

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

FORM 3
AMENDED REPORT

| | | | | | | |
|---|-------------------|--|----------------|---|--------------|-----------------|
| APPLICATION FOR PERMIT TO DRILL | | | | 1. WELL NAME and NUMBER GCF 32-22H-11-15 | | |
| 2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/> | | | | 3. FIELD OR WILDCAT UNDESIGNATED | | |
| 4. TYPE OF WELL Gas Well Coalbed Methane Well: NO | | | | 5. UNIT or COMMUNITIZATION AGREEMENT NAME GATE CANYON | | |
| 6. NAME OF OPERATOR GASCO PRODUCTION COMPANY | | | | 7. OPERATOR PHONE 303 483-0044 | | |
| 8. ADDRESS OF OPERATOR 8 Inverness Dr. East, Suite 100, Englewood, CO, 80112 | | | | 9. OPERATOR E-MAIL jlongwell@gascoenergy.com | | |
| 10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) UTU-76811 | | 11. MINERAL OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/> | | 12. SURFACE OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/> | | |
| 13. NAME OF SURFACE OWNER (if box 12 = 'fee') | | | | 14. SURFACE OWNER PHONE (if box 12 = 'fee') | | |
| 15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee') | | | | 16. SURFACE OWNER E-MAIL (if box 12 = 'fee') | | |
| 17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN') | | 18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/> | | 19. SLANT VERTICAL <input type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input checked="" type="checkbox"/> | | |
| 20. LOCATION OF WELL | FOOTAGES | QTR-QTR | SECTION | TOWNSHIP | RANGE | MERIDIAN |
| LOCATION AT SURFACE | 2306 FNL 2030 FEL | SWNE | 22 | 11.0 S | 15.0 E | S |
| Top of Uppermost Producing Zone | 1784 FNL 1878 FWL | SENW | 27 | 11.0 S | 15.0 E | S |
| At Total Depth | 1784 FNL 1878 FWL | SENW | 27 | 11.0 S | 15.0 E | S |
| 21. COUNTY DUCHESNE | | 22. DISTANCE TO NEAREST LEASE LINE (Feet) 2030 | | 23. NUMBER OF ACRES IN DRILLING UNIT 1440 | | |
| | | 25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 3000 | | 26. PROPOSED DEPTH MD: 19462 TVD: 15834 | | |
| 27. ELEVATION - GROUND LEVEL 6827 | | 28. BOND NUMBER UT-1233 | | 29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 41-3530 | | |

ATTACHMENTS

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

| | |
|--|--|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN |
| <input type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE) | <input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER |
| <input type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED) | <input checked="" type="checkbox"/> TOPOGRAPHICAL MAP |

| | | |
|---|--|--------------------------------------|
| NAME Roger Knight | TITLE EHS Supervisor | PHONE 303 996-1803 |
| SIGNATURE | DATE 01/25/2010 | EMAIL rknight@gascoenergy.com |
| API NUMBER ASSIGNED 4301350228000 | APPROVAL  Permit Manager | |

| Proposed Hole, Casing, and Cement | | | | | | |
|--|------------------|--------------------|-----------------|--------------------|--|--|
| String | Hole Size | Casing Size | Top (MD) | Bottom (MD) | | |
| Cond | 17.5 | 13.375 | 0 | 350 | | |
| Pipe | Grade | Length | Weight | | | |
| | Grade H-40 ST&C | 40 | 48.0 | | | |
| | | | | | | |

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| Proposed Hole, Casing, and Cement | | | | | | |
|--|------------------|--------------------|-----------------|--------------------|--|--|
| String | Hole Size | Casing Size | Top (MD) | Bottom (MD) | | |
| Surf | 12.25 | 9.625 | 0 | 3500 | | |
| Pipe | Grade | Length | Weight | | | |
| | Grade P-110 LT&C | 40 | 47.0 | | | |
| | | | | | | |

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| Proposed Hole, Casing, and Cement | | | | | | |
|--|---------------------------|--------------------|-----------------|--------------------|--|--|
| String | Hole Size | Casing Size | Top (MD) | Bottom (MD) | | |
| I1 | 8.5 | 7 | 0 | 14770 | | |
| Pipe | Grade | Length | Weight | | | |
| | Grade Q-125 Casing/Tubing | 40 | 32.0 | | | |
| | | | | | | |

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| Proposed Hole, Casing, and Cement | | | | | | |
|--|--------------------|--------------------|-----------------|--------------------|--|--|
| String | Hole Size | Casing Size | Top (MD) | Bottom (MD) | | |
| Prod | 6 | 4.5 | 0 | 19462 | | |
| Pipe | Grade | Length | Weight | | | |
| | Grade HCP-110 LT&C | 40 | 13.5 | | | |
| | | | | | | |

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**Gasco Production Company
 Gate Canyon 32-22H-11-15
 SW/NE, Section #22, Township11S, Range15E
 Duchesne, Utah
 Lease No. UTU- #76811**

ONSHORE OIL & GAS ORDER NO. 1

Drilling Program

1. Estimated Tops of Important Geological Markers

| Formation | Depth | Subsea |
|------------------|--------------|---------------|
| Green River | Surface | |
| Wasatch | 3,652' | 3,200' |
| Mesaverde | 7,782' | -930' |
| Castlegate | 10,312' | -3,460' |
| Blackhawk | 10,572' | -3,720' |
| Spring Canyon | 11,532' | -4,680' |
| Mancos | 11,849' | -8,882' |
| Dakota Silt | 15,734' | -8,982' |
| TD | 15,834' | |

Confidential - Tight Hole

2. Estimated Depth of Anticipated Water, Oil, Gas or Mineral Formations

| Substance | Formation | Depth |
|------------------|------------------|-------------------------|
| Gas | Wasatch | 3,400' - 7,782' |
| Gas | Mesaverde | 7,782' - 10,312' (TVD) |
| Gas | Blackhawk | 10,572' - 11,849' (TVD) |
| Gas | Mancos | 11,849' - 15,834' |

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

3. Pressure Control Equipment

All well control equipment will be in accordance to Onshore Order No. 2 for 5M Systems and are as follows:

- 10,000# BOP with 4 ½" Pipe Rams
- 10,000# BOP with Blind Rams
- 5,000# Annular

Ram type preventers and associated equipment shall be tested to the approved stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a

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test plug, if a decline on pressure of more than 10 percent in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Pressure Control Equipment Continued

Annular type preventers (if used) shall be tested to 50 percent of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. when initially installed;
- b. whenever any seal subject to test pressure is broken
- c. following related repairs; and
- d. at 30 day intervals

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) the check valve shall be held open or the ball removed.

Annular preventers shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more that once a day.

A BPOPE pit level drill shall be conducted weekly for each drilling crew.

Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log.

BOP systems shall be consistent with API RP 53 Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling cement plugs.

The District Office will be notified, with sufficient lead time, in order to have a BLM representative on location during testing.

- a. The size and rating of the BOP stack is shown on the attached diagram. Although a rig has not yet been chosen to drill this well, most of the equipment for this depth will utilize 5M working BOP.
- b. A choke line and kill line are to be properly installed. The kill line is not to be used as a

fill-up line.

c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.

d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.

4. Proposed Casing and Cementing Program

a. The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones abnormally pressured zones and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation which will contain the maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors including: presence/absence of hydrocarbons, fracture gradients, usable water zones, formation pressures, lost circulation zones, other minerals, or other unusual characteristics. All indications of usable water shall be reported.

b. Casing Program

| | <u>Depth</u> | <u>Hole Size</u> | <u>O.D.</u> | <u>Grade</u> | <u>Type</u> |
|------------------|--------------|------------------|-------------|--------------|-------------|
| Conductor | 350 | 17.5 | 13.375 | H-40 | ST&C |
| Surface | 3,500 | 12.25 | 9.625 | P-110 | LT&C |
| Intermediate | 14,770 | 8.5 | 7.0 | Q-125 | LT&C |
| Production Liner | 19,462 | 6.0 | 4.5 | HCP-110 | LT&C |

c. Casing design subject to revision based on geologic conditions encountered.

d. Cement Program

| | <u>Est. Top of Cement</u> | <u>Cement Type</u> | <u>Quantity</u> | <u>Yield</u> | <u>Supply Wt.</u> |
|------------------|---------------------------|--------------------|-----------------|--------------|-------------------|
| Conductor | Surface | Type V | 467 | 1.18 | 15.6 |
| Surface | Surface | Hi-Lift | 406 | 3.91 | 11 |
| | | 10-2 RFC | 185 | 1.63 | 14.2 |
| Intermediate | 2500' | Hi-lift | 523 | 3.05 | 11.5 |
| | 2500' | 50/50 poz | 762 | 1.28 | 14.1 |
| Production Liner | See Attached Diagram | | | | |

e. Anticipated cement tops will be reported as to depth; not the expected number of sacks of cement to be used. The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.

f. After cementing but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the driller's log.

g. The following reports shall be filed with the District Manager within 30 days after the work is completed.

1. Progress reports, form 3160-5 "Sundry Notices and Reports on Wells", must include complete information concerning:

- a. Setting of each string of casing, showing the size, grade, weight of casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing, depth of cementing tools used, casing test method and results, and the date work was done. Show the spud date on the first reports submitted.
- b. Temperature or bond log must be submitted for each well where the casing cement was not circulated to the surface.

h. Auxiliary equipment to be used is as follows:

- 1. Kelly cock
- 2. A bit float
- 3. A sub with full opening valve.

5. Drilling Fluids Program:

| <u>Interval</u> | <u>Type</u> | <u>Wt. (ppg)</u> | <u>Viscosity</u> | <u>pH</u> | <u>Water Loss</u> | <u>Remarks</u> |
|-----------------|-------------|------------------|------------------|-----------|-------------------|----------------|
| 0-350' | Fresh Water | 8.33 | 1 | 7 | NA | |
| 350'-3,500' | Fresh Water | 8.33 | 1 | 7 | NA | |
| 3,500'- 14,770' | Fresh Water | 8.33 -12 | 30-40 | 8 | 12-20 | |
| 14,770'-19,462' | Oil Based | 12.0-12.5 | 30 – 40 | 8 | 12-20 | |

a. Sufficient quantities of mud material will be maintained on site or be readily available for the purpose of assuring well control. SPR will be recorded on a daily drilling report after mudding up. Visual mud monitoring will be conducted during operations.

b. No chromate additives will be used in the mud system on Federal lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

c. No chemicals subject to reporting under SARA Title III in an amount equal 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.

d. The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

6. Evaluation Program

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The anticipated type and amount of testing, logging and coring are as follows:

a. No drill stem tests are anticipated, if DST's are run, the following requirements will be adhered to:

Initial opening of the drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer (AO). However, DST's may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e. lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping shall not begin before daylight, unless prior approval is obtained from the AO. Closed chamber DST's may be accomplished day or night.

A DST that flows to the surface with evidence of hydrocarbons shall be either reversed out of the testing string under controlled surface conditions. This would involve provided means for reverse circulation.

Separation equipment required for the anticipated recovery shall be properly installed before a test starts.

All engines within 100 feet of the wellbore that are required to "run" during the test shall have spark arresters or water cooled exhausts.

b. The logging program will consist of Schlumberger Platform Express (or equivalent) to be run from base of surface casing to TD.

c. No cores are anticipated.

d. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted no later than 30 days after the completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well tested data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

e. The anticipated completion program is as follows: Perform multistage fracs and complete all productive zones present in the wellbore. Produce all zones commingled.

f. Daily drilling and completion progress reports shall be submitted to the BLM in Vernal on a weekly basis.

7. Abnormal Temperatures and Pressures

a. The expected bottom hole pressure is 8862 psi. The maximum bottom hole temperature anticipated is 265.86 degrees Fahrenheit.

b. No hydrogen sulfide gas is anticipated. Abnormal pressures will be controlled with mud weight and 10,000# BOP and rotating head.

