

475 Seasons Drive, Grand Junction, CO, USA 81503-8749

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E-mail: allinpro@attbi.com

004

**Diana Mason
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P. O. Box 145801
Salt Lake City, UT 844114-5801**

**Re: Transmittal of Linda 1 Federal BLM APD Copies
Spacing Order Administrative Exception Request**

RECEIVED

APR 21 2003

DIV. OF OIL, GAS & MINING

Dear Ms. Mason:

I have enclosed two copies of the BLM Application for Permit to Drill for the Linda 1 Federal proposed by Cisco Expro, LLC in the Greater Cisco Field, Grand County, Utah. As a Member of and the Petroleum Geologist for Cisco Expro, LLC I have submitted this APD to the Moab District Office of the BLM for approval. I was informed by telephone today that the APD is correct as to form and that the BLM will not require any further modification prior to final approval. At this point, I wanted to file copies of the APD package for review and approval by DOG&M.

The Linda 1 Federal location has been staked just east of the center of the 159.90 acre UTU-74470 Federal lease tract (NW $\frac{1}{4}$ Section 31, T20S, R24E, SLM) on the common border of the 40 acre tracts NE $\frac{1}{4}$ NW $\frac{1}{4}$ and SE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 31 (See APD Attachment 1a). The 1979 vintage spacing orders for Greater Cisco Field require locations to be within a window in 10 acre tracts, therefore, the proposed location will require administrative approval as an exception.

Cisco Expro, LLC hereby requests approval of an exception location for the Linda 1 Federal in order to allow the optimum intersection of the very narrow porosity trends within the fluvial reservoirs common to the Dakota, Cedar Mountain and Morrison formations. Cisco Expro, LLC has relied upon subsurface mapping derived from 400 wells drilled within a four township area further refined by detailed sampling of the geochemistry and some geophysical attributes of surface soils in order to define the best potential remaining drill sites within this part of the Greater Cisco Field.

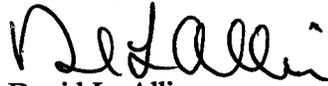
I have attached copies of part of the resultant field-scale mapping plus an example of one component of the lease-scale geochemical analysis involving natural gamma radiation measurements and relative concentrations of Iodine that have been interpreted to delineate the location for the first test of this lease.

An additional consideration of interest to the BLM is that the location and access road be located in areas of higher topography to minimize impacts to local drainages. This constraint focused the selection of the location and access road onto the low ridge we call CX Ridge that traverses the NW $\frac{1}{4}$ of Section 31 on a northwesterly trend (See APD Attachment 3b).

In the past, exceptions of this nature were approved by letter. I applied for and received approval for an exception location on behalf of Ambra Oil and Gas Company for the AMAZ 14-7 (43-019-31354) that was drilled during 1994 at a location 1310' from the west line and 200' from the south line of Section 14, T20S, R23E, SLM. Sadly, that well failed to produce commercially partially because it was not continued to its projected TD target in the Salt Wash Member of Morrison Formation, but the well also missed Dakota channel sandstone reservoirs that were productive in offset wells. The failure of that project prompted extensive research and development of cost effective, low-impact technologies to define the last possible locations within the Greater Cisco Field. Cisco Expro, LLC hopes to be able to drill such locations, but site selection is critical.

Thank you for your consideration of this matter. Please contact me if you need any further information relative to this spacing order exception request or the APD. Formal notification of resultant decisions can be directed to the Cisco Expro, LLC address of record with DOG&M.

Faithfully submitted,



David L. Allin
Cisco Expro, LLC
Member and Petroleum Geologist

DLA/em

Att.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-74470
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator Cisco Expro, LLC		7. If Unit or CA Agreement, Name and No.
3a. Address P.O. Box 2964, SLC, UT 84110		8. Lease Name and Well No. Linda 1 Federal
3b. Phone No. (include area code) (801) 381-2424		9. API Well No. 43-019-31395
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 1312 feet from north line and 1663 feet from west line At proposed prod. zone Same as at surface (vertical well)		10. Field and Pool, or Exploratory Greater Cisco
14. Distance in miles and direction from nearest town or post office* 3.6 miles north of Cisco, Utah		11. Sec., T., R., M., or Blk. and Survey or Area Sec. 31, T20S, R24E, SLM
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1312 feet	16. No. of Acres in lease 159.90	12. County or Parish Grand
17. Spacing Unit dedicated to this well	18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. First well on lease	13. State Utah
19. Proposed Depth 1200 feet	20. BLM/BIA Bond No. on file Individual bond applied for	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4500 feet ungraded GL	22. Approximate date work will start* May 15, 2003	23. Estimated duration Eight days
24. Attachments 1a, 1b, 2, 3a, 3b, 3c, and 6		

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall 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 shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. Production equipment plat |

25. Signature	Name (Printed/Typed) David L. Allin	Date April 9, 2003
Title Member, Petroleum Geologist (475 Seasons Drive, Grand Jct, CO 81503)	(970) 254-3114	
Approved by (Signature)	Name (Printed/Typed)	Date
Title	Office	

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

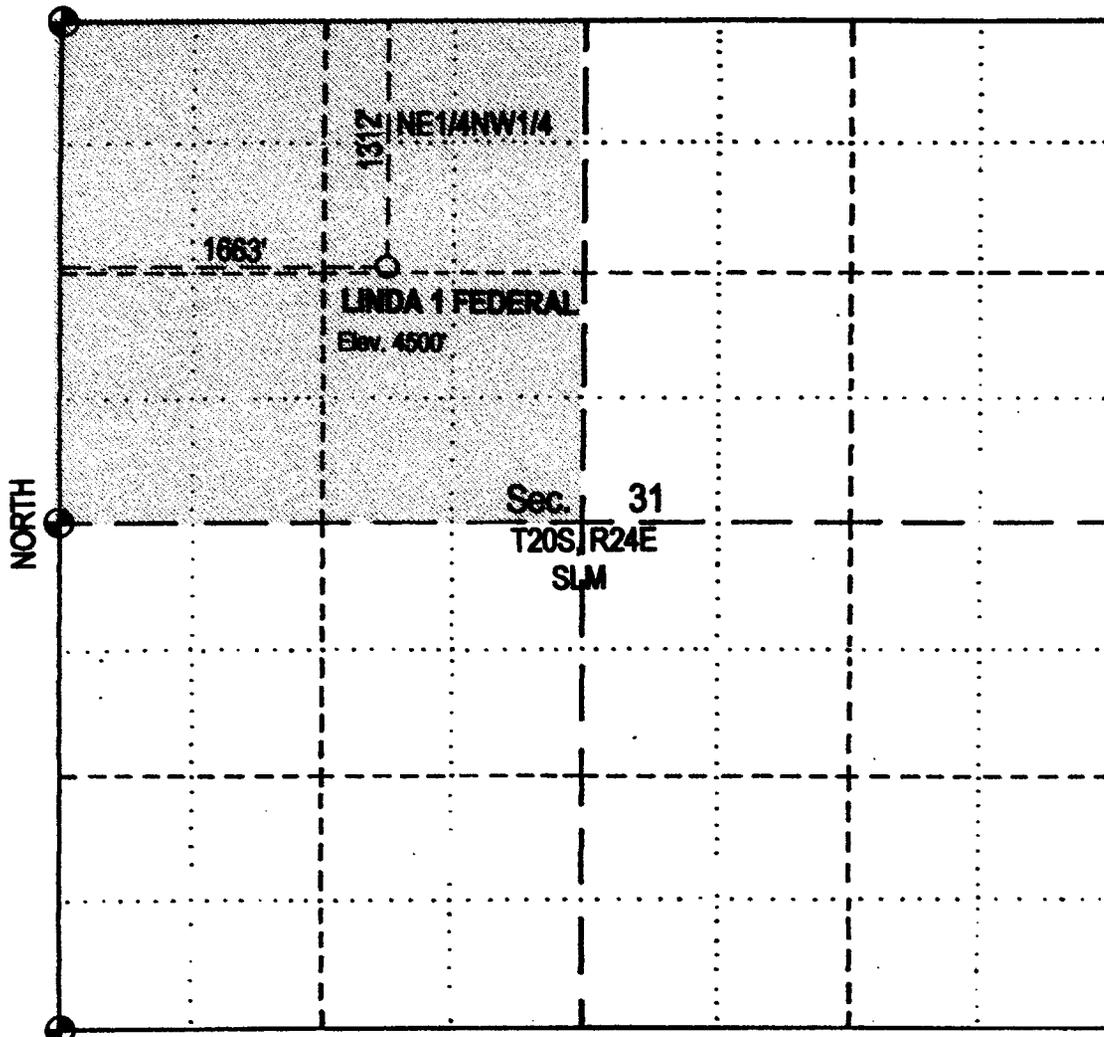
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

4320907 Y 39.02681
646552 X - 109.30701

Approved by the
Utah Division of
Oil, Gas and Mining
Date: 05-15-2003
By:

RECEIVED
APR 21 2003
DIV. OF OIL, GAS & MINING

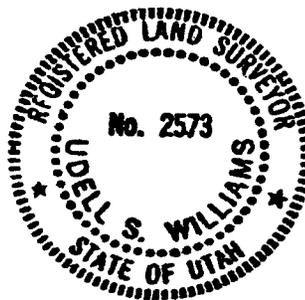


SCALE: 1" = 1000'

Located 1312 feet from the North line and 1663 feet from the West line in Section 31, T20S, R24E, SLM.



Area of UTU-74470 leased to Cisco Expro, LLC 100%



SURVEYOR'S CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

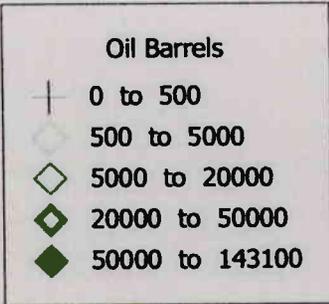
Udell S. Williams
Utah PLS No. 2573



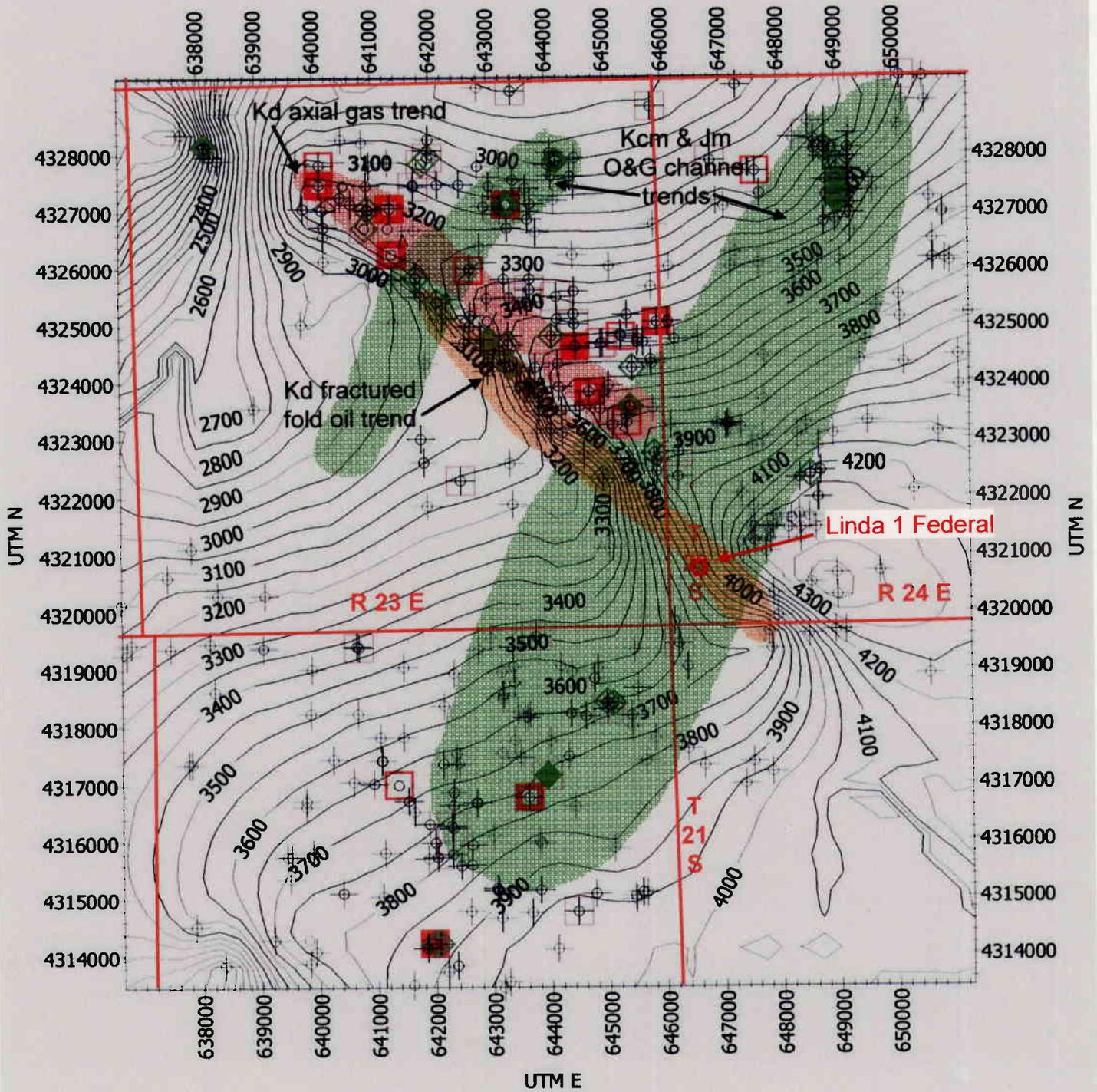
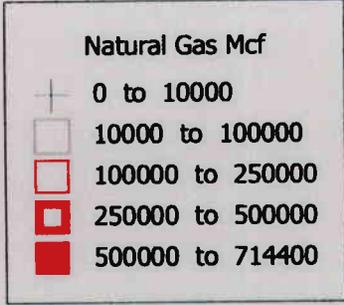
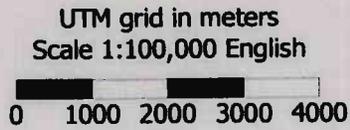
UDELL S. WILLIAMS
Professional Land Surveyor
440 E. Scenic Dr.
Grand Junction, CO 81503-1569

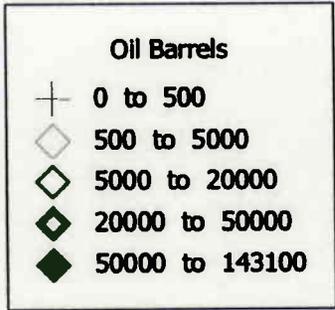
PLAT OF
PROPOSED LOCATION
LINDA 1 FEDERAL
NE1/4NW1/4 SECTION 31
T20S, R24E, SLM
GRAND COUNTY, UTAH

SURVEYED BY: USW DATE: 4/02/2003
DRAWN BY: USW DATE: 4/03/2003

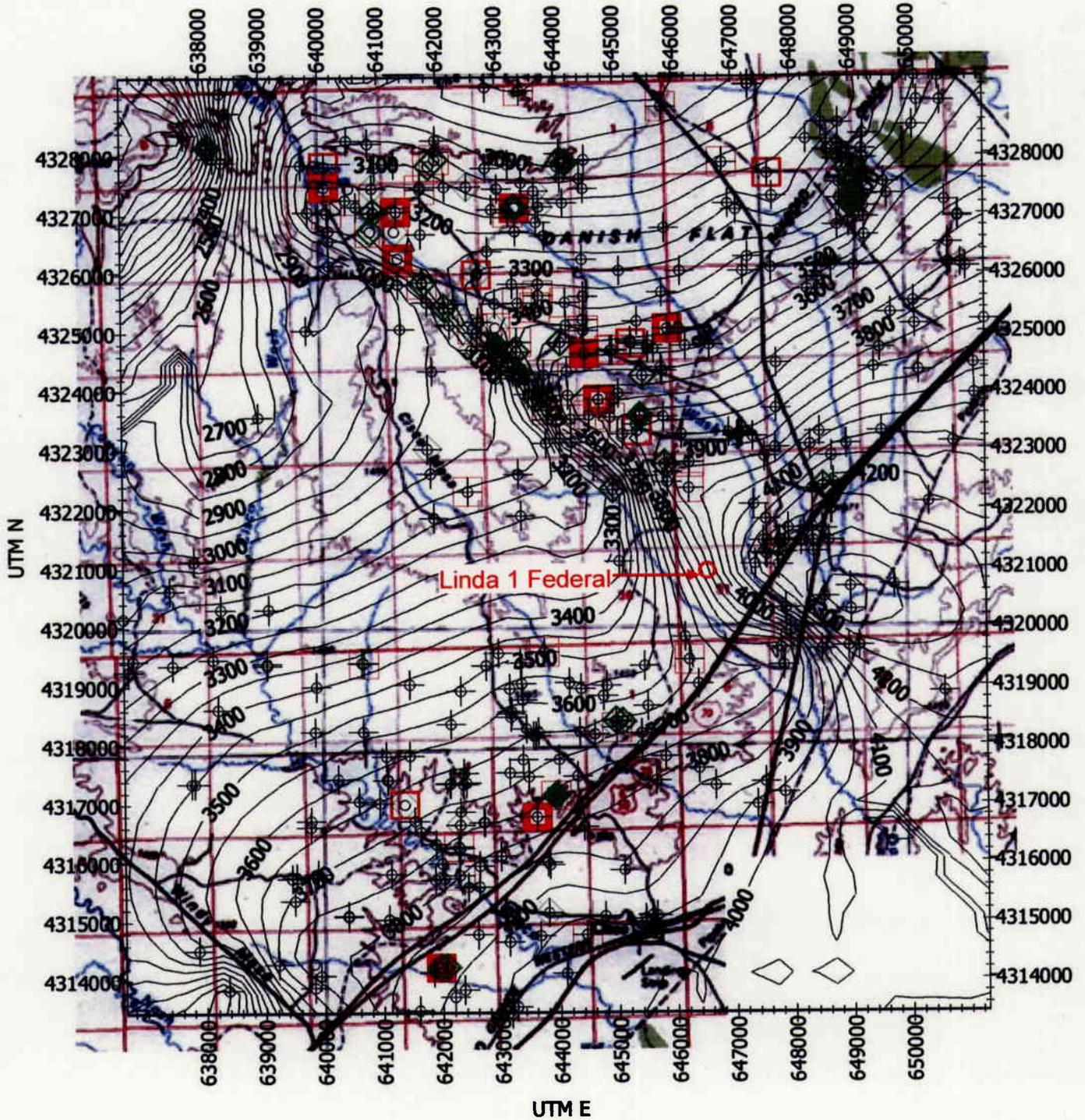
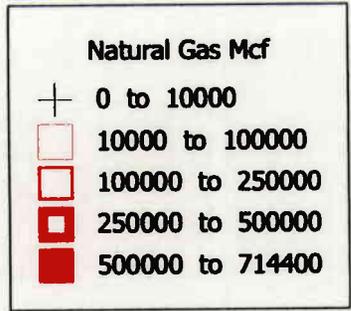
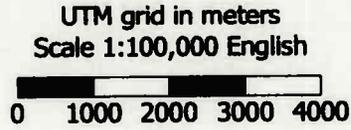


Part Greater Cisco Structure Map
 Contoured in feet on Kd marker
 Oil & Gas production trends

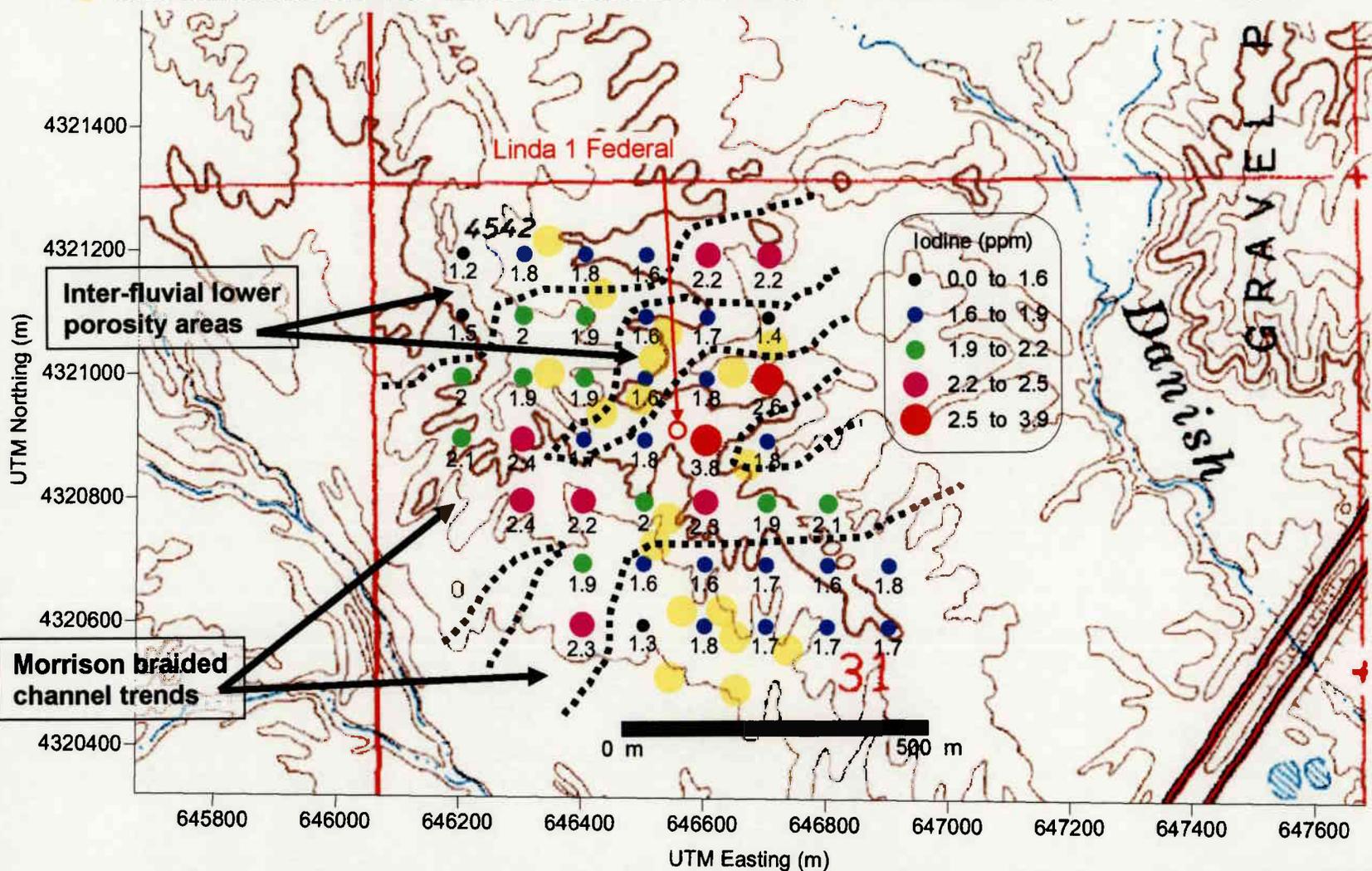




**Part Greater Cisco Structure Map
Contoured in feet on Kd marker
Oil & Gas production trends**



● Sites with natural GR<4400 counts/180 seconds (data ranged from 4008 to 5408) measured during 1997



DIRECT GEOCHEMICAL

130 Capital Drive, Suite C, Golden, Colorado 80401
 PH: 303-277-1694 FAX: 303-278-0104
 E-Mail: Info@DirectGeochemical.com

Iodine concentration of surface soil

Cisco Expro
 Grand County, UT
 NW1/4 of T20S R24E S31

Samples Analyzed: 12/10/2
 Drafted: 12/13/2
 Drafted by: D. Seneshen
 Base Map: USGS 7.5 minute 1:24K topo
 Datum: NAD 27

Cisco Expro, LLC
P. O. Box 2964
Salt Lake City, UT 84110
Manager: Kerry M. Miller (801) 381-2424
Geologist: David L. Allin (970) 254-3114
Landman: Tony Cummings (435) 645-7903

Linda 1 Federal Drilling Plan

1312' fnl, 1663' fwl (S1/2SWNENW) Sec. 31, T20S, R24E, Grand County, Utah
 UTM Zone 12 NAD 27 646560 Easting, 4320920 Northing

Location access (Refer to Attachment 3b): From Exit 212 I-70, proceed north on Book Cliffs Road (paved) for 100 feet, turn left toward west on Danish Flat county road for .3 mile, turn left toward south onto graded dirt road (Grand County 258) and follow back toward I-70 ROW down hill toward southwest, cross Danish Wash, continue to crest of hill for a total of 1.4 miles and turn right onto track on ridge crest to location .5 mile. Exit 212 is 49 miles northeast of Moab, UT via US 191, UT 128 and county road through Cisco, UT, 64 miles from Moab via US 191 and I-70, 47 miles west of Grand Junction, CO via I-70 and 153 miles from Vernal, UT via US 40 through Rangely, CO on CO 64, over Douglas Pass on CO 139 to Loma, CO and I-70.

Projected tops:	Mancos Shale	Surface	(Elevation ungraded GL 4500')
	Dakota Fm	600'	Oil & natural gas (possible water)
	Cedar Mountain Fm	750'	Natural gas (possible water)
	Morrison Fm		
	Brushy Basin Mbr	810'	Oil and natural gas
	Salt Wash Mbr	1100'	Natural gas
	TD	1200'	

Construction program:

Air, mist and/or foam circulation using 5-7% KCl water injection below Dakota
 Minimum 1500 psi rated BOP with 500 psi rated diverter and 100' min. 4" blooie line to pit
 11" hole to 125' to set 8 5/8" surface casing and circulate Class G cement to surface
 Estimated 44 sx with 50% excess from slurry yield of 1.1 cubic feet per sack
 7 7/8" hole to 1200' to set 5 1/2" long string and cement with Class G from TD to 550'
 Estimated 120 sx with 0.25 lb/sack Cello-Flake and slurry yield of 1.1 cubic feet per sack
 Run 2 3/8" tubing for completion

24 hour operations required only from drilling below 600' through running & cementing long string.

Casing decision will be made based upon drilled shows and no open-hole logs will be run.

Well will be killed with 5-7% KCl water to run long string.

Depending upon circulation and well control conditions, a contingency plan to advance the hole with mud below the Cedar Mountain Fm will be in place.

Bureau of Land Management
Price, Moab and Monticello Field Offices, Utah
Application for Permit to Drill
On-Site Inspection Checklist

Company Cisco Expro, LLC Well No. Linda 1 Federal

Location: Sec. 31, T. 20 S, R. 24 E, Lease No. UTU-74470

On-Site Inspection Date March 26, 2003

All operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR § 3100 & 43 CFR § 3160), Onshore Oil and Gas Orders, the approved plan of operations and the conditions of approval. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

A. DRILLING PROGRAM

1. Surface Formation and Estimated Formation Tops: Mancos Shale, Dakota Fm 600', Cedar Mountain Fm 750', Brushy Basin Member of Morrison Fm 810', Salt Wash Member of Morrison Fm 1100'

2. Estimated Depth at Which Oil, Gas, Water or Other Mineral Bearing Zones are Expected to be Encountered

Depth/Formation

Expected Oil Zones: 650'/Dakota, 860'/Brushy Basin, 1030'/Brushy Basin

Expected Gas Zones: 650'/Dakota, 790' Cedar Mtn, 860' Brushy Basin, 1030'/Brushy Basin, 1100'/Salt Wash

Expected Water Zones: 700'/Dakota, 790'/Cedar Mtn _____

Expected Mineral Zones: None _____

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and will be cased and cemented. When possible, water flow rates will be measured and samples will be taken and analyzed with the results being submitted to BLM. All oil and gas shows will be tested to determine commercial potential.

