

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

FORM 3

AMENDED REPORT

<b>APPLICATION FOR PERMIT TO DRILL</b>						<b>1. WELL NAME and NUMBER</b> GORDON CREEK ST SE-B-7-14-8								
<b>2. TYPE OF WORK</b> DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>						<b>3. FIELD OR WILDCAT</b> UNDESIGNATED								
<b>4. TYPE OF WELL</b> Gas Well <input type="checkbox"/> Coalbed Methane Well: NO <input type="checkbox"/>						<b>5. UNIT or COMMUNITIZATION AGREEMENT NAME</b>								
<b>6. NAME OF OPERATOR</b> GORDON CREEK, LLC						<b>7. OPERATOR PHONE</b> 403 453-1608								
<b>8. ADDRESS OF OPERATOR</b> 1179 E Main #345, Price, UT, 84501						<b>9. OPERATOR E-MAIL</b> rironside@thunderbirdenergy.com								
<b>10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE)</b> 46537			<b>11. MINERAL OWNERSHIP</b> FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>			<b>12. SURFACE OWNERSHIP</b> FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>								
<b>13. NAME OF SURFACE OWNER (if box 12 = 'fee')</b>						<b>14. SURFACE OWNER PHONE (if box 12 = 'fee')</b>								
<b>15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')</b>						<b>16. SURFACE OWNER E-MAIL (if box 12 = 'fee')</b>								
<b>17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')</b>			<b>18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS</b> YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>			<b>19. SLANT</b> VERTICAL <input checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/>								
<b>20. LOCATION OF WELL</b>		<b>FOOTAGES</b>		<b>QTR-QTR</b>		<b>SECTION</b>		<b>TOWNSHIP</b>		<b>RANGE</b>		<b>MERIDIAN</b>		
LOCATION AT SURFACE		1353 FSL 631 FEL		NESE		7		14.0 S		8.0 E		S		
Top of Uppermost Producing Zone		1353 FSL 631 FEL		NESE		7		14.0 S		8.0 E		S		
At Total Depth		1353 FSL 631 FEL		NESE		7		14.0 S		8.0 E		S		
<b>21. COUNTY</b> CARBON			<b>22. DISTANCE TO NEAREST LEASE LINE (Feet)</b> 631			<b>23. NUMBER OF ACRES IN DRILLING UNIT</b> 160								
			<b>25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed)</b> 1700			<b>26. PROPOSED DEPTH</b> MD: 3807 TVD: 3807								
<b>27. ELEVATION - GROUND LEVEL</b> 7728			<b>28. BOND NUMBER</b> RLB0010790			<b>29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE</b> Drilled Well (WATER RIGHTS #91-5193)								
<b>Hole, Casing, and Cement Information</b>														
<b>String</b>	<b>Hole Size</b>	<b>Casing Size</b>	<b>Length</b>	<b>Weight</b>	<b>Grade &amp; Thread</b>	<b>Max Mud Wt.</b>	<b>Cement</b>	<b>Sacks</b>	<b>Yield</b>	<b>Weight</b>				
Surf	11	8.625	0 - 800	24.0	J-55 Casing/Tubing	8.7	Class G	377	1.142	15.84				
Prod	7.875	5.5	0 - 3807	17.0	N-80 LT&C	10.0	Class G	331	2.69	10.7				
<b>ATTACHMENTS</b>														
<b>VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES</b>														
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER						<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN								
<input type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)						<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER								
<input type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)						<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP								
<b>NAME</b> Barry Brumwell				<b>TITLE</b> Vice President-Operations				<b>PHONE</b> 403 453-1608						
<b>SIGNATURE</b>				<b>DATE</b> 11/08/2011				<b>EMAIL</b> bbrumwell@thunderbirdenergy.com						
<b>API NUMBER ASSIGNED</b> 43007502550000				<b>APPROVAL</b>				 Permit Manager						

**MULTI-POINT SURFACE USE PLAN**

Attached to UDOGM Form 3

**GORDON CREEK, LLC.**

**SE-B-7-14-8**

1,353.33' FSL & 631.01' FEL

NE/4 of SE/4 of Section 7-14S-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.

**2. PLANNED ACCESS**

- a. No new access is required, as this well was previously permitted and the access and location were built in accordance with that permit. The current route was re-conditioned before starting operations on the original SE-7-14-8 well, to ensure adequate access.
- b. If the well is productive, the road will be maintained as necessary to prevent soil erosion and maintain year-round traffic. However, we may allow the access road to be gated and closed off during winter production operations and access the site with a snowmobile or other winter ATV.
- c. Maximum Width: 24' travel surface with 27' base.
- d. Maximum grade: 25%
- e. Road culverts may be required. Surface water will be diverted around the well pad as necessary.
- f. Any power lines and / or pipelines to/from the well will follow the proposed access route.

**3. LOCATION OF EXISTING WELLS**

- a. As shown on the Civil Location Survey Plat for the well.

**4. LOCATION OF EXISTING and/or PROPOSED FACILITIES**

- a. If the well is a producer, installation of required production facilities will follow the drilling and completion phase of well operations. Buried flow lines, water lines and electrical cable will follow the proposed access road and other existing access ROWs to the intersection with Thunderbird's main 12' pipeline corridor.
- b. Rehabilitation of all pad areas not used for production facilities will be made in accordance with landowner stipulations.

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

#### 4. PROPOSED CASING AND CEMENTING PROGRAMS

Refer to EXHIBIT "A" for casing design information

##### A. CASING PROGRAM

HOLE SIZE (in)	CASING SIZE (in)	WEIGHT (#/ft)	GRADE	JOINT	DEPTH SET (ft)
17	12 <sup>3</sup> / <sub>4</sub>	40.5	H-40	ST&C	0 – 40
11	8 <sup>5</sup> / <sub>8</sub>	24.00	J-55	ST&C	0 – 800
7 <sup>7</sup> / <sub>8</sub>	5 <sup>1</sup> / <sub>2</sub>	17.00	N-80	LT&C	0 – 3,807

##### B. CEMENTING PROGRAM

The 8 <sup>5</sup>/<sub>8</sub>" surface casing will be set and cemented full length with approximately 377 sacks of 0-1-0 Class "G" cement + 2% CaCl<sub>2</sub> + 0.25 #/sk of cellophane flakes mixed at 15.84 ppg (yield = 1.142 ft<sup>3</sup>/sk); volume based on nominal hole size + 100% excess. The cement will be circulated back to surface. In the event that the cement is not circulated back to surface, a 1" top out job will be performed with 0-1-0 Class "G" cement + 2% CaCl<sub>2</sub> + 0.25 #/sk of cellophane flakes mixed at 15.84 ppg (yield = 1.142 ft<sup>3</sup>/sk).

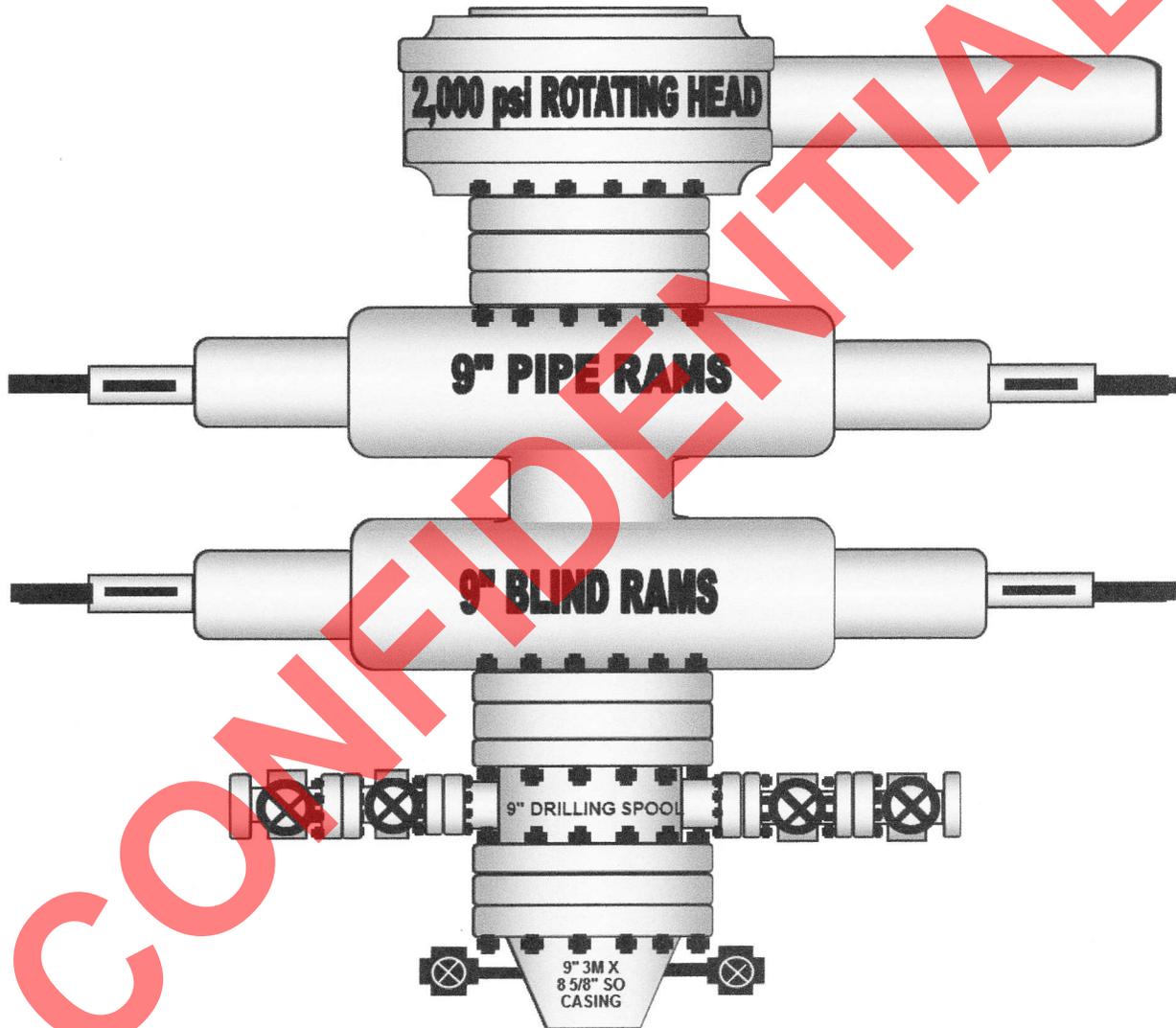
The 5 <sup>1</sup>/<sub>2</sub>" production casing will be set and cemented full length using 331 sx of 0-1-0 "G" Light Weight cement incorporating 42% "SuperBall" centrospheres to lighten the cement density + 3% NaCl, 0.3% Air-out, 1.5% SFL-300, 0.2% SCR-2. The cement will be mixed at 10.7 ppg (yield = 2.69 ft<sup>3</sup>/sk); volume based on nominal hole size + 35% excess. The cement will be circulated back to surface.

#### THE FOLLOWING SHALL BE ENTERED INTO THE DRILLER'S LOG:

- I. Blowout preventer pressure tests, including test pressures and results;
- II. Blowout preventer tests for proper functioning;
- III. Blowout prevention drills conducted;
- IV. Casing run, including size, grade, weight, and depth set;
- V. How the pipe was cemented, including amount of cement, type, whether cement was circulated back to surface, location of the cementing tools, etc.;
- VI. Waiting on cement time for each casing string;
- VII. Casing pressure tests after cementing, including test pressures and results.

5. THE OPERATOR'S MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL

Below is a schematic diagram of the blowout preventer equipment requirements for this drilling operation. A 9' X 3,000 psi double gate BOP will be used with a 2,000 psi Rotating Head utilized for air drilling operations. ALL BOPE will be pressure tested to the required operating pressures of each component. All tests will be recorded in the Driller's Report Book. The physical operation of each component of the BOP's will be checked on each trip.



**6. THE TYPE AND CHARACTERISTICS OF THE PROPOSED CIRCULATING FLUIDS / MUDS**

0' – 800'	11" Surface Hole	Drill with air, will mud-up if necessary.
800' – TMD	7 <sup>7</sup> / <sub>8</sub> " Main Hole	Drill with air, 500 psi @ 1500-2300 ft <sup>3</sup> /min

Will "mud up" at Total Depth to run logs and casing. Will mud up sooner if hole conditions dictate. It is anticipated that drilling fluid densities of 8.3 – 8.7 #/gal will be utilized when "mudded up".

**7. THE TESTING, LOGGING AND CORING PROGRAMS**

Open hole logs consisting of a CNL-LDT-GR-GAL will be run from above the Blue Gate Shale to TMD. A DIL-GR-SP log will be run from TMD to surface.

**8. ANY ANTICIPATED ABNORMAL PRESSURES or TEMPURATURES**

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 approximately 1250 psi maximum. No hydrogen sulfide or other hazardous gases or fluids have been found, reported or are known to exist at these depths in the area.

**9. ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS**

As per verbal approval from Dustin Doucet, the rig has been moved over to the proposed new well coordinates on the original well pad. The 14 <sup>3</sup>/<sub>4</sub>" conductor hole was spudded at 16:00 HRS on 11/05/2011. Spud notice has been provided to Mark Jones of DOGM in Price, Utah. Additionally, verbal and/or written notifications listed below shall be submitted in accordance with instructions from the Division of Oil, Gas & Mining:

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

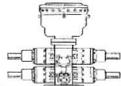
Spills, blowouts, fires, leaks, accidents or other unusual occurrences shall IMMEDIATELY be reported to the Division of Oil, Gas & Mining.



**GORDON CREEK SE-B-7-14S-8E**  
 NE/4 OF SE/4, 1,353.33' FSL + 631.01' FEL

**SURFACE LEASE #:** ML-46537  
**MINERAL LEASE #:** ML-46537  
**AFE:** 11DRL029  
**WORKING INTEREST:** 100%  
**RIG:**  
**DRILL DAYS BELOW SURFACE CASING SHOE:** 5

**DRILLED WITH AIR**



Survey Grd. Ele: 7,375.1'  
 Est. KB Elev: 7,387'  
 VERTICAL WELL 11.9' KB  
 8.625" Casing Set @ ~800'

BOP'S 9", 3000 # CASING BOWL

**EMERGENCY PLANNING ZONE SUMMARY**  
 SWEET WELL: THUNDERBIRD'S CORPORATE EMERGENCY RESPONSE PLAN APPLIES

**TOPS ft TVD**

Emery Fm.	Sfc.
<b>SURFACE CASING</b>	800
<b>BASE OF GROUNDWATER</b>	TBD

**CASING DESIGN**

	Interval (ft)	O.D. (inches)	#/ft	Grade	Thread	Burst (psi)	Collapse (psi)	Opt. Torque (ft lbs)
<b>Surface:</b>	0 - 800	8 5/8	24	J-55	ST&C	2,950	1,370	2,440
<b>Main:</b>	0 - 3,807'	5 1/2	17	N-80	LT&C	7,740	6,280	3,480

\*ENSURE THAT MARKER JOINTS ARE PLACED IN THE CASING STRING OPPOSITE ANY PAY ZONE  
 TARGET: FERRON SANDSTONE/COAL; CASING TO BE CUT 16" ABOVE CASING BOWL

MUD UP ONLY IF WATER INFLUX OCCURS OR TIGHT HOLE CONDITIONS OCCUR

Begin taking samples on Geologists orders

11" Surface Hole  
 7.875" Main Hole

**CEMENTING PROGRAM - Primary - Single Stage**

	Bit Size (inches)	Cement	Additives	Yield (ft <sup>3</sup> /sk)	Volume (sx)	% Excess	Cmt Top (ft)	Density (#/gal)
<b>Surface:</b>	11	0-1-0 "G"	2% CaCl <sub>2</sub> + Cellophane flakes	1.142	377.3	100	SFC	15.84
<b>Main:</b>	7 7/8	Superball 10.7	3% NaCl, 0.3% Air-out, 42% Superball, 1.5% SFI-300, 0.2% SCR-2	2.69	331.0	35	SFC	10.70

**DRILLING FLUIDS**

	Interval	Type	
<b>Surface :</b>	0 - 800	AIR or water	Drill with AIR, "mud up" with water & LCM if water influx occurs. Run occasional gel sweeps when drilling with water/LCM. Condition mud thoroughly prior to POOH to run/cement casing
<b>Main:</b>	800 - 3,100 3,100-3,807	AIR Gel Chemical	MUD UP ONLY if water influx occurs or if TIGHT HOLE conditions become prevailant. MUD UP at ~ 3,100' to TD.

Blue Gate Shale Mbr **	1,433'
Lower Bluegate Bentonite Marker	3,202'
FERRON SS/COAL * (750 psi) AIR DRILL THROUGH ZONE IF POSSIBLE	3,337'
Tununk Shale	3,749'
TD	3,807'

**11" SURFACE HOLE**  
 - Spud with an approved water well/surface casing rig and drill to surface TD of about 800 ft. Survey every 100'. Ensure that the surface hole deviation does not exceed 3 degrees. Set surface casing at least 50' below any water influx zone.

- **NOTE:** MUD UP with Gel Chemical mud system immediately if water influx becomes problematic. Refer to the Mud Program and the Cementing Program for further information.

**7 7/8" MAIN HOLE: VERTICAL HOLE**  
 - Move on conventional drilling rig and drill out with and AIR DRILL as far as possible with air. Survey every 300'. Ensure that deviation does not exceed 3 degrees. Notify Calgary operations immediately if a 3 degree deviation is exceeded.  
 - **TIGHT HOLE** is possible on connections. REAM HOLE at first indication of tight hole and attempt to continue to air drill.  
 - **COAL/SHALE SEAMS** can occur in the wellbore which may be faulted and unconsolidated resulting in sloughing hole conditions.  
 - **H<sub>2</sub>S WILL NOT** be encountered.  
 - **MUD UP ONLY** if water influx occurs OR if tight hole conditions become prevailant.  
 - **OVER PRESSURE:** Generally, all zones in the wellbore should be underpressured (below normal water gradient) or have normal pressure gradients.  
 - **LOST CIRCULATION** should not occur.  
 - **FERRON SS/COAL PENETRATION** - ATTEMPT TO AIR DRILL THROUGH THE FERRON ZONE. WATER may be encountered upon penetration. Ensure good hole conditions are prevalent to penetrating the FERRON.  
 - **MUD UP** - switch to a Gel Chem drilling fluid system at ~3,100' OR if water/tight hole problems occur.  
 - Mud Check - prior to POOH for logging, condition the mud and check mud properties with mudman. **DO NOT POOH** until the wellbore is circulating free of cuttings and the mud properties are optimal for logging.  
**NOTE:** Ensure the well is cemented to surface or that an abandonment program has been approved by THUNDERBIRD.

**SAMPLE REQUIREMENTS/ EVALUATION**

T-BIRD	Begin taking 2 sets of samples every 10 feet at 2,640' to TD
GOVT:	As per regulations
Detection:	Gas detection/ PASON Mud Log as per Geologist's request.
Cores:	No coring
DST:	No DST's

**LOGGING PROGRAM - NUMBER OF COPIES OF EACH LOG:**

	# of copies
DIL-GR-SP T.D. to surface casing	4
CNL-LDT-GR-GAL T.D. to 2,640'	4

Run a multi-arm caliper log to ensure correct calculation for cement volumes on casing or plugs.

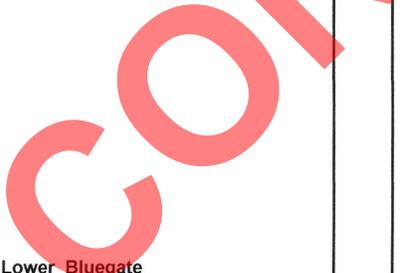


EXHIBIT "A"

**CASING DESIGN**  
**GORDON CREEK ST SE-B-7-14-8**  
**PROJECTED TD: 3,807' KB**

**SURFACE CASING (0' – 800')**

Diameter	8 <sup>5</sup> / <sub>8</sub> "
Interval	800' to Surface
Weight	24 #/ft
Grade	J-55
Coupling	ST&C

Burst Design

The recommended practice is to base on the burst rating of the casing string in psi to be at least numerically equal to 0.225 psi/ft times the setting depth in feet of the next casing string. The rating chosen was also intended to match the BOPE pressure rating and exceed the highest possible surface pressure of approximately 936 psig.

Burst required =	$0.225 \times 3,807$	857 psig
Burst rating of casing string:	2,950 psi	
<b>Safety factor =</b>	<b><math>2,950 \text{ psi} / 857 \text{ psi} =</math></b>	<b>3.44</b>

Collapse Design

Collapse pressure is negligible on this surface string.

Tension Design

String weight in air	19,200 #
Tensile strength of joint	244,000 lbf
Safety factor of joint	12.7

**PRODUCTION CASING (0' – 3,807')**

Diameter 5 ½"  
 Interval 4,161' to surface  
 Weight 17 #/ft  
 Grade N-80  
 Coupling LT&C

Burst Design

An internal pressure gradient of 0.4863 psi/ft has been used as a basis for these calculations.

Burst rating of casing string: 7,740 psi  
 Burst rating required: 3,807' X 0.4863 = 1,851 psig  
**Safety factor = 7,740 psi / 1,851 psi = 4.18**

Tension Design

1.6 Safety factor of top joint, neglecting buoyancy and without over pull.

Tensile rating of casing joint: 348,000 lbf  
 String Weight: 3,807' X 17 #/ft = 64,719 lbf  
**Safety factor = 348,000 lbf / 64,719 lbf = 5.38**

Collapse Design

Maximum anticipated mud weight is 10.0 ppg based on a mud gradient of 0.53 psi/ft.

Collapse rating of csg string: 6,280 psi  
 Collapse rating required: 3,807' X 0.53 psi/ft = 2,017 psi  
**Safety factor = 6,280 psi / 2,017 psi = 3.11**

Production Casing Design

Interval (ft)	Weight (#/ft)	Grade	S.F. Burst	S.F. Collapse	S.F. Tension
3,669' – 0'	17	N-80	4.18	5.38	3.11

**DRILLING PLAN and PROGRAM**

Attached to UDOGM Form 3

**GORDON CREEK, LLC.**

**SE-7-14-8**

1,353.33' FSL & 631.01' FEL

NE/4 of SE/4 of Section 7-14S-8E

Carbon County, Utah

**\*\* NOTE: AN APD FOR THIS WELL WAS APPLIED FOR AND APPROVED ON APRIL 19<sup>th</sup>, 2007 AND GRANTED AN API # OF 43-007-31230. THE LOCATION WAS CONSTRUCTED AND 20" CONDUCTOR PIPE SET BEFORE OPERATIONS WERE SUSPENDED. OPERATIONS ON THE WELL RE-COMMENCED WHEN THE 11" SURFACE HOLE WAS "SPUDED" ON 10-25-2011. WELLBORE PROBLEMS WERE ENCOUNTERED AT 1,195' KB AND THE WELL HAD TO BE PLUGGED AND ABANDONED. THE RIG WAS "SKIDDED" OVER 45' TO THE WEST TO RE-DRILL THE WELL, BEING APPLIED FOR AS SE-B-7-14-8 (refer to attached updated survey plan) .**

**1. SURFACE GEOLOGIC FORMATION**

Emery Sandstone Member of the Mancos Shale

**2. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS**

Mancos Blue Gate Shale top:	1,433' KB
Lower Blue Gate Bentonite Marker:	3,202' KB
Ferron SS:	3,337' KB

**3. PROJECTED GAS & H<sub>2</sub>O ZONES**

Groundwater was encountered within the Emery Sandstone Member of the Mancos Shale both at 356' KB and 518' KB in the original SE-7-14-8 well, therefore it is assumed it will be encountered at those same depths in the SE-B-7-14-8 re-drill wellbore. Therefore, surface casing will be set to 800' instead of at 450' as originally planned in this drilling program. Any water encountered will be reported on a Form 7 "Report of Water Encountered During Drilling". All indications of usable water will be reported.

