

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: UTU 74822	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 checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			8. UNIT or CA AGREEMENT NAME: N/A	
2. NAME OF OPERATOR: XTO ENERGY INC.			9. WELL NAME and NUMBER: UP&L FEDERAL #17-7-1-33	
3. ADDRESS OF OPERATOR: 382 CR 3100 CITY AZTEC STATE NM ZIP 87410		PHONE NUMBER: (505) 333-3100	10. FIELD AND POOL, OR WILDCAT: Ferron Coal / Buzzard Bench	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 2,142' FSL & 2,069 FEL 492760X 39.371321 AT PROPOSED PRODUCING ZONE: same 4357778Y -111.684048			11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSE 1 17S 7E S	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: Aprox 10 miles Northwest of Huntington, Utah			12. COUNTY: EMERY	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 2,069'	16. NUMBER OF ACRES IN LEASE: 1,100.09	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 160		
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 1,750'	19. PROPOSED DEPTH: 4,320	20. BOND DESCRIPTION: UTB000138		
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 6820' Ground Elevation	22. APPROXIMATE DATE WORK WILL START: 5/31/2008	23. ESTIMATED DURATION: 2 weeks		

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		
12.25"	9.625" J-55 36#	300	Type V	+/- 175 sx	1.61 ft3/sx 14.2 ppg
8.75"	5.5" J-55 15.5#	4,320	CBM light wt-lead	+/- 55 sx	4.15 ft/3 sx 10.5 ppg
8.75"	5.5" J-55 15.5#	4,320	CBM light wt-tail	+/- 97 sx	1.81 ft3/sx 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 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) Kelly K. Small TITLE Regulatory Compliance

SIGNATURE *Kelly K. Small* DATE 3/31/2008

(This space for State use only)

API NUMBER ASSIGNED: 43-015-30746

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

APPROVAL
Date: 05-15-08
By: *[Signature]*

RECEIVED
APR 04 2008
DIV. OF OIL, GAS & MINING

Range 7 East

Township 17 South

(N89°54'W - 2640.00')

(S89°47'W - 2654.52')

S89°54'29"W - 2639.26'

S89°39'41"W - 2651.09'

ELEV: 6395.0'

LOT 4

LOT 3

LOT 2

LOT 1

LOT 5

LOT 6

LOT 7

LOT 8

LOT 12

LOT 11

LOT 10

LOT 9

2069.26'

UP&L 17-7-1-33
ELEV. 6820.4'

UTM
N 4357772
E 492757

2142.07'

ELEV: 6608.0'

(N89°51'E - 2647.92')

(S89°31'E - 2665.08')

Legend

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

NOTES:

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

LAT / LONG
39°22'16.548" N
111°05'02.704" 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 6395.0' being at the Northeast Section corner of Section 1, Township 17 South, Range 7 East, Salt Lake Base & Meridian, as shown on the Hiawatha Quadrangle 7.5 Minute Series Map.

Description of Location:

Proposed Drill Hole located in NW/4 SE/4 of Section 1, T17S, R7E, S.L.B.&M., being North 2142.07' from South Line and West 2069.26' from East Line of Section 1, T17S, 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.



GRAPHIC SCALE

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



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@etv.net



UP&L FEDERAL 17-7-1-33
Section 1, T17S, 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: 10/16/07
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 3115

Application for Permit to Drill Surface Use Plan

Company: XTO Energy, Inc
Well No: UP&L Federal 17-7-1-33
Location: 2142' FSL & 2069' FEL, Section 1, T17S, R7E

Thirteen Point Surface Use Plan

The dirt contractor will be provided an approved copy of the surface use plan of operations before starting construction.

1. Existing Roads

- a. Proposed route to location: The proposed route to location is shown on Exhibit "A" and is from the Hiawatha Quadrangle 7.5 minute series USGS quadrangle map.
- b. Location of proposed well in relation to town or other reference point: From Huntington, UT on Hwy 10 go to State Highway 36 and go West 7.6 miles to Deer Creek Mine Road. Turn left and proceed South for 0.7 miles. Go East through contractor's gate and continue 1.55 miles to the old refuse area. Access is flagged for 0.6 miles to location.
- c. Contact the County Road Department for use of County Roads: County road permits will be researched and submitted if required.
- d. Plans for improvement and/or maintenance of existing roads: All existing roads within 1 mile of the drill site are shown on Exhibit "B". All roads that will be used to the well location will be maintained to their current conditions are better.
- e. Other Comments: None

2. Planned Access Roads

- a. Location of Access Road: Starting from a point along an existing road in the SE/4 of Section 1, T17S, R7E.
- b. Length of New Road: 3050' of road will need to be constructed to access this location.
- c. Length of Existing Road to Upgrade: No existing roads should need upgrades to access this location.
- d. Maximum Disturbed Width: Typically new access roads require up to 60' of disturbed width which includes ROW for gas and water pipe lines and electric service.
- e. Travel Width of Access Road: 25' or less.

- f. **Maximum Grade after Construction:** Maximum grades will not exceed 10% after construction.
- g. **Turnouts Planned:** No Turnouts are planned at this time.
- h. **Surface Materials:** Only native materials will be used if additional construction is required. If necessary, gravel or rock may be purchased and used to improve road conditions and travel.
- i. **Drainage (crowning, ditching, culverts, etc.):** Roads will be re-crowned and bar ditches, if necessary, will be located on either side. 18"-24" culverts will be installed as necessary.
- j. **Cattle Guards:** No cattle guards are planned at this time. If necessary, cattle guards will be specified in the stipulations.
- k. **Length of new and/or existing roads which lie outside the lease or unit boundary for which a BLM/State/Fee right of way is required:** None.
- l. **Other:**
 - i. Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional area needed must be approved by the State of Utah in Advance.
 - ii. If a right-of-way is necessary, no surface disturbing activities shall take place on the subject right-of-way until the associated APD is approved. The holder will adhere to conditions of approval in the Surface Use Program of the approved APD, relevant to any right-of-way facilities.
 - iii. If a right-of-way is secured, boundary adjustments in the lease or unit shall automatically amend this right-of-way to include that portion of the facility no longer contained within the lease or unit. In the event of an automatic amendment to this right-of-way grant, the prior on-lease/unit conditions of approval of this facility will not be affected even though they would now apply to facilities outside of the lease/unit as a result of the boundary adjustment. Rental fees, if appropriate, shall be recalculated based on the conditions of this grant and the regulations in effect at the time of an automatic amendment.
 - iv. If at any time the facilities located on public lands authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change) the State of Utah will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental, or other financial obligations determined by the State of Utah.
 - v. If the well is not productive, the access road will be rehabilitated or brought to Resource (Class III) Road Standards within 60 days of dismantling the rig. If

upgraded, the access road must be maintained at these standards until the well is properly abandoned. If this time frame cannot be met, the Field Office Manager will be notified so that temporary drainage control can be installed along the access road.

3. Location of Existing Wells:

- a. On a map, show the location of all water, injection, disposal, producing and drilling wells within a one mile radius of the proposed well, and describe the status of each:
See Exhibit "B".

4. Location of Production Facilities:

- a. On-Site facilities: Typical on-site facilities will consist of a wellhead, gas flow line, water flow line, artificial lifting system (pumping unit), 2 phase separator, gas measurement, water measurement, electronics, a heated enclosure/building for weather and environmental protection and chemical injection equipment (as required). All production and measurement shall conform to the provisions of 43 CFR § 3162.7 and Onshore Oil and Gas Order No. 4, if applicable.
- b. All permanent (in place for six months or longer) structures constructed or installed on the well site location will be painted a flat, non reflective color to match the standard environmental colors, as specified by the COA's in the APD. All facilities will be painted within six months of installation. Facilities required complying with the Occupational Safety and Health Act (OSHA) may be excluded.
- c. Off-site facilities: Off-site facilities are located at the CDP station and include compression, processing, separation, tanks, pits, electronics, and produced water disposal (SWD) well.
- d. Pipelines: The well will be produced into gas and water pipelines (sizes to be determined) and transported to existing pipelines. See Exhibit "C" for the proposed pipeline route.
- e. Power lines: Power lines are located underground in the same ROW as the water and gas pipelines.

5. Location and Type of Water Supply:

- a. All water required for drilling will be purchased from local municipal water supply. If possible, currently produced coal well water may also be used after receiving any necessary permits. Water will be trucked to location by a third party trucking company who specializes in water hauling.
- b. Water obtained on private land, or land administered by another agency, will require approval from the owner or agency for use of land.

6. Source of Construction Material:

- a. Pad construction material will be obtained from (if the source is Federally owned, show location on a map): All construction material will be purchased from private land owners or from a commercial gravel/materials pit. The use of materials will conform to 43 CFR § 3610.2-3, if applicable.
- b. The use of materials under State of Utah jurisdiction will conform to 43CFR § 3610.2-3, if applicable.

7. Methods of Handling Waste Disposal:

- a. Describe the methods and locations proposed for safe containment and disposal of waste material, e.g. cuttings, produced water, garbage, sewage, chemicals, etc. The reserve pit will be located along the edge and within the boundaries of the designated well pad. The walls of the pit will be sloped at no greater than 2 to 1 and will be lined with a synthetic material of approximately 12 mills in thickness. The reserve pit shall be located in cut material, with at least 50% of the pit volume being below original ground level. Three sides of the pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. The amount of time the pit may remain open will typically be specified by the COA's. Once dry, the liner will be cut and removed at the mud line and the pit will be covered and buried in place.
- b. Trash must be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than the completion of drilling operations.
- c. Sewage from trailers and chemical portable toilets will be removed on a regular basis by a third party contractor and disposed of at an authorized sanitary waste facility.
- d. Any and all chemicals used during the drilling and completion of the well will be kept to a minimum and stored within the boundaries of the well pad. The third party chemical contractor will be responsible for containment and clean-up and removal of all spilled chemicals on location.

8. Ancillary Facilities:

- a. No ancillary facilities will be required during the drilling or completion of the well.

9. Well Site Layout:

- a. Depict the pit, rig, cut and fill, topsoil, etc. on a plat with a scale of at least 1"=50'. See Exhibit "D" & "E".
- b. All equipment and vehicles that will be used to drill and complete this well will remain within the boundaries of the approved well pad. Any equipment and or vehicles parked or stored off the location will be considered trespassing on federal lands and will NOT be tolerated.

- c. Materials obtained from the construction of the location, like topsoil and vegetation will be stock piled as indicated and permitted by the approved APD. The stock piles themselves may be outside the approved boundaries of the well pad.

10. Plans for Restoration of the Surface:

- a. The top 6 inches of topsoil material will be removed from the location and stockpiled separately on Adjacent Land or as specified by the approved APD.
- b. Topsoil along the access road will be reserved in place adjacent to the road.
- c. Within 30-45 days after completion of well, all equipment that is not necessary for production shall be removed.
- d. The reserve pit and that portion of the location not needed for production will be reclaimed 90-120 days after completion of the well.
- e. Before any dirt work to restore the location takes place, the reserve pit must be ready for burial.
- f. All road surfacing will be removed prior to the rehabilitation of roads.
- g. Reclaimed roads will have the berms and cuts reduced and will be closed to vehicle use.
- h. All disturbed areas will be re-contoured to replicate the natural slope.
- i. The stockpiled topsoil will be evenly distributed over the disturbed area.
- j. Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface.
- k. Seed will broadcast or drilled between September and November, or at a time specified by the BLM and or state. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage.
- l. The following seed mixture will be used: As specified conditions of approval.
- m. If necessary, an abandonment marker will be one of the following, as specified by the State of Utah:
 - i. At least four feet above ground level,
 - ii. At restored ground level, or
 - iii. Below ground level.
 - iv. In any case the marker shall be inscribed with the following: operator name, lease number, well name and description (township, section, range, and either quarter-quarter or footages).
- n. Additional requirements: None

11. Surface and Mineral Ownership:

The Surface is owned by UP&L, PacificCorp d/b/a Utah Power & Light Company, 1407 West North Temple, Suite 110, Salt Lake City, Utah, 84116. The minerals are owned by the Federal Government and are managed by the Bureau of Land Management: 82 East Dogwood Avenue, Moab, Utah, 84532, 435.259.2106. See attached Surface Use Agreement. See Exhibit "F".

12. Other Information:

- a. Archeological Concerns: An approved contractor will submit the appropriate reports to the agency as required. Special stipulations will be included in the COA's of the approved APD.
- 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 State of Utah Field Office. Within five (5) working days, the State of Utah will inform the operator as 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 in situ preservation is not necessary); and
 - iii. A time frame for the State of Utah to complete an expedited review under 36 CFR § 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the State of Utah are correct and that mitigation is appropriate.
- c. If the operator wishes, at any time, to relocate activities to avoid the expenses of mitigation and/or the delays associated with this process, the State 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 State of Utah will provide technical and procedural guidelines for the conduct of mitigation. Upon Verification from the State of Utah that the required mitigation has been completed, the operator will then be allowed to resume construction.
- d. Threatened and Endangered Species Concerns:
 - i. An approved contractor will submit the appropriate reports as required. Special Stipulations will be included in the COA's of the approved APD.
- e. Wildlife Seasonal Restrictions: Current wildlife restrictions and closure dates are specified in the BLM's Environment Impact Statement.

13. The Drilling Program is attached: See Exhibit "G".
14. Federal on-site took place on February 27, 2008 with Nathan Sill-BLM, David Waller-BLM, Jeff Bauer-BLM, Damien Jones-XTO, Kevin Waller-XTO and Kyla Vaughan-XTO.

Operator Certification:

a. Permitting and Compliance:

Kelly Small
Regulatory Compliance
XTO ENERGY INC.
382 CR 3100
AZTEC, NM 87410
505-333-3100

b. Drilling and Completions:

Brent Martin
XTO Energy Inc.
382 CR 3100
Aztec, NM 87410
505-333-3100

c. 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 currently exist; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be preformed by XTO Energy Inc. and its contractors and subcontractors in conformity with this APD package and the terms and conditions under which it is approved. I also certify responsibility for the operations conducted on that portion of the leased lands associated with this application, with bond coverage being provided by XTO Energy Inc. This statement is subject to provisions of 18 U.S.C. § 1001 for the filing of a false statement.

Signature: _____


Kelly Small

XTO Energy, Inc.

UP&L Federal 17-7-1-33

Drilling Data for APD

March 31, 2008

Surface Location: 2142' FSL & 2069' FEL, Sec. 1, T17S, R7E

Proposed TD: 4320'

Approximate Elevation: 6820'

Objective: Ferron Coal

KB Elevation: 6832'

1. Mud Program:

Interval	0'-300'	300'-4320'
Hole Size	12.25"	8.75"
Mud Type	Fresh Water/Spud Mud	Air/LSND/Gel Chemical
Weight	N/A	8.4-8.6
Viscosity	N/A	45-60
Water Loss	N/A	8-10

- a. Drill surface with Fresh Water/Spud Mud. If aeration becomes necessary, nipple up 20" rotating head.
- b. Air drill to TD using produced water for mist fluid unless excessive water flow (more than can be lifted using available booster capacity) is encountered.
 - i. If the water flow is fresh, switch to fresh water based LSND/Gel Chemical mud.
 - ii. If the water flow is $R_w > 0.35$ mix mud using produced water.
 - iii. If mud is required, use fibrous materials as needed to control seepage and lost circulation. Pump high viscosity sweeps as needed for hole cleaning. Raise viscosity at TD for logging. Reduce viscosity after logging for cementing.
- c. The blooie line will be approximately 100' in length and will extend in a straight line from below the rotating head as indicated in the BOP schematic. An automatic spark-type igniter will be fixed to the end of the blooie line and set to provide a continuous spark to ignite and burn any produced hydrocarbons and/or gasses.
- d. If necessary, de-dusting will be accomplished with a small pump, waterline, and spray nipple positioned near the end of the blooie line to provide a continuous spray of water.
- e. Sufficient mud materials will be stored on location to maintain well control and combat lost circulation problems that might reasonably be expected.

EXHIBIT G

- f. The BOP system will be consistent with API RP53 and Onshore Oil & Gas Order No. 2. Pressure tests of the surface casing and all BOP equipment subject to pressure will be conducted before drilling the casing shoe. Blowout preventer controls will be installed prior to drilling the surface casing shoe and will remain in use until the well is completed or abandoned. Ram preventers shall be inspected and operated daily. Annular preventers shall be inspected and operated weekly to ensure good mechanical working order. The inspections and tests shall be recorded in the drilling log and daily drilling report. See the attached BOP and choke manifold schematic.

2. Casing Program:

- a. Surface Casing set @ 300' in a 12.25" hole.

9.625,36 #/ft, J-55, ST&C, New, (8.921" ID, 8.765" Drift)					
Collapse Press	Burst Press	Joint Strength	SF Collapse	SF Burst	SF Tension
2020	3520	394	15.060	26.240	36.480

- b. Production Casing set @ 4320' in a 8.75" hole.

5.5", 15.5 #/ft, J-55, ST&C, New, (4.950" I.D., 4.825" Drift)					
Collapse Press	Burst Press	Joint Strength	SF Collapse	SF Burst	SF Tension
4040	4810	202	2.090	2.490	3.020

Safety Factors based on vertical wellbore conditions with hydrostatic of fresh water with no backup used to calculate burst and collapse. Tension based on hanging weight in air.

3. Well Heads:

- a. Casing Head: Install Larkin Fig 92 (or equivalent), 10" nominal, 2,000 psig WP (4,000 psig test) with 9-5/8" 8rnd thread on bottom and 10-3/4" 8rnd thread on top. NU BOP and choke manifold (see attached schematic). Stack to consist of drilling spool with choke and kill lines, double rams with pipe rams on top, blind rams on bottom. Use cold water and test BOP to 250 psi low and 1,000 psi high. Record all tests on the IADC report. Inspect accumulator and closing unit to ensure that pre-charge pressures and oil levels are within API Specifications and report same on IADC report.
- b. Tubing Head: Larkin Fig 612 (or equivalent), 5,000 psig WP (5,000 psig test), 5 1/2" SOW (or API 8 rnd female thread) on bottom, 7 1/16" 5,000 psig flange on top with two 3" LPOs.

EXHIBIT G

4. Cement Program:

a. Surface: 175 sx of Type V cement (or equivalent) containing 1% CaCl, ¼ pps Flocele, and 10% Cal_Seal mixed at 14.2 ppg and 1.61 ft³/sk.

i. Slurry Volume is 282 ft³, 200% excess of calculated annular volume to 300’.

b. Production:

i. The production casing will be cemented using 2 (lead and tail) cement slurries. The lead cement (filler grade) volume will be calculated based on a maximum achievable top assuming formation pressure of 1,000 psi at the shoe. The tail cement will be calculated from TD to 300’ above the Upper Ferron Sandstone as indicated on the formation tops table.

ii. Lead Cement: 55 sx of CBM Light Weight Cement with 10 pps Gilsonite and ¼ pps celloflake mixed at 10.5 ppg and 4.15 ft³/sk.

iii. Tail Cement: 97 sx of CBM Light Weight Cement with 10 pps Gilsonite and ¼ pps celloflake mixed at 13.5 ppg and 1.81 ft³/sk.

iv. Slurry volume is 400 ft³, 40% excess of calculated annular volume to 1,000 psi hydrostatic over formation pressure.

v. If fresh water is encountered in the Emery Sandstone, a DV/ECP tool will be run 50’ below the logged base of the Emery Sandstone and it will be attempted to circulate the filler grade cement as used in the lead to surface from above the ECP.

5. Logging Program

a. Mud logger: The mud logger will come on after surface pipe is set and will remain until TD. The mud will be logged in 10’ intervals.

b. Run Array Induction (if wet), compensated neutron, density, GR, caliper, SP (if wet), and Pe from TD to the bottom of the surface casing.

6. Formation Tops:

Formation	Well Depth
Top of Upper Ferron SS	3800
Top of Coal Zone	3910
Top of Lower Ferron SS	4020
Total Depth	4320

- a. No known oil zones will be penetrated.
- b. Gas bearing sandstones and coals will be penetrated from 3800' to 4320'.
- c. No known fresh water zones will be penetrated. The gas bearing sandstones and coals may contain in-situ water.
- d. No known mineral zones will be penetrated.
- e. Any prospectively valuable minerals and all fresh water zones encountered during drill will be recorded, cased, and cemented (Please see contingency in cementing section). If possible, water flow rates will be measured and samples will be taken and analyzed with the results being submitted to the appropriate agency.
- f. Maximum anticipated bottomhole pressure is anticipated to be less than 1,500 psi.
- g. No abnormal pressure, abnormal temperature, H2S, or other hazardous conditions are known to exist.

7. Company Personnel:

Name	Title	Office Phone	Mobile Phone
John Egelston	Drilling Engineer	505.564.6734	505.330.6902
Bobby Jackson	Drilling Superintendent	505.333.3224	505.486.4706
Joshua Stark	Project Geologist	817.885.2240	817.565.7158
Leonard West	Reservoir Engineer	817.885.2800	

February 20, 2008

RECEIVED

MAR 17 2008

LAND DEPARTMENT

Mr. Ryan O'Kelley
Associate Landman
XTO Energy Inc.
810 Houston Street
Fort Worth, TX 76102

Re: **Amendment No. 5 to the Non-Exclusive Surface Use Agreement Between PacifiCorp and XTO Energy Inc.**

Dear Mr. O'Kelley:

XTO Energy Inc. (XTO) and PacifiCorp entered into a master Non-Exclusive Surface Use Agreement (Agreement) on August 19, 2003 for all surface facilities associated with oil & gas exploration and production in Emery County, Utah. The master Agreement was written such that any new surface facilities could be added to the master agreement by amending Attachment B and Attachment D. Therefore, in order to add new surface facilities to the Agreement, I have enclosed Amendment 5 to Attachment B and Amendment 5 to Attachment D. As you know, Attachment B includes all old and new legal descriptions for well pads, road segments, pipelines, powerlines and utility corridors located on PacifiCorp property. Attachment D includes a breakdown of the annual payment calculations for all road/ utility corridor segments described in Attachment B.

