

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: Fee	6. SURFACE: Fee
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		8. UNIT or CA AGREEMENT NAME: N/A	
2. NAME OF OPERATOR: Coastal Plains Energy, Inc.		9. WELL NAME and NUMBER: Ferron 207-14-2	
3. ADDRESS OF OPERATOR: 420 430 Throckmorton Ste 630 Fort Worth STATE TX ZIP 76102-3723		PHONE NUMBER: 817 882-9055	10. FIELD AND POOL, OR WILDCAT: Ferron 135
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 1341.84 FNL, 1875.86 FEL AT PROPOSED PRODUCING ZONE: 1341.84 FNL, 1875.86 FEL		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE Sec 14 T20SR7E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: .75 miles east of Ferron, Utah		12. COUNTY: Emery	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 764'	16. NUMBER OF ACRES IN LEASE: 640	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 160	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 1150'	19. PROPOSED DEPTH: 740'	20. BOND DESCRIPTION: 698	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5804.7 GR	22. APPROXIMATE DATE WORK WILL START: 04/01/2008	23. ESTIMATED DURATION: 14 days	

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
8-3/4"	7" J-55 ST 23#	90	Class H 100 Sacks 1.06 cu ft/sk 16 ppg
6-1/8"	4-1/2" J-55 ST 10.5#	700	Class G light 18 Sacks 4.9 cu ft/sk 10.03 ppg
			Class G 30 Sacks 1.79 cu ft/sk 13.5 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 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) Fred N. Reynolds TITLE Petroleum Engineer

SIGNATURE Fred N. Reynolds DATE 01/16/2008

(This space for State use only)

Approved by the
Utah Division of
Oil, Gas and Mining

APPROVAL:

Date: 01-16-08
(See Instructions on Reverse Side)
By: [Signature]

RECEIVED
JAN 22 2008
DIV. OF OIL, GAS & MINING

API NUMBER ASSIGNED: 43-015-30737

Range 7 East

(N89°58'W - 5297.82')

N89°16'14"E - 2687.34'

N89°35'44"W - 2689.60'

1341.84'

SINGLETON 207-14-2
ELEVATION 5804.7'

1875.86'

UTM
N 4325971
E 491346

14

N00°38'58"W - 5335.96'

N00°12'45"W - 5315.87'

N89°37'40"E - 5336.00'

(N89°58'W - 5287.26')

Legend

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

NOTE:

UTM AND LATITUDE / LONGITUDE COORDINATES ARE DERIVED USING A GPS PATHFINDER AND ARE SHOWN IN NAD 27 DATUM.

LAT / LONG
39°05'04.871"
111°06'00.205"

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 6190' BEING AT THE NORTHWEST SECTION CORNER OF SECTION 10, TOWNSHIP 21 SOUTH, RANGE 7 EAST, SALT LAKE BASE AND MERIDIAN, AS SHOWN ON THE FERRON QUADRANGLE 7.5 MINUTE SERIES MAP.

Description of Location:

PROPOSED DRILL HOLE LOCATED IN THE SW 1/4, NE 1/4 OF SECTION 14; BEING 1341.84' FROM THE NORTH LINE AND 1875.86' FROM THE EAST LINE OF SECTION 14, T20S, R7E, SALT LAKE BASE AND 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.



GRAPHIC SCALE

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



TALON RESOURCES, INC.

400 N. 165 E., P.O. Box 1230
Huntington, Utah 84528
Phone (435)687-5310 Fax (435)687-5311
E-Mail taloneetv.net

COASTAL PLAINS ENERGY, INC.

SINGLETON 207-14-2

Section 14, T20S, R7E, S.L.B.&M.
Emery County, Utah

Drawn By: J. STANSFIELD	Checked By: L.W.J.
Drawing No. A-1	Date: 10/18/07
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 3111

EXHIBIT "D"
DRILLING PROGRAM

Attached to UDOGM Form 3
Coastal Plains Energy, Inc.
Ferron 207-14-2
SW/4 NE/4, Section 14, T20S, R7E, SLB & M
1,342' FNL, 1,876' FEL
Emery County, Utah

1. **The Geologic Surface Formation**

Mancos

2. **Estimated Tops of Important Geologic Markers**

Ferron 700' TD

3. **Projected Gas & Water Zones**

No groundwater is anticipated to be encountered. Water encountered will be reported on Form 7 "Report of Water Encountered During Drilling".

Casing and cementing will be done to protect potentially productive hydrocarbons, lost circulation zones, abnormal pressure zones, and prospectively valuable mineral deposits. All indications of usable water will be reported.

Surface casing will be tested to 2,000 psi.

4. **The Proposed Casing and Cementing Programs**

Casing Program:

<u>Hole Size</u>	<u>Setting Depth (Interval)</u>	<u>Size (OD)</u>	<u>Weight, Grade & Joint</u>	<u>Condition</u>
8-3/4"	90'	7"	23.0# J-55 ST&C	New
6-1/8"	700'	4-1/2"	10.5# J-55 ST&C	New

Cement Program:

Surface Casing: 100 sacks Class H;
Weight: 16#/gal
Yield: 1.06 cu. ft/sk

Production Casing:

Lead 18 sacks Class G Lite
Weight: 10.03#/gal
Yield: 4.9 cu. ft/sk

Tail 30 sacks Class G
 Weight: 13.5#/gal
 Yield: 1.79 cu. ft/sk

The following shall be entered in the driller's log:

- a. Blowout preventer pressure tests, including test pressures and results;
- b. Blowout preventer tests for proper functioning;
- c. Blowout prevention drills conducted;
- d. Casing run, including size, grade, weight, and depth set;
- e. How the pipe was cemented, including amount of cement, type, whether cement circulated, location of the cementing tools, etc.;
- f. Waiting on cement time for each casing string;
- g. Casing pressure tests after cementing, including test pressures and results.

5. **The Operator's Minimum Specifications for Pressure Control**

Exhibit "G" is a schematic diagram of the blowout preventer equipment. A 10" or 11" 3,000 psi double gate hydraulic BOP with one (1) blind ram and one (1) pipe ram and annular preventer, equipped with a 3,000 psi automatic choke manifold. This equipment will be tested to 2,000 psi. All tests will be recorded in a Driller's log book. Physical operations of the BOP will be checked on each trip.

6. **The Type and Characteristics of the Proposed Circulating Muds**

This location will be air drilled.

7. **The Testing, Logging and Coring Programs are as follows:**

Testing: DST's are not planned.

Logging: End of surface casing – TD
 Gamma Ray, Density, Neutron, Porosity, Induction, Caliper

Coring: No coring is planned for this location.

Any Anticipated Abnormal Pressures or Temperatures

No abnormal pressures or temperatures have been noted or reported in wells drilled in the area nor at the depths anticipated in this well. Bottom hole pressure expected is 500 psi max. No hydrogen sulfide or other hazardous gases or fluids have been found, reported, or are known to exist at these depths in the area.

8. Anticipated Starting Date and Duration of the Operations

The well will be drilled approximately April 1, 2008

Verbal and/or written notifications listed below shall be submitted in accordance with instructions from the Division of Oil, Gas & Mining:

- a. prior to beginning construction;
- b. prior to spudding;
- c. prior to running any casing or BOP tests;
- d. prior to plugging the well for verbal plugging instructions.

Spills, blowouts, fires, leaks, accidents or other unusual occurrences shall be reported to the Division of Oil, Gas & Mining immediately.

EXHIBIT "E"
MULTIPOINT SURFACE USE PLAN

Attached to UDOGM Form 3
Coastal Plains Energy, Inc.
Ferron Well 207-14-2
SW/4 NE/4 Section 14, T20S, R7E, SLB & M
1,342' FNL, 1,876' FEL
Emery County, Utah

1. Existing Roads

- a. The proposed access road will be constructed consistent with the surface owner and Coastal Plains Energy, Inc.
- b. Existing roads will be maintained in the same or better condition. See Exhibit "B".

2. Planned Access

Aproximately 2,000' of new access will be required (see Exhibit "B"). Access is determined by acquired right-of-way by the surface owner.

- a. Maximum width: 24'
- b. Maximum grade: 10%
- c. Turnouts: None
- d. Drainage design: 2 – 18" culverts may be required along the new and two-track portion of the road. Water will be diverted around the road as necessary and practical.
- e. If the well is productive, the road will be surfaced and maintained as necessary to prevent soil erosion and accommodate year-round traffic.
- f. Existing trees will be left in place where practical to provide screening and buffer areas.

3. Location of Existing Wells

- a. See Exhibit "B", Drawing L-1. There is an existing well within a one-mile radius of the proposed location.

4. **Location of Existing and/or Proposed Facilities**

- a. If the well is a producer, installation of production facilities will be as shown on Exhibit "H";
- b. Rehabilitation of all pad areas not used for production facilities will be made in accordance with landowner stipulations.

5. **Location and Type of Water Supply**

- a. Water to be used for drilling will be obtained from a local water source. Ferron City or Castle Valley Special Services would be utilized.
- b. Water will be transported by truck over approved access roads.
- c. No water well is to be drilled for this location.

6. **Source of Construction Materials**

- a. Any necessary construction materials needed will be obtained locally from a private source and hauled to the location on existing roads.
- b. No construction or surfacing materials will be taken from Federal/Indian land.

7. **Methods for Handling Waster Disposal**

- a. As the well is expected to be air drilled, a small reserve pit will be constructed with a minimum of one-half the total depth below the original ground surface on the lowest point within the pit. Three sides of the reserve pit will be fenced within 24 hours after completion of construction and the fourth side within 24 hours after drilling operations cease with four strands of barbed wire, or woven wire topped with barbed wire to a height of not less than four feet. The fence will be kept in good repair while the pit is drying.
- b. Following drilling, the liquid waste will be evaporated from the pit and the pit backfilled and returned to natural grade. No liquid hydrocarbons will be discharged to the reserve pit or location.
- c. In the event fluids are produced, any oil will be retained in tanks until sold and any water produced will be retained until is quality

can be determined. The quality and quantity of the water will determine the method of disposal.

