

MID POWER

RESOURCE CORPORATION

April 17, 2006

Diana Whitney
State of Utah
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, UT 84114-5801

Re: Directional Drilling R649-3-11

Ridge Runner #11-17: 315.80ft FSL, 269.66ft FWL /SW/4 S17 14S-7E (Surface) Emery County, UT
2439ft FSL, 2470ft FWL / SW/4 S17 14S-7E (bottom hole) Carbon County, UT

Dear Ms. Whitney

Pursuant to the filing of Mid-Power Resource Corporation's Application for Permit to Drill the above referenced well on January 5th 2006, we are hereby submitting this letter in accordance with Oil and Gas Conservation Rule R649-3-11 pertaining to the exception to location and Siting of wells.

- The Ridge Runner #11-17 well is located within the Clear Creek Federal Unit Area.
- Mid-Power Resource Corporation is permitting this well as a directional well in order to maximize drainage of the reservoir in a topographically challenging area.
- The concept of drilling Multiple directional wells from a single pad site will allow Mid-Power Resource Corporation to minimize surface disturbance that would be otherwise cause by two or more separate pad sites. Mid-Power Resource Corporation plans to Drill 3 directional wells from this pad site.
- Mid-Power Resource Corporation hereby certifies that it is the sole working interest owner within 460 feet of the entire directional well bore.

Therefore, based upon the above information Mid-Power Resource Corporation requests the permit be granted pursuant to R649-3-11.

Sincerely,



Benjamin Evans
Landman
Marion Energy Inc.
(Agent for Mid-Power Resource Corp.)

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

FORM 3

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL		5. MINERAL LEASE NO: USA-U-01740	6. SURFACE: Federal
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		8. UNIT or CA AGREEMENT NAME: Clear Creek Unit	
2. NAME OF OPERATOR: Mid-Power Resource Corporation		9. WELL NAME and NUMBER: Ridge Runner # 11-17	
3. ADDRESS OF OPERATOR: 8290 W. Sahara, # 186 CITY Las Vegas STATE NV ZIP 89117		PHONE NUMBER: (702) 838-0716	10. FIELD AND POOL, OR WLD/CAT: WLD/CAT Clear Creek
4. LOCATION OF WELL (FOOTAGES) 485242 X 4383332 Y 39.601482 -111.171891 AT SURFACE: 315.80ft FSL, 269.66ft FWL / SW S17 14S-7E Emery County AT PROPOSED PRODUCING ZONE: 2439ft FSL, 2470ft FWL / SW S17 14S-7E Carbon County 485928 X 4383980 Y 39.607328 -111.163920		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 17 14S 7E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: Approx 4 1/2 miles south west of Clear Creek		12. COUNTY: Emery	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) Surface 269.66ft Bottom Hole 200ft	16. NUMBER OF ACRES IN LEASE: 1208.99	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) Surface 20ft Bottom Hole 1625ft	19. PROPOSED DEPTH: 6,350	20. BOND DESCRIPTION: See Attached Bond Document	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 10,153'	22. APPROXIMATE DATE WORK WILL START: 7/1/2006	23. ESTIMATED DURATION: 30days	

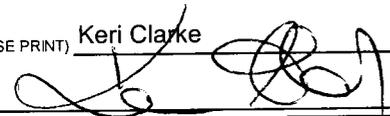
24. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
14 3/4	10 3/4 J-55 40.5	500	Premium "G" 420 sks 1.25 cuft/sk 14.2 ppg
9 7/8	7 5/8 J-55 26.4	3,700	Lead: Prem. Lite 344 sks 3.82 cuft/sk 11 ppg Tail: 50/50 Poz 75 sks 1.25 cuft/sk 14.2 ppg
7 7/8	5 1/2 J-55 17	7,600	Lead: Prem. Lite 524 sks 382 cuft/sk 11 ppg Tail: 50/50 Poz 275 sks 1.25 cuft/sk 14.2 ppg

25. ATTACHMENTS

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

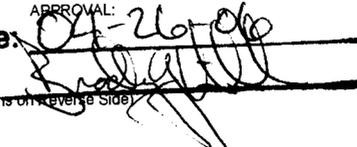
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY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

NAME (PLEASE PRINT) Keri Clarke TITLE VP Land
SIGNATURE  DATE 4/17/2006

(This space for State use only)

API NUMBER ASSIGNED: 43-015-30685

(11/2001) **Federal Approval of this Action is Necessary**

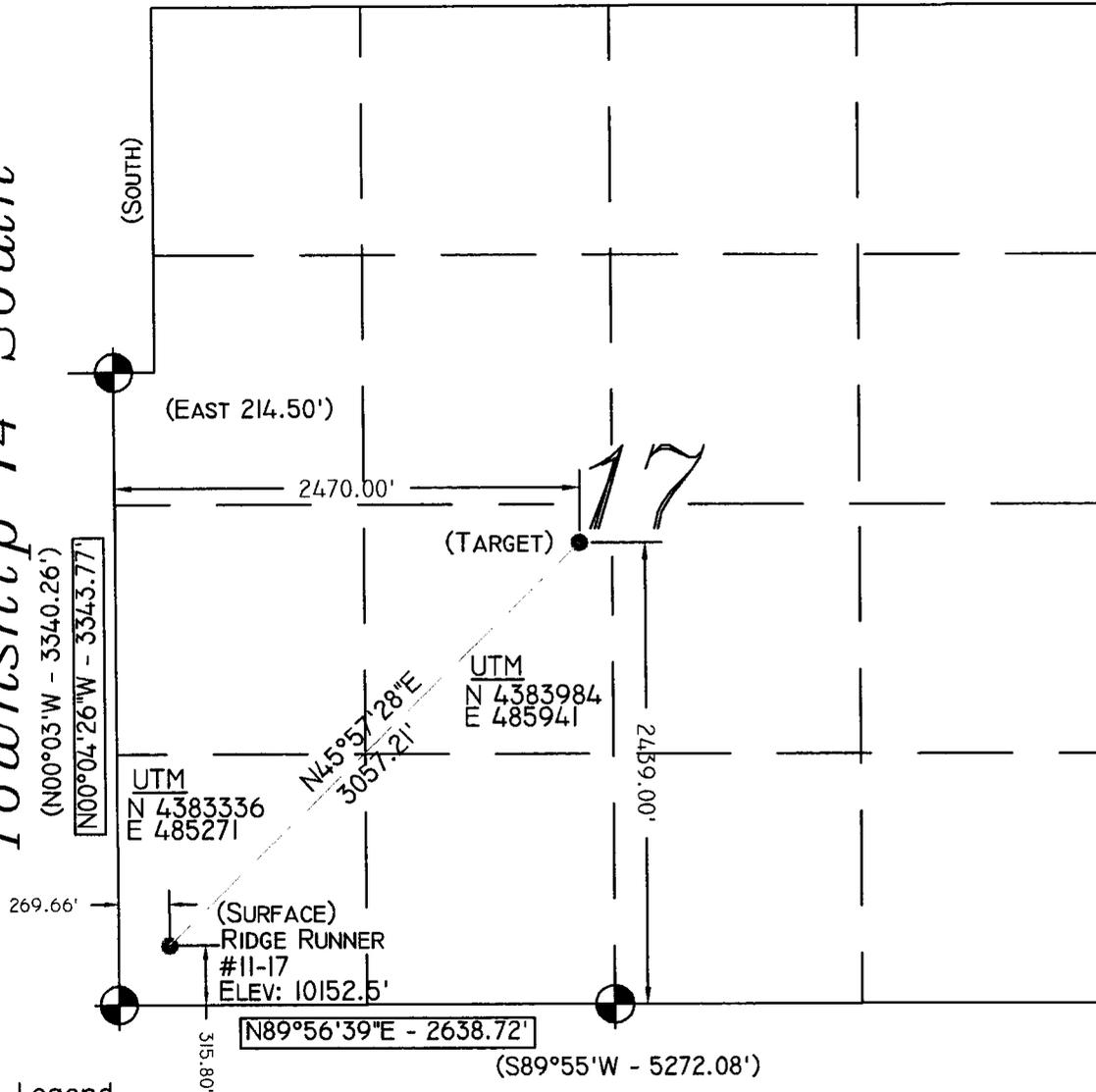
Approved by the
Utah
Oil, Gas and Mining
APPROVAL:
Date: 04-26-06
By: 

RECEIVED
APR 18 2006

Range 7 East

(S89°55'W - 5024.58')

Township 14 South



Legend

- Drill Hole Location
- ⊙ Metal Cap (Found)
- Brass Cap (Searched for, but not found)
- △ Calculated Corner
- () GLO
- GPS Measured

NOTES:

1. UTM and Latitude / Longitude Coordinates are derived using a GPS Pathfinder and are shown in NAD 27 Datum.

SURFACE
LAT / LONG
39°36'05.466"N
111°10'17.596"W

TARGET
LAT / LONG
39°36'26.527"N
111°09'49.553"W

Location:

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

Basis of Bearing:

The Basis of Bearing is GPS Measured.

GLO Bearing:

The Bearings indicated are per the recorded plat obtained from the U.S. Land Office.

Basis of Elevation:

Basis of Elevation of 10452' being at the Southeast Section Corner of Section 7, Township 14 South, Range 7 East, Salt Lake Base and Meridian, as shown on the Candland Mountain Quadrangle 7.5 minute series map.

Description of Location:

Surface Location

Proposed Drill Hole located in the SW/4 SW/4 of Section 17, T14S, R7E, S.L.B.&M., being 315.80' North and 269.66' East from the Southwest Section Corner of Section 17, T14S, R7E, Salt Lake Base & Meridian.

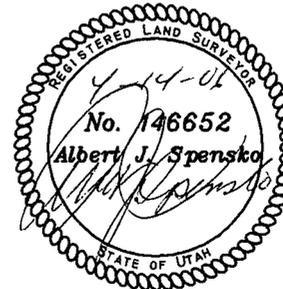
Target Location

Proposed Target located in the NE/4 SW/4 of Section 17, T14S, R7E, S.L.B.&M., being 2439.00' North and 2470.00' East from the Southwest Section Corner of Section 17, T14S, R7E, Salt Lake Base & Meridian.

Surveyor's Certificate:

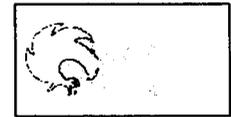
I, Albert J. Spensko, a Registered Professional Land Surveyor, holding Certificate 146652 State of Utah, do hereby certify that the information on this drawing is a true and accurate survey based on data of record and was conducted under my personal direction and supervision as shown hereon.

(N00°02'W)



GRAPHIC SCALE

0 500' 1000'
 (IN FEET)
 1 inch = 1000 ft.



TALON RESOURCES, INC.

195 North 100 West P.O. Box 1230
 Huntington, Utah 84528
 Phone (435)687-5310 Fax (435)687-5311
 E-Mail talon@ctv.net

Marion Energy Inc.

Ridge Runner #11-17
 Section 17, T14S, R7E, S.L.B.&M.
 Emery County, Utah

Drawn By: N. BUTKOVICH	Checked By: L.W.J./A.J.S.
Drawing No. A-1	Date: 4/13/06
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 2390

Drilling Plan
Mid-Power Resource Corporation
Ridge Runner II-17

1. Geologic Surface Formation
 - a. Quaternary

2. Estimated Tops

<u>Name</u>	<u>TVD</u>	<u>TD</u>	<u>Production Phase</u>
Top of Emery	2100ft	2129ft	Gas
Top of Blue Gate	3350ft	3673ft	Gas
Top of Ferron	5633ft	6694ft	Gas
TD	6333ft	7619ft	

3. Casing Program

- a. See Form #3 Section 24.

4. Operators Specifications for Pressure Control Equipment

- a. 2000 psi WP Double Gate BOP or Single Gate BOP (Schematic Attached).
 - b. Functional test daily.
 - c. All casing strings shall be pressure tested (0.2psi/foot or 1500 psi, whichever is greater) prior to drilling the plug after cementing; test pressure shall not exceed the internal yield pressure of the casing.
 - d. All ram-type preventers and related control equipment shall be tested at the rated working pressure of the stack assembly or at 70 percent of the minimum internal yield pressure of the casing, whichever is less. Tests shall be done at the time of installation, prior to drilling out, and weekly. All testes shall be for a period of 15 minutes.

5. Auxiliary Equipment

- a. Kelly Cock – Yes
 - b. Float at the bit – No
 - c. Monitoring Equipment on the mud system – visually
 - d. Full opening safety valve on rig floor – Yes
 - e. Rotating head – Yes
 - f. The blooie line shall be at least 6 inches in diameter and extend at least 100 feet from the well bore into the reserve/blooie pit.

- g. Blooie line ignition shall be provided by a continuous pilot (ignited when drilling below 500 feet).
- h. Compressor shall be tied directly to the blooie line through a manifold.
- i. A mistor with a continuous stream of water shall be installed near the end of the blooie lines for dust suppression.

6. Proposed Circulating Medium

<u>Depth</u>	<u>Mud Type</u>
0 to TD	Air / Mist

7. Testing, Logging, and Coring Program

- a. Cores – Possible core of Ferron Sand
- b. DST – None anticipated
- c. Logging – DIL-GR (TD to base of surface casing).
 - a. FDC-CNL-GR-Cal (TD to base of surface casing).
- d. Formation and Completion Interval: Ferron interval, final determination of completion will be made by analysis of logs.
Simulation: Simulation will be designed for the particular area of interest as encountered.
- e. Frac gradient: Approximately 0.80 psi/ft.

8. Anticipated Cementing Program:

- a. See Form #3, Section 24.

Final cement volumes to be calculated from caliper log with an attempt to be made to circulate cement to the surface. A bond log will be run across the zone of interest and across zones as required by the authorized officer to insure protection of natural resources.

9. Anticipated Abnormal Pressures and Temperatures, Other Potential Hazards:

No abnormal temperatures or pressures are anticipated. No H₂S has been encountered in or known to exist from previous wells drilled to similar depths in the general area. Maximum anticipated bottom hole pressure equals approximately 1500 psi (calculated 0.517 psi/ft) and maximum anticipated surface pressure equals approximately 862 psi (bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/ft).

Surface Use Plan Mid-Power Resource Corporation Ridge Runner 11-17

1. Existing Road:

- a. Topo Map 'A' is the vicinity map showing the access route from Scofield, Utah.
- b. Topo Map 'B' shows the proposed access road to each well. It also shows existing roads in the immediate area.
- c. The existing and proposed access road, unless otherwise stated, shall be crowned, ditched, and dipped from the nearest improved road.
- d. Occasional maintenance blading and storm repairs will keep roads in good condition.
- e. There shall be no mud blading on the access road. Vehicles may be towed through the mud provided they stay on the roadway.

2. Planned Access Roads:

- a. Maximum grade will be 8% or less.
- b. No turnouts are required.
- c. Low water crossings to be placed in the proposed access road during drilling process and culverts may be installed at a later date.
- d. Road surface material will be that native to the area.
- e. No cattleguards are required.
- f. The proposed access road was flagged at the time the location was staked.
- g. The back slopes of the proposed access road will be no steeper than vertical or $\frac{1}{2}$:1 in rock and 2:1 elsewhere.

3. Location of Existing Wells:

- a. See Topo Map 'B'

4. Location of Existing and/or Proposed Facilities:

- a. All Petroleum Production Facilities are to be contained within the proposed location sites.
- b. In the event that production of these wells is established, the following will be shown:
 - i. Proposed location and attendant lines, by flagging, if off well pad.
 - ii. Dimensions of facilities.
 - iii. Construction methods and materials.
- c. The area used to contain the proposed production facilities will be built using native materials. If these materials are not acceptable, then other arrangements will be made to acquire them from private sources. These facilities will be constructed using bulldozers, graders, and workman crews to construct and place the proposed facilities.
- d. All permanent facilities placed on the locations shall be painted a non-reflective color, which will blend with the natural environment.
- e. A dike shall be constructed around the tank battery, of sufficient capacity to adequately contain at least 110 percent of the storage capacity of the largest tank within the dike.
- f. All buried pipelines shall be covered to a depth of 3 feet except at road crossings where they shall be covered to a depth of 4 feet.

- g. Construction width of the right-of-way/pipeline route shall be restricted to 50 feet of disturbance.
 - h. Pipeline location warning signs shall be installed within 90 days upon completion of construction.
5. Location and Water Supply:
- a. Any water to be used for the drilling of this well will be from the Price River Water Improvement District (an adjudicated industrial water source) and transported by a local trucking company (Nielson Construction).
 - b. No water wells are to be drilled.
6. Source of Construction Materials:
- a. No construction materials are needed for drilling operations. In the event of production, the small amount of gravel needed for facilities will be hauled in by truck from a local gravel pit over existing access roads from the area. No special access other than for drilling operations and pipeline construction is needed.
 - b. All access roads crossing BLM land is shown on Topo Map 'B'.
 - c. All well pad surface disturbance areas are on fee lands.
7. Methods for Handling Waste Disposal:
- a. Drill cuttings will be buried in the reserve pit when covered.
 - b. Drilling fluids will be contained in the reserve pit.
 - c. Any hydrocarbon liquids produced while production testing will be contained in a test tank. Any unavoidable spills of oil or other adverse substances or materials will be removed immediately during drilling progress or during completion operations.
 - d. Portable chemical toilets will be provided and services by a local commercial sanitary service.
 - e. Garbage and trash will be collected in a trash cage and its contents hauled to a sanitary landfill. All wastes caused by the construction activities shall be promptly removed and disposed of in a sanitary landfill or as directed by the company representative.
 - f. Prior to commencement of drilling, the reserve pit will be fenced on three sides using 39-inch net wire with at least one (1) strand of barbed wire. All wire is to be stretched before attaching to corner posts. When drilling activities are completed it will be fenced on the fourth side and allowed to dry (if liquids are present). After drying, the fences will be removed and the pits shall be buried. Reclamation will be undertaken no later than the fall of the year after all drilling activity has ceased.
8. Ancillary Facilities:
- a. No airstrips, camps, or other living facilities will be built off the locations. Housing and office trailers will be on the location as seen on the location layout.
9. Well Site Layout:
- a. See attached cut sheet.
 - b. Company representatives will determine if the pit is to be lined, and if so, the type of material to be used.

- c. Topsoil shall be stripped to a depth of 4 to 6 inches and stockpiled as shown on the location layout plat.
- d. The back slopes of the locations will be no steeper than vertical or $\frac{1}{2}$:1 in rock and 2:1 elsewhere.
- e. The upper edges of all cut banks on the access roads and well pads will be rounded.
- f. Catchment ponds to be placed as required to intercept drainage re-routes.

10. Plans for Restoration:

- a. Immediately upon completion, the location and surrounding area will be cleared of all debris, materials, trash and junk not required for production.
- b. Before any dirt work to restore the location takes place, the reserve pit must be completely dry. The reserve pit will be reclaimed within one (1) year from the date of well completion.
- c. All disturbed areas will be seeded with the mixture, which is found suitable by the Utah Division of Wildlife Resources and the landowner.
- d. The seedbed will be prepared by disking, following the natural contour. Drill seed on contour at a depth no greater than $\frac{1}{2}$ inch. In areas that cannot be drilled, the seed will be broadcast at double the seeding rate and harrowed into soils. Certified seed is recommended.
- e. Fall seeding will be completed after September, and prior to prolonged ground frost.
- f. If the well is a producer, access roads will be upgraded and maintained as necessary to prevent soil erosion, and accommodate year round traffic. Areas unnecessary to operations will be reshaped, topsoil distributed, and seed distributed according to the above mixtures. Perennial vegetation would be established. Additional work may be required in case of seeding failures, etc.
- g. If the well is abandoned or is a dry hole, the access road and location will be restored to approximate the original contours. During reclamation of the site, the fill material will be pushed into cuts and up over the back slope. No depressions will be left that would trap water or form ponds. Topsoil will be distributed evenly over the location and seeded according to the above mixture. The access road and the location shall be ripped or disked prior to seeding. Perennial vegetation must be established. Additional work shall be required in case of seeding failures, etc.
- h. Annual or noxious weeds shall be controlled on all disturbed areas. Method of control shall be by an approved mechanical method or an Environmental Protection Agency (EPA) registered herbicide. All herbicide application will be in cooperation with Carbon County Weed Control personnel.

11. Other Information:

- a. Man uses the area for the primary purpose of grazing domestic livestock.
 - i. All activity shall cease when soils or road surfaces become saturated to a depth of three inches, unless otherwise approved by the company representative.
 - ii. If any fossils are discovered during construction, the operator shall cease construction immediately and notify the company representative so as to determine the significance of the discovery.
- b. A Class III cultural resource inventory was completed prior to disturbance by a qualified professional archaeologist.
- c. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are

uncovered during construction, the operator is to immediately stop work that might further disturb such materials and contact the State Historic Preservation Office (SHPO). The SHPO Officer will outline (if any) what mitigation is appropriate.

- i. If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or delays associate with this process, the SHPO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The SHPO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the State that the required mitigation has been completed, the operator will be allowed to resume construction.
- d. Less than 10,000 pounds of any chemical(s) from the EPA's Consolidated list of Chemicals Subject to Reporting Under Title III of the Superfund Amendments and Reauthorization Act (SARA) of 1986, and less then threshold planning quantity (TPQ) of any extremely hazardous substance(s), as defined in 40 CFR, would be used, produced, transported, stored, disposed, or associated with the proposed action.

12. Lessee's or Operator's Representative:

Marion Energy, Inc.
Mr. Keri Clarke
119 S. Tennessee Suite 200
McKinney, Texas 75069
(972540-2976

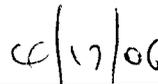
13. Certification:

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

This statement is subject to the provision of 18 U.S.C. 1001 for the filing of a false statement.



Keri Clarke
Company Representative



Date

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

April 25, 2006

Memorandum

To: Assistant Field Office Manager Resources,
Moab Field Office

From: Michael Coulthard, Petroleum Engineer

Subject: 2006 Plan of Development Clear Creek Unit Carbon County,
Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2006 within the Clear Unit, Carbon County, Utah.

API#	WELL NAME	LOCATION
(Proposed PZ Ferron)		
43-015-30683	Ridge Runner	2-18 Sec 17 T14S R07E 0338 FSL 0279 FWL
		BHL Sec 18 T14S R07E 0476 FNL 1524 FEL
43-015-30684	Ridge Runner	11-18 Sec 17 T14S R07E 0292 FSL 0259 FWL
		BHL Sec 18 T14S R07E 0270 FSL 2471 FEL
43-015-30685	Ridge Runner	11-17 Sec 17 T14S R07E 0315 FSL 0269 FWL
		BHL Sec 17 T14S R07E 2439 FSL 2470 FWL
43-015-30680	Ridge Runner	1-30 Sec 20 T14S R07E 1502 FSL 1719 FWL
		BHL Sec 30 T14S R07E 0707 FNL 0246 FEL
43-015-30681	Ridge Runner	7-20 Sec 20 T14S R07E 1524 FSL 1752 FWL
		BHL Sec 20 T14S R07E 1434 FNL 1454 FEL
43-015-30682	Ridge Runner	8-19 Sec 20 T14S R07E 1513 FSL 1735 FWL
		BHL Sec 19 T14S R07E 2211 FNL 0747 FEL

This office has no objection to permitting the wells at this time.

Mid-Power Resource Corporation

8280 West Sahara Avenue, Suite 188
Las Vegas, Nevada 89117
702-838-0716 Fax 702-838-5087

August 25, 2005

Mr. Keri Clarke
Vice President - Land
Marion Energy Inc.
119 South Tennessee, Suite 200
McKinney, Texas 75089

Re: Clear Creek Unit – Carbon/Emery Counties, Utah

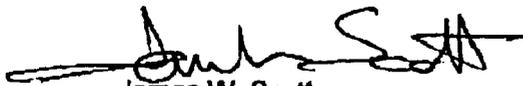
Dear Mr. Clarke:

Mid-Power Resource Corporation, as operator of the Clear Creek Unit located in Carbon/Emery Counties, Utah, hereby, authorizes and empowers Marion Energy Inc. to act as a designated agent on its behalf.

As designated agent, Marion Energy Inc. shall handle all operational matters relating to the Clear Creek Unit and shall deal directly with all State and Federal regulatory agencies in Utah (USDA Forest Service, BLM, and the DOGM) on such operational matters.

This authorization is in accordance with the terms and conditions outlined in the Farmout and Exploration Agreement entered into on February 22, 2005 by and between Mid-Power Resource Corporation and Marion Energy Inc.

Sincerely,



James W. Scott
President

PERFORMANCE BOND <small>(See instructions on reverse)</small>	<small>DATE BOND EXECUTED (Must be same or later than date of contract)</small>	OMB No.: 8000-0045
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Additional reporting burden for this collection of information is estimated to average 25 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the FAR Research (MVRP), Federal Acquisition Policy Division, GSA, Washington, DC 20406

PRINCIPAL (Legal name and business address) Mid-Power Resource Corporation 3880 Howard Hughes Parkway #850-8290 W. SAHARA AVE. Las Vegas, Nevada 89109-8917 suite 186	TYPE OF ORGANIZATION (See instructions) <input type="checkbox"/> INDIVIDUAL <input type="checkbox"/> PARTNERSHIP <input type="checkbox"/> JOINT VENTURE <input checked="" type="checkbox"/> CORPORATION STATE OF INCORPORATION
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SURETY(S) (Name(s) and business address(es)) In lieu of surety(ies) hereon, I/We the undersigned principal(s) deposit the penal amount of this bond in the sum of \$ <u>103,000.00</u> cash. Said deposit is pledged as security for performance and fulfillment of the contract designated hereon.	PENAL SUM OF BOND <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:25%;"><small>MILLIONS</small></td> <td style="width:25%;"><small>THOUSANDS</small></td> <td style="width:25%;"><small>HUNDREDS</small></td> <td style="width:25%;"><small>CENTS</small></td> </tr> <tr> <td></td> <td style="text-align: center;">103</td> <td style="text-align: center;">000</td> <td style="text-align: center;">00</td> </tr> </table> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:50%;"><small>CONTRACT DATE</small></td> <td style="width:50%;"><small>CONTRACT NO.</small></td> </tr> <tr> <td style="text-align: center;">9/6/02</td> <td style="text-align: center;">RUP 10410-03-13</td> </tr> </table>	<small>MILLIONS</small>	<small>THOUSANDS</small>	<small>HUNDREDS</small>	<small>CENTS</small>		103	000	00	<small>CONTRACT DATE</small>	<small>CONTRACT NO.</small>	9/6/02	RUP 10410-03-13
<small>MILLIONS</small>	<small>THOUSANDS</small>	<small>HUNDREDS</small>	<small>CENTS</small>										
	103	000	00										
<small>CONTRACT DATE</small>	<small>CONTRACT NO.</small>												
9/6/02	RUP 10410-03-13												

OBLIGATION:
 We, the Principal and Surety(ies), are jointly bound to the United States of America (hereinafter called the Government) in the above penal sum. For payment of the penal sum, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally. However, when the Sureties are co-sureties acting as co-sureties, we, the Sureties, bind ourselves in such sum "jointly and severally" as well as "severally" only for the purpose of allowing a joint action or actions against any or all of us. For all other purposes, each Surety binds itself, jointly and severally with the Principal, for the payment of the sum always specified the name of the Surety. If no link of liability is indicated, the link of liability is the full amount of the penal sum.

CONDITIONS:
 The Principal has entered into the contract identified above.

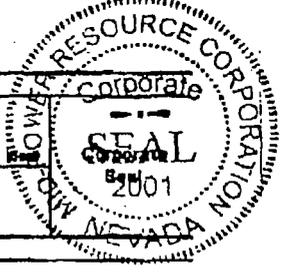
THEREFORE:
 The above obligation is void if the Principal -

(1) Performs and fulfills all the undertakings, covenants, terms, conditions, and agreements of the contract during the original term of the contract and any extensions thereof that are granted by the Government, with or without notice to the Surety(ies), and during the life of any guaranty required under the contract, and (2) performs and fulfills all the undertakings, covenants, terms, conditions, and agreements of any and all duly authorized modifications of the contract that hereafter are made. Notice of these modifications to the Surety(ies) are waived.

(3) Pays to the Government the full amount of the taxes imposed by the Government, if the said contract is subject to the Miller Act, 40 U.S.C. 270a-270d, which are collected, deducted, or withheld from wages paid by the Principal in carrying out the construction contract with respect to which this bond is furnished.

WITNESS:
 The Principal and Surety(ies) executed this performance bond and affixed their seals on the above data.

PRINCIPAL			
<small>SIGNATURE(S)</small>	<i>James Scott</i>	<small>(Type)</small>	
<small>NAME(S) & TITLE(S)</small>		<small>(Type)</small>	



INDIVIDUAL SURETY(IES)			
<small>SIGNATURE(S)</small>		<small>(Type)</small>	
<small>NAME(S)</small>		<small>(Type)</small>	

CORPORATE SURETY(IES)			
<small>SURETY A</small>	<small>NAME & ADDRESS</small>	<small>STATE OF INC.</small>	<small>LIABILITY LIMIT</small>
	<small>SIGNATURE(S)</small>		Corporate Seal
	<small>NAME(S) & TITLE(S)</small>		

AUTHORIZED FOR LOCAL REPRODUCTION STANDARD FORM 28 (REV. 8-88)
Previous editions not available Prescribed by GSA-FAR (48 CFR) 53.228-6

Approved by: _____ BOND APPROVING OFFICER _____ Date _____

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

FORM 4B

Bond No. 9578030406

COLLATERAL BOND

KNOW ALL MEN BY THESE PRESENTS:

That we (operator name) Mid-Power Resource Corporation as Principal, which is duly authorized and qualified to do business in the State of Utah, are held and firmly bound unto the State of Utah in the sum of: One Hundred Eighty Four Thousand One Hundred Eighty dollars (\$ \$184,180.00) lawful money of the United States by virtue of the following financial instruments (cash account, negotiable bonds of the United States, a state or municipality, or negotiable certificate of deposit -- see Rule R649-3-1):

Negotiable Certificate of Deposit #9578030406

payable to the Director of the Division of Oil, Gas and Mining, as agent of the State of Utah, for the use and benefit of the State of Utah for the faithful payment of which we bind ourselves, our heirs, executors, administrators and successors, jointly and severally by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, WHEREAS the Principal is or will be engaged in the drilling, re-drilling, deepening, repairing, operating, and plugging and abandonment of a well or wells and restoring the well site or sites in the State of Utah for the purposes of oil or gas production and/or the injection and disposal of fluids in connection therewith for the following described land or well:

- Blanket Bond: To cover all wells drilled in the State of Utah
(FOR 9 Wells Purchased FROM EDWARD MIKE DAVIS)
- Individual Bond: Well No: _____
Section: _____ Township: _____ Range: _____
County: _____, Utah

NOW, THEREFORE, if the above bounden Principal shall comply with all the provisions of the laws of the State of Utah and the rules, orders and requirements of the Board of Oil, Gas and Mining of the State of Utah, including, but not limited to the proper plugging and abandonment of wells and well site restoration, then this obligation is void; otherwise, the same shall be and remain in full force and effect.

IN TESTIMONY WHEREOF, said Principal has hereunto subscribed its name and has caused this instrument to be signed by its duly authorized officers and its corporate or notary seal to be affixed this

25 day of March, 2005

(Corporate or Notary Seal here)

See attached Jurat

Attestee: _____ Date: _____

Mid-Power Resource Corporation
Principal (company name)
By James W. Scott CEO & President
Name (print) Title
James W. Scott
Signature

(5/2002)

COPY

1946

ALL-PURPOSE ACKNOWLEDGMENT

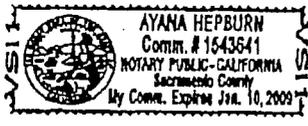
State of California

County of SACRAMENTO } ss.

On March 29, 2005 before me, Ayana Hepburn
(DATE) (NOTARY)

personally appeared James Scott
SIGNER(S)

personally known to me - OR - proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signatures(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

NOTARY'S SIGNATURE

OPTIONAL INFORMATION

The information below is not required by law. However, it could prevent fraudulent attachment of this acknowledgment to an unauthorized document.

CAPACITY CLAIMED BY SIGNER (PRINCIPAL)

- INDIVIDUAL
- CORPORATE OFFICER
- _____ TITLE(S)
- PARTNER(S)
- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER: _____

DESCRIPTION OF ATTACHED DOCUMENT

Collateral Bond
TITLE OR TYPE OF DOCUMENT

1
NUMBER OF PAGES

DATE OF DOCUMENT

OTHER

SIGNER IS REPRESENTING:
NAME OF PERSON(S) OR ENTITY(IES)

RIGHT THUMBPRINT
OF
SIGNER

Top of thumbprint here

August 24, 2004

Mr. Ed Bonner
State of Utah
School and Institutional Trust
Lands Administration
675 East 500 South, Suite 500
Salt Lake City, Utah 84102-2818

Re: Mid-Power Resource Corporation
Bonding Requirement Changes

Dear Ed:

In response to TLA's bonding requirement changes, we have reviewed and verified that our bonding requirements are in compliance with the new rules.

Our findings indicate that a cash deposit in the amount of \$20,000 was accepted by TLA on September 11, 2002 as surety to cover operations of the Utah Mineral State Well and the Oman 2-20 Well under lease ML1256. Those two wells are also covered under our bond with DOGM for plugging and abandonment.

Since the new rules require operators to post a performance bond with TLA in the amount of \$5,000 per well, we request that the cash balance of \$10,000 be release back to Mid-Power Resource Corporation.

Please feel free to contact me should you have any questions concerning this matter. I can be reached at 702-838-0716.

Sincerely,

Susan Trimboli

CC: Earlene Russell - DOGM - Fax Number 801-359-3940
Mark Roedell - Mid-Power Service Corporation

waiting for check



School and Institutional
TRUST LANDS ADMINISTRATION

Olene S. Walker
Governor
Kevin S. Carter
Director

675 East 500 South, Suite 500
Salt Lake City, Utah 84102-2818
801-538-5100
801-355-0922 (Fax)
<http://www.trustlands.com>

May 4, 2004

MID-POWER RESOURCES CORPORATION
3753 HOWARD HUGES PARKWAY
SUITE 200
LAS VEGAS, NV 89109

RE: Bonding Requirement Changes
Effective: February 24, 2004

Dear Sir or Madam:

Effective February 24, 2004, School and Institutional Trust Lands Administration ("TLA") entered into an agreement with the Board of Oil, Gas and Mining ("DOG M") to transfer to DOGM the responsibility of maintaining a sufficient performance bond to plug each dry or abandoned well, repair each well causing pollution, and maintain and restore each well site, if necessary. In the past, operators have been required to post bonds in various amounts with TLA to cover their operations on lands owned and administered by TLA; with DOGM if the company had operations on fee lands in Utah; and, still another, if its operations were on federal lands. Under our new agreement with DOGM, TLA will no longer require operators to post a plugging and reclamation bond with this office. All plugging and reclamation bonds for operations on TLA lands or fee lands will now be administered by DOGM under their rule R649-3-1, as revised July 1, 2003. If you currently have a bond in place with DOGM, please check with their office as it may be sufficient to cover operations on trust lands and no additional bond may be required. The DOGM rules can be viewed and bond forms can be downloaded from the DOGM website at <http://ogm.utah.gov/oilgas>.

Operators **will be required**, however, to post a performance bond in the amount of \$5,000 per well or \$15,000 statewide with TLA to cover lease obligations on TLA lands not otherwise covered by the DOGM bond. Delinquent or unpaid royalties would be examples of deficiencies that could be remedied by the bond. The surety sources are the same as set out in TLA's current rules at R850-20-2800.

Your company has 120 days from the date of this letter or until September 1, 2004, to verify and update your bonding to come into compliance with the new rules. Should you need assistance or have compliance questions, please contact the following people for help:

At TLA – Ed Bonner (801/538-5151 or edbonner@utah.gov)
At DOGM – Earlene Russell (801/538-5336 or earlenerussell@utah.gov)

As soon as TLA is provided evidence by your company that: (1) it has sufficient bonding with DOGM to cover plugging and reclamation operations; (2) your company has no outstanding obligations with TLA that would be remedied by your bond, and, (3) your company provides TLA

Release
\$10,000

Utah!

Where ideas connect™

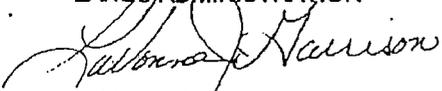
~~with the appropriate well or statewide replacement bond for future lease obligations in the~~
appropriate amount, your current bond will be released. If you would like your bond with TLA to
be transferred to DOGM's ownership, and if the instrument allows for such a transfer, please
make arrangements with your surety and with DOGM. No bonds will be released by TLA until
sufficient evidence is provided that all required bonding is in place and that there are no
outstanding obligations to TLA.

There will be a transition period, but TLA sees this as a positive move for the industry that will
simplify your statewide bonding requirements in the State of Utah.

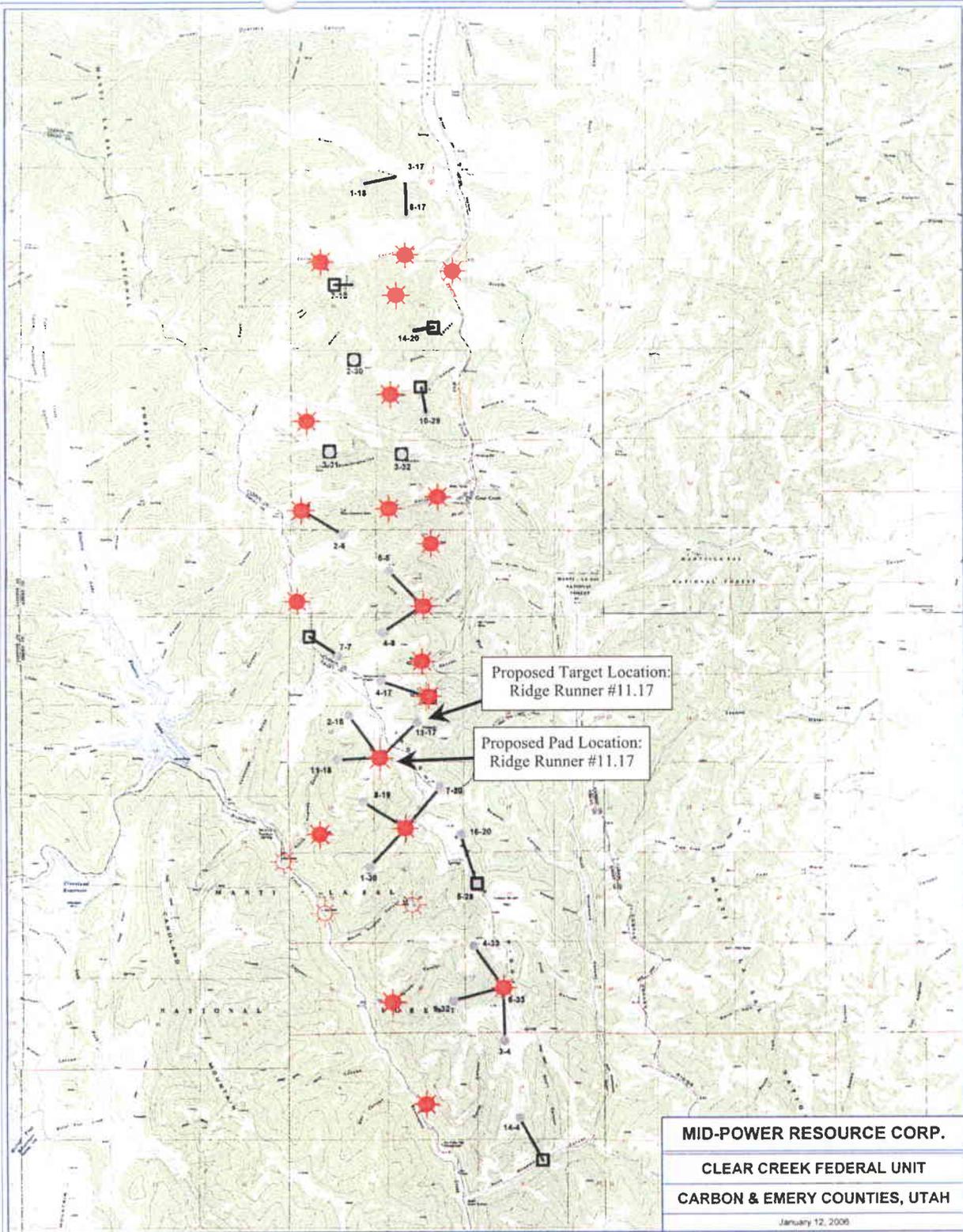
We appreciate your assistance with these changes and look forward to hearing from you.

Yours very truly,

SCHOOL AND INSTITUTIONAL TRUST
LANDS ADMINISTRATION



LaVonne J. Garrison
Assistant Director/Oil & Gas



PETRA 11/2/2006 11:20:37 AM

LEGEND

- Proposed Target Location
- Proposed Pad Location
- Proposed Vertical Location
- Existing Pad
- Existing Directional Target Location

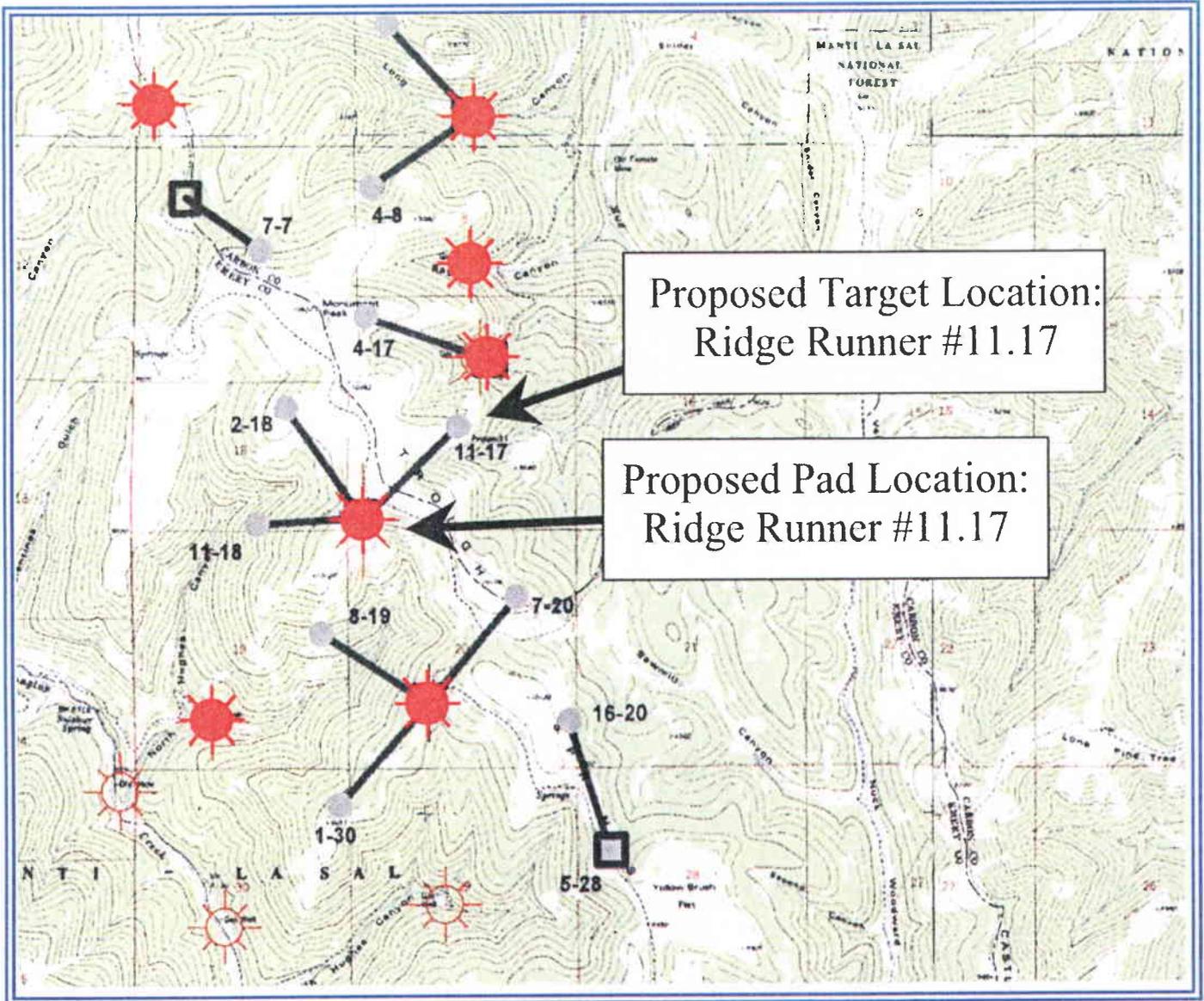


Mid-Power Resource Corp

Directional Well - Ridge Runner #11-17
 SW Section 17 T. 14S., R 7 E., S.L.B.
 Surface Location: 315.80ft FSL, 269.66ft FWL / SW/4 S17 14S-7E
 SW Section 17 T. 14S., R. 7E., S.L.B.
 Target Location: 2439ft FSL, 2470ft FWL / SW/4 S17 14S-7E

8290 W. Sahara Avenue Ste. 186
 Las Vegas, NV, 89117
 Tel: (702) 838-0716
 Fax: (702) 838-5087

Topographic Map
 Created on January 12th 2006
 Created by John Pinkerton Revised: MM-DD-YY



Proposed Target Location:
Ridge Runner #11.17

Proposed Pad Location:
Ridge Runner #11.17

LEGEND

- Proposed Target Location
- Proposed Pad Location
- Proposed Vertical Location
- ★ Existing Pad
- ★ Existing Directional Target Location



Mid-Power Resource Corp

Directional Well - Ridge Runner #11-17
 SW Section 17 T. 14S., R 7 E., S.L.B.
 Surface Location: 315.80ft FSL, 269.66ft FWL / SW/4 S17 14S-7E
 SW Section 17 T. 14S., R. 7E., S.L.B.
 Target Location: 2439ft FSL, 2470ft FWL / SW/4 S17 14S-7E

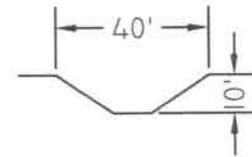
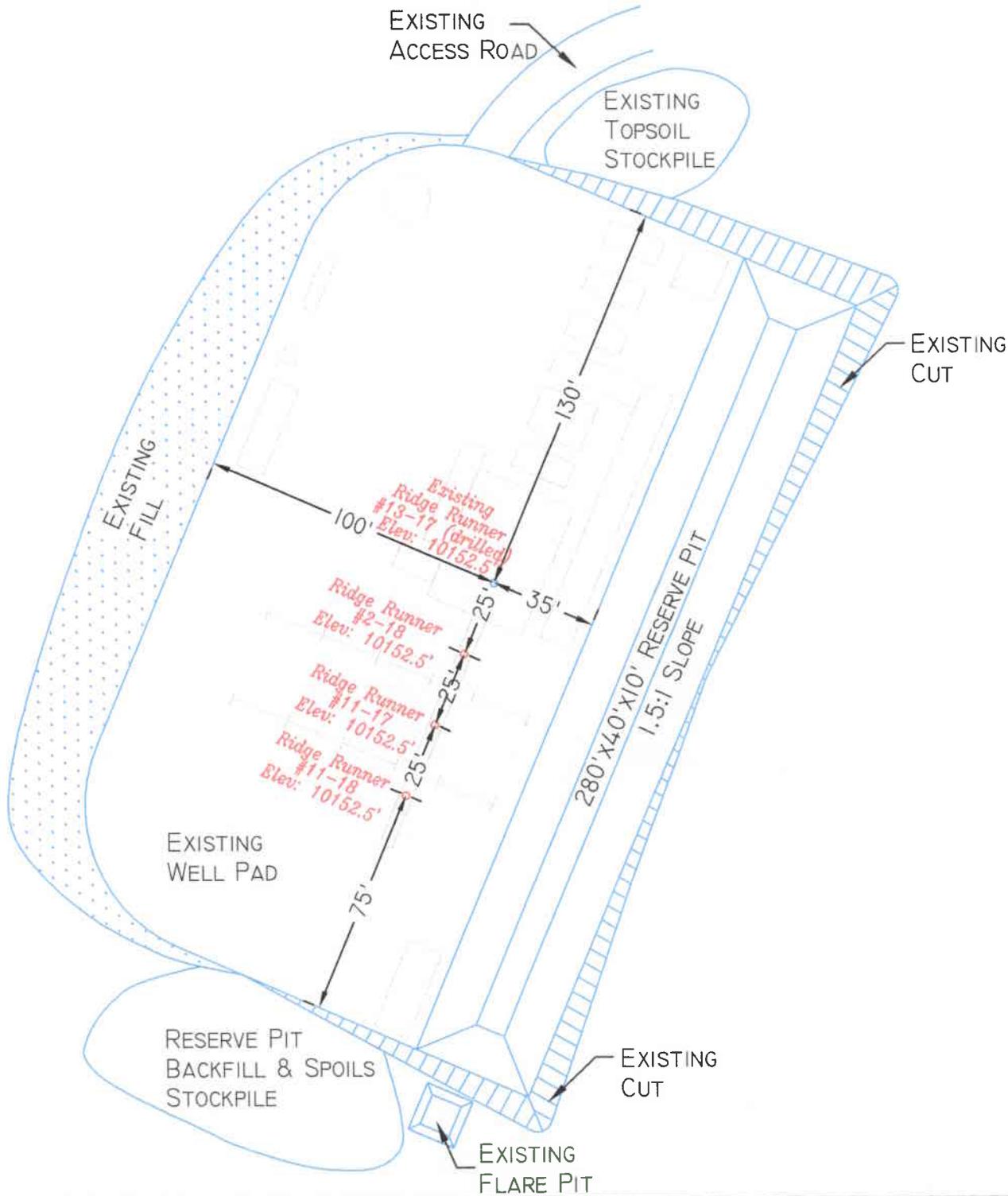


8290 W. Sahara Avenue Ste. 186
 Las Vegas, NV, 89117
 Tel: (702) 838-0716
 Fax: (702) 838-5087

Topographic Map

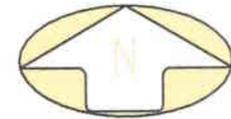
Created on January 12th 2006

Created by John Pinkerton Revised: MM-DD-YY



PIT SECTION

APPROXIMATE CUT
= 2300 CU YDS.



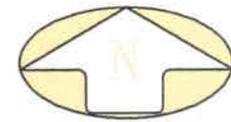
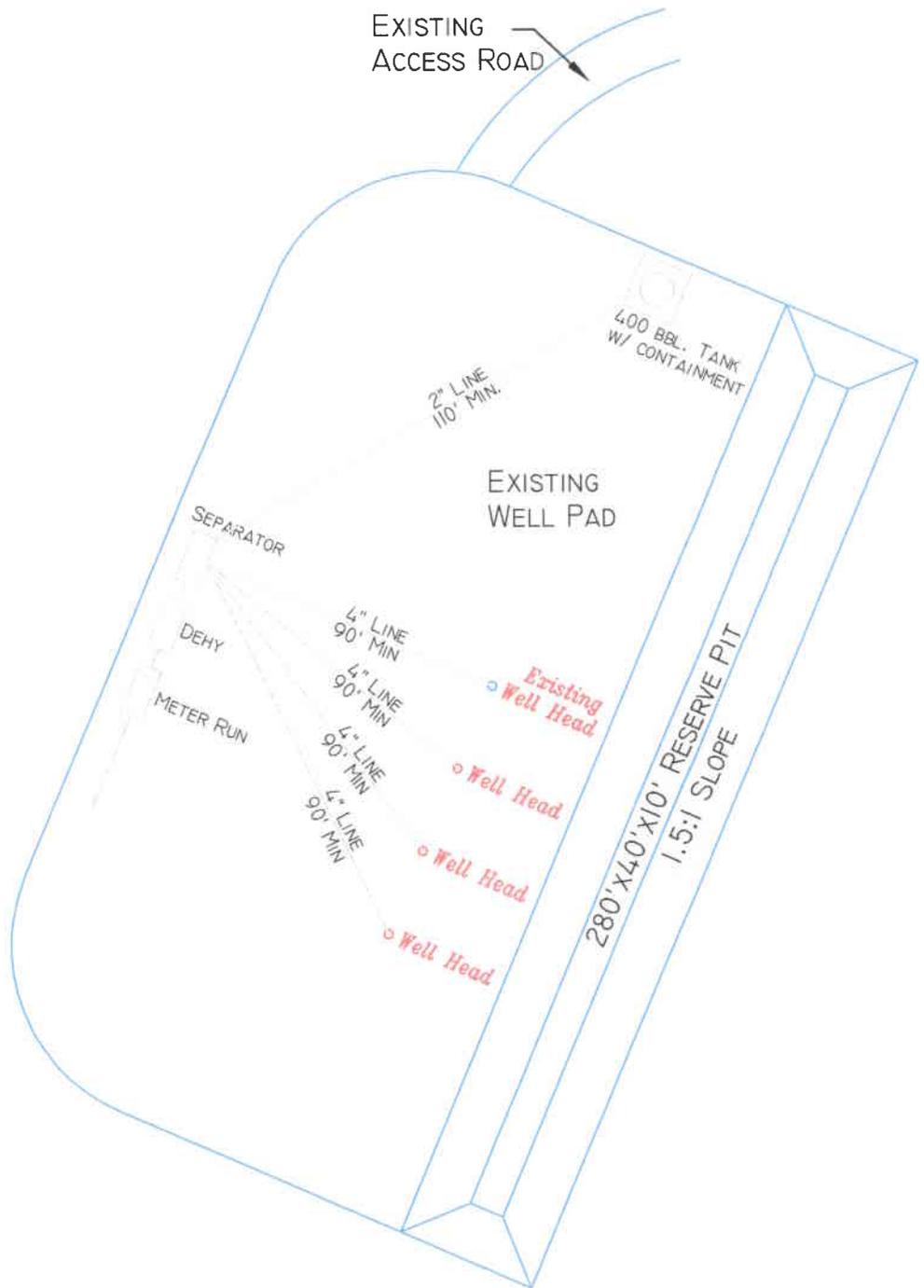
TALON RESOURCES, INC.

195 North 100 West P.O. Box 1230
Huntington, Utah 84528
Phone (435)687-5310 Fax (435)687-5311
E-Mail talonactv.net

Marion Energy Inc.

