL OWNERSHIP</b> FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>		<b>12. SURFACE OWNERSHIP</b> FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>		
<b>13. NAME OF SURFACE OWNER (if box 12 = 'fee')</b> Plateau Mining Corporation				<b>14. SURFACE OWNER PHONE (if box 12 = 'fee')</b>		
<b>15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')</b>				<b>16. SURFACE OWNER E-MAIL (if box 12 = 'fee')</b>		
<b>17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')</b>		<b>18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS</b> YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>		<b>19. SLANT</b> VERTICAL <input type="checkbox"/> DIRECTIONAL <input checked="" type="checkbox"/> HORIZONTAL <input type="checkbox"/>		
<b>20. LOCATION OF WELL</b>	<b>FOOTAGES</b>	<b>QTR-QTR</b>	<b>SECTION</b>	<b>TOWNSHIP</b>	<b>RANGE</b>	<b>MERIDIAN</b>
<b>LOCATION AT SURFACE</b>	175 FSL 203 FEL	SESE	9	15.0 S	8.0 E	S
<b>Top of Uppermost Producing Zone</b>	1473 FSL 1169 FEL	NWSE	9	15.0 S	8.0 E	S
<b>At Total Depth</b>	1690 FSL 1320 FEL	NWSE	9	15.0 S	8.0 E	S
<b>21. COUNTY</b> CARBON		<b>22. DISTANCE TO NEAREST LEASE LINE (Feet)</b> 5280		<b>23. NUMBER OF ACRES IN DRILLING UNIT</b> 160		
		<b>25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed)</b> 2000		<b>26. PROPOSED DEPTH</b> MD: 5246 TVD: 4770		
<b>27. ELEVATION - GROUND LEVEL</b> 7674		<b>28. BOND NUMBER</b> ES0085		<b>29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE</b> Price River Water Improvemnt District		

**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"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)	<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER
<input type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)	<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP

<b>NAME</b> Donna Williams	<b>TITLE</b> Sr. Regulatory Specialist	<b>PHONE</b> 432 688-6943
<b>SIGNATURE</b>	<b>DATE</b> 06/29/2010	<b>EMAIL</b> donna.j.williams@conocophillips.com
<b>API NUMBER ASSIGNED</b> 43007500310000	<b>APPROVAL</b>   Permit Manager	

**Proposed Hole, Casing, and Cement**

String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Surf	12.25	9.625	0	450		
Pipe	Grade	Length	Weight			
	Grade J-55 ST&C	450	36.0			

<b>Proposed Hole, Casing, and Cement</b>						
<b>String</b>	<b>Hole Size</b>	<b>Casing Size</b>	<b>Top (MD)</b>	<b>Bottom (MD)</b>		
Prod	8.5	5.5	0	5246		
<b>Pipe</b>	<b>Grade</b>	<b>Length</b>	<b>Weight</b>			
	Grade M-80 LT&C	5246	17.0			

## Surface Use Plan of Operations

### CONOCOPHILLIPS COMPANY

LEASE NAME: USA 9-670D

LOCATION: Surf: SESE of 9-15S-8E  
Carbon County, Utah

LEASE NO.: UTU78408 (BHL)

TOTAL NEW SURFACE DISTURBANCE: ~3.5 ACRES (Includes 2 well pad, access road, & spoil stockpile areas)

#### 1. Access Road - Existing

- A. From Wattis, head west/south on County Road for approximately 1400'. Turn right (north) onto proposed access road and travel to location.
- B. Proposed route to location  
Of the new construction, all is located on fee surface.
- C. The existing road will be maintained in the same or better condition as existed prior to the commencement of operations and will meet minimum road standards as found in BLM Manual Section 9113. Said maintenance will include but is not limited to installing, repairing, grading and maintaining the road surface, drainage structures, ditches, culverts, and gravel layer. The maintenance will continue until final abandonment and reclamation of this drilling location.
- D. If required, ConocoPhillips shall enter into a maintenance agreement with all other authorized users of the common access road to the well site and any said costs of the maintaining of common road will be shared proportionally.

#### 2. Planned Access Roads

- A. There will be approximately 200' of new access road with a 50' construction right of way and a minimum travel way width of 14-18'.
- B. Maximum grade will not exceed 10 percent.
- C. There will be one County approach.
- D. There will be no low water crossing but may have culverts as the topography indicates.
- E. There will be no cattleguard installed on the access road.
- F. The proposed road to the location is surveyed and staked with stations set continuously along the centerline at maximum 100' intervals. The road will be centerline crowned with a .03 to .05 ft/ft crown to insure proper drainage. The inside slope of the side ditches shall be 4:1. Topsoil removed from the access road shall be conserved on the back slope of the borrow ditches. The borrow ditches shall be seeded as prescribed.

- G. The proposed access road will be constructed in accordance with roading guidelines established for oil & gas exploration and development activities as referenced in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Third Edition and/or BLM Manual Section 9113 concerning road construction activities on projects under federal jurisdiction. Prior to moving in any heavy equipment, the access road will be thoroughly compacted. The access road will be surfaced to an average minimum depth (after compaction) of four inches with three inch minus pit run gravel or crushed road.
- H. Construction activity or routine maintenance shall not be performed using frozen or saturated soil material or during periods when watershed damage is likely to occur.

3. Location of Existing Wells (1-Mile Radius)

- A. There are 0 permitted water wells in the area to the best of our knowledge
- B. There is 0 dry hole located in the area.
- C. There is 0 abandoned well in the area.
- D. There is 0 saltwater disposal well in the area.
- E. There are 2 proposed wells in the area
- F. There are 1 producing wells in the area.
- G. There is 0 shut in well in the area.
- H. There are no injection wells in the area.
- I. There are no monitoring or observation wells in the area.

4. Location of existing and/or Proposed Facilities

- A. On Well Pad
  - 1. Production facilities (including dikes) will be located on the cut portion of the well pad. Production water or testing tanks will be located and/or diked so that any spilled fluids will flow into the reserve pit. Production and storage tanks will not be placed on topsoil stock piles.
  - 2. Storage tanks and treater will be located on the well pad and constructed so that all four sides are surrounded by a berm to adequately contain 110% of the capacity of the largest vessel within it, plus one day's production. All load lines will terminate within the berm or dike.
  - 3. All production facilities will be on-site and spaced as close as possible to the minimum safe distances so that the well pad can be reduced to a one to one and one half acre production site after interim reclamation. Production facilities may include a lined or unlined produced water pit as specified in NTL2B. If water is produced from the well, an NTL2B application will be submitted.

4. All production facilities will be painted within six (6) months of installation. Facilities required to comply with OSHA rules and regulations will be excluded from the painting requirement. All permanent facilities will be painted with specified BLM color.
5. The gas meter will be located on lease. The gas flowline will be buried from the wellhead to the meter and will be buried downstream of the meter until it leaves the pad. Meter runs will be housed and/or fenced. The gas meter shall be calibrated prior to first sales and shall be calibrated quarterly thereafter. All gas production and measurement shall comply with the provisions of as set forth.
6. The tank battery will be surrounded by a dike of sufficient capacity to contain 1 ½ times the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All oil production and measurement shall comply with the provision as set forth.
7. The pipeline and powerlines will follow the proposed access route with the powerline located on the north/east side of the road and the pipelines on the west/south. The Pipelines will be approximately 4" for the gas and 4" for the water.

5. Location and Type of Water Supply

- A. Water for drilling will be obtained from the Price River Water District.
- B. The water will be transported on the route as described above for the proposed access road.

6. Source of Construction Materials

- A. Any materials needed in addition to what can be used from location and access road will be hauled in from a supplier having a permitted source of materials.
- B. If production is established, any additional construction materials required for the surfacing of the access road and for installation of the production facilities will be purchased from a supplier having a permitted source of materials.
- C. No construction materials will be taken from Federal lands without a prior approval from the appropriate Surface Management Agency.
- D. No vehicle travel, construction, or routine maintenance activities shall be performed during periods when the soil is too wet to adequately support vehicles and/or construction equipment. If such equipment creates ruts in excess of 4 inches deep, the soil shall be deemed too wet to adequately support such equipment.

7. Methods for Handling Waste Disposal

- A. ConocoPhillips will comply with the Hazardous Materials Management Summary provided in the EIS.
- B. Cuttings and drilling fluids will be contained in the reserve pit.

- C. Any spills of oil or any other potentially hazardous material will be cleaned up and immediately removed to an approved disposal site after notification to BLM and other federal, state, and/or local agencies as prescribed by regulation.
- D. All produced water will be disposed of via truck transport to an approved disposal facility
- E. Portable, self contained chemical toilets will be provided for human waste disposal. Upon completion of operations, or as required, the toilet holding tanks will be pumped and the contents thereof disposed of in an approved sewage disposal facility. All state and local laws and regulations pertaining to disposal of human and solid waste will be complied with.

All garbage and non-flammable waste materials will be contained in a self-contained portable dumpster or trash cage. Upon completion of operations, or as needed, the accumulated trash will be transported to a state approved waste disposal site. No trash will be placed in the reserve pit. Immediately after removal of the drilling rig, all debris and other waste materials not contained in the trash cage will be cleaned up and removed from the location. No potentially adverse materials or substances will be left on the location. Any open pits will be fenced during drilling operations and said fencing will be maintained until such time as the pits have been backfilled.

- F. ConocoPhillips Company maintains a file, per 29 CFR 1910.1200 (g) containing MSDS sheets for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be used necessary for well completion/stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for SARA listed Extremely Hazardous Substances at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

8. Ancillary Facilities

The production facilities are discussed under Item 4.

9. Well Site Layout

- A. See survey plat
- B. Well Site Layout
- C. Topsoil will be stripped from the location and access road and be stockpiled and be deposited apart from other excavated material. All equipment and vehicles will be confined to the approved disturbed areas of this APD (i.e road, well pad, and spoil and topsoil storage areas)
- D. The pit is 85' x 20' x 5'. This size will be adequate to contain all the cuttings from the drilling operation and any fluids which could result from a catastrophic event such as excessive rain or snowfall, or a spill on location. The reserve pit will be constructed in a way that minimizes the accumulation of surface precipitation runoff into the pit. This may be accomplished by appropriate placement of subsoil/topsoil storage areas and/or construction of berms or ditches. The pit will be lined

with atleast a 12 mil synthetic liner and will be installed to seal the pit area and to prevent migration of pit fluids into underlying soils. The liner will have a burst strength of not less than 140 psi. The liner will be installed so that it will not leak, will completely cover the bottom and walls of the pit, and will be chemically compatible with all substances which may be put into the pit. The reserve pit serves as a containment area for fresh water, drill fluids & cuttings, and other miscellaneous waste products. An adequate freeboard of at least one foot will be maintained at all time. If surface water is encountered while digging the reserve pit, the plan will be revised to ensure protection of ground water.

- E The reserve pit will be fenced immediately upon construction on all four sides. The pit will be fenced on three non-working sides during drilling. After drilling is completed, the fourth side of the pit will be fenced until the pit is reclaimed. The fence could be a woven wire atleast 28 inches high and within 4 inches of ground surface with 2 strands of barbed wire above the woven wire with 10 inch spacing or other similar fence design as dictated by ground and/or wildlife conditions. In addition to reserve pit fencing, when the reserve pit contains fluids or toxic substances, the operator will provide overhead protection and shall insure that livestock, migratory birds, and other wildlife do not enter, ingest, or become entrapped in such substances. Fences will be maintained to keep livestock out until the reclamation work has been approved.
- F. The location will be fenced with 4 strands of barbed wire and wood corner and brace posts if fencing is required.
- G Siphons, catchments, and absorbent pads will be installed to keep hydrocarbons produced by the drilling rig from entering the reserve pit Hydrocarbons and contaminated pads will be disposed of in accordance with the requirements.

#### 10. Plans for Reclamation of the Surface

- A. If this well is a producer, all site rehabilitation shall be completed within six months. Topsoil from the berms and/or storage piles will be spread along the access road's cut and fill slopes. Drainage ditches or culverts will not be blocked with topsoil and associated organic matter. Under normal weather conditions, the timetable for rehab will allow two months for the mud to settle in the reserve pit, two months for backfill settling upon pit closure, and two months to complete final recontouring, and topsoiling. "Trenching" of the reserve pit during the pit reclamation phase will not be allowed unless ConocoPhillips Company proves to the satisfaction of BLM that surface or groundwater contamination will not result. In the event of winter freeze-up, reclamation will be put on hold as determined by the BLM.
- B. At such time as the well is abandoned, ConocoPhillips Company will contact the BLM for development of the final rehabilitation plan. Upon abandonment, an erect dry hole marker welded to surface casing four feet below ground level will be installed. It will contain the same information as the well sign as directed by 43 CFR 3162.6 (30 CFR 221.22). The dry hole marker sealing the casing will have an 1/8" to 1/4" weep hole which will allow pressure to dissipate and make detection of any fluid seepage easier.
- C. If this well site is constructed and not drilled, the site and access road will be reclaimed or BLM approved special erosion control measures implemented within 90 days of site construction unless otherwise approved in writing by sundry notice.

- D. The unused portion of the site will be ripped prior to replacing the topsoil. The soil-banked material will be spread over the area. Reseeding will be an approved mixture by the BLM and/or the Landowner and shall have no primary or secondary noxious weeds in the mixture. The seed will be tested for purity and germination and viability testing of seed shall be done in accordance with State law and within 9 months prior to purchase. The mixture container will be tagged in accordance and copies of seed test results/certification forwarded to this office. Seeding will be done either in late Autumn (September 15 to November 15, before freeze up) after completion or as early as possible the following Spring to take advantage of available ground moisture. All disturbed areas will be seeded using a drill equipped with a depth regulator. All seed will be drilled on the contour. The seed will be planted between ¼ and 1/2" deep. Where drilling is not possible (too steep or rocky), the seed will be broadcast and the area raked or chained to cover the seed. If the broadcast method is utilized, the seed mixture shall be doubled. There shall be no primary or secondary noxious weed seed in the native seed mixture.
- E. The entire disturbed location shall be fenced after seeding. The seeding will be repeated until a satisfactory stand, as determined by the Authorized Officer is obtained. The first evaluation of growth will be made following completion of the first growing season after seeding. When the location has been rehabilitated and vegetation re-established, the fence shall be removed or the fenced area reduced as required by the landowner or BLM.
- F. Weeds will be controlled on disturbed areas within the exterior limits of the wellpad. The control methods will be in accordance with guidelines established by EPA, BLM, state, and local authorities.
- G. A prework onsite with the BLM and ConocoPhillips Company may be held for all phases of reclamation.

11. Surface Ownership  
Plateau Mining Corporation (please see letter with further information)

12. Other Information

- A. The area that would be impacted by the well site and access road will be surveyed for cultural resources.
- B. ConocoPhillips will be responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites or for collecting artifacts.

If historic or archaeological materials are uncovered, ConocoPhillips Company will suspend all operations that might further disturb such materials and immediately contact the Authorized Officer, Bureau of Land Management.

Within five (5) working days, the Authorized Officer will inform ConocoPhillips Company as to whether the materials appear eligible for the National Register of Historic Places; the mitigation measures the operator will likely have to undertake before the site can be used (assuming in site preservation is not necessary); and a time frame for the

Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

- C. ConocoPhillips Company will protect, in place, all public land survey Monuments, private property corner, and Forest Service boundary markers. In the event that any such land markers or monuments are destroyed in the exercise of their rights, depending on the type of monument destroyed, the operator shall see that they are reestablished or referenced in accordance with (1) the procedures outlined in the "Manual of Instructions for the Survey of the Public Land of the United States", (2) the specifications of the county surveyor, or (3) the specification of the BLM.
- D. The APD is valid for a period of two years from the date of approval or until the oil and gas Lease expires/terminates, whichever occurs first. If the APD terminates, any surface disturbance created under the application must be reclaimed in accordance with the approved plan. All applicable local, state, and/or federal laws, regulations and/or statues will be complied with. A copy of the approved APD will be at the drill site during the construction phase, the drilling of the well, and the completion operation.

ConocoPhillips Company will comply with the additional Conditions of Approval provided by the BLM.

Within five (5) working days the Authorized Officer will inform ConocoPhillips Company as to whether the materials appear eligible for the National Register of Historic Places; the mitigation measures the operator will likely have to undertake before the site can be used (assuming in site preservation is not necessary); and a time frame for the Authorized officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

- E. ConocoPhillips Company will protect, in place, all public land survey monuments, private property corner, and Forest service boundary markers. In the event that any such land markers or monuments are destroyed in the exercise of their rights, depending on the type of monument destroyed, the operator shall see that they are reestablished or referenced in accordance with (1) the procedures outlined in the "Manual of Instructions for the Survey of the Public Land of the United States", (2) the specifications of the county surveyor, or (3) the specification of the BLM.

ConocoPhillips Company will comply with the additional Conditions of Approval provided by the BLM.



ConocoPhillips Company  
3300 North A Street, Building 6  
Midland, TX 79705

June 22, 2010

Utah Division of Oil, Gas, and Mining  
1594 W North Temple, Suite 1210  
Salt Lake City, Utah 84116

RE: Directional Drilling Request  
USA 9-670D  
SESE of 9-15S-8E to NWSE of 9-15S-8E  
Carbon County, Utah

Ladies and Gentlemen:

ConocoPhillips Company respectfully request approval to directionally drill to approximately 1900' northwest of the original surface location. This request is due to the topography which prevented the surface location from being located at that point. We are requesting approval to directionally drill from a surface location of 174.80 FSL & 203.40 FEL (SESE) of 9-15S-8E to a proposed bottomhole location of 1690 FSL & 1320 FEL (NWSE) of 9-15S-8E, all of which is in the Drunkards Wash Unit which COP operates. Furthermore, COP is the owner/operator of a radius of 460' along the terminus of the entire lateral to be drilled.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Donna Williams", written over a large, stylized circular flourish.

Donna Williams  
Sr. Regulatory Specialist

DRILLING PROGRAM

ConocoPhillips Company

USA 9-670D

Surf: 174.80 FSL & 203.40 FEL (SESE) of 9-15S-8E

BHL: 1690 FSL & 1320 FEL (NWSE) of 9-15S-8E

Carbon County, Utah

Federal Lease UTU-78408

All operations will be conducted in such a manner that full compliance is made with applicable laws, regulations, (43 CFR 3100), Onshore Oil and Gas Orders, the approved plan of operations and conditions of approval. The operator is fully responsible for the actions of his subcontractors. A copy of this application and conditions of approval will be furnished to the field representative to ensure compliance.

A. Drilling Program:

1. Surface Formation and Estimated Formation Tops:

Surface formation: Upper Mancos Shale

Estimated Top of Ferron Formation: 4142' TVD

2. Estimated Depths at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be encountered:

<u>Formation</u>	<u>Depth</u>
Mancos Shale	Surface
T/Blue Gate Shale	4012' TVD
T/Ferron	4142' TVD (Coal, Gas, Water)
T/Ferron Coal	4202' TVD (Coal, Gas, Water)
B/Ferron Coal	4346' TVD (Coal, Gas, Water)
Tununk	4476' TVD

No groundwater is expected to be encountered.

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and will be cased and cemented. When possible, water flow rates will be measured and samples will be taken and analyzed. All oil and gas shows will be tested to determine commercial potential.

### 3. Pressure Control Equipment:

The operator's minimum specifications for Blowout Preventer (BOP) and related equipment to be used and schematic diagrams thereof showing sizes, pressure ratings, and the testing procedures and testing frequency. BOP and BOP – related equipment (BOPE) schematics shall include schematics of choke manifold equipment. Accumulator systems and remote controls shall be utilized.

The drilling rig selected for this well is equipped with an 11" x 3000 psi annular preventer, 11" x 5000 psi double ram preventer (blind/pipe) and 3000 psi choke manifold system and will be installed, used, maintained, and tested accordingly. BOP tests shall be performed at minimum after initially installed, whenever any seal subject to test pressure is broken, following related repairs, and at 21 day intervals. BOP will be inspected and operated at least daily to insure good working order. All pressure and operating tests will be recorded on the daily drilling reports. Ram Type preventors will be tested to 3000 psi or 70% of the minimum internal yield of the casing. Annular type preventer(s) will be tested to 70% of the rated working pressure. Test Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever are longer. See **Attached Schematic & Size/Rating Information**

### 4. The Proposed Casing and Cementing Programs

Hole Size	Casing Size	Wt/Ft	Grade	Joint	Depth set
20"	16"	0.219" wall	Conductor	Weld	0-60
12 ¼"	9 5/8"	36	J55	ST&C	0-450'
8 ½"	5 ½"	17	M80	LT&C	0-4770 TVD (0-5246' MD)

#### **Cementing Program**

The 9 5/8 surface casing will be set with approximately 255 sxs Class G cmt with 2% CaCl<sub>2</sub> + 1/4pps D130 mixed at 15.8 ppg (yield=1.17 ft<sup>3</sup>/sx). The cement will be circulated back to surface with volume based on nominal hole size + 100% excess. In the event cement is not circulated to surface, a 1" top out job will be performed with 100 sxs of Class G cmt containing 2% CaCl<sub>2</sub> + 1/4 pps D130 mixed at 15.8 ppg (yield=1.17 ft<sup>3</sup>/sx)

The 5 1/2" production casing will be set and cemented to surface using a Two Stage cementing process incorporating an external casing/annulus packer and stage cementing tool. Placement of the packer/stage tool will be at approximately 3900' TVD/4370 MD.

1<sup>st</sup> Stage: 115 sxs (48 bbls) of LiteCrete Cement mixed at 9.6 ppg (yield=2.36 ft<sup>3</sup>/sx) containing 0.2% D013 + 0.2% D046 + 0.5% D065 + 0.2% D167 + 2.0% D053 + 46 pps D124. Volume calculations based on nominal hole size + 35% excess.

2<sup>nd</sup> Stage: 575 sxs (241 bbls) of LiteCrete Cement mixed at 9.6 ppg (yield=2.36 ft<sup>3</sup>/sx) containing 0.2% D013 + 0.2% D046 + 0.5% D065 + 0.2% D167 + 2.0% D053 + 46 pps D124. Volume calculations based on nominal hole size + 35% excess.

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. Mud Program and Circulating Medium:

The intent is to drill the entire well with air/air mist/foam to TD. The blooie line discharge will be 100' from the wellbore into the blooie pit. The air compressor package will be located behind the rig approximately 115' from the wellbore in a 90 degree direction relative to the blooie line. The air compressor package will be approximately 150' away from the blooie line's discharge point at the blooie pit. COP does request a variance to the air drilling requirements of having deduster equipment and automatic ignitor or continuous pilot light on blooie line. COP is utilizing an air/air mist/foam technique to drill the hole. The risk of encountering any gas through this operation is very minimal. In the event that any change is encountered while drilling, all measures will be taken as referenced above. If operations and hole conditions allow for air only drilling (no mist or foam), then deduster equipment will be utilized.

6. The Type and Characteristics of the Proposed Circulating Muds:

0-450            12 1/4" hole

Drill with air-mist, will mud-up if necessary.

Drill with approx 1600 CFM of air-mist system with returns going thru blooie line to pit (adding 6% KCL water for misting at 5-15 GPM)

450-TD           8 1/2" hole

Drill with air-mist system, will mud-up if necessary. Expected air rates are 1600-2000 CFM @ 400 psi with addition of 6% KCL water at 5-15 GPM for misting. If water influx becomes a problem, then the hole will be displaced with mud as per below. If mud up is required, use 6% KCl to prepare the mud and PAC-R to reduce the water loss. Allow the hole to dictate the mud weight if it needs to be

adjusted. Mud properties will be maintained as follows:

Mud Wt:	8.6-8.9 ppg	PH	9-9.5
Vis:	45-60 sec/qt	Chlorides	30,000
YP:	2-10 lb/100 ft <sup>2</sup>	Water Loss:	<6-8 cc
PV:	10-15	Solids:	<5%

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

450-TD No open hole wireline log evaluations are planned due to the directional nature of the wellbore inclination of 33 degree/cased hole log evaluations will be performed prior to starting completion operations.

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 1800 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.

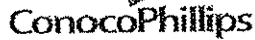
Expected commencement of construction/drilling to begin July 1, 2010; expected Duration of the drilling operations is 1 month (including location construction and drilling operations from spud to rig release).

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

- (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.