- d. Trash will be contained in a portable metal container and will be hauled from location periodically and disposed of at an approved disposal site. Chemical toilets will be placed on location and sewage will be disposed of at an appropriate disposal site.

8. Ancillary Facilities

- a. We anticipate no need for ancillary facilities with the exception of trailers to be located on the drill site.

9. Wellsite Layout

- a. Available topsoil will be removed from the location and stockpiled. Location of the rig, reserve and blooie pits, and drilling support equipment will be located as shown on Attachment "C".
- b. A blooie pit will be located 100' from the drill hole. A line will be placed on the surface from the center hole to the blooie pit. The blooie pit will be not lined, but will be fenced on four sides to protect livestock/wildlife.
- c. Access to the well pad will be as shown on Exhibit "B".
- d. Natural runoff will be diverted around the well pad.

10. Plans for Restoration of Surface

- a. All surface areas not required for producing operations will be graded to as near original condition as possible and contoured to maintain possible erosion to a minimum.
- b. Available topsoil will be stockpiled and will be evenly distributed over the disturbed areas, and the area will be reseeded as prescribed by the landowner.
- c. Pits and any other area that would present a hazard to wildlife or livestock will be fenced off when the rig is released and removed.
- d. Any oil accumulation on the pit will be removed or overhead flagged as dictated by the existed conditions.

- e. Rehabilitation will commence following completion of the well. Rat and mouse holes will be filled immediately upon release of the drilling rig from the location. If the wellsite is to be abandoned, all disturbed areas will be re-contoured to the natural contour as is possible.

11. **Surface Ownership**

- a. The wellsite and access road will be constructed on lands owned by Mr. Morris Singleton, P. O. Box 788, Ferron, UT 84523, 435-384-2427. The operator shall contact the landowner and the Division of Oil, Gas and Mining 48 hours prior to beginning construction activities.

12. **Other Information**

- a. The primary surface use is for wildlife habitat and grazing. The nearest dwelling is approximately 1 mile west. Nearest live water is in Ferron Creek 1/2 mile south.
- b. If there is snow on the ground when construction begins, it will be removed before the soil is disturbed and piled downhill from the topsoil stockpile location.
- c. The back slope and fore slope will be constructed no steeper than 3:1.
- d. All equipment and vehicles will be confined to the access road and well pad.
- e. A complete copy of the approved Application for Permit to Drill (APD) including conditions and stipulations shall be on the wellsite during construction and drilling operations.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the Division of Oil, Gas and Mining.

13. **Company Representative**

Fred Reynolds
Coastal Plains Energy, Inc.
420 Throckmorton, Suite 630
Fort Worth, TX 76102-3723
817 336-1742

Excavation Contractor

Nielson Construction
P. O. Box 620
825 North Loop Road
Huntington, UT 84528
435 687-2494

14. **Certification**

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; 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 Coastal Plains Energy, Inc. and its subcontractors in conformity with this plan and the terms and conditions under which it is approved.

1/16/08
Date

Fred N. Reynolds
Fred N. Reynolds
Coastal Plains Energy, Inc.

SURFACE DAMAGE RELEASE AND SURFACE RIGHT-OF-WAY GRANT

This Surface Damage Release and Surface Right-of-Way Grant is entered into by Mr. Morris Singleton (hereinafter referred to as "Surface Owner"), and **Coastal Plains Energy, Inc.** (hereinafter referred to as "Grantee").

The Surface Owner is the present owner of all or part of the surface of the following described land (hereinafter referred to as the "Land"):

Northeast quarter of Section 14, Township 20 South,
Range 7 East, Emery County, Utah

Now, in consideration of the sum of twenty dollars (\$20.00) per rod for access roads and one thousand five hundred dollars (\$1,500.00) per well site pad for each well drilled on the Land paid by Grantee, the receipt and sufficiency of which are hereby acknowledged, Surface Owner does hereby release, acquit, and forever discharge Grantee, its successors and assigns, from all liability for damages created or caused by reasons of the clearing, use, and operations on the Land, including all drilling, completing, and subsequent operations of oil and/or gas well(s) that may be drilled by Grantee and/or an assignee of Grantee on any part of the Land. This release is intended to cover all surface damages to crops, trees, grass and/or other vegetation and soil damage.

Contemporaneously herewith, in consideration of the hereinabove said \$20.00 per rod for access roads and \$1,500.00 per well site pad, Surface Owner does hereby grant to Grantee, its successors and assigns, all surface and subsurface rights in the Land necessary for the drilling, completing, producing and subsequent operations of all well(s), including but not limited to right-of-ways, rights of ingress and egress, easement rights,

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FEB 25 2008

DIV. OF OIL, GAS & MINING

rights to build and use roadways, rights to build pads and mud pits and the rights to lay pipelines under the surface for production from the wells. It is understood that Grantee will have ongoing use of the Land for the purposes set out above if any well drilled on the Land is completed as a producer.

The location will be kept clean and free of trash and will be restored to original condition as near as possible after a well is drilled and completed or plugged and abandoned. Surface Owner represents that there is no tenant lessee or authorized person in possession of the Land, other than as indicated below, and further agrees to defend, indemnify and hold Grantee harmless against any claim or demand by a third party for payment of surface damages occasioned by damage to any part of the Land.

In WITNESS HEREOF, this instrument has been executed by the undersigned this 21 day of Feb, 2008.

SURFACE OWNER

Movin W. Singleton

COASTAL PLAINS ENERGY, INC.

By: Fred N. Reynolds
Fred N. Reynolds,
Vice-President

ACKNOWLEDGMENTS

STATE OF Utah

COUNTY OF Emery

On this 21 day of February, 2008, before me, Connie Jensen, a notary public, personally appeared Morris W. Singleton, proved on the basis of satisfactory evidence to be the person whose name is subscribed to this instrument, and acknowledged that he/she executed the same. Witness my hand and official seal.

Connie Jensen
NOTARY PUBLIC

Printed Name: Connie Jensen



STATE OF TEXAS

COUNTY OF TARRANT

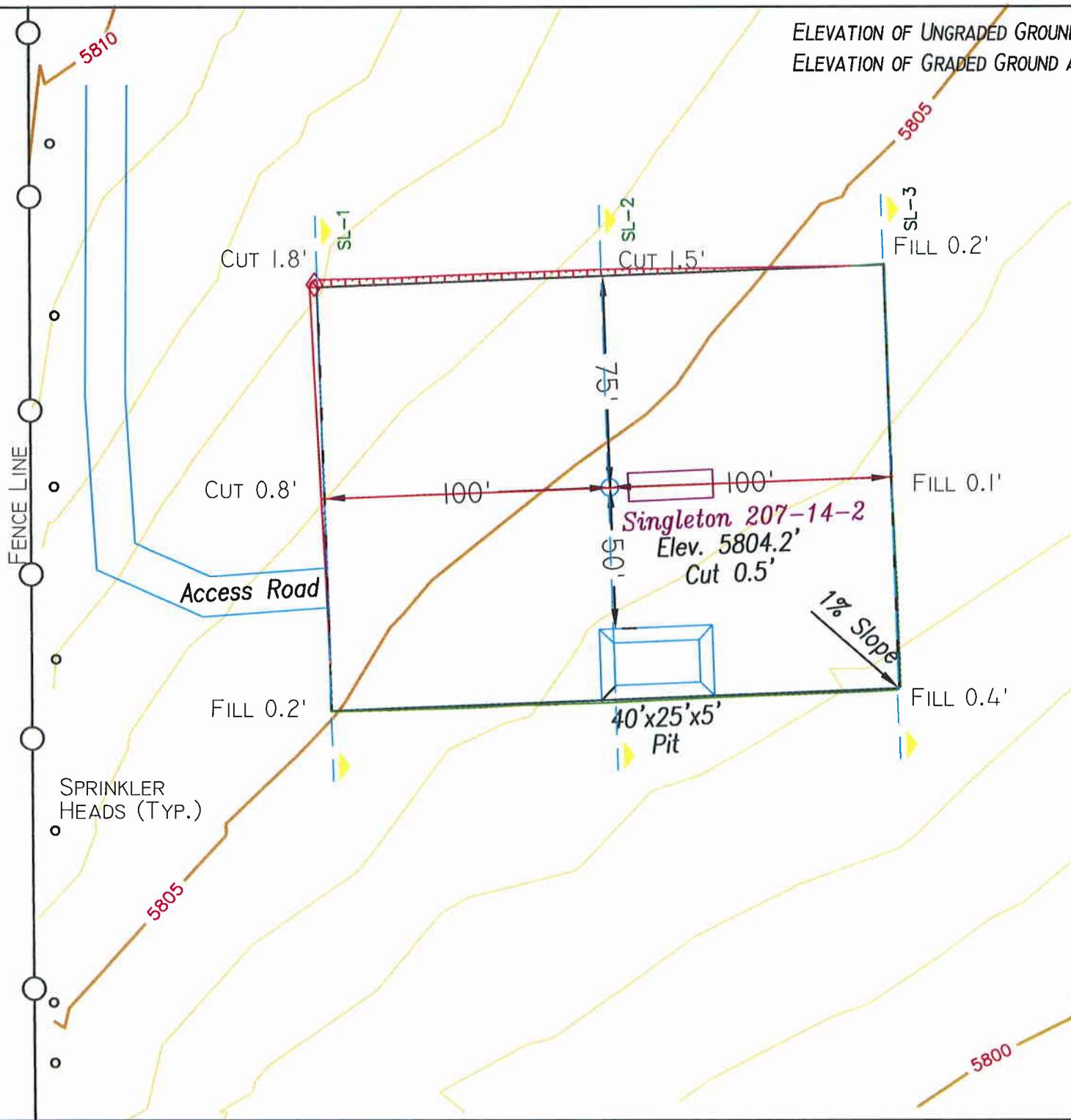
On this 15th day of February, 2008, before me, Carol H. Freeman, a notary public, personally appeared Fred N. Reynolds, proved on the basis of satisfactory evidence to be the person whose name is subscribed to this instrument as Vice-President of Coastal Plains Energy, Inc., a Texas corporation, on behalf of the corporation, and acknowledged he executed the same in the capacity and for the purposes stated therein. Witness my hand and official seal.



