FORM 3

AMENDED REPORT ☑

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

APPLICATION FOR PERMIT TO DRILL							**1. WELL NAME and NUMBER** Utah 16-527D
2. TYPE OF WORK DRILL NEW WELL ◉ REENTER P&A WELL ○ DEEPEN WELL ○							**3. FIELD OR WILDCAT** DRUNKARDS WASH
4. TYPE OF WELL Gas Well Coalbed Methane Well: YES							**5. UNIT or COMMUNITIZATION AGREEMENT NAME** DRUNKARDS WASH
6. NAME OF OPERATOR CONOCOPHILLIPS COMPANY							**7. OPERATOR PHONE** 432 688-6943
8. ADDRESS OF OPERATOR P.O. Box 51810, Midland, TX, 79710							**9. OPERATOR E-MAIL** Donna.J.Williams@conocophillips.com
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) ML 46105		**11. MINERAL OWNERSHIP** FEDERAL ○ INDIAN ○ STATE ◉ FEE ○					**12. SURFACE OWNERSHIP** FEDERAL ○ INDIAN ○ STATE ○ FEE ◉
13. NAME OF SURFACE OWNER (if box 12 = 'fee') Plateau Mining Corporation							**14. SURFACE OWNER PHONE (if box 12 = 'fee')**
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')							**16. SURFACE OWNER E-MAIL (if box 12 = 'fee')**
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')		**18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS** YES ○ (Submit Commingling Application) NO ◉					**19. SLANT** VERTICAL ○ DIRECTIONAL ◉ HORIZONTAL ○

20. LOCATION OF WELL	**FOOTAGES**	**QTR-QTR**	**SECTION**	**TOWNSHIP**	**RANGE**	**MERIDIAN**
LOCATION AT SURFACE	160 FSL 231 FEL	SESE	9	15.0 S	8.0 E	S
Top of Uppermost Producing Zone	1145 FNL 701 FEL	SENE	9	15.0 S	8.0 E	S
At Total Depth	1325 FNL 1295 FEL	SENE	16	15.0 S	8.0 E	S

21. COUNTY CARBON	**22. DISTANCE TO NEAREST LEASE LINE (Feet)** 5280	**23. NUMBER OF ACRES IN DRILLING UNIT** 160
	25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 2000	**26. PROPOSED DEPTH** MD: 5244 TVD: 4802
27. ELEVATION - GROUND LEVEL 7676	**28. BOND NUMBER** 6196922	**29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE** Price River Water Improvement District

ATTACHMENTS

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

☑ **WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER**	☑ **COMPLETE DRILLING PLAN**
☑ **AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)**	☐ **FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER**
☑ **DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)**	☑ **TOPOGRAPHICAL MAP**

NAME Donna Williams	**TITLE** Sr. Regulatory Specialist	**PHONE** 432 688-6943
SIGNATURE	**DATE** 06/29/2010	**EMAIL** donna.j.williams@conocophillips.com

API NUMBER ASSIGNED 43007500320000	**APPROVAL**  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			

Proposed Hole, Casing, and Cement						
String	**Hole Size**	**Casing Size**	**Top (MD)**	**Bottom (MD)**		
Prod	8.5	5.5	0	5244		
Pipe	**Grade**	**Length**	**Weight**			
	Grade M-80 LT&C	5244	17.0			

DRILLING PROGRAM – Revised June 8, 2010

ConocoPhillips Company
Utah 16-527D
Surface Location: 161' FSL & 231' FEL of Sec. 9-15S-8E (SE/SE)
Target / BH Location: 1325' FNL & 1295' FEL of Sec. 16-15S-8E (SE/NE)
Carbon County, Utah

All operations will be conducted in such a manner that full compliance is made with applicable laws, regulations, (43 CFR 3160), 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: 4174' TVD

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

Formation	Depth
Expected Oil Zones:	None
Expected Gas Zones:	4174'-4380' TVD
Expected Water Zones:	1500'-4380' TVD
Expected Mineral Zones:	None

   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 5,000 psi double ram preventer (blind / pipe) and 3,000 psi

choke manifold 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 3,000 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 BOPE Schematic & Size/Rating/Testing Information.

Maximum anticipated surface pressure = 1,250 psi based on a partially evacuated hole with a gradient of 0.22 psi/ft at a planned depth of 4,802' TVD.

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
12-1/4"	9-5/8"	36	J55	ST&C	0-450'
8-1/2"	5-1/2"	17	M80	LT&C	0-4,802' TVD (0-5,244' MD)

Cementing Program

The 9-5/8" surface casing will be set with approximately 255 sacks Class G cement with 2% $CaCl_2$ + ¼ pps D130 mixed at 15.8 ppg (yield =1.17 ft^3/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 sacks of Class G cement containing 2% $CaCl_2$ + ¼ pps D130 mixed at 15.8 ppg (yield =1.17 ft^3/sx).

The 5 ½" 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 3,950' TVD / 4,375' MD.

1st Stage Cement Program: 115 sacks (48 bbls) of LiteCrete Cement mixed at 9.6 ppg (yield = 2.36 ft^3/ft) 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.

2nd Stage Cement Program: 575 sacks (241 bbls) of LiteCrete Cement mixed at 9.6 ppg (yield = 2.36 ft^3/ft) 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° 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 igniter 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 are1600-2000 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 properties listed 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 ft2	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 31° / 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 maximum. 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 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.

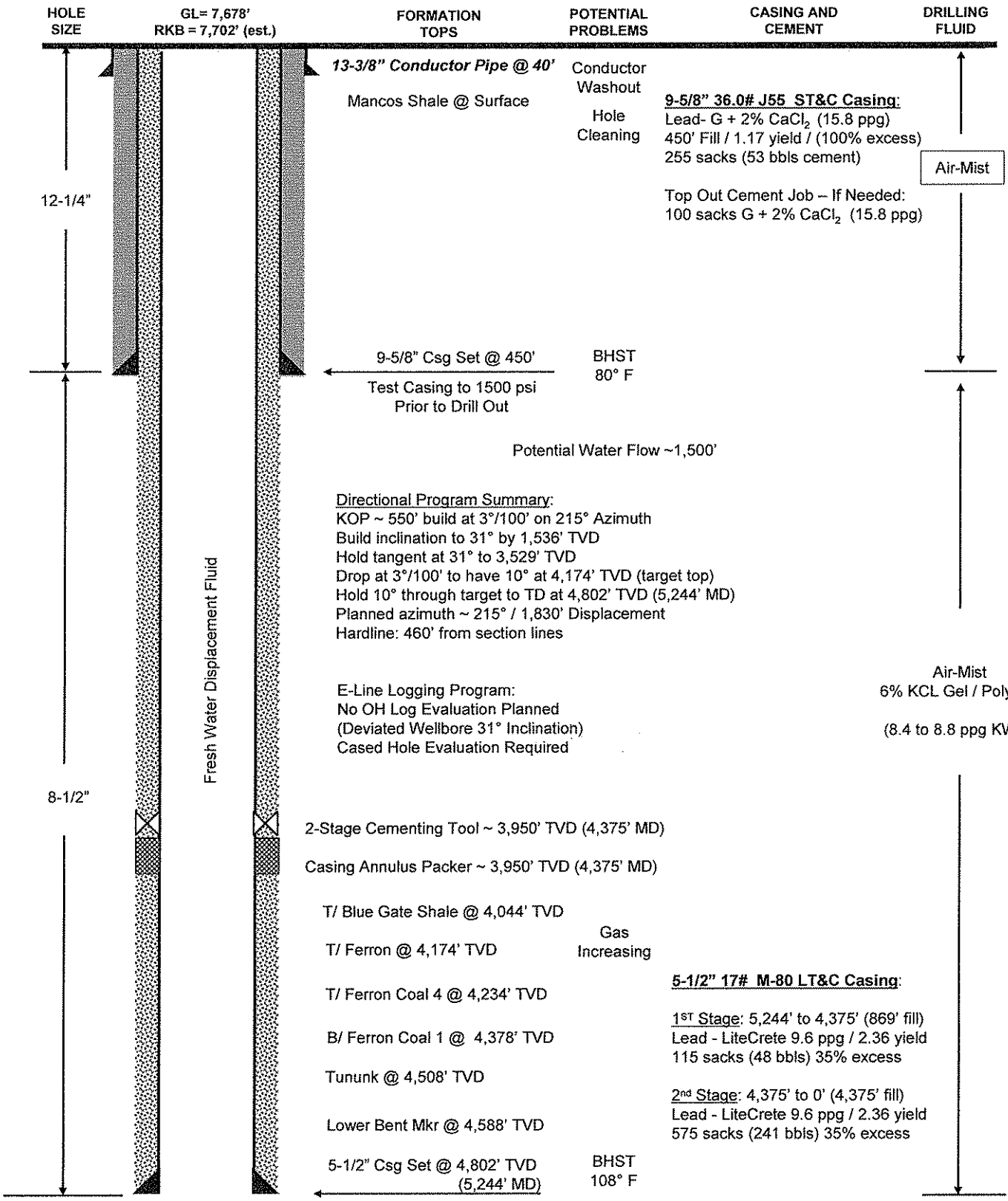
Spills, blowouts, fires, leaks, accidents or other unusual occurrences shall be reported to the Division of Oil, Gas & Mining and Bureau of Land Management immediately.

'APIWellNo:43007500320000'

WELLBORE SCHEMATIC & DRILLING PROGNOSIS

ConocoPhillips

Well Name	**: Utah 16-527D**	**API #**	**:**
Surf. Location	**: 161' FSL & 231' FEL of Sec. 9-15S-8E**	**Lease #**	**:**
BH Location	**: 1,325' FNL & 1,295' FEL of Sec. 16-15S-8E**	**Field / Area**	**: Drunkard's Wash**
County	**: Carbon**	**Permit TD**	**: 5,000' TVD**
State	**: Utah**	**Targets**	**: Ferron / Ferron Coal**



Planned TD= 5,244' MD / 4,802' TVD

GOH
06/08/2010

MMS REPORT

APD INFORMATION SHEET

Lease : Utah 16-527D Well : Area / Blk : Drunkards Wash Field : Drunkards Wash

Company : ConocoPhillips Approx. date work will start : July 1, 2010

Surface Location : 161' FSL & 231' FEL (Sec 9-15S-8E) Gas Gradient (psi/ft) : 0.100

Bottom Hole Location : 1325' FNL & 1295' FEL (Sec 16-15S-8E) Salt-water Gradient (psi/ft) : 8.400

Rig Name : H&P Rig 275 Type : Diesel Electric WD : N/A RKB 7697 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	9 5/8"	36.000 J-55	3520.00 2023.35	STC	176	2.34	5.58	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	1140	1.18	12.94	2.18	5244.0 4802.2	8.50	8.60	8.60	3000	11,000	3M / 5M	2100/3000	1500	0.0	1628	Air

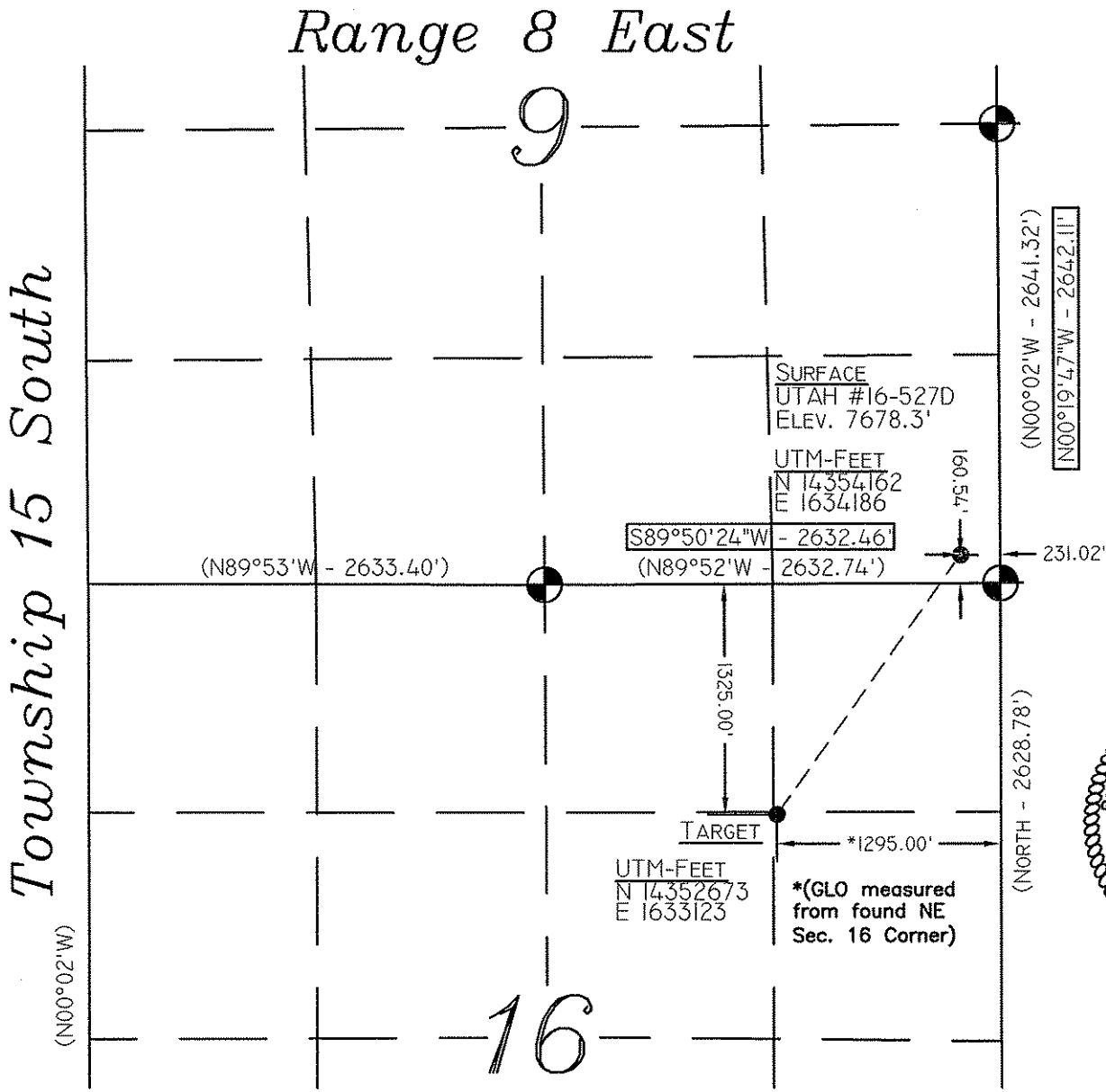
Minimum Mud Quantities : 150 Sacks Barite and 150 Sacks Gel

Zone Protection Statement :

Surface casing cemented to surface / Production casing cemented to surface (2-stage design)

Mud Disposal Statement :

Will Oil-base Mud Be Used : No



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 160.54' from South Line and West 231.02' from East Line of Section 9, T15S, R8E, Salt Lake Base & Meridian.

Target

Proposed Target located in the SE/4 NE/4 of Section 16, T15S, R8E, S.L.B.&M., being South 1325.00' from North Line and West 1295.00' from East Line of Section 16, T15S, R8E, Salt Lake Base & Meridian.

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	TARGET
LAT / LONG	LAT / LONG
39°31'40.612"N	39°31'25.887"N
111°01'19.547"W	111°01'33.123"W

Registered Professional Engineer
No. 5049079-2202
Mark Reynolds
6-2-10
State of Utah

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

REVISION: 6/01/10

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 @ etv.net

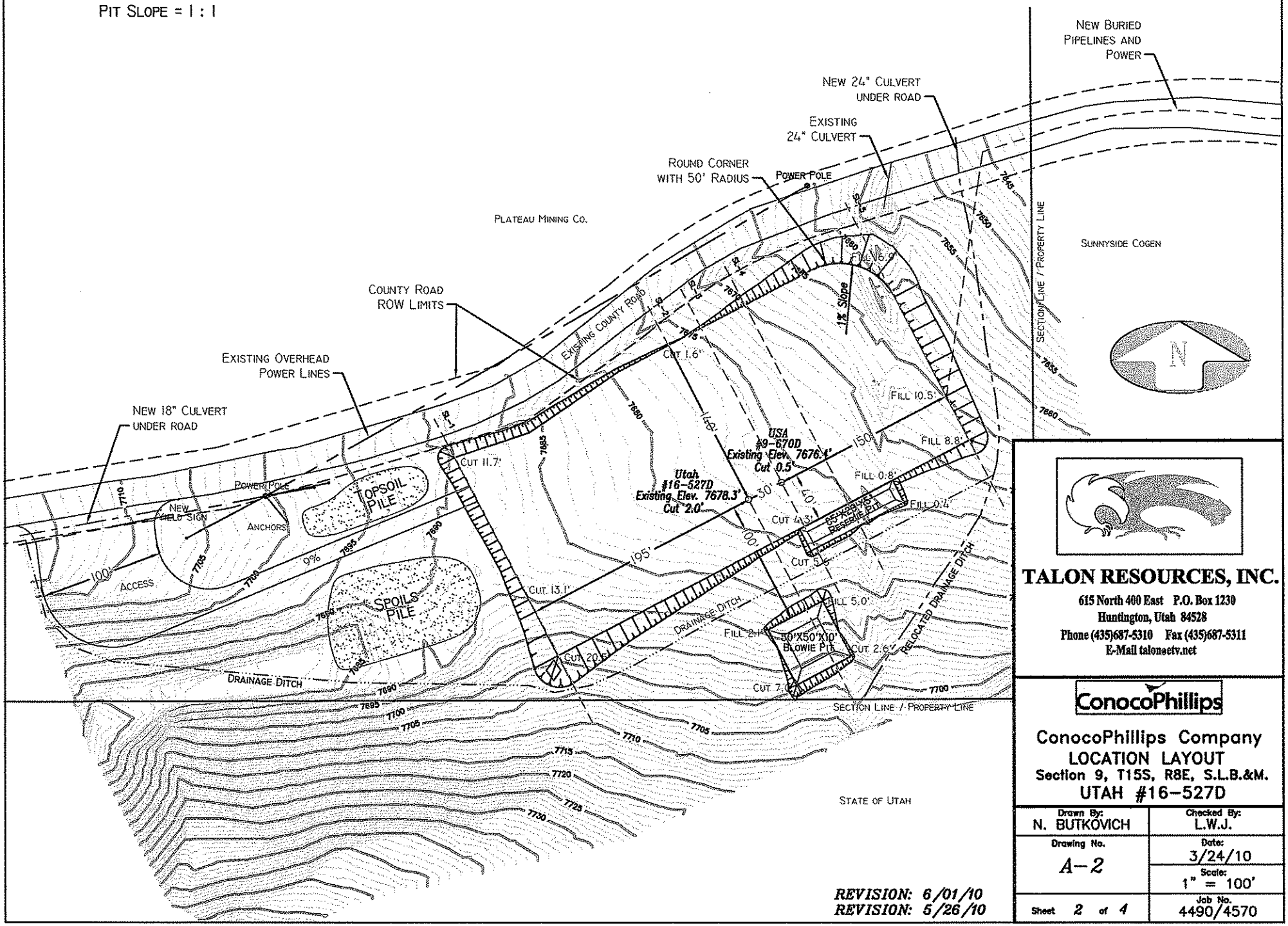
ConocoPhillips

ConocoPhillips Company
WELL UTAH #16-527D
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. 4490/4570

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

ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 7678.3'
ELEVATION OF GRADED GROUND AT LOCATION STAKE = 7676.3'