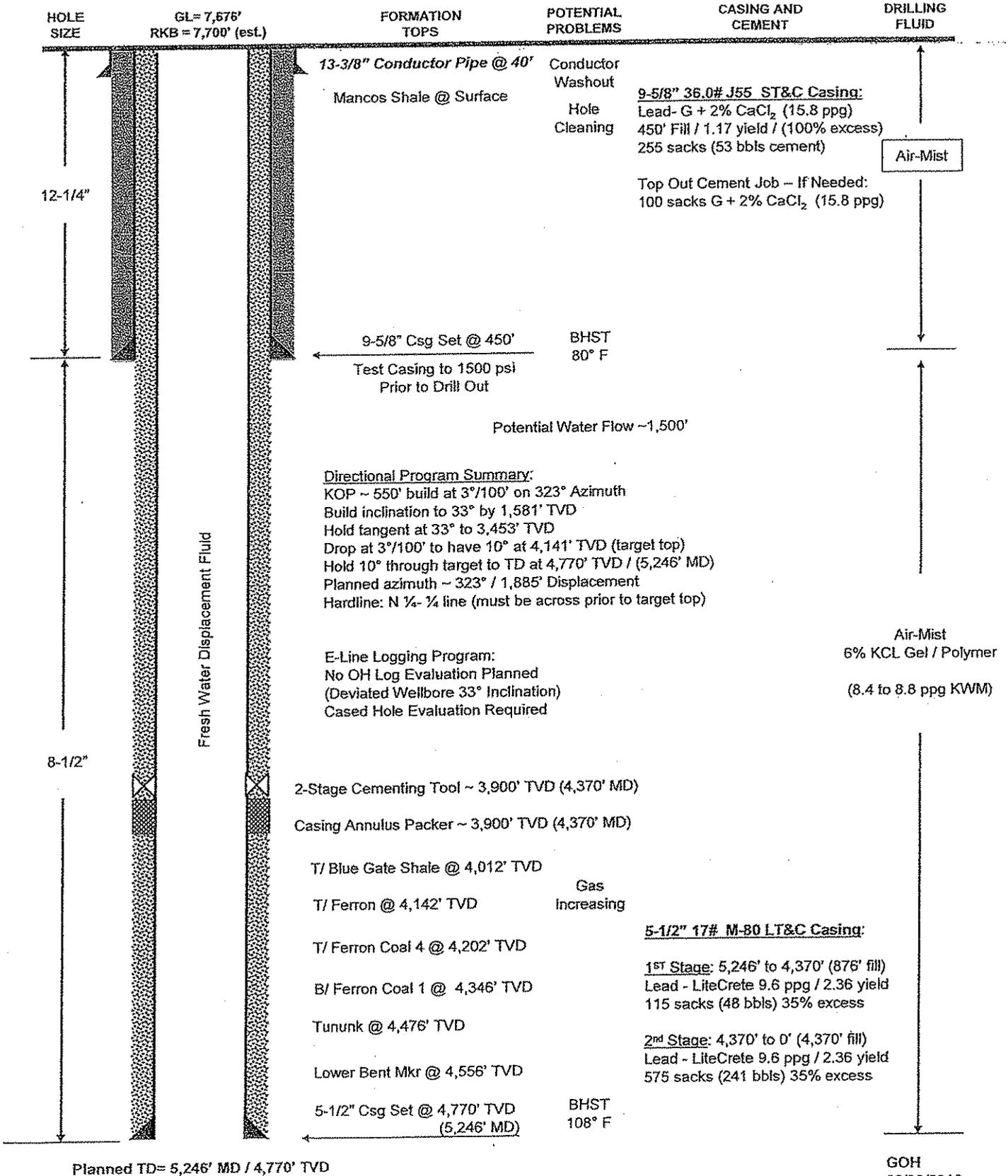
Spills, blowouts, fires, leaks, accidents or other unusual occurrences shall be reported to the Division of Oil, Gas & Mining and Bureau of Land Management immediately.

WELLBORE SCHEMATIC & DRILLING PROGNOSIS



Well Name : USA 9-670D  
 Surf. Location : 175' FSL & 203' FEL of Sec. 9-15S-8E  
 BH Location : 1,690' FSL & 1,320' FEL of Sec. 9-15S-8E  
 County : Carbon  
 State : Utah

API # :  
 Lease # :  
 Field / Area : Drunkard's Wash  
 Permit TD : 5,000' TVD  
 Targets : Ferron / Ferron Coal



**MMS REPORT**

APD INFORMATION SHEET

Lease : USA 9-670D Well: \_\_\_\_\_ Area 7 Blk: Drunkards Wash Field: Drunkards Wash  
 Company : ConocoPhillips Approx. date work will start : July 1, 2010  
 Surface Location : 176' FSL & 203' FEL (Sec 9-15S-8E) Gas Gradient (psi/ft) : 0.100  
 Bottom Hole Location : 1690' FSL & 1320' FEL (Sec 9-15S-8E) Salt-water Gradient (psi/ft) : 8.400  
 Rig Name : H&P Rig 275 Type : Diesel Electric WD: N/A RKB: 7,694' Well Type : Gas

HOLE SIZE	CASING (Indicate if liner)	CASING SIZE	WEIGHT GRADE	BURST COLLAPSE RATING	TYPE CONNECTION	MASP	SAFETY FACTORS			CASING DEPTH MD TVD	SHOE			WELL HEAD RATING	BOP SIZE	BOP WP ANNULAR /RAM	TEST			CEMENT CUBIC FT	MUD TYPE
							B	C	T		PP	MW	FG				ANNULAR /RAM	CASING	SHOE TEST		
12 1/4"	Surface Casing	8 5/8"	38,000 J-58	3520.00 2023.36	STC	178	2.31	15.58	4.44	450.0 450.0	8.37	8.60	9.46	3000	11,000	3M/5M	2100/3000	1500	0.0	298	Air
8 1/2"	Production Casing	5 1/2"	17,000 N-80	7738.18 6285.43	LTC	1132	1.18	13.03	2.18	5246.0 4768.5	8.50	8.60	8.60	3000	11,000	3M/5M	2100/3000	1500	0.0	1627	Air

Minimum Mud Quantities: 150 Sacks Barite and 150 Sacks Gel

Zone Protection Statement: Surface casing cemented to surface / Production casing cemented to surface (2-stage method)

Mud Disposal Statement: \_\_\_\_\_

Will Oil-base Mud Be Used: No



**Weatherford**

**Drilling Services**

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**Proposal**

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**ConocoPhillips**

USA #9-670D

CARBON COUNTY, UTAH

WELL FILE: PLAN1

JUNE 7, 2010

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**Weatherford International, Ltd.**

P.O. Box 61028

Midland, TX 79711 USA

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[www.weatherford.com](http://www.weatherford.com)

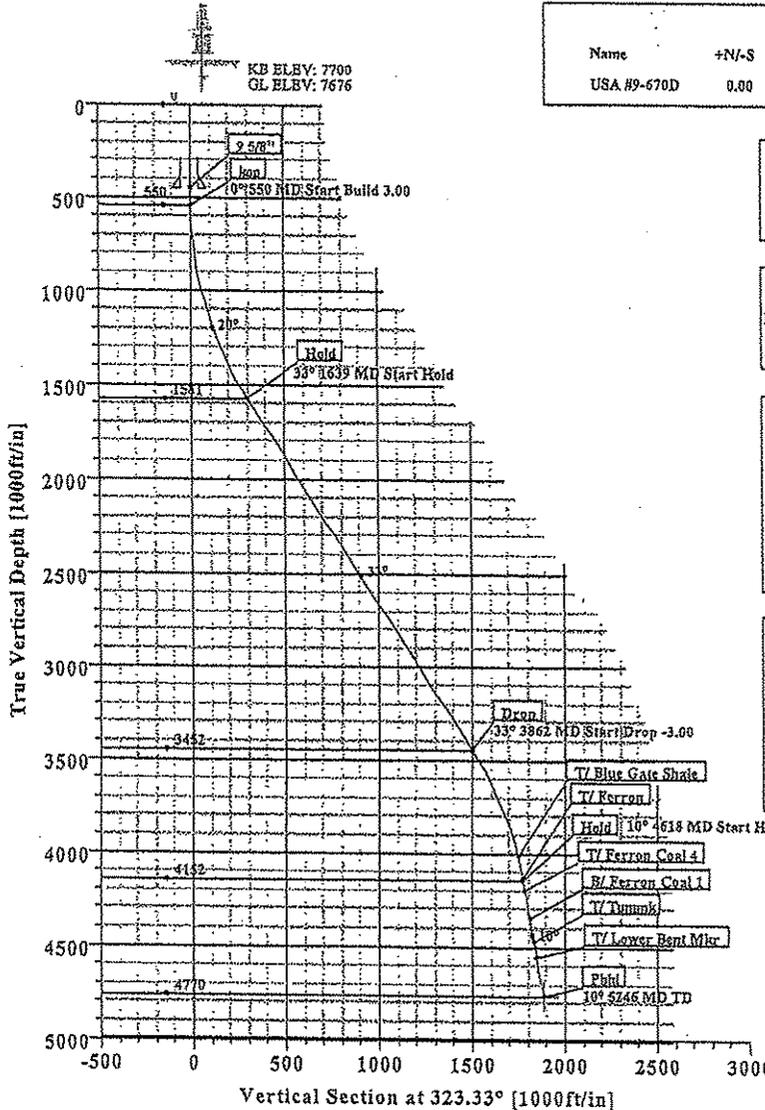


SECTION DETAILS										
Sec	MD	Inc	Azi	TYD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.00	0.00	323.33	0.00	0.00	0.00	0.00	0.00	0.00	
2	550.00	0.00	323.33	550.00	0.00	0.00	0.00	0.00	0.00	
3	1639.22	32.68	323.33	1581.13	242.46	-180.50	3.00	323.33	302.27	
4	3861.94	32.68	323.33	3452.06	1205.06	-897.08	0.00	0.00	1502.31	
5	4617.82	10.00	323.33	4151.54	1424.25	-1060.25	3.00	180.00	1775.56	
6	5245.82	10.00	323.33	4770.00	1511.72	-1125.37	0.00	0.00	1884.61	Pbhl

TARGET DETAILS								
Name	TYD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Shape
Pbhl	4770.00	1511.72	-1125.37	14355688.00	1633088.00	39°31'55.413N	111°01'33.612W	Point

WELL DETAILS							
Name	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
USA #9-670D	0.00	0.00	14354176.00	1634213.00	39°31'40.467N	111°01'19.244W	N/A

FORMATION TOP DETAILS			
No.	TYDPath	MDPath	Formation
1	4012.00	4475.06	T/ Blue Gate Shale
2	4142.00	4608.13	T/ Ferron
3	4202.00	4669.06	T/ Ferron Coal 4
4	4346.00	4815.28	B/ Ferron Coal 1
5	4476.00	4947.29	T/ Tuumuk
6	4556.00	5028.52	T/ Lower Bent Mkr

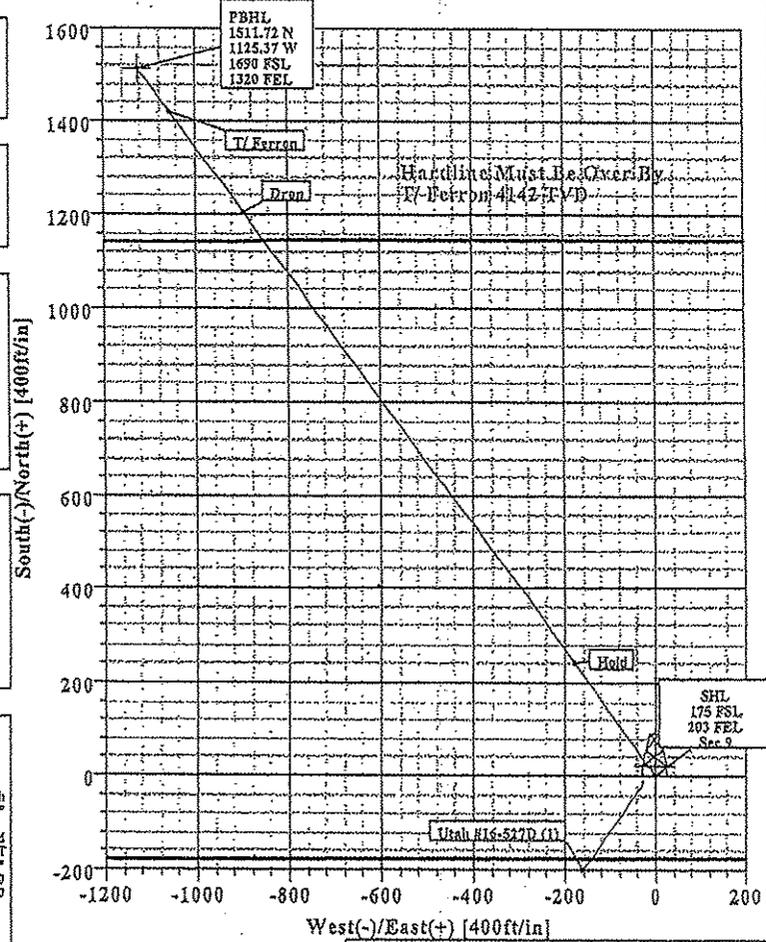
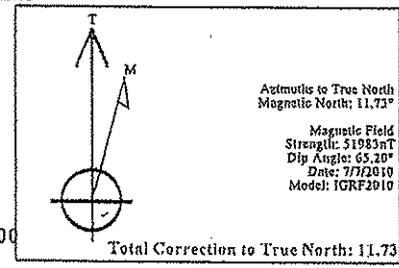


LEGEND	
	Utah #16-527D (1) Plan #1

CASING DETAILS				
No.	TYD	MD	Name	Size
I	450.00	450.00	9 5/8"	9.625

**FIELD DETAILS**  
Carbon Co, Utah (UTM Zone 12)  
Geodetic System: Universal Transverse Mercator  
Ellipsoid: NAD87 (Clarke 1866)  
Zone: UTM Zone 12, North 114W to 108W  
Magnetic Model: IGRF2010  
System Datum: Mean Sea Level  
Local North: True North

**SITE DETAILS**  
USA #9-670D  
Site Centre Northing: 14354176.00  
Easting: 1634213.00  
Ground Level: 7676.00  
Positional Uncertainty: 0.00  
Convergence: -0.01



Wellpath: (USA #9-670D/1)  
Created By: Russell W Joyner  
Date: 6/7/2010



# Weatherford International Ltd.

## WFT Plan Report - X & Y's



**Weatherford**

Company: ConocoPhillips	Date: 6/7/2010	Time: 11:49:42	Page: 1
Field: Carbon Co, Utah (UTM Zone 12)	Co-ordinate (NE) Reference: Well: USA #9-670D	True North	
Site: USA #9-670D	Vertical (TVD) Reference: SITE 7700.0		
Well: USA #9-670D	Section (VS) Reference: Well (0.00N:0.00E:323.33Azi)		
Wellpath: 1	Survey Calculation Method: Minimum Curvature	Db: Sybase	

<b>Field:</b> Carbon Co, Utah (UTM Zone 12)			
<b>Map System:</b> Universal Transverse Mercator	<b>Map Zone:</b> UTM Zone 12; North 114W to 108W		
<b>Geo Datum:</b> NAD27 (Clarke 1866)	<b>Coordinate System:</b> Well Centre		
<b>Sys Datum:</b> Mean Sea Level	<b>Geomagnetic Model:</b> IGRF2010		

<b>Site:</b> USA #9-670D			
<b>Site Position:</b>	<b>Northing:</b> 14354176.00 ft	<b>Latitude:</b> 39 31 40.467 N	
<b>From:</b> Map	<b>Easting:</b> 1634213.00 ft	<b>Longitude:</b> 111 1 19.244 W	
<b>Position Uncertainty:</b> 0.00 ft		<b>North Reference:</b> True	
<b>Ground Level:</b> 7676.00 ft		<b>Grid Convergence:</b> -0.01 deg	

<b>Well:</b> USA #9-670D		<b>Slot Name:</b>	
<b>Well Position:</b> +N/-S 0.00 ft	<b>Northing:</b> 14354176.00 ft	<b>Latitude:</b> 39 31 40.467 N	
+E/-W 0.00 ft	<b>Easting:</b> 1634213.00 ft	<b>Longitude:</b> 111 1 19.244 W	
<b>Position Uncertainty:</b> 0.00 ft			

<b>Wellpath:</b> 1		<b>Drilled From:</b> Surface	
<b>Current Datum:</b> SITE	<b>Height:</b> 7700.00 ft	<b>Tie-on Depth:</b> 0.00 ft	
<b>Magnetic Data:</b> 7/7/2010		<b>Above System Datum:</b> Mean Sea Level	
<b>Field Strength:</b> 51983 nT		<b>Declination:</b> 11.73 deg	
<b>Vertical Section:</b> Depth From (TVD)	+N/-S	<b>Mag Dip Angle:</b> 65.20 deg	
ft	ft	<b>Direction:</b> deg	
0.00	0.00	0.00	323.33

**Plan Section Information**

MD	Incl	Azim	TVD	+N/S	+E/W	DLS	Budd	Turn	TFO	Target
ft	deg	deg	ft	ft	ft	deg/100ft	deg/100ft	deg/100ft	deg	
0.00	0.00	323.33	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
550.00	0.00	323.33	550.00	0.00	0.00	0.00	0.00	0.00	0.00	
1639.22	32.68	323.33	1581.13	242.46	-180.50	3.00	3.00	0.00	323.33	
3861.94	32.68	323.33	3452.06	1205.06	-897.08	0.00	0.00	0.00	0.00	
4617.82	10.00	323.33	4151.54	1424.25	-1060.25	3.00	-3.00	0.00	180.00	
5245.82	10.00	323.33	4770.00	1511.72	-1125.37	0.00	0.00	0.00	0.00	Pbhl

**Survey**

MD	Incl	Azim	TVD	N/S	E/W	VS	DLS	MapN	MapE	Comment
ft	deg	deg	ft	ft	ft	ft	deg/100ft	ft	ft	
500.00	0.00	323.33	500.00	0.00	0.00	0.00	0.00	1.43541e07	1634213.00	
550.00	0.00	323.33	550.00	0.00	0.00	0.00	0.00	1.43541e07	1634213.00	kop
600.00	1.50	323.33	599.99	0.52	-0.39	0.65	3.00	1.43541e07	1634212.61	
700.00	4.50	323.33	699.85	4.72	-3.52	5.89	3.00	1.43541e07	1634209.49	
800.00	7.50	323.33	799.29	13.11	-9.76	16.34	3.00	1.43541e07	1634203.25	
900.00	10.50	323.33	898.04	25.65	-19.10	31.98	3.00	1.43542e07	1634193.91	
1000.00	13.50	323.33	995.85	42.33	-31.51	52.77	3.00	1.43542e07	1634181.50	
1100.00	16.50	323.33	1092.43	63.09	-46.96	78.65	3.00	1.43542e07	1634166.05	
1200.00	19.50	323.33	1187.52	87.87	-65.41	109.55	3.00	1.43542e07	1634147.61	
1300.00	22.50	323.33	1280.87	116.61	-86.81	145.38	3.00	1.43542e07	1634126.22	
1400.00	25.50	323.33	1372.22	149.24	-111.10	186.05	3.00	1.43543e07	1634101.94	
1500.00	28.50	323.33	1461.31	185.65	-138.20	231.44	3.00	1.43543e07	1634074.84	
1600.00	31.50	323.33	1547.90	225.75	-168.06	281.44	3.00	1.43544e07	1634045.00	
1639.22	32.68	323.33	1581.13	242.46	-180.50	302.27	3.00	1.43544e07	1634032.56	Hold
1700.00	32.68	323.33	1632.29	268.79	-200.09	335.09	0.00	1.43544e07	1634012.97	
1800.00	32.68	323.33	1716.46	312.09	-232.33	389.08	0.00	1.43544e07	1633980.75	
1900.00	32.68	323.33	1800.63	355.40	-264.57	443.06	0.00	1.43545e07	1633948.52	
2000.00	32.68	323.33	1884.81	398.71	-296.81	497.05	0.00	1.43545e07	1633916.29	
2100.00	32.68	323.33	1968.98	442.01	-329.05	551.04	0.00	1.43546e07	1633884.06	



# Weatherford International Ltd.

## WFT Plan Report - X & Y's



Weatherford

Company: ConocoPhillips	Date: 6/7/2010	Time: 11:49:42	Page: 2
Field: Carbon Co. Utah (UTM Zone 12)	Coordinate (N/D) Reference: Well: USA #9-670D; True North		
Site: USA #9-670D	Vertical (TVD) Reference: SITE 7700.0		
Well: USA #9-670D	Section (MS) Reference: Well (0.00N, 0.00E, 323.33Az)		
Wellpath: 1	Survey Calculation Method: Minimum Curvature	Ob: Svbase	

**Survey**

MD	Incl deg	Azm deg	TVD ft	N/S ft	E/W ft	VS ft	DLS deg/100ft	MapN ft	MapE ft	Comment
2200.00	32.68	323.33	2053.15	485.32	-361.29	605.03	0.00	1.43546e07	1633851.83	
2300.00	32.68	323.33	2137.33	528.63	-393.53	659.02	0.00	1.43547e07	1633819.60	
2400.00	32.68	323.33	2221.50	571.94	-425.77	713.01	0.00	1.43547e07	1633787.37	
2500.00	32.68	323.33	2305.67	615.24	-458.00	767.00	0.00	1.43547e07	1633755.15	
2600.00	32.68	323.33	2389.85	658.55	-490.24	820.99	0.00	1.43548e07	1633722.92	
2700.00	32.68	323.33	2474.02	701.86	-522.48	874.98	0.00	1.43548e07	1633690.69	
2800.00	32.68	323.33	2558.19	745.17	-554.72	928.97	0.00	1.43549e07	1633658.46	
2900.00	32.68	323.33	2642.37	788.47	-586.96	982.96	0.00	1.43549e07	1633626.23	
3000.00	32.68	323.33	2726.54	831.78	-619.20	1036.95	0.00	1.43550e07	1633594.00	
3100.00	32.68	323.33	2810.71	875.09	-651.44	1090.94	0.00	1.43550e07	1633561.77	
3200.00	32.68	323.33	2894.88	918.39	-683.68	1144.93	0.00	1.43550e07	1633529.55	
3300.00	32.68	323.33	2979.06	961.70	-715.92	1198.92	0.00	1.43551e07	1633497.32	
3400.00	32.68	323.33	3063.23	1005.01	-748.16	1252.91	0.00	1.43551e07	1633465.09	
3500.00	32.68	323.33	3147.40	1048.32	-780.40	1306.90	0.00	1.43552e07	1633432.86	
3600.00	32.68	323.33	3231.58	1091.62	-812.63	1360.89	0.00	1.43552e07	1633400.63	
3700.00	32.68	323.33	3315.75	1134.93	-844.87	1414.88	0.00	1.43553e07	1633368.40	
3800.00	32.68	323.33	3399.92	1178.24	-877.11	1468.87	0.00	1.43553e07	1633336.18	
3861.94	32.68	323.33	3452.06	1205.06	-897.08	1502.31	0.00	1.43553e07	1633316.21	Drop
3900.00	31.53	323.33	3484.30	1221.29	-909.16	1522.54	3.00	1.43553e07	1633304.14	
4000.00	28.53	323.33	3570.86	1261.43	-939.05	1572.58	3.00	1.43554e07	1633274.26	
4100.00	25.53	323.33	3659.92	1297.89	-966.18	1618.03	3.00	1.43554e07	1633247.13	
4200.00	22.53	323.33	3751.24	1330.55	-990.50	1658.76	3.00	1.43555e07	1633222.82	
4300.00	19.53	323.33	3844.57	1359.34	-1011.93	1694.64	3.00	1.43555e07	1633201.40	
4400.00	16.53	323.33	3939.65	1384.17	-1030.42	1725.60	3.00	1.43555e07	1633182.92	
4475.06	14.28	323.33	4012.00	1400.17	-1042.33	1745.54	3.00	1.43555e07	1633171.02	T/ Blue Gate Shale
4500.00	13.53	323.33	4036.21	1404.98	-1045.91	1751.54	3.00	1.43555e07	1633167.44	
4600.00	10.53	323.33	4134.00	1421.70	-1058.35	1772.39	3.00	1.43555e07	1633154.99	
4608.13	10.29	323.33	4142.00	1422.88	-1059.23	1773.86	3.00	1.43555e07	1633154.12	T/ Ferron
4617.82	10.00	323.33	4151.54	1424.25	-1060.25	1775.56	3.00	1.43556e07	1633153.10	Hold
4669.06	10.00	323.33	4202.00	1431.39	-1065.56	1784.46	0.00	1.43556e07	1633147.79	T/ Ferron Coal 4
4700.00	10.00	323.33	4232.47	1435.70	-1068.77	1789.83	0.00	1.43556e07	1633144.58	
4800.00	10.00	323.33	4330.95	1449.63	-1079.14	1807.20	0.00	1.43556e07	1633134.21	
4815.28	10.00	323.33	4346.00	1451.75	-1080.73	1809.85	0.00	1.43556e07	1633132.63	B/ Ferron Coal 1
4900.00	10.00	323.33	4429.43	1463.56	-1089.51	1824.56	0.00	1.43556e07	1633123.85	
4947.29	10.00	323.33	4476.00	1470.14	-1094.41	1832.77	0.00	1.43556e07	1633118.95	T/ Tununk
5000.00	10.00	323.33	4527.91	1477.48	-1099.88	1841.93	0.00	1.43556e07	1633113.48	
5028.52	10.00	323.33	4556.00	1481.46	-1102.84	1846.88	0.00	1.43556e07	1633110.52	T/ Lower Bent Mkr
5100.00	10.00	323.33	4626.39	1491.41	-1110.25	1859.29	0.00	1.43556e07	1633103.12	
5200.00	10.00	323.33	4724.87	1505.34	-1120.62	1876.66	0.00	1.43556e07	1633092.75	
5245.82	10.00	323.33	4770.00	1511.72	-1125.37	1884.61	0.00	1.43556e07	1633088.00	Pbhl

**Targets**

Name	Description	TVD	N/S	E/W	Map Northing	Map Easting	Latitude	Longitude
	Dip	ft	ft	ft	ft	ft	Deg Min Sec	Deg Min Sec
Pbhl		4770.00	1511.72	-1125.37	14355688.00	1633088.00	39 31 55.413 N	111 1 33.612 W
-Plan hit target								



**Weatherford International Ltd.**  
WFT Plan Report - X & Y's



Company: ConocoPhillips	Date: 5/7/2010	Time: 11:49:42	Page: 3
Field: Carbon Co. Utah (UTM zone 12)	Co-ordinate(N/E) Reference: Well: USA #9670D True North	Vertical (TVD) Reference: SITE 7700.0	
Site: USA #9670D	Section (NS) Reference: Well (0.00N 0.00E 523.33Az)	Survey Calculation Method: Minimum Curvature	Db: Sybase
Well: USA #9670D	Wellpath: 1		

**Casing Points**

MD ft	TVD ft	Diameter in	Hole Size in	Name
450.00	450.00	9.625	12.250	9 5/8"

**Annotation**

MD ft	TVD ft	
550.00	550.00	kop
1639.22	1581.13	Hold
3861.94	3452.06	Drop
4617.82	4151.54	Hold
5245.82	4770.00	Pbhl

