

PERMITS WEST, INC.
PROVIDING PERMITS for LAND USERS
37 Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

April 24, 2004

Diana Whitney
Utah Div. of Oil, Gas, & Mining
P. O. Box 145801
Salt Lake City, Ut. 84114-5801

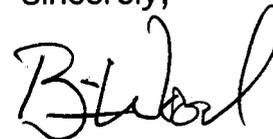
Dear Diana,

On behalf of Merrion Oil & Gas Corporation, I am applying for approval of an exception location for their Fuzzball 1 gas well in Section 2, T. 19 S., R. 7 E., Emery County. I am requesting an exception because of topography. The well is staked 10' south and 55' east of the drilling window. Closest well is 2,541' southwest. That well is a Merrion well on the same SITLA lease.

This well is staked at 2190' FNL & 915' FWL on a 629.92 acre SITLA lease. An orthodox well could be staked at 2180' FNL & 860' FWL, but this would move it into rougher terrain and toward the exterior of the lease. Merrion is requesting permission to drill at 2190' FNL & 915' FWL 2-19s-7e. This is the only oil or gas well existing or planned in the quarter section. There are no wells of any type within a 2,541' radius. Closest lease line is 915' west. Merrion is owner of all drilling units within a minimum 2,190' radius of the proposed exception. This includes all of Section 2 and six of the eight directly or diagonally offsetting drilling units. The units (E2 & SW4 Sec. 2) toward which the well encroaches are part of the same Merrion SITLA lease.

Please call me if you have any questions.

Sincerely,



Brian Wood

cc: Dunn
Jones

RECEIVED

APR 27 2004

DIV. OF OIL, GAS & MINING

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

FORM 3

AMENDED REPORT
(highlight changes)

001

APPLICATION FOR PERMIT TO DRILL			5. LEASE DESIGNATION AND SERIAL NUMBER: ML-28199		
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A		
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>			7. UNIT or CA AGREEMENT NAME: N/A		
2. NAME OF OPERATOR: MERRION OIL & GAS CORPORATION			8. WELL NAME and NUMBER: FUZZBALL 1		
3. ADDRESS OF OPERATOR: 610 REILLY AVE. CITY FARMINGTON STATE NM ZIP 87401		PHONE NUMBER: (505) 327-9801	9. FIELD AND POOL, OR WILDCAT: BUZZARD BENCH		
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 2190 FNL & 915 FWL 490461 X 39,19942 AT PROPOSED PRODUCING ZONE: SAME 4338704 Y 111,11047			10. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 2 19S 7E S		
13. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 5 MILES W OF CASTLE DALE			11. COUNTY: EMERY	12. STATE: UTAH	
14. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 915		15. NUMBER OF ACRES IN LEASE: 630	16. NUMBER OF ACRES ASSIGNED TO THIS WELL: 160		
17. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 2,541'		18. PROPOSED DEPTH: 2,800	19. BOND DESCRIPTION: STATE WIDE RLB0006862		
20. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 6,285 GL		21. APPROXIMATE DATE WORK WILL START: 6/1/2004	22. ESTIMATED DURATION: 9 DAYS (to drill & complete)		

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT			
12-1/4	8-5/8	J-55	24	250	CLASS B or H	245 SX	1.18	15.6
7-7/8	5-1/2	J-55	15.5	2,800	PREMIUM PLUS	175 SX	2.63	12.0
					PREMIUM PLUS	100 SX	1.58	14.2

ATTACHMENTS

24. 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

NAME (PLEASE PRINT) BRIAN WOOD PHONE: (505) 466-8120 TITLE CONSULTANT FAX: (505) 466-9682
SIGNATURE *Brian Wood* DATE 4/24/2004

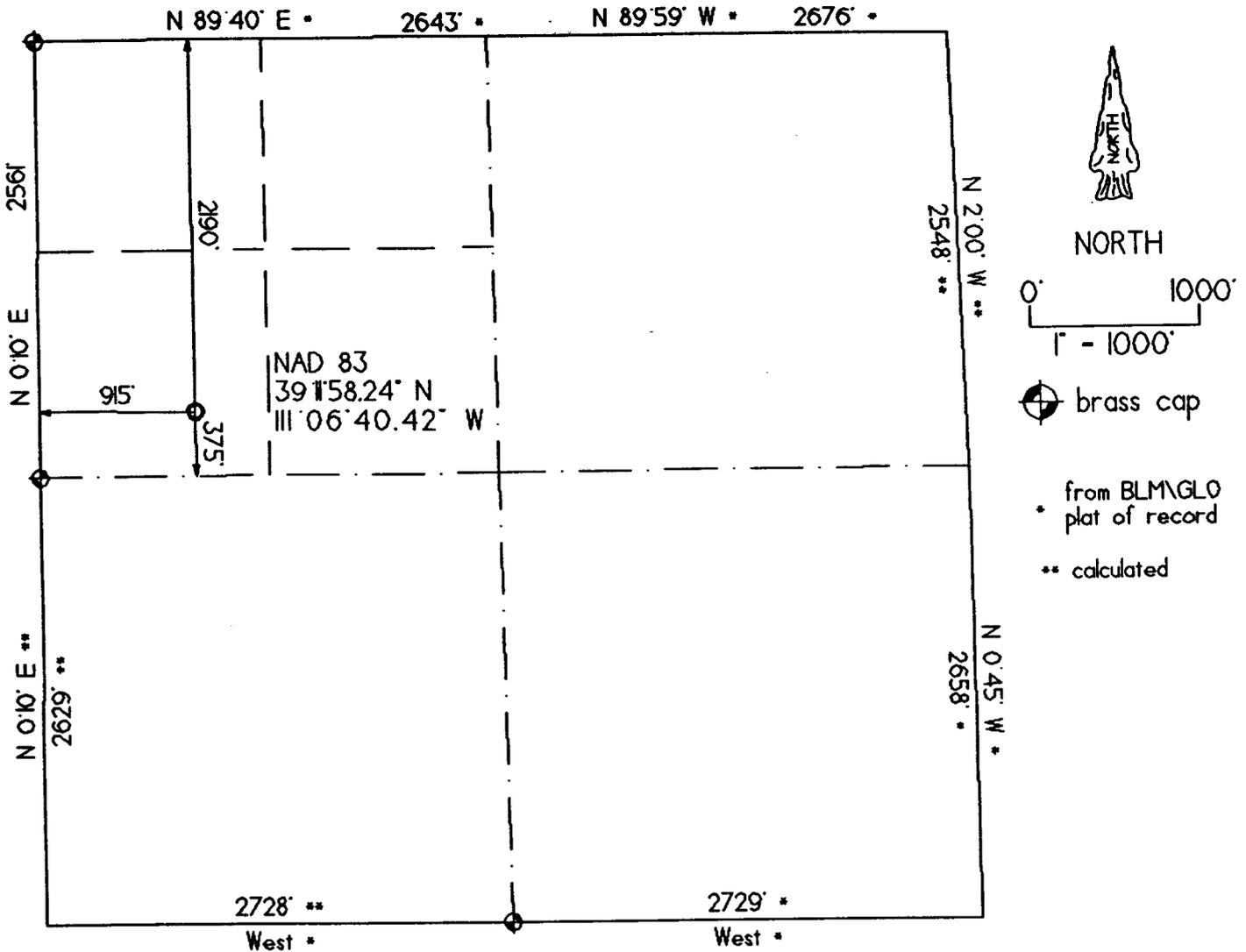
(This space for State use only)

API NUMBER ASSIGNED: 43-015-30557

**Approved by the
Utah Division of
Oil, Gas and Mining**
APPROVAL:
Date: 08-04-04
[Signature]

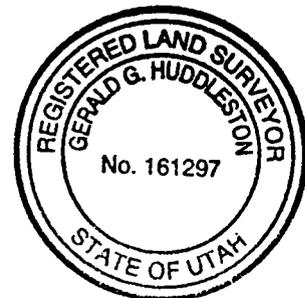
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APR 27 2004
DIV. OF OIL, GAS & MINING

Well Location Plat



Well Location Description

MERRION OIL & GAS CORPORATION
 Fuzzball # 1
 2190' FNL & 915' FWL
 Section 2, T.19 S., R.7 E., SLM
 Emery County, UT
 6285' grd. el. (from GPS)



12/11/03

Gerald G. Huddleston
 Gerald G. Huddleston, LS

The above is true and correct to my knowledge and belief.

Merrion Oil & Gas Corporation
 Fuzzball #1
 2190' FNL & 915' FWL
 Sec. 2, T. 19 S., R. 7 E.
 Emery County, Utah

Drilling Program

<u>1. Formation Name</u>	<u>Depth from GL</u>	<u>Depth from RKB</u>	<u>Elevation</u>
Mancos Shale	0'	12'	+6,285'
Emery Sandstone	835'	847'	+5,450'
Blue Gate Shale	2,360'	2,372'	+3,925'
Ferron Sandstone	2,635'	2,647'	+3,650'
Total Depth	2,800'	2,812'	+3,495'

(All depths are based on an ungraded ground level of 6,285')

2. NOTABLE ZONES

Ferron is the goal. No other oil or gas zones are expected. Ferron coal zones are the only anticipated water zones.

3. PRESSURE CONTROL (Also see "5." on PAGE 2)

A 2,000 psi double ram BOP with 2,000 psi choke manifold will be used from bottom of surface casing to TD. (A typical 2,000 psi BOP is on Page 3. Actual model will not be known until the bid is let.) After surface and intermediate casing are each cemented for 8 hours, will nipple up BOP and test each to \approx 1,500 psi for 15 minutes each. Tests will be recorded in the driller's log. BOPs will be inspected and operated daily.

4. CASING & CEMENTING

<u>Hole Size</u>	<u>O. D.</u>	<u>Weight</u>	<u>Grade</u>	<u>Type</u>	<u>Age</u>	<u>\approx Setting Dept</u>
12-1/4"	8-5/8"	24	J-55	L T & C	New	250'
7-7/8"	5-1/2"	15.5	J-55	L T & C	New	2,800'

Merrion Oil & Gas Corporation
Fuzzball #1
2190' FNL & 915' FWL
Sec. 2, T. 19 S., R. 7 E.
Emery County, Utah

PAGE 2

Will place centralizer on each joint of surface casing. Surface casing will be circulated to surface with ≈ 245 sacks Class B or Class H + 3% CaCl_2 . Weight = 15.6 pounds per gallon. Yield = 1.18 cubic feet per sack. Excess: >100%.

Will install float collar with float on top of the shoe joint of the production casing. Will cement production casing to surface. Lead with 20 barrels gel water followed by 10 barrels for a spacer followed by ≈ 175 sacks Premium Plus with additives (= 2.63 cubic feet per sack & 12 pounds per gallon). Tail with ≈ 100 sacks Premium Plus with additives (= 1.58 cubic feet per sack & 14.2 pounds per gallon). Volumes calculated at 25% excess. Exact volumes will be determined from caliper log. All slurries will include lost circulation additives.

5. MUD PROGRAM

Will drill surface hole with fresh water gel. Will air drill production hole with 2,400 scfm air/mist. Lost circulation material will be on location.

6. DATA GATHERING

Starting with production hole, will run SS surveys with azimuth every 500'. If build rate is $\geq 1'$ per 100', then SS surveys will be run at 100' intervals. Will also run SS survey at TD. No cores or drill stem tests are planned at this time. Will run caliper, Gamma Ray/Collar log, and Compensated Neutron log.

7. DOWN HOLE CONDITIONS

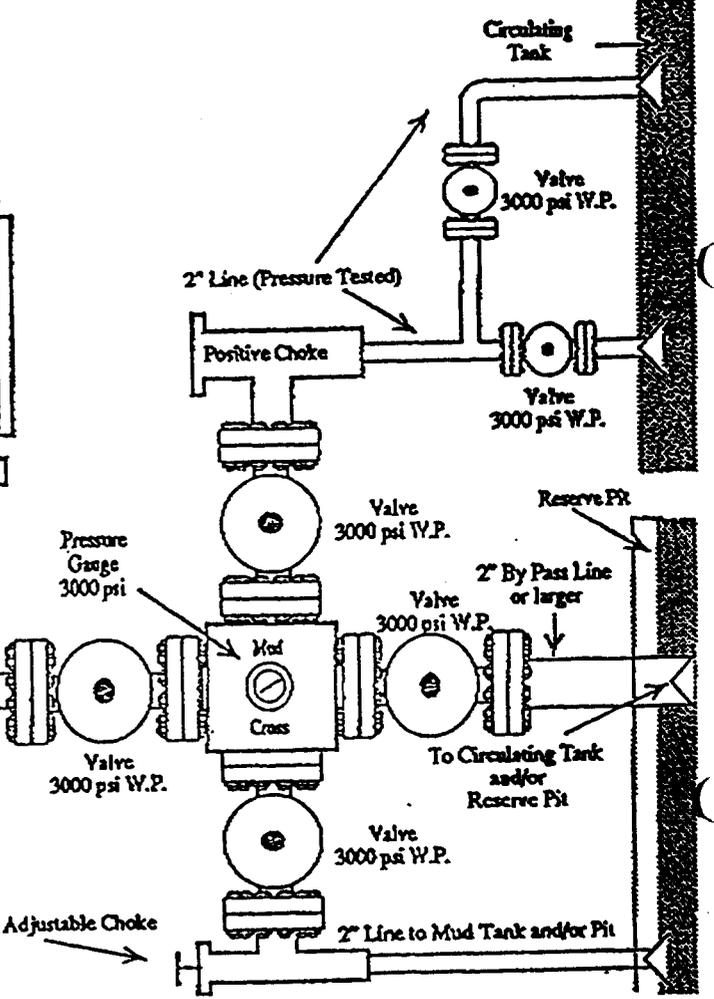
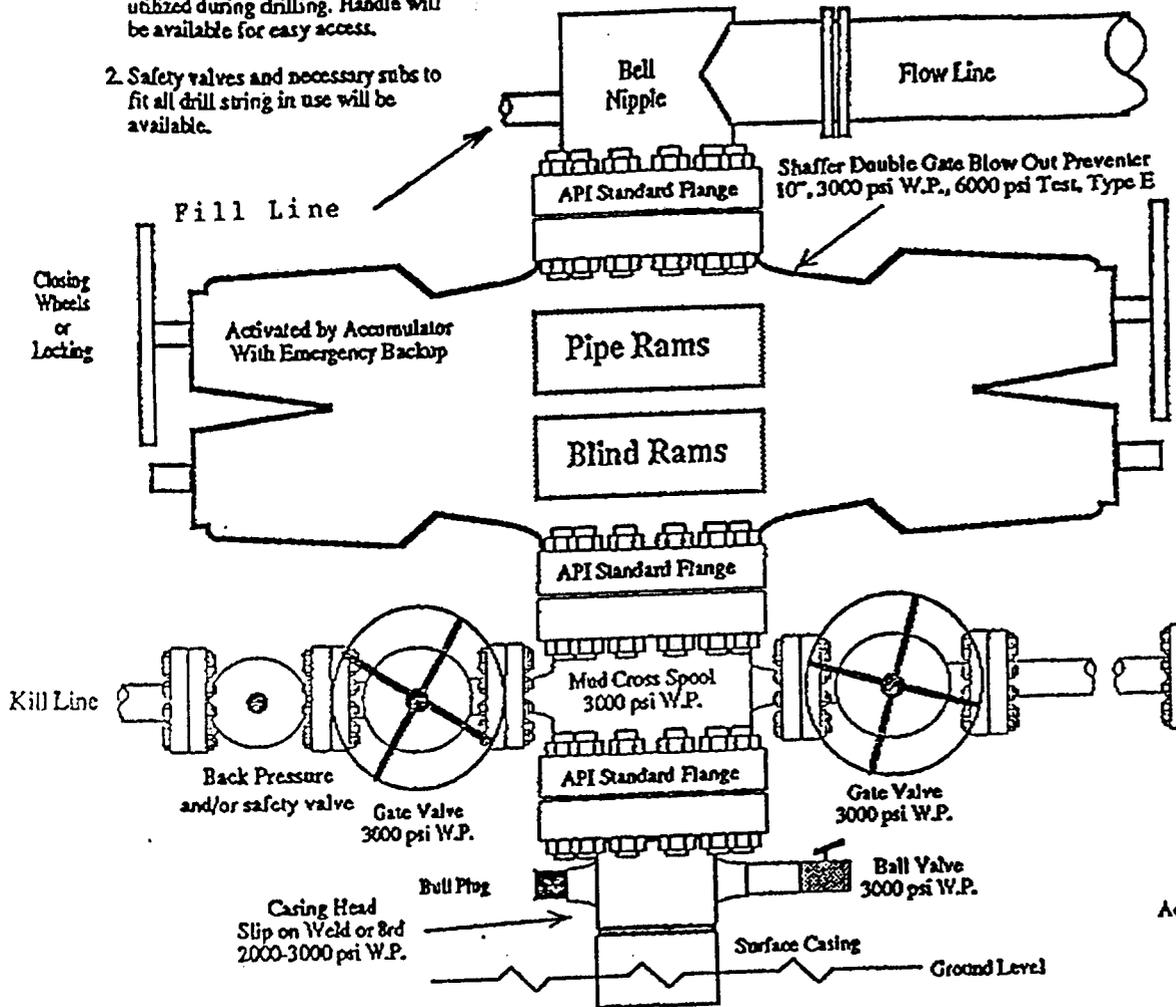
Maximum anticipated bottom hole pressure is $\approx 1,000$ psi. No hydrogen sulfide, abnormal pressures, nor abnormal temperatures are expected. Lost circulation is expected.

Pressure Control Equipment

Minimum 2" Choke Line.
 Minimum 2" Kill Line.
 At Least One 2" Minimum Kill Line Valve.

Note: 1. An upper Kelly cock valve will be utilized during drilling. Handle will be available for easy access.

2. Safety valves and necessary subs to fit all drill string in use will be available.



Note: This equipment is designed to meet requirements for a 2-M rating standard per 43 CFR part 3160 (amended). Proper operation and testing of equipment will be carried out per standard. 2,000 psi equipment can be substituted in the drawing to meet minimum requirements per standard.

Merrion Oil & Gas Corporation
Fuzzball #1
2190' FNL & 915' FWL
Sec. 2, T. 19 S., R. 7 E.
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PAGE 4

8. MISCELLANEOUS

Projected spud date is upon approval. It will take \approx 5 days to drill the well and \approx 4 days to complete the well.

Will complete well by moving in frac tanks filled with 2% KCl. Will install frac valve and pressure test casing to \approx 4,000 psi. Will run Gamma Ray/Collar log (and Compensated Neutron log if no open hole logs) and then perforate. Will stimulate and allow well to flow. Run 2-3/8" tubing with notched collar on bottom and seating nipple on top of the bottom joint. Clean hole with air or nitrogen.

Merrion Oil & Gas Corporation
Fuzzball #1
2190' FNL & 915' FWL
Sec. 2, T. 19 S., R. 7 E.
Emery County, Utah

PAGE 5

Surface Use Plan

1. EXISTING ROADS & DIRECTIONS (See PAGES 9 - 11)

From the junction of U-57 and U-10 south of Castle Dale ...
Go North 2.2 miles on U-57
Then turn left and go Southwest 0.5 miles on County Road 510
Then turn right and go West 1.2 miles on County Road 511
Then turn left and go South and West 0.7 miles to a big junction
Then bear left and go Southwest 1-1/4 miles
Then turn right and go North 922.32' cross country to the pad

2. ROAD TO BE BUILT OR UPGRADED (See PAGES 10 & 11)

No upgrading is needed for the existing road. The 922.32' of new road will be crowned and ditched with a $\approx 14'$ wide running surface. Maximum disturbed width will be 30'. Maximum cut or fill will be 2'. All crossings will be low water style. No fence is crossed. No turn out is needed.

3. EXISTING WELLS

There are five existing gas wells and no oil, water, injection, or disposal wells within a mile radius.

4. PROPOSED PRODUCTION FACILITIES (See PAGE 11)

A 2 phase separator, 100 barrel water tank, meter run, and pump will be installed on the pad. All surface equipment will be painted a flat dark olive green color. A $\approx 3"$ O. D. steel Schedule 40 (burst pressure $>1,000$ psi) gas

Merrion Oil & Gas Corporation
Fuzzball #1
2190' FNL & 915' FWL
Sec. 2, T. 19 S., R. 7 E.
Emery County, Utah

pipeline will parallel the new road for 922.32' to tie into Merrion's existing surface gas pipeline.

