

**SKYLINE**   
**Oil Company**

A TEXAS EASTERN COMPANY

February 11, 1982

State of Utah  
Department of Natural Resources  
Division of Oil, Gas and Mining  
4241 State Office Building  
Salt Lake City, Utah 84114

Re Application for Permit to Drill  
Skyline Oil Company State 2-43X Well,  
Section 2, Township 16 South, Range 12 East,  
S.L.M., Emery County, Utah

Gentlemen:

Enclosed herewith are triplicate copies of our Application for Permit to Drill the subject Well.

It is intended to move rig 50' North of present State 2-43 location and drill well to same program as previously specified. The Designation of Operator will remain as Skyline Oil Company and drilling bond information which has been filed with the Utah State Division of Lands will remain the same.

Your expeditious handling of our Application will be greatly appreciated.

Very truly yours,

SKYLINE OIL COMPANY



Clifford Selin  
Engineer

Enclosures



**RIG SKID**

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

SUBMIT **TRIPPLICATE\***  
(Other instructions on reverse side)

3. Lease Designation and Serial No.  
ML-34005

6. If Indian, Allottee or Tribe Name

7. Unit Agreement Name

8. Farm or Lease Name

9. Well No.

State 2-43X

10. Field and Pool, or Wildcat

Grassy Trail Field *Wildcat*

11. Sec., T., R., M., or Blk. and Survey or Area

Sec. 2, T. 16 S., R. 12 E., SLM

12. County or Parrish 13. State  
Emery Utah

**APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK**

1a. Type of Work

DRILL

DEEPEN

PLUG BACK

1b. Type of Well

Oil Well

Gas Well

Other

Single Zone

Multiple Zone

2. Name of Operator

SKYLINE OIL COMPANY

3. Address of Operator

2000 University Club Building, S.L.C., Utah 84111

4. Location of Well (Report location clearly and in accordance with any State requirements.)\*

At surface  
1930'/SL, 760'/EL (NE $\frac{1}{2}$ SE $\frac{1}{2}$ ) Sec. 2, T.16 S., R.12 E., SLM  
At proposed prod. zone

14. Distance in miles and direction from nearest town or post office\*

15 miles S.E. of Wellington, Utah

15. Distance from proposed\* location to nearest property or lease line, ft. (Also to nearest drig. line, if any)

710'

16. No. of acres in lease

480 acres

17. No. of acres assigned to this well

160 acres

18. Distance from proposed location\* to nearest well, drilling, completed, or applied for, on this lease, ft.

19. Proposed depth

4025' *Sinbad*

20. Rotary or cable tools

Rotary

21. Elevations (Show whether DF, RT, GR, etc.)

GR 5340'

22. Approx. date work will start\*

2-;2-92

23. **PROPOSED CASING AND CEMENTING PROGRAM**

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
24"	16"	65#	50'	6 cu. yds. Redi Mix
14-3/4"	10-3/4"	40.50#	225'	300 sx Class H
9-7/8"	7-5/8"	26.40#	3625'	400 sx Class H

Well to be located 50' N of State 2-43 which has been plugged and abandoned. Surface casing will be set at 225' and cemented to surface. Intermediate casing will be set at 3625'±; a 6-3/4" hole will be drilled/cored to a T.D. of 4025' in Lower Moenkopi Fm. If no zones of interest are encountered below 3800', hole will be plugged back to that depth and completion will be attempted in Grassy Trail Field productive zones between 3650' and 3800' in the Moenkopi Formation.

Expected Formation Tops:

Navajo:	2030'
Chinle:	2940'
Moenkopi:	3180'
Sinbad member:	3810'

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone 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.

24. Signed Clifford Schin Title Engineer Date 2-11-82

(This space for Federal or State office use)

Permit No. **APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING** Approval Date 2/22/82  
Approved by [Signature] Title New APD #43-015-30100 Date 2/22/82

DATE: 2/22/82  
BY: [Signature]

\*See Instructions On Reverse Side

**UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY**

SUBMIT IN TRIPLICATE  
(Other instructions on reverse side)

Form approved.  
Budget Bureau No. 42-R1424.

5. LEASE DESIGNATION AND SERIAL NO.

ML-34005

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

9. WELL NO.

State 2-43X

10. FIELD AND POOL, OR WILDCAT

Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA

Sec. 2, T. 16 S., R. 12 E., S.L.M.

12. COUNTY OR PARISH

Emery

13. STATE

Utah

1.  OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR  
SKYLINE OIL COMPANY

3. ADDRESS OF OPERATOR  
2000 University Club Building, S.L.C., Utah 84111

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\* See also space 17 below.)  
At surface  
1930'/SL, 760' EL (NE $\frac{1}{4}$ SE $\frac{1}{4}$ ) Sec. 2, T.16 S., R.12 E., S.L.M.

14. PERMIT NO.  
43-015-30099

15. ELEVATIONS (Show whether DF, RT, GR, etc.)  
G.R. 5340'

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF  PULL OR ALTER CASING   
 FRACTURE TREAT  MULTIPLE COMPLETE   
 SHOOT OR ACIDIZE  ABANDON\*   
 REPAIR WELL  CHANGE PLANS

(Other) Monthly Report

SUBSEQUENT REPORT OF:

WATER SHUT-OFF  REPAIRING WELL   
 FRACTURE TREATMENT  ALTERING CASING   
 SHOOTING OR ACIDIZING  ABANDONMENT\*   
 (Other)

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Monthly Report for Feb., 1982

Spudded in 10:00 a.m., 2-14-82.

Set 13 $\frac{1}{2}$ ' of 16" conductor casing with 5 sx of cement.

2-17-82 - set 385' of 10-3/4", 40.50#/ft. K55, ST&C casing, using 335 sx of Class "G" 2% CaCl<sub>2</sub>,  $\frac{1}{4}$  lb. D-29 per sack.

2-19-82 - NU BOP and tested same. Bumped plug, did not move. TD 387'.

2-28-82 - TD 2346', Drilling in sand and shale.

18. I hereby certify that the foregoing is true and correct

SIGNED Clifford Selin  
Clifford Selin

TITLE Engineer

DATE 2-10-82

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

TITLE \_\_\_\_\_

DATE \_\_\_\_\_

# RIG SKID

\*\* FILE NOTATIONS \*\*

DATE: 2-26-82

OPERATOR: Skylark Oil Co.

WELL NO: State 2-43X

Location: Sec. 2 T. 16S R. 12E County: Emery

File Prepared:

Entered on N.I.D.:

Card Indexed:

Completion Sheet:

API Number 43-015-30000

CHECKED BY:

Petroleum Engineer: \_\_\_\_\_

Director: \_\_\_\_\_

Administrative Aide: hasan Rule 6-3

APPROVAL LETTER:

Bond Required:

Survey Plat Required:

Order No. \_\_\_\_\_

O.K. Rule C-3

Rule C-3(c), Topographic Exception - company owns or controls acreage within a 660' radius of proposed site

Lease Designation St.

Plotted on Map

Approval Letter Written

Hot Line

P.I.

March 1, 1982

**Skyline Oil Company**  
2000 University Club Building  
Salt Lake City, Utah 84111

## RIG SKID

RE: Well No. State 2-43X  
Sec. 2, T. 16S, R. 12E  
Emery County, Utah

Insofar as this office is concerned, approval to drill the above referred to oil well is hereby granted in accordance with Rule C-3, General Rules and Regulations and Rules of Practice and Procedure.

Should you determine that it will be necessary to plug and abandon this well, you are hereby requested to immedeately notify the following:

CLEON B. FEIGHT - Director  
Office: 533-5771  
Home: 466-4455

Enclosed please find Form OGC-8-X, which is to be completed whether or not water sands (aquifers) are encountered during drilling. Your cooperation in completing this form will be appreciated.

Further, it is requested that this Division be notified within 24 hours after drilling operations commence, and that the drilling contractor and rig number be identified.

The API number assigned to this well is 43-015-30100.

Sincerely,

DIVISION OF OIL, GAS AND MINING

Cleon B. Feight  
Director

CBF/as  
Encl.  
cc: State Lands

**SKYLINE**   
**Oil Company**

A TEXAS EASTERN COMPANY

March 10, 1982

Mr. Cleon B. Feight  
State of Utah  
Department of Natural Resources  
Division of Oil, Gas and Mining  
4241 State Office Building  
Salt Lake City, Utah 84114

Dear Sir:

Please find enclosed triplicate copies of the monthly report on Well State 2-43X, for the month of February.

Sincerely yours,

SKYLINE OIL COMPANY



Clifford Selin  
Engineer

Enclosures

**RECEIVED**  
MAR 11 1982

**DIVISION OF  
OIL, GAS & MINING**



STATE OF UTAH  
NATURAL RESOURCES & ENERGY  
Oil, Gas & Mining

Scott M. Matheson, Governor  
Temple A. Reynolds, Executive Director  
Cleon B. Feight, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

May 12, 1982

Skyline Oil Company  
2000 University Club Bldg.  
Salt Lake City, Utah 84111

Re: Well No. State #2-43X  
Sec. 2, T. 16S, R. 12E.  
Emery County, Utah  
(March- April 1982)

Gentlemen:

Our records indicate that you have not filed the monthly drilling reports for the months indicated above on the subject well.

Rule C-22, General Rules and Regulations and Rules of Practice and Procedure, requires that said reports be filed on or before the sixteenth (16) day of the succeeding month. This report may be filed on Form OGC-1B, (U.S. Geological Survey Form 9-331) "Sundry Notices and Reports on Wells", or on company forms containing substantially the same information. We are enclosing forms for your convenience.

Your prompt attention to the above will be greatly appreciated.

Very truly yours,

DIVISION OF OIL, GAS AND MINING

A handwritten signature in cursive script that reads "Cari Furse".

Cari Furse  
Clerk Typist

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

SUBMIT IN TRIPLICATE\*  
(0 instructions on reverse side)

5. LEASE DESIGNATION AND SERIAL NO.  
ML-34005

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
State

9. WELL NO.  
2-43X

10. FIELD AND POOL, OR WILDCAT  
Grassy Trail

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
Sec. 2, T16S, R12E

12. COUNTY OR PARISH  
Emery

13. STATE  
Utah

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR  
Skyline Oil Company

3. ADDRESS OF OPERATOR  
2000 University Club Bldg., Salt Lake City, UT 84111

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\* See also space 17 below.)  
At surface  
1930' FSL & 760' FEL, Sec. 2, T.16S., R.12E., SLM

14. PERMIT NO.  
43-015-30099

15. ELEVATIONS (Show whether DF, RT, GR, etc.)  
GR-5340 KB 5355

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <u>Progress Report</u> <input checked="" type="checkbox"/>	

(NOTE: Report results of multiple completion on Well (completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Monthly Report for March, 1982

3-1-82 to Drilled 1400' (2285' to 3685')  
3-20-82

3-21-82 Ran Dual Induction-SFL and G.R. Cal logs

3-22-82 Ran 91 jts. 7-5/8", 26.4# J-55 casing to 3672'. Cemented with 500 sx 50-50 Pozmix w/2% Gel, 1/4# Flocele and .6% Halad-9 followed by 125 sx Class "H" w/2% CaCl & 1/4# Flocele/sx.

3-26-82 to Cored 159' (3685' to 3844')  
3-30-82

3-31-82 Drilled 99' (3844' to 3943')

18. I hereby certify that the foregoing is true and correct

SIGNED Michael D. Anderson TITLE Senior Petroleum Engineer DATE 5-14-82

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

**SKYLINE**   
**Oil Company**

A TEXAS EASTERN COMPANY

*Confidential*

May 14, 1982

Mr. Cleon B. Feight  
State of Utah  
Department of Natural Resources  
Division of Oil, Gas and Mining  
4241 State Office Building  
Salt Lake City, Utah 84114

Re State 2-43X Well,  
Grassy Trail Field  
Emery County, Utah  
Lease No. ML-34005

Dear Sir:

Please find enclosed triplicate copies of the monthly report on the State # 2043X for the months of March and April, 1982.

Sincerely,

*Michael D. Anderson*

Michael D. Anderson  
Senior Petroleum Engineer

Enclosures

**RECEIVED**  
MAY 17 1982

**DIVISION OF  
OIL, GAS & MINING**

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

SUB IN TRIPLICATE\*  
(Instructions on reverse side)

<p><b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)</p>		<p>5. LEASE DESIGNATION AND SERIAL NO. <b>ML-34005</b></p>
<p>1. <input checked="" type="checkbox"/> OIL WELL    <input type="checkbox"/> GAS WELL    <input type="checkbox"/> OTHER</p>		<p>6. IF INDIAN, ALLOTTEE OR TRIBE NAME</p>
<p>2. NAME OF OPERATOR <b>Skyline Oil Company</b></p>		<p>7. UNIT AGREEMENT NAME</p>
<p>3. ADDRESS OF OPERATOR <b>2000 University Club Bldg., Salt Lake City, UT 84111</b></p>		<p>8. FARM OR LEASE NAME <b>State</b></p>
<p>4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) <b>At surface</b> <b>1930' FSL &amp; 760' FEL, Sec. 2, T.16S., R.12E.</b></p>		<p>9. WELL NO. <b>2-43X</b></p>
<p>14. PERMIT NO. <b>43-015-30099</b></p>		<p>10. FIELD AND POOL, OR WILDCAT <b>Grassy Trail</b></p>
<p>15. ELEVATIONS (Show whether DF, RT, OR, etc.) <b>GR 5340    KB 5355</b></p>		<p>11. SEC., T., R., M., OR B.L.K. AND SURVEY OR AREA <b>Sec. 2, T16S, R12E</b></p>
<p>12. COUNTY OR PARISH</p>		<p>13. STATE <b>Utah</b></p>

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
<p>TEST WATER SHUT-OFF <input type="checkbox"/></p> <p>FRACTURE TREAT <input type="checkbox"/></p> <p>SHOOT OR ACIDIZE <input type="checkbox"/></p> <p>REPAIR WELL <input type="checkbox"/></p> <p>(Other) <input type="checkbox"/></p>	<p>PULL OR ALTER CASING <input type="checkbox"/></p> <p>MULTIPLE COMPLETE <input type="checkbox"/></p> <p>ABANDON* <input type="checkbox"/></p> <p>CHANGE PLANS <input type="checkbox"/></p>	<p>WATER SHUT-OFF <input type="checkbox"/></p> <p>FRACTURE TREATMENT <input type="checkbox"/></p> <p>SHOOTING OR ACIDIZING <input type="checkbox"/></p> <p>(Other) <u>Progress Report</u> <input checked="" type="checkbox"/></p>	<p>REPAIRING WELL <input type="checkbox"/></p> <p>ALTERING CASING <input type="checkbox"/></p> <p>ABANDONMENT* <input type="checkbox"/></p>

(NOTE: Report results of multiple completion on Well (completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Monthly report for April, 1982:

4-1-82 to            TD 4162    Drilled 219' (3943' to 4162')  
4-11-82

4-12-82            Ran DST # 1

4-14-82            Ran tubing and packer

4-15-82 to            Testing well  
4-23-82

4-24-82 to            SI for BHP test  
4-25-82

4-31-82            Testing well.

RECEIVED

MAY 17 1982

DIVISION OF  
OIL, GAS & MINING

18. I hereby certify that the foregoing is true and correct

SIGNED Michael D. Anderson            TITLE Senior Petroleum Engineer            DATE 5-14-82

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:



STATE OF UTAH  
NATURAL RESOURCES & ENERGY  
Oil, Gas & Mining

Scott M. Matheson, Governor  
Temple A. Reynolds, Executive Director  
Cleon B. Feight, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

September 30, 1982

Skyline Oil Company  
2000 University Club Bldg.  
Salt Lake City, Utah 84111

Re: Well No. State #2-43X  
Sec. 2, T. 16S, R. 12E.  
Emery County, Utah

Gentlemen:

This letter is to advise you that the Well Completion or Recompletion Report and Log for the above mentioned well is due and has not been filed with this office as required by our rules and regulations.

Please complete the enclosed Form OGC-3, in duplicate, and forward them to this office as soon as possible.

Thank you for your cooperation relative to the above.

Very truly yours,

DIVISION OF OIL, GAS AND MINING

A handwritten signature in cursive script that reads "Cari Furse".

Cari Furse  
Clerk Typist

CF/cf  
Enclosure

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

5. LEASE DESIGNATION AND SERIAL NO.

ML-34005

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

9. WELL NO.

STATE #2-43X

10. FIELD AND POOL, OR WILDCAT

Wildcat

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

Sec. 2, T.16S., R.12E.

12. COUNTY OR PARISH

Emery

13. STATE

Utah

WELL COMPLETION OR RECOMPLETION REPORT

1a. TYPE OF WELL: OIL WELL  GAS WELL  DRY

b. TYPE OF COMPLETION: NEW WELL  WORK OVER  DEEP-EN  PLUG BACK  DIFF. RESVR.  Other

2. NAME OF OPERATOR  
SKYLINE OIL COMPANY

3. ADDRESS OF OPERATOR  
2000 University Club Bldg., S.L.C., Utah

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

At surface 1930'/SL, 760'/EL NE 1/4 SE 1/4 Sec. 2, T16S., R.12E., SLB&M  
At top prod. interval reported below  
At total depth Same as above

14. PERMIT NO. 43-015-30099' DATE ISSUED 2-22-82

15. DATE SPUDDED 2-14-82 16. DATE T.D. REACHED 4-1-82 17. DATE COMPL. (Ready to prod.) 8-5-82 18. ELEVATIONS (DF, REB, RT, GR, ETC.)\* GL 5340' KB 5355' 19. ELEV. CASINGHEAD 5336'

20. TOTAL DEPTH, MD & TVD 4162' 21. PLUG, BACK T.D., MD & TVD 22. IF MULTIPLE COMPL., HOW MANY\* 23. INTERVALS DRILLED BY Rotary 24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)\* 3669 - 4162' Moenkopi - Open Hole 25. WAS DIRECTIONAL SURVEY MADE None

26. TYPE ELECTRIC AND OTHER LOGS RUN DIL-SFL w/GR & Cal, FDC 27. WAS WELL CORRED 3685'//3844'

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
16"	65#/ft.		24"	5 yds. Redi Mix	
10-3/4"	40.6#/ft.	385'	14-3/4"	345 sx. Class G 2% CaCl & Flocele	
7-5/8"	26.40#/ft.	3669'	9-7/8"	500 sx. 50-50 Poz + 125 Class H	

29. LINER RECORD					30. TUBING RECORD		
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-3/8"	3694'	3632'

31. PERFORATION RECORD (Interval, size and number)		32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
None		DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
		None	

33.\* PRODUCTION  
DATE FIRST PRODUCTION 8-5-82 PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) Flowing WELL STATUS (Producing or shut-in) Producing

DATE OF TEST 8-6-82 HOURS TESTED 24 hrs. CHOKE SIZE 2" PROD'N. FOR TEST PERIOD 63 OIL—BBL. 63 GAS—MCF. 39 WATER—BBL. 0 GAS-OIL RATIO 619-1

FLOW. TUBING PRESS. 20 CASING PRESSURE 0 CALCULATED 24-HOUR RATE 63 OIL—BBL. 63 GAS—MCF. 39 WATER—BBL. 0 OIL GRAVITY-API (CORR.) 40 API

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Used for fuel & vented TEST WITNESSED BY David Von Bargaen

35. LIST OF ATTACHMENTS  
Dual Induction SFL F.D. Gamma Ray

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

SIGNED Clifford Selman TITLE Senior Staff Engineer DATE 10-1-82

\*(See Instructions and Spaces for Additional Data on Reverse Side)

# INSTRUCTIONS

**General:** This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 38, below regarding separate reports for separate completions.

If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 35.

**Item 4:** If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

**Item 18:** Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in 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) (if any) 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 data 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.)

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	GEOLOGIC MARKERS
Navajo	2084	2573	Water	Morrison	523
Wingate	2573	2955	Water	Curtis	1317
Moenkopi	3200	not reached	Oil. Core intervals: 3685-3705, 3705-3728, 3728-54, 3788-3818, 3818-44, DST #1: 3671-4162. Preflow 30 min. GTS in 1 min. IFP 132-154#, 1st SI 60 min., 526# SIP; 2nd flow, 4 hrs gas flow throughout, FP 262-306#; Final SI 12 hrs, FSIP 877#. Recovered 120' oil plus 600 cc. 40 gty, temp. 134°.	Entrada	1435
				Carmel	1804
				Navajo	2084
				Wingate	2573
				Chinle	2955
				Moenkopi	3200
				(Sinbad Member)	3285'

**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

NAME	MEAS. DEPTH	TOP
Morrison	523	Same
Curtis	1317	"
Entrada	1435	"
Carmel	1804	"
Navajo	2084	"
Wingate	2573	"
Chinle	2955	"
Moenkopi	3200	"
(Sinbad Member)	3285'	"

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING  
1588 West North Temple  
Salt Lake City, Utah 84116

\*REPORT OF WATER ENCOUNTERED DURING DRILLING\*

Well Name & Number STATE #2-43X  
Operator SKYLINE OIL COMPANY Address 2000 University Club Building,  
Salt Lake City, Utah 84111  
Contractor Texas Eastern Development Address P. O. Box 2521, Houston TX 70001  
Location NE 1/4 SE 1/4 Sec. 2 T: 16 S., R. 12 E., County Emery

Water Sands

	<u>Depth</u>		<u>Volume</u>	<u>Quality</u>
	From	To	Flow Rate or Head	Fresh or Salty
1.	2084	2573	200 Bbls/D	Brackish
2.	2573	2955	60 Bbls/D	Brackish
3.				
4.				
5.				

(Continue of reverse side if necessary)

Formation Tops

Remarks

- NOTE: (a) Report on this form as provided for in Rule C-20, General Rules and Regulations and Rules of Practice and Procedure.
- (b) If a water analysis has been made of the above reported zone, please forward a copy along with this form.

**RECEIVED**  
OCT 04 1982

DIVISION OF  
OIL, GAS & MINING

**SKYLINE**   
**Oil Company**

A TEXAS EASTERN COMPANY

RECEIVED

MAY 22 1984

DIVISION OF OIL  
GAS & MINING

May 21, 1984

Ms. Deanne Nielson  
Division of Oil, Gas, & Mining  
4241 State Office Building  
Salt Lake City, Utah

Dear Ms. Nielson:

In response to your letter dated April 30, 1984 to Mr. Doug Peters, please find the following responses:

1. Skyline Oil Company tested the Mustang Unit No. 3 between the dates July 23 - 28, 1983 and August 5 - 8, 1983, prior to completing the well. The well was shut in the morning of August 9, 1983 and remains shut-in. The well was completed August 8, 1983 for 2450 MCFD and 98.4 bbls. condensate. All gas produced occurred during the initial potential testing of the well.
2. The amount of flared gas reported by Skyline Oil Company is based upon the initial GOR of the well as reported on the Well Completion Report and Log for the Federal #11-33. A recent GOR test run on March 14, 1984 showed the well producing 36.2 MCF/D and 91.2 BOPD for a GOR of 397. The most recent gas analysis of the produced gas from this well shows a hydrocarbon content of 65.1% and a non-combustible gas content of 34.9%. Utilizing these numbers, Skyline is venting a total of 23.6 MCF/day of hydrocarbon gases. With the closest gas pipeline in excess of 10 miles distant and the requirement of extensive treating of this gas to meet pipeline quality standards, it is not economic to make provisions to sell this gas.
3. The amount of gas flared as reported by Skyline Oil Company is based upon the initial GOR of the State #2-43X as reported on the Well Completion Report and Log. A recent GOR test run March 22, 1984 showed the well producing 10.5 BOPD and 10 MCF for a GOR of 952. As this amount does not presently exceed the 25 MCFD limit as stated in Rule C-27, this well is currently in compliance with said Rule C-27.

As you can see from the above data, the hydrocarbon gases presently being flared or vented from the Federal #11-33 and State #2-43X does not exceed the 25 MCF/D limit as set out in Rule C-27.

If you require additional information on this matter,  
please contact the undersigned at your convenience.

Sincerely,

A handwritten signature in cursive script that reads "Michael D. Anderson".

Michael D. Anderson,  
Staff Engineer

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

SUBMIT IN TRIPLICATE\*  
(Instructions on reverse side)

POW

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> <small>(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)</small>		<b>5. LEASE DESIGNATION AND SERIAL NO.</b> ML-34005
		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME</b>  030207
<b>1. OIL WELL</b> <input checked="" type="checkbox"/> <b>GAS WELL</b> <input type="checkbox"/> <b>OTHER</b> <input type="checkbox"/>		<b>7. UNIT AGREEMENT NAME</b>
<b>2. NAME OF OPERATOR</b> Texas Eastern Skyline Oil Company		<b>8. FARM OR LEASE NAME</b> State
<b>3. ADDRESS OF OPERATOR</b> 1775 Sherman Street, Suite 1200, Denver, Colorado 80203		<b>9. WELL NO.</b> 2-43X
<b>4. LOCATION OF WELL</b> (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface  1930' FSL & 760' FEL (NE SE) Sec. 2, T16S, R12E		<b>10. FIELD AND POOL, OR WILDCAT</b> Grassy Trail (Moenkopi)
<b>14. PERMIT NO.</b> API #43-015-30100		<b>11. SEC., T., R., M., OR BLE. AND SUBSIDY OR AREA</b> Sec. 2, T16S, R12E, SLB&M
<b>15. ELEVATIONS</b> (Show whether DF, RT, GR, etc.) GL - 5340'		<b>12. COUNTY OR PARISH</b> Emery
		<b>18. STATE</b> Utah

**16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data**

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <u>Change of Operator</u> <input checked="" type="checkbox"/>	
(Other) <input type="checkbox"/>		<small>(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)</small>	

**17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS** (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Texas Eastern Skyline Oil Company on January 30, 1987, completed the sale of this property to Samedan Oil Corporation. Effective upon receipt by the State of Utah of the necessary paperwork, Samedan will assume all rights and obligations as Operator. Samedan's address is:

Samedan Oil Corporation  
1616 Glenarm Place, Suite 2550  
Denver, Colorado 80202

Attn: Gary Brune

**18. I hereby certify that the foregoing is true and correct**

SIGNED Mitchell D. Anderson TITLE Manager DATE 2-4-87

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT--" for such proposals.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. <b>ML-34005</b>
2. NAME OF OPERATOR <b>SAMEDAN OIL CORPORATION</b>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A
3. ADDRESS OF OPERATOR <b>1616 GLENARM PLACE, STE. 2550, DENVER, CO 80202</b>		7. UNIT AGREEMENT NAME
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface <b>1950' FSL, 760' FEL NESE Section 2</b>		8. FARM OR LEASE NAME <b>GRASSY TRAIL</b>
14. PERMIT NO. <b>430 1530100</b>		9. WELL NO. <b>State #2-43X</b>
15. ELEVATIONS (Show whether DF, RT, OR, etc.) <b>GL 5340</b>		10. FIELD AND POOL, OR WILDCAT <b>Grassy Trail (Moenkopi)</b>
		11. SEC., T., R., M., OR BLEK. AND SURVEY OR AREA <b>2-16S-12E SLBM</b>
		12. COUNTY OR PARISH <b>EMERY</b>
		13. STATE <b>UT</b>

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PCIL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <u>NOTICE OF SALE</u> <input checked="" type="checkbox"/>	
(Other) <input type="checkbox"/>		(Note: Report results of multiple completion on Well Completion or Recombination Report and Log form.)	

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Samedan Oil Corporation on May 12, 1988 completed the sale of this property to Seeley Oil Company. The sale is retroactive to April 1, 1988. Effective upon receipt by the STATE of the necessary paperwork, Seeley Oil will assume all rights and obligations as Operator.

Seeley Oil Company  
2273 Highland Dr.  
Suite #2A  
Salt Lake City, UT 84106  
Attn: K. Seeley, Jr.

18. I hereby certify that the foregoing is true and correct

SIGNED Gary Thune TITLE Div. Prod. Superintendent DATE 5-20-88  
(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
 CONDITIONS OF APPROVAL, IF ANY:

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 form for such proposals.

5. Lease Designation and Serial Number:

ML-34005

6. If Indian, Alutian or Tribe Name:

N/A

7. Unit Agreement Name:

N/A

1. Type of Well: OIL  GAS  OTHER:

8. Well Name and Number:

State # 2-43X

2. Name of Operator:  
Seeley Oil Company

9. API Well Number:

43 - 015 - 30100

3. Address and Telephone Number:  
P.O. Box 9015, S.L.C., UT 84109-0015 (801) 467-6419

10. Field and Pool, or Wildcat:

Grassy Trail Field

4. Location of Well

Footages: 1950' N/S 760' W/E

County: Emery

CG, Sec., T., R., M.: Sec. 2 - T. 16 S - R. 12 E

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 Request for extension of shut-in status.
- Approximate date work will start \_\_\_\_\_

- New Construction
- Pull or Alter Casing
- Recomplete
- Reperforate
- Vent or Flare
- Water Shut-Off

SUBSEQUENT REPORT  
(Submit Original Form Only)

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

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.)

Set 10-3/4" K-55 ST & C surface casing at 385' and cemented to surface with excess cement. Well spudded in Lower Cretaceous, with Log top Morrison (Jurassic) at 523'. We believe this well retains mechanical integrity and constitutes no hazard to local water aquifers or to the public health. This well has produced oil in the past and we believe there are still reserves to be produced for the benefit of the State.

We request Division approval for 1-year extension of shut-in status.

COPY SENT TO OPERATOR

Date: 7-7-99  
Initials: CHP

13.

Name & Signature: B. K. Seeley

Title: Operator

Date: 5/31/99

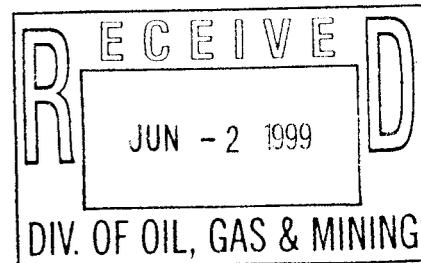
(This space for State use only)

APPROVED

The Utah Division of Oil, Gas and Mining  
Robert J. Krueger, PE, Petroleum Engineer

(See Instructions on Reverse Side)

Date: 7-6-99



## WASATCH RESOURCES & MINERALS INC.

---

Steven Lund  
95 East 100 North  
Manti, UT 84642  
E: sjlund@sisna.com

Off: (435) 835-4246  
Res. (435) 835-4246  
Fax: (435) 835-6342  
Mob. (435) 650-0270

January 10, 2001

Mr. Jim Thompson

Utah State Division of Oil Gas & Mining  
1594 West North Temple, Suite 1210  
Salt Lake City, Utah 84114-5801

RE: Conveyance of Grassy Trails interest back to B.K. Seeley

Dear Mr. Thompson:

Wasatch Resources & Minerals is conveying the wells, leases and Right of Ways listed on the attachment back to Mr. B.K. Seeley pursuant to the Assignment dated December 24, 1999. Please approve the Assignment at your earliest convenience.

Sincerely:



Steve Lund

Enclosure: (1)

cc: J. Craig Smith  
Mark S. Dolar, Dolar Energy L.L.C.

RECEIVED

JAN 10 2001

DIVISION OF  
OIL GAS AND MINING

**GRASSY TRAIL FIELD  
WELLS AND NET REVEUNE INTERESTS**

WELL NAME	W.I.	MMS OR STATE ROY	ORRI	ORRI TO SEELEY	N.R.I	LEASE NUMBER	LOCATION
Fed # 1	100.00%	43-015-15604			1%	U-41364	NENW-1-T16S,R12E
Fed # 2	100.00%				%	U-41364	NESW-1-T16S,R12E
#36-13	100.00%				%	ML-29607	NWSW-36-T15S-R12E
#36-2	100.00%				%	ML-30685	SENW-36-T15S,R12E
#2-43X	100.00%				%	ML-34005	NESE-2-T16S,R12E
#2-23X DI	100.00%				%	ML-34005	NESW-2-16S,R12E
#1-14	100.00%				%	U-41364	SWSW-1-T16S,R12E
#12-13	100.00%				%	U-43778	NWSW-2-T16S,R12E
#12-32	100.00%				%	U-41365	SWNE-12-T16S,R12E
#14-11	100.00%				%	U-43778	NWNW-14-T16S,R12E
#11-41	100.00%				%	U-43778	NENE-11-T16S,R12E
#11-42	100.00%				%	U-43778	SENE-11-T16S-R12E
#11-43	100.00%				%	U-43778	NESE-11-T16S,R12E
#11-33	100.00%				%	U-43778	NWSE-11-T16S-R12E
#11-13	100.00%				%	U-43778	NWSW-11-T16S,R12E
#11-23	100.00%				%	U-43778	NESW-11-T16S,R12E
#11-11	100.00%				%	U-43778	NWNW-11-T16S,R12E

# 4-32

U-4377 SW/NE 4-16S-12E

**Grassy Trail Field  
Right of Ways**

ROW nu 18-16-007  
Effective 08/01/83  
Grantor: State of Utah #600  
Grantee: Skyline Oil Co.