I would ask that you have a representative of your company sign on the line provided at the bottom of this letter to officially amend the Agreement by including Amendment 5 to Attachment B and Amendment 5 to Attachment D as part of the master Agreement dated August 19, 2003. Also, as compensation for the new surface facilities, XTO Energy Inc. agrees to send to PacifiCorp a check in the amount of _____ within thirty days of the date of this letter. This is the one-time payment for the additional facilities located on PacifiCorp property as specified in Attachment A of the master agreement. The new annual payment schedule is outlined in Attachment D.

If you have any questions, please call me at (801) 220-2516 or (801) 971-1077.

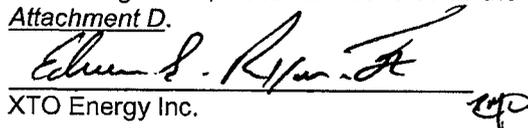
Sincerely,


Brian Young
Property Agent

Enclosure(s)

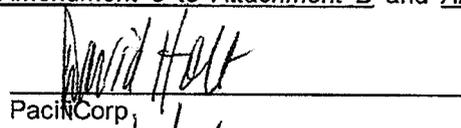
cc: UTEM-0062C XTO Non-Exclusive Surface Use Agreement

XTO Energy Inc. and PacifiCorp do hereby agree to amend the master Non-Exclusive Surface Use Agreement dated August 19, 2003 as set forth in the enclosed Amendment 5 to Attachment B and Amendment 5 to Attachment D.



XTO Energy Inc.

Date 3/13/08



PacifiCorp

Date 3/11/08

EXHIBIT F

ATTACHMENT "B"

AMENDMENT 5

(Extension of Existing Road ROW)

To Nonexclusive Surface Use Agreement

Dated: March 2008

REAL PROPERTY DESCRIPTION

I. WELL PAD LOCATIONS:

- A. UP&L Federal 6-25 – a tract of land located in the SE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 6, T17S-R8E.
- B. UP&L 23-51 – a tract of land located in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 23, T18S-R7E.
- C. UP&L 24-57 – a tract of land located in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 24, T18S-R7E.
- D. UP&L 14-53 – a tract of land located in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 14, T18S-R7E.
- E. UP&L 6-102 - Beginning at the NE corner of proposed well site 6-102, said point being 39.287 rods South and 55.374 rods West of the North quarter corner of Section 6, T17S-R8E, thence running S36°38'31"E 15.758 rods; thence S53°21'29"W 10.303 rods; thence N36°38'31"W 15.758 rods; thence N53°21'29"E 10.303 rods to the point of beginning, containing 1.015 acres, more or less.
- F. UP&L 6-103 - Beginning at the NE corner of proposed well site 6-103, said point being 28.024 rods South and 114.717 rods East of the West quarter corner of Section 6, T17S-R8E, thence running S35°00'23"E 15.758 rods; thence S54°59'37"W 10.303 rods; thence N35°00'23"W 15.758 rods; thence N54°59'37"E 10.303 rods to the point of beginning, containing 1.015 acres, more or less.
- G. UP&L 6-104 - Beginning at the NE corner of proposed well site 6-104, said point being 28.516 rods South and 31.027 rods West of the East quarter corner of Section 6, T17S-R8E, thence running S71°16'29"E 14.545 rods; thence S18°43'31"W 10.303 rods; thence N71°16'29"W 14.545 rods; thence N18°43'31"E 10.303 rods to the point of beginning, containing 0.937 acres, more or less.
- H. STATE of UTAH "AA" 7-105 - Beginning at the NW corner of proposed well site 7-105, said point being 120.615 rods South and 25.429 rods East of the NW section corner of Section 7, T17S-R8E, thence running S70°04'30"E 10.303 rods; thence S19°55'30"W 15.758 rods; thence N70°04'30"W 10.303 rods; thence N19°55'30"E 15.758 rods to the point of beginning, containing 1.015 acres, more or less.
- I. UP&L 36-100 - Beginning at the NW corner of proposed well #36-100, said point being 148.026 rods North and 70.034 rods West of the southeast corner of Section 36, T16S-R7E, thence running N65°12'51"E, 10.303 rods; thence S24°47'09"E, 15.758 rods; thence S65°12'51"W, 10.303 rods; thence S24°47'09"W, 15.758 rods to the point of beginning and containing 1.015 acres, more or less.

- J. Federal KK 01-140 - Beginning at the NW corner of proposed well 01-140, said point being 155.579 rods south and 86.826 rods east of the northwest corner of Section 1, T17S-R7E, thence running S43°21'30"E, 9.333 rods; thence S46°38'30"W, 13.333 rods; thence N43°21'30"W, 9.333 rods; thence N46°38'30"E, 13.333 rods to the point of beginning and containing 1.015 acres, more or less.
- K. Federal KK 01-141 - Beginning at the NW corner of proposed well 01-141, said point being 57.464 rods north and 73.826 rods west of the southeast corner of Section 1, T17S-R7E, thence running S79°59'26"E, 9.333 rods; thence S10°00'34"W, 13.333 rods; thence N79°59'26"W, 9.333 rods; thence N10°00'34"E, 13.333 rods to the point of beginning and containing 1.015 acres, more or less.
- L. UP&L Federal 01-101 - Beginning at the NW corner of proposed well 01-101, said point being 58.572 rods north and 46.699 rods west of the east quarter corner of Section 1, T17S-R7E, thence running S69°59'04"E, 15.758 rods; thence S20°00'56"W, 10.303 rods; thence N69°59'04"W, 15.758 rods; thence N20°00'56"E, 10.303 rods to the point of beginning and containing 1.015 acres, more or less.
- M. State of Utah 36-138 - Beginning at the NW corner of proposed well 36-138, said point being 90.247 rods south and 23.957 rods east of the northwest corner of Section 36, T16S-R7E, thence running S67°32'34"E, 15.758 rods; thence S22°27'26"W, 10.303 rods; thence N67°32'34"W, 15.758 rods; thence N22°27'26"E, 10.303 rods to the point of beginning and containing 1.015 acres, more or less.
- N. State of Utah 36-139 - Beginning at the NW corner of proposed well 36-139, said point being 30.686 rods south and 57.352 rods east of the west quarter corner of Section 36, T16S-R7E, thence running S83°08'17"E, 10.303 rods; thence S06°51'43"W, 15.758 rods; thence N83°08'17"E, 10.303 rods; thence N06°51'43"E, 15.758 rods to the point of beginning and containing 1.015 acres, more or less.

Added to Description: Amendment 3 (July 2007)

- O. UP&L 17-7-1-31 – (P.O.B. #1) A parcel of land around the well site location of the UP&L 17-7-1-31 with a surface location in the SW/4 of the SE/4, of Section 36, T16S, R7E, and the NW/4 of the NE/4 of Section 1, T17S, R7E, Salt Lake Base and Meridian, Emery County, Utah. Beginning at a point being 211.82' North, and 721.55' East of the North Quarter Corner of said Section 1; thence running S37°33'02"E, 20.909 Rods (345'); thence S52°26'58"W, 15.455 Rods (255'); thence N37°33'02"W, 20.909 Rods (345'); thence N52°26'58"E, 15.455 Rods (255'); to the point of beginning. Parcel containing 2.0 Acres
- P. UP&L 17-8-5-11 – (P.O.B. #1) A parcel of land around the well site location of the UP&L 17-8-5-11 with a surface location in the NW/4 of the NW/4, of Section 5, T17S, R8E, Salt Lake Base and Meridian, Emery County, Utah. Beginning at a point being 546.21' South, and 540.12' East of the Northwest Section Corner of said Section 5; thence running S58°20'42"E, 20.909 Rods (345'); thence S31°39'18"W, 15.455 Rods (255'); thence N58°20'42"W, 20.909 Rods (345'); thence N31°39'18"E, 15.455 Rods (255'); to the point of beginning. Parcel containing 2.0 Acres

- Q. UP&L 17-8-7-11 (P.O.B. #1) A parcel of land around the well site location of the UP&L 17-8-7-11 with a surface location in the NW/4 of the NW/4, of Section 7, T17S, R8E, Salt Lake Base and Meridian, Emery County, Utah. Beginning at a point being 725.69' South, and 418.32' East of the Northwest Section Corner of said Section 7; thence running S56°08'43"E, 20.909 Rods (345'); thence S33°51'17"W, 15.455 Rods (255'); thence N56°08'43"W, 20.909 Rods (345'); thence N33°51'17"E, 15.455 Rods (255'); to the point of beginning. (Excluding Existing ROW) Parcel containing 1.63 Acres
- R. UP&L 16-7-36-24D (P.O.B. #1) A parcel of land around the well site location of the UP&L 16-7-36-24D with a surface location in the NW/4 of the SE/4, and the SW/4 of the SE/4 of Section 36, T16S, R7E, Salt Lake Base and Meridian, Emery County, Utah. Beginning at a point being 1402.82' North, and 95.47' East of the South Quarter Corner of said Section 36; thence running S81°17'04"E, 20.909 Rods (345'); thence S08°42'56"W, 15.455 Rods (255'); thence N81°17'04"W, 20.909 Rods (345'); thence N08°42'56"E, 15.455 Rods (255'); to the point of beginning. Parcel containing 2.0 Acres
- S. UP&L 16-7-36-44 (P.O.B. #2) A parcel of land around the well site location of the UP&L 16-7-36-44 with a surface location in the SE/4 of the SE/4, of Section 36, T16S, R7E, Salt Lake Base and Meridian, Emery County, Utah. Beginning at a point being 1017.96' North, and 1298.26' West of the Southeast Section Corner of said Section 36; thence running S85°58'26"E, 20.909 Rods (345'); thence S04°01'34"W, 15.455 Rods (255'); thence N85°58'26"W, 20.909 Rods (345'); thence N04°01'34"E, 15.455 Rods (255'); to the point of beginning. Parcel containing 2.0 Acres
- T. UP&L 17-8-6-14D (P.O.B. #1) A parcel of land around the well site location of the UP&L 17-8-6-14D with a surface location in the SE/4 of the SW/4, of Section 6, T17S, R8E, Salt Lake Base and Meridian, Emery County, Utah. Beginning at a point being 1033.90' North, and 853.63' West of the South Quarter Corner of said Section 6; thence running S49°45'12"E, 20.909 Rods (345'); thence S40°14'48"W, 15.455 Rods (255'); thence N49°45'12"W, 20.909 Rods (345'); thence N40°14'48"E, 15.455 Rods (255'); to the point of beginning. Parcel containing 2.0 Acres
- U. UP&L 17-8-6-34 (P.O.B. #1) A parcel of land around the well site location of the UP&L 17-8-6-34 with a surface location in the SW/4 of the SE/4, of Section 6, T17S, R8E, Salt Lake Base and Meridian, Emery County, Utah. Beginning at a point being 429.57' North, and 138.07' East of the South Quarter Corner of said Section 6; thence running N49°52'22"E, 20.909 Rods (345'); thence S40°07'38"E, 15.455 Rods (255'); thence S49°52'22"W, 20.909 Rods (345'); thence N40°07'38"W, 15.455 Rods (255'); to the point of beginning. Containing 2.0 Acres
- V. UP&L 17-8-6-12 (P.O.B. #1) A parcel of land around the well site location of the UP&L 17-8-6-12 with a surface location in the SW/4 of the NW/4 and the NW/4 of the SW/4, of Section 6, T17S, R8E, Salt Lake Base and Meridian, Emery County, Utah. Beginning at a point being 67.46' North, and 406.37' East of the West Quarter Corner of said Section 6; thence running N40°23'45"E, 20.909 Rods (345'); thence S49°36'15"E, 15.455 Rods (255'); thence S40°23'45"W, 20.909 Rods (345'); thence N49°36'15"W, 15.455 Rods (255'); to the point of beginning. Parcel containing 2.0 Acres

Added to Description: Amendment 5 (March 2008)

- W. UP&L 17-7-1-33 (P.O.B. #1) A parcel of land around the well site location of the UP&L 17-7-1-33 with a surface location in the NW/4 of the SE/4, of Section 1, T17S, R7E, Salt

Lake Base and Meridian, Emery County, Utah. Beginning at a point being 1688.57' North, and 2271.29' West of the Southeast Section Corner of said Section 1; thence running N27°29'41"E, 15.455 Rods (255'); thence S62°30'19"E, 20.909 Rods (345'); thence S27°29'41"W, 15.455 Rods (255'); thence N62°30'19"W, 20.909 Rods (345'); to the point of beginning. Parcel containing 2.0 Acres.

- X. UP&L Federal 17-8-6-31 Surface Use (P.O.B. #1) A parcel of land around the well site location of the UP&L Federal 17-8-6-31 with a surface location in the NW/4 of the NE/4, of Section 6, T17S, R8E, Salt Lake Base and Meridian, Emery County, Utah. Beginning at a point being 999.12' South, and 185.16' East of the North Quarter Corner of said Section 6; thence running N74°25'28"E, 15.455 Rods (255'); thence S15°34'32"E, 20.909 Rods (345'); thence S74°25'28"W, 15.455 Rods (255'); thence N15°34'32"W, 20.909 Rods (345'); to the point of beginning. Parcel containing 2.0 Acres.

II. ROAD EASEMENTS / UTILITY CORRIDORS:

- A. An easement to the Federal #23-8 well (located in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 23, T18S-R7E) across PacifiCorp's Property in Sections 23 and 24, T18S-R7E. The length of this road easement is 224.00 Rods.
- B. A thirty-foot wide easement to the UP&L Federal #6-25 well (located in the SE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 6, T17S-R8E) using existing roads in the NE $\frac{1}{4}$ Section 6, T17S-R8E. The length of this road easement is 96.00 Rods.
- C. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the SW $\frac{1}{4}$ Section 14, T18S-R7E (R.G. Norris #14-40 well):

BEGINNING at a point in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 24, T18S-R7E which bears S38°46'25"E 917.07' from the computed Northwest corner of said Section 24; thence N85°44'57"W 207.62'; thence S68°35'41"W 47.84'; thence S70°23'20"W 343.11' to a point on the East line of the NE $\frac{1}{4}$ of Section 23, T18S-R7E which bears S00°02'00"W 832.21' from the computed Northeast corner of said Section 23; thence S74°11'42"W 276.19'; thence S86°36'57"W 143.78'; thence N84°37'25"W 58.27'; thence S70°37'10"W 82.40'; thence N63°36'59"W 268.26'; thence N72°45'40"W 406.87'; thence N64°21'22"W 350.64'; thence N75°01'28"W 319.43'; thence N38°38'09"W 284.16'; thence N42°35'47"W 228.18' to a point on the South line of the SE $\frac{1}{4}$ of Section 14, T18S-R7E which bears N89°31'20"E 543.87' from the South $\frac{1}{4}$ of said Section 14; thence N25°52'07"W 158.97'; N31°06'27"W 203.04'; thence N48°06'13"W 152.44'; thence N26°48'16"W 172.13'; thence N08°28'14"W 333.77'; thence N31°14'24"W 80.98'; thence N47°21'05"W 134.73'; thence 71°12'55"W 164.08'; thence N65°18'59"W 87.65'; thence N41°31'39"W 193.63'; thence N40°58'24"W 60.90' to a point in the SW $\frac{1}{4}$ of said Section 14 which bears N17°06'54"W 1,410.34' from the South $\frac{1}{4}$ of said Section 14. The length of this road easement is 288.43 Rods.

- D. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 14, T18S-R7E (UP&L #14-53 well):

BEGINNING at a point in the SE $\frac{1}{4}$ of Section 14, T18S-R7E which bears N37°05'47"W 890.10' from the Southeast witness corner of said Section 14; thence N81°42'54"W 475.73' to a point in the SE $\frac{1}{4}$ of said Section 14 which bears N52°18'35"W 1,273.35' from the Southeast witness corner of said Section 14. The length of this road easement is 28.83 Rods.

- E. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 24, T18S-R7E (UP&L #24-57 well):

BEGINNING at a point 1,964.80' north and 309.60' east of the West quarter corner Section 24, T18S-R7E, located at the Tee of an existing pipeline; thence N62°53'45"E 174.50' intersecting a point along the West boundary of UDOT Coal Haul Road ROW and also BEGINNING at a point 2,101.0' north and 576.8' east of the West quarter corner of Section 24, T18S-R7E, located on the East boundary of the UDOT Coal Haul Road ROW; thence N62°53'45"E 20.70'; thence S55°21'16"E 307.0'; thence S49°01'10"E 42.3'; thence S52°13'21"E 43.3'; thence S38°26'17"E 33.7'; thence S11°06'26"W 25.7'; thence S26°24'58"E 89.3'; thence S76°00'25"W 13.6' to End of Project ending at the separator for the UP&L #24-57 well. The length of this road easement is 45.46 Rods.

- F. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the SE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 14, T18S-R7E (D&D Curtis #14-54 well):

BEGINNING at a point in the NE $\frac{1}{4}$ Section 14, T18S-R7E which bears N38°58'35"W 959.04' from the East $\frac{1}{4}$ corner of said Section 14; thence N51°04'38"W 44.80'; thence N76°48'55"W 64.62'; thence S82°33'25"W 59.82' to a point in the NE $\frac{1}{4}$ of said Section 14 which bears N44°14'33"W 1,089.77' from the East $\frac{1}{4}$ of said Section 14. Also, BEGINNING at a point in the NE $\frac{1}{4}$ Section 14, T18S-R7E which bears N39°30'47"W 1,002.90' from the East $\frac{1}{4}$ corner of said Section 14; thence N30°29'22"W 145.62'; thence N13°30'44"W 106.02' to a point in the NE $\frac{1}{4}$ of said Section 14 which bears N36°19'07"W 1,243.94' from the East $\frac{1}{4}$ of said Section 14. The length of this road easement is 25.51 Rods.

- G. A fifty-foot wide easement, twenty-five feet on each side of the following described centerlines located in Section 1, T17S-R7E, and Sections 6 and 7, T17S-R8E (UP&L #6-102, #6-103, #6-104 and #7-105 wells):

BEGINNING at a point 50.509 rods South and 197.454 rods East of the Northwest corner of Section 7, T17S-R8E, said point being the property line; thence running S87°17'03"W 9.645 rods; thence N76°01'51"W 9.264 rods; thence N67°43'23"W 3.750 rods; thence S20°03'05"W 5.278 rods; thence S11°48'32"E 5.339 rods; thence S31°01'03"W 5.739 rods; thence S28°24'28"W 35.304 rods; thence S39°32'29"W 19.037 rods; thence S24°09'29"W 14.964 rods; thence S55°26'10"W 25.702 rods; thence S76°41'44"W 23.157 rods; thence N45°52'44"W 20.702 rods; thence N23°57'30"W 6.917 rods; thence N42°39'13"W 5.950 rods; thence N63°46'30"W 4.214 rods; thence N70°52'48"W 4.824 rods; thence N77°43'22"W 4.727 rods; thence N89°49'05"W 4.960 rods; thence S59°19'38"W 24.136 rods; thence N22°49'24"W 6.504 rods; thence N28°25'53"E 5.420 rods; thence N39°52'44"E 21.505 rods; thence N33°15'42"E 23.154 rods, more or less, to the intersection of an existing UP&L Ash Haul Road; AND BEGINNING at a point on existing road 77.822 rods South and 59.111 rods East of the Northwest corner of Section 7, T17S-R8E, said point being on the centerline of the existing Ash Haul Road, thence running N46°03'14"W 76.102 rods; thence N37°20'57"W 26.688 rods; thence N02°22'49"W 26.354 rods; thence N34°02'50"E 64.241 rods; thence N11°22'49"E 29.422 rods; thence N21°00'32"E 38.242 rods; thence N27°37'35"W 23.631 rods; thence N59°33'54" W 22.147 rods; thence N68°41'49"W 32.767 rods; thence N73°46'53" W 17.012 rods; thence S62°28'23"W 12.513 rods; thence N89°55'40"W 12.028 rods; thence N62°09'43"W 16.848 rods; thence N22°53'30"W 20.247 rods; thence N43°19'20"W 24.536 rods; thence N27°54'52"W 32.711 rods; thence N43°15'20"W 16.005 rods, more or less, to a point at the contractor's gate within the NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 1, T17S-R7E; AND BEGINNING at a point on the South ROW line of State Road 31, being 34.873 rods South and 55.072 rods West of the East quarter corner of Section 6, T17S-R8E, thence running S73°03'29"W 11.838 rods; thence S65°26'38"W 8.433 rods; thence S47°38'26"W 5.788 rods; thence S35°41'21"W 20.828 rods; thence S47°21'49"W 8.422 rods; thence S29°30'42"W 15.537 rods, more or less, to a point on the ROW line of the main gas line in Section 6, T17S-R8E. The length of these road easements is 852.532 Rods.

- H. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the NE $\frac{1}{4}$ Section 1, T17S-R7E:

BEGINNING at a point on proposed well pad 01-101, said point being 46.068 rods north and 34.310 rods west from the east quarter corner of Section 1, T17S-R7E, thence running S70°17'18"E, 4.257 rods; thence S28°12'42"E, 20.981 rods; thence S36°55'45"E, 8.325 rods more or less to a point on an existing ROW of well 07-106. The length of this road easement is 33.563 Rods.

- I. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the NW $\frac{1}{4}$ Section 1, T17S-R7E:

BEGINNING at a point on the east ROW of County Road 304, said point being 162.094 rods south and 65.709 rods east from the northwest corner of Section 1, T17S-R7E, thence running S50°37'39"E, 4.724 rods; thence N71°35'41"E, 10.620 rods; thence N52°31'53"E, 4.072 rods more or less to a point on proposed well 01-140. The length of this road easement is 19.416 Rods.

- J. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the SE $\frac{1}{4}$ Section 1, T17S-R7E:

BEGINNING at a point on the proposed well pad for well 01-141, said point being 43.442 rods north and 70.950 rods west from the southeast corner of Section 1, T17S-R7E, thence running S30°36'30"W, 17.190 rods more or less to a point on a proposed ROW line. The length of this road easement is 17.190 Rods.

