

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1 A. Type of Work: DRILL DEEPEN
B. Type of Well: OIL GAS OTHER: SINGLE ZONE MULTIPLE ZONE

2. Name of Operator: QUINEX ENERGY CORPORATION 292-3800

3. Address and Telephone Number: 464 South 200 West, Suite 300, Bountiful, Utah 84010

4. Location of Well Footages:
At Surface: 1548' FSL, 1749' FEL, Section 7, T. 2 S. R. 2 W.
At Proposed Producing Zone: SAME

44/23431 N
592303 E

14. Distance in miles and direction from nearest town, or post office: Approx. 10.2 miles West of Roosevelt, Utah

15. Distance to nearest property or lease line (feet): 1546'

16. Number of acres in lease: 626.68 acres

17. Number of acres assigned to this well: 626.68

18. Distance to nearest well, drilling, completed, or applied for, on this lease (feet): 2,000'

19. Proposed Depth: 13,500'

20. Rotary or cable tools: Rotary

21. Elevations (show whether DF, RT, GR etc.): GR- 5848', KB - 5869'

12. County: DUCHESNE 13. State: UTAH

22. Approximate date work will start: 1 March 2000

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
14 1/4"	J55, 110 3/4"	40.5# 5000	2,000'	1,000 sacks Class H ^{Lead 700 50/50 12.5}
9 7/8" ^{7 5/8"}	N80 & S95	26.4# & 29.7#	11,000'	1,000 sks. Class G & Poz ^{tail 300 Class 2.68 #}
6 3/4"	5 1/2" P110	20.0# 6000	10,700' - 13,500'	600 sks Class G w/ silica flour ^{15.8, 1.16 #} 1.56 ft ³ /sk, 16.1 ppq. ^{SK}

DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive mom and proposed new productive zone. if proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

700 SK 50/50 Poz - 1.39 ft³/sk
300 SK "G" - 1.52 ft³/sk

* Changes per P.S.
3-9-00 RJK.
See attached fax
3 pages.

RECEIVED

FEB 17 2000

DIVISION OF
OIL, GAS AND MINING

Quinex proposed to drill a new well to a total depth of 13,500'. See attached 8 Point Plan

Name & Signature: DeForrest Smouse *DeForrest Smouse* Title: President Date: Feb 18, 2000

(This space for State use only)

API Number Assigned 43-013-32149

Approval:

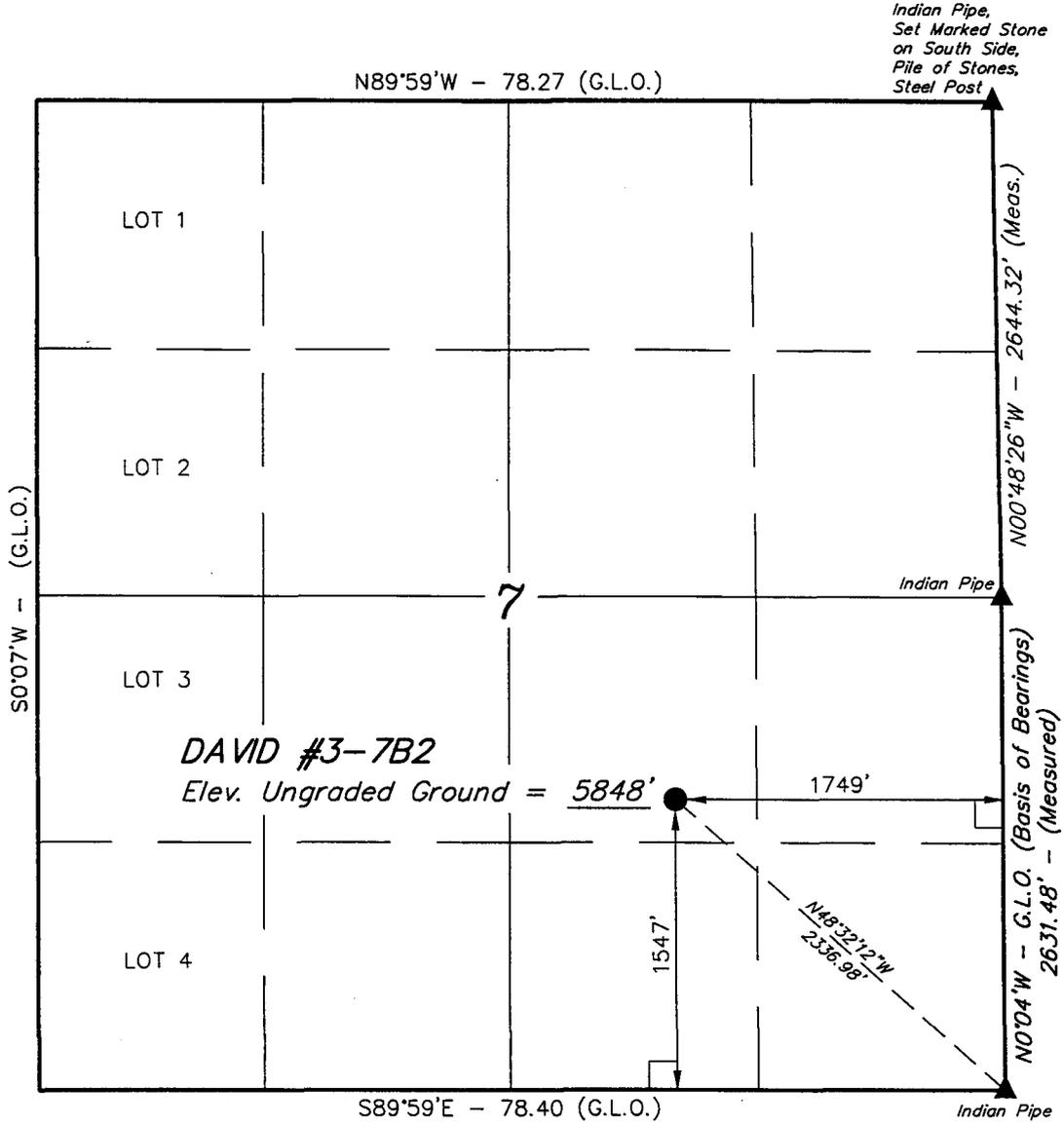
Approved by the
Utah Division of
Oil, Gas and Mining

Date: 3/13/00
By: *Bill Gull*

T2S, R2W, U.S.B.&M.

QUINEX ENERGY CORP.

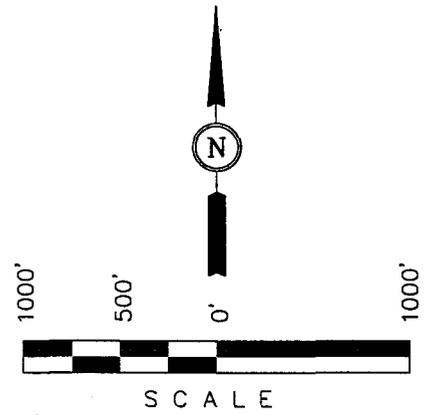
Well location, DAVID #3-7B2, located as shown in the NW 1/4 SE 1/4 of Section 7, T2S, R2W, U.S.B.&M. Uintah County, Utah.



Indian Pipe,
Set Marked Stone
on South Side,
Pile of Stones,
Steel Post

BASIS OF ELEVATION

SPOT ELEVATION ON TOP OF HILL LOCATED IN THE SW 1/4 OF SECTION 7, T2S, R2W, U.S.B.&M. TAKEN FROM THE BLUEBELL, UTAH, DUCHESNE COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 6018 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT, BEST OF MY KNOWLEDGE AND BELIEF.

Robert J. Johnson
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161519
STATE OF UTAH

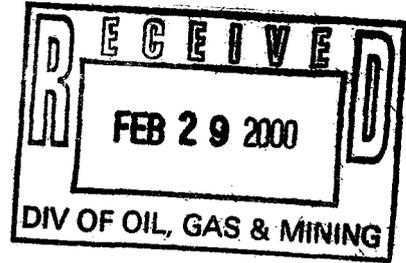
LEGEND:

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- = SECTION CORNERS LOCATED.

LATITUDE = 40°19'12"
LONGITUDE = 110°08'56"

UINTAH ENGINEERING & LAND SURVEYING		
85 SOUTH 200 EAST - VERNAL, UTAH 84078		
(435) 789-1017		
SCALE 1" = 1000'	DATE SURVEYED: 2-10-00	DATE DRAWN: 2-16-00
PARTY L.D.T. B.L. D.COX	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE QUINEX ENERGY CORP.	

AFFIDAVIT



State of Utah

County of Davis

I, DeForrest Smouse, being of legal age, make the following Statements and declare that, on my personal knowledge, they are true:

John D. Chasel, owner of the surface lands where Quinex Energy Corporation plans to drill the David 3-7B2 well has verbally given Quinex Energy Corp. his approval to use the surface lands for the well site and access roads to said wellsite. His ownership is of Lot 1741-15, which is the SE 1/4, of the NW 1/4 of the SE 1/4 of Section 7, T 2 S, R 2 W, USB&M.

Signed under penalty of perjury on 25th Day of February, 2000.

DeForrest Smouse

By: DeForrest Smouse, President- Quinex Energy Corp.

On Feb 25, ~~19~~2000, DeForrest Smouse personally

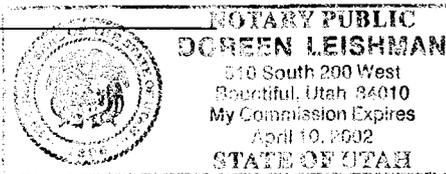
Came before me and, being duly sworn, did state that he/she is the person described in the above document and that he/she signed the above document in my presence.

Doreen Leishman

Notary Public, for County of Davis

State of Utah

My commission expires:





SAM OIL INC.

P.O. Box 1030 Roosevelt, Utah 84066

Steven A. Malnar

Office
ZION'S BANK BUILDING
NORTH ENTRANCE
ROOSEVELT, UTAH 84066
PHONE (435) 722-3344
FAX (435) 722-4665

Quinex Energy Corporation

Feb. 24, 2000

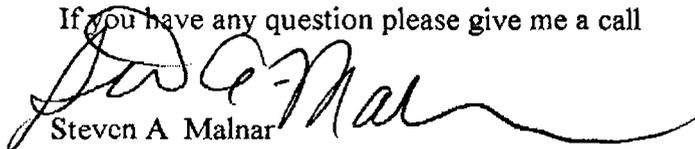
Bountiful Utah 84010

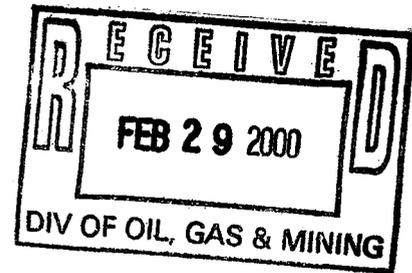
RE: Well Site Section 7 T2S R2W USM

Dear DeForrest Smouse

The Deed for the Purchase of the 10 acres in the SE4NW4SE4 has been sent to the Duchesne Recorders to be recorded. John D Chasel the new owner has given permission for us to go ahead and make the location for the David 7-B2 well.. We must pay him \$6,000 dollars before we spud the the new well.

If you have any question please give me a call


Steven A. Malnar
Land Man



EIGHT POINT PLAN

QUINEX ENERGY David 3-7B2

SW/NW/SE, SECTION 7, T2S, R2W

1546' FSL, 1749' FEL

DUCHESNE COUNTY, UTAH

1 & 2. ESTIMATED TOPS 7 ANTICIPATED OIL,GAS 7 WATER ZONES

<u>FORMATION</u>	<u>DEPTH</u>	<u>TYPE ZONES</u>	<u>MAX. PRESSURE</u>
Duchesne River	Surface	Fresh Water	
Uinta Fm.	3,195'	Fresh Water	
Green River Fm.	7,300'	Oil & Gas	3500#
Black Shale	9,620'	Oil & Gas	4000#
Wasatch Trans.	9,930'	Oil & Gas	4000#
Wasatch Fm.	10,310'	Oil & Gas	6000#
Wasatch B.	11,780'	Oil & Gas	6000#
EST. TD	13,500'		Anticipated BHP 4500 PSI.

3. PRESSURE CONTROL EQUIPMENT

BOP Schematic Diagram attached

4. CASING PROGRAM:

<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>LENGTH</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSL.</u>
14 1/4"	0-2000'	2000'	10 3/4"	40.5	J55	8 ROUND	1580#	3130#	629M
9 7/8"	0-11,000'	11000'	7 5/8"	26.4	N80	8 ROUND	3400#	6020#	602N
				29.7	S95	8 ROUND	7150#	8180#	811N
6 3/4"	10,700-13,500'	2800'	5 1/2"	20.0	P110	CS HYDR	11080#	12640#	641N

All casing will be new or inspected.

5. MUD PROGRAM:

<u>INTERVAL</u>	<u>MUD TYPE</u>	
0-9000'	WATERGEL	8.5#
9000-13500'	Low Solids	9.5# - 13.5# maximum

Lost circulation zones are not anticipated.

Sufficient mud inventory will be maintained on location during drilling to handle any adverse conditions that may arise.

$$\frac{6000 \#}{10,310 \text{ ft}} = \left(\frac{.581 \text{ psi/ft}}{.433 \text{ "}} \right) \left(7.48 \frac{\text{ft}}{\text{ft}^3} \right) = 10 \frac{\text{ft}}{\text{ft}^3} \text{ kill mud}$$

QUINEX ENERGY - David 3-7B2

Page 2

6. VARIANCE REQUESTS:

The David 3-7B2 well is designated as a Wasatch Formation test.

7. EVALUATION PROGRAM:

Logs : SCHLUMBERGER WIRELINE:

DIL-SFL 2000'-13,500'

CNL-FDC 6000'-13,500'

FW SONIC 6000'-13,500'

MUDLOG 6000'-13,500'

Additional logs as needed to evaluate formation 6000-TD.

Cores: None Programmed

DST's None Programmed

Completion: To be submitted at a later date.

8. ABNORMAL CONDITIONS:

None anticipated.

9. STANDARD REQUIRED EQUIPMENT:

- a. Choke Manifold
- b. Gas Buster
- c. Visual Mud Monitoring

10. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA Title III in an amount to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

QUINEX ENERGY - David 3-7B2

Page 3

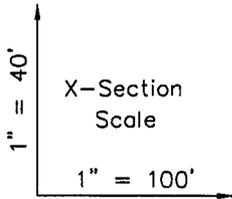
Note: There is the potential of encountering two zones in the Lower Uinta- Upper Green River with considerable thick black-brown asphaltic crude oil. The zones are expected to occur at approximately 7100' and 7215'.

QUINEX ENERGY CORP.

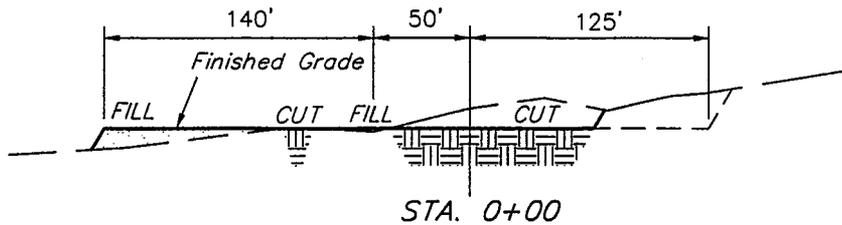
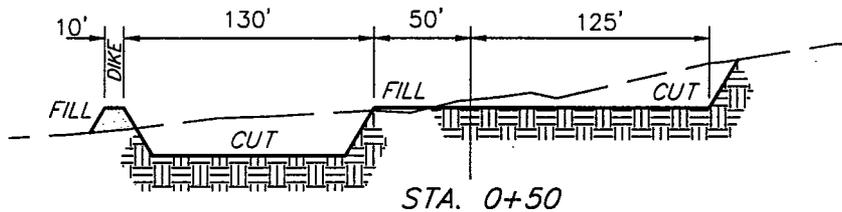
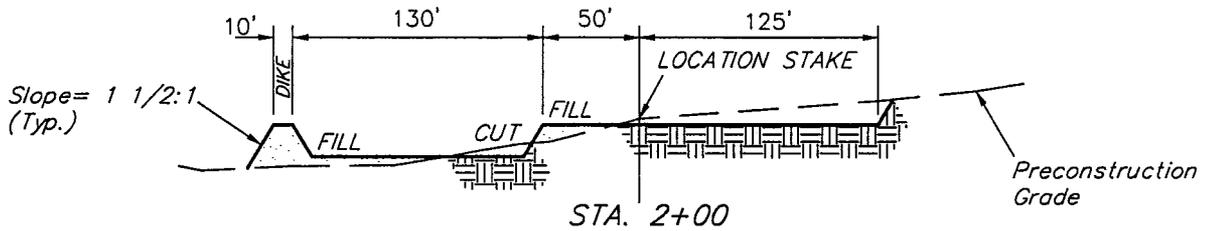
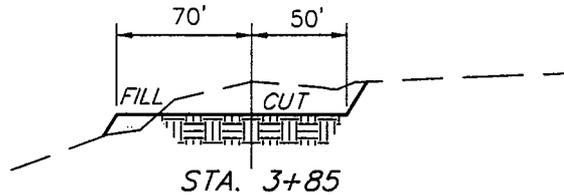
TYPICAL CROSS SECTIONS FOR

DAVID #3-7B2
SECTION 7, T2S, R2W, U.S.B.&M.
1547' FSL 1749' FEL

FIGURE #2



DATE: 2-16-00
Drawn By: D.COX

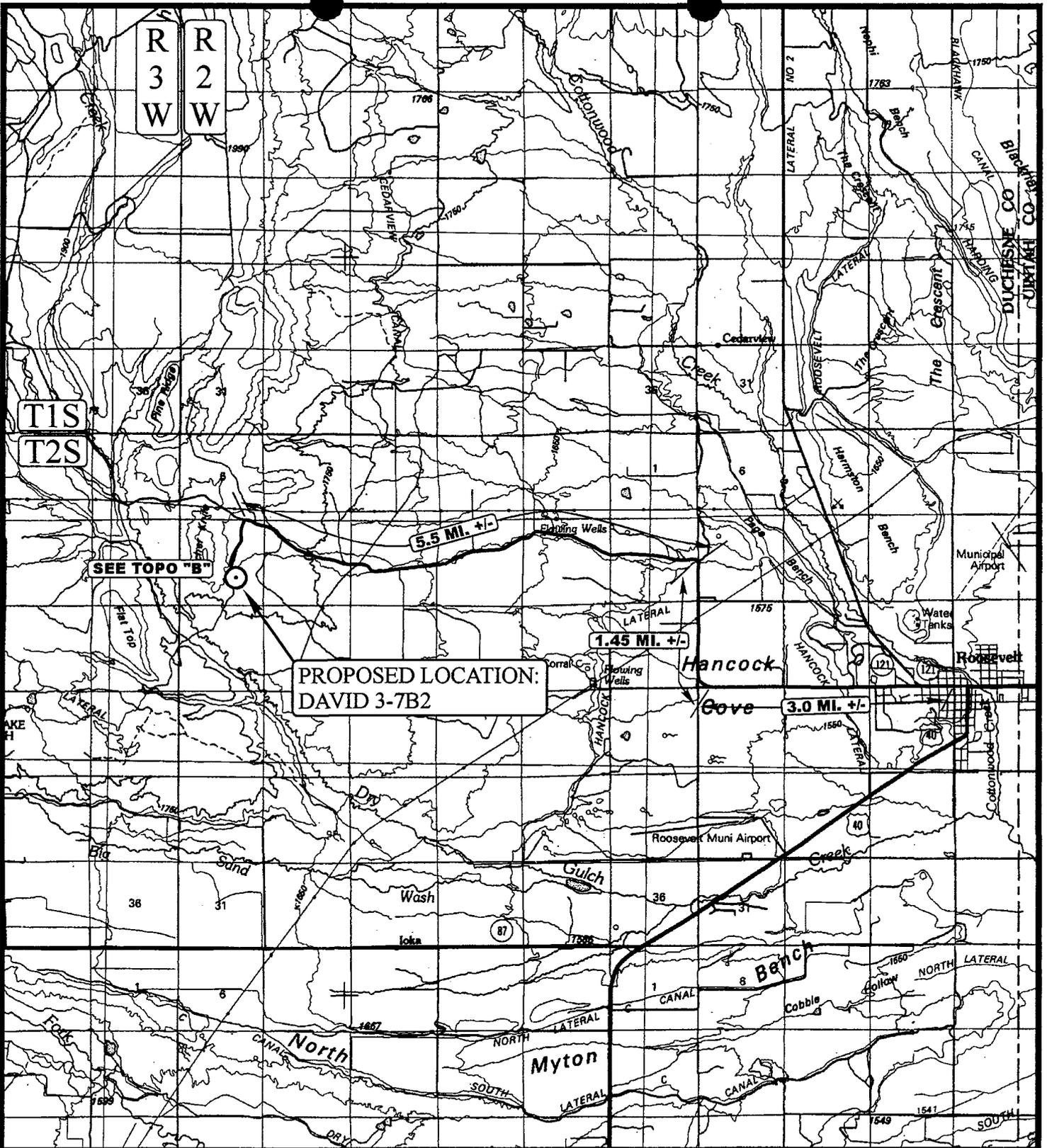


APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,920 Cu. Yds.
Remaining Location	= 12,560 Cu. Yds.
TOTAL CUT	= 14,480 CU.YDS.
FILL	= 4,110 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 10,150 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 6,090 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 4,060 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017



LEGEND:

⊙ PROPOSED LOCATION

QUINEX ENERGY CORP.