3. **Pressure Control Equipment** -include schematics of the BOP and choke manifold, and describe testing procedures: 7 1/16" double (pipe and blind) ram type BOP rated at 3000 psi working pressure with accumulator and diverter rated at 500 psi. BOP will be tested for 10 minutes holding 800 psi prior to drilling through surface casing shoe. Ram operation will be tested if drill string is tripped. See APD Attachment 3c diagram of pressure control equipment.

BOP systems will be consistent with API RP 53 and Onshore Oil and Gas Order No. 2. Pressure tests of the surface casing and all BOP equipment potentially subject to pressure will be conducted before drilling the surface 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 each trip (no more than once a day is necessary), and annular preventers shall be inspected and operated weekly to ensure good mechanical working order. These inspections shall be recorded in the drilling log and in the daily drilling report.

4. **Casing Program and Auxiliary Equipment** -include casing size, weight, grade, thread and coupling, setting depth and condition (new or acceptably reconditioned): 125' new or reconditioned 8 5/8" J-55 ST&C 24 ppf surface casing. 1200' new 5 1/2" J-55 ST&C 15 ppf long string casing.

-
5. **Cement** -include the cement type, density, yield, additives and amount used in setting each casing string. Also include the anticipated cement fill-up. If stage cementing, describe techniques: Surface casing to be cemented with 44 sx (50% excess) Class G with slurry yield of 1.1 cubic feet per sack. Long string to be cemented with 120 sx (no excess) Class G amended with 0.25 lb/sack Cello Flake to deter invasion with slurry yield of 1.1 cubic feet per sack.

Surface casing shall be cemented back to surface. Centralizers shall be run, at a minimum, on the bottom three joints of each casing string.

6. **Mud Program and Circulating Medium** -include mud components and weights. When air drilling, also include: length and location of blooie line; description of the auto ignitor; description of the deduster equipment; and amounts, types and characteristics of stand-by mud: Circulating medium will be composed of air, mist and/or foam as conditions dictate. Mist will be made with 5-7% KCl water to stabilize hole and reduce dust. 100 Bbls of 5-7% KCl water will be on site during operations to use as kill fluid. If mud is required it will be composed of gelled KCl water with gel on stand-by in Grand Junction. Blooie line will be 100' of 4" minimum pipe from wellhead to blooie pit. A five gallon pail of burning diesel fuel and rags will be used as an ignitor at the blooie line outlet. Due to potential for contamination of usable quality water aquifers, chromates are banned from Federal leases.

Sufficient mud materials will be stored on location to maintain well control and combat lost circulation problems that might reasonable be expected.

7. **Coring, Logging and Testing Program:** No cores, tests or open hole logs are planned.

Initial opening of drill stem test tools will be restricted to daylight hours.

8. **Abnormal Conditions, Bottom Hole Pressures and Potential Hazards** -include anticipated bottomhole pressure and/or pressure gradient. Also list anticipated lost circulation zones, abnormal temperature zones and possible hydrogen sulfide bearing zones: No abnormal conditions are expected. The pressure gradient is normal with no formation pressures greater than 500 psi expected. No zones of lost circulation, abnormal temperature or hydrogen sulfide are expected.

9. **Any Other Aspects of this Proposal that should be Addressed:** None _____

B. THIRTEEN POINT SURFACE USE PLAN

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

1. **Existing Roads:**

- a. Proposed route to location: See APD Attachment 3b.
- b. Location of proposed well in relation to town or other reference point: 1.5 miles southwest of I-70 Exit 212 and 3.6 miles north of Cisco, Utah
- _____
- _____
- c. Contact the County Road Department for use of county roads. The use of San Juan County roads will require an encroachment permit from the San Juan County Road Department.
- d. Plans for improvement and/or maintenance of existing roads: None.
- _____
- _____
- e. Other: None.
- _____
- _____

2. **Planned Access Roads:**

- a. Location (centerline): Follow two track trail from Grand County Road 258
- _____
- _____
- b. Length of new access to be constructed: Blade 1000' of two track trail from Grand County Road 258 to well site.
- c. Length of existing roads to be upgraded: None. _____
- d. Maximum total disturbed width: 20-25' _____

- e. Maximum travel surface width: 16-18' _____
- f. Maximum grades: N/A _____

- g. Turnouts: None. _____

- h. Surface materials: Native soils. _____

- i. Drainage (crowning, ditching, culverts, etc): As needed for production access.

- j. Cattleguards: None. _____

- k. Length of new and/or existing roads which lie outside the lease or unit boundary for which a BLM right-of-way is required: None. _____
- l. Other:

Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional area needed must be approved by BLM in advance.

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.

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 a 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.

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 BLM 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 BLM.

If the well is 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 -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: APD Attachment 3b depicts all wells drilled for oil and gas within 1.25 miles of the location. There are no water, injection, disposal or drilling wells in that radius. There are seven producible oil and/or gas wells within one mile.
-

4. Location of Production Facilities:

a. **On-site facilities:** If production of oil and gas is established, the on-site facilities will include wellhead, 3 phase separator, production storage tank, water disposal pit and gas meter enclosure. See APD Attachment 6 for site plan.

b. **Off-site facilities:** None. _____

c. **Pipelines:** 2" gas production pipeline will parallel access road to tie in point on south side of Grand County Road 258 in southeast corner of production lease.

All permanent (in place for six months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, nonreflective color to match the standard environmental colors, as determined by the Rocky Mountain Five-State Interagency Committee. All facilities will be painted within six months of installation. Facilities required by comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will be as follows: To match native soils.

All site security guidelines identified in 43 CFR § 3162.7-5 and Onshore Oil and Gas Order No. 3 shall be followed.

If a gas meter run is constructed, it will be located on lease within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and will be buried downstream of the meter until it leaves the pad. Meter runs will be housed and/or fenced. The gas meter shall be calibrated prior to first sales and shall be calibrated quarterly thereafter. All gas production and measurement shall comply with the provisions of 43 CFR § 3162.7, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.

If a tank battery is constructed on this lease, it will be surrounded by a berm of sufficient capacity to contain 1½ times the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All oil production and measurement shall conform to the provisions of 43 CFR § 3162.7 and Onshore Oil and Gas Order No. 4.

Production facilities on location may include a lined or unlined produced water pit as specified in Onshore Oil and Gas Order No. 7. If water is produced from the well, an application in conformance with Order No. 7 must be submitted.

5. Location and Type of Water Supply:

All water needed for drilling purposes will be obtained from (describe location and/or show on a map): The Ute tap in Mack, CO or municipal supply in Thompson, UT _____

A temporary water use permit for this operation will be obtained from the Utah State Engineer in Price, Utah at (801) 637-1303

Water obtained on private land, or land administered by another agency, will require approval from the owner or agency for use of the land.

6. Source of Construction Material:

Pad construction material will be obtained from (if the source is Federally owned, show location on a map): On site. _____

The use of materials under BLM jurisdiction will conform to 43 CFR § 3610.2-3.

7. Methods of Handling Waste Disposal:

Describe the methods and locations proposed for safe containment and disposal of waste material, e.g. cuttings, produced water, garbage, sewage, chemicals, etc.

The blooie pit will be lined with native material.

The blooie pit will be located: 100' from wellhead.

_____, and the pit walls will be sloped at no greater than ___1___ to 1.

All pits shall be located in cut material, with at least 50% of the pit volume being below original ground level. Pits will be fenced as soon as drilling is completed, and shall remain until the pit is dry. As soon as the pit has dried, all areas not needed for production will be rehabilitated.

Trash must be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than at the completion of drilling operations.

8. Ancillary Facilities: None.

9. **Well Site Layout** -depict the pit, rig, cut and fill, topsoil, etc. on a plat with a scale of at least 1"=50'. See APD Attachment 1b.

All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR § 3162.6.

Access to the well pad will be from: the southeast as depicted by APD Attachments 1b and 3b.

The blooie line will be located: As depicted by APD Attachment 1b and its outlet will be at least 100 feet from the well head.

To minimize the amount of fugitive dust and spray escaping from the blooie pit, the following blooie line deflection method will be employed: Blooie line will be directed into earth bank and KCl water will be injected into the air circulation system.

10. **Plans for Restoration of the Surface:**

The top 2 inches of topsoil material will be removed from the location and stockpiled separately on: The uphill area between the blooie pit and operations pad and windrowed along the north and south margins of the operations pad. See APD Attachment 1b.

Topsoil along the access road will be reserved in place adjacent to the road.

Immediately upon completion of drilling, all equipment that is not necessary for production shall be removed.

The reserve pit and that portion of the location not needed for production will be reclaimed.

Before any dirt work to restore the location takes place, the reserve pit must be completely dry.

All road surfacing will be removed prior to the rehabilitation of roads.

Reclaimed roads will have the berms and cuts reduced and will be closed to vehicle use.

All disturbed areas will be recontoured to replicate the natural slope.

The stockpiled topsoil will be evenly distributed over the disturbed area.

Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface.

Seed will be broadcast or drilled between October 1st and December 15th, or at a time specified by the BLM. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage.

The following seed mixture will be used: Gardner saltbush at the rate of 3 lbs per acre.

The abandonment marker will be one of the following, as specified by BLM:

- 1) at least four feet above ground level,
- 2) at restored ground level, or
- 3) below ground level.

In any case the marker shall be inscribed with the following: operator name, lease number, well name and surveyed description (township, range, section and either quarter-quarter or footages).

Additional requirements: _____

11. Surface and Mineral Ownership: Federal surface and minerals. _____

12. Other Information:

a. Archeological Concerns: None have been recognized. _____

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 BLM Field Office. Within five (5) working days, the BLM will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;

- the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and

- a time frame for the BLM to complete an expedited review under 36 CFR § 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the BLM are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the BLM 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 BLM will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the BLM that the required mitigation has been completed, the operator will then be allowed to resume construction.

b. Threatened and Endangered Species Concerns: None. _____

c. Wildlife Seasonal Restrictions: None. _____

d. Off Location Geophysical Testing: None.

e. Drainage crossings that require additional State or Federal approval: None.

f. Other: None. _____

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

Representative:

Name: David L. Allin _____

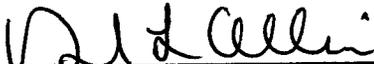
Title: Member and Petroleum Geologist _____

Address: 475 Seasons Drive _____
Grand Junction, CO 81503-8749 _____

Phone No.: (970) 254-3114 _____

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 performed by Cisco Expro, LLC 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 under BLM bond no. _____. This statement is subject to the provisions of 18 U.S.C. § 1001 for the filing of a false statement.



Signature
Member/Geologist
Title

April 9, 2003

Date

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Building Location- Contact the BLM, Natural Resource Protection Specialist at least 48 hours prior to commencing construction of location.

Spud- The spud date will be reported to BLM 24 hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the BLM Moab Field Office within 24 hours after spudding, regardless of whether spud was made with a dry hole digger or big rig.

Daily Drilling Reports- Daily drilling reports shall detail the progress and status of the well and shall be submitted to the BLM Moab Field Office on a weekly basis.

Monthly Reports of Operations- In accordance with 43 CFR § 3162.4-3, this well shall be reported on Minerals Management Service (MMS) Form 3160, "Monthly Report of Operations," starting the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with MMS.

Sundry Notices- There will be no deviation from the proposed drilling and/or workover program without prior approval. "Sundry Notices and Reports on Wells" (Form 3160-5) will be filed with the BLM Moab Field Office for approval of all proposals, changes of plans and notifications in accordance with 43 CFR § 3162.3-2. Safe drilling and operating practices must be observed.

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

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

Cultural Resources- If cultural resources are discovered during construction, work that might disturb the resources is to stop, and the local BLM Field Office is to be notified.

First Production- Should the well be successfully completed for production, the BLM Moab Field Office will be notified when the well is placed in producing status. Such notification may be made by phone, but must be followed by a sundry notice or letter not later than five (5) business days following the date on which the well is placed into production.

A first production conference will be scheduled as soon as the productivity of the well is apparent. This conference should be coordinated through the local BLM Field Office. The BLM shall be notified prior to the first sale.

Well Completion Report- Whether the well is completed as a dry hole or as a producer, a "Well Completion or Recompletion Report and Log" (Form 3160-4) will be submitted to the BLM Moab Field Office not later than thirty (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, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. When requested, samples (cuttings and/or samples) will be submitted to the BLM Moab Field Office.

Venting/Flaring of Gas- Gas produced from this well may not be vented/flared beyond an initial, authorized test period of 30 days or 50 MMcf, whichever first occurs, without the prior, written approval of the BLM Moab Field Office. Should gas be vented or flared without approval beyond the authorized test period, the well may be ordered shut-in until the gas can be captured or approval to continue the venting/flaring as uneconomical is granted. In such case, compensation to the lessor shall be required for that portion of the gas that is vented/flared without approval and which is determined to have been avoidably lost.

Produced Water- Produced waste water may be confined to the reserve pit for a period not to exceed 90 days after initial production. During the 90 day period, an application for approval of a permanent disposal method and location, along with a water analysis, if required, will be submitted to the BLM Moab Field Office for approval pursuant to Onshore Oil and Gas Order No. 7.

Off-Lease Measurement, Storage, Commingling- Prior approval must be obtained from the BLM Moab Field Office for off-lease measurement, off-lease storage and/or commingling (either down-hole or at the surface).

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

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the BLM Moab Field Office, within thirty (30) days following plugging and abandonment of the well. This report will indicate where plugs were placed and the current status of surface restoration. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR § 3162.6. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the BLM, or the appropriate surface managing agency.

TABLE 1

NOTIFICATIONS

Notify Rich McClure of the BLM Moab Field Office, at (801) 259-2127 for the following:

2 days prior to commencement of dirt work, construction or reclamation;

1 day prior to spudding;

50 feet prior to reaching surface and intermediate casing depths;

3 hours prior to testing BOPE;

12 hours prior to reaching kickoff point depth (if applicable).

If the person at the above number cannot be reached, notify the BLM Moab Field Office at (435) 259-2100. If unsuccessful, notify one of the people listed below.

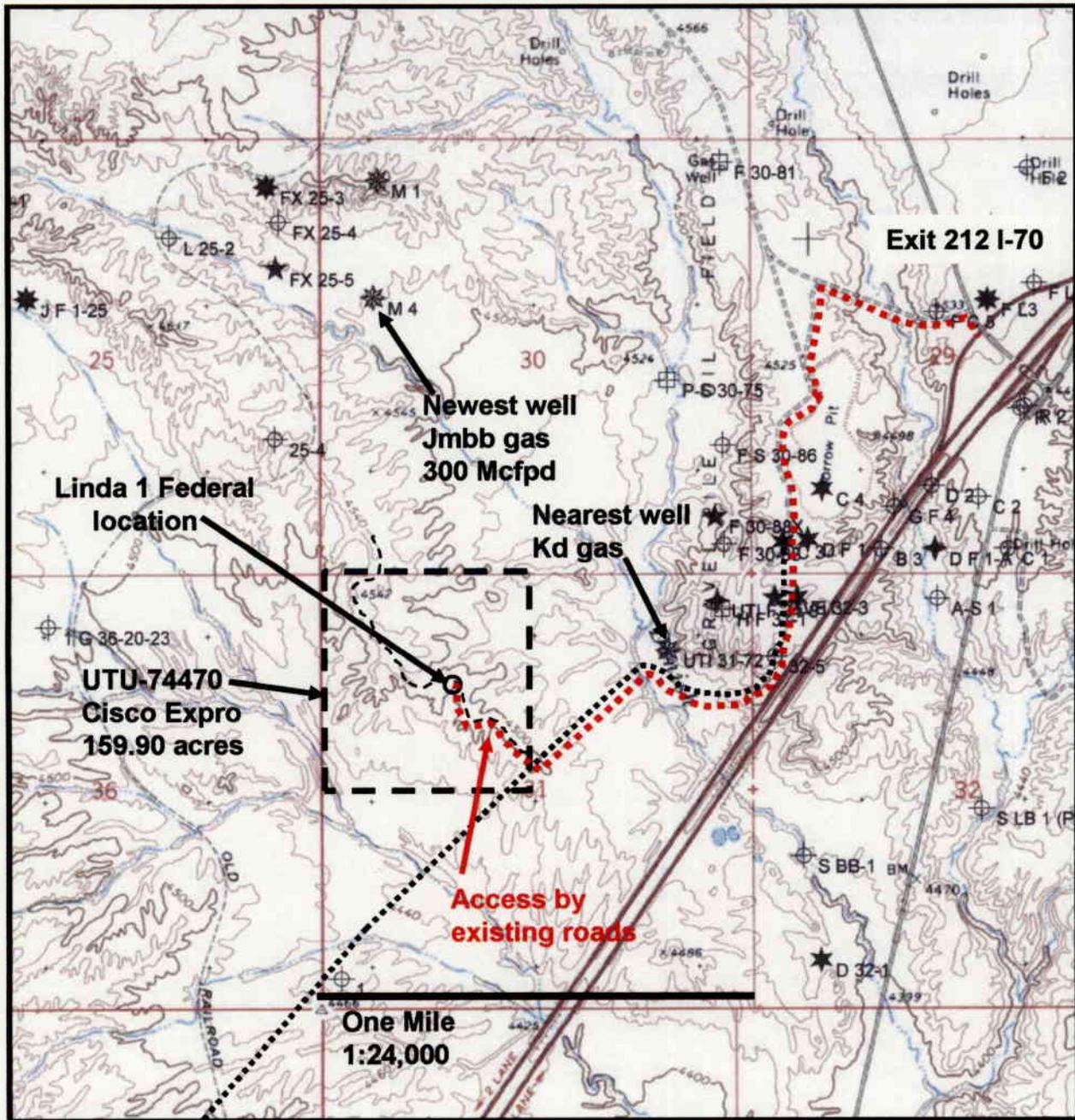
Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the BLM Moab Field Office (435) 259-2100. If approval is needed after work hours, you may contact the following:

Eric Jones, Petroleum Engineer

Office: (435) 259-2117
Home: (435) 259-2214

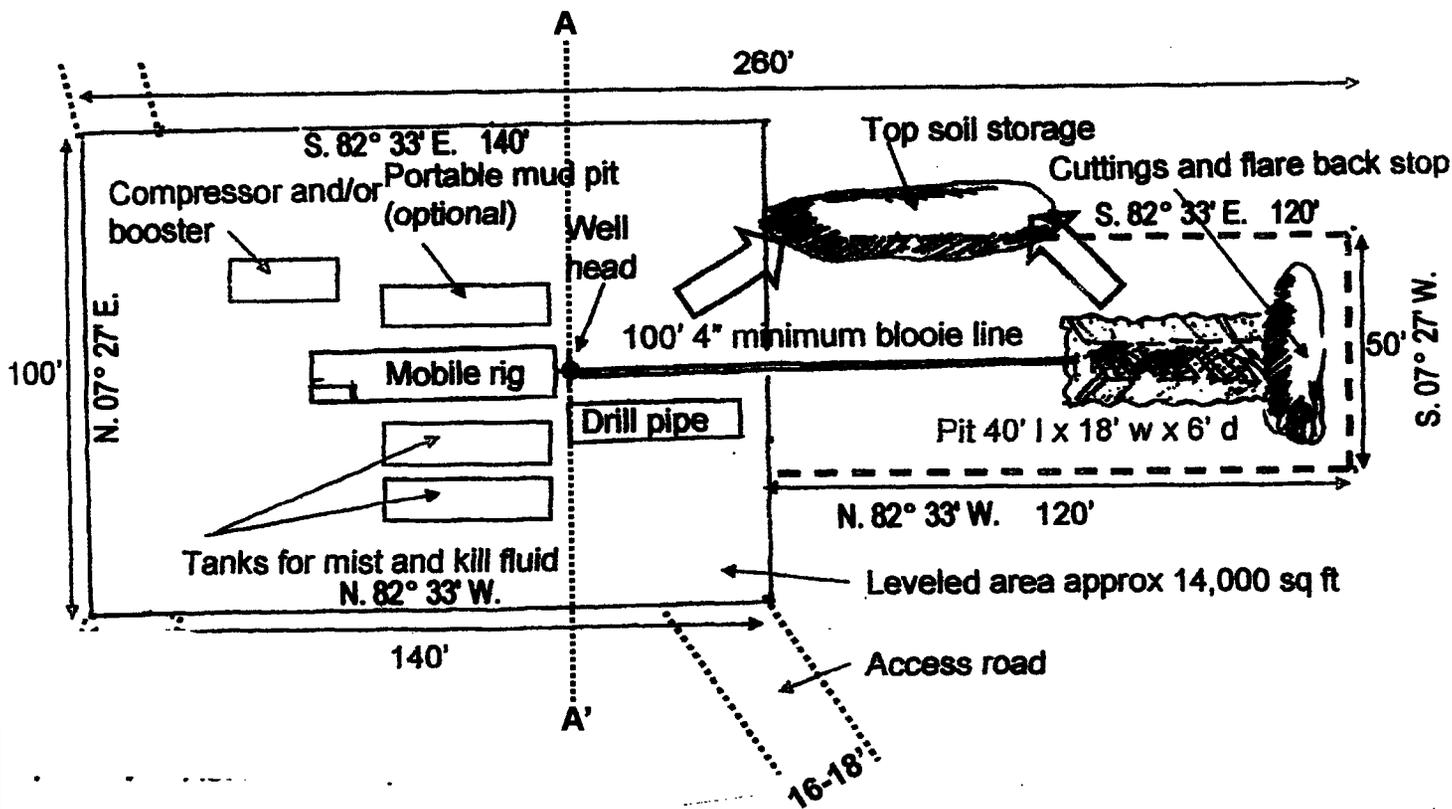
Cisco Expro, LLC Linda 1 Federal Location access and lease outline map

1312' fnl, 1663' fwl (S1/2SWNENW) Section 31, T20S, R24E, SLM, Grand County, Utah
UTM Zone 12 NAD 27 646560 Easting, 4320920 Northing

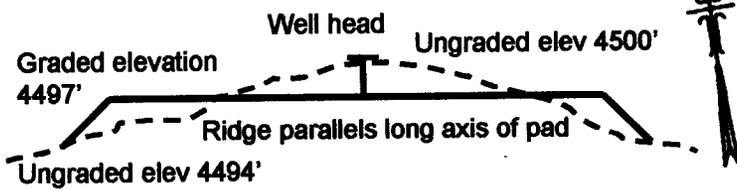


Drilling operation pad & equipment layout for Linda 1 Federal

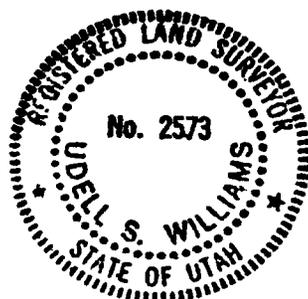
Mobile rig equipped for air, mist, foam or mud circulation on minimum impact footprint
 Optimum blooie line orientation east to south in Greater Cisco Field (headings 90 to 180 degrees)



A-A' Cut and Fill Diagram



SCALE: 1" = 40'



SURVEYOR'S CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF

Utah PLS No. 2573



UDELL S. WILLIAMS

Professional Land Surveyor
 440 E. Scenic Dr.
 Grand Junction, CO 81503-1569

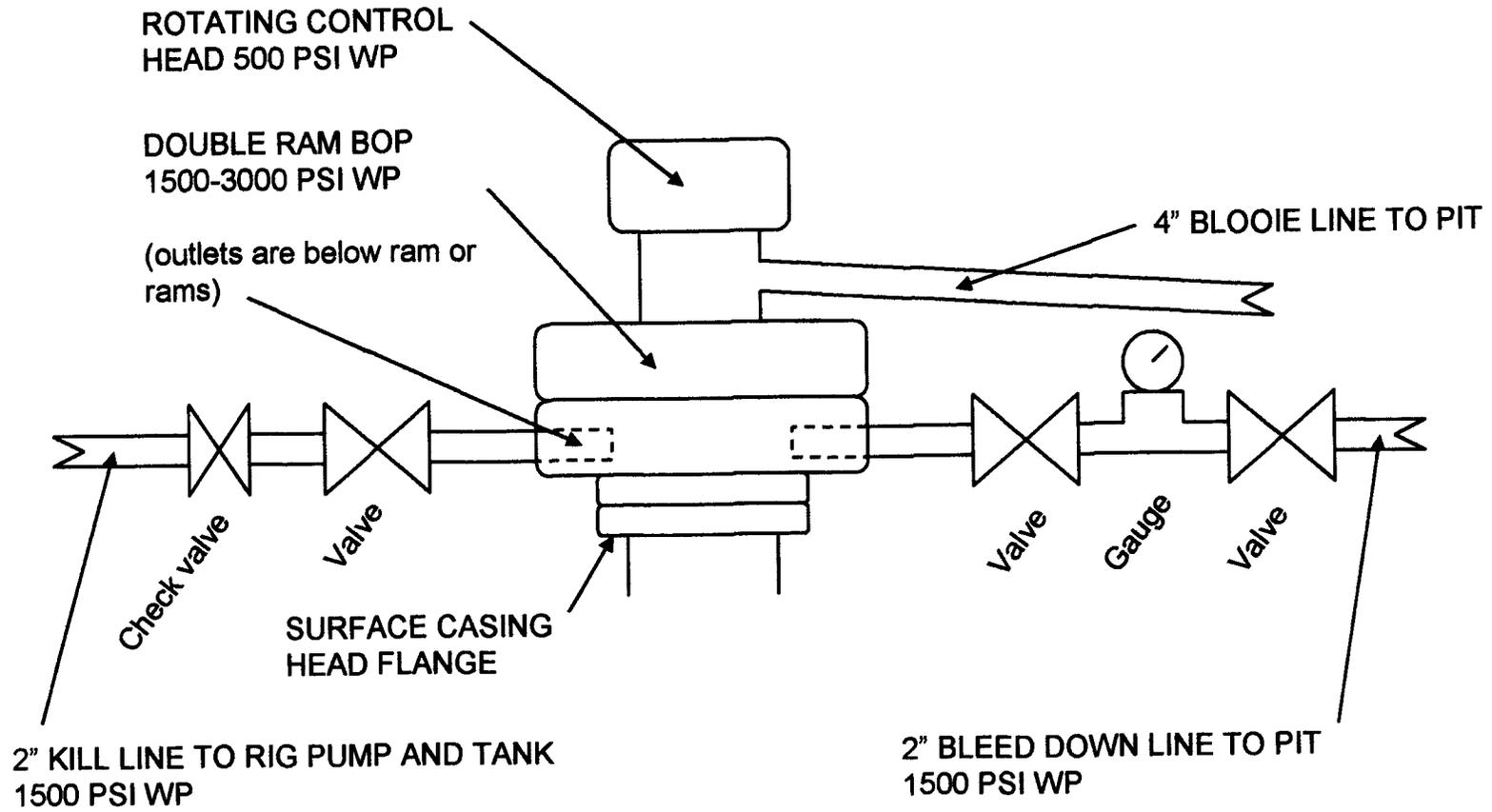
AIR DRILLING SYSTEM FOOTPRINT

LINDA 1 FEDERAL
 NE1/4NW1/4 SECTION 31
 T20S, R24E, SLM
 GRAND COUNTY, UTAH

SURVEYED BY: USW DATE: 4/02/2003

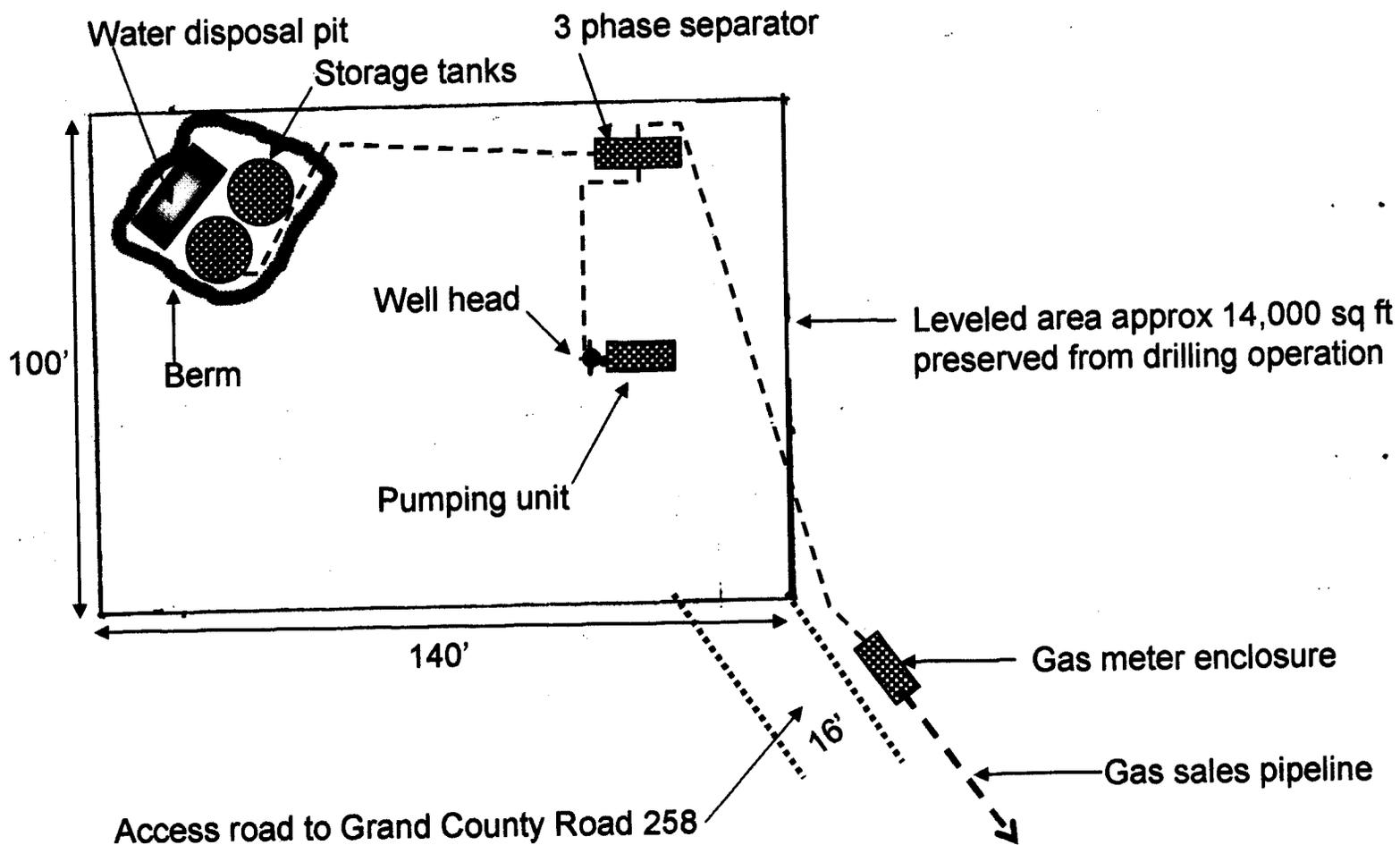
DRAWN BY: USW DATE: 4/03/2003

Suggested pressure control system for Greater Cisco Field Operations
Not drawn to scale