**LOCATION LAYOUT
ON EXISTING WELL PAD
Section 17, T14S, R7E, S.L.B.&M.
RIDGE RUNNER #11-17**

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. A-2	Date: 4/12/06
	Scale: 1" = 50'
Sheet 2 of 4	Job No. 2390

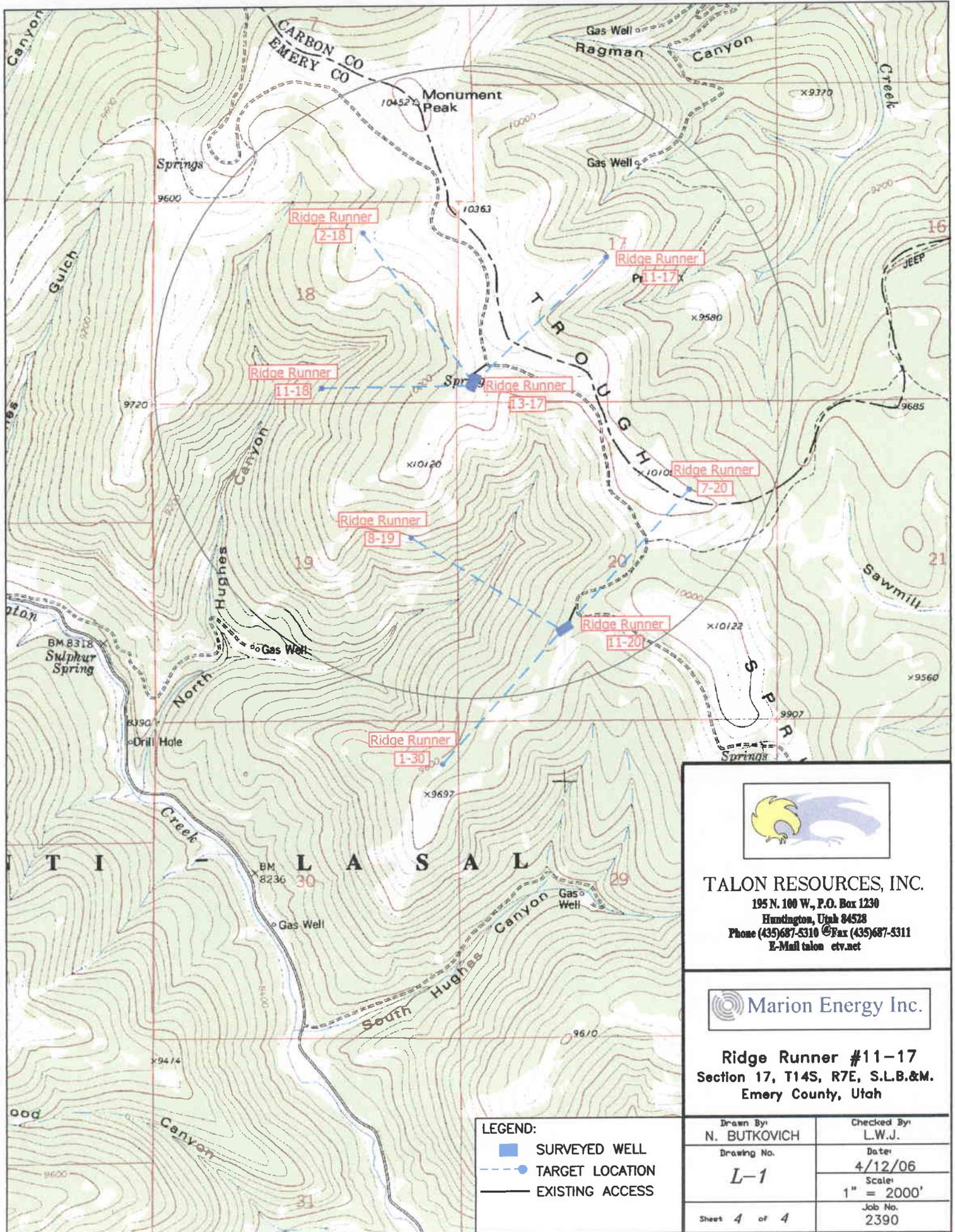


TALON RESOURCES, INC.
 195 North 100 West P.O. Box 1230
 Huntington, Utah 84528
 Phone (435)687-5310 Fax (435)687-5311
 E-Mail talonactv.net

 **Marion Energy Inc.**

**PRODUCTION FACILITY LAYOUT
 ON EXISTING WELL PAD**
 Section 17, T14S, R7E, S.L.B.&M.
 RIDGE RUNNER #11-17

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. A-3	Date: 4/12/06
	Scale: 1" = 50'
Sheet 3 of 4	Job No. 2390



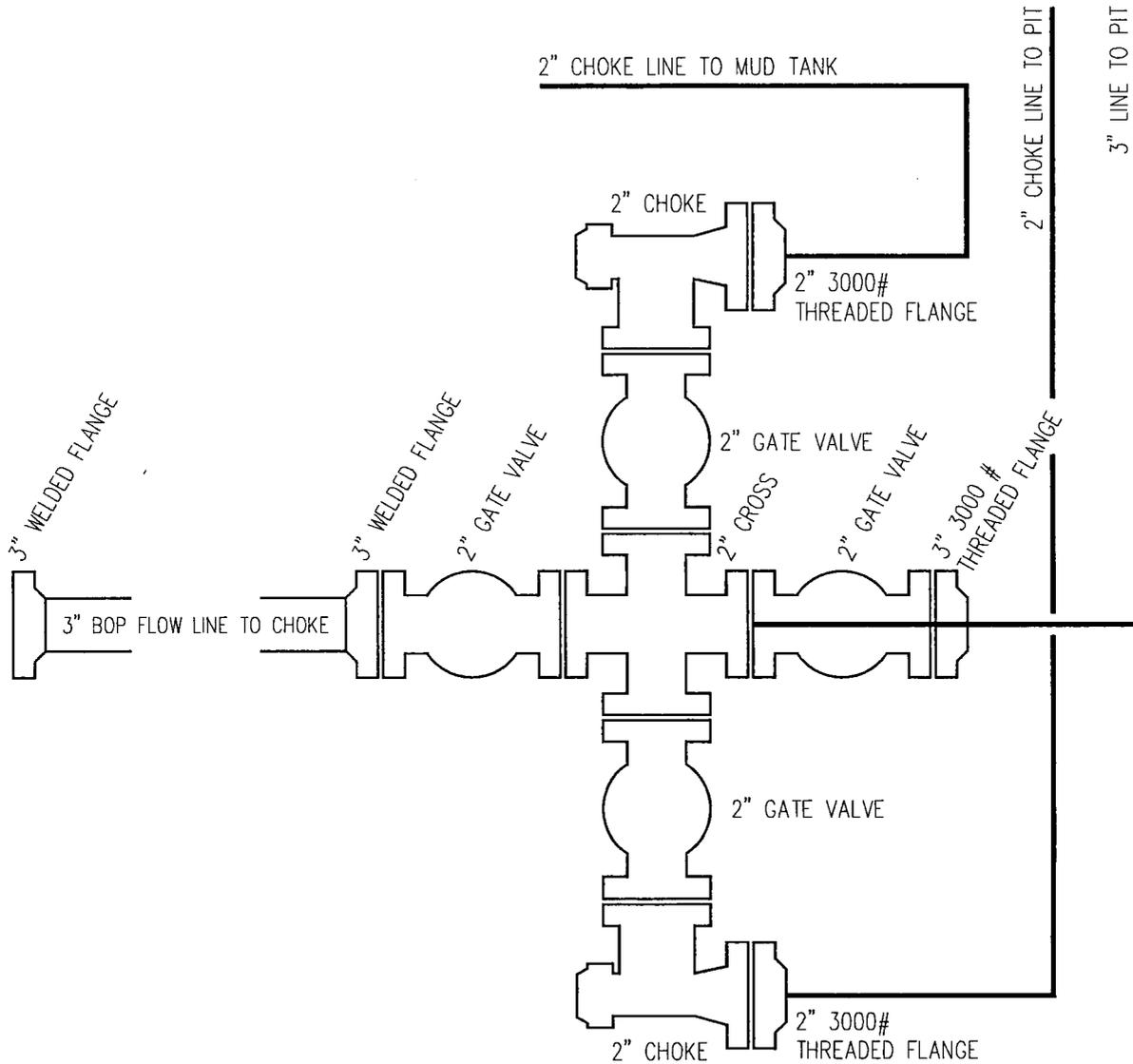
TALON RESOURCES, INC.
 195 N. 100 W., P.O. Box 1230
 Huntington, Utah 84528
 Phone (435)687-5310 Fax (435)687-5311
 E-Mail talon@ctv.net



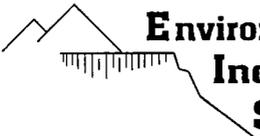
Ridge Runner #11-17
 Section 17, T14S, R7E, S.L.B.&M.
 Emery County, Utah

LEGEND:
 ■ SURVEYED WELL
 - - - ● TARGET LOCATION
 — EXISTING ACCESS

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. L-1	Date: 4/12/06
	Scale: 1" = 2000'
Sheet 4 of 4	Job No. 2390



REVISIONS		
#	DATE	BY



Environmental Industrial Services

Environmental & Engineering Consulting

 31 NORTH MAIN STREET

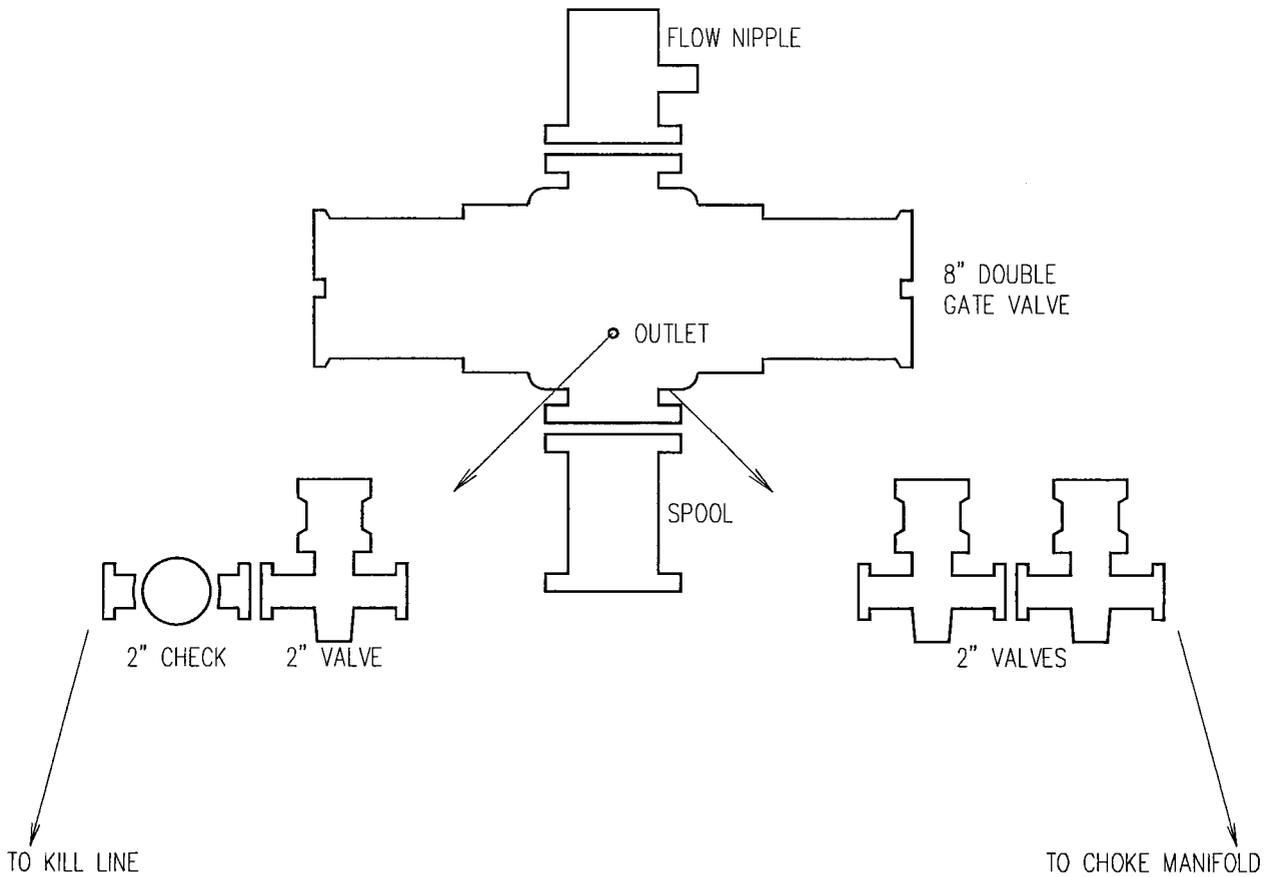
 (435) 472-3814 HELPER, UTAH 84526

MARION ENERGY, INC.

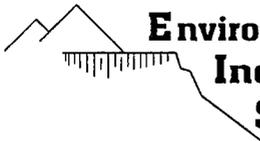
 119 SOUTH TENNESSEE #200

 MCKINNEY, TEXAS

DRAWING NAME:		TYPICAL RIG	
DRAWN BY:	PJJ	SCALE:	NONE
APPROVED BY:	EIS	DATE:	10/17/05
		SHEET:	FIGURE 1



REVISIONS		
#	DATE	BY



Environmental Industrial Services
Environmental & Engineering Consulting
 31 NORTH MAIN STREET
 HELPER, UTAH 84526
 (435) 472-3814

MARION ENERGY, INC.
 119 SOUTH TENNESSEE #200
 MCKINNEY, TEXAS

DRAWING NAME:		TYPICAL RIG	
DRAWN BY:	PJJ	SCALE:	NONE
APPROVED BY:	EIS	DATE:	10/17/05
SHEET:		FIGURE 2	

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 04/18/2006

API NO. ASSIGNED: 43-015-30685

WELL NAME: RIDGE RUNNER 11-17
 OPERATOR: MID-POWER RESOURCE CORP (N2215)
 CONTACT: KERI CLARKE

PHONE NUMBER: 702-838-0716

PROPOSED LOCATION:

SWSW 17 140S 070E
 SURFACE: 0315 FSL 0269 FWL
 BOTTOM: 2439 FSL 2470 FWL
 COUNTY: EMERY
 LATITUDE: 39.60148 LONGITUDE: -111.1719
 UTM SURF EASTINGS: 485242 NORTHINGS: 4383332
 FIELD NAME: CLEAR CREEK (10)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: U-01740
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: FRSD
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. 9578030406)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. PRRV _____)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

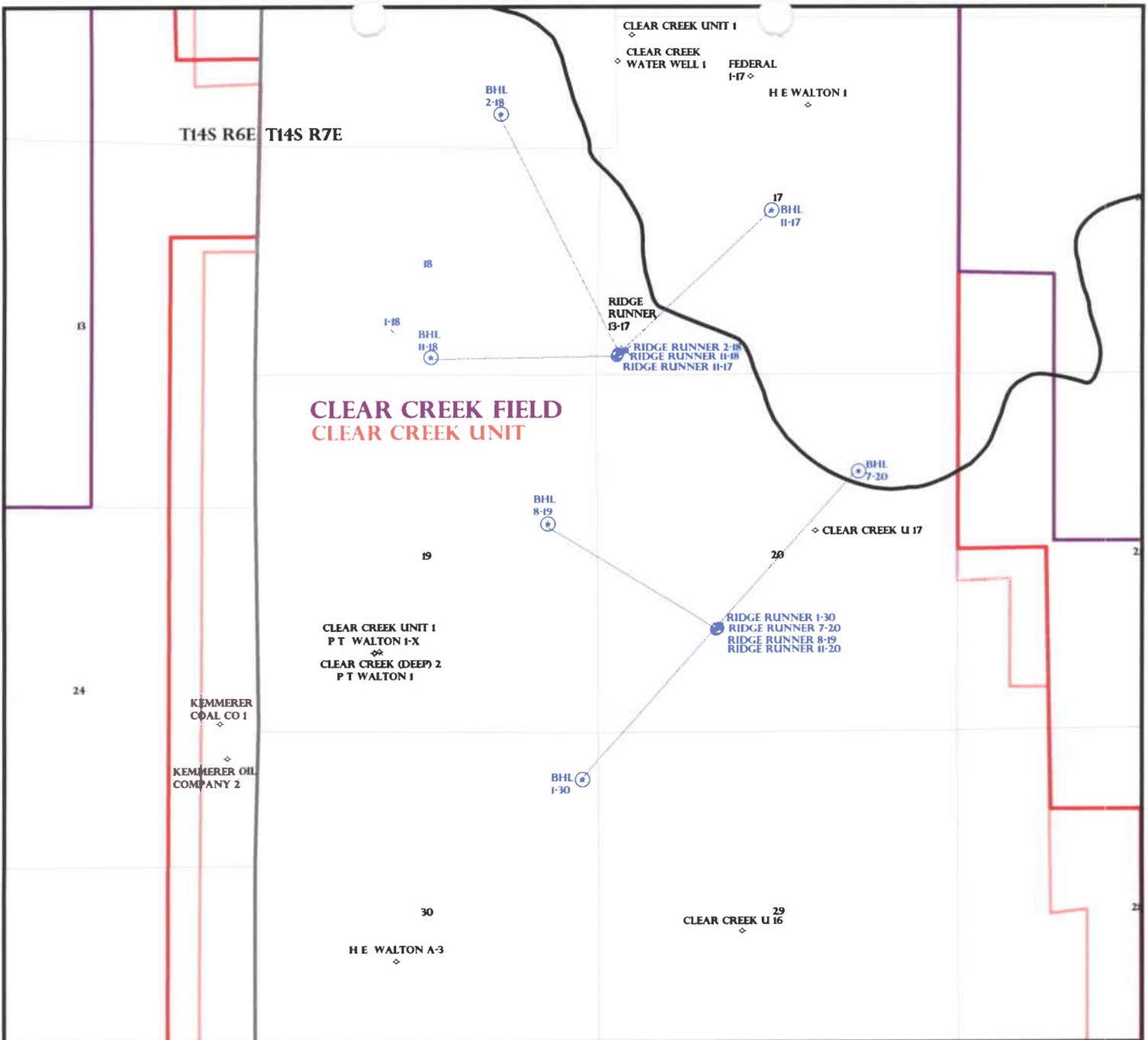
LOCATION AND SITING:

- _____ R649-2-3.
- Unit: CLEAR CREEK
- _____ 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: _____

STIPULATIONS: 1- Federal Approval

2- Spacing Strip



OPERATOR: MID-POWER RES (N2215)

SEC: 17,20 T. 14S R. 7E

FIELD: CLEAR CREEK (10)

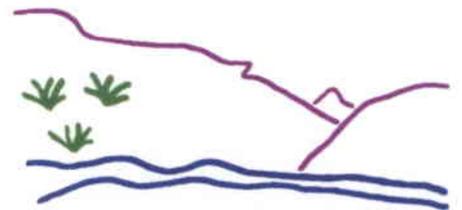
COUNTY: EMERY

SPACING: R649-3-11 / DIRECTIONAL DRILLING

- Field Status**
- ABANDONED
 - ACTIVE
 - COMBINED
 - INACTIVE
 - PROPOSED
 - STORAGE
 - TERMINATED

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

- Wells 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
 - ⊙ DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
DATE: 25-APRIL-2006



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

April 26, 2006

Mid-Power Resource Corporation
8290 West Sahara, #186
Las Vegas, NV 89117

Re: Ridge Runner 11-17 Well, Surface Location 0316' FSL, 0270' FWL, SW SW, Sec. 17, T. 14 South, R. 7 East, Bottom Location 2439' FSL, 2470' FWL, NE SW, Sec. 17, T. 14 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.

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 43-015-30685.

Sincerely,

Gil Hunt
Associate Director

mf
Enclosures

cc: Emery County Assessor
Bureau of Land Management, Moab District Office

Operator: Mid-Power Resource Corporation
Well Name & Number Ridge Runner 11-17
API Number: 43-015-30685
Lease: USA-U-01740

Surface Location: SW SW **Sec.** 17 **T.** 14 South **R.** 7 East
Bottom Location: NE SW **Sec.** 17 **T.** 14 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

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

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

5. 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.

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

MID
POWER
RESOURCE CORPORATION

May 5, 2006

43-015-30685

Utah Division of Oil Gas and Mining
ATTN: Diana Whitney
1594 West North Temple, Suite 1210
Salt Lake City, Utah
84116

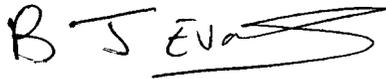
RE: Ridge Runner #11-18, #2-18, #11-17, #8-19, #1-30, #7-20
Mid-Power Resource Corp. Amendment to Surface use and Drilling Plans
Clear Creek Unit 13S-7E and 14S-7E, Carbon and Emery Counties, Utah

Dear Ms. Whitney

Per Tom Lloyd's (USDA Forest Service) request, please find enclosed copies of the amended Surface Use Plans and Drilling Plans that pertain to the above referenced wells that are to be drilled in the Clear Creek Unit located in 13S-7E and 14S-7E, Carbon and Emery Counties, Utah.. I have also included a diagram that depicts the well equipment layout of each pad site.

If you require any further information, please do not hesitate to contact me at (972) 540-2967 ext. 3004 or email bevans@marionenergy.com

Sincerely,

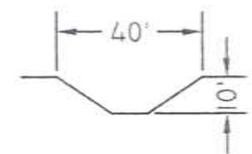
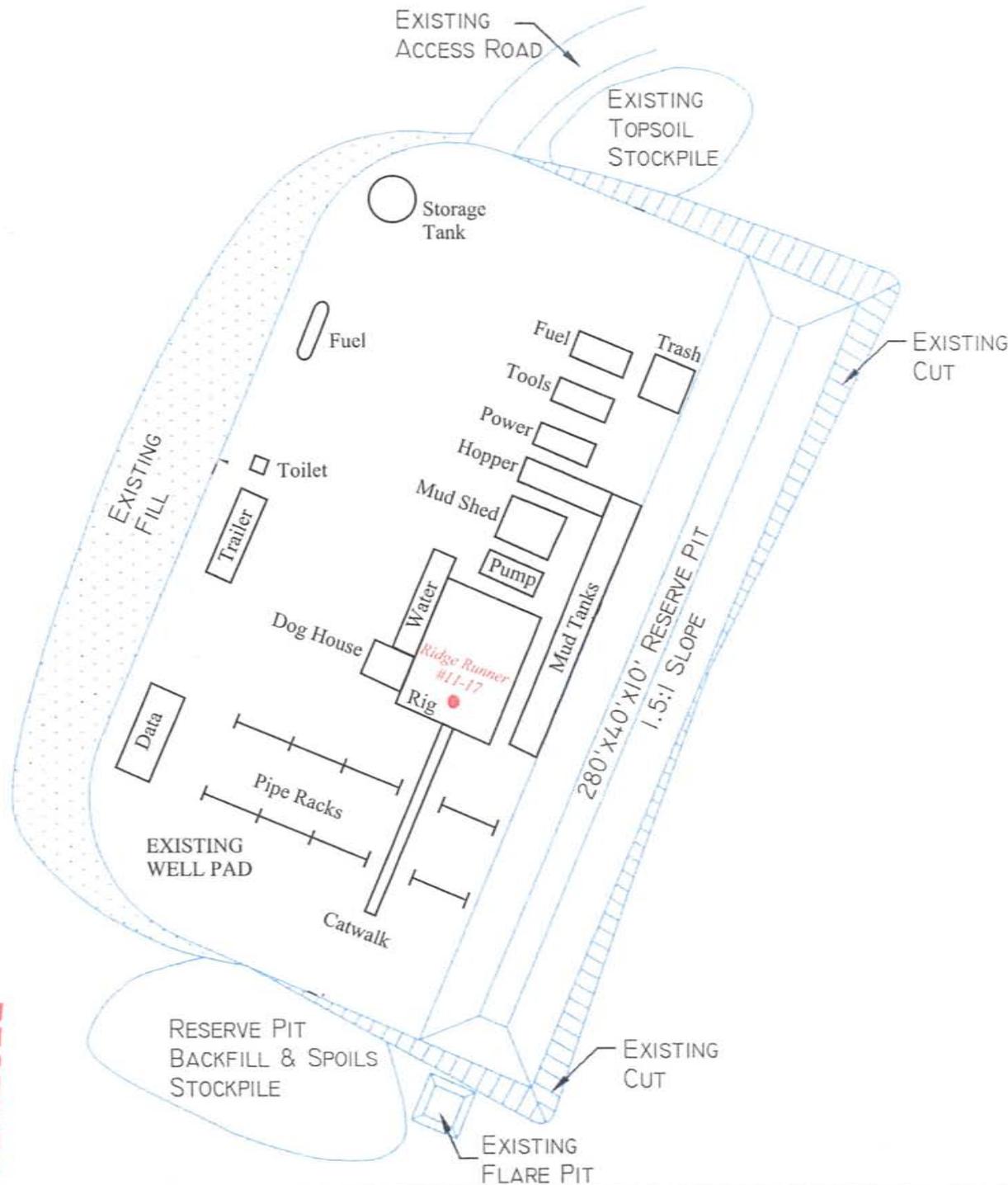


Benjamin Evans
Landman
Marion Energy Inc.
(Agent for Mid-Power Resource Corp.)

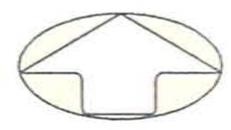
RECEIVED

DIV. OF OIL, GAS & MINING

8290 West Sahara Avenue, Suite 186, Las Vegas, Nevada, 89117
Telephone: (702) 838-0716, Fax: (702) 838-5087



PIT SECTION
 APPROXIMATE CUT
 = 2300 CU Yds.



TALON RESOURCES, INC.
 195 North 100 West P.O. Box 1230
 Huntington, Utah 84528
 Phone (435)687-5310 Fax (435)687-5311
 E-Mail talonnetv.net



**LOCATION LAYOUT
 ON EXISTING WELL PAD
 Section 17, T14S, R7E, S.L.B.&M.
 RIDGE RUNNER #11-17**

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. A-4	Date: 4/12/06
	Scale: 1" = 50'
Sheet 2 of 4	Job No. 2390

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 DIV. OF OIL, GAS & MINING

Surface Use Plan
Mid-Power Resource Corporation
Ridge Runner #11-17

Thirteen Point Surface Use Plan

1. Existing Roads

a. The proposed well site is located approximately 14 miles south of Scofield, Utah

b. Directions to the location from Scofield, Utah are as follows:

From Scofield proceed south on Highway 96 for approximately 2.8 miles. Turn west onto the Eccles Canyon Road (Highway 264) and proceed 4.1 miles. Turn left onto the Forest Service Road (#018) and proceed through a gate and then in a southeasterly direction for 7.1 miles. Turn right onto the new access road and continue 0.1 miles to the location.

c. For location of access roads see Maps A & B.

d. Top map A is the vicinity map showing the access route from Scofield, Utah.

e. Topo map B shows the proposed access road to each well. It also shows existing roads in the immediate area

f. Improvement to the existing Forest Service Road will require upgrading as specified by the Forest Service.

g. All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

h. Existing roads and newly constructed roads on surface under the jurisdiction of any Surface Managing Agency shall be maintained in accordance with the standards of the SMA.

i. Road use permit # 0410-03-13 which expires June 1st 2006 is currently being renewed/extended. Maintenance of the access road will be conducted according to conditions outlines in the referenced road use permit.

2. Planned Access Roads

- a. The last 7.1 miles of access road will be upgraded to accommodate rig traffic. The road will have a subgrade of 14 feet with a running surface of 12 feet. Four inches of gravel will be placed on portions of the access road.
- b. Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

3. Location of Existing Wells Within a 1-Mile Radius of the Proposed Location

- a. Water wells – non
- b. Injection wells – none
- c. Producing wells – none
- d. Drilling wells – none
- e. Shut-in wells – Ridge Runner #11-20 & #13-17 (See Location Map L-1)
- f. For reference please see topo map B

4. Location of Tank Batteries and Production Facilities

- a. All permanent structures (onsite for six months or longer) constructed or installed (including pump jacks) will be painted a neutral color to blend with the surrounding environment. The proposed color for this site is Juniper Green unless otherwise stipulated by the Forest Services. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded.
- b. If storage facilities/tank batteries are constructed on this lease, the facility/battery or the wellpad shall be surrounded by a containment dike or sufficient capacity to contain at a minimum, the entire content of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.
- c. All loading lines will be placed inside the berm surrounding the tank battery
- d. Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried or anchored down from the wellhead to the meter and 500 feet downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced. All buried pipelines shall be

covered to a depth of 3ft except at road crossings where they shall be covered to a depth of 4ft.

- e. The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil and Gas Order No. 4 for liquid hydrocarbons and Onshore Oil and Gas Order No. 5 for natural gas measurement.
- f. A production facility diagram is attached showing placement of all proposed production facilities. (See survey outline A-3)
- g. Any necessary pits will be properly fenced to prevent any wildlife entry.
- h. All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.
- i. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic.
- j. The road will be maintained in a safe useable condition.
- k. The site will require periodic maintenance to ensure that drainages are kept open and free of debris, ice, and snow, and that surfaces are properly treated to reduce erosion, fugitive dust, and impacts to adjacent areas.
- l. The area used to contain the proposed production facilities will be built using native materials. If these materials are not acceptable, then other arrangements will be made to acquire them from private sources. These facilities will be constructed using bulldozers, graders, and workman crews to construct and place the proposed facilities.

5. Location and Water Supply

- a. Any water to be used for the drilling of this well will be from the Price River Water Improvement District (an adjudicated industrial water source) and transported by a local trucking company (Nielson Construction).
- b. No water wells are to be drilled.

6. Source of Construction Material

- a. Surface and subsoil materials in the immediate area will be utilized.

- b. No construction materials are needed for drilling operations. In the event of production, the small amount of gravel needed for facilities will be hauled in by truck from a local gravel pit over existing access roads in the area. No special access other than for drilling operations and pipeline construction is needed.
- c. The use of materials under BLM jurisdiction will conform with 43 CFR 3610.2.3. Construction material will not be located on lease.
- d. No construction materials will be removed from Federal land.
- e. All access roads crossing BLM land is shown on topo map B.

7. Methods of Handling Waste Disposal

- a. The reserve pit will be constructed so as not to leak, break, or allow discharge. The reserve pit will be lined with a minimum 10mil plastic liner.
- b. The reserve pit will be constructed of sufficient size and capacity for the necessary fluids for drilling and to contain any runoff from the drill site. Pits will not be constructed within intermittent or perennial stream channels.
- c. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. Garbage and trash will be collected in a trash cage and its contents hauled to a sanitary landfill. All wastes caused by the construction activities shall be promptly removed and disposed of in a sanitary landfill or as directed by the company representative.
- d. The reserve pit will be constructed in undisturbed material and below the natural ground level.
- e. A minimum 2-foot freeboard will be maintained in the pit at all times during the drilling operation and the pit will be fenced during drilling and completion operations.
- f. Burning will not be allowed. All trash will be contained in a trash cage and its contents removed at the end of drilling operations and hauled to an approved disposal sight.
- g. After first production, produced waste water will be confined to a unlined pit or storage tank for a period not to exceed ninety (90) days. During the 90-day period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the AO's approval. Failure to file an

application within the time allowed will be considered an incident of noncompliance.

- h. Drill cuttings are to be contained and buried in the reserve pit.
- i. Any salts and/or chemicals which are an integral part of the drilling system will be disposed of in the same manner as the drilling fluid.
- j. Sewage will be placed in a portable chemical toilet or holding tank and disposed of in accordance with state and county regulations.
- k. The produced fluids (other than water) will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas, salt water or other produced fluids will be cleaned up and removed.

8. Ancillary Facilities

There are no airstrips, camps, or other facilities planned during the drilling of the proposed well.

9. Well Site Layout

- a. All cut and fill slopes will be such that stability can be maintained for the life of the activity. The upper edges of all cut banks on the access roads and well pads will be rounded. Cut and fill slopes will be constructed as follows:

<u>Height of Slope</u>	<u>Slope</u>
0-5 feet	3:1
6-10 feet	2:1
Over 10 feet	1-1/2:1

- b. All fills will be free from vegetative materials and will be compacted in lifts no greater than 12 inches in thickness to a minimum of 90 percent Proctor dry density sufficient to prevent excessive settlement.
- c. The working surface of the drill site will be surfaced with crushed gravel to a depth sufficient to support anticipated loads throughout the life of the well. Usually a depth of 12 inches of gravel is anticipated.
- d. A diversion ditch having the minimum dimensions of 3 feet horizontal to 1 foot vertical (3:1 ditch), will be constructed around the site to divert surface waters from flowing onto the site. The ditch will be located at the base of the cut slope and around the toe of the fill slopes (see Drawing No. 1 – Construction Requirements of Typical Well Sites). A straw dike will be constructed in the ditch outflow to trap any sediment produced from the raw slopes. A culvert will be necessary where the access road enters the site.

- e. A berm will be constructed around the perimeter of the site to contain all precipitation, spills, and other fluids from leaving the site. The berm will be a minimum of 18 inches high, 12 inches wide at the top, and having 1-1/2:1 side slopes. The site surface will be graded to drain to the reserve pit. The drainage pattern to be constructed will be modified for each site, depending on the site specific conditions.
- f. The reserve pit will be located on the east side of the location.
- g. The stockpiled topsoil (first six inches or maximum available) will be stored along the perimeter of the location as shown on the location plat.
- h. See Location Layout for orientation of rig, cross section of drill pad and cuts and fills. (See attached Platt A-4)
- i. The location of mud tanks, reserve pit, trash cage, pipe racks, living facilities and soil stockpiles will be shown on the Location Layout.
- j. All pits will be fenced to prevent wildlife entry.
- k. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until cleanup. Reclamation will be undertaken no later than the fall of the year after all drilling activity has ceased.

10. Plans for Restoration of Surface

Dry Hole

- a. Rehabilitation of the entire site will be required and will commence immediately after the drilling is complete. The site will be restored as nearly practical to its original condition. Cut and fill slopes will be reduced and graded to conform to the adjacent terrain.
- b. Drainages will be reestablished and temporary measures will be required to prevent erosion to the site until vegetation is established.
- c. Generally speaking, the standpipe for well identifications will be removed on National Forest lands. A final determination will be made on a case-by-case basis.
- d. After final grading and before the replacement of topsoil, the entire surface of the site shall be scarified to eliminate slippage surfaces and to promote root penetration. Topsoil will then be spread over the site to achieve an

approximate uniform, stable thickness consistent with the established contours.

- e. A temporary fence will be constructed around the site until vegetation is established. The fence will then be removed.
- f. At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment.

Producing Location

- a. Site reclamation for producing wells will be accomplished for portions of the site not required for the continued operation of the well. All disturbed surface will be treated to prevent erosion and to complement the esthetics of the area. A new site plan will be required encompassing the facilities required for operation and interim reclamation measures.
- b. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash and junk not required for production.
- c. Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.
- d. The plastic nylon reinforced liner shall be torn and perforated before backfilling of the reserve pit.
- e. At the end of drilling operations, drilling fluids will be hauled to an approve disposal site. All polluting substances or contaminated materials, such as oil, oil-saturated soil, and gravel, will be buried within a minimum of 2 feet of clean soil as cover or be removed from the Forest.
- f. Once the reserve pit is dry, the reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours.
- g. The cut and fill slopes and all other disturbed areas not needed for the production operation will be topsoiled and re-vegetated. The berm will be removed and the site graded to drain.
- h. The site will be seeded and/or planted as prescribed by the Forest Service. This prescription will be determined prior to site construction on a site specific basis. Nutrients and soil amendments will be applied to the redistributed surface soil later as necessary to meet the re-vegetation requirements. Fall seeding will be completed after September, and prior to prolonged ground frost.

- i. Annual or noxious weeds shall be controlled on all disturbed areas. Method of control shall be by approved mechanical method or an Environmental Protection Agency (EPA) registered herbicide. All herbicide application will be in cooperation with Forest Service personnel.

11. Surface Ownership

Access Roads – All roads are located within the Manti-La Sal National Forest. Portions of the access road are located on private lands.

Well Pad – The well pad is located on lands managed by the Manti-La Sal National Forest.

12. Other Information

- a. A Class III cultural resource inventory will be completed prior to disturbance by a qualified professional archaeologist.
- b. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the operator to:
 - i. whether the materials appear eligible for the National Register of Historic Places;
 - ii. the mitigation measures the operator will likely have to undertake before the site can be used (assuming the site preservation is not necessary); and
 - iii. a time frame for the AO to complete and expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate. If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

- c. Less than 10,000 pounds of any chemical(s) from the EPA's Consolidated list of Chemicals Subject to Reporting Under Title III of the Superfund Amendments and Reauthorization Act (SARA) Of 1986, as defined in 40 CFR, would be used, produces, transported, stored, disposed, or associated with the proposed action.
- d. All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.
- e. A complete copy of the approved APD shall be on location during construction of the location and drilling activities.
- f. There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.h.
- g. "Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.
- h. This permit will be valid for a period of one year from the date of approval. An extension period may be granted, if requested, prior to the expiration of the original approval period.
- i. The operator or his contractor shall contact the U.S. Forest Service at 801-637-2817 48 hours prior to construction activities.

13. Lessee's or Operator's Representative and Certification

Permit Matters

Marion Energy Inc./Mid-Power Resource Corp.

Keri Clarke

119 S. Tennessee Suite 200

McKinney, TX, 75069

(972)540-2967

Drilling & Completion Matters

Marion Energy Inc./Mid-Power Resource Corp.

2901 East 20th Street

Farmington, NM, 87402

Doug Endsley – V P Operations
(505)564-8005

Certification

I hereby certify that I, or Persons under my direct supervision, have inspected the proposed drill site and access rout; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Anschutz Exploration Corp. and it's contractors and subcontractors in conformity with the plan and the terms and conditions under which it is approved.

This statement is subject to the provisions of 18.U.S.C. 1001 for the filing of a false statement.

Date

Name

ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal and Indian Oil and Gas Leases
Ridge Runner #11-17

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Estimated Tops/Geologic Markers

The estimated tops of important geologic markers are as follows:

<u>Name</u>	<u>TVD</u>	<u>TD</u>	<u>Production Phase</u>
Top of Emery	2100ft	2129ft	Gas
Top of Blue Gate	3350ft	3673ft	Gas
Top of Ferron	5633ft	6694ft	Gas
TD	6333ft	7619ft	

2. Estimated Depth of Oil, Gas Water and Other Mineral Bearing Zones

The estimated depths at which the top and bottom of the anticipated water, oil, gas or other mineral bearing formations are expected to be encountered are as follows:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Gas	Ferron	5633'

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

All water shows and water-bearing sand will be reported to the BLM in Moab, Utah. Copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, samples will be submitted to the BLM along with any water analyses conducted.

3. BOP Equipment

Marion Energy Inc's minimum specifications for pressure to control equipment are as follows:

Ram Type: 11" Hydraulic double, 3000 psi w.p.

Ram type preventers and associated equipment shall be tested to approve stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10 percent in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Annular type preventers (if used) shall be tested to 60 percent of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. when initially installed;
- b. whenever any seal subject to test pressure is broken
- c. following related repairs; and
- d. at 40-day intervals

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

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

Annular preventers (if used) shall be functionally operated at least weekly.

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

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

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log. Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request. Pressure tests shall apply to all related well control equipment.

BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The Price River Resource Area Office shall be notified, at least 24 hours prior to initiating the pressure test, in order to have a BLM representative on location during pressure testing.

- a. The size and rating of the BOP stack is shown on the attached diagram. Although a rig has not been chosen to drill this well, most of the equipment for this depth of hole in the area use a 11", 3000 psi working pressure blowout preventor.
 - b. A choke line and a kill line are to be properly installed. The kill line is not to be used as a fill-up line.
 - c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
 - d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.
4. Casing and Cementing Program
- a. The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation which will contain the maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors, including; presence/absence of hydrocarbons; fractured gradients; usable water zones; formation pressures; lost circulation zones; other minerals; or other unusual characteristics. All indications of usable water shall be reported
 - b. Casing design shall assume formation pressure gradients of 0.44 to 0.50 psi per foot for exploratory wells (lacking better data).
 - c. Casing design shall assume fracture gradients from 0.70 to 1.00 psi per foot for exploratory wells (lacking better data)

- d. Casing collars shall have a minimum clearance of 0.422 inches of all sides in the hole/casing annulus, with recognition that variances can be granted for justified exceptions.
- e. All waiting on cement times shall be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.
- f. All casing except the conductor casing, shall be new or reconditioned and tested used casing that meets or exceeds API standards for new casing.
- g. The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing.
- h. All indications of usable water shall be reported to the authorized officer prior to running the next string of casing or before plugging orders are requested, whichever occurs first.
- i. Three centralizers will be run on the bottom three joints of surface casing with a minimum of one centralizer per joint starting with the shoe joint.
- j. Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method, etc. shall be utilized to help isolate the cement from contamination by the mud fluid being displaced ahead of the cement slurry.
- k. All casing strings below the conductor shall be pressured tested to 0.22 psi per foot of casing string length or 1500 psi, whichever is greater, but not to exceed 70 percent of the minimum internal yield. If pressure declines more than 10 percent in 30 minutes, corrective action shall be taken.
- m. On all exploratory wells, and on that portion of any well approved for 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.

n. The proposed casing program will be as follows:

<u>Purpose</u>	<u>Depth</u>	<u>Hole Size</u>	<u>O.D.</u>	<u>Weight</u>	<u>Grade</u>	<u>Type</u>	<u>New or Used</u>
Surface	0-500'	14 3/4"	10 3/4"	40.5#	J-55	ST&C	New
Intermed.	0-3700'	9 7/8"	7-5/8"	26.4#	J-55	LT&C	New
Produc.	0-7600'	7 7/8"	5-1/2"	17#	J-55	LT&C	New

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

- p. Please refer to DOGM Form 3 for the Cement program associated with this well.
- q. The price River Resource Area Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.
- r. After cementing but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the driller's log.
- s. The following reports shall be filed with the District Manager within 30 days after the work is completed.

1. Progress reports, Form 3160-5 (formerly 9-331) "Sundry Notices and Reports on Wells", must include complete information concerning:

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

- t. Auxiliary equipment to be used is as follows:

1. Kelly cock
2. No bit float is deemed necessary.
3. A sub with a full opening valve.

5. Mud Program

- a. The purpose circulating mediums to be employed in drilling are as follows:

<u>Interval</u>	<u>Mud Type</u>	<u>Mud Wt.</u>	<u>Visc.</u>	<u>F/L</u>	<u>PH</u>
0-500'	Spud Mud				
500-3700'	LSND	8.8-9.2	32-40	8-15	---

3700'-T.D. Air/Foam N/A N/A N/A ---

There will be sufficient mud on location to control a blowout should one occur.

A mud test shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, static filtration loss, and Ph.

- b. Mud monitoring equipment to be used is as follows:
 - 1. Periodic checks will be made each tour of the mud system. The mud level will be checked visually.
- c. Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing or completion operations.

6. Evaluation Program

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

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

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

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

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

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

- b. The logging program will consist of the following log suites: Induction with Gamma Ray and Spontaneous Potential, Compensated Epi-Thermal

Neutron/Density with Photo Electric Caliper, and Ultrasonic Gas detector with Temperature. Logs will be run from TD back to surface pipe.

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

Perforate Ferron w/ 3-3/8" casing gun @ 6 jspf using 23 gram charges. Break down formation with 2000 gallons of Formic acid. Fracture stimulate formation w/ 25# Cross linked x-Linked Gel and 200,000lbs of 16/30 mesh sand.

1. Anticipated Pressures and H,S

- a. The expected bottom hole pressure is 1200 psi. Low pressures are anticipated.
- b. No hydrogen sulfide gas is anticipated.

2. Other Information and Notification Requirements

- a. Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communications, not later than 5 days following the date on which the well is placed on production.
- b. Production data shall be reported to the MMS pursuant to 30 CFR 216.5 using form MMS/3160.
- c. The data on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or the date on which gas is first measured through permanent metering facilities, whichever first occurs.

- d. Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day or authorized test period.
- e. Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or the operator shall be required to compensate the lesser for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.
- f. A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3 and 3162.7-4 shall be submitted to the appropriate District Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in 43 CFR 3162.7 and Onshore Order No.3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.
- g. Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that “not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed.”

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109 (3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

- h. Drilling will commence on approximately June 30, 1996 to avoid wither operations within the forest.
- i. It is anticipated that the drilling of this well will take approximately 30 days.
- j. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be

suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

- k. Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.
- l. If a replacement rig is contemplated for completion operations, a "Sundry Notice" Form 3160-5 to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.
- m. Pursuant to Onshore Order No. 7, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the period so authorized, and application for approval of the permanent disposal method, along with the required water analysis and other information must be submitted to the District Engineer.
- n. No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the SO> A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative or the appropriate Surface Managing Agency.



Marion Energy Inc.

May 12, 2006

Utah Division of Oil Gas and Mining
ATTN: Diana Whitney
1594 West North Temple, Suite 1210
Salt Lake City, Utah
84116

43,015 * 30685

RE: **Ridge Runner #11-18, #2-18, #11-17, #8-19, #1-30, #7-20**
Marion Energy Inc., Sundry Notice
Clear Creek Unit 13S-7E and 14S-7E, Carbon and Emery Counties, Utah

Dear Ms. Whitney

Please find enclosed a sundry notices pertaining to the above referenced wells. The sundry notice is being filed due to a typing error found in the casing specifications on the Form 3. The same error was present in the drilling plan. This sundry notice serves to correct this error.

If you require any further information, please do not hesitate to contact me at (972) 540-2967 ext. 3004 or email bevans@marionenergy.com

Sincerely,



Benjamin Evans
Landman
Marion Energy Inc.

RECEIVED

MAY 15 2006

DIV. OF OIL, GAS & MINING

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS			5. LEASE DESIGNATION AND SERIAL NUMBER: USA-U-01740
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: Clear Creek Unit
2. NAME OF OPERATOR: Marion Energy Inc.			8. WELL NAME and NUMBER: Ridge Runner #11-17
3. ADDRESS OF OPERATOR: 119 S. Tennessee Ste. 200 CITY McKinney STATE TX ZIP 75069		PHONE NUMBER: (972) 540-2967	9. API NUMBER: 4301530685
4. LOCATION OF WELL FOOTAGES AT SURFACE: 315.80ft FSL, 269.66ft FWL /SW/4 S17 14S-7E			10. FIELD AND POOL, OR WLD CAT: Wildcat
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 17 14S 7E			COUNTY: Emery
			STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Correct typing error on APD form 3</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.

Please find attached to this sundry, a copy of a corrected APD form 9. The correction pertains to a typing error found in the specifications for casing in item number 24 on the form 9. The new amended report reflects the corrected specifications.

Please also find the corrected specifications in the drilling plan that is also attached.

In the final paragraph of the original surface use plan, there was reference made to Anchutz Exploration Corp, this has now been removed and Marion Energy Inc. has been replaced.

NAME (PLEASE PRINT) <u>Benjamin Evans</u>	TITLE <u>Landman</u>
SIGNATURE <u><i>B. Evans</i></u>	DATE <u>5/12/2006</u>

(This space for State use only)

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

Federal Approval Of This
Action is Necessary

RECEIVED
MAY 15 2006

(5/2000)

Date: 6/6/06
By: *[Signature]*
(See Instructions on Reverse Side)

U.V. OF OIL, GAS AND MINING

ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal and Indian Oil and Gas Leases
Ridge Runner #11-17

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Estimated Tops/Geologic Markers

The estimated tops of important geologic markers are as follows:

<u>Name</u>	<u>TVD</u>	<u>TD</u>	<u>Production Phase</u>
Top of Emery	2100ft	2129ft	Gas
Top of Blue Gate	3350ft	3673ft	Gas
Top of Ferron	5633ft	6694ft	Gas
TD	6333ft	7619ft	

2. Estimated Depth of Oil, Gas Water and Other Mineral Bearing Zones

The estimated depths at which the top and bottom of the anticipated water, oil, gas or other mineral bearing formations are expected to be encountered are as follows:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Gas	Ferron	5633'

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

All water shows and water-bearing sand will be reported to the BLM in Moab, Utah. Copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, samples will be submitted to the BLM along with any water analyses conducted.

3. BOP Equipment

Marion Energy Inc's minimum specifications for pressure to control equipment are as follows:

Ram Type: 11" Hydraulic double, 3000 psi w.p.

Ram type preventers and associated equipment shall be tested to approve stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10 percent in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Annular type preventers (if used) shall be tested to 60 percent of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. when initially installed;
- b. whenever any seal subject to test pressure is broken
- c. following related repairs; and
- d. at 40-day intervals

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

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

Annular preventers (if used) shall be functionally operated at least weekly.

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

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

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log. Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request. Pressure tests shall apply to all related well control equipment.

BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The Price River Resource Area Office shall be notified, at least 24 hours prior to initiating the pressure test, in order to have a BLM representative on location during pressure testing.

- a. The size and rating of the BOP stack is shown on the attached diagram. Although a rig has not been chosen to drill this well, most of the equipment for this depth of hole in the area use a 11", 3000 psi working pressure blowout preventor.
- b. A choke line and a kill line are to be properly installed. The kill line is not to be used as a fill-up line.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.

4. Casing and Cementing Program

- a. The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation which will contain the maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors, including; presence/absence of hydrocarbons; fractured gradients; usable water zones; formation pressures; lost circulation zones; other minerals; or other unusual characteristics. All indications of usable water shall be reported
- b. Casing design shall assume formation pressure gradients of 0.44 to 0.50 psi per foot for exploratory wells (lacking better data).
- c. Casing design shall assume fracture gradients from 0.70 to 1.00 psi per foot for exploratory wells (lacking better data)

- d. Casing collars shall have a minimum clearance of 0.422 inches of all sides in the hole/casing annulus, with recognition that variances can be granted for justified exceptions.
- e. All waiting on cement times shall be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.
- f. All casing except the conductor casing, shall be new or reconditioned and tested used casing that meets or exceeds API standards for new casing.
- g. The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing.
- h. All indications of usable water shall be reported to the authorized officer prior to running the next string of casing or before plugging orders are requested, whichever occurs first.
- i. Three centralizers will be run on the bottom three joints of surface casing with a minimum of one centralizer per joint starting with the shoe joint.
- j. Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method, etc. shall be utilized to help isolate the cement from contamination by the mud fluid being displaced ahead of the cement slurry.
- k. All casing strings below the conductor shall be pressured tested to 0.22 psi per foot of casing string length or 1500 psi, whichever is greater, but not to exceed 70 percent of the minimum internal yield. If pressure declines more than 10 percent in 30 minutes, corrective action shall be taken.
- m. On all exploratory wells, and on that portion of any well approved for 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- n. The proposed casing program will be as follows:

<u>Purpose</u>	<u>Depth</u>	<u>Hole Size</u>	<u>O.D.</u>	<u>Weight</u>	<u>Grade</u>	<u>Type</u>	<u>New or Used</u>
Surface	0-500'	17 1/2"	13 3/8"	61#	J-55	ST&C	New
Intermed.	0-3700'	12 1/4"	8-5/8"	36#	J-55	LT&C	New
Produc.	0-7600'	7 7/8"	5-1/2"	17#	J-55	LT&C	New

- o. Casing design subject to revision based on geologic conditions encountered.

- p. Please refer to DOGM Form 3 for the Cement program associated with this well.
- q. The price River Resource Area Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.
- r. After cementing but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the driller's log.
- s. The following reports shall be filed with the District Manager within 30 days after the work is completed.
 - 1. Progress reports, Form 3160-5 (formerly 9-331) "Sundry Notices and Reports on Wells", must include complete information concerning:
 - a. Setting of each string of casing, showing the size, grade, weight of casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing, depth of cementing tools used, casing test method and results, and the date work was done. Show the spud date on the first reports submitted.
 - b. Temperature of bond logs must be submitted for each well where the casing cement was not circulated to the surface.
- t. Auxiliary equipment to be used is as follows:
 - 1. Kelly cock
 - 2. No bit float is deemed necessary.
 - 3. A sub with a full opening valve.

5. Mud Program

- a. The purpose circulating mediums to be employed in drilling are as follows:

<u>Interval</u>	<u>Mud Type</u>	<u>Mud Wt.</u>	<u>Visc.</u>	<u>F/L</u>	<u>PH</u>
0-500'	Spud Mud				
500-3700'	LSND	8.8-9.2	32-40	8-15	---

3700'-T.D. Air/Foam N/A N/A N/A ---

There will be sufficient mud on location to control a blowout should one occur.

A mud test shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, static filtration loss, and Ph.

b. Mud monitoring equipment to be used is as follows:

1. Periodic checks will be made each tour of the mud system. The mud level will be checked visually.

c. Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing or completion operations.

6. Evaluation Program

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

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

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

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

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

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

b. The logging program will consist of the following log suites: Induction with Gamma Ray and Spontaneous Potential, Compensated Epi-Thermal

Neutron/Density with Photo Electric Caliper, and Ultrasonic Gas detector with Temperature. Logs will be run from TD back to surface pipe.

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

Perforate Ferron w/ 3-3/8" casing gun @ 6 jspf using 23 gram charges. Break down formation with 2000 gallons of Formic acid. Fracture stimulate formation w/ 25# Cross linked x-Linked Gel and 200,000lbs of 16/30 mesh sand.

1. Anticipated Pressures and H,S

- a. The expected bottom hole pressure is 1200 psi. Low pressures are anticipated.
- b. No hydrogen sulfide gas is anticipated.

2. Other Information and Notification Requirements

- a. Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communications, not later than 5 days following the date on which the well is placed on production.
- b. Production data shall be reported to the MMS pursuant to 30 CFR 216.5 using form MMS/3160.
- c. The data on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or the date on which gas is first measured through permanent metering facilities, whichever first occurs.

- d. Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day or authorized test period.
- e. Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or the operator shall be required to compensate the lesser for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.
- f. A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3 and 3162.7-4 shall be submitted to the appropriate District Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in 43 CFR 3162.7 and Onshore Order No.3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.
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- h. Drilling will commence on approximately June 30, 1996 to avoid wither operations within the forest.
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suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

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- m. Pursuant to Onshore Order No. 7, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the period so authorized, and application for approval of the permanent disposal method, along with the required water analysis and other information must be submitted to the District Engineer.
- n. No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the SO> A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative or the appropriate Surface Managing Agency.