8. Anticipated Starting Dates and Notifications of Operations

a. Drilling is anticipated to commence immediately upon approval

b. It is anticipated that the drilling of this well will take approximately 55 days.

c. The BLM in Vernal, Utah shall be notified of the anticipated date of location construction and anticipated spud date.

d. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior to approval from the AO will be obtained and notification given before resuming operations.

e. The spud date will be reported orally to the AO within 48 hours of spudding. If the spudding occurs on a weekend or holiday, the report will be submitted via voice mail and/or e-mail to the AO.

f. In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6 "Monthly Report Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed with Vernal BLM Office, 170 South 500 East, Vernal, Utah, 84078.

g. Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual or undesirable events shall be reported promptly to the AO in accordance with the requirements of NTL-3A or its revision.

h. If a replacement rig is contemplated for completion operations, a "Sundry Notice" Form 3160-5 to that effect will be filed, or prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

i. Should the well be successfully completed for production, the AO will be notified when the well is placed on producing status. Written notification, e-mail or otherwise, will be sent no later than 5 days following the date on which the well is placed on production.

j. Pursuant to Onshore Order No. 7, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.

k. Pursuant to NTL-4A lessees or operators are authorized to vent/flare gas during initial well evaluation test, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day authorized test period.

l. A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9.d.), shall be submitted to the BLM, Vernal Field Office within 60 days of installation or first production whichever

occurs first. All site security regulations as specified in Onshore Order No.3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b.4.).

m. A first production conference will be scheduled within 15 days after receipt of the first production notice.

n. No well abandonment operations will commence without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5 will be filed within 30 days following the completion of the well for abandonment. The report will indicate where plugs were placed and the current status of the surface restoration. Final abandonment will not be approved until the surface reclamation work has been completed to the satisfaction of the AO.

o. Pursuant to Onshore Oil and Gas Order No.1, lessees and operators have the responsibility of operating in a manner which conforms with the applicable Federal laws and regulations and with the State and local laws and regulations to the extent that such laws are applicable to operations on Federal lands.

Bureau of Land Management
170 South 500 East
Vernal, Utah 84078

Phone: (435)781-4400

Fax: (435)781-4410

After Hours:

Michael Lee Petroleum Engineer (435)828-4470

Matt Baker Petroleum Engineer (435)828-7875

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**GASCO PRODUCTION COMPANY
GATE CANYON FEDERAL #32-22H-11-15
LOCATED IN DUCHESNE COUNTY, UTAH
SECTION 22, T11S, R15E, S.L.B.&M.**

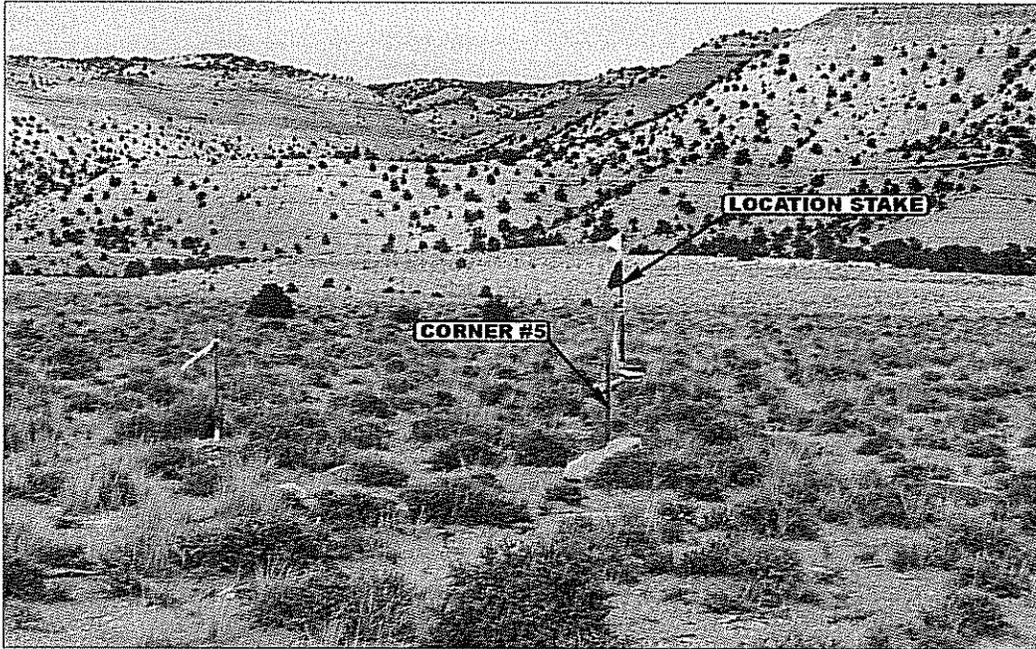


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHWESTERLY



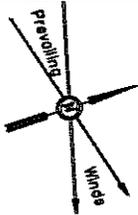
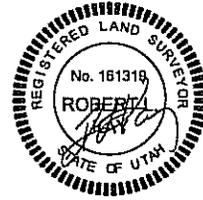
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

| | | | | |
|-----------------|-------------------|-----|------|-------|
| LOCATION PHOTOS | 10 | 27 | 09 | PHOTO |
| TAKEN BY: GS. | MONTH | DAY | YEAR | |
| DRAWN BY: J.H. | REVISED: 00-00-00 | | | |

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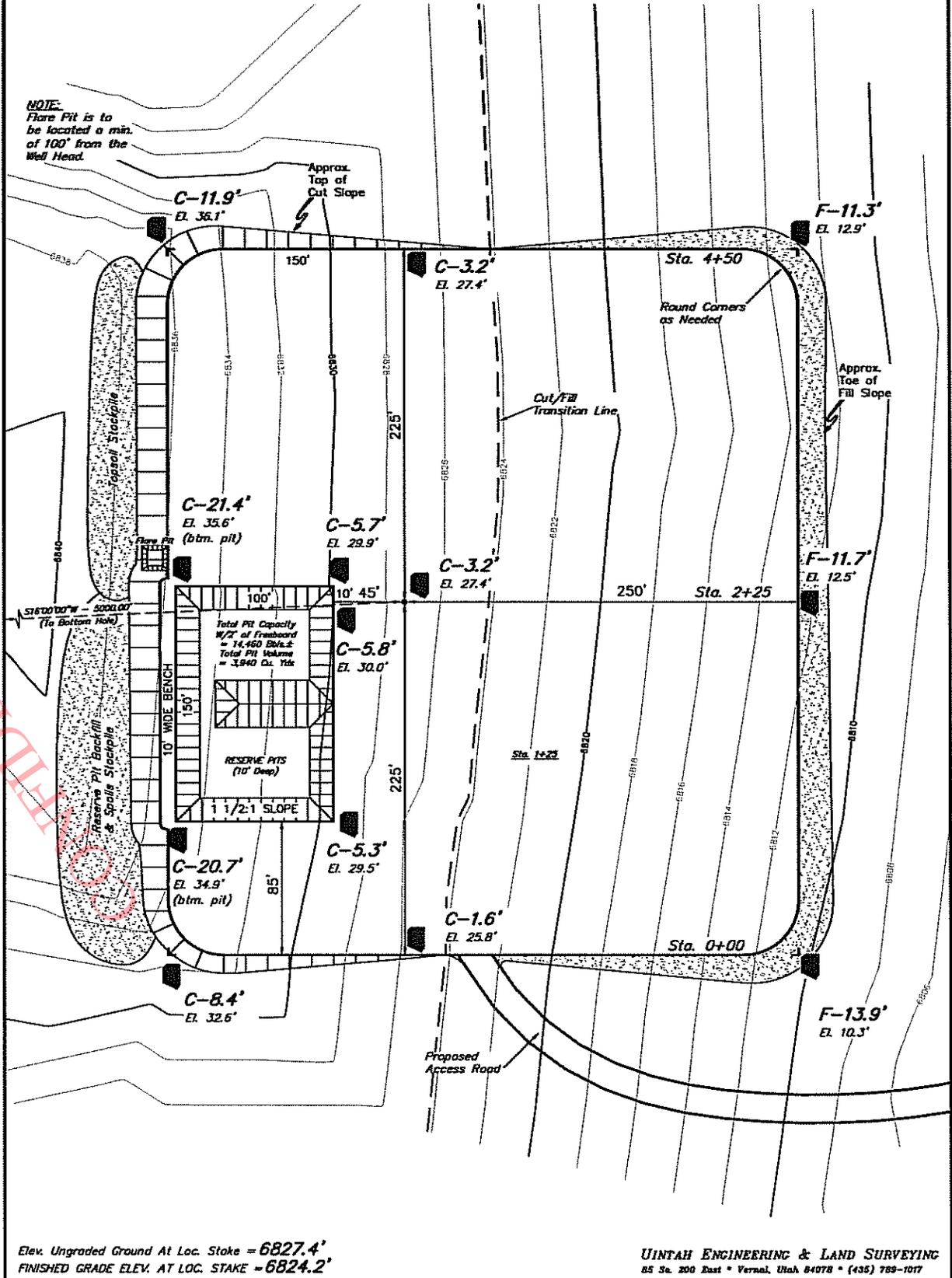
GASCO PRODUCTION COMPANY
LOCATION LAYOUT FOR
GATE CANYON FEDERAL #32-22H-11-15
SECTION 22, T11S, R15E, S.L.B.&M.
2306' FNL 2030' FEL

FIGURE #1



SCALE: 1" = 60'
 DATE: 10-25-09
 DRAWN BY: L.K.

NOTE:
 Flare Pit is to be located a min. of 100' from the Well Head.



Elev. Ungraded Ground At Loc. Stake = 6827.4'
 FINISHED GRADE ELEV. AT LOC. STAKE = 6824.2'

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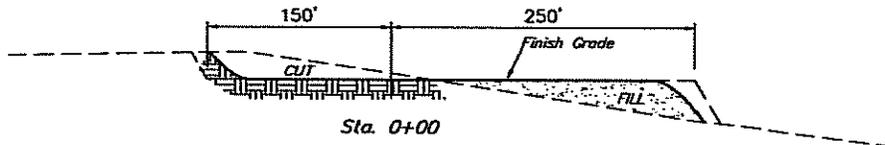
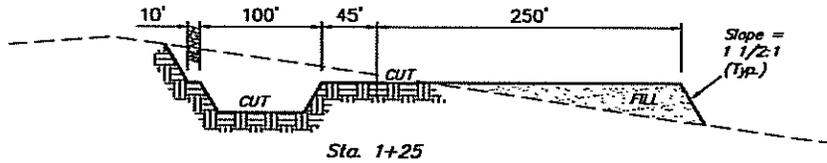
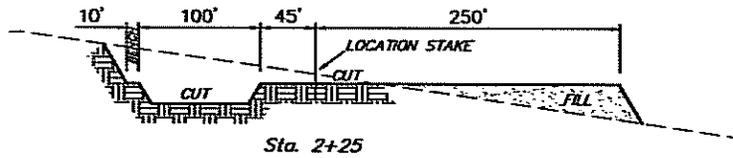
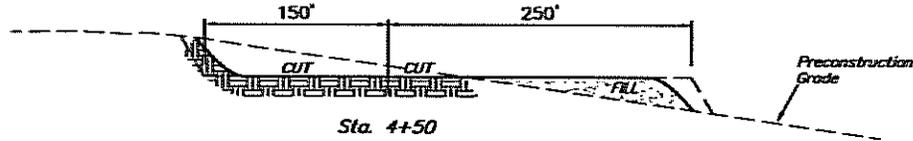
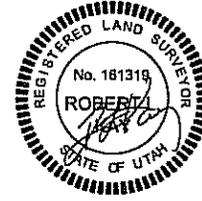
'APIWellNo:43013502280000'

GASCO PRODUCTION COMPANY

TYPICAL CROSS SECTION FOR
 GATE CANYON FEDERAL #32-22H-11-15
 SECTION 22, T11S, R15E, S.L.B.&M.
 2306' FNL 2030' FEL

FIGURE #2

X-Section
 Scale
 1" = 100'
 DATE: 10-26-09
 DRAWN BY: LJK



NOTE:
 Topsoil should not be Stripped Below Finished Grade on Substructure Area.

APPROXIMATE ACREAGES
 WELL SITE DISTURBANCE = ± 5.077 ACRES
 ACCESS ROAD DISTURBANCE = ± 1.375 ACRES
 PIPELINE DISTURBANCE = ± 1.440 ACRES
 TOTAL = ± 7.892 ACRES

*** NOTE:**
 FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping = 3,880 Cu. Yds.
 Remaining Location = 25,370 Cu. Yds.
TOTAL CUT = 29,250 CU.YDS.
FILL = 23,400 CU.YDS.

EXCESS MATERIAL = 5,850 Cu. Yds.
 Topsoil & Pit Backfill = 5,850 Cu. Yds.
 (1/2 Pit Vol.)
 EXCESS UNBALANCE = 0 Cu. Yds.
 (After Interim Rehabilitation)

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 85 So. 200 East • Vernal, Utah 84078 • (435) 788-1017

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GASCO PRODUCTION COMPANY

TYPICAL RIG LAYOUT FOR

GATE CANYON FEDERAL #32-22H-11-15

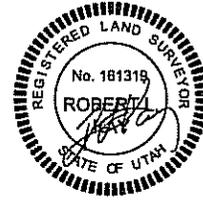
SECTION 22, T11S, R15E, S.L.B.&M.