ROW nu 18-16-013  
Effective 09/21/83  
Grantor: USA U-51315  
Grantee: Skyline Oil Co.

ROW nu 18-16-029  
Effective 12/07/83  
Grantor: Denver & Rio Grande Western RR  
Grantee: Skyline Oil Co.

ROW nu 18-16-030  
Effective 02/04/85  
Grantor: State of Utah #2806  
Grantee: Skyline Oil Co.

**OPERATOR CHANGE WORKSHEET**

**ROUTING**

1. GLH		4-KAS
2. CDW	✓	5-LP
3. JLT		6-FILE

Enter date after each listed item is completed

**X Change of Operator (Well Sold)**

Designation of Agent

Operator Name Change (Only)

Merger

The operator of the well(s) listed below has changed, effective: **09-24-1999**

<b>FROM: (Old Operator):</b>
WASATCH RESOURCES & MINERALS INC
Address: 95 EAST 100 NORTH
MANTI, UT 84642
Phone: 1-(435)-835-4246
Account N6955

<b>TO: (New Operator):</b>
SEELEY OIL COMPANY
Address: P O BOX 9015
SALT LAKE CITY, UT 84109-0015
Phone: 1-(801)-467-6419
Account N2880

**CA No. Unit:**

**WELL(S)**

NAME	API NO.	ENTITY NO.	SEC. TWN RNG	LEASE TYPE	WELL TYPE	WELL STATUS
STATE 36-13	43-007-30084	6430	36-15S-12E	STATE	OW	S
GRASSY TRAIL 36-2	43-007-30103	9577	36-15S-12E	STATE	OW	S
<b>STATE 2-43X</b>	43-015-30100	6440	02-16S-12E	STATE	OW	S

**OPERATOR CHANGES DOCUMENTATION**

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 01/10/2001
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: SEE COMMENTS
- The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 10/01/2001
- Is the new operator registered in the State of Utah: YES Business Number: 14594
- If **NO**, the operator was contacted on: N/A
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the (merger, name change, or operator change for all wells listed on Federal or Indian leases on: N/A
- Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: N/A



**UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT**

RECEIVED  
2000 JAN 18 P 2:19  
FIELD OFFICE

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

**SUNDRY NOTICES AND REPORTS ON WELLS**  
Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals

**SUBMIT IN TRIPLICATE**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. ML-34005
2. Name of Operator Wasatch Resources & Minerals, Inc.	6. If Indian, Allottee or Tribe Name N/A
3. Address and Telephone No. 95 East 400 North, Manti, Utah 84642	7. If Unit or CA, Agreement Designation N/A
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1930' from south line, 760' from east line	8. Well Name and No. State #2-43X
	9. API Well No. 43-015-30100
	10. Field and Pool, or Exploratory Area Grassy Trail Field
	11. County or Parish, State Emery County, Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>Change of Operator</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Effective November 1, 1999, Wasatch Resources & Minerals, Inc. is being assigned operations from Seeley Oil Company for the above referenced well, located in the NESE of Section 2, Township 16 South, Range 12 East, Emery County, Utah.

Wasatch Resources & Minerals, Inc. has an address of 95 East 400 North, Manti, Utah, 84642, phone number (435) 835-4246. Bond is covered under Certificate of Deposit No. 1162.

**RECEIVED**

JAN 24 2000

DIVISION OF  
OIL, GAS AND MINING

14. I hereby certify that the foregoing is true and correct

Signed *Stephen Lund* Title President Date 12/24/99

(This space for Federal or State office use)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_  
Conditions of approval, if any:

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED  
NCA 3 FIELD OFFICE

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

**SUNDRY NOTICES AND REPORTS ON WELLS**

2000 JAN 18 P 2:19

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals

**SUBMIT IN TRIPLICATE**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. ML-34005
2. Name of Operator Seeley Oil Company	6. If Indian, Allottee or Tribe Name N/A
3. Address and Telephone No. P. O. Box 9015, Salt Lake City, Utah 84109	7. If Unit or CA, Agreement Designation N/A
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  1930' from south line, 760' from east line	8. Well Name and No. State #2-43X
	9. API Well No. 43-015-30100
	10. Field and Pool, or Exploratory Area Grassy Trail Field
	11. County or Parish, State Emery County, Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>Change of Operator</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Effective November 1, 1999, Wasatch Resources & Minerals, Inc. is being assigned operations from Seeley Oil Company for the above referenced well, located in the NESE of Section 2, Township 16 South, Range 12 East, Emery County, Utah.

Wasatch Resources & Minerals, Inc. has an address of 95 East 400 North, Manti, Utah, 84642, phone number (435) 835-4246. Bond is covered under Certificate of Deposit No. 1162.

**RECEIVED**

JAN 24 2000

DIVISION OF  
OIL, GAS AND MINING

14. I hereby certify that the foregoing is true and correct

Signed B. K. Seeley, Jr. Title President Date 12/24/99

(This space for Federal or State office use)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_  
Conditions of approval, if any: \_\_\_\_\_

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

ROUTING:

1- [REDACTED]	4-KAS ✓
2-CDW ✓	3-JLT ✓
3-JLT	6-FILE

**OPERATOR CHANGE WORKSHEET**

Check each listed item when completed. Write N/A if item is not applicable.

- Change of Operator (Well Sold)                       Designation of Agent  
 Operator Name Change Only                               Merger

The operator of the well(s) listed below has changed, effective: 11-1-99

**TO:**(New Operator) WASATCH RESOURCES & MINERALS INC      **FROM:**(Old Operator) SEELEY OIL COMPANY  
 Address: 95 EAST 400 NORTH    Address: P. O. BOX 9015  
STEVE PRINCE/STEVE LUND    B. K. SEELEY  
MANTI, UT 84642    SALT LAKE CITY, UT 84109  
 Phone: 1-(435)-835-4246    Phone: 1-(801)-278-9755  
 Account No. N6955    Account No. N2880

WELL(S):	CA No.	or	Unit
Name: <u>STATE 36-13</u>	API: <u>43-007-30084</u>	Entity: <u>6430</u>	<u>S 36 T 15S R 12E</u> Lease: <u>ML-29607</u>
Name: <u>GRASSY TRAILS 36-2</u>	API: <u>43-007-30103</u>	Entity: <u>9577</u>	<u>S 36 T 15S R 12E</u> Lease: <u>ML-30685A</u>
Name: <u>STATE 2-43X</u>	API: <u>43-015-30100</u>	Entity: <u>6440</u>	<u>S 02 T 16S R 12E</u> Lease: <u>ML-34005</u>
Name: _____	API: _____	Entity: _____	<u>S T R</u> Lease: _____
Name: _____	API: _____	Entity: _____	<u>S T R</u> Lease: _____
Name: _____	API: _____	Entity: _____	<u>S T R</u> Lease: _____

**OPERATOR CHANGE DOCUMENTATION**

- YES 1. A pending operator change file has been set up.
- YES 2. (R649-8-10) Sundry or other legal documentation has been received from the **FORMER** operator on 1-24-00.
- YES 3. (R649-8-10) Sundry or other legal documentation has been received from the **NEW** operator on 1-24-00.
- YES 4. The new company has been looked up in the **Department of Commerce, Division of Corporations Database** if the new operator above is not currently operating any wells in Utah. Is the operator registered with the State? **Yes/No** If yes, the company file number is 200378. If no, Division letter was mailed to the new operator on \_\_\_\_\_.
- N/A 5. **Federal and Indian Lease Wells.** The BLM or the BIA has approved the merger, name change or operator change for all wells listed above involving Federal or Indian leases on \_\_\_\_\_.
- N/A 6. **Federal and Indian Units.** The BLM or the BIA has approved the successor of unit operator for all wells listed above involving unit operations on \_\_\_\_\_.
- N/A 7. **Federal and Indian Communitization Agreements ("CA").** The BLM or the BIA has approved the operator change for all wells listed above involved in the CA on \_\_\_\_\_.

- N/A 8. **Underground Injection Control ("UIC") Program.** The Division has approved UIC Form 5, Transfer of Authority to Inject, for the enhanced/secondary recovery unit/project and/or for the water disposal well(s) listed above.
- YES 9. Changes have been entered in the **Oil and Gas Information System** for each well listed on 5-30-00.
- YES 10. Changes have been included on the **Monthly Operator Change letter** on 5-30-00.

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### STATE BOND VERIFICATION

- N/A 1. State Well(s) covered by Bond No. 1162.

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### FEE WELLS - BOND VERIFICATION / LEASE INTEREST OWNER NOTIFICATION

- N/A 1. (R649-3-1) The **NEW** operator of any fee lease well(s) listed above has furnished a proper bond.
- N/A 2. A **copy of this form** has been placed in the **new and former operator's bond files** on \_\_\_\_\_.
- N/A 3. The **FORMER** operator has requested a release of liability from their bond as of today's date \_\_\_\_\_? If yes, Division response was made to this request by letter dated \_\_\_\_\_. (see bond file).
- N/A 4. (R649-2-10) The **Former** operator of any Fee lease wells listed above has been contacted and informed by letter dated \_\_\_\_\_, of their responsibility to notify all interest owners of this change.
- N/A 5. Bond information added to **RBDMS** on \_\_\_\_\_.
- N/A 6. Fee wells attached to bond in **RBDMS** on \_\_\_\_\_.

---

### FILMING

- \_\_\_\_\_ 1. All attachments to this form have been **microfilmed** on 2/26/01.

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### FILING

- \_\_\_\_\_ 1. **Originals/Copies** of all attachments pertaining to each individual well have been filed in each **well file**.
- \_\_\_\_\_ 2. The **original of this form** has been filed in the operator file and a copy in the old operator file.

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### COMMENTS

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Form 9-221  
(May 1983)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

SUBMIT IN TRIPlicate  
(Other instructions on re-  
verse side)

Form approved.  
Budget Bureau No. 42-B1424.

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input checked="" type="checkbox"/> <u>All oil + gas wells</u>		5. LEASE DESIGNATION AND SERIAL NO.	
2. NAME OF OPERATOR <u>Seeley Oil Company, L.L.C.</u>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
3. ADDRESS OF OPERATOR <u>P.O. Box 9015, S.L.C., Utah 84109</u>		7. UNIT AGREEMENT NAME	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface		8. FARM OR LEASE NAME	
14. PERMIT NO.		9. WELL NO.	
15. ELEVATIONS (Show whether DF, RT, GR, etc.)		10. FIELD AND POOL, OR WELDCAT	
		11. SEC., T., R., N., OR BLM. AND SURVEY OR AREA	
		12. COUNTY OR PARISH	13. STATE

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	FULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDISE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDISING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <input type="checkbox"/>	
(Other) <input type="checkbox"/>		(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

*this is to inform you that effective with January 2003 we changed our name from "B.K. Seeley Jr. dba Seeley oil company" To: Seeley oil Company, L.L.C. Please change your well records to reflect this change.*

RECEIVED  
MAR 03 2003  
DIV. OF OIL, GAS & MINING

18. I hereby certify that the foregoing is true and correct

SIGNED B.K. Seeley Jr. TITLE Member DATE 3/03/03

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY: \_\_\_\_\_

\*See Instructions on Reverse Side



**Ted Boyer**  
*Executive Director*  
Department of Commerce

**Michael O. Leavitt**  
*Governor*  
State of Utah

**Kathy Berg**  
*Director*  
Division of Corporations  
& Commercial Code

**STATE OF UTAH**  
**DEPARTMENT OF COMMERCE**  
***DIVISION OF CORPORATIONS & COMMERCIAL CODE***  
**CERTIFICATE OF REGISTRATION**

**DE BENNEVILLE K SEELEY, JR**  
**SEELEY OIL COMPANY LLC**  
**3964 S SUMMERSPRING LANE**  
**SALT LAKE CITY UT 84124**

MAR 03 2003  
DIV. OF OIL, GAS & MINING



State of Utah  
Department of Commerce  
Division of Corporations & Commercial Code

**CERTIFICATE OF REGISTRATION**

**LLC - Domestic**

This certifies that **SEELEY OIL COMPANY LLC** has been filed and approved on **January 09, 2003** and has been issued the registration number **5260313-0160** in the office of the Division and hereby issues this Certification thereof.

**KATHY BERG**  
Division Director

RECEIVED

MAR 03 2003

DIV. OF OIL, GAS & MINING

**OPERATOR CHANGE WORKSHEET**

**ROUTING**

1. GLH
2. CDW ✓
3. FILE

Change of Operator (Well Sold)

Designation of Agent/Operator

**X Operator Name Change**

Merger

The operator of the well(s) listed below has changed, effective: **1-9-03**

<b>FROM: (Old Operator):</b>	<b>TO: ( New Operator):</b>
SEELEY OIL COMPANY	SEELEY OIL COMPANY LLC
Address: P O BOX 9015	Address: P O BOX 9015
SALT LAKE CITY, UT 84109	SALT LAKE CITY, UT 84109
Phone: 1-(801)-467-6419	Phone: 1-(801)-467-6419
Account No. N2880	Account No. N2355

**CA No. Unit:**

**WELL(S)**

NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
FEDERAL 35-44	35-15S-12E	43-007-30108	99998	FEDERAL	OW	PA
STATE 36-13	36-15S-12E	43-007-30084	6430	STATE	OW	S
GRASSY TRAIL 36-2	36-15S-12E	43-007-30103	9577	STATE	OW	S
FEDERAL 1	01-16S-12E	43-015-15604	635	FEDERAL	OW	TA
FEDERAL 2	01-16S-12E	43-015-15607	635	FEDERAL	OW	TA
FEDERAL 1-14	01-16S-12E	43-015-30180	9575	FEDERAL	OW	S
STATE 2-43X	02-16S-12E	43-015-30100	6440	STATE	OW	S
STATE 2-23	02-16S-12E	43-015-30111	99990	STATE	SWD	I
FEDERAL 3-23	03-16S-12E	43-015-30127	99998	FEDERAL	OW	PA
FEDERAL 4-32	04-16S-12E	43-015-30121	6460	FEDERAL	OW	S
FEDERAL 11-33	11-16S-12E	43-015-30097	6435	FEDERAL	OW	P
FEDERAL 11-41	11-16S-12E	43-015-30118	6450	FEDERAL	OW	S
FEDERAL 11-13	11-16S-12E	43-015-30120	6455	FEDERAL	OW	S
FEDERAL 11-11	11-16S-12E	43-015-30149	6490	FEDERAL	OW	S
FEDERAL 11-42	11-16S-12E	43-015-30167	6495	FEDERAL	OW	P
FEDERAL 11-23	11-16S-12E	43-015-30170	6500	FEDERAL	OW	S
FEDERAL 11-43	11-16S-12E	43-015-30172	6431	FEDERAL	OW	S
FEDERAL 12-13	12-16S-12E	43-015-30142	6485	FEDERAL	OW	S
FEDERAL 12-32	12-16S-12E	43-015-30184	9576	FEDERAL	OW	S
FEDERAL 14-11	14-16S-12E	43-015-30138	6475	FEDERAL	OW	S

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 03/03/2003
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 03/03/2003
3. The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 03/03/2003
4. Is the new operator registered in the State of Utah: YES Business Number: 5260313-0160
5. If **NO**, the operator was contacted on: \_\_\_\_\_

6. (R649-9-2)Waste Management Plan has been received on: IN PLACE

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: 01/14/2003

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: N/A

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: N/A

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

**DATA ENTRY:**

1. Changes entered in the **Oil and Gas Database** on: 03/04/2003

2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 03/04/2003

3. Bond information entered in RBDMS on: N/A

4. Fee wells attached to bond in RBDMS on: N/A

**STATE WELL(S) BOND VERIFICATION:**

1. State well(s) covered by Bond Number: 1063820156428

**FEDERAL WELL(S) BOND VERIFICATION:**

1. Federal well(s) covered by Bond Number: UT 0692

**INDIAN WELL(S) BOND VERIFICATION:**

1. Indian well(s) covered by Bond Number: N/A

**FEE WELL(S) BOND VERIFICATION:**

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number N/A

2. The **FORMER** operator has requested a release of liability from their bond on: N/A

The Division sent response by letter on: N/A

**LEASE INTEREST OWNER NOTIFICATION:**

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

**COMMENTS:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

well name	section	township	range	api	entity	lease type	status	well type
STATE 36-13	36	15S	12E	43-007-30084	6430	STATE	S	OW
GRASSY TRAIL 36-2	36	15S	12E	43-007-30103	9577	STATE	S	OW
FEDERAL 35-44	35	15S	12E	43-007-30108	99998	FEDERAL	PA	NA

FEDERAL 1	01	16S	12E	43-015-15604	635	FEDERAL	TA	OW
FEDERAL 2	01	16S	12E	43-015-15607	635	FEDERAL	TA	OW
FEDERAL 1-14	01	16S	12E	43-015-30180	9575	FEDERAL	S	OW
STATE 2-43X	02	16S	12E	43-015-30100	6440	STATE	S	OW
STATE 2-23	02	16S	12E	43-015-30111	99990	STATE	I	WD
FEDERAL 3-23	03	16S	12E	43-015-30127	99998	FEDERAL	PA	D
FEDERAL 4-32	04	16S	12E	43-015-30121	6460	FEDERAL	S	OW
FEDERAL 11-33	11	16S	12E	43-015-30097	6435	FEDERAL	P	OW
FEDERAL 11-41	11	16S	12E	43-015-30118	6450	FEDERAL	S	OW
FEDERAL 11-13	11	16S	12E	43-015-30120	6455	FEDERAL	S	OW
FEDERAL 11-11	11	16S	12E	43-015-30149	6490	FEDERAL	S	OW
FEDERAL 11-42	11	16S	12E	43-015-30167	6495	FEDERAL	P	OW
FEDERAL 11-23	11	16S	12E	43-015-30170	6500	FEDERAL	S	OW
FEDERAL 11-43	11	16S	12E	43-015-30172	6431	FEDERAL	S	OW
FEDERAL 12-13	12	16S	12E	43-015-30142	6485	FEDERAL	S	OW
FEDERAL 12-32	12	16S	12E	43-015-30184	9576	FEDERAL	S	OW
FEDERAL 14-11	14	16S	12E	43-015-30138	6475	FEDERAL	S	OW
FEDERAL 6-14	06	16S	13E	43-015-30187	99998	FEDERAL	LA	OW

BONNIE FEDERAL 11-14	14	37S	23E	43-037-31290	10694	FEDERAL	P	OW
BONNIE FEDERAL 33-14	14	37S	23E	43-037-31316	10757	FEDERAL	PA	GW
BONNIE FEDERAL 43-14	14	37S	23E	43-037-31364	10757	FEDERAL	P	OW
BONNIE FEDERAL 22-14	14	37S	23E	43-037-31367	10694	FEDERAL	P	GW

BLACK BULL FEDERAL 31C	31	38S	25E	43-037-31663	11352	FEDERAL	S	GW
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COWBOY 1	14	39S	22E	43-037-30012	2530	FEDERAL	S	OW
COWBOY 4	14	39S	22E	43-037-30037	2530	FEDERAL	PA	OW
COWBOY 5	14	39S	22E	43-037-30062	2530	FEDERAL	P	OW
COWBOY 7	23	39S	22E	43-037-30325	2530	FEDERAL	P	OW

RECAPTURE PKT ST 7	02	40S	22E	43-037-30701	2790	STATE	P	OW
RECAPTURE POCKET 1	03	40S	22E	43-037-30625	2780	FEDERAL	S	OW
RECAPTURE POCKET 5	10	40S	22E	43-037-30689	2785	FEDERAL	P	OW
GOVT NORWOOD 1	15	40S	22E	43-037-15611	985	FEDERAL	P	OW
1-25A KGS FEDERAL	25	40S	22E	43-037-30906	10025	FEDERAL	S	OW



State of Utah

Department of  
Natural Resources

Division of  
Oil, Gas & Mining

ROBERT L. MORGAN  
*Executive Director*

LOWELL P. BRAXTON  
*Division Director*

MICHAEL O. LEAVITT  
*Governor*

OLENE S. WALKER  
*Lieutenant Governor*

March 19, 2004

CERTIFIED MAIL NO. 7002 0510 0003 8602 6495

Kim Seeley  
Seeley Oil Company, LLC  
P.O. Box 9015  
Salt Lake City, Utah 84109

Re: Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases.

Dear Kim Seeley:

Seeley Oil Company LLC, as of March 2004, has three (3) State Lease Wells (see attachment A) that are currently in non-compliance for extended shut-in or temporary abandonment status. Wells SI/TA beyond twelve (12) consecutive months requires filing a Sundry Notice (R649-3-36-1). Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (R649-3-36-1.3.3). For extended SI/TA consideration the operator shall provide the Utah Division of Oil, Gas & Mining with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).

Page 2  
Kim Seeley  
March 19, 2004

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

If the required information is not received within 30 days of the date of this notice, further actions may be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,



Dustin K. Doucet  
Petroleum Engineer

jc  
cc: John Baza  
Well File  
SITLA

	<b>Well Name</b>	<b>API</b>	<b>Lease Type</b>	<b>Years Inactive</b>
1	State 36-13	43-007-30084	State	10 Years 11 Months
2	Grassy Trail 36-2	43-007-30103	State	10 Years 8 Months
3	State 2-43X	43-015-30100	State	10 Years 7 Months

Attachment A

43-015-30100  
1605 120E Sec 2



State of Utah  
Department of  
Natural Resources  
ROBERT L. MORGAN  
*Executive Director*  
Division of  
Oil, Gas & Mining  
LOWELL P. BRAXTON  
*Division Director*

OLENE S. WALKER  
*Governor*  
GAYLE F. McKEACHNIE  
*Lieutenant Governor*

November 22, 2004

CERTIFIED MAIL NO. 7002 0510 0003 8602 5962

Kim Seeley  
Seeley Oil Company, LLC  
P.O. Box 9015  
Salt Lake City, Utah 84109

Re: Second Notice for Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases.

Dear Kim Seeley:

Seeley Oil Company LLC ("Seeley"), as of November 2004, has three (3) State Lease Wells (see attachment A) that are currently in non-compliance for extended shut-in or temporary abandonment status R649-3-36.

The Utah Division of Oil, Gas & Mining (the "Division") mailed a certified letter dated March 19, 2004 (received by B. K. Seeley on 3/20/2004) explaining why these wells are in non-compliance and the necessary action Seeley must take before these wells will be considered for extended SI/TA status. In addition, the Division initiated telephone contact with Kim Seeley on June 6, August 8, and September 23, 2004 regarding the above matter. To date Seeley has not submitted the information requested by the Division or demonstrated the wells have integrity and are not a risk to public health and safety or the environment (R649-3-36-1.1-1.3).

If the Division does not receive the required information by written response within 30 days of the date of this notice, further action will be initiated by issuing a Notice of Violation (NOV) for each well in non-compliance. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,  
  
Dustin K. Doucet  
Petroleum Engineer

CLD:jc  
cc: John Baza  
✓Well File  
SITLA

	<b>Well Name</b>	<b>API</b>	<b>Lease Type</b>	<b>Years Inactive</b>
1	State 36-13	43-007-30084	State	11 Years 8 Months
2	Grassy Trail 36-2	43-007-30103	State	11 Years 5 Months
3	State 2-43X	43-015-30100	State	11 Years 4 Months

Attachment A

**Seeley Oil Company, LLC**  
P. O. Box 9015  
Salt Lake City, UT 84109-0015

Office (801) 467-6419

FAX (801) 278-9755

State of Utah  
Department of Natural Resources  
P.O. Box 145801  
Salt Lake City U.T. 84114

December 23, 2004

Attn: Dustin Doucet

Dear Mr. Doucet:

Apropos of our recent phone conversation re Grassy Trail Field we understand you have concerns re the State # 36-13, #36-2 and #2-43x wells.

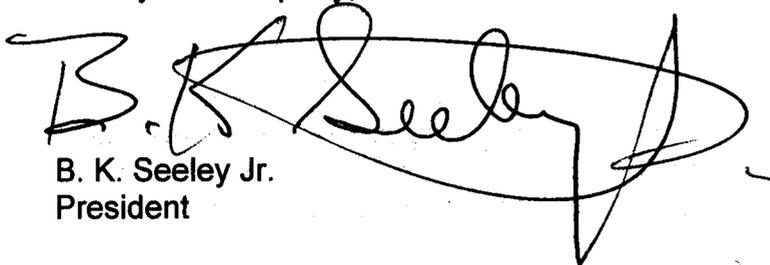
We scheduled one of our rigs to work in this field beginning next week. However, during the interim time we became involved in the middle of negotiations with a third party involving the possible sale of the entire field. The purchaser has indicated they desire to have all wells which are presently open to remain so. They may attempt re-entries, testing & other techniques.

As you may be aware, we try to run a clean and tight ship. Last year we plugged 2 wells without anyone asking us to do so. In light of the above circumstances we request that you grant us a 90-day extension on those 3 wells so that our negotiations can be properly consummated. If something goes wrong with them, be assured we shall step up and perform what you are requesting and will do so in a timely manner.

Thank you for consideration of our request.

Sincerely yours,

Seeley Oil Company, LLC



B. K. Seeley Jr.  
President

RECEIVED  
DEC 2 / 2004

DIV. OF OIL, GAS & MINING



State of Utah

Department of  
Natural Resources

MICHAEL R. STYLER  
*Executive Director*

Division of  
Oil, Gas & Mining

MARY ANN WRIGHT  
*Acting Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

February 11, 2005

CERTIFIED MAIL NO. 7002 0510 0003 8602 5856

Kim Seeley  
Seeley Oil Company, LLC  
P.O. Box 9015  
Salt Lake City, Utah 84109

Re: Second Notice for Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases.

Dear Mr. Seeley:

Seeley Oil Company, LLC ("Seeley"), as of February 2005, has three (3) State Lease Wells (see attachment A) that are currently in non-compliance for extended shut-in or temporary abandonment status R649-3-36.

The Division had a phone conversation with you on December 20, 2004 and received a follow up letter to that conversation dated December 22, 2004. The Utah Division of Oil, Gas & Mining (the "Division") understands you are in negotiations with another party to take over the wells. You have asked for a 90-day extension to allow for your negotiations to take place and to allow for time to address the wells as required by R649-3-36. Although property negotiations or transfers do not excuse the operator from meeting the requirements of the rules, the Division is willing to allow you or your predecessor until April 1, 2005 to put the wells back on production, plug and abandon the wells or provide all necessary information and submit good cause for extended SI/TA.

If the Division does not receive the required information by April 1, 2005, further action will be initiated by issuing a Notice of Violation (NOV) for each well in non-compliance. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,

Dustin K. Doucet  
Petroleum Engineer

CLD:jc

cc: John Baza  
Well File  
SITLA

164 128 Sec 2  
4301530100

## ATTACHMENT A

	<b>Well Name</b>	<b>API</b>	<b>Lease Type</b>	<b>Years Inactive</b>
1	State 36-13	43-007-30084	State	11 Years 8 Months
2	Grassy Trail 36-2	43-007-30103	State	11 Years 5 Months
3	State 2-43X	43-015-30100	State	11 Years 4 Months

**OPERATOR CHANGE WORKSHEET**

**ROUTING**

1. DJJ
2. CDW

**X Change of Operator (Well Sold)**  
Operator Name Change

Designation of Agent/Operator  
Merger

The operator of the well(s) listed below has changed, effective: **9/1/2006**

<b>FROM:</b> (Old Operator): N2355-Seeley Oil Company, LLC PO Box 9015 Salt Lake City, UT 84109 Phone: 1-(801) 467-6419	<b>TO:</b> ( New Operator): N2845-Pride Ventures, LLC PO Box 328 Bloomfield, NM 87413 Phone: 1-(505) 599-3456
---	---

WELL NAME	CA No.			Unit:		LEASE TYPE	WELL TYPE	WELL STATUS
	SEC	TWN	RNG	API NO	ENTITY NO			
STATE 36-13	36	150S	120E	4300730084	6430	State	OW	S
GRASSY TRAIL 36-2	36	150S	120E	4300730103	9577	State	OW	S
STATE 2-43X	02	160S	120E	4301530100	6440	State	OW	S
STATE 2-23	02	160S	120E	4301530111	99990	State	WD	A

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 8/22/2005
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 6/20/2005
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 7/29/2005
- Is the new operator registered in the State of Utah: YES Business Number: 5942629-0161
- 5a. (R649-9-2) Waste Management Plan has been received on: \_\_\_\_\_ requested 10/12/06
- 5b. Inspections of LA PA state/fee well sites complete on: n/a
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 10/12/2006

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 10/12/2006
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 10/12/2006
- Bond information entered in RBDMS on: 10/11/2006
- Fee/State wells attached to bond in RBDMS on: 10/12/2006
- Injection Projects to new operator in RBDMS on: 10/12/2006
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

**FEE & STATE WELL(S) BOND VERIFICATION:**

- (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB0009735
- The **FORMER** operator has requested a release of liability from their bond on: n/a  
The Division sent response by letter on: Seeley Oil only had SITLA Bond

**LEASE INTEREST OWNER NOTIFICATION:**

- (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 10/12/2006

**COMMENTS:** Sale between Seeley Oil and Pride Ventures was effective 4/15/05; HOWEVER, SITLA approved valid leases effective 9/1/06

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals

5. Lease Designation and Serial No.

No Valid Lease

6. If Indian, Allottee or Tribe Name

N/A ML 50410 OBA

7. If Unit or CA, Agreement Designation

N/A

8. Well Name and No.

State 2-43X

9. API Well No.

43-015-30100

10. Field and Pool, or Exploratory Area

Grassy Trail Field

11. County or Parish, State

Emery

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

Pride Ventures LLC N2845

3. Address and Telephone No.

328 P. O. Box 282, Bloomfield, New Mexico 87413 (505) 599-3456

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

T16S, R12E - Sec. 2: NESE  
1930' FSL 760' FEL

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>Change of Operator</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Effective April 15, 2005, Pride <sup>Ventures</sup> Petroleum, LLC has acquired the above referenced well and assumes operations for the same.

Bond RLB0009735

APPROVED 10/12/06 effective 9/1/06

Earlene Russell  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

RECEIVED

JUN 20 2005

OFFICE OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Signed [Signature] Title Registered Agent

Date 6/10/05

(This space for Federal or State office use)

Approved by \_\_\_\_\_  
Conditions of approval, if any:

Title \_\_\_\_\_

Date \_\_\_\_\_

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NUMBER: No valid lease

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A ML50410

7. UNIT or CA AGREEMENT NAME: N/A OBA

8. WELL NAME and NUMBER: State 2-43X

9. API NUMBER: 43-015-30100

10. FIELD AND POOL, OR WILDCAT: Grassy Trail Field

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

2. NAME OF OPERATOR: Seeley Oil Company LLC

3. ADDRESS OF OPERATOR: P. O. Box 9015 CITY Salt Lake City STATE Utah ZIP 84109 PHONE NUMBER: 801/467-6419

4. LOCATION OF WELL: FOOTAGES AT SURFACE: 1930' FSL 760' FEL COUNTY: Emery

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE Sec. 2 T16S,R12E 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 (Submit in Duplicate) Approximate date work will start: _____  <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Change of Operator</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

Effective April 15, 2005, Pride Ventures LLC has acquired the above referenced well and assumes operations for the same.