- K. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the SE $\frac{1}{4}$ Section 1, T17S-R7E:

BEGINNING at a point on the east line of proposed ROW, said point being 26.596 rods north and 79.156 rods west from the southeast corner of Section 1, T17S-R7E, thence running S66°18'14"E, 11.716 rods; thence S81°46'34"E, 11.187 rods; thence N70°02'21"E, 5.716 rods; thence N19°28'26"E, 4.255 rods; thence N17°17'14"W, 15.545 rods; thence N04°21'09"W, 15.727 rods; thence N34°02'02"E, 14.347 rods; thence N13°32'43"E, 14.707 rods; thence N06°17'53"W, 3.568 rods; thence N52°40'00"W, 5.484 rods; thence S79°18'42"W, 1.084 rods; thence S04°05'16"E, 1.222 rods; thence S47°45'57"E, 3.804 rods; thence S03°58'58"E, 3.026 rods; thence S21°45'34"W, 11.787 rods; thence S47°25'14"W, 18.747 rods; thence S34°58'22"W, 3.402 rods more or less to a point on the north side of proposed well pad 01-141. The length of this road easement is 145.324 Rods.

- L. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the SE $\frac{1}{4}$ Section 1, T17S-R7E:

BEGINNING at a point on the south line of proposed ROW line, said point being 26.039 rods north and 81.246 rods west from the southeast corner of Section 1, T17S-R7E, thence running S30°36'30"W, 4.034 rods more or less to a point on the north line of a proposed ROW. The length of this road easement is 4.034 Rods.

- M. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the SE $\frac{1}{4}$ Section 1, T17S-R7E:

BEGINNING at a point on the south line of an existing ROW, said point being 36.433 rods north and 7.190 rods west from the southeast corner of Section 1, T17S-R7E, thence running S18°19'10"W, 16.028 rods; thence S37°07'10"W, 12.958 rods; thence S56°19'44"W, 10.618 rods; thence S89°28'16"W, 28.584 rods; thence N73°47'10"W, 10.269 rods; thence N51°12'23"W, 26.676 rods; thence N32°00'18"W, 3.488 rods; thence N68°29'49"E, 6.084 rods; thence S59°04'51"E, 2.688 rods more or less to a point on the west line of a proposed ROW. The length of this road easement is 117.393 Rods.

- N. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the NW¼ Section 6, T17S-R8E:

BEGINNING at a point on the existing ROW of well 07-106, said point being 2.312 rods north and 22.165 rods east from the west quarter corner of Section 6, T17S, R8E, SLB&M, thence running N73°13'39"E, 11.906 rods; thence N43°23'37"E, 9.584 rods; thence N37°55'11"E, 24.155 rods; thence N54°45'57"E, 6.976 rods; thence N72°31'52"E, 7.683 rods; thence S87°56'19"E, 4.849 rods; thence N68°39'03"E, 21.874 rods more or less to a point on the south line of an existing ROW. The length of this road easement is 87.027 Rods.

- O. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the NW¼ Section 6, T17S-R8E:

BEGINNING at a point on the north line of a proposed ROW, said point being 21.069 rods north and 44.476 rods east from the west quarter corner of Section 6, T17S-R8E, thence running N56°17'54"W, 2.701 rods; thence N12°30'34"E, 3.502 rods; thence N46°41'37"E, 17.286 rods; thence N61°29'24"E, 6.560 rods; thence N23°07'37"E, 11.673 rods; thence N59°47'44"E, 3.527 rods; thence S78°36'29"E, 7.706; thence S29°28'57"E, 10.203 rods more or less to a point on the north line of a proposed ROW. The length of this road easement is 63.158 Rods.

- P. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the NW¼ Section 6, T17S-R8E:

BEGINNING at a point on the south line of a proposed ROW, said point being 21.150 rods north and 83.049 rods east from the west quarter corner of Section 6, T17S-R8E, thence running S29°28'57"E, 9.512 rods; thence N56°34'33"E, 2.594 rods; thence N07°36'14"E, 1.908 rods; thence N17°27'59"W, 7.136 rods more or less to a point on the south line of a proposed ROW. The length of this road easement is 21.150 Rods.

- Q. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the NW¼ Section 6, T17S-R8E:

BEGINNING at a point on the north line of a proposed ROW, said point being 45.150 rods north and 98.102 rods east from the west quarter corner of Section 6, T17S-R8E, thence running N17°27'59"W, 2.344 rods; thence N16°29'32"E, 2.834 rods more or less to a point on the south line of the main line ROW. The length of this road easement is 5.178 Rods.

- R. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the NE $\frac{1}{4}$ Section 35 and NW $\frac{1}{4}$ Section 36, T16S-R7E:

BEGINNING at a point on the south property line of UP&L, said line being the south line of the SE $\frac{1}{4}$ of the NE $\frac{1}{4}$ Section 35, T16S-R7E, said point being 0.325 rods north and 23.155 rods west from the west quarter corner of said Section 36, thence running N53°17'30"E, 28.904 rods; thence N48°00'16"E, 13.198 rods; thence N46°18'17"E, 38.255 rods; thence N21°14'23"E, 4.156 rods; thence N32°37'47"W, 2.353 rods more or less to a point on the east side of proposed well pad 36-138. The length of this road easement is 86.866 Rods.

- S. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the NW $\frac{1}{4}$ Section 36, T16S-R7E:

BEGINNING at a point on the east ROW line of a proposed ROW, said point being 57.058 rods north and 39.612 rods east from the west quarter corner of said Section 36, T16S-R7E; thence running N83°44'43"E, 5.442 rods; thence S86°17'15"E, 4.563 rods; thence S57°47'58"E, 17.899 rods; thence S80°34'01"E, 12.425 rods; thence S55°23'33"E, 7.379 rods; thence S21°30'44"E, 35.640 rods; thence S14°43'36"W, 36.227; thence S34°16'21"E, 4.038 rods more or less to the pipeline tie-in. The length of this road easement is 123.613 Rods.

- T. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the NW $\frac{1}{4}$ Section 36, T16S-R7E:

BEGINNING at a point on the east side of proposed well pad 36-139, said point being 37.868 rods south and 57.352 rods east from the west quarter corner of said Section 36, T16S-R7E; thence running N66°47'51"E, 22.015 rods more or less to a point on the west line of a proposed ROW. The length of this road easement is 22.015 Rods.

- U. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the NW $\frac{1}{4}$ Section 36, T16S-R7E:

BEGINNING at a point on the south line of a proposed ROW, said point being 29.861 rods south and 89.379 rods east from the west quarter corner of said Section 36, T16S-R7E; thence running S34°16'21"E, 8.758 rods; thence S28°05'05"E, 62.692 rods; thence S05°58'54"W, 14.506 rods; thence S26°26'08"W, 19.865 rods; thence S34°32'08"E, 8.009 rods; thence S81°23'15"E, 33.318 rods; thence N89°16'37"E, 19.504 rods; thence S82°19'15"E, 47.737 rods; thence N74°39'50"W, 5.675 rods more or less to a point on the west ROW line of County Road 304. The length of this road easement is 220.064 Rods.

- V. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 31, T16S-R8E:

BEGINNING at a point on the east property line of the State of Utah, said point being 889.69' North and 870.68' East of the Southwest corner of said Section 31; thence running S48°58'30"E, 22.52'; thence S84°58'33"E, 135.83'; thence S68°47'14"E, 105.04'; thence S78°33'59"E, 61.44'; thence N51°37'12"E, 152.81'; thence N69°20'54"E, 243.31', more or less to a point on the east property line of Utah Power & Light, said

point being 933.51' North and 1,528.59' East of the Southwest corner Section 31, T16S-R8E. The length of this road easement is 43.694 Rods.

- W. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 5, T17S-R8E:

BEGINNING at a point N89°54'31"W along the Section line, 33.972 rods from the North quarter corner of said Section 5 to the point of beginning, said point being on the North line of said Section 5; thence running S23°44'54"E, 26.762 rods; thence S08°25'47"E, 26.734 rods; thence S76°15'00"E, 1.838 rods; thence S64°22'33"E, 9.610 rods; thence S46°04'52"E, 6.367 rods; thence S35°01'41"W, 9.431 rods; thence S53°38'13"W, 25.612 rods, more or less to a point on the South line of the NE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 5, T17S-R8E, said point being 79.981 rods South and 29.770 rods West of the North quarter corner of said Section 5. The length of this road easement is 106.354 Rods.

- X. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 7, T17S-R8E:

BEGINNING at a point located on an existing ROW, said point being 107.664 rods South and 37.309 rods East from the Northwest corner of said Section 7; thence running N70°06'51"W, 9.744 rods; thence N79°40'12"W, 5.657 rods; thence S75°09'44"W, 8.955 rods; thence S26°50'03"W, 17.647 rods; thence S08°19'22"W, 13.438 rods; thence S01°13'43"E, 13.818 rods, more or less to a point on the South property line, said point being 148.485 rods South and 4.310 rods East of the Northwest corner of said Section 7. The length of this road easement is 69.259 Rods.

- Y. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the SE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 23, T18S-R7E:

BEGINNING at a point located 999.78' North and 219.42' West from the East quarter corner of said Section 23; thence running N34°31'56"W, 44.06' more or less to a point located 1036.08' North and 244.40' West from the East Quarter corner of Section 23, T18S-R7E. The length of this road easement is 2.67 Rods.

- Z. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the SE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 23, T18S-R7E:

BEGINNING at a point located 999.78' North and 219.42' West from the East quarter corner of said Section 23; thence running S29°29'50"W, 70.46'; thence S84°54'08"W, 64.34'; thence N90°00'W, 588.04'; thence S75°23'50"W, 166.00 more or less to a point located 993.08' North and 994.22' West from the East Quarter corner of Section 23, T18S-R7E. The length of this road easement is 53.869 rods.

- AA. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ Section 23, T18S-R7E:

BEGINNING at a point located 657.81' North and 1332.57' West from the East quarter corner of said Section 23; thence running S46°42'28"W, 34.09'; thence S13°27'29"W, 87.11'; thence S13°27'29"W 87.11'; thence S47°08'02"W, 229.26'; thence S57°06'36"W, 263.07'; thence S69°01'33"W, 198.09'; thence S49°08'36"W, 248.57'; thence S81°42'15"W, 73.16'; thence S39°58'29"W, 26.65' more or less to a point located 13.53'

South and 2229.03' West from the East Quarter corner of Section 23, T18S-R7E. The length of this road easement is 70.30 rods.

- AB. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the NE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 36, T16S-R7E:

BEGINNING at a point on proposed well site 36-138, said point being 134.975 rods North and 64.044 rods West of the southeast corner of said Section 36; thence running S69°44'05"W, 9.796 rods more or less to a point on the North ROW line of SR 31. The length of this road easement is 9.796 rods.

Added to Description: Amendment 1 (September 2005)

- AC. BEGINNING at a point on the east ROW of County Road 304, said point being 59.549 rods south and 29.621 rods east from the north quarter corner of Section 1, T17S, R7E, SLB&M, thence running S59°22'46"E, 12.479 rods; thence S37°55'53"E, 36.794 rods; thence S88°38'16"E, 2.942 rods, more or less, tying into an existing access corridor. The length of this road easement is 52.215 rods.

- AD. BEGINNING at a point on the east ROW of County Road 304, said point being 162.094 rods south and 65.709 rods east from the northwest corner of Section 1, T17S, R7E, SLB&M, thence running S50°37'39"E, 4.724 rods; thence N71°35'41"E, 10.620 rods; thence N52°31'53"E, 4.072 rods, more or less, to a point on proposed well 01-140. The length of this road easement is 19.416 rods.

Added to Description: Amendment 3 (July 2007)

- AE. (State 16-8-31-13.) (UP&L Surface Use) (P.O.B. #1) A 50' R.O.W. located in the SW/4 of the SW/4, of Section 31, T16S, R8E, Salt Lake Base and Meridian, Emery County, Utah. Beginning at a point being 1331.05' North, and 920.36' East of the Southwest Section Corner of said Section 31; thence running S27°56'29"W, 19.689 Rods (324.86'); more or less to a point on the Northeast R.O.W. line of SR 31. (Length = 324.86')(19.689 Rods)(0.37 Acres)
- AF. (UP&L 17-7-1-31) (P.O.B. #2) A 50' R.O.W. located in the NW/4 of the NE/4 of Section 1, T17S, R7E, S.L.B.&M., Emery County, Utah. Being 25' on each side of the following described centerline: Beginning at a point located 110.09' South, and 868.88' East from the North Quarter corner of said Section 1; thence running N89°20'19"E, 3.080 Rods (50.82'); Thence N71°53'47"E, 4.887 Rods (80.64'); Thence N54°42'18"E, 3.493 Rods (57.63'); Thence N69°33'09"E, 6.042 Rods (99.69'); more or less to the edge of an existing XTO Energy ROW. (Length = 288.78')(17.502 Rods)(0.33 Acres)
- AG. (UP&L 17-8-5-11) (P.O.B. #2) A 50' R.O.W. located in the NW/4 of the NW/4 and the SW/4 of the NW/4 of Section 5, T17S, R8E, S.L.B.&M., Emery County, Utah. Being 25' on each side of the following described centerline: Beginning at a point located 775.82' South, and 425.92' East from the Northwest corner of said Section 5; thence running S13°40'56"E, 1.702 Rods (28.08'); Thence S59°30'50"E, 43.981 Rods (725.69'); Thence S45°11'17"E, 6.734 Rods (111.11'); Thence S00°20'38"W, 59.575 Rods (982.98'); more or less to the edge of existing Emery County Road 303 (Berma Road). (Length = 1,847.86')(111.992 Rods)(2.12 Acres)

- AH. (UP&L 17-8-7-11) (P.O.B. #2) A 50' R.O.W. located in the NW/4 of the NW/4 and the SW/4 of the NW/4 of Section 7, T17S, R8E, S.L.B.&M., Emery County. Utah. Being 25' on each side of the following described centerline: Beginning at a point located 852.35' South, and 333.36' East from the Northwest corner of said Section 7; thence running N69°01'59"W, 1.924 Rods (31.74'); Thence S76°42'03"W, 4.458 Rods (73.55'); Thence S35°18'48"W, 4.853 Rods (80.07'); Thence S08°02'41"E, 3.638 Rods (60.03'); Thence S36°40'05"E, 10.196 Rods (168.24'); Thence S21°20'10"E, 4.841 Rods (79.87'); Thence S04°33'14"E, 14.784 Rods (243.93'); Thence S14°49'27"W, 8.404 Rods (138.67'); Thence S04°54'48"W, 7.902 Rods (130.38'); more or less to the edge of an existing XTO Energy ROW. (Length = 1,006.48')(61.00 Rods)(1.16 Acres)
- AI. (UP&L 16-7-36-24D) (P.O.B. #2) A 50' R.O.W. located in the SW/4 of the SE/4 of Section 36, T16S, R7E, S.L.B.&M., Emery County. Utah. Being 25' on each side of the following described centerline: Beginning at a point located 1182.55' North, and 410.73' East from the South Quarter Corner of said Section 36; thence running S82°46'16"E, 7.734 Rods (127.61'); Thence N85°10'16"E, 4.233 Rods (69.85'); Thence S83°14'03"E, 3.547 Rods (58.52'); more or less to the edge of an existing XTO Energy Right of Way. (Length = 255.99')(15.514 Rods)(0.29 Acres)
- AJ. (UP&L 16-7-36-44) (P.O.B. #1) A 50' R.O.W. located in the NW/4 of the SE/4, the NE/4 of the SE/4 and the SE/4 of the SE/4 of Section 36, T16S, R7E, S.L.B.&M., Emery County. Utah. Being 25' on each side of the following described centerline: Beginning at a point located 1273.99' North, and 1929.55' West from the Southeast corner of said Section 36; thence running N66°15'49"E, 7.346 Rods (121.21'); Thence N73°48'16"E, 7.035 Rods (116.07'); Thence N80°00'59"E, 16.295 Rods (268.87'); Thence S79°02'55"E, 11.487 Rods (189.53'); Thence S24°58'26"E, 8.410 Rods (138.77'); Thence S04°04'06"E, 2.476 Rods (40.85'); thence S26°28'26"E, 1.790 Rods (29.53'); Thence S55°20'09"E, 6.613 Rods (109.11'); Thence S35°33'11"E, 8.417 Rods (138.88') more or less to the edge of an existing XTO Energy ROW. (Length = 1,152.82')(69.869 Rods)(1.32 Acres)
- AK. (UP&L 17-8-6-14D) (P.O.B. #2) A 50' R.O.W. located in the SE/4 of the SW/4 of Section 6, T17S, R8E, S.L.B.&M., Emery County. Utah. Being 25' on each side of the following described centerline: Beginning at a point located 716.25' North, and 670.51' West from the South Quarter Corner of said Section 6; thence running S64°05'16"E, 1.643 Rods (27.11'); Thence S72°12'54"E, 14.791 Rods (244.05'); more or less to the edge of an existing XTO Energy ROW. (Length = 271.16')(16.434 Rods)(0.31 Acres)
- AL. (UP&L 17-8-6-34) (P.O.B. #2) A 50' R.O.W. located in the SW/4 of the SE/4 of Section 6, T17S, R8E, S.L.B.&M., Emery County, Utah and the NW/4 of the NE/4 and the NE/4 of the NW/4 of Section 7, T17S, R8E, S.L.B.&M., Emery County. Utah. Being 25' on each side of the following described centerline: Beginning at a point located 295.44' North, and 251.13' East from the South Quarter Corner of said Section 6; thence running S29°38'42"W, 19.730 Rods (325.55'); Thence S18°21'17"W, 8.597 Rods (141.85'); Thence S31°42'40"W, 11.686 Rods (192.82'); more or less to the edge of existing XTO Energy ROW. (Length = 660.22')(40.013 Rods)(0.76 Acres)
- AM. N/A
- AN. (Federal 17-7-1-11) (P.O.B. #1) A 50' R.O.W. located in the NE/4 of the NE/4, of Section 1, T17S, R7E, Salt Lake Base and Meridian, Emery County, Utah. Being 25' on

each side of the following described centerline: Beginning at a point being 809.71' South, and 1300.92' East of the Northwest Section Corner of said Section 1; thence running N42°40'18"E, 21.869 Rods (360.84'); thence N59°16'00"E, 8.138 Rods (134.27'); thence S78°37'06"E, 11.851 Rods (195.54'); thence N82°53'28"E, 21.910 Rods (361.52'); to the point of intersection of the following proposed R.O.W.'s. (Length = 1,052.17')(63.768 Rods)(1.21 Acres)

(P.O.B. #2) A 50' R.O.W. located in the NE/4 of the NW/4 of Section 1. T17S, R7E, S.L.B.&M., Emery County, Utah, the SE/4 of the SW/4, and the SW/4 of the SE/4 of Section 36, T16S, R7E, S.L.B.&M., Emery County, Utah. Being 25' on each side of the following described centerline: Beginning at a point located 473.75' South, and 427.92' West from the North Quarter Corner of said Section 1; thence running N66°21'18"E, 19.675 Rods (324.64'); Thence S79°23'34"E, 5.614 Rods (92.63'); Thence N28°32'18"E, 5.832 Rods (96.23'); Thence N53°56'38"W, 6.794 Rods (112.10'); Thence N27°57'17"W, 8.114 Rods (133.88'); N34°14'56"E, 8.415 Rods (138.85'); Thence N79°22'31"E, 8.993 Rods (148.38'); Thence N61°36'41"E, 8.141 Rods (134.32'); Thence S83°54'07"E, 21.337 Rods (352.06') more or less to the edge of a proposed Surface Use parcel for XTO Energy. (Length = 1,533.09')(92.915 Rods)(1.76 Acres)

(P.O.B. #3) A 50' R.O.W. located in the NE/4 of the NW/4 and the SE/4 of the NW/4 of Section 1, T17S, R7E, S.L.B.&M., Emery County, Utah, Being 25' on each side of the following described centerline: Beginning at a point located 473.75' South, and 427.92' West from the North Quarter Corner of said Section 1; thence running S31°57'33"E, 2.072 Rods (34.18'); Thence S14°09'32"W, 7.512 Rods (123.94'); Thence S58°22'03"W, 9.753 Rods (160.93'); Thence S47°05'31"W, 10.764 Rods (177.61'); Thence S01°38'15"W, 1.329 Rods (21.92'); S89°11'22"E, 7.928 Rods (130.81'); Thence S28°28'42"E, 2.349 Rods (38.75'); Thence S83°01'09"W, 8.747 Rods (144.33'); Thence S45°33'48"W, 3.225 Rods (53.21'); Thence S11°14'22"W, 7.737 Rods (127.66'); Thence S75°44'11"E, 8.570 Rods (141.41'); Thence S18°17'02"W, 11.327 Rods (186.89'); Thence S28°09'46"E, 15.261 Rods (251.80'); Thence S52°52'31"E, 28.532 Rods (470.77') more or less to the edge of an existing XTO Energy R.O.W. (Length = 2,064.21')(125.104 Rods)(2.37 Acres)

Added to Description: Amendment 4 (November 2007)

AO. (POB #1) A 15' R.O.W. as an extension to the east of an existing Road Easement for XTO Energy Inc. located in the SE/4 of the SE/4 of Section 1, T17S, R7E, S.L.B.&M., and the SW/4 of the SW/4, the NW/4 of the NW/4 of the SW/4, and the SW/4 of the NW/4 of Section 6, T17S, R8E, S.L.B.&M., Emery County, Utah. Being 7.5' on each side of the following described centerline: Beginning at a point located 390.53' North, and 165.87' West from the Southeast corner of said Section 1; thence running N02°22'49"W, 25.085 Rods (413.90'); Thence N34°02'50"E, 63.988 Rods (1055.80'); Thence N11°22'49"E, 29.651 Rods (489.24'); Thence N21°00'32"E, 38.966 Rods (642.94'); Thence N27°37'35"W, 25.085 Rods (413.91'); Thence N59°33'54"W, 8.690 Rods (143.38'); Thence N59°33'54"W, 14.178 Rods (233.94'); Thence N68°41'49"W, 14.642 Rods (241.60'), more or less to the edge of a proposed XTO Energy Inc. R.O.W. Length = 3,634' (220.285 Rods) (1.25 Acres)

Added to Description: Amendment 5 (March 2008)

AP. (P.O.B. #2) A 50' R.O.W. located in the SW/4 of the NE/4 and the NE/4 of the SE/4 of Section 1, T17S, R7E, S.L.B.&M., Emery County, Utah. Being 25' on each side of the following described centerline: Beginning at a point located 1558.72' North, and 2021.78'

West from the Southeast corner of said Section 1; thence running S66°01'02"W, 6.338 Rods (104.58'); Thence N74°28'58"W, 4.547 Rods (75.02'); Thence S41°05'25"W, 5.862 Rods (96.73'); Thence S29°47'25"W, 34.003 Rods (561.05'); Thence S04°48'29"E, 5.402 Rods (89.13'); Thence S33°32'33"E, 12.584 Rods (207.64'); Thence S59°48'55"E, 6.573 Rods (108.45'); Thence S80°06'04"E, 13.058 Rods (215.45'); Thence S56°16'16"E, 27.239 Rods (449.45'); Thence S41°35'58"E, 21.047 Rods (347.27'); Thence S18°21'15"E, 4.891 Rods (80.70'); more or less to the edge of an existing XTO Energy R.O.W. (Length = 2,335.47' (141.544 Rods) 2.68 Acres.