2306' FNL 2030' FEL

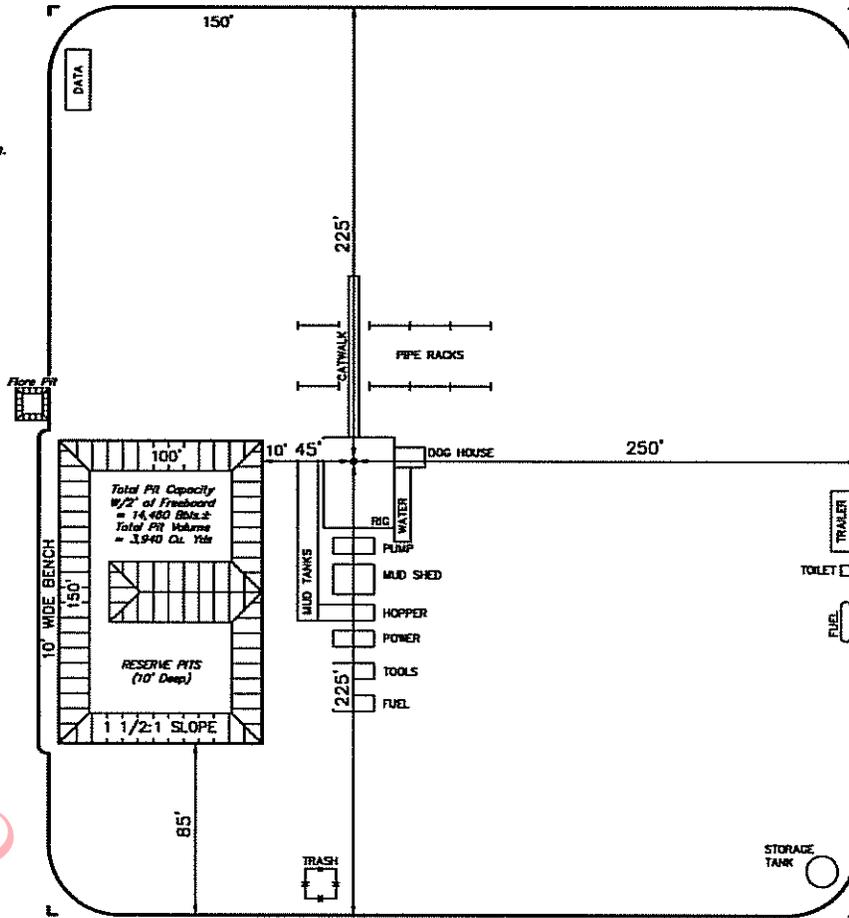
FIGURE #3



SCALE: 1" = 60'
DATE: 10-26-09
DRAWN BY: L.K.



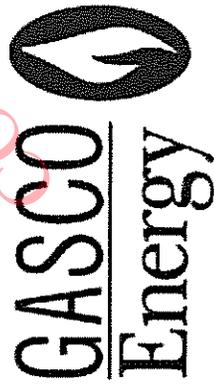
NOTE:
Flare Pit is to be located a min. of 100' from the Well Head.



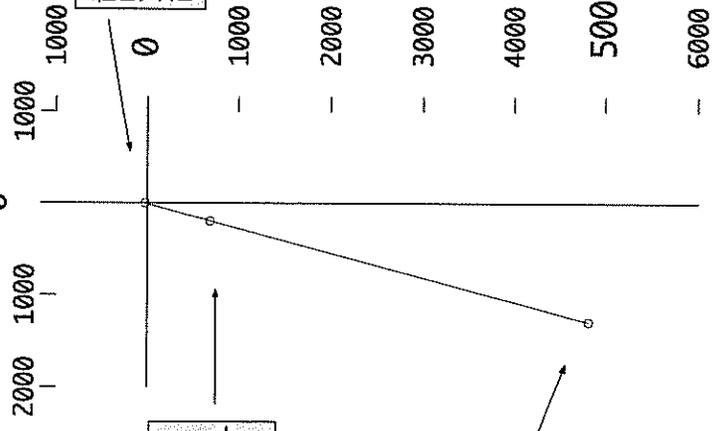
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'APIWellNo:43013502280000'

Gasco Production Company
Gate Canyon Federal #32-22H
Duchesne County, Utah



Horizontal Plan
1" = 2000'



Surface Location
Lat: 39° 50' 36.84"
Long: 110° 13' 06.59"
Y=7114321.17
X=2000215.57
NAD 83

Proposed Landing
728.7' Displacement from S/L
@ 194.96° Azimuth from S/L
South-704.01', West-188.05' of S/L
TVD-14770 MD-15191'
Y=7113617.2', X=2000027.5'

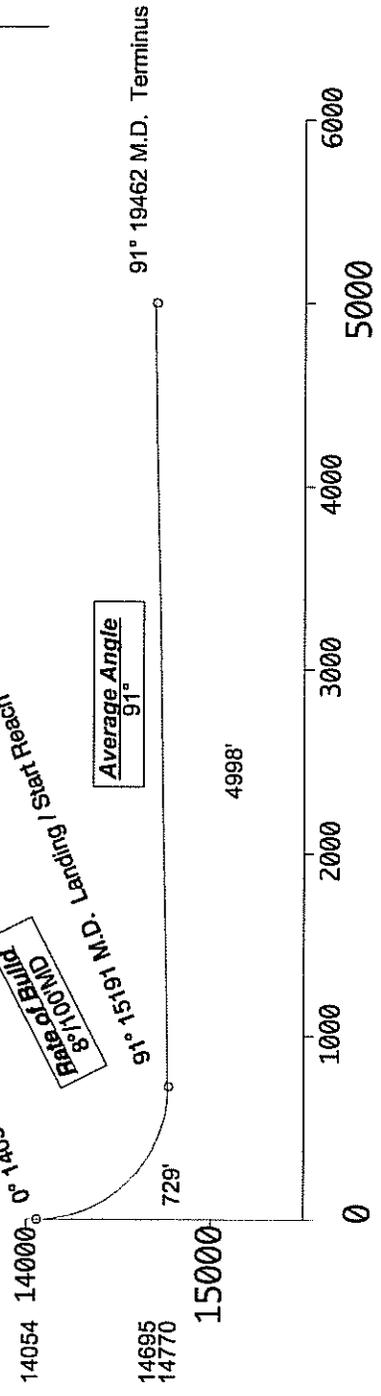
Proposed BHL
4998.21' Displacement from S/L
@ 194.96° Azimuth from S/L
South-4828.92', West-1289.84' of S/L
TVD-14695' MD-19462'
Y=7109492.3', X=1998925.7

Plane of Proposal
194.95° Azimuth

Vertical Section
1" = 1000'

Base of Build
8° 10' 00" M.D. KCP - Start Build

0° 14054 M.D. KCP - Start Build
8° 10' 00" M.D. Landing / Start Reach
Average Angle 91°



Denver, Colorado
303-463-1919
11-24-2009

Bighorn Directional, Inc.

| | | |
|--|---|---|
| Gasco Production Company Gate Canyon Federal #32-22H Duchesne County, Utah |  <p style="font-size: small;">Bighorn Directional Incorporated 305-243-1515</p> | Page: 1 Radius of Curvature Slot Location: 7114321.17', 2000215.57' Plane of Vertical Section: 194.96° |
|--|---|---|

| Measured Depth Feet | Bore Inc Degrees | Hole Direction Degrees | True Vertical Depth Feet | RECTANGULAR COORDINATES | | LAMBERT COORDINATES | | Vertical Section Feet | CLOSURES | | Dogleg Severity Deg/100' | |
|---------------------|------------------|------------------------|--------------------------|-------------------------|------------------|---------------------|-----------|-----------------------|---------------|---------------|--------------------------|--|
| | | | | North(-South) Feet | East(-West) Feet | Y Feet | X Feet | | Distance Feet | Direction Deg | | |
| 14053.91 | 0.00 | 194.96 | 14053.91 | 0.00 | 0.00 | 7114321.2 | 2000215.6 | 0.00 | 0.00 | 0.00 | 0.00 | |
| KOP - Start Build | | | | | | | | | | | | |
| 14083.91 | 2.40 | 194.96 | 14083.90 | -0.61 | -0.16 | 7114320.6 | 2000215.4 | 0.63 | 0.63 | 194.96 | 8.00 | |
| 14113.91 | 4.80 | 194.96 | 14113.84 | -2.43 | -0.65 | 7114318.7 | 2000214.9 | 2.51 | 2.51 | 194.96 | 8.00 | |
| 14143.91 | 7.20 | 194.96 | 14143.68 | -5.46 | -1.46 | 7114315.7 | 2000214.1 | 5.65 | 5.65 | 194.96 | 8.00 | |
| 14173.91 | 9.60 | 194.96 | 14173.35 | -9.69 | -2.59 | 7114311.5 | 2000213.0 | 10.03 | 10.03 | 194.96 | 8.00 | |
| 14203.91 | 12.00 | 194.96 | 14202.82 | -15.12 | -4.04 | 7114306.1 | 2000211.5 | 15.65 | 15.65 | 194.96 | 8.00 | |
| 14233.91 | 14.40 | 194.96 | 14232.02 | -21.74 | -5.81 | 7114299.4 | 2000209.8 | 22.50 | 22.50 | 194.96 | 8.00 | |
| 14263.91 | 16.80 | 194.96 | 14260.92 | -29.53 | -7.89 | 7114291.6 | 2000207.7 | 30.57 | 30.57 | 194.96 | 8.00 | |
| 14293.91 | 19.20 | 194.96 | 14289.45 | -38.49 | -10.28 | 7114282.7 | 2000205.3 | 39.84 | 39.84 | 194.96 | 8.00 | |
| 14323.91 | 21.60 | 194.96 | 14317.56 | -48.59 | -12.98 | 7114272.6 | 2000202.6 | 50.29 | 50.29 | 194.96 | 8.00 | |
| 14353.91 | 24.00 | 194.96 | 14345.22 | -59.82 | -15.98 | 7114261.4 | 2000199.6 | 61.92 | 61.92 | 194.96 | 8.00 | |
| 14383.91 | 26.40 | 194.96 | 14372.36 | -72.16 | -19.27 | 7114249.0 | 2000196.3 | 74.69 | 74.69 | 194.96 | 8.00 | |
| 14413.91 | 28.80 | 194.96 | 14398.94 | -85.59 | -22.86 | 7114235.6 | 2000192.7 | 88.59 | 88.59 | 194.96 | 8.00 | |
| 14443.91 | 31.20 | 194.96 | 14424.92 | -100.08 | -26.73 | 7114221.1 | 2000188.8 | 103.59 | 103.59 | 194.96 | 8.00 | |
| 14473.91 | 33.60 | 194.96 | 14450.25 | -115.61 | -30.88 | 7114205.6 | 2000184.7 | 119.66 | 119.66 | 194.96 | 8.00 | |
| 14503.91 | 36.00 | 194.96 | 14474.88 | -132.15 | -35.30 | 7114189.0 | 2000180.3 | 136.78 | 136.78 | 194.96 | 8.00 | |
| 14533.91 | 38.40 | 194.96 | 14498.78 | -149.67 | -39.98 | 7114171.5 | 2000175.6 | 154.92 | 154.92 | 194.96 | 8.00 | |
| 14563.91 | 40.80 | 194.96 | 14521.89 | -168.14 | -44.91 | 7114153.0 | 2000170.7 | 174.04 | 174.04 | 194.96 | 8.00 | |
| 14593.91 | 43.20 | 194.96 | 14544.18 | -187.54 | -50.09 | 7114133.6 | 2000165.5 | 194.11 | 194.11 | 194.96 | 8.00 | |
| 14623.91 | 45.60 | 194.96 | 14565.62 | -207.81 | -55.51 | 7114113.4 | 2000160.1 | 215.10 | 215.10 | 194.96 | 8.00 | |
| 14653.91 | 48.00 | 194.96 | 14586.15 | -228.94 | -61.15 | 7114092.2 | 2000154.4 | 236.97 | 236.97 | 194.96 | 8.00 | |
| 14683.91 | 50.40 | 194.96 | 14605.75 | -250.88 | -67.01 | 7114070.3 | 2000148.6 | 259.68 | 259.68 | 194.96 | 8.00 | |
| 14713.91 | 52.80 | 194.96 | 14624.38 | -273.59 | -73.08 | 7114047.6 | 2000142.5 | 283.19 | 283.19 | 194.96 | 8.00 | |
| 14743.91 | 55.20 | 194.96 | 14642.02 | -297.04 | -79.34 | 7114024.1 | 2000136.2 | 307.45 | 307.45 | 194.96 | 8.00 | |
| 14773.91 | 57.60 | 194.96 | 14658.62 | -321.18 | -85.79 | 7114000.0 | 2000129.8 | 332.44 | 332.44 | 194.96 | 8.00 | |
| 14803.91 | 60.00 | 194.96 | 14674.16 | -345.97 | -92.41 | 7113975.2 | 2000123.2 | 358.10 | 358.10 | 194.96 | 8.00 | |

Bighorn Directional, Inc.