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

**5. LOCATION AND TYPE OF WATER SUPPLY**

- a. All water to be used for drilling operations will be obtained from area water wells drilled and owned by Gordon Creek, LLC.
- b. Water will be transported to location by truck over approved access roads.

**6. SOURCE OF CONSTRUCTION MATERIALS**

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

**7. METHODS FOR HANDLING WASTE DISPOSAL**

- a. As the well is expected to 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 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 operations cease with four strands of barbed wire, or 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 backfilled and returned to natural grade. No liquid hydrocarbons will be discharged to the reserve pit or location.
- c. In the event that wellbore fluids are produced, any oil will be retained in tanks 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.
- d. 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 a trailer to be located on the drill site.

**9. WELLSITE LAYOUT**

- a. Gordon Creek, LLC. has reduced to surface lease size (area stripped and levelled) for this location to the smallest lease size possible to accommodate the required drilling rig and support equipment.
- b. Any available topsoil will be removed from the location and stockpiled. The location of the rig, mud tanks, reserve and berm pits and all other drilling support equipment will be located as per common oilfield rig layouts.
- 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 blooie pit. The blooie pit will not be lined, but will be fenced on four sides to protect livestock/wildlife.
- c. Access to the well pad will be as shown on the Civil Location Survey Plat for the well.
- 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 minimize possible erosion.
- 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.
- d. Rehabilitation will commence following completion of the well. Rat and mouse holes will be filled in immediately upon release of the drilling rig from the location. If the well site is to be abandoned, all disturbed areas will be re-contoured to the natural terrain found prior to location construction.

**11. SURFACE OWNERSHIP**

- a. The well site and access road are on and across lands originally owned through the State of Utah School and Institutional Trust Lands Administration and covered by Surface Use Agreement # ML-46537. ***Under this Surface Use Agreement AND the original APD Approval, this well location and access road were constructed and remain in a rig-ready state.*** Since the expiration of the original APD for this well, ownership of these lands have since been transferred to the State of Utah Department of Natural Resources, Division of Wildlife Resources, 1594 W. North Temple, Suite 2110, P.O. Box 146301, Salt Lake City, Utah, 84114-6301. The operator shall contact the landowner and the Division of Oil, Gas and Mining 48 hours prior to beginning construction activities.

**12. OTHER INFORMATION**

- a. The primary surface use is wildlife habitat. The nearest dwelling is approximately 12 Miles east (Price, Utah). The nearest live water is an unnamed natural spring located approximately ½ Mile East of the proposed well location.
- b. 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.
- c. The back-slope and fore-slope will be constructed no steeper than 4:1.
- d. All equipment and vehicles will be confined to the access road and well pad.
- e. A complete copy of the approved Application for Permit to Drill (APD,) including all conditions and stipulations shall be on the well-site during construction and drilling operations.

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

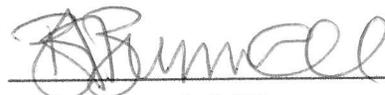
**13. COMPANY REPRESENTATIVE**

Barry Brumwell, C.E.T.  
Vice President, Operations  
Gordon Creek LLC., a wholly owned subsidiary of  
Thunderbird Energy Corp.  
#550, 1010 – 1<sup>st</sup> Street S.W.  
Calgary, Alberta, Canada  
(403) 453-1608 (office)  
(403) 818-0696 (mobile)  
[bbrumwell@thunderbirdenergy.com](mailto:bbrumwell@thunderbirdenergy.com)

**14. CERTIFICATION**

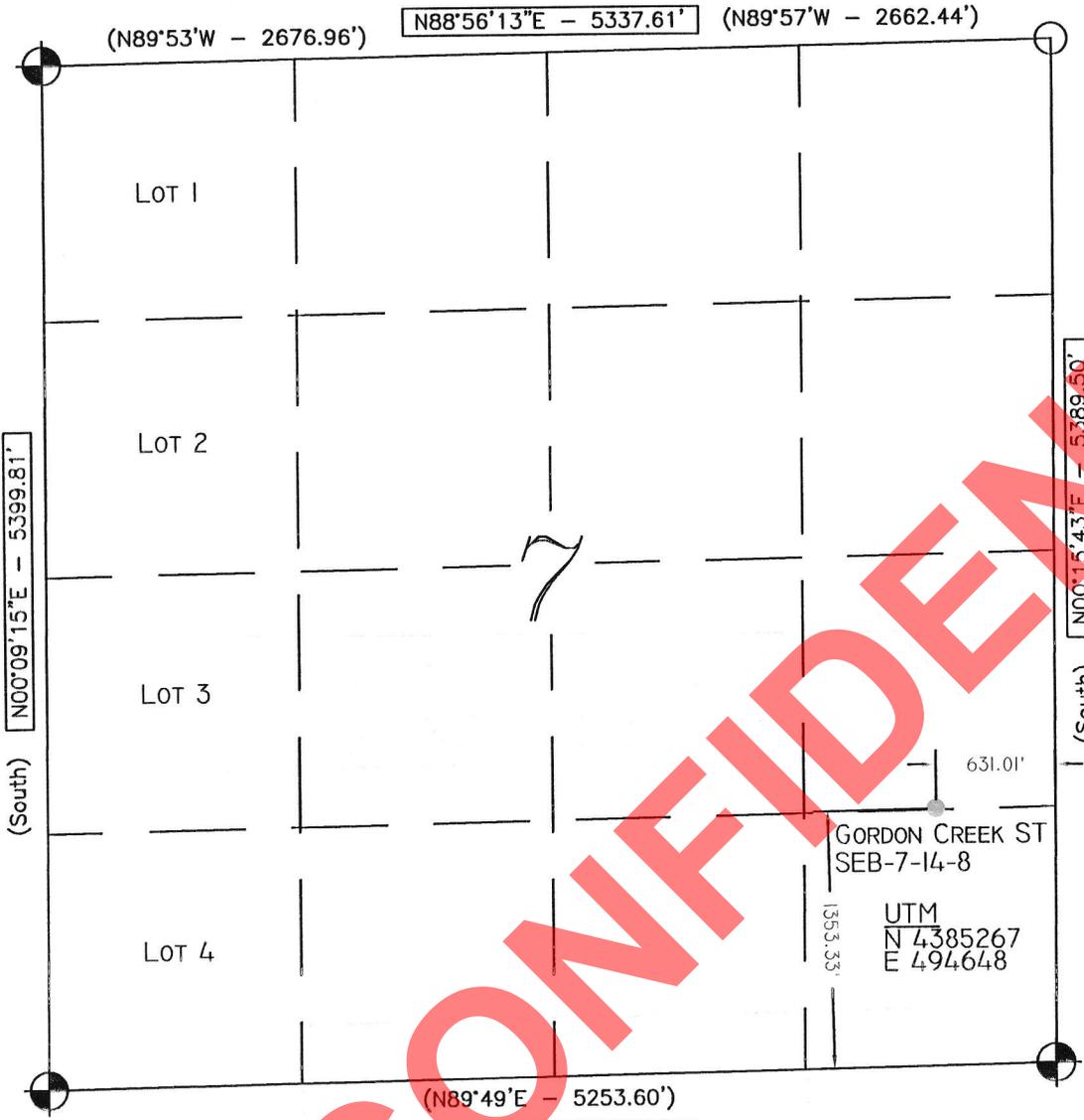
I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct, and that the work associated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

11/05/2011  
DATE

  
Barry Brumwell, C.E.T.  
Vice President, Operations  
Gordon Creek LLC. / Thunderbird Energy Inc.

# Range 8 East

Township 14 South



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

**Basis of Bearing:**  
The Basis of Bearing is GPS Measured.

**GLO Bearing:**  
The Bearings indicated are per the recorded plat obtained from the U.S. Land Office.

**Basis of Elevation:**  
Basis of Elevation of 7400.00' being at the Northeast Section Corner of Section 6, Township 14 South, Range 8 East, Salt Lake Base and Meridian, as shown on the Jump Creek Quadrangle 7.5 minute series map.

**Description of Location:**  
Proposed Drill Hole located in the NE/4 SE/4 of Section 7, T14S, R8E, S.L.B.&M., being North 1353.33' from South Line and West 631.01' from East Line of Section 7, T14S, R8E, Salt Lake Base and Meridian.

**Surveyor's Certificate:**  
I, John S. Huefner, a Professional Land Surveyor, holding Certificate No. 144842 State of Utah, do hereby certify that the information on this drawing is a true and accurate survey based on data of record and was conducted under my personal direction and supervision as shown hereon.



GRAPHIC SCALE



1 inch = 1000ft.

Revision: 11/7/11

**Legend**

- Drill Hole Location
- ⊕ Brass Cap (Found)
- Stone (Found)
- △ Calculated Corner
- ( ) GLO
- GPS Measured

**NOTES:**

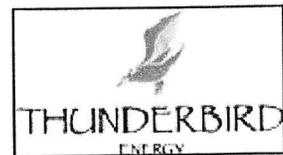
1. Dimensions are GPS measured unless noted otherwise.
2. UTM and Latitude / Longitude Coordinates are derived using a GPS Pathfinder and are shown in NAD 27 Datum.

LAT / LONG
39°37'08.500" N
111°03'44.469" W

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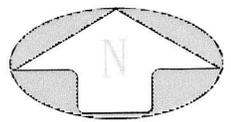
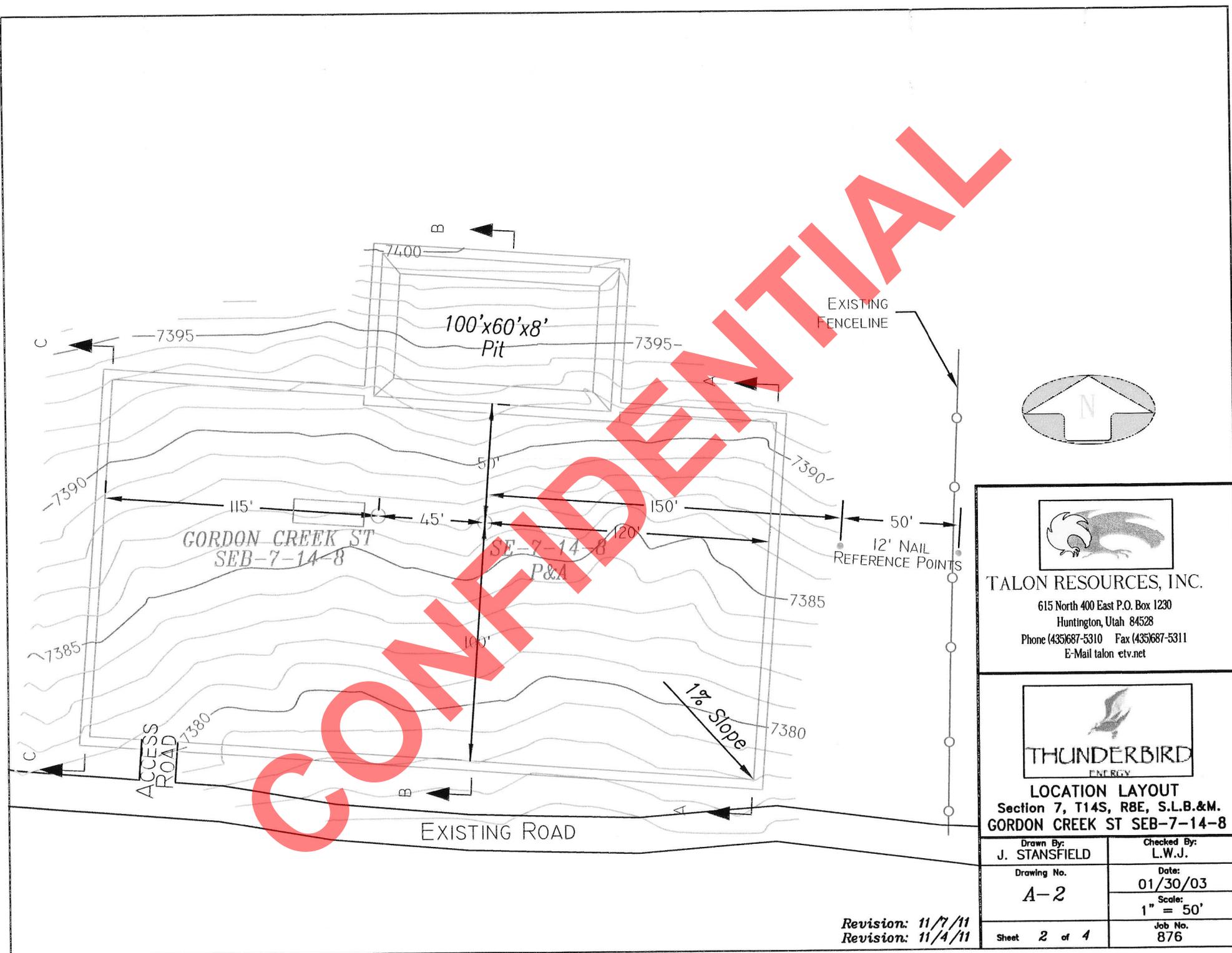


**TALON RESOURCES, INC.**  
615 North 400 East P.O. Box 1230  
Huntington, Utah 84528  
Phone (435)687-5310 Fax (435)687-5311  
E-Mail talonnetv.net



**GORDON CREEK ST SEB-7-14-8**  
Section 7, T14S, R8E, S.L.B.&M.  
Carbon County, Utah

Drawn By: N. BUTKOVICH	Checked By: A.P.C./J.S.H.
Drawing No. A-1	Date: 8/25/11
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 4887

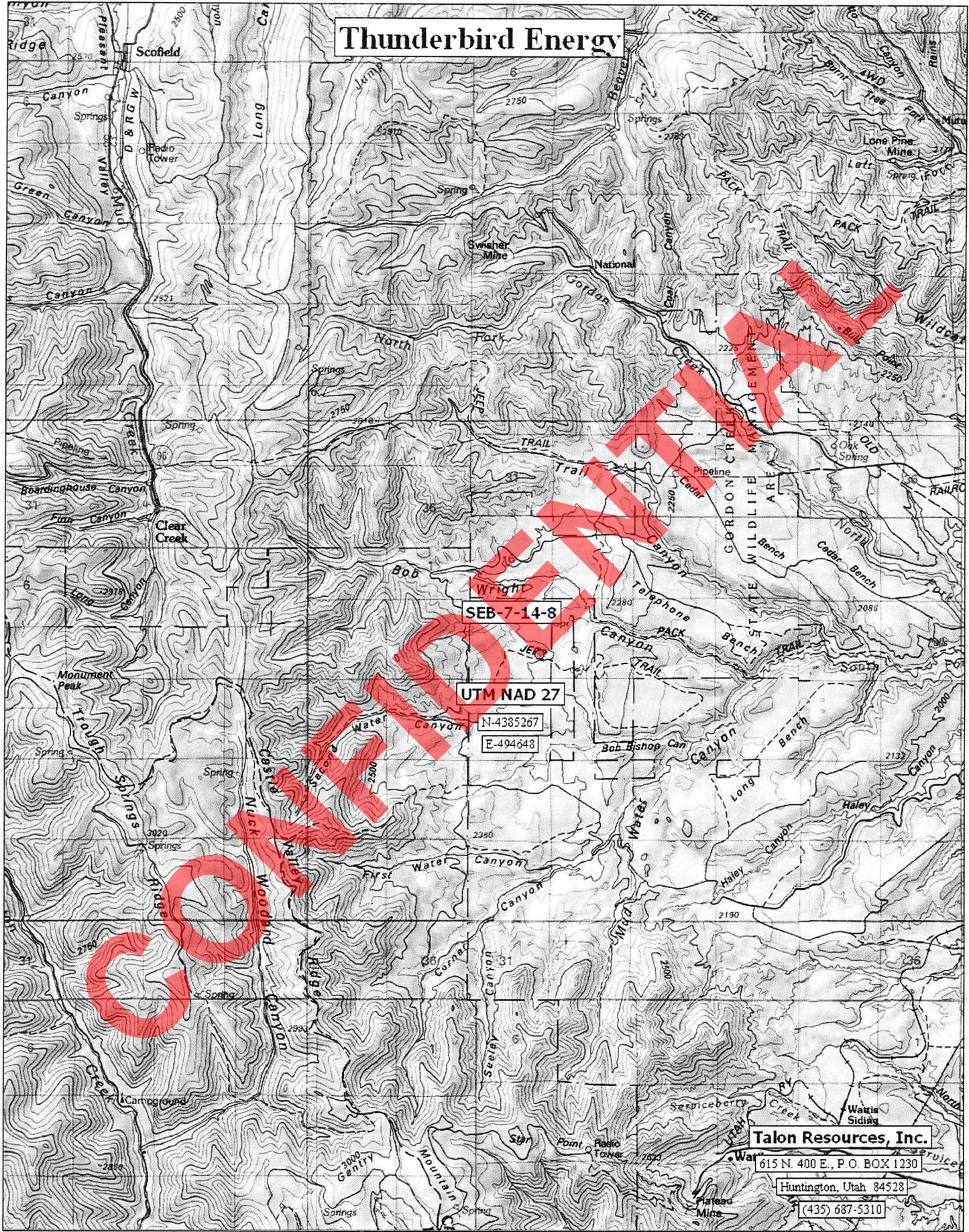


**TALON RESOURCES, INC.**  
 615 North 400 East P.O. Box 1230  
 Huntington, Utah 84528  
 Phone (435)687-5310 Fax (435)687-5311  
 E-Mail talon etv.net

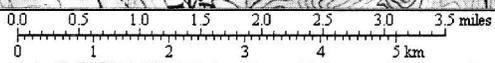
**THUNDERBIRD ENERGY**  
**LOCATION LAYOUT**  
 Section 7, T14S, R8E, S.L.B.&M.  
 GORDON CREEK ST SEB-7-14-8

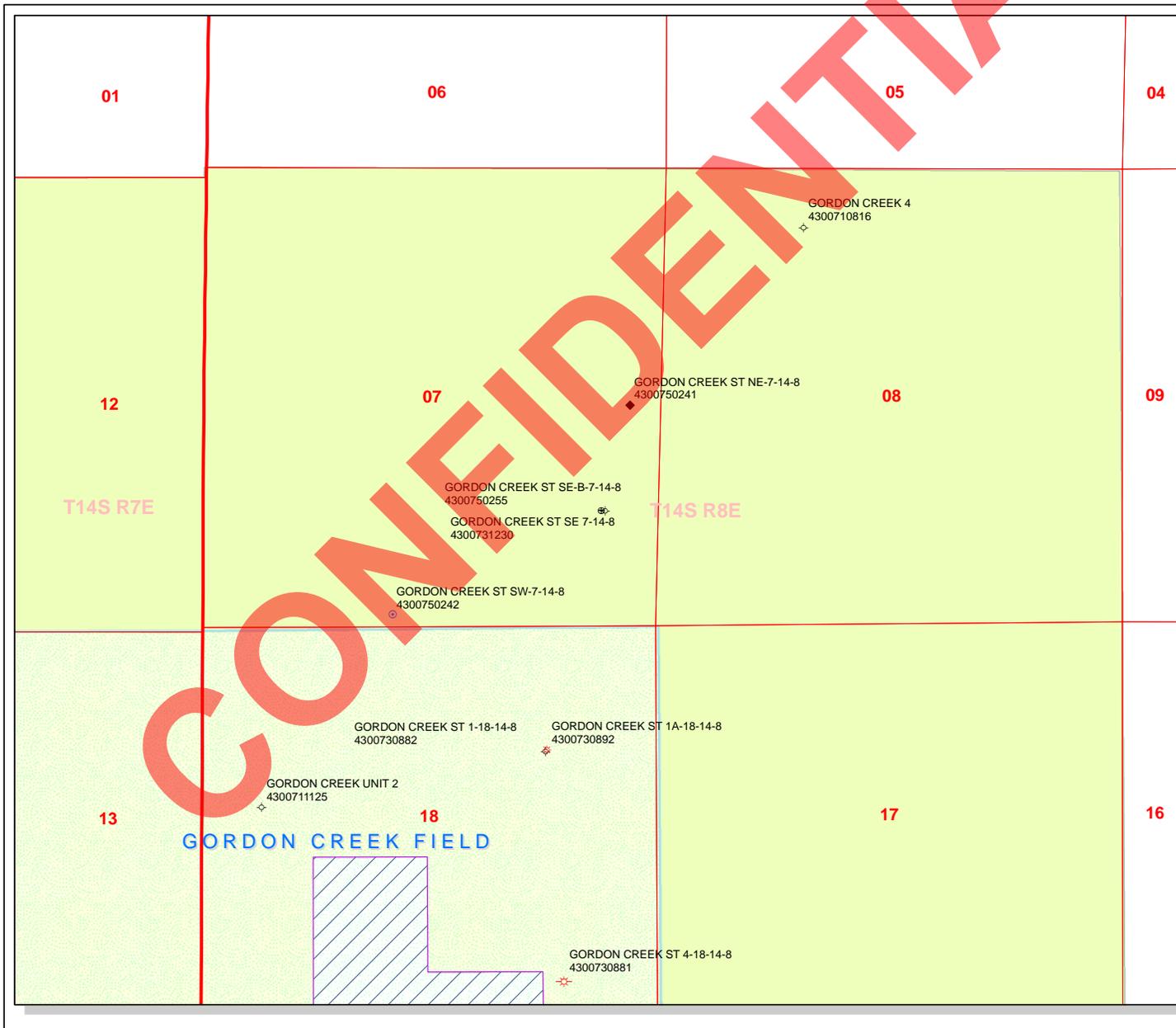
Drawn By: J. STANSFIELD	Checked By: L.W.J.
Drawing No. A-2	Date: 01/30/03
	Scale: 1" = 50'
Sheet 2 of 4	Job No. 876

Revision: 11/7/11  
 Revision: 11/4/11



TN 12 1/2° MN

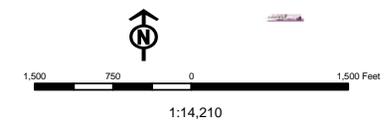
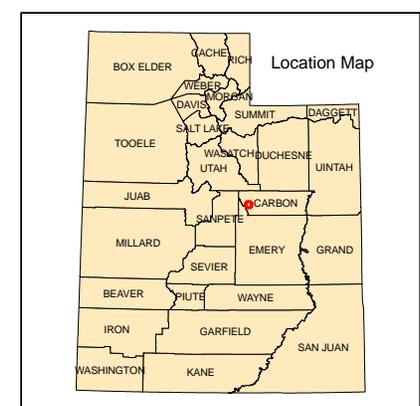




**API Number: 4300750255**  
**Well Name: GORDON CREEK ST SE-B-7-14-8**  
 Township T14.4 . Range R0.8 . Section 07  
**Meridian: SLBM**  
 Operator: GORDON CREEK, LLC