- AQ. (P.O.B. #2) A 50' R.O.W. located in the NW/4 of the NE/4, the SW/4 of the NE/4 and the SE/4 of the NE/4 of Section 6, T17S, R8E, S.L.B.&M., Emery County, Utah. Being 25' on each side of the following described centerline: Beginning at a point located 1287.28' South, and 436.24' East from the North quarter corner of said Section 6; thence running S10°10'15"E, 12.712 Rods (209.73'); Thence S55°16'44"E, 8.572 Rods (141.44'); Thence S34°41'12"E, 16.757 Rods (276.49'); Thence S62°09'04"E, 17.537 Rods (289.36'); Thence S53°53'44"E, 17.984 Rods (296.74'); Thence S71°48'43"E, 13.636 Rods (225.00'); Thence S17°37'26"W, 9.572 Rods (157.94') more or less to the North Right-of-Way Line of SR 31. Length = 1,596.70' (96.770 Rods) 1.83 Acres

III. PIPELINE EASEMENTS:

- A. A fifty-foot wide easement across the following described PacifiCorp Property located in Emery County, Utah:

Township 18 South, Range 8 East, SLB&M
Section 31: NW $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$

Township 18 South, Range 7 East, SLB&M
Section 23: NE $\frac{1}{4}$
Section 24: NW $\frac{1}{4}$

The length of this pipeline easement is 242.18 Rods.

- B. A fifty-foot wide easement across the following described PacifiCorp Property located in Emery County, Utah:

Township 18 South, Range 7 East, SLB&M
Section 14: SE $\frac{1}{4}$
Section 23: NE $\frac{1}{4}$ NE $\frac{1}{4}$
Section 24: NW $\frac{1}{4}$ NW $\frac{1}{4}$

The length of this pipeline easement is 189.00 Rods.

- C. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in Section 36, T16S-R7E, Section 31, T16S-R8E and Section 6, T17S-R8E:

BEGINNING at a point on the South ROW line, being 9.866 rods South and 174.095 rods East of the West quarter corner of Section 36, T16S-R7E, thence running S21°13'52"W 3.805 rods; thence S63°52'13"E 22.429 rods; thence S56°41'37"E 33.612 rods; thence S38°32'58"E 3.942 rods; thence N75°57'53"E 14.852 rods; thence S83°48'43"E 22.449 rods; thence S71°12'25"E 21.440 rods; thence S52°16'43"E 6.185 rods; thence S60°33'50"E 12.553 rods; thence S46°12'24"E 26.647 rods; thence S50°46'01"E 6.337 rods; thence S57°46'35"E 14.799 rods; thence S33°36'34"E 24.335 rods; thence S23°43'27"E 24.044 rods; thence S35°17'57"E 13.875 rods; thence S16°56'18"E 66.431 rods; thence S14°22'05"W 6.764 rods; thence S11°37'29"E 38.376 rods; thence S52°37'04"E 26.446 rods; thence S38°10'14"E 102.339 rods; thence S30°08'39"E 25.711 rods; thence S50°02'54"E 16.533 rods; thence S57°52'31"E 50.187 rods; thence S35°36'36"E 38.547 rods; thence S34°35'32"E 12.918 rods; thence S47°44'06"E 9.551 rods; thence S38°15'45"E 8.475 rods; thence S62°42'48"E 5.407 rods; thence S51°40'18"E 13.970 rods; thence S56°58'06"E 5.827 rods; thence S70°12'23"E 9.506 rods, more or less, to a point on the property line, said property line also being the South section line of Section 6, T17S-R8E. The length of this pipeline easement is 688.292 Rods.

Added to Description: Amendment 1 (September 2005)

- D. (P.O.B. #1) A fifty-foot (50') easement, being twenty-five feet (25') on each side of the following described centerline located in THE NW/4 OF THE SE/4, THE NE/4 OF THE SE/4 AND THE SE/4 OF THE SE/4 OF SECTION 36, T16S, R7E, EMERY COUNTY, UTAH, S.L.B.&M., AND THE SW/4 OF THE SW/4 OF SECTION 31, T17S, R8E, EMERY COUNTY, UTAH, S.L.B.&M.: BEGINNING AT A POINT ON THE SOUTH

R.O.W. LINE BEING 9.866 RODS SOUTH, AND 174.095 RODS EAST OF THE WEST QUARTER CORNER OF SAID SECTION 39, THENCE RUNNING S21°13'52"W, 3.805 RODS; THENCE S63°52'13"E, 22.429 RODS; THENCE S56°41'37"E, 33.612 RODS; THENCE S38°32'58"E, 3.942 RODS; THENCE N75°57'53"E, 14.852 RODS; THENCE S83°48'43"E, 22.449 RODS; THENCE S71°12'25"E, 21.440 RODS; THENCE S52°16'43"E, 6.185 RODS; THENCE S60°33'50"E, 12.553 RODS; THENCE S46°12'24"E, 26.647 RODS; THENCE S50°46'01"E, 6.337 RODS; THENCE S57°46'35"E, 14.799; THENCE S33°36'34"E, 24.335 RODS, A 80' SRTIP ACROSS THE SW/4 OF THE SW/4 OF SECTION 31, T17S, R8E, EMERY COUNTY, UTAH, S.L.B.&M., THE NW/4 OF THE NW/4, THE SW/4 OF THE NW/4, THE SE/4 OF THE NW/4, THE NW/4 OF THE SW/4, THE NW/4 OF THE SE/4, THE SW/4 OF THE SE/4 AND THE SE/4 OF THE SE/4 OF SECTION 6, T17S, R8E, EMERY COUNTY, UTAH, S.L.B.&M., BEING 25' ON THE SOUTH SIDE AND 55' ON THE NORTH SIDE OF THE FOLLOWING DESCRIBED LINE: THENCE S23°43'27"E, 24.004 RODS; THENCE S35°17'57"E, 13.875 RODS; THENCE S16°56'18"E, 66.431 RODS; THENCE S14°22'05"W, 6.764 RODS; THENCE S11°37'29"E, 38.376 RODS; THENCE S52°37'04"E, 26.446 RODS; THENCE S38°10'14"E, 102.339 RODS, THENCE S30°08'39"E, 25.711 RODS; THENCE S50°02'54"E, 16.533 RODS; THENCE S57°52'31"E, 50.187 RODS; THENCE S35°36'36"E, 38.547 RODS; THENCE S34°35'32"E, 12.918 RODS; THENCE S47°44'06"E, 9.551 RODS; THENCE S38°15'45"E, 8.475'; THENCE S62°42'48"E, 5.407 RODS; THENCE S51°40'18"E, 13.970 RODS; THENCE S56°58'06"E, 5.827 RODS; THENCE S70°12'23"E, 9.506 RODS; TO A POINT ON THE SOUTH PROPERTY LINE OF UP&L, SAID PROPERTY LINE ALSO BEING THE SOUTH PROPERTY LINE OF SECTION 6, T17S, R8E, S.L.B.&M.

Existing R.O.W. 11,356.16' (688.252 Rods) 13.03 Acres

R.O.W. Extension 7835.31' (474.867 Rods) 5.40 Acres

- E. (P.O.B. #2) An eighty foot (80') easement, being fifty-five feet (55') on the Northwest side and twenty-five feet (25') on the Southeast side of the following described centerline located in THE NE/4 OF THE SE/4, THE NW/4 OF THE OF THE SE/4, AND THE SW/4 OF THE SE/4 OF SECTION 6, T17S, R8E, EMERY COUNTY, UTAH, S.L.B.&M.; BEGINNING AT A POINT ON THE SOUTH R.O.W. LINE OF STATE ROAD 31, BEING 6.904 RODS SOUTH, AND 76.647 RODS WEST OF THE EAST QUARTER CORNER OF SAID SECTION 6, THENCE RUNNING S53°33'39"W, 7.024 RODS; THENCE S26°33'15"E, 3.844 RODS; THENCE S05°32'37"E, 5.713 RODS; THENCE S02°52'12"W, 9.195 RODS; THENCE S11°11'22"W, 4.964 RODS; THENCE S01°14'55"W, 6.895 RODS, THENCE S54°54'21"E, 5.718 RODS; THENCE S41°54'43"W, 2.121 RODS; THENCE S34°57'42"W, 14.862 RODS; THENCE S39°14'49"W, 5.751 RODS; THENCE S47°21'49"W, 8.422 RODS; THENCE S29°13'53"W, 15.541 RODS; MORE OR LESS TO A POINT ON THE EXISTING R.O.W. OF THE MAIN GAS LINE.

Existing R.O.W. 1,485.83' (90.050 Rods) 1.71 Acres

R.O.W. Extension 1,485.83' (90.050 Rods) 1.02 Acres

- F. (P.O.B. #5) An eighty foot (80') easement, being twenty-five feet (25') on the east side and fifty-five feet (55') on the west side of the following described centerline located in THE NE/4 OF THE SW/4, AND THE SE/4 OF THE SW/4 OF SECTION 6, T17S, R8E, EMERY COUNTY, UTAH, S.L.B.&M., THE NE/4 OF THE NW/4 AND THE NW/4 OF THE NE/4 OF SECTION 7, T17S, R8E, EMERY COUNTY, UTAH, S.L.B.&M.; BEGINNING AT A POINT ON WELL SITE 06-103, BEING 41.797 RODS SOUTH, AND

122.543 RODS EAST OF THE WEST QUARTER CORNER OF SECTION 6, T17S, R8E, S.L.B.&M.; THENCE RUNNING S32°20'13"E, 10.154 RODS; THENCE S27°33'41"W, 14.655 RODS; THENCE S37°36'43"W, 5.294 RODS; THENCE S14°24'48"W, 7.091 RODS; THENCE S37°10'33"W, 9.212 RODS; THENCE S10°48'44"W, 6.250 RODS; THENCE S13°06'08"E, 8.828 RODS; THENCE S51°02'11"E, 13.401 RODS; THENCE S08°53'18"E, 5.954 RODS; THENCE S50°05'20"E, 7.684 RODS; THENCE S32°26'04"E, 15.884 RODS; THENCE S05°50'53"E, 16.692; THENCE S13°34'05"E, 27.161 RODS; THENCE S40°49'55"E, 14.075 RODS; THENCE S23°42'29"E, 4.329 RODS; THENCE S49°12'53"E, 7.355 RODS; THENCE S33°30'28"E, 24.825 RODS; MORE OR LESS TO A POINT ON THE EXISTING ACCESS CORRIDOR TO WELL SITE 07-106.

Existing R.O.W. 2,811.02' (170.365 Rods) 3.23 Acres

R.O.W. Extension 2,811.02' (170.365 Rods) 1.94 Acres

- G. (P.O.B. #6) A one hundred and ten foot (110') easement, being twenty-five feet (25') on the south side and eighty five feet (85') on the north side of the following described centerline located in THE NW/4 OF THE NE/4, THE SW/4 OF THE NE/4, AND THE SE/4 OF THE NW/4 OF SECTION 7, T17S, R8E, EMERY COUNTY, UTAH, S.L.B.&M.; BEGINNING AT A POINT 50.509 RODS SOUTH AND 197.454 RODS EAST OF THE NORTHWEST CORNER OF SAID SECTION 7, SAID POINT BEING THE PROPERTY LINE, THENCE RUNNING S87°17'03"W, 9.645 RODS; THENCE N76°01'51"W, 9.264 RODS; THENCE N67°43'23"W, 3.750 RODS; THENCE S20°03'05"W, 5.278 RODS; THENCE S11°48'32"E, 5.339 RODS; THENCE S31°01'03"W, 5.739 RODS; THENCE S28°24'28"W, 35.304 RODS; THENCE S39°32'29"W, 19.037 RODS; THENCE S24°09'29"W, 14.964 RODS; THENCE S55°26'10"W, 25.702 RODS; THENCE S76°41'44"W, 23.157 RODS; A 50' STRIP ACROSS THE SE/4 OF THE NW/4, THE SW/4 OF THE NW/4, AND THE NW/4 OF THE NW/4 OF SECTION 7, T17S, R8E, EMERY COUNTY, UTAH, S.L.B.&M., BEING 25' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE: THENCE N45°52'44"W, 20.702 RODS; THENCE N23°57'30"W, 6.917 RODS; THENCE N42°39'13"W, 5.950 RODS; THENCE N63°46'30"W, 4.214 RODS; THENCE N70°52'48"W, 4.824 RODS; THENCE N77°43'22"W, 4.727 RODS; THENCE N89°49'05"W, 4.960 RODS; THENCE S59°19'38"W, 24.136 RODS; THENCE N22°49'24"W, 6.504 RODS; THENCE N28°25'53"E, 5.420 RODS; THENCE N39°52'44"E, 21.505 RODS; THENCE N33°15'42"E, 23.154 RODS; MORE OR LESS TO THE INTERSECTION ON THE EXISTING UP&L ASH HAUL ROAD.

Existing R.O.W. 2,194.70' (133.012 Rods) 2.52 Acres

R.O.W. Extension 2,194.70' (133.012 Rods) 3.02 Acres

Added to Description: Amendment 2 (March 2006)

- H. A 75' STRIP RUNNING ACROSS THE NW/4 OF THE SE/4 OF SECTION 6, T17S, R8E, EMERY COUNTY, UTAH, S.L.B.&M., BEING 25' ON THE WEST SIDE, AND 50' ON THE EAST SIDE OF THE FOLLOWING DESCRIBED LINE: BEGINNING AT A POINT ON THE SOUTH R.O.W. OF SR 31, SAID POINT BEING 157.832 RODS NORTH, AND 81.321 RODS WEST OF THE SOUTHEAST CORNER OF SAID SECTION 6, THENCE RUNNING S53°52'47"W, 7.466 RODS; THENCE S33°56'15"W, 1.667 RODS; THENCE S30°16'53"E, 8.607 RODS; THENCE S15°53'09"E, 1.984 RODS; THENCE S01°30'35"E, 4.941 RODS; THENCE S16°32'12"W, 5.138 RODS; THENCE S29°17'22"W, 4.455 RODS; THENCE S25°14'14"W, 11.250 RODS; THENCE S25°31'39"W, 39.456 RODS; MORE OR LESS TO A POINT ON THE NORTH R.O.W. LINE OF XTO MAIN LINE EXTENSION R.O.W., SAID POINT BEING 83.177 RODS

NORTH, AND 108.710 RODS WEST FROM THE SOUTHEAST CORNER OF
SECTION 6, T17S, R8E, EMERY COUNTY, UTAH, S.L.B.&M.
R.O.W. Length 1401.89' (84.964 Rods) 2.419 Acres

IV. POWERLINE EASEMENTS:

- A. A twenty-foot easement, ten feet on each side of the following described centerline:

BEGINNING at a point in the NE¼ of Section 23, T18S-R7E which bears N09°28'51"W 1,341.35' from the East ¼ of said Section 23 to the north edge of an existing well named UP&L 23-51; thence N33°09'30"W 171.66'; thence N32°24'04"W 338.18' to the South edge of an existing 50' wide corridor easement. The length of this powerline easement is 30.90 Rods.

- B. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline during installation and a twenty-foot maintenance easement, ten feet on each side of the following described centerline:

BEGINNING at a point in the NE¼ of Section 23, T18S-R7E which bears N35°58'46"W 2,792.33' from the East ¼ of said Section 23 to a point on the north side of an existing 50' wide corridor easement; thence N02°12'07"E 980.83'; thence N61°18'14"E 330.48'; thence N61°36'21"E 318.90' to a point on the Southeast edge of a well pad named UP&L 14-53. The length of this powerline easement is 98.80 Rods.

- C. A fifty-foot easement, twenty-five feet on each side of the following described centerline:

BEGINNING at a point on an existing fence being the west property line of UP&L, said point being 1,696.95 feet South and 4,555.49 feet East from the Northwest corner of Section 14, T18S, R7E, thence running North 77°59'50" East 65.77' more or less, to an existing UP&L power pole on an existing UP&L power line. The length of this powerline easement is 3.986 Rods.

Added to Description: Amendment 1 (September 2005)

- D. (P.O.B. #3) A forty foot (40') easement, being twenty feet (20') on each side of the following described centerline located in THE SW/4 OF THE NW/4, THE SE/4 OF THE NW/4, AND THE NE/4 OF THE SW/4 OF SECTION 6, T17S, R8E, EMERY COUNTY, UTAH, S.L.B.&M.,: BEGINNING AT A POINT ON THE SOUTH SIDE OF A PROPOSED COMPRESSOR SITE, SAID POINT BEING 94.503 RODS SOUTH, AND 71.771 RODS EAST OF THE NORTHWEST CORNER OF SAID SECTION 6, THENCE RUNNING S12°27'28"E, 155.091 RODS; MORE OR LESS TO THE EDGE OF THE PROPOSED R.O.W. EXTENSION.

New R.O.W. 2,559.00' (155.091 Rods) 2.35 Acres

- E. (P.O.B. #4) A thirty foot (30') easement, being fifteen feet (15') on each side of the following described centerline located in THE SW/4 OF THE SE/4 AND THE SE/4 OF THE SE/4 OF SECTION 6, T17S, R8E, EMERY COUNTY, UTAH, S.L.B.&M.,: BEGINNING AT A POINT ON THE NORTH LINE OF THE EXISTING R.O.W., SAID POINT BEING 66.149 RODS NORTH, AND 89.249 RODS WEST OF THE SOUTHEAST CORNER OF SAID SECTION 6, THENCE RUNNING S53°53'29"E, 7.207 RODS; THENCE S38°57'20"E, 23.450 RODS; THENCE S48°44'06"E, 28.922 RODS; THENCE S69°24'47"E, 28.299 RODS, THENCE S43°41'50"E, 9.967 RODS; THENCE S52°14'21"E, 12.139 RODS; MORE OR LESS TO A POINT ON THE SOUTH SECTION LINE OF SECTION 6, T17S, R8E, EMERY COUNTY, UTAH, S.L.B.&M., ALSO BEING THE SOUTH PROPERTY LINE OF UP&L.

New R.O.W. 1,814.75' (109.984 Rods) 1.25 Acres

- F. (P.O.B. #7) A forty foot (40') easement, being twenty feet (20') on each side of the following described centerline located in THE SE/4 OF THE NW/4 OF SECTION 7, T17S, R8E, EMERY COUNTY, UTAH, S.L.B.&M.; BEGINNING AT A POINT ON THE SOUTH SIDE OF AN EXISTING R.O.W. SAID POINT BEING 48.327 RODS NORTH, AND 111.253 RODS EAST FROM THE EAST QUARTER CORNER OF SAID SECTION 7, THENCE RUNNING S44°20'06"E, 63.354 RODS; MORE OR LESS TO A POINT ON THE CENTER SECTION LINE OF SECTION 7, T17S, R8E, EMERY COUNTY, UTAH, S.L.B.&M., ALSO BEING THE SOUTH PROPERTY LINE.
New R.O.W. 1,045.34' (63.354 Rods) 0.96 Acres

V. UTILITY CORRIDORS:

- A. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the NW¼ Section 6, T17S-R8E:

BEGINNING at a point on the proposed well site of the UP&L #6-102, said point being 47.253 rods South and 62.659 rods West of the North quarter corner of Section 6, T17S-R8E, thence running S47°29'50"W 8.652 rods; thence N82°14'38"W 21.706 rods, more or less, to a point on the North ROW line of the proposed main gas line; AND BEGINNING at a point on the South ROW line of the proposed main gas line, said point being 49.110 rods South and 94.035 rods West of the North quarter corner of Section 6, T17S-R8E, thence running N65°14'41"W 18.562 rods; thence N25°07'39"W 18.923 rods; thence N33°44'44"W 8.123 rods; thence N42°29'05"W 23.940 rods; thence N65°49'58"E 6.949 rods; thence N52°06'24"E 12.032 rods; thence N66°31'31"E 4.396 rods; thence N78°09'58"E 6.433 rods, more or less, to a point on the South ROW line of the proposed main gas line; AND BEGINNING at a point on the North ROW line of the proposed main gas line, said point being 15.382 rods North and 45.997 rods East of the Southwest quarter corner of Section 31, T16S-R8E, thence running N60°10'32"E 13.521 rods, more or less, to a point on the South ROW line of S.R. 31; AND BEGINNING at a point on the existing ROW of well #7-106, being 11.204 rods North and 4.470 rods East of the East quarter corner of Section 1, T17S-R7E, thence running N32°16'15"E 35.601 rods; thence N50°54'52"E 16.803 rods; thence S89°39'04"E 11.414 rods; thence N53°06'25"E 22.773 rods to a point on the existing ROW of the proposed ROW of the main gas line. The length of this utility corridor is 229.828 Rods.

