

**From:** Ed Bonner  
**To:** Mason, Diana  
**Date:** 3/30/2009 7:24 AM  
**Subject:** Re: Fwd: ConocoPhillips APDs

**CC:** Hill, Brad  
 Thats fine. Weve got no problem here

>>> Diana Mason 3/25/2009 6:42 AM >>>

Will these need a wells clearance?

ConocoPhillips	43-007-31486	Utah 31-1068
ConocoPhillips	43-007-31487	Utah 33-1074
ConocoPhillips	43-007-31488	Utah 11-1159
ConocoPhillips	43-007-31489	Utah 11-1157
ConocoPhillips	43-007-31490	Utah 13-1169
ConocoPhillips	43-007-31491	Utah 18-1179
ConocoPhillips	43-007-31492	Utah 19-1181
ConocoPhillips	43-007-31493	Utah 26-1197
ConocoPhillips	43-007-31494	Utah 6-1228
ConocoPhillips	<del>43-007-31495</del>	Utah 02-1264

43-01530763

>>> Brad Hill 3/24/2009 5:22 PM >>>  
 I guess we'll skip the onsite on these.

>>> Mark Jones 3/24/2009 4:55 PM >>>

I've looked these over. As you mentioned they are re-submittals. The locations are already built from the previous permit we issued. I've looked at the paperwork and no changes seem to have been made to the location layouts. I see no reason to do onsite on these. Most of these I have been to since the first of the year doing routine inspections for anyway and there have been no issues.

Mark L. Jones  
 Utah DOGM

>>> Brad Hill 3/23/2009 3:08 PM >>>

Mark,

Would you take a look at these and give me your opinion on whether or not we should do a new onsite. These are all re-submittals.

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

FORM 3

AMENDED REPORT   
(highlight changes)

<b>APPLICATION FOR PERMIT TO DRILL</b>				5. MINERAL LEASE NO: ML 46094	6. SURFACE: State
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: Drunkards Wash UTU67921X	
2. NAME OF OPERATOR: ConocoPhillips Company				9. WELL NAME and NUMBER: Utah 02-1264	
3. ADDRESS OF OPERATOR: P.O. Box 51810 CITY Midland STATE Tx ZIP 79710			PHONE NUMBER: (432) 688-6943	10. FIELD AND POOL, OR WLDCAT: Drunkards Wash	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 2017 FNL & 2478 FEL AT PROPOSED PRODUCING ZONE:				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 2 16S 9E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 6.3 miles southwest of Price, Utah				12. COUNTY: Emery	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 2017'		16. NUMBER OF ACRES IN LEASE: 638.40		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 160	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 1550'		19. PROPOSED DEPTH: 2,500		20. BOND DESCRIPTION: Statewide	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5928.1 GL		22. APPROXIMATE DATE WORK WILL START: 6/1/2009		23. ESTIMATED DURATION: 30 days	

24. **PROPOSED CASING AND CEMENTING PROGRAM**

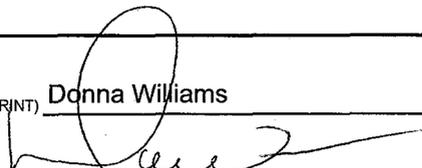
SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
15"	12 3/4" Conducto	40	
11	8 5/8 J55 24#	400	170 sxs G + 2% CaCl 1.18 cu ft/sk 15.6 ppg
7 7/8	5 1/2 N80 17#	2,490	110 sxs Std Cmt 10% CalSeal 1.61 cuft/sk 14.2 ppg
			180 sxs50/50Poz+8% Bent+10% CalSeal 1/4" 12.5 ppg

25. **ATTACHMENTS**

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

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

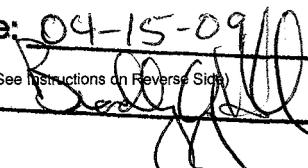
NAME (PLEASE PRINT) Donna Williams TITLE Sr. Regulatory Specialist

SIGNATURE  DATE 3/30/2009

(This space for State use only)

Approved by the  
Utah Division of  
Oil, Gas and Mining

API NUMBER ASSIGNED: 43-015-30763

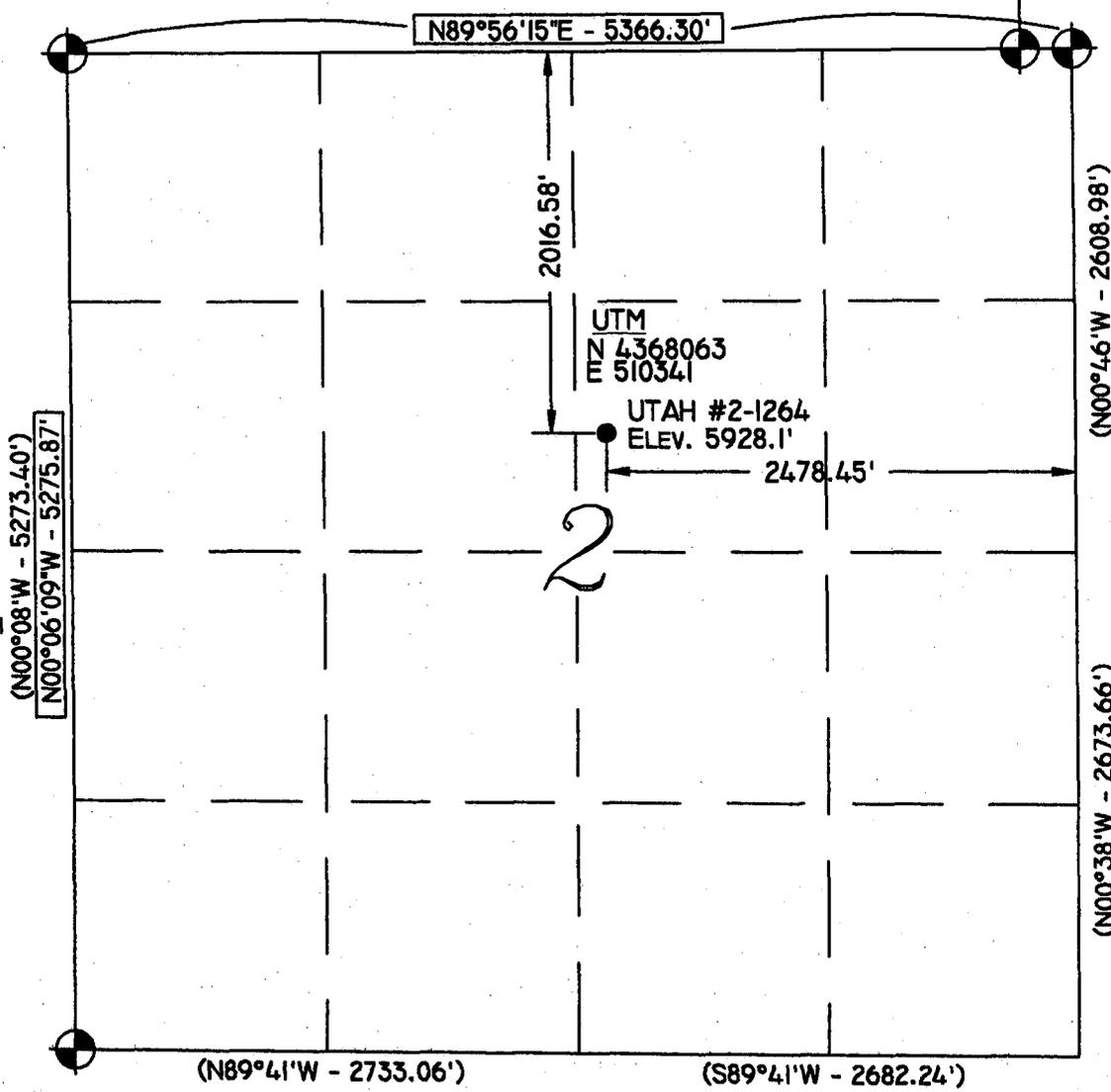
APPROVAL:  
Date: 04-15-09  
By: 

**RECEIVED**  
**APR 01 2009**

DIV. OF OIL, GAS & MINING

# Range 9 East

Township 16 South



**Location:**  
THE WELL LOCATION WAS DETERMINED USING A TRIMBLE 5700 GPS SURVEY GRADE UNIT.

**Basis of Bearing:**  
THE BASIS OF BEARING IS GPS MEASURED.

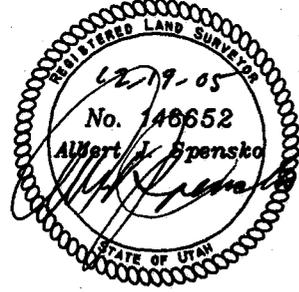
**GLO Bearing:**  
THE BEARINGS INDICATED ARE PER THE RECORDED PLAT OBTAINED FROM THE U.S. LAND OFFICE.