Map Prepared:  
 Map Produced by Diana Mason

- | Units STATUS | Wells Query Status                 |
|--------------|------------------------------------|
| ACTIVE       | APD - Approved Permit              |
| EXPLORATORY  | DRL - Spudded (Drilling Commenced) |
| GAS STORAGE  | GIW - Gas Injection                |
| NF PP OIL    | GS - Gas Storage                   |
| NF SECONDARY | LA - Location Abandoned            |
| PI OIL       | LOC - New Location                 |
| PP GAS       | OPS - Operation Suspended          |
| PP GEOTHERM. | PA - Plugged Abandoned             |
| PP OIL       | PGW - Producing Gas Well           |
| SECONDARY    | POW - Producing Oil Well           |
| TERMINATED   | RET - Returned APD                 |
| Unknown      | SGW - Shut-in Gas Well             |
| ABANDONED    | SOW - Shut-in Oil Well             |
| ACTIVE       | TA - Temp. Abandoned               |
| COMBINED     | TW - Test Well                     |
| INACTIVE     | WDW - Water Disposal               |
| STORAGE      | WIW - Water Injection Well         |
| TERMINATED   | WSW - Water Supply Well            |



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

AMENDED REPORT  FORM 8  
(highlight changes)

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

1a. TYPE OF WELL: OIL WELL  GAS WELL  DRY  OTHER PLUGGED & ABD

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

2. NAME OF OPERATOR: GORDON CREEK, LLC.

9. API NUMBER: 4300731230

3. ADDRESS OF OPERATOR: 1179 E MAIN, #345 CITY: PRICE STATE: UT ZIP: 84501 PHONE NUMBER: (435) 820-1489

10. FIELD AND POOL, OR WILDCAT: UNDESIGNATED

4. LOCATION OF WELL (FOOTAGES)  
AT SURFACE: 1424.07' FSL 502.24 FEL

AT TOP PRODUCING INTERVAL REPORTED BELOW:

AT TOTAL DEPTH: 1424.07' FSL 502.24 FEL

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 7 14S 8E S

12. COUNTY: CARBON 13. STATE: UTAH

14. DATE SPUNDED: 10/25/2011 15. DATE T.D. REACHED: 11/3/2011 16. DATE COMPLETED: 11/3/2011

ABANDONED  READY TO PRODUCE  17. ELEVATIONS (DF, RKB, RT, GL): 7375.1' RKB

18. TOTAL DEPTH: MD 1,195 19. PLUG BACK T.D.: MD 0 20. IF MULTIPLE COMPLETIONS, HOW MANY? \* \_\_\_\_\_

TVD 1,195 TVD 0

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

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each): NONE

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" LP	LINE PIPE	0	45		G		0	
11"	8 5/8" J-55	24	0	467		G 300	61	UNKNOWN	
7 7/8	N/A							SURFACE	

**25. TUBING RECORD**

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
NONE								

**26. PRODUCING INTERVALS**

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) NONE								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(B)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

**27. PERFORATION RECORD**

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
NONE	

**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: **P&A**

**RECEIVED**  
**NOV 16 2011**  
DIV. OF OIL, GAS & MINING

Well Name	GORDON CREEK, LLC GORDON CREEK ST SE-B-7-14-8 43			
String	Surf	Prod		
Casing Size(")	8.625	5.500		
Setting Depth (TVD)	800	3807		
Previous Shoe Setting Depth (TVD)	0	800		
Max Mud Weight (ppg)	8.7	10.0		
BOPE Proposed (psi)	500	2000		
Casing Internal Yield (psi)	2950	7740		
Operators Max Anticipated Pressure (psi)	1700	8.6		

Calculations	Surf String	8.625	"
Max BHP (psi)	.052*Setting Depth*MW=	362	
			<b>BOPE Adequate For Drilling And Setting Casing at Depth?</b>
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	266	YES <input type="checkbox"/> air drill
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	186	YES <input type="checkbox"/>
			<b>*Can Full Expected Pressure Be Held At Previous Shoe?</b>
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	186	NO <input type="checkbox"/>
Required Casing/BOPE Test Pressure=		800	psi
*Max Pressure Allowed @ Previous Casing Shoe=		0	psi *Assumes 1psi/ft frac gradient

Calculations	Prod String	5.500	"
Max BHP (psi)	.052*Setting Depth*MW=	1980	
			<b>BOPE Adequate For Drilling And Setting Casing at Depth?</b>
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	1523	YES <input type="checkbox"/>
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	1142	YES <input type="checkbox"/>
			<b>*Can Full Expected Pressure Be Held At Previous Shoe?</b>
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	1318	NO <input type="checkbox"/>
Required Casing/BOPE Test Pressure=		2000	psi
*Max Pressure Allowed @ Previous Casing Shoe=		800	psi *Assumes 1psi/ft frac gradient

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

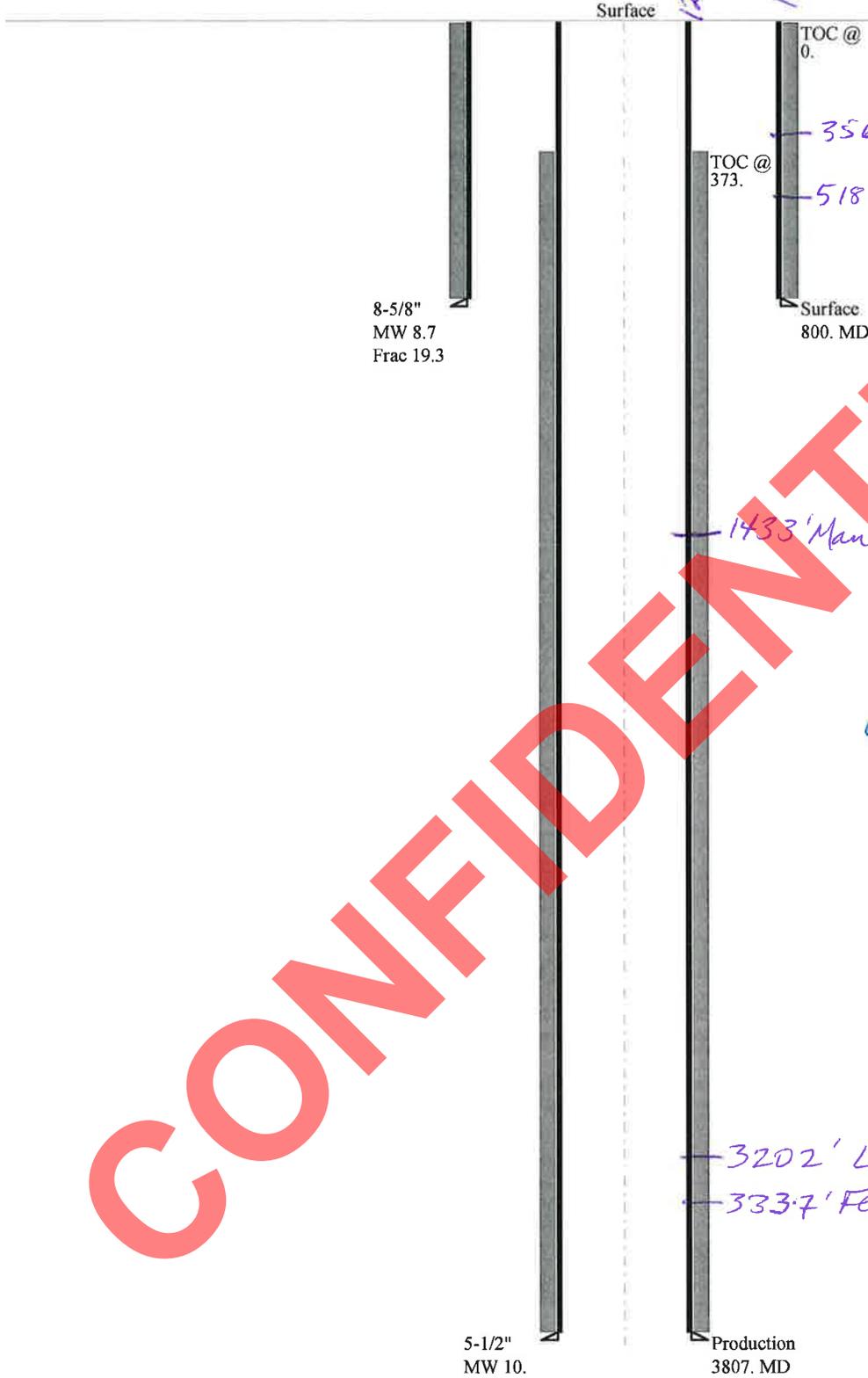
Calculations	String		"
Max BHP (psi)	.052*Setting Depth*MW=		
			<b>BOPE Adequate For Drilling And Setting Casing at Depth?</b>
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=		NO <input type="checkbox"/>
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=		NO <input type="checkbox"/>
			<b>*Can Full Expected Pressure Be Held At Previous Shoe?</b>
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=		NO <input type="checkbox"/>
Required Casing/BOPE Test Pressure=			psi

**CONFIDENTIAL**

43007502550000 GORDON CREEK ST SE-B-7-14-8

Casing Schematic

verbal approval for Rigsid  
given 11/2/2011  
All aspects same as  
previous approval except surface  
casing extended to 800' to  
protect encountered groundwater  
DKD



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Well name:	<b>43007502550000 GORDON CREEK ST SE-B-7-14-8</b>		
Operator:	<b>GORDON CREEK, LLC</b>		
String type:	Surface	Project ID:	43-007-50255
Location:	CARBON COUNTY		

**Design parameters:**

**Collapse**

Mud weight: 8.700 ppg  
 Design is based on evacuated pipe.

**Minimum design factors:**

**Collapse:**

Design factor: 1.125

**Burst:**

Design factor: 1.00

**Environment:**

H2S considered? No  
 Surface temperature: 74 °F  
 Bottom hole temperature: 85 °F  
 Temperature gradient: 1.40 °F/100ft  
 Minimum section length: 100 ft

Cement top: Surface

**Burst**

Max anticipated surface pressure: 704 psi  
 Internal gradient: 0.120 psi/ft  
 Calculated BHP: 800 psi

No backup mud specified.

**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: 695 ft

**Non-directional string.**

**Re subsequent strings:**

Next setting depth: 3,807 ft  
 Next mud weight: 10.000 ppg  
 Next setting BHP: 1,978 psi  
 Fracture mud wt: 19.250 ppg  
 Fracture depth: 800 ft  
 Injection pressure: 800 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	800	8.625	24.00	J-55	ST&C	800	800	7.972	4118
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	362	1370	3.790	800	2950	3.69	19.2	244	12.71 J

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

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

Date: November 21, 2011  
 Salt Lake City, Utah

**Remarks:**

Collapse is based on a vertical depth of 800 ft, a mud weight of 8.7 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.

Well name:	<b>43007502550000 GORDON CREEK ST SE-B-7-14-8</b>	
Operator:	<b>GORDON CREEK, LLC</b>	Project ID:
String type:	Production	43-007-50255
Location:	CARBON COUNTY	

**Design parameters:**

**Collapse**

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

**Burst**

Max anticipated surface pressure: 1,140 psi  
 Internal gradient: 0.220 psi/ft  
 Calculated BHP: 1,978 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: 3,230 ft

**Environment:**

H2S considered? No  
 Surface temperature: 74 °F  
 Bottom hole temperature: 127 °F  
 Temperature gradient: 1.40 °F/100ft  
 Minimum section length: 100 ft  
 Cement top: 373 ft

**Non-directional string.**

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	3807	5.5	17.00	N-80	LT&C	3807	3807	4.767	21458
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	1978	6290	3.181	1978	7740	3.91	64.7	348	5.38 J

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

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

Date: November 21, 2011  
 Salt Lake City, Utah

**Remarks:**

Collapse is based on a vertical depth of 3807 ft, a mud weight of 10 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.

## WORKSHEET APPLICATION FOR PERMIT TO DRILL

**APD RECEIVED:** 11/8/2011

**API NO. ASSIGNED:** 43007502550000

**WELL NAME:** GORDON CREEK ST SE-B-7-14-8

**OPERATOR:** GORDON CREEK, LLC (N3245)

**PHONE NUMBER:** 403 453-1608

**CONTACT:** Barry Brumwell

**PROPOSED LOCATION:** NESE 07 140S 080E

**Permit Tech Review:**

**SURFACE:** 1353 FSL 0631 FEL

**Engineering Review:**

**BOTTOM:** 1353 FSL 0631 FEL

**Geology Review:**

**COUNTY:** CARBON

**LATITUDE:** 39.61897

**LONGITUDE:** -111.06335

**UTM SURF EASTINGS:** 494563.00

**NORTHINGS:** 4385470.00

**FIELD NAME:** UNDESIGNATED

**LEASE TYPE:** 3 - State

**LEASE NUMBER:** 46537

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

**SURFACE OWNER:** 3 - State

**COALBED METHANE:** NO

**RECEIVED AND/OR REVIEWED:**

- PLAT
  - Bond: STATE/FEE - RLB0010790
  - Potash
  - Oil Shale 190-5
  - Oil Shale 190-3
  - Oil Shale 190-13
  - Water Permit: Drilled Well (WATER RIGHTS #91-5193)
  - RDCC Review:
  - Fee Surface Agreement
  - Intent to Commingle
- Commingling Approved**

**LOCATION AND SITING:**

- R649-2-3.
- Unit:**
- R649-3-2. General
- R649-3-3. Exception
- Drilling Unit
- Board Cause No:** Cause 248-01
- Effective Date:** 5/16/2002
- Siting:** 460' Fr Outer Bdry & 920' Fr Other Wells
- R649-3-11. Directional Drill

**Comments:** Presite Completed  
RIGSKID FR 4300731230:

**Stipulations:** 22 - Rigskid - bhll



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:** GORDON CREEK ST SE-B-7-14-8  
**API Well Number:** 43007502550000  
**Lease Number:** 46537  
**Surface Owner:** STATE  
**Approval Date:** 11/21/2011

**Issued to:**

GORDON CREEK, LLC, 1179 E Main #345, Price, UT 84501

**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 248-01. 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

**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:**

All conditions of approval in the Statement of Basis and RDCC comments from the Gordon Creek ST SE-7-14-8 permit apply to the Gordon Creek ST SE-B-7-14-8.

**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 <http://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:**



For John Rogers  
Associate Director, Oil & Gas

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

FORM 6

**ENTITY ACTION FORM**

Operator: GORDON CREEK, LLC. Operator Account Number: N 3245  
 Address: 1179 E. MAIN, #345  
city PRICE  
state UT zip 84501 Phone Number: (435) 820-1489

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
4300750255	GORDON CREEK ST SE-B-7-14-8		NESE	7	14	8	CARBON
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	18334	11/5/2011		12/16/11		
<b>Comments:</b> THIS FORM IS BEING SUBMITTED LATE BECAUSE THE API # FOR THIS REDRILL (SKID) OF A P&A WELL WASN'T ASSIGNED UNTIL WELL AFTER THIS WELL HAD BEEN SPURRED. <i>ERNCL</i>							

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**Well 2**

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

**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		
<b>Comments:</b>							

**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)

BARRY BRUMWELL  
 Name (Please Print)  
B Brumwell  
 Signature  
JP OF OPERATIONS 4/29/2011  
 Title Date

RECEIVED

NOV 30 2011

DIV. OF OIL, GAS & MINING

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	5. LEASE DESIGNATION AND SERIAL NUMBER: ML-46537
1. TYPE OF WELL Gas Well	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: GORDON CREEK, LLC	7. UNIT or CA AGREEMENT NAME:
3. ADDRESS OF OPERATOR: 1179 E Main #345 , Price, UT, 84501	8. WELL NAME and NUMBER: GORDON CREEK ST SE-B-7-14-8
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1353 FSL 0631 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 07 Township: 14.0S Range: 08.0E Meridian: S	9. API NUMBER: 43007502550000
5. PHONE NUMBER: 403 453-1608 Ext	9. FIELD and POOL or WILDCAT: UNDESIGNATED
6. COUNTY: CARBON	10. STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 11/15/2011	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input type="text" value="New Surface Lease Acquired"/>

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

The surface lease acquisition process for this wellsite that was in negotiation with the State of Utah Division of Wildlife Resources and completed on 11/15/2011 is for an expanded surface lease to the originally constructed lease, as per the attached Survey Plat. This larger surface lease that is now in full force and effect with DWR includes all areas that have been disturbed during the construction and upgrading of the wellsite prior to drilling operations commencing, and which were of concern in the Notice Of Violation received on 1/20/2012 from a wellsite inspection performed on 10/04/2011. Gordon Creek, LLC. hereby requests that this API be ammended to show the attached Survey Plat as being the offical plat for the wellsite and all wells licenced on the wellsite.

**REQUEST DENIED**  
**Utah Division of**  
**Oil, Gas and Mining**

**Date:** February 09, 2012

**By:**

NAME (PLEASE PRINT) Barry Brumwell	PHONE NUMBER 403 453-1608	TITLE Vice President-Operations
SIGNATURE N/A	DATE 1/31/2012	

ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 7375.1'



**TALON RESOURCES, INC.**

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



**LOCATION LAYOUT**  
 Section 7 T14S, R8E, S.L.B.&M.  
 SE-7-14-8

Drawn By: N. BUTKOVICH	Checked By: A.P.C.
Drawing No. A-2	Date: 9/16/11
	Scale: 1" = 80'
Sheet 2 of 4	Job No. 4887

Sundry Number : 22629 API Well Number : 43007502550000



<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>
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PHONE NUMBER: 403 453-1608 Ext	9. FIELD and POOL or WILDCAT: UNDESIGNATED
COUNTY: CARBON	STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 7/5/2012	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
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	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: <input type="text" value="drill out part of shoe joint, ld"/>

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

AS SOON AS THE FOREST FIRES HAVE SUBSIDED AND WE ARE ALLOWED INTO LOCATION, THE OBJECTIVE OF THIS PHASE OF OPERATIONS IS TO MOVE A WORKOVER RIG ONTO LOCATION, INSTALL BOP's AND RIH WITH A 4 3/4" BIT AND CASING SCRAPER TO THE 5 1/2" PRODUCTION CASING FLOAT COLLAR AT +/- 3,835' KB, THEN DRILL OUT THE SHOE JOINT TO +/- 3,872' KB (leaving +/- 5 feet of shoe joint un-drilled). THE 5 1/2" CASING WOULD THEN BE PRESSURE TESTED TO 3,000 psi PRIOR TO POOH WITH THE BIT. WE WOULD THEN RUN A CASED HOLE NEUTRON LOG TO EVALUATE THE FERRON ZONE THAT WAS MISSED WHEN OPEN HOLE LOGS WERE RUN, AS WELL AS RUN A CASED HOLE GR-CBL-CCL LOG. OPERATIONS WOULD THEN BE SUSPENDED TO ALLOW HEAD OFFICE TIME TO EVALUATE THE LOGS FOR FERRON PERF INTERVALS. FURTHER PERFORATING AND STIMULATION OPERATIONS WOULD BE DONE UNDER THE COVER OF A SEPARATE SUNDRY NOTICE.

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

**Date:** July 12, 2012

**By:** *Derek Duff*

NAME (PLEASE PRINT) Barry Brumwell	PHONE NUMBER 403 453-1608	TITLE Vice President-Operations
SIGNATURE N/A	DATE 6/29/2012	



# COMPLETION PROGRAM

## GORDON CREEK STATE SE B-7-14-8 (API #43-007-50255)

### OPERATOR: GORDON CREEK, LLC

A subsidiary of Thunderbird Energy Inc.

Prepared by: \_\_\_\_\_

Barry Brumwell, C.E.T.  
Vice President, Operations  
Thunderbird Energy Inc.  
June 21<sup>st</sup>, 2012

Approved by: \_\_\_\_\_

Rick J. Ironside, P.Eng., MBA  
President  
Thunderbird Energy Inc.

Date: \_\_\_\_\_

**AFE #:** 11CMP014      **AFE AMOUNT:** \$XXXXXX  
**OPERATOR:** GORDON CREEK, LLC.  
**WELL NAME:** GORDON CREEK STATE SE-B-7-14-8  
**SURFACE LOCATION:** SE-7-14-8  
**FIELD / COUNTY / STATE:** GORDON CREEK / Carbon County / Utah  
**SURFACE COORDINATES:** 631.01' WEST and 1,353.33' NORTH from the  
SOUTHEAST CORNER of Section 7, T 14S, R 8E,  
S.L.B. & M.  
**DIRECTIONS:** Contact Steve Lessar, the Gordon Creek, LLC Area  
Operator for directions to location.

**NOTE: THIS IS AN ECOLOGICALLY SENSITIVE  
AREA. DO NOT DRIVE, PARK OR WALK OFF ANY  
LEASE ROAD OR LOCATION FOR ANY REASON.  
DO NOT LITTER.**

**API #:** 43-007-50255  
**STATE LEASE #:** ML-46537  
**GROUND ELEVATION:** 7,351.1'  
**K.B. ELEVATION:** 7,364.1' (KB – GROUND = 13.0')  
**WELL SPUD:** 17:30 11/05/2011  
**TOTAL DEPTHS:** 14 3/4" Hole: 50'  
11" Hole: 804'  
7 7/8" Hole: 3,880'  
**DRILLING RIG RELEASE:** 24:00 11/16/2011  
**CURRENT P.B.T.D:** 3,835' KB      TOP OF FLOAT COLLAR

**CONDUCTOR PIPE INFORMATION:**  
12 3/4" conductor pipe was run to 50' and cemented full length.

**SURFACE CASING INFORMATION:**

Ran a total of 16 joints of 8 <sup>5</sup>/<sub>8</sub>", 36 #/ft, J-55, ST&C casing landed at 711' KB. Cemented with 330 sks cement mixed at 15.8 ppg + ¼ #/gal cellfoflake + 2% CaCl<sub>2</sub>, pumped at 3.5 bpm. Bumped plug at 640 psi, float held, no returns. RIH down backside with 60 feet of 1" pipe and pump 70 sks of cement at 15.8# + ¼ #/gal cellfoflake + 2% CaCl<sub>2</sub>, no returns, wait on cement. Then pump an additional 60 sks of cement at 15.8 ppg + ¼ #/gal cellfoflake + 3% CaCl<sub>2</sub>, got returns to surface. Total cement pumped 460 sks.

**PRODUCTION CASING INFORMATION:**

Ran a total of 91 joints of 5 ½", 17.0 #/ft, N-80, LT&C casing landed at 3,877' KB. **MARKER JOINTS PLACED AT 3,538' & 3,361' KB.** Cemented with: Preflush - 20 bbls of water followed by 10 bbls of React Flush, followed by 346 sks of 35/55 POZ cement + 0.2% Airout + 40% Superball + 2% CaCl<sub>2</sub> + 2.5% Super FL 200. Bumped plug, floats held, no cement returns to surface.