Production equipment layout for Linda 1 Federal

Scale: 1"=40'



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 04/21/2003

API NO. ASSIGNED: 43-019-31395

WELL NAME: LINDA 1 FED
OPERATOR: CISCO EXPLORATION LLC (N6050)
CONTACT: DAVID ALLIN

PHONE NUMBER: 801-381-2424

PROPOSED LOCATION:
NENW 31 200S 240E
SURFACE: 1312 FNL 1663 FWL
BOTTOM: 1312 FNL 1663 FWL
GRAND
GREATER CISCO (205)

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

LEASE TYPE: 1 - Federal
LEASE NUMBER: UTU-74470
SURFACE OWNER: 1 - Federal

LATITUDE: 39.02681
LONGITUDE: 109.30701

PROPOSED FORMATION: MRSN

RECEIVED AND/OR REVIEWED:

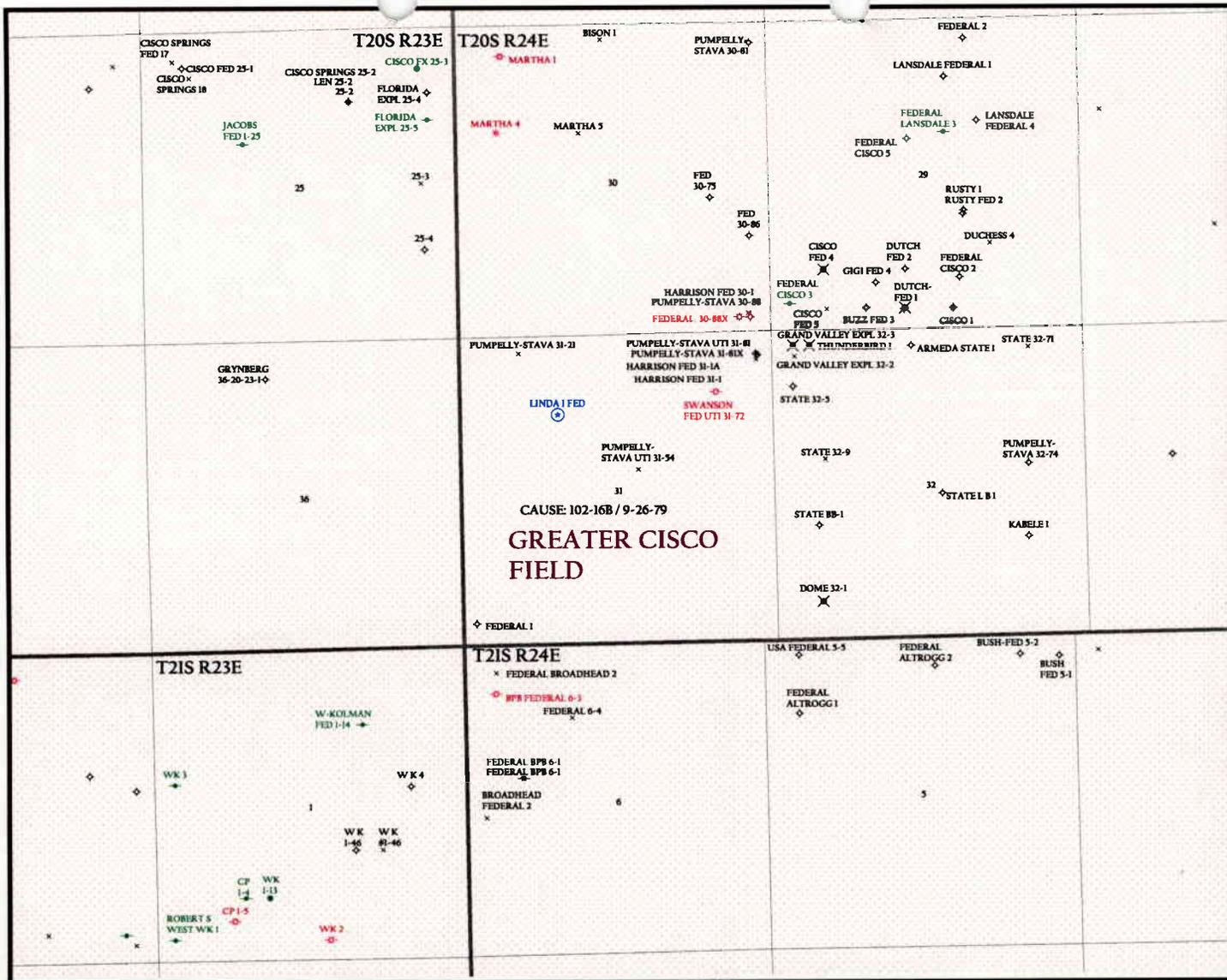
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. 000033)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. Municipal)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)

LOCATION AND SITING:

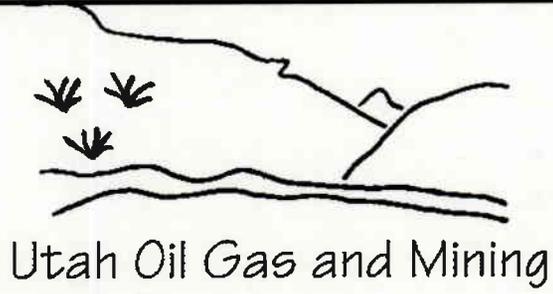
- R649-2-3.
Unit _____
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: 102-1613
Eff Date: 9-26-79
Siting: 1400' fr gas well & 200' fr oil well 15.
- R649-3-11. Directional Drill

COMMENTS: _____

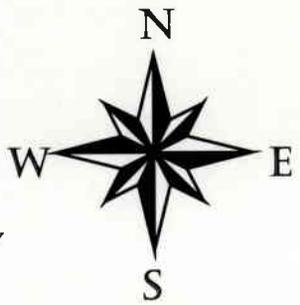
STIPULATIONS: 1- Federal approval



OPERATOR: CISCO EXPRO LLC (N6050)
 SEC. 31 T20S, R24E
 FIELD: GREATER CISCO (205)
 COUNTY: GRAND
 CAUSE: 102-16B / 9-26-79



WELLS		UNIT STATUS		FIELD STATUS	
•	GAS INJECTION	□	EXPLORATORY	■	ABANDONED
•	GAS STORAGE	□	GAS STORAGE	■	ACTIVE
×	LOCATION ABANDONED	□	NF PP OIL	■	COMBINED
⊙	NEW LOCATION	□	NF SECONDARY	■	INACTIVE
◆	PLUGGED & ABANDONED	□	PENDING	■	PROPOSED
•	PRODUCING GAS	■	PI OIL	■	STORAGE
•	PRODUCING OIL	■	PP GAS	■	TERMINATED
•	SHUT-IN GAS	■	PP GEOTHERML	■	COUNTY BOUNDARY
•	SHUT-IN OIL	■	PP OIL	■	SECTION LINES
×	TEMP. ABANDONED	■	SECONDARY	■	TOWNSHIP LINES
○	TEST WELL	□	TERMINATED		
▲	WATER INJECTION				
◆	WATER SUPPLY				
⚡	WATER DISPOSAL				



PREPARED BY: DIANA MASON
 DATE: 23-APRIL-2003

Allin Proprietary / David L. Allin-Consultant

AAPG Certified Petroleum Geologist 2934

475 Seasons Drive, Grand Junction, CO, USA 81503-8749

Telephone: 970-254-3114 Facsimile: 970-254-3117 Mobile: 801-244-8931

E-mail: allinpro@attbi.com

FAX TRANSMITTAL MEMO

Date 5-9-03

Number of Pages Including Cover 2

TO:

Name Diana Mason

Company Utah DOGEM

Department Permits & Compliance

FAX Number 801-359-3940

FROM:

David L. Allin

FAX Number 970-254-3117

Comments Attached is copy of the BLM Decision accepting the Cisco Expro, LLC \$10,000 bond for UTU-74470 to allow operations for the Linda I Federal well in Section 31, T20S, R24E, Grand County, Utah. The bond number is UTB-000033. If you need anything else, give me a ring or contact via e-mail.

Thanks, have a good weekend.

David L Allin

Member, Cisco Expro, LLC

RECEIVED
MAY 09 2003
DIV. OF OIL, GAS & MINING

05/09/2003

11:28

970-254-3117

ALL IN PROPRIETARY

P. 01

FAX NO.

MAY-09-2003 FRI 11:03 AM



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

MAY 09 2003

IN REPLY REFER TO:
3104
(UT-924)

DECISION

Principal:
Cisco Expro, LLC
P. O. Box 2964
Salt Lake City, Utah 84110

Bond Amount: \$10,000
Bond Type: Individual Oil and Gas
Certificate of Deposit No.: 353103299676
BLM Bond No.: UTB-000033
Lease Number: UTU-74470

Financial Institution:
U. S. Bank
Attention: Don Rognon
475 East 200 South
Salt Lake City, Utah 84111

Personal Bond and Certificate of Deposit Accepted for Individual Lease

On May 1, 2003, this office received an executed bond form and Certificate of Deposit (CD) No. 353103299676 in the amount of \$10,000. Both documents have been examined, found to satisfactory, and are accepted effective, the date of filing.

The CD, issued by the above financial institution, was purchased by the obligor to secure bond coverage for oil and gas lease UTU-74470. The CD will be retained by the Bureau of Land Management (BLM) and will automatically renew every year until all terms and conditions of the lease have been fulfilled or until a satisfactory replacement bond has been accepted by BLM.

The bond will be maintained by this office and constitutes coverage of all operations conducted by the obligor on this lease. The bond provides coverage for the obligor where they have interest in, and/or responsibility for operations on, lease UTU-74470.

If you have any questions, please contact Connie Seare of this office at (801) 539-4111.

Robert Lopez
Chief, Branch of
Minerals Adjudication

Post-it® Fax Note	7671	Date	# of Pages ▶
To	David Allen	From	Connie Seare
Co./Dept		Co.	BLM Utah
Phone #		Phone #	(801) 539-4111
Fax #	(970) 254-3117	Fax #	



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5340 telephone
(801) 359-3940 fax
(801) 538-7223 TTY
www.nr.utah.gov

Michael O. Leavitt
Governor
Robert L. Morgan
Executive Director
Lowell P. Braxton
Division Director

May 15, 2003

Cisco Expro, LLC
P O Box 2964
Salt Lake City, UT 84110

Re: Linda 1 Federal Well, 1312' FNL, 1663' FWL, NE NW, Sec. 31, T. 20 South, R. 24 East, Grand County, Utah

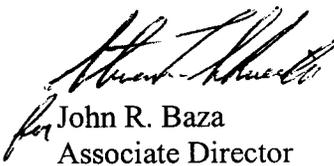
Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-019-31395.

Sincerely,



John R. Baza
Associate Director

pab
Enclosures

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

Operator: Cisco Exploration LLC
Well Name & Number Linda 1 Federal
API Number: 43-019-31395
Lease: UTU-74470

Location: NE NW **Sec.** 31 **T.** 20 South **R.** 24 East

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

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

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

May 15, 2003

Cisco Exploration LLC
P O Box 2964
Salt Lake City, UT 84110

Re: Linda 1 Federal Well, 1312' FNL, 1663' FWL, NE NW, Sec. 31, T. 20 South, R. 24 East,
Grand 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.

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Sincerely,

John R. Baza
Associate Director

pab
Enclosures

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

007

RECEIVED
MOAB FIELD OFFICE

Form 3160-3
(September 2001)

UNITED STATES 2003 APR 10 A 10:07
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0136
Expires January 31, 2004

DEPT OF THE INTERIOR
APPLICATION FOR PERMIT TO DRILL OR REENTER AND MGMT

5. Lease Serial No.
UTU-74470

6. If Indian, Allottee or Tribe Name

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

8. Lease Name and Well No.
Linda 1 Federal

9. API Well No.
43-019-31395

10. Field and Pool, or Exploratory
Greater Cisco

11. Sec., T., R., M., or Blk. and Survey or Area
Sec. 31, T20S, R24E, SLM

12. County or Parish
Grand

13. State
Utah

1a. Type of Work: DRILL REENTER

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

2. Name of Operator
Cisco Expro, LLC

3a. Address
P.O. Box 2964, SLC, UT 84110

3b. Phone No. (include area code)
(801) 381-2424

4. Location of Well (Report location clearly and in accordance with any State requirements. *)
At surface 1312 feet from north line and 1663 feet from west line
At proposed prod. zone Same as at surface (vertical well) NENW

14. Distance in miles and direction from nearest town or post office*
3.6 miles north of Cisco, Utah

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)
1312 feet

16. No. of Acres in lease
159.90

17. Spacing Unit dedicated to this well

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

19. Proposed Depth
1200 feet

20. BLM/BIA Bond No. on file
BLM Bond #
~~Individual bond applied for~~ UTB000033

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
4500 feet ungraded GL

22. Approximate date work will start*
May 15, 2003

23. Estimated duration
Eight days

24. Attachments 1 through 6 listed below

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

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

25. Signature *David L. Allin* Name (Printed/Typed) David L. Allin Date April 9, 2003

Title Member, Petroleum Geologist (475 Seasons Drive, Grand Jct, CO 81503) (970) 254-3114

Approved by (Signature) *William Springer* Name (Printed/Typed) Assistant Field Manager Date MAY 14 2003

Title Division of Resources Office

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

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

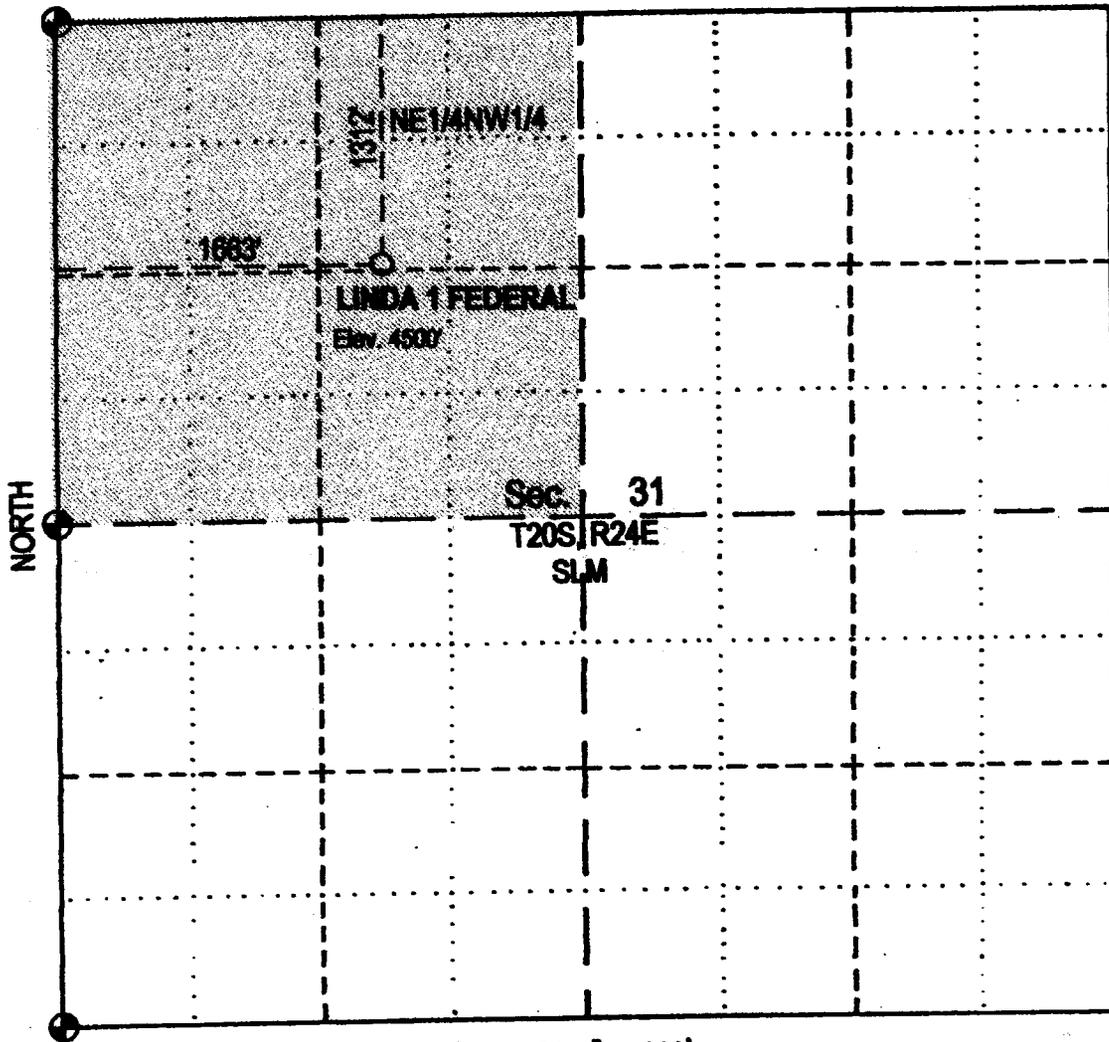
*(Instructions on reverse)

CONDITIONS OF APPROVAL ATTACHED

RECEIVED

MAY 19 2003

DIV. OF OIL, GAS & MINING



SCALE: 1" = 1000'

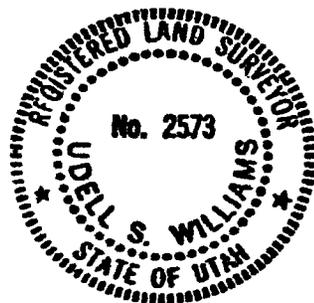
Located 1312 feet from the North line and 1663 feet from the West line in Section 31, T20S, R24E, SLM.

Area of UTU-74470 leased to Cisco Expro, LLC 100%

RECEIVED

MAY 19 2003

DIV. OF OIL, GAS & MINING



SURVEYOR'S CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

[Signature]
Utah PLS No. 2573



UDELL S. WILLIAMS
Professional Land Surveyor
449 E. Scenic Dr.
Grand Junction, CO 81503-1569

PLAT OF
PROPOSED LOCATION
LINDA 1 FEDERAL
NE1/4NW1/4 SECTION 31
T20S, R24E, SLM
GRAND COUNTY, UTAH

SURVEYED BY: USW DATE: 4/02/2003
DRAWN BY: USW DATE: 4/03/2003

Cisco Expro, LLC
Linda 1 Federal
Lease U-74470
NE/NW Section 31, T20S, R24E
Grand County, Utah

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

CONDITIONS OF APPROVAL

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

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

Bond coverage for this well is provided by UTB-000033 (Principal –Cisco Expro, LLC) via surety consent as provided for in 43 CFR 3104.2.

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

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

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

A. DRILLING PROGRAM

1. The proposed BOPE is in a 2M configuration, and is adequate for this depth in this area. A variance to Onshore Oil and Gas Order No. 2 covering the BOPE proposed for this well, has been approved separately. Installation, testing and operation of the system shall be in conformance with Onshore Oil and Gas Order No. 2 and the approved variance.
2. Concurrent approval from the State of Utah, Division of Oil, Gas & Mining (DOG M) is required before conducting any surface disturbing activities.
3. When drilling with air, the requirements of Onshore Oil and Gas Order No. 2, part III, E, Special Drilling Operations, shall apply. Among the requirements in this section are:
 - Spark arresters
 - Blooie line discharge 100 feet from wellbore
 - Straight blooie line
 - Deduster equipment
 - Float valve above bit
 - Automatic igniter on the blooie line
4. Should any shows be encountered in the Dakota Sandstone, the cement slurry volume behind the 5-1/2 inch production string should be increased (from the proposed 120 sacks) to ensure isolation of the Dakota.

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

Building Location- Contact the Moab Field Office, Natural Resource Protection Specialist at least 48-hours prior to commencing construction of location.

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Daily Drilling Reports- Daily drilling reports shall detail the progress and status of the well and shall be submitted to the Moab Field Office on a weekly basis.

Monthly Reports of Operations- In accordance with Onshore Oil and Gas Order No. 1, this well shall be reported on Minerals Management Service (MMS) Form 3160, "Monthly Report of Operations," starting the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with MMS.

Sundry Notices- There will be no deviation from the proposed drilling and/or workover program without prior approval. "Sundry Notices and Reports on Wells" (Form 3160-5) will be filed with the Moab Field Office for approval of all changes of plans and subsequent operations in accordance with 43 CFR 3162.3-2. Safe drilling and operating practices must be observed.

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TABLE 1

NOTIFICATIONS

Notify Rich McClure (435-259-2127) or Jack Johnson (435-259-2129) of the BLM Moab Field Office for the following:

2 days prior to commencement of dirt work, construction and reclamation (McClure);

1 day prior to spudding (Johnson);

50 feet prior to reaching the surface casing setting depth (Johnson);

3 hours prior to testing BOPs (Johnson).

If the people at the above numbers cannot be reached, notify the Moab Field Office at 435-259-2100. If unsuccessful, contact the person listed below.

Well abandonment operations require 24-hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab Field Office at (435) 259-2100. If approval is needed after work hours, you may contact the following:

Eric Jones, Petroleum Engineer

Office: (435) 259-2117

Home: (435) 259-2214

475 Seasons Drive, Grand Junction, CO, USA 81503-8749

Telephone: 970-254-3114 Facsimile: 970-254-3117 Mobile: 801-244-8931

E-mail: allinpro@attbi.com

002

Diana Mason
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P. O. Box 145801
Salt Lake City, UT 844114-5801

Re: Spacing Order Administrative Exception Request for Linda 1 Federal Location
Greater Cisco Field, Grand County, Utah

Dear Ms. Mason:

At the request of Gil Hunt, I have composed this letter to certify that Cisco Expro, LLC owns 100% record title, 100% working interest and 100% operating rights in the 159.90 acre UTU-74470 Federal lease tract (NW $\frac{1}{4}$ Section 31, T20S, R24E, SLM). I have had the BLM records reviewed by an independent landman to confirm the existence of those rights on behalf of Cisco Expro, LLC. In my capacity as a Member and Manager of Exploration for the company, I herewith certify the lessee's ownership in UTU-74470.

The Linda 1 Federal has been staked on UTU-74470 near the common border of the 40 acre tracts NE $\frac{1}{4}$ NW $\frac{1}{4}$ and SE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 31 (See APD Attachment 1a), therefore, it does not comply with the 1979 vintage spacing orders for Greater Cisco Field that require locations to be within a window in 10 acre tracts and more specifically, greater than 200 feet from a quarter-quarter section boundary. However, since Cisco Expro, LLC is the sole lessee of all four of the quarter-quarter section tracts in the NW $\frac{1}{4}$ of Section 31, no third parties will be impacted by the proposed location.

Under these circumstances, Cisco Expro, LLC requested approval of an exception location for the Linda 1 Federal in order to allow the optimum intersection of the very narrow porosity trends within the incised valley fluvial reservoirs common to the Dakota, Cedar Mountain and Morrison formations. Thank you for your consideration of this matter. Please contact me if you need any further information relative to this spacing order exception request or the APD. Formal notification of resultant decisions can be directed to the Cisco Expro, LLC address of record with DOG&M.