5. WATER SUPPLY

Water will be trucked from Neilson Construction Company east of Huntington in 19-17s-9e (water right #93-300)

6. CONSTRUCTION MATERIALS & METHODS

Topsoil will be stripped and stored southwest of the pad. Diversion ditch will be cut southwest of the pad. The reserve pit will be lined with minimum 12 mil plastic.

7. WASTE DISPOSAL

The reserve pit will be fenced 4' high on 3 sides with 4 strands of barbed wire or woven wire topped with barbed wire. The fourth side will be fenced once the rig moves off hole. The fence will be kept in good repair while the pit dries. No fluids will be discharged in the flare pit.

All trash will be placed in a trash cage. When full, it will be hauled to a state approved landfill. There will be no trash burning or disposal of trash in the reserve pit. Chemical toilets will be used for human waste. Their contents will be disposed of in state approved facilities.

No oil will be allowed on the reserve pit. Any oil which accumulates on the pit will be pumped or skimmed off and hauled to a state approved recycle facility. Once dry, the reserve pit contents will be buried in place. The pit will be back filled sufficiently deep so that no liner is exposed.

Merrion Oil & Gas Corporation
Fuzzball #1
2190' FNL & 915' FWL
Sec. 2, T. 19 S., R. 7 E.
Emery County, Utah

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8. ANCILLARY FACILITIES

There will be no airstrip or formal camp. Camper trailers will be on site for the company man, roughnecks, mud logger, tool pusher, etc.

9. WELL SITE LAYOUT

See PAGES 12 and 13 for depictions of the well pad, cross sections, cut and fill diagrams, reserve pit, burn pit, access road onto the pad, parking, living facilities, and rig orientation.

10. RECLAMATION

After completing drilling, the well site and immediate area will be cleared of all debris and material not needed for production.

Reclamation will start when the reserve pit is dry. At least 2' of cover will be placed on the reserve pit. All areas not needed for production will be back filled, contoured to match natural contours, and reserved topsoil and brush evenly spread. If the well is a producer, then enough topsoil will be kept aside to reclaim the rest of the pad. Disturbed areas will be ripped, harrowed, or scarified before seeding.

All reclaimed areas will be broadcast seeded in late fall or winter with seed mix specified by the state. Seeded areas will be left rough and lightly harrowed or drug with a chain after seeding.

11. SURFACE OWNER

All construction is on SITLA.

Merrion Oil & Gas Corporation
Fuzzball #1
2190' FNL & 915' FWL
Sec. 2, T. 19 S., R. 7 E.
Emery County, Utah

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12. OTHER INFORMATION

Closest hospital is an hour drive north in Price. The Castleview Hospital is at 300 North Hospital Drive. Phone number is (435) 637-4800.

Archaeology inspection will be done by Complete Archaeological Service Associates.

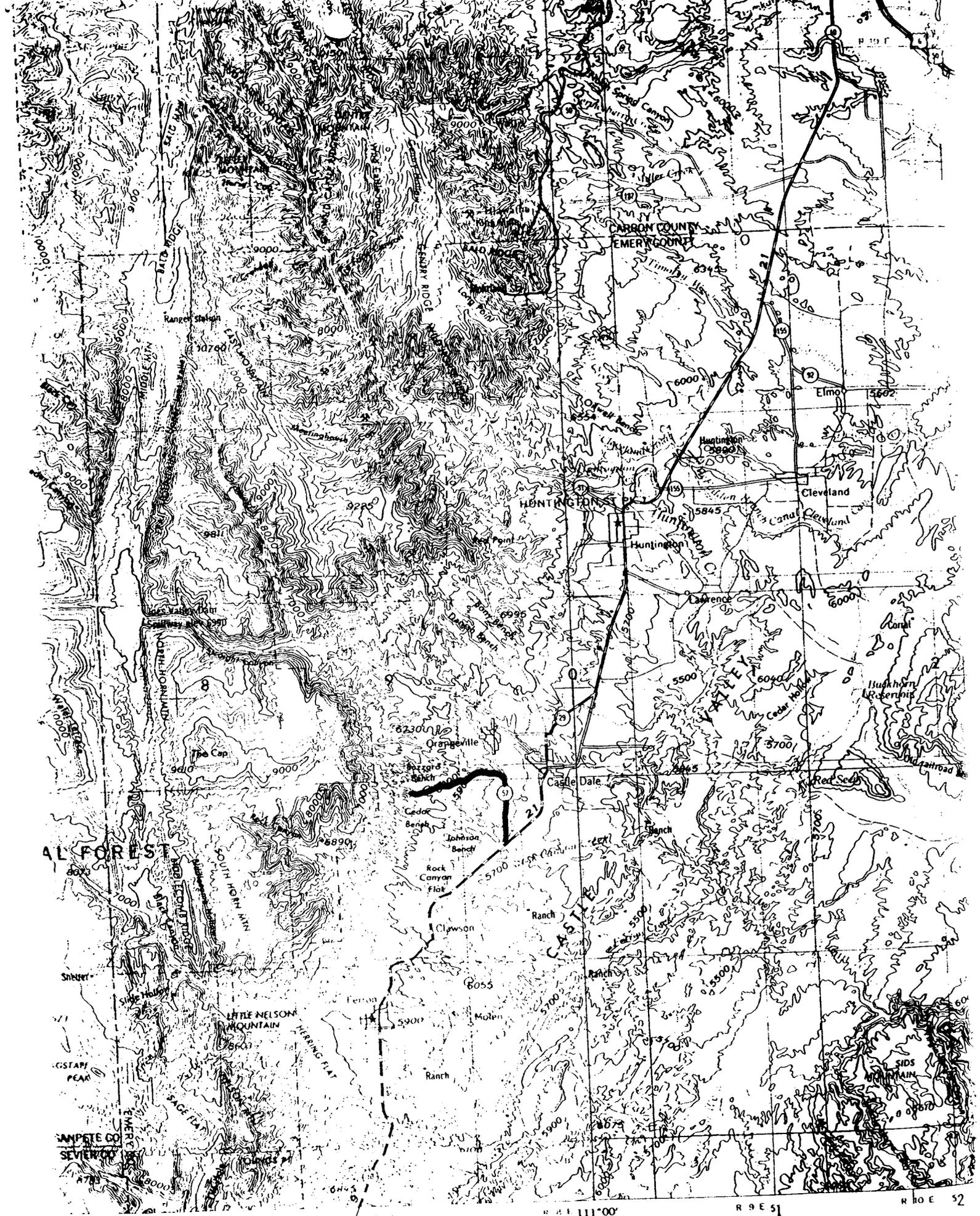
13. REPRESENTATION

Anyone having questions concerning the APD should contact:

Brian Wood
Permits West, Inc.
37 Verano Loop
Santa Fe, NM 87508
(505) 466-8120 FAX: (505) 466-9682 Mobile: (505) 699-2276

The field representative during drilling and production will be:

John Thompson
Merrion Oil & Gas Corporation
610 Reilly Ave.
Farmington, NM 87401
(505) 327-9801 FAX (505) 326-5900 Mobile: (505) 320-1748



AL FOREST

CARRON COUNTY
EMERY COUNTY

HUNTINGTON

Elmo

Cleveland

Orangeville

Castle Dale

Red Sea

LITTLE NELSON MOUNTAIN

SIDS MOUNTAIN

BOONE CO
LINCOLN CO

111° 00'

R 9 E S 1

R 10 E S 2

S 34 S 35 T.18 S.
 N 89 40'00" E* 2642.54*
 S 3 S 2 T.19 S.
 N 1/4 Cor. S 2

Basis of Bearing:
 GPS state plane coordinates
 rotated.



0' 600'
 Scale 1" = 600'

LINE DESCRIPTION TABLE

LINE NO.	DIRECTION	LENGTH
1	N 9 21' 43" E	161.37
2	N 27 33' 27" W	297.75
3	N 5 18' 58" E	96.86
4	N 5 18' 58" E	108.21
5	N 26 23' 40" W	258.13

- ⊕ fnd. std. GLO monument
- ◇ calculated corner
- from GLO plat of record
- survey centerline PI

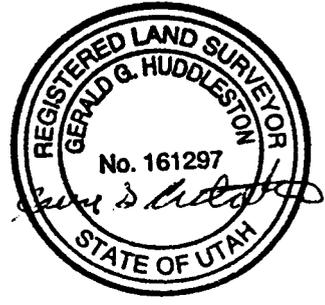
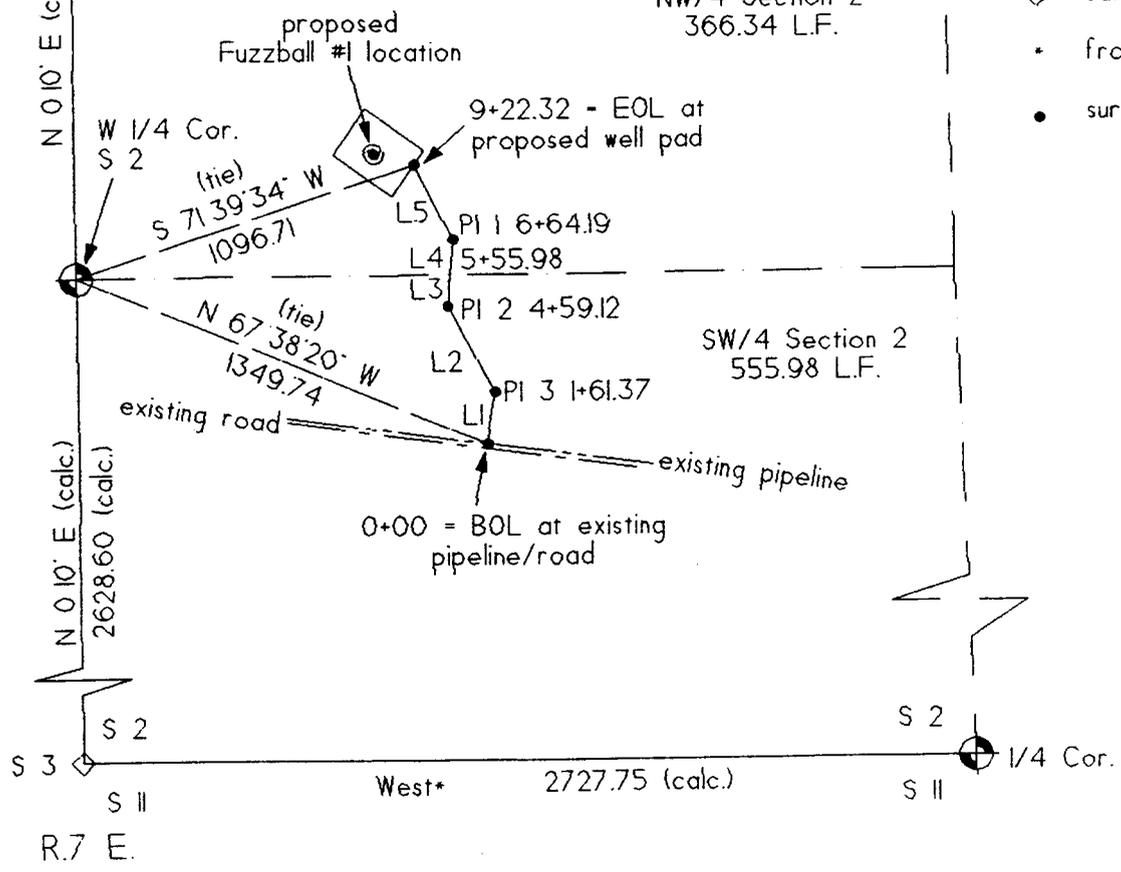
2560.70 (calc.)

N 0 10' E (calc.)

N 0 10' E (calc.)
 2628.60 (calc.)

NW/4 Section 2
 366.34 L.F.

SW/4 Section 2
 555.98 L.F.



MERRION OIL & GAS CORPORATION

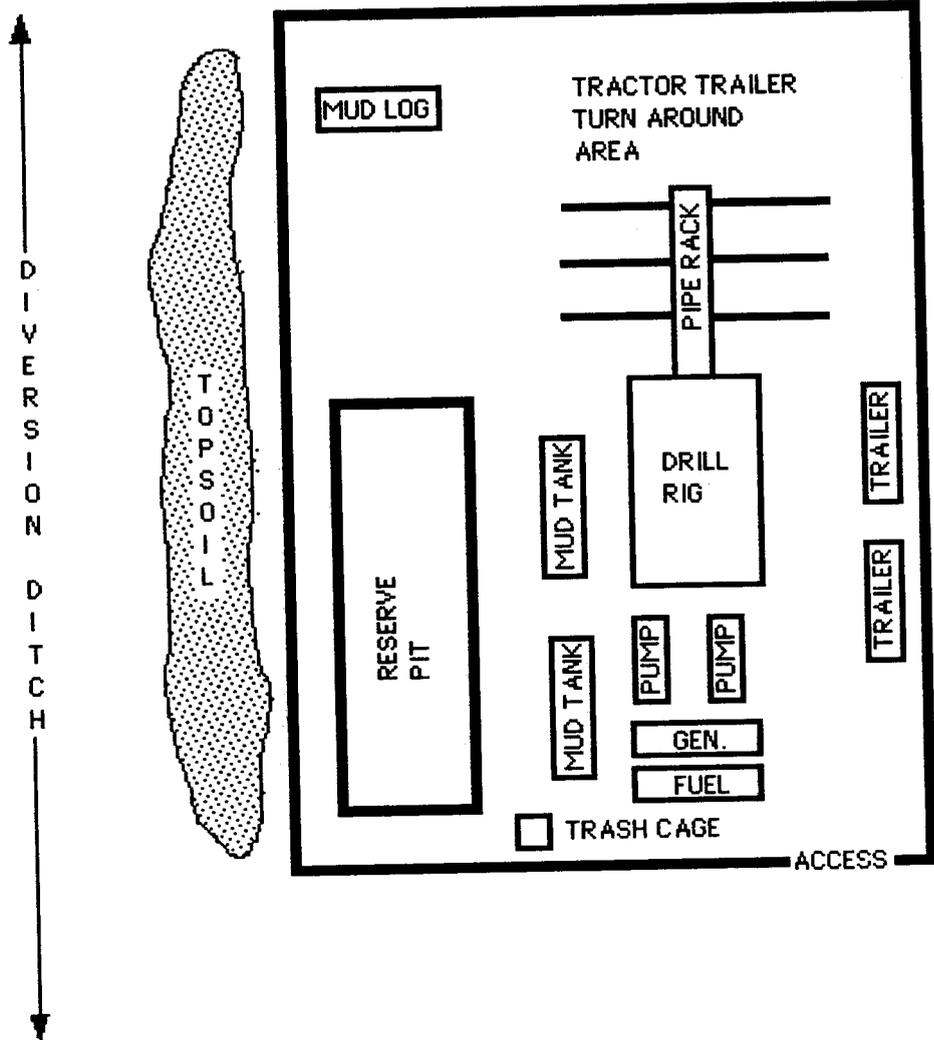
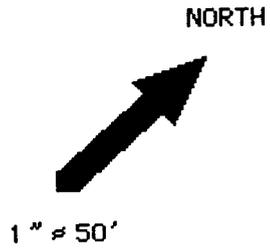
Proposed Fuzzball #1 access road and pipeline

W/2 of Section 2,
 T.19 S., R.7 E., SLM
 Emery County, Utah

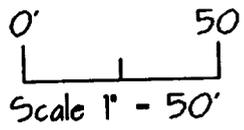
December 2003

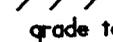
HUDDLESTON LAND SURVEYING
 P.O. DRAWER KK / CORTEZ, CO 81321 / 970-565-3330

Merrion Oil & Gas Corporation
Fuzzball #1
2190' FNL & 915' FWL
Sec. 2, T. 19 S., R. 7 E.
Emery County, Utah

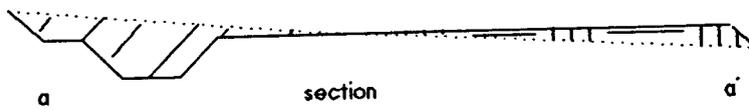
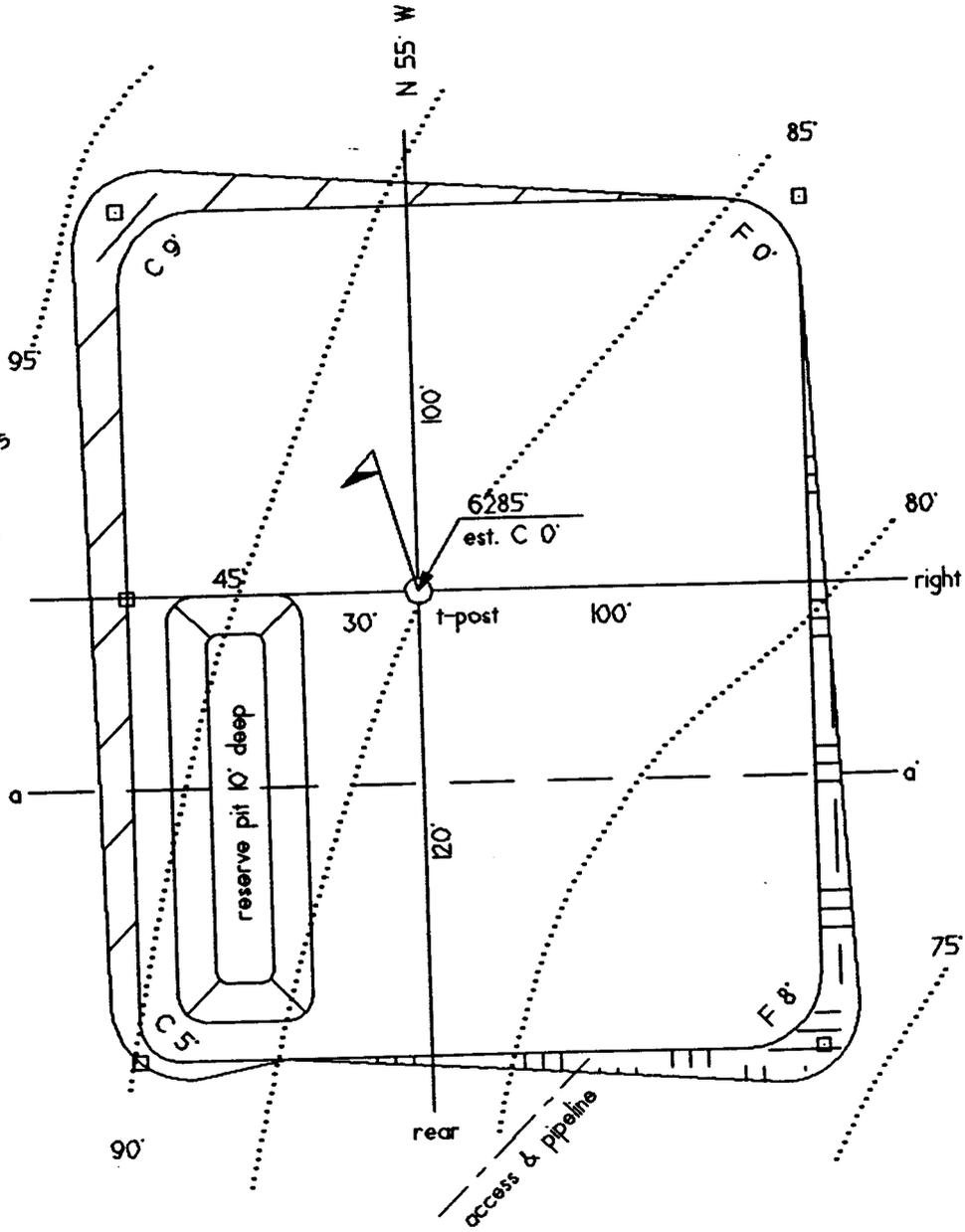