**BOTTOMHOLE****PRESSURES:**

**N/A - THIS ENTIRE PHASE OF OPERATIONS  
WILL BE IN CASED HOLE**

**MAXIMUM H<sub>2</sub>S EXPECTED: NONE**

**TUBULAR DATA**

OD (in)	Weight (#/ft)	Grade	Thread Type	ID (in)	Drift (in)	Tensile (# force)	Burst (psi)	Collapse (psi)	Capacity (bbl/ft)	Displacement (bbl/ft)	Annular Volume (bbl/ft)
<b>SURFACE CASING</b>											
8.625	36	J-55	ST&C	7.825	7.700	434,000	4,460	3,450	0.05947	0.012788	0.04528
<b>PRODUCTION CASING</b>											
5.500	17	N-80	LT&C	4.892	4.767	348,000	7,740	6,280	0.02324	0.006140	0.03086
<b>PRODUCTION TUBING</b>											
2.375	4.7	J-55	EUE	1.995	1.901	<b>71,730</b>	7,700	8,100	0.003870	0.001614	0.01776
<b>WORK STRING</b>											
2.875	6.5	J-55	EUE	2.441	2.347	99,660	7,260	7,680	0.005794	0.001614	0.01521

**OPERATIONS OBJECTIVE:**

**THE OBJECTIVE OF THIS PHASE OF THE PROGRAM IS TO RUN CASED HOLE EVALUATION LOGS IN PREPARATION FOR COMPLETING THE WELL AS A FERRON GAS WELL.**

**SAFETY**

***Safety meetings are to be held with all service company personnel prior to each wellsite operation commencing and at the change of any operation. The Wellsite Supervisor must notify all contracted on-site personnel of all known hazards of which those contracted personnel may be unaware. The Wellsite Supervisor must ensure that all on-site personnel are aware of their responsibilities and duties under ALL applicable State, Federal and Industry regulations and that those personnel comply with those regulations. Workers can refuse any task they have been requested to perform without repercussion IF that worker deems the task to be unsafe OR if the worker is uncertain of their duties or responsibilities. At all safety meetings, all Service Companies supplying materials utilized in on-site operations will review all applicable Material Safety Data Sheets for all products supplied and maintain these Material Data Sheets available for any on-site worker's examination on location, in compliance with regulations. All safety meetings will be recorded on the Gordon Creek, LLC. daily report and on the Contractor's Tour Report. Detailed notes of these safety meetings and/or or operational requirements are to be left on location for any replacement crew or Wellsite Supervisor. These notes are to include a detailed description of what has taken place, any difficulties that have been experienced and the planned course of action. These notes should also include an inventory of all fluids on location and a new list of all services being used.***

***ENSURE THAT ALL PERSONNEL WORKING ON SITE HAVE CURRENT AND PROPER TRAINING AND CERTIFICATION FOR THE PLANNED OPERATIONS.***

***Ensure that ALL contracted personnel conform to regulatory requirements for fluid management, spill containment and solids handling, and they remain within the lease and lease road agreement property lines at all times.***

**REGULATIONS:**

***All applicable regulations, including, but not limited to State, Federal, Industry and Utah Labour Commission and Occupational Safety & Health regulations are to be strictly adhered to. Written instructions must be posted in the doghouse or other conspicuous area prior to the Wellsite Supervisor leaving location. All verbal notifications and approvals from government regulatory agencies must be recorded on the Gordon Creek, LLC. daily report. Additionally, the name of the individual contacted and the subject matter of the approval or notification should be recorded. All waste fluids (including fresh water) from this well site operation must be disposed of at an approved disposal facility, unless an alternate disposal option has been approved by the Operations Supervisor.***



**OPERATIONS PROGRAM:**

1. **SUBMIT AN ELECTRONIC WELL OPERATIONS NOTIFICATION TO THE STATE of UTAH DEPARTMENT OF NATURAL RESOURCES, DIVISION of OIL, GAS & MINING (DOGGM) AS REQUIRED, A MINIMUM OF 24 HOURS PRIOR TO OPERATIONS COMMENCING.**  
  
**ALSO CONTACT MARK JONES of DOGM AT (435) 613-3735 (work) or (435) 820-8504 (cell) WITH A VERBAL NOTIFICATION A MINIMUM OF 24 HOURS PRIOR TO OPERATIONS COMMENCING**
2. If required, notify the surface landowner prior to moving onto location.
3. **THE LEASE AND ACCESS ROAD ARE SURROUNDED BY ECOLOGICALLY SENSITIVE NATIVE LAND. DO NOT** drive, walk or move any equipment off of the contracted lease or lease access.
4. Post all current Emergency Contact numbers (Police, Local Hospital, Ambulance, etc) in the dog house or other conspicuous place on location.
5. Ensure that the lease is adequately prepared to accommodate the support equipment required to work over the well prior to moving onto location.
6. Contact the Gordon Creek, LLC. Area Foreman for any "normal" fluid requirements. Secure transfer equipment and wellsite storage equipment (if required). Ensure enough fresh water (to drill required to drill out) is on site well in advance of job commencement.
7. Drive the route from the nearest urban center prior to operations commencing to ensure the correct driven distances and directions, and ensure access is adequate. **ENSURE THAT ALL CONTRACTED PERSONNEL REMAIN WITHIN THE LEASE AGREEMENT PROPERTY LINES.**
8. As discussed in the Safety section above, conduct a pre-operation safety meeting with all contractors' personnel prior to commencing any operation, including the rig moving operation.
9. Check for flow from the surface casing vent assembly. Ensure that the vent assembly is left in the **open** position. Also check for any hydrocarbons venting from/in the surrounding surface soils. Note the results of these checks in the Day 1 report.
10. Install and pull test rig anchors as required to Industry and Regulatory specifications.

11. Move in and rig up a Workover Rig in accordance with all applicable regulations, including, but not limited to State, Federal, Industry and Occupational Health & Safety regulations. Included with the rig shall be a 2,000 psi high capacity rig pump and fluid system rated to 2,000 psi working pressure.

Once the rig and all associated equipment are rigged up, perform a complete rig and equipment inspection. Notify ALL contracted services that operations billing will NOT commence until all rig equipment is FULLY operational.

12. Ensure that the well is dead. Remove the top section of the wellhead and install the rig BOP's. Pressure test the BOP's to 200 psi low pressure and 3,000 psi high pressure for 10 minutes each.

**NOTE: THE RIG BOP's ARE TO BE STUMP TESTED PRIOR TO INSTALLATION**

**ALL tests must be witnessed by operator's representative and by the contractor. Document all pressure test results on the daily report.**

13. Tally, drift, pick up, make up and run into the well with a rental 2 <sup>7</sup>/<sub>8</sub>" 6.5 #/ft, J-55, EUE tubing work string as follows (from the bottom-up):

- 1 - 4 <sup>3</sup>/<sub>4</sub>" tricone medium mill tooth bit.
- 1 - 2 <sup>7</sup>/<sub>8</sub>" , 6.5 #/ft, J-55, EUE X 3' tubing pup joint
- 1 - 4 blade casing scraper dressed for 5 <sup>1</sup>/<sub>2</sub>" , 17 lb/ft casing
- 1 - 2 <sup>7</sup>/<sub>8</sub>" , 6.5 #/ft, J-55, EUE tubing to surface.

14. RIH, working the casing scraper across any tight spots while RIH. Tag the cement on top of the 5 <sup>1</sup>/<sub>2</sub>" production casing float collar (the top of the collar is at 3835' KB). Note the depth tagged in the Daily Report. Double reciprocate from +/- 3,650' KB to PBTD.

15. Rig in power swivel and pack-off head and while circulating with fresh water, drill down to +/- 3872 KB (leave 5 feet of cement inside the shoe joint).

**NOTE: THE DO NOT DRILL MORE THAN 37 FEET FROM WHERE THE FLOAT COLLAR WAS TAGGED. FOR CERTAIN, DO NOT DRILL THROUGH THE CASING SHOE.**

16. Fill the well with fresh water and circulate until there is NO evidence of drilled cement in the returns. Then continue to circulate for an additional 2 bottoms-up.
17. Close the pipe rams. Rig to and pressure test the 5 <sup>1</sup>/<sub>2</sub>" casing to 3,000 psig for 10 minutes (this equates to 4,710 psig at casing Total Depth using a pressure gradient for fresh water).

18. POOH and lay down the tubing on the way out. Break out the bit and scraper.
19. Rig out the BOP's and make up the wellhead.
20. Move on and rig up Pioneer Wireline Services electric wireline unit complete with lubricator and packoff. Pressure test the wellhead – lubricator connection to 1,000 psi.
21. MU and RIH with a Pulsed Neutron logging tool and log a minimum run from PBTD (correlate depth to the attached Pioneer Wireline Services Compensated Density/Compensated Neutron/Gamma Ray log run on November 15, 2011). POOH.
22. Remove the Pioneer wireline lubricator and packoff from the BOPs. Ensure that the hole is full of fresh water and there is no pressure on the well. Rig out and release the Pioneer Wireline unit.
23. Move on and rig up Rocky Mountain Wireline Services electric wireline unit complete with lubricator and packoff. Pressure test the wellhead – lubricator connection to 1,000 psi.
24. MU and RIH and pull a GR-CCL-CBL log from PBTD to inside the surface casing (correlate depth to the attached Pioneer Wireline Services Compensated Density/Compensated Neutron/Gamma Ray log run on November 15, 2011). Confirm the depth of the cement top and note that depth in the Daily Report. POOH.
25. Move On Multi-Shot Services Inc. and MU the Multi-Shot Gyro Survey Tool onto the Rocky Mountain Wireline Services wireline. RIH to PBTD. Pull a Gyro Survey log from PBTD to Surface (correlate depth to the attached Pioneer Wireline Services Compensated Density/Compensated Neutron/Gamma Ray log run on November 15, 2011). POOH.
26. Rig out and release all wireline and gyro related equipment and services.
27. **ENSURE THAT COPIES OF ALL LOGS RAN ARE SENT ASAP ELECTRONICALLY TO [bbrumwell@thunderbirdenergy.com](mailto:bbrumwell@thunderbirdenergy.com), [rironside@thunderbirdenergy.com](mailto:rironside@thunderbirdenergy.com) & [revans@thunderbirdenergy.com](mailto:revans@thunderbirdenergy.com). ALSO ENSURE THAT 4 COPIES OF EACH LOG RAN ARE PRINTED OUT BY EACH WIRELINE CONTRACTOR AND THAT THOSE COPIES ARE IMMEDIATLEY FORWARDED TO THE CALGARY HEAD OFFICE.**
28. Rig to and swab the fluid level in the wellbore down to +/- 3,500' KB.

29. **AT THIS POINT, OPERATIONS ON THIS WELL WILL BE TEMPORARILY SUSPENDED TO ALLOW CALGARY HEAD OFFICE TO DETERMINE THE CORRECT PERFORATION INTERVALS, WR PLUG SETTING DEPTHS, FRAC SIZES AND DESIGNS. PHASE 2 OF WELL COMPLETIONS OPERATIONS WILL BE PERFORMED UNDER THE COVER OF A SEPARATE PROGRAM AND AFE.**
30. RO and release any equipment still on location.

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
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		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>1. TYPE OF WELL</b> Gas Well		<b>7. UNIT or CA AGREEMENT NAME:</b>
<b>2. NAME OF OPERATOR:</b> GORDON CREEK, LLC		<b>8. WELL NAME and NUMBER:</b> GORDON CREEK ST SE-B-7-14-8
<b>3. ADDRESS OF OPERATOR:</b> 1179 E Main #345 , Price, UT, 84501		<b>9. API NUMBER:</b> 43007502550000
<b>PHONE NUMBER:</b> 403 453-1608 Ext		<b>9. FIELD and POOL or WILDCAT:</b> UNDESIGNATED
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 1353 FSL 0631 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NESE Section: 07 Township: 14.0S Range: 08.0E Meridian: S		<b>COUNTY:</b> CARBON
		<b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 7/25/2012	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: <input type="text" value="Perforate, flow test and pres"/>

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

A Cement Bond Log has been run in this well and there is good bond across the planned intervals. We plan to perforate the Lower Ferron Formation from 3,792' - 3,804' then flow test the well, then perforate from the Middle Ferron Formation from 3,724' - 3,735.5' and further flow test the well, then perforate the Upper Ferron Formation from 3,656' - 3,662' and further flow test the well. The well will be shut in and pressure build ups recorded as required. IF REQUIRED, stimulation of the intervals and/or further perforating will be determined after the flow testing has been completed.

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

**Date:** July 25, 2012

**By:** *Derek Duff*

<b>NAME (PLEASE PRINT)</b> Barry Brumwell	<b>PHONE NUMBER</b> 403 453-1608	<b>TITLE</b> Vice President-Operations
<b>SIGNATURE</b> N/A	<b>DATE</b> 7/23/2012	

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9  5. LEASE DESIGNATION AND SERIAL NUMBER: ML-46537
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:  7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: GORDON CREEK ST SE-B-7-14-8
2. NAME OF OPERATOR: GORDON CREEK, LLC	9. API NUMBER: 43007502550000
3. ADDRESS OF OPERATOR: 1179 E Main #345 , Price, UT, 84501	PHONE NUMBER: 403 453-1608 Ext
9. FIELD and POOL or WILDCAT: UNDESIGNATED	4. LOCATION OF WELL FOOTAGES AT SURFACE: 1353 FSL 0631 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 07 Township: 14.0S 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		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: <b>8/10/2012</b>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input checked="" type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input checked="" type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input checked="" type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

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

We will add the following intervals to the well currently perforated in the Ferron formation: 3,824' - 3,832' (sand), 3,778' - 3,781' (coal), 3,753' - 3,755' coal), 3,729' - 3,730' (sand), 3,666' - 3,670' (sand). We will leave the well shut in to observe build up. If pressures build up and show inflow, we will open the well up to flare and record flowing pressures on different sized chokes to calculate flow rates. Should the well require further stimulation, we will pump a 60 ton frac down the 5 1/2" casing at a rate high enough to stimulate all of the open perforations, with RA tracer being run during the frac to determine overall sand placement. Post frac, we will open up additional perfs from 3,724' - 3,736', which is in a highly porous sand section of the Ferron that shouldn't require stimulation. The DOGM area Field representative will be notified at each step of these operations.

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

Date: August 20, 2012

By: *Derek Duff*

NAME (PLEASE PRINT) Barry Brumwell	PHONE NUMBER 403 453-1608	TITLE Vice President-Operations
SIGNATURE N/A	DATE 8/10/2012	

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9  5. LEASE DESIGNATION AND SERIAL NUMBER: ML-46537
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<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 11/16/2011	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
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12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Executive Summary and Drilling Reports attached.

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

**FOR RECORD ONLY**

August 21, 2012

NAME (PLEASE PRINT) Barry Brumwell	PHONE NUMBER 403 453-1608	TITLE Vice President-Operations
SIGNATURE N/A	DATE 8/21/2012	

**EXECUTIVE SUMMARY REPORT**

**WELL:** GORDON CREEK ST SE-B-7-14-8 **API #:** 43000750255  
**COUNTY:** CARBON COUNTY, UTAH **SPUD:** 17:30 HRS, 11/05/2011  
**OBJECTIVE:** To drill & complete a Ferron Gas well **R.R.:** 24:00 HRS, 11/16/2011  
**RIG CONTRACTOR:** CBM Partners Rig # 101

**BIT INFORMATION:**

TYPE	SIZE (inches)	DEPTH IN (ft)	DEPTH OUT (ft)	ROT. HOURS	TOTAL HOURS
Tricone	14 3/4	0	38	0.5	0.5
Air Hammer	11	38	640	8.75	9.25
Tricone	11	640	804	4.5	13.75
Tricone	7 7/8	804	1066	8.5	22.25
PDC	7 7/8	1062	3880	46	68.25

**CONDUCTOR CASING:**

**HOLE SIZE:** 14 3/4" **CONDUCTOR SET FROM:** 0' to 38'

The 12 3/4" conductor pipe was run to 38' and cemented full length.

**SURFACE CASING:**

**HOLE SIZE:** 11" **SURFACE CASING FROM:** 0' to 711'

Ran a total of 16 joints of 8 5/8", 36 #/ft, J-55, ST&C casing landed at 711' KB. Cemented with 330 sks cement mixed at 15.8 ppg + 1/4 #/gal cellfl Flake + 2% CaCl<sub>2</sub>, pumped at 3.5 bpm. Bumped plug at 640 psi, float held, no returns. RIH down backside with 60 feet of 1" pipe and pump 70 sks of cement at 15.8# + 1/4 #/gal cellfl Flake + 2% CaCl<sub>2</sub>, no returns, wait on cement. Then pump an additional 60 sks of cement at 15.8 ppg + 1/4 #/gal cellfl Flake + 3% CaCl<sub>2</sub>, got returns to surface. Total cement pumped 460 sks.

**PRODUCTION CASING:**

**HOLE SIZE:** 7 7/8" **SURFACE CASING FROM:** 0' to 3,880'

Ran a total of 91 joints of 5 1/2", 17.0 #/ft, N-80, LT&C casing landed at 3,877' KB. MARKER JOINTS PLACED AT 3,538' & 3,361' KB. Cemented with: Preflush - 20 bbls of water followed by 10 bbls of React Flush, followed by 346 sks of 35/55 POZ cement + 0.2% Airout + 40% Superball + 2% CaCl<sub>2</sub> + 2.5% Super FL 200. Bumped plug, floats held, no cement returns to surface.

PLEASE REFER TO THE ATTACHED DRILLING REPORTS FOR SPECIFIC DAILY WELL INFORMATION



# DAILY DRILLING REPORT

FOR 24 HR PERIOD ENDING 2011-11-7-24:00

Yr - Mon - Day -Time

WELL NAME Gordan Creek ST LOCATION SEB 7-14-8  
 Day 07-Nov-11 Depth 635 Metres last 24 hr 595 Rotating hrs 0  
 Activity at report time DRLG AHEAD @688FT

## DRILLING MUD PROPERTIES AT SHAKER/SUCTION/PIT

Wt 8.3 Vis 27 WL \_\_\_\_\_ Gels \_\_\_\_\_ Solids \_\_\_\_\_ % PV \_\_\_\_\_ YP \_\_\_\_\_ pH \_\_\_\_\_  
 Oil \_\_\_\_\_ % Sand \_\_\_\_\_ % Cake \_\_\_\_\_ PPMCL \_\_\_\_\_ PPMCa \_\_\_\_\_

## BIT RECORD

BIT NO.	SIZE mm	MAKE & TYPE	SER. NO.	JETS mm			BIT		DEPTH OUT m	CUM m. DRLD	CUM. Rot hr	m/hr	Dull Cond.		
				1	2	3	WT	RPM					T	B	G
1	14 3/4	RMB	7-0095	22	22	22	8	80	38	38.00	1.00	38.00	1	1	1
2	11	HAMMER	11168R	32	32	32	6	40	640	600.00	8.25	72.70	1	1	1

## CIRCULATION RECORD

PUMP MAKE	PUMP				ANN. VEL.		JET VEL.	HHP	SURF. PRESS. kPa
	STROKE	SPM	LINER	m³/MIN	DP	DC			
precision air				1500cfm					250psi
L&J F500	7		6	234					
L&J F500	7		6	234					

## DEVIATION SURVEYS

## MUD & CHEMICALS ADDED

.5 ° at <u>131</u> m	3/4 ° at <u>635</u> m	40 SKS GEL 16 SKS FIBRESEAL
.5 ° at <u>224</u> m	° at _____ m	
2 ° at <u>350</u> m	° at _____ m	
1 ° at <u>445</u> m	° at _____ m	

## BOTTOM HOLE ASSEMBLY

## TIME ANALYSIS

TOOL	ID mm	OD mm	LENGTH m	CUM.	OPERATION		DAILY	CUM.
					1. Drilling	2. Trips		
14 3/4 BIT		14 3/4	1.5				9.75	
x/O SUB	2.5	8	1.00				5.50	
BIT SUB	2.5	6.50	3.10					
2 DRILL COLLARS	2.375	6.50	61.23	0			1.25	
				0				

## REMARKS

Rig up blooie line (4hr) Head up wellhead and make up bha and trip in hole (3hr) Air/dust drlg from 38ft to 131ft.(2hr) survey at 131ft (1/4hr) air dust drill F/131ft to 224ft.(1.25hr) survey at 224ft(1/4hr) Air/mist drill F/224-350ft(.5hr) Survey at 350(1/4hr) Tagged water zone at 320ft.Air/mist drill F/350ft to 445ft(.75hr)surveyat 445(.25) drlg F/445 to 635ft(3hr) survey ar 635(.25)Drlg f 635to 640(.75)Tooh to change bit Wait on bit(.75) Make up bit and TIH(2.25hr) Repair liner washer pump(1.25hr) Air/mist drill F/640to 688ft (.5hr)

## COSTS

DAILY	\$15,075	16. Drilling Out	
CUMMULATIVE	\$30,150	17. Lost Circ.	
		18. Laying Down DP & BOP's	
		19. Plug & Abandon	
		20. Rig up - Tear out	
		21. Safety meeting	
SUPERVISOR	Michael Reis	TOTAL	24.00 0.00

# DAILY DRILLING REPORT

FOR 24 HR PERIOD ENDING 2011-11-8-24:00

Yr - Mon - Day -Time

WELL NAME Gordan Creek ST

LOCATION SEB 7-14-8

Day 08-Nov-11

Depth 804

Metres last 24 hr 116

Rotating hrs 4

Activity at report time

DRLG AHEAD @688FT

## DRILLING MUD PROPERTIES AT SHAKER/SUCTION/PIT

Wt 8.3    Vis 27    WL \_\_\_\_\_    Gels \_\_\_\_\_    Solids \_\_\_\_\_ % PV \_\_\_\_\_    YP \_\_\_\_\_    pH \_\_\_\_\_  
 Oil \_\_\_\_\_ %    Sand \_\_\_\_\_ %    Cake \_\_\_\_\_    PPMCL \_\_\_\_\_    PPMCa \_\_\_\_\_

### BIT RECORD

BIT NO.	SIZE mm	MAKE & TYPE	SER. NO.	JETS mm			BIT		DEPTH OUT m	CUM m. DRLD	CUM. Rot hr	m/hr	Dull Cond.		
				1	2	3	WT	RPM					T	B	G
1	14 3/4	RMB	7-0095	22	22	22	8	80	38	38.00	1.00	38.00	1	1	1
2	11	HAMMER	11168R	32	32	32	6	40	640	600.00	8.25	72.70	1	1	1
3	11	RMB		20	20	20	22	60	804	116.00	4.00	29.00	1	1	1

### CIRCULATION RECORD

PUMP MAKE	PUMP				ANN. VEL.		JET VEL.	HHP	SURF. PRESS. kPa
	STROKE	SPM	LINER	m <sup>3</sup> /MIN	DP	DC			
precision air				1500cfm				250psi	
L&J F500	7		6	234					
L&J F500	7		6	234					

### DEVIATION SURVEYS

°	at	_____	m	°	at	_____	m
°	at	_____	m	°	at	_____	m
°	at	_____	m	°	at	_____	m
°	at	_____	m	°	at	_____	m

### MUD & CHEMICALS ADDED

40SKS GEL 150SKS FIBRESEAL

### BOTTOM HOLE ASSEMBLY

TOOL	ID mm	OD mm	LENGTH m	CUM.
11 BIT		14 3/4	1.5	
x/O SUB	2.5	8	1.00	
BIT SUB	2.5	6.50	3.10	
2 DRILL COLLARS	2.375	6.50	61.23	0
				0

### TIME ANALYSIS

OPERATION	DAILY	CUM.
1. Drilling	4.00	
2. Trips	2.00	
3. Rig Service		
4. Deviation Surveys		
5. Ream & Cond. Hole		
6. Mix & Cond. Mud	13.00	
7. Circulation		
8. Rig Repair	1.50	
9. Run Casing & Cement	3.50	
10. Fishing		
11. Logging		
12. Coring		
13. Formation Testing		
14. Waiting on: bit		
15. Nipple Up & Test BOPS		
16. Drilling Out		
17. Lost Circ.		
18. Laying Down DP & BOP's		
19. Plug & Abandon		
20. Rig up - Tear out		
21. Safety meeting		
<b>TOTAL</b>	<b>24.00</b>	<b>0.00</b>

**REMARKS**  
 Rotary drill from 688ft to 804ft(4hr) Establish Circulation by mixing lcm pills 25% and finally getting returns by airing mud and slowly shutting air off and getting water to circulate with lcm(9hr) Tooh to run 8 5/8 casing.(2hr) Pickup and run 16 jts of 8 5/8 j55 STC 24# casing. (3.5hr) Stop 2 jts early due to tight hole and no circulating swedge. (1.5hr) Mix lcm and establish circulation of casing. Airrite mud and slowly cut back air to zero to get circulation mixing lcm.