DAVID 3-7B2
SECTION 7, T2S, R2W, 6th P.M.
1547' FSL 1749' FEL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

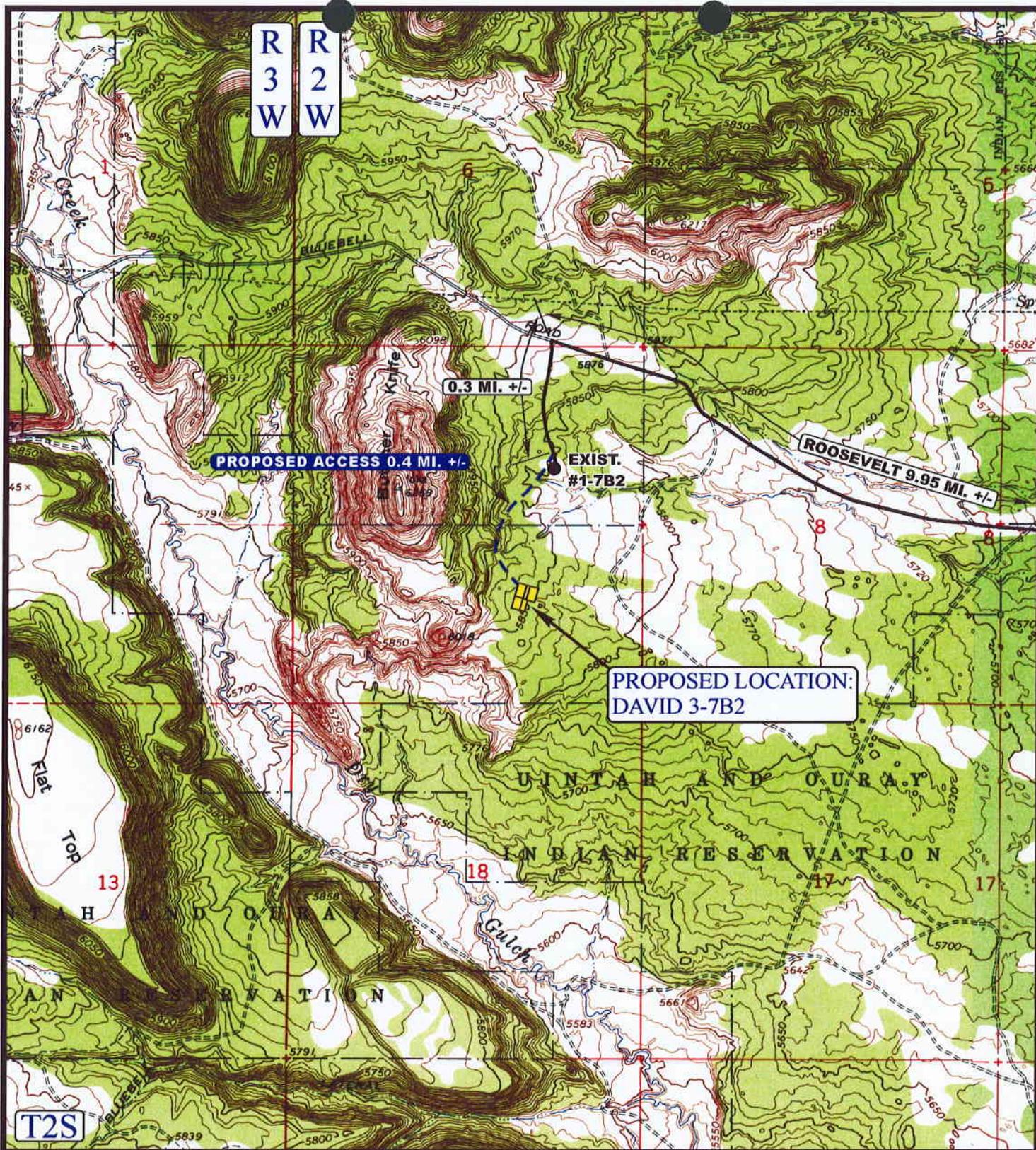


TOPOGRAPHIC
MAP

2 14 00
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: J.L.G. REVISED: 00-00-00





LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD



QUINEX ENERGY CORP.

DAVID 3-7B2
 SECTION 7, T2S, R2W, U.S.B.&M.
 1547' FSL 1749' FEL

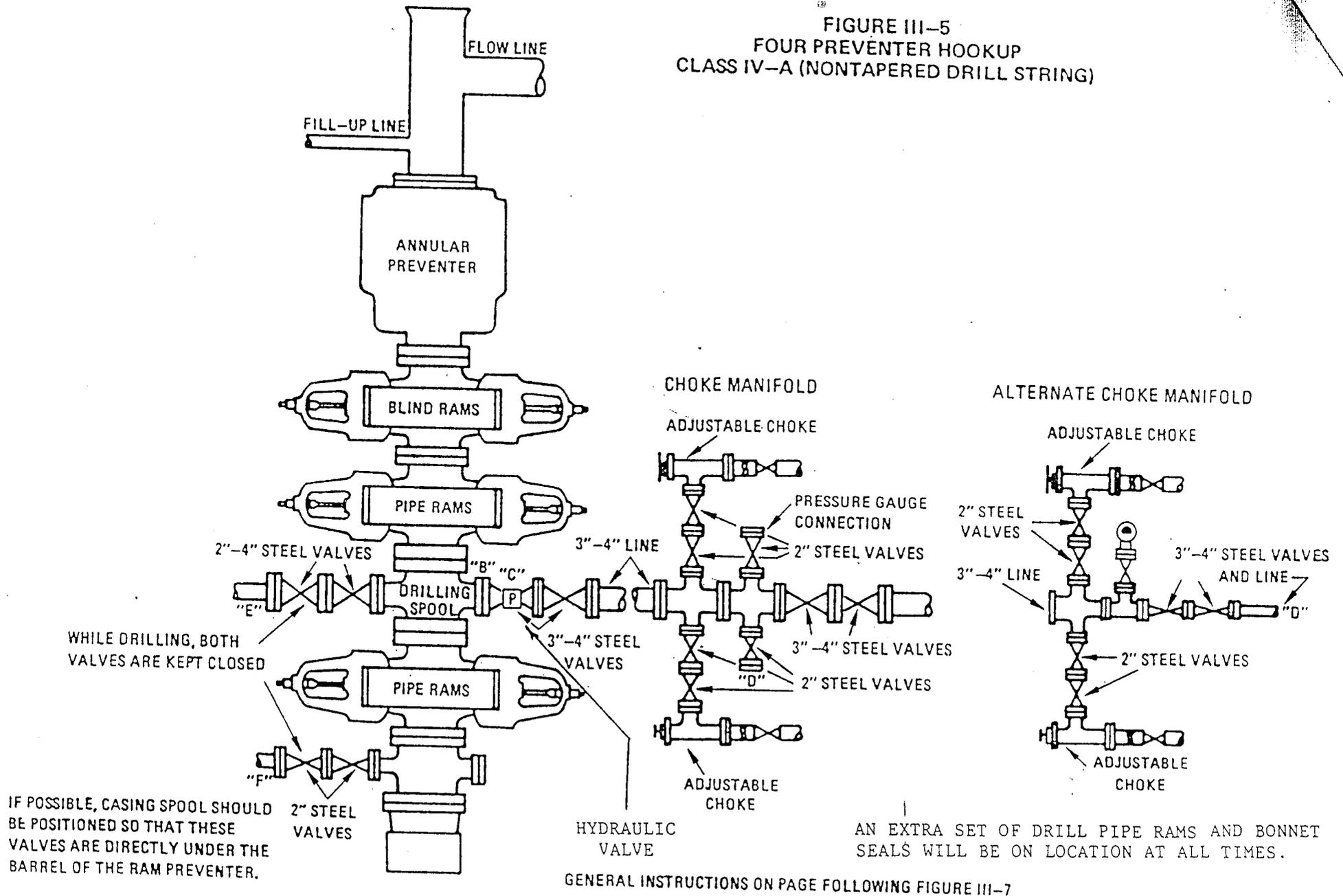


Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	2	14	00
	MONTH	DAY	YEAR
SCALE: 1" = 2000'	DRAWN BY: J.L.G.		REVISED: 00-00-00



FIGURE III-5
 FOUR PREVENTER HOOKUP
 CLASS IV-A (NONTAPERED DRILL STRING)



III-13

APPLICATION FOR TEMPORARY CHANGE OF WATER

STATE OF UTAH

Rec. by _____
Fee Paid \$ _____
Receipt # _____
Microfilmed _____
Roll # _____

For the purpose of obtaining permission to make a temporary change of water in the State of Utah, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements of Section 73-3-3 Utah Code Annotated 1953, as amended.

CHANGE APPLICATION NUMBER: t24120

WATER RIGHT NUMBER: 43 - 3053

This Change Application proposes to change the POINT(S) OF DIVERSION, PLACE OF USE, and NATURE OF USE.

1. OWNERSHIP INFORMATION.

A. NAME: Whiterocks Irrigation Company
c/o David Murray
ADDRESS: Box 146, Lapoint, UT 84039

B. PRIORITY OF CHANGE: January 31, 2000

FILING DATE: January 31, 2000

C. EVIDENCED BY:
43-3053 (A769 Cert #1739)

* DESCRIPTION OF CURRENT WATER RIGHT: *

2. SOURCE INFORMATION.

A. QUANTITY OF WATER: 4.0 acre-feet

B. SOURCE: Whiterocks River

COUNTY: Uintah

C. POINT OF DIVERSION -- SURFACE:

(1) S 247 feet W 1449 feet from NW corner, Section 17, T 1N, R 1E, USBM
DIVERT WORKS: Whiterocks & Ouray Valley Can.
SOURCE: Whiterocks River

3. WATER USE INFORMATION.

IRRIGATION: from Apr 1 to Nov 15.

IRRIGATING: 2,308.4500 acres.

SOLE SUPPLY: 2,308.4500 acres

4. PLACE OF USE. (Which includes all or part of the following legal subdivisions:)

BASE TOWN RANG SEC	NORTH-WEST¼				NORTH-EAST¼				SOUTH-WEST¼				SOUTH-EAST¼						
	NW	NE	SW	SE	NW	NE	SW	SE	NW	NE	SW	SE	NW	NE	SW	SE			
US 1N 1E 22	X	X	X	X	***	X			X	***					***	X	X	X	X
	X	X	X	X	***	X	X	X	X	***	X	X	X	X	***	X	X	X	X
	X		X		***					***	X		X		***				
					***			X	X	***			X	X	***	X	X	X	X
	X			X	***	X	X	X		***		X		X	***	X		X	
		X		X	***	X	X	X	X	***					***		X		
		X	X	X	***	X		X	X	***		X		X	***	X	X		
US 1N 2E 19	X	X	X	X	***	X	X	X	X	***	X	X	X	X	***	X		X	
	LOT 3																		
	LOT 4																		
					***					***		X		X	***				
	LOT 1																		
	LOT 2																		
	LOT 3																		
	LOT 4																		
		X		X	***					***		X		X	***				
	31	X			***					***					***				

*-----
 * THE FOLLOWING CHANGES ARE PROPOSED:
 *-----

5. SOURCE INFORMATION.

- A. QUANTITY OF WATER: 8.0 acre-feet REMAINING WATER: Same as HERETOFORE
- B. SOURCE: Whiterocks River COUNTY: Uintah
- C. POINT OF DIVERSION -- SURFACE: Changed as Follows:
 (1) S 30 feet W 300 feet from NW corner, Section 17, T 2S, R 1E, USBM
 DIVERT WORKS: Whiterocks Canal
 SOURCE: Whiterocks River
- D. COMMON DESCRIPTION: 1/4 mile east of Lapoint

6. WATER USE INFORMATION. Changed as Follows:

OIL EXPLORATION from 06/01/2000 to 05/31/2001 Drilling and completion of David 3-7B2 and ER-Uta 5-6A2

*-----

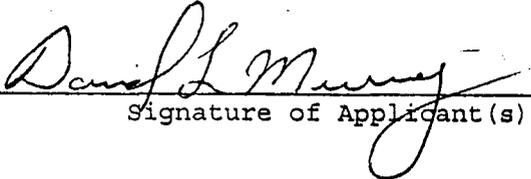
7. PLACE OF USE. Changed as Follows:

(Which includes all or part of the following legal subdivisions:)

BASE TOWN RANG SEC	NORTH-WEST¼				NORTH-EAST¼				SOUTH-WEST¼				SOUTH-EAST¼			
	NW	NE	SW	SE	NW	NE	SW	SE	NW	NE	SW	SE	NW	NE	SW	SE
US 1S 2W 6	X			***					***				***			
US 2S 2W 7				***					***				***	X		

8. SIGNATURE OF APPLICANT(S).

The undersigned hereby acknowledges that even though he/she/they may have been assisted in the preparation of the above-numbered application, through the courtesy of the employees of the Division of Water Rights, all responsibility for the accuracy of the information contained herein, at the time of filing, rests with the applicant(s).



 Signature of Applicant(s)

APPLICATION FOR TEMPORARY CHANGE OF WATER

STATE OF UTAH

Rec. by _____
Fee Paid \$ _____
Receipt # _____
Microfilmed _____
Roll # _____

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DAVID L. MURRAY

8012472556
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF WATER RIGHTS

02-01-00 10:25AM

[50] #1

Michael O. Leavitt
Governor
Kathleen Clarke
Executive Director
Robert L. Morgan
State Engineer

Eastern Area
State/County Building
152 East 100 North
Vernal, Utah 84078-2110
435-781-5327

January 31, 2000

Whiterocks Irrigation Company
c/o David Murray
P.O. Box 146
Lapoint, UT 84039

Dear Mr. Murray:

The above numbered Temporary Change Application has been approved, subject to prior rights. The application is being made to change 8 acre-feet of water for well drilling.

This temporary change application will permanently lapse one year from the date of this letter.

Sincerely,



Robert W. Leake, P.E.
Regional Engineer
for
Robert L. Morgan, P.E.
State Engineer

RWL:ac

QUINEX ENERGY CORPORATION DAVID 3-7B2

2000'
10 3/4" J55 -40.5#

700 sks 50/50 POZ Class G
wt. - 12.5 PPG
yield - 2.08 cu.ft./sk.
Water - 11.12 gal/sk.

300 sks. Class G
wt. - 15.8 PPG
yield - 1.16 cu.ft./sk.
Water 4.95 gal/sk.

15%

5000'
7 5/8" 26.4#

700 sks 50/50 POZ
wt. - 14.0 PPG
yield - 1.39 cu.ft./sk.
Water - 6.42 gal/sk.

15%

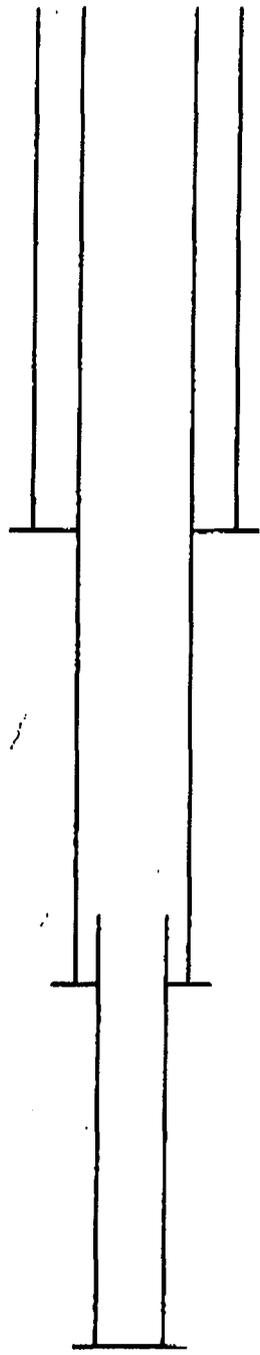
6000'
7 5/8" 29.7#

300 sks. Class G
wt. - 15.8 PPG
yield - 1.52 cu.ft./sk.
Water - 6.16 gal/sk.

2800'
5 1/8" P110 20.0#

600 sks. Class G w/35% silica flour
Wt. - 16.1 PPG
Yield - 1.56 cu.ft./sk.
Water - 5.46 gal/sk.

40%



QUINEX ENERGY CORPORATION
465 South 200 West
Bountiful, Utah 84010

FAX: Bob Krueger
Utah Division of Oil Gas & Mining
801 -359-3940

9 March 2000

From DeForrest Smouse.

As per our telephone conversation this morning @ 08:00.

Form 3

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

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Approx. 10.2 miles West of Roosevelt, Utah

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Rotary

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1 March 2000

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Name & Signature: DeForrest Smouse *DeForrest Smouse* Title: President Date: Feb 18, 2000

(This space for State use only)

API Number Assigned _____

Approval: _____

**DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS**

Operator Name: Quinex Energy Corporation
Name & Number: David #3-7B2
API Number: 43-013-32149
Location: 1/4,1/4 NW/SE Sec. 7 T. 2S R. 2W

Geology/Ground Water:

Quinex has proposed 2000' of surface casing at this location. The surface formation at this location is the Duchesne River Formation. The Duchesne River Formation consists of interbedded sandstones and shales and can be contain useable groundwater. The depth to the moderately saline groundwater is estimated to be at approximately 2000 feet at this location. The proposed casing and cement program should adequately protect any useable groundwater at this location.

Reviewer: Brad Hill
Date: 3/13/00

Surface:

A presite investigation of the surface was done by the Roosevelt DOGM Field Office on 03/01/00. The landowner, John Chasel, was notified regarding the onsite to permit said well and declined participation. Paul Wells with Quinex says that John Chasel waves the option of an archaeology survey on the surface area. The drainage that presently cuts across location from west to east, starting at stake #1 shall be re-routed to the south around location and tied back into original drainage to the east and below location. The existing flowline be protected with a culvert at the access point to prevent damage to same and causing a potential spill.

Reviewer: Dennis L. Ingram
Date: March 1, 2000

Conditions of Approval/Application for Permit to Drill:

1. A 12 mil or thicker synthetic liner with adequate padding shall be utilized to line reserve pit before drilling begins.

ON-SITE PREDRILL EVALUATION

Division of Oil, Gas and Mining

OPERATOR: Quinex Energy Corporation
WELL NAME & NUMBER: David #3-7B2
API NUMBER: 43-013-32149
LEASE: FEE FIELD/UNIT: Bluebell
LOCATION: 1/4, 1/4 NW/SE Sec: 7 TWP: 2S RNG: 2W 1547' FSL 1749' FEL
LEGAL WELL SITING: F SEC. LINE; F 1/4, 1/4 LINE; F ANOTHER WELL.
GPS COORD (UTM): 12 572277E; 4463621N
SURFACE OWNER: John Chasel

PARTICIPANTS

Paul Wells (Quinex Energy); Kelly (Quinex); Drew Wilkerson (Moon Lake); Dennis L. Ingram (DOGM).
(Ute Tribe and BIA was present for onsite to access, but not location)

REGIONAL/LOCAL SETTING & TOPOGRAPHY

Well is proposed approximately 500 feet from the southeast base of Butcher knife Ridge, or one mile east of Dry Gulch Creek. Surface slopes to east and is set in rolling hills in cedar and sage habitat.

SURFACE USE PLAN

CURRENT SURFACE USE: wildlife, lot post staked to west of location.

PROPOSED SURFACE DISTURBANCE: Access from north down existing 2-track right-of-way along Moon Lake power line. Proposed location is 385'x 305'

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: See GIS data base map attached to file.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: All production Facilities (tanks & equipment) shall be located on location. A gas Pipeline will run north along access road and join existing pipeline at old Ute #1-7B2 location.