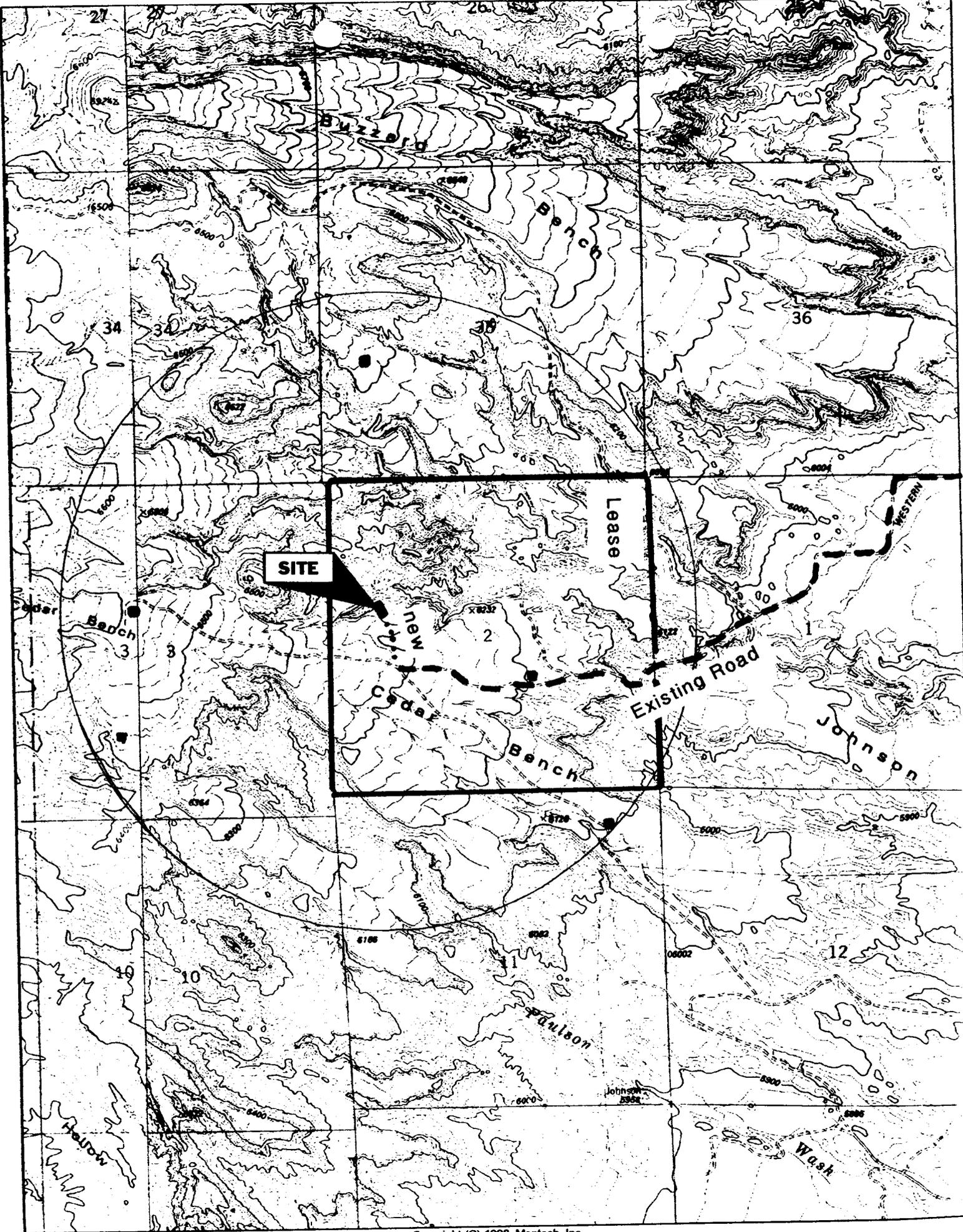
Fuzzball # 1
well pad & section



-  cut slopes
-  grade to balance
-  fill slopes

 stake/pinflag





WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 04/27/2004

API NO. ASSIGNED: 43-015-30557

WELL NAME: FUZZBALL 1
OPERATOR: MERRION OIL & GAS CORP (N0630)
CONTACT: BRIAN WOOD

PHONE NUMBER: 505-327-9801

PROPOSED LOCATION:

SWNW 02 190S 070E
SURFACE: 2190 FNL 0915 FWL
BOTTOM: 2190 FNL 0915 FWL
EMERY
BUZZARD BENCH (132)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DKD	6/4/04
Geology		
Surface		

LEASE TYPE: 3 - State
LEASE NUMBER: ML-28199
SURFACE OWNER: 3 - State
PROPOSED FORMATION: FRSD
COALBED METHANE WELL? NO

LATITUDE: 39.19942
LONGITUDE: 111.11047

RECEIVED AND/OR REVIEWED:

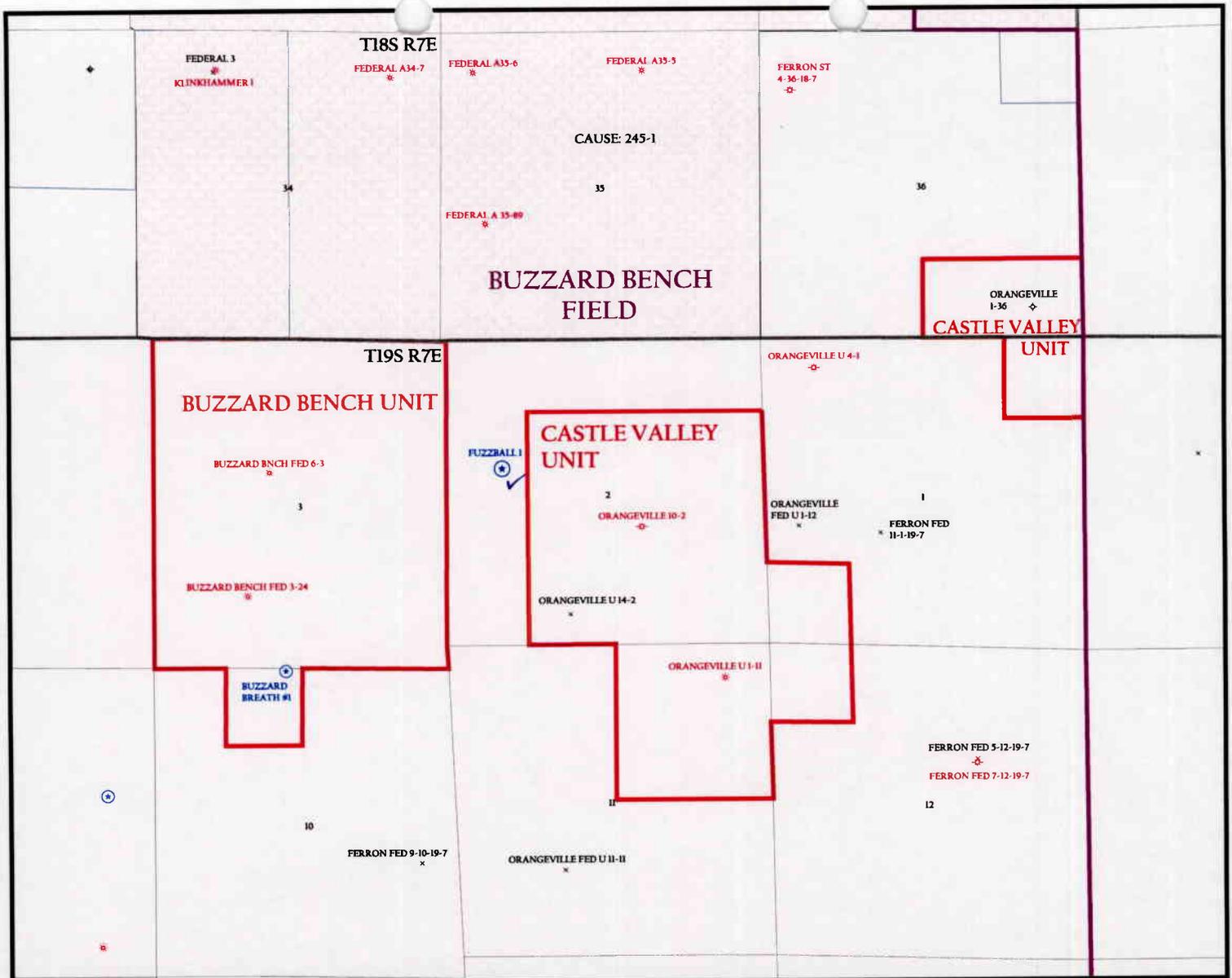
- Plat
- Bond: Fed[] Ind[] Sta[3] Fee[]
(No. ~~RLB0006862~~ RLB0007313 ER 8/23/04)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 93-300)
- RDCC Review (Y/N)
(Date:)
- Fee Surf Agreement (Y/N)

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 Permit (05-20-04)

STIPULATIONS: 1- Spacing Strip
2- STATEMENT OF BASIS



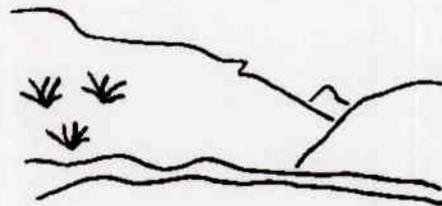
OPERATOR: MERRION O&G CORP (N0630)

SEC. 2 T.19S, R.7E

FIELD: BUZZARD BENCH (132)

COUNTY: EMERY

SPACING: R649-3-3 / EXCEPTION LOCATION



Utah Oil Gas and Mining

Well Status

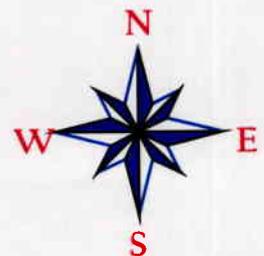
- ⚡ GAS INJECTION
- ⊕ GAS STORAGE
- × LOCATION ABANDONED
- ⊕ NEW LOCATION
- ⊖ PLUGGED & ABANDONED
- ★ PRODUCING GAS
- PRODUCING OIL
- ⊖ SHUT-IN GAS
- ⊖ SHUT-IN OIL
- × TEMP. ABANDONED
- TEST WELL
- △ WATER INJECTION
- ◆ WATER SUPPLY
- ⚡ WATER DISPOSAL

Unit Status

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Field Status

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED



PREPARED BY: DIANA WHITNEY
DATE: 30-APRIL-2004

From: Ed Bonner
To: Whitney, Diana
Date: 5/5/2004 3:15:46 PM
Subject: Re: Merrion O&G Corp. lease and bond

ML 28199 is OK with Merrion Oil & Gas
Bond No. RLB 0006862 in the amount of \$80,000 is OK

From: Diana Whitney

PER ED BONNER 8/4

Westport O&G Co	43-047-35788	State 920-36O	HOLD
Westport O&G Co	43-047-35789	State 1022-2O	HOLD
Westport O&G Co	43-007-30966	N Bench St 24-18	OK TO GO
EOG Resources	43-047-35806	STATE 1-16	HOLD
Westport O&G Co	43-047-35810	STATE 1022-36E	OK TO GO
Inland Production	43-047-35811	STATE 1-16-9-18	OK TO GO
Inland Production	43-047-35812	STATE 2-16-9-19	OK TO GO
Inland Production	43-047-35813	STATE 3-16-9-20	OK TO GO
Inland Production	43-047-35814	STATE 4-16-9-21	OK TO GO
Inland Production	43-047-35815	STATE 5-16-9-22	OK TO GO
Inland Production	43-047-35816	STATE 6-16-9-23	OK TO GO
Inland Production	43-047-35817	STATE 7-16-9-24	HOLD
Inland Production	43-047-35818	STATE 8-16-9-25	OK TO GO
Inland Production	43-047-35819	STATE 9-16-9-26	OK TO GO
Inland Production	43-047-35820	STATE 10-16-9-27	OK TO GO
Inland Production	43-047-35822	STATE 11-16-9-28	OK TO GO
Inland Production	43-047-35823	STATE 12-16-9-29	OK TO GO
Inland Production	43-047-35824	STATE 13-16-9-30	OK TO GO
Inland Production	43-047-35825	STATE 14-16-9-31	HOLD
Inland Production	43-047-35826	STATE 15-16-9-32	OK TO GO
Inland Production	43-047-35827	STATE 16-16-9-33	OK TO GO
CDX Rockies LLC	43-047-35828	St. Atchee 36-12-25 #1	OK TO GO
EOG Resources	43-013-32594	Pete's Wash 2-32	HOLD
MSC Exploration	43-019-31402	Cactus Rise MSC 2-1	HOLD
Merrion O&G Corp	43-015-30557	Fuzzball 1	OK TO GO
QEP Uinta Basin Inc	43-047-35684	CWU 4MU-32-8-24	HOLD
Westport O&G Co	43-047-35657	NBU 922-31I	OK TO GO
Dominion Expl	43-047-35612	WHB 14-36E	HOLD
Dominion Expl	43-047-35613	LCU 12-36F	HOLD
EOG Resources	43-047-35203	CWU 853-32	HOLD
EOG Resources	43-047-35200	NBU 535-17E	OK TO GO
Chevron Usa Inc.	43-015-30609	State of Utah HH 23-166	HOLD

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

OPERATOR: Merrion Oil & Gas Corporation
WELL NAME & NUMBER: Fuzzball 1
API NUMBER: 43-015-30557
LEASE: State **FIELD/UNIT:** _____
LOCATION: 1/4,1/4 SWNW **Sec:** 2 **TWP:** 19S **RNG:** 7E 2190 FNL 915 FWL
LEGAL WELL SITING: 460 F SEC. LINE; 460 F 1/4,1/4 LINE; 920 F ANOTHER WELL.
GPS COORD (UTM): X = 490461 E; Y = 4338704 N **SURFACE OWNER:** SITLA

PARTICIPANTS

M. Jones (DOGM), Brian Wood (Permits West). Ray Peterson (Emery County) looked at the proposed well-site earlier on the same day and will provide any comments or questions.

REGIONAL/LOCAL SETTING & TOPOGRAPHY

Proposed location is ~3 miles west of Orangeville, Utah in the Buzzard Bench area. Staked location is actually on Cedar Bench, approximately 1 mile south of Buzzard Bench. Approximately 920' of new access will be built to access this well. Other access will be from County maintained roads and other gas field roads. The direct area drains to the southeast.

SURFACE USE PLAN

CURRENT SURFACE USE: Wildlife habitat and grazing.

PROPOSED SURFACE DISTURBANCE: 175' x 220' and a 100' x 45' x 10' pit. 920 feet of new access road will be built for this well.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: 5 existing gas wells within a 1 mile radius.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: Production facilities will be on location and pipelines are planned to be along the roadsides tying into existing Merrion Oil & Gas gathering lines.

SOURCE OF CONSTRUCTION MATERIAL: Obtained locally and transported in.

ANCILLARY FACILITIES: None anticipated.

WASTE MANAGEMENT PLAN:

The reserve pit will be fenced 4' high on 3 sides with 4 strands of barbed wire or woven wire topped with barbed wire. The fourth side will be fenced once the rig moves off the hole. The fence will be kept in good repair while the pit dries. All trash will be placed in a trash cage. When full, it will be hauled to a state approved landfill. There will be no trash burning or disposal of trash in the reserve pit. Chemical toilets will be used for human waste. Their contents will be disposed of in state approved facilities. No oil will be allowed on the

reserve pit. Any oil which accumulates on the pit will be skimmed off and hauled to a state approved recycle facility. Once dry, the reserve pit contents will be buried in place. The pit will be back filled sufficiently deep so no liner is exposed.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: Dry washes.

FLORA/FAUNA: 4-winged salt brush, grasses, sagebrush, pinion juniper, prickly pear, deer, small game, raptors and other fowl, rodents and reptiles.

SOIL TYPE AND CHARACTERISTICS: Rocky sandy clay.

EROSION/SEDIMENTATION/STABILITY: Stable until disturbed.

PALEONTOLOGICAL POTENTIAL: None observed.

RESERVE PIT

CHARACTERISTICS: Dugout earthen.

LINER REQUIREMENTS (Site Ranking Form attached): Liner required.

SURFACE RESTORATION/RECLAMATION PLAN

As per surface use agreement.

SURFACE AGREEMENT: As per SITLA.

CULTURAL RESOURCES/ARCHAEOLOGY: Arch survey completed and clear. Copy sent to SITLA.

OTHER OBSERVATIONS/COMMENTS

ATTACHMENTS

Photos of this location were not taken during the on-site. However were taken prior to by the permitting agent, which are include with this report.

Mark L. Jones
DOGM REPRESENTATIVE

May 20, 2004 / 1:30 pm
DATE/TIME

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

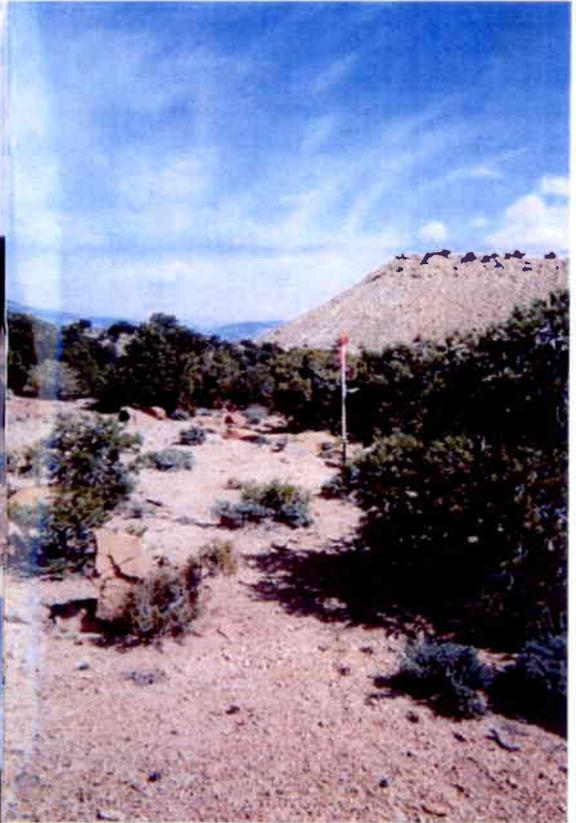
<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>0</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest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

Final Score 25 (Level I Sensitivity)

Sensitivity Level I = 20 or more; total containment is required.

Sensitivity Level II = 15-19; lining is discretionary.

Sensitivity Level III = below 15; no specific lining is required.



TOP RIGHT - Looking N at Fuzzball center stake.

TOP LEFT - Looking E at center stake.

MIDDLE LEFT - Looking S at center stake and access onto pad.

LOWER LEFT - Looking W at center stake.

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

OPERATOR: Merrion Oil & Gas Corporation
WELL NAME & NUMBER: Fuzzball 1
API NUMBER: 43-015-30557
LOCATION: 1/4,1/4 SWNW Sec: 2 TWP: 19S RNG: 7E 2190 FNL 915 FWL

Geology/Ground Water:

Significant volumes of high quality ground water are unlikely to be encountered in the bedrock at this location. A moderately permeable soil is likely to be developed on Middle unit of the Emery Sandstone Member of the Mancos Shale. A shallow fresh water resource may be encountered in the Emery Sandstone. The proposed casing and cementing program should adequately isolate any zones of fresh water that may be penetrated but the casing should be extended as needed to isolate the Lower unit of the Emery Sandstone. No underground and three surface water rights have been filed on an area within a mile of the proposed well location.

Reviewer: Christopher J. Kierst **Date:** 5/28/2004

Surface:

Proposed location is ~3 miles west of Orangeville, Utah in the Buzzard Bench area. Staked location is actually on Cedar Bench, approximately 1 mile south of Buzzard Bench. Approximately 920' of new access will be built to access this well. Other access will be from County maintained roads and other gas field roads. The direct area drains to the southeast. DWR and SITLA were invited to attend the pre-site meeting for this well, neither of whom chose to attend. Emery County was invited and visited the site prior to the pre-site meeting and has no comments about the site.

Reviewer: Mark L. Jones **Date:** May 26, 2004

Conditions of Approval/Application for Permit to Drill:

1. A synthetic liner with a minimum thickness of 12 mils shall be properly installed and maintained in the reserve pit.
2. Berm the location and divert all drainages away from the pad.
3. Extend casing as needed to isolate Lower unit of Emery Sandstone if proposed length of casing is too short.