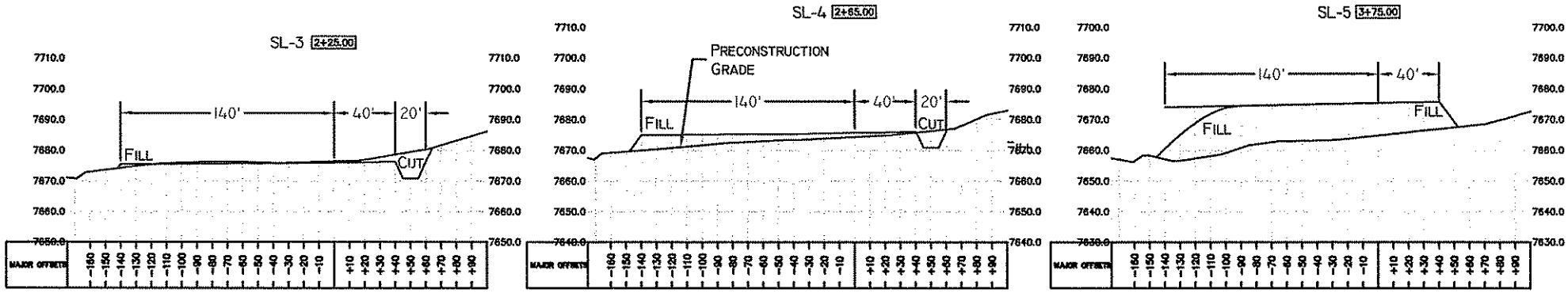
REVISION: 6/01/10
REVISION: 5/26/10

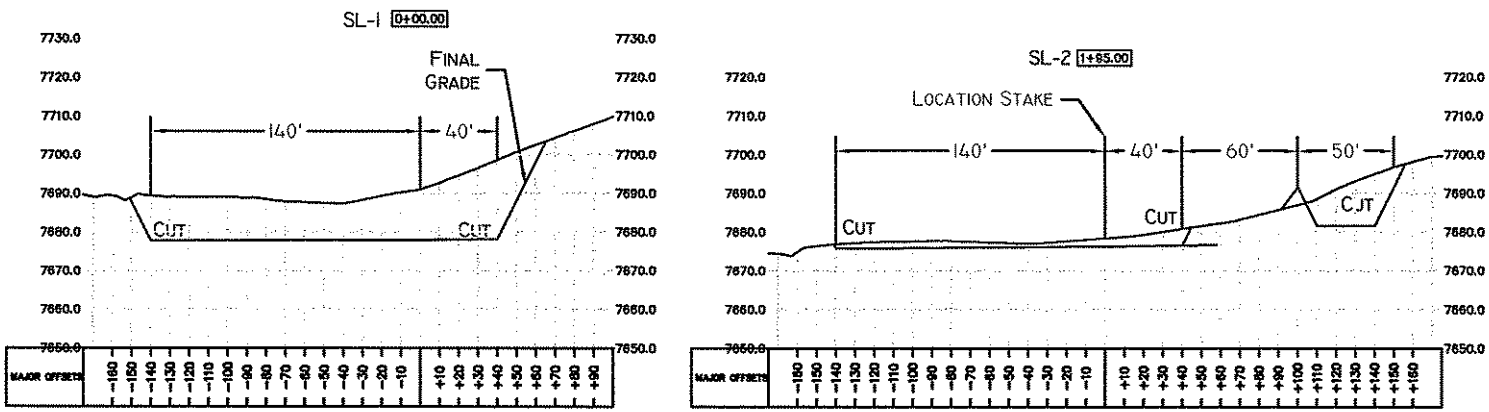
TALON RESOURCES, INC.
615 North 400 East P.O. Box 1230
Huntington, Utah 84528
Phone (435)687-5310 Fax (435)687-5311
E-Mail talonetv.net

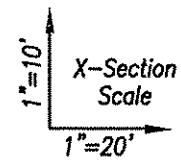
ConocoPhillips

ConocoPhillips Company
LOCATION LAYOUT
Section 9, T15S, R8E, S.L.B.&M.
UTAH #16-527D

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. A-2	Date: 3/24/10
	Scale: 1" = 100'
Sheet 2 of 4	Job No. 4490/4570







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

APPROXIMATE YARDAGES

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

REVISION: 6/01/10

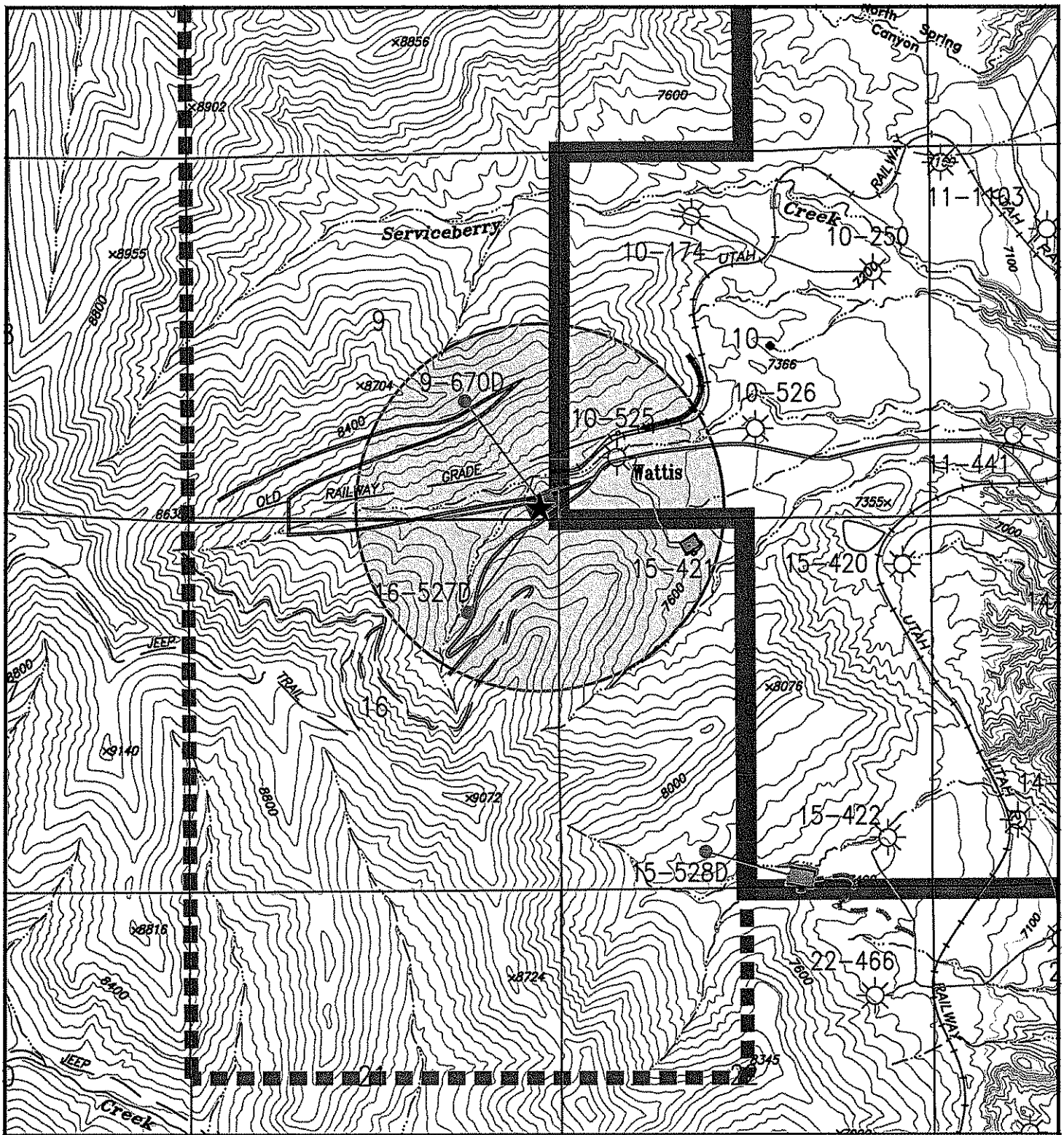
TALON RESOURCES, INC.
615 North 400 East P.O. Box 1230
Huntington, Utah 84528
Phone (435)687-5310 Fax (435)687-5311
E-Mail talonsetv.net

ConocoPhillips

ConocoPhillips Company
TYPICAL CROSS SECTION
Section 9, T15S, R8E, S.L.B.&M.
UTAH #16-527D

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. 4490/4570

'APIWellNo:43007500320000'



LEGEND

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

Scale: 1" = 2000'

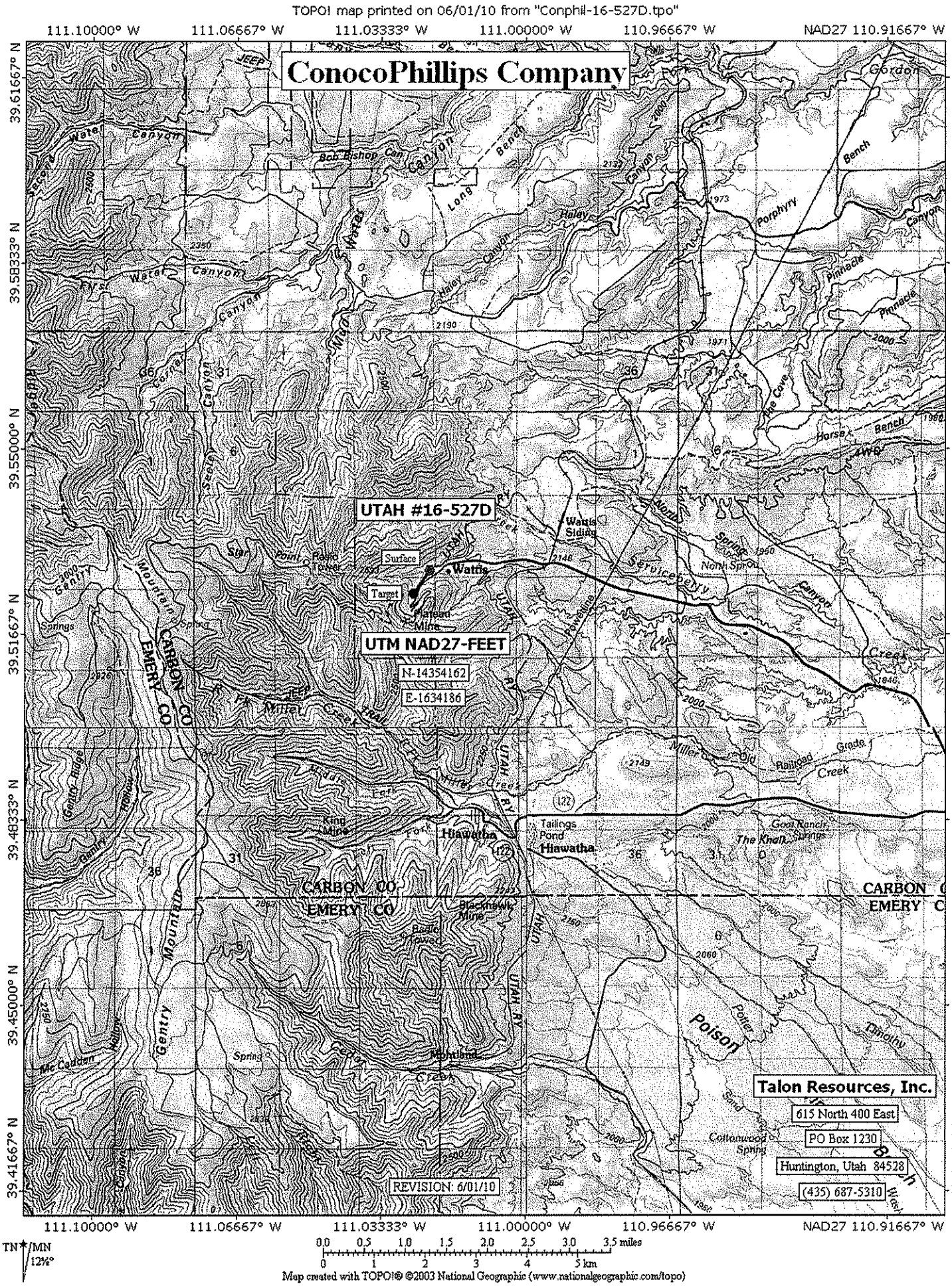
March 24, 2010
Revision: June 01, 2010

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

ConocoPhillips

WELL UTAH #16-527D
Section 9, T15S, R8E, S.L.B.&M.
Drawing L-1 4 of 4

'APIWellNo:43007500320000'



'APIWellNo:43007500320000'

Weatherford®

Drilling Services

Proposal

ConocoPhillips

UTAH #16-527D

CARBON COUNTY, UTAH

WELL FILE: **PLAN1**

JUNE 7, 2010

Weatherford International, Ltd.
P.O. Box 61028
Midland, TX 79711 USA
+1.432.561.8892 Main
+1.432.561.8895 Fax
www.weatherford.com

ConocoPhillips

Utah #16-527D
Carbon Co, Utah

Weatherford

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.00	0.00	215.51	0.00	0.00	0.00	0.00	0.00	0.00	
2	550.00	0.00	215.51	550.00	0.00	0.00	0.00	0.00	0.00	
3	1585.75	31.07	215.51	1535.72	-223.07	-159.17	3.00	215.51	274.04	
4	3913.49	31.07	215.51	3529.46	-1201.04	-856.98	0.00	0.00	1475.43	
5	4615.90	10.00	215.51	4183.54	-1400.49	-999.29	3.00	180.00	1720.45	
6	5243.90	10.00	215.51	4802.00	-1489.26	-1062.63	0.00	0.00	1829.51	Pbhl

TARGET DETAILS

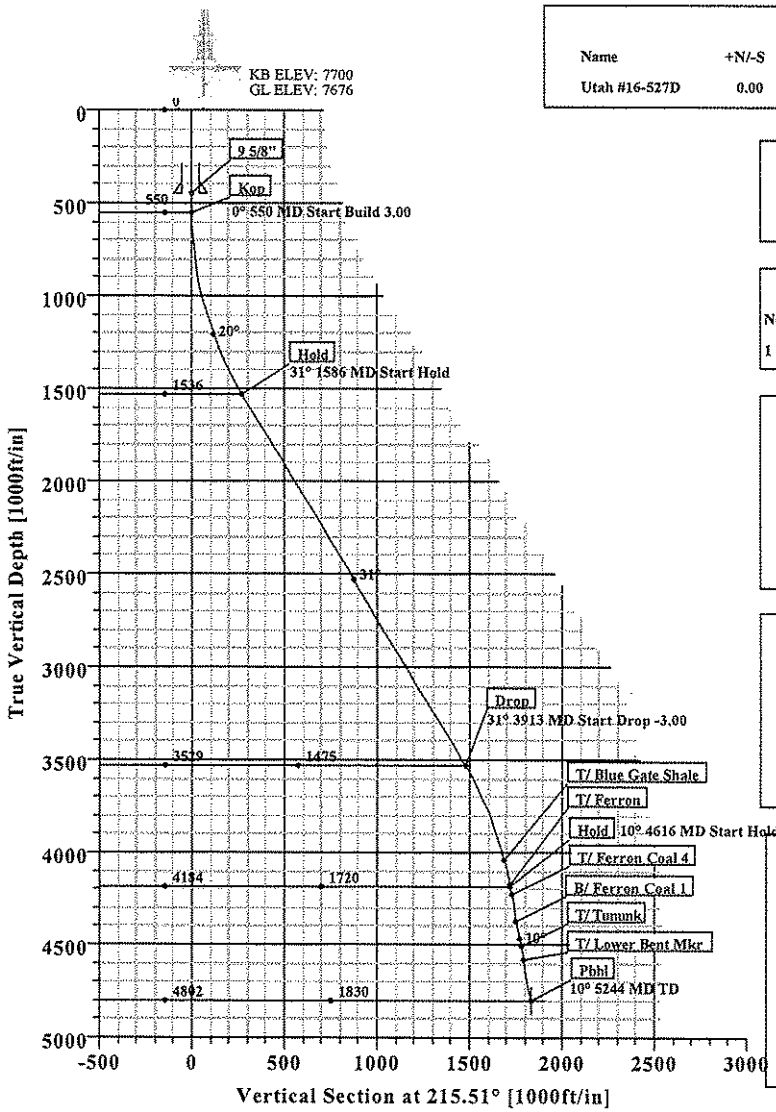
Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Shape
Pbhl	4802.00	-1489.26	-1062.63	14352673.00	1633123.00	39°31'25.603N	111°01'33.154W	Point

WELL DETAILS

Name	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
Utah #16-527D	0.00	0.00	14354162.00	1634186.00	39°31'40.328N	111°01'19.589W	N/A

FORMATION TOP DETAILS

No.	TVDPath	MDPath	Formation
1	4044.00	4473.14	T/ Blue Gate Shale
2	4174.00	4606.21	T/ Ferron
3	4234.00	4667.14	T/ Ferron Coal 4
4	4378.00	4813.36	B/ Ferron Coal 1
5	4508.00	4945.37	T/ Tununk
6	4588.00	5026.60	T/ Lower Bent Mkr



LEGEND

USA #9-670D (1)
Plan #1

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

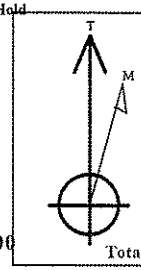
System Datum: Mean Sea Level
Local North: True North

SITE DETAILS

Utah #16-527D

Site Centre Northing: 14354162.00
Easting: 1634186.00

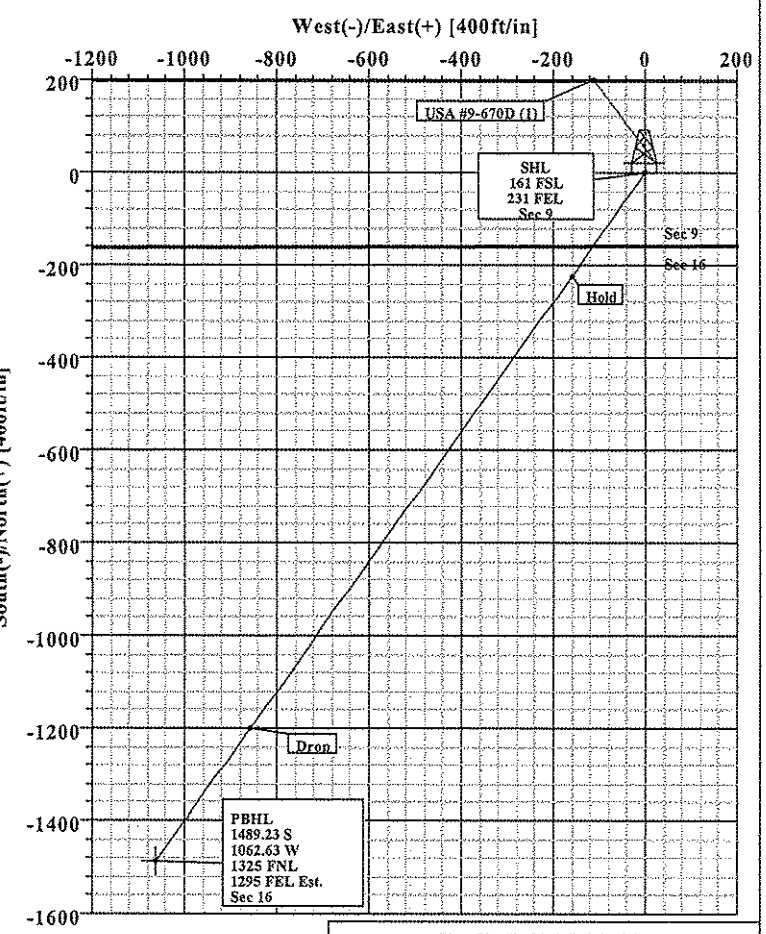
Ground Level: 7678.00
Positional Uncertainty: 0.00
Convergence: -0.01



Azimuths to True North
Magnetic North: 11.73°

Magnetic Field
Strength: 51982nT
Dip Angle: 65.20°
Date: 7/7/2010
Model: IGRF2010

Total Correction to True North: 11.73°



Plan: Plan #1 (Utah #16-527D/1)
Created By: Russell W Joyner Date: 6/7/2010

'APIWellNo:43007500320000'

ConocoPhillips

Weatherford International Ltd.