- B. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the SW¼ Section 6 and N½ Section 7, T17S-R8E:

BEGINNING at a point on proposed well site of the UP&L #6-103, being 41.797 rods South and 122.543 rods East of the West quarter corner of Section 6, T17S-R8E, thence running S32°20'13"E 10-154 rods; thence S27°33'41"W 14.655 rods; thence S37°36'43"W 5.294 rods; thence S14°24'48"W 7.091 rods; thence S37°10'33"W 9.212 rods; thence S10°48'44"W 6.250 rods; thence S13°06'08"E 8.828 rods; thence S51°02'11"E 13.401 rods; thence S08°53'18"E 5.954 rods; thence S50°05'20"E 7.684 rods; thence S32°26'04"E 15.884 rods; thence S05°50'53"E 16.692 rods; thence S13°34'05"E 27.161 rods; thence S40°49'55"E 14.075 rods; thence S23°42'29"E 4.329 rods; thence S49°12'53"E 7.355 rods; thence S33°30'28"E 24.825 rods, more or less, to a point on the existing access corridor to well site 7-106; AND BEGINNING at a point on proposed well site 6-103, being 10.826 rods South and 133.956 rods East of the West quarter corner of Section 6, T17S-R8E, thence running N44°44'08"E 11.504 rods; thence N32°18'42"E 11.011 rods; thence N27°20'33"E 4.679 rods, more or less, to a point on the existing ROW of the proposed main gas line. The length of this utility corridor is 226.038 Rods.

- C. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the SE¼ Section 6, T17S-R8E:

BEGINNING at a point on the South ROW line of S.R. 31, being 6.904 rods South and 76.647 rods West of the East quarter corner of Section 6, T17S-R8E, thence running S53°33'39"W 7.024 rods; thence S26°33'15"E 3.844 rods; thence S05°32'37"E 5.713 rods; thence S02°52'12"W 9.195 rods; thence S11°11'22"W 4.964 rods; thence S01°14'55"W 6.895 rods; thence S54°54'21"E 5.718 rods; thence S41°54'43"W 2.121

rods; thence S34°57'42"W 14.862 rods; thence S39°14'49"W 5.751 rods; thence S47°21'49"W 8.422 rods; thence S29°13'53"W 15.541 rods, more or less, to a point on the existing ROW of the main gas line. The length of this utility corridor is 90.05 Rods.

- D. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the NE¼ Section 1, T17S-R7E:

BEGINNING at a point on the east ROW of County Road 304, said point being 59.549 rods south and 29.621 rods east from the north quarter corner of Section 1, T17S-R7E, thence running S59°22'46"E, 12.479 rods; thence S37°55'53"E, 36.794 rods; thence S88°38'16"E, 2.942 rods more or less tying into an existing access corridor. The length of this utility corridor is 52.215 Rods.

- E. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the SE¼NW¼ Section 36, T16S-R7E:

BEGINNING at a point on the east ROW line of a proposed ROW, said point being 9.965 rods north and 97.365 rods east from the west quarter corner of said Section 36, T16S-R7E; thence running S74°55'14"E, 19.709 rods; thence N86°07'15"E, 13.924 rods; thence N82°25'56"E, 14.785 rods; thence S52°05'12"E, 15.476 rods; thence S63°34'07"E, 17.379 rods more or less to the west ROW line of the existing main line ROW. The length of this utility corridor is 81.273 Rods.

- F. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the SW¼SW¼ Section 31, T16S-R8E:

BEGINNING at a point on the North ROW line of an existing utility corridor, said point being 812.12' North and 418.47' East from the Southwest corner of said Section 31; thence running N52°51'10"E 90.08', more or less, to a point on the South ROW line of UDOT SR 31. The length of this pipeline easement is 5.459 Rods.

- G. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the NE¼SE¼ Section 36, T16S-R7E:

BEGINNING at a point on the South ROW line SR 31, said point being 125.716 rods North and 74.863 rods West of the southeast corner of said Section 36; thence running S11°47'37"W, 4.109 rods; thence S06°43'45"W, 4.073 rods more or less to a point on the North ROW line of an existing utility corridor. The length of this pipeline segment is 8.182 rods.

- H. A fifty-foot wide easement, twenty-five feet on each side of the following described centerline located in the SW¼NW¼ Section 36, T16S-R7E:

BEGINNING at a point on the West property line of UP&L, said point being N00°04'E along the Section line, 65.809 rods from the West quarter corner of said Section 36; thence running S67°24'22"E, 38.113 rods to a point on an existing ROW, said point being 51.156 rods North and 36.341 rods East of the West quarter corner of said Section 36. The length of this road easement is 38.113 Rods.



XTO ENERGY

UP&L FEDERAL 17-7-1-33

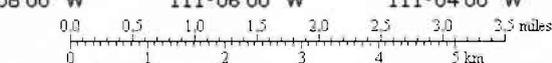
TALON RESOURCES

615 North 400 East PO BOX 1230

Huntington, UT 84528

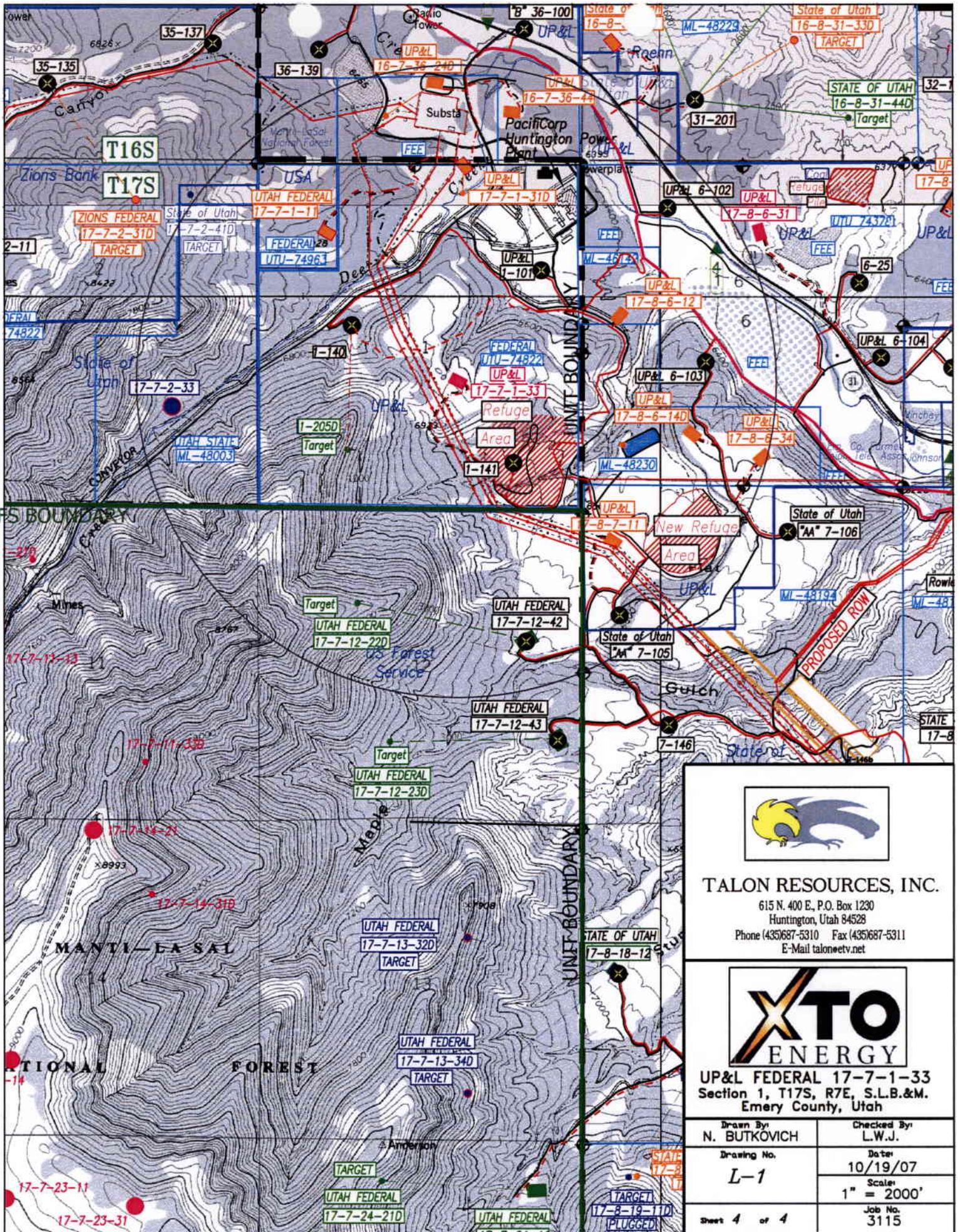
(435) 687-5310

TN/MN
12%



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EXHIBIT A



TALON RESOURCES, INC.

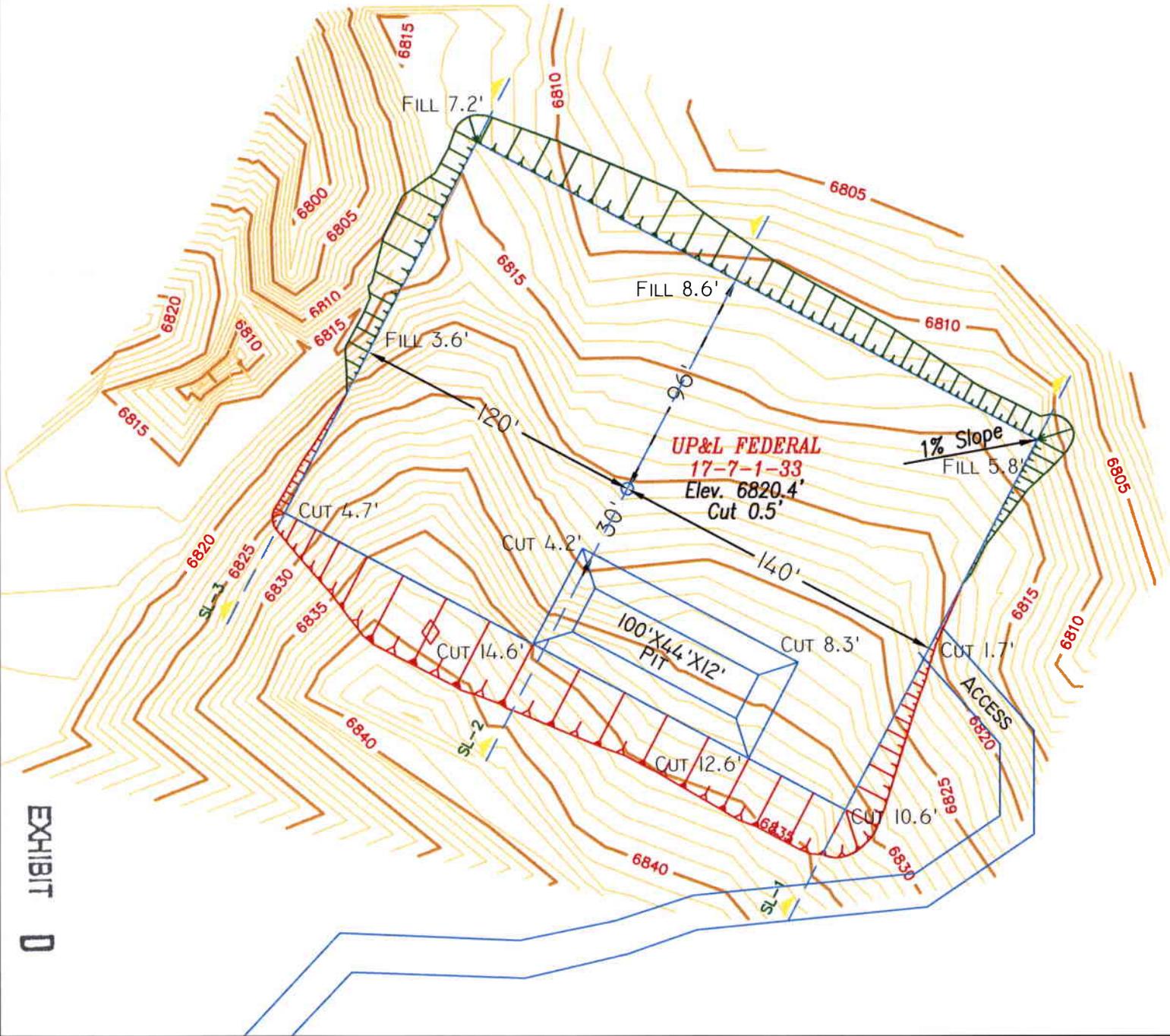
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UP&L FEDERAL 17-7-1-33
 Section 1, T17S, R7E, S.L.B.&M.
 Emery County, Utah

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. L-1	Date: 10/19/07
	Scale: 1" = 2000'
Sheet 4 of 4	Job No. 3115

ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 6820.4'
 ELEVATION OF GRADED GROUND AT LOCATION STAKE = 6819.9'



TALON RESOURCES, INC.

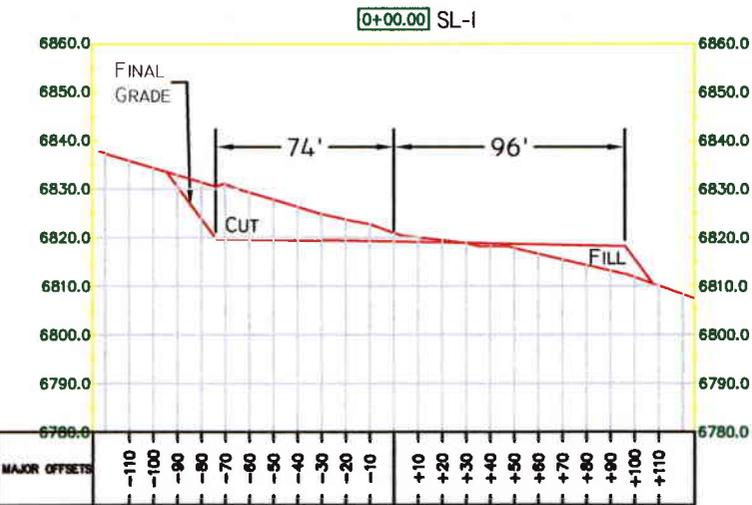
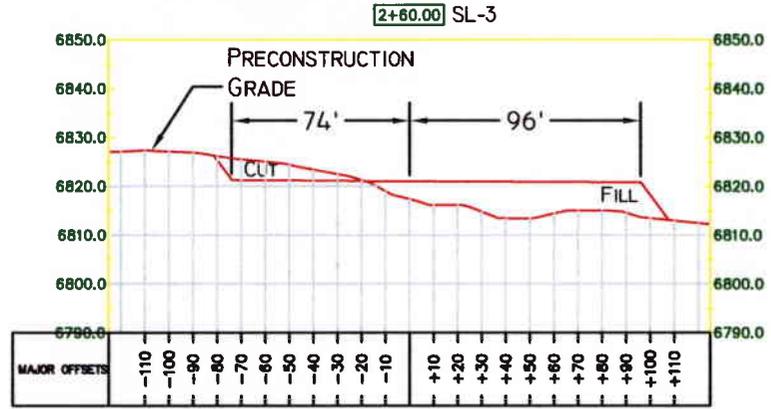
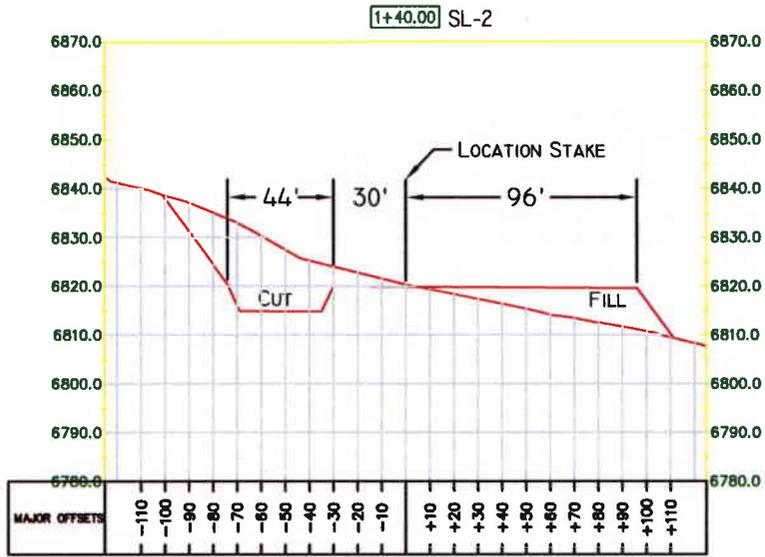
615 North 400 East P.O. Box 1230
 Huntington, Utah 84528
 Phone (435)687-5310 Fax (435)687-5311
 E-Mail talonsetv.net



LOCATION LAYOUT
 Section 1, T17S, R7E, S.L.B.&M.
 UP&L FEDERAL 17-7-1-33

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. A-2	Date: 10/16/07
	Scale: 1" = 60'
Sheet 2 of 4	Job No. 3115

EXHIBIT D



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

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



TALON RESOURCES, INC

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

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 E-Mail talon etv.net



TYPICAL CROSS SECTION
 Section 1, T17S, R7E, S.L.B.&M.
 UP&L FEDERAL 17-7-1-33

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. C-1	Date: 10/16/07
	Scale: 1" = 80'
Sheet 3 of 4	Job No. 3115

EXHIBIT
 E

APPROXIMATE YARDAGES

(6") TOPSOIL STRIPPING = 820 CU. YDS.

TOTAL CUT (INCLUDING PIT) = 9,180 CU. YDS.

TOTAL FILL = 3,990 CU. YDS.

BOP SCHEMATIC FOR DRILLING OPERATIONS CLASS 1 (2M) NORMAL PRESSURE

TESTING PROCEDURE

1. Test BOP after installation:

Pressure test BOP to 200-300 psig (low pressure) for 10 min.

Test BOP to Working Press or to 70% internal yield of surf csg (10 min) or which ever is less.

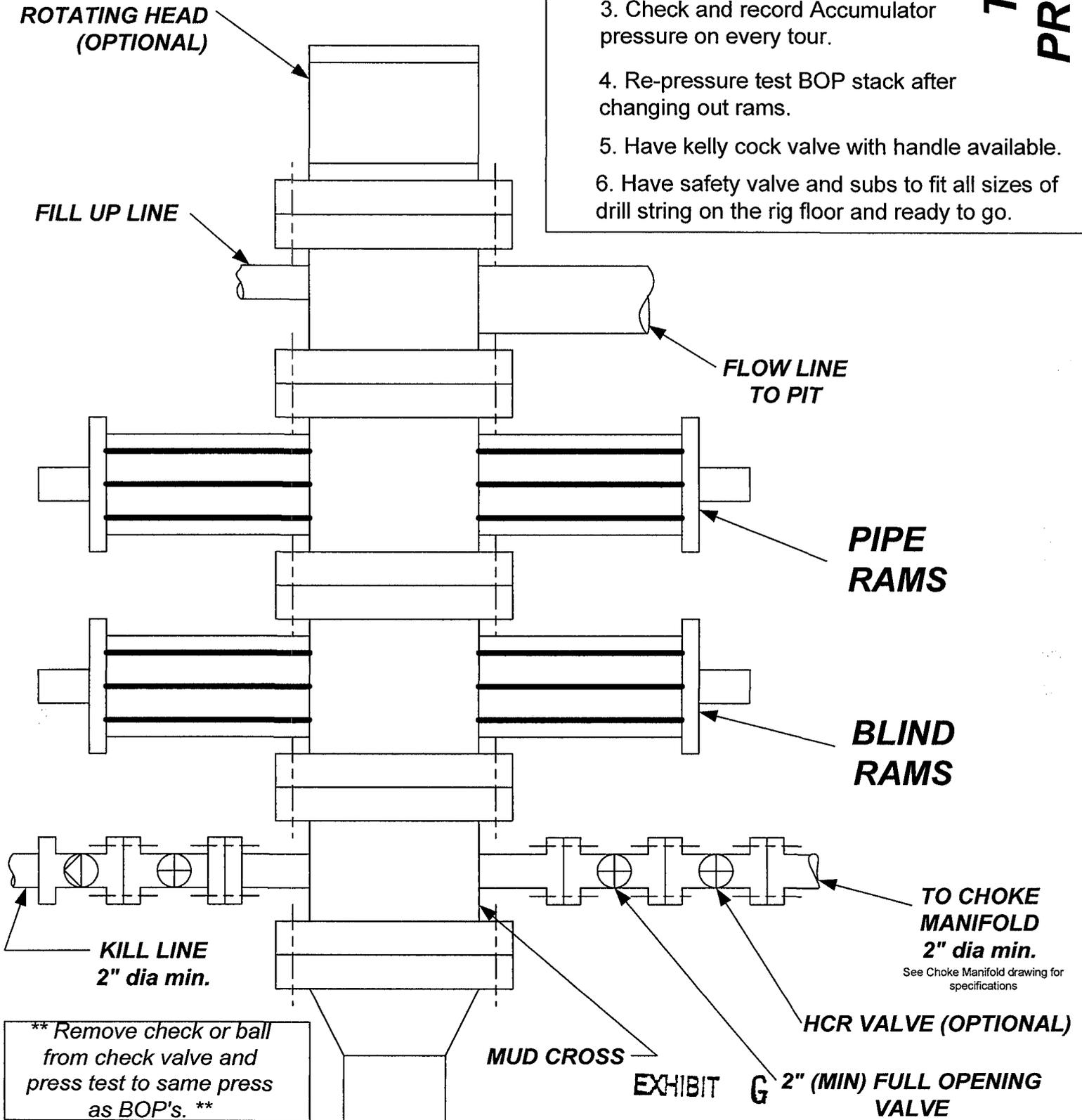
2. Test operation of (both) rams on every trip.