Surface Use Plan
Mid-Power Resource Corporation
Ridge Runner #11-17

Thirteen Point Surface Use Plan

1. Existing Roads

- a. The proposed well site is located approximately 14 miles south of Scofield, Utah
- b. Directions to the location from Scofield, Utah are as follows:

From Scofield proceed south on Highway 96 for approximately 2.8 miles. Turn west onto the Eccles Canyon Road (Highway 264) and proceed 4.1 miles. Turn left onto the Forest Service Road (#018) and proceed through a gate and then in a southeasterly direction for 7.1 miles. Turn right onto the new access road and continue 0.1 miles to the location.
- c. For location of access roads see Maps A & B.
- d. Top map A is the vicinity map showing the access route from Scofield, Utah.
- e. Topo map B shows the proposed access road to each well. It also shows existing roads in the immediate area
- f. Improvement to the existing Forest Service Road will require upgrading as specified by the Forest Service.
- g. All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.
- h. Existing roads and newly constructed roads on surface under the jurisdiction of any Surface Managing Agency shall be maintained in accordance with the standards of the SMA.
- i. Road use permit # 0410-03-13 which expires June 1st 2006 is currently being renewed/extended. Maintenance of the access road will be conducted according to conditions outlines in the referenced road use permit.

2. Planned Access Roads

- a. The last 7.1 miles of access road will be upgraded to accommodate rig traffic. The road will have a subgrade of 14 feet with a running surface of 12 feet. Four inches of gravel will be placed on portions of the access road.
- b. Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

3. Location of Existing Wells Within a 1-Mile Radius of the Proposed Location

- a. Water wells – non
- b. Injection wells – none
- c. Producing wells – none
- d. Drilling wells – none
- e. Shut-in wells – Ridge Runner #11-20 & #13-17 (See Location Map L-1)
- f. For reference please see topo map B

4. Location of Tank Batteries and Production Facilities

- a. All permanent structures (onsite for six months or longer) constructed or installed (including pump jacks) will be painted a neutral color to blend with the surrounding environment. The proposed color for this site is Juniper Green unless otherwise stipulated by the Forest Services. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded.
- b. If storage facilities/tank batteries are constructed on this lease, the facility/battery or the wellpad shall be surrounded by a containment dike or sufficient capacity to contain at a minimum, the entire content of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.
- c. All loading lines will be placed inside the berm surrounding the tank battery
- d. Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried or anchored down from the wellhead to the meter and 500 feet downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced. All buried pipelines shall be

covered to a depth of 3ft except at road crossings where they shall be covered to a depth of 4ft.

- e. The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil and Gas Order No. 4 for liquid hydrocarbons and Onshore Oil and Gas Order No. 5 for natural gas measurement.
- f. A production facility diagram is attached showing placement of all proposed production facilities. (See survey outline A-3)
- g. Any necessary pits will be properly fenced to prevent any wildlife entry.
- h. All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.
- i. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic.
- j. The road will be maintained in a safe useable condition.
- k. The site will require periodic maintenance to ensure that drainages are kept open and free of debris, ice, and snow, and that surfaces are properly treated to reduce erosion, fugitive dust, and impacts to adjacent areas.
- l. The area used to contain the proposed production facilities will be built using native materials. If these materials are not acceptable, then other arrangements will be made to acquire them from private sources. These facilities will be constructed using bulldozers, graders, and workman crews to construct and place the proposed facilities.

5. Location and Water Supply

- a. Any water to be used for the drilling of this well will be from the Price River Water Improvement District (an adjudicated industrial water source) and transported by a local trucking company (Nielson Construction).
- b. No water wells are to be drilled.

6. Source of Construction Material

- a. Surface and subsoil materials in the immediate area will be utilized.

- b. No construction materials are needed for drilling operations. In the event of production, the small amount of gravel needed for facilities will be hauled in by truck from a local gravel pit over existing access roads in the area. No special access other than for drilling operations and pipeline construction is needed.
- c. The use of materials under BLM jurisdiction will conform with 43 CFR 3610.2.3. Construction material will not be located on lease.
- d. No construction materials will be removed from Federal land.
- e. All access roads crossing BLM land is shown on topo map B.

7. Methods of Handling Waste Disposal

- a. The reserve pit will be constructed so as not to leak, break, or allow discharge. The reserve pit will be lined with a minimum 10mil plastic liner.
- b. The reserve pit will be constructed of sufficient size and capacity for the necessary fluids for drilling and to contain any runoff from the drill site. Pits will not be constructed within intermittent or perennial stream channels.
- c. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. Garbage and trash will be collected in a trash cage and its contents hauled to a sanitary landfill. All wastes caused by the construction activities shall be promptly removed and disposed of in a sanitary landfill or as directed by the company representative.
- d. The reserve pit will be constructed in undisturbed material and below the natural ground level.
- e. A minimum 2-foot freeboard will be maintained in the pit at all times during the drilling operation and the pit will be fenced during drilling and completion operations.
- f. Burning will not be allowed. All trash will be contained in a trash cage and its contents removed at the end of drilling operations and hauled to an approved disposal sight.
- g. After first production, produced waste water will be confined to a unlined pit or storage tank for a period not to exceed ninety (90) days. During the 90-day period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the AO's approval. Failure to file an

application within the time allowed will be considered an incident of noncompliance.

- h. Drill cuttings are to be contained and buried in the reserve pit.
- i. Any salts and/or chemicals which are an integral part of the drilling system will be disposed of in the same manner as the drilling fluid.
- j. Sewage will be placed in a portable chemical toilet or holding tank and disposed of in accordance with state and county regulations.
- k. The produced fluids (other than water) will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas, salt water or other produced fluids will be cleaned up and removed.

8. Ancillary Facilities

There are no airstrips, camps, or other facilities planned during the drilling of the proposed well.

9. Well Site Layout

- a. All cut and fill slopes will be such that stability can be maintained for the life of the activity. The upper edges of all cut banks on the access roads and well pads will be rounded. Cut and fill slopes will be constructed as follows:

<u>Height of Slope</u>	<u>Slope</u>
0-5 feet	3:1
6-10 feet	2:1
Over 10 feet	1-1/2:1

- b. All fills will be free from vegetative materials and will be compacted in lifts no greater than 12 inches in thickness to a minimum of 90 percent Proctor dry density sufficient to prevent excessive settlement.
- c. The working surface of the drill site will be surfaced with crushed gravel to a depth sufficient to support anticipated loads throughout the life of the well. Usually a depth of 12 inches of gravel is anticipated.
- d. A diversion ditch having the minimum dimensions of 3 feet horizontal to 1 foot vertical (3:1 ditch), will be constructed around the site to divert surface waters from flowing onto the site. The ditch will be located at the base of the cut slope and around the toe of the fill slopes (see Drawing No. 1 – Construction Requirements of Typical Well Sites). A straw dike will be constructed in the ditch outflow to trap any sediment produced from the raw slopes. A culvert will be necessary where the access road enters the site.

- e. A berm will be constructed around the perimeter of the site to contain all precipitation, spills, and other fluids from leaving the site. The berm will be a minimum of 18 inches high, 12 inches wide at the top, and having 1-1/2:1 side slopes. The site surface will be graded to drain to the reserve pit. The drainage pattern to be constructed will be modified for each site, depending on the site specific conditions.
- f. The reserve pit will be located on the east side of the location.
- g. The stockpiled topsoil (first six inches or maximum available) will be stored along the perimeter of the location as shown on the location platt.
- h. See Location Layout for orientation of rig, cross section of drill pad and cuts and fills. (See attached Platt A-4)
- i. The location of mud tanks, reserve pit, trash cage, pipe racks, living facilities and soil stockpiles will be shown on the Location Layout.
- j. All pits will be fenced to prevent wildlife entry.
- k. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until cleanup. Reclamation will be undertaken no later than the fall of the year after all drilling activity has ceased.

10. Plans for Restoration of Surface

Dry Hole

- a. Rehabilitation of the entire site will be required and will commence immediately after the drilling is complete. The site will be restored as nearly practical to its original condition. Cut and fill slopes will be reduced and graded to conform to the adjacent terrain.
- b. Drainages will be reestablished and temporary measures will be required to prevent erosion to the site until vegetation is established.
- c. Generally speaking, the standpipe for well identifications will be removed on National Forest lands. A final determination will be made on a case-by-case basis.
- d. After final grading and before the replacement of topsoil, the entire surface of the site shall be scarified to eliminate slippage surfaces and to promote root penetration. Topsoil will then be spread over the site to achieve an

approximate uniform, stable thickness consistent with the established contours.

- e. A temporary fence will be constructed around the site until vegetation is established. The fence will then be removed.
- f. At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment.

Producing Location

- a. Site reclamation for producing wells will be accomplished for portions of the site not required for the continued operation of the well. All disturbed surface will be treated to prevent erosion and to complement the esthetics of the area. A new site plan will be required encompassing the facilities required for operation and interim reclamation measures.
- b. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash and junk not required for production.
- c. Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.
- d. The plastic nylon reinforced liner shall be torn and perforated before backfilling of the reserve pit.
- e. At the end of drilling operations, drilling fluids will be hauled to an approved disposal site. All polluting substances or contaminated materials, such as oil, oil-saturated soil, and gravel, will be buried within a minimum of 2 feet of clean soil as cover or be removed from the Forest.
- f. Once the reserve pit is dry, the reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours.
- g. The cut and fill slopes and all other disturbed areas not needed for the production operation will be topsoiled and re-vegetated. The berm will be removed and the site graded to drain.
- h. The site will be seeded and/or planted as prescribed by the Forest Service. This prescription will be determined prior to site construction on a site specific basis. Nutrients and soil amendments will be applied to the redistributed surface soil later as necessary to meet the re-vegetation requirements. Fall seeding will be completed after September, and prior to prolonged ground frost.

- i. Annual or noxious weeds shall be controlled on all disturbed areas. Method of control shall be by approved mechanical method or an Environmental Protection Agency (EPA) registered herbicide. All herbicide application will be in cooperation with Forest Service personnel.

11. Surface Ownership

Access Roads – All roads are located within the Manti-La Sal National Forest. Portions of the access road are located on private lands.

Well Pad – The well pad is located on lands managed by the Manti-La Sal National Forest.

12. Other Information

- a. A Class III cultural resource inventory will be completed prior to disturbance by a qualified professional archaeologist.
- b. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the operator to:
 - i. whether the materials appear eligible for the National Register of Historic Places;
 - ii. the mitigation measures the operator will likely have to undertake before the site can be used (assuming the site preservation is not necessary); and
 - iii. a time frame for the AO to complete and expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate. If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

- c. Less than 10,000 pounds of any chemical(s) from the EPA's Consolidated list of Chemicals Subject to Reporting Under Title III of the Superfund Amendments and Reauthorization Act (SARA) Of 1986, as defined in 40 CFR, would be used, produces, transported, stored, disposed, or associated with the proposed action.
- d. All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.
- e. A complete copy of the approved APD shall be on location during construction of the location and drilling activities.
- f. There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.h.
- g. "Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.
- h. This permit will be valid for a period of one year from the date of approval. An extension period may be granted, if requested, prior to the expiration of the original approval period.
- i. The operator or his contractor shall contact the U.S. Forest Service at 801-637-2817 48 hours prior to construction activities.

13. Lessee's or Operator's Representative and Certification

Permit Matters

Marion Energy Inc./Mid-Power Resource Corp.

Keri Clarke

119 S. Tennessee Suite 200

McKinney, TX, 75069

(972)540-2967

Drilling & Completion Matters

Marion Energy Inc./Mid-Power Resource Corp.

2901 East 20th Street

Farmington, NM, 87402

Doug Endsley – V P Operations
(505)564-8005

Certification

I hereby certify that I, or Persons under my direct supervision, have inspected the proposed drill site and access rout; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Marion Energy Inc. and it's contractors and subcontractors in conformity with the plan and the terms and conditions under which it is approved.

This statement is subject to the provisions of 18.U.S.C. 1001 for the filing of a false statement.

5/10/06
Date

BDS
Name

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 5/9/2006 BIA n/a

8. **Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: not yet

9. **Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a

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

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 5/18/2006
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 5/18/2006
3. Bond information entered in RBDMS on: 5/18/2006
4. Fee/State wells attached to bond in RBDMS on: 5/18/2006
5. Injection Projects to new operator in RBDMS on: n/a
6. Receipt of Acceptance of Drilling Procedures for APD/New on: 5/9/2006

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: UTB000179

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: n/a

FEE & STATE WELL(S) BOND VERIFICATION:

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

LEASE INTEREST OWNER NOTIFICATION:

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

COMMENTS:

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: UTU-063018X
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: Clear Creek Unit
2. NAME OF OPERATOR: Marion Energy Inc. (N2740)		8. WELL NAME and NUMBER: See Attachment "A"
3. ADDRESS OF OPERATOR: 119 S Tennessee Ste #200 CITY McKinney STATE TX ZIP 75069		9. API NUMBER:
4. LOCATION OF WELL FOOTAGES AT SURFACE: N/A QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: N/A		10. FIELD AND POOL, OR WILDCAT: Clear Creek Federal unit COUNTY: Carbon and 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"/> 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 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.
 Marion Energy Inc. will take over operation of the Clear Creek Federal Unit which is currently operated by Mid-Power Resource Corporation, and is located in both Carbon and Emery Counties Utah.

N2215

Please See attachment "A" for well Names, API numbers, and legal descriptions

*BLM Bond = UTB 000179
 Special Bond = B 002775
 State + Fee Bond = B 001617
 Effective 4/28/2006*

NAME (PLEASE PRINT) <u>Keri Clarke</u>	TITLE <u>Vice President Land (Marion Energy Inc)</u>
SIGNATURE	DATE <u>5/4/06</u>

(This space for State use only)

APPROVED 5/18/06
Earlene Russell
 Division of Oil, Gas and Mining
 Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

DIV. OF OIL, GAS & MINING
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**Attachment A
Marion Energy Inc.**

**Clear Creek Unit
Carbon and Emery Counties, Utah**

Wells

<u>Well Name</u>	<u>API Number</u>	<u>Status</u>	<u>Section Township Range</u>
Utah Fuel No. 1	43-007-16009-00-00	Shut-in	S. 5 T14S R7E
Utah Fuel No. 2	43-007-16010-00-00	Shut-in	S. 32 T13S R7E
Utah Fuel No. 3	43-007-16011-00-00	Shut-in	S. 32 T13S R7E
Utah Fuel No. 4	43-007-16012-00-00	Shut-in	S. 30 T13S R7E
Utah Fuel No. 5	43-007-16013-00-00	Plugged and Abandoned	S. 31 T13S R7E
Utah Fuel No. 8	43-007-16015-00-00	Shut-in	S. 19 T13S R7E
Utah Fuel No. 10	43-007-16016-00-00	Shut-in	S. 5 T14S R7E
Utah State M.L. 1256-1	43-007-30102-00-00	Shut-in	S. 29 T13S 7E
Oman 2-20	43-007-30289-00-00	Shut-in	S. 20 T13S R7E
Utah Fuel A-1	43-015-16021-00-00	Plugged and Abandoned	S. 6 T14S R7E
Alpine School District #6-17	43-007-31181-00-00	Permit not yet Approved	S. 17 T13S R7E
Alpine School District #3-17	43-007-31182-00-00	Permit not yet Approved	S. 17 T13S R7E
Ridge Runner 11-20	43-015-30271-00-00	Shut-in	S. 20 T14S R7E
Ridge Runner 13-17	43-015-30269-00-00	Shut-in	S. 17 T14S R7E
Ridge Runner #1-30	43-015-30680-00-00	Approved APD (NYS)*	S. 20 T14S R7E
Ridge Runner #7-20	43-015-30681-00-00	Approved APD (NYS)*	S. 20 T14S R7E
Ridge Runner #8-19	43-015-30682-00-00	Approved APD (NYS)*	S. 20 T14S R7E
Ridge Runner #2-18	43-015-30683-00-00	Approved APD (NYS)*	S. 17 T14S R7E
Ridge Runner #11-18	43-015-30684-00-00	Approved APD (NYS)*	S. 17 T14S R7E
Ridge Runner #11-17	43-015-30685-00-00	Approved APD (NYS)*	S. 17 T14S R7E

*** Not Yet Spudded**

Plugged Wells or Abandoned Well Sites in area (noted but not changed)

Clear Creek 1	43-007-20068-00-00	Plugged and Abandoned	S. 17 T14S R7E
Clear Creek Unit No. 16	43-015-16018-00-00	Plugged and Abandoned	S. 29 T14S R7E
Clear Creek Unit No. 17	43-015-30053-00-00	Plugged and Abandoned	S. 20 T14S R7E
G W Deck A-1	43-007-16008-00-00	Plugged and Abandoned	S. 8 T14S R7E
Gov't 1-17	43-007-11179-00-00	Plugged and Abandoned	S.17 T14S R7E
Kearns A-1	43-015-11217-00-00	Plugged and Abandoned	S. 32 T14S R7E
Kemmerer Coal 1	43-015-10897-00-00	Plugged and Abandoned	S. 24 T14S R6E
Kemmerer Coal 2	43-015-10304-00-00	Plugged and Abandoned	S. 24 T14S R6E
C. K. Steiner A-1	43-015-10306-00-00	Plugged and Abandoned	S. 5 T15S R7E
Utah Fuel No. 7	43-007-16014-00-00	Plugged and Abandoned	S. 17 T13S R7E
H. E. Walton No. 1	43-007-16017-00-00	Plugged and Abandoned	S. 17 T14S R7E
H.E. Walton A-3	43-015-16023-00-00	Plugged and Abandoned	S. 30 T14S R7E
P. T. Walton No. 1-X	43-015-16024-00-00	Plugged and Abandoned	S. 19 T14S R7E
Clear Creek Water Well 1	43-007-20119-00-00	Plugged and Abandoned	S. 17 T14S R7E
Deck 1	43-007-20356-00-00	Location Abandoned	S. 8 T14S R7E
Clear Creek U 18	43-007-30043-00-00	Location Abandoned	S. 20 T13S R7E
1-18	43-015-20300-00-00	Location Abandoned	S. 18 T14S R7E
P.T. Walton 1	43-015-20302-00-00	Plugged and Abandoned	S. 19 T14S R7E
Clear Creek Unit 1	43-015-30090-00-00	Plugged and Abandoned	S. 19 T14S R7E
Clear Creek (Deep) 2	43-015-30307-00-00	Location Abandoned	S. 19 T14S R7E

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:

UTU-063018X

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:
CLEAR CREEK UNIT

8. WELL NAME and NUMBER:

9. API NUMBER:

10. FIELD AND POOL, OR WLD/CAT:

CLEAR CREEK FEDERAL UNIT

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:
Mid-Power Resource Corporation

3. ADDRESS OF OPERATOR: # 8290 W. SAHARA AVE, 186 CITY LAS VEGAS STATE NV ZIP 89117 PHONE NUMBER: (702) 838-0714

4. LOCATION OF WELL
FOOTAGES AT SURFACE: NA COUNTY: CARBON AND EMERY
QTR/QR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NA 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"/> 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.

Mid-Power Resource Corporation, the designated operator of the unit, resigns as unit operator, effective upon the approval of the successor unit operator, MARION ENERGY INC. Mid-Power Resource acknowledges AND approves this change.

Please refer to ALL documents submitted by MARION ENERGY AS successor unit operator AND ON BEHALF of Mid-Power Resource regarding this change.

NAME (PLEASE PRINT) SUSAN TRIMBOLI TITLE Company Representative
SIGNATURE Susan Trimboli DATE May 9, 2006

(This space for State use only)

APPROVED 5/18/06

(5/2000)

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

(See Instructions on Reverse Side)

RECEIVED

MAY 12 2006

DIV. OF OIL, GAS & MINING



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155



IN REPLY REFER TO
3180
UT-922

May 9, 2006

Marion Energy Inc.
119 South Tennessee, Suite 200
McKinney, Texas 75069

Re: Clear Creek Unit
Carbon & Emery Counties, Utah

Gentlemen:

On May 8, 2006, we received an indenture dated April 28, 2006, whereby Mid-Power Resource Corporation resigned as Unit Operator and Marion Energy Inc. was designated as Successor Unit Operator for the Clear Creek Unit, Carbon & Emery Counties, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective May 9, 2006. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Clear Creek Unit Agreement.

Your Utah statewide oil and gas bond No. UTB000179 will be used to cover all federal operations within the Clear Creek Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ James A. Fouts

for Douglas F. Cook
Chief, Branch of Fluid Minerals

Enclosure

bcc: Field Manager - Moab (w/enclosure)
SITLA
Division of Oil, Gas & Mining
File - Clear Creek Unit (w/enclosure)
Agr. Sec. Chron
Reading File
Central Files

RECEIVED

MAY 11 2006

UT922:TAThompson:tt:5/9/06

DIV. OF OIL, GAS & MINING

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

Request to Transfer Application or Permit to Drill

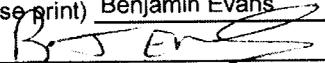
(This form should accompany a Sundry Notice, Form 9, requesting APD transfer)

Well name:	Ridge Runner # 11-17
API number:	4301530685
Location:	Qtr-Qtr: SWSW Section: 17 Township: 14S Range: 7E
Company that filed original application:	Mid-Power Resource Corporation
Date original permit was issued:	04/26/2006
Company that permit was issued to:	Mid-Power Resource Corporation

Check one	Desired Action:
	Transfer pending (unapproved) Application for Permit to Drill to new operator
	The undersigned as owner with legal rights to drill on the property, hereby verifies that the information as submitted in the pending Application for Permit to Drill, remains valid and does not require revision. The new owner of the application accepts and agrees to the information and procedures as stated in the application.
<input checked="" type="checkbox"/>	Transfer approved Application for Permit to Drill to new operator
	The undersigned as owner with legal rights to drill on the property as permitted, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.	Yes	No
If located on private land, has the ownership changed?		✓
<input type="checkbox"/> If so, has the surface agreement been updated?		
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?		✓
Have there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?		✓
Have there been any changes to the access route including ownership or right-of-way, which could affect the proposed location?		✓
Has the approved source of water for drilling changed?		✓
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?		✓
Is bonding still in place, which covers this proposed well? Bond No. <u>B001617</u>	✓	

Any desired or necessary changes to either a pending or approved Application for Permit to Drill that is being transferred, should be filed on a Sundry Notice, Form 9, or amended Application for Permit to Drill, Form 3, as appropriate, with necessary supporting information as required.

Name (please print) Benjamin Evans Title Landman
 Signature  Date 05/09/2006
 Representing (company name) Marion Energy Inc.

The person signing this form must have legal authority to represent the company or individual(s) to be listed as the new operator on the Application for Permit to Drill.

MAY 09 2006

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

RECEIVED
BUREAU OF LAND MANAGEMENT
FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

5. Lease Serial No. **17 P 207**
USA-U-02354

6. If Indian, Allottee or Tribe Name

1a. Type of work: DRILL REENTER

7. If Unit or CA Agreement, Name and No.
Clear Creek Unit

1b. Type of Well: Oil Well Gas Well Other Single Zone Multiple Zone

8. Lease Name and Well No.
Ridge Runner #11-17

2. Name of Operator **Marion Energy, Inc.**
~~Mid-Power Resource Corporation~~

9. API Well No.
4301530685

3a. Address ~~8290 W. Sahara, #186, Las Vegas, Nevada~~
119 S. Tenn 23502, St. Joe, McKinney, TX 75069

3b. Phone No. (include area code)
(702)838-0716 972-546-2067

10. Field and Pool, or Exploratory
Exploratory

4. Location of Well (Report location clearly and in accordance with any State requirements.)
At surface **315.80ft FSL, 269.66ft FWL /SW/4 S17 14S-7E**
At proposed prod. zone **2490ft FNL, 2390ft FEL / NE/4 S17 14S-7E (Bottom Hole)**

11. Sec., T. R. M. or Blk. and Survey or Area
S17 14S-7E

14. Distance in miles and direction from nearest town or post office*
Approx 4 1/2 miles south west of Clear Creek

12. County or Parish
Emery

13. State
UT

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)
Surface 269.66ft
BH 190ft *See Attmnt

16. No. of acres in lease
1208.99

17. Spacing Unit dedicated to this well
40 acres

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.
Bottom Hole 1625ft

19. Proposed Depth
6350

20. BLM/BIA Bond No. on file
See attached bond document

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
10152.5 GR

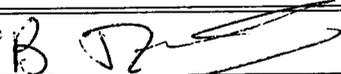
22. Approximate date work will start*
07/01/2006

23. Estimated duration
30 Days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, must be attached to this form:

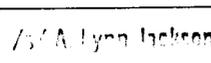
- 1. Well plat certified by a registered surveyor.
- 2. A Drilling Plan.
- 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
- 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- 5. Operator certification
- 6. Such other site specific information and/or plans as may be required by the BLM.

25. Signature 

Name (Printed/Typed)
Benjamin Evans

Date
07/14/2006

Title
Landman

Approved by (Signature) 

Name (Printed/Typed)
Lynn Jackson

Date
9/8/06

Title
Assistant Field Manager, Division of Resources

Office
Division of Resources Moab Field Office

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

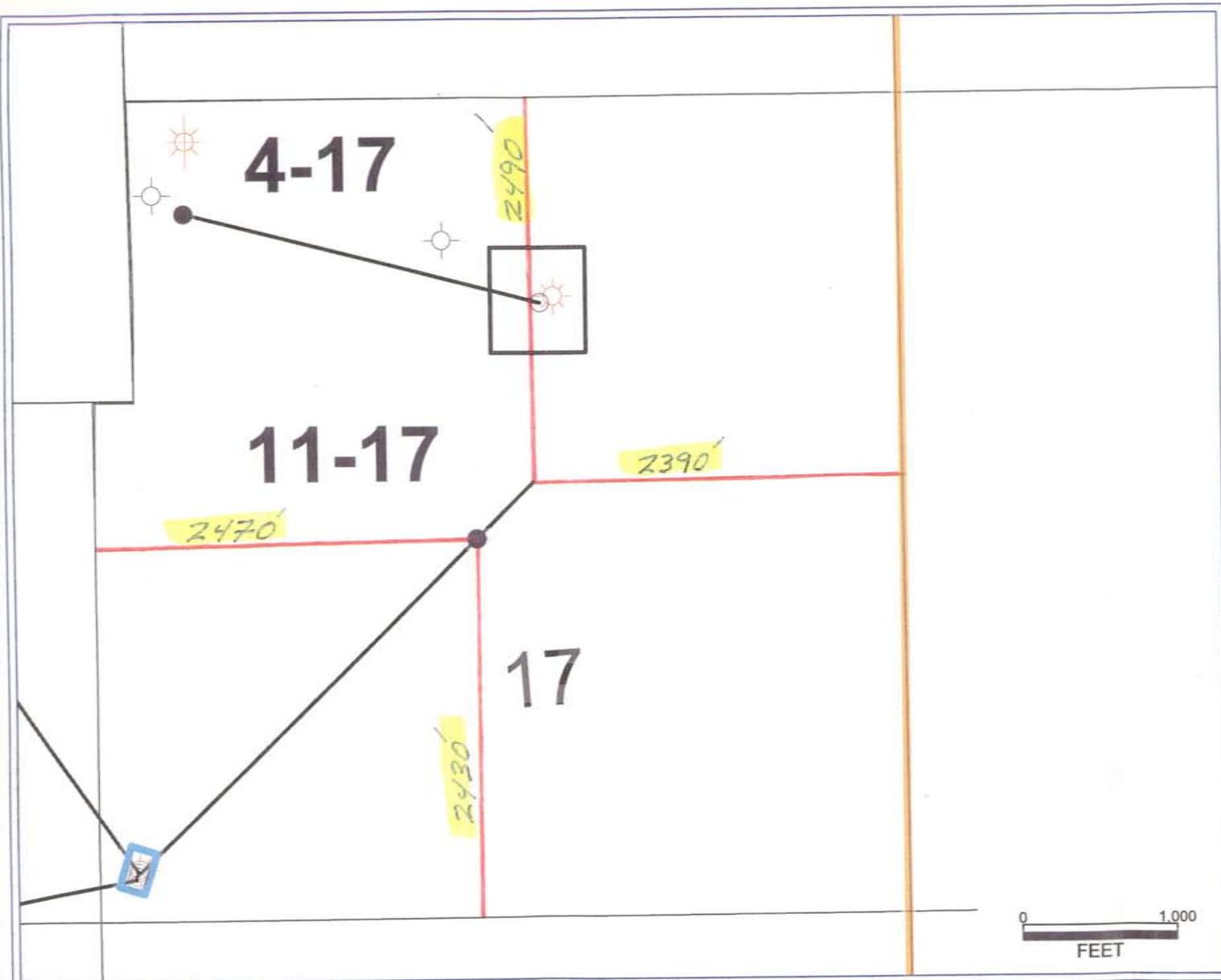
*(Instructions on page 2)

Accepted by the
Utah Division of Resources
Oil, Gas and Mining
CONDITIONS OF APPROVAL ATTACHED
FOR RECORD ONLY

RECEIVED
SEP 11 2006

Ridge Runner #11-17
Footage Calls

Surface: 315.80ft FSL, 269.66ft FWL /SW/4 S17 14S-7E
Ferron Point of Penetration: 2430ft FSL 2470ft FWL /SW/4 Section 17 14S-7E
Terminus (Bottom Hole): 2490ft FNL, 2390ft FEL / NE/4 S17 14S-7E (Bottom Hole)



Attachement
Item #15
Bottom Hole Location Explanation
Ridge Runner #11-17

The bottom hole location for the Ridge Runner #11-17 well is located in the SW/4 NE/4 Section 17 14S-7E or more specifically 190ft FSL, 210ft FWL / NE/4 S17 14S-7E.

At its nearest point to other existing lease lines within the Clear Creek unit the well bore is approximately 190ft North of the south line of BLM lease USA-U-01740. The aforementioned lease is also where the well bore intersects the proposed production zone, this being the Ferron Formation, and continues on to its terminus in the NE/4 of section 17, but not before passing through BLM Lease USA-U-17602.

Marion Energy Inc, acknowledges the issues that pertain to correlative rights if this well does not produce quantities of gas that would designate it a Unit well, however, Marion Energy Inc. fully believes that this well will produce quantities of gas sufficient to designate this well a unit well.

Marion Energy, Inc.

Ridge Runner No. 11-17

Clear Creek Unit

Lease, Surface: UTU-01740

Bottom-hole: UTU-02354

(Leases UTU-01740, UTU-02354 and possibly UTU-017602 would be penetrated in the Ferron Ss)

Location, Surface: SW/SW Sec. 17, T14S, R7E

Bottom-hole: SW/NE Sec. 17, T14S, R7E

(Located on the existing Ridge Runner #13-17 well pad with proposed wells #2-19 and #2-18)
Carbon County, Utah

**A COMPLETE COPY OF THIS PERMIT SHALL BE KEPT ON LOCATION
from the beginning of site construction through well completion, and shall be available to
contractors to ensure compliance.**

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Marion Energy, Inc. is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by **UTB000179** (Principal – Marion Energy, Inc.) via surety consent as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

This permit will be valid for a period of one year from the date of approval. After permit termination, a new application must be filed for approval.

All lease operations will be conducted in full compliance with applicable regulations (43 CFR 3100), Onshore Oil and Gas Orders, lease terms, notices to lessees, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors.

A. DRILLING PROGRAM

1. The proposed 3M BOP system is adequate for anticipated conditions. Installation, testing and operation of the system shall be in conformance with Onshore Oil and Gas Order No. 2.
2. Concurrent approval from the State of Utah, Division of Oil, Gas & Mining (DOGGM) is required before conducting any surface disturbing activities.
3. Surface casing shall be cemented to surface.
4. The intermediate casing shall be cemented into place such that the top-of-cement extends a minimum of 100 feet into the surface casing, leaving no annular space exposed to open-hole above the intermediate casing shoe. The top-of-cement shall be verified by a cement bond log (CBL), temperature survey or other appropriate tool for determining top-of-cement, unless cement is circulated to surface.
5. If logging reveals that the cementing objectives were not met, remedial cementing will be required.
6. The requirements for air drilling, found in Onshore Oil and Gas Order No. 2, part III, E (Special Drilling Operations), shall be followed. This section requires, at a minimum, the use of the following equipment not mentioned in the application:
 - Rotating Head
 - Spark arresters
 - Blooie line discharge 100 feet from wellbore
 - Straight blooie line
 - Deduster equipment
 - Float valve above bit
 - Automatic igniter on the blooie line
7. A directional survey shall be submitted within 30-days of reaching total depth of the well.

B. SURFACE

1. The Forest must be notified 48 hours in advance that heavy equipment will be moved onto National Forest System lands and that surface disturbing activities will commence.
2. The Forest Service must be notified of any proposed alterations to the plan of operations. Any changes to the existing plan are subject to Forest Service review and approval.
3. The licensee/permittee/lessee must comply with all the rules and regulations of the Secretary of Agriculture set forth at Title 36, Chapter II, of the Code of Federal Regulations governing the use and management of the National Forest System (NFS) when not inconsistent with the rights and regulations must be complied with for (1) all use and occupancy of the NFS prior to approval of a permit/operation plan by the Secretary of the Interior, (2) uses of all existing improvements, such as Forest Development Roads, within and outside the area licensed, permitted or leased by the Secretary of the Interior, and (3) use and occupancy of the NFS not authorized by a permit/operating plan approved by the Secretary of the Interior.
4. All merchantable timber removed or destroyed by construction or other project related activities will be purchased by the operator at fair market value. The Forest Service will conduct a timber cruise and appraisal after the final clearing limits have been staked. Slash burning will be conducted only at locations approved by the Forest Service under authorization or a burning permit. Burning of garbage and debris is prohibited.
5. All accidents or mishaps resulting in resource damage and/or serious personal injury must be reported to the Forest Service as soon as possible.
6. Section corners, survey markers and claim corners in the project area must be located and flagged by the operator prior to operations. The removal or disturbance of identified markers must be approved by the proper authority.
7. All surface-disturbing activities, including reclamation, must be supervised by a qualified, responsible official or representative of the designated operator who is aware of the terms and conditions of the APD/SUPO and specifications in the approved plans.
8. In the event of a discovery, a revised surface-use plan must be submitted to the Forest Service showing all needed production facilities. Production facilities will be subject to further environmental analyses and approval by the Forest Service.
9. Establishment of campsites on the pad or at other locations on National Forest System lands by the operator or his contractors is subject to Forest Service approval.
10. Fire suppression equipment must be available to all personnel working at the project site. Equipment must include at least one hand tool per crew member consisting of shovels and pulaskis and one properly rated fire extinguisher per vehicle and/or internal combustion engine.
11. All gasoline, diesel, and steam-powered equipment must be equipped with an

effective spark arrester or muffler. Spark arresters must meet Forest Service specifications discussed in the "General Purpose and Locomotive (GP/L) Spark Arrester Guide, Volume 1, April, 1988"; and "Multi-position Small Engine (MSE) Spark Arrester Guide, April, 1989". In addition, all electrical equipment must be properly insulated to prevent sparks.

12. Anschutz will be held responsible for damage and suppression costs for fires started as a result of operations. Fires must be reported to the Forest Service as soon as possible.
13. The Forest Service reserves the right to suspend operations during periods of high fire potential.
14. The Memorandum of Understanding with the State of Utah Air Conservation Committee will be implemented. This will assure project implementation activities meet the State and Federal Air quality standards.
15. Reclamation recontouring and reseeding of disturbed areas will be performed as soon as practicable (within the same drilling season).
16. Seeding will be performed using the certified seed mix listed below. The seed mixture must meet or exceed the pure live seed standards of the Utah Seed Law containing a maximum allowable weed content of less than 2 percent with no noxious weed species.

Species	Pounds/Acre
Mountain Brome - Bromus carinatus	2
Intermediate Wheatgrass - Agropyron intermedium	2
Orchard Grass - Dactylis glomerata	2
Perennial Ryegrass - Lolium perenne	2
Timothy - Phleum pratense	2
Yellow Sweet Clover - Melilotus officinalis	1
Cicer Milkvetch - Astragalus cicer	1/4
 TOTAL	 10 1/4

17. Revegetation will be considered successful when 90% of the pre-disturbance ground cover is re-established over the entire disturbed area. Adjacent undisturbed areas will be used as a base for comparison. Of the vegetative ground cover, at least 90% must consist of seeded or other desirable species. 90% ground cover must be maintained for three years. If the desired ground cover is not established at the end of each 3 year period, an analysis of why the area has not recovered will be performed by the operator and additional treatment and seeding will be required based on the results of the analysis.
18. An erosion and sediment control plan will be prepared as prescribed in the Soil and Water conservation practices Handbook. During operations the operator shall maintain seasonal erosion control structures.
19. All Topsoil must be stripped from areas to be disturbed and stockpiled for reclamation in such a way as to prevent soil loss and contamination.
20. Following completion of the project, the pad and project area must be

recontoured to blend naturally with the surrounding area. Gravel will be salvaged and stockpiled in an area approved by the Forest Service.

21. The reserve pit must be dry before it is backfilled and reclaimed. Methods for drying the pit, other than natural evaporation, are subject to prior Forest Service approval.
22. The pad area must be fenced (let-down fence) and the project road must be adequately closed off to prevent continued use until the required reclamation standards are successfully achieved.
23. Livestock may be temporarily excluded from disturbed areas through fencing or other appropriate measures in critical sections.
24. The operator is responsible for maintenance of reclamation facilities such as fences, barricades and temporary drainage structures until the desired reclaimed conditions are achieved.
25. The operator shall submit for approval, a maintenance plan for the site, the project road and that portion of any Forest Development Road to be used for project access. A road-use permit must be obtained from the Forest Service authorizing commercial use of Forest Development Roads. Requirements listed in the road-use permit must be followed. In the event of a discovery, an updated maintenance plan will be required.
26. The pad and road designs must be consistent with Forest Service specifications as outlined in the Region 4 Oil and Gas Rooding Guidelines (Attachment 1) and the Manti-La Sal National Forest Oil and Gas Well Site Guidelines (Attachment 2) and are subject to Forest Service approval. No construction operations may begin prior to approval. Any modifications to approved plans are also subject to review and approval.
27. All vehicle traffic will stay on existing roads and new access routes. Unauthorized off-road vehicular travel is prohibited.
28. A pre-construction meeting including the responsible company representative(s), contractors, and the Forest Service must be conducted at the project site prior to commencement of surface-disturbing activities. The pad and road work must be construction-staked prior to this meeting. Site-specific requirements will be discussed at this time.
29. The operator must acquire appropriate permission to use roads not identified as Forest Development Roads.
30. The project engineer and surveyors must be certified by the State in which they reside or maintain their business.
31. A gate must be constructed on the pad access roads near the intersection with Forest Development Road 50018 to prevent public access to the pads. The gate must be locked at any time that the pad is unoccupied by company personnel. The gate design must be approved by the Forest Service.
32. Surface aggregate will be designed to be stable and meet wear requirements contained in Forest Service Specifications for Construction of Roads and Minor Drainage Structures, section 703.06.
33. Drill pads will be designed to prevent or diminish overland flow from entering the site during precipitation events. Pad sites will be sloped

to drain all spills and on-site precipitation into the reserve pits. If necessary, pits will be pumped out to reduce their content and insure that overflow does not occur. Fluids will be disposed of off-Forest at a Utah State approved disposal site.

34. The operator must take reasonable precautions when setting surface casing to prevent excessive migration of cement in fracture systems that could disrupt the flow and quality of water at springs in the vicinity of the well. Measures such as use of high-viscosity cement and non-polluting additives should be considered.
35. Water needed in support of operations must be properly and legally obtained according to Utah State water laws. The location of diversion, if on National Forest System lands, is subject to Forest Service approval.
36. Sanitary facilities are required on site at all times during operations. The installation of facilities other than self-contained chemical toilets is subject to State and Forest Service approval.
37. Unless otherwise specified in the Forest Service conditions for approval the Surface-Use Plan of Operations, contaminated soils and gravel in the project area and the contents of the reserve pit, including the liner material, will be removed from the National Forest and disposed of at an approved facility. Exceptions may be granted if the operator can demonstrate non-toxicity through testing or isolation through encapsulation.
38. Before construction, reconstruction, or operation activities can commence, the operator must file a spill contingency plan with the Forest Service. The plan must identify the potential for spills to occur, activities that could result in spills, substances that could be spilled, identify appropriate containment/cleanup actions, and identify equipment/materials to be maintained in vehicles and at the drilling pad to contain or neutralize spilled materials. The plan must identify potentially affected parties, required contacts, and time frames for cleanup in the event of a spill. The plan must be consistent with the United States Environmental Protection Agency Region VIII Oil and Hazardous Substances Regional Contingency Plan.
39. Anschutz will monitor water quality. Anschutz will develop and submit a water monitoring plan to be approved by the Forest Service. The plan will identify the monitoring objective(s), items to monitor, monitoring sites, methodology, frequency and duration, analysis and reporting procedures, projected costs, and monitoring responsibility. Project implementation will not be permitted until the monitoring plan is approved.
40. Sediment catchment structures will be added below critical construction areas to reduce sedimentation.
41. Livestock may be temporarily excluded from disturbed areas through let-down fencing or other appropriate measures in critical sections above Burnout and James Canyons.
42. Warning signs will be installed at the entrance to road construction or reconstruction projects, at the junction of Forest development roads and work roads, and near dispersed camp areas 1/4 mile from drilling operations to alert hunters and other Forest users to the presence of working equipment and crews.

43. Drill rigs and heavy equipment shall NOT be transported in or out of the Trough Springs Ridge area on FDR 50018 during Federal and State holiday weekends. (For example, equipment may not be mobilized on a typical holiday weekend beginning noon on Friday through noon the following Tuesday.)
44. Drill rigs and heavy equipment shall NOT be transported in or out of the Trough Springs Ridge area on FDR 50018 during the opening days of the general elk hunt (on or about September 28 through October 2) and deer hunt (on or about October 14 through 17).
45. Road improvement and pad development activities will not begin until Monday, July 8th to avoid impacts to elk in their spring ranges.
46. Anschutz will construct a traffic barrier, obliterate, and reseed nonsystem roads not needed for future management adjacent to the Trough Springs Road. Approximate miles to be improved include nonsystem ridgeline roads leading into North and South Hughes Canyons (0.25 miles each) and a loop road at the head of Valentine Canyon (0.5 miles). Forest Service will supply and install sign posts to inform the public of road closure.
47. Anschutz shall repair watershed contour furrows damaged during exploration operations as approved by the Forest Service.
48. Drilling operations shall be coordinated with grazing permittees.
49. Gates must be closed after entry unless otherwise specified.
50. Anschutz will be held responsible for all damage to fences, cattleguards, resource improvements, roads, and other structures on National Forest System lands which result from their operations. The Forest Service must be notified of damages as soon as possible.
51. Harassment of livestock and wildlife is prohibited.
52. The operator will assure (certify) all drilling equipment, vehicles, and all fill materials, including road aggregate imported to National Forest System lands for the purpose of construction, operation, and maintenance of the roads and pads must be free of noxious weeds and seeds prior to entering upon Forest Service lands. The operator will be held responsible for control of noxious weed infestations within areas they disturb ie. drill pads and roads.
53. Straw, hay, or feed used on the National Forest's of Utah must be certified weed-free by the State of Utah.
54. Surveys for new goshawk nesting territories will be conducted in areas of suitable habitat the year prior to and during implementation. The operator will be notified of the results of the surveys with any special requirements for protecting them, if any are present.
55. If cultural or paleontological resources are found during implementation of the project, operations will immediately cease at that location and the District Ranger will be notified. Unauthorized excavation, removal, or damage of archaeological resources is subject to fines and other penalties under authority of the Archaeological Resources Protection Act (ARPA) of

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

Building Location- Notify the Forest Service, Ferron Ranger District Office at least 48-hours prior to commencing construction of location.

Spud- Notify the BLM Price Field Office 24-hours prior to spud. Submit written notification (Sundry Notice, Form 3160-5) to the BLM Moab Field Office within 24-hours after spud, regardless of whether using a dry hole digger or big rig.

Daily Drilling Reports- Daily drilling reports that describe the progress and status of the well shall be submitted to the BLM Moab Field Office on at least a weekly basis. This report may be in any format customarily used by the operator.

Oil and Gas Operations Reports (OGORs)- Production from this well shall be reported to Minerals Management Service (MMS) on a monthly basis.

Sundry Notices- Any modification to the proposed drilling program shall be submitted to the BLM Moab Field Office on a Sundry Notice (Form 3160-5). Regulations at 43 CFR 3162.3-2 describe which operations require prior approval, and which require notification.

Drilling Suspensions- Operations authorized by this permit shall not be suspended for more than 30 days without prior approval of the BLM Moab Field Office. All conditions of this approval shall be applicable during any operations conducted with a replacement rig.

Undesirable Events- Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be immediately reported to the BLM in accordance with requirements of NTL-3A.

Cultural Resources- If cultural resources are discovered during construction, immediately notify the Forest Service, Ferron Ranger District Office, and work that might disturb the cultural resources shall cease.

First Production- A first production conference will be scheduled as soon as the productivity of the well is apparent. This conference should be coordinated through the Forest Service, Ferron Ranger District Office.

Notify the BLM Moab Field Office when the well is placed into production. Initial notification may be verbal, but must be confirmed in writing within five business days. Please include the date production started, the producing formation and production volumes.

Well Completion Report- Whether the well is completed as a dry hole or as a producer, a *Well Completion or Recompletion Report and Log* (Form 3160-4) shall be submitted to the BLM Moab Field Office within thirty-days after completion of the well. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. When requested, samples (cuttings and/or samples) will be submitted to the BLM Moab Field Office.

Venting/Flaring of Gas- Gas produced from this well may not be vented/flared beyond an initial, authorized test period of 30 days or 50 MMcf, whichever first occurs, without the prior, written approval of the BLM Moab Field Office. Should gas be vented or flared without approval beyond the authorized test period, the well may be ordered to be shut-in until the gas can be captured or until approval to continue the venting/flaring pursuant to NTL-4A is granted. Compensation shall be due for gas that is vented/flared without approval.

Produced Water- An application for approval of a permanent disposal method and location will be submitted to the BLM Moab Field Office for approval pursuant to Onshore Oil and Gas Order No.7.

Off-Lease Measurement, Storage, Commingling- Prior approval must be obtained from the BLM Moab Field Office for off-lease measurement, off-lease storage and/or commingling of production prior to the sales measurement point. The term "commingling" describes both the combining of production from different geologic zones and/or combining production from different leases or agreement areas.

Plugging and Abandonment- If the well is a dry hole, plugging instructions must be obtained from the BLM Moab Field Office prior to initiating plugging operations.

A "Subsequent Report of Abandonment" (Sundry Notice, Form 3160-5) will be filed with the BLM Moab Field Office within thirty-days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Forest Service, Ferron Ranger District Office.

TABLE 1

NOTIFICATIONS

Notify Tom Lloyd (435-636-3596) of the Forest Service, Ferron Ranger District; or Walton Willis (435-636-3662) of the BLM Price Field Office for the following:

- 2 days prior to commencement of dirt work, construction and reclamation; (Lloyd)
- 1 day prior to spud; (Willis)
- 50 feet prior to reaching the surface casing setting depth; (Willis)
- 3 hours prior to testing BOP equipment. (Willis)

If the person at the above number cannot be reached, notify the BLM Moab Field Office at 435-259-2100.

Well abandonment operations require 24-hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained from:

Eric Jones, Petroleum Engineer Office: 435-259-2117
Home: 435-259-2214

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: USA-U-02354
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: Clear Creek Unit
2. NAME OF OPERATOR: Marion Energy, Inc		8. WELL NAME and NUMBER: Ridge Runner 11-17
3. ADDRESS OF OPERATOR: 119 So. Tennessee #200 CITY McKinney STATE TX ZIP 75069		9. API NUMBER: 4301530685
4. LOCATION OF WELL FOOTAGES AT SURFACE: 315.80ft FSL 269.66ft FWL		10. FIELD AND POOL, OR WILDCAT: Exploratory
QTRQTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: 17 14S 7E		COUNTY: Carbon
		STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>9/26/2006</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 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>Spud Sundry</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.
The Ridge Runner 11-17 will be spud on 9-26-2006.

NAME (PLEASE PRINT) <u>Doug Endsley</u>	TITLE <u>VP Operations</u>
SIGNATURE <u>Doug Endsley by Chadler Blue</u>	DATE <u>9/25/2006</u>

(This space for State use only)

RECEIVED
SEP 28 2006
DIV. OF OIL, GAS & MINING

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: MARION ENERGY INC

Well Name: RIDGE RUNNER 11-17

Api No: 43-015-30685 Lease Type: FEDERAL

Section 17 Township 14S Range 07E County EMERY

Drilling Contractor UNION DRILLING RIG # 14

SPUDDED:

Date 09/27/06

Time _____

How DRY

Drilling will Commence: _____

Reported by DOUG ENDSLEY

Telephone # (972) 540-2967

Date 09/29/06 Signed CHD

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: USA-U-02354
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: Clear Creek Unit
2. NAME OF OPERATOR: Marion Energy, Inc		8. WELL NAME and NUMBER: Ridge Runner 11-17
3. ADDRESS OF OPERATOR: 119 So. Tennessee #200 CITY McKinney STATE TX ZIP 75069		9. API NUMBER: 4301530685
4. LOCATION OF WELL FOOTAGES AT SURFACE: 315.80ft FSL 269.66ft FWL		10. FIELD AND POOL, OR WILDCAT: Exploratory
QTRQTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: 17 14S 7E		COUNTY: Carbon
		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 9/26/2006	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Casing Sundry</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.

Due to problems drilling in impending winter weather we propose to change the casing to 10 3/4, J-55, 45.5#

Intermediate: 7 5/8", J-55, 24 # set at 3700'

Liner: 5 1/2", J-55, 17# set at 7600'

RECEIVED
OCT 02 2006
DIV. OF OIL, GAS & MINING

COPY SENT TO OPERATOR
Date: 11-20-06
Initials: pm

NAME (PLEASE PRINT) Doug Endsley TITLE VP Operations

SIGNATURE Doug Endsley by Charlotte Blue DATE 9/26/2006

(This space for State use only) **Accepted by the Utah Division of Oil, Gas and Mining** Federal Approval Of This Action Is Necessary

(5/2000) Date: 11/17/06 By: [Signature] (See Instructions on Reverse Side)

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: USA-U-02354
2. NAME OF OPERATOR: Marion Energy, Inc		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 119 So. Tennessee #200 CITY McKinney STATE TX ZIP 75069		7. UNIT OR CA AGREEMENT NAME: Clear Creek Unit
PHONE NUMBER: (972) 540-2967		8. WELL NAME and NUMBER: Ridge Runner 11-17
4. LOCATION OF WELL FOOTAGES AT SURFACE: 315.80ft FSL 269.66ft FWL		9. API NUMBER: 4301530685
CITY/MERIDIAN: COUNTY: Carbon		10. FIELD AND POOL, OR WILDCAT: Exploratory
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: 10/4/2006	<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>Remote Acctuation of the BOP</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.
At the direction of the BLM field inspector the following change was made to the original drilling plan submitted with the APD concerning the remote acctuation of the BOP. The original plan called for a remote acctuator to be used on location. However, we have been unable to obtain said piece of equipment. It is our intention to go forward with the rigs BOP equipment only.

NAME (PLEASE PRINT) <u>Doug Endsley</u>	TITLE <u>VP Operations</u>
SIGNATURE	DATE <u>10/4/2006</u>

(This space for State use only)

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OCT 10 2006

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

5. LEASE DESIGNATION AND SERIAL NUMBER:
USA-U-02354

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:
Clear Creek Unit

8. WELL NAME and NUMBER:
Ridge Runner 11-17

9. API NUMBER:
4301530685

10. FIELD AND POOL, OR WILDCAT:
Exploratory

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:
Marion Energy, Inc

3. ADDRESS OF OPERATOR:
119 So. Tennessee #200 CITY **McKinney** STATE **TX** ZIP **75069** PHONE NUMBER: **(972) 540-2967**

4. LOCATION OF WELL
FOOTAGES AT SURFACE: **315.80ft FSL 269.66ft FWL** COUNTY: **Carbon**

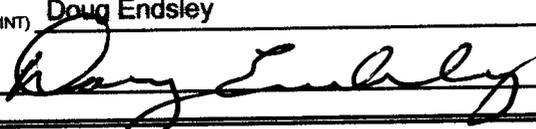
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **17 14S 7E** STATE: **UTAH**

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> 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: 10/4/2006	<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: Bloolie Line Change Sundry
	<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.
At the direction of the BLM field inspector the following change was made to the original drilling plan submitted with the APD concerning the bloolie line. The original plan called for a straight bloolie line but due to location size constraints the bloolie line had to be routed around miscellaneous equipment on location.

NAME (PLEASE PRINT) **Doug Endsley** TITLE **VP Operations**

SIGNATURE  DATE **10/4/2006**

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OCT 10 2006

DIV. OF OIL, GAS & MINING

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: USA-U-02354
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1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: Clear Creek Unit
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3. ADDRESS OF OPERATOR: 119 So. Tennessee #200 CITY McKinney STATE TX ZIP 75069		9. API NUMBER: 4301530685
4. LOCATION OF WELL FOOTAGES AT SURFACE: 315.80ft FSL 269.66ft FWL		10. FIELD AND POOL, OR WILDCAT: Exploratory
QTRQTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: 17 14S 7E		COUNTY: Carbon
		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: <u>Surface Casing</u>
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 10/4/2006			

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

Drilled well to 550' w/ 14 1/4" surface bit. Ran 11 jts, 10 3/4", J-55, 40.50 #/ft casing. Casing shoe @504' KB. Cemented w/ 500 sks class "G" cement, slurry weight 15.8 ppg and yield of 1.15 cuft/sk. Cement circulated to surface but fell back. Pumped 2 bbls extra cement but plug did not bump. Held pressure at surface for 2 hours. Topped off hole w/ 95 sks of same cement. Cemented to surface w/ 10 sks circulated to pit. Job finished @ 8:00 pm 9/30/2006.