Carol H. Freeman
NOTARY PUBLIC

Printed Name: Carol H. Freeman

ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 5804.7'
 ELEVATION OF GRADED GROUND AT LOCATION STAKE = 5804.2'



Talon Resources, Inc.

615 North 400 East P.O. Box 1230
 Huntington, Utah 84528

Phone (435)687-5310 Fax (435)687-5311
 E-Mail talon@trv.net

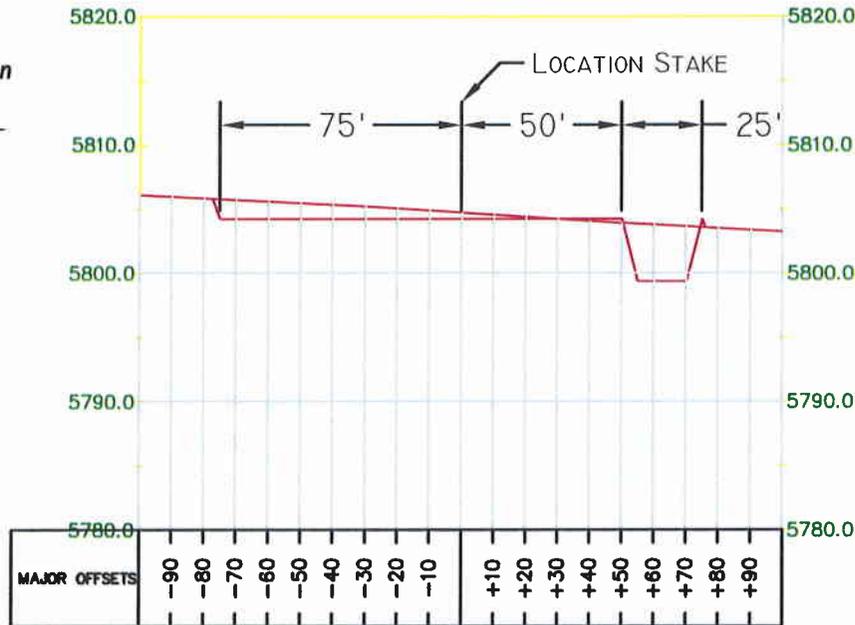
COASTAL PLAINS ENERGY

LOCATION LAYOUT
 Section 14, T20S, R7E, S.L.B.&M.
SINGLETON 207-14-2

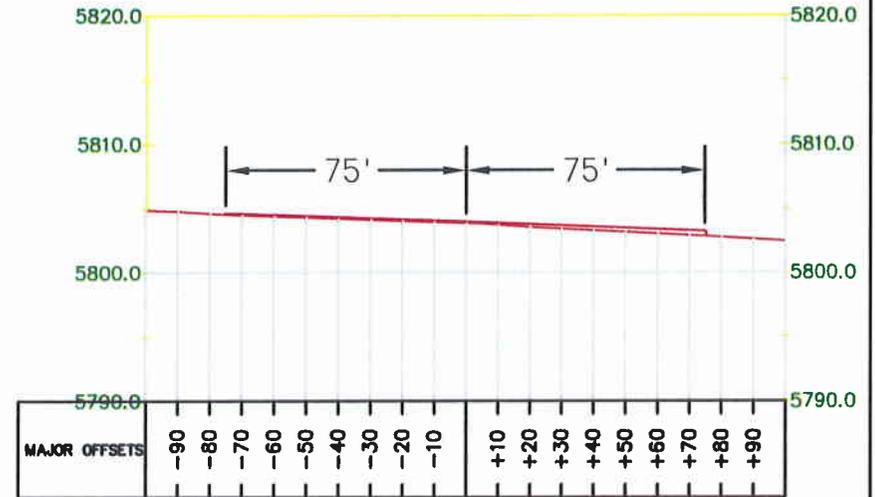
Drawn By: J. STANSFIELD	Checked By: L.W.J.
Drawing No. A-2	Date: 10/18/07
	Scale: 1" = 50'
Sheet 2 of 4	Job No. 3111

1"=10'
X-Section
Scale
1"=20'

SL-2 [1+00.00]

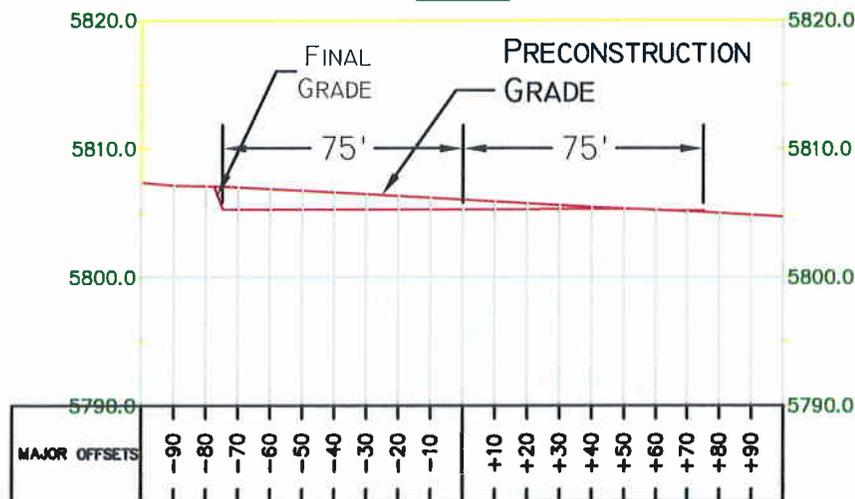


SL-3 [2+00.00]



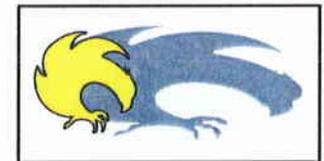
SLOPE = 1 1/2 : 1
(EXCEPT PIT)
PIT SLOPE = 1 ; 1

SL-1 [0+00.00]



APPROXIMATE YARDAGES

(6") TOPSOIL STRIPPING = 560 CU. YDS.
TOTAL CUT (INCLUDING PIT) = 600 CU. YDS.
TOTAL FILL = 90 CU. YDS.



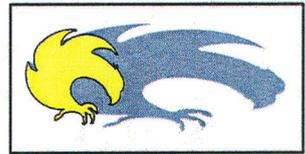
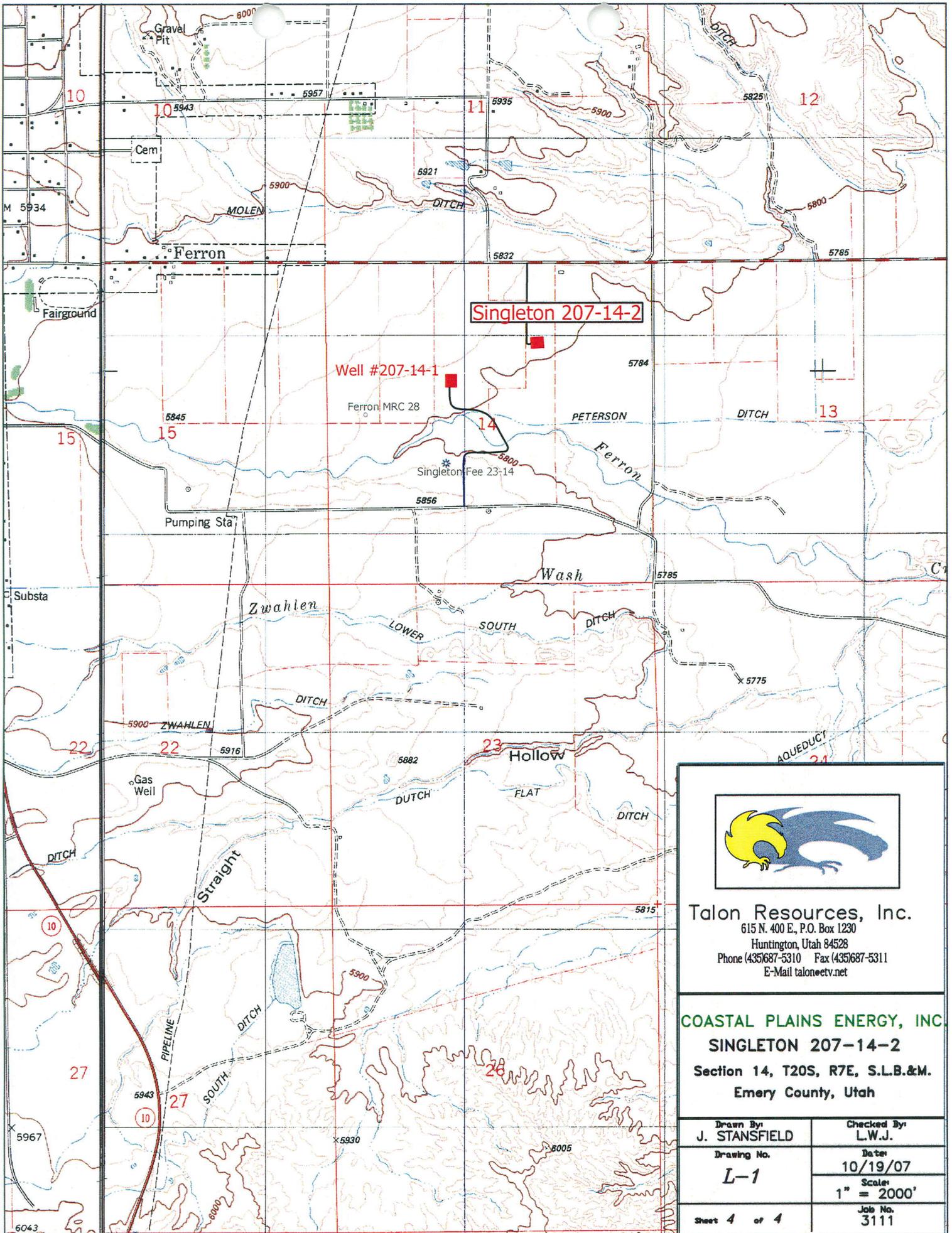
Talon Resources, Inc.