**Basis of Elevation:**  
BASIS OF ELEVATION OF 6050' BEING AT THE NORTHWEST SECTION CORNER OF SECTION 35, TOWNSHIP 15 SOUTH, RANGE 9 EAST, SALT LAKE BASE AND MERIDIAN, AS SHOWN ON THE POISON SPRING BENCH QUADRANGLE 7.5 MINUTE SERIES MAP.

**Description of Location:**  
PROPOSED DRILL HOLE LOCATED IN THE SW/4 NE/4 OF SECTION 2, T16S, R9E, S.L.B.&M., BEING 2016.58' SOUTH AND 2478.45' WEST FROM THE NORTHEAST SECTION CORNER OF SECTION 2, T16S, R9E, 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.



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

**ConocoPhillips Company**

WELL UTAH #2-1264  
Section 2, T16S, R9E, S.L.B.&M.  
Emery County, Utah

Drawn By: <b>N. BUTKOVICH</b>	Checked By: <b>L.W.J./A.J.S.</b>
Drawing No. <b>A-1</b>	Date: <b>12/8/05</b>
	Scale: <b>1" = 1000'</b>
Sheet <b>1</b> of <b>4</b>	Job No. <b>2093</b>

- LEGEND**
- DRILL HOLE LOCATION
  - ⊙ METAL CAP (FOUND)
  - BRASS CAP (SEARCHED FOR, BUT NOT FOUND)
  - △ CALCULATED CORNER
  - ( ) GLO
  - GPS MEASURED

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

**LAT / LONG**  
39°27'50.265"N  
110°52'47.250"W

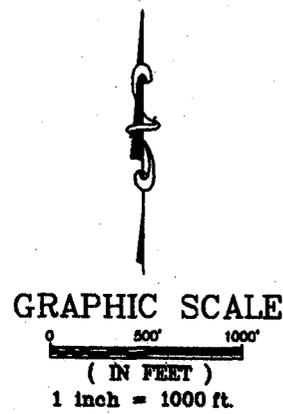


EXHIBIT "D"  
DRILLING PROGRAM

Attached to Form 3  
ConocoPhillips Company  
Utah 02-1264  
SW/4, NE/4, Sec.2, T16S, R9E, SLB & M  
2017' FNL, 2478' FEL  
Emery County, Utah

1. The Surface Geologic Formation

Mancos Shale

2. Estimated Tops of Important Geologic Markers

Blue Gate/Ferron 1970'

3. Projected Gas & H2O zones (Ferron Formation)

Coals and sandstones 2110' - 2134'

No groundwater is expected to be encountered.

Casing & cementing will be done to protect potentially productive hydrocarbons, lost circulation zones, abnormal pressure zones, and prospectively valuable mineral deposits.

All indications of usable water will be reported.

Surface casing will be tested to 500 psi and Production casing tested to 1500 psi with a minimum of 1 psi/ft of the last casing string depth

4. The Proposed Casing and Cementing Programs

Hole Size	Casing Size	Wt/Ft	Grade	Joint	Depth set
14 3/4"	12 3/4"	40.5	H-40	ST&C	0-50'
11"	8 5/8"	24.0	J-55	ST&C	0-400'
7 7/8"	5 1/2"	17.0	N-80	LT&C	<u>0-2490</u>

## **Cementing Program**

The 8 5/8" surface casing will be set with approximately 170 sacks Class G or Type V cement with 2% CaCl<sub>2</sub> mixed at 15.6 ppg (yield =1.18 ft<sup>3</sup>/sx). The cement will be circulated back to surface with 100% excess.

The 5 1/2" production casing will be set and cemented using a two stage cementing process . This entails setting casing to total TD and running a DV tool to approximately 300' of the top of the Ferron.

The 1<sup>st</sup> Stage of cement will then be pumped to approximately 50' from the DV tool. After cement is pumped, the cement cap will be removed and a wiper plug installed. The cement cap will then be screwed back on and a wiper plug will be displaced to TD. The cement cap will be removed and the DV tool bomb will be dropped followed by the 2<sup>nd</sup> Stage wiper plug. (This is done to open the DV tool and establish circulation.) Once circulation is established, circulation will continue at approximately 1 bpm for 4 hours while waiting on cement (WOC). WOC at a minimum of 4 hours before beginning 2<sup>nd</sup> stage cement job. After the 2<sup>nd</sup> Stage has been pumped, a top wiper plug will be dropped and displaced with water (or water spacer and mud). Shut in well and WOC.

The 5 1/2" production casing will be set with approximately 110 sacks of Standard Cement, 10% Cal Seal 60 (accelerator), 1% Calcium Chloride (accelerator), 1/4 lbm/sk Flocele (lost circulation additive) with a yield of 1.61 ft<sup>3</sup>/sx at 14.2 ppg; calculated with an excess of 35% for the 1<sup>st</sup> Stage. For the 2<sup>nd</sup> stage, approximately 180 sx of 50/50 POZ Premium cement, 8% Bentonite (light weight additive), 10% Cal Seal 60 (accelerator), 1/4 lbm/sk Flocele (lost circulation additive) with a yield of 1.98 ft<sup>3</sup>/sx at 12.5 ppg; calculated with an excess of 30% for the 2<sup>nd</sup> Stage.

The above cement volumes are approximate and are calculated under the assumption that a gauge hole will be achieved. If the cement does not return to surface, a cement bond log will be run to determine the top of cement. In the case where the cement is below the surface casing shoe, the casing will be perforated and squeeze cemented to the surface. If the cement is above the surface casing shoe, cement will be one-inched to the surface.

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

- 1) Blowout preventer pressure tests, including test pressures and results;
- 2) Blowout preventer tests for proper functioning;
- 3) Blowout prevention drills conducted;
- 4) Casing run, including size, grade, weight, and depth set;
- 5) How the pipe was cemented, including amount of cement, type, whether cement circulated, location of the cementing tools, etc.;
- 6) Waiting on cement time for each casing string;
- 7) Casing pressure tests after cementing, including test pressures and results.

5. The Operator's Minimum Specifications for Pressure Control

Exhibit "G" is a schematic diagram of the blowout preventer equipment. A double gate 3000 psi BOPE will be used with a rotating head. This equipment will be tested to 2000 psi. All tests will be recorded in a Driller's Report Book. Physical operation of BOP's will be checked on each trip.

6. The Type and Characteristics of the Proposed Circulating Muds

0-400	11" hole	Drill with air, will mud-up if necessary.
400-TD	7 7/8" hole	Drill with air, will mud-up if necessary. 400 psi @ 1400-1600 cfm

7. The Testing, Logging and Coring Programs are as followed

400-TD      Gamma Ray, Neutron Porosity, CBL

Any Anticipated Abnormal Pressures or Temperatures

No abnormal pressures or temperatures have been noted or reported in wells drilled in the area nor at the depths anticipated in this well. Bottom hole pressure expected is about 1083 psi max., however due to offset production pressures may be much lower. No hydrogen sulfide or other hazardous gases or fluids have been found, reported or are known to exist at these depths in the area.

8. Anticipated Starting Date and Duration of the Operations.

The well will be drilled around June 1, 2009

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

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

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

## SURFACE USE PLAN

Attached to Form 3  
ConocoPhillips Company  
Utah 02-1264  
SW/4, NE/4, Sec.2, T16S, R9E, SLB & M  
2017' FNL, 2478' FEL  
Emery County, Utah

### **1. Existing Roads**

- a. We do not plan to change, alter or improve upon any existing state or county roads.
- b. Existing roads will be maintained in the same or better condition. See Exhibit "B".

### **2. Planned Access**

Approximately 1,000' of new access is required (Refer to Drawing L-1)

- a. Maximum Width: 24' travel surface with 27' base
- b. Maximum grade: 7%
- c. Turnouts: None
- d. Drainage design: 2 culverts may be required. Water will be diverted around well pad as necessary.
- e. If the well is productive, the road will be surfaced and maintained as necessary to prevent soil erosion and accommodate year-round traffic.
- f. Pipe and power lines will follow the proposed access road.