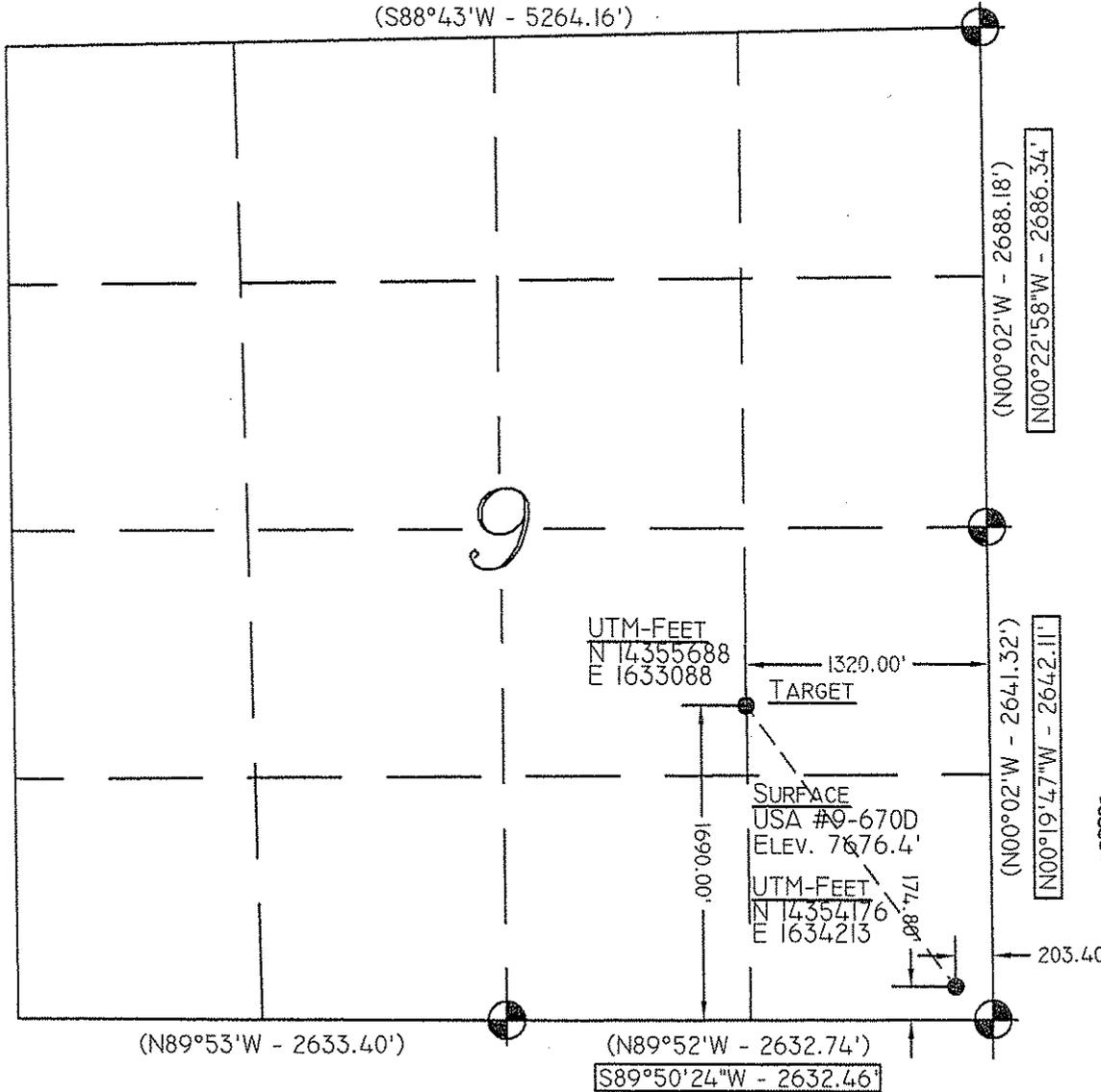
**Formations**

MD ft	TVD ft	Formations	Lithology	Dip Angle deg	Dip Direction deg
4475.06	4012.00	T/ Blue Gate Shale		0.00	0.00
4608.13	4142.00	T/ Ferron		0.00	0.00
4669.06	4202.00	T/ Ferron Coal 4		0.00	0.00
4815.28	4346.00	B/ Ferron Coal 1		0.00	0.00
4947.29	4476.00	T/ Tununk		0.00	0.00
5028.52	4556.00	T/ Lower Bent Mkr		0.00	0.00

# Range 8 East

(S88°43'W - 5264.16')

Township 15 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 7160' being at the Northeast Section Corner of Section 10, Township 15 South, Range 8 East, Salt Lake Base and Meridian, as shown on the Wattis Quadrangle 7.5 minute series map.

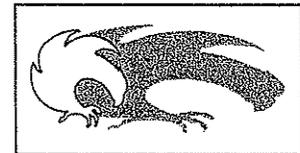
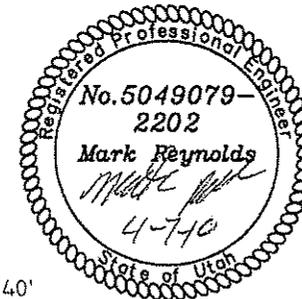
### Description of Location:

#### Surface

Proposed Drill Hole located in the SE/4 SE/4 of Section 9, T15S, R8E, S.L.B.&M., being North 174.80' from South Line and West 203.40' from East Line of Section 9, T15S, R8E, Salt Lake Base & Meridian.

#### Target

Proposed Target located in the NW/4 SE/4 of Section 9, T15S, R8E, S.L.B.&M., being North 1690.00' from South Line and West 1320.00' from East Line of Section 9, T15S, R8E, Salt Lake Base & Meridian.



## 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@etr.net

## ConocoPhillips

ConocoPhillips Company  
WELL USA #9-670D  
Section 9, T15S, R8E, S.L.B.&M.  
Carbon County, Utah

Drawn By: N. BUTKOVICH	Checked By: L.W.J./M.R.
Drawing No. A-1	Date: 3/24/10
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 4501

### Legend

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

### NOTES:

1. Dimensions are GPS measured unless noted otherwise.
2. UTM and Latitude / Longitude Coordinates are derived using a GPS Pathfinder and are shown in NAD 27 Datum.

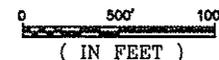
#### SURFACE

LAT / LONG  
39°31'40.751"N  
111°01'19.202"W

#### TARGET

LAT / LONG  
39°31'55.697"N  
111°01'33.571"W

### GRAPHIC SCALE



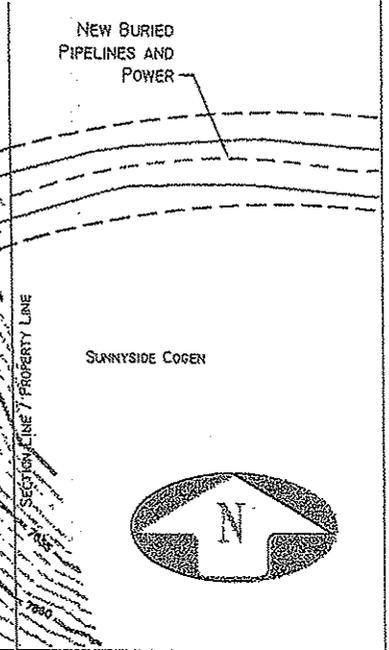
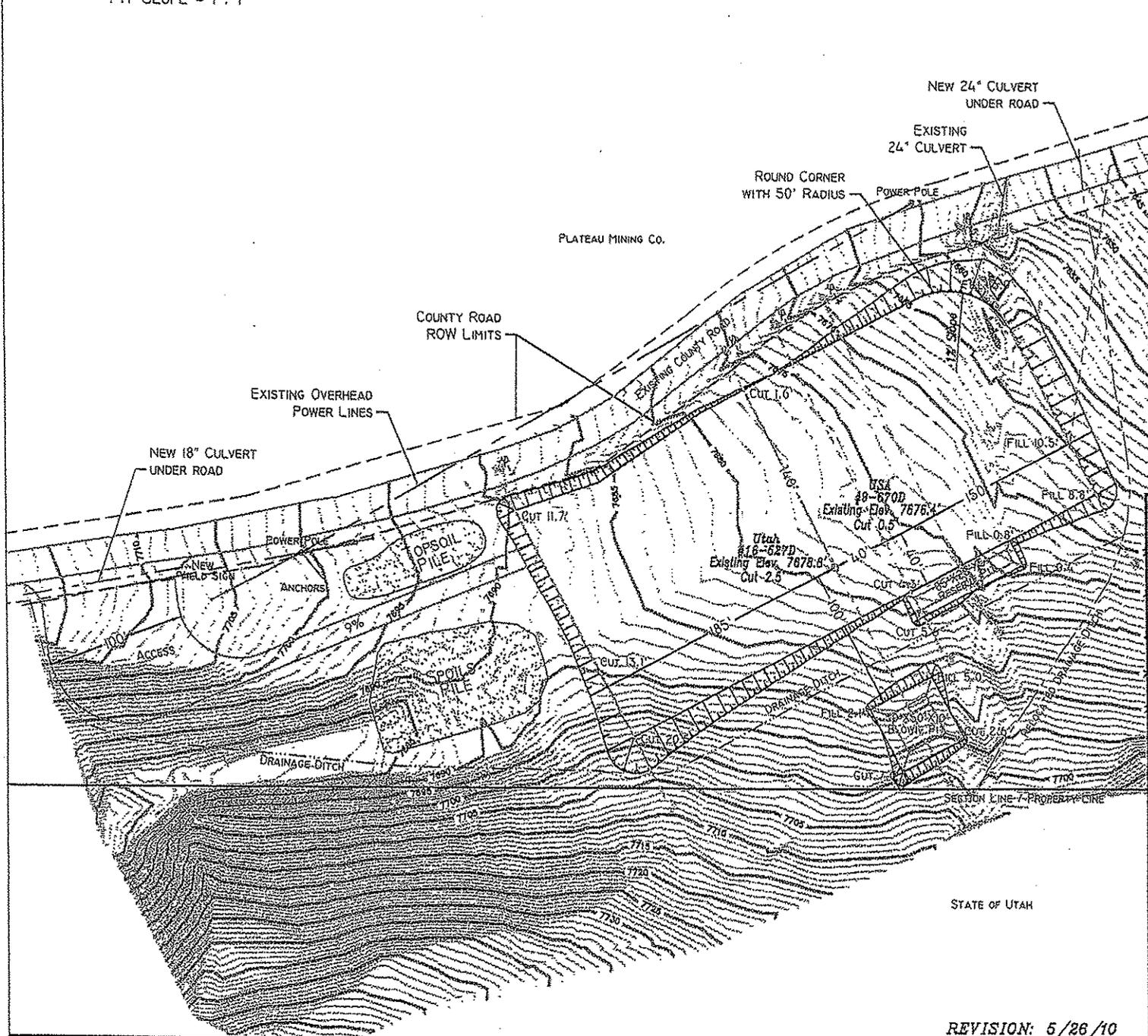
( IN FEET )

1 inch = 1000ft.

Revision: 04/07/2010

CUT = 1 : 1  
 FILL = 1 1/2 : 1  
 PIT SLOPE = 1 : 1

ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 7676.4'  
 ELEVATION OF GRADED GROUND AT LOCATION STAKE = 7675.9'





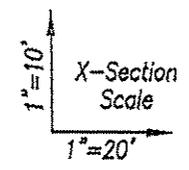
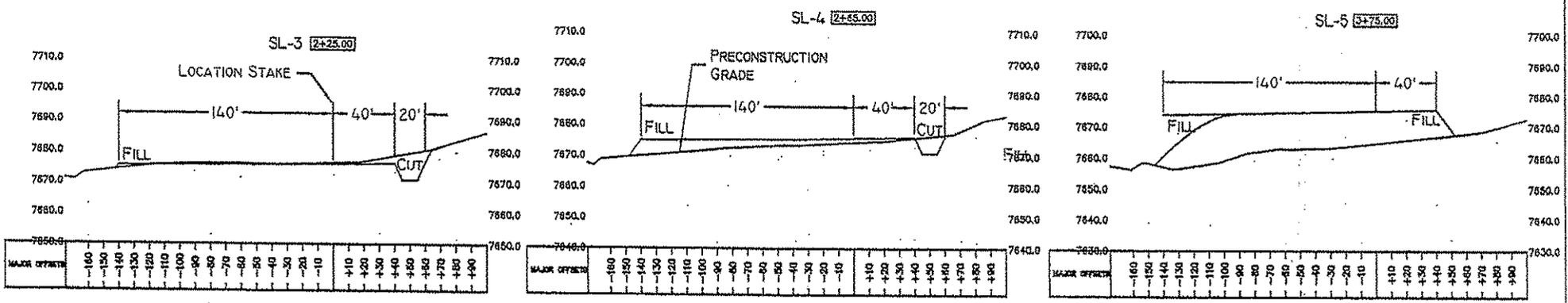
**TALON RESOURCES, INC.**  
 615 North 400 East P.O. Box 1230  
 Huntington, Utah 84528  
 Phone (435)687-5310 Fax (435)687-5311  
 E-Mail talonsetv.net



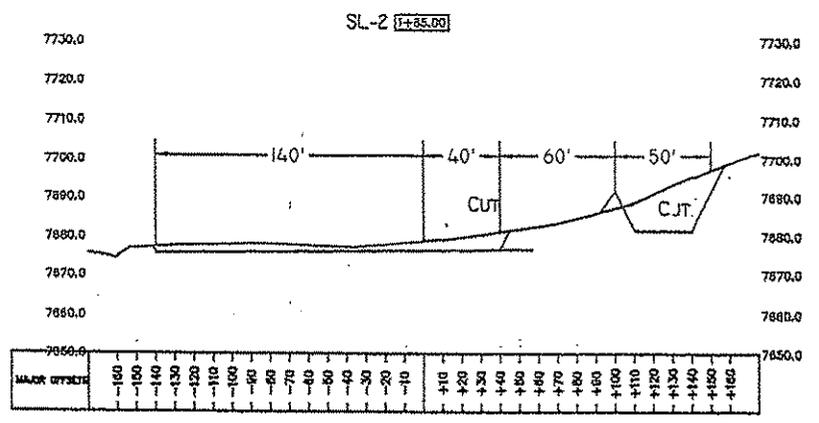
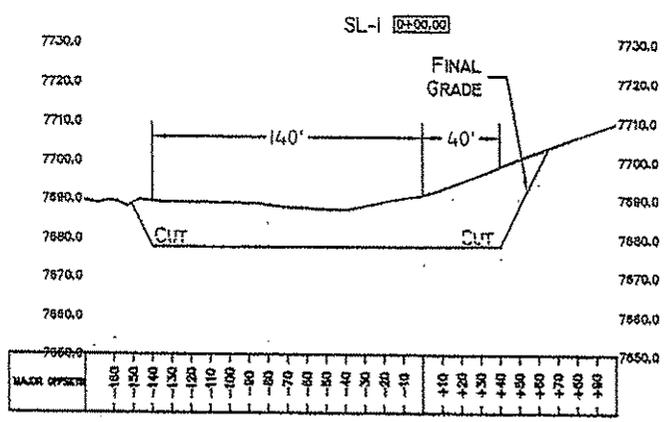
**ConocoPhillips Company**  
 LOCATION LAYOUT  
 Section 9, T15S, R8E, S.L.B.&M.  
 USA #9-670D

Drawn By: <b>N. BUTKOVICH</b>	Checked By: <b>L.W.J.</b>
Drawing No. <b>A-2</b>	Date: <b>3/24/10</b>
	Scale: <b>1" = 100'</b>
Sheet <b>2</b> of 4	Job No. <b>4501</b>

REVISION: 5/26/10



CUT = 1 : 1  
 FILL = 1 1/2 : 1  
 PIT SLOPE = 1 : 1



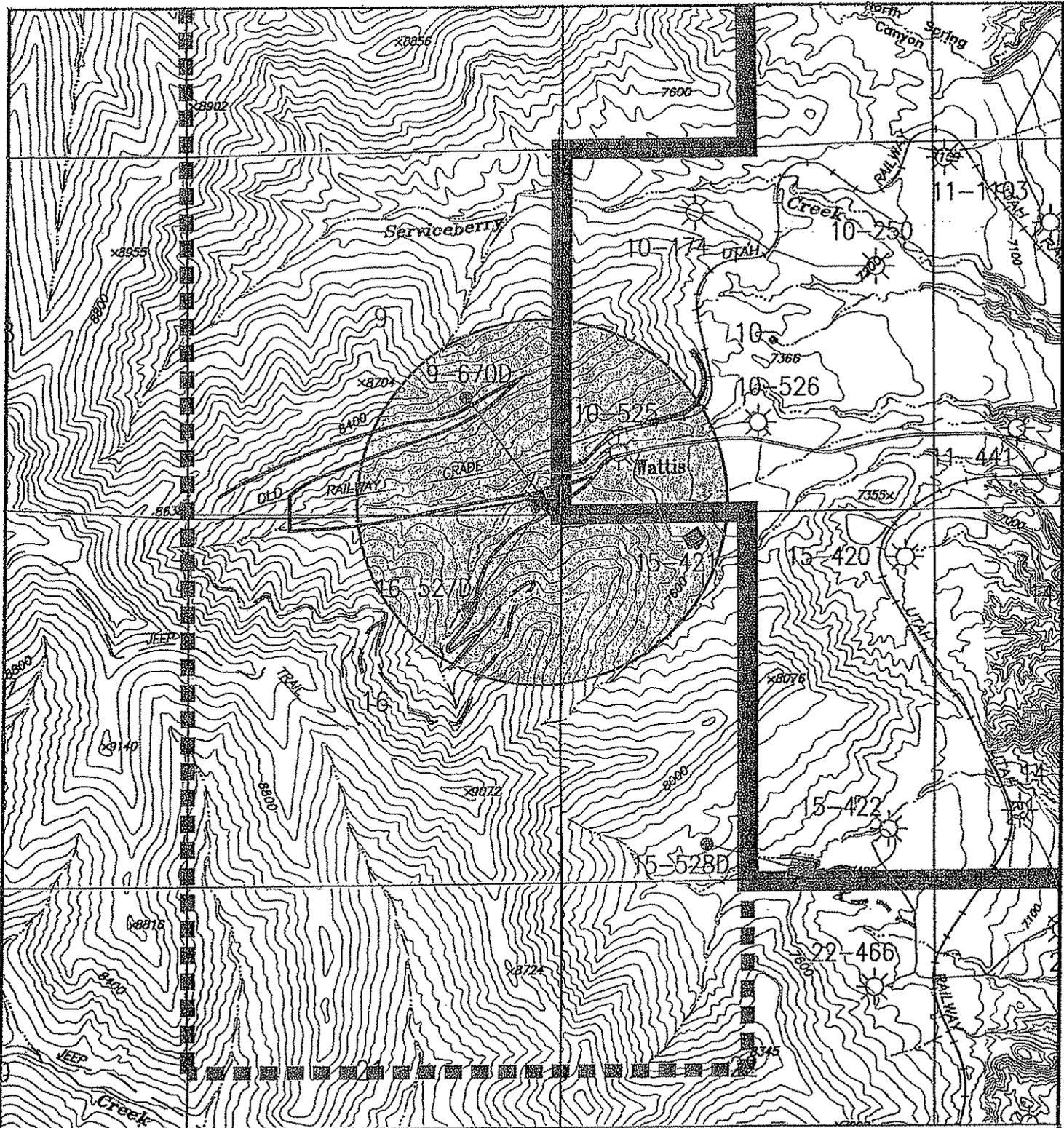
**TALON RESOURCES, INC.**  
 615 North 400 East P.O. Box 1230  
 Huntington, Utah 84528  
 Phone (435)687-5310 Fax (435)687-5311  
 E-Mail talonsetv.net



ConocoPhillips Company  
 TYPICAL CROSS SECTION  
 Section 9, T15S, R8E, S.L.B.&M.  
 USA #9-670D

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. C-1	Date: 3/24/10
	Scale: 1" = 100'
Sheet 3 of 4	Job No. 4501

APPROXIMATE YARDAGES  
 (6") TOPSOIL STRIPPING = 1,610 CU. YDS.  
 TOTAL CUT (INCLUDING PIT) = 11,495 CU. YDS.  
 TOTAL FILL = 6,915 CU. YDS.



**LEGEND**

- Proposed Well Location: ★
- Other Proposed Well Locations: [Square with star]
- Proposed Powerline: [Dashed line]
- Proposed Pipeline: [Dotted line]
- Proposed Roads: [Double line]
- Lease Boundary: [Thick solid line]
- Existing Wells: ☼

Scale: 1" = 2000'

March 24, 2010  
Revision: April 07, 2010

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



**WELL USA #9-670D**  
Section 9, T15S, R8E, S.L.B.&M.  
Drawing L-1 4 of 4

TOPOI map printed on 04/07/10 from "Conphil-9-670D-REV.tpo"

491000m E, 493000m E, 495000m E, 497000m E, 499000m E, 501000m E, 503000m E, NAD27 Zone 12S 508000m E

ConocoPhillips Company

USA #9-670D

UTM NAD27-FEET

N-14355688  
E-1633088

CARBON CO  
EMERY CO

CARBON CO  
EMERY CO

Talon Resources, Inc.

615 North 400 East

PO Box 1230

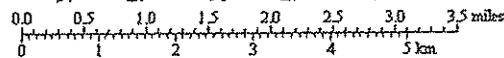
Huntington, Utah 84528

(435) 687-5310

Revision: 04/07/2010

491000m E, 493000m E, 495000m E, 497000m E, 499000m E, 501000m E, 503000m E, NAD27 Zone 12S 508000m E

TN 12 1/2 MN





ConocoPhillips Company  
3300 North A Street, Building 6  
Midland, TX 79705

June 22, 2010

Bureau of Land Management  
125 South 600 West  
Price, Utah 84501

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

RE: Two Well Pad  
SESE of Section 9-15S-8E  
Carbon County, Utah

Ladies and Gentlemen:

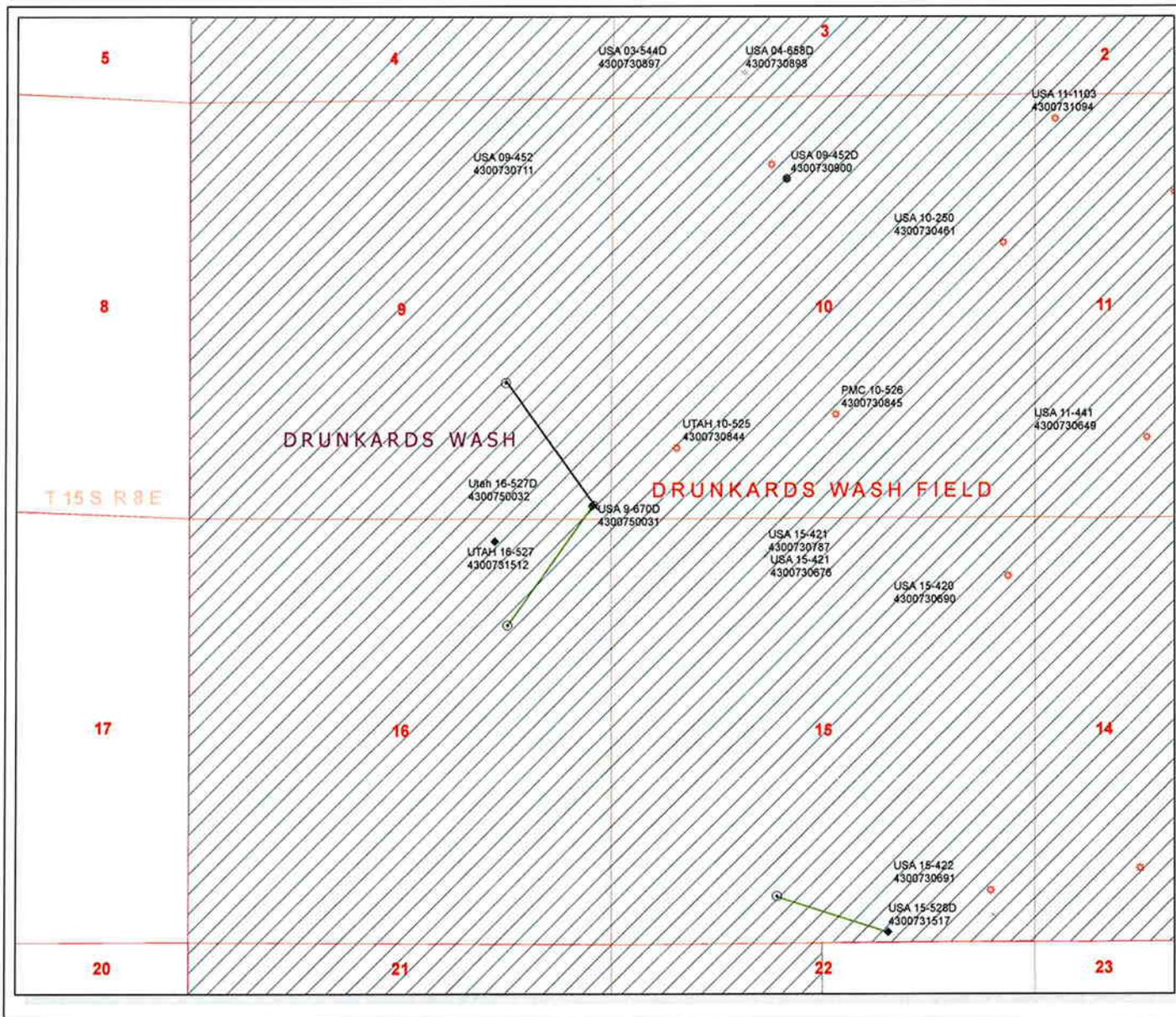
ConocoPhillips Company currently has an option to purchase the 40 acres referenced above from the current owner, Plateau Mining Corporation. The intent is to purchase this property as soon as the Mining Permit has been amended to exclude this acreage. At the time the permit is amended, a self certification and/or affidavit indicating that ConocoPhillips Company is the owner of the property will be filed with each respective agency listed above. There will be no construction of the oil and gas project until such time as the mining permit has been amended.