### COSTS

DAILY                      \$15,075  
 CUMMULATIVE            \$45,225

SUPERVISOR

Michael Reis



# DAILY DRILLING REPORT

FOR 24 HR PERIOD ENDING 2011-11-10-24:00

Yr - Mon - Day -Time

WELL NAME Gordan Creek ST

LOCATION SEB 7-14-8

Day 10-Nov-11

Depth 1066

Metres last 24 hr 262

Rotating hrs 6.25

Activity at report time

Drlg Ahead @ 1026ft

### DRILLING MUD PROPERTIES AT SHAKER/SUCTION/PIT

Wt 8.3    Vis 27    WL \_\_\_\_\_    Gels \_\_\_\_\_    Solids \_\_\_\_\_ % PV \_\_\_\_\_ YP \_\_\_\_\_ pH \_\_\_\_\_  
 Oil \_\_\_\_\_ %    Sand \_\_\_\_\_ %    Cake \_\_\_\_\_    PPMCL \_\_\_\_\_    PPMCa \_\_\_\_\_

### BIT RECORD

BIT NO.	SIZE mm	MAKE & TYPE	SER. NO.	JETS mm			BIT		DEPTH OUT m	CUM. m. DRLD	CUM. Rot hr	m/hr	Dull Cond.		
				1	2	3	WT	RPM					T	B	G
4	7 7/8	RMB	7-0095	22	22	22	25	65	1066	266.00	6.25	41.92	3	1	1
2	11	HAMMER	11168R	32	32	32	6	40	640	600.00	8.25	72.70	1	1	1
3	11	RMB		20	20	20	22	60	804	116.00	4.00	29.00	1	1	1

### CIRCULATION RECORD

PUMP MAKE	PUMP				ANN. VEL.		JET VEL.	HHP	SURF. PRESS. kPa
	STROKE	SPM	LINER	m <sup>3</sup> /MIN	DP	DC			
precision air				500cfm					250psi
L&J F500	7	105	6	234					
L&J F500	7		6	234					

### DEVIATION SURVEYS

2 °	at	841	m	°	at		m
°	at		m	°	at		m
°	at		m	°	at		m
°	at		m	°	at		m

### MUD & CHEMICALS ADDED

10SKS GEL 8 soap sticks

### BOTTOM HOLE ASSEMBLY

TOOL	ID mm	OD mm	LENGTH m	CUM.
bit		7.825	.5	1
bit sub	2.25	6.50	2.75	1
1 x/o	2.25	6.50	.8	
12-6.50 drill collars	2.25	6.50	364.25	0
				0

### TIME ANALYSIS

OPERATION	DAILY	CUM.
1. Drilling	6.25	
2. Trips	3.50	
3. Rig Service		
4. Deviation Surveys	0.75	
5. Ream & Cond. Hole	0.00	
6. Mix & Cond. Mud		
7. Circulation	2.50	
8. Rig Repair	4.25	
9. Run Casing & Cement		
10. Fishing		
11. Logging		
12. Coring		
13. Formation Testing		
14. Waiting on:		
15. Nipple Up & Test BOPS	3.50	
16. Drilling Out	3.25	
17. Lost Circ.		
18. Laying Down DP & BOP's		
19. weld on wellhead		
20. Rig up - Tear out		
21. Safety meeting		
<b>TOTAL</b>	<b>24.00</b>	<b>0.00</b>

### REMARKS

Finished nipple up and test bop 2500high and 250low on kelly cock blind and pipe rams, choke valves, safety valve and choke line valve Make up bha(7 7/8 bit bit sub,xo, and 12-6.50drill collars) and TIH Tagged cement at 640. Un freeze rig mudlines and pump(4.25hr) Drlg cement from 640ft to 725ft and tag float@666ft and shoe @ 711ft. Open hole from 725ft to 804ft Attempted to blow hole dry and making about 100 gals/min. Load hole with water and rotary drill F/804 to 1026. Survey at 841ft is 2\*

### COSTS

DAILY	\$50,430
CUMMULATIVE	\$220,673

SUPERVISOR

Michael Reis













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Executive Summary and Drilling Reports attached.

**Accepted by the  
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**FOR RECORD ONLY**

August 21, 2012

NAME (PLEASE PRINT) Barry Brumwell	PHONE NUMBER 403 453-1608	TITLE Vice President-Operations
SIGNATURE N/A	DATE 8/20/2012	

**EXECUTIVE SUMMARY REPORT**

**WELL:** GORDON CREEK ST SE-B-7-14-8 **API #:** 43000750255  
**COUNTY:** CARBON COUNTY, UTAH **SPUD:** 17:30 HRS, 11/05/2011  
**OBJECTIVE:** To drill & complete a Ferron Gas well **R.R.:** 24:00 HRS, 11/16/2011  
**RIG CONTRACTOR:** CBM Partners Rig # 101

**BIT INFORMATION:**

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**CONDUCTOR CASING:**

**HOLE SIZE:** 14 3/4" **CONDUCTOR SET FROM:** 0' to 38'

The 12 3/4" conductor pipe was run to 38' and cemented full length.

**SURFACE CASING:**

**HOLE SIZE:** 11" **SURFACE CASING FROM:** 0' to 711'

Ran a total of 16 joints of 8 5/8", 36 #/ft, J-55, ST&C casing landed at 711' KB. Cemented with 330 sks cement mixed at 15.8 ppg + 1/4 #/gal cellfl Flake + 2% CaCl<sub>2</sub>, pumped at 3.5 bpm. Bumped plug at 640 psi, float held, no returns. RIH down backside with 60 feet of 1" pipe and pump 70 sks of cement at 15.8# + 1/4 #/gal cellfl Flake + 2% CaCl<sub>2</sub>, no returns, wait on cement. Then pump an additional 60 sks of cement at 15.8 ppg + 1/4 #/gal cellfl Flake + 3% CaCl<sub>2</sub>, got returns to surface. Total cement pumped 460 sks.

**PRODUCTION CASING:**

**HOLE SIZE:** 7 7/8" **SURFACE CASING FROM:** 0' to 3,880'

Ran a total of 91 joints of 5 1/2", 17.0 #/ft, N-80, LT&C casing landed at 3,877' KB. MARKER JOINTS PLACED AT 3,538' & 3,361' KB. Cemented with: Preflush - 20 bbls of water followed by 10 bbls of React Flush, followed by 346 sks of 35/55 POZ cement + 0.2% Airout + 40% Superball + 2% CaCl<sub>2</sub> + 2.5% Super FL 200. Bumped plug, floats held, no cement returns to surface.

PLEASE REFER TO THE ATTACHED DRILLING REPORTS FOR SPECIFIC DAILY WELL INFORMATION



# DAILY DRILLING REPORT

FOR 24 HR PERIOD ENDING 2011-11-7-24:00

Yr - Mon - Day -Time

WELL NAME Gordan Creek ST LOCATION SEB 7-14-8  
 Day 07-Nov-11 Depth 635 Metres last 24 hr 595 Rotating hrs 0  
 Activity at report time DRLG AHEAD @688FT

## DRILLING MUD PROPERTIES AT SHAKER/SUCTION/PIT

Wt 8.3 Vis 27 WL \_\_\_\_\_ Gels \_\_\_\_\_ Solids \_\_\_\_\_ % PV \_\_\_\_\_ YP \_\_\_\_\_ pH \_\_\_\_\_  
 Oil \_\_\_\_\_ % Sand \_\_\_\_\_ % Cake \_\_\_\_\_ PPMCL \_\_\_\_\_ PPMCa \_\_\_\_\_

## BIT RECORD

BIT NO.	SIZE mm	MAKE & TYPE	SER. NO.	JETS mm			BIT		DEPTH OUT m	CUM m. DRLD	CUM. Rot hr	m/hr	Dull Cond.		
				1	2	3	WT	RPM					T	B	G
1	14 3/4	RMB	7-0095	22	22	22	8	80	38	38.00	1.00	38.00	1	1	1
2	11	HAMMER	11168R	32	32	32	6	40	640	600.00	8.25	72.70	1	1	1

## CIRCULATION RECORD

PUMP MAKE	PUMP				ANN. VEL.		JET VEL.	HHP	SURF. PRESS. kPa
	STROKE	SPM	LINER	m³/MIN	DP	DC			
precision air				1500cfm					250psi
L&J F500	7		6	234					
L&J F500	7		6	234					

## DEVIATION SURVEYS

## MUD & CHEMICALS ADDED

<u>.5</u> ° at <u>131</u> m	<u>3/4</u> ° at <u>635</u> m	40 SKS GEL 16 SKS FIBRESEAL
<u>.5</u> ° at <u>224</u> m	° at _____ m	
<u>2</u> ° at <u>350</u> m	° at _____ m	
<u>1</u> ° at <u>445</u> m	° at _____ m	

## BOTTOM HOLE ASSEMBLY

## TIME ANALYSIS

TOOL	ID mm	OD mm	LENGTH m	CUM.	OPERATION		DAILY	CUM.
					1. Drilling	2. Trips		
14 3/4 BIT		14 3/4	1.5		1. Drilling	2. Trips	9.75	
x/O SUB	2.5	8	1.00		3. Rig Service		5.50	
BIT SUB	2.5	6.50	3.10		4. Deviation Surveys		1.25	
2 DRILL COLLARS	2.375	6.50	61.23	0	5. Ream & Cond. Hole			
				0	6. Mix & Cond. Mud			

## REMARKS

Rig up blooie line (4hr) Head up wellhead and make up bha and trip in hole (3hr) Air/dust drlg from 38ft to 131ft.(2hr) survey at 131ft (1/4hr) air dust drill F/131ft to 224ft.(1.25hr) survey at 224ft(1/4hr) Air/mist drill F/224-350ft(.5hr) Survey at 350(1/4hr) Tagged water zone at 320ft.Air/mist drill F/350ft to 445ft(.75hr)surveyat 445(.25) drlg F/445 to 635ft(3hr) survey ar 635(.25)Drlg f 635to 640(.75)Tooh to change bit Wait on bit(.75) Make up bit and TIH(2.25hr) Repair liner washer pump(1.25hr) Air/mist drill F/640to 688ft (.5hr)

## COSTS

DAILY	\$15,075	16. Drilling Out	
CUMMULATIVE	\$30,150	17. Lost Circ.	
		18. Laying Down DP & BOP's	
		19. Plug & Abandon	
		20. Rig up - Tear out	
		21. Safety meeting	
		TOTAL	24.00 0.00

SUPERVISOR Michael Reis

# DAILY DRILLING REPORT

FOR 24 HR PERIOD ENDING 2011-11-8-24:00

Yr - Mon - Day -Time

WELL NAME Gordan Creek ST

LOCATION SEB 7-14-8

Day 08-Nov-11

Depth 804

Metres last 24 hr 116

Rotating hrs 4

Activity at report time

DRLG AHEAD @688FT

### DRILLING MUD PROPERTIES AT SHAKER/SUCTION/PIT

Wt 8.3    Vis 27    WL \_\_\_\_\_    Gels \_\_\_\_\_    Solids \_\_\_\_\_ % PV \_\_\_\_\_    YP \_\_\_\_\_    pH \_\_\_\_\_  
 Oil \_\_\_\_\_ %    Sand \_\_\_\_\_ %    Cake \_\_\_\_\_    PPMCL \_\_\_\_\_    PPMCa \_\_\_\_\_

### BIT RECORD

BIT NO.	SIZE mm	MAKE & TYPE	SER. NO.	JETS mm			BIT		DEPTH OUT m	CUM m. DRLD	CUM. Rot hr	m/hr	Dull Cond.		
				1	2	3	WT	RPM					T	B	G
1	14 3/4	RMB	7-0095	22	22	22	8	80	38	38.00	1.00	38.00	1	1	1
2	11	HAMMER	11168R	32	32	32	6	40	640	600.00	8.25	72.70	1	1	1
3	11	RMB		20	20	20	22	60	804	116.00	4.00	29.00	1	1	1

### CIRCULATION RECORD

PUMP MAKE	PUMP				ANN. VEL.		JET VEL.	HHP	SURF. PRESS. kPa
	STROKE	SPM	LINER	m <sup>3</sup> /MIN	DP	DC			
precision air				1500cfm				250psi	
L&J F500	7		6	234					
L&J F500	7		6	234					

### DEVIATION SURVEYS

°	at	_____	m	°	at	_____	m
°	at	_____	m	°	at	_____	m
°	at	_____	m	°	at	_____	m
°	at	_____	m	°	at	_____	m

### MUD & CHEMICALS ADDED

40SKS GEL 150SKS FIBRESEAL

### BOTTOM HOLE ASSEMBLY

TOOL	ID mm	OD mm	LENGTH m	CUM.
11 BIT		14 3/4	1.5	
x/O SUB	2.5	8	1.00	
BIT SUB	2.5	6.50	3.10	
2 DRILL COLLARS	2.375	6.50	61.23	0
				0

### TIME ANALYSIS

OPERATION	DAILY	CUM.
1. Drilling	4.00	
2. Trips	2.00	
3. Rig Service		
4. Deviation Surveys		
5. Ream & Cond. Hole		
6. Mix & Cond. Mud	13.00	
7. Circulation		
8. Rig Repair	1.50	
9. Run Casing & Cement	3.50	
10. Fishing		
11. Logging		
12. Coring		
13. Formation Testing		
14. Waiting on: bit		
15. Nipple Up & Test BOPS		
16. Drilling Out		
17. Lost Circ.		
18. Laying Down DP & BOP's		
19. Plug & Abandon		
20. Rig up - Tear out		
21. Safety meeting		
<b>TOTAL</b>	<b>24.00</b>	<b>0.00</b>

**REMARKS**  
 Rotary drill from 688ft to 804ft(4hr) Establish Circulation by mixing lcm pills 25% and finally getting returns by airating mud and slowly shutting air off and getting water to circulate with lcm(9hr) Tooh to run 8 5/8 casing.(2hr) Pickup and run 16 jts of 8 5/8 j55 STC 24# casing. (3.5hr) Stop 2 jts early due to tight hole and no circulating swedge. (1.5hr) Mix lcm and establish circulation of casing. Airate mud and slowly cut back air to zero to get circulation mixing lcm.

### COSTS

DAILY                      \$15,075  
 CUMMULATIVE            \$45,225

SUPERVISOR

Michael Reis



# DAILY DRILLING REPORT

FOR 24 HR PERIOD ENDING 2011-11-10-24:00

Yr - Mon - Day -Time

WELL NAME Gordan Creek ST

LOCATION SEB 7-14-8

Day 10-Nov-11

Depth 1066

Metres last 24 hr 262

Rotating hrs 6.25

Activity at report time

Drlg Ahead @ 1026ft

### DRILLING MUD PROPERTIES AT SHAKER/SUCTION/PIT

Wt 8.3    Vis 27    WL \_\_\_\_\_    Gels \_\_\_\_\_    Solids \_\_\_\_\_ % PV \_\_\_\_\_ YP \_\_\_\_\_ pH \_\_\_\_\_  
 Oil \_\_\_\_\_ %    Sand \_\_\_\_\_ %    Cake \_\_\_\_\_    PPMCL \_\_\_\_\_    PPMCa \_\_\_\_\_

### BIT RECORD

BIT NO.	SIZE mm	MAKE & TYPE	SER. NO.	JETS mm			BIT		DEPTH OUT m	CUM. DRLD	CUM. Rot hr	m/hr	Dull Cond.		
				1	2	3	WT	RPM					T	B	G
4	7 7/8	RMB	7-0095	22	22	22	25	65	1066	266.00	6.25	41.92	3	1	1
2	11	HAMMER	11168R	32	32	32	6	40	640	600.00	8.25	72.70	1	1	1
3	11	RMB		20	20	20	22	60	804	116.00	4.00	29.00	1	1	1

### CIRCULATION RECORD

PUMP MAKE	PUMP				ANN. VEL.		JET VEL.	HHP	SURF. PRESS. kPa
	STROKE	SPM	LINER	m <sup>3</sup> /MIN	DP	DC			
precision air				500cfm				250psi	
L&J F500	7	105	6	234					
L&J F500	7		6	234					

### DEVIATION SURVEYS

2 °	at	841	m	°	at		m
°	at		m	°	at		m
°	at		m	°	at		m
°	at		m	°	at		m

### MUD & CHEMICALS ADDED

10SKS GEL 8 soap sticks

### BOTTOM HOLE ASSEMBLY

TOOL	ID mm	OD mm	LENGTH m	CUM.
bit		7.825	.5	1
bit sub	2.25	6.50	2.75	1
1 x/o	2.25	6.50	.8	
12-6.50 drill collars	2.25	6.50	364.25	0
				0

### TIME ANALYSIS

OPERATION	DAILY	CUM.
1. Drilling	6.25	
2. Trips	3.50	
3. Rig Service		
4. Deviation Surveys	0.75	
5. Ream & Cond. Hole	0.00	
6. Mix & Cond. Mud		
7. Circulation	2.50	
8. Rig Repair	4.25	
9. Run Casing & Cement		
10. Fishing		
11. Logging		
12. Coring		
13. Formation Testing		
14. Waiting on:		
15. Nipple Up & Test BOPS	3.50	
16. Drilling Out	3.25	
17. Lost Circ.		
18. Laying Down DP & BOP's		
19. weld on wellhead		
20. Rig up - Tear out		
21. Safety meeting		
<b>TOTAL</b>	<b>24.00</b>	<b>0.00</b>

### REMARKS

Finished nipple up and test bop 2500high and 250low on kelly cock blind and pipe rams, choke valves, safety valve and choke line valve Make up bha(7 7/8 bit bit sub,xo, and 12-6.50drill collars) and TIH Tagged cement at 640. Un freeze rig mudlines and pump(4.25hr) Drlg cement from 640ft to 725ft and tag float@666ft and shoe @ 711ft. Open hole from 725ft to 804ft Attempted to blow hole dry and making about 100 gals/min. Load hole with water and rotary drill F/804 to 1026. Survey at 841ft is 2\*

### COSTS

DAILY		\$50,430
CUMMULATIVE		\$220,673

SUPERVISOR

Michael Reis













CONFIDENTIAL

FORM 9

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL  GAS WELL  OTHER \_\_\_\_\_

2. NAME OF OPERATOR  
GORDON CREEK, LLC.

3. ADDRESS OF OPERATOR  
1179 E. MAIN, #345 PRICE UT 84501

PHONE NUMBER  
(403) 453-1608

5. LEASE DESIGNATION AND SERIAL NUMBER  
ML-46537

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT OR GA AGREEMENT NAME

8. WELL NAME AND NUMBER  
GORDON CREEK SE B-7-14-8

9. API NUMBER  
4300750255

10. FIELD AND FOOT OR WILDCAT  
UNDESIGNATED

4. LOCATION OF WELL  
FOOTAGES AT SURFACE: 1353' FSL & 631' FEL

COUNTY: CARBON

QTR/CTR, SECTION, TOWNSHIP, RANGE, MERIDIAN NESE 7 14S 8E S

STATE UTAH

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

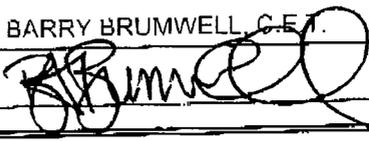
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> RE-PLUG/RE-ENTER CURRENT FORMATION
	<input type="checkbox"/> AT THE CASINGS	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> WENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 11/16/2011	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER <u>DRILLING REPORTS</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION	

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

ATTACHED IS AN EXECUTIVE SUMMARY AND THE DAILY DRILLING REPORTS FOR THE SUBJECT WELL

NAME (PLEASE PRINT) BARRY BRUMWELL, C.E.T.

TITLE VICE PRESIDENT of OPERATIONS

SIGNATURE 

DATE 8/12/2012

(This space for State use only)

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AUG 10 2012

**EXECUTIVE SUMMARY REPORT**

**WELL:** GORDON CREEK ST SE-B-7-14-8 **API #:** 43000750255  
**COUNTY:** CARBON COUNTY, UTAH **SPUD:** 17:30 HRS, 11/05/2011  
**OBJECTIVE:** To drill & complete a Ferron Gas well **R.R.:** 24:00 HRS, 11/16/2011  
**RIG CONTRACTOR:** CBM Partners Rig # 101

**BIT INFORMATION:**

TYPE	SIZE (inches)	DEPTH IN (ft)	DEPTH OUT (ft)	ROI. HOURS	TOTAL HOURS
Tricone	14 3/4	0	38	0.5	0.5
Air Hammer	11	38	640	8.75	9.25
Tricone	11	640	804	4.5	13.75
Tricone	7 7/8	804	1066	8.5	22.25
PDC	7 7/8	1062	3880	46	68.25

**CONDUCTOR CASING:**

**HOLE SIZE:** 14 3/4" **CONDUCTOR SET FROM:** 0' to 38'

The 12 3/4" conductor pipe was run to 38' and cemented full length.

**SURFACE CASING:**

**HOLE SIZE:** 11" **SURFACE CASING FROM:** 0' to 711'

Ran a total of 16 joints of 8 5/8", 36 #/ft, J-55, ST&C casing landed at 711' KB. Cemented with 330 sks cement mixed at 15.8 ppg + 1/4 #/gal cellfoflake + 2% CaCl2, pumped at 3.5 bpm. Bumped plug at 640 psi, float held, no returns. RIH down backside with 60 feet of 1" pipe and pump 70 sks of cement at 15.8# + 1/4 #/gal cellfoflake + 2% CaCl2, no returns, wait on cement. Then pump an additional 60 sks of cement at 15.8 ppg + 1/4 #/gal cellfoflake + 3% CaCl2, got returns to surface. Total cement pumped 160 sks.

**PRODUCTION CASING:**

**HOLE SIZE:** 7 7/8" **SURFACE CASING FROM:** 0' to 3,880'

Ran a total of 91 joints of 5 1/2", 17.0 #/ft, N-80, LT&C casing landed at 3,877' KB. MARKER JOINTS PLACED AT 3,538' & 3,361' KB. Cemented with: Preflush - 20 bbls of water followed by 10 bbls of React Flush, followed by 346 sks of 35/55 PO7 cement + 0.2% Airout + 40% Superball + 2% CaCl2 + 2.5% Super FL 200. Bumped plug, floats held, no cement returns to surface.