### **3. Location of Existing Wells**

- a. Refer to Drawing L-1.

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

- a. If the well is a producer, installation of production facilities will be as shown on Exhibit "H". Buried powerlines run along access on the east and north, gathering lines on the south or west.
- b. Rehabilitation of all pad areas not used for production facilities will be made in accordance with landowner stipulations.

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

- a. Water to be used for drilling will be purchased from the Price River Water Improvement District (a local source of municipal water) (tel. 435-637-6350).
- b. Water will be transported by truck over approved access roads.
- c. No water well is to be drilled for this location.

## **6. Source of Construction Materials**

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

## **7. Methods for handling waste disposal**

- a. As the well will be air drilled, a small reserve pit will be constructed with a minimum of one-half the total depth below the original ground surface on the lowest point within the pit. The pit will not be lined unless conditions encountered during construction warrant it or if deemed necessary by the DOGM representative during the pre-site inspection. Three sides of the reserve pit will be fenced within 24 hours after completion of construction and the fourth side within 24 hours after drilling operation cease with woven wire topped with barbed wire to a height of not less than four feet. The fence will be kept in good repair while the pit is drying.
- b. Following drilling, the liquid waste will be evaporated from the pit and the pit back-filled and returned to natural grade. No liquid hydrocarbons will be discharged to the reserve pit or location.
- c. In the event fluids are produced, any oil will be retained in tankage until sold and any water produced will be retained until its quality can be determined. The quality and quantity of the water will determine the method of disposal.
- d. Trash will be contained in a portable metal container and will be hauled from location periodically and disposed of at an approved disposal site. Chemical toilets will be placed on location and sewage will be disposed of at an appropriate disposal site.

## **8. Ancillary Facilities**

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

## **9. Wellsite Layout**

- a. Available topsoil will be removed from the location and stockpiled. Location of mud tanks, reserve and berm pits, and soil stockpiles will be located as shown on the attachments.
- b. A blooie pit will be located 100' from the drill hole. A line will be placed on the surface from the center hole to the pit. The pit will not be lined, but will be fenced on four sides to protect livestock/wildlife.
- c. Access to the well pad will be as shown on Drawing A-2 and L-1.
- d. Natural runoff will be diverted around the well pad.

## **10. Plans for Restoration of Surface**

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

## **11. Surface Ownership:**

- a. The wellsite and access road will be constructed on lands owned by the School and Institutional Trust Lands Administration. The operator shall contact the landowner representative and the Division of Oil, Gas and mining 48 hours prior to beginning construction activities.

**12. Other Information:**

- a. The primary surface use is farming and grazing. The nearest dwelling is approximately 5.7 miles Northeast.
- b. Nearest live water is the Miller Creek 2.6 miles North.
- c. If there is snow on the ground when construction begins, it will be removed before the soil is disturbed and piled downhill from the topsoil stockpile location.
- d. The backslope and foreslope will be constructed no steeper than 4:1.
- e. All equipment and vehicles will be confined to the access road and well pad.
- f. A complete copy of the approved Application for Permit to Drill (APD) including conditions and stipulations, shall be on the wellsite during construction and drilling operations.

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

**13. Company Representative**

Jean Semborski  
Construction/Asset Integrity Supervisor  
ConocoPhillips Company  
P.O. Box 851  
6825 South 5300 West  
Price, Utah 84501  
(435) 613-9777  
(435) 820-9807

Mail Approved A.P.D. To:

Donna Williams  
Sr. Regulatory Analyst  
ConocoPhillips Company  
P.O. Box 51810  
Midland, Texas 79710

Excavation Contractor

Larry Jensen, Vice President  
Nelco Contractors Inc.  
(435) 637-3495  
(435) 636-5268