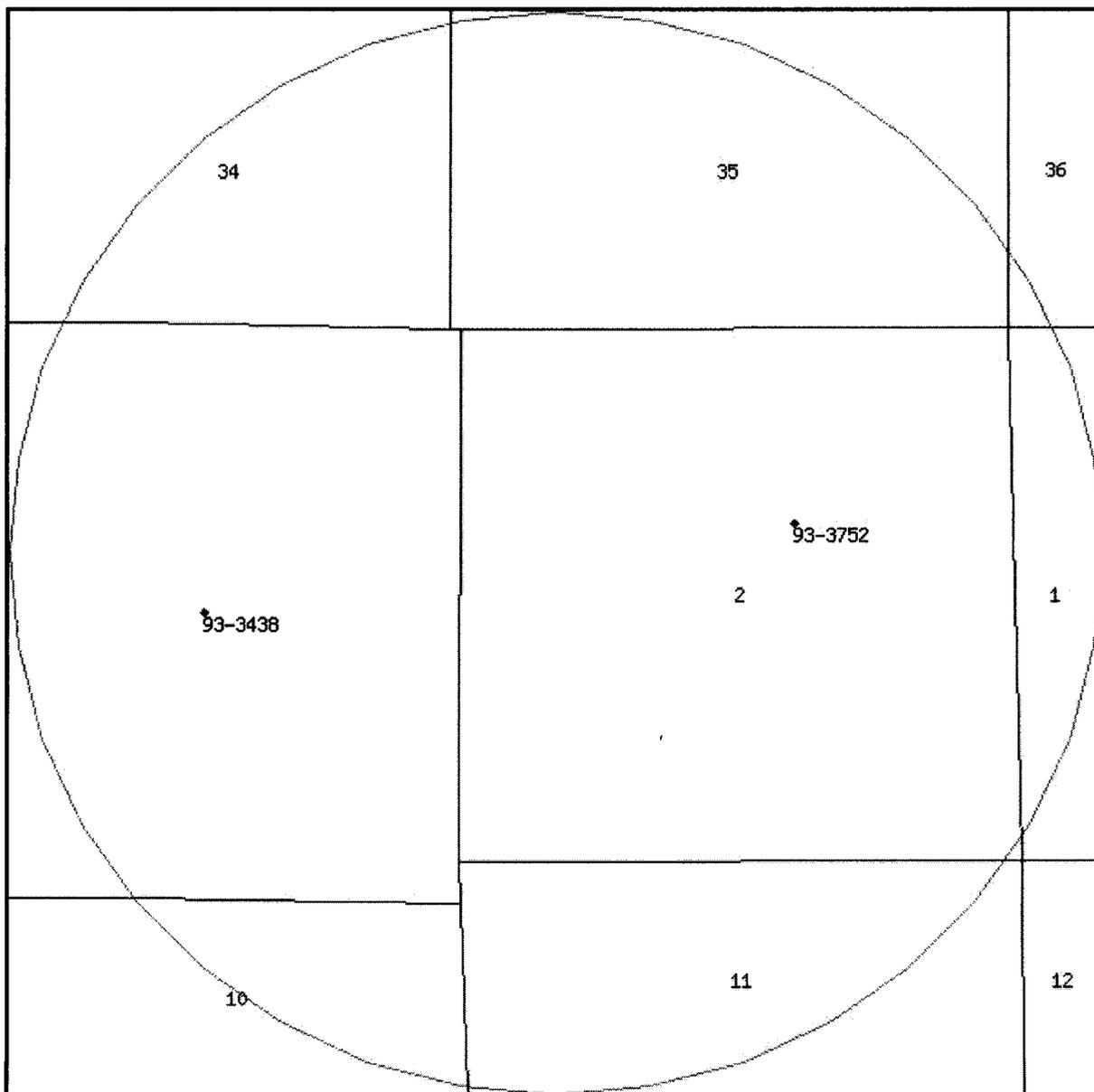
Search Utah.gov

UTAH DIVISION OF WATER RIGHTS

WRPLAT Program Output Listing

Version: 2004.03.26.00 Rundate: 05/28/2004 11:47 AM

Radius search of 5280 feet from a point S2190 E915 from the NW corner, section 02, Township 19S, Range 7E, SL b&m Criteria:wrtypes=W,C,E podtypes=all status=U,A,P usetypes=all



0 700 1400 2100 2800 ft

Water Rights

WR Number	Diversion Type/Location	Well Log	Status	Priority	Uses	CFS	ACFT	Owner Name
<u>93-3752</u>	Surface S1905 E586 N4 02 19S 7E SL		U	20031003	OS	0.000	4.290	State of Utah School Institutional Trust 675 East 500 South
<u>93-3437</u>	Point to Point 0 0 03 19S 7E SL		P	18750000	S	0.000	0.000	Price Field Office Bureau of Land Management 125 South 600 West
<u>93-3438</u>	Point to Point 0 0 03 19S 7E SL		P	18750000	S	0.000	0.000	Price Field Office Bureau of Land Management 125 South 600 West

[Natural Resources](#) | [Contact](#) | [Disclaimer](#) | [Privacy Policy](#) | [Accessibility Policy](#)

Well name:	05-04 Merrion Fuzzball 1	
Operator:	Merrion O&G Corp	Project ID:
String type:	Surface	43-015-30557
Location:	Emery County	

Design parameters:	Minimum design factors:	Environment:
<u>Collapse</u>	<u>Collapse:</u>	H2S considered? No
Mud weight: 8.400 ppg	Design factor 1.125	Surface temperature: 65 °F
Design is based on evacuated pipe.		Bottom hole temperature: 68 °F
		Temperature gradient: 1.40 °F/100ft
		Minimum section length: 200 ft
	<u>Burst:</u>	Cement top: Surface
	Design factor 1.00	
<u>Burst</u>		
Max anticipated surface pressure: -8 psi	<u>Tension:</u>	Non-directional string.
Internal gradient: 0.468 psi/ft	8 Round STC: 1.80 (J)	
Calculated BHP 109 psi	8 Round LTC: 1.80 (J)	
No backup mud specified.	Buttress: 1.60 (J)	
	Premium: 1.50 (J)	
	Body yield: 1.50 (B)	Re subsequent strings:
	Tension is based on air weight.	Next setting depth: 2,800 ft
	Neutral point: 218 ft	Next mud weight: 8.800 ppg
		Next setting BHP: 1,280 psi
		Fracture mud wt: 19.250 ppg
		Fracture depth: 250 ft
		Injection pressure 250 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	250	8.625	24.00	J-55	ST&C	250	250	7.972	12

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	109	1370	12.558	109	2950	27.04	6	244	40.67 J

Prepared by: Clinton Dworshak
Utah Div. of Oil & Mining

Phone: 801-538-5281
FAX: 801-359-3940

Date: May 28, 2004
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 250 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

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

Well name:	05-04 Merrion Fuzzball 1	
Operator:	Merrion O&G Corp	Project ID:
String type:	Production	43-015-30557
Location:	Emery County	

Design parameters:

Collapse

Mud weight: 8.800 ppg
 Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: -29 psi
 Internal gradient: 0.468 psi/ft
 Calculated BHP: 1,280 psi

 No backup mud specified.

Minimum design factors:

Collapse:

Design factor: 1.125

Burst:

Design factor: 1.00

Tension:

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

Tension is based on air weight.
 Neutral point: 2,427 ft

Environment:

H2S considered? No
 Surface temperature: 65 °F
 Bottom hole temperature: 104 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 368 ft

 Cement top: 610 ft

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2800	5.5	15.50	J-55	ST&C	2800	2800	4.825	87.8
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1280	4040	3.156	1280	4810	3.76	43	202	4.65 J

Prepared by: Clinton Dworshak
 Utah Div. of Oil & Mining

Phone: 801-538-5281
 FAX: 801-359-3940

Date: May 28, 2004
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 2800 ft, a mud weight of 8.8 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

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

05-04 Merrion Fuzzball

Casing Schematic

Mammoth Shale

Surface

8-5/8"
MW 8.4
Frac 19.3

TOC @
0.
Surface
250. MD

w/ 18% washout

TOC @
610.

835 Emerg S.S.

$(.052)(8.4)(2800) = 1281$
Anticipated - 1000 psi

$(.12)(2800) = 336$
MAOP = 945

w/ 15% washout

BOPE - 2000

Surf Csg - ~~2950~~ 2950
70% = 2065
propose test to 1500 psi

2240 TOC Tail

Adequate
DRD 6/4/04

2360 Blue Gate shale

2635 Fern S.S.

5-1/2"
MW 8.8

Production
2800. MD

006

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 type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-28199
2. NAME OF OPERATOR: MERRION OIL & GAS CORPORATION		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: 610 REILLY AVE. CITY FARMINGTON STATE NM ZIP 87401		7. UNIT or CA AGREEMENT NAME: N/A
PHONE NUMBER: (505) 327-9801		8. WELL NAME and NUMBER: FUZZBALL 1
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2190 FNL & 915 FWL		9. API NUMBER: 43-015-30557
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 2 19S 7E S		10. FIELD AND POOL, OR WILDCAT: BUZZARD BENCH
COUNTY: EMERY		STATE: UTAH

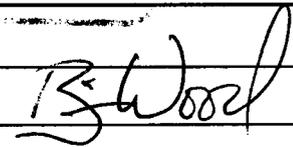
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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: ROAD & PIPELINE
	<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.

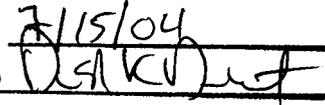
ROAD & PIPELINE CORRIDOR HAVE BEEN RE-ROUTED TO AVOID ARCHAEOLOGY SITE.
ARCHAEOLOGY REPORT CASA 04-65 SUBMITTED JUNE 16, 2004 TO SITLA.

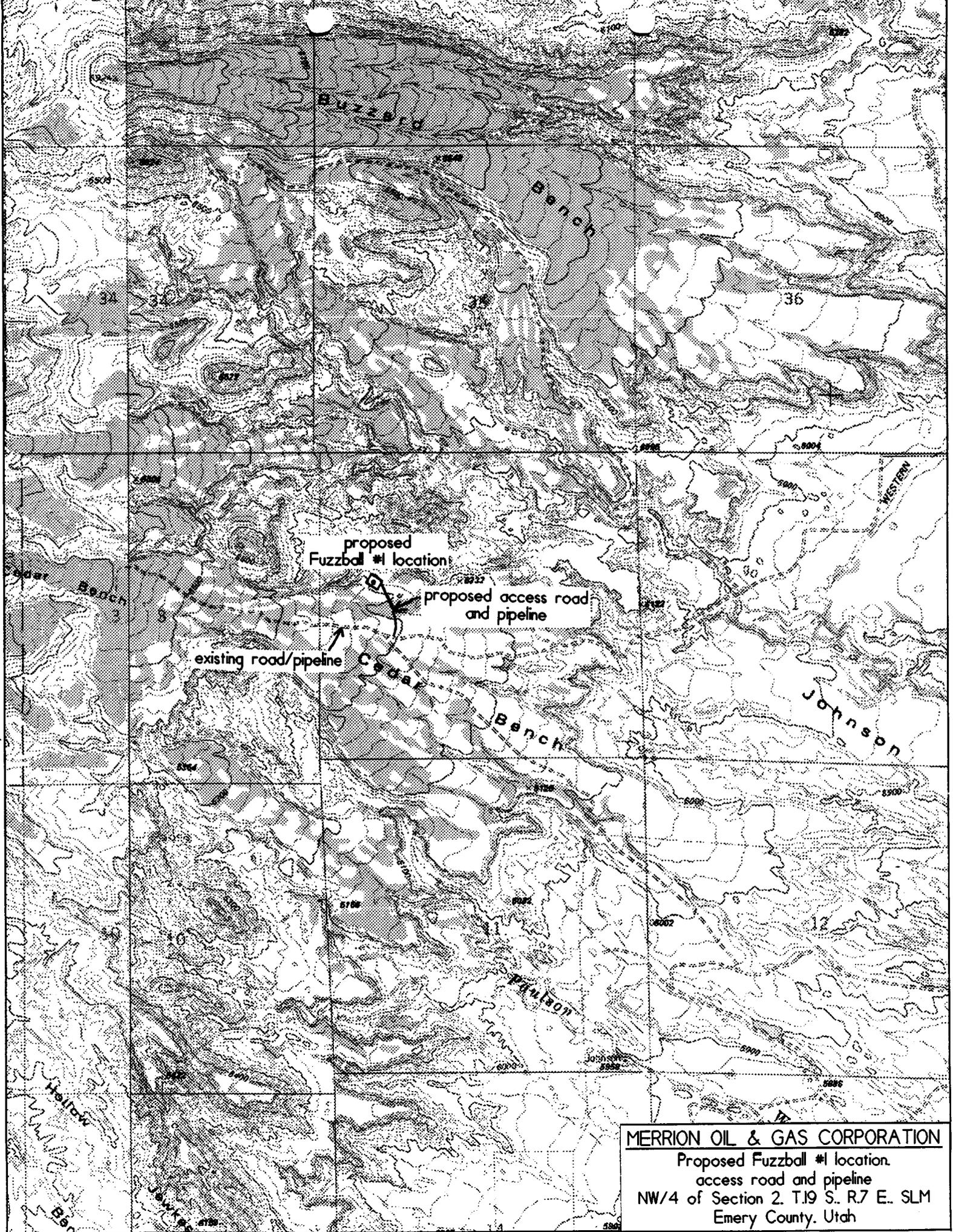
COPY SENT TO OPERATOR
Date: 2-16-04
Initials: CWO

NAME (PLEASE PRINT) BRIAN WOOD	TITLE CONSULTANT
SIGNATURE 	DATE 7/5/2004

(This space for State use only)

Accepted by the
Utah Division of
Oil, Gas and Mining

Date: 7/15/04
By: 



proposed
Fuzzball #1 location

proposed access road
and pipeline

existing road/pipeline

MERRION OIL & GAS CORPORATION
Proposed Fuzzball #1 location.
access road and pipeline
NW/4 of Section 2, T.19 S., R.7 E., SLM
Emery County, Utah

S 34 S 35 T.18 S.
 N 89°40'00" E* 2642.54*
 S 3 S 2 T.19 S.
 N 1/4 Cor. S 2

Basis of Bearing:
 GPS state plane coordinates
 rotated.

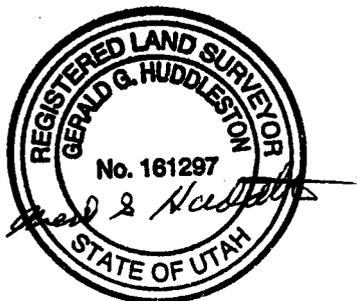
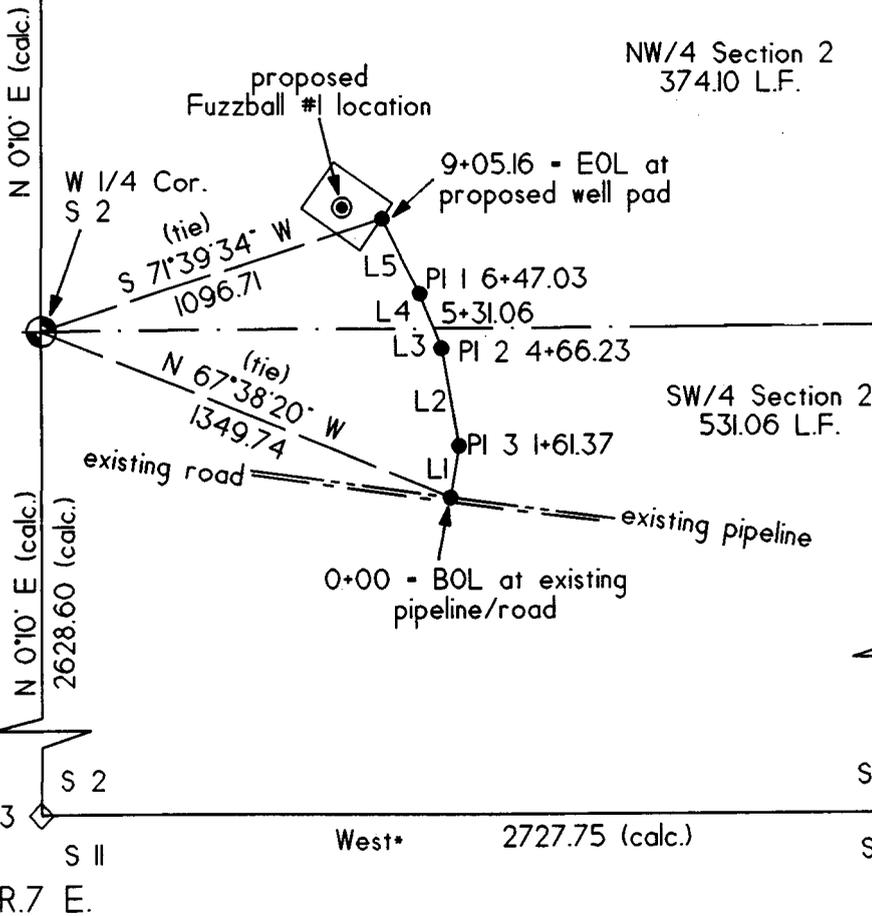


0' 600'
 Scale: 1" = 600'

LINE DESCRIPTION TABLE

LINE NO.	DIRECTION	LENGTH
1	N 9° 21' 43" E	161.37
2	N 9° 37' 49" W	304.86
3	N 22° 00' 40" W	64.83
4	N 22° 00' 40" W	115.97
5	N 26° 23' 40" W	258.13

- ⊕ fnd. std. GLO monument
- ◇ calculated corner
- from GLO plat of record
- survey centerline PI



MERRION OIL & GAS CORPORATION

Proposed Fuzzball #1 access road and pipeline right-of-way -
 W/2 of Section 2,
 T.19 S., R.7 E., SLM
 Emery County, Utah

revised 27 May 2004
 December 2003

HUDDLESTON LAND SURVEYING
 P.O. DRAWER KK / CORTEZ, CO 81321 / 970-565-3330



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

August 4, 2004

Merrion Oil & Gas Corporation
610 Reilly Ave.
Farmington, NM 87401

Re: Fuzzball 1 Well, 2190' FNL, 915' FWL, SW NW, Sec. 2, T. 19 South,
R. 7 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.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby 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 43-015-30557.

Sincerely,

John R. Baza
Associate Director

pab
Enclosures

cc: Emery County Assessor
SITLA

Operator: Merrion Oil & Gas Corporation
Well Name & Number Fuzzball 1
API Number: 43-015-30557
Lease: ML-28199

Location: SW NW Sec. 2 T. 19 South R. 7 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 actions during drilling of this well:

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

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

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

3. **Reporting Requirements**

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

4. Compliance with the 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)

Page 2

API #43-015-30557

August 4, 2004

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.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: MERRION OIL & GAS CORP

Well Name: FUZZBALL 1

Api No: 43-015-30557 Lease Type: STATE

Section 02 Township 19S Range 07E County EMERY

Drilling Contractor _____ RIG # _____

SPUDDED:

Date 07/22/05

Time 6:00 PM

How DRY

Drilling will Commence: _____

Reported by BOZE STINSON

Telephone # 1-435-630-6344

Date 07/26/05 Signed CHD

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

FORM 6

ENTITY ACTION FORM

Operator: MERRION OIL & GAS CORPORATION Operator Account Number: N 0630
 Address: 610 REILLY AVENUE
city FARMINGTON
state NM zip 87401 Phone Number: (505) 324-5300

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4301530657	FUZZBALL No. 1		SWNW	2	19S	ZW	EMERY
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	14856	7/22/2005		8/4/05		
Comments: <u>FRSD</u>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4301530613	CROWSFOOT No. 1R		SENE	9	19S	7E	EMERY
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
EA	99999	14857	7/26/2005		8/4/05		
Comments: <u>WELL IS STAKED ON CROWSFOOT #1 (WAS JUNKED & ABANDONED ON 11/21/03).</u> <u>FRSD</u>							

Well 3

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

ACTION CODES:

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

STEVEN S. DUNN

Name (Please Print)

Signature

DRLG & PROD MANAGER

8/1/2005

Title

Date

RECEIVED

AUG 01 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: ML-28199
			6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
			7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____			8. WELL NAME and NUMBER: FUZZBALL No. 1
2. NAME OF OPERATOR: MERRION OIL & GAS CORPORATION			9. API NUMBER: 4301530557
3. ADDRESS OF OPERATOR: 610 REILLY AVENUE CITY FARMINGTON STATE NM ZIP 87401		PHONE NUMBER: (505) 324-5300	10. FIELD AND POOL, OR WILDCAT: BUZZARD BENCH
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2190' FNL & 915' FWL			COUNTY: EMERY
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 2 19S 7W S			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 checked="" 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: SPUD WELL
	<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.

7/23/05 MIRU Beeman Drilling Rig #22. Spud well & drill 20' of conductor hole 16". Drilling 12-1/4" bore hole for 8-5/8" surface pipe.