NAME (PLEASE PRINT) <u>Doug Endsley</u>	TITLE <u>VP Operations</u>
SIGNATURE	DATE <u>10/4/2006</u>

(This space for State use only)

RECEIVED
OCT 10 2006

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

FORM 6

ENTITY ACTION FORM

Operator: Marion Energy Inc. Operator Account Number: N 2740
 Address: 119 S. Tennessee, Ste. 200
city McKinney
state TX zip 75069 Phone Number: (972) 540-2967

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4301530685	Ridge Runner #11-17		SWSW	17	14S	7E	Emery
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	2550	9/26/2006		10/26/06		
Comments: <u>FRSD</u>							

Well 2

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

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:							

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)

Benjamin Evans

Name (Please Print)

Signature
Landman

10/18/2006

Title

RECEIVED

OCT 24 2006

DIV. OF OIL, GAS & MINING

Rig Phone No.: 435.828-5468

MORNING REPORT

DATE: 9/26/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 1/0/1900 DFS: 38986 OPER. @ RPT. TIME: _____
 DEPTH: _____ FTG. LAST 24 Hr.s: 0 Fl. AVG. Ft/Hr. 0.0 REPORT BY: _____

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
		1.) RU- TD		0.0
		2.) DRILLING		0.0
		3.) REAMING		0.0
		4.) CORING		0.0
		5.) CIRC.		0.0
		6.) TRIP		0.0
		7.) SERVICE		0.0
		8.) REPAIR		0.0
		9.) CUT DL		0.0
		10.) SURVEY		0.0
		11.) LOGGING		0.0
		12.) CSG & CMT		0.0
		13.) WOC		0.0
		14.) NU & TEST		0.0
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		0.0
		OTHER		0.0
		Total Hours =	0.0	0.0

0.0 TOTAL HOURS

MUD				PUMPS				BIT RECORD			
WT. IN		PH			NO. 1		NO. 2		BIT NO.		BIT NO.
WT. OUT		PM		SIZE				SERIAL NO.			
VISC.		PF/MF		TYPE				MFG / TYPE			
PV		CL		SPM				SIZE			
YP		CA		BPS				JETS			
GELS		EX. LIME		PSI				IN / OUT			
FL.		LCM		GPM	0.0		0.0	WOB			
CAKE 32nds		ECD		AVDC				RPM			
% SOLIDS		H2S PPM		AVDP				FEET			
% WATER		DAPP/LB/BB		STKS. SUR TO BIT				HOURS			
% OIL				STKS. BIT TO SUR.				DULL			
% SAND		L.C.M.		REDUCED PUMP RATE				GRADE			

DAILY COSTS RECORD				DEVIATION RECORD						
ITEM	PREV. CUM.	DAILY	TOTAL CUM.	DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
LOC., DAMAGES, COND.			\$0							
MOBILIZATION			\$0							
FOOTAGE / DAYWORK			\$0							
MUD & CHEMICALS			\$0							
CEM. SERV & FLT EQU.			\$0							
BITS & BHA TOOLS			\$0							
TRUCKING & DISP.			\$0							
RENTAL EQUIP.			\$0							
CASERS,WELD,LABOR			\$0							
OVERHEAD			\$0							
DIR. SERVICE / MOTOR			\$0							
LOGGING			\$0							
MISC. SERV & SUPP.			\$0							
SUPERVISION			\$0							
WATER			\$0							
DISPOSAL			\$0							
FUEL			\$0							
MUD LOGGER			\$0							
CASING / WELLHEAD			\$0							
			\$0							
PREV. CUM =	\$0									
TOTAL DAILY =	\$0									
TOTAL CUM =			\$0							
DAILY MUD COSTS =		ACC. MUD COSTS =	\$0.00							

WEIGHT			
STRING WT.	P / U	S / O	TORQUE
DRILL COLLARS			
NO.	Conn	O.D.	I.D.
NO.	CONN	O.D.	I.D.
DRILL PIPE			
NO.	CONN	O.D.	I.D.
NO.	CONN	O.D.	I.D.
BHA			
MUD			
GEL	poly		PAC-R
BAR:	LCM:		MICA
LIME:	LIG		

RECEIVED

MAY 10 2007

Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 10/2/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2006 DFS: 5 OPER. @ RPT. TIME: DRILLING
 DEPTH: 700 FTG. LAST 24 Hr.s: 100 Ft. AVG. Ft/Hr: 28.6 REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
3.0	NIPPLE UP BOP	1.) RU- TD		0.0
2.5	LD 4 6" DC'S, STRAP BHA	2.) DRILLING	3.5	42.0
1.0	WT ON TESTER	3.) REAMING		0.0
4.0	TEST BOP	4.) CORING		0.0
5.5	PICK UP DIRECTIONAL TOOLS AND BHA	5.) CIRC.		37.0
3.0	DRILL CMT AND SHOE TAGED CMT @ 478'	6.) TRIP	2.5	6.0
1.0	D/F 600' TO 620'	7.) SERVICE	0.5	3.5
0.5	RIG SERVICE	8.) REPAIR		4.5
0.5	D/F 620' TO 642'	9.) CUT DL		0.0
1.0	START AIR PACK AND PUT AIR ON HOLE & CHANGE OUT ROT RUBBER	10.) SURVEY		0.5
2.0	D/F 642' TO 700'	11.) LOGGING		0.0
		12.) CSG & CMT		7.0
		13.) WOC		15.0
		14.) NU & TEST	8.0	11.5
	BACKGROUND GAS 30u, CONN GAS 80u, REPORT TIME GAS33u	15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK	5.5	5.5
		OTHER	4.0	35.5
		Total Hours =	24.0	168.0

MUD				PUMPS				BIT RECORD			
WT. IN	PH			NO. 1		NO. 2		BIT NO. 1		BIT NO. 2	
WT. OUT	PM			SIZE	6.0	14.0	6.0	8.0	SERIAL NO.	5026260	M16195
VISC.	PF/MF			TYPE	DUPLEX	TRIPLEX			MFG / TYPE	hughes	REED/TD52XKPR
PV	CL			SPM	45				SIZE	14.75	9.875
YP	CA			BPS	5.9	2.9			JETS	open	OPEN
GELS	EX. LIME			PSI					IN / OUT	43/600	600
FL.	LCM			GPM	219.9	0.0			WOB	35,000	20
CAKE 32nds	ECD			AVDC					RPM	70-75	100/45
% SOLIDS	H2S PPM			AVDP					FEET	640	100
% WATER	DAPP/LB/BB			STKS. SUR TO BIT					HOURS	37	3.5
% OIL				STKS. BIT TO SUR.					DULL		
% SAND	L.C.M.			REDUCED PUMP RATE					GRADE		

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$0.00		\$0
FOOTAGE / DAYWORK	\$76,320.00	\$12,480	\$88,800
MUD & CHEMICALS	\$1,700.00	\$1,000	\$2,700
CEM. SERV & FLT EQU.	\$27,645.00		\$27,645
BITS & BHA TOOLS	\$10,000.00		\$10,000
TRUCKING & DISP.	\$350.00	\$4,500	\$4,850
RENTAL EQUIP.	\$18,454.00	\$5,000	\$23,454
CASERS, WELD, LABOR	\$11,006.00		\$11,006
OVERHEAD	\$1,200.00	\$200	\$1,400
DIR. SERVICE / MOTOR	\$10,500.00	\$10,700	\$21,200
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$681.00		\$681
SUPERVISION	\$7,800.00	\$1,300	\$9,100
WATER	\$7,250.00	\$600	\$7,850
DISPOSAL	\$1,498.00		\$1,498
FUEL	\$11,076.00		\$11,076
MUD LOGGER	\$5,000.00	\$1,000	\$6,000
CASING / WELLHEAD	\$0.00		\$0
	\$0.00		\$0
PREV. CUM =	\$190,480		
TOTAL DAILY =		\$36,780	
		TOTAL CUM =	\$227,260
DAILY MUD COSTS =	\$1,000.00	ACC. MUD COSTS =	\$1,500.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
229	.45					
545	0.56					

WEIGHT			
STRING WT.	P / U	S / O	TORQUE

DRILL COLLARS			
NO.	Conn	O.D.	I.D.
	CONN		

DRILL PIPE			
NO.	CONN	O.D.	I.D.
	CONN		

BHA			
BIT, X/O SUB, MOTOR, FLOAT SUB, SHOCK SUB, SHORT			
NMDC, DOUBLE PIN, MWD TOOL CARRIER, MWD			
EMITTER SUB, FLEX NMDC, X/O SUB, 2 6" DC'S, X/O SUB			
12HWDP, 1 JAR, 15 HWDP			

MUD			
GEL	poly		PAC-R
BAR:	LCM:		MICA
LIME:	LIG		
CAUS	Carb	55 GAL SOAP	

RECEIVED
MAY 10 2007

Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 10/3/2006

OPERATOR: MARION ENERGY

LEASE & WELL: RIDGERUNNER 11-17

PROSPECT: SCOFIELD

COUNTY: EMERY

STATE: UTAH

RIG: UNION#14

SPUD DATE: 9/27/2006 DFS: 6

OPER. @ RPT. TIME: DRILLING

DEPTH: 1861

FTG. LAST 24 Hr.s: 1161 FL. AVG. F/Hr. 55.3

REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
3.0	D/F 700 TO 773'	1.) RU- TD		0.0
1.0	RIG SERVICE	2.) DRILLING	21.0	63.0
0.5	SURVEY	3.) REAMING		0.0
2.5	D/F 773' TO 958	4.) CORING		0.0
1.0	REPAIR RIG YELLOW DOG WENT DWN	5.) CIRC.		37.0
7.5	D/F 958' TO 1424'	6.) TRIP		6.0
0.5	SURVEY	7.) SERVICE	1.0	4.5
8.0	D/F 1424' TO 1861'	8.) REPAIR	1.0	5.5
		9.) CUT DL		0.0
		10.) SURVEY	1.0	1.5
		11.) LOGGING		0.0
	BACKGROUND GAS 15u, CONN 25u, HIGH GAS 35u	12.) CSG & CMT		7.0
		13.) WOC		15.0
		14.) NU & TEST		11.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		5.5
		OTHER		35.5
		Total Hours =	24.0	192.0

MUD				PUMPS				BIT RECORD			
WT. IN	PH			NO. 1		NO. 2		BIT NO. 2		BIT NO.	
WT. OUT	PM			SIZE	6.0	14.0	6.0	8.0	SERIAL NO.	M16195	
VISC.	PF/MF			TYPE	DUPLX		TRIPLEX		MFG / TYPE	REED/TD52XKPR	
PV	CL			SPM			54		SIZE	9.875	
YP	CA			BPS	5.9		2.9		JETS	OPEN	
GELS	EX. LIME			PSI					IN / OUT	600	
FL.	LCM			GPM	0.0		150.8		WOB	20	
CAKE 32nds	ECD			AVDC					RPM	100/45	
% SOLIDS	H2S PPM			AVDP					FEET	1261	
% WATER	DAPP/LB/BB			STKS. SUR TO BIT					HOURS	24.5	
% OIL				STKS. BIT TO SUR.					DULL		
% SAND	L.C.M.			REDUCED PUMP RATE					GRADE		

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$0.00	\$17,175	\$17,175
FOOTAGE / DAYWORK	\$88,800.00	\$12,480	\$101,280
MUD & CHEMICALS	\$2,700.00	\$1,000	\$3,700
CEM. SERV & FLT EQU.	\$27,645.00		\$27,645
BITS & BHA TOOLS	\$10,000.00		\$10,000
TRUCKING & DISP.	\$4,850.00		\$4,850
RENTAL EQUIP.	\$23,454.00	\$7,000	\$30,454
CASERS, WELD, LABOR	\$11,006.00		\$11,006
OVERHEAD	\$1,400.00	\$200	\$1,600
DIR. SERVICE / MOTOR	\$21,200.00	\$8,500	\$29,700
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$681.00	\$683	\$1,364
SUPERVISION	\$9,100.00	\$1,300	\$10,400
WATER	\$7,850.00	\$450	\$8,300
DISPOSAL	\$1,498.00	\$697	\$2,195
FUEL	\$11,076.00	\$7,223	\$18,299
MUD LOGGER	\$6,000.00	\$1,000	\$7,000
CASING / WELLHEAD	\$0.00		\$0
	\$0.00		\$0
PREV. CUM =	\$227,260		
TOTAL DAILY =		\$57,708	
		TOTAL CUM =	\$284,968
DAILY MUD COSTS =	\$1,000.00	ACC. MUD COSTS =	\$2,500.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
1349	2.50	69.75	1348	2.13	-10.89	13.44
1443	3.44	39.62	1442	6.81	-8.00	17.17
1537	4.13	30.12	1536	12.86	-2.90	20.66
1630	5.25	25.62	1629	20.07	3.83	24.18
1724	6.75	34.00	1722	29.50	12.29	29.13

WEIGHT			
STRING WT.	P / U	S / O	TORQUE

DRILL COLLARS			
NO.	CONN	O.D.	I.D.
	CONN		

DRILL PIPE			
NO.	CONN	O.D.	I.D.
	CONN		

BHA
BIT, X/O SUB, MOTOR, FLOAT SUB, SHOCK SUB, SHORT
NMDC, DOUBLE PIN, MWD TOOL CARRIER, MWD
EMITTER SUB, FLEX NMDC, X/O SUB, 2 6" DC'S, X/O SUB
12"HWDP, 1 JAR, 15 HWDP

MUD		
GEL	poly	PAC-R
BAR:	LCM:	MICA
LIME:	LIG	

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MAY 10 2007

Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 10/4/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2006 DFS: 7 OPER. @ RPT. TIME: DRILLING
 DEPTH: 2457 FTG. LAST 24 Hr.s: 596 Ft. AVG. FWH: 35.1 REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
2.0	D/F 1861' TO 1924'	1.) RU- TD		0.0
0.5	RIG SERVICE	2.) DRILLING	17.0	80.0
1.5	D/F 1924' TO 1986'	3.) REAMING		0.0
0.5	WORK ON #2 PUMP	4.) CORING		0.0
3.0	D/F 1986' TO 2079'	5.) CIRC.		37.0
0.5	SURVEY	6.) TRIP	4.5	10.5
2.0	D/F 2079' TO 2170'	7.) SERVICE	0.5	5.0
2.0	POOH FOR BIT	8.) REPAIR	0.5	6.0
3.0	TIH	9.) CUT DL		0.0
0.5	D/F 2170' TO 2202'	10.) SURVEY	1.5	3.0
0.5	SURVEY	11.) LOGGING		0.0
7.5	D/F 2202' TO 2457	12.) CSG & CMT		7.0
0.5	SURVEY	13.) WOC		15.0
		14.) NU & TEST		11.5
	EMERY @ 2139' 50% SS, 50% SLST	15.) INSP. BHA		0.0
	BACKGROUND GAS 6u, CONN 5u, HIGH GAS20u	16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		5.5
		OTHER		35.5
		Total Hours =	24.0	216.0

MUD				PUMPS				BIT RECORD			
WT. IN		PH		NO. 1		NO. 2		BIT NO. 2		BIT NO. 3	
WT. OUT		PM		SIZE	6.0 14.0	6.0 8.0	SERIAL NO.	M16195	M16197		
VISC.		PF/MF		TYPE	DUPLEX	TRIPLEX	MFG / TYPE	REED/TD52XKPR	REED/TD52XKPR		
PV		CL		SPM		35	SIZE	9.875	9.875		
YP		CA		BPS	5.9	2.9	JETS	OPEN	22		
GELS		EX. LIME		PSI			IN / OUT	600/2202	2202		
FL.		LCM		GPM	0.0	97.7	WOB	20	30		
CAKE 32nds		ECD		AVDC			RPM	100/45	100/45		
% SOLIDS		H2S PPM		AVDP			FEET	1570	255		
% WATER		DAPP/LB/BB		STKS. SUR TO BIT			HOURS	33	7.5		
% OIL				STKS. BIT TO SUR.			DULL	1 4 BT 3			
% SAND		L.C.M.		REDUCED PUMP RATE			GRADE	0 1 FC PR			

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$101,280.00	\$12,480	\$113,760
MUD & CHEMICALS	\$3,700.00		\$3,700
CEM. SERV & FLT EQU.	\$27,645.00		\$27,645
BITS & BHA TOOLS	\$10,000.00		\$10,000
TRUCKING & DISP.	\$4,850.00	\$630	\$5,480
RENTAL EQUIP.	\$30,454.00	\$6,000	\$36,454
CASERS, WELD, LABOR	\$11,006.00		\$11,006
OVERHEAD	\$1,600.00	\$200	\$1,800
DIR. SERVICE / MOTOR	\$29,700.00	\$8,500	\$38,200
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$1,364.00		\$1,364
SUPERVISION	\$10,400.00	\$1,300	\$11,700
WATER	\$8,300.00		\$8,300
DISPOSAL	\$2,195.00		\$2,195
FUEL	\$18,299.00		\$18,299
MUD LOGGER	\$7,000.00	\$1,000	\$8,000
CASING / WELLHEAD	\$0.00		\$0
	\$0.00		\$0
PREV. CUM =	\$284,968		
TOTAL DAILY =		\$30,110	
		TOTAL CUM =	\$315,078
DAILY MUD COSTS =		ACC. MUD COSTS =	\$2,500.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
1911	11.06	28.50	1907	58.03	35.46	46.41
2004	12.94	40.75	1998	77.20	50.52	58.52
2098	15.29	42.97	2089	100.06	67.57	73.84
2192	18.00	45.12	2179	126.96	86.89	92.58
2286	19.81	42.87	2268	157.39	108.81	113.71

WEIGHT			
STRING WT.	P / U	S / O	TORQUE
96	100	92	

DRILL COLLARS			
NO.	CONN	O.D.	I.D.
NO.	CONN	O.D.	I.D.

DRILL PIPE			
NO.	CONN	O.D.	I.D.
NO.	CONN	O.D.	I.D.

BHA			
BIT, X/O SUB, MOTOR, FLOAT SUB, SHOCK SUB, SHORT			
NMDC, DOUBLE PIN, MWD TOOL CARRIER, MWD			
EMITTER SUB, FLEX NMDC, X/O SUB, 2 6" DC'S, X/O SUB			
12HWDP, 1 JAR, 15 HWDP			

MUD			
GEL	poly		PAC-R
BAR:	LCM:		MICA
LIME:	LIG		

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MAY 10 2007

Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 10/5/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2006 DFS: 8 OPER. @ RPT. TIME: TRIPPING
 DEPTH: 2831 FTG. LAST 24 Hr.s: 374 FL. AVG. F/Hr: 28.7 REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
3.5	D/F 2457' TO 2580'	1.) RU- TD		0.0
0.5	RIG SERVICE	2.) DRILLING	14.0	94.0
6.5	D/F 2737' TO 2775'	3.) REAMING	1.0	1.0
1.0	WORK ON MIST PUMP	4.) CORING		0.0
4.0	D/F 2775' TO 2831'	5.) CIRC.		37.0
3.0	POOH FOR BIT	6.) TRIP	6.0	16.5
1.5	DIR.WORK , L/D MOTOR PICK UP SAME	7.) SERVICE	0.5	5.5
2.0	TIH TAGGED @ 2000'	8.) REPAIR		6.0
1.0	KELLY UP TO WORK TIGHT SPOT #2 AIR COMPRESSER CAUGHT FIRE	9.) CUT DL		0.0
1.0	TRIP IN HOLE	10.) SURVEY		3.0
		11.) LOGGING		0.0
	BACKGROUND GAS 13u, CONN GAS 7u, HIGH GAS 35u	12.) CSG & CMT		7.0
	LITHOLOGY 45% SS,50% SH/SLST, 5% COAL,	13.) WOC		15.0
		14.) NU & TEST		11.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK	1.5	7.0
		OTHER	1.0	36.5
		Total Hours =	24.0	240.0
24.0	TOTAL HOURS			

MUD				PUMPS				BIT RECORD			
WT. IN		PH		NO. 1		NO. 2		BIT NO. 3		BIT NO. 4	
WT. OUT		PM		SIZE	6.0 14.0	6.0 8.0	SERIAL NO.	M16197	K54727		
VISC.		PF/AMF		TYPE	DUPLEX	TRIPLEX	MFG / TYPE	REED/TD52XKPR	REED/EHP53A		
PV		CL		SPM		50	SIZE	9.875	9.875		
YP		CA		BPS	5.9	2.9	JETS	22	3/22		
GELS		EX. LIME		PSI			IN / OUT	2202/2831	2831		
FL		LCM		GPM	0.0	139.6	WOB	30	30		
CAKE 32nds		ECD		AVDC			RPM	100/45	100/50		
% SOLIDS		H2S PPM		AVDP			FEET	629			
% WATER		DAPP/LB/BB		STKS. SUR TO BIT			HOURS	21.5			
% OIL				STKS. BIT TO SUR.			DULL	1 4 BT G			
% SAND		L.C.M.		REDUCED PUMP RATE			GRADE	0 1 WT PR			

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$113,760.00	\$12,480	\$126,240
MUD & CHEMICALS	\$3,700.00		\$3,700
CEM. SERV & FLT EQU.	\$27,645.00		\$27,645
BITS & BHA TOOLS	\$10,000.00		\$10,000
TRUCKING & DISP.	\$5,480.00		\$5,480
RENTAL EQUIP.	\$36,454.00	\$6,000	\$42,454
CASERS, WELD, LABOR	\$11,006.00		\$11,006
OVERHEAD	\$1,800.00	\$200	\$2,000
DIR. SERVICE / MOTOR	\$38,200.00	\$8,500	\$46,700
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$1,364.00		\$1,364
SUPERVISION	\$11,700.00	\$1,300	\$13,000
WATER	\$8,300.00	\$2,400	\$10,700
DISPOSAL	\$2,195.00		\$2,195
FUEL	\$18,299.00	\$9,659	\$27,958
MUD LOGGER	\$8,000.00	\$950	\$8,950
CASING / WELLHEAD	\$0.00		\$0
	\$0.00		\$0
PREV. CUM =	\$315,078		
TOTAL DAILY =		\$41,489	
		TOTAL CUM =	\$356,567
DAILY MUD COSTS =		ACC. MUD COSTS =	\$2,500.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
2382	21.00	42.75	2358	190	133	136
2476	22.94	41.25	2445	225	159	159
2568	25.63	41.75	2529	263	187	185
2662	28.19	43.00	2612	306	219	214
2756	32.50	47.74	2693	354	253	248

WEIGHT			
STRING WT.	P / U	S / O	TORQUE
96	100	92	

DRILL COLLARS			
NO.	Conn	O.D.	I.D.
NO.	CONN	O.D.	I.D.

DRILL PIPE			
NO.	CONN	O.D.	I.D.
NO.	CONN	O.D.	I.D.

BHA			
BIT, X/O SUB, MOTOR, FLOAT SUB, SHOCK SUB, SHORT			
NMDC, DOUBLE PIN, MWD TOOL CARRIER, MWD			
EMITTER SUB, FLEX NMDC, X/O SUB, 2 6" DC'S, X/O SUB			
12HWDP, 1 JAR, 15 HWDP			

MUD			
GEL _____ poly _____ PAC-R _____			
BAR: _____ LCM: _____ MICA _____			
LIME: _____ LIG _____			

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MAY 10 2007

Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 10/6/2006

OPERATOR: MARION ENERGY

LEASE & WELL: RIDGERUNNER 11-17

PROSPECT: SCOFIELD

COUNTY: EMERY

STATE: UTAH

RIG: UNION#14

SPUD DATE: 9/27/2006 DFS: 9

OPER. @ RPT. TIME: DRILLING

DEPTH: 3111

FTG. LAST 24 Hr.s: 280 FL. AVG. Ft/Hr. 22.4

REPORT BY: WILLIAM SPROUSE

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
4.0	CIRCULATE, WAIT ON AIR COMPRESSOR	1.) RU- TD		0.0
4.0	CHANGE OUT AIR COMPRESSOR	2.) DRILLING	12.5	106.5
1.5	REAM 40' TO BOTTOM	3.) REAMING	1.5	2.5
1.5	DRILL F/2831-2870	4.) CORING		0.0
1.0	WORK ON AIR COMPRESSOR	5.) CIRC.		37.0
3.5	DRILL F/2870-2923	6.) TRIP		16.5
0.5	SURVEY	7.) SERVICE		5.5
3.5	DRILL F/2923-3017	8.) REPAIR		6.0
0.5	SURVEY	9.) CUT DL		0.0
4.0	DRILL F/3017-3111	10.) SURVEY	1.0	4.0
		11.) LOGGING		0.0
	BACKGROUND GAS 30u, CONN GAS 20u, HIGH GAS 62u	12.) CSG & CMT		7.0
	LITHOLOGY 65% SS, 15%SH/SLST, 15% COAL	13.) WOC		15.0
		14.) NU & TEST		11.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		7.0
		OTHER	9.0	45.5
		Total Hours =	24.0	264.0

MUD				PUMPS				BIT RECORD			
WT. IN		PH		NO. 1	NO. 2	BIT NO. 3		BIT NO. 4			
WT. OUT		PM				SIZE	6.0 14.0	6.0	8.0	SERIAL NO.	M16197
VISC.		PF/MF		TYPE	DUPLEX	TRIPLEX	MFG / TYPE	REED/TD52XKPR	REED/EHP53A		
PV		CL		SPM			SIZE	9.875	9.875		
YP		CA		BPS	5.9	2.9	JETS	22	3/22		
GELS		EX. LIME		PSI			IN / OUT	2202/2831	2831		
FL.		LCM		GPM	0.0	0.0	WOB	30	30		
CAKE 32nds		ECD		AVDC			RPM	100/45	100/50		
% SOLIDS		H2S PPM		AVDP			FEET	629			
% WATER		DAPP/LB/BB		STKS. SUR TO BIT			HOURS	21.5			
% OIL				STKS. BIT TO SUR.			DULL	1 4 BT G			
% SAND		L.C.M.		REDUCED PUMP RATE			GRADE	0 1 WT PR			

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC. DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$126,240.00	\$12,480	\$138,720
MUD & CHEMICALS	\$3,700.00		\$3,700
CEM. SERV & FLT EQU.	\$27,645.00		\$27,645
BITS & BHA TOOLS	\$10,000.00		\$10,000
TRUCKING & DISP.	\$5,480.00		\$5,480
RENTAL EQUIP.	\$42,454.00		\$42,454
CASERS, WELD, LABOR	\$11,006.00		\$11,006
OVERHEAD	\$2,000.00	\$200	\$2,200
DIR. SERVICE / MOTOR	\$46,700.00	\$10,900	\$57,600
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$1,364.00		\$1,364
SUPERVISION	\$13,000.00	\$1,300	\$14,300
WATER	\$10,700.00	\$2,200	\$12,900
DISPOSAL	\$2,195.00		\$2,195
FUEL	\$27,958.00		\$27,958
MUD LOGGER	\$8,950.00	\$950	\$9,900
CASING / WELLHEAD	\$0.00		\$0
	\$0.00		\$0
PREV. CUM =	\$356,567		
TOTAL DAILY =		\$28,030	
TOTAL CUM =			\$384,597
DAILY MUD COSTS =			ACC. MUD COSTS = \$2,500.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
2662	29.19	43.00	2612	306	219	214
2756	32.50	47.74	2683	354	253	248
2848	35.25	48.37	2768	406.16	288	287
2942	38.19	48.87	2845	462	324	328
3036	40.25	52	2918	521	362	374

WEIGHT			
STRING WT.	P / U	S / O	TORQUE
100	110	90	

DRILL COLLARS			
NO.	CONN	O.D.	I.D.
	CONN		
	CONN		

DRILL PIPE			
NO.	CONN	O.D.	I.D.
	CONN		
	CONN		

BHA			
BIT, X0 SUB, MOTOR, FLOAT SUB, SHOCK SUB, SHORT			
NMDC, DOUBLE PIN, MWD TOOL CARRIER, MWD			
EMITTER SUB, FLEX NMDC, X0 SUB, 2 6" DC'S, X0 SUB			
12-HWDP, 1 JAR, 15 HWDP			

MUD			
GEL	poly		PAC-R
BAR:	LCM:		MICA
LIME:	LIG		
CAUS	Carb-†		

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MAY 10 2007

Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 10/7/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2006 DFS: 10 OPER. @ RPT. TIME: DRILLING
 DEPTH: 3827 FTG. LAST 24 Hr.s: 716 FL. AVG. F#Hr: 32.5 REPORT BY: WILLIAM SPROUSE

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
7.0	DRILL F/3111-3361	1.) RU- TD		0.0
0.5	RIG SERVICE	2.) DRILLING	22.0	128.5
0.5	SURVEY	3.) REAMING		2.5
7.5	DRILL F/3361-3610	4.) CORING		0.0
0.5	SURVEY	5.) CIRC.		37.0
1.0	DRILL F/3610-3672	6.) TRIP		16.5
0.5	SURVEY	7.) SERVICE	0.5	6.0
6.5	DRILL F/3672-3827	8.) REPAIR		6.0
		9.) CUT DL		0.0
		10.) SURVEY	1.5	5.5
	BG GAS=14u HIGH 15u REPORT TIME GAS 13u	11.) LOGGING		0.0
	CON. GAS= 12u HIGH 18u	12.) CSG & CMT		7.0
		13.) WOC		15.0
	LITHOLOGY	14.) NU & TEST		11.5
	85% SHALE, 10% SILTSTONE, 5% COAL & OTHER	15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		7.0
		OTHER		45.5
			Total Hours =	24.0
				268.0

MUD				PUMPS				BIT RECORD				
WT. IN		PH		NO. 1	NO. 2	SERIAL NO.	BIT NO. 3	BIT NO. 4				
WT. OUT		PM		SIZE	6.0 14.0 6.0 8.0	M16197	M16197	K54727				
VISC.		PF/MF		TYPE	DUPLEX TRIPLEX	REED/TD52XKPR	REED/TD52XKPR	REED/EHP53A				
PV		CL		SPM		SIZE	9.875	9.875				
YP		CA		BPS	5.9 2.9	JETS	22	3/22				
GELS		EX. LIME		PSI		IN / OUT	2202/2831	2831				
FL.		LCM		GPM	0.0 0.0	WOB	30	30				
CAKE 32nds		ECD		AVDC		RPM	100/45	100/50				
% SOLIDS		H2S PPM		AVDP		FEET	629					
% WATER		DAPP/LB/BB		STKS. SUR TO BIT		HOURS	21.5					
% OIL				STKS. BIT TO SUR.		DULL	1 4 BT G					
% SAND		L.C.M.		REDUCED PUMP RATE		GRADE	0 1 WT PR					

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC. DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$138,720.00	\$12,480	\$151,200
MUD & CHEMICALS	\$3,700.00		\$3,700
CEM. SERV & FLT EQU.	\$27,845.00		\$27,845
BITS & BHA TOOLS	\$10,000.00		\$10,000
TRUCKING & DISP.	\$5,480.00		\$5,480
RENTAL EQUIP.	\$42,454.00	\$6,065	\$48,519
CASERS, WELD, LABOR	\$11,006.00		\$11,006
OVERHEAD	\$2,200.00	\$200	\$2,400
DIR. SERVICE / MOTOR	\$57,600.00	\$8,700	\$66,300
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$1,364.00		\$1,364
SUPERVISION	\$14,300.00	\$1,300	\$15,600
WATER	\$12,900.00	\$900	\$13,800
DISPOSAL	\$2,195.00		\$2,195
FUEL	\$27,958.00	\$6,586	\$34,544
MUD LOGGER	\$9,900.00	\$850	\$10,850
CASING / WELLHEAD	\$0.00		\$0
	\$0.00		\$0
PREV. CUM =	\$384,697		
TOTAL DAILY =		\$37,181	
TOTAL CUM =			\$421,778
DAILY MUD COSTS =			ACC. MUD COSTS = \$2,500.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
3317	43.25	46	3126	709	486	516
3411	45.18	48.25	3183	775	531	470
3504	44.75	47	3259	840	575	613
3597	42.44	45.25	3326	905	619	703
3690	42.56	43.87	3386	967	664	703

WEIGHT			
STRING WT.	P / U	S / O	TORQUE
110	130	90	

DRILL COLLARS			
NO.	CONN	O.D.	I.D.
	CONN	O.D.	I.D.

DRILL PIPE			
NO.	CONN	O.D.	I.D.
	CONN	O.D.	I.D.

BHA
BIT, X/O SUB, MOTOR, FLOAT SUB, SHOCK SUB, SHORT
NMDC, DOUBLE PIN, MWD TOOL CARRIER, MWD
EMITTER SUB, FLEX NMDC, X/O SUB, 2 6" DC'S, X/O SUB
12"HWDP, 1 JAR, 15 HWDP

MUD		
GEL	poly	PAC-R
BAR	LCM	MICA
LIME	LIG	

RECEIVED

MAY 10 2007

Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 10/8/2006

OPERATOR: MARION ENERGY

LEASE & WELL: RIDGERUNNER 11-17

PROSPECT: SCOFIELD

COUNTY: EMERY

STATE: UTAH

RIG: UNION#14

SPUD DATE: 9/27/2006 DFS: 11

OPER. @ RPT. TIME: circ f/casing

DEPTH: 4300

FTG. LAST 24 Hr.s: 473 Ft. AVG. FVH: 20.1

REPORT BY: WILLIAM SPROUSE

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
7.5	drill f/3827-3952	1.) RU- TD		0.0
0.5	survey	2.) DRILLING	23.5	152.0
16.0	drill f/3952-4300	3.) REAMING		2.5
		4.) CORING		0.0
		5.) CIRC.		37.0
		6.) TRIP		16.5
		7.) SERVICE		6.0
		8.) REPAIR		6.0
		9.) CUT DL		0.0
		10.) SURVEY	0.5	6.0
		11.) LOGGING		0.0
		12.) CSG & CMT		7.0
		13.) WOC		15.0
		14.) NU & TEST		11.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		7.0
		OTHER		45.5
			Total Hours =	24.0
				312.0

MUD				PUMPS				BIT RECORD			
WT. IN		PH		NO. 1		NO. 2		BIT NO. 3		BIT NO. 4	
WT. OUT		PM		SIZE	6.0 14.0	6.0 8.0	SERIAL NO.	M16197	K54727		
VISC.		PFMF		TYPE	DUPLEX	TRIPLEX	MFG / TYPE	REED/TD52XKPR	REED/EHP53A		
PV		CL		SPM			SIZE	9.875	9.875		
YP		CA		BPS	5.9	2.9	JETS	22	3/22		
GELS		EX. LINE		PSI			IN / OUT	2202/2831	2831		
FL.		LCM		GPM	0.0	0.0	WOB	30	30		
CONVE 32nds		ECD		AVDC			RPM	100/45	100/50		
% SOLIDS		H2S PPM		AVDP			FEET	629			
% WATER		WAPP/LB/BB		STKS. SER TO BIT			HOURS	21.5			
% OIL				STKS. BIT TO SER.			DULL	1 4 BT G			
% SAND		L.C.M.		REDUCED PUMP RATE			GRADE	0 1 WT PR			

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
PORTAGE / DAYWORK	\$151,200.00	\$12,480	\$163,680
MUD & CHEMICALS	\$3,700.00	\$747	\$4,447
CEM. SERV & FLT EQUI.	\$27,845.00		\$27,845
BITS & BHA TOOLS	\$10,000.00		\$10,000
TRUCKING & DISP.	\$5,480.00		\$5,480
RENTAL EQUIP.	\$46,519.00	\$8,065	\$54,584
CASERS WELD LABOR	\$11,006.00		\$11,006
LOWERHEAD	\$2,400.00		\$2,400
DIR. SERVICE / MOTOR	\$66,300.00	\$8,700	\$75,000
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$1,364.00		\$1,364
SUPERVISION	\$15,600.00	\$1,300	\$16,900
WATER	\$13,800.00	\$500	\$14,300
DISPOSAL	\$2,195.00		\$2,195
FUEL	\$34,544.00		\$34,544
MUD LOGGER	\$10,850.00	\$850	\$11,800
CASING / WELLHEAD	\$0.00		\$0
	\$0.00		\$0
PREV. CUM =	\$421,778		
TOTAL DAILY =		\$30,742	
TOTAL CUM =			\$482,820
DAILY MUD COSTS =			ACC. MUD COSTS = \$2,800.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
3783	43.25	44.37	3463	1031	710	747
3877	42.18	43.75	3532	1084	735	782
3970	42.10	43.75	3601	1157	801	835
4063	40.56	43.50	3671	1218	845	877
4157	37.81	43.12	3744	1278	888	918

WEIGHT			
STRING WT.	P / U	S / O	TORQUE
115000	150000	80000	

DRILL COLLARS			
NO.	CONN	O.D.	I.D.
2	Conn	4.5 H90	6.25
	CONN	O.D.	I.D.

DRILL PIPE			
NO.	CONN	O.D.	I.D.
	CONN	O.D.	I.D.

BHA
BIT X/O SUB, MOTOR, FLOAT SUB, SHOCK SUB, SHORT NMDC, DOUBLE PIN, MWD TOOL CARRIER, MWD EMITTER SUB, FLEX NMDC, X/O SUB, 2 6" DC'S, X/O SUB 12HWD, 1 JAR, 15 HWD

MUD		
GEL	poly	PAC-R
BAR:	LCM:	MICA
LIME:	LIG	

RECEIVED

MAY 10 2007

Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 10/9/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2006 DFS: 12 OPER. @ RPT. TIME:
 DEPTH: 4417 FTG. LAST 24 Hr.s: 117 FL. AVG. FTH: 23.4 REPORT BY: WILLIAM SPROUSE

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
1.0	DRILL F/4262-4300	1.) RU- TD		0.0
1.5	CIRCULATE	2.) DRILLING	5.0	157.0
1.0	TRIP OUT FOR CASING	3.) REAMING	5.0	7.5
2.5	UNLOAD CASING	4.) CORING		0.0
3.0	TRIP OUT FOR CASING	5.) CIRC.	1.5	38.5
2.0	PAU & CALIBRATE DIRECTIONAL TOOLS	6.) TRIP	9.5	26.0
3.5	TRIP IN W/ 9 7/8 BIT	7.) SERVICE		6.0
5.0	BREAK CIRCULATION, WASH & REAM 300' TO BOTTOM	8.) REPAIR		6.0
3.0	DRILL F/4300-4386	9.) CUT DL		0.0
0.5	SURVEY	10.) SURVEY	0.5	6.5
1.0	DRILL F/4386-4417	11.) LOGGING		0.0
		12.) CSG & CMT		7.0
	BG=13u, HIGH 15u	13.) WOC		15.0
	CONN. =12u, HIGH 18u	14.) NU & TEST		11.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		7.0
		OTHER	2.5	48.0
		Total Hours =	24.0	336.0

24.0 TOTAL HOURS

MUD				PUMPS				BIT RECORD			
WT. IN		PH		NO. 1		NO. 2		BIT NO. 3		BIT NO. 4	
WT. OUT		PM		SIZE	6.0	14.0	6.0	8.0	SERIAL NO.	M16197	K54727
VISC.		PF/MF		TYPE	DUPLEX		TRIPLEX		MFG / TYPE	REED/TD52XKPR	REED/EHP53A
PV		CL		SPM					SIZE	9.875	9.875
YP		CA		BPS	5.9	2.9			JETS	22	3/22
GELS		EX. LIME		PSI					IN / OUT	2202/2831	2831
FL.		LCM		GPM	0.0	0.0			WOB	30	30
CAKE 32nds		ECD		AVDC					RPM	100/45	100/50
% SOLIDS		H2S PPM		AVDP					FEET	629	
% WATER		DAPP/LB/BB		STKS. SUR TO BIT					HOURS	21.5	
% OIL				STKS. BIT TO SUR.					DULL	1 4 BT G	
% SAND		L.C.M.		REDUCED PUMP RATE					GRADE	0 1 WT PR	

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$163,680.00	\$12,480	\$176,160
MUD & CHEMICALS	\$4,447.00		\$4,447
CEM. SERV & FLT EQU.	\$27,645.00		\$27,645
BITS & BHA TOOLS	\$10,000.00		\$10,000
TRUCKING & DISP.	\$5,480.00		\$5,480
RENTAL EQUIP.	\$54,584.00	\$6,065	\$60,649
CASERS, WELD, LABOR	\$11,006.00	\$11,200	\$22,206
OVERHEAD	\$2,400.00	\$200	\$2,600
DIR. SERVICE / MOTOR	\$75,000.00	\$8,700	\$83,700
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$1,364.00		\$1,364
SUPERVISION	\$16,900.00	\$1,300	\$18,200
WATER	\$14,300.00	\$400	\$14,700
DISPOSAL	\$2,195.00		\$2,195
FUEL	\$34,544.00		\$34,544
MUD LOGGER	\$11,800.00	\$950	\$12,750
CASING / WELLHEAD	\$0.00	\$3,300	\$3,300
	\$0.00		\$0
PREV. CUM =	\$452,620		
TOTAL DAILY =		\$44,595	
TOTAL CUM =			\$497,115
DAILY MUD COSTS =			ACC. MUD COSTS = \$2,500.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
3877	42.19	43.75	3532	1094	755	792
3970	42.19	43.75	3601	1157	801	835
4063	40.56	43.50	3671	1218	845	877
4157	37.81	43.12	3744	1278	888	918
4311	32.63	40	3869	1366	955	977

WEIGHT			
STRING WT.	P / U	S / O	TORQUE
116000	155000	100000	

DRILL COLLARS				
NO.	CONN	O.D.	I.D.	
2	Conn	4.5 H90	6.25	2.25
	CONN			

DRILL PIPE			
NO.	CONN	O.D.	I.D.
	CONN		
	CONN		

BHA
 BIT, X/O SUB, MOTOR, FLOAT SUB, SHOCK SUB, SHORT
 NMDC, DOUBLE PIN, MWD TOOL CARRIER, MWD
 EMITTER SUB, FLEX NMDC, X/O SUB, 2 6" DC'S, X/O SUB
 12HWDP, 1 JAR, 15 HWDP

MUD			
GEL	poly		PAC-R
BAR	LCM		MICA
LIME			
CAUS			

RECEIVED

MAY 10 2007

Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 10/10/2006

OPERATOR: MARION ENERGY

LEASE & WELL: RIDGERUNNER 11-17

PROSPECT: SCOFIELD

COUNTY: EMERY

STATE: UTAH

RIG: UNION#14

SPUD DATE: 9/27/2006 DFS: 13

OPER. @ RPT. TIME: rig up casing crew

DEPTH: 4512 FTG. LAST 24 Hr.s: 95 Ft. AVG. Ft/hr: 23.8

REPORT BY: WILLIAM SPROUSE

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
2.0	drill f/4417-4480	1.) RU-TD		0.0
1.0	rig service	2.) DRILLING	4.0	161.0
1.0	repair mist pump	3.) REAMING		7.5
1.0	circulate, wait on returns	4.) CORING		0.0
2.0	drill f/4480-4512	5.) CIRC.	2.0	40.5
1.0	circulate	6.) TRIP	10.5	36.5
1.5	short trip 20 stands	7.) SERVICE	1.0	7.0
5.5	circulate, wait on laydown crew	8.) REPAIR		6.0
9.0	rig up westates & lay down drill string	9.) CUT DL		0.0
		10.) SURVEY		6.5
	BG 11u	11.) LOGGING		0.0
	CONN. 12u	12.) CSG & CMT		7.0
		13.) WOC		15.0
		14.) NU & TEST		11.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		7.0
		OTHER	6.5	54.5
		Total Hours =	24.0	360.0

MUD				PUMPS				BIT RECORD			
WT. IN	PH			NO. 1	NO. 2	BIT NO. 3	BIT NO. 4				
WT. OUT	PM			SIZE	6.0 14.0	6.0 8.0	SERIAL NO.	M16197	K54727		
VISC.	PF/MF			TYPE	DUPLEX	TRIPLEX	MFG / TYPE	REED/TD52XKPR	REED/EHP53A		
PV	CL			SPM			SIZE	9.875	9.875		
YP	CA			BPS	5.9	2.9	JETS	22	3/22		
GELS	EX. LIME			PSI			IN / OUT	2202/2831	2831		
FL	LCM			GPM	0.0	0.0	WOB	30	30		
CAKE 32nds	ECD			AVDC			RPM	100/45	100/50		
% SOLIDS	H2S PPM			AVDP			FEET	629			
% WATER	DAPP/LB/BB			STKS. SUR TO BIT			HOURS	21.5			
% OIL				STKS. BIT TO SUR.			DULL	1 4 BT G			
% SAND	L.C.M.			REDUCED PUMP RATE			GRADE	0 1 WT PR			

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$176,160.00	\$12,480	\$188,640
MUD & CHEMICALS	\$4,447.00	\$1,300	\$5,747
CEM. SERV & FLT EQUI.	\$27,645.00		\$27,645
BITS & BHA TOOLS	\$10,000.00		\$10,000
TRUCKING & DISP.	\$5,480.00		\$5,480
RENTAL EQUIP.	\$60,649.00	\$5,100	\$65,749
CASERS, WELD, LABOR	\$22,206.00		\$22,206
OVERHEAD	\$2,600.00	\$200	\$2,800
DIR. SERVICE / MOTOR	\$83,700.00	\$10,900	\$94,600
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$1,364.00		\$1,364
SUPERVISION	\$18,200.00	\$1,300	\$19,500
WATER	\$14,700.00	\$2,000	\$16,700
DISPOSAL	\$2,195.00		\$2,195
FUEL	\$34,544.00		\$34,544
MUD LOGGER	\$12,750.00		\$12,750
CASING / WELLHEAD	\$3,300.00		\$3,300
	\$0.00		\$0
PREV. CUM =	\$497,115		
TOTAL DAILY =		\$33,280	
TOTAL CUM =			\$530,395
DAILY MUD COSTS =		ACC. MUD COSTS =	\$2,500.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
4063	40.56	43.50	3671	1218	845	877
4157	37.81	43.12	3744	1278	888	918
4311	32.63	40	3889	1366	955	977
4405	29.69	38.5	3950	1414	982	1008
4437	26.4	39	3978	1429	1004	1017

WEIGHT			
STRING WT.	P / U	S / O	TORQUE

DRILL COLLARS				
NO.	CONN	O.D.	SEC.	I.D.
2	Conn	4.5 H90	6.25	2.25
	CONN			

DRILL PIPE			
NO.	CONN	O.D.	I.D.
	CONN		
	CONN		

BHA
BIT, X/O SUB, MOTOR, FLOAT SUB, SHOCK SUB, SHORT
NMDC, DOUBLE PIN, MWD TOOL CARRIER, MWD
EMITTER SUB, FLEX NMDC, X/O SUB, 2 6" DC'S, X/O SUB
12-HWDP, 1 JAR, 15 HWDP

MUD		
GEL	poly	PAC-R
BAR:	LCM:	MICA
LIME:	LIG	
PAVS	carb-t	

RECEIVED
MAY 10 2007

Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 10/11/2006

OPERATOR: MARION ENERGY

LEASE & WELL: RIDGERUNNER 11-17

PROSPECT: SCOFIELD

COUNTY: EMERY

STATE: UTAH

RIG: UNION#14

SPUD DATE: 9/27/2006 DFS: 14

OPER. @ RPT. TIME: WAIT ON CEMENT

DEPTH: 4512 FTG. LAST 24 Hr.s: 0 FL. AVG. FTHr. 0.0

REPORT BY: WILLIAM SPROUSE

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
1.0	LAY DOWN DRILL STRING	1.) RU-TD		0.0
1.5	SAFETY MEETING & RIG UP CASING CREW	2.) DRILLING		161.0
4.5	RUN CASING CASING SET @ 3942' KB	3.) REAMING		7.5
1.0	RIG DOWN CASERS	4.) CORING		0.0
2.0	CONDITION MUD & CIRCULATE	5.) CIRC.	2.0	42.5
10.0	CEMENT CASING	6.) TRIP	1.0	37.5
4.0	WAIT ON CEMENT	7.) SERVICE		7.0
		8.) REPAIR		6.0
		9.) CUT DL		0.0
		10.) SURVEY		6.5
		11.) LOGGING		0.0
		12.) CSG & CMT	21.0	28.0
		13.) WOC		15.0
		14.) NU & TEST		11.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		7.0
		OTHER		54.5
		Total Hours =	24.0	384.0
24.0	TOTAL HOURS			

MUD		
WT. IN	PH	
WT. OUT	PM	
VISC.	PF/MF	
PV	CL	
YP	CA	
GELS	EX. LIME	
FL.	LCM	
CAKE 32nds	ECD	
% SOLIDS	H2S PPM	
% WATER	DAPP/LB/BB	
% OIL		
% SAND	L.C.M.	

PUMPS				
	NO. 1		NO. 2	
SIZE	6.0	14.0	6.0	8.0
TYPE	DUPLEX		TRIPLEX	
SPM				
BPS	5.9		2.9	
PSI				
GPM	0.0		0.0	
AVDC				
AVDP				
STKS. SUR TO BIT				
STKS. BIT TO SUR.				
REDUCED PUMP RATE				

BIT RECORD				
	BIT NO. 3		BIT NO. 4	
SERIAL NO.	M16197		K54727	
MFG / TYPE	REED/TD52XKPR		REED/EHP53A	
SIZE	9.875		9.875	
JETS	22		3/22	
IN / OUT	2202/2831		2831	
WOB	30		30	
RPM	100/45		100/50	
FEET	629			
HOURS	21.5			
DULL	1	4	BT	G
GRADE	0	1	WT	PR

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$188,640.00	\$12,840	\$201,480
MUD & CHEMICALS	\$5,747.00		\$5,747
CEM. SERV & FLT EQU.	\$27,645.00	\$57,239	\$84,884
BITS & BHA TOOLS	\$10,000.00		\$10,000
TRUCKING & DISP.	\$5,480.00	\$8,860	\$14,340
RENTAL EQUIP.	\$65,749.00	\$1,320	\$67,069
CASERS, WELD, LABOR	\$22,206.00	\$16,494	\$38,700
OVERHEAD	\$2,800.00	\$200	\$3,000
DIR. SERVICE / MOTOR	\$94,600.00		\$94,600
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$1,364.00		\$1,364
SUPERVISION	\$19,500.00	\$1,300	\$20,800
WATER	\$16,700.00	\$2,000	\$18,700
DISPOSAL	\$2,195.00		\$2,195
FUEL	\$34,544.00		\$34,544
MUD LOGGER	\$12,750.00	\$950	\$13,700
CASING / WELLHEAD	\$3,300.00		\$3,300
	\$0.00		\$0
PREV. CUM =	\$530,395		
TOTAL DAILY =		\$101,203	
		TOTAL CUM =	\$631,598
DAILY MUD COSTS =		ACC. MUD COSTS =	\$2,500.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
4063	40.56	43.50	3671	1218	845	877
4157	37.81	43.12	3744	1278	888	918
4311	32.63	40	3869	1366	955	977
4405	29.69	38.5	3950	1414	992	1008
4437	26.4	39	3978	1429	1004	1017

WEIGHT			
STRING WT.	P / U	S / O	TORQUE

DRILL COLLARS			
NO.	CONN	O.D.	I.D.
8	Conn 3.5IF	4.75	2.25
	CONN	O.D.	I.D.

DRILL PIPE			
NO.	CONN	O.D.	I.D.
	CONN	O.D.	I.D.

BHA			
NO.	CONN	O.D.	I.D.
	CONN	O.D.	I.D.

MUD			
GEL	PAC-R	BAR:	MICA
poly		LCM:	
LIME:	LIG		

RECEIVED Carb-1

MAY 10 2007

Rig Phone No.: 435.628-5466

MORNING REPORT

DATE: 10/12/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2006 DFS: 15 OPER. @ RPT. TIME:
 DEPTH: FTG. LAST 24 Hr.s: -4512 FL. AVG. FTHr. 0.0 REPORT BY: WILLIAM SPROUSE

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
4.0	WAIT ON CEMENT	1.) RU- TD		0.0
3.0	NIPPLE UP BOP	2.) DRILLING		161.0
5.0	TEST BOP	3.) REAMING		7.5
2.0	UNLOAD 3.5" DRILLSTRING	4.) CORING		0.0
2.0	PICKED UP DIRECTIONAL TOOLS	5.) CIRC.		42.5
1.5	CALIBRATE DIRECTIONAL TOOLS	6.) TRIP	6.5	44.0
6.5	TRIP IN WITH 6 3/4" BIT	7.) SERVICE		7.0
		8.) REPAIR		6.0
		9.) CUT DL		0.0
	BG= 3u	10.) SURVEY		6.5
	CONN.= 0u	11.) LOGGING		0.0
		12.) CSG & CMT	4.0	32.0
		13.) WOC	4.0	19.0
		14.) NU & TEST	8.0	19.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		7.0
		OTHER	1.5	56.0
		Total Hours =	24.0	406.0

MUD				PUMPS				BIT RECORD			
WT. IN		PH		NO. 1		NO. 2		BIT NO. 5		BIT NO.	
WT. OUT		PM		SIZE 6.0	14.0	6.0	8.0	SERIAL NO.	RQ3478		
VISC.		PF/MF		TYPE	DUPLX	TRIPLEX		MFG / TYPE	REED		
PV		CL		SPM				SIZE	6.75		
YP		CA		BPS	5.9	2.9		JETS	OPEN		
GELS		EX. LIME		PSI				IN / OUT	3947		
FL.		LCM		GPM	0.0	0.0		WOB			
CAKE 32nds		ECD		AVDC				RPM			
% SOLIDS		H2S PPM		AVDP				FEET			
% WATER		DAPP/LB/BB		STKS. SUR TO BIT				HOURS			
% OIL				STKS. BIT TO SUR.				DULL			
% SAND		L.C.M.		REDUCED PUMP RATE				GRADE			

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$201,480.00	\$12,840	\$214,320
MUD & CHEMICALS	\$5,747.00		\$5,747
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$10,000.00		\$10,000
TRUCKING & DISP.	\$14,340.00	\$2,079	\$16,419
RENTAL EQUIP.	\$67,069.00	\$3,000	\$70,069
CASERS, WELD, LABOR	\$36,700.00		\$36,700
OVERHEAD	\$3,000.00	\$200	\$3,200
DIR. SERVICE / MOTOR	\$94,600.00	\$10,900	\$105,500
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$1,364.00		\$1,364
SUPERVISION	\$20,800.00	\$1,300	\$22,100
WATER	\$18,700.00		\$18,700
DISPOSAL	\$2,195.00		\$2,195
FUEL	\$34,544.00	\$10,682	\$45,226
MUD LOGGER	\$13,700.00	\$950	\$14,650
CASING / WELLHEAD	\$3,300.00		\$3,300
	\$0.00		\$0
PREV. CUM =	\$631,598		
TOTAL DAILY =		\$41,951	
		TOTAL CUM =	\$673,549
DAILY MUD COSTS =		ACC. MUD COSTS =	\$2,500.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
4063	40.56	43.50	3671	1218	845	877
4157	37.81	43.12	3744	1278	888	918
4311	32.63	40	3869	1366	955	977
4405	29.69	38.5	3950	1414	992	1008
4437	26.4	39	3978	1429	1004	1017

WEIGHT			
STRING WT.	P / U	S / O	TORQUE

DRILL COLLARS				
NO.	B	Conn	3.5IF	O.D. 4.75 I.D. 2.25

DRILL PIPE			
NO.	CONN	3.5	O.D. 3.5 IF I.D.