Faithfully submitted,



David L. Allin
Cisco Expro, LLC
Member and Exploration Manager

DLA/em

RECEIVED

MAY 23 2003

DIV. OF OIL, GAS & MINING

008

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU-74470

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT OR CA AGREEMENT NAME:

8. WELL NAME and NUMBER:
Linda 1 Federal

9. API NUMBER:
43-019-31395

10. FIELD AND POOL, OR WILDCAT:
Greater Cisco

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

2. NAME OF OPERATOR:
Cisco Expro, LLC

3. ADDRESS OF OPERATOR:
P.O. Box 2964, Salt Lake City, UT 84110
CITY STATE ZIP

PHONE NUMBER:
(801) 381-2424

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1312 feet from north line and 1663 feet from west line COUNTY: Grand

QTRQTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SW/4NE/4NW/4 31, T20S, R24E, SLM STATE: UTAH

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

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

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
Cisco Expro, LLC requests a twelve month extension of its APD (BLM approved May 14, 2003) for this well to allow more time to locate and engage a drilling contractor with equipment suitable for drilling this shallow well at reasonable cost. Please refer to the Application for Permit to Drill Request for Permit Extension Validation form attached hereto for additional information.

In addition, note that your records reflect the name of our company as Cisco Exploration, LLC. Please correct the name shown on your records to Cisco Expro, LLC.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 05-25-04
By: [Signature]

COPY SENT TO OPERATOR
Date: 5-26-04
Initials: CHD

NAME (PLEASE PRINT) David L. Allin TITLE Member, Geologist

SIGNATURE [Signature] DATE May 20, 2004

(This space for State use only)

RECEIVED

MAY 24 2004

(5/2000)

(See Instructions on Reverse Side)

DIV. OF OIL, GAS & MINING

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-019-31305
Well Name: Linda 1 Federal
Location: SW/4NE/4NW/4
Company Permit issued to: Cisco Expro, LLC
Date Original Permit issued: ~~May 14, 2003~~ by BLM
May 15, 2003

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 Not applicable

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 right-of-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 (BLM UTB-000033)



Signature

May 20, 2004

Date

Title: Member, Geologist

Representing: Cisco Expro, LLC

RECEIVED
MAY 24 2004
DIV. OF OIL, GAS & MINING

ALLIN PROPRIETARY

Petroleum, Mineral & Business Consulting

allinpro@~~hess.com~~ bresnan.net

DAVID L. ALLIN, Owner

Certified Petroleum Geologist #2934, A.A.P.G.

475 Seasons Drive
Grand Junction, CO 81503-8749
U.S.A.

VOX (970) 254-3114
FAX (970) 254-3117

2004-52

009

RECEIVED
MOAB FIELD OFFICE

Form 3160-3
(September 2001)

FORM APPROVED
OMB No. 1004-0136
Expires January 31, 2004

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

2004 JUN -7 A 11: 18
DEPT OF THE INTERIOR
BUREAU OF LAND MGMT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		APD RENEWAL		5. Lease Serial No. UTU-74470
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		<input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator Cisco Expro, LLC				7. If Unit or CA Agreement, Name and No.
3a. Address P.O. Box 2964, SLC, UT 84110		3b. Phone No. (include area code) (801) 381-2424		8. Lease Name and Well No. Linda 1 Federal
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 1312 feet from north line and 1663 feet from west line At proposed prod. zone Same as at surface (vertical well)				9. API Well No. 43-019-31395
14. Distance in miles and direction from nearest town or post office* 3.6 miles north of Cisco, Utah				10. Field and Pool, or Exploratory Greater Cisco
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1312 feet		16. No. of Acres in lease 159.90		11. Sec., T., R., M., or Bk. and Survey or Area Sec. 31, T20S, R24E, SLM
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. First well on lease		19. Proposed Depth 1200 feet		12. County or Parish Grand
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4500 feet ungraded GL		22. Approximate date work will start* July 15, 2004		13. State Utah
		23. Estimated duration Eight days		
24. Attachments 1a, 1b, 2, 3a, 3b, 3c, and 6				

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall 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 shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. Production equipment plat |

25. Signature 	Name (Printed/Typed) David L. Allin	Date June 4, 2004
Title Member, Petroleum Geologist (475 Seasons Drive, Grand Junction, CO 81503) (970) 254-3114		
Approved by (Signature) 	Name (Printed/Typed)	Date AUG 13 2004
Title Acting Assistant Field Manager, Division of Resources	Office Moab Field Office	

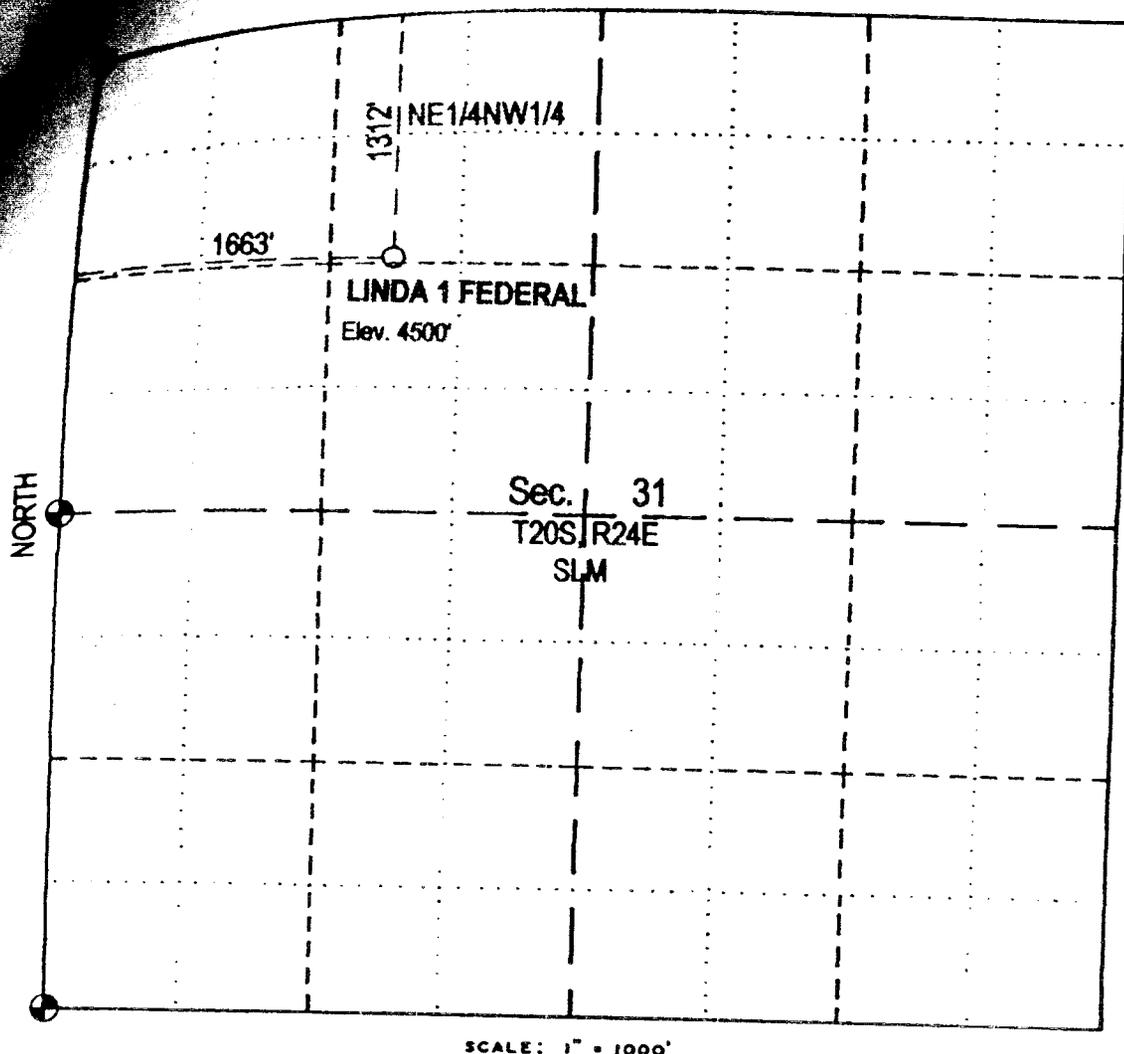
Application approval does not warrant or certify the the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

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

*(Instructions on reverse)

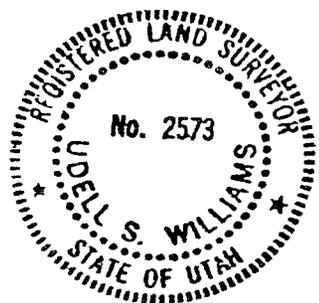
CONDITIONS OF APPROVAL ATTACHED

RECEIVED
AUG 30 2004
DIV. OF OIL, GAS & MINING



Located 1312 feet from the North line and 1663 feet from the West line in Section 31, T20S, R24E, SLM.

Area of UTU-74470 leased to Cisco Expro, LLC 100%



SURVEYOR'S CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Utah PLS No. 2573



UDELL S. WILLIAMS
Professional Land Surveyor
449 E. Scenic Dr.
Grand Junction, CO 81503-1569

PLAT OF
PROPOSED LOCATION
LINDA 1 FEDERAL
NE1/4NW1/4 SECTION 31
T20S, R24E, SLM
GRAND COUNTY, UTAH

SURVEYED BY: USW DATE: 4/02/2003
DRAWN BY: USW DATE: 4/03/2003

Cisco Expro, LLC
Linda 1 Federal
Lease U-74470
NE/NW Section 31, T20S, R24E
Grand County, Utah

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

CONDITIONS OF APPROVAL

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

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

Bond coverage for this well is provided by UTB-000033 (Principal –Cisco Expro, LLC) via surety consent as provided for in 43 CFR 3104.2.

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

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

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

A. DRILLING PROGRAM

1. The proposed BOPE is in a 2M configuration, and is adequate for this depth in this area. A variance to Onshore Oil and Gas Order No. 2 covering the BOPE proposed for this well, has been approved separately. Installation, testing and operation of the system shall be in conformance with Onshore Oil and Gas Order No. 2 and the approved variance.
2. Concurrent approval from the State of Utah, Division of Oil, Gas & Mining (DOG M) is required before conducting any surface disturbing activities.
3. When drilling with air, the requirements of Onshore Oil and Gas Order No. 2, part III, E, Special Drilling Operations, shall apply. Among the requirements in this section are:
 - Spark arresters
 - Blooie line discharge 100 feet from wellbore
 - Straight blooie line
 - Deduster equipment
 - Float valve above bit
 - Automatic igniter on the blooie line
4. Should any shows be encountered in the Dakota Sandstone, the cement slurry volume behind the 5-1/2 inch production string should be increased (from the proposed 120 sacks) to ensure isolation of the Dakota.

B. SURFACE USE PLAN

1. Dust control will be provided during construction and drilling operations by spraying fresh water on new road construction, roads being maintained, and the well pad.

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

Building Location- Contact the Moab Field Office, Natural Resource Protection Specialist at least 48-hours prior to commencing construction of location.

Spud- The spud date will be reported to BLM 24-hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the Moab Field Office within 24-hours after spudding, regardless of whether spud was made with a dry hole digger or big rig.

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

011

From: Lisha Cordova
To: David Allin
Date: 5/2/05 9:15AM
Subject: Re: FW: Linda 1 Federal Weekly Report

T205 R24E S-31
43-019-31395

Hi Mr. Allin

I will forward this info to Carol Daniels of our office.

You will also need to submit the info to the BLM/Moab, I don't have an e-mail address for them but I do have a phone number for Marie McGann at (435) 259-2135. The API number for the well is 43-019-31395, Federal lease UTU-74470.

Thank you!

>>> "David L Allin" <allinpro@bresnan.net> 04/29/05 8:02 AM >>>
Lisha,

I hope that you are the correct person to provide this information to. If not, let me know where to direct notices on this well on a Federal lease.

David L. Allin
Cisco Expro, LLC Member/Exploration Manager
AAPG Certified Petroleum Geologist 2934
Utah Licensed Professional Geologist 5526699-2250
dba Allin Proprietary
475 Seasons Drive
Grand Junction, CO 81503-8749
Telephone (970) 254-3114
Telefax (970) 254-3117
allinpro@bresnan.net

-----Original Message-----

From: David L Allin [<mailto:allinpro@bresnan.net>]
Sent: Monday, April 25, 2005 7:46 PM
To: Rich McClure (Rich_McClure@ut.blm.gov)
Subject: Linda 1 Federal Weekly Report

Gentlemen,

Daily reports from progress of Linda 1 Federal well :

April 12, 2005: Propetroco, Inc. (Terry Leach) moved rig from Moab, Utah to Greater Cisco Field but flat tire precluded completion of move to location

April 13, 2005: Rig and substructure moved on location

April 14, 2005: Rig positioned on substructure and pipe trailer delivered to location

April 15, 2005: No activity

April 16, 2005: No activity

April 17, 2005: Dave and Linda delivered cementing equipment and other supplies stored over winter in Grand Junction to location

April 18, 2005: Repairs required on crew truck delayed spud, Jack Johnson-BLM was notified of expected spud April 19

April 19, 2005: Propetroco, Inc. on site at 0830 hours with water truck, rigged up derrick and spudded surface hole with 11" bit at 1200 hours. Fuel supply line leak caused early shut down for day at 1630 hours to remove fuel line and obtain replacement in Moab. Dave delivered wellhead and tubing head to location, filled ruts on location and raked out tire tracks off drill pad left from rig up. 70' drilled and TD 70'.

April 20, 2005: Propetroco, Inc. on site at 0800 hours, replaced leaking fuel supply line for rig and drilled 11" surface hole to 135' with mist and foam. Drilling stopped at 1430 hours when water supply was exhausted. Jack Johnson-BLM stopped by at 1445 hours to schedule witnessing of surface casing cementing operations at 1200 hours Thursday April 21 and possible BOP test Monday April 25. 65' drilled and TD 135'

April 21, 2005: Propetroco, Inc. on site at 0800 hours transferred 80 bbls water from transport to location tanker. Resumed drilling 11" surface hole at 0900 hours and reached surface hole TD of 142' below ground level at 1000 hours. Jack Johnson-BLM visited site at 1030 hours to determine when he should return to see the 8-5/8" surface casing set and cemented. Pairie Dawg portable toilet delivered at 1045 hours. Began to pick up casing at 1100 hours. Johnson-BLM returned at 1200 hours. Called for 2 cubic yards of neat cement (API Class A) at 1210 hours. Landed 138' of 8-5/8" surface casing including standing shoe, float collar with 3 centralizers at 1315 hours. Cement on location in mixer at 1405 hours. Bumped plug with 50% return at 1435 hours. Paid first installment of drilling contract for surface casing setting and cementing benchmark. Off location 1515 hours. 7' drilled and TD 142' (surface casing shoe 137' below GL)

April 22, 2005: Waiting for cement to cure. Move in water tanks and steel mud pits. TD 142'

April 23, 2005: Shut down for weekend

April 25, 2005: Propetroco, Inc. on site at 1300 hours to drop off trailer with load of flow lines and choke manifold. Dave & Linda on site at 1430 hours mixed 4 cubic feet of API Class A cement and placed in hole x 8-5/8" casing annulus to fill void left by cement filtrate loss to formation during cure. TD 142'

David L. Allin
Member/Exploration Manager for Cisco Expro, LLC

CC: Carol Daniels

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

FORM 6

012

ENTITY ACTION FORM

Operator: Cisco Expro, LLC Operator Account Number: N 6050
Address: P.O. Box 2964
city Salt Lake City, UT
state UT zip 84110-2964 Phone Number: 801-381-2424
OR 801-381-2665

Well 1 NEW

API Number	Well Name	QQ	Sec	Twp	Rng	County
48-019-31395	Linda 1 Federal	31	31	20S	24E	Grand
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
A	99999	14702	4-19-2005	5/19/05		
Comments: <u>New well MRSN</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: <u> </u>						

Well 3

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

ACTION CODES:

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

David L. Allin
Name (Please Print)
[Signature]
Signature
Exclusion Agent 5-18-05
Title Date
970-254-3114

(2000)

RECEIVED
MAY 18 2005

RECEIVED
MAY 18 2005

DIV. OF OIL, GAS & MINING

OIL, GAS & MINING

From: Lisha Cordova
To: David Allin
Date: 5/31/05 8:54AM
Subject: Re: Linda 1 Federal Daily Reports

CONFIDENTIAL

CISCO EXPRO LLC
T 205 R24E S-31
43-019-31395

Hi David,

I will forward the info to Carol Daniels of this office.

Thank you!

>>> "David L Allin" <allinpro@bresnan.net> 5/31/2005 8:16 AM >>>
Please treat this information as confidential. The Linda 1 Federal well has been classified as a tight hole.

Daily reports from progress of Linda 1 Federal:

April 12, 2005: Propetroco, Inc. (Terry Leach) moved rig from Moab, Utah to Greater Cisco Field but flat tire precluded completion of move to location

April 13, 2005: Rig and substructure moved on location

April 14, 2005: Rig positioned on substructure and pipe trailer delivered to location

April 15, 2005: No activity

April 16, 2005: No activity

April 17, 2005: Dave and Linda delivered cementing equipment and other supplies stored over winter in Grand Junction to location

April 18, 2005: Repairs required on crew truck delayed spud, Jack Johnson-BLM was notified of expected spud April 19

April 19, 2005: Propetroco, Inc. on site at 0830 hours with water truck, rigged up derrick and spudded surface hole with 11" bit at 1200 hours. Fuel supply line leak caused early shut down for day at 1630 hours to remove fuel line and obtain replacement in Moab. Dave delivered wellhead and tubing head to location, filled ruts on location and raked out tire tracks off drill pad left from rig up. 70' drilled and TD 70'.

April 20, 2005: Propetroco, Inc. on site at 0800 hours, replaced leaking fuel supply line for rig and drilled 11" surface hole to 135' with mist and foam. Drilling stopped at 1430 hours when water supply was exhausted. Jack Johnson-BLM stopped by at 1445 hours to schedule witnessing of surface casing cementing operations at 1200 hours Thursday April 21 and possible BOP test Monday April 25. 65' drilled and TD 135'

April 21, 2005: Propetroco, Inc. on site at 0800 hours transferred 80 bbls water from transport to location tanker. Resumed drilling 11" surface hole at 0900 hours and reached surface hole TD of 142' below ground level at 1000 hours. Jack Johnson-BLM visited site at 1030 hours to determine when he should return to see the 8-5/8" surface casing set and cemented. Pairie Dawg portable toilet delivered at 1045 hours. Began to pick up casing at 1100 hours. Johnson-BLM returned at 1200 hours. Called for 2 cubic yards

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of neat cement (API Class A) at 1210 hours. Landed 138' of 8-5/8" surface casing including standing shoe, float collar with 3 centralizers at 1315 hours. Cement on location in mixer at 1405 hours. Bumped plug with 50% return at 1435 hours. Paid first installment of drilling contract for surface casing setting and cementing benchmark. Off location 1515 hours. 7' drilled and TD 142' (surface casing shoe 137' below GL)

April 22, 2005: Waiting for cement to cure. Move in water tanks and steel mud pits. TD 142'

April 23, 2005: Shut down for weekend

April 25, 2005: Propetroco, Inc. on site at 1300 hours to drop off trailer with load of flow lines and choke manifold. Dave & Linda on site at 1430 hours mixed 4 cubic feet of API Class A cement and placed in hole x 8-5/8" casing annulus to fill void left by cement filtrate loss to formation during cure. TD 142'

April 26, 2005: Propetroco, Inc. moved steel mud pits, welding truck and second mud pump on location and stripped spudding diverter off 8-5/8" surface casing. TD 142'

April 27, 2005: Propetroco, Inc. cut off 8-5/8" casing, welded on casinghead body, installed drilling flange and began connecting circulation system. TD 142'

April 28, 2005: Propetroco, Inc. had 7-1/16" 5,000 psi double ram BOP and accumulator delivered to location from R&W Rental in Grand Junction, nipped up crossover spool to 11" 3,000 psi drilling flange and attempted to nipple up BOP on top of crossover spool, but found that the BOP would not seat properly on the crossover spool. The crossover spool must be modified, a replacement found or swap out the BOP in order to complete BOP/rotating head stack. TD 142'

April 29, 2005: Propetroco, Inc. hauled 7-1/16" 5,000 psi BOP back to R&W Rental and exchanged it for a Shaffer 9" 3,000 psi double ram BOP, nipped it up on the crossover spool and nipped up the diverter on the BOP. Blind and pipe rams in BOP tested OK. TD 142'

April 30, 2005: Crew off for weekend. TD 142'

May 1, 2005: Crew off for weekend at antique car show in Moab, Utah. TD 142'

May 2, 2005: Propetroco, Inc. on location at 0800 hours. Singlejack on location at 0900 hours to test BOP. BOP tested OK and witnessed by Jack Johnson-BLM at 1000 hours. Crew put together blooie line, flow lines and choke manifold. Dave and Tony met Sunstate Equipment truck on location at 1400 hours to unload backhoe tractor, mud and chemicals. Crew off location at 1600 hours. Dave and Tony moved 4-1/2" casing string from pit side to doghouse side of rig and left location at 2015 hours. TD 142'

May 3, 2005: Propetroco, Inc. on location at 0800 hours and rigged up to drill through surface casing plug cement and shoe using 6-1/2" mill tooth bit with foam by 1030 hours. Dried well out to drill with air and continued drilling with air only "dusting" to near 220' below KB. Drilling progress

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slowed by wet spot in the Mancos Shale near 160' so the circulating medium was changed back to foam. Dave dug reserve pit and smoothed location. Drilling continued with foam until the water supply on site was nearly exhausted. 200' drilled and TD 340'

May 4, 2005: Propetroco, Inc. on location at 0800 hours and had reached 440' by the time Dave arrived on location with foaming agent supply. 100 bbls of water had been delivered overnight to allow drilling to continue. Well was advanced with foam without incident into the lower Mancos to 726' by 1700 hours. Additional 100 bbl loads of water were delivered during the day and after shutdown to fill on site tank and steel mud pits. Hole was blown clean and the bit was pulled off bottom one stand of drill pipe (40'). The Dakota top is coming in low to projection, but will not alter viability of exploration concept. 386' drilled and TD 726'

May 5, 2005: Propetroco, Inc. on location at 0730 hours, pulled out of hole, broke off Bit 1 and put on Bit 2 ready to run in hole. Hole remained dry. Repairs were made to Pump 2 oiler system and seals. Dave on site at 1100 hours with another bucket of foaming agent. Crew completed repair to Pump 2, conducted operational/safety meeting and started back in hole at 1205 hours. Back on bottom at 726' and drilling at 1250 hours. Hole advanced with foam to 886' in the top of the Cedar Mountain Fm when drilling was stopped for the day at 1624 hours. Crew mixed 280 bbls of mud while drilling during the afternoon to prepare to resume drilling tomorrow with foamed and aerated mud. Sample tops recognized were Dakota marker bentonite bed at 736', Dakota Sandstone at 780' and Cedar Mountain Fm at 880'. Dakota Sandstone was 30' thick and wet. No shows. 160' drilled and TD 886'

May 6, 2005: Propetroco, Inc. on location at 0730 hours, removed blooie line, hooked up flow line, fill line and aeration lines to steel mud pits, conditioned mud, ran back in hole, found 20' of fill, reached TD and was drilling new hole by 1345 hours. Fluid level in the well was 400' below surface. Drilled with aerated mud to 1006' in Brushy Basin Mbr of Morrison Fm by 1730 hours, conditioned mud, circulated same, pulled 7 stands out of the hole and shut down for the day. Closed pipe rams on BOP. Hole was tight around 800' in lower Dakota Sandstone. The sample top for the Brushy Basin Mbr was estimated near 950'. 120' drilled and TD 1006'

May 7, 2005: Propetroco, Inc. on location at 0730 hours and after rig service began running 7 40' stands back in the hole at 0840 hours. Found 30' of fill that was cleaned out without incident. Drilling new hole resumed at 0900 hours and proceeded at rate of 40 ft/hr until the fourth 20' joint took 3 hours. Bit balling was suspected and cured with addition of foaming agent. Drilling continued until 1800 hours and 1166' when it became apparent that to attempt to drill on to test the upper sandstone in the Salt Wash Member of Morrison Fm as permitted would not be possible today. Drilling was suspended until Monday when the final 120' will be drilled. 12 stands were pulled and the well was shut in by BOP pipe rams. The channel sandstone system expected near 1050' was not present and the zone that correlates with a gas show zone reported from a down dip well during 1952 was represented by a foot of coarse sandstone. No shows were recognized. 160' drilled and TD 1166'

May 8, 2005: Off for Mother's Day

May 9, 2005: Propetroco, Inc. on location at 0730 hours and after rig

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service began running 12 40' stands back in the hole at 0910 hours. Found a small bridge near 1025' and 56' of fill that was cleared without difficulty to allow drilling to resume by 1100 hours. Drilling progressed with highly variable rates of penetration ranging from 9.75 minutes per foot to 1.55 minutes per foot averaged over 20' drill pipe joints. One sandstone layer of 1 foot or less was recognized below 1202'. No lower Brushy Basin sandstone was present. Suspended drilling for the day at 1800 hours, conditioned mud, circulated same and pulled 14 stands. Closed pipe rams on BOP. Crew off location at 1900 hours. No shows were recognized. 100' drilled and TD 1266'

May 10, 2005: Propetroco, Inc. on location at 0900 hours and after rig service began running 14 stands back in the hole at 0915 hours. Found tight spot near 1060' and a soft bridge near 1206' on trip. Drilling new hole resumed at 1033 hours. Drilling progressed at rates averaged over 10' intervals from 13 minutes per foot to 4 minutes per foot. Suspended drilling for the day at 1730 hours, conditioned mud, pumped pill and pulled 15 stands. Closed pipe rams on BOP. Crew off location at 1820 hours just ahead of rain squall. No shows were recognized. 60' drilled and TD 1326'

May 11, 2005: Propetroco, Inc. on location at 0830 hours and after rig service began running 15 stands back in the hole at 0915 hours. Found no bridges and 1' of fill on trip. Drilling new hole resumed at 0930 hours. Drilling progressed at rates averaged over 10' intervals from 9.8 minutes per foot to 6 minutes per foot. Suspended drilling for the day at 1730 hours, conditioned mud, pumped pill and pulled 16 stands. Closed pipe rams on BOP. Crew off location at 1820 hours. No shows were recognized. 60' drilled and TD 1386'

May 12, 2005: Propetroco, Inc. on location at 0800 hours and after rig service ran 16 stands back in the hole. No bridges found but 10' of fill. Drilling new hole resumed at 0940 hours. Drilling progressed through red and green shale typical of the lower Brushy Basin Mbr of Morrison Fm at ROP's averaged over 10' intervals ranging from 10 minutes per foot to 7.4 minutes per foot until Bit 2 locked up near 1421' at 1505 hours. Pulled out of hole, shut blind rams on BOP and shut down for the day at 1700 hours. Bearings had failed on Bit 2 and several inserts were missing from cones. No shows were recognized. 35' drilled and TD 1421'

May 13, 2005: Propetroco, Inc. on location at 0730 hours and after rig service ran Bit 3 in the hole. Cleared one bridge near 1180', added water to the mud system and began drilling at 1130 hours. Drilling progressed through red and green shale at ROP's averaged over 10' intervals ranging from 3.1 minutes per foot to 2.2 minutes per foot. Drilled until 1623 hours, circulated hole clean and pulled 20 40' stands. Shut pipe rams on BOP and shut down for the weekend. No shows were recognized. 85' drilled and TD 1506'

May 14, 2005: Off for weekend

May 15, 2005: Off for weekend

May 16, 2005: Propetroco, Inc. on location at 0815 hours. Crew serviced rig, dumped cuttings from steel mud pits, added produced water from blooie pit and remixed and upgraded mud. Repairs were made to the rig and the swivel packing was replaced. At 1230 hours it was decided not to run back

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in the hole to resume drilling until tomorrow when drilling will resume early to allow the crew to condition the hole for running casing or plugging operations. 0' drilled and TD 1506'