WFT Plan Report - X & Y's

Weatherford

Company:	ConocoPhillips	**Date:** 6/7/2010	**Time:** 12:29:51	**Page:**	1
Field:	Carbon Co, Utah (UTM Zone 12)	**Co-ordinate(NE) Reference:**	Well: Utah #16-527D, True North		
Site:	Utah #16-527D	**Vertical (TVD) Reference:**	SITE 7702.0		
Well:	Utah #16-527D	**Section (VS) Reference:**	Well (0.00N,0.00E,215.51Azi)		
Wellpath:	1	**Survey Calculation Method:**	Minimum Curvature	**Db:**	Sybase

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: Utah #16-527D

Site Position:		**Northing:**	14354162.00 ft	**Latitude:**	39 31 40.328 N
From:	Map	**Easting:**	1634186.00 ft	**Longitude:**	111 1 19.589 W
Position Uncertainty:	0.00 ft			**North Reference:**	True
Ground Level:	7678.00 ft			**Grid Convergence:**	-0.01 deg

Well: Utah #16-527D **Slot Name:**

Well Position:	**+N/-S**	0.00 ft	**Northing:**	14354162.00 ft	**Latitude:**	39 31 40.328 N
	+E/-W	0.00 ft	**Easting :**	1634186.00 ft	**Longitude:**	111 1 19.589 W
Position Uncertainty:		0.00 ft				

Wellpath: 1 **Drilled From:** Surface

Tie-on Depth: 0.00 ft

Current Datum:	SITE	**Height** 7702.00 ft	**Above System Datum:** Mean Sea Level
Magnetic Data:	7/7/2010		**Declination:** 11.73 deg
Field Strength:	51982 nT		**Mag Dip Angle:** 65.20 deg

Vertical Section:	**Depth From (TVD)** ft	**+N/-S** ft	**+E/-W** ft	**Direction** deg
	0.00	0.00	0.00	215.51

Plan Section Information

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg	Target
0.00	0.00	215.51	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
550.00	0.00	215.51	550.00	0.00	0.00	0.00	0.00	0.00	0.00	
1585.75	31.07	215.51	1535.72	-223.07	-159.17	3.00	3.00	0.00	215.51	
3913.49	31.07	215.51	3529.46	-1201.04	-856.98	0.00	0.00	0.00	0.00	
4615.90	10.00	215.51	4183.54	-1400.49	-999.29	3.00	-3.00	0.00	180.00	
5243.90	10.00	215.51	4802.00	-1489.26	-1062.63	0.00	0.00	0.00	0.00	Pbhl

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	DLS deg/100ft	MapN ft	MapE ft	Comment
500.00	0.00	215.51	500.00	0.00	0.00	0.00	0.00	1.43541e07	1634186.00	
550.00	0.00	215.51	550.00	0.00	0.00	0.00	0.00	1.43541e07	1634186.00	Kop
600.00	1.50	215.51	599.99	-0.53	-0.38	0.65	3.00	1.43541e07	1634185.62	
700.00	4.50	215.51	699.85	-4.79	-3.42	5.89	3.00	1.43541e07	1634182.58	
800.00	7.50	215.51	799.29	-13.30	-9.49	16.34	3.00	1.43541e07	1634176.51	
900.00	10.50	215.51	898.04	-26.03	-18.58	31.98	3.00	1.43541e07	1634167.42	
1000.00	13.50	215.51	995.85	-42.96	-30.65	52.77	3.00	1.43541e07	1634155.34	
1100.00	16.50	215.51	1092.43	-64.02	-45.68	78.65	3.00	1.43540e07	1634140.30	
1200.00	19.50	215.51	1187.52	-89.17	-63.63	109.55	3.00	1.43540e07	1634122.35	
1300.00	22.50	215.51	1280.87	-118.34	-84.44	145.38	3.00	1.43540e07	1634101.53	
1400.00	25.50	215.51	1372.22	-151.45	-108.06	186.05	3.00	1.43540e07	1634077.90	
1500.00	28.50	215.51	1461.31	-188.40	-134.43	231.44	3.00	1.43539e07	1634051.52	
1585.75	31.07	215.51	1535.72	-223.07	-159.17	274.04	3.00	1.43539e07	1634026.78	Hold
1600.00	31.07	215.51	1547.93	-229.06	-163.44	281.39	0.00	1.43539e07	1634022.50	
1700.00	31.07	215.51	1633.58	-271.07	-193.42	333.00	0.00	1.43538e07	1633992.51	
1800.00	31.07	215.51	1719.23	-313.09	-223.40	384.62	0.00	1.43538e07	1633962.53	
1900.00	31.07	215.51	1804.88	-355.10	-253.37	436.23	0.00	1.43538e07	1633932.54	
2000.00	31.07	215.51	1890.53	-397.11	-283.35	487.84	0.00	1.43537e07	1633902.55	
2100.00	31.07	215.51	1976.18	-439.13	-313.33	539.45	0.00	1.43537e07	1633872.56	

'APIWellNo:43007500320000'

ConocoPhillips

Weatherford International Ltd.

WFT Plan Report - X & Y's

Weatherford

Company:	ConocoPhillips	**Date:** 6/7/2010 **Time:** 12:29:51	**Page:** 2
Field:	Carbon Co, Utah (UTM Zone 12)	**Co-ordinate(NE) Reference:**	Well: Utah #16-527D, True North
Site:	Utah #16-527D	**Vertical (TVD) Reference:**	SITE 7702.0
Well:	Utah #16-527D	**Section (VS) Reference:**	Well (0.00N,0.00E,215.51Azi)
Wellpath:	1	**Survey Calculation Method:**	Minimum Curvature **Db:** Sybase

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	DLS deg/100ft	MapN ft	MapE ft	Comment
2200.00	31.07	215.51	2061.84	-481.14	-343.31	591.06	0.00	1.43536e07	1633842.57	
2300.00	31.07	215.51	2147.49	-523.15	-373.29	642.68	0.00	1.43536e07	1633812.58	
2400.00	31.07	215.51	2233.14	-565.17	-403.26	694.29	0.00	1.43535e07	1633782.60	
2500.00	31.07	215.51	2318.79	-607.18	-433.24	745.90	0.00	1.43535e07	1633752.61	
2600.00	31.07	215.51	2404.44	-649.19	-463.22	797.51	0.00	1.43535e07	1633722.62	
2700.00	31.07	215.51	2490.09	-691.21	-493.20	849.13	0.00	1.43534e07	1633692.63	
2800.00	31.07	215.51	2575.74	-733.22	-523.18	900.74	0.00	1.43534e07	1633662.64	
2900.00	31.07	215.51	2661.40	-775.24	-553.15	952.35	0.00	1.43533e07	1633632.65	
3000.00	31.07	215.51	2747.05	-817.25	-583.13	1003.96	0.00	1.43533e07	1633602.67	
3100.00	31.07	215.51	2832.70	-859.26	-613.11	1055.57	0.00	1.43533e07	1633572.68	
3200.00	31.07	215.51	2918.35	-901.28	-643.09	1107.19	0.00	1.43532e07	1633542.69	
3300.00	31.07	215.51	3004.00	-943.29	-673.07	1158.80	0.00	1.43532e07	1633512.70	
3400.00	31.07	215.51	3089.65	-985.30	-703.04	1210.41	0.00	1.43531e07	1633482.71	
3500.00	31.07	215.51	3175.30	-1027.32	-733.02	1262.02	0.00	1.43531e07	1633452.73	
3600.00	31.07	215.51	3260.96	-1069.33	-763.00	1313.64	0.00	1.43530e07	1633422.74	
3700.00	31.07	215.51	3346.61	-1111.34	-792.98	1365.25	0.00	1.43530e07	1633392.75	
3800.00	31.07	215.51	3432.26	-1153.36	-822.96	1416.86	0.00	1.43530e07	1633362.76	
3900.00	31.07	215.51	3517.91	-1195.37	-852.93	1468.47	0.00	1.43529e07	1633332.77	
3913.49	31.07	215.51	3529.46	-1201.04	-856.98	1475.43	0.00	1.43529e07	1633328.73	Drop
4000.00	28.48	215.51	3604.55	-1236.01	-881.93	1518.39	3.00	1.43529e07	1633303.77	
4100.00	25.48	215.51	3693.66	-1272.93	-908.27	1563.75	3.00	1.43528e07	1633277.41	
4200.00	22.48	215.51	3785.02	-1306.00	-931.88	1604.38	3.00	1.43528e07	1633253.80	
4300.00	19.48	215.51	3878.38	-1335.14	-952.67	1640.18	3.00	1.43528e07	1633233.01	
4400.00	16.48	215.51	3973.49	-1360.26	-970.59	1671.04	3.00	1.43528e07	1633215.07	
4473.14	14.28	215.51	4044.00	-1376.05	-981.86	1690.43	3.00	1.43527e07	1633203.81	T/ Blue Gate Shale
4500.00	13.48	215.51	4070.08	-1381.30	-985.60	1696.88	3.00	1.43527e07	1633200.06	
4600.00	10.48	215.51	4167.89	-1398.19	-997.65	1717.63	3.00	1.43527e07	1633188.00	
4606.21	10.29	215.51	4174.00	-1399.10	-998.30	1718.75	3.00	1.43527e07	1633187.35	T/ Ferron
4615.90	10.00	215.51	4183.54	-1400.49	-999.29	1720.45	3.00	1.43527e07	1633186.36	Hold
4667.14	10.00	215.51	4234.00	-1407.73	-1004.46	1729.35	0.00	1.43527e07	1633181.19	T/ Ferron Coal 4
4700.00	10.00	215.51	4266.36	-1412.38	-1007.78	1735.06	0.00	1.43527e07	1633177.88	
4800.00	10.00	215.51	4364.84	-1426.51	-1017.86	1752.42	0.00	1.43527e07	1633167.79	
4813.36	10.00	215.51	4378.00	-1428.40	-1019.21	1754.74	0.00	1.43527e07	1633166.44	B/ Ferron Coal 1
4900.00	10.00	215.51	4463.32	-1440.65	-1027.95	1769.79	0.00	1.43527e07	1633157.70	
4945.37	10.00	215.51	4508.00	-1447.06	-1032.52	1777.67	0.00	1.43527e07	1633153.12	T/ Tununk
5000.00	10.00	215.51	4561.80	-1454.78	-1038.03	1787.15	0.00	1.43527e07	1633147.61	
5026.60	10.00	215.51	4588.00	-1458.54	-1040.72	1791.77	0.00	1.43527e07	1633144.92	T/ Lower Bent Mkr
5100.00	10.00	215.51	4660.28	-1468.92	-1048.12	1804.52	0.00	1.43526e07	1633137.52	
5200.00	10.00	215.51	4758.76	-1483.05	-1058.21	1821.88	0.00	1.43526e07	1633127.43	
5243.90	10.00	215.51	4802.00	-1489.26	-1062.63	1829.51	0.00	1.43526e07	1633123.00	Pbhl

Targets

Name	Description Dip.	Dir.	TVD ft	+N/-S ft	+E/-W ft	Map Northing ft	Map Easting ft	<— Latitude —> Deg	Min	Sec	<— Longitude —> Deg	Min	Sec
Pbhl -Plan hit target			4802.00	-1489.26	-1062.63	14352673.00	1633123.00	39	31	25.603 N	111	1	33.154 W

'APIWellNo:43007500320000'

ConocoPhillips

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

Weatherford

Company:	ConocoPhillips	**Date:** 6/7/2010	**Time:** 12:29:51	**Page:**	3
Field:	Carbon Co, Utah (UTM Zone 12)	**Co-ordinate(NE) Reference:**	Well: Utah #16-527D, True North		
Site:	Utah #16-527D	**Vertical (TVD) Reference:**	SITE 7702.0		
Well:	Utah #16-527D	**Section (VS) Reference:**	Well (0.00N,0.00E,215.51Azi)		
Wellpath:	1	**Survey Calculation Method:**	Minimum Curvature	**Db:**	Sybase

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
1585.75	1535.72	Hold
3913.49	3529.47	Drop
4615.90	4183.54	Hold
5243.90	4802.00	Pbhl

Formations

MD ft	TVD ft	Formations	Lithology	Dip Angle deg	Dip Direction deg
4473.14	4044.00	T/ Blue Gate Shale		0.00	0.00
4606.21	4174.00	T/ Ferron		0.00	0.00
4667.14	4234.00	T/ Ferron Coal 4		0.00	0.00
4813.36	4378.00	B/ Ferron Coal 1		0.00	0.00
4945.37	4508.00	T/ Tununk		0.00	0.00
5026.60	4588.00	T/ Lower Bent Mkr		0.00	0.00

'APIWellNo:43007500320000'

Weatherford®

Weatherford Drilling Services

GeoDec v5.03

Report Date:	June 07, 2010
Job Number:	
Customer:	ConocoPhillips
Well Name:	Utah #16-527D
API Number:	
Rig Name:	
Location:	Carbon Co, Utah
Block:	
Engineer:	R joyner

Universal Transverse Mercator	Universal Transverse Mercator
System: Zone 12N (114 W to 108 W)	System: Zone 12N (114 W to 108 W)
Projection: Transverse Mercator/Gauss Kruger	Projection: Transverse Mercator/Gauss Kruger
Datum: NAD 1927 (NADCON CONUS)	Datum: NAD 1927 (NADCON CONUS)
Ellipsoid: Clarke 1866	Ellipsoid: Clarke 1866
North/South 14354162.000 USFT	North/South 14354162.000 USFT
East/West 1634186.000 USFT	East/West 1634186.000 USFT
Grid Convergence: -.01°	Grid Convergence: -.01°
Total Correction: +11.75°	Total Correction: +11.75°

Geodetic Location WGS84	Elevation =	0.0 Meters
Latitude =	39.52795° N	39° 31 min 40.612 sec
Longitude =	111.02210° W	111° 1 min 19.547 sec

Magnetic Declination =	11.74°	[True North Offset]	
Local Gravity =	.9994 g	CheckSum =	7424
Local Field Strength =	51986 nT	Magnetic Vector X =	21349 nT
Magnetic Dip =	65.20°	Magnetic Vector Y =	4436 nT
Magnetic Model =	IGRF-2010g11	Magnetic Vector Z =	47192 nT
Spud Date =	Jun 07, 2010	Magnetic Vector H =	21805 nT

Signed:_____ Date:_____

'APIWellNo:43007500320000'

ConocoPhillips

Weatherford International Ltd.

Anticollision Report

Weatherford

Company:	ConocoPhillips	**Date:** 6/7/2010	**Time:** 12:49:26	**Page:**	1
Field:	Carbon Co, Utah (UTM Zone 12)				
Reference Site:	Utah #16-527D	**Co-ordinate(NE) Reference:**	Well: Utah #16-527D, True North		
Reference Well:	Utah #16-527D	**Vertical (TVD) Reference:**	SITE 7702.0		
Reference Wellpath:	1			**Db:**	Sybase

NO GLOBAL SCAN: Using user defined selection & scan criteria

Interpolation Method:	MD **Interval:** 100.00 ft	**Reference:**	Plan: Plan #1
Depth Range:	0.00 to 5243.90 ft	**Error Model:**	ISCWSA Ellipse
Maximum Radius:	10000.00 ft	**Scan Method:**	Closest Approach 3D
		Error Surface:	Ellipse

Plan:	Plan #1	**Date Composed:**	6/7/2010
		Version:	1
Principal:	Yes	**Tied-to:**	From Surface

Summary

<-------- Offset Wellpath --------> Site	Well	Wellpath	Reference MD ft	Offset MD ft	Ctr-Ctr Distance ft	Edge Distance ft	Separation Factor	Warning
USA #9-670D	USA #9-670D	1 V0 Plan: Plan #1 V1	700.00	697.79	35.72	32.86	12.46	

Site: USA #9-670D
Well: USA #9-670D
Wellpath: 1 V0 Plan: Plan #1 V1 **Inter-Site Error:** 0.00 ft

Reference MD ft	Reference TVD ft	Offset MD ft	Offset TVD ft	Semi-Major Axis Ref ft	Semi-Major Axis Offset ft	TFO-HS deg	Offset Location North ft	Offset Location East ft	Ctr-Ctr Distance ft	Edge Distance ft	Separation Factor	Warning
0.00	0.00	2.00	-2.00	0.00	0.00	62.58	14.01	27.00	30.41	30.41	17804.37	
100.00	100.00	98.00	98.00	0.09	0.08	62.58	14.01	27.00	30.41	30.24	179.84	
200.00	200.00	198.00	198.00	0.31	0.31	62.58	14.01	27.00	30.41	29.80	49.38	
300.00	300.00	298.00	298.00	0.53	0.53	62.58	14.01	27.00	30.41	29.35	28.55	
400.00	400.00	398.00	398.00	0.76	0.76	62.58	14.01	27.00	30.41	28.90	20.08	
500.00	500.00	498.00	498.00	0.98	0.98	62.58	14.01	27.00	30.41	28.45	15.48	
600.00	599.99	598.10	598.10	1.21	1.21	205.41	14.49	26.63	30.91	28.50	12.80	
700.00	699.85	697.79	697.64	1.44	1.43	193.65	18.59	23.58	35.72	32.86	12.46	
800.00	799.29	795.90	795.22	1.69	1.67	178.54	26.69	17.56	48.32	44.99	14.52	
900.00	898.04	891.47	889.66	1.99	1.94	167.09	38.43	8.82	70.33	66.52	18.45	
1000.00	995.85	983.64	979.92	2.35	2.25	159.75	53.33	-2.27	101.34	97.01	23.40	
1100.00	1092.43	1071.68	1065.22	2.79	2.61	155.02	70.80	-15.28	140.49	135.59	28.64	
1200.00	1187.52	1155.04	1144.97	3.31	3.01	151.76	90.24	-29.76	187.03	181.49	33.73	
1300.00	1280.87	1233.33	1218.84	3.94	3.45	149.29	111.02	-45.22	240.31	234.05	38.40	
1400.00	1372.22	1306.27	1286.66	4.66	3.91	147.25	132.55	-61.25	299.72	292.66	42.51	
1500.00	1461.31	1373.75	1348.45	5.48	4.40	145.41	154.31	-77.45	364.67	356.73	45.90	
1600.00	1547.93	1435.78	1404.37	6.39	4.90	143.86	175.84	-93.48	434.60	425.68	48.70	
1700.00	1633.58	1494.05	1456.07	7.35	5.38	143.73	197.38	-109.51	507.24	497.34	51.20	
1800.00	1719.23	1549.59	1504.57	8.33	5.91	143.47	219.09	-125.67	581.36	570.43	53.19	
1900.00	1804.88	1602.50	1550.03	9.32	6.41	143.13	240.81	-141.84	656.87	644.91	54.93	
2000.00	1890.53	1656.79	1595.91	10.31	6.98	142.72	264.08	-159.16	733.64	720.59	56.24	
2100.00	1976.18	1720.35	1649.42	11.31	7.65	142.30	291.61	-179.66	810.75	796.51	56.95	
2200.00	2061.84	1783.92	1702.92	12.31	8.33	141.95	319.13	-200.15	887.87	872.44	57.51	
2300.00	2147.49	1847.48	1756.43	13.31	9.02	141.65	346.66	-220.64	965.01	948.36	57.96	
2400.00	2233.14	1911.05	1809.93	14.32	9.72	141.40	374.19	-241.14	1042.16	1024.29	58.34	
2500.00	2318.79	1974.61	1863.44	15.33	10.41	141.19	401.72	-261.63	1119.31	1100.23	58.64	
2600.00	2404.44	2038.18	1916.94	16.34	11.11	141.00	429.25	-282.12	1196.47	1176.16	58.90	
2700.00	2490.09	2101.75	1970.45	17.35	11.82	140.83	456.78	-302.61	1273.64	1252.09	59.12	
2800.00	2575.74	2165.31	2023.95	18.36	12.52	140.68	484.31	-323.11	1350.80	1328.03	59.30	
2900.00	2661.40	2228.88	2077.46	19.37	13.23	140.55	511.83	-343.60	1427.97	1403.96	59.46	
3000.00	2747.05	2292.44	2130.96	20.39	13.93	140.44	539.36	-364.09	1505.15	1479.90	59.60	
3100.00	2832.70	2356.01	2184.47	21.40	14.64	140.33	566.89	-384.59	1582.32	1555.83	59.72	
3200.00	2918.35	2419.57	2237.97	22.42	15.35	140.23	594.42	-405.08	1659.50	1631.77	59.83	
3300.00	3004.00	2483.14	2291.48	23.43	16.06	140.15	621.95	-425.57	1736.68	1707.70	59.93	
3400.00	3089.65	2546.70	2344.98	24.45	16.78	140.07	649.48	-446.07	1813.86	1783.64	60.01	
3500.00	3175.30	2610.27	2398.49	25.46	17.49	139.99	677.00	-466.56	1891.05	1859.58	60.09	

'APIWellNo:43007500320000'

ConocoPhillips

Weatherford International Ltd.