3. Check and record Accumulator pressure on every tour.

4. Re-pressure test BOP stack after changing out rams.

5. Have kelly cock valve with handle available.

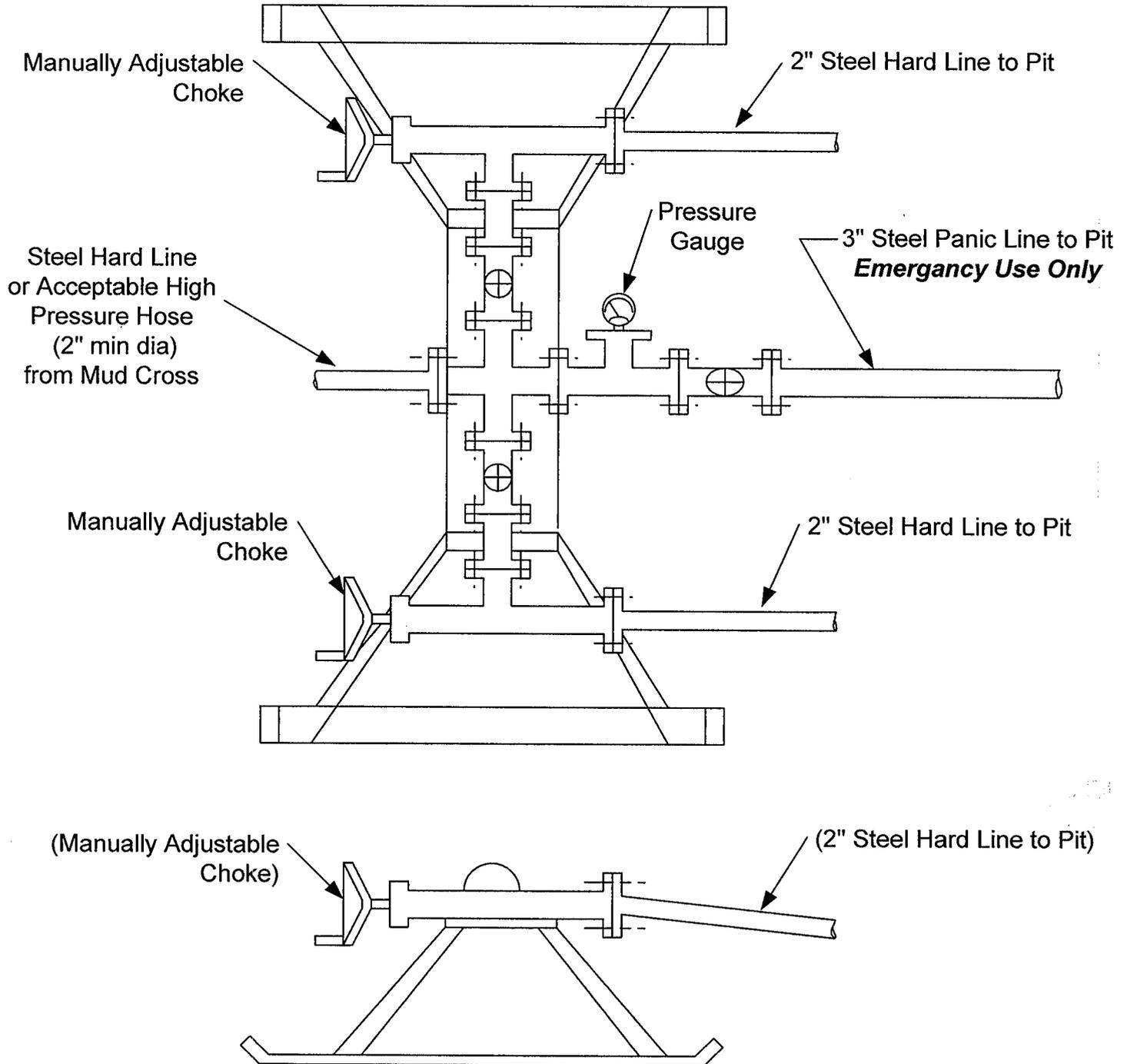
6. Have safety valve and subs to fit all sizes of drill string on the rig floor and ready to go.



CHOKE MANIFOLD SCHEMATIC FOR DRILLING OPERATIONS CLASS 1 (2M) NORMAL PRESSURE

1. Stake all lines from choke manifold to pit.
2. Pressure test choke manifold after installation.
3. Pressure test manifold at the same time with the BOP Stack. Test manifold to the same test pressures.

**TESTING
PROCEDURE**



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 04/04/2008

API NO. ASSIGNED: 43-015-30746

WELL NAME: UP&L FED 17-7-1-33

OPERATOR: XTO ENERGY INC (N2615)

PHONE NUMBER: 505-333-3100

CONTACT: KELLY SMALL

PROPOSED LOCATION:

NWSE 1 170S 070E

SURFACE: 2142 FSL 2069 FEL

BOTTOM: 2142 FSL 2069 FEL

COUNTY: EMERY

LATITUDE: 39.37132 LONGITUDE: -111.0841

UTM SURF EASTINGS: 492760 NORTHINGS: 4357778

FIELD NAME: BUZZARD BENCH (132)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU 74822

SURFACE OWNER: 4 - Fee

PROPOSED FORMATION: FRSD

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. UTB000138)
- 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:

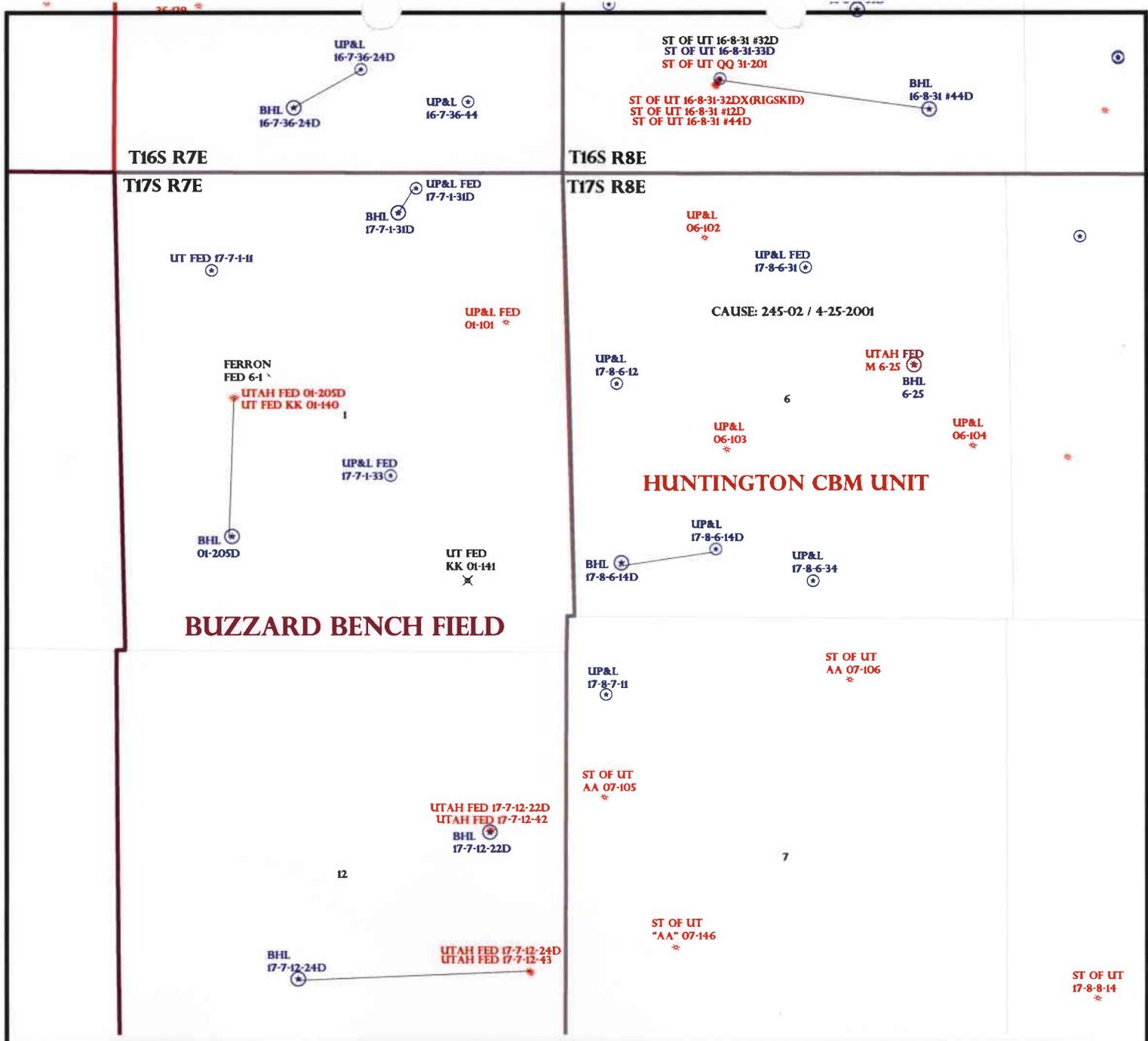
- _____ R649-2-3.
- Unit: _____
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- _____ R649-3-3. Exception
- _____ Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
- _____ R649-3-11. Directional Drill

COMMENTS:

Needs Permit (05-01-08)

STIPULATIONS:

- 1- Federal Approval
- 2- Sealing Strip
- 3- STATEMENT OF BASIS



OPERATOR: XTO ENERGY INC (N2615)

SEC: 1 T.17S R. 7E

FIELD: BUZZARD BENCH (132)

COUNTY: EMERY

SPACING: R649-3-2 / GENERAL SITING

- 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

- 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



PREPARED BY: DIANA MASON
DATE: 14-APRIL-2008

Application for Permit to Drill

Statement of Basis

5/15/2008

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
741	43-015-30746-00-00		GW	P	No
Operator	XTO ENERGY INC		Surface Owner-APD		
Well Name	UP&L FED 17-7-1-33		Unit		
Field	UNDESIGNATED		Type of Work		
Location	NWSE 1 17S 7E S 2142 FSL 2069 FEL		GPS Coord (UTM)	492760E 4357778N	

Geologic Statement of Basis

The mineral rights for the proposed well are owned by the Federal Government. The BLM will be the agency responsible for evaluating and approving the drilling, casing and cementing programs.

Brad Hill
APD Evaluator

5/15/2008
Date / Time

Surface Statement of Basis

On-site evaluation conducted May 1, 2008. In attendance: Bart Kettle-Division of Oil, Gas and Mining (DOGM), Kevin Waller-XTO, Parke Killpack-Nielson Construction, Mike McCandless-Emery County, Richard Neilson-PacifiCorp, Allen Childs-Talon Resources

PacifiCorp requests that all rig traffic honor posted speed limits for the power plant. Personal working PacifiCorp surface should undergo an annual safety training at the guard gate.

Rolling dips should be maintained on access road, but can be lowered to accommodate rig traffic. Drainage should be kept separate when it is diverted from the well pad and access road.

Bart Kettle
Onsite Evaluator

5/1/2008
Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
Surface	The reserve pit shall be fenced upon completion of drilling operations.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator XTO ENERGY INC
Well Name UP&L FED 17-7-1-33
API Number 43-015-30746-0 APD No 741 Field/Unit UNDESIGNATED
Location: 1/4,1/4 NWSE Sec 1 Tw 17S Rng 7E 2142 FSL 2069 FEL
GPS Coord (UTM) Surface Owner

Participants

Bart Kettle-Division of Oil, Gas and Mining (DOG M), Kevin Waller-XTO, Parke Killpack-Nielson Construction, Mike McCandless-Emery County, Richard Neilson-PacifiCorp, Allen Childs-Talon Resources

Regional/Local Setting & Topography

Proposed project area is ~7 miles northwest of Huntington, located in Emery County Utah. Project site is surrounded by a series of sharp sandstone ledges cut by deep canyons along the eastern rim of the Wasatch Plateau. Drainages flow into Huntington Creek within a mile and eventually to the Green River 60 miles away. Project site is located in a 10-12" precept zone part way up the eastern slope of the Wasatch Plateau. Regionally agriculture lands are located along the valley floor 1 mile to the east, and the top of the Wasatch Plateau is 5 miles to the west. With the exception of the Skyline drive portions of the Wasatch Plateau, regionally the climate is arid rangelands dominated by Salt Scrub shrub lands and Pinion/Juniper woodlands. Soils in the region are generally poorly developed, and moderate to highly erosive. Locally the proposed project site lies within lands owned by PacifiCorp Energy within one mile of the Huntington Power Plant.

Surface Use Plan

Current Surface Use

Wildlife Habitat

New Road

Miles	Well Pad	Src Const Material	Surface Formation
0.25	Width 170 Length 260		ALLU

Ancillary Facilities

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

Flora:

Grass: Salina wild rye, India rice grass, Crested wheatgrass, cheatgrass

Forbs: flixweed

Shrubs: White rubber rabbit brush, broom snakeweed, mountain mahogany, for wing salt brush, Mormon tea, antelope bitter brush, Utah service berry.

Trees: Utah juniper, two needle pinion

Other: Harriman's yucca

Fauna: Seasonal big game use. Raptor and song bird seasonal use.

Soil Type and Characteristics

Gray sandy clay, many medium sized sandstone boulders.

Erosion Issues Y
Soils erosive when disturbed, no mitigation recommended.

Sedimentation Issues N

Site Stability Issues N

Drainage Diversion Required N

Berm Required? N

Erosion Sedimentation Control Required? N

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

Reserve Pit

Site-Specific Factors		Site Ranking
Distance to Groundwater (feet)	>200	0
Distance to Surface Water (feet)	>1000	0
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)	>1320	0
Native Soil Type	Low permeability	0
Fluid Type	Fresh Water	5
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)	10 to 20	5
Affected Populations	<10	0
Presence Nearby Utility Conduits	Not Present	0
	Final Score	10 3 Sensitivity Level

Characteristics / Requirements

Closed Loop Mud Required? N Liner Required? N Liner Thickness Pit Underlayment Required? N

Other Observations / Comments

- PacifiCorp offered the following comments:
- Crews receive orientation annually at the guard gate
 - Storm water control be implemented
 - Speed limits observed
 - Dust control be implemented
 - No fire arms allowed on the property
 - requesting spill reports

Bart Kettle
Evaluator

5/1/2008
Date / Time



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

May 15, 2008

XTO Energy Inc.
382 CR 3100
Aztec, NM 87410

Re: UP&L Federal 17-7-1-33 Well, 2142' FSL, 2069' FEL, NW SE, Sec. 1, T. 17 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 43-015-30746.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

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

Operator: XTO Energy Inc.
Well Name & Number UP&L Federal 17-7-1-33
API Number: 43-015-30746
Lease: UTU 74822

Location: NW SE Sec. 1 T. 17 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 Dustin Doucet at (801) 538-5281 (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. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

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

6. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No. UTU 74822
6. If Indian, Allottee or Tribe Name N/A
7. If Unit or CA Agreement, Name and No. N/A
8. Lease Name and Well No. UP&L FEDERAL #17-7-1-33
9. API Well No. 43 015 30746
10. Field and Pool, or Exploratory Ferron Sandstone
11. Sec., T. R. M. or Blk. and Survey or Area NWSE SEC. 1, T17S, R7E
12. County or Parish EMERY
13. State UT

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone	
2. Name of Operator XTO ENERGY INC.	
3a. Address 382 CR 3100 AZTEC, NM 87410	3b. Phone No. (include area code) 505-33-3100
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 2,142' FSL & 2,069' FEL At proposed prod. zone SAME	
14. Distance in miles and direction from nearest town or post office* Approx 10 miles Northwest of Huntington, Utah	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 2,069'	16. No. of acres in lease 1100.09
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1,750	19. Proposed Depth 4,320'
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6,820 GL	22. Approximate date work will start* 05/31/2008
23. Estimated duration 2 weeks	

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. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 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). | 6. Such other site specific information and/or plans as may be required by the BLM. |

25. Signature <i>Kelly K. Small</i>	Name (Printed/Typed) Kelly K. Small	Date 03/31/2008
Title Regulatory Compliance Tech		
Approved by (Signature) <i>Michael Stewig</i>	Name (Printed/Typed) MICHAEL STEWIG	Date 7/6/08
Title Acting Field Manager Price 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.

CONDITIONS OF APPROVAL 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)

RECEIVED
 DIVISION OF OIL, GAS & MINING
 JUL 14 2008
 PRICE FIELD OFFICE

RECEIVED

JUL 14 2008

DIV. OF OIL, GAS & MINING

RECEIVED
 DIVISION OF OIL, GAS & MINING
 JUL 14 2008
 PRICE FIELD OFFICE
COPY
UDOGM

Range 7 East

(N89°54'W - 2640.00')

(S89°47'W - 2654.52')

(S89°54'29"W - 2639.26')

(S89°39'41"W - 2651.09')

Township 17 South

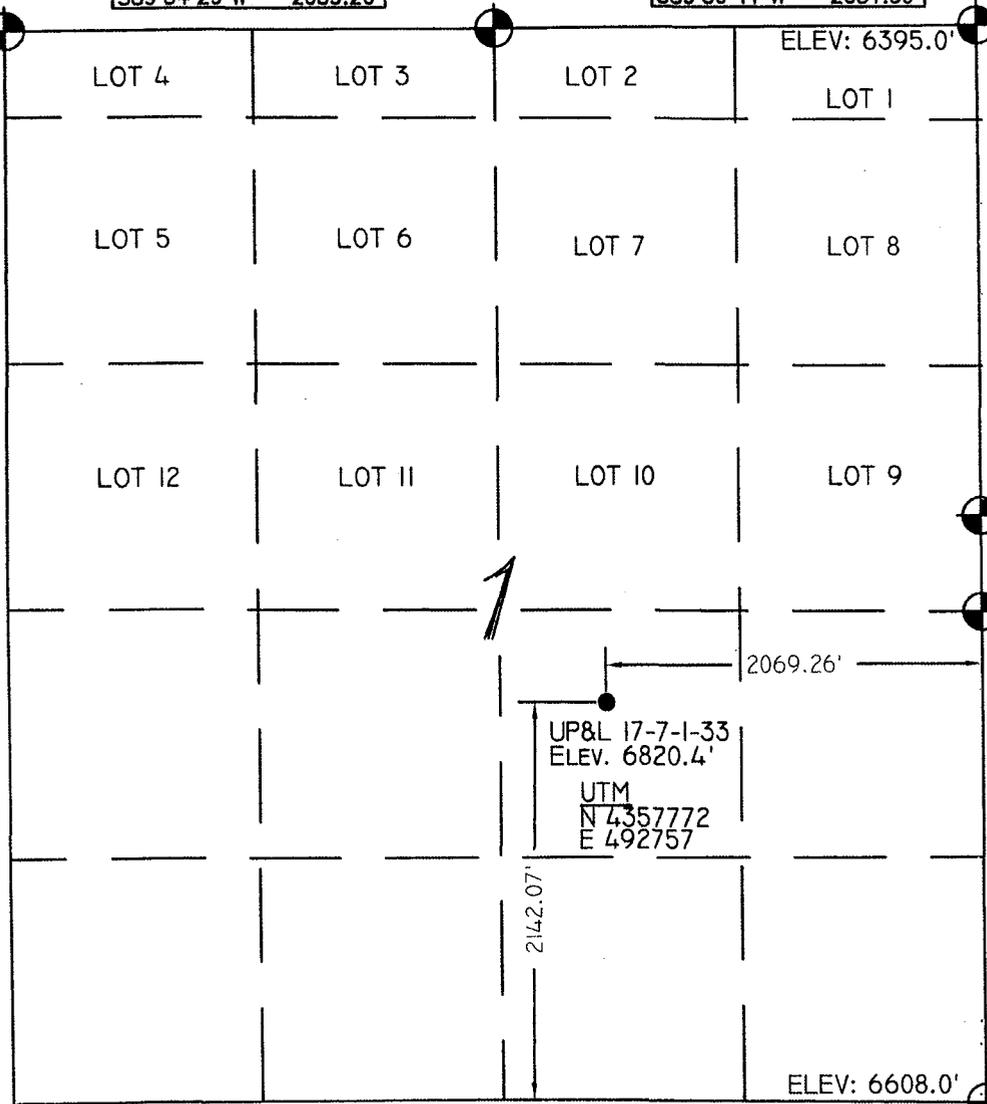
(S00°22'W - 3102.00')

(S00°02'E - 2674.98')

ELEV: 6395.0'

(N00°14'56"W - 3150.56')
(N00°01'W - 3142.26')

(N00°12'10"W - 2644.50')
(N00°06'E - 2643.30')



(N89°51'E - 2647.92')

(S89°31'E - 2665.08')

ELEV: 6608.0'

Legend

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

NOTES:

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

LAT / LONG
39°22'16.548" N
111°05'02.704" 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 6395.0' being at the Northeast Section corner of Section 1, Township 17 South, Range 7 East, Salt Lake Base & Meridian, as shown on the Hiawatha Quadrangle 7.5 Minute Series Map.

Description of Location:

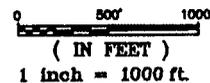
Proposed Drill Hole located in NW/4 SE/4 of Section 1, T17S, R7E, S.L.B.&M., being North 2142.07' from South Line and West 2069.26' from East Line of Section 1, T17S, R7E, Salt Lake Base & Meridian.

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.



GRAPHIC SCALE



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



UP&L FEDERAL 17-7-1-33
Section 1, T17S, 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: 10/16/07
	Scale: 1" = 1000'
Sheet 1 of 1	Job No. 3115



**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
PRICE FIELD OFFICE**

125 SOUTH 600 WEST PRICE, UT 84501 (435) 636-3600



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: XTO Energy Inc.
Well No: Utah Federal 17-7-1-33
API No: 43-015-30746

Location: NWSE-Sec. 1-T17S-R7E
Lease No: UTU-74822
Agreement:

Title	Name	Office Phone Number	Cell Phone Number
Acting Field Manager & Authorized Officer:	Michael Stiewig	(435) 636-3633	(435) 650-9135
Senior Petroleum Engineer:	Matthew Baker (Primary)	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	James Ashley (Alt.)	(435) 781-4470	(435) 828-7874
Petroleum Engineering Technician	Randy Knight (Primary)	(435) 636-3615	(435) 650-9143
Petroleum Engineering Technician	Walton Willis (Alt.)	(435) 636-3662	(435) 650-9140
NRS/Enviro Scientist:	Nathan Sill (Primary)	(435) 636-3668	
NRS/Enviro Scientist:	Don Stephens (Alt.)	(435) 636-3608	

Fax: (435) 636-3657

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

Location Construction (Notify NRS)	- Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify NRS)	- Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	- Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Petroleum Tech.)	- Twenty-Four (24) hours prior to running casing and cementing all casing strings.
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	- Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	- Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

SITE SPECIFIC COAs:

- The reserve pit will be lined with an impermeable liner. An impermeable liner is any liner having permeability of less than 10^{-7} cm/sec. The liner will be installed so that it will not leak and will be chemically compatible with all substances that may be put in the pit. Liners made of any man-made synthetic material will be of sufficient strength and thickness to withstand normal installation and pit use. In gravelly or rocky soils, a suitable bedding material such as sand will be used prior to installing the liner.
- For reducing visual contrast, all production facilities to remain on-site longer than 6 months will be painted a flat, non-reflective standard environmental color (Olive Black 5WA20-6), approved by the Rocky Mountain Five State Interagency Committee, prior to installation. This Fuller O'Brien color is for reference only. This will include all facilities except those required to comply with Occupational Safety and Health (OSHA) regulations.