May 17, 2005: Propetroco, Inc. on location at 0730 hours, serviced rig and started running 20 stands back in the hole at 0800 hours. Hit a soft bridge near 825' and several more down to 1100'. Remainder of drill pipe went in the hole to old TD after circulating up a few feet of fill. Began drilling new hole at 1056 hours. The mud system was not aerated today to minimize further damage to the hole, but this strategy reduced the rate of penetration to between 8.2 and 5.3 minutes per foot. Samples were poor but appeared to consist of more variegated shale (green, gray and red typical of the Morrison Formation. Drilling was stopped at 1715 hours and began pulling out 22 stands at 1720 hours. 22 stands (880') of drill pipe were racked by 1800 hours. The Kelly hose sprung a leak just as the Kelly rod was being recessed prior to pulling drill pipe and was removed following pulling drill pipe. Dave lined up a new Kelly hose for Propetroco, Inc. from a hydraulic shop in Grand Junction, presented the old hose for proper match and got a new one made up for delivery tomorrow morning. No shows were recognized. 60' drilled and TD 1566'

May 18, 2005: Propetroco, Inc. on location 0810 hours to meet Dave with new Kelly hose. Put on new Kelly hose and began running 22 stands back in the hole by 0950 hours. Washed out soft bridge near 805', tagged 5' of fill and began drilling new hole by 1103 hours. Drilled into red siltstone below 1583' and back into variegated claystone. ROP ranged from 6 to 7 minutes/foot. The probable top of the Summerville Fm could have been near 1583' indicating that the Salt Wash Mbr of Morrison Fm was penetrated without drilling any significant layers of sandstone. Pulled 23 stands of drill pipe and shut pipe rams on BOP. No shows were recognized. 40' drilled and TD 1606'

May 19, 2005: BLM was notified that a P&A plan needed to be approved, but the BLM engineer was off until Monday, May 23. Since no markers indicating that the Salt Wash Mbr of Morrison Fm had been penetrated, and no layers had been intersected that would explain the geochemical anomalies recognized from surface sampling methods, Cisco Expro decided that the only possibility for pay was in the top of the Entrada Sandstone and that the well should be deepened to test same. Dave had to attend meetings with Del-Rio's attorneys and partners in Salt Lake City. 0' drilled and TD 1606'

May 20, 2005: Cisco Expro member, Kerry Miller, was on location for the intersection of the top of the Entrada Sandstone. Propetroco, Inc. ran back to TD and began drilling by 1100 hours. A 4' drilling break began near 1618' at 1130 hours, but drilling resumed at 6 to 8 minutes/foot through claystone and siltstone until near 1644' when another drilling break occurred and the return spout began to produce gas bubbles and stream wispy shows of oil to the steel mud pit. The drilling rate remained constant around 2 minutes/foot until the last joint of drill pipe was added to reach 1706'. The wispy oil show and gas bubbling continued until circulation was ended to pull 24 stands out of the hole and shut down for the day. Closed pipe rams on BOP. 120' drilled and TD 1726' CORRECTED TD

May 21, 2005: Operations were suspended until Dave could pick up the samples from the location on his return from Salt Lake City and examine them in detail at his Grand Junction office. The samples included cuttings from

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the Summerville and Curtis formations that were fluorescent, but not of reservoir quality. The sample that issued from 1636' to 1646' included a few cuttings of bleached eolian sandstone indicative of the Entrada Sandstone that had been invaded by hydrocarbons. These cuttings were fluorescent and produced streaming cuts of oil and gas bubbles when submerged in acetone. A few cuttings in the sample from 1646' to 1656' exhibited the same attributes. The next five 10' samples had a few fluorescent cuttings, but were largely and obviously wet with water. 0' drilled and TD 1726'

May 22, 2005: Operations remained suspended while Dave contacted the Halliburton yard in Grand Junction to get quotes on open hole logging. Arrangements were made to run an HRI log on the first pass with the option to run a D-N log on a second pass to define possible pay in the Entrada above the oil/water contact. 0' drilled and TD 1726'

May 23, 2005: Propetroco, Inc. on location at 0930 hours, mixed 5 sacks of additional mud to fill hole and tripped back in hole with 24 stands to TD. The drill string encountered one soft bridge near 1625' and no significant fill. Dave on location at 1300 hours to observe hole conditioning. The flow line continued to produce small gas bubbles and flecks of oil while circulating. No discernible hydrocarbon odor was evident. Circulation was ceased at 1440 hours and trip out was begun. Trip out was completed without any problems and the blind rams were closed on the BOP at 1550 hours. Halliburton logging unit arrived on site at 1710 hours to rig up. First run was HRI which indicated that the Rt of the upper 44' of the Moab Mbr of Curtis Fm (top at 1623') was consistently above 20 ohmm with streaks exceeding 30 ohmm. A possible oil/water contact was indicated at 1667'. Considering an expected porosity level of 20% and Rw of .35 ohmm in the Moab Mbr it appeared that the Sw values were near 50%. Since no correction was made for the high tortuosity of the tiny pore throats typical in this eolian sandstone (low permeability) such Sw values were indicative of pay. The HRI run was completed at 1950 hours. To confirm porosity levels and to try to confirm the oil/water contact Dave decided to order the optional D-N run. The second run was completed by 2310 hours. This run confirmed the oil/water contact at 1667' and that the porosity in the pay zone ranged from 15 to 21%. Everyone was off location at 1400 hours May 24. The members of Cisco Expro, LLC agreed that the long string should be run to TD. 0' drilled and TD 1726' (1730' log TD)

Log tops from KB elevation of 4508:

Dakota marker (Kd mkr [at base of first thick bentonite bed below the Dakota Silt]) 720, +3788
Dakota Sandstone (Kd) 771, +3737
Cedar Mountain Formation (Kcm) 880, +3628
Brushy Basin Member of Morrison Formation (Jmb) 954, +3554
Salt Wash Member of Morrison Formation (Jms) 1283, +3225
Tidwell Member of Morrison Formation (Jmt) 1566, +2942
Summerville and Curtis formations undivided (Js/ct) 1590, +2918
Moab Member of Curtis Formation (Jctm) 1623, +2885
Slick Rock Member of Entrada Sandstone 1690, +2818

May 24, 2005: Propetroco on location at 0900 hours to lay down drill pipe. Completed task at 1500 hours and assisted Dave in picking up 165' of casing from Cisco Expro inventory and 330' from adjacent lessee Falcon Energy and moved same to Linda 1 Federal location. Arrangements were made with casing

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crew to be on site at 0800 hours May 25 to run casing and for Halliburton to pump 50-50 Pozmix 12.2 ppg cement slurry from TD to 700' in the afternoon.

May 25, 2005: Propetroco, T&M Casers and Dave all arrive on location at 0800. Rigged up T&M and began running casing by 1000 hours. Last joint in at 1400 hours but stopped about 15' short of driller's TD of 1730'. Propetroco rigged to circulate casing to bottom and washed the casing to TD by 1430 hours. T&M Casers rigged down and were off location at 1515 hours. Halliburton arrived at 1605 hours, rigged up, began pumping cement by 1718 hours, displacement water by 1740 hours and bumped the plug at 1815 hours. The long pumping time for the 100 sack job was to minimize the possibility of cement loss to the pay zone. The job was pumped at rates under two bpm which caused two short periods of loss of prime to the Halliburton pump. The job seemed to be completed with full returns and 1,000 psi on casing. The casing was bled down to 250 psi and the cementing head was left on to insure the plug stayed in place. Halliburton rigged down and was off location at 1915 hours.

May 26, 2005: Propetroco on location at 0800 hours, dismantled flow lines and choke manifold, nipped down BOP and put on accumulator skid for return to rental shop in Grand Junction tomorrow, removed Halliburton cementing head/plug launcher also to be returned tomorrow, cut off 4-1/2" casing, removed drilling flange, set slips and made up 8-5/8" x 4-1/2" wellhead. Dave picked up materials for well location sign required by BLM and arrived to erect same on location at 1300 hours. Dave accomplished the erection of the sign, picked up casing thread protectors for disposal, returned drilling flange to Wellhead, Inc. and picked up a 4-1/2" weld-on belled nipple for the tubing head. Everyone was off the location at 1500 hours.

May 27, 2005: Propetroco hooked up trailer and returned the rented BOP, T&M Casers' casing elevators, bowl and slips and Halliburton cementing equipment to Grand Junction.

May 28-30, 2005: Off for Memorial Day weekend

Sincerely,

David L. Allin
Cisco Expro, LLC Member/Exploration Manager
AAPG Certified Petroleum Geologist 2934
Utah Licensed Professional Geologist 5526699-2250
dba Allin Proprietary
475 Seasons Drive
Grand Junction, CO 81503-8749
Telephone (970) 254-3114
Telefax (970) 254-3117
allinpro@bresnan.net

CC: Carol Daniels

4301931395
205 24E Sec. 31

From: Carol Daniels
To: "allinpro@bresnan.net".mime.MNET
Subject: RE: Linda 1 Federal

Thank you!

>>> "David L Allin" <allinpro@bresnan.net> 9/30/2005 10:16 AM >>>
Carol,

I will update you with a complete report that can be used to replace earlier files.

Dave

-----Original Message-----

From: Carol Daniels [<mailto:caroldaniels@utah.gov>]
Sent: Friday, September 30, 2005 10:08 AM
To: allinpro@bresnan.net
Subject: RE: Linda 1 Federal

Dave,

I still should receive monthly reports on the status of the well indicating that their has been no activity, and when drilling resumes a report indicating this.

Carol

>>> "David L Allin" <allinpro@bresnan.net> 9/30/2005 8:39 AM >>>
Carol,

Cisco Expro, LLC has been monitoring the fluid level in the well and have been getting water samples analyzed. Operations have been suspended pending a decision to convert the well for use as a water disposal well. No completion report has been filed on the well at this point.

Dave

David L. Allin
Cisco Expro, LLC Member/Exploration Manager
AAPG Certified Petroleum Geologist 2934
Utah Licensed Professional Geologist 5526699-2250
dba Allin Proprietary
475 Seasons Drive
Grand Junction, CO 81503-8749
Telephone (970) 254-3114
Telefax (970) 254-3117
allinpro@bresnan.net

-----Original Message-----

From: Carol Daniels [<mailto:caroldaniels@utah.gov>]
Sent: Friday, September 30, 2005 8:17 AM
To: allinpro@bresnan.net
Subject: Linda 1 Federal

CISCO EXPRO LLC

From: "David L Allin" <allinpro@bresnan.net>
To: "Rich McClure" <Rich_McClure@ut.blm.gov>
Date: 9/30/2005 6:22:24 PM
Subject: FW: Linda 1 Federal Daily Report

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T205 R24E S-31
43-019-31395

Monthly Update of suspended condition (see last entries)

Daily report from progress of Linda 1 Federal well:

April 12, 2005: Propetroco, Inc. (Terry Leach) moved rig from Moab, Utah to Greater Cisco Field but flat tire precluded completion of move to location

April 13, 2005: Rig and substructure moved on location

April 14, 2005: Rig positioned on substructure and pipe trailer delivered to location

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mud pits. TD 142'

April 23, 2005: Shut down for weekend

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May 1, 2005: Crew off for weekend at antique car show in Moab, Utah. TD 142'

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May 4, 2005: Propetroco, Inc. on location at 0800 hours and had reached 440' by the time Dave arrived on location with foaming agent supply. 100 bbls of water had been delivered overnight to allow drilling to continue.

Well was advanced with foam without incident into the lower Mancos to 726' by 1700 hours. Additional 100 bbl loads of water were delivered during the day and after shutdown to fill on site tank and steel mud pits. Hole was blown clean and the bit was pulled off bottom one stand of drill pipe (40'). The Dakota top is coming in low to projection, but will not alter viability of exploration concept. 386' drilled and TD 726'

May 5, 2005: Propetroco, Inc. on location at 0730 hours, pulled out of hole, broke off Bit 1 and put on Bit 2 ready to run in hole. Hole remained dry. Repairs were made to Pump 2 oiler system and seals. Dave on site at 1100 hours with another bucket of foaming agent. Crew completed repair to Pump 2, conducted operational/safety meeting and started back in hole at 1205 hours. Back on bottom at 726' and drilling at 1250 hours. Hole advanced with foam to 886' in the top of the Cedar Mountain Fm when drilling was stopped for the day at 1624 hours. Crew mixed 280 bbls of mud while drilling during the afternoon to prepare to resume drilling tomorrow with foamed and aerated mud. Sample tops recognized were Dakota marker bentonite bed at 736', Dakota Sandstone at 780' and Cedar Mountain Fm at 880'. Dakota Sandstone was 30' thick and wet. No shows. 160' drilled and TD 886'

May 6, 2005: Propetroco, Inc. on location at 0730 hours, removed blooie line, hooked up flow line, fill line and aeration lines to steel mud pits, conditioned mud, ran back in hole, found 20' of fill, reached TD and was drilling new hole by 1345 hours. Fluid level in the well was 400' below surface. Drilled with aerated mud to 1006' in Brushy Basin Mbr of Morrison Fm by 1730 hours, conditioned mud, circulated same, pulled 7 stands out of the hole and shut down for the day. Closed pipe rams on BOP. Hole was tight around 800' in lower Dakota Sandstone. The sample top for the Brushy Basin Mbr was estimated near 950'. 120' drilled and TD 1006'

May 7, 2005: Propetroco, Inc. on location at 0730 hours and after rig service began running 7 40' stands back in the hole at 0840 hours. Found 30' of fill that was cleaned out without incident. Drilling new hole resumed at 0900 hours and proceeded at rate of 40 ft/hr until the fourth 20' joint took 3 hours. Bit balling was suspected and cured with addition of foaming agent. Drilling continued until 1800 hours and 1166' when it became apparent that to attempt to drill on to test the upper sandstone in the Salt Wash Member of Morrison Fm as permitted would not be possible today. Drilling was suspended until Monday when the final 120' will be drilled. 12 stands were pulled and the well was shut in by BOP pipe rams. The channel sandstone system expected near 1050' was not present and the zone that correlates with a gas show zone reported from a down dip well during 1952 was represented by a foot of coarse sandstone. No shows were recognized. 160' drilled and TD 1166'

May 8, 2005: Off for Mother's Day

May 9, 2005: Propetroco, Inc. on location at 0730 hours and after rig service began running 12 40' stands back in the hole at 0910 hours. Found a small bridge near 1025' and 56' of fill that was cleared without difficulty to allow drilling to resume by 1100 hours. Drilling progressed with highly variable rates of penetration ranging from 9.75 minutes per foot to 1.55 minutes per foot averaged over 20' drill pipe joints. One sandstone layer of 1 foot or less was recognized below 1202'. No lower Brushy Basin sandstone was present. Suspended drilling for the day at 1800 hours, conditioned mud, circulated same and pulled 14 stands. Closed pipe rams on

BOP. Crew off location at 1900 hours. No shows were recognized. 100' drilled and TD 1266'

May 10, 2005: Propetroco, Inc. on location at 0900 hours and after rig service began running 14 stands back in the hole at 0915 hours. Found tight spot near 1060' and a soft bridge near 1206' on trip. Drilling new hole resumed at 1033 hours. Drilling progressed at rates averaged over 10' intervals from 13 minutes per foot to 4 minutes per foot. Suspended drilling for the day at 1730 hours, conditioned mud, pumped pill and pulled 15 stands. Closed pipe rams on BOP. Crew off location at 1820 hours just ahead of rain squall. No shows were recognized. 60' drilled and TD 1326'

May 11, 2005: Propetroco, Inc. on location at 0830 hours and after rig service began running 15 stands back in the hole at 0915 hours. Found no bridges and 1' of fill on trip. Drilling new hole resumed at 0930 hours. Drilling progressed at rates averaged over 10' intervals from 9.8 minutes per foot to 6 minutes per foot. Suspended drilling for the day at 1730 hours, conditioned mud, pumped pill and pulled 16 stands. Closed pipe rams on BOP. Crew off location at 1820 hours. No shows were recognized. 60' drilled and TD 1386'

May 12, 2005: Propetroco, Inc. on location at 0800 hours and after rig service ran 16 stands back in the hole. No bridges found but 10' of fill. Drilling new hole resumed at 0940 hours. Drilling progressed through red and green shale typical of the lower Brushy Basin Mbr of Morrison Fm at ROP's averaged over 10' intervals ranging from 10 minutes per foot to 7.4 minutes per foot until Bit 2 locked up near 1421' at 1505 hours. Pulled out of hole, shut blind rams on BOP and shut down for the day at 1700 hours. Bearings had failed on Bit 2 and several inserts were missing from cones. No shows were recognized. 35' drilled and TD 1421'

May 13, 2005: Propetroco, Inc. on location at 0730 hours and after rig service ran Bit 3 in the hole. Cleared one bridge near 1180', added water to the mud system and began drilling at 1130 hours. Drilling progressed through red and green shale at ROP's averaged over 10' intervals ranging from 3.1 minutes per foot to 2.2 minutes per foot. Drilled until 1623 hours, circulated hole clean and pulled 20 40' stands. Shut pipe rams on BOP and shut down for the weekend. No shows were recognized. 85' drilled and TD 1506'

May 14, 2005: Off for weekend

May 15, 2005: Off for weekend

May 16, 2005: Propetroco, Inc. on location at 0815 hours. Crew serviced rig, dumped cuttings from steel mud pits, added produced water from blooie pit and remixed and upgraded mud. Repairs were made to the rig and the swivel packing was replaced. At 1230 hours it was decided not to run back in the hole to resume drilling until tomorrow when drilling will resume early to allow the crew to condition the hole for running casing or plugging operations. 0' drilled and TD 1506'

May 17, 2005: Propetroco, Inc. on location at 0730 hours, serviced rig and started running 20 stands back in the hole at 0800 hours. Hit a soft bridge near 825' and several more down to 1100'. Remainder of drill pipe went in the hole to old TD after circulating up a few feet of fill. Began drilling

new hole at 1056 hours. The mud system was not aerated today to minimize further damage to the hole, but this strategy reduced the rate of penetration to between 8.2 and 5.3 minutes per foot. Samples were poor but appeared to consist of more variegated shale (green, gray and red typical of the Morrison Formation). Drilling was stopped at 1715 hours and began pulling out 22 stands at 1720 hours. 22 stands (880') of drill pipe were racked by 1800 hours. The Kelly hose sprung a leak just as the Kelly rod was being recessed prior to pulling drill pipe and was removed following pulling drill pipe. Dave lined up a new Kelly hose for Propetroco, Inc. from a hydraulic shop in Grand Junction, presented the old hose for proper match and got a new one made up for delivery tomorrow morning. No shows were recognized. 60' drilled and TD 1566'

May 18, 2005: Propetroco, Inc. on location 0810 hours to meet Dave with new Kelly hose. Put on new Kelly hose and began running 22 stands back in the hole by 0950 hours. Washed out soft bridge near 805', tagged 5' of fill and began drilling new hole by 1103 hours. Drilled into red siltstone below 1583' and back into variegated claystone. ROP ranged from 6 to 7 minutes/foot. The probable top of the Summerville Fm could have been near 1583' indicating that the Salt Wash Mbr of Morrison Fm was penetrated without drilling any significant layers of sandstone. Pulled 23 stands of drill pipe and shut pipe rams on BOP. No shows were recognized. 40' drilled and TD 1606'

May 19, 2005: BLM was notified that a P&A plan needed to be approved, but the BLM engineer was off until Monday, May 23. Since no markers indicating that the Salt Wash Mbr of Morrison Fm had been penetrated, and no layers had been intersected that would explain the geochemical anomalies recognized from surface sampling methods, Cisco Expro decided that the only possibility for pay was in the top of the Entrada Sandstone and that the well should be deepened to test same. Dave had to attend meetings with Del-Rio's attorneys and partners in Salt Lake City. 0' drilled and TD 1606'

May 20, 2005: Cisco Expro member, Kerry Miller, was on location for the intersection of the top of the Entrada Sandstone. Propetroco, Inc. ran back to TD and began drilling by 1100 hours. A 4' drilling break began near 1618' at 1130 hours, but drilling resumed at 6 to 8 minutes/foot through claystone and siltstone until near 1644' when another drilling break occurred and the return spout began to produce gas bubbles and stream wispy shows of oil to the steel mud pit. The drilling rate remained constant around 2 minutes/foot until the last joint of drill pipe was added to reach 1706'. The wispy oil show and gas bubbling continued until circulation was ended to pull 24 stands out of the hole and shut down for the day. Closed pipe rams on BOP. 120' drilled and TD 1726' CORRECTED TD

May 21, 2005: Operations were suspended until Dave could pick up the samples from the location on his return from Salt Lake City and examine them in detail at his Grand Junction office. The samples included cuttings from the Summerville and Curtis formations that were fluorescent, but not of reservoir quality. The sample that issued from 1636' to 1646' included a few cuttings of bleached eolian sandstone indicative of the Entrada Sandstone that had been invaded by hydrocarbons. These cuttings were fluorescent and produced streaming cuts of oil and gas bubbles when submerged in acetone. A few cuttings in the sample from 1646' to 1656' exhibited the same attributes. The next five 10' samples had a few fluorescent cuttings, but were largely and obviously wet with water. 0'

drilled and TD 1726'

May 22, 2005: Operations remained suspended while Dave contacted the Halliburton yard in Grand Junction to get quotes on open hole logging. Arrangements were made to run an HRI log on the first pass with the option to run a D-N log on a second pass to define possible pay in the Entrada above the oil/water contact. 0' drilled and TD 1726'

May 23, 2005: Propetroco, Inc. on location at 0930 hours, mixed 5 sacks of additional mud to fill hole and tripped back in hole with 24 stands to TD. The drill string encountered one soft bridge near 1625' and no significant fill. Dave on location at 1300 hours to observe hole conditioning. The flow line continued to produce small gas bubbles and flecks of oil while circulating. No discernible hydrocarbon odor was evident. Circulation was ceased at 1440 hours and trip out was begun. Trip out was completed without any problems and the blind rams were closed on the BOP at 1550 hours. Halliburton logging unit arrived on site at 1710 hours to rig up. First run was HRI which indicated that the Rt of the upper 44' of the Moab Mbr of Curtis Fm (top at 1623') was consistently above 20 ohmm with streaks exceeding 30 ohmm. A possible oil/water contact was indicated at 1667'. Considering an expected porosity level of 20% and Rw of .35 ohmm in the Moab Mbr it appeared that the Sw values were near 50%. Since no correction was made for the high tortuosity of the tiny pore throats typical in this eolian sandstone (low permeability) such Sw values were indicative of pay. The HRI run was completed at 1950 hours. To confirm porosity levels and to try to confirm the oil/water contact Dave decided to order the optional D-N run. The second run was completed by 2310 hours. This run confirmed the oil/water contact at 1667' and that the porosity in the pay zone ranged from 15 to 21%. Everyone was off location at 1400 hours May 24. The members of Cisco Expro, LLC agreed that the long string should be run to TD. 0' drilled and TD 1726' (1730' log TD)

Log tops from KB elevation of 4508:

Dakota marker (Kd mkr [at base of first thick bentonite bed below the Dakota Silt]) 720, +3788
Dakota Sandstone (Kd) 771, +3737
Cedar Mountain Formation (Kcm) 880, +3628
Brushy Basin Member of Morrison Formation (Jmb) 954, +3554
Salt Wash Member of Morrison Formation (Jms) 1283, +3225
Tidwell Member of Morrison Formation (Jmt) 1566, +2942
Summerville and Curtis formations undivided (Js/ct) 1590, +2918
Moab Member of Curtis Formation (Jctm) 1623, +2885
Slick Rock Member of Entrada Sandstone 1690, +2818

May 24, 2005: Propetroco on location at 0900 hours to lay down drill pipe. Completed task at 1500 hours and assisted Dave in picking up 165' of casing from Cisco Expro inventory and 330' from adjacent lessee Falcon Energy and moved same to Linda 1 Federal location. Arrangements were made with casing crew to be on site at 0800 hours May 25 to run casing and for Halliburton to pump 50-50 Pozmix 12.2 ppg cement slurry from TD to 700' in the afternoon.

May 25, 2005: Propetroco, T&M Casers and Dave all arrive on location at 0800. Rigged up T&M and began running casing by 1000 hours. Last joint in at 1400 hours but stopped about 15' short of driller's TD of 1730'. Propetroco rigged to circulate casing to bottom and washed the casing to TD by 1430 hours. T&M Casers rigged down and were off location at 1515 hours.

Halliburton arrived at 1605 hours, rigged up, began pumping cement by 1718 hours, displacement water by 1740 hours and bumped the plug at 1815 hours. The long pumping time for the 100 sack job was to minimize the possibility of cement loss to the pay zone. The job was pumped at rates under two bpm which caused two short periods of loss of prime to the Halliburton pump. The job seemed to be completed with full returns and 1,000 psi on casing. The casing was bled down to 250 psi and the cementing head was left on to insure the plug stayed in place. Halliburton rigged down and was off location at 1915 hours.

May 26, 2005: Propetroco on location at 0800 hours, dismantled flow lines and choke manifold, nipped down BOP and put on accumulator skid for return to rental shop in Grand Junction tomorrow, removed Halliburton cementing head/plug launcher also to be returned tomorrow, cut off 4-1/2" casing, removed drilling flange, set slips and made up 8-5/8" x 4-1/2" wellhead. Dave picked up materials for well location sign required by BLM and arrived to erect same on location at 1300 hours. Dave accomplished the erection of the sign, picked up casing thread protectors for disposal, returned drilling flange to Wellhead, Inc. and picked up a 4-1/2" weld-on belled nipple for the tubing head. Everyone was off the location at 1500 hours.

May 27, 2005: Propetroco hooked up trailer and returned the rented BOP, T&M Casers' casing elevators, bowl and slips and Halliburton cementing equipment to Grand Junction.

May 28-30, 2005: Off for Memorial Day weekend

May 31, 2005: Propetroco on location at 0900 hours with used 2-3/8" tubing string. Crew set up rig to support completion operation and cleaned out steel mud pit. Dave was on location at 1050 hours and agreed with Terry Leach that his tubing string was suitable for a work string but unsuitable for the completion. The tubing will be left on site for use as gas pipeline if warranted following post-completion testing. Dave ordered at new 2-3/8" EUE J-55 tubing string from Aztec Pipe and set delivery for 1000 hours June 1, arranged for cased hole logging and perforating services to be provided by Rocky Mountain Wireline Services beginning at 1000 hours June 1 and gathered up surplus plumbing supplies from the Cisco Expro, LLC 1 J.D.P. Speedy State well site for use in the Linda 1 Federal completion. Propetroco crew off site at 1530 hours.

June 1, 2005: Propetroco on location at 0830 hours to service rig and prepare location to take delivery of 2-3/8" tubing string. New tubing string delivered to location at 1000 hours. Rocky Mountain Wireline Service on location at 1030 hours. Completed cased hole logging to acquire GR, CCL and CBL logs. Cement bond looked very good over the top of the pay zone at perforation site and up through 718'. Correlation with open hole logs was clear and casing collars were in place as planned with the nearest collar and centralizer about 15' above the top perf site. A 10' interval from 1624-34' (OH log depth) was perforated with 4 25 gram jet shots per foot phased 90 degrees at 1331 hours. The hole was full when perforated and the fluid level seemed to have remained above at least 100'. The Propetroco crew helped rig down the wireline equipment and prepared to make adjustments to the rig to run tubing in the hole to unload water from same and make a casing clean out run with a bit to the float collar at 1719'. During a routine attempt to lay down the derrick to adjust the finger board rack height, one of two hinge pins seized and the derrick fell on on the mud pit

side of the rig. No injuries occurred. The derrick will need substantial and lengthy repairs. A bell reduction fitting and valve were placed on the casing. Well was shut in.