Gasco Production Company
 Gate Canyon Federal #32-22H
 Duchesne County, Utah



Page: 2
 Radius of Curvature
 Slot Location: 7114321.17', 2000215.57'
 Plane of Vertical Section: 194.96°

| Measured Depth Feet | BORE Inc Degrees | HOLE Direction Degrees | True Vertical Depth Feet | RECTANGULAR COORDINATES | | LAMBERT COORDINATES | | Vertical Section Feet | CLOSURES | | Dogleg Severity Deg/100' |
|---|------------------|------------------------|--------------------------|-------------------------|------------------|---------------------|-----------|-----------------------|---------------|---------------|--------------------------|
| | | | | North(-South) Feet | East(-West) Feet | Y Feet | X Feet | | Distance Feet | Direction Deg | |
| 14833.91 | 62.40 | 194.96 | 14688.61 | -371.37 | -99.19 | 7113949.8 | 2000116.4 | 384.39 | 384.39 | 194.96 | 8.00 |
| 14863.91 | 64.80 | 194.96 | 14701.95 | -397.33 | -106.13 | 7113923.8 | 2000109.4 | 411.26 | 411.26 | 194.96 | 8.00 |
| 14893.91 | 67.20 | 194.96 | 14714.15 | -423.80 | -113.20 | 7113897.4 | 2000102.4 | 438.66 | 438.66 | 194.96 | 8.00 |
| 14923.91 | 69.60 | 194.96 | 14725.19 | -450.75 | -120.40 | 7113870.4 | 2000095.2 | 466.55 | 466.55 | 194.96 | 8.00 |
| 14953.91 | 72.00 | 194.96 | 14735.06 | -478.12 | -127.71 | 7113843.1 | 2000087.9 | 494.88 | 494.88 | 194.96 | 8.00 |
| 14983.91 | 74.40 | 194.96 | 14743.73 | -505.86 | -135.12 | 7113815.3 | 2000080.5 | 523.60 | 523.60 | 194.96 | 8.00 |
| 15013.91 | 76.80 | 194.96 | 14751.19 | -533.93 | -142.62 | 7113787.2 | 2000073.0 | 552.65 | 552.65 | 194.96 | 8.00 |
| 15043.91 | 79.20 | 194.96 | 14757.42 | -562.28 | -150.19 | 7113758.9 | 2000065.4 | 582.00 | 582.00 | 194.96 | 8.00 |
| 15073.91 | 81.60 | 194.96 | 14762.43 | -590.86 | -157.82 | 7113730.3 | 2000057.8 | 611.57 | 611.57 | 194.96 | 8.00 |
| 15103.91 | 84.00 | 194.96 | 14766.19 | -619.61 | -165.50 | 7113701.6 | 2000050.1 | 641.33 | 641.33 | 194.96 | 8.00 |
| 15133.91 | 86.40 | 194.96 | 14768.70 | -648.49 | -173.22 | 7113672.7 | 2000042.4 | 671.23 | 671.23 | 194.96 | 8.00 |
| 15163.91 | 88.80 | 194.96 | 14769.95 | -677.45 | -180.95 | 7113643.7 | 2000034.6 | 701.20 | 701.20 | 194.96 | 8.00 |
| 15191.41 | 91.00 | 194.96 | 14770.00 | -704.01 | -188.05 | 7113617.2 | 2000027.5 | 728.70 | 728.70 | 194.96 | 8.00 |
| Landing / Start Reach | | | | | | | | | | | |
| 15691.41 | 91.00 | 194.96 | 14761.27 | -1187.01 | -317.06 | 7113134.2 | 1999898.5 | 1228.62 | 1228.62 | 194.96 | 0.00 |
| 16191.41 | 91.00 | 194.96 | 14752.55 | -1670.00 | -446.07 | 7112651.2 | 1999769.5 | 1728.54 | 1728.54 | 194.96 | 0.00 |
| 16691.41 | 91.00 | 194.96 | 14743.82 | -2152.99 | -575.08 | 7112168.2 | 1999640.5 | 2228.47 | 2228.47 | 194.96 | 0.00 |
| 17191.41 | 91.00 | 194.96 | 14735.10 | -2635.98 | -704.09 | 7111685.2 | 1999511.5 | 2728.39 | 2728.39 | 194.96 | 0.00 |
| 17691.41 | 91.00 | 194.96 | 14726.37 | -3118.97 | -833.10 | 7111202.2 | 1999382.5 | 3228.32 | 3228.32 | 194.96 | 0.00 |
| 18191.41 | 91.00 | 194.96 | 14717.64 | -3601.96 | -962.11 | 7110719.2 | 1999253.5 | 3728.24 | 3728.24 | 194.96 | 0.00 |
| 18691.41 | 91.00 | 194.96 | 14708.92 | -4084.95 | -1091.12 | 7110236.2 | 1999124.5 | 4228.16 | 4228.16 | 194.96 | 0.00 |
| 19191.41 | 91.00 | 194.96 | 14700.19 | -4567.94 | -1220.13 | 7109753.2 | 1998995.4 | 4728.09 | 4728.09 | 194.96 | 0.00 |
| 19461.58 | 91.00 | 194.96 | 14695.48 | -4828.92 | -1289.64 | 7109492.3 | 1998925.7 | 4998.21 | 4998.21 | 194.96 | 0.00 |
| Terminus | | | | | | | | | | | |
| Final Station Closure Distance: 4998.21' Direction: 194.96° | | | | | | | | | | | |

20 Stage Frac-Point Space Out Diagram

Proposed Space Out For GARD Energy, Duchesne County, UT

Haber (1) Tool

| Casing Information | |
|--------------------|------------|
| Length | 7-328'-13" |
| Grade | 9 5/8" |
| Material | API |
| Weight | 26.00 |
| Grade | Q19500 |
| Depth | 1000' |

| Liner Information | |
|-------------------|-------------|
| Length | 18-507'-10" |
| Grade | 9 5/8" |
| Material | API |
| Weight | 26.00 |
| Grade | Q19500 |
| Depth | 1000' |

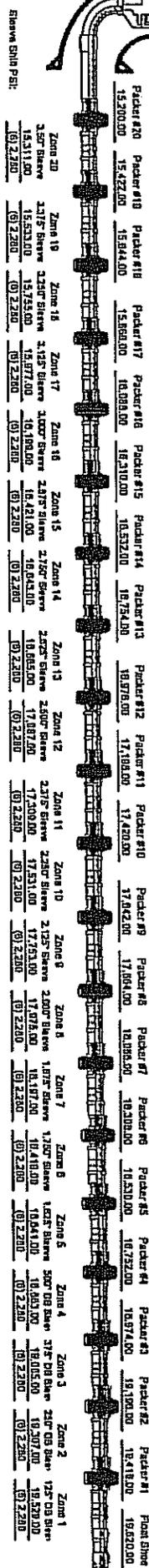
| S-3 Uiter Top Packer | |
|----------------------|-----------|
| Length | 14-150.00 |
| Grade | HOP |
| Weight | 14,250.00 |
| Grade | HOP |

| Dimensional Information | | | |
|-------------------------|-------|--------|----|
| Component | OD | ID | OD |
| B-3 | 50.75 | 2.975 | IN |
| RE Packer | 50.50 | 4.200 | IN |
| Shave | 50.50 | 3.9125 | IN |

| Displacement | BBL'S | GALS |
|--------------|--------|--------|
| Liner 708 | 510.53 | 21,442 |
| 2.50" Shave | 527.87 | 22,170 |
| 3.125" Shave | 531.18 | 22,310 |
| 3.250" Shave | 534.48 | 22,449 |
| 3.125" Shave | 537.81 | 22,589 |
| 3.000" Shave | 541.12 | 22,727 |
| 2.875" Shave | 544.44 | 22,866 |
| 2.750" Shave | 547.75 | 23,005 |
| 2.625" Shave | 551.07 | 23,144 |
| 2.500" Shave | 554.39 | 23,283 |
| 2.375" Shave | 557.70 | 23,422 |

| Displacement | BBL'S | GALS |
|--------------|--------|--------|
| 2.250" Shave | 561.01 | 23,562 |
| 2.125" Shave | 564.32 | 23,702 |
| 2.000" Shave | 567.64 | 23,841 |
| 1.875" Shave | 570.95 | 23,980 |
| 1.750" Shave | 574.27 | 24,119 |
| 1.625" Shave | 577.58 | 24,258 |
| 1.500" Shave | 580.90 | 24,398 |
| 1.375" Shave | 584.21 | 24,537 |
| 1.250" Shave | 587.53 | 24,676 |
| 1.125" Shave | 590.84 | 24,816 |
| Front Shave | 594.16 | 24,955 |

| Zone | Length of Zone (ft) |
|---------|---------------------|
| Zone 1 | 222.00 |
| Zone 2 | 222.00 |
| Zone 3 | 222.00 |
| Zone 4 | 222.00 |
| Zone 5 | 222.00 |
| Zone 6 | 222.00 |
| Zone 7 | 222.00 |
| Zone 8 | 222.00 |
| Zone 9 | 222.00 |
| Zone 10 | 222.00 |
| Zone 11 | 222.00 |
| Zone 12 | 222.00 |
| Zone 13 | 222.00 |
| Zone 14 | 222.00 |
| Zone 15 | 222.00 |
| Zone 16 | 222.00 |
| Zone 17 | 222.00 |
| Zone 18 | 222.00 |
| Zone 19 | 222.00 |
| Zone 20 | 222.00 |