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AUG 10 2012

DIV. OF OIL, GAS &amp; MINING



# DAILY DRILLING REPORT

FOR 24 HR PERIOD ENDING 2011-11-7-24:00  
Yr - Mon - Day - Time

WELL NAME Gordan Creek ST  
Day 07-Nov-11  
Activity at report time

LOCATION SEB 7-14-8  
Depth 635 Metres last 24 hr 595  
DRLG AHEAD @688FT

Rotating hrs 0

### DRILLING MUD PROPERTIES AT SHAKER/SUCTION/PIT

Wt 8.3 % Oil    Vis 27 % Sand    Wt.      %    Gels      %    Solids      %    PV         YP         pH       
Cake         PPMCL         PPMCa     

### BIT RECORD

BIT NO.	SIZE mm	MAKE & TYPE	SER. NO.	JETS mm			BIT		DEPTH OUT m	CUM. DRLD	CUM. Rot hr	m/hr	Dull Cond.		
				1	2	3	WT	RPM					T	B	G
1	14 3/4	RMB	7-0095	22	22	22	8	80	38	38.00	1.00	38.00	1	1	1
2	11	HAMMER	11168R	32	32	32	6	40	640	600.00	8.25	72.70	1	1	1

### CIRCULATION RECORD

PUMP MAKE	PUMP				ANN. VEL.		JET VEL.	IHP	SURF. PRESS. kPa
	STROKE	SPM	LINER	m <sup>3</sup> /MIN	DP	DC			
precision air				1500cfm					250psi
L&J F500	7		6	234					
L&J F500	7		6	234					

### DEVIATION SURVEYS

.5 °	at	131	m	3/4 °	at	635	m
.5 °	at	224	m		at		m
2 °	at	350	m		at		m
1 °	at	445	m		at		m

### MUD & CHEMICALS ADDED

40 SKS GEL 16 SKS FIBRESEAL

### BOTTOM HOLE ASSEMBLY

TOOL	ID mm	OD mm	LENGTH m	CUM.
	14 3/4 BIT		14 3/4	1.5
X/O SUB	2.5	8	1.00	
BIT SUB	2.5	6.50	3.10	
2 DRILL COLLARS	2.375	6.50	61.23	0
				0

### TIME ANALYSIS

OPERATION	DAILY	CUM.
1. Drilling	9.75	
2. Trips	5.50	
3. Rig Service		
4. Deviation Surveys	1.25	
5. Ream & Cond. Hole		
6. Mix & Cond. Mud		
7. Circulation		
8. Rig Repair	1.25	
9. Run Casing & Cement		
10. Fishing		
11. Logging		
12. Coring		
13. Formation Testing		
14. Waiting on: bit	0.75	
15. Nipple Up & Test BOPS	5.50	
16. Drilling Out		
17. Lost Circ.		
18. Laying Down DP & BOP's		
19. Plug & Abandon		
20. Rig up - Tear out		
21. Safety meeting		
<b>TOTAL</b>	<b>24.00</b>	<b>0.00</b>

### REMARKS

Rig up bloole line (4hr) Head up wellhead and make up bha and trip in hole (3hr) Air/dust drlg from 38ft to 131ft.(2hr) survey at 131ft (1/4h air dust drill F/131ft to 224ft.(1.25hr) survey at 224ft(1/4hr) Air/mist drill F/224-350ft(.5hr) Survey at 350(1/4hr) Tagged water zone at 320ft.Air/mist drill F/350ft to 445ft(.75hr)surveyat 445(.25) drlg F/445 to 635ft(3hr) survey ar 635(.25)Drlg f 635to 640(.75)Tooh to change bit Wait on bit(.75) Make up bit and TIH(2.25hr) Repair liner washer pump(1.25hr) Air/mist drill F/640to 688ft (.5hr)

### COSTS

DAILY \$15,075  
CUMMULATIVE \$30,150

SUPERVISOR

Michael Reis

RECEIVED

AUG 10 2012

# DAILY DRILLING REPORT

FOR 24 HR PERIOD ENDING **2011-11-8-24:00**  
Yr - Mon - Day -Time

WELL NAME **Gordan Creek ST**  
Day **08-Nov-11**  
Activity at report time

LOCATION **SEB 7-14-8**  
Depth **804** Metres last 24 hr **116** Rotating hrs **4**

DRLG AHEAD @688FT

### DRILLING MUD PROPERTIES AT SHAKER/SUCTION/PIT

Wt **8.3** % Oil    Vis **27** % Sand    WL \_\_\_\_\_ %    Gels \_\_\_\_\_ %    Solids \_\_\_\_\_ %    PV \_\_\_\_\_ YP \_\_\_\_\_ pH \_\_\_\_\_  
Cake \_\_\_\_\_ PPMCL \_\_\_\_\_ PPMCa \_\_\_\_\_

### BIT RECORD

BIT NO.	SIZE mm	MAKE & TYPE	SER. NO.	JETS mm			BIT		DEPTH OUT m	CUM m. DRLD	CUM. Rot hr	CUM. m/hr	Dull Cond.		
				1	2	3	WT	RPM					T	B	G
1	14 3/4	RMB	7-0095	22	22	22	8	80	38	38.00	1.00	38.00	1	1	1
2	11	HAMMER	11168R	32	32	32	6	40	640	600.00	8.25	72.70	1	1	1
3	11	RMB		20	20	20	22	60	804	116.00	4.00	29.00	1	1	1

### CIRCULATION RECORD

PUMP MAKE	PUMP				ANN. VEL.		JET VEL.	IHP	SURF. PRESS. kPa
	STROKE	SPM	LINER	m <sup>3</sup> /MIN	DP	DC			
precision air				1500cfm					250psi
L&J F500	7		6	234					
L&J F500	7		6	234					

### DEVIATION SURVEYS

" at _____ m	" at _____ m
" at _____ m	" at _____ m
" at _____ m	" at _____ m
" at _____ m	" at _____ m

### MUD & CHEMICALS ADDED

40SKS GEL	150SKS FIBRESEAL

### BOTTOM HOLE ASSEMBLY

TOOL	ID mm	OD mm	LENGTH m	CUM.
11 BIT		14 3/4	1.5	
x/O SUB	2.5	8	1.00	
BIT SUB	2.5	6.50	3.10	
2 DRILL COLLARS	2.375	6.50	61.23	0
				0

### TIME ANALYSIS

OPERATION	DAILY	CUM.
1. Drilling	4.00	
2. Trips	2.00	
3. Rig Service		
4. Deviation Surveys		
5. Ream & Cond. Hole		
6. Mix & Cond. Mud	13.00	
7. Circulation		
8. Rig Repair	1.50	
9. Run Casing & Cement	3.50	
10. Fishing		
11. Logging		
12. Coring		
13. Formation Testing		
14. Waiting on: bit		
15. Nipple Up & Test BOPS		
16. Drilling Out		
17. Lost Circ.		
18. Laying Down DP & BOP's		
19. Plug & Abandon		
20. Rig up - Tear out		
21. Safety meeting		
<b>TOTAL</b>	<b>24.00</b>	<b>0.00</b>

### REMARKS

Rotary drill from 688ft to 804ft(4hr) Establish Circulation by mixing lcm pills 25% and finally getting returns by airing mud and slowly shutting air off and getting water to circulate with lcm(9hr) Tooh to run 8 5/8 casing.(2hr) Pickup and run 16 jts of 8 5/8 j55 STC 24# casing. (3.5hr) Stop 2 jts early due to tight hole and no circulating swedge. (1.5hr) Mix lcm and establish circulation of casing. Airrite mud and slowly cut back air to zero to get circulation mixing lcm.

### COSTS

DAILY \$15,075  
CUMMULATIVE \$45,225

SUPERVISOR **Michael Reis**

**RECEIVED**

**AUG 10 2012**



# DAILY DRILLING REPORT

FOR 24 HR PERIOD ENDING 2011-11-10-24:00

Yr - Mon - Day - Time

WELL NAME Gordan Creek ST

LOCATION SEB 7-14-8

Day 10-Nov-11

Depth 1066

Metres last 24 hr 262

Rotating hrs 6.25

Activity at report time

Drlg Ahead @ 1026ft

## DRILLING MUD PROPERTIES AT SHAKER/SUCTION/PIT

Wt 8.3 %    Vis 27    WL \_\_\_\_\_    Gels \_\_\_\_\_    Solids \_\_\_\_\_ % PV \_\_\_\_\_    YP \_\_\_\_\_    pH \_\_\_\_\_  
 Oil \_\_\_\_\_ %    Sand \_\_\_\_\_ %    Cake \_\_\_\_\_    PPMCL \_\_\_\_\_    PPMCa \_\_\_\_\_

### BIT RECORD

BIT NO.	SIZE mm	MAKE & TYPE	SER. NO.	JETS mm			BIT		DEPTH OUT m	CUM. DRLD	CUM. Rot hr	CUM. m/hr	Dull Cond.		
				1	2	3	WT	RPM					T	B	G
4	7 7/8	RMB	7-0095	22	22	22	25	65	1066	266.00	6.25	41.92	3	1	1
2	11	HAMMER	11168R	32	32	32	6	40	640	600.00	8.25	72.70	1	1	1
3	11	RMB		20	20	20	22	60	804	116.00	4.00	29.00	1	1	1

### CIRCULATION RECORD

PUMP MAKE	PUMP				ANN. VEL.		JET VEL.	HHP	SURF. PRESS. kPa
	STROKE	SPM	LINER	m³/MIN	DP	DC			
precision air				500cfm					250psi
L&J F500	7	105	6	234					
L&J F500	7		6	234					

### MUD & CHEMICALS ADDED

DEVIATION SURVEYS				MUD & CHEMICALS ADDED			
2 °	at	841	m	10SKS GEL 8 soap sticks			
°	at		m				
"	at		m				
"	at		m				

### BOTTOM HOLE ASSEMBLY

TOOL	ID mm	OD mm	LENGTH m	CUM.	TIME ANALYSIS	
					OPERATION	DAILY
bit		7.825	.5	1	1. Drilling	6.25
bit sub	2.25	6.50	2.75	1	2. Trips	3.50
1 x/o	2.25	6.50	.8		3. Rig Service	
12-6.50 drill collars	2.25	6.50	364.25	0	4. Deviation Surveys	0.75
				0	5. Ream & Cond. Hole	0.00
					6. Mix & Cond. Mud	
					7. Circulation	2.50
					8. Rig Repair	4.25

### REMARKS

Finished nipple up and test bop 2500high and 250low on kelly cock blind and pipe rams, choke valves, safety valve and choke line valve Make up bha(7 7/8 bit bit sub,xo, and 12-6.50drill collars) and TIH Tagged cement at 640. Un freeze rig mudlines and pump(4.25hr) Drlg cement from 640ft to 725ft and tag float@666ft and shoe @ 711ft. Open hole from 725ft to 804ft Attempted to blow hole dry and making about 100 gals/min. Load hole with water and rotary drill F/804 to 1026. Survey at 841ft is 2'

### COSTS

DAILY \$50,430  
 CUMMULATIVE \$220,673

SUPERVISOR

Michael Reis

TOTAL 24.00 0.00

RECEIVED

AUG 10 2012

Full Report  
For 11/11/2011

IS MISSING  
WHEN WELLSITE SUPERVISOR  
WAS CHANGED OUT.







DAILY DRILLING REPORT

WELL NAME: GOEDON ST SEB 7-14-8

LOCATION: CARBON COUNTY, UTAH  
WELL LICENCE: AP# 4300731230

SUPERVISOR: CHUCK WALTER  
CELLULAR #:   
SPUD DATE: 1400 Hrs Nov 9 / 11  
R.R. DATE:   
CONTRACTOR: CBM PARTNERS CBM #1  
EST. T.D: 3880

REPORTING TO: BARRY BRUMWELL  
PHONE #:   
A.F.E. #: 11/ DRL 029  
DAILY COST: \$14,863  
CUM. COST: \$124,605  
AFE EST (D&A): (D&C):

DAY:	5	REPORT DATE	14-Nov-11	STATUS	08:00	Drilling @ 3804 & mudding up					
DEPTH:	3492	PROG:	1293	KB:	7387.00	GL:	7376.10	MACP:	1098		
SURVEYS:	1.75 @ 2513 3 @ 3049										
MUD TYPE	H2O/air	WT:		VISC:		WL:		PH:			
ADDITIVES:	air 400 scfm										
BIT	SERIAL #	SIZE	MFG	TYPE	JETS	WOB	RPM	METERS	HOURS	ROP	GRADE
4	TJ 0905	7.875"	Shear	SM616	GX20	16K	90	1293	21.75	21.5"/hr	
PUMP	DESCR.	LINER	STK	SPM	RATE	PRESS	AV DC	AV DP	NOZZLE VEL		
L & J	F-100	Triplex	6	7	100	273					
L & J	F-100	Triplex	6	7	100						

DRILLING ASSEMBLY

TOOL	OD	ID	LENGTH
Bit	7.875"		0.50
BIT SUB	6.25"	2.4"	2.75
XO	6.23"	2.25"	0.80
11 6.25" DC	6.25"	2.25"	334.05
4" FH, 14# To surf.	4.0"		
TOTAL			338.10

TIME DISTRIBUTION

MOVE RIG:		L.D.S.:	
RIG TO SPUD:		LOGGING:	
WELD ON BBL:		CEMENT:	
RIG SERVICE:	0.50	WAIT MOVE	
SURVEY:	1.75	WOC:	
PRESSURE TEST:		RUN CSG:	
DRILL:	21.75	DST:	
HANDLE TOOLS:		TRIP:	
CIRCULATE:		WAIT ON:	
NIPPLE DN/BOP:		WELD BOWL	
DRILL OUT:		DIR. WORK:	
REAM:		PASON	
SAFETY MEETING:		SLIP LINE:	
STUCK & FISH:		WORK CON:	
RIG DOWN TIME		CORING	
Rig Out		Nipple up	
TOTAL HOURS:	24:00		
Kg/m			CSG.
METERS:			

LAST CASING SUMMARY

RAN \_\_\_\_\_ JTS \_\_\_\_\_ mm  
LANDED AT \_\_\_\_\_ MKB. TOTAL LENGTH \_\_\_\_\_  
CEMENTED WITH \_\_\_\_\_  
PLUG DOWN AT \_\_\_\_\_ HRS. ON \_\_\_\_\_ WITH \_\_\_\_\_ M3 CEMENT RETURNS.  
LOGS RUN

REMARKS

0000 0815 Drill f/ 2199 to 2513  
0815 0915 Survey @ 2513 - 1.75 degrees  
0915 0945 Rig service  
0945 1715 Drill f/ 2513 to 3049  
1715 1800 Survey @ 3039 - 3.0 degrees  
1800 2400 Drill f/ 3049 to 3492

Drilling break @ 3360'

Started mudding up @ 3300'

Daily cost \$23,259  
Cumm Cost. \$169,580

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DIV. OF OIL, GAS & MINING

Weather: Cold & clear



DAILY DRILLING REPORT

GORDEN ST SEB 7-14-8

LOCATION:  
WELL LICENCE:

CARBON COUB=NTY, UTAH  
API # 4300731230

SUPERVISOR: CHUCK WALTER  
CELLULAR #: [REDACTED]  
SPUD DATE: 1400 HRS NOV 8, 2011  
R/R DATE:  
CONTRACTOR: CBM PARTNERS      CBM # 100  
EST. T.D.: 3880

REPORTING TO: BARRY BRUMWELL  
PHONE #: [REDACTED]  
A.F.E. #: 11/DRL 029  
DAILY COST: \$14,710  
CUM. COST: \$184,790  
AFE EST (D&A): \_\_\_\_\_ (D&C): \_\_\_\_\_

DAY:	7	REPORT DATE	15-Nov-11	STATUS	06:00	GL:	7351.10	Rigging up to run 5 5 production casing			
DEPTH:	3880	PROG:	388	KB:	7384.10	MACP:					
SURVEYS:	3 @ 3522										
MUD TYPE:	Air/water	WT:	VISC:		WL:	PH:	FC:				
ADDITIVES:											
BIT	SERIAL #	SIZE	MFG	TYPE	JETS	WOB	RPM	FEET	HOURS	ROP	GRADE
4	TJ 0905	7.875	Shear	SM 516	6 x 20	16K	RPM	388	8.25	40.9	
PUMP	DESCR.	LINER	STK	SPM	RATE	PRESS	AV DC	AV DP	NOZZLE VEL		
L & J F-100	Triplex	6"	7"	100	273	550					
L & J F-100	Triplex	6"	7"								

DRILLING ASSEMBLY			
TOOL	OD	ID	LENGTH
PDC Bit	7.875		0.50
BIT Sub	6.25	2.25	2.75
XO	6.25	2.25	0.80
11 6.25" DCs	6.25	2.25	364.25
4" 14# X-hole DP to surf			2.05
TOTAL			388.30

TIME DISTRIBUTION

MOVE RIG:	_____	L.O.D.S.:	_____
NO TO SPUD:	_____	LOGGING:	_____
WELD ON BBL:	_____	CEMENT:	_____
RIG SERVICE:	1.00	WAIT MOVE:	_____
SURVEY:	_____	WOC:	_____
PRESSURE TEST:	8.25	RUN CSG:	_____
DRILL:	_____	DST:	5.50
HANDLE TOOLS:	9.25	TRIP:	_____
CIRCULATE:	_____	WAIT ON:	_____
NIPPLE DN BOP:	_____	WELD BOWL:	_____
DRILL OUT:	_____	DIR. WORK:	_____
REAM:	_____	PASON:	_____
SAFETY MEETING:	_____	SLIP LINE:	_____
STUCK & FSH:	_____	WORK CON:	_____
RIG-DOWN TIME:	_____	Other:	_____
Rig Out:	24.00	Nipple Up:	_____
TOTAL HOURS:	_____	CSG:	_____
Kg/m:	_____		_____
METERS:	_____		_____

LAST CASING SUMMARY

RAN \_\_\_\_\_ JTS \_\_\_\_\_ mm  
LANDED AT \_\_\_\_\_ MKB. TOTAL LENGTH \_\_\_\_\_  
CEMENTED WITH \_\_\_\_\_ HRS. ON \_\_\_\_\_ WITH \_\_\_\_\_ M3 CEMENT RETURNS.  
PLUG DOWN AT \_\_\_\_\_  
LOGS RUN \_\_\_\_\_

REMARKS

0000	0030	Drill // 3492 to 3522
0030	0130	Wire line survey @ 3522 - 3 degrees
0130	0915	Drill // 3522 to 3880 (TD)
0915	1830	Mixing mud and mud up for logs
1830	2400	Trip out of hole for logs. No drag.

Daily Cost 14,710  
Cumm Cost 184,790

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WT OF U.C      WT OF STRING

Weather:



DAILY DRILLING REPORT

WELL NAME: **GORDEN ST SEB 7-14-8**

LOCATION: **CARBON COUB=NTY, UTAH**  
WELL LICENCE: **API # 4300731230**

SUPERVISOR: **CHUCK WALTER**  
CELLULAR #: **[REDACTED]**  
SPUD DATE: **1400 HRS NOV 8, 2011**  
R.R. DATE:  
CONTRACTOR: **CBM PARTNERS CBM # 100**  
EST. T.D.: **3880**

REPORTING TO: **BARRY BRUMWELL**  
PHONE #:  
A.F.E. #: **11/DRL 029**  
DAILY COST: **\$147,426**  
CUM. COST: **\$407,711** (D&C):

Rig released @ 2400 hrs to Gordon ST SW 7-14-8

DAY:	7	REPORT DATE	16-Nov-11	STATUS	08:00	GL:	7381.10	MACP:			
DEPTH:	3880	PROG:		KB:	7384.10						
MUD TYPE:	Air/water	WT:		VISC:		WL:		PH:			
ADDITIVES:								FC:			
BIT	SERIAL #	SIZE	MFG	TYPE	JETS	WOB	RPM	FEET	HOURS	ROP	GRADE
										40.9	
PUMP	DESCR.	LINER	STK	SPM	RATE	PRESS	AV DC	AV DP	NOZZLE VEL		
L & J F-100	Triplex	6"	1"								
L & J F-100	Triplex	6"	1"								

**DRILLING ASSEMBLY**

TOOL	OD	ID	LENGTH
PDC Bit	7.875		0.50
Bit Sub	6.25	2.25	2.75
XO	6.25	2.25	0.80
11 6.25" DCs	6.25	2.25	384.25
4", 14# X-hole DP to surf	4"	2.05	
<b>TOTAL</b>			<b>388.30</b>

**TIME DISTRIBUTION**

MOVE RIG:	L.D.D.S.:	5.00
RIG TO SPUD:	LOGGING:	1.50
WELD ON DBL:	CEMENT:	
RIG SERVICE:	WAIT MOVE:	
SURVEY:	WOC:	
PRESSURE TEST:	RUN CSG:	15.50
DRILL:	DST:	
HANDLE TOOLS:	TRIP:	1.00
CIRCULATE:	WAIT ON:	
NIPPLE ON BOP:	WELD BOWL:	
DRILL OUT:	DIR. WORK:	
REAM:	PASON:	
SAFETY MEETING:	SLIP LINE:	
STUCK & FISH:	WORK CON:	
RIG DOWN TIME:	Other:	
Rig out:	Nipple Up:	
<b>TOTAL HOURS:</b>		<b>24.00</b>

**LAST CASING SUMMARY**

RAN **93 JTS** **4 5" mm** **17 Kg/m** **N-80** **L.I.C.** **CSG.**  
 LANDED AT **3877.00 MKB.** **TOTAL LENGTH**  
 CEMENTED WITH **346 sx G. 35/55 POZ.** (use details below)  
 PLUG DOWN AT **0.00 HRS. ON** **16-Nov-11** WITH **no** **M3 CEMENT RETURNS.**  
**LOGS RUN**  
 Gamma Ray, Compensated Neutron, Compensated Density, Caliper, Dual Induction SP log

**REMARKS**

0000 0100 Trip out of hole for logs  
 0100 0200 RU wire line loggers  
 0200 0500 Log well with Gamma Ray, Compensated Neutron, Compensated Density, Caliper, Dual Induction, and SP as per program  
 0200 0600 RD wire line loggers  
 0500 2230 RU and run 91 jls of 5.5 17.0 lbs/ft, N-80, LT&C casing. Landed @ 3877. Float @ 3835, Mkr @ 3538, Mkr @ 3361. Centralizer middle of shoe jt, across collars of next 20 collars, across every other collar (29) Total 50 centralizers. Fill - wash casing to bottom - 30'.  
 2230 2400 Cemented with preflush #1, 20 bbls water, preflush #2, 10 bbls React flush, followed by 346 sx (148.5 bbls) of 35/55 POZ cement with 0.2% Air Out, 40% Superball, 2% Calcium Chloride, 2.5% Super F1 200. Wt. 10.7 lbs/gal, water 8.2 gal/sx, yield 2.41. Dropped plug Displaced with 85 bbls (calculated 85.7 bbls) fresh water. Bumped plug with 750 psi. Floats held, 1 bbl fresh water returned Cement not circulated to surface.

Rig released to the Gordon ST SW 7-14-8. API# 43007502420000

Daily Cost 147426  
 Cumm Cost 407,711

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**AUG 10 2012**  
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WT OF DC WT OF STRING

Weather:

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9  5. LEASE DESIGNATION AND SERIAL NUMBER: ML-46537
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:  7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: GORDON CREEK ST SE-B-7-14-8
2. NAME OF OPERATOR: GORDON CREEK, LLC	9. API NUMBER: 43007502550000
3. ADDRESS OF OPERATOR: 1179 E Main #345 , Price, UT, 84501	PHONE NUMBER: 403 453-1608 Ext
9. FIELD and POOL or WILDCAT: UNDESIGNATED	4. LOCATION OF WELL FOOTAGES AT SURFACE: 1353 FSL 0631 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 07 Township: 14.0S 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		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <b>6/30/2012</b>	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: <input type="text" value="No Activity"/>

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

There was NO activity on this well from Drilling Rig Release Date (24:00 11/16/2011) until June 30, 2012. The well was cased with 5 1/2" production casing to 3,880' KB and is sitting as a cased Potential Ferron Gas Well.