June 2, 2005: Propetroco crew cleaned out steel mud pits and detached wire rope and pull down chains from fallen derrick to be ready for crane service to move derrick to racks for repair. Dave picked up supplies to be ready to run tubing in a configuration ready for pumping and lined up a gas sample bottle to catch a gas sample when well is unloaded. Shut in

June 3, 2005: Propetroco on site at 0900 hours, met crane, made pick and got crane back to transport at Exit 214 by clearing mud off road with tractor. Dave on site at 1300 hours to assist and meet with Falcon Energy rep to set up completion rig. Location and roads were too wet to allow the completion unit to be moved, but the Propetroco rig, dog house and substructure were moved away from the wellhead to accommodate scraping the mud off the area around the well and reopen the blooie line spillway for testing. Everyone was off the location by 1700 hours. Shut in

June 4, 2005: Dave on location at 0800 hours to finish cleaning up mud around wellhead and blooie line spillway and assemble perforated sub, mud anchor and seating nipple to run on tubing string. Falcon Energy rig and crew on location at 0930 hours. Picked up 4-1/2" gate valve and installed on casing below wireline lubricator and rigged flow line to the blooie pit. Falcon rigged up to casing swab at 1135 hours. Fluid level in the casing was near 30'. Made 6 swab runs to near 750' and had trouble getting casing swab below that point. Tried different swab cups and made run to cased TD bridge near 1646' with sinker bar. Casing swabbing continued with single swab wiper until well was swabbed down to 100' above perfs. Swabbed fluid was all cement displacement water and no shows were evident. Crew tried different swab cups, but they wouldn't go in the well past 900'. Rigged up a different swab cup combination and found the fluid level had risen 70' in 40 minutes. The produced fluid was drilling mud filtrate. From 10 to 20 barrels of drilling mud were lost between drilling to TD and circulating the casing to TD. The mud filtrate held off the cement displacement water after the perforating operation on June 1, but must be recovered to allow formation fluids (oil and gas) to enter the well. Shut well in with pressure gauge in place by 1730 hours. Reopened well at 1745 hours, and it inhaled air at a high rate for five minutes. Crews off site at 1800 hours. No shows. Shut in

June 5, 2005: Falcon crew on site at 1330 hours. 1000 psi gauge read 0 psi, but there was 25-30 psi of pressure on the well when opened. This pressure blew down in a minute without any hydrocarbon odor. The fluid level was around 200' above the perfs on the first run made at 1345 hours. Eleven casing swab runs were made by 1800 hours which recovered about 5.5 bbls of mud filtrate. Shut in well for 1 hour and reopened at 1900 hours with no inhalation or exhalation. Dave and Kerry remained overnight to monitor any flowing incidents while well was left open on flow line to blooie pit. No shows. Open to pit.

June 6, 2005: Falcon crew on location at 0800 hours. Found fluid level with casing swab near 200' above perfs. Made 8 casing swab runs and recovered about 4 bbls of mud filtrate. Swab runs 5 and 6 recovered no fluid and swab cups were inspected and changed at that point. Well was shut in and Falcon crew was released off location at 1100 hours. No shows. Shut

in.

June 7, 2005: Falcon crew and Dave on location at 1000 hours. Found no pressure on casing, but fluid level had risen 300' above perms. Made 6 casing swab runs and recovered about 5 bbls of mud filtrate. Well was shut in and Falcon crew was released off location at 1100 hours. No shows. Cumulative recovery 14.5 bbls. Shut in

June 8, 2005: Falcon crew on location at 1000 hours. Fluid level 300' above perms. Swabbed down in 5 casing swab runs, recovered about 5 bbls of mud filtrate and shut in. Falcon crew off location at 1100 hours. No shows. Cumulative recovery 19.5 bbls. Shut in

June 9, 2005: Falcon crew on location at 1000 hours. Fluid level 300' above perms. Swabbed down in 5 casing swab runs, recovered about 5 bbls of mud filtrate and shut in. Falcon crew off location at 1100 hours. No shows. Cumulative recovery 24.5 bbls. Shut in

June 10, 2005: Dave on location at 0800 hours to back fill reserve pits and release backhoe tractor to lessor, Sunstate Equipment Co. Falcon crew on location at 1000 hours. Fluid level 300' above perms. Swabbed down in 5 casing swab runs, recovered about 5 bbls of mud filtrate and shut in. Sample of fluid captured to compare with samples taken June 6. Falcon crew off location at 1100 hours. No shows. Cumulative recovery 29.5 bbls. Shut in

June 13, 2005: Dave and Falcon crew on location at 1000 hours. Fluid level 700' above perms after 72 hours. Swabbed down in 10 casing swab runs, recovered about 11 bbls of mud filtrate and shut in. Sample of fluid captured to compare with samples taken June 6 and June 10. Falcon crew off location at 1115 hours. No shows. Cumulative recovery 40.5 bbls. Shut in

June 15, 2005: Dave on location at 1000 hours, met truck from Sunstate Equipment Co. which picked up backhoe tractor that has been off rent since June 10 and waited for Falcon crew to arrive at 1130 hours. Fluid level 600' above perms after 48 hours. Swabbed down in 9 casing swab runs, recovered about 9 bbls of muddy water and shut in. Sample of fluid captured to compare with previous samples. Falcon crew off location at 1230 hours. No shows. Cumulative recovery 49.5 bbls. Shut in

June 17, 2005: Dave and Falcon crew on location at 1000 hours. Fluid level 425' above perms after 48 hours. Swabbed down in 10 casing swab runs, recovered about 8 bbls of muddy water and shut in. Took pictures between run 8 and 9 and the fluid level rose 50' between those runs adding almost another bbl to the recovery. Sample of fluid captured to compare with previous samples. Falcon crew off location at 1100 hours. No shows. Cumulative recovery 57.5 bbls. Shut in

June 20, 2005: Dave on location at 1000 hours, waited for Falcon crew to arrive late at 1115 hours due to truck transmission failure. Fluid level 700' above perms after 72 hours. Swabbed down in 12 casing swab runs, recovered about 13 bbls of muddy water and shut in. Fluid level rose 20' to 25' between 2nd & 3rd, 3rd & 4th, 9th & 10th and 10th & 11th runs. Sample of fluid captured from 6th run to compare with previous samples. Falcon crew off location at 1230 hours. No shows. Cumulative recovery 70.5 bbls. Shut in

June 22, 2005: Falcon crew on location at 1300 hours and Dave on location at 1350 hours. Fluid level 600' above perms after 51 hours. Swabbed down in 12 casing swab runs and recovered about 12 bbls of muddy water. Fluid level rose 32' (.5 bbl) between runs 4 & 5, 32' between runs 6 & 7, 20' (.3 bbl) between runs 7 & 8, 20' between runs 9 & 10 and 40' (.6 bbl) between runs 11 & 12. After a 30 minute wait, the fluid level had risen about 72' (1.1 bbls) and a final casing swab run was made to recover that to the blooie pit. No shows. Cumulative recovery 83.5 bbls. Released Falcon swabbing (workover) unit. All personnel off location by 1515 hours. Shut in

June 30, 2005: Discussed possible well abandonment plans, lease extension and resumption of consideration of the June, 2004 NOI and plan of operations for 2D seismic data recording with Eric Jones-Moab District BLM Petroleum Engineer. Checked on status of the Falcon swabbing unit with its owner, Wayne Stout, and learned that although it is released, it has not been moved off the well. The Falcon crew was involved in an auto wreck in Loma, Colorado and the rig operator is recovering from injuries he suffered in that accident. As a result the rig will likely remain on the well until the week of July 11. The Propetoco drilling rig will ultimately be used to abandon the well, but it is committed to drill several wells near Cisco, Utah this summer. It will be scheduled to perform the abandonment operation when there is an opening in the schedule of operations for that equipment. Shut in

July 15, 2005: Dave on location at 0825 hours and Falcon crew on location at 0830 hours. Fluid level 150' from surface after 23 days indicating a total fluid column of about 1,475' over the perms and probable reservoir pressure near 640 psi. Swabbed down in 22 casing swab runs and recovered about 25 bbls of water with brown and black particles in suspension. A subsequent test with a resistivity meter of water recovered from run 19 measured the Rw at 1.45 ohmm @ 80 degrees F. Fluid level rose 32' (.5 bbl) after run 16. No shows. Cumulative recovery 108.5 bbls. Released Falcon swabbing (workover) unit. All personnel off location at 1130 hours. Shut in

July 23, 2005: Falcon crew rigged down workover unit without supervision by Cisco Expro, LLC and moved same off location. When 4-1/2" master valve on the casing was opened, it sprayed mist during a short blow. Shut in

July 26, 2005: Dave stopped by location from 1030 to 1045 hours, opened well and after a short misty blow, removed the 4-1/2" master valve and replaced it with a casing collar and bell reduction fitting to 2" pipe tee fitted with a gauge on one side and ball valve on the other. Shut in

August 31, 2005: Monitored fluid level in casing. Evaluating for use for vertical seismic profile (VSP) to calibrate proposed high resolution 2-d seismic data acquisition program over 2 mile long dip and strike lines. Suspended

September 30, 2005: Monitored fluid level in casing. Evaluating for use for vertical seismic profile (VSP) or deep source point to calibrate proposed high resolution 2-d seismic data acquisition program over 2 mile long dip and strike lines. Performing analysis of water quality and possibility of future conversion for use as a water disposal well.

Suspended

Sincerely,

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Date: 12/8/2005 4:33:51 PM
Subject: Linda 1 Federal Final Report 43-019-31395

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THE COMPLETION REPORT PACKAGES INCLUDING LOGS ARE CURRENTLY IN PREPARATION FOR MAILING.

Cumulative daily reports of activities on Linda 1 Federal well:

April 12, 2005: Propetroco, Inc. (Terry Leach) moved rig from Moab, Utah to Greater Cisco Field but flat tire precluded completion of move to location

April 13, 2005: Rig and substructure moved on location

April 14, 2005: Rig positioned on substructure and pipe trailer delivered to location

April 15, 2005: No activity

April 16, 2005: No activity

April 17, 2005: Dave and Linda delivered cementing equipment and other supplies stored over winter in Grand Junction to location

April 18, 2005: Repairs required on crew truck delayed spud, Jack Johnson-BLM was notified of expected spud April 19

April 19, 2005: Propetroco, Inc. on site at 0830 hours with water truck, rigged up derrick and spudded surface hole with 11" bit at 1200 hours. Fuel supply line leak caused early shut down for day at 1630 hours to remove fuel line and obtain replacement in Moab. Dave delivered wellhead and tubing head to location, filled ruts on location and raked out tire tracks off drill pad left from rig up. 70' drilled and TD 70'.

April 20, 2005: Propetroco, Inc. on site at 0800 hours, replaced leaking fuel supply line for rig and drilled 11" surface hole to 135' with mist and foam. Drilling stopped at 1430 hours when water supply was exhausted. Jack Johnson-BLM stopped by at 1445 hours to schedule witnessing of surface casing cementing operations at 1200 hours Thursday April 21 and possible BOP test Monday April 25. 65' drilled and TD 135'

April 21, 2005: Propetroco, Inc. on site at 0800 hours transferred 80 bbls water from transport to location tanker. Resumed drilling 11" surface hole at 0900 hours and reached surface hole TD of 142' below ground level at 1000 hours. Jack Johnson-BLM visited site at 1030 hours to determine when he should return to see the 8-5/8" surface casing set and cemented. Pairie Dawg portable toilet delivered at 1045 hours. Began to pick up casing at 1100 hours. Johnson-BLM returned at 1200 hours. Called for 2 cubic yards of neat cement (API Class A) at 1210 hours. Landed 138' of 8-5/8" surface casing including standing shoe, float collar with 3 centralizers at 1315 hours. Cement on location in mixer at 1405 hours. Bumped plug with 50% return at 1435 hours. Paid first installment of drilling contract for surface casing setting and cementing benchmark. Off location 1515 hours. 7' drilled and TD 142' (surface casing shoe 137' below GL)

April 22, 2005: Waiting for cement to cure. Move in water tanks and steel mud pits. TD 142'

April 23, 2005: Shut down for weekend

April 25, 2005: Propetroco, Inc. on site at 1300 hours to drop off trailer with load of flow lines and choke manifold. Dave & Linda on site at 1430 hours mixed 4 cubic feet of API Class A cement and placed in hole x 8-5/8" casing annulus to fill void left by cement filtrate loss to formation during cure. TD 142'

April 26, 2005: Propetroco, Inc. moved steel mud pits, welding truck and second mud pump on location and stripped spudding diverter off 8-5/8" surface casing. TD 142'

April 27, 2005: Propetroco, Inc. cut off 8-5/8" casing, welded on casinghead body, installed drilling flange and began connecting circulation system. TD 142'

April 28, 2005: Propetroco, Inc. had 7-1/16" 5,000 psi double ram BOP and accumulator delivered to location from R&W Rental in Grand Junction, nipped up crossover spool to 11" 3,000 psi drilling flange and attempted to nipple up BOP on top of crossover spool, but found that the BOP would not seat properly on the crossover spool. The crossover spool must be modified, a replacement found or swap out the BOP in order to complete BOP/rotating head stack. TD 142'

April 29, 2005: Propetroco, Inc. hauled 7-1/16" 5,000 psi BOP back to R&W Rental and exchanged it for a Shaffer 9" 3,000 psi double ram BOP, nipped it up on the crossover spool and nipped up the diverter on the BOP. Blind and pipe rams in BOP tested OK. TD 142'

April 30, 2005: Crew off for weekend. TD 142'

May 1, 2005: Crew off for weekend at antique car show in Moab, Utah. TD 142'

May 2, 2005: Propetroco, Inc. on location at 0800 hours. Singlejack on location at 0900 hours to test BOP. BOP tested OK and witnessed by Jack Johnson-BLM at 1000 hours. Crew put together blooie line, flow lines and choke manifold. Dave and Tony met Sunstate Equipment truck on location at 1400 hours to unload backhoe tractor, mud and chemicals. Crew off location at 1600 hours. Dave and Tony moved 4-1/2" casing string from pit side to doghouse side of rig and left location at 2015 hours. TD 142'

May 3, 2005: Propetroco, Inc. on location at 0800 hours and rigged up to drill through surface casing plug cement and shoe using 6-1/2" mill tooth bit with foam by 1030 hours. Dried well out to drill with air and continued drilling with air only "dusting" to near 220' below KB. Drilling progress slowed by wet spot in the Mancos Shale near 160' so the circulating medium was changed back to foam. Dave dug reserve pit and smoothed location. Drilling continued with foam until the water supply on site was nearly exhausted. 200' drilled and TD 340'

May 4, 2005: Propetroco, Inc. on location at 0800 hours and had reached 440' by the time Dave arrived on location with foaming agent supply. 100

bbls of water had been delivered overnight to allow drilling to continue. Well was advanced with foam without incident into the lower Mancos to 726' by 1700 hours. Additional 100 bbl loads of water were delivered during the day and after shutdown to fill on site tank and steel mud pits. Hole was blown clean and the bit was pulled off bottom one stand of drill pipe (40'). The Dakota top is coming in low to projection, but will not alter viability of exploration concept. 386' drilled and TD 726'

May 5, 2005: Propetroco, Inc. on location at 0730 hours, pulled out of hole, broke off Bit 1 and put on Bit 2 ready to run in hole. Hole remained dry. Repairs were made to Pump 2 oiler system and seals. Dave on site at 1100 hours with another bucket of foaming agent. Crew completed repair to Pump 2, conducted operational/safety meeting and started back in hole at 1205 hours. Back on bottom at 726' and drilling at 1250 hours. Hole advanced with foam to 886' in the top of the Cedar Mountain Fm when drilling was stopped for the day at 1624 hours. Crew mixed 280 bbls of mud while drilling during the afternoon to prepare to resume drilling tomorrow with foamed and aerated mud. Sample tops recognized were Dakota marker bentonite bed at 736', Dakota Sandstone at 780' and Cedar Mountain Fm at 880'. Dakota Sandstone was 30' thick and wet. No shows. 160' drilled and TD 886'

May 6, 2005: Propetroco, Inc. on location at 0730 hours, removed blooie line, hooked up flow line, fill line and aeration lines to steel mud pits, conditioned mud, ran back in hole, found 20' of fill, reached TD and was drilling new hole by 1345 hours. Fluid level in the well was 400' below surface. Drilled with aerated mud to 1006' in Brushy Basin Mbr of Morrison Fm by 1730 hours, conditioned mud, circulated same, pulled 7 stands out of the hole and shut down for the day. Closed pipe rams on BOP. Hole was tight around 800' in lower Dakota Sandstone. The sample top for the Brushy Basin Mbr was estimated near 950'. 120' drilled and TD 1006'

May 7, 2005: Propetroco, Inc. on location at 0730 hours and after rig service began running 7 40' stands back in the hole at 0840 hours. Found 30' of fill that was cleaned out without incident. Drilling new hole resumed at 0900 hours and proceeded at rate of 40 ft/hr until the fourth 20' joint took 3 hours. Bit balling was suspected and cured with addition of foaming agent. Drilling continued until 1800 hours and 1166' when it became apparent that to attempt to drill on to test the upper sandstone in the Salt Wash Member of Morrison Fm as permitted would not be possible today. Drilling was suspended until Monday when the final 120' will be drilled. 12 stands were pulled and the well was shut in by BOP pipe rams. The channel sandstone system expected near 1050' was not present and the zone that correlates with a gas show zone reported from a down dip well during 1952 was represented by a foot of coarse sandstone. No shows were recognized. 160' drilled and TD 1166'

May 8, 2005: Off for Mother's Day

May 9, 2005: Propetroco, Inc. on location at 0730 hours and after rig service began running 12 40' stands back in the hole at 0910 hours. Found a small bridge near 1025' and 56' of fill that was cleared without difficulty to allow drilling to resume by 1100 hours. Drilling progressed with highly variable rates of penetration ranging from 9.75 minutes per foot to 1.55 minutes per foot averaged over 20' drill pipe joints. One sandstone layer of 1 foot or less was recognized below 1202'. No lower Brushy Basin sandstone was present. Suspended drilling for the day at 1800 hours,

conditioned mud, circulated same and pulled 14 stands. Closed pipe rams on BOP. Crew off location at 1900 hours. No shows were recognized. 100' drilled and TD 1266'

May 10, 2005: Propetroco, Inc. on location at 0900 hours and after rig service began running 14 stands back in the hole at 0915 hours. Found tight spot near 1060' and a soft bridge near 1206' on trip. Drilling new hole resumed at 1033 hours. Drilling progressed at rates averaged over 10' intervals from 13 minutes per foot to 4 minutes per foot. Suspended drilling for the day at 1730 hours, conditioned mud, pumped pill and pulled 15 stands. Closed pipe rams on BOP. Crew off location at 1820 hours just ahead of rain squall. No shows were recognized. 60' drilled and TD 1326'

May 11, 2005: Propetroco, Inc. on location at 0830 hours and after rig service began running 15 stands back in the hole at 0915 hours. Found no bridges and 1' of fill on trip. Drilling new hole resumed at 0930 hours. Drilling progressed at rates averaged over 10' intervals from 9.8 minutes per foot to 6 minutes per foot. Suspended drilling for the day at 1730 hours, conditioned mud, pumped pill and pulled 16 stands. Closed pipe rams on BOP. Crew off location at 1820 hours. No shows were recognized. 60' drilled and TD 1386'

May 12, 2005: Propetroco, Inc. on location at 0800 hours and after rig service ran 16 stands back in the hole. No bridges found but 10' of fill. Drilling new hole resumed at 0940 hours. Drilling progressed through red and green shale typical of the lower Brushy Basin Mbr of Morrison Fm at ROP's averaged over 10' intervals ranging from 10 minutes per foot to 7.4 minutes per foot until Bit 2 locked up near 1421' at 1505 hours. Pulled out of hole, shut blind rams on BOP and shut down for the day at 1700 hours. Bearings had failed on Bit 2 and several inserts were missing from cones. No shows were recognized. 35' drilled and TD 1421'

May 13, 2005: Propetroco, Inc. on location at 0730 hours and after rig service ran Bit 3 in the hole. Cleared one bridge near 1180', added water to the mud system and began drilling at 1130 hours. Drilling progressed through red and green shale at ROP's averaged over 10' intervals ranging from 3.1 minutes per foot to 2.2 minutes per foot. Drilled until 1623 hours, circulated hole clean and pulled 20 40' stands. Shut pipe rams on BOP and shut down for the weekend. No shows were recognized. 85' drilled and TD 1506'

May 14, 2005: Off for weekend

May 15, 2005: Off for weekend

May 16, 2005: Propetroco, Inc. on location at 0815 hours. Crew serviced rig, dumped cuttings from steel mud pits, added produced water from blooie pit and remixed and upgraded mud. Repairs were made to the rig and the swivel packing was replaced. At 1230 hours it was decided not to run back in the hole to resume drilling until tomorrow when drilling will resume early to allow the crew to condition the hole for running casing or plugging operations. 0' drilled and TD 1506'

May 17, 2005: Propetroco, Inc. on locaton at 0730 hours, serviced rig and started running 20 stands back in the hole at 0800 hours. Hit a soft bridge near 825' and several more down to 1100'. Remainder of drill pipe went in

the hole to old TD after circulating up a few feet of fill. Began drilling new hole at 1056 hours. The mud system was not aerated today to minimize further damage to the hole, but this strategy reduced the rate of penetration to between 8.2 and 5.3 minutes per foot. Samples were poor but appeared to consist of more variegated shale (green, gray and red typical of the Morrison Formation). Drilling was stopped at 1715 hours and began pulling out 22 stands at 1720 hours. 22 stands (880') of drill pipe were racked by 1800 hours. The Kelly hose sprung a leak just as the Kelly rod was being recessed prior to pulling drill pipe and was removed following pulling drill pipe. Dave lined up a new Kelly hose for Propetroco, Inc. from a hydraulic shop in Grand Junction, presented the old hose for proper match and got a new one made up for delivery tomorrow morning. No shows were recognized. 60' drilled and TD 1566'

May 18, 2005: Propetroco, Inc. on location 0810 hours to meet Dave with new Kelly hose. Put on new Kelly hose and began running 22 stands back in the hole by 0950 hours. Washed out soft bridge near 805', tagged 5' of fill and began drilling new hole by 1103 hours. Drilled into red siltstone below 1583' and back into variegated claystone. ROP ranged from 6 to 7 minutes/foot. The probable top of the Summerville Fm could have been near 1583' indicating that the Salt Wash Mbr of Morrison Fm was penetrated without drilling any significant layers of sandstone. Pulled 23 stands of drill pipe and shut pipe rams on BOP. No shows were recognized. 40' drilled and TD 1606'

May 19, 2005: BLM was notified that a P&A plan needed to be approved, but the BLM engineer was off until Monday, May 23. Since no markers indicating that the Salt Wash Mbr of Morrison Fm had been penetrated, and no layers had been intersected that would explain the geochemical anomalies recognized from surface sampling methods, Cisco Expro decided that the only possibility for pay was in the top of the Entrada Sandstone and that the well should be deepened to test same. Dave had to attend meetings with Del-Rio's attorneys and partners in Salt Lake City. 0' drilled and TD 1606'

May 20, 2005: Cisco Expro member, Kerry Miller, was on location for the intersection of the top of the Entrada Sandstone. Propetroco, Inc. ran back to TD and began drilling by 1100 hours. A 4' drilling break began near 1618' at 1130 hours, but drilling resumed at 6 to 8 minutes/foot through claystone and siltstone until near 1644' when another drilling break occurred and the return spout began to produce gas bubbles and stream wispy shows of oil to the steel mud pit. The drilling rate remained constant around 2 minutes/foot until the last joint of drill pipe was added to reach 1706'. The wispy oil show and gas bubbling continued until circulation was ended to pull 24 stands out of the hole and shut down for the day. Closed pipe rams on BOP. 120' drilled and TD 1726' CORRECTED TD

May 21, 2005: Operations were suspended until Dave could pick up the samples from the location on his return from Salt Lake City and examine them in detail at his Grand Junction office. The samples included cuttings from the Summerville and Curtis formations that were fluorescent, but not of reservoir quality. The sample that issued from 1636' to 1646' included a few cuttings of bleached eolian sandstone indicative of the Entrada Sandstone that had been invaded by hydrocarbons. These cuttings were fluorescent and produced streaming cuts of oil and gas bubbles when submerged in acetone. A few cuttings in the sample from 1646' to 1656' exhibited the same attributes. The next five 10' samples had a few

fluorescent cuttings, but were largely and obviously wet with water. 0' drilled and TD 1726'

May 22, 2005: Operations remained suspended while Dave contacted the Halliburton yard in Grand Junction to get quotes on open hole logging. Arrangements were made to run an HRI log on the first pass with the option to run a D-N log on a second pass to define possible pay in the Entrada above the oil/water contact. 0' drilled and TD 1726'

May 23, 2005: Propetroco, Inc. on location at 0930 hours, mixed 5 sacks of additional mud to fill hole and tripped back in hole with 24 stands to TD. The drill string encountered one soft bridge near 1625' and no significant fill. Dave on location at 1300 hours to observe hole conditioning. The flow line continued to produce small gas bubbles and flecks of oil while circulating. No discernible hydrocarbon odor was evident. Circulation was ceased at 1440 hours and trip out was begun. Trip out was completed without any problems and the blind rams were closed on the BOP at 1550 hours. Halliburton logging unit arrived on site at 1710 hours to rig up. First run was HRI which indicated that the Rt of the upper 44' of the Moab Mbr of Curtis Fm (top at 1623') was consistently above 20 ohmm with streaks exceeding 30 ohmm. A possible oil/water contact was indicated at 1667'. Considering an expected porosity level of 20% and Rw of .35 ohmm in the Moab Mbr it appeared that the Sw values were near 50%. Since no correction was made for the high tortuosity of the tiny pore throats typical in this eolian sandstone (low permeability) such Sw values were indicative of pay. The HRI run was completed at 1950 hours. To confirm porosity levels and to try to confirm the oil/water contact Dave decided to order the optional D-N run. The second run was completed by 2310 hours. This run confirmed the oil/water contact at 1667' and that the porosity in the pay zone ranged from 15 to 21%. Everyone was off location at 1400 hours May 24. The members of Cisco Expro, LLC agreed that the long string should be run to TD. 0' drilled and TD 1726' (1730' log TD)

Log tops from KB elevation of 4508:

Dakota marker (Kd mkr [at base of first thick bentonite bed below the Dakota Silt]) 720, +3788
Dakota Sandstone (Kd) 771, +3737
Cedar Mountain Formation (Kcm) 880, +3628
Brushy Basin Member of Morrison Formation (Jmb) 954, +3554
Salt Wash Member of Morrison Formation (Jms) 1283, +3225
Tidwell Member of Morrison Formation (Jmt) 1566, +2942
Summerville and Curtis formations undivided (Js/ct) 1590, +2918
Moab Member of Curtis Formation (Jctm) 1623, +2885
Slick Rock Member of Entrada Sandstone 1690, +2818

May 24, 2005: Propetroco on location at 0900 hours to lay down drill pipe. Completed task at 1500 hours and assisted Dave in picking up 165' of casing from Cisco Expro inventory and 330' from adjacent lessee Falcon Energy and moved same to Linda 1 Federal location. Arrangements were made with casing crew to be on site at 0800 hours May 25 to run casing and for Halliburton to pump 50-50 Pozmix 12.2 ppg cement slurry from TD to 700' in the afternoon.