APPROVED 10/12/06 effective 9/1/06  
Earlene Russell  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

NAME (PLEASE PRINT) B. K. Seeley, Jr. TITLE President

SIGNATURE B.K. Seeley, Jr. DATE 6/28/05

(This space for State use only)

RECEIVED  
AUG 22 2005

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**

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: <b>ML 50410 OBA</b>
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: <b>N/A</b>
		7. UNIT or CA AGREEMENT NAME: <b>N/A</b>
1. TYPE OF WELL <b>OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____</b>		8. WELL NAME and NUMBER: <b>State 2-43X</b>
2. NAME OF OPERATOR: <b>Pride Ventures, LLC N2845</b>		9. API NUMBER: <b>4301530100</b>
3. ADDRESS OF OPERATOR: <b>P.O. Box 328</b> CITY <b>Bloomfield</b> STATE <b>NM</b> ZIP <b>87413</b>		10. FIELD AND POOL, OR WILDCAT: <b>Grassy Trail Field</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>1930' FSL 760'FEL</b>		COUNTY: <b>Emery</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NESE 2 16S 12E</b>		STATE: <b>UTAH</b>

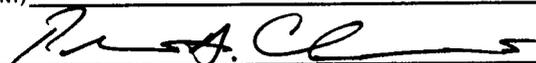
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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

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

Hauled 29.79 tons of oil soaked dirt from the 2-43X location to ECDE Environmental L.C., near East Carbon, Utah. Attached are the waste manifest tickets.

**RECEIVED**  
**APR 16 2007**  
OGM PRICE FIELD OFFICE

NAME (PLEASE PRINT) <u>Robert G. Chenault</u>	TITLE <u>Registered Agent</u>
SIGNATURE <u></u>	DATE <u>4/9/2007</u>

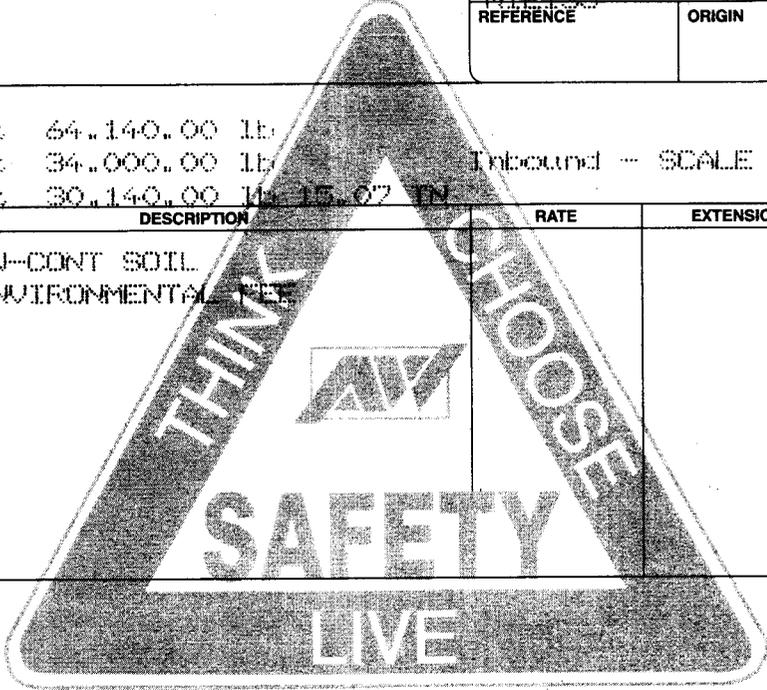
1ST LOCATION

ECDC ENVIRONMENTAL L.C.  
 1111 WEST HWY 123  
 EAST CARBON, UT  
 84520  
 001682  
 NIELSON CONSTRUCTION COMPANY  
 ATTN: ACCOUNTS PAYABLE  
 HUNTINGTON, UT 84528

Contract: 7-1682

SITE	TICKET	GRID
01	01682	
WEIGHMASTER		
ALBERTA M		
DATE IN	TIME IN	
22 February 2007	10:13 am	
DATE OUT	TIME OUT	
22 February 2007	10:46 am	
VEHICLE	ROLL OFF	
NIELSON REFERENCE	ORIGIN	UTAH

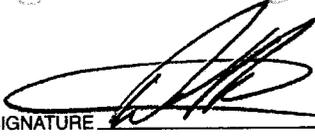
00 Gross Weight 64,140.00 lb		Inbound - SCALE TICKET				
Stored Tare Weight 34,000.00 lb						
Net Weight 30,140.00 lb 15.07 TN						
QTY.	UNIT	DESCRIPTION	RATE	EXTENSION	TAX	TOTAL
15.07	TN	SW-CONT SOIL				
1.00	LD	ENVIRONMENTAL TEST				



*It's the Right Thing!*

**SAFETY MEMOS:**

- Hard hats **MUST** be worn.
- High Visibility vests **MUST** be worn.
- Passengers **MUST** remain in vehicle at all times.

SIGNATURE  **DAVE FULLER**

NET AMOUNT
TENDERED
CHANGE
CHECK NO.

NON-HAZARDOUS WASTE MANIFEST

1. Generator's US EPA ID No. Manifest Doc. No. 2. Page 1 of

3. Generator's Name and Mailing Address: PRIDE VENTURE MOUND, UTAH  
4. Generator's Phone ( )

5. Transporter 1 Company Name: NIELSON CONSTRUCTION  
6. US EPA ID Number  
A. Transporter's Phone: 435 687-2494

7. Transporter 2 Company Name  
8. US EPA ID Number  
B. Transporter's Phone

9. Designated Facility Name and Site Address: ~~ECOR~~ THE ECOR  
10. US EPA ID Number  
C. Facility's Phone

11. Waste Shipping Name and Description	12. Containers		13. Total Quantity	14. Unit Wt/Vol
	No.	Type		
a. CRUDE OIL (NATURAL) SOAKED DIRT 041Y71682				
b.				
c.				
d.				

D. Additional Descriptions for Materials Listed Above  
E. Handling Codes for Wastes Listed Above: 03

15. Special Handling Instructions and Additional Information

16. GENERATOR'S CERTIFICATION: I certify the materials described above on this manifest are not subject to federal regulations for reporting proper disposal of Hazardous Waste.  
Printed/Typed Name: \_\_\_\_\_ Signature: \_\_\_\_\_ Month Day Year: . . .

17. Transporter 1 Acknowledgement of Receipt of Materials  
Printed/Typed Name: NIELSON CONSTRUCTION DAVE FULLER Signature: [Signature] Month Day Year: 02 22 07

18. Transporter 2 Acknowledgement of Receipt of Materials  
Printed/Typed Name: \_\_\_\_\_ Signature: \_\_\_\_\_ Month Day Year: . . .

19. Discrepancy Indication Space

20. Facility Owner or Operator: Certification of receipt of waste materials covered by this manifest except as noted in Item 19.  
Printed/Typed Name: Alberta Manchester Signature: Alberta Manchester Month Day Year: 02 22 07

GENERATOR TRANSPORTER FACILITY

#1  
 ECDC ENVIRONMENTAL L.C.  
 1111 WEST HWY 123  
 EAST CARBON, UT  
 84520

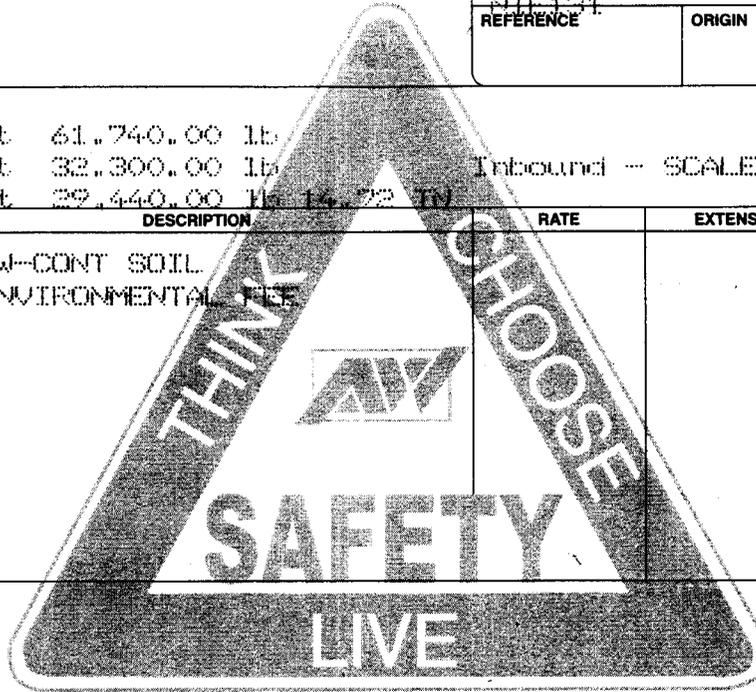
NIELSON CONSTRUCTION COMPANY  
 ATTN: ACCOUNTS PAYABLE  
 HUNTINGTON, UT 84528

Contract: 7-1682

SITE	TICKET	GRID
01	01682	
WEIGHMASTER		
ALBERTA M		
DATE IN	TIME IN	
22 February 2007	10:25 am	
DATE OUT	TIME OUT	
22 February 2007	10:48 am	
VEHICLE	ROLL OFF	
NIELSON		
REFERENCE	ORIGIN	
	UTAH	

00 Gross Weight 61,740.00 lb  
 Tare Weight 32,300.00 lb  
 Net Weight 29,440.00 lb 14.72 TN  
 Inbound - SCALE TICKET

QTY.	UNIT	DESCRIPTION	RATE	EXTENSION	TAX	TOTAL
14.72	TN	SW-CONT SOIL				
1.00	LD	ENVIRONMENTAL FEE				



*It's the Right Thing!*

**SAFETY MEMOS:**

- Hard hats **MUST** be worn.
- High Visibility vests **MUST** be worn.
- Passengers **MUST** remain in vehicle at all times.

SIGNATURE Royal Dehay

NET AMOUNT
TENDERED
CHANGE
CHECK NO.

131

**NON-HAZARDOUS WASTE MANIFEST**

1. Generator's US EPA ID No. Manifest Doc. No. 2. Page 1 of

3. Generator's Name and Mailing Address  
**PRIDE VENTURE MOUND UTAH**  
4. Generator's Phone ( )

5. Transporter 1 Company Name  
**NIELSON CONSTRUCTION**  
6. US EPA ID Number

A. Transporter's Phone  
**435 687-2494**

7. Transporter 2 Company Name  
8. US EPA ID Number

B. Transporter's Phone

9. Designated Facility Name and Site Address  
**PRIDE VENTURE MOUND UTAH**  
10. US EPA ID Number

C. Facility's Phone

11. Waste Shipping Name and Description

12. Containers No. Type 13. Total Quantity 14. Unit Wt/Vol

a. **CRUDE OIL (NATURAL) SOAKED DIRT 041Y71682**

.....

b.

.....

c.

.....

d.

.....

D. Additional Descriptions for Materials Listed Above

E. Handling Codes for Wastes Listed Above  
**03**

15. Special Handling Instructions and Additional Information

16. GENERATOR'S CERTIFICATION: I certify the materials described above on this manifest are not subject to federal regulations for reporting proper disposal of Hazardous Waste.

Printed/Typed Name

Signature

Month Day Year

17. Transporter 1 Acknowledgement of Receipt of Materials  
Printed/Typed Name

Signature

Month Day Year

GENERATOR

TRANSPORTER

**Division of Oil, Gas and Mining**  
**OPERATOR CHANGE WORKSHEET**

**ROUTING**

- |        |
|--------|
| 1. DJJ |
| 2. CDW |

**X - Change of Operator (Well Sold)**

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

**6/1/2007**

<b>FROM:</b> (Old Operator): N2845-Pride Ventures, LLC PO Box 328 Bloomfield, NM 87413 Phone: 1 (505) 325-7707	<b>TO:</b> ( New Operator): N3205-Integrated Energy, LLC 1137 19 Road Fruita, CO 81521 Phone: 1 (970) 234-8095
--	--

CA No.		Unit:						
WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED LIST								

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 12/14/2007
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 1/4/2008
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 11/7/2007
- a. Is the new operator registered in the State of Utah: \_\_\_\_\_ Business Number: 5065229-0160
- b. If **NO**, the operator was contacted on: \_\_\_\_\_
- a. (R649-9-2)Waste Management Plan has been received on: \_\_\_\_\_ **REQUESTED 1/31/08**
- b. Inspections of LA PA state/fee well sites complete on: n/a
- c. Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 9/6/2007 BIA
- Federal and Indian Units:**  
The BLM or BIA has approved the successor of unit operator for wells listed on: n/a
- Federal and Indian Communization Agreements ("CA"):**  
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 1/7/2008

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 12/21/2007 and 1/30/2008
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 12/21/2007 and 1/30/2008
- Bond information entered in RBDMS on: 12/21/2007 and 1/30/2008
- Fee/State wells attached to bond in RBDMS on: 12/21/2007 and 1/30/2008
- Injection Projects to new operator in RBDMS on: 1/30/2008
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: UTB000265
  - Indian well(s) covered by Bond Number: \_\_\_\_\_
  - a. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB0010436
  - b. The **FORMER** operator has requested a release of liability from their bond on: n/a
- The Division sent response by letter on: \_\_\_\_\_

**LEASE INTEREST OWNER NOTIFICATION:**

- (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

**COMMENTS:**

FORM 9

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

SUNDRY NOTICES AND REPORTS ON WELLS

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:  
Site below

9. API NUMBER:

10. FIELD AND POOL, OR WILDCAT:  
Grassy Trail

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.

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

2. NAME OF OPERATOR:  
Integrated Energy LLC **N3205**

3. ADDRESS OF OPERATOR:  
1137 19 Road CITY Fruita STATE CO ZIP 81521 PHONE NUMBER (970) 234-8095

4. LOCATION OF WELL  
FOOTAGES AT SURFACE: \_\_\_\_\_ CO INTY: \_\_\_\_\_  
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: \_\_\_\_\_ 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 (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Change of Operator</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  
Integrated Energy LLC has assumed operations on the wells listed on Exhibit A to this report.

*effective 6/1/07*  
*BLM Bond = UTB-000265*  
*DOG M BOND = RLB0010436*

NAME (PLEASE PRINT) TERRY R. SPENCER TITLE Attorney  
SIGNATURE *T R Spencer* DATE 11-20-07

(This space for State use only)

APPROVED 12/21/07 + 1/30/08  
*Earlene Russell*  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician  
(See instructions on Reverse Side)

RECEIVED  
NOV 20 2007  
DIV. OF OIL, GAS & MINING

Grassy Trail Field

Exhibit A Well List

	API#	Lease Type	Lease #	Well Name	Well Type	County	Location	Utah Entity#
1	43-007-30084-00-00	State		State 36-13	Oil	Carbon	36-15S-12E	6430
2	43-007-30103-00-00	State		Grassy Trail 36-2	Oil	Carbon	36-15S-12E	9577
3	43-015-15604-00-00	Federal	UTU41364	Federal 1	Oil	Emery	1-16S-12E	635
4	<del>43-015-15607-00-00</del>	<del>Federal</del>	<del>UTU41364</del>	<del>Federal 2</del>	<del>Oil</del>	<del>Emery</del>	<del>1-16S-12E</del>	<del>635</del>
5	43-015-30097-00-00	Federal	UTU43778	Federal 11-33	Oil	Emery	11-16S-12E	6435
6	43-015-30100-00-00	State		State 2-43X	Oil	Emery	2-16S-12E	6440
8	43-015-30118-00-00	Federal	UTU43778	Federal 11-41	Oil	Emery	11-16S-12E	6450
9	43-015-30120-00-00	Federal	UTU43778	Federal 11-13	Oil	Emery	11-16S-12E	6455
10	43-015-30121-00-00	Federal	UTU43777	Federal 4-32	Oil	Emery	4-162-12E	6460
11	43-015-30138-00-00	Federal	UTU43778	Federal 14-11	Oil	Emery	14-16S-12E	6475
12	43-015-30142-00-00	Federal	UTU43778	Federal 12-13	Oil	Emery	12-16S-12E	6485
13	43-015-30149-00-00	Federal	UTU43778	Federal 11-11	Oil	Emery	11-16S-123	6490
14	43-015-30167-00-00	Federal	UTU43778	Federal 11-42	Oil	Emery	11-16S-12E	6495
15	43-015-30170-00-00	Federal	UTU43778	Federal 11-23	Oil	Emery	11-16S-12E	6500
16	43-015-30172-00-00	Federal	UTU43778	Federal 11-43	Oil	Emery	11-16S-12E	6431
17	43-015-30180-00-00	Federal	UTU41364	Federal 1-14	Oil	Emery	1-16S-12E	9575
7	43-015-30111-00-00	State		State 2-23	Active	Water dis Emery	2-16S-12E	

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NOV 20 2007

DIV. OF OIL, GAS & MINING

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>ML50410-OBA</b>
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: <b>N/A</b>
		7. UNIT or CA AGREEMENT NAME: <b>N/A</b>
1. TYPE OF WELL <b>OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____</b>	8. WELL NAME and NUMBER: <b>State #2-43X</b>	
2. NAME OF OPERATOR: <b>Pride Ventures, LLC</b>		9. API NUMBER: <b>4301530100</b>
3. ADDRESS OF OPERATOR: <b>P.O. Box 328</b> CITY <b>Bloomfield</b> STATE <b>NM</b> ZIP <b>87413</b>		PHONE NUMBER: <b>(505) 325-7707</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>1930' FSL 760' FEL</b>		10. FIELD AND POOL, OR WILDCAT: <b>Grassy Trail Field</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NESE 2 16S 12E</b>		COUNTY: <b>Emery</b>
		STATE: <b>UTAH</b>

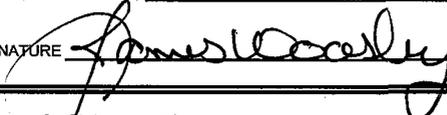
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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

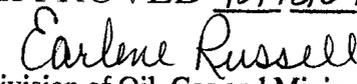
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Effective the 5th day of June, 2007, Pride Ventures, LLC, requests an operator change on the above referenced well. The new operator will be:  
Integrated Energy, LLC  
Genesis Petroleum US, Inc.  
 140 West 9000 South, Suite 9  
 Sandy, Utah 84070

**RECEIVED**  
**JUN 06 2007**  
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <u>James Woosley</u>	TITLE <u>Managing Member</u>
SIGNATURE 	DATE <u>6/1/07</u>

(This space for State use only)

**APPROVED** 12/20/07  
  
 Division of Oil, Gas and Mining  
 Earlene Russell, Engineering Technician

DESIGNATION OF OPERATOR

The undersigned is, on the records of the School and Institutional Trust Lands Administration, holder of lease, ML 50412-03A

And hereby designates:

NAME: Integrated Energy, LLC

ADDRESS: 140 West 9000 So., Suite 9  
Sandy, Utah 84070

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the Director of the Administration or his representative may serve written or oral instructions in securing compliance with the Rules and Regulations Governing the Issuance of Mineral Leases with respect to (describe acreage to which this designation is applicable):

Operator agrees to comply with all lease provisions, statutes, rules, and regulations, whether federal, state, or local, in its operations on the subject lease.

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Rules and Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Director, Trust Lands Administration or his representative.

The lessee agrees promptly to notify the Trust Lands Administration of any change in the designated operator.

TR. M. FOR  
Genesis Petroleum US, Inc.  
**Signature of Lessee**

140 West 9000 So. #9  
Sandy, Utah 84070  
Address

6-6-07  
Date

6-6-07  
Date

Wayne O. Stout Manager  
Signature of Operator

**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: <b>ML-34005</b>
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: <b>NA</b>
		7. UNIT or CA AGREEMENT NAME: <b>NA</b>
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: <b>STATE# 2-43X</b>
2. NAME OF OPERATOR: <b>Integrated Energy LLC</b>		9. API NUMBER: <b>4301530100</b>
3. ADDRESS OF OPERATOR: 1137 19 ROAD, CITY <b>FRUITA</b> STATE <b>UT</b> ZIP <b>81521</b>		10. FIELD AND POOL, OR WILDCAT: <b>GRASSY TRAIL</b>
PHONE NUMBER: <b>(970) 234-8095</b>		
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>1930' FSL, 760' FEL</b>		COUNTY: <b>EMERY</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NENE 2 16S 12E S</b>		STATE: <b>UTAH</b>

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 (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input checked="" type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: <b>8/13/2008</b>	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input checked="" type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <b>Remediate well</b>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

Installed 2 new 300 barrel tanks.  
Installed new engine.  
X-ray existing tubing, 2-3/8" 107 bad joints(greater than 50% wall thickness loss) and 24 good joints.

Installed 141 rods (3/4", 25' length), total length is 3525 feet.  
Installed 1 each 4' Pony Rod.  
Installed 1 each 6' Pony Rod.  
Installed 1, 1-1/2", 15' pump

Total depth is 3525 + 4 + 6 + 15 = 3550 feet.

Removed 16 joints and installed 115 joints of 2-3/8" tubing.

NAME (PLEASE PRINT) <u>Tariq Ahmad</u>	TITLE <u>Petroleum Engineer</u>
SIGNATURE	DATE <u>8/18/2008</u>

(This space for State use only)

**RECEIVED**  
**AUG 20 2008**

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

*Amended  
Lease No 113*

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:  
ML 51328 054

**SUNDRY NOTICES AND REPORTS ON WELLS**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:  
NA

7. UNIT or CA AGREEMENT NAME:  
NA

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.

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

8. WELL NAME and NUMBER:  
STATE# 2-43X

2. NAME OF OPERATOR:  
Integrated Energy LLC

9. API NUMBER:  
4301530100

3. ADDRESS OF OPERATOR:  
1137 19 ROAD, CITY FRUITA STATE UT ZIP 81521

PHONE NUMBER:  
(970) 234-8095

10. FIELD AND POOL, OR WILDCAT:  
GRASSY TRAIL

4. LOCATION OF WELL  
FOOTAGES AT SURFACE: 1930' FSL, 760' FEL

COUNTY: EMERY

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <sup>S</sup>NENE 2 16S 12E S

STATE: UTAH

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	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Remediate well
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

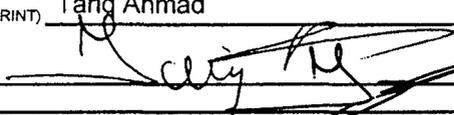
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Total depth is 3525 + 4 + 6 + 15 = 3550 feet.

Removed 16 joints and installed 115 joints of 2-3/8" tubing.

NAME (PLEASE PRINT) Tarig Ahmad TITLE Petroleum Engineer  
SIGNATURE  DATE 8/18/2008

(This space for State use only)

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SEP 23 2008

**Division of Oil, Gas and Mining**  
**OPERATOR CHANGE WORKSHEET**

<b>ROUTING</b>
1. DJJ
2. CDW

**X - Change of Operator (Well Sold)**

**Operator Name Change/Merger**

The operator of the well(s) listed below has changed, effective: **10/1/2008**

<b>FROM: (Old Operator):</b> N3205-Integrated Energy, LLC. 1137 19 Rd Fruita, CO 81521  Phone: 1 (435) 722-5081	<b>TO: ( New Operator):</b> N3475-Genesis Petroleum US, Inc. 140 W 9000 S, Suite 9 Sandy, UT 84070  Phone: 1 (775) 852-7444
--	--

WELL NAME	CA No.	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED LIST									

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 10/14/2008
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 10/14/2008
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 5/28/2008
- a. Is the new operator registered in the State of Utah:                      Business Number: 6448057-0142
- b. If **NO**, the operator was contacted on:
- a. (R649-9-2) Waste Management Plan has been received on: IN PLACE
- b. Inspections of LA PA state/fee well sites complete on: n/a
- c. Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM not yet BIA
- Federal and Indian Units:**  
The BLM or BIA has approved the successor of unit operator for wells listed on: n/a
- Federal and Indian Communization Agreements ("CA"):**  
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 7/1/2008

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 10/16/2008
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 10/16/2008
- Bond information entered in RBDMS on: 10/16/2008
- Fee/State wells attached to bond in RBDMS on: 10/16/2008
- Injection Projects to new operator in RBDMS on: n/a
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: UTB000331
- Indian well(s) covered by Bond Number: n/a
- a. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number 3525790 & 3525857

**COMMENTS:**

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.

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>SEE ATTACHED</b>
2. NAME OF OPERATOR: <b>Integrated Energy LLC</b> <i>N3205</i>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1137 19 road CITY <b>Fruita</b> STATE <b>CO</b> ZIP <b>81521</b>		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>SEE ATTACHED</b>		8. WELL NAME and NUMBER:
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		9. API NUMBER:
COUNTY: <b>EMERY</b>		10. FIELD AND POOL, OR WILDCAT:
STATE: <b>UTAH</b>		

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 (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
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	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <b>CHANGE OF OPERATOR</b>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

The successor Operator for these wells will be:

Genesis Petroleum US Inc.  
PO Box 18148  
Reno, NV 89511

*N 3475*

775 852 7444

Genesis Petroleum US Inc Statewide BLM Bond UTB 000331 will be used for these wells.

Genesis Petroleum US Inc. has full cost bonding for the State wells. *#3525790 and #3525857*

List of Wells Attached

Effective October 1, 2008

NAME (PLEASE PRINT) <u>Wayne Stout</u>	TITLE <u>Manager</u>
SIGNATURE <u>Wayne Stout</u>	DATE <u>10/9/2008</u>

(This space for State use only)

APPROVED 10/16/2008

*Earlene Russell*  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

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OCT 14 2008

DIV. OF OIL, GAS & MINING

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>SEE ATTACHED</b>
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1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: <b>GENESIS PETROLEUM US INC. N3475</b>		8. WELL NAME and NUMBER:
3. ADDRESS OF OPERATOR: PO BOX 18148 CITY RENO STATE NV ZIP 89511		9. API NUMBER:
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>SEE ATTACHED</b>		10. FIELD AND POOL, OR WILDCAT:
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		COUNTY: <b>EMERY</b>
		STATE: <b>UTAH</b>

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775 852 7444

Genesis Petroleum US Inc Statewide BLM Bond UTB 000331 will be used for these wells.

Genesis Petroleum US Inc. has full cost bonding for the State wells. # 3525790 + #3525857

List of Wells Attached

Effective October 1, 2008

NAME (PLEASE PRINT) <u>Tariq Ahmad</u>	TITLE <u>Petroleum Engineer/Agent</u>
SIGNATURE	DATE <u>10/9/2008</u>

(This space for State use only)

**APPROVED** 10/16/2008

*Earlene Russell*  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

(5/2000)

(See Instructions on Reverse Side)

**RECEIVED**

**OCT 14 2008**

DIV. OF OIL, GAS & MINING

<b>Lease Type</b>	<b>Lease #</b>	<b>Well Name</b>	<b>API NO</b>	<b>County</b>	<b>Location</b>
State	51327 OBA	State 36-13	4300730084	Carbon	36-15S-12E
State	51327 OBA	Grassy Trail 36-2	4300730103	Carbon	36-15S-12E
Federal	UTU41364	Federal 1	4301515604	Emery	1-16S-12E
Federal	UTU43778	Federal 11-33	4301530097	Emery	11-16S-12E
State	51328 OBA	State 2-43X	4301530100	Emery	2-16S-12E
Federal	UTU43778	Federal 11-41	4301530118	Emery	11-16S-12E
Federal	UTU43778	Federal 11-13	4301530120	Emery	11-16S-12E
Federal	UTU43777	Federal 4-32	4301530121	Emery	4-162-12E
Federal	UTU43778	Federal 14-11	4301530138	Emery	14-16S-12E
Federal	UTU43778	Federal 12-13	4301530142	Emery	12-16S-12E
Federal	UTU43778	Federal 11-11	4301530149	Emery	11-16S-123
Federal	UTU43778	Federal 11-42	4301530167	Emery	11-16S-12E
Federal	UTU43778	Federal 11-23	4301530170	Emery	11-16S-12E
Federal	UTU43778	Federal 11-43	4301530172	Emery	11-16S-12E
Federal	UTU41364	Federal 1-14	4301530180	Emery	1-16S-12E
State	51328 OBA	State 2-23	4301530111	Emery	2-16S-12E

**SKYLINE**   
**Oil Company**

A TEXAS EASTERN COMPANY

February 11, 1982

State of Utah  
Department of Natural Resources  
Division of Oil, Gas and Mining  
4241 State Office Building  
Salt Lake City, Utah 84114

Re. Application for Permit to Drill  
Skyline Oil Company State 2-43X Well,  
Section 2, Township 16 South, Range 12 East,  
S.L.M., Emery County, Utah

Gentlemen:

Enclosed herewith are triplicate copies of our Application for Permit to Drill the subject Well.

It is intended to move rig 50' North of present State 2-43 location and drill well to same program as previously specified. The Designation of Operator will remain as Skyline Oil Company and drilling bond information which has been filed with the Utah State Division of Lands will remain the same.

Your expeditious handling of our Application will be greatly appreciated.