Anticollision Report

Weatherford

Company:	ConocoPhillips	**Date:** 6/7/2010	**Time:** 12:49:26	**Page:**	2
Field:	Carbon Co, Utah (UTM Zone 12)				
Reference Site:	Utah #16-527D	**Co-ordinate(NE) Reference:**	Well: Utah #16-527D, True North		
Reference Well:	Utah #16-527D	**Vertical (TVD) Reference:**	SITE 7702.0		
Reference Wellpath:	1			**Db:**	Sybase

Site: USA #9-670D
Well: USA #9-670D
Wellpath: 1 V0 Plan: Plan #1 V1 **Inter-Site Error:** 0.00 ft

Reference MD ft	Reference TVD ft	Offset MD ft	Offset TVD ft	Semi-Major Axis Ref ft	Semi-Major Axis Offset ft	TFO-HS deg	Offset Location North ft	Offset Location East ft	Ctr-Ctr Distance ft	Edge Distance ft	Separation Factor	Warning
3600.00	3260.96	2673.83	2451.99	26.48	18.20	139.92	704.53	-487.05	1968.23	1935.51	60.16	
3700.00	3346.61	2737.40	2505.50	27.50	18.92	139.86	732.06	-507.54	2045.41	2011.45	60.22	
3800.00	3432.26	2800.96	2559.00	28.52	19.63	139.80	759.59	-528.04	2122.60	2087.39	60.28	
3900.00	3517.91	2864.53	2612.51	29.53	20.34	139.75	787.12	-548.53	2199.79	2163.32	60.33	
4000.00	3604.55	2929.20	2666.95	30.42	21.07	141.58	815.13	-569.38	2276.00	2238.90	61.34	
4100.00	3693.66	2996.71	2723.77	31.09	21.83	143.35	844.36	-591.14	2349.53	2311.93	62.49	
4200.00	3785.02	3066.90	2782.85	31.71	22.62	144.80	874.76	-613.77	2420.18	2382.06	63.49	
4300.00	3878.38	3139.57	2844.02	32.26	23.44	145.99	906.23	-637.20	2487.78	2449.13	64.37	
4400.00	3973.49	3214.52	2907.11	32.74	24.29	146.94	938.69	-661.36	2552.20	2513.03	65.16	
4500.00	4070.08	3291.56	2971.95	33.15	25.15	147.70	972.05	-686.20	2613.31	2573.63	65.86	
4600.00	4167.89	3370.46	3038.36	33.49	26.04	148.28	1006.22	-711.64	2671.01	2630.84	66.49	
4700.00	4266.36	3450.46	3105.71	33.82	26.95	147.89	1040.87	-737.43	2726.53	2685.50	66.45	
4800.00	4364.84	3530.49	3173.06	34.20	27.85	147.35	1075.52	-763.23	2782.19	2740.21	66.27	
4900.00	4463.32	3610.51	3240.42	34.57	28.75	146.84	1110.18	-789.03	2838.03	2795.10	66.11	
5000.00	4561.80	3690.53	3307.78	34.95	29.66	146.34	1144.84	-814.83	2894.03	2850.16	65.98	
5100.00	4660.28	4713.47	4245.73	35.32	36.66	143.32	1451.58	-1043.17	2949.50	2899.81	59.36	
5200.00	4758.76	4809.53	4340.33	35.70	37.00	143.33	1464.96	-1053.13	2977.28	2927.04	59.25	
5243.90	4802.00	4851.70	4381.87	35.87	37.15	143.33	1470.83	-1057.51	2989.48	2938.99	59.21	

'APIWellNo:43007500320000'

ConocoPhillips

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,

Donna J. Williams
Sr. Regulatory Compliance

SURFACE USE PLAN

Attached to Form 3
ConocoPhillips Company
Utah 16-527D
Surf: 160.54 FSL & 231.02 FEL (SESE) of 9-15S-8E
BHL: 1325 FNL & 1295 FEL (SENE) of 16-15S-8E
Carbon County, Utah

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

2. **Planned Access**
   Approximately ~200' of new access is required. (Refer to Drawing L-1)

   a. Maximum Width: 24' travel surface with 27' base

   b. Maximum grade: 7%

   c. Turnouts: None

   d. Drainage design: Up to 3 culverts may be required. Water will be diverted around well pad as necessary.

   e. If the well is productive, the road will be surfaced and maintained as necessary to prevent soil erosion and accommodate year-round traffic.

   f. Pipe and power lines will follow the proposed access road.

3. **Location of Existing Wells**

   a. Refer to Drawing L-1.

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

   a. If the well is a producer, installation of production facilities will be as shown on Exhibit "H". Buried powerlines run along access on the east and north, gathering lines on the south or west.

   b. Rehabilitation of all pad areas not used for production facilities will be made in accordance with landowner stipulations.

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

   a. Water to be used for drilling will be purchased from the Price River Water Improvement District (a local source of municipal water) (tel. 435-637-6350).

   b. Water will be transported by truck over approved access roads.

   c. No water well is to be drilled for this location.

6. **Source of Construction Materials**

   a. Any necessary construction materials needed will be obtained locally and hauled to the location on existing roads.

   b. No construction or surfacing materials will be taken from Federal/Indian land.

7. **Methods for handling waste disposal**

   a. As the well will be air drilled, a small reserve pit will be constructed with a minimum of one-half the total depth below the original ground surface on the lowest point within the pit. The pit will not be lined unless conditions encountered during construction warrant it or if deemed necessary by the DOGM representative during the pre-site inspection. Three sides of the reserve pit will be fenced within 24 hours after completion of construction and the fourth side within 24 hours after drilling operation cease with woven wire topped with barbed wire to a height of not less than four feet. The fence will be kept in good repair while the pit is drying.

   b. Following drilling, the liquid waste will be evaporated from the pit and the pit back-filled and returned to natural grade. No liquid hydrocarbons will be discharged to the reserve pit or location.

   c. In the event fluids are produced, any oil will be retained in tankage until sold and any water produced will be retained until its quality can be determined. The quality and quantity of the water will determine the method of disposal.

   c. Trash will be contained in a portable metal container and will be hauled from location periodically and disposed of at an approved disposal site. Chemical toilets will be placed on location and sewage will be disposed of at an appropriate disposal site.

8. **Ancillary Facilities**

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

9. **Wellsite Layout**

a. Available topsoil will be removed from the location and stockpiled. Location of mud tanks, reserve and berm pits, and soil stockpiles will be located as shown on the attachments.

b. A blooie pit will be located 100' from the drill hole. A line will be placed on the surface from the center hole to the pit. The pit will be lined, but will be fenced on four sides to protect livestock/wildlife.

c. Access to the well pad will be as shown on Drawing A-2 and L-1.

d. Natural runoff will be diverted around the well pad.

10. **Plans for Restoration of Surface**

a. All surface areas not required for producing operations will be graded to as near original condition as possible and contoured to maintain possible erosion to a minimum.

b. Available topsoil will be stockpiled and will be evenly distributed over the disturbed areas and the area will be reseeded as prescribed by the landowner.

c. Pits and any other area that would present a hazard to wildlife or livestock will be fenced off when the rig is released and removed.

11. **Surface Ownership**:

a. The wellsite and access road will be constructed on lands owned by Plateau Mining Corporation. Please see attached letter for further information. The operator shall contact the landowner representative and the Division of Oil, Gas and Mining 48 hours prior to beginning construction activities

12. **Other Information**:

a. The primary surface use is farming and grazing. The nearest dwelling is approximately 2 miles east/north

b. Nearest live water is the Serviceberry Creek located approximately 1 mile northeast.

c. If there is snow on the ground when construction begins, it will be removed before the soil is disturbed and piled downhill from the topsoil stockpile location.

d. The backslope and foreslope will be constructed no steeper than 4:l.

e. All equipment and vehicles will be confined to the access road and well pad.

f. A complete copy of the approved Application for Permit to Drill (APD) including conditions and stipulations, shall be on the wellsite during construction and drilling operations.

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

'APIWellNo:43007500320000'

Proposed BOPE Configuration & Testing / Utah – Drunkards Wash
(3M psi System – Minimum Requirement)
H&P Rig 275 *(Current Equipment: 11"x3M Annular, 11"x5M Double Ram & 3M Choke Manifold)*

Rotating Head (Weatherford 9000)

Annular Preventer 11" x 3M psi

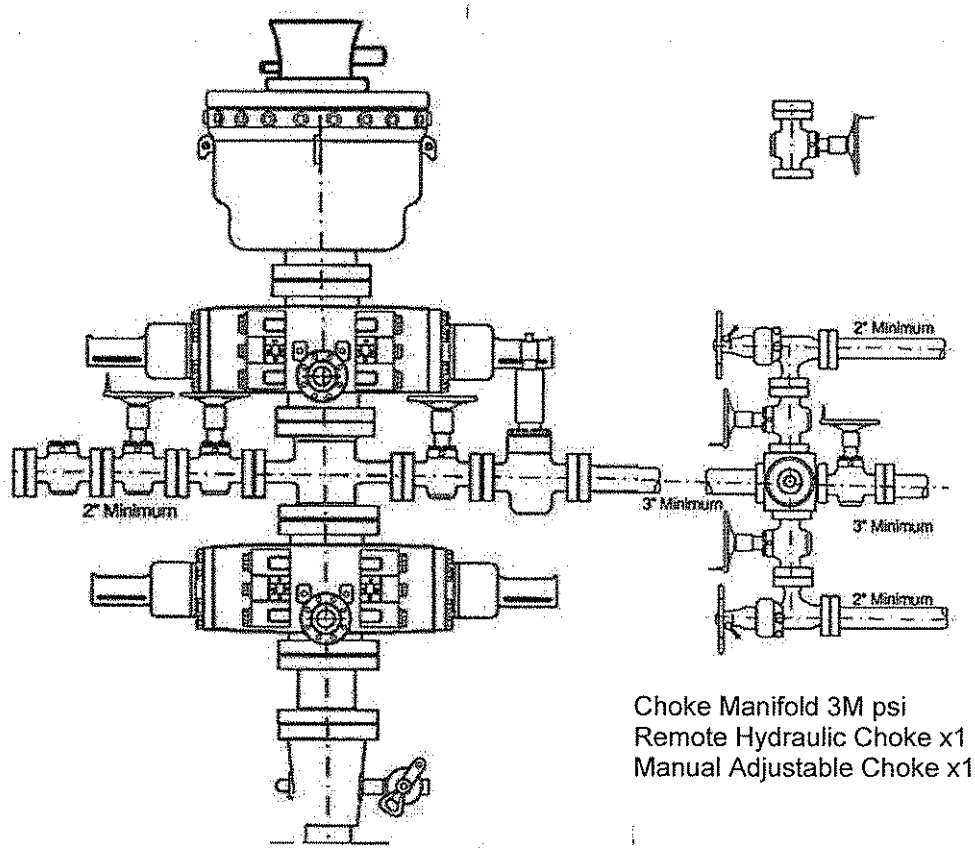
Blind Ram 11" x 5M psi

Choke & Kill Line Valves
(Between Blind & Pipe Rams)

Pipe Ram 11" x 5M psi

Spool (11"x3M to 11"x5M)

Casing Head 11" x 3M psi



Choke Manifold 3M psi
Remote Hydraulic Choke x1
Manual Adjustable Choke x1

Proposed Pressure Testing Requirements

Annular Preventer:	250 psi / 5 minutes & 2,100 psi / 10 minutes
Blind Rams:	250 psi / 5 minutes & 3,000 psi / 10 minutes
Pipe Rams:	250 psi / 5 minutes & 3,000 psi / 10 minutes
C&K Valves:	250 psi / 5 minutes & 3,000 psi / 10 minutes
Manifold:	250 psi / 5 minutes & 3,000 psi / 10 minutes

Test with clear water
When installed, a pressure tested seal is broken, following repairs, 30 day intervals (BLM) / 21 day intervals (COP)

'APIWellNo:43007500320000'

ConocoPhillips

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
Utah 16-527D
SESE of 9-15S-8E to SENE of 16-15S-8E
Carbon County, Utah

Ladies and Gentlemen:

ConocoPhillips Company respectfully request approval to directionally drill to approximately 1850' southwest 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 160.54 FSL & 231.02 FEL (SESE) of 9-15S-8E to a proposed bottomhole location of 1325 FNL & 1295 FEL (SENE of 16-15S-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,

Donna Williams
Sr. Regulatory Specialist

'APIWellNo:43007500320000'

Operator Certification

13. Company Representative:

Gilbert Vasquez
Construction Supervisor
ConocoPhillips Company
P.O. Box 851
6825 South 5300 West
Price, Utah 84501
435-613-9777

Mail Approved APD to:

Donna Williams
Sr. Regulatory Specialist
ConocoPhillips Company
P.O. Box 51810
Midland, Texas 79710-1810

432-688-6943

Excavation Contractor:
Larry Jensen, Vice President
Nelco Contractors Inc.
435-637-3495
435-636-5268

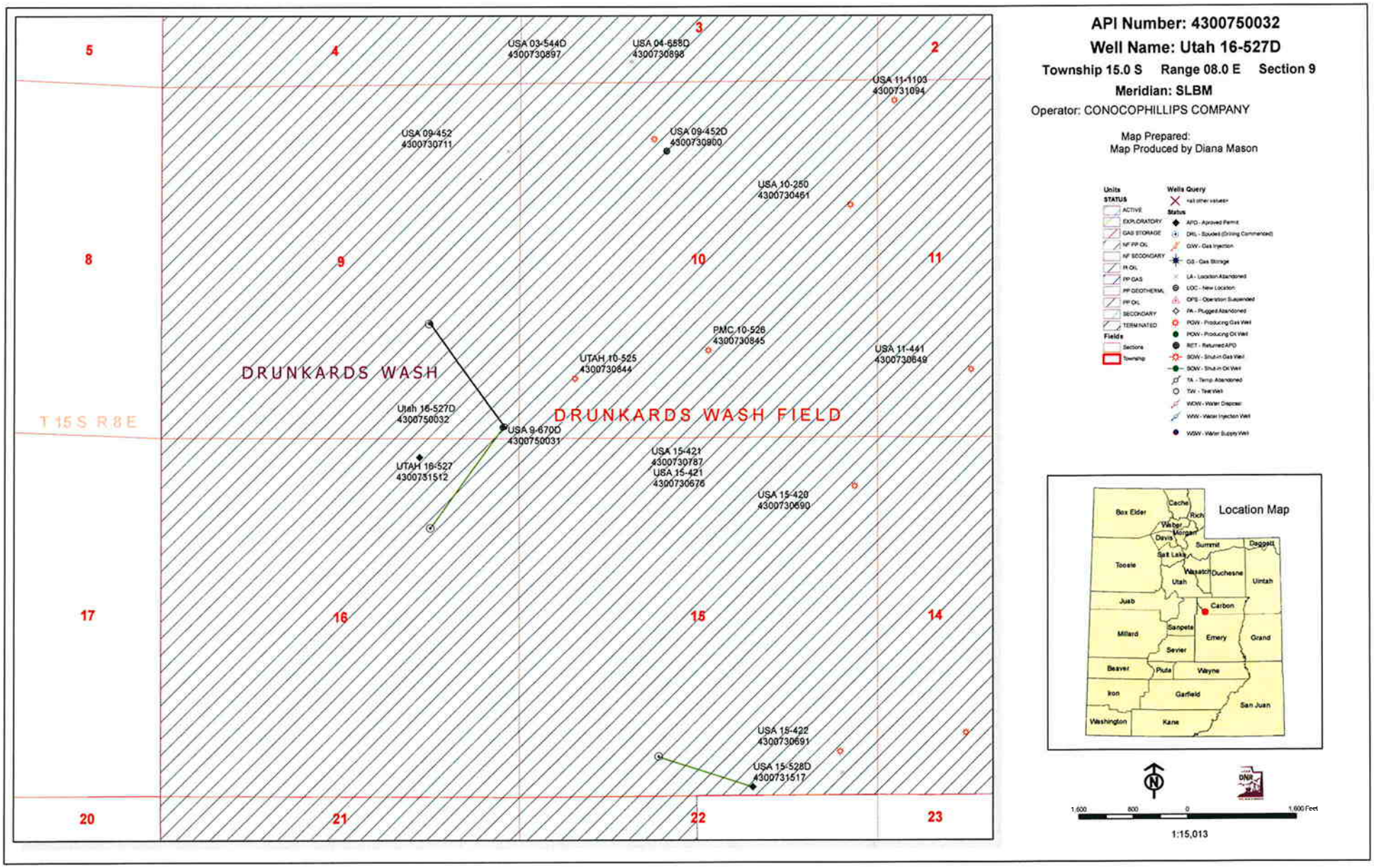
CERTIFICATION:

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

Date: 12/22/2010

Donna Williams
Sr. Regulatory Specialist

'APIWellNo:43007500320000'



'APIWellNo:43007500320000'

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED is made and entered into effective the 15th day of July, 2010, by and between **PLATEAU MINING CORPORATION**, a Delaware corporation, with an address at P. O. Box 30, Helper, Utah 84526 (hereinafter referred to as "Grantor"), and **CONOCOPHILLIPS COMPANY**, a Delaware corporation, with an address of 3960 E. 56th Avenue, Commerce City, Colorado 80022 (hereinafter referred to as "Grantee").

WITNESSETH, THAT, Grantor, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby grant and convey unto the said Grantee, and to Grantee's successors and assigns forever, all of Grantor's right, title, interest, claim and demand, both at law and in equity, of, in and to the surface estate only of that certain tract, parcel or lot of land located in the County of Carbon, State of Utah, as further described below:

Township 15 South, Range 8 East, SLB&M
Section 9: SE/4 SE/4

containing 40.00 acres, more or less, and Grantor does hereby covenant and agree to and with the said Grantee and Grantee's successors and assigns that Grantor will specially warrant and defend against its own acts and none others.

IN WITNESS WHEREOF, Grantor has executed this Special Warranty Deed effective the date and year first above written.

PLATEAU MINING CORPORATION

By: _____
Larry M. Deal
Vice President, Sales and Marketing

APPROVED
LG

CORPORATE ACKNOWLEDGMENT – UTAH FORM

STATE OF COLORADO)
) ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this 28th day of JUNE, 2010, by Larry M. Deal, the Vice President, Sales and Marketing of Plateau Mining Corporation, a Delaware corporation.