May 25, 2005: Propetroco, T&M Casers and Dave all arrive on location at 0800. Rigged up T&M and began running casing by 1000 hours. Last joint in at 1400 hours but stopped about 15' short of driller's TD of 1730'. Propetroco rigged to circulate casing to bottom and wasged the casing to TD

by 1430 hours. T&M Casers rigged down and were off location at 1515 hours. Halliburton arrived at 1605 hours, rigged up, began pumping cement by 1718 hours, displacement water by 1740 hours and bumped the plug at 1815 hours. The long pumping time for the 100 sack job was to minimize the possibility of cement loss to the pay zone. The job was pumped at rates under two bpm which caused two short periods of loss of prime to the Halliburton pump. The job seemed to be completed with full returns and 1,000 psi on casing. The casing was bled down to 250 psi and the cementing head was left on to insure the plug stayed in place. Halliburton rigged down and was off location at 1915 hours.

May 26, 2005: Propetroco on location at 0800 hours, dismantled flow lines and choke manifold, nipped down BOP and put on accumulator skid for return to rental shop in Grand Junction tomorrow, removed Halliburton cementing head/plug launcher also to be returned tomorrow, cut off 4-1/2" casing, removed drilling flange, set slips and made up 8-5/8" x 4-1/2" wellhead. Dave picked up materials for well location sign required by BLM and arrived to erect same on location at 1300 hours. Dave accomplished the erection of the sign, picked up casing thread protectors for disposal, returned drilling flange to Wellhead, Inc. and picked up a 4-1/2" weld-on belled nipple for the tubing head. Everyone was off the location at 1500 hours.

May 27, 2005: Propetroco hooked up trailer and returned the rented BOP, T&M Casers' casing elevators, bowl and slips and Halliburton cementing equipment to Grand Junction.

May 28-30, 2005: Off for Memorial Day weekend

May 31, 2005: Propetroco on location at 0900 hours with used 2-3/8" tubing string. Crew set up rig to support completion operation and cleaned out steel mud pit. Dave was on location at 1050 hours and agreed with Terry Leach that his tubing string was suitable for a work string but unsuitable for the completion. The tubing will be left on site for use as gas pipeline if warranted following post-completion testing. Dave ordered at new 2-3/8" EUE J-55 tubing string from Aztec Pipe and set delivery for 1000 hours June 1, arranged for cased hole logging and perforating services to be provided by Rocky Mountain Wireline Services beginning at 1000 hours June 1 and gathered up surplus plumbing supplies from the Cisco Expro, LLC 1 J.D.P. Speedy State well site for use in the Linda 1 Federal completion. Propetroco crew off site at 1530 hours.

June 1, 2005: Propetroco on location at 0830 hours to service rig and prepare location to take delivery of 2-3/8" tubing string. New tubing string delivered to location at 1000 hours. Rocky Mountain Wireline Service on location at 1030 hours. Completed cased hole logging to acquire GR, CCL and CBL logs. Cement bond looked very good over the top of the pay zone at perforation site and up through 718'. Correlation with open hole logs was clear and casing collars were in place as planned with the nearest collar and centralizer about 15' above the top perf site. A 10' interval from 1624-34' (OH log depth) was perforated with 4 25 gram jet shots per foot phased 90 degrees at 1331 hours. The hole was full when perforated and the fluid level seemed to have remained above at least 100'. The Propetroco crew helped rig down the wireline equipment and prepared to make adjustments to the rig to run tubing in the hole to unload water from same and make a casing clean out run with a bit to the float collar at 1719'. During a routine attempt to lay down the derrick to adjust the finger board rack

height, one of two hinge pins seized and the derrick fell on on the mud pit side of the rig. No injuries occurred. The derrick will need substantial and lengthy repairs. A bell reduction fitting and valve were placed on the casing. Well was shut in.

June 2, 2005: Propetroco crew cleaned out steel mud pits and detached wire rope and pull down chains from fallen derrick to be ready for crane service to move derrick to racks for repair. Dave picked up supplies to be ready to run tubing in a configuration ready for pumping and lined up a gas sample bottle to catch a gas sample when well is unloaded. Shut in

June 3, 2005: Propetroco on site at 0900 hours, met crane, made pick and got crane back to transport at Exit 214 by clearing mud off road with tractor. Dave on site at 1300 hours to assist and meet with Falcon Energy rep to set up completion rig. Location and roads were too wet to allow the completion unit to be moved, but the Propetroco rig, dog house and substructure were moved away from the wellhead to accomodate scraping the mud off the area around the well and reopen the blooie line spillway for testing. Everyone was off the location by 1700 hours. Shut in

June 4, 2005: Dave on location at 0800 hours to finish cleaning up mud around wellhead and blooie line spillway and assemble perfed sub, mud anchor and seating nipple to run on tubing string. Falcon Energy rig and crew on location at 0930 hours. Picked up 4-1/2" gate valve and installed on casing below wireline lubricator and rigged flow line to the blooie pit. Falcon rigged up to casing swab at 1135 hours. Fluid level in the casing was near 30'. Made 6 swab runs to near 750' and had trouble getting casing swab below that point. Tried different swab cups and made run to cased TD bridge near 1646' with sinker bar. Casing swabbing continued with single swab wiper until well was swabbed down to 100' above perfs. Swabbed fluid was all cement displacement water and no shows were evident. Crew tried different swab cups, but they wouldn't go in the well past 900'. Rigged up a different swab cup combination and found the fluid level had risen 70' in 40 minutes. The produced fluid was drilling mud filtrate. From 10 to 20 barrels of drilling mud were lost between drilling to TD and circulating the casing to TD. The mud filtrate held off the cement displacement water after the perforating operation on June 1, but must be recovered to allow formation fluids (oil and gas) to enter the well. Shut well in with pressure gauge in place by 1730 hours. Reopened well at 1745 hours, and it inhaled air at a high rate for five minutes. Crews off site at 1800 hours. No shows. Shut in

June 5, 2005: Falcon crew on site at 1330 hours. 1000 psi gauge read 0 psi, but there was 25-30 psi of pressure on the well when opened. This pressure blew down in a minute without any hydrocarbon odor. The fluid level was around 200' above the perfs on the first run made at 1345 hours. Eleven casing swab runs were made by 1800 hours which recovered about 5.5 bbls of mud filtrate. Shut in well for 1 hour and reopened at 1900 hours with no inhalation or exhalation. Dave and Kerry remained overnight to monitor any flowing incidents while well was left open on flow line to blooie pit. No shows. Open to pit.

June 6, 2005: Falcon crew on location at 0800 hours. Found fluid level with casing swab near 200' above perfs. Made 8 casing swab runs and recovered about 4 bbls of mud filtrate. Swab runs 5 and 6 recovered no fluid and swab cups were inspected and changed at that point. Well was shut

in and Falcon crew was released off location at 1100 hours. No shows. Shut in.

June 7, 2005: Falcon crew and Dave on location at 1000 hours. Found no pressure on casing, but fluid level had risen 300' above perms. Made 6 casing swab runs and recovered about 5 bbls of mud filtrate. Well was shut in and Falcon crew was released off location at 1100 hours. No shows. Cumulative recovery 14.5 bbls. Shut in

June 8, 2005: Falcon crew on location at 1000 hours. Fluid level 300' above perms. Swabbed down in 5 casing swab runs, recovered about 5 bbls of mud filtrate and shut in. Falcon crew off location at 1100 hours. No shows. Cumulative recovery 19.5 bbls. Shut in

June 9, 2005: Falcon crew on location at 1000 hours. Fluid level 300' above perms. Swabbed down in 5 casing swab runs, recovered about 5 bbls of mud filtrate and shut in. Falcon crew off location at 1100 hours. No shows. Cumulative recovery 24.5 bbls. Shut in

June 10, 2005: Dave on location at 0800 hours to back fill reserve pits and release backhoe tractor to lessor, Sunstate Equipment Co. Falcon crew on location at 1000 hours. Fluid level 300' above perms. Swabbed down in 5 casing swab runs, recovered about 5 bbls of mud filtrate and shut in. Sample of fluid captured to compare with samples taken June 6. Falcon crew off location at 1100 hours. No shows. Cumulative recovery 29.5 bbls. Shut in

June 13, 2005: Dave and Falcon crew on location at 1000 hours. Fluid level 700' above perms after 72 hours. Swabbed down in 10 casing swab runs, recovered about 11 bbls of mud filtrate and shut in. Sample of fluid captured to compare with samples taken June 6 and June 10. Falcon crew off location at 1115 hours. No shows. Cumulative recovery 40.5 bbls. Shut in

June 15, 2005: Dave on location at 1000 hours, met truck from Sunstate Equipment Co. which picked up backhoe tractor that has been off rent since June 10 and waited for Falcon crew to arrive at 1130 hours. Fluid level 600' above perms after 48 hours. Swabbed down in 9 casing swab runs, recovered about 9 bbls of muddy water and shut in. Sample of fluid captured to compare with previous samples. Falcon crew off location at 1230 hours. No shows. Cumulative recovery 49.5 bbls. Shut in

June 17, 2005: Dave and Falcon crew on location at 1000 hours. Fluid level 425' above perms after 48 hours. Swabbed down in 10 casing swab runs, recovered about 8 bbls of muddy water and shut in. Took pictures between run 8 and 9 and the fluid level rose 50' between those runs adding almost another bbl to the recovery. Sample of fluid captured to compare with previous samples. Falcon crew off location at 1100 hours. No shows. Cumulative recovery 57.5 bbls. Shut in

June 20, 2005: Dave on location at 1000 hours, waited for Falcon crew to arrive late at 1115 hours due to truck transmission failure. Fluid level 700' above perms after 72 hours. Swabbed down in 12 casing swab runs, recovered about 13 bbls of muddy water and shut in. Fluid level rose 20' to 25' between 2nd & 3rd, 3rd & 4th, 9th & 10th and 10th & 11th runs. Sample of fluid captured from 6th run to compare with previous samples. Falcon crew off location at 1230 hours. No shows. Cumulative recovery 70.5 bbls.

Shut in

June 22, 2005: Falcon crew on location at 1300 hours and Dave on location at 1350 hours. Fluid level 600' above perfs after 51 hours. Swabbed down in 12 casing swab runs and recovered about 12 bbls of muddy water. Fluid level rose 32' (.5 bbl) between runs 4 & 5, 32' between runs 6 & 7, 20' (.3 bbl) between runs 7 & 8, 20' between runs 9 & 10 and 40' (.6 bbl) between runs 11 & 12. After a 30 minute wait, the fluid level had risen about 72' (1.1 bbls) and a final casing swab run was made to recover that to the blooie pit. No shows. Cumulative recovery 83.5 bbls. Released Falcon swabbing (workover) unit. All personnel off location by 1515 hours. Shut in

June 30, 2005: Discussed possible well abandonment plans, lease extension and resumption of consideration of the June, 2004 NOI and plan of operations for 2D seismic data recording with Eric Jones-Moab District BLM Petroleum Engineer. Checked on status of the Falcon swabbing unit with its owner, Wayne Stout, and learned that although it is released, it has not been moved off the well. The Falcon crew was involved in an auto wreck in Loma, Colorado and the rig operator is recovering from injuries he suffered in that accident. As a result the rig will likely remain on the well until the week of July 11. The Propetoco drilling rig will ultimately be used to abandon the well, but it is committed to drill several wells near Cisco, Utah this summer. It will be scheduled to perform the abandonment operation when there is an opening in the schedule of operations for that equipment. Shut in

July 15, 2005: Dave on location at 0825 hours and Falcon crew on location at 0830 hours. Fluid level 150' from surface after 23 days indicating a total fluid column of about 1,475' over the perfs and probable reservoir pressure near 640 psi. Swabbed down in 22 casing swab runs and recovered about 25 bbls of water with brown and black particles in suspension. A subsequent test with a resistivity meter of water recovered from run 19 measured the R_w at 1.45 ohmm @ 80 degrees F. Fluid level rose 32' (.5 bbl) after run 16. No shows. Cumulative recovery 108.5 bbls. Released Falcon swabbing (workover) unit. All personnel off location at 1130 hours. Shut in

July 23, 2005: Falcon crew rigged down workover unit without supervision by Cisco Expro, LLC and moved same off location. When 4-1/2" master valve on the casing was opened, it sprayed mist during a short blow. Shut in

July 26, 2005: Dave stopped by location from 1030 to 1045 hours, opened well and after a short misty blow, removed the 4-1/2" master valve and replaced it with a casing collar and bell reduction fitting to 2" pipe tee fitted with a gauge on one side and ball valve on the other. Shut in

August 31, 2005: Monitored fluid level in casing. Evaluating for use for vertical seismic profile (VSP) to calibrate proposed high resolution 2-d seismic data acquisition program over 2 mile long dip and strike lines. Suspended

September 30, 2005: Monitored fluid level in casing. Evaluating for use for vertical seismic profile (VSP) or deep source point to calibrate proposed high resolution 2-d seismic data acquisition program over 2 mile long dip and strike lines. Performing analysis of water quality and

possibility of future conversion for use as a water disposal well.
Suspended

October 31, 2005: Lease extension status in question jeopardized further planning of acquisition of seismic data. Road network in immediate area of well would need considerable upgrading for all-weather access to well for water disposal use. Decision was made to plug and abandon well and proceed with site reclamation ASAP. A P&A plan was submitted to the BLM October 24 and a revised final plan was approved on October 25. Suspended

November 8, 2005: Propetroco, Inc. Rig 1 moved onto location for P&A work.

November 9, 2005: Rocky Mountain Wireline Service set a CIBP in the 4.5" casing at 1608', placed 4 sacks cement over same in two runs to complete Plug 1 and cut off casing string at 600'. Propetroco, Inc. pulled 600' of 4.5" casing.

November 10, 2005: Dave picked up 8 sacks cement in Grand Junction to complete 60 sack inventory for plugs. Propetroco, Inc. crew mixed abandonment mud, ran drill pipe into casing stub in hole to 1500' and displaced mixture of drilling mud and Entrada formation water to pit. Pulled drill pipe up to 598' just above casing stub. Mixed 10 sacks of cement and displaced same to end of drill pipe with mud to complete Plug 2. Pulled drill pipe up to 200', mixed 30 sacks of cement and displaced same to end of drill pipe with mud to complete Plug 3. Pulled drill pipe up to 70', mixed 20 sacks of cement and pumped same into surface casing to complete Plug 4.

November 11, 2005: Propetroco, Inc. crew rigged down, cut off surface casing at ground level, mixed 2 sacks of cement to top off surface casing, welded marker made from 4.5" casing onto surface casing stub reduction and moved off site. P&A operations completed.

November 14, 2005: Dave picked up all materials left on site except tubulars and moved same to 1 JDP Speedy State well site.

November 21, 2005: Propetroco, Inc. crew moved recovered 4.5" casing and 2.375" tubing string to Cisco, Utah yard for storage.

November 26, 2005: Dave met High Desert Excavating, Inc. contractor on site, supervised recontouring and ripping of well pad and access road, and broadcast 22 pounds of seed mix with hand cranked seed broadcaster. Seed mixture was composed of 50% Indian ricegrass, 25% fourwing saltbush and 25% shadscale seeds. Reclamation operations completed for the season.

Sincerely,

David L. Allin
Cisco Expro, LLC Member/Exploration Manager
AAPG Certified Petroleum Geologist 2934
Utah Licensed Professional Geologist 5526699-2250
dba Allin Proprietary
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Member/Manager: Kerry M. Miller (801) 381-2665

Member/Exploration Manager: David L. Allin (970) 254-3114

Member/Financial Manager: Tony Cummings (435) 645-7903

CONFIDENTIAL

December 9, 2005

Re: Linda 1 Federal (43-019-31395), Greater Cisco Field, Grand County, Utah

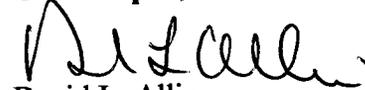
Ladies and Gentlemen:

I have enclosed well completion report and copies of logs. As previously noted in prior drilling activity reports, please maintain confidential status for the period allowed under the applicable rules and regulations. Thank you.

If you need any other documentation or information, please let me know.

Happy Holidays,

Cisco Expro, LLC



David L. Allin

Member-Exploration Manager

475 Seasons Drive

Grand Junction, CO 81503-8749

(970) 254-3114

Enc.

RECEIVED

DEC 12 2005

DIV. OF OIL, GAS & MINING

**UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY**

SUBMIT IN DUPLICATE

CONFIDENTIAL

Form 9-229
Budget Bureau No. 42-R355.6

(See other instructions on reverse side)

5. FRAME DESIGNATION AND SERIAL NO.

UTU-74470

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. CITY ASSIGNMENT NAME

8. FARM OR LEASE NAME

9. WELL NO.

Linda 1 Federal

10. FIELD AND POOL, OR WILDCAT

Greater Cisco

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

**Section 31,
T20S, R24E, SLM**

12. COUNTY OR PARISH

Grand

13. STATE

Utah

19. ELEV. CASINGHEAD

Surf.-1726'

23. INTERVALS DRILLED BY

Surf.-1726'

25. WAS DIRECTIONAL SURVEY MADE

No

27. WAS WELL CORDED

No

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL GAS WELL DRY Other _____

b. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP-EN PLUG BACK DIFF. REVR. Other _____

2. NAME OF OPERATOR
Cisco Expro, LLC

3. ADDRESS OF OPERATOR
P. O. Box 2964, SLC, UT 84110-2964 Phone (801) 381-2424

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 1312 feet from north line and 1663 feet from west line

At top prod. interval reported below

At total depth 1312 feet from north line and 1663 feet from west line

14. PERMIT NO. **43-019-31395** DATE ISSUED **8-13-04**

15. DATE SPUDDING **4-19-05** 16. DATE T.D. REACHED **5-20-05** 17. DATE COMPL. (Ready to prod.) **11-11-05 PJA**

18. ELEVATIONS (DF, RSB, ET, CR, ETC.)*
GL 4498' KB 4508'

20. TOTAL DEPTH, MD & TVD
1726' MD & TVD

21. PLUG BACK T.D., MD & TVD
1720' MD & TVD

22. IF MULTIPLE COMPL. HOW MANY*

23. INTERVALS DRILLED BY

Surf.-1726'

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*

26. TYPE ELECTRIC AND OTHER LOGS RUN
Halliburton HRI, SDL/DSN and Rocky Mountain Wireline Service CBL/GR/CCL

CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT FILLED
8.625"	24.0 J-55	KB 144'	11.0"	50 sacks Class A	None
4.5"	11.6 J-55	KB 1726'	6.5"	100 sacks G 50/50 Poz.	600'

LINER RECORD					TUBING RECORD		
SIZE	TOP (MD)	BOTTOM (MD)	BACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

31. PREPARATION RECORD (Interval, size and number)
1624-34' with 4 25 gram jet shots/ft phased 90° (40 .38" holes) with Rocky Mountain Wireline Service disposable casing gun carrier

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED

33.*
DATE FIRST PRODUCTION _____ PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)
Casing swabbed mud filtrate & fm water WELL STATUS (Producing or shut-in) **PA**

DATE OF TEST **6-4-05 through 7-15-05 (net 13 days)** HOURS TESTED _____ CHOKES SIZE _____ PROD'N. FOR TEST PERIOD _____ OIL—BSL. _____ GAS—MCP. _____ WATER—BSL. **108** GAS-OIL RATIO _____

FLOW TURNING POINTS _____ CASING PRESSURE _____ CALCULATED 24-HOUR RATE _____ OIL—BSL. _____ GAS MCP. _____ WATER BSL. **8** OIL GRAVITY-API (CORR.) _____

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) _____ TEST WITNESSED BY **David L. Allin**

35. LIST OF ATTACHMENTS
Open hole & cased hole logs and daily/monthly activity report summation

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records
SIGNED **David L. Allin** TITLE **Member-Exploration Mgr** DATE **12-9-05**

*(See Instructions and Spaces for Additional Data on Reverse Side)

**RECEIVED
DEC 12 2005
DIV. OF OIL, GAS & MINING**

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INSTRUCTIONS

General: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 28, below regarding separate reports for separate completions.

If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 25.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments. Items 22 and 24: If this well is completed for separate production from more than one interval some (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 38. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

Item 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

Item 33: Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

37. SUMMARY OF FORTUOUS ZONES		38. INTERVAL MARKERS	
SHOW ALL IMPORTANT ZONES OF NUMERITY AND CONTENTS THEREOF; CORRE INTERVALS; AND ALL WELL-LOG TESTS, INCLUDING DEPTH INTERVAL TESTS, CURBING LOGS, TIRE TOOL LOGS, PLUMBING AND BENTONITE TESTS, ETC.			
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
Dakota Ss 1	KB 771'	802'	Brine water
Dakota Ss 2	808'	826'	Brine water
Dakota Ss 3	850'	880'	Brine water
Morrison Fm	1198'	1206'	Unknown
Brushy Basin	1283'	1296'	Unknown
Salt Wash	1623'	1690'	Brackish water in (part) oil stained ss
Curtis Fm			
Moab Mbr			
Entrada Ss			
Slick Rock			

NAME	MEAS. DEPTH	TRUE VERT. DEPTH
Mancos Sh	Surface	Surface
Dakota mkr	720'	720'
Dakota Ss	771'	771'
Cedar Mtn Fm	880'	880'
Morrison Fm	954'	954'
Brushy Basin	1283'	1283'
Salt Wash	1566'	1566'
Tidwell		
Summerville & Curtis undivided	1590'	1590'
Moab Mbr Curtis	1623'	1623'
Entrada Ss		
Slick Rock Mbr	1690'	1690'

CONFIDENTIAL**David L Allin****Subject:** Linda 1 Federal Final Report 43-019-31395

Cumulative daily reports of activities on Linda 1 Federal well:

April 12, 2005: Propetroco, Inc. (Terry Leach) moved rig from Moab, Utah to Greater Cisco Field but flat tire precluded completion of move to location

April 13, 2005: Rig and substructure moved on location

April 14, 2005: Rig positioned on substructure and pipe trailer delivered to location

April 15, 2005: No activity

April 16, 2005: No activity

April 17, 2005: Dave and Linda delivered cementing equipment and other supplies stored over winter in Grand Junction to location

April 18, 2005: Repairs required on crew truck delayed spud, Jack Johnson-BLM was notified of expected spud April 19

April 19, 2005: Propetroco, Inc. on site at 0830 hours with water truck, rigged up derrick and spudded surface hole with 11" bit at 1200 hours. Fuel supply line leak caused early shut down for day at 1630 hours to remove fuel line and obtain replacement in Moab. Dave delivered wellhead and tubing head to location, filled ruts on location and raked out tire tracks off drill pad left from rig up. 70' drilled and TD 70'.

April 20, 2005: Propetroco, Inc. on site at 0800 hours, replaced leaking fuel supply line for rig and drilled 11" surface hole to 135' with mist and foam. Drilling stopped at 1430 hours when water supply was exhausted. Jack Johnson-BLM stopped by at 1445 hours to schedule witnessing of surface casing cementing operations at 1200 hours Thursday April 21 and possible BOP test Monday April 25. 65' drilled and TD 135'

April 21, 2005: Propetroco, Inc. on site at 0800 hours transferred 80 bbls water from transport to location tanker. Resumed drilling 11" surface hole at 0900 hours and reached surface hole TD of 142' below ground level at 1000 hours. Jack Johnson-BLM visited site at 1030 hours to determine when he should return to see the 8-5/8" surface casing set and cemented. Pairie Dawg portable toilet delivered at 1045 hours. Began to pick up casing at 1100 hours. Johnson-BLM returned at 1200 hours. Called for 2 cubic yards of neat cement (API Class A) at 1210 hours. Landed 138' of 8-5/8" surface casing including standing shoe, float collar with 3 centralizers at 1315 hours. Cement on location in mixer at 1405 hours. Bumped plug with 50% return at 1435 hours. Paid first installment of drilling contract for surface casing setting and cementing benchmark. Off location 1515 hours. 7' drilled and TD 142' (surface casing shoe 137' below GL)

April 22, 2005: Waiting for cement to cure. Move in water tanks and steel mud pits. TD 142'

April 23, 2005: Shut down for weekend

April 25, 2005: Propetroco, Inc. on site at 1300 hours to drop off trailer with load of flow lines and

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choke manifold. Dave & Linda on site at 1430 hours mixed 4 cubic feet of API Class A cement and placed in hole x 8-5/8" casing annulus to fill void left by cement filtrate loss to formation during cure. TD 142'

April 26, 2005: Propetroco, Inc. moved steel mud pits, welding truck and second mud pump on location and stripped spudding diverter off 8-5/8" surface casing. TD 142'

April 27, 2005: Propetroco, Inc. cut off 8-5/8" casing, welded on casinghead body, installed drilling flange and began connecting circulation system. TD 142'

April 28, 2005: Propetroco, Inc. had 7-1/16" 5,000 psi double ram BOP and accumulator delivered to location from R&W Rental in Grand Junction, nipped up crossover spool to 11" 3,000 psi drilling flange and attempted to nipple up BOP on top of crossover spool, but found that the BOP would not seat properly on the crossover spool. The crossover spool must be modified, a replacement found or swap out the BOP in order to complete BOP/rotating head stack. TD 142'

April 29, 2005: Propetroco, Inc. hauled 7-1/16" 5,000 psi BOP back to R&W Rental and exchanged it for a Shaffer 9" 3,000 psi double ram BOP, nipped it up on the crossover spool and nipped up the diverter on the BOP. Blind and pipe rams in BOP tested OK. TD 142'

April 30, 2005: Crew off for weekend. TD 142'

May 1, 2005: Crew off for weekend at antique car show in Moab, Utah. TD 142'

May 2, 2005: Propetroco, Inc. on location at 0800 hours. Singlejack on location at 0900 hours to test BOP. BOP tested OK and witnessed by Jack Johnson-BLM at 1000 hours. Crew put together blooie line, flow lines and choke manifold. Dave and Tony met Sunstate Equipment truck on location at 1400 hours to unload backhoe tractor, mud and chemicals. Crew off location at 1600 hours. Dave and Tony moved 4-1/2" casing string from pit side to doghouse side of rig and left location at 2015 hours. TD 142'

May 3, 2005: Propetroco, Inc. on location at 0800 hours and rigged up to drill through surface casing plug cement and shoe using 6-1/2" mill tooth bit with foam by 1030 hours. Dried well out to drill with air and continued drilling with air only "dusting" to near 220' below KB. Drilling progress slowed by wet spot in the Mancos Shale near 160' so the circulating medium was changed back to foam. Dave dug reserve pit and smoothed location. Drilling continued with foam until the water supply on site was nearly exhausted. 200' drilled and TD 340'

May 4, 2005: Propetroco, Inc. on location at 0800 hours and had reached 440' by the time Dave arrived on location with foaming agent supply. 100 bbls of water had been delivered overnight to allow drilling to continue. Well was advanced with foam without incident into the lower Mancos to 726' by 1700 hours. Additional 100 bbl loads of water were delivered during the day and after shutdown to fill on site tank and steel mud pits. Hole was blown clean and the bit was pulled off bottom one stand of drill pipe (40'). The Dakota top is coming in low to projection, but will not alter viability of exploration concept. 386' drilled and TD 726'