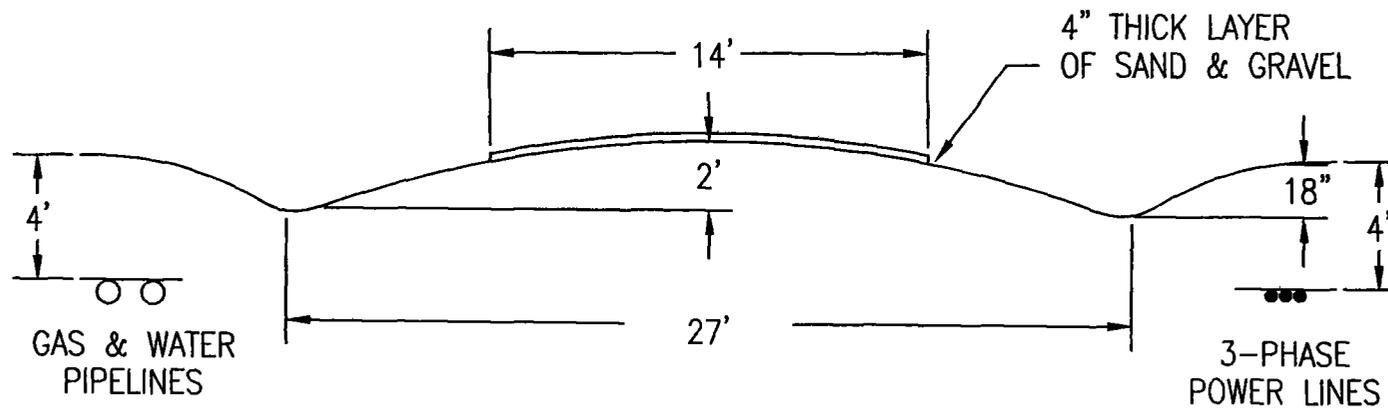
**14. Certification**

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

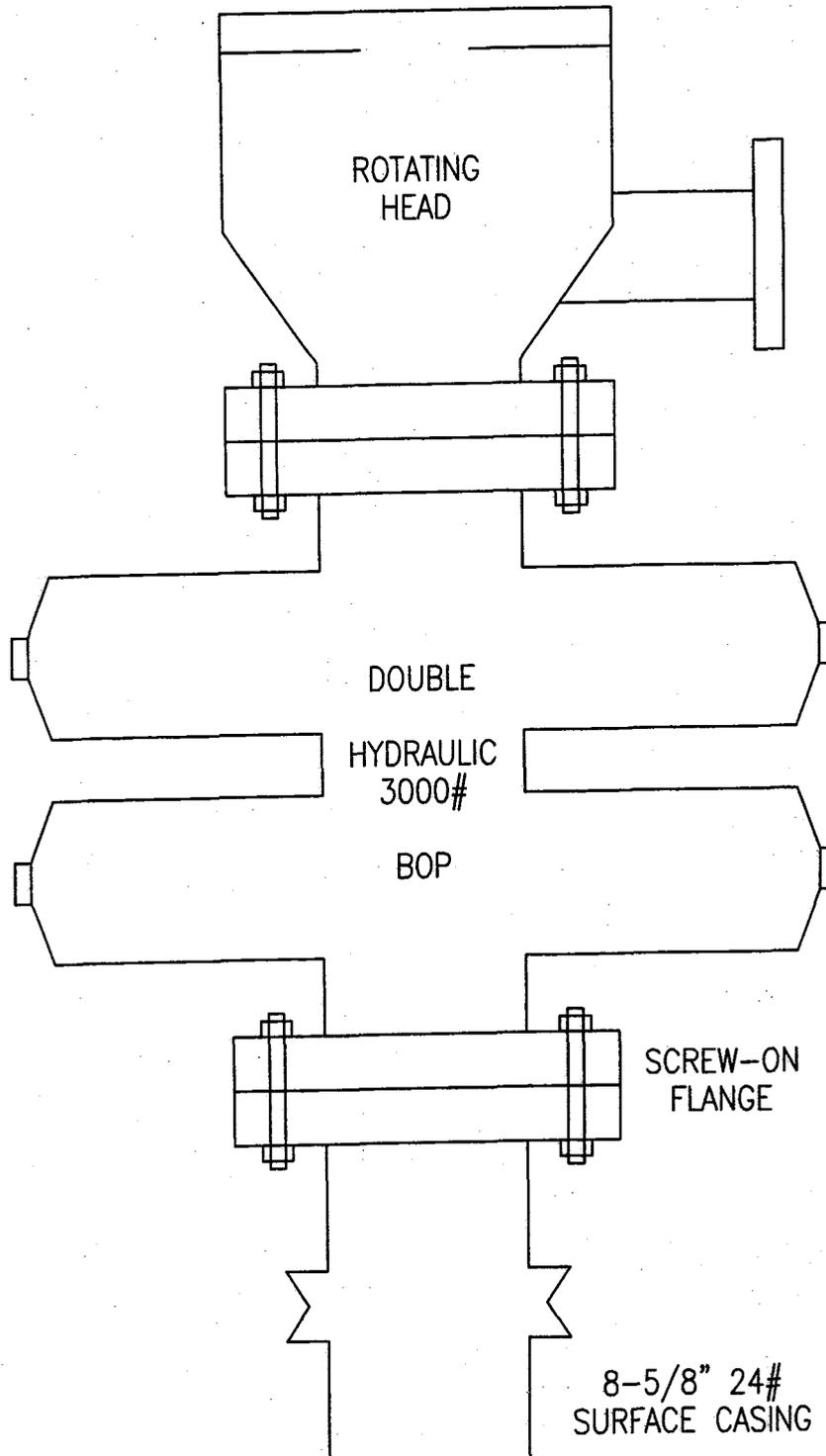
3/19/09  
Date

  
\_\_\_\_\_  
Donna Williams  
Sr. Regulatory Analyst  
ConocoPhillips Company

TYPICAL ROAD CROSS-SECTION  
CONOCOPHILLIPS COMPANY



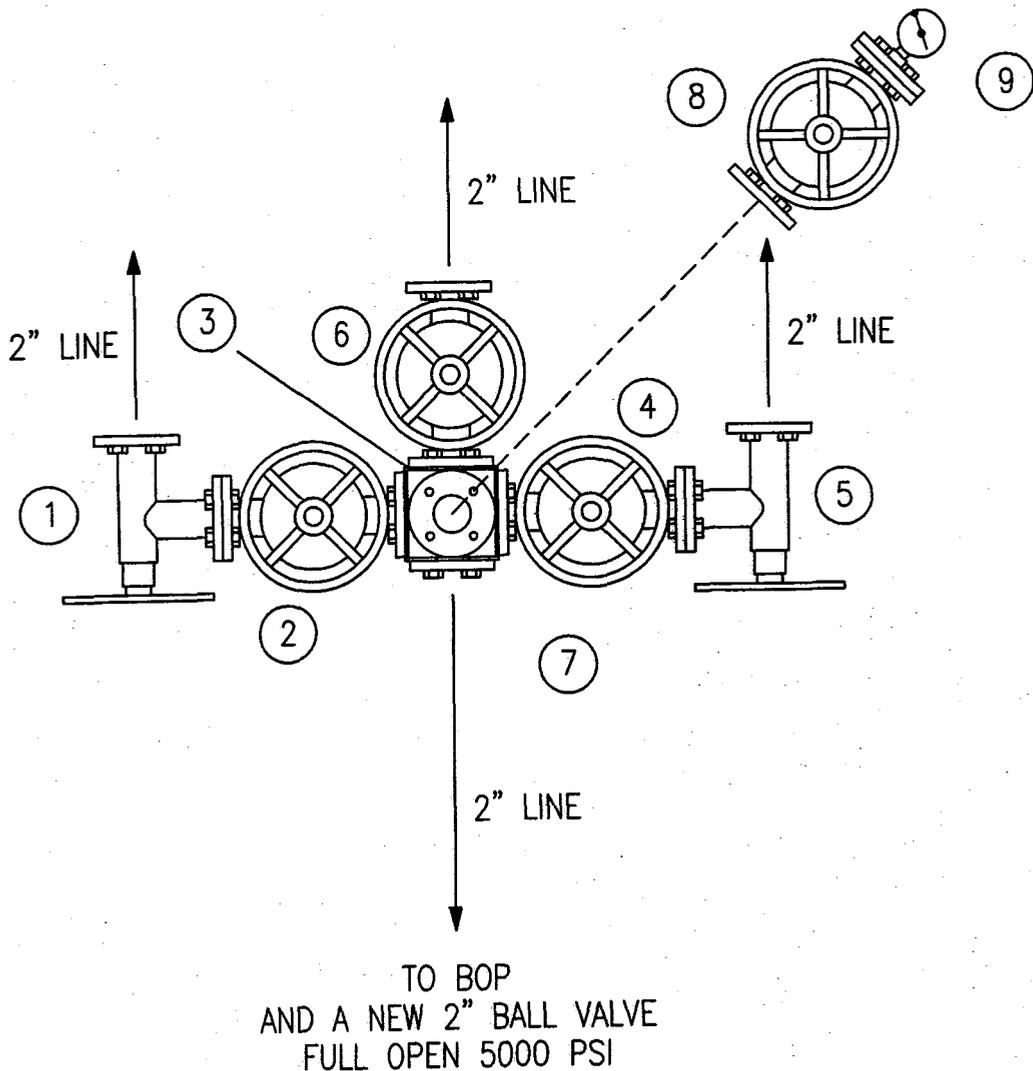
DIVERTER HEAD  
CONOCOPHILLIPS COMPANY



# CONOCOPHILLIPS COMPANY

- (1) 2" 5M FLANGED CHOKE
- (2) 2" 5M GATE VALVE (FLANGED)
- (3) 2" 5M STUDDED CROSS
- (4) 2" 5M GATE VALVE (FLANGED)
- (5) 2" 5M FLANGED CHOKE
- (6) 2" 5M GATE VALVE (FLANGED)
- (7) 2" LINE
- (8) 2" 5M GATE VALVE (FLANGED)
- (9) 3000# GAUGE

NOTE:  
NUMBER 8 GATE VALVE SITS ON TOP OF MANIFOLD BETWEEN STUDDED CROSS AND 3000# GAUGE.



MANIFOLD

**EXHIBIT H**

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

FORM 4A

Bond No. 6196922

**SURETY BOND**

**KNOW ALL MEN BY THESE PRESENTS:**

That we (operator name) CONOCOPHILLIPS COMPANY as Principal,  
and

(surety name) SAFECO INSURANCE COMPANY OF AMERICA as Surety, duly authorized  
and qualified to do business in the State of Utah, are held and firmly bound unto the State of Utah in the sum of:

EIGHTY THOUSAND AND NO/100\*\*\*\*\* dollars (\$ 80,000.00 )  
lawful money of the United States, payable to the Director of the Division of Oil, Gas and Mining, as agent of the State of Utah, for the use and  
benefit of the State of Utah for the faithful payment of which we bind ourselves, our heirs, executors, administrators and successors, jointly and  
severally by these presents.

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

- Blanket Bond: To cover all wells drilled in the State of Utah
- Individual Bond: Well No: \_\_\_\_\_  
Section: \_\_\_\_\_ Township: \_\_\_\_\_ Range: \_\_\_\_\_  
County: \_\_\_\_\_, Utah

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

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

30th day of Dec, 20 02.

(Corporate or Notary Seal here)

Attested: [Signature] Date: 12-30-02

CONOCOPHILLIPS COMPANY

Principal (company name)

By

James F. Hughes Corporate Insurance  
Name (print) Title Manager

James F. Hughes  
Signature

**IN TESTIMONY WHEREOF**, said Surety has caused this instrument to be signed by its duly authorized officers and its corporate or notary seal  
to be affixed this

1ST day of JANUARY, 20 03.