615 North 400 East P.O. Box 1230
Huntington, Utah 84528
Phone (435)687-5310 Fax (435)687-5311
E-Mail talon@trv.net

COASTAL PLAINS ENERGY

TYPICAL CROSS SECTION
SECTION 14, T20S, R7E, S.L.B.&M.
SINGLETON 207-14-2

Drawn By: J. STANSFIELD	Checked By: L.W.J.
Drawing No. C-1	Date: 10/18/07
	Scale: 1" = 60'
Sheet 3 of 4	Job No. 3111



Talon Resources, Inc.
 615 N. 400 E., P.O. Box 1230
 Huntington, Utah 84528
 Phone (435)687-5310 Fax (435)687-5311
 E-Mail taloneetv.net

COASTAL PLAINS ENERGY, INC.
SINGLETON 207-14-2
 Section 14, T20S, R7E, S.L.B.&M.
 Emery County, Utah

Drawn By: J. STANSFIELD	Checked By: L.W.J.
Drawing No. L-1	Date: 10/19/07
	Scale: 1" = 2000'
Sheet 4 of 4	Job No. 3111



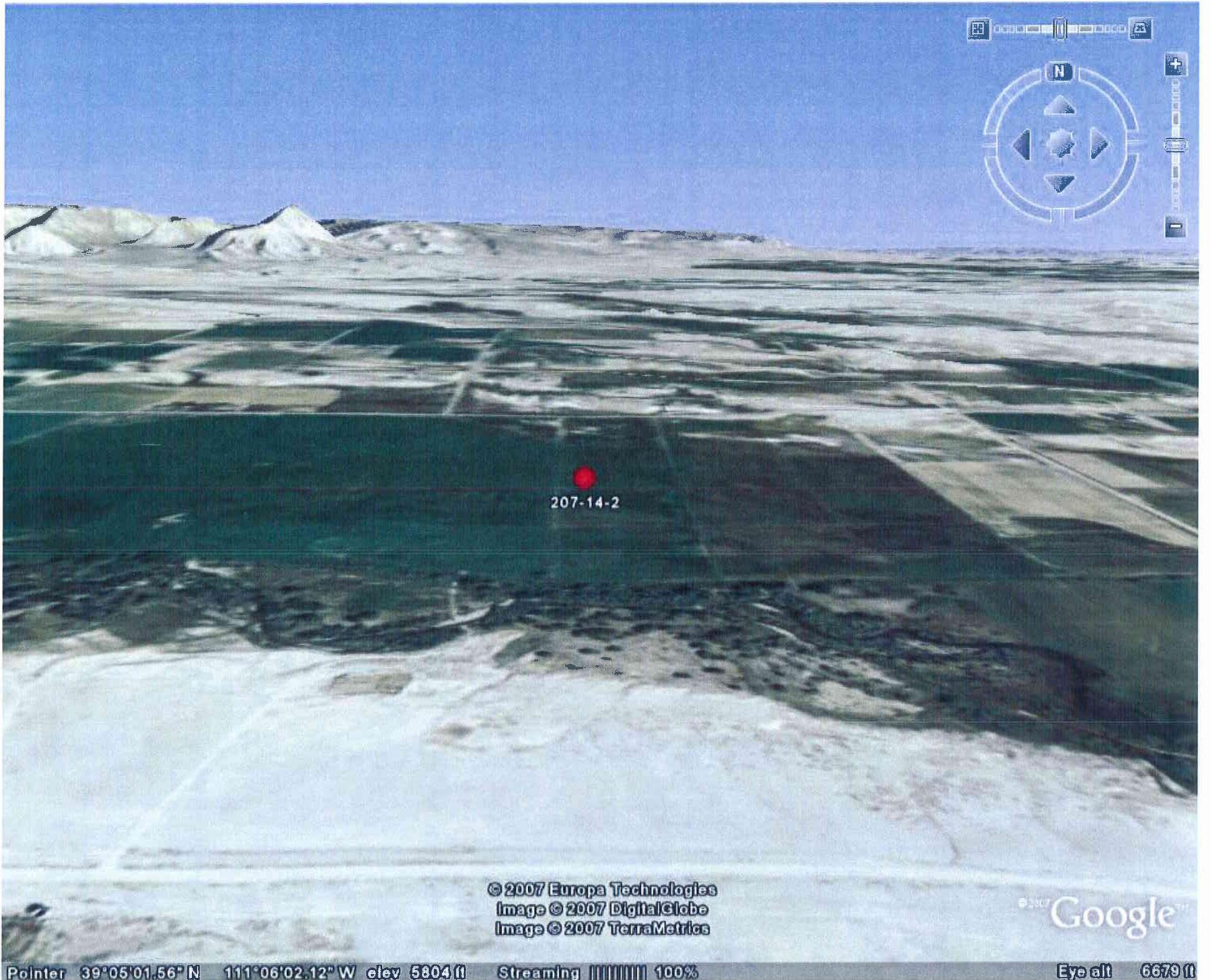
Navigation and map controls including a compass with 'N' for North, directional arrows, a zoom-in (+) and zoom-out (-) button, and a scale bar.

207-14-2

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Pointer 39°05'01.56" N 111°06'02.12" W elev 5804 ft Streaming ██████████ 100% Eye alt 9624 ft



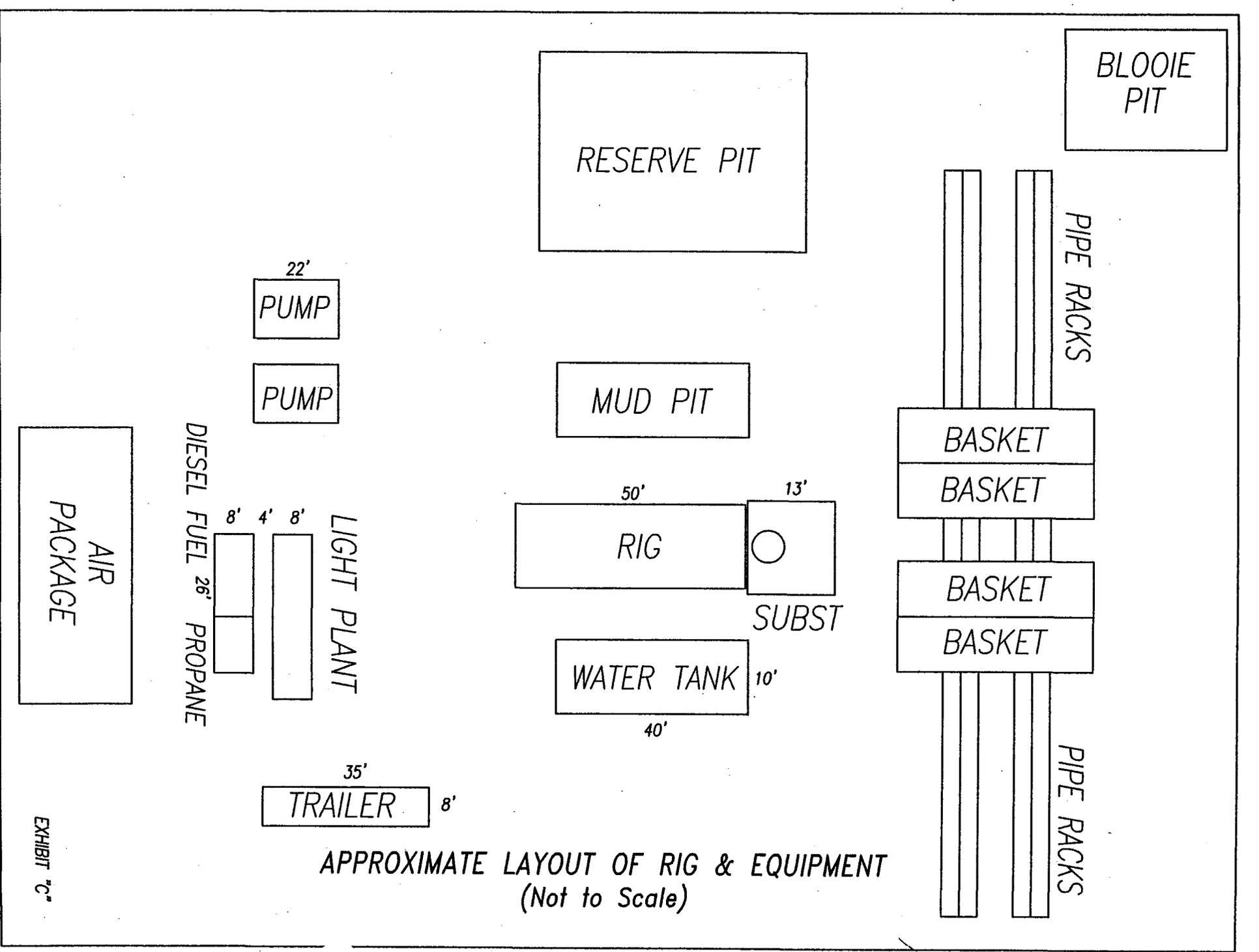
207-14-2

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Image © 2007 TerraMetrics

© 2007 Google™

Pointer 39°05'01.56" N 111°06'02.12" W elev 5804 ft Streaming 100%

Eye alt 6679 ft



APPROXIMATE LAYOUT OF RIG & EQUIPMENT
(Not to Scale)