SURFACE USE COAs:

- The following appendices are attached for your reference. They are to be followed as conditions of approval:
 - Appendix 2: Seed Mixtures for Reclamation/Revegetation Areas
- Best Management Practices and the BLM Price Field Office Hydrologic Modification Standards will be implemented.
- The companies Spill Prevention, Containment, and Cleanup Plan shall be followed and a copy submitted to the authorized officer.
- Dust shall be controlled during all phases of project implementation through the use of water or approved dust suppressants.
- XTO shall avoid clearing trees in a straight line and maintain the irregular shaped areas of the access road and mitigation project as designed.
- Control of non-native, invasive species (noxious weeds) will be in accordance with the Federal Noxious Weed Act, the Utah Noxious Weed Act (R68-9), and County Noxious Weed Control Plans. Control of non-native, invasive species will be completed on all disturbed sites associated with the development and final reclamation of well pads and pipelines. The use of herbicides will be approved through a pesticide use proposal (PUP) submitted to the BLM prior to herbicide application.
- The Companies will provide georeferenced spatial data depicting as-built locations of all facilities, wells, roads, pipelines, power lines, and other related facilities to the BLM by November 1 of each year until completion of project construction activities has occurred.
- Reserve pits will be adequately fenced during and after drilling operations until pit is reclaimed so as to effectively keep out wildlife and livestock. Adequate fencing, in lieu of more stringent requirements by the surface owner, is defined as follows:

- Construction materials will consist of steel or wood posts. Three or four strand wire (smooth or barbed) fence or hog panel (16-foot length by 50-inch height) or plastic snow fence must be used with connectors such as fence staples, quick-connect clips, hog rings, hose clamps, twisted wire, etc. Electric fences will not be allowed.
- Construction standards: Posts shall be firmly set in ground. If wire is used, it must be taut and evenly spaced, from ground level to top wire, to effectively keep out animals. Hog panels must be tied securely into posts and one another using fence staples, clamps, etc. Plastic snow fencing must be taut and sturdy. Fence must be at least 2-feet from edge of pit. 3 sides fenced before beginning drilling, the fourth side fenced immediately upon completion of drilling and prior to rig release. Fence must be left up and maintained in adequate condition until pit is closed.
- The reserve pit will be oriented to prevent collection of surface runoff. After the drilling rig is removed, the operator may need to construct a trench on the uphill side of the reserve pit to divert surface drainage around it. If constructed, the trench will be left intact until the pit is closed.
- The reserve pit will be constructed so that at least half of its total volume is in solid cut material (below natural ground level).
- The reserve pit shall have 2 foot of freeboard maintained at all times to prevent overflow of fluids.
- XTO will measure gas production on the well pad unless permission is granted for measurement at another place.

GENERAL CONSTRUCTION:

- Operator shall contact the Price BLM Office (Nathan Sill 435-636-3668) at least forty-eight hours prior to the anticipated start of construction and/or any surface disturbing activities including reclamation. The BLM may require and schedule a preconstruction conference with the operator prior to the operator commencing construction and/or surface disturbing activities. The operator and the operator's contractor, or agents involved with construction and/or any surface disturbing activities associated with the project, shall attend this conference to review the Conditions of Approval and plan of development. The operator's inspector will be designated at the pre-drill conference, and is to be given an approved copy of all maps, permits and conditions of approval before the start of construction. The BLM will also designate a representative for the project at the preconstruction conference.
- The operator shall designate a representative(s) who shall have the authority to act upon and to implement instructions from the BLM. The operator's representative shall be available for communication with the BLM within a reasonable time when construction or other surface disturbing activities are underway.
- Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the operator, or any person working on his behalf, on public land is to be immediately reported to the Price BLM Office. The operator will suspend all operations

in the immediate area of such discovery until written authorization to proceed is issued by the Price BLM Office. An evaluation of the discovery will be made by the BLM to determine appropriate actions to prevent the loss of significant cultural or scientific values. The operator is responsible for the cost of evaluation of any site found during construction. The BLM will determine what mitigation is necessary.

- During project construction, surface disturbance and vehicle travel shall be limited to the approved location and access routes. Any additional area needed must be approved by the Price BLM Office prior to use.
- The operator must provide a trash cage for the collection and containment of all trash. The trash shall be disposed in an authorized landfill. The location and access roads shall be kept litter free.
- Vegetation removal necessitated by construction shall be confined to the limits of actual construction. Removed vegetation will be stockpiled for use in reclamation or removed from the construction site at the direction of the BLM.
- Prior to surface disturbance, topsoil is to be separately removed and segregated from other material. Topsoil depth will be decided onsite by BLM. If the topsoil is less than 6 inches, a 6-inch layer that includes the A horizon and the unconsolidated material immediately below the A horizon shall be removed and the mixture segregated and redistributed as the surface soil layer. The company in consultation with BLM shall determine stockpile locations and dimensions at the onsite. If the topsoil stockpiles will not be redistributed for a period in excess of one (1) year, the stockpiles are to be seeded with seed mixture (see Appendix 2, Table A-1 and A-2).

ROAD AND PIPELINE CONSTRUCTION:

- Operator shall provide an inspector under the direction of a registered professional engineer (PE) at all times during road construction.
- Road construction or routine maintenance activities are to be performed during periods when the soil can adequately support construction equipment. If such equipment creates ruts more than 6 inches deep, the soil is deemed too wet to adequately support construction equipment.
- The operator is responsible for maintenance of all roads authorized through the lease or a right-of-way. Construction and maintenance shall comply with Class II or III Road Standards as described in BLM Manual Section 9113 and the Moab District Road Standards, except as modified by BLM. Maintenance may include but is not limited to grading, applying gravel, snow removal, ditch cleaning, and headcut restoration/prevention.
- Topsoil from access roads and pipelines are to be wind rowed along the uphill side of the road or stored in an approved manner. When the road and pipeline is rehabilitated, this soil will then be used as a top coating for the seed bed.
- Erosion-control structures such as water bars, diversion channels, and terraces will be constructed to divert water and reduce soil erosion on the disturbed area. Road ditch turnouts shall be equipped with energy dissipators as needed to avoid erosion. Where

roads interrupt overland sheet-flow and convert this runoff to channel flow, ditch turnouts shall be designed to reconvert channel flow to sheet flow. Rock energy dissipators and gravel dispersion fans may be used, or any other design which would accomplish the desired reconversion of flow regime. As necessary cut banks, road drainages, and road crossings shall be armored or otherwise engineered to prevent headcutting.

PAD CONSTRUCTION:

- During the construction of the drill pad, suitable topsoil material is to be stripped and conserved in a stockpile on the pad. If stockpiles are to remain for more than a year, they shall be seeded with the seed mixture (see Appendix 2, Table A-1 and A-2).
- Generally, drill pads are to be designed to prevent overland flow of water from entering or leaving the site. The pad is to be designed to allow for zero runoff. The drill pad shall be designed to disperse diverted overland flow and to regulate flow velocity so as to prevent or minimize erosion. Well pad diversion outlets shall be equipped with rock energy brakes and gravel-bedded dispersion fans.

REHABILITATION PROCEDURES:

Site Preparation:

- Upon completion of the well, all disturbed areas not needed for production facilities would be restored. Overall, the pad for a well during production is expected to be about 60 percent of the size that was needed for drilling and completion.
- The entire roadbed should be obliterated and brought back to the approximate original contour. Drainage control is to be reestablished as necessary. All areas affected by road construction are to be recontoured to blend in with the existing topography. All berms are to be removed unless determined to be beneficial by BLM. In recontouring the disturbed areas, care should be taken to not disturb additional vegetation.

Seedbed Preparation:

- An adequate seedbed should be prepared for all sites to be seeded. Areas to be revegetated should be chiseled or disked to a depth of at least 12 inches unless restrained by bedrock.
- Ripping of fill materials should be completed by a bulldozer equipped with single or a twin set of ripper shanks. Ripping should be done on 4-foot centers to a depth of 12 inches. The process should be repeated until the compacted area is loose and friable, then shall be followed by final grading. Seedbed preparation will be considered complete when the soil surface is completely roughened and the number of rocks (if present) on the site is sufficient to cause the site to match the surrounding terrain.
- After final grading, the stockpiled topsoil shall be spread evenly across the disturbed area.

Fertilization:

- Commercial fertilizer with a formula of 16-16-8 is to be applied at a rate of 200 pounds per acre to the site. The rate may be adjusted depending on soil.
- Fertilizer is to be applied not more than 48 hours before seeding, and shall be cultivated into the upper 3 inches of soil.
- Fertilizer is to be broadcast over the soil using hand-operated "cyclone-type" seeders or rotary broadcast equipment attached to construction or revegetation machinery as appropriate to slope. All equipment should be equipped with a metering device. Fertilizer application is to take place before the final seeding preparation treatment. Fertilizer broadcasting operations should not be conducted when wind velocities would interfere with even distribution of the material.

Mulching:

- When it is time to reclaim this location, the Price BLM Office will determine whether it will be necessary to use mulch in the reclamation process. The type of mulch should meet the following requirements: Wood cellulose fiber shall be natural or cooked, shall disperse readily in water, and shall be nontoxic. Mulch shall be thermally produced and air dried. The homogeneous slurry or mixture shall be capable of application with power spray equipment. A colored dye that is noninjurious to plant growth may be used when specified. Wood cellulose fiber is to be packaged in new, labeled containers. A minimum application of 1500 pounds per acre shall be applied. A suitable tackifier shall be applied with the mulch at a rate of 60 to 80 pounds per acre.
 - An alternative method of mulching on small sites would be the application of straw or hay mulch at a rate of 2000 pounds per acre. Hay or straw shall be certified weed free. Following the application of straw or hay, crimping shall occur to ensure retention.

Reseeding:

- All disturbed areas are to be seeded with the seed mixture required by the BLM. The seed mixture(s) shall be planted in the fall of the year (Sept-Nov), in the amounts specified in pounds of pure live seed (PLS)/acre. There shall be no noxious weed seed in the seed mixture. Seed will be tested and the viability testing of seed shall be done in accordance with State law(s) and within 12 months prior to planting. Commercial seed will be either certified or registered seed. The seed mixture container shall be tagged in accordance with State law(s) and available for inspection by the BLM. Seed is to be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture shall be evenly and uniformly planted over the disturbed area. (Smaller/heavier seeds tend to drop to the bottom of the drill and are planted first. Appropriate measures should be taken to ensure this does not occur.) Where drilling is not possible, seed is to be broadcast and the area raked or chained to cover the seed. Woody species with seeds that are too large for the drill will be broadcast. When broadcasting the seed, the pounds per acre noted below are to be increased by 50 percent. Reseeding may be required if a satisfactory stand is not established to the surface rights owner's specifications. Evaluation of the seeding's success will not be made before completion of the second growing season after the vegetation becomes established. The Price BLM Office is to be notified a minimum of seven days before seeding a project.

- The disturbed areas for the road and pipeline must be seeded in the fall of the year, immediately after the topsoil is replaced. The prescribed seed mixture is Pinyon-Juniper (see attached).

General:

- Prior to the use of insecticides, herbicides, fungicides, rodenticides and other similar substances, the operator must obtain from BLM, approval of a written plan. The plan must describe the type and quantity of material to be used, the pest to be controlled, the method of application, the location for storage and disposal of containers, and other information that BLM may require. A pesticide may be used only in accordance with its registered uses and within other agency limitations. Pesticides must not be permanently stored on public lands.

DOWNHOLE PROGRAM CONDITIONS OF APPROVAL (COAs)

SITE SPECIFIC DOWNHOLE COAs:

- The 2M BOPE shall be tested at 2,000 psi if utilizing a test plug or 70% of the rated burst of the casing if no plug is utilized.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Price Field Office within 24 hours of spudding.
- Notify Price Field Office Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- If air drilling operations are utilized, the requirements of Onshore Oil & Gas Order No. 2, Part III.E *Special Drilling Operations*, shall be implemented.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Price Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Price Field Office, in writing, within 5

working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.

- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Price BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Price Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- The use of a flow conditioner in lieu of straightening vanes in the gas meter run cannot be approved with the information provided. This proposal is not consistent with the provisions of Onshore Oil & Gas Order No. 5, and as such, can only be considered for approval as a "variance" from Order No. 5. A written request for variance would identify the Order No. 5 requirement(s) from which the variance is being requested, and it would include supporting justification as to how the alternate method of measurement would meet or exceed the minimum standards established in Order No. 5. A variance request for the use of a flow conditioner would also include the make, model, dimensions, and description of use for the specific flow conditioner being proposed.
- **Please submit a copy of all other logs run on this well to the BLM Price Field Office.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Price Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Price Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and/or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Price Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Price Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in

accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Price Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Price Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Price Field Office Petroleum Engineers 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 shall be submitted to the BLM Price Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Price Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Price Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Price Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Price Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

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

FORM 6

ENTITY ACTION FORM

Operator: XTO ENERGY INC. Operator Account Number: N 2615
Address: 382 CR 3100
city AZTEC
state NM zip 87410 Phone Number: (505) 333-3100

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4301530746	UP&L Federal 17-7-1-33		NWSE	1	17S	7E	EMERY
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	17079	9/5/2008		9/22/08		
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)

WANETT MCCAULEY

Name (Please Print)

Signature

FILE CLERK

Title

9/8/2008

Date

(5/2000)

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SEP 08 2008
DIV. OF OIL, GAS & MINING

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-74822
2. NAME OF OPERATOR: XTO ENERGY INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: 382 CR 3100 CITY AZTEC STATE NM ZIP 87410		7. UNIT or CA AGREEMENT NAME: N/A
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2142' FSL & 2069' FEL		8. WELL NAME and NUMBER: UP&L FEDERAL 17-7-1-33
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSE 1 17S 7E S		9. API NUMBER: 4301530746
COUNTY: EMERY		10. FIELD AND POOL, OR WILDCAT: FERRON COAL/BUZZ BENCH
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: 9/30/2008	<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: SEPTEMBER '08 MONTHLY REPORT
	<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.

Attached is XTO Energy's monthly report for the period of 9/01/2008 thru 9/30/2008.

NAME (PLEASE PRINT) WANETT MCCAULEY	TITLE FILE CLERK
SIGNATURE <i>Wanett McCauley</i>	DATE 10/3/2008

(This space for State use only)

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OCT 06 2008

DIV. OF OIL, GAS & MINING

EXECUTIVE SUMMARY REPORT

9/1/2008 - 9/30/2008
Report run on 10/1/2008 at 3:00 PM

UP & L Federal 17-07-01-33 - Buzzards Bench, 01, 17S, 07E, Emery, Utah, ,
Orangeville,

AFE: 800055

Objective: Drill & Complete Ferron Coal gas well

9/6/2008 Move in and rig up rat hole rig, Spud 20" conductor hole at 18:00 hrs
09/05/2008, Drill 20" conductor hole to f/GL - t/20', Shut down for the night

===== UP & L Federal 17-07-01-33 =====

9/7/2008 Drill 20" conductor hole f/20' - t/60', Run 14" conductor pipe, Cement with 4
yards ready mix, Rig down, Release rig

===== UP & L Federal 17-07-01-33 =====

9/8/2008 Move in , rig up rotary tools, Weld on 14" riser, Spud surface at 21:00 hrs,
Drill f/0 - t/200'

===== UP & L Federal 17-07-01-33 =====

9/9/2008 Drill f/200' - t/325', Trip out, Run 9-5/8" casing, Cement casing, Wait on
cement, Cut off casing, Weld on braden head

===== UP & L Federal 17-07-01-33 =====

9/10/2008 Nipple up BOP, Pressure test BOP, Lay blooie line, Pick up BHA, Trip in the
hole, Drill out cement shoe, Drill f/325' - t/1150'

===== UP & L Federal 17-07-01-33 =====

9/11/2008 Drlg f/1150' to 2534'. Trips for float. Surveys.
Drlg f/1150' to 2534' w/2000 cfm, 20 bph water/soap. Surveys @ 1522', 1deg, @
1988', 1.5 deg, @ 2484', 1 deg.

===== UP & L Federal 17-07-01-33 =====

9/12/2008 Drlg f/2534' to 3889'. Trips for float. Surveys. Circ and trip for bit.
Drlg f/2534' to 3889' w/2000 cfm and 20 bph water/soap. Surveys @ 3048, 1
deg. @ 3483' 2.5 deg.

===== UP & L Federal 17-07-01-33 =====

9/13/2008 Trip for bit. Wash 120' to bottom. Drlg f/3889' to 4142'. Trip for float.
Survey.
Drlg f/3889' to 4142' w/2000 cfm and 20 bph water/soap. Survey @ 3982', 1
deg. Proposed depth changed to 4502'+. Topped Ferron Sand @ 3982'.

===== UP & L Federal 17-07-01-33 =====

9/14/2008 Drlg f/4142' to 4415'.
Drlg f/4142' to 4415' w/200 cfm, 20 bph water/soap. Proposed TD @ 4532'.

EXECUTIVE SUMMARY REPORT

9/1/2008 - 9/30/2008
Report run on 10/1/2008 at 3:00 PM

===== UP & L Federal 17-07-01-33 =====

9/15/2008

Drlg f/4415' to 4532'. Circ, trip for float, survey, circ. Lay down drill pipe and bha. Log w/Phoenix Surveys, Run 5.5" csg. Wash 100' to bottom, rig up Superior Cmtrs.
Drlg f/4415' to 4532' w/2000 cfm, 20 bph water/soap. Survey @ 4481', 5.5 deg. TD @ 4532'. Loggers TD @ 4511'. Ran 100 jts of 5 1/2", 17#, S-80, ST&C Csg. Total 4527.20 Set @ 4527 KB.

===== UP & L Federal 17-07-01-33 =====

9/16/2008

Cmt, Nipple down, set slips and cut off csg. Clean pits. Work on Choke lines and valves. Rig down.
Pump 10 bbl water. Pump 20 bbl Reactive Spacer. Cmt lead w/60 sx, 44 bbl Super Coal Blend. Cmt tail w/170 sx, 52 bbl Super Coal Blend. Displace w/ 102 bbl of water. Plug down @ 07:00, 9-15-08.

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU-74822

SUNDRY NOTICES AND REPORTS ON WELLS

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

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

7. UNIT or CA AGREEMENT NAME:
N/A

1. TYPE OF WELL OIL WELL GAS WELL OTHER _____

8. WELL NAME and NUMBER:
UP&L FEDERAL 17-7-1-33

2. NAME OF OPERATOR:
XTO ENERGY INC.

9. API NUMBER:
4301530746

3. ADDRESS OF OPERATOR: PHONE NUMBER:
382 CR 3100 CITY AZTEC STATE NM ZIP 87410 (505) 333-3100

10. FIELD AND POOL, OR WILDCAT:
FERRON COAL/BUZZ BENCH

4. LOCATION OF WELL
FOOTAGES AT SURFACE: **2142' FSL & 2069' FEL**

COUNTY: **EMERY**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **NWSE 1 17S 7E S**

STATE: **UTAH**

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input 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: 10/31/2008	<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: OCTOBER 08
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	MONTHLY REPORT

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

XTO Energy Inc. has nothing to report for the period of 10/01/2008 thru 10/31/2008.

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NOV 10 2008
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) **JENNIFER M. HEMBRY**

TITLE **FILE CLERK**

SIGNATURE *Jennifer M. Hembry*

DATE **11/5/2008**

(This space for State use only)

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-74822
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: N/A
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____			7. UNIT or CA AGREEMENT NAME: N/A
2. NAME OF OPERATOR: XTO ENERGY INC.			8. WELL NAME and NUMBER: UP&L FEDERAL 17-7-1-33
3. ADDRESS OF OPERATOR: 382 CR 3100 CITY AZTEC STATE NM ZIP 87410		PHONE NUMBER: (505) 333-3100	9. API NUMBER: 4301530746
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2142' FSL & 2069' FEL			10. FIELD AND POOL, OR WILDCAT: FERRON COAL/BUZZ BENCH
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSE 1 17S 7E S			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 checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 11/30/2008	<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: DECEMBER 08 MONTHLY REPORT

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

Attached is XTO Energy's monthly report for the period of 11/01/2008 thru 11/30/2008.