Very truly yours,

SKYLINE OIL COMPANY

*Clifford Selin*

Clifford Selin  
Engineer

Enclosures

**RECEIVED**  
FEB 16 1982  
DIVISION OF  
OIL, GAS & MINING

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

FORM 3

AMENDED REPORT   
(highlight changes)

<b>APPLICATION FOR PERMIT TO DRILL</b>				5. MINERAL LEASE NO: ML51328 OBA	6. SURFACE: State
1A. TYPE OF WORK: DRILL <input type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input checked="" type="checkbox"/>				7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>				8. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: Genesis Petroleum U.S., Inc.				9. WELL NAME and NUMBER: State 2-43X	
3. ADDRESS OF OPERATOR: P.O. Box 18148 CITY Reno STATE NV ZIP 89511			PHONE NUMBER: (775) 852-7444	10. FIELD AND POOL, OR WILDCAT: Grassy Trail	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 1930' FSL, 760' FEL AT PROPOSED PRODUCING ZONE: 1930' FSL, 760' FEL				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 2 16S 12E S	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 15 miles SE of Wellington, UT				12. COUNTY: Emery	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 710	16. NUMBER OF ACRES IN LEASE: 478		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 160		
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 2523.4	19. PROPOSED DEPTH: 7,200		20. BOND DESCRIPTION: State Full Cost Bond		
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5340 GL	22. APPROXIMATE DATE WORK WILL START: 4/1/2009		23. ESTIMATED DURATION: 10 days		

**PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
24"	16"	H-40	65#	14	5 sx Class G cement
14-3/4	10-3/4	H-40	40.5	385	334 sx Class G 2% CaCl2 1/4# D-29/sx
9-7/8	7-5/8	J-55	26.4	3,669	500 sx 50/50 Pozmix 2% Gel, 1/4# Flocele & 0.6 % Halad-9
					+125 sx Class H w/2% CaCl2 1/4# Flocele per sx
6-1/4	5-1/2	J-55	17	7,200	391 sx Class G cement

**ATTACHMENTS**

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

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER  | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN                                   |
| <input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER<br><b>WATER FROM FIELD WILL BE USED FOR DRILLING</b> | <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER |

NAME (PLEASE PRINT) Tariq Ahmad TITLE Petroleum Engineer  
SIGNATURE [Signature] DATE 2/2/2009

(This space for State use only)

API NUMBER ASSIGNED: 43-015-30100

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

APPROVAL:

Date: 05-05-09  
By: [Signature]

**RECEIVED**

**FEB 10 2009**

DIV. OF OIL, GAS & MINING



**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 02/10/2009

API NO. ASSIGNED: 43-015-30100
--------------------------------

WELL NAME: STATE 2-43X  
 OPERATOR: GENESIS PETROLEUM US, ( N3475 )  
 CONTACT: TARIQ AHMAD

PHONE NUMBER: 775-852-7444

PROPOSED LOCATION:

NESE 02 160S 120E  
 SURFACE: 1930 FSL 0760 FEL  
 BOTTOM: 1930 FSL 0760 FEL  
 COUNTY: EMERY  
 LATITUDE: 39.46056 LONGITUDE: -110.53192  
 UTM SURF EASTINGS: 540269 NORTHINGS: 4367783  
 FIELD NAME: GRASSY TRAIL ( 25 )

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DKD	5/5/09
Geology		
Surface		

LEASE TYPE: 3 - State  
 LEASE NUMBER: ML-51328  
 SURFACE OWNER: 3 - State

PROPOSED FORMATION: PRCAM  
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]  
(No. 3525790 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. GRASSY TRA )
- RDCC Review (Y/N)  
(Date: )
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

- R649-2-3.
- Unit: \_\_\_\_\_
- R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit  
Board Cause No: \_\_\_\_\_  
Eff Date: \_\_\_\_\_  
Siting: \_\_\_\_\_
- R649-3-11. Directional Drill

COMMENTS: Needs Prest (03-26-0a)

STIPULATIONS: 1- Spacing Strip  
2- STATEMENT OF BASIS

API Number: 4301530100

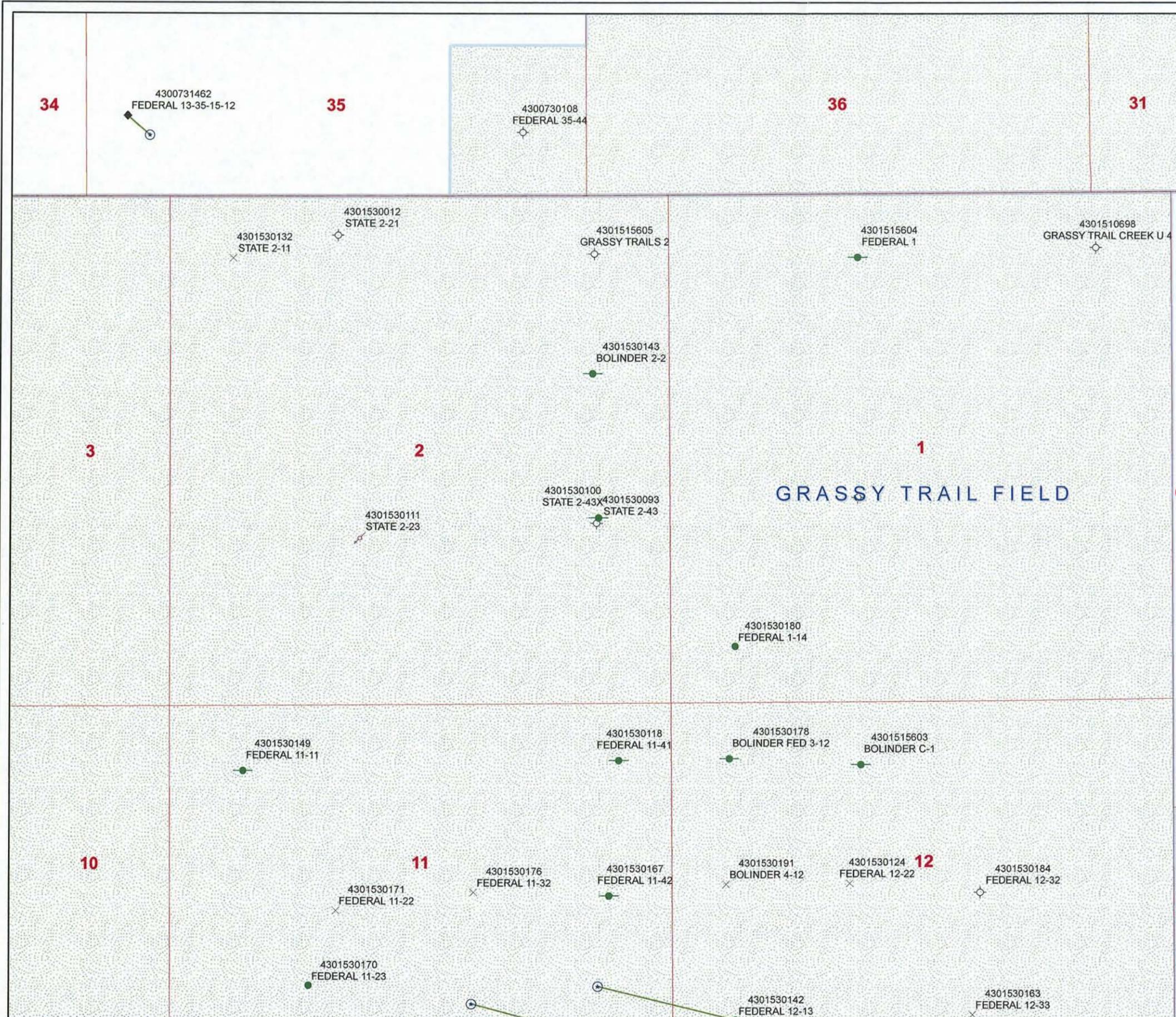
Well Name: STATE 2-43X

Township 16.0 S Range 12.0 E Section 02

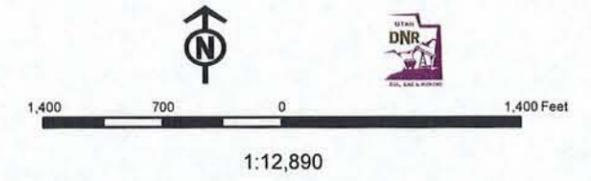
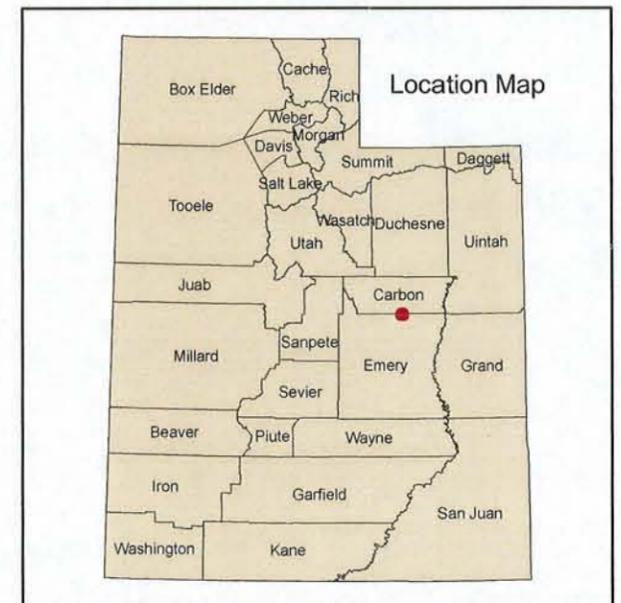
Meridian: SLBM

Operator: GENESIS PETROLEUM US, INC

Map Prepared:  
Map Produced by Diana Mason



Units	Wells Query Events
STATUS	✕ <all other values>
ACTIVE	GIS_STAT_TYPE
EXPLORATORY	<Null>
GAS STORAGE	APD
NF PP OIL	DRL
NF SECONDARY	GI
PI OIL	GS
PP GAS	LA
PP GEOTHERML	NEW
PP OIL	OPS
SECONDARY	PA
TERMINATED	PGW
Fields	POW
STATUS	RET
ACTIVE	SGW
COMBINED	SOW
Sections	TA
	TW
	WD
	WI
	WS



# Application for Permit to Drill

## Statement of Basis

5/5/2009

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
1324	43-015-30100-00-00		OW	S	No
<b>Operator</b>	GENESIS PETROLEUM US, INC	<b>Surface Owner-APD</b>			
<b>Well Name</b>	STATE 2-43X	<b>Unit</b>			
<b>Field</b>	GRASSY TRAIL	<b>Type of Work</b>			
<b>Location</b>	NESE 2 16S 12E S 1930 FSL 760 FEL	GPS Coord (UTM) 540269E 4367783N			

### Geologic Statement of Basis

This well is being permitted to deepen. Review of the files of this well indicates that this well has apparently evaded compliance with a mechanical integrity test for wells of shutin duration greater than 5 years, in this case because of recurring changes of operator. This well should be required to demonstrate mechanical integrity of the existing casing. The operator proposes to set a 5.5" liner from the existing 7.625" casing but only allows 100' of casing overlap. All pre-existing casing was apparently run to surface and the conductor and surface casing were cited as cemented to surface.

Chris Kierst  
APD Evaluator

4/1/2009  
Date / Time

### Surface Statement of Basis

On-site evaluation conducted March 26, 2009. In attendance: Bart Kettle-DOGM, Ed Bonner-SITLA, Dean Christensen-Genesis Petroleum U.S., Inc, Donald Hermann-Rocky Mountain Prospects

DOGM notes relatively flat site void of taller vegetation such as the proposed project site develop problems with rig traffic leaving permitted areas. Precautions such as signs or fencing should implemented to manage these activities.

At the time of on-site evaluation location corners were not surveyed in, nor did the APD contain a detailed well plat. Per conversation with company representatives present at the on-site evaluation existing pad would not be expanded. A single reserve pit with dimensions of 80x80x6 would be built. Auxiliary pit as shown on Exhibit B is not permitted. Such a pit shall not be built without further consultation with the Division, in which the operator would provide the exact location and dimensions of the proposed auxiliary pit.

Any disturbance beyond the existing well pad will require paleo and cultural resources surveys to be completed and submitted. SITLA and DOGM approval will be required prior any dirt work.

Bart Kettle  
Onsite Evaluator

3/26/2009  
Date / Time

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

Category	Condition
Pits	A synthetic liner with a minimum thickness of 16 mils shall be properly installed and maintained in the reserve pit.
Surface	The reserve pit shall be fenced upon completion of drilling operations.
Surface	The current well pad will be used with no additional construction.

# ON-SITE PREDRILL EVALUATION

## Utah Division of Oil, Gas and Mining

**Operator** GENESIS PETROLEUM US, INC  
**Well Name** STATE 2-43X  
**API Number** 43-015-30100-0      **APD No** 1324      **Field/Unit** GRASSY TRAIL  
**Location:** 1/4,1/4 NESE      **Sec** 2      **Tw** 16S      **Rng** 12E      1930 FSL 760 FEL  
**GPS Coord (UTM)**      **Surface Owner**

### Participants

Bart Kettle-DOGMA, Ed Bonner-SITLA, Dean Christensen-Genesis Petroleum U.S., Inc, Donald Hermann-Rocky Mountain Prospects

### Regional/Local Setting & Topography

Proposed project area is located ~8 miles southeast of Wellington City, in Carbon County Utah. The proposed project site sit atop a small reef rising to the south towards the San Rafael Swell. Drainage flows into Grassy Trails Creek within three miles and eventually to the Price River 10 miles away. Project site is located in a 8-10" precept zone at the northern extent of the San Rafael Swell. Regionally agriculture lands are located along the valley floor 5 miles to the west. Regionally, the climate is arid rangelands dominated by Salt Scrub shrub lands and Pinion/Juniper woodlands. Soils in the region are generally poorly developed, and moderate to highly erosive.

### Surface Use Plan

#### **Current Surface Use**

Existing Well Pad

#### **New Road**

<b>Miles</b>	<b>Well Pad Width</b>	<b>Length</b>	<b>Src Const Material</b>	<b>Surface Formation MNCS</b>
--------------	---------------------------	---------------	---------------------------	-----------------------------------

#### **Ancillary Facilities**

No changes or upgrading planned for the current access road.

### Waste Management Plan Adequate?

### Environmental Parameters

**Affected Floodplains and/or Wetland** N

#### **Flora / Fauna**

Site is a current well pad, little Flora: Halogeton, broom snake weed and bottle brush squirrel tail.

#### **Soil Type and Characteristics**

Gravel hauled into drill original well mixed with decomposed Mancos shale/clay

#### **Erosion Issues** Y

Decomposed Mancos shale is prone to wind erosion once disturbed, no mitigation recommended.

#### **Sedimentation Issues** N

#### **Site Stability Issues** N

#### **Drainage Diversion Required** N

**Berm Required?** N

**Erosion Sedimentation Control Required?** N

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

**Reserve Pit**

<b>Site-Specific Factors</b>		<b>Site Ranking</b>
<b>Distance to Groundwater (feet)</b>	>200	0
<b>Distance to Surface Water (feet)</b>	>1000	0
<b>Dist. Nearest Municipal Well (ft)</b>	>5280	0
<b>Distance to Other Wells (feet)</b>	>1320	0
<b>Native Soil Type</b>	Low permeability	0
<b>Fluid Type</b>	Fresh Water	5
<b>Drill Cuttings</b>	Normal Rock	0
<b>Annual Precipitation (inches)</b>	10 to 20	5
<b>Affected Populations</b>	<10	0
<b>Presence Nearby Utility Conduits</b>	Not Present	0
	<b>Final Score</b>	10
		<b>Sensitivity Level</b>

**Characteristics / Requirements**

Liner required in the reserve pit due to the poor operations record in the field on existing wells leading up to submittal of APD to deepen well bore.

**Closed Loop Mud Required?** N    **Liner Required?** Y    **Liner Thickness** 16    **Pit Underlayment Required?** N

**Other Observations / Comments**

Per Ed Bonner of SITLA paleo and cultural inventories are not required so long as disturbance isn't allowed to leave the boundaries of well pad used to drill original well bore.

Previous experience indicates flate project sites such as this one with little vegetation develop problems with rig traffic leaving permitted areas. Precautions such as fencing or signs should be used to manage such activities.

Bart Kettle  
**Evaluator**

3/26/2009  
**Date / Time**

**From:** Ed Bonner  
**To:** Mason, Diana  
**Date:** 3/31/2009 2:18 PM  
**Subject:** Well Clearance

**CC:** Davis, Jim; Dworshak, Clinton; Garrison, LaVonne; Hill, Brad; Jarvis...  
The following well has been given cultural and paleontological resources clearance by the Trust Lands Administration:

Genesis Petroleum US, Inc  
State 2-43X (API 43 015 30100)

If you have any questions regarding this matter please give me a call.

**DRILLING PLAN**

Attachment to APD for deepening  
Genesis Petroleum US, Inc.  
Field: Grassy Trail  
Well: State 2-43X  
Lease: ML51328 OBA  
GL: 5340  
1930' FSL, 760' FEL, Sec. 2-T16S, R12E, SLM  
Emery County, UT

**1. Well Procedure**

1. MIRU
2. Drill with 6 ¼ inch bit to TD.
3. Mud system will be a aerated fluid with soap. Mud weights will be 8.1 to 10 ppg as hole conditions warrant.
4. Run Electric logs composed of Dual Induction, Gamma Ray, and SP. Porosity logs composed of Density and Neutron will be run.
5. DST will be run as warranted to test zones.
6. Samples will be taken every 50 feet. A mud log will be run to TD.

**2. Well Completion Procedure**

1. Run a 5 ½ inch J-55 hung from the 7 5/8 to TD.
2. Cement J-55 casing to TD.
3. Run Cement Bond Log.
4. Perforate potential natural gas zones.
5. Run in Hole with 2 3/8 inch tubing to producing zone.
6. Install surface facilities composed of Metering facility, Separators.
7. Wait on pipeline construction.

**3. Well Spacing**

Genesis owns the acreage within the spacing unit for said well. 160 acres were assigned to this well when it was originally approved for drilling.

The Well will be drilled to test all formation to the Madison at approximately 7200 feet  
**The above well is 710 feet from the lease line.**

**4 Estimated tops of Geologic Markers:**

<u>S.N.</u>	<u>Formation</u>	<u>Depth'</u>
1.	Lower Mancos Shale	Surface
2.	Morrison	523
3.	Summerville	1110
4.	Curtis	1317
5.	Entrada	1435
6.	Navajo	2084
7.	Wingate	2573
8.	Chinle	2955
9.	Moenkopi	3200
10.	Sinbad	3285
11.	Kaibab	3922
12.	Cedar Mesa	4022

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**MAY 04 2009**

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

**4. Continued:**

<b>S.N.</b>	<b>Formation</b>	<b>Depth'</b>
13.	Elephant Canyon	5012
14.	Hermosa	5227
15.	Deseret	5992
16.	Madison	6172
17.	Devonian	6672
18.	Cambrian	6797
19.	Precambrian	7147
TD		7200

**5. Estimated Tops of Possible Water, Oil, Gas or Minerals:**

<b>S.N.</b>	<b>Formation</b>	<b>Top Depth'</b>	<b>Bottom Depth'</b>	<b>Rate, if Available</b>	
				<b>(O-Oil, G-Gas, W-Water)</b>	
1.	Navajo	2084	2573	W	200 bpd
2.	Wingate	2573	2955	W	60 bpd
3.	Moenkopi	3200	3285	O/G	
4.	Sinbad	3285	3922	O	
5.	Kaibab	3922	4022	O/G	
6.	Cedar Mesa	4022	5012	O	
7.	Elephant Canyon	5012	5227	O	
8.	Hermosa	5227	5992	O	
9.	Deseret	5992	6172	G	
10.	Madison	6172	6672	G	

**6. BHP pressure:**

BHP will be approximately 2900 psig at 7200 feet TVD. No abnormal pressures or temperatures have been noted or reported in wells drilled in the area.

**7. BOP Information & Pressure Control:**

Please see attached Exhibit "A."

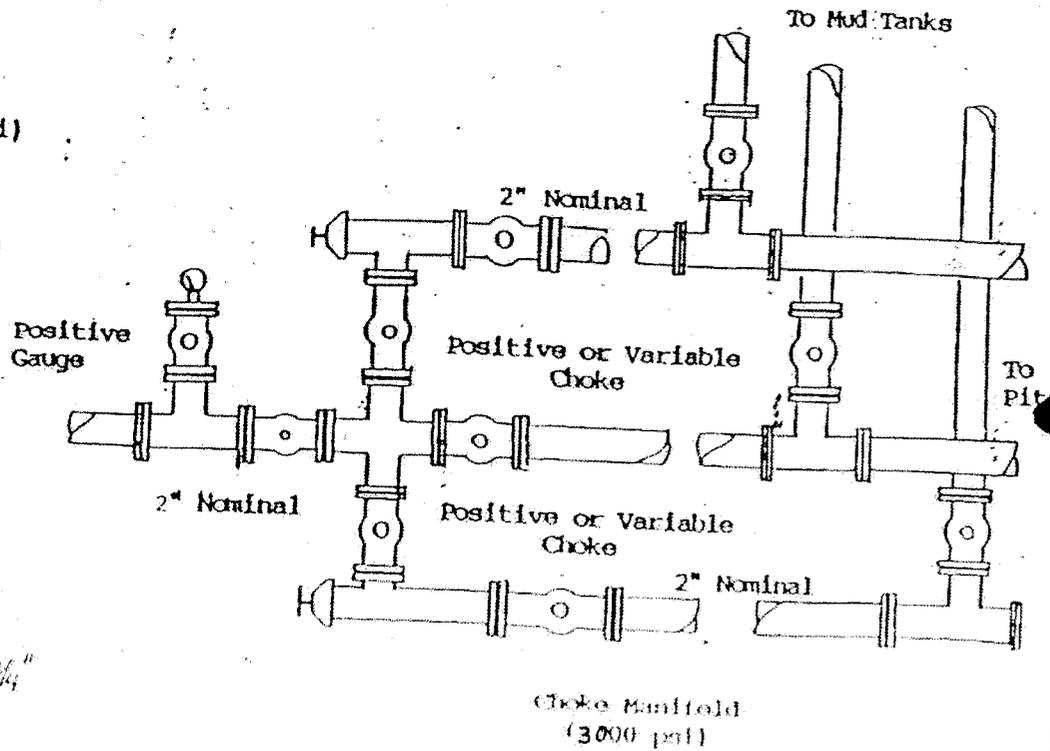
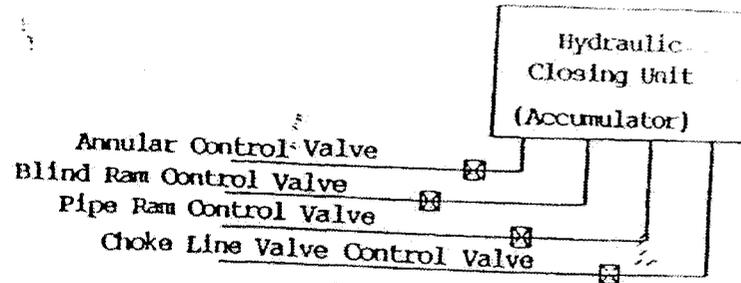
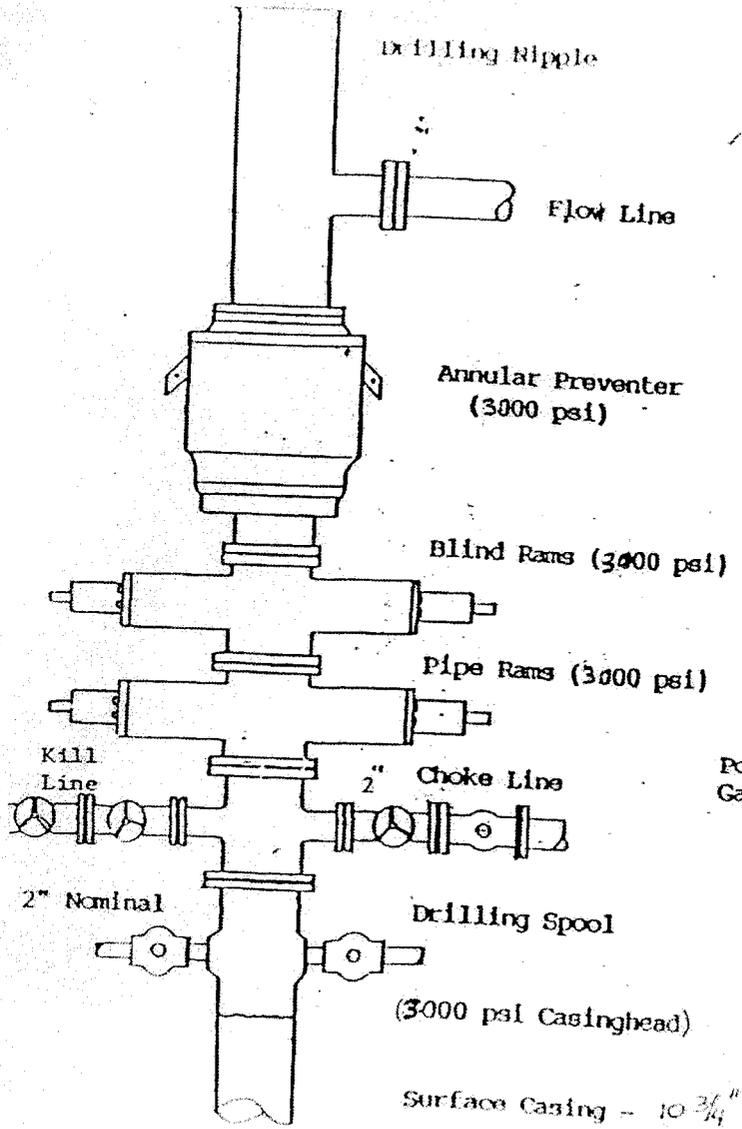
1. All BOP equipment shall be fluid and/or mechanically operated.
2. BOP's and all fittings will be in good working condition and rated at 3000 psi W.P. minimum.
3. Equipment through which bit must pass shall be at least as large as casing size being drilled.
4. Nipple above BOP shall be at least same size as casing being set.
5. Upper Kelly Cock and lower Kelly Cock shall be 3000 psi W.P. minimum.
6. Floor safety valve (full opening) or drill string BOP with appropriate rated pressure shall be available on rig floor with connections or subs to fit any tool joint in string.
7. Minimum size for choke line shall be 3 inches nominal diameter, minimum size for vent lines downstream of chokes shall be 2 inches nominal, and vent line which by-passes shall be a minimum of 3 inches nominal and shall be as straight as possible.
8. Fluid Lines from accumulator to BOPs and all remote control fluid lines shall be steel and rated at or above maximum accumulator pressure. Lines shall be bundled and protected from damage.
9. Rams will be used in following positions: Genesis Drilling Supervisor may reverse ram location.

	<u>Drilling</u>	<u>Running Casing</u>
Upper Ram	Blind	Blind
Lower Ram	Drill Pipe	Casing Rams

10. Minimum size for kill line is 2 inches nominal.
11. Extensions and hand wheels shall be installed.

**ALL SPECIFICATIONS LISTED ARE PER API-RP53.**

EXHIBIT "A"  
BOPE DIAGRAM



**8. Protection of current perforations:**

There are no current perforations. This is an open hole completion. Thus, simply running casing and then cementing will isolate the current producing zone.

**9. Well Integrity Test:**

Prior to drilling a packer will be set at 3600 feet and the casing will be pressure tested for 30 minutes. If there is a pressure loss then the well be repaired to this depth prior to drilling.

**10. Site Plan:**

Please see attached Exhibit "B."

**11. Casing Descriptions-**

<u>Casing</u>	<u>Hole Size"</u>	<u>Interval'</u>	<u>Section Length'</u>	<u>Size OD"</u>	<u>Weight Grade</u>	<u>New/Used/Existing</u>
Conductor	24	0-13.5	13.5	16	65#/ft.	Existing
Surface	14-3/4	0-385	385	10-3/4	40.5#/ft, K55, ST&C	Existing
Intermediate	9-7/8	0-3669	3669	7-5/8	26.4#/ft, J-55,	Existing
Production	6-1/4	3469-7200	3731	5-1/2	17#/ft, J-55	New

**12. Cement Program:**

Conductor: Cemented to surface with 5 sacks cement.

Surface: Cemented to surface with 100% excess, 335 sx Class G cement, 2% CaCl<sub>2</sub>, ¼ # D-29 per sack.

Intermediate: Cemented with 500 sx, 50/50 Pozmix w/2% Gel, ¼# Flocele and 0.6% Halad-9 Followed by 125 sx class "H" w/2% CaCl<sub>2</sub> & ¼# Flocele/sx.

Production: Calculation. Vol. With 6-1/4" hole with 5-1/2" casing is .0481 cu. ft/lin. Ft. Multiply .0481 x 3631' = 174.65 cu. ft. Class G cement is 0.67 cu. ft/sack, So will require 174.64/0.67 = 261 sacks of Class G cement. Total with 50% excess will be 391 sx.

**13. Hydrogen Sulfide, H<sub>2</sub>S, Contingency Plan:**

DRILLING OPERATIONS PLAN  
HYDROGEN SULFIDE  
STATE 2-43X  
EMERY COUNTY, UTAH  
(SEE EXHIBIT B-SITE PLAN & EXHIBIT B1-USGS TOPOGRAPHICAL MAP)

**I. HISTORY:**

The State 2-43X well was drilled during 1983 and completed in the Moenkopi formation, the well has produced quantities of natural gas which are not measurable. Therefore an assumed value of 1 MCF/Day was used for calculation purposes.

**II. RE-ENTERING WELL TO REACH A DEEPER PRODUCING FORMATION:**

The above well is being re-entered and thus this Contingency Plan for Hydrogen Sulfide is being submitted, according to R649-3-12. The target formation is the Madison.

**III. TRAINING OF ON-SITE PERSONNEL:**

All personnel on location shall receive proper Hydrogen Sulfide training in accordance with Section III.C.3.a., 43 CFR 3160. The instructor shall be the tool pusher who is certified in Hydrogen Sulfide Training or another person qualified to conduct this training will be appointed.

The training will consist of the following:

1. Physical Properties and Physiological Effects of Hydrogen Sulfide.
2. Exposure limits including Threshold Limit Value, TLV of 10 ppm, Short-Term Exposure Limit, STEL of 15 ppm for 15 minutes, for not more than four times per day with at least 60 minutes between successive exposure of 15 ppm.
3. Use of portable Hydrogen Sulfide Detectors, alarm set at 10 ppm; capable of measuring 10 ppm.
4. Location of the three hydrogen sulfide sensors that will activate an audible and visible alarm at a hydrogen sulfide concentration of 20 ppm. These sensors shall be located at the shale shaker on the derrick floor and in the cellar. Operation and issuance of portable hydrogen sulfide detectors for all working personnel. These detectors shall give an audible alarm at a concentration of 20 ppm.
5. Use of positive pressure type self contained breathing apparatus, SCBA and issuance of each SCBA for all personnel involved in drilling, with at least one SCBA provided for each rig hand. This will also include face fit testing to ensure that all personnel have an air tight seal for their respective respirator.
6. Availability of note pads, markers and carpenter pencils for rig hands and necessary personnel for communication when wearing an SCBA, these shall be stored on the rig floor in a closed plastic container.
7. Use of first aid supplies, litter or stretcher, harnesses and lifelines and the location thereof. These supplies shall be located just outside of the Doghouse.
8. Use of and availability of a radio and cell phone for emergency two-way communication from the two designated safe areas near the well location. The radios will be stored at the primary and secondary assembly areas.