EXHIBIT "C"

TYPICAL ROAD CROSS-SECTION

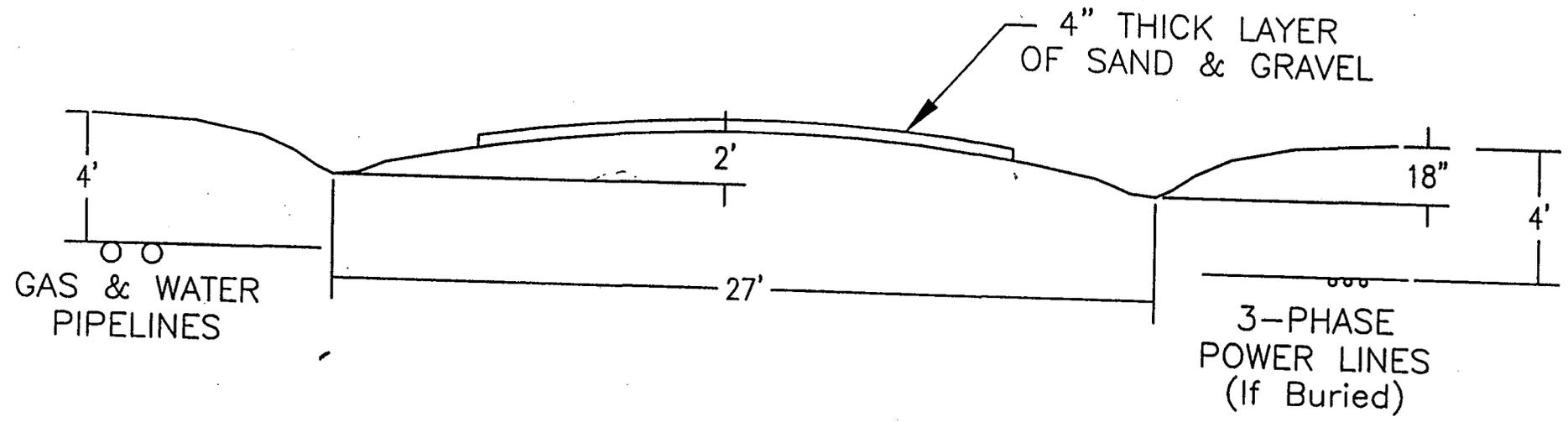


EXHIBIT "F"

BOP Equipment

3000psi WP

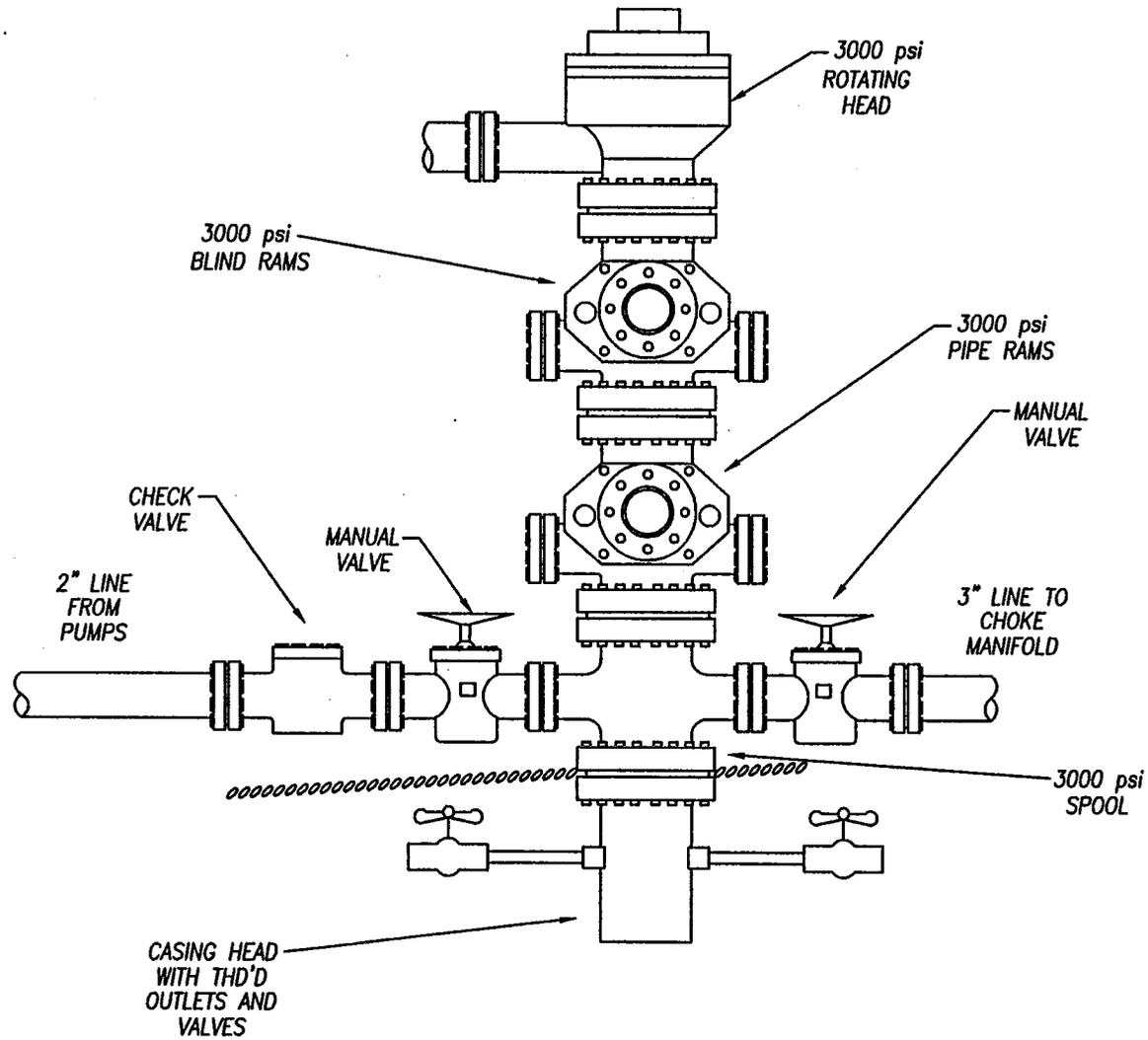


EXHIBIT "C"

CHOKE MANIFOLD

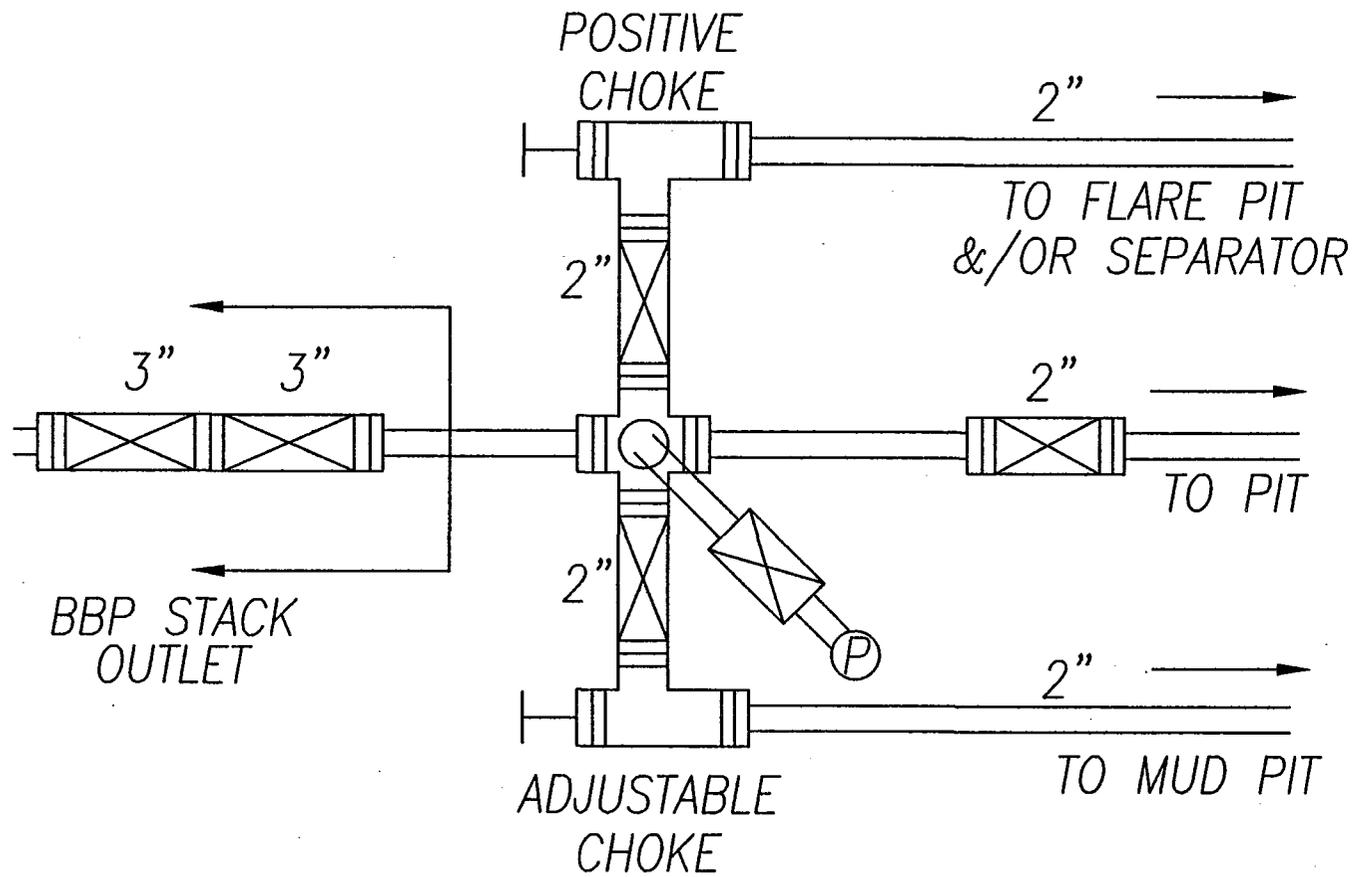


EXHIBIT "H"