7/24/05 Drilled to 252' TD surface. Fill hole with gel and TOH laying down drill pipe. Run 251.58' of 8-5/8", J55, 24# casing. Worked pipe to unstop shoe, RIH with drill string and washed out shoe, TOO. Washed down 5' of fill. Set up to pump cement. Pumped 108 sxs Portland cement, ~ 127 cu.ft., weight 15 ppg. Circulated 7 bbls to surface. Shut well in, released rig.

7/25/05 Move in rig equipment – Beeman Drilling Rig No. 30. Rigging up.

7/26/05 MIRU Beeman Drilling Rig #30 and NU BOP. BOP test, set up and prep to drill on 8/01/05.

NAME (PLEASE PRINT) STEVEN S. DUNN	TITLE DRILLING & PRODUCTION MANAGER
SIGNATURE	DATE 7/26/2005

(This space for State use only)

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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: ML-28199
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:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: MERRION OIL & GAS CORPORATION		8. WELL NAME and NUMBER: FUZZBALL No. 1
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QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 2 19S 7^E S		COUNTY: EMERY
		STATE: UTAH

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	<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 checked="" 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: DRILLING
	<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.

8/2/05 Crew (Bob Beeman Drlg Rig No. 30) traveled from Moab set up to drill. Drill 7- 7/8" hole, drilled out cement. Drilling 7-7/8" hole. Run Survey 500 @ 3/4°. Drilling ran survey 1000' @ 3/4°, drilling ahead.

8/3/05 Drilling 7-7/8" hole. Ran surveys 1500' @ 2°, 2000' @ 1° out, 2500' @ 1° out. Start injecting foam, drilling ahead.

8/4/05 Drilled to 2556', worked on injection pump. Drilled to 2712', worked on compressor. Drilled to 2953' TD, circulated hole clean. TOOH to 2527' set up and mixed mud to condition hole. ** Background gas @ 130 unit connection gas @ 300-1700 units highest show @ 2562'.

8/5/05 Mixed mud & circulated hole. TIH & washed down 30' of fill & circulated 1 hr. TOOH laying down. Rig up & log well, rig up to run casing. RIH with 2917' of 5½" casing, filled circulated casing. ND BOP & set slips, rig up & pumped cement, no returns to surface, lost circulation @ start of cement. CBM light/premium G Amount 120 sxs/12 sxs. Cement Report: pumped 20 bbls gel sweep with 50#'s flocele & pumped 120 sxs of CBM light .25#/sk Flocele, 10#/sx Gilsonite @ 414 yield & 10.5 ppg & 120 sxs of Premium G cement, 10% cal seal, 2% calcium choride, 25#/sk Flocele @ 162 yield & 14.2 ppg. , lost circulation @ start of cement did not catch until job was underway, pumped cement & dropped plug, caught pressure @ 39 bbls gone in displacement, pressure climbed to 310#'s @ end of displacement, plug down & pressured up to 730 psi, shut in for 10 min & test plug (ok), job pumped @ 4 to 4 ½ bbls per min until last 10 bbls of displacement.

8/6/05 RD Halliburton. RDMOL.

NAME (PLEASE PRINT) STEVEN S. DUNN	TITLE DRLG & PRODUCTION MANAGER
SIGNATURE	DATE 8/8/2005

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(5/2000) (See Instructions on Reverse Side)

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-28199

SUNDRY NOTICES AND REPORTS ON WELLS

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

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
OIL WELL GAS WELL OTHER _____

8. WELL NAME and NUMBER:
FUZZBALL No. 1

2. NAME OF OPERATOR:
MERRION OIL & GAS CORPORATION

9. API NUMBER:
4301530557

3. ADDRESS OF OPERATOR:
610 REILLY AVENUE CITY **FARMINGTON** STATE **NM** ZIP **87401**

PHONE NUMBER:

10. FIELD AND POOL, OR WILDCAT:
BUZZARD BENCH

4. LOCATION OF WELL
FOOTAGES AT SURFACE: **2190' FNL & 915' FWL**

COUNTY: **EMERY**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **SWNW 15 19S 7E**

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 checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 11/6/2005	<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: COMPLETION
	<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.

8/12/05 Run CBL tagged @ 2934' PBDT and cement top at 1367' @ 23% bond, lowest on scale. RDMOL Excell.

11/10/05 Nippled up frac valve & spool. Prep to perf well, perfd from 2486'-92', 2618'-23' and 2650'-54' (4 spf - 120°). Filling water tank & heating water.

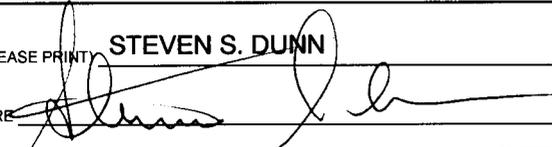
11/11/05 Acid pumped 500 gals, prep pad 3000 gals. Sand pumped 76,080#. Sand volume 1/2 # to 5#. BPM rate 40 bbls, Break down press 2387 psi, average pump press 2201psi, frac grad .93. Fluid pumped 40,190 gals. ISIP 1314#, 5 mins 1075#, 10 mins 978# and 15 mins 912#.

11/17/05 Hurricane finished replacing rig engine. Moved to location, rigged up. Well shut-in w/ ~600-psig at wellhead. Opened well to pit and started blowing down. SDON.

CONTINUED OTHER SIDE*

NAME (PLEASE PRINT) **STEVEN S. DUNN**

TITLE **DRILLING & PRODUCTION MANAGER**

SIGNATURE 

DATE **12/12/2005**

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RECEIVED
DEC 16 2005

- 11/18/05 Well blowing overnight, still not dead. Ordered out load of brine water to kill well. Wait on brine to arrive. Pumped 20-bbls into casing, well died. NU BOP's. PU production tubing as follows:**
- | | | |
|---|----------------|------------------|
| Seating nipple & tubing collar | 1ea | 1.10' |
| 2" tubing pump barrel | 1ea | 14.40' |
| 2 3/8" eue J55 4.7ppf tubing | 74 jts. | 2,451.49' |
- Landed at 2467' KB. Shut down for rig crew to replace air compressor on rig. SDON.**
- 11/19/05 RD and move to Sparkle Dun #1 location. Roustabouts continuing to work on equipment installation.**
- 11/20/05 Completed equipment installation. Gas sales line to be installed after Thanksgiving holiday. SIP - Tbg - 500-psig Csg - 600-psig. Opened well on 16/64th choke through separator, water to 400-bbl tank. Set back-pressure on meter run to 40-psig. Venting gas. Left flowing overnight.**
- 11/21/05 Flowing 24-hrs. Production 67-mcf, 63-bwpd, tbg - 100-psig, csg - 600-psig. 2" meter run, 500-lb spring, 100-in chamber, 0.625" plate. Opened to 32/64th choke, rate increased to 10+ - differential, tbg - 500-psig, csg - 600-psig. Reduced choke to 16/64th. Will need to install larger plate (ordered plate). Left well flowing on test.**
- 11/28/05 Roustabouts swapped out 2" meter tube for a 3" meter tube. Installed 1,000' of 3" SDR7 Poly surface gas sales line from separator to tie-in point with existing 3" steel gas line. (Need to install ~ 60' more of sales line and complete wellhead tie-in and fuel gas installation to be finished. Plan to do in the morning.) SDON.**
- 11/29/05 Unable to work due to high winds, blowing snow, and truck in need of repairs. SDON.**
- 11/30/05 Finished hookup of production equipment and gas sales line.**

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

AMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-28199	
6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
7. UNIT or CA AGREEMENT NAME	
8. WELL NAME and NUMBER: FUZZBALL No. 1	
9. API NUMBER: 4301530557	
10. FIELD AND POOL, OR WILD CAT BUZZARD BENCH	
11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 2 19S 7E	
12. COUNTY EMERY	13. STATE UTAH

14. DATE SPUDDED: 7/23/2005	15. DATE T.D. REACHED: 8/4/2005	16. DATE COMPLETED: 11/12/2005	ABANDONED <input type="checkbox"/> READY TO PRODUCE <input checked="" type="checkbox"/>	17. ELEVATIONS (DF, RKB, RT, GL): 6285' GL/6295' KB
18. TOTAL DEPTH: MD 2,953 TVD	19. PLUG BACK T.D.: MD 2,934 TVD	20. IF MULTIPLE COMPLETIONS, HOW MANY? *		21. DEPTH BRIDGE MD PLUG SET: TVD
22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each) DIL, CNL, DL, GR, CBL			23. WAS WELL CORED? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit analysis) WAS DST RUN? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit report) DIRECTIONAL SURVEY? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit copy)	

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12-1/4"	8-5/8 J55	24	0	252		Port 108	23	0-circ	
7-7/8"	5-1/2 J55	15.5	0	2,917		Lite 120	89	1367-CBL	
						G 120	35		

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-3/8"	2,451							

26. PRODUCING INTERVALS					27. PERFORATION RECORD				
FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS	
(A) Ferron	2,486	2,654			2,486 2,492	.34	24	Open <input checked="" type="checkbox"/>	Squeezed <input type="checkbox"/>
(B)					2,617 2,624	.34	20	Open <input checked="" type="checkbox"/>	Squeezed <input type="checkbox"/>
(C)					2,650 2,654			Open <input checked="" type="checkbox"/>	Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
2486'-2654'	500 gals 50% HCl, 40,190 gals 20# x-link gel and 76,080# 20/40 sand

29. ENCLOSED ATTACHMENTS: <input checked="" type="checkbox"/> ELECTRICAL/MECHANICAL LOGS <input type="checkbox"/> SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION	<input type="checkbox"/> GEOLOGIC REPORT <input type="checkbox"/> CORE ANALYSIS	<input type="checkbox"/> DST REPORT <input type="checkbox"/> OTHER: _____	<input type="checkbox"/> DIRECTIONAL SURVEY	30. WELL STATUS: Producing
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31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 11/21/2005		TEST DATE: 11/22/2005		HOURS TESTED: 24		TEST PRODUCTION RATES: →	OIL – BBL: 0	GAS – MCF: 67	WATER – BBL: 63	PROD. METHOD: Flowing
CHOKE SIZE: 32/64	TBG. PRESS. 100	CSG. PRESS. 600	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL: 0	GAS – MCF: 67	WATER – BBL: 63	INTERVAL STATUS: Producing

INTERVAL B (As shown in item #26)

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

INTERVAL C (As shown in item #26)

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

INTERVAL D (As shown in item #26)

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

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

Vented

33. SUMMARY OF POROUS ZONES (Include Aquifers):

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

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Ferron	2,446	2,654	Sandstone, gas, water	Emerv Ferron	825 2,446

35. ADDITIONAL REMARKS (Include plugging procedure)

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

NAME (PLEASE PRINT) STEVEN S. DUNN TITLE DRILLING & PRODUCTION MANAGER
 SIGNATURE  DATE 12/28/2005

This report must be submitted within 30 days of

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

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

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

Send to: Utah Division of Oil, Gas and Mining Phone: 801-538-5340
 1594 West North Temple, Suite 1210
 Box 145801 Fax: 801-359-3940
 Salt Lake City, Utah 84114-5801

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-28199
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: FUZZBALL No. 1	
2. NAME OF OPERATOR: MERRION OIL & GAS CORPORATION		9. API NUMBER: 4301530557
3. ADDRESS OF OPERATOR: 610 REILLY AVENUE CITY FARMINGTON STATE NM ZIP 87401	PHONE NUMBER: (505) 324-5300	10. FIELD AND POOL, OR WILDCAT: BUZZARD BENCH
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2190' FNL & 915' FWL		COUNTY: EMERY
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 2 19S 7E		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
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	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" 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.

THE DRILLING PITS HAVE BEEN CLOSED ON THIS LOCATION.

NAME (PLEASE PRINT) STEVEN S. DUNN	TITLE DRILLING & PRODUCTION MANAGER
SIGNATURE	DATE 6/7/2007

(This space for State use only)

RECEIVED
JUN 11 2007
DIV. OF OIL, GAS & MINING



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

August 26, 2008

CERTIFIED MAIL NO.: 7004 2510 0004 1824 6015

Mr. Steven Dunn
Merrion Oil & Gas Corporation
610 Reily Ave
Farmington, NM 87401

195 7E 2

Re: Orangeville 10-2 API 43-015-30179 & Fuzzball 1 API 43-015-30557
Extended Shut-in and Temporarily Abandoned Well Requirements for Wells on Fee
or State Leases

Dear Mr. Dunn,

As of July 2008, Merrion Oil and Gas has two (2) State Lease Wells (Attachment A) that are in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status. Wells SI/TA beyond twelve (12) consecutive months require filing of a Sundry Notice in accordance with R649-3-36-1 for Utah Division of Oil, Gas & Mining ("Division") approval. Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon showing of good cause by the operator (R649-3-36-1.3.3).

For extended SI/TA consideration the operator shall provide the Division 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
August 26, 2008
Mr. Dunn

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

js
Enclosure

cc: Jim Davis, SITLA
Operator Compliance File
Well File

ATTACHMENT A

	Well Name	Location	API	Lease Type	Years Inactive
1	Orangeville 10-2	NWSE Sec 02-19S-09E	43-015-30179	ML-28199	1 Year 9 Months
2	Fuzzball 1	SWNW Sec 02-19S-07E	43-015-30557	ML-28199	1 Year 3 Months



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

January 29, 2009

CERTIFIED MAIL NO.: 7004 2510 0004 1824 6732

Mr. Steven Dunn
Merrion Oil & Gas Corporation
610 Reily Ave
Farmington, NM 87401

19S 7E 2

Subject: Orangeville 10-2 API 43-015-30179 & Fuzzball 1 API 43-015-30557
SECOND NOTICE: Extended Shut-in and Temporarily Abandoned Well
Requirements for Wells on Fee or State Leases

Dear Mr. Dunn,

As of January 2009, Merrion Oil and Gas has two (2) State Lease Wells (Attachment A) that are in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status. Wells SI/TA beyond twelve (12) consecutive months require filing of a Sundry Notice in accordance with R649-3-36-1 for Utah Division of Oil, Gas & Mining ("Division") approval. Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon showing of good cause by the operator (R649-3-36-1.3.3).

In August 2008, the Division notified you by certified mail that the above listed wells were in non-compliance for SI/TA status. In this notice the necessary information was outlined to bring these wells back into compliance. Sufficient time has passed allowing for a response. To date the Division has not received any such correspondence. Please submit your plans to produce or plug these wells within 30 days of this notice or further actions will be initiated.

For extended SI/TA consideration the operator shall provide the Division 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



Page 2
Mr. Dunn
January 29, 2009

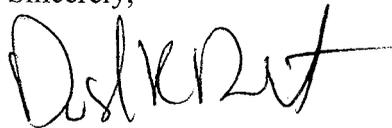
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).

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

DKD/JP/js
Enclosure
cc: Jim Davis, SITLA
Operator Compliance File
Well File

N:\O&G Reviewed Docs\ChronFile\PetroleumEngineer\SITA

ATTACHMENT A

	Well Name	Location	API	Lease Type	Years Inactive
1	Orangeville 10-2	NWSE Sec 02-19S-09E	43-015-30179	ML-28199	2 years 3 months
2	Fuzzball 1	SWNW Sec 02-19S-07E	43-015-30557	ML-28199	1 Year 3 Months

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-28199
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: Fuzzball #1	
2. NAME OF OPERATOR: Merrion Oil & Gas Corporation	9. API NUMBER: 4301530557	
3. ADDRESS OF OPERATOR: 610 Reilly Ave CITY Farmington STATE NM ZIP 87401	PHONE NUMBER: (505) 324-5336	10. FIELD AND POOL, OR WILDCAT: Buzzard Bench
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2190' FNL & 915' FWL		COUNTY: Emery
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 2 19S 7E		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: <u>9/1/2009</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<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 checked="" 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 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.

Please see attached documentation of Temporary Abandonment Procedures.

COPY SENT TO OPERATOR

Date: 8.16.2009
Initials: KS

NAME (PLEASE PRINT) <u>Philana Thompson</u>	TITLE <u>Regulatory Compliance Specialist</u>
SIGNATURE	DATE <u>7/14/2009</u>

(This space for State use only) **APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING**
DATE 7/30/09
BY: (See Instructions on Reverse Side)

RECEIVED
JUL 20 2009
DIV. OF OIL, GAS & MINING



TEMPORARY ABANDONMENT PROCEDURE

Well Information			
Well:	Fuzzball # 1	Field:	Ferron
Location:	2190' fnl & 915' fwl (sw nw) Sec 2, T19S, R7E Emery Co, Utah	Elevations:	6285' GL
		Depths:	PBTD 2887' KB
API:		Date:	June 16, 2009
Tubulars:	5-1/2" 15.5# J55 Production csg @ 2917' KB See schematic for tbg. detail.	Engineer:	J. Ryan Davis (505.215.3292)
Perforations (FE)	2486'-96' KB 4-jspf, 2618'-23' KB 4-jspf, 2650-54' KB 4-jspf		
Additional Perforations			
Perforations			

Version 1 – Procedure subject to change based on changing well conditions.

Project Scope

Due to current economic conditions the above mentioned well is to be temporarily abandoned.

Prepare Well for TA

1. MIRU
2. Blow dn csg and tbg
3. TOOH w/ rods (see attached for rod string description)
4. ND wellhead and NU BOP
5. TOOH w/ 2-7/8" tbg (83 jts)
6. Round trip csg scrapper
7. Contact OCD and BLM to witness test and arrange for chart recorder.

Set BP and Pressure Test

8. RU wireline and RIH w/ CIBP and set @ 2330' KB
9. RIH w/ approx 75 jts of tbg (store as much in well as possible)
10. ND BOP and NU wellhead
11. Pickle the csg w/ conditioned, non-corrosive fluid
12. Pressure test csg to 500 psi for 30 min. Use 1000# max spring and 24 hr chart
13. Conduct bradenhead test
14. Haul excess tbg to yard (MT Required JRD)
15. RDMOL
16. Follow up to ensure all necessary paper work has been completed and submitted (ie. Sundry notice, MT, BH Test, etc..)