SOURCE OF CONSTRUCTION MATERIAL: Fill material will be trucked in from Burdick for rig pad area.

ANCILLARY FACILITIES: None

WASTE MANAGEMENT PLAN:

Submitted with APD.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: None.

FLORA/FAUNA: Cedar/Sage brush habitat. Coyote, deer, rabbit, raccoon, mountain lion, fox, raptors, and other small birds and insects.

SOIL TYPE AND CHARACTERISTICS: Red medium grained sand

SURFACE FORMATION & CHARACTERISTICS: Duchesne River Formation.

EROSION/SEDIMENTATION/STABILITY: Active erosion on slopes, some
Sedimentation, no stability problems.

PALEONTOLOGICAL POTENTIAL: None observed on presite visit.

RESERVE PIT

CHARACTERISTICS: Located east side downwind 130'x 210'x 10' deep

LINER REQUIREMENTS (Site Ranking Form attached): (55 points) A
synthetic pit liner will be required.

SURFACE RESTORATION/RECLAMATION PLAN

Submitted with Application to drill.

SURFACE AGREEMENT: Yes

CULTURAL RESOURCES/ARCHAEOLOGY: Not requested by landowner

OTHER OBSERVATIONS/COMMENTS

A drainage cuts across location from the west near stake #1 and
exits just north of pit stake B. This wash has exposed a three-foot
layer of sandstone just east of wellhead staking, and is why operator
has changed their proposal for 1.2' fill rather than 1.2' cut at
staking. A flowline bundle runs along access road just west of
location entrance, will have to ramp road, and use culvert. Moon Lake
Electric Company has a power pole and right-of-way down the proposed
access. Power line is located on the west side of access road.

ATTACHMENTS:

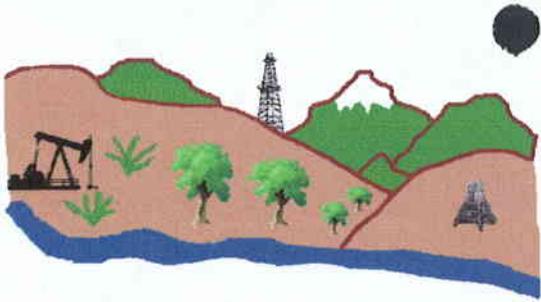
Photos of surface in presite condition.

Dennis L. Ingram
DOGM REPRESENTATIVE

03/01/00 9:30 am
DATE/TIME

**Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements**

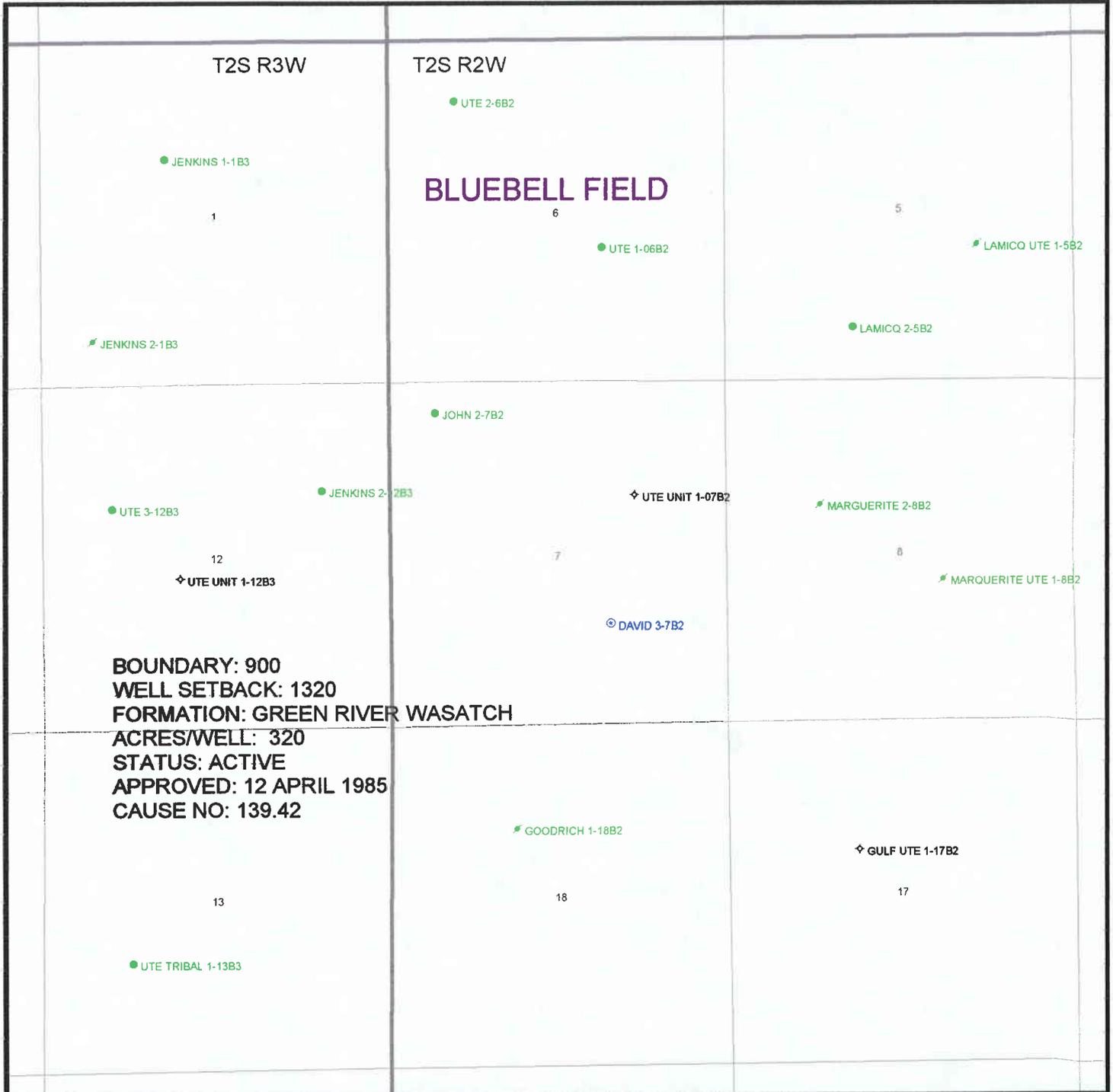
<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>20</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	15	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>20</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	15	
TDS >10000 or Oil Base	20	
Mud Fluid containing high levels of hazardous constituents		<u>15</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>0</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility		
Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>
Final Score (Level II Sensitivity)		<u>55 points</u>



Utah Oil Gas and Mining

Serving the Industry, Protecting the Environment

OPERATOR: QUINEX ENERGY CORP. (N9995)
 FIELD: BLUEBELL (065)
 SEC. 7, T 2 S, R 2 W
 COUNTY: DUCHESNE CAUSE No: 139-42 GR-WS



PREPARED
 DATE: 24-Feb-2000

Well name:	3-00 Quinex David 3-7B2	
Operator:	Quinex Energy Corp.	Project ID:
String type:	Surface	43-037-33179
Location:	Uintah County	

Design parameters:	Minimum design factors:	Environment:
Collapse	Collapse:	H2S considered? No
Mud weight: 8.500 ppg	Design factor 1.125	Surface temperature: 75 °F
Design is based on evacuated pipe.		Bottom hole temperature: 103 °F
		Temperature gradient: 1.40 °F/100ft
		Minimum section length: 1,500 ft
	Burst:	Cement top: Surface
	Design factor 1.00	
Burst		
Max anticipated surface pressure: -52 psi	Tension:	Non-directional string.
Internal gradient: 0.468 psi/ft	8 Round STC: 1.80 (J)	
Calculated BHP 883 psi	8 Round LTC: 1.80 (J)	
No backup mud specified.	Buttress: 1.60 (J)	
	Premium: 1.50 (J)	
	Body yield: 1.50 (B)	Re subsequent strings:
	Tension is based on buoyed weight.	Next setting depth: 10,800 ft
	Neutral point: 1,751 ft	Next mud weight: 8.500 ppg
		Next setting BHP: 4,769 psi
		Fracture mud wt: 19.250 ppg
		Fracture depth: 7,500 ft
		Injection pressure 7,500 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2000	10.75	40.50	J-55	ST&C	2000	2000	9.925	158.8
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	883	1580	1.79	883	3130	3.54	71	420	5.92 J

Prepared by: RJK Utah Dept. of Natural Resources
 Phone: 538-5274 FAX: 359-3940
 Date: March 9,2000 Salt Lake City, Utah

STIPULATIONS: NONE; Written APD Addendum and Verbal APD Revisions from DeForrest Smouse on 8-19-98 added to and noted in file. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension. Collapse is based on a vertical depth of 2000 ft, a mud weight of 8.5 ppg The casing is considered to be evacuated for collapse purposes. Burst strength is not adjusted for tension.

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

Well name:	3-00 Quinex David 3-7B2	
Operator:	Quinex Energy Corp.	Project ID:
String type:	Intermediate	43-037-33179
Location:	Uintah County	

Design parameters:

Collapse
Mud weight: 9.500 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 0 psi
Internal gradient: 0.494 psi/ft
Calculated BHP: 5,429 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor: 1.125

Burst:
Design factor: 1.00

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

Tension is based on buoyed weight.
Neutral point: 9,439 ft

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 229 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: 3,250 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 12,500 ft
Next mud weight: 9.500 ppg
Next setting BHP: 6,169 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 12,500 ft
Injection pressure: 12,500 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	11000	7.625	29.70	S-95	LT&C	11000	11000	6.75	652.4

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	5429	7150	1.32	5429	8180	1.51	280	668	2.38 J

Prepared by: RJK
Utah Dept. of Natural Resources

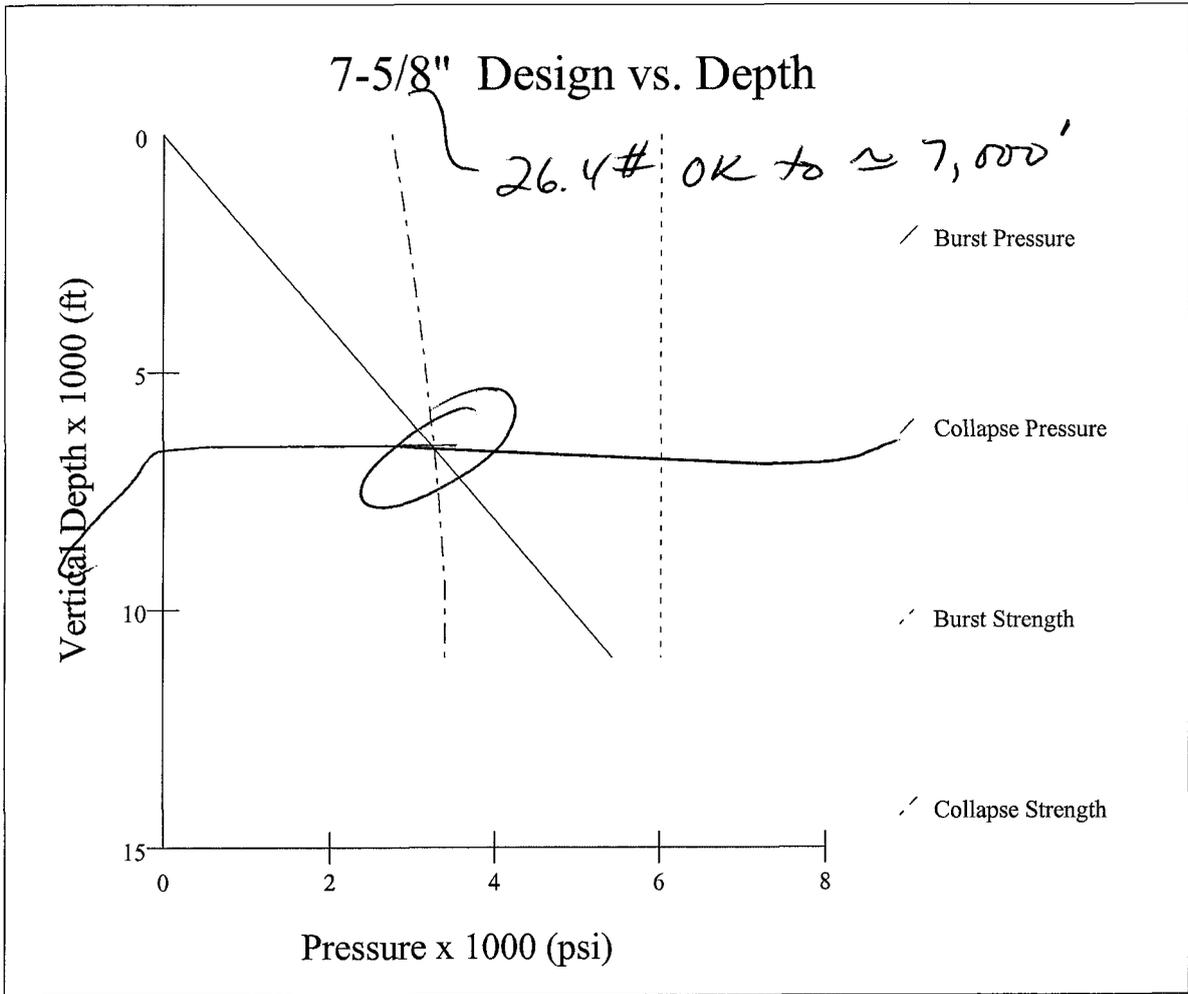
Phone: 538-5274
FAX: 359-3940

Date: March 9,2000
Salt Lake City, Utah

STIPULATIONS: NONE; Written APD Addendum and Verbal APD Revisions from DeForrest Smouse on 8-19-98 added to and noted in file.
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.
Collapse is based on a vertical depth of 11000 ft, a mud weight of 9.5 ppg The casing is considered to be evacuated for collapse purposes.
Burst strength is not adjusted for tension.

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

3-00 Quinex David 3-7B2 - Intermediate



Well name:	3-00 Quinex David 3-7B2	
Operator:	Quinex Energy Corp.	Project ID:
String type:	Production Liner	43-037-33179
Location:	Uintah County	

Design parameters:

Collapse
Mud weight: 13.500 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 7,847 psi
Internal gradient: 0.120 psi/ft
Calculated BHP: 9,467 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor: 1.125

Burst:
Design factor: 1.00

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

Tension is based on buoyed weight.
Neutral point: 12,928 ft

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 264 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: 10,700 ft

Liner top: 10,700 ft
Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2800	5.5	20.00	P-110	LT&C	13500	13500	4.653	113.3
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	9467	11100	1.17	9467	12630	1.33	45	548	12.30 J

Prepared by: RJK
Utah Dept. of Natural Resources

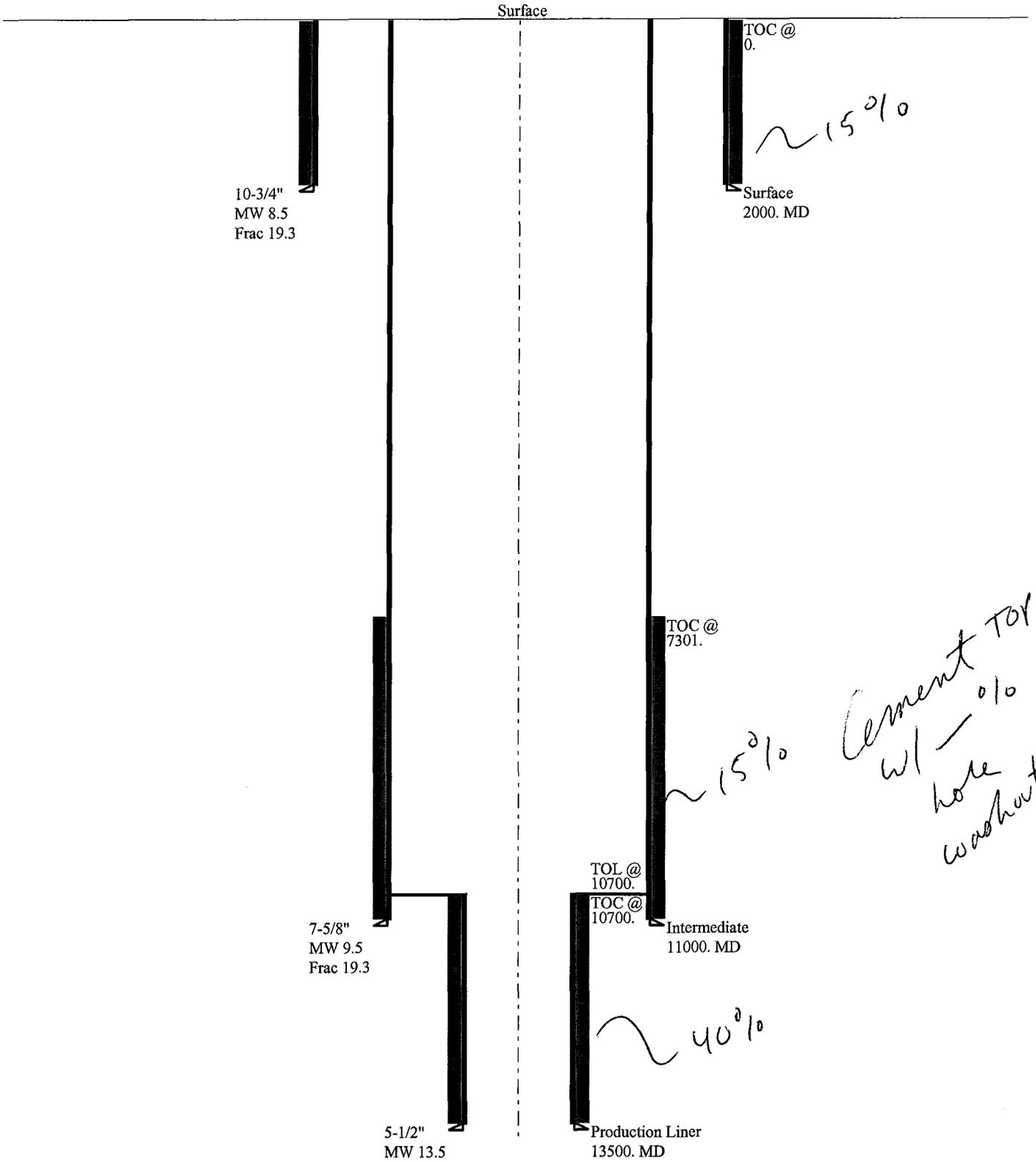
Phone: 538-5274
FAX: 359-3940

Date: March 9,2000
Salt Lake City, Utah

STIPULATIONS: NONE; Written APD Addendum and Verbal APD Revisions from DeForrest Smouse on 8-19-98 added to and noted in file.
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.
For this liner string, the top is rounded to the nearest 100 ft. Collapse is based on a vertical depth of 13500 ft, a mud weight of 13.5 ppg. The Burst strength is not adjusted for tension.

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

3-00 Quinex David 3-7B
Casing Schematic





State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

Michael O. Leavitt
Governor
Lowell P. Braxton
Division Director

UTAH DIVISION OF OIL, GAS AND MINING
FACSIMILE COVER SHEET

DATE: MARCH 13, 2000

FAX#: 295-5858

ATTN: DR. SMOUSE

COMPANY: QUINEX ENERGY CORP

DEPARTMENT:

NUMBER OF PAGES:(INCLUDING THIS ONE) 5

From: LISHA CORDOVA

If you do not receive all of the pages, or if they are illegible, please call (801)538-5340.
We are sending from a sharp facsimile machine. Our telecopier number is (801)359-3940.

MESSAGES:
APPROVAL LETTER WILL BE MAILED ASAP.