(Corporate or Notary Seal here)

Carolyn E. Wheeler  
Attested: \_\_\_\_\_ Date: 12/20/2002

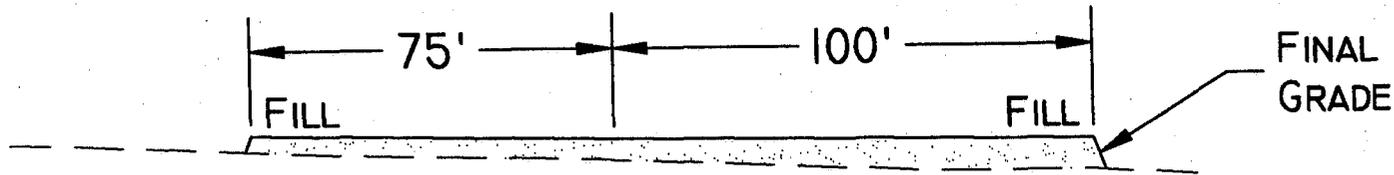
By

TINA MARIE FOSTER ATTORNEY IN FACT  
Name (print) Title

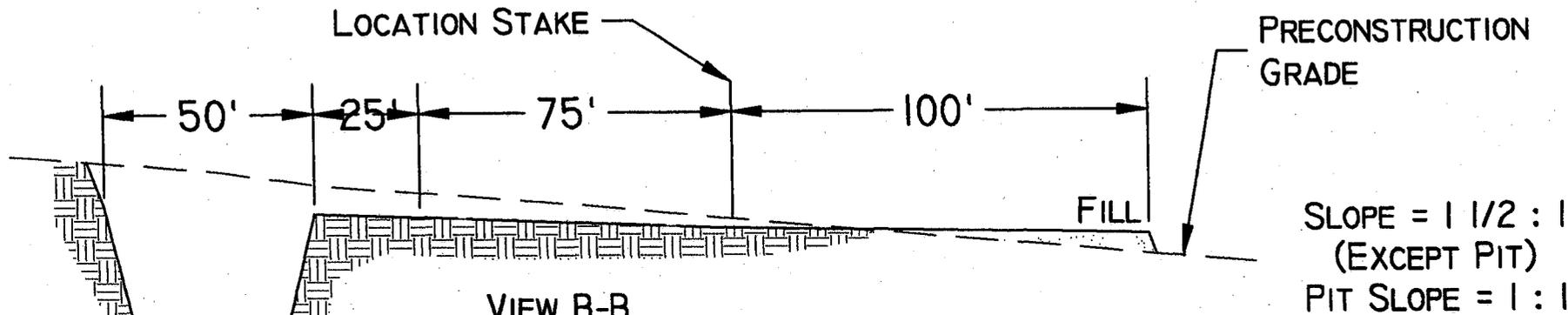
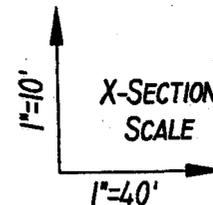
Tina Marie  
Signature

C/O MARSH USA, INC  
Surety Mailing Address  
P.O. BOX 36012, KNOXVILLE, TN 37930-6012  
City State Zip

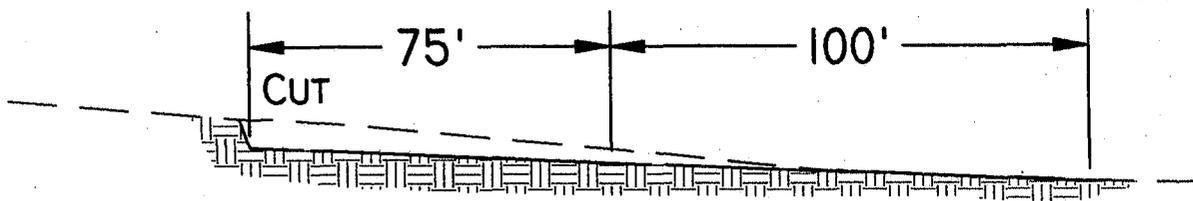




VIEW C-C



VIEW B-B



VIEW A-A



**TALON RESOURCES, INC.**

195 North 100 West P.O. Box 1230  
Huntington, Utah 84528

Phone (435)687-5310 Fax (435)687-5311  
E-Mail talonstv.net

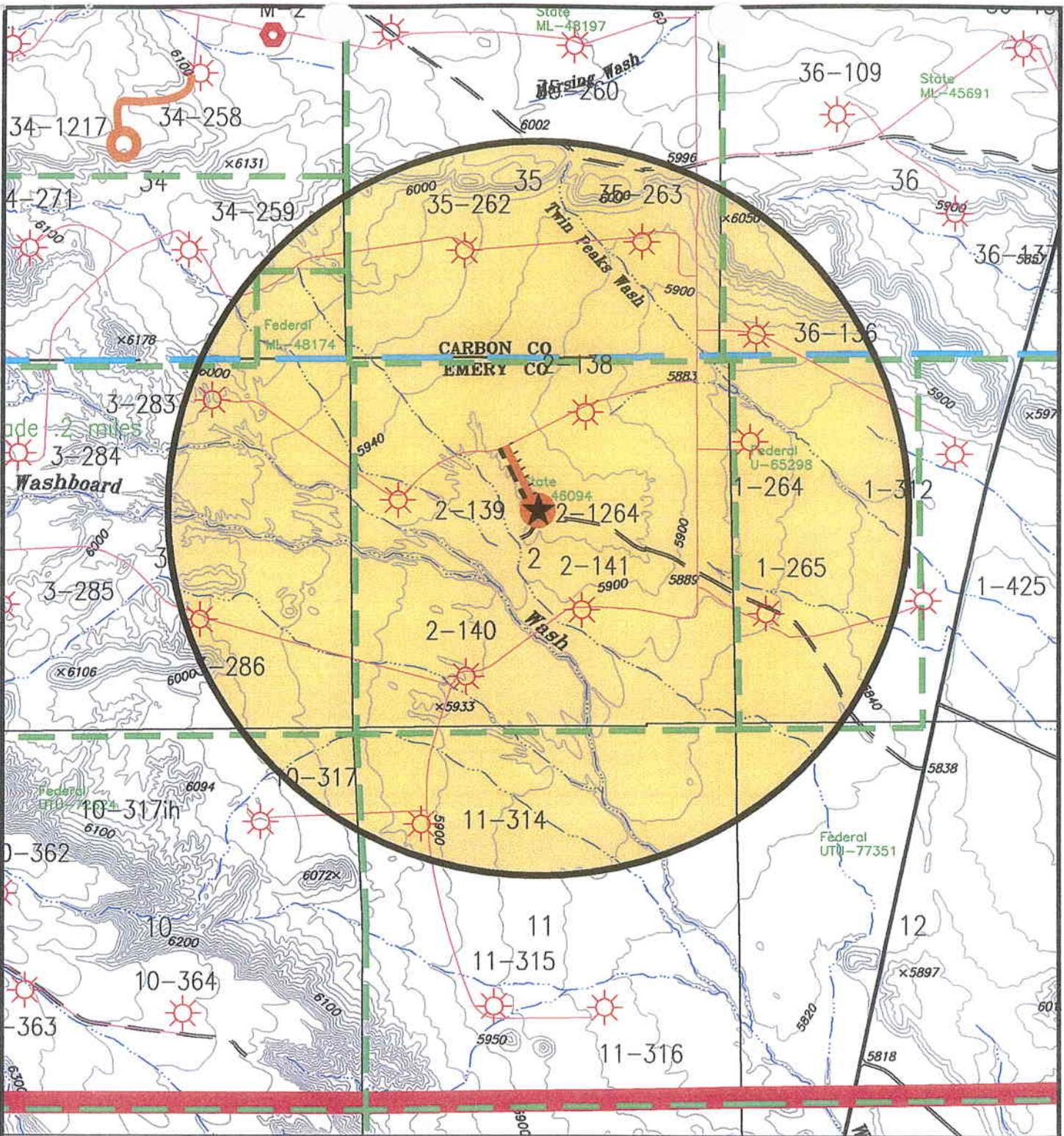
**ConocoPhillips Company**

TYPICAL CROSS SECTION  
Section 2, T16S, R9E, S.L.B.&M.  
WELL UTAH #2-1264

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. C-1	Date: 12/8/05
	Scale: 1" = 40'
Sheet 3 of 4	Job No. 2093

APPROXIMATE YARDAGES

CUT  
 (6") TOPSOIL STRIPPING = 810 CU. YDS.  
 REMAINING LOCATION = 1,255 CU, YDS.  
 (INCLUDING TOPSOIL STRIPPING)  
 TOTAL CUT (INCLUDING PIT) = 2,005 CU. YDS.  
 TOTAL FILL = 810 CU. YDS.