TEMPORARY ABANDONMENT PROCEDURE

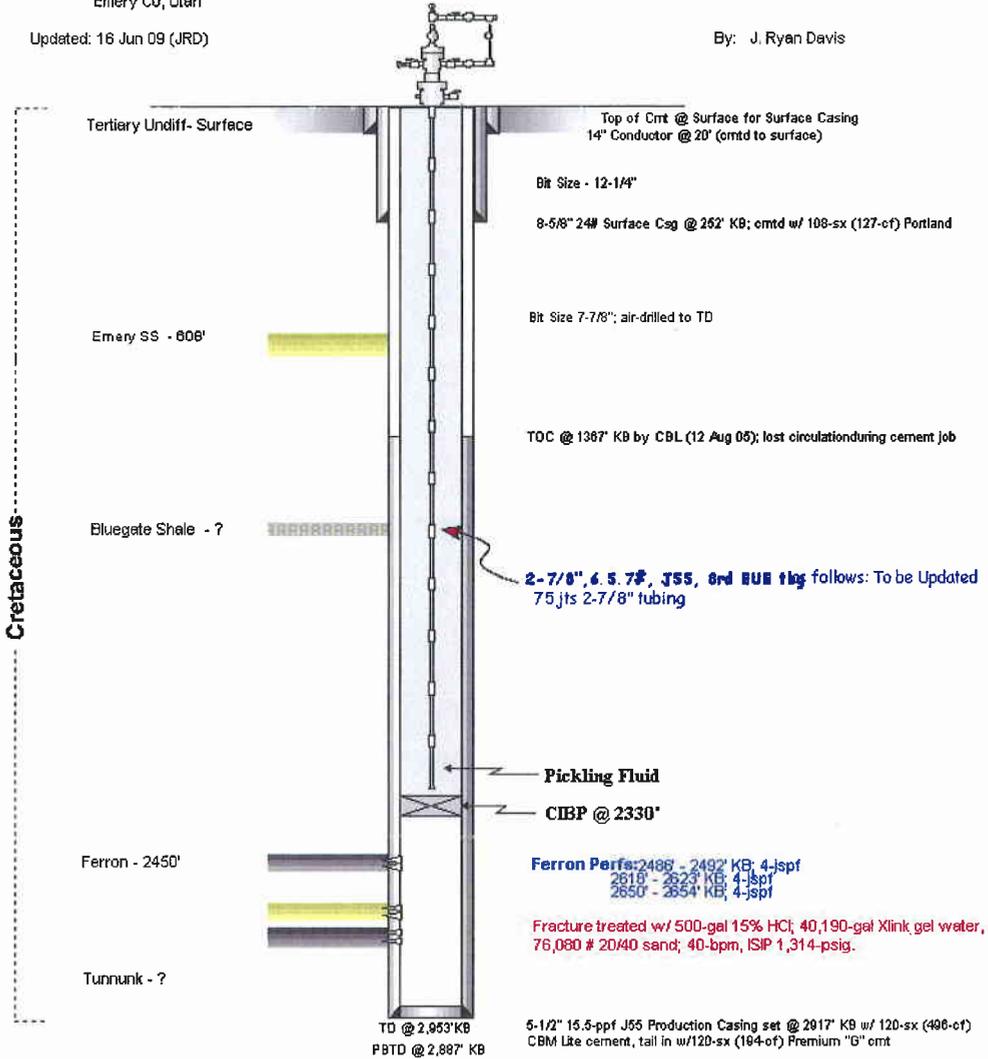
Merrion Oil & Gas Corporation
Wellbore Schematic
Fuzzball No. 1
Proposed TA Wellbore Configuration

Location: 2190' fnl & 915' fwl (sw nw)
Sec 2, T19S, R7E,
Emery Co, Utah

Elevation: 6,285' GL
6,295' RKB

Updated: 16 Jun 09 (JRD)

By: J. Ryan Davis



TEMPORARY ABANDONMENT PROCEDURE

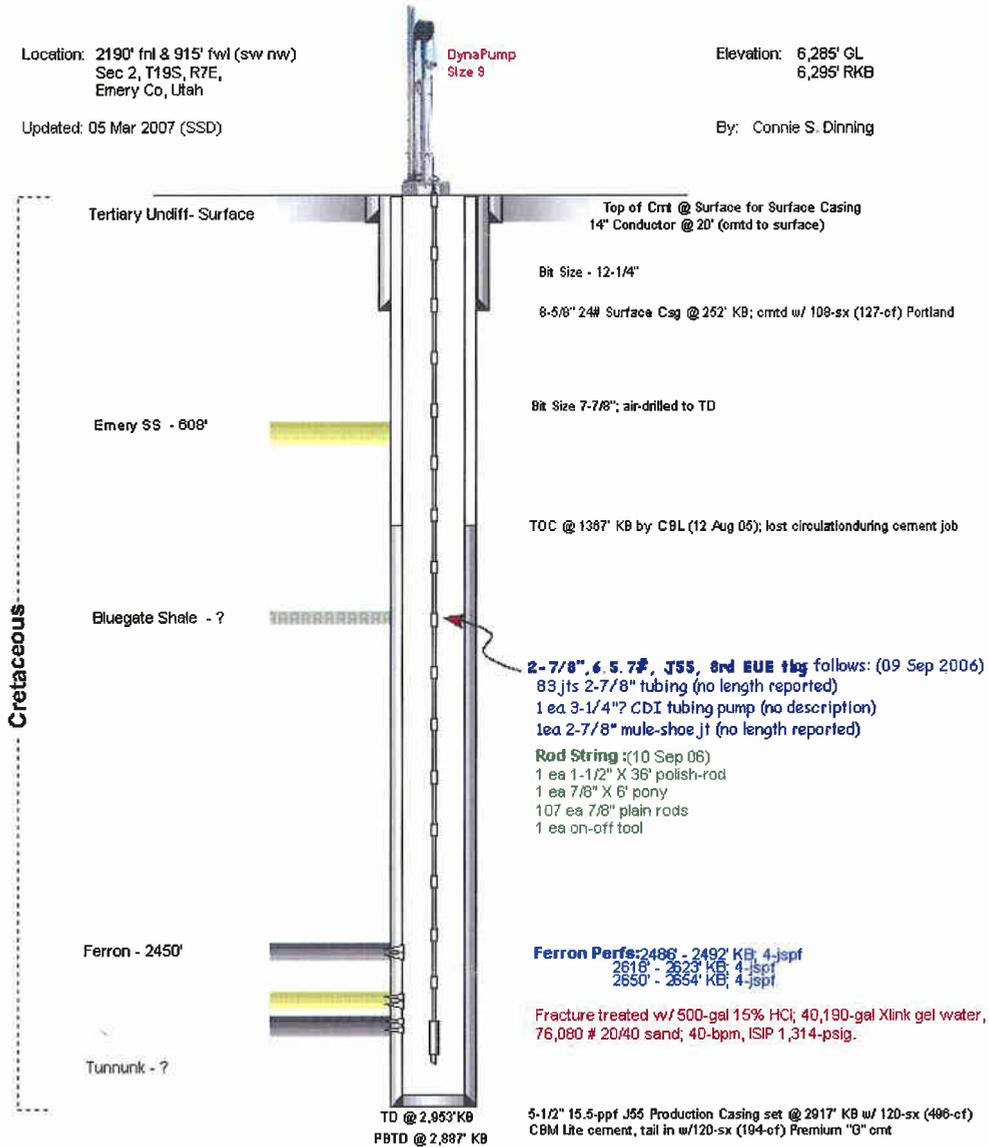
Merrion Oil & Gas Corporation
Wellbore Schematic
Fuzzball No. 1
Current Wellbore Configuration

Location: 2190' fnl & 915' fwl (sw nw)
Sec 2, T19S, R7E,
Emery Co, Utah

Elevation: 6,285' GL
6,295' RKB

Updated: 05 Mar 2007 (SSD)

By: Connie S. Dinning



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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-28199
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: Fuzzball #1	
2. NAME OF OPERATOR: Merrion Oil & Gas Corporation		9. API NUMBER: 4301530557
3. ADDRESS OF OPERATOR: 610 Reilly Ave CITY Farmington STATE NM ZIP 87401	PHONE NUMBER: (505) 324-5336	10. FIELD AND POOL, OR WILDCAT: Buzzard Bench
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2190' FNL & 915' FWL		COUNTY: Emery
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 2 19S 7E		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 checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 9/14/2009	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input checked="" 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 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.

9/8/09 MIRU Stinson Well Service. RD WH, pull rods, ND WH, NU BOP. TOO H w/ tbg. TIH w/ 4-3/4" csg. scraper, round trip scraper to 2696.95'. TIH w/ CIBP @ 2330', tagged plug & POOH. PT csg. to 575 PSI, hold for 33 min, Mark Jones w/ UDOGM accepted PT test (see attached chart). Pumped chemical to treat csg 4 bbls, displace w/ 13 bbls. Rolled hole w/ treated water 51 bbls. ND BOP, NU WH. RD & released rig on 9/14/09 @ 2:00 PM.

This well has been Temporarily Abandoned, Merrion Oil & Gas would like to maintain this status while we review future potential.

NAME (PLEASE PRINT) <u>Philana Thompson</u>	TITLE <u>Regulatory Compliance Specialist</u>
SIGNATURE	DATE <u>10/26/2009</u>

(This space for State use only)

RECEIVED
NOV 02 2009
DIV. OF OIL, GAS & MINING

2 SKS Sand
1 SKS Cement
Dropped 9-

Coarse Press @ 545 #
held for Test @ 5

GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

CHART NO. MP-5000 MIT
TEST 30

METER SK

9-14-09

CHART PUT ON
7:30 A.M.

LOCATION Fuzzball #1

REMARKS MCG
AS

0914
TAKEN ON
8:0

accepted
w/ MCG
penetration
Sect

MIDNIGHT



43 D1530057 Fuzzball 1

195 TE 2

Coarse Press @ 545#
Held for Test @ 5

Plus 6000 plus
2 sls cement
1 sls cement
Dropped

33 min
575#

MIT
600 min
5 1/2
Test
complete set

GRAPHIC CONTROL CORPORATION
BUFFALO, NEW YORK
CHART NO. MP-5000
METER SK
CHART PUT ON 9-14-09
LOCATION 7-30
REMARKS FUZZBALL
MIT TEST 3rd
TAKEN OFF 8:04 A.M.
9-14-09

NOON

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-28199
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: Fuzzball #1	
2. NAME OF OPERATOR: Merrion Oil & Gas Corporation		9. API NUMBER: 4301530557
3. ADDRESS OF OPERATOR: 610 Reilly Ave CITY Farmington STATE NM ZIP 87401	PHONE NUMBER: (505) 324-5336	10. FIELD AND POOL, OR WILDCAT: Buzzard Bench
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2190' FNL & 915' FWL		COUNTY: Emery
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 2 19S 7E		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: 11/24/2009 <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 checked="" 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 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.

Merrion Oil & Gas TA'd the following well on 9/14/2009. We would like to keep the TA status while we review for possible potential.

COPY SENT TO OPERATOR

Date: 1.5.2010
Initials: KS

NAME (PLEASE PRINT) Philana Thompson	TITLE Regulatory Compliance Specialist
SIGNATURE	DATE 11/24/2009

(This space for State use only)

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

DATE: 12/29/09
BY: [Signature]
* Valid through 10/11/2010

(5/2000)

RECEIVED
NOV 30 2009
DIV. OF OIL, GAS & MINING

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

RECEIVED
SEP 20 2010

FORM 9

DIV. OF OIL, GAS & 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.

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

2. NAME OF OPERATOR: Coastal Plains Energy, Inc. N2170

3. ADDRESS OF OPERATOR: 420 Throckmorton CITY Fort Worth STATE Tx ZIP 76102 PHONE NUMBER: 817 882-9055

4. LOCATION OF WELL: FOOTAGES AT SURFACE: _____ COUNTY: Emery
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: _____ STATE: UTAH

5. LEASE DESIGNATION AND SERIAL NUMBER: See attached well list

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: _____

7. UNIT or CA AGREEMENT NAME: _____

8. WELL NAME and NUMBER: See attached well list

9. API NUMBER: _____

10. FIELD AND POOL, OR WILDCAT: See attached well list

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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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 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.

See attached list

BLM Bond No UTB000213

STATE BLANKET BOND CTCS 267895
INDIVIDUAL BONDS FUZZBALL 1 TETS 899537
FERRON ST 4-36-18-7 TETS 899542
ORANGVILLE U 10-2 TETS 899545

NAME (PLEASE PRINT) William R Biggs TITLE President
SIGNATURE William R Biggs DATE 9-14-10

(This space for State use only)

APPROVED 12/30/2010
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

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:
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: See Attached
2. NAME OF OPERATOR: Merrion Oil & Gas Corporation		9. API NUMBER: 43-015-
3. ADDRESS OF OPERATOR: 610 Reilly Ave CITY Farmington STATE NM ZIP 87401		10. FIELD AND POOL, OR WILDCAT: Buzzard Bench
4. LOCATION OF WELL FOOTAGES AT SURFACE:		COUNTY: Emery
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 checked="" 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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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.

Merrion Oil & Gas Corporation has sold the attached list of wells to Coastal Plains effective 9/1/2010

NAME (PLEASE PRINT) <u>Philana Thompson</u>	TITLE <u>Regulatory Compliance Specialist</u>
SIGNATURE	DATE <u>8/24/2010</u>

(This space for State use only)

APPROVED 12/30/2010

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

(See Instructions on Reverse Side)

RECEIVED

SEP 16 2010

DIV. OF OIL, GAS & MINING

N2170

LIST OF UTAH PROPERTIES SOLD TO COASTAL PLAINS ENERGY, INC EFFECTIVE JULY 1, 2010

RECEIVED

AUG 30 2010

DIV. OF OIL, GAS & MINING

WELL NAME	QTR/QTR	SECTION	TWNSHP	RANGE	API NO.	LEASE NO.	COUNTY
BUZZARD BENCH 3-24	SESW	SEC 3	19S	7E	43-015-30229	U-18897-A	EMERY
BUZZARD BENCH 6-3	SENW	SEC 3	19S	7E	43-015-30168	U-18897-A	EMERY
CAHILL 1R	SWNW	SEC 15	19S	7E	43-015-30627	U-69403	EMERY
CROWSFOOT 1R	SENE	SEC 9	19S	7E	43-015-30613	U-69403	EMERY
FERRON FEDERAL 16-9	SESE	SEC 9	19S	7E	43-015-30256	U-69403	EMERY
FERRON FEDERAL 16-20	SESE	SEC 20	17S	8E	43-015-30110	ML 48176	EMERY
FERRON FEDERAL 7-12	SWNE	SEC 12	19S	7E	43-015- ³⁰²⁵⁷ 30254	U-18134	EMERY
FERRON STATE 4-36	NWNW	SEC 36	18S	7E	43-015-30253	ML-28195	EMERY
FUZZBALL 1	SWNW	SEC 2	19S	7E	43-015-30557	ML-28199	EMERY
HUMPY 1	SWNE	SEC 3	19S	7E	43-015-30348	U-51015	EMERY
KLINKHAMMER 1	NENW	SEC 34	18S	7E	43-015-30610	U-72356	EMERY
ORANGEVILLE 1-11	NENE	SEC 11	19S	7E	43-015-30222	U-18134	EMERY
ORANGEVILLE 16-6	SESE	SEC 6	18S	8E	43-015-30108	ML-48777 ✓	EMERY
ORANGEVILLE 4-1	NWNW	SEC 1	19S	7E	43-015-30221	U-18134	EMERY
ORANVEVILLE 10-2	NWSE	SEC 2	19S	7E	43-015-30179	^{ML 28199} U-18134	EMERY
SPARKLE DUN 1	NENE	SEC 16	19S	7E	43-015-30615	ML-49168	EMERY

Plugged
8/23/2007

PUMP AND DEHYDRATOR



August 24,2010

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

Ladies & Gentlemen:

Effective date July 1,2010 Merrion Oil & Gas Corp. sold all of its interest in the Buzzard Bench Field. The New operator and owner: Coastal Plains Energy,Inc. 420 Throckmorton, Suite 630 Fort Worth, Texas 76102. Merrion Oil & Gas will no longer be reporting production and revenue for these wells. Also Severance Tax reports and Conservation reports will not be filed after the effective date of sale.

A List of the wells has been included with a Form 9.

Respectfully,
Merrion Oil & Gas Corp.

A handwritten signature in cursive script, appearing to read "Wayne", is written in black ink.

Wayne O'berg
Staff Accountant

RECEIVED
AUG 30 2010
DIV. OF OIL, GAS & MINING

610 Reilly Avenue
Farmington, NM 87401
main 505-324-5300
fax 505-324-5350



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

March 3, 2011

CERTIFIED MAIL NO.: 7005 1820 0001 5562 7753

Mr. Fred Reynolds
Coastal Plains Energy Inc.
420 Throckmorton, Suite 630
Fort Worth, TX 76102-3723

43 015 30557
Fuzzball 1
19S 7E 2

Subject: **SECOND NOTICE: Extended Shut-in and Temporarily Abandoned Well Requirements for Wells on Fee or State Leases**

Dear Mr. Reynolds:

As of January 2011, Coastal Plains Energy Inc. (Coastal) has four (4) Fee Lease Wells and four (4) State Lease Wells (see Attachment A) that are in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status. Wells SI/TA beyond twelve (12) consecutive months require the filing of a Sundry Notice in accordance with R649-3-36-1 for Utah Division of Oil, Gas & Mining (Division) approval. 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).

On July 28, 2008 a notice was sent to Coastal via certified mail addressing the non-compliance status of City of Price 1 and Utah Penn Chiaretta 1 wells. Two other written communications dated December 23, 2008 and February 25, 2009 were sent and received concerning said wells. A sixty day extension was given through September 30, 2009 to allow Coastal time to bring wells back on production. On March 2, 2009 a notice was sent to Coastal addressing the non-compliance status of Ferron 217-10-1 well. An extension was also given through September 30, 2009 to allow Coastal time for possible horizontal drilling. Orangeville 10-2 and Fuzzball 1 wells were acquired from Merrion Oil and Gas Corp (Merrion.) When Coastal assumed said wells, also assumed was responsibility of SI/TA compliance issues. These wells had been addressed twice with Merrion and had been given SI/TA extension until October 1, 2010 prior to Coastal taking responsibility. To date the Division has not received required information from Coastal to keep above listed wells in compliance after expiration of approved extensions.

Page 2

Coastal Plains Energy Inc.

March 3, 2011

This is also a **FIRST NOTICE** for wells: Orangeville Fed 16-6-18-8, Ferron St 4-36-18-7, and Ferron 217-10-1 as they have recently been added to Coastal's non-compliance list. Please submit the required information for extended SI/TA status within 30 days of this notice or further actions will be initiated

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).

Please note that the Divisions preferred method for showing well integrity is by MIT

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

DKD/JP/js

Enclosure

cc: Compliance File

* Well File

LaVonne Garrison, SITLA

ATTACHMENT A

	Well Name	API	LEASE	Years Inactive
2ND NOTICE				
1	CITY OF PRICE 1	43-007-30090	FEE	27 Years 11 Months
2	UTAH PENN CHIARETTA 1	43-007-30063	FEE	28 Years 2 Months
3	FERRON 217-10-1	43-015-30616	FEE	4 Years 10 Months
4	ORANGEVILLE 10-2	43-015-30179	ML-28199	3 Years 3 Months
→ 5	FUZZBALL 1	43-015-30557	ML-28199	2 Years 3 Months
1ST NOTICE				
6	ORANGEVILLE FED 16-6-18-8	43-015-30108	ML-48777	28 Years 7 Months
7	FERRON ST 4-36-18-7	43-015-30253	ML-28195	3 Years 3 Months
8	FERRON 217-10-1	43-015-30616	FEE	4 Years 10 Months



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

April 07, 2011

CERTIFIED MAIL NO.: 7005 1820 0001 5562 8002

Mr. Fred Reynolds
Coastal Plains Energy Inc.
420 Throckmorton, Suite 630
Fort Worth, TX 76102-3723

43 015 3055.7
Fuzzball 1
193 7E 2

Subject: Extended Shut-in and Temporarily Abandoned Well Requirements for Wells on Fee or State Leases

Dear Mr. Reynolds:

The Division of Oil, Gas and Mining (Division) is in receipt of your letter dated March 29, 2011 (received by the Division on 4/4/2011) in regards to the three (3) Fee Lease wells and four (4) State Lease Wells that are currently shut-in or temporarily abandoned (SI/TA) and in non compliance status as operated by Coastal Plains Energy, Inc (Coastal Plains).

In response to your request to for extended SI/TA status for the above mentioned subject wells, the Division is unable to grant any approvals due to lack of evidence provided by Coastal Plains regarding well integrity. No evidence was received per R649-3-36-1.3 providing proof of integrity showing the well is not a potential risk to public health and safety or the environment. The Divisions preferred method of demonstrating well integrity is to perform an MIT. Please submit the necessary information to bring these wells back into compliance.