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

Sincerely,

A handwritten signature in black ink, appearing to read 'Donna J. Williams', written over the word 'Sincerely,'.

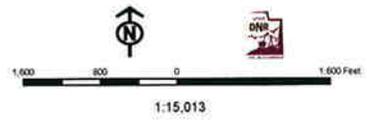
Donna J. Williams  
Sr. Regulatory Compliance



**API Number: 4300750031**  
**Well Name: USA 9-670D**  
 Township 15.0 S Range 08.0 E Section 9  
 Meridian: SLBM  
 Operator: CONOCOPHILLIPS COMPANY

Map Prepared:  
 Map Produced by Diana Mason

- |               |                                    |
|---------------|------------------------------------|
| <b>Units</b>  | <b>Wells Query</b>                 |
| <b>STATUS</b> | ✕ - all other values               |
| ACTIVE        | APD - Approved Permit              |
| EXPLORATORY   | DTL - Spudded (Drilling Commenced) |
| GAS STORAGE   | GW - Gas Injection                 |
| HP PP OIL     | GS - Gas Storage                   |
| HP OIL        | LA - Location Abandoned            |
| PP GAS        | LOC - New Location                 |
| PP GEOTHERM   | OPS - Operation Suspended          |
| PP OIL        | PA - Plugged Abandoned             |
| SECONDARY     | POW - Producing Gas Well           |
| TERMINATED    | POW - Producing Oil Well           |
| <b>Fields</b> | RET - Returned APD                 |
| Section       | SDW - Shut-in Gas Well             |
| Township      | SDW - Shut-in Oil Well             |
|               | TA - Temp. Abandoned               |
|               | TW - Test Well                     |
|               | WDW - Water Deposit                |
|               | WW - Water Injection Well          |
|               | WSW - Water Supply Well            |





# ON-SITE PREDRILL EVALUATION

## Utah Division of Oil, Gas and Mining

**Operator** CONOCOPHILLIPS COMPANY  
**Well Name** USA 9-670D  
**API Number** 43007500310000      **APD No** 2748      **Field/Unit** DRUNKARDS WASH  
**Location: 1/4,1/4** SESE      **Sec** 9      **Tw** 15.0S      **Rng** 8.0E      175      **FSL** 203      **FEL**  
**GPS Coord (UTM)** 498112 4375159      **Surface Owner** Plateau Mining Corporation

**Participants**

M. Jones (DOGM), G. Vasquez, G. Hamilton, D. Williams (Conoco), M. Hendricks, R. Miner (BLM), L. Johnson, (Talon) J. Nielson, C. Rich (Nielson's)

**Regional/Local Setting & Topography**

Property is owned by Plateau Mining and is in negotiations to sell the 40 acres that the well pad is staked on to ConocoPhillips. This should be finalized prior to a permit being issued. The property is located in what is called Wattis. The site is an old mining location reclaim area. Topography for location is relatively flat in comparison to surrounding topography and slopes to the northeast.

**Surface Use Plan**

**Current Surface Use**

Mining  
 Wildlife Habitat  
 Deer Winter Range

<b>New Road Miles</b>	<b>Well Pad</b>	<b>Src Const Material</b>	<b>Surface Formation</b>
0	<b>Width</b> 240 <b>Length</b> 375	Onsite	

**Ancillary Facilities**

**Waste Management Plan Adequate?**

**Environmental Parameters**

**Affected Floodplains and/or Wetlands** N

**Flora / Fauna**

Reclaimed mine site. Grasses and brush dominate the reclaimed area.

**Soil Type and Characteristics**

rocky clay loam

**Erosion Issues** N

**Sedimentation Issues** N

**Site Stability Issues** N

**Drainage Diversion Required?** Y

Drainage diversions required on east side and along access at west side.

**Berm Required?** Y

Berm the location.

**Erosion Sedimentation Control Required?** N

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

**Reserve Pit**

**Site-Specific Factors**

**Site Ranking**

<b>Distance to Groundwater (feet)</b>	>200	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>		20	
<b>Native Soil Type</b>	High permeability	20	
<b>Fluid Type</b>	Fresh Water	5	
<b>Drill Cuttings</b>	Normal Rock	0	
<b>Annual Precipitation (inches)</b>	10 to 20	5	
<b>Affected Populations</b>			
<b>Presence Nearby Utility Conduits</b>	Present	15	
	<b>Final Score</b>	65	1 Sensitivity Level

**Characteristics / Requirements**

Dugout earthen external to pad layout. (85x20x5). On south side of pad. Liner required

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

**Other Observations / Comments**

Property was in negotiation of being sold to ConocoPhillips at the time of the pre-site. That sale did go through. ConocoPhillips is now the owner of the surface. This is a two well pad. BLM recommended big game winter closure restrictions.

Mark Jones  
**Evaluator**

5/26/2010  
**Date / Time**

# Application for Permit to Drill Statement of Basis

8/2/2010

## Utah Division of Oil, Gas and Mining

Page 1

<b>APD No</b>	<b>API WellNo</b>	<b>Status</b>	<b>Well Type</b>	<b>Surf Owner</b>	<b>CBM</b>
2748	43007500310000	LOCKED	GW	P	No
<b>Operator</b>	CONOCOPHILLIPS COMPANY		<b>Surface Owner-APD</b>	Plateau Mining Corporation	
<b>Well Name</b>	USA 9-670D		<b>Unit</b>	DRUNKARDS WASH	
<b>Field</b>	DRUNKARDS WASH		<b>Type of Work</b>	DRILL	
<b>Location</b>	SESE 9 15S 8E S 175 FSL 203 FEL		GPS Coord (UTM)	498114E	4375159N

### Geologic Statement of Basis

The mineral rights for the proposed well are owned by the Federal Government. The BLM will be the agency responsible for evaluating and approving the drilling, casing and cementing programs.

Brad Hill  
**APD Evaluator**

8/2/2010  
**Date / Time**

### Surface Statement of Basis

Pre-site evaluation was done in conjunction with the BLM due to the fact that this is a dual well pad, two directional wells off this pad, one into a State lease one into a federal lease. BLM recommended big game winter closure for this pad. The pit will be a dugout earthen pit and will need to be lined with a 12 mil minimum liner. If sharp rocks are found while excavating the pit then and underlayment should be used. The drainages will be re-routed away from the pad and access road.

Mark Jones  
**Onsite Evaluator**

5/26/2010  
**Date / Time**

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

<b>Category</b>	<b>Condition</b>
Pits	A synthetic liner with a minimum thickness of 12 mils shall be properly installed and maintained in the reserve pit.
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.

# WORKSHEET APPLICATION FOR PERMIT TO DRILL

**APD RECEIVED:** 6/29/2010

**API NO. ASSIGNED:** 43007500310000

**WELL NAME:** USA 9-670D

**OPERATOR:** CONOCOPHILLIPS COMPANY (N2335)

**PHONE NUMBER:** 432 688-6943

**CONTACT:** Donna Williams

**PROPOSED LOCATION:** SESE 09 150S 080E

**Permit Tech Review:**

**SURFACE:** 0175 FSL 0203 FEL

**Engineering Review:**

**BOTTOM:** 1690 FSL 1320 FEL

**Geology Review:**

**COUNTY:** CARBON

**LATITUDE:** 39.52796

**LONGITUDE:** -111.02194

**UTM SURF EASTINGS:** 498114.00

**NORTHINGS:** 4375159.00

**FIELD NAME:** DRUNKARDS WASH

**LEASE TYPE:** 1 - Federal

**LEASE NUMBER:** UTU78408

**PROPOSED PRODUCING FORMATION(S):** FERRON COAL

**SURFACE OWNER:** 4 - Fee

**COALBED METHANE:** NO

## RECEIVED AND/OR REVIEWED:

- PLAT
- Bond: FEDERAL - ES0085
- Potash
- Oil Shale 190-5
- Oil Shale 190-3
- Oil Shale 190-13
- Water Permit: Price River Water Improvemt District
- RDCC Review:
- Fee Surface Agreement
- Intent to Commingle

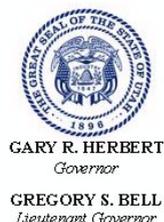
Commingling Approved

## LOCATION AND SITING:

- R649-2-3.  
Unit: DRUNKARDS WASH
- R649-3-2. General
- R649-3-3. Exception
- Drilling Unit  
Board Cause No: Cause 243-6  
Effective Date: 2/14/2001  
Siting: 460' Fr Unit Bdry & Uncommitted Tracts
- R649-3-11. Directional Drill

**Comments:** Presite Completed  
APD IS IN UPOD:

**Stipulations:** 1 - Exception Location - dmason  
4 - Federal Approval - dmason  
5 - Statement of Basis - bhll  
15 - Directional - dmason



# State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
*Executive Director*

Division of Oil, Gas and Mining

JOHN R. BAZA  
*Division Director*

## Permit To Drill

\*\*\*\*\*

**Well Name:** USA 9-670D  
**API Well Number:** 43007500310000  
**Lease Number:** UTU78408  
**Surface Owner:** FEE (PRIVATE)  
**Approval Date:** 8/2/2010

### Issued to:

CONOCOPHILLIPS COMPANY, P.O. Box 51810, Midland, TX 79710

### Authority:

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of Cause 243-6. The expected producing formation or pool is the FERRON COAL Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

### Duration:

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

### Exception Location:

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

### 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.

### Conditions of Approval:

State approval of this well does not supercede the required federal approval, which must be obtained prior to drilling.

In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

### Notification Requirements:

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

- Within 24 hours following the spudding of the well – contact Carol Daniels at 801-538-5284 (please leave a voicemail message if not available)

OR

submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at <https://oilgas.ogm.utah.gov>

**Reporting Requirements:**

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) – due within 5 days of spudding the well
- Monthly Status Report (Form 9) – due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) – due prior to implementation
- Written Notice of Emergency Changes (Form 9) – due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) – due prior to implementation
- Report of Water Encountered (Form 7) – due within 30 days after completion
- Well Completion Report (Form 8) – due within 30 days after completion or plugging

**Approved By:**



Acting Associate Director, Oil & Gas

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU78408
---	---

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  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.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b> DRUNKARDS WASH
--	--

<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> USA 9-670D
------------------------------------	---

<b>2. NAME OF OPERATOR:</b> CONOCOPHILLIPS COMPANY	<b>9. API NUMBER:</b> 43007500310000
---	---

<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 51810 , Midland, TX, 79710 1810	<b>PHONE NUMBER:</b> 432 688-6943 Ext	<b>9. FIELD and POOL or WILDCAT:</b> DRUNKARDS WASH
--	--	--

<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0175 FSL 0203 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SESE Section: 09 Township: 15.0S Range: 08.0E Meridian: S	<b>COUNTY:</b> CARBON  <b>STATE:</b> UTAH
---	---

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input checked="" type="checkbox"/> <b>SPUD REPORT</b> Date of Spud: 7/30/2010	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  
 The above well spud (conductor @ 80') on July 30, 2010 and was cmted with 7 yards cmt.

**Accepted by the**  
**Utah Division of**  
**Oil, Gas and Mining**  
**FOR RECORD ONLY**  
 August 05, 2010

<b>NAME (PLEASE PRINT)</b> Donna Williams	<b>PHONE NUMBER</b> 432 688-6943	<b>TITLE</b> Sr. Regulatory Specialist
<b>SIGNATURE</b> N/A	<b>DATE</b> 8/5/2010	

**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
4300750031	USA 9-670D		SESE	9	15S	8E	Carbon
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<i>FA</i>	99999	<i>17723</i>	7/30/2010			<i>8/19/10</i>	
Comments: conductor set <i>FRNCL</i> <i>BHL - NWSE</i>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
4300750032	Utah 16-527D		SESE	9	15S	8E	Carbo
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<i>FA</i>	99999	<i>17724</i>	7/30/2010			<i>8/19/10</i>	
Comments: conductor set <i>FRNCL</i> <i>BHL Sec 16 SENE</i>							

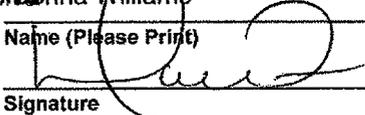
**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<p><b>RECEIVED</b></p> <p><b>AUG 09 2010</b></p>							

**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)

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

Donna Williams  
 Name (Please Print)  
  
 Signature  
 Sr. Regulatory Specialist  
 Title  
 8/5/2010  
 Date

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

5. Lease Serial No.  
BHL: UTU78408

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

**SUBMIT IN TRIPLICATE – Other instructions on page 2.**

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator  
ConocoPhillips Company

3a. Address  
P.O. Box 51810  
Midland, Tx 79710

3b. Phone No. (include area code)  
432-688-6943

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
175 FSL & 203 FEL  
SESE of 9-15S-8E

7. If Unit of CA/Agreement, Name and/or No.  
Drunkards Wash UTU 67921X

8. Well Name and No.  
USA 9-670D

9. API Well No.  
43-007-50031

10. Field and Pool or Exploratory Area  
Drunkards Wash

11. Country or Parish, State  
Carbon County, Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Set Surface</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Casing</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

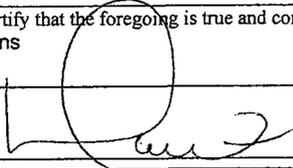
IO n 8/17/2010, drilled with H&P # 275 to surface casing total depth of 474'. Ran 9 5/8" 36# casing and set at 466.6'. Cemented w/426 sxs Class G. Circulated. Had good returns to surface.

**RECEIVED**  
**AUG 26 2010**

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)  
Donna Williams

Title Sr. Regulatory Specialist

DIV. OF OIL, GAS & MINING

Signature 

Date 08/23/2010

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

5. Lease Serial No.  
BHL: UTU78408

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

**SUBMIT IN TRIPLICATE** – Other instructions on page 2.

1. Type of Well

Oil Well     Gas Well     Other

2. Name of Operator  
ConocoPhillips Company

3a. Address  
P.O. Box 51810  
Midland, Tx 79710

3b. Phone No. (include area code)  
432-688-6943

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
175 FSL & 203 FEL  
SESE of 9-15S-8E

7. If Unit of CA/Agreement, Name and/or No.  
Drunkards Wash UTU 67921X

8. Well Name and No.  
USA 9 670D

9. API Well No.  
43-007-50031

10. Field and Pool or Exploratory Area  
Drunkards Wash

11. Country or Parish, State  
Carbon County, Utah

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TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Water Flow</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

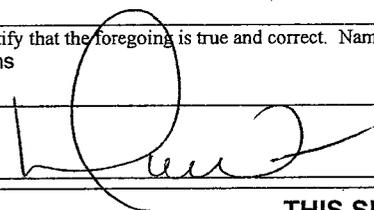
13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

While drilling the 8 1/2" production hole interval at a depth of 1654', a water influx was observed (increased fluid returns at the blooie line pit). Measurements were taken and the water rate was estimated to be between 15 to 43 bbls/hr. The water flow is only evident when the hole is being circulated with air; otherwise no water flow is noted. We are unable to determine the salinity of the water influx since we are introducing a 6% KCL water based polymer drilling fluid with the air.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)  
Donna Williams

Title Sr. Regulatory Specialist

Signature



Date 08/27/2010

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**RECEIVED**  
**AUG 31 2010**

DIV. OF OIL, GAS & MINING

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

FORM 7

**REPORT OF WATER ENCOUNTERED DURING DRILLING**

Well name and number: USA 9-670D

API number: 4300750031

Well Location: QQ SESE Section 9 Township 15S Range 8E County Carbon

Well operator: ConocoPhillips Company

Address: P.O. Box 51810

city Midland state Tx zip 79710

Phone: (432) 688-6943

Drilling contractor: H&P 275

Address: \_\_\_\_\_

city \_\_\_\_\_ state \_\_\_\_\_ zip \_\_\_\_\_

Phone: \_\_\_\_\_

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
Please see attached BIM sundry for additional information			

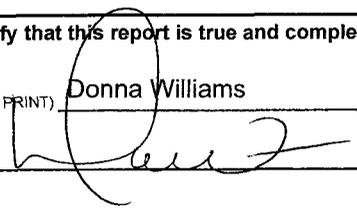
Formation tops:            1 \_\_\_\_\_            2 \_\_\_\_\_            3 \_\_\_\_\_  
 (Top to Bottom)            4 \_\_\_\_\_            5 \_\_\_\_\_            6 \_\_\_\_\_  
                                      7 \_\_\_\_\_            8 \_\_\_\_\_            9 \_\_\_\_\_  
                                      10 \_\_\_\_\_           11 \_\_\_\_\_           12 \_\_\_\_\_

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) Donna Williams

TITLE Sr. Regulatory Specialist

SIGNATURE 

DATE 8/27/2010

**RECEIVED**

**AUG 31 2010**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

5. Lease Serial No.  
BHL: UTU78408

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

**SUBMIT IN TRIPLICATE – Other instructions on page 2.**

1. Type of Well  
 Oil Well  Gas Well  Other

7. If Unit of CA/Agreement, Name and/or No.  
Drunkards Wash UTU 67921X

2. Name of Operator  
ConocoPhillips Company

8. Well Name and No.  
USA 9-670D

3a. Address  
P.O. Box 51810  
Midland, Tx 79710

3b. Phone No. (include area code)  
432-688-6943

9. API Well No.  
43-007-50031

10. Field and Pool or Exploratory Area  
Drunkards Wash

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
175 FSL & 203 FEL  
SESE of 9-15S-8E

11. Country or Parish, State  
Carbon County, Utah

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TYPE OF SUBMISSION	TYPE OF ACTION			
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<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>TD &amp; Bottomhole</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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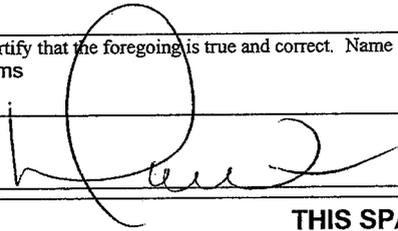
The above well reached total depth of 5273 MD/4773.88 TVD on September 2, 2010. Ran 5 1/2" 17# M80 production casing to 5263.5. Cemented w/lead-120 sxs and tail w/715 sxs. No circulation/returns were observed during either stage. The external casing packer showed proper inflation/setting as indicated from surface pressure signature but no way to tell about effective isolation with the formation. Plans are being made and run necessary logging to determine the status of the cement.

At the depth of 5273', the directional survey attached indicates the bottomhole to be at 1730.91 FSL & 1331.93 FEL (NWSE) of Sectio 9-15S-8E.

**RECEIVED**  
**SEP 14 2010**  
**DIV. OF OIL, GAS & MINING**

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)  
Donna Williams

Title Sr. Regulatory Specialist

Signature 

Date 09/09/2010

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

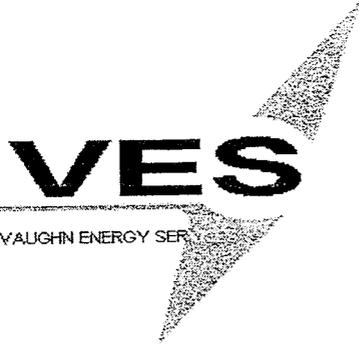
Title

Date

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Office

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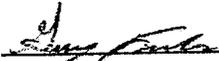
**VES**

VAUGHN ENERGY SERVICES

State of Colorado

County Garfield

I Garry Fowler certify that I am employed by Vaughn Energy Services. That I did on the day(s) of 8/19/10 through 08/19/10 conduct or supervise the taking of a HA Gyro survey from a depth of 0 feet to a depth of 400 feet; that the data is true, correct, complete and within the limitations of the tool as set forth by Vaughn Energy Services, that I am authorized and qualified to make this report; that this survey was conducted at the at the request of Conco for the USA Well # 9-670D API # 4300750031 in Carbon County, Utah ; and that I have reviewed this report and find that it conforms to the principles and procedures as set forth by Vaughn Energy Services



---

Garry Fowler  
Service Technician  
Vaughn Energy Services



Company: Conoco  
 Lease/Well: USA/9-670D

Rig Name: H&P 275  
 State/County: Utah/Carbon

Latitude: 39.52

GRID North is 0.31 Degrees East of True North

VS-Azi: 0.00 Degrees



Depth Reference : KB = 25 FEET

DRILLOG HA GYRO SURVEY CALCULATIONS

Filename: USA 9-670D.ut

Minimum Curvature Method

Report Date/Time: 9/8/2010 / 10:41

Vaughn Energy Services

Rifle, Colorado

970-456-5936

Garry Fowler

USA 9-670D

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	TVD FT	+N/-S FT	+E/-W FT	Vertical Section FT	Closure Distance FT	Closure Direction Deg	Dogleg Severity Deg/100
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	****
100.00	0.98	71.52	100.00	0.27	0.81	0.27	0.85	71.52	0.98
200.00	1.19	71.15	199.98	0.88	2.60	0.88	2.75	71.38	0.21
300.00	0.95	53.71	299.96	1.70	4.25	1.70	4.58	68.19	0.40
400.00	0.67	41.00	399.95	2.63	5.30	2.63	5.92	63.59	0.33



**Weatherford**<sup>z</sup>

Evaluation, Drilling & Intervention  
10000 West County Rd. 116  
P.O. Box 61028  
Midland, TX USA 79711  
Tel. (432) 561-8892 Fax (432) 561-8895

STATE OF UTAH  
COUNTY OF CARBON

I, Jesse Koves certify that I am employed by Precision Energy Services, Inc., a Weatherford Company, and on the days of 08/13/2010 through 09/02/2010, I did conduct, or supervise the taking of a Measurement While Drilling survey from a depth of 496 ft. to a depth of 5219 ft., that the data is true, correct, complete, and within the limitations of the tool as set forth by Weatherford; that I am authorized and qualified to make this report, that this survey was conducted at the request of: ConocoPhillips for the USA #9-670D well, in Carbon County, Utah; and find that it conforms to the principles and procedures as set forth by Weatherford.

Sincerely,

Jesse Aguilar  
MWD Ops. Coordinator

<b>Company:</b> ConocoPhillips	<b>Date:</b> 9/2/2010	<b>Time:</b> 09:23:48	<b>Page:</b> 1
<b>Field:</b> Carbon Co, Utah (UTM Zone 12)	<b>Co-ordinate(NE) Reference:</b> Well: USA #9-670D, True North		
<b>Site:</b> USA #9-670D	<b>Vertical (TVD) Reference:</b> SITE 7700.0		
<b>Well:</b> USA #9-670D	<b>Section (VS) Reference:</b> Well (0.00N,0.00E,323.33Azi)		
<b>Wellpath:</b> 1	<b>Survey Calculation Method:</b> Minimum Curvature	<b>Db:</b> Sybase	

<b>Survey:</b> Wft Svy	<b>Start Date:</b> 8/20/2010
<b>Company:</b> Weatherford International Ltd.	<b>Engineer:</b> Russell W. Joyner
<b>Tool:</b> MWD;MWD - Standard	<b>Tied-to:</b> User Defined

<b>Field:</b> Carbon Co, Utah (UTM Zone 12)	
<b>Map System:</b> Universal Transverse Mercator	<b>Map Zone:</b> UTM Zone 12, North 114W to 108W
<b>Geo Datum:</b> NAD27 (Clarke 1866)	<b>Coordinate System:</b> Well Centre
<b>Sys Datum:</b> Mean Sea Level	<b>Geomagnetic Model:</b> IGRF2010

<b>Site:</b> USA #9-670D		
<b>Site Position:</b>	<b>Northing:</b> 14354176.00 ft	<b>Latitude:</b> 39 31 40.467 N
<b>From:</b> Map	<b>Easting:</b> 1634213.00 ft	<b>Longitude:</b> 111 1 19.244 W
<b>Position Uncertainty:</b> 0.00 ft		<b>North Reference:</b> True
<b>Ground Level:</b> 7676.00 ft		<b>Grid Convergence:</b> -0.01 deg

<b>Well:</b> USA #9-670D	<b>Slot Name:</b>
<b>Well Position:</b>	<b>Latitude:</b> 39 31 40.467 N
<b>+N/-S</b> 0.00 ft <b>Northing:</b> 14354176.00 ft	<b>Longitude:</b> 111 1 19.244 W
<b>+E/-W</b> 0.00 ft <b>Easting:</b> 1634213.00 ft	
<b>Position Uncertainty:</b> 0.00 ft	

<b>Wellpath:</b> 1	<b>Drilled From:</b> Surface		
<b>Current Datum:</b> SITE	<b>Tie-on Depth:</b> 0.00 ft		
<b>Magnetic Data:</b> 7/7/2010	<b>Above System Datum:</b> Mean Sea Level		
<b>Field Strength:</b> 51983 nT	<b>Declination:</b> 11.73 deg		
<b>Vertical Section:</b> Depth From (TVD)	<b>Mag Dip Angle:</b> 65.20 deg		
ft	+N/-S	+E/-W	Direction
	ft	ft	deg
0.00	0.00	0.00	323.33