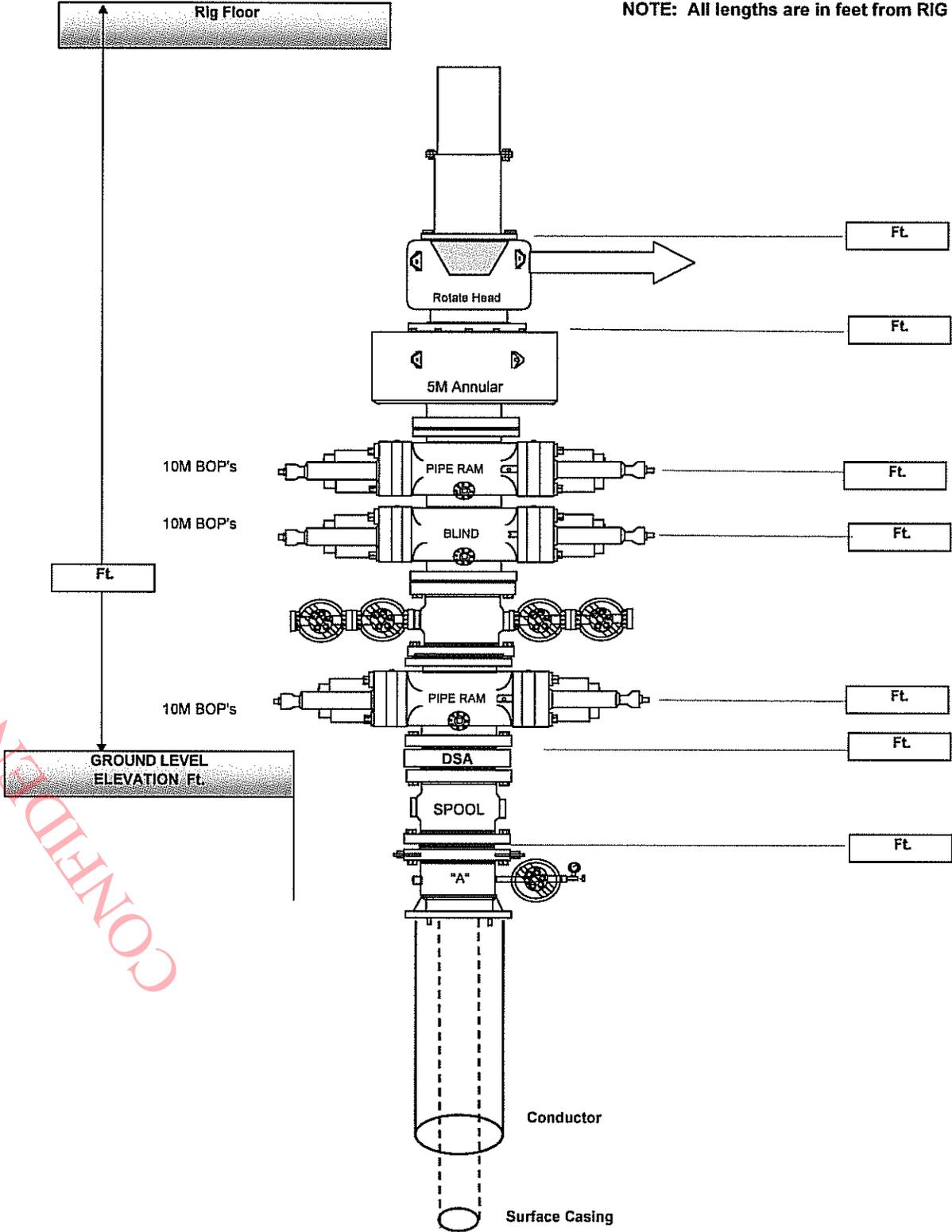


| Zone | Packer | Shave | Length | Weight |
|---------|------------|--------------|-----------|-----------|
| Zone 1 | Packer #1 | 125" Shave | 18,520.00 | 18,520.00 |
| Zone 2 | Packer #2 | 250" Shave | 18,705.00 | 18,705.00 |
| Zone 3 | Packer #3 | 375" Shave | 18,890.00 | 18,890.00 |
| Zone 4 | Packer #4 | 500" Shave | 19,074.00 | 19,074.00 |
| Zone 5 | Packer #5 | 625" Shave | 19,259.00 | 19,259.00 |
| Zone 6 | Packer #6 | 750" Shave | 19,444.00 | 19,444.00 |
| Zone 7 | Packer #7 | 875" Shave | 19,629.00 | 19,629.00 |
| Zone 8 | Packer #8 | 1,000" Shave | 19,814.00 | 19,814.00 |
| Zone 9 | Packer #9 | 1,125" Shave | 20,000.00 | 20,000.00 |
| Zone 10 | Packer #10 | 1,250" Shave | 20,185.00 | 20,185.00 |
| Zone 11 | Packer #11 | 1,375" Shave | 20,370.00 | 20,370.00 |
| Zone 12 | Packer #12 | 1,500" Shave | 20,555.00 | 20,555.00 |
| Zone 13 | Packer #13 | 1,625" Shave | 20,740.00 | 20,740.00 |
| Zone 14 | Packer #14 | 1,750" Shave | 20,925.00 | 20,925.00 |
| Zone 15 | Packer #15 | 1,875" Shave | 21,110.00 | 21,110.00 |
| Zone 16 | Packer #16 | 2,000" Shave | 21,295.00 | 21,295.00 |
| Zone 17 | Packer #17 | 2,125" Shave | 21,480.00 | 21,480.00 |
| Zone 18 | Packer #18 | 2,250" Shave | 21,665.00 | 21,665.00 |
| Zone 19 | Packer #19 | 2,375" Shave | 21,850.00 | 21,850.00 |
| Zone 20 | Packer #20 | 2,500" Shave | 22,035.00 | 22,035.00 |

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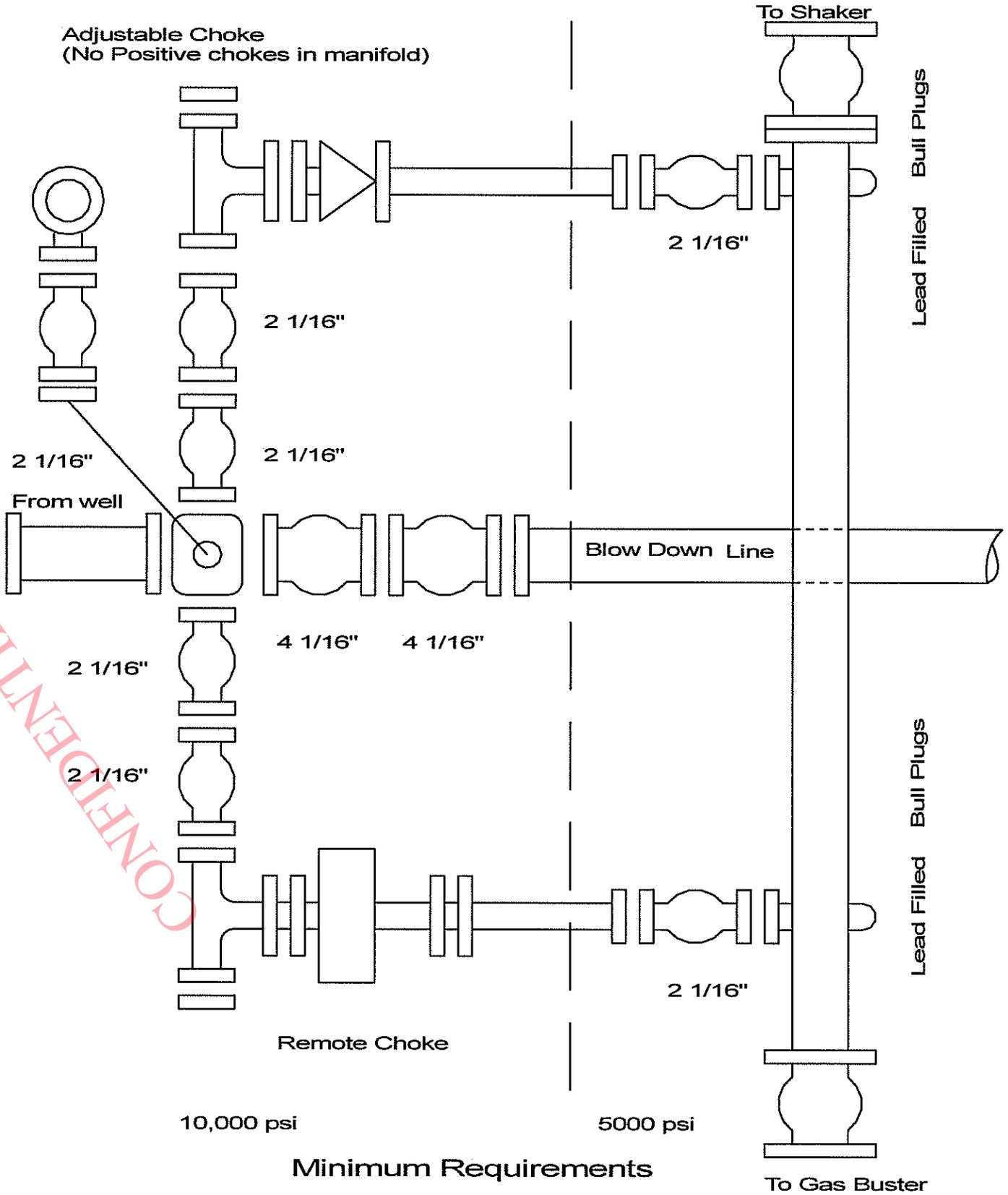
| | | |
|--------------------------------|---|---------------------------------------|
| Gasco Energy Utah Region | DRILLING PHASE BOP Stack Diagram | River Bend Area Utah DATE: Rig: |
|--------------------------------|---|---------------------------------------|

NOTE: All lengths are in feet from RIG FLOOR.



'APIWellNo:43013502280000'

10,000 psi Manifold



CONFIDENTIAL

**Gasco Production Company
Gate Canyon 32-22H-11-15
SW/NE, Section #22, Township11S, Range15E
Duchesne, Utah
Lease No. UTU- #76811**

ONSHORE OIL & GAS ORDER NO. 1

Notification Requirements

| | |
|------------------------------|--|
| Location Construction- | 48 hours prior to construction of location and access roads |
| Location completion- | prior to moving on with drilling rig. |
| Spud Notice- | at least 24 hours prior to spudding the well. |
| Casing String and Cementing- | 24 hours notice prior to running casing and cementing. |
| BOP and Related Equipment- | 24 hours prior to initiating pressure tests. |
| First Production Notice- | Within 5 business days after new well begins or production resumes after well has been off production for more than 90 days. |

The onsite inspection for the subject well site will be conducted. Weather conditions, open ground and COA's will be noted and implemented prior to any site disturbance. Attendance at the onsite will be the following individuals:

| | | |
|-----------------------------|------------------------------------|--------------------------|
| Natural Resource Specialist | Bureau of Land Management | |
| Wildlife Biologist | Bureau of Land Management | |
| Shon McKinnon | Permit Consultant | Gasco Production Company |
| Surveyor | Uintah Engineer and Land Surveying | |

1. Existing Roads

See Attached Topographic Map "A".

Description of travel from Topos.

2. Planned Access Road

See Attached Topographic Map "B" for location of the proposed access road.

3. Location of Existing Wells

See Attached Topographic Map "C"

- a. Producing Wells -
- b. Abandoned Wells -

4. Location of Tank Batteries and Production Facilities

- a. All permanent surface equipment will be painted to BLM and UDOGM specifications.
- b. Storage tanks batteries will be surrounded by containment dike of sufficient capacity to contain at a minimum, the entire contents of the largest tank within the contained area, unless more stringent requirements are necessary as notified by the AO.
- c. A production layout will be submitted via sundry upon proven productivity of the well.
- d. All loading lines will be placed inside the berm/dike surrounding the tank battery.
- e. A Gas Meter Run will be placed within 500 ft. of the wellhead. Meter runs will be housed. The oil and gas measurement equipment will be installed on the well location. Measurement equipment will be calibrated in place prior to any deliveries. Tests for accuracy will be conducted monthly for the first three months on new installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the calibration reports will be submitted to the Vernal Field Office.
- f. Any necessary pits will be properly fenced to prevent any wildlife entry.
- g. The access road will be maintained in a safe, usable condition conducive to the climate and seasonal conditions in order to accommodate daily operation of the well and prevent erosion.
- h. Pipelines, up to 6" steel or poly, will follow the proposed access as detailed in attached Topo Map "D". The pipeline will be laid on the surface except road crossings where they will be buried to a depth of 3'-5'. The method of coupling will be welded. Associated pipeline components, such as risers, pig launchers/catchers, meters, valves, etc. will be contained within the 30' needed for construction of the pipeline.

5. Location and Type of Water

- a. Water will come from: Water Right No. 41-3530.
- b. Water will be hauled by commercial transport over the access roads shown on Attached Maps "A" and "B".
- c. No water well will be drilled on this lease.

6. Source of Construction Material

- a. Any gravel used will be obtained from a commercial source.
- b. The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2.3.
- c. No construction materials will be used from Federal lands.

7. Methods of Handling Waste Disposal

- a. the reserve pit will be lined with at least 16 mil liner. Unless otherwise specified by BLM or UDOGM
- b. All trash will be contained in an enclosed trash container through the drilling, completion, and facility construction phases and its contents removed and hauled to an approved disposal sight as needed.
- c. A chemical porta-toilet will be furnished through the drilling, and completion phases.
- d. After first production, produced waste water will be confined to an unlined pit or storage tank for a period not to exceed 90 days. During the 90 day period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the AO's approval.
- e. Drill cuttings are to be contained and buried in the reserve pit.
- f. Any salts and/or chemicals which are an integral part of the drilling system will be disposed of in the same manner as the drilling fluid.

8. Ancillary Facilities

There are no airstrips, camps or other facilities planned during the drilling of this well except for those facilities needed for drilling rig personal, service providers and company representatives.

9. Well Site Layout

See attached Location Layout Diagram

10. Plans for Restoration of Surface

- a. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, materials, trash and debris not required for production.
- b. Upon completion, any hydrocarbon within the reserve pit will be removed in accordance with 43 CFR 3162.7-1.
- c. The reserve pit will be backfilled and reclaimed within 120 days from the well completion. The reserve pit liner will be perforated and excess liner removed before backfilling. Alternatively, the pit will be pumped dry, the liner folded into the pit and buried to a minimum of 4' deep.
- d. That portion of the location not needed for production facilities or operations, or any disturbed areas upon final plug and abandonment, will be re-contoured to approximate natural contours and seeded with a seed mixture and procedure specified by the AO. Additionally, the topsoil pile will be seeded with the same mixture and procedure as specified.

11. Surface Ownership

The proposed access road and well pad is on lands managed by the Bureau of Land Management.