Important: This message is intended for the use of the individual or entity to which it is addressed and may contain information that is privileged, confidential and exempt from disclosure under applicable law. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication is strictly prohibited. If you have recieved this communication in error, please notify us immediately by telephone and return this original message to us at the above address via regular postal service. Thank you.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1. A. Type of Work: DRILL DEEPEN
B. Type of Well: OIL GAS OTHER: SINGLE ZONE MULTIPLE ZONE

5. Lease Designation and Serial Number: FEE
6. If Indian, Allottee or Tribe Name: FEE
7. Unit Agreement Name: FEE
8. Farm or Lease Name: FEE

2. Name of Operator: QUINEX ENERGY CORPORATION 292-3800

9. Well Number: David 3-7B2

3. Address and Telephone Number: 464 South 200 West, Suite 300, Bountiful, Utah 84010

10. Field and Pool, or Wildcat: BLUEBELL

4. Location of Well Footages:
At Surface: 1546' FSL, 1749' FEL, Section 7, T. 2 S. R. 2 W.
At Proposed Producing Zone: SAME

11. Qtr/Qtr, Section, Township, Range, Meridian: SE1/4NW1/4SE1/4, Section 7, T 2 S, R 2 W, USB&M

14. Distance in miles and direction from nearest town, or post office: Approx. 10.2 miles West of Roosevelt, Utah

12. County: DUCHESNE 13. State: UTAH

15. Distance to nearest property or lease line (feet): 1546'

16. Number of acres in lease: 626.68 acres

17. Number of acres assigned to this well: 626.68

18. Distance to nearest well, drilling, completed, or applied for, on this lease (feet): 2,000'

19. Proposed Depth: 13,500'

20. Rotary or cable tools: Rotary

21. Elevations (show whether DF, RT, GR etc.): GR- 5848', KB - 5869'

22. Approximate date work will start: 1 March 2000

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
14 1/4"	J55, 110 3/4"	40.5# 5000'	2,000'	1,000 sacks Class H ^{each 700 50/50 12.5 ppg}
9 7/8" ^{7 5/8"}	N80 & S95	26.4# & 29.7#	11,000'	1,000 sks. Class G & Poz ^{700 300 Class 2-68' G}
6 3/4"	5 1/2" P110	20.0# 6000'	10,700' - 13,500'	600 sks Class G w/ silica flour ^{15.8, 1.16 ft³/sk} 1.56 ft ³ /sk, 16.1 ppg.

DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive mom and proposed new productive zone. if proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

700 SK 50/50 Poz - 1.39 ft³/sk
300 SK "G" - 1.52 ft³/sk

*Changes per P.S. 3-9-00 RJE. See attached fax 3 pages.

RECEIVED

FEB 17 2000

DIVISION OF OIL, GAS AND MINING

Quinex proposed to drill a new well to a total depth of 13,500'. See attached 8 Point Plan

Name & Signature: DeForrest Smouse *DeForrest Smouse* Title: President Date: Feb 18, 2000

API Number Assigned: 43-013-32149

Approval:

Approved by the Utah Division of Oil, Gas and Mining

Date: 3/13/00
By: *[Signature]*

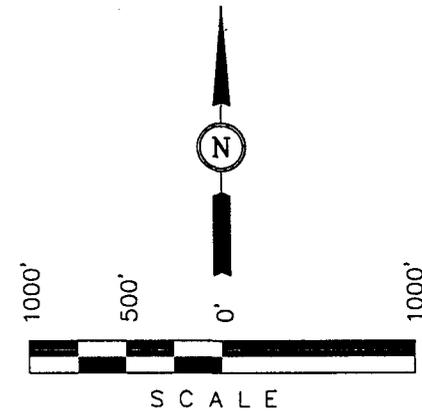
T2S, R2W, U.S.B.&M.

QUINEX ENERGY CORP.

Well location, DAVID #3-7B2, located as shown in the NW 1/4 SE 1/4 of Section 7, T2S, R2W, U.S.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION ON TOP OF HILL LOCATED IN THE SW 1/4 OF SECTION 7, T2S, R2W, U.S.B.&M. TAKEN FROM THE BLUEBELL, UTAH, DUCHESNE COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 6018 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert J. McKay
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161519
 STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING

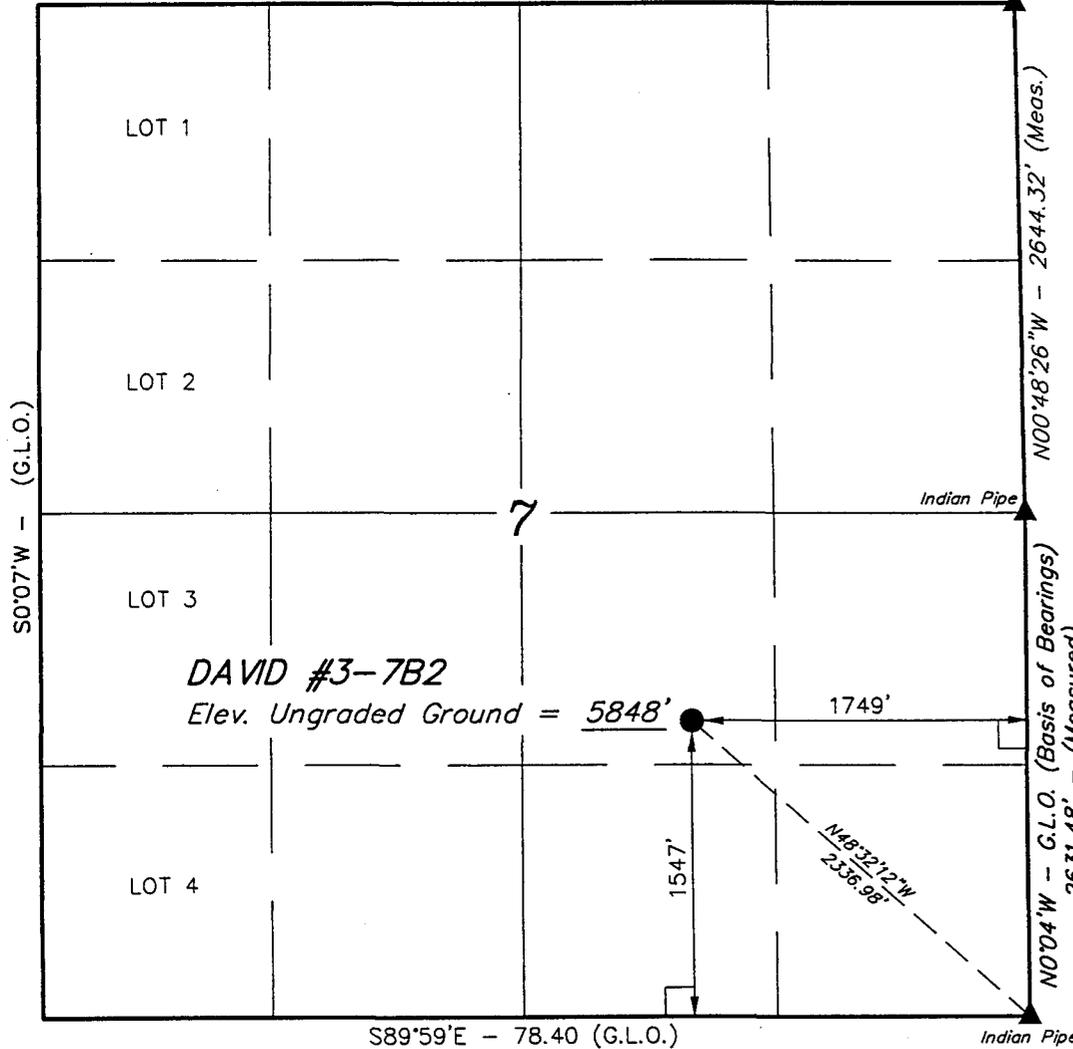
85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 2-10-00	DATE DRAWN: 2-16-00
PARTY L.D.T. B.L. D.COX	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE QUINEX ENERGY CORP.	

Indian Pipe,
Set Marked Stone
on South Side,
Pile of Stones,
Steel Post

N89°59'W - 78.27 (G.L.O.)



LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

LATITUDE = 40°19'12"
 LONGITUDE = 110°08'56"

QUINEX ENERGY CORPORATION DAVID 3-7B2

2000'
10 3/4" J55 -40.5#

700 sks 50/50 POZ Class G
wt. - 12.5 PPG
yield - 2.08 cu.ft./sk.
Water - 11.12 gal/sk.

300 sks. Class G
wt. - 15.8 PPG
yield - 1.16 cu.ft./sk.
Water 4.95 gal/sk.

15%

5000'
7 5/8" 26.4#

700 sks 50/50 POZ
wt. - 14.0 PPG
yield - 1.39 cu.ft./sk.
Water - 6.42 gal/sk.

15%

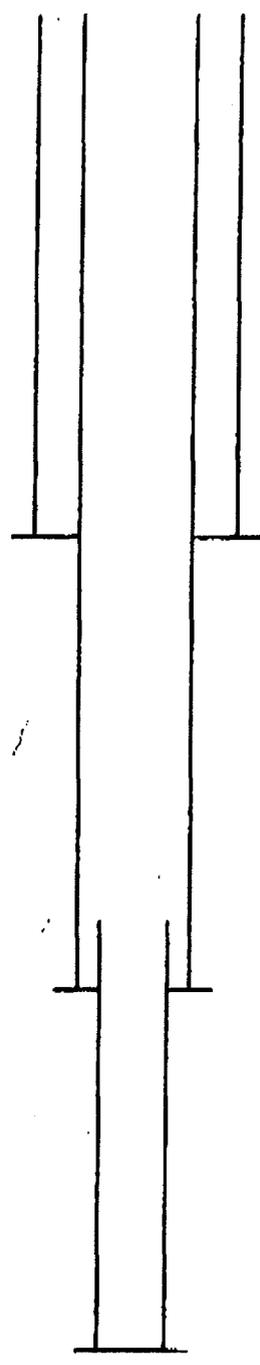
6000'
7 5/8" 29.7#

300 sks. Class G
wt. - 15.8 PPG
yield - 1.52 cu.ft./sk.
Water - 6.16 gal/sk.

2800'
5 1/2" P110 20.0#

600 sks. Class G w/35% silica flour
Wt. - 16.1 PPG
Yield - 1.56 cu.ft./sk.
Water - 5.46 gal/sk.

40%



DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS

Operator Name: Quinex Energy Corporation

Name & Number: David #3-7B2

API Number: 43-013-32149

Location: 1/4,1/4 NW/SE Sec. 7 T. 2S R. 2W

Geology/Ground Water:

Quinex has proposed 2000' of surface casing at this location. The surface formation at this location is the Duchesne River Formation. The Duchesne River Formation consists of interbedded sandstones and shales and can be contain useable groundwater. The depth to the moderately saline groundwater is estimated to be at approximately 2000 feet at this location. The proposed casing and cement program should adequately protect any useable groundwater at this location.

Reviewer: Brad Hill

Date: 3/13/00

Surface:

A presite investigation of the surface was done by the Roosevelt DOGM Field Office on 03/01/00. The landowner, John Chasel, was notified regarding the onsite to permit said well and declined participation. Paul Wells with Quinex says that John Chasel waves the option of an archaeology survey on the surface area. The drainage that presently cuts across location from west to east, starting at stake #1 shall be re-routed to the south around location and tied back into original drainage to the east and below location. The existing flowline be protected with a culvert at the access point to prevent damage to same and causing a potential spill.

Reviewer: Dennis L. Ingram

Date: March 1, 2000

Conditions of Approval/Application for Permit to Drill:

1. A 12 mil or thicker synthetic liner with adequate padding shall be utilized to line reserve pit before drilling begins.



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

March 13, 2000

Quinex Energy Corporation
464 South 200 West, Suite 300
Bountiful, UT 84010

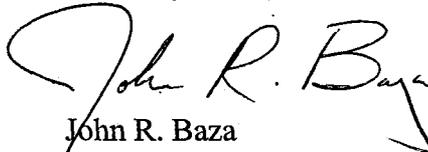
Re: David 3-7B2 Well, 1547' FSL, 1749' FEL, NW SE, Sec. 7, T. 2S, R. 2W,
Duchesne County, Utah

Gentlemen:

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

This approval will expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-013-32149.

Sincerely,



John R. Baza
Associate Director

er

Enclosures

cc: Duchesne County Assessor

Operator: Quinex Energy Corporation

Well Name & Number: David 3-7B2

API Number: 43-013-32149

Lease: FEE

Location: NW SE . Sec. 7 T. 2S R. 2W

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division of the following actions during drilling of this well:

- . 24 hours prior to cementing or testing casing
- . 24 hours prior to testing blowout prevention equipment
- . 24 hours prior to spudding the well
- . within 24 hours of any emergency changes made to the approved drilling program
- . prior to commencing operations to plug and abandon the well

Division contacts (please leave a voice mail message if the person is not available to take the call):

- . Dan Jarvis at (801)538-5338
- . Robert Krueger at (801)538-5274 (plugging)
- . Carol Daniels at (801)538-5284 (spud)

3. Reporting Requirements

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

4. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

STATE OF UTAH
 DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells or to reënter plugged and abandoned wells.
 Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN for such Proposals.

	5. Lease Designation and Serial Number: FEE
	6. If Indian, Allottee or Tribe Name: FEE
	7. Unit Agreement Name: FEE
1. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER:	8. Well Name and Number: DAVID 3-7B2
2. Name of Operator: QUINEX ENERGY CORPORATION	9. AP Well Number: 43-013-32149
3. Address and Telephone Number: 465 SOUTH 200 WEST, BOUNTIFUL, UTAH 84010	10. Field and Pool, or Wildcat: BLUEBELL
4. Location of Well: Footages: 1,547 FSL, 1,749' FEL, Section 7, Township 2 South, Range 2 West QQ, Sec., T., R., M.: SE1/4,NW1/4,SE1/4, Section 7, T. 2 S. R. 2 W., USBM	County: Duchesne State: Utah

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

NOTICE OF INTENT <small>(Submit in Duplicate)</small>	SUBSEQUENT REPORT <small>(Submit Original Form Only)</small>
<input type="checkbox"/> Abandon <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input type="checkbox"/> Multiple Completion <input type="checkbox"/> Other _____	<input type="checkbox"/> Abandon * <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input checked="" type="checkbox"/> Other <u>SPUD WELL W/ RATHOLE DIGGER</u>
<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Recomplete <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off
Approximate date work will start <u>March 15, 2000</u>	Date of work completion <u>16 March 2000</u> <small>Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form. * Must be accompanied by a cement verification report.</small>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

Quinex Energy spudded the well drilling a 20" hole using Malcolm's Rathole, Inc. of Vernal, Utah @ 08:00 March 15, 2000.

RECEIVED
 MAR 17 2000
 DIVISION OF
 OIL, GAS AND MINING

13. Name & Signature: DeForrest Smouse *DeForrest Smouse* Title: President, Quinex Energy Date: 3/15/00

(This space for State use only)

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS	5. Lease Designation and Serial Number: FEE
Do not use this form for proposals to drill new wells, deepen existing wells or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN for such Proposals.	6. If Indian, Allottee or Tribe Name FEE
	7. Unit Agreement Name, FEE
1. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER:	8. Well Name and Number: DAVID 3-7B2
2. Name of Operator: QUINEX ENERGY CORPORATION	9. AP Well Number: 43-013-32149
3. Address and Telephone Number: 465 South 200 West, Suite 300, Bountiful, Utah 84010	10. Field and Pool, or Wildcat: BLUEBELL
4. Location of Well: 1547' FSL, 1749' FEL, Section 7, T 2 S., R 2 W, USB&M Footages: QQ, Sec., T., R., M.: SE1/4NW1/4SE1/4, Section 7, T. 2 S., R.2 W.	County: Duchesne State: Utah

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA																											
<p style="text-align: center;">NOTICE OF INTENT <small>(Submit in Duplicate)</small></p> <table style="width:100%;"> <tr> <td><input type="checkbox"/> Abandon</td> <td><input type="checkbox"/> New Construction</td> </tr> <tr> <td><input type="checkbox"/> Repair Casing</td> <td><input type="checkbox"/> Pull or Alter Casing</td> </tr> <tr> <td><input type="checkbox"/> Change of Plans</td> <td><input type="checkbox"/> Recomplete</td> </tr> <tr> <td><input type="checkbox"/> Convert to Injection</td> <td><input type="checkbox"/> Reperforate</td> </tr> <tr> <td><input type="checkbox"/> Fracture Treat or Acidize</td> <td><input type="checkbox"/> Vent or Flare</td> </tr> <tr> <td><input type="checkbox"/> Multiple Completion</td> <td><input type="checkbox"/> Water Shut-Off</td> </tr> <tr> <td><input type="checkbox"/> Other _____</td> <td></td> </tr> </table> <p>Approximate date work will start _____</p>	<input type="checkbox"/> Abandon	<input type="checkbox"/> New Construction	<input type="checkbox"/> Repair Casing	<input type="checkbox"/> Pull or Alter Casing	<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Reperforate	<input type="checkbox"/> Fracture Treat or Acidize	<input type="checkbox"/> Vent or Flare	<input type="checkbox"/> Multiple Completion	<input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> Other _____		<p style="text-align: center;">SUBSEQUENT REPORT <small>(Submit Original Form Only)</small></p> <table style="width:100%;"> <tr> <td><input type="checkbox"/> Abandon *</td> <td><input type="checkbox"/> New Construction</td> </tr> <tr> <td><input type="checkbox"/> Repair Casing</td> <td><input type="checkbox"/> Pull or Alter Casing</td> </tr> <tr> <td><input type="checkbox"/> Change of Plans</td> <td><input type="checkbox"/> Reperforate</td> </tr> <tr> <td><input type="checkbox"/> Convert to Injection</td> <td><input type="checkbox"/> Vent or Flare</td> </tr> <tr> <td><input type="checkbox"/> Fracture Treat or Acidize</td> <td><input type="checkbox"/> Water Shut-Off</td> </tr> <tr> <td><input checked="" type="checkbox"/> Other <u>Spud from under Conductor Pipe</u></td> <td></td> </tr> </table> <p>Date of work completion <u>26 March 2000</u></p> <p style="font-size: x-small;">Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form. * Must be accompanied by a cement verification report.</p>	<input type="checkbox"/> Abandon *	<input type="checkbox"/> New Construction	<input type="checkbox"/> Repair Casing	<input type="checkbox"/> Pull or Alter Casing	<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Reperforate	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Vent or Flare	<input type="checkbox"/> Fracture Treat or Acidize	<input type="checkbox"/> Water Shut-Off	<input checked="" type="checkbox"/> Other <u>Spud from under Conductor Pipe</u>	
<input type="checkbox"/> Abandon	<input type="checkbox"/> New Construction																										
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<input checked="" type="checkbox"/> Other <u>Spud from under Conductor Pipe</u>																											

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

Quinex Energy Corporation spudded out from under the Conductor Pipe at 11:00 AM, with Unit Drilling Rig #234.

RECEIVED

MAR 28 2000

DIVISION OF
OIL, GAS AND MINING

13. Name & Signature: DeForrest Smouse, PhD Title: President, Quinex Energy Date: 3/26/2000

(This space for State use only)

FORM 9

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN for such Proposals.

5. Lease Designation and Serial Number:

FEE

6. If Indian, Alutian, or Tribe Name:

FEE

7. Unit Agreement Name:

FEE

1. Type of Well: OIL GAS OTHER:

8. Well Name and Number:

DAVID 3-7B2

2. Name of Operator:

QUINEX ENERGY CORPORATION

9. AP Well Number:

43-013-32149

3. Address and Telephone Number:

465 South 200 West, Suite 300, Bountiful, Utah 84010

10. Field and Pool, or Wellcat:

BLUEBELL

4. Location of Well: 1547' FSL, 1749' FEL, Section 7, T 2 S., R 2 W, USB&M

County: Duchesne

Footage:

QQ, Sec., T., R., M.: SE1/4NW1/4SE1/4, Section 7, T. 2 S., R.2 W.

State: Utah

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

NOTICE OF INTENT
(Submit in Duplicate)

- Abandon
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Multiple Completion
- Other
- New Construction
- Pull or Alter Casing
- Recomplete
- Reperforate
- Vent or Flare
- Water Shut-Off

Approximate date work will start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

- Abandon *
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Other Spud from under Conductor Pipe
- New Construction
- Pull or Alter Casing
- Reperforate
- Vent or Flare
- Water Shut-Off

Date of work completion 26 March 2000

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and cones pertinent to this work)

Quinex Energy Corporation spudded out from under the Conductor Pipe at 11:00 AM, with Unit Drilling Rig #234.

13.

Name & Signature: DeForrest Smouse, PhD  Title: President, Quinex Energy Date: 3/26/2000

(This space for State use only)

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN for such Proposals.

5. Lease Designation and Serial Number:

FEE

6. If Indian, Allottee or Tribe Name

FEE

7. Unit Agreement Name,

FEE

1. Type of Well: OIL GAS OTHER:

8. Well Name and Number:

DAVID 3-7B2

2. Name of Operator:

QUINEX ENERGY CORPORATION

9. AP Well Number:

43-013-32149

3. Address and Telephone Number:

465 South 200 West, Suite 300, Bountiful, Utah 84010

10. Field and Pool, or Wildcat:

BLUEBELL

4. Location of Well: 1547' FSL, 1749' FEL, Section 7, T 2 S., R 2 W, USB&M

Footages:

QQ, Sec., T., R., M.: SE1/4NW1/4SE1/4, Section 7, T. 2 S., R.2 W.