BHA	
BIT, MOTOR, FLOAT SUB, DBL PIN, TOOL CARRIER	EMITTER SUB, MONEL, 8 DRILL COLLARS

MUD		
GEL	poly	PAC-R
BAR:	LCM:	MICA
LIME:	LIG	

RECEIVED

MAY 10 2007

Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 10/13/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2006 DFS: 16 OPER. @ RPT. TIME: TRIP IN HOLE
 DEPTH: FTG. LAST 24 Hr.s: 0 FL. AVG. FmHr. 0.0 REPORT BY: WILLIAM SPROUSE

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
4.0	WAIT ON DRILLPIPE	1.) RU-TD		0.0
4.0	UNLOAD DRILLPIPE & TRIP IN HOLE	2.) DRILLING		161.0
0.5	FILL PIPE & BREAK CIRCULATION	3.) REAMING	6.0	13.5
2.5	DRILL CEMENT, FLOAT COLLAR, & SHOE	4.) CORING		0.0
0.5	RIG SERVICE	5.) CIRC.	0.5	43.0
6.0	WASH & REAM F/3947-4350	6.) TRIP	8.5	52.5
3.0	TRIP OUT TO LAY DOWN MWD, MOTOR, & BIT	7.) SERVICE	0.5	7.5
0.5	LAY DN MWD	8.) REPAIR		6.0
2.0	WAIT ON CEMENTERS	9.) CUT DL		0.0
1.0	TRIP IN OPEN ENDED TO PLUG BACK	10.) SURVEY		6.5
		11.) LOGGING		0.0
		12.) CSG & CMT		32.0
		13.) WOC		19.0
		14.) NU & TEST		19.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		7.0
		OTHER	8.5	64.5
		Total Hours =	24.0	432.0

MUD				PUMPS				BIT RECORD			
WT. IN	PH			NO. 1		NO. 2		BIT NO. 5		BIT NO.	
WT. OUT	PM			SIZE	6.0	14.0	6.0	8.0	SERIAL NO.	RQ3478	
VISC.	PF/MF			TYPE	DUPLEX		TRIPLEX		MFG / TYPE	REED	
PV	CL			SPM					SIZE	6.75	
YP	CA			BPS	5.9		2.9		JETS	OPEN	
GELS	EX. LIME			PSI					IN / OUT	3947	
FL.	LCM			GPM	0.0		0.0		WOB		
CAKE 32nds	ECD			AVDC					RPM		
% SOLIDS	H2S PPM			AVDP					FEET		
% WATER	DAPP/LB/BB			STKS. SUR TO BIT					HOURS		
% OIL				STKS. BIT TO SUR.					DULL		
% SAND	L.C.M.			REDUCED PUMP RATE					GRADE		

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$214,320.00	\$12,480	\$226,800
MUD & CHEMICALS	\$5,747.00		\$5,747
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$10,000.00		\$10,000
TRUCKING & DISP.	\$16,419.00		\$16,419
RENTAL EQUIP.	\$70,069.00		\$70,069
CASERS, WELD, LABOR	\$38,700.00		\$38,700
OVERHEAD	\$3,200.00	\$200	\$3,400
DIR. SERVICE / MOTOR	\$105,500.00	\$8,700	\$114,200
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$1,364.00	\$346	\$1,710
SUPERVISION	\$22,100.00	\$1,300	\$23,400
WATER	\$18,700.00	\$1,000	\$19,700
DISPOSAL	\$2,195.00		\$2,195
FUEL	\$45,226.00		\$45,226
MUD LOGGER	\$14,650.00	\$950	\$15,600
CASING / WELLHEAD	\$3,300.00		\$3,300
	\$0.00		\$0
PREV. CUM =	\$673,549		
TOTAL DAILY =		\$24,976	
		TOTAL CUM =	\$698,525
DAILY MUD COSTS =		ACC. MUD COSTS =	\$2,500.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
4063	40.56	43.50	3671	1218	845	877
4157	37.81	43.12	3744	1278	888	918
4311	32.63	40	3869	1368	955	977
4405	29.69	38.5	3950	1414	992	1008
4437	26.4	39	3978	1429	1004	1017

WEIGHT			
STRING WT.	P / U	S / O	TORQUE

DRILL COLLARS					
NO.	Conn	3.5IF	O.D.	4.75	I.D. 2.25
NO.	CONN		O.D.		I.D.

DRILL PIPE					
NO.	CONN	3.5	O.D.	3.5 IF	I.D.
NO.	CONN		O.D.		I.D.

BHA
BIT, MOTOR, FLOAT SUB, DBL PIN, TOOL CARRIER
EMITTER SUB, MONEL, 8 DRILL COLLARS

MUD			
GEL	poly		PAC-R
BAR:	LCM:		MICA
LIME:	LIG		

RECEIVED

MAY 10 2007

Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 10/14/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2006 DFS: 17 OPER. @ RPT. TIME: REPAIR FLOW LINE
 DEPTH: FTG. LAST 24 Hrs: 0 FL. AVG. FTHr. 0.0 REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
2.0	TIH TO PLUG BACK	1.) RU- TD		0.0
2.5	WAIT ON BIG 4 CEMENTERS	2.) DRILLING		161.0
2.5	RIG UP CEMENTERS PUMP 100SKS 17.5WT , .93 YEILD, 3.38 GAL./SK H2O	3.) REAMING		13.5
2.0	POOH	4.) CORING		0.0
0.5	RIG SERVICE	5.) CIRC.	1.0	44.0
3.5	WAIT ON DRILLING JARS, HOT SHOT DRIVER WAS LOST	6.) TRIP	8.0	60.5
3.5	PICK UP DIR TOOLS	7.) SERVICE	0.5	8.0
4.0	PICK UP HYD JAR & 8 4 3/4 DC AND TRIP IN HOLE TAG CEMENT @ 3747'	8.) REPAIR	1.5	7.5
1.0	START AIR PACK & MIST PUMP	9.) CUT DL		0.0
0.5	REPAIR MIST PUMP	10.) SURVEY		6.5
1.0	UNLOAD HOLE	11.) LOGGING		0.0
1.0	REPAIR FLOW LINE DRESSER SLEEVE BLEW APART	12.) CSG & CMT	3.0	35.0
		13.) WOC		19.0
	LITHOLOGY: SS 90%, SH 15%, OTHER 5%	14.) NU & TEST		19.5
	NO GAS	15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK	3.5	10.5
		OTHER	6.5	71.0
		Total Hours =	24.0	456.0

24.0 TOTAL HOURS

MUD			PUMPS				BIT RECORD			
WT. IN	PH		NO. 1		NO. 2		BIT NO. 5		BIT NO.	
WT. OUT	PM		SIZE	6.0	14.0	6.0	8.0	SERIAL NO.	RQ3478	
VISC.	PFMF		TYPE	DUPLEX		TRIPLEX		MFG / TYPE	REED	
PV	CL		SPM					SIZE	6.75	
YP	CA		BPS	5.9		2.9		JETS	OPEN	
GELS	EX. LIME		PSI					IN / OUT	3947	
FL.	LCM		GPM	0.0		0.0		WOB		
CAKE 32nds	ECD		AVDC					RPM		
% SOLIDS	H2S PPM		AVDP					FEET		
% WATER	DAPP/LB/BB		STKS. SUR TO BIT					HOURS		
% OIL			STKS. BIT TO SUR.					DULL		
% SAND	L.C.M.		REDUCED PUMP RATE					GRADE		

DAILY COSTS RECORD				DEVIATION RECORD						
ITEM	PREV. CUM.	DAILY	TOTAL CUM.	DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	E/W
LOC., DAMAGES, COND.	\$0.00		\$0	4063	40.56	43.50	3671	1218	845	877
MOBILIZATION	\$17,175.00		\$17,175	4157	37.81	43.12	3744	1278	888	918
FOOTAGE / DAYWORK	\$228,800.00	\$12,480	\$239,280	4311	32.63	40	3869	1366	955	977
MUD & CHEMICALS	\$5,747.00	\$1,000	\$6,747	4405	29.69	38.5	3950	1414	992	1008
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884	4437	26.4	39	3978	1429	1004	1017
BITS & BHA TOOLS	\$10,000.00	\$5,000	\$15,000	WEIGHT						
TRUCKING & DISP.	\$16,419.00	\$1,800	\$18,219	STRING WT.	P / U	S / O	TORQUE			
RENTAL EQUIP.	\$70,069.00	\$5,100	\$75,169	DRILL COLLARS						
CASERS, WELD, LABOR	\$38,700.00		\$38,700	NO. 8	Conn	3.5IF	O.D. 4.75	I.D. 2.25		
OVERHEAD	\$3,400.00	\$200	\$3,600	NO.	CONN		O.D.	I.D.		
DIR. SERVICE / MOTOR	\$114,200.00	\$8,700	\$122,900	DRILL PIPE						
LOGGING	\$0.00		\$0	NO.	CONN	3.5	O.D. 3.5 IF	I.D.		
MISC. SERV & SUPP.	\$1,710.00		\$1,710	NO.	CONN		O.D.	I.D.		
SUPERVISION	\$23,400.00	\$1,300	\$24,700	BHA						
WATER	\$19,700.00	\$1,200	\$20,900	BIT, MOTOR, FLOAT SUB, DBL PIN, TOOL CARRIER						
DISPOSAL	\$2,195.00	\$1,800	\$3,995	EMITTER SUB, MONEL, 8 DRILL COLLARS 1 DRILL JAR						
FUEL	\$45,226.00		\$45,226	8 DC'S						
MUD LOGGER	\$15,600.00	\$1,000	\$16,600	MUD						
CASING / WELLHEAD	\$3,300.00		\$3,300	GEL	poly		PAC-R			
	\$0.00		\$0	BAR:	LCM:		MICA			
PREV. CUM =	\$698,525			LIME:	LIG					
TOTAL DAILY =	\$39,680									
TOTAL CUM =			\$738,105							
DAILY MUD COSTS =	\$1,000.00	ACC. MUD COSTS =	\$6,747.00							

RECEIVED

MAY 10 2007

Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 10/15/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2006 DFS: 18 OPER. @ RPT. TIME: TRY TO CUT WINDOW
 DEPTH: FTG. LAST 24 Hr.s: 0 Ft. AVG. FTHr. 0.0 REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
1.5	REPAIR FLOW LINE	1.) RU- TD		0.0
0.5	CIRC	2.) DRILLING		161.0
6.0	DRILL OUT CMT/F 3747' TO 4008' SHOE @ 3942' 195' CMT IN CASING	3.) REAMING		13.5
4.0	TRIP OUT TO CHECK DIR TOOLS & CONFIRM TALLY	4.) CORING		0.0
0.5	RIG SERVICE	5.) CIRC.	0.5	44.5
11.5	TRY TO CUT WINDOW TO KICK OFF ON NEW BUILD	6.) TRIP	4.0	64.5
		7.) SERVICE	0.5	8.5
		8.) REPAIR	1.5	9.0
		9.) CUT DL		0.0
		10.) SURVEY		6.5
		11.) LOGGING		0.0
		12.) CSG & CMT		35.0
		13.) WOC		19.0
		14.) NU & TEST		19.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK	11.5	22.0
		OTHER	6.0	77.0
		Total Hours =	24.0	480.0

MUD				PUMPS				BIT RECORD			
WT. IN		PH		NO. 1		NO. 2		BIT NO. 6		BIT NO.	
WT. OUT		PM		SIZE	6.0 14.0	6.0 8.0	SERIAL NO.	RQ3478			
VISC.		PF/MF		TYPE	DUPLEX	TRIPLEX	MFG / TYPE	REED			
PV		CL		SPM			SIZE	6.75			
YP		CA		BPS	5.9	2.9	JETS	OPEN			
GELS		EX. LIME		PSI			IN / OUT	3947			
FL.		LCM		GPM	0.0	0.0	WOB				
CAKE 32nds		ECD		AVDC			RPM				
% SOLIDS		H2S PPM		AVDP			FEET				
% WATER		DAPP/LB/BB		STKS. SUR TO BIT			HOURS				
% OIL				STKS. BIT TO SUR.			DULL				
% SAND		L.C.M.		REDUCED PUMP RATE			GRADE				

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$239,280.00	\$12,480	\$251,760
MUD & CHEMICALS	\$6,747.00	\$1,000	\$7,747
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$15,000.00		\$15,000
TRUCKING & DISP.	\$18,219.00		\$18,219
RENTAL EQUIP.	\$75,169.00	\$5,500	\$80,669
CASERS, WELD, LABOR	\$38,700.00		\$38,700
OVERHEAD	\$3,600.00	\$200	\$3,800
DIR. SERVICE / MOTOR	\$122,900.00	\$8,700	\$131,600
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$1,710.00		\$1,710
SUPERVISION	\$24,700.00	\$1,300	\$26,000
WATER	\$20,900.00		\$20,900
DISPOSAL	\$3,995.00		\$3,995
FUEL	\$45,226.00		\$45,226
MUD LOGGER	\$16,600.00	\$1,000	\$17,600
CASING / WELLHEAD	\$3,300.00		\$3,300
	\$0.00		\$0
PREV. CUM =	\$738,105		
TOTAL DAILY =		\$30,180	
TOTAL CUM =			\$768,285
DAILY MUD COSTS =	\$1,000.00	ACC. MUD COSTS =	\$6,747.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
4063	40.56	43.50	3671	1218	845	877
4157	37.81	43.12	3744	1278	888	918
4311	32.63	40	3869	1366	955	977
4405	29.69	38.5	3950	1414	992	1008
4437	26.4	39	3978	1429	1004	1017

WEIGHT			
STRING WT.	P / U	S / O	TORQUE

DRILL COLLARS				
NO.	CONN	3.5IF	O.D.	I.D.
8	Conn	3.5IF	O.D. 4.75	I.D. 2.25
	CONN		O.D.	I.D.

DRILL PIPE				
NO.	CONN	3.5	O.D. 3.5 IF	I.D.
	CONN		O.D.	I.D.

BHA	
BIT, MOTOR, FLOAT SUB, DBL PIN, TOOL CARRIER	
EMITTER SUB, MONEL, 8 DRILL COLLARS 1 DRILL JAR	
8 DC'S	

MUD		
GEL	poly	PAC-R
BAR:	LCM:	MICA
LIME:	LIG	1BBL SOAP

RECEIVED

MAY 10 2007

Rig Phone No.: 435.828-5468

MORNING REPORT

DATE: 10/16/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2006 DFS: 19 OPER. @ RPT. TIME: WT ON CEMENT
 DEPTH: FTG. LAST 24 Hr.s: 0 FL AVG. FTHr. 0.0 REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
1.0	REPAIR RIG WORK ON YELLOW DOG	1.) RU- TD		0.0
4.5	DAF 4103' TO 4166' TRYING TO KICK OFF	2.) DRILLING	4.5	165.5
3.5	POOH TO PUMP CMT PLUG STAND BACK DIR TOOLS	3.) REAMING		13.5
0.5	RIG SERVICE	4.) CORING		0.0
2.5	TIH	5.) CIRC.	2.0	46.5
2.0	CIRC & PUMP LCM SWEEPS AROUND	6.) TRIP	12.0	76.5
1.5	RIG UP AND PLUG BACK WITH BIG 4, PUMPED 50SKS CMT 17.5 WT, .93 YEILD, 3.38 GAL./SK.	7.) SERVICE	0.5	9.0
		8.) REPAIR	1.0	10.0
1.5	POOH 52 STD	9.) CUT DL		0.0
1.0	LAY DWN 27 JTS D/P	10.) SURVEY		6.5
1.0	PICK UP OREIENTATE DIR. TOOLS	11.) LOGGING		0.0
3.5	TIH	12.) CSG & CMT	1.5	36.5
1.5	WOC	13.) WOC	1.5	20.5
		14.) NU & TEST		19.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK	1.0	23.0
		OTHER		77.0
		Total Hours =	24.0	504.0

MUD				PUMPS				BIT RECORD			
WT. IN	PH			NO. 1		NO. 2		BIT NO. 5		BIT NO.	
WT. OUT	PM			SIZE	6.0	14.0	6.0	8.0	SERIAL NO.	RQ3478	
VISC.	PF/MF			TYPE	DUPLEX		TRIPLEX		MFG / TYPE	REED	
PV	CL			SPM					SIZE	6.75	
YP	CA			BPS	5.9		2.9		JETS	OPEN	
GELS	EX. LIME			PSI					IN / OUT	3947	
FL	LCM			GPM	0.0		0.0		WOB		
CAKE 32nds	ECD			AVDC					RPM		
% SOLIDS	H2S PPM			AVDP					FEET	60	
% WATER	DAPP/LB/BB			STKS. SUR TO BIT					HOURS	4.5	
% OIL				STKS. BIT TO SUR.					DULL		
% SAND	L.C.M.			REDUCED PUMP RATE					GRADE		

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC. DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$251,760.00	\$12,480	\$264,240
MUD & CHEMICALS	\$7,747.00	\$3,000	\$10,747
CEM. SERV & FLT EQUI.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$15,000.00		\$15,000
TRUCKING & DISP.	\$18,219.00		\$18,219
RENTAL EQUIP.	\$80,669.00	\$6,000	\$86,669
CASERS, WELD, LABOR	\$38,700.00		\$38,700
OVERHEAD	\$3,800.00	\$200	\$4,000
DIR. SERVICE / MOTOR	\$131,600.00	\$8,700	\$140,300
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$1,710.00		\$1,710
SUPERVISION	\$26,000.00	\$1,300	\$27,300
WATER	\$20,900.00		\$20,900
DISPOSAL	\$3,995.00		\$3,995
FUEL	\$45,226.00		\$45,226
MUD LOGGER	\$17,600.00	\$1,000	\$18,600
CASING / WELLHEAD	\$3,300.00		\$3,300
	\$0.00		\$0
PREV. CUM =	\$768,285		
TOTAL DAILY =		\$32,680	
		TOTAL CUM =	\$800,965
DAILY MUD COSTS =	\$3,000.00	ACC. MUD COSTS =	\$6,747.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	E/W
4063	40.56	43.50	3671	1218	845	877
4157	37.81	43.12	3744	1278	888	918
4311	32.63	40	3869	1366	955	977
4405	29.69	38.5	3950	1414	992	1008
4437	26.4	39	3978	1429	1004	1017

WEIGHT			
STRING WT.	P / U	S / O	TORQUE

DRILL COLLARS					
NO.	CONN	3.5IF	O.D.	4.75	I.D.
8	Conn	3.5IF	O.D.	4.75	I.D.
	CONN		O.D.		I.D.

DRILL PIPE					
NO.	CONN	3.5	O.D.	3.5 IF	I.D.
	CONN	3.5	O.D.	3.5 IF	I.D.
	CONN		O.D.		I.D.

BHA	
BIT, MOTOR, FLOAT SUB, DBL PIN, TOOL CARRIER	
EMITTER SUB, MONEL, 8 DRILL COLLARS 1 DRILL JAR	
8 DC'S	

MUD			
GEL	70	poly	PAC-R
BAR:	LCM:	100SAW	MICA
LIME:	LIG		

RECEIVED

MAY 10 2007

Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 10/17/2006

OPERATOR: MARION ENERGY

LEASE & WELL: RIDGERUNNER 11-17

PROSPECT: SCOFIELD

COUNTY: EMERY

STATE: UTAH

RIG: UNION#14

SPUD DATE: 9/27/2006

DFS: 20

OPER. @ RPT. TIME: TIME DRILL

DEPTH: FTG. LAST 24 Hr.s: 0

FL. AVG. F1/Hr. 0.0

REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
1.5	WAIT ON CMT	1.) RU- TD		0.0
0.5	RIG SERVICE	2.) DRILLING	17.0	182.5
1.0	RUN IN TAG CMT	3.) REAMING		13.5
0.5	TRY TO SLID, CMT TO GREEN	4.) CORING		0.0
2.5	WOC	5.) CIRC.		46.5
1.0	RUN BACK IN TAG UP @ 4142	6.) TRIP	2.0	78.5
1.0	SLIDING FROM 4142' TO 4167'	7.) SERVICE	0.5	9.5
16.0	TIME DRILL /F 4142' TO 4198'	8.) REPAIR		10.0
		9.) CUT DL		0.0
		10.) SURVEY		6.5
	LITHOLOGY: SS 85%, SH 15%	11.) LOGGING		0.0
		12.) CSG & CMT		36.5
		13.) WOC	4.0	24.5
		14.) NU & TEST		19.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK	0.5	23.5
		OTHER		77.0
		Total Hours =	24.0	528.0

MUD				PUMPS				BIT RECORD						
WT. IN		PH		NO. 1	NO. 2	BIT NO.	5	BIT NO.	SERIAL NO.	RQ3478	MFG / TYPE	REED	SIZE	6.75
WT. OUT		PM												
VISC.		PF/MF		TYPE				IN / OUT	3947	WOB	2.5	RPM		
PV		CL		SPM	35			FEET	60	HOURS	24	DULL		
YP		CA		BPS	5.9	2.9		GRADE						
GELS		EX. LIME		PSI										
FL.		LCM		GPM	171.0	0.0								
CAKE 32nds		ECD		AVDC										
% SOLIDS		H2S PPM		AVDP										
% WATER		DAPP/LB/BB		STKS. SUR TO BIT										
% OIL				STKS. BIT TO SUR.										
% SAND		L.C.M.		REDUCED PUMP RATE										

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$264,240.00	\$12,480	\$276,720
MUD & CHEMICALS	\$10,747.00	\$1,000	\$11,747
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$15,000.00		\$15,000
TRUCKING & DISP.	\$18,219.00		\$18,219
RENTAL EQUIP.	\$86,669.00	\$5,500	\$92,169
CASERS, WELD, LABOR	\$38,700.00		\$38,700
OVERHEAD	\$4,000.00	\$200	\$4,200
DIR. SERVICE / MOTOR	\$140,300.00	\$8,700	\$149,000
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$1,710.00		\$1,710
SUPERVISION	\$27,300.00	\$1,300	\$28,600
WATER	\$20,900.00	\$1,400	\$22,300
DISPOSAL	\$3,995.00		\$3,995
FUEL	\$45,226.00		\$45,226
MUD LOGGER	\$18,600.00	\$1,000	\$19,600
CASING / WELLHEAD	\$3,300.00		\$3,300
	\$0.00		\$0
PREV. CUM =	\$800,965		
TOTAL DAILY =	\$31,580		
TOTAL CUM =			\$832,545
DAILY MUD COSTS =	\$1,000.00	ACC. MUD COSTS =	\$6,747.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
4063	40.56	43.50	3671	1218	845	877
4157	37.81	43.12	3744	1278	888	918
4311	32.63	40	3869	1366	955	977
4405	29.69	38.5	3950	1414	992	1008
4437	26.4	39	3978	1429	1004	1017

WEIGHT			
STRING WT.	P / U	S / O	TORQUE

DRILL COLLARS				
NO.	CONN	O.D.	I.D.	
8	Conn 3.5IF	4.75	2.25	
	CONN	O.D.	I.D.	

DRILL PIPE			
NO.	CONN	O.D.	I.D.
	CONN 3.5	3.5 IF	I.D.
	CONN	O.D.	I.D.

BHA	
BIT, MOTOR, FLOAT SUB, DBL PIN, TOOL CARRIER	
EMITTER SUB, MONEL, 8 DRILL COLLARS 1 DRILL JAR	
8 DC'S	

MUD		
GEL	poly	PAC-R
BAR:	LCM:	MICA
LIME:	LIG	1 BBL SOAP
	Carb-	

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MAY 10 2007

Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 10/18/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2006 DFS: 21 OPER. @ RPT. TIME: DRILLING
 DEPTH: 4420 FTG. LAST 24 Hrs: 222 FL. AVG. FL#t: 11.7 REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTMNTY	HOURS	ACC. HR.S
14.0	D/F 4198' TO 4324' (TIME DRILLING)	1.) RU- TD		0.0
0.5	SURVEY	2.) DRILLING	19.0	201.5
2.0	SLIDING 4340' TO 4356'	3.) REAMING		13.5
1.5	WORK ON AIR PACK	4.) CORING		0.0
1.5	SLIDING/F 4356' TO 4368'	5.) CIRC.		46.5
3.5	START ROTATING/ F 4368 TO4420' AIR PACK DOWN @ REPORT TIME	6.) TRIP		78.5
1.0	SUEVEY	7.) SERVICE		9.5
		8.) REPAIR		10.0
	LITHOLOGY- 90% ss , 10% SH	9.) CUT DL		0.0
		10.) SURVEY	1.5	8.0
		11.) LOGGING		0.0
		12.) CSG & CMT		36.5
		13.) WOC		24.5
		14.) NU & TEST		19.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK	2.0	25.5
		OTHER	1.5	78.5
		Total Hours =	24.0	552.0

MUD			PUMPS				BIT RECORD			
WT. IN	PH		NO. 1		NO. 2		BIT NO. 5		BIT NO.	
WT. OUT	PM		SIZE	6.0	14.0	6.0	8.0	SERIAL NO.	RQ3478	
VISC.	PF/MF		TYPE	DUPLEX		TRIPLEX		MFG / TYPE	REED	
PV	CL		SPM	40				SIZE	6.75	
YP	CA		BPS	5.9	2.9			JETS	OPEN	
GELS	EX. LIME		PSI					IN / OUT	3947	
FL.	LCM		GPM	195.5	0.0			WOB	2.5	
CAKE 32nds	ECD		AVDC					RPM	80/45	
% SOLIDS	H2S PPM		AVDP					FEET	278	
% WATER	DAPP/LB/BB		STKS. SUR TO BIT					HOURS	43	
% OIL			STKS. BIT TO SUR.					DULL		
% SAND	L.C.M.		REDUCED PUMP RATE					GRADE		

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$276,720.00	\$12,480	\$289,200
MUD & CHEMICALS	\$11,747.00	\$1,000	\$12,747
CEM. SERV & FLT. EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$15,000.00		\$15,000
TRUCKING & DISP.	\$18,219.00		\$18,219
RENTAL EQUIP.	\$92,169.00	\$6,000	\$98,169
CASERS, WELD, LABOR	\$38,700.00		\$38,700
OVERHEAD	\$4,200.00	\$200	\$4,400
DIR. SERVICE / MOTOR	\$149,000.00	\$8,700	\$157,700
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$1,710.00		\$1,710
SUPERVISION	\$28,600.00	\$1,300	\$29,900
WATER	\$22,300.00		\$22,300
DISPOSAL	\$3,995.00		\$3,995
FUEL	\$45,226.00		\$45,226
MUD LOGGER	\$19,600.00	\$1,000	\$20,600
CASING / WELLHEAD	\$3,300.00		\$3,300
	\$0.00		\$0
PREV. CUM =	\$832,545		
TOTAL DAILY =		\$30,680	
		TOTAL CUM =	\$863,225
DAILY MUD COSTS =	\$1,000.00	ACC. MUD COSTS =	\$6,747.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
4059	40.94	42.75	3687	1216	844	875
4153	38.13	42.75	3759	1276	888	916
4216	39.64	44.77	3808	1315	916	943
4311	42.94	48.62	3880	1378	959	989
4375	43.69	49.12	3926	1422	988	1022

WEIGHT			
STRING WT.	P / U	S / O	TORQUE

DRILL COLLARS				
NO.	CONN	3.5IF	O.D.	I.D.
8	Conn	3.5IF	4.75	2.25
	CONN		O.D.	I.D.

DRILL PIPE				
NO.	CONN	3.5	O.D.	I.D.
	CONN		O.D.	I.D.

BHA	
BIT, MOTOR, FLOAT SUB, DBL PIN, TOOL CARRIER	
EMITTER SUB, MONEL, 8 DRILL COLLARS 1 DRILL JAR	
8 DC'S	

MUD		
GEL	poly	PAC-R
BAR:	LCM:	MICA
LIME	1BBL SOAP, 1BBL SHELL TREAT	

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MAY 10 2007

Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 10/19/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2006 DFS: 22 OPER. @ RPT. TIME: WT. ON RIG CREW
 DEPTH: 4544 FTG. LAST 24 Hr.s: 124 Ft. AVG. Ft./Hr. 13.1 REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
2.5	D/F 4420' TO 4544'	1.) RU- TD		0.0
3.5	THAW OUT AIR JAMMERS EQUIPEMENT	2.) DRILLING	9.5	211.0
6.5	POOH, L/D MOTOR PICK UP SAME AND CHANGE OUT BIT(AIR JAMMERS FROZE UP) RIG SERVICE	3.) REAMING		13.5
2.0	PICK UP MOTOR & ORIENT TOOLS	4.) CORING		0.0
2.5	REPAIR RIG / WORK ON YELLOW DOGS, THAW OUT LINES	5.) CIRC.		46.5
3.5	TIH	6.) TRIP	6.0	84.5
2.5	THAW OUT MIST TANK & PUT AIR ON HOLE, UNLOAD HOLE	7.) SERVICE	0.5	10.0
1.0	WT ON RIG CREW	8.) REPAIR	2.5	12.5
		9.) CUT DL		0.0
		10.) SURVEY		8.0
		11.) LOGGING		0.0
	LITHOLOGY/ 90% SS, 10% SH	12.) CSG & CMT		36.5
		13.) WOC		24.5
		14.) NU & TEST		19.5
	COMMENTS	15.) INSP. BHA		0.0
	BOTH MUD PUMP'S ARE DOWN, # 2 PUMP WENT DWN 10/12/06, THEY HAVE NOT TRIED TO FIX THIS PUMP, #2 PUMP DWN @ 3:00 AM ON 10/19/06, BOILER BACK ON LINE 10/18/06	16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK	2.0	27.5
		OTHER	3.5	82.0
		Total Hours =	24.0	576.0

MUD				PUMPS				BIT RECORD			
WT. IN		PH		NO. 1		NO. 2		BIT NO. 5		BIT NO. 6	
WT. OUT		PM		SIZE 6.0	14.0	6.0	8.0	SERIAL NO.	RQ3478	LOB8471	
VISC.		PF/MF		TYPE	DUPLX	TRIPLEX		MFG / TYPE	REED	REED/EHP53A	
PV		CL		SPM				SIZE	6.75	6.75	
YP		CA		BPS	5.9	2.9		JETS	OPEN	3X20	
GELS		EX. LIME		PSI				IN / OUT	3947	4457	
FL.		LCM		GPM	0.0	0.0		WOB	2.5		
CAKE 32nds		ECD		AVDC				RPM	80/45		
% SOLIDS		H2S PPM		AVDP				FEET	341		
% WATER		DAPP/LB/BB		STKS. SUR TO BIT				HOURS	46.5		
% OIL				STKS. BIT TO SUR.				DULL	1 2 WT G		
% SAND		L.C.M.		REDUCED PUMP RATE				GRADE	0 1 BT RIG		

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$289,200.00	\$12,480	\$301,680
MUD & CHEMICALS	\$12,747.00	\$1,000	\$13,747
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$15,000.00		\$15,000
TRUCKING & DISP.	\$18,219.00	\$586	\$18,805
RENTAL EQUIP.	\$98,169.00	\$6,000	\$104,169
CASERS, WELD, LABOR	\$38,700.00		\$38,700
OVERHEAD	\$4,400.00	\$200	\$4,600
DIR. SERVICE / MOTOR	\$157,700.00	\$8,700	\$166,400
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$1,710.00		\$1,710
SUPERVISION	\$29,900.00	\$1,300	\$31,200
WATER	\$22,300.00	\$1,700	\$24,000
DISPOSAL	\$3,995.00		\$3,995
FUEL	\$45,226.00		\$45,226
MUD LOGGER	\$20,600.00	\$1,000	\$21,600
CASING / WELLHEAD	\$3,300.00		\$3,300
	\$0.00		\$0
PREV. CUM =	\$863,225		
TOTAL DAILY =		\$32,966	
TOTAL CUM =			\$896,191
DAILY MUD COSTS =	\$1,000.00	ACC. MUD COSTS =	\$6,747.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	E/W
4059	40.94	42.75	3687	1216	844	875
4153	38.13	42.75	3750	1276	888	916
4216	39.64	44.77	3808	1315	916	943
4311	42.94	48.62	3880	1378	959	989
4375	43.69	49.12	3926	1422	988	1022

WEIGHT			
STRING WT.	P / U	S / O	TORQUE

DRILL COLLARS				
NO.	CONN	3.5IF	O.D.	I.D.
8	CONN	3.5IF	4.75	2.25
	CONN		O.D.	I.D.

DRILL PIPE				
NO.	CONN	3.5	O.D.	I.D.
	CONN	3.5	3.5 IF	I.D.
	CONN		O.D.	I.D.

BHA			
BIT, MOTOR, FLOAT SUB, DBL PIN, TOOL CARRIER			
EMITTER SUB, MONEL, 8 DRILL COLLARS 1 DRILL JAR			
8 DC'S			

MUD			
GEL	PAC-R	BAR:	MICA
poly		LCM:	
LIME:	LIG		

RECEIVED

MAY 10 2007

Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 10/20/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2006 DFS: 23 OPER. @ RPT. TIME: DRILLING
 DEPTH: 5119 FTG. LAST 24 Hr.s: 662 FL. AVG. F/Hr: 34.8 REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
3.0	REPAIR RIG, WORK ON #2 PUMP	1.) RU- TD		0.0
10.0	D/F 4544' TO 4792'	2.) DRILLING	19.0	230.0
0.5	CHANGE OUT POP OFF ON MIST TANK	3.) REAMING		13.5
0.5	SURVEY	4.) CORING		0.0
2.0	D/F 4792' TO 4815'	5.) CIRC.		46.5
0.5	SURVEY	6.) TRIP		84.5
4.5	D/F 4815' TO 5023'	7.) SERVICE		10.0
0.5	SURVEY	8.) REPAIR	3.0	15.5
2.5	D/F 5023' TO 5087'	9.) CUT DL		0.0
		10.) SURVEY	1.5	9.5
		11.) LOGGING		0.0
	LITHOLOGY: 100% SS	12.) CSG & CMT		36.5
		13.) WOC		24.5
		14.) NU & TEST		19.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		27.5
		OTHER	0.5	82.5
		Total Hours =	24.0	600.0

MUD				PUMPS				BIT RECORD			
WT. IN		PH		NO. 1		NO. 2		BIT NO. 5		BIT NO. 6	
WT. OUT		PM		SIZE	6.0	14.0	6.0	8.0	SERIAL NO.	RQ3478	LOB8471
VISC.		PF/MF		TYPE	DUPLEX		TRIPLEX		MFG / TYPE	REED	REED/EHP53A
PV		CL		SPM					SIZE	6.75	6.75
YP		CA		BPS	5.9	2.9			JETS	OPEN	3X20
GELS		EX. LIME		PSI					IN / OUT	3947	4457
FL.		LCM		GPM	0.0	0.0			WOB	2.5	20
CAKE 32nds		ECD		AVDC					RPM	80/45	80/45
% SOLIDS		H2S PPM		AVDP					FEET	341	662
% WATER		DAPP/LB/BB		STKS. SUR TO BIT					HOURS	46.5	19
% OIL				STKS. BIT TO SUR.					DULL		
% SAND		L.C.M.		REDUCED PUMP RATE					GRADE		

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$301,680.00	\$12,480	\$314,160
MUD & CHEMICALS	\$13,747.00	\$1,000	\$14,747
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$15,000.00		\$15,000
TRUCKING & DISP.	\$18,805.00	\$2,750	\$21,555
RENTAL EQUIP.	\$104,169.00	\$6,000	\$110,169
CASERS, WELD, LABOR	\$38,700.00	\$2,418	\$41,118
OVERHEAD	\$4,600.00	\$200	\$4,800
DIR. SERVICE / MOTOR	\$166,400.00	\$8,700	\$175,100
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$1,710.00		\$1,710
SUPERVISION	\$31,200.00	\$1,300	\$32,500
WATER	\$22,300.00	\$1,300	\$23,600
DISPOSAL	\$3,995.00	\$996	\$4,991
FUEL	\$45,226.00		\$45,226
MUD LOGGER	\$21,600.00	\$1,000	\$22,600
CASING / WELLHEAD	\$3,300.00		\$3,300
	\$0.00		\$0
PREV. CUM =	\$894,491		
TOTAL DAILY =		\$38,144	
		TOTAL CUM =	\$932,635
DAILY MUD COSTS =	\$1,000.00	ACC. MUD COSTS =	\$13,747.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	E/W
4059	40.94	42.75	3687	1216	844	875
4153	38.13	42.75	3759	1276	888	916
4216	39.64	44.77	3808	1315	916	943
4311	42.94	48.62	3880	1378	959	989
4375	43.69	49.12	3926	1422	988	1022

WEIGHT			
STRING WT.	P / U	S / O	TORQUE

DRILL COLLARS				
NO.	CONN	3.5IF	O.D.	I.D.
8	Conn	3.5IF	4.75	2.25
	CONN		O.D.	I.D.

DRILL PIPE				
NO.	CONN	3.5	O.D.	I.D.
	CONN	3.5	3.5 IF	I.D.
	CONN		O.D.	I.D.

BHA			
BIT, MOTOR, FLOAT SUB, DBL PIN, TOOL CARRIER			
EMITTER SUB, MONEL, 8 DRILL COLLARS 1 DRILL JAR			
8 DC'S			

MUD			
GEL	poly		PAC-R
BAR:	LCM:		MICA
LIME:	LIG		

MAY 10 2007

Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 10/21/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2006 DFS: 24 OPER. @ RPT. TIME: DRILLING
 DEPTH: 5756 FTG. LAST 24 Hr.s: 637 Ft. AVG. FWH: 28.3 REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
15.5	D/F 5119 TO 5471'	1.) RU- TD		0.0
0.5	SURVEY	2.) DRILLING	22.5	252.5
2.5	D/F 5471' TO 5598'	3.) REAMING		13.5
0.5	SURVEY	4.) CORING		0.0
2.5	D/F 5598' TO 5693'	5.) CIRC.		46.5
0.5	SURVEY	6.) TRIP		84.5
2.0	D/F 5693' TO 5756'	7.) SERVICE		10.0
		8.) REPAIR		15.5
		9.) CUT DL		0.0
		10.) SURVEY	1.5	11.0
	LITHOLOGY: 100% SS	11.) LOGGING		0.0
		12.) CSG & CMT		36.5
	GAS 3u, HIGH GAS 9u	13.) WOC		24.5
		14.) NU & TEST		19.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		27.5
		OTHER		82.5
		Total Hours =	24.0	624.0

MUD				PUMPS				BIT RECORD			
WT. IN	PH			NO. 1		NO. 2		BIT NO. 6		BIT NO.	
WT. OUT	PM			SIZE	6.0	14.0	6.0	8.0	SERIAL NO.	LOB8471	
VISC.	PF/MF			TYPE	DUPLEX		TRIPLEX		MFG / TYPE	REED/EHP53A	
PV	CL			SPM					SIZE	6.75	
YP	CA			BPS	5.9		2.9		JETS	3X20	
GELS	EX. LIME			PSI					IN / OUT	4457	
FL.	LCM			GPM	0.0		0.0		WOB	20	
CAKE 32nds	ECD			AVDC					RPM	80/45	
% SOLIDS	H2S PPM			AVDP					FEET	662	
% WATER	DAPP/LB/BB			STKS. SUR TO BIT					HOURS	19	
% OIL				STKS. BIT TO SUR.					DULL		
% SAND	L.C.M.			REDUCED PUMP RATE					GRADE		

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$314,160.00	\$12,480	\$326,640
MUDD & CHEMICALS	\$14,747.00	\$775	\$15,522
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$15,000.00	\$5,000	\$20,000
TRUCKING & DISP.	\$21,555.00	\$5,386	\$26,941
RENTAL EQUIP.	\$110,169.00	\$8,900	\$119,069
CASERS, WELD, LABOR	\$41,118.00		\$41,118
OWERHEAD	\$4,800.00	\$200	\$5,000
DIR. SERVICE / MOTOR	\$175,100.00	\$8,700	\$183,800
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$1,710.00		\$1,710
SUPERVISION	\$32,500.00	\$1,300	\$33,800
WATER	\$23,600.00	\$1,000	\$24,600
DISPOSAL	\$4,991.00		\$4,991
FUEL	\$45,226.00	\$1,266	\$46,492
MUDD LOGGER	\$22,600.00		\$22,600
CASING / WELLHEAD	\$3,300.00		\$3,300
	\$0.00		\$0
PREV. CUM =	\$932,635		
TOTAL DAILY =		\$45,007	
			\$977,642
DAILY MUD COSTS =	\$775.00	ACC. MUD COSTS =	\$13,747.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
5264	45.98	42.10	4541	2043	1434	1456
5362	45.56	45.00	4610	2114	1485	1504
5458	44.82	42.94	4677	2182	1534	1552
5553	43.00	44.12	4746	2247	1581	1597
5648	43.13	46.25	4815	2312	1627	1643

WEIGHT			
STRING WT.	P / U	S / O	TORQUE

DRILL COLLARS					
NO.	CONN	3.5IF	O.D.	4.75	I.D. 2.25
8	CONN				

DRILL PIPE			
NO.	CONN	3.5	O.D. 3.5 IF I.D.
	CONN		

BHA	
BIT, MOTOR, FLOAT SUB, DBL PIN, TOOL CARRIER	
EMITTER SUB, MONEL, 8 DRILL COLLARS 1 DRILL JAR	
8 DC'S	

MUD		
GEL	poly	PAC-R
BAR:	LCM:	MICA
LIME:	LIG	
CAUS	Carb	

RECEIVED

MAY 10 2007

Rig Phone No.: 435.828-5468

MORNING REPORT

DATE: 10/22/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2006 DFS: 25 OPER. @ RPT. TIME: DRILLING
 DEPTH: 6551 FTG. LAST 24 Hr.: 795 Ft. AVG. RAH: 37.9 REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
2.0	D/F 5756' TO 5820'	1.) RU- TD		0.0
1.0	THAW OUT AIR BLEED OFF LINE (AIR DOWN)	2.) DRILLING	21.0	273.5
4.5	D/F 5820' TO 6011'	3.) REAMING		13.5
0.5	SURVEY	4.) CORING		0.0
9.0	D/F 6011' TO 6361'	5.) CIRC.		46.5
0.5	SURVEY	6.) TRIP		84.5
1.0	REPAIR RIG (FIX DRUM CLUTCH)	7.) SERVICE		10.0
5.5	D/F 6361' TO 6551	8.) REPAIR	1.0	16.5
		9.) CUT DL		0.0
		10.) SURVEY	1.0	12.0
		11.) LOGGING		0.0
	LITHOLOGY: 100% SS	12.) CSG & CMT		36.5
		13.) WOC		24.5
	BACK GROUND GAS 3u, HIGH GAS 9u	14.) NU & TEST		19.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
	REMARKS: LOST 3 DEG OFF ARE BUILD IN 100', ARE AZMUTH WENT FROM 48.12 TO 41.50, THIS GAVE US 5 DEG DOG LEG	18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		27.5
		OTHER	1.0	83.5
		Total Hours =	24.0	648.0

MUD				PUMPS				BIT RECORD			
WT. IN		PH		NO. 1		NO. 2		BIT NO. 6		BIT NO.	
WT. OUT		PM		SIZE	6.0	14.0	6.0	8.0	SERIAL NO.	LOB8471	
WISC.		PF/MF		TYPE	DUPLEX		TRIPLEX		MFG / TYPE	REED/EHP53A	
PV		CL		SPM					SIZE	6.75	
YP		CA		BPS	5.9	2.9			JETS	3X20	
GELS		EX. LIME		PSI					IN / OUT	4457	
FL.		LCM		GPM	0.0	0.0			WOB	20	
GAME 32nds		EGD		AVDC					RPM	80/45	
% SOLIDS		H2S PPM		AVDP					FEET	2094	
% WATER		DAPP/LBBB		STKS. SUR TO BIT					HOURS	62.5	
% OIL				STKS. BIT TO SUR.					DULL		
% SAND		L.C.M.		REDUCED PUMP RATE					GRADE		

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$326,640.00	\$12,480	\$339,120
MUD & CHEMICALS	\$15,522.00		\$15,522
CEM. SERV & FLT. EQUI.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$20,000.00		\$20,000
TRUCKING & DISP.	\$26,941.00	\$2,247	\$29,188
RENTAL EQUIP.	\$119,069.00	\$8,000	\$127,069
CASERS, WELD, LABOR	\$41,118.00		\$41,118
OVERHEAD	\$5,000.00	\$200	\$5,200
DIR. SERVICE / MOTOR	\$183,800.00	\$8,700	\$192,500
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$1,710.00		\$1,710
SUPERVISION	\$33,800.00	\$1,300	\$35,100
WATER	\$24,600.00		\$24,600
DISPOSAL	\$4,991.00		\$4,991
FUEL	\$46,492.00		\$46,492
MUD LOGGER	\$22,600.00	\$2,000	\$24,600
CASING / WELLHEAD	\$3,300.00		\$3,300
	\$0.00		\$0
PREV. CUM =	\$977,642		
TOTAL DAILY =		\$34,927	
		TOTAL CUM =	\$1,012,569
DAILY MUD COSTS =		ACC. MUD COSTS =	\$15,522.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
6125	4775	48.12	5152	2649	1849	1896
6220	46.85	49.18	5217	2719	1896	1949
6315	45.31	48.25	5283	2787	1941	2000
6411	42.50	48.12	5352	2854	1985	2050
6508	39.50	41.50	5423	2916	2029	2094

WEIGHT			
STRING WT.	P / U	S / O	TORQUE

DRILL COLLARS				
NO.	CONN	O.D.	I.D.	
8	Conn	3.5IF	4.75	I.D. 2.25
	CONN			I.D.

DRILL PIPE				
NO.	CONN	O.D.	I.D.	
	CONN	3.5	3.5 IF	I.D.
	CONN			I.D.

BHA	
BIT, MOTOR, FLOAT SUB, DBL PIN, TOOL CARRIER	
EMITTER SUB, MONEL, 8 DRILL COLLARS 1 DRILL JAR	
8 DC'S	

MUD		
GEL	poly	PAC-R
BAR:	LCM:	MICA
LIME:	LIG	
CAUS	Carb-T	

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MAY 10 2007

Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 10/23/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2008 DFS: 26 OPER. @ RPT. TIME: RIG REPAIR
 DEPTH: 6710 FTG. LAST 24 Hr.s: 159 Ft. AVG. Ft/Hr: 35.3 REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
2.5	D/F 6551' TO 6647'	1.) RU- TD		0.0
0.5	SURVEY	2.) DRILLING	4.5	278.0
2.0	D/F 6647' TO 6711'	3.) REAMING		13.5
0.5	CIRC FOR TRIP	4.) CORING		0.0
3.5	POOH TO SHOE	5.) CIRC.	0.5	47.0
15.0	WAIT ON NEW DEILLING LINE	6.) TRIP	3.5	86.0
		7.) SERVICE		10.0
		8.) REPAIR	15.0	31.5
		9.) CUT DL		0.0
		10.) SURVEY	0.5	12.5
		11.) LOGGING		0.0
		12.) CSG & CMT		36.5
	LITHOLOGY: 90 % SS , 7% COAL , 3% SLTST	13.) WOC		24.5
		14.) NU & TEST		19.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		27.5
		OTHER		83.5
		Total Hours =	24.0	672.0

MUD				PUMPS				BIT RECORD			
WT. IN	PH			NO. 1		NO. 2		BIT NO. 6		BIT NO.	
WT. OUT	PM			SIZE 6.0	14.0	6.0	8.0	SERIAL NO. LOB8471			
VISC.	PF/MF			TYPE DUPLEX	TRIPLEX			MFG / TYPE REED/EHP53A			
PV	CL			SPM				SIZE 6.75			
YP	CA			BPS 5.9	2.9			JETS 3X20			
GELS	EX. LIME			PSI				IN / OUT 4457			
FL	LCM			GPM 0.0	0.0			WOB 20			
C/NKE 32nds	ECD			AVDC				RPM 80/45			
% SOLIDS	H2S PPM			AVDP				FEET 2253			
% WATER	DAPP/LB/BB			STKS. SUR TO BIT				HOURS 67			
% OIL				STKS. BIT TO SUR.				DULL			
% SAND	L.C.M.			REDUCED PUMP RATE				GRADE			

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$339,120.00	\$12,480	\$351,600
MUD & CHEMICALS	\$15,522.00		\$15,522
CEM. SERV & FLT. EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$20,000.00		\$20,000
TRUCKING & DISP.	\$29,188.00		\$29,188
RENTAL EQUIP.	\$127,069.00	\$7,000	\$134,069
CASERS, WELD, LABOR	\$41,118.00		\$41,118
OVERHEAD	\$5,200.00	\$200	\$5,400
DIR. SERVICE / MOTOR	\$192,500.00	\$8,700	\$201,200
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$1,710.00		\$1,710
SUPERVISION	\$35,100.00	\$1,300	\$36,400
WATER	\$24,600.00		\$24,600
DISPOSAL	\$4,991.00		\$4,991
FUEL	\$46,492.00		\$46,492
MUD LOGGER	\$24,600.00	1000	\$24,600
CASING / WELLHEAD	\$3,300.00		\$3,300
	\$0.00		\$0
PREV. CUM =	\$1,012,569		
TOTAL DAILY =		\$29,680	
		TOTAL CUM =	\$1,042,249
DAILY MUD COSTS =		ACC. MUD COSTS =	\$15,522.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
6220	48.85	49.18	5217	2719	1896	1949
6315	45.31	48.25	5283	2787	1941	2000
6411	42.50	48.12	5352	2854	1985	2050
6506	39.50	41.50	5423	2916	2029	2094
6602	3944	39.12	5498	2977	2076	2133

WEIGHT			
STRING WT.	P / U	S / O	TORQUE

DRILL COLLARS				
NO.	CONN	O.D.	I.D.	
8	Corn	3.5IF	4.75	2.25
	CONN	O.D.		I.D.

DRILL PIPE				
NO.	CONN	O.D.	I.D.	
	CONN	3.5	3.5 IF	I.D.
	CONN	O.D.		I.D.

BHA	
BIT, MOTOR, FLOAT SUB, DBL PIN, TOOL CARRIER	
EMITTER SUB, MONEL, 8 DRILL COLLARS 1 DRILL JAR	
8 DC'S	

MUD		
GEL	poly	PAC-R
BAR:	LCM:	MICA
LIME:	LIG	
	Carb-†	

RECEIVED

MAY 10 2007

Rig Phone No.: 435.828-5486

MORNING REPORT

DATE: 10/24/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2006 DFS: 27 OPER. @ RPT. TIME: CIRC FOR RETURNS
 DEPTH: FTG. LAST 24 Hr.s: 159 FL. AVG. FWH: 0.0 REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
7.0	REPAIR RIG WAIT ON MECHANIC TO REMOVE BOLTS ON LINE GUARD	1.) RU-TD		0.0
2.5	SLIP & CUT DRILLING LINE	2.) DRILLING		278.0
1.0	REPAIR RIG WORK ON YELLOW DOG	3.) REAMING		13.5
5.5	POOH L/D DIR TOOLS PICK UP SAME CHANGE OUT BIT	4.) CORING		0.0
8.0	TIH	5.) CIRC.		47.0
		6.) TRIP	13.5	101.5
		7.) SERVICE		10.0
		8.) REPAIR	8.0	39.5
		9.) CUT DL	2.5	2.5
		10.) SURVEY		12.5
		11.) LOGGING		0.0
		12.) CSG & CMT		36.5
		13.) WOC		24.5
		14.) NU & TEST		19.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		27.5
		OTHER		83.5
		Total Hours =	24.0	696.0

MUD				PUMPS				BIT RECORD					
WT. IN	PH			NO. 1		NO. 2		BIT NO. 6		BIT NO. 7			
WT. OUT	PM			SIZE	6.0	14.0	6.0	8.0	SERIAL NO.	LOB8471	226749		
VISC.	PF/MF			TYPE	DUPLEX		TRIPLEX		MFG / TYPE	REED/EHP53A	VIREAL/V537		
PV	CL			SPM					SIZE	6.75	6.75		
YP	CA			BPS	5.9	2.9			JETS	3X20	OPEAN		
GELS	EX. LIME			PSI					IN / OUT	4457/6710			
FL.	LCM			GPM	0.0	0.0			WOB	20			
CAKE 32nds	ECD			AVDC					RPM	80/45			
% SOLIDS	H2S PPM			AVDP					FEET	2253	6710		
% WATER	DAPP/LB/BB			STKS. SUR TO BIT					HOURS	67			
% OIL				STKS. BIT TO SUR.					DULL	0	0	NO	A
% SAND	L.C.M.			REDUCED PUMP RATE					GRADE	0	1	NO	RIG

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$351,600.00	\$12,480	\$364,080
MUD & CHEMICALS	\$15,522.00		\$15,522
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$20,000.00	\$5,000	\$25,000
TRUCKING & DISP.	\$29,188.00		\$29,188
RENTAL EQUIP.	\$134,069.00	\$8,000	\$142,069
CASERS, WELD, LABOR	\$41,118.00		\$41,118
OVERHEAD	\$5,400.00	\$200	\$5,600
DIR. SERVICE / MOTOR	\$201,200.00	\$8,700	\$209,900
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$1,710.00		\$1,710
SUPERVISION	\$36,400.00	\$1,300	\$37,700
WATER	\$24,600.00	\$1,800	\$26,400
DISPOSAL	\$4,991.00		\$4,991
FUEL	\$46,492.00		\$46,492
MUD LOGGER	\$24,600.00	\$1,000	\$25,600
CASING / WELLHEAD	\$3,300.00		\$3,300
	\$0.00		\$0
PREV. CUM =	\$1,042,249		
TOTAL DAILY =		\$38,480	
		TOTAL CUM =	\$1,080,729
DAILY MUD COSTS =		ACC. MUD COSTS =	\$15,522.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
6220	46.85	49.18	5217	2719	1896	1949
6315	45.31	48.25	5283	2787	1941	2000
6411	42.50	48.12	5352	2854	1985	2050
6506	39.50	41.50	5423	2916	2029	2094
6602	39.44	39.12	5498	2977	2076	2133

WEIGHT			
STRING WT.	P / U	S / O	TORQUE

DRILL COLLARS				
NO.	CONN	3.5IF	O.D.	I.D.
8	Conn	3.5IF	O.D. 4.75	I.D. 2.25
	CONN		O.D.	I.D.

DRILL PIPE				
NO.	CONN	3.5	O.D.	I.D.
	CONN		O.D. 3.5 IF	I.D.
	CONN		O.D.	I.D.