**Accepted by the  
 Utah Division of  
 Oil, Gas and Mining  
 FOR RECORD ONLY  
 August 28, 2012**

NAME (PLEASE PRINT) Barry Brumwell	PHONE NUMBER 403 453-1608	TITLE Vice President-Operations
SIGNATURE N/A	DATE 8/27/2012	

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

**CONFIDENTIAL**

FORM 8

REVISED REPORT  
(highlight changes)

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

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

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

2. NAME OF OPERATOR:  
**GORDON CREEK, LLC.**

3. ADDRESS OF OPERATOR: **1179 E. MAIN, #345** CITY **PRICE** STATE **UT** ZIP **84501** PHONE NUMBER: **(403) 453-1608**

4. LOCATION OF WELL (FOOTAGES)  
AT SURFACE: **1353.35' FSL & 631.01' FEL**  
AT TOP PRODUCING INTERVAL REPORTED BELOW: **1353.35' FSL & 631.01' FEL**  
AT TOTAL DEPTH: **1353.35' FSL & 631.01' FEL**

5. LEASE DESIGNATION AND SERIAL NUMBER:  
**ML-46537**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT or CA AGREEMENT NAME

8. WELL NAME and NUMBER:  
**GORDON CREEK ST SE-B-7-14-8**

9. API NUMBER:  
**4300750255**

10. FIELD AND POOL, OR WILDCAT  
**UNDESIGNATED**

11. QTR/QTR SECTION, TOWNSHIP, RANGE, MERIDIAN:  
**NESE 7 14S 8E S**

12. COUNTY  
**CARBON** 13. STATE  
**UTAH**

14. DATE SPUNDED: **11/5/2011** 15. DATE T.D. REACHED: **11/14/2011** 16. DATE COMPLETED: **10/14/2012** ABANDONED  READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL):  
**KB = 7399.1'**

18. TOTAL DEPTH: MD **3,880** TVD **3,880**

19. PLUG BACK T.D.: MD **3,867** TVD **3,867**

20. IF MULTIPLE COMPLETIONS, HOW MANY? \*

21. DEPTH BRIDGE MD PLUG SET: TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)  
**DUAL INDUCTION/GR, DENSITY NEUTRON, GR/CALIPER, PULSED NEUTRON/GR, CBL/CCL/GR**

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

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
14.75"	12.75		0	38				0	
11"	8.625 J55	36	0	711		CI III 460		0	
7.875"	5.500 N80	17	0	3,880		46		2020	

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25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2.375"	3,725							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) FERRON	3,664	3,880	3,664	3,880
(B)				
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
3,666 3,832	0.56	192	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
3666-3832 (MULTI INTS)	SLICKWATER BORATE FRAC w/ 22,285 # OF 20/40 WHITE SAND (FRAC INCOMPLETE)
3666-3832 (MULTI INTS)	SLICKWATER BORATE RE-FRAC w/ 40,255 # OF 20/40 WHITE & 77,840 # OF 16/30 WHITE

29. ENCLOSED ATTACHMENTS:

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

30. WELL STATUS:

**SHUT IN**

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

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

INTERVAL B (As shown in item #26)

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

INTERVAL C (As shown in item #26)

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

INTERVAL D (As shown in item #26)

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

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

33. SUMMARY OF POROUS ZONES (Include Aquifers):

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

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
FERRON	3,664	3,880	SANDSTONES AND COALS	Lower Bluegate Bentonite Mkr Upper Ferron Marine SS Ferron SS	3,569 3,664 3,707

35. ADDITIONAL REMARKS (Include plugging procedure)

PLEASE SEE ATTACHMENT FOR COMPLETE PERF. INTERVALS, UNABLE TO FIT ALL INTERVALS ON THIS FORM.

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

NAME (PLEASE PRINT) BARRY BRUMWELL, C.E.T.

TITLE VICE PRESIDENT of OPERATIONS

SIGNATURE 

DATE 11/1/2012

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

**To Whom It May Concern;**

The well GORDON CREEK SE-B-7-14-8 was perforated and stimulated with the following intervals:

ATTEMPT #1	3666-3670	FRACTURE STIMULATED WITH A SLICKWATER BORATE FRAC with 22,285 # OF 20/40 WHITE SAND - PUMPING COMPANY RAN OUT OF WATER BEFORE TREATMENT WAS COMPLETED.
	3729-3730	
	3753-3755	
	3778-3781	
	3792-3804	
	3824-3832	
ATTEMPT #2	3666-3670	SUCESSFULLY FRACTURE STIMULATED WITH A SLICKWATER BORATE FRAC with 40,255 # OF 20/40 WHITE SAND and 77,840 # OF 16/30 WHITE SAND.
	3729-3730	
	3753-3755	
	3778-3781	
	3792-3804	
	3824-3832	

**IT WAS NOT POSSIBLE TO FIT ALL OF THIS INFORMATION ON FORM 8.**





**THUNDERBIRD**  
ENERGY

# Gordon Creek, LLC.

## Well Completion/Workover Report

**Well Name:** Gordon Creek SE-B-7-14-8 **Today's Date:** July 18, 2012  
**Objective:** Drill out prep to complete **Day #:** 2  
**AFE #:** 11CMP014 **Daily Cost:** \$7,120 **Prev. Cost:** \$21,370 **Cummulative Cost:** \$28,490

**Zones of Interest:** Name: \_\_\_\_\_ Perf Int.'s \_\_\_\_\_  
 Name: \_\_\_\_\_ Perf Int.'s \_\_\_\_\_  
 Name: \_\_\_\_\_ Perf Int.'s \_\_\_\_\_

Casing:	Size	Weight	Grade	Landed @	Rod String:	No. of	Size	Type
Surface:	8.625	24	J-55	715				
Production:	5.5	17	N-80	3877				
Inter/Liner:								

Tubing:	Size	Weight	Landed @	PSN Depth	Pump Description:
#1					
#2					

**Depths:** TD: 3880 PBDT: 3867 KOP: \_\_\_\_\_ TD (TVD): \_\_\_\_\_

**Elevations:** KB: 7364.1 GL: 7351.1 KB-GL: 13 API #: 4300731230

**AM Pressures:** Tubing: \_\_\_\_\_ Casing: \_\_\_\_\_ SCV: \_\_\_\_\_

### 24 Hour Summary:

#### Operation at 0800 Hours:

Time	Detailed Description of Previous Days Operations	Daily Cost Summary	
		Item	Amount
7:00	travel to loc		
8:00	talley pipe and prep	Rig	\$5,400
9:30	TIH, tagged @ 3831'	water truck	\$720
10:30	rig up power sub and prep to drill	consulting	\$1,000
12:15	drilled to 3866.67		
13:30	cir hole at 2.5 bpm, two rotations		
14:30	laid out 1 jt. Pressure tested to 3000#, 5,10,15, min		
15:30	circulated hole with 85 bbls. Of fresh water		
16:00	laid down power sub, prep to POOH		
17:30	TOOH, replacing protector on pipe		
18:30	laid out BHA (bit in good shape)		
20:00	prep to rig down and racked out equipment		
21:00	travel back to town		
		Daily Cost:	\$7,120
		<b>Personnel On Location:</b>	
		Rig:	4
		Service:	1
		Bentley	1
		Total:	6

Fluid Record:	Oil	Water	AM Weather & Roads:	Contact Information:
Hauled in		170	Weather: _____	Supervisor: <u>Bo Stinson</u>
Total Fluid :			Temp: _____	Cell #: <u>435-630-6344</u>
Fluid Pumped In:			Lease: _____	Alt #: <u>435-637-8570</u>
Left to Recover			Roads: _____	Report to: <u>Barry Brumwell</u>
Fluid Hauled Out			Rig Co: _____	Fax to (#): _____
Load Left to Recover:			Rig #: _____	





THUNDERBIRD ENERGY

# Gordon Creek, LLC.

## Well Completion/Workover Report

Well Name: Gordon Creek SE-B-7-14-8 Today's Date: July 22, 2012  
 Objective: Drill out prep to complete Day #: 4  
 AFE #: 11CMP014 Daily Cost: \$5,793 Prev. Cost: \$43,805 Cumulative Cost: \$49,598

Zones of Interest: Name: \_\_\_\_\_ Perf Int.'s \_\_\_\_\_  
 Name: \_\_\_\_\_ Perf Int.'s \_\_\_\_\_  
 Name: \_\_\_\_\_ Perf Int.'s \_\_\_\_\_

Casing:	Size	Weight	Grade	Landed @	Rod String:	No. of	Size	Type
Surface:	8.625	24	J-55	715				
Production:	5.5	17	N-80	3877				
Inter/Liner:								
Tubing:	Size	Weight	Landed @	PSN Depth	Pump Description:			
#1								
#2								

Depths: TD: 3880 PBD: 3867 KOP: TD (TVD):

Elevations: KB: 7364.1 GL: 7351.1 KB-GL: 13 API #: 4300731230

AM Pressures: Tubing: Casing: SCV:

### 24 Hour Summary:

#### Operation at 0800 Hours:

Time	Detailed Description of Previous Days Operations	Daily Cost Summary	
		Item	Amount
7:00	travel to loc		
8:30	move on and rig up,	rig	\$4,793
9:00	spot in equipment	consulting	\$1,000
10:00	nipple up BOP, talley pipe, picked up 1 jt, SN		
13:30	RIH to 3499', sn		
14:30	swabbing		
15:00	lightning storm		
17:00	continue swabbing to 3350'		
17:30	laid out lubricator		
18:30	POOH laying down		
19:00	nipple down BOP, nipple up well head		
20:00	rig down prep to move		
		Daily Cost:	\$5,793
<b>Personnel On Location:</b>			
		Rig:	4
		Service:	
		Bentley	1
		Total:	5

Fluid Record:	Oil	Water	AM Weather & Roads:	Contact Information:
Hauled in			Weather: _____	Supervisor: <u>Bo Stinson</u>
Total Fluid :			Temp: _____	Cell #: <u>435-630-6344</u>
Fluid Pumped In:			Lease: _____	Alt #: <u>435-637-8570</u>
Left to Recover			Roads: _____	Report to: <u>Barry Brumwell</u>
Fluid Hauled Out			Rig Co: _____	Fax to (#): _____
Load Left to Recover:			Rig #: _____	













**THUNDERBIRD**  
ENERGY

# Gordon Creek, LLC.

## Well Completion/Workover Report

Well Name: Gordon Creek SE-B-7-14-8 Today's Date: September 19, 2012  
 Objective: Prepare to Frac Day #: 10  
 AFE #: 11CMP014 Daily Cost: \$31,625 Prev. Cost: \$68,339 Cummulative Cost: \$99,964

Zones of Interest: Name: Ferron Perf Int.'s: Multiple  
 Name: \_\_\_\_\_ Perf Int.'s: \_\_\_\_\_  
 Name: \_\_\_\_\_ Perf Int.'s: \_\_\_\_\_

Casing:	Size	Weight	Grade	Landed @	Rod String:	No. of	Size	Type
Surface:	8.625	24	J-55	715				
Production:	5.5	17	N-80	3877				
Inter/Liner:								

Tubing:	Size	Weight	Landed @	PSN Depth	Pump Description:
#1					
#2					

Depths: TD: 3880 PBDT: 3867 KOP: 3835 TD (TVD): \_\_\_\_\_

Elevations: KB: 7364.1 GL: 7351.1 KB-GL: 13 API #: 4300731230

AM Pressures: Tubing: \_\_\_\_\_ Casing: 85 psi SCV: 0 psi

### 24 Hour Summary:

Operation at 0800 Hours: Rigging up to Frac

Time	Detailed Description of Previous Days Operations	Daily Cost Summary	
		Item	Amount
8:00	Arrive on location. Throughout day, while the 4 - 500 - bbl frac tanks were being filled, I mixed potash at 70 bags per 500 bbls to achieve 2% K in tanks.	RNI - Tank Haul	\$3,600
10:00	Rigged to and pumped 20 bbls of 2% Kcl water down well to kill well.	RNI - Tank Rent	\$140
11:30	Well full of water.	Seaboard - BOP	\$2,200
13:00	Remove wellhead top section, rental 7 1/16" valve and tubing spool. Install WeirSeaboard 10 K frac wellhead.	Howa's - Truck	\$520
14:00	Frac crew arriving on location and starting to rig up.	Howa's - KCl	\$17,145
16:30	One of NABORS trucks cut the corner at bridge near Burnside well and damaged his trailer. Could not move unit for 3 hours, as only way in it stacked everything up behind it. Bridge appears to be ok.	Neilsons - Picker	\$1,000
19:00	Nabors continued to move in and rig up. I left location to investigate report of an RNI water truck having rolled over. Located truck on the Forestry Road about 1.5 miles past the turnoff into this location. The Driver claims he got lost and that was the first place to turn around, missed the 2-track trail and backed truck into a small wash. I counted 3 excellent places to turn around prior to where he rolled hs truck.	RNI - water haul	\$7,020
21:00	NABORS trailer repaired - frac on for tomorrow AM.		
		Daily Cost:	\$31,625
		Personnel On Location:	
		Rig:	
		Service:	51
		Tbird:	1
		Total:	

Fluid Record:	Oil	Water	AM Weather & Roads:	Contact Information:
Hauled in		1700	Weather: <u>73°</u>	Supervisor: <u>Barry Brumwell</u>
Total Fluid :			Temp: _____	Cell #: <u>623-239-7982</u>
Fluid Pumped In:			Lease: <u>Dry &amp; Dusty</u>	Alt #: _____
Left to Recover			Roads: <u>Dry &amp; Dusty</u>	Report to: <u>Barry Brumwell</u>
Fluid Hauled Out			Rig Co: _____	Fax to (#): _____
Load Left to Recover:			Rig #: _____	



THUNDERBIRD ENERGY

# Gordon Creek, LLC.

## Well Completion/Workover Report

Well Name: Gordon Creek SE-B-7-14-8 Today's Date: September 20, 2012  
 Objective: Fracture treat Ferron and place well on production Day #: 11 (Page 1 of 2)  
 AFE #: 11CMP014 Daily Cost: \_\_\_\_\_ Prev. Cost: \_\_\_\_\_ Cumulative Cost: \$0

Zones of Interest: Name: Ferron Perf Int.'s Multiple  
 Name: \_\_\_\_\_ Perf Int.'s \_\_\_\_\_  
 Name: \_\_\_\_\_ Perf Int.'s \_\_\_\_\_

Casing:	Size	Weight	Grade	Landed @	Rod String:	No. of	Size	Type
Surface:	8.625	24	J-55	715				
Production:	5.5	17	N-80	3877				
Inter/Liner:								

Tubing:	Size	Weight	Landed @	PSN Depth	Pump Description:
#1					
#2					

Depths: TD: 3880 PBDT: 3867 KOP: \_\_\_\_\_ TD (TVD): \_\_\_\_\_

Elevations: KB: 7364.1 GL: 7351.1 KB-GL: 13 API #: 4300731230

AM Pressures: Tubing: \_\_\_\_\_ Casing: vacuum SCV: 0

### 24 Hour Summary:

#### Operation at 0800 Hours:

Time	Detailed Description of Previous Days Operations	Daily Cost Summary	
		Item	Amount
6:00	Travel to location		
7:00	Finish Rigging in NABORS frac equipment		
11:15	Pressure test lines to 6998 psi, leaked of to 6892 psi over 15 mins OK!		
11:45	Safety meeting - 46 total men on location. Reviewed job and 3 times I emphasized there are no dumb questions & if you are unsure about what you are doing to let us know on radios.		
12:00	Begin frac. Load well with 29 bbls of water - well on vacuum @ start. Well showed NO breakdown pressure - began pumping acid at 749 psi 3 of the 11 pumpers unable to contribute fully, couldn't get rate up to 90 BPM for several minutes - I wouldn't allow any sand into the wellbore until the rate was above 85 BPM. Got pumps slowly on line but wasted a LOT of water waiting to get rate up.		
12:20	Hydration unit lots fuel pressure. Shut down job before 20/40 sand ISIP = 664 psi. Repair hydration unit		
12:35	Unit repaired, however NABORS Engineer Tyson Swinford now worried about water vol. Discussed and approved increasing sand concentration much faster than programed (I felt that since breakdown was so low the chance of screening out was low).		
12:40	Begin pumping modified frac. 20/40 sand concentration was NOT ramped up as planned - Frac Operator VERY pensive in calling for conc (continued on next sheet)		
		Daily Cost:	
		Personnel On Location:	
		Rig:	
		Service:	
		Bentley	
		Total:	

Fluid Record:	Oil	Water	AM Weather & Roads:	Contact Information:
Hauled in			Weather: _____	Supervisor: <u>Barry Brumwell</u>
Total Fluid :			Temp: _____	Cell #: <u>623-239-7982</u>
Fluid Pumped In:			Lease: _____	Alt #:
Left to Recover			Roads: _____	Report to: <u>Barry Brumwell</u>
Fluid Hauled Out			Rig Co: _____	Fax to (#): _____
Load Left to Recover:			Rig #: _____	



THUNDERBIRD ENERGY

# Gordon Creek, LLC.

## Well Completion/Workover Report

Well Name: Gordon Creek SE-B-7-14-8 Today's Date: September 20, 2012  
 Objective: Fracture treat Ferron and place well on production Day #: 11 (Page 2 of 2)  
 AFE #: 11CMP014 Daily Cost: \$20,840 Prev. Cost: \$99,964 Cumulative Cost: \$120,804

Zones of Interest: Name: Ferron Perf Int.'s: Multiple  
 Name: \_\_\_\_\_ Perf Int.'s: \_\_\_\_\_  
 Name: \_\_\_\_\_ Perf Int.'s: \_\_\_\_\_

Casing:	Size	Weight	Grade	Landed @	Rod String:	No. of	Size	Type
Surface:	8.625	24	J-55	715				
Production:	5.5	17	N-80	3877				
Inter/Liner:								

Tubing:	Size	Weight	Landed @	PSN Depth	Pump Description:
#1					
#2					

Depths: TD: 3880 PBDT: 3867 KOP: \_\_\_\_\_ TD (TVD): \_\_\_\_\_  
 Elevations: KB: 7364.1 GL: 7351.1 KB-GL: 13 API #: 4300731230  
 AM Pressures: \_\_\_\_\_ Tubing: \_\_\_\_\_ Casing: vacuum SCV: 0

24 Hour Summary:  
 Operation at 0800 Hours:

Time	Detailed Description of Previous Days Operations	Daily Cost Summary	
		Item	Amount
12:55	<p>increase. As a result we ran out of water with only 22,000 # of sand placed into perfs (with flush water still on hand). I shut job down and told Tyson Swinford to flush wellbore of sand to bottom perfs. He said we had done so. Tyson was very upset when concentrations weren't increasing. At conclusion of pumping he stated NABORS TOTALLY screwed up and they wouldn't be charging us for this frac. I said that's fine but I still have a wellbore that needs to be fraced.</p> <p>Other NABORS personnel came into Data Van and asked the Operator why he didn't call for increased sand concentrations? Operator said he WAS and it was determined that the blender operator couldn't hear the Operator. Post job, it was determined that others COULD hear the Lead Operator.</p> <p>ISIP: 768 psi and dropping</p> <p><b>NOTE: JOB FRAC PROGRAM REQUIRED 1540 bbls WATER THERE WAS 1700+ bbls OF WATER ON LOCATION FOR JOB</b></p> <p>Hauled water from SW-7-14-8 to refill tanks here to re-frac tomorrow. Also brought out another 294 bags of Potash for mix with water</p>	NABORS	\$0
		ProTechnics	\$3,700
		Seaboard - BOP	\$785
		RNI -Trucking	\$7,020
		Howa's - Potash	\$9,335
		Daily Cost:	\$20,840
		Personnel On Location:	
		Rig:	
		Service:	
		Bentley	
		Total:	

Fluid Record:	Oil	Water	AM Weather & Roads:	Contact Information:
Hauled in		1700	Weather: _____	Supervisor: <u>Barry Brumwell</u>
Total Fluid :			Temp: <u>68°</u>	Cell #: <u>623-239-7982</u>
Fluid Pumped In:			Lease: <u>Dry &amp; Dusty</u>	Alt #: _____
Left to Recover			Roads: <u>Dry &amp; Dusty</u>	Report to: <u>Barry Brumwell</u>
Fluid Hauled Out			Rig Co: _____	Fax to (#): _____
Load Left to Recover:			Rig #: _____	



THUNDERBIRD ENERGY

# Gordon Creek, LLC.

## Well Completion/Workover Report

Well Name: Gordon Creek SE-B-7-14-8 Today's Date: September 21, 2012  
 Objective: Fracture treat Ferron and place well on production Day #: 12  
 AFE #: 11CMP014 Daily Cost: \$13,225 Prev. Cost: \$120,804 Cumulative Cost: \$134,029

Zones of Interest: Name: Ferron Perf Int.'s Multiple  
 Name: \_\_\_\_\_ Perf Int.'s \_\_\_\_\_  
 Name: \_\_\_\_\_ Perf Int.'s \_\_\_\_\_

Casing:	Size	Weight	Grade	Landed @	Rod String:	No. of	Size	Type
Surface:	8.625	24	J-55	715				
Production:	5.5	17	N-80	3877				
Inter/Liner:								

Tubing:	Size	Weight	Landed @	PSN Depth	Pump Description:
#1					
#2					

Depths: TD: 3880 PBD: 3867 KOP: \_\_\_\_\_ TD (TVD): \_\_\_\_\_

Elevations: KB: 7364.1 GL: 7351.1 KB-GL: 13 API #: 4300731230

AM Pressures: Tubing: \_\_\_\_\_ Casing: 0 SCV: 0

### 24 Hour Summary:

#### Operation at 0800 Hours:

Time	Detailed Description of Previous Days Operations	Daily Cost Summary	
		Item	Amount
7:00	Arrive on location. Hold Safety meeting.		
8:00	Move frac equipment out of immediate wellhead area to make space for Wireline Unit. Move equipment to SW-7-14-8	RMWS-wireline	\$2,400
10:00	MORU RMWS electric wireline unit and ProTechnics SpectraScan equ.	ProTechnics	\$7,500
11:15	Tie into wellhead and RIH with SpectraScan logging tool. Tag fill at 3772' KB. Make multiple attempts to work thru - no go. Log up from 3772' - 3100'	RNI-tank rental	\$840
	<b>NOTE: BOTTOM 3 PERF INTERVALS INACCESSIBLE DUE TO FILL</b>	Seaboard-BOP	\$785
13:00	Rig down and rig out RMWS and Protechnics	WW Logis.-toilet	\$200
14:00	Continue moving frac equipment off of location to SW-7-14-8	StreamFlo-valve	\$1,500
15:30	Left location to observe operations occurring at NW-32-13-8		
17:45	Travel back to Price and line up tomorrows activities		
		Daily Cost:	\$13,225
		<b>Personnel On Location:</b>	
		Rig:	
		Service:	48
		Bentley	1
		Total:	49

Fluid Record:	Oil	Water	AM Weather & Roads:	Contact Information:
Hauled in			Weather: _____	Supervisor: <u>Barry Brumwell</u>
Total Fluid :			Temp: _____	Cell #: <u>623-239-7982</u>
Fluid Pumped In:			Lease: _____	Alt #:
Left to Recover			Roads: _____	Report to: <u>Barry Brumwell</u>
Fluid Hauled Out			Rig Co: _____	Fax to (#): _____
Load Left to Recover:			Rig #: _____	