**LEGEND**

- Proposed Well Location:
- Other Proposed Well Locations:
- Proposed Powerline:
- Proposed Pipeline:
- Proposed Roads:
- Lease Boundary:
- Existing Wells:



Scale: 1" = 2000'

December 8, 2005

**ConocoPhillips Company**

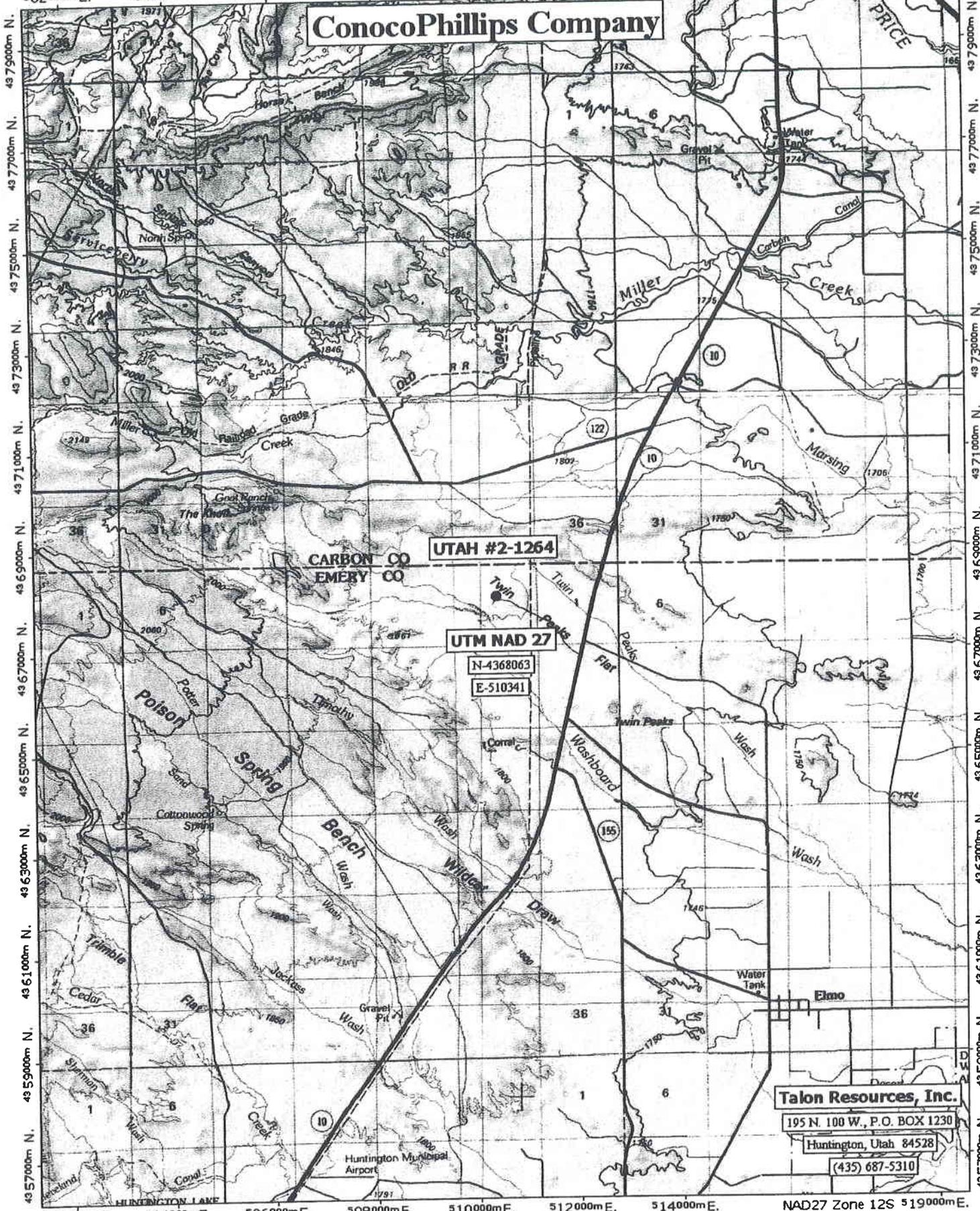
6825 South 5300 West  
 P.O. Box 851  
 Price, Utah 84501  
 Phone: (435) 613-9777  
 Fax: (435) 613-9782



**WELL UTAH #2-1264**  
 Section 2, T16S, R9E, S.L.B.&M.  
 Drawing L-1 4 of 4

502000mE. 504000mE. 506000mE. 508000mE. 510000mE. 512000mE. 514000mE. NAD27 Zone 12S 519000mE.

**ConocoPhillips Company**



**UTAH #2-1264**

**UTM NAD 27**

**N-4368063**

**E-510341**

**CARBON CO  
EMERY CO**

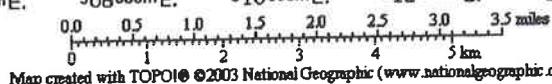
**Talon Resources, Inc.**

195 N. 100 W., P.O. BOX 1230

Huntington, Utah 84528

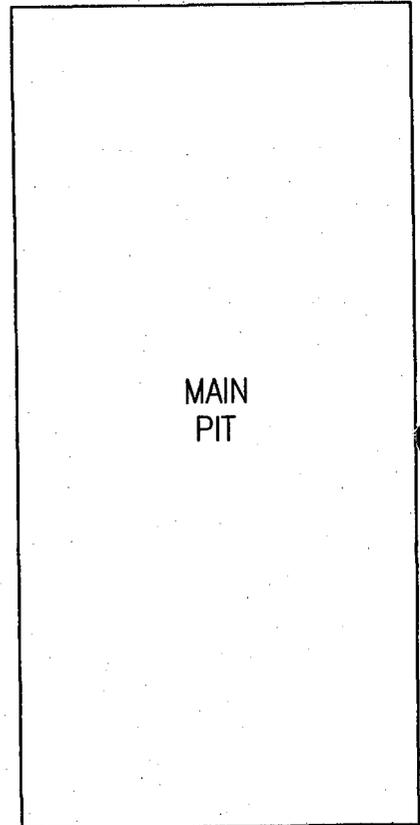
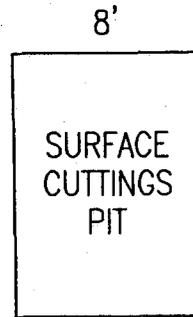
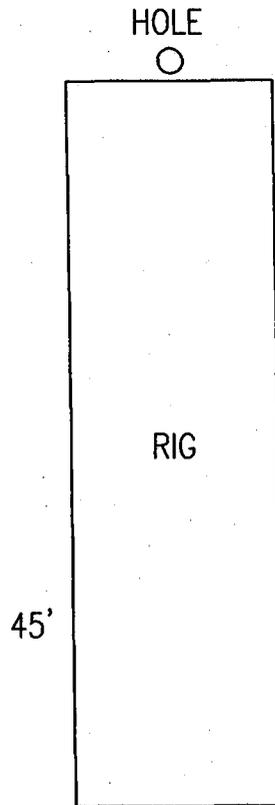
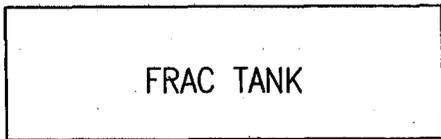
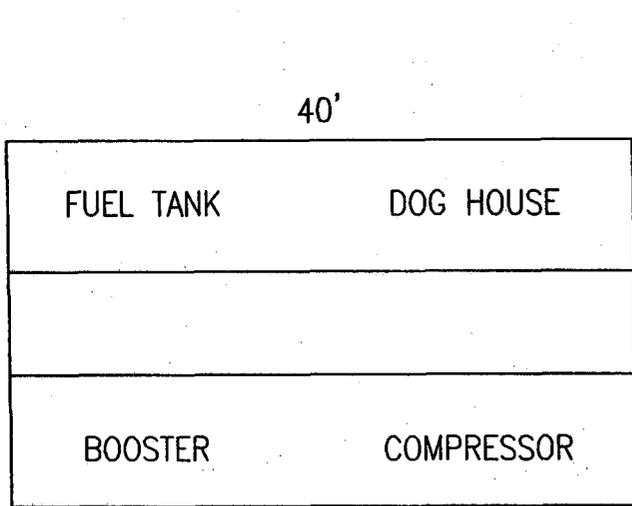
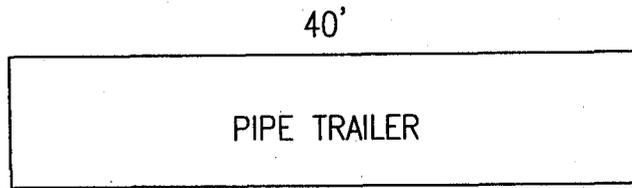
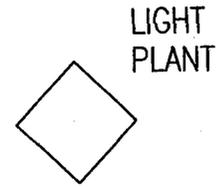
(435) 687-5310

TN 124°



Map created with TOPOI © 2003 National Geographic (www.nationalgeographic.com/topo)

# APPROXIMATE LAYOUT OF RIG & EQUIPMENT



Page 2

43-015-30763

April 15, 2009

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.
5. The Operator shall comply with the Conditions of Approval from the original on-site review.