# EXHIBIT B-SITE PLAN-GENESIS PETROLEUM US, INC.

WELL# STATE 2-43X

Lease: ML51328 OBA, GL: 5340'

1930' FSL, 760' FEL, Sec. 2, T16S, R12E, SLM, Emery County, UT

PRIMARY  
CREW BRIEFING/SAFETY /ASSEMBLY AREA

PRIMARY  
ESCAPE ROUTE

RAILER

RAILER

AIR COMPRESSOR

FUEL FUEL

AIR COMPRESSOR

AUXILIARY  
PIT IF  
NEEDED

PLANE  
LINE 1

150'

WELL

RIG

CHEM.  
STORAGE

PIT  
80x80'

PLANE  
LINE 2

DOG-  
HOUSE

PIPE RACK

CATWALK

PIPE RACK

PIPE RACK

PIPE RACK

300 BBL  
STORAGE TANKS

SECONDARY  
ESCAPE ROUTE

PREVAILING  
WIND DIRECTION

SECONDARY ASSEMBLY  
AREA

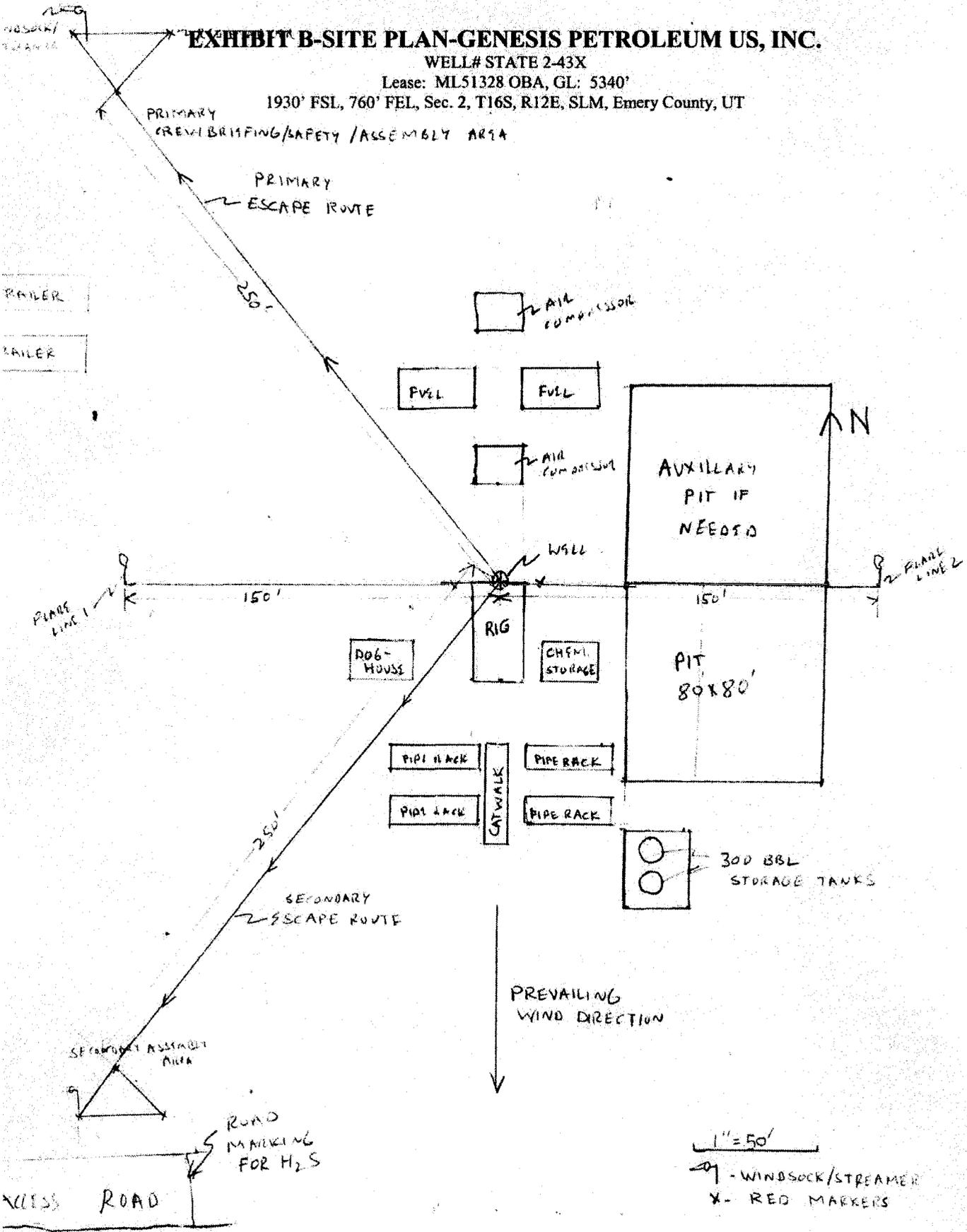
ROAD  
MARKING  
FOR H<sub>2</sub>S

ACCESS ROAD

1" = 50'

○ - WINDSOCK/STREAMER

× - RED MARKERS

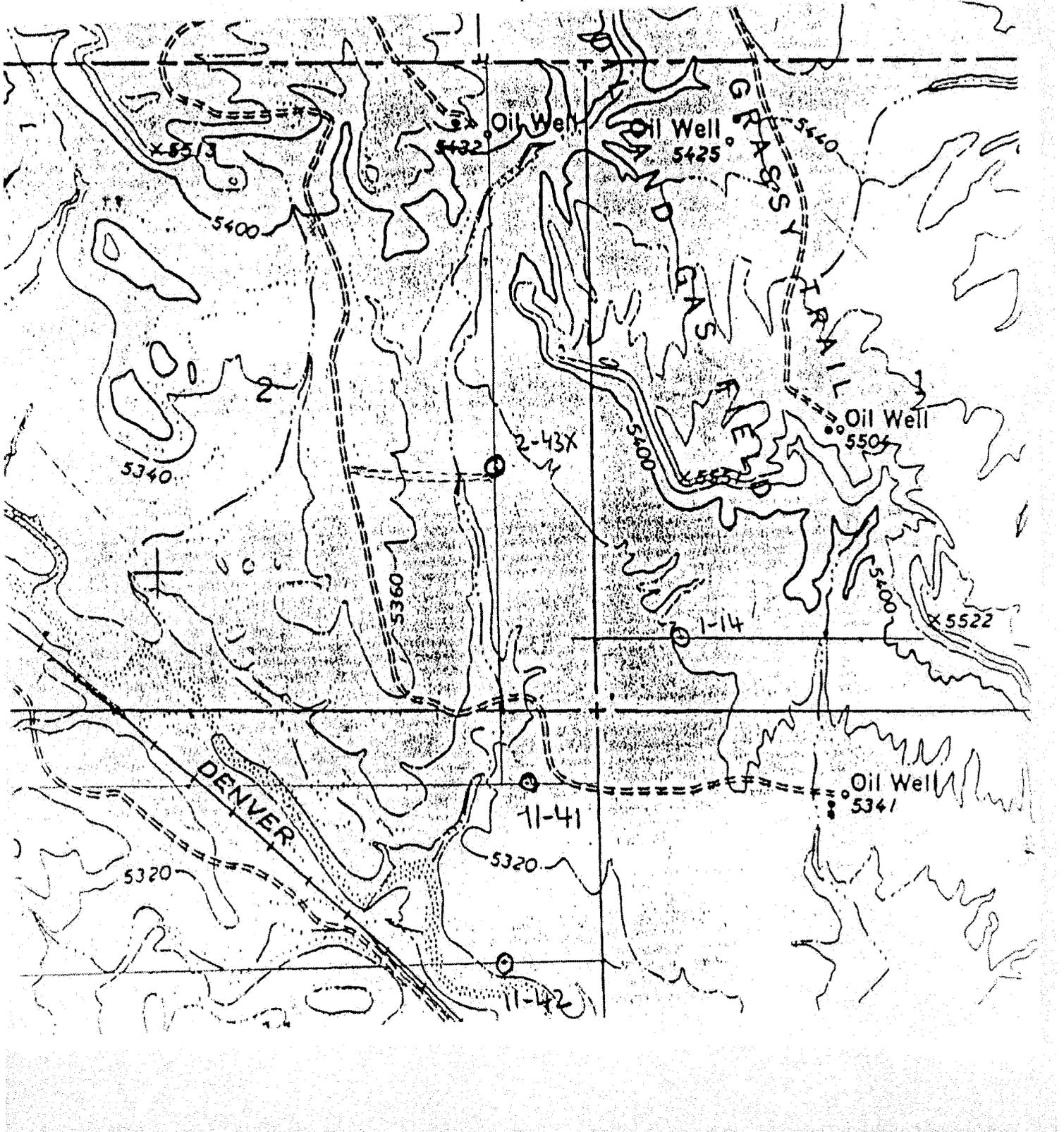


**EXHIBIT B1-USGS TOPOGRAPHICAL MAP  
GENESIS PETROLEUM US, INC.**

WELL# STATE 2-43X

Lease: ML51328 OBA, GL: 5340'

1930' FSL, 760' FEL, Sec. 2, T16S, R12E, SLM, Emery County, UT



9. Use of resuscitator, complete with oxygen, in an emergency situation; and the location of the same.
10. Use of harness and lifelines and the location of the same.
11. Location of the two crew briefing/safety/assembly areas.
12. Location of wind socks and/or streamers and determining which of the two briefing/safety/assembly areas to evacuate to in case of detection of hydrogen sulfide at 20 ppm.
13. Location of the two flare lines will be shown to all personnel. There shall be two flare lines to burn the Hydrogen Sulfide. One will be located at least 150 feet directly west of the well head while the other will be located at least 150 feet directly east of the well head. Valves will be placed on these 2 inch steel lines to direct the hydrogen sulfide to either or both lines.
14. Personnel will become familiar with audible alarms from the portable detection equipment and will become familiar with the audible and visible alarms of the hydrogen sulfide detection and monitoring system

**IV. DETECTION OF HYDROGEN SULFIDE-** Upon detection of hydrogen sulfide at 10 ppm by any of the portable hydrogen sulfide gas detectors, or a threshold value of 20 ppm by the sensors located at the shale shaker on the derrick floor and in the cellar, the procedure to follow, will be:

- i. Sounding off the alarm, which include hand signals, audible horn, and/or flashing emergency lights.
- ii. Immediately putting on SCBA and shutting down the well or by flaring the hydrogen sulfide by designated personnel.
- iii. Evacuation of the undesignated personnel to the proper briefing/safety/assembly area for evacuation, depending on wind direction.
- iv. Method of accountability of personnel.
- v. Identifying any personnel that need medical attention and providing the immediate emergency care within the capabilities of the personnel present.
- vi. Emergency evacuation of the injured/exposed personnel by the most expeditious method possible such as an ambulance or airlift.

**V. ISOLATION OF WELL AREA UPON RELEASE OF HYDROGEN SULFIDE-**

Isolation will be achieved by placing of highly visible red flags at the rig and on designated access route to the well to protect the personnel and the general public. The access road to the well will be blocked by taping red tape across the said road, at the entrance to the well. This location will be guarded by a person to ensure that no unauthorized traffic enters the well site. If the contamination has spread beyond this point then the main road will be blocked, in a similar manner, at a location that is below 10 ppm hydrogen sulfide.

**VI. CONTROL OF HYDROGEN SULFIDE-**

By injecting a basic compound such as bleach down the tubing or casing and/or, flaring or shutting in of well, if within the means of the designated personnel or by contacting specialized emergency personnel to control the release of hydrogen sulfide.

**VII. NOTIFICATION OF RELEASE**

Notification of the release of hydrogen sulfide will be made to the Utah Oil and Gas Division. If a release is beyond the capabilities of the crew at this location then:

1. **911** emergency services will be notified stating the level of hydrogen sulfide detected at the location, the wind direction, exposure of any personnel, etcetera.
2. The District Engineer of the SE UT District Health Office at Price will be contacted at: 435-637-3671, Ext. 50-During normal business hours. 8 a.m. to 5 p.m. or on his cell, 435-559-3825, at other hours.

**VIII. Safety Equipment and Systems**

Well Control Equipment:

The well control equipment consists of BOP equipment, a diagram of which was submitted with the original sundry Notice on this well.

Flare Line

There shall be two flare lines to burn the Hydrogen Sulfide. One will be located at least 150 feet directly west of the well head while the other will be located at least 150 feet directly east of the well head. Valves will be placed on these 2 inch steel lines to direct the hydrogen sulfide to either or both lines.

Means of Ignition:

An automatic igniter shall be used.

Remote controlled choke.

A hydraulic choke is used for choke control.

Flare gun

A flare gun shall be made available to the tool pusher.

Ventilation Equipment

Adequate ventilation will be available for the rig. Should a release occur that effects the personnel trailers then fans will be brought in to ventilate the said buildings.

**IX. Protective equipment for essential personnel.**

All protective equipment for essential personnel shall be located on or immediately adjacent to the rig floor. The apparatus, SCBA, shall consist of oxygen tanks and respirators for the Tool Pusher, rig hands and any other necessary personnel on site.

Hand signals and/or chalk boards shall be used as means of communications while using the SCBA.

**X. Hydrogen Sulfide detection and monitoring equipment**

Hydrogen Sulfide detection equipment shall consist of chemical detectors, transmitter and an alarm. This equipment's sensors shall be placed at the lowest location in the cellar, one at the shale shaker and the third on the rig floor. The alarm shall be a audible and visible with a detection limit at 10 ppm and activation at a threshold of 20 ppm of hydrogen sulfide.

Portable Hydrogen Sulfide detection equipment shall be provided to each of the personnel who are working on the rig floor. Said personal monitor shall detect Hydrogen Sulfide if the level exceeds 10 ppm.

**XI. Radius of Investigation**

For 100 ppm concentration of hydrogen sulfide, radius of exposure in feet is calculated to be 23.85. The above was calculated using the Pasquill-Gifford equation.

**XII. Visual warning Systems**

Wind socks or streamers shall be placed near ground level, as to be visible from the rig floor and on the ground floor (these will be artificially lighted for night time operations). Additional windsocks/streamers will be placed in the two assembly areas, one each.

Caution/danger signs and flags shall be placed at the entry point to rig location.

The sign shall read in large letters:

**DANGER: POISON GAS – HYDROGEN SULFIDE**

In small letters:

**Do Not Approach If Red Flag is Flying**

The sign shall be placed at least 200 feet from the well site; at the only road entering the well site, to the southwest of the well.

The sign shall be painted in high visibility yellow with black lettering.

**XIII. Mud Program**

Aerated fluid with soap. Mud weights will be 8.1 to 10 ppg as hole conditions warrant. Basic chemicals such as bleach and/or sodium hydroxide shall be available in order to increase the pH of the mud; should it become necessary. Portable pH strips will be available for this adjustment. A chemical company such as Champion Technologies will be on call.

**XIV. Metallurgy:**

Normal oil field tubular tools are used on this well. Nothing from the ordinary is to be used on location.

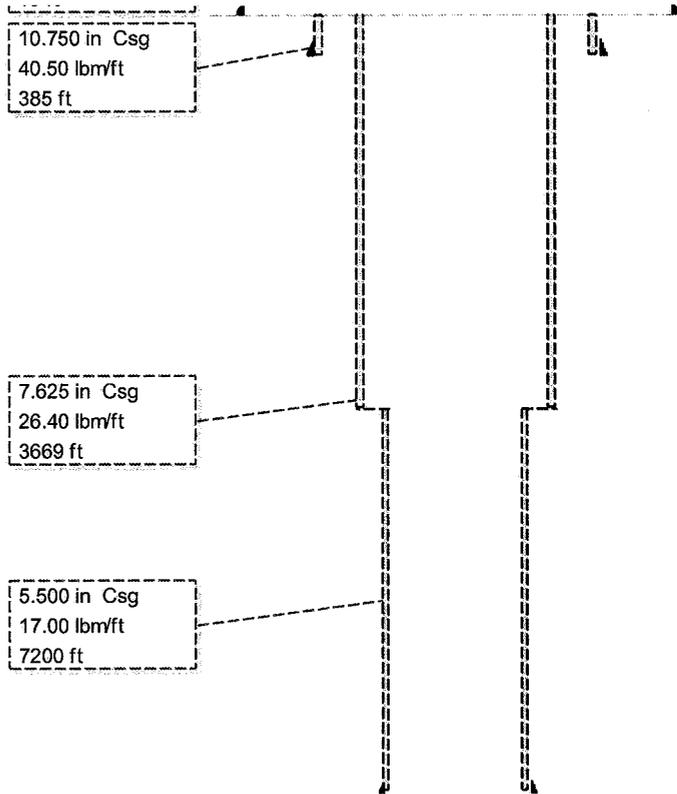
**XV. Crew Briefing/Safety/Assembly Areas:**

Normal prevailing winds are from north to south, thus the Primary Assembly Area will be located 250' to the northwest of the well, with a Secondary Assembly Area located 250 feet in a southwesterly direction from the said well.

WELL BORE DIAGRAM-DEEPENING OF STATE 2-43X

new

Created on 2/2/2009 11:42:23 AM

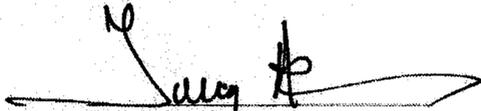


**i-Handbook\*** - \*a mark of Schlumberger

**STATEMENT TO DIVISION ON WELLBORE**

The well bores will not be within 460 feet of any lease line

DATED: May 4, 2009



Tariq Ahmad  
Petroleum Engineer  
Genesis Petroleum US Inc

**RECEIVED**

**MAY 04 2009**

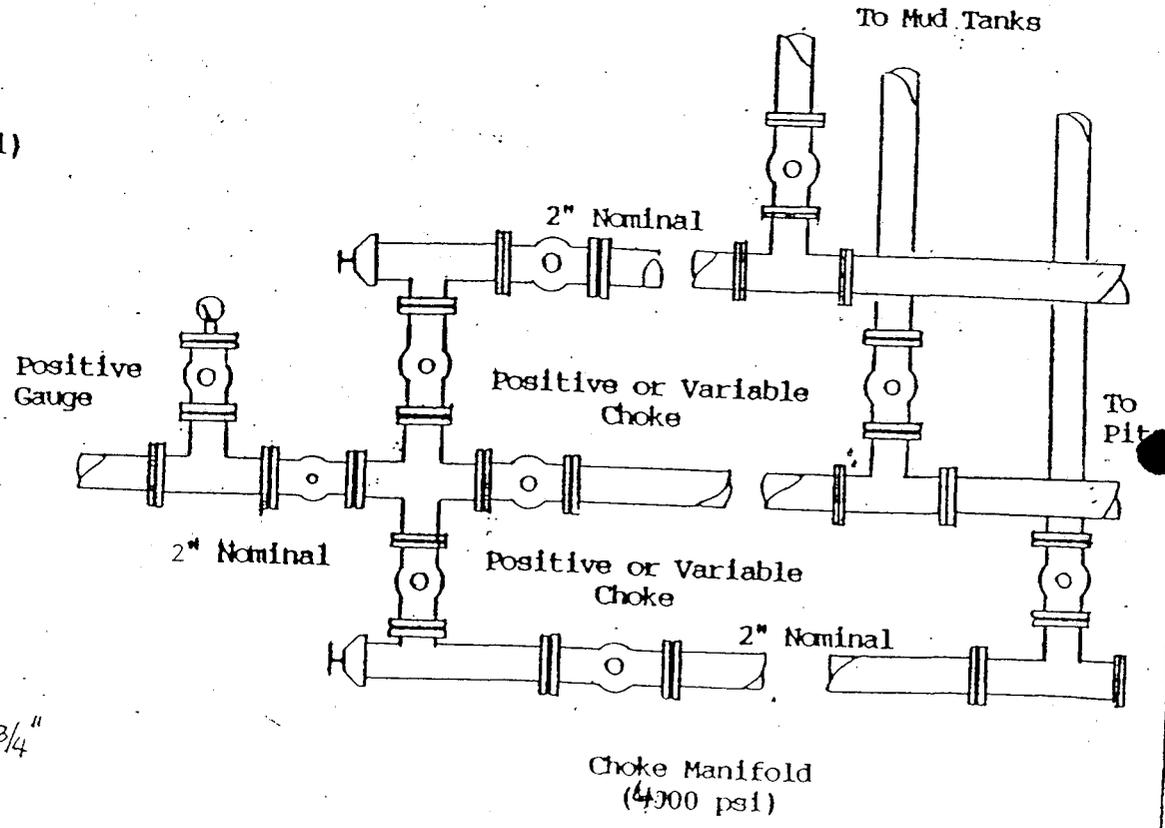
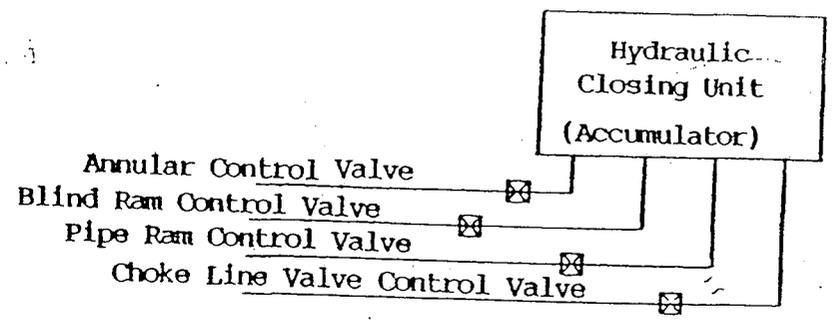
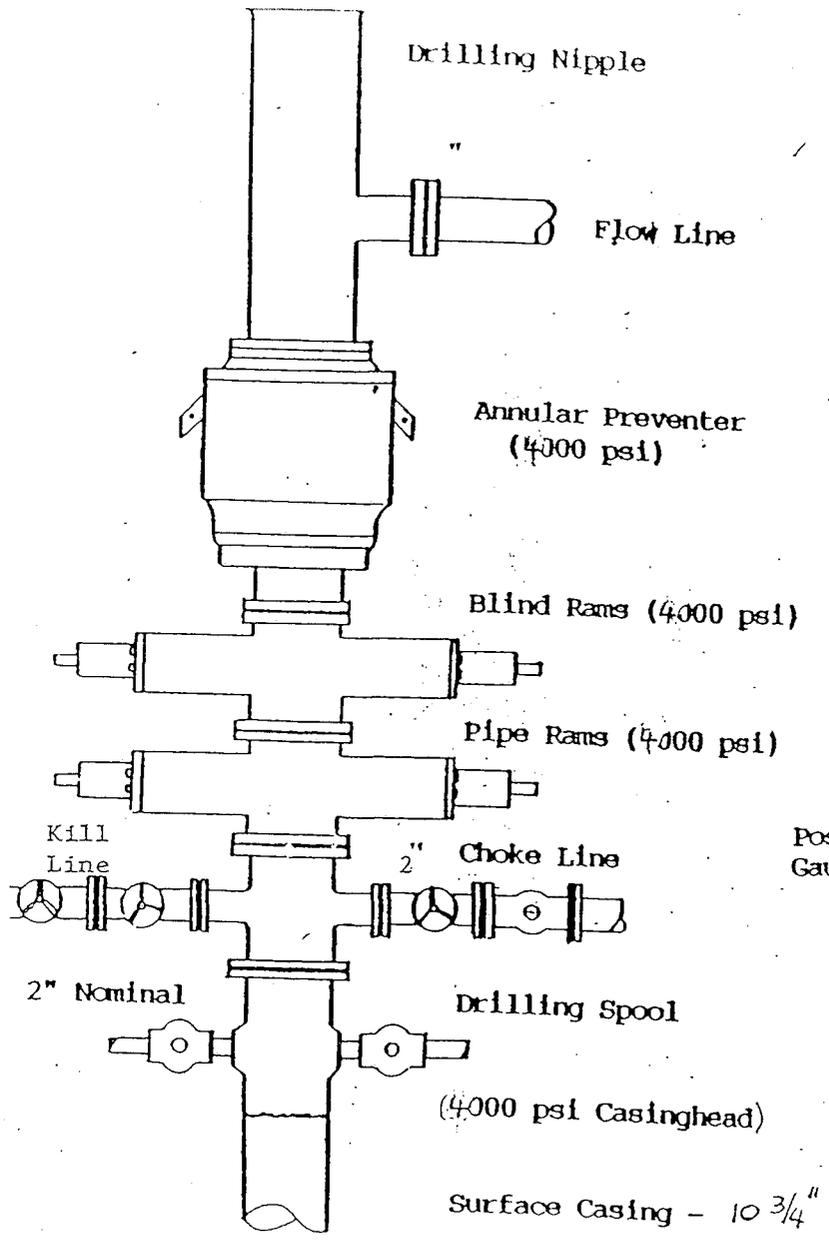
**DIV. OF OIL, GAS & MINING**

APD FOR DEEPENING GRASSY TRAIL  
WELL: STATE 2-43X  
GENESIS PETROLEUM US INC.  
PAGE-9 OF 9

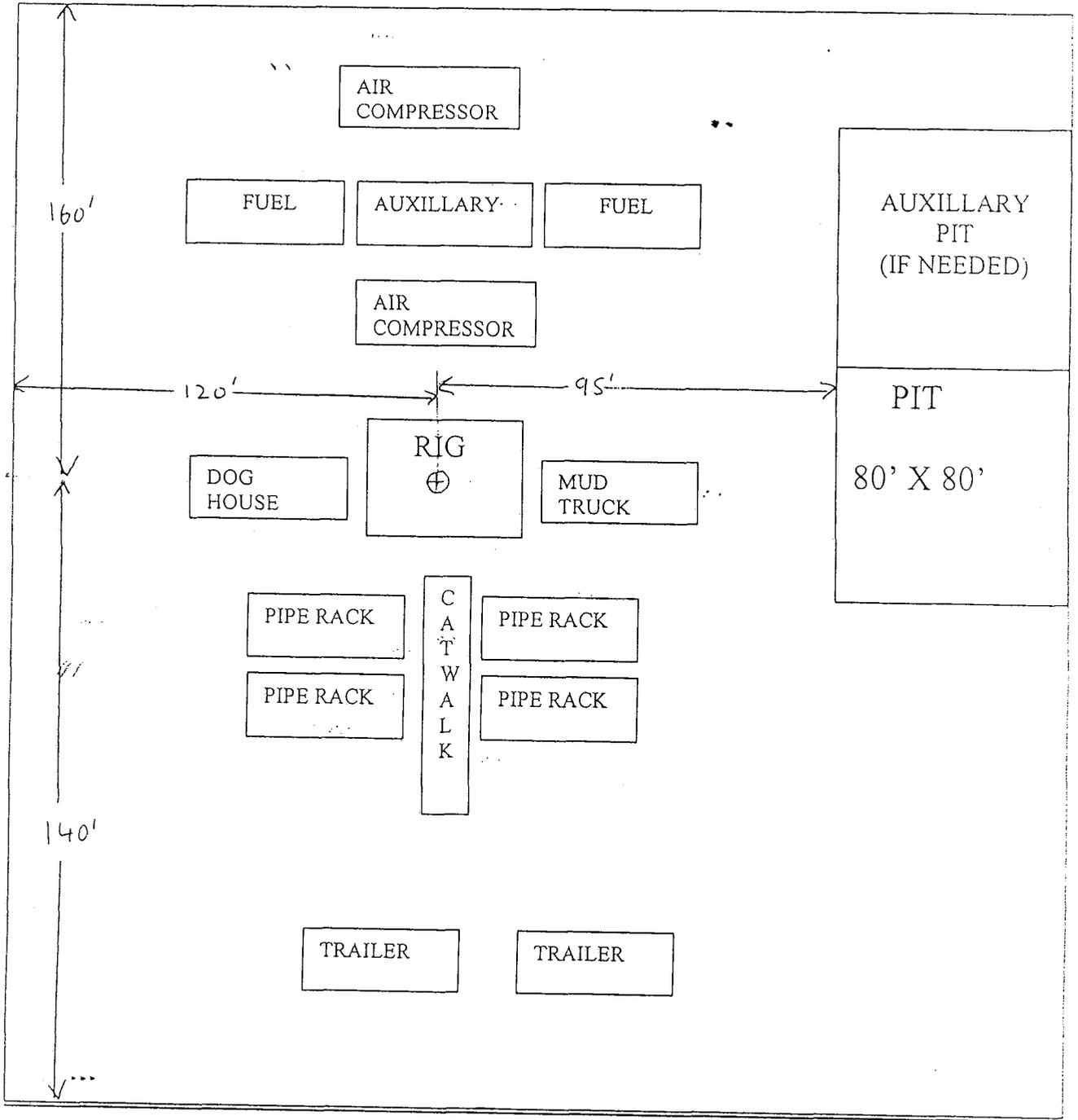
**Evidence of Division of Water Rights for Use of Water**

We will use the produced water from Grassy Trails Field for drilling of the well

EXHIBIT "A"  
BOPE DIAGRAM

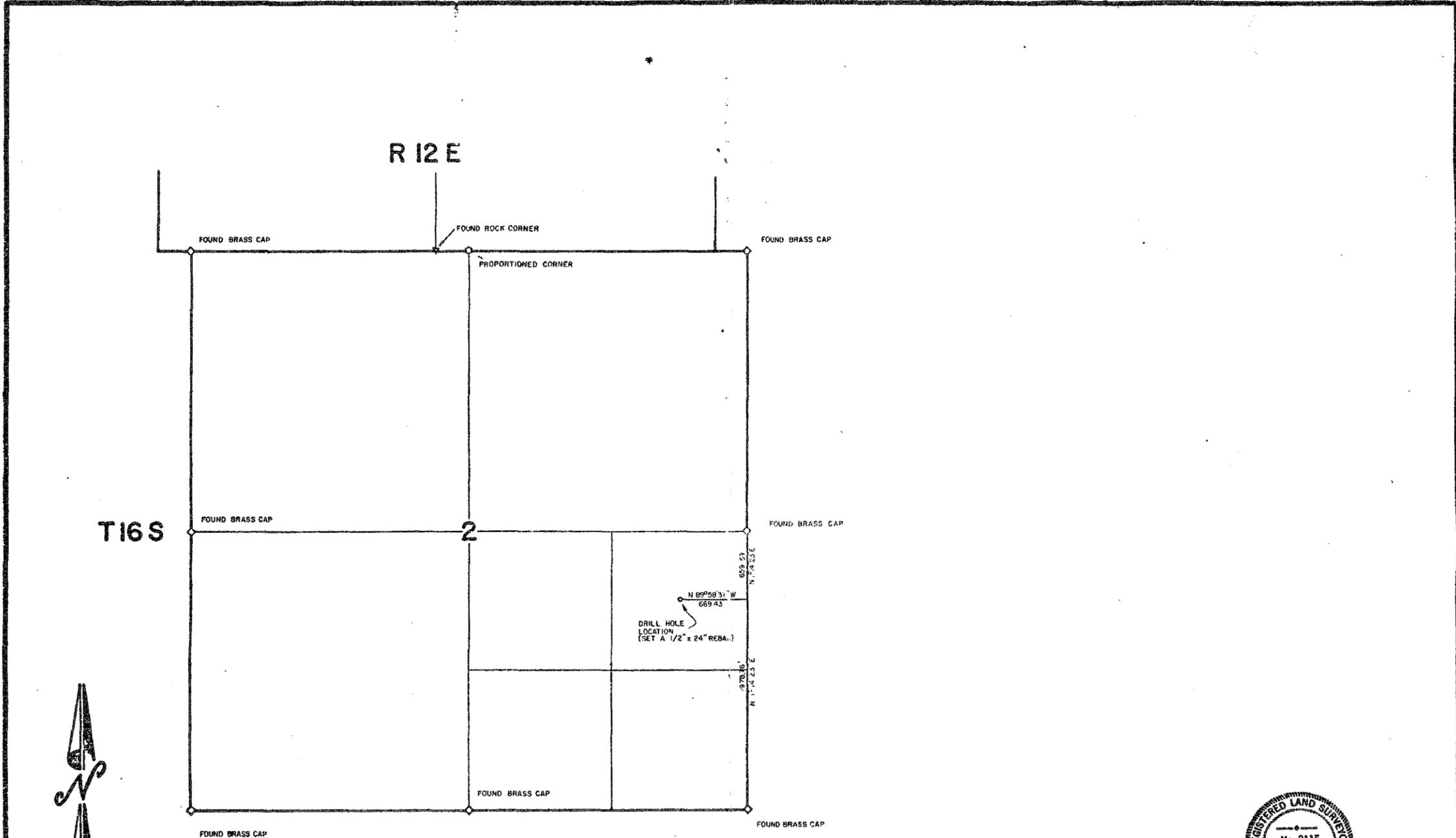


# EXHIBIT B



SITE PLAN  
GENESIS PETROLEUM US, INC.  
NESE, 1930' FSL, 760' FEL, Sec. 2, T16S, R12E, SLM  
EMERY COUNTY, UT

APD FOR DEEPENING GRASSY TRAIL  
WELL: STATE 2-43X  
GENESIS PETROLEUM US INC.



**DRILL HOLE LOCATION MAP**

NOTE: BASIS OF BEARING (DUE EAST) OBTAINED FROM GLO PLAT DATED MAY 15, 1915 BETWEEN THE NORTHWEST CORNER OF SECTION 2 AND THE NORTHEAST CORNER OF SECTION 2, T16S, R12E, S.L.B.M.



**EMPIRE ENGINEERING**  
 85 NORTH 200EAST PRICE, UTAH 84501 PHONE (801) 637-7498

**SKYLINE OIL COMPANY**

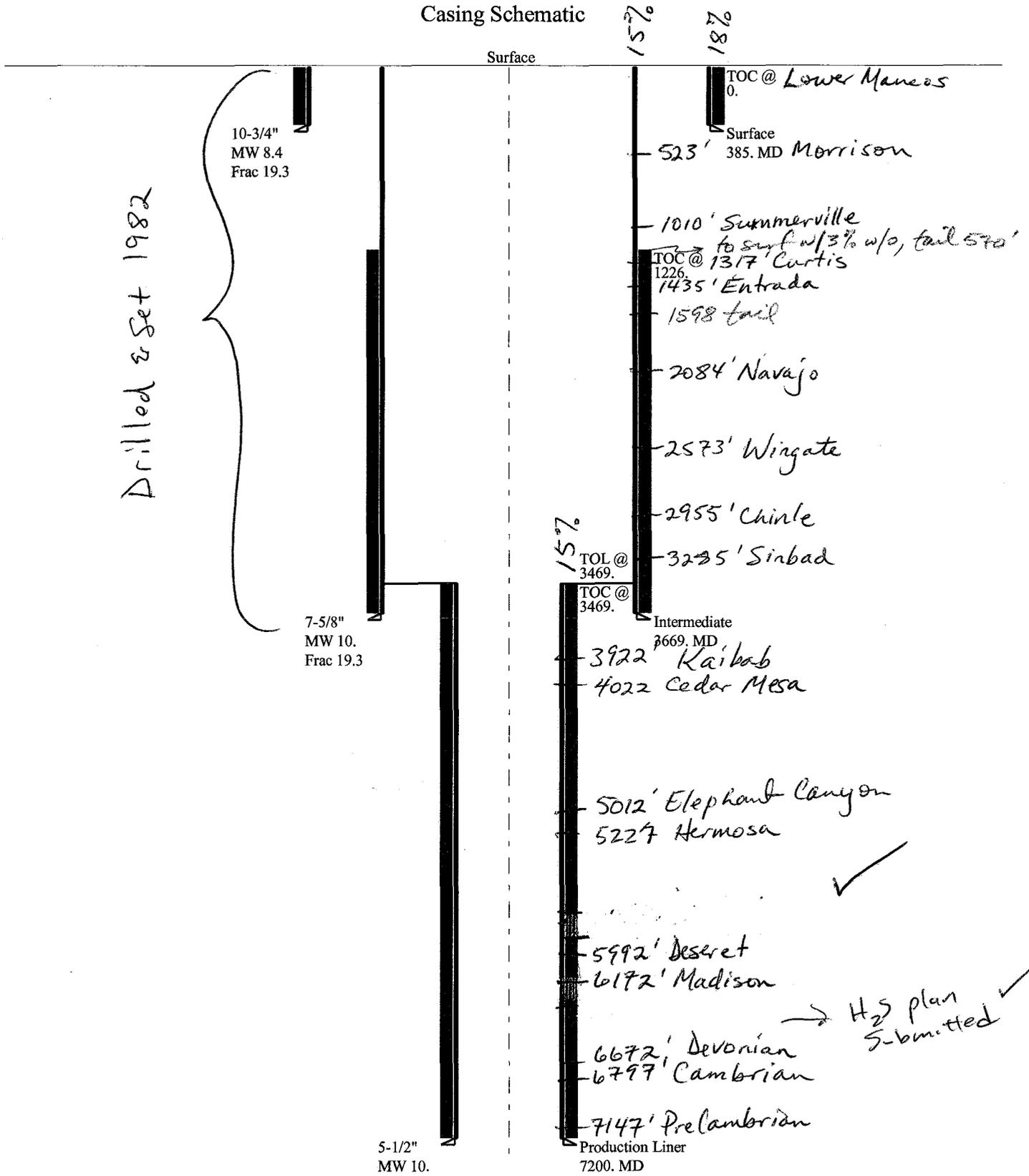
DRAWN BY: DARRY PRETTYMAN	APPROVED BY: EVAN E. HANSEN
SCALE: 1" = 60'	DATE: 10/26/81



This well is being permitted to deepen. Review of the files of this well indicates that this well has apparently evaded compliance with a mechanical integrity test for wells of shutin duration greater than 5 years, in this case because of recurring changes of operator. This well should be required to demonstrate mechanical integrity of the existing casing. The operator proposes to set a 5.5" liner from the existing 7.625" casing but only allows 100' of casing overlap. All pre-existing casing was apparently run to surface and the conductor and surface casing were cited to cemented to surface.