County: Duchesne

State: Utah

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

NOTICE OF INTENT
(Submit in Duplicate)

- Abandon
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Multiple Completion
- Other _____
- New Construction
- Pull or Alter Casing
- Recomplete
- Reperforate
- Vent or Flare
- Water Shut-Off

Approximate date work will start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

- Abandon *
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Other Spud from under Conductor Pipe
- New Construction
- Pull or Alter Casing
- Reperforate
- Vent or Flare
- Water Shut-Off

Date of work completion 29 March 2000

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

Quinex Energy Corporation encountered a water flow between 1600' & 1840'. It is believed that the flow is from a depth between 1600' & 1650'. Flow rate measured at approximately 7 barrels/hour.

RECEIVED

MAR 29 2000

DIVISION OF
OIL, GAS AND MINING

13.

Name & Signature: DeForrest Smouse, PhD  Title: President, Quinex Energy Date: 3/29/2000

(This space for State use only)

REPORT OF WATER ENCOUNTERED DURING DRILLING

1. Well name and number: QUINEX ENERGY CORPORATION - David 3-7B2

API number: 43-013-32149

2. Well Location: QQ NWSE Sec 7 Township 2 S Range 2 W County Duchesne

3. Well operator: Quinex Energy Corporation

Address: 465 South 200 West, Suite 300

Bountiful, Utah 84010

Phone: (801) 292-3800

4. Drilling contractor: Unit Drilling Rig 234

Address: PO Box 702500

Tulsa, Oklahoma 74170-2500

Phone: (918) 743-0440

5. Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
1,600'	1,650'	7 bbl/hour	Fresh ?

6. Formation tops: Duchesne River Fm. Surface

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

I hereby certify that this report is true and complete to the best of my knowledge. Date: 29 March 2000

Name & Signature: DeForrest Smouse  Title: President, Quinex Energy Corp.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN for such Proposals.

1. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER:		5. Lease Designation and Serial Number: FEE
2. Name of Operator: QUINEX ENERGY CORPORATION		6. If Indian, Allottee or Tribe Name: FEE
3. Address and Telephone Number: 465 South 200 West, Bountiful, Utah 84010		7. Unit Agreement Name: FEE
4. Location of Well: 1547' FSL, 1749' FEL, Section 7, T2S, R2W, USB&M Footages: QQ, Sec., T., R., M.: SE,NW,SE, Section 7, T2S, R2W		8. Well Name and Number: David 3-7B2
		9. AP Well Number: 43-013-32149
		10. Field and Pool, or Wildcat: BLUEBELL
		County: DUCHESNE
		State: UTAH

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

NOTICE OF INTENT (Submit in Duplicate)	SUBSEQUENT REPORT (Submit Original Form Only)
<input type="checkbox"/> Abandon <input type="checkbox"/> Repair Casing <input checked="" type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input type="checkbox"/> Multiple Completion <input type="checkbox"/> Other _____	<input type="checkbox"/> Abandon * <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input type="checkbox"/> Other _____
<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Recomplete <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off
Approximate date work will start <u>19 April 2000</u>	Date of work completion _____ Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form. * Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

Quinex Energy Corporation plans to change the casing point of the David 3-7B2 intermediate casing from 11,000' to 10,500'. This change is made due to best control expected pressured oil and gas production between 10,500' and 11,000'. Evidence now indicates potential lost circulation zones in the upper Green River and Uinta Formations should heavy mud be needed to control the well.

RECEIVED

APR 18 2000

DIVISION OF
OIL, GAS AND MINING

13. Name & Signature: DeForrest Smouse DeForrest Smouse Title: President, Quinex Energy Date: 14 April, 2000

(This space for State use only)

APPROVED

The Utah Division of Oil, Gas and Mining

Robert J. Krueger, PE, Petroleum Engineer

(494)

Date: 4-20-00

STATE OF UTAH
 DIVISION OF OIL, GAS AND MINING
ENTITY ACTION FORM - FORM 6

OPERATOR QUINEX ENERGY CORPORATION

OPERATOR ACCT. NO. _____

ADDRESS _____
465 South 200 West, Bountiful, Utah 84010

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	WELL NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999	12718	43-013-32149	DAVID 3-782	SE	7	2S	2W	DUCHESNE	3/15/2000	
WELL 1 COMMENTS: New well to be drilled to 13,500'+/- in Wasatch Formation <i>000426 entity added</i>											
WELL 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)

- 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 comments section).

NOTE: Use comment section to explain why each Action Code was selected.

(3/89)

Robert Thomas

 Signature
President 4/24/2000
 Title Date
 Phone No. (801) 292-3800

RECEIVED

FORM 8

STATE OF UTAH

JUL 26 2000

DIVISION OF OIL, GAS AND MINING

DIVISION OF OIL, GAS AND MINING

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

3. LEASE DESIGNATION AND SERIAL NO. **FEE**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME **FEE**

7. UNIT AGREEMENT NAME **FEE**

8. FARM OR LEASE NAME **DAVID**

9. WELL No. **3-7B2**

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

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA **SW1/4, NW1/4, SW1/4, Section 7, T 2 S, R 2 W**

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

1b. TYPE OF COMPLETION: OIL WELL WORK OVER DEEP-EN PLUG BACK DIFF RESVR. OTHER _____

2. NAME OF OPERATOR **QUINEX ENERGY CORPORATION**

3. ADDRESS OF OPERATOR **465 South 200 West, Suite 300, Bountiful, Utah 84010 (801) 292-3800**

4. LOCATION OF WELL (Report location of well clearly and in accordance with any State requirements.)

At surface. **1547' FSL, 1749' FEL, Section 7, T 2 S, R 2 W same**

At top prod. interval reported below.

At total depth **same**

14. API NO. **43-013-32149** DATE ISSUED _____

12. COUNTY **Duchesne** 13. STATE **UTAH**

15. DATE SPUNDED **26 Mar. 2000** 16. DATE TD REACHED **18 May 2000** 17. DATE COMPL. (Ready to prod.) or (PLUG & GR. - **5848'**, Kb - **5869'**) 18. ELEVATIONS (DF. RES. RT. GR. etc.) 19. ELEV. CASINGHEAD **5850'**

20. TOTAL DEPTH, MD & TVD **13,527'** 21. PLUGBACK TD, MD & TVD _____ 22. IF MULTIPLE COMPL. HOW MANY? **Single** 23. INTERVALS DRILLED BY ROTARY TOOLS **0-13,527'** CABLE TOOLS _____

24. PRODUCING INTERVAL(S), OF THIS COMPLETION --- TOP, BOTTOM, NAME, (MD AND TVD) **11,958-13,451' - Wasatch Formation**

23. WAS DIRECTIONAL SURVEY MADE? **no**

24. TYPE ELECTRIC AND OTHER LOGS RUN **Comp. Neut-Fm Density, Array Induction-Gamma Ray, Dipole Shear Anisotropy & CBL**

27. WAS WELL CORED? YES NO (SUBMIT ANALYSIS) DRILL STEM TEST? YES NO (SEE REVERSE SIDE)

28. CASING RECORD (REPORT ALL STRINGS SETS IN WELL)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
10 3/4"	40.5#	2.056'	14 3/4"	470 sk H. 920 sk lite.	0
7 5/8"	26.4# & 29.7#	10.531'	9 7/8"	310 sk Halibt lite. 495 sk G	0
5 1/2"	20#	13,523-10,243'	6 3/4"	315 sks G	0
					0

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT	SCREEN (MD.)	SIZE	DEPTH SET (MD.)	PACKER SET (MD.)
5 1/2"	10,243'	13,523'	315 sks G		2 7/8"	11,848'	11,848'
					1.9"	7,525'	

31. PERFORATION RECORD (INTERVAL, SIZE, AND NUMBER) **See attached sheet.**

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD.)	AMOUNT AND KIND OF MATERIAL USED

33. PRODUCTION

DATE FIRST PRODUCTION **8 July 2000** PRODUCTION METHOD (FLOWING, GAS LIFT, PUMPING - SIZE AND TYPE OF PUMP) **FLOWING** WELL STATUS (PRODUCING OR SHUTIN) **Producing**

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD.'N FOR TEST METHOD	OIL-BBL	GAS-MCF	WATER-BBL.	GAS-OIL RATIO
8 July 2000	24	19/64"		473 Bbbs	650 MCF	0 bbl	1.374
FLOW TUBING PRESS. 500#	CASING PRESS. _____		OIL - BBL.	GAS - MCF	WATER - BBL.	OIL GRAVITY-API (CORR.) 53.6	42.5 deg
		CALCULATED FLUID DATE _____	473 bbl	650 MCF	0 bbls		

34. DISPOSITION OF GAS (SOLD, USED FOR FUEL, VENTED, ETC.) **SOLD**

TEST WITNESSED BY **Paul Wells**

35. LIST OF ATTACHMENTS **Perforations, Logs**

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

SIGNED *[Signature]* TITLE **President** DATE **25 July 2000**

INSTRUCTIONS

This form should be completed in compliance with the Utah Oil and Gas Conservation General Rules. If not filed prior to this time, all logs, tests, and directional surveys as required by Utah Rules should be attached and submitted with this report.

ITEM 18: Indicate which elevation is used as reference for depth measurements given in other spaces on this form and on any attachments.

ITEMS 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional pertinent to such interval.

ITEM 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

ITEM 33: Submit a separate completion report on this form for each interval to be separately produced (see instruction for items 22 and 24 above).

37. SUMMARY OF POROUS ZONES 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.		38. Geologic Markers				
Formation	Top	Bottom	Description, contents, etc.	Name	Meas. Depth	True Vert. Depth
Duchesne R.	Surface	3440'	Mudstone & Sandstone - water	Duchesne River	Surface	5848'
Uinta Fm.	3440'	7207'	Mudstone, Sandstone, Limestone - water	Uinta Formation	3440'	2429'
Green River Fm.	7207'	9848'	Marlstone, Limestone, Mudstone, sandstone & Shale - Oil, Gas & Water	Green River Fm.	7207'	1338'
Wasatch Transition	9848'	10240'	Mudstone, shale, limestone, Sandstone, Oil Gas & Water	Tgr "H"	9016'	-3147'
Wasatch Fm.	10240'	TD	Sandstone, Marlstone, Limestone - Oil Gas & Water	Tgr "Black Shale"	9537'	-3668'
				Wasatch Transition	9846'	-3979'
				Wasatch Fm.	10240'	-4371'
				Tw "B"	11,757'	-5988'

QUINEX ENERGY CORPORATION
DAVID 3-7B2
SELECTED PERFORATIONS

The following perforations have been selected for opening in the Wasatch Formation in the David 3-7B2 well located in Section 7, Township 2 South Range 2 West, Duchesne County, Utah. Selected Perforators will use 4" Power Pack Guns with 3 shots/foot with shots orientated on a 120 degrees between shots. Depths will be correlated to the Gamma Ray Log on the Schlumberger TDT Log, then correlated to the Gamma Ray on the Cement Bond Log.

<u>Zone</u>	<u>Depth</u>	<u>Shots</u>
1	13,450, 51, 52'	9
2	13,411, 12'	6
3	13,200, 02, 04, 06, 08, 10, 12'	21
4	13,108, 10, 12'	9
5	13,044, 46, 48, 50'	12
6	12,997, 99, 13,001, 03'	12
7	12,977, 79, 81'	9
8	12,970, 72'	6
9	12,217, 19, 21'	9
10	12,184, 86, 88'	9
11	12,058, 60'	6
12	12,018, 20, 22, 24, 26'	15
13	11,977, 79'	6
14	11,958, 60, 62'	9

TOTAL NUMBER OF PERFORATIONS =138

RECEIVED

JUL 26 2000

DIVISION OF
OIL, GAS AND MINING

QUINEX ENERGY CORPORATION

David 3-7B2

NWSE Section 7, T2S, R2W

API # 43-013-32149

Weekly Status Report

April 3, 2000: Well drilling @ 3,726' at 06:00. 26 March 2000, spud well with Unit Drilling Rig # 234. Cemented 2,066' 10 3/4" J55, 40.5# surface casing w/1,390 sks cement 3/31/2000. Drill out from under surface casing 4/1/2000 with 9 7/8" bits. Lithology : red-brown & grey-green mudstone & fine-medium grained sandstone, principally unconsolidated to poorly cemented.

April 10, 2000: Drilling @ 7,814' @ 06:00. Reported 20 oil or gas shows between 5634' and 76,86'. Good shows of Brown-black oil over shaker - 6740-48', *7222-28', 7316-28', 7396-7408' & 7670-86'. Lithology : brown, ochre, grey mudstone & Marlstone - brown- light brown, and light gray, micro-crystalline, dolomitic, with calcite filled fractures.

April 17, 2000: Depth 10,500'. Circulate to run intermediate logs. Reported 31 oil or gas shows between 7816' and 10496'. Good shows of brown oil over shaker @, 8858-68', 9456-66', *9804-32', 9876-96', 9846-56', 10076-108', 10284-310'.

April 24, 2000: Depth 10,522'. Schlumberger ran Array Induction Log, Comp. Neut.-Form. Litho-density Log, and Dipole Sonic Log to 10,488'. Ran 7 5/8" (4,947.45'- 26.4# P110 & 5579.10'- 29.7# P110 casing to 10,526' and cemented with 1,005 sacks Class G cement in 2 stages.

May 1, 2000: Depth 11,480'. Reported 35 oil and/or gas shows. Good show of green oil over shaker @ 11204-10', 11224-30', and 11258-72'. Mud weigh to 9.9#. Good show of brown-yellow oil @ 11392-11408' w/15-25' flare.

May 8, 2000: Depth 12,315'. Reported 27 oil and/or gas shows during week. Good to excellent shows @ 11514-26', 11532-52', and 11976-94'. High pressure show @ 11962-70' required placing well on choke, with flair of 100+ feet through gas buster and associated yellow brown oil.

May 15, 2000: Depth 13,311' and drilling. Reported 26 oil and/or gas shows during week. Good to excellent shows of green and brown-yellow waxy oil over shaker @ 12,324-40', 12352-60', 12412-20', 12468-82', 12972-94' and 13252-62'. Mud weight 12.8# with 5-25' flare.

May 22, 2000: Depth 13,520' and wait on cement. Ran 5 1/2" 20 #, P110 liner to 13,523' with liner top @ 10,243' and cemented with 659 sacks Class G cement in 2 (two) stages. Circulated out approx. 10 bbls cement. Reported 8 shows of oil and/or gas during week. Excellent shows @ 13,400-14' and 13415-30'. Well was on gas buster all week with mud weights 12.8 to 14.1# and flares from 3-20'.

TEXACO UTAH FEDERAL "P" # 3-75
 Denver Region Estimate: 400505

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WELL ACTIVITY REPORT
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Report: 1 Date: 06/29/2000 TD: 1333 DSS: 3 Activity: MIST DRILLING 7 7/8" HOLE

Hours	Work Description
0	NO ACCIDENTS OR NEAR MISS REPORTED. SAFETY MEETING TOPICS ON RIGGING UP & GENERAL FIRST AID.
3	FINISHED RIGGING DOWN & MOVED ELENBURG RIG # 15 TO UTAH FEDERAL # 3 - 75.
2	SPOTTED RIG EQUIPMENT & RIGGED UP ELENBURG RIG # 15.
1	NIPPLED UP 2M ROPE.
3.5	RIGGED UP DOUBLE JACK TESTERS. TESTED ROPE TO 250 PSI LOW & 2,000 PSI HIGH. MIKE KAMINSKI WITH THE BLM WAS NOTIFIED OF BOP TEST BUT COULD NOT MAKE THIS TEST.
0.5	PICKED UP BHA #1 AND TIH. TAGGED CEMENT @ 241 FT.
1.5	DRILLED CEMENT & SHOE TO 306 FT.
6.5	DRILLED 7 7/8" HOLE WITH MIST FROM 306 FT TO 830 FT FOR 524 FT @ 80.6 FT/HR.
0.5	WIRELINE SURVEY @ 798 FT. 3/4 DEGREE
5.5	DRILLED 7 7/8" HOLE ON MIST FROM 830 FT TO 1,333 FT FOR 503 FT @ 91.4 FT/ HR.
24	

Remarks

Daily Cost: Redman (8 5/8" Casing) \$ 2,379 - Vetco Gray (Wellhead) \$ 1,809 - Trucking \$ 179 - Road, Location & Pit Liner \$ 16,954 - Bill Jr (Drilled Surface hole) \$ 8,115 - Elenburg (Ftg) \$ 17,200 - Salaries \$ 2,140 - Rentals \$ 185 - Cement & 8 5/8" Float Equipment) \$ 2,471 - Neilson (Water) \$ 581 - Double Jack (Test ROPE) \$ 1,250 - Contingency \$ 1,000

Report: 2 Date: 08/30/2000 TD: 3558 DSS: 4 Activity: MIST DRILLING 7 7/8" HOLE

Hours	Work Description
0	NO ACCIDENTS OR NEAR MISS REPORTED. SAFETY MEETING TOPICS ON PPE & HIGH LINES.
0.5	WIRELINE SURVEY @ 1,301 FT. 1 1/2 DEGREES
6.5	MIST DRILLING 7 7/8" HOLE FROM 1,333 FT TO 1,830 FT FOR 497 FT @ 90.4 FT/HR.
0.5	WIRELINE SURVEY @ 1,798 FT. 2 DEGREES.
5.5	MIST DRILLING 7 7/8" HOLE FROM 1,830 FT TO 2,333 FT FOR 503 FT @ 91.5 FT/HR.
0.5	WIRELINE SURVEY @ 2,301 FT. 1 DEGREE
4.5	MIST DRILLING 7 7/8" HOLE FROM 2,333 FT TO 2,836 FT FOR 503 FT @ 111.8 FT/ HR.
0.5	WIRELINE SURVEY @ 2,804 FT. 1 3/4 DEGREE
6.5	MIST DRILLING 7 7/8" HOLE FROM 2,836 FT TO 3,558 FT FOR 722 FT @ 111.1 FT/HR. 2,100 SCFM , 10 BBLS WATER PER HOUR & 1 GAL SOAP PER HOUR.
24	

Remarks

Daily Cost: Elenburg \$ 37,269 - Salaries (TX) \$ 500 (Callaway) \$ 640 - Rentals \$ 40 - Neilson (water) \$ 396 - Stricker's (Drift, clean & visual check 5 1/2" casing) \$ 1,280 - Contingency \$ 1,000

Report: 3 Date: 07/01/2000 TD: 3920 DSS: 5 Activity: REAMING TO BOTTOM

Hours	Work Description
0	NO ACCIDENTS OR NEAR MISS REPORTED. SAFETY MEETING TOPICS ON FLAIR SAFETY & LOGGING.
8.5	MIST DRILLING 7 7/8" HOLE FROM 3,558 FT TO 3,920 FT FOR 362 FT @ 42.5 FT/HR.
0.5	BLOW HOLE CLEAN.
1.5	WIPE TRIP UP TO 2,800 FT., REMOVED STRING FLOAT & SURVEYS @ 3,308 FT & 3,840 FT.
0.5	BLOW HOLE CLEAN.
0.5	LOADED HOLE WITH 50 BBLS 3% KCL WATER.
3	TRIP OUT OF HOLE LAYING DOWN DRILL PIPE TO LOG.
4.5	RIGGED UP SCHLUMBERGER. RAN PLATFORM EXPRESS LOG. FAILED TO GET BELOW 3,560 FT. FLUID LEVEL @ 3,080 FT. WELL VENTING 50 TO 100 MCF GAS. REMOVED BOW SPRING & MADE SECOND ATTEMPT TO GET BY LEDGE @ 3,560 FT. FAILED TO WORK BY. RIGGED DOWN SCHLUMBERGER.
4	MADE UP BIT & TRIPPED IN HOLE TAGGED LEDGE @ 3,560 FT..
1	ESTABLISHED CIRCULATION & WIPE OUT LEDGE @ 3,560 FT.
24	

Remarks

Daily Cost: Elenburg \$ 7,438 - Salaries (TX) \$ 500 - (Callaway) \$ 640 - Rentals \$ 40 - Pason \$ 780 - Contingency \$ 1,000

TEXACO UTAH FEDERAL "P" # 3-75
 Denver Region Estimate: 400505

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WELL ACTIVITY REPORT
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Report: 4 Date: 07/02/2000 TD: 3920 DSS: 6 Activity: CEMENTING 5 1/2" CASING

Hours	Work Description
0	NO ACCIDENTS OR NEAR MISS REPORTED. SAFETY MEETING TOPICS ON LOGGING & RUNNING CASING.
1.5	REAMED THROUGH BRIDGE @ 3,560 FT. (3 FT) WASHED TO BOTTOM 1 FT OF FILL.
1	BLOWING HOLE CLEAN.
3	LOAD HOLE WITH 25 BBLs KCL WATER & LAID DOWN DRILL STRING TO LOG.
2	RIGGED UP SCHLUMBERGER. RAN PLATFORM EXPRESS LOG & TAGGED @ 3,430 FT. FAILED TO GET PAST. PULLED LOGGING TOOL OUT OF HOLE & RIGGED DOWN SCHLUMBERGER.
5	PICKED UP BIT & DRILL STRING. TRIPPED IN TO BOTTOM. 15 FT OF FILL.
1	BLOW HOLE CLEAN.
4	LOADED HOLE WITH 26 BBLs KCL WATER & LAID DOWN DRILL STRING.
2	RIGGED UP SCHLUMBERGER. RAN PLATFORM EXPRESS LOG FROM 3,370 FT TO 3,400 FT. OK RIGGED DOWN SCHLUMBERGER.
4.5	RIGGED UP & RAN 87 JTS 5 1/2", N-80, 17#, LT&C CASING TO 3,918 FT. FLOAT COLLAR @ 3,871 FT. CENTRALIZERS PLACED ON BOTTOM 3 JTS & EVERY OTHER JOINT FROM 3,442 FT FOR A TOTAL OF 12 CENTRALIZERS. MARKER JOINT PLACED @ 3,488 FT.