BHA	
BIT, MOTOR, FLOAT SUB, DBL PIN, TOOL CARRIER	
EMITTER SUB, MONEL, 8 DRILL COLLARS 1 DRILL JAR	
8 DC'S	

MUD		
GEL	poly	PAC-R
BAR:	LCM:	MICA
LIME:	LIG	
	Carb-t	

RECEIVED

MAY 10 2007

DIV. OF OIL, GAS & MINING

Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 10/25/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2006 DFS: 28 OPER. @ RPT. TIME: REAM TO BOTTOM
 DEPTH: FTG. LAST 24 Hr.s: 159 Ft. AVG. FV/Hr. 0.0 REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
4.0	TRIP TO BOTTOM, COULD NOT UNLOAD HOLE BOOSTER MAXED OUT ON PRESSURE, PULLED 10 STANDS OUT UNLOADED HOLE	1.) RU- TD		0.0
0.5	TIH 3 STANDS (TIGHT HOLE)	2.) DRILLING		278.0
5.5	WASH & REAM FROM 6500' TO 6711' (WE HAVE A GOOD WATER FLOW)	3.) REAMING	16.0	29.5
0.5	REPAIR RIG, VERTICAL DRIVE WENT OUT.	4.) CORING		0.0
2.5	WORK TIGHT HOLE, AND UNLOAD WATER IN HOLE	5.) CIRC.		47.0
3.0	WORK STUCK PIPE SET DRILLING JARS OFF @ 210,000, FORMATION HAS SWELLED RIGHT AROUND 6530', THIS IS WEAR WE DRILLED INTO THE COAL STRINGER, BRING SOAP UP TO 6 GAL/HOUR AND SHELL TREAT UP TO 4 GAL /HOUR	6.) TRIP	4.5	106.0
		7.) SERVICE		10.0
		8.) REPAIR	0.5	40.0
		9.) CUT DL		2.5
		10.) SURVEY		12.5
8.0	WASH & REAM	11.) LOGGING		0.0
		12.) CSG & CMT		36.5
		13.) WOC		24.5
		14.) NU & TEST		19.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		27.5
		OTHER	3.0	86.5
		Total Hours =	24.0	720.0

MUD				PUMPS				BIT RECORD					
WT. IN	PH			NO. 1		NO. 2		BIT NO. 6		BIT NO. 7			
WT. OUT	PM			SIZE	6.0	14.0	6.0	8.0	SERIAL NO.	LOB8471	226749		
VISC.	PF/MF			TYPE	DUPLX	TRIPLEX			MFG / TYPE	REED/EHP53A	VIREAL/ V537		
PV	CL			SPM					SIZE	6.75	6.75		
YP	CA			BPS	5.9	2.9			JETS	3X20	OPEAN		
GELS	EX. LIME			PSI					IN / OUT	4457/6710			
FL.	LCM			GPM	0.0	0.0			WOB	20			
CAKE 32nds	ECD			AVDC					RPM	80/45			
% SOLIDS	H2S PPM			AVDP					FEET	2253	6710		
% WATER	DAPP/LB/BB			STKS. SUR TO BIT					HOURS	67			
% OIL				STKS. BIT TO SUR.					DULL	0	0	NO	A
% SAND	L.C.M.			REDUCED PUMP RATE					GRADE	0	1	NO	RIG

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$364,080.00	\$12,480	\$376,560
MUD & CHEMICALS	\$15,522.00		\$15,522
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$25,000.00		\$25,000
TRUCKING & DISP.	\$29,188.00	\$776	\$29,964
RENTAL EQUIP.	\$142,069.00	\$5,000	\$147,069
CASERS, WELD, LABOR	\$41,118.00	\$4,360	\$45,478
OVERHEAD	\$5,600.00	\$200	\$5,800
DIR. SERVICE / MOTOR	\$209,900.00	\$8,700	\$218,600
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$1,710.00		\$1,710
SUPERVISION	\$37,700.00	\$1,300	\$39,000
WATER	\$26,400.00	\$900	\$27,300
DISPOSAL	\$4,991.00		\$4,991
FUEL	\$46,492.00	\$9,143	\$55,635
MUD LOGGER	\$25,600.00	\$1,000	\$26,600
CASING / WELLHEAD	\$3,300.00		\$3,300
AIR PACK	\$0.00	\$4,000	\$4,000
PREV. CUM =	\$1,080,729		
TOTAL DAILY =		\$47,869	
TOTAL CUM =			\$1,128,598
DAILY MUD COSTS =			ACC. MUD COSTS = \$15,522.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
6220	46.85	49.18	5217	2719	1896	1949
6315	45.31	48.25	5283	2787	1941	2000
6411	42.50	48.12	5352	2854	1985	2050
6506	39.50	41.50	5423	2916	2029	2094
6602	3944	39.12	5498	2977	2076	2133

WEIGHT			
STRING WT.	P / U	S / O	TORQUE
120	190	80	

DRILL COLLARS				
NO.	CONN	3.5IF	O.D.	I.D.
8	Conn	3.5IF	O.D. 4.75	I.D. 2.25
	CONN		O.D.	I.D.

DRILL PIPE				
NO.	CONN	3.5	O.D. 3.5 IF	I.D.
	CONN		O.D.	I.D.

BHA			
BIT, MOTOR, FLOAT SUB, DBL PIN, TOOL CARRIER			
EMITTER SUB, MONEL, 8 DRILL COLLARS 1 DRILL JAR			
8 DC'S			

MUD			
GEL	poly		PAC-R
BAR:	LCM:		MICA
LIME:	LIG		
CAUSE	Carb-		

RECEIVED

MAY 10 2007

Rig Phone No.: 435.828-5468

MORNING REPORT

DATE: 10/26/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 8/27/2006 DFS: 29 OPER. @ RPT. TIME: DRILLING
 DEPTH: 7134 FTG. LAST 24 Hrs.: 423 FL. AVG. FWH: 25.8 REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
3.0	WASH AND REAM TO BOTTOM	1.) RU-TD		0.0
0.5	D/F 6711' TO 6741'	2.) DRILLING	16.5	294.5
0.5	SURVEY	3.) REAMING	5.5	35.0
11.5	D/F 6741' TO 7025'	4.) CORING		0.0
0.5	SURVEY	5.) CIRC.		47.0
0.5	REPAIR RIG, ROTARY TABLE DRIVE SHAFT	6.) TRIP		106.0
1.5	D/F 7025 TO 7089'	7.) SERVICE		10.0
0.5	SURVEY	8.) REPAIR	0.5	40.5
2.5	REAMING WORK TIGHT HOLE /FROM 7061' TO 7090'	9.) CUT DL		2.5
3.0	D/F 7089' TO 7134'	10.) SURVEY	1.5	14.0
		11.) LOGGING		0.0
	LITHOLOGY: 80% SS, 5% COAL, 5% OTHER	12.) CSG & CMT		36.5
		13.) WOC		24.5
	SHOW DATA:	14.) NU & TEST		19.5
	6966' TO 6989' 770u	15.) INSP. BHA		0.0
	6996' TO 7047' 1767u	16.) DST		0.0
	7056' TO 7075' 5,851u	17.) PLUGBACK		0.0
	7109' TO 7134' 8,247u	18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		27.5
		OTHER		86.5
		Total Hours =	24.0	744.0

MUD				PUMPS				BIT RECORD					
WT. IN		PH		NO. 1		NO. 2		BIT NO. 6		BIT NO. 7			
WT. OUT		PM		SIZE	6.0	14.0	6.0	8.0	SERIAL NO.	LOB8471	226749		
VISC.		PFMF		TYPE	DUPLX	TRIPLEX			MFG / TYPE	REED/EHP53A	VIREAL/ V537		
PV		CL		SPM					SIZE	6.75	6.75		
YP		CA		BPS	5.9	2.9			JETS	3X20	OPEAN		
GELS		EX. LIME		PSI					IN / OUT	4457/6710	6710		
FL.		LCM		GPM	0.0	0.0			WOB	20	25		
CAKE 32nds		ECD		AVDC					RPM	80/45	80/45		
% SOLIDS		H2S PPM		AVDP					FEET	2253	424		
% WATER		DAPP/LB/BB		STKS. SUR TO BIT					HOURS	67	16.5		
% OIL				STKS. BIT TO SUR.					DULL	0	0	NO	A
% SAND		L.C.M.		REDUCED PUMP RATE					GRADE	0	1	NO	RIG

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$376,560.00	\$12,480	\$389,040
MUD & CHEMICALS	\$15,522.00	\$650	\$16,172
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$25,000.00		\$25,000
TRUCKING & DISP.	\$29,964.00		\$29,964
RENTAL EQUIP.	\$147,069.00	\$7,000	\$154,069
CASERS,WELD,LABOR	\$45,478.00		\$45,478
OVERHEAD	\$5,800.00	\$200	\$6,000
DIR. SERVICE / MOTOR	\$218,600.00	\$8,700	\$227,300
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$1,710.00		\$1,710
SUPERVISION	\$39,000.00	\$1,300	\$40,300
WATER	\$27,300.00	\$1,600	\$28,900
DISPOSAL	\$4,991.00		\$4,991
FUEL	\$55,635.00		\$55,635
MUD LOGGER	\$26,600.00	\$1,000	\$27,600
CASING / WELLHEAD	\$3,300.00		\$3,300
AIR PACK	\$4,000.00	\$4,700	\$8,700
PREV. CUM =	\$1,128,588		
TOTAL DAILY =		\$37,630	
TOTAL CUM =			\$1,166,218
DAILY MUD COSTS =	\$650.00		ACC. MUD COSTS = \$15,522.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	E/W
6602	3944	39.12	5498	2977	2076	2133
6696	4200	40.87	5569	3038	2122	2173
6792	45.26	44.13	5638	3104	2171	2218
6886	46.44	44.00	5704	3171	2220	2265
6980	47.44	44.25	5768	3240	2269	2312

WEIGHT			
STRING WT.	P / U	S / O	TORQUE
125	220	90	

DRILL COLLARS				
NO.	CONN	3.5IF	O.D.	I.D.
8	CONN	3.5IF	4.75	2.25

DRILL PIPE				
NO.	CONN	3.5	O.D.	I.D.
	CONN	3.5	3.5 IF	I.D.

BHA	
BIT, MOTOR, FLOAT SUB, DBL PIN, TOOL CARRIER	
EMITTER SUB, MONEL, 8 DRILL COLLARS 1 DRILL JAR	
8 DC'S	

MUD		
GEL	poly	PAC-R
BAR:	LCM:	MICA
TYPE:	LIG	
CAUS	Carb-	

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MAY 10 2007

Rig Phone No.: 435.828-5468

MORNING REPORT

DATE: 10/27/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2006 DFS: 30 OPER. @ RPT. TIME: DRILLING
 DEPTH: 7470 FTG. LAST 24 Hr.s: 318 Ft. AVG. Ft/Hr. 14.8 REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS				DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION			ACTIVITY	HOURS	ACC. HR.S
3.5	D/F 7152' TO 7216'			1.) RU- TD		0.0
0.5	SURVEY			2.) DRILLING	21.5	316.0
11.5	D/F 7216' TO 7375'			3.) REAMING	1.5	36.5
0.5	SURVEY			4.) CORING		0.0
4.0	D/F 7375' TO 7439'			5.) CIRC.		47.0
1.5	WASH & REAM, WORK TIGHT HOLE PRESSHER WENT UP TO 1500			6.) TRIP		106.0
	WAIT ON HOLE TO UNLOAD			7.) SERVICE		10.0
2.5	D/F 73439' TO 7470'			8.) REPAIR		40.5
				9.) CUT DL		2.5
	LITHOLOGY: 80% SS, 5% COAL, 15% OTHER			10.) SURVEY	1.0	15.0
	SHOW DATA			11.) LOGGING		0.0
	DEPTH	THICKNESS	PEAK GAS	BACKGROUND GAS	12.) CSG & CMT	36.5
					13.) WOC	24.5
	7153-7179	26'	3001u	38u-89u	14.) NU & TEST	19.5
	7206-7215	9'	2715u	404u-42u	15.) INSP. BHA	0.0
	7221-7275	54'	5387u	12u-18u	16.) DST	0.0
	7295-7311	16'	6096u	180u-36u	17.) PLUGBACK	0.0
					18.) LOST CIRC.	0.0
					19.) FISHING	0.0
					20.) DIR. WORK	27.5
					OTHER	86.5
					Total Hours =	24.0
24.0	TOTAL HOURS					768.0

MUD			PUMPS				BIT RECORD					
WT. IN	PH		NO. 1		NO. 2		BIT NO. 6		BIT NO. 7			
WT. OUT	PM		SIZE	6.0	14.0	6.0	8.0	SERIAL NO.	LOB8471	226749		
VISC.	PF/MF		TYPE	DUPLX		TRIPLEX		MFG / TYPE	REED/EHP53A	VIREAL/ V537		
PV	CL		SPM					SIZE	6.75	6.75		
YP	CA		BPS	5.9	2.9			JETS	3X20	OPEAN		
GELS	EX. LIME		PSI					IN / OUT	4457/6710	6710		
FL	LCM		GPM	0.0	0.0			WOB	20	25		
CAKE 32nds	ECD		AVDC					RPM	80/45	80/45		
% SOLIDS	H2S PPM		AVDP					FEET	2253	760		
% WATER	DAPP/LB/BB		STKS. SUR TO BIT					HOURS	67	38		
% OIL			STKS. SUR TO SUR.					DULL	0	0	NO	A
% SAND	L.C.M.		REDUCED PUMP RATE					GRADE	0	1	NO	RIG

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC. DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$389,040.00	\$12,480	\$401,520
MUD & CHEMICALS	\$16,172.00		\$16,172
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$25,000.00		\$25,000
TRUCKING & DISP.	\$29,964.00		\$29,964
RENTAL EQUIP.	\$154,069.00	\$7,000	\$161,069
CASERS, WELD, LABOR	\$45,478.00		\$45,478
OVERHEAD	\$6,000.00	\$200	\$6,200
DIR. SERVICE / MOTOR	\$227,300.00	\$8,700	\$236,000
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$1,710.00		\$1,710
SUPERVISION	\$40,300.00	\$1,300	\$41,600
WATER	\$28,900.00		\$28,900
DISPOSAL	\$4,991.00		\$4,991
FUEL	\$55,635.00		\$55,635
MUD LOGGER	\$27,600.00	\$1,000	\$28,600
CASING / WELLHEAD	\$3,300.00		\$3,300
AIR PACK	\$8,700.00	\$4,875	\$13,575
PREV. CUM =	\$1,166,218		
TOTAL DAILY =		\$36,656	
TOTAL CUM =			\$1,201,773
DAILY MUD COSTS =			ACC. MUD COSTS = \$15,622.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
6980	47.44	44.25	5768	3240	2269	2312
7076	47.75	41.50	5833	3311	2321	2361
7171	49.56	39.75	5895	3382	2375	2407
7236	49.25	38.12	5938	3431	2413	2438
7362	50.25	36.62	6019	3526	2490	2496

WEIGHT			
STRING WT.	P / U	S / O	TORQUE

DRILL COLLARS				
NO.	CONN	3.5IF	O.D.	I.D.
8	Conn	3.5IF	4.75	2.25
	CONN		O.D.	I.D.

DRILL PIPE				
NO.	CONN	3.5	O.D.	I.D.
	CONN		3.5 IF	I.D.
	CONN		O.D.	I.D.

BHA			
BIT, MOTOR, FLOAT SUB, DBL PIN, TOOL CARRIER			
EMITTER SUB, MONEL, 8 DRILL COLLARS 1 DRILL JAR			
8 DC'S			

MUD			
GEL	poly		PAC-R
BAR:	LCM:		MICA
LIME:	LIG		
CAUS	Carb-P		

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MAY 10 2007

Rig Phone No.: 435.828-5468

MORNING REPORT

DATE: 10/28/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2006 DFS: 31 OPER. @ RPT. TIME: TRIPPING
 DEPTH: FTG. LAST 24 Hr.s: 318 Ft. AVG. FTH: 45.4 REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
7.0	D/F 7460' TO 7468'	1.) RU- TD		0.0
10.5	POOH FOR BIT. LOST 2 CONES	2.) DRILLING	7.0	323.0
5.0	WAIT ON MAGNET AND REVERSE CIRCULATING BASKET	3.) REAMING		36.5
1.5	MAKE UP TOOLS, TIH	4.) CORING		0.0
		5.) CIRC.		47.0
		6.) TRIP	12.0	118.0
		7.) SERVICE		10.0
		8.) REPAIR		40.5
		9.) CUT DL		2.5
	LITHOLOGY : 80% SH, 7% SLTST, 3% COAL	10.) SURVEY		15.0
		11.) LOGGING		0.0
	7460-7468 PEAK GAS 403u, B-GROUND GAS 4u	12.) CSG & CMT		36.5
		13.) WOC		24.5
		14.) NU & TEST		19.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		27.5
		OTHER	5.0	91.5
		Total Hours =	24.0	792.0

MUD				PUMPS				BIT RECORD									
WT. IN	PH			NO. 1		NO. 2		BIT NO. 6		BIT NO. 7							
WT. OUT	PM			SIZE	6.0	14.0	6.0	8.0	SERIAL NO.	LOB8471	226749						
VISC.	PF/MF			TYPE	DUPLEX	TRIPLEX			MFG / TYPE	REED/EHP53A	VIREAL/ V537						
PV	CL			SPM					SIZE	6.75	6.75						
YP	CA			BPS	5.9	2.9			JETS	3X20	OPEAN						
GELS	EX. LIME			PSI					IN / OUT	4457/6710	6710						
FL.	LCM			GPM	0.0	0.0			WOB	20	25						
CAKE 32nds	ECD			AVDC					RPM	80/45	80/45						
% SOLIDS	H2S PPM			AVDP					FEET	2253	760						
% WATER	DAPP/LB/BB			STKS. SUR TO BIT					HOURS	67	45						
% OIL				STKS. BIT TO SUR.					DULL	0	0	NO	A	8	8	BC	A
% SAND	L.C.M.			REDUCED PUMP RATE					GRADE	0	1	NO	RIG	8	4/16	LC	PR

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$401,520.00	\$12,480	\$414,000
MUD & CHEMICALS	\$16,172.00		\$16,172
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$25,000.00	\$8,000	\$33,000
TRUCKING & DISP.	\$29,964.00		\$29,964
RENTAL EQUIP.	\$161,069.00	\$7,000	\$168,069
CASERS, WELD, LABOR	\$45,478.00		\$45,478
OVERHEAD	\$6,200.00	\$200	\$6,400
DIR. SERVICE / MOTOR	\$236,000.00	\$3,950	\$239,950
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$1,710.00		\$1,710
SUPERVISION	\$41,600.00	\$1,300	\$42,900
WATER	\$28,900.00		\$28,900
DISPOSAL	\$4,991.00		\$4,991
FUEL	\$55,635.00		\$55,635
MUD LOGGER	\$28,600.00	\$1,000	\$29,600
CASING / WELLHEAD	\$3,300.00		\$3,300
AIR PACK	\$13,575.00	\$4,000	\$17,575
PREV. CUM =	\$1,201,773		
TOTAL DAILY =		\$37,930	
TOTAL CUM =			\$1,239,703
DAILY MUD COSTS =			ACC. MUD COSTS = \$16,522.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	E/W
7171	49.56	39.75	5895	3382	2375	2407
7236	49.25	38.12	5938	3431	2413	2438
7362	50.25	36.62	6019	3526	2490	2496
7423	50.25	34.57	6058	3572	2528	2524
EXT 7468	50.25	33.06	6087	3605	2557	2543

WEIGHT			
STRING WT.	P / U	S / O	TORQUE

DRILL COLLARS			
NO.	CONN	O.D.	I.D.
8	Conn	3.5IF	4.75
	CONN	O.D.	I.D.

DRILL PIPE			
NO.	CONN	O.D.	I.D.
	CONN	3.5	3.5 IF
	CONN	O.D.	I.D.

BHA	
BIT, MOTOR, FLOAT SUB, DBL PIN, TOOL CARRIER	EMITTER SUB, MONEL, 8 DRILL COLLARS 1 DRILL JAR
8 DC'S	

MUD		
GEL	poly	PAC-R
BAR:	LCM:	MICA
LIME:	LIG	
CAUS	Carb-†	

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Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 10/29/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2006 DFS: 32 OPER. @ RPT. TIME: WT ON AIR JAMMER
 DEPTH: FTG. LAST 24 Hr.s: 318 FL. AVG. Ft/Hr: 0.0 REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
1.5	TRIP IN HOLE WITH MAGNET	1.) RU- TD		0.0
0.5	CHANGE OUT ROT HEAD RUBBER	2.) DRILLING		323.0
2.0	TIH TO 5500'	3.) REAMING		36.5
1.0	PUT AIR ON HOLE TO UNLOAD HOLE	4.) CORING		0.0
1.0	TIH TO 6000'	5.) CIRC.	6.0	53.0
1.0	KELLY UP AND UNLOAD HOLE	6.) TRIP	16.5	134.5
1.0	TIH TO 6628' (HIT BRIDGE)	7.) SERVICE	1.0	11.0
1.0	TRY TO WASH THREW BRIDGE WONT GO, TRIP OUT TO PICK UP BIT	8.) REPAIR		40.5
3.0	POOH	9.) CUT DL		2.5
1.0	RIG SERVICE	10.) SURVEY		15.0
9.0	TIH TO 6600' NO AIR JAMMERS TRIED TO REAM WITH WATER NO GO	11.) LOGGING		0.0
2.0	POOH TO SHOE (WAIT ON AIR JAMMERS)	12.) CSG & CMT		36.5
		13.) WOC		24.5
		14.) NU & TEST		19.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		27.5
		OTHER	0.5	92.0
		Total Hours =	24.0	816.0

MUD				PUMPS				BIT RECORD				
WT. IN		PH		NO. 1		NO. 2		BIT NO. 7		BIT NO. RR		
WT. OUT		PM		SIZE	6.0	14.0	6.0	8.0	SERIAL NO.	226749	LB-8471	
VISC.		PF/MF		TYPE	DUPLEX		TRIPLEX	MFG / TYPE	VIREAL/ V537	REED/EHP-53A		
PV		CL		SPM				SIZE	6.75	6.75		
YP		CA		BPS	5.9		2.9	JETS	OPEAN	3X20		
GELS		EX. LIME		PSI				IN / OUT	6710	7468		
FL.		LCM		GPM	0.0		0.0	WOB	25			
CAKE 32nds		ECD		AVDC				RPM	80/45			
% SOLIDS		H2S PPM		AVDP				FEET	760			
% WATER		DAPP/LB/BB		STKS. SUR TO BIT				HOURS	45			
% OIL				STKS. BIT TO SUR.				DULL	8	8	BC	A
% SAND		L.C.M.		REDUCED PUMP RATE				GRADE	8	4/16	LC	PR

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$414,000.00	\$12,480	\$426,480
MUD & CHEMICALS	\$16,172.00		\$16,172
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$33,000.00	\$6,900	\$39,900
TRUCKING & DISP.	\$29,964.00	\$847	\$30,811
RENTAL EQUIP.	\$168,069.00	\$7,000	\$175,069
CASERS, WELD, LABOR	\$45,478.00		\$45,478
OVERHEAD	\$6,400.00	\$200	\$6,600
DIR. SERVICE / MOTOR	\$239,950.00	\$3,950	\$243,900
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$1,710.00		\$1,710
SUPERVISION	\$42,900.00	\$1,300	\$44,200
WATER	\$28,900.00		\$28,900
DISPOSAL	\$4,991.00		\$4,991
FUEL	\$55,635.00		\$55,635
MUD LOGGER	\$29,600.00	\$1,000	\$30,600
CASING / WELLHEAD	\$3,300.00		\$3,300
AIR PACK	\$17,575.00	\$4,000	\$21,575
PREV. CUM =	\$1,239,703		
TOTAL DAILY =		\$37,477	
TOTAL CUM =			\$1,277,180
DAILY MUD COSTS =			ACC. MUD COSTS = \$15,522.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
7171	49.56	39.75	5895	3382	2375	2407
7236	49.25	38.12	5938	3431	2413	2438
7362	50.25	36.62	6019	3526	2480	2496
7423	50.25	34.57	6058	3572	2528	2524
EXT 7468	50.25	33.06	6087	3605	2557	2543

WEIGHT			
STRING WT.	P / U	S / O	TORQUE

DRILL COLLARS				
NO.	CONN	3.5IF	O.D.	I.D.
8	Conn	3.5IF	O.D. 4.75	I.D. 2.25
	CONN		O.D.	I.D.

DRILL PIPE			
NO.	CONN	3.5	O.D. 3.5 IF
	CONN		O.D.

BHA	
BIT, MOTOR, FLOAT SUB, DBL PIN, TOOL CARRIER	
EMITTER SUB, MONEL, 8 DRILL COLLARS 1 DRILL JAR	
8 DC'S	

MUD		
GEL	poly	PAC-R
BAR:	LCM:	MICA
LIME:	LIG	
CAUSE	CAUSE	

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MAY 10 2007

Rig Phone No.: 435.828-5468

MORNING REPORT

DATE: 10/30/2006

OPERATOR: MARION ENERGY

LEASE & WELL: RIDGERUNNER 11-17

PROSPECT: SCOFIELD

COUNTY: EMERY

STATE: UTAH

RIG: UNION#14

SPUD DATE: 9/27/2006

DFS: 33

OPER. @ RPT. TIME: WASH AND REAM

DEPTH: FTG. LAST 24 Hr.s: 318 FL. AVG. FM# 0.0

REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HRS
2.5	WAIT ON AIR JAMMERS , HANDS DID NOT SHOW	1.) RU- TD		0.0
0.5	TRIP IN HOLE TO 6530'	2.) DRILLING		323.0
1.0	KELLY UP AND UNLOAD HOLE WITH AIR	3.) REAMING	15.0	51.5
8.5	REAM FROM 6530' TO 7264'	4.) CORING		0.0
2.5	TRIP OUT TO SHOE AIR PAC WENT DOWN	5.) CIRC.	6.0	59.0
2.5	TRIP BACK IN HOLE (AIR PAC BACK ON LINE)	6.) TRIP	0.5	135.0
6.5	WASH AND REAM BACK DOWN TO 6963'	7.) SERVICE		11.0
		8.) REPAIR		40.5
		9.) CUT DL		2.5
		10.) SURVEY		15.0
		11.) LOGGING		0.0
	REMARKS	12.) CSG & CMT		36.5
	RELEASED MUD LOGGERS 10/29/06 @ 8:00 PM	13.) WOC		24.5
		14.) NU & TEST		19.5
	VERY TIGHT REAMING FROM 6400' TO 7300'	15.) INSP. BHA		0.0
		16.) DST		0.0
	7.5 HRS RIG TIME LOST DUE TO PRECISION AIR DRILLING SERVICES	17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		27.5
		OTHER	2.5	94.5
		Total Hours =	24.0	840.0

MUD				PUMPS				BIT RECORD							
WT. IN		PH		NO. 1		NO. 2		BIT NO. 7		BIT NO. RR					
WT. OUT		PM		SIZE	6.0	14.0	6.0	8.0	SERIAL NO.	226749	LB-8471				
VISC.		PF/MF		TYPE	DUPLX	TRIPLEX			MFG / TYPE	VIREAL/ V537	REED/EHP-53A				
PV		CL		SPM					SIZE	6.75	6.75				
YP		CA		BPS	5.9	2.9			JETS	OPEAN	3X20				
GELS		EX. LIME		PSI					IN / OUT	6710	7468				
FL.		LCM		GPM	0.0	0.0			WOB	25					
CAKE 32nds		ECD		AVDC					RPM	80/45					
% SOLIDS		H2S PPM		AVDP					FEET	760					
% WATER		DAPP/LB/BB		STKS. SUR TO BIT					HOURS	45					
% OIL				STKS. BIT TO SUR.					DULL	8	8	BC	A		
% SAND		L.C.M.		REDUCED PUMP RATE					GRADE	8	4/16	LC	PR		

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$426,480.00	\$12,480	\$438,960
MUD & CHEMICALS	\$16,172.00		\$16,172
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$39,900.00	\$1,100	\$41,000
TRUCKING & DISP.	\$30,611.00		\$30,611
RENTAL EQUIP.	\$175,069.00	\$7,000	\$182,069
CASERS, WELD, LABOR	\$45,478.00		\$45,478
OVERHEAD	\$6,600.00	\$200	\$6,800
DIR. SERVICE / MOTOR	\$243,900.00	\$3,900	\$247,800
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$1,710.00		\$1,710
SUPERVISION	\$44,200.00	\$1,300	\$45,500
WATER	\$28,900.00		\$28,900
DISPOSAL	\$4,991.00		\$4,991
FUEL	\$55,635.00		\$55,635
MUD LOGGER	\$30,600.00	\$1,000	\$31,600
CASING / WELLHEAD	\$3,300.00		\$3,300
AIR PACK	\$21,575.00	\$1,000	\$22,575
PREV. CUM =	\$1,277,180		
TOTAL DAILY =		\$27,980	
TOTAL CUM =			\$1,305,160
DAILY MUD COSTS =			ACC. MUD COSTS = \$15,522.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
7171	49.56	39.75	5895	3382	2375	2407
7236	49.25	38.12	5938	3431	2413	2438
7362	50.25	36.62	6019	3526	2480	2496
7423	50.25	34.57	6058	3572	2526	2524
EXT 7468	50.25	33.06	6087	3605	2557	2543

WEIGHT			
STRING WT.	P / U	S / O	TORQUE

DRILL COLLARS				
NO.	CONN	O.D.	I.D.	
8	Conn	3.5IF	4.75	I.D. 2.25
	CONN		O.D.	I.D.

DRILL PIPE				
NO.	CONN	O.D.	I.D.	
	CONN	3.5	3.5 IF	I.D.
	CONN		O.D.	I.D.

BHA	
BIT, MOTOR, FLOAT SUB, DBL PIN, TOOL CARRIER	
EMITTER SUB, MONEL, 8 DRILL COLLARS 1 DRILL JAR	
8 DC'S	

MUD			
GEL	poly		PAC-R
BAR:	LCM:		MICA
LIME:	LIG		
CAUS	Carb-		

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MAY 10 2007

Rig Phone No.: 435.828-5468

MORNING REPORT

DATE: 10/31/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2006 DFS: 34 OPER. @ RPT. TIME:
 DEPTH: FTG. LAST 24 Hr.s: 318 Ft. AVG. R/Hr. 0.0 REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HRS
6.0	WASH & REAM PUMP HIGH VIS LCM SWEEPS & POLLY DWN DRILL PIPE	1.) RU- TD		0.0
2.0	AIR PACK DWN (WT ON AIR JAMMERS)	2.) DRILLING		323.0
8.0	WASH & REAM / F 6963' TO 7360' VERY TIGHT HOLE PULLED 280,000	3.) REAMING	14.0	65.5
	WITH JARS TO GET OUT OF TIGHT SPOTS	4.) CORING		0.0
2.0	LD 11 JTS DRILL PIPE WITH KELLY, WORK STUCK PIPE	5.) CIRC.	1.5	60.5
1.5	CONDITION HOLE PUMP SWEEP	6.) TRIP	4.0	139.0
2.0	POOH	7.) SERVICE		11.0
2.5	RIG REPAIR WORK ON CROWN SHEAVES	8.) REPAIR	2.5	43.0
		9.) CUT DL		2.5
		10.) SURVEY		15.0
		11.) LOGGING		0.0
		12.) CSG & CMT		36.5
	AIR JAMMERS DWN 2 HRS WORK ON AIR PACK	13.) WOC		24.5
		14.) NU & TEST		19.5
	UNION DWN 2.5 HRS WORK ON CROWN SHEAVES	15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		27.5
		OTHER	2.0	96.5
		Total Hours =	24.0	864.0

MUD				PUMPS				BIT RECORD				
WT. IN		PH		NO. 1		NO. 2		BIT NO. 7		BIT NO. RR		
WT. OUT		PM		SIZE 6.0	14.0	6.0	8.0	SERIAL NO.	226749	LB-8471		
VISC.		PF/MF		TYPE	DUPLEX	TRIPLEX		MFG / TYPE	VIREAL/ V537	REED/EHP-53A		
PV		CL		SPM				SIZE	6.75	6.75		
YP		CA		BPS	5.9	2.9		JETS	OPEAN	3X20		
GELS		EX. LIME		PSI				IN / OUT	6710	7468		
FL.		LCM		GPM	0.0	0.0		WOB	25			
CAKE 32nds		ECD		AVDC				RPM	80/45			
% SOLIDS		H2S PPM		AVDP				FEET	760			
% WATER		DAPP/LB/BB		STKS. SUR TO BIT				HOURS	45			
% OIL				STKS. BIT TO SUR.				DULL	8	8	BC	A
% SAND		L.C.M.		REDUCED PUMP RATE				GRADE	8	4/16	LC	PR

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$438,960.00	\$12,480	\$451,440
MUD & CHEMICALS	\$16,172.00	\$2,000	\$18,172
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$41,000.00		\$41,000
TRUCKING & DISP.	\$30,611.00		\$30,611
RENTAL EQUIP.	\$182,069.00	\$6,000	\$188,069
CASERS, WELD, LABOR	\$45,478.00		\$45,478
OVERHEAD	\$6,800.00	\$200	\$7,000
DIR. SERVICE / MOTOR	\$247,800.00	\$3,900	\$251,700
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$1,710.00	\$5,219	\$6,929
SUPERVISION	\$45,500.00	\$1,300	\$46,800
WATER	\$28,900.00		\$28,900
DISPOSAL	\$4,991.00		\$4,991
FUEL	\$55,635.00		\$55,635
MUD LOGGER	\$31,600.00		\$31,600
CASING / WELLHEAD	\$3,300.00		\$3,300
AIR PACK	\$22,575.00	\$2,000	\$24,575
PREV. CUM =	\$1,305,160		
TOTAL DAILY =		\$33,099	
TOTAL CUM =			\$1,338,259
DAILY MUD COSTS =	\$2,000.00		ACC. MUD COSTS = \$15,522.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	E/W
7171	49.56	39.75	5895	3382	2375	2407
7236	49.25	38.12	5938	3431	2413	2438
7362	50.25	36.62	6019	3526	2490	2496
7423	50.25	34.57	6058	3572	2528	2524
EXT 7468	50.25	33.06	6087	3605	2557	2543

WEIGHT			
STRING WT.	P / U	S / O	TORQUE

DRILL COLLARS				
NO.	CONN	3.5IF	O.D.	I.D.
8	Conn	3.5IF	4.75	2.25
	CONN		O.D.	I.D.

DRILL PIPE				
NO.	CONN	3.5	O.D.	I.D.
	CONN	3.5 <td>3.5 IF</td> <td>I.D.</td>	3.5 IF	I.D.
	CONN		O.D.	I.D.

BHA		
BIT, MOTOR, FLOAT SUB, DBL PIN, TOOL CARRIER		
EMITTER SUB, MONEL, 8 DRILL COLLARS 1 DRILL JAR		
8 DC'S		

MUD		
GEL	PAC-R	
poly		
BAR:	MICA	
LCM:		
LIME:	LIG	
CAUS	Carb-	

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MAY 10 2007

Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 11/1/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2006 DFS: 35 OPER. @ RPT. TIME: BUILD VOLUME
 DEPTH: _____ FTG. LAST 24 Hrs: 318 FL. AVG. F/Hr. 0.0 REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
7.0	POOH	1.) RU- TD		0.0
1.0	RIG SERVICE	2.) DRILLING		323.0
2.5	TIH TO SHOE	3.) REAMING		65.5
5.5	CLEAN PITS PUMP RESERVE PIT DWN	4.) CORING		0.0
8.0	BUILD VOLUME	5.) CIRC.	11.5	72.0
		6.) TRIP	9.5	148.5
		7.) SERVICE	1.0	12.0
		8.) REPAIR		43.0
		9.) CUT DL		2.5
		10.) SURVEY		15.0
		11.) LOGGING		0.0
		12.) CSG & CMT		36.5
		13.) WOC		24.5
		14.) NU & TEST		19.5
		15.) INSP: BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		27.5
		OTHER	2.0	98.5
		Total Hours =	24.0	888.0
24.0	TOTAL HOURS			

MUD			PUMPS			
WT. IN	PH		NO. 1		NO. 2	
WT. OUT	PM		SIZE 6.0	14.0	6.0	8.0
VISC.	PF/MF		TYPE	DUPLEX	TRIPLEX	
PV	CL		SPM			
YP	CA		BPS	5.9	2.9	
GELS	EX. LIME		PSI			
FL.	LCM		GPM	0.0	0.0	
CAKE 32nds	ECD		AVDC			
% SOLIDS	H2S PPM		AVDP			
% WATER	DAPP/LB/BB		STKS. SUR TO BIT			
% OIL			STKS. BIT TO SUR.			
% SAND	L.C.M.		REDUCED PUMP RATE			

BIT RECORD							
	BIT NO. 7				BIT NO. RR		
SERIAL NO.	226749				LB-8471		
MFG / TYPE	VIREAL / V537				REED/EHP-53A		
SIZE	6.75				6.75		
JETS	OPEAN				3X20		
IN / OUT	6710				7468		
WOB	25						
RPM	80/45						
FEET	760						
HOURS	45						
DULL	8	8	BC	A			
GRADE	8	4/16	LC	PR			

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$451,440.00	\$12,480	\$463,920
MUD & CHEMICALS	\$18,172.00	\$3,000	\$21,172
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$41,000.00		\$41,000
TRUCKING & DISP.	\$30,611.00	\$1,757	\$32,368
RENTAL EQUIP.	\$188,069.00	\$6,000	\$194,069
CASERS,WELD,LABOR	\$45,478.00		\$45,478
OVERHEAD	\$7,000.00	\$200	\$7,200
DIR. SERVICE / MOTOR	\$251,700.00	\$3,900	\$255,600
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$6,929.00		\$6,929
SUPERVISION	\$46,800.00	\$1,300	\$48,100
WATER	\$28,900.00		\$28,900
DISPOSAL	\$4,991.00		\$4,991
FUEL	\$55,635.00		\$55,635
MUD LOGGER	\$31,600.00		\$31,600
CASING / WELLHEAD	\$3,300.00		\$3,300
AIR PACK	\$24,575.00		\$24,575
PREV. CUM =	\$1,338,269		
TOTAL DAILY =		\$28,637	
TOTAL CUM =			\$1,366,896
DAILY MUD COSTS =	\$2,000.00		ACC. MUD COSTS = \$15,522.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	E/W
7171	49.56	39.75	5895	3382	2375	2407
7236	49.25	38.12	5938	3431	2413	2438
7362	50.25	36.62	6019	3526	2490	2486
7423	50.25	34.57	6058	3572	2528	2524
EXT 7468	50.25	33.06	6087	3605	2557	2543

WEIGHT			
STRING WT.	P / U	S / O	TORQUE

DRILL COLLARS				
NO.	CONN	3.5IF	O.D.	I.D.
8	Conn	3.5IF	O.D. 4.75	I.D. 2.25
NO.	CONN		O.D.	I.D.

DRILL PIPE				
NO.	CONN	3.5	O.D.	I.D.
NO.	CONN		O.D.	I.D.

BHA	
BIT, B-SUB, 8 DRILL COLLARS 1 DRILL JAR	
8 DC'S	

MUD		
GEL	poly	PAC-R
BAR:	LCM:	MICA
LIME:	LIG	

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MAY 10 2007

Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 11/2/2006

OPERATOR: MARION ENERGY

LEASE & WELL: RIDGERUNNER 11-17

PROSPECT: SCOFIELD

COUNTY: EMERY

STATE: UTAH

RIG: UNION#14

SPUD DATE: 9/27/2008 DFS: 36

OPER. @ RPT. TIME: REPAIR RIG, NO HANDS

DEPTH: FTG. LAST 24 Hrs.: 318 Ft. AVG. F/Hr. 0.0

REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
7.0	BUILD VOLUME UP TO 45 VIS 8.7 WT , 18% LCM	1.) RU- TD		0.0
0.5	TIH FROM SHOE TO 3500' BROKE CIRC	2.) DRILLING		323.0
0.5	CIRC	3.) REAMING		65.5
0.5	TIH FROM 3500' TO 4200' BROKE CIRC	4.) CORING		0.0
0.5	CIRC	5.) CIRC.	20.5	92.5
0.5	TIH FROM 4200' TO 5000' BROKE CIRC	6.) TRIP	3.5	152.0
1.0	CIRC	7.) SERVICE		12.0
0.5	TIH FROM 5000' TO 5940' BROKE CIRC	8.) REPAIR		43.0
0.5	HAD CIRCULATION FOR ABOUT 10 MIN , LOST RETURNS WITH 640 PSI	9.) CUT DL		2.5
	ON STAND PIPE	10.) SURVEY		15.0
1.5	POOH TO SHOE	11.) LOGGING		0.0
11.0	BUIL VOLUME UP TO 47 VIS, 8.7 WT AND 20% LCM	12.) CSG & CMT		36.5
		13.) WOC		24.5
	NO HANDS SHOWED FOR DAY LIGHTS, #1 AND #2 MUD PUMPS ARE DOWN	14.) NU & TEST		19.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		27.5
		OTHER		98.5
		Total Hours =	24.0	912.0

MUD				PUMPS				BIT RECORD			
WT. IN	8.7	PH		NO. 1		NO. 2		BIT NO. 7		BIT NO. RR	
WT. OUT	8.7	PM		SIZE	6.0 14.0	6.0 8.0	SERIAL NO.	228749	LB-8471		
VISC.	45	PF/MF		TYPE	DUPLX	TRIPLEX	MFG / TYPE	VIREAL/ V537	REED/EHP-53A		
PV		CL		SPM			SIZE	6.75	6.75		
YP		CA		BPS	5.9	2.9	JETS	OPEAN	3X20		
GELS		EX. LIME		PSI			IN / OUT	6710	7468		
FL.		LCM		GPM	0.0	0.0	WOB	25			
CAKE 32nds		ECD		AVDC			RPM	80/45			
% SOLIDS		H2S PPM		AVDP			FEET	760			
% WATER		DAPP/LB/BB		STKS. SUR TO BIT			HOURS	45			
% OIL				STKS. BIT TO SUR.			DULL	8 8 BC A			
% SAND		L.C.M.	20%	REDUCED PUMP RATE			GRADE	8 4/16 LC PR			

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$463,920.00	\$14,480	\$478,400
MUD & CHEMICALS	\$21,172.00	\$9,000	\$30,172
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$41,000.00		\$41,000
TRUCKING & DISP.	\$32,368.00		\$32,368
RENTAL EQUIP.	\$194,069.00	\$5,000	\$199,069
CASERS, WELD, LABOR	\$45,478.00		\$45,478
OVERHEAD	\$7,200.00	\$200	\$7,400
DIR. SERVICE / MOTOR	\$255,600.00	\$3,900	\$259,500
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$6,929.00		\$6,929
SUPERVISION	\$48,100.00	\$1,300	\$49,400
WATER	\$28,900.00	\$1,200	\$30,100
DISPOSAL	\$4,991.00		\$4,991
FUEL	\$55,635.00		\$55,635
MUD LOGGER	\$31,600.00		\$31,600
CASING / WELLHEAD	\$3,300.00		\$3,300
AIR PACK	\$24,575.00		\$24,575
PREV. CUM =	\$1,366,896		
TOTAL DAILY =		\$35,080	
TOTAL CUM =			\$1,401,976
DAILY MUD COSTS =	\$9,000.00		ACC. MUD COSTS = \$15,522.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
7171	49.56	39.75	5895	3382	2375	2407
7236	49.25	38.12	5938	3431	2413	2438
7362	50.25	36.62	6019	3526	2490	2496
7423	50.25	34.57	6058	3572	2528	2524
EXT 7468	50.25	33.06	6087	3605	2557	2543

WEIGHT			
STRING WT.	P / U	S / O	TORQUE

DRILL COLLARS				
NO.	CONN	O.D.	I.D.	
8	Conn	3.5IF	4.75	2.25
	CONN			

DRILL PIPE				
NO.	CONN	O.D.	I.D.	
	3.5	3.5 IF		
	CONN			

BHA			
BIT, B-SUB, 8 DRILL COLLARS 1 DRILL JAR			
8 DC'S			

MUD			
GEL	600	poly	2
PAC-R			2
BAR:	LCM:	300 SAW	MICA
LIME:	LIG		

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FED SEAL 500

MAY 10 2007

Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 11/3/2006

OPERATOR: MARION ENERGY

LEASE & WELL: RIDGERUNNER 11-17

PROSPECT: SCOFIELD

COUNTY: EMERY

STATE: UTAH

RIG: UNION#14

SPUD DATE: 9/27/2006

DFS: 37

OPER. @ RPT. TIME: REAMING

DEPTH: FTG. LAST 24 Hr.s: 318 Ft.

AVG. FWH: 0.0

REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
16.0	PULL OUT #2 PUMP AND BRING NEW PUMP IN, #1 PUMP DOWN CHANGED OUT LINERS AND SWABS	1.) RU- TD		0.0
		2.) DRILLING		323.0
		3.) REAMING		65.5
0.5	CIRC HOLE	4.) CORING		0.0
0.5	TIH 5 STANDS	5.) CIRC.	5.0	97.5
1.0	CIRC HOLE	6.) TRIP	3.0	155.0
0.5	TIH 9 STANDS	7.) SERVICE		12.0
0.5	CIRC HOLE	8.) REPAIR	16.0	59.0
0.5	TIH 8 STANDS	9.) CUT DL		2.5
1.0	CIRC HOLE	10.) SURVEY		15.0
0.5	TIH 8 STANDS	11.) LOGGING		0.0
1.5	CIRC HOLE	12.) CSG & CMT		36.5
0.5	TIH 3 STANDS HIT BRIDGE @ 6140'	13.) WOC		24.5
0.5	CIRC HOLE	14.) NU & TEST		19.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
	MUD 8.6 WT. VIS 47, LCM 25 TO 30% LCM	17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		27.5
		OTHER		98.5
		Total Hours =	24.0	936.0

MUD				PUMPS				BIT RECORD			
WT. IN	8.6	PH		NO. 1		NO. 2		BIT NO. 7		BIT NO. RR	
WT. OUT	8.7	PM		SIZE	6.0 14.0	6.0 8.0	SERIAL NO.	226749		LB-8471	
VISC.	47	PF/MF		TYPE	DUPLX	TRIPLEX	MFG / TYPE	VIREAL/ V537		REED/EHP-53A	
PV		CL		SPM			SIZE	6.75		6.75	
YP		CA		BPS	5.9	2.9	JETS	OPEAN		3X20	
GELS		EX. LIME		PSI			IN / OUT	6710		7468	
FL.		LCM		GPM	0.0	0.0	WOB	25			
CAKE 32nds		ECD		AVDC			RPM	80/45			
% SOLIDS		H2S PPM		AVDP			FEET	760			
% WATER		DAPP/LB/BB		STKS. SUR TO BIT			HOURS	45			
% OIL				STKS. BIT TO SUR.			DULL	8	8	BC	A
% SAND		L.C.M.	27%	REDUCED PUMP RATE			GRADE	8	4/16	LC	PR

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$478,400.00	\$14,480	\$492,880
MUD & CHEMICALS	\$30,172.00	\$10,000	\$40,172
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$41,000.00	\$3,150	\$44,150
TRUCKING & DISP.	\$32,368.00	\$3,350	\$35,718
RENTAL EQUIP.	\$199,069.00	\$5,000	\$204,069
CASERS, WELD, LABOR	\$45,478.00		\$45,478
OVERHEAD	\$7,400.00	\$200	\$7,600
DIR. SERVICE / MOTOR	\$259,500.00	\$3,900	\$263,400
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$6,929.00		\$6,929
SUPERVISION	\$49,400.00		\$49,400
WATER	\$30,100.00	\$1,700	\$31,800
DISPOSAL	\$4,991.00		\$4,991
FUEL	\$55,635.00	\$9,739	\$65,374
MUD LOGGER	\$31,600.00		\$31,600
CASING / WELLHEAD	\$3,300.00		\$3,300
AIR PACK	\$24,575.00		\$24,575
PREV. CUM =	\$1,401,976		
TOTAL DAILY =		\$61,519	
TOTAL CUM =			\$1,463,495
DAILY MUD COSTS =	\$10,000.00		ACC. MUD COSTS = \$15,522.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
7171	49.56	39.75	5895	3382	2375	2407
7236	49.25	38.12	5938	3431	2413	2438
7362	50.25	36.62	6019	3528	2490	2496
7423	50.25	34.57	6058	3572	2528	2524
EXT 7468	50.25	33.08	6087	3605	2557	2543

WEIGHT			
STRING WT.	P / U	S / O	TORQUE

DRILL COLLARS				
NO.	CONN	O.D.	I.D.	
8	Conn	3.5IF	4.75	I.D. 2.25
	CONN		O.D.	I.D.

DRILL PIPE				
NO.	CONN	O.D.	I.D.	
	CONN	3.5	3.5 IF	I.D.
	CONN		O.D.	I.D.

BHA			
BIT, B-SUB, 8 DRILL COLLARS 1 DRILL JAR			
8 DC'S			

MUD			
GEL	333	poly	4
BAR:	LCM:	600	MICA
			2
LIME		LIG	2
CAUS		Carb-	

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MAY 10 2007

Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 11/4/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2006 DFS: 38 OPER. @ RPT. TIME: REAMING
 DEPTH: FTG. LAST 24 Hr.s: 318 Ft. AVG. FVHr. 0.0 REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
3.5	WASH & REAM	1.) RU- TD		0.0
1.0	PRESSURE UP DWN HOLE L/D 4 JTS PIPE	2.) DRILLING		323.0
7.0	POOH PLUGGED OFF	3.) REAMING	5.0	70.5
0.5	RIG SERVICE	4.) CORING		0.0
6.0	TIH	5.) CIRC.	1.0	93.5
0.5	BREAK CIRC @ 4000'	6.) TRIP	14.5	166.5
0.5	TIH TO 6200'	7.) SERVICE	0.5	12.5
0.5	BREAK CIRC @ 6200'	8.) REPAIR	3.0	46.0
1.5	WASH & REAM	9.) CUT DL		2.5
3.0	REPAIR RIG (FIX WINCH LINE, WORK ON DRAW WORKS MOTOR)	10.) SURVEY		15.0
		11.) LOGGING		0.0
		12.) CSG & CMT		36.5
		13.) WOC		24.5
		14.) NU & TEST		19.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		27.5
		OTHER		96.5
		Total Hours =	24.0	936.0

MUD				PUMPS				BIT RECORD			
WT. IN	8.6	PH	8.5	NO. 1		NO. 2		BIT NO. 8		BIT NO.	
WT. OUT	8.7	PM		SIZE	6.0 14.0	6.0 8.0	SERIAL NO.	220861			
VISC.	47	PF/MF		TYPE	DUPLX	TRIPLEX	MFG / TYPE	VAREL/ ETD44S			
PV	12	CL		SPM	45		SIZE	6 3/4			
YP	4	CA		BPS	5.9	2.9	JETS	OPEAN			
GELS	2/3	EX. LIME		PSI			IN / OUT				
FL.	11	LCM	15%	GPM	219.9	0.0	WOB				
CAKE 32nds	2/32	ECD		AVDC			RPM				
% SOLIDS	2	H2S PPM		AVDP			FEET				
% WATER	98	DAPP/LB/BB		STKS. SUR TO BIT			HOURS				
% OIL	TRC			STKS. BIT TO SUR.			DULL				
% SAND	.25	L.C.M.	15%	REDUCED PUMP RATE			GRADE				

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$478,400.00	\$14,480	\$492,880
MUD & CHEMICALS	\$30,172.00	\$1,800	\$31,972
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$41,000.00	\$6,000	\$47,000
TRUCKING & DISP.	\$32,368.00	\$3,345	\$35,713
RENTAL EQUIP.	\$199,069.00	\$6,000	\$205,069
CASERS, WELD, LABOR	\$45,478.00		\$45,478
OVERHEAD	\$7,400.00	\$200	\$7,600
DIR. SERVICE / MOTOR	\$259,500.00		\$259,500
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$6,929.00	\$2,113	\$9,042
SUPERVISION	\$49,400.00	\$2,600	\$52,000
WATER	\$30,100.00		\$30,100
DISPOSAL	\$4,991.00		\$4,991
FUEL	\$55,635.00	\$7,861	\$63,496
MUD LOGGER	\$31,600.00		\$31,600
CASING / WELLHEAD	\$3,300.00		\$3,300
AIR PACK	\$24,575.00		\$24,575
PREV. CUM =	\$1,401,976		
TOTAL DAILY =		\$44,399	
TOTAL CUM =			\$1,446,375
DAILY MUD COSTS =	\$10,000.00	ACC. MUD COSTS =	\$15,522.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	E/W
7171	49.56	39.75	5895	3382	2375	2407
7236	49.25	38.12	5938	3431	2413	2438
7362	50.25	36.62	6019	3528	2490	2496
7423	50.25	34.57	6058	3572	2528	2524
EXT 7468	50.25	33.06	6087	3605	2557	2543

WEIGHT			
STRING WT.	P / U	S / O	TORQUE

DRILL COLLARS				
NO.	CONN	3.5IF	O.D.	I.D.
8	Conn	3.5IF	O.D. 4.75	I.D. 2.25
	CONN		O.D.	I.D.

DRILL PIPE			
NO.	CONN	3.5	O.D.
	CONN	3.5	O.D. 3.5 IF
	CONN		O.D.