12. Other Information

- a. An archeological survey will be conducted by an authorized Archeological Consultant prior to any disturbance based on BLM and UDOGM guidance.
- b. If historic or archeological materials are uncovered during construction, the operator will immediately stop work and contact the AO.
- c. The operator will control noxious weeds along associated well pad, roads, pipelines, and surface equipment. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted and approved prior to the application of pesticides or herbicides.
- d. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on Federal lands after the conclusion of drilling operations or at any other time without BLM authorization.
- e. All lease and unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notices to Lessees. The operator is fully responsible for the actions of his subcontractors.
- f. A complete copy of the APD shall be on location during construction and drilling of this site.

Water Disposal

Immediately upon first production all produced water will be confined to a steel storage tank. Water will be disposed of via truck transport to a State of Utah approved disposal site, such as Brennan Bottom.

Wildlife Timing Stipulations Any required actions or planning based on state or federal agencies will be implemented.

13. Lessee's or Operators Representative

Gasco Production Company
Roger Knight EHS Representative
8 Inverness Drive East, Suite 100
Englewood, CO 80112
(303)483-0044

Shon McKinnon (Permit Coordinator)
PO Box 189
Myton, Utah 84052
(435)823-8061
(435)636-3336

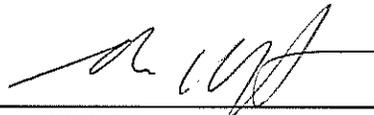
Certification

Please be advised that *Gasco Production Company* is considered to be the operator of the *Well Gate Canyon Federal 32-22H-11-15, SW/NE Section 22, T11S, R15E, Lease No. UTU-76811, Duchesne County, Utah*: and is responsible under the term and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by Bond #. UT-1233

I hereby certify that the proposed drill site and access road have been inspected and I am familiar with the conditions that currently exist; that the statements made in this plan are true and correct to the best of my knowledge; and that the work associated with the operations proposed here will be performed by Gasco Production Company its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. The statement is subject to the provisions of 18 U.S.C. 1000 for the filing of a false statement.



Date 1-11-10



Roger Knight
Gasco Production Company

CONFIDENTIAL

'APIWellNo:43013502280000'

'APIWellNo:43013502280000'

GASCO PRODUCTION COMPANY

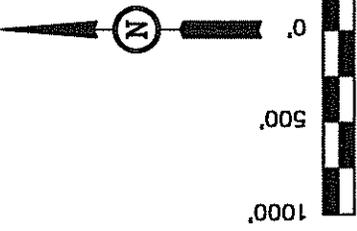
Well location, GATE CANYON FEDERAL #32-22H-11-15, located as shown in the SW 1/4 NE 1/4 of Section 22, T11S, R15E, S.L.B.&M., Duchesne County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE NORTHWEST CORNER OF SECTION 14, T10S, R18E, S.L.B.&M. TAKEN FROM THE MOON BOTTOM QUADRANGLE, UTAH, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5129 FEET.

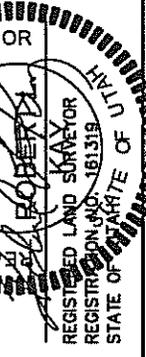
BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

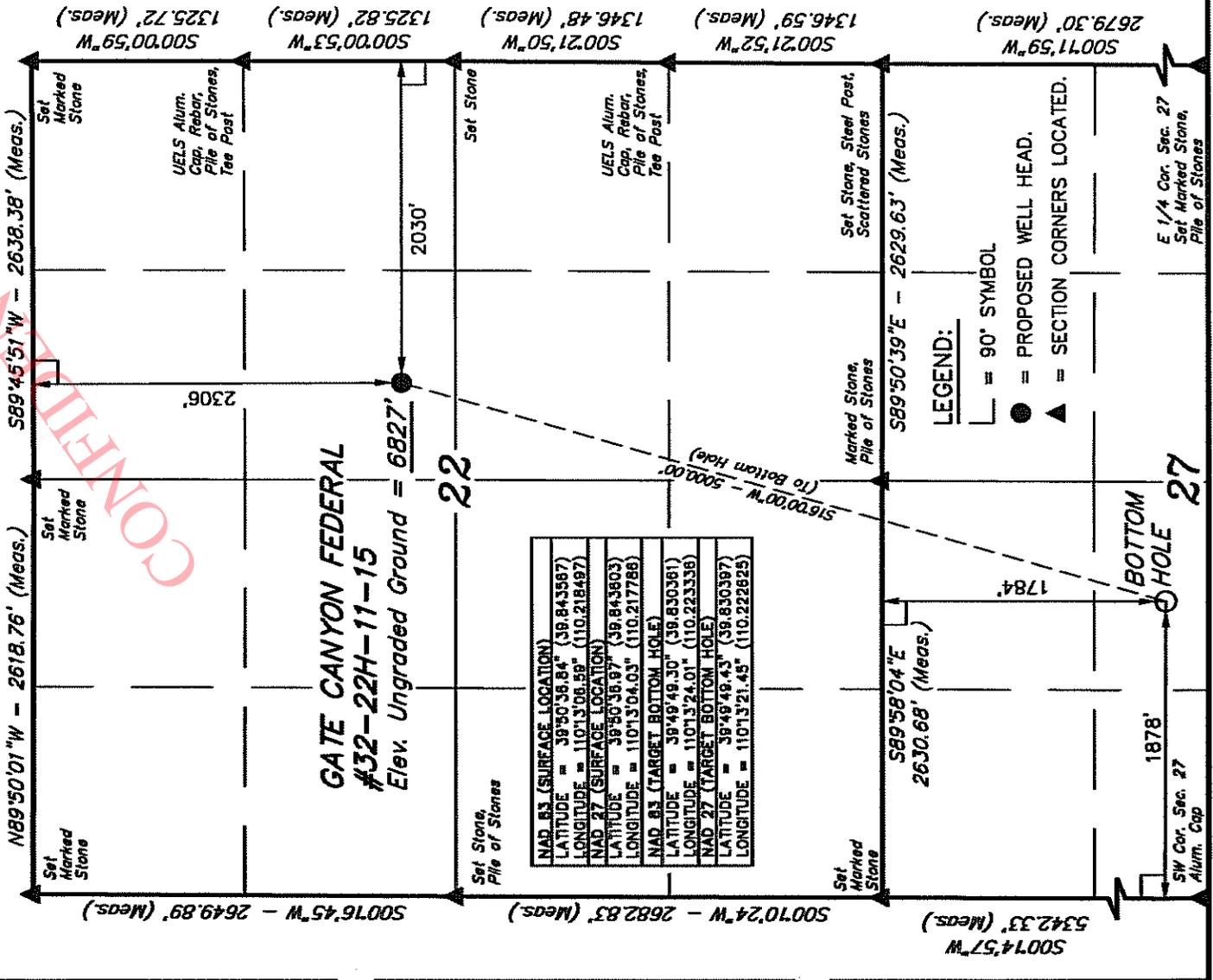
THIS IS TO CERTIFY THAT THE ABOVE PLANS WERE PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



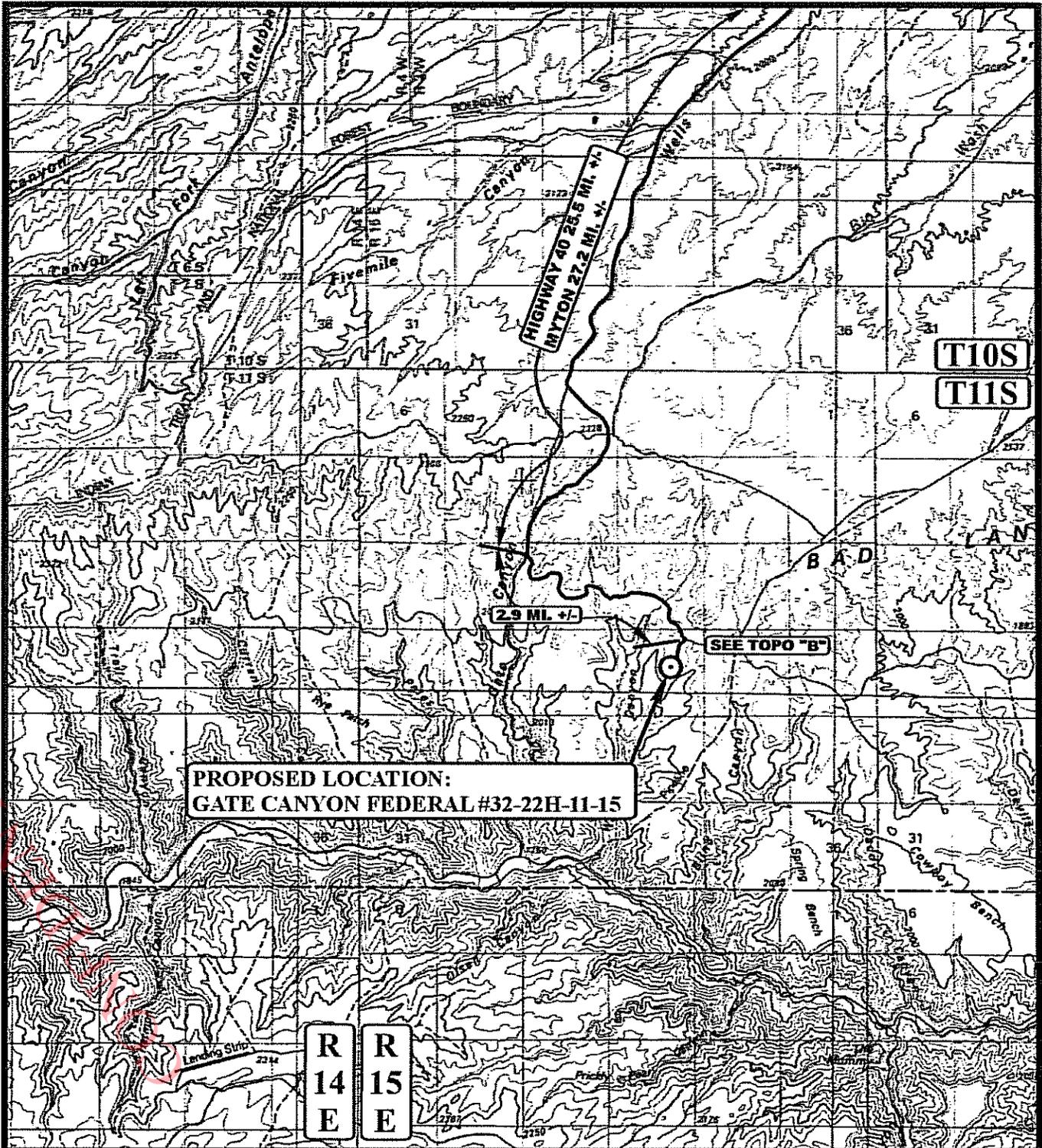
UINTAH ENGINEERING & LAND SURVEYING
 85 SOUTH 200 EAST - VERNAL, UTAH 84078
 (435) 789-1017

| | | | | | |
|---------|---------------------|----------------|--------------------------|-------------|----------|
| SCALE | 1" = 1000' | DATE SURVEYED: | 10-23-09 | DATE DRAWN: | 10-26-09 |
| PARTY | G.S. B.B. M.A. L.K. | REFERENCES | G.L.O. PLAT | | |
| WEATHER | COOL | FILE | GASCO PRODUCTION COMPANY | | |

T11S, R15E, S.L.B.&M.