SUSAN M. GUNNARE NOTARY PUBLIC STATE OF COLORADO My Commission Expires 05-18-2012

_____
Notary Public
391 Inverness Parkway, Suite 333
Englewood, CO 80112
Address

My Commission expires: 5/18/2012

BOPE REVIEW CONOCOPHILLIPS COMPANY Utah 16-527D 43007500320000

Well Name	CONOCOPHILLIPS COMPANY Utah 16-527D 43007500320000			
String	Surf	Prod		
Casing Size(")	9.625	5.500		
Setting Depth (TVD)	450	5244		
Previous Shoe Setting Depth (TVD)	20	450		
Max Mud Weight (ppg)	8.4	8.4		
BOPE Proposed (psi)	500	3000		
Casing Internal Yield (psi)	3520	7740		
Operators Max Anticipated Pressure (psi)	1800	6.6		

Calculations	Surf String	9.625	"
Max BHP (psi)	.052*Setting Depth*MW=	197	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	143	YES air drill
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	98	YES OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	102	NO OK
Required Casing/BOPE Test Pressure=		450	psi
*Max Pressure Allowed @ Previous Casing Shoe=		20	psi *Assumes 1psi/ft frac gradient

Calculations	Prod String	5.500	"
Max BHP (psi)	.052*Setting Depth*MW=	2291	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	1662	YES air drill
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	1137	YES OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	1236	NO Reasonable
Required Casing/BOPE Test Pressure=		3000	psi
*Max Pressure Allowed @ Previous Casing Shoe=		450	psi *Assumes 1psi/ft frac gradient

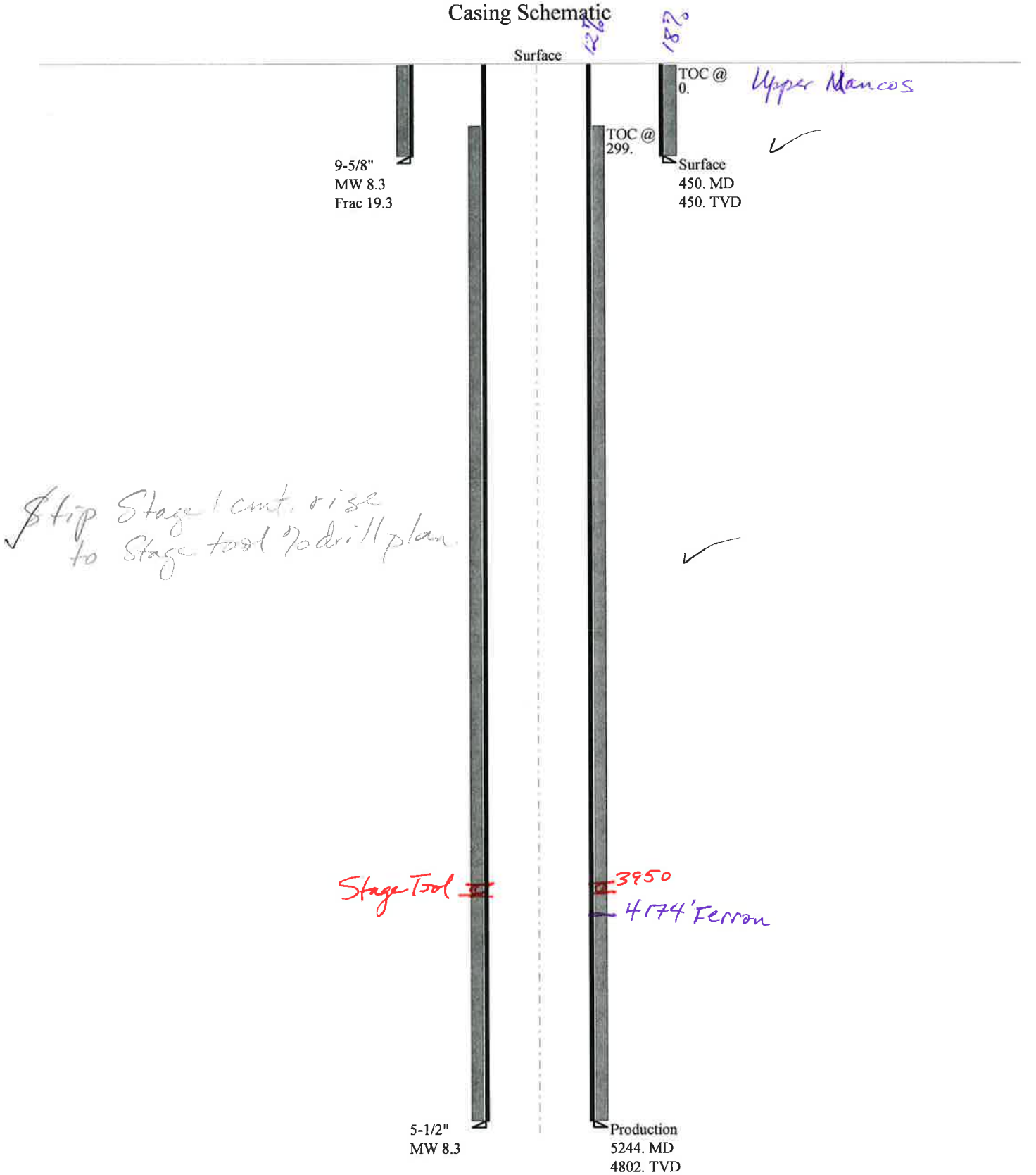
Calculations	String		"
Max BHP (psi)	.052*Setting Depth*MW=		
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=		NO
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=		NO
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=		NO
Required Casing/BOPE Test Pressure=			psi
*Max Pressure Allowed @ Previous Casing Shoe=			psi *Assumes 1psi/ft frac gradient

Calculations	String		"
Max BHP (psi)	.052*Setting Depth*MW=		
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=		NO
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=		NO
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=		NO
Required Casing/BOPE Test Pressure=			psi
*Max Pressure Allowed @ Previous Casing Shoe=			psi *Assumes 1psi/ft frac gradient

'APIWellNo:43007500320000'

43007500320000 Utah 16-527D

Casing Schematic



Stage 1 cmt. rise to Stage tool per drill plan

'APIWellNo:43007500320000'

Well name:	**43007500320000 Utah 16-527D**
Operator:	**CONOCOPHILLIPS COMPANY**
String type:	Surface
Project ID:	43-007-50032
Location:	CARBON COUNTY

Design parameters:

Collapse
Mud weight: 8.330 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 396 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 450 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.70 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on air weight.
Neutral point: 395 ft

Environment:
H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 80 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft

Cement top: Surface

Non-directional string.

Re subsequent strings:
Next setting depth: 5,244 ft
Next mud weight: 8.400 ppg
Next setting BHP: 2,288 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 450 ft
Injection pressure: 450 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost ($)
1	450	9.625	36.00	J-55	ST&C	450	450	8.796	3911

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	195	2020	10.373	450	3520	7.82	16.2	394	24.32 J

Prepared by: Helen Sadik-Macdonald
Div of Oil,Gas & Mining
Phone: 801 538-5357
FAX: 801-359-3940
Date: July 26,2010
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 450 ft, a mud weight of 8.33 ppg The casing is considered to be evacuated for collapse purposes.
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

'APIWellNo:43007500320000'

Well name:	**43007500320000 Utah 16-527D**
Operator:	**CONOCOPHILLIPS COMPANY**
String type:	Production
Project ID:	43-007-50032
Location:	CARBON COUNTY

Design parameters:

Collapse
Mud weight: 8.330 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 1,021 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 2,078 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

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

Tension is based on air weight.
Neutral point: 4,628 ft

Environment:
H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 141 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft

Cement top: 299 ft

Directional Info - Build & Drop
Kick-off point 550 ft
Departure at shoe: 1830 ft
Maximum dogleg: 3 °/100ft
Inclination at shoe: 10 °

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost ($)
1	5244	5.5	17.00	L-80	LT&C	4802	5244	4.767	33226

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	2078	6290	3.027	2078	7740	3.72	81.6	338	4.14 J

Prepared by: Helen Sadik-Macdonald
Div of Oil,Gas & Mining
Phone: 801 538-5357
FAX: 801-359-3940
Date: July 26,2010
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 4802 ft, a mud weight of 8.33 ppg The casing is considered to be evacuated for collapse purposes.
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.
Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

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

'APIWellNo:43007500320000'

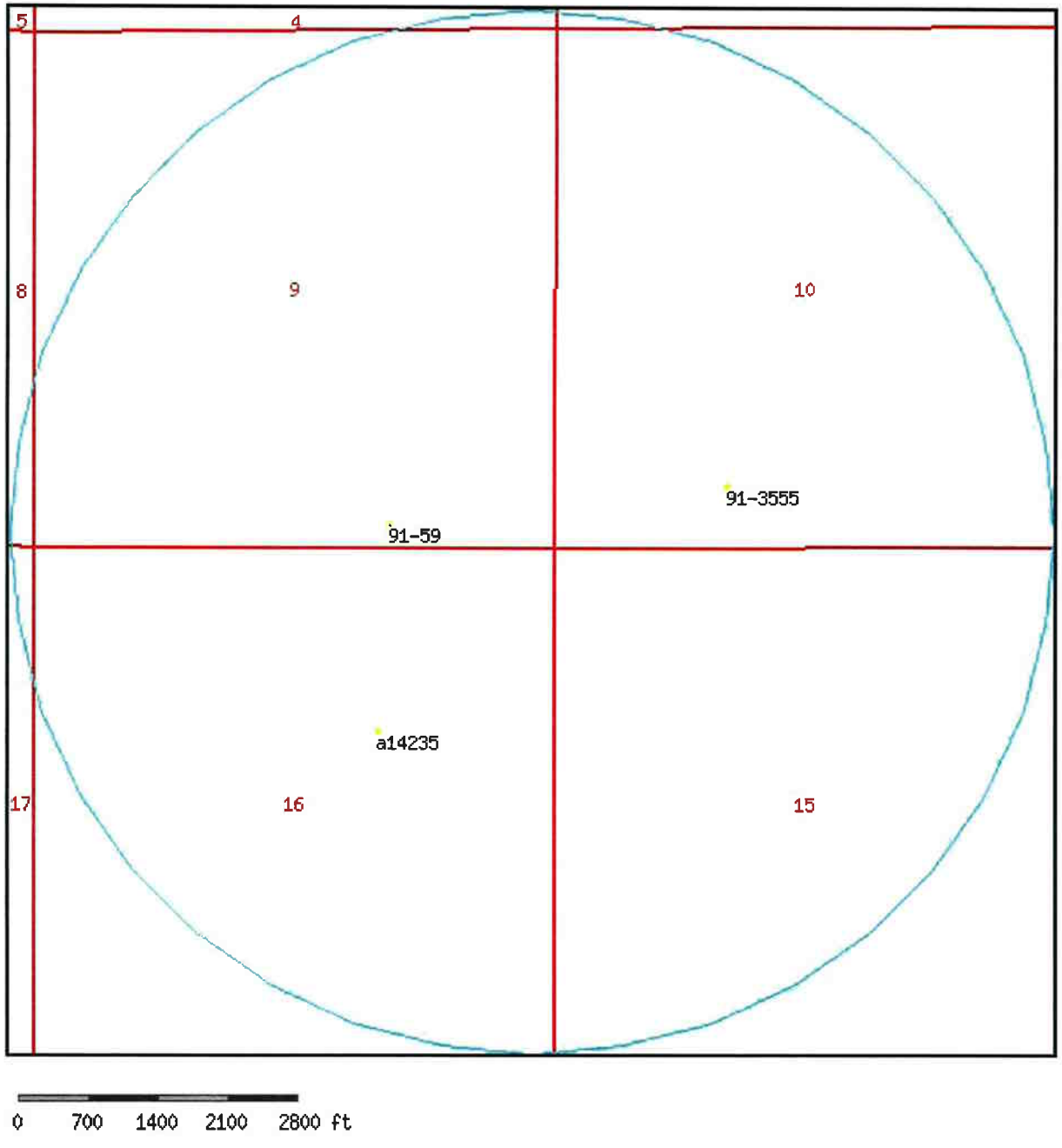
Search all of Utah.gov »

Utah Division of Water Rights

Output Listing

Version: 2009.05.06.00 Rundate: 08/02/2010 03:51 PM

Radius search of 5280 feet from a point N160 W231 from the SE corner, section 09, Township 15S, Range 8E, SL b&m Criteria:wrtypes=W,C,E podtypes=S,U,Sp status=U,A,P usetypes=all



Water Rights

'APIWellNo:43007500320000'

WR Number	Diversion Type/Location	Well Log	Status	Priority	Uses	CFS	ACFT	Owner Name
91-3555	Underground		P	19720816	X	0.910	138.420	CYPRUS PLATEAU MINING CORPORATION
	N630 E1740 SW 10 15S 8E SL							P.O. BOX DRAWER PMC
91-57	Surface		P	19170522	D	0.005	0.000	PLATEAU MINING COMPANY
	S1851 W1803 NE 16 15S 8E SL							P.O. DRAWER 7007
91-59	Surface		P	19171103	D	0.013	0.000	C/0 WAYNER BAKER PLATEAU MINING COMPANY
	N249 E948 S4 09 15S 8E SL							CARBONVILLE UT 84501
a14235	Surface		A	19870305	DX	0.023	16.720	PLATEAU MINING COMPANY
	S1851 W1803 NE 16 15S 8E SL							P.O. DRAWER 7007

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

Operator	CONOCOPHILLIPS COMPANY				
Well Name	Utah 16-527D				
API Number	43007500320000	**APD No**	2749	**Field/Unit**	DRUNKARDS WASH
Location: 1/4,1/4	SESE **Sec** 9 **Tw** 15.0S **Rng** 8.0E 160 FSL 231 FEL				
GPS Coord (UTM)	498103 4375154	**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 comparision to surrounding topography and slopes to the northeast.

Surface Use Plan

Current Surface Use
Mining
Wildlfe Habitat
Deer Winter Range

New Road Miles	Well Pad	Src Const Material	Surface Formation
0	**Width** 240 **Length** 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 Diverson Required? Y

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

Berm Required? Y

Berm the location.

Erosion Sedimentation Control Required? N

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

Reserve Pit

Site-Specific Factors		Site Ranking	
Distance to Groundwater (feet)	>200	0	
Distance to Surface Water (feet)	>1000	0	
Dist. Nearest Municipal Well (ft)	>5280	0	
Distance to Other Wells (feet)		20	
Native Soil Type	High permeability	20	
Fluid Type	Fresh Water	5	
Drill Cuttings	Normal Rock	0	
Annual Precipitation (inches)	10 to 20	5	
Affected Populations			
Presence Nearby Utility Conduits	Present	15	
	Final Score	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	5/26/2010
Evaluator	**Date / Time**

'APIWellNo:43007500320000'

Application for Permit to Drill
Statement of Basis

APD No	API WellNo	Status	Well Type	Surf Owner	CBM
2749	43007500320000	LOCKED	GW	P	Yes
Operator	CONOCOPHILLIPS COMPANY		**Surface Owner-APD**	Plateau Mining Corporation	
Well Name	Utah 16-527D		**Unit**	DRUNKARDS WASH	
Field	DRUNKARDS WASH		**Type of Work**	DRILL	
Location	SESE 9 15S 8E S 160 FSL 231 FEL		GPS Coord (UTM)	498106E 4375154N	

Geologic Statement of Basis

The sandy, silty, moderately permeable soil is likely to be developed on the Upper Portion of the Blue Gate Member of the Mancos Shale (above the Emery Sandstone Member of the Mancos Shale). The thin Emery Sandstone and Garley Canyon Members of the Mancos Shale are sufficiently deep as to be impractical to reach by extending the casing (> 1,000'). The proposed casing and cement will adequately isolate any shallow zones containing water. One water right has been filed for underground water resources within a mile of the location.

Chris Kierst — **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

Category	Condition
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.
Surface	The reserve pit shall be fenced upon completion of drilling operations.

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 6/29/2010 **API NO. ASSIGNED:** 43007500320000

WELL NAME: Utah 16-527D

OPERATOR: CONOCOPHILLIPS COMPANY (N2335) **PHONE NUMBER:** 432 688-6943

CONTACT: Donna Williams

PROPOSED LOCATION: SESE 09 150S 080E **Permit Tech Review:** ✔

SURFACE: 0160 FSL 0231 FEL **Engineering Review:** ✔

BOTTOM: 1325 FNL 1295 FEL **Geology Review:** ✔

COUNTY: CARBON

LATITUDE: 39.52792 **LONGITUDE:** -111.02204

UTM SURF EASTINGS: 498106.00 **NORTHINGS:** 4375154.00

FIELD NAME: DRUNKARDS WASH

LEASE TYPE: 3 - State

LEASE NUMBER: ML 46105 **PROPOSED PRODUCING FORMATION(S):** FERRON COAL

SURFACE OWNER: 4 - Fee **COALBED METHANE:** YES

RECEIVED AND/OR REVIEWED:

- ✔ **PLAT**
- ✔ **Bond:** STATE/FEE - 6196922
- ☐ **Potash**
- ☐ **Oil Shale 190-5**
- ☐ **Oil Shale 190-3**
- ☐ **Oil Shale 190-13**
- ✔ **Water Permit:** Price River Water Improvement 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
5 - Statement of Basis - bhill
12 - Cement Volume (3) - ddoucet
15 - Directional - dmason

GARY R. HERBERT
Governor
GREGORY S. BELL
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES
MICHAEL R. STYLER
Executive Director
Division of Oil, Gas and Mining
JOHN R. BAZA
Division Director

Permit To Drill

****

Well Name: Utah 16-527D
API Well Number: 43007500320000
Lease Number: ML 46105
Surface Owner: FEE (PRIVATE)
Approval Date: 8/3/2010

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:
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.

Cement volume for Stage 1 on the 5 1/2" production string shall be determined from actual hole diameter in order to place cement from the pipe setting depth back to 3950' MD (stage tool) as indicated in the submitted drilling plan.

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

Additional Approvals:
The operator is required to obtain approval from the Division of Oil, Gas and mining before

performing any of the following actions during the drilling of this well:
- Any changes to the approved drilling plan – contact Dustin Doucet
- Significant plug back of the well – contact Dustin Doucet
- Plug and abandonment of the well – contact Dustin Doucet

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
  OR
  submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at https://oilgas.ogm.utah.gov
- 24 hours prior to testing blowout prevention equipment - contact Dan Jarvis
- 24 hours prior to cementing or testing casing – contact Dan Jarvis
- Within 24 hours of making any emergency changes to the approved drilling program – contact Dustin Doucet
- 24 hours prior to commencing operations to plug and abandon the well – contact Dan Jarvis

Contact Information:
The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voicemail message if the person is not available to take the call):
- Carol Daniels 801-538-5284 - office
- Dustin Doucet 801-538-5281 - office
  801-733-0983 - after office hours
- Dan Jarvis 801-538-5338 - office
  801-231-8956 - after office hours

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

API Well No: 43007500320000

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: ML 46105

SUNDRY NOTICES AND REPORTS ON WELLS

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

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: DRUNKARDS WASH

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: Utah 16-527D

2. NAME OF OPERATOR: CONOCOPHILLIPS COMPANY

9. API NUMBER: 43007500320000

3. ADDRESS OF OPERATOR: P.O. Box 51810 , Midland, TX, 79710 1810 **PHONE NUMBER:** 432 688-6943 Ext

9. FIELD and POOL or WILDCAT: DRUNKARDS WASH

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 0160 FSL 0231 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 09 Township: 15.0S Range: 08.0E Meridian: S

COUNTY: CARBON

STATE: UTAH

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

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

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

The above well spud (conductor @ 80')on July 30, 2010 and cmted w/7 yds of cmt.