24

Remarks

Daily Cost: 5 1/2" Casing \$ 30,977 - Wellhead \$ 4,225 - Bunning (Trucking for Casing) \$ 2,300 - Elenburg \$ 1,180 - Salaries (TX) \$ 500 (Callaway) \$ 840 - Rentals \$ 40 - M-I (KCL) \$ 600 - Weatherford (Float Equipment) \$ 622 - Schlumberger \$ 18,956 - Vetco (Install Wellhead) \$ 875 - Contingency \$ 1,000

Report: 5 Date: 07/03/2000 TD: 3920 DSS: 7 Activity: MOVING TO UTAH FED. "P" 3-74

Hours	Work Description
0	NO ACCIDENTS OR NEAR MISS REPORTED. SAFETY MEETING TOPIC ON CEMENTING CASING & RIG DOWN.
1	CIRCULATED CASING CAPACITY & RIGGED UP CEMENTING HEAD.
1	TESTED CEMENTING LINE TO 3,000 PSI. CEMENTED 5 1/2" CASING WITH 50 BBLs (175 SKS 10-1 RFO + .25#/SK D-29) CEMENT @ 14.2 PPG, YIELD 1.61. 7.9 GALS/ SK MIX WATER, THICK TIME 1.5 HRS . DISPLACED WITH 90 BBLs WATER @ 5 BBL/ MIN. PLUG DOWN @ 8:45 AM MST ON 7/2/00 WITH 550 PSI. LIFT PRESSURE 190 PSI.
0.5	RELEASED PRESSURE, FLOAT HELD OK. RIGGED DOWN DOWELL.
1.5	NIPPLED DOWN BOPE, SET CASING SLIPS & CUT OFF CASING. RIGGED DOWN ELENBURG RIG # 15. RIG RELEASED @ 9:00 AM 7/2/00.

4

Remarks

Daily Cost: Dowell \$ 4,471 - Neilson \$ 300

TEXACO	UTAH FEDERAL "T" 22 - 69	© 2000 Texaco Inc. - All Rights Reserved	
Denver Region	Estimate: 400501	WELL ACTIVITY REPORT Proprietary Information of Texaco Inc.	

Report: 1 Date: 07/08/2000 TD: 640 DSS: 9 Activity: MIST DRILLING 7 7/8" HOLE

Hours	Work Description
0	NO ACCIDENTS OR NEAR MISS REPORTED. SAFETY MEETING TOPICS ON MOVING RIG & NIPPLING UP.
1.5	MOVE RIG FROM UTAH FEDERAL "P" 11 - 72 TO "T" 22 - 69.
1.5	CASING HEAD TREADS DAMAGE. DRESSED TREADS WITH FILE & START FLANGE.
3	RIGGED UP ELENBURG RIG # 16.
2	TIGHTEN CASING HEAD FLANGE WITH DRILL PIPE & BAR. END OF DRILL PIPE BROKE OFF & FELL DOWN HOLE.
2	NIPPLED UP BOPE.
2	TESTED BOPE TO 250 PSI LOW & 2,000 PSI HIGH. OK TESTED CASING TO 1,000 PSI FOR 30 MINUTES.
1	TRIP WITH MAGNET. NO RECOVERY.
0.5	TRIPPED IN HOLE WITH MAGNET.
0.5	BLOWING HOLE CLEAN & WASHING DOWN TO FISH.
0.5	TRIPPED OUT OF HOLE. RECOVERED FISH.
1	MADE UP BIT & TRIPPED IN HOLE TO 270 FT. TOP OF CEMENT.
0.5	DRILLED CEMENT TO 303 FT.
1	MIST DRILLED 7 7/8" HOLE FROM 303 FT TO 362 FT FOR 59 FT.
0.5	WIRELINE SURVEY @ 302 FT. 1/4 DEGREE
3.5	MIST DRILLED 7 7/8" HOLE FROM 362 FT TO 640 FT FOR 278 FT @ 79.4 FT/HR. 2,100 SCFM AIR, 12 BPH WATER & 1.5 GPH SOAP W/ 90% EFFICIENCY.

21

Remarks

Cost: 8 5/8" Casing \$ 2,386 - Casing Head \$ 1,801 - Trking \$ 242 - Location \$ 8650 - Conductor pipe \$ 5,020 - Pit Liner \$ 2,152 - Surface Hole \$ 8,115 - Elenburg \$ 6,677 - Salaries (TX) \$ 500 - (Callaway) \$ 640 - Rental \$ 5 - KCL & Trking \$ 600 - 8 5/8" Shoe & Centralizers \$ 250 - Cement 8 5/8" Casing \$ 2,386 - Water \$ 284 - Gardliner (Install Casing Head) \$ 563 - Double Jack (Test BOPE) \$ 1,250 - Contingency \$ 1,000

Report: 2 Date: 07/10/2000 TD: 3160 DSS: 10 Activity: MIST DRILL 7 7/8" HOLE

Hours	Work Description
0	NO ACCIDENTS OR NEAR MISS REPORTED. SAFETY MEETING TOPICS ON LIFTING & UNLOADING CASING.
2	MIST DRILLED 7 7/8" HOLE FROM 640 FT TO 829 FT FOR 189 FT @ 94.5 FT/ HR.
0.5	WIRELINE SURVEY @ 782 FT. 2 DEGREES
4.5	MIST DRILLING 7 7/8" HOLE FROM 829 FT TO 1,327 FT FOR 498 FT @ 110.7 FT/HR.
0.5	WIRELINE SURVEY @ 1,295 FT. 2 1/2 DEGREES
4	MIST DRILLING 7 7/8" HOLE FROM 1,327 FT TO 1,826 FT FOR 499 FT @ 124.7 FT/HR.
0.5	WIRELINE SURVEY @ 1,794 FT. 2 DEGREES
3	MIST DRILLING 7 7/8" HOLE FROM 1,826 FT TO 2,234 FT FOR 408 FT @ 136 FT/HR.
0.5	WIRELINE SURVEY @ 2,203 FT. 1 DEGREE
4	MIST DRILLING 7 7/8" HOLE FROM 2,234 FT TO 2,736 FT FOR 502 FT @ 125.5 FT/ HR.
0.5	WIRELINE SURVEY @ 2,703 FT. 3 DEGREES
4	MIST DRILLING 7 7/8" HOLE FROM 2,736 FT TO 3,160 FT FOR 407 FT @ 101.7 FT/ HR

24

Remarks

Daily Cost: Elenburg \$ 42,210 - Salaries (TX) \$ 500 (Callaway) \$ 640 - Rentals \$ 5 - M- I (KCL) \$ 400 - Pason \$ 780 - Contingency \$ 1,000

TEXACO UTAH FEDERAL "T" 22 - 69
 Denver Region Estimate: 400501

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Report: 3 Date: 07/11/2000 TD: 3380 DSS: 11 Activity: MOVING TO "T" 27-67

Hours	Work Description
0	NO ACCIDENTS OR NEAR MISS REPORTED. SAFETY MEETING TOPICS ON WORKING AFTER DARK & LOOKING FOR HAZZARDS.
1	MIST DRILLED 7 7/8" HOLE FROM 3,160 FT TO 3,290 FT FOR 75 FT.
0.5	WIRELINE SURVEY @ 3,205 FT. 2 DEGREES
2.5	MIST DRILLED 7 7/8" HOLE FROM 3,226 FT TO 3,380 FT FOR 154 FT @ 61.5 FT/HR. 2,100 SCFM AIR , 12 BPH WATER & 1.5 GPH SOAP @ 250 PSI 90%
1	BLOW HOLE CLEAN.
0.5	LOAD HOLE WITH 25 BBLs KCL WATER. WIRELINE SURVEY @ 3,330 FT . 1 3/4 DEGREES.
3	LAI D DOWN DRILL STRING TO LOG.
1.5	WAITING ON SCHLUMBERGER.
3	RIGGED UP SCHLUMBERGER. RAN PLATFORM EXPRESS LOG. FROM 3,370 FT . RIGGED DOWN SCHLUMBERGER.
2.5	RIGGED UP & RAN 74 JTS 5 1/2" , 17# , N-80 , LTC CASING TO 3,378 FT. FLOAT COLLAR @ 3,329 FT & MARKER JOINT @ 2,939 FT. CENTRALIZERS ON BOTTOM 3 JTS & EVERY OTHER JOINT ABOVE MARKER JOINT FOR 12 TOTAL.
0.6	CIRCULATED CAP. OF CASING.
1.5	RIGGED UP DOWELL & CEMENT 5 1/2" CASING WITH 175 SKS 10-1 RFC + 1/4 #/ SK D29 . DISPLACED WITH 77 BBLs WATER. BUMPED PLUG @ 22:00 HR MST ON 7/10/00 WITH 1,150 PSI. LIFT PSI 820. GOOD RETURNS DURING JOB. RELEASED PRESSURE FLOAT HELD OK.
2.5	NIPPLED DOWN BOPE. SET SLIPS & RELEASED RIG @ 01:00 HRS MST ON 7/11/00.

Remarks

Daily Cost: Elenburg \$ 5,265 - Salaries (TX) \$ 500 - (Callaway) \$ 640 - Rentals \$ 5 - KCL \$ 334 - Nielson (water) \$ 1,493 - Schlumberger \$ 7,950 - Contingency \$ 1,000 - Completion Cost: Redman (5 1/2" Casing) \$ 26,300 - Bunning (Delivered Casing) \$ 1,580 - Weatherford (Float Equipment) \$ 485 - Dowell \$ 3,498 - Vetco (Wellhead) \$ 5,275 - (Install wellhead) \$ 528 - Nielson (Cementing water) \$ 500 - Stricker's (clean & drift) \$ 1,130

TEXACO	UTAH FEDERAL "P" 11 - 72	© 2000 Texaco Inc. - All Rights Reserved	
Denver Region	Estimate: 400502	WELL ACTIVITY REPORT Proprietary Information of Texaco Inc.	

Report: 1	Date: 07/06/2000	TD: 1470	DSS: 42	Activity: MIST DRILLING 7 7/8" HOLE
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Hours	Work Description
0	NO ACCIDENTS OR NEAR MISS REPORTED. SAFETY MEETING TOPICS ON MOVING RIG & BOPE TESTING.
2	MOVE ELENBURG RIG # 15 FROM UTAH FEDERAL "P" 4 - 74 TO "P" 11 - 72.
2.5	RIGGED UP ELENBURG # 15.
2	NIPPLED UP BOPE.
2	TESTED BOPE TO 250 PSI LOW & 2,000 PSI HIGH. TESTED CASING TO 1,500 PSI FOR 30 MINUTES.
1	MADE UP BIT # 1 . TRIP IN HOLE PICKING UP BHA. TAGGED CMT @ 2,80 FT.
0.5	DRILLED CEMENT TO 300 FT.
0.5	MIST DRILLED 7 7/8" HOLE FROM 300 FT TO 333 FT FOR 33 FT @ 66 FT/HR.
0.5	WIRELINE SURVEY @ 300 FT 1/2 DEGREE
5	MIST DRILLED 7 7/8" HOLE FROM 333 FT TO 829 FT FOR 496 FT @ 99.2 FT/HR.
0.5	WIRELINE SURVEY @ 898 FT. 1 DEGREE
4.5	MIST FEILLED 7 7/8" HOLE FROM 829 FT TO 1,329 FT FOR 500 FT @ 111.2 FT/HR.
0.5	WIRELINE SURVEY @ 1,298 FT. 1 DEGREE
1.5	MIST DRILLED 7 7/8" HOLE FROM 1,329 FT TO 1,470 FT FOR 141 FT @ 94 FT/HR.
23	

Remarks

Daily Cost: 8 5/8" Casing \$ 2,364 - Casing Head \$ 1,801 - Location, Pit Liner & Conductor \$ 14,675 - Surface hole \$ 7,940 - Elenburg \$ 19,567 - Salaries \$ 2,140 - Rentals \$ 5 - M-I (KCL) \$ 797 - 8 5/8" Float equipment \$ 250 - Dowell (Cmt. 8 5/8") \$ 2,510 - Water \$ 500 - Other Cost \$ 2,955
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Report: 2	Date: 07/07/2000	TD: 3590	DSS: 43	Activity: MIST DRILLING 7 7/8" HOLE
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Hours	Work Description
0	NO ACCIDENTS OR NEAR MISS REPORTED. SAFETY MEETING TOPICS ON BOP DRILLS & CONNECTION GAS.
3	MIST DRILLED 7 7/8" HOLE FROM 1,470 FT TO 1,829 FT FOR 359 FT @ 119.6 FT/HR.
0.5	WIRELINE SURVEY @ 1,798 FT. 1 DEGREE
5.5	MIST DRILLED 7 7/8" HOLE FROM 1,829 FT TO 2,329 FT FOR 500 FT @ 90.1 FT/HR.
0.5	WIRELINE SURVEY @ 2,289 FT. 1 DEGREE
4	MIST DRILLED 7 7/8" HOLE FROM 2,329 FT TO 2,831 FT FOR 502 FT @ 125.5 FT/HR.
0.5	WIRELINE SURVEY @ 2,789 FT. 3 1/4 DEGREES
3.5	MIST DRILLED 7 7/8" HOLE FROM 2,831 FT TO 3,210 FT FOR 379 FT @ 108 FT/HR.
0.5	WIRELINE SURVEY @ 3,180 FT. 2 1/4 DEGREES.
6	MIST DRILLED 7 7/8" HOLE FROM 3,210 FT TO 3,530 FT FOR 320 FT @ 53.4 FT/HR. 2,100 SCFM AIR, 14 BPH WATER, 1.5 GPH SOAP. 80% 250PSI
24	

Remarks

Daily Cost : Elenburg \$ 35,008 - Salaries (TX) \$ 500 - (Callaway) \$ 640 - Rental \$ 5 - M-I (KCL) \$ 220 - Nielson (Water) \$ 580 - Pason \$ 780 - Contingency \$ 1,000

TEXACO UTAH FEDERAL "P" 11 - 72
 Denver Region Estimate: 400502

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WELL ACTIVITY REPORT
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Report: 3 Date: 07/08/2000 TD: 3560 DSS: 44 Activity: MOVING TO "T" 22 - 69

Hours	Work Description
0	NO ACCIDENTS & ONE NEAR MISS REPORTED. SAFETY MEETING TOPICS ON PROPER USE OF HAND TOOLS & RADITION.
0.5	MIST DRILLED 7 7/8" HOLE FROM 3,590 FT TO 3,560 FT FOR 30 FT.
1	BLOW HOLE CLEAN.
0.5	WIRELINE SURVEY & LOAD HOLE WITH 25 BBLs KOL WATER.
3.5	LAI D DOWN DRILL STRING.
7	RIGGED UP SCHLUMBERGER. RAN HIGH RESOLUTION PLATFROM EXPRESS LOG FROM 3,508 FT TO 3,050 FT & GR TO SURFACE. LOGGERS DEPTH 3,525 FT , FLUID LEVEL @ 1,300 FT. 2ND RUN DSI FROM 3,525 FT TO 3,000 FT. RIGGED DOWN SCHLUMBERGER.
3	RIGGED UP & RAN 79 JTS OF 5 1/2", 17#, N-80, LTC CASING TO 3,560 FT. FLOAT COLLAR @ 3,511 FT, MARKER JOINT @ 3,131 FT & CENTRALIZERS ON FIRST THREE JOINTS & EVERY OTHER JOINT FROM 3,131 FT FOR A TOTAL OF 12.
1	RECIPROCATED CASING & CIRCULATED THE HOLE CAPACITY PLUS 50%. NO RETURNS.
1	RIGGED UP DOWELL CEMENTING HEAD & CEMENTED 5 1/2" CASING WITH 175 SKS 10-1 RFC + 25#/SK D29. YIELD 1.61, DEN. 14.2 PPG , MIX WATER 7.9 GAL/SK. DISPLACED WITH 81.5 BBLs. BUMPED PLUG W/ 1,158 PSI @ 22:25 HR ON 7/7/00. NO RETURNS DURING JOB. PIPE STARTED STICKING PRIOR TO CEMENT LEAVING SHOE. HOLE PACKED OFF WITH 10 BBLs LEFT TO DISPLACE. MAX. LIFT PRESSURE 150 PSI.
2	RIGGED DOWN DOWELL. N/D BOPE. SET CASING SLIPS WITH 60M. RELEASED RIG @ 0:30 HRS ON 7/8/00.
18.5	

Remarks

Drilling Cost : Elenburg \$ 2,962 - Salaries (TX) \$ 500 - (Callaway) \$ 640 - Rental \$ 5 - Nielson (water) \$ 461 - Schlumberger \$ 10,879 - Gardiners (Empty Trash) \$ 120 - Contingency - \$ 1,000 Completion Cost: Redman (5 1/2" Casing) \$ 27,427 - Bunning (Trking of Casing) \$ 1,585 - Stricker's (Clean & Drift) \$ 1,230 - Dowell - \$ 3,516 - Gemoco (Float Equipment) \$ 622 - Nielson (Cementing Water) \$ 500 - Vetco (Tubing Head) \$ 4,575 (Service) \$ 528 ...

TEXACO UTAH FEDERAL "P" 3 - 74
 Denver Region Estimate: 400504

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Report: 3 Date: 07/05/2000 TD: 3825 DSS: 3 Activity: MOVING TO UTAH FED. "P" 11-72

Hours	Work Description
0	NO ACCIDENTS OR NEAR MISS REPORTED. SAFETY MEETING TOPICS ON SURVEYING & LOGGING.
4.5	MIST DRILLED 7 7/8" HOLE FROM 3,982 FT TO 3,625 FT FOR 233 FT @ 51.8 FT/HR.
1	BLOWING HOLE CLEAN.
0.5	WIRELINE SURVEY @ 3,611 FT. 2 1/4 DEGREE & LOAD HOLE WITH 25 BBLS KCL WATER.
3	LAI D DOWN DRILL STRING.
4	RIGGED UP SCHLUMBERGER. RAN PLATFORM EXPRESS LOG FROM 3,575 FT. FLUID LEVEL @ 3,250 FT. RIGGED DOWN SCHLUMBERGER.
3.5	RIGGED UP TO RUN CASING. MADE UP FLOAT SHOE, 1 JT 5 1/2" CASING, FLOAT COLLAR & RAN 3,624 FT OF 5 1/2", 17#, N-80, LTC CASING. TOTAL OF 82 JTS. FLOAT COLLAR @ 3,576 FT, MARKER JOINT @ 3,205 FT. CENTRALIZERS ON BOTTOM 3 JTS & EVERYOTHER JOINT ABOVE MARKER JOINT FOR 12 TOTAL.
1	PUMPED HOLE VOLUME PLUS 50% OF KCL WATER WHILE WORKING PIPE. NO RETURNS.
0.5	RIGGED UP DOWELL. TESTED LINES TO 2,000 PSI. STARTED TO MIX CEMENT. HYDRALIC HOSE BLEW ON MIXER.
4	WAITING ON REPLACEMENT PUMP TRUCK. WORKING PIPE EVERY 5 MINUTES TO KEEP FREE.
1	RIGGED UP PUMP TRUCK & CEMENTED 5 1/2" CASING WITH 175 SKS, 10-1 RFO + .25 #/SK D-29 (50 BBLS @ 14.2 PPG, YEILD 1.61, 7.9 GALS/SK MIX WATER, 1.5 HR THICKING TIME. DISPLACED WITH 83 BBLS WATER. PLUG DOWN @ 4:05 AM MST ON 7/5/00 WITH 1325 PSI. NO RETURNS DURING JOB.
1	RIGGED DOWN DOWELL. N/D BOPE & SET CASING SLIPS W/ 60,000 ON SLIPS.