**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 04/01/2009

API NO. ASSIGNED: 43-015-30763

WELL NAME: UTAH 02-1264  
 OPERATOR: CONOCOPHILLIPS COMPANY ( N2335 )  
 CONTACT: DONNA WILLIAMS

PHONE NUMBER: 432-688-6943

PROPOSED LOCATION:  
 SWNE 02 160S 090E  
 SURFACE: 2017 FNL 2478 FEL  
 BOTTOM: 2017 FNL 2478 FEL  
 COUNTY: EMERY  
 LATITUDE: 39.46391 LONGITUDE: -110.87951  
 UTM SURF EASTINGS: 510365 NORTHINGS: 4368057  
 FIELD NAME: DRUNKARDS WASH ( 48 )

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DWG	4/15/09
Geology		
Surface		

LEASE TYPE: 3 - State  
 LEASE NUMBER: ML 46094  
 SURFACE OWNER: 3 - State

PROPOSED FORMATION: FRSD  
 COALBED METHANE WELL? YES

RECEIVED AND/OR REVIEWED:

Plat

Bond: Fed[] Ind[] Sta[] Fee[]  
 (No. 6196922 )

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: DRUNKARDS WASH

\_\_\_\_ R649-3-2. General  
 Siting: 460 From Qtr/Qtr & 920' Between Wells

\_\_\_\_ R649-3-3. Exception

Drilling Unit  
 Board Cause No: 243-2  
 Eff Date: 7-13-1999  
 Siting: 460' from boundary & uncomm. tract

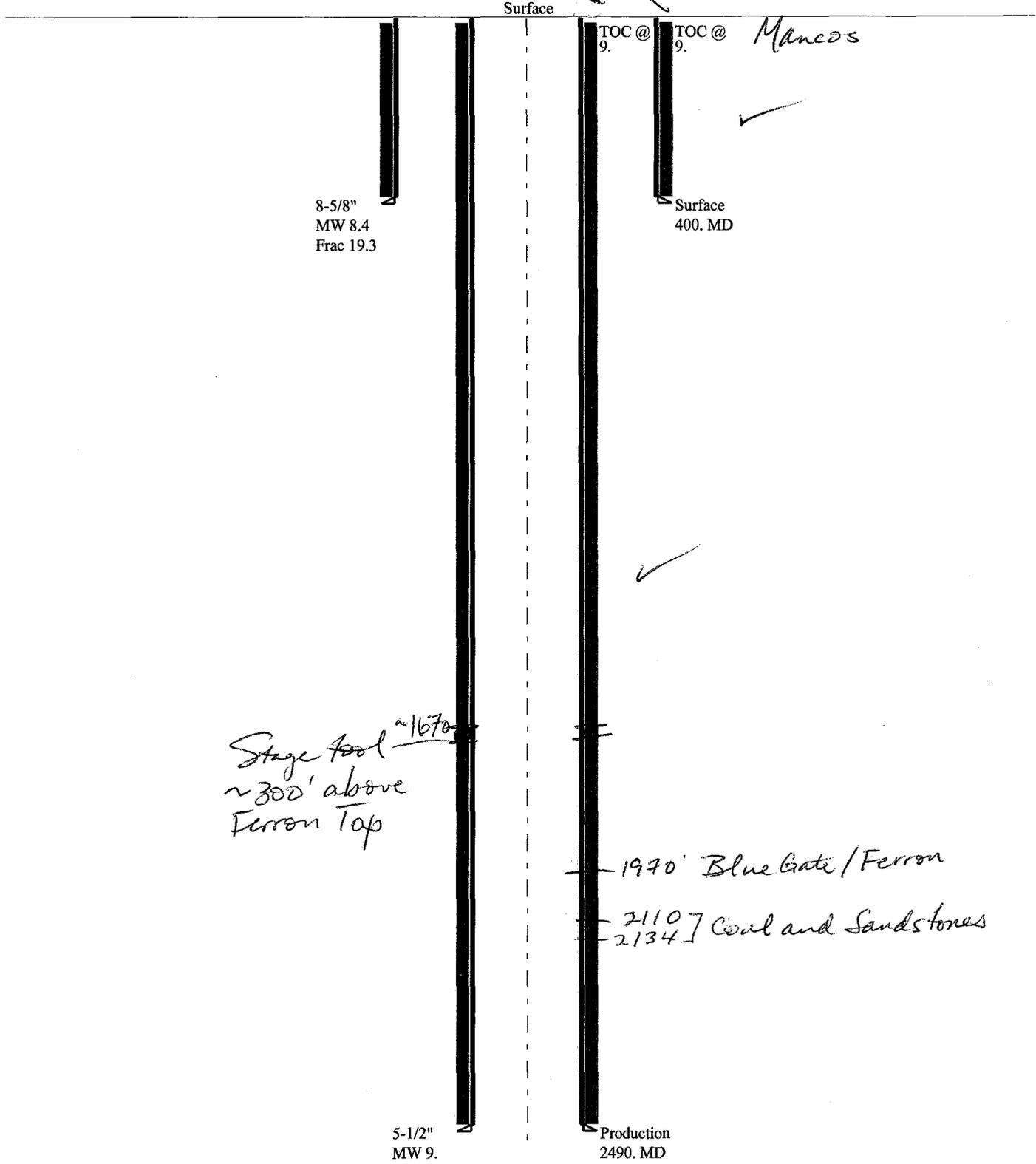
\_\_\_\_ R649-3-11. Directional Drill

COMMENTS: Permit (2-1-06)

STIPULATIONS: 1- The Operator shall comply with the conditions of Approval from the original onsite review.  
(per Brad 4/2009)



Casing Schematic



Well name:	<b>43015307630000 ConocoPhillips Utah 02-1264</b>	
Operator:	<b>ConocoPhillips Company</b>	
String type:	Surface	Project ID: 43-015-30763-0000
Location:	Emery County	

**Design parameters:**

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

**Minimum design factors:**

**Collapse:**  
Design factor 1.125

**Environment:**

H2S considered? No  
Surface temperature: 65 °F  
Bottom hole temperature: 71 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 250 ft

**Burst**

Max anticipated surface pressure: 352 psi  
Internal gradient: 0.120 psi/ft  
Calculated BHP 400 psi

**Burst:**  
Design factor 1.00

Cement top: 9 ft

No backup mud specified.

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

**Non-directional string.**

**Re subsequent strings:**

Next setting depth: 2,490 ft  
Next mud weight: 8.400 ppg  
Next setting BHP: 1,087 psi  
Fracture mud wt: 19.250 ppg  
Fracture depth: 400 ft  
Injection pressure: 400 psi

Tension is based on buoyed weight.  
Neutral point: 350 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	400	8.625	23.00	WC-50	ST&C	400	400	8	143.9
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	174	1170	6.708	400	2500	6.25	8	220	27.34 J

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

Phone: 801-538-5357  
FAX: 810-359-3940

Date: April 9, 2009  
Salt Lake City, Utah

Remarks:  
Collapse is based on a vertical depth of 400 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	<b>43015307630000 ConocoPhillips Utah 02-1264</b>	
Operator:	<b>ConocoPhillips Company</b>	
String type:	Production	Project ID: 43-015-30763-0000
Location:	Emery County	

**Design parameters:**

**Collapse**

Mud weight: 9.000 ppg  
Design is based on evacuated pipe.

**Minimum design factors:**

**Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Environment:**

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

Cement top: 9 ft

**Burst**

Max anticipated surface pressure: 865 psi  
Internal gradient: 0.120 psi/ft  
Calculated BHP 1,164 psi

No backup mud specified.