43015301000000 Genesis State 2-43X

Casing Schematic



Well name:	<b>4301530100000 Genesis State 2-43X</b>	
Operator:	<b>Genesis Petroleum US</b>	
String type:	Surface	Project ID: 43-015-30100-0000
Location:	Emery County	

**Design parameters:**

**Collapse**  
Mud weight: 8.400 ppg  
Design is based on evacuated pipe.

**Minimum design factors:**

**Collapse:**  
Design factor 1.125

**Environment:**

H2S considered? No  
Surface temperature: 65 °F  
Bottom hole temperature: 70 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 150 ft

**Burst**

Max anticipated surface pressure: 339 psi  
Internal gradient: 0.120 psi/ft  
Calculated BHP 385 psi

**Burst:**  
Design factor 1.00

Cement top: Surface

No backup mud specified.

**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)

**Non-directional string.**

Tension is based on air weight.  
Neutral point: 338 ft

**Re subsequent strings:**

Next setting depth: 3,669 ft  
Next mud weight: 10.000 ppg  
Next setting BHP: 1,906 psi  
Fracture mud wt: 19.250 ppg  
Fracture depth: 385 ft  
Injection pressure: 385 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	385	10.75	40.50	H-40	ST&C	385	385	9.925	212.1

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	168	1390	8.274	385	2280	5.92	16	314	20.14 J

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

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

Date: April 14, 2009  
Salt Lake City, Utah

ENGINEERING STIPULATIONS:  
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.  
Burst strength is not adjusted for tension.

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

Well name:	<b>4301530100000 Genesis State 2-43X</b>		
Operator:	<b>Genesis Petroleum US</b>		
String type:	Intermediate	Project ID:	43-015-30100-0000
Location:	Emery County		

**Design parameters:**

**Collapse**

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

**Minimum design factors:**

**Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Environment:**

H2S considered? No  
 Surface temperature: 65 °F  
 Bottom hole temperature: 116 °F  
 Temperature gradient: 1.40 °F/100ft  
 Minimum section length: 1,500 ft

Cement top: 1,226 ft

**Burst**

Max anticipated surface pressure: 2,156 psi  
 Internal gradient: 0.220 psi/ft  
 Calculated BHP 2,963 psi

No backup mud specified.

**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 air weight.  
 Neutral point: 3,126 ft

**Non-directional string.**

**Re subsequent strings:**

Next setting depth: 7,200 ft  
 Next mud weight: 10.000 ppg  
 Next setting BHP: 3,740 psi  
 Fracture mud wt: 19.250 ppg  
 Fracture depth: 3,669 ft  
 Injection pressure: 3,669 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	3669	7.625	26.40	J-55	ST&C	3669	3669	6.844	971.9

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	1906	2890	1.516	2963	4140	1.40	97	315	3.25 J

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

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

Date: April 14, 2009  
 Salt Lake City, Utah

ENGINEERING STIPULATIONS:  
 Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.  
 Burst strength is not adjusted for tension.

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

Well name:	<b>4301530100000 Genesis State 2-43X</b>		
Operator:	<b>Genesis Petroleum US</b>		
String type:	Production Liner	Project ID:	43-015-30100-0000
Location:	Emery County		

<b>Design parameters:</b>	<b>Minimum design factors:</b>	<b>Environment:</b>
<b>Collapse</b>	<b>Collapse:</b>	H2S considered? No
Mud weight: 10.000 ppg	Design factor 1.125	Surface temperature: 65 °F
Design is based on evacuated pipe.		Bottom hole temperature: 166 °F
		Temperature gradient: 1.40 °F/100ft
		Minimum section length: 1,500 ft
	<b>Burst:</b>	Cement top: 3,469 ft
	Design factor 1.00	Liner top: 3,469 ft
<b>Burst</b>		<b>Non-directional string.</b>
Max anticipated surface pressure: 2,156 psi	<b>Tension:</b>	
Internal gradient: 0.220 psi/ft	8 Round STC: 1.80 (J)	
Calculated BHP 3,740 psi	8 Round LTC: 1.80 (J)	
	Buttress: 1.60 (J)	
	Premium: 1.50 (J)	
	Body yield: 1.50 (B)	
Non backup mud specified.		
	Tension is based on air weight.	
	Neutral point: 6,639 ft	

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	3700	5.5	17.00	J-55	ST&C	7200	7200	4.767	482.9

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	3740	4910	1.313	3740	5320	1.42	63	229	3.64 J

Prepared by: Helen Sadik-Macdonald Div of Oil, Gas & Mining	Phone: 801-538-5357 FAX: 801-359-3940	Date: April 13, 2009 Salt Lake City, Utah
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**ENGINEERING STIPULATIONS:**  
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.  
Burst strength is not adjusted for tension.

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

# BOPE REVIEW

**Genesis State 2-43X API 43-015-30100-0000**

Well Name	Genesis State 2-43X API 43-015-30100-0000		
	String 1	String 2	String 3
Casing Size (")	10 3/4	7 5/8	5 1/2
Setting Depth (TVD)	385	3669	7200
Previous Shoe Setting Depth (TVD)	14	385	3669
Max Mud Weight (ppg)	8.4	10	10
BOPE Proposed (psi)	0	3000	3000
Casing Internal Yield (psi)	2280	4140	5320
Operators Max Anticipated Pressure (psi)	3684		9.8 ppg

<b>Calculations</b>	<i>Existing</i>	<b>String 1</b>	<b>10 3/4 "</b>
Max BHP [psi]		.052*Setting Depth*MW =	168
			<b>BOPE Adequate For Drilling And Setting Casing at Depth?</b>
MASP (Gas) [psi]		Max BHP-(0.12*Setting Depth) =	122 NO
MASP (Gas/Mud) [psi]		Max BHP-(0.22*Setting Depth) =	83 NO
			<b>*Can Full Expected Pressure Be Held At Previous Shoe?</b>
Pressure At Previous Shoe		Max BHP-.22*(Setting Depth - Previous Shoe Depth) =	87 NO
Required Casing/BOPE Test Pressure			385 psi
*Max Pressure Allowed @ Previous Casing Shoe =			14 psi *Assumes 1psi/ft frac gradient

<b>Calculations</b>	<i>Existing</i>	<b>String 2</b>	<b>7 5/8 "</b>
Max BHP [psi]		.052*Setting Depth*MW =	1908
			<b>BOPE Adequate For Drilling And Setting Casing at Depth?</b>
MASP (Gas) [psi]		Max BHP-(0.12*Setting Depth) =	1468 YES
MASP (Gas/Mud) [psi]		Max BHP-(0.22*Setting Depth) =	1101 YES
			<b>*Can Full Expected Pressure Be Held At Previous Shoe?</b>
Pressure At Previous Shoe		Max BHP-.22*(Setting Depth - Previous Shoe Depth) =	1185 NO
Required Casing/BOPE Test Pressure			2898 psi
*Max Pressure Allowed @ Previous Casing Shoe =			385 psi *Assumes 1psi/ft frac gradient

<b>Calculations</b>		<b>String 3</b>	<b>5 1/2 "</b>
Max BHP [psi]		.052*Setting Depth*MW =	3744
			<b>BOPE Adequate For Drilling And Setting Casing at Depth?</b>
MASP (Gas) [psi]		Max BHP-(0.12*Setting Depth) =	2880 YES
MASP (Gas/Mud) [psi]		Max BHP-(0.22*Setting Depth) =	2160 YES ✓
			<b>*Can Full Expected Pressure Be Held At Previous Shoe?</b>
Pressure At Previous Shoe		Max BHP-.22*(Setting Depth - Previous Shoe Depth) =	2967 YES ✓
Required Casing/BOPE Test Pressure			3000 psi
*Max Pressure Allowed @ Previous Casing Shoe =			3669 psi *Assumes 1psi/ft frac gradient



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

May 5, 2009

Genesis Petroleum US Inc.  
P O Box 18148  
Reno, NV 89511

Re: State 2-43X Well, 1930' FSL, 760' FEL, NE SE, Sec. 2, T. 16 South, R. 12 East,  
Emery 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 attached Conditions of Approval, approval to drill the referenced well is granted.

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. The API identification number assigned to this well is 43-015-30100.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

cc: Emery County Assessor  
SITLA



Operator: Genesis Petroleum US Inc.  
Well Name & Number State 2-43X  
API Number: 43-015-30100  
Lease: ML51328 OBA

Location: NE SE                      Sec. 2                      T. 16 South                      R. 12 East

**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**

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

- 24 hours prior to cementing or testing casing – contact Dan Jarvis
- 24 hours prior to testing blowout prevention equipment – contact Dan Jarvis
- 24 hours prior to spudding the well – contact Carol Daniels
- Within 24 hours of any emergency changes made to the approved drilling program – contact Dustin Doucet
- Prior to commencing operations to plug and abandon the well – contact Dan Jarvis

The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

- Plugging and abandonment or significant plug back of this well – contact Dustin Doucet
- Any changes to the approved drilling plan – contact Dustin Doucet

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at:                      (801) 538-5338 office                      (801) 942-0871 home
- Carol Daniels at:                      (801) 538-5284 office
- Dustin Doucet at:                      (801) 538-5281 office                      (801) 733-0983 home

**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 State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.
5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)
6. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

**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: <b>ML 51328 OBA</b>
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: <b>State 2-43X</b>
2. NAME OF OPERATOR: <b>Genesis Petroleum US Inc</b>		9. API NUMBER: <b>4301530100</b>
3. ADDRESS OF OPERATOR: PO Box 18148                      CITY <b>Reno</b> STATE <b>NV</b> ZIP <b>89511</b>		PHONE NUMBER: <b>(775) 852-7444</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>1930 FSL 760 FEL</b>		10. FIELD AND POOL, OR WILDCAT: <b>GRASSY TRAILS</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NESE 2 16S 12E S</b>		COUNTY: <b>EMERY</b>
		STATE: <b>UTAH</b>

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 (Submit in Duplicate)  Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only)  Date of work completion: . _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input checked="" type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  
Well placed on production April 15, 1009

NAME (PLEASE PRINT) <u>Teriq Ahmad</u>	TITLE <u>Petroleum Engineer</u>
SIGNATURE	DATE <u>5/18/2009</u>

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FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>ML 51328 OBA</b>
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL <b>OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____</b>	8. WELL NAME and NUMBER: <b>State 2-43X</b>	
2. NAME OF OPERATOR: <b>Genesis Petroleum US Inc</b>		9. API NUMBER: <b>4301530100</b>
3. ADDRESS OF OPERATOR: <b>PO Box 18148</b> CITY <b>Reno</b> STATE <b>NV</b> ZIP <b>89511</b>	PHONE NUMBER: <b>(775) 852-7444</b>	10. FIELD AND POOL, OR WILDCAT: <b>GRASSY TRAILS</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>1930 FSL 760 FEL</b>		COUNTY: <b>EMERY</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NESE 2 16S 12E S</b>		STATE: <b>UTAH</b>

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 (Submit in Duplicate)  Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only)  Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <b>Lower Pump</b>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

Lowered Pump to 3688 ft feet.

Total joints 2 3/8 tubing 119 joints  
Rods: 146 rods 25 ft each  
pony rods 2ft  
pony rod 8 ft  
pump 18 ft  
polished rod 10 ft

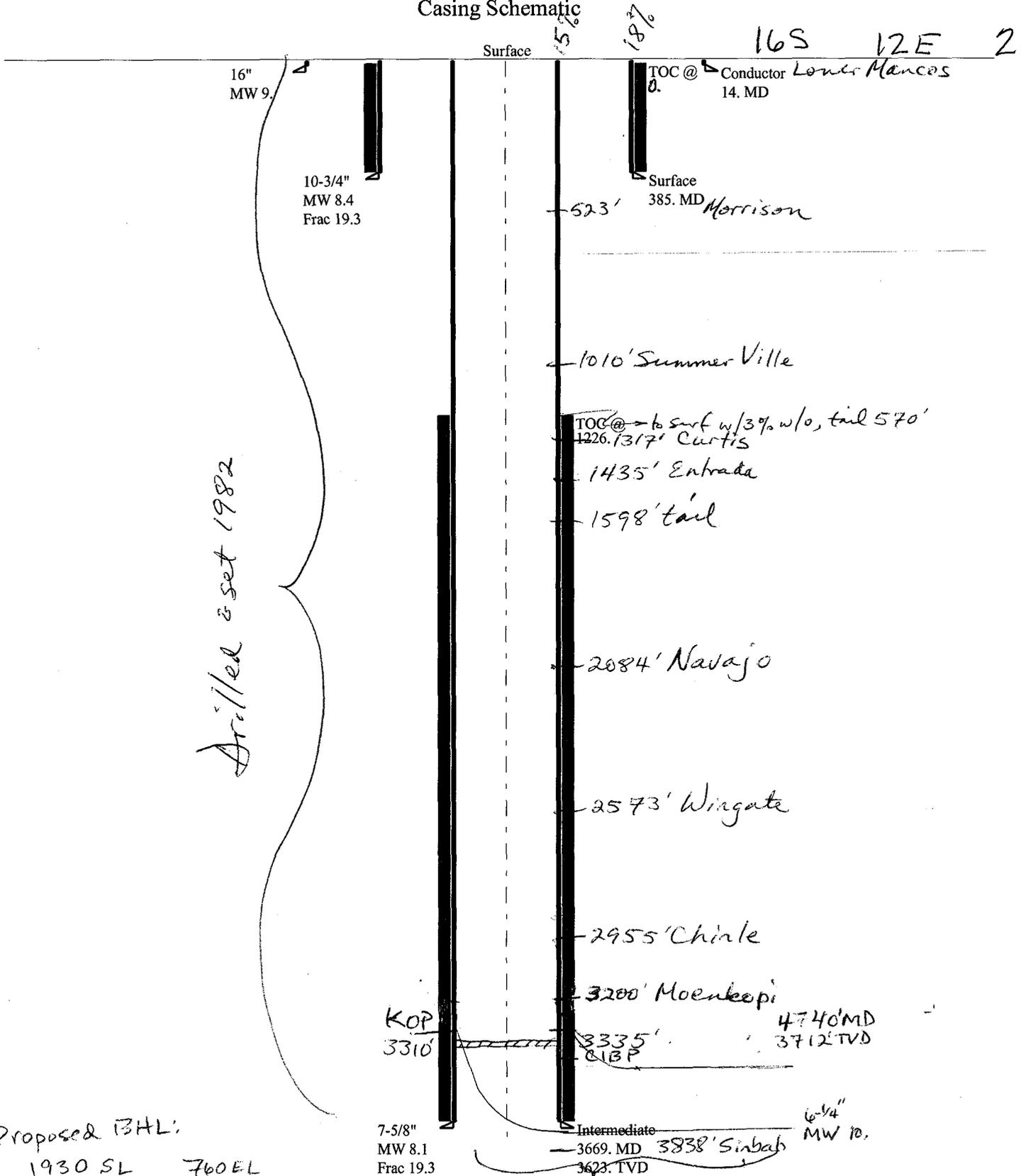
NAME (PLEASE PRINT) <u>Tariq Ahmad</u>	TITLE <u>Petroleum Engineer</u>
SIGNATURE	DATE <u>6/19/2009</u>

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43015301000000a Genesis State 2-43X (horiz)

Casing Schematic



Proposed BHL:

Surf 1930 SL	760 EL
-1198	70
BHL 732 FSL	690 FEL

798' horizontal open hole  
Aug 2009 Proposal

## BOPE REVIEW

## Genesis State 2-43X API 43-015-30100-0000

Well Name	Genesis State 2-43X API 43-015-30100-0000		
Casing Size (")	String 1	String 2	String 3
Setting Depth (TVD)	10 3/4	7 5/8	5 1/2
Previous Shoe Setting Depth (TVD)	385	3669	4740
Max Mud Weight (ppg)	14	385	3669
BOPE Proposed (psi)	8.4	10	10
Casing Internal Yield (psi)	0	3000	2000
Operators Max Anticipated Pressure (psi)	2280	4140	0
	1610		6.5 ppg

<b>Calculations</b>	<b>String 1</b>		<b>10 3/4 "</b>
Max BHP [psi]	.052*Setting Depth*MW =	168	
			<b>BOPE Adequate For Drilling And Setting Casing at Depth?</b>
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =	122	NO
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =	83	NO
			<b>*Can Full Expected Pressure Be Held At Previous Shoe?</b>
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth) =	87	NO
Required Casing/BOPE Test Pressure		385 psi	
*Max Pressure Allowed @ Previous Casing Shoe =		14 psi	*Assumes 1psi/ft frac gradient

<b>Calculations</b>	<b>String 2</b>		<b>7 5/8 "</b>
Max BHP [psi]	.052*Setting Depth*MW =	1908	
			<b>BOPE Adequate For Drilling And Setting Casing at Depth?</b>
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =	1468	YES
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =	1101	YES
			<b>*Can Full Expected Pressure Be Held At Previous Shoe?</b>
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth) =	1185	NO
Required Casing/BOPE Test Pressure		2000 psi	
*Max Pressure Allowed @ Previous Casing Shoe =		385 psi	*Assumes 1psi/ft frac gradient

<b>Calculations</b>	<b>String 3</b>		<b>5 1/2 "</b>
Max BHP [psi]	.052*Setting Depth*MW =	2465	
			<b>BOPE Adequate For Drilling And Setting Casing at Depth?</b>
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =	1896	YES
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =	1422	YES ✓
			<b>*Can Full Expected Pressure Be Held At Previous Shoe?</b>
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth) =	2229	YES
Required Casing/BOPE Test Pressure		0 psi	
*Max Pressure Allowed @ Previous Casing Shoe =		3669 psi	*Assumes 1psi/ft frac gradient

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

FORM 3

AMENDED REPORT   
(highlight changes)

<b>APPLICATION FOR PERMIT TO DRILL</b>		5. MINERAL LEASE NO: <b>ML51328 OBA</b>	6. SURFACE: <b>State</b>
1A. TYPE OF WORK: <b>DRILL</b> <input checked="" type="checkbox"/> <b>REENTER</b> <input checked="" type="checkbox"/> <b>DEEPEN</b> <input type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: <b>OIL</b> <input checked="" type="checkbox"/> <b>GAS</b> <input type="checkbox"/> <b>OTHER</b> _____ <b>SINGLE ZONE</b> <input checked="" type="checkbox"/> <b>MULTIPLE ZONE</b> <input type="checkbox"/>		8. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: <b>Genesis Petroleum U.S., Inc.</b>		9. WELL NAME and NUMBER: <b>State 2-43X</b>	
3. ADDRESS OF OPERATOR: <b>P.O. Box 18148</b> CITY <b>Reno</b> STATE <b>NV</b> ZIP <b>89511</b>		PHONE NUMBER: <b>(775) 852-7444</b>	10. FIELD AND POOL, OR WILDCAT: <b>Grassy Trail</b>
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: <b>1930' FSL, 760' FEL</b> <b>540269X 4367783Y 39.460558 -110.531920</b> AT PROPOSED PRODUCING ZONE: <b>BHL 732' FSL 690' FEL</b> <b>540292X 4367417Y 39.457261 -110.531668</b> See enclosed attached for details		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NESE 2 16S 12E S</b>	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: <b>15 miles SE of Wellington, UT</b>		12. COUNTY: <b>Emery</b>	13. STATE: <b>UTAH</b>
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) <b>690</b>	16. NUMBER OF ACRES IN LEASE: <b>478</b>	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: <b>160</b>	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) <b>2523.4</b>	19. PROPOSED DEPTH: <b>3712' TVD, 4739.5' MD</b>	20. BOND DESCRIPTION: <b>State Full Cost Bond</b>	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): <b>5340 GL</b>	22. APPROXIMATE DATE WORK WILL START: <b>8/15/2009</b>	23. ESTIMATED DURATION: <b>10 days</b>	

**PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
24"	16"	H-40	65#	14	5 sx Class G cement
14-3/4	10-3/4	H-40	40.5	385	334 sx Class G      2% CaCl2    1/4# D-29/sx
9-7/8	7-5/8	J-55	26.4	3,672	500 sx 50/50 Pozmix    2% Gel, 1/4# Flocele & 0.6 % Halad-9 +125 sx Class H      w/2% CaCl2    1/4# Flocele      per sx

**ATTACHMENTS**

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

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER     | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN                                   |
| <input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER | <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER |

**WATER FOR DRILLING WILL BE FROM OUR GRASSY TRAIL FIELD**

NAME (PLEASE PRINT) Tariq Ahmad      TITLE Petroleum Engineer  
SIGNATURE *Tariq Ahmad*      DATE 7/15/2009

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

(This space for State use only)

API NUMBER ASSIGNED: 43-015-30100

APPROVAL:  
Date: 09-02-09  
By: *[Signature]*

**JUL 21 2009**

## AMENDMENT TO DRILLING PLAN

Attachment to APD for reentering well to drill a horizontal lateral  
Genesis Petroleum US, Inc.  
Field: Grassy Trail  
Well: State 2-43X, API# 4301530100  
Lease: ML51328 OBA  
GL: 5340, KB: 5355'  
1930' FSL, 760' FEL, Sec. 2-T16S, R12E, SLM  
Emery County, UT

The State 2-43X well is a producing oil well that will be re-entered by Genesis and then a horizontal lateral at a TVD of 3712 ft. in the Moenkopi formation will be drilled at a azimuth of 176.66 degrees in a generally southerly direction. The Bottom Hole Location of this well will be 732' FSL and 690' FEL, Sec. 2, T16S, R12E, SLM.

### 1. Well Procedure-State 2-43X-Lateral Procedure

#### **BOP: 2M**

1. MIRU.
2. Set CIBP at 3335 feet.
3. Dump-bail 35 feet of cement on top of CIBP (3300 feet VD).
4. Drill bit and hole size will be 6-1/4 inch.
5. Set whipstock and cut a window in the 7-5/8 inch casing at KOP 3310 feet MD and TVD.
6. Build angle at ~14.25/100 feet to 90 degrees to 176.66 degrees azimuth. At 3941.46 ft. MD and 3712 ft. TVD, the Inclination will be 90 degrees at an azimuth of 176.66 degrees.
7. Once landed in zone, 3712 ft. TVD, drill 798.04 feet laterally, TD at 4739.50 feet TMD.
8. No casing will be run, therefore, no cement.
9. The mud system will be an aerated fluid with soap. Mud weight will be 8.1 ppg or as hole conditions warrant.

### 2. Well Completion Procedure

1. The lateral will be left as an open hole; however, 2-3/8 inch slotted liner with 4-1/2 inch centralizers will be placed in the lateral for hole stability.
2. CIBP, at 3335 feet, will be left in place to seal off the rest of the bottom of the original vertical well.
3. Width of lateral: The drill bit and hole size will be 6-1/4 inch.
4. A workover pit will be dug out on location.
5. All production from well will be pumped into two 400 bbl tanks on location.

### 3. Well Spacing

Genesis owns the acreage within the spacing unit for said well. 160 acres were assigned to this well when it was originally approved for drilling. Subsequently, the Board of OGM, Dept. of Natural Resources, Utah has approved a 1/4 section, 160 acre spacing, for the location of the present well.

The well will be drilled to the Moenkopi as follows: Set whipstock and cut a window in the 7-5/8 inch casing at KOP 3310 feet MD and TVD; build angle at ~ 14.25 to 90 degrees to 176.66 degrees azimuth; once landed in zone, Moenkopi, drill 798.04 feet laterally, TD at 4739.50 feet TMD; and no casing will be run, therefore, no cement.

**The BHL of the above well will be 660 feet from the lease line. The BHL location is 732 ft. FSL, and 690 ft. FEL.**

## AMENDMENT TO DRILLING PLAN

ATTACHMENT TO APD FOR RENTERING WELL STATE #2-43X- API# 4301530100  
GRASSY TRAIL FIELD-1930' FSL, 760' FEL, SEC. 2, T16S, R12E, SLM, EMERY COUNTY, UT

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**4 Estimated tops of Geologic Markers:**

S.N.	Formation	Depth (KB)	DEPTH (GL)
1.	Lower Mancos Shale		0
2.	Morrison	523	508
3.	Summerville	1110	1095
4.	Curtis	1317	1302
5.	Entrada	1435	1420
6.	Navajo	2084	2069
7.	Wingate	2573	2558
8.	Chinle	2955	2940
9.	Moenkopi	3200	3185
10.	TD	3712	3697
11.	Sinbad	3838	3823

**5. Estimated Tops of Possible Water, Oil, Gas or Minerals:**

S.N.	Formation	Top Depth'	Bottom Depth'	Rate, if Available (O-Oil, G-Gas, W-Water)	
1.	Navajo	2084	2573	W	200 bpd
2.	Wingate	2573	2955	W	60 bpd
3.	Moenkopi	3200	3285	O/G	
4.	Sinbad	3838	3922	O	

**6. BHP pressure:**

BHP will be approximately 1610 psig at 3712 feet TVD. No abnormal pressures or temperatures have been noted or reported in wells drilled in the area.

**7. BOP Information & Pressure Control:**

Please see attached Exhibit "A," BOPE Diagram.

- All BOP equipment shall be fluid and/or mechanically operated.
- BOP's and all fittings will be in good working condition and rated at 2000 psi W.P. minimum.
- Equipment through which bit must pass shall be at least as large as casing size being drilled.
- Nipple above BOP shall be at least same size as casing being set.
- Upper Kelly Cock and lower Kelly Cock shall be 2000 psi W.P. minimum.
- Floor safety valve (full opening) or drill string BOP with appropriate rated pressure shall be available on rig floor with connections or subs to fit any tool joint in string.
- Minimum size for choke line shall be 3 inches nominal diameter, minimum size for vent lines downstream of chokes shall be 2 inches nominal, and vent line which by-passes shall be a minimum of 3 inches nominal and shall be as straight as possible.
- Fluid lines from accumulator to BOPs and all remote control fluid lines shall be steel and rated at or above maximum accumulator pressure. Lines shall be bundled and protected from damage.
- Rams will be used in following positions: Genesis Drilling Supervisor may reverse ram location.

	<u>Drilling</u>	<u>Running Casing</u>
Upper Ram	Blind	Blind
Lower Ram	Drill Pipe	Casing Rams

- Minimum size for kill line is 2 inches nominal.
- Extensions and hand wheels shall be installed.
- The BOP and related equipment shall meet the minimum requirements of Onshore Oil & Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a 2 M system, as shown in Exhibit A and individual components shall be operable as designed. Chart recorders shall be used for all pressure test charts, with individual test results identified, shall be maintained on location while drilling and will be made available to a BLM representative upon request.
- All required BOP tests and/or drills will be recorded in the IADC report.

14. If an air compressor is on location and is being utilized to provide air for the drilling medium While drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2 regarding Air or gas shall be adhered to. If a mist system is being utilized, the requirements for a deduster shall be waived.

ALL SPECIFICATIONS LISTED ARE PER API-RP53.

**8. Protection of current perforations:**

There are no current perforations. This is an open hole completion. Simply installing the CIBP and cementing over it will protect the current producing zone.

**9. Well Integrity Test:**

Prior to drilling a packer will be set at any depth below 3335 feet and the casing will be pressure tested for 30 minutes. If there is a pressure loss then the well will be repaired to this depth prior to drilling.

**10. Site Plan:**

Please see attached Exhibit "B."

**11. Casing Descriptions-**

Casing	Hole Size"	Interval'	Section Length'	Size OD"	Weight Grade	New/Used/Existing
Conductor	24	0-13.5	13.5	16	65#/ft.	Existing
Surface	14-3/4	0-385	385	10-3/4	40.5#/ft. K55, ST&C	Existing
Intermediate	9-7/8	0-3672	3672	7-5/8	26.4#/ft. J-55,	Existing

**12. Cement Program:**

Conductor: Cemented to surface with 5 sx cement.

Surface: Cemented to surface with 100% excess. 335 sx Class G cement, 2% CaCl<sub>2</sub>, 1/4 # D-29 per sack.

Intermediate: Cemented with 500 sx, 50/50 Pozmix w/2% Gel, 1/4# Flocele and 0.6% Halad-9 followed by 125 sx class "H" w/2% CaCl<sub>2</sub> & 1/4# Flocele/sx.

Seal off bottom of hole during drilling and completion by installing a CIBP at 3335 feet and cement 3300 feet; will use approximately 8 sacks of cement.

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**13. Hydrogen Sulfide, H<sub>2</sub>S, Contingency Plan:**

DRILLING OPERATIONS PLAN  
HYDROGEN SULFIDE  
STATE 2-43X  
EMERY COUNTY, UTAH  
(SEE EXHIBIT B-SITE PLAN AND EXHIBIT B1-USGS TOPOGRAPHICAL MAP)

**I. HISTORY:**

The State 2-43X well was drilled during 1983 and completed in the Moenkopi formation; the well has produced quantities of gas which are minimal. Total production thus far, from 1/1/1984 to 4/1/2009, has been 21,074 barrels of oil; 25,849 mcf of gas and 3,662 barrels of water. Therefore an assumed value of 1 MCF/Day was used for calculation purposes.

**II. RE-ENTERING WELL TO DRILL HORIZONTALLY:**

The above well is being re-entered and thus this Contingency Plan for Hydrogen Sulfide is being submitted, according to R649-3-12. The target formation is the Moenkopi.

**III. TRAINING OF ON-SITE PERSONNEL:**

All personnel on location shall receive proper Hydrogen Sulfide training in accordance with Section III.C.3.a., 43 CFR 3160. The instructor shall be the tool pusher who is certified in Hydrogen Sulfide Training or another person qualified to conduct this training will be appointed.

The training will consist of the following:

1. Physical Properties and Physiological Effects of Hydrogen Sulfide.
2. Exposure limits including Threshold Limit Value, TLV of 10 ppm, Short-Term Exposure Limit, STEL of 15 ppm for 15 minutes, for not more than four times per day with at least 60 minutes between successive exposure of 15 ppm.
3. Use of portable Hydrogen Sulfide Detectors, alarm set at 10 ppm; capable of measuring 10 ppm.
4. Location of the three hydrogen sulfide sensors that will activate an audible and visible alarm at a hydrogen sulfide concentration of 20 ppm. These sensors shall be located at the shale shaker on the derrick floor and in the cellar. Operation and issuance of portable hydrogen sulfide detectors for all working personnel. These detectors shall give an audible alarm at a concentration of 20 ppm.
5. Use of positive pressure type self contained breathing apparatus, SCBA and issuance of each SCBA for all personnel involved in drilling, with at least one SCBA provided for each rig hand. This will also include face fit testing to ensure that all personnel have an air tight seal for their respective respirator.
6. Availability of note pads, markers and carpenter pencils for rig hands and necessary personnel for communication when wearing an SCBA, these shall be stored on the rig floor in a closed plastic container.
7. Use of first aid supplies, litter or stretcher, harnesses and lifelines and the location thereof. These supplies shall be located just outside of the Doghouse.
8. Use of and availability of a radio and cell phone for emergency two-way communication from the two designated safe areas near the well location. The radios will be stored at the primary

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and secondary assembly areas.