Remarks

Daily Cost: 5 1/2" Casing \$ 27,912 - Production Head \$ 4,225 - Bunning Transfer (Delivered 5 1/2" Casing) \$ 2,300 - Elenburg \$ 6,263 - Salaries (TX) \$ 500 (Callaway) \$ 640 - Rentals \$ 40 - Dowell \$ 3,552 - Gemoco (Float Equipment) \$ 622 - Nielson (Drill water) \$ 661 (Cementing water) \$ 500 - Schlumberger \$ 7,835 - Stricker's (Clean, drift & check casing) \$ 1,610 - Vetco \$ 550 - Contingency \$ 1,000

TEXACO UTAH FEDERAL "P" 3 - 74
 Denver Region Estimate: 400504

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WELL ACTIVITY REPORT
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Report: 1 Date: 07/03/2000 TD: 1111 DSS: 1 Activity: MIST DRILLING 7 7/8" HOLE

Hours	Work Description
0	NO ACCIDENTS OR NEAR MISS REPORTED. SAFETY MEETING TOPICS ON USING CUTTING TORCH & HEARING PROTECTION.
1	MOVE RIG FROM UTAH FEDERAL "P" 3 - 75 TO UTAH FEDERAL "P" 3 - 74 . NOTIFIED MIKE KAMINSKI WITH THE BLM OF RIG MOVE & BOP TEST.
2	RIGGED UP ELENBURG RIG # 15.
2	NIPPLED UP BOPE.
2.5	RIGGED UP DOUBLE JACK TESTING. TESTED BOPE TO 250 PSI LOW & 2,000 PSI HIGH. TESTED CASING TO 1,500 PSI FOR 30 MINS. RIGGED DOWN DOUBLE JACK TESTING.
1	PICKED UP BIT #1 AND TRIPPED IN HOLE. TAGGED CEMENT @ 210 FT.
0.5	DRILLED CEMENT TO 300 FT.
0.5	WIRELINE SURVEY @ 271 FT. 1 DEGREE
7.5	MIST DRILLED 7 7/8" HOLE FROM 300 FT TO 829 FT FOR 529 FT @ 70.5 FT/HR.
0.5	WIRELINE SURVEY @ 797 FT. 1 1/2 DEGREES
2.6	MIST DRILLED 7 7/8" HOLE FROM 829 FT TO 1,111 FT FOR 282 FT @ 112.8 FT/HR. 2,100 SCFM W/ 12 BPH OF WATER & 1 GAL SOAP .

20

Remarks

Daily Cost: 9 5/8" Casing & Wellhead \$ 4,165 - Trucking \$ 265 - Location & Road \$ 16,552 - Surface Hole \$ 7,940 - Elenburg \$ 13,584 - Salaries \$ 2,140 - Rentals \$ 220 - M-I (KCL & Trking) \$ 683 - Cement & Float Equipment \$ 2,760 - Water \$ 545 - Double Jack Testing (Test BOPE) \$ 1,250 . Contingency \$ 1,000 - Other cost \$ 266

Report: 2 Date: 07/04/2000 TD: 3392 DSS: 2 Activity: MIST DRILLING 7 7/8" HOLE

Hours	Work Description
0	NO ACCIDENTS OR NEAR MISS REPORTED. SAFETY MEETING TOPICS ON UNLOADING CASING & SAFE WORK PRACTICS.
2	MIST DRILLED 7 7/8" HOLE FROM 1,111 FT TO 1,329 FT FOR 218 FT @ 109 FT/HR.
0.5	WIRELINE SURVEY @ 1299 FT. 2 DEGREES
5	MIST DRILLED 7 7/8" HOLE FROM 1,329 FT TO 1,980 FT FOR 531 FT @ 106.2 FT/HR.
0.5	WIRELINE SURVEY @ 1,828 FT. 1 DEGREE
4.5	MIST DRILLED 7 7/8" HOLE FROM 1,980 FT TO 2,361 FT FOR 501 FT @ 111.3 FT/HR.
0.5	WIRELINE SURVEY @ 2,329 FT. 1 DEGREE.
4.5	MIST DRILLED 7 7/8" HOLE FROM 2,361 FT TO 2,862 FT FOR 501 FT @ 111.3 FT/HR.
0.5	WIRELINE SURVEY @ 2,830 FT. 1 1/2 DEGREE
5	MIST DRILLED 7 7/8" HOLE FROM 2,862 FT TO 3,363 FT FOR 501 FT @ 100.2 FT/HR.
0.5	WIRELINE SURVEY @ 3,331 FT. 1 3/4 DEGREES.
0.5	MIST DRILLED 7 7/8" HOLE FROM 3,363 FT TO 3,392 FT FOR 29 FT @ 59 FT/ HR. MISTING W/ 2,100 SCFM AIR , 10 - 12 BBLS WATER PER/HR & 1 GAL SOAP PER/HR.

24

Remarks

Daily Cost: Elenburg \$ 35,207 - Salaries (TX) \$ 500 - (Callaway) \$ 640 - Rentals \$ 40 - M-I (KCL) \$ 500 - Pason \$ 780 - Contingency \$ 1,000 ...

TEXACO SWD # 3
 Denver Region Estimate: 400522

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WELL ACTIVITY REPORT
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Report: 31 Date: 06/30/2000 TD: 5590 DSS: 31 Activity: DRILLING 8 3/4" HOLE

Hours Work Description
 0 NO ACCIDENTS OR NEAR MISS REPORTED. SAFETY MEETING TOPICS ON ELECTRICAL HAZARDS & PROPER USE OF HAND TOOLS.
 4.5 DRILLED 8 3/4" HOLE FROM 5,284 FT TO 5,333 FT FOR 69 FT @ 15.4 FT/HR.
 0.5 RIG SERVICE.
 19 DRILLED 8 3/4" HOLE FROM 5,333 FT TO 5,580 FT FOR 257 FT @ 13.5 FT/HR.
 24

Remarks

Daily Cost: Patterson \$ 6,800 - Salaries (TX) \$ 500 (Callaway) \$ 640 - HWDP \$ 439 - Rentals \$ 739 - M-I Mud \$ 851 - Nielson (water) \$ 202 - Pason \$ 905 - Contingency \$ 1,000BGG = 10 - 20 Units , Conn. Gas = 10 Units over BGG , Trip Gas = 200 Units.

Report: 32 Date: 07/01/2000 TD: 5669 DSS: 32 Activity: DRILLING 8 3/4" HOLE

Hours Work Description
 0 NO ACCIDENTS OR NEAR MISS REPORTED. SAFETY MEETING TOPICS ON PROPER TOOL USE & PERSONEL HEALTH.
 8 DRILLED 8 3/4" HOLE FROM 5,580 FT TO 5,705 FT FOR 115 FT @ 14.4 FT/HR.
 0.5 WIRELINE SURVEY @ 5,665 FT. 2 1/4 DEGREE.
 15.5 DRILLED 8 3/4" HOLE FROM 5,705 FT TO 5,868 FT FOR 163 FT @ 10.5 FT/HR.
 24

Remarks

Daily Cost: Patterson \$ 6,800 - Salaries (TX) \$ 500 (Callaway) \$ 640 - HWDP \$ 439 - Rentals \$ 739 - M-I Mud \$ 916 - Pierce Oil (Diesel) \$ 3,661 - Pason Mud Loggers \$ 905 - Contingency \$ 1,000 BGG = 10 - 20 Units , Conn. Gas = 10 Units over BGG .

Report: 33 Date: 07/02/2000 TD: 6015 DSS: 33 Activity: DRILLING 8 3/4" HOLE

Hours Work Description
 0 NO ACCIDENTS OR NEAR MISS REPORTED. SAFETY MEETING TOPICS ON FIRST AID & TRIPPING HAZARDS.
 2.5 DRILLED 8 3/4" HOLE FROM 5,868 FT TO 5,891 FT FOR 23 FT @ 9.2 FT/HR.
 0.5 RIG SERVICE.
 12.5 DRILLED 8 3/4" HOLE FROM 5,891 FT TO 6,015 FT FOR 124 FT @ 9.9 FT/HR.
 4 DROPPED SURVEY & TRIPPED OUT OF HOLE FOR BIT.
 1 CHANGED OUT BAILS.
 3 MADE UP BIT # 8 & TRIPPED IN HOLE TO 5,970 FT.
 0.5 WASHED 45 FT TO BOTTOM @ 6,015 FT.
 24

Remarks

Daily Cost: Patterson \$ 6,800 - Smith (Bit # 8) \$ 6,000 - Salaries (TX) \$ 500 - (Callaway) \$ 640 - HWDP \$ 439 - Rentals \$ 744 - M-I Mud \$ 1,174 - Pason \$ 905 - Contingency \$ 1,000 BGG = 10 - 20 Units , Connection Gas = 10 Units over BGG ,

Report: 34 Date: 07/03/2000 TD: 6246 DSS: 34 Activity: DRILLING 8 3/4" HOLE

Hours Work Description
 0 NO ACCIDENTS OR NEAR MISS REPORTED. SAFETY MEETING TOPIOS ON MASTER CLUTCH & KEEPING WATER AWAY FROM ELECTRICAL EQUIPMENT.
 3 DRILLED 8 3/4" HOLE FROM 6,015 FT TO 6,046 FT FOR 31 FT @ 10.4 FT/HR.
 0.5 RIG SERVICE.
 20.5 DRILLING 8 3/4" HOLE FROM 6,046 FT TO 6,246 FT FOR 200 FT @ 9.7 FT/HR.
 24

Remarks

Daily Cost: Patterson \$ 6,800 - Salaries (TX) \$ 500 (Callaway) \$ 640 - HWDP \$ 439 - Rentals \$ 744 - M-I Mud \$ 803 - Pason \$ 905 - Contingency \$ 1,000 BGG 10 - 20 Units , Conn. Gas 10 Units over BGG , Trip Gas 250 Units

Report: 35 Date: 07/04/2000 TD: 6420 DSS: 35 Activity: DRILLING 8 3/4" HOLE

Hours Work Description
 0 NO ACCIDENTS OR NEAR MISS REPORTED. SAFETY MEETING TOPICS ON MIXING CHEMICALS & HOUSEKEEPING.
 3 DRILLED 8 3/4" HOLE FROM 6,246 FT TO 6,264 FT FOR 18 FT @ 6 FT/HR.
 0.5 RIG SERVICE
 12.5 DRILLED 8 3/4" HOLE FROM 6,264 FT TO 6,357 FT FOR 93 FT @ 7.5 FT/HR.
 0.5 WIRELINE SURVEY @ 6,312 FT. 3 DEGREES
 7.5 DRILLED 8 3/4" HOLE FROM 6,357 FT TO 6,420 FT FOR 63 FT @ 8.4 FT/HR.
 24

Remarks

Daily Cost: Patterson \$ 6,800 - Salaries (TX) \$ 500 (Callaway) \$ 640 - HWDP \$ 439 - Rentals \$ 744 - M-I Mud \$ 1,822 - Nielson (Water) \$ 680 - Pason \$ 905 - Western Chemical (Corrosion Protection) \$ 1,540 - Contingency \$ 1,000 BGG 10 - 20 Units , Conn. Gas 20 Units over BGG

TEXACO SWD # 3
 Denver Region Estimate: 400522

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Report: 36 Date: 07/06/2000 TD: 6589 DSS: 36 Activity: DRILLING 8 3/4" HOLE

Hours	Work Description
0	NO ACCIDENTS OR NEAR MISS REPORTED. SAFETY MEETING TOPICS ON CATHEADS & TIE OFFS.
3.5	DRILLED 8 3/4" HOLE FROM 6,420 FT TO 6,451 FT FOR 31 FT @ 8.8 FT/HR.
0.5	RIG SERVICE.
15	DRILLED 8 3/4" HOLE FROM 6,451 FT TO 6,589 FT FOR 138 FT @ 9.2 FT/HR.
5	TRIP FOR BIT # 9 @ 6,589 FT.
24	

Remarks
 Daily Cost: Patterson \$ 6,800 - HTC (Bit # 9) \$ 6,500 - Salaries (TX) \$ 500 (Callaway) \$ 640 - HWDP \$ 439 - Rentals \$ 744 - M-I Mud \$ 1,227 - Pason \$ 905 - Contingency \$ 1,000 ... BGG 10 - 20 Units , Conn. Gas 20 Unit over BGG.

Report: 37 Date: 07/06/2000 TD: 6882 DSS: 37 Activity: DRILLING 8 3/4" HOLE

Hours	Work Description
0	NO ACCIDENTS OR NEAR MISS REPORTED. SAFETY MEETING TOPICS ON PPE & EMERGENCY KILL SWITCH.
0.5	WASHED LAST 40 FT TO BOTTOM.
10.5	DRILLED 8 3/4" HOLE FROM 6,589 FT TO 6,728 FT FOR 139 FT @ 13.3 FT/HR.
0.5	RIG SERVICE.
12.5	DRILLED 8 3/4" HOLE FROM 6,728 FT TO 6,892 FT FOR 164 FT @ 13.1 FT/HR.
24	

Remarks
 Daily Cost: Patterson \$ 6,800 - Salaries (TX) \$ 500 (Callaway) \$ 640 - HWDP \$ 439 - Rentals \$ 744 - M-I Mud \$ 996 - Nielson (Water) \$ 528 - Pierce Oil (Diesel) \$ 3,441 - Pason \$ 905 - Contingency \$ 1,000 ... BGG 10 - 20 Units , Conn. Gas 20 Units over BGG , Trip Gas 250 Units.

Report: 38 Date: 07/07/2000 TD: 7288 DSS: 38 Activity: TRIPPING IN HOLE

Hours	Work Description
0	NO ACCIDENTS OR NEAR MISS REPORTED. SAFETY MEETING TOPICS ON DO'S & DON'TS , FIRE HAZZARDS.
10	DRILLED 8 3/4" HOLE FROM 6,892 FT TO 7,097 FT FOR 205 FT @ 20.5 FT/HR.
0.5	RIG SERVICE
0.5	DRILLED 8 3/4" HOLE FROM 7,097 FT TO 7,128 FT FOR 31 FT @ 62 FT/HR.
1	CIRCULATED & WIRELINE SURVEY @ 7,083 FT. 3 DEGREES
5.5	DRILLED 8 3/4" HOLE FROM 7,128 FT TO 7,208 FT FOR 80 FT @ 14.5 FT/HR.
4.5	TRIPPED OUT OF HOLE, CHANGED BIT & TRIPPED IN HOLE TO 3,000 FT.
1	SLIP & CUT DRILL LINE.
1	CONTINUED TRIP IN HOLE.
24	

Remarks
 Patterson \$ 6,800 - Salaries (TX) \$ 500 (Callaway) \$ 640 - HWDP \$ 439 - Rentals \$ 744 - M-I Mud \$ 999 - Nielson (Water) \$ 326 - Pason \$ 905 - Contingency \$ 1,000 ... BGG = 10 - 20 Units , Conn. Gas 20 Unit over BGG , Top of Navajo 7,089 ft.

Report: 39 Date: 07/08/2000 TD: 7465 DSS: 39 Activity: DRILLING 8 3/4" HOLE

Hours	Work Description
0	NO ACCIDENTS OR NEAR MISS REPORTED. SAFETY MEETING TOPICS ON SMOKING AREAS & EQUIPMENT.
1	CONTINUED TRIP IN HOLE.
1	WASHED 100 FT & REAMED 50 FT TO BOTTOM. UNDER GAUGE HOLE LAST 50 FT.
14	DRILLED 8 3/4" HOLE FROM 7,208 FT TO 7,489 FT FOR 281 FT @ 17.9 FT/HR.
6.5	SLUG PIPE, DROP TOTCO & TRIP FOR BIT.
0.5	WASH 81 FT TO BOTTOM. OK
1	DRILLED 8 3/4" HOLE TO 7,485 FT FOR 6 FT.
24	

Remarks
 Daily Cost: Patterson \$ 6,800 - Salaries (TX) \$ 500 (Callaway) \$ 640 - HWDP \$ 439 - Rentals \$ 744 - M-I Mud \$ 689 - Pierce Oil (Diesel) \$ 1,840 - Pason \$ 905 - Gardiner (Empty Trash) \$ 120 - Contingency \$ 1,000 ... BGG 10 to 20 Units , Conn. Gas 20 Units over BGG & Trip Gas 300 Units

TEXACO SWD # 3
 Denver Region Estimate: 400522

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WELL ACTIVITY REPORT
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Report: 40 Date: 07/09/2000 TD: 7593 DSS: 40 Activity: RIGGING DOWN SCHLUMBERGER

Hours Work Description
 0 NO ACCIDENTS OR NEAR MISS REPORTED. SAFETY MEETING TOPICS ON CHANGING TONG DIES & THINKING SAFE.
 9.5 DRILLED 8 3/4" HOLE FROM 7,465 FT TO 7,562 FT FOR 97 FT @ 10.2 FT/HR.
 1 RIG SERVICE & REPLACED SWIVEL PACKING.
 3.5 DRILLED 8 3/4" HOLE FROM 7,562 FT TO 7,593 FT FOR 31 FT @ 8.9 FT/HR.
 2 CIRCULATED HOLE CLEAN FOR LOGGING.
 3 TRIP OUT OF HOLE.
 5 RIGGED UP SCHLUMBERGER. RAN PLATFORM EXPRESS FROM TD TO BOTTOM OF 9 5/8" CASING, GR TO SURFACE. LOGGERS DEPTH 7,613 FT. RIGGING DOWN SCHLUMBERGER.

Remarks

Daily Cost: Patterson \$ 6,800 - Salaries (TX) \$ 500 - (Callaway) \$ 640 - HWDP \$ 439 - Rentals \$ 744 - M-I Mud \$ 351 - Nielson (Water) \$ 195 - Pason \$ 805 - Contingency \$ 1,000

Report: 41 Date: 07/10/2000 TD: 7593 DSS: 41 Activity: CEMENTING 7" CASING

Hours Work Description
 0 NO ACCIDENTS OR NEAR MISS REPORTED. SAFETY MEETING TOPICS ON PINCH POINTS, PPE & RUNNING CASING.
 0.5 RIGGED DOWN SCHLUMBERGER WIRELINE.
 1 WORKING ON DRAW WORKS BRAKES.
 3.5 TRIPPED IN HOLE TO BOTTOM. OK
 2 CIRCULATED HOLE CLEAN FOR CASING & RIGGED UP WESTATES LAY DOWN MACHINE.
 6.5 LAID DOWN DRILL STRING.
 1 SAFETY MEETING, RIGGED UP WESTATES CASING TOOLS.
 6 RAN 169 JTS 7", 23#, N-90, LTC CASING TO 7,593 FT. FLOAT SHOE @ 7,593 FT, FLOAT COLLAR @ 7,500 FT & DV TOOL @ 6,510 FT. CENTRALIZERS ON EVERY THIRD JOINT UP TO 4,541 FT. 23 TOTAL.
 0.5 INSTALLED DOWELL CEMENTING HEAD.
 2 CIRCULATED HOLE CLEAN PRIOR TO CEMENTING.
 1 CEMENTING 7" CASING .