**Tension:**

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

**Non-directional string.**

Tension is based on buoyed weight.  
Neutral point: 2,150 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2490	5.5	17.00	N-80	LT&C	2490	2490	4.767	325
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1164	6290	5.403	1164	7740	6.65	37	348	9.52 J

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

Phone: 801-538-5357  
FAX: 810-359-3940

Date: April 9, 2009  
Salt Lake City, Utah

**Remarks:**

Collapse is based on a vertical depth of 2490 ft, a mud weight of 9 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

**BOPE REVIEW**

**ConocoPhillips Utah 02-1264 API 43-015-30763-0000**

**INPUT**

Well Name

ConocoPhillips Utah 02-1264 API 43-015-30763-0000			
String 1	String 2		
8 5/8	5 1/2		
400	2490		
40.5	400		
8.4	8.6	✓	
0	3000		
2950	7740		
1083	8.4 ppg	✓	

Casing Size (")

Setting Depth (TVD)

Previous Shoe Setting Depth (TVD)

Max Mud Weight (ppg)

BOPE Proposed (psi)

Casing Internal Yield (psi)

Operators Max Anticipated Pressure (psi)

**Calculations**

**String 1 8 5/8 "**

<b>Max BHP [psi]</b>	$.052 * \text{Setting Depth} * \text{MW} =$	175	
<b>MASP (Gas) [psi]</b>	$\text{Max BHP} - (0.12 * \text{Setting Depth}) =$	127	NO
<b>MASP (Gas/Mud) [psi]</b>	$\text{Max BHP} - (0.22 * \text{Setting Depth}) =$	87	NO
<b>Pressure At Previous Shoe</b>	$\text{Max BHP} - .22 * (\text{Setting Depth} - \text{Previous Shoe Depth}) =$	96	← NO Reasonable Depth
<b>Required Casing/BOPE Test Pressure</b>		400 psi	
<b>*Max Pressure Allowed @ Previous Casing Shoe =</b>		41 psi	*Assumes 1psi/ft frac gradient

**Calculations**

**String 2 5 1/2 "**

<b>Max BHP [psi]</b>	$.052 * \text{Setting Depth} * \text{MW} =$	1114	
<b>MASP (Gas) [psi]</b>	$\text{Max BHP} - (0.12 * \text{Setting Depth}) =$	815	YES ✓
<b>MASP (Gas/Mud) [psi]</b>	$\text{Max BHP} - (0.22 * \text{Setting Depth}) =$	566	YES Air drill w/rotating head
<b>Pressure At Previous Shoe</b>	$\text{Max BHP} - .22 * (\text{Setting Depth} - \text{Previous Shoe Depth}) =$	654	← NO O.K.
<b>Required Casing/BOPE Test Pressure</b>		2490 psi	
<b>*Max Pressure Allowed @ Previous Casing Shoe =</b>		400 psi	*Assumes 1psi/ft frac gradient



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

April 15, 2009

ConocoPhillips Company  
P O Box 51810  
Midland, TX 79710

Re: Utah 02-1264 Well, 2017' FNL, 2478' FEL, SW NE, Sec. 2, T. 16 South, R. 9 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 43-015-30763.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

cc: Emery County Assessor  
Bureau of Land Management, Price Office  
SITLA



Operator: ConocoPhillips Company  
Well Name & Number Utah 02-1264  
API Number: 43-015-30763  
Lease: ML 46094

Location: SW NE                      Sec. 2                      T. 16 South                      R. 9 East

### Conditions of Approval

#### 1. General

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

#### 2. Notification Requirements

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

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

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

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

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

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

#### 3. Reporting Requirements

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

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: ML 46094
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: Drunkards Wash UTU67921X
2. NAME OF OPERATOR: ConocoPhillips Company		8. WELL NAME and NUMBER: Utah 2-1264
3. ADDRESS OF OPERATOR: P.O. Box 51810 CITY Midland STATE Tx ZIP 79710		9. API NUMBER: <del>4300730763</del> 015-30763
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2017 FNL & 2478 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 2 16S 9E		10. FIELD AND POOL, OR WILDCAT: Drunkards Wash COUNTY: Carbon STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>10/19/2009</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input checked="" type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

ConocoPhillips Company will be reclaiming the location constructed for the above well as this well will not be drilled.

NAME (PLEASE PRINT) <u>Donna Williams</u>	TITLE <u>Sr. Regulatory Specialist</u>
SIGNATURE	DATE <u>10/14/2009</u>

(This space for State use only)

**RECEIVED**  
**OCT 19 2009**

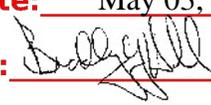
<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> ML 46094
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b> DRUNKARDS WASH
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> UTAH 02-1264
<b>2. NAME OF OPERATOR:</b> CONOCOPHILLIPS COMPANY	<b>9. API NUMBER:</b> 43015307630000
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 51810 , Midland, TX, 79710 1810	<b>PHONE NUMBER:</b> 432 688-6927 Ext
<b>4. LOCATION OF WELL FOOTAGES AT SURFACE:</b> 2017 FNL 2478 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWNE Section: 02 Township: 16.0S Range: 09.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> DRUNKARDS WASH  <b>COUNTY:</b> EMERY  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 4/12/2010	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<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 OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input checked="" type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: _____

**12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.**  
 ConocoPhillips Company respectfully request to extend the approved Permit to Drill for an additional year.

Approved by the  
 Utah Division of  
 Oil, Gas and Mining

Date: May 03, 2010  
 By: 

<b>NAME (PLEASE PRINT)</b> Donna Williams	<b>PHONE NUMBER</b> 432 688-6943	<b>TITLE</b>
<b>SIGNATURE</b> N/A		<b>DATE</b> 4/29/2010



**The Utah Division of Oil, Gas, and Mining**

- State of Utah  
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

**Request for Permit Extension Validation Well Number 43015307630000**

**API:** 43015307630000

**Well Name:** UTAH 02-1264

**Location:** 2017 FNL 2478 FEL QTR SWNE SEC 02 TWP 160S RNG 090E MER S

**Company Permit Issued to:** CONOCOPHILLIPS COMPANY

**Date Original Permit Issued:** 4/15/2009

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated?  Yes  No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?  Yes  No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?  Yes  No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location?  Yes  No
- Has the approved source of water for drilling changed?  Yes  No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?  Yes  No
- Is bonding still in place, which covers this proposed well?  Yes  No

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

**Signature:** Donna Williams

**Date:** 4/29/2010

**Title:** Sr. Regulatory Specialist **Representing:** CONOCOPHILLIPS COMPANY

**Date:** May 03, 2010

**By:**





**The Utah Division of Oil, Gas, and Mining**

- State of Utah  
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

**Request for Permit Extension Validation Well Number 43015307630000**

**API:** 43015307630000

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- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location?  Yes  No
  
- Has the approved source of water for drilling changed?  Yes  No
  
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?  Yes  No
  
- Is bonding still in place, which covers this proposed well?  Yes  No

**Signature:** Donna Williams

**Date:** 4/11/2011

**Title:** Sr. Regulatory Specialist **Representing:** CONOCOPHILLIPS COMPANY



GARY R. HERBERT

Governor

GREG BELL

Lieutenant Governor

# State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER

Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA

Division Director

June 14, 2012

ConocoPhillips Company  
P.O. Box 51810  
Midland, TX 79710-1810

Re: APD Rescinded – UTAH 2-1264, Sec. 2, T.16S, R.9E,  
Emery County, Utah API No. 43-015-30763

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on April 15, 2009. On May 3, 2010 and April 12, 2011 the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective June 14, 2012.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

  
Diana Mason  
Environmental Scientist

cc: Well File  
SITLA, Ed Bonner



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43-015-30763

April 15, 2009

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.
5. The Operator shall comply with the Conditions of Approval from the original on-site review.



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

April 15, 2009

ConocoPhillips Company  
P O Box 51810  
Midland, TX 79710

Re: Utah 02-1264 Well, 2017' FNL, 2478' FEL, SW NE, Sec. 2, T. 16 South, R. 9 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 43-015-30763.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

cc: Emery County Assessor  
Bureau of Land Management, Price Office  
SITLA



Operator: ConocoPhillips Company  
Well Name & Number Utah 02-1264  
API Number: 43-015-30763  
Lease: ML 46094

Location: SW NE Sec. 2 T. 16 South R. 9 East

### Conditions of Approval

#### 1. General

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

#### 2. Notification Requirements

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

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

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

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

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

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

#### 3. Reporting Requirements

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