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

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

API Well No: 43007500320000

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

5.LEASE DESIGNATION AND SERIAL NUMBER: ML 46105

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: DRUNKARDS WASH

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: Utah 16-527D

2. NAME OF OPERATOR: CONOCOPHILLIPS COMPANY

9. API NUMBER: 43007500320000

3. ADDRESS OF OPERATOR: P.O. Box 51810 , Midland, TX, 79710 1810

PHONE NUMBER: 432 688-6943 Ext

9. FIELD and POOL or WILDCAT: DRUNKARDS WASH

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 0160 FSL 0231 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 09 Township: 15.0S Range: 08.0E Meridian: S

COUNTY: CARBON

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
✓ SUBSEQUENT REPORT Date of Work Completion: 8/3/2010	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: Redesign Pit

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

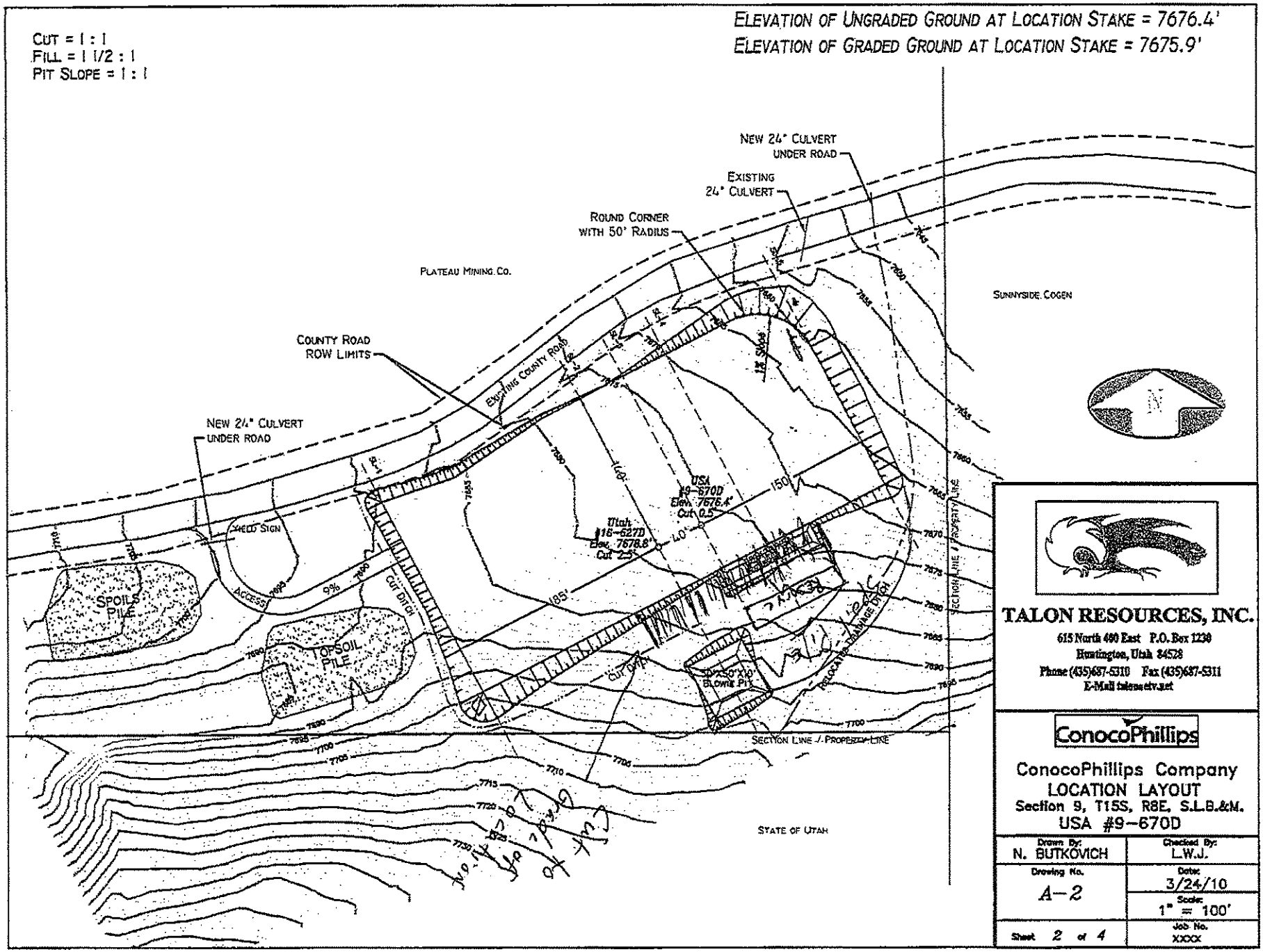
As per the discussion with Mark Jones w/DOGM and Don Stephens w/BLM on August 3, the reserve pit had to be shifted approximately 10' south of the platted position due to misinformation received from the drilling company. This move will remain majority in the cut side and if needed, the fill side will be matted or straw put in place. As this is a two well pad, this request is also for the USA 9-670D (43-007-50031). Please find attached the redrawn pit plat.

Approved by the Utah Division of Oil, Gas and Mining

Date: August 11, 2010

By:

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Donna Williams	432 688-6943	Sr. Regulatory Specialist
SIGNATURE N/A		**DATE** 8/9/2010



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
~~B~~ A	99999	17723	7/30/2010	8/19/10

Comments: conductor set
FRNCL BHL - NWSE

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
~~B~~ A	99999	17724	7/30/2010	8/19/10

Comments: conductor set
FRNCL BHL Sec 16 SENE

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:

RECEIVED
AUG 09 2010
DIV. OF OIL, GAS & MINING

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

Donna Williams
Name (Please Print)

Signature

Sr. Regulatory Specialist
Title

8/5/2010
Date

(5/2000)

API Well No: 43007500320000

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

5.LEASE DESIGNATION AND SERIAL NUMBER: ML 46105

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: DRUNKARDS WASH

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: Utah 16-527D

2. NAME OF OPERATOR: CONOCOPHILLIPS COMPANY

9. API NUMBER: 43007500320000

3. ADDRESS OF OPERATOR: P.O. Box 51810 , Midland, TX, 79710 1810

PHONE NUMBER: 432 688-6943 Ext

9. FIELD and POOL or WILDCAT: DRUNKARDS WASH

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 0160 FSL 0231 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 09 Township: 15.0S Range: 08.0E Meridian: S

COUNTY: CARBON

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
✓ SUBSEQUENT REPORT Date of Work Completion: 9/5/2010	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: Resume Drilling

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

Conductor was set on 7/30/2010. H&P # 275 was moved in and rigged up and resumed drilling operations of surface hole on 9/5/2010. Drilled 12 1/4" hole to 474'. Ran 9 5/8" 36# J55 casing and set at 464.5. Cemented to surface with 426 sxs cmt.

Accepted by the Utah Division of Oil, Gas and Mining

FOR RECORD ONLY

September 13, 2010

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Donna Williams	432 688-6943	Sr. Regulatory Specialist
SIGNATURE N/A		**DATE** 9/9/2010

RECEIVED September 09, 2010

API Well No: 43007500320000

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: ML 46105

SUNDRY NOTICES AND REPORTS ON WELLS

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9. API NUMBER: 43007500320000

3. ADDRESS OF OPERATOR: P.O. Box 51810 , Midland, TX, 79710 1810

PHONE NUMBER: 432 688-6943 Ext

9. FIELD and POOL or WILDCAT: DRUNKARDS WASH

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 0160 FSL 0231 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 09 Township: 15.0S Range: 08.0E Meridian: S

COUNTY: CARBON

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
✓ SUBSEQUENT REPORT Date of Work Completion: 9/17/2010	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: Reached Total Depth

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

The above well drilled to total depth of 5252' MD. Ran 5 1/2" 17# M80 casing to 5240' with DV tool at 4330.6'. Cemented w/1st stage: lead w/145 sxs Lite Crete cmt (2.36 yield). No returns. Pump 2nd stage: lead w/650 sxs Lite Crete cmt (2.36 yield)l. No returns. Bumped plug. DV tool closed. RDMO out. Encountered water flow at a depth of 1685' and continued to see said flow throughout the remainder of the drilling operations.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
September 27, 2010

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Donna Williams	432 688-6943	Sr. Regulatory Specialist
SIGNATURE N/A		**DATE** 9/21/2010

RECEIVED September 21, 2010

API Well No: 43007500320000

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: ML 46105

SUNDRY NOTICES AND REPORTS ON WELLS

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7.UNIT or CA AGREEMENT NAME: DRUNKARDS WASH

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: Utah 16-527D

2. NAME OF OPERATOR: CONOCOPHILLIPS COMPANY

9. API NUMBER: 43007500320000

3. ADDRESS OF OPERATOR: P.O. Box 51810 , Midland, TX, 79710 1810

PHONE NUMBER: 432 688-6943 Ext

9. FIELD and POOL or WILDCAT: DRUNKARDS WASH

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 0160 FSL 0231 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 09 Township: 15.0S Range: 08.0E Meridian: S

COUNTY: CARBON

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
✓ SUBSEQUENT REPORT Date of Work Completion: 9/17/2010	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: Directional Drill

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

The above well drilled to a total depth of 5252' MD. At this depth, the bottomhole location is 1347.03 FNL & 1299.76 FEL (SENE) of Section 16-15S-8E. The certified directional survey is attached.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
September 28, 2010

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Donna Williams	432 688-6943	Sr. Regulatory Specialist
SIGNATURE N/A		**DATE** 9/28/2010

RECEIVED September 28, 2010

VES
VAUGHN ENERGY SER

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 9-5-10/9-6-10 through 9-5-10/9-6-10 conduct or supervise the taking of a HA Gyro survey from a depth of 0 feet to a depth of 447 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 qualifed to make this report; that this survey was conducted at the at the request of Conoco Phillips for the Utah Well # 16-527D API # 43-00750032 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

RECEIVED September 28, 2010

Company: Conoco/Phillips
Lease/Well: Utah/16-527D

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 MS GYRO SURVEY CALCULATIONS
Filename: runn1-01.ut
Minimum Curvature Method
Report Date/Time: 9/21/2010 / 15:59

Vaughn Energy Services
Rifle, Colorado
970-456-2071
Surveyor: Garry Fowler
Utah 16-527D

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	0.78	46.40	100.00	0.47	0.49	0.47	0.68	46.40	0.78
200.00	1.15	42.63	199.98	1.68	1.67	1.68	2.36	44.80	0.38
295.00	1.00	2.32	294.97	3.21	2.34	3.21	3.97	36.17	0.79
385.00	1.00	12.78	384.95	4.76	2.55	4.76	5.40	28.19	0.20
447.00	1.00	17.86	446.94	5.80	2.84	5.80	6.46	26.06	0.14

Weatherford

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 Coves** certify that I am employed by Precision Energy Services, Inc., a Weatherford Company, and on the days of **09/03/2010** through **09/15/2010**, I did conduct, or supervise the taking of a Measurement While Drilling survey from a depth of **501** ft. to a depth of **5201** 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 **Utah #16-527D** 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

RECEIVED September 28, 2010

ConocoPhillips

Weatherford International Ltd.

WFT Survey Report X & Y's

Weatherford

Company:	ConocoPhillips	**Date:** 9/15/2010	**Time:** 07:53:26	**Page:**	1
Field:	Carbon Co, Utah (UTM Zone 12)	**Co-ordinate(NE) Reference:**	Well: Utah #16-527D, True North		
Site:	Utah #16-527D	**Vertical (TVD) Reference:**	SITE 7702.0		
Well:	Utah #16-527D	**Section (VS) Reference:**	Well (0.00N,0.00E,215.51Azi)		
Wellpath:	1	**Survey Calculation Method:**	Minimum Curvature	**Db:**	Sybase

Survey:	Wft Svy	**Start Date:**	9/9/2010
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:	Utah #16-527D						
Site Position:		**Northing:**	14354162.00 ft	**Latitude:**	39 31	40.328	N
From:	Map	**Easting:**	1634186.00 ft	**Longitude:**	111 1	19.589	W
Position Uncertainty:	0.00 ft			**North Reference:**		True	
Ground Level:	7678.00 ft			**Grid Convergence:**		-0.01	deg

Well:	Utah #16-527D				**Slot Name:**			
Well Position:	+N/-S	0.00 ft	**Northing:**	14354162.00 ft	**Latitude:**	39 31	40.328	N
	+E/-W	0.00 ft	**Easting :**	1634186.00 ft	**Longitude:**	111 1	19.589	W
Position Uncertainty:		0.00 ft						

Wellpath:	1		**Drilled From:**	Surface	
			Tie-on Depth:	0.00	ft
Current Datum:	SITE	**Height** 7702.00 ft	**Above System Datum:**	Mean Sea Level	
Magnetic Data:	7/7/2010		**Declination:**	11.73	deg
Field Strength:	51982 nT		**Mag Dip Angle:**	65.20	deg

Vertical Section:	**Depth From (TVD)** ft	**+N/-S** ft	**+E/-W** ft	**Direction** deg
	0.00	0.00	0.00	215.51

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
447.00	1.00	17.86	446.94	5.80	2.84	0.00	-6.37	1.43541e07	1634188.84	Tie On VES
501.00	1.00	24.90	500.94	6.68	3.18	0.23	-7.28	1.43541e07	1634189.18	First Wft Svy
538.00	0.61	19.07	537.93	7.15	3.38	1.08	-7.79	1.43541e07	1634189.38	
569.00	0.40	297.70	568.93	7.36	3.34	2.19	-7.93	1.43541e07	1634189.34	
600.00	1.00	231.75	599.93	7.24	3.03	2.95	-7.66	1.43541e07	1634189.03	
631.00	1.81	231.00	630.92	6.77	2.44	2.61	-6.92	1.43541e07	1634188.44	
662.00	2.88	222.75	661.89	5.89	1.53	3.61	-5.68	1.43541e07	1634187.53	
693.00	3.94	226.00	692.84	4.58	0.23	3.47	-3.86	1.43541e07	1634186.23	
724.00	5.00	222.13	723.74	2.83	-1.44	3.55	-1.47	1.43541e07	1634184.56	
755.00	6.13	223.63	754.60	0.63	-3.49	3.67	1.51	1.43541e07	1634182.51	
786.00	7.00	220.63	785.39	-2.00	-5.86	3.02	5.03	1.43541e07	1634180.14	
816.00	7.94	219.38	815.14	-4.99	-8.37	3.18	8.92	1.43541e07	1634177.63	
847.00	9.00	217.50	845.80	-8.56	-11.20	3.53	13.48	1.43541e07	1634174.80	
878.00	10.00	218.13	876.37	-12.61	-14.34	3.24	18.59	1.43541e07	1634171.66	
909.00	10.94	218.13	906.86	-17.04	-17.82	3.03	24.22	1.43541e07	1634168.18	
940.00	11.81	216.25	937.25	-21.91	-21.51	3.05	30.33	1.43541e07	1634164.49	
971.00	12.69	213.75	967.54	-27.30	-25.28	3.31	36.90	1.43541e07	1634160.72	
1002.00	13.50	210.00	997.74	-33.26	-28.98	3.79	43.91	1.43541e07	1634157.01	
1035.00	14.75	208.63	1029.74	-40.29	-32.92	3.92	51.91	1.43541e07	1634153.07	
1067.00	15.44	209.00	1060.63	-47.59	-36.93	2.18	60.19	1.43541e07	1634149.05	
1098.00	16.35	210.03	1090.45	-54.98	-41.12	3.07	68.63	1.43541e07	1634144.87	
1130.00	17.00	210.75	1121.10	-62.89	-45.76	2.13	77.78	1.43540e07	1634140.22	
1161.00	18.13	212.63	1150.66	-70.85	-50.68	4.08	87.11	1.43540e07	1634135.30	
1192.00	19.06	213.25	1180.04	-79.15	-56.06	3.07	96.99	1.43540e07	1634129.92	

ConocoPhillips

Weatherford International Ltd.

WFT Survey Report X & Y's

Weatherford

Company:	ConocoPhillips	**Date:** 9/15/2010	**Time:** 07:53:26	**Page:**	2
Field:	Carbon Co, Utah (UTM Zone 12)	**Co-ordinate(NE) Reference:**	Well: Utah #16-527D, True North		
Site:	Utah #16-527D	**Vertical (TVD) Reference:**	SITE 7702.0		
Well:	Utah #16-527D	**Section (VS) Reference:**	Well (0.00N,0.00E,215.51Azi)		
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
1224.00	19.75	212.88	1210.22	-88.06	-61.86	2.19	107.61	1.43540e07	1634124.12	
1255.00	20.63	213.88	1239.32	-96.99	-67.75	3.05	118.30	1.43540e07	1634118.23	
1287.00	21.50	214.25	1269.18	-106.52	-74.19	2.75	129.80	1.43540e07	1634111.78	
1318.00	22.56	214.75	1297.91	-116.10	-80.78	3.47	141.42	1.43540e07	1634105.20	
1350.00	23.56	215.25	1327.36	-126.37	-87.97	3.18	153.96	1.43540e07	1634098.00	
1381.00	24.38	215.63	1355.68	-136.63	-95.27	2.69	166.55	1.43540e07	1634090.70	
1413.00	25.06	215.75	1384.75	-147.49	-103.08	2.13	179.93	1.43540e07	1634082.89	
1444.00	26.00	216.00	1412.72	-158.32	-110.91	3.05	193.29	1.43540e07	1634075.06	
1476.00	27.19	216.25	1441.34	-169.89	-119.35	3.74	207.62	1.43539e07	1634066.61	
1507.00	28.00	215.13	1468.81	-181.55	-127.73	3.10	221.98	1.43539e07	1634058.23	
1539.00	28.88	214.75	1496.95	-194.05	-136.45	2.81	237.22	1.43539e07	1634049.50	
1570.00	29.69	214.13	1523.99	-206.55	-145.03	2.79	252.38	1.43539e07	1634040.92	
1664.00	30.19	212.25	1605.44	-245.81	-170.70	1.13	299.25	1.43539e07	1634015.24	
1759.00	31.25	212.25	1687.11	-286.86	-196.60	1.12	347.70	1.43538e07	1633989.33	
1853.00	31.69	212.88	1767.28	-328.21	-223.01	0.58	396.71	1.43538e07	1633962.90	
1948.00	32.06	214.13	1847.96	-370.04	-250.71	0.80	446.84	1.43537e07	1633935.20	
2042.00	32.45	214.79	1927.45	-411.40	-279.09	0.56	497.00	1.43537e07	1633906.80	
2136.00	31.94	215.50	2007.00	-452.35	-307.92	0.68	547.08	1.43537e07	1633877.97	
2231.00	30.93	217.06	2088.06	-492.30	-337.23	1.37	596.62	1.43536e07	1633848.65	
2325.00	31.90	216.82	2168.28	-531.46	-366.67	1.04	645.60	1.43536e07	1633819.20	
2420.00	32.50	217.83	2248.67	-571.71	-397.37	0.85	696.19	1.43535e07	1633788.49	
2514.00	33.19	216.42	2327.64	-612.36	-428.13	1.10	747.15	1.43535e07	1633757.72	
2608.00	33.07	215.82	2406.36	-653.86	-458.42	0.37	798.52	1.43535e07	1633727.42	
2703.00	32.88	214.79	2486.06	-696.05	-488.30	0.62	850.23	1.43534e07	1633697.53	
2797.00	31.49	214.61	2565.61	-737.22	-516.81	1.48	900.29	1.43534e07	1633669.01	
2892.00	31.01	215.02	2646.83	-777.68	-544.94	0.55	949.57	1.43533e07	1633640.87	
2986.00	31.26	212.49	2727.29	-818.08	-571.94	1.42	998.14	1.43533e07	1633613.86	
3081.00	30.51	212.14	2808.82	-859.29	-598.01	0.81	1046.83	1.43533e07	1633587.78	
3175.00	29.98	213.80	2890.02	-899.02	-623.77	1.05	1094.12	1.43532e07	1633562.01	
3271.00	30.87	216.58	2972.81	-938.73	-651.79	1.73	1142.73	1.43532e07	1633533.98	
3365.00	30.90	217.22	3053.48	-977.31	-680.76	0.35	1190.96	1.43531e07	1633505.00	
3460.00	30.36	217.46	3135.22	-1015.79	-710.12	0.58	1239.34	1.43531e07	1633475.63	
3554.00	30.87	217.66	3216.12	-1053.74	-739.30	0.55	1287.18	1.43531e07	1633446.44	
3649.00	31.48	217.89	3297.40	-1092.61	-769.42	0.65	1336.32	1.43530e07	1633416.31	
3743.00	31.69	218.57	3377.48	-1131.29	-799.89	0.44	1385.50	1.43530e07	1633385.83	
3837.00	32.08	214.68	3457.30	-1171.12	-829.49	2.22	1435.12	1.43529e07	1633356.22	
3900.00	31.30	213.39	3510.91	-1198.54	-848.02	1.64	1468.20	1.43529e07	1633337.69	
3932.00	30.64	213.53	3538.34	-1212.28	-857.10	2.07	1484.65	1.43529e07	1633328.61	
3963.00	29.40	213.07	3565.19	-1225.24	-865.61	4.07	1500.15	1.43529e07	1633320.09	
3995.00	28.68	213.34	3593.16	-1238.24	-874.12	2.29	1515.67	1.43529e07	1633311.58	
4026.00	27.63	213.36	3620.49	-1250.46	-882.16	3.39	1530.29	1.43529e07	1633303.53	
4121.00	25.88	216.93	3705.33	-1285.44	-906.73	2.50	1573.04	1.43528e07	1633278.95	
4215.00	24.15	215.71	3790.51	-1317.45	-930.29	1.92	1612.78	1.43528e07	1633255.39	
4311.00	22.00	211.28	3878.83	-1348.77	-951.09	2.88	1650.35	1.43528e07	1633234.58	
4406.00	19.15	209.41	3967.76	-1377.56	-967.98	3.08	1683.60	1.43527e07	1633217.68	
4500.00	15.54	213.11	4057.47	-1401.55	-982.44	4.01	1711.52	1.43527e07	1633203.22	
4594.00	12.08	221.70	4148.75	-1419.44	-995.86	4.27	1733.89	1.43527e07	1633189.79	
4689.00	10.16	217.20	4241.96	-1433.54	-1007.54	2.22	1752.15	1.43527e07	1633178.10	
4783.00	10.47	222.54	4334.45	-1446.44	-1018.33	1.07	1768.91	1.43527e07	1633167.31	
4876.00	10.67	223.07	4425.87	-1458.95	-1029.92	0.24	1785.84	1.43527e07	1633155.72	
4970.00	9.44	219.43	4518.42	-1471.27	-1040.76	1.47	1802.15	1.43526e07	1633144.88	
5064.00	8.89	218.78	4611.22	-1482.88	-1050.21	0.60	1817.10	1.43526e07	1633135.43	

ConocoPhillips

Weatherford International Ltd.