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 01/22/2008

API NO. ASSIGNED: 43-015-30737

WELL NAME: FERRON 207-14-2
 OPERATOR: COASTAL PLAINS ENERGY (N2170)
 CONTACT: FRED REYNOLDS

PHONE NUMBER: 817-882-9055

PROPOSED LOCATION:

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DKO	4/15/08
Geology		
Surface		

SWNE 14 200S 070E
 SURFACE: 1342 FNL 1876 FEL
 BOTTOM: 1342 FNL 1876 FEL
 COUNTY: EMERY
 LATITUDE: 39.08464 LONGITUDE: -111.0999
 UTM SURF EASTINGS: 491364 NORTHINGS: 4325965
 FIELD NAME: FERRON (135)

LEASE TYPE: 4 - Fee
 LEASE NUMBER: FEE
 SURFACE OWNER: 4 - Fee

PROPOSED FORMATION: FRSD
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]
(No. CTCS267895)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. MUNICIPAL)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

- _____ R649-2-3.
- Unit: _____
- _____ R649-3-2. General
- Siting: 460 From Qtr/Qtr & 920' Between Wells
- _____ R649-3-3. Exception
- Drilling Unit
- Board Cause No: 7-13
- Eff Date: 7-27-1984
- Siting: 660' fr drilling unit boundary
- _____ R649-3-11. Directional Drill

COMMENTS: Needs Permit (03-25-08)

STIPULATIONS: 1 - STATEMENT OF BASIS

T20S R7E

FEE 1-14
HOLLBERG
FEE 1

FERRON
207-14-2

FERRON
207-14-1

FERRON-
MRC 28

14

SINGLETON
FEE 23-14

FERRON FIELD
CAUSE: 7-13 / 7-27-1984

BEHLING
FEE 41-22

RASMUSSEN
41-23

OPERATOR: COASTAL PLAINS (N2170)

SEC: 14 T.20S R. 7E

FIELD: FERRON (135)

COUNTY: EMERY

CAUSE: 7-13 / 7-27-1984

- 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



OIL, GAS & MINING



PREPARED BY: DIANA MASON
DATE: 23-JANUARY-2008

Application for Permit to Drill

Statement of Basis

4/7/2008

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
704	43-015-30737-00-00		GW	P	No
Operator	COASTAL PLAINS ENERGY INC		Surface Owner-APD		
Well Name	FERRON 207-14-2		Unit		
Field	FERRON		Type of Work		
Location	SWNE 14 20S 7E S 1342 FNL 1876 FEL GPS Coord (UTM) 491364E 4325965N				

Geologic Statement of Basis

Significant volumes of high quality ground water are unlikely to be encountered in the bedrock at this location. A poorly to moderately permeable soil is likely to be developed on a thin Quaternary Slope Wash covering the Blue Gate Shale Member of the Mancos Shale. A shallow, minor fresh water resource may be encountered in the Ferron Sandstone Member of the Mancos Shale owing to the Member's shallow depth and the relatively close proximity of surficial exposures that are within 3½ miles to the east. The proposed surface casing and cementing program should adequately isolate any zones of fresh water that may be penetrated in the Quaternary Slope Wash. The well will be air drilled so the drilling fluid is benign irrespective of any water resources being encountered in the Ferron Sandstone. One underground water right has been filed on within a mile of the proposed well location.

Chris Kierst
APD Evaluator

4/3/2008
Date / Time

Surface Statement of Basis

On-site evaluation of the proposed project site conducted March 25, 2008. In attendance: Bart Kettle-Division of Oil, Gas and Mining (DOGM), Phil Omen-Coastal Plains Energy Inc, Ray Pererson-Emery County, Morris Singleton-Surface Owner

Emery County recommends if possible, well should be drilled outside the traditional irrigation season of mid May to the first part of October to reduce conflicts and limit surface damages. Access road will require a encroachment permit at junction with county road.

DOGM recommends that drilling of this well follow the process used on the Ferron #207-14-1 if possible: Road construction be kept to a minimum, a small pad large enough to accommodate the rig be built, remainder used as is. DOGM requiring that reserve pit be inspected following excavation but prior to lining. If water table is deemed too high a closed loop drilling system may be required. Provided the use of a reserve pit is allowed, it should contain a 20 mil liner, the liner along with pit contents is to be removed and hauled to disposal at the completion of drilling.

Bart Kettle
Onsite Evaluator

3/25/2008
Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A double synthetic liner each with a minimum thickness of 20 mils shall be properly installed and maintained in the reserve pit.
Pits	Liner material and reserve pit contents shall be removed from the site and disposed of at an authorized facility following the completion of drilling.
Surface	Reserve pit shall be inspected by a representative of the Division of Oil, Gas and Mining following excavation, but prior to lining.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator COASTAL PLAINS ENERGY INC
Well Name FERRON 207-14-2
API Number 43-015-30737-0 **APD No** 704 **Field/Unit** FERRON
Location: 1/4,1/4 SWNE **Sec** 14 **Tw** 20S **Rng** 7E 1342 FNL 1876 FEL
GPS Coord (UTM) **Surface Owner**

Participants

Bart Kettle-Division of Oil, Gas and Mining (DOGGM), Phil Omen-Coastal Plains Energy Inc, Ray Pererson-Emery County, Morris Singleton-Surface Owner

Regional/Local Setting & Topography

Proposed project area is located ~1 mile east of Ferron, located in Emery County Utah. Regionally the project area is located in the Castle Valley. The Castle Valley is largely composed of dry sites with poorly developed soils and limited vegetation. Locally the well is located in the small valley associated with Ferron Creek. Soils in this setting are generally moderate to deep saline soils. Water tables tend to be near the surface on the bottom third of the slopes due to irrigation practices. Surface use is generally alfalfa/meadow grass mixed hay fields and pastures. Precipitation at the project site is considered a 10-12" zone. Drainage flows into Ferron Creek within a 1/4 mile and eventually to the Green River 60 miles away.

Surface Use Plan

Current Surface Use

Grazing
Agricultural

New Road

Miles	Well Pad	Src Const Material	Surface Formation
0.5	Width 150 Length 200	Onsite	MNCS

Ancillary Facilities

Recommend a change pertaining to reclamation of the reserve pit. Reserve pit liner and pit materials should be removed from the site and hauled off for disposal.

Waste Management Plan Adequate? N

Environmental Parameters

Affected Floodplains and/or Wetland N

Water table less than 24" due to irrigation practices

Flora / Fauna

Flora difficult to determine due to livestock grazing stubble heights down to within a 1/2". Species appear to be the typical salt tolerant predominantly rhizomatous grass/sedges often found in heavily grazed wet meadows. Observed species: Nebraska sedge, sedge spp, salt grass, barely fox tail, rush spp, lambs quarter, milk weeds, lambs quarter.

Fauna difficult to determine, no species observed, limited sign observed.

Soil Type and Characteristics

Heavy gray clay loam

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Project site is expected to be "marshy" in nature for 5-8 months of the year.

Drainage Diversion Required N

Berm Required? N

Erosion Sedimentation Control Required? N

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

Reserve Pit

Site-Specific Factors		Site Ranking
Distance to Groundwater (feet)	<25 or recharge area	20
Distance to Surface Water (feet)	>1000	0
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)	300 to 1320	10
Native Soil Type	Mod permeability	10
Fluid Type	Fresh Water	5
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)	10 to 20	5
Affected Populations	>50	10
Presence Nearby Utility Conduits	Present	15
Final Score		75
		1 Sensitivity Level

Characteristics / Requirements

Reserve pit will be allowed at this project site with the following stipulations being recommended:

- 1.) Liner thickness of 20 mils or higher.
- 2.) Following the completion of drilling activities liner and reserve pit materials shall be removed from the site and hauled to disposal.

Closed Loop Mud Required? N **Liner Required?** Y **Liner Thickness** 20 **Pit Underlayment Required?** N

Other Observations / Comments

Proposed access route parallels and crosses a buried pipeline used to supply irrigation water. Any damages occurring to these structures should be repaired as soon as practical.

In an effort to reduce conflicts and limit surface damages well should be drilled outside of the traditional irrigation season of mid May to the first part of October.