NAME (PLEASE PRINT) <u>JENNIFER M. HEMBRY</u>	TITLE <u>REGULATORY CLERK</u>
SIGNATURE <u>Jennifer M. Hembry</u>	DATE <u>12/5/2008</u>

(This space for State use only)

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DEC 09 2008

EXECUTIVE SUMMARY REPORT

11/1/2008 - 11/30/2008
Report run on 12/3/2008 at 5:24 PM

UP & L Federal 17-07-01-33 - Buzzards Bench, 01, 17S, 07E, Emery, Utah, ,
Orangeville,

AFE: 800055

Objective: Drill & Complete Ferron Coal gas well

11/11/2008

SICP 4 psig. MIRU JW WL. RIH w/4" slick csg gun & perf Ferron Coal w/3 JSPF fr/4,084' - 4,112'. (42 holes, 22.7 gm, .41" dia, 120 deg ph). All dpts correlated fr/CNL/GR log ran on 9-14-08. POH & LD csg guns. RIH w/dump blr & dmpd 10 gals 28 % HCL. MIRU CAL FRAC frac crew. Ac Ferron Coal perfs fr/4,084' - 4,112' dwn 5-1/2" csg w/1000 gals 15% HCl @ 10 BPM & 24 psig. Form BD @ 24 bpm & 1400 psig. Frac Ferron Coal perfs fr/4,084' - 4,112' w/528 bbls slick wtr, 1,325 bbls DynAqua-1 frac fld carrying 64,480 lbs 20/40 Brady sd & 39,138 lbs 16/30 Brady sd. Last 48,124 lbs 16-30 Brady sd ppd, SiberProp coated. Frac Gradient 0.73. Flshd w/95 bbls Linear Gel. Sd conc 0.30 - 5.00 ppg. ISIP 1,215 psig, 5" SIP 1,015 psig, 10" SIP 957 psig, 15" SIP 899 psig. ATP 1,427 psig. AIR 35 bpm. Max TP 3,040 psig. Max IR 39 bpm. Max sd conc 5.00 ppg. RU WL. RIH w/ 5-1/2" CBP & 4" Slick Csg Gun. Set CBP @ 4,074', PT plg to 2,000 psig, Perf Ferron Coal w/3 JSPF fr/4,008' - 4,050'. (54 holes, 22.7 gm, .41" dia, 120 deg ph). All dpts correlated fr/CNL/GR log ran on 9-14-08. POH & LD csg guns. RDMO JW WL. A. Ferron Coal perfs fr/4,008' - 4,050' dwn 5-1/2 csg w/1000 gals 15% HCl @ 24 BPM & 10 psig. Form BD @ 24 bpm & 1,700 psig. Frac Ferron Coal perfs fr/4,008' - 4,050' w/578 bbls slick wtr, 1,925 bbls DynAqua-1 frac fld carrying 89,419 lbs 20/40 Brady sd, & 60,396 lbs 16/30 Brady sd. Last 77,792 lbs 16-30 Brady sd ppd was SiberProp coated. Frac Gradient 0.77. Flshd w/90 gals Linear Gel, 3 bbls short. Sd conc 0.30 - 5.00 ppg. ISIP 1,347 psig, 5" SIP 798 psig, 10" SIP 638 psig, 15" SIP 537 psig. ATP 1,639 psig. AIR 43 bpm. Max TP 2,062 psig. Max IR 45 bpm. Max sd conc 5.00 ppg. 4,539 BLWTR. RD CAL FRAC. RDMO CAL FRAC. SWI. Susp rpts to further activity.

===== UP & L Federal 17-07-01-33 =====

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
UTU-74822

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit or CA/Agreement, Name and/or No.
N/A

8. Well Name and No.
UP&L FEDERAL 17-7- 1-33

9. API Well No.
43-015-30746

10. Field and Pool, or Exploratory Area
FERRON SANDSTONE

11. County or Parish, State
EMERY UT

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
XTO Energy Inc.

3a. Address
382 CR 3100 Aztec, NM 87410

3b. Phone No. (include area code)
505-333-3100

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2142' FSL & 2069' FEL NWSE SEC 1-T17S-R7E S MERIDIAN

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input checked="" type="checkbox"/> Other 1ST DELIVERY

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

XTO Energy Inc. first delivered this well to Questar Gas Management @ 1300 hours on Sunday, 12/14/2008.

IFR 166 MCFPD.

XTO Allocation meter: #OV1532RF.

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DEC 15 2008

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed) **BARBARA A. NICOL** Title **REGULATORY CLERK**

Signature *Barbara A. Nicol* Date **12/15/2008**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice 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.	Office	DOGM COPY

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-74822
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: N/A
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: N/A
2. NAME OF OPERATOR: XTO ENERGY INC.		8. WELL NAME and NUMBER: UP&L FEDERAL 17-7-1-33
3. ADDRESS OF OPERATOR: 382 CR 3100 CITY AZTEC STATE NM ZIP 87410		9. API NUMBER: 4301530746
		10. FIELD AND POOL, OR WILDCAT: FERRON COAL/BUZZ BENCH
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2142' FSL & 2069' FEL		COUNTY: EMERY
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSE 1 17S 7E S		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 12/31/2008	<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: DECEMBER 08 MONTHLY REPORT

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

Attached is XTO Energy's monthly report for the period of 12/01/2008 thru 12/31/2008.

NAME (PLEASE PRINT) <u>JENNIFER M. HEMBRY</u>	TITLE <u>REGULATORY CLERK</u>
SIGNATURE <u><i>Jennifer M. Hembry</i></u>	DATE <u>1/5/2009</u>

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JAN 12 2009

EXECUTIVE SUMMARY REPORT

12/1/2008 - 12/31/2008
Report run on 1/5/2009 at 12:45 PM

UP & L Federal 17-07-01-33 - UP & L Federal 17-07-01-33

Section 01-17S-07E, Emery, Utah, Huntington

Objective: Drill & Complete Ferron Coal gas well
Date First Report: 9/5/2008
Last Casing String:
Method of Production: Beam

12/3/2008 SITP 0 psig, SICP 740 psig. MIRU 4CWS. PU & TIH w/4-3/4" bit, 1 jt 2-7/8" tbg, 2-7/8" SN & 124 jts 2-7/8", 6.5#, J-55, EUE, 8 rd tbg. Tgd CBP @ 4,074'. MIRU Graco AFU. Estb circion, DO CBP & CO sd fill to 4,356'. Circ cln & TOH w/4 jts tbg. SWI & SDFN. 4,539 BLWTR.

----- UP & L Federal 17-07-01-33 -----
12/4/2008 SITP 420 psig, SICP 640 psig. TIH w/4 jt 2-7/8" tbg, Estb CO, CO sd fill to PBD @ 4,515'. TOH w/10 jts 2-7/8" tbg. RDMO AFU. OWU on 32/64" ck. F. 0 BO, 110 BLW, 4 hrs., FCP 640 - 440 psig, 32/64" ck. SWI & SDFN. 4,429 BLWTR.

----- UP & L Federal 17-07-01-33 -----
12/5/2008 SITP 20 psig, SICP 640 psig. TIH w/10 jt 2-7/8" tbg, tgd 18' fill @ 4,514'. TOH w/10 jts 2-7/8" tbg. OWU on 32/64" ck. F. 0 BO, 110 BLW, 8 hrs., FCP 640 - 440 psig, 32/64" ck. SWI & SDFWE. 4,319 BLWTR.

----- UP & L Federal 17-07-01-33 -----
12/8/2008 SITP 50 psig, SICP 650 psig. Bd well. KW w/40 BPW. TIH w/6 jts 2-7/8" tbg. Tgd 2' of fill @ 4,513'. TOH w/137 jts 2-7/8" tbg. LD BHA. PU 2-7/8" x 30' OPMA, 2 jts 2-7/8" tbg, 2705 Cavins desander, 2-7/8" x 4' tbg sub & 2-7/8" SN. TIH w/BHA, 8 jts 2-7/8" tbg, 5-1/2" x 2-7/8" TAC & 118 jts 2-7/8" tbg. ND BOP. Set TAC @ 3,935'. Ld tbg w/2-7/8" donut tbg hgr in 11 K tens. SN @ 4,198'. EOT @ 4,318'. PBD @ 4,515'. Ferron Coal perfs fr/4,008' - 4,112'. NU WH. PU & loaded Western pump 2-1/2" x 1-3/4" x 20' RHBC-DV pmp (XTO #168) w/1" X 1" stnr nip. TIH w/pmp, 1 - 1-1/2" x 25' sbs, shear tl. 1 - 7/8" x 4' stabilizer rod, 2 - 1-1/2" x 25' sbs, 1 - 7/8" x 4' stabilizer rod, 2 - 1-1/2" x 25' sbs, 1 - 7/8" x 4' stabilizer rod, 2 - 1-1/2" x 25' sbs, 1 - 7/8" x 4' stabilizer rod, 2 - 1-1/2" x 25' sbs, 1 - 7/8" x 4' stabilizer rod, 2 - 1-1/2" x 25' sbs, 1 - 7/8" x 4' stabilizer rod, 1 - 1-1/2" x 25' sbs, 1 - 7/8" x 4' stabilizer rod, 81 - 3/4" skr d w/molded guides, 71 - 7/8" skr d w/molded guides, 3 - 7/8" rod subs (10', 6' & 4') & 1-1/4" x 26' PR w/18' lnr. Seated pmp. PT tbg to 1,000 psig w/10 BFW for 10". Tstd ok. Rlsd press. LS pmp w/rig to 500 psig. GPA. HWO. RDMO 4CWS rig #2. 210 BLWTR Unable to PWOP surf equip not ready 4329 BLWTR

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
UTU-74822

6. If Indian, Allottee or Tribe Name
N/A

7. Unit or CA Agreement Name and No.
N/A

8. Lease Name and Well No.
UP&L FEDERAL 17-7-1-33

9. API Well No.
43-015-30746

10. Field and Pool, or Exploratory
BUZZARD BENCH - FERRON SS

11. Sec., T., R., M., or Block and Survey or Area
NWSE SEC 1-T17S-R7E

12. County or Parish
EMERY

13. State
UTAH

14. Date Spudded
9/5/2008

15. Date T.D. Reached
9/15/2008

16. Date Completed
 D & A Ready to Prod.
12/14/2008

17. Elevations (DF, RKB, RT, GL)*
6820' GL

18. Total Depth: MD
TVD **4532'**

19. Plug Back T.D.: MD
TVD **4515'**

20. Depth Bridge Plug Set: MD
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
CD/CN/GR; DI/GL/GR; CBL/VDL/CCL/GR

22. Was well cored? No Yes (Submit analysis)
Was DST run No Yes (Submit report)
Directional Survey? No Yes (Submit copy)

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DIV. OF OIL, GAS & MINING

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt.(#ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No.of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20"	14/A252A	36.75#	0	60'		100/Redimix		SURF	
12-1/4"	9.6/J-55	36#	0	317'		150/G		SURF	
8-3/4"	5.5/S-80	17#	0	4527'		230/A		2765'	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2-7/8"	4318'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) FERRON COAL	4008'	4112'	4008' - 4112'	0.41"	96	OPEN
B) FRSD						
C)						
D)						

26. Perforation Record

Depth Interval	Amount and Type of Material
4008' - 4112'	A. w/2,000 gals 15% HCL acid. Frac'd w/46,452 gals slick wtr, 136,500 gals Dyn-Aqua-1 frac fld carrying 153,899# 20/40 Brady sd, 99,534# 16/30 Brady sd & 125,916# 16/30 Brady sd w/SiberProp coating.

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
12/14/08	12/21/08	24	→	0	341	119			PUMPING
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr.	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status	
N/A	155	126	→	0	341	119		PRODUCING	

28a. Production-Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr.	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status	
			→						

DOGM COPY

(See instructions and spaces for additional data on page 2)

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. →	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status	

28c. Production-Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. →	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

TO BE SOLD

30. 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

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
				EMERY SANDSTONE	781
				LOWER BLUEGATE SHALE	1992
				UPPER FERRON SANDSTONE	3991
				LOWER FERRON SANDSTONE	4175
				TUNUNK SHALE	4371

32. Additional remarks (include plugging procedure):

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- Electrical/Mechanical Logs (1 full set req'd)
 Geologic Report
 DST Report
 Directional Survey
 Sundry Notice for plugging and cement verification
 Core Analysis
 Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) BARBARA A. NICOL

Title REGULATORY CLERK

Signature Barbara A. Nicol

Date 3/17/2009

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.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 74822
---	--

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME:
--	--

1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: UP&L FED 17-7-1-33
------------------------------------	---

2. NAME OF OPERATOR: XTO ENERGY INC	9. API NUMBER: 43015307460000
---	---

3. ADDRESS OF OPERATOR: 382 Road 3100 , Aztec, NM, 87410	PHONE NUMBER: 505 333-3159 Ext	9. FIELD and POOL or WILDCAT: BUZZARD BENCH
--	--	---

4. LOCATION OF WELL FOOTAGES AT SURFACE: 2142 FSL 2069 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSE Section: 1 Township: 17.0S Range: 07.0E Meridian: S	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: 2/1/2010 <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 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 checked="" 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 type="text" value="New Access"/>

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

XTO Energy will be constructing new access to the referenced well. The new access will be constructed due to storm water run off that is being diverted into ash piles by the existing access road. Preventative measures will be taken which will make the existing access unusable, in order to prevent storm water run off. XTO has worked out a SUA with the Land Owner. A map of the new access has been attached for the State's records.

Accepted by the
 Utah Division of
 Oil, Gas and Mining
FOR RECORD ONLY
 February 05, 2010

NAME (PLEASE PRINT) Eden Fine	PHONE NUMBER 505 333-3664	TITLE Permitting Clerk
SIGNATURE N/A		DATE 1/29/2010

THE FOLLOWING DESCRIBED CORRIDOR IS LOCATED IN EMERY COUNTY STATE OF UTAH SECTION 1, T17S, R7E, S.L.B.&M.

NUMBER	LENGTH	LINE / CHORD DIRECTION
L1	72.29'	N89°59'21"E
L2	61.08'	N82°54'19"E
L3	48.30'	N30°08'49"E
L4	68.30'	N87°34'28"E
L5	144.54'	N82°17'01"E
L6	158.74'	N15°07'02"E
L7	34.87'	N87°11'31"E
L8	27.87'	N10°33'38"W
L9	48.80'	N89°07'57"W
L10	72.08'	N89°13'41"W
L11	48.57'	N43°48'10"W
L12	85.57'	N43°48'10"W
L13	41.00'	N20°35'23"W
L14	87.78'	N42°11'57"W
L15	32.89'	N89°38'38"W
L16	31.34'	N89°05'07"W
L17	64.05'	S78°05'14"W
L18	37.48'	N84°50'43"W
L19	36.41'	N83°45'48"W
L20	26.30'	N89°47'28"W
L21	41.20'	N7°31'09"W
L22	34.89'	N87°02'19"E
L23	34.89'	N87°02'19"E
L24	37.32'	N46°40'37"E
L25	57.88'	N38°59'49"E
L26	37.52'	N87°13'38"E
L27	37.47'	N1°38'17"E
L28	40.18'	N32°42'43"W
L29	53.84'	N85°24'57"W
L30	25.05'	N72°35'27"W
L31	28.92'	S83°00'07"W
L32	31.03'	S85°02'53"W
L33	42.91'	S82°17'44"W
L34	86.02'	S89°46'48"W
L35	100.33'	S19°22'10"W
L36	50.17'	S87°29'07"W
L37	57.80'	S44°23'19"W
L38	125.72'	S81°44'31"W
L39	108.16'	S83°58'27"W
L40	68.26'	S77°27'15"W
L41	37.58'	N87°19'10"W
L42	24.41'	N87°38'29"W
L43	88.88'	S87°31'54"W
L44	28.84'	N75°14'54"W
L45	224.41'	N87°40'58"W
L46	110.87'	N89°59'37"W
L47	88.21'	N39°24'53"W

ACCESS CORRIDOR

A 50' BROAD-OF-WAY WITH 25' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE

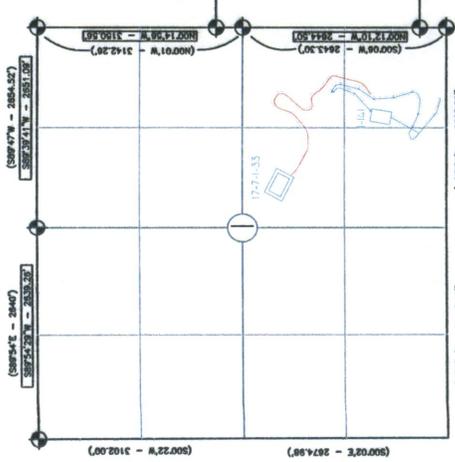
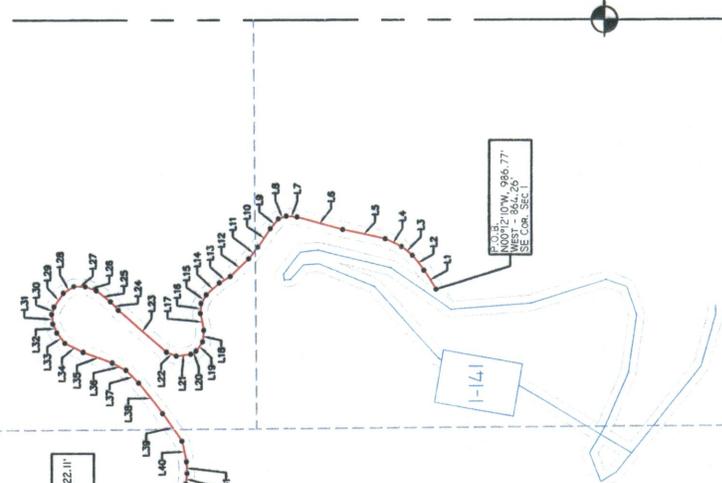
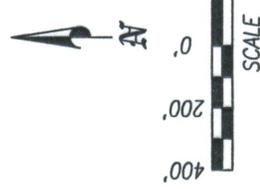
P.O.B.

A 50' access corridor located in the SE/4 of Section 1, T17S, R7E, S.L.B.&M., Emery County, Utah; being 25' on each side of the following described centerline: Beginning at a point more or less on the East side of an existing XTO Energy Right-of-Way, said point being N00°12'10"W, 986.77' along the section line and West 864.26' from the Southeast Section Corner of said Section 1; thence running N56°59'21"E, 4.381 Rods (72.29'); thence N52°54'19"E, 3.701 Rods (61.08'); thence N38°09'49"E, 2.749 Rods (45.35'); thence N25°34'28"E, 3.536 Rods (58.33'); thence N12°17'01"E, 8.578 Rods (141.54'); thence N15°07'02"E, 9.318 Rods (153.74'); thence N05°11'31"E, 2.113 Rods (34.87'); thence N19°33'38"W, 1.677 Rods (27.67'); thence N50°07'57"W, 2.479 Rods (40.90'); thence N56°13'41"W, 4.367 Rods (72.02'); thence N51°07'11"W, 2.941 Rods (48.53'); thence N43°49'10"W, 5.004 Rods (82.57'); thence N29°35'23"W, 2.490 Rods (41.09'); thence N42°11'57"W, 3.497 Rods (57.70'); thence N58°53'39"W, 1.981 Rods (32.69'); thence N86°06'01"W, 1.900 Rods (31.34'); thence S78°09'14"W, 3.276 Rods (54.05'); thence N84°50'43"W, 2.272 Rods (37.49'); thence N53°46'49"W, 2.207 Rods (36.41'); thence N29°47'28"W, 1.230 Rods (20.30'); thence N07°31'06"W, 2.870 Rods (47.35'); thence N21°02'15"E, 2.097 Rods (34.60'); thence N40°24'59"E, 12.413 Rods (204.81'); thence N46°40'37"E, 2.262 Rods (37.33'); thence N36°59'40"E, 3.515 Rods (57.99'); thence N20°13'38"W, 2.274 Rods (37.52'); thence N01°38'17"E, 2.271 Rods (37.47'); thence N32°42'43"W, 2.453 Rods (40.18'); thence N55°24'57"W, 3.263 Rods (53.84'); thence N72°35'24"W, 1.518 Rods (25.05'); thence S83°00'07"W, 1.813 Rods (29.92'); thence S65°02'53"W, 1.881 Rods (31.03'); thence S52°17'44"W, 2.358 Rods (42.21'); thence S25°46'46"W, 4.001 Rods (66.02'); thence S19°22'10"W, 6.081 Rods (100.33'); thence S27°20'07"W, 3.041 Rods (50.17'); thence S44°23'19"W, 3.491 Rods (57.60'); thence S51°44'31"W, 7.619 Rods (125.72'); thence S53°59'27"W, 6.555 Rods (108.16); thence S77°27'15"W, 4.137 Rods (68.26); thence S87°18'10"W, 2.278 Rods (37.59); thence N81°39'29"W, 2.070 Rods (34.16); thence S87°31'34"W, 5.435 Rods (89.68); thence N75°14'54"W, 1.796 Rods (29.64); thence N61°40'58"W, 13.601 Rods (224.41); thence N56°50'37"W, 6.707 Rods (110.67); thence N39°24'53"W, 4.013 Rods (66.21) to a point more or less on the East side of and existing XTO Energy Surface Use Parcel, said point being N00°12'10"W, 2022.11' along the section line and West 1934.19' from the Southeast Section Corner of Section 1, T17S, R7E, S.L.B.&M., Emery County, Utah.

Total Length = 181.692 Rods (2,997.91'), 3.441 Acres more or less

SOUTHWEST CORNER SECTION 6

SOUTHEAST CORNER SECTION 1



APPROXIMATE LOCATION NOT TO SCALE

Talon Resources, Inc.
615 North 400 East
P.O. Box 1230
Huntington, Utah 84628
Phone (435)987-5310
Fax (435)987-5311

REVISIONS	DATE	BY

SECTION 1
T17S, R7E, S.L.B.&M.
EMERY COUNTY, UTAH

DRAWN BY: N. BUTKOVICH	CHECKED BY: APC / KBC
DRAWING: XTO-4391	DATE: 10/22/09
	SCALE: 1" = 400'
JOB NUMBER: 4391	SHEET: 1 OF 1

LEGEND

- Brass Cap (Found)
- Brass Cap (Searched for but not found)
- GLO

GPS Measured

COMPANY / AGENCY	OFFICE LOCATION	SUBMISSION DATE
XTO ENERGY	Talon Resources, Inc	

Surveyor's Certificate:
I, Kay B. Campbell, a Professional Land Surveyor, holding Certificate 6385290 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.

12/04/2009

1. THIS IS A CENTERLINE SURVEY OF THE CORRIDOR ONLY AND DOES NOT REFLECT OR DELINEATE PROPERTY BOUNDARIES.
2. BASIS OF BEARING IS DERIVED FROM G.P.S., USING A TRIPBLE 5700 SURVEY GRADE UNIT.