WFT Survey Report X & Y's

Weatherford

Company:	ConocoPhillips	**Date:** 9/15/2010	**Time:** 07:53:26	**Page:**	3
Field:	Carbon Co, Utah (UTM Zone 12)	**Co-ordinate(NE) Reference:**	Well: Utah #16-527D, True North		
Site:	Utah #16-527D	**Vertical (TVD) Reference:**	SITE 7702.0		
Well:	Utah #16-527D	**Section (VS) Reference:**	Well (0.00N,0.00E,215.51Azi)		
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
5159.00	9.61	216.60	4704.99	-1494.97	-1059.53	0.84	1832.35	1.43526e07	1633126.10	
5201.00	9.67	216.01	4746.39	-1500.64	-1063.70	0.28	1839.39	1.43526e07	1633121.93	Last Wft Svy
5252.00	9.67	216.01	4796.67	-1507.57	-1068.74	0.00	1847.95	1.43526e07	1633116.89	Proj. To Bit

Annotation

MD ft	TVD ft	
447.00	446.94	Tie On VES
501.00	500.94	First Wft Svy
5201.00	4746.39	Last Wft Svy
5252.00	4796.67	Proj. To Bit

RECEIVED September 28, 2010

ConocoPhillips

Weatherford

Utah #16-527D
Carbon Co, Utah

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.00	0.00	215.51	0.00	0.00	0.00	0.00	0.00	0.00	
2	550.00	0.00	215.51	550.00	0.00	0.00	0.00	0.00	0.00	
3	1585.75	31.07	215.51	1535.72	-223.07	-159.17	3.00	215.51	274.04	
4	3913.49	31.07	215.51	3529.46	-1201.04	-856.98	0.00	0.00	1475.43	
5	4615.90	10.00	215.51	4183.54	-1400.49	-999.29	3.00	180.00	1720.45	
6	5243.90	10.00	215.51	4802.00	-1489.26	-1062.63	0.00	0.00	1829.51	Pbhl

TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Shape
Pbhl	4802.00	-1489.26	-1062.63	14352673.00	1633123.00	39°31'25.603N	111°01'33.154W	Circle (Radius: 75)

FORMATION TOP DETAILS

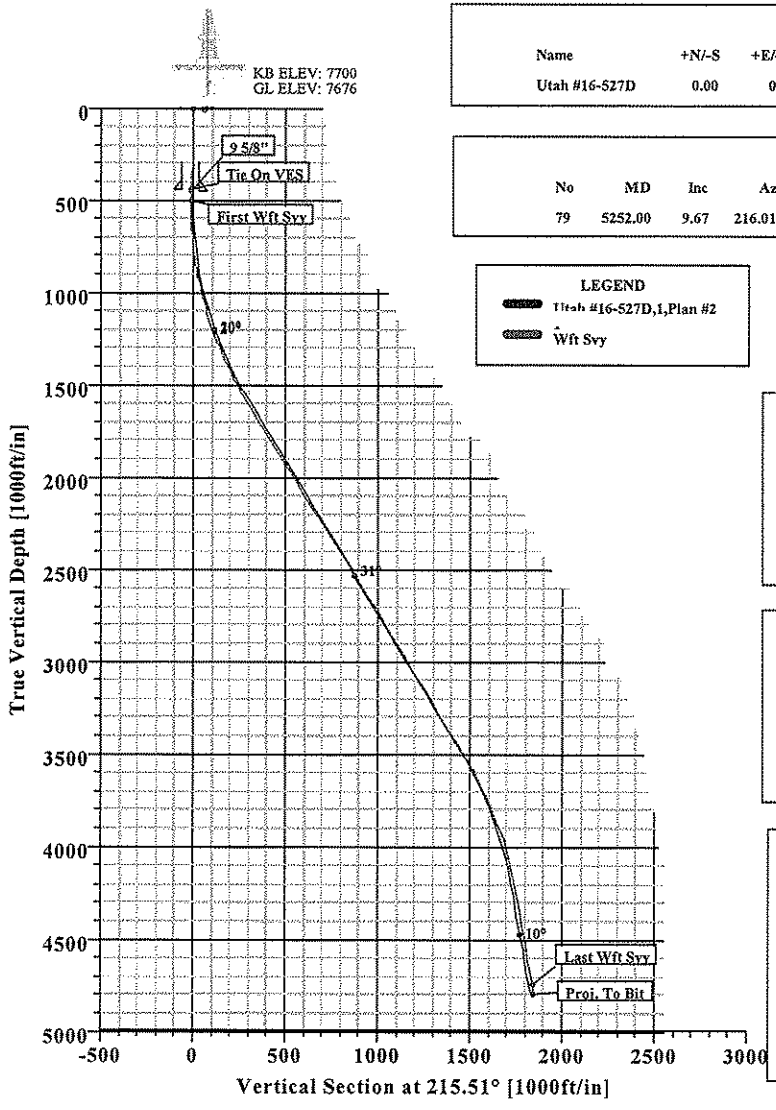
No.	TVDPath	MDPath	Formation
1	4044.00	4486.00	T/ Blue Gate Shale
2	4198.00	4644.27	T/ Ferron
3	4234.00	4680.91	T/ Ferron Coal 4
4	4402.00	4851.71	B/ Ferron Coal 1
5	4508.00	4959.43	T/ Tununk
6	4588.00	5040.49	T/ Lower Bent Mkr

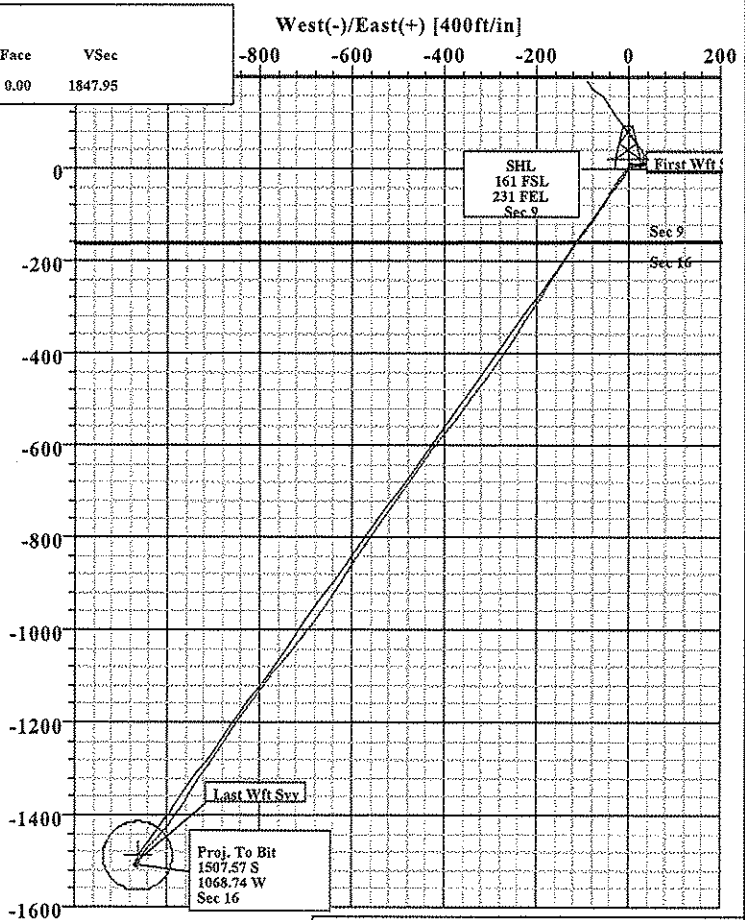
WELL DETAILS

Name	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
Utah #16-527D	0.00	0.00	14354162.00	1634186.00	39°31'40.328N	111°01'19.589W	N/A

Survey: Wft Svy (Utah #16-527D/1)

No	MD	Inc	Az	TVD	+N/-S	+E/-W	DLeg	TFace	VSec
79	5252.00	9.67	216.01	4796.67	-1507.57	-1068.74	0.00	0.00	1847.95

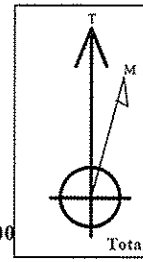




LEGEND
Utah #16-527D,1,Plan #2
Wft Svy

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
Utah #16-527D
Site Centre Northing: 14354162.00
Easting: 1634186.00
Ground Level: 7678.00
Positional Uncertainty: 0.00
Convergence: -0.01



Azimuths to True North
Magnetic North: 11.73°
Magnetic Field
Strength: 51982nT
Dip Angle: 65.20°
Date: 7/7/2010
Model: IGRF2010

Total Correction to True North: 11.73°

Survey: Wft Svy (Utah #16-527D/1)
Created By: Russell W. Joyner Date: 9/15/2010

API Well No: 43007500320000

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

5.LEASE DESIGNATION AND SERIAL NUMBER: ML 46105

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: DRUNKARDS WASH

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: Utah 16-527D

2. NAME OF OPERATOR: CONOCOPHILLIPS COMPANY

9. API NUMBER: 43007500320000

3. ADDRESS OF OPERATOR: P.O. Box 51810 , Midland, TX, 79710 1810

PHONE NUMBER: 432 688-6943 Ext

9. FIELD and POOL or WILDCAT: DRUNKARDS WASH

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 0160 FSL 0231 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 09 Township: 15.0S Range: 08.0E Meridian: S

COUNTY: CARBON

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 11/15/2010	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: Remedial Work

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

Per our phone conversations and emails, ConocoPhillps Company respectfully submits our plan to remediate the cement isolation above the water zone encountered at 1685' 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. Bulhead 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 isolation 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.

Approved by the Utah Division of Oil, Gas and Mining

Date: November 10, 2010

By:

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Donna Williams	432 688-6943	Sr. Regulatory Specialist
SIGNATURE N/A		**DATE** 11/8/2010

RECEIVED November 08, 2010

API Well No: 43007500320000

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: ML 46105

SUNDRY NOTICES AND REPORTS ON WELLS

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

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: DRUNKARDS WASH

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: UTAH 16-527D

2. NAME OF OPERATOR: CONOCOPHILLIPS COMPANY

9. API NUMBER: 43007500320000

3. ADDRESS OF OPERATOR: P.O. Box 51810 , Midland, TX, 79710 1810

PHONE NUMBER: 432 688-6943 Ext

9. FIELD and POOL or WILDCAT: DRUNKARDS WASH

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 0160 FSL 0231 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 09 Township: 15.0S Range: 08.0E Meridian: S

COUNTY: CARBON

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
✓ SUBSEQUENT REPORT Date of Work Completion: 1/19/2011	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: First Sales

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

The above well had first sales on January 19, 2011. The well is making 159 mcf and 128 bbls water.

Accepted by the Utah Division of Oil, Gas and Mining

FOR RECORD ONLY

01/27/2011

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Donna Williams	432 688-6943	Sr. Regulatory Specialist
SIGNATURE N/A		**DATE** 1/27/2011

RECEIVED January 27, 2011

API Well No: 43007500320000

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: ML 46105

SUNDRY NOTICES AND REPORTS ON WELLS

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

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: DRUNKARDS WASH

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: Utah 16-527D

2. NAME OF OPERATOR: CONOCOPHILLIPS COMPANY

9. API NUMBER: 43007500320000

3. ADDRESS OF OPERATOR: P.O. Box 51810 , Midland, TX, 79710 1810

PHONE NUMBER: 432 688-6943 Ext

9. FIELD and POOL or WILDCAT: DRUNKARDS WASH

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 0160 FSL 0231 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 09 Township: 15.0S Range: 08.0E Meridian: S

COUNTY: CARBON

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
✓ SUBSEQUENT REPORT Date of Work Completion: 9/17/2010	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: Directional Drill

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

The above well drilled to a total depth of 5252' MD. At this depth, the bottomhole location is 1347.03 FNL & 1299.76 FEL (SENE) of Section 16-15S-8E. The certified directional survey is attached.

RECEIVED
SEP 28 2010
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Donna Williams	432 688-6943	Sr. Regulatory Specialist
SIGNATURE N/A		**DATE** 9/28/2010

RECEIVED September 28, 2010

VES
VAUGHN ENERGY SER

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 9-5-10/9-6-10 through 9-5-10/9-6-10 conduct or supervise the taking of a HA Gyro survey from a depth of 0 feet to a depth of 447 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 qualifed to make this report; that this survey was conducted at the at the request of Conoco Phillips for the Utah Well # 16-527D API # 43-00750032 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

RECEIVED September 28, 2010

Company: Conoco/Phillips
Lease/Well: Utah/16-527D

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 MS GYRO SURVEY CALCULATIONS
Filename: runn1-01.ut
Minimum Curvature Method
Report Date/Time: 9/21/2010 / 15:59

Vaughn Energy Services
Rifle, Colorado
970-456-2071
Surveyor: Garry Fowler
Utah 16-527D

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	0.78	46.40	100.00	0.47	0.49	0.47	0.68	46.40	0.78
200.00	1.15	42.63	199.98	1.68	1.67	1.68	2.36	44.80	0.38
295.00	1.00	2.32	294.97	3.21	2.34	3.21	3.97	36.17	0.79
385.00	1.00	12.78	384.95	4.76	2.55	4.76	5.40	28.19	0.20
447.00	1.00	17.86	446.94	5.80	2.84	5.80	6.46	26.06	0.14

Weatherford

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 Coves certify that I am employed by Precision Energy Services, Inc., a Weatherford Company, and on the days of 09/03/2010 through 09/15/2010, I did conduct, or supervise the taking of a Measurement While Drilling survey from a depth of 501 ft. to a depth of 5201 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 Utah #16-527D 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

RECEIVED September 28, 2010

ConocoPhillips

Weatherford International Ltd.

WFT Survey Report X & Y's

Weatherford

Company:	ConocoPhillips	**Date:** 9/15/2010	**Time:** 07:53:26 **Page:** 1
Field:	Carbon Co, Utah (UTM Zone 12)	**Co-ordinate(NE) Reference:**	Well: Utah #16-527D, True North
Site:	Utah #16-527D	**Vertical (TVD) Reference:**	SITE 7702.0
Well:	Utah #16-527D	**Section (VS) Reference:**	Well (0.00N,0.00E,215.51Azi)
Wellpath:	1	**Survey Calculation Method:**	Minimum Curvature **Db:** Sybase

Survey:	Wft Svy	**Start Date:**	9/9/2010
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:	Utah #16-527D						
Site Position:		**Northing:**	14354162.00 ft	**Latitude:**	39 31 40.328	N	
From:	Map	**Easting:**	1634186.00 ft	**Longitude:**	111 1 19.589	W	
Position Uncertainty:	0.00 ft			**North Reference:**	True		
Ground Level:	7678.00 ft			**Grid Convergence:**	-0.01	deg	

Well:	Utah #16-527D				**Slot Name:**		
Well Position:	+N/-S 0.00 ft	**Northing:**	14354162.00 ft	**Latitude:**	39 31 40.328	N	
	+E/-W 0.00 ft	**Easting:**	1634186.00 ft	**Longitude:**	111 1 19.589	W	
Position Uncertainty:	0.00 ft						

Wellpath:	1			**Drilled From:**	Surface
				Tie-on Depth:	0.00 ft
Current Datum:	SITE	**Height**	7702.00 ft	**Above System Datum:**	Mean Sea Level
Magnetic Data:	7/7/2010			**Declination:**	11.73 deg
Field Strength:	51982 nT			**Mag Dip Angle:**	65.20 deg

Vertical Section:	**Depth From (TVD)**	**+N/-S**	**+E/-W**	**Direction**
	ft	ft	ft	deg
	0.00	0.00	0.00	215.51

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
447.00	1.00	17.86	446.94	5.80	2.84	0.00	-6.37	1.43541e07	1634188.84	Tie On VES
501.00	1.00	24.90	500.94	6.68	3.18	0.23	-7.28	1.43541e07	1634189.18	First Wft Svy
538.00	0.61	19.07	537.93	7.15	3.38	1.08	-7.79	1.43541e07	1634189.38	
569.00	0.40	297.70	568.93	7.36	3.34	2.19	-7.93	1.43541e07	1634189.34	
600.00	1.00	231.75	599.93	7.24	3.03	2.95	-7.66	1.43541e07	1634189.03	
631.00	1.81	231.00	630.92	6.77	2.44	2.61	-6.92	1.43541e07	1634188.44	
662.00	2.88	222.75	661.89	5.89	1.53	3.61	-5.68	1.43541e07	1634187.53	
693.00	3.94	226.00	692.84	4.58	0.23	3.47	-3.86	1.43541e07	1634186.23	
724.00	5.00	222.13	723.74	2.83	-1.44	3.55	-1.47	1.43541e07	1634184.56	
755.00	6.13	223.63	754.60	0.63	-3.49	3.67	1.51	1.43541e07	1634182.51	
786.00	7.00	220.63	785.39	-2.00	-5.86	3.02	5.03	1.43541e07	1634180.14	
816.00	7.94	219.38	815.14	-4.99	-8.37	3.18	8.92	1.43541e07	1634177.63	
847.00	9.00	217.50	845.80	-8.56	-11.20	3.53	13.48	1.43541e07	1634174.80	
878.00	10.00	218.13	876.37	-12.61	-14.34	3.24	18.59	1.43541e07	1634171.66	
909.00	10.94	218.13	906.86	-17.04	-17.82	3.03	24.22	1.43541e07	1634168.18	
940.00	11.81	216.25	937.25	-21.91	-21.51	3.05	30.33	1.43541e07	1634164.49	
971.00	12.69	213.75	967.54	-27.30	-25.28	3.31	36.90	1.43541e07	1634160.72	
1002.00	13.50	210.00	997.74	-33.26	-28.98	3.79	43.91	1.43541e07	1634157.01	
1035.00	14.75	208.63	1029.74	-40.29	-32.92	3.92	51.91	1.43541e07	1634153.07	
1067.00	15.44	209.00	1060.63	-47.59	-36.93	2.18	60.19	1.43541e07	1634149.05	
1098.00	16.35	210.03	1090.45	-54.98	-41.12	3.07	68.63	1.43541e07	1634144.87	
1130.00	17.00	210.75	1121.10	-62.89	-45.76	2.13	77.78	1.43540e07	1634140.22	
1161.00	18.13	212.63	1150.66	-70.85	-50.68	4.08	87.11	1.43540e07	1634135.30	
1192.00	19.06	213.25	1180.04	-79.15	-56.06	3.07	96.99	1.43540e07	1634129.92	

RECEIVED September 28, 2010

ConocoPhillips

Weatherford International Ltd.