Bart Kettle
Evaluator

3/25/2008
Date / Time



Online Services

Agency List

Business

Search

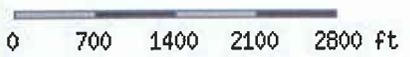
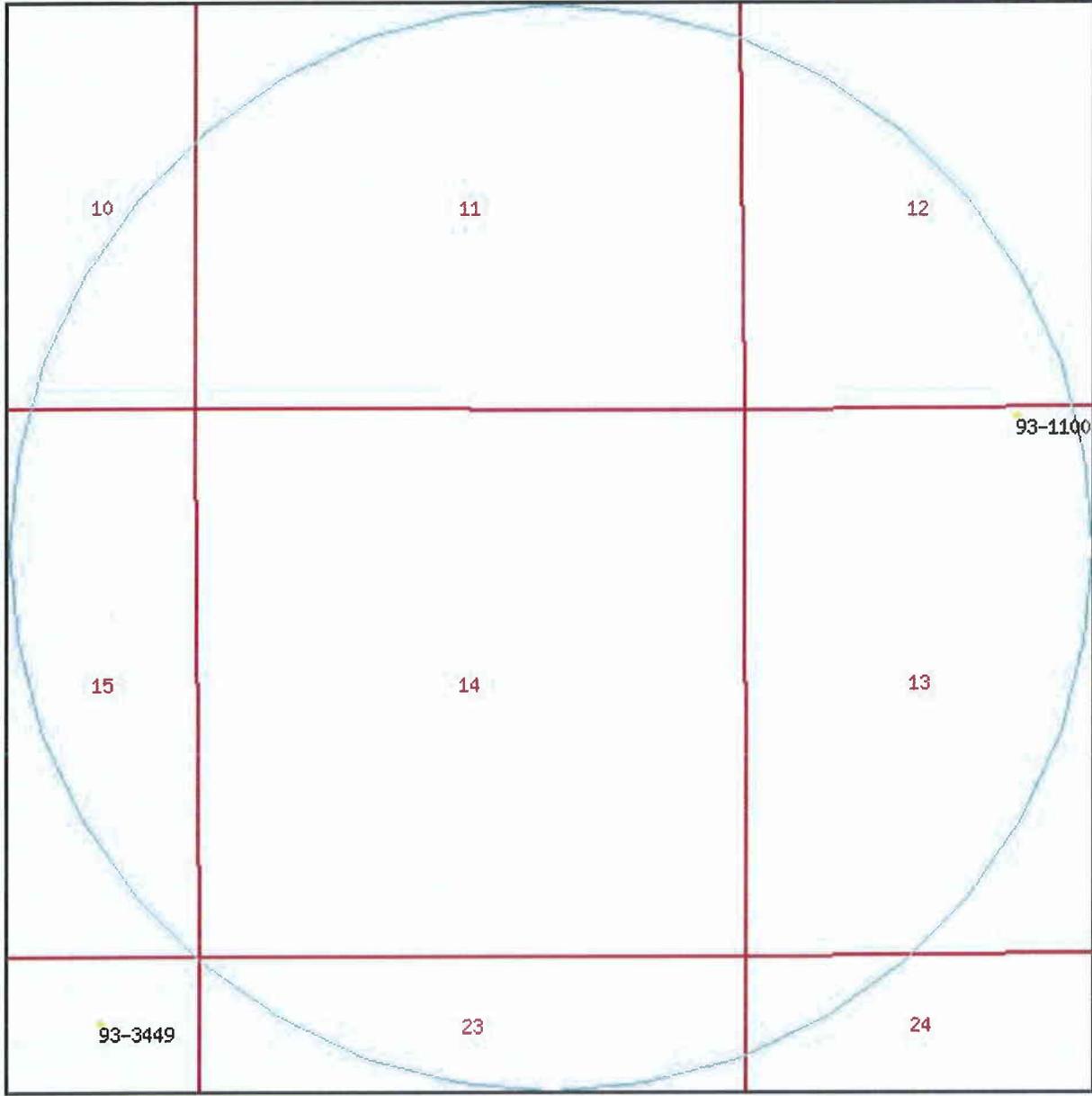
Utah Division of Water Rights



WRPLAT Program Output Listing

Version: 2007.04.13.01 Rundate: 04/03/2008 06:05 PM

Radius search of 5280 feet from a point S1341.84 W1875.86 from the NE corner, section 14, Township 20S, Range 7E, SL b&m
Criteria:wrtypes=W,C,E podtypes=S,U,Sp status=U,A,P usetypes=all



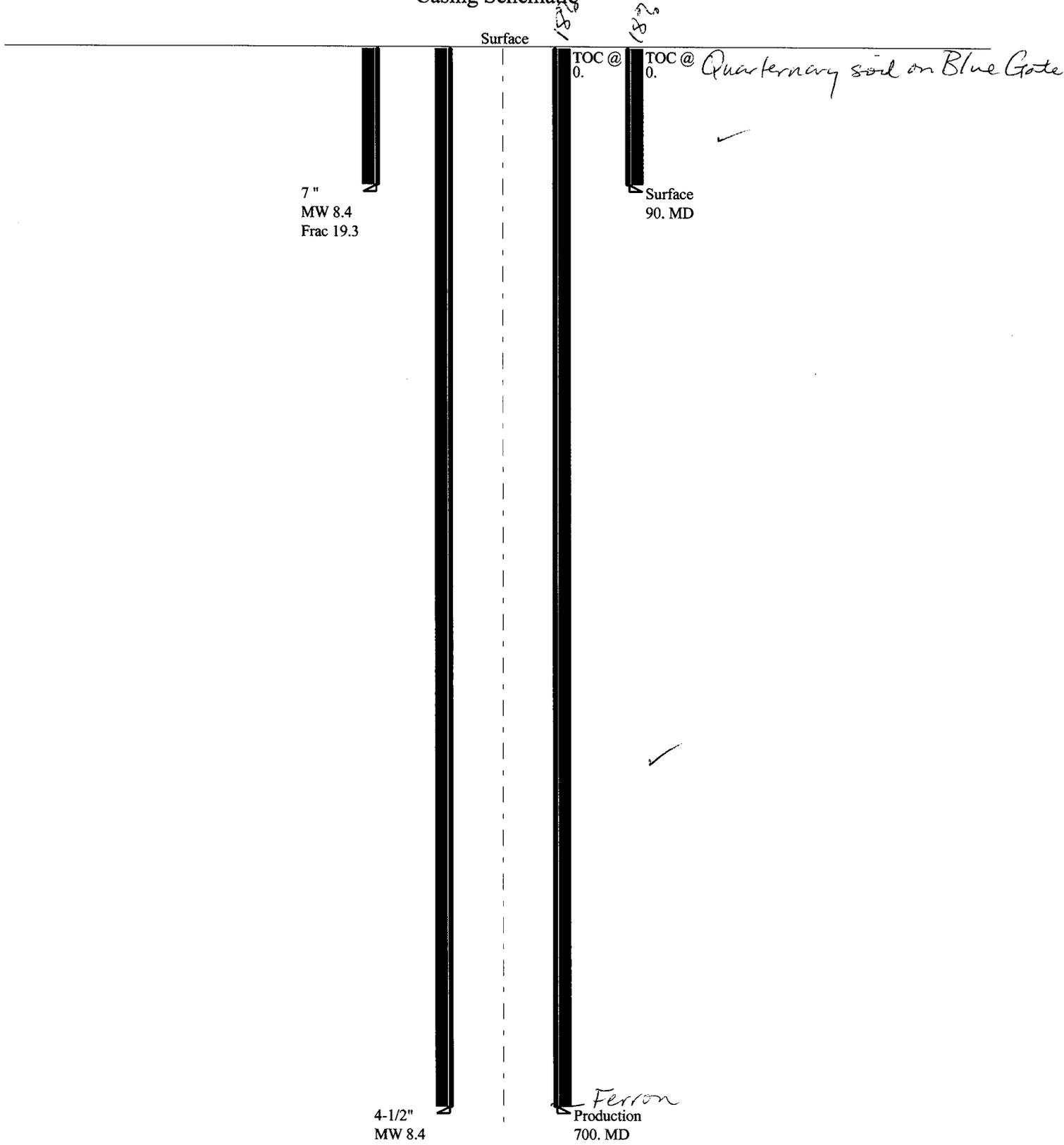
Water Rights

WR Number	Diversion Type/Location	Well Log	Status	Priority	Uses	CFS	ACFT	Owner Name
<u>93-1083</u>	Surface S630 W965 NE 22 20S 7E SL		P	18900000	IS	2.000	0.000	ROCKY MOUNTAIN WEST BAPTIST MISSIONS P.O. BOX 104
<u>93-1100</u>	Underground S90 W15 N4 13 20S 7E SL		P	19670322	I	2.000	0.000	GEORGE CONOVER FERRON UT 84523
<u>93-3449</u>	Surface S630 W965 NE 22 20S 7E SL		P	18900000	I	1.000	0.000	GIL CONOVER FERRON UT 84523

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

2008-04 Coastal Plains Ferron 207-14-2

Casing Schematic



Well name:	2008-04 Coastal Plains Ferron 207-14-2		
Operator:	Coastal Plains Energy, Inc.		
String type:	Surface	Project ID:	43-015-30737
Location:	Emery County		

Design parameters:

Collapse

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

Burst

Max anticipated surface pressure: 90 psi
 Internal gradient: 0.002 psi/ft
 Calculated BHP: 90 psi
 Gas gravity: 0.65
 No backup mud specified.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Tension:

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

Tension is based on air weight.
 Neutral point: 79 ft

Environment:

H2S considered? No
 Surface temperature: 65 °F
 Bottom hole temperature: 66 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 90 ft

Cement top: Surface

Completion type is subs
Non-directional string.

Re subsequent strings:

Next setting depth: 700 ft
 Next mud weight: 8.400 ppg
 Next setting BHP: 305 psi
 Fracture mud wt: 19.250 ppg
 Fracture depth: 90 ft
 Injection pressure: 90 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	90	7	23.00	J-55	ST&C	90	90	6.25	19.9
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	39	3270	83.264	90	4360	48.44	2	284	99.99 J

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

Phone: 810-538-5357

Date: April 9, 2008
 Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.
 Collapse is based on a vertical depth of 90 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes.
 Burst strength is not adjusted for tension.

Well name:

2008-04 Coastal Plains Ferron 207-14-2

Operator: **Coastal Plains Energy, Inc.**

String type: Production

Project ID:

43-015-30737

Location: Emery County

Design parameters:

Collapse

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

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 75 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 368 ft

Cement top: Surface

Burst

Max anticipated surface pressure: 221 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 305 psi

No backup mud specified.