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
Coastal Plains Energy Inc.
April 07, 2011

Please note that the Divisions preferred method for showing well integrity is by MIT

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

DKD/JP/js
Enclosure
cc: Compliance File
Well File
LaVonne Garrison, SITLA

N:\O&G Reviewed Docs\ChronFile\PetroleumEngineer\SITA

ATTACHMENT A

	Well Name	API	LEASE	Years Inactive
2ND NOTICE				
1	CITY OF PRICE 1	43-007-30090	FEE	27 Years 11 Months
2	UTAH PENN CHIARETTA 1	43-007-30063	FEE	28 Years 2 Months
3	FERRON 217-10-1	43-015-30616	FEE	4 Years 10 Months
4	ORANGEVILLE 10-2	43-015-30179	ML-28199	3 Years 3 Months
→ 5	FUZZBALL 1	43-015-30557	ML-28199	2 Years 3 Months
1ST NOTICE				
6	ORANGEVILLE FED 16-6-18-8	43-015-30108	ML-48777	28 Years 7 Months
7	FERRON ST 4-36-18-7	43-015-30253	ML-28195	3 Years 3 Months

COASTAL PLAINS ENERGY, INC.
420 THROCKMORTON, SUITE 630
FORT WORTH, TEXAS 76102-3723

817-882-9055
Fax 817-336-3223

March 29, 2011

Mr. Dustin Doucet
State of Utah
Department of Natural Resources
P. O. Box 145801
Salt Lake City, UT 84114-5801

43 015 30557
Fuzzball 1
19S 7E 2

Dear Mr. Doucet:

Pursuant to your letter dated March 3, 2011, copy attached, Coastal Plains Energy, Inc. submits the following:

Shut-in Wells

1. **City of Price No. 1 (API No. 43-007-30090)**
2. **Utah Penn Chiaretta No. 1 (API No. 43-007-30063)**
The City of Price No. 1 and the Utah Penn Chiaretta No. 1 wells are currently shut in awaiting gas market. Coastal Plains Energy, Inc. has expended over \$300,000 in acquiring the aforementioned wellbores, oil and gas leases, and building a gathering system to connect the wells to the Questar pipeline approximately 5 miles east of the wells. Questar has quoted \pm \$100,000 for only setting the sales metering station as the tap is already in place. This cost is more than five times what Coastal Plains could set a sales meter for; therefore, we are at an impasse to delivering the gas into Questar's pipeline. We are currently exploring using the gas to generate electricity and selling electricity into Rocky Mountain Power located at our gathering system. We anticipate having the City of Price No. 1 and Utah Penn Chiaretta No. 1 producing gas within 12 months.
3. **Ferron 217-10-1 (API No. 43-015-30616)**
The Ferron 217-10-1 was spudded on September 9, 2005 and is located in the NW/4 of Section 10, T21S, R7E. The well was drilled to 1,135' and encountered the Upper, Middle, and Lower Ferron Sands. Gas shows were encountered while drilling through all three sand members. Even though the resistivity log characteristics displayed that the Ferron Sands were wet (high water saturation), we concluded that the low resistivity was due to low reservoir pressure and

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APR 04 2011

DIV. OF OIL, GAS & MINING

Mr. Dustin Doucet

March 29, 2011

Page 2

invasion of the KCL (potassium chloride) water needed to load the air drilled hole. All three Ferron Sands were perforated and fracture stimulated. The well was connected to the gathering system but has never been able to sell gas into the system. Due to the low reservoir pressure, we invested in a vacuum compressor that we set at the wellhead to pull a vacuum on the well and attempt to produce gas into the gathering system. This method was not successful in assisting the well to produce gas. In 2008, we employed a contract geologist, Mr. John Adamson of Salt Lake City, to give us his independent interpretation of the Ferron Field. Mr. Adamson was a consulting geologist for Mountain Resources Corporation when Mountain Resources' drilled the "MRC" wells in the Ferron Field. Mr. Adamson's interpretation of the Ferron Field shows multiple faults through the field that were not in our original geological interpretation of the field. In the case of the Ferron 217-10-1 well, there must be a series of faults that has created a limited reservoir in the area where this well along with the plugged and abandoned MRC No. 2 well are located. The MRC No. 2 only produced 116 MMcf from the Lower Ferron Sand (1,019'-1,029') and was plugged and abandoned. We originally thought that the MRC No. 2 had mechanical problems as the well was located in the center of the South Ferron Field and should have produced at least ± 300 MMcf of gas. The Ferron 217-10-1 is currently shut in. We are exploring the potential and economics of drilling a short radius, horizontal, lateral from this cased wellbore into the Upper Ferron Sand when the gas price warrants such an operation. The wellbore has no fluid in it and has always contained dry natural gas, when swabbed or blown down. We respectfully request a 24-month extension to the SI/TA status.

4. **Orangeville 10-2 (API No. 43-015-30179)**

The Orangeville 10-2 well is currently shut in and temporarily abandoned (SI/TA) with a cast iron bridge plug and pickling fluid in September 2009 per the Department of Natural Resources instructions. We respectfully request the SI/TA status be extended an additional 24 months.

→ 5. **Fuzzball No. 1 (API No. 43-015-30557)**

The Fuzzball No. 1 well is currently shut in and temporarily abandoned (SI/TA) with a cast iron bridge plug and pickling fluid in September 2009 per the Department of Natural Resources instructions. We respectfully request the SI/TA status be extended an additional 24 months.

6. **Orangeville Fed 16-6-18-8 (API No. 43-015-30108)**

The Orangeville Fed 16-6-18-8 well is currently shut in, and it is Coastal Plains Energy, Inc.'s intent to place this well on a pumping unit in 2011. Prior tests of this well produced oil with a small amount of gas.

Mr. Dustin Doucet
March 29, 2011
Page 3

7. **Ferron State 4-36-18-7 (API No. 43-015-30253)**

The Ferron State 4-36-18-7 well is currently shut in and since taking over operations of this well in September 2010 Coastal Plains Energy, Inc. has explored possible stimulation procedures and intends to return the well back to production. Coastal Plains Energy, Inc. respectfully requests the SI/TA status be extended an additional 12 months.

8. **Ferron 217-10-1 (API No. 43-015-30616)**

This well was previously discussed in Section 3.

Thank you for your attention to the aforementioned matters. If you have any questions or wish to discuss further, please call the undersigned.

Very truly yours,

COASTAL PLAINS ENERGY, INC.



Fred N. Reynolds

FNR/cf

Encl.

ferronfieldwellstatus.cpe

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 type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-28199
2. NAME OF OPERATOR: Coastal Plains Energy, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 420 Throckmorton, Ste 630 CITY Ft Worth STATE TX ZIP 76102-3723 PHONE NUMBER: 817 882-9055		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2190' FNL & 915' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 2 19S 7E		8. WELL NAME and NUMBER: Fuzzball No. 1
		9. API NUMBER: 4301530557
		10. FIELD AND POOL, OR WILDCAT: Buzzard Bench
		COUNTY: Emery 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: 05/03/2011	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<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 checked="" 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: mechanical integrity test
	<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 well was TA'd on 09/14/2009. Coastal Plains Energy, Inc. plans to perform a MIT test on or before July 1, 2011 by pressure testing the casing from surface to 2330' PBTB to 1000 psig and hold for 15 minutes.

COPY SENT TO OPERATOR

Date: **AUG 08 2011**

Initials: **KS**

NAME (PLEASE PRINT) Fred N. Reynolds	TITLE Petroleum Engineer
SIGNATURE <i>Fred N. Reynolds</i>	DATE 05/03/2011

(This space for State use only)

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

DATE: **8/3/2011**
BY: *[Signature]* (See Instructions on Reverse Side)

(5/2000)

RECEIVED

MAY 12 2011

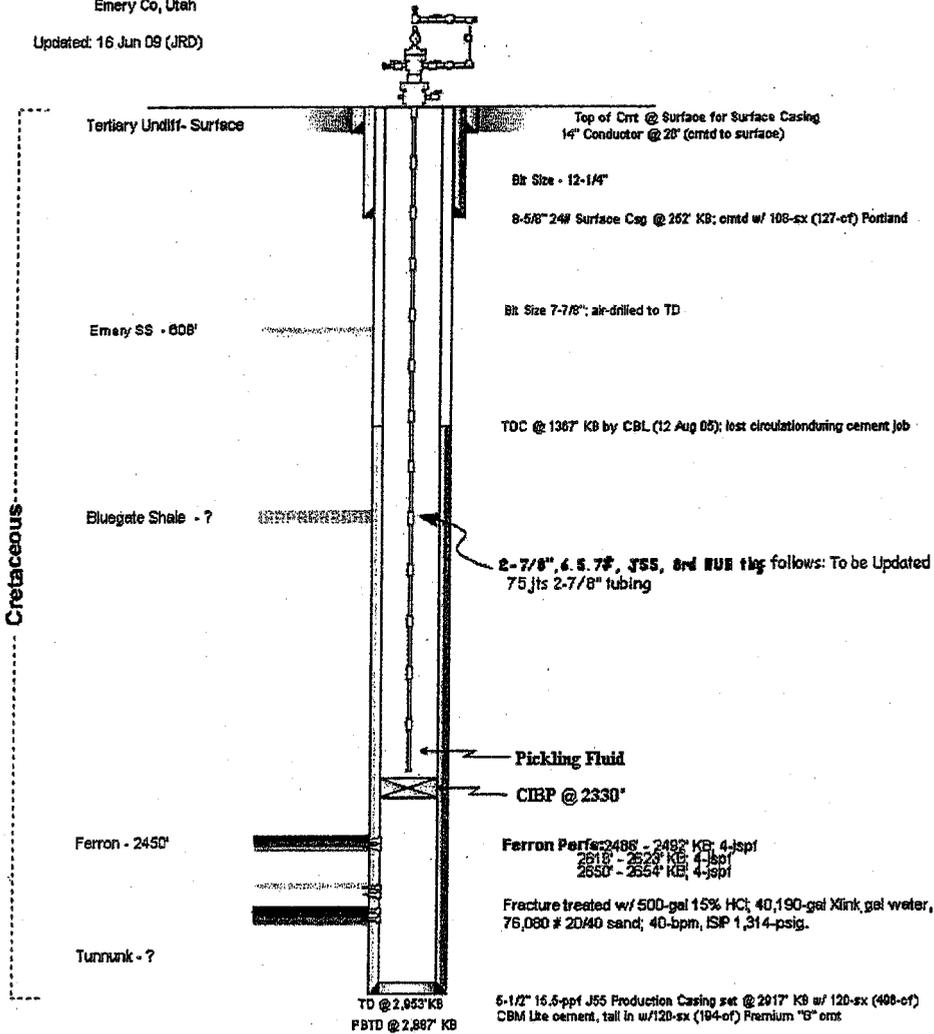
DIV. OF OIL, GAS & MINING

Wellbore Schematic
Fuzzball No. 1
Proposed TA Wellbore Configuration

Location: 2190' fnl & 915' fwl (sw nw)
 Sec 2, T18S, R7E,
 Emery Co, Utah

Elevation: 6,285' OL
 6,295' RKB

Updated: 16 Jun 09 (JRD)



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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:

ML-28199

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE 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.

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL OIL WELL GAS WELL OTHER _____

8. WELL NAME and NUMBER:

Fuzzball No. 1

2. NAME OF OPERATOR: **Coastal Plains Energy, Inc.**

9. API NUMBER:

43-015-30557

3. ADDRESS OF OPERATOR: **420 Throckmorton, Ste 630**
CITY **Fort Worth** STATE **TX** ZIP **76102-3723** PHONE NUMBER: **817 882-9055**

10. FIELD AND POOL, OR WILDCAT:

Buzzard Bench

4. LOCATION OF WELL

FOOTAGES AT SURFACE: **2,190' FNL, 915' FWL**

COUNTY: **Emery**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **SWNW Section 2, T19S, R7E**

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 checked="" 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 checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 06/17/2011	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: mechanical integrity test
	<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 well was TA'd on 09/14/2009. Coastal Plains Energy, Inc. performed a MIT test on June 17, 2011 by pressure testing the casing from surface to 2,330'. PBSD to 1,000 psig and held for 15 minutes. Held okay.

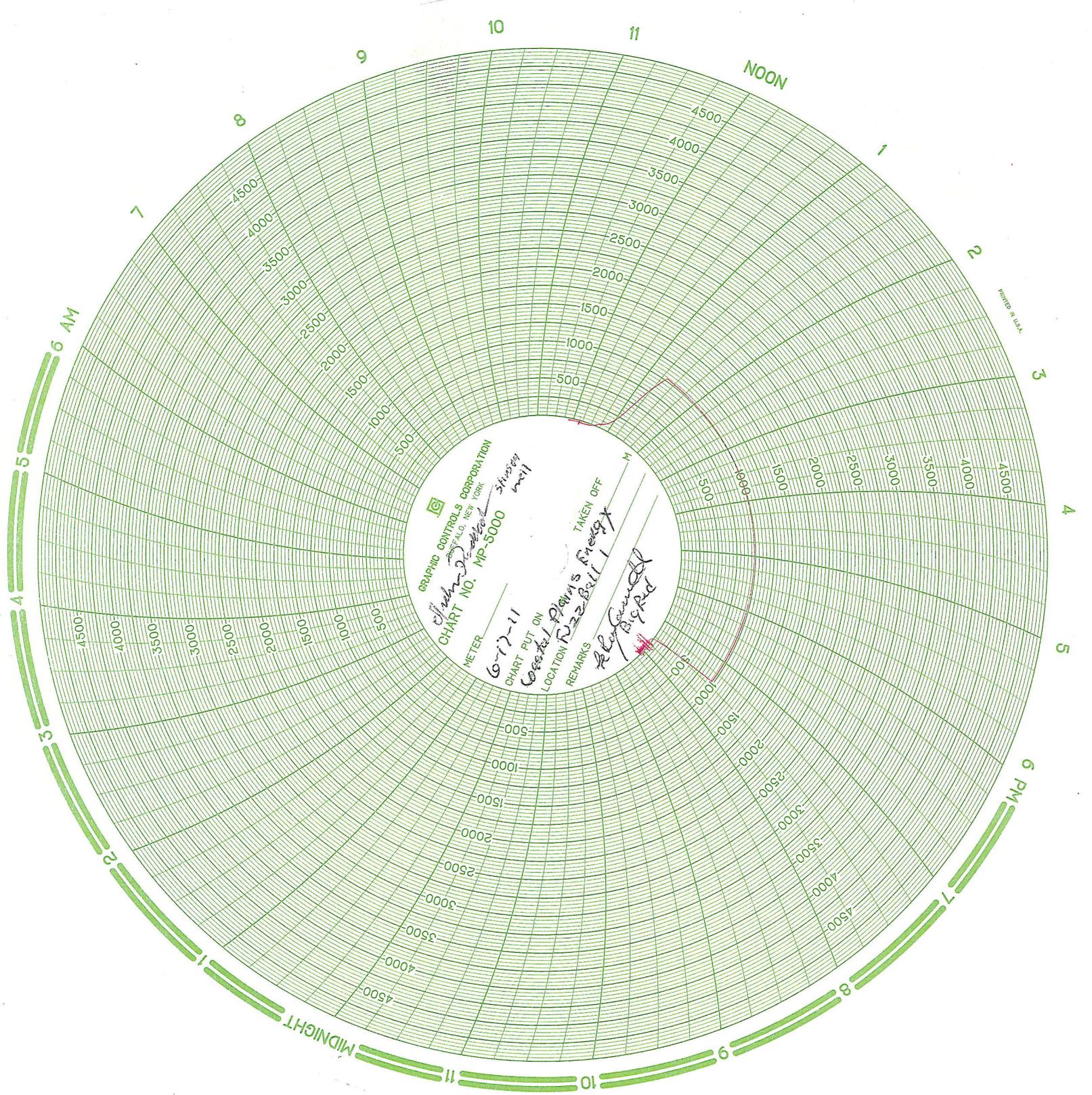
NAME (PLEASE PRINT) **Fred N. Reynolds** TITLE **Petroleum Engineer**
SIGNATURE *Fred N. Reynolds* DATE **06/29/2011**

(This space for State use only)

RECEIVED

JUL 06 2011

DIV. OF OIL, GAS & MINING



GRAPHIC CONTROLS CORPORATION
NEW YORK, N.Y.

John Decker
CHART NO. MP-5000

METER
6-17-11

CHART PUT ON
Wesley P. King's Energy

LOCATION
R32 Bell 1

REMARKS
Taken off
Alfred

PRINTED IN U.S.A.



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

November 26, 2012

CERTIFIED MAIL NO.: 7010 1670 0001 4810 3577

Mr. Fred Reynolds
Coastal Plains Energy Inc.
420 Throckmorton, Suite 630
Fort Worth, TX 76102-3723

43 015 30557
Fuzzball 1
19S 7E 2

Subject: **SECOND NOTICE: Extended Shut-in and Temporarily Abandoned Well Requirements for Wells on Fee or State Leases**

Dear Mr. Reynolds:

As of January 2012, Coastal Plains Energy Inc. (Coastal) has three (3) Fee Lease Wells and four (4) State Lease Wells (see Attachment A) that are in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status. Wells SI/TA beyond twelve (12) consecutive months requires the filing of a Sundry Notice in accordance with R649-3-36-1 for Utah Division of Oil, Gas & Mining (Division) approval. 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).

On July 28, 2008, a notice was sent to Coastal via certified mail addressing the non-compliance status of City of Price 1 and Utah Penn Chiaretta 1 wells. Two other written communications dated December 23, 2008, and February 25, 2009, were sent and received concerning said wells. A sixty day extension was given through September 30, 2009, to allow Coastal time to bring wells back on production. On March 2, 2009, a notice was sent to Coastal addressing the non-compliance status of Ferron 217-10-1 well. An extension was also given through September 30, 2009, to allow Coastal time for possible horizontal drilling. Orangville 10-2 and Fuzzball 1 wells were acquired from Merrion Oil and Gas Corp (Merrion.) When Coastal assumed said wells, also assumed was responsibility of SI/TA compliance issues. These wells had been addressed twice with Merrion and had been given SI/TA extension until October 1, 2010, prior to Coastal taking responsibility. In March 2011 the Division sent another notice of non-compliance for all wells listed on attachment A to Coastal via certified mail on March 3, 2011. Coastal responded March 29, 2011, requesting SI/TA extension for these wells. This request was denied by the Division on April 7, 2011, due to the lack of evidence provided by Coastal concerning well integrity. The Division had additional communications with Coastal in January 2012, requesting sundries detailing plans and status for said wells.

Page 2
Coastal Plains Energy Inc.
November 26, 2012

To date the Division has not received the required information nor seen any progress being made to move these wells out of non-compliance status.

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).

Please note that the Divisions preferred method for showing well integrity is by MIT

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

DKD/JP/js

cc: Compliance File
Well File
LaVonne Garrison, SITLA
N:\O&G Reviewed Docs\ChronFile\PetroleumEngineer\SITA

ATTACHMENT A

	Well Name	API	LEASE	Years Inactive
Reissued 2ND NOTICE				
1	CITY OF PRICE 1	43-007-30090	FEE	28 Years 11 Months
2	UTAH PENN CHIARETTA 1	43-007-30063	FEE	29 Years 2 Months
3	FERRON 217-10-1	43-015-30616	FEE	5 Years 10 Months
4	ORANGEVILLE 10-2	43-015-30179	ML-28199	4 Years 3 Months
5	FUZZBALL 1	43-015-30557	ML-28199	3 Years 3 Months
2nd NOTICE				
6	ORANGEVILLE FED 16-6-18-8	43-015-30108	ML-48777	29 Years 7 Months
7	FERRON ST 4-36-18-7	43-015-30253	ML-28195	4 Years 3 Months

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS			5. LEASE DESIGNATION AND SERIAL NUMBER: ML-28199
			6. IF INDIAN, ALLOTTEE OR TRIBE 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.			7. UNIT or CA AGREEMENT NAME:
			8. WELL NAME and NUMBER: Fuzzball No. 1
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	2. NAME OF OPERATOR: Coastal Plains Energy, Inc.		9. API NUMBER: 43-015-30557
3. ADDRESS OF OPERATOR: 420 Throckmorton St, Ste 750 CITY Ft Worth STATE TX ZIP 76102-3724		PHONE NUMBER: 817 336-1742	10. FIELD AND POOL, OR WILDCAT: Buzzard Bench
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2,190' FNL, 915' FWL			COUNTY: Emery
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW Section 2, T19S, R7E			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: 07/19/2013	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<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 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.

The well was TA'd on 09/14/2009. Coastal Plains Energy, Inc. performed a MIT test on June 17, 2011 by pressure testing the casing from surface to 2,330'. PBTD to 1,000 psig and held for 15 minutes. Held okay.

Coastal Plains Energy, Inc. intends to plug and abandon the well. The well currently has a GIBP set @ 2,330' plugging off the perforations at 2,486'-2,654'. Please see the attached Plug & Abandon Procedure and Wellbore Diagram.

COPY SENT TO OPERATOR
Date: 7.19.2013
Initials: KS

NAME (PLEASE PRINT) Fred N. Reynolds	TITLE Petroleum Engineer
SIGNATURE <i>Fred N. Reynolds</i>	DATE 07/15/2013

(This space for State use only)

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING
DATE 07/17/2013
BY: [Signature] (See Instructions on Reverse Side)
* See conditions of approval (Attached)

RECEIVED
JUL 16 2013
DIV. OF OIL, GAS & MINING

PLUG & ABANDON PROCEDURE

Coastal Plains Energy, Inc.
Fuzzball No. 1
SW/NW Section 2, T19S, R7E
Emery County, Utah

Surf Csg: 8-5/8", 24 lb/ft, J-55 csg @ 252'. Csg cmtd w/108 sx cmt to surf.

Prod Csg: 5-1/2", 15.5 lb/ft LTC csg @ 2,917'. Csg cmtd w/240 sx J-55. Cmt top \pm 1,350'.