WFT Survey Report X & Y's

Weatherford

Company:	ConocoPhillips	Date:	9/15/2010	Time:	07:53:26	Page:	2
Field:	Carbon Co, Utah (UTM Zone 12)	Co-ordinate(NE) Reference:	Well: Utah #16-527D, True North				
Site:	Utah #16-527D	Vertical (TVD) Reference:	SITE 7702.0				
Well:	Utah #16-527D	Section (VS) Reference:	Well (0.00N,0.00E,215.51Azi)				
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
1224.00	19.75	212.88	1210.22	-88.06	-61.86	2.19	107.61	1.43540e07	1634124.12	
1255.00	20.63	213.88	1239.32	-96.99	-67.75	3.05	118.30	1.43540e07	1634118.23	
1287.00	21.50	214.25	1269.18	-106.52	-74.19	2.75	129.80	1.43540e07	1634111.78	
1318.00	22.56	214.75	1297.91	-116.10	-80.78	3.47	141.42	1.43540e07	1634105.20	
1350.00	23.56	215.25	1327.36	-126.37	-87.97	3.18	153.96	1.43540e07	1634098.00	
1381.00	24.38	215.63	1355.68	-136.63	-95.27	2.69	166.55	1.43540e07	1634090.70	
1413.00	25.06	215.75	1384.75	-147.49	-103.08	2.13	179.93	1.43540e07	1634082.89	
1444.00	26.00	216.00	1412.72	-158.32	-110.91	3.05	193.29	1.43540e07	1634075.06	
1476.00	27.19	216.25	1441.34	-169.89	-119.35	3.74	207.62	1.43539e07	1634066.61	
1507.00	28.00	215.13	1468.81	-181.55	-127.73	3.10	221.98	1.43539e07	1634058.23	
1539.00	28.88	214.75	1496.95	-194.05	-136.45	2.81	237.22	1.43539e07	1634049.50	
1570.00	29.69	214.13	1523.99	-206.55	-145.03	2.79	252.38	1.43539e07	1634040.92	
1664.00	30.19	212.25	1605.44	-245.81	-170.70	1.13	299.25	1.43539e07	1634015.24	
1759.00	31.25	212.25	1687.11	-286.86	-196.60	1.12	347.70	1.43538e07	1633989.33	
1853.00	31.69	212.88	1767.28	-328.21	-223.01	0.58	396.71	1.43538e07	1633962.90	
1948.00	32.06	214.13	1847.96	-370.04	-250.71	0.80	446.84	1.43537e07	1633935.20	
2042.00	32.45	214.79	1927.45	-411.40	-279.09	0.56	497.00	1.43537e07	1633906.80	
2136.00	31.94	215.50	2007.00	-452.35	-307.92	0.68	547.08	1.43537e07	1633877.97	
2231.00	30.93	217.06	2088.06	-492.30	-337.23	1.37	596.62	1.43536e07	1633848.65	
2325.00	31.90	216.82	2168.28	-531.46	-366.67	1.04	645.60	1.43536e07	1633819.20	
2420.00	32.50	217.83	2248.67	-571.71	-397.37	0.85	696.19	1.43535e07	1633788.49	
2514.00	33.19	216.42	2327.64	-612.36	-428.13	1.10	747.15	1.43535e07	1633757.72	
2608.00	33.07	215.82	2406.36	-653.86	-458.42	0.37	798.52	1.43535e07	1633727.42	
2703.00	32.88	214.79	2486.06	-696.05	-488.30	0.62	850.23	1.43534e07	1633697.53	
2797.00	31.49	214.61	2565.61	-737.22	-516.81	1.48	900.29	1.43534e07	1633669.01	
2892.00	31.01	215.02	2646.83	-777.68	-544.94	0.55	949.57	1.43533e07	1633640.87	
2986.00	31.26	212.49	2727.29	-818.08	-571.94	1.42	998.14	1.43533e07	1633613.86	
3081.00	30.51	212.14	2808.82	-859.29	-598.01	0.81	1046.83	1.43533e07	1633587.78	
3175.00	29.98	213.80	2890.02	-899.02	-623.77	1.05	1094.12	1.43532e07	1633562.01	
3271.00	30.87	216.58	2972.81	-938.73	-651.79	1.73	1142.73	1.43532e07	1633533.98	
3365.00	30.90	217.22	3053.48	-977.31	-680.76	0.35	1190.96	1.43531e07	1633505.00	
3460.00	30.36	217.46	3135.22	-1015.79	-710.12	0.58	1239.34	1.43531e07	1633475.63	
3554.00	30.87	217.66	3216.12	-1053.74	-739.30	0.55	1287.18	1.43531e07	1633446.44	
3649.00	31.48	217.89	3297.40	-1092.61	-769.42	0.65	1336.32	1.43530e07	1633416.31	
3743.00	31.69	218.57	3377.48	-1131.29	-799.89	0.44	1385.50	1.43530e07	1633385.83	
3837.00	32.08	214.68	3457.30	-1171.12	-829.49	2.22	1435.12	1.43529e07	1633356.22	
3900.00	31.30	213.39	3510.91	-1198.54	-848.02	1.64	1468.20	1.43529e07	1633337.69	
3932.00	30.64	213.53	3538.34	-1212.28	-857.10	2.07	1484.65	1.43529e07	1633328.61	
3963.00	29.40	213.07	3565.19	-1225.24	-865.61	4.07	1500.15	1.43529e07	1633320.09	
3995.00	28.68	213.34	3593.16	-1238.24	-874.12	2.29	1515.67	1.43529e07	1633311.58	
4026.00	27.63	213.36	3620.49	-1250.46	-882.16	3.39	1530.29	1.43529e07	1633303.53	
4121.00	25.88	216.93	3705.33	-1285.44	-906.73	2.50	1573.04	1.43528e07	1633278.95	
4215.00	24.15	215.71	3790.51	-1317.45	-930.29	1.92	1612.78	1.43528e07	1633255.39	
4311.00	22.00	211.28	3878.83	-1348.77	-951.09	2.88	1650.35	1.43528e07	1633234.58	
4406.00	19.15	209.41	3967.76	-1377.56	-967.98	3.08	1683.60	1.43527e07	1633217.68	
4500.00	15.54	213.11	4057.47	-1401.55	-982.44	4.01	1711.52	1.43527e07	1633203.22	
4594.00	12.08	221.70	4148.75	-1419.44	-995.86	4.27	1733.89	1.43527e07	1633189.79	
4689.00	10.16	217.20	4241.96	-1433.54	-1007.54	2.22	1752.15	1.43527e07	1633178.10	
4783.00	10.47	222.54	4334.45	-1446.44	-1018.33	1.07	1768.91	1.43527e07	1633167.31	
4876.00	10.67	223.07	4425.87	-1458.95	-1029.92	0.24	1785.84	1.43527e07	1633155.72	
4970.00	9.44	219.43	4518.42	-1471.27	-1040.76	1.47	1802.15	1.43526e07	1633144.88	
5064.00	8.89	218.78	4611.22	-1482.88	-1050.21	0.60	1817.10	1.43526e07	1633135.43	

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ConocoPhillips

Weatherford International Ltd.

WFT Survey Report X & Y's

Weatherford

Company:	ConocoPhillips	**Date:**	9/15/2010	**Time:**	07:53:26
Field:	Carbon Co, Utah (UTM Zone 12)	**Co-ordinate(NE) Reference:**	Well: Utah #16-527D, True North		
Site:	Utah #16-527D	**Vertical (TVD) Reference:**	SITE 7702.0		
Well:	Utah #16-527D	**Section (VS) Reference:**	Well (0.00N,0.00E,215.51Azi)		
Wellpath:	1	**Survey Calculation Method:**	Minimum Curvature		

Page: 3

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
5159.00	9.61	216.60	4704.99	-1494.97	-1059.53	0.84	1832.35	1.43526e07	1633126.10	
5201.00	9.67	216.01	4746.39	-1500.64	-1063.70	0.28	1839.39	1.43526e07	1633121.93	Last Wft Svy
5252.00	9.67	216.01	4796.67	-1507.57	-1068.74	0.00	1847.95	1.43526e07	1633116.89	Proj. To Bit

Annotation

MD ft	TVD ft	
447.00	446.94	Tie On VES
501.00	500.94	First Wft Svy
5201.00	4746.39	Last Wft Svy
5252.00	4796.67	Proj. To Bit

RECEIVED September 28, 2010

ConocoPhillips

Utah #16-527D
Carbon Co, Utah

Weatherford

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.00	0.00	215.51	0.00	0.00	0.00	0.00	0.00	0.00	
2	550.00	0.00	215.51	550.00	0.00	0.00	0.00	0.00	0.00	
3	1585.75	31.07	215.51	1535.72	-223.07	-159.17	3.00	215.51	274.04	
4	3913.49	31.07	215.51	3529.46	-1201.04	-856.98	0.00	0.00	1475.43	
5	4615.90	10.00	215.51	4183.54	-1400.49	-999.29	3.00	180.00	1720.45	
6	5243.90	10.00	215.51	4802.00	-1489.26	-1062.63	0.00	0.00	1829.51	Pbhl

TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Shape
Pbhl	4802.00	-1489.26	-1062.63	14352673.00	1633123.00	39°31'25.603N	111°01'33.154W	Circle (Radius: 75)

FORMATION TOP DETAILS

No.	TVDPath	MDPath	Formation
1	4044.00	4486.00	T/ Blue Gate Shale
2	4198.00	4644.27	T/ Ferron
3	4234.00	4680.91	T/ Ferron Coal 4
4	4402.00	4851.71	B/ Ferron Coal 1
5	4508.00	4959.43	T/ Tununk
6	4588.00	5040.49	T/ Lower Bent Mkr

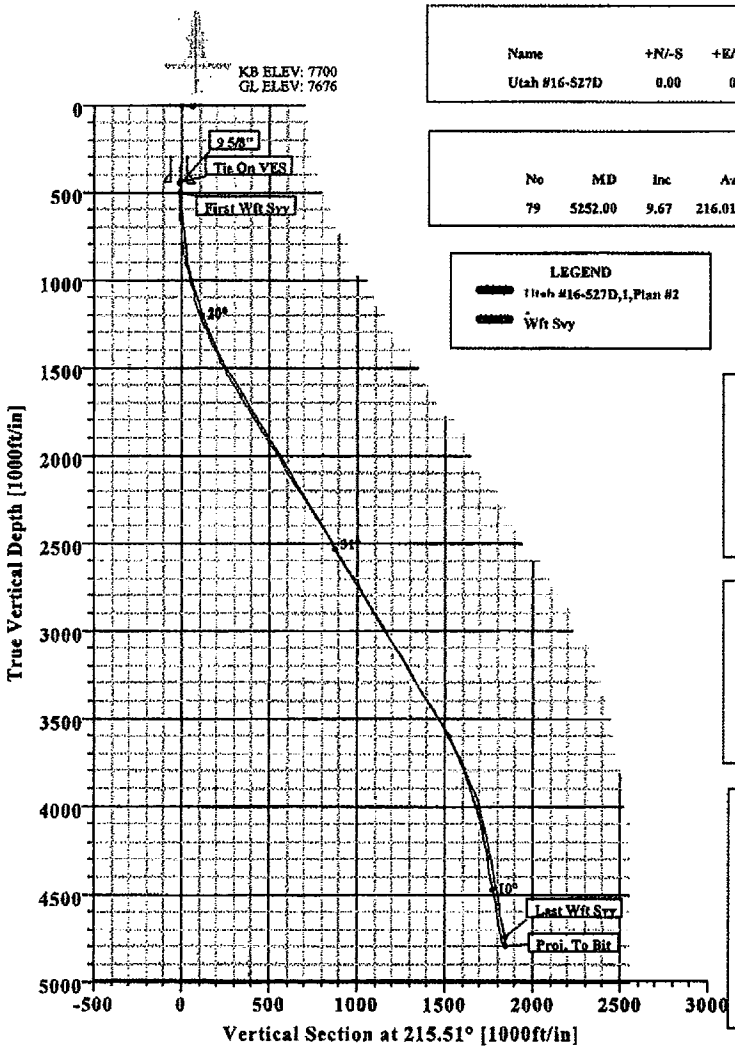
WELL DETAILS

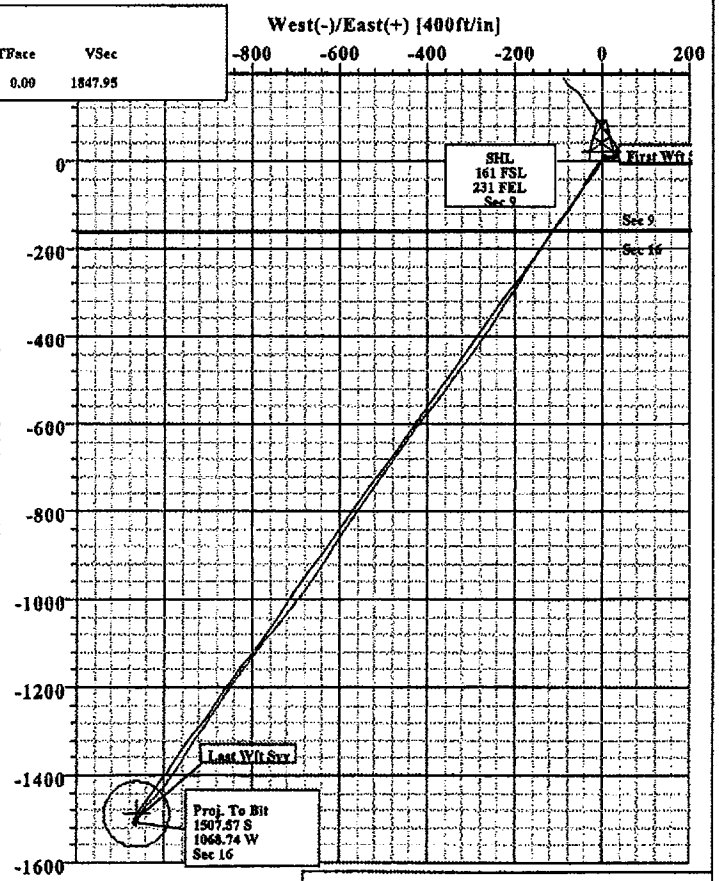
Name	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
Utah #16-527D	0.00	0.00	14354162.00	1634186.00	39°31'40.328N	111°01'19.589W	N/A

Survey: Wft Svy (Utah #16-527D/1)

No	MD	Inc	Az	TVD	+N/-S	+E/-W	DLeg	TFace	VSec
79	5252.00	9.67	216.01	4796.67	-1507.57	-1068.74	0.00	0.00	1847.95

KB ELEV: 7700
GL ELEV: 7676





LEGEND
Utah #16-527D,1,Plan #2
Wft Svy

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
Utah #16-527D
Site Centre Northing: 14354162.00
Easting: 1634186.00
Ground Level: 7678.00
Positional Uncertainty: 0.00
Convergence: -0.01

Azimuths to True North
Magnetic North: 11.73°
Magnetic Field
Strength: 51982nT
Dip Angle: 65.20°
Date: 7/7/2010
Model: IGRF2010

Total Correction to True North: 11.73°

Survey: Wft Svy (Utah #16-527D/1)
Created By: Russell W. Joyner Date: 9/15/2010

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

AMENDED REPORT ☐ (highlight changes) FORM 8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER: ML46105

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

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ DRY ☐ OTHER

7. UNIT or CA AGREEMENT NAME: Drunkards Wash

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

8. WELL NAME and NUMBER: Utah 16-527D

2. NAME OF OPERATOR: ConocoPhillips Company

9. API NUMBER: 4300750032

3. ADDRESS OF OPERATOR: P.O. Box 51810 CITY Midland STATE Tx ZIP 79710

PHONE NUMBER: (432) 688-6943

10 FIELD AND POOL, OR WILDCAT: Drunkards Wash

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 160 FSL & 231 FEL (SESE) 9-15S-8E
AT TOP PRODUCING INTERVAL REPORTED BELOW: 1348 FNL 1300 FEL
AT TOTAL DEPTH: 1347.03 FNL & 1299.76 FEL (SENE) 16-15S-8E

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 9 15S 8E

12. COUNTY: Carbon

13. STATE: UTAH

14. DATE SPUDDED: 7/30/2010

15. DATE T.D. REACHED: 9/17/2010

16. DATE COMPLETED: 12/6/2010 ABANDONED ☐ READY TO PRODUCE ☑

17. ELEVATIONS (DF, RKB, RT, GL): 7676.4 GL

18. TOTAL DEPTH: MD 5,252 TVD 4,790 ?

19. PLUG BACK T.D.: MD 5,192 TVD 4737

20. IF MULTIPLE COMPLETIONS, HOW MANY? *

21. DEPTH BRIDGE PLUG SET: MD TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
Attached ✓RCBL, ✓RACBL, ✓RPM

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

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	16# Cond		0	80		yds 7		Surface	
12 1/4"	9 5/8	36#	0	474		sxs 426		Surface	
8 1/2"	5 1/2	17#	0	5,240		sxs 795		616	

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	5,066							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) Ferron	4,728	4,931		
(B)				
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
4,728 4,931			Open ☑ Squeezed ☐
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
4728-4931	A w/1000 gls 15% HCl. F w/157607# 20/40 Ottawa sand in delta 140 x link gel

29. ENCLOSED ATTACHMENTS:
☑ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☐ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER:

30. WELL STATUS:

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(5/2000) (CONTINUED ON BACK)

31. INITIAL PRODUCTION — **INTERVAL A (As shown in item #26)**

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
1/19/2011	1/19/2011	24		0	159	128	Pump

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:
							0	159	128	Open

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

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

Sold

33. SUMMARY OF POROUS ZONES (Include Aquifers):

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

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.

34. FORMATION (Log) MARKERS:

Name	Top (Measured Depth)
Top Bluegate	4,564
Green Shale	4,655
Top Ferron	4,719
Top Lower Ferron	4,937
Lower Tunuck Bentonite	5,164

35. ADDITIONAL REMARKS (Include plugging procedure)

Perfs: 4728-32, 4738-46, 4758-61, 4768-71, 4780-90, 4796-98, 4806-09, 4844-52, 4858-64, 4883-89, 4906-16, & 4929-31

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

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

SIGNATURE _____ DATE 3/4/2011

This report must be submitted within 30 days of

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

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

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

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

Phone: 801-538-5340

Fax: 801-359-3940

(5/2000)

C FORM 6

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

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

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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: FRSD BHL = NWSE — 3/30/11
outside Unit PA

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: FRSD BHL Sec 16 SENE — 3/30/11
outside unit PA

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)

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MAR 30 2011
DIV. OF OIL, GAS & MINING

Donna Williams
Name (Please Print)
Signature
Sr. Regulatory Advisor
Title
3/24/2011
Date

(5/2000)

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

TAKE PRIDE IN AMERICA

IN REPLY REFER TO:
3160 – UTU67921X
(UT922100)

APR 11 2012

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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

Roger L. Bankert
Chief, Branch of Minerals

43-007-50032

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:
3180 (UTU67921X)
UT-922100

AUG 0 2 2012

Utah 16-527D
15S 8E 9

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

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

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