May 5, 2005: Propetroco, Inc. on location at 0730 hours, pulled out of hole, broke off Bit 1 and put on Bit 2 ready to run in hole. Hole remained dry. Repairs were made to Pump 2 oiler system and seals. Dave on site at 1100 hours with another bucket of foaming agent. Crew completed repair to Pump 2, conducted operational/safety meeting and started back in hole at 1205 hours. Back on bottom at 726' and drilling at 1250 hours. Hole advanced with foam to 886' in the top of the Cedar Mountain Fm when drilling was stopped for the day at 1624 hours. Crew mixed 280 bbls of mud

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while drilling during the afternoon to prepare to resume drilling tomorrow with foamed and aerated mud. Sample tops recognized were Dakota marker bentonite bed at 736', Dakota Sandstone at 780' and Cedar Mountain Fm at 880'. Dakota Sandstone was 30' thick and wet. No shows. 160' drilled and TD 886'

May 6, 2005: Propetroco, Inc. on location at 0730 hours, removed blooie line, hooked up flow line, fill line and aeration lines to steel mud pits, conditioned mud, ran back in hole, found 20' of fill, reached TD and was drilling new hole by 1345 hours. Fluid level in the well was 400' below surface. Drilled with aerated mud to 1006' in Brushy Basin Mbr of Morrison Fm by 1730 hours, conditioned mud, circulated same, pulled 7 stands out of the hole and shut down for the day. Closed pipe rams on BOP. Hole was tight around 800' in lower Dakota Sandstone. The sample top for the Brushy Basin Mbr was estimated near 950'. 120' drilled and TD 1006

May 7, 2005: Propetroco, Inc. on location at 0730 hours and after rig service began running 7 40' stands back in the hole at 0840 hours. Found 30' of fill that was cleaned out without incident. Drilling new hole resumed at 0900 hours and proceeded at rate of 40 ft/hr until the fourth 20' joint took 3 hours. Bit balling was suspected and cured with addition of foaming agent. Drilling continued until 1800 hours and 1166' when it became apparent that to attempt to drill on to test the upper sandstone in the Salt Wash Member of Morrison Fm as permitted would not be possible today. Drilling was suspended until Monday when the final 120' will be drilled. 12 stands were pulled and the well was shut in by BOP pipe rams. The channel sandstone system expected near 1050' was not present and the zone that correlates with a gas show zone reported from a down dip well during 1952 was represented by a foot of coarse sandstone. No shows were recognized. 160' drilled and TD 1166'

May 8, 2005: Off for Mother's Day

May 9, 2005: Propetroco, Inc. on location at 0730 hours and after rig service began running 12 40' stands back in the hole at 0910 hours. Found a small bridge near 1025' and 56' of fill that was cleared without difficulty to allow drilling to resume by 1100 hours. Drilling progressed with highly variable rates of penetration ranging from 9.75 minutes per foot to 1.55 minutes per foot averaged over 20' drill pipe joints. One sandstone layer of 1 foot or less was recognized below 1202'. No lower Brushy Basin sandstone was present. Suspended drilling for the day at 1800 hours, conditioned mud, circulated same and pulled 14 stands. Closed pipe rams on BOP. Crew off location at 1900 hours. No shows were recognized. 100' drilled and TD 1266'

May 10, 2005: Propetroco, Inc. on location at 0900 hours and after rig service began running 14 stands back in the hole at 0915 hours. Found tight spot near 1060' and a soft bridge near 1206' on trip. Drilling new hole resumed at 1033 hours. Drilling progressed at rates averaged over 10' intervals from 13 minutes per foot to 4 minutes per foot. Suspended drilling for the day at 1730 hours, conditioned mud, pumped pill and pulled 15 stands. Closed pipe rams on BOP. Crew off location at 1820 hours just ahead of rain squall. No shows were recognized. 60' drilled and TD 1326'

May 11, 2005: Propetroco, Inc. on location at 0830 hours and after rig service began running 15 stands back in the hole at 0915 hours. Found no bridges and 1' of fill on trip. Drilling new hole resumed at 0930 hours. Drilling progressed at rates averaged over 10' intervals from 9.8 minutes per foot to 6 minutes per foot. Suspended drilling for the day at 1730 hours, conditioned mud, pumped pill and pulled 16 stands. Closed pipe rams on BOP. Crew off location at 1820 hours. No shows were recognized. 60' drilled and TD 1386'

May 12, 2005: Propetroco, Inc. on location at 0800 hours and after rig service ran 16 stands back in the hole. No bridges found but 10' of fill. Drilling new hole resumed at 0940 hours. Drilling progressed through red and green shale typical of the lower Brushy Basin Mbr of Morrison Fm at

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ROP's averaged over 10' intervals ranging from 10 minutes per foot to 7.4 minutes per foot until Bit 2 locked up near 1421' at 1505 hours. Pulled out of hole, shut blind rams on BOP and shut down for the day at 1700 hours. Bearings had failed on Bit 2 and several inserts were missing from cones. No shows were recognized. 35' drilled and TD 1421'

May 13, 2005: Propetroco, Inc. on location at 0730 hours and after rig service ran Bit 3 in the hole. Cleared one bridge near 1180', added water to the mud system and began drilling at 1130 hours. Drilling progressed through red and green shale at ROP's averaged over 10' intervals ranging from 3.1 minutes per foot to 2.2 minutes per foot. Drilled until 1623 hours, circulated hole clean and pulled 20 40' stands. Shut pipe rams on BOP and shut down for the weekend. No shows were recognized. 85' drilled and TD 1506'

May 14, 2005: Off for weekend

May 15, 2005: Off for weekend

May 16, 2005: Propetroco, Inc. on location at 0815 hours. Crew serviced rig, dumped cuttings from steel mud pits, added produced water from blooie pit and remixed and upgraded mud. Repairs were made to the rig and the swivel packing was replaced. At 1230 hours it was decided not to run back in the hole to resume drilling until tomorrow when drilling will resume early to allow the crew to condition the hole for running casing or plugging operations. 0' drilled and TD 1506'

May 17, 2005: Propetroco, Inc. on location at 0730 hours, serviced rig and started running 20 stands back in the hole at 0800 hours. Hit a soft bridge near 825' and several more down to 1100'. Remainder of drill pipe went in the hole to old TD after circulating up a few feet of fill. Began drilling new hole at 1056 hours. The mud system was not aerated today to minimize further damage to the hole, but this strategy reduced the rate of penetration to between 8.2 and 5.3 minutes per foot. Samples were poor but appeared to consist of more variegated shale (green, gray and red typical of the Morrison Formation). Drilling was stopped at 1715 hours and began pulling out 22 stands at 1720 hours. 22 stands (880') of drill pipe were racked by 1800 hours. The Kelly hose sprung a leak just as the Kelly rod was being recessed prior to pulling drill pipe and was removed following pulling drill pipe. Dave lined up a new Kelly hose for Propetroco, Inc. from a hydraulic shop in Grand Junction, presented the old hose for proper match and got a new one made up for delivery tomorrow morning. No shows were recognized. 60' drilled and TD 1566'

May 18, 2005: Propetroco, Inc. on location 0810 hours to meet Dave with new Kelly hose. Put on new Kelly hose and began running 22 stands back in the hole by 0950 hours. Washed out soft bridge near 805', tagged 5' of fill and began drilling new hole by 1103 hours. Drilled into red siltstone below 1583' and back into variegated claystone. ROP ranged from 6 to 7 minutes/foot. The probable top of the Summerville Fm could have been near 1583' indicating that the Salt Wash Mbr of Morrison Fm was penetrated without drilling any significant layers of sandstone. Pulled 23 stands of drill pipe and shut pipe rams on BOP. No shows were recognized. 40' drilled and TD 1606'

May 19, 2005: BLM was notified that a P&A plan needed to be approved, but the BLM engineer was off until Monday, May 23. Since no markers indicating that the Salt Wash Mbr of Morrison Fm had been penetrated, and no layers had been intersected that would explain the geochemical anomalies recognized from surface sampling methods, Cisco Expro decided that the only possibility for pay was in the top of the Entrada Sandstone and that the well should be deepened to test same. Dave had to attend meetings with Del-Rio's attorneys and partners in Salt Lake City. 0' drilled and TD 1606'

May 20, 2005: Cisco Expro member, Kerry Miller, was on location for the intersection of the top of the Entrada Sandstone. Propetroco, Inc. ran back to TD and began drilling by 1100 hours. A 4'

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drilling break began near 1618' (1598' corrected?) at 1130 hours, but drilling resumed at 6 to 8 minutes/foot through claystone and siltstone until near 1644' (1624' corrected?) when another drilling break occurred and the return spout began to produce gas bubbles and stream wispy shows of oil to the steel mud pit. The drilling rate remained constant around 2 minutes/foot until the last joint of drill pipe was added to reach 1706'. The wispy oil show and gas bubbling continued until circulation was ended to pull 24 stands out of the hole and shut down for the day. Closed pipe rams on BOP. 120' drilled and TD 1726' CORRECTED TD

May 21, 2005: Operations were suspended until Dave could pick up the samples from the location on his return from Salt Lake City and examine them in detail at his Grand Junction office. The samples included cuttings from the Summerville and Curtis formations that were fluorescent, but not of reservoir quality. The sample that issued from 1636' to 1646' included a few cuttings of bleached eolian sandstone indicative of the Entrada Sandstone that had been invaded by hydrocarbons. These cuttings were fluorescent and produced streaming cuts of oil and gas bubbles when submerged in acetone. A few cuttings in the sample from 1646' to 1656' exhibited the same attributes. The next five 10' samples had a few fluorescent cuttings, but were largely and obviously wet with water. 0' drilled and TD 1726'

May 22, 2005: Operations remained suspended while Dave contacted the Halliburton yard in Grand Junction to get quotes on open hole logging. Arrangements were made to run an HRI log on the first pass with the option to run a D-N log on a second pass to define possible pay in the Entrada above the oil/water contact. 0' drilled and TD 1726'

May 23, 2005: Propetroco, Inc. on location at 0930 hours, mixed 5 sacks of additional mud to fill hole and tripped back in hole with 24 stands to TD. The drill string encountered one soft bridge near 1625' and no significant fill. Dave on location at 1300 hours to observe hole conditioning. The flow line continued to produce small gas bubbles and flecks of oil while circulating. No discernible hydrocarbon odor was evident. Circulation was ceased at 1440 hours and trip out was begun. Trip out was completed without any problems and the blind rams were closed on the BOP at 1550 hours. Halliburton logging unit arrived on site at 1710 hours to rig up. First run was HRI which indicated that the Rt of the upper 44' of the Moab Mbr of Curtis Fm (top at 1623') was consistently above 20 ohmm with streaks exceeding 30 ohmm. A possible oil/water contact was indicated at 1667'. Considering an expected porosity level of 20% and Rw of .35 ohmm in the Moab Mbr it appeared that the Sw values were near 50%. Since no correction was made for the high tortuosity of the tiny pore throats typical in this eolian sandstone (low permeability) such Sw values were indicative of pay. The HRI run was completed at 1950 hours. To confirm porosity levels and to try to confirm the oil/water contact Dave decided to order the optional D-N run. The second run was completed by 2310 hours. This run confirmed the oil/water contact at 1667' and that the porosity in the pay zone ranged from 15 to 21%. Everyone was off location at 1400 hours May 24. The members of Cisco Expro, LLC agreed that the long string should be run to TD. 0' drilled and TD 1726' (1730' log TD)

Log tops from KB elevation of 4508:

Dakota marker (Kd mkr [at base of first thick bentonite bed below the Dakota Silt]) 720, +3788

Dakota Sandstone (Kd) 771, +3737

Cedar Mountain Formation (Kcm) 880, +3628

Brushy Basin Member of Morrison Formation (Jmb) 954, +3554

Salt Wash Member of Morrison Formation (Jms) 1283, +3225

Tidwell Member of Morrison Formation (Jmt) 1566, +2942

Summerville and Curtis formations undivided (Js/ct) 1590, +2918

Moab Member of Curtis Formation (Jctm) 1623, +2885

Slick Rock Member of Entrada Sandstone 1690, +2818

May 24, 2005: Propetroco on location at 0900 hours to lay down drill pipe. Completed task at 1500 hours and assisted Dave in picking up 165' of casing from Cisco Expro inventory and 330' from adjacent lessee Falcon Energy and moved same to Linda 1 Federal location. Arrangements were made with casing crew to be on site at 0800 hours May 25 to run casing and for Halliburton to pump 50-50 Pozmix 12.2 ppg cement slurry from TD to 700' in the afternoon.

May 25, 2005: Propetroco, T&M Casers and Dave all arrive on location at 0800. Rigged up T&M and began running casing by 1000 hours. Last joint in at 1400 hours but stopped about 11' short of driller's TD of 1726'. Propetroco rigged to circulate casing to bottom and washed the casing to TD by 1430 hours. T&M Casers rigged down and were off location at 1515 hours. Halliburton arrived at 1605 hours, rigged up, began pumping cement by 1718 hours, displacement water by 1740 hours and bumped the plug at 1815 hours. The long pumping time for the 100 sack job was to minimize the possibility of cement loss to the pay zone. The job was pumped at rates under two bpm which caused two short periods of loss of prime to the Halliburton pump. The job seemed to be completed with full returns and 1,000 psi on casing. The casing was bled down to 250 psi and the cementing head was left on to insure the plug stayed in place. Halliburton rigged down and was off location at 1915 hours.

May 26, 2005: Propetroco on location at 0800 hours, dismantled flow lines and choke manifold, nipped down BOP and put on accumulator skid for return to rental shop in Grand Junction tomorrow, removed Halliburton cementing head/plug launcher also to be returned tomorrow, cut off 4-1/2" casing, removed drilling flange, set slips and made up 8-5/8" x 4-1/2" wellhead. Dave picked up materials for well location sign required by BLM and arrived to erect same on location at 1300 hours. Dave accomplished the erection of the sign, picked up casing thread protectors for disposal, returned drilling flange to Wellhead, Inc. and picked up a 4-1/2" weld-on belled nipple for the tubing head. Everyone was off the location at 1500 hours.

May 27, 2005: Propetroco hooked up trailer and returned the rented BOP, T&M Casers' casing elevators, bowl and slips and Halliburton cementing equipment to Grand Junction.

May 28-30, 2005: Off for Memorial Day weekend

May 31, 2005: Propetroco on location at 0900 hours with used 2-3/8" tubing string. Crew set up rig to support completion operation and cleaned out steel mud pit. Dave was on location at 1050 hours and agreed with Terry Leach that his tubing string was suitable for a work string but unsuitable for the completion. The tubing will be left on site for use as gas pipeline if warranted following post-completion testing. Dave ordered at new 2-3/8" EUE J-55 tubing string from Aztec Pipe and set delivery for 1000 hours June 1, arranged for cased hole logging and perforating services to be provided by Rocky Mountain Wireline Services beginning at 1000 hours June 1 and gathered up surplus plumbing supplies from the Cisco Expro, LLC 1 J.D.P. Speedy State well site for use in the Linda 1 Federal completion. Propetroco crew off site at 1530 hours.

June 1, 2005: Propetroco on location at 0830 hours to service rig and prepare location to take delivery of 2-3/8" tubing string. New tubing string delivered to location at 1000 hours. Rocky Mountain Wireline Service on location at 1030 hours. Completed cased hole logging to acquire GR, CCL and CBL logs. Cement bond looked very good over the top of the pay zone at perforation site and up through 718'. Correlation with open hole logs was clear and casing collars were in place as planned with the nearest collar and centralizer about 15' above the top perf site. A 10' interval from 1624-34' (OH log depth) was perforated with 4 25 gram jet shots per foot phased 90 degrees at 1331 hours. The hole was full when perforated and the fluid level seemed to have remained above at least 100'. The Propetroco crew helped rig down the wireline equipment and prepared to make adjustments to the rig to run tubing in the hole to unload water from same and make a casing clean

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out run with a bit to the float collar at 1719'. During a routine attempt to lay down the derrick to adjust the finger board rack height, one of two hinge pins seized and the derrick fell on on the mud pit side of the rig. No injuries occurred. The derrick will need substantial and lengthy repairs. A bell reduction fitting and valve were placed on the casing. Well was shut in.

June 2, 2005: Propetroco crew cleaned out steel mud pits and detached wire rope and pull down chains from fallen derrick to be ready for crane service to move derrick to racks for repair. Dave picked up supplies to be ready to run tubing in a configuration ready for pumping and lined up a gas sample bottle to catch a gas sample when well is unloaded. Shut in

June 3, 2005: Propetroco on site at 0900 hours, met crane, made pick and got crane back to transport at Exit 214 by clearing mud off road with tractor. Dave on site at 1300 hours to assist and meet with Falcon Energy rep to set up completion rig. Location and roads were too wet to allow the completion unit to be moved, but the Propetroco rig, dog house and substructure were moved away from the wellhead to accomodate scraping the mud off the area around the well and reopen the blooie line spillway for testing. Everyone was off the location by 1700 hours. Shut in

June 4, 2005: Dave on location at 0800 hours to finish cleaning up mud around wellhead and blooie line spillway and assemble perfed sub, mud anchor and seating nipple to run on tubing string. Falcon Energy rig and crew on location at 0930 hours. Picked up 4-1/2" gate valve and installed on casing below wireline lubricator and rigged flow line to the blooie pit. Falcon rigged up to casing swab at 1135 hours. Fluid level in the casing was near 30'. Made 6 swab runs to near 750' and had trouble getting casing swab below that point. Tried different swab cups and made run to cased TD bridge near 1646' with sinker bar. Casing swabbing continued with single swab wiper until well was swabbed down to 100' above perfs. Swabbed fluid was all cement displacement water and no shows were evident. Crew tried different swab cups, but they wouldn't go in the well past 900'. Rigged up a different swab cup combination and found the fluid level had risen 70' in 40 minutes. The produced fluid was drilling mud filtrate. From 10 to 20 barrels of drilling mud were lost between drilling to TD and circulating the casing to TD. The mud filtrate held off the cement displacement water after the perforating operation on June 1, but must be recovered to allow formation fluids (oil and gas) to enter the well. Shut well in with pressure gauge in place by 1730 hours. Reopened well at 1745 hours, and it inhaled air at a high rate for five minutes. Crews off site at 1800 hours. No shows. Shut in

June 5, 2005: Falcon crew on site at 1330 hours. 1000 psi gauge read 0 psi, but there was 25-30 psi of pressure on the well when opened. This pressure blew down in a minute without any hydrocarbon odor. The fluid level was around 200' above the perfs on the first run made at 1345 hours. Eleven casing swab runs were made by 1800 hours which recovered about 5.5 bbls of mud filtrate. Shut in well for 1 hour and reopened at 1900 hours with no inhalation or exhalation. Dave and Kerry remained overnight to monitor any flowing incidents while well was left open on flow line to blooie pit. No shows. Open to pit.

June 6, 2005: Falcon crew on location at 0800 hours. Found fluid level with casing swab near 200' above perfs. Made 8 casing swab runs and recovered about 4 bbls of mud filtrate. Swab runs 5 and 6 recovered no fluid and swab cups were inspected and changed at that point. Well was shut in and Falcon crew was released off location at 1100 hours. No shows. Shut in.

June 7, 2005: Falcon crew and Dave on location at 1000 hours. Found no pressure on casing, but fluid level had risen 300' above perfs. Made 6 casing swab runs and recovered about 5 bbls of mud filtrate. Well was shut in and Falcon crew was released off location at 1100 hours. No shows. Cumulative recovery 14.5 bbls. Shut in

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June 8, 2005: Falcon crew on location at 1000 hours. Fluid level 300' above perms. Swabbed down in 5 casing swab runs, recovered about 5 bbls of mud filtrate and shut in. Falcon crew off location at 1100 hours. No shows. Cumulative recovery 19.5 bbls. Shut in

June 9, 2005: Falcon crew on location at 1000 hours. Fluid level 300' above perms. Swabbed down in 5 casing swab runs, recovered about 5 bbls of mud filtrate and shut in. Falcon crew off location at 1100 hours. No shows. Cumulative recovery 24.5 bbls. Shut in

June 10, 2005: Dave on location at 0800 hours to back fill reserve pits and release backhoe tractor to lessor, Sunstate Equipment Co. Falcon crew on location at 1000 hours. Fluid level 300' above perms. Swabbed down in 5 casing swab runs, recovered about 5 bbls of mud filtrate and shut in. Sample of fluid captured to compare with samples taken June 6. Falcon crew off location at 1100 hours. No shows. Cumulative recovery 29.5 bbls. Shut in

June 13, 2005: Dave and Falcon crew on location at 1000 hours. Fluid level 700' above perms after 72 hours. Swabbed down in 10 casing swab runs, recovered about 11 bbls of mud filtrate and shut in. Sample of fluid captured to compare with samples taken June 6 and June 10. Falcon crew off location at 1115 hours. No shows. Cumulative recovery 40.5 bbls. Shut in

June 15, 2005: Dave on location at 1000 hours, met truck from Sunstate Equipment Co. which picked up backhoe tractor that has been off rent since June 10 and waited for Falcon crew to arrive at 1130 hours. Fluid level 600' above perms after 48 hours. Swabbed down in 9 casing swab runs, recovered about 9 bbls of muddy water and shut in. Sample of fluid captured to compare with previous samples. Falcon crew off location at 1230 hours. No shows. Cumulative recovery 49.5 bbls. Shut in

June 17, 2005: Dave and Falcon crew on location at 1000 hours. Fluid level 425' above perms after 48 hours. Swabbed down in 10 casing swab runs, recovered about 8 bbls of muddy water and shut in. Took pictures between run 8 and 9 and the fluid level rose 50' between those runs adding almost another bbl to the recovery. Sample of fluid captured to compare with previous samples. Falcon crew off location at 1100 hours. No shows. Cumulative recovery 57.5 bbls. Shut in

June 20, 2005: Dave on location at 1000 hours, waited for Falcon crew to arrive late at 1115 hours due to truck transmission failure. Fluid level 700' above perms after 72 hours. Swabbed down in 12 casing swab runs, recovered about 13 bbls of muddy water and shut in. Fluid level rose 20' to 25' between 2nd & 3rd, 3rd & 4th, 9th & 10th and 10th & 11th runs. Sample of fluid captured from 6th run to compare with previous samples. Falcon crew off location at 1230 hours. No shows. Cumulative recovery 70.5 bbls. Shut in

June 22, 2005: Falcon crew on location at 1300 hours and Dave on location at 1350 hours. Fluid level 600' above perms after 51 hours. Swabbed down in 12 casing swab runs and recovered about 12 bbls of muddy water. Fluid level rose 32' (.5 bbl) between runs 4 & 5, 32' between runs 6 & 7, 20' (.3 bbl) between runs 7 & 8, 20' between runs 9 & 10 and 40' (.6 bbl) between runs 11 & 12. After a 30 minute wait, the fluid level had risen about 72' (1.1 bbls) and a final casing swab run was made to recover that to the blooie pit. No shows. Cumulative recovery 83.5 bbls. Released Falcon swabbing (workover) unit. All personnel off location by 1515 hours. Shut in

June 30, 2005: Discussed possible well abandonment plans, lease extension and resumption of consideration of the June, 2004 NOI and plan of operations for 2D seismic data recording with Eric Jones-Moab District BLM Petroleum Engineer. Checked on status of the Falcon swabbing unit with its owner, Wayne Stout, and learned that although it is released, it has not been moved off the well. The Falcon crew was involved in an auto wreck in Loma, Colorado and the rig operator is recovering

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from injuries he suffered in that accident. As a result the rig will likely remain on the well until the week of July 11. The Propetroco drilling rig will ultimately be used to abandon the well, but it is committed to drill several wells near Cisco, Utah this summer. It will be scheduled to perform the abandonment operation when there is an opening in the schedule of operations for that equipment. Shut in

July 15, 2005: Dave on location at 0825 hours and Falcon crew on location at 0830 hours. Fluid level 150' from surface after 23 days indicating a total fluid column of about 1,475' over the perms and probable reservoir pressure near 640 psi. Swabbed down in 22 casing swab runs and recovered about 25 bbls of water with brown and black particles in suspension. A subsequent test with a resistivity meter of water recovered from run 19 measured the R_w at 1.45 ohmm @ 80 degrees F. Fluid level rose 32' (.5 bbl) after run 16. No shows. Cumulative recovery 108.5 bbls. Released Falcon swabbing (workover) unit. All personnel off location at 1130 hours. Shut in

July 23, 2005: Falcon crew rigged down workover unit without supervision by Cisco Expro, LLC and moved same off location. When 4-1/2" master valve on the casing was opened, it sprayed mist during a short blow. Shut in

July 26, 2005: Dave stopped by location from 1030 to 1045 hours, opened well and after a short misty blow, removed the 4-1/2" master valve and replaced it with a casing collar and bell reduction fitting to 2" pipe tee fitted with a gauge on one side and ball valve on the other. Shut in

August 31, 2005: Monitored fluid level in casing. Evaluating for use for vertical seismic profile (VSP) to calibrate proposed high resolution 2-d seismic data acquisition program over 2 mile long dip and strike lines. Suspended

September 30, 2005: Monitored fluid level in casing. Evaluating for use for vertical seismic profile (VSP) or deep source point to calibrate proposed high resolution 2-d seismic data acquisition program over 2 mile long dip and strike lines. Performing analysis of water quality and possibility of future conversion for use as a water disposal well. Suspended

October 31, 2005: Lease extension status in question jeopardized further planning of acquisition of seismic data. Road network in immediate area of well would need considerable upgrading for all-weather access to well for water disposal use. Decision was made to plug and abandon well and proceed with site reclamation ASAP. A P&A plan was submitted to the BLM October 24 and a revised final plan was approved on October 25. Suspended

November 8, 2005: Propetroco, Inc. Rig 1 moved onto location for P&A work.

November 9, 2005: Rocky Mountain Wireline Service set a CIBP in the 4.5" casing at 1608', placed 4 sacks cement over same in two runs to complete Plug 1 and cut off casing string at 600'. Propetroco, Inc. pulled 600' of 4.5" casing.

November 10, 2005: Dave picked up 8 sacks cement in Grand Junction to complete 60 sack inventory for plugs. Propetroco, Inc. crew mixed abandonment mud, ran drill pipe into casing stub in hole to 1500' and displaced mixture of drilling mud and Entrada formation water to pit. Pulled drill pipe up to 598' just above casing stub. Mixed 10 sacks of cement and displaced same to end of drill pipe with mud to complete Plug 2. Pulled drill pipe up to 200', mixed 30 sacks of cement and displaced same to end of drill pipe with mud to complete Plug 3. Pulled drill pipe up to 70', mixed 20 sacks of cement and pumped same into surface casing to complete Plug 4.

November 11, 2005: Propetroco, Inc. crew rigged down, cut off surface casing at ground level,

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mixed 2 sacks of cement to top off surface casing, welded marker made from 4.5" casing onto surface casing stub reduction and moved off site. P&A operations completed.

November 14, 2005: Dave picked up all materials left on site except tubulars and moved same to 1 JDP Speedy State well site.

November 21, 2005: Propetroco, Inc. crew moved recovered 4.5" casing and 2.375" tubing string to Cisco, Utah yard for storage.

November 26, 2005: Dave met High Desert Excavating, Inc. contractor on site, supervised recontouring and ripping of well pad and access road, and broadcast 22 pounds of seed mix with hand cranked seed broadcaster. Seed mixture was composed of 50% Indian ricegrass, 25% fourwing saltbush and 25% shadscale seeds. Reclamation operations completed for the season.

Sincerely,



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