Remarks

Daily Cost: Patterson \$ 6,500 - Salaries (TX) \$ 500 (Callaway) \$ 640 - HWDP \$ 439 - Rentals \$ 744 - M-I Mud \$ 525 - Schlumberger \$ 15,761 - Contingency \$ 1,000 ... Completion Cost: 7" Casing \$ 58,760 - C & Y Transportation (Delivered 7" Casing) \$ 4,000 - Stricker's (Clean, Drift & Visual 7" Casing) \$ 2,786 - Gardiner's (Tack Casing Collars) \$ 50

Report: 42 Date: 07/11/2000 TD: 7593 DSS: 42 Activity: CLEANING MUD PITS

Hours Work Description
 0 NO ACCIDENTS OR NEAR MISS REPORTED. SAFETY MEETING TOPICS ON WEARING SAFETY HARNESSSES & TIE OFF.
 1.5 FINISHED FIRST STAGE CEMENT JOB. DROPPED BOMB OPENED DV TOOL.
 3 CIRCULATING MUD BETWEEN CEMENT STAGES.
 1.5 CEMENTED SECOND STAGE AS FOLLOWS 30 BBLs CHEMICAL WASH, 10 BBLs WATER, 230 BBLs 11 PPG LEAD (CLASS G + 12% D20 + 1% D79 + .5 % D112 + .2% D46 + .25 # / SK D29) , 47 BBLs 14.2 TAIL (CLASS G + .25 #/SK D29) . DROPPED PLUG & DISPLACED WITH 257 BBLs WATER. PLUG DOWN @ 12:05 HRS MST ON 7/10/00 WITH 1,600 PSI. RELEASED PRESSURE OK.
 4.5 WELL FLOWING 2" STREAM AFTER PLUG BUMP. MONITOR FLOW THROUGH CHOKE MANIFOLD SLOWLY DROPPED TO 4 GPM. SHUT IN BUILT TO 20 PSI IN 30 MINS. DETERMINED TO BE FLUID FLOW BACK.
 2 NIPPLED DOWN BOPE. SET 7" CASING SLIPS WITH 130M ON SLIPS.
 6.5 MADE ROUGHT OUT ON 7" CASING. BROKE DOWN BOP'S AND LAID OUT.
 2 INSTALL 11" 3M BY 7 1/16" 5M VETCO TCM PRODUCTION HEAD. TESTED TO 3,000 PSI.
 3 WASHING RIG MUD TANKS.

Remarks

Daily Cost:Nielson (water) \$ 1,097- Western Chemical (Corrosion Protection) \$ 770 - Completion Cost: Patterson \$ 6,800 - Salaries (TX) \$ 500 - (Callaway) \$ 640 - Rentals \$ 285 - Westatec (P/U Machine) \$ 6,810 (Casing Crew) \$ 7,570 - Weatherford (Float Equipment) \$ 3,707 (Service) \$ 1,733 - Dowell \$ 15,193 - Contingency \$ 1,000 ...



TEXACO

FAX TRANSMITTAL COVER SHEET

NOTE: DO NOT USE BLUE OR RED INK OR PENCIL ON THIS FORM. THEY WILL NOT REPRODUCE

DATE: 7-11-00 URGENT ROUTINE NO. OF PAGES 12

MESSAGE TO: Mr Gil Hunt

TELEPHONE NO. 801/538-5297 FAX MACHINE NO. 801/359-3940

DEPT./DIV./SUBS. _____

LOCATION _____ ROOM NO. _____

MESSAGE FROM: Jane Collins / Texaco Drilling

TELEPHONE NO. 303/293-4840 FAX MACHINE NO. 303/293-4920

DEPT./DIV./SUBS. _____

LOCATION _____ ROOM NO. _____

SENDING DEPT. APPROVAL _____ TIME TRANSMITTED _____

RETURN ORIGINAL VIA INTER-OFFICE MAIL RETURN ORIGINAL CALL SENDER TO PICK UP

ADDITIONAL COMMENTS:

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN for such Proposals.

1. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER:	5. Lease Designation and Serial Number: FEE
2. Name of Operator: QUINEX ENERGY CORPORATION	6. If Indian, Allottee or Tribe Name: FEE
3. Address and Telephone Number: 465 SOUTH 200 WEST, SUITE 300, BOUNTIFUL, UTAH 84010	7. Unit Agreement Name: FEE
4. Location of Well: 1547' FSL, 1749' FEL. Section 7, T 2 S, R 2 W Footages: QQ, Sec., T., R., M.: same	8. Well Name and Number: DAVID
	9. AP Well Number: 3-7B2 49-013-32149
	10. Field and Pool, or Wildcat: BLUEBELL
	County: DUCHESNE State: UTAH

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

NOTICE OF INTENT (Submit in Duplicate)	SUBSEQUENT REPORT (Submit Original Form Only)
<input type="checkbox"/> Abandon <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input type="checkbox"/> Multiple Completion <input type="checkbox"/> Other _____	<input type="checkbox"/> Abandon * <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input checked="" type="checkbox"/> Other <u>MILL OUT PACKER</u>
<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Recomplete <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off
Approximate date work will start _____	Date of work completion <u>18 August 2003</u>
	Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form. * Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

Tried to pull packer, unable to release grips. Mille out Packer and replaced it with a Baker Double Grip Packer with Pump Cavity. Set Packer @ 11,873'.

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OCT 01 2003
DIV. OF OIL, GAS & MINING

13.
Name & Signature: DeForrest Smouse DeForrest Smouse, PhD Title: President Quinex Energy Date: 9/29/ 2003

(This space for State use only)

From: "Mike Hebertson" <mike@quinexenergy.com>
To: <CAROLDANIELS@UTAH.GOV>
Date: 8/20/2008 4:03 PM
Subject: Well Information Changes
Attachments: Wells Stat Sheet.xls

The attached spreadsheet contains corrections to Quinex wells that will help update your files

43 013 32149
David 3-7B2
2S 2W 7

RECEIVED

AUG 20 2008

DIV. OF OIL, GAS & MINING

QUINCY ENERGY CORP

API Well Number	Well Name	County	Qtr/Qtr	Sec	T-R	Ft. NS	NS	Ft. EW	EW	Well Status	Well Type
43-047-31889	ALLRED 2-32A1E	Uintah	SESW	32	1S-1E	660	S	1521	W	POW	Oil Well
43-047-31713	BOWEN-BASTIAN 1-14A1	Uintah	SESW	14	1S-1W	398	S	2030	W	POW	Oil Well
43-013-32162	BRITTANY 4-12A3	Duchesne	C-NE	12	1S-3W	1320	N	1320	E	POW	Oil Well
43-047-31695	CHASEL-SPROUSE 1-18A1E	Uintah	SWNW	18	1S-1E	1516	N	804	W	POW	Oil Well
43-047-31711	CMS 1-13A1	Uintah	NENW	13	1S-1W	1300	N	1530	W	POW	Oil Well
43-047-39983	D.C. FED 1-11	Uintah	NENE	11	11S-20E	839	N	650	E	Permit	Gas Well
43-047-39982	D.C. FED 2-11	Uintah	NENE	11	11S-20E	829	N	621	E	Permit	Gas Well
43-013-32149	DAVID 3-7B2	Duchesne	NWSE	7	2S-2W	1547	S	1749	E	POW	Oil Well
43-047-31874	DEEP CREEK 2-19A2E	Uintah	NWSW	19	1S-2E	2421	S	980	W	POW	Oil Well
43-013-32787	DS FED 3-23	Duchesne	NWSW	23	9S-17E	1986	N	612	W	SI	Oil Well
43-047-39196	HELEN FED 1-26	Uintah	SWNW	26	9S-17E	1367	N	721	W	New Permit	Oil Well
43-047-39195	JANS FED 1-25	Uintah	NWNW	25	9S-17E	660	N	660	W	Permit	Oil Well
43-013-32789	JDC FED 4-23	Duchesne	SWSW	23	9S-17E	600	S	661	W	SI	Oil Well
43-013-31248	JODIE 3-36A3	Duchesne	NWNE	36	1S-3W	752	N	1662	E	POW	Oil Well
43-013-32786	JODIE FED 1-23	Duchesne	NWNW	23	9S-17E	563	N	832	W	POW	Oil Well
43-047-39198	JOELYN FED 1-27	Uintah	CNNW	27	9S-17E	660	N	1320	W	New Permit	Oil Well
43-013-31216	JOHN 2-7B2	Duchesne	NWNW	7	2S-2W	484	N	671	W	POW	Oil Well
43-013-31882	JOHN CHASEL 3-6A2	Duchesne	SWSE	6	1S-2W	660	S	1400	E	SI	Oil Well
43-013-33617	JSW FED 2-26	Duchesne	NWNW	26	9S-17E	660	N	660	W	POW	Oil Well
43-013-33618	JW FED 2-27	Duchesne	NENE	27	9S-17E	656	N	705	E	Permit	Oil Well
43-047-31828	LESLIE TAYLOR 24-5	Uintah	SWNW	24	1S-1W	2450	N	1260	W	POW	Oil Well
43-013-32788	LFW FED 2-23	Duchesne	SWNW	23	9S-17E	1980	N	661	W	POW	Oil Well
43-047-31714	MALNAR-PIKE 1-17A1E	Uintah	SWSW	17	1S-1E	660	S	660	W	POW	Oil Well
43-013-31247	MERLENE 2-36A3	Duchesne	SESE	36	1S-3W	1040	S	1100	E	SI	Oil Well
43-047-31390	MICHELLE UTE 7-1	Uintah	NESW	7	1S-1E	1539	S	2439	W	POW	Oil Well
43-013-30381	UTE TRBL 11-6A2	Duchesne	SENW	6	1S-2W	2227	N	1561	W	POW	Oil Well
43-047-31591	REDCAP J D C 30-4-1A	Uintah	NWNW	30	1S-2E	876	N	669	W	SI	Oil Well
43-047-31653	SAM HOUSTON 24-4	Uintah	NWSE	24	1S-1W	1350	S	1400	E	POW	Oil Well
43-013-32129	SASHA 4-6A2	Duchesne	SWSW	6	1S-2W	660	S	660	W	SI	Oil Well
43-047-31940	EINERSON 1-4B1E	Uintah	SWSW	4	2S-1E	1056	S	795	W	POW	Oil Well
43-013-32131	TRISTAN 5-6A2	Duchesne	NWNW	6	1S-2W	660	N	660	W	POW	Oil Well
43-047-30127	UINTAH-SAM 28-2R	Uintah	NESW	28	1N-1E	2111	S	1847	W	POW	Oil Well
43-013-30042	UTE TRIBAL U 2-12A3	Duchesne	SWSW	12	1S-3W	1322	S	1325	W	SI	Oil Well
43-047-33179	WADE COOK 2-14A1	Uintah	NWNW	14	1S-1W	705	N	662	W	POW	Oil Well
43-047-31845	MARY R. U. 278	Uintah	NWSE	13	1S-1W	1971	S	2072	E	POW	Oil Well

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DIV. OF OIL, GAS & MINING

Field Name	Surface	Mineral	UTM E	UTM N	Elev. GR	Elev. KB	TD	PBTD
BLUEBELL	Fee	Fee	592565	4466702	5362	5383	12750	12743
BLUEBELL	Fee	Fee	587831	4471387	5610	5634	14055	13982
BLUEBELL	Indian	Indian	570808	4473805	6532	6553	15790	15782
BLUEBELL	Fee	Fee	590665	4472468	5571	5595	14300	14300
BLUEBELL	Fee	Fee	589279	4472503	5608	5622	14200	14161
HILL CREEK	Federal	Federal	616404	4415106	5095			
HILL CREEK	Federal	Federal	616412	4415109	5087			
BLUEBELL	Fee	Fee	572323	4463431	5848	5869	13527	13523
BLUEBELL	Fee	Fee	600377	4470560	5392	5418	13900	13859
MONUMENT BUTTE	Federal	Federal	587015	4429669	5224	5238	5800	5280
UNDESIGNATED	Federal	Federal	587054	4428648	5290			
8 MILE FLAT NORTH	Federal	Federal	588644	4428882	5290			
MONUMENT BUTTE	Federal	Federal	587029	4429265	5260	5272	5700	5700
BLUEBELL	Indian	Indian	570762	4467531	6302	6324	14145	14019
MONUMENT BUTTE	Federal	Federal	587065	4430504	5192	5204	6001	5967
UNDESIGNATED	Federal	Federal	585635	4428865	5312			
BLUEBELL	Indian	Indian	571502	4464416	5922	5943	14030	13994
BLUEBELL	Indian	Indian	572320	4474433	6455	5477	15878	15877
UNDESIGNATED	Federal	Federal	587033	4428863	5280	5298	5607	5606
UNDESIGNATED	Federal	Federal	586617	4428863	5282			
BLUEBELL	Fee	Fee	589220	4470543	5497	5518	14022	13990
MONUMENT BUTTE	Federal	Federal	587019	4430071	5226	5242	5655	5419
BLUEBELL	Fee	Fee	592230	4471526	5502	5523	14403	13470
BLUEBELL	Indian	Indian	570933	4466471	6259	6280	13860	13860
BLUEBELL	Indian	Indian	591145	4473399	5617	5643	14711	14638
BLUEBELL	Indian	Indian	571672	4475277	6639	6663	16800	13780
BLUEBELL	Indian	Indian	600302	4469555	5344	5369	13550	13510
BLUEBELL	Fee	Fee	590012	4470087	5460	5483	13865	13826
BLUEBELL	Indian	Indian	571441	4474432	6533	6554	15830	15828
BLUEBELL	Fee	Fee	593962	4465212	5274	5293	12833	12804
BLUEBELL	Indian	Indian	571397	4475754	6646	6657	16782	16747
ROBIDOUX	Indian	Indian	594136	4478438	5892	5917	16000	15345
BLUEBELL	Indian	Indian	570014	4473004	6467	6483	15700	15693
BLUEBELL	Fee	Fee	587414	4472656	5699	5720	14212	14150
BLUEBELL	Indian	Indian	589788	4471891	5555	5576	16998	13914

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DIV. OF OIL, GAS & MINING

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
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 Oil Well	8. WELL NAME and NUMBER: DAVID 3-7B2	
2. NAME OF OPERATOR: QUINEX ENERGY CORP	9. API NUMBER: 43013321490000	
3. ADDRESS OF OPERATOR: 465 South 200 West , Bountiful, UT, 84010	PHONE NUMBER: 801 292-3800 Ext	9. FIELD and POOL or WILDCAT: BLUEBELL
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1547 FSL 1749 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSE Section: 07 Township: 02.0S Range: 02.0W Meridian: U	COUNTY: DUCHESNE	
		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 checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 5/23/2011 <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<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 type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input 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 checked="" 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="Notice of Incident"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.		
<p>New tanks to replace the two lost to a lightning caused fire will be installed the week of May 30 thru June 6 2011. Also see the attached notice of incident and full explanation of the fire and damage caused.</p> <p style="text-align: right;">Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY</p>		
NAME (PLEASE PRINT) K. Michael Hebertson	PHONE NUMBER 801 292-3800	TITLE Geologist
SIGNATURE N/A	DATE 5/24/2011	

Notice of Incident
David 3-7B2 43-013-32149
Section 7, T2S, R2W

Quinex Energy Operator of the John 2-7B2 well respectfully submits the following report of a lightning strike that hit the tank battery on the David Well.

Quinex Energy: 801-292-3800
23 May 2011 3:10 PM
43-013-32149 David 3-7B2
Same as well name

NW SE, Section 7, Township 2 South, Range 2 West, Duchesne County, Utah

572323 East 4463431 North 40.32017 LAT -110.14877 Long
Fee Surface

This incident was a lightning strike followed by a fire that burned Oil stored in the tank. The tank had just been gauged and was ready to be shipped. At the time of the fire there were 18 feet 1 ½ inches or 363.44 BBLS. **NO OIL WAS SPILLED. ALL OF IT REMAINED IN THE TANK.** The lightning ruptured the top of the tank and the fire burned for about an hour through the hole in the top of the tank. See the photos.

Volume Lost Was: ±50 BBLS Produced Water Lost: 0 Gas Lost: 0

Volume Recovered: None was spilled therefore there was none to recover.

The lightning strike was witnessed by the Pumper for MC Oil who had just finished preparing the tank for purchase. He was about ¾ of a mile from location at the time of the incident and saw the fire start just after the lightning hit the tank. He called the local fire department and then notified Quinex personnel of the incident. It took about an hour and 20 minutes to control the fire and have the tank secured. The Oil storage tank and the Power Water Tank were both compromised and will have to be replaced. The lightning strike was a force majeure type of incident and was not a result of any actions by Quinex, its employees or contractors.

The cleanup of the incident will involve removing the remaining Oil from the damaged tank, placing it in the undamaged tank, recycling it back through the treater and preparing it for sale. Two new tanks will be purchased to replace those damaged by the fire and place the well back on production.

K. Michael Hebertson President
mike@quinexenergy.com 24 May 2011







STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9	
SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE	
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 Oil Well	8. WELL NAME and NUMBER: DAVID 3-7B2		
2. NAME OF OPERATOR: QUINEX ENERGY CORP	9. API NUMBER: 43013321490000		
3. ADDRESS OF OPERATOR: 465 South 200 West , Bountiful, UT, 84010	PHONE NUMBER: 801 292-3800 Ext	9. FIELD and POOL or WILDCAT: BLUEBELL	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1547 FSL 1749 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSE Section: 07 Township: 02.0S Range: 02.0W Meridian: U	COUNTY: DUCHESNE		
		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 checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 5/24/2011 <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<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 type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input 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 checked="" 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="Notice of Incident"/>
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.			
<p>A lightning strike at the Tank Battery on this location 23 May 2011 cause a fire in the number two Oil storage tank. The fire damaged the Power Water tank and both tanks will be replaced during the week of May 30 2011. See the Accepted by the Utah Division of Oil, Gas and Mining attached report for the full report of Incident.</p> <p style="text-align: right;">FOR RECORD ONLY</p>			
NAME (PLEASE PRINT) K. Michael Hebertson	PHONE NUMBER 801 292-3800	TITLE Geologist	
SIGNATURE N/A	DATE 5/24/2011		

Notice of Incident
David 3-7B2 43-013-32149
Section 7, T2S, R2W

Quinex Energy Operator of the John 2-7B2 well respectfully submits the following report of a lightning strike that hit the tank battery on the David Well.

Quinex Energy: 801-292-3800
23 May 2011 3:10 PM
43-013-32149 David 3-7B2
Same as well name

NW SE, Section 7, Township 2 South, Range 2 West, Duchesne County, Utah

572323 East 4463431 North 40.32017 LAT -110.14877 Long
Fee Surface

This incident was a lightning strike followed by a fire that burned Oil stored in the tank. The tank had just been gauged and was ready to be shipped. At the time of the fire there were 18 feet 1 ½ inches or 363.44 BBLS. **NO OIL WAS SPILLED. ALL OF IT REMAINED IN THE TANK.** The lightning ruptured the top of the tank and the fire burned for about an hour through the hole in the top of the tank. See the photos.

Volume Lost Was: ± 95 BBLS Produced Water Lost: 0 Gas Lost: 0

Volume Recovered: None was spilled therefore there was none to recover.

The lightning strike was witnessed by the Pumper for MC Oil who had just finished preparing the tank for purchase. He was about ¾ of a mile from location at the time of the incident and saw the fire start just after the lightning hit the tank. He called the local fire department and then notified Quinex personnel of the incident. It took about an hour and 20 minutes to control the fire and have the tank secured. The Oil storage tank and the Power Water Tank were both compromised and will have to be replaced. The lightning strike was a force majeure type of incident and was not a result of any actions by Quinex, its employees or contractors.

The cleanup of the incident will involve removing the remaining Oil from the damaged tank, placing it in the undamaged tank, recycling it back through the treater and preparing it for sale. Two new tanks will be purchased to replace those damaged by the fire and place the well back on production.

K. Michael Hebertson President
mike@quinexenergy.com 24 May 2011







STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
1. TYPE OF WELL Oil Well	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: QUINEX ENERGY CORP	7. UNIT or CA AGREEMENT NAME:
3. ADDRESS OF OPERATOR: 465 South 200 West , Bountiful, UT, 84010	8. WELL NAME and NUMBER: DAVID 3-7B2
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1547 FSL 1749 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSE Section: 07 Township: 02.0S Range: 02.0W Meridian: U	9. API NUMBER: 43013321490000
5. PHONE NUMBER: 801 292-3800 Ext	9. FIELD and POOL or WILDCAT: BLUEBELL
	COUNTY: DUCHESNE
	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: 8/25/2014	<input checked="" 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 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 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.

Quinex Energy Corporations is proposing to pull the production tubing and BHA, reperforate and acid treat the existing perforations from 12,012' to 13,053' with 6600 gallons of 15% HCL, then put the well back on production.

Approved by the
August 28, 2014
Oil, Gas and Mining

Date: _____
 By: D. K. Quin

NAME (PLEASE PRINT) Brad Wells	PHONE NUMBER 435 823-5323	TITLE Field Office Manager
SIGNATURE N/A	DATE 8/27/2014	