Perfs: 2,486'-2,492' (CIBP @ 2,330')
2,617'-2,624'
2,650'-2,654'

Tbg: 2-7/8", 6.5 lb/ft J-55 set @ \pm 2,325'

Current Status: Temporarily abandoned with CIBP @ 2,330'. Csg filled w/corrosion inhibited fluid.

1. Notify both Utah Division of Oil, Gas & Mining at 801-538-5281 and BLM at 435 781-4490, 48 hrs in advance of pending operations.
2. ND WH. NU BOP.
3. PU on 2-7/8" tbg. Tag CIBP @ 2,330' & PU 1'.
4. **PLUG #1:** Mix 15 sx cmt (15.6 ppg, 1.18 cuft/sk) & spot a 130' balanced plug inside the 5-1/2" csg from 2,330'-2,200'.
5. POOH & LD 2-7/8" tbg.
6. RU WL. RIH & perf the 5-1/2" csg @ 310' w/3 spf. POOH w/wireline. ND BOP.
7. Open the 5-1/2" x 8-5/8" bradenhead vlv. Tie cmt pmp onto 5-1/2" csg. Load hole & establish circ w/wtr.
8. **PLUG #2:** Mix 125 sx cmt (15.6 ppg, 1.18 cuft/sk) & pmp it down the 5-1/2" csg & circ cmt up the 5-1/2" x 8-5/8" annulus. (The entire 5-1/2" csg & 5-1/2" x 8-5/8" annulus will be filled w/cmt from 310' back to surf.) Volume of cmt equals 25% excess.
9. Monitor well for cmt fall back & top off if necessary.
10. Cut off WH below surf csg. Install P&A marker. Release rig.
11. The location will have to be reclaimed since no further activity is planned on this well pad.

FuzzballP&A.cpe

Wellbore Schematic

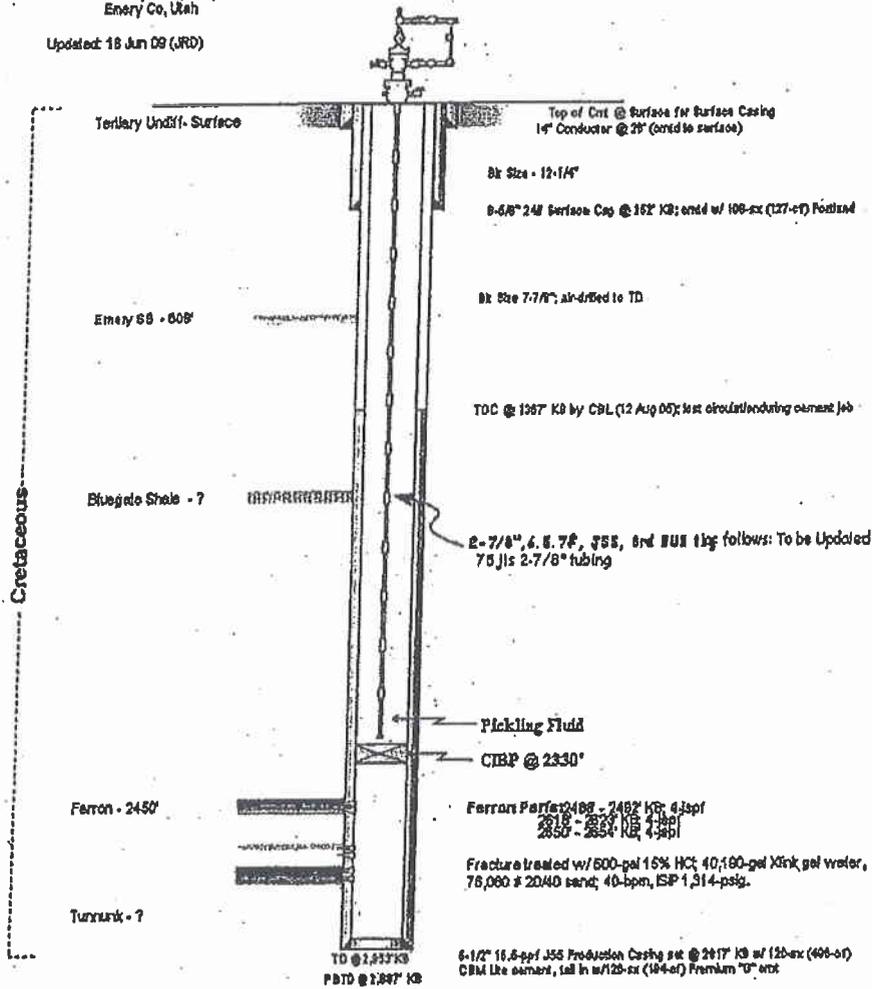
Fuzzball No. 1

Proposed TA Wellbore Configuration

Location: 2190' N1 & 915' W1 (sw NW)
 Sec 2, T18S, R7E,
 Emery Co, Utah

Elevation: 6,285' OL
 6,245' RKB

Updated: 18 Jun 09 (JRD)



Wellbore Diagram

API Well No: 43-015-30557-00-00 **Permit No:**
Company Name: COASTAL PLAINS ENERGY INC
Location: Sec: 2 T: 19S R: 7E Spot: SWNW
Coordinates: X: 490399 Y: 4338918
Field Name: BUZZARD BENCH
County Name: EMERY

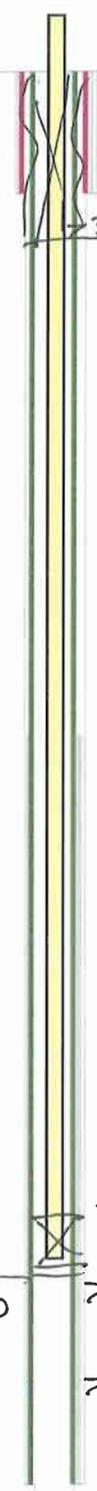
Well Name/No: FUZZBALL 1

String Information

String	Bottom (ft sub)	Diameter (inches)	Weight (lb/ft)	Length (ft)	Capacity (cf/ct)
HOL1	252	12.25			
SURF	252	8.625	24	252	
HOL2	2917	7.875			
PROD	2917	5.5	15.5	2917	7.483
T1	2451	2.375			

Cement from 252 ft. to surface
 Surface: 8.625 in. @ 252 ft.
 Hole: 12.25 in. @ 252 ft.

7 7/8" x 5 1/2" (10%) → 4.094
 8 7/8" x 5 1/2" → 5.192



Plug # 2

INSIDE 310' / (1.18) (7.483) = 35 SX
OUTSIDE 58' / (1.18) (4.094) = 12 SX
 252' / (1.18) (5.192) = 41 SX

85 SX
 Propose 125 SX ✓ OK

Cement Information

String	BOC (ft sub)	TOC (ft sub)	Class	Sacks
PROD	2917	1367	G	120
PROD	2917	1367	LT	120
SURF	252	0	UK	108

Perforation Information

Top (ft sub)	Bottom (ft sub)	Shts/Ft	No Shts	Dt Squeeze
2486	2654			

Formation Information

Formation	Depth
FRSD	2446

Cement from 2917 ft. to 1367 ft.
 2200'
 Tubing: 2.375 in. @ 2451 ft.
 CIP @ 2330'

Plug # 1

(15 SX) (1.18) (7.483) = 132'
 TOC @ 2200' ✓ OK

Production: 5.5 in. @ 2917 ft.
 2654'
 Hole: 7.875 in. @ 2917 ft.
 Hole: Unknown

2446'
 FRSD

TD: 2953 **TVD:** 2953 **PBTD:** 2934



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

CONDITIONS OF APPROVAL TO PLUG AND ABANDON WELL

Well Name and Number: Fuzzball No. 1
API Number: 43-015-30557
Operator: Coastal Plains Energy, Inc.
Reference Document: Original Sundry Notice dated July 15, 2013,
received by DOGM on July 16, 2013.

Approval Conditions:

1. Notify the Division at least 24 hours prior to conducting abandonment operations. Please call Dan Jarvis at 801-538-5338.
2. All annuli shall be cemented from a minimum depth of 100' to the surface.
3. Surface reclamation shall be done in accordance with R649-3-34 – Well Site Restoration.
4. All requirements in the Oil and Gas Conservation General Rule R649-3-24 shall apply.
5. If there are any changes to the procedure or the wellbore configuration, notify Dustin Doucet at 801-538-5281 (ofc) or 801-733-0983 (home) prior to continuing with the procedure.
6. All other requirements for notice and reporting in the Oil and Gas Conservation General Rules shall apply.

Dustin K. Doucet
Petroleum Engineer

July 17, 2013

Date



SWGW S-33 TOTS R20E

CONFIDENTIAL

Resume of operations

Cordell Wold <cwold@axiaenergy.com>

Wed, Jul 17, 2013 at 8:20 AM

To: "caroldaniels@utah.gov" <caroldaniels@utah.gov>, Dan Jarvis <danjarvis@utah.gov>, "richardpowell@utah.gov" <richardpowell@utah.gov>, "cctaylor@blm.gov" <cctaylor@blm.gov>

Cc: Cindy Turner <cturner@axiaenergy.com>, Bryce Holder <bholder@axiaenergy.com>, Jess Peonio <jpeonio@axiaenergy.com>, klbascom <klbascom@ubtanet.com>

Pro Petro is moving onto the Three Rivers Federal 33-14-720 (API# 430475355100) on 07/17/2013 drilling and be setting surface casing on 07/18/2013. They will be moving onto the Three Rivers Federal 33-24-720 (API# 430475355700) on 07/18/2013 drilling and setting surface casing on 07/19/2013.

Any questions;

Cordell Wold

Axia Energy

701-570-5540

RECEIVED

JUL 17 2013

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

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1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		6. LEASE DESIGNATION AND SERIAL NUMBER: ML-28199
2. NAME OF OPERATOR: Coastal Plains Energy, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 420 Throckmorton, Ste 630 CITY Fort Worth STATE TX ZIP 76102-3728		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2,190' FNL, 915' FWL		8. WELL NAME and NUMBER: Fuzzball No. 1
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW Section 2, T19S, R7E		9. API NUMBER: 43-015-30557
PHONE NUMBER: 817 882-9055		10. FIELD AND POOL, OR WILDCAT: Buzzard Bench
COUNTY: Emery		STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
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<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
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	<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 well was TA'd on 09/14/2009. Coastal Plains Energy, Inc. performed a MIT test on June 17, 2011 by pressure testing the casing from surface to 2,330'. PBTD to 1,000 psig and held for 15 minutes. Held okay.

Coastal Plains Energy, Inc. intends to plug and abandon the well. The well currently has a CIBP set @ 2,330' plugging off the perforations at 2,618'-2,654'. We propose to plug and abandon the Fuzzball No. 1 with 50' of cement on top of CIBP @ 2,330'. Attempt to cut off and recover ±1,000' of 5-1/2" production casing with 100' cement plug 50' in and 50' out of cut casing. Set 100' cement plug 302'-202'. A 10-sack cement plug will be set at the surface.

NAME (PLEASE PRINT) Fred N. Reynolds TITLE Petroleum Engineer
SIGNATURE *Fred N. Reynolds* DATE 02/20/2013

(This space for State use only)

Accepted by the
Utah Division of
Oil, Gas and Mining

For Record Only
* P&A approved via Sundry dated 7/15/2013.
(See Instructions on Reverse Side)

RECEIVED
FEB 25 2013

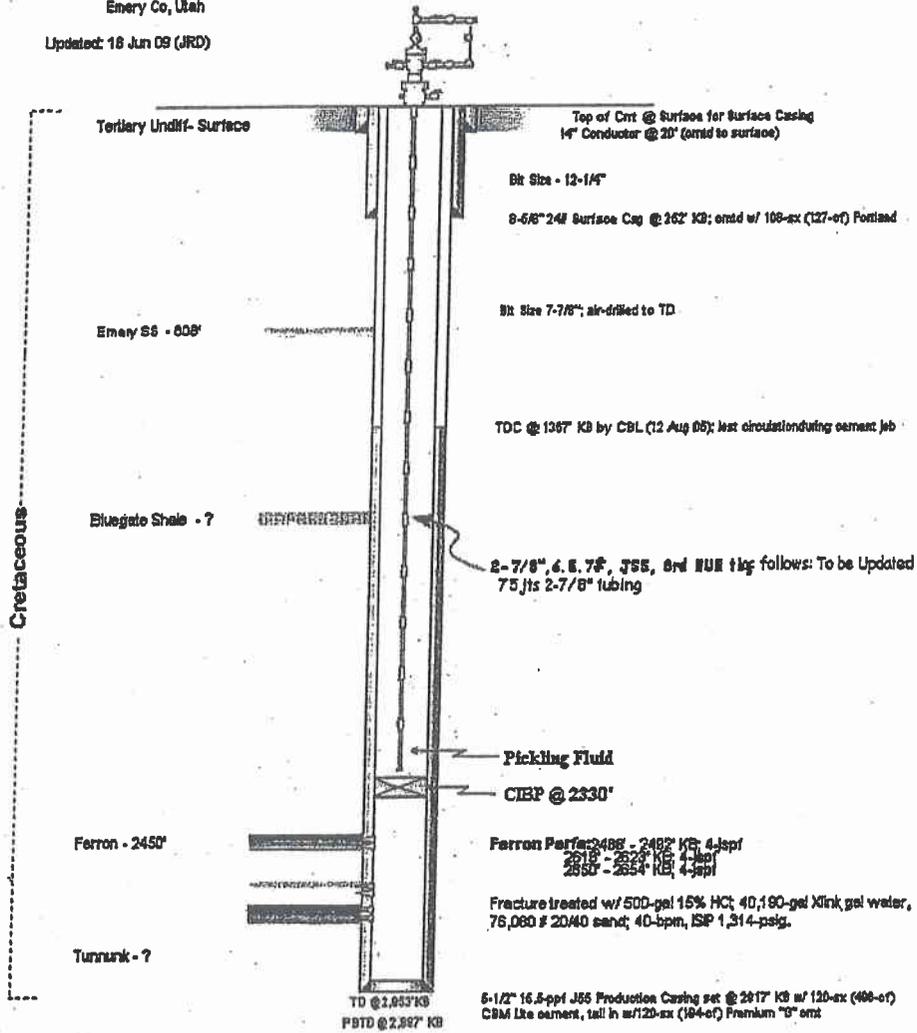
DIV. OF OIL, GAS & MINING

Wellbore Schematic
Fuzzball No. 1
Proposed TA Wellbore Configuration

Location: 2180' fnl & 815' fwi (sw nw)
 Sec 2, T18S, R7E,
 Emery Co, Utah

Elevation: 6,285' OL
 6,285' RKB

Updated: 18 Jun 09 (JRD)



COASTAL PLAINS ENERGY, INC.

420 THROCKMORTON, SUITE 630
FORT WORTH, TEXAS 76102-3723

817-882-9055
FAX 817-336-3223

February 22, 2013

Mr. Dustin K. Doucet
State of Utah Department of Natural Resources
P. O. Box 145801
Salt Lake City, UT 84114-5801

Re: **Sundry Notices**

Dear Mr. Doucet:

Pursuant to your letter dated November 26, 201, copy attached, Coastal Plains Energy, Inc. has determined its plans for the wells referenced in your letter, and enclosed herein are the Sundry Notices of Coastal Plains Energy Inc.'s notice of intent for each of the wells.

If you have any questions or wish to discuss further, please call the undersigned at 817 336-1742.

Very truly yours,

COASTAL PLAINS ENERGY, INC.


Fred N. Reynolds

FNR/cf

Encls.

UTSundryNotices.cpe

RECEIVED

FEB 25 2013

DIV. OF OIL, GAS & MINING



Dustin Doucet < dustindoucet@utah.gov >

Coastal Plains-Utah SI Wells

1 message

FRED REYNOLDS < freynolds@coplains.com >

Thu, Dec 6, 2012 at 3:23 PM

To: Dustin Doucet < dustindoucet@utah.gov >

Cc: Michael Sleem < mike.sleem@cox.net >, Chris Biggs < chris.n.biggs@gmail.com >, "HANS ABRAHAMSEN SR." < hlabrahamsensr@hotmail.com >, info@geopinion.com

Dustin-I have received your letter dated November 26, 2012, copy attached, and by this email will address the status and future of each well referenced in the subject letter. I apologize as I cannot find the letter of communication in January of this year, but it was probably misplaced on our end. Following your review of the status and plans for each of these wells, please advise as to your recommendation and/or approval of each and we will prepare the necessary Sundry Notices.

City of Price No. 1 (API 430-007-30090)

Prior MIT test 6/23/2009, Fluid Level @518'(Perfs:553-1,321 Ferron & Tununk) This well was tested for 10 days in September 2012 and tested dry gas at a stabilized rate of 40 mcfd., FTP-25psig. → Csg test in Sept.?
Csg Press?
Press since MIT

Utah Penn Chiaretta No. 1 (API 430-007-30063)

Prior MIT test 6/23/2009, Fluid Level @640' (Perfs:1198-1204 Dakota) In September 2009 we 1" cement between the 9 5/8" and 4 1/2" casings and filled the annulus to surface with cement. Following this cement job we made 2 swab runs down the tubing and the well had no fluid. This well was tested for 10 days in September 2012 and tested dry gas at a stabilized rate of 10 mcfd., FTP-25psig.

*The City of Price No. 1 and Utah Penn Chiaretta No. 1 wells we hope to have producing by the fourth quarter of 2013. We are in the process of re-leasing offset acreage to these two wells and drilling two new wells to complete in the Tununk and Dakota formations. With the added volumes, we can somewhat justify the expense (\$140,000) of setting a Questar meter (this cost is not even a Tap fee) at our existing TAP in the Miller Creek Field. We respectfully request the Utah DOGM to allow these wells to remain shut-in without any further expense at least thru 2013.

Ferron 217-10-1 (API 43-015-30616)

Prior MIT test 6/17/2011, (Perfs 886-894 Ferron) Ran PKR in hole to 850' and pressure tested annulus to 1000 psig and held pressure.

This well is in the center of the south structure of the Ferron Field. It is unexplainable as to why this well is incapable of gas production other than it is limited in size and separated from the rest of the field by faulting (not sure if this is a viable explanation) or the original frac job created a capillary force of completion fluids problem and not allowing gas to flow to the wellbore. Either scenario, this wellbore is a sound candidate to test short curvature radial drilling and drill four 200' to 300' horizontal laterals in four directions and see if we can establish flow from these short open hole laterals. If this method is successful in establishing production and the economics warrant, it could open up using this process on other wells in the field to

increase gas production. As you know, the gas price environment has not been conducive to spending money in a stripper field such as this. We will try to budget this operation in the third quarter of 2013.

Orangeville 10-2 (API 43-015-30179)

This well was TAd on 9/14/2009, CIBP was set at 2206'w/cement on top. We performed an MIT test on June 17, 2011 and tested to 1000 psig and held. We plan to P&A this well and remediate the location in the second or third quarter of 2013. **(Individual well bond is posted on this well.)**

PA

Fuzzball No. 1 (API 43-015-30557)

This well was TAd on 9/14/2009, CIBP was set at 2330'w/cement on top. We performed an MIT test on June 17, 2011 and tested to 1000 psig and held. We plan to P&A this well and remediate the location in the second or third quarter of 2013. **(Individual well bond is posted on this well.)**

PA

Orangeville Federal 16-6-18-8 (API 43-015-30108)

In June 2011, we moved in a completion rig and ran a scrapper across the perfs, set tubing at 3049' (perfs:2976-2982')and ran pump and rods. In the first quarter of 2013 we plan on setting a temporary tank battery and test the well via rod pump for 90 days. If productive we will construct a permanent tank battery. This well in the past tested oil and a slight amount of gas, we will use the gas to run the engine on the pumping unit

Prod. 1st Qtr

Ferron State 4-36-18-7 (API 43-015-30253)

Sundry Notice was filed on May 3, 2011, stating that we will restore production. In our attempt to restore production we found that the rod pump needed to be pulled. The well is on top of an escarpment and we did not want to expend the funds to move a rig in and pull the well. In the second quarter of 2013, we plan on moving a rig in and pulling the rods and pump and put the well on plunger. We will be able to use the pumping unit on another well in the field. **(Individual well bond is posted on this well.)**

Prod 2nd Qtr

Thank you in advance for your advice and recommendations on these wells.

Fred N. Reynolds

420 Throckmorton, Suite 630

Fort Worth, TX. 76102

Office:817-336-1742

Fax:817-336-3223

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1712K