CONFIDENTIAL



**PROPOSED LOCATION:
GATE CANYON FEDERAL #32-22H-11-15**

LEGEND:

⊙ PROPOSED LOCATION

GASCO PRODUCTION COMPANY

**GATE CANYON FEDERAL #32-22H-11-15
SECTION 22, T11S, R15E, S.L.B.&M.
2306' FNL 2030' FEL**



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

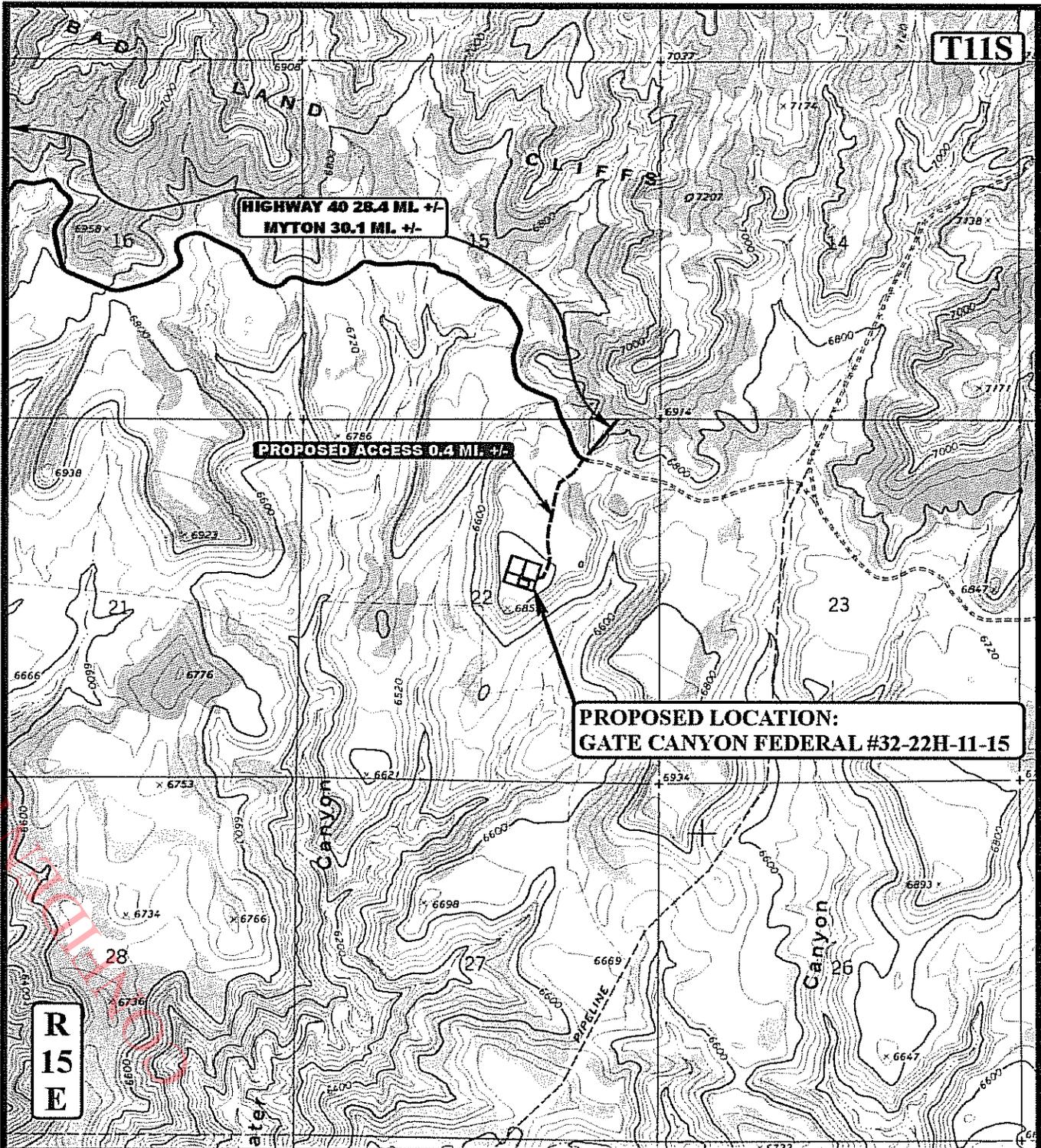


**TOPOGRAPHIC
MAP**

10 27 09
MONTH DAY YEAR

A
TOPO

SCALE: 1:100,000 DRAWN BY: JH REVISED: 00-00-00



ORIGINAL
 11/11/11

LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD

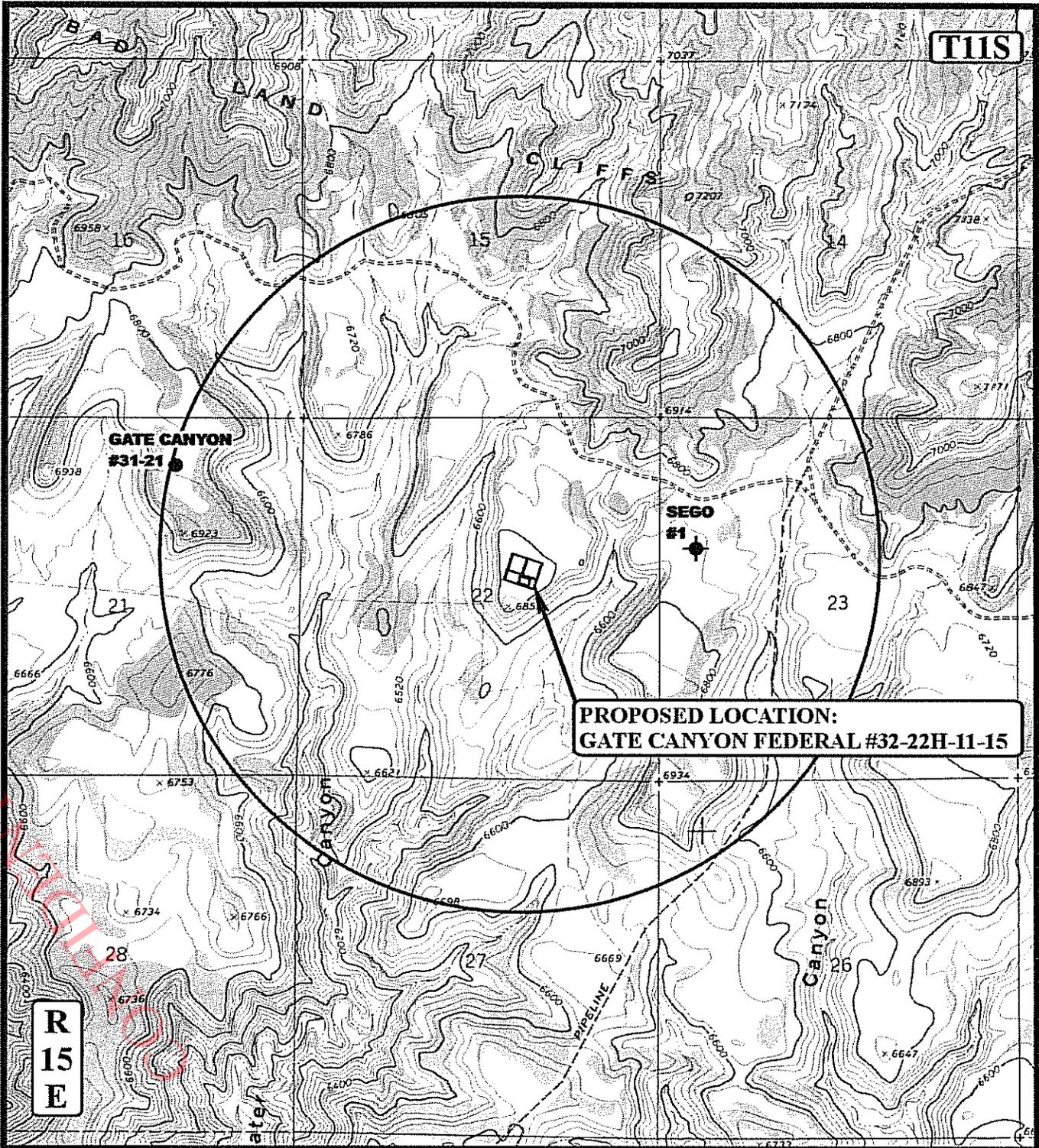
N



GASCO PRODUCTION COMPANY
GATE CANYON FEDERAL #32-22H-11-15
SECTION 22, T11S, R15E, S.L.B.&M.
2306' FNL 2030' FEL

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

TOPOGRAPHIC 10 27 09
MAP MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: J.H. REVISED: 00-00-00



**PROPOSED LOCATION:
GATE CANYON FEDERAL #32-22H-11-15**

LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- ⊕ SHUT IN WELLS
- ⊕ WATER WELLS
- ⊕ ABANDONED WELLS
- ⊕ TEMPORARILY ABANDONED



GASCO PRODUCTION COMPANY
GATE CANYON FEDERAL #32-22H-11-15
SECTION 22, T11S, R15E, S.L.B.&M.
2306' FNL 2030' FEL

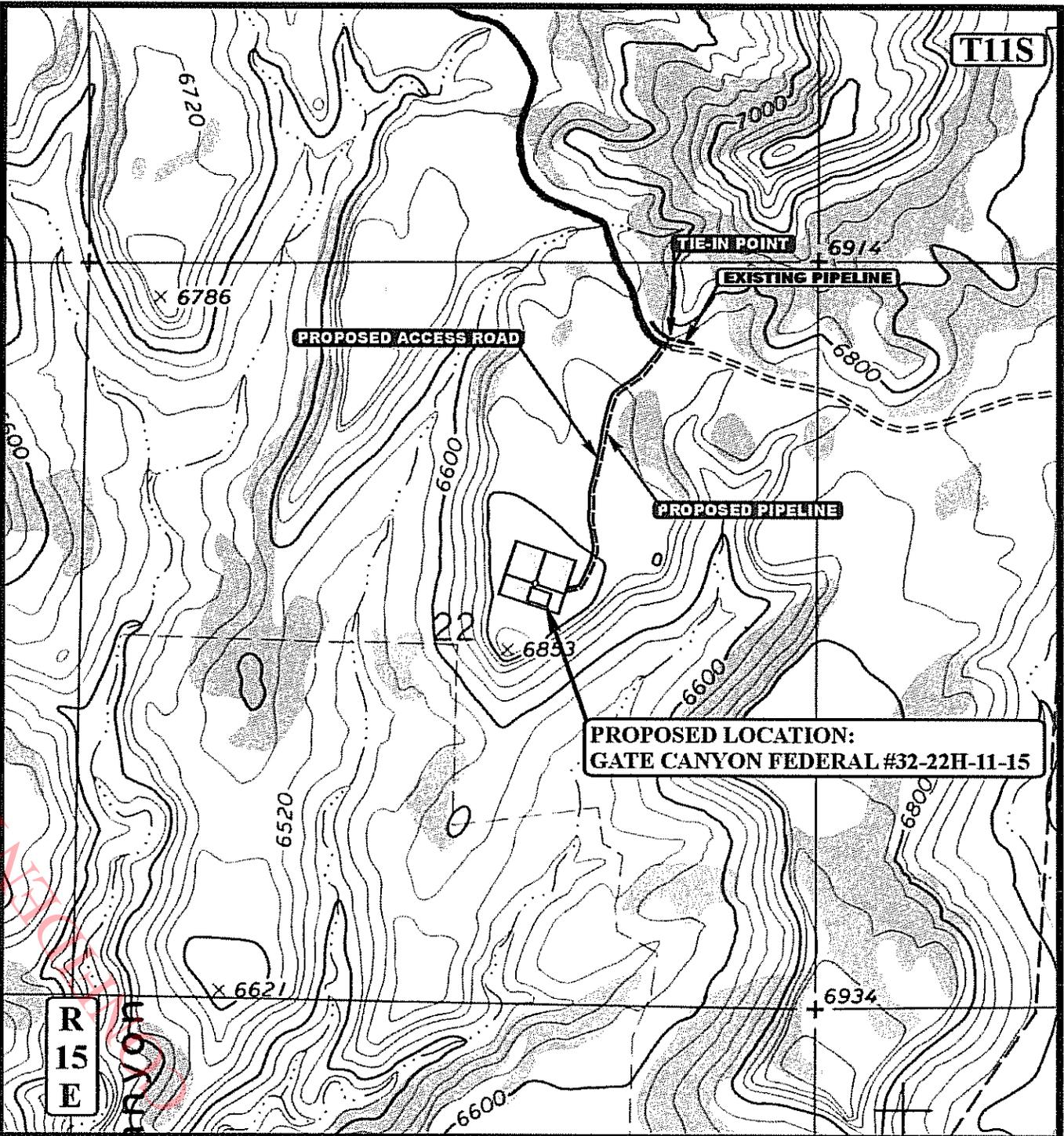
U&L Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC 10 27 09
MAP MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: J.H. REVISED: 00-00-00



'APIWellNo:43013502280000'

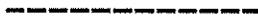
T11S



PROPOSED LOCATION:
GATE CANYON FEDERAL #32-22H-11-15

APPROXIMATE TOTAL PIPELINE DISTANCE = 2,091' +/-

LEGEND:

-  PROPOSED ACCESS ROAD
-  EXISTING ROAD
-  PROPOSED PIPELINE
-  EXISTING PIPELINE

GASCO PRODUCTION COMPANY

GATE CANYON FEDERAL #32-22H-11-15
SECTION 22, T11S, R15E, S.L.B.&M.
2306' FNL 2030' FEL

N



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

TOPOGRAPHIC
MAP

10 | 27 | 09
MONTH | DAY | YEAR

SCALE: 1" = 1000'

DRAWN BY: J.H.