Tension:

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

Tension is based on air weight.
Neutral point: 612 ft

Completion type is subs
Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	700	4.5	10.50	J-55	ST&C	700	700	3.927	62.7
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	305	4010	13.128	305	4790	15.68	7	132	17.96 J

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

Phone: 810-538-5357

Date: April 9, 2008
Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Collapse is based on a vertical depth of 700 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes.

Burst strength is not adjusted for tension.

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

BOPE REVIEW

Coastal Plains Ferron 207-14-2 API 43-015-30737

INPUT			
Well Name	Coastal Plains Ferron 207-14-2 API 43-015-30737		
Casing Size (")	String 1	String 2	
Setting Depth (TVD)	7	4 1/2	
Previous Shoe Setting Depth (TVD)	90	700	
Max Mud Weight (ppg)	30	90	
BOPE Proposed (psi)	8.4	8.4	
Casing Internal Yield (psi)	500	3000	
Operators Max Anticipated Pressure (psi)	4360	4790	
	500	13.7 ppg	

Calculations	String 1	7 "	
Max BHP [psi]	$.052 \times \text{Setting Depth} \times \text{MW} =$	39	
MASP (Gas) [psi]	$\text{Max BHP} - (0.12 \times \text{Setting Depth}) =$	29	BOPE Adequate For Drilling And Setting Casing at Depth? YES Air drill
MASP (Gas/Mud) [psi]	$\text{Max BHP} - (0.22 \times \text{Setting Depth}) =$	20	YES ✓
Pressure At Previous Shoe	$\text{Max BHP} - .22 \times (\text{Setting Depth} - \text{Previous Shoe Depth}) =$	26	*Can Full Expected Pressure Be Held At Previous Shoe? YES ✓
Required Casing/BOPE Test Pressure		90 psi	
*Max Pressure Allowed @ Previous Casing Shoe =		0 psi	

Calculations	String 2	4 1/2 "	
Max BHP [psi]	$.052 \times \text{Setting Depth} \times \text{MW} =$	306	
MASP (Gas) [psi]	$\text{Max BHP} - (0.12 \times \text{Setting Depth}) =$	222	BOPE Adequate For Drilling And Setting Casing at Depth? YES Air drill
MASP (Gas/Mud) [psi]	$\text{Max BHP} - (0.22 \times \text{Setting Depth}) =$	152	YES ✓
Pressure At Previous Shoe	$\text{Max BHP} - .22 \times (\text{Setting Depth} - \text{Previous Shoe Depth}) =$	172	*Can Full Expected Pressure Be Held At Previous Shoe? ← NO
Required Casing/BOPE Test Pressure		700 psi	
*Max Pressure Allowed @ Previous Casing Shoe =		90 psi	*Assumes 1psi/ft frac gradient



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

April 16, 2008

Coastal Plains Energy, Inc.
420 Throckmorton, Ste. 630
Forth Worth, TX 76102-3723

Re: Ferron 207-14-2 Well, 1342' FNL, 1876' FEL, SW NE, Sec. 14, T. 20 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 43-015-30737.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Emery County Assessor

Operator: Coastal Plains Energy, Inc.
Well Name & Number Ferron 207-14-2
API Number: 43-015-30737
Lease: Fee

Location: SW NE **Sec.** 14 **T.** 20 South **R.** 7 East

Conditions of Approval

1. General

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

2. Notification Requirements

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

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

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

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

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

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

3. Reporting Requirements

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

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

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: COASTAL PLAINS ENERGY INC

Well Name: FERRON 207-14-2

Api No: 43-015-30737 Lease Type: FEE

Section 14 Township 20S Range 07E County EMERY

Drilling Contractor TODD BEAMAN DRLG RIG # RATHOLE

SPUDDED:

Date 06/10/08

Time _____

How DRY

Drilling will Commence: _____

Reported by HANS ABRASOM

Telephone # (405) 833-9470

Date 06/10//08 Signed CHD

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

FORM 6

ENTITY ACTION FORM

Operator: Coastal Plains Energy, Inc. Operator Account Number: N 2170
Address: 420 Throckmorton, Suite 630
city Fort Worth
state TX zip 76102-3723 Phone Number: 817 882-9055

Well 1

SWNE

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-015-30737	Ferron 207-14-2		NWSE	14	20S	7E	Emery
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	116932	June 10, 2008			6/20/08	
Comments: <i>FRSD</i>							

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)

Fred N. Reynolds

Name (Please Print)

Fred N. Reynolds

Signature

Petroleum Engineer

06/19/08

Title

Date

RECEIVED
JUN 20 2008
DIV. OF OIL, GAS & MINING

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 _____

2. NAME OF OPERATOR: **Coastal Plains Energy, Inc.**
 9. API NUMBER: **43-015-30737**

3. ADDRESS OF OPERATOR: **420 Throckmorton, Suite 630** PHONE NUMBER: _____
 CITY **Fort Worth** STATE **TX** ZIP **76102-3723** **817 882-9055**
 10. FIELD AND POOL, OR WILDCAT: **Ferron**

4. LOCATION OF WELL (FOOTAGES)
 AT SURFACE: **1341.84 FNL, 1875.86 FEL**
 AT TOP PRODUCING INTERVAL REPORTED BELOW: **1341.84 FNL, 1875.86 FEL**
 AT TOTAL DEPTH: _____
 11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **NW/SE Sec 14 T20S R7E**
 12. COUNTY: **Emery** 13. STATE: **UTAH**

14. DATE SPUNDED: **06/10/08** 15. DATE T.D. REACHED: **06/16/08** 16. DATE COMPLETED: **09/12/08** ABANDONED READY TO PRODUCE
 17. ELEVATIONS (DF, RKB, RT, GL): **5805 GL**

18. TOTAL DEPTH: MD **718'** TVD **718'** 19. PLUG BACK T.D.: MD **718'** TVD **718'** 20. IF MULTIPLE COMPLETIONS, HOW MANY? * **N/A**
 21. DEPTH BRIDGE MD PLUG SET: TVD **N/A**

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
Cement Bond Log w/Gamma Ray
 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
8-3/4"	7"/J-55	23	surface	133'		H 27 sx		surface	
6-1/8"	4 1/2"/J-55	10.5	surface	675'		G 70 sx		surface	

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) Ferron	691'	718'	691'	718'	675'-718'	open hole		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

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: **Producing**

RECEIVED

SEP 29 2008

DIV. OF OIL, GAS & MINING

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

DATE FIRST PRODUCED: 09/13/08		TEST DATE: 09/14/08		HOURS TESTED: 24		TEST PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 5	WATER - BBL: 0	PROD. METHOD: Flowing
CHOKE SIZE: 16/64"	TBG. PRESS. 15	CSG. PRESS. 15	API GRAVITY N/A	BTU - GAS 1055	GAS/OIL RATIO N/A	24 HR PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 5	WATER - BBL: 0	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.)
Sold

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)
Upper Ferron	691'	718'		Ferron	691'

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) Fred Reynolds TITLE Petroleum Engineer
 SIGNATURE Fred W. Reynolds DATE 09/18/08

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

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 DIV. OF OIL, GAS & MINING

43015-30737
14 20s 7eDRILLING REPORT

Coastal Plains Energy, Inc.
 Ferron 207-14-2
 Section 14, T20S, R7E
 Emery County, Utah

- 06/10/08 MIR & RU. Spud in 12-1/4" hole. Drl to 20'. SDFN.
- 06/11/08 Set 20' of 10-3/4" conductor csg. Attempt to drl 8-3/4" hole. Drl to 40'. Hit boulders & making 100 gpm wtr. Pull 10-3/4" csg. Ream w/12-1/4" bit to 40'. Drove 10-3/4" csg to 40'. SDFN.
- 06/12/08 Poured bentonite around 10-3/4" csg. Drlg 8-3/4" hole to 133'. Ran 133' of 7" csg. Cmtd w/27 sx cmt. SDFN.
- 06/13/08 NU 7" wellhead & BOP. SDFN.
- 06/14/08 PU 6-1/8" bit. Drl cmt 90'-130'. Drl to 300' w/air. SDFN.
- 06/15/08 SD.
- 06/16/08 Drl 6-1/8" hole 300'-680' w/air. Clean hole. POOH. SDFN.
- 06/17/08 RU & run 16 jts 4-1/2" 10.5 lb/ft J-55 csg set @ 675'. Cmt to surf w/70 sx Class G cmt w/12% gypsum, 1% CaCl₂, & 0.25 lb/sx superfine (14.2 ppg, 7.8 gals/sk, 1.61 ft³/sk). WOC 5:20 pm. Set csg slips. Released rig.
- 06/18/08-
09/06/08 WO completion.
- 09/07/08 Run CBL w/GR & CCL 568'-surf. 100% bond throughout.
- 09/08/08-
09/10/08 WO completion.
- 09/11/08 MI 2" coil tbg unit. RIH to 568' w/3-7/8" 5 blade bit. Push thru cmt stinger. Tag @ 636'. Tag on cmt. Drl 4' cmt. Drl on wiper plug for 2 hrs. POOH. PU 3-7/8" rock bit. RIH. Drl thru wiper plug & cmt to 676' w/fresh wtr. Coil tbg hydraulics broke down. SDFN.
- 09/12/08 Drl out guide shoe @ 676'. Drl open hole 677'-718' w/nitrogen KCL foam. Top of Ferron found @ 691'. Drl 27' of Upr Ferron Sd. Run thru open hole 3 times. POOH. Drop mud motor & 3-7/8" bit. RIH w/coil tbg

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Ferron 207-14-2 Drilling Report
Page 2

open ended. Jet well w/dry nitrogen. RIH to 715'. POOH. Well dry. Fair
GS. SWIFN.

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DEC 04 2008

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