9. Use of resuscitator, complete with oxygen, in an emergency situation; and the location of the same.
10. Use of harness and lifelines and the location of the same.
11. Location of the two crew briefing/safety/assembly areas.
12. Location of wind socks and/or streamers and determining which of the two briefing/safety/assembly areas to evacuate to in case of detection of hydrogen sulfide at 20 ppm.
13. Location of the two flare lines will be shown to all personnel. There shall be two flare lines to burn the Hydrogen Sulfide. One will be located at least 150 feet directly west of the well head while the other will be located at least 150 feet directly east of the well head. Valves will be placed on these 2 inch steel lines to direct the hydrogen sulfide to either or both lines.
14. Personnel will become familiar with audible alarms from the portable detection equipment and will become familiar with the audible and visible alarms of the hydrogen sulfide detection and monitoring system

**IV. DETECTION OF HYDROGEN SULFIDE**-Upon detection of hydrogen sulfide at 10 ppm by any of the portable hydrogen sulfide gas detectors, or a threshold value of 20 ppm by the sensors located at the shale shaker on the derrick floor and in the cellar, the procedure to follow, will be:

- i. Sounding off the alarm, which include hand signals, audible horn, and/or flashing emergency lights.
- ii. Immediately putting on SCBA and shutting down the well or by flaring the hydrogen sulfide by designated personnel.
- iii. Evacuation of the undesignated personnel to the proper briefing/safety/assembly area for evacuation, depending on wind direction.
- iv. Method of accountability of personnel.
- v. Identifying any personnel that need medical attention and providing the immediate emergency care within the capabilities of the personnel present.
- vi. Emergency evacuation of the injured/exposed personnel by the most expeditious method possible such as an ambulance or airlift.

**V. ISOLATION OF WELL AREA UPON RELEASE OF HYDROGEN SULFIDE**

Isolation will be achieved by placing of highly visible red flags at the rig and on designated access route to the well to protect the personnel and the general public. The access road to the well will be blocked by taping red tape across the said road, at the entrance to the well. This location will be guarded by a person to ensure that no unauthorized traffic enters the well site. If the contamination has spread beyond this point then the main road will be blocked, in a similar manner, at a location that is below 10 ppm hydrogen sulfide.

**VI. CONTROL OF HYDROGEN SULFIDE**

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By injecting a basic compound such as bleach down the tubing or casing and/or, flaring or shutting in of well, if within the means of the designated personnel or by contacting specialized emergency personnel to control the release of hydrogen sulfide.

**VII. NOTIFICATION OF RELEASE-**

Notification of the release of hydrogen sulfide will be made to the Utah Oil and Gas Division and BLM Price Field Office. If a release is beyond the capabilities of the crew at this location then:

1. **911** emergency services will be notified stating the level of hydrogen sulfide detected at the location, the wind direction, exposure of any personnel, etcetera.
2. The District Engineer of the SE UT District Health Office at Price will be contacted at: 435-637-3671, Ext. 50-During normal business hours. 8 a.m. to 5 p.m. or on his cell, 435-559-3825, at other hours.

**VIII. Safety Equipment and Systems**

**Well Control Equipment:**

The well control equipment consists of BOP equipment, a diagram of which was submitted with the original sundry Notice on this well.

**Flare Line**

There shall be two flare lines to burn the Hydrogen Sulfide. One will be located at least 150 feet directly west of the well head while the other will be located at least 150 feet directly east of the well head. Valves will be placed on these 2 inch steel lines to direct the hydrogen sulfide to either or both lines.

**Means of Ignition:**

An automatic igniter shall be used.

**Remote controlled choke.**

A hydraulic choke is used for choke control.

**Flare gun**

A flare gun shall be made available to the tool pusher.

**Ventilation Equipment**

Adequate ventilation will be available for the rig. Should a release occur that effects the personnel trailers then fans will be brought in to ventilate the said buildings.

**IX. Protective equipment for essential personnel.**

All protective equipment for essential personnel shall be located on or immediately adjacent to the rig floor. The apparatus, SCBA, shall consist of oxygen tanks and respirators for the Tool Pusher, rig hands and any other necessary personnel on site.

Hand signals and/or chalk boards shall be used as means of communications while using the SCBA.

**X. Hydrogen Sulfide detection and monitoring equipment**

Hydrogen Sulfide detection equipment shall consist of chemical detectors, transmitter and an alarm. This equipment's sensors shall be placed at the lowest location in the cellar, one at the shale shaker and the third on the rig floor. The alarm shall be a audible and visible with a detection limit at 10 ppm and activation at a threshold of 20 ppm of hydrogen sulfide.

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Portable Hydrogen Sulfide detection equipment shall be provided to each of the personnel who are working on the rig floor. Said personal monitor shall detect Hydrogen Sulfide if the level exceeds 10 ppm.

**XI. Radius of Investigation**

For 100 ppm concentration of hydrogen sulfide, radius of exposure in feet is calculated to be 23.85. The above was calculated using the Pasquill-Gifford equation.

**XII. Visual warning Systems**

Wind socks or streamers shall be placed near ground level, as to be visible from the rig floor and on the ground floor (these will be artificially lighted for night time operations). Additional windsocks/streamers will be placed in the two assembly areas, one each.

Caution/danger signs and flags shall be placed at the entry point to rig location.

The sign shall read in large letters:

**DANGER: POISON GAS – HYDROGEN SULFIDE**

In small letters:

**Do Not Approach If Red Flag is Flying**

The sign shall be placed at least 200 feet from the well site; at the only road entering the well site, to the southwest of the well.

The sign shall be painted in high visibility yellow with black lettering.

**XIII. Mud Program**

Aerated fluid with soap. Mud weights will be 8.1 to 10 ppg as hole conditions warrant. Basic chemicals such as bleach and/or sodium hydroxide shall be available in order to increase the pH of the mud; should it become necessary. Portable pH strips will be available for this adjustment. A chemical company such as Champion Technologies will be on call.

**XIV. Metallurgy:**

Normal oil field tubular tools are used on this well. Nothing from the ordinary is to be used on location.

**XV. Crew Briefing/Safety/Assembly Areas:**

Normal prevailing winds are from north to south, thus the Primary Assembly Area will be located 250' to the northwest of the well, with a Secondary Assembly Area located 250 feet in a southwesterly direction from the said well.

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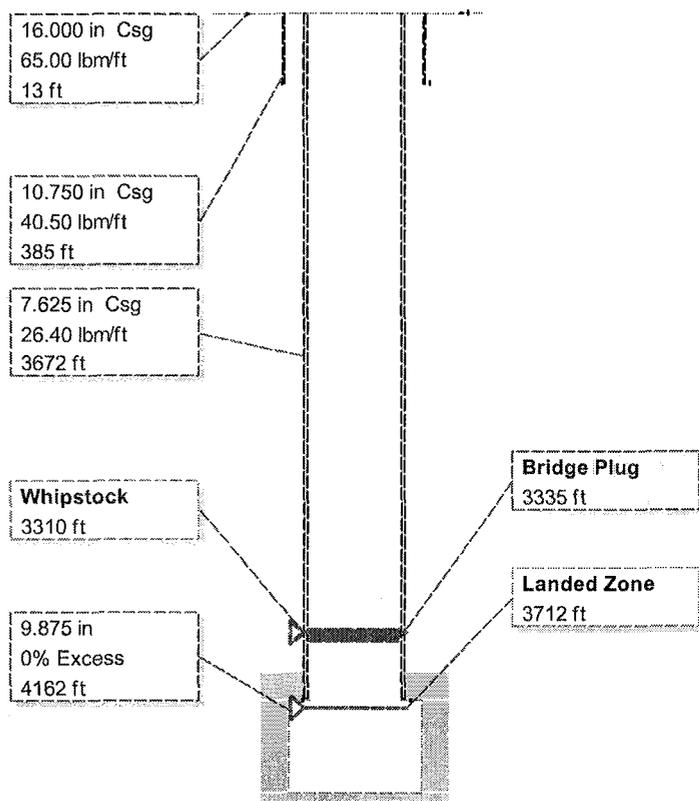
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DIV. OF OIL, GAS & MINING

**WELL BORE DIAGRAM-REENTERING OF STATE 2-43X  
FOR HORIZONTAL LATERAL**

new

Created on 7/13/2009 6:15:20 PM



**i-Handbook\*** - \*a mark of Schlumberger

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DIV. OF OIL, GAS & MINING

STATEMENT TO DIVISION ON WELLBORE

The well bores will not be within 660 feet of any lease line

DATED: July 14, 2009



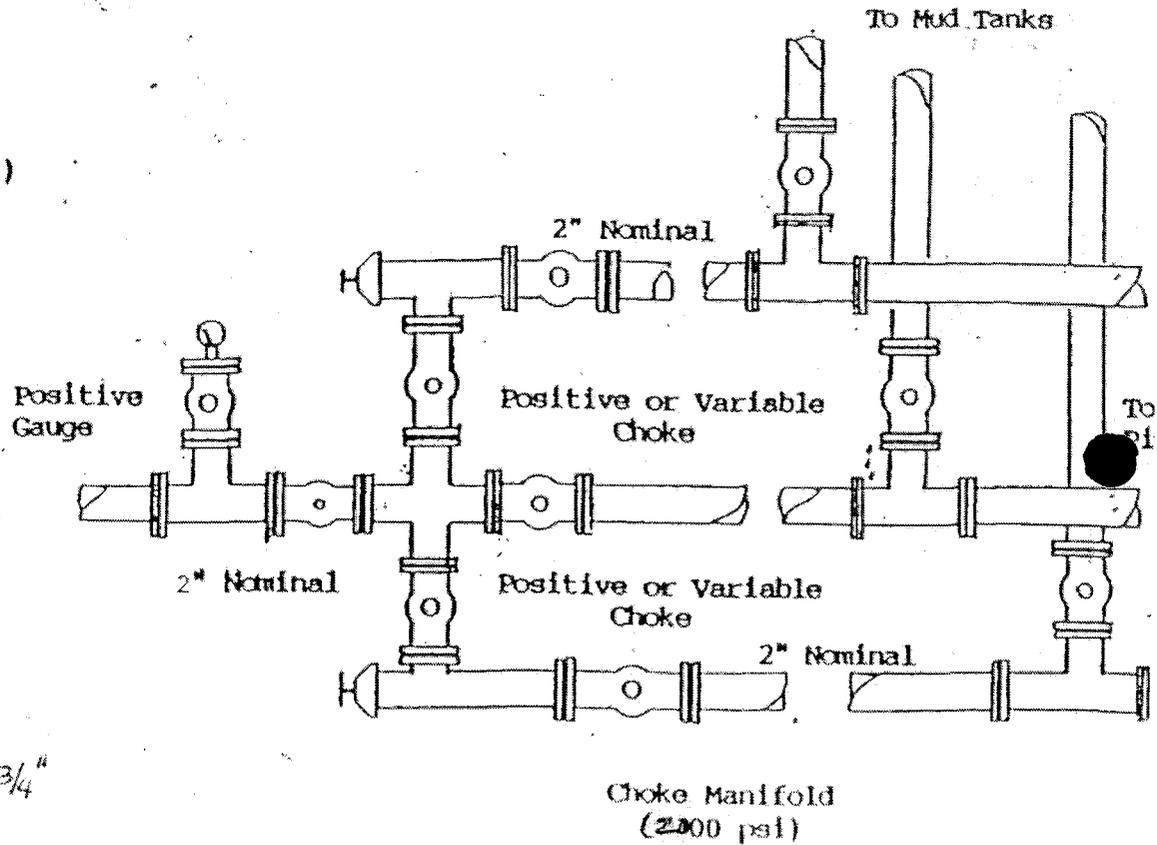
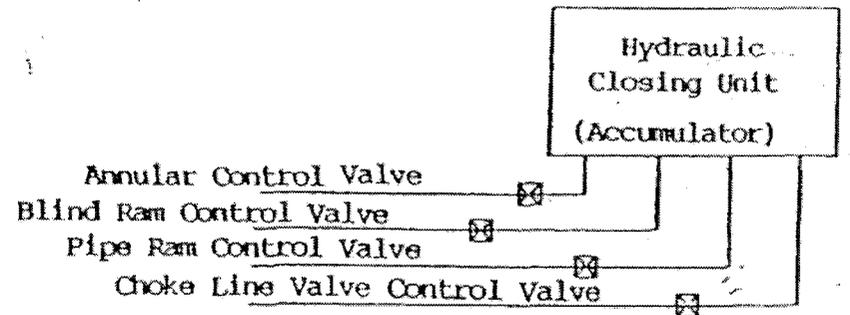
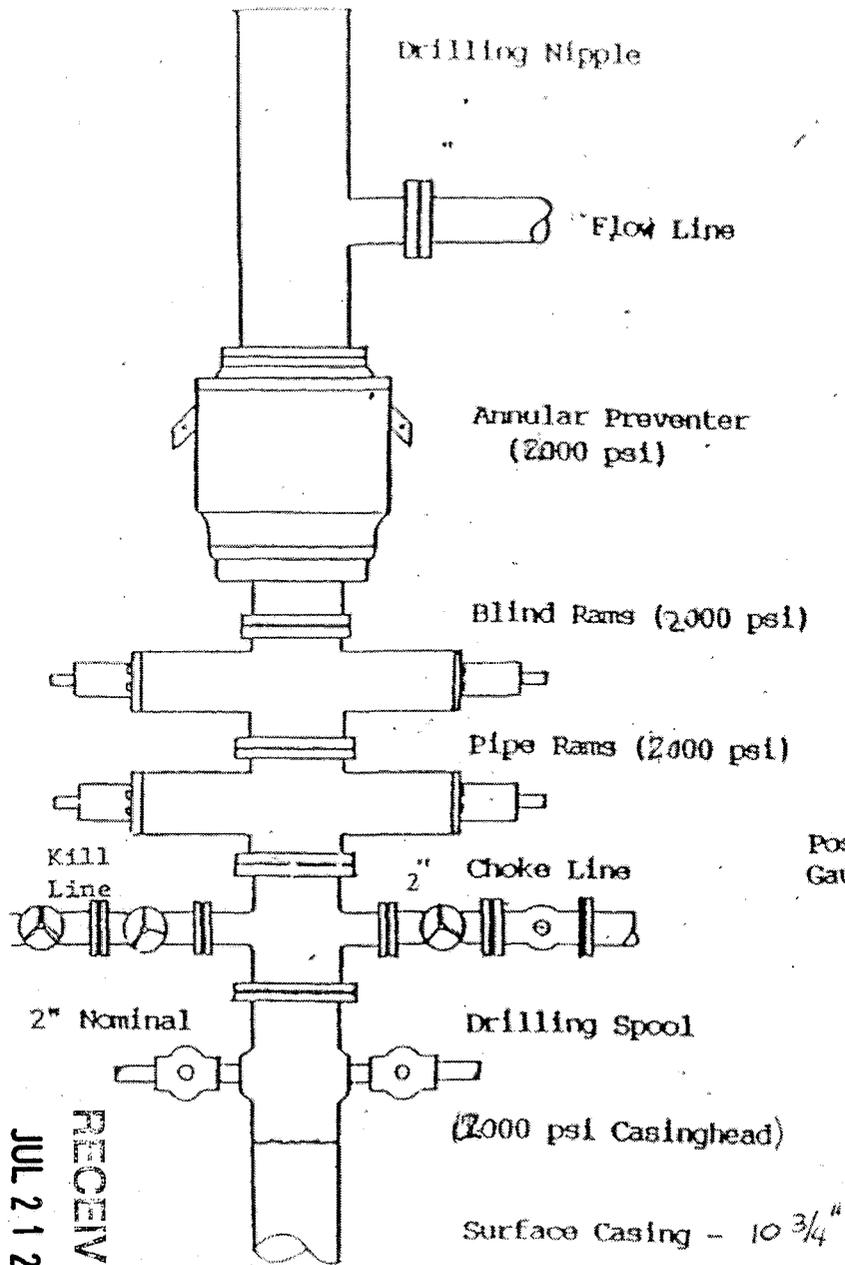
Tariq Ahmad  
Petroleum Engineer  
Genesis Petroleum US Inc

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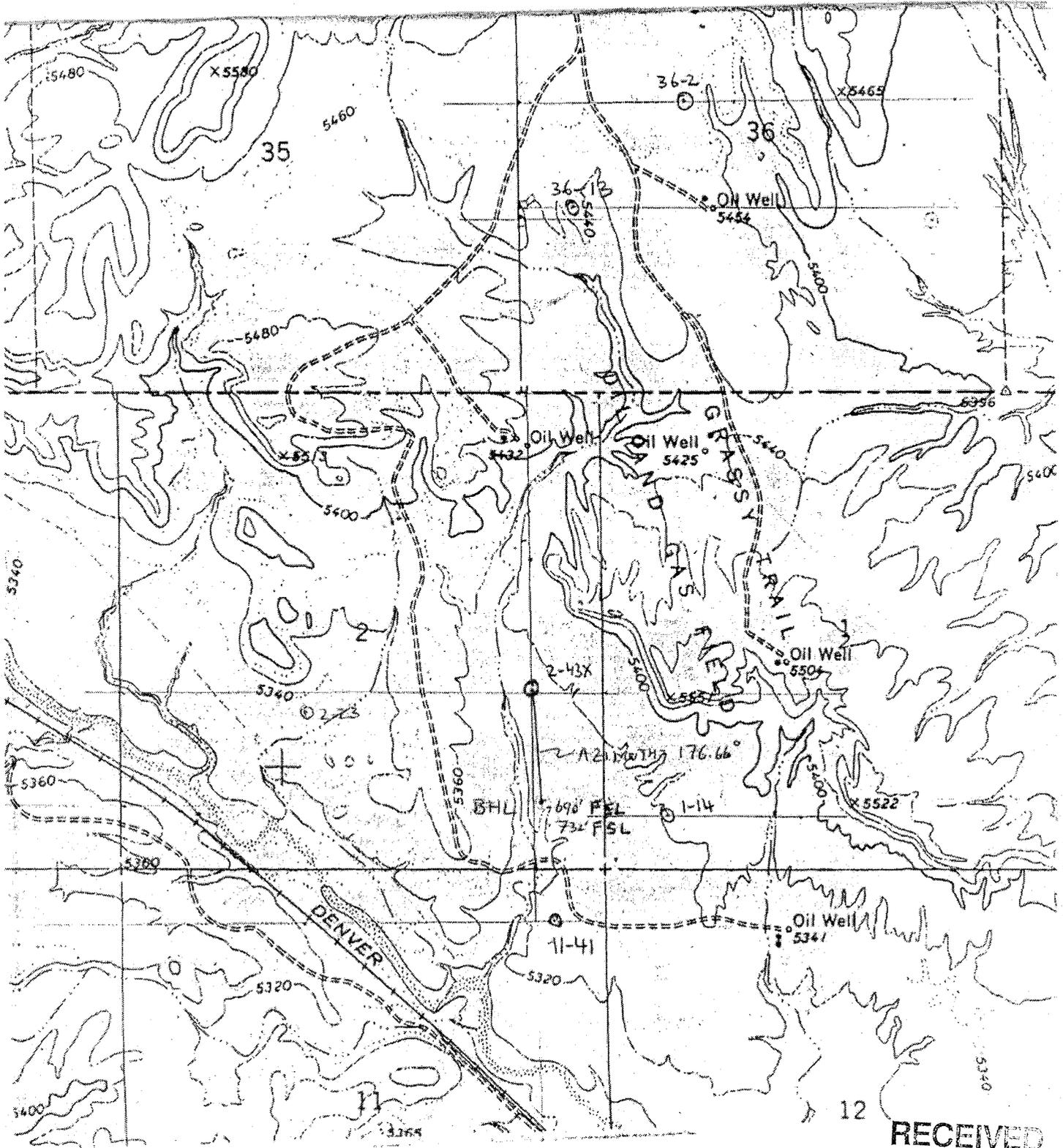
DIV. OF OIL, GAS & MINING

EXHIBIT "A"  
BOPE DIAGRAM



**EXHIBIT B1-USGS TOPOGRAPHICAL MAP  
GENESIS PETROLEUM US, INC.**

AMENDMENT TO DRILLING PLAN FOR HORIZONTAL LATERAL  
ATTACHMENT TO APD FOR RENTERING WELL STATE #2-43X- API# 4301530100  
GRASSY TRAIL FIELD-1930' FSL, 760' FEL, SEC. 2, T16S, R12E, SLM, EMERY COUNTY, UT



12

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# **Genesis Petroleum US Inc.**

**Emery County, Utah**

**State 2-43X**

**State 2-43X**

**Lateral #1**

**Plan: Plan #1a**

## **Standard Planning Report**

**16 July, 2009**

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

Planning Report

<b>Database:</b>	EDM 5000.1 Black Viper	<b>Local Co-ordinate Reference:</b>	Site State 2-43X
<b>Company:</b>	Genesis Petroleum US Inc.	<b>TVD Reference:</b>	KB @ 5355.00ft
<b>Project:</b>	Emery County, Utah	<b>MD Reference:</b>	KB @ 5355.00ft
<b>Site:</b>	State 2-43X	<b>North Reference:</b>	True
<b>Well:</b>	State 2-43X	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	Lateral #1		
<b>Design:</b>	Plan #1a		

<b>Project</b>	Emery County, Utah		
<b>Map System:</b>	US State Plane 1927 (Exact solution)	<b>System Datum:</b>	Mean Sea Level
<b>Geo Datum:</b>	NAD 1927 (NADCON CONUS)		
<b>Map Zone:</b>	Utah South 4303		

<b>Site</b>	State 2-43X				
<b>Site Position:</b>		<b>Northing:</b>	1,018,897.31 ft	<b>Latitude:</b>	39° 27' 38.016 N
<b>From:</b>	Lat/Long	<b>Easting:</b>	2,273,453.24 ft	<b>Longitude:</b>	110° 31' 54.912 W
<b>Position Uncertainty:</b>	0.00 ft	<b>Slot Radius:</b>	0"	<b>Grid Convergence:</b>	0.59 °

<b>Well</b>	State 2-43X					
<b>Well Position</b>	<b>+N/-S</b>	0.00 ft	<b>Northing:</b>	1,018,897.31 ft	<b>Latitude:</b>	39° 27' 38.016 N
	<b>+E/-W</b>	0.00 ft	<b>Easting:</b>	2,273,453.24 ft	<b>Longitude:</b>	110° 31' 54.912 W
<b>Position Uncertainty</b>		0.00 ft	<b>Wellhead Elevation:</b>	5,355.00 ft	<b>Ground Level:</b>	5,340.00 ft

<b>Wellbore</b>	Lateral #1				
<b>Magnetics</b>	<b>Model Name</b>	<b>Sample Date</b>	<b>Declination</b>	<b>Dip Angle</b>	<b>Field Strength</b>
	IGRF200510	7/9/2009	(°)	(°)	(nT)
			11.64	65.28	52,104

<b>Design</b>	Plan #1a			
<b>Audit Notes:</b>				
<b>Version:</b>	<b>Phase:</b>	PLAN	<b>Tie On Depth:</b>	3,300.00
<b>Vertical Section:</b>	<b>Depth From (TVD)</b>	<b>+N/-S</b>	<b>+E/-W</b>	<b>Direction</b>
	(ft)	(ft)	(ft)	(°)
	0.00	0.00	0.00	176.66

Plan Sections										
Measured	Inclination	Azimuth	Vertical	+N/-S	+E/-W	Dogleg	Build	Turn	TFO	Target
Depth	(°)	(°)	Depth	(ft)	(ft)	Rate	Rate	Rate	(°)	
(ft)			(ft)			(°/100ft)	(°/100ft)	(°/100ft)		
3,300.00	0.00	0.00	3,300.00	0.00	0.00	0.00	0.00	0.00	0.00	
3,309.00	0.00	0.00	3,309.00	0.00	0.00	0.00	0.00	0.00	0.00	
3,310.00	0.00	0.00	3,310.00	0.00	0.00	0.00	0.00	0.00	0.00	
3,941.46	90.00	176.66	3,712.00	-401.32	23.45	14.25	14.25	0.00	176.66	
4,739.50	90.00	176.66	3,712.00	-1,198.00	70.00	0.00	0.00	0.00	0.00	PBHL#1a[S2-43X]

Planning Report

Database: EDM 5000.1 Black Viper  
 Company: Genesis Petroleum US Inc.  
 Project: Emery County, Utah  
 Site: State 2-43X  
 Well: State 2-43X  
 Wellbore: Lateral #1  
 Design: Plan #1a

Local Co-ordinate Reference:  
 TVD Reference:  
 MD Reference:  
 North Reference:  
 Survey Calculation Method:

Site State 2-43X  
 KB @ 5355.00ft  
 KB @ 5355.00ft  
 True  
 Minimum Curvature

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
3,300.00	0.00	0.00	3,300.00	0.00	0.00	0.00	0.00	0.00	0.00
3,309.00	0.00	0.00	3,309.00	0.00	0.00	0.00	0.00	0.00	0.00
3,310.00	0.00	0.00	3,310.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>KOP Build 14.25°/100' :: TFO 176.66</b>									
3,330.00	2.85	176.66	3,329.99	-0.50	0.03	0.50	14.25	14.25	0.00
3,360.00	7.13	176.66	3,359.87	-3.10	0.18	3.11	14.25	14.25	0.00
3,390.00	11.40	176.66	3,389.47	-7.92	0.46	7.93	14.25	14.25	0.00
3,420.00	15.68	176.66	3,418.63	-14.93	0.87	14.96	14.25	14.25	0.00
3,450.00	19.95	176.66	3,447.19	-24.09	1.41	24.13	14.25	14.25	0.00
3,480.00	24.23	176.66	3,474.98	-35.35	2.07	35.41	14.25	14.25	0.00
3,510.00	28.51	176.66	3,501.85	-48.65	2.84	48.73	14.25	14.25	0.00
3,540.00	32.78	176.66	3,527.66	-63.91	3.73	64.02	14.25	14.25	0.00
3,570.00	37.06	176.66	3,552.25	-81.05	4.74	81.19	14.25	14.25	0.00
3,600.00	41.33	176.66	3,575.49	-99.97	5.84	100.14	14.25	14.25	0.00
3,630.00	45.61	176.66	3,597.26	-120.57	7.05	120.78	14.25	14.25	0.00
3,660.00	49.88	176.66	3,617.43	-142.74	8.34	142.98	14.25	14.25	0.00
3,690.00	54.16	176.66	3,635.88	-166.34	9.72	166.62	14.25	14.25	0.00
3,720.00	58.44	176.66	3,652.53	-191.25	11.17	191.57	14.25	14.25	0.00
3,750.00	62.71	176.66	3,667.26	-217.33	12.70	217.70	14.25	14.25	0.00
3,780.00	66.99	176.66	3,680.01	-244.43	14.28	244.85	14.25	14.25	0.00
3,810.00	71.26	176.66	3,690.70	-272.41	15.92	272.87	14.25	14.25	0.00
3,840.00	75.54	176.66	3,699.26	-301.10	17.59	301.61	14.25	14.25	0.00
3,870.00	79.82	176.66	3,705.67	-330.35	19.30	330.92	14.25	14.25	0.00
3,900.00	84.09	176.66	3,709.86	-360.00	21.04	360.61	14.25	14.25	0.00
3,930.00	88.37	176.66	3,711.84	-389.88	22.78	390.54	14.25	14.25	0.00
3,941.46	90.00	176.66	3,712.00	-401.32	23.45	402.00	14.25	14.25	0.00
<b>EOC Hold 90° INC :: 176.66°AZI</b>									
3,960.00	90.00	176.66	3,712.00	-419.82	24.53	420.54	0.00	0.00	0.00
3,990.00	90.00	176.66	3,712.00	-449.77	26.28	450.54	0.00	0.00	0.00
4,020.00	90.00	176.66	3,712.00	-479.72	28.03	480.54	0.00	0.00	0.00
4,050.00	90.00	176.66	3,712.00	-509.67	29.78	510.54	0.00	0.00	0.00
4,080.00	90.00	176.66	3,712.00	-539.62	31.53	540.54	0.00	0.00	0.00
4,110.00	90.00	176.66	3,712.00	-569.57	33.28	570.54	0.00	0.00	0.00
4,140.00	90.00	176.66	3,712.00	-599.52	35.03	600.54	0.00	0.00	0.00
4,170.00	90.00	176.66	3,712.00	-629.47	36.78	630.54	0.00	0.00	0.00
4,200.00	90.00	176.66	3,712.00	-659.42	38.53	660.54	0.00	0.00	0.00
4,230.00	90.00	176.66	3,712.00	-689.36	40.28	690.54	0.00	0.00	0.00
4,260.00	90.00	176.66	3,712.00	-719.31	42.03	720.54	0.00	0.00	0.00
4,290.00	90.00	176.66	3,712.00	-749.26	43.78	750.54	0.00	0.00	0.00
4,320.00	90.00	176.66	3,712.00	-779.21	45.53	780.54	0.00	0.00	0.00
4,350.00	90.00	176.66	3,712.00	-809.16	47.28	810.54	0.00	0.00	0.00
4,380.00	90.00	176.66	3,712.00	-839.11	49.03	840.54	0.00	0.00	0.00
4,410.00	90.00	176.66	3,712.00	-869.06	50.78	870.54	0.00	0.00	0.00
4,440.00	90.00	176.66	3,712.00	-899.01	52.53	900.54	0.00	0.00	0.00
4,470.00	90.00	176.66	3,712.00	-928.96	54.28	930.54	0.00	0.00	0.00
4,500.00	90.00	176.66	3,712.00	-958.90	56.03	960.54	0.00	0.00	0.00
4,530.00	90.00	176.66	3,712.00	-988.85	57.78	990.54	0.00	0.00	0.00
4,560.00	90.00	176.66	3,712.00	-1,018.80	59.53	1,020.54	0.00	0.00	0.00
4,590.00	90.00	176.66	3,712.00	-1,048.75	61.28	1,050.54	0.00	0.00	0.00
4,620.00	90.00	176.66	3,712.00	-1,078.70	63.03	1,080.54	0.00	0.00	0.00
4,650.00	90.00	176.66	3,712.00	-1,108.65	64.78	1,110.54	0.00	0.00	0.00
4,680.00	90.00	176.66	3,712.00	-1,138.60	66.53	1,140.54	0.00	0.00	0.00
4,710.00	90.00	176.66	3,712.00	-1,168.55	68.28	1,170.54	0.00	0.00	0.00
4,739.50	90.00	176.66	3,712.00	-1,198.00	70.00	1,200.04	0.00	0.00	0.00

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Planning Report

<b>Database:</b>	EDM 5000.1 Black Viper	<b>Local Co-ordinate Reference:</b>	Site State 2-43X
<b>Company:</b>	Genesis Petroleum US Inc.	<b>TVD Reference:</b>	KB @ 5355.00ft
<b>Project:</b>	Emery County, Utah	<b>MD Reference:</b>	KB @ 5355.00ft
<b>Site:</b>	State 2-43X	<b>North Reference:</b>	True
<b>Well:</b>	State 2-43X	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	Lateral #1		
<b>Design:</b>	Plan #1a		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)

Design Targets									
Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
660'HL[S2-43X] - hit/miss target - Shape	0.00	0.00	0.00	0.00	0.00	1,018,897.31	2,273,453.24	39° 27' 38.016 N	110° 31' 54.912 W
- plan misses target center by 3300.00ft at 3300.00ft MD (3300.00 TVD, 0.00 N, 0.00 E) - Rectangle (sides W3,960.00 H3,960.00 D0.00)									
LL[S2-43X] - plan misses target center by 3300.00ft at 3300.00ft MD (3300.00 TVD, 0.00 N, 0.00 E) - Rectangle (sides W5,280.00 H5,280.00 D0.00)	0.00	0.00	0.00	0.00	0.00	1,018,897.31	2,273,453.24	39° 27' 38.016 N	110° 31' 54.912 W
PBHL#1a[S2-43X] - plan hits target center - Point	0.00	0.00	3,712.00	-1,198.00	70.00	1,017,700.10	2,273,535.64	39° 27' 26.180 N	110° 31' 54.020 W
PBHL#1[S2-43X] - plan misses target center by 2410.10ft at 4670.80ft MD (3712.00 TVD, -1129.42 N, 65.99 E) - Point	0.00	0.00	3,712.00	-1,270.00	-2,340.00	1,017,603.15	2,271,126.52	39° 27' 25.468 N	110° 32' 24.733 W