BHA			
BIT, B-SUB, 8 DRILL COLLARS 1 DRILL JAR			
8 DC'S			

MUD			
GEL	333	poly	4
BAR:	LCM:	600	PAC-R 6
LIME:	LIG	2	MICA 2
	Carb-t		

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MAY 10 2007

Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 11/5/2006

OPERATOR: MARION ENERGY

LEASE & WELL: RIDGERUNNER 11-17

PROSPECT: SCOFIELD

COUNTY: EMERY

STATE: UTAH

RIG: UNION#14

SPUD DATE: 9/27/2006 DFS: 39

OPER. @ RPT. TIME: WT ON PARTS

DEPTH: FTG. LAST 24 Hr.s: 318 Ft. AVG. FvHr. 0.0

REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HRS
4.0	WASH & REAM TO 6960'	1.) RU- TD		0.0
20.0	REPAIR RIG (VERTICAL DRIVE BOTTOM GEAR BROKE OFF DRIVE LINE)	2.) DRILLING		323.0
		3.) REAMING	4.0	74.5
		4.) CORING		0.0
		5.) CIRC.		93.5
		6.) TRIP		166.5
		7.) SERVICE		12.5
		8.) REPAIR	20.0	66.0
		9.) CUT DL		2.5
		10.) SURVEY		15.0
		11.) LOGGING		0.0
		12.) CSG & CMT		36.5
		13.) WOC		24.5
		14.) NU & TEST		19.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		27.5
		OTHER		98.5
		Total Hours =	24.0	960.0
24.0	TOTAL HOURS			

MUD				PUMPS				BIT RECORD			
WT. IN	8.5	PH	9.0	NO. 1		NO. 2		BIT NO. 8		BIT NO.	
WT. OUT		PM		SIZE	6.0 14.0	6.0 8.0	SERIAL NO.	220861			
VISC.	45	PF/MF		TYPE	DUPLX	TRIPLEX	MFG / TYPE	VAREL/ ETD44S			
PV	13	CL	400	SPM			SIZE	6 3/4			
YP	6	CA	60	BPS	5.9	2.9	JETS	OPEAN			
GELS	2/3	EX. LIME		PSI			IN / OUT				
FL.	13	LCM		GPM	0.0	0.0	WOB				
CAKE 32nds	2/32	ECD		AVDC			RPM				
% SOLIDS	2	H2S PPM		AVDP			FEET				
% WATER	98	DAPP/LB/BB		STKS. SUR TO BIT			HOURS				
% OIL	TRC			STKS. BIT TO SUR.			DULL				
% SAND	.25	L.C.M.	15%	REDUCED PUMP RATE			GRADE				

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$492,880.00	\$14,480	\$507,360
MUD & CHEMICALS	\$31,972.00		\$31,972
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$47,000.00		\$47,000
TRUCKING & DISP.	\$35,713.00	\$2,000	\$37,713
RENTAL EQUIP.	\$205,069.00	\$5,000	\$210,069
CASERS, WELD, LABOR	\$45,478.00		\$45,478
OVERHEAD	\$7,600.00	\$200	\$7,800
DIR. SERVICE / MOTOR	\$259,500.00		\$259,500
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$9,042.00		\$9,042
SUPERVISION	\$52,000.00	\$1,200	\$53,200
WATER	\$30,100.00		\$30,100
DISPOSAL	\$4,991.00		\$4,991
FUEL	\$63,496.00		\$63,496
MUD LOGGER	\$31,600.00		\$31,600
CASING / WELLHEAD	\$3,300.00		\$3,300
AIR PACK	\$24,575.00		\$24,575
PREV. CUM =	\$1,446,375		
TOTAL DAILY =	\$22,880		
TOTAL CUM =			\$1,469,255
DAILY MUD COSTS =			ACC. MUD COSTS = \$15,522.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
7171	49.56	39.75	5895	3382	2375	2407
7236	49.25	38.12	5938	3431	2413	2438
7362	50.25	36.62	6019	3526	2490	2496
7423	50.25	34.57	6058	3572	2528	2524
EXT 7468	50.25	33.06	6087	3605	2557	2543
WEIGHT						
STRING WT.	P / U	S / O	TORQUE			
DRILL COLLARS						
NO. 8	Conn	3.5IF	O.D. 4.75	I.D. 2.25		
NO.	CONN		O.D.	I.D.		
DRILL PIPE						
NO.	CONN	3.5	O.D. 3.5 IF	I.D.		
NO.	CONN		O.D.	I.D.		
BHA						
BIT, B-SUB, 8 DRILL COLLARS 1 DRILL JAR						
8 DC'S						
MUD						
GEL	poly		PAC-R			
BAR:	LCM:		MICA			
LIME	LIG		Carb-T			

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MAY 10 2007

Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 11/6/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2006 DFS: 40 OPER. @ RPT. TIME: WT ON PARTS
 DEPTH: FTG. LAST 24 Hr.s: 318 Ft. AVG. Ft/Hr. 0.0 REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
24.0	REPAIR RIG (WAIT ON PARTS)	1.) RU- TD		0.0
		2.) DRILLING		323.0
		3.) REAMING		74.5
		4.) CORING		0.0
		5.) CIRC.		93.5
		6.) TRIP		166.5
		7.) SERVICE		12.5
		8.) REPAIR	24.0	90.0
		9.) CUT DL		2.5
		10.) SURVEY		15.0
		11.) LOGGING		0.0
		12.) CSG & CMT		36.5
		13.) WOC		24.5
		14.) NU & TEST		19.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		27.5
		OTHER		98.5
			Total Hours =	24.0
24.0	TOTAL HOURS			

MUD				PUMPS				BIT RECORD			
WT. IN	8.4	PH	8.0	NO. 1		NO. 2		BIT NO. 8		BIT NO.	
WT. OUT	8.5	PM		SIZE	6.0	14.0	6.0	8.0	SERIAL NO.	220861	
VISC.	50	PF/MF		TYPE	DUPLEX		TRIPLEX		MFG / TYPE	VAREL/ ETD44S	
PV	23	CL	350	SPM					SIZE	6 3/4	
YP	15	CA	40	BPS	5.9		2.9		JETS	OPEAN	
GELS	6/11	EX. LIME		PSI					IN / OUT		
FL	18	LCM	20%	GPM	0.0		0.0		WOB		
CAKE 32nds	4/32	ECD		AVDC					RPM		
% SOLIDS	3	H2S PPM		AVDP					FEET		
% WATER	97	DAPP/LB/BB		STKS. SUR TO BIT					HOURS		
% OIL				STKS. BIT TO SUR.					DULL		
% SAND	.25	L.C.M.		REDUCED PUMP RATE					GRADE		

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$507,360.00	\$14,480	\$521,840
MUD & CHEMICALS	\$31,972.00	\$4,212	\$36,184
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$47,000.00		\$47,000
TRUCKING & DISP.	\$37,713.00	\$2,175	\$39,888
RENTAL EQUIP.	\$210,069.00	\$5,000	\$215,069
CASERS, WELD, LABOR	\$45,478.00		\$45,478
OVERHEAD	\$7,600.00	\$200	\$8,000
DIR. SERVICE / MOTOR	\$259,500.00		\$259,500
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$9,042.00		\$9,042
SUPERVISION	\$53,200.00	\$1,300	\$54,500
WATER	\$30,100.00		\$30,100
DISPOSAL	\$4,991.00		\$4,991
FUEL	\$63,496.00		\$63,496
MUD LOGGER	\$31,600.00		\$31,600
CASING / WELLHEAD	\$3,300.00		\$3,300
AIR PACK	\$24,575.00		\$24,575
PREV. CUM =	\$1,469,255		
TOTAL DAILY =		\$27,367	
TOTAL CUM =			\$1,496,622
DAILY MUD COSTS =			ACC. MUD COSTS = \$15,522.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TYD	SEC.	N/S	EW
7171	49.56	39.75	5895	3382	2375	2407
7236	49.25	38.12	5938	3431	2413	2438
7362	50.25	36.62	6019	3528	2490	2486
7423	50.25	34.57	6058	3572	2528	2524
EXT 7468	50.25	33.06	6087	3605	2557	2543

WEIGHT			
STRING WT.	P / U	S / O	TORQUE

DRILL COLLARS				
NO.	CONN	3.5IF	O.D.	I.D.
8	Conn	3.5IF	O.D. 4.75	I.D. 2.25
	CONN		O.D.	I.D.

DRILL PIPE				
NO.	CONN	3.5	O.D. 3.5 IF	I.D.
	CONN		O.D.	I.D.

BHA	
BIT, B-SUB, 8 DRILL COLLARS 1 DRILL JAR	
8 DC'S	

MUD		
GEL	poly	PAC-R
BAR:	LCM:	MICA
	LIG	
CAUS	Carb-t	

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Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 11/7/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2006 DFS: 41 OPER. @ RPT. TIME: WT ON PARTS
 DEPTH: FTG. LAST 24 Hr.s: 318 Ft. AVG. FWH: 0.0 REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
24.0	RIG REPAIR	1.) RU- TD		0.0
		2.) DRILLING		323.0
		3.) REAMING		74.5
		4.) CORING		0.0
		5.) CIRC.		93.5
		6.) TRIP		166.5
		7.) SERVICE		12.5
		8.) REPAIR	24.0	114.0
		9.) CUT DL		2.5
		10.) SURVEY		15.0
		11.) LOGGING		0.0
		12.) CSG & CMT		36.5
		13.) WOC		24.5
		14.) NU & TEST		19.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		27.5
		OTHER		98.5
		Total Hours =	24.0	1008.0

MUD				PUMPS				BIT RECORD			
WT. IN	8.4	PH	8.0	NO. 1		NO. 2		BIT NO. 8		BIT NO.	
WT. OUT	8.5	PM		SIZE	6.0	14.0	6.0	8.0	SERIAL NO.	220861	
VISC.	54	PF/MF		TYPE	DUPLEX		TRIPLEX		MFG / TYPE	VAREL/ ETD44S	
PV		CL	350	SPM					SIZE	6 3/4	
YP		CA	40	BPS	5.9	2.9			JETS	OPEAN	
GELS		EX. LIME		PSI					IN / OUT		
FL.	14	LCM		GPM	0.0	0.0			WOB		
CAKE 32nds	4/32	ECD		AVDC					RPM		
% SOLIDS		H2S PPM		AVDP					FEET		
% WATER		DAPP/LB/BB		STKS. SUR TO BIT					HOURS		
% OIL				STKS. BIT TO SUR.					DULL		
% SAND		L.C.M.	22%	REDUCED PUMP RATE					GRADE		

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$521,840.00	\$14,480	\$536,320
MUD & CHEMICALS	\$36,184.00		\$36,184
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$47,000.00		\$47,000
TRUCKING & DISP.	\$39,888.00		\$39,888
RENTAL EQUIP.	\$215,069.00	\$5,000	\$220,069
CASERS, WELD, LABOR	\$45,478.00		\$45,478
OVERHEAD	\$8,000.00	\$200	\$8,200
DIR. SERVICE / MOTOR	\$259,500.00		\$259,500
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$9,042.00		\$9,042
SUPERVISION	\$54,500.00	\$1,300	\$55,800
WATER	\$30,100.00		\$30,100
DISPOSAL	\$4,991.00		\$4,991
FUEL	\$63,496.00		\$63,496
MUD LOGGER	\$31,600.00		\$31,600
CASING / WELLHEAD	\$3,300.00		\$3,300
AIR PACK	\$24,575.00		\$24,575
PREV. CUM =	\$1,496,622		
TOTAL DAILY =		\$20,980	
TOTAL CUM =			\$1,817,602
DAILY MUD COSTS =			ACC. MUD COSTS = \$15,522.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	E/W
7171	49.56	39.75	5895	3382	2375	2407
7236	49.25	38.12	5938	3431	2413	2438
7362	50.25	36.62	6019	3526	2490	2486
7423	50.25	34.57	6058	3572	2528	2524
EXT 7488	50.25	33.06	6087	3605	2557	2543
WEIGHT						
STRING WT.	P / U	S / O	TORQUE			
DRILL COLLARS						
NO. 8	Conn	3.5IF	O.D. 4.75	I.D. 2.25		
NO.	CONN		O.D.	I.D.		
DRILL PIPE						
NO.	CONN	3.5	O.D. 3.5 IF	I.D.		
NO.	CONN		O.D.	I.D.		
BHA						
BIT, B-SUB, 8 DRILL COLLARS 1 DRILL JAR						
8 DC'S						
MUD						
GEL	poly		PAC-R			
BAR:	LCM:		MICA			
LIME:	LIG					

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Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 11/8/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2006 DFS: 42 OPER. @ RPT. TIME: TRIP IN HOLE
 DEPTH: FTG. LAST 24 Hr.s: 318 Ft. AVG. Fth. 0.0 REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
24.0	REPAIR RIG	1.) RU- TD		0.0
		2.) DRILLING		323.0
		3.) REAMING		74.5
	START TRIP IN HOLE @ 6:00 AM	4.) CORING		0.0
		5.) CIRC.		93.5
		6.) TRIP		166.5
		7.) SERVICE		12.5
		8.) REPAIR	24.0	138.0
		9.) CUT DL		2.5
		10.) SURVEY		15.0
		11.) LOGGING		0.0
		12.) CSG & CMT		36.5
		13.) WOC		24.5
		14.) NU & TEST		19.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		27.5
		OTHER		98.5
			Total Hours =	24.0
				1032.0

MUD				PUMPS				BIT RECORD			
WT. IN	8.5	PH	8.0	NO. 1		NO. 2		BIT NO. 8		BIT NO.	
WT. OUT	8.6	PM		SIZE	6.0	14.0	6.0	8.0	SERIAL NO.	220861	
VISC.	55	PF/MF	.0/4	TYPE	DUPLEX		TRIPLEX		MFG / TYPE	VAREL/ ETD44S	
PV	23	CL	350	SPM					SIZE	6 3/4	
YP	15	CA	40	BPS	5.9		2.9		JETS	OPEAN	
GELS	6/11	EX. LIME		PSI					IN / OUT		
FL.	14	LCM		GPM	0.0		0.0		WOB		
CAKE 32nds	4/32	ECD		AVDC					RPM		
% SOLIDS	97	H2S PPM		AVDP					FEET		
% WATER	3	DAPP/LB/BB		STKS. SUR TO BIT					HOURS		
% OIL				STKS. BIT TO SUR.					DULL		
% SAND	.25	L.C.M.	25%	REDUCED PUMP RATE					GRADE		

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$536,320.00	\$14,480	\$550,800
MUD & CHEMICALS	\$36,184.00		\$36,184
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$47,000.00		\$47,000
TRUCKING & DISP.	\$39,888.00		\$39,888
RENTAL EQUIP.	\$220,069.00	\$5,000	\$225,069
CASERS, WELD, LABOR	\$45,478.00		\$45,478
OVERHEAD	\$8,200.00	\$200	\$8,400
DIR. SERVICE / MOTOR	\$259,500.00		\$259,500
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$9,042.00		\$9,042
SUPERVISION	\$55,800.00	\$1,300	\$57,100
WATER	\$30,100.00		\$30,100
DISPOSAL	\$4,991.00		\$4,991
FUEL	\$63,496.00		\$63,496
MUD LOGGER	\$31,600.00		\$31,600
CASING / WELLHEAD	\$3,300.00		\$3,300
AIR PACK	\$24,575.00		\$24,575
PREV. CUM =	\$1,517,602		
TOTAL DAILY =		\$20,980	
TOTAL CUM =			\$1,538,582
DAILY MUD COSTS =			ACC. MUD COSTS = \$15,522.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	E/W
7171	49.56	39.75	5895	3382	2375	2407
7236	49.25	38.12	5938	3431	2413	2438
7362	50.25	36.62	6019	3528	2490	2498
7423	50.25	34.57	6058	3572	2528	2524
EXT 7468	50.25	33.06	6087	3605	2557	2543
WEIGHT						
STRING WT.	P / U	S / O	TORQUE			
DRILL COLLARS						
NO. 8	Conn	3.5IF	O.D. 4.75	I.D. 2.25		
NO.	CONN		O.D.	I.D.		
DRILL PIPE						
NO.	CONN	3.5	O.D. 3.5 IF	I.D.		
NO.	CONN		O.D.	I.D.		
BHA						
BIT, B-SUB, 8 DRILL COLLARS 1 DRILL JAR						
8 DC'S						
MUD						
GEL	poly		PAC-R			
BAR:	LCM:		MICA			
LIME:	LIG		Carb-			

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MAY 10 2007

Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 11/9/2006

OPERATOR: MARION ENERGY

LEASE & WELL: RIDGERUNNER 11-17

PROSPECT: SCOFIELD

COUNTY: EMERY

STATE: UTAH

RIG: UNION#14

SPUD DATE: 9/27/2006 DFS: 43

OPER. @ RPT. TIME: BUILD VOLUME

DEPTH: FTG. LAST 24 Hr.s: 318 Ft. AVG. FTR. 0.0

REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HRS
1.0	TIH TO 5500'	1.) RU- TD		0.0
0.5	BREAK CIRC	2.) DRILLING		323.0
0.5	TIH TO 6420'	3.) REAMING	15.0	89.5
11.0	WASH & REAM FROM 6420' TO 6801' LOST 100 BBL MUD	4.) CORING		0.0
1.5	CONDITION MUD & CIRC	5.) CIRC.	4.5	98.0
4.0	REAM /F 6801' TO 6858'	6.) TRIP	4.5	171.0
1.5	L/D 15 JTS	7.) SERVICE		12.5
0.5	TIH 4 STANDS	8.) REPAIR		138.0
1.0	REAM /F 6700' TO 6747	9.) CUT DL		2.5
2.5	BUILD VOLUME , CREW PUMPED AWAY 400BLS MUD	10.) SURVEY		15.0
		11.) LOGGING		0.0
		12.) CSG & CMT		36.5
		13.) WOC		24.5
		14.) NU & TEST		19.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		27.5
		OTHER		98.5
		Total Hours =	24.0	1056.0

MUD				PUMPS				BIT RECORD			
WT. IN	8.7	PH	9.0	NO. 1		NO. 2		BIT NO. 8		BIT NO.	
WT. OUT		PM		SIZE	6.0 14.0	6.0 8.0	SERIAL NO.	220861			
VISC.	46	PF/MF	2/5	TYPE	DUPLEX	TRIPLEX	MFG / TYPE	VAREL/ ETD44S			
PV	18	CL	400	SPM	50		SIZE	6 3/4			
YP	9	CA	20	BPS	5.9	2.9	JETS	OPEAN			
GELS	4/10	EX. LIME		PSI			IN / OUT				
FL.	14	LCM		GPM	244.3	0.0	WOB				
CAKE 32nds	2/32	ECD		AVDC			RPM				
% SOLIDS	4	H2S PPM		AVDP			FEET				
% WATER	96	DAPP/LB/BB		STKS. SUR TO BIT			HOURS				
% OIL				STKS. BIT TO SUR.			DULL				
% SAND	25	L.C.M.	18%	REDUCED PUMP RATE			GRADE				

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$550,800.00	\$14,480	\$565,280
MUD & CHEMICALS	\$36,184.00	\$5,412	\$41,596
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$47,000.00		\$47,000
TRUCKING & DISP.	\$39,888.00		\$39,888
RENTAL EQUIP.	\$225,069.00	\$5,000	\$230,069
CASERS, WELD, LABOR	\$45,478.00		\$45,478
OVERHEAD	\$8,400.00	\$200	\$8,600
DIR. SERVICE / MOTOR	\$259,500.00		\$259,500
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$9,042.00		\$9,042
SUPERVISION	\$57,100.00	\$1,300	\$58,400
WATER	\$30,100.00		\$30,100
DISPOSAL	\$4,991.00		\$4,991
FUEL	\$63,496.00		\$63,496
MUD LOGGER	\$31,600.00		\$31,600
CASING / WELLHEAD	\$3,300.00		\$3,300
AIR PACK	\$24,575.00		\$24,575
PREV. CUM =	\$1,538,582		
TOTAL DAILY =		\$26,392	
TOTAL CUM =			\$1,564,974
DAILY MUD COSTS =	\$5,412.00	ACC. MUD COSTS =	\$15,622.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
7171	49.56	39.75	5895	3382	2375	2407
7236	49.25	38.12	5938	3431	2413	2438
7362	50.25	36.62	6019	3526	2490	2466
7423	50.25	34.57	6058	3572	2528	2524
EXT 7468	50.25	33.06	6087	3605	2557	2543
WEIGHT						
STRING WT.	P / U	S / O	TORQUE			
DRILL COLLARS						
NO. 8	Conn	3.5IF	O.D. 4.75	I.D. 2.25		
NO.	CONN		O.D.	I.D.		
DRILL PIPE						
NO.	CONN	3.5	O.D. 3.5 IF	I.D.		
NO.	CONN		O.D.	I.D.		
BHA						
BIT, B-SUB, 8 DRILL COLLARS 1 DRILL JAR						
8 DC'S						
MUD						
GEL	poly		PAC-R			
BAR:	LCM:		MICA			
LIME:	LIG					

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MAY 10 2007

Rig Phone No.: 435.828-5486

MORNING REPORT

DATE: 11/10/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2008 DFS: 44 OPER. @ RPT. TIME: TRIPPNG IN HOLE
 DEPTH: FTG. LAST 24 Hr.s: 318 Ft. AVG. R/Hr: 0.0 REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
14.0	WASH & REAM FROM 6747' TO 7248'	1.) RU- TD		0.0
2.0	CIRC & MIX AND PUMP PILL	2.) DRILLING		323.0
6.5	POOH, LAY DOWN 10 JTS DRILL PIPE	3.) REAMING	14.0	103.5
1.5	TIH	4.) CORING		0.0
		5.) CIRC.	2.0	100.0
		6.) TRIP	8.0	179.0
		7.) SERVICE		12.5
	REMARKS	8.) REPAIR		138.0
	BIT WAS LOCKED UP WITH JUNK FROM OLD BIT	9.) CUT DL		2.5
		10.) SURVEY		15.0
		11.) LOGGING		0.0
		12.) CSG & CMT		36.5
		13.) WOC		24.5
		14.) NU & TEST		19.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		27.5
		OTHER		98.5
		Total Hours =	24.0	1080.0
24.0	TOTAL HOURS			

MUD				PUMPS				BIT RECORD			
WT. IN	9.1	PH	8.5	NO. 1		NO. 2		BIT NO. 9		BIT NO.	
WT. OUT		PM		SIZE	6.0	14.0	6.0	8.0	SERIAL NO.	TC2082	
VISC.	55	PF/MF	.15/ .4	TYPE	DUPLEX		TRIPLEX	MFG / TYPE	REED / 2949J		
PV	22	CL	300	SPM	47			SIZE	6 3/4		
YP	11	CA	15	BPS	5.9		2.9	JETS			
GELS	5/2	EX. LIME		PSI				IN / OUT			
FL.	14	LCM		GPM	229.7		0.0	WOB			
CAKE 32nds	2/32	ECD		AVDC				RPM			
% SOLIDS	4	H2S PPM		AVDP				FEET			
% WATER	96	DAPP/LB/BB		STKS. SUR TO BIT				HOURS			
% OIL				STKS. BIT TO SUR.				DULL			
% SAND	.35	L.C.M.	25%	REDUCED PUMP RATE				GRADE			

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$565,280.00	\$14,480	\$579,760
MUD & CHEMICALS	\$41,596.00	\$11,000	\$52,596
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$47,000.00	\$6,500	\$53,500
TRUCKING & DISP.	\$39,888.00	\$3,000	\$42,888
RENTAL EQUIP.	\$230,069.00	\$5,000	\$235,069
CASERS,WELD,LABOR	\$45,478.00		\$45,478
OVERHEAD	\$8,600.00	\$200	\$8,800
DIR. SERVICE / MOTOR	\$259,500.00		\$259,500
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$9,042.00		\$9,042
SUPERVISION	\$58,400.00	\$1,300	\$59,700
WATER	\$30,100.00	\$2,100	\$32,200
DISPOSAL	\$4,991.00		\$4,991
FUEL	\$63,496.00		\$63,496
MUD LOGGER	\$31,600.00		\$31,600
CASING / WELLHEAD	\$3,300.00		\$3,300
AIR PACK	\$24,575.00		\$24,575
PREV. CUM =	\$1,564,974		
TOTAL DAILY =		\$43,580	
TOTAL CUM =			\$1,608,554
DAILY MUD COSTS =			ACC. MUD COSTS = \$15,522.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
EXT 7468	50.25	33.06	6087	3605	2557	2543
WEIGHT						
STRING WT.	P / U	S / O	TORQUE			
DRILL COLLARS						
NO. 8	Conn	3.5IF	O.D. 4.75	I.D. 2.25		
NO.	CONN		O.D.	I.D.		
DRILL PIPE						
NO.	CONN	3.5	O.D. 3.5 IF	I.D.		
NO.	CONN		O.D.	I.D.		
BHA						
BIT, B-SUB, 8 DRILL COLLARS 1 DRILL JAR						
8 DC'S						
MUD						
GEL	poly		PAC-R			
BAR:	LCM:		MICA			
LIME:	LIG					
	Carb-					

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Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 11/11/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2006 DFS: 45 OPER. @ RPT. TIME: BUILD VOLUME
 DEPTH: FTG. LAST 24 Hr.s: 318 Ft. AVG. FTR: 0.0 REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
4.5	TIH TO 6702'	1.) RU- TD		0.0
3.5	REPAIR RIG	2.) DRILLING		323.0
3.0	REAM / F 6702' TO 7100'	3.) REAMING	3.0	106.5
4.0	WORK ON MUD LINES, LINES FROM PREMIX FROZE	4.) CORING		0.0
1.0	PUMP PILL POOH TO 6045'	5.) CIRC.	4.0	104.0
8.0	ROTATE @ 6045' CREW WALKED OFF	6.) TRIP	5.5	184.5
		7.) SERVICE		12.5
		8.) REPAIR	11.5	149.5
		9.) CUT DL		2.5
		10.) SURVEY		15.0
		11.) LOGGING		0.0
		12.) CSG & CMT		36.5
		13.) WOC		24.5
		14.) NU & TEST		19.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		27.5
		OTHER		98.5
		Total Hours =	24.0	1104.0

MUD				PUMPS				BIT RECORD			
WT. IN	8.7	PH	9	NO. 1		NO. 2		BIT NO. 9		BIT NO.	
WT. OUT		PM		SIZE	6.0	14.0	6.0	8.0	SERIAL NO.	TC2082	
VISC.	46	PF/MF	.2 / .5	TYPE	DUPLX		TRIPLEX	MFG / TYPE	REED / 2949J		
PV	18	CL	400	SPM				SIZE	6 3/4		
YP	9	CA	20	BPS	5.9	2.9		JETS			
GELS	4 / 10	EX. LIME		PSI				IN / OUT			
FL	16	LCM		GPM	0.0	0.0		WOB			
CAKE 32nds	2/32	ECD		AVDC				RPM			
% SOLIDS	4	H2S PPM		AVDP				FEET			
% WATER	96	DAPP/LB/BB		STKS. SUR TO BIT				HOURS			
% OIL				STKS. BIT TO SUR.				DULL			
% SAND	.25	L.C.M.	10 TO 12%	REDUCED PUMP RATE				GRADE			

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$579,760.00	\$14,330	\$594,090
MUD & CHEMICALS	\$52,596.00	\$3,000	\$55,596
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$53,500.00		\$53,500
TRUCKING & DISP.	\$42,888.00	\$1,700	\$44,588
RENTAL EQUIP.	\$235,069.00	\$5,000	\$240,069
CASERS, WELD, LABOR	\$45,478.00		\$45,478
OVERHEAD	\$8,800.00	\$200	\$9,000
DIR. SERVICE / MOTOR	\$259,500.00		\$259,500
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$9,042.00		\$9,042
SUPERVISION	\$59,700.00	\$1,300	\$61,000
WATER	\$32,200.00	\$1,500	\$33,700
DISPOSAL	\$4,991.00		\$4,991
FUEL	\$63,496.00		\$63,496
MUD LOGGER	\$31,600.00		\$31,600
CASING / WELLHEAD	\$3,300.00		\$3,300
AIR PACK	\$24,575.00		\$24,575
PREV. CUM =	\$1,608,554		
TOTAL DAILY =		\$27,030	
TOTAL CUM =			\$1,635,584
DAILY MUD COSTS =	\$3,000.00	ACC. MUD COSTS =	\$15,522.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
EXT 7488	50.25	33.06	6087	3605	2557	2543
WEIGHT						
STRING WT.	P / U	S / O	TORQUE			
DRILL COLLARS						
NO. 8	Conn	3.5IF	O.D. 4.75	I.D. 2.25		
NO.	CONN		O.D.	I.D.		
DRILL PIPE						
NO.	CONN	3.5	O.D. 3.5 IF	I.D.		
NO.	CONN		O.D.	I.D.		
BHA						
BIT, B-SUB, 8 DRILL COLLARS 1 DRILL JAR						
8 DC'S						
MUD						
GEL	60	poly		PAC-R		
BAR:		LCM:	40	MICA		
LIME:		LIG	DRISPAC 3			
SALT:		Carb-N	SODA ASH 2			

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Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 11/12/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2006 DFS: 46 OPER. @ RPT. TIME: WT ON HANDS
 DEPTH: FTG. LAST 24 Hr.s: 318 Ft. AVG. RATE: 0.0 REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HRS
8.0	REPAIR RIG RIG FROZE UP	1.) RU-TD		0.0
2.0	CONDITION MUD & CIRC	2.) DRILLING		323.0
11.0	TRIP FOR PLUGED BIT	3.) REAMING		106.5
3.0		4.) CORING		0.0
		5.) CIRC.	2.0	106.0
		6.) TRIP	11.0	195.5
		7.) SERVICE		12.5
		8.) REPAIR	11.0	160.5
		9.) CUT DL		2.5
		10.) SURVEY		15.0
		11.) LOGGING		0.0
		12.) CSG & CMT		36.5
		13.) WOC		24.5
		14.) NU & TEST		19.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		27.5
		OTHER		98.5
		Total Hours =	24.0	1128.0

MUD				PUMPS				BIT RECORD			
WT. IN	9.1	PH	10.5	NO. 1		NO. 2		BIT NO. 8		BIT NO.	
WT. OUT		PM		SIZE	6.0	14.0	6.0	8.0	SERIAL NO.	TC2082	
VISC.	54	PF/MF	4/2	TYPE	DUPLX		TRIPLEX		MFG / TYPE	REED / 2949J	
PV	23	CL	350	SPM	55				SIZE	6 3/4	
YP	12	CA	40	BPS	5.9		2.9		JETS		
GELS	4/9	EX. LIME		PSI					IN / OUT		
FL.	8.8	LCM		GPM	268.8		0.0		WOB		
CAKE 32nds	2/32	ECD		AVDC					RPM		
% SOLIDS	5	H2S PPM		AVDP					FEET		
% WATER	95	DAPP/LB/BB		STKS. SUR TO BIT					HOURS		
% OIL				STKS. BIT TO SLR.					DULL		
% SAND FOR PLUG		L.C.M.	16 %	REDUCED PUMP RATE					GRADE		

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$594,090.00	\$14,330	\$608,420
MUD & CHEMICALS	\$55,596.00	\$7,081	\$62,677
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$53,500.00		\$53,500
TRUCKING & DISP.	\$44,588.00		\$44,588
RENTAL EQUIP.	\$240,069.00	\$5,000	\$245,069
CASERS, WELD, LABOR	\$45,478.00		\$45,478
OVERHEAD	\$9,000.00	\$200	\$9,200
DIR. SERVICE / MOTOR	\$259,500.00		\$259,500
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$9,042.00		\$9,042
SUPERVISION	\$61,000.00	\$1,300	\$62,300
WATER	\$33,700.00		\$33,700
DISPOSAL	\$4,991.00		\$4,991
FUEL	\$63,496.00		\$63,496
MUD LOGGER	\$31,600.00		\$31,600
CASING / WELLHEAD	\$3,300.00		\$3,300
AIR PACK	\$24,575.00		\$24,575
PREV. CUM =	\$1,635,584		
TOTAL DAILY =		\$27,911	
TOTAL CUM =			\$1,663,495
DAILY MUD COSTS =			ACC. MUD COSTS = \$15,622.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
EXT 7488	50.25	33.06	6087	3605	2557	2543

WEIGHT			
STRING WT.	P / U	S / O	TORQUE

DRILL COLLARS				
NO.	CONN	O.D.	I.D.	
8	Conn	3.5IF	4.75	2.25
	CONN	O.D.		I.D.

DRILL PIPE				
NO.	CONN	O.D.	I.D.	
	CONN	3.5	3.5 IF	I.D.
	CONN	O.D.		I.D.

BHA			
BIT, B-SUB, 8 DRILL COLLARS 1 DRILL JAR			
8 DC'S			

MUD			
GEL	70	poly	PAC-R 6
BAR:	40	LCM: 100/120	MICA 2
		LIG	
CAUS	2	Carb-1 4	

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Rig Phone No.: 435.828-5468

MORNING REPORT

DATE: 11/13/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2006 DFS: 47 OPER. @ RPT. TIME: WT.ON HANDS
 DEPTH: FTG. LAST 24 Hr.s: 318 Ft. AVG. RATE: 0.0 REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
8.0	RIG REPAIR (WAIT ON HANDS)	1.) RU- TD		0.0
3.0	UNPLUG DRILL COLLARS	2.) DRILLING		323.0
13.0	RIG RERAIR (WT ON MECHANIC TO FIX RADIATOR AND WATER PUMP)	3.) REAMING		106.5
		4.) CORING		0.0
		5.) CIRC.		106.0
		6.) TRIP		195.5
		7.) SERVICE		12.5
		8.) REPAIR	21.0	181.5
		9.) CUT DL		2.5
		10.) SURVEY		15.0
		11.) LOGGING		0.0
		12.) CSG & CMT		36.5
		13.) WOC		24.5
		14.) NU & TEST		19.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		27.5
		OTHER	3.0	101.5
		Total Hours =	24.0	1152.0

MUD				PUMPS				BIT RECORD			
WT. IN	9.1	PH	10.5	NO. 1		NO. 2		BIT NO. 9		BIT NO.	
WT. OUT		PM		SIZE	6.0 14.0	6.0 8.0	SERIAL NO.	TC2082			
VISC.	54	PF/MF	4 / 2	TYPE	DUPLX	TRIPLEX	MFG / TYPE	REED / 2949J			
PV	23	CL	350	SPM	50		SIZE	6 3/4			
YP	12	CA	40	BPS	5.9	2.9	JETS				
GELS	4 / 8	EX. LIME		PSI			IN / OUT				
FL.	10	LCM		GPM	244.3	0.0	WOB				
CAKE 32nds	2 / 32	ECD		AVDC			RPM				
% SOLIDS	5	H2S PPM		AVDP			FEET				
% WATER	95	DAPP/LB/BB		STKS. SUR TO BIT			HOURS				
% OIL				STKS. BIT TO SUR.			DULL				
% SAND		L.C.M.	25%	REDUCED PUMP RATE			GRADE				

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$608,420.00	\$14,330	\$622,750
MUD & CHEMICALS	\$62,677.00	\$7,289	\$69,966
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$53,500.00		\$53,500
TRUCKING & DISP.	\$44,588.00		\$44,588
RENTAL EQUIP.	\$245,069.00	\$5,000	\$250,069
CASERS, WELD, LABOR	\$45,478.00		\$45,478
OVERHEAD	\$9,200.00	\$200	\$9,400
DIR. SERVICE / MOTOR	\$259,500.00		\$259,500
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$9,042.00		\$9,042
SUPERVISION	\$62,300.00	\$1,300	\$63,600
WATER	\$33,700.00	\$1,300	\$35,000
DISPOSAL	\$4,991.00		\$4,991
FUEL	\$63,496.00		\$63,496
MUD LOGGER	\$31,600.00		\$31,600
CASING / WELLHEAD	\$3,300.00		\$3,300
AIR PACK	\$24,575.00		\$24,575
PREV. CUM =	\$1,663,495		
TOTAL DAILY =		\$29,419	
TOTAL CUM =			\$1,692,914
DAILY MUD COSTS =	\$7,330.00	ACC. MUD COSTS =	\$15,522.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
EXT 7488	50.25	33.06	6087	3605	2557	2543
WEIGHT						
STRING WT.	P / U	S / O	TORQUE			
DRILL COLLARS						
NO. 8	Conn	3.5IF	O.D. 4.75	I.D. 2.25		
NO.	CONN	O.D.		I.D.		
DRILL PIPE						
NO.	CONN	3.5	O.D. 3.5 IF	I.D.		
NO.	CONN	O.D.		I.D.		
BHA						
BIT, B-SUB, 8 DRILL COLLARS 1 DRILL JAR						
8 DC'S						
MUD						
GEL	poly	PAC-R				
BAR:	LCM:	MICA				
LIME:	LIG					

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Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 11/14/2006

OPERATOR: MARION ENERGY

LEASE & WELL: RIDGERUNNER 11-17

PROSPECT: SCOFIELD

COUNTY: EMERY

STATE: UTAH

RIG: UNION#14

SPUD DATE: 9/27/2006 DFS: 48

OPER. @ RPT. TIME: WAITE ON HANDS

DEPTH: FTG. LAST 24 Hr.s: 318 Ft. AVG. FTHr. 0.0

REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
14.0	RIG REPAIR (WAITE ON PARTS)	1.) RU- TD		0.0
6.0	TIH TO 3000'	2.) DRILLING		323.0
2.0	CIRC & LET HANDS WARM UP	3.) REAMING		106.5
1.5	TIH TO 3900'	4.) CORING		0.0
0.5	CIRC & LET HANDS WARM UP	5.) CIRC.	2.5	108.5
		6.) TRIP	7.5	203.0
		7.) SERVICE		12.5
		8.) REPAIR	14.0	195.5
		9.) CUT DL		2.5
		10.) SURVEY		15.0
		11.) LOGGING		0.0
	BAD ROAD CONDITIONS, GRADER STUCK AND HANDS CANT GIT IN.	12.) CSG & CMT		36.5
		13.) WOC		24.5
		14.) NU & TEST		19.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		27.5
		OTHER		101.5
		Total Hours =	24.0	1176.0

MUD				PUMPS				BIT RECORD					
WT. IN	9.3	PH	9.5	SIZE	NO. 1		NO. 2		SERIAL NO.	BIT NO. 9		BIT NO.	
WT. OUT		PM			6.0	14.0	6.0	8.0		TC2082			
VISC.	50	PF/MF	2/5	TYPE	DUPLEX		TRIPLEX		MFG / TYPE	REED / 2949J			
PV	21	CL	400	SPM					SIZE	6 3/4			
YP	10	CA	60	BPS	5.9		2.9		JETS				
GELS	3/8	EX. LIME		PSI					IN / OUT				
FL	14	LCM		GPM	0.0		0.0		WOB				
CAKE 32nds	2/32	ECD		AVDC					RPM				
% SOLIDS	6	H2S PPM		AVDP					FEET				
% WATER	94	DAPP/LB/BB		STKS. SUR TO BIT					HOURS				
% OIL				STKS. BIT TO SUR.					DULL				
% SAND	TRC	L.C.M.	22%	REDUCED PUMP RATE					GRADE				

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$622,750.00	\$14,330	\$637,080
MUD & CHEMICALS	\$69,966.00	\$1,000	\$70,966
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$53,500.00		\$53,500
TRUCKING & DISP.	\$44,588.00		\$44,588
RENTAL EQUIP.	\$250,069.00	\$5,000	\$255,069
CASERS,WELD,LABOR	\$45,478.00		\$45,478
OVERHEAD	\$9,400.00	\$200	\$9,600
DIR. SERVICE / MOTOR	\$259,500.00		\$259,500
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$9,042.00		\$9,042
SUPERVISION	\$63,600.00	\$1,300	\$64,900
WATER	\$35,000.00		\$35,000
DISPOSAL	\$4,991.00		\$4,991
FUEL	\$63,496.00		\$63,496
MUD LOGGER	\$31,600.00		\$31,600
CASING / WELLHEAD	\$3,300.00		\$3,300
AIR PACK	\$24,575.00		\$24,575
PREV. CUM =	\$1,692,914		
TOTAL DAILY =		\$21,830	
TOTAL CUM =			\$1,714,744
DAILY MUD COSTS =	\$1,000.00		ACC. MUD COSTS = \$15,522.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	E/W
EXT 7468	50.25	33.06	6087	3605	2557	2543
WEIGHT						
STRING WT.	P / U	S / O	TORQUE			
DRILL COLLARS						
NO. 8	Conn	3.5IF	O.D. 4.75	I.D. 2.25		
NO.	CONN		O.D.	I.D.		
DRILL PIPE						
NO.	CONN	3.5	O.D. 3.5 IF	I.D.		
NO.	CONN		O.D.	I.D.		
BHA						
BIT, B-SUB, 8 DRILL COLLARS 1 DRILL JAR						
8 DC'S						
MUD						
GEL	poly		PAC-R			
BAR:	LCM:		MICA			
LIME:	LIG					

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Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 11/16/2006

OPERATOR: **MARION ENERGY** LEASE & WELL: **RIDGERUNNER 11-17**
 PROSPECT: **SCOFIELD** COUNTY: **EMERY** STATE: **UTAH**
 RIG: **UNION#14** SPUD DATE: **9/27/2006** DFS: **49** OPER. @ RPT. TIME: **RIG REPAIR**
 DEPTH: **FTG. LAST 24 Hr.s: 318 Ft. AVG. F/HR. 0.0** REPORT BY: **MIKE LINDSAY**

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTMITY	HOURS	ACC. HR.S
8.0	CIRC & CONDITION, ROAD SNOWED IN WAITE ON HANDS	1.) RU- TD		0.0
2.0	TIH TO 7000'	2.) DRILLING		323.0
1.0	KELLY UP & BREAK CIRC	3.) REAMING		106.5
13.0	RIG REPAIR (W/O MECHANIC AND COMPRESSOR FOR DW MOTOR	4.) CORING		0.0
		5.) CIRC.	9.0	117.5
		6.) TRIP	2.0	205.0
		7.) SERVICE		12.5
		8.) REPAIR	13.0	208.5
		9.) CUT DL		2.5
		10.) SURVEY		15.0
		11.) LOGGING		0.0
		12.) CSG & CMT		36.5
		13.) WOC		24.5
		14.) NU & TEST		19.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		27.5
		OTHER		101.5
		Total Hours =	24.0	1200.0

MUD				PUMPS				BIT RECORD			
WT. IN	9.1	PH	9	NO. 1		NO. 2		BIT NO. 9		BIT NO.	
WT. OUT		PM		SIZE	6.0 14.0	6.0 8.0	SERIAL NO.	TC2082			
VISC.		PF/MF	.1 / .3	TYPE	DUPLX	TRIPLEX	MFG / TYPE	REED / 2949J			
PV	53	CL	400	SPM			SIZE	6 3/4			
YP	24	CA	60	BPS	5.9	2.9	JETS				
GELS	4 / 10	EX. LIME		PSI			IN / OUT				
FL.	15	LCM		GPM	0.0	0.0	WOB				
CAKE 32nds	2 / 32	ECD		AVDC			RPM				
% SOLIDS	5	H2S PPM		AVDP			FEET				
% WATER	95	DAPP/LB/BB		STKS. SUR TO BIT			HOURS				
% OIL				STKS. BIT TO SUR.			DULL				
% SAND	.25	L.C.M.	25%	REDUCED PUMP RATE			GRADE				

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC. DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$637,080.00	\$14,330	\$651,410
MUD & CHEMICALS	\$70,966.00	\$5,000	\$75,966
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$53,500.00		\$53,500
TRUCKING & DISP.	\$44,588.00		\$44,588
RENTAL EQUIP.	\$255,069.00	\$5,000	\$260,069
CASERS, WELD, LABOR	\$45,478.00		\$45,478
OVERHEAD	\$9,600.00	\$200	\$9,800
DIR. SERVICE / MOTOR	\$259,500.00		\$259,500
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$9,042.00		\$9,042
SUPERVISION	\$64,900.00	\$1,300	\$66,200
WATER	\$35,000.00		\$35,000
DISPOSAL	\$4,991.00		\$4,991
FUEL	\$63,496.00		\$63,496
MUD LOGGER	\$31,600.00		\$31,600
CASING / WELLHEAD	\$3,300.00		\$3,300
AIR PACK	\$24,575.00		\$24,575
PREV. CUM =	\$1,714,744		
TOTAL DAILY =		\$25,830	
TOTAL CUM =			\$1,740,574
DAILY MUD COSTS =	\$5,000.00	ACC. MUD COSTS =	\$15,522.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
EXT 7468	50.25	33.06	6087	3605	2557	2543
WEIGHT						
STRING WT.	P / U	S / O	TORQUE			
DRILL COLLARS						
NO. 8	Conn	3.5IF	O.D. 4.75	I.D. 2.25		
NO.	CONN		O.D.	I.D.		
DRILL PIPE						
NO.	CONN	3.5	O.D. 3.5 IF	I.D.		
NO.	CONN		O.D.	I.D.		
BHA						
BIT, B-SUB, 8 DRILL COLLARS 1 DRILL JAR						
8 DC'S						
MUD						
GEL	poly		PAC-R	4		
BAR:	100	LCM:	175	MICA		
LIME		LIG	COTTON HULLS 60			
CAUS	Carb-	SODA ASH 2				

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Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 11/16/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2006 DFS: 50 OPER. @ RPT. TIME: REAMING
 DEPTH: FTG. LAST 24 Hr.s: 318 Ft. AVG. RA#r: 0.0 REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
13.0	REPAIR RIG (WORK ON COMPRESSOR)	1.) RU- TD		0.0
11.0	REAMING 7010' TO 7304'	2.) DRILLING		323.0
		3.) REAMING	11.0	117.5
		4.) CORING		0.0
		5.) CIRC.		117.5
		6.) TRIP		205.0
		7.) SERVICE		12.5
		8.) REPAIR	13.0	221.5
		9.) CUT DL		2.5
		10.) SURVEY		15.0
		11.) LOGGING		0.0
		12.) CSG & CMT		36.5
		13.) WOC		24.5
		14.) NU & TEST		19.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		27.5
		OTHER		101.5
		Total Hours =	24.0	1224.0

MUD				PUMPS				BIT RECORD			
WT. IN	9.1	PH	9	NO. 1	NO. 2	SERIAL NO.	9			BIT NO.	
WT. OUT		PM		SIZE	6.0 14.0 6.0 8.0	TC2082	TC2082				
VISC.	53	PF/MF	1/3	TYPE	DUPLEX TRIPLEX	MFG / TYPE	REED / 2949J				
PV	24	CL	400	SPM	47	SIZE	6 3/4				
YP	12	CA	60	BPS	5.9 2.9	JETS					
GELS	4 / 10	EX. LIME		PSI		IN / OUT					
FL.	13	LCM		GPM	229.7 0.0	WOB					
CAKE 32nds	2 / 32	ECD		AVDC		RPM					
% SOLIDS	5	H2S PPM		AVDP		FEET					
% WATER	95	DAPP/LB/BB		STKS. SUR TO BIT		HOURS					
% OIL				STKS. BIT TO SUR.		DULL					
% SAND	TR	L.C.M.	25	REDUCED PUMP RATE		GRADE					

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$651,410.00	\$14,330	\$665,740
MUD & CHEMICALS	\$75,966.00	\$3,000	\$78,966
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$53,500.00		\$53,500
TRUCKING & DISP.	\$44,588.00		\$44,588
RENTAL EQUIP.	\$260,069.00	\$500	\$260,569
CASERS, WELD, LABOR	\$45,478.00		\$45,478
OVERHEAD	\$9,800.00	\$200	\$10,000
DIR. SERVICE / MOTOR	\$259,500.00		\$259,500
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$9,042.00		\$9,042
SUPERVISION	\$66,200.00	\$1,300	\$67,500
WATER	\$35,000.00		\$35,000
DISPOSAL	\$4,991.00		\$4,991
FUEL	\$63,496.00		\$63,496
MUD LOGGER	\$31,600.00		\$31,600
HOUSING / WELLHEAD	\$3,300.00		\$3,300
	\$24,575.00		\$24,575
	\$1,740,574		
TOTAL DAILY =		\$19,330	
		TOTAL CUM =	\$1,759,904
\$3,000.00	ACC. MUD COSTS =		\$15,522.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
EXT 7468	50.25	33.06	6087	3605	2557	2543
WEIGHT						
STRING WT.	P / U	S / O	TORQUE			
DRILL COLLARS						
NO. 8	Conn	3.5IF	O.D. 4.75	I.D. 2.25		
NO.	CONN		O.D.	I.D.		
DRILL PIPE						
NO.	CONN	3.5	O.D. 3.5 IF	I.D.		
NO.	CONN		O.D.	I.D.		
BHA						
BIT, B-SUB, 8 DRILL COLLARS 1 DRILL JAR						
8 DC'S						
MUD						
GEL	poly		PAC-R			
BAR	LCM		MICA			
LIME	LIG					
CAUS	Carb-					

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MAY 10 2007

Rig Phone No.: 435.828-5486

MORNING REPORT

DATE: 11/19/2006

OPERATOR: MARION ENERGY LEASE & WELL: RIDGERUNNER 11-17
 PROSPECT: SCOFIELD COUNTY: EMERY STATE: UTAH
 RIG: UNION#14 SPUD DATE: 9/27/2006 DFS: 53 OPER. @ RPT. TIME: TRIPPING
 DEPTH: FTG. LAST 24 Hr.s: 318 FL. AVG. FWH: 0.0 REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
2.5	WAITE ON CREW & EQUIP TO BREAK TIGHT CONNECTIONS	1.) RU- TD		0.0
3.0	SHORT TRIP 15 STANDS, (CONNECTIONS TO TIGHT)	2.) DRILLING		323.0
1.0	RIG UP HYDRAULIC TONG	3.) REAMING		134.0
1.0	REPAIR RIG WORK ON QUICK RELEASE TO ROTARY CLUTCH	4.) CORING		0.0
3.5	CIRC & CONDITION	5.) CIRC.	6.5	134.0
0.5	MIX AND PUMP PILL	6.) TRIP	12.5	219.5
2.0	SHORT TRIP TO 6000'	7.) SERVICE	0.5	13.5
2.0	CIRC & CONDITION	8.) REPAIR	1.0	232.0
0.5	MIX & PUMP PILL	9.) CUT DL		2.5
6.0	POOH (STRAP OUT DEPTH IS 7474')	10.) SURVEY		15.0
0.5	RIG SERVICE	11.) LOGGING		0.0
1.5	TIH	12.) CSG & CMT		36.5
		13.) WOC		24.5
		14.) NU & TEST		19.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		27.5
		OTHER	3.5	114.5
		Total Hours =	24.0	1296.0

MUD				PUMPS				BIT RECORD			
WT. IN	9.2	PH	10.5	NO. 1	NO. 2		BIT NO.	BIT NO.			
WT. OUT		PM			SIZE	6.0 14.0		6.0 8.0	SERIAL NO.	TC2082	
MISC.	60	PF/MF	.4 / .8	TYPE	DUPLX	TRIPLEX	MFG / TYPE	REED / 2949J			
PV	25	CL	400	SPM	47		SIZE	6 3/4			
YP	12	CA	20	BPS	5.9	2.9	JETS				
GELS	4 / 10	EX. LIME		PSI			IN / OUT				
FL.	9.4	LCM		GPM	229.7	0.0	WOB				
CAKE 32nds	2 / 32	ECD		AVDC			RPM				
% SOLIDS	5	H2S PPM		AVDP			FEET				
% WATER	95	DAPP/LB/BB		STKS. SUR TO BIT			HOURS				
% OIL				STKS. BIT TO SUR.			DULL				
% SAND	TRC	L.C.M.	255	REDUCED PUMP RATE			GRADE				

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC. DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$694,400.00	\$14,330	\$708,730
MUD & CHEMICALS	\$84,236.00	\$2,000	\$86,236
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$53,500.00		\$53,500
TRUCKING & DISP.	\$44,588.00		\$44,588
RENTAL EQUIP.	\$270,569.00	\$5,000	\$275,569
CASERS, WELD, LABOR	\$45,478.00		\$45,478
OVERHEAD	\$10,400.00	\$200	\$10,600
DIR. SERVICE / MOTOR	\$259,500.00		\$259,500
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$9,042.00		\$9,042
SUPERVISION	\$70,100.00	\$13,000	\$83,100
WATER	\$35,000.00		\$35,000
DISPOSAL	\$4,991.00		\$4,991
FUEL	\$83,496.00		\$83,496
MUD LOGGER	\$31,600.00		\$31,600
CASING / WELLHEAD	\$3,300.00		\$3,300
AIR PACK	\$24,575.00		\$24,575
PREV. CUM =	\$1,826,834		
TOTAL DAILY =		\$34,630	
TOTAL CUM =			\$1,861,364
DAILY MUD COSTS =	\$2,000.00		ACC. MUD COSTS = \$86,236.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	E/W
EXT 7468	50.25	33.06	6087	3605	2557	2543
WEIGHT						
STRING WT.	P / U	S / O	TORQUE			
DRILL COLLARS						
NO. 8	Conn	3.5IF	O.D. 4.75	I.D. 2.25		
NO.	CONN		O.D.	I.D.		
DRILL PIPE						
NO.	CONN	3.5	O.D. 3.5 IF	I.D.		
NO.	CONN		O.D.	I.D.		
BHA						
BIT, B-SUB, 8 DRILL COLLARS 1 DRILL JAR						
8 DC'S						
MUD						
GEL	60	poly		PAC-R		
BAR	30	LCM:	35	MICA		
LIME		LIG				
MAY 10 2007						

Rig Phone No.: 435.828-5468

MORNING REPORT

DATE: 11/20/2006

OPERATOR: MARION ENERGY

LEASE & WELL: RIDGERUNNER 11-17

PROSPECT: SCOFIELD

COUNTY: EMERY

STATE: UTAH

RIG: UNION#14

SPUD DATE: 9/27/2008

DFS: 54

OPER. @ RPT. TIME: BUILD VOLUME

DEPTH: FTG. LAST 24 Hr.s: 318 FL. AVG. F/Hr. 0.0

REPORT BY: MIKE LINDSAY

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
5.5	WIPER TRIP	1.) RU- TD		0.0
2.5	CIRC & CONDITION	2.) DRILLING		323.0
0.5	MIX & PUMP PILL	3.) REAMING		134.0
8.0	POOH, L/D 60 JTS DRILL PIPE	4.) CORING		0.0
1.0	RIG UP CASING CREW	5.) CIRC.	4.0	138.0
3.0	RUN 85 JTS J55 24# CASING	6.) TRIP	11.5	231.0
1.0	PICK UP TOOL TO HANG LINER	7.) SERVICE		13.5
0.5	RIG DWN CASING CREW	8.) REPAIR		232.0
1.0	TRIP IN HOLE 1 STAND, PICK UP KELLY BREAK CIRC NO RETURNS.	9.) CUT DL		2.5
1.0	BUILD VOLUME	10.) SURVEY		15.0
		11.) LOGGING		0.0
		12.) CSG & CMT	5.5	42.0
		13.) WOC		24.5
		14.) NU & TEST		19.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		27.5
		OTHER	3.0	117.5
		Total Hours =	24.0	1320.0

MUD				PUMPS				BIT RECORD					
WT. IN	9.2	PH	10.5	SIZE	NO. 1		NO. 2		SERIAL NO.	BIT NO. 9		BIT NO.	
WT. OUT		PM			6.0	14.0	6.0	8.0		TC2082			
VISC.	60	PF/MF	.4/8	TYPE	DUPLX		TRIPLEX		MFG / TYPE	REED / 2949J			
PV	25	CL	400	SPM	40				SIZE	6 3/4			
YP	12	CA	20	BPS	5.9		2.9		JETS				
GELS	4/10	EX. LIME		PSI					IN / OUT				
FL.	9.4	LCM		GPM	195.5		0.0		WOB				
CAKE 32nds	2/32	ECD		AVDC					RPM				
% SOLIDS	5	H2S PPM		AVDP					FEET				
% WATER	95	DAPP/LB/BB		STKS. SUR TO BIT					HOURS				
% OIL				STKS. BIT TO SUR.					DULL				
% SAND	TRC	L.C.M.		REDUCED PUMP RATE					GRADE				