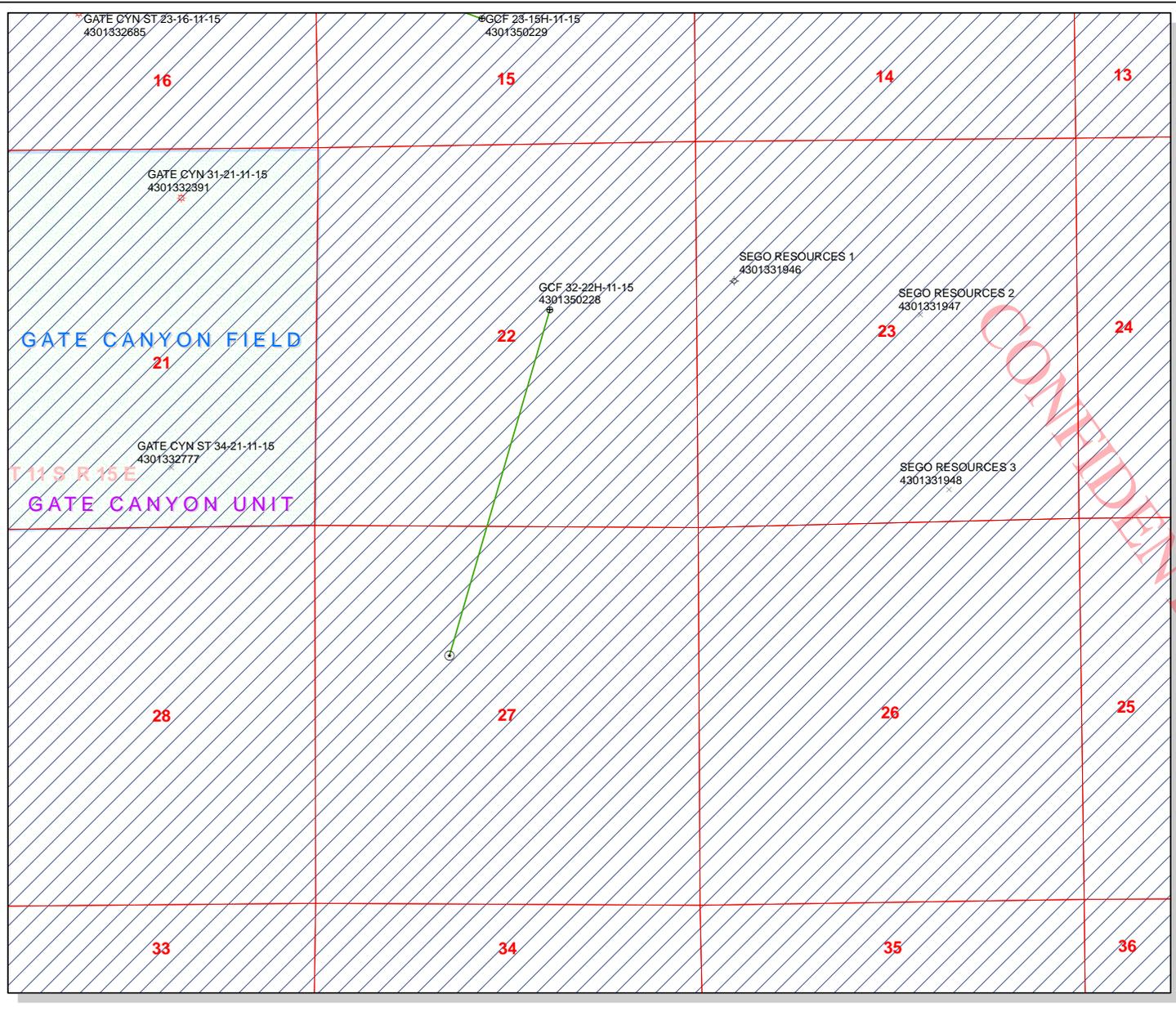
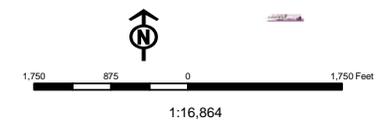
REVISED: 00-00-00



API Number: 4301350228
Well Name: GCF 32-22H-11-15
Township 11.0 S Range 15.0 E Section 22
Meridian: SLBM
Operator: GASCO PRODUCTION COMPANY

Map Prepared:
Map Produced by Diana Mason

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



CONFIDENTIAL

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:

3160

(UT-922)

February 3, 2010

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2010 Plan of Development Gate Canyon Unit,
Duchesne County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following horizontal wells are planned for calendar year 2010 within the Gate Canyon Unit, Duchesne County, Utah.

| API# | WELL NAME | LOCATION |
|----------------------|------------------|--|
| (Proposed PZ MANCOS) | | |
| 43-013-50227 | GCF 42-17H-11-15 | Sec 17 T11S R15E 1840 FNL 0424 FEL Lateral 1 Sec 20 T11S R15E 1394 FNL 1771 FEL |
| 43-013-50228 | GCF 32-22H-11-15 | Sec 22 T11S R15E 2306 FNL 2030 FEL Lateral 1 Sec 27 T11S R15E 1784 FNL 1878 FWL |
| 43-013-50229 | GCF 23-15H-11-15 | Sec 15 T11S R15E 1751 FSL 2312 FWL Lateral 1 Sec 22 T11S R15E 2271 FSL 0957 FWL |
| 43-013-50230 | GCF 23-30H-11-16 | Sec 30 T11S R16E 1758 FSL 1467 FWL Lateral 1 Sec 31 T11S R16E 2224 FSL 0092 FWL |

This office has no objection to permitting the 42-17H-11-15 and the 32-22H-11-15 and at this time.

Our records indicate that the W $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 22 T11S 15E and the E $\frac{1}{2}$ of Section 15 T11S R15E are uncommitted to the Gate Canyon Unit Agreement, we therefore object to permitting the 23-15H-11-15.

Our records indicate that lease UTU65779 covering the S $\frac{1}{2}$ of section 31 T11S 16E is uncommitted to the Gate Canyon Unit Agreement, we therefore object to permitting the 23-30H-11-16.

/s/ Michael L. Coulthard

bcc: File - Gate Canyon Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:2-3-10

CONFIDENTIAL

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 1/25/2010

API NO. ASSIGNED: 43013502280000

WELL NAME: GCF 32-22H-11-15

OPERATOR: GASCO PRODUCTION COMPANY (N2575)

PHONE NUMBER: 303 996-1803

CONTACT: Roger Knight

PROPOSED LOCATION: SWNE 22 110S 150E

Permit Tech Review:

SURFACE: 2306 FNL 2030 FEL

Engineering Review:

BOTTOM: 1784 FNL 1878 FWL

Geology Review:

COUNTY: DUCHESNE

LATITUDE: 39.84367

LONGITUDE: -110.21777

UTM SURF EASTINGS: 566925.00

NORTHINGS: 4410489.00

FIELD NAME: UNDESIGNATED

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-76811

PROPOSED PRODUCING FORMATION(S): MANCOS

SURFACE OWNER: 1 - Federal

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

- PLAT**
- Bond:** FEDERAL - UT-1233
- Potash**
- Oil Shale 190-5**
- Oil Shale 190-3**
- Oil Shale 190-13**
- Water Permit:** 41-3530
- RDCC Review:**
- Fee Surface Agreement**
- Intent to Commingle**

Commingling Approved

LOCATION AND SITING:

- R649-2-3.**
Unit: GATE CANYON
 - R649-3-2. General**
 - R649-3-3. Exception**
 - Drilling Unit**
Board Cause No: R649-3-2
 - Effective Date:**
 - Siting:**
 - R649-3-11. Directional Drill**
-

Comments: Presite Completed

Stipulations: 4 - Federal Approval - dmason
15 - Directional - bhill



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: GCF 32-22H-11-15
API Well Number: 43013502280000
Lease Number: UTU-76811
Surface Owner: FEDERAL
Approval Date: 2/3/2010

Issued to:

GASCO PRODUCTION COMPANY, 8 Inverness Dr. East, Suite 100, Englewood, CO 80112

Authority:

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-2. The expected producing formation or pool is the MANCOS Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

General:

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

Conditions of Approval:

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

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

Notification Requirements:

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

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

OR

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

Reporting Requirements:

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

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

Approved By:

A handwritten signature in black ink, appearing to read "Gil Hunt", written in a cursive style.

For Gil Hunt
Associate Director, Oil & Gas

| | |
|--|---|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-76811 |
| SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: GATE CANYON |
| 1. TYPE OF WELL Gas Well | 8. WELL NAME and NUMBER: GCF 32-22H-11-15 |
| 2. NAME OF OPERATOR: GASCO PRODUCTION COMPANY | 9. API NUMBER: 43013502280000 |
| 3. ADDRESS OF OPERATOR: 8 Inverness Dr. East, Suite 100 , Englewood, CO, 80112 | PHONE NUMBER: 303 483-0044 Ext |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 2306 FNL 2030 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 22 Township: 11.0S Range: 15.0E Meridian: S | 9. FIELD and POOL or WILDCAT: UNDESIGNATED 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: 2/1/2012 | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> CASING REPAIR |
| <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> CHANGE WELL NAME |
| <input type="checkbox"/> SPUD REPORT Date of Spud: | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> CONVERT WELL TYPE |
| <input type="checkbox"/> DRILLING REPORT Report Date: | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> NEW CONSTRUCTION |
| | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> PLUG BACK |
| | <input type="checkbox"/> PRODUCTION START OR RESUME | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION |
| | <input type="checkbox"/> REPERFORATE CURRENT FORMATION | <input type="checkbox"/> SIDETRACK TO REPAIR WELL | <input type="checkbox"/> TEMPORARY ABANDON |
| | <input type="checkbox"/> TUBING REPAIR | <input type="checkbox"/> VENT OR FLARE | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> WATER SHUTOFF | <input type="checkbox"/> SI TA STATUS EXTENSION | <input checked="" 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.

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

Date: 02/01/2011
By:

| | | |
|--|-------------------------------------|--------------------------------|
| NAME (PLEASE PRINT) Roger Knight | PHONE NUMBER 303 996-1803 | TITLE EHS Supervisor |
| SIGNATURE N/A | | DATE 1/31/2011 |



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43013502280000

API: 43013502280000

Well Name: GCF 32-22H-11-15

Location: 2306 FNL 2030 FEL QTR SWNE SEC 22 TWP 110S RNG 150E MER S

Company Permit Issued to: GASCO PRODUCTION COMPANY

Date Original Permit Issued: 2/3/2010

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No

- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No

- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? Yes No

- Has the approved source of water for drilling changed? Yes No

- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No

- Is bonding still in place, which covers this proposed well? Yes No

Signature: Roger Knight

Date: 1/31/2011

Title: EHS Supervisor **Representing:** GASCO PRODUCTION COMPANY



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

February 23, 2012

Roger Knight
Gasco Production Company
8 Inverness Dr. East, Ste. 100
Englewood, CO 80112

Re: APD Rescinded – GCF 32-22H-11-15, Sec. 22, T. 11S, R. 15E
Duchesne County, Utah API No. 43-013-50228

Dear Mr. Knight:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on February 3, 2010. On February 1, 2011, the Division granted a one-year APD extension. On February 21, 2012, you requested that the division rescind the state approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective February 21, 2012.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Vernal





United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Green River District-Vernal Field Office

170 South 500 East

Vernal, UT 84078

(435) 781-4400 Fax: (435) 781-4410

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

MAY 08 2012



IN REPLY REFER TO:
3160 (UTG011)

Roger Knight
Gasco Production Company
8 Inverness Drive East, Suite 100
Englewood, CO 80112

Re: Request to Return APD
Well No. Gate Canyon Federal 32-22H-11-15
SWNE, Sec. 22, T11S, R15E
Duchesne County, Utah
Lease No. UTU-76811
Gate Canyon Unit

43-013-50228

Dear Mr. Knight:

The Application for Permit to Drill (APD) for the above referenced well received in this office on January 22, 2010, is being returned unapproved per a request to this office in an email message to Natural Resource Specialist Bill Civish received on October 7, 2011. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

If you have any questions regarding APD processing, please contact Cindy Severson at (435) 781-4455.

Sincerely,

Jerry Kenczka
Assistant Field Manager
Lands & Mineral Resources

Enclosures

cc: UDOGM

RECEIVED

MAY 10 2012

DIV. OF OIL, GAS & MINING