Survey											
MD	Incl	Azim	TVD	N/S	E/W	DLS	VS	MapN	MapE	Comment	
ft	deg	deg	ft	ft	ft	deg/100ft	ft	ft	ft	ft	
400.00	0.67	41.00	399.95	2.63	5.30	0.00	-1.06	1.43541e07	1634218.30	Tie On Gyro	
496.00	0.84	82.49	495.94	3.15	6.37	0.58	-1.28	1.43541e07	1634219.37	First Wft Svy	
537.00	0.78	53.00	536.94	3.35	6.89	1.02	-1.42	1.43541e07	1634219.89		
568.00	0.95	31.91	567.93	3.70	7.19	1.15	-1.33	1.43541e07	1634220.19		
599.00	1.37	8.46	598.93	4.28	7.38	2.02	-0.97	1.43541e07	1634220.38		
630.00	1.94	353.36	629.92	5.17	7.38	2.30	-0.26	1.43541e07	1634220.38		
661.00	2.75	343.86	660.89	6.41	7.11	2.89	0.89	1.43541e07	1634220.11		
692.00	3.44	341.98	691.84	8.00	6.61	2.25	2.47	1.43541e07	1634219.62		
723.00	4.44	339.98	722.77	10.02	5.91	3.26	4.50	1.43541e07	1634218.92		
753.00	5.31	338.48	752.66	12.40	5.01	2.93	6.96	1.43541e07	1634218.01		
784.00	6.19	337.36	783.51	15.28	3.84	2.86	9.96	1.43541e07	1634216.84		
815.00	7.06	336.36	814.30	18.56	2.43	2.83	13.44	1.43541e07	1634215.44		
846.00	7.81	334.73	845.04	22.21	0.77	2.51	17.36	1.43541e07	1634213.77		
877.00	8.94	335.23	875.71	26.31	-1.14	3.65	21.78	1.43542e07	1634211.87		
908.00	10.31	334.11	906.27	30.99	-3.36	4.46	26.86	1.43542e07	1634209.65		
939.00	11.63	333.36	936.70	36.28	-5.97	4.28	32.67	1.43542e07	1634207.04		
970.00	12.56	332.61	967.01	42.06	-8.92	3.04	39.07	1.43542e07	1634204.09		
1000.00	13.44	329.73	996.24	47.97	-12.18	3.64	45.75	1.43542e07	1634200.83		
1034.00	14.31	326.73	1029.25	54.90	-16.48	3.32	53.88	1.43542e07	1634196.53		
1065.00	15.25	323.23	1059.23	61.37	-21.02	4.18	61.78	1.43542e07	1634191.99		
1097.00	16.25	322.23	1090.03	68.28	-26.28	3.24	70.46	1.43542e07	1634186.73		
1128.00	17.56	320.98	1119.69	75.34	-31.89	4.39	79.47	1.43542e07	1634181.13		
1160.00	18.88	320.86	1150.08	83.11	-38.19	4.13	89.47	1.43542e07	1634174.83		
1191.00	19.75	321.86	1179.34	91.12	-44.59	3.00	99.72	1.43542e07	1634168.43		

Company: ConocoPhillips	Date: 9/2/2010	Time: 09:23:48	Page: 2
Field: Carbon Co, Utah (UTM Zone 12)	Co-ordinate(NE) Reference: Well: USA #9-670D, True North		
Site: USA #9-670D	Vertical (TVD) Reference: SITE 7700.0		
Well: USA #9-670D	Section (VS) Reference: Well (0.00N,0.00E,323.33Azi)		
Wellpath: 1	Survey Calculation Method: Minimum Curvature		Db: Sybase

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	DLS deg/100ft	VS ft	MapN ft	MapE ft	Comment
1223.00	20.63	320.48	1209.37	99.72	-51.52	3.13	110.75	1.43542e07	1634161.50	
1254.00	21.88	320.98	1238.26	108.42	-58.63	4.07	121.98	1.43542e07	1634154.39	
1286.00	22.81	319.73	1267.86	117.78	-66.40	3.26	134.13	1.43542e07	1634146.63	
1317.00	23.75	320.23	1296.33	127.17	-74.27	3.10	146.36	1.43543e07	1634138.76	
1349.00	24.53	319.72	1325.53	137.19	-82.69	2.52	159.42	1.43543e07	1634130.34	
1380.00	25.56	320.73	1353.62	147.27	-91.08	3.60	172.52	1.43543e07	1634121.95	
1412.00	26.68	320.35	1382.35	158.15	-100.04	3.54	186.60	1.43543e07	1634113.00	
1443.00	27.31	319.23	1409.97	168.89	-109.12	2.61	200.64	1.43543e07	1634103.92	
1474.00	28.38	319.73	1437.38	179.90	-118.53	3.53	215.09	1.43543e07	1634094.51	
1506.00	29.00	319.61	1465.45	191.61	-128.47	1.95	230.42	1.43543e07	1634084.57	
1537.00	29.75	318.11	1492.47	203.06	-138.48	3.39	245.57	1.43543e07	1634074.57	
1569.00	30.63	318.73	1520.13	215.10	-149.16	2.92	261.61	1.43543e07	1634063.90	
1600.00	32.06	318.86	1546.60	227.23	-159.78	4.62	277.68	1.43544e07	1634053.28	
1663.00	33.44	320.11	1599.59	253.15	-181.91	2.44	311.68	1.43544e07	1634031.15	
1758.00	32.56	318.86	1679.26	292.48	-215.52	1.17	363.31	1.43544e07	1633997.55	
1852.00	32.31	319.70	1758.60	330.69	-248.41	0.55	413.59	1.43545e07	1633964.67	
1947.00	32.40	321.88	1838.85	370.08	-280.54	1.23	464.38	1.43545e07	1633932.55	
2041.00	33.06	323.73	1917.93	410.56	-311.26	1.27	515.19	1.43545e07	1633901.84	
2135.00	33.50	323.98	1996.51	452.22	-341.68	0.49	566.77	1.43546e07	1633871.43	
2230.00	34.44	324.23	2075.30	495.22	-372.80	1.00	619.85	1.43546e07	1633840.32	
2324.00	34.31	323.61	2152.88	538.11	-404.06	0.40	672.92	1.43547e07	1633809.08	
2419.00	32.81	323.11	2232.04	580.25	-435.39	1.61	725.43	1.43547e07	1633777.75	
2513.00	32.06	322.36	2311.38	620.38	-465.92	0.91	775.85	1.43547e07	1633747.24	
2607.00	31.19	322.36	2391.42	659.41	-496.02	0.93	825.13	1.43548e07	1633717.14	
2702.00	30.56	322.11	2472.96	697.95	-525.87	0.68	873.87	1.43548e07	1633687.30	
2796.00	31.38	322.36	2553.56	736.19	-555.50	0.88	922.23	1.43549e07	1633657.68	
2891.00	32.13	322.36	2634.33	775.78	-586.03	0.79	972.22	1.43549e07	1633627.16	
2985.00	32.13	324.23	2713.94	815.85	-615.91	1.06	1022.21	1.43549e07	1633597.29	
3078.00	32.05	325.50	2792.73	856.26	-644.34	0.73	1071.59	1.43550e07	1633568.87	
3172.00	32.37	322.89	2872.27	896.88	-673.65	1.52	1121.68	1.43550e07	1633539.57	
3267.00	33.59	322.42	2951.96	937.99	-705.02	1.31	1173.39	1.43551e07	1633508.21	
3361.00	35.19	327.23	3029.54	981.38	-735.55	3.35	1226.43	1.43551e07	1633477.69	
3456.00	34.75	329.11	3107.39	1027.63	-764.26	1.23	1280.68	1.43552e07	1633448.99	
3552.00	34.94	328.23	3186.18	1074.49	-792.78	0.56	1335.29	1.43552e07	1633420.48	
3646.00	33.69	326.98	3263.82	1119.23	-821.17	1.53	1388.13	1.43552e07	1633392.11	
3741.00	32.86	325.29	3343.24	1162.51	-850.20	1.31	1440.18	1.43553e07	1633363.08	
3835.00	32.75	324.53	3422.25	1204.18	-879.48	0.45	1491.09	1.43553e07	1633333.82	
3929.00	31.84	327.26	3501.71	1245.75	-907.64	1.83	1541.25	1.43554e07	1633305.66	
4024.00	32.37	328.63	3582.19	1288.54	-934.43	0.95	1591.57	1.43554e07	1633278.88	
4055.00	33.22	332.11	3608.25	1303.13	-942.73	6.67	1608.23	1.43554e07	1633270.59	
4087.00	32.47	331.98	3635.13	1318.46	-950.86	2.35	1625.39	1.43554e07	1633262.46	
4118.00	31.82	331.56	3661.38	1333.00	-958.66	2.22	1641.70	1.43555e07	1633254.66	
4150.00	30.36	329.38	3688.78	1347.38	-966.80	5.76	1658.10	1.43555e07	1633246.53	
4181.00	28.48	327.78	3715.79	1360.37	-974.73	6.57	1673.26	1.43555e07	1633238.60	
4213.00	26.87	326.57	3744.12	1372.86	-982.78	5.33	1688.08	1.43555e07	1633230.55	
4244.00	25.19	324.21	3771.98	1384.06	-990.50	6.37	1701.68	1.43555e07	1633222.84	
4276.00	23.64	322.47	3801.12	1394.67	-998.39	5.34	1714.90	1.43555e07	1633214.95	
4307.00	22.20	319.67	3829.67	1404.07	-1005.97	5.83	1726.96	1.43555e07	1633207.37	
4339.00	20.52	316.36	3859.47	1412.74	-1013.76	6.46	1738.56	1.43555e07	1633199.59	
4370.00	19.25	315.43	3888.62	1420.31	-1021.09	4.22	1749.02	1.43555e07	1633192.26	
4401.00	17.73	314.97	3918.02	1427.29	-1028.02	4.93	1758.75	1.43556e07	1633185.33	
4433.00	16.24	316.66	3948.63	1433.98	-1034.54	4.90	1768.02	1.43556e07	1633178.81	



# Weatherford International Ltd.

## WFT Survey Report X & Y's



# Weatherford

<b>Company:</b> ConocoPhillips	<b>Date:</b> 9/2/2010	<b>Time:</b> 09:23:48	<b>Page:</b> 3
<b>Field:</b> Carbon Co, Utah (UTM Zone 12)	<b>Co-ordinate(NE) Reference:</b> Well: USA #9-670D, True North		
<b>Site:</b> USA #9-670D	<b>Vertical (TVD) Reference:</b> SITE 7700.0		
<b>Well:</b> USA #9-670D	<b>Section (VS) Reference:</b> Well (0.00N,0.00E,323.33Azi)		
<b>Wellpath:</b> 1	<b>Survey Calculation Method:</b> Minimum Curvature	<b>Db:</b> Sybase	

### Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	DLS deg/100ft	VS ft	MapN ft	MapE ft	Comment
4464.00	14.77	317.18	3978.50	1440.04	-1040.20	4.76	1776.25	1.43556e07	1633173.15	
4496.00	14.39	318.39	4009.47	1446.00	-1045.61	1.52	1784.27	1.43556e07	1633167.74	
4498.62	14.30	318.44	4012.00	1446.49	-1046.04	3.32	1784.91	1.43556e07	1633167.31	T/ Blue Gate Sha
4527.00	13.37	319.00	4039.56	1451.59	-1050.52	3.32	1791.68	1.43556e07	1633162.83	
4590.00	11.58	322.54	4101.07	1462.10	-1059.15	3.09	1805.27	1.43556e07	1633154.21	
4656.17	10.66	320.64	4166.00	1472.11	-1067.07	1.50	1818.02	1.43556e07	1633146.29	T/ Ferron
4685.00	10.26	319.70	4194.35	1476.13	-1070.42	1.50	1823.24	1.43556e07	1633142.94	
4692.77	10.32	319.66	4202.00	1477.18	-1071.32	0.75	1824.63	1.43556e07	1633142.04	T/ Ferron Coal 4
4779.00	10.96	319.25	4286.74	1489.28	-1081.67	0.75	1840.51	1.43556e07	1633131.70	
4863.76	10.62	319.43	4370.00	1501.32	-1092.01	0.40	1856.34	1.43556e07	1633121.36	B/ Ferron Coal 1
4875.00	10.58	319.46	4381.05	1502.89	-1093.35	0.40	1858.41	1.43556e07	1633120.02	
4971.00	8.79	329.19	4475.69	1515.89	-1102.84	2.52	1874.50	1.43556e07	1633110.53	
4971.32	8.79	329.18	4476.00	1515.93	-1102.86	0.53	1874.55	1.43556e07	1633110.51	T/ Tununk
5052.26	8.71	326.43	4556.00	1526.35	-1109.42	0.53	1886.82	1.43557e07	1633103.95	T/ Lower Bent Mkr
5066.00	8.70	325.96	4569.58	1528.08	-1110.58	0.53	1888.90	1.43557e07	1633102.80	
5160.00	9.22	325.24	4662.43	1540.16	-1118.85	0.57	1903.53	1.43557e07	1633094.53	
5219.00	9.61	329.95	4720.64	1548.30	-1124.01	1.46	1913.14	1.43557e07	1633089.37	Last Wft Svy
5273.00	9.61	329.95	4773.88	1556.11	-1128.53	0.00	1922.10	1.43557e07	1633084.85	Proj. To Bit

### Annotation

MD ft	TVD ft	
400.00	399.95	Tie On Gyro
496.00	495.94	First Wft Svy
5219.00	4720.64	Last Wft Svy
5273.00	4773.88	Proj. To Bit

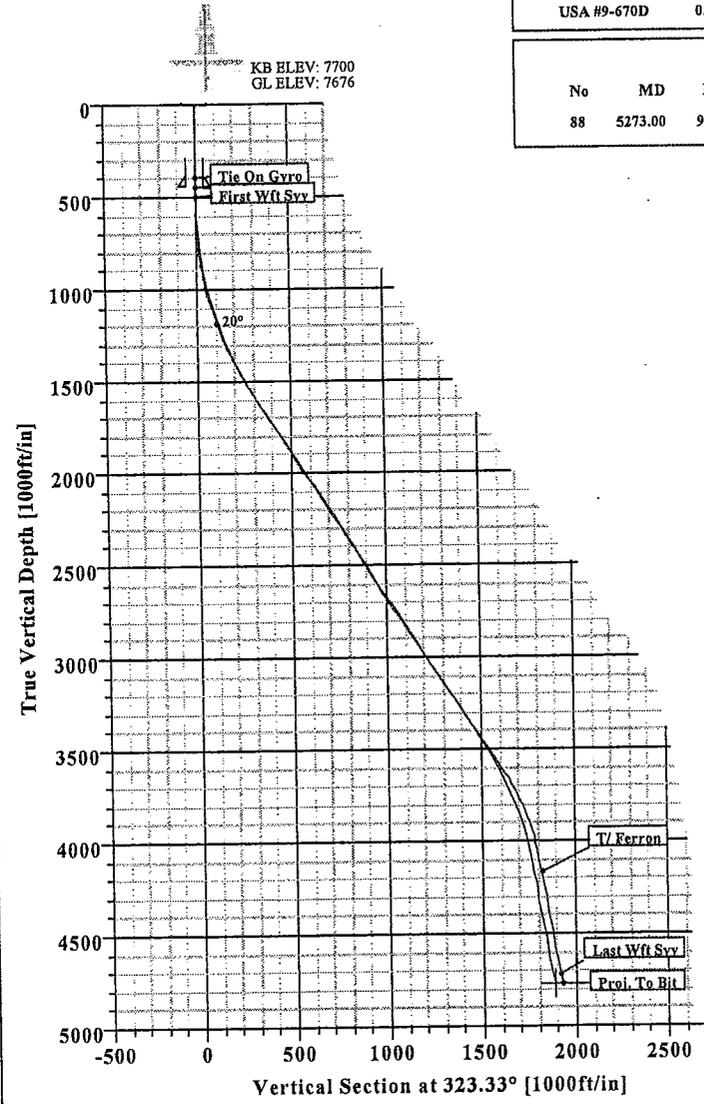
SECTION DETAILS											
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target	
1	0.00	0.00	323.33	0.00	0.00	0.00	0.00	0.00	0.00		
2	550.00	0.00	323.33	550.00	0.00	0.00	0.00	0.00	0.00		
3	1639.22	32.68	323.33	1581.13	242.46	-180.50	3.00	323.33	302.27		
4	3861.94	32.68	323.33	3452.06	1205.06	-897.08	0.00	0.00	1502.31		
5	4617.82	10.00	323.33	4151.54	1424.25	-1060.25	3.00	180.00	1775.56		
6	5245.82	10.00	323.33	4770.00	1511.72	-1125.37	0.00	0.00	1884.61	Pbhl	

TARGET DETAILS						
Name	TVD	+N/-S	+E/-W	Latitude	Longitude	Shape
Pbhl	4770.00	1511.72	-1125.37	39°31'55.413N	111°01'33.612W	Circle (Radius: 75)

WELL DETAILS							
Name	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
USA #9-670D	0.00	0.00	14354176.00	1634213.00	39°31'40.467N	111°01'19.244W	N/A

Survey: Wft Svy (USA #9-670D/1)									
No	MD	Inc	Az	TVD	+N/-S	+E/-W	DLeg	TFace	VSec
88	5273.00	9.61	329.95	4773.88	1556.11	-1128.53	0.00	180.00	1922.10

FORMATION TOP DETAILS			
No.	TVDPath	MDPath	Formation
1	4012.00	4475.06	T/ Blue Gate Shale
2	4166.00	4632.51	T/ Ferron
3	4202.00	4669.06	T/ Ferron Coal 4
4	4370.00	4839.65	B/ Ferron Coal 1
5	4476.00	4947.29	T/ Tununk
6	4556.00	5028.52	T/ Lower Bent Mkr

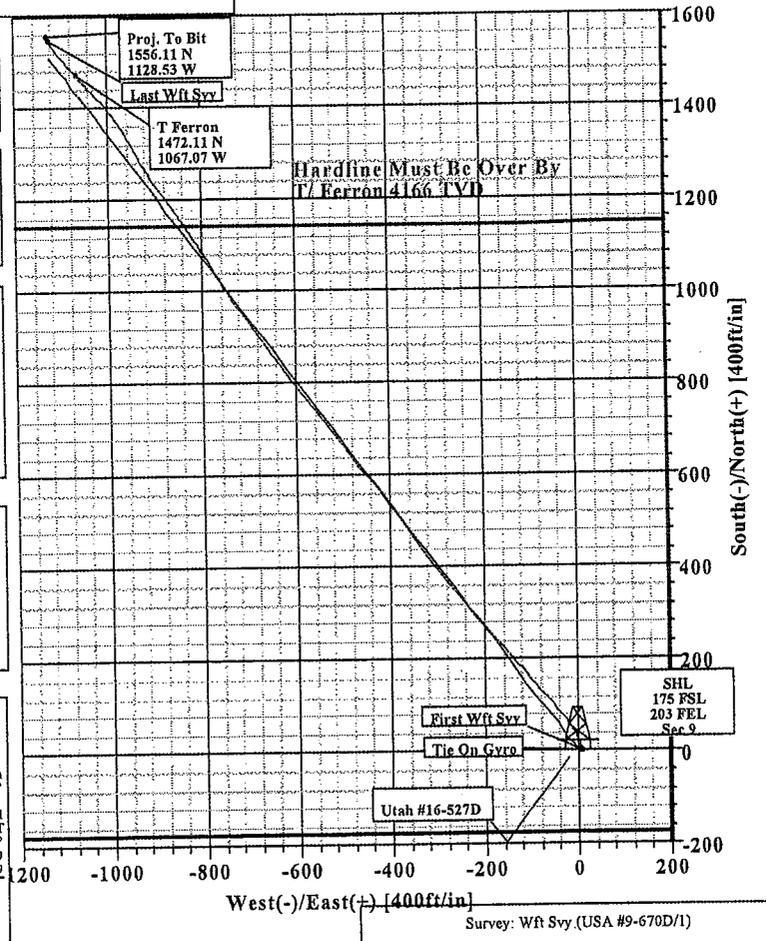
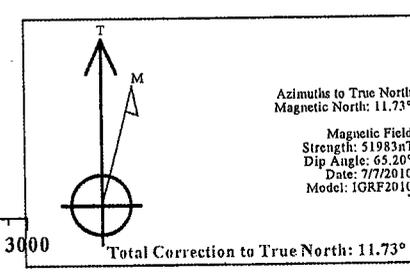


LEGEND	
	USA #9-670D,1,Plan #2
	USA #9-670D,1,Gyro
	Wft Svy

CASING DETAILS				
No.	TVD	MD	Name	Size
1	450.00	450.00	9 5/8"	9.625

**FIELD DETAILS**  
Carbon Co, Utah (UTM Zone 12)  
Geodetic System: Universal Transverse Mercator  
Ellipsoid: NAD27 (Clarke 1866)  
Zone: UTM Zone 12, North 114W to 108W  
Magnetic Model: IGRF2010  
System Datum: Mean Sea Level  
Local North: True North

**SITE DETAILS**  
USA #9-670D  
Site Centre Northing: 14354176.00  
Easting: 1634213.00  
Ground Level: 7676.00  
Positional Uncertainty: 0.00  
Convergence: -0.01



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

5. Lease Serial No.  
BHL: UTU78408

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

**SUBMIT IN TRIPLICATE – Other instructions on page 2.**

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator  
ConocoPhillips Company

3a. Address  
P.o. Box 51810  
Midland, Tx 79710

3b. Phone No. (include area code)  
432-688-6943

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
175 FSL & 203 FEL  
SESE of 9-15S-8E

7. If Unit of CA/Agreement, Name and/or No.  
Drunkards Wash UTU 67921X

8. Well Name and No.  
USA 9-670D

9. API Well No.  
43-007-50031

10. Field and Pool or Exploratory Area  
Drunkards Wash

11. Country or Parish, State  
Carbon County, Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Top of Cement</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

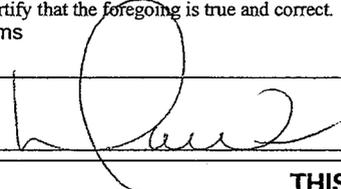
13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

As per our conversation this date: The radial cement bond logs indicate that the top of cement on the above well is at 1636' (good coverage) with stringers of cement above that. As indicated in the daily reports, the water was encountered at a depth of 1654'. The water flux is covered by good cement with isolated stringers of cement above that. ConocoPhillips Company will install a gauge on the well to monitor for any pressure differential over time as the well produces. The completion operation is scheduled for the week of November 8.

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**NOV 01 2010**  
DIV. OF OIL, GAS & MINERAL

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)  
Donna Williams

Title Sr. Regulatory Advisor

Signature 

Date 10/25/2010

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office \_\_\_\_\_

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

# NOTICE OF APPROVAL

Form 3160-3  
(August 2007)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

## APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED  
OMB No. 1004-0137  
Expires July 31, 2010

5. Lease Serial No. BHL: UTU78408	
6. If Indian, Allottee or Tribe Name N/A	
7. If Unit or CA Agreement, Name and No. Drunkards Wash	
8. Lease Name and Well No. USA 9-670D	
9. API Well No. <b>43-007-50031</b>	
3a. Address P.O. Box 51810 Midland, Tx 79710	3b. Phone No. (include area code) 432-688-6943
10. Field and Pool, or Exploratory Drunkards Wash	
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 174.80 FSL & 203.40 FEL (SESE) of 9-15S-8E At proposed prod. zone 1690 FSL & 1320 FEL (NWSE) of 9-15S-8E	
11. Sec., T. R. M. or Blk. and Survey or Area Section 9-15S-8E	
14. Distance in miles and direction from nearest town or post office* 1 mile west/south of Wattis	12. County or Parish Carbon
	13. State UT
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) N/A Unit	16. No. of acres in lease N/A Unit
	17. Spacing Unit dedicated to this well N/A Unit
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. ~2000' to BHL of Utah 16-527D	19. Proposed Depth 5246 MD/4770 TVD
	20. BLM/BIA Bond No. on file ES0085
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 7676.4'	22. Approximate date work will start* 07/01/2010
	23. Estimated duration 30 days

### 24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

- |   |   |
|---|---|
| <ol style="list-style-type: none"> <li>1. Well plat certified by a registered surveyor.</li> <li>2. A Drilling Plan.</li> <li>3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).</li> </ol> | <ol style="list-style-type: none"> <li>4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).</li> <li>5. Operator certification</li> <li>6. Such other site specific information and/or plans as may be required by the BLM.</li> </ol> |
|---|---|

25. Signature 	Name (Printed/Typed) Donna Williams	Date 06/22/2010
-------------------	--	--------------------

Title  
Sr. Regulatory Specialist

Approved by (Signature) 	Name (Printed/Typed) Steve Rigby	Date JUL 09 2010
-----------------------------	-------------------------------------	---------------------

Title  
**ACTING FIELD MANAGER**  
**PRICE FIELD OFFICE**

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 2)

\*(Instructions on page 2)

**CONDITIONS OF APPROVAL ATTACHED**

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NOV 15 2010

DIV. OF OIL, GAS & MINING



**UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
PRICE FIELD OFFICE**

**125 SOUTH 600 WEST      PRICE, UT 84501      (435) 636-3600**



**CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL**

<b>Company:</b>	<b>ConocoPhillips Company</b>	<b>Location:</b>	<b>SESE-Sec 9-T15S-R8E</b>
<b>Well No:</b>	<b>USA 9-670D</b>	<b>Lease No:</b>	<b>UTU-78408</b>
<b>API No:</b>	<b>43-007-50031</b>	<b>Agreement:</b>	<b>UTU-67921X Drunkards Wash</b>

<b>Title</b>	<b>Name</b>	<b>Office Phone Number</b>	<b>Cell Phone Number</b>
Acting Field Manager & Authorized Officer:	Jerry Kenczka	(435) 636-3633	(435) 828-7378
Petroleum Engineer:	Marvin Hendricks	(435) 636-3661	(435) 650-9136
Petroleum Engineering Technician	Walton Willis	(435) 636-3662	(435) 650-9140
NRS/Enviro Scientist:	Don Stephens (Primary)	(435) 636-3608	
NRS/Enviro Scientist:	Kyle Beagley (Alt.)	(435) 636-3668	

**Fax: (435) 636-3657**

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR  
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

**NOTIFICATION REQUIREMENTS**

Location Construction (Notify NRS)	- Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify NRS)	- Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	- Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Petroleum Eng. Technician)	- Twenty-Four (24) hours prior to running casing and cementing all casing strings.
BOP & Related Equipment Tests (Notify Petroleum Eng. Technician)	- Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	- Within Five (5) business days after new well begins, or production resumes after well has been off production for more than ninety (90) days.