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC. DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$708,730.00	\$14,330	\$723,060
MUD & CHEMICALS	\$86,236.00	\$2,500	\$88,736
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$53,500.00		\$53,500
TRUCKING & DISP.	\$44,588.00		\$44,588
RENTAL EQUIP.	\$275,569.00	\$5,000	\$280,569
CASERS, WELD, LABOR	\$45,478.00		\$45,478
OVERHEAD	\$10,600.00	\$200	\$10,800
DIR. SERVICE / MOTOR	\$259,500.00		\$259,500
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$9,042.00		\$9,042
SUPERVISION	\$83,100.00	\$1,300	\$84,400
WATER	\$35,000.00		\$35,000
DISPOSAL	\$4,991.00		\$4,991
FUEL	\$83,496.00		\$83,496
MUD LOGGER	\$31,600.00		\$31,600
CASING / WELLHEAD	\$3,300.00		\$3,300
AIR PACK	\$24,575.00		\$24,575
PREV. CUM =	\$1,861,364		
TOTAL DAILY =		\$23,330	
TOTAL CUM =			\$1,884,694
DAILY MUD COSTS =	\$2,500.00	ACC. MUD COSTS =	\$86,236.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	E/W
EXT 7468	50.25	33.06	6087	3605	2557	2543
WEIGHT						
STRING WT.	P / U	S / O	TORQUE			
DRILL COLLARS						
NO. 8	Conn	3.5IF	O.D. 4.75	I.D. 2.25		
NO.	CONN	O.D.		I.D.		
DRILL PIPE						
NO.	CONN	3.5	O.D. 3.5 IF	I.D.		
NO.	CONN	O.D.		I.D.		
BHA						
BIT, B-SUB, 8 DRILL COLLARS 1 DRILL JAR						
8 DC'S						
MUD						
GEL	30	poly	PAC-R		1	
BAR:	LCM: 25		MICA			
LIG						
CAUS	1	Carb-f				

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Rig Phone No.: 435.828-5466

MORNING REPORT

DATE: 11/21/2006

OPERATOR: MARION ENERGY

LEASE & WELL: RIDGERUNNER 11-17

PROSPECT: SCOFIELD

COUNTY: EMERY

STATE: UTAH

RIG: UNION#14

SPUD DATE: 9/27/2006 DFS: 55

OPER. @ RPT. TIME: CEMENTING

DEPTH: FTG. LAST 24 Hr.s: 0 Ft. AVG. Ft/Hr. 0.0

REPORT BY: WILLIAM SPROUSE

ACTIVITY LAST 24 HOURS		DESCRIPTIVE HOURLY BREAKDOWN		
HOURS	DESCRIPTION	ACTIVITY	HOURS	ACC. HR.S
1.0	TRIP IN HOLE W/ CASING	1.) RU- TD		0.0
1.0	CIRCULATE, BUILD VOLUME	2.) DRILLING		323.0
7.0	TRIP IN HOLE W/ CASING TAG @ 7440'	3.) REAMING		134.0
10.5	CIRCULATE, WAIT ON CEMENTERS	4.) CORING		0.0
2.5	ATTEMPT TO HANG LINER, (STUCK) RIG UP CEMENTERS	5.) CIRC.	1.0	139.0
	LINER SET @7440 KB	6.) TRIP		231.0
2.0	CEMENT CASING (50BBL H2O, 90BBL 14.2# 50/50 POZ CEMENT,	7.) SERVICE		13.5
	(50BBL H2O, 90BBL 14.2# 50/50 POZ CEMENT, 114 BBL DISPLACEMENT)	8.) REPAIR		232.0
		9.) CUT DL		2.5
		10.) SURVEY		15.0
		11.) LOGGING		0.0
		12.) CSG & CMT	10.0	52.0
		13.) WOC		24.5
		14.) NU & TEST		19.5
		15.) INSP. BHA		0.0
		16.) DST		0.0
		17.) PLUGBACK		0.0
		18.) LOST CIRC.		0.0
		19.) FISHING		0.0
		20.) DIR. WORK		27.5
		OTHER	13.0	130.5
		Total Hours =	24.0	1344.0

24.0 TOTAL HOURS

MUD				PUMPS				BIT RECORD			
WT. IN		PH		NO. 1		NO. 2		BIT NO. 9		BIT NO.	
WT. OUT		PM		SIZE	6.0 14.0	6.0 8.0	SERIAL NO.				
VISC.		PF/MF		TYPE	DUPLEX	TRIPLEX	MFG / TYPE				
PV		CL		SPM			SIZE				
YP		CA		BPS	5.9	2.9	JETS				
GELS		EX. LIME		PSI			IN / OUT				
FL.		LCM		GPM	0.0	0.0	WOB				
CAKE 32nds		ECD		AVDC			RPM				
% SOLIDS		H2S PPM		AVDP			FEET				
% WATER		DAPP/LB/BB		STKS. SUR TO BIT			HOURS				
% OIL				STKS. BIT TO SUR.			DULL				
% SAND		L.C.M.		REDUCED PUMP RATE			GRADE				

DAILY COSTS RECORD			
ITEM	PREV. CUM.	DAILY	TOTAL CUM.
LOC., DAMAGES, COND.	\$0.00		\$0
MOBILIZATION	\$17,175.00		\$17,175
FOOTAGE / DAYWORK	\$723,060.00	\$14,330	\$737,390
MUD & CHEMICALS	\$88,736.00		\$88,736
CEM. SERV & FLT EQU.	\$84,884.00		\$84,884
BITS & BHA TOOLS	\$53,500.00		\$53,500
TRUCKING & DISP.	\$44,588.00		\$44,588
RENTAL EQUIP.	\$280,569.00	\$5,000	\$285,569
CASERS, WELD, LABOR	\$45,478.00		\$45,478
OVERHEAD	\$10,800.00	\$200	\$11,000
DIR. SERVICE / MOTOR	\$259,500.00		\$259,500
LOGGING	\$0.00		\$0
MISC. SERV & SUPP.	\$9,042.00		\$9,042
SUPERVISION	\$84,400.00	\$1,300	\$85,700
WATER	\$35,000.00		\$35,000
DISPOSAL	\$4,991.00		\$4,991
FUEL	\$83,496.00		\$83,496
MUD LOGGER	\$31,600.00		\$31,600
CASING / WELLHEAD	\$3,300.00		\$3,300
AIR PACK	\$24,575.00		\$24,575
PREV. CUM =	\$1,884,694		
TOTAL DAILY =	\$20,830		
TOTAL CUM =			\$1,905,524
DAILY MUD COSTS =			ACC. MUD COSTS = \$86,236.00

DEVIATION RECORD						
DEPTH	INCL.	AZIMUTH	TVD	SEC.	N/S	EW
EXT 7468	50.25	33.06	6087	3605	2557	2543
WEIGHT						
STRING WT.	P / U	S / O	TORQUE			
DRILL COLLARS						
NO. 8	Conn	3.5IF	O.D. 4.75	I.D. 2.25		
NO.	CONN		O.D.	I.D.		
DRILL PIPE						
NO.	CONN	3.5	O.D. 3.5 IF	I.D.		
NO.	CONN		O.D.	I.D.		
BHA RECEIVED MAY 10 2007 DIV OF OIL, GAS & MINING MUD						
GEL	poly		PAC-R			
BAR:	LCM:		MICA			
LIME:	LIG					
CAUS	Carb-t					

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: USA-U-02354
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: Clear Creek Unit
2. NAME OF OPERATOR: Marion Energy, Inc		8. WELL NAME and NUMBER: Ridge Runner 11-17
3. ADDRESS OF OPERATOR: 119 So. Tennessee #200 CITY McKinney STATE TX ZIP 75069		9. API NUMBER: 4301530685
4. LOCATION OF WELL FOOTAGES AT SURFACE: 315.80ft FSL 269.66ft FWL COUNTY: Carbon		10. FIELD AND POOL, OR WILDCAT: Exploratory
QTR/CTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: 17 14S 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>9/11/2007</u>	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input checked="" type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input type="checkbox"/> OTHER: _____
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
It is our intention to start selling gas to Questar on 9/11/2007.

NAME (PLEASE PRINT) <u>Charlotte Parker</u>	TITLE <u>Secretary</u>
SIGNATURE <u>Charlotte Parker</u>	DATE <u>9/10/2007</u>

(This space for State use only)

(5/2000)

(See Instructions on Reverse Side)

RECEIVED
SEP 13 2007
DIV. OF OIL, GAS & MINING

NOTICE

Utah Oil and Gas Conservation General Rule R649-3-21 states that,

- A well is considered completed when the well has been adequately worked to be capable of producing oil or gas or when well testing as required by the division is concluded.
- Within 30 days after the completion or plugging of a well, the following shall be filed:
 - Form 8, Well Completion or Recompletion Report and Log
 - A copy of electric and radioactivity logs, if run
 - A copy of drillstem test reports,
 - A copy of formation water analyses, porosity, permeability or fluid saturation determinations
 - A copy of core analyses, and lithologic logs or sample descriptions if compiled
 - A copy of directional, deviation, and/or measurement-while-drilling survey for each horizontal well

Failure to submit reports in a timely manner will result in the issuance of a Notice of Violation by the Division of Oil, Gas and Mining, and may result in the Division pursuing enforcement action as outlined in Rule R649-10, Administrative Procedures, and Section 40-6-11 of the Utah Code.

As of the mailing of this notice, the division has not received the required reports for

Operator: Marion Energy, Inc Today's Date: 11/27/2007

Well:	API Number:	Drilling Commenced:
Ridge Runner 11-17 drlg rpts/wcr	4301530685	08/24/2006

To avoid compliance action, required reports should be mailed within 7 business days to:

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

If you have questions or concerns regarding this matter, please call (801) 538-5284.

cc: Well File
Compliance File

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

AMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

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

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

5. LEASE DESIGNATION AND SERIAL NUMBER:
USA-U-02354

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

2. NAME OF OPERATOR:
Marion Energy, Inc.

7. UNIT or CA AGREEMENT NAME
Clear Creek Unit

8. WELL NAME and NUMBER:
Ridge Runner 11-17

3. ADDRESS OF OPERATOR: **119 S. Tennessee #200** CITY **McKinney** STATE **TX** ZIP **75069**

PHONE NUMBER: **(972) 540-2967**

9. API NUMBER:
4301530685

10. FIELD AND POOL, OR WILDCAT
Exploratory

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: **315.80' FSL, 269.66' FWL**

AT TOP PRODUCING INTERVAL REPORTED BELOW:

AT TOTAL DEPTH: **2873 fsl 2728 fel per DKD review**

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
17 14S 7E

12. COUNTY
Carbon

13. STATE
UTAH

14. DATE SPUDDED: **9/27/2006** 15. DATE T.D. REACHED: **11/21/2006** 16. DATE COMPLETED: **9/11/2007**

ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL):
10,152

18. TOTAL DEPTH: MD **7,474** TVD **6093**

19. PLUG BACK T.D.: MD **7,440** TVD **6076**

20. IF MULTIPLE COMPLETIONS, HOW MANY? *

21. DEPTH BRIDGE MD PLUG SET: TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)

**Dual Spaced Neutron
CBL W/ CCL**

23.

WAS WELL CORED? NO YES (Submit analysis)

WAS DST RUN? NO YES (Submit report)

DIRECTIONAL SURVEY? NO YES (Submit copy)

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
14 1/4	10 3/4 K-55	40.5	0	504		"G" 500		Surface	
9 7/8	7 5/8 J-55	26.4	0	3,942		50/50 1,481		Surface	
6 3/4	5 1/2 N-80	17.0	3,720	7,440	Liner	50/50			

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	7,115							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) Ferron	6,870	7,340		
(B)				
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
6,874 7,157	.43	136	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
			Open <input type="checkbox"/> Squeezed <input checked="" type="checkbox"/>

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
6870'-7157'	1500 gals 7 1/2 % HCL, w/ bioballs-120,000 +/- 20/40 Brady sd and 75,000 gals Ambor gel Lite. ATP 1970 psi, AIR 35 BPM. ISIP 1725 psi, 20 min 550 psi

29. ENCLOSED ATTACHMENTS:

ELECTRICAL/MECHANICAL LOGS GEOLOGIC REPORT DST REPORT DIRECTIONAL SURVEY

SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION CORE ANALYSIS OTHER: _____

30. WELL STATUS:

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE: 9/11/2007		HOURS TESTED: 24		TEST PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 563	WATER - BBL: 300	PROD. METHOD: Flowing
CHOKE SIZE: 5/16	TBG. PRESS. 75	CSG. PRESS. 350	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF: 563	WATER - BBL: 300	INTERVAL STATUS: SI

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.)

Waiting on Questar

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.

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Emery	2,129	3,673	Sand, Coal		
Blue Gate	3,673	6,694	Shale		
Ferron	6,870	7,340	Gas & Water		

34. FORMATION (Log) MARKERS:

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.

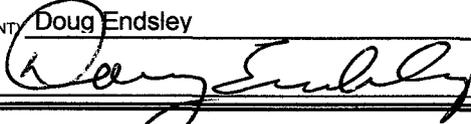
NAME (PLEASE PRINT)

Doug Endsley

TITLE

VP Operations

SIGNATURE



DATE

9/11/2007

This report must be submitted within 30 days of

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

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

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

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

Phone: 801-538-5340
Fax: 801-359-3940



Weatherford[®]

Drilling Services

Final Survey

MARION ENERGY

RIDGE RUNNER #11-17

EMERY COUNTY, UTAH

PLAN: **4009286**

NOVEMBER 1, 2006

Weatherford International, Ltd.

2690 Oil Drive

Casper Wyoming 82604 USA

+1.307-256-1413 Main

+1.307-253-3958 Fax

www.weatherford.com

**Marion Energy, Inc.
Ridge Runner # 11-17
Emery County, Utah**



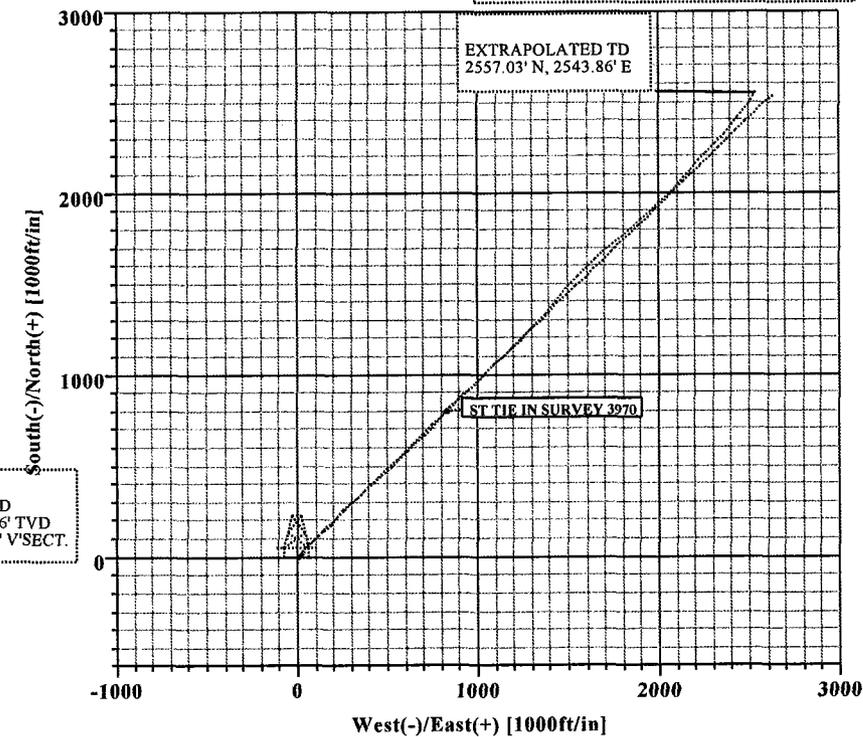
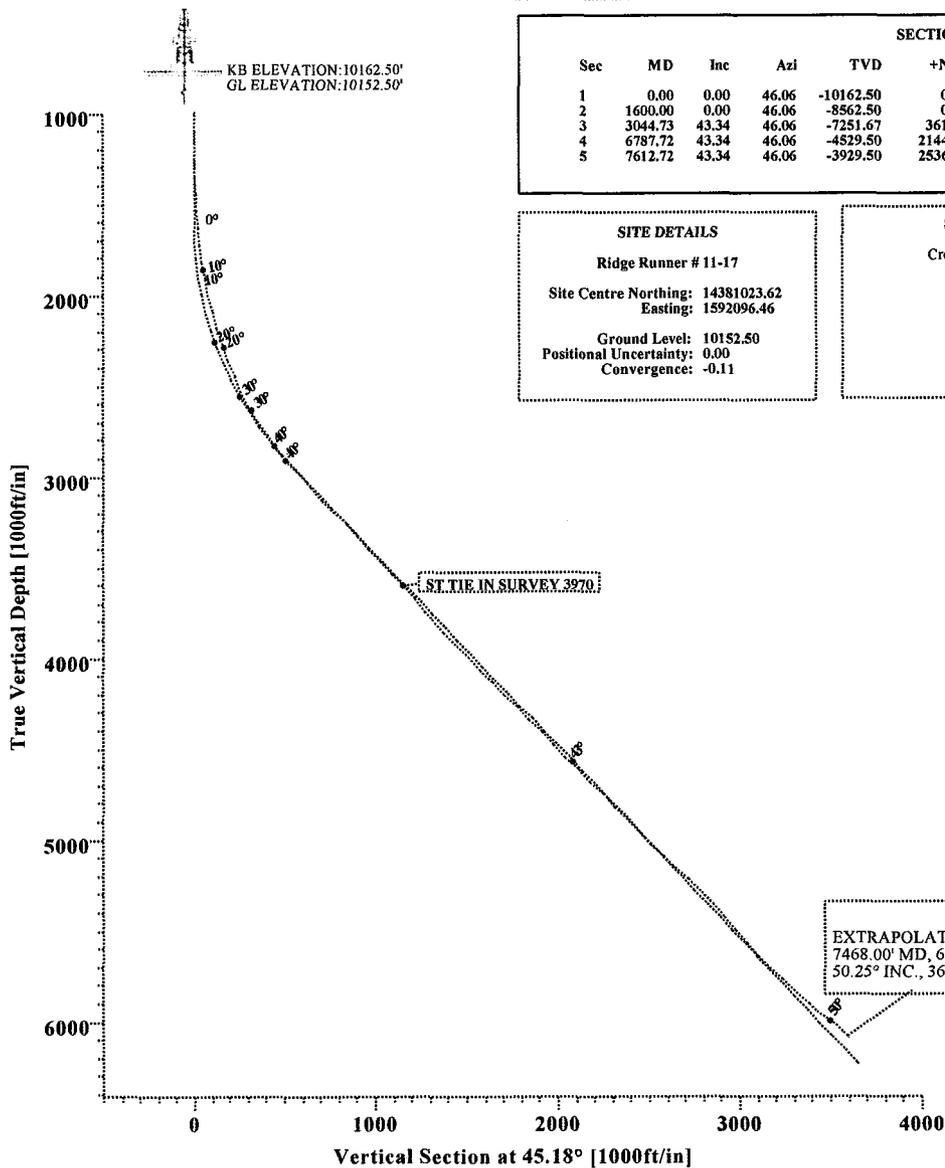
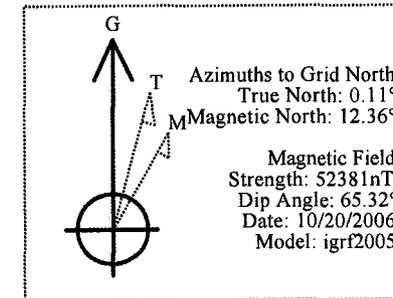
WELL DETAILS							
Name	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
Ridge Runner # 11-17	0.00	0.00	14381023.62	1592096.46	39°36'05.466N	111°10'17.596W	N/A

SECTION DETAILS										
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.00	0.00	46.06	-10162.50	0.00	0.00	0.00	0.00	0.00	
2	1600.00	0.00	46.06	-8562.50	0.00	0.00	0.00	0.00	0.00	
3	3044.73	43.34	46.06	-7251.67	361.42	375.08	3.00	46.06	520.88	
4	6787.72	43.34	46.06	-4829.50	2144.00	2225.00	0.00	0.00	3089.88	Ferron
5	7612.72	43.34	46.06	-3929.50	2536.90	2632.75	0.00	0.00	3656.12	PBHL

FIELD DETAILS
Emery County, Utah
Geodetic System: Universal Transverse Mercator
Ellipsoid: NAD27 (Clarke 1866)
Zone: UTM Zone 12, North 114W to 108W
Magnetic Model: igrf2005
System Datum: Mean Sea Level
Local North: Grid North

SITE DETAILS
Ridge Runner # 11-17
Site Centre Northing: 14381023.62
Easting: 1592096.46
Ground Level: 10152.50
Positional Uncertainty: 0.00
Convergence: -0.11

Survey: Survey #1ST (Ridge Runner # 11-17/4009286ST1)
Created By: Robert Vialpando Date: 11/1/2006
COMPLETION



Weatherford International

Survey Report

Company: Marion Energy, Inc.
Field: Emery County, Utah
Site: Ridge Runner # 11-17
Well: Ridge Runner # 11-17
Wellpath: 4009286ST1

Date: 11/1/2006 **Time:** 11:29:21 **Page:** 2
Co-ordinate(NE) Reference: Well: Ridge Runner # 11-17, Grid North
Vertical (TVD) Reference: KB 10162.5
Section (VS) Reference: Well (0.00N,0.00E,45.18Azi)
Survey Calculation Method: Minimum Curvature **Db:** Sybase

Survey: Survey #1ST

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	Tool/Comment
2756.00	32.50	47.74	2693.47	253.55	248.56	355.03	4.37	3.52	5.04	MWD
2848.00	35.25	48.37	2769.84	287.81	286.71	406.24	3.01	2.99	0.68	MWD
2942.00	38.19	48.87	2845.18	324.95	328.88	462.34	3.14	3.13	0.53	MWD
3036.00	40.25	51.75	2918.01	362.88	374.62	521.52	2.92	2.19	3.06	MWD
3129.00	42.63	50.00	2987.72	401.73	422.35	582.75	2.85	2.56	-1.88	MWD
3223.00	42.00	48.00	3057.24	443.23	470.11	645.89	1.58	-0.67	-2.13	MWD
3317.00	43.25	46.00	3126.40	486.65	516.65	709.50	1.96	1.33	-2.13	MWD
3411.00	45.19	48.25	3193.77	531.23	564.70	775.01	2.65	2.06	2.39	MWD
3504.00	44.75	47.00	3259.57	575.53	613.26	840.67	1.06	-0.47	-1.34	MWD
3597.00	42.44	45.25	3326.92	619.95	659.49	904.78	2.80	-2.48	-1.88	MWD
3690.00	42.56	43.87	3395.49	664.72	703.57	967.61	1.01	0.13	-1.48	MWD
3783.00	43.25	44.37	3463.61	710.17	747.65	1030.91	0.83	0.74	0.54	MWD
3877.00	42.19	43.75	3532.67	755.99	792.00	1094.67	1.21	-1.13	-0.66	MWD
3970.00	42.19	43.75	3601.57	801.11	835.19	1157.11	0.00	0.00	0.00	ST TIE IN SURVEY 3970
4059.00	40.94	42.75	3668.16	844.11	875.65	1216.12	1.59	-1.40	-1.12	MWD
4153.00	38.13	42.75	3740.65	888.04	916.26	1275.89	2.99	-2.99	0.00	MWD
4216.00	39.64	44.77	3789.69	916.60	943.62	1315.43	3.13	2.40	3.21	MWD
4311.00	42.94	48.62	3861.07	959.52	989.26	1378.06	4.38	3.47	4.05	MWD
4406.00	43.81	48.62	3930.13	1002.65	1038.22	1443.18	0.92	0.92	0.00	MWD
4501.00	44.64	48.66	3998.20	1046.43	1087.95	1509.32	0.87	0.87	0.04	MWD
4598.00	44.38	46.50	4067.38	1092.29	1138.15	1577.25	1.58	-0.27	-2.23	MWD
4693.00	45.19	46.00	4134.81	1138.57	1186.49	1644.16	0.93	0.85	-0.53	MWD
4788.00	44.81	45.00	4201.98	1185.65	1234.40	1711.33	0.84	-0.40	-1.05	MWD
4883.00	45.00	43.87	4269.27	1233.54	1281.35	1778.39	0.86	0.20	-1.19	MWD
4978.00	44.75	42.37	4336.59	1282.46	1327.16	1845.37	1.14	-0.26	-1.58	MWD
5074.00	43.44	39.50	4405.54	1332.90	1370.94	1911.98	2.49	-1.36	-2.99	MWD
5169.00	43.75	39.50	4474.35	1383.45	1412.60	1977.16	0.33	0.33	0.00	MWD
5264.00	45.98	42.10	4541.68	1434.15	1456.41	2043.97	3.04	2.35	2.74	MWD
5362.00	45.56	45.00	4610.05	1485.04	1504.77	2114.15	2.16	-0.43	2.96	MWD
5458.00	44.82	42.94	4677.71	1534.04	1552.06	2182.23	1.71	-0.77	-2.15	MWD
5553.00	43.00	44.12	4746.15	1581.81	1597.42	2248.08	2.10	-1.92	1.24	MWD
5648.00	43.13	46.25	4815.56	1627.53	1643.44	2312.95	1.54	0.14	2.24	MWD
5743.00	43.13	48.50	4884.89	1671.50	1691.22	2377.84	1.62	0.00	2.37	MWD
5839.00	44.88	49.75	4953.94	1715.14	1741.65	2444.36	2.03	1.82	1.30	MWD
5934.00	45.06	49.62	5021.15	1758.58	1792.85	2511.30	0.21	0.19	-0.14	MWD
6030.00	46.50	48.50	5088.10	1803.66	1844.81	2579.94	1.72	1.50	-1.17	MWD
6125.00	47.75	48.12	5152.74	1849.97	1896.79	2649.45	1.35	1.32	-0.40	MWD
6220.00	46.85	49.18	5217.16	1896.09	1949.20	2719.14	1.25	-0.95	1.12	MWD
6315.00	45.31	48.25	5283.06	1941.24	2000.62	2787.43	1.77	-1.62	-0.98	MWD
6411.00	42.50	48.12	5352.22	1985.62	2050.24	2853.91	2.93	-2.93	-0.14	MWD
6506.00	39.56	41.87	5423.91	2029.60	2094.35	2916.20	5.31	-3.09	-6.58	MWD
6602.00	39.44	39.12	5497.99	2076.02	2133.99	2977.04	1.83	-0.12	-2.86	MWD
6696.00	42.00	40.87	5569.23	2122.98	2173.42	3038.11	2.98	2.72	1.86	MWD
6792.00	45.26	44.13	5638.71	2171.76	2218.19	3104.25	4.12	3.40	3.40	MWD
6886.00	46.44	44.00	5704.19	2220.22	2265.10	3171.68	1.26	1.26	-0.14	MWD
6980.00	47.44	44.25	5768.37	2269.52	2312.92	3240.35	1.08	1.06	0.27	MWD
7076.00	47.75	41.50	5833.11	2321.46	2361.14	3311.17	2.14	0.32	-2.86	MWD
7171.00	49.56	39.75	5895.87	2375.59	2407.56	3382.25	2.35	1.91	-1.84	MWD
7236.00	49.25	38.12	5938.17	2413.98	2438.57	3431.31	1.96	-0.48	-2.51	MWD
7362.00	50.25	36.62	6019.58	2490.41	2496.93	3526.58	1.21	0.79	-1.19	MWD
7423.00	50.25	34.57	6058.59	2528.54	2524.23	3572.82	2.58	0.00	-3.36	MWD
7468.00	50.25	34.57	6087.36	2557.03	2543.86	3606.83	0.00	0.00	0.00	EXTRAPOLATED TD

Weatherford International Survey Report

Company: Marion Energy, Inc.	Date: 11/1/2006	Time: 11:29:21	Page: 3
Field: Emery County, Utah	Co-ordinate(NE) Reference: Well: Ridge Runner # 11-17, Grid North		
Site: Ridge Runner # 11-17	Vertical (TVD) Reference: KB 10162.5		
Well: Ridge Runner # 11-17	Section (VS) Reference: Well (0.00N,0.00E,45.18Azi)		
Wellpath: 4009286ST1	Survey Calculation Method: Minimum Curvature	Db: Sybase	

Annotation

MD ft	TVD ft	
7468.00	6087.36	EXTRAPOLATED TD
3970.00	3601.57	ST TIE IN SURVEY 3970

MARION RIDGE RUNNER 11-17 LAST SURVEY.TXT

Weatherford International
Survey Report

Company: Marion Energy, Inc.
Time: 11:30:48 Page: 1
Field: Emery County, Utah
Reference: well: Ridge Runner # 11-17, Grid North
Site: Ridge Runner # 11-17
Reference: KB 10162.5
well: Ridge Runner # 11-17
Reference: well (0.00N,0.00E,45.18Azi)
wellpath: 4009286ST1
Method: Minimum Curvature Db: Sybase

Date: 11/1/2006
Co-ordinate(NE)
Vertical (TVD)
Section (VS)
Survey calculation

Field: Emery County, Utah

Map System: Universal Transverse Mercator
UTM Zone 12, North 114W to 108W
Geo Datum: NAD27 (Clarke 1866)
Well Centre
Sys Datum: Mean Sea Level
igrf2005

Map Zone:
Coordinate System:
Geomagnetic Model:

Site: Ridge Runner # 11-17

Site Position:
39 36 5.466 N
From: Map
111 10 17.596 W
Position Uncertainty: 0.00 ft
Grid
Ground Level: 10152.50 ft
-0.1094 deg

Northing: 14381023.62 ft

Latitude:

Easting: 1592096.46 ft

Longitude:

North Reference:

Grid Convergence:

well: Ridge Runner # 11-17

Slot Name:

well Position: +N/-S 0.00 ft
39 36 5.466 N
+E/-W 0.00 ft
111 10 17.596 W
Position Uncertainty: 0.00 ft

Northing: 14381023.62 ft

Latitude:

Easting : 1592096.46 ft

Longitude:

wellpath: 4009286ST1
1

Drilled From:

Tie-on Depth:

3970.00 ft
Current Datum: KB
Datum: Mean Sea Level
Magnetic Data: 10/20/2006
12.2546 deg
Field Strength: 52381 nT
65.3193 deg

Height 10162.50 ft

Above System

Declination:

Mag Dip Angle:

Vertical Section: Depth From (TVD)
Direction

+N/-S

+E/-W

ft

ft

ft

deg

MARION RIDGE RUNNER 11-17 LAST SURVEY.TXT
 0.00 0.00

0.00

45.18

Survey: Survey #1ST
 10/20/2006

Start Date:

Company: Weatherford International
 Robert Vialpando
 Tool: MWD;MWD - Standard
 From Surface

Engineer:

Tied-to:

Build	MD	Incl	Azim	TVD	+N/-S	+E/-W	VS	DLS
deg/100ft	ft	deg/100ft	deg/100ft	ft	ft	ft	ft	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00		MWD					
545.00	0.56		224.75	544.99	-1.89	-1.88	-2.66	0.10
0.10	0.00		MWD					
668.00	0.63		143.00	667.99	-2.86	-1.89	-3.36	0.63
0.06	-66.46		MWD					
760.00	0.81		143.50	759.98	-3.79	-1.20	-3.52	0.20
0.20	0.54		MWD					
852.00	0.88		137.62	851.97	-4.83	-0.34	-3.64	0.12
0.08	-6.39		MWD					
975.00	1.00		136.12	974.95	-6.30	1.04	-3.70	0.10
0.10	-1.22		MWD					
1069.00	1.63		127.75	1068.93	-7.71	2.67	-3.54	0.70
0.67	-8.90		MWD					
1162.00	2.50		123.00	1161.87	-9.63	5.42	-2.94	0.95
0.94	-5.11		MWD					
1256.00	2.75		100.87	1255.77	-11.17	9.35	-1.24	1.10
0.27	-23.54		MWD					
1349.00	2.50		69.75	1348.68	-10.89	13.44	1.86	1.54
-0.27	-33.46		MWD					
1443.00	3.44		39.62	1442.56	-8.00	17.17	6.53	1.90
1.00	-32.05		MWD					
1537.00	4.13		30.12	1536.35	-2.90	20.66	12.61	0.99
0.73	-10.11		MWD					
1630.00	5.25		25.62	1629.04	3.83	24.18	19.85	1.27
1.20	-4.84		MWD					
1724.00	6.75		34.00	1722.52	12.29	29.13	29.33	1.84
1.60	8.91		MWD					
1817.00	8.88		37.87	1814.65	22.49	36.60	41.81	2.36
2.29	4.16		MWD					
1911.00	11.06		36.50	1907.23	35.46	46.41	57.92	2.33
2.32	-1.46		MWD					
2004.00	12.94		40.75	1998.19	50.52	58.52	77.12	2.23
2.02	4.57		MWD					
2098.00	15.29		42.97	2089.35	67.57	73.84	100.00	2.57
2.50	2.36		MWD					
2192.00	18.00		45.12	2179.40	86.89	92.58	126.92	2.96
2.88	2.29		MWD					
2286.00	19.81		42.87	2268.33	108.81	113.71	157.36	2.08
1.93	-2.39		MWD					
2382.00	21.00		42.75	2358.31	133.37	136.46	190.80	1.24
1.24	-0.12		MWD					

MARION RIDGE RUNNER 11-17 LAST SURVEY.TXT								
2476.00	22.94		41.25	2445.48	159.51	159.97	225.91	2.15
2.06	-1.60	MWD						
2568.00	25.63		41.75	2529.33	187.84	185.05	263.67	2.93
2.92	0.54	MWD						
2662.00	29.19		43.00	2612.76	219.79	214.23	306.88	3.84
3.79	1.33	MWD						
2756.00	32.50		47.74	2693.47	253.55	248.56	355.03	4.37
3.52	5.04	MWD						

Weatherford International
Survey Report

Company: Marion Energy, Inc.
 Time: 11:30:48 Page: 2
 Field: Emery County, Utah
 Reference: Well: Ridge Runner # 11-17, Grid North
 Site: Ridge Runner # 11-17
 Reference: KB 10162.5
 Well: Ridge Runner # 11-17
 Reference: Well (0.00N,0.00E,45.18Azi)
 Wellpath: 4009286ST1
 Method: Minimum Curvature Db: Sybase

Date: 11/1/2006
 Co-ordinate(NE)
 Vertical (TVD)
 Section (VS)
 Survey calculation

Survey:	Survey #1ST							
MD	Incl	Azim	TVD	+N/-S	+E/-W	VS	DLS	
Build	Turn	Tool/Comment	ft	ft	ft	ft		
ft	deg	deg						
deg/100ft	deg/100ft	deg/100ft						
2848.00	35.25		48.37	2769.84	287.81	286.71	406.24	3.01
2.99	0.68	MWD						
2942.00	38.19		48.87	2845.18	324.95	328.88	462.34	3.14
3.13	0.53	MWD						
3036.00	40.25		51.75	2918.01	362.88	374.62	521.52	2.92
2.19	3.06	MWD						
3129.00	42.63		50.00	2987.72	401.73	422.35	582.75	2.85
2.56	-1.88	MWD						
3223.00	42.00		48.00	3057.24	443.23	470.11	645.89	1.58
-0.67	-2.13	MWD						
3317.00	43.25		46.00	3126.40	486.65	516.65	709.50	1.96
1.33	-2.13	MWD						
3411.00	45.19		48.25	3193.77	531.23	564.70	775.01	2.65
2.06	2.39	MWD						
3504.00	44.75		47.00	3259.57	575.53	613.26	840.67	1.06
-0.47	-1.34	MWD						
3597.00	42.44		45.25	3326.92	619.95	659.49	904.78	2.80
-2.48	-1.88	MWD						
3690.00	42.56		43.87	3395.49	664.72	703.57	967.61	1.01
0.13	-1.48	MWD						
3783.00	43.25		44.37	3463.61	710.17	747.65	1030.91	0.83

MARION RIDGE RUNNER 11-17 LAST SURVEY.TXT

0.74	0.54	MWD	43.75	3532.67	755.99	792.00	1094.67	1.21
3877.00	42.19							
-1.13	-0.66	MWD	43.75	3601.57	801.11	835.19	1157.11	0.00
3970.00	42.19							
0.00	0.00	ST TIE IN SURVEY 3970	42.75	3668.16	844.11	875.65	1216.12	1.59
4059.00	40.94							
-1.40	-1.12	MWD	42.75	3740.65	888.04	916.26	1275.89	2.99
4153.00	38.13							
-2.99	0.00	MWD						
4216.00	39.64		44.77	3789.69	916.60	943.62	1315.43	3.13
2.40	3.21	MWD						
4311.00	42.94		48.62	3861.07	959.52	989.26	1378.06	4.38
3.47	4.05	MWD						
4406.00	43.81		48.62	3930.13	1002.65	1038.22	1443.18	0.92
0.92	0.00	MWD						
4501.00	44.64		48.66	3998.20	1046.43	1087.95	1509.32	0.87
0.87	0.04	MWD						
4598.00	44.38		46.50	4067.38	1092.29	1138.15	1577.25	1.58
-0.27	-2.23	MWD						
4693.00	45.19		46.00	4134.81	1138.57	1186.49	1644.16	0.93
0.85	-0.53	MWD						
4788.00	44.81		45.00	4201.98	1185.65	1234.40	1711.33	0.84
-0.40	-1.05	MWD						
4883.00	45.00		43.87	4269.27	1233.54	1281.35	1778.39	0.86
0.20	-1.19	MWD						
4978.00	44.75		42.37	4336.59	1282.46	1327.16	1845.37	1.14
-0.26	-1.58	MWD						
5074.00	43.44		39.50	4405.54	1332.90	1370.94	1911.98	2.49
-1.36	-2.99	MWD						
5169.00	43.75		39.50	4474.35	1383.45	1412.60	1977.16	0.33
0.33	0.00	MWD						
5264.00	45.98		42.10	4541.68	1434.15	1456.41	2043.97	3.04
2.35	2.74	MWD						
5362.00	45.56		45.00	4610.05	1485.04	1504.77	2114.15	2.16
-0.43	2.96	MWD						
5458.00	44.82		42.94	4677.71	1534.04	1552.06	2182.23	1.71
-0.77	-2.15	MWD						
5553.00	43.00		44.12	4746.15	1581.81	1597.42	2248.08	2.10
-1.92	1.24	MWD						
5648.00	43.13		46.25	4815.56	1627.53	1643.44	2312.95	1.54
0.14	2.24	MWD						
5743.00	43.13		48.50	4884.89	1671.50	1691.22	2377.84	1.62
0.00	2.37	MWD						
5839.00	44.88		49.75	4953.94	1715.14	1741.65	2444.36	2.03
1.82	1.30	MWD						
5934.00	45.06		49.62	5021.15	1758.58	1792.85	2511.30	0.21
0.19	-0.14	MWD						
6030.00	46.50		48.50	5088.10	1803.66	1844.81	2579.94	1.72
1.50	-1.17	MWD						
6125.00	47.75		48.12	5152.74	1849.97	1896.79	2649.45	1.35
1.32	-0.40	MWD						
6220.00	46.85		49.18	5217.16	1896.09	1949.20	2719.14	1.25
-0.95	1.12	MWD						
6315.00	45.31		48.25	5283.06	1941.24	2000.62	2787.43	1.77
-1.62	-0.98	MWD						
6411.00	42.50		48.12	5352.22	1985.62	2050.24	2853.91	2.93
-2.93	-0.14	MWD						
6506.00	39.56		41.87	5423.91	2029.60	2094.35	2916.20	5.31

MARION RIDGE RUNNER 11-17 LAST SURVEY.TXT								
-3.09	-6.58	MWD						
6602.00	39.44		39.12	5497.99	2076.02	2133.99	2977.04	1.83
-0.12	-2.86	MWD						
6696.00	42.00		40.87	5569.23	2122.98	2173.42	3038.11	2.98
2.72	1.86	MWD						
6792.00	45.26		44.13	5638.71	2171.76	2218.19	3104.25	4.12
3.40	3.40	MWD						
6886.00	46.44		44.00	5704.19	2220.22	2265.10	3171.68	1.26
1.26	-0.14	MWD						
6980.00	47.44		44.25	5768.37	2269.52	2312.92	3240.35	1.08
1.06	0.27	MWD						
7076.00	47.75		41.50	5833.11	2321.46	2361.14	3311.17	2.14
0.32	-2.86	MWD						
7171.00	49.56		39.75	5895.87	2375.59	2407.56	3382.25	2.35
1.91	-1.84	MWD						
7236.00	49.25		38.12	5938.17	2413.98	2438.57	3431.31	1.96
-0.48	-2.51	MWD						
7362.00	50.25		36.62	6019.58	2490.41	2496.93	3526.58	1.21
0.79	-1.19	MWD						
7423.00	50.25		34.57	6058.59	2528.54	2524.23	3572.82	2.58
0.00	-3.36	MWD						
7468.00	50.25		34.57	6087.36	2557.03	2543.86	3606.83	0.00
0.00	0.00	EXTRAPOLATED TD						

Weatherford International
Survey Report

Company: Marion Energy, Inc.
Time: 11:30:48 Page: 3
Field: Emery County, Utah
Reference: Well: Ridge Runner # 11-17, Grid North
Site: Ridge Runner # 11-17
Reference: KB 10162.5
Well: Ridge Runner # 11-17
Reference: well (0.00N,0.00E,45.18Azi)
Wellpath: 4009286ST1
Method: Minimum Curvature Db: Sybase

Date: 11/1/2006
Co-ordinate(NE)
Vertical (TVD)
Section (VS)
Survey Calculation

Annotation		
MD	TVD	
ft	ft	
7468.00	6087.36	EXTRAPOLATED TD
3970.00	3601.57	ST TIE IN SURVEY 3970

MARION RIDGE RUNNER 11-17 LAST SURVEY.TXT

MARION RIDGE RUNNER 11-17 LAST SURVEY.TXT

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

AMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME Clear Creek Unit
b. TYPE OF WORK: NEW WELL <input type="checkbox"/> HORIZ. LATS. <input type="checkbox"/> DEEP-EN <input type="checkbox"/> RE-ENTRY <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: Ridge Runner 11-17
2. NAME OF OPERATOR: Marion Energy, Inc.		9. API NUMBER: 4301530685
3. ADDRESS OF OPERATOR: 119 S. Tennessee #200 CITY McKinney STATE TX ZIP 75069		10 FIELD AND POOL, OR WILDCAT Exploratory
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 315.80' FSL, 269.66' FWL AT TOP PRODUCING INTERVAL REPORTED BELOW: AT TOTAL DEPTH:		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: 17 14S 7E
		12. COUNTY Carbon
		13. STATE UTAH

14. DATE SPUNDED: 9/27/2006	15. DATE T.D. REACHED: 11/21/2006	16. DATE COMPLETED: 9/11/2007	ABANDONED <input type="checkbox"/> READY TO PRODUCE <input checked="" type="checkbox"/>	17. ELEVATIONS (DF, RKB, RT, GL): 10,152
---------------------------------------	---	---	---	--

18. TOTAL DEPTH: MD 7,474 TVD _____	19. PLUG BACK T.D.: MD 7,440 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) Dual Spaced Neutron CBL W/ CCL		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 type="checkbox"/> YES <input checked="" type="checkbox"/> (Submit copy)
--	--	---

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/L)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
14 1/4	10 3/4 K-55	40.5	0	504		"G" 500		Surface	
9 7/8	7 5/8 J-55	26.4	0	3,942		50/50 1,481		Surface	
6 3/4	5 1/2 N-80	17.0	3,720	7,440		50/50			

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	7,115							

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	6,870	7,340			6,874 7,157	.43	136	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
6870'-7157'	1500 gals 7 1/2 % HCL, w/ bioballs-120,000 +/- 20/40 Brady sd and 75,000 gals Ambor gel Lite. ATP 1970 psi, AIR 35 BPM. ISIP 1725 psi, 20 min 550 psi

29. ENCLOSED ATTACHMENTS: <input 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: _____	30. WELL STATUS: PROD
---	---------------------------------

(5/2000)

(CONTINUED ON BACK)

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

A. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE: 9/11/2007		HOURS TESTED: 3		TEST PRODUCTION RATES: →		OIL - BBL: 0	GAS - MCF: 563	WATER - BBL: 38	PROD. METHOD: Flowing
CHOKE SIZE: 2"	TBG. PRESS. 125	CSG. PRESS. 350	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF: 4,504	WATER - BBL: 300	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.)

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)
Emery	2,129	3,673	Sand, Coal		
Blue Gate	3,673	6,694	Shale		
Ferron	6,870	7,340	Gas, Water		

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) Doug Endsley TITLE VP Operations
 SIGNATURE *Doug Endsley* DATE 5/4/09

This report must be submitted within 30 days of

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

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

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

Send to: Utah Division of Oil, Gas and Mining 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

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 type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER:
2. NAME OF OPERATOR: Marion Energy, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 119 S. Tennessee CITY McKinney STATE TX ZIP 75069		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE:		8. WELL NAME and NUMBER: Mult-Locations
PHONE NUMBER: (972) 540-2967		9. API NUMBER: 43015 30685
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW T14S R09E S-17		10. FIELD AND POOL, OR WILDCAT: Clear Creek
COUNTY: Carbon		STATE: UTAH

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

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

Recently Marion Energy conducted a series of short pump-in tests on the wells listed below to determine if the wells were in need of remedial flushing of the Ferron formation. Those tests indicated that the wells were partially plugged with fines. It is now our intention to start a larger series of remedial flush jobs in a cyclical manner consisting of periods of flushing followed by a period of production. The length of each cycle will be determined by individual well response. Marion Energy will be utilizing the necessary pumping equipment to achieve 3-5bbls/min and pressure up to 1800 psi. We anticipate starting these tests as soon as we have removed snow from the access roads.

Ridge Runner 13-17 API # 4301530269, Ridge Runner 11-17 API # 4301530685, Ridge Runner 2-19 API # 4301530684, Ridge Runner 1-30 API # 4301530680, Ridge Runner 11-20 API # 43015302710, ASD 3-17 API # 4300731182, ASD 6-17 API # 4300731181, Oman 2-20 API # 4300730289

NAME (PLEASE PRINT) <u>Doug Endsley</u>	TITLE <u>VP Operations</u>
SIGNATURE	DATE <u>3/15/2010</u>

(This space for State use only)

REQUEST DENIED
Utah Division of
Oil, Gas and Mining

Date: 3/30/10
By: D. Endsley

(See Instructions on Reverse Side)

RECEIVED
MAR 17 2010

(5/2000)

* insufficient information & justification
** short pump in tests were not authorized, please provide details of these tests (i.e. type of fluid and quantity of fluid injected, dates performed, job log etc

DIV. OF OIL, GAS & MINING

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: U-01740
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: CLEAR CREEK
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: RIDGE RUNNER 11-17
2. NAME OF OPERATOR: UTAH GAS OPERATING SOLUTIONS, LLC	9. API NUMBER: 43015306850000
3. ADDRESS OF OPERATOR: 1415 North Loop West, STE 1250, Houston, TX, 77008	PHONE NUMBER: 281 540-0028 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0315 FSL 0269 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSW Section: 17 Township: 14.0S Range: 07.0E Meridian: S	9. FIELD and POOL or WILDCAT: CLEAR CREEK 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 Approximate date work will start: 10/1/2016 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input checked="" type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>

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

Please see attached procedure to plug and abandon the well

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

Date: September 29, 2016

By: 

Please Review Attached Conditions of Approval

NAME (PLEASE PRINT) Patrick Merritt	PHONE NUMBER 281 540-0028	TITLE President
SIGNATURE N/A	DATE 9/20/2016	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Sundry Conditions of Approval Well Number 43015306850000

Plug #2 should be placed across liner top from ~3750' to 3650'.

Note: WCR indicates TOC @ surface. No CBL on file to confirm.

Prior to RIH with CICR, establish circulation through perfs @ 504'.

RIDGE RUNNER 11-17 Plugging Procedure

Well Name: RIDGE RUNNER 11-17

API Number: 43-015-30685

Location: SWSW Sec.17-T14S-R7E Emery County, Utah

Surface Csg: 10 3/4" K-55 40.5# set @ 504'

Intermediate. Csg: 7 5/8" J-55 26.4# set @ 3942'

Prod. Csg: 5 1/2" J-55 17# @ 3,720'-7,440'

PBTD: 7310'

1. MIRU well service rig. NDWH and NUBOP
2. POH with 3 Joints 2 7/8" and 208 Joints 2 3/8" tubing and submersible pump
3. TIH w/ wireline set 5 1/2" CIBP. Set plug 74' above top perf @ +/-6874'. TIH w/ 2 3/8" tbg and tag plug.
4. Pump cement through 2 3/8" tbg setting a 100' plug from +/-6800 – 6700 (approx. 12sx)
5. TOH w/tbg and TIH w/7 5/8" CIBP set at +/- 1800'
6. Pump cement through 2 3/8" tbg setting a 100' plug from +/-1800' – 1700' (approx. 25sx)
7. RU perforators and perforate @ +/-504'. Set a wireline set CICR at +/-450'. Sting into retainer and establish circulation down the 7 5/8" csg and back up into the 7 5/8" X 10 3/4" annulus. If circulation cannot be established through perfs sting out of retainer and set a 450' plug (approx.110sx) to surface in the 7 5/8" csg. If circulation can be established, pump 109sx cement in the 7 5/8" X 10 3/4" annulus to the surface, and sting out of retainer and set a 450' plug (approx.110sx) to surface in the 7 5/8" csg on top of the retainer.
8. All cement should be Type II or Class G or equivalent cement mixed at 5.2 to 5 gal/sk to make a slurry weight of 15.8 ppg.
9. Erect dry hole marker on top of the plug extending 4 feet above the ground with following description:
OPERATOR: UTAH GAS OPERATING SOLUTIONS,LLC
WELL NAME & NUMBER: RIDGE RUNNER 11-17
API NUMBER: 43-015-30685
LOCATION: SWSW SEC.17-T14S-R7E EMERY COUNTY, UTAH
10. In case the area is agricultural or cultivated, there is no need for marker and only cut off the casing 3' below the ground level and cap it with above description welded on the cap.

9/20/2016

Present Completion

API: 43-015-30685
 GL: 10,153'
 KB: 10,163'

Ridge Runner #11-17

LOCATION:

Clear Creek
 SE SE NW (BHL)
 SW SW SW (surface)
 Sec. 17 T14S R7E
 Emery County, UT

Casing Strings:

10-3/4", 40.5#, K-55 @ 504'

Cmtd w/ 595 sx
 TOC @ surface

7-5/8", 26.4#, J-55 @ 3,942'

Cmtd w/ 1,481sx
 TOC @ surface estimated

5-1/2" Liner, 17#, N-80 @ 3,720'-7,440'

Cmtd w/ ?? sx
 TOC @ 3,720' estimated

Drilling Notes:

Directional Well:

kick off ~ 1,600', 2 degrees/100'
 Hold ~ 43 degrees @ 3,000'

Drill w/ air, foam, mud

PB w/ 100 sx ~3,700-4,000', build new angle

Water flow @ 6,500'-6,700' (coal seam ?)

Gas Shows:

6966'-89': 770u, 6996'-7074': 1767u,
 7056'-75': 5851u, 7109'-34': 8247u
 7153'-79': 3001u, 7206'-15': 2715u
 7221'-75': 5387u, 7295'-7311': 6096u
 7460'-68': 403u

No DST's or Cores taken

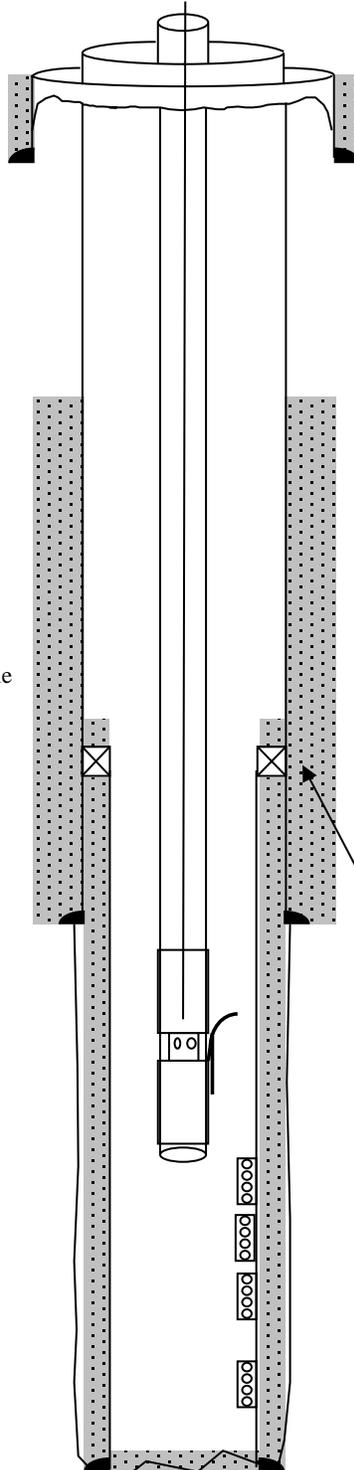
10/5/07: CIBP @ 7,175'

Drill out ??

Spud Date: 9/27/06

TD Date: 11/21/06

Comp Date: 9/11/07



Tubing String:

10/9/2015

3_ Jts 2-7/8" J-55 EUE Tbg.

1_ 2-7/8" x 2-3/8" EUE X-O

208_ Jts. 2-3/8" J-55 EUE Tbg.

ESP pump in hole

12/06: Sqz liner top, drill out.

6/07: run string mill to dress liner top

Ferron 12/2006

6,874'-7,157' (136 holes)

12/2006: Acidize perms

8/2007: Acidize perms: 6,874'-6,927',

7,005'-09', 7,023'-68', 7,098'-7,102'

5/29/08: Frac well

9/18/08: Acidize perms 7143'-7253' w/

2000 gals 15%HCl + 100 balls. Treat 4-6

bpm, max pressure 3200 psig. ISIP=2492 psi

4 min SIP=vac

TD = 7,474' MD, 6,087' TVD

PBTD = 7,310' 9/19/08