Plan Annotations				
Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment
		+N/-S (ft)	+E/-W (ft)	
3,310.00	3,310.00	0.00	0.00	KOP Build 14.25°/100' :: TFO 176.66
3,941.46	3,712.00	-401.32	23.45	EOC Hold 90° INC :: 176.66°AZI

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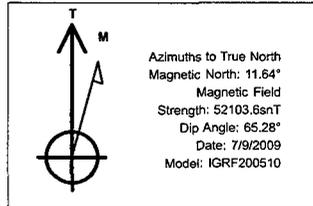
DIV. OF OIL, GAS & MINING

# Genesis Petroleum US Inc.

Project: Emery County, Utah  
 Site: State 2-43X  
 Well: State 2-43X  
 Wellbore: Lateral #1  
 Plan: Plan #1a (State 2-43X/Lateral #1)



PROJECT DETAILS: Emery County, Utah  
 Geodetic System: US State Plane 1927 (Exact solution)  
 Datum: NAD 1927 (NADCON CONUS)  
 Ellipsoid: Clarke 1866  
 Zone: Utah South 4303  
 System Datum: Mean Sea Level

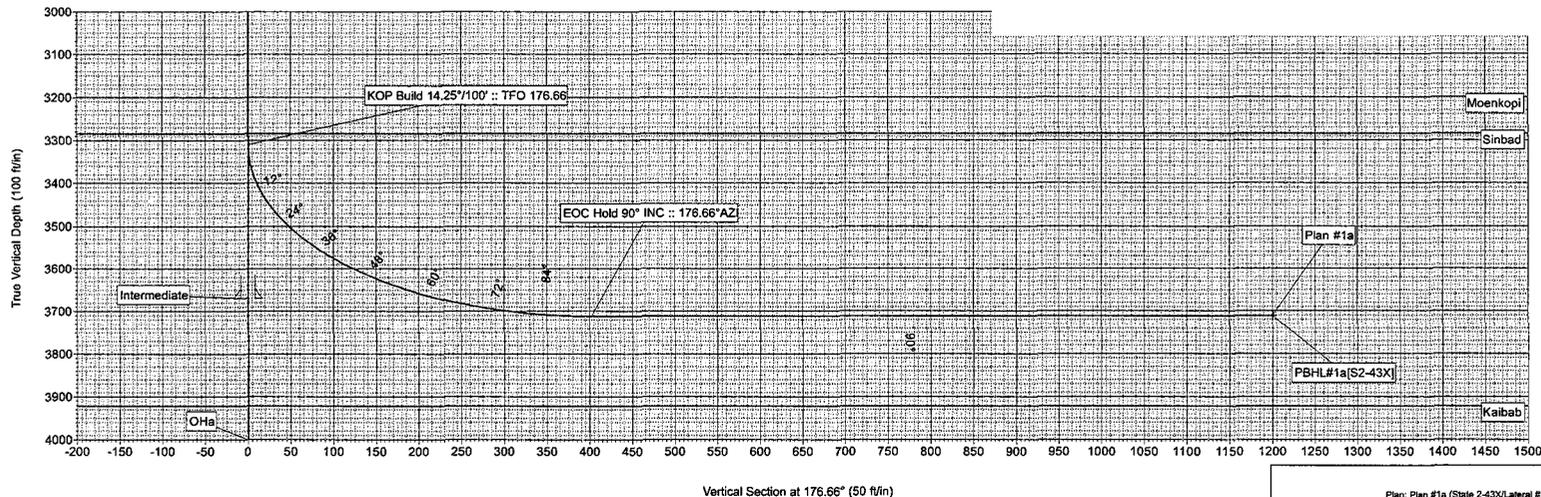
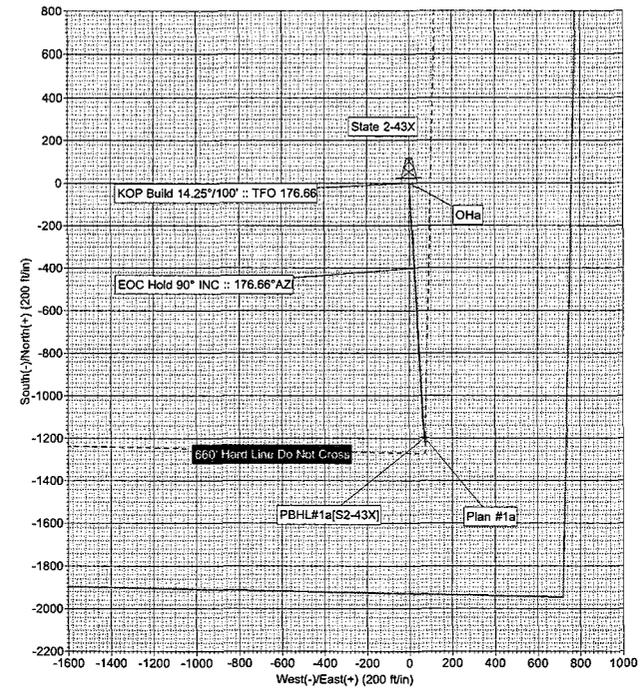


ANNOTATIONS

TVD	MD	Annotation
3310.00	3310.00	KOP Build 14.25°/100' :: TFO 176.66
3712.00	3941.46	EOC Hold 90° INC :: 176.66°AZI

SECTION DETAILS

MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	Vsect	Target
3300.00	0.00	0.00	3300.00	0.00	0.00	0.00	0.00	
3309.00	0.00	0.00	3309.00	0.00	0.00	0.00	0.00	
3310.00	0.00	0.00	3310.00	0.00	0.00	0.00	0.00	
3941.46	90.00	176.66	3712.00	-401.32	23.45	14.25	402.00	
4739.50	90.00	176.66	3712.00	-1198.00	70.00	0.00	1200.04	PBHL#1a[S2-43X]



Vertical Section at 176.66° (50 ft/in)

1a

Plan: Plan #1a (State 2-43X/Lateral #1)  
 Created By: Heather Vannoy Date: July 15, 2009

D/M OF OIL, GAS & MINING

JUL 21 2009

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**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 02/10/2009

API NO. ASSIGNED: 43-015-30100

WELL NAME: STATE 2-43X  
 OPERATOR: GENESIS PETROLEUM US, ( N3475 )  
 CONTACT: TARIQ AHMAD

PHONE NUMBER: 775-852-7444

PROPOSED LOCATION:

NESE 02 160S 120E  
 SURFACE: 1930 FSL 0760 FEL  
 BOTTOM: 0732 FSL 0690 FEL  
 COUNTY: EMERY  
 LATITUDE: 39.46056 LONGITUDE: -110.53192  
 UTM SURF EASTINGS: 540269 NORTHINGS: 4367783  
 FIELD NAME: GRASSY TRAIL ( 25 )

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DWD	8/4/09
Geology		
Surface		

LEASE TYPE: 3 - State  
 LEASE NUMBER: ML-51328  
 SURFACE OWNER: 3 - State

PROPOSED FORMATION: PRCAM  
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]  
(No. 3525790 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. GRASSY TRA )
- RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

- R649-2-3. \* Horizontal
- Unit: \_\_\_\_\_
- R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit  
Board Cause No: 264-03  
Eff Date: 12-7-08  
Siting: 460' fr drl. u bdr g 1320' fr other wells.
- R649-3-11. Directional Drill

COMMENTS: \_\_\_\_\_

STIPULATIONS: ① Lateral should be a minimum of 3 feet shorter to comply with the 1320' setback requirement between wells from Cause 264-03





JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

May 5, 2009

Amended September 2, 2009

Genesis Petroleum US Inc.  
P O Box 18148  
Reno, NV 89511

Re: State 2-43X Well, 1930' FSL, 760' FEL, NE SE, Sec. 2, T. 16 South, R. 12 East,  
Bottom Location 732' FSL, 690' FEL, SE SE, Sec. 2, T. 16 South, R. 12 East,  
Emery 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 attached Conditions of Approval, approval to drill the referenced well is granted.

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. The API identification number assigned to this well is 43-015-30100.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

cc: Emery County Assessor  
SITLA



**Operator:** Genesis Petroleum US Inc.  
**Well Name & Number** State 2-43X  
**API Number:** 43-015-30100  
**Lease:** ML-51328

**Location:** NE SE **Sec.** 2 **T.** 16 South **R.** 12 East  
**Bottom Location:** SE SE **Sec.** 2 **T.** 16 South **R.** 12 East

### 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

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

- 24 hours prior to cementing or testing casing – contact Dan Jarvis
- 24 hours prior to testing blowout prevention equipment – contact Dan Jarvis
- 24 hours prior to spudding the well – contact Carol Daniels
- Within 24 hours of any emergency changes made to the approved drilling program – contact Dustin Doucet
- Prior to commencing operations to plug and abandon the well – contact Dan Jarvis

The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

- Plugging and abandonment or significant plug back of this well – contact Dustin Doucet
- Any changes to the approved drilling plan – contact Dustin Doucet

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at: (801) 538-5338 office (801) 942-0871 home
- Carol Daniels at: (801) 538-5284 office
- Dustin Doucet at: (801) 538-5281 office (801) 733-0983 home

#### 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.

Page 2

43-015-30100

May 5, 2009

Amended September 2, 2009

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.
5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)
6. 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.
7. Lateral should be a minimum of three feet shorter to comply with the 1320' setback requirement between wells from Cause 264-03.

**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: <b>ML51328 oba</b>
			6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
			7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____			8. WELL NAME and NUMBER: <b>2-43X</b>
2. NAME OF OPERATOR: <b>GENESIS PETROLEUM US INC.,</b>			9. API NUMBER: <b>43-015-30100</b>
3. ADDRESS OF OPERATOR: PO BOX 18148                      CITY <b>RENO</b> STATE <b>NV</b> ZIP <b>89511</b>		PHONE NUMBER: <b>(775) 852-7444</b>	10. FIELD AND POOL, OR WILDCAT: <b>GRASSY TRAILS</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>1930 FSL, 760 FEL</b>			COUNTY: <b>EMERY</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NESE 2 16S 12E</b>			STATE: <b>UTAH</b>

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 (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <b>Waiver</b>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

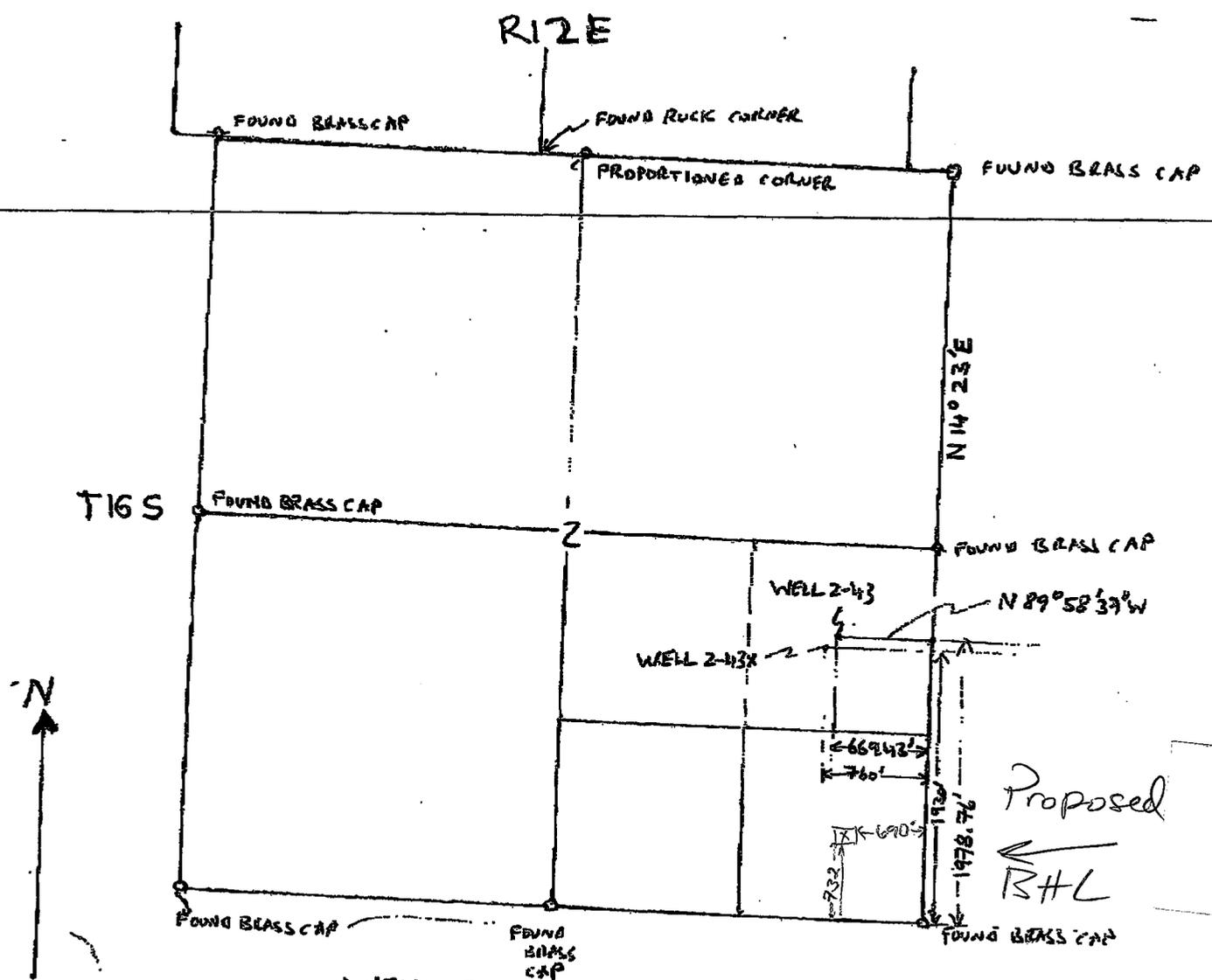
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

This is a producing oil well and we intend to increase production by drilling a lateral in the existing producing zone. We have filed an APD for the horizontal and are requesting a waiver on all H2S monitoring regulations on this well. There is no known H2S in the Moenkopi formation in the Grassy Trails Field. A waiver was granted by the State for the horizontal drilling for the Bolinder 3-12 well to the operator Pride Ventures LLC.

NAME (PLEASE PRINT) <u>Tariq Ahmad</u>	TITLE <u>Petroleum Engineer</u>
SIGNATURE	DATE <u>7/23/2009</u>

(This space for State use only)

**RECEIVED**  
**JUL 29 2009**  
DIV. OF OIL, GAS & MINING

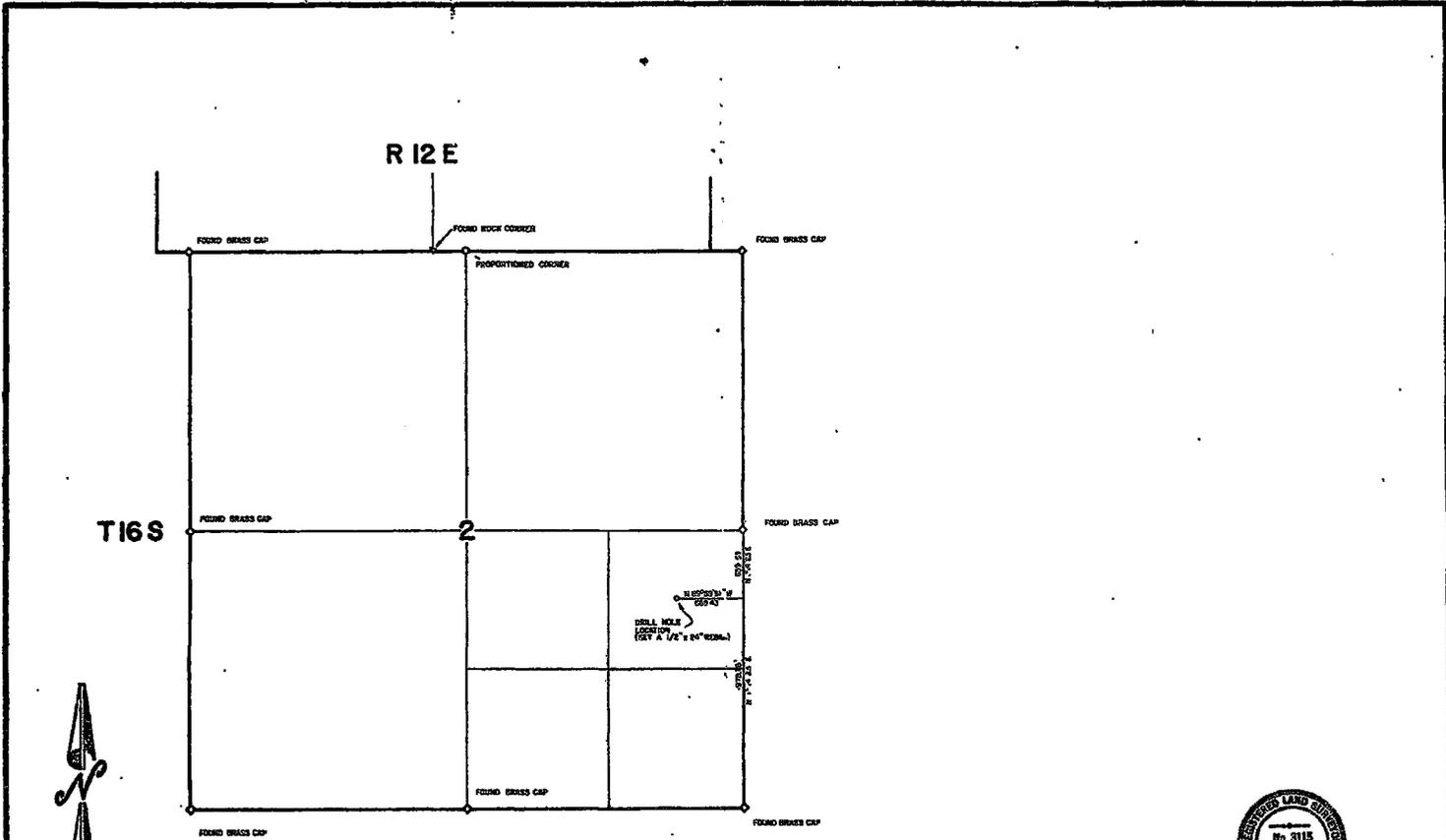


**WELL STATE 2-43X LOCATION MAP - API# 43-015-30100**  
 WELL 2-43X - 5340' ASL  
 WELL 2-43 - 5340' ASL

PARTS REDRAWN FROM WELL FILE OF 2-43 (STATE)

*M. M. M.*  
 M. AHMED  
 ENGINEER 2/25/09

Proposed  
 ←  
 B+L



**DRILL HOLE LOCATION MAP**

NOTE: BASIS OF BEARINGS (SEE EAST) OBTAINED FROM OLD PLAT DATED MAY 10, 1916 BETWEEN THE NORTHEAST CORNER OF SECTION 2 AND THE SOUTHWEST CORNER OF SECTION 2, T16S, R12E, S11.55E.



<b>EMPIRE ENGINEERING</b>	
OF BOSTON, MASSACHUSETTS	ROCKY MOUNTAIN, COLORADO
<b>SKYLINE OIL COMPANY</b>	
DESIGNED BY: EMORY FREEMAN	DRAWN BY: EARL E. HANSEN
SCALE: 1" = 60'	DATE: 10/25/21



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*

July 8, 2010

Genesis Petroleum US Inc.  
10757 S River Front Pkwy #125  
South Jordan, UT 84095

Re: APD Rescinded – State 2-43X (Deepening), Sec. 2, T. 16S, R. 12E  
Emery County, Utah API No. 43-015-30100

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on May 5, 2009. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective July 8, 2010.

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  
SITLA, Ed Bonner



**Division of Oil, Gas and Mining**  
**ORPHAN-NO RESPONSIBLE OPERATOR**  
**CHANGE WORKSHEET (for state use only)**

**Operator Name Change/Merger**

The operator of the well(s) listed below has changed, effective:	<b>10/31/2014</b>
<b>FROM:</b> (Old Operator): N3475-Genesis Petroleum US, Inc	<b>TO:</b> ( New Operator): N9999-Orphan-No Responsible Operator

<b>Docket Number:</b>		<b>Board:</b>		<b>Division:</b>					
<b>Cause Number:</b>									
<b>WELL NAME</b>	<b>SEC</b>	<b>TWN</b>	<b>RNG</b>	<b>API NO</b>	<b>ENTITY NO</b>	<b>Mineral</b>	<b>Surface</b>	<b>WELL TYPE</b>	<b>WELL STATUS</b>
STATE 2-23	2	160S	120E	4301530111	99990	State	State	WD	A
STATE 2-43X	2	160S	120E	4301530100	6440	State	State	OW	S

**DATA ENTRY:**

- |  |                                  |
|--|----------------------------------|
| 1. Date bond received on:                          | Bank will be billed for plugging |
| 2. Changes entered in the Oil and Gas Database on: | <u>6/5/2015</u>                  |
| 3. Date RBDMS changed to "Claimed" on:             | <u>10/31/2014</u>                |

**COMMENTS:**

Per the Board of Oil, Gas and Mining well(s) moved to N9999 Orphan-No Responsible Operator for Division plugging.

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	5. LEASE DESIGNATION AND SERIAL NUMBER: ML-51328 OBA
1. TYPE OF WELL Oil Well	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR:	7. UNIT or CA AGREEMENT NAME:
3. ADDRESS OF OPERATOR: _____ PHONE NUMBER: _____ _____ Ext	8. WELL NAME and NUMBER: STATE 2-43X
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1930 FSL 0760 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 02 Township: 16.0S Range: 12.0E Meridian: S	9. API NUMBER: 43015301000000
	9. FIELD and POOL or WILDCAT: GRASSY TRAIL
	COUNTY: EMERY
	STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <b>3/22/2016</b>	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

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

This well was plugged as part of the Orphan Well Plugging program. Plugging work commenced on 11/3/2015 and was completed on 11/27/2015. Reclamation and reseeding was completed on 3/22/2016. No further work required on this site. See attached for work details.

**Accepted by the  
 Utah Division of  
 Oil, Gas and Mining  
 FOR RECORD ONLY  
 June 09, 2016**

<b>NAME (PLEASE PRINT)</b> Dustin Doucet	<b>PHONE NUMBER</b> 801 538-5281	<b>TITLE</b> Engineer
<b>SIGNATURE</b> N/A	<b>DATE</b> 6/8/2016	

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>			5. LEASE DESIGNATION AND SERIAL NUMBER: <b>ML51328 oba</b>
			6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
			7. UNIT or CA AGREEMENT NAME:
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.			
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: <b>State 2-43X</b>		
2. NAME OF OPERATOR: <b>Utah DOG&amp;M with A-Plus Well Service Inc - Contractor</b>		9. API NUMBER: <b>431530100</b>	
3. ADDRESS OF OPERATOR: PO Box 1979 <small>CITY</small> Farmington <small>STATE</small> NM <small>ZIP</small> 87499		PHONE NUMBER: <b>(505) 325-2627</b>	10. FIELD AND POOL, OR WILDCAT: <b>Grassy Trail</b>
4. LOCATION OF WELL			
FOOTAGES AT SURFACE: <b>1930' FSL 760' FEL</b>		COUNTY: <b>Emery</b>	
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NESE 2 16S 12E</b>		STATE: <b>UTAH</b>	

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 (Submit in Duplicate)  Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only)  Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

Well plugged and abandoned on 11/12/15 per the attached report.

Underground P&A Marker plate installed at N 39o 27' 38" / W 110o 31' 58".

Work completed under PWO - 2015-01.

RECEIVED  
JAN 15 2016  
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <u>Bill Randall</u>	TITLE <u>Field Supervisor</u>
SIGNATURE <u><i>Bill Randall</i></u>	DATE <u>1/12/2016</u>

(This space for State use only)

## A-PLUS WELL SERVICE, INC.

P.O. BOX 1979  
Farmington, New Mexico 87499  
505-325-2627 \*fax: 505-325-1211

Utah DOG&M  
State 2-43X

November 12, 2015  
Page 1 of 2

1930' FSL and 760' FEL, Section 02, T-16-S, R-12-E  
Emery County, UT  
Lease Number: ML-34005  
API #43-015-30100

RECEIVED  
JAN 15 2016  
DIV. OF OIL, GAS & MINING

**Plug and Abandonment Report**  
Notified Utah DOG&M on 11/215

### Plug and Abandonment Summary:

- Plug #1** with CR at 3634'; spot 110 sxs (129.8 cf) Class B cement inside 7-5/8" casing above the CR up to 3144' to isolate Moenkopi openhole interval and top. Calculated TOC at 3144'. WOC overnight. TIH and tag TOC at 3235'.
- Plug #2** with 45 sxs (53.1 cf) Class B cement from 2653' to 2475' inside the casing to cover the Wingate top. Calculated TOC at 2453'. WOC overnight. TIH and tag TOC at 2480'.
- Plug #3** with 60 sxs (70.8 cf) Class B cement with 2% CaCl<sub>2</sub> from 2155' to 1934' inside casing to cover the Navajo top. TOC at 1888'. WOC for 4 hours. Then tag TOC at 1895'.
- Plug #4** with 40 sxs (47.2 cf) Class B cement from 1495' to 1385' inside the casing to cover the Entrada top. Calculated TOC at 1317'. WOC overnight. TIH and tag TOC low at 1500'.
- Plug #4A** with 40 sxs (47.2 cf) Class B cement with 2% CaCl<sub>2</sub> from 1495' to 1385' inside the casing to cover the Entrada top. Calculated TOC at 1317'. TOH and WOC for 4 hours. TIH and tag TOC at 1357'.
- Plug #4B** with 40 sxs (47.2 cf) Class B cement from 1357' to 1257' inside casing to cover the Entrada top. Calculated TOC at 1179'. TOH and WOC one hour. No tag.
- Plug #5** with 3 squeeze holes at 435' and CR at 375': mix and pump 307 sxs Class B cement, squeeze 275 sxs below CR from 435' to ???' outside the 7-5/8" casing; sting out of CR and spot 32 sxs above CR up to 233' inside the 7-5/8" casing; had good water circulation, but no cement, out the BH valve while squeezing below the CR. No WOC and no tag.
- Plug #6** with 3 squeeze holes at 100': mix 57 sxs (67.3 cf) Class B cement and pump down the 7-5/8" casing from 100' to surface, circulate good cement out BH valve. SI well and WOC for 5 days; cut off well head and found cement feel back more than 100' in casing and BH annulus.
- Plug #7** fill 7-5/8" casing and BH annulus with total of 48 sxs Class B cement; install p& marker.

### Plugging Work Details:

- 11/3/15 Rode rig and equipment from Vernal to location. Spot in. Attempt to RU, need rig repair. SDFD.
- 11/4/15 Held safety meeting. Repaired derrick section lock. Rig up rig. PU on rods to unseat pump; did not observe it pop out. LD 1 polish rod, full rod then two 4' and one 3' pony rods. Rig up Action hot oil truck and pump 40 bbl. hot water down casing and 20 bbl. down tubing. Attempt to pressure test tubing, no test. Pull and LD one 2', two 4' and 146 3/4" guided rods. LD 18' pump. ND WH and NU BOP. Function test BOP rams. RU floor and handling tools. Shut in well. SDFD.
- 11/5/15 Held safety meeting. Check well pressures: tubing on vacuum, casing 190 PSI, BH 0 PSI. Blow down well to 10#. Pump 20 bbl. down tubing to kill well. Start to TOH with tubing - very poor condition, multiple holes, heavy scale and bad collars on tubing. TIH with pipe in derrick and then LD total of 121 joints 2-3/8" bad tubing on trailer. Tally and stand back 30 joints A-Plus 2-3/8" tubing workstring. Make up A-Plus 7-5/8" string mill; well started to unload water and gas; shut in well. Transfer rods from gooseneck trailer to pipe trailer. SDFD.

**A-PLUS WELL SERVICE, INC.**

P.O. BOX 1979

Farmington, New Mexico 87499

505-325-2627 \*fax: 505-325-1211

Utah DOG&M  
State 2-43XNovember 12, 2015  
Page 2 of 21930' FSL and 760' FEL, Section 02, T-16-S, R-12-E  
Emery County, UT  
Lease Number: ML-34005  
API #43-015-30100

RECEIVED

JAN 15 2016

DIVISION OF OIL, GAS AND MINERAL RESOURCES  
**Plug and Abandonment Report**  
Notified BLM and Utah DOG&M on 11/3/15**Plug and Abandonment Summary:**

- 11/6/15 Held safety meeting. Check well pressures: casing 140 PSI and BH 0 PSI. Blow down casing to 10 PSI. Pump 30 bbl. of water down casing to kill well. TIH with 7-5/8" string mill and A+ workstring to 3654'; 86 joints. While TOH with mill, well unloaded again. Pump 30 bbl. of water to kill well. Continue to TOH and LD mill. TIH and set 7-5/8" Downhole Service cement retainer at 3634'. Pressure test tubing to 1000#; held OK. Sting out of CR. Pump 180 bbl. water to attempt to circulate well; very soft blow out casing valve. Unable to circulate well, cannot pressure test casing. **Set Plug #1.** TOC at 3144'. TOH with tubing and LD setting tool. Shut in well. SDFD. Drive to Farmington.
- 11/9/15 Drive to location. Check well pressures: casing 10 PSI and BH 10 PSI. TIH and tag TOC at 3235'. Attempt to circulate well; pump 120 bbl. water down tubing with no circulation or blow on casing. PUH to 2653'. Pump 5 bbl. water then **Spot Plug #2.** TOC at 2453'. TOH with tubing. Replace BH valve. Shut in well. Well. SDFD.
- 11/10/15 Held safety meeting. Check well pressures: casing and BH 10 PSI. TIH and tag TOC at 2480'. Pump 50 bbl. water to establish circulation out casing and BH valves. PUH to 2155'. **Spot Plug #3.** TOC at 1888'. PUH and WOC for 4 hours. TIH and tag TOC at 1895'. Pump 8 bbl. of water down tubing; casing leaks and the BH circulates at surface. PUH to 1495'. Increase cement for plug 34 per Dustin D. on location. With the BH valve shut, **Spot Plug #4.** TOC at 1317'. TOH with tubing. Shut in well. WOC overnight. SDFD.
- 11/11/15 Held safety meeting. Check well pressures: casing and BH on vacuum. TIH and tag TOC low at 1500'. Attempt to pressure test casing; establish circulation out BH with 3 bbl. of water. Dustin Doucet, Utah DOG&M approved following procedure changes (plug #4A, #4B and CR). **Spot Plug #4A.** TOC at 1317'. TOH and WOC for 4 hours. Attempt pump around test to determine depth of casing leak; pumped 100 bbl.; not successful in circulating out marker fluid. TIH and tag plug #4A at 1357'. **Spot Plug #4B.** TOC at 1197'. TOH and LD tubing. WOC for one hour; no attempt to tag. Attempt to pressure test casing; established circulation out BH with 3 bbl. of water. A-Plus WL perforated 7-5/8" casing at 435'. TIH and set cement retainer at 375'. Sting out of CR. Pressure test casing above CR to surface to 500 PSI, held OK. Sting into CR at establish circulation out BH with 3 bbl. of water. Waste pit full, unable to set next plug. Shut in well. SDFD.
- 11/12/15 Check well pressures: 0 PSI on well. Establish circulation under CR and out BH with 6 bbl. of water. Pump surface **Plug #5.** LD all tubing and setting tool. Perforate at 100'. Pump **Plug #6.** Shut in well and WOC. Rig down and move off location.  
Dustin Doucet, Utah DOG&M representative, was on location.
- 11/27/15 Write hot work permit. Cut off wellhead; found cement down 100' or more in both the 7-5/8" casing and the 7-5/8" x 10-3/4" annulus. RU cementing equipment. Fill both with 48 sxs of cement. Install marker plate. Job complete. Josh Payne with DOG&M on location.