**RECEIVED**

**NOV 15 2010**

**DRILLING PROGRAM  
CONDITIONS OF APPROVAL (COAs)**

**SITE SPECIFIC DRILLING & PRODUCTION COAs**

- Permitting approval from the State of Utah Division of Oil, Gas & Mining (DOGGM) is required before conducting any surface disturbance activities.
- A copy of the approved Application for Permit to Drill (APD) for this well shall be on location at all times once drilling operations have commenced.
- While drilling with an air package, the requirements of Onshore Order #2 Part III.E Special Drilling Operations shall apply with the exception of the criteria below where a variance is requested.
- A cement bond log (CBL) shall be run to determine the top of cement behind the production casing, and a field copy sent to the Price Field Office.
- A complete set of angular deviation and directional surveys of this directional well will be submitted to the Price Field Office petroleum engineer within 30 days of completing the well.

**VARIANCES GRANTED**

- ConocoPhillips' request to not use deduster equipment (Onshore Order #2 Part III.E Special Drilling Operations) is granted, unless the air/mist system is not used.
- ConocoPhillips' request to not use an automatic igniter or continuous pilot light system (Onshore Order #2 Part III.E Special Drilling Operations) is granted, unless the air/mist system is not used.
- ConocoPhillips' request to have the air compressor package located 90 degrees from the blooie line (Onshore Order #2 Part III.E Special Drilling Operations) is granted.

## **STANDARD OPERATING REQUIREMENTS**

- The requirements included in Onshore Order #2 Drilling Operations shall be followed.
- The Price Field Office petroleum engineer will be notified 24 hours verbally prior to spudding the well.
- Notify the Price Field Office petroleum engineering technician at least 24 hours in advance of casing cementing operations, BOPE tests and casing pressure or mud weight equivalency tests.
- Should H<sub>2</sub>S be encountered in concentrations greater than 100 ppm, the requirements of Onshore Order #6 Hydrogen Sulfide Operations shall be followed.
- Any deviation from the permitted APD's proposed drilling program shall have prior approval from the petroleum engineer. Changes may be requested verbally (to be followed by a written sundry sent to this office), or submitted by written sundry if time warrants.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed. The closing unit controls shall remain unobstructed and readily accessible at all times, and choke manifolds shall be located outside of the rig substructure.
- BOP testing shall be conducted within 24 hours of drilling out from under the surface casing, and weekly thereafter as specified in Onshore Order #2.
- All BOPE components shall be inspected daily, and the inspections recorded in the daily drilling report. Components shall be operated and tested, as required by Onshore Order #2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder, and not by the rig pumps. Test results shall be reported in the driller's log.
- All casing strings below the conductor pipe shall be pressure tested to .22 psi/foot or 1500 psi (whichever is greater), but not to exceed 70% of the internal yield pressure.
- No aggressive/fresh hard-banded drill pipe shall be used in the casing design. The proposed use of non-API standard casing must be approved in advance by the petroleum engineer.
- During drilling operations, daily drilling reports shall be submitted by sundry on a weekly basis to the Price Field Office. Within 30 days of finishing drilling and completion operations, a chronological daily operations history shall be submitted by sundry to this office.
- A copy of all logs run on this well shall be submitted digitally (in PDF or TIFF format) to the Price Field Office.
- The venting or flaring of gas while initially testing the well shall be done in accordance with the requirements specified in Notice to Lessees (NTL) 4A, and shall not exceed a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. Additional time needed to vent or flare gas during production operations requires prior approval from the Price Field Office.
- Should this well be successfully completed as a producing well, the Price Field Office must be notified within 5 business days following the date the well has first sales.

### **STANDARD OPERATING REQUIREMENTS (cont.)**

- Proposed production operations that involve: 1) the commingling of production from wells located on-lease or off-lease, 2) off-lease measurement, or 3) off-lease storage shall have prior written approval from the Price Field Office.
- Operators shall meet the requirements listed in Onshore Order #4 Measurement of Oil and Onshore Order #5 Measurement of Gas. New oil and gas meters shall be calibrated prior to initial product sales. The operator (or its contractors) is responsible for providing the date and time of the initial meter calibration (and all future meter proving schedules) to the petroleum engineering technician. Copies of all meter calibration reports that are performed shall be submitted to the Price Field Office.
- In accordance with 43 CFR 3162.4-3, this well's production data shall be reported on the "Monthly Report of Operations" starting with the month in which operations commence and continue each month until the well is plugged and abandoned.
- The operator is responsible for submitting the information required in 43 CFR 3162.4-1 Well Records and Reports, including BLM Form 3160-4, Well Completion and Recompletion Report and Log which must be submitted to the Price Field Office within 30 days of completing the well.
- Onshore Order #7 authorizes the disposal of water produced from this well in the reserve pit for a period of 90 days after the date of initial production. A permanent disposal method must be submitted and approved by this office, and in operation prior to the end of this 90-day period.
- The requirements of Onshore Order #3 Site Security shall be implemented, and include (as applicable): 1) all lines entering and leaving hydrocarbon storage tanks shall be effectively sealed and seal records maintained, 2) no by-passes are allowed to be constructed around gas meters, 3) a site facility diagram shall be submitted to the Price Field Office within 60 days following construction of the facilities.
- Additional construction that is proposed, or the proposed alteration of existing facilities (including roads, gathering lines, batteries, etc.), which will result in the disturbance of new ground, requires prior approval of the Price Field Office natural resource specialist.
- This well and its associated facilities shall have identifying signs on location in accordance with 43 CFR 3162.6 requirements.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the Price Field Office natural resource specialist.
- The Price Field Office petroleum engineer shall be notified 24 hours in advance of the plugging of the well (unless the plugging is to take place immediately upon receipt of oral approval), so that a technician may have sufficient time to schedule and witness the plugging operations.
- If operations are to be suspended on a well for more than 30 days, prior approval of the Price Field Office shall be obtained, and notification also given before operations resume.

## SURFACE USE CONDITIONS OF APPROVAL

Operator: ConocoPhillips Company  
Wells: USA 9-670D

### BLM Surface Use Conditions of Approval Operator-Committed and BLM-Required Environmental Protection Measures

#### Site Specific Conditions of Approval

- The following appendix is attached for your reference and is an applicant committed measure. It is to be followed as conditions of approval: Appendix D: Environmental Protection Measures Price Coal Bed Methane Environmental Statement.
- ConocoPhillips Corporation (CPC) will measure gas production on the well pad unless permission is granted for measurement at another place.
- As required by the Price Field Office Resource Management Plan, if cultural resources are uncovered during surface-disturbing activities, BBC will suspend operations at the site and immediately contact the AO, who will arrange for a determination of eligibility in consultation with the SHPO, and, if necessary, recommend a recovery or avoidance plan.
- As required under 40 CFR 112.3(e), CPC will maintain a copy of the SPCC plan at each facility, if the facility is normally attended at least eight hours per day, or at the nearest field office if the facility is not so attended. CPC will also implement and adhere to SPCC plans in a manner such that any spill or accidental discharge of oil will be reported and remediated.
- All permanent above-ground structures (e.g., production equipment, tanks, etc.) not subject to safety requirements will be painted to blend with the natural color of the landscape. The paint used will be a color which simulates "Standard Environmental Colors." All facilities will be painted the designated color at the time of installation.
- No oil, lubricants, or toxic substances may be drained onto the ground surface.
- CPC will not allow any open burning of garbage or refuse at well sites or other facilities.
- To minimize wildlife mortality due to vehicle collisions, CPC will advise project personnel regarding appropriate speed limits in the Project Area. Employees and contractors will be educated about anti-poaching laws.

- Please contact Don Stephens, Natural Resource Specialist, (435) 636-3608, Bureau of Land Management, Price Field Office, if there are any questions concerning these surface use COAs.

## **I Standard Conditions of Approval**

### **(i) General**

- CPC will provide georeferenced spatial data depicting as-built locations of all facilities, wells, roads, pipelines, power lines, and other related facilities to the BLM by November 1 of each year until completion of project construction activities has occurred
- CPC will inform their employees, contractors, and subcontractors about relevant Federal regulations intended to protect archaeological and cultural resources. All personnel will be informed that collecting artifacts, including arrowheads, is a violation of Federal law and that employees engaged in this activity will be subject to disciplinary action.

### **(ii) Construction**

- Reserve pits will be adequately fenced during and after drilling operations until the pit is reclaimed so as to effectively keep out wildlife and livestock. Adequate fencing, in lieu of more stringent requirements by the surface owner, is defined as follows: 1) Construction materials will consist of steel or wood posts. Three or four strand wire (smooth or barbed) fence or hog panel (16-foot length by 50-inch height) or plastic snow fence must be used with connectors such as fence staples, quick-connect clips, hog rings, hose clamps, twisted wire, etc. Electric fences will not be allowed; 2) Construction standards: Posts shall be firmly set in ground. If wire is used, it must be taut and evenly spaced, from ground level to top wire, to effectively keep out animals. Hog panels must be tied securely into posts and one another using fence staples, clamps, etc. Plastic snow fencing must be taut and sturdy. Fence must be at least 2-feet from edge of pit. 3 sides fenced before beginning drilling, the fourth side fenced immediately upon completion of drilling and prior to rig release. Fence must be left up and maintained in adequate condition until pit is closed.
- The reserve pit will be oriented to prevent collection of surface runoff. After the drilling rig is removed, the operator may need to construct a trench on the uphill side of the reserve pit to divert surface drainage around it. If constructed, the trench will be left intact until the pit is closed.
- The reserve pit will be lined with an impermeable liner if permeable subsurface material is encountered. An impermeable liner is any liner having permeability less than  $10^{-7}$  cm/sec. The liner will be installed so that it will not leak and will be chemically compatible with all substances that may be put in the pit. Liners made of any man-made synthetic material will be of sufficient strength and thickness to withstand normal installation and pit use. In gravelly or rocky soils, a suitable bedding material such as sand will be used prior to installing the liner.

- The operator shall submit a Sundry Notice (Form 3160-5) to BLM for approval prior to construction of any new surface disturbing activities that are not specifically addressed in the approved APD.

**(iii) Operations/Maintenance**

- Rat and mouse holes shall be filled and compacted from the bottom to the top immediately upon release of the drilling rig from the location.
- Hydrocarbons shall be put in test tanks on location during completion work. Produced water will be put in the reserve pit during completion work per Onshore Order #7.
- The only fluids/waste materials which are authorized to go into the reserve pit are RCRA exempt exploration and production wastes. These include drilling muds and cuttings, rigwash, and excess cement and certain completion & stimulation fluids defined by EPA as exempt. It does not include drilling rig waste, such as spent hydraulic fluids, used engine oil, used oil filter, empty cement, drilling mud, or other product sacks, empty paint, pipe dope, chemical or other product containers, and excess chemicals or chemical rinsate. Any evidence of non-exempt wastes being put into the reserve pit may result in the BLM Authorized Officer requiring specific testing and closure requirements.
- If this well is drilled during the fire season (June-October), the operator shall institute all necessary precautions to ensure that fire hazard is minimized, including but not limited to mowing vegetation on the access route(s) and well location(s), keeping firefighting equipment readily available when drilling, etc.

**(iv) Dry Hole/Reclamation**

- All disturbed lands associated with this project, including the pipelines, access roads, etc. will be expediently reclaimed and reseeded in accordance with the surface use.
- A Notice of Intent to Abandon and a Subsequent Report of Abandonment must be submitted for abandonment approval.
- For performance bond release approval, a Final Abandonment Notice (with a surface owner release letter on split-estate) must be submitted prior to a final abandonment evaluation by BLM.

**(v) Producing Well**

- All internal combustion equipment will be kept in good working order.
- Production facilities (including dikes) must be placed on the cut portion of the location and a minimum of 15 feet from the toe of the back cut unless otherwise approved by the BLM Authorized Officer.

- Any spilled or leaked oil, produced water or treatment chemicals must be reported in accordance with NTL-3A and immediately cleaned up in accordance with BLM requirements. This includes clean-up and proper disposition of soils contaminated as a result of such spills/leaks.
- Prior to construction of production facilities not specifically addressed in the APD, the operator shall submit a Sundry Notice to the BLM Authorized Officer for approval.

### **Health and Safety**

- In accordance with 29 CFR 1910.1200, a Material Safety Data Sheet (MSDS) for every chemical or hazardous material brought on-site will be kept on file in CPC's field office.
- CPC will transport and/or dispose of any hazardous wastes, as defined by the Resource Conservation and Recovery Act of 1976 (RCRA), as amended, in accordance with all applicable Federal, State, and local regulations.
- All storage tanks that contain produced water, or other fluids which may constitute a hazard to public health or safety, will be surrounded by a secondary means of containment for the entire contents of the tank, plus freeboard for precipitation, or to contain 110 percent of the capacity of the tank. The appropriate containment and/or diversionary structures or equipment, including walls and floor, will be constructed so that any discharge from a primary containment system, such as a tank or pipe, will not drain, infiltrate, or otherwise escape to groundwater or surface waters before cleanup is completed. A liner shall be used when the ground is permeable and would allow filtration of fluid to the subsurface strata.
- Notice of any spill or leakage, as defined in BLM NTL 3A, will be immediately reported by CPC to the AO and to other Federal and State officials as required by law. Oral notice will be given as soon as possible, but within no more than 24 hours, and those oral notices will be confirmed in writing within 72 hours of any such occurrence.

**Appendix D:**  
**Environmental Protection Measures,**  
**Price Coal Bed Methane Environmental Impact Statement**

Following are the environmental protection measures included in the Price Coal Bed Methane (CBM) Environmental Impact Statement (EIS). They are included here as an appendix to this EA because, as explained more fully in Chapter 1 of the EA, the Price CBM EIS is the NEPA document that originally addressed the impacts of developing the Drunkard's Wash Unit. The Record of Decision for that document also applies to the development of the Western Stepout, which is an extension of the original Drunkard's Wash Unit. Note that the principal operator and leaseholder in the Drunkard's Wash Unit at the time of the Price CBM EIS was River Gas Company (RGC). The frequent references to RGC should be read today as "ConocoPhillips," which purchased RGC's holdings in the area and assumed its commitments.

**D.1 River Gas Corporation Committed Measures**

RGC proposes to implement mitigation measures, design features, and procedures throughout the project area to avoid or minimize adverse effects to the human and natural environment. Many of these are described under the Proposed Action, and are included by reference as environmental protection measures. In addition to those design and construction procedures and features discussed in Sections 2.2.2 to 2.2.4, and compliance with all applicable environmental laws and regulations (Table 1.5-1), RGC would implement the following additional protective measures. These environmental protection measures would be applied as standard operating procedures and used on all lands, including Federal, state, and private.

RGC would use magnesium chloride for dust suppression on roads during project operation.

RGC wells would be cased and cemented from surface to bottom, to prevent water migration up the well bore.

RGC would have a program in place involving three techniques to detect leaks: (i) material balance, (ii) pressure maintenance through its computerized automation system (in the event of a pressure drop, the well is shut in automatically), and (iii) annual survey of pipelines with leak detection equipment. In the event of a pipeline leak, the exact location is detected by either gas detection equipment or visible trace of water. The appropriate part of the field is then shut-in, and the pipeline is shut down and repaired as soon as possible.

Ground disturbance in agricultural areas with spreader-dike or contour furrow systems would be avoided, where possible. In areas where these systems are dissected by roads or well locations, affected dikes and furrows would be restored to pre-disturbance conditions.

RGC would site roads and well locations in coordination with BLM, UDWR, and other landowners.

Roads constructed by the operator which are not required for routine operation and maintenance of producing wells and ancillary facilities, and disturbed areas associated with permanently plugged and abandoned wells, would be permanently blocked, recontoured, reclaimed, and revegetated by RGC, consistent with the requirements of BLM and state landowners. For private lands, RGC would turn the road over to the private landowner or reclaim it according to the terms of any surface use agreement that may then be in effect. Roads not required by BLM, State of Utah, or landowners for open access would be gated and locked to limit access per Federal, state, and/or private ownership requirements.

RGC would reclaim disturbed areas, and would reseed using seed mixtures identified by BLM, UDWR, or other landowners.

RGC would train its employees with respect to noxious weed identification, and make arrangements for weed control upon positive identification of noxious weeds at its facilities.

RGC would comply with the Utah Noxious Weed Act and require contractors to clean equipment before bringing it to the project vicinity so as to prevent introduction and spread of noxious weeds.

RGC would not allow firearms or pets to be brought into the project area by employees or contractors during project work.

RGC would not allow harassment of wildlife by employees or contractors, and would arrange for training of its employees and contractors on this issue.

RGC would enforce adherence to speed limits by its employees and contractors while working on the project.

RGC would use a remote monitoring system that would limit the number of routine maintenance visits to wells.

RGC would maintain a seasonal restriction on construction within 1/2 mile of active raptor nests during the active nesting period, such a limitation would not be necessary or if such limitation would not be applicable under existing laws, regulations or lease rights. (This environmental protection measure is superseded on Federal land by BLM 40).

RGC would make every effort to complete drilling before the beginning of November on big game critical winter range, to reduce the potential for disturbance to wintering big game. While RGC plans to finish drilling in these areas by October, drilling lease schedules are, to some extent, beyond their control and their obligation as lessee to diligently develop the resource may necessitate the continuance of drilling into November or December. (This environmental protection measure is superseded on Federal lands by BLM 37 and Alternative D).

RGC would paint all facilities it installs to blend in with the surrounding landscape, except where safety concerns (such as manhole barriers) or equipment operations (such as portions of the compressors) do not allow this.

Existing range and livestock facilities, such as fences, corrals, wells, reservoirs, water pipelines, and water troughs would not be disturbed without prior notification and approval of the landowner. Where it is necessary to gain access across a fence line for construction or operation purposes, a cattle guard or gate would be installed and the fence braced on each side of the gateway.

RGC would educate work crews as to the sensitivity of cultural resources, the protection they are afforded, and their responsibilities to avoid disturbance to sites and report any discoveries during construction activities.

## D.2 BLM-Required Environmental Protection Measures

BLM environmental protection measures would be required on lands with Federal surface ownership, and may be required on split estate lands with Federal oil and gas mineral ownership.

Environmental protection measures would be implemented for individual wells as part of the BLM's review of APDs, and attached SUPO and Drilling Program. Examples of the SUPO and Drilling Program are provided in Appendix 2D.

Standard lease terms provide for reasonable measures to minimize adverse impacts to surface resources. The BLM's surface use rights in 43 CFR Part 3101.1-2 state, "A lessee shall have the right to use so much of the leased lands as is necessary to explore for, drill for, mine, extract, remove and dispose of all the leased resource in a leasehold subject to: stipulations attached to the lease; restrictions deriving from specific non-discretionary statutes; and such reasonable measures as may be required by the authorized officer to minimize adverse impacts to other resource values, land uses or users not addressed in the lease stipulations at the time operations are proposed. To the extent consistent with lease rights granted, such reasonable measures may include, but are not limited to, modification to siting or design of facilities, timing of operations, and specification of interim and final reclamation measures. At a minimum, measures shall be deemed consistent with lease rights granted provided that they do not: require relocation of proposed operations by more than 200 meters; require that operations be sited off the leasehold; or prohibit new surface disturbing operations for a period in excess of 60 days in any lease year."

Measures inconsistent with these terms cannot be required absent a lease stipulation, unless it is determined that such mitigation is required to prevent unnecessary and undue degradation of public lands or resources. The clear evidence and convincing need for such mitigation must be documented in a site-specific EA or EIS, if necessary, on the APD.

Operations must be conducted in a manner that minimizes adverse impacts to the land, air, water, cultural, biological, and visual elements of the environment, as well as other land uses or users. Federal environmental protection laws such as the Clean Water Act, Endangered Species Act, and Historic Preservation Act, would be applied to all lands and are included in the standard lease stipulations. If threatened or endangered species, objects of historic, cultural, or scientific value, or substantial unanticipated environmental effects are encountered during construction, all work affecting the resource would stop and the land management agency would be contacted. Surface-disturbing operations that would destroy or harm these species or objects are prohibited.

The environmental protection measures listed below may be waived on a case-by-case basis as determined by the BLM or other surface owner.

#### Location of Facilities and Timing of Construction

Final well locations and transportation corridor alignments would be selected and designed to avoid or minimize disturbances to sensitive areas, including areas of high wildlife value or critical habitat, grazing, and/or recreational value, including wetlands and riparian areas; and areas with high erosion potential, highly saline soils, rugged topography, and/or poor reclamation potential (i.e., steep slopes, eroded lands, floodplains, unstable soils), where possible.

New roads would be constructed so as to avoid areas with high erosion potential. Where roads must be allowed, new roads would be graded to spread drainage instead of channeling runoff. No road grades in excess of 15 percent would be allowed on slopes greater than 15 percent. No vehicle access would be allowed across slopes in excess of 25 percent.

Construction would not occur on frozen or saturated soils, or when watershed damage is likely, unless an adequate plan is submitted to the BLM that demonstrates potential impacts would be mitigated. BLM may limit cross-country travel or construction activity at times when soils are dry or frozen or have snow cover. BLM would determine what is "wet," "muddy," or "frozen" based on weather and field conditions at the time. The limitation does not apply to maintenance and operation of producing wells.

Occupancy or other surface disturbance would not be allowed within 330 feet of the centerline or within the 100-year recurrence interval floodplain of perennial streams, except where authorized in writing by the BLM (e.g., road crossings).

Occupancy or other surface disturbance would not be allowed within 660 feet of springs, whether flowing or not. No vibroseis, drilling or blasting associated with seismic exploration would be allowed within 0.25 mile of any spring or water well.

During project construction, surface disturbance and vehicle travel would be limited to the approved location and access routes. Any additional area needed must be approved by BLM prior to use.

Vegetation removal necessitated by a construction project would be confined to the limits of actual construction. Removed vegetation will be stockpiled for use in reclamation or removed from the construction site at the direction of the BLM.

#### Reclamation

A reclamation plan would be a part of the surface use plan of operations. The following are generally components of the reclamation plan:

All pits must be reclaimed to a natural condition similar to the rest of the reclaimed area, and must be restored to a safe and stable condition.

Reclamation would start immediately upon completion of construction, unless prevented by weather conditions. Disturbed areas would be restored to approximately the original contour.

Disturbed areas would be revegetated after the site has been satisfactorily prepared. Site preparation may include ripping, contour furrowing, terracing, reduction of steep cut-and-fill slopes, water-barring, or other procedures.

Revegetation seed mixes have been established by BLM for the project area, and are provided in Appendix 2F. They are based on erosion control, forage production, elevation, soils, vegetation community composition, and precipitation requirements. Different seed mixes have been developed for temporary seedlings, and for final reclamation of sites in salt desert, sagebrush/grass, pinyon-juniper, mountain brush, and riparian habitats. Reclamation in riparian habitat would also involve sedge and rush root plugs, willow cuttings, and cottonwood bare root stock plantings. All seed mixes would be free of noxious weeds.

Seeding would be done by drilling on the contour whenever practical, or by other approved method. Where broadcast seeding is used, seeding would take place after the soil surface is recontoured and scarified. A harrow or similar implement would be dragged over the area to assure seed cover.

On all cut slopes, the seeding must extend from the bottom of the ditch to the top of the cut slope. On embankment slopes, the seeding must extend from the roadway shoulder to the toe of the slope. Seeding would also be done on all borrow pit areas and on all sidecast slopes in areas of full bench construction.

Seeding and/or planting would be repeated until satisfactory revegetation is accomplished, as determined by BLM. Mulching, fertilizing, fencing or other practices may be required.

Seeding would be done from October 1 to November 15 and from February 1 to March 31.

Sufficient topsoil to facilitate revegetation would be segregated from subsoils during all construction operations and would be returned to the surface upon completion of operations, where feasible. Topsoil stockpiles would be revegetated or otherwise protected to prevent erosion and maintain some soil microflora and microfauna. Stockpiled topsoil would be spread evenly over the recontoured area. All disturbed areas and vehicle tracks from overland access would be ripped 4 to 12 inches deep within the contour.

Bonds are required for oil and gas operations on Federal leases for protection of the environment, including surface reclamation. Revegetation must be successfully established for release of the bond.

Reclamation and abandonment of pipelines and flowlines may require replacing fill in the original cuts, reducing and grading cut-and-fill slopes to conform to the adjacent terrain, replacement of surface soil material, water-barring, and revegetating in accordance with a reclamation plan.

Wellsite reclamation would include recontouring to re-establish natural contours where desirable and practical.

After well plugging and abandonment, roads constructed by the operator not required for the BLM transportation system would be closed and obliterated. Reclamation may include ripping, scarifying, water-barring, and barricading. Stockpiled soil, debris, and fill materials would be replaced on the roadbed to conform to the approved reclamation plan.

Water bars would be constructed on road grades or slopes, if required by BLM. Spacing of waterbreaks is dependent on slope and soil type. For most soil types, the following spacings would be used:

Slope	Spacing
2%	200 feet
2-4%	100 feet
4-5%	75 feet
>5%	50 feet

- Revegetation on big game critical winter range would include hand planting of seedling browse plants and use of seedling protectors to provide protection against browsing in the first two years after planting.
- Temporary erosion control measures such as mulch, jute netting, or other appropriate methods would be used on unstable soils, steep slopes, and wetland areas to prevent erosion and sedimentation until vegetation becomes established.

#### General Requirements

Precautions must be taken at all times to prevent wildfire. Operators would be held responsible for suppression costs for any fires on public lands caused by operator negligence. No burning of debris would be allowed without specific authorization from BLM.

Any campfires must be kept to a minimum size and utilize only downed dead wood.

Road construction must meet BLM class III standards (Appendix 2C).

With BLM approval, existing roads or trails may be improved (bladed) if impassable by vehicles or equipment. No widening or realignment would be allowed unless approved by BLM.

New trails may be constructed only when vehicle and equipment passage is impossible, and only with the concurrence of the BLM. Any pushed trees are to be readily retrievable without additional disturbance, if needed for reclamation.

Reserve pits for oil and gas drilling operations may be required to be lined with commercial-grade bentonite or plastic liners sufficient to prevent seepage. At least half of the capacity would be in a cut.