THUNDERBIRD ENERGY

# Gordon Creek, LLC.

## Well Completion/Workover Report

Well Name: Gordon Creek SE-B-7-14-8 Today's Date: September 22, 2012  
 Objective: Fracture treat Ferron and place well on production Day #: 13  
 AFE #: 11CMP014 Daily Cost: \$8,871 Prev. Cost: \$134,029 Cumulative Cost: \$142,900

Zones of Interest: Name: Ferron Perf Int.'s Multiple  
 Name: \_\_\_\_\_ Perf Int.'s \_\_\_\_\_  
 Name: \_\_\_\_\_ Perf Int.'s \_\_\_\_\_

Casing:	Size	Weight	Grade	Landed @	Rod String:	No. of	Size	Type
Surface:	8.625	24	J-55	715				
Production:	5.5	17	N-80	3877				
Inter/Liner:								

Tubing:	Size	Weight	Landed @	PSN Depth	Pump Description:
#1					
#2					

Depths: TD: 3880 PBDT: 3867 KOP: \_\_\_\_\_ TD (TVD): \_\_\_\_\_

Elevations: KB: 7364.1 GL: 7351.1 KB-GL: 13 API #: 4300731230

AM Pressures: Tubing: \_\_\_\_\_ Casing: vacuum SCV: 0

### 24 Hour Summary:

#### Operation at 0800 Hours:

Time	Detailed Description of Previous Days Operations	Daily Cost Summary	
		Item	Amount
7:00	Arrive on location and hold safety meeting		
7:15	Continue moving NABORS frac equipment off of location (was supposed to be completed yesterday!!!)	Nabors - Rig	\$6,971
10:00	NABORS Rig 808 arrives on location. Spot rig, set equipment, rig up	RNI-tank rental	\$840
11:00	Nipple down 10K frac valve and wellhead, nipple up rig BOPs	Seaboard-BOP	\$785
12:00	Make up sand pump assembly consisting of blade bit, check valves (2) x/o sub, 28 jts of 2 3/8" tubing, bailer assembly, 10 jts of 2 3/8" tubing, perforated pup, then 2 3/8" tubing to sfc. RIH and tage fill at 3839' KB, beging stroking bailer. Work down to 3866' observing some small breaks in fill on the way down. Stroke bailer for 30 mins at PBDT.	VW Logis.-toilet	\$200
16:00	POOH, laying down tubing onto trailer while coming out. Lay down bailer, start pulling wet @ 18 joints from bottom. Final 4 joints of tubing contained frac sand. Blade bit and sub full of gun debris, indicating successful cleanout down to PBDT.	StreamFlo-valve	\$75
18:30	Shut in rig and SDFN		
19:00-20:00	Travel to Price		
		Daily Cost:	\$8,871
		<b>Personnel On Location:</b>	
		Rig:	4
		Service:	3
		Bentley	2
		Total:	9

Fluid Record:	Oil	Water	AM Weather & Roads:	Contact Information:
Hauled in			Weather: _____	Supervisor: <u>Barry Brumwell</u>
Total Fluid :			Temp: _____	Cell #: <u>623-239-7982</u>
Fluid Pumped In:			Lease: _____	Alt #: _____
Left to Recover			Roads: _____	Report to: <u>Barry Brumwell</u>
Fluid Hauled Out			Rig Co: _____	Fax to (#): _____
Load Left to Recover:			Rig #: _____	



THUNDERBIRD ENERGY

# Gordon Creek, LLC.

## Well Completion/Workover Report

Well Name: Gordon Creek SE-B-7-14-8 Today's Date: September 26, 2012  
 Objective: Fracture treat Ferron and place well on production Day #: 14  
 AFE #: 11CMP014 Daily Cost: \$89,836 Prev. Cost: \$142,900 Cumulative Cost: \$232,736

Zones of Interest: Name: Ferron Perf Int.'s: Multiple  
 Name: \_\_\_\_\_ Perf Int.'s: \_\_\_\_\_  
 Name: \_\_\_\_\_ Perf Int.'s: \_\_\_\_\_

Casing:	Size	Weight	Grade	Landed @	Rod String:	No. of	Size	Type
Surface:	8.625	24	J-55	715				
Production:	5.5	17	N-80	3877				
Inter/Liner:								

Tubing:	Size	Weight	Landed @	PSN Depth	Pump Description:
#1					
#2					

Depths: TD: 3880 PBDT: 3867 KOP: \_\_\_\_\_ TD (TVD): \_\_\_\_\_

Elevations: KB: 7364.1 GL: 7351.1 KB-GL: 13 API #: 4300731230

AM Pressures: \_\_\_\_\_ Tubing: \_\_\_\_\_ Casing: Vacuum SCV: \_\_\_\_\_

### 24 Hour Summary:

#### Operation at 0800 Hours:

Time	Detailed Description of Previous Days Operations	Daily Cost Summary	
		Item	Amount
6:50	Travel to location		
7:30	Finish hooking up chemicals and cables	NABORS	\$71,965
8:20	Have a safety meeting with all personnel on location.	ProTechnics	\$4,279
8:35	Prime up and PT to 7,101 psi, dropped to 7,044 psi after 5 mins	Seaboard - BOP	\$785
9:06	Open WH, 0 psi, on vacuum, 51 bbls to load	RNI -Trucking	\$2,340
	BD 2,084 psi at 61.8 bpm	Howa's - Potash	\$9,017
	Pad 1,930 psi at 90.7 bpm	PEMI	\$1,310
	0.5 ppg 1,800 psi at 90.8 bpm	RFR - tank rent	\$140
	20/40 1,900 psi at 90.8 bpm		
	16/30 1,800 psi at 89.4 bpm, increased to 2,200 psi at 91.5 bpm		
	Peaked out at 5.5 ppg		
9:25	ISIP 1,040 psi, FG 0.722 psi/ft		
	5 min 625 psi, 10 min 473 psi, 15 min 315 psi		
	Max 2,294 psi and 92 bpm, Avg 1,942 psi and 90.6 bpm		
	RDMO Nabors frac crew, moving to NE-5-14-8		
10:40	Checked well for pressure, on a vacuum	Daily Cost:	\$89,836
13:00	MIRU Acme to RD frac tree and move it to NE-5-14-8	Personnel On Location:	
14:15	Travel back to Price	Rig:	43
		Service:	1
		Gordon LLC	2
		Total:	46

Fluid Record:	Oil	Water	AM Weather & Roads:	Contact Information:
Hauled in			Weather: _____	Supervisor: <u>Bo Stinson</u>
Total Fluid :			Temp: _____	Cell #: <u>435-630-6344</u>
Fluid Pumped In:			Lease: _____	Alt #: <u>435-637-8570</u>
Left to Recover			Roads: _____	Report to: <u>Barry Brumwell</u>
Fluid Hauled Out			Rig Co: _____	Fax to (#): _____
Load Left to Recover:			Rig #: _____	











GARY R. HERBERT  
Governor

SPENCER J. COX  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

May 27, 2014

Via FedEx

Barry Brumwell  
Vice President of Operations  
Thunderbird Energy / Gordon Creek, LLC  
#800, 555 – 4<sup>th</sup> Avenue S.W.  
Calgary, Alberta, Canada T2P 3E7

43 007 50255  
Gordon Creek ST SE B-7-14-8  
7 14S 8E

Subject: Oil and Gas General Conservation Rule R649-3-36 - Shut-in and Temporarily Abandoned Wells

Dear Mr. Brumwell:

The Division of Oil, Gas and Mining (the "Division") issued Gordon Creek LLC c/o Thunderbird Energy (Gordon Creek) a Shut-in and Temporary Abandonment Notice of Violation (NOV), dated November 12, 2012, for the following seven (7) wells:

Burnside 29-14-8	API 43-007-30725	SI/TA approval - May 1, 2014
Gordon Creek ST 1-30-14-8	API 43-007-31235	SI/TA approval - Feb 1, 2014
Gordon Creek ST 4-18-14-8	API 43-007-30881	SI/TA approval - May 1, 2014
Gordon Creek ST 2-20-14-8	API 43-007-30883	Subsequent Sundry 2/15/2013 For Record Only
Gordon Creek ST 3-20-14-8	API 43-007-31233	SI/TA approval - May 1, 2014
Gordon Creek ST 2-29-14-8	API 43-007-31234	SI/TA approval - Feb 1, 2014
Gordon Creek ST 19-14-8(B)	API 43-007-30807	SI/TA approval - May 1, 2014

In response to the NOV, the Division and Gordon Creek held a December 2012 conference call. Gordon Creek stated they had capital for equipping the field with well-site separators, electrification, pumping equipment and pipelines. Gordon Creek also stated they had capital for drilling additional wells in the field and committed to meeting shut-in well requirements for the above subject wells. Gordon Creek submitted a letter dated December 18, 2012, stating that it conducted casing integrity tests on all of the subject wells between July and September of 2010. Similar tests were also conducted on five (5) of the subject wells in 2011. The integrity tests were submitted to the Division. In addition, Gordon Creek submitted a letter dated December 19, 2012, specifically outlining its 2013 field development plans to electrify parts of the field, recomplete the Gordon Creek ST 4-18-14-18, Gordon Creek ST 3-20-14-8 and Gordon Creek ST 2-29-14-8 wells and drill 20 new additional wells. The Division later granted shut-in and temporary abandonment approvals for six (6) of the seven (7) wells listed above based on submitted sundries meeting shut-in extension requirements and the field plans described in the December 2012 letters with the understanding Gordon Creek would keep the Division updated on field development and any changes to the plans.

If any of the above proposed work was accomplished last year Gordon Creek did not keep the Division informed. We reviewed the Gordon Creek ST 4-18-14-18, Gordon Creek ST 3-20-14-8 and Gordon Creek ST 2-29-14-8 well files and did not find any notices of intent for recompletion or subsequent recompletion sundries for the wells. If work was done on the wells please submit sundries



immediately for the well files. Also, the above extended shut-in approvals required periodic pressure and fluid monitoring to ensure ongoing integrity of the wells. The periodic monitoring should have also been submitted to the Division on individual well sundries for Division review and well files. Shut-in extensions for two of the above wells expired February 1, 2014 and the other four expired May 1, 2014.

As of the date of this letter Gordon Creek currently have seventeen (17) shut-in wells, the above listed seven wells and the following ten (10) new wells:

Gordon Creek ST 1A-18-14-18	API 43-007-30892	Last Prod – June 2013
Gordon Creek NE-31-13-8	API 43-007-50243	Last Prod – May 2013
Gordon Creek NE-32-13-8	API 43-007-50245	Last Prod – March 2013
Gordon Creek SW-32-13-8	API 43-007-50246	Last Prod – June 2013
Gordon Creek NW-5-14-8	API 43-007-50248	Last Prod – July 2013
Gordon Creek ST SW-7-14-8	API 43-007-50242	Last Prod – May 2013
Gordon Creek ST SE-B-7-14-18	API 43-007-50255	Last Prod – April 2013
Gordon Creek NW-32-13-18	API 43-007-50244	Last Prod – Jan 2014
Gordon Creek NW-31-13-8	API 43-007-50250	OPS – Spud Feb 2012
Gordon Creek SE-32-13-8	API 43-007-50247	OPS – Spud Jan 2012

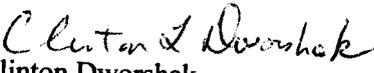
The operator is responsible to file, yearly, for extended shut-in or temporary abandonment for wells shut-in or temporarily abandoned for a period of twelve (12) consecutive months. Gordon Creek must file a Sundry Notice providing the following information for each of the above seventeen listed wells; reasons for shut-in or temporarily abandonment of the well, length of time the well is expected to be shut-in or temporarily abandoned and an explanation and supporting data showing the well has integrity (R649-3-36.1). After review the Division will either approve the continued shut-in or temporarily abandoned status or require remedial action (R649-3-36.2). After five (5) years of non-activity or non-productivity, the well shall be plugged in accordance with R649-3-24, unless approval for extended shut-in time is given by the Division upon a showing of good cause by the operator (R649-3-36.3). Please note, six (6) of the seventeen wells listed above have been shut-in over five (5) years.

Gordon Creek has until **June 30, 2014**, to submit sundries, for the subject wells, in accordance with **Oil and Gas Conservation General Rule 649-3-36 Shut-in and Temporarily Abandoned Wells**.

Should Gordon Creek not meet shut-in and temporarily abandoned well requirements, the Division is prepared to file a Notice of Agency Action (NAA) for Commencement of Informal Adjudicative Proceedings (R649-10-3) for this matter in accordance with Oil and Gas Conservation General Rule R649-10 Administrative Procedures.

If you have any questions or need further assistance, please feel free to contact me at [clintondworshak@utah.gov](mailto:clintondworshak@utah.gov) or 801-538-5280 or Dustin Doucet, Petroleum Engineer, at [dustindoucet@utah.gov](mailto:dustindoucet@utah.gov) or 801-538-5281.

Sincerely,

  
Clinton Dworshak  
Oil and Gas Compliance Manager

CLD/js  
cc: John Rogers, Oil & Gas Associate Director  
Dustin Doucet, Petroleum Engineer  
Well Files  
Compliance File

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	5. LEASE DESIGNATION AND SERIAL NUMBER: ML-46537
1. TYPE OF WELL Gas Well	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: GORDON CREEK, LLC	7. UNIT or CA AGREEMENT NAME:
3. ADDRESS OF OPERATOR: 1179 E Main #345 , Price, UT, 84501	8. WELL NAME and NUMBER: GORDON CREEK ST SE-B-7-14-8
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1353 FSL 0631 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 07 Township: 14.0S Range: 08.0E Meridian: S	9. API NUMBER: 43007502550000
9. FIELD and POOL or WILDCAT: GORDON CREEK	COUNTY: CARBON
9. STATE: UTAH	

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 6/28/2015	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input checked="" type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input checked="" type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: <input type="text" value="Change BHP and Pumpjack a"/>

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

The plan is to first remove the existing 228 pumpjack from the wellsite then tie the Surface Casing Vent into the surface production equipment to attempt to fully bled off the flow. Then move on a workover rig and unseat the insert BHP and POOH with the existing rods and tubing inspecting and replacing any damaged tubing. We would then do further investigation of the cause of the SCFV at this time and take steps necessary to repair it. Then move in and install a new 456 Pumpjack then rerun the tubing with a tubing pump on bottom and a tubing anchor 150' from bottom and set BHP at 3750' and anchor at 3600'. Then run new rods and latch onto the tubing pump install the polished rod and rig into pumpjack. We will then start the jack up at 7.5 SPM and bring the well back onto production.

**Approved by the  
June 22, 2015  
Oil, Gas and Mining**

Date: \_\_\_\_\_  
By: Barry Brumwell

NAME (PLEASE PRINT) Barry Brumwell	PHONE NUMBER 403 453-1608	TITLE Vice President-Operations
SIGNATURE N/A	DATE 6/9/2015	

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>	
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	
<b>1. TYPE OF WELL</b> Gas Well	<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> ML-46537
<b>2. NAME OF OPERATOR:</b> GORDON CREEK, LLC	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>3. ADDRESS OF OPERATOR:</b> 1179 E Main #345 , Price, UT, 84501	<b>7. UNIT or CA AGREEMENT NAME:</b>
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 1353 FSL 0631 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NESE Section: 07 Township: 14.0S Range: 08.0E Meridian: S	<b>8. WELL NAME and NUMBER:</b> GORDON CREEK ST SE-B-7-14-8
<b>PHONE NUMBER:</b> 403 453-1608 Ext	<b>9. API NUMBER:</b> 43007502550000
	<b>9. FIELD and POOL or WILDCAT:</b> GORDON CREEK
	<b>COUNTY:</b> CARBON
	<b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 6/29/2015	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input checked="" type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input checked="" type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input checked="" type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input type="text" value="Change BHP and PumpJack"/>
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:			
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:			
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:			

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

The plan is to remove the existing 228 pumpjack from the well, then tie the Surface Casing Vent into the production separator to determine how serious the flow is that is coming from the Surface Casing Vent. We will then POOH with the existing rods and tubing, inspecting the tubing on the way OOH. We will then do additional investigation of the SCVF to determine if additional work is required to shut off the flow. Once that is completed, we will install a new 456 pumpjack, then RIH with a new 2.75" tubing pump on the bottom of the 2.375" tubing with a tubing anchor 150' off bottom and set the BHP at 3750" and the tubing anchor at 3600'. We will then run a mixed string of 0.875" and 0.750" rods, latch onto the tubing pump, then stroke up the pump to ensure operability before installing the polished rod and tying onto the pumpjack. The well will then be placed back on production.

Approved by the  
 June 22, 2015  
 Oil, Gas and Mining

Date: \_\_\_\_\_

By: Dark Quist

<b>NAME (PLEASE PRINT)</b> Barry Brumwell	<b>PHONE NUMBER</b> 403 453-1608	<b>TITLE</b> Vice President-Operations
<b>SIGNATURE</b> N/A	<b>DATE</b> 6/9/2015	

**BEATTY & WOZNIAK, P.C.**

ATTORNEYS AT LAW  
7440 CREEK ROAD, SUITE 250  
SANDY, UTAH 84093  
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FACSIMILE (801) 566-8447  
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CASPER  
CHEYENNE  
DENVER  
SALT LAKE CITY  
SANTA FE

BRIAN A. TAYLOR

(801) 676-2307  
BTAYLOR@BWEENERGYLAW.COM

December 24, 2014

Clinton Dworshak  
Utah Division of Oil, Gas and Mining  
1594 West North Temple, Suite 300  
Salt Lake City, UT 84116

Dear Clint:

The purpose of this letter is to place in writing the agreement between Gordon Creek Energy, Inc. ("Gordon Creek") and the Utah Division of Oil, Gas and Mining (the "Division"), in order to satisfy the requirements of the August 4, 2014 Division Bonding Order (the "Order") issued by the Division.

At a meeting between Gordon Creek and the Division at the offices of the Division on Wednesday October 29, 2014, the Division and Gordon Creek discussed the various issues associated with Gordon Creek's operations in Utah and the impact the Order has on those operations. As a result of those discussions, it is understood by the Division that Gordon Creek is in the process of obtaining both short term and long term financing to enhance its operations in the State of Utah and that securing this financing is essential for Gordon Creek to acquire the necessary bonding for its wells in the State of Utah. It is anticipated that Gordon Creek will obtain some of this financing in early December 2014. Based on the receipt of those funds, Gordon Creek and the Division agreed to the following terms and conditions to withhold enforcement of the Order:

1. The funds obtained in December of 2014 will be used to re-work Gordon Creeks existing shut-in wells and improve the existing infrastructure of Gordon Creeks operations in the State of Utah. It is anticipated that all re-working activities will be completed by the end of December 2014 for the following wells:

**API No.**

**Well Name**

43-007-30881  
43-007-30892  
43-007-50242

Gordon Creek 4-18-14-8  
Gordon Creek 1A-18-14-8  
Gordon Creek SW 7-14-8

**BEATTY & WOZNIAK, P.C.**

Clinton Dworshak  
Utah Division of Oil, Gas and Mining  
December 24, 2014  
Page 2

43-007-50243	Gordon Creek NE 31-13-8
43-007-50244	Gordon Creek NW 32-13-8
43-007-50245	Gordon Creek NE 32-13-8
43-007-50246	Gordon Creek SW 32-13-8
43-007-50248	Gordon Creek NW 5-14-8
43-007-50249	Gordon Creek NE 5-14-8
43-007-50255	Gordon Creek SE B 7-14-8

- Given the winter closure requirements of the Utah Division of Wildlife Resources, from December 1, 2014 until April 15, 2015, and the amount of surface disturbance required to rework the wells, all re-working activities will be completed by June 30, 2015 for the following wells:

<u>API No.</u>	<u>Well Name</u>
43-007-30725	Burnside 29-14-8
43-007-30807	Gordon Creek ST 19-14-8(B)
43-007-30883	Gordon Creek ST 2-20-14-8
43-007-31233	Gordon Creek ST 3-20-14-8
43-007-31234	Gordon Creek ST 2-29-14-8

- Gordon Creek will provide Sundry Notices to the Division on the progress of these well and infrastructure activities as required by the Well Workover and Recompletions rule, Utah Admin. Code R649-3-23.
- The Division will not require Gordon Creek to provide bonding for all of its well locations at once, but will allow it to acquire the necessary depth bonding as described in R649-3-1(5.3) to cover the equivalent of four wells at a time at the rate of \$30,000.00 per well.
- The existing \$120,000.00 blanket bond and the future bonding or surety, provided by Gordon Creek, as outlined in Paragraph 7 below, will cover all of the wells listed on Schedule A of the Order as two separate blanket bonds. In the event it becomes necessary to use proceeds from the blanket bonds, the Division will apply the proceeds to any one or more of the wells listed on Schedule A at its discretion. As such, if the plugging of a well, or group of a wells, cost less than the estimated \$30,000.00 as outlined in R649-3-1(5.3), the Division can use the remaining amount to plug and/or reclaim any of the other wells and well sites on Schedule A.

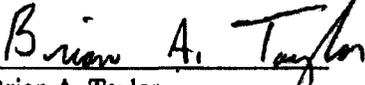
**BEATTY & WOZNAK, P.C.**

Clinton Dworshak  
Utah Division of Oil, Gas and Mining  
December 24, 2014  
Page 3

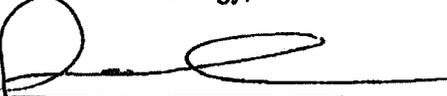
6. The first payment of \$120,000.00 covering the equivalent of four wells will be due and payable by February 27, 2015.
7. Gordon Creek will make additional \$120,000.00 payments every three months until all of the existing shut-in wells listed on Schedule A of the Order are fully covered. These additional payments will be due on or before May 29, 2015, August 31, 2015, and November 30, 2015, with a final payment covering any outstanding amounts by February 27, 2016.
8. In the event Gordon Creek obtains additional long term financing prior to February 27, 2016, it will pay any remaining amount owed to have depth bonding on all of its wells in the State of Utah within 30 days of the closing date of the additional financing.
9. The Division will conduct a surface inspection of the wells listed as "Location Abandoned" on Schedule A of the Order to determine if any reclamation work is needed. In the event no reclamation work is needed, the \$1,500.00 bond requirements listed for those lands will be removed from the total amount owed by Gordon Creek.
10. When Gordon Creek has satisfied the requirements for a blanket bond under R649-3-1 (6), the Division will release all additional bonding required by the Order upon the request of Gordon Creek.

If I have accurately stated our agreement and understanding, please sign below and return to me at your earliest opportunity.

Respectfully,

  
Brian A. Taylor  
Attorney for Gordon Creek Energy

Gordon Creek Energy, Inc.

  
Rupert Evans  
President

**BEATTY & WOZNIAK, P.C.**

Clinton Dworshak  
Utah Division of Oil, Gas and Mining  
December 24, 2014  
Page 4

The above correctly sets forth our agreement and understanding

Utah Division of Oil, Gas and Mining

Date: 12/30/14

Clinton L. Dworshak  
By: Clinton Dworshak  
Compliance Manager

BAT: dc  
5056.0002  
334073

cc: John Rogers, Associate Director  
Dustin Doucet, Petroleum Engineer  
Douglas J. Crapo, Assistant Attorney General  
John Robinson Jr., Assistant Attorney General