Prior to the use of insecticides, herbicides, fungicides, rodenticides, and other similar substances, an operator must obtain from BLM approval of a written plan. The plan must describe the type and quantity of material to be used, the pest to be controlled, the method of application, the location for storage and disposal of containers, and other information that BLM may require. A pesticide may be used only in accordance with its registered uses and within other agency limitations. Pesticides must not be permanently stored on public lands.

#### Water Resources

Existing fords would be used for drainage crossings where possible. Low-water crossings would use a cut-and-fill process, or upgrade existing crossings unless use of culverts is specifically authorized.

Bridges and culverts would allow adequate fish passage where applicable. Take-down (or free-floating) panels or water gates would be installed on all fences that cross intermittent or perennial stream channels.

For construction projects lasting more than 30 days, portable chemical toilets would be provided at all staging areas, bases of operations, and storage areas.

Soaps, detergents, or other nondegradable foreign substances would not be used for washing in streams or rivers. Biodegradable soap may be used. No oil, lubricants, or toxic substances may be drained onto the ground surface. Pads would be designed so that any oil, lubricants etc., would drain into a collection system.

#### Wetlands and Riparian Areas

Construction, development, and rights-of-way in riparian areas would be minimized. Where these areas must be disturbed, stipulations would minimize impacts and require post-disturbance reclamation. Reclamation would be closely monitored, and not considered complete until the desired vegetation is established.

#### Wildlife

Exploration, drilling and other development would be allowed only during the period May 16 through October 31 in elk, mule deer, or moose winter range. This limitation does not apply to maintenance and operation of producing wells. Exceptions to this limitation in any year may be specifically authorized in writing by the

Authorized Officer of the BLM. (For Alternative D BLM37 is replaced by the specified restrictions on construction phase activity.)

Where disturbance exceeds 10 acres in elk, mule deer or moose critical winter range, an equivalent acreage of adjacent habitat would be enhanced to accommodate increased use, and is to be completed commensurate with surface disturbing activity. All costs associated with project planning through completion would be the obligation of the leaseholder.

Exploration, drilling or other development activity would only be allowed from June 16 to March 31 in sage grouse strutting/nesting areas. This limitation does not apply to maintenance and operation of producing wells.

Permanent surface disturbance and occupancy (i.e., oil and gas production facilities) is prohibited within one-half mile of raptor nests which have been documented as occupied within a 3-year period, and temporary surface disturbance and occupancy (i.e., seismic lines, oil and gas exploration, road construction) is prohibited within a one-half mile buffer zones during the critical nesting period. Site-specific evaluations in coordination with the USFWS may allow for modifications to this requirement. This requirement does not apply to maintenance and operation of existing producing wells and access roads constructed prior to occupancy of a nest(s).

The proponent would be required to submit (at least 5 days in advance of proposed work) a sundry notice for all workover or maintenance operations requiring use of heavy equipment during the raptor breeding season (February 1 to July 15) and within the one-half mile buffer zone of any known raptor nest site. Upon receipt of this notification, BLM, in consultation with USFWS and UDWR, would conduct a field evaluation and issue a determination on the activity status of the affected nest site. If the nest site is found to be occupied (defined below), site specific protection measures would be developed to protect the nesting raptors and prevent conditions or actions that may result or contribute to a "taking" as defined under the Bald Eagle Protection Act and the Migratory Bird Treaty Act.

An occupied raptor nest is defined for the purpose of this stipulation is any nest site exhibiting physical evidence of current use by raptors. Evidence may include but is not limited to: presence of raptors (adults, eggs or young) at the nest or within the nesting territory, presence of greenery in the nest, and/or presence of current year's whitewash at the nest or in the immediate vicinity of the nest.

Raptor surveys would be required to determine the status of known nests and verify presence of additional nests for all Federal leases within the project area. Surveys would be conducted by consultants qualified to conduct such surveys and approved by the authorized officer. All surveys would be conducted by helicopter during May of each year, prior to the proposed drilling and prior to APD approval. The surveys would be done in the same year as the proposed drilling so that current nest activity status data are available. Costs for surveys and preparation of a report of the findings of the survey would be the obligation of the leaseholder.

In order to protect bald eagle winter roost sites, a 0.5-mile radius buffer zone of no surface occupancy would be established around all winter night roost sites. This buffer zone applies to all above ground facilities such as wells, compressor stations, and roads that require or encourage human visitation during the winter period. Exceptions to this stipulation would be considered on a case-by-case basis through consultation with the USFWS. Upon request for an exception to this stipulation, BLM would coordinate with the USFWS and UDWR to jointly develop a site-specific buffer zone based on topography and visual sight distances around the night roost site. BLM 41A [RMP Reference?]

#### Cultural Resources

All areas subject to surface disturbance, or Areas of Potential Effect (APE), which have not been previously inventoried for cultural resources to BLM standards, must be inventoried prior to approval of an APD or other actions. The APE is defined as any area that may be subject to direct or indirect impacts to cultural resources by elements of the development project. The zone of the APE would vary in size in accordance with the projected levels of sensitivity for cultural resources at the location of any development. In low sensitivity areas, the APE would be defined as the area subject to direct impacts through surface disturbing activities. In areas of medium

sensitivity, the APE would be expanded to account for potential indirect impacts: intensive inventory would occur on all well pads plus an additional 10 acres surrounding each pad; a 150-foot corridor centered on roads, flowlines, and other facilities would be inventoried as the APE. In high sensitivity areas, the APE would include the well pad and 10 acres surrounding the well location; and the APE for roads, flowlines, and other facilities would be the area of direct ground disturbance and a 300-foot zone on all sides of the facility.

Cultural resource inventories would be conducted in accordance with BLM Manual 8100 by authorized cultural resource professionals. Prior to fieldwork, a records check must be conducted to identify previous inventories and recorded properties. During the course of inventories, previously unrecorded sites must be recorded on standard BLM forms, photographed, and mapped. Cultural resources would be evaluated, and a recommendation on eligibility to the National Register of Historic Places would be made. BLM would make all Determinations of Eligibility. A report would be prepared for each development or series of developments documenting the inventory methods, results, description of the sites within the APE, recommendations on National Register eligibility, and would include proposed mitigating measures.

The BLM would consult with the State Historic Preservation Officer (SHPO) and the President's Advisory Council on Historic Preservation (ACHP) as mandated by the National Historic Preservation Act of 1966 (as amended), in accordance with guidelines set forth in a Programmatic Agreement among BLM, SHPO, ACHP, and RGC. This document has been completed as a legally binding agreement and is referenced in the Record of Decision for the overall project. Site avoidance, detailed site recordation, and site protection would be the preferred treatments, but mitigation of National Register eligible properties through data recovery may take place where avoidance is not prudent or feasible, after consultation as specified in the Programmatic Agreement. BLM would submit a treatment plan to SHPO, ACHP and to other affected parties as may be appropriate for a 30-day consultation prior to implementation of data recovery efforts.

BLM would notify, consult, and/or coordinate with Indian tribes, traditional leaders, and other interested parties as required by various statutes (NEPA, American Indian Religious Freedom Act [AIRFA], National Historic Preservation Act [NHPA], Federal Land Policy and Management Act [FLPMA], Archaeological Resources Protection Act [ARPA], and the Native American Graves Protection Act [NAGPRA]). In particular, BLM would attempt to elicit information concerning the potential effects of any action resulting from the Proposed Action on traditional cultural properties, including areas of traditional use and areas of religious or cultural importance to tribes. Indian tribes would be afforded a minimum of 30 days for review, comment, and consultation prior to issuance of a decision; under certain circumstances additional time must be afforded. A 30-day notification period is required by ARPA prior to issuance of any Cultural Resource Use Permits for the excavation and removal of cultural resources from public lands administered by BLM. NAGPRA requires notification and consultation with affected tribes regarding the potential to encounter human remains during the course of a project, and provides for cessation of work, and the notification and consultation with tribes, should inadvertent discovery of human remains occur during the course of a project. BLM would assure adherence to these statutes.

If a previously unknown property is encountered during construction or operation of the facilities, or if a previously planned undertaking would affect a known historic property in an unanticipated manner, all work that might adversely affect the property would cease until the BLM can evaluate the significance of the property and assess the effect of the undertaking. The BLM would consult with the SHPO on both a determination of eligibility and the assessment of effect in an expeditious manner. If the site is determined eligible and would be affected by the undertaking, the BLM would ensure that RGC prepares an avoidance or treatment plan for the property.

If human remains were discovered at any point during the project, they would be treated according to state and Federal law, and according to the wishes of concerned Native American tribes, pursuant to the Native American Graves Protection and Repatriation Act. The county sheriff, coroner, land management official, and State Archaeologist shall be notified. The remains shall not be disturbed until the appropriate officials have examined them.

## Land Use

On split-estate lands, where the surface is privately owned and the subsurface is Federally owned, it is the policy of BLM to recommend the same environmental protection standards as would be used for Federal surface. These standards have been set forth as BLM Required Environmental Protection Measures BLM 1 through 56. The operator is responsible for making a good faith effort to reach an agreement with the private surface owner which considers the recommended BLM protection measures and formalizes requirements for the protection of surface resources and/or damages.

The BLM may request submission of the private agreement for the proposed well site or access road on Federal mineral estate. If the agreement does not adequately protect surface values on adjacent Federal lands, BLM may impose additional protective measures, while considering the needs and desires of the private surface owner.

Each application for permit to drill or application to conduct other surface disturbing activities shall contain the name, address and telephone number of the surface owner. The BLM would invite the surface owner to participate in any on-site inspection that is held. The operator is responsible for making access arrangements with the private surface owner prior to entry.

Incorporated cities are categorized by BLM as No Lease. Within the project area, BLM leases do not permit surface occupancy or other activity for Carbon County Airport, Carbon County Recreation Complex, and Carbon County sanitary landfill.

## Livestock Management

Existing range and livestock management facilities, such as fences, wells, reservoirs, water pipelines, troughs, and trailing systems, would not be disturbed without prior approval of BLM. Where disturbance is necessary, the facility would be returned to its original condition.

Newly constructed range improvements such as fences and reservoirs must meet BLM standards. When it is necessary to gain access across a fenceline for construction purposes, the fence must be braced. Four-inch timber or equivalent must be installed and the gateway kept closed when not in actual use.

All gates found closed during the course of the operation must be reclosed after each passage of equipment and personnel. Cattle guards would be installed in fences on all collector roads. Either cattle guard or a gate would be required on local and resource roads to control livestock movement or vehicular access.

If road construction cuts through natural topography that serves as a livestock barrier, a fence would be constructed to replace it. The fence would be installed with a cattle guard or gate to control livestock and vehicle movement or access.

Access to grazing areas would be maintained at all times. Livestock operators would have access to grazing and trailing areas where road closures are implemented during periods of authorized livestock use.

## Visual Resources

Roads through timbered areas would take a curvilinear path to reduce sight distances.

Upon completion of the project, the area and access roads would be reclaimed to as near the original condition as possible. All disturbed areas would be recontoured to blend as nearly as possible with the natural topography. All berms would be removed and all cuts (including roads) filled.

Construction areas and access roads would be kept litter-free. The operator must provide a trash pit or trash cage, and trash must be collected and contained during the operation. All garbage, trash, flagging, lath, etc., would be removed from the area and hauled to an authorized dumpsite.

Construction and facilities would be in conformance with Visual Resource Management (VRM) objectives for the VRM classes on the project area. All surface facilities in the project area would be located to minimize

disturbance of the visual horizon and painted to blend in with the surrounding landscape. Colors would be specified by BLM.

### D.3 State of Utah Requirement

#### Measures Applicable to All Lands

The Utah Division of Oil, Gas and Mining (UDOGM) regulates oil and gas activities on all non-Federal lands within the State of Utah, under the authority of the Utah Oil and Gas Conservation Act. Required environmental protection measures are described in R649: Oil, Gas and Mining; Oil and Gas, in the Utah Administrative Code, and in the Division's Environmental Handbook: Environmental Regulations for the Oil and Gas Exploration and Production Industry (Hunt 1996). Rules with environmental implications include: requirements for bonding, casing of the well, prevention of fire hazards on the surface, prevention of pollution, spill reporting and cleanup, inspection, on-site pre-drill evaluations which may include identification of special stipulations to be incorporated in the APD, establishment of surface use agreements with surface owners prior to commencement of well drilling, restoration of well sites after plugging and abandonment, reporting and record keeping requirements, pit lining, and waste disposal.

Under the Utah Noxious Weed Act, landowners are required to control state- and county-listed noxious weeds on lands under their control. If this is not done, county weed boards have the authority to perform control measures at the expense of the landowner, after notification and hearing. In addition, it is required that machinery be cleaned of noxious weed seeds before bringing it into the state; it is prohibited to sell or distribute seeds containing noxious weed seeds; and to sell or distribute hay, manure, soil, sod or nursery stock containing noxious weed seeds.

The Utah Stream Alteration Permit requires a written permit from the State Engineer to alter or change the banks of any natural stream, including utility line crossings and road construction. It does not apply if the project involves wetlands, threatened or endangered species, properties listed on the National Register of Historic Places, or channel relocations; alterations of those streams are under the jurisdiction of the U.S. Army Corps of Engineers and subject to Section 404 of the Clean Water Act. Measures used to protect water quality and related aquatic habitat would comply with the State of Utah "Nonpoint Source Management Plan for Hydrologic Modifications" (1995).

#### Utah School and Institutional Trust Lands

These state lands are managed to maximize the commercial gain from trust land uses, consistent with the long-term support of the beneficiaries. SITLA manages approximately 2,200 mineral acres under UDWR surface lands in the project area, in addition to the areas of SITLA surface and mineral estate shown on the Plates. Rules governing the management and use of these lands are provided in Rules Governing the Management and Use of School and Institutional Trust Lands (1996).

The agency may require lessees to provide cultural, paleontological, or biological surveys for lands under mineral lease, and to be responsible for reasonable mitigative measures as required by the agency. The SITLA has standard procedures for taking into account the effect of trust land uses on sites that are included or eligible for the State Register or National Register of Historic Places (NRHP), and for allowing the SHPO a reasonable opportunity to comment.

All pits and excavations must be shaped to facilitate drainage and control erosion. The agency may require that all topsoil in the affected area be removed, stockpiled, and stabilized until the completion of operations. Upon reclamation, the stockpiled topsoil would be redistributed on the affected area and the area revegetated. All mud pits must be filled, and material and debris removed from the site at the completion of operations.

At least 60 days prior to the land disturbing operations, a plan of operations must be submitted to the agency, which would review it, make an environmental assessment, and endorse or stipulate changes in the lessee's plan

of operation. An on-site visit is made at the APD stage, to locate the facilities to minimize environmental impacts while staying within the drilling window. The on-site inspection is conducted by representatives of UDOGM and RGC; representatives of UDWR and SITLA are also invited and may be present.

Bonds are required to cover costs of reclamation and other damages or costs.

#### D.4 Private Lands

The standard operating procedure used by RGC on private lands is to negotiate a surface use agreement with the landowner prior to starting construction, which would provide compensation for any damages. Operations and reclamation would be in accordance with the surface use agreement. In addition, RGC follows established industry practices and complies with applicable Federal and state requirements.

In addition to UDOGM requirements (Section 2.2.5.3), county regulations would apply to CBM activities on private and other lands. In Carbon County, a conditional use permit would be required for CBM activities in areas with residential zoning but not in areas zoned for mining and grazing. A conditional use permit would also be required in Critical Environmental Zones (CE-1) above 7,000 feet. The Carbon County permit process includes submittal of a site plan and other information, review by the Planning Commission, review by the County Commissioners, and a public hearing. The County Commissioners may require conditions or mitigation to be added to the development plans. Emery County requires a conditional use permit for every well, regardless of zoning. The Emery County permitting process also includes submittal of a site development plan, review by the Planning Commission, review by the County Commissioners, and a public hearing. Developers must also submit an Application for Permit to Drill for each individual well, which may be approved by the Planning and Zoning Department without involvement of other parties, or may go through a more rigorous review if there are issues or concerns. Under both Emery County permitting procedures, the County may decide that certain conditions or mitigations are required, and a revised application would be submitted.

#### D.5 Additional BLM-Required Environmental Protection Measures from Alternative

Two environmental protection measures to be implemented by BLM as part of the Proposed Action and other alternatives may have important effects on the project and on public use of the project area. These two measures are (1) restriction of construction on BLM lands within 0.5 miles of raptor nests known to have been occupied within the previous three years, and (2) closure of select roads during winter months (December 1 to April 1) to the general public to reduce disturbance of big game during the winter period.

##### Raptor-Restricted Wells

Within the 0.5-mile buffer area surrounding a raptor nest active within the past three years, construction of new wells would be disallowed unless a variance were granted by the authorizing BLM officer. Proposed wells and associated transportation corridor segments on Federal lands that are located within a 0.5-mile radius of raptor nests occupied during the period of 1993 to 1995 are identified in Plate 2 for the Proposed Action and in the plates for the alternatives. Numbers of affected wells and miles of affected transportation corridor are presented in Table 2.2-5 for the Proposed Action and alternatives.

Motorized vehicle access would be managed in portions of the big game winter range to reduce disturbance to wintering big game. Locked gates would be used to limit access to these areas to ConocoPhillips and contractor personnel, landowners, and agency personnel. Motorized vehicle access would be limited to necessary operational and maintenance activities for the production wells and compressor stations, to travel to private in-holdings or livestock allotments, and to agency activities. Proposed wells and transportation corridor segments located within the winter closure areas are identified in Plate 2 for the Proposed Action and in the figures for the alternatives. The following locations for winter access gates are listed by section, township, and range and are also presented in Plate 2 and the plates for each alternative.

Winter Closure Areas

Locations of Proposed Gates for Winter Closure of Big Game Critical Winter Range

Sec. 33, T16S, R8E	Sec. 15, T16S, R8E
Sec. 16, T15S, R9E	Sec. 14, T15S, R9E
Sec. 18, T15S, R9E	Sec. 31, T14S, R8E
Sec. 24, T14S, R8E	Sec. 18, T14S, R9E
Sec. 9, T14S, R9E	Sec. 3, T14S, R9E
Sec. 4, T14S, R9E	Sec. 31 (n), T13S, R9E
Sec. 31 (s), T13S, R9E	Sec. 36, (s) T13S, R8E
Sec. 36 (n), T13S, R8E	Sec. 31 (3rd), T12S, R9E
Sec. 35 (n), T13S, R8E	Sec. 35 (s), T13S, R8E
Sec. 27, T13S, R8E	

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

5. Lease Serial No.  
BHL: UTU78408

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

**SUBMIT IN TRIPLICATE** – Other instructions on page 2.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		7. If Unit of CA/Agreement, Name and/or No. Drunkards Wash UTU 67921X
2. Name of Operator ConocoPhillips Company		8. Well Name and No. USA 9-670D
3a. Address P.O. Box 51810 Midland, Tx 79710	3b. Phone No. (include area code) 432-688-6943	9. API Well No. 43-007-50031
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 175 FSL & 203 FEL SESE of 9-15S-8E		10. Field and Pool or Exploratory Area Drunkards Wash
		11. Country or Parish, State Carbon County, Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Remedial Work
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BLA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Per our phone conversations and emails, ConocoPhillips Company respectfully submits our plan to remediate the cement isolation above the water zone encountered at 1654' during the drilling of the above well. The completion of the Ferron formation will occur during the week of November 8-10, 2010 as discussed. The cleanout of the well will occur on 11/15/2010 with remedial work to follow: RU to pump into 9 5/8" x 5 1/2" annulus-establish injection rate. Bullhead approximately 426 sxs 15 ppg Class G cmt w/retarders down 9 5/8" x 5 1/2" annulus from surface. WOC. Run CBL-establish injection above fluid flow to surface. Run production equipment-put well on production (December). Rig up pressure gauge to 9 5/8" x 5 1/2" to monitor pressure for life of well.

**COPY SENT TO OPERATOR**

Date: 12.2.2010  
Initials: KS

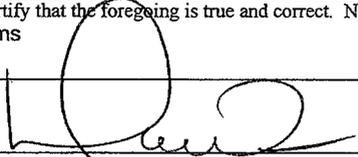
**RECEIVED**

**NOV 16 2010**

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

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)  
Donna Williams

Title Sr. Regulatory Specialist

Signature 

Date 11/08/2010

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by 

Title Pet-Eng. Date 11/24/10

Office DOGm Federal Approval Of This Action Is Necessary

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2) + Discussed and approved plan w/ BLM 11/8/2010

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0137  
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.  
BHL: UTU78408

1a. Type of Well  Oil Well  Gas Well  Dry  Other  
 b. Type of Completion:  New Well  Work Over  Deepen  Plug Back  Diff. Resrv.,  
 Other: \_\_\_\_\_

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

7. Unit or CA Agreement Name and No.  
Drunkards Wash

2. Name of Operator  
ConocoPhillips Company

8. Lease Name and Well No.  
USA 9-670D

3. Address P.O. Box 51810  
Midland, Tx 79710

3a. Phone No. (include area code)  
432-688-6943

9. AFI Well No.  
43-007-50031

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*  
 At surface 175 FSL & 203 FEL (SESE) 9-15S-8E  
 At top prod. interval reported below \_\_\_\_\_  
 At total depth 1730.91 FSL & 1331.93 FEL (NWSE) 9-15S-8E

BHL Reviewed  
by HSM

10. Field and Pool or Exploratory  
Drunkards Wash

11. Sec., T., R., M., on Block and  
Survey or Area 9-15S-8E

12. County or Parish  
Carbon

13. State  
Ut

14. Date Spudded  
07/30/2010

15. Date T.D. Reached  
09/02/2010

16. Date Completed 12/03/2010  
 D & A  Ready to Prod.

17. Elevations (DF, RKB, RT, GL)\*  
7674

18. Total Depth: MD 5273  
TVD 4773.4

19. Plug Back T.D.: MD 5218  
TVD 4720

20. Depth Bridge Plug Set: MD  
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)  
Attached

22. Was well cored?  No  Yes (Submit analysis)  
 Was DST run?  No  Yes (Submit report)  
 Directional Survey?  No  Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cement Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20"	16"	Cond.	0	80'		7 yds		Surface	
12 1/4"	9 5/8"	36#	0	474'		426 sxs		Surface	
8 1/2"	5 1/2"	17#	0	5763.5		835 sxs		Surface	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2 3/8"	5013'							

25. Producing Intervals

26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Ferron Coal	4706	4830	4706-18, 4726-30, 4750-60			Open
B)			4764-68, 4778-84,			
C)			4798-4802, 4824-30			
D)						

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

Depth Interval	Amount and Type of Material
4706-4830	Pump 1200 bbls 15% HCl. F w/238,630# 20/40 ottawa sand in a delta 140 xlink gel

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
1/19/11	1/19/11	24	→	0	10	111			Pump (2" x 1 1/2" x 20')
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→	0	10	111		Producing	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

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MAR 08 2011

\*(See instructions and spaces for additional data on page 2)

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

29. Disposition of Gas (Solid, used for fuel, vented, etc.)  
Sold

30. 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.

31. Formation (Log) Markers

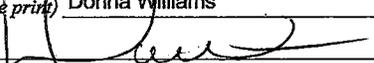
Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
				Top Bluegate Green Shale Marker	4537' 4530'
				Top Ferron Top Lower Ferron	4691' 4908'
				Lower Tunuck Bentonite	5133'

32. Additional remarks (include plugging procedure):

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- Electrical/Mechanical Logs (1 full set req'd.)     
  Geologic Report     
  DST Report     
  Directional Survey  
 Sundry Notice for plugging and cement verification     
  Core Analysis     
  Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)\*

Name (please print) Donna Williams      Title Sr. Regulatory Advisor  
 Signature       Date 03/04/2011

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



# Weatherford International Ltd.

## WFT Survey Report X & Y's



Company: ConocoPhillips	Date: 9/2/2010	Time: 09:23:46	Page: 1
Field: Carbon Co, Utah (UTM Zone 12)	Co-ordinate (NE) Reference: Well: USA #9-670D True North	SITE: 7700.0	
Site: USA #9-670D	Vertical (TVD) Reference: Well: (0.00N, 0.00E, 323.33Azi)	Minimum Curvature	
Well: USA #9-670D	Section (YS) Reference: Well: (0.00N, 0.00E, 323.33Azi)	Db: Sybase	
Wellpath: 1	Survey Calculation Method:		

Survey: Wft Svy	Start Date: 8/20/2010		
Company: Weatherford International Ltd.	Engineer: Russell W. Joyner		
Tool: MWD;MWD - Standard	Tied-to: User Defined		

Field: Carbon Co, Utah (UTM Zone 12)			
Map System: Universal Transverse Mercator	Map Zone: UTM Zone 12, North 114W to 108W		
Geo Datum: NAD27 (Clarke 1866)	Coordinate System: Well Centre		
Sys Datum: Mean Sea Level	Geomagnetic Model: IGRF2010		

Site: USA #9-670D			
Site Position:	Northing: 14354176.00 ft	Latitude: 39 31 40.467 N	
From: Map	Eastings: 1634213.00 ft	Longitude: 111 1 19.244 W	
Position Uncertainty: 0.00 ft		North Reference: True	
Ground Level: 7676.00 ft		Grid Convergence: -0.01 deg	

Well: USA #9-670D				Slot Name:			
Well Position:	+N-S 0.00 ft	Northing: 14354176.00 ft	Latitude: 39 31 40.467 N				
	+E-W 0.00 ft	Eastings: 1634213.00 ft	Longitude: 111 1 19.244 W				
Position Uncertainty: 0.00 ft							

Wellpath: 1				Drilled From: Surface			
Current Datum: SITE	Height 7700.00 ft	Tie-on Depth: 0.00 ft		Above System Datum: Mean Sea Level			
Magnetic Data: 7/7/2010		Declination: 11.73 deg		Mag Dip Angle: 65.20 deg			
Field Strength: 51983 nT		+E-W		Direction			
Vertical Section: Depth From (TVD)	+N-S			deg			
ft	ft						
0.00	0.00	0.00	323.33				

Survey											
MD	Incl	Azim	TVD	N/S	E/W	DLS	VS	MapN	MapE	Comment	
ft	deg	deg	ft	ft	ft	deg/100ft	ft	ft	ft	ft	
400.00	0.67	41.00	399.95	2.63	5.30	0.00	-1.06	1.43541e07	1634218.30	Tie On Gyro	
496.00	0.84	82.49	495.94	3.15	6.37	0.58	-1.28	1.43541e07	1634219.37	First Wft Svy	
537.00	0.78	53.00	536.94	3.35	6.89	1.02	-1.42	1.43541e07	1634219.89		
568.00	0.95	31.91	567.93	3.70	7.19	1.15	-1.33	1.43541e07	1634220.19		
599.00	1.37	8.46	598.93	4.28	7.38	2.02	-0.97	1.43541e07	1634220.38		
630.00	1.94	353.36	629.92	5.17	7.38	2.30	-0.26	1.43541e07	1634220.38		
661.00	2.75	343.86	660.89	6.41	7.11	2.89	0.89	1.43541e07	1634220.11		
692.00	3.44	341.98	691.84	8.00	6.61	2.25	2.47	1.43541e07	1634219.62		
723.00	4.44	339.98	722.77	10.02	5.91	3.26	4.50	1.43541e07	1634218.92		
753.00	5.31	338.48	752.66	12.40	5.01	2.93	6.96	1.43541e07	1634218.01		
784.00	6.19	337.36	783.51	15.28	3.84	2.86	9.96	1.43541e07	1634216.84		
815.00	7.06	336.36	814.30	18.56	2.43	2.83	13.44	1.43541e07	1634215.44		
846.00	7.81	334.73	845.04	22.21	0.77	2.51	17.36	1.43541e07	1634213.77		
877.00	8.94	335.23	875.71	26.31	-1.14	3.65	21.78	1.43542e07	1634211.87		
908.00	10.31	334.11	906.27	30.99	-3.36	4.46	26.86	1.43542e07	1634209.65		
939.00	11.63	333.36	936.70	36.28	-5.97	4.28	32.67	1.43542e07	1634207.04		
970.00	12.56	332.61	967.01	42.06	-8.92	3.04	39.07	1.43542e07	1634204.09		
1000.00	13.44	329.73	996.24	47.97	-12.18	3.64	45.75	1.43542e07	1634200.83		
1034.00	14.31	326.73	1029.25	54.90	-16.48	3.32	53.88	1.43542e07	1634196.53		
1065.00	15.25	323.23	1059.23	61.37	-21.02	4.18	61.78	1.43542e07	1634191.99		
1097.00	16.25	322.23	1090.03	68.28	-26.28	3.24	70.46	1.43542e07	1634186.73		
1128.00	17.56	320.98	1119.69	75.34	-31.89	4.39	79.47	1.43542e07	1634181.13		
1160.00	18.88	320.86	1150.08	83.11	-38.19	4.13	89.47	1.43542e07	1634174.83		
1191.00	19.75	321.86	1179.34	91.12	-44.59	3.00	99.72	1.43542e07	1634168.43		



# Weatherford International Ltd.

## WFT Survey Report X & Y's



Company: ConocoPhillips	Date: 9/2/2010	Time: 09:23:48	Page: 2
Field: Carbon Co. Utah (UTM Zone 12)	Co-ordinate (NE) Reference: Well: USA #9-670D, True North	Vertical (TVD) Reference: SITE 7700.0	
Site: USA #9-670D	Section (VS) Reference: Well: (0.00N, 0.00E, 323.33Az)	Survey Calculation Method: Minimum Curvature	
Well: USA #9-670D	Db: Sybase		
Wellpath: 1			

### Survey

MD	Incl	Azim	TVD	N/S	E/W	DLS	VS	MapN	MapE	Comment
ft	deg	deg	ft	ft	ft	deg/100ft	ft	ft	ft	
1223.00	20.63	320.48	1209.37	99.72	-51.52	3.13	110.75	1.43542e07	1634161.50	
1254.00	21.88	320.98	1238.26	108.42	-58.63	4.07	121.98	1.43542e07	1634154.39	
1286.00	22.81	319.73	1267.86	117.78	-66.40	3.26	134.13	1.43542e07	1634146.63	
1317.00	23.75	320.23	1296.33	127.17	-74.27	3.10	146.36	1.43543e07	1634138.76	
1349.00	24.53	319.72	1325.53	137.19	-82.69	2.52	159.42	1.43543e07	1634130.34	
1380.00	25.56	320.73	1353.62	147.27	-91.08	3.60	172.52	1.43543e07	1634121.95	
1412.00	26.68	320.35	1382.35	158.15	-100.04	3.54	186.60	1.43543e07	1634113.00	
1443.00	27.31	319.23	1409.97	168.89	-109.12	2.61	200.64	1.43543e07	1634103.92	
1474.00	28.38	319.73	1437.38	179.90	-118.53	3.53	215.09	1.43543e07	1634094.51	
1506.00	29.00	319.51	1465.45	191.61	-128.47	1.95	230.42	1.43543e07	1634084.57	
1537.00	29.75	318.11	1492.47	203.06	-138.48	3.39	245.57	1.43543e07	1634074.57	
1569.00	30.63	318.73	1520.13	215.10	-149.16	2.92	261.61	1.43543e07	1634063.90	
1600.00	32.06	318.86	1546.60	227.23	-159.78	4.62	277.68	1.43544e07	1634053.28	
1663.00	33.44	320.11	1599.59	253.15	-181.91	2.44	311.68	1.43544e07	1634031.15	
1758.00	32.56	318.86	1679.26	292.48	-215.52	1.17	363.31	1.43544e07	1633997.55	
1852.00	32.31	319.70	1758.60	330.69	-248.41	0.55	413.59	1.43545e07	1633964.67	
1947.00	32.40	321.88	1838.85	370.08	-280.54	1.23	464.38	1.43545e07	1633932.55	
2041.00	33.06	323.73	1917.93	410.56	-311.26	1.27	515.19	1.43545e07	1633901.84	
2135.00	33.50	323.98	1996.51	452.22	-341.68	0.49	566.77	1.43546e07	1633871.43	
2230.00	34.44	324.23	2075.30	495.22	-372.80	1.00	619.85	1.43546e07	1633840.32	
2324.00	34.31	323.61	2152.88	538.11	-404.06	0.40	672.92	1.43547e07	1633809.08	
2419.00	32.81	323.11	2232.04	580.25	-435.39	1.61	725.43	1.43547e07	1633777.75	
2513.00	32.06	322.36	2311.38	620.38	-465.92	0.91	775.85	1.43547e07	1633747.24	
2607.00	31.19	322.36	2391.42	659.41	-496.02	0.93	825.13	1.43548e07	1633717.14	
2702.00	30.56	322.11	2472.96	697.95	-525.87	0.68	873.87	1.43548e07	1633687.30	
2796.00	31.38	322.36	2553.56	736.19	-555.50	0.88	922.23	1.43549e07	1633657.68	
2891.00	32.13	322.36	2634.33	775.78	-586.03	0.79	972.22	1.43549e07	1633627.16	
2985.00	32.13	324.23	2713.94	815.85	-615.91	1.06	1022.21	1.43549e07	1633597.29	
3078.00	32.05	325.50	2792.73	856.26	-644.34	0.73	1071.59	1.43550e07	1633568.87	
3172.00	32.37	322.89	2872.27	896.88	-673.65	1.52	1121.68	1.43550e07	1633539.57	
3267.00	33.59	322.42	2951.96	937.99	-705.02	1.31	1173.39	1.43551e07	1633508.21	
3361.00	35.19	327.23	3029.54	981.38	-735.55	3.35	1226.43	1.43551e07	1633477.69	
3456.00	34.75	329.11	3107.39	1027.63	-764.26	1.23	1280.68	1.43552e07	1633448.99	
3552.00	34.94	328.23	3186.18	1074.49	-792.78	0.56	1335.29	1.43552e07	1633420.48	
3646.00	33.69	326.98	3263.82	1119.23	-821.17	1.53	1388.13	1.43552e07	1633392.11	
3741.00	32.86	325.29	3343.24	1162.51	-850.20	1.31	1440.18	1.43553e07	1633363.08	
3835.00	32.75	324.53	3422.25	1204.18	-879.48	0.45	1491.09	1.43553e07	1633333.82	
3929.00	31.84	327.26	3501.71	1245.75	-907.64	1.83	1541.25	1.43554e07	1633305.66	
4024.00	32.37	328.63	3582.19	1288.54	-934.43	0.95	1591.57	1.43554e07	1633278.88	
4055.00	33.22	332.11	3608.25	1303.13	-942.73	6.67	1608.23	1.43554e07	1633270.59	
4087.00	32.47	331.98	3635.13	1318.46	-950.86	2.35	1625.39	1.43554e07	1633262.46	
4118.00	31.82	331.56	3661.38	1333.00	-958.66	2.22	1641.70	1.43555e07	1633254.66	
4150.00	30.36	329.38	3688.78	1347.38	-966.80	5.76	1658.10	1.43555e07	1633246.53	
4181.00	28.48	327.78	3715.79	1360.37	-974.73	6.57	1673.26	1.43555e07	1633238.60	
4213.00	26.87	326.57	3744.12	1372.86	-982.78	5.33	1688.08	1.43555e07	1633230.55	
4244.00	25.19	324.21	3771.98	1384.06	-990.50	6.37	1701.68	1.43555e07	1633222.84	
4276.00	23.64	322.47	3801.12	1394.67	-998.39	5.34	1714.90	1.43555e07	1633214.95	
4307.00	22.20	319.67	3829.67	1404.07	-1005.97	5.83	1726.96	1.43555e07	1633207.37	
4339.00	20.52	316.36	3859.47	1412.74	-1013.76	6.46	1738.56	1.43555e07	1633199.59	
4370.00	19.25	315.43	3888.62	1420.31	-1021.09	4.22	1749.02	1.43555e07	1633192.26	
4401.00	17.73	314.97	3918.02	1427.29	-1028.02	4.93	1758.75	1.43556e07	1633185.33	
4433.00	16.24	316.66	3948.63	1433.98	-1034.54	4.90	1768.02	1.43556e07	1633178.81	

Weatherford International Ltd.  
WFT Survey Report X & Y's



Company: ConocoPhillips	Date: 9/2/2010	Time: 09:23:48	Page: 3
Field: Carbon Co, Utah (UTM Zone 12)	Co-ordinate(NE) Reference:	Well: USA #9-670D - True North	
Site: USA #9-670D	Vertical (TVD) Reference:	SITE: 7700.0	
Well: USA #9-670D	Section (VS) Reference:	Well (0.00N 0.00E 323.33Azi)	
Wellpath: 1	Survey Calculation Method:	Minimum Curvature	Db: Sybase

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	DLS deg/100ft	VS ft	MapN ft	MapE ft	Comment
4464.00	14.77	317.18	3978.50	1440.04	-1040.20	4.76	1776.25	1.43556e07	1633173.15	
4496.00	14.39	318.39	4009.47	1446.00	-1045.61	1.52	1784.27	1.43556e07	1633167.74	
4498.62	14.30	318.44	4012.00	1446.49	-1046.04	3.32	1784.91	1.43556e07	1633167.31	T/ Blue Gate Sha
4527.00	13.37	319.00	4039.56	1451.59	-1050.52	3.32	1791.68	1.43556e07	1633162.83	
4590.00	11.58	322.54	4101.07	1462.10	-1059.15	3.09	1805.27	1.43556e07	1633154.21	
4656.17	10.66	320.64	4166.00	1472.11	-1067.07	1.50	1818.02	1.43556e07	1633146.29	T/ Ferron
4685.00	10.26	319.70	4194.35	1476.13	-1070.42	1.50	1823.24	1.43556e07	1633142.94	
4692.77	10.32	319.66	4202.00	1477.18	-1071.32	0.75	1824.63	1.43556e07	1633142.04	T/ Ferron Coal 4
4779.00	10.96	319.25	4286.74	1489.28	-1081.67	0.75	1840.51	1.43556e07	1633131.70	
4863.76	10.62	319.43	4370.00	1501.32	-1092.01	0.40	1856.34	1.43556e07	1633121.36	B/ Ferron Coal 1
4875.00	10.58	319.46	4381.05	1502.89	-1093.35	0.40	1858.41	1.43556e07	1633120.02	
4971.00	8.79	329.19	4475.69	1515.89	-1102.84	2.52	1874.50	1.43556e07	1633110.53	
4971.32	8.79	329.18	4476.00	1515.93	-1102.86	0.53	1874.55	1.43556e07	1633110.51	T/ Tununk
5052.26	8.71	326.43	4556.00	1526.35	-1109.42	0.53	1886.82	1.43557e07	1633103.95	T/ Lower Bent Mkr
5066.00	8.70	325.96	4569.58	1528.08	-1110.58	0.53	1888.90	1.43557e07	1633102.80	
5160.00	9.22	325.24	4662.43	1540.16	-1118.85	0.57	1903.53	1.43557e07	1633094.53	
5219.00	9.61	329.95	4720.64	1548.30	-1124.01	1.46	1913.14	1.43557e07	1633089.37	Last Wft Svy
5273.00	9.61	329.95	4773.88	1556.11	-1128.53	0.00	1922.10	1.43557e07	1633084.85	Proj. To Bit

Annotation

MD ft	TVD ft	
400.00	399.95	Tie On Gyro
496.00	495.94	First Wft Svy
5219.00	4720.64	Last Wft Svy
5273.00	4773.88	Proj. To Bit

ConocoPhillips

USA #9-670D  
Carbon Co, Utah



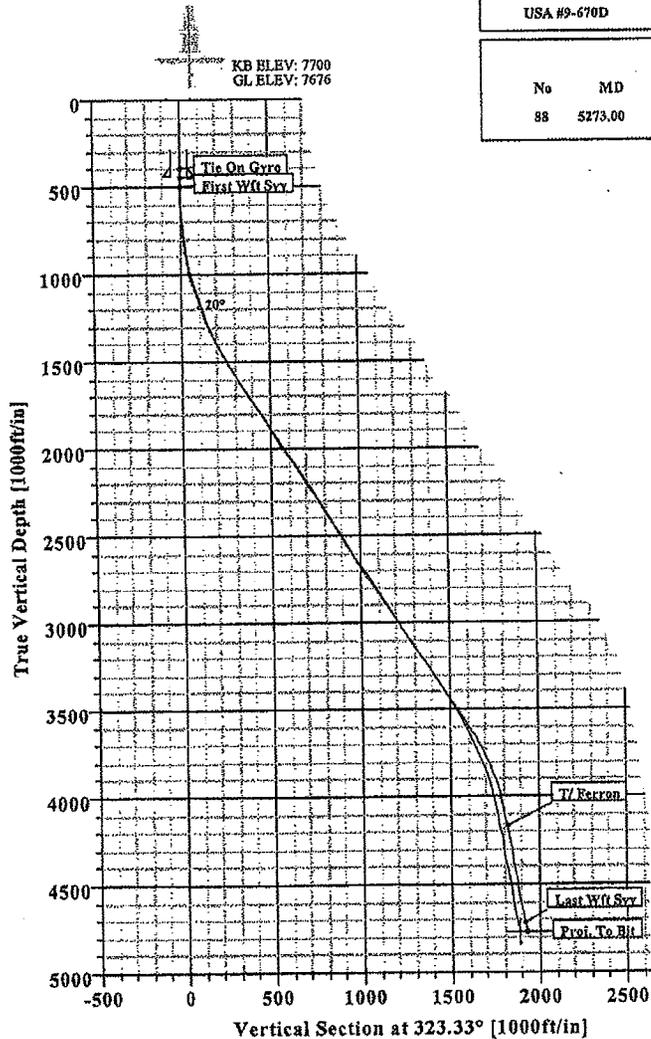
SECTION DETAILS										
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.00	0.00	323.33	0.00	0.00	0.00	0.00	0.00	0.00	
2	850.00	0.00	323.33	550.00	0.00	0.00	0.00	0.00	0.00	
3	1639.22	32.68	323.33	1581.13	242.46	-180.50	3.00	323.33	302.27	
4	3861.94	32.68	323.33	3452.05	1205.06	-897.08	0.00	0.00	1502.31	
5	4617.82	10.00	323.33	4151.54	1424.25	-1060.25	3.00	180.00	1775.56	
6	5245.82	10.00	323.33	4770.00	1511.72	-1125.37	0.00	0.00	1884.61	Fbhl

TARGET DETAILS						
Name	TVD	+N/-S	+E/-W	Latitude	Longitude	Shape
Fbhl	4770.00	1511.72	-1125.37	39°31'55.413N	111°01'33.612W	Circle (Radius: 75)

WELL DETAILS						
Name	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
USA #9-670D	0.00	0.00	14354176.00	1634213.00	39°31'40.467N	111°01'19.244W

Survey: Wft Svy (USA #9-670D/1)										
No	MD	Inc	Az	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	
88	5273.00	9.61	329.95	4773.88	1556.11	-1128.53	0.00	180.00	1922.10	

FORMATION TOP DETAILS			
No.	TVDPath	MDFPath	Formation
1	4012.00	-4475.06	T/ Blue Gate Shale
2	4165.00	-4632.51	T/ Ferron
3	4303.00	-4689.05	T/ Ferron Coal 4
4	4370.00	-4839.65	B/ Ferron Coal 1
5	4476.00	-4947.29	T/ Tununk
6	4556.00	-5028.52	T/ Lower Bent Mtr

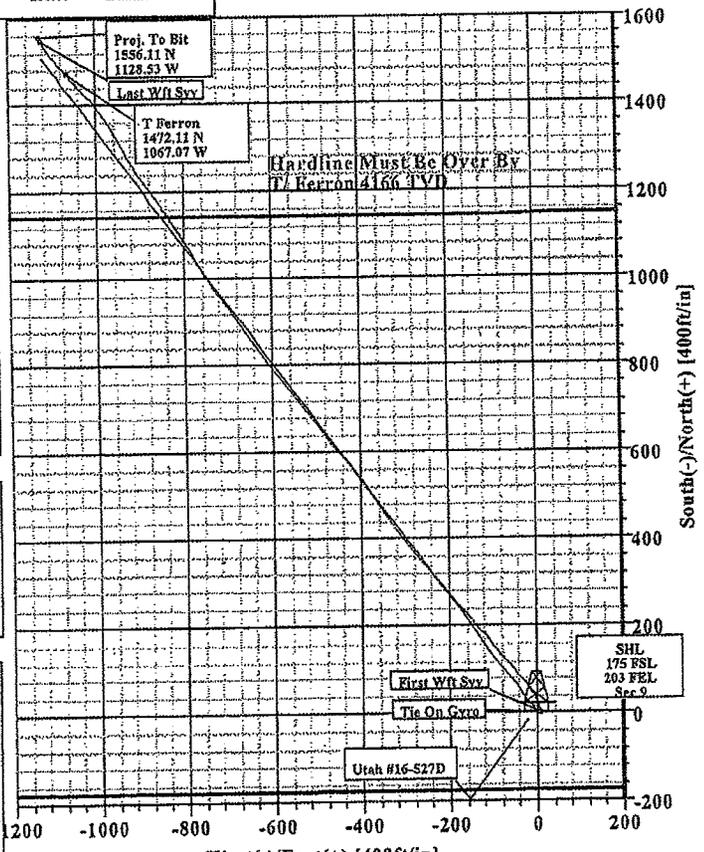
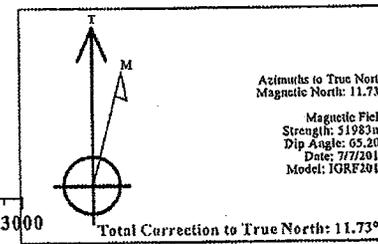


LEGEND	
	USA #9-670D, 1, Plan #2
	USA #9-670D, 1, Gyro
	Wft Svy

CASING DETAILS				
No.	TVD	MD	Name	Size
1	450.00	450.00	9 5/8"	9.625

**FIELD DETAILS**  
Carbon Co, Utah (UTM Zone 12)  
Geodetic System: Universal Transverse Mercator  
Ellipsoid: NAD83 (Clarke 1866)  
Zone: UTM Zone 12, North 114°W to 108°W  
Magnetic Model: IGRF2010  
System Datum: Mean Sea Level  
Local North: True North

**SITE DETAILS**  
USA #9-670D  
Site Centre Northing: 14354176.00  
Easting: 1634213.00  
Ground Level: 7676.00  
Positional Uncertainty: 0.00  
Convergence: -0.01



Survey: Wft Svy (USA #9-670D/1)  
Created By: Russell W. Joyner  
Date: 9/2/2010

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

5. Lease Serial No.  
BHL: UTU78408

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

**SUBMIT IN TRIPLICATE – Other instructions on page 2.**

7. If Unit of CA/Agreement, Name and/or No.  
Drunkards Wash UTU 67921X

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
USA 9-670D

2. Name of Operator  
ConocoPhillips Company

9. API Well No.  
43-007-50031

3a. Address  
P.O. Box 51810  
Midland, Tx 79710

3b. Phone No. (include area code)  
432-688-6943

10. Field and Pool or Exploratory Area  
Drunkards Wash

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
175 FSL & 203 FEL  
SESE of 9-15S-8E

11. Country or Parish, State  
Carbon County, Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>First Sales</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

The above well had first sales on January 19, 2011. The well is making 10 mcf and 111 bbls water.

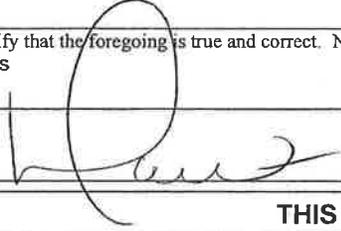
**RECEIVED**

**FEB 01 2011**

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

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)  
Donna Williams

Title Sr. Regulatory Advisor

Signature 

Date 01/26/2011

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office \_\_\_\_\_

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

ENTITY ACTION FORM

Operator: ConocoPhillips Company  
Address: P.O. Box 51810  
city Midland  
state Tx zip 79710

Operator Account Number: N 2335

RECEIVED

MAR 30 2011

Phone Number: (432) 688-6943  
DIV. OF OIL, GAS & MINING

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4300750031	USA 9-670D		SESE	9	15S	8E	Carbon
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
C	17723	17723				12/3/2010	
Comments: <u>FRSD BHL = NWSE — 3/30/11</u> <u>outside unit PA</u>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4300750032	Utah 16-527D		SESE	9	15S	8E	Carbon
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
C	17724	17724				12/6/2010	
Comments: <u>FRSD BHL Sec 16 SENE — 3/30/11</u> <u>outside unit PA</u>							

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 Advisor

Title

3/24/2011

Date

RECEIVED

MAR 30 2011



# United States Department of the Interior



## BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, UT 84145-0155

<http://www.blm.gov/ut/st/en.html>

IN REPLY REFER TO:  
3160 – UTU67921X  
(UT922100)

**APR 11 2012**

**RECEIVED**

**APR 13 2012**

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

ConocoPhillips Company  
3300 North "A" Street, Bldg. 6  
Midland, TX 79705  
Attn: Stephane A. Temple

Re: Non-Paying Well Determinations  
Drunkards Wash Unit, Carbon County, Utah

Dear Ms. Temple:

Pursuant to your request of March 1, 2012, it has been determined by this office that under existing conditions the following wells are not capable of producing unitized substances in paying quantities as defined in Section 9 of the unit agreement:

API No.	Well No.	Bottom Hole Location	Completion Date	Lease
4300731454	3-795D	NW¼NW¼ Sec. 3 T15S R8E	06/08/2009	UTU61155
4300731446	34-793	NW¼SW¼ Sec. 34 T14S R8E	06/09/2009	UTU61154
4300750031	9-670D	NW¼SE¼ Sec. 9 T15S R8E	12/03/2010	UTU78408
4300750032	16-527D	SE¼NE¼ Sec. 16 T15S R8E	12/06/2010	STATE

All past and future production from these wells shall be handled and reported on a lease basis.

As stated in our letter dated January 13, 2012, all legal subdivisions of lands (i.e., 40 acres by Government survey or its nearest lot or tract equivalent; in instances of irregular surveys, unusually large lots or tracts shall be considered in multiples of 40 acres or the nearest aliquot equivalent thereof), not within the Consolidated Ferron Formation Participating Area "A, C, D", UTU67921F, were eliminated automatically from the Drunkards Wash unit area, effective January 1, 2012.

You are requested to submit to this office a description of the lands eliminated from the unit area and promptly notify all parties of interest. Revised exhibits "A" and "B" should also be submitted showing the lands remaining in the unit area. When doing so please do not renumber the tracts.

If you have any questions, please contact Mickey Coulthard of this office at (801) 539-4042.

Sincerely,

Roger L. Bankert  
Chief, Branch of Minerals

43067-50031



# United States Department of the Interior



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Utah State Office

P.O. Box 45155

Salt Lake City, UT 84145-0155

<http://www.blm.gov/ut/st/en.html>

IN REPLY REFER TO:  
3180 (UTU67921X)  
UT-922100

AUG 02 2012

ConocoPhillips Company  
c/o UnitSource Incorporated  
11184 Huron Street, Suite 16  
Denver, Colorado 80234

USA 9-670D  
15S 8E 9

Re: Correction to  
Automatic Contraction  
Drunkards Wash Unit  
Carbon County, Utah

Dear Mr. Woodroof:

On July 26, 2012, the BLM Utah State Office notified ConocoPhillips Company, through UnitSource Incorporated, of the approval of the automatic contraction for the Drunkards Wash Unit. The status of leases in the decision was incorrect.

The correct lease status is as follows:

The following Federal Leases are entirely eliminated from the unit area:

UTU78408	UTU78409	UTU85138*
UTU79775	UTU78412	

\* Indicates non-committed lease

The following Federal Leases are partially eliminated from the unit area:

UTU60402    UTU61154    UTU61155    UTU72355

RECEIVED

AUG 07 2012

DIV. OF OIL, GAS & MINING